VOL 121

MICROFILMED – 1977

PART 13

UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS
FIRST SESSION

VOLUME 121—PART 13

JUNE 2, 1975 TO JUNE 5, 1975

(PAGES 16237 TO 17480)

UNIVERSITY OF MICHIGAN
LIBRARIES

AUG 12 1977

DEPOSITED BY THE
UNITED STATES OF AMERICA

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1975

UMI

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Monday, June 2, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Teach me Thy way, O Lord, that I may walk in Thy truth.—Psalms 86: 11.

O God, our help in ages past and our hope for years to come, we pause in Thy presence seeking the guidance of Thy Spirit as we face these days with decisions to be made, work to be done, burdens to be carried, and life to be lived as best we can.

Keep love's banner floating o'er us as we walk in the way of those who do justly, love mercy, and walk humbly with Thee. Fashion our desires, our duties, and our deeds in accordance with Thy will that we may labor for a better world filled with better people for the betterment of all.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the eligible bill on the Consent Calendar.

ENDORSING THE WORLD FOOD CONFERENCE OF 1976 IN AMES, IOWA

The Clerk called the concurrent resolution (H. Con. Res. 136) relating to the World Food Conference of 1976 in Ames, Iowa.

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if we could have an explanation as to why a resolution of this character is being considered on the Consent Calendar rather than being brought up under suspension of the rules or under a rule allowing debate. It does have to do with a policy matter and an international conference to be held on that matter. Ordinarily, these things are not handled under Consent Calendar procedure.

Mr. Speaker, is there some explanation some member of the committee can give us?

Mr. HARKIN. Mr. Speaker, if the gentleman will yield, basically the Senate has already passed this concurrent resolution, and the thing is that we are scheduling this for next summer at Iowa State University at Ames, because things have to be done, procedures have to be laid out, provisions have to be made.

Mr. Speaker, I do not think the resolution is at all controversial. I am sure it has the support of everybody in the House. There are no money outlays for this. It will have no impact on inflation. We will be simply taking the lead for having a World Food Conference at Iowa State University at Ames next summer during the year of our Bicentennial.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, I would just say to the gentleman that this resolution, which has been reported by the Committee on International Relations, certainly has some impact on the Committee on Agriculture and its interests, since it does state as a policy of the Congress that we endorse the World Food Conference.

We really do not know what is going to come out of that Conference. The holding of the Conference, I suppose, is endorsable, but usually these policy matters are not handled under the Consent Calendar. At the very least, they are handled by a rule being granted from the appropriate committee.

Mr. Speaker, I wonder if we might not hold this off until an appropriate time for fuller consideration.

Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON ENVIRONMENT AND THE ATMOSPHERE TO SIT ON WEDNESDAY, JUNE 4, 1975

Mr. BROWN of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Environment and the Atmosphere of the Committee on Science and Technology may sit on the afternoon of Wednesday, June 4, 1975, while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONGRESS HAS BEEN DILIGENT IN MEETING THE ENERGY ISSUE

(Mr. OTTINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OTTINGER. Mr. Speaker, I found the President's address accusing Congress of doing nothing about the Nation's energy problems exceedingly disconcerting, First, because his assertions were patently untrue.

The Energy and Power Subcommittee of the House Committee on Interstate and Foreign Commerce, on which I serve, has reported out a comprehensive energy program providing for a strategic petroleum reserve allocation authority, industrial energy conservation, auto fuel efficiency standards, appliance labeling, and gradual decontrol of old oil prices. That bill is due to be considered by the full Commerce Committee this week, and the President knew it.

The Committee on Ways and Means has reported out a comprehensive energy bill calling for import quotas and tax incentives to conserve gasoline, insulate homes, develop new energy sources, and to convert industrial processes from petroleum and gas to other energy sources; that bill is ready to be considered by the House at the present time, and the President knew it.

Mr. Speaker, this is an exceedingly complicated matter. It involves tremendous consequences to every individual and every business in this country and will have tremendous economic impact. This Congress has acted exceedingly diligently. Indeed, our subcommittee has been meeting all day long virtually every legislative day since the convening of Congress on this legislation.

The President took more than 2 years after the Arab boycott in November 1973 to devise an energy program with all the vast resources available to him. Now he is carping at Congress for not producing finished legislation in 4 months. This is both unfair and contrary to the public interest.

The President's speech was hardly in the spirit of cooperation, compromise, and conciliation which he announced he was going to pursue with this Congress. It was clear confrontation, particularly

UMI

unfortunate since it was intentionally misleading.

HEEL-DRAGGING ON ENERGY LEGISLATION

(Mr. CARTER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CARTER. Mr. Speaker, I did not mean to answer the gentleman from New York when I came to the well, but as a member of the Committee on Interstate and Foreign Commerce, I must say that really the committee has not met regularly, that is, the full committee, on the legislation which he mentioned.

I feel that that committee has done some work, but it has not passed out this legislation; and I must say, in all fairness, that a mountain has labored and brought forth a mouse.

Mr. Speaker, energy is a critical matter in this country, and I regret to see the lackadaisical manner in which we are proceeding.

PERSONAL EXPLANATION

Mr. Speaker, on rollcall 240, I was inadvertently recorded as voting "no" on final passage of H.R. 6900, the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, when I intended to vote "aye."

Throughout my 11 years in Congress I have always supported unemployment compensation legislation and other measures to help our unemployed citizens, and I shall continue to do so. I want to emphasize that I favored passage of H.R. 6900 and to stress that this mixup should not be misconstrued as a departure from my very strong support for helping the unemployed.

IN PRAISE OF TURKEY'S AND GREECE'S RESORT TO INTERNATIONAL COURT OF LAW

(Mrs. FENWICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker and Members of the House, I hope that we will not let this moment pass without comment, seeing that two great nations, Turkey and Greece, have agreed to submit their differences of opinion to the International Court in the Hague.

I think that for all of us who look forward to a world in which the courts will be the first thought in a dispute rather than armed might, this is a great moment; it should not pass without some comment in this House. Two civilized nations, in a highly civilized way, have submitted their differences to an international court of law. We should all take note. I hope the nations of the world will take note. This is a forward step in the history of mankind, and it is greatly to be admired and commended.

HEEL-DRAGGING ON ENERGY LEGISLATION

(Mr. GOLDWATER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOLDWATER. Mr. Speaker, the Congress, the Committee on Ways and Means, and its chairman have worked long and hard to develop a comprehensive energy plan. Their efforts are to be recognized, but not necessarily applauded, for the final judgment must be made on the end result, the final product, and its effect. Unfortunately, as of yet, a final bill, the result of this work, is not yet available.

The President's criticisms of the Congress on May 27, I must reflect, are painfully accurate.

The Congress has done little since the President made his proposals 5 months ago. We still have not passed any energy legislation.

It is refreshing to hear the truth, even as painful as it may be, and the President should be commended for pointing this out to the American people. Through his forceful leadership the Congress will respond to the important energy problem that we all face.

We in the Congress should stop criticizing the truth, and go about our business of developing an energy plan.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
May 23, 1975.

Hon. CARL ALBERT,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted on May 22, 1975, the Clerk has received this date the following messages from the Secretary of the Senate:

That the Senate passed H.R. 7136, An Act to continue the special supplemental food program for women, infants, and children through September 30, 1975; and

That the Senate agree to the Report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H.R. 5899, "An Act making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes." That the Senate agree to the amendments of the House of Representatives to the amendments of the Senate numbered 20 40, 43, 44, 45, 46, 47, 49, 59, 63, 106, 108 and 171 to the above-entitled bill; That the Senate recede from its amendment numbered 83 to the above-entitled bill; and That the Senate further insist on its amendment numbered 107, disagreed to by the House, to the above-entitled bill.

With kind regards, I am,
Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By BENJAMIN J. GUTHRIE.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Thursday, May 22, 1975, he did, on that day, sign the following enrolled bill of the Senate:

S. 249. An act to amend the Securities Exchange Act of 1934 to remove barriers to competition, to foster the development of a national securities market system and a national clearance and settlement system to make uniform the Securities and Exchange Commission's authority over self-regulatory organizations, to provide for the regulation of brokers, dealers, and banks trading in municipal securities, to facilitate the collection and public dissemination of information concerning the holdings of and transactions in securities by institutional investment managers, and for other purposes.

And on Friday, May 23, 1975, signed enrolled bills of the House as follows:

H.R. 3786. An act to authorize the increase of the Federal share of certain projects under title 23, United States Code; and

H.R. 7136. An act to continue the special supplemental food program for women.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
May 27, 1975.

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:30 p.m. on Tuesday, May 27, 1975, and said to contain a message from the President wherein he transmits the sixth and final report in accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974.

With kind regards, I am,
Sincerely,

W. PAT JENNINGS,
Clerk, U.S. House of Representatives.

SIXTH AND FINAL REPORT IN ACCORDANCE WITH SECTION 812(D) OF THE DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–166)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Armed Services and ordered to be printed:

To the Congress of the United States:

In accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93–155), I am pleased to submit to the Congress the sixth and final report on our progress toward offsetting the fiscal year 1974 balance of payments deficit resulting from the deployment of U.S. forces in NATO Europe. Section 812 (the Jackson-Nunn Amendment) states that if our European NATO Allies fail to offset this deficit, then U.S. troops in Europe must be reduced by the percentage of offset not provided. I am pleased to report that our Allies have fully offset the U.S. fiscal year 1974 deficit and that the troop reduction provision will not have to be implemented.

The U.S. NATO-related balance of payments expenditures during fiscal year 1974 totaled $1.997 billion. We sought to cover these expenditures in two ways. First, we negotiated with the Federal Republic of Germany (FRG) an Offset Agreement which had a total value of $2.218 billion over the 1974–75 time period. The fiscal year 1974 portion of the agreement has come to $1.150 billion. Second, our other NATO Allies have placed substantial military procurement in the U.S. They have been able to identify $1.016 billion in such procurement, of which $917 million can at this time be applied against fiscal year 1974 expenditures. The NATO Allies and the NATO Economic Directorate deserve our special recognition for their cooperation in establishing a liaison mechanism for identifying these purchases. Appendix A provides an accounting of our compliance with the provisions of the Amendment.

The Jackson-Nunn Amendment also called upon our Allies to assist the U.S. in meeting some of the added budgetary costs that result from maintaining our forces in Europe rather than in the continental United States. The major form of this budgetary support is contained in the two-year U.S.-FRG Offset Agreement. The agreement includes approximately $224 million to rehabilitate badly deteriorated barracks and other troop facilities used by American military personnel in the FRG. The FRG also agrees to absorb about $8 million of real estate taxes and landing fees directly related to U.S. forces in Germany. Finally, very considerable budgetary relief is implicit in the FRG agreement to purchase DM 2,250 million in special U.S. Treasury securities at a concessional interest rate of 2.5 percent. The interest rate which Germany could have obtained through investment of these funds in marketable U.S. Treasury securities would, of course, have been much higher. The purchase of securities made by the FRG pursuant to the agreement were made at times when the market was paying just under eight percent interest. As a consequence, the FRG will have foregone approximately $343 million in interest over the life of these securities. Essentially this represents a budgetary gain to the U.S.

A final provision of the Amendment requires that we seek to reduce the amount paid by the U.S. to support NATO's Infrastructure Program. NATO recently agreed to a new five-year program (CY 1975–79) totaling $1.35 billion. The Allies have agreed to reduce the U.S. percentage from the current official level of 29.67 percent to 27.23 percent. The new program also includes a special category of projects totaling $98 million which benefit only American forces and which would normally have been funded in the U.S. budget. When this special category is considered, the effective U.S. share is approximately 21 percent. Likewise, the U.S. share of funding for the Common European Pipeline deficit has been reduced from 36 percent to 25 percent.

The Amendment specifies that 22½ months (July 1, 1973–May 16, 1975) of Allied balance of payments transactions can be applied against the FY 1974 deficit. The balance of payments data we have used have been based on only the first 12 months of this period. We do not yet have complete data on Allied procurement expenditures during the last 10½ months of the statutory period. However, assuming that Allied expenditures in Foreign Military Sales (FMS) and commercial accounts remain at about the same levels as in FY 1974, there would be available an additional $1.3 billion to offset our FY 1974 expenditures.

It should be noted that the Allied financial transactions reported here do not represent the total financial burden incurred by the Allies in support of U.S. forces in Europe. Our Allies absorb many of our troop-related operation and maintenance costs for facilities, building and repairing roads, and other payments which have a total value of several hundred million dollars a year.

A good economic argument can be made that some of our balance of payments expenditures would have occurred whether or not our troops were in Europe, and hence should not have been charged against the NATO balance of payments account. For example, the Department of Defense purchased approximately $137 million of petroleum, oil, and lubricants (POL) in Europe during FY 1974, mostly for our Sixth Fleet operations. The great majority of these products were purchased from the Middle East. However, if the fleet had been brought home, its shift to U.S. POL resources would have forced other U.S. consumers to purchase their POL requirements from abroad. Thus, the impact on our balance of payments expenditures would have remained unchanged.

We should also recognize that, even if our troops were returned to the continental U.S., there would still be personnel-related expenditures for European goods and services. These personnel would continue to purchase some European goods. Also, we should not overlook the fact that some of our military-related balance of payments expenditures in Europe generate Allied or third nation purchases in the U.S.—both military and commercial.

Finally, we must consider that more than $300 million of the U.S. defense expenditures in Europe merely reflect the effect of dollar depreciation. This depreciation was a contributing factor to the substantial improvement in the U.S. trade balance, but it has made relatively more expensive the goods and services purchased by our military forces in Europe.

GERALD R. FORD.
THE WHITE HOUSE, *May 27, 1975.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
May 27, 1975.

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:30 p.m. on Tuesday, May 27, 1975, and said to contain a message from the President wherein he transmits the Annual Report of the Administration on Aging for the fiscal year 1974.

With kind regards, I am,
Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By BENJAMIN J. GUTHRIE.

ANNUAL REPORT ON AGING, 1974, UNDER OLDER AMERICANS ACT AMENDMENTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–167)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed:

To the Congress of the United States:

Section 208 of the 1973 Amendments to the Older Americans Act (Public Law 89–73) provides that the Commissioner on Aging shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities carried out under this Act, not later than one hundred and twenty days after the close of each fiscal year.

Secretary Weinberger has forwarded the Annual Report of the Administration on Aging for the fiscal year 1974 to me, and I am pleased to transmit this document to the Congress.

GERALD R. FORD.
THE WHITE HOUSE, *May 27, 1975.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Washington, D.C., May 28, 1975.

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 4:55 P.M. on Thursday, May 28, 1975, and said to contain a veto message from the President on H.R. 5357, An Act to authorize appropriations to the Secretary of Commerce for the promotion of tourist travel.

With kind regards, I am
Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

AUTHORIZING APPROPRIATIONS TO THE SECRETARY OF COMMERCE FOR THE PROMOTION OF TOURIST TRAVEL—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–168)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H.R. 5357, which would au-

thorize appropriations totalling $98,125,000 to the Secretary of Commerce for the promotion of tourist travel.

This bill would reinstitute in the Department of Commerce a domestic tourism program to encourage Americans to travel within the United States. It also would authorize appropriations totalling $90 million for the period July 1, 1976 through September 30, 1979, for continuation and expansion of the current program of the United States Travel Service to promote and facilitate foreign tourism in the United States.

My Administration proposed an extension of the existing tourism program through fiscal year 1979 at an annual authorization level of $15 million to encourage foreign visitors to the United States. It opposed the reinstatement of a domestic tourism program, which would be unnecessary.

The promotion and management of domestic tourism should remain the responsibility of the private sector, especially the accommodation and transportation industries, and of state and local governments. Each of the fifty States has its own tourist promotion agency. I find no justification for the Federal Government taking on this role.

Moreover, the amounts authorized in the bill for the Travel Service's existing program are excessive, almost doubling the adequate amounts proposed by my Administration for the promotion of foreign travel to this country.

I find it necessary, therefore, to withhold my approval from a bill which would create an unnecessary new Federal program and unduly enlarge an existing program.

GERALD R. FORD.

THE WHITE HOUSE, *May 28, 1975.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and the message and bill will be printed as a House document.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary not withstanding?

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that further consideration of the veto message from the President on the bill (H.R. 5357) be postponed until Tuesday, June 24, 1975.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

May 29, 1975.

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 3:00 p.m. on Thursday, May 29, 1975, and said to contain a veto message from the the President on H.R. 4481, An Act making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By BENJAMIN J. GUTHRIE.

EMERGENCY EMPLOYMENT APPROPRIATION ACT—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–169)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return without my approval, H.R. 4481, the Emergency Employment Appropriation Act.

Earlier this year, I asked the Congress for legislation to deal with the Nation's most immediate employment problems through an extension of public service jobs and a program of summer youth employment.

The Congress has taken this simple, straightforward and specific proposal and turned it into a bill containing a host of provisions of questionable value.

This bill, as presented to me, is not an effective response to the unemployment problem. It would exacerbate both budgetary and economic pressures, and its chief impact would be felt long after our current unemployment problems are expected to subside.

The bill authorizes spending of $3.3 billion above my budget requests. Almost half of this added spending would occur in fiscal 1976 and an appreciable amount of spending would continue in calendar year 1977. Economic recovery is expected to be well underway by the end of 1975, and the accelerative influences of this bill would come much too late to give impetus to this recovery. Instead, those influences would run the risk of contributing to a new round of inflation later on.

In my address to the Nation on March 29, announcing my decision to sign the Tax Reduction Act, I stressed the need to keep the 1976 deficit below $60 billion. This bill is one of many being considered by the Congress that, combined, would increase the deficit to $100 billion or more. Already, Congressional actions and inactions have added $7.3 billion to the 1975 deficit and $4.4 billion to the 1976 deficit.

Such an increase in the Federal budget deficit would lead to an increase in Federal borrowing from private financial markets. These heavy Federal demands for capital could deprive business firms of funds needed for modernization and expansion of capacity.

Thus, H.R. 4481 would contribute to choking off the very economic growth it is intended to stimulate.

To help overcome the recession and high unemployment, I have proposed, and the Congress has enacted, a major tax cut. I have also proposed an extension of unemployment compensation benefits, together with increases, which are included in this bill for public service jobs and summer employment.

Further stimulus would hurt more than it would help our economy in the long run. H.R. 4481 provides for too much stimulus, too late, and I must therefore veto the bill.

The need remains, however, for a bill that will provide the funds I recommended for immediate and temporary employment through the public sector and summer youth jobs. Since student summer vacations are close at hand, I urge the Congress to pass such a bill as quickly as possible.

GERALD R. FORD.

THE WHITE HOUSE, *May 28, 1975.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I move that further consideration of the veto message from the President on the bill H.R. 4481 be postponed until Wednesday, June 4, 1975.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MCFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 247]

Abdnor	Dodd	McEwen
Alexander	du Pont	McKinney
Ambro	Eckhardt	Macdonald
Andrews, N.C.	Eilberg	Madigan
Annunzio	Erlenborn	Mathis
Aspin	Esch	Metcalfe
Bafalis	Eshleman	Meyner
Barrett	Fish	Mezvinsky
Baucus	Fithian	Michel
Beard, Tenn.	Foley	Milford
Bell	Ford, Tenn.	Mills
Biaggi	Frey	Minish
Bingham	Fulton	Minx
Boggs	Goodling	Mollohan
Boland	Gradison	Mottl
Bowen	Green	Murphy, Ill.
Breaux	Hammer-schmidt	Murphy, N.Y.
Breckinridge	Hannaford	Myers, Pa.
Burton, John	Harrington	Nichols
Burton, Phillip	Harris	Obey
Chisholm	Hébert	O'Neill
Clausen, Don H.	Henderson	Pattison, N.Y.
Cleveland	Hillis	Pettis
Cochran	Holland	Pike
Collins, Ill.	Holt	Railsback
Conte	Holtzman	Randall
Conyers	Howard	Roberts
Cotter	Jacobs	Ros
Coughlin	Jones, Ala.	Roncalio
Crane	Jones, N.C.	Rostenkowski
Daniels, N.J.	Jones, Tenn.	Rousselot
Delaney	Kazen	Ruppe
Dent	Kemp	St Germain
Derrick	Keys	Scheuer
Derwinski	Leggett	Shipley
Dickinson	Lent	Slack
		Snyder
Stark	Teague	Wilson, Tex.
Steiger, Ariz.	Udall	Wolff
Steiger, Wis.	Vigorito	Wydler
Stephens	Walsh	Wylie
Stratton	Waxman	Yates
Sullivan	White	Zeferetti
Taylor, Mo.	Wilson, Bob	

The SPEAKER. On this rollcall, 304 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

VOTING RIGHTS ACT EXTENSION

Mr. YOUNG of Georgia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 469 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 469

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional ten years, to make permanent the ban against certain prerequisites to voting, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Georgia (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Georgia. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from Tennessee (Mr. QUILLEN). Pending that, I yield myself such time as I may consume.

Mr. Speaker, this House Resolution 469 provides for an open rule with 3 hours of general debate on H.R. 6219, a bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional years, to make permanent the ban on literacy tests as qualifications for voting, and for other purposes.

Mr. Speaker, as I said, House Resolution 469 provides for 3 hours of general debate, to be followed by reading for amendment under the 5-minute rule. The bill is to be read by titles.

Mr. Speaker, Members of the House may not remember that 10 years ago, when this legislation was first enacted, the Nation was in a series of great turmoils because of the violence surrounding attempts on the part of black citizens in the Southern part of the United States to register to vote. It was at that time that many Americans lost their lives in an attempt to gain the right to vote. That was the time of Selma. That was the time of people being blown out of their churches simply for attempting to hold voter-registration meetings. That was a dark time in the history of the United States, but it was a time to which the Congress responded.

Mr. Speaker, since the passage of the Voting Rights Act of 1965, the Constitution of the United States has been sustained in these States. We have had remarkable success with the registration of voters. More than 1 million and a half blacks in the South have been registered, including 1.1 million in the States covered by the jurisdiction of the act.

VOTING RIGHTS ACT AND CHANGE IN THE SOUTH

BLACK ELECTED OFFICIALS

In 1965, there were 72 black elected officials in the 11 Deep South States (Voter Education Project). Today, there are 1,587—including 1,114 in the seven States specially covered by the Voting Rights Act. (VEP)

However, blacks hold less than 2 percent of the 79,000 public offices in the South.

In the 101 black-majority counties, blacks hold a majority of seats in the county governments of only 6 counties. (VEP)

There are 362 majority-black towns and cities in the South which have not yet elected even 1 black public official. (VEP)

In the 7 covered States, 27 percent of the population is black, but only 1 of 57 Congressmen from the States is black; of 1,174 State legislators in those States, only 68 are black. No blacks in the States hold statewide office. (VEP)

The number of black elected officials in the South has risen as follows:

1965	72
1966	159
1968	248
1969	388
1970	565
1971	711
1972	873
1973	1,144
1974	1,307
1975	1,587

Source: Voter Education Project.

Georgia: 23 of Georgia's 159 counties have a black majority. As of 1975, there were five black county commissioners in these counties. In 22 other counties which are between 40 and 50 percent black, there are no black commissioners. (CRC)

In city government, Georgia has 2 black mayors and 84 councilmen, aldermen, and commissioners. (VEP)

In law enforcement, black elected officials in Georgia include one judge and five justices of the peace.

There are 53 black elected school board members.

Of the 236 State legislators in Georgia, 22—9.3 percent—are black. The State's population is 25.9 percent black. (CRC)

VOTER REGISTRATION

Since 1965, about 1.5 million blacks in the South as a whole have become registered voters—about 1.1 million in the covered States. The percentage of eligible blacks registered in the seven covered States rose from about 29 percent in 1964 to 56 percent in 1972.

However, it is estimated that as many as 2.5 million eligible blacks in the South are still not registered, and that black registration is about 15 points below the percentage of white registration. The disparity is even greater in many rural areas. (VEP and U.S. Civil Rights Commission)

VOTER TURNOUT

Black voter turnout in the South has increased in terms of percentages and numbers of registered voters since 1965. Although Census Bureau statistics on turnout are not entirely reliable—the statistics are based on surveys in which some people, both black and white, say they voted but did not actually vote—it is apparent that black voter turnout in the South is lower, percentagewise, than white turnout.

According to a U.S. Census survey of the voting age population, 47.8 percent of blacks in the South reported that they voted in the 1972 election, compared to 57 percent of whites:.

VOTER REGISTRATION AND TURNOUT (U.S. CENSUS SURVEY OF VOTING AGE POPULATION ON PARTICIPATION IN 1972 ELECTIONS)

[In percent]

	Reported registered	Reported voted
Nationwide:		
White	73.4	64.5
Black	65.5	52.1
Spanish-speaking	44.4	37.5
South:		
Urban:		
Black	65.1	49.5
White	70.7	59.5
Rural:		
Black	61.9	44.5
White	68.2	53.0
Total, South:		
Black	64.0	47.8
White	69.8	57.0

SPANISH-SPEAKING (NATIONWIDE)

	Voting age population (millions)	Reported registered (percent)	Reported voted (percent)
Mexican	3.2	46.0	37.5
Puerto Rican	.8	52.7	44.6
Other Spanish	1.6	36.8	33.5

Some barriers still exist in the South:

Barriers to registration:
Restrictions on times and places.
Long distances to travel to register.
Hostile or uncooperative officials.
Purging of rolls; reregistration.
Economic pressure.
Inadequate education or publicity about registration.

Barriers to voting:
Denial of requests for ballots.
Location of polls.
Inadequacy of polls—too crowded, not enough machines, and so forth.
Hostile or uncooperative officials.
Inadequate assistance to voters needing help.
Difficulties in absentee voting.
Economic pressure.

Barriers to candidacies:
Filing fees.
Obstacles to qualifying.
Campaign costs.
Candidate's need for poll watchers, other volunteers.
Irregular vote counting.

UMI

Obstacles to biracial campaigns.

We have seen come to the House of Representatives and to the State houses of this Nation candidates who are elected by virtue of being able to forge a coalition of good will rather than a coalition of bigotry and prejudice.

Mr. Speaker, I think the success that the Congress afforded the Southern States by the passage of this act 10 years ago is a success that needs continuation, for remarkable though that success may be, there is a continued need for the presence of this act.

The present extension would be for 10 years, and it would provide a kind of continued preclearance of voting changes by the Attorney General's office, which has afforded such dramatic change for the United States.

Enforcement of section 5 preclearance got off to a slow start, partly because preclearance regulations were not put into effect by the Justice Department until 1971.

Since 1965, specially covered jurisdictions have submitted 4,476 voting changes for preclearance; only 163 were objected to by the Attorney General.

Opponents of the Voting Rights Act—especially state and local officials who are required by the law to submit voting changes—have claimed that preclearance is burdensome, time-consuming, and expensive. They assert that most voting changes are "minor" or "technical." But the pre-clearance procedure clearly is more efficient than case-by-case lawsuits. The Attorney General is supposed to act on preclearance submissions within 60 days. Under the Civil Rights Acts of 1957, 1960, and 1964, the Justice Department filed only 71 cases, and each one required a great deal of time to research the problem, compile evidence, prepare for trial, and work on the almost inevitable appeal. "Minor" or "technical" changes in voting procedures can and do have a major impact on voting rights—for example, the location of a polling place in a private white club—see example from Jones County, Ga,, below.

Here are some recent examples of voting changes which did not receive preclearance. (CRC)

Atlanta, Ga., 1972: Reapportionment of Fifth Congressional District so as to dilute black voting strength and remove potential black candidates from district.

Jones County, Ga., 1974: Removal of a polling place from a store in the central part of the precinct to the Lions Club Fairground Building on the outer fringe. The Lions Club does not accept blacks as members, and also many blacks would have had to travel an additional 3½ miles to vote.

Grenada County, Miss., 1975: For the second time, the Attorney General refused to clear a redistricting plan for five county supervisor election districts. The plan would fragment the concentration of black voters in the city of Grenada.

Charleston, S.C., 1974: A city and county consolidation plan provided for election of the new governing body through the use of multimember districts, at-large elections, a majority vote requirement, residency requirements, and numbered posts. It would have diluted black voting strength. A fairly drawn plan of single-member districts, the Justice Department said, would allow fair opportunity for the election of blacks.

New Orleans, La., 1974: The polling place for a 95 percent precinct would have required voters to travel an excessive distance outside the precinct. Several more convenient polling sites were available.

Alabama, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Virginia: Each of these seven specially covered Southern States has redistricted its State legislature since the 1970 census, and each plan was challenged and found discriminatory either by the Justice Department or the courts.

Failure to submit for preclearance. One problem with the Voting Rights Act is that governmental officials have refused or failed to submit voting changes for preclearance, as required by law.

The CRC says that "a large number of counties have never made any submissions under section 5," but no one seems to know how many.

It is known that in Georgia between 1964 and 1973, four majority black counties—Calhoun, Dooly, Macon, and Peach—and in one county that is more than 40 percent black—Jenkins—made changes in the method of electing their commissioners, but did not submit the changes for preclearance. In each case, the CRC found, the new method "has features that are often discriminatory."

Eighteen other Georgia counties which are less than 40 percent black made changes between 1964 and 1973 in the method of selecting school board members, usually a change from appointment to election at-large. None have attempted to obtain section 5 preclearance.

In Bessemer and Fairfield, Ala., in recent years, black voting strength was diluted by the annexation of several white areas—without preclearance.

These and other failures to seek preclearance suggest another argument for extension of the Voting Rights Act—for it is clear that many localities continue to flaunt the law, and that more vigorous enforcement is obviously needed in the specially covered areas of the South:

Preclearance as a deterrent. It is generally agreed that the preclearance requirement has in some areas served as a deterrent to passage of discriminatory voting changes.

USE OF FEDERAL EXAMINERS

The Attorney General may send Federal examiners into the specially covered jurisdictions. Examiners prepare lists of applicants eligible to vote, and State officials are then required to register the applicants.

There are 553 southern counties—6 complete States, plus 39 counties in North Carolina—specially covered by the act. As of mid-1974, examiners had been sent to only 60 of those counties. They had listed for registration 155,148 persons. No examiners were ever sent to North Carolina or Virginia.

There are some reports that the threat of using examiners has a deterrent effect—that local registrars began to register black voters so that Federal examiners would be kept out.

USE OF FEDERAL OBSERVERS

Federal observers may be sent by the Attorney General into specially covered jurisdictions to act as poll watchers, observing whether eligible persons are allowed to vote and whether all ballots are accurately counted. The observers report on the conduct of the election, but have no role in the management of polling places.

Since 1966, about 6,500 observers have been sent into 61 counties in 5 of the 7 covered Southern States. In 1974, there were 430 observers assigned in Alabama, Georgia, Louisiana, and Mississippi.

Federal observers are still needed to counteract such practices as deleting names from precinct lists, failure to assist illiterate voters, locating polls in all-white facilities, and outright intimidation of minority voters.

The remarkable effect of this act is that it has had a preventive effect. It has, by virtue of its existence, assured and sustained our voting rights and given us democracy all over this Nation with a minimum of trouble.

Yet, Mr. Speaker, as we think about the presence of this act, and as we think about the advantages that it has attained for black Americans and for the southern part of the United States in general, it would seem to me to be a great weakness on our part if we did not extend those provisions to include other minorities as well.

After all, Mr. Speaker, we have just completed a war which cost $150 billion, and which cost 55,000 American lives to insure the right to vote, the right to determine their own democracy for the people in South Vietnam, so it would seem to me that the dozen or more lives that were shed in 1965 that made possible this act should not be repeated by the Spanish-speaking Americans, or by the Asian Americans, or by the American Indians, but that there has been enough suffering done by Americans in general so that we should be able to appreciate the fact that all men in these United States are endowed not by their education, not by their color, not by their wealth or religion, but that they are endowed by their Creator with certain unalienable rights, and one of those rights should certainly be the right to vote.

VOTING PROBLEMS OF LANGUAGE-MINORITY GROUPS

Registration: Problems include inadequate numbers of minority registration personnel, uncooperative registrars, and purging of registration lists.

Purging can be especially burdensome to language minorities in the many areas where purging notices are mailed out in English only. In Arizona, failure to vote every 2 years in the general election results in removal from the registration rolls. After the 1972 election in that State, Coconino County purged 25 percent of the 24,358 registered voters from the rolls. Most of the more than 6,000 purged were Navajos. Few Navajos in that region can read English. (CRC)

In 1974, research in Tucson on lists of challenged and purged voters in Pima County showed that a much higher rate

of Chicanos had been purged than of other voters. A sample of canceled voters showed that many were not aware they had been purged and did not know how to be reinstated. (CRC)

New York law also has strict purge provisions which have a severe effect on minorities, including Puerto Ricans. People can be purged for failure to vote in general elections, and many Puerto Ricans have voted only in the more important primaries. Also, many people do not receive their purge notification—which is in English.

Voting: Language minorities seldom control the election or appointment of local officials or occupy positions of influence. Problems at polling places include outright intimidation by officials, failure to locate voters' names on precinct lists, location of polls where minority voters feel unwelcome or location at inconvenient places, underrepresentation of minorities as poll workers, unavailable or inadequate assistance to illiterate voters, lack of bilingual materials, and difficulties with use of absentee ballots.

Language minorities have been victims of physical, economic and political intimidation when they attempted to vote. In House hearings, witnesses testified that Texas law-enforcement officials patrol Mexican American, but not Anglo, precincts on election days: sheriffs reportedly walk around polling places brandishing guns and billy clubs. When Anglos challenged the election of Mexican Americans, they subpenaed 200 Mexican Americans in Pearsall, Tex., and 150 in Cotulla. Witnesses said the subpenas had the effect of intimidating the Mexican Americans and convincing them to avoid politics and voting. Also in Pearsall, Tex., a witness testified that an Anglo candidate for city council who was a bank loan officer went to Mexican-Americans who had loans with the bank and told them he expected their votes.

In Uvalde, Tex., some Chicanos are afraid that their welfare checks will be reduced because of their political activity. (CRC)

Chicano elected officials. To illustrate the underrepresentation of Spanish-speaking people, in Texas, Mexican Americans comprise 16.4 percent of the population, but hold 2.5 percent of the elective positions. In New York, Spanish heritage citizens make up 7.4 percent of the population, but hold less than 0.1 percent of the elective positions.

Dilution of language-minority voting strength. This is a major problem which calls for protection under the preclearance provision of the Voting Rights Act.

In Apache County, Ariz., Navajos make up about three-fourths of the population. The three county supervisor districts are drawn so that all the Navajos are in one grossly overpopulated district.

In Bexar and Dallas Counties, Tex., State legislators were elected from multimember districts, diluting or canceling the voting strength of blacks and Mexican-Americans. The Supreme Court has since upheld a ruling that this system was discriminatory.

Throughout Texas, many cities and school districts have at-large majority runoff systems, which effectively exclude Mexican-American and black candidates who could win with pluralities.

In 1972, San Antonio was almost evenly divided between Anglos and Mexican-Americans. The city made massive annexations including irregular or "finger" annexations of heavily Anglo territory.

Illiteracy among language minorities: Of all Spanish heritage citizens over 25 years old, more than 18 percent have not completed 5 years of education—the level generally said to be necessary to achieve literacy in English—compared to 5.5 percent for the total U.S. population. (Census) In Texas, more than 33 percent of the Mexican-American population has not completed the fifth primary grade. American Indians, Alaskan Natives and Asian Americans have similar language difficulties. The illiteracy rate among Chinese-Americans is 16.2 percent; among American Indians, 15.5 percent; among Anglos, 4.5 percent. (Census)

Other language minorities: Other language-minority groups are not covered by the proposed legislation because no evidence was received concerning voting difficulties among these groups.

U.S. Census survey of voting-age population on participation in 1972 elections, nationwide, by ethnic origin:

	Percent	
	Reported registered	Reported voted
Black	67.5	54.1
Spanish	44.4	37.5
German	79.0	70.8
Italian	77.5	71.5
Irish	76.7	66.6
French	72.7	63.2
Polish	79.8	72.0
Russian	85.7	80.5
English/Scottish/Welsh	80.1	71.3

Mr. Speaker, I urge the Members of the House to pass this resolution.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Georgia (Mr. Young) has ably described the provisions of this resolution, but I would like to say, Mr. Speaker, that the report from the Judiciary Committee, which was filed and discussed before the Committee on Rules, contained more additional, supplemental, and separate views than any which has come to my attention since being a Member of this body.

I am sure that the Voting Rights Act has done a tremendous amount of good, and should be extended, but the members of the committee have presented additional views which I think should be considered before final adoption of the act.

For instance, the trigger is still aimed at the South. The South has corrected its problems as to voting rights, and it should be on an even track in the future. The act is further extended to Spanish-speaking minorities, but why should this act, which is so greatly needed, be limited to a few States of this great United States of America? I think it should be extended to the people of all States of this great Union, to all minorities irrespective of race, creed, or color. The triggering provision should be changed.

In the North if 50 percent of an area votes, and the area contains a good number of minority members, then this act does not trigger. Those people do not have the same advantages, in my opinion, as those in the States we are covering here in this legislation.

Why do we not make it all-embracing to all of our 50 States and make the triggering mechanism work?

It will—if the act is continued as presented to us in the bill which will be discussed after this rule is adopted—take away local control of redistricting or even the annexation of a property in a city because of the requirements of the statute. I think when we give up States' rights and we give up the rights of cities and counties, then we are taking away the heritage which our Founding Fathers gave us in our Constitution.

Mr. Speaker, I would, therefore, ask the Members to consider this measure carefully when it is debated on the floor of the House, because, as I said in the beginning, some 15 additional and separate views have been filed in the report. It could not be a unanimous decision of the committee in reporting this bill out.

It is my understanding that the gentleman from California (Mr. WIGGINS) is going to offer a substitute which will give a new triggering provision, making it applicable in all of our 50 States. What is good for the goose is good for the gander, and what is good for the people of one State likewise should be good for the people in other States.

Mr. Speaker, I have no objection to the rule. I do want to repeat again that the membership of this great body should consider these additional views, should consider the benefit of all Americans having the right to vote and not limiting and not triggering it to areas of this country on a sectional or a regional basis.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. I thank the gentleman from Tennessee for yielding to me.

It is not my purpose to take 5 minutes to discuss the merits or demerits of the proposal which I shall offer at the appropriate time. I merely seek the attention of the gentleman from Georgia and the gentleman from Tennessee to discuss what occurred before the Committee on Rules. Before the Committee on Rules I suggested that that committee make in order as a substitute the proposal sponsored by myself. By an equally divided vote, I was informed that the motion to make it in order was defeated.

However, during the debate before the Committee on Rules, there never was any doubt about the germaneness of my substitute. I seek the gentleman from Georgia's attention for the purpose of confirming that statement.

Mr. YOUNG of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman.

Mr. YOUNG of Georgia. I thank the gentleman for yielding.

The gentleman is correct. There was never any question about the germane-

UMI

ness of the gentleman's substitute. It was only a question as to whether or not that should be specified under the rule, but since it is an open rule, the gentleman's substitute, it would seem to me—although I am not the Parliamentarian—would be quite in order.

Mr. WIGGINS. I thank the gentleman. I will ask the gentleman from Tennessee if that is also his recollection.

Mr. QUILLEN. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Tennessee.

Mr. QUILLEN. I thank the gentleman for yielding.

That is my recollection, and I will so state it. I feel that the gentleman has a sound basis for his contention, and his substitute should be in order.

Mr. WIGGINS. I thank the gentleman for yielding.

Mr. Speaker, I yield back the remainder of my time.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time.

Mr. YOUNG of Georgia. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. EDWARDS of California. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from California.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6219, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California (Mr. EDWARDS) and the gentleman from Virginia (Mr. BUTLER) will each be recognized for 1½ hours.

The Chair recognizes the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, I yield 7 minutes to the distinguished chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Chairman, in 1965, I was serving in this body when President Lyndon Baines Johnson called a historic special session of Congress to express his deep concern over the tremendous difficulties which black citizens in certain areas of this country were experiencing when they attempted to register and vote. He made an urgent plea for legislation which would at long last put an end to the violence and unconstitutional barriers suffered by minorities seeking to participate in the electoral process. It was not a plea which the 89th Congress could ignore. At that time, worldwide attention had been drawn to the extreme brutality and suffering of blacks in areas such as Selma, Ala., where, in fact, marchers for the cause of equal voting rights had been killed and injured at the hands of local law enforcement officials. The day of that march is now known by many as bloody Sunday.

The Congress acted with dispatch by passing some 5 months after President Johnson's plea the Voting Rights Act of 1965. I am very proud to have been a Member of this body and the Committee on the Judiciary at the time when that momentous and important legislation was enacted. It has been termed by many to be the most effective civil rights legislation ever passed and justifiably so. The application of the Voting Rights Act's special remedies has led to drastic improvements in the voting situation of southern minorities. In jurisdictions first triggered for special coverage under the remedies, namely, jurisdictions in the South, the political participation of minorities has greatly increased in terms of registration, voting and the actual holding of political office. We are at this time confronted with the important decision as to whether or not that special coverage and the special remedies which it entails ought to be allowed to expire for certain jurisdictions in August of this year. Unless we now act to extend the act's special provisions, that coverage will cease to exist for certain areas within the next 2 months.

H.R. 6219, a bill which was favorably reported out of the Judiciary Committee by a vote of 27 to 7, does in fact extend the Voting Rights Act's special provisions for an additional 10 years. It was the committee's judgment that each of those provisions or remedies needs to remain operative for at least that additional period of time. For example, in reviewing the continued need for this legislation in those jurisdictions soon eligible for release, we concluded that the act's Federal preclearance requirements, mandating Federal review of all voting changes to be implemented in covered jurisdictions, were still needed because of the recent increase in the number of Justice Department objections to potentially discriminatory changes. In other words, in recent years the Justice Department, under the preclearance provision, has halted by means of objections proposed changes in Alabama, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Virginia, each of which will soon be eligible for exemption from the act unless we act and act quickly. Those objections have prohibited, in those jurisdictions, discriminatory annexations, redistrictings, polling place changes, switches to at-large elections, and other devices which would have adversely affected minority political participation. The committee found, and I personally suggest to you, that it would simply be unthinkable to now remove the preclearance protections when such changes have been prevented by the Justice Department as recently as 1974 and 1975.

Furthermore, it was especially this preclearance remedy that the committee sought to preserve for an additional 10 years. Pursuant to section 5 of the Voting Rights Act, the Federal preclearance provision, covered jurisdictions must submit all redistricting plans prior to their implementation, and in view of the fact that at least one-third of the Justice Department's objections have been directed at such plans at all levels of government, it is imperative that the preclearance requirement remain in effect during the reapportionment and redistricting which will necessarily take place in the years after the 1980 decennial census. H.R. 6219 accomplishes that end by providing for a 10-year extension, making the preclearance provision operative at least through 1985.

In addition to Federal preclearance, other special remedies applicable to covered jurisdictions are the Attorney General's powers to certify the appointment of Federal examiners and Federal observers. In covered jurisdictions, where the Attorney General finds that they are needed, Federal examiners serve to list eligible voters and Federal observers serve to list eligible voters and Federal observers serve to monitor the conduct of elections. The committee found that there was a continuing need for these remedies in those States and political subdivisions which will soon be eligible for exemption. Significant registration disparities between blacks and whites still exist in the States of Louisiana, 16 percent, and Alabama, over 20 percent, and Federal examiners can yet play a significant role in insuring that large numbers of unregistered blacks are entered upon the rolls. Additionally, the Federal listing of eligible minority voters must continue to be available because of local registration barriers in covered jurisdictions. Such barriers were documented in the recent report of the U.S. Commission on Civil Rights. That report, "The Voting Rights Act: 10 Years After," reveals that in many of the covered jurisdictions the times and places of registration are so restrictive that blacks, frequently living in distant rural communities, are unable to register. Some white registrars in those areas are also reputed to treat blacks with extreme discourtesy, so much so that blacks find the registration process under these circumstances at best embarrassing and humiliating. In light of such factors, the committee concluded that the important remedy of Federal registrars should be continued.

The same conclusion was reached with respect to the Federal observer remedy. The hearing record on this legislation reveals that many minority voters in the covered jurisdictions have frequently found that their names cannot be found on precinct lists and that abuses exist with respect to aid to be provided to illiterate voters. Also, polls in these areas continue to be located in all-white clubs and lodges where minority persons are otherwise not allowed to go, with such locations obviously representing extremely hostile and intimidating atmospheres for the nonwhite voter. Thus, the presence of Federal observers can still serve to deter abuses and to prevent or diminish the intimidation frequently experienced by minority voters.

H.R. 6219, a bill which extends each of these remedies for an additional 10 years, must be passed by this body if the political rights of minority citizens are to continue to be safeguarded from future infringements.

H.R. 6219 also proposes to make permanent the temporary nationwide ban on literacy tests which Congress enacted in 1970. That nationwide test suspension expires in August of this year and the committee concluded that it was now appropriate, as well as constitutional, for that ban to be made permanent. It is well documented that, primarily because of disparate education opportunities, minority citizens in this country suffer from much higher rates of illiteracy than do nonminority citizens. In reaching its conclusion that literacy tests ought to be permanently banned, the committee also took into account the long and tragic history of the discriminatory use of such tests to disenfranchise minority voters, as well as the extensive use of broadcast media in today's society as a source of acquiring knowledge on the political scene.

Having decided in favor of extending the Voting Rights Act's special provisions, the committee was then faced with another important and momentous decision; namely, whether or not the act's special coverage ought to be expanded in some manner to insure the protection of the voting rights of language minority citizens. During subcommittee proceedings, members of language minorities offered testimony on incident after incident in uncovered jurisdictions where language barriers as well as other forms of discrimination served to impede political participation on the part of minority citizens with native languages other than English. Described were instances where the inability to speak English served to deter or otherwise frustrate the registration and voting efforts of language minority citizens. Election officials who speak only English and election materials printed only in the English language effectively exclude such citizens from the electoral process. Also related were instances of discriminatory districting plans, discriminatory annexations, and acts of physical and economic intimidation when language minority citizens do in fact attempt to participate. The entire situation in these uncovered jurisdictions is tragically reminiscent of the earlier and, in some respects, current problems experienced by blacks in currently covered areas.

With the same commitment and dedication which led the Judiciary Committee to report out the 1965 act and its 1970 extension, the committee has now reported out to you for favorable action, provisions in H.R. 6219 which would meet the tremendous needs of language minorities. And with the same dispatch with which the Congress acted in 1965 and 1970, we must now adopt these expansion provisions.

Based on the subcommittee record as well as judicial proceedings the committee felt that each of the act's special remedies ought to also be applicable, first, where language minorities—defined as Alaskan Natives, Asian Americans, American Indians, and persons of Spanish heritage—reside in greatest concentrations; second, where there has been a low voter turnout in the most recent Presidential election; and, third, where there have been conducted elections only in the English language. Other language groups were not added for coverage purposes at this time merely because the committee had no evidence before it that such citizens experience severe voting barriers. In fact, nationwide voting statistics for other language groups indicate that they have much higher participation rates than, for example, do persons of Spanish heritage. Moreover, it is primarily the four language minority groups set forth in the bill which have experienced discrimination in education, thereby leading to their continued illiteracy in the English language.

Thus, H.R. 6219 proposes to mandate, for a 10-year period, in newly covered jurisdictions such as Texas, Alaska, and various other counties throughout the country, the conduct of bilingual elections, Federal preclearance, and Attorney General authorization to certify the need for examiners and observers. Such remedies will clearly address many of the language minority voting problems elaborated upon in the record; a record which, incidentally, is quite extensive in that it includes 13 days of hearings. This expansion of the act's special coverage is found in title II of H.R. 6219.

Additionally, H.R. 6219 provides for the bilingual elections remedy in jurisdictions where language minorities with high illiteracy rates reside in significant numbers. This remedy is provided for in title III of H.R. 6219.

While the committee's report on H.R. 6219 sets forth in considerable detail why it in fact believes that the expansion to these additional jurisdictions is both appropriate and constitutional, I believe it important to note that only recently the Justice Department has directed a letter, dated May 16, 1975, to Senator JOHN V. TUNNEY, indicating that, in its opinion, H.R. 6219 and its expansion to non-English speaking minorities, is constitutional. The letter states:

> The evidence is sufficient to support a legislative determination of need and to support the means chosen for protecting the right to vote.

Both the extension as well as the expansion of the Voting Rights Act are constitutional exercises of congressional authority. The burden is now simply upon us to make a legislative judgment as to whether or not these provisions should be voted up or down. I can only say that a no-vote on these provisions would be a tragedy, indeed. For the result would be a continued disenfranchised minority citizenry, and such a result would make a travesty of our so-called democratic system.

Mr. Chairman, at this time I would like to compliment the chairman of the subcommittee and the ranking minority member of that subcommittee, together with the committee members who worked industriously and diligently over a period of time, and held 13 days of hearings at which were heard witnesses who presented testimony which is convincing proof of the need to expand coverage and the need to extend the Voting Rights Act to insure the rights of every individual, regardless of race, creed, color or language to be able to vote in these United States.

Mr. EDWARDS of California. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, today we take up for consideration H.R. 6219, a bill which both expands and extends the Voting Rights Act of 1965. It was over 3 months ago that we first began extensive study on this legislation in that it was at that time that the Subcommittee on Civil and Constitutional Rights first convened its hearings. Some 13 hearing sessions and 2 volumes of testimony later, I now stand before you to describe what we heard, what we found, and why we believe that it is absolutely imperative that you support H.R. 6219.

I do not think that I need to go into great detail in relating how and why the Voting Rights Act came about. Most of us here can readily recall the disturbing memories of the recent past when in certain areas of this country, not only were minority citizens denied the right to vote outright—but some were also killed and injured in their attempts to speak out against that exclusion. The Voting Rights Act of 1965 was passed to bring about swift administrative relief by finally admitting into political life those whom others were determined to exclude.

In passing the act, the 89th Congress proved to be a very optimistic body in that it designed the 1965 legislation to be applicable for a 5-year period. It was apparently hoped that, under the act, the tides of change would flow quickly and that the affected areas would readily open up their electoral processes to those who were formerly excluded. That their optimism was not well founded is now apparent. In 1970, just prior to the time that the act was to have expired, the Congress thoroughly assessed the progress which had been made during the previous 5 years and determined that it fell far short of bringing about the change that was yet needed. The special application of the act was therefore extended for another 5 years—until August 6, 1975. At this time, therefore, we again find ourselves in a posture of reassessment because, in 2 months, jurisdictions brought under the act in 1965 will begin to be eligible for automatic exemption.

H.R. 6219 proposes to again extend the special provisions of the Voting Rights Act—only this time, we propose that a more realistic extension of 10 years be adopted. It takes time to root out evils which have been allowed to exist in certain areas of this country for hundreds of years; and I believe that by urging a 10-year extension, H.R. 6219 is a bill which finally comes to grips with that reality.

Moreover, there can be no denying that so very many of the same voting barriers which existed in the covered jurisdictions in 1965 continue to exist in those jurisdictions in 1975. We heard witness after witness relate the continued prevalence of insidious voting dis-

UMI

crimination existing in jurisdictions which could conceivably be released from the act in less than 10 weeks. In a recently released report, "The Voting Rights Act: 10 Years After," the U.S. Commission on Civil Rights poignantly documents that in the currently covered jurisdictions barriers to voting and registration yet persist.

The locations and office hours of registration places are frequently so restrictive that significant numbers of minorities are unable to register, especially when those minorities live in distant rural areas far from the county seat. Moreover, even when minority citizens do manage to arrive at the registration offices during the regularly scheduled hours, the offices are frequently closed or the white registrars treat them with discourtesy that, at best, registration is a humiliating experience.

Problems are cited of polling places being located in all-white clubs or lodges where minority citizens are not otherwise allowed to go, and of the fear and intimidation which those citizens experience. Other abuses relating to discriminatory purgings and reregistrations are also documented. And although fewer in number than in earlier years, there are even still some reported incidents of violence being perpetrated upon those who do attempt to become active in the political process. Thus, the need for the act continues.

The Voting Rights Act's special remedies, which include Federal preclearance of voting changes, section 5; Federal examiners or registrars, section 6; and Federal observers or poll watchers, section 8, are now applicable to jurisdictions which had literacy tests or devices and less than 50-percent turnout at the time of the Presidential election of either 1964 or 1968. Those special remedies are now applicable to six Southern States and parts of another, to three New York counties, to areas of California and Arizona, to certain areas in New England, and to a few other counties. The provisions of title I of H.R. 6219 would require that the special remedies continue to be applicable to these currently covered areas for an additional 10 years. In assessing the future need for the act, it was felt that a 10-year extension is needed in order to have the act's section 5 preclearance requirements effective during the redistricting which will take place after the 1980 census. Experience has indicated that Federal approval of such plans is needed since it is often through the reapportionment and redistricting process that minority voters, in covered jurisdictions, are adversely affected. In addition to section 5, the act's examiner and observer provisions can still be critical in terms of alleviating some of the many abuses yet persisting.

Before going any further, I should also, of course, mention that while we do find continued abuses, there has been some measure of success under the act in terms of improving black and minority political life. The gains which have been made in the currently covered jurisdictions since the passage of the act have been significant. Prior to the passage of the Voting Rights Act, it was estimated that blacks in the southern covered States lagged behind whites in registration by 44.1 percentage points. Most recent estimates show that the gap has diminished to some 11.2 percentage points. The number of black elected officials in those jurisdictions has increased from less than 100 as a pre-act figure to approximately 1,000. However, one should take care not to be misled by these early signs of success. Problems still persist. In 1972, it was estimated that there were well over 2.5 million blacks unregistered in all of the 11 Southern States. Also, the seven covered Southern States continue to have the greatest disparities between percentages of black elected officials and percentages of blacks in the voting age population. For example, Alabama, as of April 1974, had a 23-percent black voting age population, while it had only 3.7 percent black elected officials; Mississippi had a 31.4-percent black voting age population with only 4.0 percent black elected officials, et cetera. While blacks have, in fact, begun to serve in the covered areas in State legislatures, on county commissions, school boards, and city councils, no blacks in those areas hold statewide office. Therefore, in terms of statistical gains, the picture is mixed, and again I urge the need for the act continues.

Now, I would like to turn to another provision of H.R. 6219. That provision would make permanent what is now a temporary nationwide ban on the use of literacy tests and other devices. In this age when electronic media serve to inform the great bulk of the populace on issues of national and local concern, it is simply unthinkable that a State might be allowed to limit the franchise to only those who can read and write. If the purpose of the literacy test is to insure an informed electorate, then surely the Congress can now find that that purpose can be achieved without the imposition of a literacy test. Moreover, it is imperative that we disallow such tests—since they have historically been the tools of abuse in denying minorities, with poor educational backgrounds, the franchise.

In addition to extending the Voting Rights Act, on the basis of other documentation found in the record, H.R. 6219, in its title II, also broadens the act's special coverage to new geographic locations in order to insure the protection of the voting rights of language minority citizens. This is accomplished in title II by expanding the definition of "test or device" to also mean the use of English-only election materials in jurisdictions where more than 5 percent of the voting age citizen population is comprised of members of any single language minority group. The title defines language minority group as American Indians, Alaskan natives, Asian Americans or Spanish heritage groups.

Currently available data indicates that title II coverage would be triggered in certain counties in California—including the two counties already covered—in areas of Arizona—again, most of which are already covered—in areas of Florida, Colorado, New Mexico, Oklahoma, New York, North Carolina, South Dakota, Utah, Virginia, Hawaii, and in the States of Alaska and Texas. The remedies which title II would mandate in these areas are: First, bilingual election procedures; second, section 5 preclearance; and third, Attorney General authority to certify service of examiners and observers.

What did we find that convinced us that this title II expansion was necessary? During the subcommittee's 13 hearing days, we heard of the extensive language barriers still being experienced by language minorities. We heard of the shamefully high illiteracy rate among language minorities in the areas proposed to be covered and of the small number of language minority citizens holding elective office—this, despite the fact that they comprise significant portions of the population. We heard of economic reprisals being suffered by such citizens when they seek to become active in the political process of, the intimidation and harassment resulting from inordinate law enforcement "patrolling" of language minority precincts during elections, of polling places being located only in white or Anglo areas of a community, of annexations which add only white or Anglo voters to the city rolls, of discriminatory gerrymandering, and of uncooperative and hostile local election officials.

The Civil Rights Commission's report, which is also a part of our record, further documents the greatly disproportionate effect of Arizona's purging laws on non-English-speaking Navajo citizens and Mexican-American citizens and of New York's purging laws on non-English-speaking Puerto Rican citizens. The purging notices in these areas have been provided only in the English language. Areas in the country with significant populations of Spanish-speaking and American Indians were also found to have severely overcrowded and too few polling places. Also, the Justice Department has recently taken part in litigation which was necessary in order to force certain county officials in the Southwest to seat a duly elected Navajo, as a county commissioner.

The needs are there. They are met by title II, and I therefore ask that you support its passage.

H.R. 6219 also contains a title III which is directed solely toward the language barriers faced by language minority voters of this country, such barriers usually being perpetuated by inequities in the educational opportunities provided. This title serves only to suspend the conduct of English-only elections where the language minority constitutes more than 5 percent of the voting age population and has a high illiteracy rate. It does not depend on overall low voting turnout for coverage, as does title II, nor does it impose any of the act's special remedies aside from a bilingual elections requirement.

It is important to note that this legislation is both narrow and temporary in nature. It applies in counties of high population and high illiteracy among the language minorities, and it applies for only a period of 10 years. The view and hope of the subcommittee is that by 1985 there will no longer be a need for such bilingual election procedures because the scars of unequal educational opportunities will have by then been removed. Additionally, as an incentive to jurisdictions to speed up the process of improving the educational opportunities for these language minorities, title III allows jurisdictions to "bail out" of bilingual coverage if they can come in at some later date and prove an increased or improved rate of literacy for the language minority group. This bilingual elections requirement is nothing new. Such procedures are now already taking place in many areas of the country. We should not now hesitate to mandate it on a nationwide basis where language minorities reside in large concentrations and are functionally illiterate.

Title IV of H.R. 6219 is generally a series of technical and enforcement amendments which, I believe, will be discussed in some detail by other members of the subcommittee.

I close now by again asking your full support for H.R. 6219. It is a bill which seeks to insure that minorities now protected by the Voting Rights Act continue to be protected. And it also seeks to protect those minorities who are still, in 1975, excluded from the processes of democracy. These excluded citizens are waiting in the wings to see what your decision will be. Please do not disappoint them.

Mr. Chairman, I ask your support today for H.R. 6219, a bill which both extends and expands the protections of the Voting Rights Act. In 1965, when the Voting Rights Act was first passed, it was in response to the severe voting discrimination being experienced by minority citizens in certain areas of the country. Those abuses had been unsuccessfully addressed by Federal voting legislation enacted in 1957, 1960 and 1964. Despite this earlier legislation, voting abuses still persisted in areas because of the myriad forms of discrimination devised by those determined to break the law. Case-by-case litigation under the earlier laws meant extreme judicial delays and the creation of new discriminatory methods as old ones were voided by the courts.

This situation came to a head in 1965, when citizens seeking to peacefully demonstrate against voting barriers suffered loss of life and serious injury. The suffering of these demonstrators and marchers took place at the hands of those determined to deny them the right to vote; and it was only a short time later that the 89th Congress expressed its concern by enacting into law the Voting Rights Act of 1965. That act was landmark, both in terms of its abandonment of the case-by-case litigation approach as well as the significant improvements which it has thus far wrought.

The Voting Rights Act was designed to effectuate immediate relief by means of an automatic triggering device which made the act's special remedies applicable to jurisdictions meeting the triggering criteria. After considerable study, the Congress chose as its trigger automatic coverage of those jurisdictions where the overall turnout or registration rate in the 1964 Presidential election was less than 50 percent and where literacy tests or other similar devices had been used at the time of the 1964 Presidential election. It was felt that by covering those areas, the significant "problem" spots would be identified—essentially because discriminatory use of literacy tests was then known to be one of the primary means by which blacks were being excluded from the electoral process. As a result of the operation of the trigger, special coverage in 1965 was applicable to six Southern States and portions of another, and to a sprinkling of other counties throughout the country.

Special coverage of these jurisdictions meant that they became automatically subject to a number of special requirements under the act. First, the use of literacy tests and other similar devices was automatically suspended in those areas. Second, section 5 of the act required that all voting changes made by the covered jurisdictions be subject to review by either the District Court for the District of Columbia or by the Attorney General of the United States prior to their implementation. And a third special remedy; namely, Attorney General authorization to certify service of Federal registrars and poll watchers, was also applicable in affected areas. Each of these special remedies was initially designed to be effective for a 5-year period.

In 1970, when the covered jurisdictions were soon to become exempt from the operation of the remedies, the Congress thoroughly reassessed the situation and found that severe voting problems still persisted. The Congress found that the act had, at that time, fallen short of bringing about the significant changes that were needed and that its application should continue at least until 1975. Thus, the 1970 Voting Rights Act amendments extended the life of the act for a second 5-year period. Additionally, in 1970, Congress broadened the trigger to also bring under the act's coverage, jurisdictions with low turnout and tests or devices at the time of the 1968 Presidential election. New jurisdictions added include areas in New York, Arizona, and California.

At this time, in June of 1975, we again find ourselves in a posture of reassessment, since jurisdictions brought under the act in 1965 will, in 2 months, again be eligible for automatic exemption from coverage. The Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary began deliberations on this matter some 4 months ago. We held 13 days of hearings and compiled two volumes of testimony in our efforts to determine future needs under this act. Finally, after careful study, it was concluded that a 10-year extension of the act's special provisions was needed. Thus, H.R. 6219, a bill which is the product of 3 days of subcommittee markup as well as 3 days of full committee markup, provides for such a 10-year extension.

An analysis of the progress which has been made during the 10 years of the Voting Rights Act's application presents a very mixed picture. The act has been extremely effective in terms of diminishing barriers to and improving minority voting and registration throughout the covered areas. Registration rates for blacks in the covered southern jurisdictions has continued to increase since the passage of the act. For example, while only 6.7 percent of the black voting-age population of Mississippi was registered before 1965, 63.2 percent of such persons were registered in 1971–72. Similar dramatic increases in black registration can be observed in Alabama, Georgia, Louisiana, and Virginia.

Severe gaps between black and white registration rates have also greatly diminished since the act's passage. Prior to 1965, the black registration rate in the State of Alabama lagged behind that of whites in that State by 49.9 percentage points. In 1972, that disparity had decreased to 23.6 percentage points. Likewise, in Mississippi, that disparity had decreased from 63.2 to 9.4 percentage points. These closing registration gaps have occurred throughout the covered southern jurisdictions.

Despite these impressive gains in the area of black registration, a bleaker side of the picture yet exists. Most recently available data reveal that percentage point disparities of 23.6, 16, and 17.8 can still be found in the States of Alabama, Louisiana, and North Carolina, respectively. In addition, the diminishing statewide disparities which have been pointed to cannot be allowed to obscure the tremendously low rates of registration still afflicting blacks within various counties in the covered States. In Louisiana, for example, significant disparities are much more evident in rural than in urban parishes. The disparity is greater than 20 percentage points in 8 of the 10 least populous parishes of that State. In 6 of the covered counties in North Carolina, white registration exceeds that of blacks by more than 25 percentage points. In South Carolina, as in Louisiana, whites are registered at much higher rates than blacks in many rural counties. For example, in Newberry County, S.C., the gap is 37 percentage points and in McCormick County, S.C., the gap is 28 percentage points.

In much the same manner as improved registration rates have been documented for blacks in covered southern jurisdictions so also has there been improvement in those areas in terms of an increasing number of black elected officials. One estimate suggests that only 72 blacks served as elected officials in the 11 Southern States in 1965, including those Southern States presently covered by the act. By April 1974, the total number of black elected officials in the seven Southern States covered by the act had increased to 963. After the November 1974 elections, those States

UMI

could boast of one black Member of the U.S. Congress, 68 black State legislators, 429 black county officials, and 497 black municipal officials. This rapid increase in the number of black elected officials marks the beginning of significant changes in political life in the covered southern jurisdictions.

So as not to be misled by the sheer numbers, however, other points should be noted when assessing this progress. Significant among these points is the fact that most of the offices newly held by blacks are relatively minor and located in small municipalities or counties with overwhelmingly black populations. Also, in the seven Southern States which are totally or partially covered by the Voting Rights Act, no black holds statewide office. As of November 15, 1974, the number of blacks in the State legislatures in the covered southern areas fell far short of being representative of the number of blacks residing in those jurisdictions. In Mississippi, for example, the percent of State legislative seats held by blacks is 0.6, despite the fact that 36.8 percent of Mississippi's population is black. In South Carolina, a State with a 30.7 percent black population, only 7.6 percent of the State legislative seats are occupied by blacks.

That minority political progress has been made under the Voting Rights Act is undeniable. However, the nature of that progress has been limited. It has been modest and spotty insofar as the continuing and significant deficiencies yet existing in minority registration and political participation.

A 10-year extension of the Voting Rights Act was recommended by the U.S. Commission on Civil Rights in its recent report; "The Voting Rights Act: 10 Years After." In that report, the Commission noted the significant gains yet to be achieved in terms of minority registration and office-holding, as well as the clear barriers to minority political participation still existing in covered areas. It was noted that the locations and office hours of registration offices are frequently so restrictive that significant numbers of minorities are unable to register. Even when minority citizens do manage to arrive at the registration offices during the regularly scheduled hours, it is reported that the offices are closed or that the white registrars treat them with extreme discourtesy or, at a minimum, in an uncooperative manner. Problems are cited of polling places being located in all-white clubs or lodges where minority citizens would otherwise not be allowed to go. Other problems relating to the discriminatory impact of purgings and reregistrations are also documented. Thus, it was concluded that, in view of these continuing voting barriers, a 10-year extension was required for each of the Voting Rights Act's special remedies.

Section 5 of the act requires review of all voting changes prior to implementation by the covered jurisdictions. The review may be conducted by either the U.S. District Court for the District of Columbia or by the Attorney General of the United States. In recent years the importance of this provision has become widely recognized as means of promoting and preserving minority political gains in covered jurisdictions. Section 5 attests to the foresight and wisdom of the 89th Congress, in anticipating the need for future Federal review of voting changes in covered jurisdictions. At the time of the 1965 enactment, this committee had evidence of the great lengths to which certain jurisdictions would go in order to circumvent the guarantees of the 15th amendment (H.R. Rept. No. 439, 89th Cong., 1st sess., 10–11). In order to insure that any future practices of these jurisdictions be free of both discriminatory purpose and effect, the section 5 preclearance requirements were adopted. The Supreme Court in upholding the constitutionality of section 5, noted:

> Congress knew that some of the States covered by Section 4(b) of the Act had resorted to the extraordinary stratagem of contriving, new rules of various kinds for the sole purpose of perpetuating voting discrimination in the face of adverse federal court decrees. Congress had reason to suppose that these States might try similar maneuvers in the future in order to evade the remedies for discrimination contained in the Act itself. *South Carolina* v. *Katzenbach*, 383 U.S. 301, 335 (1966).

Under section 5 the jurisdiction submitting the proposed change bears the burden of proving nondiscriminatory purpose and effect and the change cannot be implemented until the section 5 review requirements have been met.

It was not until after the 1970 amendments that section 5 actually came into extensive use. At the time of the adoption of those amendments, Congress resisted attempts to repeal the preclearance provisions, and in so doing gave a clear mandate to the Department of Justice that it improve enforcement of section 5. In addition, near that same time, the Supreme Court acted in two decisions (*Allen* v. *State Board of Elections*, 393 U.S. 544 (1969) and *Perkins* v. *Matthews*, 400 U.S. 379 (1971)) which gave broad interpretations to the scope of section 5. On September 10, 1971, the Department of Justice for the first time adopted regulations for implementing section 5's preclearance provisions. Today, enforcement of section 5 is the highest priority of the Voting Section of the Department of Justice's Civil Rights Division.

Many and varied changes have been submitted from most of the covered jurisdictions for the Attorney General's review. The number of submissions increased from 1 in 1965 to 1,118 in 1971. In 1974, the number of submissions was 988. The Justice Department has entered objections to changes submitted from a number of jurisdictions, including Arizona, Georgia, Louisiana, Alabama, Virginia, North Carolina, and New York.

The recent objections entered by the Attorney General of the United States to section 5 submissions clearly bespeak the continuing need for this preclearance mechanism. As registration and voting of minority citizens increases, other measures may be resorted to which would dilute increasing minority voting strength. Such other measures may include switching to at-large elections, annexations of predominantly white areas, or the adoption of discriminatory redistricting plans. In fact, the Justice Department has recently entered objections, at the State and local levels, to at-large requirements, polling place changes, majority vote requirements, staggered terms, increased candidate filing fees, redistrictings, switches from elective to appointive offices, multi-member districts, and annexations. In each of these objection situations the submitting jurisdiction failed to meet its burden of satifying the Attorney General of the nondiscriminatory purpose or effect of the proposed change.

The provisions of H.R. 6219 propose to amend the Act so that the special remedies, including section 5 preclearance, will be operative for an additional ten years. Although the 1965 legislation and the 1970 amendments did, in large part, provide for only 5-year coverage periods at a time, the committee concludes that it is imperative that a 10-year extension now be adopted in order to especially insure the applicability of section 5 protections during the reapportionment and redistricting which will take place subsequent to the 1980 decennial census.

Approximately one-third of the Justice Department's objections have been to redistrictings at the State, county, and city levels. This past experience ought not be ignored in terms of assessing the future need for the act. While it is something of an irony, the Supreme Court's "one man-one vote" ruling in *Reynolds* v. *Simms*, 377 U.S. 533 (1964) has created opportunities to disfranchise minority voters. Having to redraft district lines in compliance with that ruling, jurisdictions have not always taken care to avoid discriminating against minority voters in that process. By providing that section 5 protections not be removed before 1985, H.R. 6219 would guarantee Federal protection of minority voting rights during the years that the post-census redistrictings will take place.

The Judiciary Committee stated in its report that it "is convinced that it is largely section 5 which has contributed to the gains thus far achieved in minority political participation, and it is likewise section 5 which serves to insure that that progress not be destroyed through new procedures and techniques."

A continued need was also found for the Federal examiners remedy. Under the Voting Rights Act, jurisdictions which are covered by the statutory formula are subject to the appointment of Federal examiners. These examiners prepare lists of applicants eligible to vote and state officials are then required to register those "listed" persons.

Federal examiners have served in a Mississippi county as recently as 1974. Since the passage of the act, approximately 317 examiners have been sent to 73 designated jurisdictions. In the period from 1970–74, Federal examiners listed 1,974 black voters. Estimates provided by the Voter Education Project in Atlanta, Ga., indicate that the registration of blacks by Federal examiners accounted for 34.2 percent of the black registration increase in Georgia, 13.2 percent in Louisiana, 27.5 percent in Mississippi, and 7.4 percent in South Carolina. In general, it is estimated that 18.9 percent of black registration has been accomplished through Federal examiners.

Although Federal examiners have been used sparingly in recent years, the provisions of the act authorizing their appointment must be continued. Diminishing disparities between black and white registration rates in the covered Southern States can hardly be hailed as indicative of a lack of work to be performed by Federal examiners. The use of such Federal officers cannot now be eliminated when most recently available data indicates that the gap in Alabama is still over 20 percentage points and in Louisiana the disparity continues at 16 percentage points. Also, such examiners might serve to increase minority registration in rural areas where it is found to be lowest.

In addition, the hearing record developed before the subcommittee revealed that in many of the covered jurisdictions, the times and places of registration are so restrictive that blacks, frequently living in rural communities, are unable to register. Some white registrars in these areas are reputed to treat blacks with extreme discourtesy, so much so that

> [b]lacks find the registration process under these circumstances at best embarrassing and humiliating.

Discriminatory purgings have also been experienced by minority voters in certain covered areas. Thus, the job which can yet be performed by Federal examiners in these covered jurisdictions is significant and the availability of this important remedy must be continued.

The remedy of Federal observers must also be extended in covered jurisdictions. Under section 8 of the Voting Rights Act, whenever Federal examiners are serving in a particular area, the Attorney General may request that the Civil Service Commission assign one or more persons to observe the conduct of an election. These Federal observers monitor the casting and counting of ballots.

In 1975, a total of 464 observers served in Alabama, Georgia, Louisiana, and Mississippi. A total of 568 observers served in 1970, 1,014 served in 1971 and 495 served in 1972. It has been found that the presence of observers tends to diminish the intimidation of minority voters, especially when they must vote in polling places located in traditionally hostile areas of a community. Also, observer reports have served as important records relating to the conduct of particular elections in subsequent voting rights litigation.

Despite the fact that the number of observers recently assigned has decreased from the large numbers which were consistently assigned during the earlier years of the act's coverage, their use has nevertheless been significant since the time of the passage of the 1970 amendments. Furthermore, the record reveals that the need for such Federal election observers continues. Many minority voters in the covered jurisdictions have frequently found that their names have been left off precinct lists and that other problems and abuses exist with respect to aid to be provided to illiterate voters. Also, polls in these areas continue to be located in all-white clubs and lodges where minority persons are otherwise not allowed to go, with such locations representing an extremely hostile atmosphere for the nonwhite voter. Under such circumstances, the role of Federal observers can be critical in that they provide a calming and objective presence which can serve to deter any abuse which might occur. Federal observers can also still serve to prevent or diminish the intimidation frequently experienced by minority voters at the polls.

In addition to extending the special provisions of the Voting Rights Act, H.R. 6219 converts the existing temporary nationwide ban on literacy tests into a permanent ban. In 1965, when Congress first enacted the Voting Rights Act, it suspended literacy tests and other similar devices only in the jurisdictions specially covered by the act. In 1970, at the time that the Voting Rights Act was last extended, Congress extended this prohibition to all other jurisdictions, with that extended prohibition to be effective until August 6, 1975. Therefore, at the same time that the act's special remedies expire for certain jurisdictions, so also does the temporary nationwide test ban expire.

Tests or devices, as defined in the act, remain on the books in some 14 States. Those States are Alabama, Connecticut, Delaware, Georgia, Idaho, Louisiana, Maine, Washington, New Hampshire, New York, North Carolina, South Carolina, Washington, and Wyoming. If the nationwide test suspension is not extended or made permanent, these States will be able to enforce their literacy or other similar requirements as prerequisites to voting or registration. In addition, some other States will be able to enact and enforce such provisions.

In 1970, when the Congress enacted the temporary nationwide test suspension, it adopted a proposal which had been advanced strongly in the administration's proposed legislation. In testimony presented by the Department of Justice before a Judiciary subcommittee, the Attorney General testified that, under the Supreme Court's decision in *Gaston County* v. *United States*, 395 U.S. 285 (1969), any literacy test has a discriminatory effect if the State or county has offered its minority citizens inferior educational opportunities. It may be assumed that many minority citizens who have received inferior education in certain areas of the country migrate to Northern and Western States where literacy tests might be imposed. For this reason, Congress felt that a nationwide test suspension would be appropriate to protect throughout the country the voting rights of minorities who had been unconstitutionally subjected to educational disparities.

According to 1970 census statistics, only 5.5 percent of the total population 25 years old or older had less than 5 years of school. In contrast, the 1970 data indicate that 14.6 percent of the blacks and 18.9 percent of persons of Spanish heritage had less than 5 years of school. Clearly, the imposition of any literacy test by any State or county where such minority citizens reside would have a disproportionate and discriminatory impact upon these citizens. In reaching the conclusion that such tests ought to be permanently banned throughout the country, not only was unequal educational opportunities which minority citizens have experienced taken into account, but also the long and tragic history of the discriminatory use of such tests was considered as well.

There is no legitimate reason for any jurisdiction to retain such literary requirements as a prerequisite to voting. The proliferation of broadcast media, programing in many languages and serving many different communities, clearly evinces the inappropriateness of requiring a reading and writing ability on the part of voters. The expressed justification for such requirements is that they serve to weed out the informed from the uninformed voter. In view of the availability of numerous sources of data on candidates and political issues, other than in printed form, it is obvious that many well-informed voters can be excluded by this process. Furthermore, there is no guarantee that the literate citizen, who is allowed to vote, has used his skills to become informed about election issues and candidates.

Essentially, in recommending a permanent ban on literacy tests, we rely on facts to which Mr. Justice Douglas referred in *Oregon* v. *Mitchell*, 400 U.S. 112 (1970), the Supreme Court's decision upholding the constitutionality of the temporary nationwide test suspension. In that regard, Mr. Justice Douglas noted:

> [The Congress] can rely on the fact that most States do not have literary tests, that the tests have been used at times as a discriminatory weapon against some minorities, not only Negroes but Americans of Mexican ancestry, and American Indians; that radio and television have made it possible for a person to be well informed even though he may not be able to read and write.

Thus, it would truly be a step backward for this Congress to fail, at this time, to permanently ban these archaic devices which have so often served as the tools of abuse.

The provisions of H.R. 6219 which extend the act for 10 years and permanently ban literacy tests and devices are found in title I of the bill. A title II also exists in H.R. 6219 and that title serves to expand the special coverage of the Voting Rights Act to new geographic areas in order to insure the protection of the voting rights of language minority citizens.

UMI

In its recently released voting report, the U.S. Commission on Civil Rights indicated that there was evidence which tended to establish that minority citizens, in jurisdictions other than those currently covered by the act, encounter discrimination in the electoral process. The Commission recommended that the Congress give serious consideration to amending the Voting Rights Act to cover those language minorities which, according to their preliminary information, require the protection of the law. Following through on that recommendation, the Subcommittee on Civil and Constitutional Rights did in fact broaden its deliberations on the matter to include an examination of the voting problems experienced by minority citizens in uncovered areas.

Based on an extensive evidentiary record of voting discrimination against and high rates of illiteracy among language minorities, title II of H.R. 6219 was included so as to apply the Voting Rights Act's special remedies to areas where severe problems were identified. H.R. 6219 uses the term "language minority" and that term is defined to mean persons who are Asian American, American Indian, Alaskan Native, and of Spanish heritage.

Because of the reliance, under the title II trigger, upon census determinations for coverage purposes, it is intended that the census definitions or usages of these terms are to apply. Based upon census usage, the category of Asian American includes persons who indicate their race to be Japanese, Chinese, Filipino, or Korean. It is therefore these Asian groups which are to be used for purposes of triggering the act's special remedies. Although Census usage also includes in the Asian American category persons who indicate their race as Hawaiian, it is not intended that this group be included by census when making its Asian American coverage determinations. We are advised that unlike the languages of the other delineated Asian groups, the Hawaiian language is seldom, if ever, used; and since—as will be discussed later—one of the primary remedies accompanying title II coverage is a mandate for bilingual election procedures, it was determined that the inclusion of Hawaiian for purposes of triggering that remedy was inappropriate.

The category of American Indian includes persons who indicated their race as Indian-American—or who did not indicate a specific race category but reported the name of an Indian tribe. The population designated as Alaskan Native includes persons residing in Alaska who identified themselves as Aleut, Eskimo, or American Indian. Persons of Spanish heritage are identified as: "persons of Spanish language" in 42 States and the District of Columbia; "persons of Spanish language" as well as "persons of Spanish surname" in Arizona, California, Colorado, New Mexico, and Texas; and "persons of Puerto Rican birth or parentage" in New Jersey, New York, and Pennsylvania.

Why are these four language minority groups chosen for protection? It was found, during the subcommittee's deliberations on this matter that members of these groups continue to suffer severe language barriers. It was further found that in most cases, these language barriers were the result of unequal educational opportunities having been afforded these citizens. Illiteracy in the English language effectively excludes members of these four groups from any meaningful participation in the electoral process. Therefore, as a trigger, title II of H.R. 6219 brings under special coverage jurisdictions where English-only elections were conducted in the 1972 Presidential election if those jurisdictions had over 5 percent of a single language minority group and if the jurisdiction's overall turnout or registration rate at the time of the 1972 Presidential election was less than 50 percent. Essentially, in title II, the definition of "test or device" is expanded to also mean the use of English-only election materials in jurisdictions where more than 5 percent of the voting age citizen population is comprised of members of any single language minority group. The trigger of title II is virtually identical to the traditional trigger, now found in section 4(b) of the act; that is, the existence of a "test or device," as newly defined, and less than 50 percent turnout or registration at the most recent Presidential election.

Currently available data indicates that title II coverage would be triggered in certain counties in California—including the two counties already covered—in areas of Arizona—again, most of which are already covered—in areas of Florida, Colorado, New Mexico, Oklahoma, New York, North Carolina, South Dakota, Utah, Virginia, Hawaii, and in the States of Alaska and Texas.

In these areas, title II would require: First, suspension of literacy tests; now defined to also mean the conduct of English-only elections. Therefore, a covered jurisdiction would have to comply with a mandate for bilingual election procedures; second, section 5 preclearance of all new voting changes; third, Attorney General authority to certify service of Federal examiners; and fourth, Attorney General authority to certify service of Federal observers.

As I noted above, the language groups covered generally suffer from severe language barriers in that they experience a high rate of illiteracy in the English language. For example, it has been estimated that 80 to 90 percent of the Spanish heritage citizens in the counties which proximate the Rio Grande speak and write only in Spanish. It has also been found that in Dallas, Fort Worth, and Houston, 50 percent of the Spanish heritage citizens speak and write only Spanish. This information has been provided by Dr. Ricardo Cornejo, an expert on bilingual education in Texas. More general statewide Texas figures found in the record indicate that 90 percent of the Mexican American population of Texas use Spanish as the language spoken at home. Throughout the United States, it has been estimated that almost 50 percent of all persons of Spanish heritage speak only Spanish and have only a limited comprehension of oral and written English. It has also been found that among the various Alaskan Native language groups, a large number of persons still speak their native language or dialect. In the Central Yupik Eskimo language family, for example, 15,000 out of a total population of 17,000 speak the language; 6,000 of the 11,000 in the language group Eskimo Inupiaq speak the language. Similar significant native language usage is found among the other Alaskan Native groups. Also native language usage is known to be still prevalent among the Navajo and various groups within the Asian community.

It has been found that these groups frequently suffer English-language disabilities and high rates of illiteracy not as the result of choice or mere happenstance. They are the product of the failure of State and local officials to afford equal educational opportunities to members of language minority groups. In *Lau v. Nichols*, 414 U.S. 563 (1974), the Supreme Court held that the failure of the San Francisco Board of Education to provide language instruction to Chinese students who do not speak English denied them a fruitful opportunity to participate in the public school program. The Court observed:

> We know that those who do not understand English are certain to find their classroom experiences wholly incomprehensible and in no way meaningful. *Id.* at 466.

If the word "voting is substituted for the word "classroom" in the Court's opinion, we can appreciate the difficulties which Asian Americans face when they seek to engage in the political process.

The same pattern of educational inequality exists with respect to children of Indian, Alaskan Native, and Hispanic origin. In one of its many reports on the subject, the U.S. Commission on Civil Rights concluded:

> The basic finding of this report is that minority students in the Southwest—Mexican Americans, blacks, American Indians—do not obtain the benefits of public education at a rate equal to that of their Anglo classmates.

In *Natonabah* v. *Board of Education*, 355 F. Supp. 716 (D.N. Mex. 1973), a Federal district court has found that Navajo pupils in the Gallup-McKinley School District have been denied equal educational opportunities. Similar findings have been made by the Supreme Court and lower Federal courts regarding students of Spanish origin. Finally, In *Hootch* v. *State Operated School System*, Civil No. 72-2450 (Super. Ct. Alaska 1973) (plaintiffs motion for summary judgment denied) (appeal pending before Supreme Court of Alaska), the plaintiffs have challenged the practice of the State of Alaska to provide public secondary schools for Alaskan Native children only in urban areas distant from their communities. Most non-Native children, on the other hand, are offered public secondary schools in their own communities.

Thus, it is apparent that the providing of bilingual ballots for the affected groups is a much-needed remedy.

I should also note that the providing of bilingual election processes is certainly not a radical step. Bilingual election procedures have been ordered by courts in numerous jurisdictions with Spanish-speaking populations. Such procedures have been ordered in both New York State and New York City, in Chicago, in Philadelphia, and in certain counties in New Jersey. Some non-court-ordered bilingual election procedures can now be found in Dade County, Fla., New Jersey, California, Massachusetts, Connecticut, and Pennsylvania. Among these areas, the range is from total bilingual procedures to more limited bilingual procedures. In certain instances, these methods have been implemented at the direction of the Secretary of State and in others, some bilingual procedures are required by State statute. In *Torres* v. *Sachs*, 381 F. Supp. 309 (S.D. N.Y. 1974), one of the court decisions requiring such procedures, the court found that—

> It is simply fundamental that voting instructions and ballots, in addition to any other material which forms part of the official communication to registered voters prior to an election, must be in Spanish as well as English, if the vote of Spanish-speaking citizens is not to be seriously impaired.

That court ordered complete bilingual election materials and assistance, from dissemination of registration information through bilingual media and the use of bilingual election inspectors.

Some may, of course, wonder why the term "language minorities" has been limited to include only the four designated groups; and why other ethnic groups with native languages other than English were not included. No evidence was received concerning the voting difficulties of other language groups. Indeed, the voter registration statistics for the 1972 Presidential election showed a high degree of participation by other language groups: German, 79 percent; Italian, 77.5 percent; French, 72.7 percent; Polish, 79.8 percent; and Russian, 85.7 percent. These figures are significantly high when compared to the comparable Spanish figure of 44.4 percent.

In addition to language barriers, the subcommittee found instance after instance of clear voting discrimination being practiced against language minorities. We heard of acts of physical, economic, and political intimidation when these citizens attempt to exercise the franchise. Witnesses testified that local law enforcement officials in areas of Texas patrol only Mexican American voting precincts, and harass and intimidate Mexican American voters.

Much more common, however, are economic reprisals against minority political activity. Fear of job loss is a major deterrent to the political participation of language minorities. A witness from Texas indicated that an Anglo candidate who was a loan officer at the bank went to each Mexican American who had loans with the bank and told them he expected their votes. The subcommittee record is replete with overt economic intimidation designed to interfere with and abridge the rights of Mexican American voters. In its analysis of problems of electoral participation by Spanish-speaking voters, the Commission on Civil Rights reported that some Mexican Americans in Uvalde, Tex., are afraid their welfare checks will be reduced because of their political activity. Underlying many of the abuses is the economic dependence of these minorities upon the Anglo power structure. People whose jobs, credit, or housing depend on someone who wishes to keep them politically powerless are not likely to risk retaliation for asserting or acting on their own views.

Because of discrimination and economic dependence, and the fear that these factors have created, language minority citizens for the most part have not successfully challenged white political domination. The proportion of elected officials who are Mexican American or Puerto Rican, for example, is substantially lower than their proportion of the population. In Texas, although Mexican Americans comprise 16.4 percent of the population, they hold only 2.5 percent of the elective positions. In New York, where Spanish-heritage citizens comprise 7.4 percent of the population, they hold less than 0.1 percent of elective positions.

The subcommittee also heard extensive testimony on the question of representation of language minority citizens, that is, the rules and procedures by which voting strength is translated into political strength. The central problem documented is that of dilution of the vote—arrangements by which the votes of minority electors are made to count less than the votes of the majority. Testimony indicated that racial discrimination against language minority citizens seems to follow density of minority population. As one witness noted, "As the Mexican American or black voter appears to threaten potentially local power structures, a wide variety of legal devices are employed to intimidate, exclude and otherwise deny voting rights to minority citizens."

The way lines are drawn for election districts has a significant effect on the ability of voters to elect the candidate of their choice. Often lines are drawn in order to dilute or negate minority voting strength. For example, although Navajos residing on the reservation constitute about three-quarters of the Apache County, Ariz., population, the three supervisors' districts are drawn in such a way that all the Navajos are placed in one grossly overpopulated district. The Navajos and the Department of Justice have filed suit against the districting plan. Moreover, the one Navajo candidate who was eletced to the three-member Apache County Board of Supervisors by a 3 to 1 margin, was refused his office until the Arizona Supreme Court ordered him seated.

In Nacogdoches, Tex., the city charter provided for at-large elections with electoral victory for a plurality of the votes. In spring 1972, a black candidate almost won a plurality of votes in the election. In June 1972, the all-white city commission amended the city charter for the first time in 43 years to adopt a majority runoff, numbered place system for city elections. In the April 1973 election another black candidate ran for city commissioner only to win a plurality of the votes but to lose in a majority runoff election. In 1975, a Federal district court ordered single-member districts for the city of Nacogdoches on grounds that the at-large majority runoff, numbered place system abridged the voting rights of black citizens. *Weaver* v. *McUlroy*, Civil No. 5524 (E. D. Tex. 1975). Thus, it is apparent that in certain of the jurisdictions newly covered under title II, other minorities, in addition to language minorities, also need protection.

Election law changes which dilute minority political power in Texas are widespread in the wake of the recent emergence of minority attempts to exercise the right to vote. The following communities have adopted such changes in the face of growing minority voting strength: Corpus Christi, Lufkin, and Waco, in addition to a number of local school districts throughout the State. In January 1972, a three-judge Federal court ruled that the use of multimember districts for the election of State legislators in Bexar and Dallas Counties, Tex., unconstitutionally diluted and otherwise cancelled the voting strength of Mexican-Americans and blacks in those counties. This decision was affirmed by the U.S. Supreme Court in *White* v. *Regester*, 412 U.S. 755 (1973).

It is because of the prevalence of these extensive voting barriers that title II of H.R. 6219 provides that the jurisdictions newly covered by its provisions are to have applicable to them, in addition to the bilingual elections requirement, the section 5 preclearance provisions as well as the remedy of Attorney General authorization to certify service of Federal examiners and observers. Very many of the discriminatory electors devices present in these newly covered jurisdictions would have been prevented by section 5 had its provisions been operative at the time of their impelmentation. H.R. 6219 takes care now to insure that beforehand any future implementation of such devices will be subject to section 5 review.

Furthermore, it is believed that the appointment of Federal examiners and observers in these newly covered areas ought to be authorized. Federal observers could clearly serve to diminish the intimidating impact of having to vote in all-white areas of the city or being subject to constant "law enforcement surveillance." Also, in those communities where uncooperative and hostile registration officials are found, examiners could "list" minority citizen residents.

Coverage under title II is based on a rational trigger which describes those area for which we had reliable evidence

UMI

of actual voting discrimination in violation of the 14th or 15th amendment. It is possible, of course, that there may be areas covered by this title where there has been no voting discrimination. The bill takes account of this possibility by a provision which allows a jurisdiction to exempt itself from coverage of the act if it meets certain criteria. Any State or political subdivision may exempt itself by obtaining a declaratory judgment that English-only elections or any other "test or device" has not in fact been used in a discriminator fashion against language minorities and other racial or ethnic groups for the 10 years preceding the filing of the action. The "bailout" process operates in the same manner as the current provision in the act and is a relatively minor one if no evidence of discrimination is present. In fact, with respect to jurisdictions covered by title II, it is expected that a successful bailout could typically be achieved if the jurisdiction can demonstrate factors such as high turnout and participation by its language minority population; and and literacy in the English language among that group. It is clear that if factors such as these could be demonstrated, for the 10 years preceding the filing of the bailout action, then the jurisdiction's past use of English-only election procedures did not have a discriminatory effect.

I should note that where H.R. 6219 defines "test or device" to also mean the conduct of English-only elections where there reside over 5 percent citizens of a "single language minority," the single language minority terminology is used to indicate that populations cannot be aggregated from among the four language minority groups in order to reach the over 5 percent criteria. For example, American Indian citizens and Asian American citizens cannot be added together to meet the criteria. Of course, subgroups within a single language minority group are to be aggregated for coverage determination purposes. So, Japanese, Chinese, and Filipino would be added together in arriving at any Asian American coverage. The same would be true with respect to adding together various tribal populations within a jurisdiction to arrive at American Indian coverage and adding together Aleut and Eskimo populations to arrive at Alaska Native coverage.

The question then naturally arises as to just what the bilingual mandate means when you have coverage triggered in areas where several subgroups of a single language minority reside and where each of those subgroups speaks a different language. Is the bilingual mandate to apply with respect to the language of each subgroup? The answer is yes. However, as a practical matter, the mandate under these circumstances will usually be fulfilled primarily by the providing of bilingual oral assistance at each stage of the election process. This is so because for two language minority groups; namely, American Indians and Alaskan Natives, while there are different languages spoken by their subgroups, those languages are generally oral only and, therefore, the bilingual election procedures are to be fulfilled only through bilingual oral assistance. Therefore, in many multiple language situations, there will be no printing of multiple language ballots and materials required. Instead, what is required is that persons be available to orally assist the persons speaking the different languages in registration and voting.

The multiple languages of the various Asian American subgroups could of course result in the printing of ballots and materials in two or more languages, in addition to English. This is true because these various subgroup languages, such as Korean, Japanese, and Chinese are in fact written. It is important to note, however, that any jurisdiction subject to title II coverage because of its Asian American population could attempt to bailout from title II's bilingual elections mandate on a subgroup-by-subgroup basis. In appropriate circumstances, this could of course be true for areas covered by language minorities other than Asian Americans. The availability of the bailout procedure must be interpreted in this manner because the bilingual elections mandate remedy could otherwise be considered overbroad. In the past, such an interpretation of the bailout has not been needed because the act has predominantly covered black citizens, among whom no comparable subgroups exist; and there were therefore no special remedies of the act tailored to meet needs on any subgroup basis.

Such is not the case under title II coverage in that bilingual ballots could be required in the languages of a number of different subgroups. It is important in such situations that a jurisdiction be allowed to demonstrate that its procedures; namely, English-only elections, have not discriminated against one or more of the pertinent subgroups, in order to be relieved of its obligation to provide materials or assistance to that subgroup or subgroups. This could be demonstrated by showing such factors as English literacy and/or high turnout and participation on the part of the subgroup for which the bailout is sought.

One general and final point to note with respect to title II is that it will essentially provide for 10 years of coverage for the affected areas. It is assumed that each of the act's special remedies will be applicable for 10 years of coverage for the affected areas. It is assumed that each of the act's special remedies will be applicable for 10 years because if the jurisdiction uses no tests or devices and conducts bilingual elections from the effective date of this law, then 10 years hence it can automatically prove that it has not, for the preceding 10 years, used in a discriminatory fashion a test or device, including English-only elections—because it will not have used such devices or election procedures at all during that period.

I would like now to describe and explain the provisions found in title III of H.R. 6219. Title III of H.R. 6219, like title II, seeks to enfranchise citizens of four language minority groups—persons of Spanish heritage, Asian Americans, American Indians, and Alaskan Natives—which have excluded from the electoral process because of their inability to speak, write, or understand English. The line between title II and title III is based upon the severity of voting discrimination against such language minorities. The evidence before the Committee demonstrates that the voting problems of language minority groups are not uniform in all parts of the country. That evidentiary record is reflected in the different findings made under the two titles. The less stringent provisions of title III are based largely on the unequal educational opportunities which language minorities have suffered at the hands of State and local officials.

In contrast, the more severe remedies of title II are premised not only on educational disparities, but also on evidence that language minorities have been subjected to "physical, economic, and political intimidation" when they seek to participate in the electoral process. Essentially, title II brings to bear upon the jurisdictions which it newly covers, all of the Voting Rights Act's special remedies. Whereas, in jurisdictions covered under title III, H.R. 6219 mandates, for 10 years, only bilingual election procedures.

The evidence before the committee indicated a close and direct correlation between high illiteracy among these groups and low voter participation. For example, the illiteracy rate among persons of Spanish heritage is 18.9 percent, among Chinese is 16.2 percent and among American Indians is 15.5 percent, compared to a nationwide illiteracy rate of only 4.5 percent for Anglos. In the 1972 Presidential election 73.4 percent of Anglos were registered to vote compared to 44.4 percent of persons of Spanish origin.

It was found that the high illiteracy rate among these language minorities is not the result of mere happenstance. It is the product of the failure of State and local officials to afford equal educational opportunities to members of language minority groups. In my earlier discussion of title II, the extent of educational disparities among the four language minority groups covered by H.R. 6219's expansion amendments is detailed a bit more.

While title III is predicated upon unequal educational opportunity for which the State bears responsibility, the purpose of the title is not to correct the deficiencies of prior educational disparities, although that may be a necessary concomitant. Its aim is to permit persons disadvantaged by such inequality to vote now.

Title III covers the same language minorities as title II: citizens of Spanish heritage, Asian Americans, American Indians, and Alaskan Natives. As I noted earlier, the hearing record did not disclose any evidence of voting discrimination against other language minority groups. Again, since it will be census making the coverage determinations under title III as well, the four designated language groups are to bear their census meaning and usage. It is intended that my earlier, more detailed discussion of this matter, as it relates to title II, be operative here as well. The meanings and definitions of these groups, as earlier discussed, are to also apply to title III.

Because of the disparate voting problems reflected in titles II and III, the committee designed different triggers to take account of the dissimilarities among the jurisdictions with language minorities. A State or political subdivision is brought within the purview of title II if a single language minority comprises 5 percent of the total voting age citizen population, and if the illiteracy rate of that group is greater than the national average. For purposes of this title "illiteracy" is defined as failing to complete the fifth primary grade, the level at which a minimum comprehension in English ordinarily would be achieved. It is also a demarcation utilized by the Bureau of the Census in collecting data on educational attainment. The use of census classifications is important because administrative determinations of coverage under this title are made by the Director of the Census. It is my understanding that the national average illiteracy rate, as defined in H.R. 6219, is 5.5 percent; that is, that 5.5 percent of the total population 25 years old or older has less than 5 years of school.

Also, with regard to title III's coverage trigger, I believe that some clarification is needed with respect to the precise manner in which the census determinations are to be made. For coverage purpose under title III, where there are distinct racial subgroups within a single language minority group, for which illiteracy data is available, census is to make coverage determinations for illiteracy on a subgroup-by-subgroup basis rather than aggregate one illiteracy figure for the overall language minority group. Thus, it would work in this manner: A jurisdiction would meet the title III population criteria if it had, for example, more than 5 percent Asian Americans but would only meet the illiteracy criteria if it had higher than the national average illiteracy rate among either Japanese, Chinese, Korean, or Filipino. And the language, in addition to English, to be required would be any language or languages of the subgroups triggering coverage under the illiteracy factor. If, in my hypothetical, none of the Asian subgroups had a high illiteracy rate, coverage would not be triggered at all.

I note further that this interpretation of the triggering method of title III is consistent with the language of H.R. 6219. And I note specifically that where the language says "illiteracy rate of such persons as a group," the "as a group" language is intended to disallow the illiteracy of a language minority individual from being considered. It must be a group's and not an individual's illiteracy rate used for purposes of determinations. But whether or not illiteracy must be determined on an overall language minority group basis or whether or not it is to be, or may be, determined on a subgroup basis is left open in the language and that is why I have taken this opportunity to make it clear exactly what the specific intent is.

Unlike title II and the present Voting Rights Act, covering an entire State under title III does not automatically cover every political subdivision within it. In order for a smaller governmental unit to be covered, it must also meet the 5-percent minimum requirement; that is, that 5 percent of its population is of a single language minority. If the population of a political subdivision does not contain 5 percent of the same single language minority which triggered statewide coverage, then that subdivision is not obligated to provide bilingual election materials in the relevant language.

Most of the jurisdictions covered by title II are also covered by title III. That occurs because coverage under H.R. 6219, as under the Voting Rights Act, is determined by a "trigger" mechanism based on objective findings of the Attorney General and the Director of the Census. Underlying those administrative determinations is an extensive record and a legislative finding of a direct relationship between the "trigger" device and voting discrimination. As under the present act, coverage is thus "triggered" automatically.

It should be recalled that the line between title II and title III is based on severity of voting discrimination. Generally those jurisdictions in which the evidence shows extensive discrimination against language minorities will be covered by title II. On the other hand, title III is designed to be both broader and narrower. It covers more areas but imposes less stringent remedies. As a consequence, most of the jurisdictions covered under title II are also covered under title III. However, such double coverage will not impose any additional obligations upon the covered area. A State or political subdivision which complies with title II will invariably comply with title III.

Title III requires that its covered jurisdictions provide, for 10 years, bilingual election materials and information in the language of the applicable minority group or groups. If a State, for example, has two or more language minorities comprising more than 5 percent of the population and whose illiteracy rate is above the national average, then it would have to provide such materials for each group which triggered coverage. On the other hand, the State would not be required to provide bilingual materials for groups which did not exceed 5 percent of the total population and whose illiteracy rate is not greater than the national average. In other words, a political subdivision which is required to provide bilingual materials in Spanish would not have to provide bilingual materials for its American Indian residents if they comprised less than 5 percent of the population. Also, it should be pointed out that, as is the case in title II, when the language of the minority group triggering coverage is oral only, the bilingual elections mandate of title III is compiled with by providing bilingual oral assistance at all stages of the electoral process.

Because of the limited nature of title III, its bailout procedure is different from the one which is in the present act and in title II. Under title III, a jurisdiction, which seeks to use English-only procedures before 1985, may bailout if it shows that the illiteracy rate of the language minority which triggered coverage has dropped to, or below, the national average. If it bails out, it may then conduct English-only elections without violating title III of H.R. 6219.

H.R. 6219 provides a title III bailout procedure which rewards those jurisdictions where literacy rates among language minority residents improve to at least the national measure. Having found that the voting barriers experienced by these citizens is in large part due to disparate and inadequate educational opportunities, the committee believed it appropriate to provide, through the bailout mechanism, this incentive to educate and make more literate language minority citizens. By so doing, jurisdictions could be released from the title III requirements prior to their expiration in 1985.

Allowing jurisdictions covered by title III to remove themselves from the requirements of the title does not mean that the coverage determinations of the Director of the Census are reviewable. Those determinations are effective upon publication in the Federal Register and are not reviewable in any court. That is the way the present Voting Rights Act and title II operate. Thus the question of initial coverage is not subject to administrative or judicial challenge.

After the initial determination by the Director of the Census, however, there may be changed circumstances which provide a basis for bailing out. For example, assume that a particular subdivision is covered based upon the 1970 census data showing that the illiteracy rate of a language minority which triggers coverage exceeds the national average. If the 1980 census figures show that the illiteracy rate of that group has dropped to equal to, or below, the national average, then the subdivision would be eligible for bailout.

In seeking to bail out, a State or political subdivision may rely on data not gathered by the Census Bureau. Any survey which meets accepted scientific standards of realiability and validity may provide a basis for reviewing continued inclusion of a jurisdiction under title III. The survey results will, of course, be subject to challenge in the judicial proceeding instituted by the State or political subdivision against the United States to remove itself from title III. In such litigation, members of the language minority which triggered coverage, or their organizational representative, or any other aggrieved person, may intervene in the lawsuit in appropriate circumstances. As noted earlier, some juris-

UMI

dictions will be covered by both titles II and III. If such a State or political subdivision "bails out" from either title, it does not relieve itself of the obligations of the other title. A jurisdiction covered by both titles must satisfy the requirements of each, including the differing provisions for bailing out. It must be remembered that the "trigger" mechanisms of title II and III are quite different, and the determinations under each are made separately and independently. It should also be recalled that the remedial devices in those titles are different. It is not the intention of Congress to merge them for bailout or any other purpose.

Since, with respect to certain of the language minority groups, subgroup illiteracy determinations will have triggered coverage, bailout is available on such a subgroup-by-subgroup basis. So, if coverage of a jurisdiction is triggered for both Chinese and Filipino, when its Chinese illiteracy rate has dropped to equal to or below the national illiteracy rate, it can seek bailout from its Chinese bilingual procedures. It need not wait until the literacy rate of all of its triggering groups has improved before it can attempt to bailout.

The provisions found in title IV of H.R. 6219 are actually a number of miscellaneous sections, some intended to beef up enforcement and others intended to clarify or update the act. Section 401 of H.R. 6219 amends section 3 of the Voting Rights Act to afford to private parties the same remedies which section 3 now affords only to the Attorney General. Under the current provisions of section 3, whenever the Attorney General has instituted a proceeding to enforce the guarantees of the 15th amendment, the court may authorize the appointment of Federal examiners, may suspend the use of literacy tests and other similar devices, and may impose preclearance restrictions on all changes relating to voting or election processes. The amendment proposed by H.R. 6219 would authorize courts to grant similar relief to private parties in suits brought to protect voting rights in covered and uncovered jurisdictions. The term which is used, "aggrieved person," is a commonly used phrase which appears throughout the United States Code. The words are used in the Civil Rights Acts of 1964 and 1968, and a similar expression is employed in the Administrative Procedure Act. An "aggrieved person" is any person injured by an act of discrimination. It may be an individual or an organization representing the interests of injured persons. In this regard, I would suggest that the following decisions be referred to: *Trafficante* v. *Metropolitan Life Insurance Co.*, 409 U.S. 205 (1972); and *NAACP* v. *Button*, 371 U.S. 415 (1963).

In enacting remedial legislation, Congress has regularly established a dual enforcement mechanism. It has, on the one hand, given enforcement responsibility to a governmental agency, and on the other, has also provided remedies to private persons acting as a class or on their own behalf. It is sound policy to authorize private remedies to assist the process of enforcing voting rights.

The provisions of H.R. 6219 also amend the act by adding section 402, which would allow a court, in its discretion, to award attorney's fees to prevailing parties in suits brought to enforce the voting guarantees of the 14th or 15th amendments. That section would, of course, also authorize attorney's fees in cases brought under statutes designed to enforce or enacted under either or both of those amendments. The awarding of such fees is important in the area of voting rights because of the significant role which private citizens must play in their enforcement. Similar attorney's fees provisions can be found in title II of the Civil Rights Act of 1964 [42 U.S.C. § 200a–3(b)] and in title VII of the same act [42 U.S.C. § 2000e–5(k)], which are designed to prohibit discrimination in public accommodations and employment, respectively. Also, attorney's fees are authorized by the Fair Housing Act of 1968 [42 U.S.C. § 3612 (c)] and by the Emergency School Aid Act of 1972 (20 U.S.C. § 1617).

In its report on this legislation, the committee noted its approval of the prevailing case law which holds that where a statute authorizes it, a successful plaintiff "should ordinarily recover an attorney's fee unless special circumstances would render such an award unjust." *Newman* v. *Piggie Park Enterprises, Inc.*, 390 U.S 400, 402 (1968) (per curiam). "Plaintiff" in this sense is used to mean the parties seeking to enforce the voting rights involved and can include an intervenor.

The use of the term "prevailing parties" entitles successful defendants to fee awards where they can show that the lawsuit was frivolous and brought for harassment purposes. In fact, in *U.S. Steel Corp.* v. *United States*, 385 F. Supp. 346, 348 (W.D. Pa. 1974), the court, in interpreting the identical term, as it appears in section 706(k) of title VII of the Civil Rights Act of 1964, indicated that the award of attorney fees is in order "to those parties who must defend against unreasonable, frivolous, meritless or vexatious actions brought by either private parties or the Government." The court in the U.S. Steel case, supra, went further to cite with approval *Richardson* v. *Hotel Corporation of America*, 332 F. Supp. 519 (E.D. La. 1971), aff'd 468 F. 2d 951 (5th Cir. 1972), a case where attorney's fees were denied to a prevailing defendant because the plaintiff's proceeding had been brought in good faith on the advice of competent counsel. These cases establish the proper standard to be applied to prevailing defendant awards under section 402 of H.R. 6219.

In appropriate circumstances, counsel fees may be awarded pendente lite. See *Bradley* v. *School Board of City of Richmond*, 416 U.S. 696 (1974). Such awards are especially appropriate where a party has prevailed on an important matter in the course of the litigation even when he ultimately does not prevail on all issues. See *Bradley, supra*, and *Mills* v. *Electric Auto-Lite Co.*, 396 U.S. 375 (1970). Moreover, for purposes of the award of counsel fees, parties may be considered to have prevailed when they vindicate rights through a consent judgment or without formally obtaining relief. *Parham* v. *Southwestern Bell Telephone Co.*; 433 F. 2d 421 (8th Cir. 1970); *Richards* v. *Griffith Rubber Mills*, 300 F. Supp. 338 (D. Ore. 1969); *Thomas* v. Honeybrook Mines, Inc., 428 F. 2d 981 (3d Cir. 1970).

As with cases brought under 20 U.S.C. 1617, the Emergency School Aid Act of 1972, defendants in cases brought to enforce voting guarantees are ordinarily State or local bodies or officials. It is intended that under section 402 of H.R. 6219, as is the case with section 1617, attorney fees, like other items of cost, can be assessed from the funds under the official's control, or directly from State or local government or agency funds or treasuries, or directly from the official.

During its deliberations on extending the act, the subcommittee became very much aware of the paucity of data by race, color, and national origin on voter registration and turnout. Although Congress passed legislation in 1964 to help remedy this problem, the surveys called for by title VIII of the Civil Rights Act of 1964 [42 U.S. § 2000(f)] have never been undertaken. In H.R. 6219, we would again be requiring the collection of such data. Section 403 of H.R. 6219 requires the Director of the Census to collect data on registration and voting by race or color, and national origin. Such data is to be collected for each national election in the covered jurisdictions and for such other elections in any areas, as designated by the U.S. Commission on Civil Rights. Reports of such surveys are to be transmitted to the Congress. The confidentiality and criminal penalties provisions which are normally applicable to census data collection processes are also applicable to the surveys mandated by H.R. 6219, except that no one is to be compelled to disclose his race, color, national origin, political party affiliation, or how he voted—or the reasons therefor—and no penalty shall be imposed for the failure or refusal to make such disclosures.

H.R. 6219 amends section 5 of the act to make clear in the statute the Attorney General's authority, upon good cause shown, to provide expedited consideration of section 5 submissions during the 60-day period following their receipt. In a situation where such expedited consideration is being accorded, the statute is amended to allow the Attorney General to indicate affirmatively, before the running of the full 60-day period, that no objection will be made. However, the statute would further provide that the Attorney General may reserve the right to reexamine the submission if additional information comes to his attention during the remainder of the 60-day period. These amendments to Section 5 serve to codify the already existing expedited consideration procedures which the Department of Justice has established in its section 5 regulations (28 C.F.R. § 51.22). It is noted that, in codifying these procedures, it is not intended that any doubt whatsoever be cast upon the legality of the Attorney General's regulations, as already promulgated. [See, *e.g. Georgia* v. *United States*, 411 U.S. 526 (1973).]

The single amendment to H.R. 6219, adopted at the full committee level, serves to conform section 10 and title III of the present act to reflect the current state of the law and particularly the ratification of the 24th and 26th amendments. Title III of the current act, which prohibits the denial of the right to vote of citizens 18 years of age and older in National, State and local elections, was passed by the Congress as part of the 1970 amendments. In *Oregon* v. *Mitchell*, 400 U.S. 112 (1970), the Supreme Court upheld the constitutionality of title III insofar as it lowered the voting age to 18 for national elections. However, the Court held that that title III prohibition was not valid for State and local elections. Subsequently, in 1971, the 26th amendment to the Constitution was ratified. That amendment, by prohibiting the denial or abridgment of the right to vote of persons 18 years of age and older by the United States or any State, accomplishes the end which Congress had sought to achieve by its enactment of title III. The committee's amendment to title III deletes what are now unnecessary findings and prohibitions. The amendment retains, however, title III's enforcement provisions, but modifies them to authorize Attorney General enforcement of the 26th amendment.

The amendment, adopted at the committee level, to section 10 is intended to conform that section to reflect the ratification of the 24th amendment and the Supreme Court's decision in *Harper* v. *Virginia Board of Elections*, 383 U.S. 663 (1966), the latter having been decided after the 1965 enactment of section 10. The 24th amendment prohibits the denial or abridgment of the right to vote in Federal elections because of the failure to pay any poll or other tax.

In Harper, supra, the Court held that it is a denial of the equal protection clause of the 14th amendment for a State to deny the right to vote in its elections because of the failure to pay a poll tax. Section 10(b) is amended by adding section 2 of the 24th amendment to the other enforcement provisions, pursuant to which Congress directs the Attorney General to institute actions against poll tax requirements. Section 10(d) is deleted. That provision provides for the eligibility of voters in covered jurisdictions upon payment of current year poll taxes to either Federal examiners or local election officials. The 24th amendment to the Constitution and the Supreme Court's decision interpreting the 14th amendment now clearly prohibit the imposition of poll taxes for all elections.

The provisions of 11(c) of the act are amended to reflect the recent addition to Congress of Delegates from Guam and the Virgin Islands. The amendment made by section 406 of H.R. 6219 corrects what is apparently a typographical error which has appeared in the act since the adoption of the 1970 amendments.

I close now by again asking you full support for H.R. 6219. It is a bill which seeks to insure that minorities now protected by the act continue to be protected. And it also seeks to protect those minorities who are still, in 1975, excluded from the processes of democracy. These excluded citizens are waiting in the wings to see what your decision will be. I would only hope that your votes on this legislation would not add to the many tragic disappointments which they have already experienced in this great land of ours.

Mr. BUTLER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, if I may have the attention of the gentleman from California (Mr. EDWARDS), it is not often that I have the benefit of a special "Dear Colleague" letter dealing with an amendment which I propose to offer, and I have before me the gentleman's "Dear Colleague" letter of last week in which, in paragraph 5, the gentleman mentions "The Butler amendment"—which I prefer to call the impossible amendment—"because of the difficulties it will make for those who wish to come out from under the act, suffers from a series of drafting problems and ambiguities."

I would appreciate it if the gentleman will tell me if I may fairly assume that those ambiguities and drafting problems are those set forth in the letter of the Civil Rights Commission dated May 16, 1975, which is in our hands.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I will yield to the gentleman from California.

Mr. EDWARDS of California. The Commission on Civil Rights, by letter dated May 16, 1975, reviewed the proposal of the gentleman from Virginia in great detail and said in the letter that on the basis of the enclosed staff memorandum the Commission decided to recommend against the adoption of the amendment in the present form, and in a 17-page letter or memorandum, which is an analysis of the Butler impossible bailout amendment.

Mr. BUTLER. Yes. My question is, with respect to that analysis, does the gentleman have objections other than those set forth?

Mr. EDWARDS of California. Generally speaking, the objections that I have and will outline later have to do with the objections by the U.S. Commission on Civil Rights.

Mr. BUTLER. I thank the gentleman. I would also like to say to the gentleman that this letter of May 16, 1975, only came to my attention today. That may be a form of discrimination.

In any event, Mr. Chairman, I have endeavored to redraft my bailout amendment to accommodate these objections.

I would also like to call attention to the letter from the Attorney General of the United States and the objections to the drafting that he called to our attention.

Mr. Chairman, the chairman of the subcommittee has covered the legislation very well. I will not burden the House with the details of it again, except to say that once more that the Voting Rights Act was enacted in response to a shameful situation existing in 1964 requiring governmental action. I regret it was Federal action. The Voting Rights Act, in my judgment, does violence to the Federal system, and at the time I would have thought it was unconstitutional. The Supreme Court has indicated otherwise.

Whether the Voting Rights Act has been effective or not in the interim is not easily determined. I mention this because there have been so many things going on in this area during this time that it is impossible to say exactly what is responsible for the improved voting opportunities of the minority. I do not have any hesitance, however, in saying that the voting rights of the minorities have been substantially improved. Nonetheless, the figures which were set forth in the report of the majority of the subcommittee and the committee have been challenged by the attorney general of Virginia by saying that the figures are distorted.

If I may have the attention of the gentleman from California (Mr. EDWARDS), on this account, I call attention to a copy of the letter of May 27, 1975, from the attorney general to me, in which he said:

> It is apparent that the compilers of the chart, without so indicating, chose their figures from different materials in order to prove their preconceived point.

This indicates that the voting situation in Virginia was dramatically better before 1964 than these figures indicate, and I would ask the gentleman if he has had an opportunity to determine where this error arose or to verify it or not.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. Yes, I yield to the gentleman from California.

Mr. EDWARDS of California. The table in the committee's report to which the gentleman from Virginia (Mr. BUTLER) refers appears on page 43 of the recently released report of the U.S. Commission on Civil Rights, "The Voting Rights Act Ten Years After." In utilizing that report and the tables which appear there we have, of course, relied on the information furnished to us.

Mr. BUTLER. All right. Has the gentleman made any effort to check behind the report of the Civil Rights Commission on this point?

Mr. EDWARDS of California. This is an official Government agency which is provided funds by Congress, and generally their information is very reliable.

Mr. BUTLER. I thank the gentleman, but we will assume that there was no effort made to check these figures. I will, of course, stick, for the record, to the letter of the Attorney General for

UMI

an explanation as to exactly where they appear because there are distortions.

Mr. Chairman, the covered jurisdictions have come under this act presumably because they are not inclined to be generous with voting opportunities of minorities as Congress considers appropriate. What I am saying here is that we would not have this law if we did not have a problem in these jurisdictions.

When the Civil Rights Commission finds that certain vestiges of discrimination still exist in the covered jurisdiction after 10 years, it means two things: That the act is deficient in some regard, and I will submit that the chairman of the subcommittee and the chairman of the committee have put their fingers on a few of them today. The location of voting places, the polling places themselves, is an excellent example of this sort of thing and of the fact that there is objection still persisting.

The reason there is no inclination in the covered jurisdiction to change their voting laws is very simple: They have to go to Washington, to the Attorney General of the United States, and have him approve all of these changes. I am sure that these things that still persist persist because they are frozen in the law by the Voting Rights Act, and there is no inclination under the Voting Rights Act to expand the voting opportunities of minorities in the covered jurisdiction. That is so for two reasons: There is no reason to do so and it is because of the burdensome provisions of Section 5 of the Voting Rights Act.

Section 5 of the Voting Rights Act is the one that requires the covered jurisdiction to take every change in the voting law to the Attorney General of the United States for his approval.

I mention this so that the Members may be aware of exactly how it works: Each time we change a voting procedure in any of the covered jurisdictions, that change in the voting procedure has to go to Washington, D.C., to be approved by the Attorney General of the United States.

The classic example of this is one which occurred in the State of Virginia where the change would have required the partitioning off of the hallway in the city hall of the city of Fredericksburg, Va., of 3 feet of the registrar's office. The city was advised by the Department of Justice that this was a change which was subject to the preclearance provisions and the hallway could not be widened creating an alcove in the mayor's office. This record indicates, as it does in the case of all of these classic examples, the details which must be taken to and approved in Washington; this is an affront to the sovereignty of the covered jurisdictions.

Several of the witnesses before our subcommittee proudly called this act "Reconstruction legislation" the second reconstruction. But what is now proposed, with this 10-year additional extension, would extend this reconstruction legislation beyond the life even of the post-Civil War reconstruction legislation.

The burdens of this status are a nuisance, but the covered jurisdictions have learned to live with them. Contrary to the representations of the gentleman from California, (Mr. EDWARDS) and others, they are a burden, and they are indeed a burden to the State of Virginia.

For example, we in Virginia have had over 2,200 changes in voting laws which have been submitted to the Office of the Attorney General of the United States. A letter from the Office of the Attorney General dealing with reference to the amount of time that must be taken to process section 5 submissions indicates that an average of 54 days are taken for a routine submission that is sent to the Office of the Attorney General of the United States for its approval, and the result is that we are continually in a never-never land as to which changes are correct State law and which are not. The average time for all submissions to be processed is 54 days, and those to which objections are entered average 67 days. This is indeed a burden to the State of Virginia. In the State of Virginia we have 134 separate local, election jurisdictions, and all of those people have to be cognizant of the Voting Rights Act, and understand what it is all about.

The attorney general of Virginia has one man in his office whose principal function is to make sure that we comply with the Voting Rights Act. As a result, we have to continually have seminars and educational experiences to stay abreast of the complex regulations interpreting the act, just to change a voting rights provision, a simple voting rights problem of jurisdiction.

The problem is that now that we are getting ready to extend this act for another 10 years; the Members must understand that under the existing legislation there is no way that a covered jurisdiction can get out from under these burdensome provisions of the Voting Rights Act; there is just no way.

The Supreme Court of the United States has said——

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BUTLER. Mr. Chairman, I yield myself 5 additional minutes.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. Mr. Chairman, I would prefer that I be permitted to complete my statement, and then I will be happy to yield to the gentleman from Massachusetts.

Mr. Chairman, I wish to emphasize the point that under the existing legislation there is no way that a covered southern jurisdiction in the United States can get out from under it. To bail out of the act, a jurisdiction proves that its literacy test did not discriminate.

The literacy test in the State of Virginia was that a person simply had to register in his own handwriting, that was all; there was no real problem there. But now the Supreme Court of the United States has said that, in a recent effort by the State of Virginia to prove itself out from under the act, that they cannot prove that they did not discriminate in the use of a literacy test, if at the time the literacy test was used in 1964 they also had a separate but unequal school system for blacks. So now if you had a separate but unequal school system and a literacy test in 1964, there is no way that you can prove that that literacy test was not being used to discriminate. And the effect of that is for States like Virginia, where we can prove and have proven that it was not being used to discriminate, that you cannot come out from under the act.

That raises a serious question because what we are doing by extending this act for 10 years is we are sentencing every covered jurisdiction to submitting every change in its voting procedure, every little change in its voting procedure, to the Attorney General of the United States, whom no one elected, until 1985 because of a presumed voter discrimination, a conclusively presumed voter discrimination which occurred in 1964. People will be voting in 1985 who were not even born in 1964. Bear in mind that in effect for two Presidential elections, this law for 10 years; it has already been in effect for two presidential elections. We are extending it for three additional Presidential elections. This is not a small step; it is a tremendous step; and it raises serious constitutional questions—serious constitutional questions which, I might add, have never been responded to by proponents of the legislation.

If the Members are familiar with the adoption of Albrecht then they will understand where the remedy exceeds the problem, the law becomes unconstitutional. This is the situation we are now in when we trigger ourselves by a 1964 situation, leaving no way to escape from under it until 1985.

Whether we agree with this thing or not, we have got to recognize that the constitutional question is there. I have offered an amendment which I call the "Impossible Bail Out Amendment." I have developed it extensively from time to time in the RECORD, and I have developed it in the portion of my remarks, which I will revise and extend.

But whether we agree or not, this is an important constitutional problem. It is important also that those covered jurisdictions of the South may have an opportunity to work their way out from under this act. The way this "bail out" will work is that those covered jurisdictions which have been "pure" under the act for 5 years and which have a 60-percent turnout of minority voters, and that is substantial—and in addition to these two factors have an affirmative legislation program which meets the complaints the chairman suggested, and which meets the complaints of the gentleman from California: all of those little things about registrars not being available, about voting places being in the wrong place—an affirmative legislative program to work its way out from under the act, will be given the opportunity to do so, and that will make the

15th amendment truly meaningful, which is what was had in mind in the beginning.

Mr. Chairman, the Congress is being called upon to extend and expand the Voting Rights Act of 1965, one of the most extraordinary and controversial pieces of legislation in the history of this great nation. In order to focus on the numerous deficiencies in the act and in H.R. 6219, the legislation to extend the act, it will be necessary to briefly recount the history of the act and to explain some of the important provisions currently in the act and some of the provisions in H.R. 6219. With that background, the deficiencies of the legislation will be developed and affirmative solutions proposed to remedy these deficiencies.

HISTORY OF THE VOTING RIGHTS ACT OF 1965 AND H.R. 6219

The Voting Rights Act of 1965 was enacted to prevent State and local laws and practices from denying or abridging the right to vote to black citizens. While the act was designed to apply neutrally on its face based upon the 1964 Presidential election, the major purpose and effect of the legislation was to cover six Southern States and a large portion of a seventh Southern State where the record indicated that voting discrimination was most rampant.

The act imposed extraordinary remedies upon the covered jurisdictions by suspending all literacy tests and devices and by providing for Federal examiners and observers to monitor State and local elections. The act also provided that all voting changes would be subject to a Federal veto prior to their enforcement; while this provision was dormant during the early years of the act, Supreme Court decisions beginning in 1969 gave this provision a broad construction to apply to all changes even remotely affecting voting and stretched words in the statute to permit condemnation of any such change not submitted for review prior to its enforcement regardless of whether the change in fact had a discriminatory purpose or effect. To protect the rights of a few people, these remedies were imposed upon all of the people.

Progress in minority registration since shortly before passage of the act until the present has been substantial. But in evaluating the effectiveness of this legislation, it is important to note that much of this progress cannot be attributed to the act. In Virginia, for example, the great portion of the increase in minority voting came after the repeal of the poll tax; the statistics extracted from page 43 of the report of the Civil Rights Commission entitled "The Voting Rights Act: Ten Years After" indicating otherwise are erroneous. This misrepresentation was recently brought to my attention by the attorney general of Virginia, Mr. Andrew P. Miller. Because this incident serves to impeach the credibility of the entire report relied upon so heavily by members of the committee in drafting H.R. 6219, I will repeat verbatim crucial parts of Mr. Miller's letter:

DEAR CONGRESSMAN BUTLER: Having reviewed the Report of the Committee on the Judiciary, accompanying H.R. 6219 (Report No. 94–196, 94th Cong., 1st Sess., May 8, 1975), I would like to draw your attention to an error in the Committee's Report dealing with the proposed extension of the Voting Rights Act. The statement on page 6, to the effect that dramatic increases in black registration occurred in Virginia as a result of the Voting Rights Act, is incorrect. Moreover, the chart printed on that page, purporting to show black and white registration rates before and after passage of the Voting Rights Act, is also, at least as it applied to Virginia, inaccurate and quite misleading.

In the first place, that chart derives its pre-Act and post-Act registration figures for Virginia from different and inconsistent sources. The registration rates used in the chart for years after the passage of the Voting Rights Act are taken from figures developed by the Voter Education Project—the organization devoted to measuring black voting strength in the several Southern states and recognized its accuracy in doing so. For the years prior to the passage of the Voting Rights Act, however, the chart completely ignores the figures arrived at by the Voter Education Project and instead uses estimates developed by other sources. It is apparent that the compilers of the chart, without so indicating, chose their figures from different materials in order to prove their preconceived point.

Second, not only does the chart select its pre-Act and post-Act registration figures from inconsistent sources, but the pre-Act figures chosen for Virginia are incomplete and inaccurate on their face. Those figures are taken from estimates set forth in Appendix VII, Table 12, of the U.S. Civil Rights Commission's publication, *Political Participation*. A review of this appendix reveals that the estimate for black registration in Virginia totally excludes the number of blacks registered in the City of Richmond. In other words, although the black voting-age citizens in that jurisdiction are included in calculating the total black voting-age population of the Commonwealth, not a single black citizen of that jurisdiction is counted as having been registered. Moreover, the black registration figures used in the appendix are based, for a number of Virginia counties, on estimates as of April 1964—some five months before the registration books closed for that year. Thus, the estimate of black registration in Virginia in 1964, set forth in the appendix and used by the Committee in its Report, omits a large number of black citizens who were actually registered in that year.

The Report's use of such a patently incomplete figure is especially difficult to understand in view of the fact that the Voter Education Project did publish figures showing black and white registration in Virginia in 1964, which filled that gap left by the Commission's estimate. Based on the Voter Education Project figures, 200,000 of Virginia's black citizens, or over 45.7 percent of the black voting-age citizens of Virginia, were registered to vote in 1964. In that same year, 55.9 percent of Virginia's white citizens were registered to vote.* 4 *Voter Education Project News* Nos. 1 and 2 (Jan.-Feb. 1970); 2 *Voter Education Project News* No. 4 (April 1968); 111 *Cong. Rec.* 10062 (1965); *Hearings on H.R. 6400 Before Subcommittee No. 5 of the House Committee on the Judiciary*, 89th Cong., 1st Sess., ser. 2, at 257 ("1965 House Hearings").

These figures, developed by the Voter Education Project, showing the black and white registration rates in Virginia in 1964, were previously used by Congress when it originally considered the Voting Rights Act in 1965 (111 *Cong. Rec.* 10062 (1965); 1965 House Hearings at 257), and more recently were accepted by the United States District Court for the District of Columbia and by the United States Supreme Court in Virginia's recent action to obtain limited relief from certain provisions of that Act. *Commonwealth of Virginia* v. *United States*, 386 F. Supp. 1316 (D.D.C. 1974) (three judge court), *aff'd*, —— U.S. ——, 95 S.Ct. 620 (1975).

If the Voter Education Project figures are employed—and a chart developed consistently using the figures developed by that organization—quite a different picture emerges. According to the Voter Education Project, between 1960 and 1964, prior to the passage of the Voting Rights Act, black registration in Virginia almost doubled—from approximately 100,000 in 1960 to 200,000 in 1964. By contrast, in 1966, over a year after the Voting Rights Act was enacted, 205,000 blacks were registered in Virginia—an increase of just 2.5 percent. 4 *Voter Education Project News* Nos. 1 and 2 (Jan.-Feb. 1970); 2 *Voter Education Project News* No. 4 (April 1968).

The original legislation enacted in 1965 was to expire in 1970 to the extent that if a covered jurisdiction complied with the act and remained pure for 5 years, it could terminate the special coverage provisions by filing an action for a declaratory judgment to "bail out." However, in 1970, Congress extended the act for another 5-year period until 1975 by requiring a covered jurisdiction to prove a period of purity of 10 years rather than 5 years. Also new areas were covered based on the 1968 Presidential election.

The 1970 amendments also banned for 5 years literacy tests and devices on a nationwide basis and provided for uniform residency requirements and the 18-year-old vote in new titles.

Now, in 1975, the temporary nationwide ban on literacy tests is set to expire. Also, many jurisdictions originally covered in 1965 are on the verge of being able to escape the special coverage provisions by virtue of having been pure for 10 years. To cope with these two issues, H.R. 939 was introduced in the House of Representatives on January 14, 1975. That bill would have extended the special coverage provisions of the act for 10 years and would have made permanent the temporary nationwide ban on literacy tests and devices.

On January 27, 1975, H.R. 2148 was introduced to offer the administration's proposal to extend for another 5-year period both the special coverage provisions and the nationwide ban on literacy tests and devices. Just prior to the commencement of hearings on these two measures, two bills were introduced to expand coverage of the Voting Rights Act. H.R. 3247, introduced by Ms. JORDAN, would have covered jurisdictions, based upon voter turnout in the 1972 Presidential election, if an election was conducted

*These figures show a 10.2 percent differential between black and white registration rates in Virginia in 1964, the year before the Voting Rights Act was passed. It should be noted that a differential of 11.5 percent between black and white registration existed in the nation as a whole in 1966, the year following passage of the Act. U.S. Bureau of the Census, *Current Population Reports*, Series P–20, No. 208 (1970).

UMI

in English only in an area where more than 5 percent of the persons of voting age were of a single mother tongue other than English. H.R. 3501, cosponsored by Messrs. ROYBAL and BADILLO, would have expanded coverage of the act to include persons of Spanish origin in a similar manner. Neither bill mandated bilingual elections as a remedy.

Hearings were held on these four bills for 13 days in February and March 1975. The hearings focused almost exclusively on extension of the special coverage provisions of the act, the ban on literacy tests and devices, and the plight of Spanish-speaking persons. The testimony on American Indians, Asian Americans, and Alaskan Natives was nil.

Upon conclusion of the hearings, H.R. 5552 was introduced and cosponsored by Messrs. BADILLO and ROYBAL and Ms. JORDAN. The bill contained three titles. The first title extended the special coverage provisions of the act for 10 years and permanently banned tests and devices similar to H.R. 939. The second title represented a compromise between H.R. 3247 and H.R. 3501 expanding coverage to the following "language minority groups": American Indians, Asian Americans, Alaskan Natives, and persons of Spanish heritage. The third title was entirely new and was based on a draft submitted to members of the majority party, after the record was closed, by the Department of Justice. This new bill furnished the basis for markup of this legislation in subcommittee.

On April 17, 18, and 23, 1975, the Subcommittee on Civil and Constitutional Rights marked up H.R. 5552 by adopting six Democratic and two Republican amendments. Nine other Republican amendments were either defeated or withdrawn. H.R. 6219 was introduced on April 23, 1975, incorporating all of the successful subcommittee amendments to H.R. 5552 and an additional technical amendment. That bill was recommended to the full committee for favorable action by a partisan record vote.

On April 29, 30, and May 1, 1975, the full Committee on the Judiciary considered H.R. 6219. A Republican amendment, pertaining to the 18-year-old vote and the poll tax, was adopted unanimously, but 11 other Republican amendments were defeated, including the Butler bailout amendment which lost by virtue of a 17 to 17 tie vote. On May 1, 1975, the full Committee on the Judiciary voted 27 to 7 in a recorded vote to report H.R. 6219, as amended, for favorable action by the House. The report was filed on May 8, 1975, with bipartisan supplemental views of 13 members of the committee running nearly 60 pages in length.

Thus the Congress is now called upon to write another chapter in the history of the Voting Rights Act. To evaluate whether H.R. 6219 is the proper chapter to write, a brief review of the act and the provisions of H.R. 6219 is in order.

HOW THE VOTING RIGHTS ACT WORKS

The original Voting Rights Act of 1965 consisted of 19 sections including the title. In 1970 titles II and III were added to deal with a nationwide ban on tests and devices, residency requirements, and to reduce the voting age to 18. All of these provisions are permanent except for section 291 which bans literacy tests and devices until August 6, 1975. Additionally, the jurisdictions subjected to the special coverage provisions of sections 4, 5, 6, and 8 in 1964 will be able to escape these provisions in reality after August 6, 1975. It will be necessary only to examine these sections of the act which are the subject of extension by H.R. 6219, and to explain section 3 of the act which is also the subject of revision.

Section 4 of the act establishes the trigger of the act in section 4(b) and also provides for a "bail out" in section 4(a). The trigger determines which jurisdictions will be subjected to the special coverage provisions of sections 4, 5, 6, and 8. The "bail out" determines when these covered jurisdictions can be released from the special coverage provisions.

Section 4(b) triggers the special coverage mechanisms of the act in all States or political subdivisions which the Attorney General determines maintained a test or device on November 1, 1964, or on November 1, 1968, and with respect to which the Director of the Census determines that less than 50 percent of the persons of voting age residing therein were registered on November 1, 1964, or November 1, 1968, or that less than 50 percent of such persons voted in the Presidential election of 1964 or 1968 respectively. The term "test or device" is defined in section 4(c) to mean: "any requirement that a person as a prerequisite for voting or registration for voting (1) demonstrate the ability to read, write, understand, or interpret any matter, (2) demonstrate any educational achievement or his knowledge of any particular subject, (3) possess good moral character, or (4) prove his qualifications by the voucher of registered voters or members of any other class."

Section 4(a) enables a covered jurisdiction to "bail out" by filing, as plaintiff, an action for a declaratory judgment against the United States in the U.S. District Court for the District of Columbia and proving that for the past 10 years, no test or device has been used with the purpose or with the effect of denying or abridging the right to vote on account of race or color.

Additionally, during the 10 years preceding the filing of the action, no court of the United States must have entered a final judgment with respect to such plaintiff determining that a test or device has been used within the territory of the plaintiff to deny or abridge the right to vote on account of race or color. For purposes of the bail out, section 4(d) of the act excuses de minimis applications of a test or device by providing that—

> No State or political subdivision shall be determined to have engaged in the use of tests or devices for the purpose or with the effect of denying or abridging the right to vote on account of race or color if (1) incidents of such use have been few in number and have been promptly and effectively corrected by State or local action, (2) the continuing effect of such incidents has been eliminated, and (3) there is no reasonable probability of their recurrence in the future.

Once a jurisdiction successfully bails out, under section 4(a) the court retains jurisdiction over the case for 5 years after the date of judgment. During that period, the Attorney General may compel the court to reopen the case by making a motion alleging that a test or device has been used for the purpose or with the effect of denying or abridging the right to vote on account of race or color. Case law has established that if the court sustains the allegations, then the culpable jurisdiction is recovered under the act.

As previously described, the trigger of section 4 acts to cover a State or political subdivision, a term defined in section 14(c)(2) to mean "any county or parish, except that where registration for voting is not conducted under the supervision of a county or parish, the term shall include any other division of a State which conducts registration for voting" that is, a municipality or school district. Once the trigger is activated, such covered jurisdiction becomes subjected to the extraordinary remedies of sections 4, 5, 6, and 8.

Section 4(a) effectively suspends the use of tests or devices within a covered jurisdiction by providing that no citizen shall be denied the right to vote because of his failure to comply with a test or device in such covered jurisdiction.

Section 5 has been interpreted by case law to require every covered jurisdiction to submit all changes in voting laws or practices to the U.S. District Court for the District of Columbia or to the U.S. Attorney General before such laws or practices may be enforced or administered. The courts have liberally defined the scope of voting practices to include redistricting and even annexations. Once information concerning a change is submitted to the satisfaction of the Attorney General, he has 60 days in which to object to the change. At the end of that period, which may be extended to receive additional information, if no objection has been interposed, the voting change may be put into effect.

A subsequent action to enjoin the change is not prejudiced by the Attorney General's failure to object. It is to be emphasized that only changes in voting practices different from those in force and effect when the jurisdiction was originally covered are subject to this process of "preclearance."

The preclearance requirement of section 5 imposes an enormous burden upon a covered State and its political subdivisions. An extraordinary example is one which occurred in the State of Virginia. The city hall of the city of Fredericksburg was scheduled to have a hallway enlarged to make a alcove for a sitting room for the mayor. Such a change would have required partitioning of approximately 3 feet of the registrar's office. The city was advised by the Department of Justice that this was a change subject to the preclearance provisions of the Voting

Rights Act, and the hallway could not be widened for 60 days. See hearings on H.R. 939 before the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary, 94th Congress, 1st session, serial No. 1 at 761 (1975)—hereinafter referred to as "Hearings."

The record indicates that nearly 4,000 submissions have been made pursuant to section 5 in the past 4 years alone. Hearings at 182. Moreover, J. Stanley Pottinger, Assistant Attorney General, stated in a letter to subcommittee chairman DON EDWARDS dated May 6, 1975, that in 1974 it took the Department of Justice an average of 54 days to act upon section 5 submissions; submissions which received departmental objections took an average of 67 days to be considered due to requests for supplemental information. In the case of the State of Virginia, testimony at page 763 of the hearings indicated that 134 local election boards in addition to the State are required to process section 5 submissions. All of this evidence confirms that the burden of section 5 is substantial.

Section 6 allows the Attorney General, inter alia, to certify that in his judgment the appointment of examiners is necessary to enforce the guarantees of the 15th amendment whereupon the Civil Service Commission must appoint as many examiners for the jurisdiction as it deems appropriate. The examiners prepare and maintain lists of persons eligible to vote and, pursuant to section 7, examine applicants in the covered jurisdiction concerning their qualifications for voting. Those applicants who are found to be qualified are given a certificate of qualification pursuant to section 7(c), and such person's name is placed on an eligibility list entitling him to vote unless a challenge to his qualifications is sustained pursuant to section 7(d).

Section 8 of the act authorizes the Attorney General to request, and the Civil Service Commission to appoint, observers in any covered jurisdiction in which examiners are serving pursuant to section 6. The observers are to observe whether those persons entitled to vote are being permitted to vote and to observe whether the votes cast are accurately tabulated. Such observers must report the results of their observations but they can take no on-the-spot action to correct or even object to election irregularities.

To recapitulate, the section 4(b) trigger subjects a covered jurisdiction to the extraordinary special remedies of suspension of tests and devices under section 4, preclearance of all voting changes under section 5, examiners under section 6, and observers under section 8.

Section 201 of the act temporarily bans tests or devices until 1975 in jurisdictions not subject to the special coverage provisions of section 4. This section, added as a part of the amendments of 1970, was intended to complement the ban on tests and devices in section 4 to effectuate a temporary nationwide ban of all tests and devices.

The definition of "test or device" is identical to the definition previously detailed in section 4(c) of the act. On its face, the definition is very broad, encompassing even a rudimentary requirement of sanity. Fortunately, regulations have not prohibited reasonable forms of tests or devices traditionally used by the States to prevent persons adjudged criminally insane or otherwise ineligible from voting.

Before covering the provisions of H.R. 6219, one other section of the Voting Rights Act merits examination. Section 3 of the act permits a court to grant extraordinary remedies equivalent to the remedies found in sections 4, 5, 6, and 8 in any suit instituted by the Attorney General, under any statute, to enforce the guarantees of the 15th amendment. Although the Attorney General has never used section 3, the potential power that may someday be unleashed pursuant to it is enormous.

Section 3 applies in any court, in any State or subdivision, and it is a permanent provision of the act. Although a separate right of action is not created by section 3, the remedies far expand the traditional equitable remedies available to a Federal or State court. Aside from being able to authorize the appointment of examiners under section 3(a), the court may suspend the use of tests or devices, pursuant to section 3(b), for such period as it deems necessary. No bail out provision is available. Moreover, under section 3(c), the court can force a State or subdivision to preclear all voting changes, different from those in effect when the proceeding commenced, with the court or Attorney General for such period as the court deems appropriate. The court can thus retain jurisdiction, theoretically forever, to compel preclearance of all voting changes as the result of a suit based upon even a de minimis violation of the 15th amendment in any State or subdivision in the Nation.

THE EFFECT OF H.R. 6219

With the provisions of the present act firmly in mind, the effect of H.R. 6219 upon these provisions can now be evaluated.

As previously stated in tracing the legislative history, H.R. 6219 is divided into four titles. Title I extends the basic provisions of the act; titles II and III expand coverage of the act to language minorities; and title IV contains miscellaneous provisions including the expansion of section 3 of the act to any voting rights suit by an aggrieved person. An in-depth analysis of these provisions will prove useful.

Section 101 of title I extends the special coverage provisions of the act for another 10 years by changing the period of purity a covered jurisdiction must be able to prove it has not used a test or device from 10 years to 20 years. This will alter the section 4(a) bail out provision to freeze in covered jurisdictions who used tests or devices prior to 1965 for another 10 years.

Section 102 makes permanent the ban on all tests and devices in section 201 of the act by removing the temporary language. The effect of section 201 is made nationwide by eliminating the exclusion of jurisdictions otherwise covered under section 4(a).

Title II of the act expands the special coverage provisions to cover language minority groups, a term defined in section 207 to mean persons who are American Indian, Asian American, Alaskan Natives or of Spanish heritage. Additionally, section 203 mandates bilingual or multilingual elections as a new and additional remedy.

The expected coverage is accomplished by the creation of a new trigger in section 202 which amends section 4(b) of the act based upon the voter turnout in the 1972 Presidential election. While the trigger is otherwise identical on its face with the 1964 and 1968 triggers, an important difference lies in the new definition of test or device set forth in section 203 of the bill.

Since all tests and devices were banned nationwide in 1970, a new trigger based upon the presence of a test or device as traditionally defined would never function unless a jurisdiction violated the ban imposed by section 201 of the act in 1970. Section 203 of the bill adds to the traditional definition of test or device, for purposes of the new trigger, the conducting of an English-only election in a jurisdiction where more than 5 percent of the citizens of voting age residing therein are members of a single language minority group.

In effect, if a jurisdiction had less than 50 percent of its population registered and voting in the 1972 Presidential election and that jurisdiction conducted an election only in the English language where more than 5 percent of the citizens of voting age residing in the jurisdiction were separately either American Indian or Asian American or Alaskan Nations or of Spanish heritage, then such jurisdiction will become covered by the act. Section 203 of the bill makes clear that the jurisdiction is culpable if any practice or requirement, including any registration or voting notices, forms, instructions, assistance, or other materials relating to the electoral process, such as ballots, is provided only in the English language where there is more than 5 percent of a single language minority group. The term single language minority does not mean that all members of the group must speak a single language; rather it means that each of the four language minority groups will be considered as a separate unit for the 5-percent test.

In addition to being subjected to the traditional special coverage remedies of the act, a jurisdiction covered by the new trigger will be forced to institute bilingual or multilingual elections as provided by section 203 of the bill. That section says that whenever a jurisdiction provides any registration or voting notices, forms, instructions, assistance, or other materials or information relating to the electoral process, including ballots, it shall provide them in the language of

UMI

the applicable language minority group as well as in English.

Since an applicable single language minority group may have members speaking several languages, the reference to "the language" of the minority group is ambiguous. In the case of American Indians, Asian Americans, and Alaskan Natives, many languages and dialects are used. The statute would seem to require provisions of materials in each language since it would be impossible to select just one.

In the case of American Indians and Alaskan Natives, many languages are oral only. The statute seems to require the covered jurisdiction to provide orally in the minority languages any notice or form it may provide in English.

Under section 201 of title II, a covered jurisdiction may invoke the bail out provision of section 4(a) only if it can show that during the preceding 10 years its English-only election did not deny or abridge the right to vote on account of race or color or because someone was a member of a language minority group and that in the past 10 years no final judgment has determined that a test or device has been used within the covered jurisdiction with the proscribed effect. Although the de minimis language of section 4(d) will also apply, it seems impossible to show that the impact of an English-only election was de minimis within the terms of the act.

Thus since almost every covered jurisdiction will have a small number of language minority people who cannot read English, bail out will be practically impossibe. Even if a covered jurisdiction can show the de minimis effect, section 4(d) seems to require the jurisdiction to provide for bilingual elections in order that the de minimis discrimination is not likely to occur in the future.

Section 204 of the bill amends section 5 of the act to incorporate a reference to newly covered jurisdictions. Section 205 expands the coverage of section 3 and 6 of the act to include the 14th amendment as a source of protection. Finally, section 206 adds the protection of language minority groups throughout the act by prohibiting voting discrimination against such groups.

Title III of the bill incorporates none of the traditional remedies of the Voting Rights Act. Rather, it imposes bilingual elections upon covered jurisdictions in an identical manner to title II. However, the jurisdictions upon which this remedy is imposed is determined by a new more pervasive trigger than the trigger set forth in section 202, and under the section 301 trigger, coverage is only imposed until August 6, 1985. Section 301 covers any jurisdiction in which the Director of the Census determines that more than 5 percent of the citizens of voting age are members of a single language minority group which group has an illiteracy rate higher than the national average. The term "illiteracy rate" is defined to mean failure to complete the fifth primary grade.

A bail out of title III coverage is possible if the jurisdiction can show subsequent to coverage that the illiteracy rate of the language minority group is no longer higher than the national average; but the original determination of the Director of the Census is not subject to direct judicial review.

Title IV of the act contains many miscellaneous provisions. Section 401 expands access to section 3 of the act by allowing the court to impose section 3 remedies in any suit brought under a separate statute by an "aggrieved person" to enforce the guarantees of the 14th or 15th amendments with respect to voting. An "aggrieved person" is any racial- or language-minority person injured by an act of discrimination. The existence of 42 U.S.C. 1983 (1970) and other civil rights statutes insures easy access to section 3 remedies by an aggrieved person in any part of the country irrespective of whether that jurisdiction is covered by the act. That means that any court upon the complaint of one person can impose indefinitely the extraordinary remedies set forth in section 3, including preclearance.

Section 402 permits a court to award attorneys' fees to a prevailing party in a voting rights suit as part of the costs. Currently, only plaintiffs are awarded attorneys' fees as a part of the court costs by some courts.

Section 403 provides for the Director of the Census to conduct a voluntary survey to compile data only pertaining to race, color, and national origin, and whether a subject was registered or voted in the election surveyed. The bill also seems to provide that every person interrogated shall be fully advised of his right to fail or refuse to answer information pertaining to race, color, or national origin, but criminal penalties require information to be furnished with respect to registration and voting.

Section 404 of the bill extends the antifraud provisions of section 11 of the act to cover elections for the delegates from Guam and the Virgin Islands. These offices were created subsequent to the 1970 amendments of the Voting Rights Act.

Section 405 of H.R. 6219 codifies a regulation enabling the Attorney General, for cause shown, to give affirmative expedited approval of a voting change submitted for preclearance prior to the expiration of the 60-day period. Since some changes must be implemented within 60 days, such a mechanism is essential.

Section 406 makes a simple technical correction to section 203 of the act by replacing the reference to 28 U.S.C. 2282 with a correct reference to 28 U.S.C. 2284.

Section 407 amends title III of the act to modify the provisions relating to the 18-year-old voting age in light of the 26th amendment. Similarly, section 408 amends section 10 of the act with respect to the poll tax in light of court cases and the 24th amendment.

Now that the provisions of the act and H.R. 6219 have been reviewed in detail, it is appropriate to discuss the infirmities in the present law and pending legislation.

SHORTCOMINGS OF THE VOTING RIGHTS ACT AND H.R. 6219

While there are many technical deficiencies in the present legislation, only matters of substance merit discussion at this stage of the legislative process. Six areas of the legislation are particularly troublesome. First, the law provides no incentive for covered jurisdictions to improve their voting laws. Second, discriminatory laws existing prior to the date of coverage of a jurisdiction are immune under the act resulting in entrenched discrimination. Third, there is no meaningful way for some covered jurisdictions to bailout of the extraordinary special coverage provisions. Fourth, the actual coverage of the act, as extended by H.R. 6219, is both overbroad and underinclusive. Fifth, the method of effectuating an extension of the act for 10 years is inefficient. And sixth, the act does not prohibit a person from voting more than once in a Federal election.

Each of these points will be elaborated upon. The first three points can be grouped together. Because of the recent holding in Virginia against United States, there is no way that a Southern State can bailout of the act within the temporary period of coverage. That case held that where a State had maintained separate and inferior schools for blacks prior to 1954, any literacy test or device applied by such State would almost certainly deny or abridge the right to vote on account of race or color in violation of the bailout clause as long as persons receiving an inferior education were among persons eligible to vote.

Since the Southern States are frozen in under the act until 1985, they have no incentive to improve their voting laws. Even if 100 percent of the minority citizens were registered and voted, the State could not escape from the onerous burdens of the Voting Rights Act. Since any voting change in a covered jurisdiction must be submitted to the Attorney General in compliance with section 5, the incentive is to avoid the bother in producing the evidence and proof needed to justify a change in voting by keeping old laws on the books. Hence, old laws, which may be discriminatory in purpose or effect, remain on the books; and the Attorney General cannot remedy this entrenched discrimination because he has power to review only voting changes different from those in force and effect on the date of coverage of the jurisdiction.

One other result of the failure of the act to provide a meaningful bailout provision with respect to the Southern States is that it may be unconstitutionally overbroad. A statute is overbroad when it punishes those who deserve to be punished as well as those who do not. The Supreme Court in the original constitutional challenge to the Voting Rights Act, in South Carolina against Katzenbach, noted that the bailout saved the statute from being overbroad.

But now, with the bailout of section 4(a) being a nullify with respect to the South, the question of overbreadth remains ripe for litigation. The argument, quite simply, is that once States no longer deny or abridge the right to vote in violation of the fourteenth or 15th amendments, the power to impose the extraordinary remedies of the Voting Rights Act upon those States evaporates. In South Carolina against Katzenbach, the Court stressed that only a pervasive and insidious evil warranted these stern and elaborate remedies that infringe upon areas traditionally left to the States. In his eloquent dissent, Mr. Justice Black thought that these remedies were unconstitutional in distorting the balance of federalism to leave the States as little more than conquered provinces. Thus, unless a source of power within the Constitution can support the imposition of these severe remedies, other provisions of the Constitution mandate their unconstitutionality. In this context, prior unequal educational opportunity is wholly unrelated to present voting discrimination and is not in and of itself a source of power to warrant these remedies.

Legally, the findings of discrimination necessary for an extension of this act are the same as if this were an original enactment. It is doubtful that there is sufficient evidence on the record to warbeing continued when in fact no discrimnecessary to support extending the old trigger; but even if such evidence did exist, unless the act permitted a State to bail out by showing that coverage was being continued when in fact no discrimination exists, the act would be unconstitutionally overbroad. But by making the presence of voters who received an inferior education a bar to an effective bail out, the act fails to provide a meaningful and constitutionally necessary bail out provision.

People who received an inferior education on the basis of race are voting in every State in the Nation. Literacy tests have been banned nationally since 1970 and in the South since 1965. It is simply not rational for Congress to extend this act based upon occurrences prior to 1965.

Even the original act focused on a 5-year trigger period running back to August 6, 1960. Yet, this extension moves into uncharted territory forcing States to justify tests imposed back as long ago as August 6, 1955.

For these reasons, the present act, as extended by H.R. 6219, stands on an unsound constitutional footing.

Also, as a matter of policy, the act is defective. By the admission of its draftsman, it is underinclusive failing to cover a tremendous number of language minority citizens. Also, if Anglos vote at levels above 50 percent, a low minority vote may completely be overshadowed in an application of the 50-percent test which measures the total voter turnout.

At the same time, the act is overinclusive in covering jurisdictions in which no discrimination exists. This forces many States and small towns to take the time and spend the money to come to Washington, D.C. to bail out. Alaska has twice sent legal representatives one-fourth of the way around the world to successfully bail out. Another group of jurisdictions, such as Honolulu County, Hawaii, have never expended the resources to bail out; unfortunately, many of those jurisdictions also have not bothered to comply with the preclearance provisions of section 5. The result may be that all of their voting changes enacted after coverage without the requisite submission are void or at least voidable.

Thus the trigger mechanism of the act, as extended, is defective in its coverage.

Testimony during the hearings also made clear that the method of extending the special coverage provisions of the act as accomplished by H.R. 6219 is inefficient. The method of extension, as previously discussed, is to lengthen the period of purity necessary to bail out from 10 years to 20 years. While this method will keep those southern jurisdictions originally covered in 1965 under the act until 1985, it has the side effect of keeping those jurisdictions covered in 1970 under the act until 1990. Another defect is that if any test or device is used by accident in some small subdivision within a State in, for example, 1984, that State would be kept under the act until 2004. This is too steep a price to pay especially if a less restrictive means of accomplishing a 10-year extension is available.

Finally, neither the bill nor the act prohibits a person from voting more than once in a Federal election. While section 11 of the act does regulate fraudulent registration, it is possible for a person to validly register in more than one jurisdiction and vote twice without breaking any law. At least six States have no law prohibiting registration in more than one voting location; the law of many other States is at best ambiguous on the issue. Hence section 11 of the Voting Rights Act fails to prevent one obvious means of diluting the minority vote by failing to prohibit multiple voting.

The shortcomings of the act are severe, but identifying the problem is only half of the battle. Affirmative, constructive solutions are necessary to correct the deficiencies. Accordingly, a discussion of several practical solutions is at last in order.

SOLUTIONS TO THE DEFICIENCIES OF THE VOTING RIGHTS ACT AND H.R. 6219

Although many solutions to remedy the deficiencies of the Voting Rights Act and H.R. 6219 have been proposed, only those that are reasonable and meaningful will be reviewed. Clearly, an amendment in the nature of a substitute revamping the entire structure of the act is appropriate if it leads to a better, more rational act with respect to voting rights. Barring the adoption of such a substitute, amendments dealing with the deficiencies discussed above, especially in the area of a bail out provision, are sorely needed. Fortunately, proposals covering each of these alternatives have been drafted.

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 6219

Mr. Chairman, my colleague from California, Mr. WIGGINS, proposed an amendment in the nature of a substitute to H.R. 6219 shortly after the full committee on the Judiciary refused to adopt amendments to improve and perfect the Voting Rights Act. The substitute received bipartisan support and was included in the supplemental views at pages 97–103 of the report on this legislation; it was subsequently introduced as H.R. 6985.

The substitute takes a bold new look at the problem of voting rights taking account of present realities rather than focusing on historical circumstances. The purpose of the substitute is to remedy and eliminate entrenched discrimination by giving a covered jurisdiction an incentive to encourage minority voter turnout and to reform outdated election laws. The amendment accomplishes this goal by changing the trigger mechanism of section 4(b) to operate prospectively based upon minority voter turnout in biannual general Federal elections. At the same time, progressive measures of H.R. 6219 are incorporated into the substitute to provide a politically palatable package.

Section 2 of the amendment extends the current act until after the 1976 Presidential election as an interim provision. During this time data will be gathered, and effective February 6, 1977, the trigger mechanism will be revised pursuant to section 3 of the substitute.

Section 3 of the substitute is the heart of the amendment. It revamps the trigger in section 4(b) to operate in a State or political subdivision if less than 50 percent of the black citizens of voting age eligible to vote, where blacks comprise more than 5 percent of the voting age population, voted in the most recent general Federal election.

Similarly, the trigger is tripped if the Director of the Census determines that less than 50 percent of eligible citizens of Spanish heritage voted in the last general Federal election where such citizens comprise more than 5 percent of the eligible citizens of voting age within the State or political subdivision. Thus the trigger is geared to the turnout of blacks or browns in the most recent general Federal election.

The rationale for such a trigger is readily apparent. It is more rational to determine whether minority citizens are currently being denied their voting rights than to retrospectively focus on events occurring more than 10 or 20 years ago. Such a trigger applies on a uniform national basis where discrimination actually occurs rather than penalizing a region of this Nation in which discrimination regrettably occurred in the past.

The substitute does much more than amend the coverage provisions of the trigger. Section 3 also amends the length of coverage of the trigger to provide that a jurisdiction will be covered only based upon a triggering determination which focuses on minority voter turnout in the most recent general Federal election. Thus if a covered jurisdiction can encourage a sufficiently significant minority voter turnout in a subsequent general Federal election, it automatically escapes from the special coverage provisions of the act once the Director of the Census makes such a determination. This kind of an escape provision is salutary inso-

UMI

far as it encourages a high minority voter participation, one goal which the present act fails to pursue. Also it encourages covered jurisdictions to take whatever action is necessary to achieve such a turnout; this may include bilingual ballots, at large elections, or other measures requested by the minority community.

To prevent the trigger from being unconstitutionally overbroad, a bailout provision is included by amending section 4(a) of the act to determine whether the covered jurisdiction has any voting practice which does or is likely to deny or abridge the right to vote on account of race or color or national origin. Although a jurisdiction trips the trigger and is subjected to coverage based upon minority participation, the bailout will not function if there is any discrimination against any racial or ethnic group.

This differs from the bailout provision found in H.R. 6219 which tolerates discrimination against some ethnic minorities. Those supporting the substitute feel that once a jurisdiction is covered, that no voting discrimination against any person can be tolerated. Even if a jurisdiction can successfully bail out, the court retains jurisdiction for the balance of the period until determinations are made following the next general Federal election after the filing of the action. This will prevent a jurisdiction from enacting any discriminatory laws or practices.

Section 3 of the substitute also amends the preclearance provisions of section 5 effective February 6, 1977, to permit the Attorney General to review all voting laws of a covered jurisdiction—both those on the books prior to coverage and laws enacted after coverage. One of the deficiencies previously referred to is that under the present act, the Attorney General cannot review laws enacted prior to the date of coverage. This substitute remedies this defect by mandating a submission of all voting laws to the Attorney General prior to their enforcement.

Another modification in section 5 of the act effectuated by the substitute is the focus on any form of voter discrimination rather than a restricted protection of certain minority groups. As is done with respect to the bail out provision, the substitute recognizes that any discrimination should be prohibited regardless of the national origin of the victim. Once an Attorney General must review a voting change there is no justification for condemning discrimination against some ethnic groups, as is done with the current act and perpetuated by H.R. 6219, while failing to condemn discrimination against other ethnic groups merely because they do not have colored skin.

Section 4 of the substitute incorporates changes to section 3 of the act similar to those made in H.R. 6219. However the substitute provides a remedy to redress discrimination against all national origin groups whereas H.R. 6219 extends the section 3 protections only to certain types of aggrieved persons. Effective February 6, 1977, section 3 is expanded to allow the court to strike down any voting change regardless of when it was enacted. Since the revised trigger embodied in the substitute is prospective and part of permanent legislation, it is appropriate to offer section 3 relief to an aggrieved person in a consistent context. Thus, under the substitute, the court will retain jurisdiction only until determinations are made following the next general Federal election after the filing of the action.

Sections 5 through 14 of the amendment replicate various provisions of H.R. 6219 designed to make permanent the ban on tests or devices, to provide attorney's fees to the prevailing party, and to make certain technical revisions in the act.

Section 7 of the substitute enlarges the survey provisions of section 403 of H.R. 6219 to ascertain voting statistics on a nationwide basis rather than only in the covered jurisdictions. Also the survey makes mandatory the divulging of racial information, and elicits citizenship information as well. It is inconceivable that a trigger based upon citizenship can be evaluated by a survey which fails to elicit that fact. Yet the survey in section 403 of H.R. 6219 excludes all factors not specified therein from being ascertained. The substitute eschews this wasteful policy by recognizing the economies of scale available; to this end, additional questions are not prohibited.

Mr. Chairman, for these reasons I strongly urge my colleagues to support the amendment in the nature of a substitute to H.R. 6219. But if the substitute is not adopted, then every effort should be directed toward perfecting H.R. 6219. There are several proposals before us designed to accomplish that result.

NEED FOR A MEANINGFUL BAILOUT

By far the most glaring defect in the present act, as modified by H.R. 6219, is the failure to provide the presently covered jurisdictions with a meaningful bailout mechanism or with any other incentive to reform their election laws. To remedy these deficiencies I have drafted an amendment called the "impossible bailout." Mr. Chairman, to place my bailout amendment to H.R. 6219 in perspective, a complete account of its evolution should prove useful.

The need for a meaningful bailout device was first set forth in *South Carolina* v. *Katzenbach*, 383 U.S. 301, 331 (1966). The Court noted that the Voting Rights Act of 1965 provided a termination mechanism to prevent it from being unconstitutionally overbroad. A statute is overbroad when it unjustifiably punishes those who do not deserve to be penalized as well as those who do. While the 15th amendment can legally warrant a Federal restriction of State powers if a State is denying or abridging the right to vote on account of race or color, such restriction would be unconstitutional in the absence of evidence that voting discrimination exists within the affected jurisdiction.

Early this year, the case *Virginia* v. *United States*, 386 F. Supp. 1316 (D.D.C. 1974), aff'd per curiam, 95 S. Ct. 820 (1975), effectively eliminated any hope that many of the covered jurisdictions could ever bail out of the act pursuant to the current termination provision in section 4(a). The court extended the doctrine of *Gaston County* v. *United States*, 395 U.S. 385 (1969), to hold that the previous existence of inferior schools for blacks would conclusively cause the application of any literacy test or device to result in the denial or abridgement of the right to vote on account of race or color. Since the bailout in section 4(a) can only operate if the State can show that its test or device did not have the effect of denying or abridging the right to vote on account of race or color, the covered jurisdictions which maintained inferior schools for blacks prior to 1954 are helplessly trapped. There is nothing they can do to escape the preclearance provisions of the act, and since any change in voting practices is subject to the preclearance sanction, they have no incentive to reform their laws. Moreover, since the Attorney General can only review changes in voting practices, present discriminatory laws on the books remain invulnerable to attack resulting in entrenched discrimination.

Mr. Chairman, to remedy these deficiencies in the Voting Rights Act, I strived throughout the hearings on this legislation to elicit suggestions from many witnesses. This effort continued through markup of this bill at the subcommittee and full committee levels and culminated this past week. The result is the "impossible bailout amendment" which is designed to encourage covered jurisdictions to encourage minority voter participation, remain in compliance with the special coverage provisions of the act, and take affirmative action to pass and implement affirmative, progressive voting laws.

NEED FOR A MEANINGFUL BAILOUT

Once these stringent requirements are met, the jurisdiction is rewarded with an exemption from the preclearance sanctions of section 5 subject to a 10-year probation period. I have called this amendment the impossible bailout amendment because it is not possible to meet the rigid requirements to bail out under this proposal based upon the composition of the legislatures in the covered jurisdictions and their penchant for passive legislation. Compliance with the proposed amendment can only be achieved by radical reforms and a total commitment to the goals and objectives of the Voting Rights Act and the 14th and 15th amendments.

IMPOSSIBLE BAILOUT AMENDMENT EXPLAINED

This amendment represents the distillation of effort of several of my colleagues and the Assistant Attorney General of the Civil Rights Division of the Department of Justice. A less perfect version was offered in committee and failed as the result of a 17 to 17 tie vote. Many members of the committee have given me the benefit of their judgment of the amendment and suggested changes. I am grateful for their help. It is my hope that the refinement of my amendment subsequent to the vote in committee will result in its adoption. To that end, a detailed evolution of each section of the amendment will be developed.

The impossible bailout amendment is to be inserted at the end of the present

section 5—preclearance—and provides that a covered jurisdiction may be relieved of the burden of this extraordinary remedy by filing an action for declaratory judgment against the United States in the U.S. District Court for the District of Columbia and establishing that three sets of circumstances exist.

The first of these three circumstances is set forth in section 1 as follows:

(1) The Director of the Census has determined that no less than sixty per centum of the eligible citizens of voting age of minority race or color or national origin (which terms include language minorities) residing therein on the date of the most recent general election for President or Members of Congress were registered to vote and no less than sixty per centum of such citizens voted in said election.

Section 1 of the bailout currently provides that the State or political subdivision, in order to obtain a declaratory judgment, must prove that the Director of the Census has certified that no less than 60 percent of the eligible citizens of voting age of minority race or color or national origin residing therein on the date of the most recent general election for President or Members of Congress were registered to vote and voted in that election. This section was originally drafted to test whether 60 percent of the voting age population was registered and voted and whether there was any substantial statistical disparity evidencing a denial or abridgment of the right to vote on account of race or color. Although this section received support in the hearings, Representative BADILLO suggested, in subcommittee, that the substantial statistical disparity language was vague and that "race or color" did not embrace the expansion of the act to language minorities.

Prior to the full committee meeting, the section was redrafted to measure whether 60 percent of the general population of voting age were registered and voted and to test whether the percentage of persons of minority race or color or national origin—which terms include language minorities—who were registered and the percentage of such persons who voted were not substantially less than the percentage of registration and voting for the general population. While this draft did incorporate the suggestion of Representative BADILLO concerning language minorities, the new language testing whether minority registration and voting percentages were substantially less than general population percentages was attacked as vague by Representatives BADILLO, JORDAN, and DRINAN.

To cure the problems of vagueness, the present language tests in absolute terms whether minorities register or vote less than 60 percent. To insure the validity of the statistics, the Director of the Census is the only source that may make such a determination. Of course, as indicated so eloquently by my colleague from California, Mr. WIGGINS, 60 percent is not a hard number. Rather than waste the time and money it would take to zero in on exactly 60 percent, with customary 95 percent certainty, ascertaining whether that level has been reached by producing clear and convincing evidence should prove sufficient to implement the policy of this legislation; this means that if the Director of the Census statistically determines a jurisdiction to have at least 60 percent minorities voting, that in reality he will be approximately 75 percent certain that the true percentage is no lower than 60 percent.

Section 1 was also amended subsequent to markup in the full committee to focus on eligible citizens residing in the relevant State or subdivision. The prior focus on persons included illegal aliens who were not citizens, and felons and idiots who were citizens, but ineligible to vote. Thus the current focus is the most rational measure—the percentage of eligible citizens of voting age residing within the jurisdiction. Voting domicile is to be determined by local or State law.

The second set of circumstances is set forth in section 2 as follows:

(2)(A) At all times during the two years preceding the filing of the action for a declaratory judgment, there were no objections interposed by the Attorney General (which were not overriden by the granting of a declaratory judgment) or the denial of a declaratory judgment by the United States District Court for the District of Columbia, pursuant to this Section, against such State or political subdivision; and

(B) At all times during the five years preceding the filing of such action for declaratory judgment there has been—

(a) no final judgment of a federal court ruling that such State or political subdivision has denied or abridged the right to vote on account of race, color, or in contravention of the guarantees set forth in section 4(f)(2) in violation of the fourteenth or fifteenth amendment, or any legislation implementing such amendments;

(b) no change in any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting in such State or political subdivision put into force or effect without timely filing of a declaratory judgment action in the United States District Court for the District of Columbia or timely submission to the Attorney General pursuant to this Section;

(c) repealed any test or device as defined by subsection (c) of section 4 of this title and section 4(f)(3) and that all changes in any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting to which the Attorney General interposed an objection, or the United States District Court for the District of Columbia denied an action for declaratory judgment pursuant to this section, in such State or political subdivision, have been repealed or the objection withdrawn;

(d) no federal voting examiner sent to or maintained within such political subdivision or sent to or maintained within any political subdivision of such State pursuant to Section 6 of this title; and

(e) no incident of voting discrimination that has denied or abridged the right to vote on account of race or color or in contravention of the guarantees set forth in section 4(f)(2) in violation of the fourteenth or fifteenth amendments or any legislation implementing such amendments; or if there are any such incidents:

(1) the incidents have been few in number and have been promptly and effectively corrected by State or local action;

(2) the continuing effect of such incidents has been eliminated; and

(3) there is no reasonable probability of their recurrence in the future.

Section 2 of the impossible bailout amendment was originally inspired by testimony from Assistant Attorney General, J. Stanley Pottinger. He said, at 791 of the hearings on H.R. 939 before the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary, 94th Congress, First Session, Serial No. 1 (1975) the following:

It seems to us that it might be worth a line of inquiry for this entire committee . . . to pursue whether or not such standards can be drawn along the lines that I am suggesting. That is to say, perhaps it is possible to state that if there has been for a period of 5 years no literacy tests or devices which were in use in the given jurisdiction, whether State or subdivision of it, no outstanding objections by the Attorney General under section 5, no judgment of the court stating the political subdivision or State has violated either the 15th amendment or any implementing legislation under the 15th amendment, the literacy tests, and devices of the States have actually been repealed, not simply put in disuse, and there have been timely submissions of changes and the like, if all of those things that are now covered by the act can be shown to have been complied with, I suppose it would be difficult to argue that the State has not freed itself of the obligations under the act as other States have.

His testimony was supplemented by a letter which recommended elements that a bailout should include. First, during the 5 years prior to the filing of the bailout suit there must have been no final judgment of a Federal court ruling that such State or political subdivision violated the 15th amendment or any implementing legislation. Second, during the 5 years preceding the filing of the action, no change in any voting practice must have been put into effect without a timely filing in compliance with section 5. Third, during the 2 years preceding the filing of the action, there must have been no section 5 denials of declaratory judgments or objections. Fourth, a State or political subdivision must have repealed all tests or devices and all changes in voting which were objected to must have been repealed or the objection must have been withdrawn. Lastly, during the 5 years preceding the filing of the action, no examiners must have been sent into or remained within the State or political subdivision pursuant to section 6.

These five criteria, as modified, were offered as a separate amendment in subcommittee and also offered as section 2 of the Impossible Bail Out Amendment. One modification, originally made, was to change the third requirement to prohibit substantial objections within the previous 5 years. This was attacked by Representative DRINAN as vague and so section 2(A) of the current amendment incorporates the original language suggested by the Assistant Attorney General for the Civil Rights Division of the Department of Justice, thereby remedying the problem of vagueness.

The first requirement enumerated by Mr. Pottinger, relating to final judgments of a Federal court, was attacked on two grounds. Representative RAILSBACK noted that since the act was being

UMI

expanded to cover language minorities that this restriction should apply to judgments based on the 14th amendment as well. The amendment was adopted in full committee and is now reflected in section 2(B)(a).

The second objection, voiced by Representative DRINAN, was that other evidence of discrimination including nonfinal judgments such as temporary restraining orders should be evaluated. A similar concern was voiced by Congressman FISH, and he urged the inclusion of a comprehensive section that would encompass other forms of discrimination. Such a section was drafted under his supervision and is now embodied in section 2(B)(e). This provision condemns any incident of discrimination and contains a de minimis provision similar to that found in section 4(d) of the act.

The other requirements set forth by the Attorney General were incorporated as suggested, with a slight expansion of the definition of "test or device" to include the new definition in section 4(f)(3), and have received overwhelming support. To clear up an ambiguity, adverted to by Representative DRINAN during markup at the full committee, the words "at all times" have been inserted at the beginning of section 2 to clarify that the language "during the 5 years preceding the filing of such action * * *" means at all times and not just at one point in time. Thus section 2(B)(b) provides that the State or political subdivision has the burden of proving that, at all times during the last 5 years, timely filings were made in compliance with the preclearance provisions. At the suggestion of Assistant Attorney General J. Stanley Pottinger, the word "of" was changed to "in" to insure that the voting changes in such State would include changes made by subdivisions. Section 2(B)(c) requires the State to prove at all times during the past 5 years that tests or devices have been repealed and that all changes once objected to, have been repealed or the objection withdrawn. The language allowing withdrawal of the objection as an alternative to repeal of the change was added after committee markup to deal with cases where, at the suggestion of the Attorney General, a voting change is modified rather than repealed, and the objection withdrawn. Lastly, section 2(B)(d) insures that, in the past 5 years, no examiners have been sent into or maintained within covered jurisdictions pursuant to section 6; while examiners can be authorized pursuant to sections 3 and 6, it is clear that they can be appointed only pursuant to section 6. The language referring to the maintenance of examiners within a jurisdiction was added after committee markup to clarify that the intention of the section was to focus on the presence of examiners within the covered jurisdiction.

The final set of circumstances is set forth in section 3 as follows:

(3) The laws of the State and its political subdivisions or of a political subdivision with respect to which a determination has been made pursuant to section 4(b) of this title as a separate unit provide and have been implemented to effectuate:

(a) An opportunity for every eligible citizen of voting age residing therein to register to vote including the opportunity to register during evening hours on a reasonable number of days each month and on a reasonable number of Saturdays and Sundays of each month;

(b) reasonable public notice of the opportunity to register;

(c) a place of registration and a place for voting at a location with access to and not an unreasonable distance from the place of residence of every eligible citizen of voting age residing within such State or political subdivision;

(d) reasonable provision for minority representation among election officials at polling places where minorities are registered to vote;

(e) apportionment plans which assure equal voter representation;

(f) apportionment plans which avoid submergence of cognizable racial or minority groups;

(g) removal of all unreasonable financial or other barriers to candidacy; and

(h) adequate opportunity for minority representation in all local governing bodies where eligible citizens of voting age of a minority race or color or national origin (which term includes language minorities) exceed twenty five per centum of the eligible citizens of voting age residing within such political subdivision.

Section 3 of the amendment was inspired by the report of the U.S. Commission on Civil Rights entitled "The Voting Rights Act: Ten Years After." That document carefully identified several problems confronting minority voters in areas of registration, candidacy, and voting, and may be summarized as follows:

First, outright exclusion and intimidation at the polls;

Second, inadequacy of voting facilities;

Third, location of polls at places where minority voters feel unwelcome or uncomfortable, or which are inconvenient to them;

Fourth, underrepresentation of minority person as poll workers;

Fifth, unavailability or inadequacy of assistance to illiterate voters;

Sixth, failing to locate voters' names on precinct lists;

Seventh, lack of bilingual materials at the polls for non-English speaking persons;

Eighth, problems with the use of absentee ballots;

Ninth, inconvenient times and places of registration;

Tenth, underrepresentation of minorities as registration personnel;

Eleventh, frequent purging of registration rolls necessitating reregistration;

Twelfth, unreasonable filing fees;

Thirteenth, burdensome qualifications on independent or third party candidates;

Fourteenth, dishonest counting of votes;

Fifteenth, lack of access to voters at the polls; and

Sixteenth, lack of campaign information.

These findings illustrate the shortcomings of the act previously adverted to. The reasons for the existence of these problems are clear: The Voting Rights Act freezes in existing law and immunizes entrenched discrimination; the Voting Rights Act provides no incentive to the covered jurisdictions to change their laws; and the Voting Rights Act fails to combat many obstacles to minority voting, registration, and candidacy.

Section 3, which originally dealt with six problem areas, now covers eight broad areas in which a State or political subdivision must act and produce affirmative results. Some Members, including Representatives BADILLO, DRINAN, and JORDAN, indicated that the language in section 3 was vague. The introductory language was susceptible to the construction that either the laws of the State or any subdivision within the State could fulfill the obligations of section 3 while the other's laws need not do so. The present language clarifies that it must be the law within the jurisdiction which is covered by the act that complies with section 3 of the amendment. Thus, section 3 only applies to a subdivision with respect to which a determination has been made pursuant to section 4(b) as a separate unit. However, when the covered jurisdiction in question is a State, then section 3 applies to all laws of the State and its political subdivisions.

Section 3(a) was originally worded in terms of reasonability to allow a reasonable opportunity to register during a reasonable number of evening hours on a reasonable number of days each month, and on a reasonable number of Saturdays and Sundays. This was to meet the complaint that in many places minority persons are inconvenienced by the fact that registration hours coincide with working hours. Many Members agreed with the spirit of this provision, but they thought that the word "reasonable" made the section vague. Hence, prior to the markup in full committee, the word "reasonable" was deleted in two places to insure an opportunity to register during evening hours on a reasonable number of days each month and on a reasonable number of Saturdays and Sundays. The word was retained in two instances to give flexibility to the covered jurisdiction since it is unreasonable to force the State to allow registration 24 hours a day every day of the month.

Section 3(b) provides for a reasonable public notice of the opportunity to register. Since a reasonable method of publication will vary depending upon the nature of the election district, the U.S. District Court for the District of Columbia is vested with discretion to determine compliance. Since over 60 percent of eligible minority citizens must in fact register to satisfy section 1, it is unlikely that this section can be abused to deny minority voting rights. Rather, it will encourage jurisdictions to inform the people of their right to register and it must have been implemented to effectuate that goal. All of the requirements of section 3 require affirmative implementation; however, neither section 3(a) nor section 3(b) should be construed to require any specific form of implementation such as postcard registration.

Section 3(c) originally provided for reasonable locations of places of registration and voting with reasonable access, within reasonable distances of all persons of voting age residing within the jurisdiction. Again, after criticism from

Representatives BADILLO, DRINAN, and JORDAN, that the use of the word "reasonable" caused problems of vagueness, this section was redrafted into its present form prior to markup at the full committee. The section currently insures that eligible minority citizens will not have to face the difficulty of being forced to vote in an inaccessible or far distant location. The reasonability factor was retained in the case of distance because it was unfeasible to quantify a fixed distance into the statute in light of variations among election districts; while 3 miles might be reasonable in a rural area, it may be unreasonable in a densely populated area. The use of the word "places" was changed to the singular subsequent to full committee markup to dispel the possible interpretation that more than one place of registration or voting would be required for any citizen. The section merely insures that a person will not be inconvenienced by the location of a place of registration or voting to which he is assigned.

Section 3(d) insures that the law provides and has been implemented to effectuate reasonable representation of minorities as election officials in precincts where minorities are registered. Although the word "reasonable" is vague, it is the best term available in light of the great variation in local precincts ranging from the number of election officials to local methods of selection. The judges reviewing the actual practice will be able to determine if a good faith effort has been made to afford minorities an equitable representation among election officials.

Sections 3(e) and 3(f) are new, representing the essence of an amendment offered by my colleague from Arkansas (Mr. THORNTON) and passed by the full committee. These sections respond to a critique of the amendment by Representative DON EDWARDS that oversight in the areas of reapportionment and gerrymandering was not adequately provided for. These sections insure that apportionment plans have been implemented to assure equal voter representation in compliance with the 14th amendment, and that such apportionment plans avoid the submergence of cognizable racial or minority groups. This will assure that minority voting strength is not minimized until at least 1986 in light of the fact that the first possible bailout could occur in 1976 and the court would retain jurisdiction for 10 years.

Section 3(g) provides for the removal of all unreasonable financial or other barriers to candidacy. This sweeping provision will encourage jurisdictions to remove all barriers to candidacy as documented by the U.S. Commission on Civil Rights. While this language was originally worded to prohibit barriers to minority candidates, it was changed following full committee markup to dispel the notion that minorities were to receive special treatment or that barriers were to be tolerated against nonminority candidates. The section is cast in terms of reasonability to preserve the right of the States to maintain nominal filing fees to cover costs and to keep reasonable budgetary restraints in election practices, as long as in forma pauperis filings or other reasonable methods are available to enable a poor candidate to qualify.

The final requirement which the covered jurisdiction must meet is in section 3(h). The laws must be implemented to effectuate an adequate opportunity for minority representation in all local governing bodies where eligible minority citizens of voting age exceed 25 percent of the eligible voting population. This provision was drafted in response to objections during the subcommittee markup of this legislation that the bailout would not preclude at large voting, numbered posts, campaign regulations, and other devices from preventing minority candidates from being elected. Although election of minority candidates cannot be guaranteed, this provision will prevent any laws within the covered jurisdiction from denying minority candidates an equitable opportunity to be elected in areas where minorities represent a significant proportion of the eligible citizens of voting age. While no specific form of election is forbidden or mandated, the court will be able to insure that fair play will prevail.

As was done throughout the amendment, the focus was changed from "persons" to eligible citizens of voting age residing within the jurisdiction to provide a more germane measurement.

The next paragraph of the amendment provides for an advisory opinion to be given by the Attorney General and for a consent decree to be entered if the Attorney General is satisfied that the covered jurisdiction has complied with each of the elements of the amendment. To prevent a jurisdiction from reenacting discriminatory laws after it bails out, the court retains jurisdiction during a probation period of 10 years. If any discriminatory voting practice is used with the purpose or effect of denying or abridging the right to vote on account of race or color or in contravention of the guarantees set forth in section 4(f)(2), then the Attorney General can sue and the court shall reopen the case and recover the jurisdiction. Although Representative DRINAN was concerned that the language permitting a reopening of the action was ambiguous, the case of *New York* v. *United States*, Civil No. 2419-71 (D.D.C.)—Orders of April 13, 1972, January 10, 1974, and April 30, 1974—*aff'd per curiam*, 95 S. Ct. 166 (1974) settles the matter. That case involved a successful bailout by three covered New York counties and the bailout was rescinded under section 4(a) pursuant to nearly identical language to that contained in the amendment. See footnote 5 at page 6 of the report on H.R. 6219. The reason for expanding the period of retention from 5 years, as is currently provided in section 4(a), to 10 years was to insure that the 1980 reapportionment would be within court supervision upon motion of the Attorney General.

The final paragraph of the bailout amendment was added after full committee markup of the legislation in combination with the revision made to section 1 with respect to the determination therein being made only by the Director of the Census. The final paragraph insures that inaction of the Director of the Census will not prevent a covered jurisdiction from bailing out by allowing a covered jurisdiction to mandate that such a determination be made upon request. At the same time the statistical determination is made nonreviewable as it is under comparable provisions in sections 4, 6, and 13 of the act.

The criteria incorporated in the impossible bailout amendment are rigorous and complete. Several persons have contributed to the refinement of the final language. Recently, Chairman DON EDWARDS requested Assistant Attorney General J. Stanley Pottinger to assess the impossible bailout amendment. Mr. Pottinger responded in a letter to Chairman EDWARDS dated May 6, 1975, in part as follows:

It is my view that any bail out amendment must be comprehensive in scope and require proof of nondiscrimination in voting beyond nonuse of literacy tests or devices. The bail out proposed by Congressman Bulter in the Judiciary Committee mark up, to which you referred in your letter of April 23, is such a provision.

Mr. Pottinger did state that in his opinion the present bail out was adequate, but he went on to note:

It is also my judgment that if the Congress nonetheless deems it appropriate to further amend the Act, a bail out along the lines of that proposed by Congressman Butler is consistent with the goals of the Act.

Lastly, after recommending two changes which were in fact, subsequently incorporated into the amendment, Mr. Pottinger said:

If these changes were made in the Butler bail out provision, it is my judgment that it would be stringent enough (particularly in light of the fact that the court retains jurisdiction for 10 years) to ensure that only those jurisdictions which, in fact, have rooted out the evils which the Act was designed to prohibit, could bail out.

Mr. Chairman, I am grateful that a person opposed to letting the Southern States out from under the act has the integrity to sincerely state that in his honest judgment, the impossible bail out amendment is stringent and consistent with the goals of the act. Unfortunately, other opponents of the amendment have adopted a strategy to divert debate from the major issue of whether a State that does not discriminate should be permitted to bail out.

Although the record is clear that every reasonable effort has been made to accommodate the suggestions of Members who wish to see the Southern States reform their election laws in order to regain the sovereignty that is due them under the Constitution, some Members oppose the impossible bailout amendment and any other attempt to let the South escape this so-called Second Reconstruction prior to 1985. In a "Dear Colleague" letter dated May 29, 1975, Subcommittee Chairman DON EDWARDS stated five reasons for rejecting the impossible bailout amendment which can be summarized as follows:

First. No new bailout is needed since the bailout under the current act is adequate;

UMI

Second. New standards in the impossible bailout amendment are either vague or untested;

Third. Many of the criteria proposed are so lenient that they severely weaken the act;

Fourth. The application of section 5 of the act does not prevent progressive changes in covered jurisdictions; and

Fifth. The amendment suffers from a series of serious drafting problems and ambiguities too numerous to address in detail.

These five charges are to my knowledge the strongest theoretical reasons for rejecting the impossible bailout amendment that the opponents of the amendment can muster. Yet, while each charge may be superficially devastating on its face, a reasoned analysis will reveal these objections to be illusory.

The first assertion is that the bailout currently in section 4(a) of the act is adequate. While the bailout in the present act has worked to allow jurisdictions outside the south to bailout, it is totally ineffectual with respect to the Southern States. As previously noted, the recent holding in *Virginia* v. *United States*, 386 F. Supp. 1316 (D.D.C. 1974), *aff'd per curiam*, 96 S. Ct. 820 (1975), extends the Gaston doctrine and presumes that any literacy test operates in a discriminatory manner in any State which had inferior school systems for blacks. It is not unreasonable to assume that this extension of the Gaston rationale will be further extended to bar a successful bailout by any jurisdiction, since blacks who have received inferior educational opportunities presumably reside in every State in the Nation. But even if the Gaston rationale is limited to plague the South, it renders the bailout in the present act completely inadequate. If a southern State has all of its black citizens registered, voting, and even elected to office, there is no way for the State to bailout under the act. The current bailout, if extended by H.R. 6219, will focus on events as long ago as 1955 to determine whether a State can escape from the act. Although it is accurate to say that this current bailout is irrational, unfair, and possibly unconstitutional, it is absurd to contend that it is "adequate" unless reconstruction legislation, which per se freezes in Southern States, is "adequate."

The second assertion is that the standards in the impossible bailout amendment are either vague or untested. The language in Chairman DON EDWARDS' letter also claims that—

[T]here is not one shred of evidence supporting the relevance of any of the objective standards proposed by Mr. Butler's bailout (sic) amendment.

However, as previously detailed, the record indicates that several Members and the Assistant Attorney General of the Civil Rights Division suggested many component parts of the impossible bailout amendment. The Report of the U.S. Commission on Civil Rights entitled "The Voting Rights Act: Ten Years After" has also been shown to be the source for several of the criteria. This testimonial evidence in support of the amendment is substantial. While many of the suggestions contributed to curing the problem incipient in using adjectives such as "reasonable" or "adequate," it also was recognized that such adjectives are appropriate in cases where the inherent diversity of living patterns and voting practices across the country make precise standards unsuitable for statutory enumeration.

Moreover, legislation that is susceptible to interpretation by the liberal U.S. District Court for the District of Columbia is anathema to the covered jurisdictions. History indicates that overly precise standards can be complied with to the letter while avoided in spirit. Thus the objection that the standards in the impossible bailout amendment are vague is more apparent than real.

The third assertion is that many criteria are so lenient that they weaken the act. The only examples given are that the 60-percent registration rate for minorities is too low and that the required period of purity, ranging as low as 2 years, is too short. It is inconceivable that a 60-percent registration rate for minorities is more lenient than the 50-percent registration rate for the entire population set forth in the current trigger. Moreover, the focus on registration rates is only for historical continuity; when the statutory registration rate is equivalent to the statutory voting rate, only the voting rate will be determinative; that is, if greater than 60 percent minority citizens vote, then a fortiori, at least 60-percent minorities must be registered. Furthermore, the entire purpose of the Voting Rights Act is to encourage minority voting. Registration, as an end in itself, is irrelevant once actual voter participation is increased. Thus, the registration criterion does not weaken the act, and in any event, in light of the 60-percent voting standard, it is superfluous.

The criticism that a 2-year period of purity is too short to insure that long-range voting improvements have actually been made is either naive or disingenuous. Only one of the five components of the period of purity is for 2 years with the balance requiring 5 years of purity. The 2-year period relates to objections having been interposed by the Attorney General, and, as previously noted, it was based upon a recommendation of the Assistant Attorney General of the Civil Rights Division of the Department of Justice. Since the standard prohibits a bailout if any objection has been interposed to any submission, no matter how trivial, it is obvious that a period of purity longer than 2 years with respect to this component would be unduly burdensome.

Moreover, it is the impossible bailout amendment as a whole which insures long-range voting improvements; while any portion of the amendment can be attacked individually, it is clear that the entire package absolutely guarantees the commitment of the covered jurisdiction to pass and implement progressive voting changes which have achieved tangible results.

The fourth objection is that section 5 does not prevent progressive changes in voting laws by the covered jurisdictions. While it is true that section 5 does not absolutely prohibit progressive changes, it cannot be denied that the burden of complying with section 5 preclearance requirements hinders and discourages a jurisdiction from making voting changes. The burden of preclearance in terms of cost and delay has been established on the record; it is misleading for Representative EDWARDS to write that "the State (sic) of Virginia now employs only one person part-time to take care (sic) of section 5 Submissions." While the State employs only one person, every local voting jurisdiction in the Commonwealth also employs at least one person to file submissions pursuant to section 5 of the Voting Rights Act. Thus hundreds and perhaps thousands of people throughout the South are caught up in the web of paperwork necessary to comply with section 5 and the numerous regulations promulgated thereunder.

The final criticism of the impossible bailout amendment stated in the letter is that the amendment suffers from a series of serious drafting problems and ambiguities "too numerous to address in detail." Unfortunately, the letter fails to even generally advert to either a drafting problem or an ambiguity. The reader is offered the cryptic comment that many of these problems "jeopardize policies and interpretations which have been applicable to the act since its inception in 1965." Rather than jeopardize the policies of the 1965 act, the impossible bailout amendment reinforces one policy of the act, recently subverted by the courts, that jurisdictions which in fact do not discriminate should not be covered by the act.

Mr. Chairman, this discussion has been lengthy, but it was necessary to reveal the substance and merit of the impossible bailout amendment. The amendment will encourage States and political subdivisions to modernize their voting laws and to encourage minority voter participation. Such an incentive is necessary and salutary; I urge my colleagues to adopt this amendment to cure the deficiencies of the Voting Rights Act.

The adoption of my bailout amendment will cure many, but not all, of the other deficiencies of the act previously enumerated. A brief discussion of five other amendments will reveal the formulation of practical solutions in many areas.

OTHER PROPOSED AMENDMENTS

First, an amendment to delete the expansion of section 3 of the act to an "aggrieved person" should be adopted. Senate 401 of H.R. 6219 introduces this novel provision which is also included in a modified form in the amendment in the nature of a substitute.

The expansion of section 3 to an aggrieved person is inconsistent with the remainder of the act. While the extraordinary remedies of the act are temporary, section 3 is permanent. While the rest of the act applies to specially covered jurisdictions, section 3 applies in any jurisdiction. While the special remedies are subject to the bailout clause of section 4(a) of the act, the remedies of section 3 can be imposed indefinitely.

In short, long after sections 4, 5, 6, and 8 are dead letters, section 3 will remain

to allow a Federal or State court to require preclearance—theoretically forever. If the special coverage provisions of the act are to be made permanent, then the amendment in the nature of a substitute should be adopted with a concomitant restriction on the retention of jurisdiction by the court available under section 3.

Also, as presently drafted, section 401 of H.R. 6219 opens up the remedies of section 3 only to certain language or racial minorities. There is simply no reason to discriminate against Anglo ethnic minorities by denying them access to a remedy designed to prohibit voter discrimination.

Hence, I urge my colleagues to adopt the amendment to strike section 401 of H.R. 6219.

Another fundamental inequity in the Voting Rights Act centers on locating all actions for declaratory judgments against the United States pursuant to sections 4, 5, and 13 in the U.S. District Court for the District of Columbia. This specialized venue has been defended on grounds of creating expertise in the judges, saving the United States expenses in defending litigation, and creating uniform laws on the issue of voting rights. However, none of these reasons holds up under analysis.

Only 10 bailout suits, including 1 brought by the Attorney General to effectuate recoverage, have been brought under the Voting Rights Act in its 10-year history.

Fourteen judges have sat on the three judge panels in these suits; only two have decided four cases and one has heard three cases. The other 11 judges have sat either once or twice. Only 3 of these 10 cases resulted in decisions other than consent decrees. Thus even in these few cases, no expertise has been developed and the likelihood of nonuniform decisions remains. Moreover, there is simply no argument that the litigation must be centralized in Washington, D.C. to save the Government the cost of defending litigation in remote areas of the country; only 10 suits have been filed in 10 years.

The only reason for prohibiting actions from being brought in local U.S. Federal district courts is a politically based distrust of the judges sitting in those courts. The refusal of the supporters of H.R. 6219 to adopt an amendment permitting local venue reveals the true hypocrisy of those who steadfastly contend that this act is not regionally oriented reconstruction legislation. With the imminent expansion of this act being a real possibility, it is time to allow States to sue in local Federal district courts to reclaim their sovereignty under the Constitution. The inconvenience and cost of filing an action for declaratory judgment should no longer be a factor that a State must weigh in determining whether to seek relief from the act.

For these reasons, the amendment to permit local venue in an action for a declaratory judgment should be passed.

A fundamental defect with the structure of H.R. 6219 lies in its expansion to cover "language minorities", for example, American Indians, Asian Americans, Alaskan Natives, and persons of Spanish heritage. As previously discussed, there is no reason to deny relief to any group affected by voting discrimination. It can also be contended that the act should be triggered based upon indications of discrimination against any ethnic group; but if the trigger is to be selective, then it should be rationally limited to groups with respect to which the record indicates rampant discrimination.

The record with respect to this legislation is clear. The only language minority that was seriously considered was persons of Spanish heritage. This was the sole concern of H.R. 3501 and represented the concern of the overwhelming number of witnesses. In fact, no witnesses representing the needs of American Indians, Asian Americans, or Alaskan Natives even testified. The record makes no reference to Alaskan Natives and only scant reference to Asian Americans. Similarly, reference to American Indians is insubstantial. Yet each of these groups was included in the legislation to dispel the notion that this expansion, sponsored by Representatives BADILLO, JORDAN, and ROYBAL, was only for persons of Spanish heritage.

To supplement a practically barren record, I requested J. Stanley Pottinger to indicate what evidence the Department of Justice had concerning Alaskan Natives. He replied in a letter dated May 13, 1975, that he suggested using the term "any single minority race or color the native language of which is other than English" in response to a request from Chairman EDWARDS to draft expansion language. Mr. Pottinger said that the reason for using this term, which is substantially the same as "language minorities" as currently defined in H.R. 6219, was that "legislation of this nature should not single out individual racial groups when there are several racial groups which may be similarly situated." He went on to add, "[t]his is not to say that any evidence has been presented to us of a need for expansion of the coverage of the act to Alaskan Natives; we have received no specific evidence regarding them." I must respectfully disagree with Mr. Pottinger that many groups should be covered when the evidence at best justifies the inclusion of only one group.

If citizens of Spanish heritage are to be given special treatment, there is no reason to burden other States and political subdivisions where citizens of Spanish heritage are not present. Yet this act will impose severe sanctions on several jurisdictions whose residents include American Indians, Asian Americans, and Alaskan Natives. In order to rectify this overinclusive expansion of the act, amendments, to strike Asian Americans, Alaskan Natives, and American Indians from the definition of "language minorities" will be offered. The record indicates that each of these amendments should be supported by all fair-minded Members.

If it is the will of the Congress that this act be extended for an additional 5 or 10 years, then it is exceedingly important that the extension be done in an efficient manner. If the intent is to extend the act until 1985, then we should not enact a provision that can freeze in jurisdictions until beyond the year 2000, as long as a less restrictive alternative is available.

One such alternative was recommended during the hearings. Instead of lengthening the period of purity from 10 to 15 or 20 years, the suggestion is to merely prohibit a covered jurisdiction from bailing out prior to August 6, 1985, and to reduce the burden of proof back to the original period of 5 years. This has the simplicity of insuring that every 1980 reapportionment plan of a covered jurisdiction will be subject to review. At the same time, the future use of a test or device will not result in the jurisdiction being punished for 20 long years.

Those of my colleagues who believe in rehabilitation and compassion should lend their support to this amendment to effectuate a straight forward extension of the act without imposing an unintentional, unconscionable side effect.

Before I complete an admittedly lengthy debate on this subject, one last topic deserves discussion and deliberation. Under the present law, it is legally possible to vote more than once in a Federal election. Section 11 of the act deals with antifraud provisions prohibiting fraudulent registration, but as previously indicated, fails to prohibit voting more than once in a Federal election as long as valid registration has been procured.

An amendment to close this loophole has been drafted. Unbelievably, it was defeated in subcommittee and full committee on partisan grounds. The amendment is not dilatory, nor is it deceitful. It is merely a Republican amendment designed to prevent the abuses that occur in many parts of the country to dilute every person's vote, including the minority vote.

Consistent with the structure of section 11, the amendment requires criminal penalties to be imposed upon any person who votes more than once in the same Federal election, subject to certain technical exceptions. Clearly, a person evincing criminal intent to vote more than once ought to be punished.

Mr. Chairman, it is inconceivable that any Member can vote against an amendment to outlaw this insidious evil. Logic and reason call for unanimous support of this amendment.

In conclusion, we have seen that the Voting Rights Act was designed to combat the disenfranchisement of minority voters in this country. The inadequacies of the present act and of H.R. 6219 in accomplishing this goal have been explicated in detail. Progressive, affirmative solutions have been proposed and discussed to eliminate entrenched discrimination and to encourage minority voter turnout.

Mr. Chairman, the Members of this Congress have a choice. We can pass H.R. 6219 and perpetuate the stench of reconstruction legislation which does more harm than good, or we can adopt

bold new legislation which will encourage affirmative action by the States to preserve and protect the voting rights of all of the people. The time to act is now.

Mr. EDWARDS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. DRINAN).

Mr. DRINAN. Mr. Chairman, I want to commend the subcommittee on the hearings that amount to 1,500 pages, and for the enormous work that has resulted in this very historic legislation.

Mr. Chairman, there was a time in our country, not so very long ago, when only white men over the age of 21 who owned property were allowed to vote. Blacks, women, persons under 21, and propertyless men were totally excluded from the electoral process. In determining the number of Representatives from each State to this House, the Constitution counted only three-fifths of the blacks and omitted altogether untaxed Indians. Thus while the "supreme law of the land" proposed to establish a constitutional democracy, it in fact perpetuated an electoral aristocracy.

Since the period of Jacksonian democracy in the last century, however, we have witnessed successful efforts, slow to be sure, to expand the size and composition of the electorate. The political process, both at the State and Federal levels, has accounted for much of the gain. First, most property restrictions were removed. Then denying the right to vote on account of race, color, or sex was prohibited by constitutional amendments. Recognizing the unfairness of age restrictions, voting eligibility was lowered from 21 to 18 years.

While the legislative bodies in the Nation were removing some of the barriers to voting, the courts also sought to bar, as a constitutional matter, artificial and unreasonable limitations on the right to vote which the legislatures declined to remove. In a series of decisions, which have accelerated in the last 10 years, the U.S. Supreme Court has regularly invalidated voting restrictions. It is no longer constitutionally acceptable for legislatures to enact franchise limitations which are only rationally related to a legitimate objective. The Supreme Court has held that voting is a fundamental right which cannot be infringed except where a "compelling interest" or a "supervening necessity" requires it. The Court has struck down poll taxes, durational residency requirements, and excessive candidacy fees. Only 3 weeks ago the Court invalidated Texas laws which limited voting in bond elections to certain taxpayers.

The bill before us marks another major advance in extending the right to vote to citizens previously excluded from the electoral process. H.R. 6219 continues the protection for certain minority voters which we first enacted 10 years ago, and it expands coverage of the Voting Rights Act for the first time to certain language minorities. This second feature of the bill is particularly important because it removes discriminatory barriers which States have erected to prevent non-English and illiterate persons from voting. While the ultimate solution for such language minorities is through the educational process, this bill would allow these citizens to vote now; they will not have to await some distant, indeterminate time when remedial educational programs might furnish sufficient skills to comprehend the English-only elections which are conducted almost universally in America.

Apart from the general thrust of H.R. 6219, I wish to address two particular provisions of this bill, sections 401 and 402. Both of these sections were proposed by me during the markup before our subcommittee, and were subsequently adopted as proposed. At the markup session before the full Judiciary Committee, a motion to strike section 401 was overwhelmingly defeated. Another attempt will be made on the floor to remove that section; I trust it will also fail. I should note that the substitute to be offered by the gentleman from California (Mr. WIGGINS), although greatly inferior to H.R. 6219, contains provisions identical to sections 401 and 402.

Section 401 amends section 3 of the Voting Rights Act of 1965 to provide parallel remedies to private litigants which are now available to the Attorney General. Under the present section 3, whenever the Attorney General initiates a voting suit to enforce the guarantees of the 15th amendment, he or she may ask the district court to impose the "special" remedies of the act which apply automatically in covered jurisdictions. In such suits, the court, in its discretion, may suspend any "test or device," authorize the appointment of Federal registrars—examiners—and observers, and require the defendant State or political subdivision to submit any voting change to the court or the Attorney General prior to implementing it.

The amendment which I sponsored, now section 401, would make the special remedies of section 3 available to private litigants. This is accomplished by adding the phrase "or an aggrieved person" to the appropriate places in section 3, specifying that either the Attorney General or "an aggrieved person" may seek the remedies of section 3 in any voting suit to enforce the guarantees of the 14th or 15th amendments. Such suits may, of course, be based directly upon those amendments, see *Bivens* v. *Six Unknown Named Agents of Federal Bureau of Narcotics*, 403 U.S. 388 (1971), or upon statutes enacted pursuant to them, such as 42 U.S.C. 1971, 1973, and 1983.

With this amendment, we provide a dual enforcement mechanism in the voting field as we have done in other areas of civil rights. In the Civil Rights Act of 1964, for example, Congress created both private and governmental remedies in the public accommodations and equal employment opportunity titles of that statute. Section 401 is intended to fill the dual enforcement hiatus that now exists in the Voting Rights Act.

The use of the phrase "aggrieved person" is intended to mirror its usage in other Federal statutes. It is well-known and familiar phrase which has been employed by the Congress on many occasions and regularly interpreted by the courts. We used the term in titles II and VII of the 1964 act and in title VIII of the 1968 act; a similar expression is contained in the Administrative Procedure Act.

Needless to say, under section 401, only an "aggrieved person" will have standing to seek the remedies of section 3. Because voting is a fundamental right which lies at the heart of government based on the consent of the people, it is our intention to give the phrase the broadest meaning the Constitution will allow so that all barriers to the right to vote may be challenged in a proper legal proceeding. The report of the Judiciary Committee on this bill makes that perfectly plain.

In addition it must be stressed that the term "aggrieved person" should not be limited to a natural person. Ordinarily the voter, or potential voter, who is injured will be the initiator of legal action to correct illegal restrictions on the franchise. There may, however, be a number of circumstances when that is impossible or impractical. In such cases, an "aggrieved person" may be an organization representing the interests of the victims or a person who, although not a member of the excluded class, is nonetheless adversely affected by the challenged act or practice.

The standing of such persons to bring suit is not a novel concept as the courts have long recognized such interests. In *Trafficante* v. *Metropolitan Life Insurance Co.*, 409 U.S. 205 (1972). *NAACP* v. *Button*, 371 U.S. 415 (1963), and *Barrows* v. *Jackson*, 346 U.S. 249 (1953), the Supreme Court held that individuals and organizations, other than the direct victims of the discrimination or members of the protected class, have standing to challenge exclusionary practices. Congress, of course, cannot go beyond the limits which article III of the Constitution places on the jurisdiction of the Federal courts. But we can legislate to the outer perimeters of that authority, and that is what we mean to do here.

I should note additionally that the thrust of section 3 is to authorize the application of the "special" remedies of the Voting Rights Act to noncovered jurisdictions since they already apply to covered areas. There may be circumstances, however, when a private litigant wishes to invoke the authority of the Federal court so that it may apply and supervise the implementation of the section 3 remedies in States or political subdivisions already covered by the act. Section 401 would allow an aggrieved person to ask a Federal court to apply section 3 remedies to a presently covered jurisdiction for such purposes.

Mr. Chairman, I also wish to comment on section 402, a provision which I offered as an amendment during the markup. This section authorizes the court, in its discretion, to award a reasonable attorney's fee to the prevailing party in a voting suit. This provision is extremely important if the dual enforcement scheme envisioned by section 401 is to be effective. We cannot expect private

litigants, especially minorities, to bear the tremendous costs of instituting suit to remedy unlawful voting practices. In the wake of the recent decision of the Supreme Court in *Alyeska Pipeline Service Co.* v. *Wilderness Society*, No. 73–1977 (May 12, 1975), the importance of section 402 is underscored. In that case, the Court held that counsel fees are not ordinarily recoverable, even by "private attorneys general," in the absence of a statute authorizing them. No such statute presently exists for voting suits.

Section 402 takes on added significance when it is considered that the ordinary plaintiff in a voting suit is seeking only an injunction. Thus the need for recovering counsel fees is even greater than might be in the case where damages are also obtained. Consequently, under section 402, a successful litigant seeking to secure voting rights "should ordinarily recover an attorney's fee unless special circumstances would render such an award unjust." *Newman* v. *Piggie Park Enterprises, Inc.*, 390 U.S. 400, 402 (1968) (per curiam). Of course, even if damages are awarded, counsel fees would still be appropriate.

The provision for attorney fees in section 402 is available in "any action or proceeding to enforce the voting guarantees of the 14th or 15th amendment." Such litigation would include not only suits based directly on those amendments, but also cases based on statutes passed pursuant to them, such as 42 U.S.C. 1971, 1973, and 1983. The phrase used are words of inclusion, not limitation. To the same extent, the provision is available to the State court as well as the Federal court litigant. This is the scheme we enacted in the Federal Fair Housing Act, 42 U.S.C. 3612, and that is the result we desire here. Private litigants, particularly, should have the option of choosing local courts since they may be more convenient forums. In such instances, section 402 counsel fees ought to be available to them.

Section 402 uses the phrase "prevailing party" in defining who should recover counsel fees. That language is meant to be as broad as the phrase "aggrieved person" contained in section 401. Both should be liberally construed to effectuate the purpose of these sections: to achieve broad-scale compliance with voting proscriptions. "Prevailing party" would include an individual as well as an organizational plaintiff. It might be the party who originally brought the suit or it might be an intervenor. See *Thomas* v. *Honeybrook Mines, Inc.*, 428 F. 2d 981 (3rd Cir. 1970), *cert. denied* 401 U.S. 911 (1971). In bailout suits instituted by covered jurisdictions against the United States, it would also include a private person who intervened as a defendant or participated as a third-party plaintiff, to urge the district court not to allow the State or political subdivision to remove itself from coverage under the act.

Consequently to recover attorney's fees, it is not necessary that the "prevailing" party succeed in obtaining an injunction against an offending State or political subdivision. An intervenor in a bailout suit, for example, would "prevail" when the district court denied relief to the plaintiff government. Furthermore a litigant would "prevail" when the law suit causes the jurisdiction to alter practices which adversely affect voting rights even though the court might conclude that formal relief, such as an injunction of declaratory judgment, is unnecessary as a matter of equity.

Under a similar provision for attorney's fees in Title VII of the 1964 Civil Rights Act, the courts have allowed such awards in those circumstances. *Parham* v. *Southwestern Bell Telephone Co.*, 433 F. 2d 421 (8th Cir. 1970); *Brown* v. *Gaston County Dyeing Machine Co.*, 457 F. 2d 1377 (4th Cir.), *cert. denied* 409 U.S. 982 (1972). Similarly, if the litigation terminates in a consent decree, it would be appropriate to award counsel fees. *Aspira of New York, Inc.* v. *Board of Education of the City of New York*, 65 F.R.D. 541 (S.D.N.Y. 1975). And, of course, plaintiffs who bring so-called "test cases" would clearly be entitled to such fees. *Lea* v. *Cone Mills Corp.*, 438 F. 2d 86 (4th Cir. 1971); see also *Evers* v. *Dwyer*, 358 U.S. 202 (1958).

In appropriate circumstances, I should add, a court is also authorized to award counsel fees as a matter of interim relief pending the outcome of the case. The word "prevailing" does not require the entry of a final order before fees may be recovered. See *Bradley* v. *School Board of the City of Richmond*, 416 U.S. 696 (1974); *Mills* v. *Electric Auto-Lite Co.*, 396 U.S. 375 (1970).

In exceptional circumstances, the phrase "prevailing party" might also include a defendant. The standard for awarding counsel fees to a prevailing defendant, however, is not the same as for a prevailing plaintiff. If it were, the risk to the disadvantaged, minority litigant might be so great that it would discourage law suits to remove barriers to voting. In the Alyeska case, supra, the Supreme Court indicated that the liberal test for awarding fees announced in Newman against Piggie Park was intended to apply only "to the successful plaintiff."

Furthermore such defendant governmental units are much better able to bear the expenses of litigation. When they are required to pay counsel fees, they draw from the common treasury (including, incidentally taxes paid by the plaintiffs). See Bradley case, supra. Such resources are not available to minority litigants. Thus it is intended that a much more restricted test be applied when the "prevailing party" is a State or political subdivision, or its officials.

A court might award counsel fees to defendants on those rare occasions when they must "defend against unreasonable, frivolous, meritless or vexatious actions brought by either private parties or the Government." *United States Steel Corp.* v. *United States*, 385 F. Supp. 346, 348 (W.D.Pa. 1974). As long as the plaintiff has initiated the action "in good faith," however, counsel fees should not be awarded to a prevailing defendant. See *Richardson* v. *Hotel Corp. of America*, 332 F. Supp. 519 (E.D.La. 1971), aff'd without published opinion 468 F. 2d 951 (5th Cir. 1972).

Mr. Chairman, I therefore urge all my colleagues to vote in favor of H.R. 6219, and to reject all amendments which would weaken or dilute its provisions.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Virginia.

Mr. BUTLER. I thank the gentleman for yielding.

I regret I used my time up before I could yield to the gentleman.

I appreciate the gentleman's yielding to me as I do think it is important to advise that the Attorney General of the United States in a very learned letter of very recent origin, which inadvertently came into my hands, has stated that the effect of the Butler "bailout"—and I quote:

does not legislatively negate the doctrine for Gaston County, but it does allow the jurisdiction to demonstrate its compliance with all of the goals of the act for a substantial period of time.

I mention this so that the gentleman will understand that my purpose is not to negate Gaston County, which I judge is the gentleman's only objection to the impossible bailout.

Mr. DRINAN. Would the gentleman agree that his amendment does in effect repeal not merely Gaston County against the United States but also Virginia against the United States, another Supreme Court decision?

Mr. BUTLER. If the gentleman will yield, it was a per curiam decision of the Supreme Court of the United States in Virginia against the United States which did not allow any covered State an opportunity to prove its way out from under the act. Because it was conclusively presumed that the literary test was used to discriminate against minorities.

Yes, it does overcome that by giving ourselves the opportunity to develop, to prove our way out of section 5, and protect the constitutionality of our legislation.

Mr. DRINAN. But would the gentleman be able to respond to the key factor in that particular decision, namely that for a number of years the particular State in question did in fact maintain its inferior schools and that the whole legislative history of the Voting Rights Act suggests and makes overwhelmingly clear that the purpose of this act was to give every citizen, regardless of his lack of training in literacy, an equal opportunity to vote. If blacks had had separate but equal, but truly unequal, opportunity, then they were simply not in a position to live up to the literacy test even if that is of a meaningless character? That is the basic constitutional thrust and, with all due deference, I have not heard the gentleman from Virginia speak to that.

Mr. BUTLER. One reason the gentleman from Massachusetts has not heard me speak to it is because I have not had the opportunity to speak to it but if the gentleman will yield, I would like to say the requirements in Virginia was not like the literacy test in other States. I men-

tion this because we have in the record no indication, and this has been affirmed many times, that there was discrimination in the application of even our modest literacy test, which has been since repealed. It did not require that the applicant read and write the Constitution or interpret portions of it. It required only that a prospective voter make application in his own handwriting on a form supplied by the registration officer. No evidence was presented to the district court in Virginia against the United States that such a test had been applied in a discriminatory manner during the 10 years preceding the filing of this action. All the evidence was to the contrary.

Even in 1961 the Court reported that Virginia unlike many Southern States did not practice discriminatory voting processes. The Attorney General of Virginia conducted an extensive factual investigation into the manned in which Virginia's test had been applied during the previous 10 years. That showed the test had no significant impact in disqualifying voters, black or white, in Virginia.

Despite that, the Supreme Court nevertheless found Virginia had to comply with the act. But in doing so, we find Virginia was commended by the Court for its good faith effort in voter registration in the sixties. Yet despite all this: because of the Gaston doctrine, Virginia would not be able to prove its way out of the act.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BUTLER. I yield to the gentleman from Massachusetts 3 additional minutes.

Mr. DRINAN. Mr. Chairman, I thank the gentleman from Virginia for requesting the additional time for me.

I am inclined to think the gentleman from Virginia misconstrues the Gaston decision of June 2, 1969, by the Supreme Court. This opinion explicitly disclaims any per se rule; it notes that the Court's decision below is premised not merely on Gaston County's maintenance of a dual system but on substantial evidence that the county deprived its black residents of equal educational opportunity, a fact which is turn deprived them of equal opportunity to pass the literacy test.

If the gentleman from Virginia wants to reverse this decision completely the burden is on him to prove the justice of a reversal of such a decision.

Mr. EDWARDS of California. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. DRINAN. In conclusion, Mr. Chairman, I urge all my colleagues to vote for this monumental legislation, to vote in favor of H.R. 6219 and to reject all amendments which would weaken or dilute its provisions.

Mr. BUTLER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio (Mr. KINDNESS).

Mr. KINDNESS. Mr. Chairman, the Voting Rights Act has served its purpose. The testimony before the subcommittee shows overwhelmingly that registration and voting by black Americans, and in particular in the covered States, has increased dramatically since the enactment of the Voting Rights Act. Strong indications of the change in the attitude of most citizens throughout our land is shown in the record.

Now, however, some fear and some reticence remains in certain areas that voting and registration may carry with the rights, some risk. That feeling is not limited to identifiable minority group members. Therefore, it could be argued that the Voting Rights Act need not be extended. I believe that the Voting Rights Act should be extended, but point out that the Voting Rights Act is not the only protection that is available, however. The poll tax, of course, has been done away with. The Civil Rights Act remedies are still available, and section 3 of the Votings Rights Act is already permanent protection.

The basic question before us is whether the extraordinary provisions of sections 4 and 5 of the Voting Rights Act should be continued in force. If so, for what period of time? If so, under what modifications and what provisions.

I would like to suggest that there are modifications that are necessary. Our colleague, the gentleman from Virginia (Mr. BUTLER) has already indicated one great need. The law, as it is, is not dynamic. It is static. It does not encourage improvement in the performance of the States. That, indeed, should be changed.

There are amendments that we can find in the CONGRESSIONAL RECORD at page H4591 of May 21, 1975 that I will seek to gain the support of the membership on tomorrow which would make other modifications. One would have to do with the period of purity, as I call it, necessary to obtain a declaratory judgment on the part of the State to "bail out" from under the coverage of the Voting Rights Act.

Section 4 of the Voting Rights Act presently provides that a State may free itself from the special coverage of section 4 by filing a declaratory judgment in the U.S. District Court for the District of Columbia and proving that for the past 10 years the State had not used a test or device requirement to vote on the basis of race or color.

Hence, if a State transgresses the law and uses a test or device with the prohibited effect, it must wait 10 years before it can successfully escape the onerous special provisions of the Voting Rights Act.

Historically, this "period of purity" was originally set at 5 years in the Voting Rights Act of 1965. When the Voting Rights Act was amended in 1970, the proponents sought to extend it by changing the period of purity from 5 years to 10 years. This had the effect of freezing the States then under the act because of transgressions in 1964.

In 1975, the Voting Rights Act will again undoubtedly be extended for 5 or 10 years. The proposed method of extension again lengthens the period of purity. While this will freeze the States presently covered by retaining 1964 transgressions for another 5 or 10 years, it has the disadvantageous repercussion of punishing a future transgression for 15 or 20 long years.

For example, if Virginia were to employ a test or device in derogation of the act in 1984, the special coverage provisitons would apply until the turn of the century, as the bill is now worded.

This amendment I will propose seeks to accomplish the goal of extension, while at the same time retaining a reasonable "period of purity" in order that future transgressions will not carry an inordinately long penalty.

A second thing that is needed by way of modification is to allow the States to litigate with regard to the declaratory judgments we have been discussing in the Federal district court that is local to that State, rather than everyone having to come to the U.S. District Court for the District of Columbia. I think it is quite apparent that the District of Columbia is not the most convenient forum for these matters. The States that are covered or that will be covered under the language of the act as it now stands would have to come from great distances to litigate here in the U.S. District Court for the District of Columbia; bring witnesses and everything that is necessary to the decision of the declaratory judgment action, rather than being able to go into the U.S. district court for the district involved in that State.

I would point out one more modification that is very necessary, I think, which has been discussed here already, in the opposite direction, by our colleague from Massachusetts (Mr. DRINAN). That is the matter of an aggrieved person being able to bring an action, in addition to the Attorney General, to obtain the extraordinary relief afforded under the act. Assuming that the committee language is retained in the bill, there is the need, I believe, to strike this particular language which says that an aggrieved person can bring this action.

We should notice, first of all, that these are extraordinary remedies that are provided at present only to the Federal Government to encroach upon the proper constitutional area of the States which are covered under the act. The reason for that and the justification for that is the past malpractices of the States which have, for this period of time since 1965, been denied their normal constitutional function. Now, it is being suggested, in the language of the bill as it comes to the House floor, that any aggrieved person should be able to bring an action which could bring about the application of these extraordinary remedies.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, would the gentleman be opposed to including the provisions which are presently included in the Civil Rights Act of 1964, and also in the Housing Act of the Congress in title II and title VIII of the 1964 act, and title VIII of the 1968 act?

The precise language that we now incorporate in the Voting Rights Act was included in those acts. Would the gentleman, therefore, be suggesting that we are to wipe out all the dual enforcement procedures in virtually all previous civil rights bills?

Mr. KINDNESS. I think the gentleman makes an excellent point. What we are considering here is not the Federal Civil Rights Act and its connection with other laws already on the books.

We are talking here only about the Voting Rights Act, which provides an extraordinary set of remedies, and which provides for the extraordinary flow of actions which may be put into place by the court in the event certain findings are made, at the behest of the Attorney General.

I would suggest that the possibility of any aggrieved person being able to bring about the set of remedies that provides for Federal examiners and the whole works, including preclearance with the court, is of such an unusual nature that it is really foreign to the type of statutory provision of which the gentleman from Massachusetts speaks. It is an entirely different set of circumstances, and I differentiate on that basis.

I would suggest that these modifications are very necessary in order to bring the Voting Rights Act into line so that it will be broadly supported.

As a member of the subcommittee, I have spent a reasonable amount of time on this bill, but I cannot pretend to know or foresee all of the results which may flow from the enactment of this bill as the law of the land. I can only say that the proper constitutional rule of the individual States which comprise and support this Nation as a Republic should be reinstated to them as soon as possible, consistent with the protection of the rights of all citizens to vote and participate in our Republic. The conditions under which this law is extended must be reasonable and consistent with that principle, in order to be respected by the people of the Republic generally. We must not petrify the law.

The tendency to emulate the dinosaur and other extinct creatures should be removed.

Mr. EDWARDS of California. Mr. Chairman, I yield 8 minutes to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Chairman, I rise in support of this legislation, and I rise in support of this legislation in full, without amendment, as it is.

Mr. Chairman, I want to say that I was a member of the subcommittee, and I want to commend the chairman of the full committee, the gentleman from New Jersey (Mr. RODINO). I want to particularly commend the gentleman of the subcommittee, the gentleman from California (Mr. EDWARDS) for giving us all an opportunity to present our points of view and to present whatever witnesses we had so that we could make sure that the Voting Rights Act of 1975 was an improvement over the Voting Rights Act of 1965 and 1970.

Mr. Chairman, I particularly appreciate the opportunity, because I became a member of the Committee on the Judiciary because I felt that this can be the most important legislation of this session of Congress, in terms of seeing that everyone understands that the spirit of the 1960's which led to the Voting Rights Act of 1965 is still alive in the 1970's, and in terms of seeing to it that everyone understands that we mean to insure that there will be a full opportunity for everyone in this country to vote.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I will certainly yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, I would like to point out to the Committee that the gentleman from New York (Mr. BADILLO) and the gentlewoman from Texas (Miss JORDAN) and the gentleman from California (Mr. ROYBAL) all shared the honor of being the authors of titles II and III of the bill, which constitute its great forward step in civil rights and voting rights in the United States, and all three, particularly the gentleman in the well now, should be commended.

Mr. BADILLO. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I want to point out that the gentlewoman from Texas (Miss JORDAN) is here, as well as the gentleman from California (Mr. ROYBAL), and that we saw to it that these hearings were structured so that those who wanted to testify would have an opportunity to do so. There were people who came from all parts of the country, particularly to testify on the question of extending the act to include the new language minorities.

We had individuals such as Mrs. Vilma Martinez, the president and general counsel of the Mexican-American League Defense and Education Fund; Mr. Jack John Olivero, the director of the Puerto Rican Legal Defense and Education Fund; Mr. Leonard Castillo, the comptroller of Houston, Tex.; and many others. All of them documented the fact that there exists today barriers to registration, barriers to voting, and barriers to candidacy in the areas affected by the language minorities which make it essential that the Voting Rights Act be extended to include them as well.

Mr. Chairman, it was for that reason that the gentlewoman from Texas (Miss JORDAN), the gentleman from California (Mr. ROYBAL), and I submitted a bill together, at the end of the hearings, which became the basis for title II and title III.

I want to point out to the Members that title II and title III, as already enacted, are really very limited provisions which admittedly do not cover all of the areas that should be covered, but merely try to establish the principle that the language minorities are entitled to the same protection that presently exists in the Voting Rights Act for other groups. The reason that we specifically refer to the protections of the 14th amendment was because of the fact that the Spanish-speaking groups may be of one racial group or another. They might be white; they might be black; they might be Indian; or they might be a mixture of two or three different groups. In order to insure that all of them would be covered, whatever their background be, we provided that the protections of the act shall include not only the protections guaranteed by the 15th amendment, but the protections guaranteed by the 14th amendment as well.

We sought to maintain precisely the same structure that presently exists in the act, and that is the reason that in title II the trigger mechanism that is retained is identical to the mechanism in the 1965 act. That is the principle that the jurisdictions to be covered will be those where less than 50 percent of the persons of voting age were registered to vote or actually voted.

The only change we made was that in the definition of "test" or "device" we provided that a test or device shall be considered to exist where there are more than 5 percent of the people of a single language minority and the ballots are in English only. It is for that reason, when that test is applied, that we get a certain number of additional covered jurisdictions.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Virginia.

Mr. BUTLER. As I understand it, there is no evidence that would indicate the necessity for extending the act to Alaskans.

Mr. BADILLO. I remember that the gentleman was a member of the subcommittee when the Assistant Attorney General, Mr. Pottinger, testified. He had requested that we go beyond merely a one-language minority. Does the gentleman remember that I asked him whether he would be willing to agree to have only persons of Spanish heritage, and he felt that other groups should be included. It is at the request of the Attorney General that the language minorities are extended to include not only Spanish-speaking persons or persons of Spanish heritage, but the Alaskans and the Indians.

Let me just make one other point: Alaska was included, in fact, under the previous act, and the Alaskans would technically be included under the 15th amendment as well as the 14th because they are members of a separate race.

It is clear that under this provision in title II, since Alaska has already been bailed out, it would be possible for the Alaskans to bail out again if this provision were to be enacted.

Mr. BUTLER. Mr. Chairman, if the gentleman will yield further, along these lines, it is perfectly clear that the extension to the Alaska Natives was not based on research in that area, and indeed, Mr. Pottinger, the Assistant Attorney General, wrote us to this effect on May 13:

> This is not to say that any evidence has been presented to us of a need for expansion of the coverage of the Act to Alaskan natives. We have received no specific evidence regarding them.

The gentleman is familiar with that statement from the Attorney General; is he not?

UMI

Mr. BADILLO. That is right.

Mr. BUTLER. I thank the gentleman.

Mr. BADILLO. I do want to point out, as I said earlier, that the Alaskans will be covered in any event under the 15th amendment. The new problems with respect to Alaskans are not under title II because the Alaskans went through that already in 1965 and 1970. The new problems arise with regard to title III, however, on the question of a bilingual ballot, and this problem arises in view of the fact that certain of the languages that are spoken in Alaska are not written languages, and therefore a difficulty arises as to that.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, my understanding of this bill is that the language of a minority has nothing to do with regard to whether the minority speaks English or not, but, for instance, persons who have Spanish surnames, they would be classified in the language minority.

Mr. BADILLO. That is right.

The term "language minorities" so far as the Spanish-speaking people are concerned, is defined by the legislation as persons of Spanish heritage, and the reason for that is that there are different definitions in the census, one of persons of "Spanish origin" and another of persons of "Spanish heritage." The more limited term used was persons of Spanish heritage, and that is why that language is used.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EDWARDS of California. Mr. Chairman, I yield 3 additional minutes to the gentleman from New York.

Mr. BADILLO. I thank the gentleman for yielding me the additional time.

Mr. GOLDWATER. Mr. Chairman, if the gentleman will yield still further: in other words, this is based on their name, and not on whether they can speak English or not?

Mr. BADILLO. That is right. It is based on persons of Spanish heritage, which is the census definition. However, there have to be certain factors that do exist. First, that there be a jurisdiction where less than 50 percent of the people were registered to vote, or voted in 1972; record, that there be more than 5 percent of persons of Spanish heritage, and in that case; third, of course, that there had been no ballots in a language other than English. In that case the provisions of title II would apply. But, as I have indicated, this is a very limited number of cases throughout the country. It is for that reason that title III was put in the bill. Title III does not bring about the full provisions of the Voting Rights Act into each jurisdiction, title III merely provides that there shall be a bilingual ballot, and no other condition, where more than 5 percent of the people are of Spanish heritage, and they have a literacy rate that is lower than the national average. If those conditions exist, then the jurisdiction will be covered by title III.

So that essentially there are two totally different triggering mechanisms, one which brings a jurisdiction within full coverage of the Voting Rights Act in terms of the power of the Attorney General, and another one, in title III, which merely provides that there shall be multi-lingual elections, and does not give the Attorney General any more powers.

Mr. GOLDWATER. If the gentleman will yield still further, does this still authorize the Bureau of the Census to do anything other than what it is doing today, or does it give them added power to go in, in more detail, into the lives of people, or their backgrounds?

Mr. BADILLO. Not to go into more details. The Bureau is required to conduct special studies in order to determine compliance; that is, to take more regular samples to determine, first of all, the exact percentage of a single-language minority or, second, whether or not the literacy rate in a given jurisdiction has improved over a period of time, but we do not require any additional information than would otherwise be borne by the Bureau of the Census, only that we require such information more often, and hopefully in a much more systematic way that we have gotten it up to now.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from California.

Mr. WIGGINS. Mr. Chairman, title II requires that the ballots in an appropriate jurisdiction be printed in the language of the minority; does it not?

Mr. BADILLO. That is right.

Mr. WIGGINS. The gentleman has spoken in terms of a bilingual ballot, but you really must assume the possibility of a trilingual ballot, or a multilingual ballot; do you not?

Mr. BADILLO. It is possible, yes.

Mr. WIGGINS. Let us talk about Indians. Would the act require the ballot to be printed in the dialect of the Indian?

Mr. BADILLO. If the other conditions were met, yes.

Mr. WIGGINS. If the gentleman will yield further, how many dialects are there of Indians?

Mr. BADILLO. I have no idea.

Mr. WIGGINS. If I told the gentleman that there are over 160, would that strike the gentleman as being wrong?

Mr. BADILLO. No, but I would doubt that there would be a single jurisdiction where there would be more than 5 percent of Indians who would be speaking the 160 languages. We know, of course, the reality is that Indian tribes like all other people live together, and generally a tribe would be living within one jurisdiction, so a tribe would ordinarily speak one dialect.

Mr. Chairman, the enactment of H.R. 6219 could represent a further advancement in civil rights by continuing to provide needed protections, previously covered jurisdictions, and by extending the vital protections of the Voting Rights Act to Hispanic Americans and members of other language minority groups.

Specifically, the bill would add a subsection to section 4 of the act. The new subsection (f):

First, sets forth congressional findings relative to voting discrimination against citizens of language minorities who suffer from illiteracy in the English language because of unequal educational opportunities. This subsection further declares the necessity to eliminate such discrimination by prohibiting English-only elections, and by prescribing other remedial devices.

Second, prohibits States and political subdivisions from enacting any voting qualification, or prerequisite to voting, or standard, practice or procedure to deny or abridge the right to vote of any citizen because he is a member of a language minority group.

Third, expands the definition of the phrase "test or device." A jurisdiction is determined to employ a test or device if more than 5 percent of the citizens of voting age residing in the jurisdiction are determined by the Director of the Census to be members of a single language minority; and the jurisdiction, in the 1972 Presidential election, provided any registration or voting notices, forms, instructions, assistance, or other materials relating to the electoral process, including ballots, only in the English language.

Fourth, requires that whenever any jurisdiction subject to this section provides any registration or voting materials—as defined above—it shall provide them in the language of the applicable minority group as well as in the English language.

Title II of H.R. 6219 also contains a specific separability clause with respect to the amendments made by this bill to the act. This separability clause is of particular importance in this bill because it should be the demonstrable intent of Congress that the extension of the Voting Rights Act of 1965 not be impaired by a challenge to the constitutionality of the provisions of this bill which would expand the coverage of the act.

Title III of H.R. 6219 would amend the Voting Rights Act of 1965 to ban the use of English-only election and registration materials and assistance until 1985 in those States and political subdivisions not covered by the special provisions of the act, but which have a substantial concentration of language minorities and where the illiteracy rate in English of such persons is above the nationwide illiteracy rate in English for all persons of voting age.

Under title III, citizens of language minority groups who have been excluded from the political process because of their inability to speak, write, or understand English would be provided some assistance through bilingual election procedures. In contrast to title II of the bill, such assistance under title III would require a minimum of Federal intrusion into State affairs and would not set into operation all the stringent requirements of other sections of the Voting Rights Act.

The less stringent provisions of title III are based largely on unequal educational opportunities. The evidence indicates a close and direct correlation between high illiteracy among these groups and low voter participation. For example, the illiteracy rate among persons of Spanish heritage is 18.9 percent, among Chinese is 16.2 percent and among American Indians is 15.5 percent, compared to a nationwide illiteracy rate of only 4.5 percent for Anglos. In the 1972 Presidential election 73.4 percent of Anglos were registered to vote compared to 44.4 percent of persons of Spanish origin.

The high illiteracy rate among these language minorities is not coincidence. It is the result of the failure of State and local officials to afford equal educational opportunities to members of language minority groups. While title III will not correct the deficiencies of prior educational disparities, although that may be a necessary concomitant, it will permit persons disadvantaged by such inequality to vote now.

A State or political subdivision would be covered under title III of H.R. 6219 if a single language minority comprises 5 percent of the total voting age citizen population, and if the illiteracy rate of that group is greater than the national average. For purposes of this title, "illiteracy" is defined as failing to complete the fifth primary grade, the level at which a minimum comprehension in English ordinarily would be achieved.

It is clear, therefore, that the present legislation is carefully and narrowly limited in its impact. Nevertheless, it serves notice to all local jurisdictions that Congress does not mean to either retreat or to stand still in asserting its authority to enact legislation under the 14th and 15th amendments to insure that the right to vote becomes a meaningful right available to all citizens.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BUTLER. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. WIGGINS).

Mr. JOHNSON of Colorado. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN pro tempore (Mr. STUDDS). One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Chairman, my first purpose in taking the well is to underscore the importance of what we do here today and tomorrow. The Voting Rights Act of 1965, as amended in 1970 and as now proposed for amendment in 1975, is probably the single most important act passed by the Congress of the United States with respect to the exercise of the franchise since the adoption of the 15th amendment.

This is critically important legislation.

Now, given the importance of this bill, it is important to review its efficacy and the rationality of the procedures adopted in the act to achieve the benefits intended.

It is my contention, Mr. Chairman and members of the committee, that the triggering mechanism under the act is, in the light of present day circumstances, irrational and ought to be improved. There will come a time tomorrow when I shall offer a substitute which is designed to improve this act, to make it a better act, to make it more rational more logical, in light of today's circumstances.

What is wrong with the trigger which this Congress imposed upon the country in 1965? Let me give the Members an answer to that question in the following way: The whole theory of the Voting Rights Act is that the right to vote should not be denied or abridged by reason of racial discrimination. The emphasis is on the right to vote.

We were mindful in 1965 that there were many techniques for denying and abridging the right to vote and a case-by-case remedy was totally undesirable and unrealistic.

Accordingly, we adopted a triggering mechanism which presumed discrimination where certain facts existed historically. The facts which triggered the presumption were the presence of a test or device in 1964, and the failure of voters to turn out in the 1964 election. If those two things existed, then the Congress rebuttably presumed that discrimination existed within that jurisdiction.

The presumption was merely rebuttable because a jurisdiction had the right to bail out from under the act by demonstrating to the U.S. District Court in the District of Columbia that, in fact, it had not discriminated against blacks in its voting practices. The key was to look to historical events, to what happened in 1964, to presume discrimination for a period of 5 years into the future.

When we extended this act in 1970, we continued to apply the 1964 trigger, as the Members all know. We added a refinement to it, but basically if a jurisdiction erred in 1964, it was going to be covered for a period of 10 years. We continued to rely upon historical facts rather than on current reality.

I contend, Mr. Chairman, that we can make this act a better act if we look to current circumstances rather than to what happened 10 years ago. With that in mind, I have proposed a substitute. The substitute makes this bill permanent legislation. It does not extend it for a period of 5 years or 10 years; it is a permanent act of Congress, and I think that is a desirable thing to do.

Second, it modifies the triggering mechanism so that a jurisdiction would be covered if two things occurred: That there were 5 percent of more black citizens or brown citizens within the jurisdiction at the time of the most recent general election. Those are the only two covered minorities in my substitute. Indians are not; Asian Americans are not; Alaskan Natives are not; only blacks and browns.

If 5 percent of blacks or browns are within a jurisdiction at the time of the most recent general election, and if those designated minorities fail to vote—not historically, but in the most recent general Federal election—at a rate of 50 percent or more, then that is a sufficiently suspicious circumstance to cause the Congress of the United States to require preclearance of that jurisdiction's voting practices to insure the absence of discrimination.

Clearly such an approach is much more rational than the current trigger, Mr. Chairman. The Members understand that in the year 1976 if a jurisdiction in Georgia, for example, had every single black vote, every one, it would still remain covered under the act because of something that happened in 1964. What is the common sense of that?

I would suggest to the Members that there is no rationality in that kind of trigger.

Let us look at the other side of this coin. Let us look at the jurisdiction of Chicago, for example. If in fact, in 1976 no blacks voted in Chicago, none, that jurisdiction would not be covered because the present act looks to what happened either in 1964, 1968, or 1972.

The trigger which I have proposed in my substitute is dependent, as I have said, upon the existence of a 5 percent minority, black or brown. I picked 5 percent, Mr. Chairman, only for de minimis reasons. It makes no sense to me to invoke the extraordinary remedy of Federal preclearance in the jurisdictions where they have only a handful of blacks. The appropriate relief in such an instance is not Federal preclearance but rather individual lawsuits under section 3 of the act.

And, second, the turnout is dependent on the performance in the most recent election. That means that in 1976 if a jurisdiction gets its blacks and browns out to vote, 50 percent or more, they will be thereupon uncovered for 2 years. In 1978 they will be subject to review again. If the blacks and browns in that same jurisdiction fail to turn out 50 percent or more, coverage would attach, and so on, each 2 years.

No one can convince me—and I try not to be bullheaded about this—that it is more rational to look at historical events rather than current performance. The irrationality of the current mechanism is further demonstrated by the requirement of the test or device.

Tests or devices were outlawed in this country in 1970. A national ban was imposed for 5 years in 1970, and there has not been a testing device lawfully in existence since 1970 anywhere in this country.

This legislation makes that ban permanent, and I wish to support that change. My substitute also requires a permanent ban on literacy tests. To continue to look to tests or devices is outmoded in current circumstances.

Mr. Chairman, I want to suggest to the Members, as well, that the jurisdictions entitled to bailout under the existing act are given no incentive to improve

UMI

their voting procedure. None at all. They are locked in as a result of what happened in 1964.

Why in the world would a jurisdiction endeavor to improve its voting laws when there was no way that it could benefit by reason of that improvement by escaping the burdens of the act.

If we adopt my substitute, on the other hand, there is a positive incentive for dominant white majorities to get the blacks out to vote, because to do so they will get out from under the act. And, after all, that is what this act is all about: to get those minorities out to vote.

There have been several objections that I have heard to my substitute. One is as to its cost. I have had several discussions with the Bureau of Census on this problem. The problem of cost, of course, pervades not only my substitute but the committee bill, as well. It is a troublesome item. The difficulty is that the Bureau of Census is unaccustomed to dealing with probabilities. And yet for purposes of this act, the existence of a 50-percent turnout or the existence of a 5-percent minority is not the ultimate fact to be proved. Those facts merely trigger a rebuttable presumption. That is all. A high degree of precision with respect to whether in fact there is exactly 5 percent or exactly 50 percent is not necessary.

Accordingly, the Bureau of the Census is instructed, by reason of the legislative history which I shall include in this bill, to simply make the determinations required for it on the basis of probability; that is, whether it is more probable than not that there is a 5-percent minority population and that 50 percent of that minority voted in the most recent general election.

There are many lawyers in this House, and many are listening to me right now. We are accustomed to dealing in probabilities. We are accustomed to establishing and accepting as true facts which are demonstrated simply by a preponderance of the evidence, and clearly that standard is sufficient for purposes of triggering a rebuttable presumption.

The Bureau of the Census, on the other hand, would like to make the determinations under this act with a 95-percent degree of certainty. That is a very expensive process, but it is not necessary. They can determine the existence of the 5-percent minority on the basis of the statistical data in their computer based upon the 1971 census data.

As far as I am concerned, that is adequate for the purposes required under this act, and it is a very inexpensive procedure. They have talked in terms of hundreds of millions of dollars. I want to suggest to the Members that if the Bureau of the Census cannot make the determinations required hereunder on the basis of probability, that is, more probable than not, for less than $10 million a year, then our appropriation committee ought to look very carefully and very skeptically at their budget proposals because they are injecting a greater degree of certainty than we require under this act.

I want to make clear with respect to the legislative history—and I shall, by insertion in the RECORD, show the constitutionality of the proposal which I have advanced—that it is important under the standard Katzenbach against South Carolina that this trigger mechanism which I have proposed be rational. I am prepared to demonstrate and to argue here now that it is more rational than the trigger mechanism invoked under the bill because it deals with voter performance by the very minority to be affected rather than the performance of everyone.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, the gentleman indicated he would cover the legislative history.

Would the gentleman please indicate any support for his proposition that is contained in the 1,300 pages of hearings conducted by the subcommittee?

Mr. WIGGINS. Did I understand the gentleman to say, do I intend to support that record? Of course, I support that record.

Mr. DRINAN. No, I am sorry. Does the gentleman seek to support his substitute by anything that is in the record of the hearings that the subcommittee conducted over many, many weeks, a record that now totals more than 1,300 pages?

Mr. WIGGINS. Yes, indeed. My substitute properly takes into account that record.

How in the world can the gentleman from Massachusetts (Mr. DRINAN) whose record as a civil libertarian is richly deserved—and I commend him for it—but how in the world can he seek to impose a trigger on this country which does not hit discrimination in the North, yet institutionalizes a trigger mechanism in the South? I say to the gentleman that it does him no credit to perpetuate it.

Mr. DRINAN. If the gentleman will yield further, I would like to respond to that.

We have here the record of the U.S. Commission on Civil Rights. It is reproduced in part 3 of the hearings. Throughout the cities of the North there are all sorts of discrimination against blacks and minorities, but there is no overt or perhaps no implicit voting rights discrimination. The problem that the U.S. Commission found, and the problem that the subcommittee found, was that in the South and elsewhere there has been a persistent pattern of discrimination that prevents or inhibits blacks and Spanish-speaking persons from voting.

If the problem were found in the same way in northern cities, I would be the first one to say that we should extend this Voting Rights Act to the northern cities.

Mr. WIGGINS. I would suggest to the gentleman that he simply open his eyes to reality, because it does exist elsewhere in the country.

The CHAIRMAN. The time of the gentleman from California (Mr. WIGGINS) has expired.

Mr. BUTLER. Mr. Chairman, I yield 2 additional minutes to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. So long as blacks in the South are refused or denied the right to vote, they will be covered, but the same law should apply elsewhere. If blacks in your district do not vote in sufficient numbers then your district ought to be covered. I want you to know that my district will be covered under my alternative and I will be working hard to see that the browns in my district get out to vote in order to avoid the burden of preclearance.

But is not that what the act is all about? Of course it is.

Members of the committee, if you want to support a strong civil rights bill, a strong voting rights bill, then you will support my substitute. If you want to interject rationality into the trigger then you will support my substitute. If you simply want to be on the side of common sense in imposing this preclearance mechanism, you will support my substitute.

Mr. Chairman, let me conclude this way: I see many Members on the floor from various jurisdictions. I see the gentleman from Florida (Mr. BENNETT) here. Let me say to that gentleman that any act of Congress that prevents your State legislature from amending its own constitution without trotting down here to the Attorney General for his advance approval, is a most terrible burden upon the Federal system and ought to be tolerated only for the most compelling of reasons.

Well, if we are going to do that, and we will under this act, then, by George, it ought to be done on a rational basis. I urge all of the Members to support my substitute.

Mr. Chairman, to improve the Voting Rights Act of 1965, I have offered a substitute to H.R. 6219, a bill to extend the Voting Rights Act. My substitute, which has been introduced in H.R. 6985, provides a progressive new approach to the voting rights problem. The heart of the substitute is found in section 3 thereof, where the trigger mechanism of section 4(b) of the current act is revamped effective February 6, 1977.

Because this trigger was not the subject of scrutiny during the hearings, it is important to establish its constitutionality and rationality on the record. This is particularly necessary because of the misconception voiced by some that to be constitutional, a trigger must be dependent upon the presence of a voting test or device.

Any inquiry into the constitutionality of a trigger mechanism must begin with the holding in *South Carolina* v. *Katzenbach*, 383 U.S. 301, 330 (1966) that a triggering device must be rational both in theory and in practice. The legal perspective from which a triggering device must be reviewed for rationality was set forth many years ago by then Chief Justice Marshall when he said in *McCulloch* v. *Maryland*, 17 U.S. (4 Wheat.) 316, 421 (1819):

> Let the end be legitimate, let it be within the scope of the constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consist with the letter and spirit of the constitution, are constitutional.

This, then, is the classic formulation to be applied in all cases where the reserved powers of the States are circumscribed by express powers of Congress.[1]

The traditional provisions of the Constitution supporting the trigger of the Voting Rights Act are sections 1 and 2 of the 15th amendment. Section 1 prohibits the United States or any State from denying or abridging the right to vote of any citizens of the United States on account of race, color, or previous condition of servitude. Section 2 authorizes Congress to enforce section 1 by appropriate legislation. Another basis of constitutional power to support a trigger lies in sections 1 and 5 of the 14th amendment. Section 1 provides, in part, that no State shall deny to any person within its jurisdiction equal protection of the laws. Section 5 grants Congress the power to enforce section 1, inter alia, by appropriate legislation. Hence these are the sources of congressional power on which the trigger is based; the extent to which the trigger is plainly adapted to meet the purposes of these sources of power is determinative of its rationality and constitutionality.

In evaluating what the purposes of the 14th and 15th amendments are, Congress is not limited to prohibiting State and local laws and practices that would themselves be unconstitutional; rather, Congress may enact legislation appropriate to enforce the 14th and 15th amendments similar to the broad power of the necessary and proper clause, article I, section 8, clause 18. *Katzenbach* v. *Morgan*, 384 U.S. 641, 648–51 (1966).

Also, it is well settled that an appropriate solution to a problem need not be the best solution; Congress can, consistent with the letter and spirit of the Constitution, enact a statute that "is not invalid under the Constitution because it might have gone further than it did." Id. at 657.

When these principles of constitutional law are applied to the trigger in section 3(a) of the substitute, the conclusion that the trigger is constitutional is beyond doubt. The trigger encompasses jurisdictions in which black and brown voters represent at least 5 percent of the voting age population and in which less than 50 percent of the blacks or browns voted. The implication of this circumstance is that sufficient suspicion of discrimination exists to invoke the prophylactic remedies of the Voting Rights Act to both cure and prevent violations of the 14th and 15th amendments.

The rationality of this "suspicion" can be demonstrated in the following way: If available evidence revealed that all eligible minority citizens voted in a given election, the reasonableness of a legislative judgment that discriminatory practices did not exist in that jurisdiction could hardly be questioned. If, on the other hand, available evidence revealed that none voted, the reasonableness of a contrary legislative judgment would similarly be beyond challenge. Between these two poles there is room for legislative discretion.

The requirement of at least a 50-percent minority turnout represents a rational legislative conclusion that, if such a standard is not achieved in a given jurisdiction, it is more probable than not that discriminatory laws or practices may have caused the poor voting participation by such minorities so as to justify a review of the voting laws or practices of that jurisdiction by the U.S. Attorney General.

The statute is saved from being unconstitutionally overbroad by providing that a covered jurisdiction which does not discriminate in fact can "bail out" by filing an action for declaratory judgment against the United States in the U.S. District Court for the District of Columbia. *Cf. South Carolina* v. *Katzenbach*, (383 U.S. 301, 331 (1966).)

In examining the rationality of the trigger, three variables require scrutiny. First, the trigger applies only where blacks and browns are concerned; second, it applies only where these groups comprise at least 5 percent of the voting age population; and, third, it applies only when less than 50 percent of such blacks and browns vote.

The traditional trigger in the existing act was challenged in *South Carolina* v. *Katzenbach* (383 U.S. 301, 331 (1966)). That trigger was activated when, in addition to using a "test or device," a jurisdiction had less than 50 percent of its voting age population registered and voting. The trigger was sustained because Congress had reliable evidence of actual voting discrimination in a great majority of the jurisdictions affected by the act, id. at 329, and because a low voter turnout was evidence of widespread disenfranchisement. Id. at 330.

The trigger in the present act focuses on 50 percent of the entire voting age population; the trigger in the substitute focuses on 50 percent of blacks and browns. Since the legitimate end of the legislation is the protection of voting rights by minorities who have been the target of discriminatory practices historically, it is clear beyond reasonable challenge that a trigger based upon their voting participation is far more rationally related to this legislative object than one based upon voting participation by the total population. The record is replete with evidence that blacks and browns vote less than Anglos as a general rule.

Thus the coverage under the substitute trigger will generally be at least as broad as the trigger held by the court to be constitutional, but will not be overbroad because of a meaningful bailout device. While it is true that the trigger may not apply to some jurisdictions where the instant trigger applies because minorities vote over 50 percent but Anglos vote under 50 percent, this defect is far less egregious than the underinclusiveness of the trigger in the present act which would not apply where minorities vote 10 percent as long as Anglos voted at 80 or 90 percent to pull the average above 50 percent.

The substitute trigger may not apply in a few jurisdictions covered under the present trigger because of the 5-percent requirement. But Congress can rationally draw a de minimis line to measure the magnitude of the voting discrimination taking place. This does not deny those blacks and browns living in areas of dispersed minority concentration equal protection of the laws merely because Congress sees fit to offer others affirmative remedies. The Court in *Katzenbach* v. *Morgan*, 384 U.S. 641 (1965) stated the rationale when it said at 657:

> In deciding the constitutional propriety of the limitations in such a reform measure we are guided by the familiar principles that a statute is not invalid under the Constitution because it might have gone farther than it did. *Roschen* v. *Ward*, 279 U.S. 337, 339, that a legislature need not strike at all evils at the same time, *Semler* v. *Dental Examiners*, 294 U.S. 608, 610, and that reform may take one step at a time addressing itself to the phase of the problem which seems most acute to the legislative mind, *Williamson* v. *Lee Optical Co.*, 348 U.S. 483, 489."

The above reasoning also supports the limitation of the trigger to Negroes and persons of Spanish heritage. Moreover, the rationality of the black/brown trigger must be tested against the sweeping preclearance remedies it invokes. Preclearance of State laws by the U.S. Attorney General is an extraordinary remedy posing severe strains upon our federal system. It should be tolerated only in response to the most compelling evidence that discrimination in voting can be ended by no less burdensome procedures. Such evidence is clear with respect to Negroes and those of Spanish heritage. A compelling case has not been made with respect to others. In confining the preclearance remedies to those jurisdictions where a suspicion of voter discrimination against blacks or browns can logically be drawn, other persons subject to discrimination are not neglected under the legislation. Relief under section 3 remains available.

Congress can and should differentiate in fashioning relief to the magnitude and pervasiveness of the wrong which has been demonstrated by the record before it. Testimony in the record has revealed that persons of Spanish heritage do suffer discrimination. Testimony in 1965 has documented the discrimination felt by Negroes. The record for other groups failed to indicate that their right to vote was being denied or abridged in violation of the 14th or 15th amendments.[2]

---

[1] *See South Carolina* v. *Katzenbach*, 383 U.S. 301, 326 (1966).

[2] *The Hearings on H.R. 939 before the Subcommittee on Civil and Constitution Rights of the House Committee on the Judiciary*, 94th Cong. 1st Sess., Ser 1 (1975) [hereinafter referred to as "Hearings"], revealed little evidence of discrimination against other groups. Of the 171 references to various minority groups in the *Hearings*, 135 were to various Spanish groups, 16 refer-

Thus there is clearly a perceivable basis from which Congress can trigger relief only from the voting data of Negroes and persons of Spanish heritage. It is to be noted that while relief is triggered on a limited basis, relief is extended to all citizens whose right to vote is denied or abridged on account of race, color, or national origin. This broad remedy is defensible as a matter of policy and law; voting discrimination of any kind cannot be tolerated, once it is uncovered, no matter who the victim of the discrimination may be.

Thus the trigger is rational in theory and there is no reason to presume that it will not be rational in practice. To allay any fears of my colleagues, the inescapable conclusion is that whatever else may be said about the substitute, there is overwhelming evidence of its constitutionality.

Mr. Chairman, for the guidance of the Bureau of the Census, it is important to make the legislative history clear as to the purpose for which its determinations are to be made and the degree of precision required in making them, if my amendent is adopted.

The entire thrust of the present Voting Rights Act, and my amendment, is that Federal preclearance of State election laws and procedures is necessary if there is a sufficiently strong suspicion of voter discrimination. Proof of actual discrimination is not required to invoke remedies. Discrimination will be rebuttably presumed based upon historical voting performances by minorities which our record demonstrates have been the victims of discrimination. To trigger the preclearance mechanism, the Bureau of the Census is asked to determine for each jurisdiction if there is a black or brown minority population of 5 percent or more, and if so, whether at least 50 percent of those minorities eligible to vote did so in the preceding general election.

Since the purpose of these determinations is merely to trigger a rebuttable presumption of discrimination, it is at once apparent that a high degree of proof of the facts upon which the presumption is based is unnecessary. The Bureau of the Census need only determine that it is more probable than not that 5 percent of the total population of a given jurisdiction is black or of Spanish heritage, and that such minorities participated to the degree required in the most recent general election. Understandably, the Bureau of the Census is unaccustomed to dealing in probabilities. It prides itself on the precision of its statistics. For other purposes such precision is necessary; but it is not for the purposes of this act or my amendment to it.

Courts and lawyers, unlike statisticians, are accustomed to accepting the truth of facts which are often controverted. The standards by which a fact is accepted as true in civil litigation is normally that of a preponderance of the evidence—that is to say, the weight of credible evidence favors the proposition to be proved. A preponderance of the evidence does not require 95 percent certainty—a standard customarily employed by the Census Bureau—nor even 75 percent certainty. It merely requires the fair conclusion that the fact to be proved is more probably true than not based upon the credible evidence bearing on this issue.

The Bureau of the Census is required to make two determinations under my amendment. As has been indicated, it need only conclude, first, whether it is more probable than not that black or brown minorities constituted 5 percent or more of the total population of each State or political subdivision; and, second, in those jurisdictions in which the first determination is made affirmatively, whether it is more probable than not that less than 50 percent of such minorities eligible to vote in fact did so.

The determinations to be made in each case, with the standard of certainty which I have described, must of course be based upon probative evidence. As to the first determination, the Bureau of the Census need not look beyond its most recent general census data. Of course, if more recent data is available, it should not be neglected; and if the Bureau of the Census has special reason to believe that in some jurisdictions population shifts since the most recent general census has rendered that data grossly unreliable, it may take note of demographic information collected by other governmental agencies. It need do no more. Physical counts to determine with great precision the facts upon which a rebuttable presumption is to be triggered is not contemplated nor necessary.

The second determination is of voting participation by the designated minorities. Once again, physical counts and massive surveys are not required. It is to be expected that the Bureau of the Census will identify representative precincts in which blacks or browns predominate and will project its findings for those precincts to the whole of the jurisdiction involved. It is to be expected that the Bureau of the Census will follow standard practices which have attained a reputation for reliability among private polling organizations.

The second determination is to be made with respect to a class of eligible voters. Presumably, noncitizens, convicted felons and persons suffering from severe mental disorders are not to be counted within the "eligible" class. In eliminating those ineligible to vote from the class to be analyzed, the Bureau of the Census need made no special surveys. It may rely upon the most recently available data from other agencies of Government, such as the Immigration and Naturalization Service, and the Department of Justice to determine the percentage of those within the total voting age population suffering from voting disabilities.

I am aware that the Bureau of the Census regards the standards stated here to be unreliable. They would opt for a physical survey costing several hundred millions of dollars. The advise of the Bureau of the Census is valued, but in this case it is rejected. By accepting this amendment, Congress is directing the Bureau of the Census to follow a special course of action for purposes of the Voting Rights Act only. Adherence to the standards imposed by this amendment should reduce the cost estimates drastically. Any budgeted amount to the Bureau of the Census in excess of $5 million per annum to discharge the special responsibilities imposed by this act, as amended, should be carefully and skeptically reviewed by the Appropriations Committee.

Mr. EDWARDS of California. Mr. Chairman, I yield myself such time as I may consume for the purpose of advising my colleagues that in the last few days the legislatures of Illinois and of Maine have passed resolutions asking for passage of this bill, and extension of the bill.

We also welcome the resolution from the Legislature of Maryland asking for extension of the Voting Rights Act of 1965.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I am happy to yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I thank the gentleman for yielding, and I appreciate the communication received from the State legislature of Illinois, however, it seems to me that they are under a complete misapprehension as to what this bill does. They are supporting the extension of the 1965 act, which I also support, but at the same time they appear to be not knowledgeable with respect to the expansion of the act as set forth in H.R. 6219. At least, that is my interpretation of the letter from State Representative Corneal Davis to our colleague from New York (Mr. RANGEL).

Mr. EDWARDS of California. Mr. Chairman, I share with the gentleman from Illinois great respect for the Legislature of Illinois, and I am sure they knew what they were doing.

They also specifically said: Extend the Voting Rights Act of 1965 for 10 more years, and also expand the coverage of this act to include citizens of Spanish-American heritage, Indians, Asians, and Alaskan heritage.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, I would ask the gentleman from California are any of the jurisdictions who have favored us with their views presently covered by the Voting Rights Act?

Mr. EDWARDS of California. Portions of Maine were covered. I do not believe that any part of Illinois or Maryland were covered.

Mr. BUTLER. Will any of these jurisdictions now be covered under titles II and III?

Mr. EDWARDS of California. No, I believe not.

Mr. BUTLER. I thank the gentleman. I hope the gentleman will communicate my expression of gratitude to the States for their concern for the welfare of the presently covered jurisdictions.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I was intrigued by the comments of the gentleman from California (Mr. WIGGINS) who pointed out to another colleague from Florida that his Legislature would have to come trotting hat in hand to the Attorney General here in Washington to make any changes under this proposal.

But under this proposed extension it is no different from that which has existed for lo these many years; is that not correct?

Mr. EDWARDS of California. That is correct.

Mr. CONYERS. That requirement exists now; it has existed since the inception of the Voter Rights Act; and it would in no way be changed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EDWARDS of California. I yield myself 20 additional seconds to point out to the gentleman from Virginia on May 10, 1974, 18 towns of Maine were included in the Voting Rights Act.

Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. ROYBAL).

Mr. ROYBAL. Mr. Chairman, our debate today focuses on a fundamental issue of justice—the right of a people to cast a meaningful and effective vote. The preservation of that right goes to the very heart of our constitutional system. As the courts have affirmed repeatedly:

> Any discrimination in determining who may participate in political affairs . . . undermines the legitimacy of a representative government.

Despite the presence of the 14th and 15th amendments, this Nation has seriously failed to protect the voting rights of our language minority groups, especially our second largest minority of over 12 million Americans of Spanish heritage. Mexican Americans and Puerto Rican Americans continue to experience serious impediments to registration and voting participation. The discriminatory practices include physical and economic intimidation, widespread gerrymandering, systematic use of at-large elections resulting in under-representation, and registration and voting irregularities.

Evidence has been compiled showing failure by officials to locate voters' names on precinct lists, inaccessible or hostile voting locations and lack of adequate voting facilities. Other abuses, especially rampant in Texas, involve annexation of only Anglo areas but not contiguous Spanish speaking neighborhoods and shifts from single-member to at-large elections.

Aggravating these voting obstacles has been the almost total absence of bilingual registrars and election officials in areas having a substantial percentage of Spanish speaking and other language minority voters.

The total effect of these practices has been a negligible level of representation for Mexican American. In California, for example, Mexican Americans comprise approximately 16 percent of the total population and 12 percent of its voting age population, but yet hold only 0.7 percent of the elected offices. In the county of Los Angeles, they make up 18 percent of the population, but have no representation on the board of supervisors or the city council. In Texas, Mexican Americans comprise over 18 percent of the total population and over 16 percent of the voting age, but only hold 2.5 percent of the elected offices.

It must be emphasized that the right to vote, as the Supreme Court stated as early as 1886, is a "fundamental political right" for it preserves "all rights." Its denial jeopardizes the vitality of this country's democratic system. We have yet to overcome the tragic effects of racial and ethnic discrimination. We have yet to achieve the goal of equal opportunity. Not only have the Spanish speaking, blacks, and other minorities been denied their right to vote and be properly represented, but they have suffered the oppressive weight of discrimination in housing, health, education, economic opportunity, and equal justice under the law.

It is this experience that imbues our present deliberations with so much urgency and constitutional importance. We are engaged today in a struggle for civil rights. Passage of the Voting Rights Amendments of 1975 will mark a significant milestone in the civil rights movement. It will provide an historic opportunity to affirm our commitment to our democratic and egalitarian ideals. It is for this reason that we as representatives of the people must base our vote not on political self-interest but on the necessity to secure the right to vote for language minority citizens as afforded to other Americans.

Some have argued that H.R. 6219, in its present form, is too radical a change and that Congress really has no obligation to take such a formidable step even if sufficient evidence exists. I strongly disagree with this line of reasoning, for it ignores the spirit and language of the 14th and 15th amendments which grants Congress the "power to enforce by appropriate legislation." This power imposes an affirmative duty on Congress to carry out the principles and directives expressed in these two amendments. For Congress to shun that responsibility would make a mockery of our basic freedoms and protections. We cannot allow ourselves to slip into a do-nothing philosophy, into a governmental approach built on benign neglect and indifference.

Others object that they have seen "no evidence of any discrimination to prevent members of language minority groups from registering or voting." It is my contention that titles II and III of the 1975 act, which provide voting protection to language minorities, do offer a rational and legitimate approach based on extensive evidence which I and other witnesses presented during House and Senate hearings. Further, both titles satisfy the constitutional standard of legislative appropriateness enunciated by the Federal courts in recent voting decisions.

The evidence shows a systematic pattern of voting discrimination and abuse. In California, we found that at-large school elections, in both rural and urban communities, effectively deny Mexican Americans representation on the board, even though they constitute a substantial part of the population.

Further, we found that Mexican Americans must face considerable resistance from county officials to employ bilingual registrars and election officials. County officials have told Chicanos they were not needed as registrars since the county already had a sufficient number—almost totally Anglo and English speaking. Clearly this type of practice only perpetuates a political quota system which excludes Mexican Americans and other minorities from the political process and preserves, at all cost, an Anglo-only registration and election system within these communities.

In one predominantly rural area, the county clerk instructed an election official, who had Spanish-speaking skills, not to speak Spanish at the polling facility because it was against the law to do so.

The intentional failure to provide bilingual assistance has serious repercussions in voter turnout among Spanish-speaking citizens. It creates a negative and hostile setting—one of embarrassment and intimidation. We heard of incidents where Anglo officials denied Spanish-speaking persons an opportunity to vote, supposedly because their names did not appear on the list.

Subsequent discovery, however, revealed that their names were listed. We were also confronted with incidents involving threats by election officials. In one rural community, a Mexican American voter was told she could not vote unless she removed her farmworker button. The threat was clearly intended to intimidate, for the election did not involve any farmworker issue nor was there any evidence that the woman attempted to campaign or influence anyone's vote.

Some may raise the question whether California's 1937 law, which is designed to encourage bilingual registration, is not sufficient? The answer is an emphatic no. A recent report by the State of California shows that the law has been ineffectual. The reason is that the administration and enforcement of the election laws, including bilingual assistance, are left to each county's discretion, the very upholders of the status quo. The statewide report adds that—

> The vast majority of county clerks and/or registrars of voters . . . have made little progress in assisting voters who have difficulty in voting in English.

Some of the worst voting practices have involved statewide and local gerrymandering schemes which have been

---

ences were made to American Indian groups, one set of letters was submitted concerning Asian Americans at 1602–03 and no evidence was submitted concerning Alaskan Natives. When asked whether there were substantial groups of Asian Americans that really should have protection of the Voting Rights Act, J. Stanley Pottinger, Assistant Attorney General, Department of Justice, commented at page 767 of the *Hearings*, "We really don't know the answer to that."

UMI

pro-incumbent even though it meant diluting the vote and level of representation for Mexican Americans.

In Texas, we have documented a history of voting obstacles instigated by State as well as local action to deny and abridge the right to vote of Mexican Americans and black Americans. The House Judiciary report concludes that—

Election law changes which dilute minority political power in Texas are widespread in the wake of recent emergence of minority attempts to exercise the right to vote.

Clearly the evidence is sufficient to warrant the special remedies of the Voting Rights Act for Texas and portions of California under title II. Further, it justifies the need for bilingual election requirements under title III in areas where over 5 percent of the voting age population are Spanish heritage or other single language minority group. As the Department of Justice stated affirmatively in its May 16 analysis on the constitutionality of H.R. 6219:

The goal of protecting the voting rights of non-English speaking racial minorities is legitimate under the fifteenth amendment. The evidence is sufficient to support a legislative determination of need and to support the means chosen for protecting the right to vote.

The focus on English-only elections under title III is extremely important. Title III is directed exclusively to voting abuses relating to language barriers and perpetuated by inequities in our educational system. The conduct of an English-only election in areas with a substantial percentage of non-English speaking voters acts as a prerequisite, as a prior condition, to exercising the right to vote. It is beyond a doubt a "test or device" which discriminates against Spanish speaking and other language minority voters. This concept is not new; in fact, it simply affirms legislatively a growing number of recent Federal court decisions requiring bilingual elections in Spanish speaking communities.

It has been documented that English literacy and language requirements were instituted to discriminate against certain racial and ethnic groups. In California, both Asian and Mexican Americans have borne the brunt of this exclusion not only in the classroom but at the voting booth as well. The point is that there is a profound connection between voting and educational discrimination. The Supreme Court in Gaston County against United States recognized this relation between the denial of equal education and the validity of literacy or language tests.

Further, Federal courts have found widespread isolation and segregation of Mexican American students in the Southwest. And recently in Lau against Nichols, the Supreme Court spoke directly to the issue of bilingual education and the need for school districts to develop meaningful programs for non-English-speaking children.

The overall effect of this lack of educational opportunity, of the absence of bilingual voting assistance and of the systematic attempt to deny language minority citizens the right to vote has been low registration and voting participation. As long as Spanish-speaking and other language minorities continue to receive inferior and discriminatory education, there is a need for bilingual elections and assistance.

It is the purpose of H.R. 6219 to assure the right to vote to these citizens now, consistent with our constitutional commitments. I urge your strong support of this historic piece of legislation.

Mr. BUTLER. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Chairman, I would like to address a question to the gentleman from California (Mr. ROYBAL).

I would like to ask the gentleman if this bill is passed and if the city and county of San Francisco had 4 percent Chinese, 2 percent Japanese, 6 percent Filipino, and 10 percent Spanish heritage population in 1972, in what language will the ballot distributed in the city and county of San Francisco be printed?

Mr. ROYBAL. In the case where minorities compose 5 percent of the population, it would be in the language of those minorities that meet that requirement.

Mr. WIGGINS. In other words, the ballot in that city and county would be printed in all those languages?

Mr. ROYBAL. That is not correct, because the percentages the gentleman mentions in some instances are below 5 percent, but those representing 5 percent of a single language minority would have the ballot printed in that language.

Mr. WIGGINS. The gentleman misunderstands the act, because under the facts presumed the act would require the printing of the ballot in each of the languages I have indicated.

The gentleman has on occasion indicated that people of Spanish ancestry have not been elected to various public offices in the State of California and apparently he cites that fact as evidence of some discrimination against the right of the Spanish-speaking to vote. Is it the gentleman's contention that the proper purpose of the legislation before us is to insure the minorities are elected to public office?

Mr. ROYBAL. No; that is not correct, but it is one of the ultimate results of equal registration and voting rights and people exercising their right of franchise in an understandable manner. What this definitely does is to provide an informed electorate, and this is something that is very much needed in this Nation.

Mr. WIGGINS. I get the clear impression that the result of the election of minorities to public office is an objective which the gentleman desires to achieve, but the gentleman may well be eroding the constitutionality of this legislation by taking such a position.

Mr. ROYBAL. I most certainly disagree with the gentleman.

Mr. WIGGINS. Mr. Chairman, the fundamental purpose of the Voting Rights Act when enacted in 1965 was to "banish the blight of racial discrimination in voting, which has infected the electoral process in parts of our country for nearly a century." Congress was not unmindful of unconstitutional discrimination elsewhere, but political realities dictated against the imposition of the harsh remedy of Federal preclearance except in those few States where discrimination against blacks had become institutionalized.

Amendments adopted in 1970, and the bill before use now, carefully prevent these same Southern States from reasserting the authority over the voting rights of their citizens which other States exercise. Justification for such a massive assault upon the structure of the Federal system and the Republican form of government guaranteed to each State has been pegged to the enforcement power of Congress under section 2 of the 15th amendment. Continued congressional reliance upon this power is, of course, dependent upon our good-faith purpose of assuring the rights of citizens to vote without discrimination, and not peripheral benefits unconnected to the franchise, however laudable these benefits may seem to some.

It has been asserted in the strongest terms by partisans of the committee bill that it is essential to keep the Southern jurisdictions under the coverage of the act beyond the 1980 census and the redistricting processes which will presumptively follow in 1981. The openly stated purpose is to subject the redistricting plans in these Southern States to U.S. Attorney General preclearance.

Although seldom argued for the record, it is clear beyond doubt that the objective of Federal preclearance of redistricting plans in 1981 will be the rejection of those plans which do not carve out "black districts" so as to enhance the likelihood of the election of a representative number of black legislators.

I do not intend to argue the merits or demerits of racially motivated redistricting plans whether designed to insure the election or defeat of a black or white candidate. I do contend, however, that such a purpose is beyond the reach of the 15th amendment and thus beyond the power of Congress to enforce by appropriate legislation. Stated another way, legislation with such a purpose is not appropriate to enforce the guarantees of the 15th amendment, and is therefore beyond the constitutional authority of Congress to enact under section 2 of that amendment.

By its terms, the 15th amendment is concerned with voting. Redistricting, in a constitutional sense, seeks to distribute the representatives to be elected among geographical districts of substantially equal population. Unequal population in legislative districts dilutes the voting power of some citizens, and enhances the power of others, in contravention of the equal protection clause of the 14th amendment to the Constitution. If legislative districts were gerrymandered in such a way as to dilute the voting power of blacks or other racial minorities, I would have no hesitancy in finding authority under the 15th amendment as well to correct the constitutional wrong. But unequal voting power is not the wrong which proponents of the current bill seek to remedy. Their primary concern is no longer that blacks have a right to vote free of discrimination, nor that their votes be accorded a weight equal to that of white voters. The desire for 1981 Federal preclearance of redistricting plans reflects a concern over who blacks vote for.

To my knowledge, the U.S. Supreme Court has never held that the Constitution requires the drawing of district boundaries so as to enhance the election opportunities of minority candidates. Perhaps Congress is not limited to constitutional minimums in enforcing voting rights, but it is to extend the rationale of Katzenbach against Morgan beyond its proper reach to conclude that congressional authority to enforce the 15th amendment can confer political benefits upon candidates unrelated to their constituents' right to vote for or against them.

Arguments which seek to justify the 10-year extension of the act so as to submit Southern State redistricting plans to Federal preclearance in 1981 have no proper place in our legislative history. Indeed the making of such arguments erodes the constitutional underpinnings of section 5 of the act and places any extension thereof in some legal jeopardy.

Mr. EDWARDS of California. Mr. Chairman, I yield 7 minutes to the gentlewoman from Texas (Miss JORDAN).

Miss JORDAN. Mr. Chairman, we have been talking about the extension and expansion of the Voting Rights Act for some time now. We have recounted the history of this legislation, the bullets, the blood, the tear gas, the billy clubs. We have done that. We have talked about the basic purpose of the act, to guarantee to minority citizens in this country the right to have the free and unfettered access to the polls.

We were told by the gentleman from California that he will offer a substitute because the historical basis for the legislation now before us no longer really exists and that he is going to offer us a much more sensible rationale. If the gentleman would answer this question for me, I would like to please understand how we reach the problem of districts which switch from single to at large?

School boards which have been abolished or reduced in order to prevent minority membership on the board; redistricting legislation which focuses on multimember districts; polling places removed without notice; annexation by cities and counties in an effort to delute minority votes; that is what is taking place.

Let me anticipate the answer of the gentleman from California (Mr. WIGGINS) and say that under the substitute of the gentleman from California, for 2 years these practices could have been in existence, but could not have been addressed, since the only way to trigger the act under the gentleman's provision is for less than 50 percent of the blacks or the browns in a given district to vote, provided they number 5 percent.

So how are they to reach these kinds of abuses? Is the gentleman going to ask them, "Why don't you wait and have a low voter turnout the next time we have a Federal election, so that we may invoke the provisions of the Voting Rights Act?"

Mr. WIGGINS. Mr. Chairman, will the gentlewoman yield?

Miss JORDAN. I yield to the gentleman from California.

Mr. WIGGINS. There are two quick answers, and I will not intrude unduly upon the gentlewoman's time.

The first answer is that the section 3 provisions of the act may be available to any class of people who have been having subject to unconstitutional discrimination in denying their rights to vote. That is one answer.

The second answer is to recognize what the act is all about. It is to insure the right of people to vote. If they, in fact, vote, there is no rational reason to say they have been discriminated against.

Miss JORDAN. I thank the gentleman. I have just a limited amount of time here.

I know that the basic reason for the act was to enable these rights to develop in an unimpeded way; but it was also part of the underlying purpose of the act to make sure that these county, city, and State legislative bodies, these elected bodies in other areas, did not impede through other mechanisms or devices, other kinds of interlopers into the political process, which would have had the net effect of preventing one exercising his right to vote.

Mr. WIGGINS. If the gentlewoman will yield further, the answer is that if they were not denied that opportunity, if the blacks, in fact, voted notwithstanding all these impediments, there is no reason to subject their legislative act to Attorney General preclearance.

Miss JORDAN. So the gentleman would say he would encourage a low-voter turnout, less than 50 percent, in order to trigger the provisions of the act under the gentleman's substitute?

Mr. WIGGINS. No, not at all, and I totally reject that. My purpose is to encourage the minority vote, not to discourage it.

Miss JORDAN. What bothers me, as the gentleman can tell, is that here we have a new concept, a new structure being offered to the Voting Rights Act which has never been tested in the courts, which has never been tested by anyone, totally new and different and unique. We know that there remain jurisdictions necessitating the kind of preclearances of the Attorney General, which are presently available under the legislation and which will be available under this act.

Mr. Chairman, one more thing before I yield to the gentleman from Michigan (Mr. CONYERS). We have heard Member after Member come to the well and say the States would have to go hat-in-hand to the Attorney General.

My friends, the only thing a jurisdiction has to do in order to satisfy the preclearance requirement is to put that change in an envelope, put a 10-cent stamp on it and send it to the Attorney General of the United States. It is not a matter of coming hat-in-hand and absolutely being cowered by the Federal officials.

Mr. Chairman, I yield to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, might I associate myself with my colleague's remarks. I think she has supplemented these issues in a very important way; but I would like to ask if the gentlewoman heard the colloquy between the gentleman from California (Mr. ROYBAL) and the gentleman from California (Mr. WIGGINS), in which the gentleman from California (Mr. WIGGINS) gave one of his very elaborate hypotheses, a hypothetical example of whether the Voting Rights Act would pick up language minority groups.

As I remember that hypothetical example, he eliminated the fact that whether or not there was less than a 50-percent registration or voter turnout in the 1972 election on which that hypothesis must necessarily turn.

Did the gentlewoman recall that?

Miss JORDAN. I did recall that. I did hear that.

Mr. CONYERS. He stated that the gentleman from California was in error with such finality that I had to check myself to make sure if he understood the law correctly. He pronounced that the gentleman was wrong, but I think if the gentleman from California (Mr. WIGGINS) will check carefully, he will see that it takes both of the circumstances, so that, in fact, there is no such place in the United States of America that would meet the test of that hypothetical situation.

Miss JORDAN. I thank the gentleman for his comment.

Mr. WIGGINS. Mr. Chairman, will the gentlewoman yield?

Miss JORDAN. I yield briefly to the gentleman from California.

Mr. WIGGINS. Mr. Chairman, I agree that I failed to include the 50-percent turnout factor, but I strongly disagree with the gentleman's last statement that there is no place in the United States which would meet the test. The city of Honolulu, for example, clearly would have to print a ballot in goodness knows how many languages. I wish the gentleman from Hawaii were present to inform us of how many languages are involved.

I assure the gentleman that the city and county of San Francisco would have to print ballots in multiple languages if it failed to turn out 50 percent in 1972.

The CHAIRMAN pro tempore. The time of the gentlewoman from Texas has expired.

Mr. EDWARDS of California. Mr. Chairman, I yield 2 additional minutes to the gentlewoman from Texas.

Miss JORDAN. Mr. Chairman, this act is the frontispiece of the civil rights movement in this country—the Civil Rights Act. It is the frontispiece. We have heard time and time again in this

UMI

debate of the numbers of black elected officials who now hold office because the right to vote was eased a little bit, and State legislative bodies were redistricted. We have heard of this coming of political awareness on the part of black people in the South.

But, Mr. Chairman, there is a provision in this act as it would be amended by this bill to include and expand it to language minorities. It would include for the first time my State, the State of Texas. There are Mexican-American people in the State of Texas who have been denied the right to vote; who have been impeded in their efforts to register and vote; who have not had encouragement from those election officials because they are brown people, and there are economic reprisals which would be leveled against them and they would be subject to boycotts and other discriminatory practices.

So, the State of Texas, if we approve this measure, would be brought within the coverage of this act for the first time. We were not brought in in 1965 because there was no literacy test in Texas, and consequently we were not brought under the provisions of this act. But, the committee has documented pages upon pages of testimony of acts of discrimination against brown people—Mexican-Americans—in Texas which are just as severe as those acts which triggered the original passage of the Voting Rights Act of 1965.

Those brown people in the counties of Texas would like for the Congress of the United States to make it possible for them to say, "I too am included, along with my black brothers and sisters, in the whole workings of the 14th and 15th amendments of the Constitution of the United States."

I feel the Congress can do no less.

When President Lyndon Johnson asked the Congress, in a special joint session, to enact the Voting Rights Act, the Nation had witnessed local officials in the South deny the right of blacks to register and to vote with billy clubs, tear gas, dogs, and bullets. The barriers were dramatic. The remedies afforded in the Voting Rights Act were equally dramatic for those times. Now, 10 years later, the drama may have subsided, but the barriers remain. And the barriers are as equally effective. County officials have tried to switch from district to at-large elections for county commissioners' offices. School boards have attempted to reduce the size of their boards. State legislatures have passed redistricting legislation containing multimember seats and numbered posts. Polling places have been moved without notice. Cities and counties have annexed new areas with the effect of diluting minority votes just when it appeared they might win an election. These, and more, devices have been continually objected to by the Department of Justice under section 5 of the Voting Rights Act.

The record before the Subcommittee on Civil and Constitutional Rights is replete with attempts by State and local officials to deny the right to vote to minority citizens within their jurisdictions. Because voting discrimination continues, though not on as dramatic a scale as 10 years ago, the Congress cannot do less than extend the Voting Rights for an additional 10 years.

For conclusive proof that the act is still needed one need only look to the Department of Justice's own records. The Department objected to 30 discriminatory voting practices proposed to be implemented last year by State and local officials. The Department entered 27 objections in 1973, 32 in 1972, and 50 objections in 1971. If the Voting Rights Act were no longer needed, it would seem to me that the covered jurisdictions would have ceased attempting to erect barriers to minority voting. But that is simply not the case. The barriers continue. And so must the Voting Rights Act—the most effective statute minorities have to guarantee that one day those barriers will come down.

In addition to extending the Voting Rights Act for 10 years the Judiciary Committee found that the same types of voting discrimination practiced in currently covered jurisdictions are also practiced in parts of the Southwest against blacks, Mexican-Americans and other language minority groups. Consequently the committee's bill extends the Voting Rights Act to these areas in two ways: First, by extending to some jurisdictions the full remedies of the Voting Rights Act, and second, by extending to other jurisdictions, where voting problems are less severe, the requirement that ballots and other election materials be printed in the language of the dominant language minority. Titles II and III of H.R. 6219 are a revision of H.R. 5552, introduced by myself and Mr. ROYBAL and Mr. BADILLO, and my original bill, H.R. 3247.

Mr. Chairman, I introduced these measures and I support the committee bill because I am persuaded that the only means available to language minority citizens, and specifically Mexican-Americans in Texas, to gain equal access to the franchise is through application of the remedies of the Voting Rights Act.

Language is a problem. Census figures show that almost 90 percent of the Mexican-American population in Texas use Spanish as a language spoken in the home. It is estimated that almost 50 percent of all persons of Spanish origin speak only Spanish and have only a limited comprehension of oral and written English. As a remedy the committee bill requires that covered jurisdictions print election materials in the language of the language minority group triggered under the act. In Texas, for instance, the bill requires election materials to be printed in Spanish as well as English.

Registering to vote is a problem. In testimony before the Civil and Constitutional Rights Subcommittee, it was pointed out that the percentage of persons of Spanish surname who register to vote is 44 percent as compared to 73 percent for the Anglo population. As a remedy the Voting Rights Act authorizes the U.S. Attorney General to send Federal registrars into covered jurisdictions to assist in the registration process.

The act of voting itself is a problem. In most rural Texas counties, where paper ballots are used, the voter must sign a numbered stub which corresponds to a number on the ballot. After voting the ballot is placed in one box and the stub in another. Although the stub box is supposed to remain sealed, there have been instances where the boxes were delivered with the seal broken. As a remedy for this and other voting abuses, the Voting Rights Act authorizes the U.S. Attorney General to send examiners into covered jurisdictions to oversee the voting process and the counting of ballots.

Gerrymandering, use of at-large elections, and a myriad of other devices are employed to dilute the minority vote. As a remedy the Voting Rights Act requires covered jurisdictions to submit to the U.S. Attorney General changes in their voting laws prior to their going into effect.

For each abuse there is a remedy in the Voting Rights Act. Although much has been made of the burden imposed upon covered jurisdictions by the act, the facts are otherwise. Federal examiners and registrars have only been rarely used. Submitting voting law changes to the Attorney General only requires putting the new statute in an envelope and applying a 10-cent stamp.

As the 10 years of experience of the Voting Rights Act in the South demonstrates, application of the Voting Rights Act to new jurisdictions threatens the political power of those who have employed various devices to minimize minority votes. The issue before us is not political longevity. The issue is whether the enforcement clauses of the 14th and 15th amendments of our Constitution can be made meaningful for those minorities denied equal access to their full voting rights. I believe every word in the Constitution is meaningful, and that is why I will vote for this bill.

Mr. BUTLER. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois (Mr. MCCLORY).

Mr. MCCLORY. Mr. Chairman, in the course of our consideration of this measure under the 5-minute rule, I will be offering various amendments. In offering these amendment, I want to emphasize that I am wholeheartedly in support of extending the existing Voting Rights Act.

However, the measure which has been reported by the committee is a far cry from the Voting Rights Act of 1965, or the kind of extension which this House considered in 1970 and which I had in mind when I introduced the administration measure—H.R. 2148—in this session for a simple 5-year extension of the existing act.

I will offer several amendments directed primarily against the expansion of the Voting Rights Act in the South to include so-called minority language groups. I want to emphasize my desire to preserve in

the bill a reference to the 14th amendment, as well as the 15th amendment. Accordingly, we should declare that all eligible citizens regardless of race, color, or any other characteristic, are entitled "to the equal protection of the laws," as provided in the 14th amendment—as well as the prohibition against discrimination based on race, color, or prior condition of servitude as set forth in the 15th amendment.

In my amendments, I aim to remove from this bill that entire title which would blanket in all of the minority language groups under the extraordinary remedies provided in the original law back in 1965, against practices of racial discrimination in voting which had developed for more than a century in certain parts of our country. Title II would extend those same remedies to all of those States and political subdivisions where there is 5 percent or more of a single language minority group and where less than 50 percent of the citizens voted at the last Presidential election in 1972.

First of all, in order to subject those states and areas to this extraordinary remedy, the legislation undertakes to establish as a new "test or device" that registration or voting notices, forms, and other materials or information relating to the electoral process, including ballots, are provided only in the English language. This new proposed "test or device" is made retroactive to 1972.

There is no way in which any of the States or political subdivisions could bail out of this situation. If the formula of a 5-percent minority language group—and less than 50 percent voting participation exists, the application of title II is automatic—the trigger is pulled. The State legislatures will be prohibited from making changes in their laws affecting elections, registration of voters, and the like, including legislation affecting the boundaries of electoral districts and all other matters affecting practices or procedures with respect to voting—unless first submitted to the Attorney General of the United States for approval.

Indeed, the areas governed by this title would be subject to the further imposition of federal registrars and examiners precisely in the same manner as was authorized in the 1965 act with respect to racial minorities.

Let me repeat, the basis upon which this extraordinary Federal control would become operative is that less than 50 percent of the persons of voting age voted in the Presidential election of November 1972, and, additionally, that a language minority group of 5 percent or more existed in the state or political subdivision.

As I mentioned also, the basis for contending that relief is required, as in title II, comes because the ballots and other election materials were printed only in the English language. There is no necessity for finding out whether or not all persons with Spanish surnames, or persons of so-called Spanish heritage, or American Indians, Alaska Natives, or Asian-Americans, understand the English language. The entire conclusion is reached on the basis of the two percentages.

The lack of factual information and the dearth of testimony or other evidence is apparent. This, indeed, may explain the reason for adopting the formula which triggers the application of these Federal controls. However, this reasoning is quite fallacious.

There is no evidence or other finding that Asian Americans, Alaskan Natives, or other persons are unable to understand the English language. Arguments will be advanced here that amendments should be rejected because there were no hearings on the subject of the proposed amendments.

Let me observe that with respect to Asian Americans, I find only two short paragraphs in a brief letter mailed to the chairman of the full Judiciary Committee which makes any reference to Asian Americans whatever. The statistic which the committee seems to have relied upon would indicate that this kind of remedy is needed in Honolulu, where presumably ballots and all of the various election information would be required to be printed in Chinese.

I notice in addition that the next title includes a reference to San Francisco County. My Asian American daughter-in-law lives just outside this area, but I am sure that she and other Asian Americans who speak fluent English and are entirely literate will not require a ballot in one of several Chinese languages in order to register or vote. The only reference in the report refers to educational facilities for Asian Americans. There is no record relating to voting discrimination.

With respect to Alaska Natives, I have received a communication from Lowell Thomas, Jr., the State's Lieutenant Governor, in which he points out that there are a number of Eskimo dialects, none of which is reduced to writing. Indeed, the State of Alaska, by constitutional amendment in 1970, decided that knowledge of English was not a qualification for voting. However, Alaska would be subjected statewide to the penalties of title II, and compelled to provide election materials and ballots in languages of the language minorities, which, I remind you, are not indeed written languages.

In other words, the test or device, of which the entire State of Alaska would be guilty because it did not print its ballots or election materials in the language of its language minority group, would be completely powerless to extricate itself from the penalties of this title because there is not any form in which ballots or other election materials can be provided in the language of the applicable minority language group.

Turning to title III, which I will also move to strike, I would point out that the coverage would be far broader, although the penalties perhaps not as great. In other words, title III would impose upon every State or political subdivision in which 5 percent of the citizens of voting age were members of a single minority and where the illiteracy rate of such persons as a group is higher than the national literacy rate a requirement to provide election and voting materials, including ballots, in the language of the minority language group, as well as in the English language.

The requirements of title III will apply at once with respect to all elections, imposing the obligation to print ballots and all other election materials in the languages of minority language groups, many of which languages, as I indicated, do not exist in written form—with the only escape clause being that the District Court of the District of Columbia in a declaratory judgment shall find that the rate of illiteracy has risen so that the language minority group in question within the State or political subdivision is equal to or less than the national literacy rate. Let me add that illiteracy is determined arbitrarily by a Census Bureau finding that persons of the minority language group have a fifth grade education or less.

If there are any of us who feel that a literate society in the English language is important to our Nation's future, and to the successful integration, and economic and social welfare of our citizens of foreign origin, or of distinct ethnic backgrounds, these provisions of the proposed Voting Rights Act could only serve to perpetuate and make permanent English language illiteracy.

Registration and voting are among the most treasured privileges of citizenship. They should be and are protected by our Constitution and Federal and State laws. But to guarantee that there is no need to be able to read or understand a written or mechanical ballot, and to build this into our statutory law, has the dual effect of denying the public obligation to assure a literate society and to excuse the States from enabling citizens from ever acquiring a knowledge of the English language sufficient for him or her to vote.

These titles of the bill, in my opinion, should be rejected as we move forward toward erasing the remaining discrepancies which persist in the discrimination against black Americans whose fundamental voting rights were and continue to be the main subject and obligation of this Nation and of this Congress.

In this regard, I should point out that present law already provides for mandatory responses to certain official surveys—and the Federal courts have repeatedly held that such data gathering is justifiable, constitutional, and definitely not an invasion of privacy. To alleviate concerns as much as possible, my amendment would also require that the survey takers sent out by the Census Bureau advise the interviewees that the data obtained from their responses will be used solely for enforcing Federal voting rights law—and for no other purpose.

Mr. Chairman, I would like to offer a brief explanation of two other amendments which I intend to offer to improve that section of this bill which provides for Census Bureau compilation of voter registration statistics for determining whether the extraordinary remedies of-

UMI

fered by this act will be triggered. It seems to me that the bill, as currently drafted, has two serious flaws in it with respect to its survey procedures.

First of all, section 403 directs the Census Bureau to compile statistics based upon race, color, and national origin only of all persons of voting age—what is obviously lacking here is a requirement that the Census Bureau elicit information on the citizenship of the interviewees. If we are interested in pinpointing discrimination against potential voters—we should at least be able to determine that a person has a right to vote in the first place—that he or she is a citizen of the United States.

Accordingly, I will offer an amendment to require that the Census Bureau compiles figures on citizenship as well as on race, color, and national origin—so that the Federal Government will have the relevant and reliable data necessary at hand before imposing the extraordinary remedies available under this act.

Second, Mr. Chairman, I will offer an amendment to require that persons interviewed in these surveys answer the questions posed by the Census Bureau regarding race or color. Similar surveys have shown that if responses are discretionary at the will of the interviewee, the statistics are often distorted and unreliable. It is necessary to require mandatory responses because a refusal by a small number of persons interviewed can lead to a very significant distortion in the resulting statistics.

Finally, it seems rather incongruous to mandate the Census Bureau to conduct a survey in which the Bureau is required to include a count of persons of voting age by race, color, and national origin—as specified in section 207, page 11 of the bill—while in the next paragraph it is provided specifically that "no person shall be compelled to disclose his race, color (or national origin)"—and no penalty shall be imposed for failure or refusal to make such disclosures. In addition, the bill would require the Census Bureau to advise persons interviewed fully regarding their right to fail or refuse to furnish such information.

If the surveys mandated by this legislation are to be useful in promoting voting rights of blacks and other minority citizens, then information must and should be compiled on a mandatory and not discretionary basis. In the first place, citizenship is a prerequisite to voting and should be basic to any such survey. Furthermore, if the statistical information relating to race, color or national origin is to be valid—and useful—it must be required from all of the potential voters, not some lesser percentage (at their option)—which would nullify the value of the statistics.

Mr. EDWARDS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, I would like to raise a question with my friend, the gentleman from Illinois, a member of the committee. Is the thrust of his objection to expanding the Voter Rights Act to cover language minority groups such that we will be encouraging States to continue illiteracy patterns rather than encouraging them not to? Does the gentleman see some connection?

Mr. MCCLORY. If the gentleman will yield, I think there is no question, if we mandate the printing of the ballots and voting information in these various foreign languages, that what will happen is that members of minority language groups will never get the initiative nor the incentive to learn the English language; and, consequently, we start down the road toward a bilingual or multilingual society, which I do not think we ever intended to become. So, a bill which mandates elections in languages other than English would discourage literacy in English.

Mr. CONYERS. I doubt that seriously. First of all, we have an obligation to people who may not be able to speak English clearly enough to understand and to vote intelligently be provided with some other means, but I do not think that States bearing this additional burden and expense will want to continue it for long, and I think this legislation will also accelerate improvement by pinpointing those States which are flagging in their educative efforts and they will certainly be motivated in a new way to rectify this situation.

It just does not seem to me logical that we would expect this provision to promote illiteracy rather than discourage it.

Mr. MCCLORY. If the gentleman will yield further, I hope that the gentleman is correct, but we do provide in all the States for assistance to voters, and we should do that, where they do not understand the ballot or they do not understand the language. We should continue to provide assistance to the voter, but to provide that all the voting information and ballots shall be provided in multiple languages is quite inconsistent with our society, which I think is a single-language society in which we should try to encourage people to become literate in the English language.

Mr. CONYERS. I do not like to interrupt my colleague because he is on my time and I could not get any time on his, but I would like to move on with another observation. It seems to me that one thing has been neglected in much of this debate and that is that there can still be quite serious voter rights problems, even if there is a high voter turnout. We can have section 5-type problems.

So, when people continually refer to the State of Texas as being somehow singled out and picked on when they have now complied with the requirements of bilingual legislation through very speedy action on the part of the State legislature, I think we forget that we would also be eliminating this State from section 5, which would pick up many, many other serious violations. So in my judgment I think we ought to approach any amendments of this kind with great care and deliberation.

Miss JORDAN. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentlewoman from Texas.

Miss JORDAN. Mr. Chairman, I thank the gentleman for yielding.

The gentleman is absolutely correct. The Texas Legislature, in great haste, upon learning that Texas may be included under the Voting Rights Act of 1965, passed a bilingual election bill. It was rushed through. It addresses only one small part of the problem: the English-only ballot where there is more than 5 percent of minority-speaking population. It does not relate one whit to the many county commissioners' courts, gerrymandering of precincts to dilute the minority precincts, black and brown in Texas. It does nothing about redistricting which was recently before the Texas Legislature and the many counties which still have many member districts which dilute the effect of the minority vote.

It does nothing about the integrity of the ballot in many elections which are being held by written election and the ballot is in one place and the voter signs the stub in another place and there is a correlation between the ballot and the stub and the seal is broken, so there is no consideration given to that question when we talk about bilingual ballots.

So the gentleman is absolutely correct. We will be ignoring the larger part of the problem in Texas if we simply let Texas ease out from under simply because of rushing through in haste legislation pertaining to the bilingual ballots.

Mr. EDWARDS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, this legislation as originally enacted and as it would be amended by this bill is an effort to bring into reality the rights guaranteed by the 14th and 15th amendments to the Constitution, amendments which were enacted into law about 100 years ago, and yet for three generations these amendments as far as voting rights were concerned were ignored for millions of our citizens.

Now, three generations of abuses should be long enough to make us aware that we need to do something, as we did in 1965, but they should also be long enough to make us aware that the patterns of conduct that resulted in the denial of equal protection of the law and the denial of voting rights because of race or color are not patterns which are likely to be dissipated in a very short period of time. After 90 years of abuses, 10 years is a very short period of time.

These have been 10 years in which the rights to equal educational opportunity have just begun to be recognized and implemented, in which discrimination has just begun to be eliminated, in which it is true hundreds of black officials have been elected in parts of this country where few or no blacks had been elected for generations. Yet the patterns which led to their exclusion in the past are patterns which have not been dissipated either in the minds or in the hearts of some of those who would oppose or weaken this legislation.

I would like to address myself to two or three of the criticisms of and proposed amendments to this legislation. First of all is the so-called Butler amendment, the so-called impossible bailout amendment. The Voting Rights Act as amended by this bill already provides for States to bail themselves out of coverage of this bill. If a State can come in and show that for a period of 10 years it has not had any tests or devices or any of the other abuses that trigger the coverage of this bill, that State can bail itself out from the coverage of this law.

But the burden of proof is on the State that has the coverage. Now, the proposed Butler bail-out amendment——

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Virginia.

Mr. BUTLER. Is the gentleman familiar with the case of Virginia against the United States, in which we endeavored to prove ourselves out and we did, in fact, prove that the literacy test in Virginia had not been used to discriminate. The Supreme Court of the United States in affirming per curiam the District court said in effect:

> That is too bad, that under the Gaston Doctrine you are conclusively presumed to have discriminated.

The Assistant Attorney General of the United States stated that there was no way for Virginia to come out from under the act, and Howard Glickstein, a very recognized authority, agreed with that, that there is no way for Virginia to prove itself out.

Mr. SEIBERLING. I agree with the gentleman; but all that proves is that the State of Virginia failed to meet their burden of proof.

Mr. BUTLER. No, quite the contrary.

Mr. SEIBERLING. Or was unable to meet the burden of proof.

Mr. BUTLER. Virginia was commended for its great registration effort and it was said that our hands are tied because of the Gaston doctrine and that is the problem.

Mr. SEIBERLING. If the gentleman will yield further, because of the fact that the deprivation of the equal educational opportunity had made it impossible for the State of Virginia to meet the burden of proof.

Mr. BUTLER. The fact we had an unequal school system in 1964 is being used against us to establish that our modest literacy test was discriminatory and we were not allowed to prove that they were not.

Mr. SEIBERLING. The gentleman is proving my very point, that it is going to take time to dissipate the effects of past patterns of discrimination.

Mr. Chairman, I prefer not to yield any further.

Mr. BUTLER. I thank the gentleman.

Mr. SEIBERLING. Mr. Chairman, that is my exact point. The gentleman from Virginia would provide that if a State had been a good boy for 5 years as far as Voting Rights Act observance is concerned, it can go in and show that fact to a court and bail itself out from coverage under the act. Then from that point on, even though the court retains the jurisdiction, the burden then shifts to those that would show that, nevertheless, the State has slipped into its old ways, a recidivist, so to speak, and is back at the old stand discriminating against voting minorities in its State.

The CHAIRMAN pro tempore (Mr. STUDDS). The time of the gentleman has expired.

Mr. EDWARDS of California. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, during the debate in committee, much was made of the fact that one local government had to go in and get the approval of the Attorney General to narrow the doorway to the voting registrar's office. I suggest that this is the very kind of thing, the subtle intimidation, that led to the passage of this legislation originally, and is the very reason why it is important to continue the act until people are not intimidated by this sort of thing.

I would like to make one other point and that is that it is very important that we keep the jurisdiction in the District Court for the District of Columbia. We not only need uniformity and in national standards, but we need to have these cases brought up in a court where the judges are not likely to be subjected to local pressures, but can objectively carry out the intent of Congress in enacting this legislation.

For that reason, I would suggest that we not adopt a proposed amendment to transfer jurisdiction under this act to Federal district courts all over the country.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

Mr. BUTLER. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, is the gentleman seriously suggesting we should extend the voting rights amendment for 10 years because of the remote possibility that in some remote county we might narrow the doorway to the registrar's office?

Mr. SEIBERLING. No; I am suggesting that that example was used as an argument that we should not extend some of these provisions. I am saying it is just that kind of thing that needs to be reviewed, because in certain cases it could be used for intimidatory purposes.

Mr. BUTLER. If we already have the narrow existing hallway to the registrar's office, is there anything in the Voting Rights Act which would make the locality widen its hallway?

Mr. SEIBERLING. I know of nothing, unless the narrowness had been used for purposes of discrimination in voting rights.

Mr. BUTLER. Then it would have to be under section 3.

Mr. SEIBERLING. That is correct.

Mr. BUTLER. Does the gentleman realize that if they had a narrow hallway existing prior to the Voting Rights Act and they wanted to get out from under, that under the Butler bailout amendment they would have to come in and prove that they had put a wider hallway in and adopted a legislative program that would put aside all those subtle discriminations which we cannot do anything about because they are frozen into the law under the Voting Rights Act.

Mr. SEIBERLING. The gentleman is his own best expert on the Butler bail-out amendment.

Mr. BUTLER. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. KINDNESS).

Mr. KINDNESS. Mr. Chairman, I thank the gentleman from Virginia for yielding to me.

First, I would like to point out that in the colloquy which has just preceded these remarks, the point was made that these cases, the litigation concerning declaratory judgments to allow States out from under the coverage of the act, should be brought in the U.S. District Court for the District of Columbia, one unified court, where expertise is supposedly developed.

Mr. Chairman, there have only been three cases, and I would wager that there were not two of them which were heard by the same judges involved in the District Court for the District of Columbia. There is no such thing as the development of any expertise on this subject for the District Court for the District of Columbia. This is a very hollow point.

Where other litigation belongs in the district court in the appropriate Federal districts throughout the country, it seems to me that there is no reason, and no reason has been cited, why this type of case should be treated differently. It is an insult to the Federal district court judges and the Federal court system to suggest that they cannot decide cases any place other than the District of Columbia on a fair and reasonable basis.

Mr. Chairman, it has also been suggested in the preceding remarks that a "10-year period of purity" is what would be involved if this bill passes in its present form. The Members should not rely upon my word or upon the word of the other gentleman. If they would like to find out just what it would be, they can read the bill. It would be 20 years—not "10-year period of purity" is what would to prove that it had no violation of any provision of the Voting Rights Act before a declaratory judgment could be obtained.

Mr. Chairman, there is one other amendment I did not mention in my remarks a little earlier which I will offer on the House floor tomorrow, which is closely related and is a germane topic for an amendment to the bill, which would forbid voting more than once in a Federal election.

Section 11 of the Voting Rights Act of 1965 currently regulates voter fraud and conspiracy in Federal elections. Severe criminal penalties are provided to punish anyone who knowingly gives false information for the purpose of establishing his eligibility to register or vote. But, no criminal law prohibits anyone from voting twice—and this can occur in at least seven States which have no law prohibiting voting in more than one location. Thus, a person voting in Wyoming

UMI

could move to Arkansas and register, where he could register within 30 days without having to give up his Wyoming registration. If such a person were to vote twice in a subsequent Federal election, no law would be violated because each registration was procured with true information.

This amendment which I will propose remedies this gap in Federal law by prohibiting, in a new subsection, 11(e), voting more than once in the same Federal election.

Mr. EDWARDS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. KRUEGER).

Mr. KRUEGER. Mr. Chairman, we have been told that this amendment is somehow directed against Texas and that there are abuses there. And it is my State, and there are.

We have been told that this amendment somehow encourages illiteracy and that if it is passed we will encourage people not to develop a mastery of the English language. Und ich sage Ihnen dass als ich vier Jahre alt war, dann konnte ich nur Deutsch sprechen.

But although I spoke only German until I was 4 years old, I learned English, too. And I have no reason to suppose that if this amendment were to pass, it would encourage people not to develop a mastery of English, as the gentleman from Illinois suggests.

What we are basically talking about in this bill is not something that is pure in form, not something that has all of the elements of ideal legislation. What we are talking about is a bill that has worked and it has worked for a decade. It has brought from 6 percent to above 60 percent in the State of Mississippi the number of blacks who are registered to vote, and it has prompted only 317 instances of actually bringing down Federal examiners who were called in response to some sort of voter irregularity.

I have in my own district encountered someone who came from outside the congressional district, who was of Spanish surname, and sought a county office. He wished to be registered to run for that office. On the day that registration for that office was to be closed, he was told that he was not allowed to register because of some sort of minor technicality. We were able, by telephoning the State attorney general, to get this man listed on the ballot. When the results came in from this election, he had himself previously taken 112 people with him to the polls to vote absentee for him, but only 55 votes were recorded for him, and he lost the election by 7 votes.

I suggest to the Members that if this bill had been in effect, this man, could after the first instance in which he saw some sort of discrimination was likely, have asked for Federal observers, and he might very well have been protected. He might be that county official today, whereas in fact, he is not.

We are not concerned, when we write bills, with achieving absolute perfection in form. What we are concerned about is improving the current legislation, and I think this current legislation would clearly do that.

In predicting the inevitable end of slavery, Thomas Jefferson said:

> Nothing is more clearly written in the book of fate than that these people shall be free.

It is pointless for us to talk about freedom in our society unless we can be sure that we have free and open elections, not only for blacks but for chicanos, not only for American Indians but for many others who Jefferson could not have foreseen some day might be citizens.

I want very much for the citizens of my State to have the protection of the Federal Government, and I hope some day that those from other States who seem to think that this bill is aimed simply at Texas will seek the same protection for the people of their States.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. I will be glad to yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, I want to commend the gentleman and I would like to associate myself with his remarks. It is one of the most eloquent statements on behalf of the Voting Rights Act which I have ever heard—and I commend the gentleman for his statement.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. I will be glad to yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, I do want to thank the gentleman for his very persuasive and eloquent statement.

Mr. KRUEGER. I thank the gentleman.

Mr. EDWARDS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, the record produced by the hearings on the Voting Rights Act printed on instructions of this august committee known as the Committee on the Judiciary, and particularly the report on the bill as it pertains and makes specific reference to my native city of San Antonio, is not only seriously misleading, it is an outright mendacious fabrication of the truth.

The statement on page 20 of this report, where it says that the city's 1972 annexation was intended to dilute minority voting strength, is not only just plain misleading, but I repeat, it is a lie. No matter how lofty the intentions of any legislation, including this one, there is nothing that would justify using outright falsehoods in support of it. There is nothing in any legislation that would justify the use of fraudulent or misleading statements.

I am from San Antonio. I was born there. I represent now a fairly big chunk of the city of San Antonio. For the first 8 years of my congressional career, I had the responsibility of representing the entire county of Bexar, and therefore, I think I have a little experience in politics there and not only in San Antonio.

Mr. Chairman, I have campaigned the length and the breadth of the State of Texas, and I know about voting fraud. I know about restrictive legislation, and I know about intimidation and oppression.

I am for the Texas voters' rights. The first thing I did as a Member of this House in 1962 was to introduce a bill to eliminate the poll tax, as the hearing record on this bill recognizes; and I will not go into my antecedent record of public endeavor, both on the level of the City Council of San Antonio as well as in the State Senate of Texas.

I was not asked about the amendment that would, in effect, extend this act to the State of Texas and to the city of San Antonio. That does not offend me, but it puzzles me because I know a little something about the subject matter. I simply cannot understand and let stand unchallenged any statement that infers, as the report does, that the city of San Antonio annexation was intended to dilute, let alone violate, anybody's right to an effective vote. Until I read the report—and remember, I am not a member of this committee and therefore, this report was not available to me until fairly recently, a few days ago—so I repeat, until I read this report, I had never heard any such complaint. I read the hearing record, which, incidentally, I was not able to obtain, again, until late last week, during the recess. It makes no case that there was any such intention.

There are complaints about at-large elections and not having single-member districts. This entire legislation does not do anything about those issues, and it cannot. There is nothing that I know—and I stand to be corrected if I am wrong—but if I interpret this extension and amendments correctly, they have absolutely nothing to do with single-member districts or with that kind of irregularity. Moreover, this does not cure whatever effect requiring a majority runoff might have, for instance. There were complaints about having to have runoffs because every time there is a runoff, a minority candidate would lose. I do not know that this bill does anything about that.

Mr. BADILLO. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I will not yield at this time because I have to clear this record, and I have been yielded only 5 minutes. It is important that I clear the record because of the outright lie concerning the city of San Antonio. I will fully document that, and I intend to do it. I cannot, however, do it in 5 minutes if I am interrupted.

Mr. Chairman, nothing about this so-called annexation bit goes to the reason for this bill. The only reason that I can see that all these discussions have been going on concerning all the irrelevant issues about this bill is an attempt to generally indict the Texas Legislature.

The CHAIRMAN pro tempore. The time of the gentleman from Texas (Mr. GONZALEZ) has expired.

Mr. GONZALEZ. Mr. Chairman, will

the gentleman from California (Mr. EDWARDS) yield me an additional 5 minutes?

Mr. EDWARDS of California. Mr. Chairman, I yield the gentleman from Texas an additional 2 minutes, and at the end of that time we will see how we are doing.

Mr. GONZALEZ. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I am concerned here about what San Antonio intended to do when it annexed the territory in 1972 referred to on page 20 of the report.

I know that the record must be straightened out, and I will be derelict in my duty, no matter what opprobrium would result otherwise, if I did not see to it that this report is straightened out.

In Texas the usual practice for a city is to make an annexation of a subdivision. The subdivision wants the city services, and it petitions for annexation and, as a rule, it is done. That is the routine action.

In Texas there is a limit on how much land a city can annex at any given time. It is this restriction that led to the invention of the irregular, or the finger annexations, the kind of annexations that are mentioned in this report.

Under Texas law there is no county zoning power. If you want to control and/or to impose city building codes, then you have to annex the area, but there is a limit on how much you can annex on the part of the municipality.

Therefore the problem is, see, how do you get control over a subdivision, and how do you prevent the growth of these little bedroom cities that develop and take advantage of the city services, but pay no city taxes?

We have had a lot of that in San Antonio, just as I am sure the Members of the Congress have had it. Also such an enclave can get city water, use all of the city services, get city bus service, and yet pay nothing toward those services.

This bill does not do anything about that.

Up until the time I was on the city council these little places could arise suddenly. It is not that bad any more, but the truth is that it is unauthorized to allow these places to keep mushrooming.

Well, how do you, under Texas, law, do this so as to prevent the incorporation of these little places? The law of Texas says you cannot incorporate a town within the extraterritorial boundaries of a city. That is a kind of buffer zone to prevent somebody setting up a town on the existing city limits. That is the main purpose.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. GONZALEZ. Mr. Chairman, I would ask unanimous consent to continue for an additional 5 minutes.

The CHAIRMAN pro tempore. The Chair will state that the gentleman from California (Mr. EDWARDS) has control of the time. Does the gentleman from California wish to yield additional time to the gentleman from Texas?

Mr. EDWARDS of California. Mr. Chairman, one of the problems we are faced with today is that the Committee on Appropriations was supposed to be taking up an urgent bill on the floor of this House 10 minutes ago. I will be very glad to yield to the gentleman from Texas if the gentleman wishes to do so under those circumstances.

I am a friend of the gentleman from Texas, and I will yield the gentleman all the time he wants.

Mr. GONZALEZ. I would like to have an additional 5 minutes. This is a grave issue. The tax bill is important, yes, but so is this, because this has to do with clearing the record.

Mr. EDWARDS of California. I will yield the gentleman from Texas 5 additional minutes.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I will yield to the gentleman from Michigan for a brief question.

Mr. CONYERS. Mr. Chairman, this would be very brief.

I would ask the gentleman from Texas where in the report on page 20 does the committee do the gentleman's city of San Antonio an injustice? Precisely what is incorrect in the report?

Mr. GONZALEZ. The report says:

> In 1972, in Pearsall, Texas—

Which is a municipality outside of the county that San Antonio is situated in, and is about 55 miles down the road—

> the City Council, while refusing to annex compact contiguous areas of high Mexican American concentration, chose to bring a 100 percent Anglo development within the city.

The city of San Antonio, mind you, it is being dumped in with the city of Pearsall. That is a gross injustice right there.

> The City of San Antonio, in 1972, made massive annexations including irregular or finger annexations on the city's heavily Anglo northside. The population breakdown in the areas annexed was overwhelmingly Anglo, although the city was previously almost evenly divided between Anglos and Mexican Americans (Hearings, 369).

Mr. CONYERS. That is correct, is it not?

Mr. GONZALEZ. As far as it goes, but it mentioned nothing about the other annexations in which they had massive concentrations of Mexican Americans. The context of this report, as I think the gentleman from Michigan can see it, and also, I am sure, he would not dispute it, the impact of this statement is that any reader would believe that the city of San Antonio has finger annexed only a community because it wanted it to exclude large masses of Mexican Americans, or other ethnic minorities. That is the plain thrust of this, and that is not true. That is a lie. Nobody on the gentleman's committee, on the staff or on the committee itself, who had anything to do with the writing of this paragraph ever bothered to get the history of annexation or get the facts or the truth, and that is why I am here in the well trying to clear the record.

Mr. CONYERS. Might I ask the gentleman if it is correct where it is stated on page 20 that although the city, referring to San Antonio, was originally almost evenly divided between Anglos and Mexican Americans——

Mr. GONZALEZ. That is not true. That is not true. I have the statistics that I wish to make part of the RECORD in order to describe this misstatement. The truth of the matter is that in San Antonio historically and notoriously the Mexican American in effect is the majority at this particular time. He is not the minority at this particular time populationwise. This is simply an absolute fabrication. Nobody who has been responsible for this statement ever bothered to check with any official in the city either to get the history of the annexation or the truth of the annexation or the truth of the historical development of the city of San Antonio. I think that I would be derelict if I were not to correct on the record in general debate, which is the only opportunity I have, this serious misstatement on the part of the committee in issuing this report to accompany the act.

To continue, as I said, there is no county zoning law in Texas, so if we have a situation of a city like San Antonio or any other similarly situated city, their big question is, How can we come in and insure an orderly development? This so-called 1972 spoke or finger annexation had one primary purpose and that was to try to exert some municipal control over the aquifer which provides the sole source of water for the city of San Antonio.

Where do we come in here with any attempt to discriminate against any voter? There is just absolutely not one scintilla of evidence or fact or thought in this, and I think that as Members of Congress, or even members of the staff, we have to have a deep veneration for the fact and the word. I just think it is abominable that such a distinguished committee as the Committee on Jurisprudence would allow over its imprimatur to publish a report that would be such a gross and misleading fabrication, and I want no doubt in anybody's mind that I strongly protest it.

The law in Texas says we cannot incorporate a town within those extraterritorial jurisdictions that the legislature has given incorporated cities, so we have some buffer zones, and they could be strangle zones. In fact, to talk about voter discrimination, we ought to worry about economic discrimination because of that practice, and certainly this act has nothing to do with that.

San Antonio could not get control over subdivision growth in any way except the use of this annexation technique. It could not take in all of the areas that it needed to control. The county cannot exercise any zoning control, so the city annexed spokes of land down highway areas and developed areas.

That gave the city a zone of jurisdiction adjacent to those spokes, and allowed San Antonio to get the kind of basic control that any reasonable mind would desire.

There was nothing sinister about any of this. These spoke annexations go all

UMI

around the city, just like the spokes of a wheel.

That is why irregular annexations exist.

San Antonio did make a giant annexation in 1972, and I think that anyone who knows the facts of the situation will be able to tell you that the purpose of that was anything but discriminatory. The city had not annexed anything, except by petition, for a number of years. Huge new facilities had mushroomed outside the city limits. There was a need to provide services to those areas. The town needed tax revenues from those areas. So it was done. In 1972 San Antonio annexed much of the area that it had previously controlled by means of its spoke annexations.

I have obtained a complete statement from the San Antonio city attorney with respect to those annexations, and make that a part of the record. I also have a map illustrating those, and will show it to anybody having any questions to ask. And I will make part of the record statistics relevant to those questions.

I do not think it is proper, in our zeal to protect voting rights, to make misleading statements, as was done here in the case of San Antonio. I hope that I have been able to straighten the record out.

San Antonio did make annexations, and they do look irregular. But the inference drawn is wholly incorrect and not supported by anything in the record of hearings.

There is much to debate about here. The rate of voter participation can be affected by many things. It could be affected by low enthusiasm. Candidates without much to say, or the dearth of candidates, might cause low participation. The Republican Party in Texas was only invented a decade or two ago, and in Bexar County in 1956 it was only invented as a means of getting some general election opposition for me. The Republicans are not a factor in Texas politics, in the usual sense of that word, and they are especially not much of a power in San Antonio. So there is not a lot of excitement about elections sometimes. Maybe that accounts for low enthusiasm.

No one can say for sure.

Maybe the fact that elections are on Tuesday affects turnout. It is tougher for a working guy to get out and vote than it is for someone who does not have to work—a retiree, for instance. Maybe we should have elections on Saturday or Sunday.

Again, nobody can say for sure. We can speculate, but we have no real basis for drawing any conclusions.

It seems to me that what we ought to be considering here is whether or not to set up a whole basic Federal election code. Maybe we should treat all jurisdictions alike. But it is certain that if this whole bill is predicated on statements like those about San Antonio, it is plain erroneous. This error, and I think it is not intentional, nevertheless makes me wonder whether I can support the bill.

I am in a dilemma here: I want full and effective voter participation. I have worked for human and political rights throughout my career. And yet here I see a bill that would affect my own city in a way that is wholly uncalled for, based on a complete misstatement of the true situation, and which worst of all would not in any way resolve the grievances complained of. It would not change the existence of at-large districts. It would not eliminate runoff elections. It would not address those things at all—and yet those are the grievances most often alluded to, most documented, and most argued of. This bill would not really change anything in San Antonio, at all. After all, there has been no intimidation reported to the committee; there has been nothing at all, except the annexation aforementioned, and which I have explained. As far as I can see, the bill as applied in my city would rectify nothing.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. GONZALEZ. Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 1 additional minute.

The CHAIRMAN pro tempore. The gentleman will suspend. The Chair must advise the gentleman that under the rule that request is not in order.

Mr. GONZALEZ. Mr. Chairman, I include the following information:

BRIEF HISTORY OF SAN ANTONIO ANNEXATION (1965–75)

I. GENERAL LAW

Municipal annexation power is a legislative function delegated to cities by statute. In Texas, prior to 1963, the only statutory limitations on the power of Home Rule cities (of which San Antonio is one) to annex was that the land in question be adjacent to the annexing city and not within the boundaries of another city. This latter limitation was likewise imposed upon incorporations of new towns. *Arts. 1175, 1133–1134, Vernon's Anno. Tex. Stat.*, and *State ex rel Pan American Production Co.* vs. *Texas City*, 313 S.W. 2nd 780.

City governments have always had one or more of the following motives in annexing new territory: (1) To gain tax revenues; (2) To control the growth and development of the City (Texas cities have no zoning control beyond their boundaries, although since 1931 they have had subdivision control. *Art. 974a, V.A.T.S.*); (3) To prevent the incorporation of towns around their outer boundaries. Such incorporation ultimately leads to duplication of municipal services as the "parent" city grows around the incorporated "bedroom" city. (Olmos Park is a good example). (4) Political considerations. For example, black communities have been excluded from annexation by some southern cities.

Prior to 1963, an annexing city was not compelled by legal mandate to service annexed areas. Indeed the only thing that prevented massive annexations (which nevertheless sometimes did occur) of land for revenue purposes alone were political considerations. People do not like to be annexed and receive no municipal services for their newly imposed taxes.

In 1963, however, the law of annexation was drastically changed by the legislature. See *Art. 970(a), V.A.T.S.* This bill was no doubt passed to prevent some of the annexation excesses and abuses of cities in the past, such as that exemplified by the Pan American case, supra.

Article 970(a) contains a number of provisions, but the following ones should be noted, at least in essence:

(1) The statute created an "extraterritorial jurisdiction" (ETJ) for cities of various population brackets. Cities of 100,000 or more were given five (5) miles of ETJ. There were several incidents of ETJ. First, a City could not annex beyond the limits of its ETJ, except by request of property owners. Second, no town could incorporate within a City's ETJ. Third, a City's subdivision regulations were applicable within its ETJ (but not its zoning or building regulations). Fourth, ETJ land was not taxable by the City. Fifth, when a City annexed within its ETJ, the latter expanded accordingly. (This accounted for San Antonio's "spoke" annexation of the middle sixties).

(2) Further limitations were placed upon the area a City could annex in any one year. Thus a City was limited to annexing a maximum of an amount equal to 10% of its total area in any one year. *Area annexed by petition of landowners did not count against this 10%*, however. Furthermore, a City could build up "credit" to the extent of an amount equal to 30% of its total incorporated area by annexing less than 10% in three or more calendar years.

(3) The annexing City was compelled to furnish municipal services to the area annexed within three years from the time of annexation or the land was subject to being disannexed.

(4) The requirement of "adjacency" was retained in annexations.

THE "SPOKE" ANNEXATIONS

Under Art. 970(a), a City, while limited in the extent and area of its yearly annexations, was given a measure of protection against the encroachment of bedroom cities in the ETJ and given subdivision control in the ETJ. San Antonio's government did not feel, however, that 5 miles of ETJ was enough. As noted above, the ETJ expanded, under Art. 970(a), with any given annexation. Thus, if a City annexed out one mile beyond its boundary, its ETJ was extended out beyond the newly annexed area accordingly. This gave rise to the "spoke" idea.

There are, of course, many roads and highways leading into San Antonio. They are publically owned and controlled. Annexation of such roads and highways would net no taxes nor population to the City, but would increase the extent of the City's ETJ. Thus, if such roads and highways entering the City were annexed out to the extent of the City's ETJ, the latter would double if the roads and highways were close enough together. Instead of having a 5-mile belt of ETJ, the City would have a 10-mile belt and this would be accomplished without annexing any privately owned land.

San Antonio, in 1964, in accordance with the above, annexed roads and highways out to the limit of its ETJ, but such annexations included *only* the roads and highways. The result was as above stated. Several lawsuits also resulted later, challenging this device, but the City won them.

This broad belt of ETJ had a good deal to do with San Antonio's failure to make any significant annexations until 1971. After all, it had 10 miles of subdivision control and 10 miles of insulation against the establishment of "bedroom" cities.

PATTERN OF SAN ANTONIO ANNEXATIONS FROM 1965–75

As of January 1, 1965, San Antonio contained 176.8 sq. miles. Since that time, the City has annexed 86.2 sq. miles. There have been 112 separate annexations, almost all of which were "petitioned" annexations and thus did not count against the City's yearly 10% allotment. The typical "petitioned" annexation involves a subdivider who has gotten his plat approved by the Planning Commission, having originally purchased the land when it was in the ETJ. His motive for requesting annexation is desire for City services (which ETJ land is not entitled to).

The great bulk of San Antonio area development has been to the northwest, north, and northeast and this is where most of the annexations have been. The development trend to the Northwest, North and Northeast has progressed faster than to the West and South for several reasons. Besides the location of the U.T.S.A. and the medical hospital facilities on the North and Northwest sides, the topography of the San Antonio region together with past development has to a large degree forced such a pattern.

For instance, the general fall of the land is in a south and southeasterly direction from the north and northwest. The elevation of the land to the south side of San Antonio is much flatter and has small grade differentials. This results in much more area of land on a percentage basis being subject to periodic flooding as well as taking longer for run-off of such waters. Additionally, as the waste water systems of the City are mainly gravity flow, the regional treatment facilities have all been located on the south side within the watersheds of the various natural drainageways. As these lines terminate at the plants, all of them are on an almost flat gradient and of very large size as well as approaching being a pressure system. Accordingly, the planning and construction of systems adequate to support development in the far south side of San Antonio would be difficult and expensive, both in construction and operation, without construction of additional major treatment facilities some distance further to the south of San Antonio. The result has been that the economics of development has been to portions of the area around the City other than southwest and south.

Still another factor which to some degree fosters development other than to these areas is the availability of potable drinking water. Again, because of the underground formations, developers have determined it is more advantageous to develop areas where a water source is readily available through either City's system or the development of their own, and the existing formations on the south side do not produce the quality desired.

There have been three notable exceptions to our "petitioned annexations" in the past 10 years. The first was the UTSA annexation in 1971. The second was our massive December, 1972, annexation. The third was our recent (1974) Randolph Field annexation.

The UTSA Annexation

This annexation in 1971 was requested by the Board of Regents of the University of Texas in order that the UTSA and its immediately surrounding area be afforded City services, particularly fire and police protection, water and sewage. The area annexed was roughly 13 square miles and had to be reached by a "spoke" which had been previously annexed by the City.

This area was sparsely populated except for a small unincorporated, but newly developed, area called "Hills & Dales" (some of the inhabitants of which filed a lawsuit contesting the annexation in the Federal Court. The City won).

The UTSA annexation is shown on the small Polaroid photos in yellow in the upper left-hand corner and, of course, upon the larger maps which accompany this narrative.

The 1972 annexation

As inferred above, San Antonio, from 1965 to 1971, annexed almost exclusively by "petition". Almost all of the petitions were from subdividers whose subdivisions were northwest, north or northeast. Thus, as of 1972, San Antonio was in a position to annex an amount of land equal to 30% of its corporate area.

By 1972, it had become apparent that large areas around the City's boundary—especially in the northwest, north and northeast—were either developed or were going to be developed in the immediate future. The UTSA area was an anomaly, far removed from the City and connected thereto only by a spoke. The developed or developing areas were becoming densely populated and this created municipal problems in the traffic, police, fire and health fields. Additional tax revenues were necessary to meet these problems and the imposition of zoning was desirable. The protection of the Edwards aquifer was also a factor.

For all these reasons, the City Council annexed approximately 53 square miles of land, the bulk of which was southwest and west (around Kelly Field), northwest and northeast.[1] This area is shown on the accompanying maps.

The Randolph Field annexation

In 1973, Air Force officials began to be concerned about threatened buildup of the area immediately south of Randolph and asked for San Antonio's cooperation in controlling such buildings. (Both ground and flight safety were their primary concerns).

Largely to accommodate the Air Force, San Antonio, again using a spoke as in UTSA, annexed about 9 square miles in the area in question in order to impose zoning restrictions upon the same. This annexation has been challenged in the Federal Court and thus far the City has prevailed. The case is now on appeal to the Fifth Federal Circuit Court. The annexed area is sparsely settled, but is active agriculturally. It really is not "municipal" land, but zoning was needed, as aforesaid.

V. SUMMARY

From what has been stated thus far it is easy to see that San Antonio's annexations over the period 1965–1975 have been made for three of the classic reasons set out in the beginning (prevention of "bedroom" cities, acquisition of tax revenues, control of growth and development of the City). Two major annexations, the UTSA and Randolph, were largely at the instance of the State and of the Air Force, respectively. The fourth reason, political, has truly played little or no part. There has been no effort to make any systematic exclusion of ethnic minorities and there has, in fact, been no such exclusion with respect to ETJ areas otherwise appropriate for annexation. (In fact, in the 1972 annexation there were two "substandard" subdivisions, heavily populated by Mexican-Americans included in order to furnish them City services—not for tax purposes because the services cost more than the amount of the tax revenues from them. These two areas, both small, are Villa Coronado and Grass Valley Acres, shown on the accompanying maps).

It is true that about 70% of the populations of the area annexed have been white Anglo-Saxon. But this results from the fact that annexation follows growth, or potential growth. Most of the area annexed over the subject period has been either residentially developed or has immediate potential for such development.

White Anglos, as a group are more affluent than either Mexican-Americans or Negroes and consequently they buy more new homes per capita than do the latter. It might be added that bulk of Bexar County's Mexican American population and virtually all of its Negro population reside in San Antonio. Few Mexican-Americans reside in the "bedroom" cities and even fewer Negroes so reside and the County is sparsely populated otherwise than in San Antonio and the "bedroom" cities.

VI. CONCLUSION

San Antonio's annexations—1972 included—have not been ethnically or politically motivated nor have they resulted in ethnic discrimination. Any assertions to the contrary are simply not factual.

CRAWFORD B. REEDER,
City Attorney.

ANNEXATION 1970–74, POPULATION, SAN ANTONIO

	Total	Anglo	Mexican American	Black	Other nonwhite
Addition	55,261	39,939	13,112	1,566	644
Percentage		72.27	23.73	2.83	1.17

Year	Acres per year	Square miles per year	Cumulative square miles
Acres annexed 1970–74:			
1970	213.4430	0.3335	184.1450
1971	8,800.6830	13.7511	197.8961
1972	34,434.8300	53.8044	251.7005
1973	985.0000	1.5391	253.2396
1974	6,301.2970	9.8458	263.0854

POPULATION, SAN ANTONIO, 1970—DEPARTMENT OF LABOR 1970 CENSUS

	Total	Anglo	Mexican American	Black	Other nonwhite
Population	654,153	256,390	341,333	50,041	6,389
Percentage		39.2	52.2	7.6	1

ANNEXATION, 1970–74, POPULATION ESTIMATE

Annexation No.	Anglo	Mexican-American	Black	Other nonwhite	Total
201					0
202	5	2	0	0	7
203					0
204					0
205					0
206	9	2	0	0	11
207					0
208	102	25	0	2	129
209	361	95	2	2	460
210					0
211	9	2	0	0	11
212	1,068	208	55	56	1,387
213					0
214	1,566	177	1	7	1,751
215	34	6	0	0	40
216					0
217	30	11	0	0	41
218					0
219	6	1	0	0	7
220	5,614	2,502	203	111	8,430
221	9,476	1,639	417	134	11,666
222	50	10	3	0	63
223	11,647	4,370	706	168	16,891
224	5	2	0	0	0
225	9	1	0	0	17
226	1,921	279	11	23	2,234
227	1,377	115	2	2	1,496
228	64	9	0	1	74
229	539	45	0	2	586
230	721	129	1	3	854
231	1,376	294	2	15	1,687
232	3,348	487	41	74	3,950
233	124	116	2	2	244
234					0

[1] This made developer Ray Ellison unhappy and he filed a lawsuit to invalidate the annexation, claiming that the City had taken an area greater than 30%. We felt it possible that he was correct and joined with him in judicially invalidating the whole annexation. In the next few months, we carefully computed and outlined "safe" boundaries and annexed essentially the same area and this was not challenged (December, 1972).

UMI

ANNEXATION, 1970–74, POPULATION ESTIMATE—Continued

Annexation No.	Anglo	Mexican-American	Black	Other non-white	Total
235	128	1,931	10	34	2,103
236	5	69	0	1	75
237	71	13	0	1	85
238					0
239	38	461	104	4	607
240	174	103	6	2	285
241	62	8	0	0	70
242					0
Total	39,939	13,112	1,566	644	55,261

Mr. EDWARDS of California. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I refer the committee and, of course, my good friend, the gentleman from San Antonio (Mr. GONZALEZ) to page 368 and page 369 of the hearings and the statement of George J. Korbel, assistant regional attorney for the EEOC of Chicago, who in 1971 took the position as staff attorney with the Mexican-American League Defense Fund of San Antonio, Tex., and remained there until November of 1974.

This witness gave very impressive testimony pointing out that:

In 1972, the city of San Antonio made massive annexations (moving the city from 11th to 9th largest city in the Nation) including irregular or so-called finger annexations on the city's heavily Anglo north side. The population breakdown in the areas annexed was overwhelmingly Anglo although the city was previously almost evenly divided between Anglos and Mexican Americans . . .

In the recent general elections held in November of last year, none of the five absentee polling places were located in San Antonio's West Side barrio; this in spite of the fact that the difficulty of political participation which the 200,000 Mexican Americans in that area experience had been extensively commented on by a Federal district court and affirmed by the U.S. Supreme Court *Graves v. Barnes*, 343 F. Supp. 704, 703–733 (W.D. Tex. 1974).

So for the gentleman from Texas who has always been a strong supporter of civil rights and a good friend of the Committee on the Judiciary to characterize the report of that committee as mendacious or in some way indicate that it is erroneous by design certainly is not appropriate.

Mr. GONZALEZ. I reiterate my statements.

Mr. EDWARDS of California. For the gentleman from Texas to characterize the report in those terms is not in accordance with the gentleman's usual accord with fair procedure in the House.

Mr. GONZALEZ. If the gentleman will yield, I wish to reiterate that statement and say I am aware of that inclusion of that testimony from this gentleman. The trouble is the gentleman never returned from Chicago to San Antonio long enough to get the facts.

Second, there is another statement on the part of a professor of government, St. Mary's University, San Antonio, Prof. Charles L. Cotrell, in which he makes reference to San Antonio, and not to the annexation but in general terms, and he is talking about such things as single-Member districts. Unless I am abysmally wrong about this legislation, this bill we have here has nothing to do with single-Member districts.

Mr. EDWARDS of California. Mr. Chairman, I yield myself an additional 2 minutes.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield further to me long enough for me to submit into the RECORD, if the gentleman desires proof, a statement from the city attorney of San Antonio, together with the facts surrounding the city's annexation in 1972? If the gentleman says he is interested in proof, would he accept this, and I will ask unanimous consent now that this be accepted into the RECORD.

Mr. EDWARDS of California. That cannot be accepted into the RECORD now. That has to be done in the House.

If the gentleman will present it to me I will be interested in reading it.

Mr. BADILLO. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from New York.

Mr. BADILLO. Mr. Chairman, this bill does have to do with annexation and with single-Member districts. It is not that it is mentioned in the bill, but the fact is that once a district becomes covered, then any change in procedures to at-large districts or any annexation becomes subject to preclearance by the Attorney General, and therefore the effect of covering the State of Texas under this bill would mean that any future redistricting, any future change would be subject to preclearance. Therefore, although it does not appear in the bill as such, these actions would be covered and have in fact been covered in the seven States which are presently subject to the jurisdiction of the law.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, it is perfectly clear that the evidence for the extension of the Voting Rights Act is so completely unreliable, in contrast to the substantial evidence that we had when we enacted the original Voting Rights Act in 1965, that we should give very thoughtful consideration to a flat simple extension of the Voting Rights Act without this terrible expansion which is intended to include all kinds of other minorities than the black minority, who were entitled to this kind of support when we enacted the original Voting Rights Act in 1965.

Mr. BUTLER. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from North Carolina.

Mr. MARTIN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, although no board of election in my district is currently encumbered by the 1964 Voting Rights Act, and could very well face action from time to time under the Wiggins substitute, I rise in support of the amendment in the nature of a substitute offered by our colleague from California (Mr. WIGGINS). I have no objection to a uniformly fair and evenhanded standard being applied across the country.

Much has been said here today in praise of the Voting Rights Act and I join in that praise in that I believe that in the recent past the act served the Nation well in bringing minorities into the political process and effectively ending racial discrimination at the voting booth. Denial of access to political participation on the basis of race was and is morally as well as constitutionally wrong. The Voting Rights Act ended it. For that we should be grateful.

While I do not represent an area covered by the act, I recognize the problems with the act and support the way they can be cured by the Wiggins substitute.

The extension proposed by the committee would lock in place the act's supervisory mechanisms regardless of whether or not a jurisdiction has ended discrimination. It is eminently fair that a jurisdiction which has cured its ills be allowed to get off "medication." The Wiggins substitute will do this by making imposition of the act's protections depend on the jurisdiction's progress, while the committee proposes to extend a State's punishment based upon its history without relation to its progress. The Wiggins substitute provides an incentive for covered jurisdictions to maximize minority participation, something the committee's extension does not do.

These walls heard debate 115 years ago about erring sisters being allowed to go in peace. Shortly thereafter, the Union preserved, it was briefly fashionable to treat the erring sisters as pariahs, as conquered provinces. Today, we recognize that the Voting Rights Act was necessary for a while. I am sure most of my neighbors representing districts covered by the act agree. We had some sisters who erred, and the penance imposed 10 years ago has changed the face of politics in the South, literally and figuratively.

So, instead of locking in place forever the admittedly protective mechanisms in this act and, thereby treating the covered jurisdictions as conquered provinces again, we should adopt the Wiggins substitute and/or the Butler amendment which allows formerly errant jurisdictions to be rewarded for having changed their bygone ways. The substitute would be there to reextend protections in the event of any backsliding. Importantly, it would not focus punishment on the South alone, but would improve the voting rights of minority citizens in all States.

Adoption of the Wiggins substitute, apart from giving me a Voting Rights Act—vintage 1975—that I can fully support, will recognize that the South has changed enormously in recent years, and changed for the better. Ten years ago, the original Voting Rights Act allowed millions of American citizens to reenter the political life of our country. The Wiggins substitute would permit hundreds of American communities 2 years from now to reenter the political life of the country cleansed of discrimination and with a strong incentive to remain cleansed.

Mr. JOHNSON of Colorado. Mr. Chairman, I am strongly in favor of the Voting Rights Act which protects the rights of every individual in the country to vote; but I would like the attention of the gentleman from California (Mr. EDWARDS).

I would like to point out to the gentleman, because I think it is illustrative of the problem that I have with the bill, as one who is nominally in favor of it.

I would like to point out one of the problems we have in this little area of northern Colorado, we have three counties with populations of less than 5,000. There is Clear Creek with 4,784; there is Jackson with 1,809 and there is Sedgwick with 3,403. I have a total of nine counties which qualify, and only three of them have a population of 20,000 people.

Now, each of these small counties as I understand which qualify under the bill have to come back to the District of Columbia to "bail out" of the provisions of the bill, or else they have to print their ballots in both Spanish and English. Now, as I understand the provisions——

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I might say to the gentleman that we have already checked these figures. I know about those nine counties that qualify.

Mr. EDWARDS of California. Pardon me, I did not get that.

Mr. JOHNSON of Colorado. Before they can bail out, they have to print those ballots in both Spanish and English. To bail out, they have to come back to Washington, D.C., and get permission from the district court back here. That does not make any sense to me whatsoever.

I have been in every one of those counties recently. I have never had a complaint that anybody is being discriminated against in registration or anything else. I do not have any qualms about the district court in Colorado. Why cannot the district court in Colorado make a determination that these counties should be able to bail out? It is hardly worth their while to come back here to the District of Columbia to be exempted under the provisions of the bill. What is wrong with having a district court locally make that kind of determination?

Mr. EDWARDS of California. Well, it was determined in 1965 that it would work much better and be more appropriate to have the district court here in Washington, D.C. handle those matters. It has worked very well. I believe that the committee would resist the amendment which is coming up tomorrow. I certainly would hope that the amendment that is to be offered tomorrow would be defeated.

Mr. JOHNSON of Colorado. I would ask the gentleman, is he saying that because of what happened in 1965 we are writing legislation that is not more effective?

Mr. EDWARDS of California. I have read the testimony that shows we have all kinds of serious problems in voting discrimination in this country today. The situation has improved to a certain extent, but there is strong need for continuation of the present provisions of the Voting Rights Act.

Mr. JOHNSON of Colorado. The gentleman is in effect saying that the U.S. district court is so prejudiced, so unqualified, so unresponsive to the law that we cannot let something like this be decided in the U.S. District Court of Colorado, because in that jurisdiction the district court of Colorado is incapable of making a fair decision; that we have to come back to Washington because that is the only place we can get a fair decision. That is an absurd position on its face.

Mr. EDWARDS of California. The gentleman will have the opportunity to demonstrate that to the House at the proper time.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, actually, the Department of Justice desires to centralize all litigation about this matter right here in the District of Columbia. If they had cases all over the country, they would have their attorneys going out with extensive documentation to Colorado, Texas, and Massachusetts. The Department of Justice in this and other areas of national importance feels that they should build up a body of jurisprudence right in the District of Columbia and it is they, more than the civil rights group, that really want to locate this here, rather than the regional aspects.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, might I just add an additional reason? That is, in the original instance there was so much racial animosity that involved these cases that many judges, many Federal judges sitting in parts of the South, were so seriously intimidated and so threatened that it was considered that it was a very important reason. That is not to suggest that this is going to be the case in the gentleman's State or in other States, but it is a general application that is very, very necessary.

The CHAIRMAN pro tempore. The time of the gentleman from Colorado has expired.

Mr. BUTLER. Mr. Chairman, I yield 3 additional minutes to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I would like to make a comment, because I understand the gentleman's point of view, but he is imposing a burden in an area of the country where it is not justified. I do not know why we cannot work out some legislation which would prevent that kind of a burden being imposed.

The people in the area of Colorado of which I am aware, where they are illiterate in English and speak Spanish, most probably are illiterate in Spanish. They have not had schooling in Spanish, so we are going through an additional expense of setting up a procedure where we cannot go through the easy way of exempting these counties.

I do not believe we ought to exempt all the counties. The burden is on the county, but it ought to be done in an area where it is convenient. I can give the committee four more counties where the population is less than 10,000. They have a county attorney, and the gentleman from Massachusetts (Mr. DRINAN) says they should come back here because it is convenient for the Federal Government. They have to bring all their proof and everything back from a county in Colorado.

Jackson County has a population of 1,800 and has a part-time county attorney. He should come to the District of Columbia because it is inconvenient for the Justice Department to go out there to Colorado. That does not make any sense to me.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, the argument just made by the gentleman from Massachusetts to the effect that we were building a body of expertise among the judiciary in Washington does not hold up. We called the Clerk's office and got these statistics:

During the time of this act, only 10 bailout cases, including one brought by the Attorney General, were brought under the Voting Rights Act. Fourteen judges sat on the three judge panels. Only two have decided four cases and one has decided three cases. The other 11 set were consents. Only three resulted in decisions other than consent decrees.

Thus, even in these cases, no expertise has been developed.

Concerning the likelihood of decisions remaining and that litigation must be centralized in Washington to save the Government from litigation, only 10 suits have been filed in 10 years. In Honolulu, they have chosen to ignore Washington and have gone forward even though they are under the act. The gentleman may consider that alternative, although if he does that, he runs the risk of every voting procedure we have will be held illegal in a later litigation.

Mr. CLAY. Mr. Chairman, it has been said that the Voting Rights Act of 1965 is the single most important piece of civil rights legislation in our Nation's history. The relative merit of such claims notwithstanding, I can say with some real assurance that this legislation, like none before it, has effectively begun the process of guaranteeing the most fundamental of those essential rights descriptive of any truly democratic society, the right to vote. Certainly, until the award of the basic franchise is in reality universal,

UMI

from the large urban metropolitan areas of the eastern seaboard to the most remote rural backwaters of the Deep South, America cannot in good faith pretend to democratic laurels it has not earned. No doubt in the last 10 years, we have made notable progress but we have yet a long course to travel. There remain millions of Americans who are denied the right to vote for no other reason than the color of their skin, the foreignness of their tongue, or the simple want of English literacy.

The Voting Rights Act of 1965 as extended in 1970, prohibits racial discrimination in voting everywhere in the United States. But Mr. Chairman, certain key provisions of this historic legislation are only temporary. Unless the Congress acts with constructive dispatch, these provisions, and the national suspension of the use of tests and devices as a condition for registering and voting enacted in 1970, will expire in August 1975.

Should these temporary provisions expire, the remaining provisions will be rendered virtually meaningless; that is, remedial legislation with no practicable mechanism for enforcement. Under the expiring provisions the following safeguards are afforded: Section 4 suspends the use of literacy tests and devices as conditions precedent to registration and voting in subdivisions where voter registration or turnout for the Presidential elections of 1964 or 1968 were less than 50 percent of the voting age population; section 5 disallows any change in a given jurisdiction's voting laws without prior approval of the proposed changes by the U.S. Attorney General or the district court for the District of Columbia, either of which is charged with deciding whether or not the proposed change is discriminatory in purpose or application; sections 6 through 9 empower the Attorney General and the Civil Service Commission to send examiners and observers to watch over questionable elections and, when necessary, list eligible voters for registration.

If these provisions that make up the act's enforcement apparatus are allowed to expire, any of the presently covered jurisdictions may remove itself from supervisory coverage by demonstrating to the district court for the District of Columbia that it had not used a discriminatory test or device for 10 years. Once the provisions expire and the jurisdictions are released, they would then be free to resume the use of literacy tests and other obstructing devices; they would not be required to present electoral laws for preclearance as required by section 5; and the Attorney General would have no further authority to send examiners or observers. In effect, with the task but half complete, the Voting Rights Act would become a legislative nullity.

Mr. Chairman, the House Judiciary Subcommittee on Civil and Constitutional Rights Act has given its approval to H.R. 6219, a measure if passed by the House and the Senate and signed by the President would:

First. Extend the temporary coverage provisions of the 1965 Voting Rights Act for 10 years;

Second. Permanently ban literacy tests; and

Third. Expand the Voting Rights Act to cover more than 6 million Spanish-speaking citizens, as well as native Alaskans, Indians, and Asian-Americans.

Mr. Chairman, I strongly urge my colleagues to support this extension bill. To do less would constitute a clear retraction of our national commitment to the safeguarding of the most threshhold of rights.

Recently, Mr. Chairman, upon reading a report published by the U.S. Commission on Civil Rights entitled, "The Voting Rights Act: 10 Years Later," I was deeply impressed by the gains we have achieved but equally alarmed by the distance we have yet to go.

It is indeed encouraging to find that since passage of this legislation, more than 1½ million new voters have registered in the South; that by January 1972, black registration in the seven covered States had increased from 29.3 percent of the black voting age population to 56.6 percent, and that the gap between black and white registration had decreased from 44.1 percentage points to 11.2 percentage points.

These data clearly describe real progress but it remains principally important to remember that we are still in the early stages of eradicating the odious stain of centuries of discrimination, that were these temporary provisions not extended, the likelihood would be that we would find ourselves back at the starting point.

It is significant to note that 105 years after the ratification of the 15th amendment and 10 years after passage of the Voting Rights Act, 2½ million blacks today in the South remain unregistered. Though comprising large segments of the population in each of the covered seven States: Mississippi, 37 percent; South Carolina, 31 percent; North Carolina, 22 percent; Virginia, 18 percent; et cetera—no blacks holds statewide office in any of them. Nor does black representation in any of the State legislatures scarcely approach the black proportion of the voting age populations in the respective States.

It is of no small and revealing consequence that whites throughout the South are still very much in control of the electoral machinery. Verified reports abound detailing accounts of lost ballot boxes, inconvenient registration hours, and inaccessible locations for voting and registration. The results: Blacks remain underrepresented even in the 84 southern counties where blacks comprise voting age majorities.

For these reasons among others, the real implications of a congressional failure to extend the special provisions are frightening, more especially in view of one approaching development: Based on the 1980 census, by 1985, all States and many local jurisdictions will have redrawn lines for representative subdivisions altering constituencies from town council districts to congressional districts. Mr. Chairman, I think none of us here has any allusions about the outcome of this redistricting process should the section 5 preclearance requirements be removed. The small gains that blacks have made to date could be all but wiped out by those remaining unreconstructed whites in power who still resist the command of the 15th amendment.

A similar result will obtain, Mr. Chairman, if the national ban against the literacy test is not continued. By March 1974, 12.9 percent of blacks over 25 years of age had received less than 5 years of formal education. For Mexican-Americans the figure was 27.2 and 19.5 percent overall for Spanish-origin populations. As discouraging as these measurements may be, illiteracy is hardly a disability peculiar to blacks and Spanish-speaking Americans. In absolute numbers, more whites living in America are functionally illiterate than are minority group members.

Mr. Chairman, it is safe to assume that if the literacy test ban is not extended, millions of voting age Americans—blacks and Spanish-speaking citizens disproportionately—would again be excluded from participating in our democratic system, the same system that in the first instance failed in its responsibility to provide all Americans alike with the most fundamental of learning skills, the capacity to read and write.

And in closing, Mr. Chairman, I urge my colleagues as fervently as possible to support H.R. 6219. By so doing, we move ahead an important increment toward vindicating a national promise so long ago made, so long now overdue.

Mr. BURKE of Massachusetts. Mr. Chairman, I rise to support the extension of the Voting Rights Act of 1965. I would like you to know that one of my first legislative actions in the 94th Congress was to cosponsor H.R. 4002, a bill from which H.R. 6219 grew and upon which it improved. This proposal was designed to extend certain provisions of the Voting Rights Act of 1965 for 10 years and to create a permanent ban against certain prerequisites to voting. Too often, these literacy tests and devices have been used as a discriminatory weapon against certain minorities. A vote against extending the Voting Rights Act of 1965 would create a situation conducive to the regeneration of these abuses.

It is essential to the livelihood of our democratic process that every citizen be afforded the opportunity to vote. This is a fundamental part of our civil rights. Too often, literacy tests have had discriminatory effects as State and county educational possibilities were inferior for members of minorities. A nationwide, permanent ban on these tests would protect the voting rights of citizens where this imposition on minorities would result in great inequities in our electoral process. The permanency of the ban must be stressed as provisions for tests or devices remain on the books of 14 States in our country. Therefore, the extension of the Voting Rights Amendments of 1965 must be ongoing so that these States will not be permitted to enforce literacy tests as prerequisites to registration and voting.

The positive effects of the Voting Rights Act of 1965 are evident and speak for themselves. The progress of minority political representation has become increasingly obvious. However, significant deficiencies in minority registration and, therefore, political participation still exist. We must work to amend the inequities in our political process in order to insure the rights of all citizens.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of H.R. 6219, which amends and extends the Voting Rights Act of 1965.

Ten years ago, when the original Voting Rights Act was first passed, it was designed to meet the needs of minorities who were being denied the right to vote. Since then, the situation has improved greatly in those areas which the act was designed to effect. Yet the need for the bill is still evident, for new areas have been discovered which need the special protection and benefits which the bill, as originally drafted, does not address.

In the 1974 congressional election, 44.7 percent of the total population exercised their right to vote. Among black citizens, who were the major beneficiaries of the original Voting Rights Act, voter participation was only 33.8 percent. In the South, in 1974, where many of the first publicized instances of voting injustice took place, there was only a 5-percent difference between black and white registration: A marked improvement over 1966, when there was an 11 percentage point difference.

However, there are other minority groups in the United States which are lagging behind in voter registration. According to the Social and Economic Statistics Administration to the U.S. Department of Commerce, only 22.9 percent of the total voting age population of Americans of Spanish descent were registered to vote in 1974.

Some of this alarmingly low rate can be laid to the fact that many Americans of Spanish descent—Mexican Americans, Puerto Ricans, Cubans, and those from South America—have not yet become citizens. However, much of the reason can also be caused by language difficulties, unfamiliarity with voting laws, de facto and de jure discrimination, and a history of neglect on the part of the United States toward Americans of Spanish descent.

Many of the same difficulties beset other minority groups as well. American Indians and Alaskan Natives have, for the most part, been ignored by Federal voters' rights programs. Asian Americans face many of the same problems. While many people feel safe to say that discrimination and prejudice against Asian Americans is a thing of the past, yet the problems facing these people still continue. And the recent outcry against the arrival of Vietnamese refugees, although motivated by many factors beside racial prejudice, shows that bigotry against Asians is far from a thing of the past in the United States.

In the congressional district I represent, 20 percent of the total population is of Spanish descent—primarily Mexican American. Blacks comprise 10 percent of the population, and there is also a sizable Asian American community, made up of Japanese, Filipino, Samoan, Korean, and Guamanian Americans. In the 1974 election, only 31.3 percent of the population voted in the congressional election.

Mr. Chairman, if we are to increase the voter participation of minority Americans, strong congressional action is needed. We must insure that language and cultural differences do not become stumbling blocks on the way to the polls. H.R. 6219 is a step in this direction, because it recognizes the special needs of many American citizens in exercizing of one of our basic rights; the right to vote.

For these reasons, I urge that H.R. 6219 be adopted—without weakening amendments.

Ms. ABZUG. Mr. Chairman, I rise in support of H.R. 6219, the Voting Rights Act extension. The original Voting Rights Act has been instrumental in paving the way for the politically disadvantaged to secure enforcement of their right to vote. Enforcement of the law has enfranchised many black people in our Nation who, through the use of discriminatory practices, were denied equal opportunity to register and vote. However, the task is far from complete. H.R. 6219, sponsored by my distinguished colleague, Mr. EDWARDS of California, would provide for a sorely needed extension of the act, as well as extending its coverage to language minorities.

The original Voting Rights Act contained a section 5 preclearance provision, which insured protection and assistance by the Federal Government for the politically weak and suppressed citizens who were unable to attain justice through State case-by-case litigation. In this section lies the strength of the Voting Rights Act, for it facilitates the enactment and protection of the act. However, section 5 did not become widely used until 1971. Thus it is crucial that this provision be extended, as only 4 years of such protection is too short a time to alleviate all discriminatory practices. H.R. 6219 does extend and strengthen this section.

I would like to point out another area of concern to all those present who feel the need, as I do, to expand and extend the outstanding coverage of minorities which the Voting Rights Act has accomplished thus far. Notable areas of progress under the act have been in increased minority registration, voter turnout, and in the increased number of minority elected officials. It is now time to expand this coverage to other disadvantaged groups. H.R. 6219 accomplishes this through its inclusion of "language minorities," specifically American Indian, Asian-Americans, Alaskan Natives, and people of Spanish heritage. This coverage will secure the right of these peoples to assert their political strength through their increased ability to participate in our electoral process, a right all disadvantaged groups should have.

H.R. 6219 includes the provisions essential to the continued success and effectiveness of any voting rights legislation. To reiterate, these provisions are the section 5 preclearance provisions, the 10-year extension of the act's coverage, inclusion of language minorities, the addition of jurisdictions in which there exists in illiteracy rate higher than the national average, and the permanent nationwide ban on literacy tests.

Opposition to an extension of the Voting Rights Act may exist in part because of a mistaken impression that the act is a great burden imposed on a particular region of the country solely by representatives whose districts are unaffected. I wish to note, however, that my own district is one of those affected by this legislation: It is located in one of the three counties of New York which are covered by sections 4 and 5 of the act. It is not despite but because of our experience under the act that I support H.R. 6219 and oppose the Wiggins substitute amendment.

Most jurisdictions covered by sections 4 and 5 never actually sought an exemption from the act. The attorney general of New York, however, did go to court to seek just such an exemption from New York, Kings, and Bronx Counties in New York City. The courts applied the same standards to us in New York as are applied to covered jurisdictions in the South. After 2 years of litigation and three appeals to the Supreme Court, New York was denied an exemption. The case was lost because of evidence introduced by the New York NAACP which showed that our literacy test, like Virginia's, was adopted for a discriminatory purpose, and that minority voters in New York, like those in Gaston County, N.C., were more likely to be illiterate because they had attended inferior schools.

Section 5 has been applied to a large number of State and local laws in New York. Last year we submitted to the Attorney General under that provision the new senate, assembly, and congressional district lines in the three covered counties. The Attorney General disapproved many of these lines. Using the same standards applied to submissions from Southern States, the Attorney General found that the lines divided up concentrations of minority voters and placed the fragments in districts with white majorities. As a result there were large numbers of nonwhite voters in white districts, but very few white voters in nonwhite districts. The Attorney General's decision required the Governor to call a special session of the State legislature, which adopted new lines more fair to all.

We have not found that compliance with the section 5 preclearance procedures is a serious or significant problem. In fact, knowledge that we are covered by section 5 has had the laudable effect of detering last minute changes in election laws. I have been advised by civil rights lawyers that in numerous occasions during the last several years they have been able to persuade the city board of elections to refrain from taking potentially discriminatory steps by invoking the act. None of this offends the dignity of the city or the State.

For the past 2 years New York City has been providing all voting and regis-

UMI

tration materials in both Spanish as well as English. This is a result of a court decision in Torres against Sachs brought by the Puerto Rican Legal Defense and Educational Fund. The court found that using English-only materials violated two provisions of the Voting Rights Act, that prohibiting the use of literacy tests and that banning English language literacy tests for Puerto Ricans. We have found that providing dual language materials is not only entirely workable, but are substantial assistance to many Spanish speaking voters in New York. Title III of H.R. 6219 would extend this type of requirement to the entire country without need for further litigation.

So it is as a representative of a jurisdiction covered by the Voting Rights Act that I speak to you today and urge you to renew the act for 10 years by adopting H.R. 6219. Time has been short since the original Voting Rights Act of 1965 was enacted—a mere 10 years. The time has been much shorter in which the essential section 5 preclearance provision have been properly and frequently used, and again, it was only in 1970 that the act was expanded, with the temporary ban on literacy tests included.

I hope that all of my distinguished colleagues will join me in full support of all the provisions of the bill H.R. 6219, and oppose any attempts to alter the substantial strength and extended coverage of that bill.

Mr. EDWARDS of California. Mr. Chairman, I have no further requests for time.

Mr. BUTLER. Mr. Chairman, I have no further requests for time.

Mr. EDWARDS of California. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. STUDDS, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks during general debate on the bill, H.R. 6219.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MAKING SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1975

Mr. MAHON. Mr. Speaker, I move to take from the Speaker's table the bill H.R. 5899 with the remaining amendment in disagreement and move that the House recede from its disagreement to the amendment of the Senate No. 107 and concur therein with an amendment, as follows:

In lieu of the matter proposed in said amendment insert the following:

"RAIL TRANSPORTATION IMPROVEMENT AND EMPLOYMENT

"For administrative expenses and preparation of plans to provide assistance to financially distressed railroads for repairing, rehabilitating, and improving railroad roadbeds and facilities, $5,000,000 to remain available until December 31, 1976: *Provided, however,* That these funds shall be available only upon the enactment of authorizing legislation."

The Clerk read the title of the bill.

The SPEAKER. The Clerk will report the Senate amendment to the text of the bill.

The Clerk read the Senate amendment, as follows:

Senate Amendment No. 107, page 39, line 15, insert:

"RAIL TRANSPORTATION IMPROVEMENT AND EMPLOYMENT

"For payment of financial assistance to assist railroads by providing funds for repairing, rehabilitation, and improving railroad roadbeds and facilities, $700,000,000 of which not to exceed $7,000,000 shall be available for administrative expenses of the Secretary to remain available until December 31, 1976: *Provided, however,* That these funds shall be available only upon enactment of authorizing legislation."

The SPEAKER. The Clerk will report the motion offered by the gentleman from Texas (Mr. MAHON).

The Clerk read as follows:

MOTION OFFERED BY MR. MAHON

Mr. MAHON moves to take from the Speaker's table the bill H.R. 5899 with the remaining amendment in disagreement and move that the House recede from its disagreement to the amendment of the Senate numbered 107 and concur therein with an amended, as follows: In lieu of the matter proposed in said amendment insert the following:

"RAIL TRANSPORTATION IMPROVEMENT AND EMPLOYMENT

"For administrative expenses and preparation of plans to provide assistance to financially distressed railroads for repairing, rehabilitating, and improving railroad roadbeds and facilities, $5,000,000 to remain available until December 31, 1976: *Provided, however,* That these funds shall be available only upon the enactment of authorizing legislation."

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. MAHON) for 30 minutes.

Mr. MAHON. Mr. Speaker, when the $5 billion emergency employment appropriations bill passed the House and went to the Senate, the Senate added $700 million for grants to railroads—not loans, but grants to railroads. This was the major controversy in conference on the jobs bill.

We had a rollcall vote in the House on this item, and the position of the House that we not provide the $700 million for grants to railroads was overwhelmingly sustained. It was sustained to a considerable extent on the basis that there was no enabling legislation—no authorization for the program whatever.

So the emergency employment bill was approved by the House and the Senate and sent to the President without the unauthorized $700 million program of grants to railroads.

Then the other body added on to the second supplemental appropriation bill the same amount, providing the $700 million for the railroads. We went to conference and brought back in disagreement the $700 million item. The House voted on this amendment again and turned it down by 215 votes to 136 votes.

Therefore, the bill was returned to the other body on the day that we recessed, on the 22d of May. The other body refused to accept the House provision and voted, about 46 to 16, to insist upon the $700 million of unauthorized grant money to the railroads.

The situation now is that this bill must go to the President promptly. It must be enacted. It provides about $15 billion for the fiscal year which ends June 30 and it is hung up on this one item.

The bill, as approved by both bodies, provides for paying employees of the Federal Government an additional $1.7 billion. It provides $752 million for veterans. It provides $884 million for food stamps. It provides $176 million for child nutrition. It provides $5 billion for unemployment compensation. For public assistance, it provides $1.7 billion. It provides $1.7 billion to cover the cost of providing $50 to every recipient of social security benefits as required by the tax bill.

Mr. Speaker, the urgency of this matter is that funds are already exhausted for certain veterans' payments, and funds will very soon run out for many of these other programs to which I have referred. There is a great urgency that we pass this legislation and send it to the President.

There are 45,000 veterans whose payments are now being delayed. The next two payment cycles will be for 300,000 veterans and will require some $100 million, for which funds are not available, but will be made available in this bill.

Then I mentioned unemployment compensation. Loans to certain States for unemployment compensation benefits are in serious jeopardy. Three States, Michigan, Vermont, and Connecticut, have exhausted their resources and must receive loans from the Federal Government.

The language to which we are objecting in the Committee on Appropriations, which was put in the bill by the Senate, is the following:

For payment of financial assistance to assist railroads to provide funds for repairing, rehabilitating, and improving railroad roadbeds and facilities, $700 million, of which not to exceed $7 million shall be available for administrative expenses of the Secretary to remain available until December, 1976: *Provided, however,* That these funds shall become available only upon the enactment of authorizing legislation.

Mr. Speaker, my motion does not provide any $700 million for the rehabilitation of railroads. It does not provide any money for actual rehabilitation of railroads. It simply provides for administrative expenses and for planning in the event some kind of authorization is passed. There is no money for construc-

tion. It is just for administrative expenses and for planning.

Just let me read the motion. It provides:

For administrative expenses and preparation of plans to provide assistance to financially distressed railroads for repairing, rehabilitating, and improving railroad roadbeds and facilities, $5,000,000 to remain available until December 31, 1976: *Provided, however,* That these funds shall be available only upon the enactment of authorizing legislation.

The House vote when this matter was before us on May 22 was 215 against the $700 million and 136 for. The vote today is on whether or not to provide $5 million in administrative and planning money in the event Congress does pass a program for bailing out the railroads that are in distress, and it will not become available until authorizing legislation is enacted. If authorizing legislation is enacted, the money will become available immediately for administration and for planning.

I see in the Chamber the gentleman from Pennsylvania (Mr. ROONEY) who is working on the authorizing legislation. I would be glad to have that gentleman comment upon my statement in regard to whether or not this would be considered appropriate as it relates to authorizing legislation.

Mr. ROONEY. As I assured the gentleman last week, Mr. Chairman, before we adjourned for the recess, I said that we were going to hold hearings on the 22d, 23d, 24th, and 25th of June. I think this is an excellent way to handle the disagreement with the Senate. I can assure you that I will hold these hearings and we will report in a bill that will provide moneys for railroads that need the moneys. I am talking about bankrupt railroads, I am not talking about profitable railroads, and conceivably that is where the $700 million possibly would go.

Mr. CEDERBERG. Mr. Speaker, would the gentleman yield?

Mr. MAHON. I yield to the distinguished ranking minority member of the Appropriations Committee.

Mr. CEDERBERG. Mr. Speaker, I opposed the $700 million that was not authorized, as did our chairman. However, I recognize the urgency of this supplemental. As has already been pointed out by the chairman, the gentleman from Texas (Mr. MAHON) we have unemployment checks that are in jeopardy, and veterans pension checks, and consequently we urgently need this supplemental.

In discussions with the chairman and with the other House conferees, we felt this amendment might be the vehicle by which we could move this matter, because I just do not see how we can delay it any longer.

It is in that vein that I intend to support the amendment to be offered by the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I am sure the gentleman from Michigan (Mr. CEDERBERG) as well as the gentleman from Texas, would like to see this whole matter postponed until we know what the features of any authorizing legislation may be. But we do need to reach a compromise because of the urgent nature of other items in the bill, and since this proposed compromise does not provide any funds for any railroad at this time, and requires authorizations before it can be expended, I think we can accept this as a reasonable compromise in view of all the circumstances.

I think it is important that we have a rollcall on the issue, so that we can demonstrate the position of the House. The House in the two previous votes indicated strongly that it does not want to provide any money for the railroads themselves unless and until such a program is authorized. Under the amendment pending at this time we would provide money only for administration and for planning so that immediately upon the passage of legislation authorizing appropriations, the funds will be available for the planning and administration. Then we can take whatever action the Congress wants to take about an appropriation.

Mr. CEDERBERG. Mr. Speaker, I agree with the gentleman from Texas.

Mr. MAHON. I thank the gentleman from Michigan.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the proposed substitute amendment by the gentleman from Texas (Mr. MAHON). It is representative of the inconsistent positions which have been taken thus far in this bill.

I must explain why the position of the House is patently inconsistent in this bill. May I direct your attention to amendments Nos. 88 and 90 which the House, by unanimous consent, voted to recede and concur therein. Notice that each of the two amendments provided funding for as yet unauthorized programs. Further notice that they provide that funds shall be available only upon enactment of authorizing legislation. This is exactly the same language we are here involved with in Senate amendment No. 107. May I further direct your attention to page 39 where the bill provides as yet unauthorized funds to the National Railroad Passenger Corporation in the amount of $74 million. Further note that this "House" provision in the bill provides "that $59,800,000 shall be available only upon enactment of authorizing legislation."

Now there is an amendment on the floor to provide $5 million for planning and development providing that no funds shall be available until authorizing legislation is passed. This language which provides that funds shall be made available only upon enactment of authorizing legislation was the reason my previous amendments on this subject was so violently opposed. Now there is an amendment on the floor with that same type of language proposed those who were so opposed to the language in my previous amendments. Therefore, if my amendment was bad because there was no authorization bill, then this $5 million amendment is bad because there is no authorizing bill.

Mr. Speaker, it is clear that the procedural position of the House on this amendment is inconsistent and contradictory with the rest of the bill. What is the purpose of this inconsistency? Why do we relax our conviction on requiring preceding authorization on three amendments and then take a complete about-face and require it on a fourth amendment?

Fellow Members, based on the latest information received by the Department of Labor and the Federal Railroad Administration—my amendment could have returned every unemployed railroad worker to work on rail rights-of-way rehabilitation projects. Let me remind you that this amendment was originally in the "emergency jobs bill."

Its purpose is primarily to create jobs. The benefits from the rights-of-way rehabilitation projects are secondary to the main purpose of creating those jobs. Railroads in every State could be eligible for funding of this type. This amendment is not intended to benefit any particular geographical sector of the country. This funding will have national application. Mr. Asaph Hall, acting Administrator of the Federal Railroad Administration advises that there are 3,500 miles of rails stockpiled by the railroads across the country with no funds to employ construction crews to use them. Further, there are more than 24 million railroad ties sitting in railroad yards ready to be used. Surprisingly, almost half of these materials belong to railroads in the Nation's western district. The last estimate from the Federal Railroad Administration was that $40 million per month will put every unemployed railroad worker back to work. Accordingly this funding can keep these men at work through the end of the transition period.

Let me reemphasize that no funds under my amendments were to be made available until appropriate authorizing legislation was passed. The purpose of my amendment was to make funds available as soon as authorizing legislation is passed. Because of the 4th of July recess and the August recess, it is doubtful we can pass an appropriation bill after the authorizing legislation before the summer is over. That is why it is so important to act now.

I want to remind my colleagues that now a new issue has been brought up before this House saying if we do not pass the bill, the veterans are going to go without benefits, and Federal employees will go without salaries. Yet I was up here the night before we recessed and said, "Let's stay here and work, and let's get this done," and the Members took a 10-day recess. They could not even get a quorum here that night, if the chairman will recall.

Why was the chairman not worried about the veterans at that time? How could we go home on a 10-day recess and not pass this bill for the veterans? We could have gone back to the conference with the Senate.

I hope the Senate has the tenacity to stand up there today and not accept this amendment. If they do that, maybe we can go back to conference. Perhaps we

can get a compromise and then when the Committee on Interstate and Foreign Commerce, headed by the very able gentleman from Pennsylvania, (Mr. ROONEY) passes out a bill between the July-August recess, we might get this to conference with the Senate. Perhaps at that time we can have the $700 million ready to go to put 31,045 people back to work.

What is going to happen here, Mr. Speaker, is that this delay is going to prevent any work to begin in the colder areas of this country during the winter. That is what I am concerned about.

I hope the amendment is defeated, because it is merely an empty provision. It does nothing. It merely provides $5 million for planning after authorization. Let us not kid anyone.

Fellow members, this appropriation will not solve all our rights-of-way problems but it will make a start. In this past year, a derailment outside of Decatur, Ill., resulted in explosions that completely destroyed an elementary school. Luckily, no one was in the building at the time. Also this past year a railroad car loaded with explosive materials derailed under the city of Chicago, Ill. Luckily there were no explosions. The incident could have resulted in the destruction of an area encompassing three city blocks. These two incidents are representative of more than 10,000 which occurred last year due to the dilapidated state of our roadbeds. Why do we drag our feet and hide behind the mask of procedural arguments when we can take the initiative to put every unemployed rail worker back on the job and off the welfare rolls as well as a positive step in rehabilitating our rail right-of-way.

Fellow members this arbitrariness and inconsistency flys in the face of responsible legislation. We must not relax procedure arguments on three portions of one bill and utilize them to thwart a fourth provision in the same bill. We now have the opportunity and means to enact timely, prudent and responsible legislation. Let us rise to the occasion.

I urge my colleagues to defeat the motion on the floor and recede and concur therein with Senate amendment No. 107.

Thank you, Mr. Speaker.

Mr. Speaker, I have no further requests for time.

Mr. MAHON. Mr. Speaker, I would just like to state to my colleagues that these issues respecting the urgency of the matter before the House today was pressed by me and others on the floor on May 22, and I was here, myself, as chairman, trying to secure action on this bill in order to take care of the urgent needs of veterans and others. I am back here today trying to do the same thing, even though some of the veterans' checks are being delayed.

I think that it is clear that what we are doing here today is trying to work out a compromise that will be reasonably acceptable.

Further, Mr. Speaker, the gentleman from Massachusetts (Mr. CONTE) has suggested that we are abandoning our principles by providing the $5,000,000 without authorization when we objected to providing the $700,000,000 on the grounds that it was not authorized.

Mr. Speaker, I would suggest that there is a world of difference in providing $5,000,000 for administration and planning purposes than in providing $700,000,000 for a program that does not even exist.

Even though I would personally have preferred to provide nothing until a program has been authorized, in the spirit of compromise I think it is reasonable to provide $5,000,000 for planning purposes so that as soon as an authorization bill is passed, the essential development of procedures and planning that is necessary can get underway.

The important point is that the House and the other body must develop a program for the railroads before funds are provided.

I do hope the House by a resounding vote will support the position set forth here in order that the other body may be persuaded to accept this compromise which we have undertaken to develop today.

Mr. MAHON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MAHON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 228, nays 95, not voting 110, as follows:

[Roll No. 248]

YEAS—228

Abzug	Carter	Haley
Adams	Casey	Hamilton
Addabbo	Cederberg	Hanley
Anderson, Calif.	Chappell	Hanrahan
Andrews, N. Dak.	Collins, Ill.	Harris
Annunzio	Collins, Tex.	Harsha
Archer	Conyers	Hastings
Ashley	Corman	Hawkins
AuCoin	D'Amours	Hayes, Ind.
Badillo	Davis	Hays, Ohio
Beard, R.I.	de la Garza	Hefner
Bedell	Dickinson	Heinz
Bennett	Dingell	Heistoski
Bergland	Downey	Hicks
Bevill	Duncan, Oreg.	Hightower
Blanchard	Edwards, Ala.	Hinshaw
Blouin	Edwards, Calif.	Howe
Boggs	English	Hubbard
Boland	Evans, Colo.	Hungate
Bonker	Evans, Ind.	Hutchinson
Brademas	Fascell	Ichord
Brinkley	Fenwick	Jenrette
Brodhead	Findley	Johnson, Colo.
Brooks	Fisher	Johnson, Pa.
Brown, Calif.	Flood	Jones, Okla.
Brown, Mich.	Flowers	Jordan
Brown, Ohio	Flynt	Karth
Buchanan	Ford, Mich.	Kastenmeier
Burgener	Ford, Tenn.	Kazen
Burke, Calif.	Fountain	Keys
Burke, Fla.	Fraser	Krebs
Burleson, Tex.	Fulton	Krueger
Burlison, Mo.	Fuqua	LaFalce
Butler	Gaydos	Landrum
Carney	Ginn	Latta
Carr	Gonzalez	Lehman
	Guyer	Levitas
	Hagedorn	Litton
		Lloyd, Calif.
		Lloyd, Tenn.
		Long, La.
		Long, Md.
		Lott
		McClory
		McCollister
		McCormack
		McDade
		McFall
		McHugh
		McKay
		McKinney
		Madden
		Mahon
		Mann
		Mazzoli
		Melcher
		Metcalfe
		Meyner
		Mikva
		Miller, Calif.
		Mink
		Mitchell, Md.
		Mitchell, N.Y.
		Morgan
		Moss
		Murphy, Ill.
		Murtha
		Myers, Ind.
		Natcher
		Nedzi
		Nix
		Nolan
		Nowak
		Oberstar
		O'Brien
		O'Neill
		Ottinger
		Passman
		Patman, Tex.
		Patten, N.J.
		Patterson, Calif.
		Pepper
		Perkins
		Peyser
		Pickle
		Poage
		Pressler
		Preyer
		Price
		Pritchard
		Quie
		Randall
		Rangel
		Rees
		Regula
		Reuss
		Rhodes
		Richmond
		Risenhoover
		Rodino
		Rogers
		Roncalio
		Rooney
		Rose
		Rosenthal
		Roush
		Roybal
		Ryan
		Sarbanes
		Schneebeli
		Schroeder
		Schulze
		Sebelius
		Seiberling
		Sharp
		Shipley
		Shriver
		Sikes
		Sisk
		Skubitz
		Smith, Iowa
		Smith, Nebr.
		Solarz
		Spellman
		Spence
		Stanton, James V.
		Steed
		Steelman
		Stokes
		Studds
		Sullivan
		Symms
		Talcott
		Taylor, N.C.
		Thompson
		Thone
		Traxler
		Treen
		Udall
		Ullman
		Van Deerlin
		Vander Veen
		Vigorito
		Waggonner
		Wampler
		Weaver
		White
		Whitten
		Wiggins
		Wilson, C. H.
		Winn
		Wirth
		Wright
		Wylie
		Yates
		Yatron
		Young, Ga.
		Young, Tex.
		Zablocki

NAYS—95

Armstrong	Goldwater	Moffett
Ashbrook	Gradison	Moore
Baldus	Grassley	Moorhead, Calif.
Bauman	Green	Moorhead, Pa.
Biester	Gude	Mosher
Broyhill	Hall	O'Hara
Burke, Mass.	Hansen	Pike
Byron	Hechler, W. Va.	Quillen
Clancy	Heinz	Riegle
Clawson, Del	Holt	Rinaldo
Cohen	Horton	Robinson
Conable	Hughes	Runnels
Conte	Hyde	Russo
Cornell	Jarman	Santini
Crane	Jeffords	Sarasin
Daniel, Dan	Johnson, Calif.	Satterfield
Daniel, R. W.	Kasten	Shuster
Danielson	Kelly	Simon
Dellums	Ketchum	Staggers
Devine	Kindness	Stanton, James V.
Downing	Koch	Steiger, Ariz.
Drinan	Lagomarsino	Stratton
Duncan, Tenn.	Lujan	Studds
Early	McCloskey	Symms
Edgar	McDonald	Talcott
Emery	Macdonald	Thornton
Fiorio	Maguire	Tsongas
Forsythe	Martin	Waggonner
Frenzel	Matsunaga	Whalen
Giaimo	Miller, Ohio	Whitehurst
Gibbons	Mineta	Young, Alaska
Gilman	Moakley	Young, Fla.

NOT VOTING—110

Abdnor	Cotter	Henderson
Alexander	Coughlin	Hillis
Ambro	Daniels, N.J.	Holland
Anderson, Ill.	Delaney	Holtzman
Andrews, N.C.	Dent	Howard
Aspin	Derrick	Jacobs
Bafalis	Derwinski	Jones, Ala.
Barrett	Diggs	Jones, N.C.
Baucus	Dodd	Jones, Tenn.
Beard, Tenn.	du Pont	Kemp
Bell	Eckhardt	Leggett
Biaggi	Eilberg	Lent
Bingham	Erlenborn	McEwen
Bolling	Esch	Madigan
Bowen	Eshleman	Mathis
Breaux	Evins, Tenn.	Meeds
Breckinridge	Fish	Mezvinsky
Broomfield	Fithian	Michel
Burton, John	Foley	Milford
Burton, Phillip	Frey	Mills
Chisholm	Goodling	Minish
Clausen, Don H.	Hammer-schmidt	Mollohan
Clay	Hannaford	Montgomery
Cleveland	Harrington	Mottl
Cochran	Hébert	Murphy, N.Y.
Conlan	Heckler, Mass.	Myers, Pa.
Nichols	Scheuer	Teague
Obey	Slack	Vander Jagt
Pattison, N.Y.	Snyder	Vanik
Pettis	Stanton, J. William	Walsh
Railsback	Stark	Waxman
Roberts	Steiger, Wis.	Wilson, Bob
Roe	Stephens	Wilson, Tex.
Rostenkowski	Sullivan	Wolff
Rousselot	Symington	Wydler
Ruppe	Taylor, Mo.	Zeferetti
St Germain		

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee for, with Mr. Zeferetti against.

Mr. Breckinridge for, with Mr. Bingham against.

Mr. Evins of Tennessee for, with Mr. Mottl against.

Mr. Nichols for, with Mr. Mollohan against.

Mr. Walsh for, with Mr. Rousselot against.

Mr. Railsback for, with Mr. Conlan against.

Mr. Goodling for, with Mr. Derwinski against.

Mr. Hillis for, with Mr. Beard of Tennessee against.

Until further notice:

Mr. Hébert with Mr. Baucus.

Mr. Teague with Mr. Barrett.

Mr. Ambro with Mr. Cotter.

Mr. Eilberg with Mr. Alexander.

Ms. Holtzman with Mr. Andrews of North Carolina.

Mr. Leggett with Mr. Aspin.

Mr. Milford with Mr. Biaggi.

Mr. Delaney with Mr. Phillip Burton.

Mr. Dent with Mr. Clay.

Mr. Bowen with Mr. Eckhardt.

Mr. Breaux with Mr. Abdnor.

Mr. Murphy of New York with Mr. Hannaford.

Mr. Montgomery with Mr. Bell.

Mr. Rostenkowski with Mr. Henderson.

Mr. St Germain with Mr. Jones of North Carolina.

Mr. Stephens with Mr. Mathis of Georgia.

Mr. Charles Wilson of Texas with Mr. Anderson of Illinois.

Mr. Minish with Mrs. Heckler of Massachusetts.

Mr. Dominick V. Daniels with Mr. Broomfield.

Mr. Diggs with Mr. Derrick.

Mr. Dodd with Mr. Erlenboon.

Mrs. Chisholm with Mr. John L. Burton.

Mr. Fithian with Mr. Esch.

Mr. Foley with Mr. Bafalis.

Mr. Neal with Mr. Cleveland.

Mr. Obey with Mr. du Pont.

Mr. Roberts with Mr. Don H. Clausen.

Mr. Slack with Mr. Eshleman.

Mr. Roe with Mr. Coughlin.

Mr. Stark with Mr. Fish.

Mrs. Sullivan with Mr. Frey.

Mr. Jones of Alabama with Mr. Hammerschmidt.

Mr. Howard with Mr. Kemp.

Mr. Holland with Mr. Lent.

Mr. Harrington with Mr. Madigan.

Mr. Jacobs with Mr. McEwen.

Mr. Meeds with Mr. Scheuer.

Mr. Pattison of New York with Mr. Mills.

Mrs. Pettis with Mr. Snyder.

Mr. Ruppe with Mr. William J. Stanton.

Mr. Wolff with Mr. Vanik.

Mr. Symington with Mr. Waxman.

Mr. Wydler with Mr. Steiger of Wisconsin.

Mr. Vander Jagt with Mr. Taylor of Missouri.

Mr. Mezvinsky with Mr. Bob Wilson.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendment No. 107 to the bill, H.R. 5899, upon which we have just voted.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FINANCIAL CRISIS IN THE POSTAL SERVICE

(Mr. HANLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HANLEY. Mr. Speaker, when we passed the Postal Reorganization Act of 1970, many proclaimed that a new day had dawned. The Postal Service was going to be run according to the best of business principles and was going to move rapidly toward self-sufficiency.

Top-flight management talent from business was imported to perform this miracle, often at the expense of career employees who had a wealth of experience in moving the mail. Unfortunately, much of this promise has failed to materialize, and for various reasons we now must face some harsh realities.

To put it bluntly, the Postal Service is now facing a financial crisis of great magnitude. In 1974, the Postal Service incurred a net debt of approximately $450 million and received $1.6 billion in various appropriations. For fiscal year 1975, it is estimated that the debt will exceed $800 million on top of approximately $1.5 billion it will receive in appropriations. For fiscal year 1976, the estimates include a $1.6 to $1.8 billion debt on top of at least $1.4 billion in appropriations.

In the 3 years before the Postal Reorganization Act, the total shortfall between revenue and expenditures ranged between $1.1 and $1.5 billion. It does not take a financial genius to see that the Postal Service is not making great strides toward financial self-sufficiency. On the contrary, the Postal Service appears to be going down the road of financial disaster unless something is done rather quickly to shore it up.

In the Postal Reorganization Act we gave the Postal Service the authority to borrow up to $10 billion. It was anticipated that this borrowing authority would be used primarily to fund capital improvements. No more than $2 billion in debt can be incurred in any one fiscal year, and no more than $500 million a year can be applied to cover operating expenses. To date, the Postal Service has borrowed $750 million, about $500 million of which was applied to the 1974 deficit. The Postal Service Board of Governors recently approved the borrowing of another $1.5 billion by July. Only $500 million will go toward capital improvements. The remaining $1 billion will be divided, with $500 million going to cover the amount borrowed for the 1974 deficit and $500 million to be used to cover part of the 1975 projected deficit of more than $800 million.

Thus, of $2.25 billion borrowed or authorized to be borrowed, more than half—or $1.5 billion—will be or has been applied to cover operating expenses. The Postal Service cannot continue to do this and expect to remain solvent. And since the projected deficits far exceed the authority of the Postal Service to use borrowed money for operating expenses, we are facing an immediate crisis which in the next few months could lead to unpaid bills, unmet payrolls, and radical cuts in service. In other words, the Postal Service would be skirting bankruptcy if it were a private business.

Why has this happened? What has occurred to make the predictions of vast improvement and self-sufficiency made when the Postal Reorganization Act passed in 1970 seem so hollow a scant 5 years later?

The cases are many and complex.

Management turnover and inexperience, particularly at the headquarters level, has taken its toll. One of the goals of the Postal Reorganization Act was to encourage long-term continuity of top management. The leaders in the postal reform movement cited the turnover in top level management due to political appointments as a major cause of inefficiency and lack of direction in the old Post Office Department. They argued that we must bring in businessmen and give them an opportunity to stay in the job for a sufficient period of time to make felt the impact of new policy directions.

In this respect, the promise held out by the Postal Reorganization Act has failed to materialize. Since 1970, we have had three Postmasters General, three Deputy Postmasters General, and a multitude of Assistant Postmasters General. There have been at least two major reorganizations and an almost constant process of minor reorganizations and policy changes on a national, regional, and district level.

This state of flux has taken its toll in poor and costly decisions, lack of clear policy direction, the loss of experienced employees who were replaced by men and women from the business world who, though competent in their own fields, have often failed to grasp the true public service nature of the Postal Service, and declining morale among employees at all levels.

To be fair, the situation appears to be stabilizing now, and the Postal Service does enjoy the talents of many fine executives. I am very hopeful that Ben Bailar's Postmaster Generalship will be a long and fruitful one. It would also be a mistake to place the Postal Service's ills at the feet of management exclusively, but management turnover and inexperience has taken its toll.

A second major factor has been the impact of inflation on the Postal Service. Inflation has hit us all, of course, but it has hit the Postal Service even more severely than most Federal agencies. For example, the Postal Service is probably the biggest user of transportation in the United States. Skyrocketing fuel costs have hit the Postal Service severely—some $3 million a year is

added to operating expenses for every penny increase in fuel costs. And, of course, the Postal Service must heat and air-condition a vast network of facilities throughout the Nation, a very expensive item in this day of escalating utility bills.

With the cost-of-living increasing, demands on the part of labor for adequate salary adjustments are an important factor in the Postal Service's financial picture. Some 85 percent of all Postal Service costs are directly related to salaries and fringe benefits. The salaries of employees in bargaining units are tied to the cost of living, so as that index rises, so do postal labor costs.

In these, and many other ways, inflation has eaten away at the financial structure of the Postal Service in an intensity which was unanticipated in 1970.

Another factor has been the failure of the Postal Rate Commission to act expeditiously on requests for rate adjustments by the Postal Service. The Postal Reorganization Act established a relatively complex procedure for the establishment of postal rates. At the heart of the procedure is the requirement that hearings on rate cases be conducted in accordance with the quasi-judicial type hearing procedures outlined in the Administrative Procedure Act. This is both time consuming and expensive for intervenors. The first rate case took 17 months to decide and the current rate case has been pending since September 1973. It is expected that a recommended decision will not be ready for another 2 or 3 months. The Postal Service estimates that it is losing because of the slow rate process $7 million a day.

Thus, the Postal Service will probably not, under current law, be able to place a temporary rate increase into effect until December or January. If the Rate Commission had acted with reasonable speed, an increase may have been placed into effect during the spring or early summer.

While none of us like the prospect of a rate increase, the Postal Service cannot operate without revenue and the bulk of its revenue comes from postal rates. It has become evident that the Postal Rate Commission procedures are not designed for the expeditious adjustment of rates during a period of rapid inflation.

Another factor is the relative inexperience of the Commissioners. The Commission was supposed to be a body of five experts who would serve for long terms. This has not been the case. Since 1970, there have been a total of eleven commissioners and four different chairmen. Many of the appointees, which are not confirmed by the Senate, have not even had a nodding acquaintance with ratemaking of any sort, much less with postal rates. There is disquieting evidence, in fact, that the Commission has become little more than a political dumping ground to provide well-paid sinecures for honorable but unqualified people. This has taken its toll in the ability of the Commission to face its responsibilities squarely instead of succumbing to internal bickering and nonproductive fights with the Postal Service. Certainly the Commission should not be a Postal Service rubberstamp. But it should be able to act more expeditiously and responsibly.

Finally, the public service nature of the Postal Service is an important, but little discussed, factor in the Postal Service's financial picture. The Postal Service is supposed to be operated in a businesslike manner and, in fact, we have provided Postal Service management with many flexibilities which are patterned after business experiences. But this is not to say that the Postal Service can act like a business in every way.

The Postal Service operates a vast communications network essential to America's commercial, cultural, and social life. The Postal Service is limited in the extent to which it can cut service before such cuts have a deleterious effect on our economy. And, certain levels of service are demanded by the American people—levels of service which may not be economical for the Postal Service, but which are considered essential. Six-day delivery, post offices in small towns and rural areas, window service at hours convenient to the customer are examples of services which are expensive but important for good mail service.

In times of economic stress, the Postal Service cannot cut services, close facilities, and engage in layoffs to the extent that private industry can, if for no other reason than such actions would not be consonant with efforts by other government agencies to spur economic recovery.

Thus, to summarize, the Postal Service is in a financial bind because of management turnover and inexperience, the impact of inflation, the inability of the Postal Rate Commission to act quickly and effectively in postal rate cases, and the public service nature of the Postal Service. No single factor could alone have caused the problems with which we are faced. The real problem arises because the full impact of these factors have coalesced to place inordinate financial pressure on the Postal Service at this time.

What can be done to alleviate this situation? In the long run, the approaches taken in H.R. 2445 provide a solid foundation for responsible action.

H.R. 2445 authorizes increased appropriations for public service costs of up to 20 percent of operating expenses. This would replace the current authorization of 10 percent of 1971 appropriations. The authorization would be renewed biennially, whereas the current authorization is a permanent one. For comparison, if H.R. 2445 were in effect today, an authorization of approximately $2.4 billion would apply, as opposed to the current $920 million, or a net increase of about $1.5 billion.

Another feature of this provision is the elimination of the break-even concept included in the Postal Reorganization Act. The current public service authorization is scheduled to decline by 1 percent a year beginning in 1979 to a floor of 5 percent in 1984. The Postal Service will then decide whether or not to continue to request funds under this authorization.

Recent events have shown to me that the public will not be well served by the break-even concept. Elsewhere, I have discussed my attitude toward this issue and will not repeat it here. It is suffice to say that the unique public service performed by the Postal Service for all citizens requires, to my mind, some funding from the General Treasury. Such will help assure quality postal service at relatively reasonable rates.

H.R. 2445 also contains a series of provisions which would simplify Postal Rate Commission procedures. Such a move would allow the Commission to act more expeditiously and at the same time enable individuals and organizations to participate in rate cases for substantially less cost. Some consideration will also be given to requiring the Commission to act with a specified period of time.

These provisions, or variations of them, which may come out of subcommittee and committee deliberations, will not, however, solve the immediate financial problems of the Postal Service. Short of doing nothing, which would at a minimum require severe service cuts, two courses of action must be considered: either an emergency appropriation or an authorization for the Postal Service to place a rate increase into effect immediately. Neither of these are particularly palatable or popular solutions, and I hope that we will not have to take such extreme measures. But I would be less than fair if I did not make some attempt to inform the Members and the public that we may have to make some hard decisions in the near future.

THE 29TH ANNIVERSARY OF THE ITALIAN REPUBLIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today is the 29th anniversary of the founding of the Italian Republic. On June 2, 1946, the Italian people voted away the remains of a bankrupt fascist regime, established a republic, and elected a constituent assembly. The war-weary Italians yearned for a new beginning, and on that day they expressed their faith in parliamentary democracy as the form of government best suited to lead Italy on the road to recovery and peace, while guaranteeing individual freedoms and national integrity.

June 2, 1946, was indeed a new beginning. The remarkable achievements of the Italian Republic in the past 29 years have amply shown that the Italians had made the right choice.

The road was not easy. The fledgling Republic was beset with many problems—political, social, and economic. In the economic realm, everything needed to be done. In 1946, Italy suffered from the ravages of the war added to 20 years of Fascist mismanagement and incompetence. Hunger and disease were rampant. Thousands of homes were mere rubble. One-quarter of Italy's railroad tracks, one-third of its bridges, one-half of its powerplants, and two-thirds of its roads were destroyed as a result of the intensive fighting which had taken place on Italian soil.

Great strides were made by the Italian people and their Government to overcome these problems and begin anew. Indeed, Italy became a powerful member of the European Economic Community and a major industrial power of the world. The northern part of the country became a leading industrial center in Europe and dynamic growth was experienced in all sectors of the economy.

Although the southern part of the nation traditionally lagged behind the rest of Italy in economic growth, the Cassa per il Mezzogiorno, or fund for the south, was established and billions of dollars were poured into the region to help finance public works and agrarian reform, establish new industries, and create vocational and technical schools.

The most recent economic difficulties experienced by Italy have been turned around and recent news reports indicate that since the beginning of 1975, Italy's inflation rate has been trimmed by 40 percent, the balance-of-payments deficit has been changed into a surplus, and foreign loans of more than a billion dollars have been repaid.

Giovanni Agnelli, head of the Fiat auto works and president of the Italian Confederation of Industry, is quoted as saying:

> In 1974, the country was losing a billion lira a month; we were hemorrhaging to death. A year ago, the Communists had what amounted to a lien on the government. That is gone now. There is enormous economic elasticity in Italy, as we are now in the process of proving.

Agnelli also mentions that—

> The unions and management have acquired a certain amount of trust in one another; there is a mutual credibility that did not exist before. This was the fruit of the economic crisis. If it proves long-lasting—and I sincerely believe it will—the crisis may even have been worthwhile. Certainly, we regard the unions as much more reasonable now. Doubtless, they would say the same about us.

These accomplishments are all the more impressive when one remembers that Italy's parliamentary regime has had to face antidemocratic opposition on two fronts. Attacks and terrorism through the years have come from the extreme right and the extreme left. In light of this opposition, the Italian Republic has shown remarkable resilience and stability. Moreover, in the North Atlantic Treaty Organization, Italy has been and continues to be a stalwart and loyal Western ally.

Italian vitality and ingenuity have not been confined to economic development and political stability. The postwar era was also a new beginning for the arts. The establishment of democratic institutions in 1946 guaranteed the freedom necessary for artistic expression. True to their humanistic heritage, Italian artists and intellectuals have focused their attention on personal and social problems, problems of change and problems of stagnation with such fancy, imagination, and poignancy, that their works have achieved worldwide relevance and acceptance.

Italy, through the centuries, has maintained an advanced civilization and has served as the font of Western culture. Her legal system is a model for the West, her language is the tongue of music, and her Renaissance stands as one of man's greatest achievements. Her glorious history is reflected today in her bright and beckoning future and in the outstanding accomplishments made during the era of the Italian Republic.

Mr. Speaker, it is, therefore, with pride and admiration that I offer my congratulations to the Italian people and to their Ambassador to the United States, His Excellency Egidio Ortona.

On this glad occasion, I pay tribute to the Italian people and their outstanding leaders for the achievements made during the 29-year existence of the Italian Republic, and I extend warmest best wishes to the people of that great Republic as well as to our many friends of Italian decent in my own 11th District of Illinois, throughout the United States, and all over the world who are joining in the celebration of this anniversary.

SPECULATION—A MAJOR CAUSE OF THE RECESSION

The SPEAKER pro tempore (Mr. MCFALL). Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 10 minutes.

Mr. PATMAN. Mr. Speaker, it is not often that Arthur Burns, Chairman of the Federal Reserve Board, and I are in agreement in assessing the weaknesses of our economy. In his address on May 6 to the Society of American Business Writers, Chairman Burns candidly conceded that since the mid-1960's the American economy suffered from speculative excesses. He singled out four speculative waves that sapped our national vitality and contributed importantly to the deep recession that we are now experiencing.

They include: First, the heavy volume of corporate mergers and acquisitions that obscured the traditional business objective of seeking larger profits through better technology, marketing and management; second, stock market speculation wherein performance-minded institutional investors drove up stock prices to levels that could not be supported by corporate earnings experience; third, real estate speculation in land, condominium and other structures, many of which remain vacant because they are too expensive to rent or to buy; and fourth, the massive accumulation of inventories by businesses that gave rise to shortages and escalating prices.

Where Chairman Burns and I part company is in the explanation of these speculative waves. He largely blames the speculation on what he terms "a lack of discipline in governmental finances." But the real cause of the speculative excesses was the ready availability of credit from commercial banks and other financial institutions which financed the speculative activity.

Such speculation financing is detailed in a study on "credit flows and interest costs" that was recently issued by the Subcommittee on Economic Progress of the Joint Economic Committee. This study, which was prepared by Arnold H. Diamond, economic consultant to the committee on loan from the Department of Housing and Urban Development traces the large credit outlays by commercial banks and other lenders to finance speculation in land, the stock market, foreign currencies, bank trading securities, and inventory stockpiling by businesses. It also measures the diversion of funds from the U.S. credit markets through loans to foreign borrowers and the spectacular growth of direct lease financing by commercial banks.

These speculative loans were made in a period when the overall volumes of credit, particularly short-term loans to business and foreign borrowers, were extended in record amounts at historically high interest rates. As documented by the JEC study, each identifiable economic sector obtained a larger amount of credit in 1974, as compared to 1973, with the exception of housing. Significantly, as the JEC study shows, perhaps one-fourth of the higher interest costs resulting from the record levels of interest rates prevailing in 1974 were financed by the U.S. Treasury through the tax deductions of interests cost and the high interest rates on Treasury borrowings in 1974.

Chairman Burns now complains that "the canons of financial prudence that had been developed through hard experience were set aside—questionable loans were extended at home and abroad, insufficient attention was given here and there to the risks of dealing in foreign exchange markets and too much bank credit went into the financing of speculative real estate ventures."

While such public handwringing cleanses one's soul, it would have been much better if the Federal Reserve Board, together with the other bank supervisory agencies, had acted to stop, or even slow down, the loan extensions for speculative activities. Had they acted in time, the inflation last year would have been less virulent, the inventory stockpiling would have been less vigorous, and the ensuing recession would have been much milder.

STATEMENT BY CONGRESSMAN BOB SIKES TO THE NORTHWEST FLORIDA PRESS CLUB, MAY 30, 1975, RELATING TO NEW YORK TIMES CHARGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 30 minutes.

Mr. SIKES. Mr. Speaker, on May 22 the New York Times published a lengthy article implying a conflict of interest because I had sponsored legislation enacted in 1962; legislation which was sponsored at the request of a local Florida governing agency for its benefit. The Times implied that the legislation also benefited land on which a lease was held by a company in which I was a stockholder. The company was the CBS Development Corp. The legislation was not intended to apply to the CBS lease and, in my opinion, did not. The Times charge is false, as I indicated on May 22 when I took the floor on a point of personal privilege to refute the Times statement.

UMI

I now offer for the benefit of my colleagues details on the operations of the CBS Development Corp. and the reasons for my statement that the Times allegations are not only baseless, but deliberately false. It is well to recall, also, that the Times charge is based on legislation enacted 13 years ago. A number of newspapers subsequently have sought to make capital of the same story, but all have dropped it because they saw it had no validity.

Now let me begin the chronology of the legislation under discussion.

After World War II there was rapid demobilization in military forces and a very big drop in the wartime economy enjoyed by northwest Florida. Pensacola Naval Air Station and Eglin Air Force Base were cut far below their wartime strengths. The Panama City shipyard, Tyndall, the Panama City amphibious naval base, and Whiting were closed or scheduled to close. Faced with severe economic problems, the area leaders were searching frantically for new activities which would help offset loses in revenue.

The Federal Government owned all of Santa Rosa Island with its unmatched but little-used beaches. West Florida had long cast wistful glances at the lucrative tourist industry of south Florida. The beaches could open the door to tourism. After conferences with district leaders and at their request, I introduced legislation to transfer title of the western half of the island to Escambia County which once had owned all of it. The eastern half was still being used by Eglin, but Eglin officials agreed to the transfer of 3 miles of the beach immediately adjacent to Fort Walton Beach to Okaloosa County. Another bill was introduced to accomplish this. Almost as an afterthought, a low-lying area east of the pass and formerly a part of Santa Rosa Island was included. It was partically submerged and considered largely worthless.

It was first estimated that the 3-mile strip contained 600 acres. There had been no survey to establish accurately the acreage. During the transfer proceedings, it was established that the tract contained about 875 acres. No one attempted to estimate the acreage of the two small islands east of the pass and several miles away. Please remember that neither the U.S. Corps of Engineers nor the Island Authority, which was later established, considered the 875 acres to include the two small islands which are now termed Holiday Isle. This bill was passed in 1948.

In 1953 the State legislature created an Island Authority for the supervision of the property. Streets were laid out and lot lines established on the 3-mile tract. There was some speculator activity, but only very limited development.

I felt that the Island Authority lots represented a very good investment. Nevertheless, I refrained from investing there, even when prices were at their lowest. I did not want it said I was trying to cash in on my own legislation and I knew there would always be some who claimed that had been my purpose in passing the bill.

I do not apologize for the fact that I am a businessman. I believe in the American free enterprise system. I have confidence in northwest Florida. Most of my investments have been in northwest Florida real estate. Most of the property which I own was accumulated slowly in earlier years when prices were low. Actually, I never had much money to invest. Of the property which I acquired, that which I still have is now much more valuable. Anyone who invested in well-located property in northwest Florida between the 1930's and 1950's knows what has happened to land values as development progressed.

Later a situation developed which looked attractive as an investment. In 1955 the Island Authority had leased the low-lying areas east of the pass for $100. This is the property known as Holiday Isle. Obviously they did not place much value on it. They had no plan or obligation then or later to develop that area with streets and utilities similar to those required for the 3-mile, 875-acre tract. In fact, I thought they should have kept the area for park purposes, but they leased it instead.

As a condition of the lease, the authority required that the lessors spend $50,000 to improve the property within a 30-month period. It was Ben Cox, a longtime friend, who told me that the lessors were unable to comply with the requirements for development and would soon be in default. In 1957, he and Newman Brackin and I arranged with the lessors to acquire their lease. This was 9 years after the legislation was passed. If there were any others interested in acquiring the lease, then or before, I did not hear of it. Most people laughed at the idea that Holiday Isle would in time be valuable property. There was still much desirable land available which was less subject to tidal and storm damage and much less costly to develop.

We bought the lease for $50,000, though we thought it high for a lease which had cost $100 just a few years before. We also took in another associate, George Trawick. We four were the stockholders of CBS. Then came the problem of developing the land. We had a lease from the Island Authority which called for a 1-percent assessment on all revenues received. Those who acquired leases on the 3-mile, 875-acre tract paid 2 percent, but the authority provided their streets, utilities, and maintenance. The authority assumed no responsibility of any kind to assist in the development of Holiday Isle. CBS was the red-headed stepchild that had to make its own way. Nevertheless, we managed to meet the requirements for improving the property at our own expense. We had to borrow money to do so. We paid 1 percent on all revenues received, of whatever kind, including sales of property. Those leasing property on the 3-mile, 875-acre tract pay a 2-percent fee on receipts from transactions other than sales of property. This gave them another advantage not enjoyed by the CBS lease.

A few years later the Island Authority found itself having problems in their attempts to obtain funds to provide the improvements needed on the 875-acre tract. A reverter clause in the original legislation had been specified by the military in order to insure that the property would be used for recreational purposes. Recreational purposes had later been construed to mean virtually any activity associated with the use and enjoyment of the beaches. However, the existence of the reverter clause was making it very difficult for the authority to borrow the money needed for development. CBS was not having a similar problem because our developments were small, a little at a time, funding requirements were not large, and the banks were willing to accept our paper. I repeat, the Island Authority was not committed in any way for any improvements on Holiday Isle. Holiday Isle had to pay its own way.

At the request of the authority, and with the concurrence of military officials, I introduced and passed a bill cancelling the reverter clause. The bill was introduced in 1961 and action completed in 1962. It is this bill on which the New York Times attempts to make a case that the bill was for my own benefit. The bill was introduced 14 years ago and passed 13 years ago. It is a little late for the Times to "discover" an interest in it.

Now let me call your attention to the official report on the original bill conveying the property to Okaloosa County. It includes not only the 3-mile strip but also, and I quote, "that part of Santa Rosa Island which lies east of the new channel at East Pass, consisting of two small islands." I have also the report on the bill which repealed the reverter clause. It mentions only the 875-acre tract. Nothing is said about the property east of the pass. This was deliberate. I assumed that Holiday Isle was excluded by the way in which the language of the report was written. Others have said the language is broad enough that this property also can be considered as included in the bill. This situation could mean a cloud on the title and that a further bill would be required for clarification. Anyway, my intentions were clear. I did not seek to cancel the reverter clause on Holiday Isle. I did not consider that I was affected by the legislation and did not expect to benefit from the introduction and passage of the bill. It was intended only to help the Island Authority make improvements on the 875-acre, 3-mile tract—improvements which my leasehold was not eligible to receive.

The effect, if any, of the reverter clause on the CBS property is now a moot question. Development on the CBS lease has largely been completed, but only after years had elapsed. The property has been developed after great effort and expense to the lessors. The Government has no interest in reacquiring it. The property has no defense value and to reacquire it would mean reimbursing the investors.

Undoubtedly the cancellation of the reverter clause helped the Island Authority with its development plans on the 3-mile, 875-acre tract. Improving economic conditions probably helped considerably more. Long after significant progress was being made in the development of the 3-mile tract, CBS was still having serious difficulties making progress on Holiday Isle. Most of it was too low for development. Sand had to be pumped in or bulldozed at the expense of the lessors. Development was too costly to be undertaken except a little at a time. Many investors were afraid of the low-lying aspects of the property. Old-timers remembered that, before development, a lot of it was under water even after a heavy rain. Sales were slow.

It was years later before any appreciable sales were made, and the prices were considerably lower than those prevailing on the larger tract. Actually, it was a sales drive by John W. Brooks Realty that sold much of the land then available, but only at very low down payments and long terms. It was a bargain-basement type of operation. We had thought we were stuck with the property. This was in 1967 and 1968, 5 and 6 years after the passage of the reverter clause bill.

Still later, land speculation spread to all of northwest Florida and beach land prices simply went through the ceiling. Regrettably, it came too late to benefit CBS. We sold our interests in mid-1972 for $600,000. Some of the remuneration was in sales contracts on leases. I had received limited income from sales prior to that time. I still received a small amount from the sales contracts which have not been fully paid out. The total received after taxes is not an impressive return for 15 years of effort and investment, and it is much, much smaller than that which the New York Times seems to imply.

I have seen comments about additional payments to CBS based on future sales by White Sands, and which bought the CBS holdings. I know nothing about this. I was not present when the sale was negotiated. But I can tell you there have been no receipts to CBS from sales by White Sands in the 3-year interval since White Sands acquired the property.

The sudden bloom of Holiday Isle and the emergence of condominiums and similar developments came more than a decade after the passage of the reverter clause bill and only after the discovery by investors that northwest Florida was a relatively undeveloped area ripe for additional activities. It appears that some people have made a lot of money on Holiday Isle since CBS sold its holdings. Those are the breaks of the investment game.

Much has been written about land on Holiday Isle which is not on the tax rolls. At the time that CBS holdings were sold, there was no tax roll for any of the island property. Ad valorem taxation came later and still is an unresolved question. The courts have not completed action on it. The U.S. Corps of Engineers asked CBS for an easement for spoilage disposal on a part of the island. Most of you know what problems everyone, including the Government, encounters today on finding areas for spoilage disposal. Without maintenance dredging, East Pass, which is used by thousands of boats, could not be kept open. CBS gave the engineers the easement they wanted. I repeat—CBS gave the engineers the easement they wanted. There was no compensation. I have been repeatedly advised by reliable sources that the easement was not used in spoilage operations which benefited CBS. Some of the spoil was deposited west of the pass, some on the western tip of Holiday Isle which is owned by Okaloosa County, and some of it at the base of the jetty where the land which was "made" is completely under the control of the engineers.

The greater part of the land fill which is the subject of newspaper comment comes from accretion. It has always been difficult to keep East Pass open. Jetties were constructed to help accomplish this. The jetties stopped the westward drift of beach sand from tidal action, with which people are familiar all along the northern gulf coast. This resulted in accretion at the point nearest the jetty. Ordinarily accretion is considered to belong to the upland owner. He loses from erosion; gains from accretion.

CBS made no attempt to develop the property in question and did not offer it for sale. The press seems reluctant to clarify the fact that the accretion and/or fill problem has no relation whatever to CBS. The press says the effect of the soil pumping was to increase the area of the property which is now almost twice the size it was in 1967." They say nothing about accretion. If they are implying pumping or accretion doubled the size of CBS holdings, or even made a major addition to them, the statement is false.

The press has carried a statement indicating major manipulation by CBS through secondary corporations. There was one instance, only one, when there had been no development on Holiday Isle, and CBS set up a subsidiary corporation which built five or six houses. This was in an effort to get some action started on the island. There had been no development.

That in general is the story of CBS. This is the information which I gave to a meeting of the Northwest Florida Press Club in my district on May 30. The facts on this matter also were made available to the New York Times by my attorneys well in advance of publication of their charges. Facts, of course, are of little concern to a publication like the New York Times. Their antidefense, prowelfare record is clearly known. They championed Fidel Castro as the Robin Hood of the Caribbean after he was flying communist flags and displaying huge pictures of Lenin all over Cuba. They helped to break the story that the United States was raising a sunken Russian submarine which could have given secrets of great value to our defense forces. Their action helped to kill the operation and to deny our country these valuable secrets. Only Russia and the Communists benefited. These illustrations are only the tip of the iceberg where Times proclivities are concerned.

It is a policy of the New York Times and others of their type to drown facts with words, confuse and obscure their meaning with meandering innuendos which say little or nothing but which readily can be construed to mean, but do not say, except in the headlines, what the publication wants you to believe. Then they repeat the charges with variations day after day until the public has only the accusation to remember. This, of course, is similar to the Communist "big lie" technique, which works very well for the Communists. Here we call it yellow journalism. The Times is antidefense and proliberal. That is their right. But have you ever known the Times to speak out for America, or only what is wrong with America?

The New York Times charges of conflict of interest are false. They know this. Unfortunately, public officials have very little or no protection from an unscrupulous press. One of the unbelievably bad decisions of the U.S. Supreme Court said the press could lie about public officials with immunity unless malice can be shown. Of course, it is extremely difficult to prove a newspaper lied with malice, even when it is obvious they lied.

The policies of the New York Times in publishing Government secrets in clear violation of the law—a timid Department of Justice lets them operate beyond the law—helps to destroy our effectiveness in defense and diplomacy, and could one day cost the lives of millions upon millions of Americans.

We need so much to work together as a Nation to protect the principles, the heritage and the traditions of America. The press seldom seems to care about these things. They jealously speak of freedom of the press, but what we have is a censorship imposed by the liberal press in America. There is virtually no way for a conservative to get a favorable press. I question that the dictatorships practice a censorship that is any tighter than the one which the liberal press of this country imposes on conservative public officials. To the liberal press, anything a conservative does is wrong.

Perhaps these are the reasons more and more people tell me they no longer believe anything they read in the newspaper. They are tired of twisted, biased reporting and warped editorializing.

You have long known that I fight for the causes in which I believe. I like to see people stand together and work together for things that are constructive. I think we must nourish and keep alive confidence in America. Recently I read a quotation from a young woman's address to her graduating class: "Our problem today is not so much the noise of the bad; it is the silence of the good." I think it is both the noise of the bad and the silence of the good. But so very often all that we hear is the noise of America's detractors. They love to wallow in the wrong and ignore the good. This country has something special to offer—freedom, the right of every person to live in peace and dignity, the right to pursue a livelihood with opportunity for those who really seek it.

This also is an important part of the free enterprise system—something which may be slipping away from us very fast.

Does the liberal press want America to lose the free enterprise system? Do they feel that a welfare populace is more easily controlled than an independent taxpaying citizenry?

LEGISLATION TO CONVEY PROPERTY TO THE CITY OF HAINES, ALASKA

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

UMI

man from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing a companion bill to S. 1365 which was introduced on April 7, 1975 by Mr. STEVENS of Alaska. This bill would convey title to the city of Haines, Alaska, in order to give the community greater flexibility in their development. The land was obtained originally by deed from the Department of the Interior. The deed had a restrictive clause which required that this property be used as a school or for other public purposes.

Initially, the building on the site was used for a school and later was converted into a health center. When the health center became obsolete the building was used as a teen center; still later the deteriorating building was condemned by the fire department. The building is in a residential area. It is no longer adequate for public use. For these reasons the city would like to sell the property as well as the building. Because of the restrictive clause in the deed this is not presently possible.

The community of Haines would derive a much greater benefit from the sale of the land and the buildings than is possible through any use of the building at present. The building is capable of use by other groups and there is, therefore, a market for it. The city has agreed to use the proceeds from the sale for the benefit of the community. The receipts will be used to construct a building or purchase land for public purposes in the city. The new facility is to be restricted to public purpose uses in perpetuity.

I request that the city of Haines be given this opportunity to make the best use of the building and the land. I hope that this bill will be referred to the proper committee and acted upon favorably.

H.R. 7511

A bill to authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the Secretary of the Interior is authorized to transfer by quitclaim deed or other appropriate means to the city of Haines, Alaska, all right, title, and interest remaining in the United States in and to the following described lands in the City of Haines, Alaska, together with all improvements thereon:

Beginning at the NW Corner of Lot 17 in Block 13, which is the same as Corner 1 of the Native School Reserve; thence N. 76° 23½' West 58.11 feet to Corner No. 2; thence South 17° 58' West 165.26 feet to Corner No. 3; thence S. 76° 45' East 82.08 feet to Corner No. 4; thence N. 9° 38' East 164.65 feet to Corner No. 1, the place of beginning, containing 17,531 square feet.

Lots 8 and 9 of Block 13 in the Townsite of Haines, Alaska, containing a total of 7,330 square feet.

Lot 17 of Block 13 in the Townsite of Haines, Alaska, containing a total of 5,885 square feet.

SEC. 2. No conveyance may be made under this Act unless the City of Haines has shown to the satisfaction of the Secretary of Interior that:

(1) the city of Haines will sell such land and improvements referred to in the first section at not less than fair market value;

(2) the proceeds from the sale thereof will be used to acquire property or to construct a building to be used for public purposes; and

(3) any amount by which the proceeds from the sale of such lands and improvements referred to in the first section exceed the acquisition costs of property or construction costs under clause (2) shall be paid to the United States.

SEC. 3. If the requirements of section 2 are satisfied, the Secretary of the Interior is authorized to enter into an agreement or agreements with the City of Haines, Alaska, whereby, in consideration of a quitclaim deed to the City of Haines of all right, title, and interest remaining in the United States in and to those lands and improvements conveyed to the City of Haines, the City of Haines:

(1) agrees that title to any property acquired or building constructed with the proceeds of the sale of such property and improvements referred to in the first section of this Act will vest in the United States if such property or building acquired or constructed with the proceeds from such sale ever ceases to be used for a public purpose; and

(2) agrees to execute, within ninety days after acquiring such lands, a deed to this effect and deliver said deed to the Secretary of the Interior.

TO COMMEMORATE THE IDEALS CONTAINED IN THE POLISH MAY 3 CONSTITUTION OF 1791

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, on the third of May of this year, a great celebration was held in Chicago to commemorate the freedom and ideals contained in the May 3 Polish Constitution of 1791.

Thousands of people marched in a colorful parade down State Street as close to a quarter of a million people lined the streets to participate.

My good friend and our colleague, Senator BIRCH BAYH, delivered the principal address at civic ceremonies at the Civic Center Plaza following the parade. It was a marvelous address which I would like to share with all of my colleagues for it touches on the very soul of this Nation. I include Senator BAYH's address in the official RECORD today.

ADDRESS BY SENATOR BIRCH BAYH

It is a distinct pleasure and a great privilege to participate in this third of May Polish Constitution Day Celebration.

I know the proud heritage of the Polish people. That heritage is evidenced in the spirit of my own constituents of Polish descent who contribute so much to the communities in which they live and which I represent in the Senate.

The entire history of Poland and particularly the May 3rd Constitution of 1791 stand as enduring tributes to the unswerving dedication of the Polish people to the principles of freedom, justice, equality, social progress and individual liberty. It has been an unfortunate fact of history that although the Polish people have for generations cherished freedom, tyrannical neighbors and leaders have made Polish liberty more a dream than a reality.

It is the great tragedy of Poland that her citizens today are not free to practice the principles embodied in the May 3rd Constitution. But it is the great triumph of the Polish people that the spirit of freedom has never died—neither in Poland nor in the lands to which Poland's sons and daughters immigrated to begin new lives.

We in this country owe much to Poland and her people. In times of national crisis Polish Americans have always responded with honor. When our founding fathers were engaged in a life and death struggle for independence and liberty, two Polish patriots were largely responsible for improving the effectiveness and fighting qualities of American troops who they trained and helped to lead.

Throughout our history this nation has been enriched by hardy, freedom loving Polish immigrants who came here seeking refuge from tyranny. Bringing with them their humanitarian ideals and love of liberty, they have added strength and durability to our American character. Their skills and hard work helped to build this country and make it the richest and most powerful nation in the world. They have greatly enhanced our intellectual and artistic life. And above all, they have consistently championed our nation's freedom and have courageously defended it on battlefields throughout the world.

As we in America approach our 200th year as a free and independent nation, it it appropriate that we remember that the people of Poland share with us common hopes and dreams. Let us never forget that the philosophy of government expressed in our own Declaration of Independence and Constitution is also expressed in the Polish May 3rd Constitution.

And let us never forget that despite a history of oppression, the spirit of freedom in Poland lives on in the hearts of her people.

When I was in Poland some years ago I had the privilege of talking with Stefan Cardinal Wyszyński. He spoke eloquently of the centuries long struggle of the Polish people to achieve and maintain their freedom and independence. He spoke of the courage and the faith that have sustained them through the years, through the invasions and the partitions. And Cardinal Wyszyński told me that for the oppressed people of Poland, America was an indispensable symbol of liberty—of hope for the day when Polish citizens would again know liberty.

In these days of detente, we must not forget that for the people of Poland and for other oppressed millions a strong and free America still represents hope—hope for freedom and justice for all people everywhere. We must remain true to that hope.

As we celebrate this anniversary of the Polish May Third Constitution and as we approach our own bicentennial as a free nation, I am deeply concerned that many Americans have lost faith in our country, our institutions, our leaders and often in themselves.

To be sure, our generation is confronted with difficult and complex problems. But other generations have been confronted with adversity and each generation has faced it with confidence that the problems could be solved within the framework of our free institutions. And each generation has succeeded.

We cannot ignore today's problems. They do exist. But with all of our problems, let us not overlook the true strengths of America. This is still the most powerful country in the world. This is still a nation with a wealth of natural and human resources, the most efficient system of agriculture, the greatest industrial potential and, most important of all, the strongest free institutions in the world.

We must get Vietnam and Watergate behind us once and for all. We must turn from the past and look to the future. We cannot tolerate that kind of pessimistic, backward looking leadership which embraces an economic policy that puts more than 8.5 million Americans out of work.

With the needs of our people and the unfinished business of our communities there is no reason why every American who wants to work should not have a job. I am tired of listening to those so-called leaders who continuously tell us what we cannot do. We need leadership what tells us what we can do and the will to do it.

To be sure, our space-age problems are complex, but I believe a nation which marshalled the know-how and the will to get to the moon can marshal the know-how and the will to find new sources of energy to heat our homes and fuel our industry here on earth. The technological excellence that can produce a plane that can fly three times the speed of sound can certainly produce an automobile that gets 30 miles to the gallon without polluting our atmosphere.

With positive leadership, with hope in the future and faith in the potential of this great land that we love we can solve our problems and build a better nation and a better world.

As we confront the task of building an America of spirited minds, healthy bodies, clean neighborhoods and streams and fresh air; an America with jobs for every man and woman who wants to work; an America where every family has a decent home and where the elderly have lives of dignity and usefulness; we must understand that the true quality of a better life must be built on the solid foundation of individual liberty and justice.

One of the most significant differences between our democracy and totalitarian regimes is that we encourage ethnic and cultural diversity in this country and gain strength from it while the Fascists and the Communists feel threatened by diversity and ruthlessly repress it.

Here the noble purposes which inspired our forefathers and the high ideals which they cherished endure today in the hearts of Americans of all ethnic backgrounds. We believe in an America in which each ethnic group has the freedom to develop its own unique qualities and strengths, where the language, culture, traditions, music and customs of each is respected by the others and where all of us can work together to achieve peace, social progress and justice for ourselves and all mankind.

There are some well intentioned individuals who insist these differences, these customs, these traditions are not important in America today. Nothing could be farther from the truth.

As we gather here to commemorate the freedom and ideals contained in the May Third Polish Constitution of 1791 we must recognize that all peoples are imbued with certain inalienable rights and we must rededicate ourselves in this generation in America to those principles of liberty and freedom contained in the Bill of Rights. We must remain eternally vigilant to ensure these rights for ourselves so this country may continue to serve as the symbol of hope for oppressed peoples everywhere.

The ultimate test of our belief in liberty and freedom is the tolerance with which we insist on protection of the rights of those with whom we disagree. It is easy to defend the rights of those with whom we agree. It is much harder, but perhaps more important to defend the rights of those with whom we disagree.

Each of us should remember the comment of Pastor Niemoller in Germany a quarter of a century ago.

"... they came after the Jews. And I was not a Jew. So I did not object.

"Then they came after the Catholics, and I was not a Catholic. So I did not object.

"Then they came after the Trade Unionists. I was not a Trade Unionist. So I did not object.

"Then they came after me. And there was no one to object."

I intend to object. And I am sure that those who are freedom loving Polish Americans are going to object.

DEATH CLAIMS EISAKU SATO, ADVOCATE OF UNITED STATES-JAPAN FRIENDSHIP, NOBEL PRIZE PEACEMAKER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA), is recognized for 10 minutes.

Mr. MATSUNAGA. Mr. Speaker, Japan's distinguished former Prime Minister Eiskau Sato, leading advocate of United States-Japan friendship and Nobel Peace Prize winner, passed away today following an illness of several weeks duration. He was 74 years of age. I know that my colleagues will want to join me in extending heartfelt condolences to Mr. Sato's family and to the Japanese people. His family and his countrymen can take great pride in the fact that Mr. Sato lived a long and honorable life, dedicated to the service of his country and to the cause of world peace.

Mr. Sato's 8 years of service as Japan's Prime Minister spanned a period of great change in the Pacific area, for Japan and also for the United States. It was during the 1960's that Japan became one of the world's major industrial powers and began to assume a truly equal role in the affairs of Asia and the Pacific. In 1964, when Mr. Sato first assumed office, the United States had not yet begun its massive, ill-fated military buildup in Southeast Asia, and the People's Republic of China was still unrecognized by most Western governments. When Mr. Sato retired at the age of 71 in 1972, still undefeated after serving four 2-year terms as Prime Minister, both the United States and Japan had opened discussions with the People's Republic of China and the United States was attempting to end its military involvement in Southeast Asia.

Mr. Sato, a member of Japan's Liberal Democratic Party, was a staunch proponent of American-Japanese friendship. Perhaps his proudest achievement in this area was the successful negotiation of the reversion of Okinawa. The Treaty of Reversion which returned Okinawa to Japan was due in no small measure to his own personal efforts. He was also a strong supporter of many cultural and political exchange programs, such as the Japan-United States Interparliamentary Conference. His contribution to international understanding and world peace was given highest recognition when he was declared winner of the Nobel Peace Prize in 1974.

With the death of former Prime Minister Sato, the United States has indeed lost a great and unswerving friend. The foundations of Japan-United States friendship which he helped to construct during his tenure in office will stand as a living memorial to Eisaku Sato.

As one who enjoyed his personal friendship for well over a decade I extend to Mrs. Sato and her family my deepest sympathy and heartfelt condolences, and pray that the Good Lord's comfort will be theirs, in their bereavement.

REFORM OF OUR NATION'S FINANCIAL STRUCTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 15 minutes.

Mr. ST GERMAIN. Mr. Speaker, I enter into the CONGRESSIONAL RECORD a speech by Chairman HENRY S. REUSS of the House Committee on Banking, Currency and Housing, on reform of our Nation's financial institutions. The speech was delivered at Louisiana State University and the topic is of paramount concern to my colleagues.

It has been 40 years since any significant change in our financial structure which is now straining under the twin problems of inflation and recession. The speech is a broad outline of the problems with our financial institutions and the issues that will be confronted in the financial institutions and the Nation's economy study now being undertaken by the Financial Institutions Subcommittee.

The speech follows:

FINANCIAL INSTITUTIONS AND THE NATION'S ECONOMY—OUR HOPES FOR THE FINE STUDY

(Remarks of Representative HENRY S. REUSS)

In the course of the nation's history, periods of financial stress have led to monumental reforms that changed the face of banking. The strains of the early 1900's inspired creation of a central bank in 1913. The collapse of the 1930's brought about the Glass-Steagall Act separating investment from commercial banking and setting up the Federal Deposit Insurance Corporation to protect small depositors.

It has been some 40 years since Congress has undertaken a major review of the nation's financial structure. And while the times are not comparable to the panic of 1907 or to the Great Depression, stresses have shown up in the system that cannot be ignored.

Not that our financial house is about to collapse. It isn't. Americans, unlike citizens of some other countries, have no need to feel they must keep a little gold buried in the backyard, or a bank account tucked safely behind the Swiss Alps.

But strains have been building up over the years. The liquidity shortages that developed in 1966, 1970 and again in 1974 have become a little more worrisome each time The demise of three big banks last year, including the largest bank failure in American history, the Franklin National, cannot be passed off as an isolated phenomenon.

Fortunately, after a decade of "go-go banking," a chastened industry is getting back on more solid ground. Relief from the immediate pressures, however, should not be taken as an excuse to forget the problems. The time to shingle the roof is when it is not raining. As far as Congress is concerned, that time is now.

Before we call in the carpenters, however, there are basic questions that need to be asked about our financial system. They go

UMI

well beyond the primary concern of seeing that the system is sound, and that we avoid any depression-era wave of bank failures.

FOCUS ON MONETARY POLICY

We must ask whether decisions on monetary policy, while trying to contain inflation, take adequate account of the nation's need for jobs and economic growth. This Congress has already asserted its fundamental interest in this area by directing the Federal Reserve to disclose its targets for growth of the money supply, and to conduct policy in such a way as to bring long-term interest rates down. The nation's financial organizations cannot function effectively if the raw material of their industry—the money supply—is subject to sudden swings, pulled back and forth by decisions made in secret and far removed from the public policy arena.

The recent appearance by the Federal Reserve Chairman before a Congressional committee to disclose the Board's goal of a 5 to 7½ percent growth in the money supply for the year ahead is an historic event. It helps open a public dialogue on the whole forbidden subject of monetary policy. The nation will be better for it. I was pleased to note Chairman Burns' own conclusion that the development is salutary. Now a retiring member of the Federal Reserve Board known for his conservative views, John E. Sheehan, has pressed the dialogue another round. He asks such questions as whether the powerful Open Market Committee should not make its decisions known immediately instead of keeping them secret (from the public, if not from experienced Fed-watchers on Wall Street) and whether members of the Committee should not be confirmed by the Senate.

MEETING HOUSING GOALS

Another basic issue Congress faces in connection with our financial institutions is how to assure that thrift institutions do not expire of disintermediation every time credit is tight, and that a steady supply of mortgage money is supplied for housing. We have set a national goal of producing 2.6 million housing units a year. But a period of record-high interest rates has drained mortgage money out of the thrift institutions, and plunged housing into the worst depression since the 1930's.

The Administration has offered two proposals for dealing with this problem—variable rate mortgages, and the Financial Institutions Act that would let thrifts become more like banks and encourage banks to do more mortgage lending. But these are piecemeal solutions that need to be looked at in a broader context. Homogenizing banks with thrifts, for instance, opens up other questions such as what kind of competition we want and need in the banking industry, whether regulation is adequate, and who should do the regulating?

It leaves open the basic question of what the public needs from its financial institutions and how the nation's resources should be channeled to those needs. The Hunt Commission, whose recommendations are embodied in the proposed Financial Institutions Act, recognized its own shortcomings.

"The Commission is not the proper agent," it said, "for assessing the divergencies between private and social benefits. It strongly believes, however, that public policies to achieve society's goals should be established where such divergences are found. Elected officials have the responsibility to debate and identify such goals and to devise means of achieving them."

CONCENTRATION OF FINANCIAL POWER

We must inquire into the concentration of financial power in a few big money-center banks. Although there are some 14,500 banks in the country, the 50 largest banks hold over half the total bank deposits.

The tremendous growth of bank holding companies leads to more concentration of financial resources with each new acquisition. It has already reached the stage where upstate New York banks, for instance, charge the international banking giants with what they call "strip mining"—draining economic resources out of the small towns and cities to be disseminated elsewhere in the world.

The holding company phenomenon raises other questions besides concentrating the control of wealth.

What does it do to competition among banks and bank-related services? Banks through their holding companies now lease ships and aircraft, act as advisers and make loans to Real Estate Investment Trusts, sell insurance, engage in factoring, offer computer processing and courier services.

Is it always fair competition when a bank holding company, with all the financial power of its bank subsidiary, engages in businesses that are not strictly banking? Is there not likely to be pressure on a person taking out a mortgage from a bank, for instance, to take out a credit life policy through an affiliated insurance agency?

The concept behind the 1970 bank holding company legislation was to provide for proper regulation in the hope of increasing customer services and competition. But Congress in its authorizing legislation, and the Federal Reserve in its implementation, may have gone too far in permitting acquisitions and development of financial conglomerates. This whole area needs a probing review.

Potentially enhancing concentration is another development that has crept up on us with little notice: electronic banking. The explosion of electronic banking could revolutionize the industry in a very short period of time. Banks are not permitted to branch across state lines, for instance, and in some States are not allowed branches at all or are limited in geographic range. But the Comptroller has ruled recently that an electronic terminal is not a branch, even though a good deal of branch banking can be done over those little machines. The question is how we can take advantage of technological advances while maintaining competition and guarding the interests of the consumer.

GROWTH OF INTERNATIONAL BANKING

The whirlwind growth of international banking confronts us with another great set of problems. Money is now global. It moves across national borders like wind and water, little regulated, little controlled.

Foreign banks operating in this country largely manage to escape the kind of regulation we have built up over the years for American banks. Through state charters, they operate interstate branches—something mostly forbidden to domestic banks. They can and do combine commercial and investment banking. They are not subject to the reserve requirements imposed on domestic banks by the Federal Reserve, which gives them a competitive advantage over domestic banks.

Another problem: The domestic and Eurodollar financial markets are already well on the way toward integration. This has advantages in expanding the pool of financial resources available for domestic use. But it also exposes the domestic economy to the vicissitudes of economies overseas. While we do not want to discourage the movement toward economic interdependence, we must keep a careful watch over how this affects our own financial institutions.

REFORMING REGULATION

Cutting across all these minefields of public policy is the problem of bank regulation. Regulators have not been able to keep up with the heady expansion of the 1960's—an era in which banks found themselves, as the Chairman of Clevetrust Corporation put it so graphically, "caught up in giving analysts a thrill a minute."

For instance, banks were never intended to engage in real estate speculation. Yet through the REIT's—set up for the laudable purpose of channeling more investment into real estate—bank holding companies went overboard in the real estate game. Today they find themselves saddled with billions in shaky loans.

Bank regulation suffers from what Chairman Burns last October called "a jurisdictional tangle that boggles the mind" and a "competition is laxity" among bank regulators. With authority divided among three federal agencies and 50 States, the system leaves too many loopholes. Yet monolithic agencies may be subject to monolithic mistakes. That is a risk we must be wary of in whatever reforms we make in bank regulation.

COMPREHENSIVE REVIEW UNDERWAY

All these problems of the nation's financial institutions interlock in a tangle of legitimate interests and conflicting public policies. We cannot deal with just one set of problems in isolation.

The House Banking Committee is now undertaking a comprehensive review of these questions through its Financial Institutions Subcommittee, headed by the hard-working and knowledgeable Representative FERNAND J. ST GERMAIN of Rhode Island. All members of the full committee will participate. We do not intend to repeat the work of groups that have gone before: the Hunt Commission, the 1961 Commission on Money and Credit, the Heller Report of 1963. We know what St. Thomas Aquinas thought of usury, without another research project.

What is needed at this point is a Congressional review, starting from the viewpoint of what the public needs from its financial institutions. Congress must define what the basic issues are, where the public interest lies, and what should constitute a solid financial system for a nation approaching the 21st century.

The study we are undertaking is not limited to the problems of the financial institutions themselves. The name of our study is Financial Institutions and the Nation's Economy—FINE. So far we have spent a dozen hours thinking up the FINE acronym, and about twenty minutes on the substance. We hope to reverse those priorities shortly.

In drawing up legislation, we in Congress will need all the advice and cooperation we can get from the banking industry, as well as from other segments of society. There is no conflict in our goals. We all want a sound, stable system, diverse and flexible enough to accommodate the needs of a fast-changing, free market economy, a system which encourages investment and harnesses it to the growth of a productive economy.

Our job in Congress is to wed the needs of the financial institutions to the needs of the public. I hope that before the 94th Congress is over at least a trial marriage will have been arranged.

NO DÉTENTE IN SOUTHERN RHODESIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, we have been hearing a lot in recent weeks about the "détente" in Southern Africa. One of the factors in this supposed "détente" was the reported willingness of the illegal and racist Smith regime in Southern Rhodesia to negotiate with the leadership of the African National Council toward majority rule.

Mr. Speaker, I would not want my colleagues to be misled into believing that the Smith regime is seriously interested in negotiating a peaceful and just settlement with legitimate representatives of the people of Zimbabwe—the African name for Southern Rhodesia. The facts indicate otherwise.

Following the release last December of nationalist leaders Joshua Nkomo and Ndabagnini Sithole—who had each been in detention for over 10 years—Reverend Sithole was rearrested this March. Simultaneously, other African nationalists were arrested. We presume they are still being held, although the ANC eventually secured the rerelease of Reverend Sithole to attend a special session of the Organization of African Unity held in Tanzania in April.

The most recent outrage giving the lie to the pious statements coming out of the so-called Government of Southern Rhodesia is the arrest on May 24 of the Rev. Canaan Banana, a well-known ANC leader, as he was deplaning on his return from nearly 2 years of study at Wesley Theological Seminary here in Washington, D.C. He was arrested under a general detention order, which means that he may be detained without charge and without trial for an indefinite period. This outrageous undemocratic procedure is perfectly proper in Salisbury, under the Emergency Powers Act.

I wish to go on record as deploring the arrest of Rev. Canaan Banana. I do not see how we can look for serious negotiation between the African National Council and the Smith regime as long as the "government" continues to capriciously arrest the African leadership of the country. Those who support the continued importation of chrome from so-called Rhodesia by the United States ought to bear in mind the consequences of propping up the economy of that God-forsaken minority-ruled land which, given its present course, is headed toward a costly armed struggle that whites will inevitably lose.

HOME HEALTH CARE—PART XVII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, together with 111 House cosponsors I have introduced H.R. 4772 and H.R. 4774, the National Home Health Care Act of 1975. The bill has been given equally strong support in the Senate where it has been introduced as S. 1163 by Senators FRANK MOSS and FRANK CHURCH, respective chairmen of the Senate and the Senate Subcommittee on Long-Term Care and Committee on Aging, HUGH SCOTT, Senate minority leader, and Senators WILLIAMS, DOMENICI, and TUNNEY.

To discuss the need for home health care and the public support this proposal is receiving, it is my intention to place statements by myself and others commenting on the legislation in the RECORD several times a week. Today I am submitting three statements. The first is the text of an address I delivered before National Association of Home Health Agencies' Legislative Workshop on May 14, 1975. The second and third items are the fact sheet and the policy statement of the National Association of Home Health Agencies.

This is the 17th statement in the series:

ADDRESS TO THE NATIONAL ASSOCIATION OF HOME HEALTH AGENCIES' LEGISLATIVE WORKSHOP

(By Representative EDWARD I. KOCH)

I know that you—as representatives of the Nation's major home health agencies—are aware of the critical problems facing our elderly and disabled in obtaining adequate health care. But you are a select group.

The elderly and disabled, so desperately in need of our concern and help, have long been ignored by our society. Although millions of dollars are paid out each year to maintain them in nursing homes, they are ignored once they are there. We, as a society, ignore the abuses that exist in some nursing homes as a result of unscrupulous operators who overcharge the elderly and their families, sell their nursing homes at high profits to members of their own families and then charge the government through medicaid the higher costs. We ignore such abuses until they are dramatically brought to our attention by investigations. But equally we ignore the basic question of whether particular patients belong in nursing homes at all. And the shock-fact is—many of the people who are institutionalized in nursing homes do not belong there at all.

It is past time for a national commitment to be made to guarantee decent health care for our elderly. We must make that commitment now.

To help the elderly and disabled, we must not look at regulations only. That, in a sense, is the easiest problem to attack. To provide the means to match the needs of the elderly to the care available is much more challenging. For years the nursing home has been the dumping ground for the senior citizens for whom our society no longer has any use. The fact that our nursing homes are crowded is an indication of our inability to offer the elderly a rewarded life at the same time that we offer them a long one. If only our social science could keep pace with our medical science, it would be possible to offer them both.

Together with Senator Moss and Representative Claude Pepper, I have introduced a 49-bill package to require more stringent controls on the nursing home industry, to provide training of additional persons specializing in the care of the elderly, and to support expansion of health services for the elderly.

Central to this effort is my National Home Health Care Act of 1975, which I introduced in refined form on March 12. This bill provides a key alternative to institutionalization. There is no reason why an elderly or disabled person should be institutionalized if it is not necessary. There is no reason to compromise his dignity and independence without necessity. The numbers of elderly and disabled who would benefit by such an alternative—who now are forced to seek institutionalization, whether in a hospital or a nursing home only because of a lack of this alternative—are astounding. A study done for HEW in January of this year cites figures showing that as many as 144,000 to 260,000—or 14 to 24 percent of the Nation's one million nursing home patients may be—I quote—"unnecessarily maintained in an institutional environment."

Such a state of affairs is tragic, for no matter how well maintained a nursing home may be, the effect of entering one upon the patient is depressing—the feeling that one might never leave the facility again to return to the outside world. A major loophole in current medicare/medicaid law is the fact that the alternative, part-time nursing care in the home setting, for those who do not require the full range of services of a nursing home, is far cheaper than institutionalization. Estimates by the General Accounting Office, the Library of Congress, and others, depending on the services provided, say about one-third the cost of nursing homes.

I am still not satisfied with the figures we have, but even if the expense approached the nursing home costs, it would be worthwhile because of the positive impact upon the patient. And, in any event, it is possible to structure the cost payments so that an individual's reimbursement for alternative care through medicare/medicaid could be up to that local area's cost for nursing home care. HEW mentions the possibility of reimbursement up to intermediate care level, but it could be equally possible to apply this idea up to full skilled nursing facility level, which is what medicaid reimburses for institutionalization. Thus patients would be given the choice at no additional cost to the Government.

The National Home Health Care Act, H.R. 4772, provides unlimited visiting nurse and doctor visits as needed to avoid institutionalization. Current law provides artificial limits of one hundred visits under medicare post-hospital coverage and another one hundred, regardless of hospitalization under part B, if the patient pays for it. Medicaid has no federally imposed limits, but states can set their own. Our bill pre-empts both the artificial federal and state limits and allows any needed visits up to the cost of that which would have been reimbursed if the patient were institutionalized.

The bill permits additional services to the home health patient such as physical therapy, nutritional guidance, family and personal counseling, as well as necessary medical equipment such as hospital beds, wheel chairs, salves, oils and other necessities.

In addition, the bill provides assistance with household tasks and repairs, shopping, walking, transportation to doctors' offices and senior centers: and rent subsidies or private home mortgage costs for those who would otherwise require nursing home care. A three-member board, which could include nurses, doctors, social workers, psychiatrists and psychonalysts, and other professionals chosen by HEW, would be instituted to review each patient's need for and level of care.

It is irrational to force thousands of persons to accept institutionalization if they can be helped through home health care. The passage of the national home health care bill will correct this injustice. If enacted, it will hopefully act as a stimulus in the development of existing home health services and expansion of such services throughout the country.

I believe that the National Home Health Care Act has an excellent chance of becoming law in this session of Congress. The bill has 111 cosponsors as of today in the House and wide support in the Senate, where it has been introduced as S. 1163 by Senators Frank Moss, Frank Church, Hugh Scott, Harrison Williams, Pete Domenici, and John Tunney.

With your help we will make home health care a reality either under medicaid/medicare or under national health insurance, if enacted. With your help we will move dramatically closer to the goal of giving the elderly the life of dignity and well-being that should be the reward of their later years.

NATIONAL ASSOCIATION OF HOME HEALTH AGENCIES

FACTSHEET

N.A.H.H.A.

The National Association of Home Health Agencies believes that: the inclusion of in-home health services as an integral part of a

rational health system should result in a reversal of a trend toward institutionalization, increased consumer satisfaction and moderation of rising costs.

Definition

In-home health services are the activities and services provided to individuals and families in their places of residence for the purpose of promoting, maintaining or restoring health, or minimizing the effects of illness and disability.

Advantages

Home care produces greater results in relieving human misery. Various studies have revealed that:

1. 84–90% of the patients preferred home health care to institutionalization.

2. 84–95% of physicians felt that home care could satisfactorily meet the needs of their patients.

3. Home care was the service of choice.

4. Home care enables patients to retain independence.

Home care extends services to residents of ghetto, rural and suburban areas. It increases efficiency in utilization of manpower.

Cost

In-home health services lessens the cost of illness:

1. Home care is 3½ times less expensive *per case* than hospitalization.

2. Home care is 4–5 times less expensive *per day* than skilled nursing home care. (E.C.F.)

In-home health services reduces the high health care costs:

1. Home care saves community funds.

2. Reduces the length of hospitalization.

3. Decreases hospital re-admissions.

4. Makes many nursing home admissions unnecessary.

5. Reduces capital construction costs of new institutional beds.

(New Jersey in 1970 saved Medicare an estimated $3.5 million through selective and proper use of home health services, extended care services and hospitals.)

In-home care insures that given amounts of money will accomplish more:

1. Maximizes each individual's potential for self-care.

2. Extends the efficiency and coverage of practicing physicians.

3. Home environment is more conducive to patient learning than the hospital.

Qualified providers

In-home health services must be furnished only by organizations that meet the following qualifications:

Primarily engaged in providing in-home health services.

Have a readily identifiable governing body accountable for the management of the agency.

Have established policies, reviewed and approved by a committee of health professionals and consumers.

Provide health services under the direct supervision of appropriate health care personnel.

Maintain appropriate clinical records.

Conduct periodic peer reviews and utilization reviews.

Establish policies and procedures for systematic evaluation and revision of their programs.

Summary

In the past, price has been the least important consideration in health care purchases. However, we must solve the current dilemma of too many people requiring care, not enough manpower, (doctors, nurses, etc.) and not enough money. The home must be re-established as to the center of care so that resources will go where they can do the most good for all; the tax-payer, the poor, the elderly, the children, the handicapped, and the disadvantaged. Greater utilization of in-home health services will help develop a high quality health care delivery system that uses the institution as the last alternative.

NATIONAL ASSOCIATION OF HOME HEALTH AGENCIES

POLICY STATEMENT ON HEALTH CARE

I. Preamble

It is the responsibility of this nation to provide all people ready access to a rational system of comprehensive health services. These services must be compatible with the individual's health needs and must be designed to be delivered at the appropriate place at the appropriate time.

For the past forty years, most health professionals of this country have promoted a health care system emphasizing institutionalization for acute and chronic illness. Third-party payors through their financing mechanisms have reinforced the traditional attitudes of institutionalization, thus leaving few alternatives and limited choices available to individuals.

One of the essential choices available to individuals within a health care delivery system must be timely access to high quality in-home health services. These services help prevent physical, emotional and mental illness; speed recovery from illness; facilitate rehabilitation and promote and maintain health and assist in a humane and orderly process of life.

In-home health services will become a viable link in the continuum of health care, when they receive necessary consideration, support and financing. We are committed to a course of action which establishes the home as a center of health care and institutionalization as an alternative to in-home health services.

II. Definition

A. In-home Health Services*

Home health service is that component of comprehensive health care whereby services are provided to individuals and families in their places of residence for the purpose of promoting, maintaining, or restoring health, or of minimizing the effects of illness and disability. Services appropriate to the needs of the individual patient and family are planned, coordinated, and made available by an agency/institution or unit of an agency/institution, organized for the delivery of health care through the use of employed staff, or a combination of administrative patterns.

These services are provided under a plan of care that includes, but is not limited to, appropriate services components, such as medical care, dental care, nursing, physical therapy, speech therapy, occupational therapy, social work, nutrition, homemaker-home health aide, transportation, laboratory services, and medical equipment and supplies.

*This definition has been endorsed by:

Representatives of the Assembly of Ambulatory and Home Care Services, American Hospital Association; the Council of Home Health Agencies and Community Health Services; National League for Nursing; the National Association of Home Health Agencies; and the National Council for Homemaker-Home Health Aide Services, Inc.

B. Qualified Providers

In-home health services shall be planned, organized, developed, provided and maintained by an agency which . . .

1. is primarily engaged in providing in-home services as an effective method of promoting health and optimal function through prevention, treatment, rehabilitation and maintenance for all persons who need such services regardless of age, race, sex, religion, economic status, place of residence or state of health;

2. has a governing body that is readily identifiable and shall be held accountable for the management of the agency and meets all applicable requirements of law of the state or locality in which it furnishes services;

3. has established policies which are periodically reviewed and approved by a committee of health professionals and health consumers, some of whom are not employees of the provider. The committee shall include at least one physician, at least one professional nurse, (preferably a public health nurse), and representatives of health consumers;

4. provides therapeutic services through agency staff under the supervision of appropriate professional health care personnel under a plan of care collaboratively established and periodically approved by the responsible physician;

5. maintains appropriate clinical records on all patients;

6. has a periodic peer review mechanism and utilization review by a committee composed of health professionals not primarily involved in the care of the cases reviewed. This committee shall include at least one licensed professional nurse (preferably a public health nurse), and one licensed physician;

7. has established policies and procedures for ongoing systematic evaluation and revision of the total program;

8. has a planned program of orientation and inservice education for all employees and contractual personnel;

EXHIBIT A: PROPOSED LEGISLATIVE PROGRAM—"HOME HEALTH SERVICES"

Medical Model

The term "home health services" means the items and services furnished by a home health agency to an individual on a part-time or intermittent visiting basis in a place of residence used as such by an individual under a plan of care collaboratively established and periodically approved by the responsible physician. Home health services may include but are not limited to:

1. nursing, physical therapy, occupational therapy, medical-social work, nutrition, speech therapy, podiatry, homemaker-home health aide, as are ordinarily furnished by the home health agency for the care and treatment of home health patients;

2. such drugs, biological supplies, appliances and equipment, as are ordinarily furnished by such home health agency for the care and treatment of patients;

3. such other diagnostic and therapeutic items or services furnished by the home health agency or by others under arrangements with them made by the home health agency, as are ordinarily furnished to patients by either such home health agency or others under such arrangements; and

4. such other related services necessary to provide for the health and safety of the patient including household services which would prevent unnecessary institutionalization; excluding however:

a. any item or service if it would not be included if furnished to an in-patient of a hospital;

b. lodging (rent, utilities, etc.);

9. has viable reciprocal arrangements for transfer of patients' information between other care facilities and in-home health services.

III. Planning, coordination, funding and delivery

A. Comprehensive health planning shall actively involve in-home health agency providers in the planning for meeting the health care needs at national, state and local levels.

By this action, comprehensive health planning shall . . . .

1. promulgate a coordinated plan for providing in-home health care for all citizens;

2. promote maximum utilization of resources and prevent costly duplication of existing services; and

3. assist in the recognition of need and establishment of additional in-home health services.

B. In accordance with the goals and objective of comprehensive health planning, we believe that health services should not be fragmented because of funding. Therefore, we recommend coordination of governmental and private resources at all levels. This is necessary in order to effect expansion and development of in-home health services and to prevent duplication of health services.

C. Levels of care varying in intensity and service components responsive to the individual needs of patients must be available in the home. As patients' needs change, there must be adequate mechanisms for movement of patients within the varying levels of home care, as well as for transfer to other care settings.

IV. Differential costs analysis

Due to economic realities, advances in medical technology, better communications and control systems, we believe that cost units such as per visit, per hour, per diem, per month, and per case must be evaluated and compared because each in its own way limits the type or scope of services which are provided to individual patients.

We recommend that governmental and private funds be used to help providers of in-home health service develop models that use both functional budget practice and differential cost analysis to arrive at a proper unit cost system.

COLLEGE MISERICORDIA PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, the end of the current academic year at College Misericordia in Dallas, Pa., marks the conclusion of one of the most dynamic and inspiring tenures of any college president I have ever known. For the past 10 years, Sister Miriam Teresa O'Donnell, R.S.M., has served as president of College Misericordia, and during the course of the decade the institution has grown in leaps and bounds which have won for it the recognition and respect of academicians and colleges and universities throughout the Nation.

College Misericordia means more to me than its mere presence in my congressional district. It is a place which I have come to know and to love, and its president is a person whom I have admired and respected since the occasion on which we first were introduced. My wife Catherine is an alumna of the college, and this, too, I assure you, Mr. Speaker, further endears it to my heart.

Throughout my entire congressional career, I have had a special working relationship with College Misericordia. Fortunately, I have been able to be of assistance to the school, and I have been the proud recipient of recognition by them on many occasions, including an honorary degree which I received 2 years ago.

College Misericordia last fall marked the celebration of its golden jubilee. From its genesis days as a small college for women founded by the members of the Order of the Sisters of Mercy, it has grown in great dimension, with its undergraduate and graduate programs now available to both men and women.

Throughout the years of economic recession after World War II, the college was able to train thousands of women for careers which, if nothing else, provided for the livelihood of families hard hit by unemployment.

The first four decades of significant advances were followed by the unprecedented growth in progress which began with the appointment of Sister Miriam Teresa O'Donnell as president. A native of New York, she obtained her formal education with a bachelor's degree from Hunter College and a master of arts degree from Columbia University. As a member of the Order of Sisters of Mercy, she taught science and mathematics at St. Mary's High School in Wilkes-Barre, before joining the faculty of the college in the department of mathematics and physics. She later became chairman of the department, prior to her service as president of the school. While her career as an educator has been one of great distinction, her devotion and responsibility to the duties of the religious order where she has spent most of her life have been marked by a dedication of purpose which further contributes to her enriching career. Sister Miriam Teresa O'Donnell seved as provincial councilor of the religious Sisters of Mercy in the Scranton province, before becoming assistant provincial of the Scranton province. While her dual capacities as college executive and religious have commanded the fullest measure of her time, she has been able to serve on the executive committee of the Commission of Independent Colleges and Universities in Pennsylvania, along with her role in the Luzerne County Mental Health Association and its committee on drugs.

In addition to the doctor of laws honorary degree from her own school, Sister Miriam Teresa O'Donnell holds similar tributes from King's College and Loyola University in Baltimore.

During her career as president, the remarkable advances of the college have made it a distinguished institution of higher learning. The construction of North Hall on the beautiful campus and the maintenance and improvement of its vast facilities make the campus hillside setting worthy of the attention of an artist or poet. The imprint of this devout woman is everywhere at College Misericordia, and well it should be.

I could not close my remarks, Mr. Speaker, without paying special recognition to Sister Miriam Teresa O'Donnell for the role she assumed during a time of disaster at a period when much of my congressional district suffered from havoc and misfortune of the worst kind. I refer of course to the awful hurricane Agnes floods of 1972. It was the worst natural disaster in the history of this Republic. Many people, in many ways, contributed to the unbelievable recovery, and Sister Miriam Teresa O'Donnell stands with the best of them. The devastating waters of the Susquehanna River caused the evacuation of several hospitals, and through the foresight and perseverance of the college's president, the campus immediately became an evacuees' center, a hospital, a staging area for those in distress, and a site where human services of every nature could be provided. For day and night, week after week, babies were born, the hungry were fed, the despondent were counseled, the sick were cared for, as a college campus became the focal point of life for those whose dreams and realizations were plundered in the wake of disaster. It was the unyielding determination of this college president which co-ordinated the effort and made it all possible. As the coauthor of the historic Agnes Recovery Act, and as a man who had an awful lot to do with the magnificent recovery of the hundreds of thousands who participated in their own comeback, I shall always recall the contribution of this champion of the human spirit whose dedication caused others to believe that after all, life could go on, bigger and better than ever.

Mr. Speaker, on the Saturday evening to come, the hundreds of friends and colleagues of Sister Miriam Teresa O'Donnell will gather on the College Misericordia campus at a testimonial dinner which will serve as a small token of the appreciation of all who have come to know and love her. As only life would have it, it will be impossible for me to be present for this great gathering. Unfortunately, I will be in Los Angeles to speak to a national convention of cancer researchers and practitioners in my capacity as chairman of the Appropriations Subcommittee for Labor; Health, Education and Welfare. Indeed, I will feel remiss that I cannot take part in the outstanding program of tributes which will be coordinated by my dear friend, Msgr. Andrew McGown, who is acting as toastmaster.

Mr. Speaker, on behalf of the people of northeastern Pennsylvania and all of the College Misericordia alumnae, I say "Ad Multos Annos" to a great woman, a great educator, and a devout participant in the religious order. It can be said of her, as it was said of a great servant in Biblical times, "Well done, thy good and faithful servant."

HOW THE CORPS OF ENGINEERS HAS EXAGGERATED THE CONSEQUENCES OF THE WATER PERMIT PROGRAM UNDER THE WATER POLLUTION CONTROL ACT OF 1972

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I have been dismayed by an overreaction of the Corps of Engineers to the meaning of a decision handed down in March by the U.S. District Court for the District of Columbia defining its water permit responsibilities. The corps has resorted to false and misleading scare tactics in its efforts to try to decrease its responsibility for the "waters of the United States" which Congress gave the corps in amendments to the Water Pollution Control Act in 1972. The corps, in its desire to shirk its responsibilities, has alarmed millions of people across the Nation by erroneously asserting that "permits may be required by the rancher who wants to enlarge his stock pond, or the farmer who wants to deepen an irrigation ditch or plow a field, or the mountaineer who wants to protect his land against stream erosion." This outrageous statement was

UMI

contained in a press release issued from the Washington office of the corps on May 6.

Because of my concern with environmental protection and with the way in which the Corps of Engineers conducts itself, I am placing in the RECORD the text of a letter I sent on May 27 to Secretary of the Army Calloway about the corps' misleading statements:

DEAR SECRETARY CALLAWAY: As a person deeply concerned with the protection of our environment, I am extremely disturbed by the recent actions of the Corps of Engineers regarding the Section 404 permit program under the Federal Water Pollution Control Act. This program is the principal means for protecting our nation's wetlands from unregulated filling. Congress has decided that the protection afforded by this program should extend to the "waters of the United States." The Corps, however, has issued a grossly misleading press release on this matter on May 6, 1975, the apparent intention of which was to generate substantial public opposition against the proper view of the law by exaggerating the potential coverage of the program.

For example, the press release states that a farmer might need a Federal permit before he could plow his field. Nothing in the Act or its legislative history remotely suggests that the Act would require permits for such activities. Later the press release states that under the interpretation of the Act favored by the Environmental Protection Agency, "millions of people may be presently violating the law." This is not the case. While there probably are a number of people who are presently discharging without a permit due to the Corps' unlawfully restrictive program, as Mr. Russell E. Train stated in his May 16th letter to General Gribble on this matter:

"To say, however, that this number approaches millions is totally without basis."

I find it hard to believe that responsible people within the Corps would issue such a misleading press release. I find it inexcusable that General Gribble has not taken action to correct the misimpressions created by the press release since the problems it created were brought to his personal attention by Mr. Train in his May 16th letter. The seriousness of the situation is underscored by the fact that the District Engineer in Nashville, Tennessee, is echoing the statements and sentiments expressed in the Corps' misleading May 6th press release. See the enclosed copy of a story in the *Nashville Banner* of May 7, 1975, as well as the editorial cartoon which appeared the next day.

I am also at a loss to accept as true what appears to be the motive behind the Corps' actions. Apparently the Corps feels that it can gain substantial public opposition against the proper and lawful scope of the Section 404 permit program by exaggerating its potential coverage. If this is the case, the Corps' total recalcitrance in implementing the requirements of the Act. In the Act, Congress quite deliberately broadened Federal control over activities relating to the nation's waters by extending Federal jurisdiction to cover the "waters of the United States." This standard is broader than "navigable waters of the United States," the standard which previously defined the Corps' jurisdiction. In implementing its responsibilities under Section 404 of the Act, the Corps initially proposed regulations which were consistent with the new standard. However, in promulgating final regulations, the Corps decided that it would exercise its responsibilities only within the "navigable waters of the United States," as traditionally defined.

The Corps received notice that its position was inconsistent with the requirements of the Act by the Administrator of the Environmental Protection Agency and by the Assistant Attorney General for Lands and Natural Resources of the Department of Justice. In addition, the House Committee on Government Operations issued a thoughtful and detailed report which, among other things, analyzed the proper scope of the Act's coverage under Section 404 and reached conclusions similar to those of the EPA and the Justice Department. (See report, titled "Our Threatened Environment Florida and the Gulf of Mexico," October, 1974 (Report No. 93-1396)).

The Corps, however, refused to revise its regulations. As a result the Natural Resources Defense Council and the National Wildlife Federation brought suit against the Corps for its unlawful interpretation of the requirements of the Act. On March 27, 1975, the U.S. District Court for the District of Columbia held that the Corps' regulations were unlawfully restrictive and directed the Corps to adopt new regulations consistent with the Act's requirements.

Accordingly, the Corps developed the new proposed regulations in issue and decided to offer for public comment four alternatives regarding the scope and operation of the Section 404 permit program. The first alternative—the one the Corps characterized in the May 6th press release as the broadest of the four and as the one favored by EPA—represents essentially the proper view of the Act's requirements. The Corps, however, by exaggeration and misleading statements, apparently seeks to generate substantial public opposition against this position in order to support action again to restrict Section 404 protection.

This continuous course of action of failing to comply with—and intentionally frustrate—the objectives and purposes of the Act should not be condoned. I emphasize again that Section 404 is the principal means for protection of our nation's wetlands. According to the National Wildlife Federation, we have already lost 40 per cent of these wetlands and the Corps' delay and recalcitrance in faithfully implementing the requirements of the Act will only result in further unregulated loss of such wetlands.

In closing, it is pertinent to note that the Environmental Protection Agency has developed and administered its regulatory programs as they apply to "waters of the United States" without encountering serious problems. Surely the Corps is equally able to accomplish this goal. I should add that I will oppose vigorously any proposed change in the Water Polution Control Act which would exempt the Corps from striving for such accomplishment.

I sincerely believe that the Corps and its District Engineers should put their best efforts into faithfully implementing the Act, rather than into issuing misleading press releases with the apparent objective of undermining the Act's goal "to restore and maintain the chemical, physical, and biological integrity of the Nation's waters."

Sincerely,

RICHARD L. OTTINGER,
Member of Congress.

ALTERNATIVE VEHICLE PROPULSION SYSTEMS RESEARCH AND DEVELOPMENT ACT OF 1975

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I am today introducing legislation designed to expedite the development of alternative vehicle propulsion systems.

The essence of this legislation is the encouragement of the research and development of steam, electric, hybrid, and other alternative propulsion systems for all vehicles and to demonstrate their commercial feasibility.

Automobiles and other internal combustion vehicles presently consume more than one-third of the petroleum used in the United States. Nothing more dramatic could be done to further "Project Independence" than to free us from the use of oil products for vehicle propulsion.

Alternative systems to the gasoline-powered internal combustion engine have many other advantages, not the least of which will be a dramatic reduction in air pollution emissions. Internal combustion engines account for more than 50 percent of all air pollution nationally. In addition, many electric and hybrid systems use little or no energy when stopped in traffic, thus conserving energy currently wasted by conventional vehicles.

Mr. Speaker, the electric and steam car are not pipe dreams of the future. They are feasible now.

I am inserting a copy of the bill for the benefit of the Members of the House:

H.R. 7506

A bill to authorize in the Energy Research and Development Administration a Federal program of research, development, and demonstration designed to promote non-gasoline powered vehicles, and to demonstrate the commercial feasibility of such vehicles, and other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This act may be cited as the "Alternative Vehicle Propulsion Systems Research and Development Act of 1975."

FINDINGS

SEC. 2. The Congress hereby finds that—

(1) our balance of payments and our economic stability are threatened by the need to import high priced oil for the production of gasoline to power motor vehicles;

(2) the increased priced of gasoline is a major factor in recent inflationary and recessionary trends;

(3) the economic problems associated with the high price of gasoline could be alleviated by the development of an alternative source of propulsion;

(4) gasoline powered vehicles contribute significantly to environmental pollution and the steadily increasing numbers of such vehicles threatens the quality of the air even when strict controls are applied to individual vehicles;

(5) stationary sources of potential pollutants are simpler to control than moving vehicles, making it environmentally desirable for transportation systems to be powered from central sources.

(6) gasoline powered vehicles are a major source of urban noise pollution;

(7) vehicles powered by alternative sources which do not emit any significant pollutants and are far less noisy than conventional automobiles and trucks are feasible. Properly designed steam, electric, and electric hybrid vehicles can have acceptable chemical and noise pollution levels, and represent feasible alternatives to gasoline powered vehicles;

(8) new technologies of propulsion have made electric, hybrid, and steam powered vehicles more practical than in the past, and developments in battery and other technologies indicate that further progress is likely in the next decade;

(9) because electric and hybrid vehicles use little or no energy when stopped in urban traffic, they permit the conservation of energy currently wasted by conventional automobiles, buses and trucks;

(10) the power demands of electric vehicles would promote energy conservation by loading utilities in off peak late night hours, permitting more efficient use of plant capacity; and

(11) electric hybrid vehicles can use both electric and internal combustion engines at peak capacities for each, thus permitting only the most efficient operation of each, acheiving substantial energy savings.

DEFINITIONS

SEC. 3. For the purposes of this act—

(1) the term "electric vehicle" means a vehicle which is powered primarily by an electric motor drawing current from rechargeable storage batteries, fuel cells, or other portable sources of electrical current. It may include also a non-electrical source of power designed to charge batteries or provide auxiliary power to the wheels.

(2) the term "hybrid vehicle" means a vehicle propelled by a combination of an electric motor and an internal combustion engine or other alternative engine.

(3) the term "alternative engine" means any steam, electric or hybrid engine or other engine that eliminates or minimizes the use of gasoline as its fuel.

(4) the term "alternative vehicle" means a vehicle powered by an alternative engine.

(5) the term "project" means the alternative vehicle project established with the Energy Research and Development Administration as provided in Section 5 of this Act;

(6) the term "Administrator" means the Administrator of the Energy Research and Development Administration.

(7) the term "significant numbers" means numbers sufficient to assure a realistic and effective demonstration in support of the objectives of this Act; except that in any event, for the purposes of subsection (a) of Section 7, significant numbers of vehicles shall be considered to have been produced if 4,000 or more are produced.

(8) the term "major auto companies" means those companies with more than 1,500 employees.

POLICY AND GOALS

SEC. 4. (a) It is declared to be the policy of the United States and the purpose of this Act to: (1) demonstrate the commercial feasibility of all steam, electric, hybrid, and other alternative propulsion systems for vehicles for urban and rural, individual and business use;

(2) to encourage research and development in new technologies for all such vehicles;

(3) to remove institutional barriers to development and use of such vehicles;

(4) to provide incentives for consumers, government, and industry to purchase and utilize alternative vehicles; and

(5) to provide research and development background for further applications of alternative vehicle technology.

ALTERNATIVE VEHICLE RESEARCH AND DEVELOPMENT PROJECT

SEC. 5. (a) The Administrator shall promptly establish, as an organizational entity within the Energy Research and Development Administration, the Alternative Vehicle Research and Development Project.

(b) The overall management of the project shall be the responsibility of the Administrator; but he may enter into such arrangements and agreements with the National Aeronautics and Space Administration, the Secretary of Transportation, the National Science Foundation, the Environmental Protection Agency, the Secretary of Housing and Urban Development, and other Federal offices and agencies as he may deem necessary or appropriate for the conduct by them of parts or aspects of the project which are within their particular competence.

(c) In providing for the effective management of the project the Administrator shall have specific responsibility for—

(1) promoting research and development of batteries, controls, motors, designs and other technology applicable to alternative vehicles;

(2) conducting demonstrations of the feasibility of a commercial alternative vehicle by contracting for the manufacture, purchase and lease of such vehicles and by developing arrangements with other agencies and non-governmental entities for the purchase, operation and testing of such vehicles;

(3) ascertaining consumer needs and desires so as to match the design of alternative vehicles to their potential market; and

(4) promote research on planning, traffic management, maintenance facilities, utility rate structures, and tax policies which are needed to facilitate the manufacture and use of alternative vehicles.

RESEARCH AND DEVELOPMENT

SEC. 6. The Administrator, acting through appropriate agencies and contractors, shall initiate and provide for the conduct of research and development in all areas related to alternative vehicles, including—

(1) energy storage technology, including batteries, chargers, and other equipment;

(2) vehicle control systems and overall design for energy conservation, including the use of regenerative braking;

(3) urban design and traffic management for minimum transportation-related energy use and minimum transportation-related degradation of the environment; and

(4) vehicle design for maximum practical lifetime, ease of repair, and interchangeability and replaceability of parts.

DEMONSTRATION

SEC. 7. (a) The Administrator shall enter into such contracts as may be necessary and appropriate—

(1) for the production, within one year after the date of the enactment of this Act, of significant numbers of urban passenger and commercial vehicles (meeting the standards and criteria developed under subsection (b)) emphasizing alternative propulsion systems, with or without chassis designed for that system; and

(2) for the production, within three years after such date, of significant numbers of urban passenger and commercial vehicles (meeting such standards) which are designed completely with chassis for alternative propulsion.

(b) Within one hundred and twenty days after the date of the enactment of this Act, the Administrator shall promulgate developing, or arranging for the development of, performance standards and criteria for alternative engines which are suitable for the needs of urban private passenger vehicles and urban commercial vehicles (and which shall be applicable to the vehicles produced under subsection (a)). The standards and criteria so developed shall not be designed simply to reflect the characteristic patterns of use for "second" vehicles, consumer preferences, maintenance needs, battery recharging characteristics, materials demand and recyclability, vehicle safety, insurability, and other relevant considerations. Such standards and criteria are to be developed and determined separately for vehicles designed with alternative propulsion systems on conventional chassis and for vehicles designed completely for alternative engine propulsion. In developing such standards and criteria, the Administrator shall consult with appropriate State and municipal authorities concerning design needs for alternative vehicles compatible with long-range planning and traffic management.

(c) The Administrator shall make such arrangements as may be necessary or appropriate—

(1) for the introduction of the alternative vehicles produced under subsection (a) into the vehicle fleets of State and local governments and Federal agencies;

(2) for the introduction of such vehicles into individual and business use, with the individuals and businesses involved being chosen by an equitable process (such as lottery in each region or category) and being given the option of purchasing or leasing such vehicles under terms and conditions which will insure their widespread use, testing and demonstration;

(3) for the evaluation of alternative vehicle performance and of consumer reaction to such vehicles in use;

(4) for demonstration maintenance projects (including maintenance organization and equipment needs);

(5) for the dissemination of data on alternative vehicle safety and operating characteristics including nontechnical descriptive data made available through the Government Printing Office to State and municipal consumer affairs agencies and groups.

USE OF ALTERNATIVE VEHICLES BY FEDERAL AGENCIES

SEC. 8. (a) The United States Postal Service, the General Services Administration, the Secretary of Defense, and the heads of other Federal agencies shall arrange for the introduction of alternative vehicles into their fleets as soon as possible. For competitive procurement purposes in purchasing such vehicles, life cycle costing and the beneficial emission characteristics of alternative vehicles shall be fully taken into account. In any case where (as determined by the head of the agency involved) alternative vehicles are practical but are not economically competitive with conventional vehicles (as part of the demonstration program under section 7) the Administrator may pay the agency an amount agreed to as the appropriate price differential, in order to insure that the maximum number of alternative vehicles are placed in use by Federal agencies.

INCENTIVES AND ASSESSMENTS

SEC. 9. (a) The Administrator shall conduct a study to determine the existence of any tax, regulatory, traffic, urban design, and other institutional factors which may tend to bias transportation systems against the use of alternative vehicles, and shall report the results of such study to the Congress within six months after the date of the enactment of this Act.

(b) The Administrator shall conduct a continuing assessment of the long-range materials demand and pollution effects which may result from or in connection with the use of alternative vehicles in urban traffic, and shall include a statement of his current findings in each report submitted under section 12. Any environmental impact statement which may be filed under a Federal law with respect to research, development, or demonstration activities under this Act shall include reference to the matters which are subject to assessment under this subsection.

(c) In carrying out his functions under this Act, the Administrator shall perform or cause to be performed studies and research on incentives to promote broader utilization and consumer acceptance of alternative vehicle technologies.

ENCOURAGEMENT AND PROTECTION OF SMALL BUSINESS AND SMALL ALTERNATIVE ENGINE MANUFACTURERS

SEC. 10. (a) In carrying out his functions under this Act, the Administrator shall take steps to assure that small business concerns and qualified individuals will have realistic and adequate opportunities to participate in the programs under this Act to the maximum extent possible.

(b) Not more than 50 percent of the contracts under section 7, or the Federal Government's use of advanced vehicles under

UMI

section 8, shall be from major auto companies.

(c) In making grants, preference shall be given to firms, other than major auto companies, with experience in the manufacture of alternative engines and vehicles.

REPORTS TO CONGRESS

SEC. 11. The Administrator shall report to the Congress semiannually on all activities being undertaken or carried out pursuant to the provisions of this Act, including such projections and estimates as may be necessary to evaluate the progress of the program under this Act and to indicate the extent to which and the pace at which the objectives of this Act are being achieved. Each report shall also include any recommendations which the Administrator may deem appropriate for legislation or related action which might further the purposes of this Act.

APPROPRIATIONS

SEC. 12. There are authorized to be appropriated to the Administrator not to exceed $50,000,000 for each of the three fiscal years 1976, 1977, and 1978. Any amount appropriated pursuant to this section shall remain available until expended, and any amount authorized for either of the first two such fiscal years but not appropriated may be appropriated for any succeeding fiscal year through the third year.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ZEFERETTI (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. JONES of Tennessee (at the request of Mr. O'NEILL), for this week, on account of illness.

Mr. DON H. CLAUSEN (at the request of Mr. RHODES), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 10 minutes today, and to revise and extend his remarks and include extraneous matter.

Mr. SIKES, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. BROYHILL, for 5 minutes, today.

(The following Members (at the request of Mrs. SMITH of Nebraska) to revise and extend their remarks and include extraneous material:)

Mr. HAMMERSCHMIDT, for 5 minutes, today.

Mr. YOUNG of Alaska, for 5 minutes, today.

(The following Members (at the request of Mr. MCDONALD of Georgia) to revise and extend their remarks and include extraneous material:)

Mr. METCALFE, for 10 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. MORGAN, for 15 minutes, today.
Mr. AUCOIN, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ROSTENKOWSKI, for 5 minutes, today.
Mr. MATSUNAGA, for 10 minutes, today.
Ms. ABZUG, for 20 minutes, today.
Mr. ST GERMAIN, for 15 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. DIGGS, for 5 minutes, today.
Mr. MCFALL, for 15 minutes, today.
Mr. KOCH, for 10 minutes, today.
Mr. FLOOD, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GONZALEZ, to revise and extend his remarks and to include extraneous matter in the Committee of the Whole today.

Ms. ABZUG, to revise and extend her remarks and to include extraneous matter in the Committee of the Whole today.

(The following Members (at the request of Mrs. SMITH of Nebraska and to include extraneous matter:

Mr. KEMP in two instances.
Mr. LATTA in three instances.
Mr. DERWINSKI.
Mr. KASTEN.
Mr. FINDLEY in five instances.
Mr. ARCHER.
Mr. CRANE.
Mr. HORTON.
Mr. SARASIN.
Mr. MYERS of Indiana.
Mr. HANSEN.
Mr. ASHBROOK.
Mr. SHUSTER.
Mr. YOUNG of Florida in five instances.
Mr. ROUSSELOT.
Mr. BELL.
Mr. RHODES.
Mr. ARMSTRONG.
Mr. CONTE.
Mr. RINALDO.
Mr. BURGENER.

(The following Members (at the request of Mr. MCDONALD of Georgia) and to include extraneous material:)

Mr. BRINKLEY.
Mr. MURPHY of New York.
Mr. AUCOIN.
Mr. DOWNEY of New York in five instances.
Mr. MURPHY of Illinois in two instances.
Mr. FLOOD.
Mr. HARRINGTON.
Mr. DE LUGO.
Mr. ANDERSON of California in three instances.
Mr. ANNUNZIO in six instances.
Mr. GONZALEZ in three instances.
Mr. SISK.
Mrs. LLOYD of Tennessee in five instances.
Mr. RANGEL in 10 instances.
Mr. HARRIS in 10 instances.
Mr. NOWAK in 10 instances.
Mr. LONG of Maryland in 10 instances.
Mr. BRADEMAS in 10 instances.
Mr. DINGELL in two instances.
Mr. EILBERG in 20 instances.
Mr. STOKES.
Mr. HEFNER.
Mr. DE LA GARZA in 10 instances.
Mr. FRASER in 10 instances.
Mr. MATSUNAGA.
Mr. STEED.
Mr. MCDONALD of Georgia in three instances.
Mr. MCCORMACK in two instances.
Mr. ZEFERETTI.
Mr. UDALL in six instances.
Mr. TEAGUE in two instances.
Mr. WIRTH in two instances.
Mr. RODINO.
Mr. MIKVA.
Mr. DRINAN.
Mr. OBEY in six instances.
Mr. BOLLING.
Mr. FORD of Tennessee.
Mr. GAYDOS.
Mr. MOFFETT.
Mr. ZABLOCKI in two instances.
Mr. ROGERS in five instances.
Mr. FLOWERS in three instances.
Mr. DANIELSON.
Mr. EARLY in two instances.
Mr. RYAN.
Ms. ABZUG.

ENROLLED BILLS SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3786. An act to authorize the increase of the Federal share of certain projects under title 23, United States Code; and

H.R. 7136. An act to continue the special supplemental food program for women.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 249. An act to amend the Securities Exchange Act of 1934 to remove barriers to competition, to foster the development of a national securities market system and a national clearance and settlement system to make uniform the Securities and Exchange Commission's authority over self-regulatory organizations, to provide for the regulation of brokers, dealers, and banks trading in municipal securities, to facilitate the collection and public dissemination of information concerning the holdings of and transactions in securities by institutional investment managers, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from Committee on House Administration, reported that that committee did on May 23, 1975 present to the President, for his approval, bills of the House of the following titles:

H.R. 3786. An act to authorize the increase of the Federal share of certain projects under title 23, United States Code; and

H.R. 7136. An act to continue the special supplemental food program for women, infants, and children through September 30, 1975.

ADJOURNMENT

Mr. MCDONALD of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 51 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 3, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1112. A letter from the President of the United States, transmitting budget amendments for the legislative branch for fiscal year 1976 and for the transition period July 1 through September 30, 1976 (H. Doc. No. 94–170); to the Committee on Appropriations and ordered to be printed.

1113. A letter from the President of the United States, transmitting budget amendments for the Federal Election Commission for fiscal year 1976 and for the transition period July 1 through September 30, 1976 (H. Doc. No. 94–171); to the Committee on Appropriations and ordered to be printed.

1114. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting the supplementary summary of the budget for fiscal year 1976, pursuant to section 221(b) of Public Law 91–510; to the Committee on Appropriations.

1115. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend chapter 5, title 37, United States Code, to extend the special pay provisions for veterinarians and optometrists; to the Committee on Armed Services.

1116. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a list of contract award dates for the period May 15–August 15, 1975, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

1117. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with the Korea Electric Co., which exceeds $60 million, pursuant to section 2(b)(3) of the Export-Import Bank Act of 1945, as amended [12 U.S.C. 635]; to the Committee on Banking, Currency and Housing.

1118. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan guarantees and insurance transactions supported by Eximbank during April 1975 to Communist countries; to the Committee on Banking, Currency and Housing.

1119. A letter from the Chairman, Advisory Commission on Intergovernmental Relations, transmitting chapter 1 (summary and recommendations) of the report on the Commission's study of problems associated with multistate taxation of commercial banks, mutual savings banks, and savings and loan associations, pursuant to section 7(e) of Public Law 93–100; to the Committee on Banking, Currency and Housing.

1120. A letter from the Secretary of Labor, transmitting the first annual report on the Department of Labor's administration of the black lung program under section 415 (part B) and part C, title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended, pursuant to section 426(b) of the act; to the Committee on Education and Labor.

1121. A letter from the Chairman, National Advisory Council on Supplementary Centers and Services, transmitting the seventh report of the Council, pursuant to section 309(c) of the Elementary and Secondary Education Act of 1965, as amended (81 Stat. 797); to the Committee on Education and Labor.

1122. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations and actions related thereto contained in the first report of the Advisory Council on Intergovernmental Personnel Policy, dated January 1973, pursuant to section 6(b) of the Federal Advisory Committee Act (H. Doc. No. 94–172); to the Committee on Government Operations and ordered to be printed.

1123. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations and actions related thereto contained in the annual report of the National Advisory Council on Adult Education, dated March 1973, pursuant to section 6(b) of the Federal Advisory Committee Act (H. Doc. No. 94–173); to the Committee on Government Operations and ordered to be printed.

1124. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations and actions related thereto contained in the report of the National Advisory Commission on Education Professions Development, November 1973, pursuant to section 6(b) of the Federal Advisory Committee Act (H. Doc. No. 94–174); to the Committee on Government Operations and ordered to be printed.

1125. A letter from the Chairman, National Transportation Safety Board, transmitting a report on the activities of the Board under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1126. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in docket No. 18–R, *Bay Mills Indian Community, Sault Ste. Marie Bands, Arthur W. LaBanc, Daniel Edwards and John L. Boucher, plaintiffs, v. the United States of America, defendant*, pursuant to 60 Stat. 1055; to the Committee on Interior and Insular Affairs.

1127. A letter from the Acting Secretary of the Interior, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Suquamish Tribe of Indians in docket 142 before the Indian Claims Commission, pursuant to 87 Stat. 466; to the Committee on Interior and Insular Affairs.

1128. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination 75–18, authorizing the provision of military assistance and security supporting assistance to Spain without regard to the restriction of section 620(m) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

1129. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the Government of The Netherlands for permission to transfer certain U.S.-origin defense articles to the Government of Belgium, pursuant to section 3(a) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1130. A letter from the Administrator, Agency for International Development, Department of State, transmitting notice of the Agency's intention to obligate Middle East special requirements funds for various loan and grant activities, pursuant to section 903 (b) of the Foreign Assistance Act of 1961, as amended (88 Stat. 1813); to the Committee on International Relations.

1131. A letter from the Administrator, Agency for International Development, Department of State, transmitting a quarterly report on world food needs, pursuant to section 55(a)(4) of Public Law 93–559; to the Committee on International Relations.

1132. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403; to the Committee on International Relations.

1133. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting a semiannual report on the inventory of nonpurchased foreign currencies as of December 31, 1974, pursuant to section 613(c) of the Foreign Assistance Act of 1961 [22 U.S.C. 2363]; to the Committee on International Relations.

1134. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles and services to the Government of Australia, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1135. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense articles to the Government of Iran, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1136. A letter from the Secretary of Transportation, transmitting the annual report on the financial condition of the Penn Central Transportation Co., pursuant to section 10 of the Emergency Rail Services Act of 1970; to the Committee on Interstate and Foreign Commerce.

1137. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting a letter from the American Academy of Pediatrics to supplement the previously submitted report on the safe level of lead in residential paint; to the Committee on Interstate and Foreign Commerce.

1138. A letter from the Chairman, Federal Power Commission, transmitting a copy of a publication entitled "The Financial Outlook for the Electric Power Industry," prepared by the National Power Survey Technical Advisory Committee on Finance; to the Committee on Interstate and Foreign Commerce.

1139. A letter from the Vice President for Government and Public Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of February 1975, pursuant to section 308(a)(1) of the Rail Passenger Setrvice Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

1140. A letter from the General Counsel of the Department of the Air Force, transmitting a draft of proposed legislation to amend sections 2734a(a) and 2734b(a) of title 10, United States Code, to provide for settlement, under international agreements, of certain claims incident to the noncombat activities of the Armed Forces, and for other purposes; to the Committee on the Judiciary.

1141. A letter from the American Symphony Orchestra League, Inc., transmitting an examination for the financial statements of the organization for the year ended March 31, 1975, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1142. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 15(B) of the Endangered Species Act of 1973 to extend the appropriation authorization; to the Committee on Merchant Marine and Fisheries.

1143. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 142 of title 13, United States Code, entitled "Census"; to the Committee on Post Office and Civil Service.

1144. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to clarify the status of nonappropriated fund personnel at the U.S. Merchant Marine Academy; to the Committee on Post Office and Civil Service.

1145. A communication from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on the Gulf Intracoastal Waterway, Carrabelle to St. Marks River, Fla., requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 31, 1957; to the Committee on Public Works and Transportation.

1146. A communication from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Thomas Hill Reser-

UMI

voir, Mo., requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted September 24, 1965, and May 5, 1966, respectively; to the Committee on Public Works and Transportation.

1147. A communication from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Yadkin-Pee Dee River, N.C., and S.C., requested by resolutions of the Committees on Public Works, House of Representatives and U.S. Senate, adopted August 6, 1948, and June 28, 1962; to the Committee on Public Works and Transportation.

1148. A communication from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Scottsville, James River Basin, Va., requested by resolutions of the Committees on Public Works, U.S. House of Representatives and U.S. Senate, adopted May 8, 1964, and August 6, 1964, respectively; to the Committee on Public Works and Transportation.

1149. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

1150. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to authorize the payment for a 1-year period of a variable allowance to assist in the recruitment and retention of certain physicians in the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

1151. A letter from the Chairman, U.S. International Trade Commission, transmitting a record on the concepts and principles which should underlie the formulation of an International Commodity Code, pursuant to section 608(c)(1) of the Trade Act of 1974 (H. Doc. No. 94–175); to the Committee on Ways and Means and ordered to be printed.

1152. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for two additional Assistant Secretaries of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes; jointly, to the Committees on Post Office and Civil Service, and Agriculture.

RECEIVED FROM THE COMPTROLLER GENERAL

1153. A letter from the Comptroller General of the United States, transmitting a report on the examination of the financial statements of the Government National Mortgage Association for fiscal year 1974 (H. Doc. No. 94–176); to the Committee on Government Operations and ordered to be printed.

1154. A letter from the Comptroller General of the United States, transmitting a report on problems in slowing the flow of cocaine and heroin from and through South America; to the Committee on Government Operations.

1155. A letter from the Comptroller General of the United States, transmitting the fifth semiannual report on the status of selected major weapon systems being acquired by the Department of Defense; jointly, to the Committees on Government Operations, and Armed Services.

1156. A letter from the Comptroller General of the United States, transmitting a report on efforts to develop two nuclear concepts that could greatly improve the country's future energy situation; jointly, to the Committee on Government Operations, and the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on May 22, 1975, the following report was filed on May 29, 1975*]

Mr. HUNGATE: Committee on the Judiciary. H.R. 6799. A bill to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules; with amendment (Rept. No. 94–247). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 2, 1975*]

Mr. NEDZI: Committee on House Administration. House Joint Resolution 353. Joint resolution to provide for the reappointment of Dr. John Nicholas Brown as a citizen regent of the Board of Regents of the Smithsonian Institution (Rept. No. 94–248). Referred to the House Calendar.

Mr. NEDZI: Committee on House Administration. House Joint Resolution 354. Joint resolution to provide for the reappointment of Thomas J. Watson, Jr., as citizen regent of the Board of Regents of the Smithsonian Institution (Rept. No. 94–249). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCHANAN:

H.R. 7496. A bill to amend section 2004 of title 10, United States Code, to provide that in computing the 6-year maximum active duty service of any member of the Armed Forces for purposes of qualifying for being detailed as a student to a law school, any period of time such member was a prisoner of war shall be disregarded; to the Committee on Armed Services.

By Mr. CORNELL (for himself, Mr. BAUCUS, Mr. BADILLO, Mr. CARR, Mr. CONYERS, Mr. HARRINGTON, Mr. KREBS, Mr. MEEDS, and Mr. STUDDS):

H.R. 7497. A bill to provide public financing of primary and general elections for the Senate and the House of Representatives; to the Committee on House Administration.

By Mr. DINGELL (for himself, Mr. LEGGETT, Mr. REUSS, Mr. FISHER, Mr. VANDER VEEN, Mr. KREUGER, Mr. FRASER, Mr. WHITEHURST, Mr. ZEFERETTI, Mr. HAYES of Indiana, and Mr. MATSUNAGA):

H.R. 7498. A bill to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. EDGAR (for himself, Mr. EILBERG, Mr. FORSYTHE, Mr. GREEN, Mr. LEGGETT, Mr. MOORHEAD of Pennsylvania, Mr. NIX, and Mr. THOMPSON):

H.R. 7499. A bill to provide for certain additions to the Tinicum National Environmental Center; to the Committee on Merchant Marine and Fisheries.

By Mr. HAYS of Ohio:

H.R. 7500. A bill to authorize appropriations for the Department of State, and for other purposes; to the Committee on International Relations.

By Mr. LOTT (for himself, and Mr. MONTGOMERY):

H.R. 7501. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mr. McFALL:

H.R. 7502. A bill to amend title 18 of the United States Code to require that whenever mortuaries or morticians offer prepaid burial plans and deposit funds obtained from the sale of such plans in federally insured depository institutions that such deposits be placed in special trust accounts to assure that the funds are only disbursed from such accounts to carry out the plans; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.R. 7503. A bill to amend the Interstate Commerce Act; to the Committee on Public Works and Transportation.

By Mr. MITCHELL of Maryland:

H.R. 7504. A bill to amend the Internal Revenue Code of 1954 to exempt from levy for the collection of taxes certain property which is used by the taxpayer as his principal residence and is used in a trade or business and to increase the exemption from levy for books and tools in a trade or business; to the Committee on Ways and Means.

By Mr. MOORE:

H.R. 7505. A bill to amend title 10 of the United States Code in order to provide for the budgeting by the Secretary of Defense, the authorization of appropriations, and the use of those appropriated funds by the Secretary of the Air Force, for certain specified purposes to assist the Civil Air Patrol in providing services in connection with noncombatant missions of the Air Force; to the Committee on Armed Services.

By Mr. OTTINGER:

H.R. 7506. A bill to authorize in the Energy Research and Development Administration a Federal program of research, development, and demonstration designed to promote nongasoline powered vehicles, and to demonstrate the commercial feasibility of such vehicles, and other purposes; to the Committee on Science and Technology.

By Mr. PATMAN:

H.R. 7507. A bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve Banks to purchase U.S. obligations directly from the Treasury; to the Committee on Banking, Currency and Housing.

By Mr. PERKINS:

H.R. 7508. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. ROONEY:

H.R. 7509. A bill to help improve and maintain an adequate transportation system through the systematic collection and publication of transportation statistics, to establish a National Center for Transportation Statistics, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ROSTENKOWSKI:

H.R. 7510. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 7511. A bill to authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands; to the Committee on Interior and Insular Affairs.

By Mr. ASHLEY:

H.R. 7512. A bill to amend the Internal Revenue Code of 1954 to provide that section 265 of such code shall not apply with respect to certain interest paid by certain dealers in connection with the purchase of tax-exempt obligations; to the Committee on Ways and Means.

By Mr. DANIELSON (for himself, Mr. HELSTOSKI, Mr. MADDEN, and Mrs. SCHROEDER):

H.R. 7513. A bill to amend section 204 of the Federal Water Pollution Control Act to authorize the use of ad valorem taxes to satisfy the user charge system requirement; to the Committee on Public Works and Transportation.

By Mr. CONTE:

H.R. 7514. A bill to amend section 204 of the War Claims Act of 1948 to permit adjudication of the claims of additional persons for certain World War II losses, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS (for himself, Mr. MATSUNAGA, Mr. CONABLE, Mr. FLOWERS, Mr. FISH, Mr. STOKES, Mr. PATTISON of New York, and Mr. MURPHY of New York):

H.R. 7515. A bill to assist in the settlement of medical malpractice claims through a Federal program of reinsurance and through voluntary arbitration under State laws, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 7516. A bill to amend the Consolidated Farm and Rural Development Act, to provide an alternate method of making loans for acquisition and improvements of the farm, needed by farm families, including young farmers, and to provide the borrower family with adequate standards of living and the consumer with reasonable prices for dairy and other agricultural products, as well as to maintain and improve national health, and for other purposes; to the Committee on Agriculture.

By Mr. RICHMOND:

H.R. 7517. A bill to establish the Federal Municipal Bond Guarantee Administration to guarantee municipal bonds; to the Committee on Banking, Currency and Housing.

By Mr. RICHMOND (for himself, Mr. RIEGLE, Mr. HAWKINS, Mr. SOLARZ, Mr. MATSUNAGA, Mr. NIX, Mr. STOKES, Mr. DIGGS, and Ms. COLLINS of Illinois):

H.R. 7518. A bill to amend the Food Stamp Act of 1964 to provide for improved and more extensive means of distributing food stamp informational materials, to improve the application procedure for food stamp applicants, and to provide special assistance in areas of high unemployment; to the Committee on Agriculture.

By Mr. RINALDO:

H.R. 7519. A bill to amend title II of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works and Transportation.

By Mr. THONE:

H.R. 7520. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

H.R. 7521. A bill to amend section 2040 of the Internal Revenue Code of 1954 to provide that a spouse's services shall be taken into account in determining whether that spouse furnished adequate consideration for jointly held property for purposes of qualifying for an exclusion from the Federal estate tax; to the Committee on Ways and Means.

By Mr. WHITEHURST:

H.J. Res. 477. Joint resolution to proclaim October 1975 as UHF Television Month; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

150. By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, relative to expanding Federal inspection of dairy products; to the Committee on Agriculture.

151. Also, memorial of the Legislature of the State of Hawaii, relative to releasing 1,324 acres of ceded land to the State of Hawaii; to the Committee on Armed Services.

152. Also, memorial of the Legislature of the State of Tennessee, relative to extending the Federal revenue sharing law beyond 1976; to the Committee on Government Operations.

153. Also, memorial of the Legislature of the State of Connecticut, relative to providing assistance to Israel; to the Committee on International Relations.

154. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to obtaining the return of the remains of Marine Cpl. Charles McMahon, Jr., from South Vietnam; to the Committee on International Relations.

155. Also, memorial of the Legislature of the State of Nevada, relative to negotiating with Canada to stabilize the price of natural gas; to the Committee on International Relations.

156. Also, memorial of the Legislature of the State of California, relative to bilingual television programing; to the Committee on Interstate and Foreign Commerce.

157. Also, memorial of the Legislature of the State of New Hampshire, relative to investigating pricing of and problems related to energy resource supplies; to the Committee on Interstate and Foreign Commerce.

158. Also, memorial of the Legislature of the State of Oklahoma, relative to priority use of natural gas for irrigation purposes; to the Committee on Interstate and Foreign Commerce.

159. Also, memorial of the Legislature of the State of Maine, relative to assisting Vietnamese refugees resettle; to the Committee on the Judiciary.

160. Also, memorial of the Legislature of the State of Nevada, relative to the Interstate Civil Defense and Disaster Compact; to the Committee on the Judiciary.

161. Also, memorial of the Legislature of the State of Maine, relative to the transmittal of Federal census data to the States; to the Committee on Post Office and Civil Service.

162. Also, memorial of the Legislature of the State of Tennessee, relative to reestablishing the Concord Post Office as a separate entity; to the Committee on Post Office and Civil Service.

163. Also, memorial of the Legislature of the State of California, relative to the highway trust fund; to the Committee on Public Works and Transportation.

164. Also, memorial of the Senate of the State of Oklahoma, relative to raising the water level of Lake Wister; to the Committee on Public Works and Transportation.

165. Also, memorial of the Legislature of the State of Maine, relative to the use of selective taxes as a means to reduce consumption of petroleum based fuels; to the Committee on Ways and Means.

166. Also, memorial of the Legislature of the State of Maine, relative to changing the proposed Federal regulations for title XX of the Social Services Act of 1974; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EDGAR:

H.R. 7522. A bill for the relief of Robert H. Glazier; to the Committee on the Judiciary.

By Mr. HARRINGTON:

H.R. 7523. A bill for the relief of Tin Kee NG; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and refered as follows:

136. By the SPEAKER: Petition of Edward E. Kubista, Owatonna, Minn., relative to unclaimed Federal grants; to the Committee on Government Operations.

137. Also, petition of Rev. James Coleman Jr., Chicago, Ill., relative to disposition of Creek Indian funds; to the Committee on Interior and Insular Affairs.

138. Also, petition of the South Suburban Association of Chiefs of Police, Blue Island, Ill., relative to the funding of the law enforcement education program; to the Committee on the Judiciary.

139. Also, petition of the city council, St. Marys, Ohio, relative to deconcentration of ownership in the energy field; to the Committee on the Judiciary.

140. Also, petition of Mr. Edward Serzysko, New York, N.Y., relative to redress of grievances; to the Committee on the Judiciary.

141. Also, petition of Paul J. Parobeck, Cleveland, Ohio, relative to redress of grievances; to the Committee on the Judiciary.

142. Also, petition of the Wisconsin National Guard Association, Madison, Wis., relative to increasing retirement annuity credit for past technician service by National Guard technicians; to the Committee on Post Office and Civil Service.

143. Also, petition of the board of directors, Texas Highway-Heavy Branch, Associated General Contractors, Austin, Tex., relative to exempting fixed price construction projects from Federal Government increase of the price of oil; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4925

By Mr. OTTINGER:

Page 117, line 6, strike "$215,000,000" and insert "$240,000,000."

Page 117, line 7, strike "$235,000,000" and insert "$280,000,000."

H.R. 6219

By Mr. McCLORY:

Page 1, line 6, strike out "twenty" and insert in lieu thereof "seventeen".

Page 2, strike out lines 1 and 2 and insert in lieu thereof the following:

"(1) striking out '1975' and inserting '1982' in lieu thereof; and".

By Mr. SOLARZ:

Page 9, line 23, immediately after "heritage" insert the following: ", or who are members of a group which the Director of the Census determines has a mother tongue other than English".

H.R. 6860

By Mr. GIBBONS:

At the end of the bill add the following new section:

SEC. —. REPEAL OF PERCENTAGE DEPLETION ON OIL AND GAS ROYALTY INCOME.

(a) Subsection (d) of section 613A of the Internal Revenue Code of 1954 (relating to persons entitled to percentage depletion on 2,000 barrels of oil per day) is amended by adding at the end thereof the following new paragraph:

"(5) ROYALTY INCOME EXCLUDED.—Subsection (c) shall not apply to income derived from a nonoperating mineral interest as defined in section 614. In applying such definition for purposes of this paragraph, the taxpayer's share of the costs of production of the oil or gas shall be treated as zero if his percentage share of such costs is substantially less than his percentage share of the production."

(b) The amendment made by subsection (a) shall apply to income received on and after the date of enactment of this Act.

UMI

SENATE—*Monday, June 2, 1975*

The Senate met at 12 noon and was called to order by Hon. DALE BUMPERS, a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Spirit of the Living God, in this hallowed moment, assure us of Thy continued presence working Thy will in and through us. Come to us as a still small voice, creative and joyous. Come to us as the God of history, awesome and transcendent, moving out of the past through the present into the future, guiding the Nation each step of the way. Send Thy light into our souls, dispelling doubt and fear, and lighting up our pathway through the perplexities of these testing times. Be with the President and all leaders of the Government to guide them in the way which leads to Thy coming kingdom. And to Thee shall be all the praise and the glory. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 2, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DALE BUMPERS, a Senator from the State of Arkansas, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BUMPERS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, May 22, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 149 and Calendar No. 154.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HELLS CANYON NATIONAL RECREATION AREA ACT

The Senate proceeded to consider the bill (S. 322) the Hells Canyon National Recreation Area Act, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, in line 11, strike out "July 1974," and insert in lieu thereof "May 1975,".

On page 3, in line 10, strike out the following language:

The Congress hereby incorporates the Rapid River and the Snake River into the National Wild and Scenic Rivers system in the status listed

(1) Rapid River, Idaho. The segment from the headwaters of the main stem to the national forest boundary and the segment from the headwaters of the west fork to the confluence with the main stem, as a wild river.

Snake River, Idaho, Oregon and Washington. The segment from Hells Canyon Dam downstream to Pittsburg Landing, as a wild river; the segment from Pittsburg Landing to Dough Creek, as a scenic river, and the segment from Dough Creek downstream to the town of Asotin, Washington, as a recreational river.

And insert in lieu thereof:

Subsection 3(a) of the Wild and Scenic Rivers Act (82 Stat. 906) is hereby amended by adding at the end thereof the following clauses:

"(11) Rapid River, Idaho.—The segment from the headwaters of the main stem to the national forest boundary and the segment from the headwaters of the west fork to the confluence with the main stem, as a wild river: *Provided*, That the relevant provisions of the Hells Canyon National Recreation Area Act shall be applicable to these river segments.

"(12) Snake, Oregon, and Idaho.—The segment from Hells Canyon Dam downstream to Pittsburg Landing, as a wild river; the segment from Pittsburg Landing to Dough Creek, as a scenic river; and the segment from Dough Creek downstream to the town of Asotin, Washington, as a recreational river: *Provided*, That the relevant provisions of the Hells Canyon National Recreation Area shall be applicable to these river segments.".

On page 4, in line 20, strike out the word "uniform".

On page 6, in line 1, strike out the following:

No provision of the Wild and Scenic Rivers Act (82 Stat. 906), nor of this Act, nor any guidelines, rules, or regulations issued hereunder, shall in any way limit, restrict.

And insert in lieu thereof:

No provision of this Act, nor any other provision of law, nor any guidelines, rules, or regulations issued thereunder, shall in any way limit, restrict,

On page 10, beginning at line 9, insert the following new language:

(f) Such activities as are compatible with the purposes of this Act including, but not limited to, timber harvesting by selective cutting, mining, and grazing may continue during development of the comprehensive plan at current levels of activity and in areas of such activity at the time of enactment of this Act. Further, in the development of the management plan, the Secretary shall give full consideration to continuation of these ongoing activities in their respective areas.

On page 11, in line 13, after the words "required by" insert the words "subsection (a) of".

On page 14, in line 4, strike out the word "and".

On page 14, in line 9, strike out "area." and insert "area; and".

On page 14, beginning in line 10, insert the following new language:

(e) standards for such management, utilization, and disposal of natural resources on federally owned lands, including but not limited to, timber harvesting by selective cutting, mining, and grazing and the continuation of such existing uses and development as are compatible with the provisions of this Act.

On page 15, in line 9, after the word "farming," insert the words "timber harvesting,".

On page 16, beginning in line 4, strike out the following:

(a) There is hereby authorized to be appropriated the sum of not more than $60,000,000 for improvements of—

(1) the existing road from the town of Imnaha, Oregon, to Dug Bar on the Snake River;

(2) the existing road from White Bird, Idaho, over Pittsburg Saddle to Pittsburg Landing on the Snake River;

(3) either the existing road from Imnaha, Oregon, to Five Mile Point or an alternative road following generally the same route to Five Mile Point, and thence to Hat Point Lookout above the Snake River;

(4) the existing road from Riggins, Idaho, to Heaven's Gate Lookout above the Snake River.

On page 16, in line 18, strike out "(b)" and insert in lieu thereof "(a)".

On page 16, in line 21, strike out "(c)" and insert in lieu thereof "(b)".

On page 17, in line 3, strike out "(d)" and insert in lieu thereof "(c)".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) to assure that the natural beauty, and historical and archeological values of the Hells Canyon Area and the one hundred and one and four-tenths mile segment of the Snake River between Hells Canyon Dam in Idaho and Asotin, Washington, together with portions of certain of its tributaries and adjacent lands, are preserved for this and future generations, and that the recreational and ecologic values and public enjoyment of the area are thereby enhanced, there is hereby established the Hells Canyon National Recreation Area.

(b) The Hells Canyon National Recreation Area (hereinafter referred to as the "recreation area"), which includes the Hells Canyon Wilderness Areas (hereinafter referred to as the "wilderness areas"), the components of the Wild and Scenic Rivers system designated in section 3 of this Act, and the wilderness study areas designated in subsection 8 (d) of this Act, shall comprise the lands and waters generally depicted on the map entitled "Hells Canyon National Recreation Area" dated May 1975, which shall be on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture. The Secretary of Agriculture (hereinafter referred to as "the Secretary") shall, as soon as practicable, publish a detailed boundary description of the recreation area, the wilderness study areas, designated in subsection 8(d) of this Act, and the wilderness areas established in section 2 of this Act in the Federal Register.

SEC. 2. (a) The lands depicted as the "Hells Canyon Wilderness Areas" on the map referred to in subsection 1(b) of this Act are hereby designated as wilderness.

(b) The wilderness areas designated by this Act shall be administered by the Secretary in accordance with the provisions of this Act or in accordance with the provisions of the Wilderness Act (78 Stat. 893), whichever is the more restrictive, except that any reference in such provisions of the Wilderness Act to the effective date of that Act shall be deemed to be a reference to the effective date of this Act. The provisions of section 9(b) and section 11 shall apply to the wilderness areas. The Secretary shall make such boundary revisions to the wilderness areas as may be necessary due to the exercise of his authority under subsection 3(b) of this Act.

Subsection 3(a) of the Wild and Scenic Rivers Act (82 Stat. 906) is hereby amended by adding at the end thereof the following clauses:

"(11) Rapid River, Idaho.—The segment from the headwaters of the main stem to the national forest boundary and the segment from the headwaters of the west fork to the confluence with the main stem as a wild river: *Provided*, That the relevant provisions of the Hells Canyon National Recreation Area Act shall be applicable to these river segments."

"(12) Snake, Oregon and Idaho.—The segment from Hells Canyon Dam downstream to Pittsburgh Landing, as a wild river; the segment from Pittsburgh Landing to Dough Creek, as a scenic river; and the segment from Dough Creek downstream to the town of Asotin, Washington, as a recreational river: *Provided*, That the relevant provisions of the Hells Canyon National Recreation Area Act shall be applicable to these river segments.".

(b) The segments of the Snake River and the Rapid River designated as wild, scenic, or recreational river areas by this Act shall be administered by the Secretary in accordance with the provisions of the Wild and Scenic Act (82 Stat. 906), as amended: *Provided*, That the Secretary shall establish a corridor along such segments and may not undertake or permit to be undertaken any activities on adjacent public lands which would impair the water quality of the Rapid River segment: *Provided further*, That the Secretary is authorized to make such minor boundary revisions in the corridors as he deems necessary for the provision of such facilities as are permitted under the applicable provisions of the Wild and Scenic Rivers Act (82 Stat. 906).

SEC. 4. (a) Notwithstanding any other provision of law, or any authorization heretofore given pursuant to law, the Federal Power Commission may not license the construction of any dam, water conduit, reservoir, powerhouse, transmission line, or other project work under the Federal Power Act (41 Stat. 1063), as amended (16 U.S.C. 791a et seq.), within the recreation area: *Provided*, That the provisions of the Federal Power Act (41 Stat. 1063), shall continue to apply to any project (as defined in such Act), and all of the facilities and improvements required or used in connection with the operation and maintenance of said project, in existence within the recreation area which project is already constructed or under construction on the date of enactment of this Act.

(b) No department or agency of the United States may assist by loan, grant, license, or otherwise the construction of any water resource facility within the recreation area which the Secretary determines would have a direct and adverse effect on the values for which the waters of the area are protected.

SEC. 5. The Asotin Dam, authorized under the provisions of the Flood Control Act of 1962 (76 Stat. 1173), is hereby deauthorized.

No provision of this Act, nor any other provision of law, nor any guidelines, rules, or regulations issued thereunder, shall in any way limit, restrict, or conflict with present and future use of the waters of the Snake River and its tributaries upstream from the boundaries of the Hells Canyon National Recreation Area created hereby for beneficial uses, whether consumptive or nonconsumptive, now or hereafter existing, including, but not limited to, domestic, municipal, stockwater, irrigation, mining, power, or industrial uses.

(b) No flow requirements of any kind may be imposed on the waters of the Snake River below Hells Canyon Dam under the provisions of the Wild and Scenic Rivers Act (82 Stat. 906), of this Act, or any other guidelines, rules, or regulations adopted pursuant thereto.

SEC. 7. (a) Except as otherwise provided in sections 2 and 3 of this Act, and subject to the provisions of section 10 of this Act, the Secretary shall administer the recreation area in accordance with the laws, rules, and regulations applicable to the national forests for public outdoor recreation in a manner compatible with the following objectives:

(1) the maintenance and protection of the free-flowing nature of the rivers within the recreation area;

(2) conservation of scenic, wilderness, cultural, scientific, and other values contributing to the public benefit;

(3) preservation, especially in the area generally known as Hells Canyon, of all features and peculiarities believed to be biologically unique including, but not limited to, rare and endemic plant species, rare combinations of aquatic, terrestrial, and atmospheric habitats, and the rare combinations of outstanding and diverse ecosystems and parts of ecosystems associated therewith;

(4) protection and maintenance of fish and wildlife habitat;

(5) protection of archeological and paleontologic sites and interpretation of these sites for the public benefit and knowledge insofar as it is compatible with protection;

(6) preservation and restoration of historic sites associated with and typifying the economic and social history of the region and posal of natural resources on federally owned lands, including, but not limited to, timber harvesting by selective cutting, mining, and grazing and the continuation of such existing uses and developments as are compatible with the provisions of this Act.
the American West; and

(7) such management, utilization, and disposal of natural resources on federally owned lands, including, but not limited to, timber harvesting by selective cutting, mining, and grazing and the continuation of such existing uses and developments as are compatible with the provisions of this Act.

SEC. 8. (a) Within five years from the date of enactment of this Act the Secretary shall develop a comprehensive management plan for the recreation area which shall provide for a broad range of land uses and recreation opportunities.

(b) In the development of such plan, the Secretary shall consider the historic, archeological, and paleontological resources within the recreation area which offer significant opportunities for anthropological research. The Secretary shall inventory such resources and may recommend such areas as he deems suitable for listing in the National Register of Historic Places. The Secretary's comprehensive plan shall include recommendations for future protection and controlled research use of all such resources.

(c) The Secretary shall, as a part of his comprehensive planning process, conduct a detailed study of the need for, and alternative routes of, scenic roads and other means of transit to and within the recreation area. In conducting such study the Secretary shall consider the alternative of upgrading existing roads and shall, in particular, study the need for and alternative routes of roads or other means of transit providing access to scenic views of and from the western rim of Hells Canyon.

(d) The Secretary shall review, as to their suitability or nonsuitability for preservation as wilderness, the areas generally depicted on the map referred to in section 1 of this Act as the "Lord Flat-Somers Point Plateau Wilderness Study Area" and the "West Side Reservoir Face Wilderness Study Area" and report his findings to the President. The Secretary shall complete his review and the President shall, within five years from the date of enactment of this Act, advise the United States Senate and House of Representatives of his recommendations with respect to the designation of lands within such area as wilderness. In conducting his review the Secretary shall comply with the provisions of section 3(d) of the Wilderness Act and shall give public notice at least sixty days in advance of any hearing or other public meeting concerning the Wilderness Study Area. The Secretary shall administer all Federal lands within the study areas so as not to preclude their possible future designation by the Congress as wilderness. Nothing contained herein shall limit the President in proposing, as part of this recommendation to Congress, the designation as wilderness of any additional area within the recreation area which is predominantly of wilderness value.

(e) In conducting the review and preparing the comprehensive management plan required by this section, the Secretary shall provide for full public participation and shall consider the views of all interested agencies, organizations, and individuals including, but not limited to, the Nez Perce Tribe of Indians, the States of Idaho, Oregon, and Washington. The Secretaries or Directors of all Federal departments, agencies, and commissions having relevant expertise are hereby authorized and directed to cooperate with the Secretary in his review and to make such studies as the Secretary may request on a cost reimbursable basis.

(f) Such activities as are compatible with the purposes of this Act including, but not limited to, timber harvesting by selective cutting, mining, and grazing may continue during development of the comprehensive plan at current levels of activity and in areas of such activity at the time of enactment of this Act. Further, in the development of the management plan, the Secretary shall give full consideration to continuation of these ongoing activities in their respective areas.

SEC. 9. (a) The Secretary is authorized to acquire such lands or interests in land (including, but not limited to, scenic easements) as he deems necessary to accomplish the purposes of this Act by purchase with donated or appropriated funds with the consent of the owner, from willing sellers, donation, or exchange.

(b) The Secretary is further authorized to acquire by purchase with donated or appropriated funds such lands or interests in lands without the consent of the owner only if (1) he deems that all reasonable efforts to acquire such lands or interests therein by negotiation have failed, and (2) the total acreage of all other lands within the recreation area to which he has acquired fee simple title, or lesser interests therein, without the consent of the owner is less than 5 per centum of the total acreage which is

privately owned within the recreation area on the date of enactment of this Act: *Provided*, That the Secretary may acquire scenic easements in lands without the consent of the owner and without restriction to such 5 per centum limitation: *Provided further*, That the Secretary may only acquire scenic easements in lands without the consent of the owner after the date of publication of the regulations required by *subsection (a) of* section 10 of this Act when he determines that such lands are being used, or are in imminent danger of being used, in a manner incompatible with such regulations.

(c) Any land or interest in land owned by the States of Oregon or Washington or any of their political subdivisions may be acquired only by donation. Any land or interest in land owned by the State of Idaho or any of its political subdivisions may be acquired by donation or exchange.

(d) As used in this Act the term "scenic easement means the right to control the use of land in order to protect esthetic values for the purposes of this Act but shall not preclude the continuation of any farming or pastoral use exercised by the owner as of the date of this Act.

(e) The Secretary shall give prompt and careful consideration to any offer made by a person owning land within the recreation area to sell land to the Secretary. The Secretary shall specifically consider any hardship to such person which might result from an undue delay in acquiring his property.

(f) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property, or interests therein, located within the recreation area and, notwithstanding any other provision of law, he may convey in exchange therefor any federally owned property within the same State which he considers as suitable for exchange and which is under his administrative jurisdiction: *Provided*, That the values of the properties so exchanged shall be approximately equal, or if they are not approximately equal, they shall be equalized by the payment of cash to the grantor or to the Secretary as the circumstances require. In the exercise of his exchange authority, the Secretary may utilize authorities and procedures available to him in connection with exchanges of national forest lands.

(g) Notwithstanding any other provision of law, except for the provisions of subsection (a) of this section, the Secretary is authorized to acquire mineral interest in lands within the recreation area, with or without the consent of the owner. Upon acquisition of any such interest, the lands and/or minerals covered by such interest are by this Act withdrawn from entry or appropriation under the United States mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

(h) Notwithstanding any other provision of law, any Federal property located within the recreation area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the purposes of this Act.

SEC. 10. The Secretary shall promulgate, and may amend, such rules and regulations as he deems necessary to acomplish the purposes of this Act, but are not limited to—

(a) standards for the use and development of privately owned property within the recreation area, which rules or regulations the Secretary may, to the extent he deems advisable, implement with the authorities delegated to him in section 9 of this Act, and which may differ among the various parcels of land within the recreation area;

(b) standards and guidelines to insure the full protection and preservation of the historic, archeological and paleontological resources in the recreation area;

(c) provision for the control of the use of motorized and mechanical equipment for transportation over, or alteration of, the surface of any Federal land within the recreation area;

(d) provision for the control of the use and number of motorized and nonmotorized river craft: *Provided*, That the use of such craft is hereby recognized as a valid use of the Snake River within the recreation area; and

(e) standards for such management, utilization, and disaposal of natural resources on federally owned lands, including but not limited to, timber harvesting by selective cutting, mining, and grazing and the continuation of such existing uses and development as are compatible with the provisions of this Act.

SEC. 11. Notwithstanding the provisions of section 4(d)(2) of the Wilderness Act and subject to valid existing rights, all Federal lands located in the recreation area are hereby withdrawn from all forms of location, entry, and patent under the mining laws of the United States, and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

SEC. 12. The Secretary shall permit hunting and fishing on lands and waters under his jurisdiction with the boundaries of the recreation area in accordance with applicable laws of the United States and the States wherein the lands and waters are located except that the Secretary may designate zones where, and establish periods when, no hunting or fishing shall be permitted for reasons of public safety, administrations, or public use and enjoyment. Except in emergencies, any regulations of the Secretary pursuant to this section shall be put into effect only after consultation with the appropriate State fish and game department.

SEC. 13. Ranching, grazing, farming, timber harvesting, and the occupation of homes and lands associated therewith, as they exist on the date of enactment of this Act, are recognized as traditional and valid uses of the recreation area.

SEC. 14. Nothing in this Act shall diminish, enlarge, or modify any right of the States of Idaho, Oregon, Washington, or any political subdivisions thereof, to exercise civil and criminal jurisdiction within the recreation area or of rights to tax persons, corporations, and agencies in the development and operafranchises, or property, including mineral or other interests. in or on lands or waters within the recreation area.

SEC. 15. The Secretary may cooperate with other Federal agencies, with State and local public agencies, and with private individuals and agencies in the development and operation of facilities and services in the area in furtherance of the purposes of this Act, including, but not limited to, restoration and maintenance of the historic setting and background of towns and settlements within the recreation area.

SEC. 16. (a) There is hereby authorized to be appropriated that sum of not more than $10,000,000 for the acquisition of lands and interests in lands.

(b) There is hereby authorized to be appropriated the sum of not more than $10,000,000 for the development of recreation facilities (principally campgrounds) along the four roads as described in subsection (a) of this section and for the development of interpretive visitors' centers at Hat Point in Oregon and at Heaven's Gate in Idaho.

(c) There is hereby authorized to be appropriated the sum of not more than $1,500,000 for the inventory, identification, development, and protection of the historic and archeological sites described in section 5 of this Act.

SEC. 17. If any provision of this Act is declared to be invalid, such declaration shall not affect the validity of any other provision hereof.

Mr. McCLURE. Mr. President, today the Senate is taking affirmative action on a bill, S. 322, which I am pleased to have cosponsored with my distinguished colleagues, Senators CHURCH, HATFIELD, and PACKWOOD. This bill establishes a Hells Canyon National Recreation Area which will insure the protection of the Middle Snake River in its free-flowing state. The Middle Snake has carved a canyon which forms the common boundary between Oregon and Idaho and forms the deepest gorge on the North American Continent. Over the years it has attracted more than local attention, and when it was considered for protection in the 93d Congress, the bill drew national support, as it has in the 94th Congress.

Water, its availability and quantity, is the life blood of Idaho. The water from the mighty Snake has literally worked its way across the breadth of southern Idaho from the Wyoming border to Hells Canyon Dam, where it enters the Middle Snake. This water has provided habitat for some of the finest fishing in the Henrys Fork of the Snake; irrigated fields of potatoes, corn, and sugarbeets from Idaho Falls westward to the Caldwel-Payette area that I call home. The upland game birds thrive on the irrigated acres, and the migrating geese and ducks find the Snake River a welcome haven on their flights to and from their nesting grounds.

I want to emphasize the importance of the Snake River water to users upstream from the location of the Hells Canyon National Recreation Area, to assure those upstream users that their concerns have been carefully considered by the cosponsors of the bill. Section 6(a) of the bill provides for no conflict between this act and the present and future rights of the water users upstream in the State of Idaho. Section 6(b) prohibits the establishment of any minimum flow requirements through that portion of the Snake River included within the wild and scenic rivers system. No Federal law now on the books guarantees upstream water rights, let alone future use. Neither is there any present law that prohibits flow requirements. In each of these areas, this protective language adds safeguards that do not now exist and, in my opinion, the net effect of the bill poses no threat to upstream water rights.

The area involved in the bill has been studied for many years. The national recreation area concept will provide for appropriate use of resources, consistent with the purpose of the bill, which is to make recreation a dominant use. This is vital to the dependent communities who rely on a steady flow of renewable resources from the public lands.

This bill provides the kind of balance necessary to assure adequate protection of a truly unique resource, while at the same time assuring needed protection for upstream water users and others who rely on the harvest of resources from the public lands.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

STANDARD REFERENCE DATA ACT AUTHORIZATIONS

The Senate proceeded to consider the bill (H.R. 37) to authorize appropriations to carry out the Standard Reference Data Act, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert the following:

That there is authorized to be appropriated to the Department of Commerce not to exceed $2,800,000 for fiscal year ending June 30, 1976; not to exceed $750,000 for the fiscal year transition period from July 1, 1976, through September 30, 1976; not to exceed $3,000,000 for the fiscal year ending September 30, 1977; and not to exceed $3,000,000 for the fiscal year ending September 30, 1978, to carry out the purposes of the Standard Reference Data Act (15 U.S.C. 290–290f; 82 Stat. 339).

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

FIRST LINE REPORT

Mr. MANSFIELD. Mr. President, on May 19, 1975, Mr. Dan Rather, a CBS correspondent, reported from New York. This is a program which comes on every morning about a quarter to 8. The title of it is "First Line Report."

Mr. President, the commentary by Mr. Rather is in connection with words spoken by the Secretary of Defense. I think it is worthy of the consideration of the Senate because it refers not to muted statements, which I think should be the norm in this time and period, but, rather, statements which might be misinterpreted as to the real intent of the United States in certain areas in the fields of defense and foreign policy.

I ask unanimous consent that this First Line Report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FIRST LINE REPORT—NEWS AND COMMENTARY BY DAN RATHER, CBS NEWS CORRESPONDENT

For better or for worse, the Secretary of Defense of the United States is talking tough. James Schlesinger says that if North Korea invaded South Korea, this country's military might quote go for the heart of the opponent's power. The Defense Secretary also says the United States could use military force to counter another Arab oil embargo. These comments were made in a special interview with the magazine U.S. News and World Report. It was an interview for which the Defense Secretary had ample time to prepare. There was nothing off-the-cuff about it. His statements apparently accurately reflect the thinking of President Ford and Secretary of State Kissinger, if indeed they were not prepared under the specific direction of the President and Kissinger. In short, this was not just another interview. The Defense Secretary, speaking for the Ford Administration, made a point of talking about as tough, militarily, as any top-ranking U.S. Government official ever has during peace time. No one should challenge, said the Defense Secretary, what he called U.S. commitments to Northeast Asia—to Japan as well as to Korea. Asked for details on exactly how the United States would react to any North Korean invasion of the South, Schlesinger said, direct quotation, it is necessary to go for the heart of the opponent's power—destroy his military forces, rather than simply being involved endlessly in ancillary military operations, end of quotation. In the nuclear weapons age, that kind of talk, whether intended to or not, and in this instance there is little cause to believe it wasn't intended, that kind of talk takes on special significance. It is the kind of talk that must be thought through carefully by the people whom the speaker represents, as well as by the people to whom the speaker is addressing his remarks. Now, about foreign oil producing states. Discussing the possibility of another oil embargo, Schlesinger said, again direct quote, I think we are less likely to be tolerant of a renewed embargo than we were of the initial one in 1973. Asked what did he mean by less tolerant, the U.S. Secretary of Defense replied, quote, I'm not going to indicate any prospective reaction other than to point out that there are economic, political, or conceivably military measures in response, end of quote. Now this is the second time in recent months that the possibility of a U.S. military response to an oil embargo has been pointedly discussed in public by decision makers at the top in the Ford Administration. You may recall that Secretary of State Kissinger did it in another interview earlier. This is no accident—it is carefully orchestrated. Oil exporting countries, especially the Arab oil exporting countries, do not take this as peace-making conciliatory talk. They didn't when Kissinger did it, and they don" with Defense Secretary Schlesinger. Cairo spapers had the new Schlesinger quotes c . the front page. One under the headline quote, America returns to the old tune of resorting to force. The Reuters News Service quotes diplomats in Cairo as saying the Schlesinger comments are tactless and untimely at best, coming as they do just before President Ford's meetings early next month with Egyptian President Sadat to discuss prospects of Middle East peace. President Ford, Secretary Kissinger, and Secretary Schlesinger all are obviously elated by the reclaiming of the freighter *Mayaguez* from Cambodia. There is no question that an overwhelming majority of the American people shares that feeling.

DIEGO GARCIA BASE

Mr. MANSFIELD. Mr. President, in the Washington Post of yesterday, I note two brief paragraphs relative to the Diego Garcia Base, for which the administration had recommended appropriations but which Congress still has to approve.

The article is datelined Kuala Lumpur, and reads as follows:

DIEGO GARCIA BASE

KUALA LUMPUR.—The United States is going ahead with construction of air and naval reconnaissance facilities on Diego Garcia island in the Indian Ocean despite some opposition from Congress, U.S. Assistant Secretary of State Philip Habib said.

Habib said at a news conference that the United States has "no aggressive intention at all in the Indian Ocean" and that the move is to insure the safety of U.S. ships and commitments in the area.

I do not know what the commitments are. I do know that Congress has not yet approved the proposal of the President of the United States. I hope that here, again, the words would be muted until the facts are laid out and a decision is reached.

THE PRESIDENT'S TRIP

Mr. HUGH SCOTT. Mr. President, when the President returns, Congress, of course, will have a full report from him on the events which occurred during his visit to Europe. This visit has particular importance in view of the fact that we have been so long preoccupied with Asian matters and, meanwhile, many of our principal allies have been curious about the policies of the United States, the intent of the President and the Congress, and the evolution of our continuing undertaking in that important part of the world.

While the President will give us this report, it is proper, I believe, to comment on part of the reaction to some of those things that he has discussed. For example, at NATO he has assured the NATO nations of the firmness of our commitment, our intention to remain as a friend and an ally in Europe and as a strong and participating partner in NATO.

He has discussed the respective responsibilities of the United States and other nations to that body.

He has, I believe, improved the morale and the understanding of our NATO associates.

I think it notable that while it was reported that originally the Government of France would probably have lesser officials meet with the President, nevertheless it was President Valery Giscard d'Estaing who honored our President by arranging a lengthy meeting where undoubtedly better communications were established with one of our most ancient allies.

In Spain, where I had an earlier opportunity as a member of the committee, with the Senator from Minnesota (Mr. HUMPHREY) and other Senators to meet with Arias Navarro, the Prime Minister, and I had a personal meeting with Don Juan Carlos, the heir apparent to the throne, I note the President has met with the same people and also with Generalissimo Franco; there the Spanish bases were discussed, and apparently we are going to have a continuance in general, in principle, and in broad terms, at least, of our arrangements for the use of the Spanish bases, a matter of importance to us and to Spain.

I note that he has again called to the attention of other European countries the importance of Spain to the defense of the western world and to the desires of Spain ultimately to be included as a partner in NATO.

The President's influence was also manifested in the important exchange of views between Premier Caramanlis of Greece and Premier Demirel of Turkey

UMI

resulting in an undertaking jointly to seek a peaceful solution of the Cyprus matter.

President Ford's meetings with President Sadat at Salzburg offer an opportunity for some hope, as will his meetings with Israeli leaders which continue regularly. I am sure that their countries, our country, and the whole world hope that some accommodation can be reached, whereby we can resume step-by-step negotiations, in view of the fact that, while everyone was talking about going to Geneva, it presently appears that nobody really wants to go to Geneva very much, and this does carry us back to the step-by-step negotiation. I hope that the discussion with President Sadat and with Israeli leaders will prove fruitful and that our President will come home with a message of progress and of improvement of conditions in the Middle East.

(Further remarks made by Mr. HUGH SCOTT at this point in connection with the introduction of a bill to increase the authorization for the U.S. Commission on Civil Rights are printed in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

LETTER BY CASPAR WEINBERGER STATING HEW VIEWS ON S. 462

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that a letter, with attachments, to me from Secretary of Health, Education, and Welfare Caspar Weinberger stating the administration views on S. 462, a bill to amend the Developmental Disabilities Services and Facilities Construction Act, be printed at this point in the RECORD.

There being no objection, the letter with attachments was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., May 22, 1975.

Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: This is to bring to your attention this Department's concern over several provisions in S. 462, a bill "to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that Act," which was ordered reported by the Senate Labor and Public Welfare Committee on May 6, 1975.

The Department's most serious reservations are with respect to Title II, under which standards would be established for all residential and community facilities providing services to persons with developmental disabilities (i.e., mental retardation, epilepsy, cerebral palsy, and other neurological conditions). We object to these standards because they would conflict with standards designed to accomplish the same goals which have already been established by this Department and because the demands they would place on the institutions involved would be impossible for many to satisfy. Implementation of the Title II standards, therefore, could result in the severe disruption of services to the developmentally disabled. Consequently, we strongly oppose the enactment of this title.

Title I of S. 462 would revise and extend the Federal program administered by this Department for persons with developmental disabilities, the authority for which expired June 30, 1974. This program provides grants directly to States on a formula basis to enable them to plan and coordinate services provided to persons with developmental disabilities, as well as to university-affiliated facilities providing interdisciplinary training for persons working with the developmentally disabled.

In general, we have been pleased with the operation of this program which has effectively served to coordinate and integrate the delivery of services to persons with developmental disabilities. The commitment of the Administration to the program is demonstrated in its bill, S. 1194, introduced by Senator Stafford, which is similar in many respects to S. 462. We are pleased to note that the Labor and Public Welfare Committee adopted amendments that have made the Committee bill more similar to the Administration's bill. However, there remain some provisions in Title I which cause us very serious concern.

I am enclosing at Tab A a summary of our objections to provisions incorporated in S. 462. A somewhat more detailed discussion of these points is enclosed at Tab B. Finally, I am including at Tab C suggested amendments to S. 462 which would modify the bill to meet our concerns. I respectfully urge you and your colleagues in the Senate to give careful consideration to the Department's position with regard to S. 462, and to amend this bill as herein recommended.

The Office of Management and Budget advises that there is no objection to the transmittal of this letter, and that enactment of S. 462 would not be consistent with the Administration's objectives.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

Enclosures.

SUMMARY OF ADMINISTRATION OBJECTS TO S. 462

1. Quality Assurance (Title II): The rigorous standards that would be imposed on facilities providing services to the developmentally disabled would place unrealistic demands on such facilities and could result in the disruption and termination of services by many facilities.

2. Federal Match (Section 100): S. 462 provides for a Federal matching rate of 70% (90% in poverty areas) for each of the fiscal years 1975 through 1979. The Administration prefers a declining Federal matching rate (70% in FY 75, 60% in FY 76 and 50% in FY 77).

3. Authorizations (Sections 101, 102, 111, 113, 121, and 122): The authorizations that would be provided under S. 462 are excessively high ($712.5 million over a five-year period) as compared to $160.9 over a three-year period under the Administration's bill.

4. University-Affiliated Facilities (Part A): S. 462 would shift the emphasis of the UAF program away from training to the provision of direct services.

5. Advisory and Planning Councils (Sections 113 and 115): Under S. 462 the functions of the State Planning Councils and the National Advisory Council would be expanded to the point of impeding the effective administration of the Developmental Disabilities program by responsible officials.

6. Regulation Promulgation (Section 119): S. 462 would set a 90-day deadline for the promulgation of final regulations implementing the new Act. Such an unrealistic deadline would greatly hinder the development of effective regulations.

7. Evaluation of Services (Section 121): The problems with this provision are: (a) too short a deadline is provided for the full implementation by the States of the evaluation system; (b) the scope of the system (all services for the developmentally disabled) is too broad; (c) the system is too ambitious, as it would have to "evaluate the effects of services on the lives of persons with developmental disabilities"; and (d) the characteristics specified for the system are too specific and fail to provide the necessary flexibility.

8. Special Projects (Section 122): S. 462, like our proposal, would establish a new authority for special projects to expand or improve services to persons with developmental dissbilities. We believe that projects under this authority should terminate after three years of initial assistance, and that this authority should replace both atuhorities for special projects established in present law. We further believe that the set-aside for projects of national significance should be contained in this special projects authority, and not in the State grant authority.

ADMINISTRATION OBJECTIONS TO S. 462

1. TITLE II

We strongly oppose the enactment of Title II of S. 462, which would establish unrealistically rigorous standards to be met by all facilities serving the developmentally disabled. In January 1974 we published regulations establishing standards to be met by all residential facilities participating in Medicaid and providing medical care at a level lower than the hospital or nursing home level of care (Intermediate Care Facilities, or ICFs). Even more demanding standards were imposed on such facilities providing care to the mentally retarded (IFC–MRs). The Title II standards, imposed on top of the ICF enforcement effort which is already under way, would create confusion among the facilities and could result in disruption in, and possibly termination of, services to the developmentally disabled.

Moreover, Title II would require the Department to develop performance criteria for evaluating the progress of a person with developmental disabilities, which facilities providing services to the developmentally disabled would be required to adopt. While we believe that this "outcome" approach to quality assurance—wherein a facility's performance is measured by the result it produces with its residents—is the next necessary step in our efforts to raise the standard of care for the developmentally disabled, at this time we are too limited by the technological developments in this field to implement the criteria which would be required under S. 462. However, we believe we should have authority to move in this direction as the approach is validated. Our proposal for an evaluation system (see #6 below) would enable us to validate this approach and develop the necessary criteria over time.

2. SECTION 100: FEDERAL MATCH

S. 462 would provide for a Federal matching rate of 70% (90% in poverty areas) for each of the fiscal years 1975 through 1979. We believe that the Federal share should be on a declining basis (70% for FY 1975, 60% for FY 1976, and 50% for FY 1977) so that State and local governments will assume an increasingly greater degree of responsibility for service programs that affect their citizens.

3. SECTIONS 101, 102, 111, 113, 121, AND 122: AUTHORIZATIONS

We believe that the authorizations in Title I of S. 462 ($712.5 million over a five-year period) are too high in light of the many demands on the Federal budget and the severe Federal deficits which we face in years ahead. In addition, they misrepresent the intent of this program, which is designed to encourage planning and coordination of existing resources for the developmentally disabled and not to supplant those services with yet another service delivery program.

4. PART A: UNIVERSITY-AFFILIATED FACILITIES (UAF'S)

We believe that the UAF program was designed primarily to provide training for persons working with or preparing to work with persons with developmental disabilities. Therefore, we object to the following features of S. 462: the shift in emphasis in the UAF program from training to the direct provision of services, the provision for the establishment of Satellite Centers to provide direct services, and the continuation of authority for grants for the administration of demonstration projects not related to training. We also object to the continuation of authority for grants for the construction and renovation of UAFs, which is no longer needed since many such facilities now exist and since this authority has not been funded for the last few years. Such funds would be better used if channeled toward the provision of training.

5. SECTIONS 113 AND 115: ADVISORY AND PLANNING COUNCILS

We believe that S. 462 would inappropriately expand the functions of the National Council on Services and Facilities for the Developmentally Disabled and the State Planning Councils. Especially in the case of the State Planning Councils, S. 462 would impede the effective administration of the Developmental Disabilities program by responsible officials by subjecting plans for that and other programs serving the developmentally disabled to review and comment by the Councils.

6. SECTION 119: TIME LIMITATION FOR REGULATION PROMULGATION

S. 462 would require the promulgation of final regulations implementing Title I within 90 days of the bill's enactment. We believe this is an unrealistically short deadline, which will greatly hinder the development of effective regulations.

7. SECTION 121: EVALUATION OF SERVICES

We are very pleased that the Committee adopted many of the Administration's suggestions, which greatly improved this section of the bill. However, the following problems still remain in the revised version:

States would be required to implement the full evaluation system within thirty-six months of the bill's enactment, which will be only about nine months after the deadline for their implementation of the initial phase (October I, 1977). Such a short deadline defeats the purpose of the time-phased implementation plan, which was designed to allow States with low capability for implementing such evaluation systems ample time for developing such capability.

The scope of the evaluation system would cover all services provided to the developmentally disabled. Expansion of the system to cover all services, in addition to just Federally-supported services, would render the evaluation system almost impossible to implement.

The evaluation system would be required, among other things, to "evaluate the effects of services on the lives of persons with developmental disabilities." Such a determination of the cause and effect relationship between services and the status of developmentally disabled individuals would require years of highly controlled laboratory research, and is technically infeasible for an evaluation system of the type that would be created by Section 121.

The specification of the characteristics of the evaluation system in subsection 121(b) is too specific. Subsection 121(a) will require this Department to undertake an intensive design and planning study to analyze the feasibility of various approaches to the evaluation system. In advance of this analysis, it would be unwise to specify the basic characteristics of the new system, as such specifications could lock the system into infeasible or undesirable approaches.

8. SECTION 122: SPECIAL PROJECTS AUTHORITY

We believe that individual special projects funded under this authority should terminate after three years of initial assistance to induce greater State and local involvement. Also, we believe the new special projects authority created by this legislation should replace both special projects authorities utilized under present law, not just those under the Rehabilitation Act. We further believe that the authority for a set-aside for projects of national significance would be more logically contained in the special projects authority of the Administration's bill rather than in the State grant authority.

AMENDMENTS TO S. 462

1. AMENDMENT TO S. 462 TO DELETE TITLE II

Strike out everything beginning on page 47, line 5, through the end of the bill.

2. AMENDMENT TO S. 462 RELATING TO THE DECLARATION OF PURPOSE AND FEDERAL SHARE

Beginning on page 7, line 22, strike out everything through page 8, line 16, and insert in lieu thereof the following: "persons with developmental disabilities; (B) support of interdisciplinary training programs and training demonstration projects at institutions of higher education; and (C) the support of other activities which will contribute to improving the condition of persons with developmental disabilities."

Beginning on page 8, line 24, strike out everything through page 9, line 2, and insert in lieu thereof the following: "for the fiscal year ending June 30, 1975, 60 per centum of such cost for the fiscal year ending June 30, 1976, and 50 per centum of such cost for the fiscal year ending September 30, 1977."

On page 9, strike out lines 3 through 5 and insert in lieu thereof the following:

(d) (1) The non-Federal share of the cost of any project assisted under this Act shall be provided in cash or in kind, in accordance with rules generally applicable to grants provided by the Department of Health, Education, and Welfare.

3. AMENDMENT OF PART B OF TITLE I OF S. 462 RELATING TO AUTHORIZATION OF APPROPRIATIONS

On page 16, strike out lines 9 through 18 and insert in lieu thereof the following:

SEC. 111. For the purpose of making grants to carry out this part, there are authorized to be appropriated $30,875,000 for the fiscal year ending June 30, 1975, and for each of the two succeeding fiscal years.

On page 19, beginning at line 6, strike out everything after "000" through "(84 Stat. 1317))" in line 9.

On page 19, beginning at line 12, strike out everything after "000" through line 16.

4. AMENDMENT TO PART A OF TITLE I OF S. 462 WITH REGARD TO DEMONSTRATION AND TRAINING GRANTS FOR UNIVERSITY-AFFILIATED FACILITIES AND RENOVATION AND CONSTRUCTION OF FACILITIES

On page 9, lines 16 and 17, strike out "and renovation and construction of facilities".

Beginning on page 9, line 18, strike out everything through page 17, line 17, and insert in lieu thereof the following:

"DEMONSTRATION AND TRAINING GRANTS

"SEC. 101. (a) For the purposes of assisting institutions of higher education to contribute more effectively to the solution of complex health, education, and social problems of children and adults suffering from developmental disabilities, the Secretary may, in accordance with the provisions of this part, make grants to cover costs of administering interdisciplinary training programs and other demonstration training programs for personnel who are serving, or preparing to serve, persons with developmental disabilities. Such programs may be directed toward established disciplines as well as new kinds of training to meet critical shortages in the care of persons with developmental disabilities.

"(b) For the purpose of making grants pursuant to this section, there are authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the two succeeding fiscal years, $4,250,000.

"APPLICATIONS

"SEC. 102. Applications for grants under this part may be approved by the Secretary, only if the applicant is a college or university operating a program of the type described in section 101(a), or is a public or nonprofit private agency or organization operating such a facility. In considering applications for such grants, the Secretary shall give priority to any application which shows that the applicant has made arrangements, in accordance with regulations of the Secretary, for a junior college or other community-based educational or health facility to participate in the programs for which the application is made."

5(a) AMENDMENT TO PART B OF S. 462 RELATING TO THE NATIONAL ADVISOAT COUNCIL

Beginning on page 22, line 23, strike out everything through page 26, line 19, and insert in lieu thereof the following:

"SEC. 113. (a)(1) The National Advisory Council on Services and Facilities for the Developmentally Disabled (hereinafter referred to as the "Council"), which was established pursuant to section 133 of the Developmental Disabilities Services and Facilities Construction Act, shall continue to exist for the period for which appropriations are authorized under this Act. The Council shall consist of twenty members, not otherwise in the regular full-time employ of the United States, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service.

"(2) The Secretary shall from time to time designate one of the members of the Council to serve as Chairman thereof.

"(3) The members of the Council shall be selected from leaders in the fields of service to the mentally retarded and other persons with developmental disabilities, including leaders in State or local government, in institutions of higher education, and in organizations representing consumers of such services. At least five members shall be representative of State or local public or nonprofit private agencies responsible for services to persons with developmental disabilities, and at least five shall be representative of the interests of consumers of such services.

"(b) Each member of the Council shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(c) It shall be the duty and function of the Council to (1) advise the Secretary with respect to any regulations promulgated or proposed to be promulgated by him in the implementation of this title, and (2) study and evaluate programs authorized by this Act with a view of determining their effectiveness in carrying out the purposes for which they were established.

"(d) The Council is authorized to engage such tecnical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to

UMI

the Council such secretarial, clerical, and other assistance and such statistical and other pertinent data prepared by or available to the Department of Health, Education, and Welfare as it may require to carry out such functions.

"(e) Members of the Council, while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive compensation at rates fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate provided for GS–18 of the General Schedule for each day of such service (including travel time), and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently."

5(b) AMENDMENT TO PART B OF TITLE I OF S. 452 WITH REGARD TO STATE PLANNING COUNCILS

On page 28, strike out lines 6 through 13 and insert in lieu thereof the following:

"(b) In order to be approved by the Secretary under this section, a State plan for the provision of services and facilities for persons with developmental disabilities shall—

"(1) designate—

"(A) a State planning and advisory council, which shall be responsible for submitting revisions of the State plan and transmitting such reports as may be required by the Secretary, and which shall include representatives of each of the principal State agencies and representatives of local agencies and nongovernmental organizations and groups concerned and groups concerned with services for the developmentally disabled: *Provided*, That at least one-third of the membership of such council shall consist of representatives of consumers of such services;"

On page 28, line 14, strike out "(A)" and insert in lieu thereof "(B)"; in line 15, strike out "(B)" and insert in lieu thereof "(C)"; and in line 21, strike out "(B)" and insert in lieu thereof "(C)".

On page 5, line 11, strike out "section 115" and insert in lieu thereof "section 114(b)(1)".

Beginning on page 34, line 23, strike out everything through page 36, line 25.

6. AMENDMENT TO PART B OF TITLE I OF S. 462 RELATING TO ISSUANCE OF REGULATIONS BY THE SECRETARY

On page 41, strike out lines 20 through 23 and insert in lieu thereof the following:

"Sec. 119. (a) The Secretary shall prescribe general regulations applicable to all the States to carry out the purposes of this title."

7. AMENDMENT TO SECTION 121 OF S. 462, AS AMENDED BY THE SENATE LABOR AND PUBLIC WELFARE COMMITTEE—COMPREHENSIVE EVALUATION SYSTEM

1. In the first sentence of section 121(a) strike out "within thirty-six months after date of enactment".

2. In the second sentence of section 121(a) strike out "all services" and insert in lieu thereof "Federally-supported services".

3. In the second sentence of section 121(a) strike out "in order to evaluate the effects of services on the lives of persons" and insert "to individuals" in lieu thereof.

4. In section 121(b) insert ", to the extent feasible," after "shall be designed".

8. AMENDMENT TO PART B OF TITLE I OF S. 462 RELATING TO SPECIAL PROJECTS

On page 45, line 24, strike out "$17,500,000" and insert in lieu thereof "$18,500,000".

On page 45, line 25, strike out everything beginning with "$20,000,000" through page 46, line 4, and insert in lieu thereof "and for each of the two succeeding fiscal years.".

On page 46, strike out lines 5 through 26 and insert in lieu thereof the following:

"(b)(1) The Secretary, after consultation with the National Council, shall make grants to States and public or nonprofit agencies and organizations to pay part or all of the cost of special projects and demonstrations (and research and evaluation in connection therewith) for (A) establishing programs which hold promise of expanding or otherwise improving services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped), and (B) for carrying out projects of special national significance including, but not limited to—

"(i) demonstration projects for integrating services for the developmentally disabled population,

"(ii) demonstration projects to coordinate and utilize all available community resources,

"(iii) projects designed to improve the administration of, and the quality of care provided under, programs for individuals with developmental disabilities, and

"(iv) projects to demonstrate new or improved techniques for the provision of services for such individuals.

"(2) From the amount appropriated pursuant to subsection (a), the Secretary may reserve 30 per centum thereof for the purpose of making grants for projects described in subsection (b)(1)(B).

"(3) Grants under this section may be used to support only the initial three years of any project or demonstration.

"(c) A copy of each application for a grant under this section shall be submitted by the applicant to the appropriate State planning and advisory council simultaneously with submission to the Secretary. The Secretary shall not approve such an application until the State planning and advisory council has had an opportunity, for a period of at least thirty days, to review and make comments on the application to the Secretary.

"(d) Projects, or a component of any project funded under this section, shall not be eligible for funding under section 304 of the Rehabilitation Act of 1973 or section 303(a)(2) of the Public Health Service Act."

Beginning on page 21, line 19, strike out everything through page 22, line 16. On page 22, line 17, redesignate subsection "(f)" as subsection "(e)".

On page 18, line 21, strike out everything beginning with "other than" through "this section," in line 23.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the conduct of routine morning business not to extend beyond the hour of 20 minutes to 1, during which time there will be a time limitation of 3 minutes attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 920

Mr. CRANSTON. Mr. President, I ask unanimous consent that during consideration of the military procurement bill Mr. Murray Flander and Mr. Bill Jackson of my staff be accorded the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESOLUTION OF NEBRASKA LEGISLATURE REGARDING MISSING IN ACTION IN SOUTHEAST ASIA

Mr. CURTIS. Mr. President, the end of war in South Vietnam has left this country with many tasks yet to be faced with courage, with diplomacy, with sacrifice, and with generosity.

We are committed to the task of integrating thousands of Vietnamese refugees into our communities.

We are dealing with the recessionary effects of a postwar economy.

We have had an amnesty program underway for some time.

We are assuring the rest of the free world of our continued strength and support in all our alliances, and everywhere in the name of freedom.

We must not now overlook the fact that 1,300 American men never came home from Southeast Asia, and never were accounted for by the North Vietnamese.

The families of our missing in action are not content with the "conclusion" of the war in South Vietnam. Their heartbreak has not ended.

Neither must we be content. We must do everything possible to obtain an accounting of our MIA's. The war has not ended for them.

Mr. President, the 84th Legislature of the State of Nebraska has passed a resolution asking for a congressional investigation of the issue of American prisoners of war and missing in action in Southeast Asia, and that Congress take whatever action it deems necessary to obtain an accounting of the fate of these men.

I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

LEGISLATIVE RESOLUTION 39

Whereas, more than two years have passed since the signing of the Paris Peace Accords; and

Whereas, the Communist bloc countries in Southeast Asia are not abiding by Articles 8a and 8b of the Paris agreement or the Laotian Protocols, which provide for an accounting of American servicemen who are Missing in Action and the repatriation of all Prisoners of War; and

Whereas, there appears to be a lack of effective action being taken or proposed to achieve a full accounting of the remaining 1300 Prisoners of War and Missing in Action; and

Whereas, the 1300 families of these men have too long borne the painful burden of uncertainty that this situation has caused; and

Whereas, we as Americans and citizens of a free nation acknowledge our continuing responsibility to resolve the fate of these men who served their country in Southeast Asia.

Now, therefore, be it resolved by the Members of the Eighty-fourth legislature of Nebraska, first session:

1. That the Congress of the United States be requested to conduct a thorough investigation of the issue of American Prisoners of War and Missing in Action in Southeast Asia, and that it take such action as may be necessary to ensure an honorable determination of the fate of these men.

2. That a copy of this resolution be forwarded to each member of the Nebraska delegation in the Congress of the United States with the request that it be inserted into the Congressional Record.

PRIVILEGE OF THE FLOOR—S. 920

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that Mr. Peter Hughes, of my staff, have the privilege of the floor during the consideration of the military procurement bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I make a similar request with regard to Mr. Robert Turner, of my staff.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of May 22, 1975, messages from the President of the United States submitting sundry nominations were received on May 23, 1975; and on June 2, 1975, the messages were referred to the Committee on Armed Services.

(The nominations submitted on May 23, 1975, are printed at the end of the Senate proceedings of today.)

REPORT OF THE ADMINISTRATION ON AGING—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of May 22, 1975, a message from the President of the United States transmitting the annual report of the Administration on Aging for the fiscal year 1974 was received on May 27, 1975; and, on June 2, 1975, the message, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

Section 208 of the 1973 Amendments to the Older Americans Act (Public Law 89–73) provides that the Commissioner on Aging shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities carried out under this Act, not later than one hundred and twenty days after the close of each fiscal year.

Secretary Weinberger has forwarded the Annual Report of the Administration on Aging for the fiscal year 1974 to me, and I am pleased to transmit this document to the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *May 27, 1975.*

REPORT ON BALANCE-OF-PAYMENTS DEFICIT—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of May 22, 1975, a message from the President of the United States transmitting the sixth and final report on progress toward offsetting the fiscal year 1974 balance-of-payments deficit resulting from deployment of U.S. forces in NATO Europe; and, on June 2, 1975, the message was referred to the Committee on Armed Services. The message is as follows:

To the Congress of the United States:

In accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93–155), I am pleased to submit to the Congress the sixth and final report on our progress toward offsetting the fiscal year 1974 balance of payments deficit resulting from the deployment of U.S. forces in NATO Europe. Section 812 (the Jackson-Nunn Amendment) states that if our European NATO Allies fail to offset this deficit, then U.S. troops in Europe must be reduced by the percentage of offset not provided. I am pleased to report that our Allies have fully offset the U.S. fiscal year 1974 deficit and that the troop reduction provision will not have to be implemented.

The U.S. NATO-related balance of payments expenditures during fiscal year 1974 totaled $1.997 billion. We sought to cover these expenditures in two ways. First, we negotiated with the Federal Republic of Germany (FRG) an Offset Agreement which had a total value of $2.218 billion over the 1974–75 time period. The fiscal year 1974 portion of the agreement has come to $1.150 billion. Secondly, our other NATO Allies have placed substantial military procurement in the U.S. They have been able to identify $1.016 billion in such procurement, of which $917 million can at this time be applied against FY 1974 expenditures. The NATO Allies and the NATO Economic Directorate deserve our special recognition for their cooperation in establishing a liaison mechanism for identifying these purchases. Appendix A provides an accounting of our compliance with the provisions of the Amendment.

The Jackson-Nunn Amendment also called upon our Allies to assist the U.S. in meeting some of the added budgetary costs that result from maintaining our forces in Europe rather than in the continental United States. The major form of this budgetary support is contained in the two-year U.S.-FRG Offset Agreement. The agreement includes approximately $224 million to rehabilitate badly deteriorated barracks and other troop facilities used by American military personnel in the FRG. The FRG also agrees to absorb about $8 million of real estate taxes and landing fees directly related to U.S. forces in Germany. Finally, very considerable budgetary relief is implicit in the FRG agreement to purchase DM 2,250 million in special U.S. Treasury securities at a concessional interest rate of 2.5 percent. The interest rate which Germany could have obtained through investment of these funds in marketable U.S. Treasury securities would, of course, have been much higher. The purchase of securities made by the FRG pursuant to the agreement were made at times when the market was paying just under eight percent interest. As a consequence, the FRG will have foregone approximately $343 million in interest over the life of these securities. Essentially this represents a budgetary gain to the U.S.

A final provision of the Amendment requires that we seek to reduce the amount paid by the U.S. to support NATO's Infrastructure Program. NATO recently agreed to a new five-year program (CY 1975–79) totaling $1.35 billion. The Allies have agreed to reduce the U.S. percentage from the current official level of 29.67 percent to 27.23 percent. The new program also includes a special category of projects totaling $98 million which benefit only American forces and which would normally have been funded in the U.S. budget. When this special category is considered, the effective U.S. share is approximately 21 percent. Likewise, the U.S. share of funding for the Common European Pipeline deficit has been reduced from 36 percent to 25 percent.

The Amendment specifies that 22½ months (July 1, 1973–May 16, 1975) of Allied balance of payments transactions can be applied against the FY 1974 deficit. The balance of payments data we have used have been based on only the first 12 months of this period. We do not yet have complete data on Allied procurement expenditures during the last 10½ months of the statutory period. However, assuming that Allied expenditures in Foreign Military Sales (FMS) and commercial accounts remain at about the same levels as in FY 1974, there would be available an additional $1.3 billion to offset our FY 1974 expenditures.

It should be noted that the Allied financial transactions reported here do not represent the total financial burden incurred by the Allies in support of U.S. forces in Europe. Our Allies absorb many

UMI

of our troop-related operation and maintenance costs for facilities, building and repairing roads, and other payments which have a total value of several hundred million dollars a year.

A good economic argument can be made that some of our balance of payments expenditures would have occurred whether or not our troops were in Europe, and hence should not have been charged against the NATO balance of payments account. For example, the Department of Defense purchased approximately $137 million of petroleum, oil, and lubricants (POL) in Europe during FY 1974, mostly for our Sixth Fleet operations. The great majority of these products were purchased from the Middle East. However, if the fleet had been brought home, its shift to U.S. POL resources would have forced other U.S. consumers to purchase their POL requirements from abroad. Thus, the impact on our balance of payments expenditures would have remained unchanged.

We should also recognize that, even if our troops were returned to the continental U.S., there would still be personnel-related expenditures for European goods and services. These personnel would continue to purchase some European goods. Also, we should not overlook the fact that some of our military-related balance of payments expenditures in Europe generate Allied or third nation purchases in the U.S.—both military and commercial.

Finally, we must consider that more than $300 million of the U.S. defense expenditures in Europe merely reflect the effect of dollar depreciation. This depreciation was a contributing factor to the substantial improvement in the U.S. trade balance, but it has made relatively more expensive the goods and services purchased by our military forces in Europe.

GERALD R. FORD.

THE WHITE HOUSE, *May 27, 1975.*

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of May 22, 1975, on May 23, 1975, a message from the House of Representatives was received stating that the Speaker had signed the following enrolled bills:

H.R. 3786. An act to authorize the increase of the Federal share of certain projects under title 23, United States Code; and

H.R. 7136. An act to continue the special supplemental food program for women, infants, and children through September 30, 1975.

The enrolled bills were signed on May 23, 1975, by the Acting President pro tempore (Mr. METCALF).

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. BUMPERS) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF BILL

A message from the President of the United States stated that on May 28, 1975, he approved and signed the enrolled bill (S. 326) to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands.

MESSAGE FROM THE HOUSE

At 5:08 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House recedes from its disagreement to the amendment of the Senate numbered 107 to the bill (H.R. 5899) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, and concurs therein with an amendment in which it requests the concurrence of the Senate.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the Acting President pro tempore (Mr. BUMPERS):

A resolution adopted by the County Legislature of Suffolk County, New York, opposing the implementation of Public Notice 8070 of the Army Corps of Engineers regarding the disposing of dredge material in Long Island Sound; to the Committee on Public Works.

House Joint Resolution No. 123 adopted by the Legislature of the State of Connecticut; to the Committee on Foreign Relations:

"RESOLUTION MEMORIALIZING THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES TO CONTINUE TO ASSIST ISRAEL IN MAINTAINING ITS ECONOMIC VIABILITY AND STRATEGIC SECURITY

"Resolved by this Assembly:

"Whereas, the State of Israel has shown throughout its existence that it follows the ideals and aspirations of the ancient prophets of the Jewish people, the ideals which were guidelines of the founding fathers of our own country and our bill of rights; and

"Whereas, the State of Israel has always demonstrated its devotion to those ideals of freedom and peace which have moved America in its endeavors; and

"Whereas, the existence of Israel is most fragile, threatened as it is on every side by those who seek the extinction of this young democracy; and

"Whereas, the State of Israel has been a consistent de facto ally of the United States and its strategic and political strength serves the best interests of our country and world peace.

"Now, therefore, be it resolved, that we, the members of this assembly unite in memorializing the President and the Congress of the United States to continue to provide Israel with the necessary means for the maintenance of its economic viability and strategic security.

"Be it further resolved, that the clerks of the house and senate cause copies of this resolution to be sent to the President of the United States, the President of the Senate and Speaker of the House of Representatives of the Congress of the United States and to each member of the Connecticut congressional delegation."

Assembly Joint Resolution No. 12 adopted by the Legislature of the State of Wisconsin; to the Committee on Agriculture and Forestry:

"1975 ENROLLED JOINT RESOLUTION URGING CONGRESS TO TIGHTEN FEDERAL INSPECTION OF IMPORTED DAIRY PRODUCTS

"Whereas, under Wisconsin law it is illegal to sell any food that is adulterated or contaminated with dirt, disease or any filthy, putrid or decomposed substance or to sell any food produced under conditions whereby it might become so contaminated; and

"Whereas, Wisconsin dairy farmers are subject to strict laws, regulations and inspections governing the method of production of dairy products which are designed to ensure that only safe and wholesome dairy products reach the consumer, but which add considerably to the costs of production that the farmer must bear, thereby raising the prices he must get for his product on the market in order to stay in business; and

"Whereas, dairy products imported from foreign countries that do not regulate production methods as stringently as does Wisconsin are sold in Wisconsin at prices which put Wisconsin farmers at a competitive disadvantage; and

"Whereas, the federal government has an inspection program for imported foods to prevent adulterated or contaminated food from entering the country under which approximately 10% of the inspected dairy products are rejected as being unwholesome or adulterated or misbranded; and

"Whereas, over the last 5 years the federal government has inspected only 12% of the dairy products being imported from foreign nations, so that, assuming a similar contamination rate for uninspected as inspected products, approximately 10% of the dairy products entering Wisconsin from foreign nations are adulterated or contaminated with unwholesome substances and filth; and

"Whereas, the sale of these imported products poses a health hazard to citizens of the state and forces state farmers to sell products at prices which threaten their ability to continue producing wholesome foods: Now, therefore, be it

"Resolved by the assembly, the senate concurring, That the Wisconsin legislature strongly urges the Congress of the United States to expand and tighten the federal inspection of dairy products being imported from foreign nations to ensure that all such dairy products entering the U.S. that might thereafter enter Wisconsin are free from contaminating substances, filth, disease or other unwholesomeness; and, be it further

"Resolved, That duly attested copies of this resolution be transmitted to all members of congress from this state, the secretary of the senate, the chief clerk of the house of representatives, and the U.S. secretary of agriculture."

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The Acting President pro tempore (Mr. BUMPERS) laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL APPROPRIATIONS FOR THE LEGISLATIVE BRANCH—(S. Doc. 94-63)

A communication from the President of the United States transmitting requests for supplemental appropriations for fiscal year 1975 in the amount of $8,366,780 for the legislative branch (with accompanying papers); to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration:

S. Res. 172. An original resolution relating to the payment of witness fees (Rept. No. 94-162).

By Mr. JACKSON (for Mr. JOHNSTON), from the Committee on Interior and Insular Affairs, without amendment:

S. 313. A bill to authorize an exchange of lands for an entrance road at Guadalupe Mountains National Park, Texas, and for other purposes (Rept. No. 94-164).

H.R. 5158. An act to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands (Rept. No. 94-165).

By Mr. JACKSON (for Mr. JOHNSTON), from the Committee on Interior and Insular Affairs, with amendments:

S. 98. A bill to establish the Klondike Gold Rush Park (Rept. No. 94-166).

By Mr. JACKSON (for Mr. JOHNSTON), from the Committee on Interior and Insular Affairs, with an amendment:

S. 82. A bill to repeal certain provisions of the act entitled "an act to provide for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, and for other purposes", approved September 21, 1965, and for other purposes (Rept. No. 94-163).

By Mr. MORGAN, from the Committee on Banking, Housing and Urban Affairs:

S. 1839. An original bill to amend the Small Business Act and the Small Business Investment Act of 1958 to increase the authorization for certain small business loan and guarantee programs, and for other purposes (Rept. No. 94-167).

By Mr. RANDOLPH, from the Committee on Labor and Public Welfare, with amendments:

S. 6. A bill to provide financial assistance to the States for improved educational services for handicapped children (together with additional views) (Rept. No. 94-168).

S. 1256. A bill to extend for one additional year entitlements for part B of the Education of the Handicapped Act (Rept. No. 94-169).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on May 23, 1975, he presented to the President of the United States the enrolled bill (S. 249) to amend the Securities Exchange Act of 1934 to remove barriers to competition, to foster the development of a national securities market system and a national clearance and settlement system to make uniform the Securities and Exchange Commission's authority over self-regulatory organizations, to provide for the regulation of brokers, dealers, and banks trading in municipal securities, to facilitate the collection of public dissemination of information concerning the holdings of and transactions in securities by institutional investment managers, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUGH SCOTT (for himself, Mr. PHILIP A. HART, Mr. TUNNEY, and Mr. MATHIAS):

S. 1834. A bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT:

S. 1835. A bill for the relief of Hok Hing Ku. Referred to the Committee on the Judiciary.

By Mr. MOSS:

S. 1836. A bill to amend sections 403 and 1002 of the Federal Aviation Act of 1958, as amended, relating to tariff changes and suspensions. Referred to the Committee on Commerce.

By Mr. CURTIS:

S. 1837. A bill to amend the Fair Labor Standards Act of 1938 to exempt employees engaged in livestock brand inspections from the overtime compensation provisions of that Act. Referred to the Committee on Labor and Public Welfare.

By Mr. McGOVERN:

S. 1838. A bill to establish a National Transportation Services Board and to transfer to such Board regulatory and other functions over the Nation's transportation services. Referred to the Committee on Government Operations.

By Mr. MORGAN, from the Committee on Banking, Housing and Urban Affairs:

S. 1839. An original bill to amend the Small Business Act and the Small Business Investment Act of 1958 to increase the authorization for certain small business loan and guarantee programs, and for other purposes. Placed on the calendar.

By Mr. PROXMIRE:

S. 1840. A bill to amend the Fair Credit Reporting Act. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BAYH (for himself, Mr. TUNNEY, Mr. MATHIAS, and Mr. ABOUREZK):

S. 1841. A bill to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasion of their privacy by prohibiting the use of the polygraph type equipment for certain purposes. Referred to the Committee on the Judiciary.

By Mr. STENNIS:

S. 1842. A bill for the relief of Dr. Arturo Bomolan Dela Rosa. Considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUGH SCOTT (for himself, Mr. PHILIP A. HART, Mr. TUNNEY, and Mr. MATHIS):

S. 1834. A bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights. Referred to the Committee on the Judiciary.

Mr. HUGH SCOTT. Mr. President, I am today introducing, along with Senators HART of Michigan, TUNNEY, and MATHIAS, a bill to increase the authorization of the U.S. Commission on Civil Rights to $7,843,000 for the fiscal year ending September 30, 1976 and for $10,500,000 for each fiscal year through the current legislative life of the Commission, September 30, 1978.

In its own relatively quiet fashion, the U.S. Commission on Civil Rights has been a major force for more than 15 years in fighting discrimination in America. An official and full-fledged arm of the Federal Government, the Commission has played a role considerably less dramatic than that of the private civil rights organizations. The Commission's job, since its creation in 1957, as been to establish facts and recommend solutions. It has no enforcement authority, a small budget, and restricted subpena powers. With these limited tools, the Commission has gone about the painstaking and unspectacular work of documenting the efforts of discrimination. Down through the years, the Commission's findings and reports have furnished the basis for countless public and private steps to combat inequality for opportunity in America.

The Commission on Civil Rights has a unique place in the Federal Government. Unlike the Presidential study commissions, the Commission reports to both the President and Congress and enjoys a relatively independent status. The act of Congress which established the Commission—Public Law 85-315—shields it from control by any political party.

Although technically a temporary agency, the Commission has become virtually permanent. The 1957 law gave the Commission a life of 2 years, but that expiration date and each of the five others that followed was extended by Congress. The most recent extension came in 1972 and carried out a recommendation in the President's state of the Union address. That extension—Public Law 92-496—keeps the Commission in existence until mid-1978 and gives it, for the first time, jurisdiction over sex discrimination.

The Commission was born amid turmoil over the Brown decision, over public accommodations closed to blacks in many States, and over a highly effective assortment of official and unofficial devices that denied the ballot to thousands of black people. The Commission assaulted firmly entrenched segregation and discrimination with a small budget and almost no real power. Its budget was less than $1 million and did not climb above that mark until 1965. The Commission could not put anybody in jail, prosecute anyone, or cutoff anybody's Federal grant. It could recommend—to the appropriate authorities—that all these things be done, but that was about all. The Commission could receive complaints, conduct investigations, hold hearings, expose wrongdoers, and make findings. That was the extent of its authority, but the Commission soon established a reputation for making the most of its modest weapons.

The Commission's first report, issued in 1959, covered voting, education, and housing. Two years later, employment and justice were added to this list. Two years after that, the list of subjects was expanded again to health services, urban problems, and the Armed Forces.

The Commission's earlier reports dealt principally, naturally, with discrimination against blacks. In recent years, however, the Commission has begun to focus systematically upon discrimination against other minorities—Mexican Americans, Puerto Ricans, and Native Americans. It has recently begun a study of the civil rights problems of Asian Americans—following two excellent re-

UMI

ports of its California and New York State Advisory Committees on this subject. Since the Congress expanded its jurisdiction in 1972 to include sex discrimination it has moved vigorously in that area. Many Senators, I am sure, have already reviewed the Commission's excellent report—"The Voting Rights Act: Ten Years After," in preparation for the Senate's forthcoming deliberations regarding extension of the Voting Rights Act of 1965—as amended.

The Commission's recommendations have found their way into numerous laws, executive orders, and policies. Civil rights acts from 1960 onward reflect Commission recommendations. Two major examples of Commission suggestions that have become law are title VI of the 1964 Civil Rights Act, which prohibits discrimination in federally assisted programs, and the Voting Rights Act of 1965, which provided for the assignment of Federal examiners to areas where citizens experience difficulty in registering to vote. A 1972 tabulation showed that more than 60 percent of the Commission's recommendations have been adopted in some form.

In 1964, Congress assigned the Commission the duty of serving as a "national clearinghouse" of information about discrimination in America. Under this authority, the Commission maintains a large library of civil rights information and has published more than 40 studies on subjects ranging from Indian rights to busing. These "clearinghouse" studies are in addition to the Commission's formal, or "statutory" reports and its quarterly magazine, Civil Rights Digest.

Another major Commission responsibility is that of appraising the Federal Government's laws and policies regarding discrimination. In carrying out this duty, the Commission has issued, during the last several years, a series of extensive and often critical reports on the Federal Government's execution of civil rights laws and policies.

Among the Commission's unique features are its State advisory committees, which serve in every State and the District of Columbia. Each State advisory committee has a membership of prominent and knowledgeable citizens. Committee membership and functions are very much like, on a State level, the membership and functions of the Commission itself. The advisory committees hold meetings—they cannot subpena witnesses—gather facts, and issue reports and recommendations. These committee reports and recommendations often are used by the Commission in planning hearings, issuing reports, and formulating recommendations on the national level.

I know that the Subcommittee on Constitutional Rights and the Senate Judiciary Committee will give early consideration to this authorization legislation so that we can insure that the Commission on Civil Rights continues to function at peak proficiency.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 2. Section 106 of the Civil Rights Act of 1957 (42 U.S.C. 1975e; 71 Stat. 636), as amended, is further amended to read as follows:

"SEC. 106. For the purposes of carrying out this Act, there is hereby authorized to be appropriated for the fiscal year ending September 30, 1976, the sum of $7,843,000 and for each fiscal year thereafter through September 30, 1978, the sum of $10,500,000 and additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law which arise subsequent to the date of enactment of this Act."

By Mr. MOSS:

S. 1836. A bill to amend sections 403 and 1002 of the Federal Aviation Act of 1958, as amended, relating to tariff changes and suspensions. Referred to the Committee on Commerce.

Mr. MOSS. Mr. President, today I am introducing a bill amending the Federal Aviation Act of 1958 to permit the airlines to more effectively notify the consumers of air transportation of changes in the airlines' tariffs.

At the present time, section 403(c) of the Federal Aviation Act requires 30 days' notice of a proposed change in "any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of service thereunder, specified in any effective tariff of any air carrier or foreign air carrier." Pursuant to section 1002(g) of the act, the Board may in turn enter into an investigation of a given tariff and pending hearing and the decision thereon, suspend the operation of the tariff. Section 1002(g) does not impose, however, any notice requirement upon the Board with regard to its suspension action and, consequently, the Board is permitted to suspend tariffs at any time prior to their effective date. Such a situation, in which the Board can actually defer decision on a proposed tariff until the "11th hour," necessarily renders it extremely difficult for the carriers to insure the proper dissemination of new tariffs and creates the potential for great uncertainty for consumers of air transportation.

Although the Board recognizes the problems created for both the carriers and consumers by this situation, it nevertheless is permitted under the act to utilize the full 30 days to consider a proposed tariff. The bill I propose today will eliminate this uncertainty by:

First, amending section 403(c) of the act to provide for 45 days' notice of proposed tariff changes; and

Second, amending section 1002(g) of the act to require the Board to make public its decision on whether to suspend a tariff at least 15 days before its effective date in the case of tariffs for interstate or overseas air transportation.

By thus creating this period of at least 15 days between the Board's decision on a tariff and its effective date, the carriers will then be able to properly disseminate these tariffs to their personnel and, at the same time, communicate the tariff changes to the air traveling public. In this manner, the present uncertainty surrounding these proposed tariffs will be ameliorated to the benefit of the consumer.

Mr. President, this 15-day requirement applies to interstate and overseas air transportation but not to foreign air transportation. The rationale for restricting this proposed change to interstate and overseas transportation at this time is essentialy twofold: First, experience has indicated a more pressing need for this change in interstate and overseas transportation; and second, considerations unique to tariffs for foreign air transportation require that these tariffs be treated separately. Since in the case of tariffs for foreign air transportation, Board suspension orders must be submitted to the President and are subject to his disapproval, and the United States and many foreign governments are parties to bilateral agreements which provide for advanced notice of dissatisfaction by a contracting party with any rate proposed by an airline or either party for services between their territories, it may be appropriate to have a different time period for notice of suspension Moreover, experience under the Board's recently granted suspension power for tariffs for foreign air transportation may indicate that a separate and distinct time period for such tariffs is appropriate. As a consequence of these factors, it was deemed advisable to restrict this proposed change to the Board's suspension power to interstate and overseas air transportation.

Mr. President, I believe that these amendments will significantly improve the ability of the carriers to disseminate their new tariffs and thereby significantly benefit the consumers of air transportation.

By Mr. CURTIS:

S. 1837. A bill to amend the Fair Labor Standards Act of 1938 to exempt employees engaged in livestock brand inspections from the overtime compensation provisions of that act. Referred to the Committee on Labor and Public Welfare.

Mr. CURTIS. Mr. President, I am introducing legislation today to amend the Fair Labor Standards Act of 1938 to exempt employees engaged in livestock brand inspection from the overtime compensation provisions of that act.

I am introducing this legislation at the request of several constituents who have pointed out to me the overall incompatibility of the Fair Labor Standards Act with the Nebraska Brand Committee.

Two letters I have received best outline the need for this legislation. These are a joint letter from Mr. Allen J. Beermann, Secretary of State of Nebraska, and Art Thomsen, secretary and chief inspector of the Nebraska Brand Commission, and a letter from Mr. Calvin L. Coulter, chairman of the American National Cattlemen Association's Committee on Brand and Theft and also a member of the Nebraska Brand Committee. I ask unanimous consent that these letters be printed in the RECORD.

I introduced similar legislation at the end of the 93d session of Congress, and at that time expressed the wish that the chairman of the Committee on Labor and Public Welfare would place this subject on the committee agenda early this session. I renew this concern today and urge quick and responsive committee action on this legislation.

There being no objection, the letters were ordered to be printed inn the RECORD, as follows:

DEPARTMENT OF STATE,
Alliance, Nebr., November 13, 1974.

Re Fair Labor Standards Act.
Hon. CARL T. CURTIS,
U.S. Senator,
Washington, D.C.

DEAR SENATOR CURTIS: At this time we wish to bring to your attention, problems currently evolving within our department of State Government, as a direct result of the overall incompatibility. The Fair Labor Standards Act has with The Nebraska Brand Committee. We also wish to emphasize the importance of gaining relief from the requirements of the Act, and point out the possibility that our State Agency will be bankrupt in a very short time if we are forced to comply with the provisions of overtime payment of wages to our Livestock Brand Inspectors.

First, may I state that our State Agency is supported for the most part by the livestock industry of Nebraska, primarily the cattle industry.

Secondly, may I point out that by the very nature of the industry, cattle movements are seasonal, and they vary to a great degree by marketing conditions, meat prices, truck strikes, fuel availability, and other such external factors. Consequently, our full time Livestock Brand Inspectors must reside in strategic geographical areas of the state. They must be available during daylight hours and on occasion must work hours in excess of forty hours per week. Since we are a fee operated, cash fund State Agency, we must operate within the scope of the monies available as derived from Brand Inspection fees. If we are forced to limit our employees to a forty hour week, we will then be unable to provide the quality and types of services to the industry, for which we are charged with performing by State Law. If we require our Livestock Brand Inspectors to work in excess of forty hours per week, we will then be forced out of existence by the Fair Labor Standards Act overtime requirements.

Traditionally, during the slack seasons of the year our employees work many weeks of less than forty hours per week, however, they still receive a full month's pay, just as if they had worked a full forty hours per week. However, during the busy months of the year they frequently must work hours in excess of forty. To date, none of our employees have complained about the hours in excess of forty, because they know much of the year they do not work a full forty hour week.

With this thought in mind, we respectfully request your assistance in seeking a realistic amendment to the Fair Labor Standards Act, whereby our State Agency can possibly gain an agricultural exemption for all categories of our Livestock Brand Inspectors.

We are enclosing copies of additional correspondence from other states and organizations presently having almilar problems, and pointing out to you at thia time the fact that our situation is critical. Livestock Brand Inspection work is a very unique type of work, and we feel it is totally unrealistic for the Federal Government to expect Livestock Brand Inspection agencies to comply with a law that is primarily geared for non-agricultural work.

Thank you in advance for kindly giving this matter your attention and consideration.

Very truly yours,
ALLEN J. BEERMANN,
Secretary of State, and Chairman, Nebraska Brand Committee.
ART THOMSEN,
Secretary and Chief Inspector, Nebraska Brand Committee.

AMERICAN NATIONAL
CATTLEMEN'S ASSOCIATION,
Denver, Colo., September 3, 1974.

Mrs. BETTY MURPHY,
Administrator, Wage and Hour Division, U.S. Department of Labor, Washington, D.C.

DEAR MRS. MURPHY: As Chairman of the American National Cattlemen's Association Committee on Brand and Theft and as a member of the Nebraska State Brand Board, I am requesting that an administrative opinion granting "livestock brand inspectors" exemption from the overtime provisions of the Fair Labor Standards Act of 1938 as amended. Said "livestock brand inspectors" ought to be classified as agricultural employees.

Brand inspectors inspect only livestock for the owner and potential purchaser and are paid from funds raised from fees charged for the inspection or from taxes levied on the livestock or from a combination of both. The program serves only the agricultural industry and is financed by the industry even though administration is generally by a state agency under the authority of state law.

While conditions of employment vary somewhat from state to state, basically brand inspectors are employed to do a job and not to work set hours. During the "off season" many inspectors work very few hours but must be available when needed. Many of these inspectors hold outside employment with the understanding that they are to be available when called to perform the duties as brand inspectors. On the other hand, during the "cattle runs", many inspectors work 50 to 60 hours a week in order to serve the industry. This situation is one of the conditions of employment and has traditionally been taken into consideration by both employee and employer.

It is doubtful that the inspection system can continue to operate or exist if subjected to the overtime provisions of the Act. Competent part-time or seasonal help would not be available to provide the man power necessary during the "cattle runs". It is necessary to maintain a full staff during slack times in order to insure availability of qualified inspectors when they are much in demand. At the present level of compensation, the requirement of one and one-half for over 40 hours would bankrupt the system. Less than full service at this very critical shipping season would be unacceptable to the industry. It would appear that our only other alternative would be to ask the state legislatures to repeal the inspection laws which protect the industry and to proceed on whatever hit-and-miss basis of inspection the industry could afford. This would result in less protection from cattle theft and because of reduced inspections during the cattle runs, less revenue and the accompanying reduction of personnel. In my opinion, neither the reduced protection to the cattle industry or the elimination of any brand inspection positions would be desirable.

Please give this request your prompt and earnest consideration.

Respectfully submitted,
CALVIN L. COULTER,
Chairman, ANCA Committee on Brand and Theft.

By Mr. McGOVERN:

S. 1838. A bill to establish a National Transportation Service Board and to transfer to such board regulatory and other functions over the Nation's transportation services. Referred to the Committee on Government Operations.

A NEW TRANSPORTATION SYSTEM FOR AMERICA

Mr. McGOVERN. Mr. President, I introduce for appropriate reference the National Transportation Services Board Act of 1975.

In the last decade and a half, the United States built a major transportation system to carry men to the Moon. From Cape Canaveral to Houston and around the world, we have invested $30 billion in the enterprise. Now a few pieces of metal and a flag which never waves are all that stand amid the lunar silence.

For the last several decades, the United States has spent much but planned too little for its domestic transportation system. From New York to Houston and Chicago and on to Los Angeles, railroads are in trouble or in bankruptcy; railbeds are in disrepair; airlines are financially pressed; the automobile industry is in decline; inland waterways are nearly nonexistent or neglected. Now the capacity to transport and the convenience of travel are both uncertain.

This measure is intended to establish, at long last, a balanced, coordinated, and workable national transportation policy Such a policy must remake our transportation system, to make it as reliable and efficient as possible.

The legislation addresses directly the disastrous state of our railroads. It mandates a major effort to upgrade, restore and properly maintain railbeds, tracks and signal systems. It will be funded from current revenues and the returns of the program itself. It will sustain a railroad industry which contributed nearly $22 billion in wages and services to our economy in 1974. Finally, this program represents a real breakthrough in using constructive public service employment to create work and combat recession.

The bill will stimulate the economy in the most direct manner—by putting people on a meaningful job and paying them for it. We have jobs which need to be done and we have people, for too many million of them, who need jobs. They should not be out of work; they should be earning their way by work which will add a real product to our economic resources.

THE NATIONAL TRANSPORTATION SERVICES BOARD

In order to expedite policy planning and bring coherence to the currently fragmented Federal transportation structure, the bill creates a 15-member National Transportation Board. The Board will assume the functions currently divided between the Secretary of Transportation, the Interstate Commerce Commission, the Civil Aeronautics Board, the Federal Maritime Commission and the United States Railway Association.

The President will nominate the

UMI

Board, whose members must include representatives of Government and labor and consumer interests, as well as the operating carriers. Nominees will be subject to congressional confirmation procedures. In addition, the bill makes provision for periodic congressional oversight and review of Board decisions.

The Board's first priority will be to develop and submit to Congress a national transportation policy which it considers, on the basis of extensive analysis, to provide the most energy-efficient, environmentally sound, and economically feasible mix of transportation mechanisms. This policy should respond to the need for a single system, rather than to contending special interests, each concerned only with its own narrow interest.

The Board's programs will be funded by a national transportation trust fund. The trust fund will aggregate existing resources such as the Highway Trust Fund, the Airport and Airways Act revenues, and rents on federally owned railbeds, tracks, signal systems, and related rail facilities. Ample funds are available for efficient railroads, mass transit systems and inland waterways as they were for the interstate highway program.

THE RAILWAY SYSTEM

The first country in the world in economic power has a third-rate rail system. The Penn Central and the Rock Island are but two recent casualties in an industry which does not earn sufficient private profits to provide necessary public services.

There have been a number of suggestions to deal with the rail crisis, generally based on the provision of Federal subsidies. But mere subsidies do not solve the underlying problem. They literally subsidize inefficiency rather than encouraging efficiency. They only respond to immediate symptoms and do not cure long-term causes. They are devices for passing money to business and losses to the public.

Instead of subsidies, this bill mandates outright Federal ownership of roadbeds, tracks and signal systems. Only Federal ownership can marshall the necessary resources to restore our rail system, to make it what it must become if it is to survive and the economy is to prosper—the central component of a comprehensive transportation network.

The bill does not nationalize the entire railroad industry. Rather, railroad companies will be licensed to operate as air carriers are now. Railroads will operate over Federal track and pay a per-ton mile fee. They will be compensated for Federal acquisition of property under the act by credits against future ton-mileage charges.

Fees will be paid into the national transportation trust fund, to be used to restore and maintain rail facilities at the direction of the National Transportation Services Board. Current rail applications to cut back rail service will be suspended until the Board can assess the utility of routes and trackage in terms of an overall national transportation plan. As national rail patterns emerge, some trackage might well be abandoned; and by improved scheduling, other routes might be better serviced, with a number of operating companies sharing the same Government rail network.

In addition to upgrading and maintaining facilities, the Board will also contract for research and development to improve equipment and procedures. The Board may also establish a reserve pool of freight cars which could be leased to the railroads when special circumstances—a heavy grain harvest, for example—require special services.

HIGHWAYS

One of the best ways simultaneously to reduce pollution and to promote energy-efficient means of transportation is quite simply to stop building highways, freeways, and vast parking lots in urban areas. We are now in a vicious cycle on which more and wider highways and freeways attract more cars and mean less patronage and therefore a lessened viability for other transportation methods. And as these other methods decay, even heavier automobile traffic creates a demand for even more highways.

The Interstate Highway System is very nearly complete. Of the 42,500 authorized miles, 36,021 are open to traffic, with 5,596 miles under construction. Designs are not yet final on only 883 miles.

Each year, we pour one-sixth of our gross national product into automobiles and roadbuilding—over $5 billion for highway construction alone. We have paved over 4 million square miles of land, an area equal to the size of the entire New England region. Every mile of freeway consumes 24 acres of land and every year we uproot 50,000 people from their homes to make way for federally aided highway construction.

It is a sad commentary on our transportation system that in the City of New York in 1907, the average speed of horse-drawn vehicles on the city streets was 11.5 miles per hour. In 1966, the average speed of motor vehicles, with the power of 200 to 300 horses, through the central business district was 8.5 miles per hour. Yet the number of automobiles is increasing twice as fast as the number of people. Registered motor vehicles number 110 million—almost one vehicle for every two Americans and half of the cars in the world. A car consumes 5 times as much fuel per passenger as a bus and 10 times as much as a train. We are left with more cars, less public transportation, and an energy shortage.

Our economy is keyed to the automobile, with $1 out of every $5 spent in our whole economy spent directly or indirectly in one part—auto manufacturing and its maintenance and incidental enterprises like oil, steel, rubber, plastics, and highway construction. This complex accounts for 20 percent of our gross national product and 18 percent of all Federal taxes; it employs 15 percent of our work force and consumes 20 percent of our steel, 30 percent of our zinc, 56 percent of our petroleum, 72 percent of our rubber, 20 percent of our aluminum—and in fact, a quarter of all the energy produced in the United States each year. We spend so much on automobiles, yet the return is insufficient.

The Federal Government has spent $50 billion on highways and highway related construction and only $1 billion for public transit systems. Now the American Association of State Highway Officials has asked that we lay out an additional $320 billion—an amount equal to the national debt—for highways during the next 15 years. The Interstate Highway System, with an estimated cost of $27 billion when it was proposed and passed will involve a cost overrun of at least $48 billion by the time it is completed. The average mile costs about $1.4 million; the average in rural areas is $887,000 and in urban areas $4 million.

We cannot afford to continue this super-highway building binge. We must decrease the number of cars and increase the availability and feasibility of other forms of transportation. Road building is the biggest construction industry in the country primarily because it is supported by our gasoline taxes, which provide the States with 90 percent of the cost of new highway construction. Over $5 billion automatically rolls into the highway trust fund each year from taxes on gasoline, oil, tire rubber, asphalt and motor vehicle purchases. I am not suggesting that all highway construction cease; I am recommending—and this act provides—that our resources be redirected to meet a balanced transportation need, not spent for unneeded highways.

We have seen some progress toward a rational policy. This year, $200 million of the trust fund will be available for metropolitan transit systems; and in 1976, cities will have the option of spending $800 million on other transportation such as mass transit. Another $120 million will be allocated in 1976 to cities for the construction of bikeways and trails along streets and highways. In addition, under present law, if a city, a State, and the Secretary of Transportation all agree that a specific stretch of interstate highway need not be built, then funds equivalent to its construction costs can be used for mass transit. The funds involved are not very significant; they total only 4.5 percent of the $22 billion in highway trust fund money available for the 3-year period, 1974 to 1977. But even this small change could mark a symbolic, indeed historic, turning toward a balanced transportation system. This bill moves from that symbolic step to a comprehensive plan.

MASS TRANSIT

National transportation policy must include special attention to mass transit systems in urban areas. Improvements in mass transit could lower the overall price of transportation and could yield impressive energy savings.

A National Transportation Services Board is particularly appropriate with respect to mass transit. The fact that mass transit lines traverse many jurisdictions—municipal, county, and even State—leads to severe administrative and financial difficulties. A single, central authority can resolve the difficulties more equitably and at lower cost to the taxpayer. The Board could—and local authorities often cannot—develop comprehensive transportation plans for entire metropolitan areas. Service would be upgraded. The current array of companies and lines could be allied in a collaborative working relationship.

AIR

Since the advent of the jet aircraft, commercial aviation has been able to fill partially the gaps opened by deteriorating rail passenger service. Still costs per passenger for commercial carriers operating from 525 airports across the country remain relatively high.

Load factors for commercial aircraft hover around the 50 percent mark, which means that almost half of available seat miles are unproductive. This is largely a result of overly competitive schedules, duplicative route structures, and unrealistic fares.

The Civil Aeronautics Board has not been responsive to the needs of the flying public, nor has the Federal Aviation Administration administered the Airport/Airways Act of 1970 in ways which would encourage all forms of air transportation. In fact, the proposed tax schedules for general aviation in effect would eliminate many private aircraft on a cost basis alone.

The confusing jumble of commercial airfares makes it impossible for the average traveler to know how to fly a given distance at the lowest cost. All too frequently passengers choose the wrong day and have to pay as much as a 50-percent premium because they did not have the facts. We desperately need a simplified structure, the elimination of duplicative service, and adequate routing.

Air transportation should be part of a well balanced national transportation program. It should not supply additional demands which could otherwise be met by alternative methods.

INLAND WATERWAYS

In many parts of America, navigable rivers and likes could carry much commerce at low cost. With a comprehensive transportation policy in place, we could provide for extensive development of these great natural resources.

CONCLUSIONS

We can afford no longer the luxury of transportation chaos. We can afford, and we must create, a transportation system. We must invest our financial resources, our inventive powers, our engineering skills where they can maximize service at minimum per passenger- and ton-mile cost.

Current policies were formed decades ago and many of them have hardly been rethought in the decades since. They reflect different lifestyles, different technologies, different mobility and different expectations. Too often, they constrain essential change. Now we face a transportation crisis in a context of energy shortages, environmental threats, and declining services.

This bill will not solve all our transportation problems. It will set a prudent course for the development of a commonsense transportation system.

We have the technology and the resources to make American transportation first-rate and second to none. This bill will provide the organizational capability to muster those resources for a revitalized transportation system.

It is especially important that we rebuild America's railways into a great system of freight and passenger service. This effort—comparable in size to the Interstate Highway System and the space program—can open new frontiers in the American economy and for our society as a whole. As imaginative, well conceived reconstruction of the rail system means more efficient use of energy, the creation of many new jobs, less pollution, and a splendid addition in transportation for the American people.

T. E. Eliot once wrote of the death of modern society that our "only monument—would be—an asphalt road and a thousand lost golf balls." A modern economy will decline and finally die if it lives too much, too long by super highways. Economic revival and prosperity require an efficient and revitalized transportation system. Then we will leave behind not monuments to our mistakes, but a vital economy which has been sustained by sensible and far-reaching change.

I ask unanimous consent that the text of my bill be printed in the RECORD, together with a section-by-section analysis.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 1838

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Transportation Services Board Act".

TITLE I—NATIONAL TRANSPORTATION SERVICES BOARD ESTABLISHMENT

SEC. 101. There is established, as an independent establishment of the executive branch of the United States Government, the National Transportation Services Board (referred to in this Act as the "Board").

TRANSFER OF FUNCTIONS

SEC. 102. (a) There are transferred to the Board, and the Board shall perform, all functions of—

(1) the Secretary of Transportation;
(2) the Interstate Commerce Commission;
(3) the Civil Aeronautics Board;
(4) the Federal Maritime Commission; and
(5) the United States Railway Association.

(b) There are transferred to the Board the Undersecrtary of Transportation, all Assistant Secretarys in the Department of Transportation and all Administrations, Bureaus, Boards, and other agencies within such Department, together with the officials thereof, and such officials and agencies shall operate with respect to the Board in the same manner as they previously operated with respect to the Secretary of Transportation.

(c) Within 180 days after the effective date of this section, the President may transfer to the Board any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function relates primarily to functions transferred to the Board by this section.

(d) On and after the effective date of this section the—

(1) Department of Transportation,
(2) Interstate Commerce Commission,
(3) Civil Aeronautics Board,
(4) Federal Maritime Commission, and
(5) the United States Railway Association,

shall cease to exist.

BOARD MEMBERSHIP

SEC. 103. (a) The Board shall be composed of 15 members appointed by the President by and with the advice and consent of the Senate. Individuals shall be appointed on the basis of their professional eminence with respect to the functions to be performed by the Board and to represent the various segments of the transportation industry including representatives of government, labor, consumers and operative carriers. Not more than 8 of the members shall be members of the same political party. The President shall select one individual to serve as chairman of the Board at the same time he nominates such individual for appointment to the Board. Such individual shall serve as chairman for the duration of the term of his appointment as a member.

(b) The members of the Board shall exercise all powers necessary to carry out the purposes, functions, and powers of the Board. The members may delegate to any officer, employee, or agency of the Board such powers vested in the Board as the members deem appropriate.

(c) Members shall serve for terms of 5 years except that—

(1) such 15 members first taking office shall serve, as designated by the President at the time of appointment, 3 for a term of 1 year, 3 for a term of 2 years, 3 for a term of 3 years, 3 for a term of 4 years, and 3 for a term of 5 years; and

(2) any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall serve for the remainder of such term.

(d) (1) Section 5311 of title 5, United States Code, is amended by adding at the end thereof the following:

"(13) Chairman, National Transportation Services Board.".

(2) Section 5313 of such title is amended by adding at the end thereof the following:

"(22) Members, National Transportation Services Board (14).".

(e) Vacancies in the membership of the Board, as long as there are 8 members in office, shall not impair the powers of the Board to execute the purposes, functions, and powers of the Board. Eight members shall constitute a quorum for the transaction of business.

(f) Any member of the Board may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office.

PERSONNEL OF THE BOARD

SEC. 104. (a) The Board may appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as are necessary to carry out the provisions of this Act.

(b) The Board may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

TRANSFERS

SEC. 105. All personnel, assets, liabilities, contracts, property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of section 102, are transferred to the Board.

POWERS

SEC. 106. (a) The Board may, in addition to the authority to delegate and redelegate contained in any other Act in the exercise of the functions transferred to the Board by this Act, delegate any of its functions to such officers and employees of the Board as the Board may designate, may authorize such successive redelegations of such functions as are desirable, and may make such rules as are necessary to carry out its functions.

(b) In order to carry out the provisions of this Act, the Board is authorized—

(1) to adopt, alter, and use a seal;

(2) to adopt, amend, and repeal rules governing the manner of its operations, organization, and personnel, and the perform

UMI

ance of the powers and duties granted to or imposed upon it by law;

(3) to accept gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

(4) to take such other action as may be necessary to carry out the provisions of this Act.

ANNUAL REPORT

SEC. 107. The Board shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President ties of the Board during the preceding fiscal for submission to the Congress on the activiyear.

SAVINGS PROVISIONS

SEC. 108. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this Act, by (A) any agency or office, or part thereof, any functions of which are transferred by this Act, or (B) any court of competent jurisdiction; and

(2) which are in effect at the time this Act takes effect;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Board by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this Act, except that such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Board. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or repealed by the Board by a court of competent jurisdiction, or by operation of law.

(c)(1) Except as provided in paragraph (2)—

(A) the provisions of this Act shall not affect suits commenced prior to the date this section takes effect; and

(B) in all such suits proceeding shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of action, suits, or other proceedings may be asserted by or against the United States or such official of the Board as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this Act takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this Act—

(A) such agency or office is transferred to the Board; or

(B) any function of such agency, office, or part thereof, or officer is transferred to the Board;

then such suit shall be continued by the Board.

(d) With respect to any function transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any officer, agency, office, or part thereof, the functions of which are so transferred shall be deemed to mean the Board.

(e) This Act shall not have the effect of releasing or extinguishing any criminal prosecution, penalty, forfeiture, or liability incurred as a result of any function transferred under this Act.

(f) Orders and actions of the Board in the exercise of functions transferred under this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by the Board.

(g) In the exercise of the functions transferred under this Act, the Board shall have the same authority as that vested in the officer, agency or office, or part thereof, exercising such functions immediately preceding their transfer, and actions of the Board in exercising such functions shall have the same force and effect as when exercised by such officer, agency or office, or part thereof.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 109. (a) This Act, other than this section, shall take effect 90 days after the enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding subsection (a) of this section, any of the officers provided for in sections 103 and 104(a) of this Act may be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the appropriate rates provided for in this Act or amendments made by this Act. Such compensation and related expenses of such officers shall be paid from funds available for the functions to be transferred to the Board under this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 110. There are authorized to be appropriated to the Board such amounts as are necessary to carry out the provisions of this Act.

TITLE II—NATIONAL TRANSPORTATION POLICY AND PLANNING NATIONAL TRANSPORTATION POLICY

SEC. 201. (a) In order to develop and promote a unified efficient transportation system in the United States the Board shall—

(1) recognizing such statements of transportation policy as now exist in law, develop a single National Transportation Policy;

(2) consider in developing such policy the need for coordinated development and improvement of all modes of transportation and the priority to be assigned in developing and improving each mode;

(3) review all existing programs providing financial assistance for transportation, including the Highway Trust Fund and the Airport and Airway Trust Fund, and make recommendations for necessary legislation to consolidate and revise such programs in order to more effectively carry out such Policy and priorities; and

(4) develop and recommend such other legislation as may be necessary to more effectively carry out the provisions of this Act and such Policy and priorities.

NATIONAL RAIL SERVICES PLAN

SEC. 202. (a) The Board shall prepare a financial analysis of the Nation's railroads other than those in reorganization under the Regional Rail Reorganization Act of 1973 (Public Law 93-236). Such analysis shall include a projection of capital requirements over the next 10 years for each category of investment including equipment maintenance, rolling stock, rail yards, track construction and rehabilitation, and such other categories as the Board may prescribe. In preparing this analysis the Board shall take into account the factors and alternatives set forth in subsections (b), (c), and (d) of this section. In addition, the analysis shall—

(1) evaluate the level of performance of the industry and its components; the level and quality of service; and the implications of apparent trends for the continued provision of transportation service,

(2) evaluate the performance and efficiency of railroad management, and recommend such changes in management techniques and procedures as are indicated by such evaluation, and

(3) include recommendations as to whether all or any portion of the rail carrier operations on existing rail lines should be taken over in whole or in part by the Consolidated Rail Corporation (established pursuant to Public Law 93-236) or by regional, State, or local agencies.

(b) The Board shall survey existing railroad equipment and report on a region-by-region basis—

(1) the number, type, and condition of rolling stock;

(2) the number of miles, types of lines, and condition of track, railbeds, and rights-of-way (calculated on maximum miles per hour);

(3) the number of railyards and their condition;

(4) the number of lines proposed to be abandoned in whole or in part;

(5) the number of lines which might be consolidated without affecting service;

(6) the number and type of employees;

(7) the percentage utilization of rolling stock;

(8) the systems used to coordinate and deploy rolling stock; and

(9) such other factors as the Board deems appropriate.

(c) The Board shall project railroad requirements for track rehabilitation and construction, rolling stock, railyards, and other equipment necessary to meet the transportation needs of the United States. In making such projections, the Board shall construct different alternative models for railroad transportation, taking into account other modes of transportation, the financial condition of the railroads, possible Federal assistance, and such other factors as it deems appropriate.

(d) The Board shall evaluate and develop cost estimates for the Federal assistance necessary for each projected transportation model developed in accordance with subsection (c) of this section. Among the alternatives for Federal assistance, the Board shall consider—

(1) direct Federal subsidies to existing carriers;

(2) the expansion of the system of rail passenger service operated by the National Rail Passenger Corporation (Amtrak);

(3) the expansion of the system to be operated by Consolidated Rail Corporation;

(4) the expansion of its functions under the Regional Rail Reorganization Act of 1973;

(5) changes in and coordination with other Federal programs, including short-haul passenger and freight air routes, and Federal crop storage programs; and

(6) such other factors as the Board deems appropriate.

(e) The Board shall prepare a comprehensive report containing its conclusions with respect to essential rail services within the Nation and its recommendations as to the geographic zones at and between which rail service should be provided. The Board may use as a basis for the identification of such geographic zones the standard metropolitan statistical areas, groups of such areas, counties, or groups of counties having similar economic characteristics such as mining, manufacturing, or farming.

(f) The Board shall prepare a report on the feasibility and desirability of expanding service by the National Railroad Passenger Corporation. The report shall consider the current and projected shortage of refined petroleum products, curtailment of alternative modes of travel, availability of additional equipment for the provision of rail passenger service (whether domestic or foreign), the economic feasibility of additional service on existing routes and expansion of service to new routes, and such other matters as the Board deems relevant. The report shall consider the extent and value of the Federal commitment to rail passenger service, the longstanding lack of commitment of private railroad companies to rail passenger operations, the current financial crisis of intercity and rail mass transit operations, the potential for coordination of the national rail passenger system, including rail mass transit and subway lines, the implications of including other public transportation modes within the expanded system, the need for a comprehensive, computerized coordination and assessment of railroad service in rural areas, the estimated costs, economic, social, and environmental, of such expanded rail passenger service, the relative efficiency and transportation effectiveness of the National Railway Passenger Corporation. The National Railroad Passenger Corporation shall cooperate fully with the Board in the preparation of this report.

(g) In making the studies and reports pursuant to this section the Board shall solicit, study, and evaluate the views with respect to present and future rail service needs from Governors of States within the Nation; mayors and chief executives of political subdivisions within such States; shippers; the Secretary of Defense; manufacturers, wholesalers, and retailers within the region; farmers; consumers of goods and products shipped by rail; and all other interested persons. The Board is authorized and directed to conduct public hearings throughout the United States to solicit comments on such studies and reports and to receive such views. The Board is further directed to—

(1) evaluate methods of achieving economics in the cost of rail system operations in the Nation including consolidation, pooling, and joint use or operation of lines, facilities, and operating equipment; relocation; rehabilitation and modernization of equipment, track, and other facilities; alternative modes of transportation; and abandonment of lines consistent with meeting needs and service requirements; together with an evaluation of the anticipated economic social, and environmental costs and benefits of each such method;

(2) evaluate the costs and benefits of any change proposed in the National Rail Services Plan or any views or comments received under this subsection; and

(3) study of the effect on railroad employees of any restructuring of rail services.

(h) The Board shall prepare a National Rail Services Plan on the basis of the studies and reports prepared pursuant to the preceding subsections of this section and shall publish such Plan in the Federal Register no later than ———. Such Plan shall include a preliminary identification map of the rail services system which in the judgment of the Board would beat satisfy present and future rail services needs of the Nation in such a manner as to maximize the conservation of energy.

(i) After the determination of the National Rail Services Plan pursuant to this section the Board shall prepare, keep current, and publish periodically in the Federal Register, a schedule setting forth major transportation services that should be provided by railroads in the United States. In formulating such a schedule the Board shall take into consideration the interests of persons and communities affected thereby; existing rail facilities and the pattern of service by railroads; the facilities of alternative modes of transportation currently in existence; the cost of establishing transportation facilities in addition to existing facilities ;the cost of providing transportation by rail and alternative modes; the existing investment in the transportation facilities of rail and alternative modes and the economic value thereof; the existing pattern of service by alternative modes; and the public interest in a balances and economical transportation system responsive to the needs of the public and the users of such system.

(j) After publication in the Federal Register the Board shall deliver the National Rail Services Plan to both Houses of Congress and to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Commerce of the Senate. Such Plan shall be deemed approved at the end of the first period of 60 calendar days of continuous session of Congress after such date of transmittal unless either the House of Representatives or the Senate passes a resolution during such period stating that it does not favor such Plan.

(k) If either the House or the Senate passes a resolution of disapproval under subsection (j) of this section, the Board shall prepare, determine, and adopt a revised plan. Each such revised plan shall be submitted to Congress for review pursuant to such subsection.

(l) For purposes of this section—

(1) continuity of session of Congress is broken only by an adjournment sine die; and

(2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 60-day period.

(m) In carrying out the provisions of this section the Board may request assistance of any department, agency, or other instrumentality of the executive branch of the Federal Government. Each such department, agency, or instrumentality is authorized and directed to grant such assistance upon written request, on a reimbursable basis or otherwise. Reports pursuant to this section shall be prepared in accordance with accepted accounting practices and statistical survey and sampling techniques.

(n) There are authorized to be appropriated to the Board for purposes of carrying out the provisions of this section not to exceed $35,000,000, to remain available until expended.

TITLE III—ACQUISITION OF RAILROAD RIGHTS-OF-WAY, AND CERTAIN OTHER PROPERTIES

ACQUISITION AUTHORITY

SEC. 301. (a) The Board—

(1) shall after obtaining two independent appraisals of value, acquire by purchase or condemnation such railroad rights-of-way, track, and appurtenant property, equipment, and structures as are necessary for the operation of such rights-of-way and track to carry out the National Rail Services Plan approved pursuant to title II of this Act; and

(2) enter into appropriate arrangements with the railroads for the use by such railroads of such rights-of-way, track, property, equipment, and structures in carrying out such Plan in return for the payment of an agreed upon fee calculated upon gross tonmiles of locomotive and train operation or upon such other standard or standards as may be determined by the Board.

(b) In the determining of the amount to be paid for property pursuant to subsection (a)(1) the following shall be taken into consideration:

(1) the fair market value of the property;

(2) the capital investment necessary to bring the line, track, and appurtenant structures up to standard;

(3) the capital investment necessary to modernize the track and appurtenant structures;

(4) the degree to which the previous owner maintained the rail lines and the average yearly investment therefor;

(5) the fees which the Board may be expected to receive from users of the rail lines other than the previous owner; and

(6) the amount of loss the petitioner would have sustained but for the acquisition of the rail lines by the Board.

(c)(1) Payment for property acquired pursuant to this section shall be made out of funds appropriated for the purpose of this section and there are authorized to be appropriated for such purpose such amounts as are necessary.

(2) Amounts received by the Board for the use of property acquired pursuant to this section may be used by the Board for the maintenance and improvement of such property in accordance with the provisions of this title.

(3) The Board shall prescribe such regulations pursuant to the Interstate Commerce Act as may be necessary to require that the amount received by any railroad for property acquired by the Board pursuant to this section be maintained or used to improve the economic viability of such railroad as a common carrier and such use may include the retirement of existing debt.

(d) For the purposes of this Act the term railroad means a common carrier by railroad as defined in section 1(3) of the Interstate Commerce Act and includes the Consolidated Rail Corporation and the National Railroad Passenger Corporation.

REHABILITATION AND MAINTENANCE

SEC. 302. (a) Upon acquisition of any rights-of-way or other property pursuant to section 301, the Board shall assume responsibility for the rehabilitation and maintenance of such property.

(b) The Board shall make capital improvements on such property to the extent necessary to carry out the National Rail Services Plan approved pursuant to title II of this Act, taking into consideration its evaluation of expected benefits from such improvements in relation to the cost thereof, and available financial resources. Such capital improvements shall include, but not be limited to, interlocking devices; centralized traffic control; improved safety devices governing train movements; extra main tracks; new and extended sidings; interchange and connecting tracks; removal of restrictive clearances; improved grade crossing protection; and reduction of curves and grades.

(c)(1) The Board shall prescribe standards for maintenance of all main track on its rights-of-way with respect to track geometry, rail mismatch, rail-end batter, and frogs, for smooth, dependable operation of freight trains at speeds up to sixty miles an hour and passenger trains at speeds up to eighty miles an hour. In formulating such standards, the Board shall be guided by preferred or recommended practices from an engineering, economic, agricultural, and energy standpoint as distinct from minimum requirements for safety.

(2) In all rspects other than those enumerated in paragraph (1), all main track shall meet the requirements for class four track of the track safety standards prescribed by the Board pursuant to the Federal

UMI

Railroad Safety Act of 1970 (45 U.S.C. 421 et seq.).

USE OF RIGHTS-OF-WAY

SEC. 303. (a) A railroad which conveys its rights-of-way to the Board, or which holds trackage rights over right-of-way which are conveyed to the Board, shall have the right to continue operations as a rail carrier over all such rights-of-way at the same frequency that it was conducting such operations prior to the conveyance thereof, in return for payment to the Board of the fee agreed upon pursuant to section 301(a)(2). The terms and conditions of preexisting agreements and contracts for the use of rights-of-way and other facilities shall be of no force and effect as between the Board and any railroad, but insofar as applicable, shall remain in effect as between two or more rail carriers of freight using the same rail line.

(b) Upon application to the Board by any railroad for the use of any right-of-way of the Board for freight or passenger service, if the applicant is fit, willing and able to properly perform the service proposed; if such service is or will be required by the present or future public convenience and necessity and is in accordance with the National Rail Services Plan, and if the operations of the applicant will not significantly impair the level of performance of the carrier or carriers already using the right-of-way who are adequately serving the public, the Board shall permit the applicant to use such right-of-way for compensation fixed in accordance with section 301(a)(2).

(c) If, in the opinion of the Board, the transfer of freight traffic off of one right-of-way and onto another right-of-way will permit significant economies through reduction in maintenance expenditures, it may order such transfer, after notice and hearing and finding that such transfer will not result, directly or indirectly, in a significant impairment in the rail service provided to any rail customer.

(d) Applications under this section shall be acted upon by the Board within one hundred and twenty days after the application is filed.

(e) A railroad or freight shipper whose service or operations are affected by new or expanded passenger service may file an application with the Board requesting appropriate relief. If after hearing and upon sufficient proof the Board finds that such passenger service causes a significant downgrading of the quality of service provided to freight shippers, it shall issue an order fixing such terms and conditions for the operation of such passenger service as are reasonable in the interest of adequate freight service.

OPERATING RULES

SEC. 304. (a) The Board shall have the power to fix rights of trains, maximum train speeds, size and weight limits for equipment, and other rules governing operations over the Board's rights-of-ways. The provisions of this Act and of rules adopted by the Board shall supersede the terms of any agreements previously entered into between railroads for the provision of passenger service.

(b)(1) Except in an emergency, passenger trains shall be accorded preference over freight trains in the use of any given line of track, junction, or crossing of the Board, unless the Board has issued an order to the contrary in accordance with paragraph (2) of this section.

(2) A rail carrier or freight shipper whose service or operations are affected by paragraph (1) above may file an application with the Board requesting appropriate relief. If, after hearing and upon sufficient proof, the Board finds that adherence to paragraph (1) causes a significant downgrading of the quality of service provided to freight shippers, it shall issue an order fixing rights of trains, on such terms and conditions as are reasonable in the interest of adequate freight service.

LIABILITY FOR INJURY AND DAMAGE

SEC. 305. The Board shall be responsible for all bodily injury and property damage arising out of any accident or occurrence caused by defects in, or improper maintenance of, track, roadbed, signals, communications, or other facilities owned or controlled by the Board or caused by the negligence of a Board employee. Railroads shall be responsible for all bodily injury and property damage arising out of any accident or occurrence caused by reasons other than those enumerated in the preceding sentence.

REDUCTION IN CAPACITY OF RAIL LINES

SEC. 306. If at any time the Board desires to realize economies through the elimination of any extra main track or tracks, or other type of reduction in capacity of any of its rail lines that would not result in elimination of service to any point, it shall give notice of its intention to the carriers using the line, to the States and localities through which the line runs, and to any other person who has requested to be given such notice. The Board may proceed with such elimination or reduction on or after the expiration of one hundred and twenty days following the giving of notice unless it determines, on the basis of protests submitted in response to the notice, that such elimination or reduction will not be consistent with the present and future public interest in adequate rail service.

EXPANSION OF AUTHORITY TO ASSIST CERTAIN LOCAL RAIL SERVICES

SEC. 307. Title IV of the Regional Rail Reorganization Act of 1973 (Public Law 93–263) is amended by deleting therefrom the phrase "in the Region" wherever it appears.

TITLE IV—ABANDONMENT MORATORIUM AND ALTERNATIVE SERVICE MORATORIUM ON ABANDONMENT

SEC. 401. Notwithstanding any other provision of law or of this Act, no rail service may be discontinued except in accordance with section 402 of this title, or section 304 of the Regional Rail Reorganization Act of 1973 (Public Law 93–236), as applicable.

ABANDONMENT AND ALTERNATIVE SERVICE

SEC. 402. A railroad or other interested party may petition the Board for permission to abandon rail services, or for alternative service, in accordance with this section. The grounds for the petition may include uneconomical operation of the service. The Board shall not permit a railroad to discontinue rail service unless it determines—

(a) that the proposed discontinuance would not adversely affect the economic well-being of the communities served by such service; or

(b) that alternative means of transportation are available at a cost which would not adversely affect the economic well-being of the communities served by such services; or

(c) The petitioner has offered to, and in fact will, provide or arrange for alternative means of transportation at a cost which will not adversely affect the economic well-being of the communities served by such service; or

(d) such communities will be provided with service under a local, State, regional, or Federal transportation plan under section 402 and 403 of the Regional Rail Reorganization Act of 1973 (Public Law 93–236) or section 403 of this title.

ALTERNATIVES TO DISCONTINUANCE

SEC. 403. Upon denial of a section 202 petition or in connection therewith, the petitioner may in addition apply for—

(a) a rail service continuation subsidy under section 402 of the Regional Rail Reorganization Act of 1973 (Public Law 93–236); and

(b) an increase in rates, fares, or tariffs under the Interstate Commerce Act.

PROCEDURE AND JUDICIAL REVIEW

SEC. 404. The hearings and proceedings under this title shall be governed by the Interstate Commerce Act and shall be subject to judicial review under that Act. In addition, the Board shall conduct public hearings with adequate notice in the communities affected by any application for discontinuance, shall afford all segments of the community, including elected and appointed officials of the political subdivisions, consumers of the rail services sought to be discontinued, and other interested parties, the opportunity to testify and otherwise comment on the petition and adequately publicize the alternatives available under this and other Acts of Congress, and regulations promulgated thereunder.

INTERIM FINANCIAL ASSISTANCE

SEC. 405. (a) The Board shall provide financial assistance in accordance with this section to maintain rail services on eligible lines pending final determination of an application under section 402 of this title.

(b) A railroad which earned an average rate of return of less than 10 per centum of its invested capital in its last five fiscal years, is entitled to financial assistance on rail service which it proposes to discontinue in a petition to the Board under section 402 of this title if the Board determines that such service is unprofitable to operate and could not continue to be operated without Federal assistance.

(c) The Board shall provide the minimum amount of assistance necessary to maintain such service.

(d) Within ninety days after the effective date of this Act, the Board shall issue, and may from time to time amend, regulations with respect to interim financial assistance under this section.

(e)(1) Each recipient of financial assistance under this section, whether in the form of grants, subgrants, contracts, subcontracts, or other arrangements, shall keep such records as the Board shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Board and the Comptroller General of the United States, or any of their duly authorized representatives shall, until the expiration of three years after completion of the project or undertaking referred to in paragraph (1) of this subsection, have access for the purpose of audit and examination to any books, documents, papers, and records of such receipts which in the opinion of the Board or the Comptroller General may be related or pertinent to the grants, contracts, or other arrangements referred to in such paragraph.

MAJOR PROVISIONS OF THE NATIONAL TRANSPORTATION SERVICES BOARD ACT OF 1975

TITLE I—ESTABLISHMENT OF THE NATIONAL TRANSPORTATION SERVICES BOARD

Sec. 101 Establishment

Establishes the National Transportation Services Board as "an independent establishment of the executive branch . . ."

Sec. 102. Functions and Personnel

Transfers to the Board all functions currently performed by the Secretary of Transportation, the Interstate Commerce Commission, the Civil Aeronautics Board, the Federal Maritime Commission and the United States Railway Association, all of which shall cease to exist when this section becomes effective.

This section also transfers the personnel of the Department of Transportation, the Secretary excepted, to the Board and authorizes the President to transfer any other executive offices or agencies, in whole or in part, if he determines that their functions relate primarily to those transferred to the Board.

Sec. 103. Membership

The Board will have 15 members, appointed by the President with the advice and consent of the Senate. No more than eight Board members who may belong to any one political party. Members will be chosen so as to represent government, consumer and labor interests as well as operating carriers.

Board members will serve five year terms except in the beginning when terms will be staggered in length so as to facilitate turnover. The President will name a chairman from among the Board members. The President may remove Board members only for inefficiency, neglect of duty or malfeasance in office.

TITLE II—NATIONAL TRANSPORTATION POLICY AND PLANNING

Sec. 201. National transportation policy

Instructs the Board to review current transportation policy and programs with a view toward developing and promoting a unified and efficient transportation system in the United States.

The Board is specifically instructed to review current programs providing financial assistance to transportation including the Highway Trust Fund and Airway Trust Fund. This review should produce recommendations on legislation which might be needed to consolidate and revise these programs in line with policy.

Sec. 202. National rail services plan

The Board shall prepare a financial analysis of all railroads not currently in reorganization under the terms of PL93-236. This analysis will include recommendations as to whether all or any portion of rail carrier operations should be taken over in whole or part by the Consolidated Rail Corporation or by regional, state or local agencies.

The Board shall also survey existing railroad equipment and report in detail on its condition on a region-by-region basis. This study will result in projections of railroad requirements for track rehabilitation and equipment, with such projections based on a series of unified transportation system models, taking various funding options into account.

In addition, the Board shall prepare a report on essential rail services within the Nation and shall study the feasibility and desirability of expanding National Railroad Passenger Corporation service.

When compiling these studies, the Board is instructed to seek wide input from various interested groups and individuals and to conduct public hearings throughout the country.

Finally, the Board shall compile a National Rail Services Plan which shall be delivered to both Houses of Congress and to appropriate committees.

TITLE III—ACQUISITION OF RAILROAD RIGHTS OF WAY AND CERTAIN OTHER PROPERTIES

SEC. 301. The Board is authorized to acquire such rights of way, track, equipment, etc., as shall be necessary to implement the National Rail Services Plan.

Once such property has been acquired, the Board will make arrangements with railroads to use such facilities in return for payment of an agreed upon fee.

Payment for property acquired will be at fair market value as determined by the criteria set out in Sec. 301(b).

SEC. 302. Upon acquisition of rights-of-way or other property, the Board shall assume responsibility for the rehabilitation and maintenance of such property. Capital improvements will be made to the extent necessary to carry out the National Rail Services Plan.

TITLE IV—MORATORIUM ON ABANDONMENT AND ALTERNATIVE SERVICE

SEC. 402. Sets out procedures for abandonment of rail services. The Board shall not permit abandonment of services unless it determines that the proposed abandonment would not adversely affect the economic well-being of the communities served, taking into account the availability and cost of alternative services, the willingness of the petitioner to provide or arrange for such service at a reasonable cost or the availability of such services under a local, state or federal transportation plan.

SEC. 408. The Board is authorized to provide interim financial assistance to certain railroads pending final disposition of a petition filed under Sec. 402, if the Board determines that such service is unprofitable to operate and cannot be continued without federal aid.

By Mr. PROXMIRE:

S. 1840. A bill to amend the Fair Credit Reporting Act. Referred to the Committee on Banking, Housing and Urban Affairs.

FAIR CREDIT REPORTING AMENDMENTS OF 1975

Mr. PROXMIRE. Mr. President, today I introduce legislation calling for stronger and stricter regulation of credit reporting agencies, which I believe still constitute the No. 1 threat to individual privacy in America. This bill will close gaps that have appeared in the Fair Credit Reporting Act since its enactment in 1970.

The purposes of the original Fair Credit Reporting Act were to enable consumers to learn what information is on file about them, to correct inaccurate and misleading files, to preserve necessary confidentiality of credit report information, and to protect the individual's right to privacy. As the author of that act I believe it has been helpful in these areas. But despite the progress achieved by the original Fair Credit Reporting Act, the rights of millions of Americans continue to be systematically invaded by large investigative reporting agencies which pry into almost every aspect of a person's life, and then clamp a lid of secrecy and confidentiality on the information thus acquired.

The major reporting agencies maintain well over 100 million files and supply more than 100 million reports annually in connection with consumer applications for credit, insurance, employment, and other benefits. One of the largest of these companies itself maintains files on 46 million Americans and prepares over 30 million reports a year. Testimony from former employees of this firm reveals that these reports are often hastily put together with little regard for accuracy and in many cases are complete fabrications.

Loopholes have appeared in the original act which have permitted blatant invasions of privacy to occur without the consumer's knowledge or permission: Medical information about consumers, stockpiled in a centralized bureau and regularly made available to insurance companies to which the consumer applies, has escaped the act's protective provisions; consumer reports have been obtained for improper purposes; a report on a member of this Congress was obtained by his political opponents, and a report on a State government employee was acquired by lobbyists. These are extraordinary cases, but my files overflow with letters from ordinary consumers expressing dissatisfaction with the present act. The Federal Trade Commission alone has received more than 20,000 consumer complaints since the original act went into effect in 1971.

Among the most common complaints are these:

The credit reporting agency refused to give the consumer a copy of the report, or refused to show it to the consumer;

The credit bureau refused to provide information about the consumer's file by mail;

The information in the credit bureau's file was unfair, erroneous, stale or incomplete; and

The credit bureau was unwilling, slow or uncooperative in the correction of erroneous or incomplete information in the consumer's file.

Aside from the accuracy of the information, many consumers expressed total outrage at the idea that these companies could, without permission and on the barest of notification, invade their privacy by conducting a personal investigation into their character, morals, drinking habits, reputations and life-styles.

The legislation I introduce would strengthen the Fair Credit Reporting Act in the following major respects:

First. The bill would outlaw the use of quota systems which require reporting agency investigators to produce a large number of reports and a minimum percentage of derogatory information. It would also forbid the use of deceit and trickery in the gathering of information for reports. Testimony last year from former investigators revealed that these practices produce grossly biased and inaccurate reports which injure hundreds of thousands of innocent consumers.

Second. The bill would give consumers real control over investigative reports on their character and habits. Those who order these investigative types of reports would be required to first obtain written permission from the consumer after having made a full and complete disclosure of the nature of the planned investigation. These requirements would apply to all reports ordered from consumer reporting agencies regardless of purpose. The present law does not require advance permission from the consumer and provides for only a general and vague advance disclosure about the nature of the investigation.

Third. The bill entitles consumers to have access to all the information in their credit files, including the right to actually read their file, obtain written copies of items in the file, and to have medical information disclosed to a physician of their choice. Consumers will be able to learn the contents of their files by mail as well as by personal visit and by phone. A new provision of special value in this time of high unemployment requires that where a prospective employer orders a report on a consumer, the reporting agency must first send a

UMI

the reporting agency must first send a copy of the report to the consumer himself. The present law only entitles consumers to an oral disclosure of the "nature and substance" of the information —this has produced probably the single most common complaint from consumers: disbelief, suspicion, and consternation at the credit bureau's limited disclosure. The present law also permits reporting agencies to withhold medical information.

Fourth. The bill would bring the Medical Information Bureau—MIB—under the provisions of the Fair Credit Reporting Act. Through a loophole the MIB has been able to avoid regulation despite the fact—as revealed in hearings in the last Congress—that it maintains computerized medical records on 11 million citizens and responds to over 13 million inquiries a year from nearly 800 member insurance companies. Not only would MIB's records be accessible to the consumer—or a physician of his choice, but the consumer's permission would be necessary before any insurance company could transmit that consumer's medical records to MIB.

Fifth. Perhaps most importantly of all, this bill will assure that consumers have a great deal more knowledge about the collection and uses of consumer reports on them, and about their legal rights with respect to those reports. Thus, the bill requires that consumers be notified when a file is first opened on them. It also requires that consumers be fully informed of their right to inspect and get copies of their files and to have disputed information reinvestigated, and of the results of any reinvestigation. These provisions will insure that the rights given under the act will be more widely exercised.

In sum, this legislation will substantially strengthen the original Fair Credit Reporting Act in ways desperately needed by American citizens who are otherwise helpless to prevent manipulation of their lives by this largely unknown credit reporting industry. It contains the substance of changes recommended by the Federal Trade Commission and other enforcement agencies; it contains also the substance of the amendments offered by Senators KENNEDY and BIDEN to my similar bill (S. 2360) in the last Congress. And it contains provisions, noted above, that are responsive to the problems identified in the 1973 and 1974 hearings on S. 2360.

Other provisions in the bill are intended to strengthen the enforcement of the act by setting minimum civil penalties, establishing evidentiary presumptions, and requiring reporting agencies to maintain written copies of investigative reports subject to examination by the Federal Trade Commission.

A final word is in order about what this bill does not do: First, it leaves government agencies outside the definition of "consumer reporting agencies"—not because invasions of privacy cannot be committed by the Civil Service Commission or the Federal Bureau of Investigation, but because regulation of these agencies is better left to other legislation; second, this bill does not require the users of consumer reports to disclose specific reasons for taking adverse action—again, not because this is not important information for consumers to have, but because the issue of mandatory disclosure of credit-granting standards is a very complicated one deserving of fuller exploration at another time.

The 4 years of experience with the Fair Credit Reporting Act have amply demonstrated the urgent need for the amendments in this bill. I therefore hope to hold hearings on this legislation as soon as possible.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SHORT TITLE

This Act may be cited as the "Fair Credit Reporting Amendments of 1975".

COVERAGE OF THE ACT

SEC. 2. Section 603(f) of the Fair Credit Reporting Act is amended—

(1) by striking out "fees, dues, or" and inserting in lieu thereof "compensation,"; and

(2) by striking out "regularly" and inserting in lieu thereof "or otherwise".

MEDICAL INFORMATION

SEC. 3. Section 603(i) of the Fair Credit Reporting Act is amended to read as follows:

"(1) The term 'medical information' means information on a person's medical history or condition obtained directly from such person or another person related to such person and acting on his behalf by an application, or questionnaire, or by a similar means, or obtained directly or indirectly from a licensed physician, medical practitioner, hospital, clinic, or other medical or medically related facility. The term 'third party medical information' means medical information which is obtained directly or indirectly from a licensed physician, medical practitioner, hospital, clinic, or other medically related facility.".

OBSOLETE INFORMATION

SEC. 4. Section 605(b) of the Fair Credit Reporting Act is amended—

(1) by striking out "$50,000" each time it appears therein and inserting in lieu thereof "$75,000"; and

(2) by striking out "$20,000" and inserting in lieu thereof "$30,000".

DISCLOSURE

SEC. 5. (a) Section 606 of the Fair Credit Reporting Act is amended to read as follows:

"§ 606. Disclosure of investigative reports and medical information.

"(a) A person may not procure or cause to be prepared an investigative consumer report on any consumer unless that consumer has given a specific, dated, and separately signed affirmative written indication of his authorization of such an investigative consumer report after receiving a clear, complete, and conspicuous written disclosure to him of the methods, details, purpose, and scope of the investigation pursuant to regulations of the Federal Trade Commission.

"(b)(1) A person may not procure or cause to be prepared a general investigative report on any consumer by a person engaged primarily in the business or practice of furnishing consumer reports or business credit reports unless—

"(A) the consumer has given a specific, dated, and separately signed affirmative written indication of his authorization of such general investigative report after disclosure to him of the methods, details, purpose, and scope of the investigation pursuant to regulations of the Federal Trade Commission; or

"(B) the report is to be used for the purpose of establishing the legitimacy of a claim made by the consumer against the user of the report. "(2) For the purpose of this subsection—

"(A) the term 'general investigative report' means a report which would otherwise meet the definition of an 'investigative consumer report' contained in section 603(e) but for the purpose for which the information in such report is collected or used or expected to be used; and

"(B) the term 'person engaged primarily in the business or practice of furnishing consumer reports or business credit reports' means an organization which derived one-half or more of its revenue from the furnishing of such reports during its last fiscal year or an organization controlled by or under common control with an organization which derived one-half or more of its revenues from the furnishing of such reports during its last fiscal year.

"(c)(1) A person who obtains medical information on a consumer for a purpose listed under section 603(d) shall not disclose such information (or any portion or summary thereof) to a consumer reporting agency or other third-party or fail to prohibit by contract the retention of such information (or any portion or summary thereof) by a consumer reporting agency or other third-party who has collected such information for such person unless such person has furnished to the consumer to whom such informtaion relates a clear and conspicuous written disclosure setting forth—

"(A) the name, street address, and telephone number of any consumer reporting agency which will receive or retain such information;

"(B) the circumstances under which such a consumer reporting agency will release such information to other persons;

"(C) the consumer's rights with respect to such consumer reporting agency under sections 609 and 610; and

"(D) the circumstances under which such person may release such information to third parties other than consumer reporting agencies.

"(2) The disclosure required by paragraph (1) shall be made—

"(A) prior to receiving any medical information directly from the consumer or from a person related to the consumer and acting on his behalf; or

"(B) in the case of third-party medical information, prior to receiving a specific, dated, and separately signed statement from the consumer authorizing such person to obtain such information, and specifying the category of sources from which such third-party medical information may be obtained.

"(3) No consumer reporting agency or other person shall violate his contractual obligations assumed pursuant to the requirements under paragraph (1)."

(b) The table of sections is amended by striking out item 606 and inserting in lieu thereof the following:

"606. Disclosure of investigative reports and medical information."

ACCURACY

SEC. 6. Section 607(b) of the Fair Credit Reporting Act is amended by striking the period and inserting in lieu thereof "in accordance with regulations prescribed by the Federal Trade Commission. Such regulations shall prohibit consumer reporting agencies from operating quota systems which tend to encourage the production of—

"(1) a minimum number of reports when such minimum number is inconsistent with the achievement of maximum possible accuracy; or

"(2) mimimum number of reports containing adverse information.

Such regulations shall also prohibit consumer reporting agencies or their agents or employees from using unfair or deceptive acts or practices in the collection of information for consumer reports."

CONTENT OF DISCLOSURE

SEC. 7. (a) Section 609(a) of the Fair Credit Reporting Act is amended—

(1) in paragraph (1) by striking out "The nature and substance of all" and inserting in lieu thereof "All";

(2) in paragraph (1) by inserting after "except" the term "third-party";

(3) in paragraph (1) by striking out the period and inserting in lieu thereof ", except that the consumer shall be advised of the existence of any third-party medical information withheld, and of his right to have such information furnished to a licensed physician of his choice."; and

(4) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The source of the information, except that the sources of information acquired solely for use in preparing an investigative consumer report and actually used for no other purpose are required to be disclosed only—

"(A) in an action in which the consumer is a party, under appropriate discovery procedures in the court in which such action is brought; or

"(B) if a consumer disputes the completeness or accuracy of any item of information pursuant to section 611 (a) and after reinvestigation the consumer reporting agency does not delete the item of information from the consumer's file."

(b) Section 609 of the Fair Credit Reporting Act is amended by adding at the end thereof the following:

"(c) Subject to subsections (a) and (b) of this section, if a consumer report to be used for employment purposes contains information which may be adverse to the consumer to whom it relates, a consumer reporting agency shall, at least 5 business days prior to furnishing such report to any third party, mail or otherwise deliver without charge a copy of such report to the consumer to whom it relates.

"(d)(1) No consumer reporting agency shall maintain a file on any consumer unless the agency mails or otherwise delivers to the consumer a notice in writing setting forth clearly and conspicuously—

"(A) the fact that a file is maintained; and

"(B) the purposes for which the information therein may be used; and

"(C) the consumer's right to examine the file, to obtain a copy of any information therein at a nominal charge, and to challenge inaccurate information; and

"(D) the name, address, and telephone number of the consumer reporting agency.

"(2) The notice required under paragraph (1) shall be made no later than 10 days following the day on which a consumer's file initially has been established except that in the case of files maintained on the effective date of this subsection, the notice shall be made no later than 10 days following such effective date.

"(e) Nothing in this title prohibits the user of any consumer report from disclosing the contents of that report to the consumer to which it relates, and any contract or agreement prohibiting such disclosure is unenforceable."

CONDITIONS

SEC. 8. (a) Section 610 of the Fair Credit Reporting Act is amended by inserting "(a)" after "609".

(b) Section 610(b) of such Act is amended—

(1) by inserting "(a)" after "609";

(2) by inserting before the semicolon in clause (1) the following: "and in any such case, the consumer shall be permitted a personal, visual inspection of his file"; and

(3) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) by telephone, on proper identification, provided the toll charge, if any, for the telephone call is prepaid or charged directly to the consumer; or

"(3) by mail on written request, with proper identification".

(c) Section 610(c) of such Act is amended by adding at the end thereof the following: "Such explanation shall include identifying adverse or potentially adverse information."

(d) Section 610(e) of such Act is amended to read as follows:

(c) Section 610(c) of such Act is amended by adding at the end thereof the following: "Such explanation shall include identifying adverse or potentially adverse information."

(d) Section 610(e) of such Act is amended to read as follows:

"(e) Following any disclosure under subsection (b), and subject to section 612, the consumer reporting agency shall advise the consumer of his right to obtain a copy of any item of information in his file and the charge therefor, and shall promptly provide the consumer with a copy of any information so requested."

DISPUTES

SEC. 9. Section 611(a) of the Fair Credit Reporting Act is amended by adding at the end thereof the following new sentence: "After any such reinvestigation, the consumer reporting agency shall promptly notify the consumer of the result of the reinvestigation and of its decision on the deletion of the information, and shall clearly and conspicuously disclose to the consumer his rights under subsections (b), (c), and (d) of this section."

COST OF COPIES

SEC. 10. Section 612 of the Fair Credit Reporting Act is amended—

(1) by inserting after "609" the first time it appears therein the following: ", furnish copies of information pursuant to section 610(e),";

(2) by inserting after "609" the second time it occurs in such section the following: ", 610(e),";

(3) by inserting after "609" the third time it appears in such section the following: "or furnishing copies of information pursuant to section 610(e),"; and

(4) by striking the word "person" and inserting in lieu thereof "persons".

RESTRICTIONS

SEC. 11. Section 614 of the Fair Credit Reporting Act is amended—

(1) by inserting "(a)" before "Whenever"; and

(2) by adding at the end thereof the following new subsection:

"(b) Each investigative consumer report shall be in writing and shall be retained by the consumer reporting agency which prepared it in the file of the consumer to whom it relates for a period of one year following its completion."

REQUIREMENTS ON USERS

SEC. 12. The text of section 615 of the Fair Credit Reporting Act is amended to read as follows:

"(a) Whenever any adverse action is taken either wholly or partly because of information contained in a consumer report from a consumer reporting agency, or because of an investigation caused by information in a consumer report from a consumer reporting agency, the user of the consumer report shall so advise the consumer against whom such adverse action has been taken and in addition shall—

"(1) disclose in writing to the consumer—

"(A) the name, street address, and telephone number of the consumer reporting agency making the report; and

"(B) a statement of the consumer's rights to inspect and obtain copies of information in his file under sections 609 and 610; and

"(2) furnish a copy of the consumer report if the consumer report was an investigative consumer report.

"(b) Whenever credit or insurance for personal, family, or household purposes involving the consumer is denied or the charge for such credit or insurance is increased either wholly or partly because of information obtained from a person other than a consumer reporting agency bearing upon the consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living, the user of such information shall disclose such fact in writing to the consumer at the time such adverse action is taken and in addition shall disclose in writing the nature, substance, and subject to section 609 (a)(2), the sources of the information, except that in the case of third-party medical information, the user may withhold the substance of such information if he advises the consumer of his right to have such information disclosed to a licensed physician of his choice and so discloses such information at the request of the consumer. Nothing in this title shall be construed to prevent, or to authorize any user of information to prevent such a physician from subsequently disclosing such third-party medical information to the consumer to whom it relates, except that the source or sources of the information need not be disclosed by such physician if such information would, if reported by a consumer reporting agency, constitute an investigative consumer report.

"(c) Whoever obtains a consumer report from a consumer reporting agency shall certify a specific purpose for which the report shall be used and shall use the report for no other purpose.".

WILLFUL NONCOMPLIANCE

SEC. 13. Section 616 of the Fair Credit Reporting Act is amended—

(1) by inserting "and knowingly" after "willfully" in clause (1); and

(2) in paragraph (2) by inserting after "allow" the following: ", except that the liability under this clause shall not be less than $1,000".

NEGLIGENCE

SEC. 14. Section 617 of the Fair Credit Reporting Act is amended—

(1) by inserting "(a)" before "Any"; and

(2) by redesignating clause (2) as clause (3) and inserting after clause (1) the following:

"(2) such additional damages as the court may allow except that, in an individual action, the liability under this section shall not be less than $100 for each violation of this title or each consumer report which contained any item of erroneous information that contributed in whole or in part to the decision to take adverse action against the consumer. For the purpose of this subsection, multiple errors in a single consumer report shall give rise to a single recovery; and"; and

(3) by adding at the end of such section the following new subsections:

"(b) It shall be deemed a rebuttable presumption that whenever a consumer report is furnished and subsequently adverse action is taken by the recipient, any item or erroneous information contained therein contributed to the decision to take such adverse action.

"(c) It shall be deemed a rebuttable presumption of negligence whenever an item of information is subject to reinvestigation under section 611 but not deleted and is later proven erroneous.

"(d) It shall be deemed a defense to any action brought under this section if the de-

UMI

fendant shows by a preponderance of evidence that at the time of the violation it was not intentional and resulted from a bona fide error notwithstanding the maintenance of reasonable procedures to assure compliance and avoidance of error."

ADMINISTRATION

SEC. 15. (a) Section 621(a) of the Fair Credit Reporting Act is amended—

(1) by redesignating paragraph (1) as paragraph (2) and inserting the following before such redesignated paragraph:

"(1) The Federal Trade Commission shall prescribe regulations to carry out the purposes of this title. Such regulations may contain such classifications, differentiations, and other provisions, and may provide for such adjustments and exceptions as in the judgment of the Commission are necessary or proper to effectuate the purposes of this title to prevent circumvention or evasion thereof, or to facilitate compliance therewith. Any reference to any requirement imposed under this title or any provisions thereof includes reference to the regulations of the Commission under this title or the provisions thereof in question.";

(2) by inserting after "documents," in paragraph (2) as redesignated the phrase "examination and production of consumer reports and consumer reporting agency files,".

(b) Section 604 of such Act is amended by striking out "A" and inserting in lieu thereof "Except as provided in section 621 (a)(2), a".

(c) Section 608 of such Act is amended by inserting after "604," the following: "and except as provided in section 621(a)(2),".

STATE LAWS

SEC. 16. Section 622 of the Fair Credit Reporting Act is amended by adding at the end thereof the following new sentence: "The Federal Trade Commission is authorized to determine whether such inconsistencies exist. The Commission may not determine that any State law is inconsistent with any provision of this chapter if the Commission determines that such law gives greater protection to the consumer."

EFFECTIVE DATE

SEC. 17. Section 609(d) of the Fair Credit Reporting Act, as added by this Act, shall become effective 60 days after the date of enactment.

By Mr. BAYH (for himself, Mr. TUNNEY, Mr. MATHIAS, and Mr. ABOUREZK):

S. 1841. A bill to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasion of their privacy by prohibiting the use of the polygraph type equipment for certain purposes. Referred to the Committee on the Judiciary.

Mr. BAYH. Mr. President, I am today introducing, together with the distinguished chairman of the Subcommittee on Constitutional Rights, Mr. TUNNEY, Mr. MATHIAS, and Mr. ABOUREZK, a bill to bar the use of polygraphs, Psychological Stress Evaluators—PSE—and other mechanical or electrical devices used by the Federal Government or by employers engaged in interstate commerce. Strict limitations of the use of polygraphs have been considered by the Senate on a number of occasions in recent years. Our distinguished former colleague, Mr. Ervin, guided no fewer than five separate bills through the Senate which would have placed some limits on the use of polygraphs by the executive branch. Yet after almost a decade of effort, no legislation has been ultimately successful. I believe, Mr. President, that the Senate has given the issue perhaps more than adequate consideration and that the time is ripe for final action.

My colleague, the distinguished Congressman from New York, Mr. KOCH, had introduced a similar bill in the other body, and he reports the likelihood of favorable House action. I might also note, Mr. President, that no Member of the Congress has devoted more of his time and given more thorough study to the entire issue of privacy than has ED KOCH. He should, I believe, be congratulated for his leadership in this area.

Senator Ervin's efforts were successful in convincing the executive branch to voluntarily limit its use of lie detector tests. Under Civil Service Regulations issued in January 1972 the use of these devices was restricted to agencies having intelligence or counterintelligence responsibilities and upon written authorization by the Chairman of the Civil Service Commission. Yet in 1973, almost 7,000 such tests were authorized. This bill bans the use of lie detectors by any Federal agency without exception. I am willing, however, to listen to reasonable arguments as to the need for a very limited use in the intelligence field. The total number of such tests under the present regulations, however, suggests a serious abuse of the very limited exception that might be justified. Accordingly, until I am convinced that the scope of such an exception could be sufficiently restricted, I will propose a total ban.

It is not in the Federal Government, but rather in the commercial world where mass invasion of privacy is taking place by large-scale use of these devices. There are no reliable statistics on the number of lie detector tests given by private examiners for business purposes, but knowledgeable estimates have ranged from a low of 300,000 to a high of 500,000 per year. This bill would, therefore, bar any person engaged in interstate commerce from "permitting, requiring, or requesting" any employee or applicant to take a lie detector test, and it would enforce this prohibition with criminal sanctions.

I should emphasize, Mr. President, that the bill would not in any way impede law enforcement authorities from making use of the investigative tool which a polygraph provides if there is reason to believe that a crime has been committed.

I believe, Mr. President, that the record presented to the Senate over the past decade suggests three essential reasons which justify the legislation we introduce today. First, clear evidence exists as to the questionable reliability of the results of these tests. Second, an analysis of the judicial development of the constitutional right of privacy reveals that the use of lie detector tests poses serious problems under the first, fourth, and fifth amendments, all of which were cited by the Supreme Court in Griswold against Connecticut as constituting the "penumbra where privacy is protected from government intrusion". Third, and equally important to me, is the inherently offensive nature of the polygraph procedure. As to the first two of these three points, I ask unanimous consent to have printed in the RECORD at this point in my remarks an excellent staff study prepared by the Staff of the Constitutional Rights Subcommittee on the reliability and constitutionality of polygraphs.

There being no objective, the study was ordered to be printed in the RECORD, as follows:

THE POLYGRAPH TEST: RELIABILITY

The theory behind the polygraph procedure and its results involves physiological responses purportedly related to the act of lying. It is professed that lying causes conflict to arise within the individual subject. The conflict produces fear and anxiety which, in turn, produce physiological changes which the polygraph devices can measure and record. Thus, the assumption underlying the polygraph test is that a uniform relationship exists between an act of deception, certain specific emotions, and various bodily changes.[23]

A typical polygraph examination may contain several features. The subject to be investigated is usually ushered into a waiting room where it is hoped he will avail himself of the favorable polygraph literature left for his attention. His reactions to these readings are often observed by the secretary or receptionist and reported to the examiner prior to his encounter with the subject.[24] The purpose of this conditioning is that the person to be examined carry with him into the test a belief in the reliability, accuracy and even infallibility of the polygraph. Examiners maintain that it is important and helpful in obtaining good responses for an individual to be convinced that his lies will be detected, thus heightening his sensitivity to the questions and the likelihood of clear physiological changes.[25] The "spy" in the waiting room reports to the examiner the degree of skepticism or acceptance exhibited by the subject while reading the polygraph literature. In this way, it is claimed, the examiner can better understand and compensate for all types of recorded responses to his questions.

Still prior to his being connected to the machine, the subject is brought into the testing area, usually a room sparsely decorated and furnished to avoid the presence of outside distractions or stimuli. At this point, some polygraph operators may make use of "two-way" mirrors to further observe the individual's behavior.[26] Then, with the machine in view, the examiner typically conducts a preliminary interview which aids him in assessing the type of person he is dealing with, and in obtaining other knowledge he might deem helpful in his interpretation of the results of the polygraph test.[27] The general questions pertaining to the circumstances being investigated are typically gone over to familiarize the subject with them and to allow the operator the opportunity to alter them where he feels it is necessary to elicit clear, definite responses.[28] The pneumograph tube, measuring respiration, is then placed around the subject's chest, the blood pressure and pulse cuff around his upper arm, and electrodes, which record galvanic skin responses (the change in the electrical conducivity of the skin due to increased skin perspiration) are attached to his hands. The examiner then proceeds with the questioning as he sits behind his control desk watching and marking the recordings of these devices.

How reliable is this process in determining the veracity of an individual? A study conducted at the Massachusetts Institute of Technology concluded:

". . . There exists no public body of knowledge to support the enthusiastic claims of

Footnotes at end of article.

operators. There are no publications in reputable journals, no facts, no figures, tables, or graphs. In short, there is nothing to document the claims of accuracy or effectiveness except bald assertions.[29]"

Though studies and experiments to assess the polygraph's effectiveness have been done, even when interpreted favorably, their results seem far from convincing of the polygraph's reliability. In an experiment conducted for the Defense Department, subjects were tested to determine the effect of their faith in the polygraph on the ability of the examiners to detect their lies.[30] The study concluded that a belief in the machine's accuracy did aid the detection of responses under certain types of questioning,[31] but it is significant to note the figures derived for the accuracy of the examiners' interpretations: only 83 percent of the subjects were correctly classified as guilty or innocent in the paradigm used.[32]

Even a study conducted by a large, well-known polygraph firm, yielded results which, when scrutinized, are unsettling. The experiment was set up so that examiners worked independently and solely with the records of polygraph tests.[33] The analyses of the ten examiners, averaged, produced 87.75 percent accuracy in identifying guilty and innocent subjects.[34] The experimenters were quick to point out that the examiners involved in the project did not have the benefit of observing or interviewing the subject so as to "make allowances for a resentful or angry attitude, a condition which could cause an error in interpretation of polygraph records."[35] Further, when figures were calculated separately, experienced examiners achieved an accuracy of 91.4 percent, whereas the accuracy of inexperienced examiners was 79.1 percent.[36] The enthusiasm expressed by supporters of the polygraph for results such as these seems unfounded. Even an eight or nine percent fallibility figure is substantial, and there is admittedly a large degree of subjectivity in the examiner's estimation of the subject's state of mind. The fact that there are no uniform standards or qualifications which require a minimum level of competence for examiners cast their subjective evaluations into even greater doubt.

Polygraph promoters and examiners generally quote a 95 percent accuracy rate for the tests performed in actual, as opposed to experimental situations. They also hasten to add that most errors are made in attaching an innocent label to a guilty individual, a fact they apparently view as comforting. The proponents' statistics are based on test results checked against the future dispositions of the subjects: an admission of guilt, confession to a crime, or the judgment of a jury. Yet even these means of verification are not conclusive. Whether or not a person has lied can never be known beyond any doubt; the confession or jury verdict may, in fact, be false or wrong. The staff, in short, has found no independent means for confirming the results of actual polygraph examinations.[37]

There is an established probability theory, however, which purports to sustain the validity of polygraph results. The theory of conditional probability maintains that, unless a diagnositic instrument has been demonstrated to be completely infallible, the probability that it will be accurate in any one test depends upon the prevalence of the condition being diagnosed in the group being tested.[38] In a group of 1,000 subjects, supposing 25 to be liars, and with a 95 percent accuracy rate assumed for the polygraph, the conditional probability for the lie detector is that for every one true liar, or "employment risk," found, two people will be falsely classified as such.[39]

Another objection to the claims of reliability for the polygraph test centers around the meaning of the physiological responses recorded. In hearings held before the House Foreign Operations and Government Information Subcommittee, chaired by Representative John Moss, experts declared that, given a physiological response under the polygraph test procedure, any of three inferences could be made: either the subject was lying; or he was telling the truth but some emotional factor, such as anger or embarrassment, caused the reaction; or the response was generated by a neurotic pre-condition of the subject.[40] Other less frequent or obvious factors possibly affecting the machine-measured replies include extreme nervousness; physiological abnormalities, such as heart conditions, blood pressure problems, headaches and colds; deep psychological problems; the use of drugs and alcohol; fatigue; simple bodily movements; and even the subject's sex.[41] Thus, the fact that peculiar physiological responses may be caused by physiological factors unrelated to whether the subject is lying casts the validity of these tests into further disrepute.

Furthermore, are there mental activities besides deception that can cause the physical changes recorded by the polygraph? Psychiatric experts state that any situation or stimuli that produced feelings of frustration, surprise, pain, shame, or embarrassment could be responsible for such physiological responses.[42] In fact, humans do respond differently to emotional stresses. No one would claim the physical responses to different people would be the same even under similar stimuli.[43] Nor, for that matter, has there been any relationship proven between lying well as guilt, fear, or anxiety.[44]"

". . . people cannot go through life without some lying, and every individual builds up his own set of responses to the act. Lying can conceivably result in satisfaction, excitement, humor, boredom, sadness, hatred, as well as guilt, fear, and anxiety.[44]"

Negative polygraph result could be obtained because of feelings such as hostility, possessed unconsciously by a mentally-unbalanced subject.[45]

Are there other individual differences which could affect the polygraph? Studies conducted have shown that many individual factors, including skin pigment, may affect the galvanic skin response, heartbeat, and respiratory response measured by the device.[46] In a study conducted for the Air Force to determine the role played by environmental stress in the ability to detect lies,[47] the experimenters unexpectedly discovered another potential problem area. They found that the galvanic skin reactivity of an individual was not predicated only upon environmental or situational circumstances producing increased perspiration and electrical conductivity of the skin. Instead, it appeared that these physical responses differed among individuals, as recorded by the polygraph, in a way not accounted for in the experimenters' predictions. Further investigation seemed to point to biological, racially attributable differences as the reason.[48]

A related problem inherent in the polygraph test pertains to questions of cultural differences. It is generally recognized that values and moralities—honesty and truth—are, in part, culturally acquired; a serious lie in one person's view could, based on a different personal experience and background, be, in another's eye, inconsequential.[49] This throws further suspicion on the validity of a technique which depends upon accepted notions of morality for its value.

If the public were aware of the fallibility of the polygraph, would its effectiveness decrease? An important feature of the examination procedure, as previously explained, is the attempt to convince the subject of the machine's accuracy. Thus, as one authority notes, "Were the machine regarded as capable of error, fear of detection would be reduced, and this lowering of fear would result in diminishing physiological response."[50] One polygraph study concluded that the more a guilty subject could control his own attitudes and answers, the greater the contamination he could produce in the polygraph results; an intelligent subject could often succeed in eluding detection.[51]

What is the examiner's influence in the polygraph procedure and results? Interpretation is the essence of the process, making lie detecting a highly subjective business. Judgments about the subject's attitude and personality, about the composition of questions, and regarding the meanings of the machine's recordings are all made by the examiner. The results presented are solely the assessment of an operator of the lines recorded on the graphs of his machine. The expertise requisite in making such interpretations raises several questions as to the reliability of polygraph reports. Familiarity with several medical specialties and an understanding of clinical and social psychology should be required and expected of examiners; yet, the curriculum should be required and expected of examiners; yet, the curriculum offered by a leading polygraph school, a program lauded by advocates as producing truly reputable examiners, amounts to a mere 244 hours of study with only 14 hours in psychology and 31 hours in "medical aspects."[52] Even the mere possession of an academic degree, unless an advanced one in physiology or psychology, should not be enough qualification.[53] Clearly, the level of most examiner competence across the country, when the finest of the profession receive the minimal training noted here, falls far short of these criteria.

Another consideration is the possibility that examiner bias will be injected into the test. There are examiners who sympathize with the employer who is seeking protection from thieving employees,[54] who believe that most of the people who resist the tests are trying to hide something incriminating,[55] and who maintain that the polygraph is an effective instrument for bringing out a person's compulsion to confess.[56] The chance for an unprejudiced examination and interpretation, with underlying examiner attitudes such as these, greatly diminishes.

With this number of potential trouble-spots involved, doubt must be cast upon the objectivity, accuracy, and reliability of the polygraph test. It has been noted that the acceptance of the machine is the product of circular logic: belief in the device induces confession, and the rate of confessions creates faith in the polygraph's effectiveness.[57] In reality:

"The polygrapth technique only provides measures of various autonomic responses. The stimuli that elicit these responses, the intervening variables (constitutional predisposition, past learning, conscious and unconscious motivation, etc.) and the interpretations made of the resulting graphs are highly complex and are inferences made from more or less incomplete data."[58]

THE POLYGRAPH TEST: CONSTITUTIONALITY

The courts have been embroiled in the polygraph issue for a half-century, contending with questions of reliability and, in related contexts, with the deeper constitutional implications for individual rights. Reservations have been expressed again and again concerning the admissibility of polygraph results as evidence: (1) the jury's role would be undermined by a test purportedly as related to the determination of truth as the polygraph; (2) the test data offered by a defendant couldn't be cross-examined; (3) the problems of assuring that consent to be examined has been completely uncoerced are great; (4) with the polygraph usable as evidence, the presumption of innocence would certainly be damaged by a refusal to take the test; and (5) a polygraph exam could violate the privilege against self-incrimination,[59] as well as other constitutional provisions. These

Footnotes at end of article.

UMI

last considerations and concerns are also relevant to the use of polygraphs in employment, where this method of investigation threatens to violate the right to privacy possessed by every individual.

The right to privacy is not one of the specific guarantees enumerated in the Bill of Rights. Yet it has been recognized as an implicit right, intended by the Constitution and its framers, a result of the entwinement of express constitutional mandates and necessary to the preservation and viability of these liberties.

In particular, the provisions of the First Amendment have been among those deemed related to the right to privacy. "The right of freedom of speech and press includes . . . freedom of thought . . . Without those peripheral rights the specific rights would be less secure." [60] Freedom in our thoughts and beliefs has been long acknowledged as being within the First Amendment freedom of speech. In *Palko* v. *Connecticut* [61] this point was clearly stated:

"Of that freedom [of thought, and speech] one may say that it is the matrix, the indispensable condition, of nearly every other form of freedom. With rare aberrations a pervasive recognition of that truth can be traced in our history, political and legal. So it has come about that the domain of liberty, withdrawn by the Fourteenth Amendment from encroachment by the states, has been enlarged by latter-day judgments to include liberty of the mind as well as liberty of action. The extension became, indeed, a logical imperative when once it was recognized as long aso as it was, that liberty is something more than exemption from physical restraints . . ." [62]

Freedom of thought, then, has been held to be a fundamental right. In fact the connection between liberty of thought and the right to keep those thoughts private is inescapable.

Griswold v. *Connecticut* [63] is a landmark Supreme Court case upholding the constitutionality of this right of privacy. The Court stated that, along with the other amendments, "the First Amendment has a penumbra where privacy is protected from governmental intrusion." [64]

In a concurring opinion, Justice Goldberg urged that privacy does not have to be inferred from enumerated freedoms. Instead, the Ninth Amendment can be turned to, for it "simply shows the intent of the Constitution's authors that other fundamental personal rights should not be denied such protection or disparaged in any other way simply because they are not specifically listed in the first eight constitutional amendments." [65]

Justice Goldberg went on to say that in deciding what rights are fundamental we must examine our traditions to discover the principles rooted there. In *Griswold*, the controversy revolved around the marriage relationship and the privacy traditionally accorded its intimacies. The Court declared, "We deal with a right to privacy older than the Bill of Rights . . ." [66] Certainly the right to privacy in our minds, to speak or keep silent about our thoughts, is one of the oldest and most basic principles of human individuality and life. Such a valued tradition should not be tampered with for reasons of alleged expediency.

Though the *Griswold* decision focused on the right to privacy as peripheral to First Amendment rights, it was noted that other constitutional guarantees manifest this same purpose:

"The Fourth Amendment explicitly affirms the 'right of the people of be secure in their persons, houses, papers, and effects against unreasonable searches and seizures.' The Fifth Amendment in its Self-Incrimination Clause enables the citizen to create a zone of privacy which government may not force him to surrender to his detriment." [67]

Boyd v. *United States* [68] recognized that in questions of privacy the Fourth and Fifth Amendments are closely tied, as explained in a passage from the Court's opinion:

"The principles laid down in this opinion [of Lord Camden] affect the very essence of constitutional liberty and security . . . they apply to all invasions on the part of the government and its employers, of the sanctity of a man's home and the privacies of life. It is not the breaking of his doors and the rummaging of his drawers that constitutes the essence of the offense; but it is the invasion of his indefeasible right of personal security, personal liberty and private property where that right has never been forfeited by his conviction of some public offense . . . any forcible and compulsory extortion of a man's own testimony or of his private papers to be used as evidence to convict him of a crime or to forfeit his goods is within the condemnation of that judgment [of Lord Camden]. In this regard the Fourth and Fifth Amendments run almost into each other." [69]

Several of the points made in *Boyd* can be related to the issues of a federal employee's rights, to the nature of the self-incrimination and unreasonable search and seizure protections outside of criminal proceedings. Clearly, the Constitution does not limit these guarantees to a criminal context. In the landmark decision *Miranda* v. *Arizona*,[70] in which guidelines were first set forth for the questioning of suspects to secure the Fifth Amendment protection, the Supreme Court maintained that "the privilege is fulfilled only when the person is guaranteed the right 'to remain silent unless he chooses to speak in the unfettered exercise of his own will' " [71] The Court further noted that, "Today, then, there can be no doubt that the Fifth Amendment privilege is available outside of criminal court proceedings and serves to protect persons in all settings in which their freedom of action is curtailed from being compelled to incriminate themselves." [72]

These tenets of *Boyd* and *Miranda* are indeed relevant to employment situations and polygraph-induced confession even though the purpose of such tests is not to elicit incriminating evidence for a court. Congressional hearings into the use of polygraphs in federal employment determined that:

"The polygraph technique forces an individual to incriminate himself and confess to past actions which are not pertinent to the current investigation. He must dredge up his past so he can approach the polygraph machine with an untroubled soul. The polygraph operator and his superiors then decide whether to refer derogatory information to other agencies or officials." [73]

The concern in *Miranda* was to compensate for the coercive aura of a police station to insure that all precautions are taken so that a suspect does not feel compelled to speak. Where obtaining or retaining a job is dependent upon the taking of a polygraph test, the environment can be just as coercive. Employment is vital to existence and survival in our modern society, and the competition for jobs is great. The submission to polygraph examinations is pre-employment interviews is deemed voluntary, but the knowledge that a refusal will automatically end the employment opportunity undermines this claim. Furthermore, the onus of guilt, of hiding potentially damaging revelations that accompanies a refusal to be tested by a polygraph further reduces the voluntary aspect. Many job offers are conditioned upon an agreement to submit to future polygraph tests, entirely eliminating any element of choice. For a person seeking or obtaining a job to be coerced to reveal private knowledge, thoughts, and beliefs would appear repugnant to Supreme Court cases which recognize the constitutional rights of employees.[74] The price of gaining employment must not be a surrendering of civil liberties.

The polygraph examiner's questions themselves can be extremely coercive resulting from "the subject's defensive willingness to elaborate on his answers because he fears that unless he reveals all the details, the machine will record that he is lying even when his basic story is true." [75] Freedom from being compelled to make self-incriminating disclosures, a part of every citizen's right to privacy, should be applicable to a business setting, expecially where polygraphs are in use, for, as one commentator summarizes:

". . . the nature of an employer's inquiries about past deeds and guilt is often indistinguishable from criminal interrogation. Moreover, the loss of personal liberty or property which would result from a criminal conviction is often no more significant than the denial of livelihood which may result from compelled testimony concerning past and present activities, associations, and even beliefs during preemployment or promotion screening via personality and polygraph testing.[76]"

Another matter germane to the self-incrimination discussion is the question of how the responses elicited by the polygraph machine and examiner are characterized. In response to the growing complex of investigative techniques available for the identifying of a suspect in a criminal case, a distinction has emerged between physical as opposed to communicative evidence. Thus, a person may be compelled to provide a sample of his handwriting,[77] to speak,[78] or to exhibit his body for identification,[79] but he may not be expected to be a source of testimonial evidence against himself. In *Schmerber* v. *California*,[80] in which the Court held that the taking of a blood sample over petitioner's objections did not violate constitutional requirements, the polygraph was discussed in relation to the difficulties inherent in the process of separating physical evidence from communications. The opinion noted:

"Some tests seemingly directed to obtain 'physical evidence,' for example, lie detector tests measuring changes in body function during interrogation, may actually be directed to eliciting responses which are essentially testimonial. To compel a person to submit to testing in which an effort will be made to determine his guilt or innocence on the basis of physiological responses, whether willed or not, is to evoke the spirit and history of the Fifth Amendment." [81]

The technique applied to extract information from an individual must also be weighed against Fourth Amendment considerations. Methods for obtaining evidence, though in theory permissible, must, the Court has held, adhere to other principles as well as strict constitutional ones. In *Rochin* v. *California*,[82] the Court deemed it proper to refer to the sense of the community in determining whether drugs obtained from a forced stomach pumping could be used to achieve a conviction. The opinion concluded that "conduct that shocks the conscience" must be prohibited: "They are methods too close to the rack and the screw to permit of constitutional differentiation." [83]

The Fourth Amendment protection against unreasonable searches and seizures does not apply merely to criminal matters. "It is surely anomalous to say that the individual and his private property are fully protected by the Fourth Amendment only when the individual is suspected of criminal behavior." [84] In dissenting from a 1928 opinion upholding the constitutionality of wiretaps, Justice Brandeis, gazing into the future, predicted and worried that:

"Advances in the psychic and related sciences may bring means of exploring unexpressed beliefs, thoughts and emotions . . Can it be that the Constitution affords no protection against such invasions of individual security? [85]

The Fourth Amendment has now been recognized as applying to more than simple physical trespass.[86] Electronic listening devices,[87] police "stop-and-frisk" procedures,[88] the taking of fingernail scrapings,[89] all have come under its purview. The retention of an individual's privacy, in the face of ever increasing odds against it, is obviously a significant concern. Courts have found it to be their legitimate duty to protect this fundamental principle, as set forth in *Mapp* v. *Ohio:* [90]

"We find that as to the federal government, the Fourth and Fifth Amendments and, as to the states, the freedom from unconscionable invasions of privacy and the freedom from convictions based on coerced confessions do enjoy an "intimate relation" in their perpetuation of "principles of humanity and civil liberty [secured] only after years of struggle." [91]

In the staff's view, polygraphs used in employment indisputably fall within the areas of constitutional concern presented here. To many knowledgeable commentators the relationship is evident.[92] To be probed and questioned so deeply, to be expected to reveal personal attitudes and beliefs under conditions such as those imposed by polygraph testing, is to be subjected to searches and seizures that are unreasonable, to coerced self-incrimination, to loss of civil liberties that amount to a true invasion of privacy.

FOOTNOTES

[23] *Ibid.*, pp. 699–700.
[24] *Ibid.*, p. 704.
[25] *Ibid.*, p. 705.
[26] ACLU Report, p. 4.
[27] Skolnick, *op. cit.*, pp. 704 and 705.
[28] ACLU Report, p. 5.
[29] Burkey, *op. cit.*, p. 81.
[30] Martin T. Orne and Richard I. Thackery, "Methodological Studies in Detection of Deception," distributed by the Clearinghouse for Federal Scientific and Technical Information, Dept. of Commerce.
[31] *Ibid.*, summary.
[32] *Ibid.*
[33] Frank S. Horvath and John E. Reid, "The Reliability of Polygraph Examiner Diagnosis of Truth and Deception," *The Journal of Criminal Law, Criminology and Police Science*, vol. 62, 1971, p. 276.
[34] *Ibid.*, p. 278.
[35] *Ibid.*, p. 281.
[36] *Ibid*, p. 278.
[37] Skolnik, *op. cit.*, p. 699.
[38] *Ibid.*, p. 715.
[39] *Ibid.*, p. 715.
[40] *Ibid.*, pp. 717–718.
[40] Hearings, pp. 10–11
[41] *Ibid.*, pp. 12–13.
[42] H. B. Dearman, M.D. and B. M. Smith, Ph.D., "Unconscious Motivation and the Polygraph Test," *The American Journal of Psychiatry*, May 1963, p. 1019.
[43] Skolnick, *op. cit.*, p. 701.
[44] *Ibid.*, p. 700.
[45] Dearman and Smith, *op. cit.*, pp. 1017-1018.
[46] Equal Employment Opportunity Commission brief related in *Circle K. Corp.* v. *EEOC.*, U.S. Ct. of Appeals, 10th Circuit, case No. 72–1967, p. 8 (hereinafter cited as EEOC brief).
[47] S. Kugelmass, "Effect of Three Levels of Realistic Stress On Differential Psychological Reactivities," report for the Air Force Office of Scientific Research.
[48] *Ibid.*, pp. 22–23.
[49] EEOC, brief, p. 7.
[50] Skolnick, *op. cit.*, p. 705.
[51] Joseph F. Kubis, "Studies In Lie Detection," report for the Air Force Systems Command, N.Y. June 1962.
[52] Skolnick, *op. cit.*, p. 707.
[53] Burkey, *op. cit.*, p. 87.
[54] Pete J. Perras, "Polygraph Invaluable Tool," *The Charlotte Observer*, July 6, 1971.
[55] Franklin, *loc. cit.*
[56] *Ibid.*
[57] *Ibid.*
[58] Dearman and Smith, *op. cit.*, p. 1019.
[59] Howard S. Altarescu, "Problems Remaining for the 'Generally Accepted' Polygraph," 53 Boston Univ. L. Rev. 375 (1973), p. 376.
[60] *Griswold* v. *Connecticut*, 381 U.S. 479 (1965), pp. 482–483.
[61] 302 U.S. 319 (1937).
[62] *Ibid.*, p. 327, For other related discussions see *Abrams* v. *U.S.*, 250 U.S. 616 (1919), Holmes dissent; *Whitney* v. *California*, 274 U.S. 357 (1927), Brandels concurrence.
[63] 381 U.S. 479 (1965).
[64] *Ibid.*, p. 483.
[65] *Ibid.*, Goldberg concurrence, p. 492. For another discussion of privacy see *Poe* v. *Ullman*, 367 U.S. 497 (1961), Harlan dissent.
[66] *Ibid.*, p. 486.
[67] *Ibid.*, p. 484.
[68] 116 U.S. 616 (1885).
[69] *Ibid.*, p. 630.
[70] 384 U.S. 436 (1966).
[71] *Ibid.*, p. 460, quoting *Malloy* v. *Hogan*, 378 U.S. 1 (1964).
[72] *Ibid.*, p. 467.
[73] Hearings, pp. 19–20.
[74] See *Slochower* v. *Board of Education*, 350 U.S. 551 (1955); *Garrity* v. *New Jersey*, 885 U.S. 493 (1966); *Keyishian* v. *Board of Regents*, 385 U.S. 589 (1967).
[75] ACLU Report, p. 35.
[76] Hermann, *op. cit.*, p. 131.
[77] *Gilbert* v. *California*, 388 U.S. 263 (1967).
[78] *U.S.* v. *Dionisio*, 93 S. Ct. 764 (1973).
[79] *U.S.* v. *Wade*, 388 U.S. 218 (1967).
[80] 384 U.S. 757 (1966).
[81] *Ibid.*, p. 764.
[82] 342 U.S. 165 (1952).
[83] *Ibid.*, p. 172.
[84] *Camara* v. *Municipal Court*, 387 U.S. 523 (1966), p. 530.
[85] *Olmstead*, Brandeis dissent, p. 474.
[86] *Katz.* v. *U.S.*, 389 U.S. 347 (1967).
[87] *Ibid.*
[88] *Terry* v. *Ohio*, 392 U.S. 1 (1968).
[89] *Cupp v. Murphy*, 412 U.S. 291 (1973).
[90] 367 U.S. 643 (1961).
[91] *Ibid.*, p. 657, quoting *Bram* v. *U.S.*, 168 U.S. 532 (1897).
[92] See ACLU Report and Hermann.

Mr. BAYH. Finally, it is not mere rhetoric, Mr. President, but a painful fact that the procedures used in taking polygraphs far too strikingly resemble something from George Orwell's "1984." The prospective job applicant or employee is situated in a waiting room to be observed through a one-way mirror by the examiner who attempts to ascertain the individual's initial reaction to the entire procedure. A polygraphist enters and proceeds to ask seemingly innocuous control questions which assist him in determining the type of individual he is dealing with. At the appropriate time, the pneumograph tube—to measure respiration—is placed about the subject's chest, the blood pressure cuffs—sphygmometer—are secured around the upper arms and electrodes are attached to the arms and hands. Tension is accentuated because a job and future, and much more, are at stake. I do not believe, Mr. President, that any American should be subjected to this degrading procedure.

I ask unanimous consent that the conclusions of the subcommittee staff study, together with the text of the bill be printed in the RECORD.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

THE POLYGRAPH TEST: CONCLUSIONS

A congressional subcommittee has concluded:

"There is no 'lie detector,' neither machine nor human. People have been deceived by a myth that a metal box in the hands of an investigator can detect truth or falsehood."

But whether or not the polygraph is a myth, it seems clear that it is here to stay. And, given modern ingenuity, it is not unreasonable to expect that new techniques and devices will be devised in an attempt to facilitate determining honesty. There are, in fact, some already in use. The "wiggle seat" is a new contraption for lie detecting derived from the original polygraph. It, too, measures and records physiological changes due to heart action and a person's nervous movements, but with an added advantage over the polygraph. The wiggle seat's sensing is mounted in an ordinary office chair. A subject sitting in the chair has his mechanical energy changed to electrical energy which is broadcast to hidden recording instruments. Thus, the response detection can go on completely without the subject's knowledge.

Another type of examination that is gaining acceptance in American business is the Psychological Stress Evaluator (PSE).[116] The PSE registers the FM vibrations in a person's voice. The premise is that under stress the FM modulation is altered due to mouth and throat tightening. A graphic picture of the voice's modulations is made, and the presence and absence of stress are judged according to the character of the markings. The obtaining of the conversation to be assessed can be done secretively with the use of hidden tape recorders. The questions posed by this method are the same as those that critics of the polygraph have been raising, and proponents have been trying to refute, for years. Can the stress in a person's voice be directly attributed to lying? Can the evaluator objectively and accurately detect lies from physiological recordings of the voice? What of the constitutional problems of testing a speaker without his knowledge, so easily accomplished by the PSE technique?

These two innovations indicate that rather than being curtailed, use of the polygraph is being expanded, particularly in private business. Attitudes of employers, insofar as polygraph testing is concerned, are characterized in the following: "If a person refused to take the test, we probably wouldn't hire him." [117] "I use the polygraph because I got tired of playing God. It's hard to tell things by looking at people." [118] Even a U.S. Court of Appeals has lent its approval to polygraph testing:

"A statement challenged on the ground that it was obtained [from a polygraph examination administered to petitioner as a part of a hiring procedure] as the result of economic sanctions must be rejected as involuntary only where the pressure reasonably appears to have been of sufficiently appreciable size and substance to deprive the accused of his "free choice to admit, to deny, or to refuse an answer" . . . But the threat of discharge for a job as a driver's assistant, which Sanney had held for one or two days, can hardly be labelled a "substantial economic sanction" rendering his statement involuntary." [119]

These comments indicate that if polygraphs are here to stay, so, in fact, are the constitutional problems inherent in their use.

The right to privacy is basic to the American way of life and recognized as inherent in and guaranteed by the constitutional provisions of the First, Fourth and Fifth Amendments. The federal government ordinarily strives to curtail and prevent infringements of individual rights such as these. But the polygraph, as a tool of public and private

Footnotes at end of article.

employers, clearly demands more attention. Compulsory submission to a polygraph test is an affront to the integrity of the human personality that is unconscionable in a society which values the retention of individuals' privacy. Employers have a multitude of less objectionable resources at their disposal for investigating applicants' backgrounds and employees' performances. Expediency is not a valid reason for pitting individuals against a degrading machine and process that pry into their inner thoughts. Limits, beyond which invasions of privacy will not be tolerated, must be established. The Congress should take legislative steps to prevent Federal agencies as well as the private sector from requiring, requesting, or persuading any employee or applicant for employment to take any polygraph test. Privacy is a fundamental right that must be protected by prohibitive legislation from such unwarranted invasions.

FOOTNOTES

[116] Fred P. Graham, "Lie Detecting By a Voice Is Center of Controversy," *New York Times*, June 5, 1972, p. 1.

[117] Bill Bradley of Eckerd Corp. quoted in "To Catch A Thief," *Newsweek*, Sept. 23, 1974, p. 80.

[118] St. Petersburg, Fla. Chevrolet dealer quoted in "To Catch A Thief," *Newsweek*, *Ibid.*

[119] From a Court of Appeals opinion, *Sanney v. Montanye*, 6/20/74, reported in *The United States Law Week*, 43 LW 2027, 7-23-74.

S. 1841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 13, of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 246. Polygraph testing in connection with employment

"(a) For purposes of this section, the term—

"(1) 'polygraph test' means an examination administered to an individual by mechanical or electrical means to measure or otherwise examine the veracity or truthfulness of such individual; and

"(2) 'employee organizations' includes any brotherhood, council, federation, organization, union, or professional organization made up in whole or in part of employees and which has as one of its purposes dealing with departments, agencies, commissions, independent agencies of the United States, or with businesses and industries engaged in or affecting interstate commerce, concerning the conditions and terms of employment of such employees.

"(b) (1) Any officer or employee or person acting for or on behalf of the United States who willfully—

"(A) permits, requires, or requests, or attempts to require or request, any officer or employee of the United States, or any individual applying for employment as an officer or employee of the United States, to take any polygraph test in connection with his services or duties as an officer or employee, or in connection with such individual's application for employment; or

"(B) denies employment to any individual, or discharges, disciplines, or denies promotion to any officer or employee of the United States, or threatens to commit any such act by reason of his refusal or failure to submit to such requirement or request, shall be guilty of a misdemeanor and punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both.

"(2) Any person engaged in any business or other activity in or affecting interstate commerce, or any individual acting under the authority of such person who willfully—

"(A) permits, requires, or requests, or attempts to require or request any individual employed by such person or any individual applying for employment in connection with such business or activity to take any polygraph test in connection with his services or duties or in connection with his application for employment; or

"(B) who denies employment to any individual, or discharges, disciplines, or denies promotion to any individual employed in connection with such business or activity, or threatens to commit such act by reason of his refusal or failure to submit to such requirement or request,

shall be guilty of a misdemeanor and punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both.

"(c) (1) Whenever—

"(A) any officer or employee or any person acting for or on behalf of the United States, or

"(B) any person engaged in any business or other activity in or affecting interstate commerce, or any individual acting under the authority of such person,

violates or threatens to violate any of the provisions of subsection (b) of this section, any employee or officer of the United States, or any person applying for employment in the executive branch of the United States Government, or any individual seeking to establish civil service status or eligibility for employment in the United States Government, or any individual applying for employment in connection with any business or activity engaged in or affecting interstate commerce, or any individual employed by a person engaged in such business or activity, who is affected or aggrieved by the violation or threatened violation, may bring a civil action in his own behalf or in behalf of himself and others similarly situated, against the offending officer or employee or person in the United States District Court for the district in which the violation occurs or is threatened, or for the district in which the offending person is found, or in the United States District Court for the District of Columbia, to prevent the threatened violation or to obtain redress against the consequences of the violation.

"(2) The district courts of the United States shall have jurisdiction to try and determine such civil action irrespective of the actuality or amount of pecuniary injury done or threatened, and without regard to whether the aggrieved party shall have exhausted any administrative remedies that may be provided by law, and to issue such restraining order, interlocutory injunction, permanent injunction, or mandatory injunction, or enter such other judgment or decree as may be necessary or appropriate to prevent the threatened violation, or to afford the plaintiff and others similarly situated complete relief against the consequences of the violation.

"(3) With the written consent of any person affected or aggrieved by a violation or threatened violation of subsection (b) of this section, any employee organization may bring such action on behalf of any such person, or may intervene in such action."

(b) The analysis of chapter 13 of such title is amended by adding at the end thereof the following new item:

"246. Polygraph testing in connection with employment."

SEC. 2. The amendments made by this Act shall become effective thirty days after the date of enactment.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 334

At the request of Mr. HATHAWAY, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 334, a bill to prohibit sex discrimination by educational institutions whose primary purpose is the training of individuals for the military service of the United States.

S. 1000

At the request of Mr. HUGH SCOTT (for Mr. MAGNUSON), the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 1000, a bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition.

S. 1153

At the request of Mr. MONDALE, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 1153, the Truth in Contributions Act.

S. 1625

At the request of Mr. PACKWOOD, the Senator from Arizona (Mr. GOLDWATER), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from North Carolina (Mr. MORGAN) were added as cosponsors of S. 1625, a bill to extend and revise the State and Local Fiscal Assistance Act of 1972.

S. 1776

At the request of Mr. HUGH SCOTT, the Senator from Montana (Mr. MANSFIELD) was added as a cosponsor of S. 1776, a bill to authorize the Secretary of the Interior to establish the Valley Forge National Historical Park in the Commonwealth of Pennsylvania, and for other purposes.

S. 1801

At the request of Mr. TAFT, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1801, a bill to provide an alternative plan for providing essential rail services to the Midwest and Northeast regions of the United States, to modernize certain railroad procedures, and for other purposes.

SENATE RESOLUTION 158

At the request of Mr. PACKWOOD, the Senator from Alaska (Mr. STEVENS), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Iowa (Mr. CULVER), the Senator from Kentucky (Mr. FORD), and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of Senate Resolution 158, a resolution to express the sense of the Senate that the income tax rebates should not be subject to State income tax.

SENATE JOINT RESOLUTION 63

At the request of Mr. PERCY, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of Senate Joint Resolution 63, to authorize the President to designate the period from June 8, 1975, through June 15, 1975, as "National Wheelchair Athletes' Week."

SENATE RESOLUTION 172—ORIGINAL RESOLUTION REPORTED RELATING TO THE PAYMENT OF WITNESS FEES

(Place on the Calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 172

Resolved, That witnesses summoned to appear before the Senate or any of its committees shall be entitled to a witness fee rated at not to exceed $35 for each full day spent in traveling to and from the place of examination and for each full day in attendance. A witness shall also be entitled to reimbursement of the actual and necessary transportation expenses incurred by him in traveling to and from the place of examination, in no case to exceed 35 cents a mile for the distance actually traveled by him for the purpose of appearing as a witness if such distance is not more than six hundred miles or 20 cents a mile if such distance is more than six hundred miles.

AMENDMENTS SUBMITTED FOR PRINTING

AUTHORIZATION OF CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS—S. 1247

AMENDMENT NO. 499

(Ordered to be printed and to lie on the table.)

TRANSFER OF SURPLUS ARMY LAND TO AUGUSTA COLLEGE

Mr. NUNN. Mr. President, this amendment is identical to S. 3831, which I submitted on July 30, 1974. It authorizes the transfer of a 5-acre parcel of land from the Department of the Army to Augusta College in Augusta, Ga. The distinguished senior Senator from Georgia, Senator TALMADGE, joins me as a cosponsor of this amendment. Congressman ROBERT STEPHENS, who represents Georgia's 10th Congressional District, and Congressman JACK BRINKLEY, who represents Georgia's Third Congressional District, have introduced legislation in the House of Representatives as H.R. 4018 to accomplish this transfer.

The purpose of this amendment is to facilitate the transfer of the land which is desired by both parties to the transaction. Provision is made in this measure for the payment of full market value. There are no other competing claims to the land, and no objections to the conveyance have been voiced from any quarter. By authorizing the Secretary of the Army to make the transfer directly to the board of regents of the University of Georgia for Augusta College, the bill is merely intended to simplify, accelerate, and assure completion of the transfer.

This amendment represents the completion of a process of negotiation and cooperation which goes back nearly 4 years when the first request by the college for the Army site adjacent to the school was made. In fact, the story begins nearly 20 years ago.

At that time, in 1955, about 70 acres of property occupied by the Augusta Armory was declared surplus by the Army and acquired by the Richmond County Board of Education. Excluded from that transaction by the Army were approximately 5 acres at a corner of the tract. On this land in 1957 the Army built the present U.S. Reserve Armory, which has since served as a reserve training center.

In 1958 the board of education transferred the main body of the armory property to the board of regents of the University of Georgia for use by Augusta College. That same year Augusta College, then a small junior college with a history dating back to 1783, became a unit of the State university system.

The college and its new site underwent a remarkable growth and development in the succeeding 15 years. The college was transformed from a junior college into a senior institution offering, first, a baccalaureate program and, subsequently, graduate programs as well. Enrollment grew from less than 450 students in 1958 to over 4,000 students in 1975, drawn from throughout the Central Savannah River area of Georgia and South Carolina. The State of Georgia spent over $10 million to refurbish existing structures and add new facilities, developing a campus which today has a replacement value of over $30 million. In short, in a decade and a half, Augusta College has grown nine fold into a truly important community asset and a valuable State facility serving a broad and expanding area as an essential educational resource.

Anticipating that continued growth could push enrollment beyond the 6,000 mark by 1980 and recognizing that property for expansion was virtually nonexistent in the college's land-locked residential area, Augusta College officials first turned to the Army for help with its expansion in 1971. The college asked that the adjacent 5 acre armory and training center site be transferred to it to help relieve the space problems.

The Army was sympathetic to the college request. In fact, it was finding the 5-acre site smaller than it needed for its own expansion plans for the training center, but it had no suitable alternate site available. Thus began a cooperative effort extending to the present to find a mutually acceptable solution to the joint problem of relocation.

I do not intend to recount the efforts that have been required over the last 4 years to find the happy answer. Suffice it to say that it has been found through the determined efforts of the college under its able president, Dr. George Christenberry; through the unstinting cooperation of the Army, locally and in Washington; through the understanding and support of local and State officials and the assistance of Federal agencies; and with a boost where needed from the distinguished Senator from Georgia, Senator TALMADGE, from our esteemed colleague from South Carolina, Senator THURMOND, Congressman STEPHENS, Congressman BRINKLEY, and my own office.

The Army now has a fine site in Augusta on which to relocate its expanded reserve training center. Augusta College is moving ahead with plans to utilize the present site, and the transfer has been endorsed by all interested parties. The board of regents of the University System of Georgia has committed itself to expend funds to purchase the tract of land from the Army whenever congressional approval is obtained.

Hence, the next step required is enactment of the authorizing legislation I am submitting today. I recommend passage of this amendment as consonant with the best interests of the Department of Defense, the University System of Georgia, Augusta College and Richmond County, Ga., residents. I hope that the legislative wheels will roll smoothly and rapidly to passage so that we may soon set the seal of Federal approval on this fine example of cooperation, civilian and military, local, State and Federal.

Mr. President, I ask unanimous consent that this amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 499

At the end of the bill, insert the following:

TITLE IX

SEC. 901. The Secretary of the Army is authorized and directed to convey to the Board of Regents of the University System of Georgia, subject to the provisions of this Act, all of the right, title, and interest of the United States in and to a parcel of land, with improvements thereon, lying and being situated in Richmond County, city of Augusta, State of Georgia, more particularly described as follows:

Beginning at a chiseled X in concrete at the intersection of the south line of Walton Way with the west line of Katherine Street; thence along the west line of Katherine Street, south 02 degrees 27 minutes 55 seconds west 288.29 feet to a point 1 foot south of a cyclone fence; thence along a line 1 foot south of and parallel to a cyclone fence, north 85 degrees 31 minutes 15 seconds west 227.32 feet to a point 1 foot east of a cyclone fence; thence along a line parallel to and 1 foot east of a cyclone fence, south 04 degrees 19 minutes 50 seconds west 233.05 feet to a point; thence along a line 1 foot south of and parallel to a cyclone fence, north 85 degrees 19 minutes 27 seconds west 305.74 feet to a point 0.60 foot west of a cyclone fence; thence along a line parallel to and 0.60 foot west of a cyclone fence, north 04 degrees 59 minutes 48 seconds east 520.23 feet to a concrete monument on the south side of Walton Way; thence along the south side of Walton Way, south 85 degrees 30 minutes 15 seconds east 517.62 feet to the point of beginning, and containing 5.09 acres, more or less.

SEC. 2. The conveyance authorized by this Act shall be made upon payment to the United States of not less than the appraised fair market value of the land and the improvements thereon, as determined by the Secretary of the Army, or the sum of $662,000, whichever is the greater, and upon such terms, conditions, reservations, and restrictions as the Secretary of the Army shall deem necessary to protect the interests of the United States.

SEC. 3. The money received by the United States for the lands conveyed under this Act shall be credited to a special account in the Treasury and shall be available, without fiscal year limitation, for the construction of a United States Army Reserve Training Center on lands owned by the United States at the intersection of Jackson and Wrightsboro Roads, Augusta, Georgia.

SEC. 4. The cost of any surveys necessary as an incident to the conveyance authorized by this Act shall be borne by the Board of Regents of the University System of Georgia.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT—S. 920

AMENDMENTS NOS. 500 AND 501

(Ordered to be printed and lie on the table.)

Mr. PROXMIRE submitted two amendments intended to be proposed by him to the bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of

UMI

aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

AMENDMENTS NOS. 502 AND 503

(Ordered to be printed and to lie on the table.)

Mr. TAFT submitted two amendments intended to be proposed by him to the bill (S. 920), supra.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 488

At the request of Mr. HATHAWAY, the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Minnesota (Mr. MONDALE) were added as cosponsors of amendment No. 488, relating to the eligibility, appointment, and admission to service academies of women, intended to be proposed to the bill (S. 920), the Defense Department Authorization Act.

NOTICE OF HEARINGS BEFORE THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, this Friday, June 6, the Committee on Banking, Housing and Urban Affairs will hold hearings on a bill to amend and extend the Defense Production Act of 1950. As I believe my colleagues are aware, it has been customary to review and renew this act every 2 years. The bill under consideration in both Houses this year would also improve the procedural safeguards for the granting of antitrust immunity when the President asks firms to cooperate to meet certain emergencies. The hearings will address this aspect of the bill in particular.

The Defense Production Act provides the authority for a number of preparedness and mobilization programs relating to our industrial base. In hearings last month before the Joint Committee on Defense Production, we discovered that certain of these programs have encountered difficulties in recent years. Remedial action is being taken, however, and the act remains sound in principle and intent.

The hearings will begin at 10 a.m. on June 6 in room 5302 of the Dirksen Senate Office Building.

Witnesses scheduled to testify are:

General Leslie W. Bray, Jr., Director of Preparedness, GSA; Mr. Joe Sims, Special Assistant to the Assistant Attorney General, Antitrust Division, Department of Justice; Mr. James T. Halverson, Director, Bureau of Competition, Federal Trade Commission; John Lamont, Esq., of Lobel, Novins and Lamont.

NOTICE OF POSTPONEMENT OF HEARING

Mr. CHURCH. Mr. President, I wish to announce, for the information of the Senate and the public, the postponement of a hearing scheduled for June 3 before the Energy Research and Water Resources Subcommittee of the Senate Interior Committee.

The subject matter of the hearing involved the utilization of coal and associated coal technologies in the development of a synthetic fuels program.

NOTICE OF COMMITTEE MARKUP SESSION

Mr. CHURCH. Mr. President, I wish to announce for the information of the Senate and the public the scheduling of a markup session before the Subcommittee on Energy Research and Water Resources of the Senate Interior Committee for June 9, 1975.

The subcommittee will continue its markup of S. 598, the Energy Research and Development Administration's authorization bill. The markup will begin at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

NOTICE OF HEARINGS BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JACKSON. Mr. President, in accordance with the rules of the Senate Interior and Insular Affairs Committee, I wish to advise my colleagues and the public that the following hearings have been scheduled before the committee for the next 2 weeks:

June 4.—Minerals, Materials and Fuels Subcommittee: 10 a.m., room 3110—Hearing Mineral Resources of the Deep Seabed and status report on the Law of Sea Conference.

June 5.—Full Committee: 10 a.m., room 3110—Business Meeting—Pending calendar business.

June 5.—National Fuels and Energy Policy Study and Public Works Committee: 10 a.m., room 4200—Hearing—S. 1777, coal conversion bill.

June 6.—Indian Affairs Subcommittee: 10 a.m., room 3110—Hearing—S. 887, Zuni land bill and S. 540, Indian land and Garrison Dam.

June 9.—Full Committee: 10 a.m., room 3110—Business Meeting—Pending calendar business.

June 9.—Energy Research and Water Resources Subcommittee: 2 p.m., room 3110—Business Meeting—Continuation of markup on S 598. ERDA authorization bill.

June 10.—National Fuels and Energy Policy Study and Public Works Committee: 10 a.m., room 3110—Hearing—S. 1777, Coal Conversion bill.

June 11.—National Fuels and Energy Policy Study and Public Works Committee: 10 a.m., room 3110—Hearing—S. 1777, Coal Conversion bill.

June 12.—Energy Research and Water Resources Subcommittee: 10 a.m., room 3110—Hearing—Oversight hearing on San Juan Chama Project.

June 12.—National Fuels and Energy Study and Public Works Committee: 10 a.m., room 4200—Hearing—S. 1777, Coal Conversion bill.

June 13.—Full Committee: 10 a.m., room 3110—Hearing—S. 740, Energy Production Board.

June 16.—Energy Research and Water Resources Subcommittee: 10 a.m., room 3110—Hearing—Information hearing on oil shale research and development.

NOTICE OF HEARING

Mr. ALLEN. Mr. President, the Subcommittee on Agricultural Research and General Legislation of the Committee on Agriculture and Forestry will hold a hearing tomorrow, June 3, on S. 18, to prevent the importation of the African/Brazilian honeybee. The hearing will be in room 324, Russell Office Building, beginning at 10 a.m. Anyone wishing to testify should contact the committee clerk as soon as possible.

ADDITIONAL STATEMENTS

MOYNIHAN ON THE THIRD WORLD

Mr. PROXMIRE. Mr. President, I would like to recommend to my colleagues in the Senate a recent article by Mr. Daniel P. Moynihan entitled "The United States in Opposition." The article appeared in the March issue of Commentary and was reprinted in the June issue of the Reader's Digest.

Mr. Moynihan, in this article, deals completely and incisively with the role of the United States and the United Nations vis-a-vis third world countries. His precision of argument and insight into world history combine to address and effectively dispel current popular myths about the third world. He argues what role the United States should assume in its dealings with less developed countries, and presents international insights worthy of note in this Chamber.

Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE UNITED STATES IN OPPOSITION

(By Daniel P. Moynihan)

"We are far from living in a single world community," writes Edward Shils, "but the rudiments of a world society do exist." Among those rudiments, perhaps the most conspicuous, if least remarked, are the emerging views as to what kind of society it is. A measure of self-awareness has appeared, much as it did for smaller politics in earlier times. These assessments tend at the international level to be as diverse as those commonly encountered concerning national societies, or local ones. Some will think the society is good and getting better; others will see it as bad and getting worse. Some want change; some fear it. Where one sees justice, another sees wrong.

The notion of a world society is nothing new to Americans. It dominated the rhetoric of World War II, of the founding of the United Nations, of much of the cold war. It is now a received idea, and its impress may be measured by the success with which advocates have found audiences for issues defined in international terms: the world environmental problem; the world population problem; the world food problem. Not a generation ago, these were national issues at most.

Much of this internationalist rhetoric is based on things real enough. There is a world ecology; there *is* a world economy; and some measures important to individual countries can only be obtained through international accord. Thus the concept of interdependence has become perhaps the main element of the new consciousness of a world society. This is a valid basis on which to posit the existence of a society; it is almost a precondition of a society's coming into being.

Yet societies rarely stop at the acknowledgement of the need for cooperation which is implied by the term interdependence. The image of a society as a family is a common one, and with reason, for in both cases the idea of cooperation is frequently supplemented or even supplanted by the idea of obligation. What does one member *owe* another? This is something new in international pronouncements. If one were to characterize the discomfiture and distress with which Americans responded to the events of the 29th General Assembly of the United Nations in 1974, some measure would have to be attributed to the discovery that a vast majority of the nations of the world feel there are claims which can be made on the wealth of individual nations that are both considerable and threatening—in any event threatening to countries such as the United States which regularly finds itself in a minority (often a minority of one or two or at most a half-dozen) in an assembly of 138 members.

The tyranny of the UN's "new majority" has accordingly been deplored, and there has been much comment that whereas opposition to the United Nations was once a position of "conservatives" in the United States, it is increasingly one of "liberals" also. Yet while there have been some calls to boycott the General Assembly, or not to vote on it, there have been but few calls for withdrawal from the United Nations. It is almost as if American opinion now acknowledged that there was no escaping involvement in the emergent world society. All the more reason, then, for seeking to understand what has been going on.

(NOTE.—Daniel P. Moynihan has just returned to Harvard after two years as the United States Ambassador to India. Among the many other positions he has held in government service, he was a member of the United States delegation to the 26th United Nations General Assembly. Mr. Moynihan's books include *Maximum Feasible Misunderstanding, The Politics of a Guaranteed Income, Coping,* and (with Nathan Glazer) *Beyond the Melting Pot.*)

I

Now, of course, a lot is going on, and no single element dominates. Yet it may be argued that what happened in the early 1970s is that for the first time the world felt the impact of what for lack of a better term I shall call the British revolution. That is the revolution which began in 1947 with the granting by socialist Britain of independence to socialist India. In slow, then rapid order the great empires of the world—with the single major exception of the Czarist empire—broke up into independent states; the original membership of the United Nations of 51 grew to 138. These new nations naturally varied in terms of size, population, and resources. But in one respect they hardly varied at all. To a quite astonishing degree they were ideologically uniform, having fashioned their politics in terms derived from the general corpus of British socialist opinion as it developed in the period roughly 1890–1950. The Englishmen and Irishmen, Scotsmen and Welsh, who created this body of doctrine and espoused it with such enterprise—nay, genius—thought they were making a social revolution in Britain. And they were. But the spread of their ideology to the furthest reaches of the globe, with its ascent to dominance in the highest national councils everywhere, gives to the British revolution the kind of worldwide significance which the American and French, and then the Russian, revolutions possessed in earlier times.*

From the perspective of their impact on others, the American and French revolutions can be treated as a single event. They were not of course identical in themselves, and profoundly important distinctions can be made between them. But these distinctions were little noted in the political rhetoric of the century that followed, or in the forms of government fashioned in the likeness of this rhetoric, or in the goals of governments so fashioned. Men sought a constitutional regrime which disestablished ancient privilege, guaranteed liberties, and promoted the general welfare through which came to be known as liberal social policies. Liberalism was at first characterized by the opposition to state intervention in economic affairs, and later by the advocacy of such intervention, but the intervention in question was a fairly mild business, it being no liberal's view that the state was an especially trusthworthy servant of the citizen. The citizen, as liberals viewed the world, was a very important person, especially pershaps if he tended to clean linen.

The Russian revolution of 1917 brought into existence a regime even more dramatically different from the predecessors than had the liberal regimes of a century earlier been from theirs. Everything, it was understood, had changed. Those who would change everything, or who believed that, like it or not, everything was going to change, rallied to this rhetoric. As for the rest of the world, it came soon enough to know that a wholly extraordinary event had occurred, even that the future had occurred. For three decades, culminating in the triumph of Communist arms in China in 1948, this was quite the most vivid, and the most attended to, movement in the world.

The British revolution of the second quarter of the 20th century attracted no such attention. Everyone certainly recognized that new states were coming into existence out of former European, and indeed mostly British, colonies, but the tendency was to see them as candidates for incorporation into one or the other of the older revolutionary traditions then dominant elsewhere in the world. It was not generally perceived that they were in a sense already spoken for—that they came to independence with a preexisting, coherent, and surprisingly stable ideological base which, while related to both the earlier traditions, was distinct from both. This most likely accounts for the almost incurious initial reaction in what would soon be known as the First and Second Worlds. In the Republic of India the United States could see democracy; the Soviets could see socialism. In truth, a certain Hegelian synthesis had occurred. On the one hand, the Minimal State of the American revolution; in response, the Total State of the Russian revolution; in synthesis, the Welfare State of the British revolution.

Samuel H. Beer describes the doctrine of British socialism as follows:

". . . it is especially the socialist's commitment to 'fellowship' that fundamentally distinguishes his approach. . . . For private ownership he would substitute public ownership; for production for profit, production for use; for competition, cooperation. A cultural and ethical revolution would also take place, and motives that had aimed at individual benefit would now aim at common benefits. Industry, which had been governed by individual decisions within the competitive system, would be subject to collective and democratic control. . . . Government would consist in comprehensive and continuous planning and administration."

Two general points may be made about this British doctrine. First, it contained a suspicion of, almost a bias against, economic development which carried over into those parts of the world where British culture held sway. The fundamental assertion of the age of the Diamond Jubilee was that there was plenty of wealth to go 'round if only it were fairly distributed. No matter what more thoughtful socialist analysts might urge, redistribution, not production, remained central to the ethos of British socialism. Profit became synonymous with exploitation. That profit might be something conceptually elegant—least-cost production—made scarcely any impress. "Production for profit" became a formulation for all that was wrong in the old ways, and Tories half-agreed. (For it was the Liberals and the Radicals who were being repudiated by such doctrine, and it was the Liberal party that went under.) This, too, was passed on. When Sir Arthur Lewis in 1974 gave the Tata lectures in India and found himself pleading, as a socialist and as a man of the Third World, but also as an economist, that profit was not a concept public-sector enterprise could afford to ignore, no less a personage than the head of the Indian Planning Commission felt called upon to rebut him.

To be sure, much of this redistributionist bias was simply innocent. British socialists, for example, proved in office to know almost nothing about how actually to redistribute income, and British income has not been significantly redistributed. Coming to power just after World War II, the socialists appeared to think they had abolished wealth by imposing a top income-tax rate of nineteen shillings six pence in the twenty-shilling pound, which is to say confiscating the rich man's pay envelope. Few seemed to note that capital gains remained exempt from income tax altogether, so that in large measure thereafter only those with property could acquire property: the very antithesis of the social condition socialism sought. (This detail perhaps did not escape the well-to-do of the developing nations when the prospect of socialism on the British model first appeared there.)

The second general point about socialist doctrine as it developed in Britain was that it was anti-American. More anti-American, surely, than it was ever anti-Soviet. The reasons for this are not that obscure. The British were not overmuch admiring of Americans in that era, nor we of them. In part their attitude began as aristocratical disdain. (An intimate of Pandit Nehru's describes once asking India's first Prime Minister why he was so anti-American. This was in 1961. Nehru's first reaction was a rather huffy de-

*The term British revolution is open to objection as seeming to exclude the influence of continental socialism on the new nation, and indeed a good case could be made for calling the phenomenon I am trying to describe the revolution of the Second International. But the term British can be justified by the fact that of the 87 states to have joined the U.N. since its founding more than half—47—had been part of the British Empire. Even apart from the empire, British culture was in the first half of this century incomparably the most influential in the world, and that culture was increasingly suffused with socialist ideas and attitudes. I anticipate and hope for a rigorous critique of the arguments of this paper, but I also hope it will not be too much distracted by the difficulties of finding a concise term to describe what was on the whole a concise phenomenon; the development of socialist doctrine and the formation of socialist parties in Western Europe at this time. I should also note that the political ideology in the new state of the Third World of which I will be speaking was best described by the late George Lichtheim as "national socialism." This term has, of course, acquire an altogether unacceptable connotation.

nial of any such predisposition, but he then became reflective and after a moment admitted that, yes, it was true, and that probably it all dated back to his days at Harrow. There was one American boy there at the time: filthy rich, and much too pushy.) But more importantly, of course, America was seen as quintessentially capitalist.

With the Russian revolution, and then especially with the world depression of the 1930's and the onset of popular-front movements in Europe, a considerable number of British socialists, despite their party's fundamental and central attachment to democratic processes, became supporters of the Soviet regime. Russia was the future. America was the past. With the coming of the cold war this attitude became institutionalized and almost compulsory on the British Left. The *New Statesman*, a journal which tended to follow Asian and African graduates after they had left Britain and returned home, became near Stalinist in its attachment to Soviet ways with the world and its pervasive antagonism to things American.

And yet the *New Statesman* was never Communist, and neither, save in small proportion, were its readers. They were British socialists, part of a movement of opinion which spread in the course of the first half of the 20th century to the whole of the British empire, a domain which covered one-quarter of the earth's surface, and which an inspired cartographic convention had long ago decreed be colored pink. It was British civil servants who took the doctrine to the colonies. (How curious, in retrospect, are the agonizings of Harold Laski and others as to whether the civil service would carry out the policies of a socialist government. What more congenial task for persons whose status comes from the power and prestige of government? But in the Britain of that era it could be thought that class origin would somehow overcome occupational interest.)

What the civil service began, British education completed. Has there ever been a conversion as complete as that of the Malay, the Ibo, the Gujarati, the Jamaican, the Australian, the Cypriot, the Guyanan, the Yemenite, the Yoruban, the sabra, the felaheen to this distant creed? The London School of Economics, Shils notes, was often said to be the most important institution of higher education in Asia and Africa. In her autobiography, Beatrice Webb wrote that she and her husband felt "assured that with the School [LSE] as the teaching body, the Fabian Society as a propagandist organization, the LCC [London County Council] as object lesson in electoral success, our books as the only elaborate original work in economic fact and theory, no young man or woman who is anxious to study or to work in public affairs can fail to come under our influence." For reasons that are understandable, this was true most particularly for young men and women coming from abroad in that long and incongruously optimistic intellectual age that began amid late Victorian plumpness and ended with the austerity of postwar Britain. In 1950 the conservative Michael Oakeshott succeeded to the Fabian Harold Laski's chair in political theory at LSE and in a sense *that* party was over. But by then not Communists but Fabians could claim that the largest portion of the world's population lived in regimes of their fashioning. Before very long, the arithmetical majority and the ideological coherence of those new nations brought them to dominance in the United Nations and, indeed, in any world forum characterized by universal membership.

But if the new nations absorbed ideas about others from the doctrines of British socialism, they also absorbed ideas about themselves. The master concept, of course, is that they had the right to independence. This idea goes back to the American revolution, and even beyond to the Glorious Revolution in 17th-century Britain, but British socialism readily incorporated and even appropriated it. As the 20th century wore on and the issue of independence arose with respect to these specific peoples and places, it was most often the socialists who became the principal *political* sponsors of independence. It was a Labour government which in 1947 granted independence to India and formally commenced the vast, peaceful revolution that followed. The Indian Congress party had been founded in 1885 by a British civil servant, Alan Octavian Hume, whose politics were essentially Liberal. But by the time of independence, it was a matter to be taken for granted that the Congress was socialist and that its leaders, Gandhi and then Nehru, were socialists too.

Two further concepts triangulate and fix the imported political culture of these new nations. The first is the belief—often, of course, justified—that they have been subject to economic exploitation, exactly as the working class is said in socialist theory to have been exploited under capitalism. The second is the belief—also, of course, often justified—that they have been subject to ethnic discrimination corresponding to class distinctions in industrial society. As with the belief in the right to independence, these concepts, which now seem wholly natural, rarely occur in nature. They are learned ideas, and they were learned by the new nations mostly where they mostly originated, in the intellectual and political circles of Britain of the late 19th and early 20th century. Gandhi greatly elucidated the moral dimensions of exploitation and discrimination, but he did so in the context of a worldwide political movement that was more than receptive to his ideas, a political movement of which he was a part. At root, the ideas of exploitation and discrimination represent a transfer to colonial populations of the fundamental socialist assertions with respect to the condition of the European working class, just as the idea of independence parallels the demand that the working class break out of bondage and rise to power.

Now it is possible to imagine a country, or collection of countries, with a background similar to that of the British colonies, attaining independence and then letting bygones be bygones. The Americans did that: our political culture did not suggest any alternative. International life was thought to operate in Wordsworth's terms:

> The good old rule
> . . . The simple plan
> That they should take, who have the power.
> And they should keep who can.

So in their own terms might Marxists judge the aftermath of Marxist triumph; history was working its ineluctable way; there would be no point, no logic, in holding the past to account. Not so the heirs of the British revolution. British socialism is, was, and remains a highly moral creed. It is not a politics of revenge; it is too civil for that. But reparations Yes: reparations. This idea was fundamental to the social hope of a movement which, it must ever be recalled, rested on the assumption that there existed vast stores of unethically accumulated wealth. On the edges of the movement there were those who saw the future not just in terms of redistribution, but of something ominously close to looting. In any event, the past was by no means to be judged over and done with. There were scores to be settled. Internally and internationally.

A final distinctive character of the British revolution concerns procedure. Wrongs are to be righted by legislation. The movement was fundamentally parliamentarian. The Labour party came to power through the ballot, and proceeded to change society by statute. This was dramatically so with respect to the empire. For the first time in the history of mankind a vast empire dismantled itself, piece by piece, of its own systematic accord. A third of the nations of the world today owe their existence to a statute of Westminister. What more profound experience could there be of the potency of parliamentary majorities in distant places, and of their enactments?

Plainly, not all the new nations of the postwar world were formerly British. There were French colonies. Belgian. Dutch. Portuguese. Political traditions in each case were different from the British. But only *slightly* different: viewed from Mars, London, Paris, and The Hague are not widely separated or disparate places. By the time of the granting of independence, all were democratic with a socialist intelligentsia and often as not a socialist government. With the exception of Algeria—which is marked by the exception—the former French and Dutch colonies came into being in very much the manner the British had laid down. For a prolonged initial period the former British possessions had pride of place in the ex-colonial world—they speak English at the UN, not American—and pretty much set the style of politics which has become steadily more conspicuous in international affairs.

Not everyone has noticed this. Indeed, there is scarcely yet a vocabulary in which to describe it. In part, this is because the event is recent; but also because it was incomplete. As with the liberal revolution which came out of America, and the Communist revolution which came out of Russia, this socialist revolution coming mainly out of Britain carried only so much of the world in its initial period of expansion. The liberal revolution of America was not exactly a spent force by the mid-20th century, but (*pace* the Mekong Delta Development Plan) there was never any great prospect of its expanding to new territories. On the other hand, the heirs of the Russian revolution did capture China, the greatest of all prizes, in 1948, and at least part of Indochina a bit later. But in the main the Communist revolution stopped right there, and the two older revolutions now hold sway within fairly well-defined boundaries. Since 1950 it has been not they but the heirs of the British revolution who have been expanding.

Almost the first international political act of the new states was to form the nonaligned bloc, distinguishing themselves—partially—from the two blocs into which the immediate postwar world had formed. From politics the emphasis shifted to economic affairs. In 1968 these countries, meeting at Algiers, formed the Group of 77 as a formal economic bloc. Their Joint Statement described the group as "comprising the vast majority of the human race"—and indeed it did. The B's in the list of members gave a sense of the range of nations and peoples involved: Bahrain, Barbados, Bhutan, Bolivia, Brazil, Burma, Burundi. And yet there was—now somewhat hidden—unity to the list. Of these eight countries, five were formerly British-governed or British-directed. At its second Ministerial Meeting in Lima in 1971, the group (now numbering 96) drew up an Action Program which stated, *inter alia*, that developing countries should: "encourage and promote appropriate commodity action and, particularly, the protection of the interests of primary producers of the region through intensive consultations among producer countries in order to encourage appropriate policies, leading to the establishment of producers' associations and understandings. . . ."

This was represented in the press as a major gain for the black African states who carried the point over objections from Latin Americans accustomed to working out raw-material and commodity arrangements with the United States. But the idea was fundamentally a heritage of the British revolution, and if the black Africans took the lead in proclaiming it, there is no reason to think it was any less familiar to Arabs. They had

all gone to the same schools. Was it not right for those who have only their labor to sell, or only the products of their soil, to organize to confront capital? Had they not been exploited?

II

How has the United States dealt with these new nations and their distinctive ideology? Clearly we have not dealt very successfully. This past year, in the 29th General Assembly, we were frequently reduced to a voting bloc which, with variations, consisted of ourselves, Chile, and the Dominican Republic. As this "historic session" closed, the Permanent Representative of India to the United Nations declared:

"The activities of the Soviet delegation at the session showed once again that the Soviet Union deeply understands and shares the aspirations of the Third World." This was not Krishna Menon, but a balanced and considerate Asian diplomat. If no equivalent pronouncement on China comes immediately to hand, this may be because the Chinese feel free to identify themselves as members of the Third World. As such, at the end of 1974 they declared that the new majority had written a "brilliant chapter" during the twelve months previous, that it was "sweeping ahead full sail as the boat of imperialism [the United States] and hegemonism [the Soviet Union] founders." "These days," the Chinese statement continued, "the United Nations often takes on the appearance of an international court with the Third World pressing the charges and conducting the trial." A statement to which many could subscribe. But no such statement could come from an American statesman, no such praise would be accorded American policy. Clearly at some level—we all but *started* the United Nations—there has been a massive failure of American diplomacy.

But why? Why has the United States dealt so unsuccessfully with these nations and their distinct ideology? A first thought is that we have not seen the ideology as distinctive. Not recognizing it, we have made no sustained effort to relate ourselves to it. The totalitarian states, from their point of view, did. They recognize ideologies. By 1971 it was clear enough that the Third World—a few exceptions here and there—was not going Communist. But it was nevertheless possible to encourage it in directions that veered very considerably from any tendency the bloc might have to establish fruitful relations with the West; and this was done. It was done, moreover, with the blind acquiescence and even agreement of the United States which kept endorsing principles for whose logical outcome it was wholly unprepared and with which it could never actually go along.

A relatively small but revealing example of this process may be seen in the development of the World Social Report, a document of the Economic and Social Council. The first volume, covering the year 1963, was directed almost exclusively to problems of the developing countries, and the United States took its advent as a promising event. The 1965 report, concentrating on "practical methods of promoting social change," might have caused some to take note, but American officials were entirely unwary: this was, after all, a report designed to help the developing world. In actual fact, it was becoming a document based on the veritably totalitarian idea that social justice means social stability and that social stability means the absence of social potest. Thus by 1970, the Soviet Union—not much social protest there!—emerges as the very embodiment of the just state, while the United States is a nation in near turmoil from the injustices it wreaks upon the poor and the protests these injustices have provoked. And Western Europe hardly comes off any better.

What happened here was that a "Finlandized" Secretariat (the official in charge of preparing the document was indeed a Finn) found that the developing countries and the Communist countries had an easy common interest in portraying their own progress, justifying the effective suppression of dissent, and in the process of deprecating and indicting the seeming progress of Western societies. It is easy enough to see that this would be in the interest of the Soviet bloc. (The Chinese did not participate in the debate.) But why the developing world? First, the developing nations could ally with the totalitarians in depicting social reality in this way, in part because so many, having edged toward authoritarian regimes, faced the same problems the Communists would have encountered with a liberal analysis of civil liberties. Secondly, the developing nations had an interest in deprecating the economic achievements of capitalism, since almost none of their own managed economies was doing well. To deplore, to deride, the social effects of affluence in the United States is scarcely a recent invention. For a generation the British Left has held the patent. Further, there is an almost automatic interest on the Left in delegitimating wealth—prior to redistributing it—much as the opposite interest exists on the Right.

Small wonder that officials could describe the Social Report as the most popular document in the UN series, a statement intended as more than faint praise. Yet it has been more representative than otherwise. There are hundreds like it, suffused with a neo-totalitarian, anti-American bias.

American protests at the 26th General Assembly have evidently influenced the most recent Social Report, submitted to the 29th, but here the significant fact is that this protest—entered at the very last moment, when the document was being presented for pro-forma approval—was the first of its kind, or one of the first. In fact the United States until then did not protest. To the contrary, the United States actively participated in preparing this sustained assault on American institutions. The 1970 Social Report had been three years in the making. During those three years it made its way through layers of bureaucracies, all manners of meetings, Americans were always present, and Americans always approved. This was, after all, a Third World document; it was to be treated with tolerance and understanding. Complacency of this order could only arise from the failure to perceive that a distinctive ideology was at work, and that skill and intelligence were required to deal with it successfully.

The blindness of American diplomacy to the process persists. Two large events occurred in 1971, and a series of smaller ones were set in motion. China entered the United Nations, an event the Third World representatives saw as a decisive shift of power to their camp. In that same year the Lima conference established the nonaligned as an economic bloc intent on producer cartels. Less noticed, but perhaps no less important in its implications, a distinctive radicalization began in what might as well be termed world social policy.

This radicalization was first clearly evidenced at the United Nations Conference on the Human Environment, held at Stockholm in 1972, or more precisely at the 26th General Assembly, which was finally to authorize the conference. The conference was in considerable measure an American initiative, and while American negotiators were primarily concerned with ways to get the Russians to join (which in the end they did not), the Brazilians suddenly stormed onto the scene to denounce the whole enterprise as a conspiracy of the haves to keep the have-nots down and out. The argument was that the rich had got rich by polluting their environments and now proposed to say that way by preventing anyone else from polluting theirs. This, among other things, would insure that the rich would continue their monopoly on the use of the raw materials of the poor. Thus was it asserted that matters originally put forward as soluble in the context of existing economic and political relations were nothing of the sort. To the contrary, they were symptomatic of economic and political exploitation and injustice which could only be resolved by the most profound transformation: to expropriate the expropriators.

At Stockholm itself, this quickly became the dominant theme—espoused by a dominant majority. "Are not poverty and need the greatest pollutors?" Prime Minister Indira Gandhi of India asked. "There are grave misgivings," she continued, "that the discussion of ecology may be designed to distract attention from the problems of war poverty." She was wrong in this. They were not so designed. But at Stockholm the nations who feared they might be took control of the agenda. The conference declared as its first principle:

"Man has the fundamental right to freedom, equality, and adequate conditions of life, in an environment of a quality which permits a life of dignity and well being, and bears a solemn responsibility to protect, and improve the environment for present and future generations. In this respect, policies promoting or perpetuating apartheid, racial segregation, discrimination, colonial and other forms of oppression and foreign domination stand condemned and must be eliminated."

The American delegates routinely voted for this resolution. It was, after all, language the new countries wanted. What wholly unwelcome meanings might be attached to other forms of oppression and foreign domination" which stood "condemned" and had to be "eliminated" was a thought scarcely in keeping with the spirit of the occasion.

The Stockholm Conference had been turbulent. The United Nations World Population Conference, held nearly two years later, in August 1974, had an air of insurrection. This conference too was largely an American initiative, the culmination of years of State Department effort to put population on the agenda of world social policy. The Secretary General of the United Nations proclaimed the gathering would be a turning point in the history of mankind." The centerpiece was a Draft World Population Plan of Action, which in essence set 1985 as the year crude birth rates in developing countries would be reduced to 30 per thousand (as against an anticipated 34) and when "the necessary information and education about family planning and means to practice family planning" would be available "to all persons who so desire. . . ." There can be no doubt of the social change implicit in such a conference's even meeting: in most industrialized countries, family planning has only just achieved the status of an accepted social value deserving of public support. Yet neither should there be any doubt that a disaster overtook the American position in the course of the conference, and that this disaster was wholly predictable.

To begin with, the conference was thought up by Americans to deal with a problem we consider that other people have. (In fairness, not long ago the United States itself was thought to have a problem of population size, while the provision of family-planning services is an issue of social equity as well as of population growth.) Specifically, it was considered a problem of the developing countries: countries, that is, of the British revolution who was animated by the liveliest sense that their troubles originate in capitalist and imperialist systems of which the United States all but offered itself as an exemplar. Further, the conference met in Bucharest, capital of a Communist country.

UMI

At one level no great imagination would have been required to anticipate the outcome, President Nicolae Ceausescu opened the conference by declaring that "The division of the world into developed and underdeveloped countries is a result of historical evolution, and is a direct consequence of the imperialist, colonialist, and neo-colonialist policies of exploitation of many peoples." He called for "a new international economic order" and condemned "a pessimistic outlook" on population growth.

But if this was to be expected, few could have anticipated the wild energy of the Chinese assault on the Western position. China has the strictest of all population-control programs. Yet the Chinese arrived in Rumania to assail with unprecedented fury and devastating zeal the very idea of population control as fundamentally subversive of the future of the Third World. The future, the Chinese proclaimed, is infinitely bright. Only the imperialists and the hegemonists could spoil it and population control was to be their wrecking device. A theory of "consumerism" emerged: it was excessive consumption in the developed economies which was the true source of the problems of the underdeveloped nations and not the size of the latter's population. None dared oppose the thesis. The Indians, who are thought to have a population problem, went to the conference rather disposed to endorse a Plan of Action. But they did nothing of the sort. Instead, the Maharaja of Jammu and Kashmir, who headed the Indian delegation, found himself denouncing "colonial denudation" of the East, and the "vulgar affluence" of the West. The scene grew orgiastic.

In the end, a doctrine emerged which is almost certainly more true than otherwise, namely that social and economic change is the fundamental determinant of fertility change, compared with which family planning as such has at most a residual role. There need be no difficulty with this assertion. The difficulty comes with the conclusion said to follow: that economic growth in the West should cease and the wealth of the world be redistributed. We are back to Keir Hardie, expropriating the expropriators. Not to produce wealth, but to redistribute it. As with the environment conference, the population conference turned into another occasion for reminding the West of its alleged crimes and unresolved obligations.

This tone attained to manic proportions in Population Tribune, an unofficial, American-financed parallel conference of a form that first appeared in Stockholm. Ritual recantation became the order of the day as one notable after another confessed to a class-bound past which had blinded him to the infinitely bright future. Most of the recanters were American, but it was Professor René Dumont of France who epitomized the argument in a statement, "Population and Cannibals," which was subsequently given the full front page of *Development Forum*, an official, five-language, UN publication. Professor Dumont—blaming the "Plunderers of the Third World" for world conditions—"They . . . 'under-pay' for the rare raw materials of the Third World and then squander them"—put the case with some vivacity:

"Eating little children. I have already had occasion to show that the rich white man, with his overconsumption of meat and his lack of generosity toward poor populations, acts like a true cannibal, albeit indirect. Last year, in overconsuming meat which wasted the cereals which could have saved them, we ate the little children of the Sahel, of Ethiopia, and of Bangladesh. And this year, we are continuing to do the same thing, with the same appetite."

Dr. Han Suyin, a sympathetic commentator on Chinese Communist affairs, summed up for others:

"You cannot cut off any talk about population, about people, from economics and politics. You cannot put in a vacuum any talk about population and world resources without relation to the present as its exists. I admire people who can talk about a noble future where there will be an equal society and where resources will be controlled by all. But, forgive me for saying so, if this is to be done, then we have to begin by sharing now everything and that would mean that a lot of people who have a lot of private property, for instance, should divest themselves immediately of it in favor of the poor. It means that at this very moment we should start to implement a very simple thing—something which we heard . . . at the United Nations where the voice of the Third World—the majority of the world—at last formulated their demand for more equitable terms of trade, and for an end to exploitation, for an end to the real cause of poverty and backwardness, which is not population, but which is injustice and exploitation. The Third World has a word for it, it calls it imperialism and hegemony."

And the American delegation? The official view, flashed to diplomatic posts around the world, was as uncomplicated at the end as it had been at the outset: "All basic U.S. objectives were achieved and U.S. accomplishments were many. . . . U.S. delegation unanimously pleased with final result."

The World Food Conference which followed in Rome in November was even more explicitly an American initiative. Yet as the American delegation somewhat sadly noted, the plenary forum was used to the fullest by LDG's (Less Developed Countries) to excoriate the United States and other developed nations as responsible for the current food crisis and the generally depressed state of their part of the world, calling for "radical adjustment in the current economic order and, in effect, reparations from developed countries" to the less developed. Such negotiations as took place were somewhat more sober since something immediately of value—wheat—was at stake and obviously only the United States and a few such countries were prepared to part with any. Even so, by the time the conference was concluded, one of the great, and truly liberal, innovations of world social policy—the American-led assertion that the hungry of the world should be fed by transfers of resources—had been utterly deprecated. Thus the Indian Food Minister's statement with respect to the needs of the developing countries:

"It is obvious that the developed nations can be held responsible for their [the developing nations'] present plight. Developed nations, therefore, have a duty to help them. Whatever help is rendered to them now should not be regarded as charity but deferred compensation for what has been done to them in the past by the developed countries."

The UN General Assembly pursued this theme with notable persistence throughout 1974, commencing with a special session in the spring which dealt with the economic crises of the underdeveloped in just such terms. Occasioned as much as anything by the devastating impact of oil price increases, the special session dwelt on every conceivable abuse of economic power save that one. At the end of the regular autumn session, the General Assembly solemnly adopted a Charter of Economic Rights and Duties of States which accords to each state the right freely to exercise full permanent sovereignty over its wealth and natural resources, to regulate and exercise authority over foreign investments, and to nationalize, expropriate, or transfer ownership of foreign property pretty much at will. The vote was 120 to 6—the United States, Belgium, Denmark, West Germany, Luxembourg, and the United Kingdom. What was being asserted was a radical discontinuity with the original, essentially liberal vision of the United Nations as a regime of international law and practice which acknowledges all manner of claims but claims that move in all directions. Now they moved in one direction only.

In general a rhetoric of expropriation became routine. At year's end, Prime Minister Indira Gandhi, opening the 56th Conference of the International Law Association meeting in New Delhi, declared:

"Laws designed to protect the political or economic power of a few against the rights of the many, must . . . yield place to laws which enlarge the area of equality, and . . . law itself should be an ally and instrument of change."

She spoke a now-common language of resentment over population issues:

"It is not a new form of arrogance for affluent nations to regard the poorer nations as an improvident species whose numbers are a threat to their own standard of living?"

She suggested a reversal of roles had taken place as between the new nations and the old:

"An obligation rests on the haves to generate confidence among the have-nots. . . . A new approach to foreign investments is indicated, in which investments abroad are regarded more as a service to the recipient community than as an enterprise where profits and their repatriation must be secured at all cost."

Now there is nothing unfamiliar in this language: only the setting is new. It is the language of British socialism applied to the international scene. American diplomacy has yet to recognize this fact and, failing to recognize it, has failed even to begin dealing intelligently with it.

III

But if the beginning of wisdom in dealing with the nations of the Third World is to recognize their essential ideological coherence, the next step is to recognize that there is every reason to welcome this ideology, and to welcome the coherence also. Because of the British revolution and its heritage, the prospect now is that the world will not go totalitarian. In the Christian sense, has there been such political "good news" in our time? But there is bad news also. The great darkness could yet consume us. The potential for absorption of these states into the totalitarian camp is there and will continue to be there. This is perhaps especially true where one-party states have been established, but even the "socialist countries," to use the UN term, persists.

The outcome will almost certainly turn on whether or not these nations, individually and in groups, succeed in establishing sufficiently productive economies. If they do not if instead they become permanently dependent on outside assistance, that assistance is like more and more to come from the totalitarian nations, and with it the price of internal political influence from the totalitarian camp through the local pro-Moscow, or pro-Peking, Communist party. For everywhere there are such parties. They appear able to go on indefinitely in a dormant state, and can be awakenend pretty much at will. India, with a population equal to that of the whole of Africa and South America combined, is the best current example. Parliamentary democracy is vigorous enough there, but economic incompetence on its part and diplomatic blunders on our have led to an increasing dependence on Soviet support, which in the space of three years has brought about an open electoral alliance between the Congress party and the Moscow-oriented Communists, an alliance we would have thought worth fighting a war to prevent two decades ago, but which we scarcely notice today.

This alliance would not have come about save for the failure of the Indian economy to prosper and the success—typical—of the argument that the cure for the damage done by leftist policies is even more leftists policies, which in practice translates into dependence on the Soviets and alliances with their internal allies. And here is the nub of the bad news: for all the attractions of this variety of socialist politics, it has proved, in almost all its versions, almost the world over, to be a distinctly poor means of producing wealth. Sharing wealth—perhaps. But not producing wealth. Who, having read British political journals over the past quarter-century, would be surprised to find that during this period (1950–73) the United Kingdom's share of the "Planetary Product" has been reduced from 5.8 to 3.1 per cent? Why then be surprised that those who have made British socialism their model have trouble taking off in the opposite direction? Yet even so, one must be surprised at the decline of economics such as those of Burma and Sri Lanka: immensely productive places not a generation ago. Sri Lanka, for example, having first got to the point where it was importing potatoes from Poland, has now got to the further point where it can no longer afford to do so. A recent survey of the Ceylonese economy in the *Far Eastern Economic Review* was entitled: "Conspiracy or Catastrophe?" For what else could explain such failure?

What else, that is, to those experiencing it (with all that implies for political instability)? The outsider can indulge a more relaxed view. The fault lies in ideas, not persons. Americans—Westerners—do not have any claim to superior wisdom on the subject of these economics. Starting in the 1950's a large number of first-rate economists began working on theories of economic growth designed to get the LDC's on a path of self-sustained growth. "To be perfectly brutal about it," Jesse Burkhead recently stated, "it hasn't worked." And yet there is no need to stand mute. Two assertions may be reasonably put forth, of which the first is that to say these economies haven't worked as well as hoped is not to say that none has worked at all. There *has* been growth. In the main, things are better than they were. For every Argentina—that "miracle" of economic non-growth—there is a Brazil. For Ghana, Nigeria. For Calcutta, Singapore. The second assertion is that relative failure is particularly to be encountered in economies most heavily influenced by that version of late Fabian economics which compounded the Edwardian view that there was plenty to go around if justly distributed with the 1930's view that capitalism could never produce enough to go around regardless of distributive principles.*

Still, there are gains in the relative loss of income associated with the managed economies of the Third World which need to be appreciated. An Asian economist has said of his own country, plaintively yet not without a certain defiance: "We are socialists, so we do not believe in capitalism. We are democrats, so we do not believe in terror. What, then, is our alternative save one per cent a year?" There *is* a welfare state of sorts; there is protection of industrial labor; and in some countries, at least, there is freedom to protest.

But the most distinctive gain and the least noted is that in the course of its outward journey, the managed economy was transmuted from an instrument of economic rationality to an instrument of political rationality. It is sometimes difficult to recall, but early socialist theory expounded the greater *efficiency* of production for use rather than for capital, and put much stress on capitalist wastefulness. In practice, however, the real attraction of the managed economy has been the means it provides to collect enough political power at the center to maintain national unity—almost everywhere a chancy thing in these generally multi-ethnic states.

One must still conclude, however, that these political gains are purchased at the expense of even more conspicuous economic losses. India will serve for a final example. In the year of its independence, 1947, India produced 1.2 million tons of steel and Japan only 900,000 tons. A quarter-century later, in 1972, India produced 6.8 million tons and Japan 106.8. These outcomes are the result of decisions made by the ruling party of each nation, and only an innocent could continue to accept Indian protestations that the results were unexpected. The break in Indian growth came precisely in 1962 when the United States, which had been about to finance its largest aid project ever, a steel complex at Bokharo in Eastern India, insisted that it be managed privately. India insisted on a public-sector plant, for which read a plant that would do what the Prime Minister of India wanted done. In the manner of the Aswan Dam (and with as much political impact), the Russians stepped in to finance the public-sector plant. By 1974 this plant had yet to produce sheet steel. For the period 1962–72 Indian steel production grew by a bare 1.8 per cent, while Japanese grew 13.4 per cent.

There is no serious way to deny that India has in a very real sense desired this outcome, just as there is no way to deny that high living standards in the modern world are associated with relatively free market economies and with liberalist international trade policies. Granted that much economic policy does not have high living standards as its true objective, but is rather concerned with political stability, and granted that such a concern may be wholly legitimate in a new nation—in any event it is not anyone else's business—it nevertheless remains the case that the relative economic failure accompanying political success in regimes such as that of India sooner or later begins to undermine that very success. Promises are made and political stability, especially in the more democratic regimes, requires some measure of performance. When it is not forthcoming, regimes change. They become less democratic. They become less independent.

Neither of these developments can be welcomed by the United States. The United States in the past may have cared about the course of political events in these nations, but only in the most abstract terms. (Consider the casualness with which we armed Pakistan and incurred the bitter and enduring hostility of India, the second most populous nation in the world.) But India has now exploded a nuclear device. *That* may well prove the most important event of the turbulent year 1974. Other Third World nations are likely to follow. Hence political stability in the Third World acquires a meaning it simply has never in the past had for American strategic thinking, as well as our general view of world politics.

IV

What then is to be done? We are witnessing the emergence of a world order dominated arithmetically by the countries of the Third World. This order is already much too developed for the United States or any other nation to think of opting out. It can't be done. One may become a delinquent in this nascent world society. An outcast in it. But one remains "in" it. There is no escape from a definition of nationhood which derives primarily from the new international reality. Nor does this reality respond much to the kind of painfully impotent threats which are sometimes heard of America's "pulling out." Anyone who doubts that Dubai can pay for UNESCO, knows little of UNESCO, less of what the United States pays, and nothing whatever of Dubai.

In any event, matters of this sort aside, world society and world organization have evolved to the point where palpable interests are disposed in international forums to a degree without precedent. Witness, as an instance, the decisions of the World Court allocating the oil fields of the North Sea among the various littoral states in distinctly weighted (but no doubt proper) manner. Witness the current negotiations at the Law of the Sea Conference. Two-thirds of the world is covered by the sea, and the United Nations claims the seabed. That seabed, especially in the region around Hawaii, is rich in so-called "manganesenodules"—concentrations of ore which American technology is now able to exploit, or will be sooner than anyone else. At this moment we have, arguably, complete and perfect freedom to commence industrial use of the high seas. This freedom is being challenged, however, and almost certainly some form of international regime is about to be established. It can be a regime that permits American technology to go forward on some kind of license-and-royalties basis. Or it can assert exclusive "internationalized" rights to exploitation in an international public corporation. The stakes are considerable. They are enormous.

And then, of course, there remains the overriding interest, a true international interest, in arms control, and here true international government has emerged in a most impressive manner. If we were to ask who is the most important international official, a persuasive case could be made for choosing the Inspector General of the International Atomic Energy Authority, the man who supervises the safeguard agreements of the world's atomic reactors. Few would know the name of this unobtrusive Swiss chemist, few, perhaps, need to. But more than a few do need to know that the post is there and that its viability derives ultimately from the international system of which it is a part. For the moment; American security derives primarily from our own armaments, and our strategic agreements with the Soviet Union and a few other powers. But the international regime of arms control is already important and certain to become more so.

If, that is, it does not go down in the general wreckage of the world system embodied now in the United Nations. But assuming that the new majority will not destroy the regime through actions that drive nations like the United States away, it is not reasonable to anticipate a quasi-parliamentary situation at the international level—the General Assembly and a dozen such forums—in which a nominally radical majority sets about legislating its presumed advantage in a world which has just come into its hands? The qualification "quasi-parliamentary" is necessary, for in fact the pronouncements of these assemblies have but limited force. So did the pronouncements of the Continental Congress. They are not on that ground to be ignored. What then does the United States do?

The United States goes into opposition. This is our circumstance. We are a minority. We are outvoted. This is neither an unprecedented nor an intolerable situation. The question is what do we make of it. So far we have made little—nothing—of what is in fact an opportunity. We go about dazed that the world has changed. We toy with the idea of stopping it and getting off. We rebound with the thought that if only we are more reasonable perhaps "they" will be. (Al-

* This later idea is very much alive. On leaving my post as United States Ambassador to India, I gave a press conference in which *inter alia* I touched upon the failure of India to achieve a productive economy. The *National Herald*, the Nehru family newspaper, commented in an editorial: "Mr. Moynihan may be justified in some of his criticism of the state of the Indian economy, but what he is trying to sell is the capitalist system which can only impoverish India's millions further."

UMI

most to the end, dominant opinion in the U.S. Mission to the United Nations was that the United States could not vote against the "have-nots" by opposing the Charter on the Rights and Duties of States—all rights for the Group of 77 and no duties.) But "they" do not grow reasonable. Instead, we grow unreasonable. A sterile enterprise which awaits total redefinition.

Going into opposition requires first of all that we recognize that there is a distinctive ideology at work in the Third World, and that it has a distinctive history and logic. To repeat the point once again, we have not done this, tending to see these new political cultures in our own image, or in that of the totalitarians, with a steady shift in the general perception from the former to the latter. But once we perceive the coherence in the majority, we will be in a position to reach for a certain coherence of opposition.

Three central issues commend themselves as points of systematic attack: first, the condition of international liberalism; second, the world economy; third, the state of political and civil liberties and of the general welfare. The rudiments of these arguments need only be sketched.

It is the peculiar function of "radical" political demands, such as those most recently heard in the international forums, that they bring about an exceptional deprecation of the achievements of liberal processes. Even when the radicalism is ultimately rejected, this is rarely from a sense that established processes do better and promise more. American liberalism experienced this deprecation in the 1960's; international liberalism is undergoing it in the 1970's. But the truth is that international liberalism and its processes have enormous recent achievements to their credit. It is time for the United States to start saying so.

One example is the multinational corporation which, combining modern management with liberal trade policies, is arguably the most creative international institution of the 20th century. A less controversial example is the World Health Organization. In 1966, it set out to abolish smallpox, and by the time this article is read, the job will more than likely have been successfully completed—in very significant measure with the techniques and participation of American epidemiologists. While not many Americans have been getting smallpox of late, the United States has been spending $140 million a year to keep it that way. Savings in that proportion and more will immediately follow. Here, as in a very long list, a liberal world policy has made national sense.

We should resist the temptation to designate agreeable policies as liberal merely on grounds of agreeableness. There are harder criteria. Liberal policies are limited in their undertakings, concrete in their means, representative in their mode of adoption, and definable in terms of results. These are surely the techniques appropriate to a still tentative, still emergent world society. It is time for the United States, as the new society's loyal opposition, to say this directly, loudly, forcefully.

The economic argument—which will appear inconsistent only to those who have never been much in politics—is that the world economy is not nearly bad enough to justify the measures proposed by the majority, and yet is much worse than it would otherwise be in consequence of measures the majority has already taken. The first half of this formulation will require a considerable shift in the government mind, and possibly even some movement in American elite opinion also, for we have become great producers and distributors of crisis. The world environment crisis, the world population crisis, the world food crisis are in the main American discoveries—or inventions, opinions differ. Yet the simple and direct fact is that any crisis the United States takes to an international forum in the foreseeable future will be decided to the disadvantage of the United States. (Let us hope arms control is an exception.) Ergo: skepticism, challenge.

The world economy is the most inviting case for skepticism, although it will be difficult to persuade many Americans of this during an American recession, and although the rise in oil prices is now creating a crisis in the Third World which is neither of American contrivance nor of American discovery nor of American invention. But until the dislocations caused by OPEC, things were simply not as bad as they were typically portrayed. *Things were better than they had been.* Almost everewhere. In many places things were very good indeed. Sir Arthur Lewis summed up the evidence admirably:

"We have now had nearly three decades of rapid economic growth. . . . Output per head has been growing in the developed world twice as fast as at any time within the preceding century. In the LDC world, output per head is not growing as fast as in the developed world, but is growing faster than the developed world used to grow."

The data can be quite startling. In 1973, as Sir Arthur was speaking, the "Planetary Products," as estimated by the Bureau of Intelligence and Research of the Department of State, grew at a real rate of 6.8 per cent, an astonishing figure. The Third World product expanded by 5.75 per cent, no less astonishing.

Simultaneously it is to be asserted that these economies do less well than they ought: that the difference is of their own making and no one else's, and no claim on anyone else arises in consequence. This will be hard for us to do, but it is time we did it. It is time we commenced citing men such as Jagdish N. Bhagwati, Professor of Economics at MIT, an Indian by birth, who stated in the Lal Bahadur Shastri lectures in India in 1973:

"In the 1950's our economic programs were considered by the progressive and democratic opinion abroad to be a model of what other developing countries might aspire to and emulate. Today, many of us spend our time trying desperately to convince others that *somehow* all the success stories elsewhere are special cases and that our performance is not as unsatisfactory as it appears. And yet, we must confront the fact that, in the ultimate analysis, despite our socialist patter and our planning efforts, we have managed to show neither rapid growth nor significant reduction of income inequality and poverty."

It is time we asserted, with Sir Arthur—a socalist, a man of the Third World—that economic growth is governed not by Western or American conspiracies, but by its own laws and that it "is not an egalitarian process. It is bound to be more vigorous in some professions, or sectors, or geographical regions than in others, and even to cause some impoverishment."

A commentator in *The Statesman*, Calcutta's century-old and most prestigious journal, recently warned:

"It would be unwise for policy planners in the developing world to dismiss too easily . . . the basic premise of a society that worships success: if you are poor, you have only yourself to blame. Development is a matter of hard work and discipline. So if you are not developing fast, it is not because the rules of the game are stacked against you or that structural changes are never easy to bring about, but because you are lazy and undisciplined. The general disenchantment with economic aid flows from this. It is difficult for Americans to understand why such substantial flows of food and money have made so little impact."

Well, the time may have come when it is necessary for Americans to say, "Yes, it is difficult to understand that." Not least because some Third World economies have done so very well. For if Calcutta has the lowest urban standard of living in the world, Singapore has in some ways the highest. It is time we asserted that inequalities in the world may be not so much a matter of condition as of performance. The Brazilians do well. The Israelis. The Nigerians. The Taiwanese. It is a good argument. Far better, surely, than the repeated plea of *nolo contendere* which we have entered, standing accused and abased before the Tribune of the People.

Cataloguing the economic failings of other countries is something to be done out of necessity, not choice. But speaking for political and civil liberty, and doing so in detail and in concrete particulars, is something that can surely be undertaken by Americans with enthusiasm and zeal. Surely it is not beyond us, when the next Social Report comes along, to ask about conditions and events in many countries of the Third World of which almost everyone knows, but few have thought it politic to speak. The AFL-CIO does it. Freedom House does it. Amnesty International does it. *American* socialists do it. The time has come for the spokesmen of the United States to do it, too.

It is time, that is, that the American spokesman came to be feared in international forums for the truths he might tell. Mexico, which has grown increasingly competitive in Third World affairs, which took the lead in the Declaration of the Economic Rights and Duties, preaches international equity. Yet it preaches domestic equity also. It could not without some cost expose itself to a repeated inquiry as to the extent of equity within its own borders. Nor would a good many other Third World countries welcome a sustained comparison between the liberties they provide their own peoples with those which are common and taken for granted in the United States.

For the United States to go into opposition in this manner not only requires a recognition of the ideology of the Third World, but a reversal of roles for American spokesmen as well. As if to compensate for its aggressiveness about what might be termed Security Council affairs, the United States has chosen at the UN to be extraordinarily passive, even compliant, about the endless goings-on in the Commissions and Divisions and Centers and suchlike elusive enterprises associated with the Economic and Social Council. Men and women were assigned to these missions, but have rarely been given much support, or even much scrutiny. Rather the scrutiny has been of just the wrong kind, ever alert to deviation from the formula platitudes of UN debates, and hopelessly insensitive to the history of political struggles of the 20th century.

In Washington, three decades of habit and incentive have created patterns to appeasement so profound as to seem wholly normal. Delegations to international conferences return from devastating defeats proclaiming victory. In truth, these have never been thought especially important. Taking seriously a Third World speech about, say, the right of commodity producers to market their products in concert and to raise their prices in the process, would have been the mark of the quixotic or the failed. To consider the intellectual antecedents of such propositions would not have occurred to anyone, for they were not thought to have any.

And yet how interesting the results might be. The results, say, of observing the occasion of an Algerian's assuming the Presidency of the General Assembly with an informed tribute to the career of the liberator Ben Bella, still presumedly rotting in an Algerian prison cell. The results of a discourse on the disparities between the (1973) per-capita GNP in Abu Dhabi of $43,000 and that of its neighbor, the Democratic People's Republic of Yemen, with one-thousandth that. Again, this need not be a uniformly scornful exercise; anything

but. The Third World has more than its share of attractive regimes, and some attractive indeed—Costa Rica, Gambia, Malaysia, to name but three. Half the people in the world who live under a regime of civil liberties live in India. The point is to differentiate, and to turn their own standards against regimes for the moment too much preoccupied with causing difficulties for others, mainly the United States. If this has been in order for some time, the oil price increase—devastating to the development hopes of half-a-hundred Asian and African and Latin American countries—makes it urgent and opportune in a way it has never been.

Such a reversal of roles would be painful to American spokesmen, but it could be liberating also. It is past time we ceased to apologize for an imperfect democracy. Find its equal. It is time we grew out of our initial—not a little condescending—supersensitivity about the feelings of new nations. It is time we commenced to treat them as equals, a respect to which they are entitled.

The case is formidable that there is nothing the Third World needs less—especially now that the United States has so much withdrawn—than to lapse into a kind of cargo cult designed to bring about our return through imprecation and threat rather than the usual invocations. The Third World has achieved independence, and it needs to assert it in a genuine manner. The condition of the developing countries countries is in significant measure an imported condition. In the main a distinctive body of European ideas has taken hold, not everywhere in the same measure. Sri Lanka will be more cerebrate in its socialism than will, says, Iraq, Brazil more given to actual economic expansion than Syria or Egypt, Algeria considerably less libertarian than Nigeria. Still, there is a recognizable pattern to the economic and political postures of these countries, of which the central reality is that their anti-capitalist, anti-imperialist ideologies are in fact themselves the last stage of colonialism. These are imported ideas every bit as much as the capitalist and imperialist ideas to which they are opposed. The sooner they are succeeded by truly indigenous ideas, the better off all the former colonies will be, the United States included.

The Third World must feed itself, for example, and this will not be done by suggesting that Americans eat too much. It is one thing to stress what is consumed in the West, another to note what is produced there. In 1973, 17.8 per cent of the world's population produced 64.3 per cent of its product—and not just from taking advantage of cheap raw materials.

In the same way, the Third World has almost everywhere a constitutional heritage of individual liberty, and it needs to be as jealous of that heritage as of the heritage of national independence. It should be a source of renown that India, for one, has done that, and of infamy that so many others have not.

Not long ago, Alexander Solzhenitsyn, speaking of the case of a Soviet dissident who had been detained in a mental hospital, asked whether world opinion would ever permit South Africa to detain a black African leader in this fashion. Answering his own question, he said, "The storm of worldwide rage would have long ago swept the roof from that prison!" His point is very like the one Stephen Spender came to in the course of the Spanish Civil War. Visiting Spain, he encountered atrocities of the Right, and atrocities of the Left. But only those of the Right were being written about, and it came to him, as he later put it, that if one did not care about every murdered child indiscriminately, one did not really care about children being murdered at all. Very well. But nothing we finally know about the countries of the Third World (only in part the object of the Solzhenitsyn charge) warrants the conclusion that they will be concerned only for wrongdoing that directly affects *them*. Ethnic solidarity is not the automatic enemy of civil liberties. It has been the foundation of many. If there are any who can blow off the roof of any such prison—then all credit to them. If you can be against the wrongful imprisonment of a person anywhere, then you can be against wrongful imprisonment everywhere.

It is in precisely such terms that we can seek common cause with the new nations: granted that they, no more than we, are likely wholly to live up to either of our protestations. Yet there exists the strongest possibility of an accommodating relationship at the level of principle—a possibility that does not exist at all with the totaliatarian powers as they are now constituted. To contemplate an oppositional role to the Soviet bloc, or the Chinese, in, say, the General Assembly would be self-deceptive. One may negotiate there as between separate political communities, but to participate as in a single community—even in opposition—would simply not be possible. We can, however, have such a relation with most Third World nations. And we can do so while speaking for and in the name of political and civil liberty.

And equality, what of it? Here an act of historical faith is required: what is the record? The record was stated most succinctly by an Israeli socialist who told William F. Buckley, Jr. that those nations which have put liberty ahead of equality have ended up doing better by equality than those with the reverse priority. This is so, and being so, it is something to be shouted to the heavens in the years now upon us. *This is our case.* We *are* of the liberty party, and it might surprise us what energies might be released were we to unfurl those banners.

In the spring of 1973, in his first address as director-designate of the London School of Economics—where Harold Laski once molded the minds of so many future leaders of the "new majority"—Ralf Dahrendorf sounded this theme. The equality party, he said, has had its day. The liberty party's time has come once more. It is a time to be shared with the new nations, and those not so new, shaped from the old European empires, and especially the British—and is the United States not one such?—whose heritage this is also. To have halted the great totalitarian advance only to be undone by the politics of resentment and the economics of envy would be a poor outcome to the promise of a world society. At the level of world affairs we have learned to deal with Communism. Our task is now to learn to deal with socialism. It will not be less difficult a task. It ought to be a profoundly more pleasant one.

BERNARD FALL: VIETNAM PROPHET

Mr. PERCY. Mr. President, almost a decade ago I called on Bernard Fall at his home. Although I had never met him, I sought out his advice because of his reputation as an authority on Vietnam.

I was not disappointed. I found him an encyclopedia of knowledge. There was no aspect of the war in Vietnam that I could question him on that failed to evoke a thoughtful and considered reply. We worked together in his study. Whenever he would want to reference or document a particular point, he would virtually leap from his chair, go to his bookshelves, and in a matter of minutes could not only find the proper volume but quickly flip through the pages to find the section that he wanted to read to me.

Outside of my own direct visits to Vietnam and my intensive study of the situation on the ground there, my talk with Bernard Fall offered me more help in understanding the war than any other single factor.

Bill Moyers, writing in Newsweek on April 21, 1975, under the title "Last Reflections on a War," said that he had never met Bernard Fall, but he reflects on the war as he reflects on the man and the lessons that we can draw from him. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAST REFLECTIONS ON A WAR

(By Bill Moyers)

The man who could best help us to understand Vietnam today is dead, but the legacy of insights he left us seems more valuable than ever.

His name was Bernard Fall, and he was killed in South Vietnam on Feb. 21, 1967, while accompanying marines on a sweep between Quang Tri and Hué—a scholar at work, cut down by a war he felt was unnecessary.

At the time, Fall was professor of international relations at Howard University in Washington and an authority on Vietnam. Born in Vienna and raised in France, he had come to feel at home in America and intended to become a citizen. His most acclaimed books were "Street Without Joy" and "Hell in a Very Small Place," but all his books and articles, based on meticulous research and lengthy trips to North and South Vietnam, added immeasurably to the West's knowledge of the history, culture and politics of Indochina.

It was a storehouse of knowledge almost no official bothered to tap. All along, Fall had warned that the situation in Vietnam was much different from what high policymakers thought it was, that Vietnamese nationalism was an idea no Western army could overwhelm, and that in the North Vietnamese and Viet Cong we were up against people prepared to take immense punishment for the sake of reunifying their country. None of us paid attention soon enough.

THE WRONG SIDE

I never met Fall, but in early 1966 my White House colleague, the late Hayes Redmon, did. One afternoon he announced: "I have just talked to a man who says we are headed for catastrophe. He says that by becoming surrogates of colonialism in Indochina we have gone over to the wrong side of history." Periodically, Redmon, a former Air Force officer who abhorred the war, would summarize Fall's articles and circulate them to associates. No policies changed but a few eyes opened gradually.

"There were times when Bernard was bitter because officials disregarded reality," his widow, Dorothy, told me the other day. "As early as 1961 and 1962 he saw that official reports from Vietnam were being distorted by people who had a stake in vindicating their own hypotheses. Yet Bernard knew that their assumptions flew in the face of facts, and and he was increasingly frustrated as Washington based its decisions on the wrong facts or on a false reading of history or on lies. He loved this country, as he loved the people of Vietnam of both sides, and his heart sank as he saw the tragedy unfolding. Yet officials not only ignored such warnings, they turned on people who made them. Some of them were suspicious of Bernard because he was French and even accused him of being a spy for French intelligence. Bernard was a scholar and an analyst, not a partisan."

UMI

What might he think about events now, if he had lived? "He thought that what is happening in Vietnam today was inevitable. It was the spirit of the North Vietnamese and the Viet Cong that convinced him." As his books make clear, Fall did not think people in the south were inferior, only that they had surrendered their independence to foreigners—the very people northerners were fighting to oust. Fall knew that to be ridding Vietnam of foreigners was an old dream.

ANCIENT WISDOM

He carefully documented that dream all the way back to the 1,000-year occupation of Vietnam by China, which ended in A.D. 939. There are revealing vignettes, as in the thirteenth century, during the third Mongol invasion of Vietnam, when the Vietnamese marshal, Tran Hung Dao, wrote this "Essential Summary of Military Arts," and trained his troops in guerrilla warfare. "The enemy must fight his battles far from his home base for a long time," he wrote. "We must further weaken him by drawing him into protracted campaigns. Once his initial dash is broken, it will be easier to destroy him." His successors took the marshal's wisdom to heart. Their enemies ignored it.

Of more recent events Bernard Fall's writings are equally instructive. One result of French failure to provide a real say in the political development of Vietnam was "the growth of the secret societies that had always been part of the Sino-Vietnamese civilization. This is a phenomenon largely unknown to us: in the West, only Communism is specifically geared to operate as a clandestine political party—a combination of Marxist ideology and secret societies that produced the one effective political organization Vietnam has ever had—the Indochinese Communist Party, which later became the Vietnam Workers' Party under its creator, Ho Chi Minh."

In an essay on Ho, Fall tells of a bitter debate in the Cabinet of the recently proclaimed Vietnamese Republic at the end of World War II. As the defeated Japanese left, the Vietnamese were faced with the choice of asking short-term aid from their recent masters, the French, or their ancient conquerors, the Chinese. Ho's right wing argued that at least China was a "blood brother" and could be counted upon to "protect" Vietnam against further Western encroachment. His left wing argued that France then had a leftist government that surely would concede independence to Vietnam eventually and in the meantime would provide badly needed assistance. According to Fall's source, who was present at the meeting, Ho Chi Minh finally sprang to his feet and shouted:

"You fools! Don't you realize what it means if the Chinese stay? Don't you remember our history? The last time the Chinese came, they stayed 1,000 years. The French are foreigners. They are weak. Colonialism is dying out. Nothing will be able to withstand world pressure for independence. They may stay for a while but they will have to go because the white man is finished in Asia. But if the Chinese stay now, they will never leave. As for me, I prefer to smell French sh-- for five years, rather than Chinese sh-- for the rest of my life."

HELPFUL PERCEPTIONS

It may seem useless to dredge up the past just now, as the ghost of Ho Chi Minh stalks closer to Saigon and the debacle grows. The past heals no wounds and in war opportunities lost are lost forever. Certainly Fall would take no consolation from being vindicated posthumously. Hating the war, as he loved his adopted countries of America and Vietnam, he did not welcome the chance to earn a reputation from it. But his perceptions could help us to realize the futility of thinking that a few more million dollars can stay the course of Vietnamese history, and they might prevent us from exaggerating the consequences elsewhere in the world of our failure in Indochina. There is no reason to turn into disaster everywhere a single defeat under particular circumstances in one small place, unless we make an ideology of Henry Kissinger's illusion that our role in the world is a seamless garment unadorned by distinctions. Even this late, the work of a scholar like Bernard Fall will not have been totally in vain if we learn to discriminate.

THE "WATERGATE" OF AMERICAN FOREIGN POLICY

Mr. McGOVERN. Mr. President, the war in Vietnam is over, but it is not yet behind us. It may be out of sight, but it is surely not out of mind. We must move quickly to grasp the lessons the war has taught us, and the opportunities brought by its end.

There is clearly a demanding need for a cooperative reexamination of the link between our experience in Southeast Asia and America's posture in the world. Only this kind of reassessment can avert misplaced ventures such as our losing struggle to decide the outcome of a civil conflict in Asia.

Doubt has been created both here and abroad about our future role in world affairs. If we are to address those doubts, we must first recognize that they are in large part a product of false rhetoric used to sell a mistaken policy.

In his commentary in one of South Dakota's largest newspapers, the Sioux Falls Argus-Leader, Dr. Alfred Hotz has called official past Vietnam policy "the Watergate of American foreign policy." Self-deception and secrecy dominated the administration's thinking on both these issues. A political science professor at Augustana College in Sioux Falls, Dr. Hotz urges the administration to abandon that Watergate manner of thinking by discarding the rhetorical baggage of the war years and honestly examining the realities of America's role in world affairs.

I agree with Dr. Hotz that we can only welcome such a return to sensibility and I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE "WATERGATE" OF AMERICAN FOREIGN POLICY

(By Dr. Alfred J. Hotz)

COMMENTARY

(The author is retiring this spring from fulltime teaching duties as professor of political science at Augustana. He was recently named 1975 Augustana College Faculty/Administrator of the year.)

While President Ford stated that the Vietnam War was "finished," his administration is hopefully undergoing as serious a reappraisal on our failures in the prolonged Vietnam quagmire as is presently being undertaken in the Middle East—i.e., the Joe Sisco reassessments.

What precise linkage there actually may be between the two events (Vietnam and Middle East debacles) and to what extent the reassessments of both failures are soberly and maturely done in Washington only time will tell. What is, however, irrevocably clear is that in both of these reassessments the administration cannot afford to "coverup" the basic realities that always obtained with respect to Vietnam, but which constantly were obscured through deceptions and lies by past administrations, both Democrat and Republican, thus leading to our deserved defeat.

The "coverup" surrounding past Vietnam policies can now be revealed as the "Watergate" of American foreign policy.

A "CIVIL WAR"

First, the real issue in Vietnam was that the conflict was, from the outset, a genuine "civil war" between nationalist Vietnamese, led by Ho Chi Minh, to be sure a Communist, but with indigenous support vs. a series of "puppets" supported initially by the French, and since 1954 by the Americans—i.e., non-Asians, incapable of understanding the Asian revolution unleashed since World War II.

Second, that a series of presidents, both Democrat and Republican, falsely perceived that overwhelming American military power could sustain a transplanted South Vietnam regime as an American model of nation-building in contravention of the basic legal-political provisions of the Geneva Accords (1954), and reincorporated in the Paris Accords (1973). The map of reality shows clearly, since 1954, that there was no such sovereign entity as South Vietnam. American self-deception only compounded the fiction with massive military intervention to no avail although Nixon's American troop withdrawal was sound policy though belated.

Third, Nixon-Kissinger could/should have refused to coverup the Watergate of the Vietnam folly after the signing of the Paris Accords (1973), but, instead they employed the rhetoric of "peace with honor" as deception of the map of reality. It was clearly evident that the Thieu regime's days were numbered with Vietnam nationalism the ultimate victor.

Even had President Nixon been audacious enough to reintervene with massive American armed forces, as his "illegal" (secret) assurances to President Thieu suggested, the ultimate end, an American defeat, would have resulted though the timespan for the final truth would have taken longer with greater tragedy and travail for all concerned.

MAP OF REALITY

The fundamental question today is can/will the Ford-Kissinger team, themselves perpetrators of the myth that a separate fictious, South Vietnam might be saved by massive American military aid to the very end of the charade, can/will they reassess the map of reality in Vietnam and all Southeast Asia? The coverup by past presidents of the unrealities of the basic issue, the deceptions surrounding our military ventures, the false premises that undergirded mistaken political judgments must be exposed as stark, naked, brutal errors, or America will continue as a great power with pigmy minds in leadership roles to determine our precarious future.

American credibility at home and abroad is precisely low, as of today, not because we did not do enough for President Thieu (and his quicksand satrap), but because the United States attempted to do too much to the bitter end of a known collapse of falsities, rather than recognize the map realities.

If American Congress and public permit the continuance of the Watergate on Vietnam, I fear for the future of American foreign policy not only in Southeast Asia, in the Third World, our real challenge for the future, but also for the forthcoming assessments on the Arab-Israeli protracted conflict.

While the Middle East controversy includes different issues and variables, some of the assumptions and perceptions operating within present administration policy toward the Middle East, however, suffer from some of the same erroneous conceptions as led to the Vietnam quagmire; whereas the realities are (1) that Arab nationalism is viable, vital and growing; (2) that Israeli military power augumented by American arms or even American direct intervention to seize Arab oil wells would be folly; and (3) that to continue past cold war perceptions as a rationale for our pro-Israeli policy is stupid.

TROLLEY, PLEASE COME BACK

Mr. TAFT. Mr. President, I would like to commend to my colleagues' attention a most interesting article from the Sunday Washington Post, by Mr. Wolf von Eckardt, "Trolley, Please Come Back."

Mr. von Eckardt makes the observation— and it is a very true one—that we acted foolishly and in haste when we replaced our streetcars with buses. We bought buses on the grounds that streetcars were "old-fashioned," and that buses could be routed flexibly. Yet when we study most cities' bus routings today, we find they make the same runs the streetcars made. In Europe, most cities still use streetcars, and, far from being old-fashioned, those streetcars provide better service than we get from our buses.

Streetcars are electric; thus they are virtually silent and nonpolluting. Toronto, Canada, which is expanding its streetcar system, has found that streetcars are one-third cheaper to operate than buses and one-third faster, even in city traffic.

I think Mr. von Eckard's suggestion, that we bring back streetcars to Washington, has great merit. I am proud to say that the State of Ohio is currently in the lead in taking a new look at the streetcar. Dayton, Ohio, has applied for a UMTA grant to build a light rail system, which would be the first new streetcar system in this country in many years. Dayton's plan, which is typical of the forward-looking thinking in that city, will, one way or another, be approved by UMTA, and Dayton will in turn be able to serve as a model for other cities across the country.

Mr. President, if we are serious about wanting to reduce petroleum consumption and air pollution, there is no better tool to those ends than the streetcar. I, for one, sincerely hope the trolley will come back, to give us transportation that is not only efficient but enjoyable as well.

Mr. President, I ask at this time that the article, "Trolley, Please Come Back," be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TROLLEY, PLEASE COME BACK

(By Wolf Von Eckardt)

It is just as well that Washington never got around to taking up its old streetcar tracks.

We may be using them again.

This country has finally learned that over-reliance on heavy highway construction in urban areas was an expensive mistake. As Metro's costs soar, we are also learning that heavy subway construction is fearfully expensive.

So there is suddenly much talk about "light rail transit," which is another way of saying "trolley come back, all is forgiven!"

The federal Department of Transportation now wants "light rail transit" considered a serious alternative in all regional transportation planning. It is sponsoring a national conference in Philadelphia next month where Europeans and Canadians will tell how efficiently their old streetcars still work. The Americans will, of course, focus on vast, new improvements.

It would be quite a miraculous improvement, however, if we could just get back to the old-fashioned trolley cars that were efficient and fun to ride. They not only got us from one point to another, but they also let us see and enjoy what was in between.

Their only sin was that they got in the way of impatient motorists, which was why they were banned in America. The last Washington streetcar ran in 1962. Our streetcars are now serving the people of Zagreb and other Yugoslav cities.

But the sin of annoying the sacred cows can be corrected by giving streetcars their own right-of-way. Besides, the cows are no longer quite so sacred since we discovered that they pollute and disrupt the cityscape and consume an awful lot of land and energy.

This is why a team of private Washington transportation planners is urging the city to preserve the tracks, underground conduits and right-of-way of Washington's former streetcar system and take a good look to see if it should be restored, at least in part.

The team, headed by Joseph A. Bosco, who formerly worked for the Department of Transportation, has prepared an 85-page "Citizens' Proposal," which the city authorities should find well worth reading.

The Bosco team points out that streetcars would be a cost efficient and attractive way to move Bicentennial visitors from fringe parking lots to the points in interest on the Mall. Bosco believes that with real determination it still could be done in course of 1976.

For the long haul the Bosco study sees streetcars as a necessary supplement to Metro.

In addition to taking riders to and from Metro stations, streetcars could stimulate increased shopping and residential development along the 14th Street riot corridor and in the Shaw urban renewal area. They could service the proposed new town at Fort Lincoln, which will not have a nearby Metro stop. And they could go far to reduce automobile traffic in Georgetown and other residential neighborhoods.

Streetcars, the report says, have several advantages over buses. Operational costs are lower. And commuters would save from eight to 21 minutes along the routes Bosco suggests. On the premise that time is money, the saving amounts to $200 to $500 per passenger per year.

It is easier to provide separate lanes for streetcars than for buses. Streetcars don't bunch up or leapfrog, aa buses do. And they can carry more passengers in peak periods.

What is more, streetcars are less noisy than buses, they provide a smoother ride and they don't pollute the air.

Energy consumption seems to be about the same. Buses burn gas and electric streetcars need coal for the electricity. Streetcars may, however, have a slight advantage because they do not burn fuel while they stop to pick up passengers. They need little power for their lights and airconditioning.

An important factor is that the diesel oil buses require is increasingly scarce and expensive, while coal for electricity is abundantly on hand.

The decisive question, however, is which mode is more likely to reduce the use of private cars by commuters and tourists. Chances are that people will take to the greater reliability and smoother ride of streetcars, which will, of course, never entirely replace buses.

Bosco would not buy Washington's banned streetcars back from the Yugoslavs because he considers them much too big, slick and modern. He could buy some of the nice, old, ornate turn-of-the-century models, combining nostalgia with their greater efficiency.

He says he even knows a place in Europe to buy some old trolley cars that could help Washington out of its traffic jam. But he won't tell.

A streetcar museum might snap them up.

THE TRANSITION QUARTER

Mr. WILLIAMS. Mr. President, an article in the April 30 issue of Effort, publication of the Committee for Full Funding, by Roy H. Millenson of the Association of American Publishers, throws needed light on the issue of education funding for the transition quarter, the period from July 1, 1976, to September 30, 1976. By virtue of the Congressional Budget and Impoundment Control Act of 1974, the 1976 fiscal year will be of 15 months duration. The additional quarter is necessitated by the switchover from a fiscal year beginning on July 1 to one beginning on October 1.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TRANSITION QUARTER—IT IS A PUZZLEMENT

(By Roy H. Millenson)

The Federal budget wonderland is, for so many of us, a semantic wonderland overgrown with such terminology as outlays, budget authorities, interfund transactions, obligations, undistributed offsetting receipts and the other exotic flora of fiscal parlance. A new growth in this jungle of verbiage is "transition quarter". If you don't fully comprehend, don't feel too bad because sometimes even the native guides get lost.

It all began last summer. The Congress, with the enactment of the Congressional Budget and Impoundment Control Act of 1974 (PL 93-344), provided that, beginning in the 1976 calendar year, the Federal fiscal year will extend from October 1 to September 30 instead of the present July 1–June 30 cycle. In order to make the transition, it was further provided that FY 1976, the transition year, would run from July 1, 1975 through September 30, 1976. The additional quarter, July 1, 1976 to September 30, 1976, has come to be known as the transition quarter.

Not much of a puzzle so far. Or even an enigma. The specter of obfuscation, however, waits in the wings.

The explanatory papers distributed at HEW at the February 1 press and organization briefing on the budget compared proposed FY 1976 funding at a 12-month level with FY 1975 funding levels. On the final page of the briefing document—and this was supplemented by verbal assurances—the impression was given that the Administration was also requesting an additional 25% of the indicated FY 1976 figures to cover the fifth quarter transition period, July 1, 1976 to September 30, 1976.

However, an analysis of the Administration's budget for the transition quarter—which the House Appropriations Committee considered as a distinct budget period, separate from FY 1976 and FY 1977—reveals that only $240.4 million was requested, a far cry from 25% of the FY 1976 budget request. And this transition request covered only parts of eleven Education Division budget categories. This was a "puzzlement" not only to those with a flirting acquaintance with the education budget, but also to many knowledgeable individuals on Capitol Hill, at HEW and in the education community.

The House Appropriations Committee increased the funding for the transition quarter by $196.4 million to $436.815 million, an

UMI

increase of slightly over 80%. It added no new items to receive transition quarter funds, cut from the Administration request on one item, increased two, and concurred on the other eight. No transition funds were added on the floor either by the Roybal Amendment or any other motion.

Let us examine, briefly, the specifics.

The Administration had requested $5 million for the transition quarter for PL 874 payments to school districts heavily impacted with category A children. This amount was based on the first tier entitlement. The committee increased this to $70 million. Neither the Administration nor the committee included funds for other PL 874 or PL 815 areas for the transition quarter.

The Administration had asked for $17 million for vocational education for the interim period, based on a yet unsubmitted proposal for new authorizing legislation. The House committee, noting that the new legislation had not yet been offered and the authorization had not expired, raised the amount of $151 million, to be used for State grants and research. Vocational education is not forward funded.

These, then, were the two increases.

The one cut was a reduction from the $13.1 million request for Education of the Handicapped to $10.5 million. This change was based upon the fact that the Administration's original budget request was in error.

Unchanged by the committee were transition funds for higher education ($124 million), Emergency School Aid Act ($325,000), educational activities overseas ($200,000), salaries and expenses for the U.S. Office of Education ($24,643,000), Student Loan Insurance Fund ($30 million), the Higher Education Facilities Loan and Insurance Fund ($548,000), the National Institute of Education ($20 million), and salaries and expenses for the Office of the Assistant Secretary ($5,599,000).

Among programs not receiving transition quarter funds are several newly enacted last year—metric education, gifted and talented, community schools, career education, consumers' education and women's educational equity—as well as the new consolidations, school library and instructional resources (Title IV–B, ESEA) and support and innovation (Title IV–C, ESEA).

Title I ESEA, received no transition quarter money based on the premise that funds are expended on a school year basis. This rationale was applied to other programs such as state grants for handicapped education and college student aid.

However, this logic is not applicable to Library Services (Title I, LSCA). Public libraries, the beneficiaries of the program, are not run on a school year basis. Public libraries, for example, do not receive a 15-month subscription to a scholarly journal or a news magazine for the 12-months' subscription price just because FY 1976 is a transition year. Costs for public libraries are obviously proportionately higher during the 15-month transition year—yet, LSCA I receives no transition quarter funds.

Unfortunately, the transition quarter issue was just barely mentioned during the April 16 House floor debate. An opportunity to clear the air was thus, unfortunately, lost. Also underlining the uncertainty on this issue is the fact that neither the House nor Senate Budget Committees dealt with the transition quarter in their recently-reported budget resolutions.

There's an old ballad with the catch line: "Don't shoot the piano player; he's doing his best." The same could be said of the Appropriations Committee which, it is felt, is not endeavoring to use the transition quarter phenomenon as a shortcut to shaving funds but would like to find an equitable path. But many also feel that because the issue is not too well understood, there are inconsistencies, and some education programs may well fall by the wayside and end up shortchanged. The Committee for Full Funding is endeavoring to clarify the situation.

SO CONGRESS—"WHAT'S THE STORY?"

Mr. PERCY. Mr. President, on November 17, 1974, I announced a comphensive energy conservation program which included a stiff gasoline tax with tax credits for essential driving, and a steep tax on inefficient new cars with cash bonuses for fuel-efficient new car purchases. I announced this program in response to what then was almost universally acknowledged as a very serious threat to our economy from excessive dependence on foreign oil sources and massive outflows of dollars for imported oil. My energy conservation program was reintroduced in the 94th Congress as S. 635 through S. 640 inclusive.

Since last November, Congress has done precious little about the energy crisis. A bill providing standby emergency authorities, but not mandating the saving of a single barrel of oil, has passed the Senate. Another bill adding another layer of price controls to domestic oil, but again not conserving a single barrel of oil, also has passed the Senate. The House has shown little or no interest in either of these bills.

A third bill to stop the President from placing a tariff on oil imports, but of course not offering any alternative method of reducing consumption, passed the Congress and was promptly—and properly—vetoed. The congressional box score for the "year of energy" so far is a big zero.

At last, the House has begun work on a serious energy conservation bill, H.R. 6860, which contains some semblance of a gasoline tax and an auto efficiency tax. However, the special interests are eating away at that bill, too, so that what is finally delivered at the door of the Senate may more closely resemble a picked carcass than a bold stallion.

Mr. President, it is time for the Congress to face up to the reality of the energy crisis, with full knowledge that our actions may not be popular, but they are necessary. I have often said that in this situation the people are far ahead of their leaders in their understanding of the urgency of this problem.

The people will support us in the Congress if we take decisive action. If we fail to take meaningful steps to reduce energy consumption, then we can blame only ourselves for the adverse economic results of continued dependence on foreign oil.

A timely article by Andrew Tobias in New York Magazine makes the point exceedingly well. However, the author incorrectly shifts the responsibility for action to the President by asking, "So Jerry—What's the story?" The question should be put to us, the lawmakers, to explain what action we propose to meet the energy crisis: "So Congress—What's the story?"

Mr. President, I ask that Andrew Tobias' article from the May 19, 1975, issue of New York Magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SO, JERRY—WHAT'S THE STORY?

(By Andrew Tobias)

You will recall that before the babylift and the Connally acquittal and the Ali-Wepner fight and the unemployment . . . but after the Nixon landslide (but before the resignation) and around the time of the Hearst and Getty kidnappings and *The Exorcist* . . . there was, for a time, and with considerable commotion and fanfare, the energy crisis. And with it its mother-in-law, the petrodollar crisis.

You might think, from the conspicuous absence of headlines, let alone action, that the problem has up and left us, like the water shortage we once had. The crisis is over. True, drivers who creep along the Long Island Expressway are now taunted by signs that say "55" instead of "65"—but, like having to *ask* to get a glass of water in a restaurant, this is just scar tissue. The crisis is over. (If—*knowing wink*—it ever was here in the first place.) The market is up, dramatically; Con Ed's investment rating has been restored by at least one of the services; the banks have not collapsed; the gold bugs are not rich (or at least no richer); and you haven't seen Sheik Ahmed Zaki Yamani on TV in quite some time.

Fishfeathers. If anything, with each month the problem gets worse. Mainly, we are transferring, day by day, barrel by barrel, Cadillac by Cadillac, overheated office building by supercooled condominium, more of our wealth to the producing countries than we need to. We are getting poorer and poorer even faster than necessary. It's now been nineteen months since the Arab oil embargo sent the world economy into shock, and so far we have attacked the problem with all the spring of a 400-pound high jumper. You even have to wonder—except that it's too depressing to wonder about for long—whether our democratic system of checks and balances and myriad diverse private and public interests (any one of which can initiate an interminable legal battle) is *structurally able* to cope with such a complex, but eminently modern, crisis.

Some progress has been made, of course. The auto industry is gearing up to achieve a 40 per cent saving in average gasoline mileage by 1980—partly through improving the gas efficiency of American-made cars, and largely by simply selling a larger proportion of small cars. They are shooting for an average of 18.7 miles to the gallon for the 1980-model cars, though it will take longer for *all* cars on the road to come up to that average. (In Japan, where the people are really not all that much smaller, average mileage in *1972*, even before the embargo, was 22.9 m.p.g. Here it is 13.5 m.p.g. for all American cars on the road.)

Just last month General Motors announced that its Chevy Monza got 34 miles per gallon in Environmental Protection Agency highway tests, though "this is possible," the *Wall Street Journal* reported, "only for buyers who pay $285 for a special five-speed transmission and an optional engine." Without those options, mileage is about 15 per cent worse. Since Detroit is famous for making "previously optional equipment" standard, and raising prices accordingly—where the chrome and the carpeting are concerned, anyway—perhaps the same will someday be done for gas efficiency. But at least there seems to be a genuine shift in direction, however long overdue, in Motor City.

And there are signs of progress in Washington, too, where, if only by accident, *some* energy legislation is bound to slip through all the special-interest groups sooner or later. Of course, God only knows what legislative course is best to take in this highly complex area. So I gave Him a call.

"Yes, what is it?" He asked brusquely when I finally got through. (There is an economics professor at Harvard who is forever referring to "an open line to the Lord" and making dialing motions from the lectern, and that's how I got the Number.)

"You know why I'm calling, Lord."

"Of course I do," He said, "and I will give you one hint. [The Lord helps those who help themselves.] While you are trying to figure out about strip-mining and nuclear reactors and energy price floors and offshore drilling and all the other ways to increase your energy supply, you really ought to do something about cutting down on your energy waste. Waste not, want not."

"Yes, Lord—but how?"

"Place ye an excise tax on gasoline; and make it a whopper. Exempt trucks and buses. And share the money ye collect among all low- and middle-income taxpayers so that, net, no purchasing power is taken out of the economy—just shifted from gasoline to other things." The Lord is on the board of editors of *The Economist*.

"But what about fuel oil and electricity—shouldn't they then be taxed likewise?"

"Con Edison has already taxed the people sufficient unto the day. Maybe later."

"All right, well, an awful lot of us down here have proposed a gasoline tax—even the auto companies have said they would go along—but President Ford insists it is out of the question. Why is he so set against it?"

"Lord knows," He said—and we were cut off. (I could tell you stories about the *New York* Magazine switchboard that would make your head spin, but that's another article.)

If the proceeds of a gasoline tax were returned immediately in the form of lower Social Security or withholding deductions, and, if necessary, in the form of higher unemployment and welfare payments—what harm would it do? It would impose a bit more of a burden on Detroit (except to the extent that it encouraged the trading of gas guzzlers for more efficient models). But the president of at least one giant auto company told us he agrees the price of gas is too low.

It would penalize the man who commutes 40 miles to work and back each day, alone in a six-passenger car. But weigh that against a saving of perhaps a million barrels of oil a day through slower, more carcful driving in smaller, more efficient cars. In the aggregate, that would mean stunting the outflow of American wealth by a few billion dollars a year—which is a lot in the context of the delicate balance of trade. And it would also increase the strain on the oil producers' cartel, and contribute to its eventual break-up and lower prices.

Variations on the gasoline excise tax have been in the works for nearly two years now, the latest being a bill voted out of the House Ways and Means Committee that would immediately add 3 cents a gallon to the excise tax, and could go as high as 23 cents in 1977 if gasoline consumption rose above 1973 levels. Even with a 23-cent tax, plus—though they say it hasn't a chance of passing—a 10-cent New York State excise tax, a gallon of gasoline in 1977 in New York City could still be had for less than a dollar. Current prices in England, France, Germany, Italy, and Japan are $2.10, $1.50, $1.25, $1.60, and $1, respectively. In most parts of the United States it is around 50 cents. Are our prices so much lower because we are trying to encourage people to burn the stuff?

President Ford has a plan for raising gasoline prices, too, and in all fairness it is not quite as dumb as it sounds. Ford would take the price controls off so-called "old oil"—the oil that has already been found—in order to encourage exploration for new oil. Old oil, which went for around $3.50 a barrel a couple of years ago and is frozen at $5.25 now, would in short order rise to the going world price of more like $11 or $12 a barrel. Gasoline prices would rise, but instead of the extra revenue's being shared among the populace, it would accrue to the oilmen.

Now, "new oil," which is oil from newly discovered wells or extra production from existing wells, *already* is exempted from price controls, and already brings shah-like prices. You may wonder: How will raising the price of "old oil" be an incentive to go and find more "new oil"? If anything, isn't it an incentive to just quit work altogether and let zillions flow in?

Well, the administration argues thusly: First, the profits from all this old oil would provide the capital for scouting out new oil. Second, they would impose an excess-profits tax along with the decontrol of "old oil," so that if most of the extra revenue were *not* spent on finding new oil, it would be taxed away by the government. And third, having just one price for oil, though very high, would smooth out the competitive advantages and disadvantages among buyers, some of whom were lucky enough to have been supplied largely from domestic producers (old oil) where others were unlucky enough to be supplied by imports (OPEC oil).

The other point the administration makes is that in order even to maintain "old" levels of production from many domestic fields, expensive secondary and tertiary recovery methods are required—and at old oil prices there is not enough incentive to bother. But rather than decontrol the price of *all* old oil, couldn't an incentive be provided by very gradually lowering the production levels that are currently used in dividing old oil from new?

It's hard to believe that decontrol of old oil prices is necessary to spur the exploration for new oil. It's more a philosophical question of "ownership," of private versus public good, finders-keepers, and all that stuff. But even if this rather remarkable oil-company windfall were approved, it still wouldn't raise gasoline prices by much more than a dime, and still wouldn't obviate the need for a higher excise tax to further discourage consumption. In other words, it's not necessarily an either/or situation, though that's the way the argument seems to be structured in Washington.

Because the energy/petrodollar "crisis" is both slow-moving and complex, it is *boring*. Because relatively little has been done about it, there is little new to write about it, so it drops out of the news—which makes prompt action all the less likely. But little by little it eats away at our economic strength.

So, Jerry—what's the story?

Hello?

A BALANCED NATIONAL TRANSPORTATION SYSTEM

Mr. McGOVERN. Mr. President, the South Dakota Farmers Union, through its president, Mr. Ben Radcliffe, has issued a statement of support for my bill, the National Transportation Services Board Act of 1975 (S. 1770).

South Dakota farmers are keenly aware of the need for a balanced and coordinated national transportation system that will enable them to get their products to market and to obtain their farm supplies in a manner which is both cost effective and environmentally sound.

I continue to believe that we can no longer address the national transportation problem in a series of patchwork bills that do not fully meet the challenge. I am encouraged by the support of the respected South Dakota Farmers Union for my bill, S. 1770.

I ask unanimous consent that Mr. Radcliffe's statement as published in the Huron Daily Plainsman be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Huron (S. Dak.) Daily Plainsman, May 21, 1975]

SDFU BACKS MCGOVERN'S BILL TO REVITALIZE RAILROADS

The president of the South Dakota Farmers Union Tuesday voiced strong support for a bill introduced by Sen. George McGovern aimed at revitalizing the nation's rail system.

Ben Radcliffe, Farmers Union president, said McGovern's bill basically would place the railbeds, tracks and signal systems of all railroads under federal ownership.

Radcliffe emphasized that the McGovern bill would "essentially provide the same support for railroads that we are now providing for aircraft and motor vehicles—with the same kinds of charges we now assess in the form of road taxes and aircraft landing fees."

He said the bill would also set up a national board of power to dispense trust funds for maintenance of highways, railroads and airports.

"Passage of this legislation would, for the first time, give the United States the means to develop a national transportation policy," Radcliffe said.

The state farm leader also pointed out that the bill carries a crucial provision for South Dakota which would "nullify all applications for rail track abandonment until the national system is operative and we have a chance to evaluate what our national transportation needs are."

South Dakota currently stands to lose at least 540 miles in proposed rail line abandonments.

"The McGovern rail bill would give us the opportunity to make abandonment decisions on the basis of the interests of society as a whole rather than on the purely economic interests of the railroad companies," Radcliffe said.

He said the Farmers Union has been a leading force in fighting proposed rail abandonments during the past several years and the state's largest farm organization has been active in initiating South Dakota's Emergency Task Force on Railroad Abandonment and establishment of the South Dakota Department of Transportation and its division of railroads.

EXPORT-IMPORT BANK FINANCING PRENOTIFICATION

Mr. PROXMIRE. Mr. President, I call the attention of my colleagues to a communication I have received from the Chairman of the Export-Import Bank, William J. Casey, notifying me of a pending loan to the Bank of Tokyo, Ltd., Japan's ninth largest commercial bank. This is the fifth notice to be transmitted pursuant to section 2(b)(3) of the Export-Import Bank Act, as amended in the last Congress. That section requires prenotification to both Houses of Congress of any loan, financial guarantee, or combination thereof in an amount of $60 million or more at least 25 days of continuous session of Congress prior to the date of final approval. Upon the expiration of this period, the transaction may receive final approval by the Bank unless

UMI

Congress takes action to prevent the same.

In this case, the Bank proposes to extend a loan of $75 million to the Bank of Tokoyo to assist various Japanese spinning mills in the purchase of U.S. raw cotton. The full amount will be available for draw-down for a period of 1 year commencing August 1, 1975. Each drawdown is to be repaid within 1 year from the date thereof at an annual interest rate of 8 percent.

Mr. President, I ask unanimous consent that Chairman Casey's letter and the attached statement be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK OF THE UNITED STATES,
Washington, D.C., May 15, 1975.

Hon. WILLIAM PROXMIRE,
Chairman, Senate Committee on Banking, Housing and Urban Affairs, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with section 2(b)(3) of the Export-Import Bank Act of 1945, I have reported to the President of the Senate and the Speaker of the House of Representatives on an application currently pending consideration by the Bank. I respectfully furnish herewith a copy of this statement for your consideration.

Sincerely,

WILLIAM J. CASEY.

EXPORT-IMPORT BANK OF THE UNITED STATES,
Washington, D.C., May 15, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate, Washington, D.C.

DEAR MR. PRESIDENT: Pursuant to Section 2(b)(3) of the Export-Import Bank of 1945, as amended, Eximbank hereby submits a statement to the United States Senate with respect to the following transaction:

A. DESCRIPTION OF TRANSACTION

1. Purpose:

Eximbank is prepared to provide financing to assist The Bank of Tokyo, Ltd. in purchasing from the United States $75,000,000 worth of raw cotton.

2. Identity of Parties:

The Bank of Tokyo is Japan's ninth largest commercial bank and was established in 1947 as successor to the Yokohama Specie Bank, Ltd.

By a law enacted in 1954, the Bank of Tokyo was specifically authorized to specialize in foreign trade financing. Although other Japanese banks are authorized to engage in foreign transactions, the 1954 law established the Bank of Tokyo as the official foreign exchange bank of Japan.

In Japan, the Japan Spinners Association, under the administrative guidance of the Ministry of International Trade and Industry, allocates foreign loan funds available for cotton imports to mills wishing to purchase cotton. Thereafter, loan funds are made available to the mills through Japanese commercial banks acting as agents of the Bank of Tokyo.

The indebtedness of the Bank of Tokyo to Eximbank will be evidenced by twelve month drafts drawn on and accepted by the Bank of Tokyo. The Bank of Tokyo will hold the obligations of the Japanese foreign exchange banks issuing letters of credit at the request of the mills which purchase the cotton, and these banks in turn will hold the obligations of the mills.

3. Nature and Use of Goods:

Raw cotton of all grades and staples for use in the Japanese spinning industry.

B. EXPLANATION OF EXIMBANK FINANCING

1. Reason:

Since the early 1950's, Japan has been a steady purchaser of U.S. cotton, and each year since then Eximbank has provided loans to Japanese banks to enable Japanese cotton spinning mills to finance a significant portion of their U.S. cotton requirements. In the past five years, Japan has imported an average of 3,600,000 tons each year from all sources, of which about twenty-five percent has come from the United States. The proposed Eximbank credit will result in the export next year of $75,000,000 worth of raw cotton to Japan or approximately fifty percent of Japan's total annual purchases of cotton from the United States. As has been the case in the past, these exports will have a favorable impact on significant segments of the U.S. economy without any apparent adverse effects.

Cotton growers will benefit from the exports of cotton to Japan, since they will be assured of the continued presence of major customers. The exports will help to stabilize prices, which have declined from more than 80 cents a pound to less than 40 cents, as a result of severe weakness in world textile markets and a global recession. At the same time, cotton exports will not account for such a large portion of the harvest as to cause any increase in the price of cotton or decrease in the supply available for use domestically. Finally, it should be noted that, with at least 50% of the cotton exports to be carried on U.S. flag ships, the U.S. maritime industry will also derive substantial benefit from the proposed Eximbank credit.

In summary, not only will the proposed credit improve the foreign trade account of the United States, but it will also aid the U.S. cotton and maritime industries and provide employment during a time of historically high unemployment and deep recession.

2. The Financing Plan:

The total cost of $75,000,000 will be financed by Eximbank at an 8% interest rate. The credit will be repaid one year from each drawdown. Drawdowns will be made from August 1, 1975 through July 31, 1976.

Sincerely,

WILLIAM J. CASEY.

FEDERAL ELECTION COMMISSION RULES

Mr. CANNON. Mr. President, the Federal Election Commission, which is responsible under Federal election law for the disclosure of campaign contributions and expenditures by candidates for Federal elective office and which is charged with broad oversight of the Federal Election Campaign Act of 1974, will publish from time to time in the Federal Register its rules, regulations, and other actions pertinent to its jurisdictional obligations.

I believe that candidates for election to the Senate and to the House of Representatives will be greatly benefited by the publication in the CONGRESSIONAL RECORD of any rules, regulations and other actions of the Commission.

Therefore, I ask unanimous consent that the following documents be printed in the RECORD, at the conclusion of my remarks:

First is a news release from the Commission dated June 2, 1975, relative to various interpretations of the new Federal campaign financing law;

Second is a pamphlet containing highlights of proposed regulations; and

Third is a pamphlet containing notice of proposed rulemaking.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[News Release from Federal Election Commission]

FEDERAL ELECTION COMMISSION BEGINS RULEMAKING

WASHINGTON, June 2.—The Federal Election Commission today asked for public comment on various interpretations of the new federal campaign financing law.

In a formal "Notice of Proposed Rulemaking," the Commission took the first step in preparing rules and regulations that will govern all election campaigns for the Presidency, the U.S. Senate and the U.S. House of Representatives.

FEC Chairman Thomas B. Curtis said, "The Commission's goal is to insure that the new federal campaign law treats all persons and organizations equally as we draft and enforce the rules and regulations. The questions we have published today for public comment will assist the Commission in drafting some of the sections of the regulations that require the most immediate attention," he said.

The 1974 election law created the new commission to supervise and enforce the new limits on contributions to federal campaigns, ceilings on federal candidate and political committee spending, and public financing for Presidential primary and general elections.

Rules and Regulations prescribed by the Commission do not go into effect until after a 30 "legislative day" period during which Congress may disapprove any rule or regulation.

Among the questions released by the Commission today for public comment are the following:

Whether a candidate unopposed in a primary can spend the same amount during the primary period as candidates involved in a primary fight;

Whether "in-kind" services provided by a host city for a national party convention must be included in the national convention expenditure limit;

Whether local and state political party committees are required to register as political committees with the Commission;

What procedures can be implemented to simplify reporting so that local committees "will not require extensive backup material or a professional staff;"

Whether hearings involving complaints filed with the Commission about a candidate or political committee should be open or closed to the public;

Whether any interested individual should be able to receive an "advisory opinion" from the Commission on specific transactions or activities, or whether the Commission should limit the issuance of such binding opinions to the recipients specifically enumerated in the law (office-holders, candidates and political committees);

Whether the Commission has the authority to issue rules and regulations relating to sections involving Title 18, the criminal code;

What procedures and regulations should be created concerning "excess contributions" that the law permits an officeholder to use "to defray any ordinary and necessary expenses" of that office;

What regulations should be imposed with respect to the $1,000 limitation for expenditures by any individual on behalf of a candidate but which are independent of that candidate or the candidate's political committee;

What procedures should be utilized to certify a "new party" that would become eligible for public financing for the Presidential election based on its percentage of the vote in the election;

How expenditures of multi-candidate committees should be apportioned between different candidates; and

How requests under the Freedom of Information Act should be processed.

[To be published in Federal Register on Monday, June 2, 1975, Part III]

TITLE II—FEDERAL ELECTIONS; CHAPTER II—FEDERAL ELECTION COMMISSION; [NOTICE 1975–1] INTERIM GUIDELINES; REPORTS

Pending the issuance of revised regulations and forms under the Federal Election Act Amendments of 1974, committees, candidates and others subject to the Act may, in complying with the reporting requirements of the Act, as amended, submit such reports in conformance with regulations promulgated by the previous Supervisory Officers under the Federal Election Campaign Act of 1971, the Secretary of the Senate, the Clerk of the House of Representatives, and the Comptroller General of the United States.

Such reports will be accepted by the Federal Election Commission on forms heretofore published by the previous Supervisory Officers. The Commission recommends that reporting parties observe the following modifications in completing said forms:

1.) In connection with reports due on or before July 10, 1975, on the front page of the Reports of Receipts and Expenditures (for either a political committee or a candidate) issued by the previous Supervisory Officers, the date July 10 should be typed in the section captioned "Type of Report." Committees, candidates and others who have heretofore filed reports with the Secretary of the Senate or the Clerk of the House of Representatives should file the July 10, 1975 reports with those officers as before. Committees, candidates and others who have heretofore filed reports with the Comptroller General of the United States should file the July 10 report with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. All other persons subject to the Act should file with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463.

2.) The definition of "file," "filed" and "filing" has been superseded by provisions of the 1974 Act which stipulated that the U.S. postmark shall be deemed to be the date of filing. [2 USC § 435(d)]

3.) The definition of "periodic reports" has been revised to mean reports filed not later than the tenth day following the close of a calendar quarter. [2 USC § 434 (a)(1)(C)]

4.) The definition of "pre-election report" has been revised to mean those reports filed not later than the tenth day before the date on which such elections are held. [2 USC § 434(a)(1)(A)(i)]

5.) The instructions entitled "Dates for Closing Books" have been modified by provisions of the 1974 Act which stipulate that pre-election reports shall be complete as of the 15th day before such election; that reports filed not later than the 30th day after an election shall be complete as of the 20th day after such election, and that periodic reports shall be complete as of the close of the calendar quarter. [2 USC § 434(a)(1)(A)(B) and (C)]

6.) In Parts 5 and 10 on the Summary Page issued by the previous Supervisory Officers, both the total amount of transfers and the portion thereof comprised of transfers between political committees which support the same candidate and which do not support more than one candidate should be entered on the same line separated by an oblique (/), pursuant to the requirements of 2 USC § 434 (b)(8) and (11). For example, the Part 5 entry might be 800/500, the 800 figure representing the total transfers, the 500 after the oblique representing the amount transferred between political committees supporting the same and no other candidate. In computing the "TOTAL RECEIPTS" amount in the line immediately below Part 5, the total transfer figure (in the foregoing example, 800) should be used. In computing the "TOTAL EXPENDITURES" amount in the line immediately below Part 10, the total transfer figure (the figure before the oblique /) should similarly be used.

7.) Expenditures, including communications media expenditures, need be itemized only when they aggregate in excess of $100 to any individual in a calendar year [See 2 USC § 434 (b)(9)]. Communications media expenditures need not be separately itemized under Part 6 of the Summary Page issued by the previous Supervisory Officers, but may be included under Part 9 of the Summary Page.

The Commission will at the earliest possible date issue interim guidelines relating to the following matters (as well as matters described in the Commission's Notice of Proposed Rulemaking published in today's Federal Register): a) when and how a candidate should designate a principal campaign committee; b) when and how a candidate should designate campaign depositories.

Effective Date: May 30, 1975.

THOMAS B. CURTIS,
Chairman, for the Federal Election Commission.

FEDERAL ELECTION COMMISSION [11 CFR CHAPTER II]—IMPLEMENTATION OF FEDERAL ELECTION CAMPAIGN ACT [NOTICE—1975–2]—NOTICE OF PROPOSED RULEMAKING

Federal Election Campaign Act Amendments of 1974 (P.L. 93–443, 2 U.S.C. Section 431 *et seq.*). The FEC is responsible for the administration of, for obtaining compliance with, and for formulating policy with respect to the Federal Election Campaign Act of 1971, as amended (the Act), and Sections 608, 610, 611, 613, 614, 615, 616, and 617 of Title 18, United States Code (the Act and these Sections are collectively referred to herein as the "Statutory Provisions"). Pursuant to these responsibilities the FEC is preparing regulations to implement certain of the Statutory Provisions; the FEC proposes to make rules with respect to some or all of the aforementioned matters. Such regulations will be designed to insure that all persons and organizations subject to the Statutory Provisions are equally treated, and that the public interest requiring a clear development of constitutional safeguards is served.

Any interested person or organization is invited to submit written comments to the FEC concerning any part of this Notice. The facts, opinions, and recommendations presented in writing, in response to this Notice will be considered in drafting regulations related to the Statutory Provisions.

Set forth below is a general description of the subjects and issues that the FEC believes require the most immediate attention:

I. PROCEDURES

A. Comments should be directed to whether or not the Commission has the authority to issue regulations generally for 18 U.S.C. §§ 608, 610, 611, 613, 614, 615, 616, and 617, similar to its authority with respect to Title 2, or whether the Commission can only issue regulations in respect to Title 18 so far as there is a question of:

(1) General policy;

(2) Where such regulations are necessary or appropriate in connection with the reporting requirements under Title 2; or

(3) Where there are parallel references in Titles 2 and 18.

B. Comments should be addressed to general rulemaking procedures of the FEC and consideration should be given to the manner in which comments should be solicited, hearings (if deemed appropriate, the timing, location and duration of said hearings), and the manner in which notices and regulations shall be made public.

C. Advisory opinion requests. Among other considerations, comments should be addressed to whether or not the FEC should have a procedure for issuing opinions to other than the categories of persons listed in 2 U.S.C. § 437f(a). See generally 2 U.S.C. § 437f.

D. Complaints. Comments should be addressed to whether or not complaint hearings such as those contemplated by 2 U.S.C. § 437g(a)(4) should, if ever, be closed to the public. Additional comments as to the entire complaint procedure may be submitted.

E. Comments are invited concerning the manner in which requests under the Freedom of Information Act should be processed.

F. The regulations and procedures necessary to carry out the provision of 2 U.S.C. § 439a requiring disclosure of excess contributions and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office.

II. DEFINITIONS

A. "News story, commentary or editorial" is used in the definition of "expenditure" under the Act at 2 U.S.C. § 431(f) and in 18 U.S.C. § 591(f) but is not mentioned in the definition of "contribution" in 2 U.S.C. § 431 (e) of the Act and 18 U.S.C. § 591(e). Comments may be addressed to the issue of whether a "news story, commentary or editorial" is to be included in the definition of a "contribution".

B. "Debt" is not defined in the Act or in Title 18. Comments may be addressed to the distinction between "debt" and "loan" and "anything of value". In this regard comments are solicited concerning "debts" incurred in the normal course of business and consideration should be given to both contingent fees and 18 U.S.C. § 610. In addition, comments may be addressed to the question of whether both the expenditure of the proceeds of a loan and the repayment of the loan itself are "expenditures" for the purposes of 2 U.S.C. § 431(f) of the Act and 18 U.S.C. § 591(f); similar attention should be given to a "debt". [See 2 U.S.C. § 436(c)

C. "Slate cards" are defined in 2 U.S.C. § 431 of the Act and 18 U.S.C. 591 to require the listing of three or more candidates and costs involving such cards are excluded from expenditures. Comments regarding further definitions of "slate cards" may be concerned with the treatment of slate cards that include partial slates and the printing requirements of such cards in regards to the size and type of print of the cards.

D. "Unreimbursed payment for travel expense" is used in 2 U.S.C. §§ 431(e)(5)(D) and 431(f)(4)(E) of the Act and 18 U.S.C. §§ 591(e)(5)(D) and 591(f)(4)(E), but is not defined. Comments may be addressed to the issue of whether or not the $500 limitation regarding unreimbursed travel expenses is applicable to travel to a campaign site, to travel expenses at or near the campaign site, and to living expenses at said campaign site.

E. Comments are invited with respect to interpretive rules governing the application of 18 U.S.C. § 608(e), the "independent expenditure" limitation, including the definition of the phrase "directly or indirectly, on behalf of a particular candidate" in 18 U.S.C. § 608(b)(6) so as to make it clear that only truly independent expenditures will be considered under 18 U.S.C. § 608(e), and the scope of activities covered.

F. "Ordinary and necessary expenses incurred . . . in connection with his duties as a holder of Federal office" is used in 2 U.S.C. § 491(a) but is not defined. Comments may be submitted concerning the distinctions between "ordinary and necessary expenses" and political expenses, whether or not there should be time limits placed on the use of excess funds prior to and after an election, whether or not a distinction should be drawn between a declared and non-declared candidate for reelection and other matters concerning 2 U.S.C. § 439(a).

UMI

G. Comment is invited as to whether the term "new party" as defined in 26 U.S.C. § 9002(8) includes only organizations that formally considered themselves political parties and nominate candidates for a number of offices, or whether it includes any political organization which serves as the principal campaign committee for a presidential candidate which does not qualify as a "major party" or "minority party" under 26 U.S.C. § 9002 (6), (7).

III. COMMITTEES

Persons and/or organizations commenting on this section should attempt to suggest ideas and recommendations that will allow local committees to file relatively simple, although comprehensive, reports that will not require extenaive backup material or a professional staff to maintain said backup material or prepare the required reports. One purpose of the Act is to encourage widespread participation in the political process, and to such end the FEC will attempt to avoid any regulation tending to limit the economic feasibility of local committees.

1. Comments are invited concerning allocation of expenditures among candidates by multi-candidate committees and by hybrid committees contributing to both non-Federal and Federal candidates.

2. Comments are invited concerning filing requirements for multi-candidate committees and local and State committees, both Federal and non-Federal. Comments may involve whether such committees are required to file and/or register with the FEC and/or file with a principal campaign committee. Standards for such filings may involve the degree of control—and/or fund interchange among various committees.

3. Comments are invited concerning the issue of whether local and State party committees are required to register with the FEC.

IV. ELECTIONS

1. Unopposed Primary Nominations. Comments are invited to discuss whether or not a candidate who is unopposed on the last day of filing for a party nomination and otherwise qualifies to be the nominee of a party should be entitled to the same expenditures under 18 U.S.C. § 608(c)(1) during the primary.

2. Independent Nominees. Comments are invited to discuss whether or not candidates not chosen by a primary election, who may [or may not] be required to secure nominating petitions before appearing on the general election ballot, should be entitled to the same expenditures under 18 U.S.C. 608(c)(1) during the primary period as a candidate running opposed in the primary.

V. CAMPAIGN DEFICITS

1. Comments are invited to discuss whether or not contributions made after January 1, 1975, the effective date of the Act, should be allowed to reduce a campaign deficit in existence prior to January 1, 1975 and whether or not such contributions should be counted toward the limits of the next "election".

2. Comments are invited to discuss whether or not the 1974 Amendments to the Act should be applied to a run-off election held after January 1, 1975 but arising out of an election in 1974.

3. Comments are invited to discuss whether or not contributions received after an election to retire a deficit should be counted for the election just completed. Comments are invited to discuss how businesses should be allowed to deal with valid business debts which a political committee or candidate cannot pay due to lack of campaign funds or expenditure limits.

VI. NATIONAL CONVENTIONS

1. Comments are invited on the method which should be used to determine payout schedules and amounts.

2. Comments are invited to discuss the treatment of "in kind" contributions, such as reduced room rates, reduced car rental, payment of expenses to site selecting committees, and reduced chargea for use of convention halls.

VII. PUBLICATIONS

Comments are solicited on the number, type and orientation of materials which the Commission should publish to serve as guides to compliance with the laws in the most convenient form and efficient manner.

Comments with respect to additional matters not specifically mentioned are also invited.

Comment Period.—Comments should be mailed to Rulemaking Section, Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463 by July 1, 1975. For further information call (202) 382-5162.

THOMAS B. CURTIS,
Chairman, for the Federal Election Commission.

IMPORTANCE OF GENOCIDE CONVENTION IN GLOBAL AFFAIRS II

Mr. PROXMIRE. Mr. President, I wish to amplify my remarks from yesterday. We are acutely aware of the rapid emergence of independent states from the ruins of former colonial empires. Because of the resources and sheer numbers of people they represent, the path these nations follow will have profound implications for the course of world events. We must view with concern the courses of their political systems.

We must realize—particularly in light of recent occurrences in Indochina and the Mideast—that it is foolish and even dangerous to expect that these newly influential nations will behave exactly as we wish. It is not, however, unrealistic to hope that they will embrace certain fundamental characteristics that all nations should value highly: The basic guarantees of liberty and freedom. We should do all that is reasonably in our power to foster these rights.

Yet we continually refuse to reaffirm these basic tenets through the ratification of the Genocide Convention. If indeed we hope that the best of our system will be transmitted to other nations through the force of our example, then we cannot hesitate to assert our support of these things to the rest of the world.

While we delay, the convention is ratified by many of the very nations to whom we are supposedly offering an example. The list is embarassingly long—over 80 nations. In them, whole generations have grown to adulthood since the creation of the convention. If we are to exert a constructive influence in this sphere, Mr. President, if we are not to lose our traditional leadership in the field of human rights, we must act to ratify these conventions now.

OUR GRAIN TRANSPORTATION SYSTEM: A TEMPORARY RESPITE?

Mr. McGOVERN. Mr. President, nearly every Member of this body will recall in vivid detail the great railroad bottleneck which strangled our grain transportation system in 1973 and 1974.

Hardly a rural elevator anywhere in America could move grain out as fast as farmers brought it in. The Interstate Commerce Commission reported peak daily car shortages of up to 30,000 cars.

It was one symptom—a severe one—of a seriously deficient transportation system in this Nation.

In an article from Farm and Home Research, a publication of South Dakota State University's Agricultural Experiment Station, that university's economics professors Richard K. Rudel and William F. Payne describe a more hopeful grain transportation outlook for 1975.

Their story, simply put, is that there is less grain to move and more rolling stock to move it this year than in the past 2 years.

But they point out further that nothing fundamental has happened since the 1973–74 crisis. There has been no structural change in our transportation system. Railbeds that were in deteriorated conditions in 1973–74 are, if anything, more deteriorated today.

For the immediate future, it appears that we have some breathing time—purchased, in a sense, by the massive infusion of Federal aid into our rail system.

But we cannot buy time indefinitely. Neither our supply of money nor the public's willingness to see it poured into a faulty transportation system are limitless.

I recently introduced S. 1770, the National Transportation Services Board Act of 1975, which has been referred to the Committee on Commerce. This legislation calls for a fundamental reform of not only our Nation's rail system but also related modes of transportation. I believe firmly that such major reform is the only way out of what otherwise is a hopeless situation.

Mr. President, I ask unanimous consent that the article by South Dakota State University Economics Professors Rudel and Payne be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOVING GRAIN IN 1975

(By Richard K. Rudel and William F. Payne)

Although we'll still have some problems during peak harvest periods, the U.S. grain transportation system will adequately meet 1975 demands.

There are several reasons for this favorable outlook. The massive movements of previously stored grains to export has been substantially completed. Lower crop production in 1974 was accompanied by declines in domestic consumption and sales to foreign countries.

In addition, improvements have been made in railroad equipment, rail car utilization, truck utilization, and in the structure of the total grain marketing system.

LESS GRAIN WILL BE MOVING

Total movement of U.S. grains is projected at 203.2 million short tons (2,000 lb) for the 1974–75 crop year. That's 26 million tons below the 1973–74 movement.

Accounting for this drop will be a 17.6 million ton reduction in exports and an 8.4 million ton reduction in domestic movements due primarily to a cutback in cattle feeding.

The drop in movements is equal to 260,000 covered-hopper carloads of grain.

We will still have the traditional seasonal peak demands for rail cars and trucks during winter wheat (June and July) and corn and soybean (October and November) harvests.

Peak daily car shortages, even for these periods, are anticipated to average less than 1,000 cars for 1975 as compared to the 20,000 to 30,000 daily car shortages reported in 1973 and 1974.

Export movements are forecast to average between 160,000 to 220,000 tons per month; however, if exports would climb to 250,000 tons per month or more, peak car shortages could increase above the anticipated 1,000 level.

Unless a record crop is experienced, there could even be surplus rail cars and trucks around, especially if producers elect to hold a substantial amount of their 1975 grain in on-farm storage.

COVERED-HOPPER FLEET IS LARGER

Substantial changes are occurring in the rail car grain-carrying fleet. The basic trend is to phase out the 40-foot narrow-door boxcars in favor of the larger capacity covered-hopper cars. By January 1, 1976, the boxcar fleet is expected to number 134,515 cars, which is 26 percent fewer than January 1, 1970. In contrast, the covered-hopper fleet is forecast to number 226,500 cars on January 1, 1976, which is a 42.5 percent increase in the same 5 years. This transition increases the total carrying capacity of the grain-carrying fleet by 25 percent over 1970.

The proportion of boxcars to covered-hopper cars, measured in terms of numbers of cars loaded, has been completely reversed. In 1970, boxcars accounted for 62 percent of grain car loadings, with covered hoppers carrying the remaining 38 percent. By 1974, only 38 percent of the loadings were in boxcars, with covered hoppers taking 62 percent. This trend will continue during 1975, with covered-hopper cars gaining another 3 to 4 percent.

Two main factors account for recent increases in the covered-hopper fleet. One was the passage of the Transportation Improvement Act of 1974, which established federal loan guarantees of $2 billion to help railroads expand purchases of rail equipment and facilities. The second factor is that shippers are buying or leasing new cars directly from manufacturers. About one out of four covered-hopper cars is owned or leased by private shippers.

CARS ARE NOW USED MORE EFFICIENTLY

Rolling stock accounts for 50 percent of the net capital investment in rail service, but in a typical freight car cycle, only 14 percent of the car's time is spent in line-haul movement. About 42 percent of the time the car is empty.

Nearly two-thirds of the car's cycle is spent in terminal and switching operations. Most of these switching and terminal operations are not controlled by the car owners, but involve transfers between competing railroads.

Some improvements, however, have been achieved in rail car utilization. The development of the unit train is one of these improvements. The train remains intact throughout the trip to the port terminals. As a result, unit trains (50 or more cars) generally make a round trip from grain elevator to the terminal market and back to the grain elevator about three times more quickly than a single car shipment. A single car round trip taking 30 days has been accomplished in only 10 days by a unit train.

Another factor improving rail car utilization is an increase in the average load size. The average loaded weight for covered-hopper cars increased from 3,000 bushels in 1970 to 3,400 bushels in 1974. Boxcar average loaded weight remained at 2,000 bushels.

Covered hoppers are also faster to get in and out of local elevators. Compared with boxcars, they need very little preparation for loading.

So, with less congestion at ports and terminals due to declining grain movements, increased number of covered-hopper cars and trends toward unit-train shipments, car utilization has improved, and is expected to continue improvement during 1975.

Rail car shortages and rail abandonments forced many grain elevators to turn to trucks.

An indication of this is the number of truck arrivals in the Minneapolis terminal market. From January through November, total truck arrivals increased from 174,409 in 1972 to 208,424 in 1974.

In the past several years, trucks did respond to fill the shortages of rail cars. However, with the substantial increases in the covered-hopper rail-car fleet, and with the recent decline in demand for grain transportation, trucks may be in excess supply for the rest of 1975.

A random survey of 25 grain elevator firms in South Dakota in January of 1975 asked these questions of elevator managers:

1. Have you experienced any improvements in track conditions, rail car equipment, or service during the past year?

2. Have you added any storage or loading facilities to your grain elevator firm since 1973?

3. Are farmers in your area selling their grain or holding it on their farms?

4. What are your current transportation rates for rail and truck shipments of grain?

Responses indicate that South Dakota's outlook for grain transportation is similar to that for the nation.

Concerning improvements in track conditions, equipment, and service, 50 percent of the elevator managers reported that some progress was being made in their areas. The following is a sample of the positive responses. "Yes, the railroad is building a brand new track so they can handle the heavier hopper cars." "No new trackage, but the last four cars I received were brand new hoppers." "Yes, trackage is being upgraded, no complaints, we have good service."

Comments made by the other 50 percent of the managers included: "Even our best line is in rough shape." "No improvements are being made in my area and we still have poor service with boxcars, even though we have no shortage in number of cars."

Nearly all managers of elevators located on main lines reported some improvements in facilities and/or service. Although some of these managers were located on branch lines, all reports of no improvements or deteriorating service came from managers of elevators on branch lines.

Only two elevator managers reported additional storage capacity, and just one manager stated that an improved loading system had been installed. Seven managers indicated that due to reduced crop production in their area and/or readily available transportation, they have more empty storage than at any time during the past several years.

When asked during the January survey whether producers were selling or holding grant, managers gave widely different estimates. The low estimate was: "Every time there is a price change in the market farmers get excited, and result, I believe we have only about 10 percent of the 1974–75 crop on the farm in our area." The high estimate: "80 percent of the 1974–75 crop was still on the farm."

The estimate most often given was that 50 percent of the 1974-75 grain crop was on the farm.

Holding of this grain reduced the current demand for transportation; however, as the harvest for the 1975–76 crop approaches, more of this grain may move to market and create additional demands for transportation. As a result, substantial storage space could become available on farms. If recent grain price decline continue producers could place much of the new crop in storage. If this situation develops, peak movements of grain will be less than forecast, and transportation equipment will be even less in demand for 1975.

The estimated bushel rates for shipping wheat from South Dakota to primary terminal markets are reported in Figures 1 and 2. Truck rates for shipping wheat as of January 1975 were about 3 to 4 cents per bushel lower than 1973 rates, but about 2 to 7 cents per bushel above 1972 rates. Rail rates increased more during 1974 than during 1972 or 1973.

Comparisons between truck and rail rates for wheat shipment from selected South Dakota points to Minneapolis are shown in Table 1. The comparisons indicate that January 1975 truck rates were lower than rail rates for all of the distances considered in this study. A similar condition existed in 1972. During 1973, rail shipments of wheat were cheaper than truck shipments except for hauls under 96 miles.

Although some improvements are being made, South Dakota is faced with several continuing rail transportation problems.

For example, 309 miles of Chicago and Northwestern Transportation Company track are up for abandonment. This includes 126 miles of South Dakota track between Iroquois, S.D., and Wren, Iowa; 48.2 miles of track from Watertown to Stratford; and 63.2 miles of South Dakota track between Winner, S.D., and Norfolk, Nebraska.

The energy shortage might slow the trend, but abandonments will continue, even though in comparison to trucks, railroads are at least four times more efficient in the use of fuel.

Most remaining South Dakota rail lines are not structurally capable of handling the large capacity covered-hopper cars which are part of the new grain transportation technology in other states.

Unless South Dakota railroad tracks are upgraded, the state will be forced to continue using smaller-capacity less-efficient boxcars. The costs involved in upgrading are substantial, and it is doubtful if either South Dakota or the railroads could bear the entire expense.

One suggestion for solving the problem of light capacity track involves the federal government purchasing rights-of-way, upgrading the track, and leasing it back to the railroads. While this would be an expensive project, it might be preferable to federal ownership and operation of the nation's railroads.

TABLE 1.—RAILROAD AND TRUCK RATES FOR TRANSPORTING WHEAT FROM SELECTED SOUTH DAKOTA COUNTRY ELEVATORS TO MINNEAPOLIS, 1972, 1973, AND 1974[1]

City	Miles	1972 (cents/bushel)		1973 (cents/bushel)		1974 (cents/bushel)	
		Rail	Truck	Rail	Truck	Rail	Truck
Brookings	207	20	17	22	23	25	21
Aberdeen	269	23	20	24	28	28	25
Fort Pierre	384	27	26	28	36	34	32

[1] Rates based upon the trend lines given in figs. 1 and 2. Rail and truck distances are approximately equal between Minneapolis and the towns used in this table. Although these rates were based on he January 1975 survey they had been in effect since the last quarter of 1974.

UMI

Trucking cannot provide a year round alternative to rail shipments because of spring-time weight restrictions, which reduce the amount of axle weight by one-third. The U.S. Department of Transportation has found 37 percent of South Dakota's roads either deficient of intolerable[1], which means that even without the spring-time restriction, South Dakota highways are in need of substantial upgrading. This problem will become much more severe as rail abandonment continues.

Truckers in South Dakota also may face additional difficulties because of the continuation of "truck discounts" at the terminal markets. Several of the elevator managers surveyed in January indicated that trucks were still being discounted by 4 to 20 cents per bushel.

Truck discounts means that the terminal elevator pays less for the same grain if it is delivered by truck than if it comes by rail.

The outcome is that the lower prices eventually seep back to the grain producer.

Another problem area involves adjustments made by railroads and truckers in response to changing market conditions. The fluctuating truck rates reflect the trucking industry's exempt position from ICC rate regulation. This enables truckers to change their rates in response to competition from other modes and to changes in the volume of grain movement.

The increasing but time-lagged nature of railroad rate increases reflect railroads' regulated position and their inability to adjust rapidly to meet competition from other modes and to changing grain marketing conditions.

The volatile rate adjustments by grain truckers, however, often creates substantial competition between truckers. During peak transportation demand periods, the grain truck supply expands. When the demand for transportation service declines, the excess truck supply results in rate cutting, and failure of some trucking firms. While, in principle, competition between and within transportation modes is desirable, situations as described above can and do result in misallocation of resources and lead to coordination problems between and within modes.

Adjustments are also expected in handling and loading facilities of elevators that use or intend to use covered-hopper cars. Their improvements are especially important if either unit trains or multiple-car shipments of 25 to 50 cars are to be regularly scheduled and used.

Similar improvements in handling and loading facilities may be needed by elevators that rely heavily upon truck shipments of grain discounted from 4 to 20 cents per bushel.

[1] U.S. Senate Committee on Agriculture & Forestry, "Prelude to Legislation to Solve the Growing Crisis in Rural Transportation," February 10, 1975."

COST-OF-EDUCATION GRANTS

Mr. BAYH. Mr. President, 3 years ago Congress authorized cost-of-education grants to those colleges and universities enrolling federally subsidized students. This program has never been funded even though authorized in 1972. This year Congress must once again decide whether to appropriate funds for the cost-of-education grants. It is impossible to overstate the importance of this provision. Although we have made tremendous strides in broadening access to post-secondary education over the past decade, institutions still are bearing the ever-increasing burden of costs for the aided students. Their only alternative is to raise tuition costs thereby placing a heavier burden on all students which threatens higher education for students from poor and middle-income homes.

Mr. President, because of the importance of this issue, I ask unanimous consent that an article by Mr. John Mallon, the director of governmental relations at the American Association of Colleges and Universities appearing in Change magazine—The Magazine of Higher Education—stressing the importance of the cost-of-education grants be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE COST-OF-EDUCATION CONTROVERSY

(By John P. Mallan)

This year Congress will have to decide once again whether to appropriate funds for the federal cost-of-education program, a decision of great potential importance to all of higher education. The program, part of the Higher Education Act amendments of 1972, has never been funded, despite Senate efforts to do so in 1973 and 1974.

Cost-of-education, if it were funded at statutory levels, could provide hundreds of millions of dollars a year in direct institutional aid to public and private colleges. Funds would be granted largely on the basis of the number of students receiving federal student aid funds at each college, with a small allowance for graduate enrollment. Once awarded, these funds could be used for general instructional purposes.

Federal institutional aid is a concept with a long and stormy history. In the late 1960s most of the Washington-based higher education associations decided that such aid was needed for the basic, continuing support of their institutions. Then, as now, categorical funding—such as aid for research and special training programs—was likely to rise and fall as federal priorities shifted. Furthermore, the largely undergraduate colleges, which make up most of the academic community, did not receive much assistance from most categorical aid programs.

Student aid, which has received a considerable amount of attention from the federal government and from special study commissions in recent years, does not solve college financial needs. The fraction of student aid paid to the college as tuition covers only a small part of the cost of instruction at most institutions; the remainder has to be made up by the state or from other sources.

Proposals to "give the student the money and let him or her decide in the free market," popular in recent years, ignore the fact that even if student-aid levels were adequate to meet the need, a college could not maintain its capacity to provide adequate instruction without substantial additional funds. Indeed, proposals that emphasize student aid alone may force colleges to raise tuition for all students. Conversely, institutional aid funds can help colleges keep tuition down; one public college system is considering using all cost-of-education funds for this purpose.

For these and other reasons, the educational associations have strongly supported direct institutional aid—preferably on a general per-student basis rather than on a cost-of-education basis. They point out that a college serves all of its students, not simply those who are federally aided.

In 1971 and 1972, then Representative Edith Green of Oregon, who headed the House subcommittee that deals with higher education, became a strong supporter of general per-student institutional aid. In response to her urging, the House passed a bill that included one form of such aid. In the Senate, however, Claiborne Pell of Rhode Island preferred the cost-of-education approach. Senator Pell, the father of the Basic Educational Opportunity Grant (BEOG) program (sometimes called the Pell grant program), believed that institutional aid based on the number of student-aid recipients would encourage colleges to seek out and enroll such students. The Senate bill included his cost-of-education formula.

The Nixon administration probably would have preferred no institutional aid program of any kind; it tried to end other such programs. Some administration planners favored aiding poor students through grants and aiding other students through expensive, long-term loans. Many opposed institutional aid either in principle or because it might cost too much. Ultimately, however, Elliot Richardson, then secretary of HEW, supported the Senate approach. The Pell cost-of-education formula prevailed over the Green formula, and after a bitter struggle it became law in 1972. But since then the administration has refused to request funding for it.

In 1973 Senator Robert C. Byrd of West Virginia, the majority whip who has emerged as a major power in Congress, tried unsuccessfully to obtain congressional support for funding cost-of-education. Last year Byrd, joined by Senator Birch Bayh of Indiana and 12 other senators, tried again. The Byrd-Bayh effort might have succeeded but it came at the time when President Ford had just come into office and had called for austerity. The Senate voted on the HEW budget in the early days of its honeymoon with President Ford, and cost-of-education lost again.

The outlook for 1975 is unpredictable. There will be serious controversies over the budget as a whole and over domestic spending. In recent years the President's budget request has tended to set an overall ceiling for higher education expenditures, which the appropriations committees stay close to. It is not yet clear how much a new congressional budget process and a new class of liberal Democrats will affect spending levels in higher education. Meanwhile, the effects of the economic crisis, declining or steady-state enrollments, and state fiscal problems are hurting many public and private colleges. Some experts feel that literally hundreds of institutions may be unable to survive over the next 5 to 10 years without a major new source of financial aid.

Indeed, there is a hidden agenda in the debate over institutional aid. Those economists and planners, inside the government and elsewhere, who favor much higher levels of tuition at public colleges, more emphasis on student aid for the poor, and long-term loans for everyone else have generally opposed institutional aid. Some planners want a market model in which students pay much more and "decide" which colleges to support. In other words, an emphasis on federal and state student aid and student choice can sometimes be a subtle means of raising charges for almost all students. At least one economist who has published extensively on higher education has advocated that federal student aid be used deliberately as a way to encourage the states to raise tuition.

Given this, many public colleges have been leery of financial plans that place their emphasis largely or entirely on student aid. Private colleges are also in need of institutional aid and have supported efforts to fund cost-of-education. They, too, are painfully aware that student aid alone, at least in its present form, cannot meet the rising costs of instruction and the maintaining of institutional capability.

Representative James G. O'Hara, chairman of the House Subcommittee on Education, has announced that he wishes to reopen the whole institutional aid question this year. O'Hara wants to look at cost-of-education as well as other approaches. Meanwhile, Senators Byrd and Bayh have begun a new drive for funding cost-of-education this year.

In any case, if the federal government believes that public and private higher education is an irreplaceable national resource, some kind of institutional aid is needed. Cost-of-education, so far, has had the most support in principle.

PROPOSED ARMS SALE

Mr. MANSFIELD. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have just received.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

WASHINGTON, *May 27, 1975.*

HON. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 75–15, concerning the Department of the Navy's proposed Letter of Offer to Australia for eight (8) P3C aircraft with support equipment estimated to cost $187.8 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, U.S. Air Force, Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

TRANSMITTAL NO. 75–15

Notice of proposed issuance of letter of offer pursuant to section 36(b) of the Foreign Military Sales Act, as amended

(a) Prospective Purchaser: Australia.
(b) Total Estimated Value: $187.8 Million.
(c) Description of Articles or Services Offered: Eight (8) P3C aircraft with support equipment, spare parts and flight and technical training.
(d) Military Department: Navy.
(e) Date Report Delivered to Congress: May 28, 1975.

MOVING GRAIN IN 1975

Mr. HUDDLESTON. Mr. President, the crisis in transporting agricultural commodities has subsided. But similar problems could easily arise in the future unless certain conditions and trends are modified.

A number of possible policy changes to insure a sound transportation system for the American countryside have been proposed. I believe these should be examined by the Congress as a prelude to policy changes in transportation.

Several means for preventing future crises have been proposed. Locating storage facilities for surplus food grains near ports could also help by preventing wide year-to-year variations in agricultural demands for domestic transportation services. Flexible pricing of rail services could prove a more satisfactory solution than equipment allocation mechanisms used in the past.

During the period when many shippers could not move agricultural commodities to market, the Association of American Railroads and the Interstate Commerce Commission used car distribution and service orders to allocate equipment. Such mechanisms, though helpful during crisis periods, can create financial hardships for some users and equipment shortages in many areas.

Private automobiles and small trucks will probably continue as the dominant means of travel for rural residents, but some relatively inexpensive means exist for providing service to disadvantaged rural residents. Most transportation of perishables and general freight generated by rural industries, as well as travel by people, takes place on highways, yet rural highways are generally in poor condition.

The conditions of rural roads and their potential for improvement must be considered in decisions about rail abandonments in rural areas. Abandonment applications in the 1970's increased several times over those applied for during the 1960's. Retaining all of the present rail system is not an economically sound idea for the railroads. But mass abandonment of all line segments currently held to be unprofitable would cause severe hardships on many rural communities.

Mr. President, Richard K. Rudel and William F. Payne, two assistant professors in the economics department of South Dakota State University, have recently published an article, "Moving Grain in 1975." I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOVING GRAIN IN 1975

(By Richard K. Rudel and William F. Payne)

Although we'll still have some problems during peak harvest periods, the U.S. grain transportation system will adequately meet 1975 demands.

There are several reasons for this favorable outlook. The massive movements of previously stored grains to export has been substantially completed. Lower crop production in 1974 was accompanied by declines in domestic consumption and sales to foreign countries.

In addition, improvements have been made in railroad equipment, rail car utilization, truck utilization, and in the structure of the total grain marketing system.

Total movement of U.S. grains is projected at 203.2 million short tons (2,000 lb) for the 1974–75 crop year. That's 26 million tons below the 1973–74 movement.

Accounting for this drop will be a 17.6 million ton reduction in exports and an 8.4 million ton reduction in domestic movements due primarily to a cutback in cattle feeding.

The drop in movements is equal to 260,000 covered-hopper carloads of grain.

We will still have the traditional seasonal peak demands for rail cars and trucks during winter wheat (June and July) and corn and soybean (October and November) harvests.

Peak daily car shortages, even for these periods, are anticipated to average less than 1,000 cars for 1975 as compared to the 20,000 to 30,000 daily car shortages reported in 1973 and 1974.

Export movements are forecast to average between 180,000 to 220,000 tons per month; however, if exports would climb to 250,000 tons per month or more, peak car shortages could increase above the anticipated 1,000 level.

Unless a record crop is experienced, there could even be surplus rail cars and trucks around, especially if producers elect to hold a substantial amount of their 1975 grain in on-farm storage.

Substantial changes are occurring in the rail car grain-carrying fleet. The basic trend is to phase out the 40-foot narrow-door boxcars in favor of the larger capacity covered-hopper cars. By January 1, 1976, the boxcar fleet is expected to number 134,515 cars, which is 26 percent fewer than January 1, 1970, in contrast, the covered-hopper fleet is forecast to number 228,500 cars on January 1, 1976, which is a 42.5 percent increase in the same 5 years. This transition increases the total carrying capacity of the grain-carrying fleet by 25 percent over 1970.

The proportion of boxcars to covered-hopper cars, measured in term of numbers of cars loaded, has been completely reversed. In 1970, boxcars accounted for 62 percent of grain car loadings, with covered hoppers carrying the remaining 38 percent. By 1974, only 38 percent of the loadings were in boxcars, with covered hoppers taking 62 percent. This trend will continue during 1975, with covered-hopper cars gaining another 3 to 4 percent.

Two main factors account for recent increases in the covered-hopper fleet. One was the passage of the Transportation Improvement Act of 1974, which established federal loan guarantees of $2 billion to help railroads expand purchases of rail equipment and facilities. The second factor is that shippers are buying or leasing new cars directly from manufacturers. About one out of four covered-hopper cars is owned or leased by private shippers.

Rolling stock accounts for 50 percent of the net capital investment in rail service, but in a typical freight car cycle, only 14 percent of the car's time is spent in line-haul movement. About 42 percent of the time the car is empty.

Nearly two-thirds of the car's cycle is spent in terminal and switching operations. Most of these switching and terminal operations are not controlled by the car owners, but involve transfers between competing railroads.

Some improvements, however, have been achieved in rail car utilization. The development of the unit train is one of these improvements. The train remains intact throughout the trip to the port terminals. As a result, unit trains (50 or more cars) generally make a round trip from grain elevators to the terminal market and back to the grain elevator about three times more quickly than a single car shipment. A single car round trip taking 30 days has been accomplished in only 10 days by a unit train.

Another factor improving rail car utilization is an increase in the average load size. The average loaded weight for covered-hopper cars increased from 3,000 bushels in 1970 to 3,400 bushels in 1974. Boxcar average loaded weight remained at 2,000 bushels.

Covered hoppers are also faster to get in and out of local elevators. Compared with boxcars, they need very little preparation for loading.

So, with less congestion at ports and ter-

UMI

minals due to declining grain movements, increased number of covered-hopper cars and trends toward unit-train shipments, car utilization has improved, and is expected to continue improvement during 1975.

Rail car shortages and rail abandonments forced many grain elevators to turn to trucks.

An indication of this is the number of truck arrivals at the Minneapolis terminal market. From January through November, total truck arrivals increased from 174,409 in 1972 to 208,424 in 1974.

In the past several years, trucks did respond to fill the shortages of rail cars. However, with the substantial increases in the covered-hopper rail-car fleet, and with the recent decline in demand for grain transportation, trucks may be in excess supply for the rest of 1975.

A random survey of 25 grain elevator firms in South Dakota in January of 1975 asked these questions of elevator managers:

1. Have you experienced any improvements in track conditions, rail car equipment, or service during the past year?

2. Have you added any storage or loading facilities to your grain elevator firm since 1973?

3. Are farmers in your area selling their grain or holding it on their farms?

4. What are your current transportation rates for rail and truck shipments of grain?

Responses indicate that South Dakota's outlook for grain transportation is similar to that for the nation.

Concerning improvements in track conditions, equipment, and service, 50 percent of the elevator managers reported that some progress was being made in their areas. The following is a sample of the positive responses. "Yes, the railroad is building a brand new track so they can handle the heavier hopper cars." "No new trackage, but the last four cars I received were brand new hoppers." "Yes, trackage is being upgraded, no complaints, we have good service."

Comments made by the other 50 percent of the managers included: "Even our best line is in rough shape." "No improvements are being made in my area and we still have poor service with boxcars, even though we have no shortage in numbers of cars."

Nearly all managers of elevators located on main lines reported some improvements in facilities and/or service. Although some of these managers were located on branch lines, all reports of no improvement or deteriorating service came from managers of elevators on branch lines.

Only two elevator managers reported additional storage capacity, and just one manager stated that an improved loading system had been installed. Seven managers indicated that due to reduced crop production in their area and/or readily available transportation, they have more empty storage than at any time during the past several years.

When asked during the January survey whether producers were selling or holding grain, managers gave widely different estimates. The low estimate was: "Every time there is a price change in the market farmers get excited, and many have sold in my area. As a result, I believe we have only about 10 percent of the 1974–75 crop on the farm in our area." The high estimate: "80 percent of the 1974–75 crop was still on the farm."

The estimate most often given was that 50 percent of the 1974–75 grain crop was on the farm.

Holding of this grain reduced the current demand for transportation; however, as the harvest for the 1975–76 crop approaches, more of this grain may move to market and create additional demands for transportation. As a result, substantial storage space could become available on farms. If recent grain price declines continue, producers could place much of the new crop in storage. If this situation develops, peak movements of grain will be less than forecast, and transportation equipment will be even less in demand for 1975.

The estimated bushel rates for shipping wheat from South Dakota to primary terminal markets are reported in Figues 1 and 2. Truck rates for shipping wheat as of January 1975 were about 3 to 4 cents per bushel lower than 1973 rates, but about 2 to 7 cents per bushel above 1972 rates. Rail rates increased more during 1974 than during 1972 or 1973.

Comparisons between truck and rail rates for wheat shipment from selected South Dakota points to Minneapolis are shown in Table 1. The comparisons indicate that January 1975 truck rates were lower than rail rates for all of the distances considered in this study. A similar condition existed in 1972. During 1973, rail shipments of wheat were cheaper than truck shipments except for hauls under 96 miles.

Although some improvements are being made, South Dakota is faced with several continuing rail transportation problems.

For example, 309 miles of Chicago and Northwestern Transportation Company track are up for abandonment. This includes 126 miles of South Dakota track between Iroquois, S.D., and Wren, Iowa; 68.2 miles of track from Watertown to Doland; 71.4 miles of track from Watertown to Strafford; and 63.2 miles of South Dakota track between Winner, S.D., and Norfolk, Nebraska.

The energy shortage might slow the trend, but abandonments will continue, even through in comparison to truck, railroads are at least four times more efficient in the use of fuel.

Most remaining South Dakota rail lines are not structuraly capable of handling the large capacity covered-hopper cars which are part of the new grain transportation technology in other states.

Unless South Dakota railroad tracks are upgraded, the state will be forced to continue using smaller-capacity less-efficient boxcars. The costs involved in upgrading are substantial, and it is doubtful if either South Dakota or the railroads could bear the entire expenses.

One suggestion for solving the problem of light capacity track involves the federal government purchasing rights-of-way, upgrading the track, and leasing it back to the railroads. While this would be an expensive project, it might be preferable to federal ownership and operation of the nation's railroads.

Trucking cannot provide a year round alternative to rail shipments because of spring-time weight restrictions, which reduce the amount of axle weight by one-third. The U.S. Department of Transportation has found 37 percent of South Dakota's roads either deficient or intolerable*, which means that even without the spring-time restriction, South Dakota highways are in need of substantial upgrading. This problem will become much more severe as rail abandonment continues.

Truckers in South Dakota also may face additional difficulties because of the continuation of "truck discounts" at the terminal markets. Several of the elevator managers surveyed in January indicated that trucks were still being discounted by 4 to 20 cents per bushel.

Truck discounts means that the terminal elevators pays less for the same grain if it is delivered by truck than if it comes by rail.

The outcome is that the lower prices eventually seep back to the grain producer.

* U.S. Senate Committee on Agriculture & Forestry, "Prelude to Ligislation to Solve the Growing Crisis in Rural Transportation," February 10, 1975.

TABLE 1.—RAILROAD AND TRUCK RATES FOR TRANSPORTING WHEAT FROM SELECTED SOUTH DAKOTA COUNTRY ELEVATORS TO MINNEAPOLIS, 1972, 1973, AND 1974[1]

City	Miles	1972 (cents/bushel)		1973 (cents/bushel)		1974 (cents/bushel)	
		Rail	Truck	Rail	Truck	Rail	Truck
Brookings	207	20	17	22	23	25	21
Aberdeen	269	23	20	24	28	28	25
Fort Pierre	384	27	26	28	36	34	32

[1] Rates based upon the trend lines given in figs. 1 and 2. Rail and truck distances are approximately equal between Minneapolis and the towns used in this table. Although these rates were based on the January 1975 survey they had been in effect since the last quarter of 1974.

Another problem area involves adjustments made by railroads and truckers in response to changing market conditions. The fluctuating truck rates reflect the trucking industry's exempt position from ICC rate regulation. This enables truckers to change their rates in response to competition from other modes and to changes in the volume of grain movement.

The increasing but time-lagged nature of railroad rate increases reflect railroads' regulated position and their inability to adjust rapidly to meet competition from other modes and to changing grain marketing conditions.

The volatile rate adjustments by grain truckers, however, often creates substantial competition between truckers. During peak transportation demand periods, the grain truck supply expands. When the demand for transportation service declines, the excess truck supply results in rate cutting, and failure of some trucking firms. While, in principle, competition between and within transportation modes is desirable, situations as described above can and do result in misallocation of resources and lead to coordination problems between and within modes.

Adjustments are also expected in handling and loading facilities of elevators that use or intend to use covered-hopper cars. Their improvements are especially important if either unit trains or multiple-car shipments of 25 to 50 cars are to be regularly scheduled and used.

Similar improvements in handling and loading facilities may be needed by elevators that rely heavily upon truck shipments of grain discounted from 4 to 20 cents per bushel.

THE PRESIDENT AND OIL TARIFFS

Mr. MATHIAS. Mr. President, in the past I have expressed doubt over the President's policy of imposing tariffs on imported crude oil and refined product. I felt that the across-the-board nature of these price increases was undesirable and, in fact, I described the effect of this program as spreading schrapnel throughout the economy.

A more specific energy program is clearly needed for the long term, but I have modified my view on the merits of imposing a tariff in the near term. I am now sympathetic to the President's position, because Congress has simply failed to act.

An editorial in the Washington Post of May 28 draws a conclusion similar to mine. I hope that Senators will pay close attention to one aspect of the Post editorial. They conclude, and I agree, that taxing imported crude less than imported product is antiproductive. I do not advocate an immediate $3 tariff on imported product, but rather a long-term energy program which recognizes that imported product is more harmful than imported crude and which consequently encourages domestic refinery capacity. I have legislation to accomplish that end which will be ready for introduction in a matter of days.

I ask unanimous consent that the Washington Post editorial of May 28, 1975, entitled "The President and Oil Tariffs" be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PRESIDENT AND OIL TARIFFS

President Ford has raised the tax on imported oil because it is, in truth, almost the only weapon available to him. There are better strategies, but they cannot be pursued without legislation by Congress. Since he cannot shake legislation out of Congress, he is resorting to powers he holds under present law. The whole idea of escalating the tariff, as Mr. Ford first announced it last January in his State of the Union Message, was to force Congress forward to pass the much more complicated energy program that he brought out then. But now the other aspects of Mr. Ford's original program are beginning to fade from view. The interim device is the only one going into effect, and it is simply a device to discourage imported oil by making it more expensive.

It would be wrong to say that Congress is gripped by an obdurate and partisan refusal to cooperate with the President. The real trouble in Congress is that very few members, among the huge Democratic majority, agree with each other on anything. All members have in common a sinking feeling that most of their constituents still think that the gasoline shortage is a hoax and do not see why they should suddenly now undertake highly uncomfortable sacrifices to conserve.

But the advance state of confusion and contention among the Democrats makes prompt legislation utterly unlikely. This newspaper argued in late April that the President at that point ought not impose the additional dollar of tariff, on grounds that it would undercut those few Democrats—notably in the House Ways and Means Committee—who were earnestly trying to get realistic bills to the floor. The President did, in fact defer action. But the bills have not yet reached the floor, and the country cannot drift forever. The President was right to raise the tariff now.

But it needs to be understood by everyone—not least by Mr. Ford himself—that this reliance on tariffs alone is dangerous. As a central policy for the long haul, simply making oil more and more expensive is profoundly defective. Price increases by the foreign oil producers have thrown our whole national economy into disarray, and are responsible for the extraordinary depth of the present recession. Higher and higher prices will doubtless be effective to choke off oil consumption, but at a terrible cost in prolonging the recession and disrupting industrial production.

The peculiar structure of these tariffs is also widening the gap between the costs of importing crude oil and the costs of the refined products. While the tax on foreign crude is now $2 a barrel, the tax on products like fuel oil is—in deference to the sensibilities of New England—only 60 cents a barrel. Although part of our present, troubles arises from a shortage of refining capacity in this country, the present tariff levels offer a strong incentive to refine the oil abroad before bringing it here.

President Ford's action can be justified only as a short-term emergency measure. Unfortunately, short-term expedients have a way of drifting into long-term solutions. A confused and divided Congress is evidently willing to let the President take the action—and the blame. But if this country cannot pull itself together around any response except steadily escalating tariffs, that political failure of inspiration on the part of Congress will only amplify the unwholesome economic effects of indiscriminate and continuous price increases.

CHESAPEAKE BAY: THE OIL SPILL THREAT

Mr. MATHIAS. Mr. President, we all recognize the importance of providing additional sources of energy supply and facilities to transport and refine the energy that is available. But at the same time we recognize the growing need for better systems of transporting and refining energy, particularly oil.

There are proposals for constructing additional refinery capacity on the Chesapeake Bay and such plans will necessitate the movement of greatly increased amounts of oil up the bay to refinery locations. This development alone demands that we take a close look at methods of oil transportation.

The Chesapeake Bay is considered to be North America's most productive estuary. An oil spill in the delicate Chesapeake ecosystem could ruin the $200 million a year commercial fishing industry, as well as an important recreational resource.

William Mullins, assistant director of the Chesapeake Bay Foundation, has written a provocative article for the Saturday, May 3, 1975, Washington Post entitled "Chesapeake Bay: The Oil Spill Threat." Mr. Mullins discusses in detail the great need for the most modern navigation systems to direct Chesapeake Bay merchant traffic. I share his belief that new technology must be forthcoming to handle the greatly increased commercial traffic on this narrow and winding waterway.

Mr. President, we are extremely lucky on the bay that more has not been spilled. We should not take that good fortune to mean that the Chesapeake Bay is immune from the oil damage that has occurred elsewhere.

I ask unanimous consent that the article, "Chesapeake Bay: The Oil Spill Threat" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHESAPEAKE BAY: THE OIL SPILL THREAT

(By William Mullins)

Oil is increasingly on the public's mind—and the ocean's surface. Portugal, Singapore, South Africa and Ireland have all suffered calamitous tanker spills in the past year. The recent fiery collision at Marcus Hook on New Jersey's Delaware Bay brought the problem home to American waters.

The Chesapeake Bay has been spared this modern phenomenon, but for how long? What are the chances of a tanker spill on the bay? And what precautions are, and are not, being taken to avoid one?

This year, the two major harbors of the Chesapeake—Baltimore and Hampton Roads—will handle more ships than any other port in the United States. Twenty thousand arrivals and departures are expected. All of these ships will be carrying large amounts of oil; an average freighter carries 40,000 barrels of bunker fuel for her own propulsion. One out of 10 will be an "oil" tanker, carrying gasoline and other refined products with the ever-present potential of disrupting the bay's prosperous seafood industry. Yet the Chesapeake Bay lacks even the rudimentary system of traffic control that hundreds of smaller ports around the world have found effective in preventing collisions.

Over the last three years, 480 shipping accidents have occurred on the Chesapeake. Some have been serious but by good fortune none has caused a large amount of oil to enter the estuary. However, events are moving in a direction that makes reliance on chance a poor safeguard against a spill. Maritime professionals are unanimous in their concern over dredging delays that have made Chesapeake navigation increasingly hazardous. As channels are narrowed by siltation, the likelihood of collision increases. Scraping bottom is a common occurrence in Baltimore Harbor these days, one that could cause an oil-laden hull to fracture.

Moreover, tanker movements on the Chesapeake will increase significantly if proposed refineries receive state and local approval. Crown Central Petroleum has announced plans for a 250,000 barrel-a-day refinery in Baltimore and the Hampton Roads Energy Company hopes to build a 175,000 barrel-a-day refinery in Portsmouth, Va.

Federal and state clean-up teams are currently ill-equipped to contain a major spill on the bay. As a former Coast Guard spill-team member says: "Don't let anybody con you; once a big spill occurs, there just isn't a hell of a lot anybody can do—not us, not the state, not private contractors. That oil will be in the marshes in no time."

Such a spectre haunts scientists who look upon the Chesapeake as North America's most productive estuary. They warn that the delicate ecosystem of the bay and the $200-million-a-year commercial fishing industry it supports could not withstand a major spill.

Facing similar threats, major ports around the world are attempting to reduce the possibility of spills by installing traffic control systems similar to those used by commercial airports. Known as Vessel Traffic Systems (VTS), almost 200 of varying sophistication are now in use.

The purpose of a VTS is simply to insure coordinated movement of ships over a given body of water. Most systems employ shore-based radar surveillance in combination with ship-to-ship radio communication.

The first VTS was installed in Liverpool, England, in 1948. Long Beach, Calif., followed in 1949 with a harbor radar and accompanying radio communication. By the mid-'60s, both Hamburg and Rotterdam had systems that proved enormously successful; the rate of collisions in the approach to Rotterdam was reduced fourfold despite the huge increases in tonnage caused by the advent of the Common Market. Since its inception in 1969, Canadian officials credit VTS with a significant drop in ship casualties on the St. Lawrence Seaway.

Two incidents spurred development of traffic control for American ports. On January 20,

UMI

1970, the USS Yancy broke away from her anchorage in violent winds and knocked out three portions of the Chesapeake Bay Bridge Tunnel. Damage was extensive—the bridge was closed for three weeks and the repair bill came to $2.5 million. If a VTS system had been in effect, the Yancy would not have been permitted to moor in that location. Within a month, Rep. Thomas N. Downing of Newport News, a member of the House Merchant Marine and Fisheries Committee, introduced leigslation to provide funds for vessel control in U.S. waterways. Just one year later in California, two Coast Guard men helplessly watched a radar screen as two blips converged; because of a faulty radio they could not reach the ships, and the Oregon Standard collided with the Arizona Standard, spilling 800,000 gallons of oil into San Francisco Bay.

These accidents led Congress to pass the Ports and Waterways Safety Act of 1972. The act authorized the Coast Guard to:

Establish, operate and maintain vessel traffic systems in congested waterways.

Require vessels to carry electronic devices necessary in the traffic system.

Control vessel traffic, when conditions are hazardous or congested, by specifying times of vessel movements, establishing routing schemes and esablishing vessel size and speed limitations.

Since passage of the act, the Coast Guard has been developing VTS systems in San Francisco, Puget Sound, Houston-Galveston, New York, New Orleans and the booming oil port of Valdez, Alaska. Sophistication and costs vary widely, from $10 million in New York to $2 million each in Puget Sound and Houston. Total cost for these six systems is $30 million.

In February the General Accounting Office urged the Coast Guard to speed up its activity in the Chesapeake. A GAO report took the Coast Guard to task for concentrating its funds on a few expensive systems instead of developing simpler and less costly reporting systems for a greater number of waterways, including Gulf Intercoastal Waterway, Chesapeake Bay and Delaware Bay. By diverting funds now earmarked for electronic surveillance of Houston-Galveston to these other areas, the study said, 52 ship casualties and over a million dollars in property damage could be prevented annually without additional accidents in Houston-Galveston.

Cheaspeake maritime professionals are far from unanimous in supporting even a basic system for the bay. Pilots fear increased regulations would hamper their traditional independence and shippers worry about costly delays. Two years ago, a committee of shippers convened by the Coast Guard in Baltimore concluded that a VTS in the Chesapeake was unnecessary. They did, however, recommend that the communication facilities of a shipping cooperative, the Baltimore Maritime Exchange (BME), be expanded to a degree that would essentially make it a VTS for the upper bay. A new antenna, planned for the top of the Bay Bridge, would greatly increase the range of BME radio coverage, but funds to keep the station on the air 24 hours a day are still to be found.

The commander of the fifth Coast Guard district in Portsmouth, Va., Admiral Ross Bullard, has ordered another assessment of the need for a VTS on the bay. The study, focusing on the technologically sophisticated approach, is unlikely to yield swift results. Captain William G. Rodin, study director, has estimated that it will not be feasible to install a VTS on the bay before 1980.

Meanwhile, the odds continue to mount against the bay's unblemished record. In February the U.S. Coast Guard commandant, Admiral Owen Siler, testified before a congressional committee that a polluting accident occurs once in every 5,500 harbor transits: not much consolation for the Chesapeake, which again can expect four times that number of transits this year.

HIS JOB IS TO KEEP THE SENATORS POSTED

Mr. HARRY F. BYRD, JR. Mr. President, Martha Angle, the able staff writer for the Washington Star who covers the Senate for the Star, wrote an excellent profile of Stanley Kimmitt, Secretary to the Democratic majority. The piece was published June 2.

Stan Kimmitt is a fine asset to the Senate. He is a man in whom one instinctively has confidence.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection the article was ordered to be printed in the RECORD, as follows:

A NEAR-INVISIBLE MAN: HIS JOB IS TO KEEP THE SENATORS POSTED

(By Martha Angle)

Sometime in the next few days, a single long buzzer will reverberate throughout the Senate side of the U.S. Capitol, summoning members to the floor for a roll call vote.

When that happens, it's a safe bet that most of the 61 Democrats now serving in the Senate will pause just inside the rear doors of the chamber to ask a square-jawed, graying man of military bearing just what they're voting on.

Stan Kimmitt will tell them, quietly and succinctly, what the bill or amendment is, who is sponsoring it, and what position has been taken by the committee chairman handling the measure.

If they ask, Kimmitt also will rattle off names of other senators supporting or opposing the proposal. But he will not tell them how to vote, and he will not—except on rare occasions—reveal the wishes of the Democratic leadership.

These mini-briefings by Joseph Stanley Kimmitt, secretary to the Democratic majority, seem a modest enough service—but without them, recorded roll call votes could prove embarrassing to a substantial number of senators.

More often than not, a senator has only the sketchiest notion of what's happening on the Senate floor at any given moment.

Unless he has a direct interest in the legislation under consideration, a senator is more likely to be at a committee meeting or in his own office than on the floor when a roll call begins.

Sometimes a Member's own staff aide has been bird-dogging the floor activity and will give the boss a fast fill-in while the vote is in progress. But usually, it's Kimmitt who provides the background a senator needs to decide whether to respond "aye" or "nay" when his name is called.

Failure to stop by Kimmitt's station can have face-reddening consequences, as Sen. Edward M. Kennedy, D-Mass., recently discovered. Kennedy zoomed in late for a roll-call vote on a bill to remove the ban on military aid to Turkey and cast a "yes" vote.

Five minutes later, after the roll call had ended and the measure had passed by a three-vote margin, Kennedy walked up to the well of the Senate and asked permission to change his vote to "no." He simply hadn't understood what he was voting on, he confessed, and he hadn't bothered to ask.

In that instance, Kennedy was allowed to change his vote—cutting the margin of passage to 41–40. If the switch had meant altering the outcome, however, Kennedy would have been stuck with his original, mistaken vote.

Republicans have no one quite like Kimmitt, although three different aides to the minority leadership are usually available to answer questions on the Senate floor. Sometimes GOP members simply join the Democratic queue to check with Kimmitt on the nature of the issue up for a vote.

To the outside world, Kimmitt is virtually invisible. His title, if it means anything, rings a vaguely dissonant bell. Secretary to the majority . . . Bobby Baker's old job?

Indeed it is, but Kimmitt is no Baker. And his boss, Majority leader Mike Mansfield, is no Lyndon Johnson.

"The Senate was a different world then," Kimmitt said recently. "Baker was delegated a great deal of authority and responsibility.

"He was far more involved in the power structure, and he supervised various segments of the party. He exercised a hell of a lot of party control, because that's the way Johnson wanted it.

"You know, Bobby was damned effective. He just couldn't stand prosperity," Kimmitt said.

Mansfield, said Kimmitt, has "changed the whole operation" of the majority leader's office. "The last thing he wants us to get involved in is politics."

Much of Kimmitt's work is nut-and-bolts activity, scheduling presiding officers, running the Democratic cloakroom, assuring that the proper documents are on each senator's desk at the start of every session.

But he also supervises the "executive calendar" of the Senate, scheduling action on nominations and treaties, and recommends to Mansfield which Democratic senators should travel to various international conferences each year.

In addition, Kimmitt handles a number of legislative issues for Mansfield, the Montana senator, as opposed to Mansfield, the majority leader.

On rare occasions—and only at the specific request of the majority leader—Kimmitt also conducts discreet polls of the Democratic senators to get a reading on how they will vote on particular bills or amendments.

The results of such nose counts go to Mansfield and no one else, Kimmitt said. When Bobby Baker held the job, he polled Senate Democrats on a wide variety of issues and did so more or less on his own, with Johnson's blessing.

But Mansfield dislikes anything that smacks of leadership pressure on individual members, and uses nose counts very sparingly.

Kimmitt, unlike his notorious predecessor, Baker, never planned on a career in politics and spent the better part of his adult life as a professional military man.

Asked why he wound up in the Senate, as secretary to the majority, the retired Army colonel replied, "primarily because I was a student of Mike Mansfield's back in 1940–41."

At the time, Kimmitt was working his way through college and Mansfield was teaching Far Eastern history at Montana University.

It was a quarter of a century before their paths converged again.

In early 1941, Kimmitt was drafted. "I went into the Army in June for a one-year stretch and ended up staying almost 25 years," he recalled.

After service in Europe during World War II, a stint with the Utah National Guard, command of a battalion in Korea and a teaching post at Ft. Sill, Okla., Kimmitt wound up at the Pentagon in 1955 as a congressional liaison officer for the Army.

Assigned to the Senate, he soon renewed acquaintances with his old history professor—then a freshman senator from Montana. "He remembered me, all right—he's got fantastic recall," Kimmitt said.

By 1958, Kimmitt was off to the Naval War College in Newport, but he returned to the Pentagon and Capitol Hill a year later. Then it was four years in Germany, commanding an artillery division, before he returned once again to Washington as chief Senate liaison officer.

By then, Mansfield was majority leader, Johnson was in the White House and Bobby Baker was on his way to a court conviction and jail.

Mansfield offered Kimmitt a job as administrative assistant. "I thought long and hard about it. I liked the Army, I really enjoyed it. But when I balanced all the factors, and with seven kids to look after, I decided to do it. I haven't regretted the choice," Kimmitt said.

He retired from the Army in January, 1966, joined Mansfield's staff the following month and became secretary to the majority in October of that year.

The work, Kimmitt said, is perpetually fascinating

And despite his military background, he never clashes with the dovish Mansfield. "He never asks my advice on military matters and I never volunteer it. He pretty well knows what I'd say in any case, so why bother?"

Many times, when military issues are under debate on the Senate floor, Kimmitt deliberately leaves his backdoor post and lets others assume the briefing chores during roll calls.

"Everybody knows I'm retired military, and some might assume I would tilt in favor of the Pentagon," he said. "So lots of times I just stay off the floor."

Other issues pose few problems. "Sometimes the unprinted amendments can be a bitch, and some of the stuff the Finance Committee produces is terrifying, it's so complex," Kimmitt said.

"But if I get in a jam, I'll refer a senator to a committee staff guy for help."

Despite his caution about suggesting how a senator might vote on any given bill or amendment, Kimmitt acknowledged there are "one or two" members who look to him for a thumbs-up or thumbs-down signal when they arrive late during a roll call.

"Actually, with the exception of three or four senators, I can just about tell how everyone will vote on any given issue. It would be very easy to say, 'Senator, your vote is aye' or 'Senator, your vote is nay,' But that's a damned dangerous game, so I don't play it."

AN ADVISORY COMMITTEE REUNION OF FORMER PENTAGON OFFICIALS

Mr. METCALF. Mr. President, the Deputy Secretary of Defense has established an acquisition advisory group—and chartered it under the Federal Advisory Committee Act—to review suggested changes in the weapon systems acquisition process of the Army, Navy, and Air Force.

The AAG has been handed a big responsibility. Defense acknowledges that some of the recommendations to be reviewed would, if implemented, "impinge on the activities, procedures, operations and interrelationships of the Office of Secretary of Defense." It also declares that these recommendations "are expected to improve the weapon systems acquisition process in the military departments."

Accordingly the Deputy Secretary has appointed what he calls "a group of independent but knowledgeable individuals familiar with the duties and responsibilities of the various components of the Office of the Secretary of Defense" to serve on the AAG, explaining they have "been commissioned to assess the feasibility and desirability of adopting" the recommendations.

On examining their backgrounds, I find no reason to regard the appointees as "independent." In fact, the AAG is an advisory committee reunion of former Pentagon officials.

Here are the AAG members:

Dr. Alexander H. Flax, President, Institute for Defense Analyses, Chairman.

Mr. Don R. Brazier, Treasurer, National Railroad Passenger Corporation.

Mr. Charles A. Bowsher, Managing Partner, Government Services Division, Arthur Andersen and Company.

Dr. Emory J. Cook, Consultant.

Lt. Gen. W. G. Dolvin, USA (Ret.).

Lt. General Glenn A. Kent, USAF (Ret.).

Admiral Thomas H. Moorer, USN (Ret.).

Mr. Philip A. Odeen, Vice President, Wilson Sporting Goods Company.

The executive director is Vice Adm. Eli T. Reich, U.S. Navy (retired), and the secretary of the AAG is Comdr. Edward B. Baker, U.S. Navy.

Dr. Flax was an Assistant Secretary of the Air Force. Mr. Brazier was Principal Deputy Assistant Secretary of Defense—Comptroller. Dr. Cook was Deputy and Technical Director, Advanced Surface Missile System Assessment Group, Navy Department. Mr. Odeen was Principal Deputy Assistant Secretary of Defense—Systems Analysis.

Mr. President, notice of establishment of the AAG appeared in the Federal Register on April 23 and indicated the AAG was expected to complete its work within 120 days. Its findings will be reported to the Deputy Secretary of Defense. Its first meeting was announced as a closed session on June 3 at the Institute for Defense Analyses Building in Arlington, Va.

The AAG has been assigned the task of examining and assessing recommendations made in the reports of two other advisory committees, the Army Materiel Acquisition Review Committee, which reported on April 1, 1974, and the Navy and Marine Corps Acquisition Review Committee, which reported this past January, as well as recommendations of the Secretary of the Air Force.

Annual reports for these panels, required by the Federal Advisory Committee Act, show that AMARC was established on January 14, 1974, terminated on September 26, 1974, and operated at an estimated cost of $374,444, while NMARC was established on September 4, 1974, was scheduled to terminate on January 31, 1975, and operated at a cost of $400,000. They also show that Mr. Bowsher was a member of NMARC.

When it submitted its annual advisory committee reports for 1974, the Defense Department attached a memorandum which offered the following statement:

Each DOD advisory committee is composed of members, chosen in accordance with the specific requirements of the committee, from a cross-section of authorities and experts in the academic, economic, business, industrial, financial, scientific, engineering, and other fields. The committees select members with expertise applicable to their individual problems, and form combinations which are conducive to the most excellent attainment of the committees' objectives in the most expeditious and inexpensive method. Each committee is acutely aware of the constant need for fresh innovative ideas, and to achieve this, reviews of memberships are conducted periodically. DOD advisory committee memberships are based on the most extensive and careful research and the highest criteria possible for maintenance of balanced membership and efficient use of the committee tool.

Mr. President, the AAG does not appear to me to represent "a cross-section of authorities and experts in the academic, economic, business, industrial, financial, scientific, engineering, and other fields," nor as I have said, do its members strike me as "independent" in any ordinary sense of that word.

An independent group would conduct an arm's-length review, but that is not what is happening here. The AAG is made up of insiders, who will be reviewing recommendations on behalf of present and former colleagues. As such, their review will be anything but an arm's-length transaction.

I ask unanimous consent to print in the RECORD the notice of establishment of the AAG, as published—and subsequently corrected—in the Federal Register, the biographies of AAG members supplied at my request by the Defense Department, and the annual reports and rosters for AMARC and NMARC.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SECRETARY: ACQUISITION ADVISORY GROUP—ESTABLISHMENT, ORGANIZATION AND FUNCTIONS

In accordance with the provisions of Pub. L. 92-463, Federal Advisory Committee Act, notice is hereby given that the establishment of the Acquisition Advisory Group has been found to be in the public interest in connection with the performance of duties imposed on the Department of Defense by law. The Office of Management and Budget has also reviewed the justification for this advisory committee and concurs with its establishment.

The nature and purpose of the Acquisition Advisory Group is set forth below:

The Acquisition Advisory Group has been assigned the task of examining and assessing the recommendations made in the reports of the Army Materiel Acquisition Review Committee, dated April 1, 1974, and of the Navy Marine Corps Acquisition Review Committee, dated January 1975, as well as recommendations of the Secretary of the Air Force relative to major weapon systems acquisitions insofar as those recommendations suggest changes of current procedures or policies of the Secretary of Defense. The recommendations made in these reports are expected to improve the weapon systems acquisition process in the military departments. Some of the recommendations, if implemented, would impinge on the activities, procedures, operations and interrelationships of the Office of Secretary of Defense. Accordingly, a group of independent but knowledgeable individuals familiar with the duties and responsibilities of the various components of the Office of the Secretary of Defense has been commissioned to assess the feasibility and desirability of adopting such recommendations.

The Charter of the Acquisition Advisory Group provides for meeting at periodic intervals and indicates that the total estimated time required to complete its purpose is 120 days. The Group will report its findings to the Deputy Secretary of Defense.

Because the implementation of the

UMI

AMARC and NMARC recommendations is proceeding in the Army and the Navy, it is essential that the Secretary of Defense be provided with recommendations concerning OSD procedures as soon as possible to insure cohesive interface of the program within the Department of Defense. In accordance with section 6(a) of OMB Circular A-63, OMB has waived the waiting period between publication of the notice and the filing of the charter.

MAURICE W. ROCHE,
Director, Correspondence and Directives, OASD (Comptroller).

APRIL 18, 1975.

[FR Doc.75-10592 Filed 4-22-75;8:45 am]

BRIEF BIOGRAPHIES OF ACQUISITION ADVISORY GROUP MEMBERS

Dr. Alexander H. Flax, Chairman: B. Ae. E., New York University, 1940; Ph. D. (Physics), University of Buffalo, 1958; Vice President and Technical Director, Cornell Aeronautical Laboratory; Chief Scientist of the Air Force, 1959–1961. Assistant Secretary of the Air Force (Research and Development), 1963–1969. Vice President for Research, 1969; President, 1969 to present, Institute for Defense Analyses. Member various advisory committees on Aerospace and Aerodynamics; the President's Science Advisory Committee; the Defense Science Board; and Chairman and National Delegate to NATO (AGARD).

Admiral Thomas H. Moorer, USN (Ret.): Naval Academy, 1933; Naval Aviator, 1936; Naval War College, 1953; Executive Officer Naval Aviation Ordnance Test Station, Chincoteague, Virginia, 1946–1948; Experimental Officer, NOTS, Inyokern, California, 1950–1951; Commander, Seventh Fleet, 1962–1964; Commander-in-Chief, Pacific Fleet, 1964–1965; NATO's Allied Command, Atlantic, U.S. Unified Atlantic Command and U.S. Atlantic Fleet, 1965–1967; Chief of Naval Operations, 1967–1970; and Chairman, Joint Chiefs of Staff, 1970–1974.

Dr. Emory J. Cook: B.S. (Chem), 1936; Ph. D. (Physics), 1940, University of Chicago; President and Chairman of the Board, Operations Research, Inc., 1954–1968; Chairman of the Board, Leasco Systems and Research Corporation; Staff General Manager, Consulting and Systems Services Group, Control Data Corporation. Executive Director, Harnwell Commission, Navy Bureau of Ordnance, 1948; member Advisory Board, Weapons Systems Evaluation Group, Joint Chiefs of Staff, 1951–1954; Deputy and Technical Director, Advanced Surface Missile System Assessment Group, Navy Department, 1965.

Lt. General Glenn A. Kent, USAF (Ret.): B.A., Western State College, Colorado, 1936; California Institute of Technology (Meteorology), 1942; Naval Post Graduate School, Annapolis, 1947; University of California at Berkeley (Radiological Engineering), 1949; Air War College, 1956–57. Deputy to Director of Research, Kirtland Air Force Base, 1953–1955; Military Assistant to the Deputy Director (Strategic and Defense Systems), DDR&E, OSD, 1962–1965; Deputy Director, Development Plans, Deputy Chief of Staff, R&D, USAF Headquarters, 1965–1966; Assistant for Concept Formulation to the Deputy Chief of Staff, R&D, USAF Headquarters, and Deputy Chief of Staff for Development Plans, Air Force Systems Command, 1966–1968; Assistant Chief of Staff, Studies and Analysis, 1968–1972; and Director Weapons Systems Evaluation Group, DDR&E, OSD, 1972–1974.

Mr. Charles A. Bowsher: B.S., University of Illinois, 1953; University of Chicago, 1956; CPA, 1957. Partner, Arthur Andersen and Company, 1956–1967; Assistant Secretary of the Navy (Financial Management), 1967–1971; Managing Partner, Government Services Division, Arthur Andersen and Company, 1971 to present; member Navy Marine Corps Acquisition Review Committee, 1974–1975.

Lt. General Welborn G. Dolvin, USA (Ret.): West Point, 1939; U.S. Army Command and General Staff College (Ft. Leavenworth, Kansas), 1950; Army War College, 1954. Program Manager of the Joint United States and Federal Republic of Germany Tank Development Program, 1963–1966; Commanding General, 3rd Armored Division, Chief of Staff of NATO's Central Army Group and Commanding General U.S. Army Element, Central Army Group, 1966–1970; Chief of Staff, U.S. Military Assistance Command, Vietnam, 1970; Commanding General U.S. Army XXIV Corps, 1971; Commander U.S. Army, Japan/IX Corps, 1972–1975.

Mr. Don R. Brazier: B.C.S., M.C.S., 1952, Benjamin Franklin University. Deputy Comptroller for Budget, OASD (Comptroller), 1966–1967; Comptroller, Defense Supply Agency, 1967; Deputy Assistant Secretary of the Army (Financial Management), 1967; Principal Deputy Assistant Secretary of Defense (Comptroller), 1968–1973; Treasurer, 1974 to present, National Passenger Railroad Corporation.

Mr. Philip Odeen: B.A. (Government), University of South Dakota, 1957; M.S. (Political Science), University of Wisconsin, 1959; Graduate work Liverpool University (England), 1958. Deputy Assistant Secretary of Defense (Regional Programs), 1969–1970; Principal Deputy Asssistant Secretary of Defense (Systems Analysis), 1970–1971; Director, Program Analysis, National Security Council, 1971–1973; and Vice President, Planning, Wilson Sporting Goods Company, 1973 to present.

ANNUAL REPORT OF FEDERAL ADVISORY COMMITTEE

1. Department or agency: Department of the Army.
2. Calendar year: 1974.
3. Exact name of advisory coommittee: Army Materiel Acquisition Review Committee (AMARC).
4. Committee status: (a) New this year. (d) Abolished during year.
5. Establishment authority: (c) Agency authority.
6. Specific establishment authority: Established by Secretary of the Army in accordance with P.L. 92–463, as approved by Memorandum, Dep Asst Sec of Def, 14 Jan 1974, Subject: Establishment of Army Materiel Acquisition Review Committee.
7. Committee type: Ad hoc.
8. Establishment date: 14 Jan 74.
9. Last continuation date: None.
10. Termination date: 26 Sep 74.
11. Next continuation date: None.
12. Committee charter revised during year?: No.
13. Brief statement of function: The Committee served as an advisory body to the Steering Group composed of the Under Secretary of the Army, Vice Chief of Staff of the Army, Assistant Secretary of the Army (R&D) and Assistant Secretary of the Army (I&L) to conduct an independent review of the Army's materiel acquisition process, to assess the current Army organization and procedures for Materiel Acquisition, and to make recommendations for improvement. The goal is an Army Materiel Acquisition Process which: 1. Is responsive to the needs of the Army in the field, assuring that equipment is introduced into the inventory in an efficient and timely manner. 2. Requires fewer personnel and less Army-owned/or operated facilities. 3. Reflects a proper balance in the distribution of field and headquarters personnel. 4. Provides for a proper balance between in-house and contract operations. 5. Will result in the development, fabrication, and user verification of hardware items more closely meeting established requirements prior to the heavy production involvement which has characterized our recent past history.
14. Total number of all reports submitted by the committee during the calendar year: 1974.

TITLES AND DATES

Report of the Army Materiel Acquisition Review Committee (AMARC): 1 April 1974.
Volume I—Precis.
Volume II—Committee Reports.

MEETINGS

15. (a) Total number of open meetings: 0.
(b) Total number of closed meetings: 2.
(c) Total number of partially closed meetings: 0.
(d) Actual dates of all meetings: 14–16 Jan 1974 and 18–30 Mar 1974 (Periodically).
16. Estimated annual man-years of Federal staff support for the committee: 550.
17. Total annual cost to the U.S. to fund, supply and maintain the committee: $374,-444 (Estimated).
18. Statement of any information excluded from this report for reasons of national security: No information excluded.
19. Total number of committee members: 22.

MEMBERSHIP LIST OF FEDERAL ADVISORY COMMITTEE

1. Department or Agency: Department of the Army.
2. Page 1 of 2 pages.
3. Exact name of committee: Army Materiel Acquisition Review Committee (AMARC).
4. Calendar year: 1974.
5. Name and address of chairman: Sell, Wendell B., Dr., 4323 Arden Drive, El Monte, CA 91734.
6. Name and address of Agency representative: Farmer, William P., Department of the Army, HQDA (DACS-DMA), Washington, D.C. 20310.
Title: Pres & Chief Exec Officer, Hoffman Electronics Corporation.
Occupation: Corporation Executive.
Title: LTC.
Telephone OX–55299.
7. List members alphabetically:
Amile, Thomas S., Dr., Federal Aviation Agency, 600 Independence Ave., S.W., Washington, D.C. 20591, Acting Chief, Advanced Concepts Staff, FAA Staff Director.
Bolleau, Oliver C., Jr., P.O. Box 3999, Seattle, WA 98124, President, Boeing Aerospace Company, Company Executive.
Camm, Frank A., MG, Department of the Army, DAMO–ZB, Washington, D.C. 20310, Asst Dep CofS for Operations & Plans, Dept of the Army. Army Officer.
De Lauer, Richard D., Dr., TRW Inc., One Space Park, Redondo Beach, CA 90278, Executive Vice Pres., TRW Inc., Corporation Executive.
Dinneen, Gerald P., Dr., MIT Lincoln Laboratory, Lexington, MA., Director, Lincoln Laboratory, MIT, Lab Director & Professor of Engineering.
Dorough, Gus D., Jr., Dr., Lawrence, Livermore Laboratories, P.O. Box 808, Livermore, CA 94550, Assoc. Dir., Lawrence Livermore Lab., Univ. of California, Lab Director.
Duke, William M., Dr., 15250-Ventura Boulevard, Suite 702, Sherman Oaks, CA 91403, Chairman of the Board, Tasker Ind., Dynasciences Corp., Will Duke and Assoc., etc., Corporation Executive.
Esposito, Alfred L., BG, USAF (Ret.) Fairchild Burns Company, 1455 Fairchild Drive, Winston Salem, NC 27105.
Manager, Fairchild Burns Co., Fairchild, Ind., Company Manager.
Fink, Daniel J., General Electric Company, P.O. Box 8555, Philadelphia, PA 19101, Vice Pres. & General Manager, Space Division, GE, Business Executive.
Jackson, Roy P., Northrop Corporation, Aircraft Div., 3901 West Broadway, Hawthorne, CA 90250, Corp. Vice Pres, Program Mgmt, Northrop Corp., YF–17 Program Manager.
McCurdy, Richard C., One Weed Lane, Contentment Island, Darien, CT 06820, Consultant, NASA, Consultant.
Morgan, Earl J., McDonnell Douglas Corp. 1150 17th Street, N.W., Suite 500, Washington, D.C. 20036, Exec Asst to VP, Eastern Region, McDonnell, Douglas Corp., Business Executive.
O'Neill, Lawrence H., Riverside Research Institute, 80 West End Avenue, New York, NY 10023, Pres, Riverside Research Institute Consultant.
Pickering, William H., Dr., Jet Propulsion Lab, 4800 Oak Grove Drive, Pasadena, CA 91103, Director, Jet Propulsion Lab, Cal Tech., Laboratory Director.
Raviolo, Victor G., 6 Stratford Place, Grosse Point, MI 48230, Director, Raviolo Associates, Business Consultant.
Reed, Eugene D., Dr., Bell Telephone Laboratories, Room 3B–411, Whippany, NJ 07981, Exec. Director, Ocean Systems Div., Bell Telephone Laboratories, Laboratory Director.
Sanders, Frank, The Signal Companies, 815 Connecticut Ave., N.W., Washington, D.C. 20006, Vice Pres., The Signal Companies, Inc., Consultant.
Shea, Joseph F., Dr., Raytheon Company, Box AA–11, Wayland, MA 07778, Senior VP & Gen. Manager, Equipment Div., Raytheon Co., Business Executive.
Shore, David, RCA, Marne Highway-Big. 108, Moorestown NJ 08057, Div. V, Plans & Systems Development, RCA Corp., Business Executive.
White, John P., Dr., Rand Corporation, 1700 Main Street, Santa Monica, CA 90406, Vice Pres, The Rand Corporation, Research Analyst/Consultant.
Wilson, Haskell G., 3902–27 Vista Campana North, Oceanside, CA 92054, Retired Civil Service Employee, Consultant.

ANNUAL REPOAT OF FEDERAL ADVISORY COMMITTEE

1. Department or agency: Department of the Navy.
2. Calendar year: 1974.
3. Exact name of advisory committee: Navy and Marine Corps Acquisition Review Committee (NMARC).
4. Committee status:
(a) New this year.
(b) In existence at end of year.
5. Establishment authority: Agency authority.
6. Specific establishment authority:
1. DEPSECDEF memo of 29 June 1974.
2. SECNAV memo of 1 Aug 1974.
3. NMARC Charter, Federal Register, VOL 39, NO. 155, Friday, August 9, 1974.
7. Committee type: Ad hoc.
8. Establishment date: 4 Sept 1974.
9. Last continuation date: None.
10. Termination date: 31 Jan 75.
11. Next continuation date: None.
12. Committee charter revised during year: No.
13. Brief statement of function:
The scope of the NMARC is to assess the organization, management, staffing and procedures used by the Navy in developing and producing weapon systems. The NMARC is examining in depth, the development and production of seaborne and airborne systems and related subsystems. The objective of the NMARC is the development of an action plan which will define changes to Department of the Navy basic procedures and organization to improve responsiveness to operating Fleet and Marine Corps requirements. The NMARC will not be responsible for the implementation of the action plan.
The duties of the NMARC is to examine the organization, management, staffing and procedures used by the Navy in acquiring weapon systems. The NMARC will advise the Secretary of the Navy, by preparation of an action plan of recommended steps to be taken to improve responsiveness to Fleet and Marine Corps requirements.
14. Total number of all reports submitted by the committee during the calendar year: None.

TITLES AND DATES

Report of NMARC is to be presented to the Secretary of the Navy about 30 January 1975.

MEETINGS

15. (a) Total number of open meetings: None.
(b) Total number of closed meetings: 1.
(c) Total number of partially closed meetings: None.
(d) Actual dates of all meetings: 31 October 1974.
16. Estimated annual man-years of Federal staff support for the committee: 15.
17. Total annual cost to the U.S. to fund, supply and maintain the committee: $400,-000.
18. Statement of any information excluded from this report for reasons of national security: None.
19. Total number of committee members: 32.
4. Exact name of committee: Navy and Marine Corps Acquisition Review Committee (NMARC), 1974.
5. Name and address of chairman: Roche, James M., Mr., General Motors Corporation, General Motors Building, Detroit, Michigan 48202.
Title: Director and retired Chairman of the Board.
Occupation: General Motors Executive.
6. Name and address of agency representative: Hopkins, Leroy E., Captain, SC, USN, Naval Material Command, Department of the Navy, Washington, D.C. 20360.
Title: NMARC Study Directorate Secretary.
Telephone: 692–9146.
7. List members alphabetically:
Banks, John V., Mr., National Steel and Shipbuilding Co., 28th and Harbor Drive, San Diego, California 92138. Title: President. Occupation: Executive.
Bennett, Ralph D., Dr., 204 San Rafael, Belvedere, California 94920. Title: Vice President and Director of Research, Martin-Marietta. Occupation: Retired.
Bowsher, Charles A., Arthur Andersen and Co., 1666 K Street, N.W., Washington, D.C. 20006. Title: Managing Partner. Occupation: Consultant.
Cox, A. E., Mr., Newport News Shipbuilding, 4101 Washington Avenue, Newport News, Virginia 23607. Title: General Manager, CSD. Occupation: Executive.
Cvetko, E. F., Mr., LTV Aerospace, P.O. Box 5907, Dallas, Texas 75222. Title: Vice President, Manufacturing. Occupation: Executive.
Dart, C. E., Mr., Newport News Shipbuilding, 4101 Washington Avenue, Newport News, Virginia 23607. Title: Senior Vice President. Occupation: Executive.
Dubos, R. F., Radm, USN (Ret.), 7901 Birnam Wood Drive, McLean, Virginia 22101. Title: Product Line Director, Simulation Products Div., Singer Corporation. Occupation: Executive.
Fuhrman, Robert A., Mr., Lockheed Missile and Space Co., P.O. Box 504, Sunnyvale, California 94088. Title: Executive Vice President. Occupation: Executive.
Goodhue, Harrison M., Mr., R.R. No. 3—Box 3162, Grayling, Michigan 49738. Title: Retired General Motors Executive. Occupation: Retired.
Heinemann, Edward H., Mr., Box 1795, Rancho Santa Fe, California 92067. Title: Retired Vice President, General Dynamics. Occupation: Retired Executive.
Holmes, D. Brainerd, Mr., Raytheon Company, 141 Spring Street, Lexington, Massachusetts 02173. Title: Executive Vice President. Occupation: Executive.
Hueter, Theodor, F., Dr., Honeywell, Inc., 5303 Shilshole Avenue, N.W., Seattle, Washington 98107. Title: Vice President, Ocean Technologies. Occupation: Executive.
Maguire, Walter W., Mr., Building 261—Hughes Aircraft Co., Mail Station N10, Canoga Park, California 91304. Title: Assistant Division Manager. Occupation: Executive.
Mecum, Dudley, Mr., Peat, Marwick, Mitchell & Company, 555 South Flower Street, Los Angeles, California 90071. Title: Principal. Occupation: Consultant.
Miller, Frank, Dr., Hughes Aircraft Co., Canoga Park, California 91304. Title: Associate Manager. Occupation: Missile Systems Manager.
Paget, Richard M., Mr., Cresap, McCormick & Paget, Inc., 245 Park Avenue, New York, New York 10017. Title: President. Occupation: Consultant.
Rannenberg, John W., Mr., General Dynamics, EB Division, Groton, Connecticut, Title: Director of Contracts. Occupation: Executive.
Russell, James S., Admiral, USN (Ret.), 7734 Walnut Avenue, Tacoma, Washington 98498. Title: Consultant. Occupation: Retired.
Sanders, Frank, Mr., Signal Companies, 815 Connecticut Avenue NW., Washington, D.C. 20006. Title: Vice President. Occupation: Company Executive.
Scott, Norman, Mr., American President Lines, 601 California Street, San Francisco, California 94108. Title: President. Occupation: Executive.
Shoupp, William, Dr., 343 Maple Avenue, Pittsburgh, Pennsylvania 15218. Title: Retired Vice President for R. & D. Occupation: Consultant to Westinghouse.
Shugg, Carleton, Mr., No. 2 Starr Street, Mystic, Connecticut 06355. Title: Retired President, General Dynamics, Electric Boat Division. Occupation: Consultant.
Stack, J. Wm., Mr., 230 Park Avenue, New York, New York 10017. Title: President, Stack Associates. Occupation: Consultant.
Stanziano, Arthur J., Mr., Hazeltine Corp., 2001 Jefferson Davis Highway (Suite 811), Arlington, Virginia 22202. Title: Vice President. Occupation: Executive.
Stokes, R. A., Mr., Newport News Shipbuilding, Newport News, Virginia 23607. Title: Director of Engineering. Occupation: Engineer.
Tyrell, Warren A., Dr., Bell Telephone Labs, Murray Hills, New Jersey 07971. Title: Executive Director, Technical Relations Division. Occupation: Executive.
Waldner, Joseph C., Mr., McDonnell-Douglas, P.O. Box 516, Building 1, St. Louis, Missouri 63166. Title: Program Manager. Occuptaion: Executive.
Wilder, Donald, Mr., 348 Beaumont Drive, Vista, California 92083. Title: Retired Vice President, Military Programs—Lockheed. Occupation: Executive.
Wilson, T. E., Mr., The Boeing Company, P.O. Box 3707, Seattle, Washington 98124. Title: Chairman of the Board. Occupation: Executive.
Word, Weldon, Mr., Texas Instruments, M/S 228, P.O. Box 6015, Dallas, Texas 75222. Title: Division Manager. Occupation: Executive.
Yost, Harold C., Mr., General Dynamics, P.O. Box 2507, Pomona, California 91766. Title: Vice President of Operations. Occupation: Executive.

CORRUPTION IN THE GRAIN TRADE—IV

Mr. CLARK. Mr. President, another chapter has been opened in the history of the grain trade.

For some it may be a thriller, but for others like myself, it is extremely disturbing. First, news came of the indictments of some federally-licensed grain inspectors for accepting bribes. Then stories of testimony before the grand juries indicated a link-up with the major grain shipping and exporting companies. These companies—either directly or indirectly—appear to have authorized or encouraged the bribes in an effort to export grain, which was purposely mislabeled for weight and grade, in ships

UMI

which did not meet Government standards of cleanliness.

The next disclosure was that the system of Federal inspection is largely dependent on approximately 3,000 privately employed grain inspectors who, in turn, are bankrolled by the huge grain exporting companies. Some of the 300 Federal inspectors in the field were threatened or roughed up when they tried to review the inspections of private agencies.

A further installment now comes from the Secretary of Agriculture himself. Mr. Butz told the New York Times in an interview of May 29 that a "web of evidence" had been accumulated in the Federal investigation of alleged corruption in the handling of grain exports from every major grain port in the country. If the Secretary means every port, this would include: Baltimore, Md., Baton Rouge, La., Beaumont, Tex., Chicago, Ill., Milwaukee, Wis., Duluth, Minn., Houston, Tex., Mobile, Ala., New Orleans, La., Norfolk, Va., Philadelphia, Pa., Portland, Oreg., Port Arthur, Tex., Sacramento, Calif., Seattle, Wash., and Toledo, Ohio.

Some shipping companies and individuals implicated in the bribe payments are based in New York City as well.

Even if Secretary Butz did not mean every city I have mentioned, he certainly made it clear that these corrupt practices are widespread. Furthermore, he implied that professional racketeers are involved. As he is quoted in the New York Times, "we are dealing now with the kind of guy and the kind of system that sees great rewards—not just a few dollars but large rewards"—in the grain trade as a result of the sharp increases in values over the last few years.

The Des Moines Register, which has led the investigation of corrupt practices, has pointed out that they go back at least to 1968 when Western European countries complained of poor-quality shipments. We do not know what was done about these complaints then, but we do know that the present system is well intact and very well greased. Now, the Register reports more indictments, new evidence of "short weighting" in soybean exports, and widespread concern over neglect and mismanagement in the Department of Agriculture.

I am afraid that this is only the beginning of a very long and disillusioning chapter on the grain trade. I am confident that the investigations by the Subcommittees on Multinational Corporations and Foreign Agricultural Policy will disclose more and help correct present malpractices.

We cannot hope to end the present scandal and other related inequities in the present system by tinkering. We will have to take a look at the entire nature of the grain trade, now the subject of a current Multinational Corporation Subcommittee preliminary investigation.

Mr. President, I ask unanimous consent that the latest of a group of reports, these from the Des Moines Register and the New York Times, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, May 24, 1975]

THUGGERY IN GRAIN INSPECTION

The corruption of grain inspection for export in New Orleans and Houston turns out to be even worse than we had at first thought. James Risser of our Washington bureau reports that federal supervisory officials have been threatened with physical injury if they interfered with the faulty inspections.

The New York Times also has reported that some USDA supervisors had their auto tires slashed and were jostled while riding man lifts in grain storage warehouses.

The U.S. Department of Justice with the cooperation of USDA has been conducting a large-scale investigation of the bribery and conflicts of interest in grain inspection at the southern ports. Now the Senate Agriculture Committee is going to dig into the problem.

A dozen grain inspectors have been indicted on bribery charges in New Orleans and Houston, and other employees of grain companies and others connected with grain inspection are under investigation.

The inspectors are privately hired and paid but are licensed by USDA. The inspectors are supposed to be checked and supervised by USDA officials. It is evident that this has been very lax. In fact, USDA was warned about the grain inspection mess six years ago, but instead of asking for more supervisors and intensifying its monitoring of the inspection, USDA cut back on the operation. Considering the heavy emphasis on farm exports by the Nixon and Ford administrations, this indifferent attitude toward grain inspection is amazing.

The importance of grain exporting to American agriculture can hardly be exaggerated—or, for that matter, its importance to the national economy in earning foreign exchange. A black cloud over the integrity of U.S. inspection and grading of grain for export cannot but harm export business and the incomes of farmers.

Congress and the administration need to clean house on this situation as rapidly as possible. It wouldn't be a bad idea to investigate the whole *farm-product grading and inspection service of USDA*, since the grain-export scandal is unlikely to be unique in lending itself to conflicts of interest and crooked dealing.

It is strange that the farmer's grain cooperatives have not blown the whistle on this crookedness. *Apparently, people in the grain trade have known something was wrong, but little was done about it.*

American business, labor unions and even farm co-ops have too long been willing to close their eyes and "go along" with wrongdoing in payoffs, bribery, illegal political finance and violations of consumer protection laws. It is time for a "law and order" drive in these fields of criminal activity.

[From the Des Moines Register, May 24, 1975]

CHIEF OF USDA GRAIN UNIT TO BE QUESTED

(By James Risser)

WASHINGTON, D.C.—The director of the U.S. Agriculture Department's (USDA) grain division will be replaced, as part of a shake-up brought on by the growing scandal surrounding the inspection of American export grain.

The Des Moines Register learned Friday that Director Howard H. Woodworth will be removed from his post and will be succeeded by the deputy director, David R. Galliart.

Other personnel changes are in the works as well, and the grain division office will be moved from suburban Hyattsville, Md., to Agriculture Department headquarters in downtown Washington so that department officials can exercise closer control over its operations.

SEVERAL INDICTMENTS

The division is charged with overseeing the work of some 3,000 privately employed grain inspectors and samplers at ports and in grain-producing areas of the country. A dozen inspectors in New Orleans, La., and Houston, Tex., have been indicted for allegedly accepting bribes, and further indictments are expected in the widening investigation.

Department officials would not confirm the shake-up in the grain division, because Galliart has not yet been cleared formally by the Civil Service Commission for the director's job. But the planned changes have become widely known both within the Agriculture Department and in the private grain trade.

"I am leaving as director," Woodworth acknowledged in a telephone interview with The Register. "It may or may not be related to the stories," he said, referring to the newspaper's disclosures about the extent of the corruption investigation and the conflicts of interest in the inspection system.

SECOND DEPUTY

Woodworth said he has been offered the job of deputy director and will either accept the lower-ranking job or seek employment somewhere else. The grain division is being reorganized, and a second deputy also will be appointed, he said.

Galliard would not discuss his new job, saying "it's still at the Civil Service Commission." Galliard, 48, has been with the grain division for 22 years and has been deputy director for the past four and one half years.

The shake-up is being directed by Ervin L. Peterson, administrator of the Agricultural Marketing Service, of which the grain division is a part. Peterson could not be reached for comment Friday, but he said earlier this month that the division's supervision of the grain and ship inspectors "has been less than adequate."

PRIVATE AGENCIES

The grain division, under Woodworth, has mistakenly concentrated on proving that inspectors are generally accurate in their work, rather than cracking down on the private inspection agencies to see that their inspectors perform honestly, Peterson said then.

During the past 10 years, the grain division cut its staff of inspection supervisors from 300 to 220, at the same time that U.S. grain exports have been booming and American ports have been swamped with business.

The Register disclosed May 11 that Woodworth had been warned in a report in 1969 that American inspectors might be taking bribes. The warnings came primarily from foreign purchasers concerned about damaged and dirty U.S. grain.

Woodworth described his staff as "lean but efficient" and said the division "is not staffed to find conspiracies or briberies."

"NOT A BUREAUCRAT"

He said he went along with staff cutbacks because, "I'm not an empire builder or a bureaucrats. . . ."

In 1973, Woodworth acknowledged that some of his staff were concerned that surveillance of inspectors in only about 2 per cent of all export grain shipments was not adequate. But Woodworth said bringing surveillance levels up to 10 per cent would be too costly, and he proposed instead to increase surveillance at "the known problem elevators in the New Orlean circuit" by transferring other grain division employees to New Orleans.

The beefing-up of the grain division office in New Orleans did not take place until late summer, however, at about the same time the first indictments were handed down by a grand jury.

SHIP CERTIFICATION

Those indicted so far have been accused of taking payments in exchange for certifying that ships were clean and insect-free and acceptable for loading with grain. Federal agents now are looking at alleged misgrading and miswieghing of grain, and at possible involvement of shipping and grain company employees.

The inspectors work for organizations such as the New Orleans Board of Trade and the Houston Merchants Exchange, both of which are partly controlled by people from the grain, shipping, and other export related businesses.

Administrator Peterson already has said he favors turning over the inspection to full-time federal employees, although it is not yet clear whether Agriculture Secretary Earl Butz will support such a move.

Legislation to federalize the inspectors has been introduced in the House by representative Edward Mezvinsky (Dem., Ia.)

[From the Des Moines Register, May 28, 1975]

ILLNESS OF WITNESS PERILS FIVE GRAIN-BRIBERY CASES

(By James Risser)

WASHINGTON, D.C.—The prosecution of five federally licensed grain inspectors, indicted in Houston, Tex., on charges of accepting bribes, has been imperiled by the serious illness of the government's key witness.

Capt. Victor G. Diaz of New York, N.Y., a port captain of the Maritime Overseas Corp., is suffering from heart trouble and high blood pressure, his physician has told the U.S. District Court in Houston.

Diaz is named in each of the five indictments as the man who paid bribes to the inspectors so that they would certify the company's ships as clean, insect-free, and acceptable for loading with export grain.

He has been co-operating with the U.S. Justice Department in Houston, and in New Orleans, La., where the grain inspector bribery investigation began, and was scheduled to testify for the prosecution in the first Houston trial beginning this week.

TRIAL POSTPONED

However, the court ordered Tuesday that the trial of Bill Gene Mercy, accused of accepting six separate payments of $300 each from Diaz be postponed until August.

The trial of Arthur James Taute, indicted on five counts, is set to begin next Monday but probably also will be put off until later, in hopes that Diaz will recover sufficiently to testify.

The prosecutors are particularly troubled because the "speedy trial" rule of the federal courts in the Southern Texas District generally requires criminal defendants to be brought to trial within 90 days after indictment, although continuances sometimes are granted.

MAY SEEK DEPOSITION

The Justice Department attorneys believe they may have to seek permission to take a sworn deposition from Diaz in his sickbed, to be used in the trials if he is unable to appear.

Without his testimony, the government is believed to have a weak case against the five defendants.

The other three defendants, in addition to Marcy and Taule, are Billy Ray Davenport, Jerry Robert Parker, and Billy James Westbrook.

All were employed by the Houston Merchants Exchange, a private inspection agency designated by the U.S. Agriculture Department to inspect and grade export grain and to inspect ships for cleanliness.

The alleged bribes took place over a period from mid-1950 to mid-1974, according to the grand jury indictment.

ALREADY COMPLETED

The New Orleans case, with which Diaz was connected already has been completed, as the result of guilty pleas, and his illness does not appear to be any threat to the success of the continuing investigation in that city.

Meanwhile, Representative Charles Thone (Rep., Neb.) said Tuesday he has written Atty. Gen. Edward Levi and Agriculture Secreary Earl Butz "asking them to put more personnel and urgency into investigating and prosecuting these port cases."

Thone said he is studying whether the present system of inspecting grain and ships can be sufficiently strengthened or whether the law should be changed to provide for all-federal inspection.

"BLACK EYE"

"More than three-fourths of Nebraska wheat, half of our soybeans and a third of our feed-grains are sold to foreign countries," said Thone. "If our grain is transported in dirty ships, it will cause dissatisfied customers, lost sales and lower grain prices for farmers."

Tony Dechant, president of the National Farmers Union, said that he favors legislation "to take the power to inspect and grade agricultural commodities out of the hands of the international traders who are the very ones needing to be policed."

Dechant, just back from a Paris, France, meeting of the International Federation of Agricultural Producers, said: "The worldwide publicity about corruption in the grading and inspection of U.S. grain being sold for export is another black eye that American farmers have suffered in the international area."

[From the New York Times, May 29, 1975]

BUTZ SAYS INQUIRY ON GRAIN SPREADS

(By William Robbins)

WASHINGTON, May 28.—Secretary of Agriculture Earl L. Butz said today that the investigation of alleged corruption in the handling of grain shipments had spread to every major grain port in the country.

He also told a reporter that there was evidence that organized crime was involved.

The Secretary said that the investigation was developing "a web of evidence." He listed as included in the inquiry ports on both the East and West Coasts as well as those on the Gulf Coast previously reported to be centers of the investigation.

He said that they included Baltimore, Norfolk, Portland, Ore., and Seattle.

Another official source said that investigators had also followed leads into other cities, including Albany, Beaumont, Tex.; Duluth, Minn., and Port Arthur, Tex., but that "in some cases we came up with nothing."

Although New York City is not a major grain port, some shipping companies and individuals that have reportedly been implicated in bribe payments are based there.

"The professionals, racketeers," are part of the investigation's scope, Dr. Butz said.

"When you've got something like this going, the professionals get involved," he said. Asked if he meant the Mafia, he replied, "Those or similar organizations."

An investigative official, referring to Dr. Butz's remark on involvement of "professionals," said, "A reasonable man would draw that conclusion." But he added, "For me to say now that we have definite evidence would be premature."

"We are dealing now with the kind of guy and the kind of system that sees great rewards—not just a few dollars, but large rewards"—in the grain trade as a result of the sharp increases in values over the last few years, he said.

The broad investigation began in New Orleans, where seven grain inspectors were indicted last year on charges of accepting bribes to approve ship holds as clean and fit to receive grain. A ship-cleaning company and its president were indicted on charges of paying bribes, and a grain sampler was indicted on perjury charges.

One of the inspectors has been convicted but appealed, and another awaits trial. The other cases were disposed of with guilty pleas, suspended sentences and fines.

In the current phase of the New Orleans inquiry, investigators have been taking secret testimony and inquiring into informants' accounts of alleged bribery, misgrading of grain, short-weighing of ship cargoes and alleged grain-theft rings reported to be operating within some large international grain corporations.

The investigation spread from New Orleans to Houston, where five grain inspectors were indicted on charges of bribery to approve ship holds. It also reportedly involves the neighboring ports of Brownsville, Corpus Christie and Galveston.

SEVERAL AGENCIES HELP

In both New Orleans and the Houston area, the investigation is headed by the United States Attorneys' offices and aided by the Federal Bureau of Investigation and the Agriculture Department's office of Investigation. In the New Orleans area, the Internal Revenue Service and the Agriculture Department's grain division are also giving help.

In the interview today, Dr. Butz said that there would be additional indictments, but did not say how many.

"Those are hard people to get evidence on," he said. "They cover their tracks pretty well."

From the beginning of the investigation, he said, he ordered "our people" to "get smoking" on the inquiry.

* * * * * *

As part of the investigation, the Secretary said, departmental investigators and inspectors were dispatched abroad to check ships as they arrived. Those agents "pieced together a web of evidence" that is aiding the investigation, he said.

In one such case, the Santista, a Brazilian ship loaded in New Orleans, was met by two agents in Spain and found to contain grain of a vastly different quality from that recorded as loaded, according to accounts of some individuals close to the case.

The ship was loaded at the Mississippi River Grain Elevator with corn classed by inspectors as No. 3 grade for the seller, Tabor & Co., a Decatur, Ill., concern, according to the accounts. The inspectors are licensed by the Department of Agriculture, but work for private agencies.

The elevator handles Tabor's grain, but commingles it with that belonging to the elevator company, and on receiving shipping orders, is responsible for shipping out grain equal in quality to the commodity it received.

After the ship sailed, two Federal agents—Richard Venaglia of the Office of Investigation and Milton Blust, an inspection supervisor for the Agriculture Department's grain division—were dispatched last Feb. 19 to Spain to meet her.

The cargo was inspected at two ports—Gijon, where about half was unloaded, and again at Santander, 100 miles away in the Bay of Biscay.

There, Mr. Blust probed the cargo for samples, which were then sent to the department's laboratory in Hyattsville, Md., where they were graded.

In No. 3 corn, foreign matter, such as trash, and broken particles of grain can average no more than 4 per cent of the total. According to the sources, when the samples were graded in Hyattsville, there were so many broken kernels that the average quali-

UMI

fied only for "sample grade," which includes all corn below grade No. 5, in which an average of 7 per cent broken kernels is allowed.

According to several sources, the average of broken kernels found in the Hyattsville tests was over 8 per cent, or twice that allowed for No. 3 corn.

According to two experts questioned, a difference in testing methods can account for as much as 1 per cent variation, and the loading process can cause broken kernels, especially as much of last year's crop was brittle because much was immature and required an unusual amount of drying.

[From the Des Moines Register, May 30, 1975]

BUTZ FAVORS TAKEOVER OF INSPECTIONS

(By James Risser)

NEW YORK, N.Y.—Agriculture Secretary Earl Butz, in the wake of five new indictments in the New Orleans-centered grain inspection scandal, said Thursday he favors a governmental takeover of the inspection system.

In an interview with The Des Moines Register in New York City, where he delivered two speeches and held a press conference, Butz said:

The system of having export grains inspected and graded by privately employed inspectors is "not consistent" with federally run inspections of other agricultural products, and apparently has led to corruption.

He was unaware, prior to a Register story earlier this month, that department officials had been warned six years ago of a possible bribery scheme involving the grain inspectors.

Both the employers of the inspectors and the Agriculture Department have been lax in overseeing the inspectors' activities, and the department's supervision was, in fact, cut back in recent years due to budgetary "manpower ceilings."

The department's grain division, which handles grain inspection regulation, will be "beefed up" and division director Howard H. Woodworth will be replaced, as reported by The Register last week.

He has no evidence that organized crime is involved in the inspection scandals, insisting he was "misquoted" to that effect by the New York Times.

VIEW OF TAKEOVER

In stories by The Register and in statements by federal investigators, the question has been raised of conflict-of-interest in having the inspections conducted by agencies controlled by grain and shipping interests. Asked in the interview whether he now favors a governmental takeover, Butz said, "at this moment, I think I would."

He said he will study the cost of such a move, which would involve some 3,000 new federal jobs, and also will examine whether the inspections could be handled jointly by federal and state authorities.

But pointing to the fact that inspections of meat, poultry, fruits and vegetables are done by federal inspectors, Butz said, "It bothers me that we're not in a consistent stance as far as grain is concerned."

FOREIGN BUYERS

He warned that foreign buyers of U.S. grains are beginning to believe that "this is not a dependable place to buy."

Meanwhile, a federal grand jury in New Orleans, which previously had indicted seven grain inspectors, a ship-cleaning firm and its president, Thursday indicted four more persons and a Louisiana corporation in an alleged scheme involving the sale of nonexistent soybeans to Peavey Co., an Alton, Ill., grain firm.

The conspiracy indictments said those charged cheated the Peavey firm out of $44,281 by falsely claiming to have grown and transported soybeans to the Public Grain Elevator at New Orleans for shipment overseas by Peavey.

New Orleans sources said the latest indictments are considered a relatively minor part of the continuing investigation, which now is centering on misgrading and misweighing of grain. More indictments are expected during the summer.

NICARAGUA SHIPMENT

One of those indicted Thursday was Richard M. Blades, a licensed grain inspector employed by the New Orleans Board of Trade.

The Register disclosed May 15 that New Orleans grain inspectors misgraded a 427,000-bushel corn shipment to Nicaragua in 1972, with the result that the Nicaraguans received an inferior grade of corn containing damaged kernels and foreign material. The story also revealed that the grading of that shipment was done by Inspector Blades.

The ship-hold inspector, who certified the Nicaraguan-bound vessel as being clean and insect-free was Richard S. Shultz, another New Orleans Board of Trade inspector who was indicted last August on charges of taking bribes in connection with other grain shipments.

THOSE INDICTED

Thursday's indictments, announced in New Orleans by U.S. Attorney Gerald J. Gallinghouse, charged Blades, of Metairie, La., his brother, Dewey F. Blades, jr., of Picayune, Miss., Carey T. Lindsay, of New Orleans, and Le Trac Land, Inc., of LaPlace, La., with conspiracy to defraud.

In addition, Rufus J. Hebert, of Porte Barre, La., a grain elevator operator, was charged with improperly influencing Richard Blades in his official inspection duties.

The indictments alleged that the scheme began in January, 1974, when Dewey Blades and Lindsay formed the Le Trac firm for the supposed purpose of planting, raising and selling soybeans on 250 acres of land leased from Hebert.

Records then were falsified to show fictitious costs on the soybean production, atorage, and trucking to the Public Grain Elevator, where they were sold to Peavey, the grand jury charged.

Richard Blades prepared fraudulent truck grain tickets to show that seven truckloads of soybeans were delivered by Hebert's elevator to the Public Grain Elevator, with the fraudulent tickets then being transmitted by wire to Peavey's Alton offices, it said.

The Peavey firm then issued seven checks totaling $44,281 to Hebert's grain elevator in payment for the non-existent soybeans, the indictment charged.

Those indicted for conspiracy face maximum sentences of five years and fines of $10,000, Gallinghouse said.

He said the indictments resulted from an investigation by his office, the FBI, and the Agriculture Department's office of investigation.

NOT ONLY AREA

Gallinghouse warned that "evidently the the Port of New Orleans is not the only area involved" in "wrongful conduct in grain transactions."

He said "the proper and efficient handling of grain is vital to the general welfare of the people of the United States, and it is imperative that the high standards provided in the U.S. Grain Standards Act and U.S. Department of Agriculture regulations for the inspection, grading, weighing and shipment of grain be achieved and maintained."

New Orleans is the largest grain exporting port in the world. Nearly 40 per cent of all U.S. export grains are shipping out of eight elevators along the Mississippi River in the New Orleans area.

BUTZ QUOTATION

The New York Times had quoted Butz in its Thursday editions as saying that there is evidence that organized crime is involved in the inspection scandal, and that the investigation has spread to other major grain ports including Baltimore, Md., Norfolk, Va., Portland, Ore., and Seattle, Wash.

At his news conference here Thursday, Butz contended he was not accurately quoted. He said flatly he has no evidence of organized crime involvement, but has told his investigators to check that possibility in view of the huge sums of money involved in international grain trade.

He also said that he named the specific port cities only as examples of major grain ports where investigations are taking place. He said many other cities are involved, including Great Lakes ports, as part of a general probe of ports.

JUST AS GUILTY

Noting that the indictments in New Orleans and in Houston, Tex., have been primarily confined to inspectors so far, Butz said, "the people who offered the bribes are just as guilty as those who accepted them." He said he hopes the investigators will be able to develop the evidence to prosecute the payers of the bribes.

Butz said the investigators have no evidence at this point that any Agriculture Department employes or grain company officials were involved in unlawful conduct.

"That's not to say they weren't," he added. "Every man has his price."

QUESTION OF DISCIPLINE

He promised to move swiftly to discipline any federal employes found to be involved and to improve supervision of the inspectors while the decision is made at the department and in Congress whether to convert to all-government inspection.

Butz said he did not know, prior to a Register story May 11, that a 1969 report to grain division chief Woodworth warned of the possibility of a bribery system and specific problems in New Orleans.

The report, based on a European inspection tour by John A. Browning, chairman of the grain division's board of appeals and review, said many government officials and grain traders in European countries had complained of U.S. grain inspections and had told him U.S. grain inspectors probably were taking bribes.

Butz indicated he did not know whether the report was ever followed up.

MANPOWER CEILINGS

Asked why the grain division reduced its supervisory inspection staff from 300 persons to 220 in recent years, in the face of the warnings and while U.S. grain exports were increasing sharply, Butz said the cuts were "a result of manpower ceilings" imposed by the White House.

The agriculture secretary's press conference took place at the offices of Calvin Bullock, Ltd., a Wall Street mutual funds firm.

Butz also delivered private speeches to the Calvin Bullock Forum, an organization of investment bankers, and to the Union League Club, an exclusive businessmen's club in midtown Manhattan.

[From the Des Moines Register, June 1, 1975]

PROBE GRAIN SHORTAGES TO SPAIN

(By James Risser)

WASHINGTON, D.C.—U.S. Agriculture Department agents are investigating allegations that American grain inspectors misweighed shiploads of soybeans bound for Spain, so that Spanish buyers consistently received fewer soybeans than they had paid for.

The complaints involve shiploads of soybeans, sent from New Orleans, La., Philadelphia, Pa., and perhaps other U.S. ports in 1972, 1973 and 1974.

Investigators fear the incidents may be tied to the current scandal involving briberies and other corruption in the inspection, grading and weighing of U.S. export grains.

HABITUAL SHORTING

The Spanish buyers charge that "short weighings" of U.S. soybeans shipments have become "habitual" and "appear to have their origin at the point of loading" in the United States.

The American Embassy in Madrid accused the Agriculture Department of not taking the complaints seriously and warned that "what appears to be a widespread problem" could squelch U.S. hopes of expanding agricultural exports.

The weighers, although licensed by the Agriculture Department, are employed by private inspection agencies and in some cases by the grain elevators themselves. Department officials conceded there is little federal surveillance of the weighers' activities by the department's transportation and warehouse division, which does not even have an office in New Orleans, the biggest grain export city.

SIX SHIPS LISTED

Files of the Agriculture Department's Foreign Agricultural Service (FAS) examined by The Register list six specific ships on which short weighing occurred, and it is understood that the department's office of investigation has developed additional information.

The Kelsa Co., a soybean importing firm at La Coruna, Spain, complained to U.S. officials in March, 1974, that the vessel Pedro Menendez had arrived Feb. 14, 1974, with a shipment certified for 14,139 metric tons of soybeans but which actually was 522 metric tons short—a loss of nearly 4 per cent.

The complaint said the beans were shipped from the Mississippi River Grain Co. of Myrtle Grove, La., near New Orleans.

In addition, Kelsa said the S.S. Magdalena del Mar had arrived Jan. 3, 1974, from Philadelphia with a shortage of 425 metric tons of soybeans.

COMPLAINT READ

"As habitual importers of various products from your country, we would like to know how we can make these purchases without having disagreeable surprises upon the arrival of the merchandise," Kelsa's complaint said.

"We refer to important short weighings that habitually occur and which, by the characteristics of the merchandise, of the ships that transport the merchandise, and the controls upon unloading, appear to have their origin at the point of loading," it said.

The firm said it had heard of "the same complaint from our colleagues as well as importers of other grains.

"As the conditions of purchases are based on weight and quality at origin, we cannot accept these losses as a regular procedure, particularly when they are of this size," it continued.

The company said "these losses appear to indicate a deficiency in the official weight controls in the elevators of your country, and as the deficiencies always are for short weight you can suppose what may be happening."

OTHER COMPLAINT

FAS files also contain a complaint from another major Spanish soybean importer, Industria de Produccion y Envasado de Aceites de Sevilla, complaining of "frequent short deliveries."

The firm cited five ships in particular, including the same Magadelena del Mar, which stopped in Seville two days before docking at La Corona and unloaded 7.6 million kilos of soybeans, which was 179,772 kilos less than the firm had been promised was aboard for it. (A thousand kilos is about one long ton.)

In addition, the importer said, the ship Serifos had arrived Dec. 25, 1972, with a shortage of 101,573 kilos; the Dolphic Eagle was 87,248 kilos short on arrival Mar. 7, 1973; the Thera docker Apr. 14, 1973, with a shortage of 83,017 kilos, and the Luis Pereda arrived Nov. 18, 1973, with an unexplained loss of 56,667 kilos.

In each case, the U.S. inspection certificate accompanying the shipments said that the amount of soybeans billed to the buyers were aboard.

The American Embassy in Madrid said it viewed the complaints with "seriousness" and noted that soybeans are the "number one commodity in U.S. trade with Spain"—totaling $181-million in 1973.

A SPOKESMAN'S RESPONSE

James F. Lankford, of FAS, replied May 8, 1974, that U.S. inspection and grading certificates, though they list grain shipment size, do not certify that the amount is actually on the ship.

He said it is up to the buyers, if they wish, to hire a private surveyor to check the amount and issue them a guarantee that a certain amount of grain is on board.

Lankford said the U.S. government is not a party to grain sales and he warned the embassy in Madrid to "avoid being drawn into" the dispute.

He said that sometimes a shipload is divided up among several purchasers, with the result that one buyer sometimes gets slightly more grain than he was charged for and another buyer gets less. The one who receives extra grain does not complain, he added.

However, the American Embassy in Madrid in June, 1974, rejected Lankford's explanation as "not adequately responsive to the problem."

In the case of the Magdalena del Mar, the shipment was divided among two buyers and both received short amounts, the embassy noted.

"The embassy repeats its request for information as to what practical course may be followed by buyers here to resolve what appears to be a widespread problem," the cable concluded.

Later that month, the State Department replied to Madrid that it "appreciate embassy's concern that consistent short weight deliveries (of) soybeans to Spain could damage U.S. trade interests."

But it said the "Department of Agriculture believes that U.S. trade has excellent worldwide reputation for shipping contractual quantities within accepted tolerances.

"Since we are unaware of any significant incidence of complaints in other countries, we (are) inclined to believe Spanish problems due to misunderstanding or factors peculiar to our exports to Spain," said the State Department reply.

The matter apparently rested there until recently, when other complaints about damaged and short-weighted soybean shipments began to be voiced, and as it became clear there was a potentially widespread scandal involving illegal acts by grain graders and weighers.

More than a dozen inspectors have been indicted in New Orleans and Houston, mostly on charges of taking bribes to certify that ships were clean and acceptable for loading with grain. The investigations have spread to other ports, and include a probe of misgrading and short weighing complaints.

[From the Des Moines Register, June 2, 1975]

THE INSPECTOR ABOLITION TO GRAIN WOES

(By Clark Mollenhoff)

WASHINGTON, D.C.—The abolition of the Office of Inspector General by Agriculture Secretary Earl Butz created the conditions that led to his lack of knowledge of the scope of the grain inspection problem.

That is the opinion of a wide range of past and present Agriculture Department officials, and of the critics in the Congress who have heard Butz say in recent days that he was unaware until early May that department officials had been warned six years ago of a possible bribery scheme involving the grain inspectors.

Butz said Thursday in a press interview that he was unaware of a 1969 report in grain division chief Howard H. Woodworth warning of the possibility of a bribery system and specific problems in New Orleans until after it was reported May 11, in The Des Moines Register.

The Office of Inspector General had the responsibility of examining all evidence of fraud, mismanagement and conflicts of interest and calling it to the attention of the secretary of agriculture.

ESTES SCANDALS

The Office of Inspector General was created by former Secretary of Agriculture Orville Freeman in the wake of the Billie Sol Estes scandals that touched off several congressional investigations in 1962, and caused the Kennedy administration and Freeman much embarrassment. They involved misuse of cotton allotments and frauds involving liquid fertilizer tank mortgages.

Representative Neal Smith (Dem., Ia.) and Representative Jamie Whitten (Dem., Miss.), both of whom had roles in the establishment of the office were critical of Butz in 1974 when he abolished the office and split its functions into an Office of Audit and an Office of Investigation.

"I told them something like this would happen if they did not have the investigation and audit functions under one man who would report directly to the Secretary," said Whitten, who is chairman of the House appropriations subcommittee that handles Agriculture Department spending.

Whitten said his subcommittee has conducted its hearings on the Agriculture Department budget, but, "I think there will be time to reopen them to find out just how much the abolition of the inspector general and the weakening of the over-all investigative authority contributed to the secretary's lack of knowledge of the seriousness of the problem."

COVERUP FEARED

Whitten said he had "helped Secretary Freeman set up the inspector general's office after the Billie Sol Estes case, for it was clear that the various agencies in the department could not be permitted to investigate themselves or they would cover up corruption and mismanagement."

Smith recalled that Freeman had told him: "I've just got to have a way of knowing about this type of problem (the Estes case) before it reaches crisis proportions."

The Iowa Democrat said that "combining investigation and audit functions under an inspector general was the answer, and it worked well until Butz abolished it and split the functions."

"I dont think Butz wanted to hear about what was wrong with the way the department was operating," Smith said. "If he didn't know about what was wrong, he just thought it would go away, or would be someone else's responsibility."

BY HINDSIGHT

Ervin L. Peterson, administrator of the Agricultural Marketing Service, said that "by hindsight we haven't done a very good job" and that "there is no doubt that the splitting of the investigation and audit functions had something to do with it."

Peterson said that, when he was first apprised of the possibility of some frauds and bribery in the grain inspection services about 2 years ago, "we got the • • • • investigation into it with the problem," and then got busy them of "what the options would be if we had wholesale indictment of inspectors" in New Orleans, because of the necessity of providing some alternate inspection personnel.

"The Office of Investigation followed it

UMI

through part way, then turned it over to the FBI and the Justice Department," Peterson said. He added that no one took on the job of going back and examining the system to see if there were any pending problems.

"All of us were at fault in some degree," Peterson said, "in not recognizing the weaknesses in this kind of a private inspection system."

LAUDED IN BOOK

Other present and former officials concerned with investigations said that when the Office of Inspector General was headed by Lester P. Condon from 1962 to 1969 it worked well and was recognized as perhaps the closest thing to a department ombudsman in the entire federal government.

Walter Gellhorn, former Columbia University professor and an expert on ombudsman operations and other public grievance procedures, made laudatory mention of the Agriculture Department's inspector general in his book "When Americans Complain—Governmental Grievance Procedures."

The Gellhorn book was published in 1966.

On Jan. 9, 1974, Butz abolished the office of inspector general in an Agriculture Department reorganization.

In response to critics who asserted that one man should have both the audit and investigation functions, Butz said that he was handling this by having Under Secretary of Agriculture Phil Campbell responsible.

When Butz gave this explanation, representatives Whitten and Smith said Campbell had too many other duties as Number 2 man in the department to do the job.

Also, the under secretary and each of the assistant secretaries had program responsibilities that would inevitably result in a conflict of interest situation at some time that would eliminate the independent objectivity that was the strength of the inspector general, Smith said.

CREATING PRODUCTIVE MARSHLAND

Mr. MATHIAS. Mr. President, we are all affected by the finite nature of world resources. In critically short supply are productive regions where our salt and fresh waters commingle. The ramifications of this particular shortage cannot be overestimated since by and large estuaries are the most productive areas that can be found. In fact, 9 out of 10 species of fish reside at some point in their life cycle in an estuary. If there is a chance of feeding our expanding world population, then much of the food must come from the sea, and particularly estuaries. This requires that we maintain the integrity and health of productive estuaries.

In the estuary itself marshes are of critical importance. But with each passing year, more and more marshland is filled for recreational or residential use. In the long term we will pay a heavy price for these encroachments on fertile marshes.

Because of my great concern for the world's estuaries and particularly for the Chesapeake Bay, which is considered by many to be the most productive of estuaries, I was very pleased to read an article by Bayard Webster in the New York Times of Friday, May 2, entitled "Army Engineers Creating Salt Marshes From Sediment." A successful program to maintain the productivity of marshes must include not only strong conservation efforts to protect existing marshes, but also a program such as the one described in the Times article which turns depleted land into productive marsh.

While I have for some time been aware of the fine work conducted by Dr. Ed Garbisch and Environmental Concern, the organization which he heads, I am pleased that their work is now receiving the wide attention that it so greatly deserves. I ask unanimous consent that the article by Bayard Webster appearing in the Friday, May 2, issue of the New York Times, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARMY ENGINEERS CREATING SALT MARSHES FROM SEDIMENT

(By Bayard Webster)

The Army Corps of Engineers, whose dirty-red barges annually dredge up millions of tons of bay and river muck to keep the nation's harbors and waterways clear, is often accused of destroying wetlands and shellfish beds when its barges spew out their spoils.

But the success of some recent corps-sponsored marine biological experiments in the Chesapeake Bay area is causing the agency to consider using a significant part of the sediment to create living salt marshes instead of dumping it onto the nearest available land or water.

In three tidewater areas in Maryland and Virginia the lush green plants of newly made salt marshes now flourish on a base of silt and sand provided by Corps of Engineers dredges.

The marshes, ranging from two to 10 acres were grown for the corps by Environmental Concern, Inc., a nonprofit scientific corporation in St. Michaels, Md., that specializes in the preservation and creation of tidal wetlands.

"We're greatly encouraged by the way our two marshes have taken hold," said John P. O'Hagan, operation division chief of the Baltimore District of the corps. The marshes, planted a year ago, are near Cambridge and Hoopersville in Maryland's Eastern Shore.

IN ANY SPACE

"Up to now," he said, "there's been hardly any constructive use of harbor or bay spoil. We'd dump it wherever we could find the space—on open land or in the bay—sometimes to the detriment of oyster or clam beds or fish areas."

And often, he added, the corps would pipe its stream-bottom sediment to a wetland that a community official had wanted to fill in for a developer.

"But now, with the emphasis on preserving marshes and with what we know about their value as fish nurseries and storm barriers, we are looking at more beneficial ways of using the dredged material," Mr. O'Hagan said.

He pointed out that there are 4,000 miles of tidal shoreline on the Chesapeake Bay that is subject to erosion by wind and wave. The corps estimates that the bay shoreline erodes at a rate of one to 10 feet a year, depending on the location.

The creation of tidal marshes that are alternately inundated by water and then exposed to the sun and air and that have the ability to withstand and absorb wave action could solve the erosion problem in many bay areas of the nation, Mr. O'Hagan said.

"It's cheapter than building bulkheads. It's not a panacea but it can be a big help," he added.

At the headquarters of the Norfolk District of the corps, Elliot E. Whitehurst of the engineering division voiced similar approval of the corps-funded marsh that has been established near Wachapreague on Virginia's Eastern Shore.

"There are lots of areas where this can be applied," he said. "And it's cheaper to deposit the spoil overboard and build a marsh than to pipe it a mile or so inland to a disposal area."

The marshes were created under the supervision of Dr. Edgar W. Garbisch, the head of Environmental Concern. His group of 14 marsh and marine biology specialists is generally credited with creating the first man-made tidal salt marsh in this country in 1972, a three-acre plot near Hambleton Island, Md., in the Chesapeake.

After creating an intertidal sand flat, he and his workers planted some 60,000 seedlings by hand. Seven months later the marsh was flourishing and is now firmly established.

Today, Dr. Garbisch's group uses more mechanized methods to transplant seedlings and sow seeds that enable them more quickly to build a marsh of the traditional tidal-zone plant species such as Spartina alterniflora and cord grass.

In addition to the three corps projects, Dr. Garbisch's organization is exploring two additional sites for future corps-funded marshes.

"We've gotten to the point now where we know we can build a marsh," said Dr. Garbisch in an interview. "We're working on practical projects, not experiments."

He said that his group, in addition to acting as consultants to utilities and developers on marsh preservation projects, was also engaged in compiling an inventory of all existing or planned marsh research projects in the country for the Corps Waterways Experiment Station in Vicksburg, Miss.

Dr. Conrad J. Kirby, head of the station's environmental effects laboratory, said that the experiment station was engaged in a five-year, $30-million program to explore new, ecologically sound uses of part of the 380 million cubic yards of sediment the corps dredges up each year.

A dozen experimental projects in the program have just gotten under way. They range from attempts to establish a fresh-water marsh in the Columbia River in Oregon to building up a mangrove swamp in Florida's Tampa Bay.

"If we can find the uses that blend into natural wildlife systems, such as using spoil to make new game preserves, that's the kind of thing we're aiming for," Dr. Kirby said.

KENNETH KEATING: COLLEAGUE AND FRIEND

Mr. MATHIAS. Mr. President, the death of Kenneth Keating on May 6 took from us a former colleague, an experienced diplomat, a good friend, and, most important, a distinguished American whose service to his country was substantial and significant. He will long be remembered for his contributions to the improvement of many areas of American life. One of them was civil rights. As a Member of the House of Representatives, he was the author of many civil rights bills, including one on antilynching and another on fair employment practices. He was a coauthor of the bill that became the 1957 Civil Rights Act. He continued his efforts on behalf of civil rights when he came to the Senate. In addition to his consistent support for civil rights legislation, he was concerned about such matters as discrimination in the armed services, negative hiring policies of Federal agencies, and efforts within the Republican Party to emphasize the importance of civil rights. Ken Keating was, without a doubt, a major figure in the campaigns of the fifties and sixties to assure that all Americans were equal under the law. And that, let us remember, was just one of the areas of American life to which he contributed his interest and his energy. Mr. President, the Afro-American of September 8, 1964, contained a column about Ken Keating, written by our mutual friend, Clarence Mitchell, director of the Washington office of the National Association for the Advancement of Colored People. I ask unanimous consent that Mr. Mitchell's column be printed in the RECORD as a special tribute in which I join with Mr. Mitchell.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MILLIONS MAY CROSS PARTY LINE FOR LBJ

(By Clarence Mitchell)

With Senator Hubert Humphrey running as vice presidential nominee, the bold and altogether effective leadership given by President Johnson in the 1964 civil rights fight and the sneaky manner in which the Goldwater backers are trying to capitalize on race prejudice, it is easy to decide who should be in the White House. So far as I am concerned, it is Johnson and Humphrey.

It is my opinion that millions of pro-civil rights voters will cross party lines if they are Republicans and support the LBJ-Humphrey ticket. Pro-civil rights Republicans and Democrats will have a much harder choice in many of the House and Senate elections. Perhaps the hardest choice of all will be in the State of New York.

New York senators can usually be courted on to vote for civil rights. The two now in office, Jacob Javits and Kenneth Keating, not only vote for civil rights, they are also the men who carry the flag even when they must go against the leadership of their own party. Both have served in the House and from the first day that they took the oath of office they have been waging a brilliant and usually successful fight for civil rights.

This year Senator Keating is up for reelection. His opponent is the greatly cherished Robert Kennedy who seems so much like your best buddy in high school, college or every day life that no matter whether you address him as General Kennedy or Honorable Robert Kennedy you affectionately think of him as Bob. He, too, has fought the good fight for civil rights and has earned all of the good things one might say about him.

However, if I were eligible to vote in New York I would vote for Senator Keating. I would do so because of my warm friendship for him but more importantly because he is one of the men who must help to save the Republican Party from becoming a haven for advocates of white supremacy and racial discord. His victory in New York will retain a vital line of communication between the Republican Party in Congress and those who work for equal treatment under law.

ALWAYS BACKED RIGHTS

When President Eisenhower took office it was easy for House and Senate Democrats to advocate civil rights, because they did not mind needling the opposition party, Senator Keating, who was then the ranking Republican member of the House Judiciary Committee, called for civil rights legislation even though there were some who said it would embarrass his party to ask for it at that time.

In 1957 when a coalition of Southern, Northern and Western Senators of both parties killed a vital part of the civil rights bill, he was among the House members who fought to the end for restoration of the title that was lost. At all times, he has insisted that wherever the federal dollar is spent there must also be safeguards against racial discrimination.

At the opening of the Eighty-eighth Congress he was among the first to begin fighting for a senate rules change to halt filibustering and also to urge action against discrimination in places of public accommodation and in employment. When Senator James Eastland appointed a hostile sub-committee to conduct the hearings on Judge Thurgood Marshall, Senator Keating exercised his right as a member of the full Judiciary Committee to attend each day of the hearings and to fend off unfair attacks.

In the 1964 Civil Rights effort he helped fight for the whole package, including FEPC, at a time when many thought its inclusion would kill the bill. Again and again he busily worked with mid-western Republican senators to get them to support key procedural matter and important parts of the bill. The Justice Department was reluctant to include language which would give the federal government broader powers to protect Fourteenth Amendment rights, but Senator Keating wanted the powers included.

Now at election time he faces the double handicap of being the candidate whose party is led by an unpopular nominee and an opponent who is capable, attractive.

Yet he has entered the fight without yielding to compromise on his principles. With him in the Senate, GOP liberals will have a much needed strong voice in party councils. To the extent that he can help to keep his party a part of the Twentieth Century he will also help to keep the Nation in step with the times. In his long career in Washington he has never forsaken civil rights. I hope his loyalty will be matched by the voters on election day.

WHEELING, W. VA., HOSPITAL CONSTRUCTED WITHOUT FEDERAL FUNDS—VOLUNTEER EFFORT PRAISED—DEDICATION DRAWS THOUSANDS

Mr. RANDOLPH. Mr. President, on Sunday the citizens of the Wheeling-Ohio County area of West Virginia participated in the dedication of a modern hospital complex. This new facility, with 286 beds, will serve an area population of 250,000, most of whom are now within a 15-minute motor drive of superior health care. This hospital will be utilized by Ohioans and Pennsylvanians, as well as West Virginians.

This noteworthy ceremony represents a most remarkable achievement in that the Wheeling hospital complex, constructed at a cost of $25 million, contains no Federal funds. It is the culmination of some 10 years of planning, preparation, funding, and construction efforts by hundreds of persons, all of whom share an understandable satisfaction in seeing their goals become reality. It is also the 125th anniversary of the founding of this oldest health care institution in West Virginia. The Wheeling hospital complex is a tribute to the hospital board and staff, the Diocese of Wheeling-Charleston, and residents of the area. Some $2 million was raised just within the Wheeling community.

The realization of this modern and comprehensive health care facility is perhaps the finest example of the rebirth of individual responsibility in the recent history of our State. The project was carried forward by dedicated people working together to provide improved health care. Thousands of persons attended the ceremony and toured the hospital—an indication of the community interest in this program.

It was my privilege to join with the Most Reverend Joseph H. Hodges, Bishop of the Diocese of Wheeling-Charleston, Governor of West Virginia Arch A. Moore, Jr., and younger and older citizens in the dedication. The program, characterized by expressions of determination, partnership, understanding, hope and faith, causes me to recall the lines of Ella Wheeler Wilcox:

Say you are well, Or all is well with you;
and God shall hear your words and make them true.

And also the words of John G. Whittier:

The healing of His seamless dress, is by our beds of pain; we touch Him in life's throng and press, and we are whole again.

Mr. President, I ask unanimous consent that extracts from the dedication program be printed in the RECORD.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

DEDICATION PROGRAM

WHEELING HOSPITAL, MEDICAL PARK, WHEELING, W. VA.

1 o'clock Sunday, June 1, 1975

Master of Ceremonies: Howard V. Corcoran.

Invocation: Dr. Robert L. Larson, President, Greater Wheeling Council of Churches.

Welcome James Haranzo, Mayor

City of Wheeling

Flag Raising: Linsly Institute Color Guard, Drill Team and Band.

David S. Cunningham, President, Wheeling Hospital Board of Directors.

Herbert G. Dickie, Jr., M.D., President, Wheeling Hospital Medical Staff.

Samuel G. Nazzaro, Administrator, Wheeling Hospital.

The Honorable Jennings Randolph United States Senate.

The Honorable Arch A. Moore, Jr., Governor, The State of West Virginia.

Blessing of the Hospital Building: The Most Rev. Joseph H. Hodges, Bishop Diocese of Wheeling-Charleston.

Benediction: Rabbi Morton Kaplan, Temple Shalom.

1850–1975, WHEELING HOSPITAL'S 125TH ANNIVERSARY

The year was 1850. The Ohio Valley throbbed with growth. New industries . . . iron, glass, coal, cloth . . . were booming.

With its Ohio River port and new National Road, Wheeling became an important crossroads for a growing nation. Wheeling Hospital was founded in 1850 . . . the only hospital between Pittsburgh and Cincinnati.

Innovation inspired the man who founded Wheeling Hospital. At the age of eight, Simon Hullihen was seriously burned. Bedridden for two years, young Hullihen designed a pair of

shoes which permitted him to walk without a cane.

Dr. Hullihen invented surgical instruments and devised new procedures for operations. He is widely recognized as the "Father of Oral Surgery."

The Civil War etched a new testimonial to Wheeling Hospital's humanitarian record. The hospital was crowded with wounded soldiers from both the Union and Confederacy. When Union boats on the Ohio River passed Wheeling Hospital, the crews would pause to salute their fallen comrades.

IN THE PIONEERING SPIRIT . . .

In the pioneering spirit of its founder, Wheeling Hospital has been in the forefront of technological advancements.

West Virginia's first Coronary Care and Intensive Care Units were established at Wheeling Hospital. Coronary Care Units, featuring electronic monitoring, have dramatically increased the survival rate of patients following severe heart attacks.

SPIRIT OF '76 ALIVE

The new Wheeling Hospital is an outstanding example of the spirit that led to America's independence nearly 200 years ago.

"The Patriots in 1776 believed in taking care of their own needs. The new Wheeling Hospital proved Ohio Valley residents haven't forgotten the old-fashioned do-it-ourselves spirit," Howard Corcoran points out.

Advancement Fund Chairman Corcoran explains: "No federal grants were available for this new hospital. But Ohio Valley residents demonstrated they don't have to depend upon federal handouts to get needed facilities. The new Wheeling Hospital was built without one cent of federal money."

Corcoran continues. "We're confident that this public support will continue so we can deliver the full potential of the new medical complex."

WHEELING HOSPITAL BOARD OF DIRECTORS

Most Rev. Joseph H. Hodges, *Chairman of the Board.*
David S. Cunningham, *President.*
Edouard S. Ziegler, *Vice President.*
Rt. Rev. Msgr. F. J. Schwertz, P.A., *Secretary.*
Carlyle D. Farnsworth, *Treasurer.*
John Braddock, D.D.S.
D. Paul Camilletti.
Howard V. Corcoran.
Laurance F. Good.
Richard G. Herndon.
Philip C. Kirby.
Robert L. Levenson.
Col. Basil G. Lockhart.
Lee C. Paull, III.
John L. Seabright.
Ned C. Sheats.
Herbert M. Sonneborn, Jr.
George T. Welsh.
S. G. Nazzaro, *Administrator*

TREASURY STUDY SHOWS "TAX EXPENDITURES" WILL BENEFIT WEALTHY MOST

Mr. MONDALE. Mr. President, a Treasury study prepared at my request shows that the benefits from most "tax expenditures"—preferential tax provisions intended to encourage or reward specific activities—are concentrated heavily on taxpayers with the highest incomes.

Of the $58 billion in fiscal year 1974 tax expenditures, over 23 percent went to individuals with incomes of over $50,000, who make up only 1.2 percent of all taxpayers.

The 160,000 taxpayers with incomes of $100,000 or more received an average of $45,662 each in tax relief from the 57 tax expenditures on the Treasury list, while the 9.9 million taxpayers earning between $15,000 and $20,000 saved an average of only $901 apiece, and those from $10,000 to $15,000 saved only $556 each.

Tax expenditures are defined by the new Congressional Budget Act as the revenue losses attributable to Federal tax provisions—

> • • • which allow a special exclusion, exemption or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability.

The Senate Budget Committee, on which I serve, is required by the new law:

> To request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis.

The 57 tax expenditures on the Treasury list include the special tax treatment of capital gains, $6.7 billion; the tax exemption for state and local bond interest, $1.1 billion; excess depreciation deductions, $700 million; the investment tax credit, $880 million; deductions for home mortgage interest, $4.9 billion; property taxes, $4.1 billion; and medical expenses, $2.1 billion; and a variety of other provisions.

Many of the larger expenditures are very heavily concentrated in the higher income brackets. Over 88 percent of the $1.1 billion in tax relief going to individuals from tax-exempt State and local bonds goes to people with incomes over $50,000.

Over 62 percent of the $6.7 billion tax expenditure from the special tax treatment of capital gains goes to the 1.2 percent of taxpayers with incomes over $50,000, and over 47 percent goes to those with incomes over $100,000.

THE TAX EXPENDITURE CONCEPT

Mr. President, there is a good deal of misunderstanding about the concept of tax expenditures.

The concept is based on the assumption that the main purpose of an income tax system is simply to raise revenue, and that all taxpayers and all forms of income should, as nearly as possible, be treated alike. There are, of course, broad exceptions to this rule, such as the progressive rate structure and the provisions which take into account differing family sizes, but these are considered part of the basic structure of our income tax system.

However, when the Government seeks to use the tax system for other, more limited, purposes—to encourage oil drilling, exports, business investment, home building, and so forth—by giving preferential tax treatment to those who engage in those activities, it is in effect subsidizing them with money that must be made up by higher tax collections from others.

The practical effect is the same as if the Government took a portion of its tax revenues and made a direct grant to those who engage in the activities the Government wants to encourage or reward.

But instead of collecting the money from all taxpayers and granting it back to some taxpayers, it allows the favored taxpayers to keep the money and make it up by collecting more from everyone else.

These tax expenditures are thus a form of Government spending or subsidy, and they should be evaluated on the same basis as other forms of Government spending.

Calling these special tax provisions expenditures does not make them either good or bad. It is meant to be a neutral term, and it is intended only to require us to begin looking at these tax subsidies in the same way we look at other Federal spending programs. Their practical effect is the same, and they should be judged by the same standards.

Many tax expenditures serve a legitimate purpose and they should be continued. Others need to be examined to see whether they can be restructured so that their benefits are distributed more broadly and equitably. In still other cases, a direct expenditure, loan or guarantee program might work better than a tax expenditure, and we should consider substituting one for the other. And finally, some tax expenditures serve no defensible purpose at all, and should be abolished.

The new budget process will enable the Congress to review and analyze these tax expenditures in the same way we look at other Federal spending programs, so that we can make certain they are serving the purposes for which they were intended efficiently and at the lowest possible cost.

CONCENTRATION IN HIGHER BRACKETS

The concentration of tax expenditure benefits in the higher income brackets is one of the important reasons these provisions must be examined with great care. If the Federal Government is, in effect, going to be spending money to support or reward certain activities, we must determine whether it makes sense to do so under a system which provides the highest benefits to those with the highest incomes.

One reason why most tax expenditures provide more relief to those with higher incomes, is that they exclude or exempt from taxation income which would otherwise be taxed at a taxpayer's highest marginal rate. As a result, the tax benefit from a provision increases as a taxpayer's highest marginal tax bracket increases. For a taxpayer in the lowest, 14-percent bracket—making around $5,000 a year—each $100 deduction, exclusion or exemption is worth only $14 in reduced taxes. But for someone in the highest, 70-percent bracket—making over $200,000 a year—each $100 deduction, exclusion or exemption is worth $70 in reduced taxes.

This problem could be avoided by

changing deductions or exemptions into credits. Unlike a deduction, a credit is subtracted directly from the tax otherwise due, so it is worth the same amount in tax savings to all taxpayers, no matter what marginal tax bracket they are in. A $100 credit would save everyone $100 in taxes, rather than saving the rich $70 and the poor $14.

I have proposed, for example, that taxpayers be given the choice of taking a $200 credit for themselves and each dependent, instead of the present $750 personal exemption. This $200 optional credit would be worth more in tax savings than the $750 exemption to almost all families earning $20,000 or less.

The Senate approved this $200 optional credit earlier this year as part of the Tax Reduction Act, but it was dropped in conference and replaced by a $30 credit which may be taken in addition to the $750 exemption.

The use of a credit rather than a deduction could well be extended to other areas, such as the provisions dealing with home mortgage interest and property taxes. If properly structured, the credit could result in greater tax savings than the present deductions for the great majority of taxpayers.

Mr. President, I would like to express my thanks to the Treasury Department, and especially to Assistant Secretary Frederic W. Hickman and his staff, for their work on this tax expenditure study. These estimates are difficult to make, and the Treasury had many other demands that had to be met at the same time this work was being done.

MODIFICATIONS IN TREASURY LIST

One item is omitted from the Treasury list of tax expenditures which has been included on other lists—the maximum tax on earned income.

The maximum tax is estimated to cost $330 million in fiscal year 1974, and was included in the list of tax expenditures prepared by the staff of the Joint Committee on Internal Revenue Taxation—JCIRT—for the Senate and House Budget Committees.

The maximum tax was instituted in the 1969 Tax Reform Act, and limits the maximum marginal tax rate on earned income—wages, salaries, and so forth—to 50 percent, as compared to the maximum marginal rate on all other income of 70 percent.

Another item—untaxed capital gains at death—was included in the Treasury list at my request, but the $700 million cost attributed to it is far below the $5 billion cost estimated by the staff of the JCIRT.

The reason is that the Treasury assumes a specific limited form of taxation of these gains, and estimates the cost of this provision as merely the revenue gain that would result from this limited form of taxation.

This is not the way the cost of other tax expenditure items is estimated. The $6.7 billion cost of other capital gains, for example, represents the difference between taxing these gains as ordinary income, and the present favorable treatment. If the capital gains at death item is measured on this same basis, the cost for fiscal year 1974 comes to $5 billion.

The staff of the JCIRT is in the process of preparing a breakdown of the maximum tax and the capital gains at death items by adjusted gross income class, but this information is not available as yet.

I ask unanimous consent that tables showing a complete breakdown of individual tax expenditures by adjusted gross income class be reprinted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MONDALE. This information was supplied by the Treasury. The tables also show the following additional information, which was prepared by my office:

First. The aggregate total of all 57 tax expenditures, broken down by AGI class, along with the percentage of the total going to each AGI class, and to AGI segments (0–$10,000, $10–$20,000, $20–$50,000 and $50,000 and over);

Second. The percentage distribution of each tax expenditure by AGI segment (0–$10,000, $10,000–$20,000, $20,000–$50,000 and $50,000 and over).

EXHIBIT 1

ESTIMATED DISTRIBUTION OF TAX EXPENDITURES OF INDIVIDUALS BY ADJUSTED GROSS INCOME CLASS, FISCAL YEAR 1974

Adjusted gross income class	Number of taxable returns[1] (thousands)	Percent of taxable returns: By income class	Percent of taxable returns: By segment	Total tax expenditures by income class (millions)	Percentage distribution: By income class	Percentage distribution: By segment
0 to $3,000	4,057	6.1	46.9	$1,085	1.9	16.6
$3,000 to $5,000	7,579	11.3		1,738	3.0	
$5,000 to $7,000	8,273	12.4		2,357	4.1	
$7,000 to $10,000	11,428	17.1		4,403	7.6	
$10,000 to $15,000	15,952	23.8	38.5	8,875	15.3	30.6
$15,000 to $20,000	9,856	14.7		8,881	15.3	
$20,000 to $50,000	9,006	13.4	13.4	17,414	29.9	29.9
$50,000 to $100,000	655	1.0	1.2	6,116	10.5	23.1
$100,000 and over	160	.2		7,306	12.6	
Total	66,966	100.0	100.0	58,175	100.0	100.0

[1] Calendar 1974. Fiscal year 1974 figures are not available.

[Dollar amounts in millions]

Adjusted gross income class	Exclusion of benefits and allowances to Armed Forces personnel (1)	Percentage distribution by segment	Exclusion of military disability pensions (2)	Percentage distribution by segment	Exclusion of certain income earned abroad by U.S. citizens (3)	Percentage distribution by segment	Expensing of certain agriculture capital outlays (4)	Percentage distribution by segment	Capital gains treatment of certain agriculture income (5)	Percentage distribution by segment
0 to $3,000	$10	66.1	$1	66.1	$15	48.9	$10	33.6	$10	33.7
$3,000 to $5,000	135		13		13		35		30	
$5,000 to $7,000	160		16		7		60		55	
$7,000 to $10,000	125		13		9		90		80	
$10,000 to $15,000	110	25.4	11	26.1	7	15.6	115	31.9	105	31.7
$15,000 to $20,000	55		6		7		70		60	
$20,000 to $50,000	50	7.7	5	7.7	24	26.7	125	21.6	115	22.1
$50,000 to $100,000	4	.8	*		6	8.9	40	12.9	35	12.5
$100,000 and over	1		*		2		35		30	
Total	650	100.0	65	100.0	90	100.0	580	100.0	520	100.0

UMI

EXHIBIT 1

ESTIMATED DISTRIBUTION OF TAX EXPENDITURES OF INDIVIDUALS BY ADJUSTED GROSS INCOME CLASS, FISCAL YEAR 1974—Continued

[Dollar amounts in millions]

Adjusted gross income class	Expensing of exploration and development costs (6)	Percentage distribution by segment	Excess of percentage over cost depletion (7)	Percentage distribution by segment	Capital gains treatment of certain timber income (8)	Percentage distribution by segment	Deduction of nonbusiness state gasoline taxes (9)	Percentage distribution by segment	Housing rehabilitation 5-year amortization (10)	Percentage distribution by segment
0 to $3,000	•	5.0	$1	6.9	•	12.7	$1	12.6	$2	4.0
$3,000 to $5,000	$1		5		$2		5		•	
$5,000 to $7,000	1		4		2		22		•	
$7,000 to $10,000	2		11		3		81		•	
$10,000 to $15,000	10	22.5	19	13.1	4	12.7	198	47.7	2	8.0
$15,000 to $20,000	8		21		3		215		2	
$20,000 to $50,000	19	23.8	76	24.9	10	18.2	307	35.5	6	12.0
$50,000 to $100,000	13	48.8	62	56.1	9	56.4	28	4.2	14	76.0
$100,000 and over	26		106		22		8		24	
Total	80	100.0	305	100.0	55	100.0	865	100.0	50	100.0

[Dollar amounts in millions]

Adjusted gross income class	Exclusion of scholarships and fellowships (11)	Percentage distribution by segment	Parental personal exemptions for student age 19 and over (12)	Percentage distribution by segment	Deduction of contributions to educational institutions (13)	Percentage distribution by segment	Deduction of child and dependent care expenses (14)	Percentage distribution by segment	Exclusion of employer contributions to medical insurance premiums and medical care (15)	Percentage distribution by segment
0 to $3,000	$6	68.7	•	2.3	•	0.8	•	17.0	$26	17.5
$3,000 to $5,000	39		$8		•		$1		73	
$5,000 to $7,000	48		38		$1		7		131	
$7,000 to $10,000	41		100		2		31		285	
$10,000 to $15,000	31	25.6	212	12.1	3	6.5	85	77.0	662	44.8
$15,000 to $20,000	19		129		20		92		655	
$20,000 to $50,000	11	5.6	74	11.3	64	18.0	14	6.1	827	28.1
$50,000 to $100,000	•		73	14.4	65	74.6	0		193	9.6
$100,000 and over	•		21		200		0		88	
Total	195		655	100.0	355	100.0	230	100.0	2,940	100.0

[Dollar amounts in millions]

Adjusted gross income class	Deduction of medical expenses (16)	Percentage distribution by segment	Exclusion of social security disability insurance benefits (17)	Percentage distribution by segment	Exclusion of social security OASI benefits for aged (18)	Percentage distribution by segment	Exclusion of social security benefits for dependents and survivors (19)	Percentage distribution by segment	Exclusion of railroad retirement system benefits (20)	Percentage distribution by segment
0 to $3,000	$4	19.7	$44	20.6	$470	70.4	$80	70.7	$30	70.6
$3,000 to $5,000	38		43		460		75		29	
$5,000 to $7,000	112		35		380		60		24	
$7,000 to $10,000	264		44		470		75		30	
$10,000 to $15,000	481	40.3	31	18.7	330	18.6	55	18.3	21	18.8
$15,000 to $20,000	376		13		140		20		9	
$20,000 to $50,000	634	29.8	20	8.5	215	8.5	35	8.5	13	8.1
$50,000 to $100,000	145	10.2	4	2.1	45	2.6	5	2.4	3	2.5
$100,000 and over	71		1		20		5		1	
Total	2,125	100.0	235	100.0	2,530	100.0	410	100.0	160	100.0

[Dollar amounts in millions]

Adjusted gross income class	Exclusion of sick pay (21)	Percentage distribution by segment	Exclusion of unemployment insurance benefits (22)	Percentage distribution by segment	Exclusion of workmen's compensation benefits (23)	Percentage distribution by segment	Exclusion of public assistance benefits (24)	Percentage distribution by segment	Net exclusion of pension contributions and earnings: Employer plans (25)	Percentage distribution by Segment	Plans for self-employed and others (26)	Percentage distribution by segment
0 to $3,000	$10	26.3	$50	37.1	$25	37.5	$30	100.0	$15	9.7	•	1.3
$3,000 to $5,000	16		80		40		25		50		•	
$5,000 to $7,000	17		100		50		15		110		$1	
$7,000 to $10,000	24		160		80		5		290		2	
$10,000 to $15,000	66	49.4	250	38.1	120	31.5	•		790	37.2	6	7.4
$15,000 to $20,000	60		150		75		•		990		11	
$20,000 to $50,000	57	22.4	200	19.0	100	11.2	•		1,740	36.3	107	46.5
$50,000 to $100,000	4	2.0	50	5.7	25	5.8	•		545	16.8	87	44.8
$100,000 and over	1		10		5		•		260		16	
Total	255	100.0	1,050	100.0	520	100.0	75	100.0	4,790	100.0	230	100.0

[Dollar amounts in millions]

Adjusted gross income class	Exclusion of premiums on group term life insurance (27)	Percentage distribution by segment	Exclusion of premiums on accident and accidental death insurance (28)	Percentage distribution by segment	Exclusion of privately financed supplementary unemployment benefits (29)	Percentage distribution by segment	Exclusion of employer furnished meals and lodging (30)	Percentage distribution by segment	Exclusion of capital gain on house sales if age 65 or over (31)	Percentage distribution by segment
0 to $3,000	$5	16.9	•	17.5	•	40.0	$1	17.1	$1	20.0
$3,000 to $5,000	15		$1		•		4		•	
$5,000 to $7,000	30		2		$1		8		•	
$7,000 to $10,000	65		4		1		17		1	
$10,000 to $15,000	155	45.6	9	45.0	2	60.0	39	44.6	1	20.0
$15,000 to $20,000	155		9		1		39		1	
$20,000 to $50,000	190	27.9	11	27.5	•		50	28.6	2	20.0
$50,000 to $100,000	45	9.6	3	10.0	•		12	9.7	2	40.0
$100,000 and over	20		1		•		5		2	
Total	680	100.0	40	100.0	5	100.0	175	100.0	10	100.0

[Dollar amounts in millions]

Adjusted gross income class	Excess of percentage standard deduction over minimum standard deduction (32)	Percentage distribution by segment	Additional exemption for the blind (33)	Percentage distribution by segment	Additional exemption for age 65 or over (34)	Percentage distribution by segment	Retirement income credit (35)	Percentage distribution by segment	Exclusion of veterans disability compensation (36)	Percentage distribution by segment	Exclusion of veterans pensions (37)	Percentage distribution by segment
0 to $3,000		6.2	•	46.7	$7	48.3	$1	61.0	$61	43.5	$17	100.0
$3,000 to $5,000	$1		$1		95		18		39		8	
$5,500 to $7,000	13		3		185		22		44		•	
$7,000 to $10,000	64		3		268		20		67		•	
$10,000 to $15,000	645	79.1	3	33.3	196	26.3	19	28.0	102	35.9		
$15,000 to $20,000	352		2		106		9		72			
$20,000 to $50,000	178	14.1	2	13.3	211	18.3	10	10.0	87	17.9		
$50,000 to $100,000	6	.55	1	6.7	56	7.1	1	1.0	10	2.7		
$100,000 and over	1		•		26		•		3			
Total	1,260	100.0	15	100.0	1,150	100.0	100	100.0	485	100.0	25	100.0

[Dollar amounts in millions]

Adjusted gross income class	Exclusion of GI bill benefits (38)	Percentage distribution by segment	Credits and deduction for political contributions (39)	Percentage distribution by segment	Exclusion of interest on State and local debt (40)	Percentage distribution by segment	Exclusion of income earned in U.S. possessions (41)	Percentage distribution by segment	Deduction of nonbusiness State and local taxes (other than on owner-occupied homes and gasoline) (42)	Percentage distribution by segment
0 to $3,000	$34	87.2	•	20.0	•	0.09	•		$1	4.4
$3,000 to $5,000	124		•		•		•		13	
$5,000 to $7,000	60		$1		•		•		55	
$7,000 to $10,000	35		1		$1		•		239	
$10,000 to $15,000	16	9.0	2	40.0	4	2.5	1	60.0	661	24.1
$15,000 to $20,000	10		2		22		2		1,016	
$20,000 to $50,000	9	3.1	3	30.0	98	9.3	2	40.0	2,968	41.7
$50,000 to $100,000	2	.69	1	10.0	389	88.2	•		1,063	28.8
$100,000 and over	•		•		546		•		939	
Total	290	100.0	10	100.0	1,060	100.0	5	100.0	6,955	100.0

[Dollar amounts in millions]

Adjusted gross income class	Depreciation on rental housing in excess of straight line (43)	Percentage distribution by segment	Depreciation on buildings (other than rental housing) in excess of straight line (44)	Percentage distribution by segment	Investment credit (45)	Percentage distribution by segment	Dividend exclusion (46)	Percentage distribution by segment	Capital gain (other than farming and timber) (47)	Percentage distribution by segment
0 to $3,000	$2	10.4	$2	10.9	$1	13.2	$3	15.0	$76	5.7
$3,000 to $5,000	6		3		12		8		34	
$5,000 to $7,000	10		6		32		11		81	
$7,000 to $10,000	21		13		71		26		158	
$10,000 to $15,000	42	21.3	25	21.4	149	32.3	42	27.5	304	9.5
$15,000 to $20,000	38		22		135		46		282	
$20,000 to $50,000	128	34.1	75	34.1	300	34.1	134	41.9	1,137	18.5
$50,000 to $100,000	80	34.1	47	33.6	108	20.5	37	15.6	969	66.3
$100,000 and over	48		27		72		13		3,109	
Total	375	100.0	220	100.0	880	100.0	320	100.0	6,150	100.0

UMI

EXHIBIT 1

ESTIMATED DISTRIBUTION OF TAX EXPENDITURES OF INDIVIDUALS BY ADJUSTED GROSS INCOME CLASS, FISCAL YEAR 1974—Continued

[Dollar amounts in millions]

Adjusted gross income class	Exclusion of interest on life insurance savings	Percentage distribution by segment	Deferral of capital gain on home sales	Percentage distribution by segment	Deduction of mortgage interest on owner-occupied homes	Percentage distribution by segment	Deduction of property taxes on owner occupied homes	Percentage distribution by segment	Deduction of casualty losses	Percentage distribution by segment
0 to $3,000	$10	19.7	$1	14.1	*	6.8	$1	7.7	*	9.8
$3,000 to $5,000	60		7		$13		24		$3	
$5,000 to $7,000	90		9		52		66		4	
$7,000 to $10,000	120		19		265		221		18	
$10,000 to $15,000	200	26.1	42	30.9	886	41.5	583		54	37.6
$15,000 to $20,000	170		47		1,133		771	33.3	42	
$20,000 to $50,000	420	29.6	98	30.4	2,078	42.7	1,774	43.7	74	29.0
$50,000 to $100,000	195	24.6	21	12.5	348	9.1	407	15.3	34	23.5
$100,000 and over	155		11		95		213		26	
Total	1,420	100.0	255	100.0	4,870	100.0	4,060	100.0	255	100.9

[Dollar amounts in millions]

Adjusted gross income class	Deduction of charitable contributions (other than for education)	Percentage distribution by segment	Deduction of interest on consumer credit	Percentage distribution by segment	Additional items for Senator Mondale: Untaxed capital gains at death [1]	Percentage distribution by segment	Deferral of income of controlled foreign corporations	Percentage distribution by segment	Asset depreciation range	Percentage distribution by segment
0 to $3,000	$3	7.3	*	4.8	$18	11.4	*		*	13.3
$3,000 to $5,000	18		$7		8		*		*	
$5,000 to $7,000	67		26		18		*		$5	
$7,000 to $10,000	190		133		36		*		9	
$10,000 to $15,000	445	26.0	443	41.5	70	19.1	$1	10.0	10	19.0
$15,000 to $20,000	548		567		64		2		10	
$20,000 to $50,000	1,251	32.7	1,039	42.7	194	27.7	7	23.3	36	34.3
$50,000 to $100,000	506	34.0	174	9.0	112	41.7	7	66.7	25	33.3
$100,000 and over	792		46		180		13		10	
Total	3,820	100.0	2,435	100.0	700	100.0	30	100.0	105	100.0

[1] Carryover of basis to heirs. (Effect after 10 yrs. Assumes heirs have lower marginal rates.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The period designated for the transaction of routine morning business under the previous order having ended at 12:40 p.m., morning business is concluded.

Mr. STENNIS. Mr. President, I had understood that the time for morning business to be concluded had arrived.

The ACTING PRESIDENT pro tempore. The Senator is correct. Morning business has been concluded under the previous unanimous-consent agreement. The Senator from Mississippi may proceed.

Mr. STENNIS. Mr. President, what is the pending business before the Senate?

The ACTING PRESIDENT pro tempore. There is no pending business. To take up the unfinished business before the hour of 2 p.m. would require a motion to proceed to its consideration.

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

Mr. STENNIS. Mr. President, I move that the Senate proceed to the consideration of the unfinished business, S. 920, the military procurement bill, which was carried over from the last day preceding the recess.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Senate will proceed to the immediate consideration of S. 920.

Mr. STENNIS. I thank the Chair.

Mr. President, one observation now: It is the understanding of the Senator from Mississippi that the control of time heretofore entered into, on the amendments and in the bill, does not apply for today and tomorrow and until amendments are actually taken up.

The Senator from California had to be detained for a few minutes from the Chamber, and I will mention that matter again on his return, unless the Chair is ready to rule.

The ACTING PRESIDENT pro tempore. It is the Chair's understanding that there is a general limitation of 10 hours. The unanimous-consent agreement provides that on Monday, June 2, 1975, the Senate will resume consideration of the military procurement authorization bill with no votes thereon to occur on that day.

Provided, further, that there be a limitation of time on debate on Monday and Tuesday, June 2 and 3, of not to exceed 10 hours to be equally divided and controlled by the Senator from Mississippi (Mr. STENNIS) and the minority leader or his designee.

Mr. STENNIS. Mr. President, I have before me now a copy of this unanimous consent wherein Monday and Tuesday are expressly covered. My concern was regarding the 5 hours mentioned later, and the 3 hours also mentioned. They are not involved in today's proceedings—I am talking about that time limitation.

I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. STENNIS. I thank the Chair.

Now, Mr. President, as we continue the consideration of S. 920 today I believe that the Senate floor discussion, today and tomorrow, will be on various background issues and questions covering foreign and military policy. All the questions will be quite useful, of course, although some of these may not relate directly to the items of the bill.

Mr. President, later I will make some remarks with reference to the matter of foreign policy, and considerations of policy, being primarily the concern and the jurisdiction of the Senate Foreign Relations Committee, although there is an overlap of interest, and there is relation between the two committees. But I want to make it clear all the way through that I stand for the jurisdiction of the various committees being respected.

(At this point, Mr. GLENN assumed the chair.)

Mr. STENNIS. Now, Mr. President, I will comment briefly at this point about the work that has been done by the Armed Services subcommittees on this legislation. Each subcommittee chairman will speak in detail on his subject, but I would like to emphasize now and recognize the fine contribution made by the Tactical Air Subcommittee, whose chairman is the Senator from Nevada (Mr. CANNON); the Research and Development Subcommittee, whose chairman is the Senator from New Hampshire (Mr. McINTYRE); and the Manpower Subcomittee, whose chairman is the Senator from Georgia (Mr. NUNN). In addition, Senator CULVER and Senator BARTLETT made an in-depth study on the matter of Army tanks, and presented a fine report to the committee on this subject.

The contributions this year of Senator THURMOND, ranking minority member, as always, were very important and are greatly appreciated.

I also want to personally and officially thank each member of our committee for the work that each of them did over the period of months that the facts in this case were being developed and this bill was being prepared and marked up.

This is actually a committee-written bill, as will appear more and more as this debate goes on.

Mr. President, the Senate begins the debate on this military procurement authorization bill at an uncertain time in our Nation's history. This authorization bill, let us remember, does not cover the entire military program, the entire military appropriation items. It covers what we call the hardware—the guns, the tanks, the ships, the submarines, the planes, the missiles, and another highly important item, too, research and development.

Each morning during recent weeks the newspapers have been reminding us that the Vietnam war is over. But I have to advise the Senate that while the war is over the state of the world and its climate have not materially changed. The circumstances which have helped to shape this military procurement bill are substantially the same or worse than they were before the windup in Vietnam.

Let me emphasize, Mr. President, that a vital part of this bill is to defend the people of the United States, the people in every State of the Union represented by the entire membership of the Senate. I refer to our so-called strategic forces which will be used to counterattack against the Russians or anyone else in the event they start a nuclear war against this country. These forces are our own real deterrent.

This bill also includes other matters, not just the strategic forces, but programs to protect our interests as we talk about our commitments and our promises. I have never lost sight of the fact, and we must not lose sight of the fact, that this bill is keyed to our own programs and our own policies. It is in our interest, for our benefit, in the judgment of the men who pass on them, so that our people who are paying the taxes are the ones given first consideration.

Another powerful fact in this entire picture that we cannot overlook is the fact of our growing dependence on foreign resources, raw material. This country imports, to some extent, 53 of the 65 basic raw materials used today by American industry. The United States, with only 5 percent of the world's population, consumes over 27 percent of the raw material produced throughout the world annually. So we cannot airily assume that we are not in danger ourselves or that our lifelines are not in danger or our trade routes are not in danger. Further, with regard to oil with which we are preoccupied daily, the United States in 1974 imported 35 percent of its crude oil and refined petroleum products.

By 1985, with only current consumption, it is estimated the United States will import 50 percent of its oil needs.

Of course, I hope that we can improve on that situation, but just 10 short years away, only with current consumption standards, as I say, we will import 50 percent, or very near 50 percent, of the oil needs.

So in dealing with these large foreign policy issues, we should never forget that we are not only protecting our allies—we speak of these commitments—but we have the most important commitment of all to our own people. We are not only protecting the allies, but protecting our own people and much of the material upon which this country and its economy are dependent.

Now, further with reference to these actual commitments and the situation in the world today:

First. The United States is broadly committed around the world, and U.S. troops are widely deployed in support of those commitments.

Second. The political situation, in some parts of the world, is such that severe strains could result on those U.S. commitments. I will mention East Asia, the Middle East, and Cyprus without trying to name them all.

Third. In this situation the Soviet Union is continuing its inexorable expansion of force—both strategic and conventional.

There is no doubt about that, there is no question about it. We might disagree as to the interpretation of it, but those matters have been steadily happening for several years. This expansion by the Soviet Union is enough to count and enough to move toward closing the gap, not fully, but the unquestioned trend is to close that gap in an effective way.

I do not mean to paint the picture too darkly. However, all of us should understand that the end of the Vietnam war has not helped very much when it comes to deciding what is needed, really needed, for national security. In that context, as I have said, it is an uncertain world indeed that we are in today.

If further proof of this were needed, it has been abundantly provided in the recent ship seizure and recovery in the Gulf of Siam. Whatever else has been demonstrated there, it is clear that, for the present, at least, no nation is too new, too small, too weak, or too remote—that is the thing that challenges me more, that got my concern more than anything else—to challenge the United States if the proper opportunity presents itself and if such a challenge appears to serve national interests.

In this situation, I believe the United States must make it clear that it will maintain the weapons and manpower necessary to protect its own interests. I think the committee bill, S. 920, does provide that strength, and I urge the Senate to approve it.

I believe that if we can get a full understanding of this bill here, and that is not an easy job, it will be left substantially intact.

This is a committee-written bill. We spent 5 or 6 days around the big table writing up this bill. We took many votes, many rollcall votes, many other votes, tabulated votes. There was some disagreement at times on various matters, some members changed positions, and we would make some concessions and find a place in which to meet.

I believe when these matters are fully understood by a majority of this body that the position we finally formed will be unshakable.

I am one that favors and encourages debate and consideration of any item of the bill that any Senator wishes to discuss, but I do think that an attempt to just come in and put an overall ceiling on the bill is an attack on the committee system, not on the committee members, but on the system itself. I have said this many times, that it is an assault on the committee system. I am going to ask that every Member of this body think a long time before that vote, before voting to sustain a position like that.

The bill: The overall total of administration requests for fiscal 1976 was $29.9 billion, a substantial increase over requests of last year. The Armed Services Committee has approved a bill totaling about $25 billion in round numbers. I used round numbers to keep from stringing out a long list of figures. In addition, the committee approved $5.3 billion of the $5.9 billion requested for the 3-month transition period which is called fiscal 197T.

As a general proposition, regardless of what the figures show, provision for that 3-month period is very much in line with the 12-month period. Any difference is largely due to the stage at which some of the weaponry is being developed.

The $4.8 billion in committee reductions for fiscal 1976 amounts to 16.2 percent of the overall $29.9 billion requests. It is a 12.6-percent reduction excluding the $1.3 billion requested for aid to South Vietnam which was deleted. It is a 9.4-percent reduction excluding Vietnam and the cuts in a Navy fund to offset cost escalations on ship programs of prior years.

These figures are brought forward with reference to the $1.3 billion requested for aid to South Vietnam be-

UMI

cause the overall figures have been used by us and other committees, including the Budget Committee, after the calculations were made and while these events in South Vietnam were happening that made this request obsolete. Time has passed by. But to keep the figure straight, to make it coincide with other statements and reports, it must be brought forward each time.

The important thing is that this reduction in the basic procurement and R. & D. authorizations—and that is what the bill covers—is by any test the largest percentage reduction recommended by the committee in these programs since 1967, which goes back to a certain part of that war, and this is the largest reduction made, you might say, in very modern and in recent years.

These percentage reductions are also somewhat larger than the 6.5-percent cut in budget authority and the 3.5-percent reduction in outlays recommended in the new Congressional budget resolution with respect to entire defense budget of which this bill, S. 920, is only a part.

This bill is, in short, consistent with the budget resolution.

We can argue about these figures, Mr. President, back and forth. We can take various approaches to the bill, the percentages, and the comparisons. But I believe our committee can stand on these facts that I have just related about these reductions and compare them with previous years, taking into account some very fine work that is being done by our new Budget Committee.

I want to make clear, however, that there may be questions with respect to appropriations if military pay raises are greater than the 5 percent provided in the President's budget and the additional cost, about $1.8 billion, must be accommodated within the $107.7 billion requested budget authority. I relate again that operation and maintenance funds are not included in this bill and never have been; that pay for military and civilian employees is not included in the dollar request of this bill and comes into consideration only in that we do set the strength level of military personnel and the civilian employees. But those other matters do not have to be expressly authorized to be appropriated by the Appropriations Committee.

In recommending manpower strengths, as we do annually in the procurement bill, the committee has also made modest reductions, about 1 percent of the Pentagon request for regular forces totaling 2.1 million, or about 2 percent in the 985,000 requested for civilian employment. What is important here is that the reductions in military strength can be accomplished in command headquarters, in support elements reduced as a result of combat force withdrawals from Thailand, in base operating support personnel, and in training staff overhead. The reduction recommended in these categories will not affect combat capability.

Mr. President, I do not know whether we are going to have any amendments about manpower or not, but this committee for several years has gone into these manpower questions to a depth heretofore unknown to the Senate. Through that indepth process we have carried to the Senate-House conference room for several consecutive years recommendations that we made which were approved by the Senate for these reductions. They were not meat axed but systematic, indepth, considered and specific reductions in fields where the fat was.

To a degree those recommendations, in votes of the Senate, have been accepted in conference and have become law. They have been a controlling factor with reference to manpower. We are down to a level now, in view of world affairs and our own security, where the committee believes we are about as low as we should go until at least some of the dust settles—and hopefully it will settle some—and until there is some kind of improvement. There is where your big money is, Members of the Senate, in the personnel account.

I will speak on this again later, but the personnel account which I have been talking about, while it has been reduced, is where the big money is. Frankly, I feel that some pay figures were set too high. I think we increased them too much, as the record will show. But the scales were voted in by the Senate and I respected the Senate position and I respect it now. But I know that some of those who are now wanting to reduce manpower costs were right up there in front fighting for these tremendous increases when they were made, making for tremendous increases in the cost of personnel.

I am not arguing now who was right and who was wrong. I just say that we have this manpower and it costs money to pay them. You can take one-third of the weaponry out of this bill and we will still have the manpower and will have to pay them. That is where a lot of the big money now goes in this whole military program.

There are different ways to figure the percentage. One approach is to just take the bare manpower alone, salaries and matters tied directly to the person. Under those figures you get about 53 percent of the military budget, I believe. If you add in other matters, like food and travel, as I recall, and go into other items of operation and maintenance, things that do not go to the individual as his property, you can run that figure up into the 60's, some 61 or 62 percent of the military dollar going for manpower purposes. Any way you approach it, the big money has already moved over from the weaponry side to the personnel side of the ledger.

I do not have one dollar—not one dollar—to throw away or lavishly spend with reference to weapons. They cost a lot of money on an individual weapon basis. I want us to get them at the lowest price we can, and still maintain the quality, and I want to get just as few weapons as we think we should.

At the same time, we have obligations to meet, first to the people of the United States as regards their security. Then, tied in with that security, is the question of these commitments that we have made. I believe you will find that every one of those commitments that we made was said to be in the interest of the United States.

It was my privilege to be here when all of those commitments were made. I got the feel of them at the time they were being made. I believe it would be well if we would go back and review the feel, the spirit and the necessity for those agreements. Frankly, I did not vote for all of them, but time has moved on a long way and we cannot just wish them away.

My main point is that with conditions as they are now it is just the wrong time to be lessening our preparedness or unilaterally withdrawing our forces beyond the strength around which we have tried to build into this bill. I say I welcome debate, but we saw what happened the week before last. These matters came up in the House of Representatives in a very sharp, vivid way.

In vote after vote after vote in the House of Representatives, those men turned down those proposals for these reductions, turned them down without exception, those that were of substance one time the vote was 2½ to 1 against one of the proposals for reduction, another one about 2 to 1 against reductions, and on down to a lesser figure. But all of the proposals of substance were defeated by a considerable margin, except one, as I recall, which was fairly close.

Those were votes reflecting the judgment of these men who have been most recently elected. All of them have very recently been elected. They made a judgment of responsibility, and that reflects the way the people feel.

I do not claim to know how the people feel, but I use what commonsense I have. I think the people who have thought about this matter from a commonsense standpoint do not think that now is a time for us to be taking chances, shaving things too thin.

Mr. President, I will discuss certain programs within the procurement and research and development categories. But before I do that, again I thank the Subcommittee on Research and Development, chaired by the Senator from New Hampshire (Mr. McINTYRE), and each individual member, for his work in this field. Here is where we find some difference of opinion, but there would be something the matter with us if there were not a difference of opinion. This $9 billion account is gone into in great depth by the staff assigned to this project that works on this 12 months of the year, and many members of the committee work on it just about that much time, too.

Among programs involving procurement and these research and development accounts the committee approved most of the requests totaling $2.3 billion for the Trident submarine and the new Trident missile, as follows:

In the R. & D. accounts for fiscal year 1976, $816.3 million, of which the major portion is for work on the new missiles—$732.5 million. In the fiscal 1976 procurement accounts, $602.6 million for the submarine and $235.7 for missiles.

In the 197T R. & D. accounts, $184 million of which all but $12.5 million is for work on the Trident missiles. In the 197T procurement accounts, $253 for long lead components submarine construction and $181.2 for missiles.

For the B–1 bomber, the committee voted to deny advance production requests—$77 million for fiscal year 1976 and $31 million for fiscal year 197T—and certain requests for production-related research and development—$75 million for fiscal year 1976 and $39.3 million for fiscal year 197T. The committee approved research and development authorizations—$597.2 million for fiscal year 1976 and $129 million for fiscal year 197T—which will permit the building of a fourth B–1 prototype but delay an initial production funding decision on the bomber until next year.

That is the way this matter was settled, and this is a major part of the new airpower of the Triad as we call it—this is the big new bomber, which is very expensive. I do not say that anyone can fully explain all of the cost increases except to take an overall look at the time in which this is being built. It is a great pity, as we can see now when hindsight is so accurate, that we did not get started on this earlier.

But, anyway, that is the recommendation of the committee, that this fourth prototype be built, but defer the initial production funding decision on the bomber until next year. We will have the benefit then of another year's experience with it.

With respect to the tank program, a special task force reviewed these requests. The Senator from Iowa (Mr. CULVER) and the Senator from Oklahoma (Mr. BARTLETT) were members of the special task force. On their recommendation the committee voted a $726 million tank program for fiscal year 1976 and $210.4 million for 197T, including $51.8 million in R. & D. authorizations for the new XM–1 tank in fiscal year 1976 and $9.3 million in 197T. Total funding reductions for the 15-month period were $114.5 million. The authorized program includes 910 new tanks—M–60—and 636 modifications to M–48 tanks.

Mr. President, here is an illustration of a matter which was highly contested, and contested in good faith, by some of the Senators not on the committee. Two members of our committee went into this matter thoroughly. They developed the facts, brought in a recommendation to the committee, and after going over it fully we adopted it. As I understand from one Senator, who had heretofore objected to the tank program, he now has withdrawn his amendment or his idea of having an amendment attacking it, reducing it, and is going to accept the work of the committee on that score.

I just use that as an illustration of the in-depth consideration. These men were not trying to please anyone, and the committee was not trying to please anyone. But they did the work, and it stands on its own merit.

I commend the Senator from Iowa (Mr. CULVER) and the Senator from Oklahoma (Mr. BARTLETT), and thank them for their very helpful work on this matter.

That is a highly important weapon, and there will be more about that next year.

I would also like to say a word here about the advanced airborne command posts. This is the program for equipping jumbo jet liners with sophisticated electronics and communications equipment for use by the President and other leaders in time of emergency.

During our hearings I noted the difficulties encountered in the continuing development of the equipment for these planes and questioned the procurement requests for three of the aircraft in the transition period. I am glad to report that the Defense Department has abandoned that procurement plan for the present and of course we have denied the $185.8 million request.

But that does not mean that there is anything basically the matter, as I understand it, with this advanced airborne command post. In fact, I went out and went though one of these planes not too many days ago. One cannot understand a matter like that in a few minutes—not when I spent about 40 minutes in it—but I can understand better whether the other fellow knows what he is talking about if he is attacking the program. So this matter is not discredited in any way. That is just carried over until some very sophisticated equipment can be worked out. There is something there that will be a great asset and a tremendous one, to anyone who ever has to make those decisions—those decisions facing a President and his staff, which, God forbid, may never have to be made by our present President or any future President, or any one of his staff.

The committee, on subcommittee recommendation, also approved requests for the smaller, lighter, lower cost fighter planes for the services, reducing authorizations for the F–16 for the Air Force—to $221 million 1976 and $69.7 million in 197T—and supporting requests for development of the aircraft designated F–18 by the Navy—$110.2 million in 1976 and $22.6 million in 197T.

Our Tactical Air Power Subcommittee, again under the chairmanship of Senator CANNON, reviewed the programs relating to tactical air. The Senate is greatly indebted to Senator Cannon and his subcommittee for their work in this area.

On recommendation of the subcommittee approved substantially intact, the Air Force requests for the F–15 fighter—108 aircraft in fiscal year 1976 for an authorization of $1.4 billion and 27 in 197T, authorization of $319.5 million. Similarly recommended and approved was the Navy request for the F–14—36 aircraft for fiscal year 1976, at $510.3 million; 9 for 197T, at $75.3 million.

I refer now briefly to a somewhat controversial program handled by the Subcommittee on Research and Development which was AWACS, the warning and control aircraft for possible battle areas such as NATO. The committee defeated a motion to delete all authorizations for AWACS and authorized the sum of $689.7 million for procurement and research and development as requested for six AWACS aircraft for fiscal 1976. That will be taken up, as I understand, here in debate. Our report states that a total of 20 to 24 of these planes should be the overall U.S. goal, rather than the previously mentioned 31, and it urges NATO nations to act on acquiring their share of this system for European air defense.

The committee's position will be presented fully. I have followed this program all the way with some concern especially to the cost. When the need is realized and the performance so far is understood, the program falls into line.

PROCUREMENT

Procurement requests totaled $18.4 billion for fiscal 1976 and $3.2 billion for 197T. The committee reduced that 1976 total to $15.3 billion—a reduction of 16.6 percent—and cut the transition requests to $2.8 billion.

Among the actions taken in this area, in addition to items already discussed, were these:

For Navy shipbuilding programs initiated in 1975 and prior years, the Defense Department requested $2.3 billion in authorizations to offset cost growth and escalation. The committee voted to authorize $1.3 billion for cost growth and escalation in those prior years and deleted authorizations for obligations which will not become due in fiscal year 1976. That is a matter into which I will go in more depth later. It involves crucial years when defense as well as nondefense materials—procurement items, from buildings on up—encountered enormous cost growth. The committee held back on some of these requests, with the idea that we could get the benefit if prices improved and things settled down during the intervening 12 months. We could get the benefit of that and finish out this authorization, which will have to be made at some figure in fiscal 1977.

We do not want anyone to be misled. Taking that out of the bill now does not solve the problem. We will have to come back, and more money will have to be appropriated.

On the stockpile for allies, the committee denied a $300 million request in fiscal year 1976 to set up a special contingency fund for replenishing U.S. weapon inventories in anticipation for foreign sales from those inventories. That is a matter in which we were not able to arrive satisfactorily at what we thought was a workable conclusion. We do want to do something to protect our own inventories, but, at the same time, this was a matter that was related partly to the Committee on Foreign Relations and their responsibility with reference to weapons for allies, or sales to allies. We thought it was not necessary to set up this fund this year; and, without abandoning the idea, we thought it could be worked out much better. So we took out that much money.

Again this year, the committee was asked to approve programs for improving the military airlift capacity. The committee voted to deny funds—$22 million, fiscal year 1976; $24 million, 197T—requested for developing a program to modify civilian jumbo jet airlines to carry

UMI

large military cargo. The same vote supported funds—$16.5 million in fiscal year 1976—for the stretchout of the C–141 aircraft. The committee also agreed to approve $12 million of $22.3 million requested for fiscal year 1976—plus $3 million in 197T—to develop a wing-strengthening modification for the C–5A aircraft.

These programs are in the embryo stage, and they will come up for further consideration next year. The amounts in the bill this year are relatively small. It really is not a committal to the entire program.

PATROL FRIGATE

The committee agreed to reduce the Navy's request for 10 patrol frigates to 7 with a reduction in authorizations of $270 million to $617.5 million.

The committee also denied a requested $257 million in fiscal year 1976 for construction of the fifth of the Virginia-class nuclear-powered frigates—DLGN. The committee felt that this costly anti-aircraft escort vessel should not be authorized for construction before the Aegis missile system is available.

The committee denied the fiscal year 1976 request, $83.4 million, for two additional patrol hydrofoil boats, PHM's, but authorized $40 million of $125 million requested for cost growth in production startup costs. The amounts recommended will permit completion of two of the four ships previously authorized.

Approved by the committee was a $265.8 million authorization for procurement of 50 additional Minuteman missiles requested so that missiles will be available for testing in future years.

Also approved were Navy requests for two additional attack submarines, $439 million in fiscal year 1976, plus advance procurement, $189 million in 1976, and $102 in 197T, for long lead-time components of future submarines.

This time around the committee voted not to procure 12 F–111 aircraft, at a cost of $334.4 million in fiscal year 1976, which were not requested by the Defense Department. In recent years, the committee has voted such authorization to keep the F–111 in production as a possible alternative to the B–1.

RESEARCH AND DEVELOPMENT

As I have said, the work of our Research and Development Subcommittee, headed by the Senator from New Hampshire, Senator McINTYRE, has once again been of great value to our committee and to the Senate. I want to thank Senator McINTYRE and his committee, and I am sure other Senators will want to do so.

Total R. & D. requests for fiscal 1976 were $10.2 billion. The committee approved $9.7 billion, and that sum is a record, the largest R. & D. authorization we have ever approved.

However, I am sure Senators will understand the vital importance to the national security of a vital and aggressive research and development program to keep modern weapons on the shelf at a time when we are seeking, through negotiations, to limit by mutual action the deployment of weapons and manpower.

For 197T the R. & D. requests were $2.7 billion and the committee approved $2.4 billion. Among the important R. & D. actions were these:

On site defense, requests were for $140 million—$38 million in 197T—in authorization for this advanced anti-ballistic-missile development. The committee approved $70 million for fiscal 1976, and $19 million for 197T.

With respect to binary gas weapons, the committee deleted $6.8 million in fiscal year 1976 requests—$2.9 million in 197T—for research and development on binary lethal chemical weapons. The committee favors a stepup of defensive efforts in this area. This recommendation of the Research and Development Subcommittee on this matter was upheld by committee vote which defeated a move to restore half the authorizations.

Again this year, the committee considered requests for so-called strategic initiatives—steps designed to develop, but not to deploy, of course—improved strategic capability. The committee voted to approve research and development authorizations—$109.7 million for fiscal year 1976, $33.7 million for fiscal year 197T—for five programs designed to continue improving the accuracy and yield of warheads on ICBM's and submarine-launched missiles. The Subcommittee on Research and Development had recommended deletion of these authorizations as counterforce programs which could prove to be destabilizing to an international power balance.

The committee approved authorizations for development of cruise missiles by the Navy—$94.8 million in fiscal year 1976, $37.1 million in 197T—and the Air Force—$51 million and $13 million.

Certain matters with respect to research and development will be covered in full by the Senator from New Hampshire (Mr. McINTYRE).

I will touch on the high points of the work of another subcommittee that worked on the bill, the Manpower and Personnel Subcommittee, which is headed by the Senator from Georgia (Mr. NUNN). He will make a full explanation of their splendid work in this field. They richly deserve the thanks of the Senate. I have already touched on the work of the committee in this field.

The Committee on Armed Services is going into these matters in depth. The reductions that have been recommended over the years have been recommended in specific places, and such of them as were accepted and became law have worked out mighty well and proved that they were well founded, that they were reductions that could be made without cutting the bone and the muscle out of the military program.

MANPOWER

On recommendation of the subcommittee, the committee has this year approved a reduction of 1 percent in military end strength and 2 percent in civilian end strength. The military end strength will be the lowest since the Korean war, about 2,100,000.

With respect to the military strength reductions, the committee is recommending that the reductions be effected in command headquarters, through support elements reduced as a result of combat force withdrawals from Thailand, in base operating support personnel, and in training staffs and overhead—all categories which do not affect combat capability.

The cuts in civilian end strength do not mean reductions in force. They can be accommodated through normal attrition. When fully effective, these proposed reductions will permit savings of about $540 million in appropriations which are not considered here—savings above and beyond the totals I have mentioned.

Rather than read each of these totals, I ask unanimous consent that tables outlining manpower actions of the committee be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

	Fiscal year 1976 request	Committee approved	Reduction
Active Forces (end strength):			
Army	785,000	779,300	−5,700
Navy	528,700	524,100	−4,600
Air Force	590,000	582,400	−7,600
Marines	196,300	195,900	−400
Total	2,100,000	2,081,700	−18,300
Civilian employment (end strength):			
Army	334,100	329,000	−5,100
Navy	304,400	293,000	−11,400
Air Force	255,900	251,300	−4,600
Marines	17,600	17,200	−400
Defense agencies	72,900	71,400	−1,500
Total	985,000	961,900	−23,000

Note: Manpower figures rounded to nearest hundred. Some totals do not add due to rounding.

Mr. STENNIS. Mr. President, as to reserve forces, authorized strengths for the reserve components in fiscal year 1976 were approved as requested: Army National Guard, 400,000; Army Reserve, 212,400; Naval Reserve, 92,000; Marine Corps Reserve, 32,900; Air National Guard, 94,600; Air Force Reserves, 53,200; and Coast Guard Reserve, 11,700. Total 896,800.

COMMITTEE AMENDMENTS

I have already mentioned two committee actions—on stockpiling for allies and binary gas weapons—which have a policy implication as well as a money impact on this bill. Other actions in that category include:

With respect to foreign military sales, the committee approved an amendment by Senator CULVER of Iowa, requiring a report by the Secretary of Defense to Congress, whenever major military equipment items are to be diverted from U.S. inventories for sale or transfer abroad. The report would address the impact on U.S. readiness of the proposed transfer, the proposed method of assuring reimbursement at full replacement costs and possible adverse effects of transferring technological information.

On standardization of NATO weapons and equipment, the committee approved an amendment by Senators CULVER and NUNN, designed to require that to the maximum extent feasible, equipment procured for U.S. forces identified for NATO be "standardized and interoperable with" equipment of NATO allies. The committee action provides for the exclusion of equipment bought for NATO standardization from the provisions of the so-called "Buy American" Act. When nonstandard equipment is purchased, the Secretary of Defense would be required to advise Congress and explain.

The committee also approved an amendment by Senator CULVER requiring that the Secretary of Defense provide a detailed report on the readiness of U.S. forces to perform their assigned missions.

CONCLUSION

I commend to the Senate the committee report on this bill. It contains detailed information on all the projects I have mentioned and many more. The report summarizes the testimony presented in more than 6,000 pages of printed testimony which is also available to Members of the Senate.

I want to thank each member of our committee for his attention to this bill, in the full committee and subcommittee hearings, and in six markup sessions in which issues were thoroughly aired.

Mr. President, I have here 10 volumes, which include the testimony of the subcommittees. These 6,000 pages are too much to read between now and Friday, when we will vote on the bill.

This report will be of value to the committee, to the staff, to other committees, to the membership of the Senate, to the military, to other departments, to the news media, and to the public at large. A world of talent from our staff is ground into the paragraphs and pages of this report.

Further, I suggest we consider our dependence—as I mentioned in the first part of my speech—on foreign sources for a great number of different kinds of raw material. I have made a statement about the percentage, but I wish to supplement later that with the names of these different ores and elements and basic material that we have to import. Oil is just a part of the picture.

I say it is frightful to think about where we would be, where our economy would be, where our financial structure would be without a flow of these materials. We have this economy of ours cranked up to where the wheels must turn—they must turn. People in a responsible position are talking about 20 or 25 more years, under present laws that we already have on the books, where accrued responsibilities will total more than half of what the people make, which means that they would have to be paying in taxes more than half of what they make. I hope that that estimate is not correct; I am not saying that it is. But I point out that responsible people are making such estimates and that could be a warning for a second look.

In closing, I can only suggest to Members of the Senate that they consider, as they review this bill, the world power equation as it has existed in recent years. I know that economic issues, in today's depressed economy, cannot be forgotten, but I think it must be stressed that an economic slump has not restrained the other superpower.

In fact, regular increases in Soviet military strength continue. Soviet defense spending increases some 3 to 5 percent every year. In the past 10 years Russian military manpower has grown from just over 3 million to a total 4 million men. At the same time U.S. military manpower has been reduced to 2 million.

Unlike 10 years ago, the Russian Navy now has a substantial seagoing force and spends an increasing amount of time away from its own shores. At the same time, the number of ships in the U.S. Navy has come down to pre-World War II levels.

The United States still remains secure and remains the most powerful country in the world. However, over the last 10 years the balance has been slowly but perceptibly shifting. While the Soviet Union has gradually increased its defense spending as well as its military manpower and equipment, the United States has gradually reduced its real defense spending and the amount of its military manpower and equipment. In that period the Soviet Union increased its military manpower by some 750,000 to almost 4 million, while the United States reduced its military manpower by some 585,000 to about 2 million.

The U.S.S.R. retained about the same number of major combatant ships and submarines, while the United States reduced these kinds of ships by one-third. Similarly, the number of Soviet tactical aircraft remained level while the U.S. number declined 17 percent. Thus over the long run the quantitative military potential of the Soviet Union has been increasing relative to that of the United States and has substantially narrowed the clear margin the United States had 10 years ago.

Looking back historically, U.S. military forces have been reduced to the lowest level since before the Korean war and in the case of Navy ships, before World War II. If this trend sharply speeds up or continues for a long time, our ability to influence the course of world affairs will be diminished. This could lead to a substantial threat to our national interests and to world peace.

I hope the Senate will approve this bill and make clear its determination to maintain military forces adequate to protect the Nation's interests and meet its international commitments.

I ask unanimous consent that certain charts and tables, relating to S. 920, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE FISCAL YEAR 1976 AND 197T AUTHORIZATION BILL—SUMMARY BY MAJOR WEAPON CATEGORY—ARMY, NAVY, AIR FORCE, AND DEFENSE AGENCIES

[Amount in thousands of dollars]

Program	Fiscal year 1975 program (current)	Fiscal year 1976			Fiscal year 197T		
		1976 request	Change from request	Recommended	197T request	Change from request	Recommended
PROCUREMENT AND R. & D. SUMMARY							
Aircraft:							
Army	242,800	362,300	−24,800	337,500	59,400		59,400
Navy and Marine Corps	2,775,400	3,077,000	−117,200	2,959,800	600,100	−21,900	578,200
Air Force	3,062,800	4,575,500	−614,800	3,960,700	1,087,100	−255,800	831,300
Subtotal	6,081,000	8,014,800	−756,800	7,258,000	1,746,600	−277,700	1,468,900
Missiles:							
Army	416,500	460,800	−67,300	393,500	56,500	−14,900	41,600
Navy	522,300	1,000,500	−10,100	990,400	309,100	−500	308,600
Marine Corps	77,600	52,900		52,900	10,700		10,700
Air Force	1,533,700	1,791,400	−73,300	1,718,100	277,400	−25,200	252,200
Subtotal	2,550,100	3,305,600	−150,700	3,154,900	653,700	−40,600	613,100
Naval vessels: Navy	3,059,000	5,446,000	−1,779,600	3,666,400	474,200		474,200
Tracked combat vehicles:							
Army	307,400	915,060	−52,300	862,700	272,600	−27,300	245,300
Marine Corps	75,000	101,500		101,500	400		400
Subtotal	382,400	1,016,500	−52,300	964,200	273,000	−27,300	245,700
Torpedoes: Navy	178,100	197,400	−7,900	189,500	19,200		19,200
Other weapons:							
Army	37,400	74,300		74,300	9,700		9,700
Navy	24,900	26,300	−8,600	17,700	4,400	−3,000	1,400
Marine Corps	500	100		100			
Subtotal	62,800	100,700	−8,600	92,100	14,100	−3,000	11,100
Subtotal section 101	12,313,400	18,081,000	−2,755,900	15,325,100	3,180,800	−348,600	2,832,200

UMI

DEPARTMENT OF DEFENSE FISCAL YEAR 1976 AND 197T AUTHORIZATION BILL—SUMMARY BY MAJOR WEAPON CATEGORY—ARMY, NAVY, AIR FORCE, AND DEFENSE AGENCIES—Con.

Program	Fiscal year 1975 program (current)	Fiscal year 1976			Fiscal year 197T		
		1976 request	Change from request	Recommended	197T request	Change from request	Recommended
Section 102		300,000	−300,000				
Total procurement—Title I	12,313,400	18,381,000	−3,055,900	15,325,100	3,180,800	−348,600	2,832,200
Research, development, test and evaluation:							
Army	1,741,416	2,181,700	−165,107	2,106,593	585,600	−94,386	491,214
Navy (including Marine Corps)	[1] 3,026,484	[1] 3,470,188	−101,386	3,368,802	903,837	−52,474	851,363
Air Force	3,290,853	3,903,200	−195,360	3,707,840	1,034,000	−87,379	946,621
Defense agencies	490,657	597,800	−23,100	565,700	152,700	−9,100	143,600
Test and Evaluation, Defense	25,000	28,500		28,500	6,800		6,800
Total, R.D.T. & E.[1]—Title II	[1] 8,574,410	[1] 10,181,388	−493,953	9,687,435	[1] 2,682,937	−243,339	2,439,598
Tota lprocurement and R.D.T. & E.[1]	[1] 20,887,810	[1] 28,562,388			[1] 5,863,737		
Procurement—Support of S. Vietnamese military	700,000	1,293,000	−1,293,000				
Grant total	21,587,810	29,855,388	−4,842,853	25,012,535	5,863,737	−591,939	5,271,798

[1] Includes $2,560,000 (fiscal year 1974), $2,570,000 (fiscal year 1975), $2,488,000 (fiscal year 1976), currency program.

FISCAL YEAR 1976 ARMY AIRCRAFT PROCUREMENT REQUEST

[Amount in millions of dollars]

Program	Fiscal year 1974 program		Fiscal year 1975 program (appropriated)		Fiscal year 1975 program (current)		Fiscal year 1976 request		Senate			
									Change from request		Recommended	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
ARMY AIRCRAFT PROCUREMENT												
U-X utility transport							20	14.0			20	14.0
STOL U-(D) utility transport							2	2.0			2	2.0
AH-1S attack helicopter			6	15.0	6	12.1	38	43.0			38	43.0
AH-1S advancement procurement, current year						2.9		1.8				1.8
CH-47C cargo helicopter							12	36.4			12	36.4
UH-1H utility helicopter			48	18.5		12.8	48	24.8	−48	−24.8		
Utility tactical transport												
Modification of aircraft	116.7		158.3		151.9		127.7					127.7
Aircraft spares and repair parts	22.2		21.9		21.9		54.2					54.2
Support equipment and facilities	38.7		40.1		39.9		58.4					58.4
Subtotal	177.6		258.8		241.5		362.3		−24.8			337.5
Other financing	−23.2		−11.0		+1.3							
Authorization or appropriation	154.4		242.8		242.8		362.3					337.5

FISCAL YEAR 1976 NAVY AND MARINE AIRCRAFT PROCUREMENT REQUEST

NAVY AND MARINE CORPS AIRCRAFT PROCUREMENT

A-4M light attack Skyhawk	44	105.8					24	67.3	−24	−59.1		8.2
A-4M advance procurement, current year				2.2		2.6						
A-6E all weather attack intruder	13	116.2		127.5	12	122.6	12	151.3	−4	−32.4	8	118.9
A-6E advance procurement, current year		3.5		1.8		6.7						
EA-6B electronic warfare Prowler	6	99.9	6	121.7	6	116.8	6	111.8			6	111.8
EA-6B advance procurement, current year		1.7		1.0		5.9		5.1				5.1
A-7E medium attack Corsair II	30	115.1	30	118.0	30	114.1	30	148.1			30	148.1
A-7E advance procurement, current year		11.6		3.8		2.0		12.0				12.0
AV-8A V/STOL Harrier	12	36.5										
F-14A fighter Tomcat	50	584.9	50	617.3	50	616.5	36	510.3			36	510.3
F-14A advance procurement, current year		55.0		70.0		70.0		89.0				89.0
CH-53E transport helicopter												
CH-53E advance procurement, current year								20.0				20.0
UH-1N utility helicopter Iroquois	24	18.0	15	11.4	15	13.5	24	27.4			24	27.4
UH-1N advance procurement, current year		2.1		1.6		1.9		2.3				2.3
AH-1J attack helicopter Sea Cobra	10	25.4					16	39.0	−9	−21.6	7	17.4
AH-1J advance procurement, current year								1.4		−1.4		
P-3C antisubmarine Orion, land based	12	124.1	12	138.4	12	138.4	12	147.5			12	147.5
P-3C advance procurement, current year		10.6		11.6		11.6		24.4				24.4
S-3A antisubmarine carrier based aircraft Viking	45	399.0	45	429.4	45	427.5	41	482.9			41	482.9
S-3A advance procurement, current year		54.0		56.0		56.0						
E-2C Hawkeye, early warning aircraft	9	134.4	6	107.1	6	105.3	6	146.6			6	146.6
E-2C advance procurement, current year		1.9				7.7		7.7				7.7
C-9B cargo aircraft Skytrain II			7	41.6	6	44.1						
CT-39 light cargo transport Saberliner			6	10.5	6	10.5						
Carrier on-board delivery aircraft (COD)												
T-2C trainer Buckeye												
T-34C trainer	24	31.9										
VTAMX trainer			18	7.0	18	7.0	115	29.5	−40		75	29.5
F-5E trainer freedom fighter	5	9.8					15	9.2			15	9.2
TAV-8A (V/STOL) trainer Harrier	8	41.1										
KC-130R tanker Hercules	4	27.0	6	39.1	6	44.0						
EC-130 special mission TACAMO IV	1	10.5					1	21.2			1	21.2
Modification of aircraft		309.1		290.0		290.9		488.9				488.9
Aircraft spares and rapair parts		430.5		373.4		368.6		358.5		−2.7		355.8
War consumables		.7		1.0		.7		3.4				3.4
Component improvement		34.3		36.4		36.1		38.6				38.6
Aircraft industrial facilities		25.5		22.6		22.6		27.5				27.5
Common ground equipment		89.5		120.5		116.5		77.7				77.7

[Amount in millions ofdollars]

Program	Fiscal year 1974 program		Fiscal year 1975 program (appropriated)		Fiscal year 1975 program (current)		Fiscal year 1976 request		Senate			
									Change from request		Recommended	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
NAVY AND MARINE CORPS AIRCRAFT PROCUREMENT												
Other production charges		27.3		19.5		20.4		28.5				28.5
Subtotal		2,936.6		2,780.4		2,780.4		3,077.0		−117.2		2,959.8
Other financing		−118.9		−5.0		−5.0						
Authorization or appropriation		2,817.7		2,775.4		2,775.4		3,077.0				2,959.8

FISCAL YEAR 1976 AIR FORCE AIRCRAFT PROCUREMENT REQUEST

AIR FORCE AIRCRAFT PROCUREMENT

B-1 advance procurement, current year								77.0		−77.0		
A-7D tactical attack Corsair	24	70.1	24	100.1		70.5						
A-10 close support attack aircraft			25	138.0	22	138.0	61	303.5			61	303.5
A-10 advance procurement, current year				28.9		28.9		57.2				57.2
F-4E tactical fighter	24	98.6										
F-5A freedom fighter		69.3										
F-5E international fighte r						69.2						
F-5E advance procurement, current year		44.0										
F/TF-15A tactical fighter	62	736.0	72	756.9	72	726.0	108	1,400.6		−22.3	108	1,378.3
F/TF-15A advance procurement, current year						30.9		37.2				37.2
F-111F tactical fighter	12	151.6	12	205.5		82.6						
F-111F advance procurement, current year												
E-3A AWACS			6	328.7	6	348.4	6	415.5			6	415.5
E-3A advance procurement, current year		7.6		42.0		22.3		15.0				15.0
C-5A unfunded deficiencies		37.2										
C-130H tactical transport	42	210.6		15.0		15.0						
T-41D basic trainer												
UH-1H utility helicopter	180	56.5										
CH-47C cargo helicopter	24	46.5										
C-12A (CX-X)							16	11.8			16	11.8
E-4A airborne command post	1	32.3										
Modification of aircraft		477.9		598.3		525.8		660.7		−22.0		638.7
Aircraft spares and repair parts		532.6		718.0		726.2		1,101.7		−429.5		672.2
Common ground equipment		76.6		110.3		110.3		209.3		−38.4		170.9
Component improvement		2.7		9.6		9.6		66.2				66.2
Industrial facilities		23.9		28.7		28.7		38.9		−1.3		38.9
War consumables				29.1		12.1		34.6				33.3
Other product on charges		120.4		122.3		115.5		146.3				146.3
Classified programs		29.5										
Subtotal		2,823.9		3,231.4		3,060.0		4,575.5		−590.5		3,985.0
Other financing		+4.2		−168.6		+2.8				−24.3		
Authorization or appropriation		2,828.1		3,062.8		3,062.8		4,575.5		−614.8		3,960.7

FISCAL YEAR 1976 ARMY MISSILE PROCUREMENT REQUEST

ARMY MISSILE PROCUREMENT

Safeguard missile system		159.3										
Chaparral (MIM-72-A) surface-to-air missile								37.5		−37.5		
Hawk (MIM-23-B) surface-to-air missile	720	101.3	520	80.3	520	80.3	520	78.2		−6.0	520	72.2
Short Range Air Defense (SHORAD) missile												
Stinger antitank missile												
Dragon (XFGM-77A, XFTM-77A) antitank missile	7,000	47.1	15,200	86.5	14,350	78.6	19,300	106.8			19,300	106.8
TOW (BGM-71A) antitank missile	18,000	112.7	23,860	104.6	23,860	104.3	23,813	140.2			23,813	140.2
Honest John surface-to-surface missile		.5										
Lance (MGM-52C) surface-to-surface missile	360	82.9	194	64.4	194	65.1		1.0				1.0
Pershing (MGM-31A) surface-to-surface missile	26	53.0		7.9		7.9		16.6				16.6
Modification of missiles		11.9		45.7		16.2		17.0				17.0
Safeguard spares and repair parts				3.0		3.0		1.9				1.9
Other spares and repair parts		37.3		18.0		12.6		17.4				17.4
AN/TSQ-73	5	13.2		5.7		5.7		6.9				6.9
Air defense targets		4.7		11.7		11.5		7.9				7.9
Interim airborne target acquisition system								23.8		−23.8		
Production base support (except Safeguard)		5.6		5.5		3.8		4.5				4.5
Other support		1.2		3.2		3.2		1.1				1.1
Subtotal		630.7		436.5		392.2		460.8		−67.3		393.5
Other financing		−32.0		−20.0		+24.3						
Authorization or appropriation		598.7		416.5		416.5		460.8				393.5

FISCAL YEAR 1976 AIR FORCE MISSILE PROCUREMENT REQUEST

AIR FORCE MISSILE PROCUREMENT

LGM-30F/G Minuteman II/III	115	346.9	61	283.4	61	278.9	50	265.8			50	265.8
Minuteman II/III advance procurement, current year		15.3		15.0		19.5						
Minuteman force modernization		253.2		298.9		298.9		387.7				387.7
AGM-69A SRAM	454	131.1										
AIM-7F Sparrow	75	20.0	300	43.3	300	43.3	620	80.1			620	80.1
AIM-9 Sidewinder							800	22.7	−800	−22.7		
AIM-9L Sidewinder							710	39.5			710	39.5
AGM-45A Shrike	200	8.1	300	11.1	270	11.1	1,318	45.9			1,318	45.9
AGM-65A Maverick	3,500	59.1	5,600	72.7	5,600	50.3	6,000	110.7			6,000	110.7
AGM-65A Maverick, advance procurement, current year						22.4		33.3		−33.3		
Target drones	18	8.5		10.3		6.3	40	20.8			40	20.8
Tactical drones		11.4						1.6				1.6
Modifications		43.0		40.9		40.9		49.1		−17.1		32.0
Spares and repair parts		37.9		58.1		43.3		86.6		−.2		86.4
Satellite data system		39.6		34.9		42.9		9.6				9.6

UMI

FISCAL YEAR 1976 AIR FORCE MISSILE PROCUREMENT REQUEST—Continued

Program	Fiscal year 1974 program Quantity	Fiscal year 1974 program Amount	Fiscal year 1975 program (appropriated) Quantity	Fiscal year 1975 program (appropriated) Amount	Fiscal year 1975 program (current) Quantity	Fiscal year 1975 program (current) Amount	Fiscal year 1976 request Quantity	Fiscal year 1976 request Amount	Senate change from request Quantity	Senate change from request Amount	Senate recommended Quantity	Senate recommended Amount
Defense meteorological satellite program		15.8		15.2		20.1		30.1				30.1
Defense support program		28.1		74.8		79.5		39.1				39.1
Defense Satellite Com. System		33.1		44.7		46.6		36.7				36.7
AF Satellite Com. System		3.2		2.9		2.9		1.7				1.7
Industrial facilities		3.2		8.1		8.1		5.5				5.5
Classified drones		3.6		10.7		10.0		7.8				7.8
Special programs		355.2		517.7		517.7		517.1				517.1
Subtotal		1,416.3		1,542.7		1,542.7		1,791.4		−73.3		1,718.1
Other financing		−11.6		−9.0		−9.0						
Authorization or appropriation		1,404.7		1,533.7		1,533.7		1,791.4				1,718.1

FISCAL YEAR 1976 MARINE CORPS MISSILE PROCUREMENT REQUEST

MARINE CORPS MISSILE PROCUREMENT

Improved Hawk	230	30.3	230	20.6	230	22.6	140	14.3			140	14.3
Dragon antitank missile system			1,378	19.8	804	18.6	7,015	32.6			7,015	32.6
TOW antitank missile system	5,425	22.4	6,319	28.9	6,319	28.9	498	3.3			498	3.3
Stinger ground support equipment												
Redeye launcher simulator												
Replenishment spares		.1		.2		.1		.9				.9
Initial spares		2.1		1.4		5.2		.1				.1
Modification kits				2.4		1.6		.5				.5
Interim support equipment				.6				.8				.8
1st destination transportation		.1		.1		.2		.2				.2
Items less than $500,000		.1		.1		.4		.2				.2
Subtotal		55.1		74.1		77.6		52.9				52.9
Other financing												
Authorization or appropriation		55.1		74.1		77.6		52.9				52.9

FISCAL YEAR 1976 NAVY MISSILE PROCUREMENT REQUEST

NAVY MISSILE PROCUREMENT

Ballistic missiles:												
UGM-27C (A-3) Polaris		2.1		1.0		1.0		1.6				1.6
UGM-73A (C-3) Poseidon	72	185.5		48.0		39.4		33.1				33.1
UGM-96A (C-4) Trident I		5.0		12.6		11.3		120.3				120.3
UGM-96A, advance procurement, current year								114.6				114.6
Modification of ballistic missiles		54.1		15.5		18.9		9.7				9.7
Spares and repair parts		1.9		1.0		1.1		1.8				1.8
First destination transportation		2.1		1.8		1.8		.9				.9
Missile industrial facilities		.7		.8		1.6		1.3				1.3
Astronautics		2.0		4.0		3.2		4.2				4.2
Other missiles:												
AIM-7E/F Sparrow III	85	26.2	300	54.9	300	53.0	360	60.8			360	60.8
AIM-9H/L Sidewinder ICIR	850	19.0	800	15.5	800	18.7	800	45.1			800	45.1
AIM-54A (Phoenix)	240	92.5	340	93.2	340	93.2	340	96.7			340	96.7
AIM-54A, advance procurement, current year												
AGM-45A (Shrike)	760	10.6	900	25.4	900	25.4		.8				.8
AGM-53A (Condor)	30	22.7					205	85.6			205	85.6
AGM-79D Standard Arm		.8		.5		.5		1.1				1.1
AGM-84A Harpoon			150	78.2	150	80.2	270	142.8			270	142.8
HARM												
RIM-66B Standard MR	244	29.1	200	29.1	200	29.1	285	38.1	−85	−10.1	200	28.0
RIM-67A Standard ER	68	9.9		3.2		3.2	22	52.6			22	52.6
RGM-66D Standard SSM	24	4.3		8.1	62	8.1		1.1				1.1
Aerial targets		32.0		41.3		41.3		49.8				49.8
Other missile support		11.4		10.7		10.7		8.4				8.4
Modification of missiles		7.6		17.8		17.8		13.0				13.0
Spares and repair parts		13.7		18.7		18.6		29.3				29.3
First destination transportation		.6		1.0		1.0		1.0				1.0
Missile industrial facilities		9.3		12.3		12.3		14.1				14.1
Fleet satellite communications		36.6		38.0		38.0		60.5				60.5
Classified projects				2.9		2.9		12.2				12.2
Subtotal		579.7		535.5		532.3		1,000.5		−10.1		990.4
Other financing				−10.0		−10.0						
Authorization or appropriation		579.7		525.5		522.3		1,000.5				990.4

FISCAL YEAR 1976 NAVY SHIPBUILDING AND CONVERSION PROCUREMENT REQUEST

NAVY SHIPBUILDING AND CONVERSION

Fleet ballistic missile ships:												
SSBN Poseidon (conv.)	2	165.5	3	187.5	3	220.2						
Less advance procurement		−49.8		−82.9		−82.9						
Net		115.7	3	104.6		137.3						
Advance procurement, current year		13.8										
AS submarine tender (conv.)			1	29.2	1	30.7						
Less advance procurement				−10.9		−10.9						
Net			1	18.3		19.8						
Advance procurement, current year		8.7										
Outfitting		3.7		3.0		3.0		3.7				3.7
Post delivery		3.5		3.4		3.8		2.5				2.5
Trident (nuclear)	1	780.8	2	1,065.0	2	1,065.0	1	641.2			1	641.2
Less advance procurement		−194.0		−138.0		−138.0		−81.3				−81.3
Net		586.8	2	927.0		927.0		559.9				559.9
Advance procurement, current year		65.8		239.8		239.8		42.7				42.7

[Amount in millions of dollars]

Program	Fiscal year 1974 program Quantity	Fiscal year 1974 program Amount	Fiscal year 1975 program (appropriated) Quantity	Fiscal year 1975 program (appropriated) Amount	Fiscal year 1975 program (current) Quantity	Fiscal year 1975 program (current) Amount	Fiscal year 1976 request Quantity	Fiscal year 1976 request Amount	Senate change from request Quantity	Senate change from request Amount	Senate recommended Quantity	Senate recommended Amount
NAVY SHIPBUILDING AND CONVERSION—Continued												
Other warships:												
CVN aircraft carrier (nuclear)	1	956.0										
Less advance procurement		−299.0										
Net		657.0										
SSN-688 class submarine (nuclear)	5	908.2	3	580.5	3	580.5	2	491.0			2	491.0
Less advance procurement		−125.0		−78.0		−78.0		−72.0				−52.0
Net		783.2	3	502.5		502.5		439.0				439.0
Advance procurement, current year		130.0						102.0				102.0
DD-963 class destroyer	7	634.5	7	655.4	7	655.4						
Less advance procurement		−247.0		−198.3		−198.3						
Net		387.5	7	457.1		457.1						
Advance procurement, current year		198.3										
DLG 6/16 (AAW) guided missile frigate (conv.)	2	98.3										
Less advance procurement		−40.2										
Net		58.1										
DLGN-38 class guided missile frigate (nuclear)			1	268.0	1	268.0	1	368.0	−1	−368.0		
Less advance procurement				−115.7		−113.6		−111.0		+111.0		
Net			1	152.3		154.4		257.0		−257.0		
Advance procurement, current year		79.0		92.0		89.8						
DLGN guided missile frigate (nuclear) (conv)	1	113.0										
Less advance procurement		−30.1										
Net		82.9										
SCS sea control ship		29.3										
VSS sea control ship												
CVNX nuclear carrier, advance procurement												
Mine warfare/patrol ships:												
PHM patrol hydrofoil missile			4	96.2	4	96.2	2	83.4	−2	−83.4		
Less advance procurement				−3.9		−3.9						
Net			4	92.3	4	92.3	2	83.4	−2	−83.4		
Advance procurement, current year		3.9										
PF patrol frigate			3	186.0	3	186.0	10	955.5	−3	−338.0	7	617.5
Auxiliaries/craft:												
AD destroyer tender			1	116.7	1	127.7	2	393.2		−19.2	2	374.0
AS submarine tender												
AGHS (conv) PHM support ship												
AO fleet oiler							2	231.8		−19.7	2	212.7
ATF fleet tug												
T-ATF fleet ocean tug			1	10.8	1	10.8	3	41.4			3	41.4
SWOB (ship waste offloading barge)		10.4		10.4		10.4		11.5				11.5
Service craft				22.0		22.0		1.4				1.4
Outfitting		22.0		21.9		22.0		34.5				34.5
Post delivery		21.3		27.0		27.0		17.2				17.2
Cost growth		143.3		70.0		70.0		1,119.5		−206.1		913.4
Escalation on prior year programs		104.3		71.9		71.9		1,149.8		−781.2		368.6
Total program		3,508.4		3,129.0		3,174.6		5,446.0		−1,704.6		3,741.4
Other financing		−15.5		−70.0		−115.6				−75.0		
Authorization or appropriation		3,492.9		3,059.0		3,059.0		5,446.0		−1,779.6		3,666.4

MANPOWER—ACTIVE, CIVILIAN, AND RESERVE
ACTIVE DUTY MANPOWER—FISCAL YEAR 1976

[End strengths in thousands]

	DOD request	Committee recommended	Reduction from request	Percent
Army	785.0	779.3	−5.7	−1
Navy	528.7	524.1	−4.6	−1
Marine Corps	196.3	195.9	−.4	
Air Force	590.0	582.4	−7.6	−1
Total	2,100.0	2,081.7	−18.3	−1

CIVILIAN DIRECT HIRE EMPLOYEE STRENGTH

[End fiscal year 1976 strength in thousands]

	DOD request	Committee recommended	Reduction from request	Percent
Army	334.1	329.0	−5.1	−2
Navy-Marine Corps	322.1	310.3	−11.8	−4
Air Force	255.9	251.3	−4.6	−2
Defense agencies	72.9	71.4	−1.5	−2
Total	985.0	962.0	−23.0	−2

COMMITTEE ACTION ON SELECTED RESERVE STRENGTHS

	End strength, fiscal year 1976
Army National Guard	400,000
Army Reserve	212,400
Naval Reserve	92,000
Marine Corps Reserve	32,900
Air National Guard	94,600
Air Force Reserve	53,200
Coast Guard Reserve	11,700
Total	896,800

Mr. STENNIS. Mr. President how much time have I used?

The PRESIDING OFFICER (Mr. GLENN). The Senator has used 53 minutes.

Mr. STENNIS. I yield the floor, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield myself such time as may be required.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise in support of S. 920, a bill to authorize military procurement and research for fiscal year 1976 and for the July-September 1976 3-month transition period described as fiscal year 197T.

This bill represents a reduction of 16.2 percent from that requested by the Department of Defense for fiscal year 1976 and a reduction of 10.1 percent from that requested by the Department of Defense for fiscal year 197T.

The request of $29.8 billion for fiscal year 1976 was reduced by $4.8 billion and the request of $5.9 billion for fiscal year 197T was reduced by $591.6 million. It should be noted that $1.3 billion of this reduction was in the Vietnam-aid account and, of course, has been taken out altogether because of the loss of that nation to Communist military aggression. However, even with this portion of the bill deleted, the committee cut fiscal year 1976 still amounts to 12.6 percent of the request.

Mr. President, the distinguished chairman has very thoroughly described the major points of the bill and, therefore, it is my purpose not to repeat some of those facts but, rather, to offer some of my own views relative to the decisions of the Senate Armed Services Committee. These views can be focused on four main areas: First, overall procurement; second, research and development; third, shipbuilding; and, fourth, manpower.

PROCUREMENT

Procurement of required new military equipment is proceeding only at a modest rate despite the appearance of defense spending increases each year. As pointed out in the committee report, the defense budget for investment—procurement, research, and development—has risen from $22.6 billion in 1964 to $28.6 billion requested this year. In a 12-year period that only represents a 21-percent

UMI

increase. However, when compared to the $25 billion the committee recommends, it is only a 9.6-percent increase. In either case, the so-called increase has not been sufficient to keep pace with inflation, and in terms of real buying power, the investment account has been declining. On the other hand, during the same period we have had about a 19-percent reduction in military manpower, with a corresponding increase in the manpower operating budget of about 57 percent.

So while manpower costs are going up—even though manpower strength has been declining—we find ourselves less and less able to afford the costs of equipping the smaller force. It is a serious dilemma.

In this particular budget, we are recommending only a relative handful of aircraft, ships, and other equipment.

For example, for fiscal year 1976, the Air Force requested only 108 F–15 fighters, which are part of a planned total of 729. This request supports a production rate of nine per month, which means, when startup times are considered, that it will take over 7 years to produce the entire number of fighters required. On the other hand, almost $1.4 billion is required this year alone for these 108 aircraft. While the total cost for the 729 aircraft would be less if they were produced at a faster rate, fiscal constraints and competing procurement requirements for other items in the Air Force preclude that course. Consequently, inflation, along with this necessary fiscal constraint, is going to require us to pay more for these necessary systems.

There is another point that has applicability to the F–15 as well as other systems. It is correct that these fighters are more expensive in real terms than the fighters they will replace. However, they are more expensive because the projected threat requires them to be able to do far more than their predecessors. In addition, they are far more reliable and maintainable, which makes them more expensive, but this extra expense should be returned because of lower life-cycle costs.

Still referring to the Air Force aircraft procurement request, $2.2 billion of the $3.9 billion total recommended by the committee is for only three different types of aircraft. While this is a significant investment, I point out there are other systems approaching obsolescence that will require funding in the near future.

Referring now to the Navy and Marines, of the 244 combat and combat support aircraft requested for fiscal year 1976 and fiscal year 197T, the committee recommends that 202 be approved. The reductions recommended by the committee represent where we believe authorization is not required at this particular time. It does not represent any lessening of support for the requirement. I would point out, also, that in the R. & D. account the committee recommends authorizing $110 million for development of the Navy's recently selected lightweight fighter, the F–18.

Turning now to Army, I am pleased to report the committee recommends the full quantity of 662 M–60A1 tanks requested. The committee was most fortunate this year in that a special ad hoc subcommittee, comprised of Senators CULVER and BARTLETT, examined in great detail the entire tank program. This included the M60A1 procurement request, the request to modify M–48 and M–60 tanks, and the XM–1 R. & D. program. So, I am glad to report this most important Army program had a very thorough review and received a vote of confidence.

For the Army missile procurement request, the committee recommends the full amount requested for the Dragon and TOW antitank missiles. In my opinion, it is most important that the program continue to be supported because each of these missiles brings a new dimension of firepower to the battlefield. To be competitive, if required, against the Warsaw Pact forces in NATO, overwhelming firepower is essential if our Army forces are to have a chance at defeating an opponent superior in numbers of men and armor. I cannot stress too strongly to my colleagues the need to support these programs that provide increased firepower to our Army. It is the only thing that will give our men the edge against forces superior in numbers of soldiers and pieces of equipment.

There is one unique program applicable to all of the services that I would like to comment on, and that is simulators. Briefly the DOD, through the use of these devices is trying to achieve a 25-percent reduction in flying hours by the early eighties. This is the second year of this effort and the committee recommends $260.9 million, for fiscal year 1976 and fiscal year 197T, for simulators, trainers, and related devices. In last year's report the committee asked DOD to provide a report on flight simulators and because there has been considerable interest in this subject, I ask unanimous consent for the DOD report to be printed in the RECORD at this point in my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE REPORT ON FLIGHT SIMULATION

INTRODUCTION

It is the objective of the Department of Defense to acquire and make optimum use, where applicable, of the new generation of synthetic flight training devices as a means of improving training and decreasing the use of operational aircraft in the training mission. This report addresses Department of Defense progress and future plans for flight simulators and trainers in terms of that objective. The report was requested by the Committee on Armed Services, United States Senate, Report No. 93–884.

BACKGROUND

Much has been written and said about the potential flight simulation offers for reducing the cost of flight training and the consumption of critical fuel resources. Yet a great deal of misunderstanding exists in regard to two aspects of Department of Defense simulation programs: first, the definition of flight simulators or training devices, and second, the lessons the Department of Defense can learn from the experience and success of commercial aviation in the use of simulation for training purposes.

The Family of Synthetic Flight Training Devices. The first misunderstanding derives from the lack of a clear definition of "flight simulator". This report will use the term "synthetic flight training device" to describe the full range of equipment, from the very sophisticated device employing the most advanced technology to the simple procedural trainer.

The potential a given device has for providing mission effective training and cost savings depends on the capability of the device. Figure One depicts a theoretical relationship between this potential and device capability. At the upper end of the spectrum is the sophisticated device which reproduces, to the greatest extent possible, the capability of a specific aircraft or system. A device of this type provides individual and/or crew training in all aspects of the operational mission under either visual or instrument conditions. These devices are equipped with visual displays that depict the view of the surrounding airspace and ground which the crew would see while performing its mission. They are also capable of simulating the motion of the actual aircraft. These devices are expensive and represent the upper bounds of simulation in the current state of technology. The Department of Defense has very few of these devices in its current inventory, although a concentrated program is underway to develop and procure them in considerable numbers.

At the lower end of the equipment capability spectrum is the procedural or part-task trainer. These devices afford the student the opportunity to become familiar with, and to develop limited proficiency in, the operation of a particular function or part of a total system. These devices may simulate the actual equipment only as far as external configuration and will not necessarily respond to trainee control inputs. These trainers are relatively simple, are the least expensive, and do not possess visual or motion systems. These devices are not capable of substitution for any significant number of flight hours.

(Figure one not printed in RECORD.)

Civilian Airline Pilot Training vs Military Pilot Train. The second area of misunderstanding concerns the comparability of techniques and methodologies of civilian airline pilot training and military pilot training. The civilian airlines use simulators almost exclusively for the purpose of training already highly experienced pilots to fly new types of aircraft—that is, for transition training as opposed to teaching basic skills or maintaining readiness. In contrast to the airlines, the purpose of a major portion of military flight training is to transform novices into pilots. With the exception of routine airlift missions and some other military flying missions which are reasonably similar to typical airline flying, military flying is generally more complex than airline flying. That portion of the military flying mission concerned with takeoff, level flight and landing on fully equipped airfields is comparable to airline flying. However, the military pilot must be capable of performing other tasks not required of an airline pilot. For example, depending on the type of aircraft to which he is assigned, the military pilot must be able to perform nap-of-the-earth flying, aerial delivery of cargo or personnel, carrier or short field take-off and landing, air-to-air combat and other peculiar mission-related tasks, some of them involving flight in an unfriendly environment.

Operating Costs—Aircraft vs Training Device. Operating costs of synthetic flight training devices are but a fraction of the cost of operating the simulated aircraft. Experience to date has shown that device operating costs generally are less than 25 percent of those of the actual aircraft. Therefore, substitution is cost beneficial where applicable. Synthetic training device operating costs may in the future increase in comparison to aircraft operating costs with the increase in sophistication of the training devices now being developed and procured; however, the cost-benefit relationship is expected to remain heavily favorable to flight training devices.

Assessing Priority for Simulation. Recognizing that all of the training device requirements of the Department of Defense cannot be satisfied immediately; the question arises as to which aircraft systems possess the greatest potential for benefits through simulation. The most limiting factor to simulator application is the applicability of simulation to the system's mission and the contribution such application can make to improve combat readiness. The objective of most military flight training activity is the attainment of a level of combat effectiveness which is superior to that of a potential enemy.

Unless at least some reasonable portion of the training for the aircraft system's mission can be simulated within the state of the art without undue degradation of flight safety or force readiness, the system cannot, of course, be a candidate for simulation. Devices within current technology have a considerably greater capacity for application than do the older devices the Department now has in its inventory. Significant improvements in visual display systems are major contributors to this increased capacity. Still greater improvement in visual display systems will be required, however, to meet a larger portion of the military training requirement.

Once it has been determined that synthetic flight training is a feasible alternative to the conduct of at least a portion of the required training in the actual aircraft, consideration can be given to the benefits that would accrue from simulator substitution. The possible benefits include improved training, reduced aircraft maintenance and spare parts costs, increased safety and decreased fuel consumption. While reduced maintenance and support costs and improved training and safety are important benefits, the high cost of fuel and its limited availability make reduced fuel consumption a primary factor in assessing priority for simulation. Table One ranks the Department's major aircraft systems from highest to lowest in terms of estimated total annual fuel consumption in millions of gallons. The data in Table One are based on FY 1976 programmed flying hours and average aircraft fuel consumption rates. The fuel consumption shown for certain aircraft (A–10, F–14, F–15 and S–3A), whose flying hour programs will increase as the systems are introduced into the force, are based on estimated FY 1980 flying hours.

The aircraft codes, e.g., C–5, UH–1, etc., used in Table One and throughout the remainder of the report are identified by their more formal designations in Appendix One to the report.

TABLE 1.—*Total projected annual fuel consumption by major aircraft system*

[Gallons in millions]

Aircraft system:	
F–4	920
(Navy/Marine Corps)	(240)
(Air Force)	(680)
C–141	660
KC–135	555
B–52	530
C–130	300
C–5	215
T–38/37	195
A–7	190
P–3	165
F–15*	160
F/FB–111	160
A/TA–4	145
A–6	140
F–14*	120
A–10*	80
UH–1	50
S–3A*	45

*Fuel consumption based on estimated FY 1980 flying hours.

SIMULATOR INVESTMENT

Substantial funds were appropriated by the Congress for synthetic flight training devices in FY 1975. The FY 1976 President's Budget gives further emphasis to those aircraft systems with large total annual fuel requirements as a continuing step in a long-term effort to acquire needed synthetic flight training devices. Acquiring the necessary training devices is a first step in achieving our objective of improving training and decreasing the use of operational aircraft in the training mission.

Aircraft Systems With Large Annual Fuel Requirements. Funding for the procurement of new devices and modifications of existing ones for the eight aircraft systems having the largest annual fuel requirements is as shown in Table Two.

TABLE 2.—TRAINING DEVICE PROCUREMENT FUNDING FOR AIRCRAFT SYSTEMS WITH LARGE ANNUAL FUEL REQUIREMENTS (FISCAL YEAR 1976 PRESIDENT'S BUDGET)[1]

[In millions of dollars]

Aircraft system	Fiscal year— 1974	1975	1976	197T	1977
F–4 (Air Force)	38.0	18.9	.....		30.9
F–4 (Navy and Marine Corps)	1.1	14.6	3.3	1.3	1.2
C–141	1.0	4.2	2.5	.....	.....
KC–135	.....	.....	17.0	.....	.....
B–52	.....	.....	44.5	.....	85.5
C–130	.....	15.0	25.9	.....	32.2
C–5	.2	1.3	.6	.....	.....
T–38/37	6.1	38.7	39.3	11.3	46.8

[1] In this and following tables, fiscal year 1974 figures are actual, fiscal year 1975–77 figures are estimates contained in the fiscal year 1976 President's budget.

Funding for the Air Force F–4 is for a major modification of existing flight training devices. This modification program includes the addition of visual and motion systems which will increase the training capability of the equipment. The procurement of training devices for the Navy and Marine Corps F–4 aircraft was completed last year. The funds requested for FY 1976 will be used to support initial operations of the new devices and modification of existing trainers.

Procurement funds appropriated in previous years were used to acquire and modify training devices for the strategic airlift C–141 and C–5 aircraft. The funds requested in FY 1976 will be used to add a visual capability to those devices. When completed, the modified trainers for both aircraft systems will provide an increased training capability and additional fuel savings.

While some research and development funding will be needed to develop a capability to simulate the airborne refueling portion of the KV–135's strategic tanker mission, much of the flight training required to support the system is attainable using currently available simulation techniques. The requested $17.0 million will be used to begin acquisition of an instructional system to support the aircraft. It is anticipated that additional procurement funding will be required for FY 1977 and beyond. At the completion of the acquisition program, fuel savings from reduced flying hours could exceed 100 million gallons annually.

The major initiative in the FY 1976 Budget is a training device procurement program for the B–52 bomber. The $44.5 million requested for FY 1976 will be used to begin procurement of a flight instructional system for the G and H models of the B–52. This program has been initiated on an urgent basis because the savings potential is large and because timely training device introduction is necessary to maximize the time period over which the benefits can be realized.

The C–130 is a tactical airlift aircraft, and a major portion of its mission profile is capable of being simulated with current technology. When the devices programmed for the C–130 are operational, significant fuel savings will be realized annually through flight hour reductions.

The T–38 and T–37 aircraft are used in Air Force Undergraduate Pilot Training (UPT). The requested funds are for a new Instrument Flight Simulator to reduce T–38/37 aircraft hours. The simulator is designed to provide instruction in the instrument phase of training, which accounts for 23 percent of the flying time a student pilot currently receives.

Other Aircraft Systems Given Substantial Funding. In addition to the training devices for the eight aircraft systems just reviewed, six other systems have been programmed for substantial funding to take advantage of potential training flying-hour reductions and improved training and safety as well as fuel savings. These aircraft systems are identified in Table Three, together with their proposed funding.

TABLE 3.—TRAINING DEVICE PROCUREMENT FUNDING FOR SELECTED AIRCRAFT SYSTEMS (FISCAL YEAR 1976 BUDGET)

[In millions of dollars]

Aircraft system	Fiscal year— 1974	1975	1976	197T	1977
P–3	10.4	5.7	2.7	23.1	4.3
F–15	8.6	5.2	8.8	.1	12.4
F–14	22.2	20.2	6.1	.....	8.9
A–10	.....	4.0	22.2	.....	30.1
UH–1	8.0	11.0	19.9	.....	13.4
S–3A	1.0	25.8	15.7	.....	3.1

Funding for the Navy's patrol antisubmarine warfare P–3 aircraft in FY 197T is for the acquisition of part-task and cockpit procedures trainers. One of the part-task trainers will be for the Naval Reserve. The part-task trainers are designed to provide a realistic approach to the training of acoustic sensor station operations. Simulated audio and visual information is displayed as it would be on actual mission this providing the acoustic sensor operator with an effective training environment. The cockpit procedures trainers simulate the cockpit environment of the P–3 aircraft. It will be used to provide training in normal and emergency operating procedures to P–3 pilots, co-pilots and flight assistants.

Full families of flight training devices are planned for the Air Force F–15 and Navy F–14, the newest fighter aircraft. For the F–15, these include flight simulators, cockpit procedures trainers, and egress trainers—that is, trainers for instruction in emergency pilot ejection procedures. The flight

UMI

simulator will provide training in normal and emergency aircraft systems control and in the proper use of navigational and electronic warfare systems operations during instrument flight. Training devices planned for the F–14 include part-task trainers, weapon system trainers and operational flight trainers. The FY 1976 request includes funds for a wide-angle visual system. This system will significantly increase the device's training capability.

The A–10 is a new light attack aircraft now entering the Air Force inventory. The $22.2 million requested for FY 1976 will be used to acquire a combination of sophisticated instrument trainers and related ground training equipment. The Air Force intends to have the instrument trainers available for use when the first new pilot training graduates begin qualification training in the A–10. Funds requested for FY 1977 will be used to begin acquisition of mission simulators with full motion bases and wide-angle visual display systems.

The $19.9 million requested in FY 1976 for the UH–1 continues the acquisition of additional synthetic flight training systems. These systems are comprised of four separate cockpits, each with its own motion base, and an instructor station and a digital computer complex. A distinguishing feature of the device is its capacity to demonstrate maneuvers and provide programed instruction and training suited to the needs of each individual student. Savings of approximately $2 million in FY 1975 are expected as a result of substituting training device hours for actual flight hours in the UH–1. The system does not presently utilize a visual device; however, work has been initiated to evaluate the possible benefits of adding a visual capability.

The $15.7 million requested for the S–3A continues the program to acquire instructional systems for the Navy's newest carrier-based antisubmarine warfare aircraft. At the present time, the S–3A has one of the most highly developed and integrated operational flight training systems in the current inventory. This training device is a good example of an instructional system which is capable of taking a crew, individually and collectively, from self-paced classroom instruction through integrated, mission-oriented crew training in a state-of-the-art, motion-base simulator. The simulator is designed to train four-man crews. The crew stations and functions simulated include the pilot, co-pilot, tactical coordinator (TACCO), and the sensor operator (SENSO). The device has four basic modes of operation to allow it to be used either as a trainer for individual crew members or as an integrated weapon system trainer for the entire crew. The tactics section of the device can be utilized independently of the flight section. This permits training the TACCO and SENSO without a pilot and copilot. Similarly, the flight section can be used by the pilot and co-pilot without a TACCO or SENSO. A third mode permits simultaneous use of the two sections for separate and independent training missions.

Finally, the fourth mode integrates all crew positions into a single and coordinated device capable of simulating typical antisubmarine missions. A visual attachment now under development will further increase the capability of the system. The device is used as part of a highly developed training program. The training device is used both to qualify new or replacement crews in the S–3A and to maintain the proficiency of fleet crews who have returned from sea duty and are preparing for their next tour. The realism of the device is such that much of the tactical team training can be completed in the trainer rather than actual aircraft. While it is an expensive device, costing on the average approximately $10 million per unit, the trainer provides for improved training and will permit significant annual savings in crew replacement and fleet squadron training flying hours.

Other Aircraft System Candidates for Simulation. The aircraft systems shown in Table One which have not been addressed to this point in this report include the A–7, F/FB–111, A/TA–4, and A–6.

The last major devices for the A–7 aircraft were funded in FY 1975. Procurement funds for FY 1976 thru FY 1977 are for modifications to existing devices. It is expected that some of the A–7 training devices will be transferred to Reserve Components as the aircraft leave the Active force.

Training devices to include flight simulators and egress trainers were procured for the F–111 and FB–111 aircraft during previous years. No funds have been requested in the current budget, but the system's training and flying hour program will be reviewed to determine the cost and training effectiveness of further device acquisitions.

Training devices for the A–4 and TA–4 aircraft systems were procured in previous years to support Marine Corps replacement and proficiency training and Navy advanced undergraduate pilot training.

Navy and Marine Corps weapon system and part-task trainers have been procured for the A–6 in previous years. Two new weapon system trainers have been contracted for in FY 1975. While no funds have been requested for FY 1976, a visual attachment for one of the trainers is planned for procurement during FY 1977. The added visual capability will provide for field and carrier take-off and landing training, increase the effectiveness of familiarization training, and expand the present training capability to include visual as well as instrument navigation and weapons delivery training. The FY 1977 request also includes funds for an A–6E Night Carrier Landing Trainer. The device will be used to assist in carrier qualification training by providing a safe, controlled environment for initial training; the device will also be used to maintain fleet readiness.

Total Procurement Funding. Table Four shows the total Service procurement requests for FY 1976 and FY 197T together with funding data for FY 1974 and 1975 and projections for FY 1977. Detailed procurement funding by weapon system and non-system training device is provided in Appendix Two.

TABLE 4.—TOTAL TRAINING DEVICE PROCUREMENT FUNDING BY SERVICE (FISCAL YEAR 1976 PRESIDENT'S BUDGET)

[In millions of dollars]

Service	Fiscal year— 1974	1975	1976	197T	1977
Army	8.0	11.0	19.9	.....	13.4
Navy/Marine Corps	59.6	134.2	42.1	33.9	42.5
Air Force	20.9	130.1	185.5	11.4	242.8
Total	88.5	275.3	247.5	45.3	298.7

The increased emphasis given to the acquisition and modification of flight training devices can be seen by noting the increased funding between FY 1974 and 1977. The proposed budget for FY 1977 is larger than in any previous year because of the cumulative effect of new acquisition programs. Nearly 17 percent of the total procurement request for FY 1976 is for the modification of existing devices to increase their capability or keep them abreast of modifications to the aircraft system.

Research and Development Funding. Research and Development funding support of synthetic flight training devices by Service is shown in Table Five.

TABLE 5.—TRAINING DEVICE RESEARCH AND DEVELOPMENT FUNDING BY SERVICE (FISCAL YEAR 1976 PRESIDENT'S BUDGET)

[In millions of dollars]

Service	Fiscal year— 1974	1975	1976	197T	1977
Army	3.3	3.5	4.2	1.3	15.6
Navy/Marine Corps	2.1	2.7	3.1	.9	2.7
Air Force	12.2	11.9	10.3	2.5	13.0
Total	17.6	18.1	17.6	4.7	31.3

The research and development programs to be supported by the above funding are, for the most part, to raise the level of technology in flight simulation. The increased level of effort in FY 1977 is primarily to support development and integration of simulator visual and motion systems to meet the requirements of advanced Army helicopters.

The research and development needed to increase the capability to simulate a greater portion of the military flying mission will be discussed in a subsequent section of this report.

Training Device Inventory. The substantial acquisition and modification programs discussed in the preceding paragraphs will increase the Department's inventory of modern, sophisticated training devices as shown in Table Six.

TABLE 6.—CURRENT AND PROJECTED INVENTORY OF ADVANCED FLIGHT TRAINING SIMULATORS

Aircraft system	Simulator inventory, fiscal year— 1974	1975	1976	1977	1978
A–10					2
B–52					1
C–5	1	2	2	4	5
C–130					2
C–141 [1]	1	2	2	3	7
KC–135					1
F–4 (Navy, Marine Corps) [2]	2	2	2	3	3
F–4 (Air Force)					1
F–14	2	4	4	5	6
S–3A	1	2	2	5	5
T–38/37 [3]				8	16
UH–1 [3]	3	8	12	18	24
Total	10	20	26	46	73

[1] Includes only those simulators which have visual end motion base systems.
[2] 2 of the Navy F–4 devices will not have a visual capability.
[3] The training devices that support the T–38/37 and the UH–1 have 4 cockpits per device; the data shown reflect the number of devices only.

These devices are of the type found at the upper end of the capability spectrum. They characteristically have motion bases, and most have visual display systems. The inventory increase in FY 1977, in part, reflects the increased funding emphasis given simulator acquisition in FY 1975, demonstrating the 24 to 30 month lag that characteristically exists between contract and the delivery of the devices. Projected inventories for FY 1978 depend on continued funding support and, in some cases, the success of development programs.

FUTURE DIRECTIONS

Future Investment. The FY 1976 budget request continues the thrust of last year to update and modify existing training devices as well as to initiate acquisition programs for those systems with significant savings potential. Substantial simulator investments over the next several years will be required to realize the full potential benefits in terms of reduced costs, fuel savings, and improved readiness. Simulator acquisition programs have been initiated for the aircraft systems with large flying hour programs or high hourly fuel consumption rates. Completion of the large-scale acquisition programs will continue into the early 1980's.

In general, priority in simulator procurement has been directed toward systems with the highest potential for cost savings based on the number of flying hours and fuel consumption. However, other criteria also influence the need for simulation. For example, an aircraft system may have a small inventory and low fuel consumption but very high maintenance costs because the aircraft, or its on-board systems, receive heavy wear and tear in normal mission operations. Other low-density aircraft systems may have wartime missions which, because of safety considerations, cannot be fully exercised in training. In either case, simulation may be the answer. For these reasons, additions or modifications to Service simulator programs are likely as new approaches to better training or additional opportunities for cost savings are developed.

Needed Management Improvements. In view of the substantial investment made and planned for synthetic flight training devices, a concentrated management effort is necessary to insure that the potential training, safety, and cost benefits are realized. In this regard, the acquisition and use of synthetic flight training devices have been given additional emphasis and visibility in the DoD planning, programming and budgeting system. This planning and policy guidance will require the Military Departments to identify their training device requirements and relate them to the total weapon system program, including projected cost and training benefits.

Additional direction is being developed and will be provided to the Services to insure that flight training devices will be maintained and kept current with the actual aircraft system. The Services will be encouraged to increase their efforts toward standardization of training device components as a means of reducing duplication of effort and life cycle costs of equipment through simplification of maintenance and logistics support.

The Military Departments are currently reviewing their management policies and directives governing flight training and the utilization of flight simulators. The purpose of this effort is to insure the most effective use possible, both at the present, with available simulators, and in the future, as new simulation technology is developed.

Needed Research And Development. Visual simulation and display techniques are the most limiting factors to the capability of current synthetic flight training devices. While certain advances have made possible the development of limited experimental wide-angle visual systems, additional advanced development is needed to further their ability to satisfy the high resolution, wide-angle, and multi-target requirements of the military mission. Technology has been demonstrated that is capable of adequately creating and displaying the scene required for the straight-in approach for day and night field and carrier landing and take-off. These and other visual simulation capabilities, similar to those used in commercial aviation, have been well demonstrated and have been incorporated in some of the devices now being procured. However, additional research and development is needed in visual simulation to develop wide field of view devices which integrate, with sufficient resolution, needed complex target imagery. This capability, if it can be satisfactorily developed, would go far toward realistic simulation of the full range of military missions. The military training tasks that would benefit from such a capability include:

1. Air combat and air-to-air gunnery
2. Formation flying
3. In-flight refueling
4. Air-to-ground weapons delivery
5. Vertical take-off and landing

Major research and development programs are in process to evaluate experimental wide field of view visual systems and their role in the transfer of learning. Other test and evaluation programs will provide data for defining air-to-air training requirements and techniques as well as improved air combat tactics. Additional effort is needed to improve simulation of acceleration and motion, computational technology for sensor and visual displays, the quality of data on aerodynamic flight characteristics, and quantitative and objective measures of pilot proficiency.

SUMMARY

Flight training device acquisition programs have been initiated, where applicable, for those weapon systems with greatest potential energy, cost and training benefits. Upgrade and modification programs are in progress for those systems that possess training devices capable of increased productivity. Emphasis has been given to the management of flight training device programs. Their cost and contribution to force readiness are reviewed with other major programs and are given separate consideration during budget preparation. Service maintenance and flight training policies and procedures are being reviewed to insure that maximum benefits can be derived from the devices. Finally, research and development programs are in progress and others will be initiated, as necessary, to expand the body of knowledge needed to satisfy the unique simulation requirements of military aviation.

APPENDIX ONE.—AIRCRAFT SYSTEM DESIGNATIONS

Service

Aircraft System or Device: Aircraft System or Device Designation:

ARMY

AH–1: Attack Helicopter.
CH–47: Cargo Helicopter.
UH–1: Utility Helicopter.

NAVY/MARINE CORPS

A–4: Light Attack.
A–6: All Weather Attack.
EA–6B: Electronic Countermeasures.
A–7: Light Attack.
F–4: All Weather Fighter.
F–14: All Weather Fighter.
E–2: Carrier Airborne Early Warning.
P–3: Patrol Antisubmarine Warfare.
S–3A: Carrier Antisubmarine Warfare.
T–2: Advanced Trainer.
TA–4: Advanced Trainer.
KC–130: Marine Corps Tanker/Transport.
ACM: Air Combat Maneuvering Trainer.

AIR FORCE

A–7: Light Attack.
A–10: Light Attack.
B–52: Strategic Bomber.
KC–135: Strategic Tanker.
C–5: Strategic Airlift.
C–141: Strategic Airlift.
C–130: Tactical Airlift.
F–4: Tactical Fighter.
F–15: Tactical Fighter.
F/FB–111: Tactical Fighter/Bomber.
T–37: Primary Undergraduate Pilot Training Aircraft.
T–38: Basic Undergraduate Pilot Training Aircraft.
ASUPT: Advanced Simulator for Undergraduate Pilot Training.
SAAC: Simulator for Air To Air Combat.
SEWT: Simulator for Electronic Warfare Training.

APPENDIX 2.—SYNTHETIC FLIGHT TRAINING DEVICE PROCUREMENT FUNDING

[In millions of dollars]

Service—aircraft system/simulator [1]	Fiscal year— 1974	1975	1976	197T	1977
Army: UH–1	8.0	11.0	19.9	.....	13.4
Navy:					
A/TA–4	.7	3.2	4.0	0.2	.6
A–6	.5	14.6	.....	1.2	9.8
A–7	6.6	6.2	1.1	.3	1.1
E–2	4.8	7.9	1.5	.....	2.4
EA–6B	1.7	15.0	.5	.1	.5
E/KC–130	2.9	1.5	1.9	1.8	.2
F–4	1.1	14.6	3.3	1.3	1.2
F–14	22.2	20.2	6.1	.....	8.9
P–3	10.4	5.7	2.7	23.1	4.3
S–3A	1.0	25.8	15.7	.....	3.1
T–2	6.5	.6	2.7	.....	1.4
ACM		12.0	.....	.....	.....
Other	1.2	6.9	2.6	5.9	9.0
Air Force:					
A–7	5.0	10.8	.....	.....	4.6
A–10	.....	4.0	22.2	.....	30.1
B–52	.....	.....	44.5	.....	85.5
C–5	.2	1.3	.6	.....	.....
C–130	.....	15.0	25.9	.....	32.2
C–141	1.0	4.2	2.5	.....	.....
F–4	.....	38.0	18.9	.....	30.9
F–15	8.6	5.2	8.8	.1	12.4
KC–135	.....	.....	17.0	.....	.....
T–35/37	6.1	38.7	39.3	11.3	46.8
AWACS	.....	12.9	.6	.....	.3
SEWT	.....	.....	5.2	.....	.....
Total DOD	88.5	275.3	247.5	45.3	298.7

[1] Aircraft types and nonsystem simulators (ACM, SEWT, etc.) are further defined in app. 1.

RESEARCH AND DEVELOPMENT

Mr. THURMOND. Turning now to the research and development account, the $10.2 billion is the largest amount ever requested and is $1.6 billion more than was appropriated for fiscal year 1975.

Senator MCINTYRE, I am sure, will be providing a complete report a little later on what this increase of $1.6 billion is comprised, so I will just note that the $9.7 billion recommended provides a real increase of only 2.4 percent.

There are many significant programs that are in research and development that will soon be ready to transfer to the procurement account. All of these programs, I might add, represent years of planning and effort and will make a very significant contribution to the inventory of our defense establishment. There are a few that I believe warrant a comment or two.

For the Army, the "big five" program, consisting of the advanced attack helicopter, the UTTAS helicopter, the mechanized infantry combat vehicle, the XM–1 tank, and SAM–D, continues to progress. Each of these systems is aimed at providing our Army with superior firepower and mobility which, as I stressed earlier, is a must if our Army is to cope with numerically superior forces.

The largest single R. & D. line item request for Navy is $732.5 million, which the committee recommends for the Trident missile system. This missile is the eventual replacement for the Poseidon and will be backfitted into a number of these boats, as well as being the primary weapon for the Trident submarine.

Another Navy R. & D. program that warrants comment is the air combat fighter program, for which $110.2 million

UMI

is recommended for fiscal year 1976 and $22.6 million for fiscal year 1977. As I am sure most of my colleagues are aware, this became the F–18 program when, on this past May 2, Navy announced it had selected the McDonnell-Douglas/Northrop F–17 derivative over the LTV/General Dynamics F–16 derivative. We do not yet have good cost estimates for this program, although the estimated F–18 program unit price, based on fiscal year 1975 dollars and a buy of 800, is $9.6 million. With this selection it appears that the desire of the Congress to see the Navy and Air Force choose a common aircraft, from which each could develop a relatively inexpensive fighter—$6 million fiscal year 1975 dollars—will not come to pass. The funds recommended are for the development of the F–18 and the committee will monitor this program very carefully during the coming year.

For the Air Force, the largest research and development program is the B–1 strategic bomber. The committee recommends a total of $726.2 million for fiscal year 1976 and the 3-month transition period for this important program. I would like to stress that the committee denied the long lead procurement funds requested, since it was felt that might be considered as supportive of a production decision. In addition, funds within the R. & D. request related to production were also deleted. The funds recommended will allow the continuation of the flight test program, which will eventually comprise three aircraft, and the beginning of the fourth aircraft which will be built to production configuration.

NAVY SHIPBUILDING

Mr. President, for the Navy shipbuilding and conversion program the committee recommends approximately $3.7 billion. Although the committee is recommending about $1.8 billion less than requested, the recommendation is still $600 million more than the fiscal year 1975 program. However, there is not a single major surface combatant ship in the recommendation, since the committee denied the DLGN–42, the last of a planned five ship program. In this case the committee felt it inappropriate to build any ship, and especially a nuclear ship, with an air defense weapons system considered to be inadequate to meet the projected threat within a relatively short time after delivery of the ship. I would like to note that I do not agree with the majority of the committee on this particular recommendation.

On a more positive note, the committee recommends funding the fourth Trident submarine, two 688-class attack submarines, seven patrol frigates, and seven other support vessels. It is my personal opinion the Navy's shipbuilding program is far too low, almost to the point of being dangerous. The Navy testified this year that a minimum 30 ships per year construction program was required to come up to the 600 modern ship level. Yet Navy's request was for only 23 ships. In addition, a major portion of the ships now under construction are in only three private shipyards. I am concerned that we are not properly utilizing the shipbuilding industry. I am also concerned that the shipbuilding base for nuclear ship construction is essentially, at this point, confined to two shipyards.

The committee recommends a reduction of $987.3 million in cost growth and escalation on prior year programs. However, I would stress these costs, assuming the validity of estimates of economic inflation in the out years, must be paid at some point. So, in effect, we are only putting off the inevitable. However, the request for an additional $2.27 billion for ships previously authorized and funded shows very dramatically a major problem the shipbuilding industry is encountering today.

MANPOWER

Mr. President, the last area of the committee recommendation I wish to address is manpower. The committee recommends an overall 1-percent reduction in the 2.1 million military manpower request. This amounts to about 1 percent for each of the services, which is to come primarily from support spaces. The 18,300 total recommended reduction, when added to the 29,000 reduction included in the DOD request, would bring active duty military strengths in fiscal year 1976 about 2 percent below the planned end fiscal year 1975 strength of about 2.2 million.

I am pleased to advise my colleagues that the DOD estimates that all of the services will meet their planned end fiscal year 1976 strength under the All Volunteer Force.

For the Reserve forces, the committee recommends the end strengths as requested of 896,800. The committee continues its strong support of the Reserve components as part of the total force policy.

For civilian personnel, the committee recommends a 23,000, or 2 percent, reduction from the overall request of 985,000. The committee is confident this reduction can be accomplished by attrition.

SUMMARY

Mr. President, in summary, this recommendation represents a great deal of work in a relatively short time, primarily to comply with the dates established by the new Budget Act.

I would stress that our defense budget comprises a smaller percentage of the overall budget than last year, and that it will buy less.

I would stress that the funds recommended are required for the most part to insure that our continually reducing forces have the wherewithal to overcome forces superior in number.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield briefly?

Mr. THURMOND. I would be pleased to yield to the distinguished Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I heard the comments of the Senator from South Carolina indicating, I believe, that we would have about 2.1 million in our armed services if we adopt the committee's recommendation, but I did not hear any comments from him as to how that would compare with what the Soviet Union or Red China have.

Is it correct that the Soviet Union has approximately 4 million men under arms?

Mr. THURMOND. In reply, I will say the figure will be slightly less than 2.1 million. I might say that this is a very small figure compared with the Soviet Union. The Senator, I think, has indicated that the Soviet Union is much larger, and that is true. The Soviet Union instead of having 2.1 million has a force about 4.2 million; twice the size of ours.

Mr. WILLIAM L. SCOTT. It is my understanding that Red China also has 3 million, so we are talking about this Government having something over 2 million men under arms while Russia and Red China have roughly 7 million, if my recollection is correct. The distinguished Senator, I believe, is of the opinion that it is even greater than what I am saying.

Mr. THURMOND. That is correct.

Mr. WILLIAM L. SCOTT. So a cut in manpower would put us at a distinct further disadvantage.

I submit, Mr. President, if we cannot compete on a man-to-man basis—and I do not believe we can—with the Communist world, then it is necessary for the defense of this country that we have more sophisticated weaponry, that we have more firepower, that we develop a substitute for greater manpower. I am not suggesting that we have greater manpower. In fact, I have some concern—and the Senator and I may have some difference of opinion on this—about our manpower being spread all over the world like it is.

But, forgetting manpower for a moment, if we cannot compete on a man-to-man basis, is it not necessary that we have at least the weaponry that is set forth in this bill?

Mr. THURMOND. The Senator is eminently correct. The manpower we have in this bill is very small, as the Senator has brought out, compared with Red China and the Soviet Union, and we certainly cannot compete in manpower, because they overwhelm us in having larger numbers of manpower. Our only hope of competing is through more modern weapons and through our nuclear power.

Mr. WILLIAM L. SCOTT. Mr. President, I feel that we need to point out that potential enemies—and we hope that we will never have any armed conflict with either the Soviet Union or Red China, but their philosophy is different, their form of government is different from ours, and the possibility exists that the day might come when we would have a conflict with them and, I think, knowing the number of men that they have under arms should be persuasive to us in determining where to set our manpower limits, and then also the weaponry they have should cause us to reflect upon the weaponry that we have.

I just feel, Mr. President, it is essential that we have more sophisticated, better weaponry; that we have better trained men if we are going to preserve the freedom of this country, and assist other nations throughout the free world.

I appreciate the distinguished Senator's yielding so that I could make this observation and ask him a question or two.

Mr. BUMPERS. Mr. President, will the Senator yield for a question along the same line?

Mr. THURMOND. Mr. President, I heartily agree with the statements of the distinguished Senator from Virginia, and I hope the point he has made here about manpower and the reductions made in manpower will certainly be harkened to by Members of the Senate. I think it is a signal that we should not consider reducing manpower any further. In fact, I am concerned that the manpower has been reduced even below what the Defense Department recommended.

Mr. WILLIAM L. SCOTT. I believe it is 18,300 less for fiscal year 1976 than it is for the current fiscal year, so we are making some slight reduction. I am not thinking about the requests of the Defense Department. I am thinking about the number of men we have in the services, men and women, for this fiscal year compared with the next fiscal year, and I believe it is an 18,300-man reduction that we are recommending.

Mr. BUMPERS. Mr. President, will the Senator yield for another question along the same lines?

Mr. THURMOND. I will be pleased to yield to the distinguished Senator from Arkansas.

Mr. BUMPERS. I was a little troubled by the manpower statistics that I saw in the committee report. The Soviet Union had something like 4 million men compared to the 2.2 million in this country, but I wonder if they are really on all fours because I note, for example, that we are, as a part of this authorization bill we are discussing here, authorizing, at least the committee has recommended that we authorize 962,000 civilian personnel. I am wondering whether or not the functions which those 962,000 people, civilian people, perform in support of our military department, if the Soviet Union does not actually perform most of those functions with uniformed personnel.

Mr. THURMOND. Well, my information is that the Soviet Union performs some with civilians, but we perform a larger percentage of tasks than they do with civilians.

Mr. BUMPERS. The second question was we have somewhere between 6 and 7 million people in this country engaged in defense work, contractors, manufacturers, and so on, and whether, in the Soviet Union, some of those at least quasi-military functions are not also performed by uniformed military personnel rather than by civilian contractors such as we use in this country.

Maybe I can rephrase the question to say that it is my understanding, and this is the reason I asked the question for my own edification, it is my understanding that the Soviet Union performs a large number of Defense Department functions with uniformed military personnel who make up part of this 4 million-man force the Senator from Virginia just referred to, that we contract out to various private corporations, in some cases even universities, laboratories, and so on.

I am wondering if that is correct, and I am asking the Senator if it is, but if it is correct, would that not also bring us a little closer to the Soviet Union?

Mr. THURMOND. I think the point the distinguished Senator from Arkansas made has some bearing, but the actual fighting forces of the Soviet Union versus the United States clearly show that they have in numbers from 2 to 2½ times as many as we do, the number of forces actually available.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. THURMOND. I am very glad to yield to the Senator.

Mr. KENNEDY. On that particular point, I notice in the request that there is going to be a request for additional three divisions of combat troops, is that not the case?

Mr. THURMOND. Well, that is true, but those troops will be taken from what is now support troops, and it will not increase the ultimate number, it will merely be converting troops now used in support to combat troops. General Abrams recommended that before he died and he felt it could be carried out and Secretary Callaway is implementing that decision now.

Mr. KENNEDY. I was wondering if the Senator was going to elaborate for us why there was necessity for increasing the total number of combat divisions from 13 to 16 and what strategic exigencies have arisen over the period of the last year or two that would require this.

If there could have been a reduction in the number of support troops in the past, why are we not saving the American taxpayers the savings rather than increasing the cost?

Mr. THURMOND. The cost would not be increased for personnel but there will be for equipment, over the next 5 years. For the manpower, Army is merely converting support to combat and there never should have been a reduction to 13 in the first place.

What the Army is trying to do now is they will bring it up to the 16 which the JCS feel is a minimum number of divisions needed. They are doing that without increasing the total numbers in the Army.

Mr. KENNEDY. As I understand, in 1970 we changed from the concept, and the Armed Services Committee reviewed this, of being able to fight 2½ wars to 1½. At the same time, the number of divisions necessary to provide security for our country was defined by the Secretary of Defense as 13 combat divisions. They were viewed as sufficient to provide for security. At the urging of many Members of the Senate about the numbers of support to combat divisions, very careful review was done, and I commend the members of the Armed Services Committee, particularly the Senator from Georgia (Mr. NUNN) for the review of the manpower, and found out that there was an oversupply in these headquarters and support areas. So they changed that from support manpower to combat divisions.

Yet, I am just wondering what the change in threat was that justified this increase of combat divisions.

I am not completely satisfied myself that because we had a surplus of support manpower that we have been able to identify that, therefore, we should just convert it into combat divisions, unless there is a compelling need for it.

Obviously, if there is justification, then we ought to have all the combat divisions we need, but I am just wondering if the Senator could elaborate on what the strategic defensive exigencies are that arise today which did not exist over the period of recent years which would require an addition of three combat divisions.

Mr. THURMOND. Mr. President, in reply to the distinguished Senator from Massachusetts, I want to say that 13 was too low a number. It never should have been cut to 13. The Army felt that way, the Defense Department felt that way, and even the White House, but the Congress cut it down anyway. It was a mistake.

Now, without increasing the numbers, we have brought pressure on the Army to try to make more divisions out of their numbers and they are now doing that. They have eliminated a lot of headquarters and a lot of support troops and they are giving more firepower, more combat power, and that is exactly what we need to do.

I think the ultimate goal is to have as few headquarters as possible, to have as few support troops as possible, to put into the field as many combat troops as possible.

Mr. KENNEDY. Will the Senator yield?

Mr. THURMOND. General Abrams felt that very strongly. Secretary Calloway felt that very strongly. I am very pleased that they made the progress they have and can go to 16 divisions without increasing the total number.

Mr. KENNEDY. I do not think there is a Member of the Senate who does not support the reduction of support to combat divisions. I do not want my remarks interpreted as anything but support for the reduction of support troops versus combat slots, but I would like the Senator, as he has spoken about the increase in need in combat divisions over the period of the past, to point out any testimony or to have the staff show us any testimony where the formal requests for an increase of combat divisions was made between fiscal year 1971 and fiscal year 1974.

I do not understand that to be the case and when the Senator is making generalizations about the Defense Department, the President, the Congress, that all wanted an increase of divisions from 13 to 16, I would like to see the justifications for it.

I am particularly concerned that two of the three proposed divisions are now mechanized and therefore, more appropriate for Asian contingencies, which is the one area, given the end of Vietnam, that we must be reducing our conventional force requirements.

Mr. THURMOND. Well, Mr. President——

Mr. KENNEDY. I would like to discuss the Senator's own personal view

UMI

Furthermore, I wish the Senator would address himself to the increased cost of these additional divisions, what it is going to mean in terms of additional cost, in terms of equipping and maintaining these people over the next 5 years.

As to the best estimates, I have, it will cost a minimum of $2.7 billion. That does not begin to get into additional costs for other support units nor does it calculate increases in retirement or other long-term costs.

I wanted, as the Chairman said, to permit a full discussion and presentation of these issues, but since the Senator has been yielding on the manpower issue to our colleague from Virginia, I thought at least I would raise some of these questions so that in his presentation he might be able to address himself to them.

Mr. GOLDWATER. Will the Senator yield?

Mr. THURMOND. I am glad to yield to the Senator from Arizona.

Mr. GOLDWATER. Just to answer as much as I can the question of the Senator from Massachusetts, and I have to preface my remarks by saying the complete justification for the not 13 or 16, but more divisions can be obtained by the Senator from Massachusetts if he will ask for a briefing on it.

It is very highly classified and I do not thing it should be discussed on the floor, but in a general way I think I can give some of the answers.

Now, the 16 divisions——

Mr. KENNEDY. Well, just on that point——

Mr. GOLDWATER. Just a moment.

Sixteen divisions is the number that the Joint Chiefs will agree to as being semiadequate if it is backed up by eight reserve divisions.

The number they feel this country should have to be properly adequate and properly protected is greater than that, but unfortunately, I cannot give the number. I will be glad to tell it to the Senator off the record. This is an economical, much more economical situation than we have been having where we have been running a few more divisions, but up and down without ever in any year having what we might have the following year.

The committee has made a very determined effort to reduce the ratio of combat to noncombat, or the other way around if you want to put it that way, and we have achieved, I believe, remarkable success in that field.

Another thing I think the Senator should realize is when we are speaking division, we are not speaking of any specified number of men. For example, the Soviet division is much, much smaller than ours. The Vietnamese division is even smaller than the Soviet division. Ours can range anywhere from about 20,000 to almost 40,000 men, either number being greater than the other divisions of countries that I have mentioned. When we get to talking divisions, I think we have to recognize that there is a difference to start with in the number of divisions between ourselves, say, and the Soviets.

I might say that there would be no way that this country could ever match the Soviets in manpower strength on the ground or in division strength by division.

For our own purposes we classify our divisions from 20,000 to 40,000, and equipment would go with it, depending upon the mission of that particular division. But if the Senator would like to find out the reasons, I urge him to do this because it is very, very interesting, and, unfortunately, it cannot be put into the RECORD and it cannot be discussed on the floor because when we begin to do this, then we get into information that would be of value to the enemy.

I will be perfectly honest with the Senator. I have had my briefing on it, but I stopped the briefing because I do not care to know the full nature of these reports when they are so highly classified.

I do feel and I am convinced that 13 divisions, 16 divisions, is a much more economical situation than we have had. I think in the course of the debate on the equipment alone the Senator will understand why this statement can be made.

To conclude, although I cannot say this figure can be applied across the board, we figure about $1 billion for each 100,000 men. This may go up to 120,000 men or down to 90,000, but $1 billion, roughly, is the savings in this field.

I thank the Senator from South Carolina.

Mr. WILLIAM L. SCOTT. Will the Senator yield?

Mr. THURMOND. I yield.

Mr. WILLIAM L. SCOTT. I appreciate the Senator yielding, Mr. President.

I would agree with the thoughts that the Senator from Arizona has just expressed. He has indicated that in some instances there is classified information involved that he would prefer not to bring to the attention of the Senate generally, and yet we can look at page 3 of the report of the committee. We find on page 3 some observations regarding the growing trend of Soviet military efforts. Let me just share a few of those with the Senate:

> Prior to United States involvement in Vietnam the United States enjoyed a relative military advantage both in strategic and conventional arms over the Soviet Union. Since that time the Soviet military strength has been gradually increasing to a point which, if continued in the years ahead, could result in a shift of the military balance against the United States. This fact must be recognized in making a judgment on U.S. defense needs. The following examples illustrate this trend:
>
> 1. From 10 years ago the Soviet Union has increased its military manpower by about 750,000 to almost 4 million. The U.S., on the other hand, has reduced its military manpower by 585,000 to about 2.1 million men.
>
> 2. The U.S.S.R. within the last 10 years has maintained about the same number of major combatant ships and submarines. The U.S. compared to 10 years ago has reduced this category of ships by about one-third.
>
> 3. The Soviet Union has maintained a level number of tactical aircraft over the last ten year period while the U.S. has reduced their number by seventeen percent.
>
> 4. While the U.S. maintains a technological superiority with regard to research and development in certain areas, the Soviet Union is closing the gap.

Mr. President, I believe it goes beyond manpower. We must think about our manpower needs, but to me, if we are not going to match the Communist world man for man in manpower, then we have to be superior with regard to our weaponry.

I appreciate the distinguished Senator yielding.

Mr. LEAHY. Will the Senator yield?

Mr. THURMOND. I am pleased to yield to the distinguished Senator from Vermont.

Mr. LEAHY. I thank the Senator.

I have the utmost respect for the knowledge of the Senator from Arizona on troop strength and troop makeup around the world. He has demonstrated time and time again in the Armed Services Committee that he has nearly encyclopedic knowledge of that subject. However, in regard to the question of the senior Senator from Massachusetts concerning the proposed increase to 16 divisions, I am concerned that perhaps we may be limiting not only Members of the Senate too much by the cloak of secrecy but perhaps the public, those who have the ultimate concern and ultimately pay the bills.

It is extremely easy in discussing matters regarding the armed services to overly concern ourselves with the confidentiality of the facts contained therein. Frankly, I was somewhat shaken from my own experience on the committee at one time when we were shown an item labeled "Top Secret—Sensitive," and I had seen a photograph of the same item several months before in Time and Newsweek magazines. I find it a little difficult as a Member of the Senate to go behind closed doors on something I can read at a newsstand anywhere in the country.

When we talk about the question of larger military manpower strength of the Soviet Union, I would ask if in this debate we might go to the further question in public session as to just where that manpower is deployed. It seems to me that such facts are necessary if the Congress is to decide rationally what our force levels should be and if the American public is to be allowed to decide whether we acted wisely. If three quarters of a million Soviet soldiers, for example, are deployed along the Soviet-Chinese border, it certainly puts us at no disadvantage if we do not add three-quarters of a million of our own men on the other side of that border.

As far as talking about Soviet strength, the Soviets know what their strength is, and I do not think it will hurt if the American people also know. I believe it is only within that context that we can decide just what our own military manpower levels should be.

I suggest in the light of the question of the Senator from Massachusetts, that we, in the course of this debate, remove the shroud of secrecy from as many things as possible. Certainly we should remove it from those things that the Soviet Union already knows, and which might be good to let the American people also know.

Mr. GOLDWATER. Will the Senator yield that I might answer that statement?

Mr. LEAHY. Yes.

Mr. GOLDWATER. I am glad the Senator brought up this point. I have discussed this with him and with others in the committee. If we can expand this to a greater step, I would like to start it right here, if the Senator from South Carolina would permit. I believe that the Armed Services Committee and the Foreign Relations Committee should either be the same committee, that we be members ad hoc of each committee, or that we meet intermittently with each committee so that when we talk about things like troop strength members of the Foreign Relations Committee will have an idea of what we are talking about, and when the Foreign Relations Committee questions something that the Armed Services Committee does we will be in a better position to understand why they are questioning.

Mr. LEAHY. Mr. President, will the Senator from Arizona yield on that point for a moment?

Mr. GOLDWATER. Yes.

Mr. LEAHY. As the Senator from Arizona knows, there are some areas of general philosophy on which we are not in total agreement.

However, he also knows that in so many committee meetings that I have lost count he and I raised precisely that same point that he has just articulated; namely, that it is impossible, really, to debate defense policies absent foreign policy.

We would do a far greater service, not only to the Senate, in my opinion as a newcomer, but to the American people if, in conjunction with the discussion on the pending Military Procurement Authorization Act, we started a real debate on the act's relationship to our foreign policy. It makes no sense to develop fantastically expensive weapons systems and deploy troops and ships, whether it is in Diego Garcia or anywhere else in the world, without knowing precisely what our foreign policy is in a given area and how such actions complement that policy. Not only is it wasteful, but in a nuclear age I think it is extremely frightening and extremely dangerous.

I concur totally with the Senator from Arizona that that debate must be one within the Senate, but beyond that it should be followed by a continuing dialog between the committees having jurisdiction.

I thank the Senator.

Mr. GOLDWATER. Mr. President, I thank the Senator for that comment and go a bit further on that before trying to answer the question to the fullest extent.

I have discussed this with the majority leader over a year, probably 2 years ago and discussed it with the leadership of our committee. I know there are other Senators, particularly the younger members on the Armed Services Committee, who feel very strongly about this. That is to get into this business of manpower and why it is so classified.

Here is another area that I am trying to open up, as the Senator knows, so that members of the Committee on Armed Services can participate or sit through the war games that are constantly being played in the Pentagon or by the National Security Council.

When a Senator sits through one of these or even is able himself to suggest a nebulous or probable situation and then watch what the Joint Chiefs have to go through in coming to the answer of how many planes do we need, how many tanks do we need, how much manpower do we need, he can have a better understanding of the answer to the age-old question that is put to every military man, a study of the estimate of the situation, where one assumes that this will be the battlefield and one assumes that these will be the battle conditions, and one assumes that the enemy has this potential or that potential, even getting into weather, then I think we all on the committee would have a better understanding of how they arrive at probable troop strength.

As I say, I have received these briefings. I do not care to go through them in their entirety because some of them get into areas that I think the Senator will understand once he has two or three times sat through the war gaming, from which the Joint Chiefs and the National Security Council arrive at these figures that are later sent to us by the President.

I can assure my colleagues that these are not figures that are just drawn out of the air. I doubt that there is a country in the world that more meticulously selects the number of men and the numbers of equipment that is needed for possible battles—and that is the important word—than ours. We have no idea where the United States might next become engaged on the field of battle. It could be the Middle East, it could be the flats of Russia, it could be the wooded country and hills and mountains of Europe. It could be any place. We pray it will not be. But we would be very foolish if we did not prepare for any eventuality, and that is why the figure has been arrived at, and I say again, not happily, at the division strength that we are proposing this year.

The Senator will recall in discussion in the committee we talked about heavier troop strength cuts and decided it would be imprudent to do it at this time.

So I hope during the course of the entire debate that we are able to answer questions that would naturally come up from the colleagues in the Chamber who do not have to live with this problem day after day, month after month, year after year, as we do.

Mr. SYMINGTON. Mr. President, will the Senator yield to me?

Mr. GOLDWATER. I do not have the floor.

Mr. THURMOND. Mr. President, I was making an opening statement here, and I think time should be charged against each side. If it is agreeable, I wish to conclude. I am almost through. I would like to finish that statement.

Mr. KENNEDY. Will the Senator permit a unanimous consent request?

Mr. THURMOND. Yes, if the Senator will get his time from the right party so it will not be charged out.

Mr. KENNEDY. Mr. President, if the Senator will yield for a unanimous-consent request as I understand the time now is divided for these first 2 days between the chairman of the Committee on Armed Services (Mr. STENNIS) and the Senator from South Carolina, each getting 5 hours.

I do not think there will be any difficulty, and I have received assurances from the Chair. But I ask a unanimous request that we be able to be entitled to 5 hours to be divided between the Senator from California (Mr. CRANSTON) and myself, and that we have the ability to be able to make this presentation.

Mr. STENNIS. Mr. President, if the Senator will yield to me and observe this, the Senator from South Carolina is almost finished with his speech. Afterward, I would propose that we have a new agreement about the time in which the Senator from Massachusetts and his associates would have equal time with the proponents of the bill, and the Senator will control it.

Mr. KENNEDY. I thank the Senator.

Mr. STENNIS. The Senator will control it, and we will control the other and move along in the usual way.

Mr. THURMOND. I think that would be a fair way to do it because the Senator from Mississippi (Mr. STENNIS) and the Senator from South Carolina are together on most issues, and it would be fair for the other side to have equal time.

Mr. KENNEDY. That is perfectly agreeable.

Mr. BUMPERS. Mr. President, will the Senator permit me a unanimous-consent request?

Mr. President, I ask unanimous consent that Eric Forman, of my staff, Herbert Jolovitz and Doug Racine, of the staff of the Senator from Vermont (Mr. LEAHY), be accorded the privilege of the floor during the consideration of S. 920.

Mr. KENNEDY. Mr. President, will the Senator add Mr. Mark Scheider, from my office, to that unanimous-consent request?

Mr. BUMPERS. I add the name of Mr. Schneider to that unanimous-consent request.

Mr. SYMINGTON. Mr. President, will the Senator add the name of Mr. David Raymond to that unanimous-consent request?

Mr. BUMPERS. I add the name of Mr. Raymond, from the office of the Senator from Missouri (Mr. SYMINGTON), and I also add the names of Bill White and Mr. Roy Warrner, from Senator GLENN's office.

Mr. THURMOND. Mr. President while that is being considered I ask that there be included any members of the staff of the Committee on Armed Services.

Mr. BUMPERS. Mr. President I so request.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. SYMINGTON. Mr. President will the Senator yield so that I may ask a question of Senator GOLDWATER?

Mr. THURMOND. I am almost through with my opening statement. If

UMI

I could finish that then we can debate in depth these different issues that the Senator wishes to bring up.

My distinguished chairman has as we have seen him do so many times in the past done a magnificant job on this bill and also in getting the bill to the floor in compliance with the spirit of the Budget Act. I wish to compliment our distinguished subcommittee chairmen, comprised of Senator CANNON, tactical air power; Senator MCINTYRE, research and development; and Senator NUNN, manpower and personnel; who did excellent work in their respective areas. Each will present a separate report later. I also wish to compliment the minority members, Senator TOWER, GOLDWATER, WILLIAM L. SCOTT, TAFT, and BARTLETT, for their fine cooperation and the effective work they did on this bill.

I urge each of my colleagues to support S. 920, as reported. Again, I state this is not a perfect bill, but we think it is a good bill. If some of us could have had our way, many of these items would have been increased and some changes would have been made. However, it is a bill that the Committee on Armed Servics has agreed upon and has brought to the floor; and we hope that the bill will not be altered to any great extent, for the benefit of our country and the defense of our Nation.

Mr. MCINTYRE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. MCINTYRE. Mr. President, I yield as much time as may be necessary for me to deliver this brief report of the subcommittee.

Mr. STENNIS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. MCINTYRE. I yield.

Mr. STENNIS. Mr. President, the majority and minority members of the committee have made an overall presentation. Customarily, the chairmen of our subcommittees have followed, and I appreciate the attitude of all in letting them follow now. I think there should be another understanding about the division of time. The way it reads now, the Senator from Mississippi and the minority leader control all the time; whereas, the Senator from Massachusetts and the Senator from California, who requested these 2 days of debate, should have control of half the time, I believe. So I ask the majority leader to make the request that the remainder of the time for today and tomorrow be controlled in that way; then, on Wednesday, Thursday, and Friday, the other agreement will control.

Mr. MANSFIELD. Mr. President, if the Senators will allow me, I ask unanimous consent that the time be equally divided between the distinguished Senator from Mississippi, the chairman of the committee, and the distinguished Senator from Massachusetts (Mr. KENNEDY), or the distinguished Senator from California (Mr. CRANSTON), or whomever they may designate, the time to be equally divided for the remainder of today and tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. GOLDWATER. Mr. President, reserving the right to object, I ask for a clarification.

As I understand it, we are really talking about two different matters here. If I recall correctly, a letter I signed had to do with foreign policy, and the discussion was to begin today. We are also beginning the discussion of the armed services. Will the unanimous-consent request cover the foreign policy discussion and the military discussion?

Mr. MANSFIELD. As the Senator knows, it is pretty hard to disassociate these two elements in many areas. However, it was agreed that we would have 2 days of debate, and if foreign policy and defense are intertwined, I think it is understandable. I believe that the suggestion by the chairman is the best way to face up to this situation—for only 2 days.

Mr. GOLDWATER. For example, I have not made my opening statement. I have one on armed services and one on foreign policy. So I do not know which side to lean toward and not be charged with the use of time.

Mr. MANSFIELD. No, that time would not be charged against the Senator, except under the agreement, and he could use either or both, whichever way he decided.

Mr. GOLDWATER. One more question, and I will not object: Will this time limitation have any bearing, say, on the discussion of a weapons system such as the B–1 or SAM–D or anything like that?

Mr. MANSFIELD. The amendments will come the last 3 days of the week. But if during the course of this discussion on foreign policy and defense we get into the B–1 or the Trident or other things, they will have to be considered incidental.

Mr. GOLDWATER. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask the Senators from California and Massachusetts if they will make sure that those who offer amendments at the proper time will be given due consideration.

Mr. KENNEDY. They certainly will.

We all have statements to make, and I am hopeful that we can put those statements in the RECORD and begin to talk about some of these matters. The time is going on.

I want to follow the procedures, to the extent that the members of the committee want to make their presentations. We have begun to talk about some of the matters which are of great interest. We have only a couple of days in which to do it, and I hope we will be able to get the more formal aspects of our presentation over with.

I should like to make a final comment with respect to the statement of the Senator from Arizona, and then I will yield the floor at this time.

As to the question of the presentation of the Committee on Armed Services, I feel that we are entitled to an explanation of change in the strategic situation and conventional defense threats, and the foreign policy implications of an increase in the number of divisions.

The Senator from Arizona has pointed out the significance and the importance of secrecy in these matters. I think we are completely prepared and equipped under the rules of the Senate, if necessary, to go into secret session and listen to the justifications for this matter.

The fact is that in fiscal years 1972, 1973, and 1974, only 13 divisions were requested by the Secretary of Defense. It was raised to 14 in 1975, and now we have a committee recommendation to go up to 16 combat divisions.

It seems to me that even with the dramatic change in our military situation in Southeast Asia in the last few weeks, of which we are all aware, we should have the opportunity to consider what the strategic implications are of these kinds of requests.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. KENNEDY. I hope that if they are going to be of a sensitive and secret nature, the members of the committee or others will be prepared to make some observations under the kinds of security we have.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MCINTYRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MCINTYRE. Who has the floor?

Mr. STENNIS. Mr. President, I yield the Senator from New Hampshire 20 minutes.

Mr. GOLDWATER. Mr. President, I would like to answer a question put in a personal way, if I may. I think we have that personal privilege.

I point out to the Senator from Massachusetts that if he is looking for the saving of money, our troop strength is lower today than it has been in the last 3, 4, or 5 years. While we are asking for another division or three, we are doing it with fewer men. So we get into the subject of the size and composition of the divisions.

I hate to say this: It cannot be discussed on the floor of the Senate, either in closed session or open sesion; because, as the Senator knows, there is no such thing as a closed session, and any discussions we might get into would be of benefit to the enemy.

Mr. MCINTYRE. Mr. President, I have the floor, and I intend to deliver a very short report on the work of the Subcommittee on Research and Development in the last 6 months.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MCINTYRE. I yield.

ORDER FOR ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 79–565, appoints the Senator from Ohio (Mr. GLENN) to the U.S. National Commission for the United Nations Educational, Scientific and Cultural Organization.

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

The Senate continued with the consideration of the bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

Mr. MCINTYRE. Mr. President, as chairman of the Subcommittee on Research and Development of the Committee on Armed Services, a position which it has been my privilege to hold for 7 years, I would like to speak in support of the committee recommendations on S. 920, the military procurement authorization bill for fiscal year 1976 and the 3-month transition period 197T.

Before addressing the research and development part of the bill, there are some general observations which I would first like to make.

The United States today stands at a critical crossroad in its history. We are still mourning our valiant dead and healing the wounds we suffered in South Vietnam. We are smarting from the sting of our disgorgement from Southeast Asia. Our national prestige and national pride have suffered a sharp rebuff. Our international position has been weakened and even the closest of our allies have expressed some concern. Our efforts to bring a real peace to the Middle East have been unsuccessful. We have antagonized our Greek and Turkish allies.

In England and Spain there is talk about closing our strategic submarine bases. And Portugal may force us out of the Azores.

If I were a pessimist, Mr. President, I would be tempted to join the gloomy little fellow who appears in the Li'l Abner cartoon with a dripping black rain cloud following him wherever he goes. In a real sense, many of our fellow Americans act that way and speak in antiquated isolationist tones.

But I am an optimist as well as a realist, Mr. President. I reject the prophets of gloom and doom. I am bullish on America. And I was greatly encouraged by the unanimity of the Nation's support of our quick and highly effective reaction last week to a blatant act of piracy on the high seas.

Some believe that it was a subtle and planned test of our mettle. But whether or not it was, our country recovered a substantial measure of respect in the eyes of the world by its commendable performance.

While we all share the grief of the families of our men who were lost or injured, it was not in vain. Who knows what the crew of the *Mayaguez* and their families would have suffered if we had not acted so boldly and so decisively.

Let us recognize one salient fact, Mr. President, that should stand out in the mind of every American citizen. While we cannot and should not be expected to police the whole world, whether we like it or not we are the leader of the free world. It is largely our dominant strategic force which has insured peace among the great powers for the 30 years since World War II. No other single nation in the free world has had the financial resources, technical knowledge, and industrial capability needed to achieve that goal.

The situation today is much more promising for the free world than it has been over these past 30 years. While the strength of our potential adversaries has grown substantially, we have continued to maintain a position which deters aggression. And the balance tips even heavier in our direction when we add the resources of our NATO and other allies. However, the competition for the lead is keen and we must not be deluded into complacency by those who would arbitrarily impose across-the-board reductions in defense spending.

We must maintain our strong military posture until mutual disarmament becomes a reality. But we must also carefully examine the specific details of the Defense budget and approve only what is essential.

Although I have disgressed somewhat from the main thrust of my statement, Mr. President, I considered it necessary to bring these historical and philosophical views into proper perspective before addressing the specific actions of the committee on the bill.

As a general observation I might simply state that the United States, in the primary interest of its own future peace and prosperity, which in a real sense is indivisable from the future peace and prosperity of our allies, if not the entire world, must continue in its historical leadership role. The reality of peace, the achievements of SALT, the opportunities within détente, all depend on the expensive precondition of America's military strength. Our adversaries are driven by provincial, willful military bureaucracies. Their government is mired in an ideology which celebrates conflict and insists upon ultimate triumph. We must show them through word and military fact that it is in their compelling interest to restrain their military and to reshape their dogmas.

Now turning to the pending bill, I was concerned at first glance that the Defense budget had broken the $100 billion threshold, but even more so that the research and development request was the largest ever submitted and finally had grown beyond the $10 billion mark. But, as the subcommittee began its long series of hearings and the details began to unfold, a different picture emerged. Most of the increase was the direct result of the high rate of inflation, and did not in fact provide a major increase over fiscal year 1975. I will elaborate on this later.

The subcommittee took a new approach this year in an effort to obtain a better understanding of the priority and emphasis assigned by the Department of Defense to the major strategic weapon system developments. The initial hearings were devoted to presentations by representatives of the Defense Intelligence Agency, the Deputy Assistant Secretary for Strategic Programs in the Office of Programs Analysis and Evaluation, and the Deputy Director for Strategic Systems in D.D.R. & E. These provided an excellent background when the subcommittee held hearings on the various strategic developments included in the budget. These had a direct bearing on the subcommittee's unsuccessful effort to delete all funds for the five counterforce programs. I will cover these later.

The subcommittee was faced with a tighter schedule this year than ever before. My very good friend, the distinguished Senator from Mississippi, had established a goal of May 15, 1975, to complete full committee action on the bill. To meet this schedule, the subcommittee had to complete its review of the bill and report its recommendations to the full committee two weeks earlier than in the past. We met this goal, and I am proud to state that it was done with as complete and as thorough a review as before.

This year, the subcommittee has three new members, Senator JOHN C. CULVER, the junior Senator from Iowa; Senator PATRICK J. LEAHY, the junior Senator from Vermont; and Senator ROBERT TAFT, JR., the senior Senator from Ohio. Together with my good friend, Senator BARRY GOLDWATER, we had an outstanding team. I must pay a special compliment to Senator CULVER and Senator LEAHY, whose attendance at hearings was excellent and who made substantial contributions in hearings and in markup sessions.

My able colleague, Senator GOLDWATER, attended whenever he could, considering the demands of other subcommittee and committee assignments. Senator TAFT was unavailable for our early sessions because of illness, but I am pleased to say that he has fully recovered, and attended most of the later sessions when he returned to work.

Now, Mr. President, turning to the subcommittee action, we held 30 hearings, which included appearances by all of the officials of the Department of Defense primarily responsible for the research and development program, as well as individual program managers responsible for specific major weapon system developments. These included the Director of Defense Research and Engineering, the three service Assistant Secretaries for Research and Development, and their military counterparts.

At the outset, the subcommittee recognized that the $1.6 billion increase represented by the request for $10.2 bil-

UMI

lion for fiscal year 1976 over the $8.6 billion authorized and appropriated for fiscal year 1975 could easily be misunderstood by a simple comparison of dollars. It is important to understand that only $700 million of the $1.6 billion increase represents real effort. Of the remaining $900 million, $700 million is for inflation and $200 million for items transferred from other accounts.

Therefore, the committee reduction of $494 million applies to real effort and provides only $206 million or 2.4 percent over the R. & D. program for fiscal year 1975.

The subcommittee recommended a reduction of $646.5 million, or 6.3 percent, from the $10.2 billion requested for fiscal year 1976, and $233.7 million or some 9 percent from the $2.7 billion requested for the 3-month transition period, 197T. However, the full committee reversed the subcommittee recommendations to terminate one major Army program, site defense, to delete the total request for 5 counterforce programs, and also restored funds to the B–1 program.

In the case of site defense, the subcommittee had recommended termination of this program because it was unnecessary, could be deployed only at a single Minuteman site under the ABM Treaty, and was too costly to develop and produce.

The committee rejected the subcommittee recommendation and restored $70 million of the $140 million deleted in fiscal year 1976, and $19 million of the $38 million deleted for 197T.

The committee reversed the subcommittee recommendation and restored $109.7 million in fiscal year 1976 and $33.7 million in 197T for the five counterforce programs. I will not discuss these now but will make my arguments when my amendment—which is co-sponsored by the distinguished Senator from Massachusetts (Mr. BROOKE)—to delete these amounts is debated on the floor when the bill is debated.

The subcommittee recommended deletion of all procurement funds and production-related funds in R. & D. for the B–1, the remaining funds to be used for continuation of the three aircraft prototype progam and to begin building a fourth prototype. The subcommittee considered that, with only eight flights having been conducted, a full year of flight testing and further development should be accomplished to prove the technical soundness of the B–1 and permit resolution of any other issues relating to need for the B–1 against other alternatives. This recommendation deleted $160.8 million in fiscal year 1976 and $69.8 million in 197T for R. & D., and all $77.0 million in fiscal year 1976 and $31.0 million in 197T for production.

The committee accepted the recommendation to deny all production funding, but restored $85.8 million in fiscal year 1976 and $30.5 million in 197T for R. & D. based upon a revised Air Force estimate of the amount needed for research and development. I am not satisfied that these restored amounts can be completely justified.

Other major reductions recommended by the subcommittee and adopted by the full committee include:

First. Termination of the Army heavy lift helicopter program with savings of $13.8 million. This helicopter is not required and is not approved for inventory by the Department of Defense;

Second. Reduction of $18.6 million of the $19.5 million requested for the Army advanced scout helicopter because the Army has not yet decided on the specific characteristics of this aircraft;

Third. Reduction of $42.9 million of the $81.0 million requested for Navy advanced and engineering ship development because the various ship programs proposed are premature; and

Fourth. Reduction of $138.0 million for various programs determined to be in excess of program requirements during fiscal year 1976 and 197T due to program slippage, unrealistic schedules, or changes in requirements since the budget was submitted.

Turning now to certain subjects which I consider should be brought to the attention of the Senate, I should like to talk first about tough decisions which are needed but not to being made by the Secretary of Defense.

Whether it is momentum, sunk cost arguments, or simply intensive lobbying, terminating an ongoing program in the Department of Defense is as difficult as stopping a 10-foot flood crest with a 5-foot dam. It just does not happen. The Department of Defense was hard pressed to identify any major weapon system program that was terminated during the past year. Moreover, the Department, with minor exception, was unable to identify any major weapon system that was not in some stage of development.

This proliferation of weapon systems, aggravated by an unwillingness or inability by Defense to terminate marginal or unnecessary programs, is a challenge to any frugal mind, and I have one of them.

My reaction this year was to propose termination of the site defense program, the five counterforce programs, and the heavy lift helicopter program. I am sorry to report that my batting average was not very good. But, I will continue to look for these opportunities whenever they arise and I will act in the same determined manner.

I am looking forward to the results of the Defense Science Board study, to be conducted this summer at the request of D.D.R. & E., to help identify areas for reduction or elimination. I hope that the results will have substance and that the Secretary of Defense will act boldly and firmly to implement any recommendations.

A second important subject is the success that the Department is having in pursuing the many advantages of cooperative research and development and standardization of equipment with our allies. The selection by the U.S. Army of the French/German developed Roland II, Short Range Air Defense System, to be produced in the United States, is a major milestone of far greater significance than is generally realized.

It demonstrated by positive action, and not merely rhetoric, that the Department of Defense, with full congressional support, is willing to overcome the long-entrenched parochial, not-invented-here attitude and save the billions of dollars wasted annually by the NATO alliance in unwarranted duplication of research and development.

Extending this cooperative attitude to standardization of weapons, munitions, and other logistic support will dramatically improve the combat efficiency of the alliance and has the potential for annual savings estimated at $10–$15 billion.

The committee has demonstrated its full support of standardization by adopting a new section 804 in the bill which will establish this policy in law and serve as a precedent for other NATO members to take the same step. I urge strong support of this provision in the bill.

Finally, I should like to reflect on the decision of the Department to reduce the defense research and development organization by some 6,000 civilian employees and 345 military personnel. During the past 10 years, in-house laboratory personnel has decreased by about 10 percent, while inflation forced salaries up by about 40 percent. This meant that a greater share of R. & D. funds was being used in-house at the expense of contract and university research and development. The Director of Defense Research and Engineering was emphatic in his concern that continuing this growing imbalance would be detrimental to the future quality of research and development. I accepted the merit of his logic with the assurance that most of the civilian personnel cuts would be accomplished by normal attrition and would not require reductions in force.

In conclusion, Mr. President, with the exception of the subcommittee reductions which were restored by the full committee, I am in full accord with the research and development program as reported in the bill, and urge my colleagues to give it their full support.

I am convinced that it is austere and realistic, and that it provides for the essential technology needed to keep ahead of our potential enemies, and that it will provide the future weapons vital to the defense of this Nation.

I cannot close, Mr. President, without paying a well deserved compliment to the staff assistant on Armed Services that works on the R. & D. Subcommittee, Mr. Hyman Fine. With some 37 years of service to the U.S. Government, Mr. Fine, by his tough questioning, by his long and detailed hours and work, is a very, very strong reason that we can accomplish the things we do and are able to accomplish our research and development.

Also, I cannot sit down without thanking and complimenting the distinguished chairman of the committee who, despite all the difficulties that are encountered and the long and sometimes pretty argumentative debates that take place in the committee, keeps his cool, keeps his calm, and is just a wonderful leader of that committee.

With that, Mr. President, I ask unanimous consent that Mr. Larry Smith and Mr. Robert Span of my staff be given the privilege of the floor during debate on S. 920 and any votes thereon.

The PRESIDING OFFICER (Mr. BELLMON). Without objection, it is so ordered.

Mr. STENNIS. Will the Senator yield to me?

Mr. McINTYRE. Yes; I yield.

Mr. STENNIS. Mr. President, I am sure the Senate owes a debt of gratitude to the Senator from New Hampshire—I know our committee does and I as chairman—for the work he has done and the interest he has shown. He works a straight 13 months out of every 12 on these matters. He is very emphatic. He and I happen to have different ideas about the needs or propriety of these items, but we find a way to get along and I am grateful to him.

Mr. President, subject to one exception, I feel that the Senator from Massachusetts and the Senator from California could use some time now, but I do want to yield 15 minutes to the Senator from Nevada, who is chairman of our Subcommittee on Tactical Air Power. He will be held up all day tomorrow at the Committee on Rules on a matter that he has there.

Mr. TAFT. Mr. President, as the ranking minority member of the Research and Development Subcommittee, I wish to speak in support of the research and development recommendations in the bill.

Senator MCINTYRE, the distinguished chairman of the Research and Development Subcommittee, has covered the recommendations in detail, so I will not dwell on those. However, I would point out that the outstanding and thorough report just presented by TOM MCINTYRE is indicative of the same thoroughness with which he examined the many program requests that came before the subcommittee.

Unfortunately, I was unable, because of illness and an eye operation, to attend the majority of the more than 20 hearings that were held. This being my first session as a member of the subcommittee, I was looking forward to my work in this fascinating and important field.

However, even though I was unable to participate to the extent desired, my limited exposure to the subcommittee activities has merely reconfirmed my belief in the essentiality of a strong R. & D. program. In that regard, I am impressed with the ability of the Department of Defense to manage, as well as it does, an effort of this size.

Also, as a nation we are fortunate to have the people, both in government and industry, who can provide the technology needed to keep our defense establishment ahead of potential adversaries. Still, even with this talent, it takes good management by the Department of Defense to insure the most is made of this national capability.

Mr. President, reviewing the testimony given to our subcommitee, I was impressed with the conceptual and management framework for our Defense research and development programs. Dr. Malcolm R. Currie, Director of Defense Research and Engineering, told the subcommittee that defense R. & D. programs fall essentially into two groups, each having different objectives.

In group I, the objective is the creation and demonstration of options which may be useful for future military capabilities. This group includes those programs in the advanced development category such as, the so-called strategic initiatives programs, the advanced medium STOL transport and the site defense program. This group also includes the thousands of projects in the "technology base" that are conducted within the basic and applied research categories.

The advanced development programs within group I are generally brought on at a conservative pace and proven through trial and error. As a system progresses they are modified as required, and confirmed that they could be developed as a viable, integrated system. They are not, necessarily, oriented toward production and the inventory of a particular service. The cost, in relative terms, to keep a program in advanced development is low. Dr. Currie points out that because of this relatively low cost, we are able to pursue a number of programs, any one of which could be selected for group II as our national policy might require or as an external threat might dictate.

In group II, the objective is full-scale development for potential deployment. This category is generally referred to as engineering development and currently, for example, includes such programs as Army's UTTAS helicopter, Navy's AEGIS shipboard air defense system, and Air Force's B–1 strategic bomber. Programs in engineering development, sometimes referred to as full-scale development or operational system development, involve a considerably greater cost than advanced development. This is because of the much greater engineering, the design for conformance to full military specifications, the controlled and complete documentation necessary for eventual possible procurement and production, the design of support equipment, training requirements and extensive test and evaluation.

Therefore, it is a very important decision when a program is moved from group I to group II, or from advanced development to engineering development. The decision to advance a program is made, essentially, by the Secretary of Defense or the Deputy Secretary of Defense and then, only after a favorable recommendation by the Defense Systems Acquisition Review Council. Even with a favorable recommendation, the Secretary may elect not to advance a program.

The decision to advance a program does not rest exclusively with the Department of Defense. Further control is exercised by the Congress through the authorization and appropriations process. For example, on our R. & D. Subcommittee, we are especially alert to those programs for which funds are requested for the first time in engineering development. The subcommittee frequently recommends against requests to advance programs to engineering development.

It is my opinion that program cancelation, if required, should generally occur while the program is in group I, or advanced development. I think it is good procedure to allow ample time for these programs to meet the criteria required for engineering development but if they show no promise of becoming options which are required for future military needs, they should be canceled. The point here is that, we should generally not get ourselves in the position of having to cancel programs after large sums have been expended on them in engineering development. When this occurs, it usually means our collective management, meaning the Department of Defense and the Congress, has been faulty.

The heavy lift helicopter is an example of a program that is being recommended for termination while still in advanced development, or group I. It was the opinion of the subcommittee that in these times of fiscal constraint, we could no longer afford to pursue this option, especially an option for which there had never been a stated formal requirement. While a full flight test program with the prototype would be desirable, the subcommittee felt it was not absolutely essential to have completed such a program in order to reestablish the program, if required, at a later time. The majority of the component technology would still be available for any future program.

A final point I would like to make on the heavy lift helicopter is that, as things now stand, it was never destined to be anything more than an advanced development program. Consequently, as we made the tough decisions between a large number of competing programs and a limited number of dollars, we felt priority must be given to those higher priority systems already validated for the defense inventory.

Of course, there is another critical decision point in the R. & D. process and that is when a program graduates from engineering development to production and procurement. There are several major programs that are about to reach this point, with the largest, and probably most controversial, being the B–1 strategic bomber.

Let me stress that there are no funds in the committee recommendation related to B–1 procurement. Said another way, the committee recommendation in no way preempts the B–1 production decision scheduled to be made next year. The B–1 program will remain in engineering development.

I would like to point out that the amount recommended in the bill for the B–1 is more than was recommended by the R. & D. Subcommittee. However, the funding recommended supports the same program recommended by the R. & D. Subcommittee which continues the original three aircraft programs and authorizes the start of the fourth development aircraft. The amount recommended is the amount Air Force stated is required to carry out that program as directed by the committee.

Mr. President, as Senator MCINTYRE has stated,

This is the largest amount for research and development our committee has ever recommended for authorization.

UMI

However, I would like to reiterate, as the committee report explains, that the increase requested over last year is not a real increase, in effect, as compared with the amounts available in fiscal year 1975. In fact, most of the increase is needed to stay abreast of the high rate of inflation and to provide for items which were included under other appropriations in prior years. Setting aside funds required for these transfers and for escalation, the fiscal year 1976 request asked for an increase in real effort of about $700 million, or 8.1 percent. Therefore, the effect of the committee recommendation to reduce the request by $494 million is to provide a real increase of only 2.4 percent.

Mr. President, at an appropriate time I intend to offer two amendments related to ship development advanced engineering and advanced hydrofoil craft. With these two exceptions, I support the research and development section of the bill as presented and I urge my colleagues to do the same.

Mr. CANNON. I thank the distinguished chairman of the committee for yielding to me.

Mr. President, as we discuss our national defense posture, our national defense needs, and our conventional forces including tactical airpower, I want to provide some personal perspective on the latter issues today to include a discussion of what tactical air is and what it does, review the tactical air missions and force structures of the services, the equipment that they buy to fulfill these missions, and then I will conclude by presenting the report and recommendations on tactical air programs that the subcommittee and the full Armed Services Committee have included in this year's authorization bill.

THE NEED FOR TACTICAL AIRPOWER

Tactical airpower takes a significant part of the overall Defense budget, with roughly one-quarter of the weapons program funding being spent on Tac Air and also a large share of the overall budget including personnel and operating costs going into this functional area. With this large an investment of resources in this one category, the committee believes it is incumbent upon us to give a special scrutiny to our overall needs for Tac Air and also to review the individual weapons programs most carefully. As a first question, we must ask, "What is tactical airpower, and why do we need it?"

The end result of the use of tactical airpower is the delivery of ordnance on target. The distinguishing characteristic of tactical air ordnance is that a heavy volume of firepower can be delivered in a rapid period of time on the target or targets. Modern day strike warplanes can deliver payloads measured in tons per airplane, can move swiftly over long distances to hit their objectives, and their firepower can be massed as multiple sorties are applied to a particular target area. The results of tactical airpower can be devastating when air superiority has been obtained by the attacking side so the strikes are made unrestricted by any defenses. Perhaps the most outstanding recent example of the dominance of tactical airpower in the results of a war was in the 1967 Arab-Israeli 6-day war. There, the Israelis essentially destroyed the Arab air defenses in the first few minutes of the war by catching their fighters on the ground, and the Israelis then went on to wreak havoc on the Egyptian tank columns in the Sinai because they had uncontested control over and use of the air.

THE 1973 YOM KIPPUR WAR—A MODERN EXAMPLE

From this devastating lesson, the Arab States learned well that tactical air cannot be permitted a free run within one's airspace, and they adopted a modern day posture including all of the supporting elements required to fill out an air defense system. These include hardened shelters for aircraft parked on the ground, an integrated radar warning and command control network, an overlapping surface-to-air missile system, electronic jamming of enemy radars and communications, and a large force of air superiority aircraft.

The October 1973 Yom Kippur war was a more representative example of the likely scenario of tactical air warfare in the future. There, the Arab defenses fought the Israeli air offense essentially to a standstill in the furious early stages of that battle, and close air support and even tactical battlefield interdiction was denied to the Israelis in those first grim days until the defenses eventually were suppressed and air strikes could operate again with relative freedom.

As studies of that war have shown, the Israelis were not prepared at the outset of the 1973 conflict to face a modernized defense system. They lacked adequate electronic countermeasure equipment, defense suppression weapons, and precision guided munitions that are required to attack present day defenses, and their early losses were staggering, particularly when their limited inventory of tactical airpower is considered. Tactical air could not play the dominant role for the Israelis in 1973 that it had 6 years earlier when the Arabs were unprepared.

The detailed studies that our own Defense Department has made of that war have concluded that it validated the need for modern and sophisticated tactical air weaponry, both offensive and defensive, and the proponents of "simple, inexpensive, but effective" weapons systems for our own forces would do well to review the lessons of 1973 before coming down too strongly in support of that elusive and nonexistent panacea.

These are but two possible historical examples of the potential of Tac Air. In short, they show that tactical air can be a devastating instrument of firepower, even though it is costly. It can be the dominating element on the battlefield if applied to its maximum capability against a suppressed or inadequately defended opponent. On the other hand, when modern defenses must be surmounted, then a sophisticated and integrated system including command and control, defense suppression, and electronic warfare must be utilized to permit air superiority to be gained and to allow the full weight and effectiveness of tactical air power to be applied.

MISSION AREAS OF TACTICAL AIR

With this background to provide a context for our consideration of the various forces and programs reviewed by the Tactical Air Power Subcommittee, we on that subcommittee look at the aircraft programs as falling into two general categories, combat aircraft and combat-support aircraft. The missions of the combat aircraft are as follows: air-to-air fighters; light attack, the close air support, and daylight interdiction dive bombers; and heavy attack, the deep interdiction all-weather bombers. The current airplanes used for these missions, and their successors now in R. & D. or initial production, are listed in the following table:

Combat aircraft

Air-to-air fighter

Air Force: current F–4, future F–15, F16. Navy and Marines: current F–4, future F–14, F–18.

Light attack

Air Force: current A–7D, F–4, future A–10, F–16. Navy: current, A–7E, future F–18. Marines: current A–4M, Harrier, future Advanced Harrier.

Heavy attack

Air Force: current F–111, future F–111. Navy and Marines, current A–6, future A–6.

The combat support aircraft, in the view of the Tactical Air Power Subcommittee, includes those planes which do not deliver ordnance, although they very well may fly in combat areas. These are in five mission categories: electronic warfare tactical jammers, radar warning and control, reconnaissance, refueling tankers, and tactical airlift. The following table lists the aircraft programs that fulfill these missions, now and in the future:

Combat support aircraft

Support jammers

Air Force: current, none, future EF–111. Navy: current, EA–6B, future EA–6B. Marines: current EA–6A, future EA–6B.

Radar warning and control

Air Force: current, none, future AWACS. Navy, current E–2B, future E–2C. Marines: current, none, future, none.

Reconnaissance

Air Force: current RF–4C, future RF–4C. Navy: current RA–5C, RF–8, future RF–18. Marines: current RF–4B, future RF–4B.

Tankers

Air Force: current KC–135, future KC–135. Navy: current KA–6D, future KA–6D. Marines: KC–130; future KC–130.

Airlift

Air Force: current C–130, future AMST. Navy: C–1, C–2, future S–3 COD. Marines: current KC–130, CH–46, CH–53, future KC–130, CH–46, CH–53.

These two tables are pretty much self-explanatory as to what are the current aircraft and what we will be operating when today's development projects are completed and result in new production.

SERVICE FORCE STRUCTURES

The services operate their tactical aircraft structured into air wings for organizational control. The composition of the air wings in the three services differs markedly, however, so their individual strengths cannot be compared by looking at the relative number of wings each is operating. When looking at each

years budget request, the subcommittee reviews the 5 year force plan for each of the services to see where the new planes will fit and what will be replaced. We also consider the modernization of the Guard and Reserves when reviewing these force structure and procurement plans.

An Air Force tactical air wing consists of 3 squadrons of the same type airplane, with 24 airplanes unit equippage—U.E.—per squadron. For example, an F–15 wing has 72 U.E., or officially assigned, airplanes. The Air Force presently is operating 22 wings U.E. of combat aircraft, the fighters and light and heavy attack planes. This year's force structure plan shows a force level of 1,584 U.E. airplanes, an increase of 12 planes over the fiscal year 1975 level of 1,572, due to the addition of 12 F–111s to the all-weather heavy attack force. Essentially the 22 Air Force wings will be composed of 14 F–4 wings, 4 F–111 wings, 3 A–7D wings, and initial elements of an F–15 wing plus some other F–4 units.

PLANNED INCREASE FROM 22 TO 26 WINGS

The Air Force discussed a plan to increase their active force to 26 wings of U.E. aircraft by the 1980's. This plan is based on holding the current manpower level in the Air Force constant and achieving the four additional wings within the current manpower level by using two methods. First, headquarters and other support-type personnel spaces would be reduced, and the people would be used to man new active aircraft squadrons. Second, new airplanes now in R. & D. or initial production are predicted to require fewer pilots and also less maintenance support; and as these new planes, the single seat F–15, A–10, and F–16's replace existing planes, such as the 2-place F–4's and the single seat A–7D's, the individual squadron manning levels are expected to decrease so that more squadrons can be formed from the same manpower pool.

Now a significant point that I want to emphasize very forcefully is that this year's budget authorization request does not contain any funds which implement this proposed future increase from 22 wings to 26 wings in the Air Force. All of the new airplanes requested in fiscal year 1976 and the 3-month transition period will be used to modernize squadrons within the existing 22 wings, and the airplanes that leave these squadrons in turn will be transferred to the Air Guard and the Reserves so that the oldest aircraft they use, such as the 25-year old F–100's, which are obsolete, can be sent to the scrap yard. The same statement holds true for the fiscal year 1977 budget, as presently planned, because the active force level for fiscal year 1977 will not change from fiscal year 1976. So this current budget request essentially is one for force modernization rather than force level increases. The plan to increase from 22 to 26 active wings of U.E. aircraft will be simply a plan until we consider the fiscal year 1978 budget request 2 years from now.

NAVY FORCE LEVELS

The Navy's tactical air wing force level is dependent directly on the number of commissioned aircraft carriers, as the Navy assigns an air wing to each carrier. A Navy air wing differs in composition from an Air Force wing, however, since the Navy wing contains a mix of all of the various types of combat and combat support airplanes that make up a single carrier's deck load of planes. Also Navy fighter and attack squadrons have 12 planes versus 24 in an Air Force squadron.

A typical Navy wing contains 24 fighters, 25 light attack dive bombers, and 12 all-weather heavy attack planes for a total of 60 combat aircraft, plus another 15 odd combat support aircraft. Under the new CV concept an alternate anti-submarine complement of 10 S–3's and 8 ASW helicopters can be placed on the carrier, but some of the strike and support planes must then be sent ashore.

The Navy will retire its two World War II small carriers, the *Hancock* and *Oriskany*, in fiscal year 1976, dropping the carrier level to 13. The Navy then plans to maintain a 13-carrier level through the 5-year planning period, with 12 of these ships deployable with air wings and the 13th acting primarily as a training and reserve ship. This last carrier will not have a dedicated air wing, so the Navy force level will decline to 12 active wings by the end of fiscal year 1976. The fiscal year 1976–7T procurement plans are in consonance with this force structure, and represent modernization rather than any basic changes of equipment or concept.

MARINE CORPS AIR WINGS

With the Marines we see still another composition of an air wing. The Marines operate 3 air wings to match their 3 active Marine divisions, while the 4th Marine Air Wing in the Reserve matches—in name only, not in actual strength—the Marine ground Reserves in the 4th Marine Division.

A Marine air wing is composed of the same basic combat elements as a Navy wing, in that it includes fighters and light and heavy attack airplane squadrons. Also the Marines operate combat support airplanes similar in function to the Air Force and Navy's with the single exception of airborne radar warning planes which the Marines do not have. Also the Marine air wing contains helicopters, both troop lift and gunships, which are not used by the Air Force or Navy but are, of course, comparable to what is included in the Army's aviation assets that go with their ground divisions.

The primary differences in the Marine air wings as opposed to the Air Force and Navy are in composition and in size. The typical Marine wing is a composite group of fixed wing and helicopters, and also the Marine air wing is larger than an Air Force or Navy wing, averaging about 300 U.E. aircraft in total assigned to each wing. The Marine out-year force structure plan does not change significantly in size or basic composition.

FORCE LEVELS REQUIRED

This now brings me to a discussion of how much tactical air do we need in our active forces, and in our Reserves. This issue, of course, is the central theme of our debate today. I want to emphasize that the following thoughts are my own on this subject and do not reflect any position discussed by or adopted by the Tac Air Subcommittee.

Consideration of force levels must, of course, be predicted on national policy considerations—that is, what do we want to accomplish as a nation with our Armed Forces, and then do we have an adequate force to fulfill those goals. Without dwelling specifically on the former point, I want to bring out some of the considerations that affect the latter question of, "Do we have enough—or too much, or too little?"

First of all, force levels are sized or calculated by the Joint Chiefs of Staff in the Pentagon to carry out whatever national policy is set by the Secretary of Defense, that is, the familair 1½ wars or 2½ wars, or whatever is the currently popular statement upon which to war game our forces. The Joint Chiefs studies invariably show that we do not have enough military manpower and equipment in being to fight all of the conflicts postulated by the Secretary of Defense's policy guidance. In fact, it is my impression that as a rough rule of thumb we usually fall about 50 percent short, as a minimum, from what is believed required by the JCS analyses. The reason, of course, is that as a practical matter our defense budgets do not support those levels of forces, and, therefore, we fall far short of those goals.

A second way of considering our force levels is by the "order of battle" approach, that is, by comparing what we—and our allies—have in the way of men and equipment, as compared to what potential adversaries could mount to oppose us in any given area. Most of us are familiar with the NATO versus Warsaw Pact comparisons using this approach. These generally show a rough equality in tactical air power from a quantitative standpoint, with the pact forces having a dominance in land forces and armor.

A third approach to sizing our forces is the straight budgetary one of "How much defense can we afford," where we look at the percent of our gross national product that is allocated to defense and then make a judgment on whether it is too much, too little, or just right. In this regard, our defense effort has been declining recently while reportedly that of the Soviets has been going up.

I do not believe that any or all of these three approaches provide us any easy answers to sizing our forces and our defense budget. The military authorities are concerned, and I believe justifiably, when they use the first two methods to evaluate what would happen if they were ordered into battle. I am concerned about our economy and our tax burdens when I use the third approach, and indeed I, along with all of my fellow members on the Armed Services Committee, have scrubbed this defense budget for next year just as tightly as we felt we possibly could.

So overall I do not have any easy answers to how many tactical wings the Air Force should have, to how many carriers the Navy should deploy, or to what the composition should be for each Ma-

UMI

rine air wing. I do believe that this year's defense and force levels represent a minimum prudent level of risk within what is affordable by this country, and, therefore, I do support the bill as proposed by the committee to the Senate.

REPORT ON TACTICAL AIR POWER PROGRAMS FOR FISCAL YEAR 1976/7T

I will present a review of the authorization programs within the category of tactical air power which are in the fiscal year 1976 and 3 months transition budgets.

First, I will run over the areas that the Tactical Air Power Subcommittee reviewed, then I will summarize our recommendations for changes and for programs that we approved, and I will mention some topics where programs are of general interest or where we have provided guidance to the Department of Defense in the committee report, and I will close with a summary of our budgetary changes as a result of the committee's recommendations to the Senate.

SCOPE OF THE SUBCOMMITTEE'S REVIEW

Our membership this year again included Senators SYMINGTON, JACKSON, NUNN, GOLDWATER, TOWER, and THURMOND, and GARY HART joined us for the first time. Their help was invaluable, both in the hearings and in arriving at the recommendations that we are presenting in this bill.

The functional areas that we reviewed were identical to last year, including the combat fighters and light and heavy attack airplanes of the air Force and Navy, the combat support aircraft including the electronic warfare, reconnaissance, radar warning, and tanker airplanes, the attack helicopters of the Army and Marines, the aircraft-launched tactical missiles including air-to-air and air-to-ground missiles, the Army SAM systems and antiaircraft guns, and the Navy shipboards SAM's and antimissile guns.

All in all, we examined some 50 odd separate programs, with applicable funding requests totaling $7.3 billion in fiscal year 1976 and $1.3 billion in 7T, or $8.6 billion in the combined budget. Of this $8.6 billion, $1.7 billion is in R. & D. and $6.9 billion is in procurement. The following table shows how these dollar totals are spread by service and how they break down between R. & D. and procurement for the two budget periods—dollars in millions:

	R. & D.		Procurement		Total	
	1976	197T	1976	197T	1976	197T
Air Force	$702	$204	$3,391	$608	$4,093	$812
Navy	451	78	2,239	380	2,690	458
Army	213	51	265	33	478	84
Total	1,366	333	5,895	1,021	7,261	1,354

The $7.3 billion is roughly a quarter of the total authorization request for fiscal year 1976.

Our hearings were held between March 6 and March 19, in 14 separate sessions. These included one special hearing on the AWACS program to review the certification by the Secretary of Defense that AWACS was cost-effective and met the mission needs and requirements of the Department of Defense. After that hearing the subcommittee voted 6 to 1 to release the fiscal year 1975 production funds for AWACS.

Our first regular hearing of the fiscal year 1976/7T budget review cycle was our annual Defense Intelligence Agency update of developments in tactical aviation in the Communist bloc. There were no new surprises here. Essentially the Soviets are continuing their vigorous modernization efforts as they move into volume production of the swing-wing Mig–23 Flogger, the large swing-wing SU–19 Fencer, and they continue to build the latest versions of the Mig–21, at a very substantial rate. Overall, they are adding significant quantities of more modern and more capable new aircraft to their inventory every year. The primary area of improvement from these new aircraft is in their air-to-ground capability, where these new airplanes represent a significantly superior capability in mission radius and in ordnance payload over the Mig–17's and Mig–19's that they are replacing. The Warsaw Pact forces are in the midst of a modernization improvement and upgrading of their tactical airpower inventory.

FORCE STRUCTURE PROBLEM AREAS RELATIONSHIP OF FISCAL YEAR 1976 BUDGET TO FORCE STRUCTURE

Having reviewed the basic Tac Air Force structures of the services earlier in this discussion and also the characteristics of the 5-year force plans, let us look at the problem areas of each service and also at what the current budget request will do to fulfill deficiencies in the force structure. For the Air Force, the F–15 is proving itself to be an excellent air superiority fighter, and it is beating up on everything it flies against. The Air Force procurement includes F–15's, A–10's for close air support, the F–4 Wild Weasel radar-killer airplane, and AWACS. The major R. & D. items are the F–16 and the EF–111. The combat aircraft programs appear to be reasonably healthy. As reference to the previous chart will show, however, the Air Force currently has no capability in the combat support areas of airborne radar warning and control, or in support jamming. The AWACS and the EF–111 will remedy these two areas of current deficiency when they are deployed. I intend to devote another more comprehensive discussion to review the AWACS program in detail, as I understand it will be subject to a floor amendment to stop production of the plane. For the present I will only say that AWACS is doing very well in the R. & D. phase and the prototype has just completed a highly successful demonstration in the NATO countries. The committee strongly recommends that production of AWACS continue as it is vitally needed in the Air Force Tac Air Force structure.

The EF–111 will provide to the Air Force a counterpart to the Navy's EA–6B high powered jammer airplane. The main concern that the subcommittee finds with this program is a recent OSD decision to stretch out the R. & D. program by 10 months, over the objections of the Air Force. This does not appear to be a well-founded decision in light of the fact that there is no such capability existing today in the Air Force inventory. The wisdom of this development stretch appears dubious.

NAVY PROBLEM AREAS

The Navy's primary problem areas are a potential shortage of fighter airplanes in the late 1970's and early 1980's, and a deficiency coming up in tactical reconnaissance. The fighter gap will be caused by the combination of a limited planned annual procurement of F–14's in the late 1970's, and the late availability of the Navy air combat fighter—NACF—which will not be introduced until the early 1980's. Since yearly peacetime losses of fighters will exceed the procurement total in that time period, the Navy and the Marines foresee a really serious shortfall in their fighter inventories until the NACF gets into volume production.

The Tactical Air Power Subcommittee and the Armed Services Committee have supported the Navy's and Marine's requirement for an NACF type of airplane for the last several years, ever since we rejected a proposal by Secretary Clements to prototype a stripped down F–14X and an F–15N as lower cost alternatives to the F–14. Instead we recommend then that the Navy examine with the aircraft industry the potential for a smaller and lower cost alternative plane to the F–14, and the Navy's Specific Operational Requirement, or SOR, for the NACF was the result of those recommended studies. The committee has supported this requirement which led to the recent selection of the F–18, and it continues to believe that there is a validated need for this type of airplane as a future air superiority complement to the F–14. The NACF also will replace the A–7's as the light attack dive bomber in the Navy.

Navy tactical reconnaissance is a real problem area for the carrier force. The Navy now operates RF–8 and RA–5C recce airplanes, both of which are old in design and expensive and difficult to maintain. The Navy has proposed to replace these supersonic planes with a reconnaissance pod carried on the subsonic A–7E.

This would be much less expensive, but unfortunately the fleet pilots say the A–7 is too slow to be an acceptable reconnaissance airplane in highly defended combat zones. The committee recommends extending the life of the present airplanes until a reconnaissance variant of the NACF is available.

The Marines feel that their major future deficiency will be in obtaining an all–V/STOL light attack force. Their hopes are to develop an improved version of the AV–8 Harrier, with most of the performance gains resulting from aerodynamics refinements to the existing design rather than from development of a completely new engine and airframe as had been intended a year ago. This advanced Harrier program still is in the planning stage, and an initial budget request for the R. & D. program will not be made before next year.

ARMY FORCE LEVELS

The Army's attack helicopter force level will increase as new AH–1 Cobra/TOWs are procured between now and 1980. The AAH attack helicopter is planned to add further to the Army's inventory in the early-to-mid 1980's. The Army's procurement plan is to build to 1,500 attack helicopters in both the actives and reserves, with roughly a two-third and one-third split of assets.

The Army's Air Defense force structure plan is to change from the present mix of Nike Hercules, Improved Hawk, Chaparral–Vulcan, and Redeye, to a mix of SAM–D, Roland, Stinger, and a new antiaircraft gun by the mid–1980's. The dedication of the Army to the new mix appears somewhat ambivalent particularly as regards the development of a new antiaircraft gun. I will comment further on that program later on in this report.

PROGRAMS RECOMMENDED FOR CHANGES

With these background comments on the force structures and the problem areas of the services in the area of tactical air power, I now would like to give a rundown on the specific programs where we recommend that changes be made in the fiscal year 1976/7T budget requests. I shall give a very abbreviated synopsis of the reason for each recommendation, and a more detailed explanation is available in the committee's report on the bill.

The committee looked at these programs very carefully this year, and our goal was to hold down the level of defense spending to what we felt was the minimum level prudent without cutting the muscle out of this budget. Where we felt we could safely defer an item until some subsequent year, we did so. Where we felt an expensive new development program was being proposed that wasn't fully justified, we deferred it, too. We made a great effort to reduce this request wherever possible, and we succeeded in making sizable total reductions.

AIR FORCE PROGRAM CHANGES

The committee recommends changes in nine separate Air Force programs, as follows (note that dollar figures are in millions except where stated otherwise):

F–15 (procurement)

Fiscal year 1976/7T, request, $1.9/$.4 (billion).

Fiscal year 1976/7T, reduction, $170.0/$3.7 (million).

Fiscal year 1976/7T, recommended, $1.73/$.4 (billion).

The total fiscal year 1976/7T request for the F–15 program is for $2.3 billion for 135 F–15's, when all spares and other "below the line" charges are included. Specific items recommended for reduction are as follows:

First. Engineering change orders, reduce —$22.3 million of $96.6 million requested, allowing the normal 6 percent of flyaway;

Second, engine spares, reduce 45/2 spare engines requested, or excess over 20 percent—the Air Force planned procurement would buy all spares for the 729 F–15's by fiscal year 1977;

Third, replenishment spares—nonengines. Would delete all "War Reserve" spares in fiscal year 1976, reducing spares buy from $160.2 million to $95.5 million and $151.4 million against aircraft spares.

F–16 (R. & D.)

Fiscal year 1976/7T, request, $273.0/$82.5.
Fiscal year 1976/7T, reduction, —$51.9/—$12.6.
Fiscal year 1976/7T, recommended, $221.1/$69.7.

The Air Force F–16 program office identified these reductions as not needed for the F–16. The original budget request was prepared before the F–16 won the prototype competition, and was a deliberately high estimate.

A–10 (Procurement)

FY 1976/7T, Request, $408.1/$106.2.
FY 1976/7T, Reduction, 0/—$11.0.
FY 1976/7T, Recommended, $408.1/$95.2.

The reduction would hold A–10 production at a 9-10-11 per month buildup in 7T instead of 10-11-12. The reason is potential production problems at Fairchild, which has not built a complete airplane since 1964.

F–4 Wild Weasel (Procurement)

FY 1976/7T, Request, $90.2.
FY 1976/7T, Reduction, —$15.0.
FY 1976/7T, Recommended, $75.2.

Reduces request for initial spares from $20 million to $5 million, on the basis that the spares request was inflated relative to the procurement.

Maverick (Procurement)

FY 1976/7T, Request, $144.8/$25.2.
FY 1976/7T, Reduction, —$33.3/—$25.2.
FY 1976/7T, Recommended, $111.5/0.

The 76/7T request is for 6000/1200 TV Maverick missiles, respectively. The recommendation would provide the 6000 and delete the 1200. This would give the Air Force a total procurement of 20,000 TV Mavericks and would stop TV production until Laser Maverick production began in fiscal year 1977.

PELS (R&D)

FY 1976/7T, Request, $19.0/$10.6.
FY 1976/7T, Reduction, —$10.9/—$8.9.
FY 1976/7T, Recommended, $8.1/$1.7.

Deletes funds to start full scale engineering development of Precission Emmitter Locater Strike System, on the basis that this will be a $½ billion system and it is not clear that other Air Force systems cannot fulfill this mission in a more cost-effective manner.

Remotely Piloted Vehicles (R&D)

FY1976/7T Request, $15.3/$6.0.
FY1976/7T Reduction, —$5.5/$4.9.
FY1976/7T Recommended, $9.8/$1.1.

Deletes funds to start full scale engineering development of Compass Cope high altitude drone because the mission has not been identified yet.

Sidewinder

FY1976/7T Request, $22.9 (procurement). $17.1 (modification).
FY1976/7T Reduction, —$22.9 (procurement). —$17.1 (modification).
FY1976/7T Recommended, 0 (procurement). 0 (modification).

(*Note*: A buy of 710 new –9L Sidewinders (not shown) is recommended for approval.)

The procurement request was for 800 –9H Sidewinders to be stockpiled as a war reserve for foreign allies, for possible future need. The –9H is not usable on Air Force airplanes.

The modifications requested was to start phase 2 of an $89.3 million total modification program to update the Sidewinder B/E/J inventory. Since these missiles are already 15 to 20 years old, it is recommended that the funds be put into procurement of the new –9L Sidewinder.

F–111 RECOUPMENT

The fiscal year 1975 buy of 12 F–111's was stopped by the rescission. Of the $82.6 million not affected by the rescission, there will be some funds not used up on the canceled program. The Air Force has identified $24.3 million available to support the fiscal year 1976 procurement program.

NAVY PROGRAM CHANGES

The committee recommends changes in 11 Navy programs, as follows:

A–4M (Procurement)

FY76/7T, Request $70.
FY76/7T, Reduction —$61.8.
FY76/7T, Recommended $8.2.

Defers request for 24 A–4M's to fiscal year 1977 because this is an advanced attrition buy, and an FMS sale keeps the line open in fiscal year 1976. Allows $8.2 million nonrecurring for heavyweight landing gear and angle rate bombing system.

AH–1J (Procurement)

FY76/7T, Request $42.2/$12.7.
FY76/7T, Reduction —$23.0/+$5.7.
FY76/7T, Recommended $19.2/$18.4.

Cuts 8 helicopters out of request for 22 because they will be delivered in fiscal year 1977 delivery period. Also defers procurement of TOW missile support equipment to fiscal year 1977, as TOW-equipped helicopters will not be requested until then. Addition of $5.7 million in 7T is long lead for fiscal year 1977.

F–14 (Procurement)

FY76/7T, Request $619.7/$138.4.
FY76/7T, Reduction 0/—$40.0.
FY76/7T, Recommended $619.7/$98.4.

The 9 F–14's in 7T will be bought in one contract with the 36 F–14's in fiscal year 1977. This reduction would provide long lead funds for the 7T airplanes and defer the remainder of full funding to fiscal year 1977, without changing the production schedule.

A–6E (Procurement)

FY76/7T, Request $156.2/0.
FY76/7T; Reduction —$32.4/+32.4.
FY76/7T, Recommended $123.8/$32.4.

The budget request was for 12 A–6E's in fiscal year 1976 and no further procurement due to an OSD decision to stop production. The Navy and Marines will be short of A–6E's if this plan is followed. The proposed change would provide eight A–6E's in fiscal year 1976, three in 7T, plus long lead funds for fiscal year 1977. Due to a 4-month gap in the A–6E line at the start of fiscal year 1976, this would not interrupt 1-per-month production.

SM–1 (Medium Range) (Procurement)

FY76/7T, Request $39.1/$7.6.
FY76/7T, Reduction —$10.1/—$0.5.
FY76/7T, Recommended $28.0/$7.1.

UMI

Reduces 85 missiles in fiscal year 1976 and 4 in 7T, providing production at 200 missiles per year rate which matches the out-year plan.

TASES (R&D)

FY76/7T, Request $19.6/$6.9.
FY76/7T, Reduction —$9.6/—$6.9.
FY76/7T, Recommended $10.0/0.

Reduces request to $10 million and holds TASES in advanced development pending additional review of the cost-benefit of this $½ billion program. This is a carrier-based electronic intelligence airplane.

Reconnaissance Pod (R&D)

FY76/7T, Request $6.3/$1.8.
FY76/7T, Reduction $6.3/$1.8.
FY76/7T, Recommended 0/0.

Deletes funds to develop a reconnaissance pod to carry on A–7E attack airplanes. Recommendation is to retain RA–5C and RF–8 supersonic recce airplanes until a reconnaissance version of the NACF is available.

ASMD Missile (R&D)

FY76/7T, Request $11.9/$4.6.
FY76/7T, Reduction 0/—$4.6.
FY76/7T, Recommended $11.9/0.

Deletes the $4.6 million in 7T to start engineering development. This will allow congressional review for fiscal year 1977 of lethality and effectiveness before approving full-scale development.

Sparrow Missile (R&D)

FY76/7T, Request $6.9/$4.6.
FY76/7T, Reduction 0/—$3.2.
FY76/7T, Recommended $6.9/$1.4.

Defers $3.2 million the Navy does not plan to use until fiscal year 1977.

CIWS (Procurement)

FY76/7T, Request $8.6/$3.0.
FY76/7T, Reduction $8.6/$3.0.
FY76/7T, Recommended 0/0.

Deletes production start on Vulcan-Phalanx shipboard antimissile gun. Full R. & D. request of $33.2 million is approved. Production start should wait more operational testing and resolution of issue of what caliber gun will be used.

GENERAL REDUCTION

The Navy identified a general reduction or $8.7 million in 7T which can be made because of economies from buying 1976 and 7T items in one procurement.

ARMY PROGRAM CHANGES

The committee recommends changes in five Army programs, as follows:

AAH (R&D)

FY76/7T, Request $65.0/$17.9.
FY76/7T, Reduction —$9.6/—$6.9.
FY76/7T, Recommended $55.4/$11.0.

The advanced attack helicopter request for $65 million in fiscal year 1976 and $17.9 million in 7T is all R. & D. funding. Included are funds to start both competitors in the prototype phase in ordering long-lead parts to build the full-scale engineering development aircraft. Since the protype loser's long lead would be largely wasted, it is recommended that the Army not release any long-lead funds until the flyoff winner has been selected. This will slip first flight of the winner's engineering development aircraft 8 months. The Army states that 5 months of that could be made up by earlier release of long-lead procurement funds at the end of the test program, and the committee recommends that action be taken.

Hellfire (R&D)

FY76/7T, Request $12.3/$5.4.
FY76/7T, Reduction 0/—$5.2.
FY76/7T, Recommended $12.3/$2.2.

This would delete the funds to start engineering development of Hellfire, and slip the start from August 1976 to October 1976. Since the Army is unable to say now whether they will start ED, this would allow the committee to review Hellfire in the fiscal year 1977 budget before approving ED.

Chaparral (Procurement) (R&D)

FY76/7T, Request $37.5/$1.0,$14.8/$5.7.
FY76/7T, Request $37.5/$1.0, $14.8/$5.7. —$4.7.
FY76/7T, Recommended 0/0, $4.9/$1.0.

The procurement cut would delete all funds to buy 52 new missile launchers on the basis that the Army does not have enough missiles for their existing launchers and is not buying any new missiles this year.

The R. & D. cut would delete funds to develop an improved seeker for Chaparral. This reduction would be made without prejudice to the merits of the program but because the OSD and Army do not have a rational R. & D. and procurement plan for Chaparral missiles and launchers. Submission of such a plan could change this committee position.

Improved HAWK (Procurement)

FY76/7T, Request $78.2/0.
FY76/7T, Reduction —$6.0/0.
FY76/7T, Recommended $72.2/0.

The reduction would delete funds to buy new missile launchers as the Army will be able to modify existing Basic Hawk launchers.

IATAS (Procurement)

FY76/7T, Request $23.6/0.
FY76/7T, Reduction —$23.6/0.
FY76/7T, Recommended 0/0.

The Interim Airborne Target Acquisition System would be a one-time buy of 36 photoreconnaissance drones for use by the Army near the FEBA. This would duplicate the Air Force's photorecce aircraft and drone capabilities.

Hellfire (R&D)

PROGRAMS RECOMMENDED FOR APPROVAL AS REQUESTED IN FISCAL YEAR 1976–7T

Program	Quantity	R. & D.	Procurement
ARMY			
AH–1S	38	$2.0	$50.3
Shorad (Roland)		78.0	0
Stinger		22.4	0
Antiaircraft guns		15.1	21.0
AIR FORCE			
AWACS	6	253.7	520.5
EF–111		10.0	0
Shrike	1,618	0	55.8
EOGB/MGGB		33.5	
EW programs		15.6	117.5
Sidewinder–9L	710	.3	39.9
Sparrow–7F	620	.6	81.5
Recce R. & D		22.3	
NAVY			
EA–6B	7	0	157.6
A–7E	36	7.3	209.2
E–2C	7	0	192.0
NACF (F–18)		132.8	
V/STOL		27.5	
Condor	243	0	101.4
Harpoon	265	19.9	192.3
SM–2	22	17.0	54.6
Aegis		126.1	
Phoenix	340	0	129.9
Sidewinder–9l	800	3.0	47.5

OTHER PROGRAMS DESERVING COMMITTEE COMMENT OR GUIDANCE

Following are some additional programs which the committee believes deserve special comment and where the committee report on the authorization bill provides guidance and direction to the Department of Defense. Comments on these individual programs follow:

AWACS: The committee recommends approval of the AWACS request for six more planes in fiscal year 1976. The details of the AWACS program will be discussed at a subsequent time. The particular point which I want to bring out is that we recommend that the Air Force procurement objective be revised to a more realistic figure than the present one of 31. We believe that a quantity in the range of 21 to 24 should be an adequate force level of AWACS planes for the United States.

I also want to point out that Dr. Currie—D.D.R. & E.—believes significant progress is being made in convincing the NATO countries to buy a quantity of AWACS to support their share of the total NATO requirement for this airplane. If NATO does make a decision to buy, it will help both our foreign sales picture and also will reduce the cost of our own procurements somewhat—on the order of perhaps 10 percent. The committee is definite that the United States will not be buying NATO's share of the AWACS program. In our opinion, the 21 to 24 Air Force total buy should be adequate to support U.S. forces worldwide including our share of a combined NATO program.

Navy F–4 Slats: The Navy fiscal year 1976 request includes funds to begin a major structural and equipment modification project for the F–4J's. The reason is that F–14 procurement totals are inadequate to maintain the Navy/Marine fighter force in the 1980's, and the F–4J's life will be extended well into that decade. Because of budget constraints the Navy did not plan to put leading edge slats on the F–4's in the course of this structural modification project. The Air Force has demonstrated the great increase in combat dogfight capability that these slats provide and has added the slats to all of its F–4E's. The committee directs the Navy to add these slats during the course of the modification program.

Aegis: Last year the Navy's Aegis shipboard SAM fire control system program was criticized by the committee because of the lack of a firm ship program to go along with the missile system R. & D. This year the same situation existed, and the so-called DG ship planned for Aegis had been scrapped. Within the last month the Navy proposed to modify the DD–963 destroyer hull to accommodate the Aegis system and forwarded a shipbuilding program to OSD for approval. The Secretary of Defense gave his approval to the program in principle, as the following letter received by the committee would indicate:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, D.C., April 29, 1975.

Hon. JOHN STENNIS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STENNIS: In my report to the Congress this year, I emphasized the significant enhancement that the AEGIS weapon system would provide to Fleet Air Defense and that we were working toward early Fleet introduction of this system. I also stated that we were evaluating our surface combatant programs in light of Title VIII and would inform Congress concerning the resulting changes in our shipbuilding programs.

After a review of all aspects of this problem, the Navy has proposed a program for AEGIS ships which includes a variant of the DD–963 destroyer configured with AEGIS to be funded in the FY 77 Defense Budget and a nuclear powered AEGIS ship to be included in the FY 78 Defense Budget.

In view of the importance of the AEGIS system to the Fleet's ability to counter the threat of the 1980's, I have approved the Navy's program in principle and the program details are being worked out between the Navy and my staff. I am proposing an authorization amendment to the President's FY 77 budget to include the DD–963 AEGIS ship. This amendment is to be submitted to Congress after approval by the President.

J. R. SCHLESINGER.

This building program would start in fiscal year 1977 for the conventionally powered ship, with a nuclear powered Aegis ship to follow in fiscal year 1978. The fiscal year 1977 authorization request is understood to be in preparation within the executive branch. The subcommittee recommends approval of the Aegis R. & D. request with the condition that the ship program be submitted formally before the R. & D. funds are released.

Army AAA guns: There is an argument within the Army over whether a new antiaircraft gun, one better than the Army's present 20 mm Vulcan and the Soviet quad-23, should be developed. The systems analysts in the Army claim that missiles are more cost effective, while the "users" in the field strongly support a better gun system.

The Tac Air Subcommittee has heard enough testimony from combat-experienced Air Force and Naval aviators about the deep respect they have for antiaircraft guns—and their belief that they can decoy or evade SAM missiles—to know that the Army user community is right on this issue. We recommend that the Army program to prototype a new gun be fully supported.

The Tac Air Subcommittee pressed the Army for a firm position on the need for this new gun, as we felt that a $30 million prototype program should not be authorized unless the Army was definite on the requirement for such a weapon. The following letter was received after our hearings to definitize the Army position:

APRIL 16, 1975.

DEAR MR. CHAIRMAN: At the time of the Tactical Airpower Subcommittee Hearings on the Army FY 76 RDT&E request the Army had not yet made a decision whether it planned to complete development and procure an advanced air defense gun system. During the hearing the Army was requested to clarify its intent with respect to this program. Subsequently, a decision has been reached to develop and procure a new air defense gun system.

This system will ultimately replace the existing Vulcan which is quite limited in range, accuracy and lethality. The effort to be conducted will initially comprise an Advanced Development phase in which several existing and new guns will be evaluated along with candidate fire control systems and a single preferred design selected. Upon completion of this effort, the selected system (possibly an existing U.S. or foreign gun) will enter Engineering Development to complete whatever work remains prior to deployment. The resulting system, if it meets its design requirements as refined during the advanced development phase and no new unforeseen developments in air defense missiles have occurred which would surpass the projected benefits of guns, will then begin full deployment.

The reason it is planned to first conduct an Advanced Development phase rather than enter directly into Engineering Development is that several very promising candidate gun/fire-control systems exist and the development cost of assessing these candidates in hardware form rather than on paper is relatively modest as compared with the procurement costs ultimately to be committed to whatever design is, in fact, selected.

The Army looks forward to obtaining an advanced air defense gun as a part of its combat inventory. I hope that this decision will assist your committee in its evaluation of the Army's gun program.

NORMAN R. AUGUSTINE,
Assistant Secretary of the Army (Research and Development).

SUMMARY OF BUDGET REDUCTIONS

In summary, the tactical air power programs totaled $7.3 billion in fiscal year 1976, $1.36 billion in R. & D., and $5.9 billion in procurement and our reductions are $104 million in R. & D. and $485 million in procurement, for a net $590 million recommended cutback. This is an 8.1-percent reduction. The following table shows the figures for both the fiscal year 1976 and the combined 15-month budgets:

	R. & D.	Procurement	Total
Fiscal year 1976:			
Tac air request	$1,366.1	$5,894.4	$7,260.5
Reduction	−104.3	−485.8	−590.1
Recommended	1,261.8	5,408.6	6,670.4
Percent reduction	7.6	8.2	8.1
Combined 1976–7T:			
Tac air request	1,698.7	6,914.7	8,613.4
Reduction	−162.8	−530.4	−693.2
Recommended	1,535.9	6,384.3	7,920.2
Percent reduction	9.6	7.7	8.1

I believe that we have scrubbed this Defense budget carefully and reasonably and that what remains in it is the vital essence of necessary Defense programs. I hope that our recommendations will be accepted by my fellow colleagues of the Senate, and I will be glad to respond with more detail to any inquiries on any of these individual programs.

Now, Mr. President, I referred a moment ago to AWACS. The AWACS has been a controversial program. We have heard a lot of attacks on it in the press.

THE AWACS PROGRAM

Mr. President, the fiscal year 1976 defense budget request for the Air Force airborne warning and control system—AWACS—a radar warning and control airplane, is for $199.2 million for R. & D. funds and for $490.5 million for procurement of six airplanes—including initial spare parts. The 3-month transition budget request is for $54.5 million to continue the R. & D. and for $30 million advance procurement funds toward the fiscal year 1977 program. This will be the second increment of AWACS production, as six aircraft were approved in fiscal year 1975 and now are in production.

DESCRIPTION OF AWACS

The AWACS consists of an airborne radar mounted on a Boeing 707 transport airplane, plus associated computers and display consoles in the plane to process the radar information and allow controllers to follow the movement of individual targets, friendly or enemy. The controllers in the plane can radio instructions to friendly aircraft and also all of the AWACS information can be sent down to ground stations by data links for use by additional individual controllers or by senior commanders so they can get an overview of the battle area through the eyes of the AWACS. Therefore, AWACS serves the same overall function as any ground-based radar and command and control center, with the very important exception that it is airborne and thus has much better visibility and also mobility than any ground located radar.

The AWACS can identify and track both friendly and enemy aircraft, it can perform the ocean surveillance mission of tracking ships at sea, and it also can keep track of ground force units through the use of radar beacons. It, therefore, functions as a combined air, ground, and sea surveillance system, all in one airplane.

NEED FOR AWACS

As I discussed earlier, in the report of the Tactical Airpower Subcommittee, we view the Tac Air mission areas as combat and combat-support programs. The combat aircraft are the air-to-air fighters, the light attack close support and day interdiction dive bombers, and the heavy attack night or all-weather deep interdiction bombers. The combat-support aircraft include the five functions of radar warning and control, reconnaissance, electronic warfare jammers, tankers, and airlift.

At the present time the Air Force has essentially no capability for airborne radar warning and control. It now must rely totally on ground-based systems. Ten years ago the Air Force operated a fleet of some 60 odd EC–121 radar warning airplanes, using them primarily over water off our Atlantic and Pacific coasts to search for incoming bombers. These EC–121s now have nearly all been phased out to the reserves, but they never had a capability over land because their radars could not pick up airplanes at a lower altitude than the EC–121 as those planes were masked by ground "clutter" on the radar scope. EC–121's also were operated tactically in Southeast Asia,

UMI

but here again they were limited to use over water because of this technical deficiency.

The Air Force recognized the requirement for this over land capability and issued a formal required operational capability—ROC—document in 1966 for an AWACS. The ROC specified that AWACS would be for the Tactical Air Command and for the Air Defense Command, as it would be useful for TAC's combat operations as well as for defense against penetrating enemy bombers.

At about that point in time, 9 years ago, it was being recognized that breakthroughs in radar technology would permit pulse-doppler type radars to be developed which could look down to ground level and pick out moving airplanes regardless of the type of terrain being overflown. The AWACS development program resulted from that technical breakthrough. Therefore, the AWACS will be providing a new military capability that has not existed previously, all-altitude radar coverage over land areas.

SCOPE OF THE AWACS PROGRAM

The total Air Force AWACS program, as reflected in the fiscal year 1976 defense budget plan submitted in January, calls for production of 31 AWACS airplanes plus refurbishment of the three R. & D. planes to the production configuration, for a total inventory of 34 AWACS for the Air Force. The R. & D. cost is $1.488 billion and the procurement cost is $2.289 billion—including initial spares. In addition, a future modification retrofit program costing $265 million has been identified if a number of added capability "enhancements" are retrofitted into the fleet of 34 planes. The grand total of these costs is $4.041 billion. The following table shows the funding by fiscal year:

	Fiscal year 1975 and prior	Fiscal year 1976	197T	Fiscal year 1977	Fiscal year 1978	Fiscal year 1979
R. & D	$879.9	$199.2	$54.5	$123.8	$140.3	$90.4
Procurement	$415.1	$490.5	$30.0	$380.1	$534.0	$439.4
Quantity	6	6	0	6	6	7

Based on these numbers, the average procurement unit cost per airplane is $73.8 million.

The average program unit cost is $111.1 million—this includes a pro rata share of R. & D.

The total average cost, including the modification retrofit, is $118 million.

COST INCREASES

Since a year ago, when the program was presented with the fiscal year 1975 budget request, the total program cost has gone up from $2.477 billion for 34 planes to $4.041 billion for the same quantity. This is a 67-percent increase.

The specific increases are as follows: R. & D.; up from $1.223 to $1.488 billion, or 20 percent. The causes are the development of improvement items, plus higher than anticipated inflation. Procurement; up from $1.254 to $2.289 billion, or 84 percent. The causes are a slowdown in the production rate from one a month to one every other month, higher inflation, and the addition of improvement items. Retrofit; this $265 million is a new cost this year to put in the newly identified capabilities.

SUNK COSTS IN THE PROGRAM

Up through fiscal year 1975, which ends in 4 weeks, we have committed $880 million to the R. & D. program and $415 million to production of the first 6 AWACS. Thus $1.295 billion, or about one-third of the total estimated cost of the 31 airplane program, has been committed at this point in time.

If the Congress was to cancel the program at the end of fiscal year 1975, the $880 million in R. & D. would be spent, about $100 million of the production money would have been spent, and we would have nothing to show for it except one AWACS prototype aircraft. Thus about $1 billion is truly "sunk" in AWACS right now.

If the Congress was to complete the R. & D. program but deny any more production of AWACS beyond the six planes bought in fiscal year 1975, it would cost $1.488 billion for the R. & D.—including three planes—and $415 million for the six production planes, so we would end up with a nine-AWACS force costing $1.9 billion or an average unit cost of about $210 million each.

COST TO STOP PRODUCTION

The Air Force testified to the Tac Air Subcommittee that the cost to stop production for 1 year would be $430 million. The cost to delay for 2 years would be $850 million.

COMMITTEE RECOMMENDED AWACS PROGRAM

The committee in reviewing the AWACS program this year has concluded that the total procurement quantity should be reduced and that an Air Force program of from 21 to 24 aircraft should provide an adequate level of capability for U.S. forces. The committee position is based on two factors: The increased costs that have occurred and also the question of whether the other NATO countries will buy their share of the AWACS planes that would be needed for complete coverage of the possible NATO battle area.

I mentioned earlier the cost increases for the 31-plane program. Whereas a year ago it appeared that a $2.5 billion investment in AWACS would buy the 31-plane force, it now would require $4 billion. That appears to be too much for this system. The Air Force estimates the procurement—and retrofit—cost of an 18-plane program as $1.578 billion, and the procurement cost of a 21-plane program as $1.827 billion. When the $1.488 billion R. & D.—and three planes—are added, the cost for a 21-plane AWACS force would be $3.1 billion and for a 24-plane AWACS force would be $3.3 billion. I might note ironically the committee's recommendation would raise the unit program price to almost $150 million—and at the same time it would save the taxpayer almost $1 billion.

STATUS OF NATO INTEREST IN AWACS

Dr. Currie, D.D.R. & E., has reported an increased interest by the other NATO nations in procurement of a NATO AWACS force. The recent highly successful demonstration tour of the AWACS prototype in Europe served to increase this interest.

Two contracts have been funded—total value about $3 million—for studies of a NATO-common AWACS configuration and for a study of the interface with the NATO command and control network. It is expected that the formal decision-making steps would be completed by July of 1976 by those countries.

The quantity that the NATO countries would buy is not decided at this time. Prices were requested for quantities of 12 up to 36 airplanes.

The funding of this program is being proposed based on "NATO infrastructure" cost sharing arrangements. In the past, when common items have been bought, such as NATO aircraft shelters or the NADGE radar system, set sharing of the costs has been agreed to. Typically the United States pays between 23 to 30 percent under infrastructure funding.

There are several possibilities for U.S. participation in a NATO AWACS force. One would be for a U.S. commitment to provide a set share of the force level in a NATO conflict. We have used this method with our dual-based F-4's, which normally are based in this country but which are committed to deploy to Europe in the advent of hostilities. Another possible option would be to have the United States share in the procurement of the total NATO AWACS program, with the airplanes—including our share—permanently based in that theater. Apparently this latter option is being proposed by the Defense Department at this stage of the planning. This is a matter which the committee will have to review before any formal commitments are made.

I want to emphasize that the committee position for a U.S. force level of 21 to 24 planes includes any that will be committed to a NATO AWACS force. Thus if the NATO program totaled 28 planes and the U.S. share was 25 percent, then our 7 would be included in that total of 21 to 24, whether they were dual based or were permanently based in the NATO area.

AWACS CONTROVERSIAL ISSUES

There are four primary areas of controversy which have been raised about the AWACS program by the GAO and by the junior Senator from Missouri (Mr. EAGLETON). These are, first, the mission of AWACS; second, its susceptibility to electronic jamming; third, its physical vulnerability to being shot down by an enemy; and fourth, its usefulness in a high intensity NATO-central European war. A fifth item is the cost of AWACS, which I have discussed earlier, so I will cover these other four now.

THE MISSION OF AWACS

The charge has been made, incorrectly, that AWACS was designed originally for the Air Defense Command for defense against penetrating enemy bombers, but when that threat was downgraded in our planning then the mission was changed to one of operating with tactical fighters. The implication then is drawn by the critics that the AWACS would not be particularly useful for tactical war but since AWACS is available it will be used for that role.

The facts are that the mission of AWACS always has been a dual one, for operation with both TAC and ADC. It makes no difference to the AWACS radar whether it is tracking an incoming enemy bomber or a tactical fighter, the basic technological capability of the AWACS allows it to spot any moving aircraft at any altitude no matter what that aircraft's mission happens to be. This was recognized when the original formal requirement document—ROC—was issued in 1966. It was a joint TAC/ADC ROC, with no distinction made between use for either command. This was placed in the hearing record of the Tac Air Subcommittee a year ago—part 8, page 4236—but the charge nevertheless continues to be made by those apparently ignorant of the facts on this issue.

ECM VULNERABILITY

A year ago the GAO charged that the AWACS radar could be jammed easily by enemy electronic countermeasures—ECM. The GAO also said that friendly SAM radars would interfere with the AWACS radar, causing inadvertent jamming. The Air Force stated that both charges were incorrect.

At the insistence of this committee, the Secretary of Defense appointed an independent panel of radar and ECM experts to examine this issue. The members had no connection with the AWACS or the Air Force. The panel consisted of Dr. Harold Smith, chairman, professor of physics at the University of California; Dr. Roger Manasse, a radar consultant, Mr. Burton Brown of General Electric; Dr. Peter Swerling, president of Technology Service Corp., all radar experts; and Mr. Robert Gehrke, an ECM expert with Johns Hopkins Applied Physics Lab. The panel carefully reviewed all aspects of the AWACS radar-ECM question and issued their report to the Secretary of Defense in mid-December 1974.

ECM PANEL FOUND GAO ERRORS

The panel discovered that the GAO's radar consultant had made errors by factors of 100 to 1,000 in calculating the resistivity of the AWACS radar to ECM. The panel concluded that the AWACS radar was highly resistant to ECM jamming, much more so than any other current radars, that it could counter the current jamming threat, and that future improvements in enemy jamming technology could be offset by relatively minor changes to the AWACS radar system.

The panel also showed that an enemy could deploy a line of many low powered, and low cost, jammers behind his battle lines and then deny AWACS full ground-level look-down behind this line of jammers. This would have the effect of taking away some 2 to 3 percent of AWACS surveillance volume. This was the most significant operational effect of enemy jamming found by the panel.

The inadvertent jamming by friendly SAM radars that was claimed by the GAO was subjected to flight tests in 1974 and found to be nonexistent. Here again the GAO radar consultants were in error.

In summary, the independent panel of experts and also flight tests of AWACS itself have shown that AWACS is highly resistant to ECM jamming, much more so than any other radars in existence today. The claims regarding this particular issue concerning an AWACS deficiency have been shown to be false.

AWACS PHYSICAL VULNERABILITY

The statement has been made that AWACS is "a sitting duck for enemy aircraft and missiles." This apparently is intended to imply that AWACS could be shot down quite easily by enemy SAM missiles or enemy fighter airplanes. The Air Force states that quite the opposite is the case, and an AWACS would be extremely difficult to shoot down. Let us look at some of the relevant factors that would be involved in an attempt by any adversary to destroy an AWACS.

First, the AWACS will be operating 150 to 200 miles behind the battle lines, because of the long range capability of its radar and its elevated line of sight from its high on-station altitude. There is absolutely no enemy SAM system that could fire to within 100 miles of an AWACS on this kind of operating position, so the SAM threat to AWACS can be dismissed out of hand.

Second, let us consider the problem of sending a fighter-interceptor to find and shoot down an AWACS. This airplane would have to penetrate 150 to 200 miles of allied airspace, through our own Hawk SAM missiles, through our own Nike-Hercules SAM missiles, and through our own F-4 and F-15 fighters, in order to close on the AWACS. Even if this mission would be considered a possible one—and General Dixon, commander of TAC, testified quite candidly that he would rather be in the AWACS than in the enemy fighter under those circumstances—there still are tactics available to AWACS that would make it tough to locate and then shoot at. First, it can turn and retreat at 450 or 500 miles an hour if a large and determined raid comes after it. This means that the closing speed of the attackers would not be more than 100 to 200 miles an hour, and it would take a long time and many miles to catch up to the retreating AWACS. Also if AWACS descends in altitude it will get below the fan of enemy GC 1 cover, and the attacking fighter would have to locate AWACS with its own radar to pursue it. This would not be easy if friendly fighters were called up to defend the AWACS.

Overall, I think that level-headed consideration of the problem of penetrating 150 to 200 or more miles through SAM and fighter-defended airspace, to try to find and shoot down an opposing airplane that can retreat and descend down to the deck, obviously should be seen as a nearly impossible task. Consider the alternative problem, that of taking out our current fixed ground-based radars in NATO Europe. Many of these are within artillery range of the border, their location is known, and they are a fixed, not a moving target. It should be obvious that they will be taken out in the opening moments of any conflict and AWACS will be the surviving radar warning and control system.

I find the claim that AWACS is highly vulnerable to be specious at best.

OPERATIONAL UTILITY IN NATO EUROPE

The challenge has been made that AWACS would not be much help in an intense NATO-Central Europe war because the large numbers of airplanes at any one time would saturate the AWACS capacity to track all of these airplanes.

Frankly, I find that this claim demonstrates an ignorance of how the AWACS would be used in that area. First, even agreeing that there will be hundreds to possibly over a thousand airplanes airborne at any moment, we must keep in mind the fact that more than one AWACS can be put in orbit to help handle the target density, and also inherent in the digital computer capability of AWACS is the ability to reject targets in an area not of concern, such as to the areas behind the AWACS, if the system is in danger of saturation.

Third is the ability to data link the radar information down to ground stations so they can help with the air traffic control and battle management functions of the air war. Therefore, the basic utility of AWACS, that of elevating the radar so its range and field of view are enhanced over ground radars, is not lost, and at the same time there are tactics that can be used to overcome the problem of a high density of targets. It cannot be emphasized too highly the difference in level of capability between the present ground level radar system, so highly vulnerable to enemy attack and to enemy ECM, and the potential that will be provided when the relatively invulnerable and highly capable AWACS is added to our NATO forces.

ERRORS IN THE RECENT PRESS RELEASE

On May 28, 1975, the junior Senator from Missouri issued the latest of his press release attacks on AWACS. This release made a great to-do about an interim budget position within the Defense Department that would have stopped AWACS production in fiscal year 1976 until NATO decided on its procurement plans. The press release did not highlight the fact that this position was changed 20 days later, after the DSARC meeting that reviewed the ECM panel report and then approved starting AWACS production in fiscal year 1975, to be followed by continuing production in fiscal year 1976 and subsequent years.

Apart from making arguments about what significance there was to that interim defense decision, that was reversed so soon afterwards, I want to bring out

UMI

the factual errors in that press release. As has been true of previous releases on AWACS, there were many.

First, the release states that—

The Air Force has fixed its test program, not to find out whether AWACS will work in the real world, but to influence Congress. The most recent test sham took place on May 5 at Nellis Air Force Base. The tests were set up in such a way that the results were totally predictable and totally unrepresentative of the real world. Two days before the May 5 tests were conducted I had radar experts analyze the test plan. Each test was rigged to demonstrate that AWACS could overcome the designated jammer.

Now I do not know who the radar experts were who did this analysis for the Senator, but I would not be too surprised if they were not the same ones who a year ago were making errors by factors of 100 to 1,000 in their calculations of the effects of ECM on the radar.

AWACS GROUNDED ON MAY 5

The reason I say this is that the AWACS happened to be on the ground at the Boeing plant in Seattle, Wash., on May 5, 1975, and it did not take off or fly 1 minute on that day. Had the distinguished Senator checked the situation before he issued his press release on May 28, he would have found that these tests he referred to took place on May 12 and May 19, over 1 week later than originally planned. He also would have found that the AWACS passed them with flying colors, so despite claims by unnamed experts who do not even check their dates, I would have to conclude that the AWACS radar has once again been shown to be highly resistant to ECM, as was found by the panel of real experts, those who did their homework before issuing their report.

STATUS OF NATO STUDIES

Also, the release states that—

GAO and NATO studies have raised serious questions about the operability of AWACS in Europe, where it would be highly vulnerable to enemy jammers and fighter aircraft and where it currently does not have the tracking capacity to handle the dense air theater. Both GAO and NATO have recomended additional development and testing before beginning full scale production.

It is true that GAO has taken that position, and I have mentioned many factors earlier that relate to the quality of the work that GAO has provided in leading up to its position on AWACS. However, I find that press release statement to be totally misleading as to the conclusions that have been reached by the NATO-sponsored studies of the AWACS system.

NATO's SHAPE Technical Center has been conducting a series of studies of the capabilities of AWACS and how it would operate within the NATO air defense system in order to advise the NATO countries on whether or not to buy AWACS. Their first studies were issued in the May 1974 time period. These raised all of the basic issues about AWACS that I mentioned earlier; that is, ECM vulnerability, physical vulnerability, and operational utility, and said that these required further technical study.

By November 1974 a second series of studies had been completed. These found that AWACS would provide a great increase in NATO air defense capability, at least doubling the effectiveness of our interceptors, that AWACS would be an extremely difficult target to find and shoot down, and that its ECM resistance was high. They also recommended continuing the analyses.

The next series of studies was finished in the March 1975 time frame and have been examined by the committee staff. These continue to find overall positive factors for the AWACS system, but they continue to probe for additional details on AWACS. I do not think this should surprise us, as a decision to buy an AWACS force will be a major procurement decision. Nevertheless, it is totally misleading to imply that at this point in time the NATO studies are doubtful about the value of AWACS in Europe, because such is not the case. These studies are finding that AWACS is highly effective and highly survivable at least at their present, still incomplete, status.

SUMMARY

In conclusion, the AWACS is going to provide the Air Force with a totally new dimension in radar warning and command and control capability. The direct result will be to increase the effectiveness of our tactical air and air defense forces by a significant amount, by up to 50 percent according to some studies. We have an enormous investment in these forces, many billions more than will be spent on the AWACS program. AWACS will provide the catalyst that results in a significantly greater return on that investment.

The attacks that have been made on AWACS have cast serious doubts on the wisdom of making this investment in the program. Yet the attacks are based on fallacious or erroneous information, in my opinion. I believe that those who have made the serious, but incorrect, charges against the AWACS have done a major disservice to the Congress and to the American public. We cannot afford to spend $3 billion on a system which will not work or will not provide an effective enhancement to our defense posture. I would oppose continuing the AWACS program if I was not convinced that it was a good one and that we need it even at the current price. I find these irresponsible accusations as serving to undermine public confidence in what will be an excellent and highly effective aircraft, and this is the most disturbing aspect of this situation.

I recently saw an editorial in a Louisville newspaper which said that we should not be buying a $111 million airplane that would not work and that is an easy target for the enemy. They concluded that we should not buy the AWACS. I could not agree more, if the basis for the conclusion were correct. Unfortunately, the editors of the paper had only heard one side of the story—the incorrect side.

As we prepare to debate the upcoming amendment to stop production of AWACS, I hope my colleagues will consider very carefully the points that I have raised today. I believe that our committee position and recommendation on this program is correct and fundamentally sound. I fully support continuing the production of AWACS in fiscal year 1976 and hope that the vast majority of the Senate will agree with me.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. CANNON. Mr. President, I thank the Senator for yielding to me. I will be available at the proper time to answer questions in detail on my statement.

Mr. STENNIS. Mr. President, if the Senator will yield to me, I wish to thank him for his report, for his splendid work and for his presentation today and his offer to be here, too, on matters that come up. He has done mighty well.

Mr. CANNON. I thank the chairman.

I want to commend our staff man, Mr. Charlie Cromwell, as well as the minority staff for the fine work they have performed in connection with the subcommittee.

I now yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I compliment my distinguished colleague and friend, Senator HOWARD CANNON, who has again this year done such an outstanding job as chairman of the Tactical Air Power Subcommittee. He is a hard working chairman who knows his subject matter, much of it from first-hand experience. For example, he has flown at least three of the aircraft, the A–6, the F–14, and F–15, that are part of this year's request, so he has personal insight about the capability of these aircraft. And over the years he has become personally familiar with the many other systems that come before the committee.

I also have had the opportunity to fly the A–6, the F–14, and the F–15 and, in the past, between the two of us, we have probably flown in almost every aircraft the services have. So, I believe HOWARD and I represent a rather unique combination as chairman and ranking minority member of a subcommittee, in terms of our personal experience with some of these systems. It makes our job more interesting in that we are able to do this and I believe it enables us to give our colleagues a better evaluation of these systems than might otherwise be possible.

Senator CANNON has gone into considerable detail on the committee's recommendation in the tactical areas so I will try to avoid any repetition there. Rather, I would like to stress the importance of this annual recommendation to the future mission capability of our Army, Navy, Air Force, and Marines and make a few other observations.

The committee recommendation of $7.3 billion for fiscal year 1976 represents about 29 percent of the total amount recommended for authorization. While there are some R. & D. funds within the $7.3 billion, most of the funds will go for the acquisition of combat and combat-support capability. Last year, for comparison, the committee recommendation was for $5.3 billion which was about 24 percent of the total amount recommended for authorization. So I am glad to

report there is an increase over last year which is sorely needed to continue modernizing and replacing equipment of our tactical forces which, in part, was put aside due to Vietnam.

On the other hand, let me point out that what we are asking you to authorize is, for the most part, what the services would use in any conventional conflict. Looked at another way, the $7.3 billion the committee is recommending represents only about 8 percent of the total DOD budget request. In my opinion we are certainly not overspending on our tactical forces.

Turning now to the service requests, the committee recommends 60 AH–1S Cobra/TOW helicopters for Army for the fiscal year 1976 and transition period. This is the first year of major procurement of this system that will give Army a standoff capability with helicopters against enemy armor. These Cobra/TOW helicopters are going to be in inventory for some time and later they will complement the advanced attack helicopter force when that comes into the inventory.

For Navy in fiscal year 1976 and fiscal year 197T the committee recommends authorizing 153 tactical aircraft, consisting of some seven different types. Seventy-two of these are fighter and attack aircraft and 81 are for long-range patrol, electronic countermeasures, anti-submarine warfare, early warning, and command and control. Although not directly comparable because of the 3-month transition period, last year Congress appropriated funds for 162 tactical aircraft.

I would like to note here that in the past the Navy has been criticized for having so many different types of aircraft. This especially complicates carrier operations as well as increasing training loads and it also adds to operations and maintenance costs. While Navy recognizes this problem, it has not been able to make much progress in reducing the number of types, nor is it likely to, as long as the threat establishes a requirement for a specialized mission aircraft to counter that threat.

All in all, I believe the Navy's aircraft procurement program is proceeding in an acceptable manner and at an economically acceptable rate. I would point out to my colleagues that as long as our Navy continues to be short in combatant ships, I think we must continue to make certain that Navy has alternative means to project power and to protect itself. Certainly air power is essential for both of those tasks.

For the Marine Corps the committee recommends authorizing for fiscal year 1976 and the transition period, 49 aircraft. The aircraft recommended for authorization are primarily 44 AH–1J attack and UH–1N utility helicopters. Although not directly comparable. Congress last year appropriated funds for the Marines for 21 aircraft, so this year's recommendation represents a needed increase.

For the Air Force, the committee recommends the Senate authorize 232 tactical aircraft for fiscal year 1976 and fiscal year 7T. This total consists of 135 fighter, 91 attack, and 6 AWACS aircraft. This is a significant increase over last year and is because the F–15 and A–10 production lines can now handle an increased production rate. Assuming the F–15 request is approved, this will bring the buy of F–15s to 341 out of a planned total buy of 729, so you can see, we are approaching the half-way point in this very successful program.

The A–10 is not yet in inventory and the production rate of this aircraft is just beginning to build. However, the committee made a three-aircraft reduction in fiscal year 197T to help insure the planned production building rate can be maintained.

The committee recommends for authorization the six AWACS aircraft requested. We, of course, are aware of the concern of some of our colleagues who, in general, believe there are too many unknowns with AWACS to continue the program at its planned procurement rate. Now, Senator CANNON has covered this program in some detail so I will not rehash the arguments. However, I would stress that AWACS must be viewed in terms of the total contribution it can make to any air battle and ground battle situation. AWACS must not be thought of as being oriented primarily toward defense or offense. Further, it must not be thought of as operating in isolation from other forces that can complement and protect it. To the contrary, it could well become the hub around which all other tactical air systems revolve.

Personally, I am convinced AWACS will bring a new dimension to the command, control, and communications of any future air battle situation. I suggest it might impact on the battle in a positive way that will exceed even the expectations of the strongest proponents of AWACS. I am impressed with the AWACS demonstrated success to date and our NATO allies are, too, since it looks more and more like they might buy AWACS. That, to me, is a very strong endorsement.

Mr. President, in summary, the committee took a good look at the existing and planned service force structures for the future that are necessary to accommodate these systems. I make this point, because I want to assure my colleagues we do not consider each of these aircraft and missile requests in isolation. In fact, we also examine the equipment and force structure of our Reserve forces to insure their needs are met to the maximum extent possible.

Mr. President, our tactical air forces are in pretty good shape and they will continue to be as long as we continue to update and modernize their equipment. This request, which we examined very closely and cut where required, will insure these forces can carry out missions as assigned. I do not believe it wise to go below the levels recommended by the committee.

I want to compliment the staff members, particularly Mr. Bob Old of my staff, an Air Force veteran himself, who has very keen technical insight into all of these matters.

Mr. CRANSTON. Mr. President, I yield myself such time as I may need. It will not be long as far as I am concerned. I would like the attention of the Senator from Missouri.

I was on the floor, as was he, when the Senator from Arizona spoke of the need, in his opinion, to not go into certain matters on the Senate floor now because of security matters, intelligence matters, secrecy matters.

I recognize, as do all Senators and all other observers, that there is a need for some prudence as to the discussion of national security matters. But I am deeply concerned about the fact that we do not know whether any figure in this budget is accurate because buried within it is the budget for the CIA and other intelligence agencies that distorts the entire budget.

I am very concerned by the very important decisions we must make that relate to national defense and also relate to national priorities. If we spend more on military matters, plainly we can spend less on long-neglected domestic needs. I feel that I and others, to vote intelligently, must have a maximum amount of information at our disposal, and then we must be able to have some give-and-take on the Senate floor on these matters.

Like other Members of the Senate, I have had my own private intelligence briefings in an effort to understand as much as possible about the very important matters we are considering.

I would like to ask the Senator from Missouri, Mr. SYMINGTON, who is a member of both the Foreign Relations Committee and the Armed Services Committee and also has served on the Joint Committee on Atomic Energy for his view of this matter of how much it is appropriate for us to consider and how much it is not, and on the statements that have been made that we really cannot come to grips here with these matters in any detail because of intelligence and security considerations.

Mr. SYMINGTON. Mr. President, if I could have the attention of the Senator from Arizona, he knows of my great respect for him, and I appreciate the kindness of the senior Senator from California for giving me time in this matter. It seems to me one of the reasons we have had so much controversy over the military budget is that so many aspects of it have been declared secret.

I was surprised to hear that the number of men in a division was so secret that it could not even be discussed in a secret session of the Senate.

When I first came to the Senate in January of 1953, I went to the chairman of the Armed Services Committee, the distinguished Senator from Massachusetts (Mr. Saltonstall) and said that I believed we should study the impact of the new force, atomic energy, on any preparations for the defense and security of the United States.

He, a very well-intentioned, honorable gentleman, nevertheless said that the matter of atomic energy and the question of nuclear weapons were so confidential that, frankly, the less he himself knew about it the better.

To me that seemed as if he were saying, as a president or chairman of a board of a bank, that the question of the

UMI

net current assets of the bank or the question of bad loans was so secret that he would prefer not to know anything about it.

When I again requested information on this nuclear picture many years later in the same committee, I was again told that it was so secret that it would be better not to really get into it.

Then in the Foreign Relations Committee, on which I had been for some years, I attempted to find out about the whole question of what the new nuclear force was doing to our concept of how best to defend the United States, and was told by the Atomic Energy Commission that this was a matter which could only be given to the Joint Committee on Atomic Energy because it was so secret and because that was the way the law was set up.

As a result of these developments, I resigned from a committee of which I would now be chairman in order to go on the Joint Committee on Atomic Energy, in order to find out the facts with respect to by far the most important force in the world affecting our security.

Under the law, the Joint Committee on Atomic Energy is required not only to answer any questions, but also to keep members of the committee currently advised.

I think it is a very sad state of affairs that practically nobody knows the impact that nuclear weapons have made on the security posture of one power vis-a-vis another.

The significance of this fact is compounded by the rapid worldwide proliferation of nuclear materials which can be used to build nuclear weapons.

The degree of lack of information on nuclear weapons can perhaps best be illustrated by an exchange I had with the former Vice President, the very able and distinguished Senator from Minnesota. I asked him how many nuclear weapons of the Hiroshima-type he believed could be built with our present stockpile of nuclear material.

He said he had been on the National Security Council for some time and knew there would be a lot. I said, "Well, do not make the figure large because of the way I ask the question, but what would be your estimate?" He said, "I would say between 8,000 and 9,000 Hiroshima bombs could be built with our present stockpile."

The fact was that we could build over 600,000 Hiroshima bombs with our stockpile.

What worries me, as we discuss the secrecy of conventional forces, is why it would be dangerous to tell the American people why we need a certain number of combat divisions. Everybody knows the experiences we have had in these military ventures all over the world, so I would hope—and this is the point I would make to my good friend from Arizona—that we would try to continue this discussion of what we do or do not need in order to maintain our security, with a minimum amount of emphasis on the importance of secrecy.

I personally believe that the failure of the Foreign Relations Committee and the Armed Services Committee, on which I have been for a great many years, to really get into the details of the truth about nuclear forces, has cost the American taxpayer tens of millions of dollars. And from the way things now look from a fiscal and monetary standpoint, I do not believe we can afford to continue to lose that kind of money.

I can put it another way, perhaps, and that is that, as I see it—and my friend from Arizona knows that I say this with great respect—it seems to me that we have not changed our defense structure to account for the entrance of this great new force and related qualitative changes in weaponry into our thinking on defense. Today one plane in one mission can drop more than both sides dropped against each other in the 4½ years of World War II; and yet, we nevertheless continue to emphasize the importance of increasing the quantity of our arms and forces. For that reason, I was especially interested in the answers of the able Senator from Arizona to the questions of the able Senator from Massachusetts.

To me—and I will make a talk about this later in the week—a sound dollar and a sound economy are just as important to true national security as the latest weapon system.

I would hope that if there is any justification for three additional combat divisions—and may I say with great respect that, as a member of the Armed Services Committee, the Foreign Relations Committee, and the Joint Atomic Energy Committee, I have never believed there was—it should be brought out so that we can discuss it frankly.

Mr. BAYH. Will the Senator from Missouri yield for a question, please?

Mr. SYMINGTON. Yes.

Mr. BAYH. I wanted to make absolutely certain that the Senator from Indiana correctly heard the figures used by my friend and colleague from Missouri. The figure of 600,000——

Mr. SYMINGTON. In answer to the able Senator from Indiana, I was given a talk to make this year in the United Nations as a delegate, where I had the honor of serving with the Senator from Illinois. The talk that I was given by the head of the Arms Control Disarmament Agency did not say anything in any way that pointed up the dangers incident to what we are discussing. I wanted to say that the figure we computed from information of the Atomic Energy Commission and the Joint Atomic Energy Committee regarding the number of bombs that could be made of the Hiroshima type was 655,000.

Mr. BAYH. Do we have the material stockpiled now for 655,000?

Mr. SYMINGTON. Yes.

Mr. BAYH. That is in addition to the warheads we already have stored?

Mr. SYMINGTON. That counts everything that we have or could have. As you know, the figures are round. To me, it is a far more sensitive figure than the nature of a division. The number of nuclear weapons that we have in Europe another sensitive, though public, figure is over 7,000. It is well-known that we have nuclear weapons in Turkey and Greece. We do not seem to be on the best of terms with these countries, even though both are members of NATO. We should begin to get into this type and character of discussion on nuclear force, considering that over a period of years the Senate refrained from finding out what the real facts were.

Continuing with the story of the United Nations, the head of the Arms Control Agency said to me, "You cannot make this speech in this way. You have to change it."

I said, "Well, I am not going to get up and just say a lot of language that does not mean anything, so just count me out. Get somebody else to make it."

He said "You are on the first committee and you should make it." I said "That does not make any difference. Get somebody else to make it."

Then he came back to me and said I could make it, that in his opinion it would not be so bad, but the State Department objected to my making it.

Having had a previous experience of this kind when I was a delegate to the U.N. with the distinguished former Senator from Kentucky in 1960, I said "I will not make it unless I can say what I want."

So the word came back that I could make it if I said the figures I was giving were for myself and not for anybody else in the Government. I said I would be very glad to do that. We checked it and rechecked it and we thought we had the right figures. So I gave it on that basis. For the first time we received a little publicity about just how important, relatively important, nuclear weapons were to security issues, the kind we are talking about when we cite numbers of divisions, numbers of carriers, numbers of bombers, and so forth.

I received no criticism from anyone on the question of possible violations of security. In fact, I think it is fair to say we got quite a few compliments on putting this into the talk. It is rather ironic that when the talk was reprinted, and it has been reprinted several times by the State Department, the figures that I gave, and the part that said I was giving on my own behalf, were not included in the release of these United Nations discussions by the State Department.

So, here is a subject that should have been discussed in great detail as soon as the weapon became available, and there is not one American in 100,000 who really knows anything about the importance of this new force to any possible future general war.

Mr. BAYH. Mr. President, I want to compliment my friend from Missouri. I thank him for reiterating what I thought I had heard earlier. I think every man in the Senate and every Member of the 535 that constitute both bodies, the Senate and the House of Representatives, are anxious to have an adequate defense, but it is only when we define adequate defense in terms of what we now have and realize the enormity of the destructive force and the degree to which it goes beyond what we really need to defend ourselves that we can come to grips with the questions of how many dollars and how many missiles are really needed.

I appreciate the Senator from Missouri helping me.

Mr. SYMINGTON. I thank the Senator.

I say that the man who would probably be considered the senior living statesman of the United States at this time has told me in recent weeks that 9 years ago one of the leaders of the Soviet Union said:

> There is no way in the world you could prevent us from destroying you if we wanted to, and there is no way in the world we could prevent you from destroying us if you wanted to, regardless of who hits first.

As a member of the three committees mentioned, I believe that he made an accurate statement at that time; but in any case, since that time, the two countries together, counting military aid and foreign aid, and so forth, have probably spent over a trillion dollars on military arms; and this disturbs me because in some of the countries we fear, they do not ask a man whether he will work on the job, they do not negotiate wages, hours, and conditions at work. They do not go out and give continued additional incentives to join the services under the voluntary system.

They tell people where they are going to work, what the hours are going to be, what the wages are going to be and what the conditions of work are going to be.

Not long ago I said to a member of one of these countries, that we constantly build up as a danger to us, "Why are you so anxious to create all these additional weapons to destroy us when you know that under your activities or under our activities we are losing from the standpoint of fiscal and monetary deterioration of our economy? You order your people. Over here it is a voluntary system."

He said, "Well, I do not say that we are happy about that, but I think that certainly we do not want to get into any war with you."

This is what disturbs me, as there is so little recognition, in my opinion, in the administration and in many minds here in the Senate of the importance of a sound economy and a sound dollar, that being just as important as the latest weapons system.

I am the first to admit that we have a lot of waste in some of our programs here in the United States, but, quite frankly, I would rather see that waste over here than I would in in many other parts of the world where we are continuing our military adventures.

So, I thank the Senator. I simply wanted to present to my good friend from Arizona why I would hope that the question as to why we need three more combat divisions would not be a matter of secrecy; because if that has to be a matter of secrecy—and I have been through the war games, I have been at the Cabinet level at one time, even in the military—I cannot see for the life of me how you will ever get the truth out about the true nuclear picture.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. SYMINGTON. Of course, I yield to my friend from Arizona.

Mr. GOLDWATER. The Senator rose to comment on the force structure and got off into several other fields, and I will not follow those fields, as interesting as they are.

We are talking about numbers of divisions. Let me say—and I say this without authority to say it—that the Joint Chiefs of Staff want about 10 more divisions than the Committees on Armed Services of either the Senate or the House of Representatives have been willing to give them.

If the Senator wants to get into the reasons why they feel that force structure is necessary, then I honestly believe that it should be highly classified, as it is, but let me remind the Senator what has been occurring in this field. His great interest in the American dollar is reflected in what we have been able to deal with, and he is a member of the committee that has been doing this.

I will read from the report that manpower requirements result essentially from the force levels described earlier in this report.

The force levels themselves are derived from our national security objectives.

If we want to get into those objectives, I suggest that we can call on the Joint Chiefs to discuss them.

I said that I did not mean to indicate that we should not discuss them here, but they are not going to be secret. The Senate knows it. We can bar the press and bar everybody from it. Before we get out the doors, everybody in the United States knows what has been talked about in the secret session of the Senate, and to me they are a waste of time.

Let us take a look at the figures:

At the pre-Korea structure, the total of the DOD was 1,460,000; the peak Korea was 3.6 million; the pre-Vietnam in 1964 was 2.6 million, and the peak Vietnam was 3.548 million.

In 1973 the actual had dropped 1 million to 2.5 million, and this year, 1976, with the plan that we have approved it is going to drop to 2.1 million.

The important part of this, the part that we are discussing, the part of the service that comprises the divisions which is the Army, the pre-Korean strength was 593,000, in peak Korea it went up to 1,596,000; pre-Vietnam was 972,000, and the peak Vietnam in 1968 was 1,570,000. It dropped in 1973 to 81,-000, and the plan this year is 785,000.

So what we are looking at across the board almost, with the exception of the Air Force—and they have not had any great reduction, but rather substantial—are figures of military strength that go below what I personally consider to be a safe level for the United States.

When the Army can talk about making 16 divisions out of 785,000 men, I think they are frankly looking at the Ouija board and not looking at facts and figures.

I would just repeat what I said at the outset, and I do not feel that I am free to say this, but I will take the gamble, that the Joint Chiefs of Staff want 24 divisions, and we, more or less, laugh at them. We have never seriously discussed it with them.

We have come up with 16 divisions at reduced strength of personnel and reduced strength of essential equipment.

So if we are going to debate on the subject of personnel and divisions, I wanted to make those questions perfectly obvious to my colleagues.

In closing, although we can discuss this at a later date, the expenditures for the military are at an alltime low in comparison with the gross national product.

If we want to get on the silly side, although I hesitate to use this, I am not a great believer in the gross national product as an economic figure. I never used it when I was a businessman, but it seems to be the accepted fact of life these days. We are spending less than 7 percent of the gross national product on the military today, and George Washington had spent more than that.

The military budget this year is running around 24 percent of the total budget.

If we want to look where we are spending money, and I know the Senator will argue with me on this, we are spending money in ever-, ever-increasing amounts in education and welfare. The Senator says perfectly all right. But if the dollar is in trouble, that is why it is in trouble. It is not from any increases that we have had in expenditures on the military because——

Mr. SYMINGTON. Mr. President, will the Senator yield?

That is another discussion.

Mr. GOLDWATER. Just a moment.

Mr. SYMINGTON. I was only protesting against the secrecy aspect of why we needed three more combat divisions for the infantry. We have two great Armies. We have four great Air Forces.

Mr. GOLDWATER. The Senator brought it up. I did not.

Mr. SYMINGTON. There may be a reason for it. I think the only way you can let the people decide if there is a reason for it is to get the facts out to them instead of withholding them on the grounds of secrecy.

I have known every Secretary of Defense fairly well, since the beginning; and the first one was at least as dedicated and sensitive to the needs of the military as any of his followers.

Secretary Forrestal told me and the rest of us one day that if you gave the Joint Chiefs all they wanted, there would be no money left for anything.

I am not saying that they do not need 24 divisions. I am not saying that they do not need three more combat divisions. But what I am saying is that the matter should be discussed and debated, especially as we have not recognized in our structure and functioning of the military service this great, new force, the nuclear weapon. That is all I am trying to say.

Mr. GOLDWATER. I remind the Senator from Missouri that we discussed this at great length in the subcommittees and full committees of Congress. We have one of the most able young men who has ever come to this body, and that is something for a Republican to say about a Democrat. The Senator from Georgia, in my opinion, is one of the great additions we have had to this body, and he knows what we have been through with respect to this entire matter.

We can get into the matter of personnel and talk about it forever. I asked

UMI

the Secretary of Defense last year how many civilians work in his Department. Twenty-four hundred. That is not the Pentagon; that is just the Office of the Secretary of Defense.

I ask, "How many can you get along with?"

He said, "Let's start with 1,000. I think we can do with less than that."

Have we lost one? Not that I know of. That good old civil service . . . you are in there for life.

So if we want to start talking of cutting on the defense budget, we can start there. We can start on the whole procurement business of the Pentagon, and I suggested time and again that we do it.

If we want to get into why the Joint Chiefs of Staff made the suggestions, I think it is unwise. But if it is the decision of the leadership to hold a secret session and let the Joint Chiefs come on the floor of the Senate and present their reasoning, I have a hunch that not many people will understand it, but we might satisfy some people.

Mr. SYMINGTON. The Senator from Arizona knows my respect for his thinking in this field. His knowledge of military matters is unsurpassed. But I respectfully remind him that the Joint Chiefs practice and practice, and some day they will probably want to play. That is a normal attitude of any group of people.

However, there was a member of the Joint Chiefs who later became the President of the United States. The Chairman of the Joint Chiefs at that time was very anxious for us to enter Indochina. Against the advice of the Chairman and the Vice President at that time, President Eisenhower took the word of another military man and decided that we would not go into Indochina in 1954.

I mention this only because the mere fact that the Joint Chiefs want something, to my mind, does not necessarily mean much, unless we know why they want it, and, indeed unless they justify in considerable detail why they want it.

When it comes to the number of divisions, I would say that that is a matter which can and should be discussed frankly in some detail, especially considering the fact that we have been careful to keep from the American people, during all the years I have been in the Senate, the truth about the great new force which shortly will permeate the entire world. Nuclear reactors are being furnished all over the world, and one knows that they do not make electric energy without making plutonium as well, and this is the ingredient for making nuclear explosive devices.

So it seems to me that we are going strong down one road when we should be considering a more important item. It all sums up to whether or not, in order to justify the budget we want, we should tell the people more about it. That is all I am trying to say.

Mr. GOLDWATER. Mr. President, if the Senator will yield, I really do not know of anyone, unless it is the Senator from Georgia, who can get into the detailed classified accounts of why the number is 13, 16, or 24. We were not exposed to them. But I would be perfectly willing to let the Joint Chiefs make that decision.

The Senator made a remark about what President Eisenhower did about not getting into Indochina in 1954. I remind the Senator that it was a civilian who recommended B–52 bombing in Cambodia, and it was the Joint Chiefs of Staffs—men in uniform—who said, "No, we do not need that kind of superiority to get one ship free."

So it depends on whose hat you are wearing. One time, a former general makes a decision that is in consonance with the civilian. The other time, a civilian makes a suggestion that the man in uniform finds himself in argument with.

I think this testifies to the greatness of the American system. I would argue this in every case but one, as the Senator knows, and I will not bring it up right now. The idea of the civilian over the man in uniform is a superior one, and has always worked, with the exception of one time. I hope we never deviate from it and that we stay with it.

I am glad the Senator gave me an opportunity to bring up the recent decision on Cambodia. Many people in the media, uninformed, have tried to point out that it was the man in uniform, but it was not.

Mr. McGOVERN. Mr. President, I should like to direct a question to either Senator SYMINGTON or Senator GOLDWATER or any member of the committee who would care to respond to it.

Without getting into the matter of whether the Joint Chiefs want 13 or 16 or 24 divisions, is the number they are requesting based on the assumption that the Soviet Union and China present a united front against the United States? Has there been any change in the foreign policy assumptions on which those force levels are set? I think it is fair to say that 12 or 15 years ago we thought it was our mission in the world to be prepared to take on what we then referred to as the Communist bloc. Presumably, anybody who claimed to be a Communist was in that bloc.

My understanding is that our defense levels in that period were set on the assumption that we were fighting what we referred to as the Sino-Soviet bloc and we had to be prepared to take them on as a unified force. Is that still the assumption on which our manpower requests come to us from the Joint Chiefs?

Mr. GOLDWATER. I would be very presumptuous in attempting to answer that question, if I tried to put myself in the position of any member of the Joint Chiefs of Staff. I would doubt very seriously that a so-called Sino-Soviet front, as such, would present any military problem to the United States. I believe—if I were sitting on such a staff—that the possibility of war between Russia and Red China would have a very definite bearing in my mind on what our force structure should be.

I will say this: It would not cause me to become upset. It would not cause me to recommend great amounts of additional men. I feel that if we ever give up our role as the No. 1 power in the world, war between Red China and the Soviets will erupt and that the 20-odd divisions that Russia now has on the Red Chinese border—it may be more than that; it may be a few less—and the more than 2,000 tactical aircraft that the Soviets have massed on that border will be put into action.

If this ever comes about, it has been by feeling that the Third World War will have started and that eventually we will be sucked into it. I hope I am wrong.

In answering it, I would be presumptuous, but I doubt very, very seriously that this enters into it.

In tabulating where these figures might come from, the major point would be a possible engagement on the continent of Europe. There, again, it would get into whether it would be in the mountainous terrain of Western Europe or the flat country of certain parts of Russia. There is always the iffy subject of the Middle East, which I seriously doubt ever will engage American troops. When one is put in the position of the commander, I do not think it is wise to ignore those things.

So I would have to assume all these factors, plus a possible uprising in Panama, which we are beginning to hear about; possible repercussions if we do not bow down to Cuba; repercussions all over the world because we are held in question.

I hope that answers the Senator's question.

Mr. McGOVERN. I should like to clarify one point. Do I correctly understand the Senator to say that we practically have had to keep China and Russia from fighting each other?

Mr. GOLDWATER. The reason I say that is just the nature of power. If the two of us got together, sooner or later, one of us would be sort of running the show. When we get a world full of nations, there is never a vacuum in the leadership. If there is, it is quickly filled.

I do not think it is any secret that the Soviets would like to be the world leader. I think they feel that, given time, given the problems we get ourselves into, without firing a shot, the Soviet Union will be the world leader.

I also think that Red China, with her great desire to occupy the fertile valleys just north of her borders, badly needed by Red China—valleys as large as the Mississippi Valley—this fact alone would start it, but she, with her vastly superior army, I feel, would start a war, or the Soviets would retaliate with war if anything came of it, if we were not in the picture as a possible deterrent.

Mr. NUNN. Will the Senator yield for a moment for an answer to his question?

Mr. McGOVERN. I yield.

Mr. NUNN. First, I thank the Senator from Arizona for his very kind words regarding my service on the Manpower Subcommittee of the Committee on Armed Services.

The force structure is based on the so-called one-and-a-half war concept at this time. That varies considerably from the previous concept that existed, and I am not sure as to the exact number, a few years ago. That means primarily, as the Senator from Arizona has already said, the capability of being to fight a conventional type war in Europe after a war had broken out somewhere else. So the one-and-a-half comes from that kind of scenario.

Based on most information—I do not know how much detail the Senator would like to go into on that; some of it is classified.

Mr. McGOVERN. What I am trying to get at is, when we talk about a capability of fighting one-and-a-half wars, one major war and one minor war, is that major war based on the premise that the Soviet Union and China would be fighting together against us? Has there not been any change——

Mr. NUNN. Let me tell the Senator this: If the Soviet Union and China were fighting against us, we would have to double the military budget and, to meet the forces against us, would have to double the number of men we have right now. The Senator from Georgia has severe doubts whether we would have enough manpower in the conventional sense to conduct even the one-and-a-half war scenario. As to the Senator's premise, I can answer the question, without any doubt, that this budget would not even come close to that kind of contingency.

Mr. McGOVERN. That being the case, when the Senator recalls that a few years ago, we did operate on the assumption that the Soviet Union and China were a united bloc, why, then, is our military budget so much larger now, at a time when the Senator says it is impractical to think of the Soviet Union and China fighting on the same side?

I agree it is impractical. I think the Soviet Union and the Chinese are at each other's throats and doubtless, each one of them has a considerable percentage of its military capability deployed against the other, rather than deployed against us. But if we operated in the first 10 or 15 years after World War II on the assumption that China and the Soviet Union were together and that we were confronted with the united Communist bloc, why does not our military budget go down at a time when that fearful prospect no longer confronts us?

As the Senator said, if we are faced with that, we would have to double the budget. Well, the budget is double now from what it was 10 years ago, when we were operating on the assumption that we had to take the two of them on together.

Mr. NUNN. Let me answer the question this way and I shall answer only on the manpower premise. The manpower we have in this recommendation is at a lower level than at any time before the Korean war. In other words, this will be the lowest level of manpower we have had on active duty since before the Korean war.

As far as why the defense budget has gone up, I think the Senator from Georgia would have to answer that question with one word, inflation. The percent of the total Federal budget has gone dramatically down. It is something like 27 cents out of every dollar now. The percent of the GNP has gone down. So we are spending less money. We are spending less as a matter of priority compared to domestic matters. There is no doubt about that.

If the Senator wants to compare, the budget of HEW has gone up something like 900 percent since the early 1960's. The defense budget has gone up about 100 percent, so it is about double.

Mr. SYMINGTON. If the Senator will yield, I want to make my position in this very clear. I am not arguing in any way with the able, distinguished junior Senator from Georgia, who has devoted a great deal of time and done a superb job in this field. My problem in listening to this discussion has to do with whether or not it should be classified or whether or not the people should know about it.

I admit that today, a billion dollars is nothing as compared to what it was when I first came into the Government, 30 years ago next month. I have a note from my own staff. According to Defense Department statistics, as provided by the Committee on Appropriations Subcommittee on Defense Appropriations, the cost of going from 13 to 16 divisions is approximately $4,300,000,000 over the next 5 years, fiscal years 1976 to 1980. That would be the cost in terms of the additional funds required for military construction, procurement, operations and maintenance, and military personnel.

So if we do not make this increase of three new divisions, we could be saving the taxpayers of America billions of dollars.

It was testified before our committee, the Senate Committee on Armed Services, that the threat to our security is no greater this year than last year, when we had only 13 divisions. In time, if it looks as if the threat were going to increase, we could always take steps to form additional divisions. But at this time, when our economy requires fiscal restraint—and I think the Senator from Georgia would be the first to agree that that is true, and I am sure every other Senator would—should we not take a hard look as to whether these new divisions are actually necessary?

My only point is that not only should we take a hard look at these issues in subcommittees and full committees and on the floor of the Senate, if necessary in a secret session, but that we should get out to the people the truth as to why we authorize one program or another.

I believe the Senator would agree to that. It is our problem to restore our people's faith in their Government and the main way of doing it, in my opinion, is to give them the facts instead of keeping them in the dark and deceiving them, as we were deceived so long in recent activities that were primarily military.

Mr. NUNN. To the Senator from South Dakota, I am not yielding time, I am borrowing his time.

Mr. SYMINGTON. I think I had the floor, but that is all right.

Mr. NUNN. If someone will yield me time, I certainly think we ought to discuss in as full and complete a manner as possible the whole move to 16 divisions. I am going to be making a full statement on that subject in just a few minutes. I think there is some classification of parts of it. The parts that are classified, I think we could exclude from the discussion. But as fully as possible, I think we should debate it, and the Senator from Georgia is certainly prepared to do exactly that.

I do question the figures of the Senator from Missouri about the cost of going to 16 divisions, because there is no increase in cost of manpower. It obviously costs more to drive a tank than it does a desk, but I do not believe the U.S. Senate wants to take a force structure that admittedly has too many people in command headquarters and say to the U.S. Army, we want you to keep them in an inefficient and ineffective way, pushing a pencil behind a desk, rather than making them get out with a gun in the field, which is the purpose of the Army anyway.

Mr. SYMINGTON. These are not my figures. They are statistics provided by the Subcommittee on Defense Appropriations of the Committee on Appropriations.

Mr. NUNN. That is inconsistent with the cost figures which were testified to before our subcommittee, which is less than $2 billion over 5 years. It does cost more over a 5-year period to have a 16-division force. The very simple reason is that it costs more to have combat troops than it does to have support troops. But there are a lot of things to say on the 16 divisions and a lot of points I want to make. It really marks the first time in my short tenure in the Senate that we have seen any of the bureaucracy, including the Department of Defense or any of the other bureaus, have any incentive to convert from fat to muscle, from wasted manpower to efficient and effective manpower.

I say that a great deal hinges on this decision, even separate and apart from the military question. That is whether we want to send out a signal throughout the whole bureaucracy; fellows, if you ever discover fat and let us know about it, we are going to grab it and take it away from you. If we want to make this a more inefficient Government than any of us imagine, that is what we are going to do if we take away this incentive.

I do not want to infringe on time, but I do want to make the point that I am perfectly prepared to discuss this at any length the opponents of this concept want to discuss it and get in as many of these figures as we can regarding the 16-division structure.

Mr. McGOVERN. Mr. President, if the Senator will respond to a couple of questions, he has been very properly identified as a very thoughtful student of our defense posture. Just to clarify some of the basic assumptions we are operating under, do I correctly understand the Senator to say now that when the Armed Services Committee reports out a bill on defense authorization at the level where they think it should be, they are operating on the assumption that there is no longer a Sino-Soviet bloc that confronts us, but two countries that are actually going through a demonstrable friction of their own, and that they do not confront us as a unified bloc?

Mr. NUNN. I would be the first to admit to the Senator from South Dakota that there is not nearly as much consideration given in the subcommittee or in the committee to foreign policy concepts

UMI

and assumptions as I would like to see in the Armed Services Committee; but I would start with the very general proposition that there is no possible way, given the constraints of the budget, that we could ever get the manpower required to meet both a Soviet challenge and a Chinese challenge at the same time. It is so far out to think that we could ever do that that the answer is rather self-evident.

Mr. McGOVERN. To carry it one step farther, could the Senator give us some general idea——

Mr. NUNN. I am speaking in a conventional sense at this point, not a nuclear sense.

Mr. McGOVERN. Yes. Could the Senator give us some idea what percentage of the Soviet military manpower is deployed for purposes of defense against China, rather than against the West?

Mr. NUNN. Mr. President, I would like to be able to add for the record on this point that my recollection is that the Soviet Union has about 4.2 million men under arms on active duty. That number has increased by something like 750,000 in the last 10 years. At the same time, the American force level has gone down very considerably in the last 10 years.

Out of that 4.2 million, according to my best recollection, the number of men that are aimed in the general area of geography that could be considered part of the Soviet answer to the so-called Chinese situation would be somewhere between 500,000 and 700,000. So that would be a considerable part of the 4.2 million, but yet when we subtract the 500,000 to 700,000 men who are in the approximate area of the Chinese challenge, it would leave considerably more men than the United States of America has.

These matters, however, are a little bit more complicated than that. I do not want to mislead the Senator on that score, because if you include NATO, all of the allies together roughly match the Warsaw Pact nations in manpower in the central region under MBFR discussion, but the question is whether that includes France or does not include France.

Mr. McGOVERN. I think that when the Soviets look at the question, they look at the border they share with China, which is some several thousand miles in length. We look at a border with Canada that is some several thousand miles in length, but to the best of my knowledge we do not keep very many forces along that border because of our historical friendship with Canada.

Would not the Senator agree that the Soviets and Chinese have a very different situation, and that they confront each other along a common border several thousand miles in length? Does not that change the situation somewhat, when we talk in terms of our maintaining parity with the Soviet Union?

Mr. NUNN. It does; there is no doubt about that. I have not advocated we maintain parity on any kind of man-for-man match-up.

Mr. McGOVERN. Or even that there is any necessity for it, considering the challenges that confront us as compared with the challenges that confront them?

Mr. NUNN. I agree; but I would point out that the Soviet Union has 4.2 million men under arms. We have 2.1 million under arms. The Soviet Union has increased its military manpower by about 750,000 during the last 10 years, during which time the United States has reduced its military manpower by 580,000.

I do not think the committee or anyone on the committee is taking the position that we are trying to achieve parity with the Soviet Union man for man.

Mr. McGOVERN. I agree with what the Senator has said, and I do not challenge his figures. I am just trying to make the point that the military planner sitting in the Soviet Union, trying to figure out what the defense requirement of that country is going to be, has to think not only of the combined forces of NATO on the east, but also has to think about the 800 million Chinese on their other side. That is a problem that does not confront us.

Mr. NUNN. I would agree with the Senator on that, and I am very thankful for that fact.

Mr. McGOVERN. I am, too. But I think when the Senator talks about the Soviets increasing their manpower by 750,000 over the last 10 years, the Chinese factor may have a lot more to do with that than anything we are doing.

Mr. NUNN. Of course, I might add on that point, if the Senator will yield, that they have also increased their military manpower as well as their armament in the NATO region, separate and apart from the Chinese border.

Mr. McGOVERN. Let me ask the Senator one final question; then I intend to yield the floor.

The official foreign policy of our Government toward the Soviet Union is one of deterrent, of an assumption that the two countries can live on the same planet in peace, that we hope to achieve a series of steps that will improve our relations. Does that factor influence the military force levels that the committee recommends for the Senate to act on here on the floor, or are we operating on the assumption that détente is something the diplomats talk about, but that really does not have very much impact in terms of the military considerations?

Mr. NUNN. I would say in response to that question that in the opinion of the Senator from Georgia—I would be very hesitant to speak for the committee on this, because it is a matter of judgment—I would define détente as the easing of tensions, and not the arrival of the millenium.

Mr. McGOVERN. I would agree with that.

Mr. NUNN. I would also say that as long as we have a national security policy, we must judge the potential adversaries, in this case the Soviet Union, by their military capabilities rather than their friendly smiles and gestures, because, as the Senator is well aware, friendly smiles and gestures can disappear in a period of about 8 hours. That has happened a couple of times just recently.

I think what we must do is judge their capabilities, because there is nothing we can do on the floor of the Senate in an emergency to increase military capabilities. We can only affect those capabilities in the 1980's by what we do here today.

So this is my judgment, and I would certainly think, as far as I am concerned, that we should pursue détente, the easing of tensions, but I happen to believe we would not have the détente we have already achieved unless we had a strong national security policy to go along with that, and I also believe that if the Soviet Union ever feels we are going to be inferior to them in a military situation, we would endanger if not completely prejudice the hope for détente.

Mr. GOLDWATER. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I do not know whether I have the floor.

Mr. KENNEDY. I believe we had yielded to the Senator from Missouri, who had gotten into a dialog with the Senator from South Dakota and the Senator from Georgia.

Mr. GOLDWATER. Will the Senator yield to me?

Mr. KENNEDY. I think I have the floor. I yield for a brief question.

Mr. GOLDWATER. Very brief.

Mr. KENNEDY. I yield for that purpose.

Mr. GOLDWATER. I think we ought to keep these things in proper perspective, and I think the Senator has raised a very interesting point, namely, has the question of détente had any effect on the committee's or the Secretary of Defense's thinking on the question of manpower levels?

The U.S. defense budget has been eroding at about 5 percent a year, and the Soviet budget has been increasing at a rate of 3 to 5 percent a year. If the Senator will look at page 303 of part one of the authorization manual, he will notice, in connection with this discussion of the question of détente, that we have been decreasing our forces rather substantially, and the Soviets have been increasing their forces very rapidly. We have been decreasing our budget sizably, and they have been increasing theirs. So while all of us would like to believe in that beautiful bubble dream called détente, it just has not happened as far as the Soviets are concerned.

Mr. McGOVERN. Admittedly the Soviets have had some increase during the time we have had some tailing off. The point I wanted to make is that the Soviet Union confronts not only the possibility of conflict with us, but also with their next-door neighbor, the Chinese, and all I am pleading for here is that we do not assume that every move the Soviets make, either on manpower or on the nuclear front, is necessarily aimed at us. It may be that these increases the Senator refers to have nothing to do with Soviet intentions toward the United States, but reflect the anxiety and fear that they are experiencing with regard to their next-door neighbor.

That is the only point I am trying to make.

Mr. GOLDWATER. I think the Senator has raised a good point.

However, this is only part of the many, many points that the Joint Chiefs of Staff have to take into consideration as they sit down and make an estimate of the situation. The Senator, having had fine service in the Air Force, has lived through that estimated situation every

morning he got out of bed, and this is what goes on downtown day after day after day.

I am sure every possible reason for their increasing their forces or taking them under consideration, also every possible reason for our reducing our forces, has to go into that consideration.

I thank my friend from Massachusetts. He has been most patient.

Mr. KENNEDY. Mr. President, I would just make a brief comment on this, and then I will be glad to yield to the Senator from Georgia, and that is really to come back to one of the earlier questions that I asked.

I listened to the Senator from Georgia outline the nature of the Soviet threat, and the fact that actions that would be taken here on the floor of the Senate could not be remedied if the smiles of the Soviet Union were to turn to a more aggressive attitude.

The fact of the matter is that we have had 13 divisions requested in fiscal year 1971, 1972, 1973, 1974 and, although a request for 14 was received in fiscal year 1975, the level effectively has remained 13 and that was the basis upon which the committee conducted its questioning of Defense witnesses this year.

Now we have seen a dramatic reduction of American troop involvement in Southeast Asia, and yet we have seen a request for an increase of combat divisions from 13 to 16 this year.

It is interesting to listen to explanations of the total reduction in terms of manpower being recommended. But if we are moving support slots into combat divisions, and we are justifying inefficiencies which I think is greatly and directly attributable to the Senator from Georgia, and for which I am very much appreciative, I would hope that we could listen to an explanation of why we are keeping that fat in the military instead of achieving cost savings. I think this should be a key part of the explanation.

If 13 divisions were good enough for the smiles in fiscal year 1972, 1973, 1974, and 1975, and were sufficient to justify the security of our interests at that particular time, then I think we are entitled to know what has changed in terms in either the attitude or threat from our adversaries which justifies that we move from 13 to 16 divisions.

I do not discount an earlier comment of the Senator from Georgia as being one of the very powerful factors. Under the workings of the Senator from Georgia, they found out there was a great deal of surplus in terms of the support aspect of our military force. So they were able to meet with the Secretaries of the Army and Defense and were able to convince them to transfer that fat to muscle.

Now, the Senator from Georgia says, "Well, boys, we cannot alter or change that because if we do then the Armed Forces are not going to reduce that fat any more."

That is an incredible justification, an absolutely incredible justification, and it is probably the best argument I have heard yet for the concept of a ceiling amendment. Instead of enticing the Department into identifying excess—whether men or weapons—by lowering their overall ceiling, we insure that they have a requirement to find that excess and remove it.

Here, we have seen a real example of where they can identify excess when they are absolutely put to the test. But then we are almost in a situation that says to the Army, "Well, boys, you went out and did a good job, so we are going to pat you on the head because if we do not pat you on the head, how are we ever going to expect the other Armed Forces to make any change for improved efficiency."

Mr. NUNN. Mr. President, will the Senator yield?

Mr. KENNEDY. In just a moment. I know the Senator from Georgia is going to develop these arguments in depth, and I will be glad to permit, obviously, any response he wants to make.

Mr. NUNN. I want to clarify that one point.

Mr. KENNEDY. Very well.

Mr. NUNN. I think the record will reflect very clearly that I never insinuated that the prime justification for going to 16 divisions was to incentivize bureaucracy. I think that is one consideration.

Mr. KENNEDY. Does the Senator from Georgia think it ought to have any consideration?

Mr. NUNN. I would ask the Senator from Massachusetts if anything has been done in the rest of the Federal Government.

Mr. KENNEDY. I commend him for doing it. Does that justify why we——

Mr. NUNN. No, it absolutely does not, and the committee report makes that fundamentally clear. It points out very particularly, just as the Senator from South Dakota and I were discussing just a minute ago, what the threat is.

Mr. KENNEDY. I would like to get the Senator from Georiga doing it for all the other services. I commend him.

Mr. NUNN. I would like to see the Senator from Massachusetts do it in some of the social fields, to be frank, because I think it could be done in other fields.

Mr. KENNEDY. Would the Senator like to hear how they have been reduced in comparison.

Mr. NUNN. HEW has gone up 900 percent since 1962.

Mr. KENNEDY. And I am sure the Senator voted for a good many increases in social security.

Mr. NUNN. The Senator is exactly right, but I am trying to put it in perspective.

Mr. KENNEDY. All right. We are talking about elementary and secondary education that is down approximately 9 percent; nutrition assistance is down 17 percent; community health services down 38 percent. The request that we have received for an increase in the budget for procurement and R. & D.—even excluding Vietnam spending—was 36 percent. And the committee permits a 20 percent hike. But I want to get back to the basic point that we are raising here.

Mr. NUNN. Will the Senator yield for one question?

Mr. KENNEDY. Yes.

Mr. NUNN. Are those figures which come from the President's budget or the Budget Committee's recommendation, because in the Budget Committee's recommendation the only thing that went down in the whole budget was national defense. None of these programs were cut. In fact, they were all added to.

Mr. KENNEDY. I will submit these figures they are from the President's budget.

I want to get back to the point, and that is—and I hope the Senator from Georgia will develop it and then we can talk about it at some length—what the increased threat is from last year to this year that requires increases, particularly, in relation to the changes that we have seen in terms of the military situation in Southeast Asia. Presumably we have reduced overall combat requirements after Vietnam—not greater.

There have been important changes since the budget requests were presented, and even since the Senator from Georgia considered this issue. We have seen an alteration, a dramatic one, in terms of the nature of our own commitment of forces in Southeast Asia, yet we see no place within this budget where that is reflected in terms of our overall force structure. I hope, in the Senator's preparation and comments here when he makes his statement later on this afternoon, he would talk about it because I do think we need a better justification than saying, "Well, our total manpower is down 1 percent, we were able to wring out the fat, and so we have increased the combat arms, since we do not want to discourage further reduction or unnecessary support elements."

I just want to say finally on this matter this has been something I have been interested in for some time. As the vice chairman of the NATO Defense Committee, I introduced a resolution with regard to support and combat ratios 4 years ago that was accepted in the North Atlantic Assembly and, actually, in an exchange of correspondence with the chairman of the Armed Services Committee over 3 years ago, received an indication——

Mr. NUNN. I might say on that point that is exactly what we are trying to do.

Mr. KENNEDY. I commend him. As I say, I wish we could do it with the rest of the forces. So I think, first of all, it is a more efficient and more effective combat force when we are able to reduce the size or the tail. But I am just wondering if we were able to meet the existing conventional threat from 1970 on through to this year with 13 divisions, and what has happened in terms of our view or a foreign threat that now justifies our going to 16 combat divisions?

Mr. NUNN. Mr. President, will the Senator yield at that point?

Mr. KENNEDY. Yes.

Mr. NUNN. If the Senator will yield, I will answer the question, at least to some extent, right here.

One thing that has happened in the last 4, 5, 6, 7 years—and a lot of this happened before the Senator from Georgia got here—is that an awful lot of people in our Government have felt for a long time—and I think this began in the early 1960's—that we would all be better off with nuclear parity.

Now, I might disagree with that, but I think we have to wake up today and ask where we stand today, and I think today

UMI

we stand in a situation where we do not have nuclear superiority. We have a situation called parity. We do not talk about superiority; we talk about being second to none.

Now, the Senator from Georgia might disagree with that, but that is where we stand today.

I know the Senator from Massachusetts would be second to no one in his desire to avoid any kind of confrontation that could lead to a nuclear exchange, even a tactical nuclear exchange in Europe.

I know the Senator has spoken of such in NATO councils and he is highly regarded there, but one thing the Senator from Georgia is trying to do with manpower and in his overall philosophy in the committee is to raise the nuclear threshold.

One of the ways to raise that threshold, in fact, is giving the President of the United States as well as the NATO allies a conditional option.

I would have to say our policy in Europe for a long time was based on our nuclear superiority and I would have to say 5 or 6 years ago the Senator from Montana on his "trip wire" description was probably very close to correct.

But we are doing everything we can, because the President of the United States ought to be able to use nuclear conditional forces to avoid having to go to nuclear weapons at the outset of any kind of confrontation, if it took place in Europe.

This is one of the primary justifications for realizing we no longer have nuclear superiority and we must have an option.

I would say that 16 is not enough, not as much as I would like, but I think it is an improvement. It does raise the nuclear threshold. It can help us meet our NATO commitments and it does reinforce the option I think is essential and imperative for the President of the United States to have if there is any kind of confrontation, either by design or by reason.

Mr. KENNEDY. I am glad to hear the explanation.

I had hoped the Senator would be able to develop in his presentation the difference in terms of the strategic potential of the Soviet Union, how he believes that balance has changed in the last year to justify the increase and then relate that analysis to his assessment of the threshold test ban treaty, the Vladivostok Agreement, the strategic arms agreements of 1972. I think we ought to have an idea of what we can expect in the strategic balance for next year and the years beyond.

Mr. NUNN. Well——

Mr. KENNEDY. If I may finish.

If it is the Senator's assessment that, because of changes in the strategic balance with the Soviet Union, we must increase U.S. Army strength by three divisions, then I think the American people ought to understand whether next year, according to the assessment of the Senator from Georgia, we might have to increase by two or three more divisions, and even more after that.

If the case for relating the strategic balance to European security could be made in truly meaningful terms, then we ought to be asking harder and tougher questions with regard to these various arms control agreements that are being heralded by the President and others. Are they really meaningful in terms of U.S. security interests and in terms of leading toward strategic force reductions?

I think what we are trying to point out is that he is suggesting a correlation between these matters that overstates the case, and I am hopeful that the Senator will be able to comment.

Mr. NUNN. I would like to ask the Senator from Massachusetts a question. He has been a Member of the Senate longer than the Senator from Georgia; he has been in NATO councils longer than the Senator from Georgia, and I would very much like to get his opinion about what kind of conventional force NATO ought to have in order to raise the nuclear threshold. This is not a one-way street.

I would like to know what the Senator from Massachusetts thinks we ought to be able to do in order to avoid nuclear war in Europe. That would be a very interesting topic.

Mr. KENNEDY. The thing that constantly impresses the Senator from Massachusetts is the virtually even balance which exists between Soviet and other Warsaw Pact forces in Eastern European forces and the NATO forces in Western Europe.

Mr. NUNN. Would the Senator——

Mr. KENNEDY. If the Senator will permit me to respond, at the present time, in terms of total manpower, NATO versus the Warsaw Pact, we have a virtual standoff, certainly one that would permit significant conventional defense before the issue of nuclear weapons was ever raised. This is certainly time for any aggressor to understand clearly the dangers in pursuing an attack.

I have yet to hear, in attending North Atlantic Assembly meetings, that anyone feels we would be unable to mount a conventional defense in Europe for such a period of time that the Soviet Union would not be given cause to think again.

I think a review of those statistics, worked out in the Armed Services Committee, would show that in terms of any manpower change since last year in the European theater, there is no justification for the kind of increase being discussed today. I also wish the Senator from Georgia would point out whether he believes those additional three divisions should be committed to Western Europe or should be backup for Western Europe or would be placed somewhere else.

I think this is important, since two of those three divisions are nonmechanized ground infantry and, therefore, of the kind of division we maintain for Asian contingencies.

We have had debate and discussion about the relaxing of tensions in Europe in recent years, and questions about whether we could actually reduce some of the forces we have maintained there for 25 years. Some of us have felt in the last year or two that the mutual and balanced force reduction talks ought to be the forum within which changes in force levels should be made on both sides. Some of us have been at least led to believe, from contracts with the administration, that after the Vladivostok Agreement, is finished and the forthcoming summit meeting of the European Security Conference is held, that MBFR is going to be the first priority for the President of the United States as well as for the Soviet Union. Then, there might be some real potential for reduction of combat troops in Europe on both sides.

Yet we are being confronted here with the possibility of adding more divisions, and if we are going to allocate them overseas in percentages reflecting where we have troops now, that will mean additional troops in Europe. This hardly makes sense if our objective is force reductions on both sides.

I also wish the Senator could tell us, if we do gain three more divisions, whether this means there will be additional troops deployed overseas?

Mr. NUNN. No, I would not think so at all, but they would be prepared to go to NATO in 90 days. That is our basic plan as far as being able to develop in Europe.

I am very interested in what the Senator said as to the capability, matching the Soviet Union, because much of what the Senator said I agree with. But I am very puzzled because we heard again last year about unilateral withdrawal of U.S. troops, focused on the fact we were being a tripwire, and that is again used. We were a tripwire to the action and would have to go to nuclear weapons and, therefore, we ought to withdraw a substantial number of troops.

I understand the Senator from Massachusetts now is rebutting that argument. I happen to agree with the Senator. He is saying that we have the capability of a defense in Europe. I happen to agree with that.

I am just asking the Senator from Massachusetts, really, what is his philosophy on that? Are we a tripwire or are we capable of defending, because that turns on the whole question, whether we should have unilateral withdrawal or await reports of the talks?

Mr. KENNEDY. In my own view, just in terms of manpower, tanks and aircraft, we have the conventional forces at the present time to mount a considerable defense.

As I understand it, the present central front, when an area including Great Britain is considered, NATO has 1,202,000 men and the Warsaw Pact, 952,000, in terms of manpower. There are 6,700 tanks in NATO, to 16,000 in the Warsaw Pact—offset to a great extent by our superior antitank capability. In aircraft, it is 2,900 for NATO, 3,000 for the Warsaw Pact—where our planes are far superior.

The point I am trying to make is that, in terms of manpower, NATO and Warsaw Pact forces are in a very close kind of balance, with NATO superiority of perhaps 250,000.

Even if you look at the narrower area, as one do, where the Warsaw Pact forces have a slight advantage, they are still far from the two or three to one superiority generally viewed us necessary for a successful attack.

There is a difference in terms of some Air Force numbers, and in numbers of tanks, and other matters. But I do not believe, as the balance exists at the present time, that there would be difficulty for NATO in handling and present threat, perhaps even fighting to a standstill.

In the presentation that is made about increasing the number of divisions, I want to hear if it is the conclusion of the Senator from Georgia and the Armed Services Committee that, because of increased Warsaw Pact manpower in Europe, we are going to have to have additional backup in combat divisions, or despite the changed situation in Asia we are still going to have to have additional manpower needs, or if the justification is because of the change in the strategic balance. I want to hear that justification.

But I do not want to hear as a justification that, because the Army eliminated some fat, we are going to have to put in three more combat divisions or there will be no incentive for the Armed Forces to eliminate fat.

Mr. NUNN. I think I have gone into considerable detail about strategic balance. I have presented the case on that. Strategic balance has changed in the last 10 years very dramatically. If the Senator does not agree with that point, I would like to hear about it. I have already made that point. We do need a stronger conventional deterrent to avoid the nuclear weapons. We have the combat capability in Europe now, if it is properly utilized. I have several amendments that have been incorporated in the defense bill to try to improve the efficiency and effectiveness of those forces. We do not have the backup capability in this country necessary to deploy to Europe in the time required to add to and supplement a conventional force. We cannot match the Soviet Union in the first 90 days of resupply of forces and equipment. I believe that is very, very clear. I do not know of anybody who would rebut that. It cannot be done with the present forces. That is the reason we are trying to improve the forces. That is also the reason, as I mentioned a minute ago, that strategic parity has greatly changed the perception of this entire question.

Mr. KENNEDY. Would the Senator then give us some idea of what he will request next year in terms of combat forces? In terms of strategic weaponry on both sides, we are working toward greater arms control—the administration in the Vladivostok Agreement, and some of us in introducing resolutions to support further arms control.

We will have a change during the debate on the various strategic weapons amendments to elaborate the position I have advanced here. I do not think the case has been made that, on the basis of what the Soviet Union has done in the last year, there is reason for the additional combat divisions. If a view of the strategic balance is the justification or reason, I wish the Senator would project that balance over the period of the next 2 to 3 years, so we can get an idea of what we should expect. How many divisions are we going to need next year or the year afterwards?

Mr. NUNN. The Senator has mentioned an important point. The Armed Services Committee has not increased the manpower in the Army. The Armed Services Committee has decreased the manpower almost 5,700 spaces. We have reduced civilian personnel by 23,000 spaces. We have reduced the total of military personnel by 18,000 spaces. This comes up to an annual reduction when fully implemented of almost $500 million a year. Yet we are standing here in the Chamber making believe that we are increasing. We are increasing combat power. I do not think the Senator from Massachusetts would propose that we encourage the Armed Forces of the United States to continue to use their forces ineffectively in supply functions when they can be converted to combat. I do not believe the Senator would advocate that.

Mr. KENNEDY. What the Senator is suggesting is that we had sufficient divisions to face and to meet our national security requirements a year ago at 13. The Senator has been able to eliminate some cooks or secretaries or other personnel which should have been eliminated because they were not needed. I am suggesting that we might consider passing some of those savings on to the American taxpayer. If it is the Senator's position that, no, we will change them from being a dishwasher or a cook to being able to carry a rifle, then I think the Senator ought to be able to justify in strategic terms why we ought to do it.

Mr. NUNN. The Senator has done that and I have heard no rebuttal from the Senator from Massachusetts. The Senator keeps going back to the No. 3 argument I made after I made the first two and saying that is No. 1 and ignoring all the others.

If the Senator has rebuttal, I am wide open to hear it. Does the Senator think we do not need strategic parity or conventional options? The Senator from Georgia is totally confused by the Senator's presentation.

Mr. KENNEDY. It should not be confusing because I would think when the Senator is trying to persuade us to make the case for three additional combat divisions——

Mr. NUNN. It is two. There are already 14 in existence now. We went to 14 last year but it was done through the manpower authorization. The Army went ahead and converted. We are going from 14 to 16, not 13. In 2 years it is going to be 16.

Mr. KENNEDY. I would just note that the committee hearings reflected the debate on whether to go from 13 to 16 divisions. Whatever the increase. I think it has to be justified in terms of our commitments and strategic requirements. The Senator may feel he has made a persuasive case in terms of justifying that. I frankly and sincerely do not feel so.

If the division increase is to be justified in terms of the nature of our strategic situation—nuclear power and the number of nuclear warheads that we have, the ability to deliver them, or the number of MIRV's that we have, and tactical nuclear weaponry—then we should clearly understand where we are. The evidence on those issues I think actually demonstrates an overall superiority for the United States, and even if we did not have that edge, priority in nuclear weapons does not in itself imply a need for increased conventional strength. I, therefore, fail to be persuaded by the argument of the Senator from Georgia that there has been some relative increase in the potential of the Soviet Union in the area of strategic weaponry in the past year that justifies adding the additional combat troops.

Mr. NUNN. As I understand the Senator's argument, we do not have strategic parity with the Soviet Union and he is saying America still enjoys nuclear superiority?

Mr. KENNEDY. I do, in the sense of our having 8,000 weapons to their 2,600, our having some 1,000 MIRVed launchers compared to their low level at this time. Going back to the concern for our conventional forces, General Brown makes clear our level of proficiency, stating that—

> The U.S. Air Force is a stronger, more proficient, and professional force than ever.

Mr. NUNN. That is not strategic; that is tactical.

Mr. KENNEDY. Let me get the specific reference and I will put it into the RECORD. It provides clearly that the United States is still No. 1 in strategic weaponry. I just want to put in the RECORD a comment of the Secretary of State, Mr. Kissinger. He said:

> I have always believed that I would not exchange our strategic forces for the Soviet forces. We are ahead in every significant category.

Mr. NUNN. Does the Senator not believe we should have conventional options?

Mr. KENNEDY. Of course, I believe we ought to have conventional options. But that is not the issue. The Senator is arguing for additional conventional options and additional combat forces without being able to make the case, at least to my satisfaction, that they are justified by changes in the strategic balance.

Mr. NUNN. In other words, the Senator thinks we have a strong enough conventional option now, is that correct?

Mr. KENNEDY. That is correct; yes. As a matter of fact, I think we ought to consider the reduction of American troops in a number of places in Southeast Asia. I also believe we ought to consider that, in terms of the manpower we have for training, for every 1.6 persons trained in the Armed Forces, there is an instructor.

By contrast, in our colleges, there is 1 instructor for every 15 students. In our high schools there are 19 students per instructor. In the Armed Forces it is only 1.6 students per instructor. This is another area in terms of being able to convert manpower to more efficient uses or tax savings. I think there is a lot that can be done.

UMI

Finally, I commend the Senator from Georgia for acting to eliminate some of the waste, but I do feel that our strategic capability is still second to none. I believe in the area of conventional forces we have the ability to meet our responsibilities in terms of our commitments overseas as well as here at home.

I yield to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, will the Senator yield?

I ask the Senator from Georgia just to clarify the argument that he is making. As I understand it, he is saying to the Senator from Massachusetts that because over the last few years we have lost what he referred to as nuclear superiority over the Soviet Union that, therefore, leads to the conclusion we have to increase our conventional forces.

Is that a fair statement of the Senator's case?

Mr. NUNN. I believe that we must have not only deterrence in the strategic nuclear field but we must also have deterrence in the conventional field. I believe that the President of the United States must be given an option to be able to deploy conventional forces, so that he will not have to immediately turn to nuclear forces in the event of a confrontation, particularly in Europe. So my answer is yes, very firmly yes.

I believe we must have a conventional option unless we want to have to use theater nuclear weapons if there is any kind of confrontation in Europe, or some place else. Without any doubt, we must have a conventional option.

Mr. McGOVERN. I do not think anyone is denying that. But is the Senator's argument that we need to increase the conventional forces from 13 divisions to 16 divisions based on his perception that we have been slipping in the nuclear field?

Mr. NUNN. I do not know of anybody that thinks that the Soviet Union in the last 10 years has not gained on America in the nuclear field. I did not know anyone had the position that we still enjoyed the same kind of superiority we had 10 years ago. If they do, I would like to see the case for it because it would be the first time.

Mr. McGOVERN. Let us assume that. the Soviets have arrived at what the Senator believes to be nuclear superiority.

Mr. NUNN. I have not said that. The Senator is not saying that.

Mr. McGOVERN. What is the Senator saying?

Mr. NUNN. I am saying we are much closer to nuclear parity today. I am not saying that we are in an inferior position. I am saying that we had a superior position for a considerable number of years and now we have moved into a position of parity.

Mr. McGOVERN. What I am trying to get at is this: Is the Senator's argument that we need to increase the number of ground forces from 13 to 16 divisions based on his assumption that we have reduced our nuclear capability relative to the Soviet Union? Is that his argument?

Mr. NUNN. Vis-a-vis the Soviet Union, I think we have, and I, therefore, believe that when a military force finds a way to convert support to combat, thereby increasing our conventional deterrence, that we should welcome that move, yes.

Mr. McGOVERN. Let me ask the Senator this question: At a time when I think he would agree that either the Soviet Union or the United States could utterly destroy the other several times over, no matter who struck first, what difference does it make whether one talks about parity or superiority or inferiority, if he is looking at an atomic or nuclear capability, where either one of those countries could pulverize the world? What difference does it make who could kill the world the most times over?

Mr. NUNN. It makes the difference how many times you have left over after absorbing the first strike, I say to the Senator.

Mr. McGOVERN. What I am asking the Senator is this: Do we not both have the capability to absorb a first strike from the other side, without building another weapon, and still retaliate to the point where we would destroy the society of the other country?

Mr. NUNN. I think so, and I think the very knowledge of that at this point in history leads any logical person to the conclusion that sane people would be a lot less reluctant to thereby resort to nuclear weapons.

Mr. McGOVERN. I agree with the Senator.

Mr. NUNN. Therefore, if the Senator will let me complete it, I think it increases very greatly a need for a conventional parity as well as a nuclear parity, if we are going to avoid war.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. McGOVERN. If I may respond to that, then I shall yield to the Senator.

So, it seems to me the argument is shifting now. A while ago I thought the Senator said we did not have the parity on ground forces, that he understood that the Soviet Union would outnumber us in terms of ground forces. Now do I understand that he is saying we not only have to have what he refers to as nuclear parity but we also have to have a conventional parity in terms of manpower levels?

Mr. NUNN. I think that the Senator missed part of the discussion.

Mr. McGOVERN. I have been here all through it.

Mr. NUNN. I am not saying that the Senator was not physically here. I am saying as to the point that was made.

The allies in Europe, combined with the United States combat forces in Europe, plus those divisions in the United States itself, that can be deployed to Europe within 90 days, should, in the Senator from Georgia's opinion, give us a conventional parity with the Warsaw Pact. That is certainly what I think we should have as a policy of this country.

The Senator may not agree with that, but the Senator from Georgia is not saying the United States should match man-for-man the Soviet Union. The Soviet Union has 4.2 million people under arms. We have 2.1 million people under arms. So no one can look at the report of the Committee on Armed Services and say that we are trying to match the Soviet Union man-for-man.

We have reduced 18,000 in the military based on my subcommittee's recommendation. We have reduced 5,700 in the U.S. Army. We are trying to cut fat

But we do, I think, need to have a conventional deterrent, together with our allies in Europe, vis-a-vis the Soviet Union.

Mr. McGOVERN. The point I am trying to make to the Senator is this: In his colloquy with the Senator from Massachusetts, it seemed to me that he was repeatedly justifying the increase in conventional forces on the grounds that somehow we had degraded our nuclear capability. I stress to the Senator that that makes no sense to me at a time when we have the capacity to utterly pulverize the Soviet Union.

The Senator certainly does not challenge that. So, the fact that they may have built XYZ, number of nuclear warheads and we built XYZ number of nuclear warheads—there may be a little bit of difference in the total—really does not change the fundamental fact that if either side strikes the other, they know they are going to be destroyed.

Mr. NUNN. I agree.

Mr. McGOVERN. We know if we hit the Soviet Union we are going to be gone in 24 hours, do we not, and do they not know the same thing about us?

So why does the Senator then draw the conclusion that, because of what even he, I think, would agree is a minor shift in the balance on nuclear power, we now have to increase our conventional forces by another three divisions? That is the question, I think.

Mr. NUNN. Because very simply, I say to the Senator, if I were in the Soviet Union and I knew that the United States of America and its leaders realized that they would be destroyed in any kind of nuclear exchange and yet I had overwhelming conventional superiority in Europe, then I might very well reach the conclusion—although I hope they do not, and I do not think it is a very logical one, but I think we must be prepared for that kind of thinking—that a conventional force would not be met in Europe decisively and that there could be a land grab there, or elsewhere, with the great reluctance on the part of the American leadership, as well as the American people, to guarantee the destruction of this country by reason of a nuclear exchange.

So the Senator is making the exact point I am making, which is strategic parity, or whether it is one way or a little bit of another. That kind of perception in the world means that we need to have a much better conventional capability so that we raise the nuclear threshold, not that we lower it.

If the Senator wants to bring all the troops home from Europe and wants to see the European——

Mr. McGOVERN. I am not arguing that.

Mr. NUNN. It was argued last year that we were going to take 100,000 of the troops home from Europe as a prelude

to bringing others. If the Senator wants to bring them home and the Senator wants to see Western Europe over a period of time neutralized, and the Senator wants the President of the United States, in the event there is any kind of altercation, by accident or otherwise, have the choice of going to the big bang or capitulating, then we should not worry about our conventional forces. In fact, we ought to cut them.

Mr. McGOVERN. Absolutely.

Mr. NUNN. We ought to cut them from 13 divisions down to about 4, so we can protect from Mexico and Cuba, and then we ought to forget about Europe because that is the logical extension of the Senator's case.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. McGOVERN. Yes, I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I ask that the Senator yield to me at this time because there have been some good questions raised. While I think the Senator from Georgia has answered them completely, I would like to pose, as much as I dislike to, a hypothetical situation, because when you are discussing military problems and foreign relations problems hypothetical questions are constantly raising their heads.

The question is asked whether we should have 16 divisions or 14 divisions, even though we can achieve 16 divisions with fewer men than we now have or had last year.

I pose this question, but first let me put this nuclear thing a little bit at rest. I think the United States has pretty much destroyed the idea that we will ever use nuclear weapons as a first strike weapon. I happen to think this was a major mistake in our foreign policy following World War II where had we retained the intention, or the obvious intention or evident intention, of using nuclear weapons as a first strike weapon, we would not now be in the announced and most demonstrated position of only using them if they are used against us.

I agree with my friend from South Dakota that it is a rather hopeless situation.

Let us assume that we attempt to reach a treaty exchange with Panama this year, as is highly rumored, and let us assume that the——

Mr. McGOVERN. Before the Senator leaves that one point, could I make this comment so we do not get away from that:

Did I hear the Senator correctly that he really thinks it ought to be an American policy to preserve the public option of a first-strike nuclear capability, that we might use that as an instrument of national policy to attempt a surprise attack on a potential enemy?

Mr. GOLDWATER. I think it was a great tactical strategic error when we talked publicly, not once, but time after time, about a second-strike capability. Had I had anything to do with it, that would have been a weapon. I would not say publicly that I would use it, but it was a weapon.

Mr. McGOVERN. If the Senator believes that that should be our position and we announced that—or whether we announced it—if it became known that the United States was prepared to use nuclear power in a first strike, would that not almost guarantee that any country that felt that they might be at war with us would hit us first?

Mr. GOLDWATER. I have my doubts, because nobody can speak with certainty about nuclear war. My feeling is that they are never going to be used in warfare. But had we not announced to the world, "Don't worry, fellows, you can do anything you want to do to us. We are only going to retaliate with conventional arms, and if you use nuclear weapons, that is all right with us"—had we not taken that public attitude——

Mr. McGOVERN. I do not think we have ever taken that position.

Mr. GOLDWATER. Yes, we have.

Mr. McGOVERN. We have said to the world that we will not use those weapons first, "but if you hit us with nuclear weapons, you are going to be destroyed." That is what the other side has said to us.

Mr. GOLDWATER. That is what I am saying.

Mr. McGOVERN. That is the whole theory on deterrence. If we ever announce to the world what the Senator is proposing, that we are not sure, that we may at any time let the nuclear bomb go, it seems to me that that destroys the whole theory. It almost invites any potential enemy to make sure we do not get a chance to do it.

Mr. GOLDWATER. The whole secret of deterrence is escalation. That is something this country forgot completely about in Vietnam. When you go to war, escalation is your only real weapon. I am not saying that if I had the power we would change it. I think public opinion is far too much against it now—probably world opinion. But we made a mistake, which is what I said when we announced to the world that we would resort to nuclear weapons only as a second strike.

The Senator put his finger on it: There "ain't" going to be any second-strike possibility. There would not be a United States capable of answering. There would not be a Russia capable of answering. But if I knew that you had the power to defeat me, I would be mighty careful how I treated you.

Mr. McGOVERN. I do not want the Senator to misunderstand my position. I said that either the Soviet Union or the United States has the capability of absorbing a first strike and still destroying the other side. I do not think that situation has changed.

Mr. GOLDWATER. Give the world another few years, and China will have that capability. Any country in the world can get that capability.

I would like to get to the three questions I want to raise. We are getting away from what I stood up to ask.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. GOLDWATER. I do not have the floor.

Mr. McGOVERN. I think I yielded the floor back to the Senator from Massachusetts.

Mr. GOLDWATER. I wanted to raise three hypothetical questions.

Mr. McGOVERN. To whom does the Senator want to direct the questions?

Mr. GOLDWATER. To the Senator from South Dakota or anyone else who wishes to answer.

Repeatedly, in the colloquy with the Senator from Georgia, the question has been asked as to what the strategic reasons are. I cannot stand here and give any reason that might be in the brains of the Joint Chiefs of Staff or the Chairman, or even the President.

But let us say, hypothetically, that so-called treaty with Panama comes to this body for advice and consent; and let us say that this body says, "No." Then let us say we reach a point of retaliation in Panama, where we are faced with the necessity of military intervention in order to evacuate Americans. I can see the need for more men there. We are talking about a time frame with a perimeter of a few months, where we have the question of what North Korea is going to do. Is North Korea going to invade South Korea? We have about 40,000 troops over there.

I realize that with the new War Powers Act, Congress does retain some control; but the President repeatedly has said that he will adhere to our promises to South Korea.

Let us say that they do invade South Korea and we do not feel that we have the conventional force to answer. There is a hypothetical question.

Let us look at the Middle East. I know that some of us have signed a letter to the President indicating that we would continue our support for support to Israel. But let us say that war does erupt in the Middle East—hypothetically—and all of a sudden the only friend in the world that Israel has sees Israel being pushed into the sea. We cannot use nuclear weapons there. They are no good there. They would be no good in Korea. They would be no good in Panama. Conventional force would be the only thing on which the President could rely. At the end of 90 days, this body could say, "Oh, no, we are through with that. We'll get out."

Those are three questions in questionable areas that come to me as reasons which might be on the minds of the Joint Chiefs or the Chairman. I do not know. I am not privy to being a conferee with him. Nevertheless, those are three matters that I raise in answer to the questions that have been thrown at the Senator from Georgia: Do we need more conventional forces—not more man power, more conventional forces—in the number of divisions? I think we do.

Mr. McGOVERN. Does the Senator put that in the form of a question?

Mr. GOLDWATER. I can preface it by a question.

Mr. McGOVERN. To comment on it very quickly, I would say that to take care of any threat in Panama, 13 divisions would be adequate, without the addition of another 3.

Mr. GOLDWATER. They were not adequate in South Vietnam.

Mr. McGOVERN. I will let the Members of the Senate judge that question, as to whether we really need additional

UMI

conventional forces to take care of the Panama situation. But I do think it is important in the course of this debate for us to look at Korea, because this obviously is a flash point that we need to think about very soberly before we are suddenly confronted with it, without a position that has been thought through.

Frankly, I do not know what the answer is with respect to Korea, other than to express my hope that we will never again move unilaterally in Korea and that any kind of action that confronts us there will be one that we will take to the international community and not attempt to resolve ourselves.

With regard to the Senator's question as to the Middle East, even the most ardent advocate of the Israeli point of view has never suggested that American forces be dispatched to the Middle East. Quite to the contrary, the Israeli commanders have made clear time after time that they do not think that would be a useful request to make to the United States, that what they have requested from us are the arms they need to defend themselves.

The truth of the matter is that the real defense for Israel is to press ahead on the negotiations that are now going forward to arrive at a peaceful settlement. The last thing that either Israel or the Arab States need is another war, another conflict. I think this is not a place where we should be discussing American military intervention in the Middle East, particularly at the time when the Israeli leaders have said they neither expected nor would welcome it.

Mr. CRANSTON. Mr. President, I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I appreciate the opportunity to open this debate into the underlying foreign and military policy issues facing the Nation in the aftermath of the Indochina tragedy. I believe it will provide an opportunity to outline a series of challenges to the assumptions which underpin the Defense Department recommendations for spending in this fiscal year, assumptions which are reflected in part in the bill that is now before us.

Each year, the Secretary of Defense presents to the Congress the defense budget and defends it as essential to realize objectives and policies set forth in the defense posture statement. Yet, the Congress, with the diverse committees and subcommittees, rarely debates the underlying foreign and military policies woven through the budget request.

This year, the Defense Department has requested $104.7 billion, $15.7 billion over last year's spending level. In addition, of that increase, $8.3 billion, or more than half, was proposed in the bill before us which covers less than a third of the DOD budget. The massive nature of this request is seen by noting that the committee, which has produced an exceptionally detailed and, in many cases, innovative report, still allows a chopping 20-percent increase over last year.

Not since the high point of our Vietnam involvement has there been a simlar increase. In any year, that increase would be viewed as abnormal. But in this year of fiscal budget restraints where the President proposed to cut back even on modest cost of living increases for social security recipients, that increase is excessive.

For that reason, Senator SYMINGTON will introduce with Senator CRANSTON, Senator SCHWEIKER, Senator MATHIAS and myself, a ceiling amendment to limit the overall spending in this measure by 4.8 percent. This will still give the Department a 14 percent increase over last year's spending, but it will save taxpayers $1.2 billion in fiscal year 1976 from the amount contained in the bill now before us.

Beyond the procurement increases, the budget proposed to increase the number of army divisions from 13 to 16 and to increase the number of tactical air wings from 22 to 26. And the committee has done nothing to indicate its disapproval of either step. Yet, it is difficult to find anywhere a clear description of a significant new threat that would justify those major and costly additions to our conventional forces.

It should also be recalled that the budget was prepared late last year, at a time when few were predicting the rapid decline and fall of South Vietnam and Cambodia. Thus, we have a series of requests for major increases in conventional combat forces and in conventional weapons systems while a major determinant of military requirements has disappeared from the horizon.

In addition, almost in spite of the operation in force of the ABM Treaty and SALT I and the progress recorded at Vladivostok, continued expansion of our already sufficient strategic forces and destabilizing nuclear initiatives also are being proposed.

Many of us believe that a reduction can be made in the level of overall funding approved by the Senate Armed Services Committee in S. 920 without affecting our security or our ability to fulfill our vital commitments.

The Senators who speak today do not propose a withdrawal into Fortress America. They do not seek to turn away from the world. For there is no turning away from the facts of international involvement. Our power, both military and economic, our allies in Europe, Japan, and the Middle East, our neighbors in this hemisphere—all of these elements speak to continued international involvement.

Nor could we avoid those involvements even if one wished. The degree of our reliance on imported oil, our massive level of trade with other nations, our existing alliances—all clearly deny this option to any foolhardy enough to pursue it.

For the United States—as a great power—does have critical interests abroad; interests in areas that directly affect our security, interests in countries whose relation to our people and our values is so close as to require a direct commitment to their security and interests in other countries where our interest is not one of military security but rather one of encouraging long-term development and progress.

How we define those interests, how we determine what is needed to provide an adequate military structure to help secure those interests, and how we compare and contrast that determination with the Defense Department views—these are the critical questions to be discussed in this debate.

This single debate will not reverse the direction and course of American foreign and defense policies. But it may set in motion a reexamination of our policies in the aftermath of Vietnam that could achieve two significant objectives: First, the firm communication to our citizens, our allies, and our adversaries that the United States will continue to stand behind its vital interests; Second, that there will be a rational discrimination between those interests that affect our national security instead of an indiscriminate posture of global military intervenor in every area of the world where unwanted political changes occur.

Let me cite five principal areas of U.S. interests and challenges in a post-Vietnam era and, where appropriate, relate them to defense considerations.

For part of the reassessment of our foreign policy involves a recognition of the limits of military power, a recognition that there are increasingly important interests which cannot be secured, and may well be impaired, by a reliance on military solutions.

First, there is a continuing need to prevent the nuclear holocaust that threatens not only the two superpowers but the future itself. For three decades, under a succession of Presidents and with the support of numerous Congresses, that challenge has been met.

We have high confidence in stable nuclear deterrence. The ABM Treaty essentially removed any question of our second-strike capability. With the level of strategic forces we now have, that capability is assured. And that fact is acknowledged by the Secretary of Defense as well.

We have some 8,500 strategic nuclear weapons virtually in full deployment. They include 550 Minuteman III missiles, 450 Minuteman II missiles and 54 Titan missiles deployed in the U.S. We have 41 nuclear submarines with 656 Polaris/Poseidon missiles and nearly 500 strategic bombers.

We have more than 22,000 tactical nuclear weapons stockpiled around the world, many of them in locations where there would be a capacity to reach the Soviet Union. Thousands are berthed in Europe, in Asia and aboard our combat ships. The simple fact is that we have nuclear weapons in excess of security needs.

The series of arms control agreements with the Soviet Union add to the security of our deterrent and therefore raise serious additional questions against the recommendations of the Department of Defense this year for continuing unabated offensive strategic weapons development.

The counterforce programs designed to add to our capacity to kill Soviet missiles in their silos are the most disturbing. It is a program that must instill serious doubts in the minds of Soviet planners as to our intentions. For counterforce will inevitably be viewed by the Soviets as a serious threat to their fixed ICBM deterrent force.

Since the Russians must assume that new, more accurate, higher yield missiles will make their ICBMs vulnerable to a U.S. attack, they will have either to procure new classes of less vulnerable strategic weapons, thus still further escalating arms buildups, or more dangerously adopt a "launch-on-warning" strategy which would only increase the risk of accidental nuclear war.

While these counterforce programs involve relatively small sums of money in the fiscal year 1976 budget—$109.7 million—they are the initial steps toward programs which, if allowed to continue, will eventually cost tens of billions of dollars.

With some $18 billion allotted this year to strategic forces, there are substantial savings that can be made. Building at a billion-dollar cost for bargaining purposes alone is questionable in its own right. At a time of a Federal deficit of over $60 billion, such arguments seem even less convincing.

It is perhaps most disturbing to note that prior to SALT I, we spent $2.5 billion on offensive strategic weapons. Now, after SALT I and after the Vladivostok accords, the Secretary has requested $4.3 billion this year and projected this spending for fiscal year 1977 at $5.4 billion—more than double our level of expenditure before these agreements.

We have defenses fully adequate to deter a nuclear war today. We surely can limit strategic spending in this year of fiscal restraints. And we must redouble our arms control efforts to end once and for all the tyranny of nuclear weapons.

Second, we must continue to maintain major security commitments where our interests and our security are truly at stake and where they have and deserve the backing of the American people.

For the past quarter century, we have been faithful to the trust imposed by our NATO commitments. We will continue to stand firmly behind that commitment. The historical bonds are strong, the economic ties are substantial and the vital relation to our own security remains unquestioned. Europe today ranks as one of our key economic partners, a market whose imports of U.S. products exceed $50 billion, and a site for nearly $50 billion of our investments. Our European exports alone are responsible for 2 million additional jobs in the United States.

But I dispute the assertion that a convincing argument has been put forward to justify any expansion of conventional forces as the Department of Defense is proposing.

Some see Vietnam as an expression of a failure of will. Instead, I believe it represented a final understanding that our security interests were never involved in that area and that our military involvement was a mistaken step which can only be regretted and learned from. The lesson is that we must throw off the cumbersome mantle of world policeman and limit our readiness to intervene to areas where our interests are truly endangered. Our European allies have nothing to fear from our having learned that lesson, rather it should be a welcome sign of our having finally begun to recognize the difference between real and illusory interests.

The same recognition of our vital interests must insure a full maintenance of our defense umbrella over Japan. But it must include the recognition that there are no vital security interests in Southeast Asia that require the continued deployment of substantial forces in that region. Thailand and the Philippines may force those withdrawals on their own. However, it would seem to be far more in our interests in a stable transition to adopt a coherent plan for the redeployment of those forces. Over time, the Southeast Asian forces which are deemed not needed for our Japan and Pacific commitments might well be phased out of our force structure entirely.

At the very least, two of the three proposed new Army divisions which are nonmechanized ground infantry divisions and therefore useful mainly in Asia are clearly without merit. These three divisions—without adding in the proposed new air wings—and without adding indirect costs—will cost $2.7 billion over the next 5 years to equip, pay, and maintain. Where is the increased threat which justifies these manpower increases?

What has been discovered is that the military has had a great deal of "fat" masquerading as muscle in its force structure. We still have yet to receive a description of a vast new threat in Asia or elsewhere that requires the conversion into additional divisions of that "fat" as opposed to its conversion into taxpayer savings.

With regard to our current Korean-based forces, precipitate action at this time is undesirable. Japan, at least in the short run, may see those forces in terms of our constancy. Yet many Americans have expressed concern that our existing military deployment would automatically draw us into an Asian land war without regard to circumstances and without an opportunity for independent judgment. The deployment of a U.S. division near the demilitarized zone as a human tripwire must be a key part of the reexamination called for by the committee in its report. Given the increasingly repressive nature of the South Korean Government, that reexamination is made even more urgent. At least it should result in a review of military aid to that country, when its character is turning increasingly dictatorial.

With regard to Israel, our commitment is not affected by the Vietnamese experience. Everything that was wrong about our relations with the government of Thieu is right in our relations with the Nation of Israel. Israel shares our democratic values and our democratic ideals. Its people support and are willing to sacrifice in defense of their country. They look not to U.S. manpower, but to our economic and military assistance. And they spend it wisely and efficiently in contrast to our former Vietnam clients.

After returning from the Middle East, I am convinced that we must play a role in trying to bring peace to this crucial area. The time for finding the answer is not interminable and if we fail to use the time that we now have, then the tragedy of war could come again to bring new suffering and sorrow.

Third, we will continue to have a critical interest, as a great power, in helping to resolve local conflicts. But our role must be one of good offices, of mediation, of diplomacy—not one of military force. We can no longer rely on sending Marines to the Dominican Republic or the CIA to Chile. It neither advances our security in the long run, nor the cause of freedom. We cannot assume the burden—or the right—of trying to manipulate physically the process of change in a complex and difficult world.

In areas of local concerns, such as in the Persian Gulf, our central role must shift from that of chief arms supplier to chief advocate of regional arms control.

In Panama, we still have time to defuse the growing tensions over the canal. We must negotiate a new accommodation, a more reasonable treaty that not only preserves America's interests, but also gives legitimate recognition to the sovereignty of the Panamanian Government. If we fail, our security will not be enhanced. Instead, we would risk a confrontation in our own hemisphere.

And in the Indian Ocean, the justification for our involvement and interest is clear. The rationale for starting to build bases there at Diego Garcia is not. A permanent U.S. military presence with a supporting base structure not only may not further our interests but in fact, may interfere with those real interests.

Before we embark on an arms buildup, we should push for an exploration of arms control possibilities with the Soviet Union. We should endorse the goal of making the Indian Ocean a "zone of peace" as all the littoral states have called for. For that reason, I strongly support the resolution of the distinguished majority leader disapproving the proposed base at Diego Garcia.

The fourth critical area, and one which is growing ever more crucial as a determinant of our national security, has little relation to questions of military force and power.

It demands our reaching a global economic compact with both industrial and consuming nations. It involves recognizing the challenges of defining a new economic structure of interdependence that will seek a cooperative structure of challenges in food, in fuel, in fertilizer, and in the control of raw materials.

It requires defining new institutions in strategic reserves and stockpiles of food and fuel and in ending the boom and bust history of commodity pricing.

After visiting the oil producing countries of Iran, Iraq and Saudi Arabia, I am convinced that we must open a better dialog on these economic issues with the leaders of these countries.

Nor is it adequate to pursue agreement with our industrial allies and the newly affluent producer nations. For if we leave the "fourth world" of the poor, the hungry, and the destitute outside the compact, we will insure regional in-

UMI

stability and ultimately the erosion of the new compact itself.

And while these economic challenges cannot be solved by military forces and military weapons systems, they are equally crucial to our national security.

A final critical interest that is not related to direct military concerns but is linked to our view of ourselves and to our maintenance of purpose in the world involves support for humanitarian concerns. We must reassert our historic concern for human rights and human ideals. We must reaffirm our heritage as a people of compassion.

When we have lost this vision on Vietnam, in Chile, in Cyprus—our Nation has gone astray.

We see ourselves as a nation of liberty, a nation of compassion, a nation of ideals. We must act more often and more decisively so that others see us in that way again as well.

I believe that these five vital interests can form the basis of a new and vigorous foreign policy and a more rational defense policy as well, one that is sufficient to assure our security, one that permits us to define and fulfill our vital commitments, and one that recognizes that our security not only rests on the strength of our military forces, but the vigor of our economy, the just workings of our institutions and the confidence of our people in themselves and their government.

I regret that earlier we got off the question of the numbers of the divisions, rather than what I had hoped we would get into; that is, in the nature of where our commitments are in different parts of the world. That would really be the justification or lack of justification for changes in the number of divisions, their deployment, the number of air wings, the entire conventional force structure. I believe we do have critical commitments in Europe, in the Middle East, and in Japan, but I believe that we must distinguish those from other areas, such as Southeast Asia, where we no longer have or intend to use military force to affect the character of the governments there.

Mr. BROOKE. Will the Senator yield?

Mr. CRANSTON. Mr. President, I believe I have the floor.

Mr. BROOKE. Will the Senator from California yield just for a brief statement?

Mr. CRANSTON. Certainly.

Mr. BROOKE. I had understood that this was to be a debate on U.S. foreign policy. The media had advertised it as one in which the U.S. Senate would have one of its finest hours in debating the postwar foreign policy of this country. The focus would be on what that policy should be, what guidelines we should evolve to direct our efforts in the next 10 years or possibly beyond that—the next two or three decades.

It seems to me that the discussion so far has been on a matter which would be the proper subject for an amendment to the authorization bill; namely, whether we should field 14 divisions or 16 divisions. Of course, that is a very important consideration. But it is the proper subject for an amendment rather than a primary focus for a general foreign policy debate.

We started to touch upon the proper nature of such a debate when the distinguished Senator from Arizona got into the subject of nuclear weapons and whether we should have a first-strike posture or rely upon a second-strike deterrent capability. That certainly would be proper subject matter for a foreign policy debate.

I can also understand why we might focus on the general relationship between conventional warfare and U.S. foreign policy as proper subject matter for this debate.

But I do not think we ought to allow the debate to become completely unstructured. We ought to get down to specifics. We ought to talk about what our policy should be in Portugal, what our policy should be in Cyprus. These are the issues that it seems to me we should be discussing in this debate.

I feel, Mr. President—and I address my remarks to the distinguished Senator from California, who has provided great leadership in organizing this debate—that we ought to have some sort of program, some sort of plan by which we can guide ourselves in the conduct of this debate. Without that, I fear that, at the conclusion of this debate, we will not have achieved anything for ourselves and will have brought very little knowledge or enlightenment to the public at large.

I hope, Mr. President, that the distinguished Senator from California, recognizing this danger, will manage this debate tomorrow so that when we get into strategic policy, and its impact on our relations with other countries, we can focus on specific policy alternative that will help us correct the deficiencies of the past. This is what we should be discussing at this time, even though we are considering the military procurement authorization bill.

Which comes first, the chicken or the egg? I do not know, but it seems to me we should adjust our defense to serve our foreign policy rather than vice versa. The Senate can perform a service in this debate by identifying areas where our defense posture may be out of phase with altered foreign policy needs.

Mr. CRANSTON. The Senator well knows that it is difficult to structure a Senate debate. We have an outline that we hoped to follow. We will do our best to adhere to it. The outline for tomorrow's discussion has appeared already in the CONGRESSIONAL RECORD.

I think the discussion we have had up to now has, in some way, set the stage for a discussion of defense policy as it relates to foreign policy, and the examining of our commitments.

I propose now to talk about one area where matters are extremely sensitive, where it is highly explosive and deeply dangerous; namely, Korea. There are those who might feel we should not discuss that in open session or that certain Senators should not discuss it at all. I feel otherwise. Had we had a full-scale, free and open discussion of all the implications of our involvement in Vietnam, we might not have suffered the tragedies of that war, and the people of Vietnam, too, might have been spared much that befell them.

Mr. GOLDWATER. Will the Senator yield on that point?

Mr. CRANSTON. Certainly.

Mr. GOLDWATER. Mr. President, the Senator from Massachusetts was not on the floor during the time we discussed this earlier. Several of us pointed out the difficulty of conducting a foreign policy discussion, and the Senator from California will recognize that I was signatory to that recommendation, and debate at the same time on weaponry and manpower and so forth, because the two are so intimately intertwined that we cannot disregard them. In fact, it is one of the things that I, along with other members of the Committee on Armed Services, hope will come out of this—a recognition by the leadership that the armed services and foreign policies should go hand in hand.

So that the Senator from Massachusetts may understand where I stand on this, I have already made three foreign policy speeches and I have two more beauties here waiting to give. If somebody wants to give me an argument about nuclear weapons, or tactical or strategic, I am open.

Mr. BROOKE. I certainly would like to get into an argument on nuclear weapons, particularly when it is so clear what the Senator from Arizona was saying was that we ought to have a first-strike capability.

Mr. CRANSTON. Mr. President, I protest that I have the floor.

Mr. GOLDWATER. Here we go again. I am talking about foreign policy and here the Senator from Massachusetts is talking about nuclear weapons.

Mr. CRANSTON. Mr. President, I did not yield to the Senator from Massachusetts to get back to nuclear weapons.

The Senator from Arkansas wanted the floor a minute ago.

The PRESIDING OFFICER (Mr. HASKELL). The Senator from California is recognized.

Mr. CRANSTON. Mr. President, the Senator from Arizona did allude to Korea and he mentioned only one very dangerous option that is open to us there. It seems to me that there are other options open, too, that do not necessarily involve American combat and certainly do not involve the use of nuclear weapons there, and that we should consider what those options are as best we can define them.

Before I get to Korea, let me say by way of preface that the budget presented to Congress by President Ford cut a great many domestic programs or only barely allowed them a cost-of-living increase. However, the bill now before us calls for a 38-percent increase in military procurement. That has been cut down by the Committee on Armed Services to a 20-percent increase, and I applaud the committee for that achievement. I believe, however, that we should cut it more, not in ways that endanger our security.

The question is, what is true security? Do we need huge increases in military

expenditures after Vietnam, after Cambodia, and while détente with the Soviet Union and China is on the active agenda and we are engaging in strategic arms limitation talks with the Soviet Union? This is certainly a most appropriate time to conduct this sort of review, examination, of our foreign policies and our defense policies—what has gone wrong in the past, how we can prevent similar tragedies from occurring in the future. What commitments do we have? What commitments should we have? What is our foreign policy? What should be our foreign policy? What defense posture, what weapons, what manpower, what overseas bases and troops do we need to match and mesh with this foreign policy and to defend our true interests and our freedom?

How much of the budget, how many billions of American taxpayers' dollars, must be invested in an appropriate defense establishment?

The budget submitted by the Department of Defense seems to wish to prepare us to fight brush fire wars or conventional wars, assuming that they might lead on to limited nuclear wars, and that that might, in turn, lead to full-scale nuclear wars, all of this growing out of what starts as a brush fire war or a conventional war. So obviously a part of our task is to seek to avoid brush fire wars that might escalate into something awful for all of mankind.

One of the most devious aspects of our foreign policies and defense policies lies in our intimate ties with dictatorships—worst of all, those that brutally torture their own people. Often we provide those dictatorships with the weapons that they use to repress their own people and attack their neighbors.

Relationships with dictatorships are unfortunately unavoidable—there are so many of them in this world. I am strongly in favor of détente with two of them: the Soviet Union and the Peoples Republic of China.

The aim of détente, of course, is to resolve our deep differences by peaceful means, to our mutual benefit. Perhaps alliances are necessary with some dictatorships, but must we have them with those that brutally repress their own people? Must we choose ties with dictatorships in preference to ties with democracies?

Why, for example, our Pakistan tilt, when Pakistan, a military dictatorship, thrice in recent times has engaged in war with its neighbor India, the largest democracy on the face of the earth? Why can we not manage to have a closer relationship with India?

Our military policies, far more than our foreign policies, have contributed to the present difficulties in American-Indian relations. Particular dangers, apart from the overriding perils of the nuclear arms race that we have been discussing and of nuclear proliferation, lie in certain particular places. First, in the Middle East. There, I think, our military and foreign policies have generally been coordinated, and have generally made good sense. We are now seemingly and at long last out of the deep dangers that confronted us in Southeast Asia. But lo and behold, we now face dangers in Northeast Asia that are unfortunately very similar, in many ways, to those that created so much havoc and damage for us and others in Southeast Asia. I refer, of course, to the situation in Korea.

In Korea, as was the case for so long in Vietnam, we have combat troops on the ground—all in all, 42,000 Americans, many of them close to a demilitarized zone dividing, as in Vietnam, north from south. In Korea, as in Vietnam, to the north of our dictatorship in the south is a Communist dictatorship eager to take over the south. In Korea, as in Vietnam, there is no evidence that the Communist dictatorship of the north is a part of the monolithic, worldwide Communist conspiracy, while there is considerable evidence that, as in Vietnam, it is an independent Communist force, more like Yugoslavia than like Poland or East Germany.

In Korea, as in Vietnam, we have already lost many lives and untold treasure in a recent war. In Korea, as in Vietnam, we are allied with a military dictator identified as a collaborator with a colonial power, a burden for him to carry in relationship to his own people.

In Korea, as in Vietnam, the military dictatorship we are allied with ruthlessly represses its own people. In Korea, as in Vietnam, we face the clear and present danger of combat involvement, once again, in a ground war on the mainland of Asia. Our treaty with South Korea states that we shall take action in accordance with our constitutional processes if North Korea initiates an attack. That is supposed to mean a vote by Congress on whether or not to declare war; but the fact is that the presence of our combat troops so close to the demilitarized zone, integrated as they are with South Korean forces, backed up by tactical nuclear weapons, makes them a tripwire guaranteeing our instant involvement in hostilities, with no time for consideration in Congress, if war breaks out.

So our troops appear to be there for two purposes: First, in the hope that their presence will deter aggression; second, to guarantee that if their presence fails to deter aggression, we will at once be committed to efforts to repel that aggresssion.

The Ford administration has chosen to reemphasize on almost a dozen recent occasions American military support for South Korea in the event of an attack by North Korea. I do not claim that I can say with any absolute certainty which course we should follow to avoid war in Korea and our involvement in it. I do have some suggestions.

I believe that the present apparent situation in Korea is incredibly dangerous. It is an unthinking trip-wire situation under which the United States can be drawn into immediate combat without time for reflection, consideration, choice, or reason, in the event of an invasion of South Korea. Once again, we are placed at the mercy not only of our possible adversary, a dictatorship, but we are also put at the mercy of a dictatorial, authoritarian ally which could attempt to provoke an attack whenever such attack might seem to suit its purpose. Once again, some foreign dictator, not the Senate of the United States, could decide whether and when the United States goes to war.

We must consider this matter with the utmost care, and now. I know that it was a remark by the Secretary of State Dean Acheson in January 1950, suggesting that South Korea lay outside the "defense perimeter" of the United States, that led Kim Il Sung, then as now, the dictator of North Korea, to the mistaken conclusion that if he attacked South Korea, the United States would not intervene. That is one example of the way foreign policy and military policy are interwoven, because it was a statement by the Secretary of State, not the Secretary of Defense, that led to what followed.

Plainly, we must not repeat that mistake. Thus I do not propose that we should even suggest that we are disinterested in questions of war and peace in Korea by any large scale or total withdrawal of our troops from South Korea under prevailing circumstances. As I say, I do not suggest that. But should we leave them there forever?

There are two important differences between Korea and Vietnam, incidentally, that should not be overlooked. South Korea's ground forces, unlike the situation that prevailed so long in Vietnam, are superior to their northern adversaries; and there is no guerrilla-type insurgency in South Korea like that carried on by the Vietcong, which did so much to break down the Thieu regime.

So what policy choices do we have? We could, among other things, stress economic and social issues—not just depend primarily on a military approach—in our relations with South Korea. We could establish closer contacts with leaders, actual or potential, who are not military leaders, to supplement all the many relationships we have with those who are military leaders.

Second, we should do our utmost to persuade President Park to avoid President Thieu's error of stifling legitimate expressions of legitimate political opinions and differences, for in South Korea, as in South Vietnam, there is the grave danger that suppression of the people can lead the people to believe that they are without a just cause.

Third, we should seek full implementation of the 1953 Korean Armistice Agreement—presently just as ignored as the Vietnam Paris Peace Agreements including observing of the ban on introducing new weapons into either North or South Korea under inspection safeguards

Fourth, we should launch deep and probing discussions with all the powers concerned—including both Koreas, China, the Soviet Union and Japan—to reduce the dangers on and around the peninsula.

Fifth, we should consider, along with these and other steps, a slow but steady reduction of our troops in South Korea

UMI

as part of the process of deemphasizing purely military solutions to problems there that have many other characteristics.

This is only a short list of the steps we might take. There are obviously others; perhaps there are better ones, but let us now start and come to grips with these alternatives.

Rather obviously both foreign policy and defense policy matters are involved. Korea, indeed, is a classic example of how inextricably linked these two policies really are, and of how disastrous it could be there as it was in Vietnam to sacrifice foreign policy principles and purposes to the destructive domain of military might and to leave it simply in that arena.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. CRANSTON. I am delighted to yield.

Mr. PROXMIRE. I warmly commend the Senator on his most constructive suggestions with respect to Korea. This has troubled many others, and he is absolutely right in arguing this is an extraordinarily dangerous part of the world. It is an area where we need to think in broader terms than we have.

The military solution is one solution, but one which we have exclusively relied on. Is it not a fact, at the present time, that the South Koreans are reputed to have a large, better trained, better equipped armed force than the North Koreans have?

Mr. CRANSTON. Yes; it most certainly is.

If I may just expand on that for one moment, both North and South Korea today have effective armed forces. The South, however, has about 600,000 troops; the North, perhaps, a little over 400,000 troops. The southern troops have had recent combat experience; the northern troops have not.

The South has, in addition, approximately 2.4 million, and the North about 1.4 million paramilitary forces.

The North does have more combat aircraft, 578 to about 235 for the South, most of them all MIG fighter-bombers and interceptors. However, the balance plainly, according to every military analyst, lies with the South rather than with the North.

Mr. PROXMIRE. I think what haunts many of us when we hear statistics like those—and I am sure those statistics are as accurate as we can get—is that we had a somewhat similar situation in North and South Vietnam, and yet in South Vietnam, of course, it suffered a defeat, although we put 500,000 American troops there. That is why what the Senator is suggesting in other approaches is so important. Other than the strictly military approaches—the military is important and cannot be ignored, the suggestion of trying to work as much as we can to provide a more solid social fabric in South Korea, more support from the people of South Korea, more support from outside countries, more understanding on the part of the neighboring countries, is critical.

What I would like to ask the Senator from California, if he would permit me to do it at this point, is to get into another part of our foreign policy, of how our military policy has been leading our foreign policy.

What I am talking about here is that we are in a situation in Korea which is delicate, difficult, dangerous. We may be in a position where there is not as much as we can do in other areas.

I would call the Senator's attention particularly to the fact that we have a military sales and military aid program which is extraordinarily dangerous and is likely to build other Koreas in the future unless we act on it. Now is a good time to act. I am talking about the fact that we export more than half the arms exported by countries in the world, some 54 percent, which is twice as much as the Soviet Union; 9 times as much as the French, and 15 times as much as the British; and, as I say, 54 percent of the amount that is supplied in the world.

We are building up Iran in the Persian Gulf in what, in the view of many, is a disproportionate way, giving them weapons which are as modern as any weapons we have in the conventional area. This escalation is likely to increase very rapidly in the next year or two inasmuch as since 1973 we have committed $7.8 billion of additional arms to be delivered later. So the U.S. weapons exports of from $2 billion of deliveries from 1972 to $4 billion in 1974 is going to get bigger in the future.

As we arm these countries, just as we armed South Vietnam, is it not likely that foreign policy will follow our dollar commitments? Will not our equipment and military commitments encourage foreign policy commitments that put us in a very dangerous position? Is that not why now, in this kind of a debate, it is time to reflect on this kind of activity and to do what we can to prevent it?

Mr. CRANSTON. I certainly believe so. I believe we should do all we can to scale down the business of exporting arms, whether giving them away or selling them and, I believe, we should make the matter of getting this under control a matter very high on the agenda of our negotiations with the Soviet Union and all other nations that supply arms and weapons elsewhere. It would be in the interests of all of us and in the interests of peace to scale all that down.

Mr. PROXMIRE. If I might follow up with just one other point: It is particularly hard for this Senator to understand or to defend the actions the Senator from California has referred to of arming both sides as we armed Pakistan and India, as we armed Honduras and Nicaragua in 1957, Nicaragua versus Costa Rica in 1955, El Salvador versus Honduras in 1969, Greece, and Turkey. We have done this repeatedly and this is something that we focus very little attention on in the Senate. We have taken very little action on this either in our committees or on the floor. There have been, as far as I know, no efforts or no successful efforts, at least no efforts that have been called to my attention, by Senators to try to cut this down sharply. We would not only save money in the process but we would save a great deal of bloodshed and misery by doing so.

I just want to conclude by thanking the Senator from California for his statement, especially his statement with respect to Korea. It is so rare that we hear constructive suggestions on what we can do in highly dangerous situations, and hear them in time. I think the Senator from California has made a most useful contribution.

Mr. CRANSTON. I thank the Senator very much. I would like to add that I believe there are 12 recent wars where the United States has armed one or both sides, and supplied a preponderance of the arms that were used on both sides or on one side. Sometimes we armed two dictatorships who fought each other; sometimes it was a democracy and a dictatorship, and we armed the dictatorship against the democracy.

I am delighted the Senator has raised that point, and I hope that he will press for action on that particular point.

I yield to the Senator from Colorado.

Mr. GARY W. HART. I thank the Senator.

I would like to join the Senator from Wisconsin in congratulating the Senator from California in organizing a discussion of a subject which more and more of us feel is of vital interest to this body. What we are here discussing today are issues that the Senate has let slide for too long.

We are sometimes asked to ratify treaties, but there are other agreements which pass us by entirely. We seldom review the treaties after times have changed, and we never get a look at executive agreements except when it is time to foot the bill. Furthermore, each year we vote the men and equipment to meet these formal and informal commitments without ever examining why one agreement or another costs so much.

The time has come—and many of us feel this strongly—that we should not be voting funds for military commitments until we have a much better idea of what we are committed to around the world.

The fact of the matter is we have treaties with some 41 nations but other agreements, none ratified by the Senate, with many more. None of those commitments require one soldier, sailor, or airman of the armed services to be overseas or earmarked for a specific area, yet in terms of overseas deployment and the percentage of the total defense budget, these agreements cost us about 75 percent of all the money we spend on the military.

Some of these, as I have said, are formal treaties of which we are well aware, such as the North Atlantic Treaty Organization to which we commit 300,000 military personnel and many times that number in backup forces in the United States.

The President is now touring Europe and talking to some of our allies in that organization. Yet we will not see the results of those discussions until sometime in the future when we are asked to foot the bill for whatever promises he is making.

We also have the Southeast Asia Treaty Organization, and that is our sole justification for having forces deployed in Thailand and adjacent waters. Yet that body has been more or less abandoned by most of its member nations, such as Pakistan, Britain, and France.

With one of those members, the Philippines, we have a separate agreement, and that is justification for maintaining one of our biggest naval bases and airfields in the world at great expense to the American taxpayers. President Marcos is now saying we may not be welcome there much longer.

We have executive agreements, not treaties, with other nations all over the world.

The President is now negotiating for continuation of our bases in Spain [that would probably] as has happened before with that country, the agreement will cost us a great deal of money [and the bill will be coming to] but Congress will get the bill [for that] without approving of the basic agreement.

Iran is another area where expanded commitments are being made under an executive agreement not approved by the Senate. Once we arm Iran, who can say the Shah will remain friendly? If he does not, we shall need forces to counter him.

There are agreements binding Turkey, Pakistan, Iran, and Great Britain in a the Central Treaty Organization, defense alliance against the Soviet Union. How many are aware the United States is not a member of CENTO, yet we pay a share of the cost, direct absolutely all CENTO planning and spend millions each year providing forces, including aircraft carriers for exercises? Perhaps our CENTO involvement seems minimal, but the SEATO agreements seemed minimal also and led to the cost of 50,000 American lives and $150 billion because it was our sole justification for the Indochina war.

What many are concerned about is that agreements are made by the executive branch, body, are entered into by an executive agency such as even almost exclusively by the Pentagon, but what the Senate finally sees is the requirement to pay the bill. But even with Senate approved treaties, we seldom examine which commitments are sound and which are obsolete. Again we pay the bills.

Therefore, I join the Senator from California in his belief that this is the time for the Senate to begin to look at commitments around the world so that we shall no longer be paying bills without ever learning why.

I thank the Senator.

Mr. JAVITS. Will the Senator yield?

Mr. CRANSTON. I thank the Senator very much for his remarks for the review that goes beyond that specific part of the world I was talking about, as an example.

We plainly must examine the nature and general scheme of our commitments along with the specific relationships.

As to the matter of cutting down on arms sales, clearly we must cut down in conjunction with other suppliers like the Soviet Union, France, Britain, et cetera, so that democracies like Israel are not at a disadvantage.

The Senator from Oklahoma is waiting. Does the Senator wish the floor in his own right or to participate in this discussion?

Mr. BARTLETT. In my own right.

Mr. CRANSTON. Then I will yield first to the Senator from Indiana.

Mr. BAYH. Mr. President, we are witnessing a most important event today here on the Senate floor. After years of unorganized and, unfortunately, generally fruitless efforts to come to grips with annual defense budgets, we are engaged this afternoon in a systematic debate on the general principles which form a basis for defense policy. This is a welcome development.

In the past, we have been concerned with many issues regarding defense, most frequently focusing our attention on particular weapons systems. Though these issues were very important, Mr. President, they often represented the only frayed edges of the piece of cloth, and on rare occasions did we debate the pattern of the cloth itself, the heart and body of our defense policy.

Further, discussions of defense often assumed such a lofty tone that it has been difficult to meet issues on their merits. The word defense automatically evokes images—with accompanying patriotic emotions—of brave men accomplishing noble deeds in pursuit of liberty, and an air of magic surrounds the subject. While we must always be mindful of the sacrifices of the past and the continued need to persevere in our dedication to preserve freedom, Mr. President, we have more often than not in modern times allowed emotions connected with our conception of defense to cloud the very real, substantive issues which underlie defense policy. Consequently, as recent events bear out only too clearly, U.S. defense policy has not generally been tested and tempered by the rational, far-reaching debate which would make it strong and functional.

Mr. President, I believe that we must carefully, but very surely, take the magic out of defense and begin treating it with the proper, realistic and hard-nosed appraisal that it, like any other subject which comes before Congress, deserves. The Constitution provides Congress with broad powers to raise an army, declare war, ratify treaties, and appropriate funds. There is a definite and important role for Congress to play in developing defense and the foreign policy with which it is so intertwined.

As complicated as the problems are, and as fateful as the consequences may be, decisions will be made and policy will be established, based upon the judgment of elected officials. Though we have thousands of defense specialists in our Government, the question of what constitutes security boils down in the end to a political, not technical question. In our system of government it is no less a subject for debate by Congress than our policies for education, health care, or law enforcement.

Fortunately, over the past few years Congress has begun to discharge its responsibilities in this area more fully. Though change has been gradual, the controversy over U.S. involvement in Indochina has resulted in congressional insistence on playing its constitutional role in foreign affairs and military policy. The examples of the assertion of congressional will are numerous. By restricting the use of funds, Congress put an end to the conduct of hostilities by U.S. forces in Southeast Asia. Through an amendment which I had the privilege of writing, Congress now sets manpower levels for our armed services based upon its assessment of national security needs. The war making powers of the President have been more clearly defined in the War Powers Act, which had its first test only a few days ago.

It is fitting now that at the close of our involvement in Indochina, Congress has begun a wide-ranging debate on defense issues. In my experience in the Senate, this debate we begin today is unprecedented, and it could not be more timely. I wish to compliment my Senate colleagues, men of widely varying views, for the leadership they have exhibited and the efforts they have expended in organizing this debate. I sincerely hope that the questions we raise today will not be forgotten, but will be examined and reexamined in the months to come. America will be the stronger for it.

In beginning this debate on the defense bill, we will focus on the broad principles of foreign policy in a post-Vietnam world. It is our foreign policy and our foreign commitments which dictate our defense posture and discussion of these subjects provides the foundation for debate of particular defense topics later in the week.

Mr. President, as I said earlier, this wide-ranging debate could not be more timely. The recent events in Indochina have underlined the need for a reassessment of the basic principles of American foreign policy. Today, in public debate, we can begin this necessary review.

The starting point for any serious reassessment of our foreign policy must be a recognition of the historical circumstance which produced this basic foreign policy of the United States for the past quarter of a century.

At the end of World War II when we alone of all the combatants emerged strengthened rather than weakened; when we alone possessed nuclear weapons; when we alone accounted for more than 50 percent of the world's production of goods and services, it was both realistic and desirable for us to accept a role as world policeperson and philanthropist. We could and did accomplish a great deal.

We insured the independence of Western Europe with our armed forces and we rebuilt the economy of a war ravaged world with the Marshall plan. With moral certainty in the rightness of our cause and absolute confidence in our ability to achieve our goals, we set out to preserve and promote freedom throughout the world. It was clear from the conduct of the Soviet Union that an essential ingredient of our policy was a simple straightforward determination to challenge the advance of communism throughout the world.

For many years this approach to foreign policy served us and others well. While the Soviet Union was building walls in Berlin, intervening with military

UMI

force in Hungary and propping up unpopular and repressive puppet governments, we generally fostered and frequently provided the means of establishing a climate in which democratic institutions could flourish. Our allies and friends, even former adversaries such as Germany, Italy, and Japan achieved new heights of prosperity and progress.

But while the nature of the world changed we continued to cling to an outmoded view of the world. And ultimately it was our failure to recognize and understand a changing world and our determination to challenge the advance of communism throughout the world—regardless of our capabilities, the costs involved, our essential national interests, and the character of governments with whom we allied ourselves—that led us to make a serious error of judgment in Southeast Asia—an error which led inexorably to the tragic events of recent months.

It was 14 years ago that John Kennedy pledged the United States to "pay any price, bear any burden, meet any hardship, support any friend or oppose any foe to assure the survival and the success of liberty."

Most of us still remember that pledge, but many do not remember that President Kennedy also warned that—

> The United States with only 6 percent of the world's population cannot impose its will upon the other 94 percent of mankind—that we cannot right every wrong or reverse each adversity—and therefore there cannot be an American solution to every world problem.

And most of us have forgotten that he told us an error does not become a mistake until you refuse to correct it. We made an error in Southeast Asia. We failed to correct it before it became a mistake. It would be stupid and totally indefensible if we now fail to learn from our mistake, or having learned, if we now fail to apply our knowledge to develop a new approach to American foreign policy.

For too long we have ignored the meaning of important and irreversible changes in the world while allowing ourselves to be preoccupied with superpower diplomacy and mesmerized by an unrealistic concept of what is needed and what is possible in our relations with other nations. The bipolar world of post World War II and the cold war long ago evolved into a multipolar world of more than 150 independent nations.

It is time we recognized that although we are still a nation with a wealth of natural, economic and human resources, the most formidable Armed Forces, the most efficient system of agriculture, the most advanced technology, and the greatest industrial capacity in the world, we are not omnipotent.

Certainly, we have learned in Southeast Asia, at a cost of 55,000 American lives, $150 billion, the polarization of our people and the alienation of a generation of our youth that some burdens are too heavy to bear, some prices are too high to pay when our vital national interests are not at stake.

Certainly, we should have learned the folly of making the threat of change in a remote corner of the world a test of our national will when that change would not alter the real balance of power and would pose no threat to our own security.

In our determination to oppose communism everywhere we deluded ourselves that we were still defending freedom while allowing ourselves to become surrogates of colonialism backing a decaying, corrupt government, which suppressed civil liberties and employed tiger cages to chastise its critics.

Ignorant of the real limits of American power, we Americanized the war by committing our own troops to propping up a succession of unpopular unrepresentative governments opposed to reform and unable to mobilize the popular support of their own repressed people. The result cost both ourselves and those we were trying to save more in terms of lost lives and suffering and insecurity than our national interests or the balance of power in the world required.

Our new approach to foreign policy must be idealistic because both America and the world hunger for a sense of noble purpose. But our idealism must be tempered with realism about our capacity to affect the course of world events.

I am not suggesting a retreat into isolationism. In today's complex and economically interdependent world we cannot "go it alone." To think that a withdrawal in to a Fortress America would insure our own security and progress is the ultimate self deception.

We can and must be willing to do what is necessary—even endure hardships, to support a realistic, intelligent, discriminating, and honorable foreign policy.

We must stand ready to serve the cause of freedom by helping others to help themselves.

We must stand ready to fight for America and for liberty if we must. But we must resolve that never again will we find ourselves fighting until we know what we are fighting for and know that what we are fighting for is right.

What is required, Mr. President, is a complete review of the 40-odd American "commitments" based upon a realistic appraisal of America's vital interests in the changing world in which we live. And in making this reappraisal we must take a new approach if our commitments are to become valid and workable.

In the past we have spoken of commitments in a unilateral context. We have spoken almost solely of American obligations. Seldom has there been discussion of the reciprocal responsibilities of our various allies. The reason for this is that our commitments in the past have, for the large part, been one-way streets. Little if anything has been required of our allies in return for American pledges of protection. Often there has been no definite time for expiration of obligations and no provision for changing circumstances. We have had little control of actions taken by our allies which affect the very interest the commitment was made to protect. As a result, our foreign commitments have acquired independent lives transcending the U.S. security interests that brought them into being and departing from the goals those commitments were designed to accomplish.

Mr. President, we must discard this one-sided notion of commitments as the first step in reviewing and reorienting American foreign policy. In the modern world, there must be a true interaction of nations, not unilateral pledges.

What we need is not new American commitments, but new American contracts. Contracts by their very nature indicate a mutuality of obligation, and this is what we must strive for. Other nations must understand that American protection brings certain responsibilities in conducting their own affairs and that failure to live up to those responsibilities will affect the nature of the American obligations.

There is nothing new or revolutionary about this, Mr. President. The principles of contract far outdate the birth of this Nation and have been an essential aspect of the American system. Indeed, the principle of contract is given definite and special protection by the Constitution. It is amazing that this American concept has not been an essential element of our foreign policy throughout our history.

I was interested by Secretary Schlesinger's comments at the NATO spring meeting:

> There is no question about the continuation of America's commitment to Europe's defenses, provided only one thing—that the Europeans continue to be serious about providing and supporting the necessary force structures and strategy.

Certainly, the willingness of countries to defend themselves should be an essential element of our contract with that nation. There are several others which must come into play in return for a promise from this country to commit its citizens to battle, and it is essential that we openly and clearly identify them so there can be no mistake or misinterpretation by allies or adversaries of the true nature of American commitments.

And this brings us to a second facet of our approach to the reassessment of American commitments—broad and open public discussion of these commitments. If we learned anything from Vietnam, Mr. President, it is that in the end, it is the people who bear the costs of policies established by their leaders. It is not only the sons of Cabinet members, or Congressmen who die in wars, but also the sons of farmers, laborers, teachers, and businessmen. If these people have not given an informed consent to foreign policy, that policy will inevitably fail. It is incumbent upon us now, Mr. President, in our attempt to reassess American policy, to encourage the broadest possible discussion and consideration of the possible costs of our numerous commitments and the alternative courses of action available. It is only upon such discussions and consideration that a meaningful foreign policy can rest.

I hope that today will mark the beginning of the necessary public debate. We cannot create a new foreign policy directed to the needs of the modern world overnight. We can, however, begin a thoroughly discussed movement toward meaningful and mutual commitments, which will lead to an American foreign policy of honor of which our people can be proud and to which they can commit themselves. The times, Mr. President, require no less.

Mr. President, I want to take a moment, if I may, to commend our colleague from California for the leadership role he has provided here.

I have sat most of the afternoon listening to this distinguished debate.

I was particularly impressed with the way the Senator from California and the Senator from Colorado looked at commitments. There has been a lot of discussion about what withdrawal from Vietnam means relative to American commitments. The Senator drew certain parallels and made certain distinctions between the situation in Korea and Vietnam.

I think it is also important for us as Members of this body to look at the commitments we have with Western Europe and the state of Israel, and compare them to the unfortunate situation that developed in Vietnam. The Senator hit the critical parts. In regard to a commitment, we must first ask whether it is in our national interest; second, what it will cost us to deliver on that commitment; and third, just what we are committed to.

We have all too often confused the commitment with the objectives we are trying to accomplish. To compare the commitment we had to the people of South Vietnam and the Thieu regime to the commitments we have to the free governments in Western Europe or Israel is the ultimate in misleading the American people.

As we examine our foreign policy commitments, I think we need to look more carefully at the governments we support. This concerns me about our friends in Korea right now. We are committed to maintain the freedom of the people of Korea, but when I look at what Mr. Park is doing there, I wonder how much freedom they have.

I would like to see us use our good offices there and other places where freedom is more present in language than in fact to encourage truly liberal governments.

As we approach our 200th birthday as a nation, we must recognize that we were the first nation in the history of mankind to throw off the shackles of imperialism, to strike out on our own, recognizing individual liberties and freedoms and all their ramifications. It saddens me that all too often we have found ourselves opposing many nations around the world which are trying to go through the same experience, trying to throw off the shackles of imperialism.

So as we look at our foreign policy and our commitments, I ask that we examine very carefully what we are committed to in the basic terms of freedom and liberty that are so important to us.

I think the dialog that has commenced here on the floor of the Senate is the kind of dialog I would like to see spread throughout the country.

I would like to see the President of the United States join in a national foreign policy dialog. I would like to see members of the executive branch, the legislative branch, mayors, State legislators, academicians, concerned citizens all across this country, called together in a truly comprehensive dialog discussing our foreign policy options.

These foreign policy questions are not too complicated for our citizens, and I think the American people should be given a better idea of what these options might lead to in the final analysis.

I think that if we had had a comprehensive dialog regarding where the Vietnam trail might ultimately lead, the American people would have had a much better comprehension of what Vietnam meant to them before the casualty lists started arriving.

I want to compliment again the distinguished Senator from California for initiating this debate. I hope it will lead to a greater spirit of cooperation.

There has been a lot of discussion to the effect that Congress is not willing to cooperate with the President. I would like to point out that the Constitution gives Congress an important role in foreign affairs. While we must cooperate with the Executive, we must also make certain that cooperation in the foreign policy area begins as foreign policy is developed, not as the bills are being paid.

I thank my colleague.

Mr. CRANSTON. I thank the Senator very much for adding some dimension to our discussion that we must take into account.

I would like to comment briefly on the very important point that the Senator from Indiana made about the difference between those that we found ourselves allied with in South Vietnam, and now find ourselves allied with in South Korea, and those we have been allied with in Europe and the Middle East where, basically, we are allied with true democracies, where the cause of freedom is plainly at stake, there and elsewhere, in what we are seeking to accomplish there.

However—and it is a big however—I would like to point out that even in Europe we have perhaps been a little bit careless and have not thought enough about the consequences of being allied with some who are not democracies.

We find ourselves in an embarrassing and difficult situation because Turkey, in violation of our law, used weapons we gave Turkey to attack people of Greek extraction in Cyprus, and that, in turn, some time back, partly due to the fact we did not concern ourselves much about the fact that some Greek colonels had formed a military dictatorship, and our ally, Greece.

We might have done something more than we did to strengthen democracy there, and that would not, in turn, have opened up some matters that are now called weaknesses on the southern flank of NATO.

Similarly, in Portugal we were very happy for a long, long time to ignore the fact that we were alined with a pretty tough dictatorship. Now we find that all coming home with some new problems that confront us in Portugal.

Mr. BAYH. If I might ask the Senator to yield a moment more, I think those points are right on the target. I have joined with the Senator from California, the Senator from Missouri, and several others in expressing the position of the Senate on these very issues. We so often get ourselves obsessed with the commitment, the paper, without looking behind that paper to see what principle is involved. I agree with the Senator from California. The commitment we had to the Greek people as part of our NATO obligation certainly did not involve shoring up a handful of colonels who were stifling freedom in the very nation where it was born.

We must look beyond the written word and see what the commitment was designed to accomplish when the commitment was first given. Here, again, I like the notion of contractual relationship. We commit ourselves to certain things and our allies also are committed to certain conduct. Thus, we can go forth together. If it is not a unilateral kind of thing, but a concerted effort to accomplish certain basic principles.

Mr. CRANSTON. I agree totally, and I thank the Senator.

Mr. BROOKE. Will the Senator yield?

Mr. CRANSTON. I promised to yield next to the Senator from Georgia.

Mr. ALLEN. Will the Senator from Georgia yield 2 minutes for an insertion on this subject?

Mr. NUNN. I yield.

Mr. ALLEN. I thank the Senator.

Mr. President, my distinguished senior colleague (Mr. SPARKMAN) is necessarily absent from the Senate today. He has prepared for delivery in the Senate a speech on requirements for U.S. forces overseas. As chairman of the Committee on Foreign Relations, Mr. SPARKMAN is extremely well qualified to discuss this issue.

This speech, because of Mr. SPARKMAN's unique role as chairman of the Foreign Relations Committee and because of his great knowledge and expertise in this field, will be of interest, I am sure, to Members of the Senate and to the public generally.

Mr. SPARKMAN knows full well that a strong military posture on the part of the United States is a necessary part of any successful American foreign policy.

I ask unanimous consent that Mr. SPARKMAN's speech be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR SPARKMAN

REQUIREMENTS FOR U.S. FORCES OVERSEAS

Within the past several months we have witnessed the collapse in Indochina. We have watched as our relationship with Thailand has become increasingly troubled and we have witnessed the breakdown of the step-by-step negotiation process in the Middle East.

For many, recent developments in Indochina have seemed a sign that the United States is over-extended and unable to cope with many of the problems which have developed. To some, the answer is to bring many of our forces home. Further reductions overseas are seen as a way to reduce our military expenditures, improve our balance of payments and save us from ill-advised involvements. I believe those who would have us pull back now have tended to dismiss many of the foreign policy implications for the United States of large withdrawals. I cannot think of a substantial presence overseas outside of Southeast Asia which could be given up unilaterally with-

UMI

out causing further uncertainty among our allies as to America's present intentions. There are no compelling military or economic reasons to seek any substantial or significant reductions which would balance the political repercussions these reductions would precipitate.

At present the United States has more than 500,000 military people outside the United States. About 30,000 of these are in our territories and possessions and another 480,000 are in foreign countries. About 300,000 of these people are stationed in Europe or on our Sixth Fleet. A little more than 140,000 are in the Western Pacific, including Japan, the Philippines, South Korea and Taiwan, as well as those serving in the Seventh Fleet.

If the Congress studied the various deployments of our forces carefully and on an individual basis, I am sure ways could be found to pare our forces but I would suspect that upon close analysis most of my colleagues would agree that, for the moment, our most significant deployments are justifiable.

Let us consider the case of Europe. We have had four and one-third divisions in Europe for a number of years now. As a result of an initiative by the Senator from Georgia (Mr. Nunn), the so-called tooth-to-tail ratio—the proportion of combat troops to support troops—is being improved, and the United States will have five divisions on station in Europe with no increase in total manpower. This improvement goes to the heart of many objections made concerning our deployments in Europe. We have persistently sought from our good allies in Europe commitments to improve their forces. At this point, one can say that modernization is being actively pursued throughout the NATO forces and that the allied conventional capability is being improved.

Although the long-term political and military necessity of the European alliance receives the most attention, we should not forget the economic benefits of a free and independent Europe. The very modernization now taking place will have considerable impact as the Europeans buy hundreds of millions of dollars in military equipment from us. Already, our European allies are purchasing at least ten times as much in military equipment from us each year as we buy from them.

The main argument made for pulling troops back from overseas is that it will save the United States a great deal of money. That question has been analyzed very thoroughly and so far as I know, no one has been able to come up with convincing evidence that substantial withdrawal represents much of a dollar saving. Smaller withdrawal would be of still less monetary significance. If troops are withdrawn to the United States and left ready for use if necessary, considerably greater air-lift and sea-lift becomes necessary. That costs money, probably more money than is saved by redeploying the troops.

The only way we could save a great deal of money by reducing our European commitment—or any other large troop presence—would be to bring the troops home and to demobilize them. That would be shattering to our defense structure as well as to our allies. It does not make sense unilaterally to reduce our force structure at a time at which our allies are improving and the other side is enhancing its own forces.

There are things we should change in connection with our deployments in Europe. If we are going to do what we can to make sure that our conventional defense structure is viable, we should ask no less of our allies. It is critically important that the NATO nations move away from 15 separate and distinct defense programs to a single coordinated effort. The results would be savings all around and considerably greater assurances that NATO would not fall into shreds in the event of conventional attack.

We should build upon what we have in NATO and give less credence to the view that a good, solid common defense is pointless because the other side is vastly superior to NATO. As Alain C. Enthoven, the former Assistant Secretary of Defense for Systems Analysis has pointed out: "NATO has more total active duty military manpower than the Pact; NATO has more total land forces manpower than the Pact; NATO and Pact land forces manpower in the critical Center Region are about equal; and NATO tactical aircraft are about equal in number and distinctly superior in quality to those of the Pact."[1] The Mutual and Balanced Force Reduction Talks (MBFR) have been going on for some time now with little concrete result. However, I am not ready to give up on them yet, for I believe that we are in the position now at which the two sides could agree on the mutual reductions which would lower tensions and save defense expenditures while avoiding further disparities and overcoming some present imbalances. There are ways to accomplish this.

Dr. Alain C. Enthoven, a former Assistant Secretary of Defense, has suggested: "a significant reduction in NATO's tactical nuclear weapons could well be offered in exchange for substantial reductions in Warsaw Pact tank forces, thus moderating at one stroke the most striking asymmetries and elements of concern in present force postures."[2]

It seems to me a negotiated reduction in our nuclear weapons in return for a reduction on their side affecting the conventional threat would be a very sound means of handling a very difficult problem. We need a certain number of tactical nuclear weapons to help deter attack and to reassure our allies of Western resolve. Our tactical nuclear weapons also serve, I believe, to deter the other side from using nuclear weapons.

However, there is little doubt that our 7,000 tactical nuclear weapons in Europe are grossly more than we need and could easily be cut by half or two-thirds with no deterioration in our usable tactical nuclear ability, while at the same time allowing us to devote scarce manpower and other resources to a solid conventional defense.

Mutual reductions would serve to reassure each side of the other's peaceful intentions. Certainly there is no genuine need for 30 years after the end of World War II for both sides to have nearly a million men under arms standing by for the contingency of war. However, the solution must be mutual and not unilateral. We have a right to insist that the Executive Branch pursue the Mutual and Balanced Force Talks diligently and attempt to achieve solutions acceptable to both sides. I hope the Soviet side understands the importance of their negotiating seriously and in good faith.

Turning to the Pacific, we have seen in recent weeks expressions of uncertainty as to future United States intent and resolve. The people of Japan, Korea, the Philippines, Malaysia, Singapore, Australia, New Zealand and Indonesia are all looking to us for reassurances as to our future stance in the Pacific. Certainly we never wish to become involved in fighting there but the solution to this wish is not to move away from the problems but to stay as a visible and friendly presence. That, not retreat, is the way to prevent war. Substantial withdrawals in Asia now might save a few dollars but the cost in future difficulty is incalculable.

Mr. President, I am not advocating that we hold firm forever and make no changes in our overseas strength. I believe that in time we should be able to reduce as the situation in Asia becomes more stable and as we develop clearer perceptions of our proper future relationship with our allies and our proper place in the world in the aftermath of the Indochina collapse. For the moment, however, our vital national interest dictates that we reassure those of our allies who are troubled and that we hold fast in the absence of any compelling reason to do otherwise.

The United States has been a force for stability throughout the world since the end of the Second World War. I believe we can continue to be such a force while abjuring the role of the world's policeman. We are not overseas now to dominate. We are overseas to provide a balance. We are not the dominating force in Asia now, but we are the balancing force. The same is true in Europe.

The United States is too great a nation to fall victim now to the vexations and frustrations which sometimes beset us in our relations with our overseas allies. The difficulties we all face now make it imperative that we work together with other nations in achieving mutual goals. We should not act now to scuttle our national interest.

Mr. NUNN. I yield to the Senator from Indiana.

Mr. BAYH. I thank my colleague.

Mr. President, I ask unanimous consent that Mr. Thomas Connaughton and Mr. William Heckman of my staff, be granted floor privileges during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. I would like to thank my colleague from California for stimulating this debate. I think it is a beginning toward a more meaningful interrelationship between the military and foreign policies. I think there is a definite relationship. I think in the past we have probably not given near enough attention to that.

On the subject of Korea, I share the Senator's concern and the concern expressed by the Senator from Indiana. Our Subcommittee on Manpower went into some detail on this subject this year.

Mr. CRANSTON. The Senator made a trip to Korea, did he not?

Mr. NUNN. I did, and I voiced the same objections to some of the infringements of freedoms to President Park that have been expressed in the Chamber this afternoon. I did it in a very vigorous fashion but I cannot say I achieved any results whatsoever.

Nevertheless, we do have a section in our report that the subcommittee recommended and the full committee approved regarding Korea on the very points that are being made. I will not belabor that point.

I happened to be away a moment ago when the Senator from California started on this particular subject.

I would ask the Senator this question: Does the Senator have any specific recommendations about what we can do in Korea given all of these conditions, given the infringements on some of the freedoms there, but at the same time given our treaty position and the position we are in the world? I just wondered if there were any specific suggestions about what we can do there right now on this bill or otherwise what we can begin to do that I missed while I was gone.

Mr. CRANSTON. I do not have specific proposals that relate to this bill. I did make five suggestions:

One, that we start stressing options and issues other than those that are simply military, giving greater consideration to economic, social and political issues, and seek to build some closer contacts with people who are not just military leaders, with whom most of our contacts presently exist.

Second, that we do our utmost to persuade President Park to stop following President Thieu's unhappy example of repressing the people there, which leads them to think they have not much at stake if combat comes. I know the Senator has spoken strongly on that subject after witnessing the dictatorship there.

Third, I think we should seek full implementation of the 1953 Korean armistice agreement which entails stopping new arms going in and having inspection.

Fourth, launching deep and probing discussions and examinations with all the interested powers, including both Koreas, the Soviet Union, the People's Republic of China and Japan on what can be done to turn away from war toward peace there and to reduce the dangers on the peninsula.

Finally, consider along with these steps a slow and steady reduction, provided other things are working or starting, of our troop force there. Nothing large at this time and nothing necessarily at all at this time in that particular respect.

Mr. NUNN. I share most of the Senator's observations on that. I would refer to the committee report at this point in the RECORD because I believe we are beginning, at least in part, to move in that direction. I refer to the second paragraph on page 122 of the report which states:

> Therefore, as part of the overall Pacific basing study, the Committee requests the Department of Defense to do an in-depth study of our military posture in Korea and alternatives to the current posture. Among the alternatives that should be examined would be one that (a) improves U.S. and South Korean tactical air capabilities; (b) provides military assistance to the South Korean armed forces, mainly ammunition and spare parts; (c) enhances the South Korean production base so that it can provide more of its own military capabilities; and (d) examines various U.S. ground force levels in Korea.

Particularly the (d) part, I believe, is very essential. I am not in any way saying that this report covers all of the things that the Senator talked about in the field of foreign policy, but I do believe it begins in a direction on military policy to examine those options correspondingly with some of the Senator's suggestions in the field of foreign policy.

Mr. CRANSTON. I thank the Senator. He has covered some very important ground. Certainly, we should be considering the various military options available to us there while seeking to develop some other options that might make it possible to resolve the matter without resort to military force. I am particularly pleased that the Senator spoke and added that to our considerations because I believe he knows about as much about Korea as any Member of the Senate.

Mr. BROOKE. Will the Senator yield?

Mr. CRANSTON. I yield.

Mr. BROOKE. Mr. President, the Senator from California mentioned Portugal in his remarks. As the Senator well knows, I recently visited Portugal. That experience and subsequent study led me to conclude that we were making some mistakes there, or were about to make some mistakes, respecting our relations with Portugal.

Mr. CRANSTON. I would like to say I am delighted the Senator picked up that cut and is speaking on a subject he knows so well. I believe it is very significant that as we get into some of these specifics, Senators rise who do know a very great deal about a number of these countries where we face some very difficult choices.

Mr. BROOKE. I appreciate that comment from my distinguished colleague.

As my contribution to this debate on U.S. foreign policy, I intend to focus on the present situation in Portugal and its implications for U.S. policy, both in terms of our specific relations with that country and wider policy perspectives. The stimulus for my remarks today comes from my recent visit to Lisbon and subsequent monitoring of developments in that country.

Many Americans are deeply concerned over the strains in our relations with Portugal. That concern exists for strategic reasons—Portugal's role in NATO, the U.S. base in the Azores and Portugal's strategic location near the entrance to the Mediterranean and the gateway to the South Atlantic; and because of historical and cultural affinities we have with the Portuguese people.

It is feared by some that the move to the left in Portugal, following the April revolutions of 1974, presages a Communist takeover in that country and, thus, a further diminution of our security and that of our vital allies in Western Europe. I believe that such a fear, taken to its extremes, and the hardline attitudes that stem from it are counterproductive in terms of developing an enlightened U.S. response to the evolving situation in Portugal.

Contrary to certain views expressed by some observers, I do not believe Portugal to be in an irreversible slide toward communism of the Soviet variety or even necessarily totalitarianism of any variety. There is that danger, of course, but it would be erroneous and self-defeating to assume that conditions in Portugal have deteriorated to such an extent that a communist takeover is inevitable. If such an assumption were to guide our policies, as I fear may have been the case in certain instances, we would likely accelerate rather than arrest any movement to replace the former "dictatorship of the right" with an equally or more reprehensible "totalitarianism of the left."

While a Communist takeover is not inevitable, we cannot ignore the fact that the Portuguese Communist Party has gained in influence over the past year. A major reason for this is that it has recognized the highly nationalistic content of the "Portuguese Revolution" and has adopted its policies to conform to its nationalistic fervor, at least for the time being.

The United States, on the other hand, has exhibited a less than adept understanding of the potency of Portuguese nationalism. Too often we have unnecessarily taken public positions that are perceived by the Portuguese to run directly counter to their legitimate desire to control the course of their country's political, economic and social development independent of coercive intrusion by outside forces. In doing so, we have allowed those groups in Portugal holding views inimical to our interests and, indeed, to the desire for freedom of the Portuguese people, to place themselves in a position of appearing to be the firmest supporters of nationalistic aspirations.

The long-term success of the communists' ability to graft their movement to the upsurge of nationalistic feeling is questionable, however, in light of the strong influence operating against their ascendancy. For instance, the anti-Communist sentiment of the Catholic Church still remains strong in Portugal although the influence of the church has been somewhat weakened because of its close identification with the previous rightist dictatorship.

Moderation rather than radicalism is still in evidence to a major degree in the upper military ranks according to U.S. Embassy sources. And it is the attitudes of the military, especially those individuals who dominate the armed forces movement, the controlling factor in Portugese politics, that still determine the course of events in Portugal.

However, one caveat must be entered here. U.S. officials have been told that the moderation of the upper military ranks is not paralleled at lower levels. It is rumored that some high military officials question whether the lower ranks would be willing to obey orders from their superiors that ran counter to the wishes of the radical left. Nevertheless, it still appears tenable to believe that the military, by and large, is still holding to the path of moderation.

A third important factor inhibiting a Communist seizure of power is the lack of widespread popular support for the Communists as evidenced in the recent elections for a constituent assembly. While it must be noted that the decisions of such an assembly will not be binding on the armed forces movement, the elections nevertheless serve as a useful barometer of popular sentiment.

About 91.7 percent of eligible voters participated in the election; 37.8 percent cast their votes for the Socialist Party; 26.4 percent voted for the Popular Democrats. And 7.6 percent voted for the Social Democratic Center. Thus, 71.8 percent of those voting cast their ballot for political parties committed to a non-Communist pluralistic political system.

The Communists, on the other hand, received only 12.5 percent of the vote. And the party most closely alined with them received 4.1 percent.

The impressive showing of the non-Communist parties indicates a strong popular sentiment for the type of open society that was promised by the leaders

[1] "U.S. Forces in Europe," Foreign Affairs, June, 1974, pg. 514.
[2] *Ibid.*, pg. 531.

UMI

of the April revolution. Properly encouraged, both by Portuguese committed to the original goals of the revolution and by sympathetic outside parties, such sentiment can hopefully be strengthened to forestall any Communist seizure of power.

Understanding of what is taking place in Portugal is impossible without a sensitivity to certain psychological factors that apparently motivate the leaders of the revolution. These include the intense nationalism I have already referred to; a pervading sense of regret regarding the colonial wars in Africa; and an inclination among the Portuguese leadership to believe that the third world is "morally superior" to either the Western or Soviet blocs. Two results of the conjunction of the emotive forces emanating from these attitudes are a relatively high degree of distrust of major powers, including the United States, and an apparent fixation on developing close Portuguese ties with third world countries.

I believe that xenophobic distrust of the major powers is a more accurate explanation of Portuguese sensitivity to statements by U.S. officials that appear belligerant in tone than the common wisdom explanation that such sensitivity is attributable in the main to Communist influence. Looked at in the former rather than the latter light, one can more fully understand why Portuguses officials, in my meetings with them, made constant reference to their dismay over certain remarks by the Secretary of State, the Secretary of Defense, and Members of Congress that they construe as veiled threats or indirect attempts to interfere in the internal affairs of Portugal. If the "xenophobia explanation" is substantially correct, then we would do well to avoid unnecessary public statements tinged with bellicosity that serve no useful purpose and only further alienate the Portuguese leadership. Verbal animosity does not strike me as the most useful of our diplomatic tools in coping with this situation.

It should also be noted that the attitudes of the present leaders of Portugal are determined to a certain extent by their experience in the African colonial wars. There they formulated their socialist ideals and attained a desire for close association with the third world. Sent to suppress "socialist thinking and activities" in the territories, they apparently embraced many of the tendencies and concepts they initially sought to thwart. And they came to respect the depth of commitment to those ideals of the various liberation movements they fought against.

There should be little wonder, then, that the Portuguese leadership expresses its aspirations in terms more akin to the revolutionary rhetoric of the third world than the moderate tones of social democrats throughout Western Europe. But we err in assuming that such rhetoric necessarily indicates hardcore commitment to communism as we know it. We seem to be incapable of, or unwilling to, distinguish between communism and allegiance to Soviet policy on the one hand, and a commitment to a reforming socialism on the other. The latter rather than the former is, I believe, the goal of the vast majority of the Portuguese leadership. To the degree we fail to recognize this and shape our policies accordingly, we alienate ourselves from this majority. And we make the task of those who would usurp power in the name of social justice that much easier.

What we need to develop in our own thinking is greater toleration and understanding for those who seek social progress for their peoples by methods not coincidental with our own, but who nevertheless eschew the temptation to subject their peoples to the tyranny of a closed repressive political system in their drive to attain their goals. This is the crucial distinction that should determine our approach not only to the Portuguese situation but to many other experiments in social progress throughout the developing world.

Too often we focus on the rhetoric of those seeking social change, recognize similarities between it and Communist propaganda, and fallaciously assume an inevitable unity between the two forces. This is simply not necessarily so. We must develop the capacity to recognize the numerous distinctions rather than focus myopically on the similarities if we are to avoid continuing and mounting setbacks in our relations with countries such as Portugal who are striving to free themselves from the bondage of poverty.

Mr. President, in emphasizing today what I believe to be deficiencies in our approach to the Portuguese problem, I do not mean to minimize the gravity of the situation. The recent closing down of the major Socialist newspaper, Republica, by the armed forces movement, in the aftermath of threats by Communist workers to destroy the paper and physically harm the publisher, is a disturbing indication that the Communists do not intend to abide by the expression of popular support for the Socialist Party in the recent elections. I am sure that Prime Minister Goncalves and his cabinet is conscious of the fact that those who wish his country well are closely watching how he responds to this flagrant branch of the right of free speech that is such an integral part of any free country. A failure of the armed forces movement to provide the protection necessary to allow the Socialist to renew printing of their newspaper would be a serious blow to the forces of freedom in Portugal.

Portuguese limitations on our use of Lagens in the Azores is also disconcerting. Prime Minister Goncalves has stated that Portugal would not allow the United States to use Lagens as a refueling stop in any airlift to the Middle East in the event of another war. While this is regrettable, it was not unexpected given the unwillingness of our other European allies to risk a confrontation with the oil-producing Arab States. Nor is it reasonable at this time to assume that this Portuguese decision indicates the beginnings of an attempt to dislodge the United States from the Azores. Lisbon has given no substantive indications that it intends to do so. Indeed, there are several reason why such a course is unlikely in the immediate future. First, the situation in Portugal proper is sufficiently unsettled to discourage the Portuguese leadership from taking on the base issue. Even the Communists have apparently resisted the temptation to use the U.S. presence in the Azores as a major propaganda issue.

Second, a growing unemployment problem inhibits any tendencies to risk losing the jobs provided by the American presence in the Azores.

Finally, any attempt to alter the U.S. position at Lagens would run counter to the Portuguese regime's continued assurances that it intends to abide by its commitments to NATO. Prime Minister Goncalves has emphasized numerous times, the latest being at the NATO Conference, that his country will remain in NATO and will not allow internal developments to affect Portugal's external commitments.

The Prime Minister's commitment to keep Portugal in NATO appears to be a sincere one. There does not appear to be any great popular agitation within Portugal for withdrawal from NATO aside from minor propagandistic outbursts by radical fringe elements. Even the Communists have not attacked the NATO commitment to any great degree. One theory advanced for their reticence is that they, acting on Moscow's orders, would like Portugal to remain in NATO as a "viper in the nest," able to disrupt the effective functioning of the alliance. Another theory, again relying on the strong connection between the Portuguese Communist Party and the Soviet Union, suggests that Moscow does not want to see Portugal withdraw immediately from the alliance out of fear that such an event might stimulate the other Western European states to give greater attention to their defenses. Moreover, it is argued by some that Moscow fears that a Portuguese withdrawal would doom the Kremlin's long-held desire for a successful conclusion of the Conference on Security and Cooperation in Europe, a conclusion that would, in the Soviet's eyes, legitimize the post-World War II boundaries of its Eastern European empire.

An equally tenable explanation for the lack of Communist agitation for Portuguese withdrawal from NATO is that the Portuguese Communist Party fully recognizes that the vast majority of Portuguese still desire to maintain their country's links with the Western alliance. Any attempt to sever those links would be strongly resisted in my opinion.

Nevertheless, Portugal's participation in the alliance at the same time that Communists hold high positions in the Portuguese Government creates a difficult situation. Lisbon cannot be included in discussions or exchanges of highly sensitive material for fear that such information will be passed on to Moscow by the Portuguese Communists. Yet, Portugal must believe it receives certain benefits from the alliance if it is to have an incentive to remain in NATO.

No one has yet suggested a way out of this seemingly irreconcilable impasse. The fact that Portugal still evidences a desire to remain in NATO even though being unable to participate fully in its deliberations indicates a strong Portuguese desire to find some way to do so. The United States and its European allies should strive to do what they can to permit the Portuguese to fulfill their aspirations within the general framework of the western alliance. We should strive to evolve sufficient flexibility in the alliance to allow Lisbon some form of meaningful participation even though some restrictions will inevitably have to exist to protect alliance confidentiality and security.

However, we must realistically face the possibility that the Portuguese may not be willing ultimately to accept restricted participation in the alliance. If such proves to be the case, it would be to our advantage to indicate to Lisbon that should it seek a more neutralist posture, one emphasizing third world ties, it would not find itself totally ostracized by the West. We would, of course, prefer to keep Portugal alined with us. But certainly the third world alternative is preferable to allowing the Communists to capitalize unopposed on the wave of distrust of the United States currently evident in Portugal as a means of pushing Portugal into the Soviet orbit.

In regard to the factor of Portuguese distrust of the United States, it may be well for us to recognize that our ability to influence events in Portugal is limited. Indeed, our Western European allies may have a greater ability than ourselves to encourage moderation there. Various political parties throughout Western Europe, especially the Social Democrats, have affinities with important Portuguese political figures. Moreover, the EEC is in a particularly advantageous position to offer economic concessions to Portugal, the effect of which might be to alleviate that country's economic distress and encourage the moderates in Lisbon to push for closer relations with other Western European countries even while there is a certain "coolness" in United States-Portuguese relations.

Mr. President, I hope my remarks today have indicated several basic factors that should be considered in the shaping of our policies toward Portugal. First, to recapitulate, it must be recognized that we are not in a position to coerce Portugal into following a course of action necessarily coincidental with our own desires. However, through patience and understanding we may be able to convince the Portuguese of our willingness to help them fulfill their just aspirations for social progress so long as they do not abandon their commitments to a pluralistic open society.

Second, we should encourage our other Western European allies to take the lead in effecting the accommodations necessary to provide the maximum opportunity for continued Portuguese affiliation with the West.

Finally, we should not predicate our reactions to events in Portugal on a "for or against us" principle, even if Portuguese participation in NATO proves untenable in the long run. We should certainly strive to maintain a mutually beneficial relationship with Lisbon within the western alliance. But if such a context for that relationship proves inadequate, we should respect and perhaps encourage the Portuguese desire for close links to the third world. We should move toward a severing of our ties with Lisbon only if the Portuguese Government becomes subservient to the wishes of Moscow.

In concluding my remarks, I wish to identify several of the broader policy perspectives that I believe are evidenced in the Portuguese case. First, I believe the Portuguese situation is one more indication of the diminished efficacy of attempts by ourselves to exercise influence in the world because of military preeminence. Force, or the threat of force, is an inadequate and inappropriate response to the type of problems of which Portugal is an example. While I firmly believe that our military capabilities must remain sufficient to deter any would-be aggressor from pressuring ourselves or our allies, I am also convinced that our ability to cope with the more fluid nature of our relations with other States will depend increasingly on skillful diplomacy and an ability to convince others that we are truly committed to cooperation rather than confrontation in our relations with them.

Second, we are confronted by the anomalous situation wherein even as the reality of global interdependence in many spheres of human activity is becoming increasingly evident, the potency of nationalism is increasing. And we are slowly beginning to understand that nationalism, as the indispensable cohesive force that holds developing societies bordering on anarchy together, cannot be effectively opposed. It is, however, susceptible at times to being influenced in such a manner as to mitigate the negative effects of its centrifugal pressures on the international system. However, there is no evidence yet that we have discovered a feasible way to truly reconcile the apparently contradictory phenomena of nationalism and interdependence. One of the great tasks facing our foreign policy is to do so.

Finally, the Portuguese situation is likely a forerunner of similar difficulties ahead for the NATO alliance The problems posed by Communist participation in the Portuguese Government are likely to recur. Communists involvement in a coalition government in Italy is a possibility in the not too distant future. We can ignore this until events force us to cope with it as has been the case regarding Portugal. Or we can seek now to think the problem through and design institutional arrangements to meet it when it does occur. While there is no guarantee that our attempts to do so will be successful, it would be the height of folly not to give serious and extensive scrutiny to the problem now.

Mr. President, the complex problems facing us in our foreign policy are not susceptible to effective analysis, let alone solution, in a 2-day Senate debate. All that can be usefully accomplished in that time is the identification of certain matters that require our attention. This is what I have tried to do here today in regard to our relations with Portugal.

Aside from attention to specific country related issues of our foreign policy we should focus our attention in the remaining hours of this debate on what role Congress should have in the formulation and execution of American foreign policy. This is an issue we have not talked about today.

My concern about the proper scope of congressional participation in foreign policy is directly related to the problem of access to sufficient information to make wise policy judgments. In this regard, the *Mayaguez* incident is informative.

The Senator from California will recall that after the *Mayaguez* incident I was very much concerned about the lack of certain information, needed to properly assess the wisdom of the decisions made by U.S. officials. So I sent a letter to the Secretary of State posing some 20-odd questions relative to that incident. I am hopeful that those questions will be answered by the Secretary of State because I think it is important that Congress and the American people have the pertinent information on which to make enlightened judgments even after the fact.

The President acted courageously and decisively. Whether he acted wisely can only be judged when all the facts are known.

I again reiterate my hope that the Senator from California might allot time, in this debate, to examine the role of Congress in the shaping of American foreign policy and what the proper balance should be between the Executive and Congress in this area.

What can we effectively and intelligently do other than, of course, exercise the power of the purse. Can and should we do more to get into the shaping of American foreign policy. Moreover, how can we now work cooperatively with the Executive in the determination of that foreign policy?

These are foreign policy questions, which I hope that the Senator from California can program into the remaining hours of this debate.

In conclusion, I want to say again, that the distinguished Senator from California has done a commendable job. It it impossible, of course, to solve any of our foreign policy problems in 2 days, as it is to analyze effectively the relationship between those problems and our defense budget levels. Nevertheless, we can hope to identify what some of those specific problems are. I thank the Senator from California for this opportunity to do so.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. CRANSTON. Yes. I am delighted to yield to the Senator from New York.

Mr. JAVITS. Mr. President, I think there is one thing that should be made clear in the course of this debate which has not yet been made clear, and that is that the debate is not intended to be some special pleading for cutting the defense budget.

UMI

Mr. CRANSTON. That is correct.

Mr. JAVITS. A lot of people think we ought to raise our defense budget. I do not happen to think so, but a lot of people do.

So if you and I—and I signed this letter of invitation to debate very advisedly—wish the Senate to participate intelligently, we ought to let the people know that we will let the chips fall where they may. We are anxious to find out all about the commitments and what they mean in military terms. We ought to let the people know what we are willing to undertake and what that means in military terms, whether it concerns the three great theaters—and the Senator from Arizona (Mr. GOLDWATER) I think certainly was right in pinpointing them—of Panama, the Middle East, and Korea, or any other issue and that we are perfectly willing to face the music.

But we have stopped—and that is somewhat in answer to the Senator from Massachusetts' question—taking the Pentagon's word for the postures upon which military policy is based. We intend to determine for ourselves what those postures are, and then to pass judgment on whether the military proposals to us are opposite to the issue. But we are not afraid of the issue, and I hope very much that the country will understand us in that. We want to know more rather than less. We want to do militarily what is needed for peace in the world, as we see it, but we want the people to know we do not want to take the word of those who have an interest for it, and the Pentagon, properly, has. That is their job. The Pentagon does have an interest in terms of military preparation.

I hope very much that my colleague will understand, because it is a question I am addressing to him, as he was the principal person to start this debate, and in this way will concur in that because I think that is vital as to our motives and our good faith.

Mr. CRANSTON. I most certainly do concur without reservation.

As the Senator knows, among the others who joined with us in writing the letter to all of our colleagues, were the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), and the Senator from Virginia (Mr. HARRY F. BYRD, JR.), who certainly are not normally among those who wish to cut the defense budget.

Mr. JAVITS. I thank my colleague.

Mr. GARY W. HART. Mr. President, will the Senator yield?

Mr. CRANSTON. I am delighted to yield to the Senator from Colorado.

Mr. GARY W. HART. Mr. President, I ask unanimous consent that Mr. Ed Miller of my staff, be accorded the privilege of the floor during the debate and vote on S. 920.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Mr. BUMPERS and Mr. STENNIS addressed the Chair.)

Mr. STENNIS. Mr. President, if the Senator will yield, I have one question I want to ask him.

But the Senator may first finish his speech.

Mr. CRANSTON. Mr. President, I will yield to the Senator from Arkansas.

Mr. BUMPERS. Mr. President, I want to ask for a unanimous consent request and then make a short statement.

I ask unanimous consent that Bob Brown of my staff be accorded the privilege of the floor during the debate on S. 920.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, reserving the right to object, and I do not object in this case, but I have been here when we had so many Senators in the Chamber and so many other people in the Chamber that we had to sit down on the floor, and so forth. It got to where you could not carry on a debate.

If we are going to allow all these unanimous requests for privileges of the floor during the entire debate, I believe we will find ourselves without a chair. I do not object to this one, but I think we ought to try to work out something that would avoid situations getting congested here, because we are going to have a lot of amendments. I just call that to the attention of the leadership. I do not object.

Mr. BUMPERS. Mr. President, I have sought recognition without success many times this afternoon to say essentially what the Senator from Massachusetts (Mr. BROOKE) finally said in getting this debate back on what I thought was the subject matter.

He raised the issue: which comes first, the chicken or the egg?

It occurs to me, and I recognize that the Senate and Congress cannot set foreign policy, but I agree with the distinguished Senator from Colorado when he says it is unfair to ask Congress to enforce or finance Executive agreements over which we have no control and in which we have never been consulted.

I think that we need to debate not just Korea, but the whole spectrum of our foreign policy, where our vital interests lie, what sort of military posture the United States must maintain in order to carry out what I would like to think is not a morally neutral but envisionary foreign policy, that does indeed protect the interests of this country.

As I say, I certainly cannot dictate to the Secretary of State, or the President, as to what our foreign policy ought to be, but I can sit here and determine in my own mind what I think the legitimate interests of this country are and where they are, and I can during the last 3 days of this week then, I hope, determine more intelligently how I should vote on the weapons procurement bill and the authorized strength of our armed services.

Some of us, who are not privileged to be members of the Committee on Armed Services or the Committee on Foreign Relations, do not have an opportunity to hear all of these things debated.

I was troubled this afternoon to hear the distinguished Senator from Arizona say that since the question of the additional three combat divisions was highly classified the reasons for it could not be discussed in this Chamber, either openly or in closed session.

The reason that troubles me is because I am asked to vote on an authorization for troop strength and authorization of these three combat divisions, without any of the information which apparently the Committee on Armed Services was privy to.

I think this puts all of the Senators in this Chamber who are not members of that committee to a distinct disadvantage.

So, I will do my very best to participate in this debate tomorrow along the lines I have just mentioned.

But I regret very much that some of us are not going to be privy to information which I personally feel we ought to have in order to vote intelligently on that, as well as other matters.

Mr. STENNIS. Mr. President, will the Senator yield to me on that point very briefly?

Mr. CRANSTON. Certainly.

Mr. STENNIS. I direct this to the distinguished Senator from Arkansas.

Mr. President, I never have been committed to any increase in divisions. I have encouraged the Army, along a general pattern, to decrease the desk positions and increase the combat positions, in a pattern of working up some more fighting divisions. I approved of them only to that extent.

But on the key point here, unless it be contingency plans or war plans, as the term is generally used, I do not know of anything, and have never heard of anything, about divisions that could not be discussed openly.

I just make that statement flatly. I just have no such knowledge. I have no knowledge now of a secret nature.

Mr. CRANSTON. If the Senator will yield, the Senator from Arizona is the one who brought up that question.

Mr. STENNIS. Let me finish.

I have stayed here all afternoon, and I want to assure the Senator from Arkansas, and anyone else, that in all my years on the Committee on Armed Services, I have not heard of anything that goes on as to makeup of divisions that would be classified as highly secret, unless it be a matter of contingencies or war plans, where they have all kind of alternatives worked out that in case of this we would do that, and in the case of another contingency, we would do this, and so forth. These, obviously, are trade secrets, one might say. We would not want to give the enemy the benefit of all the contingency planning.

That is the extent of my knowledge on it, and I wanted to make that statement.

Mr. BUMPERS. The Senator from Arizona cast this doubt in my mind, and I would be very happy to hear from him.

Mr. GOLDWATER. I think the Senator from Mississippi has spelled out our problem in this field: That when the Joint Chiefs meet, after the discussions with the National Security Council and the President, and they begin to talk about force levels, they do get into international situations, both probable and actual, the discussions of which, in relation to our decisions, would be detrimental to the United States and helpful to the enemy.

I have talked to the Army this afternoon and asked them to develop for me, and for presentation on the floor of the Senate, answers to as many questions as they can reveal safely, as to why we want 16. I hope that sometime tomorrow I can be able to present that reasoning.

I have to tell my friends in this body that even those of us who serve on the Committee on Armed Services are not privy to the detailed reasoning as to why it is 16. I can say this, and I probably can get my hand slapped for saying it: They want 24 divisions, not 16. We feel ourselves in pretty good shape, having been able to keep the decision at 16, with fewer men than we have when we have 14 divisions.

Sometime tomorrow, I hope to be able to satisfy those people on the opposite side of this question with the major reasons as to why we reach 16 instead of 14 or 18 or 50.

We are going to have the same discussion when we get into the matter of the Air Force. They have suggested increased wings. I agree with everybody who says we should know more about these things. As a member of the Committee on Armed Services, I wish I knew more about it. But there comes a point when I do not think any Member of this body should be privy to some of the material that is discussed at that high level. If we remained locked in our quarters all the time and never talked to anybody, including our wives, that cosmic secrecy would be possible, but we do not live that way.

Mr. THURMOND. Mr. President, will the Senator from Arkansas yield me 1 minute so that I can comment on the remarks of the Senator from Arizona?

Mr. BUMPERS. I yield.

Mr. THURMOND. I contacted the chairman of the Joint Chiefs of Staff. The Joint Chiefs of Staff are really the people who have to make the decision as to the size of the forces. I have a statement from the Chairman about the 16 divisions, and I thought it would be helpful to the Senator from Arizona if I were to place the letter in the RECORD. It sets out the reasons for the 16 divisions.

In making my statement today, I just made a general statement and did not dwell on it in detail. I answered some of the questions from various Senators. Since then, I have received a complete statement from the Chairman of the Joint Chief's of Staff, Gen. George G. Brown, which I think clearly sets out the specific need for the 16 divisions.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
June 2, 1975.

HON. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: I am pleased to provide a brief unclassified assessment of the need for 16 action Army divisions.

The dynamic equilibrium now existing between the United States strategic forces and those of the Soviet Union increases significantly the importance of US general purpose forces in the deterrence of conflict below the level of strategic nuclear war. Neither the US nor the USSR will be capable in the foreseeable future of executing a disarming first strike. Under these circumstances, as vital as they are in maintaining an overall deterrent to major conflicts, strategic nuclear forces are less likely today to deter the lesser forms of conflict than in the days of our overwhelming nuclear superiority. Therefore, ready, mobile, and versatile general purpose forces, sufficient to provide a deterrent of their own, must continue to be one of our prime objectives and concerns.

The Soviet Army, on the basis of our current information, is estimated to deploy 166 divisions in various states of readiness.

The Joint Chiefs of Staff have been concerned, for several years, over the risks inherent in NATO's marginal ability to meet a Warsaw Pact attack. Substantial qualitative and quantitative improvements in Warsaw Pact forces have increased appreciably the "no room for error" risk which was associated with the 13⅓-division US Army. NATO forces have remained relatively stable as the size, mobility, firepower, and flexibility of the Warsaw Pact continued to increase significantly. In the past, we counted on the superior quality of Western weapons, equipment, and technology to offset the decided advantage the Warsaw Pact enjoyed in quantity. That time is now past. The hard fact is that the Warsaw Pact has achieved near qualitative parity with the West in general purpose weapons and equipment. The strength, speed of mobilization, mobility, and sustaining power of the Warsaw Pact, in our estimation, have increased significantly. I must add that any discussion of 2½ vs. 1½ wars is irrelevant here. As the Secretary of Defense and my predecessor have previously reported, we never had the forces for a 2½ war strategy under any contemporary circumstances.

In order to meet this challenge, we plan to raise the active Army division force to 16 divisions by the end of 1976, while retaining an end strength of 785,000 men and women. This will increase appreciably the US strategic posture, raise the Soviet perception of US capability, raise the nuclear threshold, and generally decrease the risk to a more acceptable level. This enhancement of visible deterrent power is being accomplished by converting headquarters and support spaces into combat spaces. The Army's effort to examine every space outside the combat division is truly impressive. Drastic cuts in headquarters support and administrative elements have been made in order to make these 16 active divisions possible. This program provides for the assignment of reserve brigades and separate maneuver battalions to round out parent active Army divisions. They should receive the same priority for equipment and other support as the active division. In time of war, the Reserve Component unit would be deployed and fight as an organic part of the division.

We also plan to deploy 2 brigades—1 each from the Second Armored and Fourth Mechanized Division—to Europe. The combat elements of these brigades will be reconstituted in the United States and the brigades stationed in Europe will rotate combat battalions on a 179-day cycle. In addition to enabling the Army to respond to the Supreme Allied Commander Europe's long quest for more early combat power in a NATO/Warsaw Pact engagement, the additional combat power and flexibility would clearly signal to the Soviet Union that the United States will sustain and improve the force to protect US vital interests. The increase of US combat forces in Europe will assure our allies that even under inflationary pressures, we intend to honor our commitment. I urge your full and complete support for this bold new program.

I am prepared, of course, to provide additional classified information on this subject, particularly in the area of its importance to the maintenance of the nuclear threshold at a reasonably high level.

Sincerely,

GEORGE S. BROWN,
General, U.S. Air Force.

Mr. BUMPERS. I thank the Senator from Arizona, and I look forward to hearing his remarks tomorrow.

This, of course, raises another facet of this entire debate, completely aside from where our interests lie around the world. I was disturbed by another factor, and it is this: Sy Hersch had a story in the New York Times on May 25, which I am sure many people have read, which many of my colleagues have read, in which he said that for the past 15 years, under a project called "The Holy Stone Project," American submarines have been penetrating the 3-mile limit of the Soviet Union, carrying out certain kinds of espionage, and so forth. This troubles me, as a sequence to the *Mayaguez* incident.

At this point, I would like to digress for a moment to express my concurrence again with the remarks of the Senator from Massachusetts (Mr. BROOKE). I was pleased to learn that he had submitted about 20 questions to the executive branch for answers regarding that incident.

This is another situation in which operations of the military are carried out, obviously under the authority of somebody in the executive branch, or certainly the military. I asked myself, what happens if the Soviet Union—the article goes on to say, incidentally, that the Soviet Union is quite aware of the operation there—should sink, intentionally or through inadvertence, one of our submarines there?

Under the War Powers Act, what does that commit the U.S. Congress to do? I would like to know. I think it would be fair to debate on the floor of the Senate what the proper response of the United States is in case such an incident occurs.

I have heard it said that perhaps the Soviet Union is not going to do it because they are carrying out the same kind of operation against the United States. Perhaps this is true. But all I am saying is that all this raises terrible possible consequences to world peace. It occurs to me that it is at least provocative.

I am wondering—and I would like to hear it debated here—what our response would be in such an event. Presumably, they would be operating within their legitimate rights.

I thank the Senator from California. I wanted to get all this off my chest.

Mr. CRANSTON. I thank the Senator. He is asking exactly the sort of questions we should be considering very carefully and debating in this body.

Mr. LEAHY. Mr. President, will the Senator yield?

Mr. CRANSTON. I yield.

Mr. LEAHY. Mr. President, the Senator from Arkansas raises many of the same questions that have bothered me for some time.

I have the privilege of serving on the Committee on Armed Services, and I consider it a distinct privilege. It is one of

UMI

the committees on which I requested service, and I am honored to be the first Vermonter to serve on that committee.

I share the concern of the Senator from Arkansas about the amount of secrecy we have when we discuss military matters. Of course, no Member of the U.S. Senate wants to give away military secrets to any other world power or reveal any information that could in any way jeopardize the best interests of this country. At the same time to shroud in secrecy matters that are clearly known to our potential adversaries is not only often absurd but also unfair to the American people.

The Senator from Arkansas discussed the "Holy Stone Project." It is apparent that here we have an operation known to some members of the military and to some members of the executive branch. The Soviets obviously know about it. The only ones left in the dark are the American people. I believe this is the kind of reasoning that led us into the debacle in South Vietnam. It is the kind of reasoning that was underscored when Secretary Schlesinger and General Weyand, men for whom I have great respect, appeared earlier this year before the Committee on Armed Services, seeking additional authorization of funds for the war in South Vietnam.

When questions were raised by several members of the committee regarding certain secret agreements that were understood to have been made by Secretary of State Kissinger and former President Nixon, the Secretary of Defense had to admit that he had heard there were such, but that he was not aware of their content, and thus could not pass on this information to the Armed Services Committee, the committee that was being asked to authorize enormous amounts of taxpayers' money to fulfill, among other things, those matters that had been decided upon secretly.

Mr. President, I really do not think this serves the best interests of the American people, and it bothers me very much. It is this kind of secrecy that has been the subject of debate after debate after debate in this body, but it is the kind of secrecy that continues and continues and continues.

The distinguished Senator from Colorado (Mr. GARY W. HART) stated that we are often faced with executive agreements over which we really have no control. It seems to be the policy of both the Nixon administration and the Ford administration to make commitments that are of great import by executive agreement and to refer to the Senate for ratification only treaties of minor import. At times this practice seriously diminishes the opportunity for open and frank debate on serious questions of foreign policy. In that same vein, during the course of committee deliberations on the military budget, I really was often shocked at the paucity of the consideration as to how these expenditures relate to our foreign policy. The distinguished Senator from Arizona (Mr. GOLDWATER) earlier today expressed his concern in that regard. We are in total agreement on the point.

We have a general understanding of what our foreign policy is, but in many ways it is just an understanding. We have not had a meaningful dialog on the interrelationship of this huge defense budget on our long term or, for that matter, our short term national goals.

Many times, the discussion centers on us versus them, and "them," of course, is the Soviets. It often is an if-we-do-this, they-will-do-that kind of reaction.

We lose sight of the fact that we already have 615,835 times as much explosive power in nuclear weapons alone as the one bomb that was dropped on Hiroshima; that we have 8,000 nuclear warheads providing 36 nuclear weapons to target on each of the Soviet Union's 219 major urban areas, and we know darn well, Mr. President, that they have similar weapons targeted on us. We end up with enough weapons to kill every man, woman, and child on this planet, and do it 27 times.

I wish we lived in a world where we did not need to maintain arms, but we do not. We have to maintain a strong defense posture. This country is a powerful country and will continue always to be a powerful country. But we have to make sure that we do not expend our money and our limited resources on unnecessary armaments.

We must determine what weapons are really necessary, and we have to consider how they impact, on our economy. But throughout all of this, in formulating a defense budget we have to consider what its relationship is to our foreign policy. We cannot consider it in a vacuum, separate and apart from our foreign policy. For example, we are talking about $14 million, for openers, for a major naval and air base in Diego Garcia—an installation that could, perhaps, eventually cost $200 million. Then, if this proposal succeeds, we are going to have to talk about eventually updating our fleet and enlarging it in the Indian Ocean.

I do not really know what our foreign policy is in that part of the world that requires this costly military buildup. Every country in the area is opposed to it. I think it is time to have a debate on that subject first, before voting expenditures.

Another example is our sale of $8.6 billion of arms to 136 nations last year alone. We gave military assistance to 51 nations. Much of that contributed little or nothing to our defense. We should be considering, both from a defense point of view—because many times these sales or giveaways deplete our own armaments—and also from a foreign policy viewpoint whose interests are served by these huge arms sales.

Billions of dollars in arms are being sold or given to nations in the Middle East, with little or no consideration of their eventual impact on that potentially explosive area. Is it in our best interests? Maybe it is. But let us have some real debate on it.

In formulating such a debate, Mr. President, I really hope that we will make every effort to remove the secrecy that surrounds such discussions.

The American people are the ones paying the bills. It really makes very little sense to me that there are certain matters that the Soviets are aware of, actions taken by us that the Soviets are aware of, but that the American people are not.

I yield to the Senator from California.

Mr. CRANSTON. I thank the Senator for a truly magnificent contribution to this discussion. It is particularly helpful to have that sort of presentation and that sort of very careful thought and deep analysis given by the Senator who is privileged to be on the Committee on Armed Services and can bring to us the insights that one Senator has picked up on that committee.

I am delighted to yield to the distinguished chairman.

Mr. STENNIS. Mr. President, I thank the Senator. I will be quite brief.

With reference to our situation in Korea, which is perhaps—and I think it is—the hottest spot, so to speak, now in the Pacific area, and referring to our agreement, our commitment, our defense treaty with them—which, by the way, I did not vote for—did I understand the Senator to say that so far as the pending military procurement bill is concerned, he thinks of nothing that we can do now with reference to Korea that would affect this bill?

Mr. CRANSTON. That is correct.

Mr. STENNIS. He is very honest and straight about it and I appreciate his frankness.

One other question: With reference to the troops that we have there now, in view of the conditions—and I do not know that anyone proposes it, but if it is a fair question—would the Senator advocate withdrawing those troops now?

Mr. CRANSTON. I would not at this time.

Mr. STENNIS. Now, yes. What was the Senator's suggestion or his thinking in that line?

Mr. CRANSTON. I was an advocate of cutting down on our troops in Korea until the events that accompanied the collapse in South Vietnam and Cambodia led me to feel that this is not an appropriate time to do that, since it might appear to be an invitation to the other side to move in

I have read in the press, although I have not heard him personally state it, that Senator NUNN did come to the conclusion on his trip there a while back that it would be advisable to withdraw some of the troops, but that he, too, changed his mind in view of the recent events.

I did suggest earlier today that there are a number of things that are not military in nature, necessarily, that we might do to begin to develop options other than military options there, and that as we begin to do such things, we might consider a slow and steady cutback on our troops there. But I do not suggest that any such cut be made nor that any proposal be made, specifically in connection with this bill, for cutting back in Korea. While there might be some modest cuts in overseas troops that I would support, I also would not support any major reduction overseas, as I would have earlier and as I expect to later on, after the present situation changes.

Mr. STENNIS. I was not throwing anything up to the Senator. I had overlooked the fact that he had ever suggested withdrawing some, but I just wanted an appraisal of his present conditions.

Of course, that means that the Senator would propose living up to our agreement, but getting a modification and somewhat a change of our position by negotiation.

Mr. CRANSTON. That is correct. As I understand it, our treaty simply states that in the event that they are subject to an attack, we will respond or deal with that matter in accordance with our constitutional procedures, which would mean that there would be an opportunity for Congress to consider whether or not to declare war.

I recognize that events occur sometimes where the Commander in Chief has to make a swift decision. Under the War Powers Act, it still would come to us so we could not avoid that decision. I am concerned about the tripwire aspect of our troops there, which would seem to me that we would be involved without having much choice about that involvement under present circumstances.

Mr. STENNIS. I certainly think that the words "constitutional process" mean a declaration of war by Congress. We got into one, though, in Southeast Asia, without any such declaration.

I thank the Senator very much for his frankness.

Mr. TAFT. Will the Senator yield the floor at this point?

Mr. CRANSTON. Yes; I yield the floor.

Mr. TAFT. Mr. President, I ask the Senator to yield me 10 minutes.

Mr. STENNIS. That is correct. I yield 10 minutes to the Senator from Ohio.

Mr. TAFT. I thank the Senator for yielding.

Mr. President, I have listened with great interest to this debate today, and I welcome it. As one of the authors of the War Powers Resolution, I have felt from the very beginning that it is extremely important that Congress take a far more complete role in the formation and the conduct of our foreign policy in a general way of outlining the rules, the objectives, the principles that we expect to follow. I think it is extremely important especially in the light of what I think is the first lesson that we must learn from the Vietnam war, and that is that American public opinion and the American people must be in on these decisions—in, as many have said, on the takeoffs as well as the landings that are involved.

As I say, I welcome this debate here today in that spirit. But I do think that we had better exercise a little caution in having a debate of this nature, for the first time, upon this particular bill. I would caution that letting a foreign policy dialog take place on this bill, which is all right if it does not divert us from the main purpose of the bill, is all well and good, and it is our duty to talk about these things and try to arrive at decisions with regard to them, but a military authorization bill does not relate primarily to the area of foreign policy decisions of the type that have been discussed in detail here today, and I think there is great danger if we allow the particular problems in the various theaters of the war that have been discussed here today to determine for us what the general nature of our Military Establishment must be.

I do not believe we have had—as some perhaps have implied here today, particularly in the colloquy in which our distinguished colleague from New York (Mr. JAVITS) partook—a crystal ball with regard to what will happen with respect to foreign policy needs in the world that will enable us to tailor our foreign policy establishment to the particular problems that we see today. I hope the debate we are engaged in will not have the effect of moving us in that direction. I think we have to recognize that the military ability we have must be sufficiently great and sufficiently flexible so that we will have options in connection with future developments in foreign policy that perhaps we cannot now assess.

I also have been very much alarmed today to see the lack of discussion, insofar as the size of our military is concerned and the direction of our foreign policy is concerned, of what Russian foreign policy and military might be. It seems to me this is a key factor. Any man familiar with the military arts will tell you that the first thing you must do is analyze the enemy capabilities and objectives. I do not think we have done that, necessarily, today. I think we have concentrated too much on what our objectives and commitments may be, and too little on what the overall threat to our national security over a long period might be.

I caution also that in planning a military establishment for such flexibility, it takes, indeed, many years to develop many of the weapons that we may be able to see that we are going to need in the future, to have the kind of flexibility about which I am talking. I expect to talk tomorrow at some length about the entire naval situation, particularly from a strategic point of view. Just by way of an example of the dangers that I see, I would like to talk very briefly now about this whole area of sea control, in which the Soviet Union—a land power—is challenging us today. We remain superior in the area of projection of sea power ashore; our aircraft carriers and our Marines give us tremendous superiority in that. But in a direct clash with the Soviet Union for control of the sea—which is to say, for the right to use the sea—we might find ourselves in very serious trouble.

A few facts serve to illustrate the Soviet capability:

Much of the Soviet capability is vested in antiship missiles. Today, the Soviets could theoretically launch, simultaneously, without reloading a single missile launcher, over 1,400 antiship missiles. That is over 100 missiles for each U.S. aircraft carrier.

In February of 1941, Germany had 21 ocean-going attack submarines. Today, the Soviet Union has about 300, 68 of which are nuclear powered.

In World War II, it took 25 escort ships per U-boat just to contain the German submarine threat. Today, for each American escort ship, there are two Soviet attack submarines.

A World War II escort could usually make about 28 knots. A World War II submarine submerged could sustain about 3 knots for about 8 hours. Our new patrol frigate does 28 knots. But a Soviet "victor"—class attack submarine can do 30 knots, submerged, indefinitely

The largest gun in service with the U.S. fleet is a 6 incher. The Soviets today have in commission 12 "Sverdlov" class cruisers, each of which mounts twice as many 6-inch guns as we have in the whole U.S. Navy. Nor is it the case that we have replaced our guns with antiship missiles; we currently have no antiship missiles in our fleet.

I believe these facts illustrate the key point: The Soviet Union, a land power, is building a formidable fleet. The United States, a sea power, is being surpassed by the Soviet Union in certain areas of naval power.

Mr. President, I ask unanimous consent to have printed in the RECORD two excellent articles dealing with the issue of U.S. sea power. The first, from the Denver Post of May 17, reports the Vice Chief of Naval Operations as stating:

As they (the Soviets) drastically increase their forces, we see a continuing decrease on the western side.

I think the Admiral's observation is, regrettably, correct.

The second article is from the June 6 issue of National Review. This piece raises some very interesting points about the nature of the United States as a sea and air, rather than a land power. I strongly recommend this article to my colleagues: This fundamental strategic question is one we will be considering.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SEA-POWER GAINS OF RUSSIANS CALLED SIGNIFICANT BY NAVY AID

(By Dan Partner)

Adm. Worth H. Bagley warned Friday that Russia, "in the name of detente," is developing naval forces to control the "choke points" of the world's sea lanes.

The vice chief of naval operations described significant Soviet sea power improvements in the Mideast, the Persian Gulf, on the west coast of Africa and the Indian Ocean at a Denver Chamber of Commerce military affairs luncheon at the Downtown Holiday Inn.

Citing Russia's potential for naval operations from Cuban bases, Bagley said the Soviets are "working on" both Portugal and Peru to increase the capability of controlling entrances to the Mediterranean Sea and the Panama Canal.

"I see a worldwide Russian strategy in use of the seas," he said. "As they drastically increase their forces, we see a continuing decrease on the western side."

Bagley, a 1947 Naval Academy graduate, has been vice chief of naval operations since April 1974. He will retire June 30.

U.S. FLEET HALVED

He said Russia has increased its fleet to 1,370 during the last decade, while the U.S. fleet had dropped from 950 in 1969 to 490.

UMI

It is "strategically essential," Bagley said, that the United States have a minimum of 600 ships to counter the "threat to peace centered in the seas" and the United States must build 35 ships per year.

Twenty-two were built this year and 23 are proposed in the Navy's portion of the 1976 Defense Department budget that is expected to be cut by from 7 per cent to 10 per cent.

"We need $8 billion to $10 billion per year for new ships," Bagley said, noting that inflation had cut purchasing power by 50 per cent since 1968.

He said the U.S. Defense Department budget was 5.6 per cent of the gross national product (GNP) and estimated that Russia's arms expenditures range from 25 per cent to 40 per cent of its GNP.

Several U.S. Navy and Air Force bases in foreign countries may be eliminated or restricted because of international developments, he said.

Because "Portugal is going left," he said, the continued use of the Azores Islands is questionable and U.S. military presence in Spain, Turkey, Greece, Thailand and the Philippine Islands is being reviewed. Greece has a two-phase plan to reduce U.S. military operations there and several central European countries refused overflights by U.S. aircraft carrying arms and supplies to Israel during the 1973 war.

These developments, he said, have a serious strategic impact that is being studied by a "great" secretary of defense and a "very tough and realistic president."

VIETNAM'S MILITARY LESSON

The Vietnam War constituted, of course, a conflict on many levels. Not least, it was political. It was at the same time cultural, psychological, and economic—this last, indeed, reflected in the extraordinary behavior of all the indices since 1966. But it was also military. And the entire national experience has profound implications for U.S. military doctrine.

Naturally enough, American public opinion has now turned emotionally against the idea of U.S. troops fighting abroad, short of an obvious threat directed against the homeland itself. The Vietnam trauma has brought to the surface a "nuts to the foreigner" vein of feeling that has always been present in American life. Yet this mood may also encapsulate a profound strategic insight.

It may be well to point out here that pressure will persist, and indeed will increase, as a result of Vietnam, around the perimeter of the non-Communist world. Signs are already visible that the next power play may come across the 38th parallel dividing North Korea from South Korea, where some 42,000 U.S. troops are now stationed, and where we have formal treaty obligations. And when you begin talking about the Korean peninsula, you are also talking about the strategic situation of Japan, only a short distance across the Korea Strait from Pusan. It is clear that a contradiction now exists between U.S. interests and commitments, on the one hand, and the American political will to fulfill them, on the other.

But this contradiction may have a message for us that goes beyond frustration in Vietnam. Is there not a fundamental absurdity involved, sensed by the American people, in sending American troops into prolonged combat with the mass, cheaply produced armies available to our adversaries? It is not only that the numbers available are entirely in our disfavor, but that, to put the matter one way, it costs geometrically more to produce an American soldier, from birth to maturity—even the lowliest product of an American slum—than it costs to produce the illiterate peasant fighter with his meager provisions and his Soviet weapons. The equations are all wrong, and the people probably sense it.

Such considerations, pointed up by our experience in Indochina, revive a basic strategic question that has been discovered, off and on, since it was first raised by Douet, Billy Mitchell, and Alexander Seversky in the 1920s: May it not follow from this that the United States must operate as primarily an air and sea power? These arms would be brought to bear in support of allies whose ground forces would handle the direct job of ground combat. It is worth noting that with U.S. air support, the North Vietnamese offensive in 1972 was turned back, the countryside becoming a graveyard of Soviet tanks. The Korean peninsula, as indeed experience has shown, provides an ideal theater for the employment of air and sea power. The South Koreans deploy a formidable land army, though they would have to face the latest Soviet weapons supplied, as always, to the Communist side.

An air-sea global strategy would bring to bear natural U.S. strengths: level of education, technological sophistication, a more individualistic and supple ethos, potential decisiveness. It could have many modes, from tactical support on up to the maximum. It would avoid the long drawn-out Communist-style struggle amide exotic terrain. It would also go some distance toward addressing the political problem, since it would signal our various allied and associated regimes around the world that unless they can field a viable ground army, U.S. ships and planes will stay at their bases.

Mr. TAFT. I hope that fundamental questions of this kind do not become put on the second shelf, just simply because we want to have a debate on overall considerations of foreign policy, which, as I say, I welcome, but I question the wisdom of debate as we have done it today on this particular bill.

I ask unanimous consent that William Lind of my staff be accorded the privilege of the floor during the debate and voting on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I commend the Senator from Ohio on his fine remarks, and I yield 15 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I will not need that much time.

Mr. THURMOND. Mr. President, before he begins, will the Senator allow me to be associated with the remarks of the Senator from Ohio, in connection with the statement he has just made?

Mr. GOLDWATER. Mr. President, I likewise; and I particularly commend our colleague from Ohio on his remarks relative to the state of the Navy. When we consider that our Navy will have fewer ships at the end of this year than we had in 1939, I think it is something to worry about.

Mr. President, before I begin the short series of remarks I have prepared for today, I ask unanimous consent to have printed in the RECORD a speech that I made on this floor on last May 20.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

NEW FOREIGN POLICY FOR UNITED STATES IN ASIA

Mr. GOLDWATER. Mr. President, because this week and next week a number of Members of this body have decided to discuss foreign policy at the same time we will be discussing weapons authorization, I desire to open that colloquy this morning.

We no longer have a foreign policy for Asia. It lies in tatters as a direct result of the Vietnam debacle. The seeds of failure, however, are rooted much further afield.

For more than 30 years, the brew has been a-boiling. Vietnam was perhaps the best example of the naivete and stupidity of American liberalism at work. For a third of a century, and culminating in Vietnam, American liberals have failed to either understand Asia or, alternately, to delineate America's true interests in that vast and important region. Let me throw out a few random thoughts to illustrate my contention.

In terms of Asian understanding—or should I say "misunderstanding"?—they assumed that they knew the best form that Asian politics should take, and politician and pundit alike never ceased to instruct Asians accordingly. Significantly, they had the prescription for turning ancient cultures into liberal replicas of "developed" countries where each Asian was to march to the tune of an American liberal drummer as he shrugged off the beliefs and certainties that had sustained his culture for millenia.

While they babbled sloppy sentimentality about "democracy" in India, they sought to overthrow "dictators" in Vietnam. When they decided to go to war in 1962, they espoused such nonsense as "winning the hearts and minds of the people" instead of a clear-cut military strategy.

They degraded military strategy. In lieu, they espoused aid projects that almost invariably failed. They then blamed the local people for attempting to make end runs around their stupidity.

When one social nostrum failed, their ingenuity proved endless—new nostrums proliferated. With the best of liberal intentions they sought to bring Western educational forms to Asian masses and ended up giving these to the rich. They wrung their hands over India's starving millions but failed to point out that India runs twice as many cows as does the United States—but does not use them for human sustenance—or, that if even two of India's provinces were farmed by modern means, the country would be grain sufficient.

For some reason, America's liberals could never see that the slightly chaotic individualism of non-Communist Asia held greater hope for the democratic growth than did Mao's regimentation. More sinisterly, these same people who bowed politely when Mao Tse-tung conquered China, said nothing when Mao slaughtered perhaps 30 million people; because to these same liberals, there are "no enemies to the left."

I could go on and on, citing sad event after sad event of this disastrous American venture in Asia. The time has come, however, not to divide ourselves further by assigning blame but to seek out new policies. Neither, however, can we sweep these vast historical events under the rug and pretend they came about accidentally and not through actions arising from a particular style of American thought—liberalism. But before we can have new policies we must first get rid of these liberal philosophies and of the men who formed them. I will try to challenge the philosophy and I will leave it to you to get rid of the men.

For my part, let me offer some thoughts, different thoughts, from those liberal philosophies which have brought such human tragedy and material loss to so many Asians and to ourselves.

I would like to divide my talk into two main themes: What is the American interest in Asia? And, what are the military, political and economic policies to attain and preserve those interests?

Besides ourselves, three great powers border the Pacific: The U.S.S.R., the Peoples' Republic of China, and Japan. Here, along with Southeast Asia, at the more southern extremity, we find almost a third of the world's peoples. The vast Pacific Ocean links them to the United States, and the varying postures these yet diverse peoples adopt cannot be ignored by the United States, neither militarily nor economically. Let me give an example or two.

Between China and the Soviet Union there is a geopolitical conflict gravely complicated by racial conflict and ideological division. As but one illustration of this, let me mention the Soviet Union's eastern Siberia, which for over 100 years both tsar and commissar have been trying to develop and populate. In this 100 years, approximately 14 million Russians have migrated into this vast region.

In the same time, however, just across the border in northwestern China, some 100 million Chinese have moved northward without any government stimulus. And, now held back by a mere political boundary, this Chinese mass looks out over the vast empty Amur River Valley, a territory as large as our Mississippi River Valley. This is but one aspect of a now tense relationship which dominates Sino-Soviet relationships and in turn affects the entire planet.

Soon the situation will become more dangerous; that is when Mao Tse-tung dies. What then will the Soviets do, especially if there is a power struggle in China, as is highly likely, with resulting internal divisions? The temptations for the Soviets to intervene will be extreme. Think of the prize-removal of the threat and perhaps the resumption of the Sino-Soviet alliance, but this time with the Soviets in the driver's seat. Here, indeed, would be the Communist monolith that the Communist theoriticians have dreamed for half a century. It almost came about in the 1950's, and would have, except for Mao's ideological purity. Here then is one possibility. Another possibility is that the Chinese would successfully resist the Soviets should they attempt intervention. In doing this the Chinese would use nuclear weapons. In this case, could the Soviets afford to expend a large proportion of their nuclear arsenal upon China and by doing so, leave the United States with an overwhelming nuclear superiority? In essence, could they afford to win against China while giving the global victory to the United States? Again, I think not. Both sides would make every effort to involve us, including the ultimate of nuclear strikes upon the United States.

As yet another example, let us look at the position of Japan, and especially, its relationship to Korea. Japan now has the third largest economy in the planet. Japan absorbs the bulk of the U.S. agricultural exports and, in turn, we are Japan's best customer. It is a relationship in which both sides have benefited and these benefits are likely to increase and go on indefinitely. No matter how one looks at it, that is a significant relationship, not only in terms of mutual benefit but also in terms of world stability. Yet, grave problems may arise in the not too distance future. Japan has no significant military power—for this, Japan is dependent upon the United States. Yet, perhaps sooner than we think, Korea, the ancient land bridge between Japan and the Asian mainland, could come under Communist attack. There are approximately 40,000 American soliders in South Korea, and we are pledged to preserve the integrity of South Korea. Despite this, I have grave reservations whether or not we would. It is not a matter of military capability but of national will. Now, Mr. President, if you were a Japanese and you saw the situation this way, how would you react? Japan could build nuclear warheads and delivery systems rapidly and if her American mentor has lost his stomach, why not? What else might Japan do? Throw in the towel and aline with the Communist powers? For us, that is an even more frightening prospect.

I hope and pray that none of this will happen but all of it is inherent in the international relations of the region. I know, too, that Americans do not like to hear these scenarios. I am giving a view of the world that is antipathetic to our historical beginnings and our concept of the world as it ought to be, and I have no doubt that my liberal friends will again level their vigorous accusations against me for being bellicose or worse. They have done this before. But the whole history of this terrible century in which we find ourselves belies their objections. The history of this century is the history of forces I have described at work—and they are still at work. And, how might the worst be prevented? Only by an America with the sufficient military power decisively to swing the balance in a manner that preserves global stability. But to do this, we must first build the military forces. Second, we must develop a strategic sense, something almost absent from American thinking. Third, we must develop and employ a forward diplomacy with all of the nations in the region. The essence of this diplomacy must be a vigorous sense of our national aims and purposes; an intimate knowledge of the political aspirations, and capabilities of each Asian friend or adversary; a sense of, and a policy related to the cultural history and cultural nuances of each Asian state, and, based upon all of these, an ability to look ahead and be prepared for all eventualities. Such preparation must include, however, one vital ingredient hitherto absent from our policies and actions.

We must not only know what we ought to do in certain eventualities but also what we cannot do. I believe we can, for example, win military victories and this is a vital ingredient. But, we are unlikely to "win hearts and minds"—and one is not dependent upon the other, despite what my liberal friends might suggest. We can clearly tell both friend and foe where we stand and what we expect from them. But, we should not go further and try to remake some other nation's political or social fabric in some fashion then currently in favor in Washington.

In essence, we must face the realities of the world as it is and not what we would like it to be. Any other posture, especially that of substituting social and political engineering for diplomacy and military strength, spells disaster for the future perhaps even greater than the one we have just endured.

We must employ the two elements critical to maintain strategic stability; namely, an appropriate forward diplomacy and the military power to back it up. This is enough to get the job done.

Now, let me turn to some other issues where I think we must abandon the illusions of the past. I am specifically thinking of economic aid. This was to be the great "wonder worker." American-built roads, American agricultural practices, American machines, American education, just plain old American money was supposed to quickly bring about something called "economic development" and, in turn, this was to lead to stability and order and, in turn, this was to lead to democracy—American style—and thence to peace and tranquility. Of all the liberal shibboleths, I think this one was the worst.

We must change it. Let me give some thoughts. I shall begin with a maxim or two.

First, economic development does not bring peace by itself. Hitler's Germany was in a vigorous phase of economic development in 1939. Second, a people cannot achieve any kind of economic development through others that they are not ready to achieve in some degree by themselves. Third, the inability of a nation to attain economic development is rarely a technical inability. Such inabilities, where they exist, are easily rectified.

The real elements curbing economic development are political systems, ideologies, bureaucracies, and cultures. Let me give some examples. The Mekong River, one of the world's great rivers, could, if it were properly harnessed for irrigation, energy, and navigation, give to Southeast Asia the material resources for an economic development program as significant as was the Marshall plan for Europe. The scheme was first mooted more than 20 years ago, but war, political incompetence, ethnic hostility, and ideology have reduced the scheme to nullity. Compared to these issues the technical aspects of the Mekong scheme are relatively simple.

To move farther afield to India, a country living close to starvation, we find that after large government investments in agricultural colleges, there are more than 20,000 persons with agricultural degrees who are totally unemployed. In that same country, there are as many more people with agricultural degrees employed within the bureaucracy as clerks.

It is doubtful if even 20 percent of the trained agriculturists are in the field. The same country criticizes us for feeding grain to cattle, yet their 300 million animals forage at will and depreciate India's already slender resources without giving any return to their human fellow inhabitants. I have no objection to India worshipping cows—that is their business. But, neither can they play both sides of the street: demand American grain which we indeed do feed cattle, while their cattle are a materially negative factor in any concept of land use. I know that all in this room have other examples and if I had time I could quote many more.

Now, let me make a proposal for aid in a different form. My proposal has several features. First, money should never be given in any form and least of all to obtain political gain for us. This simply does not work. Instead, it should be loaned, but only loaned in accordance with strict, bona fide banker's standards. No other kind of loan should be contemplated. In other words, every developmental project should be assessed a priority as to whether or not it has a viable economic future of sufficient dimension not only to achieve present economic goals, but also to pay back the original investment. Such repayment also insures that further lending can be made for development and the process can be then indefinitely continued.

The Asian countries, with our help, have already set up an Asian development bank. Let us get it going. All we must do is insure that it employs the best banking standards.

Second, let us not recoil from putting strings on aid providing they are the right kind of strings. Who should decide what is right? Basically we should.

Presumably, if we are lending for a particular project, we know a good deal about it and to set standards under these conditions is not only right but a duty. For example why should not agricultural aid to India be tied to the establishment by India of an Indian equivalent of the magnificent Joint Commission on Rural Reconstruction which has performed so superbly for the Republic of China in Taiwan?

Third, by lending and not giving, we would at once kick away the giving of money as a prop to our diplomacy in a given country. You cannot buy allies any more than you can friends. For too long now the American diplomat has used those taxpayer's dollars which passed through his hands as a spurious substitute for vigorous representation of the American position. Getting people on your side because they are being paid to do so is not the same as telling them where American stands, what we will do, why we will do it and under what circumstances. As a result of this dependence upon the aid dollar, American diplomacy has become

UMI

weak and supine as does that rich man's son towards whom daddy directs constant largesse. All in all, aid has hurt our diplomacy more than it has hurt even the recipient. Most importantly of all, as giving money does not buy friends neither does it buy allies. We should have learned this by now.

We shall obtain allies only when those potentially in this category know that their vital interests are related to an American interest and to an America that means what it says. For this, there is no substitute in any alliance, and it has little to do with dollars.

Fourth, if our liberal friends are correct in that they truly wish to encourage "nation building" as a part of economic development, well then, may I ask, "how is that task forwarded by making a nation your dependent?" Amongst many other things Vietnam surely taught us that lesson. I believe lending rather than giving is the proper posture for "nation building." For example, instead of tying giving—or lending—to the purchase of American products, let the recipient in full independence take his money to the open market and if we cannot compete with our product, so be it. Similarly, let them hire and fire what foreign experts they need. If they do not like our people, why should these be forced on them? At least give developing nations this much independence.

Here then is a program which costs less because it becomes self-sustaining; stiffens our diplomacy; promotes independence and, if the bankers are any good, will get the job done. I believe, too, this is a program the American people would understand and support.

As I have said, we do not have a foreign policy any longer for Asia; any semblance for such disappeared with Vietnam, and the erosion continues.

I interject, Mr. President, that this paper I am presenting was written before the courageous and wise action of the President relative to the ship and Cambodia. I think that signals a foreign policy that has historically been linked with America.

Thailand is the latest. Here is a traditional ally which has now said to us, Thailand's ally and most powerful country in the world, "an alliance with you is a liability—go!" Thailand's posture should prompt some thought and as I think has been generally recognized, our credibility to both friend and foe is now at zero in Asia. Yet, as I see the future in Asia, we Americans and the world at large face incredible dangers in the region which cannot be avoided.

The basic aim of Communist hegemony is alive and well. Whether such be sponsored by the Soviets, the People's Republic of China, or both. Peaceful coexistence became détente but either, if one believes the Communist theoreticians, are but tactics of warfare. The Communist powers believe that the capitalist world is collapsing of its own contradictions. They believe that direct confrontation at this time would only alert the capitalists to these dangers. Confrontation in the form of active warfare is held for later for the coup de grace.

I have talked of but a tiny percentage of the dangers that lie ahead of us. But Asia is also full of vast opportunities. These exist in terms of trade and commerce, intercultural relations and the building of a peaceful, stable world. But, we must take action. The old ideas and their initiators must go. If we do not find new ideas and new men we will retreat from Asia into a narrow isolationism. What else can the old ideas and their initiators do but that? But, that will not remove the dangers. All it will mean is that we shall wake up one fine morning—as we did with Cuba—and find that our national lethargy has painted us into a corner from which escape will at best be precarious for us and dangerous to everyone on this planet.

The nuclear confrontations that our liberal friends, or new isolationists, so much deplore will then be upon us. I especially call upon my colleagues in Congress to demand of the Executive, new concepts, new initiatives, and new long-term programs and these can only arise with new men. We have such persons. Let us tap some of our latent human resources and get the job done. The stakes are high. The time is short.

Let me offer six planks upon which I believe a new policy for our country in Asia needs be fashioned.

First, we must promote vigorous but equitable trading relationship with all our Pacific neighbors with the object in promoting our mutual economic stability. For too long trade and commerce have been divorced from foreign policy with the latter lapsing more and more into an academic plaything too pristine to be contaminated by the marketplace. This must stop. Foreign policy and trade are intertwined. Surely the Middle East situation has taught us this much. Let us then admit a reality long in being but short on recognition. We want a large and growing trade with Asia and this is a diplomatic task. Sure, we shall be accused of economic imperialism. That will happen anyway. In this case, let us be honest economic imperialists and I assure you that we will at least obtain respect and we will gain economic benefit for ourselves and our trading partners.

Second, let us formulate a new aid policy. I have given an outline today and let me add a few thoughts.

Our objectives should be simple. Never dependency; lend, not give, and promote thereby independence for those who work at it. And let us not be squeamish regarding establishing criteria for aid. For if we do not know how to do a job in its total technical, economic, political, and cultural content then we should stay away from it until we do.

Third, in conjunction but not in conflict with this new aid policy we should declare a policy of noninterference in any other nation's internal affairs especially relative to ancient cultural fabrics. Our interest in a nation's integrity should arise only when an attempt is made to export to that nation an alien political value by force and our help is sought. There should be no doubt in our minds, however, that if we have, after deliberation, entered into a commitment with a friend, we will intervene, decisively and quickly, and leave equally quickly and cleanly when the aggression has been stopped.

Fourth, we must quickly, within the next year, formulate a key statement relative to the Pacific Basin, basically incorporating what I have enumerated so far and declaring that no power or group of powers will be permitted to exercise hegemony over the Pacific Basin.

Fifth. We must create the military power, in degree and of a kind, to support our policies.

Mr. President, I emphasize this because, beginning today or tomorrow, there will be a debate dragged on to some extent by those people in the Senate who want to isolate America and unilaterally disarm us at the most critical time of our history. I suggest that foreign policy, the authorization and appropriations for military uses are woven together as one.

Last and most important of all, let us begin a forward diplomacy with friend and adversary alike with the objective of removing any doubt as to what our policy is, the nature of our strength and the validity of what has to be a new national resolve. I think you will be surprised, should we perform this diplomatic task promptly and skillfully, at the number of friends who yet remain. They await our leadership. It is our role in history to provide such. They will respond.

Thus, I am stating two things. First must be a firm abandonment of the old liberal policies that have brought us to this sad and even desperate strait. Second, I ask instead for a new American realism. It will call for new concepts, new skills and new men. I know that we have all three in profusion if we will but call on them.

Mr. GOLDWATER. Mr. President, it is often said that our security is based on deterrence and that deterrence is based on our ability to fight effectively.

What is rarely said, however, is that successful deterrence is based on Soviet views of what we have and where we are headed and what we say—not on what a Member of the U.S. Senate believes is adequate and certainly not on what a Senator believes is a better ratio of defense and domestic spending at home.

What we do here this week will either impress or encourage the Soviets. I do not know what is in the minds of the men hidden in the Kremlin, but I do know that no Soviet leader in his right senses will be other than encouraged if we reduce our defense funding and defense forces.

Our forces today—in terms of numbers of divisions, ships, planes and men—are back to the Louis Johnson level. This is the pre-Korea, pre-NATO, pre-Soviet-nuclear level which failed disastrously to deter Communist expansion, Communist probing and Communist troublemaking in the early fifties.

U.S. Armed Forces have been reduced again since 1968, and we can see deterrence of Communist expansion, Communist probing and Communist troublemaking deteriorating again in direct proportion to our reductions. It would defy commonsense to argue that further reductions this week would somehow turn the world around and change the Communist stripes.

NONNUCLEAR DETERRENCE

I remind you that deterrence is not just our path to peace and security in nuclear war. We must also deter nonnuclear war through the modernization and expansion of our general purpose forces.

General purpose military forces must be flexible enough to deter or prevail in a variety of contingencies that only the Kremlin and its client states can forecast. Flexibility must be complemented by numbers—numbers which in Soviet and other foreign eyes provide an adequate balance and counter to enemy forces on land, sea and air.

American forces must be ready in an instant and must be deployed to vital forward locations if they are to deter or fight successfully.

EUROPE AND NATO

Europe is most important to us, and we are committed through NATO to help in the collective Western deterrence and defense. Our NATO allies supply the bulk of the fighting men, but the U.S. forces in central Europe and those available for quick movement there are essential to the effectiveness of NATO. We provide leadership, technical progress, and a moderate number of the best-trained fighting men in the world.

If these forces are kept well armed and on the alert, and if they clearly have the support of the people and the political leaders at home, then the chances of war or serious crisis will be sharply reduced.

ACROSS THE PACIFIC

The grim events in Southeast Asia should be a lesson to us, not an excuse to abandon deterrence across the Pacific. Where we retreat or stumble, Communist powers will move forward. We must maintain forward bases in the Pacific and Asian areas and be present on the seas and in the air overhead.

Mayaguez was only one example of a Communist government flexing its muscles to see how far it can go in restricting American rights. We prevailed in that test, and our success should help deter other probes by other countries. But *Mayaguez* would have failed if our forces had not been in Asian waters, ready for action and superbly trained for flexible limited military operations in the national interest.

THERE WILL BE PROBES

But other probes will be made elsewhere if our enemies see signs of a lack of military capability or determination on our part. What we do here this week will provide the clues they seek about the distance they can move to encroach on our interests without a penalty. Amendments will be offered on the floor this week to further reduce U.S. military research and development, major U.S. weapons, and U.S. military manpower.

Mr. President, in my contacts with friends of mine in nearly every nation on this globe—and these contacts are rather constant—the question more and more and more is coming to me what is happening to the United States? Where is the national will? Where is the will of Congress that used to prevail? Where is the backing of the Chief Executive that used to be taken as a matter of course? Where, Mr. President—and these questions continue—will the United States go if they are faced with questions in Korea, questions in the Philippines, questions in Panama, questions in the Middle East?

We cannot sit here in the Senate Chamber and say blithely these things cannot happen. We never dreamed 25 years ago that we would become involved in Southeast Asia, a country not much bigger than the State in which I live, and be defeated in that country by inferior forces.

But, Mr. President, we forgot several things down there. We forgot that other people had national will; we forgot that this is one of the great strengths of the Communist. I do not care where he lives. He has a will, a will to win, a will to prevail, something that was part of our national pride and our national life, but is gone, Mr. President, that has gone from the American scene.

It sickens me to think that my grandchildren might have to live in a country that Stewart Alsop described just before his death to his brother Joseph when he said:

Joseph, I think we have seen the best of America.

There are times when I have to say that I think that also.

Now, Mr. President, relative to the amendments that will be offered, laudable reasons will be given for across-the-board cuts. But our actions are being watched by our friends and our foes around the world.

Shall we encourage our foes and lead our friends to despair and to further accommodation with the enemy? Or shall we encourage our friends and give pause to our foes by giving solid backing to our Armed Forces? The reality that must lie behind our policy of deterrence and peace, Mr. President, is simply the size and guality of our forces and the national courage, plus the congressional guts to use this power if we have to.

Let us insure right here, this week, that we send the right message to the right people.

Mr. President, a lot will be said this week by members of this body relative to foreign affairs and the very important subject of military authorization and procurement. A man who is is not a member of this body has written one of the best, most succinct, understandable approaches to the subject of foreign policy and military strength that I have seen, and I think it is very important that the readers of this RECORD have an opportunity to study his statement. It is a European byline written by Mr. Arnauld de Brochgrave who is the senior editor of foreign affairs for Newsweek. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EURO BYLINER

(By Mr. Arnauld de Brochgrave)

The U.S. "defeat and retreat" theme has been pounded day in and night out on Europe's air waves. Top honors, as usual in this type of contest, went to the French. French-speaking Vietnamese kept repeating "les Americains nous ont trahi (The Americans have betrayed us)." "What are you afraid of?" one of them was asked. "Only Communism," the Vietnamese replied and then quickly added, "but don't count on the Americans to save you. They are treacherous friends."

Marxist-influenced writers have barely managed to conceal their glee over America's "historical decline." Le Monde's editorials have long referred to U.S. "imperialism." Now France's most important paper editorialized that the era of U.S. fascism abroad," at least in Southeast Asia, had come to a close. No small wonder that not one West European government dares respond to a U.S. request that they denounce Communist aggression in Indochina.

"America now faces its first defeat in its 200 years of independent history," said the Financial Times. Frank Giles, a senior editor of the Sunday Times, wrote that "for the Europeans and other allies of the U.S. the greatest cause for concern in the future . . . is not the fear of American isolationism or bad faith or unreasonable self-interest, but the sheer confusion and element of unpredictability now prevailing over the formulation of foreign policy."

The subliminal impact on European decision-makers, policy-planners and the man and the woman in the street has been tremendous. To argue that the final victory of the black-pajamaed disciples of Karl Marx over the greatest power the world has ever known will not affect the trans-Atlantic connection, said one British Conservative M.P., "is either naive or a distortion of the facts."

The most pro-NATO parliamentarians in all of West Europe are in West Germany and they are now asking questions never posed before. Said Karl-Heinz Lemmrich, as CDU specialist on European security: "When World War II ended I was a teenager in Stadtlim and to our great relief U.S. troops beat Soviet forces into our town in the nick of time. The commanding U.S. general summoned the population to the city square and solemnly assured us that U.S. troops were there to stay. Two days later that same general turned our town over to Soviet occupation forces and it has been in East Germany ever since. I dismissed this unhappy experience over the years as part of the fortunes of war.

"Now it has come back to haunt me. The Americans did nothing to interfere with the erection of the Berlin Wall 15 years later. Now, 30 years later, I am convinced they would not go to war if the Soviets decided to straighten out what they would doubtless call a 'cold war abnormality' and made an overnight grab for West Berlin."

Dozens of almost completed reports on NATO and European Security for WEU and various strategic institutes are now being redrafted or amended. They will contain more alarm bells than before. The Soviets are speaking with several voices. On a government to government level they are busy reassuring everyone about detente and how anxious they are to maintain the European status quo. But at every other level, they are waging a major de-stabilization campaign—from Portugal to Norway—emphasizing the unreliability of the present security system, talking up the dismantling of the two military blocs and vaunting the merits of a Pan-European collective security pact. Governments are not taken in. But public opinion—and a growing number of parliamentarians looking for pretexts to cut defense spending—is listening with renewed interest. Britain's major cuts in defense spending are already having a ripple effect on the continent. "If Britain can cut, why can't we?" they ask.

Lionel Bloch, writing in the Daily Telegraph, said "the era of that nefarious admixture of half-Soviet anaesthetic, half-Western alibi, is drawing to an end. What will we find on the cold morning of our awakening? A Western world with depleted remnants of under-equipped armies, unable to protect its relative opulence, its much-abused freedoms, its indispensable trade routes and its sources of raw materials."

Policy planners woke up long ago. But national concensus politics dictate a sort of fatalistic acceptance of a drift into neutralism. Government leaders feel they can only lose votes by blowing the whistle while opposition leaders (Britain's Sir Keith Joseph is now drafting an anti-appeasement appeal for delivery in late May) occasionally raise the alarm but their utterances are buried on the inside pages. Russia's biggest ever global naval exercise (220 ships deployed in five oceans—Pacific, Atlantic, Mediterranean, Indian Ocean and Arctic) was similarly buried in three or four paragraphs of minor news items.

Patriotism has long been dead in Europe. The alternative faith in self-preservation—supranationalism—never took hold. In quick succession two weeks ago, Jean Monnet, "Europe's" founding father disbanded his "Action Committee for a United States of Europe" and finally retired; an EEC-commissioned report by Robert Marjolin was, in effect, a death certificate for the attempt to

UMI

create a European economic and monetary union; and Sir Christopher Soames, EEC's "foreign minister", decided to quit and go back to British politics.

Pacifism is now spreading. Moscow's friends and sympathisers are strategically placed to make sure that any serious moves on the political and defense fronts will quickly be denounced as a revival of the cold war. Policy planners fear that it is too late to reverse course. The long shadow of growing Soviet military power, coupled with America's shrinking shadow, has already achieved a large part of its objective—the demoralization of NATO theologians. Even if the Soviets continue to increase their military power five to ten per cent a year as they have been doing in Europe and on the high seas, the Europeans have come to the conclusion that there is nothing they can do to keep up militarily with inflation—let along come up with a credible deterrent.

There is a feeling in Europe that great mutations are now in gestation. It is not the resolve of the U.S. government that concerns the decision-makers. They accuse the Ford administration's reassurances at face value. But even the most pro-Americans feel they have become pretty meaningless in terms of planning for the years ahead. What Thailand and the Philippines have been saying publicly is precisely what European officials have been telling me privately. They are shocked and appalled, not at the Communist victory in Indochina, which they had been expecting, but at Congress' behavior which made the U.S. defeat that much more spectacular. What concerns them is Congress and the U.S. mood and what the Sunday Telegraph's Peregrine Worsthorne described, after a trip to the U.S., as "Senators seeming to take pride in proclaiming their faith in American impotence . . . as if their recognition of the inevitability of defeat was a form of high courage which would earn them an honored place in history . . . posturing proudly before the TV cameras, for all the world as if sealing the fate of South Vietnam was their finest hour, the moment when they walked with destiny. What is extraordinary and shocking about the manner in which the U.S. has observed the collapse of its client-state is its undertones of self-congratulation; not so much a trauma, more a cause for satisfaction."

"If Congress had made some wise decisions in the past few months," said one of Kissinger's opposite numbers, "it would only be a demi-mal. But they have triggered an unraveling process that will come back to haunt us much sooner than any Congressman seems to realize."

Decision-makers are more concerned with the 1973 War Powers Act, which they feel was the signal to Hanoi that they were now free to complete their conquest of Indochina, than with the final defeat. "We have come a long way from the days when Senator Fulbright argued (in 1960) that 'the source of an effective foreign policy under the American system is Presidential power. The President has the full responsibility, which cannot be shared, for military decisions in a world in which the difference between safety and cataclysm can be a matter of hours or even minutes," said one of the foreign ministers privately. "The U.S. umbrella over Europe," he continued, "can be closed by Congress when it is most needed and without that umbrella West Europe becomes the very exposed Westernmost tip of the Eurasian land mass." Congress, as they see it, has usurped the President's foreign policymaking powers and the U.S. has now become an unreliable partner.

There is bound to be a closing of ranks with the U.S. at the NATO summit in Brussels at the end of the month and a reaffirmation of the now ritualistic fidelity to the basic principles of collective Western security. But the planners already concede that the exercise will be largely cosmetics inspired by internal political considerations in the U.S. The drift on both sides of the Atlantic, clear for some time, is now accelerating. What the polls say these days is more important than what Ford may say at a NATO summit and that is that most Americans are not prepared to fight for West Europe, even if the Soviets tried to take over. And in the field of trade, Congress has obtained oversight powers unmatched in any other Western democracy—which to Europeans can only spell nationalistic protectionism.

They still believe in the U.S. commitment, at least on paper, and they realize the difference between Europe and Southeast Asia. But they also believe that disenchantment with all foreign entanglements runs very deep in the U.S. where commitments are contingent on a strong executive. Gerald Ford says there will be no unilateral withdrawal from Europe but no one believes a U.S. President can make such a decision stick in the future. More important is the American people's opposition to interventionist policy anywhere.

Europe's planners know that their U.S. opposite numbers have concluded there is little that can be done to stop countries like Portugal today and perhaps Italy and Greece tomorrow from going Communist or little England from falling prey to Marxist economic influences. The U.S. no longer sees its security tied to the survival of democratic regimes in West Europe but on its bilateral agreements with the Soviet Union (e.g., SALT) which, in turn, encourages neutralism in Europe. Washington does not appear to be as concerned with the kind of political regimes that are now, or may in the future, rule allied countries. Moreover, NATO is not equipped to deal with "inside" jobs or flanking political movements.

They agree with Ford's description of U.S. foreign policy—a collection of special economic, ethnic and ideological interests. Bipartisanship is dead. They have seen the past year as a succession of U.S. fiascos—Cyprus, followed by Greece's exit from NATO's military structure (and the end of Sixth Fleet homeporting arrangements this week), the Turkish military aid cutoff and the final dismantling of NATO's southern front, and the collapse of Mideast peace efforts that many believe will lead to yet another regional war this summer or fall and yet another oil embargo.

The Belgian Prime Minister scores more points at home shaking hands with Mao in Peking or on a state visit to Poland than he does trying to carry out his mandate to relaunch European political union. Belgium's Kink Baudouin and Denmark's Queen Margrethe will become the first reigning European monarchs to make state visits to the Soviet Union this summer. All this reflects a growing belief that there are East-West panaceas that are going to make large defense expenditures unnecessary. Political leaders tend to take the line of least resistance because they don't believe they can rely on the U.S. much longer. Politicians privately concede that they can see all the dangers and pitfalls but they are also thinking of their next election campaign and of short-term policies that will enable them to siphon defense funds to cover yawning deficits in social services.

Thus the stage has been quietly set for the progressive "Finlandization" of West Europe. Rightly or wrongly, planners and experts look at what they call the paralyzed American giant, and irresponsible and increasingly isolationist Congress, and can now see that their political leaders, in the event of political pressure from Moscow in the future, would probably decide that it would be unwise to do anything that the Soviets might regard as "provocative." Under this scenario, NATO would gradually wither away while Western countries retained the illusion of freedom. Next, said one, the Kremlin will want the unacknowledged right to veto the appointment of ministers they consider unfavorable (as they now do in Finland).

One Danish politician was laughed at a few months ago when he suggested disbanding the armed forces and substituting an answering machine which would say in Russian, "we surrender." But that is increasingly the European mood. Youth sees no point to military machines. Some 35,000 Belgian youngsters recently demonstrated against the purchase of any kind of warplane to carry the Belgian air force through the next 15 years. Belgium's Etienne Davignon, the man who runs the International Energy Agency and who tries to coordinate policy among the nine common marketeers, engaged some of these youths in a dialogue. They argued that their air force would not make a particle of difference in case of war and it might as well be disbanded. Davignon rejoined that Belgium was committed to supply one of the components of the overall NATO defense and that if all NATO members followed their argument to its logical conclusion Europe would become a very tempting vacuum for the Soviet Union. "So what, university students replied, "if the Russians take over West Europe, sooner or later they will have to leave, just as the Germans did. Soviet occupation won't destroy Belgium anymore than the German occupation did." When Davignon asked them who would push the Soviets out, they shrugged their shoulders and didn't answer.

Under normal circumstances this could be put down to political immaturity. But a few weeks later, the Dutch Socialist Party Congress came out with a resolution that disowned its own ministers in the government—and rocked NATO circles. The Dutch Premier, in turn, disassociated himself from his party's strictures which had ordained stringent terms for continued NATO membership. Dutch socialists emulated the Belgian students and came out against either the U.S. F–16 or the French Mirage as a replacement for the aged F–104. Instead, the party platform decreed, Holland should opt for a light, strictly defensive plane which could not carry tactical nuclear weapons.

Other party demands:

Pull out of NATO if by 1978 alliance members have not made a contribution to détente by solemnly declaring that they will never be the first to use nuclear weapons (even in the event of a Soviet conventional attack). NATO members should also agree to include America's 7,000 tactical nukes now in Europe, which include "dual-key" weapons shared with some allies, in MBFR negotiations (a principal deterrent against Russia's overwhelmingly superior conventional capability).

Holland to withdraw from NATO if the French nuclear deterrent plays a role in Central Europe under any sort of joint European defense arrangement to which West Germany would be a party.

Holland must oppose any merger of the French and British nuclear arsenals in a common European deterrent.

No increase in NATO's military potential for the next four years.

Creation of a Europewide zone free of atomic, bacteriological and chemical weapons.

The script could have been written in Moscow. Dutch ministers were so worried by the implications of these resolutions that they debated privately the advisability of fighting the next election over the NATO issue. They are convinced they would win. But others can see a dangerous precedent; if an election can be fought and lost on the same issue in Holland or elsewhere in the future. Britain's House of Commons now contains eighty Marxist sympathisers and so-called "fundamental socialists" vs. 40 at the last nose count. Britain's referendum on whether Britain should get out of EEC is now a straight fight between Marxists and anti-Marxists and Harold Wilson, paradoxically, now depends on conservative support.

Such is the mood and temper of Europe, largely unreported in the U.S. where attention was focused on the Mideast and Indochina. There is no positive vision in the Western world which makes it easier for Marxists to maneuver Europe's social democrats further than they feel it prudent to go.

The European Security Summit Conference (33 European nations from east and west, plus the U.S. and Canada), Leonid Brezhnev's cherished dream before retirement, now assumes greater importance than ever before. The West had hoped it would become a genuine breakthrough to real détente. But the planners are now convinced it will be snare and delusion. The Soviets have made a few minor concessions during the last 29 months of negotiations on a freer exchange of people, ideas and information. But the preamble of the charter to be signed at the summit (probably in September) says the implementation will remain the voluntary prerogative of national governments—i.e., Moscow is not committed to deliver. Eastern diplomats even had the audacity to argue that a freer exchange would be a one-way street because Bulgaria, for example, had already printed one million copies of the translated works of Shakespeare but that Britain had not yet guaranteed that a million copies of Bulgaria's classics will be sold in Britain in English.

The east has agreed to more travel (but only in organized groups), an end to radio jamming (if the West pledges to control what's broadcast) and advance notification of military maneuvers (on a voluntary basis).

The Soviets will continue to exude sweetness and light and open up new vistas of a new Pan-European era which will, inevitably, accelerate pressures for major defense cutbacks. For Western opinion, detente means the end of the cold war. For the Soviets, it is a vehicle for (1) "peaceful intensification of the international class struggle against Western social systems" and (2) access to advanced technology to strengthen Russia's economic base and military capability. Confirmation has now come from the horse's mouth when A. I. Sobolev of the Institute of Marxism-Leninism wrote in "Working Class and Contemporary World" that "peaceful coexistence" makes it easier "for the socialist countries to render considerably greater aid to all peoples who are embarking on the path of revolutionary transformations."

The Kremlin is less inclined than ever to liberalize. Its military buildup on the European front continues from year to year (now 17,000 frontline Warsaw Pact tanks on the central front vs. 6,800 for NATO; with another 23,000 Soviets tanks on other fronts and in reserve). And everyone is convinced that this tremendous power is not destined to roll over West Europe but to back up Moscow's political "wishes" after U.S. troops have finally phased out of the continent. Europe's planners speculate gloomily that their military weakness, lack of political will to create a viable European entity, economic recession, and widespread social unrest fanned by irresponsible union leaders, will leave their political masters little alternative but to go through a negotiating charade and, in effect, give in.

To resist these pressures will be tantamount to casting oneself in the role of cold warrior. Wildcat strike actions by militant Marxists have become deliberate attempts to plunge economies into deeper recession in the hope that this will lock them into Marxist "reforms" from which there will be no turning back. After days of urban guerilla warfare between Marxist and Fascist extremists in Italy recently, the Communist Party enhanced its image as the moderate law and order party that could keep the restless masses under control—if only it could share power with the Christian Democrats.

Anti-Communism has long been out in Europe. But anti-capitalism is now very "in" and Marxism has been revived as a counter-religion. The Marxist label does not carry the opprobrum of communism. The thrust of Marxist action is increasingly clear on European TV channels where Marxist sympathisers acquired junior jobs in the heady days of the 1968 revolution and have now become influential. A soon to be published report on "The New Dimensions of Security in Europe," has come to contribute to the Marxist revival and to the reduced self-confidence of the advanced, non-communist countries . . . "for the first time since the world depression 'capitalism' itself seemed to be in danger . . . (true or false) is not the issue. The point is that the proposition that 'capitalism' was entering its final, general crisis, gained a new credibility in the eyes of the adherents of the various Marxist groups, swelling the number of new recruits."

Again the subliminal message of Marxist-oriented programs on TV has contributed to the steady demoralization of established institutions and their leaders. I have met several prominent private bankers and captains of industry in recent weeks who believe that if this Marxist campaign continues unchecked, free enterprise will be dead within ten years.

A sampling of Marxist-inspired productions on Europe's air waves in recent weeks (that I have seen personally):

A bitter denunciation of the allegedly vicious explcitation of Scottish oil riggers in the North Sea by their wicked Yankee capitalist bosses, later broadened to an indictment of the capitalist ruling classes—the Play of the Week of BBC–TV.

The exciting, purposeful life of a Palestinian female teacher in a revolutionary society who goes on to become a hijacker contrasted with the purposeless, empty life of a Belgian female factory worker in the consumer society whose only excitement is to enter a local beauty contest—a Belgian "Reportage-Fiction" shown on Swiss TV.

A nostalgic, evocative recreation of the Communist-Socialist alliance in France in 1936 in which anyone opposing the experiment was cast in the role of a fascist (or a dodo)—a documentary titled "Power to the Left" on French TV.

A debate on the media during which journalists argued there would be no real press freedom as long as papers are privately-owned and have to show profits to survive and suggested instead "an independent status for the media in the public sector"—on French radio.

In Britain last week, militant Marxist leaders railroaded the 28,000-strong National Union of Journalists into resolutions which, unless reversed, will sharply curtail press freedom by forcing all editors-in-chief to join the union and ban outside contributions written by non-union people.

In order to undermine non-communist societies, the ISC report (to be published later this month) says that "Marxists of all categories seek and obtain employment in educational establishments at all levels in the media and in publishing; penetrate Western parliamentary institutions, either (via the CPs) as in France and Italy, or as members of social democratic parties, as in Germany and Britain. In some countries, entire universities have been 'Marxicized' in this way; in others faculties have been taken over, especially in departments of politics and sociology, with consequent changes in curriculum.

The danger, as all of Europe's key policy planners see it today, is that slowly, almost painlessly, Russia's de-stabilization efforts in a much weakened and divided West Europe, will lead the continent into a kind of Pan-European limbo as it continues to slip into Moscow's political orbit.

Mr. CRANSTON. Mr. President, the debate this afternoon followed, to some extent, our plans insofar as content was concerned, but not fully. Therefore, those of us who have been trying to arrange for a somewhat orderly debate where various Senators could appear at particular times to participate in regard to particular topics are going to seek to follow the following schedule tomorrow, although we recognize we may not be able to adhere to it fully.

Following the special orders and the morning hour business, this would be the program when we take up the military procurement bill in terms of further discussion and debate.

From 10 to 11:30, American foreign policy after Vietnam.

From 11:30 to 1, strategic policies.

From 1 to 3, strategic force needs.

From 3 to 6, national security and national priorities.

Mr. President, I would like to have printed at this point in the RECORD some position papers on defense prepared by several Senate staffers.

I ask unanimous consent that they be printed in the RECORD.

There being no objection, the position papers were ordered to be printed in the RECORD, as follows:

POSITION PAPERS ON DEFENSE

(By Senator ALAN CRANSTON)

Mr. President, I am submitting for the RECORD a compilation of papers prepared by several Senate staffers, and intended to raise questions concerning Secretary of Defense Schlesinger's annual defense posture statement. They drew inspiration from a similar document prepared in the House under the direction of Congresswoman Schroeder.

In submitting these position papers, Mr. President, I do not endorse all the views therein. But I submit it as an important attempt by congressional personnel to counter the voluminous output of the Pentagon.

A RATIONAL NATIONAL DEFENSE

Each year, the Secretary of Defense proposes to the Congress a defense budget to achieve objectives and fulfill policies described within the defense posture statement. The Congress, with a variegated Committee and Subcommittee structure, rarely debates the underlying foreign and military policies which are woven through the defense budget request. The Military Procurement Bill contains authorizations for procurement of weapons systems and for research and development of new systems. However, additional weapons and equipment procured by DoD are not considered at all by the Armed Services Committees. They appear only as part of the final DoD appropriations bill. The Military Procurement bill also authorizes a ceiling for the military and civilian forces for the Defense Department. However, the actual salaries, quarters, maintenance costs are not considered until they form part of the appropriations bill. The actual construction of new facilities, either in the U.S. or at any of the 1700 minor and 300 major bases strung out across the globe, are authorized in the Military Construction bill. Only when the full Defense appropria-

UMI

tions bill comes before the Senate is there an accounting of the annual cost of defense activities.

By then, the major decisions on strategic forces, on conventional force planning and on manpower utilization already have been taken, usually without major debate on the underlying defense policy issues themselves, and virtually never after any debate linking defense and foreign policy objectives.

This year, the Department has requested $104.7 billion for defense, $15.7 billion over last year's spending level. In addition, of that increase, $8.3 billion, or more than half was proposed within the procurement and R & D section of the budget, which traditionally involves less than a third of the total Department expenditures.

The Department also has proposed to increase the number of army divisions from 13 to 16 and to increase the number of tactical air wings from 22 to 26.

Since the budget was prepared late last year, these proposed increases were made while there was a clear drain on American military resources in Southeast Asia, at a time when few were predicting the rapid decline and fall of South Vietnam and Cambodia. Thus, we have a series of requests for major increases in conventional combat forces and in conventional weapons systems while a major determinant of foreign and military policies has disappeared from the arena.

In the aftermath of Vietnam, it would appear desirable to examine the underlying and general purpose force policies now being used by the Department of Defense and to suggest alternatives for consideration.

At the same time, we have included a listing of weapons systems which many observers, including former high Defense Department officials, have questioned for reasons of efficiency, of cost and of effectiveness.

We basically believe that substantial reductions can be made in the levels of funding approved by the Senate Armed Services Committee. We believe as well that many of the weapons systems could be delayed, re-designed or terminated without affecting our military structure, in some instances, freeing us to consider other more effective and less costly options.

STRATEGIC FORCES

The most critical task of U.S. defense is to deter a strategic nuclear war, launched by one or more possible aggressors. Without such a deterrent capability, little else in the U.S. force posture would have much meaning; the risks of nuclear war would become unacceptable.

For more than two generations, the United States has provided itself with the capacity to deter nuclear attack. The commitment is real; it is universally shared within the U.S. Government, and the necessary forces and means of employing them have long ago been provided.

Thus, the philosophy of deterrence, evolved over many years, is relatively simple. We require only the capacity to inflict unacceptable damage upon potential aggressors. This capacity we long ago achieved, in a series of complementary and redundant systems of massive striking power. In fact, the United States can destroy any potential enemy with only a fraction of its nuclear strike forces. What we actually have in our nuclear arsenal ensures a level of "overkill" that is staggering—and that is subject to no real threat from any quarter for the indefinite future.

This certainly is reinforced by limitations reached with the Soviet Union on the deployment of defensive nuclear weapons systems—systems that could intercept and destroy our nuclear weapons. Thus the Soviet Union and the United States have both abandoned serious efforts to prevent a nuclear retaliatory strike. They have both accepted the doctrine of mutual deterrence—mutual assured destruction—as the only means of gaining high confidence that there will be no temptations to launch a nuclear war, or few if any temptations to act in ways that might lead to a mutually-destructive nuclear war.

Do we therefore need to keep adding to our overkill capacity? The answer is NO. The conclusion is clear: we need only to maintain our capacity to respond to any nuclear strike, and our commitment to mutual assured destruction. In fact, controlling the arms race is in our national interest—both to ensure that neither the U.S. or the Soviet Union will see threats to its capacity to deter nuclear attack, and to focus attention on increasingly important issues, like nonproliferation and the health of our domestic economy.

There is little reason—and some risk—in either the United States or the Soviet Union continuing to build yet more strategic systems, or to upgrade those that already exist.

Thus, the nation has an opportunity to maintain military security while reducing the costs that threaten our economic security.

Instead, U.S. strategic planning has been dominated by a drive for technological advancement for its own sake, irreverently but accurately known as the "new toy" syndrome. Specifically:

1. The decline in spending on strategic systems over the past decade is sometimes cited with alarm. This argument neglects the fact that a strategic deterrent, once deployed at great expense, can be maintained at full effectiveness at considerably smaller expense.

2. U.S. strategic forces are compared against Soviet counterpart forces. For example, the strategic section of the annual report of the Chairman of the Joint Chiefs of Staff opens with a series of charts comparing U.S. vs. Soviet forces in terms of numbers of ICBMs, numbers of SLBMs, etc. Both nations can destroy one another several times over. Destruction is, after all, destruction. So long as an adequate second strike capability exists, attempts to draw exact parallels are misleading.

The Secretary of Defense has placed considerable stress on the danger of "perceived inequalities." This concept can fairly be paraphrased as, "We know it doesn't matter which side has a more effective force as long as both can perform their missions beyond a doubt. But other nations are not so sophisticated." This is a self-created peril which can then serve as a misleading justification for further unnecessary spending on strategic weaponry. Doubt concerning the validity of the U.S. strategic deterrent comes principally from those who plan it, and who then expect the American people to spend billions of dollars to reduce "perceived inequalities" which could have been erased entirely, and at no cost, by simple statements of well-founded confidence in the validity of the American strategic deterrent. Soviet leaders have shown through speeches and statements that they appreciate the fact that beyond a certain point extra strategic weapons become irrelevant and add no more to deterrence. And our allies will not be impressed by "perceived inequalities"—provided we do not create a self-fulfilling prophecy by implying that our will to act is our own and our Allies' defense is weak.

Comparisons of U.S. vs. Soviet spending levels are particularly specious. Instead, comparisons of U.S. and Soviet spending should be calculated not at U.S. price levels for both sides, or Soviet figures will be inflated to create a misleading impression of Soviet strength.

It is also disingenuous to emphasize yield, throw-weight and numbers of missiles—in which the Soviets are superior—without giving equal emphasis to accuracy, reliability, and numbers of warheads—in which the U.S. is superior. This is particularly true when we consider that in terms of counterforce capability, accuracy is as important as the cube of yield. Because of extensive publicity given the large size of the Soviet ICBMs, most Americans and most members of Congress today believe the Soviets to be far ahead of the U.S. in counterforce capability. In fact, when all factors of accuracy, numbers of weapons, yield and reliability are considered, the U.S. is ahead, and its lead is programmed to increase during the next few years. Similarly, U.S. bombers and missile submarines are far superior to their Soviet counterparts, widespread misinformation to the contrary notwithstanding.

Of course, there is value in a relative balance of U.S. and Soviet nuclear might, to guard against any risk of "perceived inequalities." Yet we are at least "equal" to the Soviet Union in real terms. And we are also in a "zone of perceived parity", and will remain so for some time, regardless of current Soviet force planning. The effort to secure limits on new Soviet forces should continue; but there is no justification for fueling the nuclear arms race ourselves.

The argument most often cited for continuing with new U.S. programs is that new Soviet forces, could, in time, threaten the survivability of our land-based Minuteman missiles. Yet this argument always ignores the difficulties of coordinating an attack against missile systems, plus the continued existence and security of our many bombers maintained on alert, and of the Polaris/Poseidon force to which there is no known counter.

There is grave risk in reacting to a potential Soviet threat to Minuteman, by building new missile systems of our own, especially when these could be perceived as threats to Soviet land-based systems. In time, we may choose to take steps that will increase the survivability of Minuteman, but new offensive systems—or qualitative improvements to old ones that are destabilizing—is not the way. The risks to arms control efforts are apparent.

Furthermore, there is renewed interest in the Defense Department in being able to control a nuclear war with the Soviet Union. But the means chosen to control a war actually make that war more likely by eroding the deterrent capabilities of the Soviet Union. Thus, the added "flexibility" (of which there is already enough to eliminate the need for a "spasm" nuclear response) could prove to be a dangerous course to follow.

It is highly doubtful therefore that the U.S. has anything to gain—and highly likely that it has much to lose—by improving warhead and missile technology in a way that would threaten Soviet land-based missiles—just as we are concerned about the deployment of new, Soviet systems that could attack Minuteman. Arms control efforts are the answer and a serious effort by both sides to understand the risks of eroding the security of mutual assured destruction is desirable—not the addition of a "hard target kill capacity" to U.S. strategic systems. Nor has the experience of arms control efforts provided any basis for believing that "bargaining chips" will promote arms control. Rather they establish a new "floor" on arms, at a higher level, and complicate the process of reaching real agreements in our mutual interest.

Increasingly when a new system cannot be justified by mission requirements nor by the need to keep up with the Soviets, it is sometimes justified in terms of comparison with the possible. When an operational system falls well behind the state of the art, pressure arises to replace it on the grounds that we must have "the next logical follow-on."

The best example of this is the manned bomber. The B–52G/H fleet, possibly augmented by electronic capabilities and improved engines, will be operationally effective as a nuclear delivery system for much more than a decade. But the B–52 is an old system which is long on function but short on glamour. Thus we once saw pressure to replace it with the B–70; now we see pressure to replace it with the B–1. We hear the B–52 referred to disparagingly as "15 years old", and lest anyone recognize that old may still be good, we find the Air Force prohibiting the General Accounting Office from releasing its estimate of the B–52's life expectancy.

Evaluation of U.S. strategic programs in comparison with those of previous years, or with those of the Soviets, or with the realm of the technologically possible is less valid than an evaluation in terms of national security mission requirements. This situation has been exploited by the Pentagon for many years with great skill but not always with the greatest candor because such simplistic comparisons are easier for the unsophisticated to comprehend.

In sum, the task for the United States is relatively straightforward: to maintain our capacity for assured destruction (which can be done at minimal cost); to reassure the Soviet Union that we do not plan to threaten its ability to deter attack (by avoiding counterforce programs); to have some flexibility in the event of a nuclear war (of which we have more than enough to prevent a "spasm" response); and to seek limits on Soviet systems that could have a counterforce capability against Minuteman. In the final analysis, our emphasis should be on arms control efforts, not on building new weapons systems, or on "gold-plating" those which we now have. We must build upon the Salt I and II agreements, firmly linking what has been agreed on ceilings to future efforts to limit the qualitative arms race and gain natural restraints on weapons systems. Moreover, such refinements as upgrading the B–52 force provide substantial cost savings with marginal change in defense capabilities

To do otherwise in strategic weaponry adds little, if anything, to our security.

SEAPOWER

The missions of the U.S. Navy in 1975, and in the decade ahead, are: (1) Strategic deterrence, (2) Off-Shore Pacific and Atlantic defense, (3) projection of power and influence overseas, (4) protection of U.S. citizens and property abroad, and (5) keeping the sea lanes open between the United States and the rest of the world in wartime.

The basic premise of the Administration program is that the rapid growth of the Soviet Navy in the past decade challenges U.S. Naval supremacy and threatens the ability of the U.S. Navy to successfully perform its missions.

Yet in 1975 there is little doubt of the superiority of the U.S. Navy over that of the Soviet combat fleet. Although the Soviet Navy has 685 [Brookings show 575] combat ships in operation to 500 U.S. Navy combatants, and a far more numerous fleet of attack submarines, experts rate the U.S. Navy far ahead of the Soviet Naval forces.

The advantages of the U.S. Navy are many. The U.S. has 14 attack carriers to none for the Soviets. Allies such as the United Kingdom, the French and the Italians also individually each possess attack carriers superior to present and projected Soviet carriers. The U.S. advantages extend to the rest of the surface Navy comparisons with few exceptions. The U.S. maintains 7 helicopter carriers; the Soviets, 2. The U.S. has 36 cruisers and frigates; the Soviets, 28 and the U.S. ships are twice the size in tonnage. Only in numbers of destroyers and destroyer escorts does the Soviet fleet have significant numerical advantages, 208 to 125, although U.S. ships are heavier and more importantly, outgun their Soviet counterparts. Soviet advantages in numbers of amphibious attack ships, 119 to 77, are deceptive since the U.S. ships can carry several times the load of these Soviet ships.

In support ships the U.S. advantage in numbers, 188 to 129, is further multiplied by the far greater tonnage of these U.S. ships. Overall the U.S. has almost ten times as many naval aircraft as the Soviet Union, and has 575,000 men in the regular Navy to 460,000 for the Soviets. U.S. Marines outnumber their Soviet counterparts 197,000 to 14,000.

In the vital strategic deterrent role U.S. strategic ballistic missile submarines (SSBNs) are far more potent than their Soviet counterparts although the Soviets maintain about 50 such vessels to 41 for the U.S. SSBNs of the United States Navy will have the capability of launching nuclear tipped weapons at over 5500 separate targets by FY 1976. The Soviet SLBMs are not yet MIRVed and can fire perhaps "only" 700 such separate nuclear warheads. This disparity however means little in a deterrent sense since both ballistic missile fleets constitute an invulnerable striking force sufficient to deter any rational adversary.

The U.S. Navy is also ahead of Soviet developments in critical technology areas. The U.S. possesses significant ASW and surveillance advantages. Further, the U.S. fleet is younger. Major U.S. surface combatants have an average age of 12.1 years to 13.4 for the Soviets. U.S. submarines have a mean age of 9.8 years to 12.6 for Soviet submarines. Moreover, the U.S. has better and larger ships. The newer U.S. ships are generally faster, more complex and sophisticated, have greater firepower, greater range, and represent more tonnage. In 1975, the U.S. fleet has over twice as much tonnage afloat as the Soviet fleet possesses. This trend is expected to continue into the 1980's. When the navies of U.S. allies are added to the U.S., they enjoy a 3 to 1 tonnage advantage over the Soviet Navy.

Indeed the U.S. Navy also has a far greater capacity to project power ashore. The Soviets have no attack aircraft carriers, few naval bases abroad, and far smaller and less capable amphibious assault forces. The U.S. carrier force alone is the most potent naval force in the world for projecting naval power ashore, not continuing their escorts, and represent a capability out of reach of the Soviet Navy for the present or in the next decade.

U.S. Navy advantages are likely to continue in the future because of the comparatively greater resources devoted to it. 30% of the U.S. defense budget is devoted to the U.S. Navy, whereas only 10% of the Soviet military budget is allocated to their fleet.

U.S. NAVAL PROBLEMS—MAINTAINING NUMBERS

Despite the decided edge that the U.S. Navy enjoys over the Soviet Navy today, there are several problems which now concern the Navy. Perhaps the most pressing concern is the declining number of U.S. ships at sea and the rising number of Soviet ships afloat. In 1970 the United States had nearly 1,000 combat ships in the active fleet. In Fiscal Year 1976, that number will drop to slightly below 500.

There are several reasons for this dramatic falling off in numbers of the U.S. combat fleet. First, nearly all of the remaining ships built in World War II wore out simultaneously, especially after rigorous use in the waters off Indochina during the Vietnam War. Secondly, the U.S. Navy made a conscious decision to go with fewer but better quality ships. Finally, the ship builders have been reluctant to take on the full Navy construction program and the spiraling costs of ships has lowered the number that can be ordered.

U.S. Navy plans now call for a reversal of the trend of recent years and project a Navy of 575 ships by the 1980s. Some Congressional supporters of an expended U.S. Navy would go further and fund a 600 ship Navy. Such a naval expansion would be extremely difficult to obtain given soaring costs, cost overrun problems, current ship retirement schedules, and the current lagging production pace and limited capacities of U.S. shipyards.

Nevertheless, the Navy in its testimony before Congress, has voiced concern about its declining numbers of ships and clearly presents Congress with the necessity for making choices on force levels. A debate is at hand on whether the U.S. will maintain a Navy of 500 combatants, or 600, or some force in between. However, to emphasize the number of combat ships alone is to ignore qualitative differences in ships and the applications of recent naval technological advances, and perhaps invites a return to an unlimited number of low-priced sailing vessels.

Clearly an emphasis on sheer numbers could backfire and produce ships of relatively little value unless we are prepared to fund greatly increased refinements. Clearly far more rethinking is necessary about the type of ships that are needed to perform the Navy's missions in the most likely battle scenarios of the future. Navy planners must also recognize the implications of major changes brought about in the Navy's requirements by technological breakthroughs since World War II. Obviously the number and kind of Navy ships to be built must change as the nature of the threat changes, as U.S. foreign policy changes, and as military technology evolves.

Role of the Carrier: At the heart of the Navy's force sizing projections are assumptions about the aircraft carrier. The U.S. surface Navy leadership assumes that the aircraft carrier will continue to be the "queen of the seas" and it sends its ships in carrier focused convoys around the globe.

Costs are now forcing the Navy to propose maintaining a 12 carrier force through the 1980s. To maintain a force of even this size, the Navy will have to replace the eight Forrestal class carriers on a one for one basis. Long lead items for the first of these replacement carriers will be included in the FY 77 budget, and full funding in the FY 78 budget. To maintain an adequate replacement schedule for the Forrestal class, a new carrier would have to begin construction every two years. This poses serious problems for the Navy planner, for the ship builder, and for the Congress.

The Navy planner might well question that heavy an investment in aircraft carriers for the aircraft carrier may prove to be outdated in a future major war at sea. This will certainly be the case in a naval nuclear war, and might well prove to be the case in a conventional major conflict given the greatly improved mobility, speed, and firepower of attack submarines or enhanced ship to ship missile capabilities. The aircraft carrier was the dominant sea force in World War II, but all too often military planners, wedded to past lessons, fail to perceive that a changing technology has made old weapons and old doctrines obsolete. As a recent study of the Navy by the Federation of American Scientists states:

"No military service has a greater problem keeping up with military reality than a navy. Between the major wars, there are always fewer naval engagements than land or air battles with which to update military doctrine and the ships built by navies last for much longer periods than any other combat vehicles."

Indeed, there is little doubt that in a war between Superpowers, the probability of sur-

UMI

vival for carriers would be low. They are vulnerable to nuclear missile attacks launched from several platforms. Moreover, many submariners believe that much of the surface Navy including the aircraft carrier may be obsolete in the era of the modern attack submarine. In testimony before the House Armed Services Committee he stated:

"If this country or Russia ever turned their forces of submarines loose, they would devastate the seas. That does not mean that we should not build other kinds of ships. But nuclear submarines have never been tried out under actual conditions of war. It is beyond the comprehension of most naval officers to comprehend the difference between a submarine that can make 9 knots for one half hour and stay submerged for 2 days at most and a submarine that can make over 20 knots and stay submerged indefinitely. They cannot grasp the significance of this military capability. It is beyond their comprehension because they are too loyal to their previous concepts and to the regime and environment in which they have been brought up."

Moreover, it is questionable whether the carrier force is more of a help than a hindrance in maintaining the U.S. Navy's role in "keeping the sea lanes open" in wartime. The U.S. Navy as currently deployed concentrates more on carrier protection than on protection of the sea lanes where supply convoys travel. It is an open question whether the emphasis on carrier protection yields as much convoy protection via carrier air cover as would investment in other defensive naval vessels such as attack submarines used in an anti-submarine warfare capacity.

Naval opinion is divided on the future role of the aircraft carrier. Pro-carrier advocates point out that no likely foe other than the Soviet Union could mount such an attack in the near future. They argue, therefore, that in confrontation below the nuclear level, the aircraft carrier will continue to provide the United States with the option of bringing quick reaction, effective military force into selected crisis areas such as the Middle East. Defenders of the aircraft carrier boast of its toughness, survivability, and ability to quickly repair damage and recover air-launch capability lost in conventional attacks. They see it as the optimal tool for projecting airpower ashore in conventional wars where air and sea control are maintained.

Critics of the aircraft carrier, however, say that even third rate naval powers might disable them to the extent that they can no longer fly aircraft, and that during the hours of repair these remain vulnerable prime targets for hostile airpower. Moreover, critics point at the new generation of weaponry which might become available to even second and third rate naval powers. The development of precision-guided "smart" bombs, fuel-air high explosives, ship-to-ship and air-launched cruise missiles, and superior satellite tracking systems all would seem to anger poorly for larger surface vessels like the aircraft carrier in the decaded ahead.

ALTERNATIVES TO THE CARRIER EXIST

The Navy leadership, composed mostly of men who served in WWII, should be directed to look to alternatives which take advantage of new technology that might better perform the role of the carrier. Defense analyst Dr. Richard Garwin recently told the Senate Budget Committee that:

"The aircraft carrier is a chief U.S. means to 'project power ashore under a wide range of circumstances' but a single carrier, its escorts, and its deployed aircraft cost far more than $2 billion. We plan to have only 13 carriers at a given time [due to this cost] and, here too, I believe both that we buy the shadow and not the substance of real military power and that the aircraft carrier has not been placed in alternative means for performing the same missions. The new technology of high-explosive armed cruise missiles and precision guidance permits the launching of such cruise missiles from military cargo ships to attack ground targets (fixed or moving) with very high accuracy at ranges of 500 miles or more, the separation of command and intelligence from the launching ship reduces the value and the vulnerability of that ship since it need only launch cruise missiles on command from higher authority, and the ground attack capability thus provided is far more robust than that of the aircraft carrier with its insured aircraft."

Such technological breakthroughs as NAVSTAR will also enhance the alternatives to the present day aircraft carrier. NAVSTAR is a demonstration program to test the feasibility of using satellites to give ships at sea an exact fix on their locations. NAVSTAR success would allow for far more accurate ship-to-shore and ship-to-ship missile bombardment. The combination of NAVSTAR, the precision-guided high explosive cruise missile, and the relatively cheap platforms of cargo ships and light cruisers might well increase the volume, rapidity, and accuracy of firepower of such systems over that of the aircraft carrier. This cheaper alternative to the carrier fleet holds promise of being a more cost-effective means of projecting military power ashore under a wide range of circumstances.

At the very least Congress should require the Navy to more fully explore the future role of the aircraft carrier and to make clear the alternative means of accomplishing its mission. Such a debate should occur and the choices clarified before the Congress approves funds for many new carriers or their alternatives.

However, even assuming the need for aircraft carriers does not resolve all controversy. Costs are forcing the Navy to propose maintaining 12 attack carriers rather than the present 14 through the 1980s. To maintain these 12 carriers, the Navy will have to replace the eight aging Forrestal class carriers on a one-for-one basis and build one new carrier every two years until the 21st century. This poses a serious problem. The prohibitive costs of maintaining 12 U.S. attack carriers conflicts with the goal of maintaining a large number of ships. The *Vinson*, the last carrier authorized by Congress, is costing $1.2 billion to build. Inflation in the shipbuilding costs will drive the price of later carriers even higher. The cost of eight new carriers will seriously impede the growth of a modern Navy in a time when Navy budgets are limited.

Today the U.S. Navy maintains on station three carriers in the Western Pacific and two carriers in the Mediterranean or Eastern Atlantic at all times. For each carrier on station the Navy requires approximately two on backup status, either in repair and overhaul, in training, or in transit. Presumably with the drop to 12 carriers, the U.S. will maintain only four carriers on forward station in the Eastern Atlantic and the Western Pacific combined. These carriers would be allocated according to needs.

A less costly alternative would be to go to a 9 carrier force with two in the Eastern Atlantic and Mediterranean and one in the Western Pacific. The reduced U.S. stance in Asia will require a lesser U.S. presence in the Pacific whereas the European theatre remains relatively more important and the naval need to project power ashore remains. In the European theatre French and British attack carriers can also supplement U.S. Naval power. The Atlantic carriers on station could stay close enough to the friendly airfields of the Western European allies to land its planes should the carrier landing platforms become inoperable while they are in flight. Perhaps the movements of the U.S., British, French and Italian carriers could be coordinated to give each an alternative landing platform in emergencies.

With an alternative defense posture of one carrier on station in the Pacific and two on station in the Eastern Atlantic and Mediterranean, the number of carriers actually needed drops from 12 to 9. The Forrestal class carriers should then be gradually phased out of the force at the end of their 30 year life cycles, as is currently planned. But a 9 carrier force for the 1980's removes the need to replace these platforms on a one-for-one basis. A nine carrier force would require the U.S. to start construction of one new carrier every three years, instead of the two year period that is currently under consideration. Assuming a requirement for 9 carriers, long lead time items would have to be funded in the FY 79 budget; the first replacement carrier would be ready for delivery in FY 1987.

A nine carrier fleet for the 1980's would accomplish many useful purposes. It would free ship construction funds for other classes of ships while maintaining an adequate carrier presence to serve our foreign policy goals; it would allow for a larger U.S. Navy than would otherwise be possible; it would alleviate real ship construction problems at the yard that will have to perform the work; and it will result in huge cost savings. As mentioned earlier, the cost of building one of these platforms will be at least $1 billion; the costs of the dedicated air wing per carrier will be another $1 billion. The estimated life cycle cost per carrier is $8.6 billion. By moving from a 12 carrier force to a nine carrier force the U.S. would save $26 billion over a 30 year period.

A Redefinition of Requirements Needed: Although the 14 attack carriers today compose under 3% of the 501 U.S. active combat vessels, their influence on the size of the 385 ship surface Navy is considerable. The U.S. Navy most often moves in convoys focused on carriers and their surface escorts, trailed by supply ships, and protected from rival submarines by accompanying attack submarines. Hence, the larger number of carriers on station that the Navy seeks to protect, the larger number of ships in the fleet that the Navy requires.

The relative numbers of carriers to other combat ships in the U.S. Navy can be seen by the following fleet breakdown based on February, 1975 figures.

U.S. Navy active combat fleet—(February, 1975)

Type ship:	Number
Attack carriers	14
Cruisers	6
Frigates	30
Destroyers	61
Ocean escorts	64
Amphibious ships	65
Submarines	116
Patrol ships	14
Mine warfare	3
Auxiliaries and support	125
Total	501

Even to maintain a fleet of this size will be extremely expensive and perhaps unwarranted. To expend it to 575 or 600 combat ships involves *very* significant spending and ship building increases. Moreover an expanded Navy ship construction program appears to be running counter to current U.S. foreign policy which calls for a lower U.S. military profile abroad, and a less ambitious role in Asia.

Fleet Size: The core of the U.S. combat fleet resides in the attack carriers their surrounding escort ships, amphibious ships for projecting land forces and supplies ashore and in the attack and strategic submarine forces. These ships carry out the principal missions of the Navy, and one the muscle

and bone of the fleet. Yet the numbers of these ships that the U.S. Navy deems essential in the 1980's are relatively modest. The baseline requirements for the "core Navy" projected by U.S. Navy planners in their ongoing and projected procurement programs are as follows:

Type of ship:	Minimum number	Maximum numbers
Attack carriers	9	12
Escort ships*	36	72
Amphibious ships	65	65
Submarines**	111	131
Totals	221	280

*The lower figure assumes 4 escorts per carrier. The higher figure assumes 6 escorts per carrier. (U.S. Navy projections)

**The low figure assumes 21 ballistic missile submarines (SSBNs) and 90 attack submarines. The higher figure assumes 41 SSBNs and 90 SSNs. (U.S. Navy projections)

EXPANSION OF SUBMARINE FORCE

Only in submarines will there be a marginal increase in number of "core Navy" combatants from 116 to a maximum of 131 in 1985. This would include 41 ballistic missile strategic deterrent submarines, the same as today, and 90 attack submarines, fifteen more than today. It is here that the Navy may well have a case for expanded numbers of "core Navy" ships.

As missile accuracies improve the possibility of delivering precision guided ordinance onto strategic targets, both the ICBM and strategic bomber forces of the U.S. and U.S.S.R. will become increasingly vulnerable to attack. Many strategic thinkers believe that more reliance must be placed upon the far less vulnerable sea-based deterrent. The maintenance of the ballistic missile submarine fleet at current numbers thus appears to be an attractive idea. This can be accomplished only with difficulty for according to Rear Admiral John H. Nicholson, Trident Program Coordinator, in testimony before the House Armed Services Seapower Subcommittee:

"If our current Trident building rate is continued and we are able to maintain reliable, survivable operation of our Poseidon submarines to an age of 25 years, we are faced with a significant reduction in force level in the early 1990's. The current building rate of 1, 2, 1,2 would drive our number of submarines to a low level of 21 as compared to our current level of 41 strategic submarines."

Maintaining the present number of SSBNs would thus require a follow on to the Trident fleet of 20 additional strategic submarines by the 1990s.

The projected growth in numbers of U.S. attack submarines does not seem at all unreasonable. The wartime mission of the attack nuclear-propelled submarine force is essentially to keep the sea lanes open and to contribute as much as possible to the effort to maintain control of the seas. By necessity the number of attack submarines necessary for adequate sea lane defense must be keyed to the number of potential targets for submarine weapons. The growth of the Soviet fleet has provided a logical rational for proceeding with the projected increase in numbers of U.S. attack submarines to insure an adequate naval defensive posture.

MATCHING MISSIONS WITH FLEET SIZE

The overall numerical projections of future "core Navy" strength show the difficulty involved in making our primary focus on numerical levels—whether it be 500 or 600 ships in the U.S. fleet of the future. Adding up these baseline requirements without taking into account the remainder of the surface fleet, it is necessary to provide 221 "core navy" platforms at a minimum, and 280 "core navy" platforms at a maximum. This leaves literally hundreds of new surface vessels to be procured if the Navy were to reach its arbitrary ceiling of 600 ships.

The purpose of this exercise is to show that baseline U.S. requirements are more modest than is popularly thought; fully one quarter of our current fleet consists of fleet auxiliaries. It goes without saying that the U.S. fleet should grow beyond the baseline requirements for carrier, destroyer, amphibious, and submarines forces mentioned earlier. The point here is that the number and types of the remaining surface vessels to be procured should be strictly within the context of their proposed missions and how those missions support realistic foreign policy objectives.

Some increase in ship construction funds appears to be warranted in order to keep an adequate naval force at sea perhaps in the range of an added $1–2 billion per year, for a $4–5 billion total, a substantial increase compared to the $3 billion authorized in the past year. Any increase, regardless of the size, should, however, must be tied to improvements in ship acquisition and ship building program management and to the Navy's close matching of the most cost-effective force structure to its missions, and its missions to prevailing U.S. foreign policy.

TACTICAL AIR FORCES

One of the largest components of the fiscal 1976 defense budget is for tactical airpower. At least $24 million is requested for the eight maintains.* That amounts to 26 percent of FY 1976 DoD budget. If approved, more defense dollars will be allocated to tactical airpower than to U.S. strategic deterrent forces in FY 1976.

As Secretary Schlesinger states, tactical air forces are "the most expensive components of the general purpose forces in terms of invested costs, and the cost per unit even after adjusting for inflation, is steadily rising." The cost of fighter planes has doubled every four years since 1943 when a fighter plane cost $100,000. In 1975, it costs $11 million per plane. The primary cause of this cost escalation is not inflation but rather the increasing technical complexity built into the aircraft. The huge costs of tactical airpower demand a careful scrutiny to determine whether such massive resources are indeed necessary, and to insure that the most effective tactical air force is bought for the defense dollars invested.

A close examination of the U.S. tactical air force and its projected future raises several critical questions which deserve careful answers.

(1) Should the U.S. spend as much as the Air Force currently plans on deep interdiction and air superiority aircraft, or should it invest primarily in the kind of attack plane used in close support of ground troops in combat?

(2) Does the U.S. need to purchase so many complex and expensive tactical fighters like the F–15, or would it be better served to invest more heavily in the simpler, cheaper F–16?

(3) Does the U.S. need to equip its reserve air forces with new A–10s or can it safely and economically utilize older aircraft for reserves?

(4) Is the projected growth in U.S. tactical air forces required by either a growing Soviet military threat or by increased U.S. foreign policy commitments?

(5) Does Congress and the Department of Defense adequately match requirements against these foreign policy commitments?

MISSION PRIORITIES

First, it must be asked whether Air Force planners have correctly assigned their tactical air force priorities for the kind of war that is likely to be fought in a theatre like Central Europe. Tactical aircraft have three traditional missions. One is to win the air battle and achieve local and theatre air superiority. A second mission is to carry out deep interdiction strikes against enemy surface supply lines, production centers, and air bases. A third mission is to provide close air support to ground forces in combat to directly aid in winning the land battle.

To know the correct mix of air superiority, deep interdiction, or close ground support aircraft to buy, the Air Force planner must know the character of the adversary forces and the likely duration of the land war. Most military analysts today believe that an all out land war in Europe would be short, probably lasting a month or two at most.

The current tactical air power balance between NATO and the Warsaw Pact favors the U.S. and its allies. Although Warsaw Pact combat planes would outnumber NATO by 6500 to 4500 at the start of combat, allied aircraft are much better. They are more maneuverable, far more sophisticated, and superior in firepower. Moreover NATO pilots are combat hardened and better trained. As a recent Brookings study concludes:

"On balance, NATO's qualitative advantages appear to more than outweigh its inferiority in number of aircraft. While NATO may have the stronger tactical air forces overall, it seems equally clear that the Warsaw Pact countries have a formidable capability as well, especially for counterair operations. The danger is that the Pact members' air strength might, in cooperation with the extensive anti-air weapons in the hands of their ground forces, suffice to neutralize the advantage of NATO's air forces in an offensive capacity. Certainly NATO's present superiority in the air is not so overwhelming that it can be relied upon to redress any serious imbalance that might develop between opposing surface forces."

A major weakness in U.S. tactical air force doctrine and structure may well be the bias toward "winning the air battle first," achieving overall long-range theatre air superiority, and emphasizing the deep interdiction of enemy supply lines.

It is highly probable that any meaningful interdiction campaign would take too much time in a short war, and would not have any real effect on the outcome of a ground battle. It would take an extended period for the NATO tactical air force to destroy a decisive number of the Pact's 6000 to 7000 combat aircraft prior to an interdiction campaign against enemy support units and facilities.

Quick, European-wide NATO air superiority appears impossible due to (1) the large number of airfields available to the Pact and (2) the growing size and sophistication of Pact anti-air defenses. Deep interdiction is unlikely to much hinder frontline Soviet and Pact troops. It was largely ineffective in stopping North Vietnam's support units. Such a mission would be very costly in terms of aircraft lost and relatively ineffective in preventing "a considerable leakage of tonnage to the forward edge of the battle," according to Secretary Schlesinger. Deep interdiction thus is unlikely to affect the outcome of a short war where the decisive battles are fought in the first few days on land.

Because of the unlikelihood of achieving meaningful deep interdiction and overall theatre air superiority in a short war, it is necessary to reprogram U.S. tactical air forces to fight a concentrated ground support war

*U.S. Navy Air Corps, U.S. Navy Reserve Air Corps, U.S. Marine Air Corps, U.S. Marine Reserve Air Corps, U.S. Air Force, U.S. Air Force Reserve, U.S. Air Force National Guard, and U.S. Army attack helicopter units. There are still other TACAIR units in the services as the later discussion will reveal. The total forces that perform the tactical air missions cost considerably more than $24 billion.

UMI

where mainly local air superiority over the immediate battlefield is attempted.

One option would be to purchase the same number of fighter planes (F–15's and F–16's), but to change their mission assignments to concentrate on the local air superiority role to provide better cover for ground support aircraft in the decisive short-war land battles. This would be a useful shift in strategy if not in force structure.

A second option would be to purchase fewer F–15s and F–16s, reduced by the number no longer needed to escort deep interdiction attack aircraft and no longer needed to accomplish a continent-wide theatre air superiority. Resource savings could be either passed to the taxpayer or invested in the ground support planes of the tactical air force. At present the Air Force has not presented a convincing case for more active-force A–10s than it has requested.

Finally, at whatever level is agreed upon for U.S. air superiority forces, a more rational tactical air force structure would include more F–16s and fewer F–15s. The air superiority role can be effectively carried out by the F–16 very nearly as well, and in some cases better, than by the far more costly F–15. Instead of buying equal numbers of F–15s and F–16s, the Air Force should operate perhaps four F–16s for every F–15 assigned the air superiority role.

TURNOVER AND GROWTH RATES TOO HIGH

The U.S. currently is buying three tactical aircraft on a crash basis, each in large numbers. In FY 1975, the U.S. maintains 105 squadrons of tactical combat planes, some 2300 aircraft. By FY 1980, the Air Force plans to increase that to 133 squadrons composed of 2500 aircraft. Moreover, the purchase of 749 F–15s, 650 F–16s, and 733 A–10s will upgrade the U.S. tactical air force to a point where it is estimated to be at least 100% better in combat effectiveness measured in maneuverability, ordnance, and avionics. This dramatic increase in both the quality and quantity of tactical aircraft clearly seems unnecessary when current U.S. tactical air strength exceeds its Pact counterpart by a comfortable margin today and where no comparable Pact rate of modernization is discernable. Cutbacks in purchases of the "goldplated" F–15 and a slower U.S. modernization of tactical air wings via the F–16 and A–10 are a more reasonable path to take to achieve needed strength without such lavish expenditures as the USAF proposes for its tactical air force.

OLDER AIRCRAFT UTILIZATION FOR RESERVES

TACAIR expenditures can also be held down if older aircraft's lifespans are more fully utilized by continuing to assign them to reserve and National Guard units. New A–10s should be assigned only to active air wings and the planes they replace should go to the Guard and reserves. Thus the A–10 production program could be slowed and the A–10 program buy could be reduced by 200 aircraft.

REVIEWING PRIORITIES IN THE HIGH-LOW MIX

Defense Secretary Schlesinger has discussed at length the concept of the "high-low mix"—the idea that the U.S. needs to supplement very expensive high technology systems such as the F–15 with cheaper, simpler aircraft such as the F–16 and A–10 if it is to be able to procure enough aircraft to meet its needs. The principle is a good one, but far more emphasis should be placed on the so-called "low" end of the mix for achieving significant savings and sufficient numbers of aircraft to maintain an adequate tactical air force.

More tactical air force "bang for the bucks" can be achieved by substituting greater numbers of "low mix" aircraft for fewer "high mix" planes. For example, recent tests of the prototype F–16 indicate that it is fully as effective in the air superiority mission as the F–15 at one-half the cost.

Unfortunately the Navy has declined to purchase the F–16 on the grounds that it cannot be modified for carrier use. Consequently the Navy wishes to buy the F–18, a modified version of the A–17 which lost the Air Forces competition with the F–16. The F–16 program perhaps should now be halted pending an investigation and analysis to determine whether or not both services should adopt the F–16 or the F–18. A change to the F–18 might endanger foreign sale prospects but an F–18 suitable for USAF and USN use might be a more economical choice over the long run than two separate development and production programs. Either the F–16 or the F–18 ought to be much cheaper than the F15. Both together might cancel out much of the cost savings that a single "low mix" aircraft for both services might attain.

Carrier versions of the "low mix" A–10 might also assist Marine air wings in their ground support missions. The introduction of the new A–10 close support aircraft should also make possible substantial savings in the Army's attack helicopter program, a significant part of the tactical air power budget. Closer coordination between the Army and the Air Force can save needless duplication of functionally equivalent ground support weaponry. Large A–10 procurements should make large cutbacks in the Army's AH–1 attack helicopter program both logical and possible.

TACAIR AND A LOWER WORLD PROFILE

With the disengagement of the U.S. from Southeast Asia, and generally a lower Far East U.S. profile, the necessity of maintaining a static force of 11 Pacific area squadrons, or nearly three air wings, is subject to much doubt. U.S. tactical air power is certainly less needed to support U.S. troops in combat on the mainland of Asia in the post-Vietnam era. This shift in U.S. policy in the Far East would seem to call for a reduction rather than an expansion in U.S. tactical airpower given no exceptional added military threat in the rest of the world. At the least, phasedowns in TACAIR in the Pacific area can offset buildups in the European theatre, enabling the U.S. to hold the line on the number of tactical air wings at the current FY 1975 level of 23 active wings rather than the projected FY 1980 level of 25 active wings.

NO SYSTEMATIC APPROACH TO EVALUATING TACAIR

Whether or not the Department of Defense systematically and rigorously matches the requirements for tactical airpower against foreign policy commitments is not currently known to Congress. Now is there any very exact Congressional awareness of the tradeoffs between tactical aircraft systems employed by the various services or of the degree of duplication of effort that seemingly exists between the various Army, Navy, Air Force, and Marine tactical air forces. Congress has been remiss in not requiring a more comprehensive look at all TACAIR systems at one time by one committee and in not matching the requirements for tactical air forces against foreign policy commitments.

One problem facing Congress is that no one has clearly defined what tactical air forces are, what they cost or even how they are justified. The Senate Armed Services Tactical Air Power Subcommittee $7.3 billion in programs from the $18.4 billion procurement and $10.2 billion RDT&E Pentagon authorization requests. The Subcommittee spent half a day on the Russian/Chinese tactical air and air defense "threat" and then immediately began hearings on the individual programs, as many as eleven in one day, which the armed services are developing, producing or modifying. Army tactical aircraft programs were considered, but separately from Air Force, Navy and Marine programs. Army air defense projects were discussed, but never in conjunction with Air Force interceptor aircraft which do the same job. SAM–D, the Army's planned $6 million anti-aircraft missile was left to the R&D Subcommittee to consider.

Air Force coverage by the Tactical Airpower Subcommittee was more complete, but air-to-ground attack systems were discussed with only Air Force witnesses present despite the fact that the Navy's A–7E and A–6E fighters, the Marine Corps' A–4M, several Navy missiles and the Army's advanced attack helicopter plus several other programs compete in this same mission area.

The main purpose of aircraft carriers is, we are told by Secretary Schlesinger, "projecting tactical airpower ashore." Since this is what the Pentagon believes, perhaps aircraft carriers and escort ships authorizations should also have been considered by the Tactical Airpower Subcommittee. In practice, however, these ships are considered by no subcommittee at all, only by the full committee at the time the service secretaries and military heads first appear with the total DOD package.

On the question of what tactical air forces cost, answers vary. Mr. Schlesinger says it is $24 billion yearly, but it is unclear whether he counts $5.6 billion for reserve and national guard fighter squadrons or other items. Brookings Institution analysts get the same $24 billion total, but do not include aircraft carriers and support ships or the Army's more than 1,000 attack helicopters. Neither the Pentagon nor Brookings seems to count anti-aircraft guns and missiles.

How tactical air force requirements are determined is even more obscure than what they cost. The Defense Secretary says the Administration decides what our "national interests" are, and the military services decide what weapons they need to meet these lofty goals. Since national interests are most frequently vague, such as protecting the "free world" from Communism or continuing alliances and "commitments," Pentagon planners are driven by two clearer factors. One is the estimate of the "threat" which the Communist nations might pose to friends or others all over the world. This translates into counts of weapons, technical characteristics, bases, reliability rates, readiness and finally into estimated big and little war scenarios. From all these calculations, "nice-to-gave" lists are drawn and costed, assembled, argued and finally presented as a budget.

The second driving force is the technical possibilities which research indicates might be more effective or efficient weapons. Defensive system researchers compete against offensive system researchers on the premise that, if we can invent a countermeasure which neutralizes a weapon, so can the Russians.

It is quite impossible to compute the number of tactical air squadrons on the basis of so many for Middle East contingencies a fixed number for a long or short conventional or nuclear war in Europe, Northern Asia or any other place. The reason is that there is no way the armed forces could ever have enough for most predictable purposes. The solution is mobility which enables force to be concentrated depending on the warning time available, whether the hostilities become more violent gradually and so on. In short, regardless of the size or capabilities of our tactical air squadrons, there cannot be a risk-free force structure.

Unfortunately, Congress seldom examines the assumptions behind the collection of tactical air forces, preferring to investigate the attainment of technological objectives in each program, the details of contracts and delivery schedules. That these matters have no bearing on the justification for tactical air units and equipment seems to be ignored. Congress has yet to investigate the accumulation of forces, and consequently limits its discussions to budget line items.

Therefore, until Congress accepts its responsibility to question basic foreign policy assumptions, our tactical air force structure will not be examined in the context of how national objectives might best be met. Now it often seems that the accumulation of weapons and overseas deployments are the easy way to control world events. Political and economic means, divorced from threats or the use of force, appear much neglected, and it is quite possible that we have far more military power than the international situation justifies.

The Pentagon argues tactical air is a cost-effective means of applying force, and it has the attraction of not putting large numbers of U.S. military personnel at risk in time of war. Effectiveness is increasing in terms of what it takes to destroy an enemy target because guided, precision munitions are in vogue. Yet, each aircraft is becoming so expensive that budget pressures mean few can be bought. The result is that total numbers of weapons could be expected to drastically decline, yet levels are going up. This is because new aircraft, billed as low-cost alternatives, are being developed and purchased. The premise is that overall numbers can be maintained and expanded by a "high-low" technology costly equipment and the "low" somewhat cheaper systems. Actually, the services are buying the high and the low systems, thereby increasing the force structure.

The Pentagon's reason why we need more is a bit confusing. On the one hand, it is argued that the Army's expansion from 13 to 16 divisions will mean the Air Force must expand the number of aircraft available for Army support, because Mr. Schlesinger says requirements are computed on the basis of so many attack parties for division. On the other hand, Air Force Secretary McLucas says if the Army is held to 13 divisions, more tactical air than planned could be needed because firepower would have to substitute for less troops. In any case, the Air Force is expending from 22 to 26 wings of tactical aircraft, the reequipping to be completed by 1981.

Because Congress has not so far attempted to match requirements for tactical air forces against commitments, the present budget request must be examined against Pentagon assumptions. That is, it is necessary to accept assertions of need and then to proceed in seeking economies in individual programs which might be classed as either (1) too much-too soon, (2) duplicative of other systems or (3) wasteful. Some of these economies have been suggested for the A–10s, F–15s, F–16s, and F–18s. Others might be achieved including the following.

THE F–14 FIGHTER

The production rate for the Navy and Marines has been cut from four per month to three per month because of Iranian desires to get the F–14's they purchased sooner. The Navy plans to buy 390 instead of the previously planned 334 F–14's an increase of two squadrons and about $1 billion in total program costs. Perhaps F–14 production should be further stretched out, but certainly the Navy's need for two more squadrons should be further examined.

The Phoenix missile is being procured exclusively for the F–14. The missile costs should currently be part of the F–14 program, thereby reflecting the real price of the aircraft. Last year the Navy bought 340 Phoenix missiles while funding 50 F–14's. This year and in 1977 the Navy will continue to purchase 340 Phoenix missiles even though the F–14 yearly buy has been cut to 36. Some reduction in Phoenix missiles seems justified.

AWACS—TACTICAL DIRECTION AIRCRAFT

See the discussion elsewhere. The minimum reduction should be $430.5 million in FY 76 and $30 million in FY 7T the amount requested further AWACS product aircraft over the six already funded.

ADVANCED ATTACK HELICOPTER—ARMY

Now in R & D as replacement for helicopter gunships, the gunships, the planned AAH program is for 472 aircraft to be fitted into an Army requirement of 1,426 attack helicopters based on a 16 division force. This helicopter competes with the Air Force A–10 in carrying out the close support and tank-killing role. It also competes with other Maverick missile-equipped aircraft such as F–4, A–7 and other attack aircraft. The AAH may complement Air Force, Navy and Marine close support systems or it may be more than is required for the mission. It will also require a new missile, the Hellfire, now in development. The army is also purchasing AH–1 attack helicopters in quantity.

CONDOR NAVY MISSILE

To be used against ships and other targets at about 60 mile range, the Condor is launched from aircraft but only in clear weather. The missile is very expensive ($753,000 each) and competes with the Navy/Air Force Harpoon. It should be cancelled outright at possible $100 million saving in FY 1976 and in the transition period.

A–4M MARINE ATTACK AIRCRAFT

In 1974, forty-four of these were purchased to replace aircraft sent to Israel. None were bought in 1975. This year the Navy wants 24 more, presumably to keep the production line open and for expected attrition. The A–4 is still being purchased by foreign nations. Production for the Navy can either be slowed or ended.

A–6E'S—NAVY ATTACK AIRCRAFT

In FY 76, the Navy is purchasing the last 12 new A–6E's and funding the conversion of 36 older A6–A's to E specifications. The 36 conversions cost $140 million against $156 million for 12 new air frames. Obviously, the conversions are a better investment, but the number has been cut by 12 as compared to 1975. It would be advisable to allow the Navy funds for 48 conversions and to delete the last 12 new production aircraft.

A–7E—NAVY ATTACK AIRCRAFT

The Navy has already purchased 506 A–7Es and has several hundred earlier models in service. In FY 76, thirty new A–7Es at a cost of $178 million are planned, six for $41 million in FY 7T and another 30 for $129 million in FY 77. In view of the fact that earlier A7s are available and serviceable, the production rate should be slowed for the last 100 A–7Es planned.

MODIFICATION OF AIRCRAFT, AIRCRAFT SPARES AND REPAIR PARTS, AND SUPPORT EQUIPMENT AND FACILITIES

[In millions of dollars]

	1976	197T
Army request:		
Modifications	127.7	16.7
Spares	54.2	14.8
Support equipment	58.4	2.7
Navy request:		
Modifications	488.9	148.6
Spares	358.5	70.5
Support equipment	77.7	20.4
Air Force request:		
Modifications	660.7	126.3
Spares	1,101.7	190.1
Support equipment	209.3	29.7

Several hundred million dollars additional can be added for "other production charges," war consumables, industrial facilities and component improvements. All of these deserve closer examination by Congress because they represent annual costs far in excess of many weapons systems. Some aspects of these general areas are covered in hearings, but not often are modifications considered as alternatives for new production, etc.

AIRCRAFT DESTINED FOR OR RETURNED FROM INDOCHINA

Many tactical aircraft were in the pipeline for Vietnam and Cambodia when those wars ended. Additionally, hundreds of airplanes were taken out of those countries in the last days of those wars and are now returned to the U.S. inventory. The FY 1976 budget should be reduced accordingly.

GENERAL PURPOSE FORCES: MANPOWER

The determination of the size of the military forces, active and reserve, and the civilian work force of the Department of Defense should be determined by our definition of the critical commitments we have and the military requirements we need to fulfill them. We have generally been examining our needs in terms of being ready to fight one major war and one contingency at any one time. The basic difficulty is that we have essentially been operating under the assumption that we must be ready to engage militarily in that contingency in any part of the world. Vietnam is the classic example of that policy at work. A narrowing of commitments means a reduction in the numbers of potential contingencies and perhaps as well a reduction in the deployment and the total force needs of the military.

Whatever change occurs as a result of this redefinition cannot be accomplished from one year to the next. However, it can be begun this year. It must be part of a conscious long-term restructuring of our forces, one that is taken after consultation with those allies who might be involved, and one which does not, because of its speed, pose difficult retention and recruiting problems.

In the current context of the Department of Defense's recommendation for a 3 division increase and total manpower increases in future years, a thorough review suggests that a first year re-evaluation of our needs might involve merely rejecting the current plans for additional divisions and converting the savings in the discovery of non-essential support and headquarters personnel into tax savings.

The critical nature of a detailed examination of our general purpose needs is evident in the soaring costs of the manpower section of the budget. In FY 1976, the largest portion (53%) of the Defense Department budget is dedicated to pay more than 4 million active and reserve military and civilian employees of DOD to provide benefits to the 1.1 million career military retirees. The present Pentagon payrolls shows 5.5 million individuals who will receive $49.2 billion in FY 1976, of whom only 2.1 million are active duty military personnel. Supporting these active forces are 885,000 paid reservists.

Each time suggestions are made for increasing the size of the military establishment or maintaining an existing force, despite changed threats, the overwhelming manpower cost must be recalled. When decisions are made whether to maintain or delete a defense slot of perhaps marginal utility, these costs should be a factor. Eliminating a military slot not only saves payroll costs and maintenance costs this year and in every succeeding year, but forestalls continued escalation in future retirement and veterans benefits costs as well. The greatest opportunity for controlling defense spending lies in wise defense manpower decisions.

OVERSEAS FORCES

Our present deployment outside the United States is predicated upon a world far different from today's. There is therefore a degree of inertia in the present defense posture. The altered conditions of the post-Vietnam era, financial constraints and related manpower problems are the basic reasons to examine closely current deployments. There

UMI

are now more than 300 major bases in foreign countries with more than 500,000 military and civilian personnel stationed abroad along with nearly 320,000 dependents.

The fundamental questions is what level of forces is necessary to defend the United States and its interests and allies while deterring, to the extent feasible, the use of force by others in the solution of disputes.

EUROPE

Recent studies by RAND, the Brooking Institute and by American and European scholars emphasize that NATO's defensive posture is predicated upon a protracted conflict whereas the Soviets with forward divisions, extensive armor, and centralized control of logistical support suggest a blitzkrieg posture. The defense Department is moving in the right direction with the recent restructioning of U.S. armed forces in Europe to engage in this more rapid form of warfare and the resulting increase in combat capabilities. The inability to halt and defeat rapidly onrushing forces means a protracted conflict is unlikely. Therefore, the ability to wage a short defensive conventional war is necessary until and if negotiations are successful in reducing force levels. Continuing emphasis in this area is urged. While the basic force deployment to Europe and the Middle East may not require alteration since this remains our most vital foreign commitment, the Department's own discovery of surplus support and headquarters personnel indicates that the level of forces does not have to remain totally static. Beyond these adjustments ecorts at MBFR to achieve mutual reductions should be vigorously pursued.

ASIA

The United States should adopt a more realistic and modest foreign policy role in Asia as part of our reassessment after Indochina. This U.S. policy requires that the U.S. play a less direct military role on the mainland of Asia, and no longer act as global intervenor. An examination of the forces now deployed in Southeast Asia should lead to a long-term program of either redeployment or demobilization of those Southeast Asian forces.

Japanese security remains crucial to our Asian defense interests. The credibility of that commitment rests upon American armed forces deployed to adequately defend Japan. However, 190,000 military personnel ployed throughout Asia at an estimate expense of $23 billion (Asian contingencies identifiable in the FY '76 baseline budget) seems excessive given an American consensus that we should avoid ground combat on the Asian land mass. The goal should be a stable environment in Northeast Asia with an emphasis on offshore sea and air presence.

The 23,000 U.S. troops in Thailand, the forces in the Philippines and on Taiwan and the South East Asia naval forces, would seem an especially questionable deployment. The United States could substantially reduce the likelihood of involving itself in another Asian land war by phasing out its forces of those countries and could concentrate its forces in Northeast Asia. The government of Thailand obviously sees a large U.S. presence as detrimental to good relations with the new regimes in Vietnam, Cambodia and Laos. Through economic and diplomatic initiative we should, however, continue to maintain the best possible relations with Thailand and other Southeast Asian nations who desire.

With regard to Korea, the retention of our current forces in the immediate short run concern may serve to reassure Japan of our staying power. However, the South Korean government has a far superior armed force compared to that of North Korea measured in numbers of men under arms, combat experience, and Army equipment. The Republic of Korea outnumbers North Korea by more than 155,000 active duty personnel and by almost 1,000,000 troops if reserve and militia personnel are counted. Moreover, the Secretary of Defense, James Schlesinger, has stated clearly for the record that South Korea has the manpower, firepower, and defensive position to repulse a North Korean attack without U.S. ground support. Indeed, only in air warfare does South Korea face a stronger foe and U.S. airpower based at sea or nearby allied airfields can maintain air superiority over the Korean peninsula. Current modernization of the R.O.K. Air Force is remedying this imbalance. A study of a long-term reduction of U.S. Army personnel in South Korea, with reserves maintained close by for reintroduction, might provide the U.S. with the *option* but not the necessity of involving itself on the ground in another Asian land war.

The presence of U.S. troops at the demilitarized zone and Korean based tactical nuclear weapons foreclose any such options, even in the event of a Korean crisis that does not involve a direct North Korean invasion. At the very least, the increasingly repressive character of the South Korean government should be sufficient reason for an expression of U.S. concern, such as a reduction of military aid.

In summary, the Department of Defense's deployments in Thailand and Southeast Asia in the short run seem ill advised given the reduced U.S. foreign policy commitments in that area. Our more direct interests lie in the defense of Japan. A stringent re-evaluation of U.S. force levels and deployments in the Pacific and Asian theatres, essential in the post-Vietnam era could well produce both redeployments and long-term savings.

EXPANDING NUMBER OF U.S. ARMY DIVISIONS

Perhaps the most significant military manpower decisions before the Congress is the request by the Army for authority to create three new U.S. Army divisions out of its current force structure of 785,000 men and women. This would increase the number of US Army combat divisions from 13 to 16 at the same manpower levels initially although slight increases are projected in future years.

In examining requests for proposed force increases, Congress must differentiate between what we would like to be able to do, and what we can realistically expect to do, and what we feel we must do.

In the past, Congress has authorized force levels for roles, commitments and contingencies which were global in scope and reach. Clearly the U.S. overextended itself in Indochina and it has become increasingly evident that our foreign policy exceeded our power to implement it effectively. We have learned that we cannot impose military order everywhere in the world, and that we need not be drawn into attempting to fill every regional power vacuum that develops. U.S. national security is not threatened by every civil war or regional conflict or imbalance.

There has been little consensus by Department of Defense officials on the military need for these new combat divisions. Defense planners have repeatedly stated that they have reduced their force and contingency planning assumptions from a 2½ war capacity to a 1½ war capacity since 1970. Logically, fewer, rather than more, combat units ought to be required under such assumptions. Nevertheless, Secretary of Defense Schlesinger has argued this year that the U.S. has gone too far in reducing our troop levels. General Brown, the Chairman of the Joint Chiefs of Staff, has pegged the proposed increase on qualitative improvements in Warsaw Pact military equipment. However, in arguing for three more divisions, General Brown neglects to mention U.S. and NATO qualitative improvements in weaponry which offset Warsaw Pact gains. Other Defense Department representatives have maintained that the transfer of headquarters and support "fat" into new combat divisions increased the U.S. capacity in "short war" confrontation, but at the expense of longer warfighting capability. Again, no convincing case has been presented to the Congress to demonstrate that such a tradeoff was made; that is, that the personnel "fat" eliminated was vital to prolonged operations.

The U.S. Army 16 division proposal is an open admission that there have been at least 3 divisions worth of excess manpower "fat" in its ranks, located chiefly in an over-large officer corps and within its oversized supply and maintenance units. The Army, by its own admission, is both top-heavy in headquarters staffs and tail-heavy in support elements. Approximately 45,000 persons (18,000 from Armed Forces in Europe) are identified as superfluous to the maintenance of the current 13 combat divisions.

It is laudable that the U.S. Army means to increase its combat power with the same number of people at its disposal. However, before the U.S. Congress appropriates funds for this purpose, three basic questions must be answered. First, is the increase from 13 to 16 U.S. Army divisions worth the additional cost of raising such a force? Second, is it better to turn identified manpower "fat" into additional "swords" or into additional savings to the U.S. taxpayer? Third, what is the proper number of men under arms to fulfill the missions of the U.S. Army?

It is clear that the addition of three U.S. army divisions will add significant costs to the defense budget, but the magnitude of these costs is not yet clear. General Weyand, U.S. Army Chief of Staff, has testified that 3 new divisions will mean an increase of $2.5 billion over a five-year period above current costs. Such expenditures only partially include appropriations for supplies and new equipment such as combat support aircraft and helicopters for three new combat divisions. In addition, the maintenance of an additional 45,000 troops in uniform rather than cutting them from the Army's active forces will cost the U.S. an estimated additional $2.7 billion in salaries over the next 5 years, and many more billions in payroll and retirement costs in the future.

The failure to cut these 45,000 salaries out of the U.S. Army budget will lead to other additional DoD costs in housing, supplies, support of dependents, and other operations and maintenance (O&M) costs.

Further, 16 divisions are likely to cause more duplication of functions than 13 divisions. Sixteen divisional bureaucracies will be putting in competing claims for supplies, equipment, and increases in staff rather than thirteen. Three additional divisions will be spawning their own growing headquarters staffs and logistics and supply "tails." The result will be a U.S. Army incurring greater costs, and generating an increased resistance to further economies.

Within the framework of a more realistic and modest U.S. foreign and military policy, there is assuredly no convincing need for two of the three additional U.S. Army divisions. Indeed, since the burden upon our grand forces was lessened by our disengagement from Indochina, the maintenance of 13 active U.S. Army divisions would seem fully adequate. The redefinition of U.S. roles, missions, and contingencies within a narrower geographical context argues strongly against more U.S. combat divisions.

An analysis of the three new divisions proposed by the Army further reveals that two of the three are "straight-leg" infantry divisions lacking armor and great mechanized mobility. These forces are most appropriate for Asian duty and are ill-suited for the highly mechanized war that could erupt in Europe or the Middle East. Since the United States has adopted a policy to avoid land involvements on the Asian mainland, two of the newly proposed divisions seem particularly ill-advised.

The third mechanized division however, could be justified on grounds other than increased defense requirements. It would have some positive value of adding the kind of combat capacity most needed by the U.S. in Europe, the only theatre where U.S. land forces are likely to be engaged. The current 13 numerical divisions contain 42 combat brigades, equal to 14 divisions equivalent of 3 brigades each. Further, the modest increase from 13 to 14 combat divisions might serve as a further positive inducement to the military to identify still more of its superfluous support and headquarters "fat." The recently discovered ability of the services to identify excess personnel under the goal of the Nunn amendment ought to be encouraged. The Secretary of Defense's statement that there is "more to do" in cutting personnel fat is welcomed as a sign that the need for progress is now apparent to all the services.

OTHER MANPOWER ECONOMICS NEEDED

Although reducing U.S. overseas deployments in Asia through demobilization and cutting 2 of 3 divisions worth of Army personnel excess is desirable, more still can be done to make the Armed Services leaner, yet strong enough to perform their missions.

For example:

1. While granting that newer and more technologically complex ships and missions may demand more personnel, the reduction of Navy ships from over 1,000 in 1970 to the present 501, a fifty per cent ship reduction has been matched by only 30% reduction in personnel. In 1964 there were 709 men per ship. In 1974 there were 1074 men per ship. Not only does this imbalance pose questions, but the decline in ships should, logically, allow for commensurate reductions in support personnel.

2. Extensive testimony reveals a general conclusion that our more than 7,000 tactical nuclear weapons located in Europe are quite in excess to defense needs. Thus, a reduction in some of the almost 30,000 custodial personnel assigned to nuclear weapons in Europe. Similar, although lesser, reductions are possible in Asia.

3. Manpower costs can be substantially reduced by fewer transfers and longer tours. In FY 76 an average of about one in seven military personnel will be undergoing formal classroom instruction or travelling between assignments. This is extraordinarily high and the lengthening of individual assignments, more concentrated training courses, more on-the-job training could reduce manpower spaces. We welcome and approve of longer stabilized tours for key personnel and suggest expansion of such programs. In addition, greater emphasis should be placed on a continuing reduction in the time spent attending classes.

4. The overly generous ration of students to faculty of 1.4 to 1.0 must be increased. Some 230,000 military students were taught or staffed by 166,000 faculty or civilian support people in FY 1976. Contrast these numbers to public high schools (20:1) and colleges (15:1). Admittedly, some forms of intensive military training require higher instructor supervision. However, the present disparity is too large. Even a 2 to 1 ratio could save nearly 50,000 manpower spaces.

5. Military sales activity currently uses some 6,000 military personnel. When one examines the number of personnel assigned to individual countries, the salesmen seem quite in excess to needs. Certainly the sales and limited training assistance could be provided more cheaply by civilians and extensive use of audio-visual equipment in the local language. The result would be more military personnel assigned to military units while reducing costs.

6. Today there is a very top-heavy U.S. military structure. There are more three and four star generals today than there were at the end of World War II when the U.S. forces were five times as numerous. Indeed there are more officers of nearly every rank. In the Navy, there are 308 Admirals, or one Admiral for every 1.7 ships. Clearly, needed payroll savings could be made by retiring many of these officers. Not only are these unneeded extra admirals and generals drawing large salaries, but each admiral and general creates demands for extra staffs, programs, and costly support. Increased acceptance of these high grades can only come if there exists valid and defensible requirements. At present, grade authorizations are established by manpower ceilings. Ideally national security needs, not bulk numbers or management concerns should dictate the number of "flag" officers. Further, the large number of lieutenant colonels, and colonels and Navy equivalents assigned not to combat units, but to headquarters and support activities suggest other substantive reductions might be achieved.

Indeed it may be that these high ranking officers are necessary. However, no rationale or justification has been forthcoming despite several years of general criticism.

7. High on our priority list should be the elimination of the duplication and waste within the redundant and overlapping intelligence services found in the Department of Defense and in the National Security Community. At the end of World War II, there were three intelligence units.

Today there are no less than ten intelligence services with overlapping and often parallel missions. These include the CIA, the Defense Intelligence Agency (DIA), the National Security Agency (NSA), Air Force Intelligence (A-2), Navy Intelligence (ONI), Army Intelligence (G-2), the Defense Investigative Service, The Department of State Intelligence Bureau, the Atomic Energy Commission (AEC), and the FBI. Some consolidation of these intelligence functions is overdue with a boiling down of the intelligence staffs—a welcome reduction in defense manpower would result.

8. Further reduction of the support unit "tail" and increases in the combat unit "teeth" are in order. Today, about 30% of the uniformed members of the Army and Navy are in combat units. Not even all of these personnel are in combat related jobs. Behind the active military are another 1.4 million civilians in supporting roles. A streamlining of support units and the supporting military bureaucracy is desirable.

9. At the end of Fiscal 1975, the armed services maintained nearly 5900 people in military bands. No specific data on military bands is listed in the FY 1976 Defense Manpower report, but it would seem advisable to drastically cut this category of defense jobs as a fulltime occupation.

The personnel cuts above are meant to be suggestive and not exhaustive. Undoubtedly there are other places where economies could be made and the responsible officials of the Department of Defense are charged with the responsibility of finding and eliminating these and other soft spots in our military manpower ranks where waste and duplication exist. Present economic and political needs dictate that we maximize manpower efficiencies. The pressure on our resources is clear. What is proposed meets our security needs while increasing productivity. Such an approach benefits all Americans.

INCREASING THE NUMBER OF ARMY DIVISIONS TO 16

Description.—In April 1974, the Army announced that it was planning to increase its number of active divisions from 13 to 16 by the end of FY 1976, without increasing overall authorized Army strength of 785,000. This was to be accomplished by 1) converting support to combat positions and 2) reducing the number of combat maneuver battalions in two Continental United States-based divisions from 10 to 9, using the extra battalions would each consist of two active duty brigades, with the third to be provided from the Army Reserve Air National Guard upon mobilization.

Action by the House.—The House Armed Services Committee supported the proposal. The full House did not specifically discuss the issue.

Recommendation of the Senate Armed Services Committee.—The Committee report states: "The Committee supports the 16 division objective and approves and commends the Army generally in reducing its non-combat support type personnel." In approving the proposal, however, the Committee emphasized: 1) the number of divisions are not authorized as a matter of permanent law, 2) the committee supported the objective of 16 divisions only on the assurance that it can be manned by good volunteers now and in the future without a return to the draft, and 3) approval depends on Army's present plan to maintain an Army National Guard or Reserve brigade as one of the 3 brigades in each of the 3 proposed divisions.

Cost.—DOD estimates that increasing the division number to 16 by converting "tail" to "teeth" will cost about $600 million annually. *Leonard K. Sullivan*, Assistant Secretary of Defense for Program Analysis and Evaluation, told the Senate Budget Committee: "There is eventually a cost of around *$200 million per year per division*. Soldiers are more expensive driving tanks than they are riding desks. We don't run into that bind yet because we are so low on some of our stocks of the latest weapons and equipment that we would continue to buy at the same period of time even if we were targeting on 13 divisions." (Page 1140 of March 21 hearings)

ARGUMENTS FOR THE INCREASE

1. Efficiency.—On page III–39 of his posture statement, Secretary Schlesinger states: "This new 16 division plan was developed on the initiation of the late Army Chief of Staff, General Creighton W. Abrams, in response to my request that the Army find a way to obtain more combat capability from the manpower resources made available to it."

2. Threat.—On pages 66 and 67 of his posture statement, *General George Brown, Chairman of the Joint Chiefs of Staff*, states: "The Soviet Army, on the basis of our current information is estimated to deploy 166 divisions in various states of readiness. The Joint Chiefs of Staff have been concerned, for several years, over the risks inherent in NATO's marginal ability to meet a Warsaw Pact attack.

Substantial qualitative and quantitative improvements in Warsaw Pact forces have increased appreciably in the "no room for error" risk which was associated with the 13½-division Army. NATO forces have remained relatively stable as the size, mobility, firepower, and flexibility of the Warsaw Pact continued to increase significantly. In the past, we counted on the superior quality of Western weapons, equipment, and technology to offset the decided advantage the Warsaw Pact enjoyed in quantity. That time is now past. The hard fact is that the Warsaw Pact has achieved near qualitative parity with the West in general purpose weapons and equipment. The strength, speed of mobilization, mobility, and sustaining power of the Warsaw Pact, in our estimation, have increased significantly.

ARGUMENTS AGAINST THE INCREASE

1. Need.—DOD is playing a numbers game with Congress. As described more fully in the attached paper, by the Library of Congress, the REAL request by DOD is not to go from 13 or 13½ divisions to 16 BUT from 14 to 16⅔ divisions. At the end of FY 74, the Army

UMI

already had the *numerical equivalent* of 14 divisions—42 combat brigades. By the end of FY 76, it proposes to have 50 combat brigades—the numerical equivalent of 16⅔ divisions.

2. Cost.—The Center for Defense Information estimates that the real cost of this conversion from "tail" to "teeth" will be over $1 billion a year.

The Library of Congress has commented on a few of these costs. It noted that the build-up to 16 divisions will provide immediate increases in operation and maintenance, weapon and equipment procurement, and military construction costs. Some $600 million has been attributed to this build up in Army strength for FY 76. E. G. *Expenditures for tanks* has increased to $498.3 million in FY 76—from $256.5 million in FY 75 (almost double). *Expenditures for armored personnel carriers* increased to $103.6 million in FY 76—it was $7.7 million in FY 75. The FY 76 budget also shows an additional $150 million for operations and maintenance improvement to the National Guard and Reserve forces.

3. Cost in relation to other national priorities.—Testifying before the SASC, *William K. Brehm, Assistant Secretary for Defense for Manpower and Reserve Affairs*, stated: "The decision on the size of the Defense Department is a judgment which certainly will be affected by the overall resource allocation process, as the entire Presidential budget is put together."

4. *Are we really eliminating "tail?"*

This is a crucial question. *On February 25, William K. Brehm, Assistant Secretary for Defense for Manpower and Reserve Affairs, testified before the Subcommittee on Manpower of the SASC. Senator Nunn* queried the Secretary on the Army's ability to field three more divisions without adding to its military personnel strength.

The testimony is included in its entirety because of the importance of the issue:

The 1st Cavalry Division, successor of the TRICAP Division, is now in the process of reorganizing to an armed division. The reorganization is expected to be completed in early FY 76.

CIVILIAN PERSONNEL STRENGTH

Senator NUNN. *The Army states it can field three more divisions without adding to its military personnel strength. The question is: Can you do this without increasing civilian personnel* strength?

Mr. PHILLIPS. We would, in fact, expect to go down somewhat on civilian personnel direct hires. I guess it is the original question you asked this morning with regard to indirect hires, as well, perhaps.

Senator NUNN. Yes; I would include indirects and directs.

Mr. PHILLIPS. Yes.

Our total program is laid out here, and our civilian hires do not go up over the years. But there are some puts and takes that make it possible to do some additional hiring, indirect hiring in Europe, to accommodate what we are doing there.

I would like to review for you, sir, a thing that we were told to do by the Secretary of Defense after the Nunn amendment came out directing the Defense Department to take 18,000 support spaces out. As it turned out, the Army's share of that 18,000 was 12,200 over 2 years. Also at the same time that amendment came to us, the Secretary of Defense directed the Army over the years 1976 and 1977 to take out a total of 20,000—the Army alone to take out 20,000 support spaces from Europe. We were permitted to count those that we were required to take out because of the Nunn amendment. But that was another 8,000 support spaces. As in the case of the Nunn amendment, we were permitted to convert those spaces to combat in Europe and in addition were required to add 12,000 combat spaces back here in the United States.

Senator NUNN. Does this mean the additional 7,800 that you are taking out beyond the Nunn amendment as far as the Army requirement is concerned, are not going to be replaced in Europe but will be an actual reduction in Europe of 7,200 Army people?

Mr. PHILLIPS. No; because we are planning to stay at the 198,000. He directed us in fact to create 12,000 more combat force spaces in the United States.

Senator NUNN. What I do not understand, I thought you said that he said when you removed these extra support troops in Europe, not the first 12,200, but the next incremental 7,800, that you are going to have to replace those with combat in the United States.

Mr. PHILLIPS. A combination of both Europe and the United States, so our European strength will stay the same. But we could also convert them to combat, so that we would stay at the 198,000 where we are.

Senator NUNN. You are doing the same thing with them as you are doing under the Nunn amendment.

Mr. PHILLIPS. Yes. And we were also directed to create 12,000 combat spaces in the United States from those and other spaces.

The point I am trying to make, sir, is at the time he told us to take the 20,000 out, including the portion of the Nunn amendment, he told us that in fiscal 1976 to replace some of that support that he had directed us to take out, when functions could not be eliminated or consolidated, we could hire up to 7,000 indirect hire, and in fiscal year 1977 another 8,000 for a total of 15,000.

The fact of the matter is we have no intention of doing anything like that.

What we want to do is to hire 8,488 indirect hires, which almost corresponds with his extra 8,000 that he directed us to take out.

Senator NUNN. Could you furnish for the record a cost analysis on how we save money by taking out supply troops and replacing them one for one with indirect hires?

Mr. PHILLIPS. We do not think we will save very much money. We will save some, but we thought the idea was to get teeth instead of tail over there to improve the combat.

Senator NUNN. It is within the same budget.

Mr. PHILLIPS. We thought within the same manpower; and it is within the same budget.

Senator NUNN. There are two different problems here. Are you saying, of the 12,200 that are required under law, the Nunn amendment, that you are not replacing any of them with indirect hire?

Mr. PHILLIPS. I cannot say that, sir. The Secretary told you this morning, of course, that we would look at that and work with you on it so that there are no surprises. And we will outline exactly what it is we intend to use these 8,228 for that we think we are going to need to handle the work of 20,000 that we are taking out. Some, I am sure we are going to find if we dig into it, are probably going to do the kinds of things some of the units we took out under the Nunn amendment were doing.

Senator NUNN. In the 1976 budget, I saw 2,500.

Mr. PHILLIPS. Yes, sir. That is the first year.

Senator NUNN. Does that mean in 1977 there is going to be 5,600 more?

Mr. PHILLIPS. Yes. That is the idea, sir.

Senator NUNN. I would like for the record a cost comparison, because it really does not make much sense to me to take out a military man and supply and replace him with a civilian unless the civilian is much cheaper.

Mr. PHILLIPS. It is much cheaper, sir, because there is no training tail on him, and especially if it is indirect hire, it is a European national or a U.S. national who was there anyway. The average salaries are $8,600 for these new indirect hires.

[The information follows:]

"It is much cheaper to use indirect hire civilians because there is no replacement training cost, rotation cost and other support cost. The cost to maintain a soldier in Europe estimated at $13,985 is slightly greater than the Army-wide average of $13,405 due to a higher level of readiness and cost of second destination transportation. A comparison of the average cost of a military versus the newly employed indirect hire civilian in Europe is as follows:"

	Average cost
Civilian:	
Pay and allowances [1]	$8,611
PCS	0
Variable OMA spt.[2]	0
Family housing	0
Total	8,611
Military:	
Pay and allowances [1]	$8,831
PCS	754
Variable OMA spt.[2]	4,090
Family housing	310
Total	13,985

[1] Civilian—indirect hire German average salary for new employee; military enlisted average pay and allowances.

[2] Includes medical, supply consumption, and base operation support.

Senator NUNN. For the record we would like to get sort of a track of exactly all of the steps in the total picture that are going to happen by reason of this 20,000.

Mr. PHILLIPS. I understand.

Senator NUNN. And then also probably from the point of view of complying with the law, we need to break that out into just what is going to happen with the 12,200, and that would include everything that is going to happen in regard to civilian personnel, direct hire and indirect hire, so that we have the full picture.

Mr. PHILLIPS. All right, sir.

[The information follows:]

"In his guidance to the Services in July 1974, the Secretary of Defense included a requirement for the Army to increase its early combat power in Europe.

"His concept provided for increasing combat power in Europe by ⅔ division by the end of FY 76, decreasing military headquarters and non-divisional support military spaces in Europe by 12,000 spaces, and permitting the Army to hire up to 7,000 foreign nationals to replace military personnel withdrawn from those support functions which could not be consolidated or eliminated. The concept permitted the Army to incorporate in its implementation plans the conversion of support to combat in compliance with Congressional requirements (Nunn Amendment).

"The Army's plans to achieve early combat power in Europe are designed to comply with the guidance of the Secretary of Defense. The plans call for using about 3,843, rather than 7,000, foreign national spaces for partial replacement of the 12,000 military spaces to be converted.

"The use of indirect hire civilian personnel for partially offsetting the military support reductions increases the opportunities to reduce military support spaces. With such hires, military reductions can be made on an individual position basis in units which must be retailed because they have a continuing, essential peacetime workload. Without such civilian hires, far fewer military support reductions could be made since they could be taken only in units where failure to accomplish the required workload would not degrade readiness of the deployed force.

"If the Army had been required to make its plans for the specified reduction in military support spaces without employing civilian hires as partial offset, the plans certainly would have differed from the current plans as to the source of the reductions. Considering the limited opportunities to make alternative reductions without affecting continuing workload, the alternative plans would have impaired support for and readiness of the combat forces in Europe and certainly would not permit replacing each of the support spaces with a combat soldier.

"Army programs for increasing combat power through FY 76 call for increasing combat spaces by 12,000, with a corresponding reduction of 12,175 support spaces An additional 1,328 support reductions are required to offset the brigade headquarters and the support battalions of the two brigades deploying to USAREUR from CONUS. Attached are data which show:

"(a) FY 75 and FY 76 support reductions and the program for indirect hire civilians by end FY 76.

"(b) Combat increases planned for FY 75 and FY 76.

"(c) Estimated costs of indirect hire civilians to be employed by end FY 76."

MILITARY SUPPORT REDUCTIONS AND CIVILIAN HIRE

Category	Military reduction, total	Military reduction, fiscal year 1975	Civilian hire, total
Headquarters	1,942	1,582	0
Project Chase and other related actions	745	745	0
USAREUR Headquarters and subheadquarters	200	200	0
Non-USAREUR Headquarters	560	200	0
Manpower survey actions	437	437	0
Combat support	2,787	1,140	0
Engineer construction battalions conversion (3 battalions)	1,970	780	0
Field artillery headquarters (corps)	360	360	0
NATO support	457	0	0
Combat service support:			
Administration	667	587	162
2 bands	86	86	0
Postal services	65	65	65
Finance	169	89	97
Cook's helpers TDA units	306	306	0
ADP reduction/consolidation	41	41	0
Transportation	1,893	1,853	387
Car companies	120	80	120
Project Wheels	1,500	1,500	0
Civilian hire 2 truck companies	273	273	267
Supply	717	634	232
Wholesale supply	492	478	78
Retail supply	156	156	85
Civilian hire ordnance ammo handlers	69		69
Maintenance	2,652	347	1,423
Reduce/civilianize POMCUS	989	347	843
Reduce/civilianize DS/GS maintenance	1,663		580
Medical	846	93	487
Medical unit reductions	307	93	0
Eliminate dental activity	52		0
Civilian hire medical activities	487		487
Signal	750	250	0
Other	1,249	64	1,152
Psyops unit elimination	64	64	0
Projected fiscal year 1976 manpower conversions	452		419
To be determined	733		733
Total	12,503	6,550	[1] 3,843

[1] 3,488 IDH spaces were requested in fiscal year 1976 President's budget. Subsequent USAREUR plan changes based on OSD guidance have increased this request.

COMBAT INCREASES

Brigade, 2d Armored Division	[1] 3,229
Brigade, 4th Infantry Division	[1] 3,229
FA Battalion, 155mm SP	525
FA Battalion, 8" SP	511
Attack helicopter company	250
Engineer combat (heavy) battalion	1,970
ALO increase:	
23 tank battalions	11,111
4 division cavalry squadrons	312
2 armored cavalry regiments	684
16 Hawk batteries	160
Other ALO	19
Total	[1] 12,000

[1] Excludes 1,100 spaces for two support battalions accompanying the brigades deploying from CONUS and not meeting the Nunn combat definition.

"ESTIMATED COST OF INDIRECT HIRE CIVILIANS

"Based on average cost of German National indirect hire to be employed to offset military reductions in support, the estimated cost of 2489 manyears in attaining 3843 strength at end of FY 76 is $21.4 mil. Full manyear cost of these personnel in FY 77 (3843 manyears) is estimated at $33.3 mil. Average manyear cost in FY 76 is estimated at $8611, in FY 77 to be 8671."

AVAILABILITY OF DIVISION

Senator NUNN. How many divisions were available for use against the Soviet and Warsaw Pact forces at the height of U.S. military involvement in Vietnam, that is fiscal year 1968 and 1969.

Mr. PHILLIPS. Senator, I do not want to say off the top of my head. Can we supply that for the record?

Senator NUNN. Also, in comparison with how many are available today.

Mr. PHILLIPS. Yes.

[The information follows]

"[Deleted] Army Divisions were available in FY 68 and [deleted] Army Divisions were available in FY 69 for use against the Soviet and Warsaw Pact forces. These numbers include Active and Reserve Forces.

"[Deleted] Reserve and Active Army Divisions are available today for use against the Soviet and Warsaw Pact Forces."

Unit	1968 readiness condition	1969 readiness condition
5th Infantry Division (mechanized)	C-4	C-2
24th Infantry Division (mechanized)	C-4	C-3
1st Armored Division	C-4	C-3
2d Armored Division	C-4	C-2
82d Airborne Division	C-2	C-1
3d Armored Division	C-4	C-3
4th Armored Division	C-3	C-3
3d Infantry Division (mechanized)	C-3	C-3
8th Infantry Division (mechanized)	C-4	C-3
2d Infantry Division	C-3	C-3
7th Infantry Division	C-3	C-3

Note: C-1 (fully ready); C-2 (substantially ready); C-3 (marginally ready); C-4 (not ready).

READINESS FORCE

Senator NUNN. Also I would like for you to compare the readiness state of Army units available for use against Soviet and Warsaw forces at that time against the readiness of the same forces today. With respect to the Soviet and Warsaw Pact forces, we are not in a better position today with 13 Army divisions than we were in 1968, when we had a substantial portion of Army resources committed to South Vietnam?

Mr. PHILLIPS. No question about it, sir.

[The information follows:]

"In 1968 and 1969 there were [deleted] respectively designated for employment against the Soviet and Warsaw Pact forces. The six divisions that were employed in Vietnam and that would have had to be redeployed to Europe were assumed to be fully ready. The Reserve Divisions did not start reporting readiness until April 1969. The Reserve Divisions that would have been employed were not ready in 1968 and 1969.

"The readiness status of the active divisions (less those in Vietnam) in 1968 and 1969 was:"

"Today there are [deleted] designated for employment. The divisions and their readiness status are:"

Active	[Deleted]
Readiness condition[1]	[Deleted]
Reserves	[Deleted]
Readiness condition[1]	[Deleted]

[1] C-1 (fully ready); C-2 (substantially ready); C-3 (marginally ready); C-4 (not ready).

THREAT INCREASE

Senator NUNN. Does the increase in Army divisions reflect an increased threat from the Soviet Union and the Warsaw Pact?

Mr. PHILLIPS. Yes.

General THURMAN. Absolutely.

Senator NUNN. So this is tied to the threat increase?

Mr. PHILLIPS. Yes, sir.

Senator NUNN. Directly or indirectly. Are you trying to increase it in proportion to the Soviet increase?

Mr. PHILLIPS. No, sir.

Senator NUNN. Is the 13- to 16-division move related to any threat or potential use in the Middle East?

Mr. PHILLIPS. No, sir.

Senator NUNN. Are there any other kinds of commitments that we have that this would be related to, or is it strictly the Soviet Union?

UMI

Mr. PHILLIPS. We think it improves the flexibility that the President and the Congress have worldwide over what we have today; but first and foremost and primarily it is because of NATO.

25TH DIVISION IN HAWAII

Senator NUNN. In regard to the Reserve brigades which will be part of the new division, what is your experience on the 25th in Hawaii in using Reserve forces in this manner?

General THURMAN. Sir, I am not directly familiar with that, but I would say from what I have heard that it works exceedingly well in Hawaii, particularly since the brigade is so closely located physically to the division, and their relationships can be on practically a daily basis. We can provide additional information to you about that. But, from what I have heard, it has worked exceedingly well. I do not have any first-hand knowledge.

Senator NUNN. That is the best example we have, and I would like complete details on how that reform in plans is supposed to take place under their contingency plan; that is, when would the Reserve brigade be deployed, how long would it take to be deployed compared to the Active brigade, and so forth?

Mr. PHILLIPS. All right, sir.

[The information follows:]

"When mobilization authority is granted, the affiliated brigade would join the division and we plan to deploy the full division. Based on the established deployment sequence of the 25th Division and the readiness status of the 29th Brigade, we feel this is a reasonable objective. In cases of accelerated deployment the active brigades could be immediately deployed and the affiliated brigade could later deploy and join the division.

"Under non-mobilization contingency plans, the division, if needed, would be deployed minus its affiliated brigade."

Mr. CRANSTON. Mr. President, following that, and in preparation for the discussion on priorities tomorrow and the vote on the ceiling amendment Wednesday, which relates to priorities, I ask unanimous consent to have printed in the RECORD at this point a comparison of S. 920 with the congressional budget resolution.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

COMPARISON OF S. 920 WITH CONGRESSIONAL BUDGET RESOLUTION

The Congressional Budget Resolution was based on the assumption that the target ceiling for National Defense budget authority would be $100.7 billion. This is $7 billion below the Administration's request.

In addition, the Resolution assumed there would be $2.4 billion in additional costs. These are explained by differences in our estimate of receipts from sales of strategic stockpiles and oil from the Elk Hills Naval Reserve. We felt the Administration's estimates of receipts were too high. Included in the additional costs, is $1.8 billion if Congress lifts the cap on defense and retirement allowances.

To meet our target figure for National Defense budget authority we must cut that authority by $9.4 billion.

The bill before us is one of several defense authorization bills coming under the National Defense budget category. It covers military procurement, research and development, military assistance to South Vietnam and manpower levels. In all, including the implicit pay of the personnel strength requested, the bill represents 70 percent of the total budget authority requested for National Defense.

The Budget Committee based its assumptions on cuts being made as follows:

—$1.7 billion to be cut in military aid to South Vietnam and Cambodia of which $1.3 billion, aid to South Vietnam, was to be cut from the military procurement bill and $400 million in aid to Cambodia to be cut from the Foreign Military Assistance Act. S. 920 makes the requisite cut in this area.

—$6 billion to be cut from a classification of inflation and program growth. S. 920 cuts only $3.5 billion in this classification, almost all of this authority is cut from the so-called "slow-spending" programs which have limited effect on real spending for fiscal year 1976.

—$1.7 billion in cuts will be accomplished through financial adjustments. These include the following adjustment items, transfers of unobligated funds, sales of assets whose receipts go not to Treasury, but to the appropriate defense agency, and fees received from foreign military sales which go also to defense agencies, not to the Treasury. These financial adjustments are made generally in the appropriations bills at a later date. S. 920 disregards these items, as does the Senate Budget Committee's report.

From this it can be seen that additional cuts can come only from the line labeled "Inflation and Program Growth" by the Budget Committee staff. It is in this area that S. 920 falls short of the cuts required to keep the Senate in line with its commitment to the budget targets spelled out in the Budget Resolution and Report of the Budget Committee.

The Budget Resolution has assumed a cut of $6 billion in program growth and inflation areas of the budget. The Armed Services Committee has recommended a cut of $3.5 billion. Senator Symington is proposing an amendment, cosponsored by Senator Kennedy, myself, and others, to cut an additional $1.2 billion in this area, leaving a shortfall of $1.3 billion to be cut from this or subsequent defense authorization bills.

In sum, to conform to the initial decisions made thus far in connection with the new budget process, we will have to make defense authority cuts, up to a total of $9.4 billion. S. 920 as reported makes only $5 billion in the required cuts. The Symington amendment will bring us within striking distance of that goal.

Mr. CRANSTON. Mr. President, a number of Senators have been preparing statements in connection with various areas of Federal concern and expenditure in order to relate those matters to the defense budget.

I ask unanimous consent that three of them, one that I prepared concerning energy and environment, two prepared by Senator HARTKE concerning, first, transportation, and, second, veterans benefits and services, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY AND THE ENVIRONMENT

The urgency of the dialogue we begin here today stems not only from the need to know where America goes in the era called post-Vietnam. It stems, as well, from the awesome American presence in the world today: As military force in an anxious age, as potential peacemaker on a planet flamed with fear, and as chief consumer in a dwindling global storehouse.

Mankind, says the Club of Rome, is at the turning point. Our choices are few. We can continue in our random way, gobbling up energy resources as if at an endless banquet, tossing our scraps on the floor. Or we can curb our energy appetites, clean up the litter around us, and join with our international neighbors in structuring world growth and consumption in positive, lasting ways.

America's actions are pivotal.

Consider:

During the past year, 214 million Americans—about 5.5% of the world population—consumed 35% of the world's expended resources.

Of all man-made pollution last year Americans contributed about 50%.

In terms of total impact on resources and waste in the world, Americans have some 25 to 50 times as much effect as any other people on earth.

Each year, as our population grows, a single American will use 10 tons of steel, 22 tons of concrete, 13 tons of coal, 3 pounds of pesticide, and 322,500 gallons of water. Each of us will produce 1 ton of smoke and fumes, 47,000 gallons of sewage, and one ton of solid waste.

It takes a lot to fuel America, and in this sense at least, our place in history is assured. As Hemingway put it, a continent ages quickly once we come.

Compounding what we do to the world at large is what we do to ourselves. Our domestic house is not in order. Our national priorities are tragically misplaced.

The American shopping list gives us choices:

Vetoed Environmental Protection Agency plan to depollute the Great Lakes=$141 million=1973 request for new airborne nuclear-war command post.

1973 unfunded Housing & Urban Development water & sewer requests=$4 billion=cost excess on F–111 aircraft.

National water-pollution abatement, 1970–75=$38 billion=cost excesses for 45 weapons systems.

National solid-waste-treatment program=$43.5 billion=B–1 bomber program.

Total environment cleanup=$105.2 billion=new weapons systems in development or procurement.

Unfunded program to upgrade rural American life=$300 million=5 C–5A aircraft.

Unfunded 1973 rural health care=$22 billion=50% of Lockheed Cheyenne helicopter funding increase, 1973.

Impounded Federal housing funds, 1972=$130 million=8 F–14 aircraft.

1972 Federal health budget deficiency=$2.3 billion=overruns on C–5A aircraft and Main Battle Tank.

This is a luxury list, a set of alternatives few nations could afford. Being able, America must make certain its choices of priorities not only contribute to world peace and domestic tranquility, but also keep our nation on its feet: Few visions are more shocking than the spectre of our great country brought to its knees, not by blows of an adversary nation, but by weakness brought on by internal neglect. All the weaponry of the world will be useless to a nation too exhausted to rattle its own sabres.

Nowhere are the alternatives more compelling, the results so predictably clear, than in the set of decisions America must make regarding energy and the environment. We are committed to providing all Americans with a realistic supply of energy to keep the nation running. We are also committed to providing all Americans with the resources needed to help our nation rest and enjoy—parks, wilderness, wildlife, as well as good air to breathe and clean water to drink.

Are we doing the job?

Scientists have warned, for example, that air pollution, if it maintains its current level of growth, will create a "greenhouse" that will raise the temperature of the earth enough by the end of the century to melt the polar ice and cause serious flooding.

Other ecologists, while not predicting out-

and-out doom, have warned of the grave consequences of man's continued abuse of the environment. The predictions don't always agree, and they are predicated on the unlikely expectation that Americans will maintain the present levels of pollution, consumption and reproduction. Nonetheless, the predictions are important because they dramatically illustrate the seriousness of the environmental crisis.

Here, then, drawn from dozens of speeches and articles by scientists, ecologists and government leaders, are forecasts for America twenty-five years from now:

By the year 2000, we will have dumped 60 billion tons of waste into the air and will have paved over 30 million oxygen-producing trees. Emphysema will most likely be the leading cause of death in the cities.

By the year 2000, five billion people will inhabit the earth. Three hundred million people will live in the United States—about 77% of them will live on 11% of the land. Or, looking at it another way, only 12% will live outside areas of 100,000 people or more.

By the year 2000, just about every American will be deaf or partially deaf.

By the year 2000, our national dump will include 210 million cars, 228 million television sets, 600 million tons of paper, 1.4 trillion cans and 840 billion bottles.

By the year 2000, the cost of waste disposal will have increased more than eight times—and will be about $52 billion a year. Air pollution will have cost Americans more than $330 billion—including $15 billion lost in agriculture alone.

By the year 2000, pollution will have cost Americans thousands of lives and billions of dollars. The problems of population, of waste, of consumption will be massive. By the year 2000, the destruction of the environment could possibly be complete—unless we launch drastic measures today—or more immediately, move forward at once to meet the commitments we have already made.

Just a few of these commitments follow.

The following table indicates the President's proposed budget outlays for FY 1976, functional categories contrasted with the priorities established by the Congressional Budget Committees:

PERCENTAGE DISTRIBUTION OF OUTLAYS BY FUNCTION

[Dollar amounts in billions]

Function	President's budget		President's adjusted budget		Senate budget		Budget conference	
	Outlays	Percent	Outlays	Percent	Outlays	Percent	Outlays	Percent
050—Defense	94.0	26.9	94.0	26.6	91.2	24.9	90.695	24.7
150—International affairs	6.3	1.8	6.4	1.8	4.9	1.3	4.9	1.3
250—Science and space	4.6	1.3	4.6	1.3	4.6	1.2	4.6	1.2
300—Natural resource and energy	10.0	2.9	10.1	2.9	11.7	3.2	11.6	3.1
350—Agriculture	1.8	.5	1.8	.5	2.0	.5	1.8	.4
400—Commerce and transportation	13.7	3.9	14.7	4.2	16.6	4.5	17.5	4.7
450—Community and regional development	5.9	1.7	5.9	1.7	6.6	1.8	8.65	2.3
500—Education, manpower, and social service	14.6	4.2	16.5	4.7	19.4	5.3	19.85	5.4
550—Health	28.0	8.0	28.1	8.0	31.0	8.4	30.7	8.3
600—Income security	118.7	34.0	119.4	33.8	126.1	34.5	125.3	34.1
700—Veterans	15.6	4.5	15.6	4.4	16.9	4.6	17.5	4.7
750—Law enforcement and justice	3.3	.9	3.3	.9	3.4	.9	3.4	.9
800—General government	3.2	.9	3.2	.9	3.2	.8	3.3	.8
850—Revenue sharing and general fiscal assistance	7.2	2.1	7.2	2.1	7.2	1.9	7.2	1.9
900—Interest	34.4	9.9	34.4	9.7	35.3	9.6	35.0	9.6
Allowances	8.0	2.3	8.0	2.3	1.1	.3	1.2	.3
950—Undistributed offsetting receipts	−20.2	−5.8	−20.2	−5.8	−16.2	−4.4	−16.2	−4.4
Total	349.4	100.0	353.1	100.0	365.00	100.0	367.0	100.0

TABLE 2.—FISCAL YEAR 1976 OUTLAYS REQUESTED BY AUTHORIZING COMMITTEE

	Functional category	Dollars	Percent		Functional category	Dollars	Percent
050	National Defense	96.1	24.5	700	Veterans Benefit	17.5	4.4
150	International Affairs	6.3	1.6	750	Law Enforcement	3.4	.9
250	General Science	4.7	1.9	800	General Government	3.2	.8
300	Natural Resources	17.8	4.5	850	Revenue Sharing	12.2	3.1
350	Agriculture	2.4	.6	900	Interest	35.3	.4
400	Commerce and Transportation	19.2	4.9		Allowances	1.5	.4
450	Community and Regional Development	6.5	1.6	950	Undistributed Offsetting Receipts	−5.1	20.2
500	Education, Manpower and Social Services	26.6	6.8				
550	Health	32.7	8.3		Total	392.5	
600	Income Security	127.5	32.5				

TABLE 3.—PERCENTAGE DISTRIBUTION OF OUTLAYS BY FUNCTION

[In billions of dollars]

Functional category	Fiscal year 1975 estimated		Fiscal year 1976 President's budget		Fiscal year 1976 budget conference		Functional category	Fiscal year 1975 estimated		Fiscal year 1976 President's budget		Fiscal year 1976 budget conference	
	Outlays	Percent	Outlays	Percent	Outlays	Percent		Outlays	Percent	Outlays	Percent	Outlays	Percent
050 Defense	86.1	26.8	94.0	26.9	90.965	24.7	600 Income Security	109.8	34.1	118.7	34.0	125.3	34.1
150 International Affairs	5.0	1.6	6.3	1.8	4.9	1.3	700 Veterans	16.0	5.0	15.6	4.5	17.5	4.7
250 Science and Space	4.2	1.3	4.6	1.3	4.6	1.2	750 Law Enforcement—Justice	3.0	.9	3.3	.9	3.4	.9
300 Natural Resources—Energy	9.5	3.0	10.0	2.9	11.6	3.1	800 General Government	2.7	.8	3.2	.9	3.3	.8
350 Agriculture	1.8	.6	1.8	.5	1.8	.4	850 Revenue Sharing	7.0	2.2	7.2	2.1	7.2	1.9
400 Commerce and Transportation	11.9	3.7	13.7	3.9	17.5	4.7	900 Interest	31.3	9.7	34.4	9.9	35.0	9.6
450 Community and Regional Development	4.9	1.5	5.9	1.7	8.65	2.3	Allowances	.7	.2	8.0	2.3	1.2	.3
500 Education, Manpower and Social Services	14.9	4.6	14.6	4.2	19.85	5.4	950 Undistributed Offsetting receipts	−14.3	−4.4	−20.2	−5.8	−16.2	−4.4
550 Health	27.4	8.5	28.0	8.0	30.7	8.3	Total	321.8	100.0	349.4	100.0	367.0	100.0

EMPLOYMENT IMPACT OF ENERGY/ENVIRONMENTAL EXPENDITURES

Employment can be stimulated directly and rapidly by increased funding of environmental and energy programs. Environmental enforcement, research and monitoring programs are manpower intensive and can provide immediate employment opportunities. The EPA's wastewater treatment construction grant program offers a good example. For every billion dollars expended in this area, 43,000 jobs will result directly with a potential for substantial economic impact through indirect employment. EPA-financed construction activities employs 55,000 people directly, with this figure expected to increase to 125,000 people by mid-1977.

In addition, all the benefits derived from environmental and energy programs will be reaped within the United States. Every dollar invested in environmental cleanup is advantageous. Not only is employment stimulated, but environmental expenditures serve to protect existing jobs. Some 65% of the U.S. harvest of seafood depends upon the stability of our estuaries. Approximately 90,000 commercial fishermen depend upon this seafood for their livelihood. However, the Environmental Protection Agency's program to protect these estuaries is seriously underfunded.

With regard to energy spending, the rigid link between energy growth and economic growth is no longer accepted as self-evident. Increased spending for energy conservation can have a beneficial rather than harmful effect on our economy. The most energy-intensive activities in the economy are the energy industry itself and various manufacturing industries (primary metals, stone clay

UMI

and glass, food, chemicals, and paper). These industries have become more capital intensive and less labor intensive. Consuming one-third of total U.S. energy, these industries account for 45% of U.S. industrial production (15% of the GNP), but only 10% of total employment. In addition, they have generated almost no new jobs in the past two decades. Federal spending to develop conservation techniques in these industries can reduce U.S. energy consumption without reducing employment levels.

Research conducted at the Lawrence Berkeley Laboratory indicates that careful conservation leads to higher demand for labor in the preparation of the conservation technology, as well as more labor induced by spending the money saved from conservation. The result is more goods or services and more employment, with less energy.

Implementation of conservation plans calls for equipment, consultants, architects and designers, and other specialists not otherwise required. The costs of switching to a more efficient use of energy are, of course, borne out of savings from energy bills, and the net dollar savings is either passed on to consumers, reinvested, or taken out in profits. In all cases, energy expenditures are replaced by non-energy expenditures, generally increasing employment.

Frequently, energy development leads to employment opportunities in less populated, economically depressed areas. With proper safeguards, mining and shale oil developments in the West and development associated with the Alaska Pipeline, deepwater ports, and offshore oil and gas production are good examples.

POLLUTION

The last 10 years have been a period of growing environmental awareness in this nation. Yet, according to the Senate Public Works Committee, as a percentage of the federal budget, funding of environmental programs has been constant. In 1965 natural resources and environment received 2.5% of the federal budget. That percentage is unchanged for 1975.

The Council on Environmental Quality's 1974 annual report states that the U.S. is expected to spend $194.8 billion between 1973 and 1982 for environmental improvement as a result of federal environmental legislation. Although this estimate is almost one-third higher than that of 1973, the ratio of each year's estimated abatement cost to the projected GNP for that year varies from 0.7% (1973) to slightly over 1% through the remainder of the decade. Pollution control in the areas of air, water, noise, radiation, solid waste, and land reclamation are included in this estimate.

ENVIRONMENTAL PROTECTION AGENCY

The central government agency charged by the Congress with responsibility for environmental oversight, forecasts, and implementations of policy is the Environmental Protection Agency. The EPA's ability to carry out its mandate is proportional to the federal dollars committed.

The EPA is not an end in itself. It generates activities that provide environmental improvements, and these activities generate jobs. Late in 1974 EPA Administrator Russel E. Train reported some 55,000 people directly employed in EPA-financed construction activity. By mid-1977 that number will more than double, to approximately 125,000. These workers would be building sewage treatment plants around the country, carrying out the provisions of federal water legislation that allows EPA to pay up to 75 percent of the costs of constructing new treatment plants—provided the Congress appropriates the money.

Earlier this year the Agency drew up a FY 1976 "optimum budget"—in other words, the dollar amounts needed to continue the important tasks assigned it by the Congress of the United States on behalf of the American people.

This budget follows:

TABLE 4. EPA OPTIMUM BUDGET

	Fiscal year 1975 congressional budget		Fiscal year 1976 President's budget		Fiscal year 1976 OMB submission		Fiscal year 1976 optimum program	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
Air, total	1,590	154.0	1,671	137.2	1,772	188.8	1,872	200.9
Abatement and control	730	87.3	773	77.2	770	110.1	792	125.7
Control agency grants		55.3		47.8		67.0		81.5
Vehicle inspection and maintenance assistance						10.0		10.0
Mobile sources	170	10.2	223	8.9	232	12.8	232	12.8
Stationary source standards and guidelines	146	6.4	146	6.4	142	6.3	146	6.4
Ambient trend monitoring	80	3.3	80	2.5	80	2.8	80	2.8
Technical assistance	334	10.4	324	10.5	316	9.5	334	10.5
Academic training		1.7		1.1		1.7		1.7
Enforcement	404	10.7	444	12.0	526	14.3	604	15.1
Stationary source enforcement	326	8.5	333	8.9	369	9.7	426	10.5
Mobile source enforcement	78	2.2	111	3.1	157	4.6	178	4.6
Research and development	456	56.0	454	48.0	476	64.4	476	60.1
Processes and effects	331	38.4	346	38.4	352	39.5	358	40.9
Control technology	125	17.6	108	9.6	124	24.9	118	19.2
Water quality, total	3,142	181.7	3,054	210.8	3,299	274.5	4,136	345.5
Abatement and control	1,664	111.2	1,729	144.6	1,897	196.1	2,168	233.9
Ambient trend monitoring	248	6.2	190	5.2	212	5.1	212	5.1
Technical assistance and planning	506	18.7	527	17.9	579	19.6	659	21.7
Areawide planning grants (208)		[1] (150.0)		53.0		75.0		75.0
Clean lakes		4.0					6	15.0
Academic training		2.8		1.9		2.8		2.8
Control agency support		45.7		34.4		60.0		60.0
Municipal source control	681	17.9	791	18.3	883	19.6	968	21.3
Adjustment for $9,000,000,000 grant level							700	4.0
Industrial source control	46	9.0	45	7.0	45	7.0	45	7.0
Nonpoint source control	28	1.6	27	1.6	28	1.8	28	16.8
Ocean disposal and spill prevention	155	5.3	149	5.3	150	5.2	150	5.2
Enforcement: Water quality enforcement	890	24.1	744	21.3	792	21.9	890	24.1
Research and development	588	46.4	581	44.9	610	56.5	678	87.5
Processes and effects	327	18.8	327	19.8	328	21.4	367	29.9
Control technology	261	27.6	254	25.1	282	35.1	311	57.6
Radiation, total	263	7.2	231	5.9	233	6.0	280	8.0
Abatement and control	191	4.6	174	4.3	174	4.2	208	5.4
Standards and guidelines	27	.8	27	.8	27	.8	27	.8
Monitoring	59	1.6	50	1.4	50	1.4	76	2.4
Technical assistance	105	2.2	97	2.1	97	2.0	105	2.2
Research and development: Processes and effects	72	2.6	57	1.6	59	1.8	72	2.6
Noise, total	59	5.4	86	10.2	96	7.7	103	11.0
Abatement and control	55	4.9	75	9.6	85	7.0	85	7.4
Standards and guidelines	29	3.5	49	8.3	55	5.4	55	5.8
Technical assistance	26	1.4	26	1.3	30	1.6	30	1.6
Enforcement: Noise enforcement	1	.02	10	.5	10	.5	10	1.1
Research and development: Noise research and development	3	.5	1	.1	1	.2	8	2.5
Toxic substances, total	56	8.0	56	8.1	44	8.8	56	8.9
Abatement and control: Standards and guidelines	45	6.8	45	6.9	44	6.8	45	6.9
Research and development: Processes and effects	11	1.2	11	1.2		2.0	11	2.0
Interdisciplinary R. & D., total	252	18.8	252	20.8	261	19.4	280	24.3
Processes and effects	240	17.5	240	19.5	245	17.2	262	22.0
Control technology	12	1.3	12	1.3	16	2.2	17	2.3

Footnotes at end of table.

	Fiscal year 1975 congressional budget		Fiscal year 1976 President's budget		Fiscal year 1976 OMB submission		Fiscal year 1976 optimum program	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
Energy research and development, total		134.0	40	112.0		166.0	90	166.0
Processes and effects		53.0	22	47.0		62.0	52	62.0
Control technology		81.0	18	65.0		104.0	38	104.0
Water supply, total	158	7.8	255	32.4	176	8.8	290	35.0
Abatement and control	94	3.0	175	19.9	99	3.2	193	22.2
Technical assistance	94	3.0	175	9.9	99	3.2	193	12.2
Program grants				10.0				10.0
Enforcement: Water supply enforcement			5	1			20	.4
Research and development	64	4.8	75	12.4	77	5.6	77	12.4
Processes and effects	44	3.4	52	9.4	56	3.7	56	9.4
Control technology	20	1.4	23	3.0	21	1.9	21	3.0
Solid wastes, total	174	19.5	184	15.6	200	19.0	3.4	51.1
Abatement and control: Technical assistance	151	10.3	161	11.6	176	14.0	341	32.1
Research and development	23	9.2	23	4.0	24	5.0	43	19.0
Processes and effects	3	.4	3	.4	2	.6	23	10.2
Control technology	20	8.8	20	3.6	22	4.4	20	8.8
Pesticides, total	972	34.1	972	44.3	1,024	43.5	1,104	62.9
Abatement and control	671	19.5	671	29.6	723	25.7	788	35.8
Registration and tolerances	407	7.7	407	8.1	441	8.1	486	9.1
Monitoring	80	4.5	80	4.6	82	4.6	82	4.6
Technical assistance	184	7.3	184	16.9	200	13.0	220	22.1
State training assistance				(5.0)		(6.4)		(8.9)
Enforcement: Pesticides enforcement	153	3.4	153	3.5	151	6.1	153	11.4
Research and development: Processes and effects	148	11.2	148	11.2	150	11.7	163	15.7
Management and support, total	2,386	124.1	2,378	137.4	454	138.9	2,504	150.5
Buildings and facilities		1.4		2.1		3.0		3.0
Subtotal	9,052	696.0	9,179	736.8	9,559	884.4	10,999	1,067.1
Construction grant contract authority		9,000.0						
Scientific activities overseas [2]				6.0		4.0		6.0
Total	9,052	9,696.0	9,179	742.	9,559	888.4		1,073.1
Advances, reimbursements and allocation	151		121		121		151	
ERDA offsite monitoring [3]	(88)		(58)		(58)		(88)	
EPA, grand total	9,203	9,696.0	9,300	742.8	9,680	888.4	11,150	1,073.1

[1] Contract authority.
[2] Addition of $2,000,000 for special energy program in Poland provided after budget submission.
[3] OMB submission includes 17 positions and $5,000,000 transferred to the ERDA after formulation of the submission.

AIR POLLUTION

The Senate Public Works Committee emphasizes that Administration restrictions on manpower have been a major factor in delaying full implementation of the Clean Air Act. In 1970, the Committee and the Administration estimated that 2,930 people would be required to implement fully the Clean Air Act in FY 1973. Yet at present FY 1975 levels, the Environmental Protection Agency has only 1,590 people assigned to this task. Many new positions authorized by Congress have never been released to the EPA by OMB. The Committee recommends that the President's FY 1976 budget request of $140 million for air quality programs be increased to $270 million, which would allow for more vigorous enforcement of the Clean Air Act and an additional 300 positions. The optimum budget drawn up by EPA for the Congressional Budget Committees (Table 4) requests $201 million.

The National Academy of Sciences 1974 report, "Air Quality and Automobile Emission Control" estimates that annual benefits between $2.5 billion and $10 billion in value could be obtained for the American people by improving air quality from its 1974 level to the level of the federal ambient air standards for automobile-derived pollutants. This value is measured in terms of saving lives, reducing illnesses, preserving and maintaining materials, and reducing damage to plant life. However, the report goes on to state that the annual cost of reaching the standards now mandated could cost from $5 billion to $8 billion per year, with normal development of better technologies included.

Annual federal expenditures for evaluative research to help us weigh the costs and benefits of cleaning up our air have been relatively small: $10 million to study the health effects of air pollution; less than $1 million to study costs and benefits of controlling automotive emissions; less than $10 million to study the relation of emissions to air quality. The National Academy of Sciences report stresses that we must generate new knowledge to reduce the uncertainties in decisionmaking for these topics. Congress will continue to be faced with important decisions about air quality and auto emissions. The informational base that can be strengthened greatly.

In addition to the need for increased funding of air quality programs, the need to develop a better automotive power plant than the existing internal combustion engine is key. Not only does the automobile contribute harmful pollutants to our environment, but autos account for 40% of our annual oil consumption. In 1970, this sum amounted to 100 billion gallons of gasoline. At the present time "clean engine" research is being conducted almost exclusively in the private sector. However, the Congressional Research Service estimates that $2 billion in federal funds could be spent in the search for a "clean engine." The Office of Technology Assessment's analysis of the Energy Research & Development Administration's (ERDA) budget suggests an independent verification of industry progress in this matter is needed. In addition, because the industry necessarily favors the *status quo*, only federal research will produce the markedly different systems that are needed.

WATER POLLUTION

The Federal Water Pollution Control Act Amendments of 1972 (P.L. 92-500) is the major legislative vehicle for federal water quality control. Under the Act, Congress set as a national goal the achievement of "zero discharge" of pollutants by 1985 and, concurrently, established stringent interim requirements for municipalities, industries, and other point sources to achieve this goal. The interim requirements call for industries to achieve the "best practicable technology" by 1977 and "best available technology" by 1983, and for municipalities to achieve "secondary treatment" of wastes by 1977.

To assist municipalities in meeting their 1977 requirements under the Act, the FWPCA authorizes $18 billion in contract authority to States for the construction of municipal sewage treatment facilities. Of the $18 billion in grants, $5 billion was authorized for FY 1973, $6 billion for FY 1974, and $7 billion for FY 1975. Until recently, half of the $18 billion had been impounded by the Administration, including a $6 billion impoundment in November, 1972, and a $3 billion impoundment in January, 1974.

While an $18 billion authorization for water quality control is regarded as one of the most expensive federal programs in recent years, past surveys have indicated that the authorization for municipalities is really a small percentage of anticipated "needs" for municipalities to meet the requirements of the FWPCA.

In 1973 and 1974 the Environmental Protection Agency conducted surveys on municipal "needs" in meeting certain provisions of the Federal Water Pollution Control Act Amendments of 1972. The 1973 survey, which was eventually used as the basis for allocating FY 1975 funds to the States, estimated that over $60 billion was required by municipalities. This figure is reportedly low, however, since estimates were not included for achieving "best practicable technology" and "zero discharge," nor for treating storm water pollution from waters not flowing through combined sewers.

Following is a State-by-State breakdown of the total costs reported by States in the 1973 survey:

UMI

TABLE 5.—TOTAL COSTS REPORTED BY STATES FOR CONSTRUCTION OF PUBLICLY OWNED TREATMENT FACILITIES CLASSIFIED AS TO ELIGIBILITY UNDER SURVEY GUIDELINES

[In millions of 1973 dollars]

	Total costs reported	Costs eligible under survey guidelines	Costs ineligible under survey guidelines
Region I:			
Connecticut	1,436	1,409	27
Maine	368	364	4
Massachusetts	1,486	1,485	1
New Hampshire	530	508	22
Rhode Island	484	367	117
Vermont	178	176	2
Region II:			
New Jersey	3,414	3,382	32
New York	9,481	8,032	1,449
Puerto Rico	590	590	
Virgin Islands	44	44	
Region III:			
Delaware	338	329	9
Maryland	637	635	2
Virginia	1,476	1,345	131
West Virginia	615	614	1
Pennsylvania	4,228	4,196	32
District of Columbia	1,087	1,081	6
Region IV:			
Alabama	448	444	4
Florida	2,426	2,345	81
Georgia	1,053	1,031	22
Kentucky	2,655	1,032	1,623
Mississippi	269	268	1
North Carolina	749	735	14
South Carolina	757		
Tennessee	773	695	78
Region V:			
Illinois	4,181	4,153	28
Indiana	1,087	1,081	6
Michigan	3,710	3,651	59
Minnesota	1,128	1,120	8
Ohio	3,396	3,265	131
Wisconsin	898	782	116
Region VI:			
Arkansas	356	355	1
Louisiana	446	445	1
New Mexico	119	109	10
Texas	826	826	
Oklahoma	627	627	
Region VII:			
Iowa	502	502	
Kansas	783	671	112
Missouri	1,142	972	170
Nebraska	412	399	13
Region VIII:			
Colorado	429	426	3
Montana	74	74	
North Dakota	45	45	
South Dakota	43	43	
Utah	235	225	10
Wyoming	40	40	
Region IX:			
Arizona	275	264	11
California	6,558	6,048	510
Hawaii	523	523	
Nevada	227	227	
American Samoa	9	9	
Guam	22	22	
Trust territories	8	8	
Wake Island			
Region X:			
Alaska	205	205	
Idaho	112	112	
Oregon	584	563	21
Washington	1,080	1,080	
Total	65,604	60,736	4,868

[1] Costs are affected by limitations of survey design, inconsistency in reporting, variations in planning status among States, and other variables explained in the report. Therefore, the costs should not be considered indicative of equitable shares for individual States or of total funds required to meet "needs" without careful review of the limitations cited in the report.

In 1974, the EPA conducted a "needs" survey, which was anticipated that it would be used for allocating FY 1976 sewage treatment construction funds. The survey estimated that State's would need to spend $350 billion to meet the 1983 requirements of the water act. Of the $350 billion estimate, funds required for the treatment and control of stormwater (a new category not included in previous surveys) would total $235 billion. Still, without this new category, States' "needs" were approximately double those reported in the 1973 survey.

The Journal of the Water Pollution Control Federation (October, 1974) which describes the 1974 "needs" survey provides a State-by-State breakdown of estimated "needs" reported by municipalities:

TABLE 6.—1974 COSTS REPORTED FOR CONSTRUCTION OF PUBLICLY OWNED WASTEWATER TREATMENT FACILITIES

[In millions of 1973 dollars]

	Total	Categories							
		I	II	IIIA	IIIB	IVA	IVB	V	VI
Region I:									
Connecticut	4,287	181	85	23	36	328	265	702	2,667
Maine	896	130	5	1	3	112	149	197	299
Massachusetts	6,496	721	222	36	31	902	597	866	3,121
New Hampshire	1,088	165	95	26	0	218	181	191	212
Rhode Island	1,444	68	30	4	1	193	134	87	927
Vermont	367	36	64	8	3	37	35	37	147
Region II:									
New Jersey	12,163	1,061	666	211	168	685	909	909	7,554
New York [1]	37,659	616	2,593	465	2,108	4,467	2,065	5,004	20,341
Puerto Rico	954	177	0	14	0	245	211	18	289
Virgin Islands	111	13	0	1	0	12	19	0	66
Region III:									
Delaware	1,155	67	32	100	67	65	101	115	608
Maryland	13,439	9	1,705	50	1,133	146	839	27	9,530
Virginia	21,768	478	384	293	50	298	472	287	19,596
West Virginia	5,999	115	338	156	5	1,752	1,698	185	1,740
Pennsylvania	9,322	1,028	201	89	57	1,185	625	2,394	3,743
District of Columbia	1,354	0	68	41	217	0	2	726	300
Region IV:									
Alabama	4,039	86	168	92	5	187	169	0	3,332
Florida	7,798	595	633	44	44	1,326	926	0	4,230
Georgia	4,381	212	500	10	2	263	308	284	2,796
Kentucky	3,912	63	319	56	68	456	373	679	1,898
Mississippi	857	36	170	42	28	57	98	2	424
North Carolina	8,315	149	516	53	0	334	382	0	6,881
South Carolina	3,520	347	47	14	0	255	349	0	2,508
Tennessee	5,405	121	285	77	12	396	307	110	4,097
Region V:									
Illinois	7,170	250	1,832	184	64	473	449	1,693	2,225
Indiana	5,401	217	378	153	187	337	303	1,429	2,397
Michigan	8,953	148	653	97	459	1,021	1,009	1,996	3,630
Minnesota	3,232	69	407	52	14	204	233	368	1,885
Ohio	14,216	26	1,508	635	115	626	946	3,790	6,570
Wisconsin	4,225	184	421	80	131	427	447	621	1,914
Region VI:									
Arkansas	4,005	0	519	63	0	445	309	2	2,667
Louisiana	6,075	232	120	351	97	438	285	1	4,551
New Mexico	189	52	8	4	1	53	38	0	33
Texas	15,571	0	2,162	206	187	713	468	118	11,717
Oklahoma	5,138	0	576	67	556	176	696	0	3,067
Region VII:									
Iowa	3,876	157	216	126	10	124	232	126	2,885
Kansas	4,760	263	71	587	326	861	297	113	2,242
Missouri	3,489	460	88	219	0	383	341	878	1,120
Nebraska	1,637	193	12	39	1	41	67	631	653

Footnotes at end of table.

	Total	Categories							
		I	II	IIIA	IIIB	IVA	IVB	V	VI
Region VIII:									
Colorado	713	96	203	29	24	123	212	26	(2)
Montana	754	40	18	4	2	22	35	8	625
North Dakota	548	61	0	1	0	78	24	50	344
South Dakota	283	33	32	1	0	2	9	0	206
Utah	750	196	0	14	2	59	24	0	455
Wyoming	433	62	0	300	0	56	15	0	(2)
Region IX:									
Arizona	613	166	9	1	1	1	332	0	(2)
California	76,816	1,016	2,687	353	46	811	1,184	900	69,819
Hawaii	15,120	203	27	0	0	80	210	0	14,600
Nevada	316	42	102	1	0	126	45	0	(2)
American Samoa	97	8	0	0	1	28	18	0	42
Guam	363	36	10	1	0	53	16	0	247
Trust Territories	190	90	18	2	0	55	25	0	(2)
Wake Island	0	0	0	0	0	0	0	0	(2)
Region X:									
Alaska	857	122	0	4	2	98	64	9	558
Idaho	946	58	64	23	16	180	100	36	469
Oregon	1,982	147	0	57	325	192	161	262	838
Washington	4,366	578	44	95	465	558	352	323	1,951
Total	349,813	11,679	21,311	5,655	7,070	23,090	19,932	26,070	235,006

[1] The following additional needs, not included in this report, were received after the survey closing date: New York, $592 million; Kentucky, $301 million.

[2] No needs.

Under the FWPCA construction grants program, we are not only leaving our national environmental goals unfulfilled. We are also failing to meet the program's employment potential. Under an analysis commissioned by the National Utility Contractors Association, each $1 billion spent in FWPCA construction funds could result in the creation of nearly 40,000 jobs. Over half would be in the hard-hit construction industry, where unemployment has not passed 16 percent. At full potential the program could employ as many as 240,000 workers—about the number of unemployed auto workers. The full allotment of construction grants funds could alleviate from 23 to 42 percent of the unemployment problems in the construction industries of recipient states.

The total dollars authorized to construct facilities for sewage treatment, by state, follow:

TABLE 7.—*Environmental Protection Agency—Total authorizations for sewage treatment facility construction grants, by State*

Alabama	$95,821,100
Alaska	51,569,600
Arizona	43,259,200
Arkansas	81,362,800
California	1,894,076,900
Colorado	89,874,200
Connecticut	308,684,700
Delaware	111,035,200
District of Columbia	146,295,800
Florida	691,686,500
Georgia	242,575,800
Hawaii	109,558,300
Idaho	38,002,500
Illinois	1,136,455,100
Indiana	483,619,900
Iowa	197,194,700
Kansas	112,696,700
Kentucky	188,609,400
Louisiana	154,404,100
Maine	153,097,200
Maryland	584,743,400
Massachusetts	573,905,000
Michigan	1,213,699,300
Minnesota	$337,866,800
Mississippi	80,756,900
Missouri	314,797,600
Montana	28,222,800
Nebraska	77,973,500
Nevada	64,920,400
New Hampshire	153,817,300
New Jersey	1,300,686,700
New Mexico	36,265,400
New York	2,089,647,700
North Carolina	226,984,200
North Dakota	12,013,100
Ohio	979,291,100
Oklahoma	134,336,100
Oregon	154,189,600
Pennsylvania	992,799,000
Rhode Island	90,908,600
South Carolina	170,538,900
South Dakota	17,736,800
Tennessee	213,748,200
Texas	420,340,100
Utah	44,996,100
Vermont	45,397,400
Virginia	496,196,400
Washington	213,176,100
West Virginia	122,150,600
Wisconsin	284,762,800
Wyoming	8,320,100
Guam	12,931,200
Puerto Rico	169,968,400
Virgin Islands	15,390,700
American Samoa	1,554,900
Trust Territory of the Pacific Island	5,087,100
Total	18,000,000,000

MASS TRANSIT

Late in 1974 Congress passed legislation authorizing $7.8 billion in capital grants to mass transit systems and $3.9 billion in operating grants over six years. According to the American Public Transit Association (APTA), these funds were desperately needed to revitalize our nation's transit systems—systems which carried 18.9 billion fares in 1945 (45% of all person trips) but only 5.5 billion fares in 1973 (7% of all trips). By the end of 1973, industrywide operating deficits totalled $600 million, increasing to an estimated $800 million in 1974.

The $11.7 billion mass transit bill agreed upon had been pared down from a higher figure of $20 billion—$7 billion in operating subsidies and $13 billion in capital grants. APTA advocates a federal program with up to $4.5 billion per year in capital and operating assistance, recognizing that only a large scale sustained commitment to revitalize public transport will sway significant numbers of our 51 million auto commuters away from their cars. Heavy rail systems are now under construction in three urban areas. Seventeen cities in fifteen states are also seriously considering rail or guided transit systems.

ENERGY

The President's FY 1976 direct energy research and development budget includes $1,837 million in obligations and $1,663 million in outlays for conduct of R&D and related facilities. These represent increases of 10% in obligations and 38% in outlays over 1975. According to OMB, the program is designed to accelerate the development of technologies needed to achieve and maintain a capability to utilize more fully domestic energy resources within "acceptable" environmental and economic costs.

The bulk of the funds requested for direct energy R&D ($1,550 million) will go to the newly-created Energy Research & Development Administration (ERDA). ERDA has requested a total budget of $3.4 billion for FY 1976. Because ERDA is a new agency, it is difficult to determine optimum funding levels for its various programs. However, the House and Senate are marking up ERDA authorizations at the present time. It is significant that the House Science & Technology Committee's marked-up version of the ERDA budget shows increased authorization levels in every energy R&D category:

TABLE 8.—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATIONS

PROGRAM AND FINANCING (IN THOUSANDS OF DOLLARS)

	Actual 1974	1975 estimate	1976 estimate
Program by activities:			
Direct program:			
1. Fossil energy development:			
(a) Coal	62,613	174,199	279,473
(b) Petroleum and natural gas	7,877	17,267	23,647
(c) Oil shale	2,780	3,454	8,147
2. Solar, geothermal, and advanced energy systems development:			
(a) Solar energy development	3,937	8,770	57,100
(b) Geothermal energy development	6,231	13,800	28,370
(c) Advanced energy systems research	4,160	12,284	23,173
(d) Physical research	252,825	281,600	312,500
3. Conservation research and development:			
(a) Electric power transmission	1,531	6,372	11,830
(b) Advanced automotive power systems	1,500	4,490	8,240
(c) Energy storage systems	1,689	5,800	9,100
(d) End-use energy conservation research and development			3,000

Footnotes at end of table.

UMI

TABLE 8.—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATIONS—Continued

PROGRAM AND FINANCING (IN THOUSANDS OF DOLLARS)—Continued

	Actual 1974	1975 estimate	1976 estimate
4. Nuclear energy development:			
(a) Fusion power research and development	52,968	85,030	120,000
(b) Fission power reactor development	286,301	384,088	443,675
(c) Naval reactor development	154,122	167,000	186,200
(d) Space nuclear systems	26,237	26,600	30,900
(e) Nuclear materials	511,374	646,080	828,940
(f) Advanced isotope separation technology	3,272	11,700	24,200
5. National security:			
(a) Weapons	785,874	819,997	873,515
(b) Laser fusion	36,853	41,400	54,000
(c) Nuclear materials security	4,365	5,863	10,945
6. Environmental and safety research:			
(a) Biomedical and environmental research	106,260	132,215	156,515
(b) Waste management	16,606	29,570	36,000
(c) Operational safety	2,124	3,210	5,160
7. Program support	150,434	175,898	200,018
8. Cost of work for others	17,104	11,690	12,660
9. Adjustments to prior year costs	7,790		
Total direct program costs	2,506,827	3,068,377	3,747,308
Reimbursable program:			
1. Fossil energy research and development	1,562	1,600	1,660
4. Nuclear energy development: Procurement of reactor cores for nuclear powered naval vessels (DOD)	117,848	164,690	178,940
5. National security: Manufacture of weapons parts or assemblies for DOD	18,564	20,455	16,422
Weapons testing support for DOD	38,385	42,000	47,909
Weapons research and development for DOD	50,344	48,886	47,141
10. Research and development: Protection of public health and safety, environment, and energy for various agencies	36,735	74,761	91,021
Total reimbursable program costs	263,438	352,392	383,093
Total program costs, funded	2,770,265	3,420,769	4,130,401
Change in selected resources (undelivered orders and inventories)	282,331	536,856	341,124
Total obligations	3,052,596	3,957,625	4,471,525
Financing:			
Receipts and reimbursements from:			
Federal funds	−302,647	−256,874	−391,868
Non-Federal sources	−798,232	−622,190	−675,670
Unobligated balance available, start of year [1]	−475,602	−337,238	−36,100
Unobligated balance available, end of year [2]	337,238	36,100	36,100
Unobligated balance lapsing	35		
Budget authority	1,813,388	2,777,423	3,403,987
Budget authority:			
Appropriation	1,827,726	2,786,742	3,403,987
Transferred to other accounts	−14,338	−15,000	
Appropriation (adjusted) [3]	1,813,388	2,771,742	3,403,987
Proposed supplemental for civilian pay raises		5,681	
Relation of obligations to outlays:			
Obligations incurred, net	1,951,717	3,078,561	3,403,987
Obligated balance, start of year	630,730	799,417	1,487,694
Obligated balance, end of year	−799,417	−1,487,694	−1,817,787
Adjustments in expired accounts	−3		
Outlays, excluding pay raise supplemental	1,783,027	2,384,603	3,073,894
Outlays from civilian pay raise supplemental		5,681	

[1] Includes $250,483,000 in 1974 and $246,455,000 in 1975 for reimbursable work.
[2] Includes $246,455,000 in 1974 for reimbursable work.
[3] Includes $1,813,388,000 in 1974 and $2,771,742,000 in 1975 for activities transferred pursuant to Public Law 93-438 from:

	In thousands of dollars	
	1974	1975
Atomic Energy Commission: "Operating expenses"	1,644,483	2,386,125
National Science Foundation: "Salaries and expenses"	9,776	51,720
Environmental Protection Agency: "Research and development"	9,915	5,010
Department of the Interior:		
Office of Coal Research: "Salaries and expenses"	123,303	233,191
Bureau of Mines: "Mines and minerals"	23,911	87,198
Office of the Secretary: "Underground and other electric power transmission research"	2,000	8,498

TABLE 9.—ERDA FISCAL YEAR 1976 NONNUCLEAR BUDGET OBLIGATIONS

[In thousands of dollars]

	Administration authorization request	House Science and Technology Commission change	Total
Fossil energy development	$416,527	+$19,000	=$435,527
Geothermal	23,390	+33,000	=56,390
Solar	70,300	+73,400	=143,700
Energy transmission and storage	24,680	+20,000	=44,680
Advanced transportation power systems	9,440	+15,560	=25,000
End use conservation/improved conversion efficiency	6,750	+58,250	=65,000
Environment and safety	241,505	+15,500	=257,005

The Office of Technology Assessment's analysis of the ERDA budget raises additional questions about Administration authorization levels. The OTA report recommended increased funding aimed at basic research, particularly in low technology areas; energy conservation and productivity, particularly through auto design and energy storage devices; and possible health problems associated with non-nuclear energy sources.

The Joint Committee on Atomic Energy recommended an increase of $88.4 million more than the amount requested by the Administration for the nuclear portions of the ERDA budget. The Administration's authorization requests reflect costs in two broad areas, military and civilian applications. Approximately 39% of the Administration's FY 1976 estimated program costs for ERDA ($1,763 million) is attributable to military applications—nuclear weapons, naval propulsion reactors, and a portion of the nuclear materials program. Civilian applications total 61% of program costs ($2,800 million). Nuclear regulatory and reactor safety research functions are now under the jurisdiction of the Nuclear Regulatory Commission, which has requested total budget authority of approximately $220 million in FY 1976.

In addition to the ERDA budget, two other categories of energy expenditures should be focused on:

Surface Mining Reclamation: The Council on Environmental Quality's 1974 annual report states that $5 million (in 1973 dollars) will be needed between 1973 and 1982 to reclaim strip-mined land.

Offshore Oil & Gas Resources: It has been suggested that the best way for the federal government to determine the true value and extent of offshore oil and gas resources is to conduct its own exploratory drilling program. The Congressional Research Service estimates that this program would cost $500 million during the first year of operation, with costs increasing in following years.

PARKS, WILDERNESS, AND LAND USE

The national resources contained in this broad category are central to the American vision: elbow room in the midst of an increasingly crowded society, solitude away from urban pressures, and the freedom for a true pursuit of happiness at one's own pace, in one's own way. Federal programs in this area protect wildlife and wildlife habitat, prevent the extinction of species, preserve wilderness and park areas, and monitor the salvaging and restoration of land under industrial development.

Of all federal programs, this category comes closest to symbolizing what Americans want preserved and protected for this and for future generations. And again, we are far, far short of meeting clear needs, present and future.

NATIONAL PARKS AND RECREATION AREAS

The present backlog for national park land acquisition under the Land and Water Conservation Fund is $939 million. The National Park Service presently receives $70 million a year for its land acquisition program. Thus, with no land price escalation and no inflation, it will be 13 years before the federal government purchases all the parks and recreation areas established by Congress. A state breakdown of the national parkland acquisition backlog follows:

TABLE 10.—*National Park Service land acquisition backlog after fiscal year 1975—Including proposed areas and areas requiring amendatory legislation land and water conservation fund*

[In thousands of dollars]

	Backlog
Alabama	-------
Alaska	1,936
Arizona	12,257
Arkansas	17,907

California	89,015
Colorado	8,468
Connecticut	-------
Delaware	-------
Florida	131,134
Georgia	3,500
Hawaii	44,965
Idaho	62,553
Illinois	1,056
Indiana	63,457
Iowa	23
Kansas	-------
Kentucky	-------
Louisiana	-------
Maine	738
Maryland	47,709
Massachusetts	4,785
Michigan	40,207
Minnesota	35,632
Mississippi	11,197
Missouri	308
Montana	4,246
Nebraska	203
Nevada	2,229
New Hampshire	125
New Jersey	4,167
New Mexico	4,888
New York	23,324
North Carolina	42,289
North Dakota	1,186
Ohio	36,100
Oklahoma	-------
Oregon	395
Pennsylvania	16,453
Rhode Island	-------
South Carolina	36,440
South Dakota	453
Tennessee	3,112
Texas	63,748
Utah	3,440
Vermont	-------
Virginia	49,447
Washington	9,897
West Virginia	3,297
Wisconsin	11,092
Wyoming	21,010
Virgin Islands	10,935
Not Identifiable by State [1]	13,500
Total	938,823

[1] These funds will be utilized to pay for appraisals and title expenses necessary to prepare cases for trial and deficiencies on condemnation awards and settlements as the occasion demands in States unknown.

Pending legislation, S. 327, would increase the Land and Water Conservation Fund funding ceiling from $300 million to $1 billion. Under the present formula the states receive 60% of the funds and the federal government receives 40%. This would bring funding for the federal government's share to $400 million the Park Service share would be $240 million) and for the states to $600 million for much-needed state and local parks.

WILDERNESS AREAS

While the National Park Service and Bureau of Sports Fisheries and Wildlife have virtually completed their wilderness studies, the U.S. Forest Service is still 20 years off from completing its reviews, given the present level of funding. The Forest Service estimates it costs about $2/acre to make a wilderness study. The Forest Service has classified about 12 million acres nationwide as study areas. This means about $24 million worth of work. The present appropriation to the Forest Service for wilderness studies is $1 million-$1.2 million annually. Thus, 12 million acres of land with potential as multiple use areas are not being managed in that fashion, and the federal government is not receiving the full economic value from the land.

LAND USE PLANNING

The penalties we have all paid for a national lack of coordinated land use planning are evident across the country: urban sprawl, patchwork decision-making by more than 80,000 units of government, land badly scarred by misuse and overuse, or by strip zoning that puts factories and houses within a few feet of each other. National landuse planning legislation, H.R. 3510 and S. 984, would provide federal technical and financial assistance to states for land use planning. The House bill provides $500 million over a 6-year period. The Senate bill provides $100 million each year for 8 years.

WILDLIFE REFUGES

The FY 1976 budget for the U.S. Fish and Wildlife Service (FWS), despite increasing needs and inflationary costs, presents no increase in funding from the current fiscal year. This, in spite of critical facility deterioration, burgeoning with lack of proper attention. The 17,000 facilities found on the nation's Wildlife Refuges, representing a total capital investment of one-half billion dollars, have a current rehabilitation backlog of $83 million. $30 million, now, would meet just the most critical needs, but the FY 1976 budget asked just $423,000 for rehabilitation needs on only nine of the 367 refuges in the Syatem—about 1.4% of the total needs.

Using the FWS' own estimates, the budget is $7 million and 182-man-years of personnel in meeting the Refuge System's immediate maintenance and operation needs.

If developed properly, the refuges presently in the System have the potential for producing an additional 1,500,000 ducks and geese and another 710 million use-days of wildlife utilization. The cost would include $103 million in construction funds and an additional annual allocation of $9 million and 207 man-years of work power. More human benefits could accrue. With sufficient funding, the Refuge System could provide an additional 96 million hours of enjoyment to visitors, nationwide, in such activities as environmental education, interpretation, and wildlife-oriented recreation.

Unless additional funds are forthcoming, we cannot halt the increasing devastation of our marine environment through the unregulated dumping of millions of tons of potentially toxic wastes annually. The estimated dumping total for 1973 was increased more than 40 percent over the 62 million ton figure of five years earlier.

Title II of the Act directs the Secretary of Commerce to investigate the short and long range effects of waste materials dumping into our ocean waters and the Great Lakes, while Title III authorizes the Secretary to designate certain ocean and Great Lakes waters areas as marine sanctuaries for the preservation or restoration of such areas for their conservation, recreational, ecological, or esthetic values. Although $10 million has been authorized for the implementation of Title III, no monies have been provided for the past several years. In the entire 3-year history of the Act, only one marine sanctuary—at a cost of $60,000—has been designated.

Six areas have been nominated as marine sanctuaries, in Florida, California, Alaska, Washington, and at Chincoteague, Virginia. If we are to meet the mandate of the Act, and provide the marine sanctuaries mandated by the Congress, we will need some $800,000 to a million dollars per designation.

MARINE PROTECTION, RESEARCH, AND SANCTUARIES

Estuaries—fragile coastline zones where streams and rivers meet the ocean—and wetlands—the shallow shelves extending back from the freshwater-saltwater mix—comprise a maze of marshes, lagoons, bays, tidal flats, and mangrove swamps. Taken together, they comprise an estuarine zone—not the useless breeding grounds for mosquitos, as viewed by many, but rather one of the most productive habitats on our planet. Eugene Odum, a prominent ecologist, has estimated that a marsh can produce twenty times as much food nutrients as the sea, seven times as much as an alfalfa field, and up to six times as much as a midwest cornfield, because they trap the rich silt and organic matter that rivers wash down to the sea and use these nutrients to their fullest advantage.

Estuaries are also the source of most American shellfish and commercial and sport saltwater fish. Some 65 percent of the U.S. harvest of saltwater fish, clams, oysters, crabs, shrimps and lobsters depend on the estuaries. The tidelands, then, provide the livelihood for about 90,000 commercial fishermen.

Legislative authority for federal protection of these vital resources comes largely under the Marine Protection, Research, and Sanctuaries Act of 1972. Title I of the Act, which gives the Environmental Protection Agency authority and monies to provide protections such as ocean dumping regulations, is seriously underfunded. $5.5 million is needed for Title I in FY 1976 alone, but the budget request is just $1.62 million.

Mr. President, these are but a few of the pressing domestic priorities that beg our full and immediate attention. They are not only serious national needs unmet, but important national promises unkept.

How these issues are resolved, and when, will be a critical test of America's relevance in a swiftly changing world. I am confident that we can and will meet the test and do so in concert with our finest efforts to achieve and sustain world peace. For in my view, America's internal growth and stability and its place as a leader among peaceful nations of the earth are interdependent. In the words of Henry David Thoreau: "What is the use of a house if you don't have a decent planet to put it on?"

TRANSPORTATION

The United States is facing an unprecedented need for investment in transportation. Never in our history have the transportation needs of this Nation been so great and severe.

As Chairman of the Surface Transportation Subcommittee, the needs of surface transportation are particularly well-known to me. Only last week I had a meeting with the executives of several major railroads that are facing economic collapse. I should point out that some carriers have already collapsed.

The most important reasons for this situation were pointed out extensively and graphically in Appendix H to the Preliminary System Plan for the reorganizing and rebuilding of the railroad system in the Midwest and Northeast.

To put it bluntly but fairly, transportation expenditures must be increased to satisfy the needs and requirements of both commerce and the American consumer and to build and repair the economic infrastructure to support revitalized economic growth.

The President's budget proposals clearly do not consider transportation as a priority item. Fortunately Congress did not accept the President's budget as submitted on February 3.

In the First Concurrent Resolution on the budget, approved by both the House and the Senate on May 14 pursuant to the new Budget Act, the Congress provided funding to increase 1976 outlays for transportation by $2.7 billion above the President's request.

The action of Congress includes the following items.

1. Highways—up by $1.3 billion (Federal Aid Highway Program);

2. Railroad Assistance—up by $1.2 billion (for such programs and rehabilitation of railroad lines and facilities, assistance to ConRail, development of the Northeast Corridor project, expanded subsidies for branch lines, and refurbishment of historic railroad stations for use as intermodal terminals; and AMTRAK improvements);

UMI

3. Mass Transit—up by $.2 billion (Washington Metro). Due to inflation and unanticipated construction delays, the cost to complete the Washington Metro Rail rapid transit system has jumped $1.5 billion most of which will have to be financed with Federal funds. (The experience of Washington Metro is typical of urban railroad, mass transit system projects, and indicates increasing pressure for Federal assistance generally.)

These increased amounts represent a more adequate response than that provided by the President. But even these amounts do not fully meet the needs of transportation in the United States.

Shortly before it adjourned for the Memorial Day recess, the Congress passed the Highway Fund Matching Requirement Act. Federal loans to cover state matching requirements under this Act will further highway development and could add several hundred million dollars to 1976 outlays.

Even more importantly, the I.C.C. estimated that as of June 30, 1974, deferred maintenance and capital improvements for Class I Railroads totalled $7.2 billion. Inflation and high interest costs could more than double that amount by the time the work is actually accomplished.

The railroads simply are unable even to keep their plant and equipment at present levels. Clearly a long-term commitment to provide Federal assistance is required, as the Congress will discover once it begins consideration of the Final System Plan for restructuring the bankrupt railroads of the Northeast and Midwest. The recent bankruptcy of the Rock Island railway demonstrates that these problems are nationwide.

By way of summary, let me emphasize that our transportation system is a necessary and vital part of the country's infrastructure and, therefore, these difficulties must be overcome. Though we may prefer otherwise, there is no alternative but to increase the level of support granted transportation in the Federal Budget. Since funds are not available in unlimited supply, spending elsewhere—as for military procurement—will have to be cut-back.

I urge my colleagues to vote with Senator Cranston to trim the military procurement budget. The strength of the United States will be increased more by attending to *productive* investments in the U.S. rather than purchasing more weapons and related materials.

Veterans Benefits and Services

Although the hostilities in Southeast Asia may have ended, the needs of our Nation's veterans have not. The President's submitted budget for the coming fiscal year fails to adequately acknowledge and provide for these needs as well assumes enactment of certain "cost saving" legislation of highly dubious merit. I wrote the Senate Budget Committee in March setting forth views and estimates with respect to matters within the jurisdiction of the Committee on Veterans' Affairs which I am privileged to chair, as provided for in Section 301(c) of Congressional Budget Act of 1974 (Public Law 93-344). In that letter I indicated a number of areas in which the President's budget was inadequate and deficient. The full text of that letter is as follows:

Letter of Transmittal

U.S. Senate,
Committee on Veterans' Affairs,
Washington, D.C., March 15, 1975.

Hon. Edmund S. Muskie,
Chairman, Committee on the Budget,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to section 301(c) of the Congressional Budget Act of 1974 (Pub. L. 93-344), the following report contains views and estimates with respect to matters within the jurisdiction of the Committee on Veterans' Affairs. Detailed comments concerning the general economic setting for the fiscal year 1976 budget, the President's budget estimates and program changes initiated either by the legislative or the executive branch are set forth in individual sections of this report hereafter. In general, however, it should be observed that the growth in veterans' program outlays are consistent with the general growth of the fiscal year 1976 Federal budget as a whole. Relative veterans' program expenditures have been stable during the Vietnam era despite a 15.3 percent increase in veteran population, comprised principally of young veterans with temporary but higher cost readjustment benefit needs. For the past 5 years, the Veterans' Administration expenditures as a percentage of the Federal budget have remained unchanged at 4.5 percent. Some increases in the submitted budget are anticipated because of projected legislative activity. The largest increases, however, are a result of misestimates by the Veterans' Administration as to the number of veterans and dependents applying and qualifying for various entitlement programs.

Inasmuch as this is the first experience of the Committee in responding to section 301 (c) of the Budget Control Act of 1974, the estimates and views contained herein are less precise than hopefully will be possible in future years. Further, because of the time constraints inherent in this year's tight schedule, all such estimates and views do not necessarily reflect the views of each member of the Committee as to each particular subject area.

If I or the Committee staff may be of further assistance in your consideration of veterans' programs, please do not hesitate to let us know.

Sincerely,

Vance Hartke, *Chairman.*

Budget Views and Estimates for Fiscal Year 1976

I. Comments on the general economic setting for the fiscal year 1976 budget

The general economic setting of high unemployment and the continued rate of inflation projected for fiscal year 1976 will affect the veterans' programs in a number of ways. With respect to inflation it should be remembered that 72 percent of the VA budget represents transfer payments. Thus, veterans' income security programs, such as compensation for disabled veterans, will have to be adjusted to reflect cost-of-living increases, currently estimated to reach 14 percent by the commencement of fiscal year 1976, since enactment of Public Law 93-295. Similarly, the effect of inflation on non-service-connected pensioners will also have to be considered by the Committee in its deliberations this year concerning pension restructuring, discussed infra. Further, it is anticipated that inflation will also affect the Veterans' Administration in the acquisition of food, fuel, and medical supplies as well as in carrying out major and minor construction projects identified in the fiscal year 1976 $403.9 million budget request for these purposes. Additionally, projected inflation will require wage increases—and a concomitant supplemental appropriation—for the Veterans' Administration's 205,766 employees. Thus; all of the foregoing could require additional spending if the original program scope is to be maintained.

The continued economic recession and high unemployment rates experienced by veterans should also have a significant impact on the use of certain veterans' entitlement programs, which can in part be considered counter-cyclical in nature. In February, younger Vietnam era veterans were experiencing an unemployment rate of 17.3 percent, substantially higher than for their nonveteran counterparts. Thus, lack of promising readily available jobs, coupled with more adequate educational assistance benefits enacted in Public Law 93-508, should result in a greater number of Vietnam era veterans entering training than was originally estimated by the Veteran's Administration over 12 months ago. The continued depressed state of the economy may also have a significant impact on the number of veterans or survivors applying and qualifying for pension benefits or for VA hospital, nursing home, or domiciliary care. Potential VA liability in the housing programs it administers may be affected if mortgage foreclosure rates increase sharply in the coming months.

II. The budgetary impact of major new programs or program changes

A. Compensation and dependency and indemnity compensation

Compensation is an entitlement program providing monthly payments to veterans who are "compensated" for impaired earning capability resulting from service-connected disabilities. The fiscal year 1976 budget projects payments of $3.744 billion for 2,211,000 disability veterans. Death compensation or dependency and indemnity compensation (DIC) is an entitlement program providing monthly benefits to widows and dependents of veterans whose deaths were a result of service-connected causes. Approximately $873.1 million is scheduled to be paid to 366,000 survivors in the fiscal year 1976 budget submitted by the administration.

Both compenatsion and DIC rates were increased by the Veterans Disability Compensation and Survivor Benefits Act of 1974 (Pub. L. 93-295) effective May 1, 1974. Normally, these benefits are adjusted every 2 years. Given the rapid increase in the Consumer Price Index to date, and projected increases for the remainder of the year, however, it is clear that there will be a pressing need for rate adjustments this year in the range of from 10 to 14 percent producing first full-year additional costs of from $300 to $600 million. Presumably there will also be increased "tax expenditures" resulting from the non-taxable status of such benefits. In addition, the Committee will review a study of dependency and indemnity compensation denials recently submitted by the VA pursuant to section 201 of Public Law 93-295 to determine if legislation liberalizing the criteria for entitlement to these benefits is warranted. The need for, and prospect of such legislation is uncertain at this time; the costs entailed would be minimal.

B. Pension

Pensions are need-based monthly entitlement benefits payable to wartime veterans and dependents of deceased veterans for non-service-connected disability and death. (Those aged 65 or over are by statute presumed to be totally disabled, leaving economic need as the only test.)

The administration's budget assumes 2,215,310 veterans and survivors will receive pension benefits at a cost of $2.719 billion in fiscal year 1976. The Committee will continue its investigation of proposals to restructure totally the pension system in order to eliminate certain inequities and inconsistencies in the current system. Proposals to restructure the system are modeled on the supplemental security income program and would be applicable to all new beneficiaries; existing pensioners could elect coverage under the new system or continue under the current program.

Consideration of the administration's pension proposals submitted in fiscal years 1974 and 1975, as well as variations thereof, have been delayed by the lack of reliable, available data requested of the Veterans' Administration during the past 2 years. We are advised that a new computer "simulation model", development by the Veterans' Administration, will be completed in 30 to 45 days. This model should enable Committee consideration of these proposals to go forward. In addition, the Committee also expects to be aided by a study of the economic needs of older veterans and survivors to be submitted by the Veterans' Administration, pursuant to section 207 of Public Law 93-527, shortly after commencement of the coming fiscal year.

Although long-range savings are projected, immediate increases in pension costs are anticipated under either the administration's proposal of variations being considered. The tentative cost estimates for the administration's fiscal year 1975 pension proposal for the first full year are for $516 million in additional expenditures. This figure does not represent a net increase to the total Federal budget, however. There should be a substantial corresponding decrease in costs under the supplemental security income program, which currently serves many of the projected pension beneficiaries. Prospects for Senate passage of pension restructuring legislation during fiscal year 1976 at some point are considered good, but subject to the uncertainties of obtaining adequate information from the Veterans' Administration as well as the administration's position, which requested "deferred" consideration of the proposal last fall and which did not include it in the fiscal year 1976 budget submission.

C. Readjustment assistance benefits

The Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Pub. L. 93-508), among other things, provided for up to an additional 9 months of educational assistance benefits eligibility for those veterans entitled to the maximum eligibility of 36 months. This additional 9 months of benefits can only be used in the pursuit of an undergraduate degree. As originally passed by the Senate on June 19, 1974, by a vote of 91-0 (and subsequently unanimously ratified by the Senate in the first conference report), the additional entitlement was not so restricted. Legislation has been introduced in both bodies to remove this restriction, and congressional approval is anticipated although the administration is expected to continue its strong opposition. The Veterans' Administration estimates the first full-year cost of this amendment to be approximately $77 million.

D. Medical care

The VA medical and hospital system (171 hospitals, 212 outpatient clinics, 85 nursing homes, and 18 domiciliary facilities) is estimated in the fiscal year 1976 budget to provide 14,743,000 outpatient visits (1,972,000 on a fee basis) and maintain an inpatient average daily census of 119,152, treating 1,246,531 veterans over the fiscal year. The fiscal year 1976 medical care budget request is $3,667,866,000, up $343,346,000 over fiscal year 1975. This will provide for an increase of 9,448 in average employment of health care personnel.

Medical and prosthetic research (taking into account a transfer-in of $2,844,000 in health services research funds) remains static, with $95 million requested compared to appropriations of $91,377,000 for fiscal year 1975. The amount requested for the Medical Administration and Miscellaneous Operating Expenses item—$38,528,000, requested, up $850,000 over the fiscal year 1975 appropriation, with an average employment increase of 27—will staff the Central Office Department of Medicine and Surgery, carry out certain research and development activities and continuing education programs, and increase by 17 percent funding for the exchange of medical information program.

The construction (major and minor) budget request of $403.9 million for VA hospital and medical facilities is up $100.9 million over fiscal year 1975 appropriations (which includes a $34.9 million fiscal year 1975 supplemental appropriation request), with projected obligations up $114,167,000 from the level projected for fiscal year 1975. Of the $398,893,000 in construction costs identified in or in connection with the special study, carried out by the VA Chief Medical Director, of the "Quality of Patient Care at VA Hospitals and Clinics", the fiscal year 1975 supplemental request ($34,908,000), the fiscal year 1976 request ($224,708,000), and the transitional budget request ($5,177,000) meet $264,803,000 of these projects. A total of $134,100,000 in needed funding for these projects was deferred for future budgets. The assumption is that these projects will be included in the fiscal year 1977 construction budget request. The special study projects which have been funded fall into the following categories: Elimination of safety hazards and correction of electrical deficiencies; air-conditioning and boiler plants; ambulatory care and nursing home care projects; and patient support systems, essential specialized medical services, and clinical improvements. The $150 million remainer of the construction budget provides $130,554,000 for replacement and modernization and planning thereof for facilities at 16 VA hospitals and construction of one hospital at a new site; $14.8 million for general administrative costs of the Office of Construction; $16.6 million for cemetery work; $5 million to correct seismic deficiencies; and funds necessary to complete other projects.

For the first time, the administration has requested funding for the new chapter 82 added to title 38 by Public Law 92-541, the Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972. Previously, Congress has appropriated $55 million to carryout this new health manpower training authority. Thus far, 5 medical schools (with one more under serious consideration) have been identified for initiation in conjunction with State universities, utilizing VA hospital clinical facilities; $3,417,000 has been obligated out of the $25 million available for this purpose (subchapter I of chapter 82). Of the remaining $30 million appropriated, approximately $21 million has been obligated for expansion of training capacity at existing medical and dental schools affiliated with VA hospitals and for initiation and expansion of other health manpower training facilities (subchapters II, III, and IV of chapter 83).

The overall VA medical care, administration, research, and health manpower assistance, and construction budgets are generally consdered adequate based on the workload projections and other estimates in the budget, with two caveats: The standstill budgets for research (described above) and education and training (residents, interns, and other trainees—projected at 73,000 with 8,170 average employment the same as in fiscal year 1975, with a total fiscal year 1976 allocation increase of less than $1 million over the $185,476,000 estimated for fiscal year 1975) are acceptable for fiscal year 1976 in view of immediate overall veterans' medical care priorities. However, these two areas will clearly require significant increased funding in fiscal year 1977, as will construction of research and education facilities, a category totally neglected in both the fiscal year 1975 and fiscal year 1976 requests.

The Veterans Health Care Expansion Act of 1973 (Pub. L. 93-82) provided for significantly expanded overall eligibility, particularly for outpatient care, for the treatment of non-service-connected disabilities of veterans, especially those with serious service-connected disabilities (80 percent or more). The act also made improvements in the nursing home care program for service-connected care; provided for certain care of service-connected veterans' dependents; and made numerous other improvements in title 38 with respect to personnel authorities, education and training of health care personnel, reimbursement for property loss and for health care provided in private facilities, and other matters.

As a result of enactment of Public Law 93-82, certain technical and clarifying changes will be required in title 38 provisions which will entail no significant costs. These changes will likely be proposed and approved in fiscal year 1976, as part of an omnibus veterans medical bill, which also will: (1) Improve and expand the veterans drug and alcohol treatment and rehabilitation program along lines twice passed by the Senate in S. 2108 (92d Congress) and S. 264 (93d Congress); (2) provide for readjustment professional counseling for recently discharged veterans (and, where necessary, their family members); (2) establish minimum due process requirements for separations and disciplinary actions affecting VA doctors, dentists, and nurses in probationary and post-probationary status; (4) provide for VA health care responsibility for a greater number of service-connected disabled veterans (currently only those with 80 percent or higher rated disabilities); (5) ensure priority care for the outpatient treatment of veterans' service-connected disabilities; (6) expand and improve the VA and contract nursing home care programs (including provision for inhouse intermediate care); (7) add special authorities to enable the VA to recruit and retain physicians, dentists, nurses, and other health care personnel in view of the $36,000 Federal pay ceiling; (8) clarify VA authority, and establish a revolving fund, for work-for-remuneration rehabilitative therapy programs; (9) improve the guardianship procedures for VA patients and the deposition of their funds; (10) extend the exchange of medical information program's authorization of appropriations; and (11) provide for a procedure to ensure equitable travel exepnses and per diem rates for veteran beneficiary travel. This legislation is estimated to entail $95 million in additional expenditures for the first full year.

III. Budgetary impact of action on presidential legislation proposals

A. Readjustment benefits

The administration has requested legislation to repeal the 2-year extension of delimiting period for readjustment assistance benefits provided by Public Law 93-337. If enacted, such legislation would reduce outlays by $161 million in fiscal year 1975, (using the April 1, 1975 effective date assumed in the President's budget) and $600 million in fiscal year 1976. Despite administration opposition, Congress unanimously enacted legislation last July providing for an additional 2-year period within which to utilize educational assistance benefits. It is highly unlikely that the proposed repeal of this legislation will be enacted.

B. Medical care

The administration has also requested legislation to effect reimbursement to the VA by private insurers for the cost of inpatient hospital and medical care and treatment provided for the non-service-connected disabilities of veterans with health insurance coverage. Enactment is estimated to reduce budgetary outlays by $61 million in fiscal year 1975 and $122 million in fiscal year 1976. Identical proposals have been submitted annually since 1970 without favorable action by either body. It is equally unlikely that this legislation will receive favorable action in the current fiscal year or next.

C. Additional legislation or administrative initiatives

Although not reflected in the submitted budget, there are certain additional administrative and legislative initiaties by the administration which can presently be expected. It is anticipated, for example, that the President will by proclamation, prior to the commencement of fiscal year 1976, set a termination date to the "Vietnam era." This proclamation will have the effect of eliminating eligibility for certain veterans programs (notably pension and burial benefits) for those entering the armed forces after the termination date. While this will have long-range implications, there should be minimal budgetary impact in the fiscal year 1975 or fiscal year 1976. Legislation, however, will be needed to terminate the educational assistance benefits program. It is generally anticipated that such legislation

UMI

would be submitted concurrently with the Presidential proclamation terminating the Vietnam era. If enacted, it would have little immediate budgetary effect (for at least 3 years) other than with respect to "inservice" educational benefits paid for under the GI bill by the Veterans' Administration on behalf of active duty servicemen. Termination of such inservice benefits would replace VA outlays by approximately $20 to $30 million in the first full year. This would not necessarily reduce total Federal outlays, however, since it may be presumed that the Defense budget would increase by a like amount in order to continue active duty education programs.

The probability of enactment of this legislation is very uncertain with prospects for passage apparently greater in the House than in the Senate.

In the area of compensation, the Administrator currently has administrative authority to adjust the disability rating schedule to reflect actual impairment of earning ability. Since August 1974, a proposal to increase the ratings for certain disabilities found to be undercompensated, has been pending within the executive branch. If such administrative action were forthcoming, it could result in additional compensation outlays of up to $144 million in fiscal year 1976.

IV. COMMENTS ON PRESIDENT'S BUDGET ESTIMATES FOR PROGRAMS ALREADY AUTHORIZED

A. Compensation and pension

Although the compensation population is now generally static following termination of hostilities in Vietnam, economic conditions can have an important effect on the need-based pension program both as to caseloads and payment levels. Because of the sharp down-turn in the economy, not contemplated when budget estimates were first proposed, it now appears that a supplemental appropriation of at least $100 million will be needed for the remainder of fiscal year 1975. For the same reasons, another $100 to $200 million above submitted budget estimates will probably be required for fiscal year 1976.

B. Readjustment benefits

As mentioned previously, GI bill benefits are a viable alternative for many unemployed veterans. The increased attractiveness of the program occasioned by enactment of Public Law 93–508 together with sharp increases in veterans' unemployment rates have rendered earlier prepared budget estimates obsolete. While figures are incomplete, it would appear that enrollment in GI bill programs is presently running 12 to 25 percent above previous estimates. Fiscal year 1975 budget estimates now appear to be underestimated by $300 to $400 million. Similarly, an additional $400 to $500 million in outlays will probably be required for fiscal year 1976.

C. General operating expenses

The present budget reflects a decrease of 495 in general operating expenses (GOE) personnel. This decrease is predicated on projected decreased workloads and also apparently on enactment of legislation repealing the extended delimiting period within which to use GI bill benefits. As noted previously, both of these assumptions are of doubtful validity. Further, this decrease in personnel ignores additional requirements to administrative workloads resulting from legislation enacted last year. Public Law 93–506 for example, requires the hiring of 600 additional campus veterans representatives and mandates the VA to undertake, for the first time, data collection, review, and evaluation of VA benefits programs on a regular basis. Additional controls, pursuant to new legislative requirements, to prevent abuses in the education program, also require that additional personnel be hired. Enactment of the Veterans Housing Act of 1974 (Pub. L. 93–569), creating expanded loan authority for condominiums and mobile homes, also will require the hiring of additional personnel.

In sum, it appears that it will be necessary not only to restore the 495 employees, but to hire an additional 1,166 as well, for a net increase in the GOE budget of $19 million.

D. Medical care

There are three areas in which there may be underestimates in the budget with respect to various aspects of the VA medical and hospital program. First, over the last several years the budget estimates of outpatient care visits have run consistently low. Although outpatient treatment is estimated to increase by 1 million inhouse visits over the fiscal year 1975 (11,771,000) level projected in the budget request, recent experience would indicate that this is low. For example, the increase projected by the budget is considerably less, both in absolute terms and as a percentage increase, than the utmost 13 percent increase originally projected for fiscal year 1975 over the 10,457,830 visits experienced in fiscal year 1974. In this connection, it must be noted that 1974 was the first fiscal year where the new outpatient care eligibility in the Veterans Health Care Expansion Act of 1973 (Pub. L. 93–82) began to impact on outpatient visit caseloads. At this time, it would appear that the fiscal year 1975 estimate is about 5 percent too low and that the additional work generated by Public Law 93–82 will increase the total fiscal year 1975 outpatient visits by about 527,000. Using an average of $30 per outpatient visit, the medical care budget in terms of outpatient visits is thus underestimated in fiscal year 1975 by $15.8 million. For fiscal year 1976, it would appear to be underestimated by 670,000 visits or $20 million.

Second, the budget includes an estimate of 975 in average daily patient census (ADPC) for contract hospitalization of 975, costing $28,468,000. This seems to be underestimated by 25 percent; fiscal year 1976 requirements will more likely be a 1,228 ADPC, with a total cost of $35,858,000.

A less certain area of possible underestimate in the budget is with respect to overall increased demand for inpatient and outpatient treatment which could be generated by the high unemployment rate and the concomitant loss of health insurance coverage by previously covered former workers. Congress now has before both Houses, legislation to provide coverage for unemployed workers whose health insurance benefits have lapsed by virtue of their job loss, and enactment of such legislation would likely obviate this potential area of increase in demand on VA medical facilities. Since the administration has strongly opposed this legislation, however, its enactment certainly cannot be presumed, and, hence, the VA system may well experience an increase in demand for health services brought about by the lapse of health insurance coverage due to unemployment.

Following the Budget Committee's completion of work on the first concurrent resolution, Chairman Muskie wrote me stating that "the recommendations of the Veterans' Affairs Committee have been largely acknowledged and provided for in our Committee's deliberations." Chairman Muskie further noted that the first resolution did not attempt to set "as a matter of law, targets for each of the functional categories in the budget", but rather concentrated on "aggregate budget totals—total spending, revenue and debt". The full text of his letter is as follows:

U.S. SENATE,
Washington, D.C., April 21, 1975.

Hon. VANCE HARTKE,
Chairman, Veterans' Affairs Committee, U.S. Senate, Washington, D.C.

DEAR VANCE: As you know, the Budget Committees of the House and Senate, acting pursuant to the Congressional Budget and Impoundment Control Act of 1974, have implemented principal features of the new budget process this year. On April 15, the Senate Budget Committee reported S. Con. Res. 32, the first concurrent resolution on the budget.

Senate consideration of that resolution is scheduled to begin likely late this week or next.

The budget resolution was approved by the Budget Committee by a vote of 13 to 2. It sets targets for spending and revenues for fiscal year 1976, beginning July 1 of this year.

Our report deals in considerable detail with the functional categories of the budget and explains the assignment of budget authority we made to each of these functional categories in arriving at our aggregate totals. I think you will find that the recommendations of the Veterans' Affairs Committee have been largely acknowledged and provided for in our Committee deliberations.

The Committee did not attempt in this first resolution to set, as a matter of law, targets for each of the functional categories in the budget. Nor will the statement of managers set targets for individual committees as will be required in future years. Instead, we have recommended aggregate budget totals—total spending, revenue, and debt—as required by the Budget Act. We intend these totals, as adopted by the Congress after conference with the House, to be firm guidance for the overall spending actions of the Congress this session.

I believe you will agree that the fiscal policy embodied in this first concurrent resolution on the budget is a prudent one, consistent with our national needs and resources at this time.

If you have any questions or suggestions regarding this resolution or report, please do not hesitate to have a staff member contact the Budget Committee staff or discuss the matter with me directly. The Budget Committee staff will present two briefings this week—one for committee staffs who are interested in more detail or have questions about the budget process or this resolution on Wednesday, April 23, at 3:00 p.m. in S–207 of the Capitol, and a comparable briefing for Senators' staffs the next day, April 24, at 10:30 in Room 4232.

With best wishes, I am

Sincerely,

EDMUND S. MUSKIE.

The Budget Committee recommended for function 700—Veterans Benefits and Services, budgetary authority of $17.6 billion and outlays of $16.9 billion as compared with the respective figures of $16.2 billion and $15.6 billion contained in the President's budget all as shown in the following excerpt from the Senate Report Numbered 94–77 to accompany Senate Concurrent Resolution 32:

BUDGET COMMITTEE RECOMMENDATION

The Committee recommends budget authority of $17.6 billion and outlays of $16.9 billion, an increase of $1.3 billion over the President's outlay proposal.

Several factors account for the increases suggested by the authorizing committee, including reestimates of pension and medical care caseloads and of enrollments under the GI bill; allowance for an adjustment to compensation benefits in calendar 1975; a projected enactment of an Omnibus Veterans Medical bill, assuming an effective date of January 1, 1976; and pending legislation to permit 9 extra months of education assistance for students doing graduate work.

Allowance was also made for additional funds provided for in the Emergency Employment Appropriations Act of 1975 for general work programs to improve Veterans Administration facilities, including hospitals.

FUNCTION 700: VETERANS BENEFITS AND SERVICES

[In billions of dollars]

	1976	
	Budget authority	Outlays
President's adjusted budget request (Mar. 12)	16.2	15.6
Major authorizing committee suggestions:		
Adjust compensation benefits this year instead of waiting the normal 2 years	+.5	+.3
Higher estimate of pension caseload than in President's budget	+.2	+.2
Do not enact President's legislative proposals to repeal the 2-yr extension of the delimiting period for readjustment benefits, and to effect reimbursement to VA by private medical insures	+.7	+.7
Higher estimate of GI bill enrollment than in President's budget	+.5	+.5
Other possibilities [1]	+.2	.3
Total potential	18.3	17.6
Appropriations Committee suggestion	16.2	15.6
Budget Committee recommendation	17.6	16.9

VETERANS BENEFITS AND SERVICES—OTHER POSSIBILITIES [1] (IN MILLIONS OF DOLLARS)

	1976	
	Budget authority	Outlays
Readjustment benefits—remove restriction limiting extra 9 months of benefits to undergraduate education only	77	77
Enact omnibus veterans medical bill providing for numerous improvements in medical care	95	55
Higher estimate of medical outpatient care visits and contract hospitalization requirements than in President's budget	56	56
Increase VA general operating expenses due to higher workload than estimated in President's budget	19	19
Emergency Employment Appropriations Act, 1975—general work programs to upgrade VA facilities		70
Total	247	277

This target for veterans' benefits and services was unaltered in the first concurrent resolution adopted by the Senate. Although this functional total was $1.3 billion above the President's budget, and the Budget Committee executive session deliberations clearly indicated a near unanimous consensus to provide whatever veterans funds were needed, the target set is still inadequate. This occurred principally because of first, more accurate cost estimates now available to Congress than at the time the resolution was originally considered; second, even higher program usage than anticipated; and third, a mistaken assumption that the President's budget did not reflect enactment of certain unrealistic "cost saving" administration proposals. These factors were outlined in a letter which I sent to Chairman Muskie on May 7, prior to the first meeting of the House and Senate conferees.

The full text of that letter is as follows:

U.S. SENATE,
Washington, D.C., May 7, 1975.

Hon. EDMUND S. MUSKIE,
Chairman,
Committee on the Budget

DEAR MR. CHAIRMAN: Thank you for your recent letter concerning action taken by the Committee on the Budget as it relates to veterans' benefits and services. I am pleased that the recommendations submitted to you were largely acknowledged and provided for in your Committee deliberations and report. It is my understanding that Senate and House conferees are scheduled to meet today to begin to reconcile action taken by each body on the concurrent resolution on the budget for the coming fiscal year.

Prior to this meeting, I want to take the opportunity to convey additional information recently made available to the Veterans' Affairs Committee which may be of assistance to the conferees in their deliberations.

First, you will recall that in the Committee Views and Estimates submitted earlier this year pursuant to section 301(c) of the Congressional Budget Act of 1974 (Public Law 93–344), we indicated that, given rapid increases in the consumer price index, there was, with respect to veterans' disability compensation and survivor benefits, a "pressing need for rate adjustments this year in the range of from 10% to 14% producing first full-year additional costs of $300 to $600 million." Executive session deliberations by our Committee (including a specific voice vote) clearly indicated near unanimous agreement that such cost-of-living adjustments should be a part of the overall concurrent resolution. At the time the consensus was reached, however, complete and accurate information as to the cost of this proposal was neither available to your Committee nor ours. Consequently, in providing for Compensation and Dependency and Indemnity Compensation (DIC) increases, your Committee report indicates your Committee apparently utilized the lower parameter of $300 million in estimating costs.

Official estimates just submitted by the Veterans' Administration reveal that the rate adjustments contemplated in S. 1597, the "Veterans Disability Compensation and Survivor Benefits Act of 1975" sponsored by all of our Committee members, will actually be closer to the upper parameter with a first full-year cost of $584 million.

Second, with respect to medical care it is my understanding, based upon testimony given last week before the House Committee on Veterans' Affairs, that the Administration will shortly request legislation to authorize a special pay bonus to enable the Veterans' Administration to recruit and retain physicians. The Committee expects to introduce legislation for this purpose and promptly consider it and the Administration legislation. Both our bill and the Administration proposal contemplate a July 1, 1975 effective date. The full cost of such legislation, which was not included as part of the Administration's original budget request, nor specifically considered by the Committee on the Budget, is estimated at approximately $70 to $75 million for the coming fiscal year.

Finally, I would like to explicitly acknowledge a misapprehension which many of us shared concerning the budget impact of first, the Administration's requested repeal of the two-year extension of the delimiting period for readjustment assistance benefits provided by Public Law 93–337; and, second, the Administration-sponsored legislation to require reimbursement to the Veterans' Administration by private medical insurers for care provided to insured veterans by the VA. If such legislation were enacted, the Administration estimated that savings in the amount of $722 million would be effected for the new fiscal year. As indicated in our Committee Views and Estimates submitted to you, and as your Committee also concluded, enactment of such legislation is considered highly unlikely. Because of the total of the Administration's actual fiscal year 1976 appropriation request did *not* reflect enactment of this legislation, and because of certain budget support material provided by the Veterans' Administration, it was incorrectly assumed that the President's budget request for veterans benefits and services ($15.6 billion in outlays; $16.2 billion in budget authority) also did *not* assume such enactment.

Accordingly, in deliberation with the House conferees, I believe it is important for the Senate conferees to acknowledge explicitly the assumptions utilized in arriving at the overall Function 700 total for veterans benefits and services ($16.9 million in outlays; and $17.6 million in budget authority) and to convey the additional facts contained in this letter which alter those assumptions.

I also want to take this opportunity once again to thank you for the concern you have shown with respect to veterans benefits and services.

Sincerely,

VANCE HARTKE,
Chairman.

The recommendations of the House Veterans' Affairs Committee to the Budget Committee were outlined in the following letter:

BUDGET VIEWS AND RECOMMENDATIONS, COMMITTEE ON VETERANS' AFFAIRS, FISCAL YEAR 1976

Hon. BROCK ADAMS,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The enclosed report is submitted in compliance with section 301(c) of the Budget Control Act.

The Ranking Minority Member of the Committee has reviewed the report and concurs with the recommendations contained therein.

Sincerely,

RAY ROBERTS,
Chairman.

PRESIDENT'S 1976 BUDGET

The President's fiscal year 1976 budget for the Veterans' Administration provides for benefits and services to the country's 29.3 million veterans, 65 million members of their families, and 3.9 million survivors of deceased veterans.

Budget authority of $16.1 billion and outlays of $15.6 billion are estimated for fiscal year 1976. These estimates represent increases of $170.7 million in budget authority and $131.4 million in budget outlays over estimated requirements for 1975.

The Administration budget will provide:

1. $4.6 billion in compensation benefits to 2.6 million veterans and their survivors.

2. $2.7 billion in pension benefits to 2.2 million veterans and survivors.

3. Assistance to 2.6 million Vietnam era veterans and servicemen and approximately 80,000 sons, daughters, wives and widows with over $4 billion in education and training payments.

4. Burial benefits of $143 million, including $37.5 million for plot allowances authorized by Public Law 93–43, approved June 18, 1973.

5. $403.9 million for construction requirements—up $100.9 million over fiscal year 1975.

6. A funding level for medical programs totaling $3.9 billion—$366 million over fiscal year 1975.

With the increases for medical care, the Veterans' Administration will be able to:

(a) Support an average employment level of 173,109; an increase of 9,425 over fiscal year 1975.

(b) Treat a record high average daily beneficiary level of 178,575.

(c) Provide for an annual inpatient treatment level of 1,246,531.

(d) Provide for an average daily inpatient census of 119,152.

(e) Provide for 14,743,000 outpatient medical visits.

(f) Provide a composite hospital staffing ratio of 167 staff for each 100 patients—10 staff per each 100 patients more than was available in fiscal year 1974.

PROPOSED LEGISLATION

The following items are included in the President's legislative program for the first session of the 94th Congress and have been provided for in his budget for fiscal year 1976:

UMI

[In thousands of dollars]

Appropriation account and item	Cost Fiscal year— 1975	1976	July 1–Sept. 30, 1976
Readjustment benefits: Restore the 8-year period within which veterans, wives, and widows pursuing programs of education have to complete their programs in lieu of 10 years as provided by Public Law 93-337, enacted July 10, 1974	−161,000	−600,000	−23,700
Medical care: Provide for reimbursement to the Veterans' Administration by private insurers for the cost of medical care and treatment provided to nonservice connected veterans	−61,000	−122,000	30,500
Grants for construction and operation of State cemeteries. Authorize a 50-50 Federal grant program with State governments for the construction, improvement, and operation of veteran cemeteries		5,000	1,250
Total	−222,000	−717,000	−52,950

I. UNAUTHORIZED BUDGET ESTIMATES FOR FISCAL YEAR 1976

[In millions of dollars]

Major issue or program	Budget estimate: Budget authority	Budget estimate: Outlays	Committee recommendation: Budget authority	Committee recommendation: Outlays	Comment
Medical administration and miscellaneous operating expenses: Exchange of medical information.	3.5	3.5	3.5	3.5	This activity has been authorized at an amount not to exceed $3 million per year for fiscal years 1968 through 1971, and such sums as necessary for fiscal years 1972 through 1975. Legislation has been proposed to extend the program as follows: Period — Amount (millions): Fiscal year 1976 — $3.5; July 1, 1976–September 30, 1976 — 1.7; Fiscal year 1977 — 4.0; Fiscal year 1978 — 4.5; Fiscal year 1979 — 5.0

The exchange of medical information program has enabled the VA to harness technological advances in communications to the educational process and thus to engage in, and support, innovative pilot projects which have as their objective the strengthening of those Veterans' Administration hospitals not affiliated with medical schools or those located remote from medical centers. The program has helped attract and retain highly trained and qualified members of the medical profession at such hospitals. It has aided in achieving the ultimate purpose of making available the best and most up-to-date medical care for the veteran patients at VA hospitals not affiliated with medical schools.

Exchange of medical information projects have been conducted involving all VA hospitals. These hospitals are either "core" institutions from which information flows to outlying hospitals or are recipients of this information. In every instance, the programs are designed as instruments for the improvement of the delivery and the quality of health care at peripheral locations. Exchange of medical information activities are also being made available to health professionals in communities surrounding VA hospitals. This is of particular benefit to those members of medical communities located remote from medical teaching centers.

Grants authorized under this program are provided to medical schools, hospitals, and research centers, while the pilot programs not funded by grants are conducted at VA hospitals. These activities vary in concept, scope, and content although each has as its objectives the investigation, development, and implementation of innovative programs in exchange of medical information. They cover a wide spectrum of activity. Funds provided for the program have been fully expended and well invested in pilot programs which, once established, rapidly make contributions in increased and improved health care delivery for both veterans and nonveterans alike.

II.—LEGISLATIVE PROPOSALS IN THE BUDGET FOR NEW AND EXPANDED PROGRAM IN FISCAL YEAR 1976

[In millions of dollars]

Legislative proposal	Budget estimate: Budget authority	Budget estimate: Outlay	Committee recommendation: Budget authority	Committee recommendation: Outlay	Comment
Grants for construction and operation of State cemeteries: To authorize a grant-in-aid program with the several States for developing and maintaining veterans cemeteries on a 50-percent matching basis.	5.0	5.0	0.0	0.0	The administration feels the program will provide a viable alternative which will allow veterans to be buried near their homes.

The Administration proposed new legislation for grants for construction and operation of State cemeteries in the 93d Congress. There was little or no interest demonstrated in this legislation during the last Congress, and the Administration's proposed bill was never introduced.

The Administration's bill has not yet been submitted for the 94th Congress and unless there is substantially more interest exhibited in the proposal, there is not much likelihood that this legislative request will receive favorable consideration by the committee.

III. LEGISLATIVE INITIATIVES OF CONGRESS FISCAL YEAR 1976

[In millions of dollars]

Identify initiative	Budget authority	Outlays	Comment
1. Increase rates of disability compensation for disabled veterans and dependency and indemnity compensation.	$500 124.8 7/1/76–9/30/76	$500 124.8 7/1/76–9/30/76	Cost-of-living increase. Since the last increase effective May 1, 1974 the Consumer Price Index has increased more then 10 percent and is expected to go beyond 12 percent by May 1975.

The committee will give priority to legislation providing cost-of-living increases for veterans receiving disability compensation and survivors receiving dependency and indemnity compensation. The cost-of-living index already shows a 10 percent increase since the passage of Public Law 93–295, effective May 1, 1974. According to a Bureau of Labor Statistics report dated January 21, 1975, the Consumer Price Index rose 12.2 percent for calendar year 1974. Projections for 1975 are expected to run about the same.

Our committee members are aware of the state of our economy and are dedicated to holding the line wherever possible; however, we must give priority attention to our war-disabled veterans, especially our more seriously disabled veterans who depend primarily on their disability compensation checks. These veterans and their families suffer most from rising costs and prices.

A 12 percent cost-of-living increase would call for an expenditure of approximately $500 million in fiscal year 1976, and about $124.8 million for July, August and September of 1976.

Identify initiative	Budget authority	Outlays	Comment
2. To establish the per annum full-pay scale for certain personnel of the Department of Medicine and Surgery of the Veterans' Administration.	$40.0 9.9 7/1/76–9/30/76	$40.0 9.9 7/1/76–9/30/76	The committee continues to be concerned with the Agency's declining ability to recruit full-time physicians and dentists. Legislation is designed to improve recruitment in critical areas.

The basic intent of legislation to be considered (H.R. 1545) is to place the VA's Department of Medicine and Surgery back on a competitive footing for the recruitment and retention of critically needed physicians and dentists. The $36,000 per annum limitation has affected these and other full-time employees of the executive branch since January 1971. Meanwhile the cost-of-living index has risen by 31 percent. Many VA physicians and dentists have been held at the $36,000 level throughout this 4-year period, and the restriction now affects 40 percent of all VA full-time physicians and dentists.

Far better remuneration has become readily available through the private practice of medicine and dentistry, in military medicine, and in various categories of academic medicine. For physicians in the United States, the annual median net income for those in solo private practice, those in full-time teaching, and those in military medicine (including fringe benefits), is about $48,000; for those in teaching-plus-practice, about $65,000 and for those in group practice, about $66,000.

Increasing numbers of VA physicians are resigning to accept other positions; increasing numbers are opting for part-time VA assignments, so as to bolster their total income; increasing numbers of recruits are deciding against VA employment or are insisting on only part-time assignments. In the past 5 years the VA's professional staff has increased by 34 percent, but the number of full-time physicians has increased only 7 percent; meanwhile, the number of part-time physicians has increased 175 percent; part-time employment of physicians and dentists is an undesirable option but one which the VA has been forced to accept; it always means divergent demands on time and services, and often means split loyalties.

These statistics do not portray the loss in quality of VA's professional staff due to its noncompetitive salary position. One measure of this may be seen in the changing ratio of U.S. graduates to foreign graduates among VA's physicians and dentists. Over the past 2 years, the total of VA's full-time physicians has increased by 3.4 percent (5,225 to 5,408), but the number of full-time foreign medical graduate appointments increased by 18.5 percent (1,338 to 3,643). This means a *decrease* of 122 in the number of U.S. graduates and an *increase* of 305 in foreign countries. Thirty-one percent of the total full-time physician force in VA now are foreign graduates; an increase of 5 percent in 2 years. Foreign graduates now constitute one-third of VA's full-time psychiatrists and nearly one-half of its pathologists and physical medicine specialists. In quite a few VA hospitals foreign medical graduates constitute from 50 to 60 percent of the full-time staff and in some it reaches 90 percent. In 1974, of the U.S. graduates hired as full-time VA physicians, 33.5 percent were board certified compared to only 9.2 percent of the foreign graduates.

In numerous instances, language barriers exist between veteran patients and some foreign physicians. Patients do not understand explanations of their illnesses, and at the same time, there are numerous instances where the physician fails to fully comprehend the veteran's medical complaints.

In that same calendar year 1,209 bona fide offers of full-time employment resulted in 794 declinations (66 percent) owing to inadequate salary.

A highly trained, qualified professional staff is essential to the provision of quality health care for the veteran. The failure to recruit and retain such professionals will lead inexorably to deterioration of the quality of health care provided the veteran. H.R. 1545 will provide temporary relief of this critical personnel problem that the Department of Medicine and Surgery faces.

The authority to grant leave for pursuit of studies as provided in this bill will also improve the Agency's competitive position. This fringe benefit of employment is common to the academic and scientific communities with which the Department of Medicine and Surgery is closely affiliated and must compete for employment of professionals.

The estimated first-year cost of this legislation is approximately $40 million. An additional $9.9 million will be required for July, August and September 1976.

Identify initiative	Budget authority	Outlays	Comments
3. Veterans' Laws Technical Amendments Act of 1975—to make certain technical corrections in title 38, United States Code.	$0.0	$0.0	An up-date of title 38, United States Code.

The committee staff has met informally with the General Counsel's staff of the Veterans' Administration and the Legislative Counsel's office. Certain technical corrections in title 38 should be made and the committee plans to enact these changes this session. No new budget authority or outlays would be necessary.

Identify initiative	Budget authority	Outlays	Comments
4. To revise the eligibility requirements and the medical benefits provided eligible veterans.	$74.0 18.5 7/1/76–9/30/76	$74.0 18.5 7/1/76–9/30/76	The legislation would clarify ambulatory care eligibility operations of the Department of Medicine and Surgery. The first year cost is estimated to be approximately $74 million.

Legislation has been drafted to clarify and revise certain eligibility requirements for medical benefits provided to eligible veterans.

Hearings are tentatively scheduled on this legislation in April 1975, at which time some modifications may be made to the proposed bill which was recommended by the Chief Medical Director in the Quality Care Study of the VA medical program ordered by President Nixon.

Basically the bill, as presently drafted, will:

(1) Define more specifically the meaning of "health services" presently referred to in title 38 as it applies to ambulatory care.

(2) Alter present provisions of law pertaining to dental eligibility to insure that present law providing for a "one time completion basis" does not bar a veteran for future treatment if the dental services performed are found to have been unsuitable within the limitations of good professional standards.

(3) Provide that any veteran in receipt of pension is eligible for hospital care without signing the oath of inability to pay.

(4) Correct an oversight in Public Law 93–82 dealing with the CHAMPVA program by allowing widows to continue under CHAMPVA when a veteran dies of a service-connected disability.

(5) Provide for direct admission of any veterans to a community nursing home without prior VA hospitalization providing such admission is authorized by a VA physician or a physician carrying out such functions under a fee arrangement after proper examination.

The estimated first-year cost of this proposal would be approximately $74 million.

Identify initiative	Budget authority	Outlays	Comments
5. To provide for annual investigations by the Administrator reference to cost of travel by veterans to Veterans' Administration facilities.	$20.0 5.1 7/1/76–9/30/76	$20.0 5.1 7/1/76–9/30/76	Would require the Veterans' Administration to annually investigat the cost of travel by veterans to VA facilities and to set the rates therefor.

As introduced, this bill directs the Administrator to conduct annual investigations of the cost of travel (including lodging and subsistence) and the operation of privately-owned vehicles to beneficiaries while traveling to or from a Veterans' Administration facility and report the results of his investigation to the Committee on Veterans' Affairs of the Senate and the House of Representatives, setting forth the allowance rate authorized and the basis used for such determination.

The 93rd Congress enacted legislation (S. 3341) just prior to adjournment to increase per diem and mileage allowances for both Government employees traveling on public business and for disabled veterans with a service-connected disability traveling to and from veterans' facilities. President Ford vetoed the bill. Among other things, the President indicated extending the increased rates to disabled veterans would be too costly. The Veterans' Administration has informed the committee that extending the increased

UMI

benefits to disabled veterans under S. 3341 would cost $22 million a year.

Early this year legislation similar to S. 3341 was introduced and referred to the Government Operations Committee. Members of that committee's staff discussed the title 38 provision with our committee staff and decided that since basic eligibility requirements were not being changed, the Committee on Veterans' Affairs would interpose no jurisdictional objection; however, upon learning that it was the intent of the Office of Management and Budget to have the agencies and departments "absorb" the increased cost of this legislation, the committee raised jurisdictional objection. It would have meant that the funds would be required to come out of the Veterans' Administration medical care budget. The medical care appropriation is already inadequate for direct patient care in VA hospitals and outpatient clinics, and any further erosion of this funding would cause additional serious problems.

The proposed legislation would authorize the Administrator to conduct annual investigations, and based on his findings, revise the rates. The Administrator's actions would be closely monitored by Congress, and if erans' Affairs Committees could initiate aperans' Affairs Committee could initiate appropriate legislative actions.

Identify initiative	Budget authority	Outlays	Comments
6. To entitle all veterans to 45 months of educational assistance for all educational programs provided in chapter 34 of title 38.	$70.9 6.2 7/1/76–9/30/76	$70.9 6.2 7/1/76–9/30/76	Public Law 93–508 provided that an eligible veteran entitled to 36 months of educational assistance may receive an additional number of months, not to exceed 9, to pursue a program of education leading to a standard undergraduate degree. This legislation would allow the additional 9 months to be used in pursuit of graduate degrees.

The proposed measure would entitle all veterans who served for a period of 18 months or more on active duty after January 31, 1955, to 45 months of educational assistance under all educational programs provided in chapter 34 of title 38.

Public Law 93–508, enacted December 3, 1974, provides that an eligible veteran who is entitled to 36 months of educational assistance may receive an additional number of months, not to exceed 9, to pursue a program of education leading to a standard undergraduate degree. The committee continues to receive complaints about this restriction and many contend that it is unfair and discriminatory against an individual who undertakes a heavier schedule and completes his undergraduate program within the 36-month period. In such cases, it is felt the veteran should be entitled to the additional 9 months in pursuit of an advance degree. Many Members of Congress feel that the restriction should be lifted and that all veterans receive equal educational benefits for equal service whether in pursuit of undergraduate or advance degrees.

According to the Veterans' Administration, the proposed legislation would require an expenditure of approximately $70.9 million in fiscal year 1976 and an additional $6.2 million for the transitional period (July through September), 1976.

Identify initiative	Budget authority	Outlays	Comments
7. To increase the payment of disability and death pension and dependency and indemnity compensation for surviving parents.	$126.0 63.4 7/1/76–9/30/76	$126.0 63.4 7/1/76–9/30/76	Cost-of-living increase and to offset increase in social security benefits to be enacted in fiscal year 1976. The estimated first year cost for this increase would be approximately $253 million.

During the 93d Congress, Public Law 93–527 was enacted. Basically, it provided for an average 12 percent increase in rates of pension or non-service-connected disabled veterans and dependency and indemnity compensation for surviving parents. It also increased the maximum annual income limitations for eligible veterans and their survivors receiving pension by $400 per year. The increase became effective January 1, 1975.

According to the Department of Labor, the cost of living is expected to rise approximately 11 to 12 percent during calendar year 1975. It is also anticipated that Congress will provide for an increase in social security benefits this year. Although the President has requested that the social security increase be limited to 5 percent, the Congress is expected to go beyond that figure.

In order to assure that an increase in social security benefits will not reduce a veteran's pension, a comparable cost-of-living increase in pension benefits will be necessary.

The effective date of any pension increase would be January 1, 1976. The estimated cost from January 1, to June 30, 1976 would be about $126 million. An additional $63.4 million would be required for July, August and September 1976.

The total first full year cost is estimated to be approximately $253 million.

Identify initiative	Budget authority	Outlays	Comment
8. To terminate the Vietnam era period of war	$0.0	$0.0	This legislation would end veteran's eligibility for certain veterans' benefits for any military service following termination date, such as pension, educational benefits, et cetera.

The President has indicated he will issue a proclamation to officially terminate the Vietnam war. The American Legion and other major veterans' organizations have urged the President and the Congress to officially terminate the state of hostilities that has existed for so many years. The "wartime period" can be terminated by Presidential Proclamation; however, it will take action by Congress to terminate the veterans' education program and establish a delimiting date for educational benefits accruing to those who served until such termination date.

The committee will consider such legislation this session.

Identify initiative	Budget authority	Outlays	Comment
9. To provide certain persons insured under Servicemen's Group Life Insurance with the choice of conversion either to an individual policy or Veterans' Group Life Insurance upon expiration of their Servicemen's Group Life Insurance coverage.	$0.0	$0.0	Under present law, a person who is eligible for automatic conversion of Servicemen's Group Life Insurance to Veterans' Group Life Insurance may convert such insurance to an individual policy of life insurance after a 5-year period. The legislation would provide the member an option of converting without having to wait 5 years.

Last year, Congress enacted Public Law 93–289, the Veterans' Insurance Act of 1974. Among other things, it provided that a person eligible for conversion of Servicemen's Group Life Insurance while on active duty could automatically convert to a 5-year term policy known as Veterans' Group Life Insurance, effective the day after the Servicemen's Group Life Insurance expires for the veteran, usually 120 days after discharge from military service. The act also provided that insureds may convert their Veterans' Group Life Insurance to an individual policy with a commercial insurance carrier effective the day after the Veterans' Group Life Insurance 5-year policy terminates.

Legislation already introduced would provide that the veteran have the option of converting to an individual policy with a private commercial insurance carrier without having to wait 5 years should he elect not to participate in the Veterans' Group Life Insurance Program. This provision would correct an oversight in Public Law 93–289.

Identify initiative	Budget authority	Outlays	Comment
10. To provide hospital and medical care to certain members of the Armed Forces of the nation allied or associated with the United States in World War I or World War II.	Unknown	Unknown	Identical bill (H.R. 13377) passed the House on August 5, 1974 but failed to pass the Senate before sine die adjournment.

On August 5, 1974, the House passed and sent to the Senate H.R. 13377. The bill provided that any person who served during World War I or World War II as a member of any armed force of the Governments of Czechoslovakia or Poland and participated while so serving in armed conflict with an enemy of the United States and has been a citizen of the United States for at least 10 years shall, by virtue of such service, and upon satisfactory evidence thereof, be entitled to hospital and domiciliary care and medical services from the Veterans' Administration to the same extent as if such service had been performed in the Armed Forces of the United States. Such benefit would not be authorized if the person concerned is otherwise entitled to payment for equivalent care and services under a program established by the foreign government concerned for persons who served in its armed force in World War I or World War II.

The committee is expected to consider enactment of this legislation this session.

In its report on H.R. 13377, the Veterans' Administration indicated it is impossible to estimate the cost of the proposed legislation "since we have no information as to how many individuals may qualify for benefits." However, based on testimony received during hearings on this legislation, the committee is of the view that the number of potential beneficiaries is relatively small, and in context with the expenditures for the overall broad veterans' programs, the actual cost of this legislation would be insignificant.

IV. PROPOSED BUDGET REDUCTIONS FOR FISCAL YEAR 1976

[Outlays in millions]

Legislative Item	Budget estimate	Committee recommendation	Comment
Readjustment benefits: Repeal 2-yr extension of the delimiting period.	$600.0	Legislation should not be enacted	Legislation would repeal Public Law 93–337 which extended from 8 to 10 yr the period in which a veteran had to utilize his educational benefits under the GI bill.
Medical care: Reimbursement from private Insurers	122.0	Committee questions legality of such legislation and its passage is doubtful during 1st sess.	Provide for remibursement to the VA by private insurers for cost of medical care and treatment provided to non-service-connected veterans.

V. ADMINISTRATIVE AND/OR OTHER ACTIONS

[Outlays in thousands]

Action	Budget estimate	Committee recommendation
Department of Veterans' Benefits: General operating expenses	$345,196,000	Increase of $19,700,000 for fiscal year 1976, $5,000,000 July–September 1976.

Total average employment for the Department in fiscal year 1975 was 19,421. The fiscal year 1976 budget calls for a reduction of 595 employees.

The Appropriations Committee will be asked to restore the proposed 595 reduction and an additional 1,066 to handle increased workloads and full implementation of Public Law 93–508.

The reduction is totally unrealistic in view of present workloads and new legislation yet to be implemented. Based on data received by the committee from selected surveys in the field and other information from the Agency, these have been significant increases in all major program areas for fiscal year 1975.

The fiscal year 1976 budget does not reflect present economic conditions, nor does it include the full implementaiton of Public Law 93–508.

Many feel present economic conditions have influenced some of the increases. Claims for benefits initiated during a depressed economic period can mushroom into additional work actions for an extended period of time. For example, a Vietnam veteran whose employment is terminated may file for education benefits that could continue for years of full-time training assistance, and require a variety of subsequent actions while in training. The following recap of key indicators highlights some increases for major program areas on a nationwide basis for the first 7 months of fiscal year 1975, compared to the same period of fiscal year 1974.

Compensation and Pension: The volume of initial disability, nonorginal, dependency, income and burial claims has substantially increased. It is apparent that many veterans and their survivors are filing for income maintenance-type benefits, such as disability pension and death pension, available to those with limited income and assets.

Compensation and pension claims	Fiscal year 1974 through January	Fiscal year 1975 through January	Percentage increase
Initial disability	129,571	136,162	5.1
Nonoriginel	229,021	246,483	7.6
Dependency	458,069	471,740	3.0
Income	256,595	276,769	7.9
Berial	198,137	212,176	7.1

Education and Rehabilitation. There are heavy increases in work actions pertaining to educational benefits. January 1975 data confirm 143,000 more trainees than December 1974. Full impact of the education loan program and new benefits authorized by Public Law 93–508, are yet to be assessed. Recently increased (Public Law 93–508) assistance rates must be considered a contributing factor to increased workloads.

Education and rehabilitation indicators	Fiscal year 1974 through January	Fiscal year 1975 through January	Percentage increase
Education actions	3,394,203	3,904,176	15.0
Counselings	48,406	49,801	2.9
Number of trainees	[1] 1,473,152	[2] 1,652,857	12.2

[1] Jan. 31, 1974.
[2] Jan. 31, 1975.

Veterans' Services. There have been dramatic increases for persons seeking information and assistance to file for VA benefits. This increase indicates high interest by veterans and dependents which should result in continuing high workloads for the benefit programs.

Type of information	Fiscal year 1974 through January	Fiscal year 1975 through January	Percentage increase
Telephone actions	8,672,235	13,182,918	52.0
Interviews	1,625,527	3,007,082	85.0
Correspondence	329,070	850,580	158.5

Loan Guaranty. There have been increased guaranteed/insured loan servicing actions primarily attributed to increasing loan defaults reported by lenders. An increase in appraisal requests is undoubtedly due to liberalization of GNMA Tandem Plan and increasing availability of mortgage funds at more favorable interest rates. The restoration of entitlement increase is attributed to the Veterans Housing Act of 1974 (Public Law 93–569) which removed the "compelling reason" prerequisite for restoring previously used entitlement.

Loan guaranty actions	Fiscal year 1974 through January	Fiscal year 1975 through January	Percentage increase
Appraisal requests	314,449	329,461	4.8
Restoration of entitlement	9,473	12,332	30.2
GI loan servicing actions	89,922	101,179	12.5
GI loans closed	[1] 151,873	[2] 153,867	1.3

[1] Fiscal year 1974 through December.
[2] Fiscal year 1975 through December.

Insurance. Policy service, medical reinstatement, and policy loan increases were probably influenced by economic conditions. Recently authorized accelerated payment of 1975 dividend will cause additional work actions for policies that lapse or are terminated prior to 1975 policy anniversary date.

Insurance actions	Fiscal year 1974 through January	Fiscal year 1975 through January	Percentage increase
Policy service actions, excluding beneficiary and option changes	1,003,490	1,059,880	5.6
Medical reinstatements	1,222	1,714	40.3
Policy loans granted	46,074	48,591	5.5
Death awards	36,981	39,451	6.7

Administrative. Incoming mail, outgoing mail, and initial applications increases reflect the overall heavy workloads for all major program areas.

Administrative actions	Fiscal year 1974 through January	Fiscal year 1975 through January	Percentage increase
Incoming mail	36,797,684	42,638,254	15.9
Outgoing mail	33,402,877	35,814,204	7.2
Initial applications	577,182	676,473	17.2

Pending Work Actions. In addition to completed work actions, data are maintained by the VA on the status of pending workloads. Analysis of this data show nationwide workloads significantly higher on February 18, 1975, than January 13, 1975.

UMI

Veterans Assistance Workloads. Veterans assistance activities conducted at all regional offices, 17 veterans assistance offices, itinerant points and college campuses involve direct dealing with veterans and other members of the public through face-to-face and telephone interviews. The volume of these interviews can reflect conditions in the VA itself and the outside community.

For the first half of fiscal year 1975 (July–December 1974) these interviews show a significant increase over the same period in fiscal year 1974. Telephone interviews increased about 41 percent from about 6.1 million to about 8.6 million. Face-to-face interviews increased by 78 percent from just under 1.4 million to more than 2.4 million.

Samplings indicate that about 46 percent of interviews last year had to do with education benefits, whereas the percentage this year is about 42 percent, a reduction of about 9 percent. Interviews last year dealing with compensation, pension and medical benefits were about 42 percent of the total and this year have increased about 6 percent to 44.7 percent. Interviews on non-VA matters such as employment and social security increased from 5 percent to 5.9 percent of the total.

Educational assistance inquiries for the first half of fiscal year 1975 totaled almost 600,000. No comparable figure is available for the previous year.

Initial interviews with Vietnam era veterans show a marked increase (over 161 percent) from about 76,000 in fiscal year 1974 to about 201,000 in fiscal year 1975.

Two areas of workload, educational assistance inquiries and increased initial Vietnam era veteran interivews, have special significance. These items generate back office, sequential workload more significant than increases in the inquiry and interview counts themselves. Initial interviews give rise to a high percentage of the new claims for benefits. Educational assistance inquiries cause establishment of controls to assure prompt resolution, obtaining of records, preparing new or corrected awards, et cetera. These particular figures are indicators of a subsequent heavy load of paperwork processing and claims resolution.

By congressional mandate (Public Law 93–508), the Administrator is required to assign to each educational institution where at least 500 persons are enrolled under chapters 31, 34, 35, and 36, such number of full-time veterans' representatives as will provide at least one such veterans' representative per each 500 such persons so enrolled at each such institution. The Agency is not in compliance with this provision of the act, based on the fiscal year 1976 budget.

To compound the problem, Public Law 93–508 also requires the same type of special Vet Rep services to all schools having courses not leading to a college degree as is provided colleges of higher learning. Giving a minimum of these special services to 7,442 other than college schools will require at least 411 positions to say nothing for increase in personnel for the workloads they create.

Unless these 1,661 positions are funded, there are serious questions as to whether the Veterans' Administration can fulfill its basic commitment to properly serve our veterans and their dependents.

Staff analysis of current workload factors, full implementation of Public Law 93–508, and the present state of the economy have lead us to conclude that these additional positions are necessary. Unless Congress grants the funding for these positions, prompt service to our veterans and their families may not be forthcoming.

The estimated cost of implement sections 203 and 207 of Public Law 93–508 will be approximately $5.9 million for fiscal year 1976. Approximately 400 positions will be required to administer these sections of the act. The remaining positions will be needed to process the continuing increase in present workloads presently being experienced Agency-wide. These additional positions will call for an expenditure of approximately $13.8 million. The required appropriation for the transitional period of July through September 1976 will be approximately $5 million.

Action	Budget estimate	Committee recommendation
Department of Medicine and Surgery: Medical care	$3,667,866,000	$3,675,066,000

The Appropriations Committee will be asked to increase medical care funding by $7.2 million for the following:

1. *Medical Outpatient Visits*—An increase of $6 million is needed mainly for staffing of medical outpatient facilities. The President's budget calls for an estimated 14.7 million outpatient visits in fiscal year 1976. Many feel the increase is totally justified in that outpatient visits for fiscal year 1975 (estimated to be 13.7 million visits) has already exceeded the estimate and will reach the projected fiscal year 1976 estimate of 14.7 million. The Veterans' Administration originally underestimated the growth pattern. Another factor was Public Law 93–82. No one could foresee the impact of the Act which has brought about a rapid increase in outpatient visits. The state of the economy is also a major factor that was not taken into consideration when the Veterans' Administration submitted its budget to the Office of Management and Budget.

The additional $6 million will provide staffing for an additional 200,000 outpatient visits In keeping with the President's announced plan to reduce Federal spending wherever possible, the increase proposed by the committee is very conservative.

2. *Maintenance of Education and Training*—The President's fiscal year 1976 budget calls for a reduction of $43,280,000 from that proposed by the Department of Medicine and Surgery. A recommendation will be made to the Appropriations Committee that $1.2 million be restored for instructors salaries for the education and training program.

Action	Budget estimate	Committee recommendation
Department of Medicine and Surgery: Construction	$403,890,000	$423,344,000

Although the fiscal year 1976 construction budget is substantial, one replacement hospital that was deleted must be restored. $19,454,000 for the Bronx, New York Hospital, was included in the Veterans' Administration's budget submitted to the Office of Management and Budget. Unfortunately, funds for this project was not included in the President's budget submitted to the Congress.

Although funds for other major construction projects were not included in the budget approved by the Office of Management and Budget, the committee feels it is imperative that funds for the Bronx Hospital be restored in order to meet the combined program requirements at this station.

Action	Budget estimate	Committee recommendation
Department of Medicine and Surgery: Assistance for health manpower training institutions	$30,000,000	$45,000,000

The Veterans' Administration asked for $75,000,000 when it submitted its budget to the Office of Management and Budget. The Office of Management and Budget approved $30,000,000. The reduction was predicated on no funding of new application approvals in fiscal year 1976 for other than *new* State medical schools. This means that no funds will be available to fund subchapters 2, 3, and 4 of Public Law 92–541. The committee recommends that the Appropriations Committee will be asked to restore $15,000,000 for grants to existing affiliated medical schools and other health education institutions; otherwise, applications being submitted for approval in March 1975 cannot be funded until fiscal year 1977—a waiting period of 18 to 24 months.

The House Budget Resolution correctly understood that the President's submitted budget did assume enactment of Administration proposals to reduce eligibility period for veterans readjustment benefits and to receive reimbursement from private health insurers for VA health care. Assuming Congressional disapproval of these proposals the Budget Committee added to veterans outlays, the $700 million in "savings" that would result if such legislation were enacted.

The House Budget Committee's report number 94–145 to accompany House Concurrent Resolution 218 was as follows:

VETERANS BENEFITS AND SERVICES
FUNCTION 700

Estimates	Fiscal year 1976 (in millions of dollars) Budget authority	Outlays
President's budget as submitted	16,163	15,592
President's budget as adjusted	16,763	16,192
Views and estimates of House committees	18,277	17,741
Budget Committee estimate	17,998	17,469

The Budget Committee estimates $17,998 million in budget authority and $17,469 million in outlays for this functional category. This amount is $1,835 million in budget authority and $1,877 million in outlays above the President's budget submission and $279 million in budget authority and $272 million in outlays below the views and estimates of House committees.

DESCRIPTION OF FUNCTION

This function includes income security for veterans (principally veterans pensions, compensation, and life insurance); education, training, and rehabilitation for veterans; hospital and medical care for veterans; and veterans housing assistance.

PRESIDENT'S BUDGET AS ADJUSTED

The President's budget proposes $16,163 million in budget authority and $15,592 million in outlays. On April 4, the President revised his budget authority and outlay estimates upward by $600 million for underestimates of the costs of veterans pensions and readjustment benefits. This increases the President's budget to $16,763 million in budget authority and $16,192 million in outlays. Because of lower unemployment assumptions, the Committee includes only $500 million of the $600 million in its total.

BUDGET COMMITTEE ESTIMATE

The Committee estimates increased budget authority and outlays above the President's budget as adjusted, as a result of these actions: likely congressional disapproval of certain legislative proposals designed to produce savings; a cost-of-living increase in benefit levels under veterans compensation and pensions; and additional funding for certain existing programs and new initiatives.

The President's budget submission assumes fiscal year 1976 outlay savings of $722 million from enactment of proposed legislation. Of this sum, the President expects $600 million in savings by reducing the period of eligibility for veterans educational benefits from 10 to 8 years, and $122 million in savings for health care by requiring reimbursement from private insurers for medical care provided through veterans facilities to veterans with non-service-connected health care needs. The Committee assumes congressional disapproval of these legislative proposals and includes the necessary budget authority and outlay increases in its estimates.

The Committee includes $451 million in budget authority, and an equal amount in resulting outlays, for an increase in veterans pensions, effective January 1976, and a corresponding increase in veterans compensation, effective July 1975. These benefits do not rise automatically under law as the cost of living increases. However, Congress in the past has raised benefits by specific legislative action as living costs rose.

The Committee estimates a lump sum increase over the President's budget as adjusted of $131 million in budget authority, and resulting outlays, for other new program initiatives. House committee views and estimates covering a variety of specific proposals for new initiatives totaled some $205 million in budget authority and outlays.

The Committee also includes a lump sum increase over the President's budget as adjusted of $31 million in budget authority and $14 million in outlays for improved support of existing programs. House committee views and estimates covering a variety of specific proposals for such increased funding totaled $61 million in budget authority and $37 million in outlays.

In addition, total outlays for fiscal year 1976 taken into account by the Committee for this function include $59 million for upgrading facilities operated by the Veterans Administration, as a result of the Emergency Employment Appropriations Bill of 1975.

Although the House Committee assumed disapproval of Administration legislative proposals, other items affecting increased outlays for veterans' benefits and services were not fully considered by them. It is my understanding that the conferees generally proceeded on the assmption (and the House Parliamentarian so ruled) that in resolving differences as to individual budgetary functions the conferees were limited by the parameters set by either body. Consequently, the conferees were unable to provide a veterans benefits and services target figure which fully reflected the needs of our veterans as more clearly perceived in the light of subsequent experience.

Of course the conferees agreed to accept the highest figure of the two bodies as shown in the following excerpt from the conference report, number 94–198:

VETERANS BENEFITS AND SERVICES (700)

The House Resolution assumes budget authority of $18.0 billion and outlays of $17.5 billion.

The Senate amendment assumes budget authority of $17.6 billion and outlays of $16.9 billion.

The Conference agreed to the House assumptions of $16.0 billion in budget authority and $17.5 billion in outlays for this function. The managers on the part of the Senate agreed to these figures because of the probability that Congress will reject Administration proposals to reduce the eligibility period for veterans' readjustment benefits and to require reimbursement from private health insurers for VA health care. The Senate amendment did not assume increases in budget authority and outlays for either. The House assumed $0.7 billion in budget authority and outlays for these probable expenditures, to which the conferees agreed.

I have reviewed veterans benefits and services programs in some detail because it is clear that that functional category which is part of the first concurrent resolution will not be sufficient. Of course this target is not binding as a matter of law. Nevertheless if we are going to stay within the aggregate totals assumed in the first concurrent resolution adopted by Congress then it is quite clear to me that increased veterans expenditures and corresponding decreases in other programmatic areas will be required. And that quite simply is the issue that now confronts us.

Mr. SYMINGTON. Mr. President, tomorrow, Wednesday, June 4, we shall offer a "ceiling" amendment to the military procurement authorization bill, S. 920. This amendment would reduce the bill's authorization of $25 billion, as it now stands, to $23.8 billion, saving the taxpayers of America $1.2 billion, at no expense to the security of the Nation.

The proposed amendment would allow a 14-percent increase in procurement instead of the 20-percent increase over last year provided in the bill.

I will have more to say regarding this amendment tomorrow morning when it is reviewed by the Senate.

But at this time, I ask unanimous consent that a number of letters from various groups urging support for this amendment be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COUNCIL ON NATIONAL
PRIORITIES AND RESOURCES,
June 2, 1975.

STATEMENT ON THE DEFENSE AUTHORIZATION ACT (S. 920)

The military budget is being increased quite dramatically this year. If Congress grants the Administration request, the FY 1976 military budget will be the first in U.S. history to exceed $100 billion. Overall, the increase is about 18 percent, well above any add-ons needed to meet costs imposed by inflation. The Pentagon has made one point very clear: the military budget is to be increased in real terms.

The Pentagon has tried to promote the illusion that personnel costs are the principal cause of increased military spending. Although personnel costs constitute a major part of the total budget, these costs are slated to rise only 4.2 percent and actually to decline by 6% as a share of the total military budget. In striking contrast are the requests for procurement and R.D.T. & E. requiring authorization by the Congress. The Administration seeks some $6 billion more for procurement, a whopping 50 percent increase. R.D.T. & E. is to go up 19 percent.

Other key indicators point out the growth in military spending. For example, the military share of the total of federal budget outlays relatively controllable from year to year would grow 2 percent. Similarly, the military share of total federal purchases of goods and services—the activity of government having the most significant impact on economic activity—has been increased 1.4 percent, reversing the downward trend of the past few years.

An important question on budgetary policy is to be confronted in the FY 1976 request. Should the military budget in terms of real dollars continue to be reduced slightly each year as has been the case since 1968 or should it be increased some percentage points each year for the foreseeable future? This question is not a simple matter of projecting lines on a graph. It involves both a determination of present and future real military needs and an overall assessment of national priorities. Congress has the responsibility for making both judgments. Our purpose is to assist their deliberations by offering our estimation of the budgetary consequences of military policy and consequent deployments of forces.

We believe that the Administration's request for military spending can be reduced substantially while maintaining military forces adequate to meet those national security needs which can be satisfied through the threat of application of American firepower. Nor would such cuts require changes in generally agreed principles of United States foreign policy and the appropriate role for America in the world. We disagree with the assertion of the Secretary of Defense that reductions in the military budget may prevent the United States from fulfilling its responsibilities, or that belief in the importance of a continued vigorous international role for the U.S. implies blanket acceptance of the Administration's budgetary request.

FOREIGN POLICY VERSUS MILITARY POSTURE

It is our impression that there is wide agreement on what our foreign policy interests and objectives should be. A primary American security objective is the deterrence of nuclear war. In addition, we have a vital national interest in the survival and independence of Western Europe. We are committed to the survival and security of Israel and to peaceful resolution of conflicts in the Middle East. The United States has a major interest in Northeast Asia centering on our relations with Japan. More generally, we must stand by our allies and friends and seek to build a structure of durable peace.

Moreover, there seems to be a reasonable amount of agreement, at least in words, as to what the United States does not wish its international role to be. We have painfully learned that it is neither in our interests nor feasible to intervene militarily in areas which are remote not only geographically but remote from vital U.S. interests. We reject the role of the world policeman. We alone should not seek to maintain a "worldwide military balance" through accumulation of application of U.S. firepower.

But if there is agreement on overall objectives, there is less agreement on the relevance of American military power to attaining these objectives. First it must be recognized that only the Soviet Union poses a credible military threat to vital interests of the United States. We do not face a militarily hostile world. We do a changing world in which most of the difficulties endured by the U.S. will be political or economic in nature.

With regard to the Soviet threat, clearly and unequivocally, sufficient and survivable strategic forces are necessary for nuclear deterrence; our commitment to Western Europe has serious military implications; our military potential adds weight to our commitments to other nations and to our diplomacy generally. However, events of recent years have shown that the possession of overwhelming military force is not sufficient—or in many cases even relevant—to the efforts of the United States and the world community to solve most of the national, regional, and international problems which face us.

The Administration seems to ignore these limits on the efficacy of military force in the modern world, and seeks substantial increases both in current outlays and future authorizations for defense. Administration spokesmen falsely maintain that only by emasculating American foreign policy and withdrawing to isolation could significant reductions be made. In fact, substantial cuts can be made without any such effects, for the budget includes forces which do not contribute, or contribute only very marginally, to the security interests outlined above. We should trim away our interventionist capability, so we can play a more appropriate internationalist role.

The U.S. should not attempt to maintain a cosmetic military superiority across the spectrum of strategic and conventional forces. The consequence is the acquisition or maintenance of unnecessary forces which keep forcing the military budget higher and higher. Similarly, we should seek to reduce our dependence on the powerful drug of technology. Technological gimmickry seems to multiply exponentially year by year. We must control our urge to do everything techno-

UMI

logically feasible before the costs and the risks overwhelm us.

Our power is credible and will remain so if we adjust our forces to current realities of the world. It is pure and simple jingoism to contend that any realignment of our forces after the collapse in Indochina will be perceived as weakness. Sensible adjustment will show instead that we're not too old to learn.

The Congress should urge a more proper alignment of our military forces with the foreign policy and security objectives of America in the world as it is today, not as we perceived it ten or twenty years ago. Such an adjustment of the forces we maintain to the policies and interests they support can yield savings amounting to many billions of dollars which would then be available for pressing human needs and for reductions of the burden of taxation. With regard to the pending Defense Authorization Act (S. 920) we offer the following recommendations which are not intended to encompass every aspect of the bill but illustrate that substantial reductions are feasible:

EFFICIENCY

It cannot seriously be doubted that the military establishment can be made more efficient without diminishing combat power. Secretary of Defense Schlesinger in his long and detailed posture statement frankly conceded that in the past the Defense Budget has been categorized by substantial waste and inefficiency. Indeed on many occasions he, by implication, accepts the main thrust of many of the points made by critics of the Defense Department both about specific programs and about overall efficiency. But his budget proposal fails to reflect the efficiency economies which are possible.

The Senate Armed Services Committee has acknowledged that greater reductions in support personnel are possible. The Congress should insist that even greater efficiencies be achieved, and should not accept the "we own what we waste" fallacy whereby any savings from greater efficiency are devoted to other military programs.

The policy of "beating fat into swords" is most evident in the Pentagon proposal to increase the force structure by three new Army divisions and eventually three more Air Force wings by shifting excess support personnel to combat units.

But the conversion of support personnel to three divisions is far from cost free. An inncrease of 8,000 is sought in overall authorized army end-year strength, allegedly as an "accounting adjustment" to allow for seasonal variations, but with the effect of permitting a higher average strength. New equipment must be purchased for the new divisions. The Pentagon has estimated the total cost of equipment at $2.5 billion over five years, a figure we believe to be understated. In addition, the Army has been assured against DOD-initiated cuts in its slightly increased manpower levels in the future.

What is not demonstrated is why the Administration has concluded we need the increase. That the military's "teeth-to-tail" ratios are out of balance is entirely true. Implicit in the 3-division proposal is the fact that the present Army support structure is far larger than it needs to be: the Pentagon itself has thereby admitted.

That our 13 division Army has 3 divisions worth of manpower in support elements that can safely be eliminated. But the ability to reduce support troops is no argument whatever for increased combat forces. If we needed more divisions, we would need them even if the Army were fully efficient in its use of support; if we do not need them, there are plentitudes of other civilian, private, and even defense priorities to absorb savings on support. Secretary Schlesinger puts the question well: "[Some] have suggested that, if there are support spaces to be saved, we should return the money to the Treasury rather than provide the Army with the allegedly perverse and unnecessary incentive to become more efficient". He does not answer his own sharp question.

The Secretary's argument that 13 divisions is based on the desire to increase the ratio of U.S. to Soviet forces. That is, of course, self-evident. What he does not say is what critical weakness exists with the 13 divisions approved by Nixon and Laird in 1970 which requires that Ford and Schlesinger recommend 16 divisions now.

The lack of rationale suggests that instead of being based on any real conclusion of a need for increased forces, the 3 division plan is a compromise between pressures from the Pentagon managers in the office of the Secretary of Defense for more efficiency and Army interests in protecting its manpower levels. It seems likely that OSD decided that major support personnel economies were possible, but could not secure the top level backing needed for Army agreement to implement personnel economies unless the manpower saved was devoted to new combat units.

The position of the Army is understandable; the focus of criticism must be on the defense planners who have accepted an inadequate half-loaf in their efforts to make the military more efficient. It is up to Congress to seek a better justification for the increase and, if none is forthcoming, to insist that the savings from cuts support personnel, be, in Secretary Schlesinger's description, "returned to the Treasury". By denying the expansion to 16 Army divisions Congress could save the taxpayers about $500 million in FY 1976 alone.

If, on the other hand, more divisions could be justified, the expansion could be accomplished without increasing the active duty personnel in Army divisions simply by using the reserves. Hybrid divisions could be formed by combining reserve units with active units. This could offer the advantages of making greater use of reserves and reducing active duty forces through elimination of excess support personnel.

Civilian personnel should be reduced substantially. There remains nearly one civilian for every two people in uniform. Excluding the Postal Service, the Department of Defense and other defense activities employ roughly as many civilians as all other federal agencies combined. As noted by the Senate Armed Services Committee, "Since fiscal 1964, military strength has been reduced 22 percent; private sector Defense contractor employment has been reduced 36 percent, while Defense Department direct hire civilian strength has been reduced only 1 percent. This means that direct hire civilian employees now represent a substantially greater proportion of the DOD workforce than in the past . . . Civilian payroll in fiscal year 1976 will total $15.4 billion or 17 percent of the entire Defense budget. That compares to $7.3 billion or 14 percent in fiscal year 1974".

Some additional ways in which support positions both civilian and military can be reduced are:

Command and headquarters. As noted by the Pentagon, additional savings are possible by reducing personnel in headquarters and by consolidating or eliminating headquarters. Congress should encourage quicker realization of these economies by ordering much deeper cuts this year.

Training. The portion of active duty personnel sidelined in formal training courses has changed only slightly the past two years. More personnel can be available for combat or support duties by shortening periods of formal training or making greater use of on-the-job training. Similarly, more personnel savings can be achieved by improving the ratio of students to staff which remains unchanged from last year at 1.6 to 1. Compared to educational institutions in the civilian sector, staffing for the military is clearly excessive. For public high schools the student's staff ratio is 16.9 to 1, 15.0 to 1 in colleges and from 2.3 to 1 to 1 to 70.4 for public vocational schools. The Senate Armed Services Committee made only a token 2 percent reduction in civilian and military training personnel.

Officers. Although today's military requires more technical and professional personnel serving as officers than a decade ago, recent trends indicate that the officer ranks could be thinned. Even if the ratio of enlisted to officers were increased to the level at the peak of the Vietnam War (FY 1968), some 38,400 officers could be eliminated for savings of $770 million in pay and benefits alone.

Transients. The portion of military personnel travelling between assignments has not been reduced. Greater utilization of personnel resources can be achieved from increased productivity and reduced travel and moving costs.

Base support. Despite the 216 base closure and realignment actions during the past year, the portion of military and civilian personnel devoted to base operating support activities remains unchanged. The Senate Armed Services Committee cut this category by a mere 2 percent.

If these efficiencies are achieved and economies were effected in other activities such as logistics, personnel support, medical services, support for reserve units, intelligence (especially crytography) and nuclear weapons security (by reducing the tac nuc stockpile), the Senate Armed Services Committee recommendation could easily be slashed by another 100,000 military and 100,000 civilians for full year savings of $2.8 billion. Most of these savings could be realized in FY 1976 if accession are reduced.

Forces in Asia

The most obvious incongruity between our national interests and military posture exists with regard to deployments in Asia. The U.S. continues to maintain sizeable and costly land, air and sea forces for a major war contingency in Asia. U.S. deployments seem to be largely a residual presence from involvement in earlier conflicts. A notable case in point is the force based in Thailand—23,000 troops at a cost of $124 million in FY 1976. Most of this force is classified as incremental to the baseline force, because it was intended primarily for possible reintervention into Vietnam hostilities.

More than 200,000 military persons are stationed in Hawaii, U.S. Pacific possessions and Asian countries. Military units committed to an Asian conflict include at least 3 Army divisions, 2 Marine amphibious forces and a Marine brigade, 4 to 6 Air Force tactical fighter/attack air wings, one B-52 squadron in Guam, numerous support units and nearly one half of the Navy. These deployments consume nearly one fourth of the military budget and merit much more scrutiny than they have received.

The time has come for a thorough review of U.S. security interests in Asia and, accordingly, a restructuring of military forces. Reductions in forces since U.S. involvement in the Vietnam War have not been made in accordance with a conscious redefinition of the U.S. role. In fact, the overdue reassessment is being blocked by an Administration fear campaign based on flimsy, jingoistic rhetoric.

A reasonable approach would involve a careful evaluation of Asian contingencies. As the Secretary of Defense has properly noted, "The importance of Japan, and the special nature of our mutual defense relationship, make it important to maintain forces sufficient to give visible evidence of the seriousness of our commitment to the stability of the region and to provide a credible ability to respond quickly and effectively to unforeseen events." However, the massive amounts of U.S. forces in Asia far exceed any realistic requirements to meet this primary commitment.

The Pentagon's assessment of the military threat in Northeast Asia is that although North Korea, the Peoples Republic of China and the Soviet Union possess sizeable military forces, "In the present political climate of East-West detente and Sino-Soviet hostility, we believe both the PRC and the USSR world see aggression as contrary to their interests. In addition, North Korea could not sustain combat operations without support from one of these nations". A creditable military commitment to the defense of Japan makes it unnecessary that Japan undertake major rearmament—a development which could lead to greater instability in the region. The U.S. guarantee effectively defers nuclear threats against Japan. In terms of general purpose forces, a much smaller deployment would be sufficient to serve these objectives. All ground forces should be withdrawn from Okinawa. Adequate defensive capability is provided by naval and air deployments.

The commitment to Korea stems from our role in the Korean War and our commitment to Japan; 42,000 U.S. troops are stationed in Korea. Even without the persence of U.S. ground forces, the South Koreans would retain a significant manpower advantage over the North Korean army. The air and naval forces we have in the area completely offset North Korea's edge in tactical aircraft. The presence of our ground forces near the demarcation line makes us a tethered goat, foreclosing the option of non-involvement of American personnel in the event of conflict. Further, the presence of some 900 tactical nuclear weapons in U.S. control contributes to even greater risks. The time has come to eliminate this last remaining automatic commitment of American forces outside of Europe.

Baseline forces in excess of defense requirements for Japan are rationalized for a general commitment to Asia: such missions as tactical air and naval support of allied operations, direct ground force actions, localized counter-insurgency and guerrilla warfare, and a full range of conventional forces against a PRC or Soviet attack—provided the U.S. is not fighting in Europe. Given what we should have learned from the Vietnam experience about the folly of fighting a major land war in Asia, and considering the actual political and military climate in Asia, most of these forces are unnecessary.

With regard to Taiwan, the improved relations with the Peoples Republic of China make possible the withdrawal of all U.S. military personnel. Ground forces are not necessary to satisfy general defensive requirements. The presence of U.S. naval and air capability is more than adequate to sustain our position in the area.

Likewise, the U.S. should withdraw all forces from the Philippines. There is no reasonable outside threat to the Philippines at this time. The recommended reductions in U.S. forces in Asia would enable us to close our bases there.

The remaining forces in Southeast Asia—those stationed in Thailand—serve no military purpose after the collapse of South Vietnam and Cambodia. Thailand is endeavoring to create amicable relations both with Peking and with Hanoi and has asked that all U. S. forces be withdrawn by March of next year.

Expansion of U. S. forces in South Asia, particularly in the Indian Ocean, should be abandoned. There is no Soviet threat to the U. S. in the Indian Ocean, and any Soviet forces there could be neutralized easily in the event of general hostilities.

In order to align U. S. forces more properly with the few realistic Asian military requirements, the following actions should be considered:

Deactivate two Army divisions, the 2nd Infantry in South Korea and the 25th Infantry in Hawaii;

Deactivate the III Marine Amphibious Force which includes the 3rd Marine Division, the double strength 1st Marine Aircraft Wing Team and supporting force troops elements;

Deactivate three Air Force tactical fighter/attack wings assigned to Asia and scale back procurement of new aircraft and corresponding ordnance proportionately;

Retire three carriers and their aircraft along with the equivalent number of escort and support ships comprising their task forces. Three carrier task forces allocated to the Pacific would remain active, allowing at least one to be on station at all times.

Retire about one-half of the surface combatant vessels and support ships not directly assigned to the remaining carrier task forces;

Cut procurement of new surface combatant and support ships and their missiles to reflect reductions of deployments;

Reduce procurement of naval aircraft and corresponding missiles by one fourth;

Eliminate shore support corresponding to the naval force reductions; and

Deactivate all of the 23,000 personnel based in Thailand.

It is reasonable to expect that these actions could yield savings of at least $6 billion in procurement and personnel costs.

STRATEGIC FORCES

In his latest posture statement, Secretary Schlesinger asserts that credible strategic nuclear deterrence, the cornerstone of our strategic policy, depends on maintaining a highly survivable force which is essentially equivalent to that of the Soviet Union. Few would quarrel with this basic philosophy, but the implementation of that policy as demonstrated by the strategic programs in the FY 1976 budget requeat can be seriously challenged.

Despite the overwhelming superiority of U.S. strategic forces, achieving "essential equivalence" has become the justification for dramatic initiatives to expand our nuclear arsenals. More new weapons are to be procured while we watch to see if the Russians will forego the attempt to overcome our 3 to 1 lead in warhead stockpiles. Secretary Schlesinger says that our forces should promote nuclear stability by reducing incentives for the first use of nuclear weapons, but simultaneously he seeks a more effective counterforce capability which the Russians have no choice but to assume poses such a threat. Consequently, our ICBM's become more tempting targets for a Russian preemptive strike. In support of this dichotomy, the budget calls for increased funding for more advanced weapons to replace existing systems. Yet while new programs are proposed, many old programs are not stopped.

In FY 1972, the last full fiscal year before the SALT I agreement, $2.511 billion was spent on offensive strategic weapons. In FY 1974, the first full year afterward, the funding rose to $3.316 billion. Now for FY 1976, following the Vladivostok accords, $4.272 billion is requested, and in FY 1977 spending is programmed to jump to $5.377 billion. These sums far exceed any increases that can be explained by inflation. Despite the Administration's claims of significant progress in strategic arms control, funding for offensive strategic weapons continues to grow at an alarming rate.

The expansion of strategic capability has not been justified on the basis of military need, only on the basis of a desire to maintain a lead over a *potential* Soviet capability several years from now. The result can only be the continuation of a dangerous and costly arms race.

The Vladivostok accords are claimed to establish the principle of equality in central strategic systems, but Secretary Schlesinger proposes we build up our strategic arsenal to the ceilings of 2,400 delivery vehicles and 1,320 missiles equipped with MIRV's. (We now have 2,210 delivery vehicles and 8,500 individually targetable nuclear weapons. The Soviets have only 2,800 such warheads.) Thus he confirms the worst fears of the skeptics of the Vladivostok agreement that ceilings would become floors and it would be used to justify procuring additional weapons otherwise not considered necessary.

The following alternatives and consequent savings in FY 1976 and the transition quarter are recommended:

ICBM's. In view of the fact that we have nearly 1,000 MIRV'd missiles we should halt further expansion until there is an obvious military need for more warheads. Fifty additional Minuteman III missiles are to be procured, thus breaching the ceiling of 550 established ten years ago. These are not to satisfy any military need but to keep the production lines open. Increased funding is sought for continued development of a new generation of ICBM (the MX) with larger throw weight which can be launched from existing silos, mobile platforms or from aircraft. Finally, improved counterforce capability is to be developed by means of improved guidance systems (including the terminally guided MIRV) and higher yield warheads. These programs are destabilizing by contributing to greater risk of nuclear conflagration. Savings of $1 billion should be possible.

Trident. The Trident missile submarine program, still the most expensive strategic weapons project, continues even though no specific threat to the existing Polaris-Poseidon system can be visualized. The Trident submarine is an unsatisfactory and costly replacement for Polaris-Poseidon since too many weapons will be concentrated in a single huge launching platform and will only be able to operate in the Pacific Ocean.

Instead, the development of the Trident I missile should be continued for deployment in the existing Poseidon and a smaller, less costly submarine should be developed as a replacement for Polaris-Poseidon when it eventually has to be replaced in the 1990's. Terminating the Trident submarine program would yield savings of $1,440.

B-1 bomber. The second largest item in the strategic program is the continuing development of the B-1 bomber, the cost of which is now estimated at nearly $90 million per aircraft. Although the Pentagon claims it will not decide whether to procure the B-1 until 1976, the program should be terminated now for a savings of $949 million. A comparative evaluation of a high-performance aircraft to penetrate Soviet air defenses and of a less sophisticated, stand-off plane with longer-range missiles should be undertaken now. The absence of any evidence of Soviet development of an air defense syatem with a good look-down, shoot-down capability that could threaten the B-52 gives added time to evaluate our future needs before committing additional billions of dollars to the B-1.

Submarine cruise missile. An aftermatch of the 1972 SALT I agreement which limited only ballistic missiles was the development of long range strategic cruise missiles for launching from submarines or aircraft. Since we will soon have more than 5,000 ballistic missile warheads on submarines, all of which have been guaranteed a free ride to targets in the Soviet Union by the ABM treaty, there is no need to procure shorter-range cruise missiles, which are more vulnerable to being shot down by the unconstrained Soviet air defense. Furthermore, the $18 billion Trident submarine program is justified on the basis

UMI

that Polaris-Poseidon submarines are vulnerable even when 4,000 miles away from their targets in the USSR; yet the cruise missile will require submarines to operate closer than 1,500 miles from their targets. Consequently, the submarine cruise missile program should be terminated, saving $144 million. The air launch program should be continued and directed toward possible use with transport type aircraft as a possible replacement for the B–52 in lieu of the B–1.

Airborne command post. The AABNCP is a Boeing 747 modified to provide an airborne top level command post to direct strategic forces in the event of future nuclear war. The program has been plagued by soaring costs and is redundant in view of present means of command and control. Because the AABNCP has questionable utility under present circumstances, procurement should be terminated for savings of $186 million.

Strategic defense. Despite an ABM treaty and severe technological limitations on constructing an adequate defense against Soviet missiles, some $564 million has been requested for strategic defense and civil defense. These programs should be pared back to provide only for sustaining an advanced technology as a hedge against possible ABM treaty abrogation. Recommended savings should be $400 million.

ADVANTAGES OF A CEILING AMENDMENT

Scrutiny of the details of the defense program by Congress and its committees in the past has made important direct and indirect contributions to a more rational and more economical defense policy. But we are not unmindful of the practical legislative difficulties for Congress in seeking to control the military budget by eliminating or cutting particular programs, especially on the floor of either house.

Moreover, the relationship between the size of the military budget over a period of several years and the elimination of one or more programs is not very close. If one program is eliminated, other programs or other Pentagon uses of the funds "saved" will quickly step forward to fill the void within the military budget ceiling established each year within the Executive Branch. The obstacles to trying to influence the overall size of the military budget by identifying waste or cutting particular systems was made clear when Secretary of Defense Schlesinger told the Senate Armed Services Committee that there was significant waste in the military budget and that he was determined to eliminate it, but that any money saved would go for larger general purpose forces. Similarly, the decision to forego a complete ABM system has not led to reduced spending for strategic weapons.

Thus a weapon by weapon approach faces formidable difficulty for both the Congress and the Executive Branch. Curtailing a weapons system on the floor of Congress should be attempted when important policy questions are involved. We suggest that as an alternative, Congress, in light of its concern for fiscal responsibility in shaping national priorities and for insuring that the Executive departments are run efficiently, develop a long term plan for controlling the total size of the military budget.

Congress should establish a ceiling on the total military budget each year. This ceiling would be applied proportionately to the major military bills. A Congressional ceiling would be fully consistent with the budgetary procedures used within the Administration. Since Congress has the responsibility for allocating federal resources, an annual ceiling would facilitate the determination of budget priorities in general. The new Congressional budgetary process set forth by the Congressional Budget and Impoundment Control Act of 1974 incorporates the notion of ceilings for each major budget category.

The effort to gain Congressional control of the defense budget in FY 1976 should, first of all, accept the view that the world situation will not require, for the foreseeable future, any constant dollar increases in the military budget. In fact cuts in real spending are warranted to facilitate the realignment of military forces. Thus, in considering the FY 1976 budget, Congress should begin with the constant dollar equivalent for FY 1975 ($20.9 billion in the case of the procurement and R&D authorization) rather than to adjust the substantial increase reflected in the Administration's request.

Beyond limiting increases to inflation, Congress would be free to legislate a further reduction (or increase) in defense spending based on a significant change in military threats or in military strategy.

Presented by Paul C. Warnke, Former Assistant Secretary of Defense (International Security Affairs); Morton Halperin, Former Deputy Assistant Secretary of Defense (Policy Planning and Arms Control); Rear Adm. Gene LaRocque, U.S. Navy, Ret.; Earl Ravenal, Former Director, Asian Division (Systems Analysis), Department of Defense; Herbert Scoville, Jr., Former Deputy Director, Central Intelligence Agency; and Walter Slocombe, Former staff member, National Security Council.

U.S. CONFERENCE OF MAYORS,
Washington, D.C., May 30, 1975.

Through the Vietnam War years, the U.S. Conference of Mayors has publicly supported resolutions calling for a reordering of national priorities. Now that the nation's involvement in Southeast Asia has concluded once and for all, we were hopeful that the Administration and the Congress would begin to decrease funds for defense and direct resources into those social and urban programs where funds are so desperately needed. Yet now, the Administration has requested an unprecedented $28.6 billion for weapons procurement and military research and development for FY 1976.

Given the pressing needs of our cities and the importance of reordering our nation's priorities, the U.S. Conference of Mayors urges you to support the ceiling amendment to be offered this week to the Military Authorization Bill (S. 920) by Senator Symington, Cranston and Kennedy.

As reported by the Senate Armed Services Committee, S. 920 authorizes an alarming $25.0 billion for weapons procurement and for military research and development, a figure which represents a 20 percent increase over the FY 1975 budget. Much of the cut recommended by the Committee can be attributed to the end of all military assistance to Southeast Asia and not to any deliberate action on the part of committee members.

At a time when valuable urban programs are being slashed, this nation cannot tolerate high and unjustifiable increases in the Pentagon's budget. The ceiling amendment would limit increases in procurement and research to 14 percent for FY 1976, a rate which generously allows the Defense Department to keep pace with inflation and to maintain its current programs at their existing levels. This kind of inflationary increase is more than the Administration is willing to concede to the elderly, the handicapped, and other recipients of Social Security or to valuable urban programs.

At the same time the President proposes a 37 percent increase in the military procurement and research budget, he proposes to cut manpower programs by more than 20 percent, federal aid to elementary and secondary education by 5 percent, social services funds by 6 percent and LEAA grants by 11 percent. Almost as bad, "701" planning funds would continue at critically low levels, community health programs would be slashed, and federal matching funds for other health programs substantially reduced so that a heavier burden for these programs is shifted to local governments.

In these days of unemployment as high as 25 percent in some central cities when the nation should be concentrating its resources in economic recovery—on public service and public works jobs and on emergency aid to states and cities—it is foolhardy to increase spending for weapons systems and military R&D.

As a first significant step toward reordering our nation's priorities, we urge you to support the Symington, Cranston, Kennedy amendment to the Military Authorization Bill.

Sincerely,

JOHN GUNTHER.

UNITED CHURCH BOARD FOR
HOMELAND MINISTRIES,
May 30, 1975.

DEAR SENATOR: This month, the United States terminated once and for all its long and costly involvement in Vietnam. In the past few years, we have made great advances in international relations and taken the first steps towards detente. Yet now, the Administration has requested $28.3 billion to be used for weapons procurement and research and development for the next year.

As an organization of churches, we are concerned with the needs of people in our country today. People in all classes of life are suffering because vital social programs are being cut back, and human needs are not being met. The elderly, the poor, and the unemployed are being asked to bear the burden of an economic crisis, while the government continually expands its defense budget.

We regard the conscious preference by this Administration to increase military spending while neglecting the needs of people as being both fiscally and morally irresponsible. The nation can no longer tolerate the waste of its limited resources on military hardware and weapons when pressing needs for jobs, housing, food, education, and income go unmet day after day.

This week you will have an opportunity to vote against wasteful and unwarranted increases in the military budget. Senators Symington, Cranston and Kennedy will offer an amendment to the Military Authorization Bill (S. 290) to place a ceiling on expenditures for weapons procurement and military research and development. Adoption of this amendment will be a small step toward meeting the needs of our nation and promoting the prosperity, unity and hope of our people. We urge you to support it on the Senate floor.

Sincerely,

PAUL H. SHERRY,
Executive Associate for Planning and Strategy.

MAY 30, 1975.

DEAR SENATOR: When the Defense Authorization Bill (S. 920) comes before the Senate this week, we urge you to support an amendment offered by Senators Symington, Cranston and Kennedy placing a $25.8 billion ceiling on defense procurement and research.

We believe that this ceiling is necessary in order to curb the continually escalating military budget. For FY 1976 the Administration proposes to increase budget authority for military procurement and research by an alarming 37 percent. Coming at a time when our expensive military commitments in Southeast Asia are at an end, when valuable social programs are being cut, and when the economy is in need of stimulation, this increase is unjustifiable.

The proposed "cap" or ceiling amendment will reduce the budget authority level proposed by the Armed Services Committee by $1.2 billion, allowing a 14 percent increase over FY 1975 levels to compensate for inflationary cost increases and to maintain programs at their current levels. For several reasons we believe that this amendment reflects sound economic judgement.

At this present time of high unemployment, increases in federal spending should be directed into those programs which stimulate the economy and produce jobs. Defense spending, especially in the areas of research and procurement, is a less effective way to create employment than a public service jobs program. Yet, while requesting $7.7 billion more for military procurement and research, the Administration sought only $2.4 billion for public jobs and a total of only $3.4 billion for all recovery programs.

We believe that the $7.7 billion increase in spending for military procurement and research could be used to finance those recovery programs the nation needs—health insurance for the unemployed, public service and public works employment programs, assistance to state and local governments, housing, improvement of railroad beds, and cost-of-living increases in Social Security.

Military spending cannot be targeted to the geographic areas of greatest need but takes place primarily at the locations of military contractors and defense installations. Increases in federal spending can aid economic recovery more effectively if pinpointed through public works, public service jobs and emergency assistance to states and cities.

In contrast with recovery programs, military spending is necessarily slow. Most of its stimulative effects will not be felt until a time when most forecasters believe the economy will be on the upswing. Based on past experience, only $8.9 billion of the $28.6 billion requested by the Administration for procurement and research will be spent in the first year.

There are many social programs where military funds could be reallocated to fulfill vital human needs. The bill proposed by the Armed Services Committee represents a 20 percent increase in Pentagon procurement and research at the same time that manpower training funds are being cut by 21 percent, social services funds cut by 6 percent, elementary and secondary education aid cut by 5 percent; and the President is proposing 5 percent caps on social security and federal pay increases.

We believe that all military spending not necessary to maintain an adequate defense posture should be used to create jobs and fulfill pressing human needs. Therefore, we hope that you will support the Symington, Cranston and Kennedy ceiling amendment to the Defense Authorization Bill when it is considered by the Senate.

JACK BEIDLER,
Legislative Director, United Automobile, Aerospace and Agricultural Implement Workers of America—UAW.
BRUCE DUNTON,
COPE—Legislative Director, Textile Workers of America, AFL–CIO.
ANTHONY MAZZOCCHI,
Citizenship-Legislative Director, Oil, Chemical & Atomic Workers International Union, AFL–CIO.
ROBERT R. NELSON,
Legislative Director, United Mine Workers of America.
JANE O'GRADY,
Legislative Representative, Amalgamated Clothing Workers of America, AFL–CIO.
JOHN J. SHEEHAN,
Legislative Director, United Steelworkers of America, AFL–CIO.
PATRICK TOBIN,
Washington Representative, International Longshoremen's and Warehousemen's Union.
WILLIAM B. WELSH,
Executive Director for Legislation and Political Education, American Federation of State, County, and Municipal Employees—AFL–CIO.

Mr. BARTLETT. Mr. President, I want to speak today about a specific aspect of U.S. foreign policy after Vietnam: the matter of our military deployments overseas. There have been many debates in this Chamber about the needs and the advisability of stationing American troops in foreign countries. I firmly expect that this debate will continue as the American people, now that Vietnam is over, decide what part they wish the United States to play in international affairs over the coming years.

It seems to me that, whatever part that may be, it will require that the United States remain very much involved in the world, and that will mean that we will have forces overseas. Like it or not, a nation with our interests spanning the globe is going to need forces in many places to make it clear that we intend to protect those interests.

Specifically, I think we are going to continue to need deployments of troops both in Western Europe, and the Western Pacific. It looks clear to me that the U.S. vital security interests are going to continue to be very much at stake in these parts of the world.

The strong historical, cultural, and economic ties we now have to Western Europe are unlikely to weaken. We have too much to lose if Western Europe were to drift away from us or become vulnerable to military pressures from the East. The continued freedom and independence of Western Europe is fundamental not only to our own physical security but to the preservation of our cultural values and political institutions. For 25 years, the strength and freedom of Western Europe have been central to our foreign policy, and that is not likely to change. We may alter some of the details of our deployments, as we have been doing ever since NATO was first started, but we are still going to need a substantial, tangible commitment of forces there to insure vitality of this important alliance.

Northeast Asia will remain highly important to us, too. This is an area which is of major interest to four major powers—the United States, the Soviet Union, the People's Republic of China, and Japan. Moreover, North Korea does not seem to have given up the idea that it just might manage to conquer the South, and if it were to estimate that the United States either could not or would not oppose such an attack, it just might decide to try. If we were to withdraw our forces from Northeast Asia, thereby inviting a dangerous miscalculation of our intent and resolve on the part of North Korea, it could lead to another war in Korea which, in the absence of a strong U.S. military presence, could seriously endanger the survival of South Korea. Were the Korean peninsula in danger of falling under Communist domination, and if the United States were no longer in a position to forestall such an event, it is hard to see how Japan, confronted by three well-armed Communist powers—the PRC, the Soviet Union, and North Korea—could long continue to maintain its present Western orientation. Japan is too valuable an ally to lose—especially by our own neglect. Japan's importance to us means that we need to maintain forces sufficient to give visible evidence of the seriousness of our commitment to the stability of Northeast Asia and to provide a credible ability to respond quickly and effectively to unforeseen events.

Additionally, we should begin to study the possibility of Japan increasing its sphere of military influence to enable her to assist us in the Western Pacific and in Asia. There is no reason why we should bear the entire burden of that geographic area.

Our relations with the Republic of the Philippines are also important and I am persuaded that we must come to a satisfactory agreement with the Philippines whereby we may continue to make use of our two important bases there: the Naval Base at Subic Bay and Clark Air Base. Especially in the aftermath of Vietnam, these facilities will be the more necessary to us in allowing us to protect our interests in the Indian Ocean, as well as our residual interests in Southeast Asia.

In short, the Pacific is very important to us. Our island States and territories reach fully two-thirds of the way across the Pacific Ocean. Our political, economic, and military stake in the security of Japan and the stability of Northeast Asia has become central to our position and security in the world. Our relationship with China has become an important balancing factor in our worldwide relationship with the Soviet Union, and that in turn hinges critically on the perception that Peking has of us as a stable and reliable power, able to undertake and sustain a stabilizing military role in the area. What that tells me is that we are going to need to maintain a strong, visible presence there.

Mr. President, U.S. military deployments will continue to be a vital part of our foreign policy. Wherever and whenever possible, our allies must be encouraged to pick up a larger share of the burden. But we must remember that these overseas deployments of U.S. forces are as much in our interest as in theirs.

Finally, it is imperative that we have the support of the American people in fulfilling our commitments around the globe. Certainly without that support our commitments are of little value. The leadership provided by the Congress in regard to our treaties and commitments will have a significant impact on the formation of public opinion.

But in the long run it must be left to the people to tell us the direction they want American foreign policy to follow in the years ahead.

SPAIN BELONGS IN NATO

Mr. HARRY F. BYRD, JR. Mr. President, President Ford is concluding a highly important visit to Europe, during which he took part in the North Atlantic Treaty Organization summit at Brussels and visited Generalissimo Franco of Spain at Madrid.

Certainly one of the subjects considered was the desire of Spain to be admitted to the NATO alliance.

It is my view that the time has come to invite Spain to become a member of NATO.

Spain has great strategic importance in the defense of Europe and the Mediterranean.

Spain has always played a role in the

UMI

formulation of European defense plans. The United States recognized this as early as 1951, when diplomatic relations between this country and Spain were renewed after the interlude of World War II and the immediate postwar period.

In 1953 the United States negotiated its first base agreement with the Spanish Government, which has been twice extended, with modifications.

Today the Spanish bases have greater importance than ever before, both for the United States and for Spain.

Therefore I hope that negotiations will lead to a reasonable agreement on these bases, one which will be beneficial to both countries.

One reason for the importance of the Spanish bases is the penetration of the Middle East, the Mediterranean, and North Africa by the Soviet Union. The Russians are seeking to become the dominant power in the entire Mediterranean area.

Not only do the Soviets maintain a sizable fleet in the Mediterranean waters, but they have become the major force supporting the Arab nations in their continuing struggle against Israel. They also continue to seek influence in other nations of the Mediterranean region.

After a revolution deposed the former Government of Libya, the United States was forced to close down the operations at Wheelus Air Base located in that country. These operations were moved to Zaragoza, one of two modern U.S. air bases in Spain. A third air base is on a standby basis in Spain.

The United States naval base at Rota, on the Spanish Atlantic coast near Gibraltar, is extremely important to the operations of the U.S. 6th Fleet in the Mediterranean Sea.

Given the present political and strategic situation in the Mediterranean region, it is clear that Spain is of critical importance to the south flank of the NATO alliance.

The exclusion of Spain from NATO results primarily from the opposition of powerful Socialist parties in several European nations, notably Norway, Denmark, the Netherlands, and Belgium.

Much of the opposition to Spanish entry into NATO can be traced to the role of Spain in the early years of World War II.

It seems to me that it is time for such matters to be forgotten. We should bear in mind that two of this Nation's strongest allies are Japan and Germany, the nations who were chief opponents of the Allies in World War II.

The present instability in Portugal, with the threat of Communist domination, increases the importance of Spain to Western Europe.

The peacetime army of Spain consists of five divisions and 16 brigades. The mobilization potential of this army is considered to be 40 divisions.

Spain also has a navy of more than 80 ships and an air force of 200 modern aircraft. Both the navy and the air force could be more than doubled in time of war.

In overall military power, only two of our NATO partners—West Germany and Turkey—clearly are stronger than Spain. Spain stands about on a par with Britain and Italy.

Spanish membership in NATO certainly would represent a desirable strengthening of the alliance.

I think it would be a step in the direction of realism if Spain were to be admitted to NATO.

We should bear in mind that the Soviet Union is never reluctant to cooperate with other nations whose governments are ideologically opposed to communism. Moreover, Communists in the Western European countries continually seek to use democratic procedures to destroy democracy itself. Portugal is an excellent example.

Realism suggests that the members of NATO should not attempt to insist that all members of the alliance be models of democracy. NATO is primarily an alliance against the threat of communism.

Addition of Spain to NATO could help reduce the burden on the United States of maintaining a huge contingent of forces in Europe. Today the United States has 300,000 servicemen in the European area.

Addition of Spanish forces to NATO could help to ease the American burden and would make a solid contribution to the strength of the alliance.

Spain is a member of the West European family of nations. She belongs in the ranks of the alliance which is the principal instrument of West European security.

AMERICAN FOREIGN POLICY AFTER VIETNAM

Mr. MONDALE. Mr. President, let me express my appreciation to Senator CRANSTON, Senator KENNEDY, and others who have arranged this historic discussion. It is fitting that we begin the debate on the future course of America's post-Vietnam foreign policy in the context of the Senate's consideration of the military authorization bill. For it was our tragic experience in Vietnam which showed how empty is a foreign policy based on military power alone.

As we try to define America's future world role, we must take full account of the fact that the citizens of this country are profoundly skeptical. They know only too well that their patriotism has been exploited by political leaders who could no longer justify their actions with candor. I do not believe that the United States is about to become an isolationist country, but the American people no longer want to be the world's policemen nor go on one-man crusades. I believe that Americans are willing to continue to shoulder our fair share of the world's responsibilities, but only if these responsibilities are defined in terms that make sense, that are consistent with our basic values and that relate to our real concerns. This requires that we go back to basics—in the terms that we use to think about foreign policy, in the values we pursue, and in the way we view the real sources of America's prestige and power.

The first step in revising our thinking about foreign policy should be to jettison the amorphous term "national security," and to get back to talking concretely about our diplomatic, military, economic, and other interests.

The term "national security" has dominated our thinking in foreign affairs for three decades. In the late 1940's, when the National Security Council was established by law, we were concerned about a monolithic enemy—the Soviet Union, the People's Republic of China, and Communist parties throughout the world appeared to be acting in concert, using every means of diplomacy, military coercion, economic leverage, and propaganda, orchestrated on behalf of Soviet imperialistic expansion. With the lessons of Hitler fresh in our minds, we felt, and I believe quite rightly, that we had to meet this threat with a comprehensive national effort. Otherwise we believed that the United States and the American people would ultimately be placed in direct jeopardy.

But as the years passed, the Sino-Soviet alliance cracked apart. Communist parties outside the Soviet bloc began to define their interests to suit themselves and not the Soviet Union.

Our own problems became more complicated and the concept of "national security" was not much of a guide to solving them. For example, the idea of national security has militarized our foreign policy to the point of being virtually helpless when confronted by major international economic problems such as energy. All we could do to respond to OPEC's fourfold increase in the price of oil was to mutter empty threats about invading the Middle East.

But even worse, I believe the fog of national security helped to lead us into the tragic swamp of Vietnam, into the morass called Watergate.

In the early 1960's we saw Vietnam as a threat to our overall national security. We could not see that our interests in Southeast Asia were diplomatic, not military. The problem was to contain the threat of Soviet and Chinese Communist influence, and not, as some suggested at the time, to defend Hawaii.

While there was nothing wrong with encouraging a democratic, pro-U.S. government in Saigon, we failed to recognize that our bottom-line interest only required a reasonably independent South Vietnam, regardless of the complexion of its government. Skillful diplomacy, not military intervention, might have achieved—and in fact might still achieve—that basic diplomatic objective.

National security confused our objectives at home, as well as abroad. If we wanted to support higher education, we had to justify it in terms of national security. When we wanted to make sensible long-term investment in basic scientific research, we found we could only do it in the name of national security. When we faced the choice between a Great Society at home and defending our so-called national security in Southeast Asia, you know what took priority. The war on poverty was lost long before the war in Vietnam ground to its tragic finale.

In time, this bloated concept of national security ultimately came home to us with Watergate. Who can forget the passage in the White House tapes when Richard Nixon is groping for a way to try to justify to the American public the break-in of Daniel Ellsberg's psychiatrist's office?

John Dean suggests, "You might put it on a national security grounds basis." The President responds, "National security. We had to get information coming out and everything coming out. The whole thing was national security." John Dean adds, "I think we could get by on that."

And there was an even more chilling exchange in the Watergate hearings when Senator TALMADGE asked John Ehrlichman:

> Now if the President could authorize a covert break-in, and you do not know exactly how that power would be limited, you do not think it could include murder or other crimes beyond a covert break-in, do you?

Mr. Ehrlichman answers:

> I do not know where the line is, Senator.

Let us retire this term "national security" and get back to defining our interests more concretely, in terms of diplomatic interests, military interests, and economic interests; or political, humanitarian, ethnic, and cultural interests.

I see nothing wrong in being frank about the fact that in the Middle East our support for Israel is based on political and cultural affinity, that our desire for good relations with the Arab States is based on economic interests, and that our hope for peace between the two is based on concern that war could prompt a military confrontation between the United States and the Soviet Union.

Portugal offers another example of how dealing with specific interests rather than the concept of national security helps clarify what is at stake. While we would like to see a democratic Portugal, and should do what we can to encourage that, our primary interest is military. We must not be too pious in our criticism of the present government and forget that we were willing to tolerate a truly odious dictator for generations—precisely because the Salazar regime provided us with a military base in the Azores that enabled us to control the Atlantic and support the Middle East.

By putting our interest in Portugal's internal affairs into perspective, I think it should make it even more possible for us to be patient, to be more understanding of the very difficult internal problems of establishing a reasonably representative and progressive government in the aftermath of decades of tyranny. I believe we need not worry too much about how the political complexion in Portugal may change from day to day. Personally, I will be rooting for the moderate and democratic forces in Portugal, but as a government we should be clear that the essential American concern is for the continuation of our military relationship.

The second major issue we need to confront in defining our future foreign policy is how to support our basic values without winding up back in places like Vietnam. I do not believe the American people will support a foreign policy devoid of human values, yet how do we stop short of meddling in other people's affairs?

I believe strongly that we can and should support human rights, individual freedom and justice, governments who derive their power from the consent of the governed. I have always opposed communism because it has jeopardized these values. But somewhere along the line we lost sight of the fact that we were contesting tyranny, regardless of its political coloration.

We became absorbed in the narrower struggle against communism, and in the process supported and ultimately overcommitted ourselves to some of the most outrageously oppressive regimes in the world. And ironically, the consequence has often been to give a boost to the Communists by identifying the United States and our values with petty tyrants.

The lesson, I believe, is to support those who truly favor democracy, freedom, and social justice and treat with equal disdain tyrants, whatever their political label.

A second major lesson that we should have learned by now is that our commitment to freedom and justice cannot substitute for the lack of commitment on the part of others. We cannot care more about the integrity and independence of a country being threatened than its leaders. We must not offer to make sacrifices that are greater than the sacrifices to be borne by those we would help.

A third way to be true to our values, yet avoid the pitfalls of another Vietnam, is to turn our attention to the great unfinished business on the world's agenda: hunger, development, economic stability and progress, a new equitable regime for the oceans, a more effective control of conventional and nuclear arms. There is a very long list that has received too low priority for too great a time. By tackling these problems, I believe that we can fulfill our responsibilities, pursue our basic values, without inevitably being drawn into the agony of war. We may, in fact, even be able to make a contribution to reducing some of the causes of human conflict.

Finally, if we are to define a new direction for American foreign policy, we must have a more balanced appreciation of the real sources of American power and influence in the world. With military power second to none, we were unable to alter the course of history in Vietnam. With the ability to destroy the world we could not prevent the oil-producing countries from bringing truly agonizing hardships to millions upon millions of Americans in the form of inflation and the deepest depression since the 1930's. And all the military might in the world does not enable us to command the respect we once had in the international arena.

Military power is increasingly irrelevant to the host of economic, social, and political issues confronting this country. This is not to say that we do not have a fundamental military interest in a stable strategic relationship with the Soviet Union or with a secure Europe, Japan, and Israel. But the oil cartel, the threat of other commodity cartels, the problem of world hunger, worldwide recession and inflation—none of these issues, which immediately affect the security of every American, can be resolved by military force.

Moreover, I am convinced that the basic source of American power to deal with these issues lies in the ability of the American people and their Government to solve this Nation's problems. Our ability to manage a growing and vibrant economy, to be first in the world in technological innovation; to lead the world in efforts to bring equality to all of our citizens; to provide social justice, good housing, jobs, schools; to take care of our old; to insure equal opportunity to our young—these are the things that once were the hallmark of America. We were respected for these things. Nations sought our advice and our counsel, because they had confidence in our leadership, in our sense of priorities, and in our humanity.

Now, after decades in which considerations of national security have taken priority over all others in this country, we have squandered $150 billion worth of investment in the quagmire of Vietnam. We have spent over $1 trillion in arms. We have sent our best and brightest into the defense industries, into the military services, into the secret intelligence agencies. We have kept our military machine polished, but have let our cities decay, our transportation systems collapse, our national unity dissolve. We have pursued American ideals in the jungles of Southeast Asia and have ignored them in the jungles of our cities.

If there is anything that must underline a new foreign policy for the United States, it should be the recognition that the source of America's strength and influence in the world is our ability to meet our needs at home. If we cannot solve our problems here, we are not going to solve our problems, or anybody else's problems, abroad.

This is not a call to isolationism, nor unilateral disarmament. We must keep this country strong militarily, and we will no doubt devote the resources to do so. The Soviet Union and others should not be tempted by recent events into miscalculating our commitment to our friends and allies. We are not opting out of the world.

In fact, I think that perhaps we have finally turned the last page on isolationism in the United States. Isolationism is an unwillingness to deal with the world as it is. At one time America demonstrated this by having nothing to do with international affairs. And when we became involved in world affairs, we seemed to want to control everything, to transform other countries in our image, to leave nothing to chance. This too was an unwillingness to deal with the world as it is, and really is a kind of isolationsim.

Perhaps now we will begin to accept the diversity, the conflict, and even the disorder that are inherent in the world. We cannot completely control such things, and we have found, to our tragic dismay, that if we try, they only end up controlling us.

Mr. President, I have tried to outline my views on the basic principles underlying the development of a new American foreign policy in this post-Vietnam period.

First, our policy must be one that is not dominated by elitist abstractions like national security, but which is grounded in concrete interests which the American people can identify with and support.

Second, we must be more disciplined, but no less determined, in the pursuit of

UMI

our ideals. The response to our over-involvement in Vietnam is not a Philistine policy devoid of values. Rather, it is to re-dedicate ourselves more conscientiously to democracy, freedom, justice, and the international agenda of human needs.

Third, we must draw upon sources of national power and influence in addition to military power in the pursuit of our foreign policy. We must recognize that America is strong abroad only insofar as it is strong at home. World leadership and respect will be determined by how well we meet the needs of our own people—for only in that way can this Nation recapture its unique claim to being the last, best hope for mankind.

AMENDMENT OF THE GRAND CANYON NATIONAL PARK ENLARGEMENT ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 141, H.R. 4109.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 4109) to amend the Grand Canyon National Park Enlargement Act (66 Stat. 2089).

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. GOLDWATER. At my request the other evening, the distinguished majority leader withheld action on this bill because, frankly, I had not heard that it was even coming around the corner.

I have since checked and I find that it is simply the correction of a mistake. During the conference on the Grand Canyon bill, which I authored, agreements were reached by the conferees that certain language would be contained. Inadvertently this language was left out of the conference report. So I see no reason why the Senate should not accept it. It is merely in keeping with what the intent of the conferees was, and it is language that I can very easily agree with.

I thank the majority leader for his usual courtesy in extending me that privilege.

Mr. MANSFIELD. I thank the Senator.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed and to be read a third time.

The bill was read the third time and passed.

DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 155, S. 462.

The PRESIDING OFFICER. The bill will be stated by title. The legislative clerk read as follows:

A bill (S. 462) to amend the Development Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Public Welfare with amendments as follow:

On page 2, in line 6, strike out "found by the Secretary to be".

On page 5, beginning with line 23, insert:

(16) "University affiliated facility" means a public or nonprofit facility which is associated with, or is an integral part of a college or university and which aids in demonstrating the provisions of specialized services for the diagnosis and treatment of persons with developmental disabilities and education and training (including interdisciplinary training) of personnel needed to render specialized services to persons with developmental disabilities.

On page 7, in line 2, strike out "5" and insert "4".

On page 7, in line 16, strike out "6" and insert "5".

On page 8, beginning with line 1, insert:

RECOVERY

SEC. 6. If any facility with respect to which Federal assistance has been provided under this Act shall, at any time within twenty years after the completion of construction, renovation or modernization—

(1) be sold or transferred to any person, agency, or organization which is not qualified to file an application under this part, or

(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) or so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. The Secretary, in accordance with regulations prescribed by him, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

On page 9, beginning with line 1, insert:

MAINTENANCE OF EFFORT

SEC. 7. Applications for grants under this Act may be approved by the Secretary only if the application contains or is supported by reasonable assurances that the grants will not result in any decrease in the level of State, local, and other non-Federal funds for services for persons with developmental disabilities and training of persons to provide such services which would (except for such grant) be available to the applicant, but that such grants will be used to supplement, and, to the extent practicable, to increase the level of such funds.

On page 10, in line 18, strike out "The" and insert "Except for projects of national significance and special projects, the".

On page 11, at the end of line 4, strike out "and not" and insert "or".

On page 11, beginning with line 6, strike out:

(2) Payments of grants under this title shall be made in advance or by way of reimbursement, and on such conditions as the Secretary may determine.

(3) For the purpose of determining the Federal share with respect to any State, expenditures by a political subdivision thereof or by nonprofit private agencies, organizations, and groups shall, subject to such limitations and conditions the Secretary may by regulation prescribe, be deemed to be expenditures by such State.

On page 11, beginning with line 15, insert:

(2) Payments made under this title shall be made from time to time in advance on the basis of estimates by the Secretary, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments.

(3) For the purpose of determining the Federal share with respect to any project, expenditures by political subdivisions of a State or by nonprofit private agencies, organizations, and groups shall, subject to such limitations and conditions the Secretary may by regulation prescribe, be deemed to be expenditures by such State or (in the case of a project assisted under part A of this title) by a university-affiliated facility.

(4) In determining the amount of any payment for administering and operating facilities and training programs under section 102, and for the construction, renovation, or modernization of any facility under section 101 of this title, there shall be disregarded (A) any portion of the costs of such construction, renovation, or modernization which are financed by Federal funds provided under any provision of law other than this part, (B) the amount of any non-Federal funds provided under any provision of law other than this part, and (C) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

(5) In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved under part B there shall be disregarded (A) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than this part, and (B) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

On page 13, in line 3, strike out "CONSTRUCTION" and insert "MODERNIZATION".

On page 13, in line 5, strike out "CONSTRUCTION" and insert "MODERNIZATION".

On page 15, in line 15, strike out "(1)".

On page 16, beginning with line 3, strike out:

(2) For the purposes of this subsection only, the term "university affiliated facility" means a facility constructed under funds authorized by Public Law 81-164 to promote interdisciplinary training of personnel to serve developmentally disabled individuals, or a successor facility as designated by the Secretary to perform the functions of such facility.

On page 19, in line 1, strike out "councils" and insert "council".

On page 20, beginning with line 10, strike out:

RECOVERY

SEC. 104. If any facility with respect to which Federal assistance has been provided under this part shall, at any time within 20 years after the completion of construction, renovation or modernization—

(1) be sold or transferred to any person, agency, or organization which is not qualified to file an application under this part, or

(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. The Secretary, in accordance with regulations prescribed by him, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

MAINTENANCE OF EFFORT

SEC. 105. Applications for grants under this part may be approved by the Secretary only if the application contains or is supported by reasonable assurances that the grants will not result in any decrease in the level of State, local, and other non-Federal funds for services for persons with developmental disabilities and training of persons to provide such services which would (except for such grant) be available to the applicant, but that such grants will be used to supplement, and, to the extent practicable, to increase the level of such funds.

On page 33, in line 22, after "organizations" insert "except that volunteer services shall supplement, but shall not be in lieu of services of paid employees".

On page 36, beginning with line 18, insert:

"(15) provide reasonable assurance that adequate financial support will be available to complete the construction of, and to maintain and operate (when such construction is completed), any facility the construction of which is assisted by funds made available under this part;"

On page 36, in line 24, strike out "(15)" and insert "(16)".

On page 37, in line 20, strike out "(16)" and insert "(17)".

On page 37, in line 23, strike out "(17)" and insert "(18)".

On page 38, in line 3, strike out "(18)" and insert "(19)".

On page 38, in line 5, after "Act" strike out "within 30 months after the date of enactment of this Act".

On page 38, in line 7, strike out "(19)" and insert "(20)".

On page 38, in line 12, strike out "(20)" and insert "(21)".

On page 38, in line 15, strike out "(21)" and insert "(22)".

On page 38, in line 19, strike out "and".

On page 38, beginning with line 20, insert:

"(23) provide for fair and equitable arrangements (as determined by the Secretary in consultation with the Secretary of Labor) to protect the interests of employees affected by the plan required under this section, including, but not limited to, preservation of employee rights and benefits, training and retraining for career development and advancement, and maximum efforts to assure employment to employees who may be affected by any plan or program funded in whole or in part under this title; and"

On page 39, in line 5, strike out "(22)" and insert "(24)".

On page 41, beginning with line 16, strike out:

APPROVAL OF PROJECTS FOR CONSTRUCTION, OR MODERNIZATION

SEC. 116. (a) Any State or political subdivision thereof or a public or nonprofit private agency shall, with respect to any project for construction, renovation, or modernization authorized under this part, submit an application therefor to the Secretary, through the State agency designated pursuant to section 114(b)(1)(B) (herein in this part referred to as the "State agency"). An application for a project to be completed by two or more political subdivisions or public or nonprofit agencies, or by a combination thereof, may be submitted by one such agency on behalf of all of them. Such application shall set forth—

(1) a description of the site for such project;

(2) plans and specifications thereof, in accordance with regulations prescribed by the Secretary;

(3) satisfactory assurances that title to such site is or will be vested in one or more of the agencies filing the application or in a public or nonprofit private agency which is to operate the facility;

(4) satisfactory assurances that the non-Federal share of financial support will be available for the construction, renovation, or modernization of the project and for its maintenance and operation when completed;

(5) a certification by the State agency of the Federal share for the project;

(6) satisfactory assurances that the project, facility, or activity, in connection with which such determination is made, does, or when completed or put into operation, will serve the needs of the residents of the area;

(7) a certification by the State agency that the project will comply with any standards prescribed pursuant to the Architectural Barriers Act of 1968; and

(8) satisfactory assurances that such construction, renovation, or modernization will conform to the requirements of section 103 (b)(7) of this Act.

(b) The Secretary shall approve an application under this section if sufficient funds to pay the Federal share of the cost of such project are available from the allotment to the State, and if the Secretary finds that the application—

(1) sets forth, to his satisfaction, the information required in subsection (a),

(2) is in conformity with the State plan approved under this part, and

(3) has been approved and recommended by the State agency and is entitled to priority over other projects within the State in accordance with the State's plan for persons with developmental disabilities and in accordance with regulations prescribed by the Secretary.

(c) No application shall be disapproved until the Secretary has afforded the State agency adequate notice and an opportunity for a hearing.

(d) Amendment of any approved application shall be subject to approval in the same manner as the original application.

WITHHOLDING OF PAYMENTS

SEC. 117. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to a State planning council and a State agency or agencies designated pursuant to section 114(b)(1) finds—

(1) that any such State agency or agencies are not complying with the provisions required by section 114(b) to be included in the State plan, or with regulations of the Secretary;

(2) that a state, State agency, or State planning council are not in compliance with the provisions of section 115;

(3) that any requirement set forth in an application submitted under section 114 and approved by the Secretary is not being or cannot be carried out with respect to the project for which such application was submitted;

(4) that there is a substantial failure to carry out plans and specifications related to construction, renovation, or modernization approved by the Secretary, under section 116; or

(5) that adequate funds are not being provided annually for the direct administration of the State plan, the Secretary may forthwith notify such State council and State agency or agencies that—

(A) no further payments will be made to the State for construction, renovation, or modernization from allotments under this part; or

(B) no further payments will be made from allotments under this part for any project or projects designated by the Secretary as being affected by the action or inaction referred to in paragraph (1), (2), (3), (4), or (5) of this subsection as the Secretary may determine to be appropriate under the circumstances; and, except with regard to any project for which the application has already been approved and which is not directly affected, further payments for construction, renovation, or modernization projects may be withheld, in whole or in part, until the Secretary is satisfied that the State has corrected any deficiencies under this subsection or, if such correction is impossible, until the State repays or arranges for the repayment of Federal moneys to which the State was not entitled because of such deficiencies.

(b) Whenever the State planning council finds that a State agency administering funds pursuant to the implementation design is failing to comply with such design, the State planning council shall notify the Governor and the Secretary, who may provide notice, conduct a hearing, and withhold payments pursuant to subsection (a) of this section.

PAYMENTS TO THE STATES FOR PLANNING ADMINISTRATION AND SERVICES

SEC. 118. From each State's allotment for a fiscal year under section 112, the State shall be paid the Federal share of its expenditures, other than expenditures for construction, renovation, or modernization, incurred during such year under its State plan approved under this part. Such payments shall be made from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this section.

On page 46, beginning with line 8, insert:

WITHHOLDING OF PAYMENTS

SEC. 116. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to a State planning and advisory council and a State agency or agencies designated pursuant to section 114(b)(1), finds—

(1) that any such State agency or agencies are not complying with the provisions required by section 114(b) to be included in the State plan, or with regulations of the Secretary;

(2) that any requirement set forth in an application submitted under section 114 and approved by the Secretary is not being or cannot be carried out with respect to the project for which such application was submitted; or

(3) that adequate funds are not being provided annually for the direct administration of the State plan, the Secretary may forthwith notify such State council and State agency or agencies that no further payments will be made from allotments under this part for any project or projects designated by the Secretary as being affected by the action or inaction referred to in paragraph (1), (2), or (3) of this subsection as the Secretary may determine to be appropriate under the circumstances.

(b) Whenever the State planning and advisory council finds that a State agency administering funds pursuant to the implementation design is failing to comply with such design, the State planning and advisory council shall notify the Governor and the Secretary, who may provide notice, conduct a hearing, and withhold payments pursuant to subsection (a) of this section.

On page 47, in line 13, strike out "119" and insert "117".

UMI

On page 48, beginning with line 15, strike out:

NONDUPLICATION

SEC. 120. (a) In determining the amount of any payment for the construction, renovation, or modernization of any facility under a State plan approved under this part, there shall be disregarded (1) any portion of the costs of such construction, renovation, or modernization which are financed by Federal funds provided under any provision of law other than this part, (2) the amount of any non-Federal funds provided under any provision of law other than this part, and (3) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

(b) In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved under this part, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than this part, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

EVALUATION OF DEVELOPMENTAL DISABILITIES SERVICES

SEC. 121. (a) The Secretary, in consultation with the National Council created pursuant to section 113 of this Act, shall develop and transmit to the appropriate committees of Congress, within 18 months after the date of enactment of this section, an evaluation system and plan for implementation of such system which shall provide a model for the development of State evaluation systems for all services delivered within the States to persons with developmental disabilities.

(b) The evaluation system required by subsection (a) shall be designed to—

(1) assess the adequacy of all education and training, habilitation, rehabilitation, early childhood, diagnostic and evaluation services, and all other services or assistance to persons with developmental disabilities under laws administered by the Secretary; and

(2) develop specific criteria designed to provide objective measurement of the developmental progress of persons with developmental disabilities, which may be utilized by public agencies, residential facilities, and community based facilities and agencies to evaluate the effectiveness of the services provided to such persons.

(c) In developing such evaluation system the Secretary shall insure that such system is consumer oriented and that the system will—

(1) evaluate the effects of services on the lives of consumers, utilizing information and data obtained from individualized written habilitation plans as required under section 211 of this Act (when applicable) or other comparable individualized data,

(2) evaluate the overall impact of State and local programs for the developmentally disabled,

(3) provide and evaluate the cost-benefit ratios of particular service alternatives, and

(4) provide that evaluation of program quality shall be performed by individuals not directly involved in the delivery of such services to the program being evaluated.

(d) The Secretary, in consultation with the National Council, may make grants to, and enter into contracts with, private nonprofit organizations or individuals to conduct feasibility studies to assist in developing the evaluation system required under subsection (a), except that such grant or contract shall not be entered into with groups or individuals who have any financial or other direct interest in the program being evaluated.

(e) There are authorized to be appropriated to carry out the purposes of this section $1,000,000 for the fiscal year ending June 30, 1975, and $1,000,000 for the fiscal year ending June 30, 1976.

On page 51, beginning with line 11, insert:

EVALUATION

SEC. 118. (a) The Secretary, in consultation with the National Council created pursuant to section 113 of this Act shall, by February 1, 1977, develop (A) a design for a comprehensive system for the evaluation of services provided to persons with developmental disabilities and (B) a timephased plan for the implementation by the States of such system which will specify a minimal evaluation system to be implemented by all States by October 1, 1977, and which will further specify phases of development leading to the establishment in each State of such comprehensive evaluation system within 36 months after date of enactment of this section. The comprehensive system shall provide a model or models for the development of State evaluation systems for all services delivered within each State in order to evaluate the effects of services on the lives of persons with developmental disabilities.

(b) The evaluation system required by subsection (a) shall be designed to—

(1) provide objective measures of the developmental progress of persons with developmental disabilities using data obtained from individualized habilitation plans as required under section 211 of this Act (where applicable) or other comparable individual data;

(2) provide objective measures of the value of living environments and associated services in promoting developmental progress of persons; and

(3) provide specific criteria which are effective and practical to use as compliance levels for operating residential and community facilities and agencies.

(c) Not later than February 1, 1977, the Secretary shall submit to the Congress a report on the evaluation system design developed pursuant to subsection (a). Such report shall include an estimate of the costs to the Federal Government and the States of developing and implementing such system.

(d) The Secretary, in consultation with the National Council, may make grants to, and enter into contracts with, public and private nonprofit organizations and individuals to conduct feasibility studies to assist in developing the evaluation system required under subsection (a), except that such grant or contract shall not be entered into with groups or individuals who have any financial or other direct interest in the program being evaluated.

(e) There are authorized to be appropriated to carry out the purposes of the section $1,000,000 for the fiscal year ending June 30, 1976, and $1,000,000 for the fiscal year ending June 30, 1977.

On page 53, in line 11, strike out "122" and insert "119".

On page 54, in line 18, strike out "123" and insert "120".

On page 88, in line 9, insert "through an established procedure consistent with due process".

On page 337, in line 21, strike out "regularly" and insert "regular", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Developmentally Disabled Assistance and Bill of Rights Act".

DEFINITIONS

SEC. 2. For purposes of title I of this Act—

(1) "Construction" means the construction of new buildings, the acquisition, expansion, remodeling, alteration, and renovation of existing buildings, and initial equipment of any such buildings (including medical transportation facilities).

(2) "Cost of construction" means the amount necessary for the construction of a project, including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

(3) "Design for implementation" means a document prepared by the appropriate State agency or agencies outlining the implementation of the State plan as developed by the State planning council. The design for implementation shall include details on the methodology of implementation, priorities for spending, a detailed plan for the use of funds provided under this Act, specific objectives to be achieved, a listing of those programs and resources to be utilized, and a method for periodic evaluation of its effectiveness in meeting State plan objectives.

(4) "Developmental disability" means a disability which is—

(A) attributable to mental retardation, cerebral palsy, epilepsy, autism, or to a *severe* specific learning disability; or

(B) attributable to any other condition of an individual found to be closely related to mental retardation as it refers to general intellectual functioning or impairment in adaptive behavior or to require treatment similar to that required for mentally retarded individuals,

which disability (i) originates before such individual attains age 18, (ii) has continued or can be expected to continue indefinitely, and (iii) constitutes a substantial handicap to such individual's ability to function normally in society.

(5) "Institution of higher education" has the meaning given it in section 112(c) of the Education Amendments of 1972.

(6) "Nonprofit facility for persons with developmental disabilities", or "nonprofit private institution of higher learning" mean a facility for persons with developmental disabilities, and an institution of higher learning which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(7) "Nonprofit private agency or organization" means an agency or organization which is a nonprofit corporation or association or which is owned and operated by one or more of such corporations or associations.

(8) "Poverty area" has the meaning given it in regulations of the Secretary.

(9) "Satellite center" means a facility of an agency or agencies associated with a university affiliated facility that functions as a community or regional extension of such university affiliated facility in the delivery of training services, and programs to the consumers or their representatives, the designated State delivery system agency, and other service or program delivery units.

(10) "Secretary" means the Secretary of Health, Education, and Welfare.

(11) "Services for persons with developmental disabilities" means specialized services or special adaptations of generic services directed toward the alleviation of a developmental disability or toward the social, personal, physical, or economic habilitation or rehabilitation of an individual with such a disability, and such term includes diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation, counseling of the individual with such disability and of his family, protective and other social and legal services, information and referral services, follow-along services, and transportation services necessary to assure delivery of services to persons with developmental disabilities.

(12) "Specific learning disability" means a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which

disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations, and such disorder may include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, or developmental aphasia, but such term does not include learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, or emotional disturbance, or of environmental disadvantage.

(13) "State" includes the several States, Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

(14) "State planning council" means a council established in a State pursuant to section 115 of this Act.

(15) "Title" when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the annual rental does not exceed 4 percent of the value of the land) as the Secretary finds sufficient to assure for a period of not less than 50 years undisturbed use and possession for the purposes of construction and operation of the project.

(16) "University affiliated facility" means a public or nonprofit facility which is associated with, or is an integral part of a college or university and which aids in demonstrating the provisions of specialized services for the diagnosis and treatment of persons with developmental disabilities and education and training (including interdisciplinary training) of personnel needed to render specialized services to persons with developmental disabilities.

AUDIT

SEC. 3. Each recipient of a grant or contract under this Act shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is made or funds thereunder used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such records as will facilitate an effective audit. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant or contract under this Act which are pertinent to such grant or contract.

ADVANCE FUNDING

SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the authority provided by subsection (a) of this section shall apply notwithstanding that its initial application will result in the enactment in the same year (whether the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

EMPLOYMENT OF HANDICAPPED INDIVIDUALS

SEC. 5. As a condition of providing financial assistance under this Act, the Secretary shall ensure that each recipient of such assistance shall take affirmative action to employ and advance in employment qualified handicapped individuals covered under and on the same terms and conditions as set forth in, the applicable provisions of the Rehabilitation Act of 1973 (87 Stat. 355) relating to employment of handicapped individuals by State rehabilitation agencies and rehabilitation facilities and under Federal contracts and subcontracts.

RECOVERY

SEC. 6. If any facility with respect to which Federal assistance has been provided under this Act shall, at any time within twenty years after the completion of construction, renovation or modernization—

(1) be sold or transferred to any person, agency, or organization which is not qualified to file an application under this part, or

(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) or so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. The Secretary, in accordance with regulations prescribed by him, may, upon finding good cause therefore, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

MAINTENANCE OF EFFORT

SEC. 7. Applications for grants under this Act may be approved by the Secretary only if the application contains or is supported by reasonable assurances that the grants will not result in any decrease in the level of State, local, and other non-Federal funds for services for persons with developmental disabilities and training of persons to provide such services which would (except for such grant) be available to the applicant, but that such grants will be used to supplement, and, to the extent practicable, to increase the level of such funds.

TITLE I—ASSISTANCE FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

DECLARATION OF PURPOSE AND FEDERAL SHARE

SEC. 100. (a) The purpose of this title is to improve and coordinate the provision of services to persons with developmental disabilities through (A) grants to assist the several States in developing and implementing a comprehensive and continuing plan for meeting the current and future needs of persons with developmental disabilities; (B) the renovation and modernization of university-affiliated facilities which aid in demonstrating the provision of specialized services for persons with developmental disabilities, through support of demonstration and training programs at institutions of higher education; (C) the development of regional community programs for services to persons with developmental disabilities; (D) the support of activities which will contribute to improving the condition of persons with developmental disabilities, including but not limited to grants for demonstrating exemplary services to persons with developmental disabilities who are especially disadvantaged; (E) technical assistance in the establishment of services and facilities for peresons with developmental disabilities, including assistance in State and local planning or administration; (F) training of specialized personnel needed for the provision of services to persons with developmental disabilities; and (G) developing or demonstrating new or improved techniques for the provision of services to persons with developmental disabilities.

(b) The Federal share with respect to any project assisted under part A of this title may not exceed 70 percent of the necessary cost thereof as determined by the Secretary.

(c) Except for projects of national significance and special projects, the Federal share with respect to assistance under part B of this title may not exceed 70 percent of the necessary cost thereof as determined by the Secretary, except that with respect to a project of any facility or agency which provides, or will upon completion of a project assisted under such part B provide, services to a poverty area, the Federal share may not exceed 90 percent of the necessary cost thereof.

(d)(1) The non-Federal share of the cost of any project assisted under this title shall be provided in cash or in kind.

(2) Payments made under this title shall be made from time to time in advance on the basis of estimates by the Secretary, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments.

(3) For the purpose of determining the Federal share with respect to any project, expenditures by a political subdivision of a State or by nonprofit private agencies, organizations, and groups shall, subject to such limitations and conditions the Secretary may by regulation prescribe, be deemed to be expenditures by such State or (in the case of a project assisted under part A of this title) by a university-affiliated facility.

(4) In determining the amount of any payment for administering and operating facilities and training programs under section 102, and for the construction, renovation, or modernization of any facility under section 101 of this title, there shall be disregarded (A) any portion of the costs of such construction, renovation, or modernization which are financed by Federal funds provided under any provision of law other than this part, (B) the amount of any non-Federal funds provided under any provision of law other than this part, and (C) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

(5) In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved under part B there shall be disregarded (A) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than this part, and (B) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

PART A—DEMONSTRATION AND TRAINING GRANTS FOR UNIVERSITY AFFILIATED FACILITIES AND RENOVATION AND MODERNIZATION OF FACILITIES

RENOVATION AND MODERNIZATION

SEC. 101. (a) For the purpose of making grants under subsection (b) there is authorized to be appropriated $6,500,000 for the fiscal year ending June 30, 1975, and for each of the next four succeeding fiscal years.

(b) Amounts appropriated pursuant to subsection (a) shall be used only for project grants for (1) renovation or modernization of a university affiliated facility which is carrying out a program under section 102(a) or (2) renovation and modernization of a facility to be operated as a satellite center (as defined in section 2(9)) of a university affiliated facility. Amounts appropriated pursuant to subsection (a) shall be used only with respect to facilities which after renovation and modernization meet standards adopted pursuant to the Architectural Barriers Act of 1968 (82 Stat. 718).

(c) The Secretary in making grants for the purposes of subsection (b)(2) of this section shall give a priority to those applicants utilizing existing facilities.

UMI

DEMONSTRATION, TRAINING, AND OPERATIONAL GRANTS

SEC. 102. (a)(1) The Secretary shall, in accordance with the provisions of this part, make grants to university-affiliated facilities to pay part of the cost of administering and operating demonstration facilities and interdisciplinary training programs for personnel needed to render specialized services to persons with developmental disabilities, with emphasis upon the ability and commitment of such programs to provide services not otherwise available under other laws to persons with developmental disabilities in programs of community care as alternatives to such services being provided in institutional settings.

(2) Each recipient of a grant made under paragraph (1) (if funds are available in accordance with paragraph (3)) shall conduct a study and submit to the Secretary (not later than six months after the date of receipt of such grant) a full report which includes—

(A) an assessment of the need for the provision of alternative community care services for persons with developmental disabilities in each State not served by such recipient in the general geographical area in which such institution is located, and

(B) a feasibility study of ways in which such recipients, singly or together with other such recipients, could establish and operate satellite centers in areas described in subparagraph (A) to provide such services in coordination with demonstration facilities and interdisciplinary training programs assisted under paragraph (1).

(3) Assessments and studies required under the provisions of paragraph (2) shall be carried out in consultation with the State planning council for the State where the recipient is located and where the satellite center would be established, and may be carried out jointly with one or more recipients under paragraph (1). The Secretary, subject to the availability of funds, shall include in the grant made under paragraph (1) an additional amount (not in excess of $25,000) necessary to pay all of the cost of any such assessment and study.

(b) The Secretary may, in accordance with the provisions of this part, make grants to university affiliated facilities to pay part of the costs of establishing, administering, and operating satellite centers meeting the specifications developed in the assessments and studies carried out under paragraph (2) of subsection (a) of this section. Any recipient of assistance under this subsection may provide, by contract, for the operation of any satellite center assisted under this subsection by a qualified public or nonprofit private agency or organization. The non-Federal share for a grant under this subsection shall be provided by the State in which the satellite center will be located.

(c) For the purpose of making grants pursuant to this section, there is authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the four succeeding fiscal years, $25,000,000, of which, in the fiscal year ending June 30, 1975, amounts appropriated in excess of $4,250,000 and not in excess of $4,975,000 (or such lesser amount as the Secretary may determine to be necessary) shall be made available only for the purposes of carrying out assessments and studies under paragraph (2) of subsection (a) of this section. With respect to amounts appropriated for the fiscal year ending June 30, 1976, and for subsequent fiscal years, $4,250,000 shall be available only for grants under paragraph (1) of subsection (a) of this section, and of amounts appropriated in excess of $4,250,000 for each such year, 50 percent shall be available only for grants under subsection (b) of this section.

APPLICATIONS

SEC. 103. (a) The Secretary may approve an application for a grant under this part only if the application contains or is supported by reasonable assurances that—

(1) the proposal for such renovation or modernization is consistent with the appropriate State plan established pursuant to section 114, and that the applicant will provide the services and training required by such State plan or plans as appropriate;

(2) the facility is associated, to the extent prescribed in regulations by the Secretary, with an institution of higher learning, a medical center (including affiliated health or education facilities), or with part of such an institution of higher education;

(3) the plans and specifications for such renovation or modernization are in accord with regulations prescribed by the Secretary under section 119;

(4) title to the site for the project is or will be vested in the State in which it is located, or in one or more of the agencies or institutions making the application, or in a public or nonprofit agency or institution which is to operate the facility;

(5) the non-Federal share will be available for renovation or modernization of the project and adequate funds will be available for its maintenance and operation when completed;

(6) the facility will comply with regulations of the Secretary relating to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with standards adopted pursuant to the Architectural Barriers Act of 1968 and with regulations of the Secretary of Labor relating to occupational health and safety standards); and

(7) any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by payments pursuant to any grant under this section will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5); and the Secretary of Labor shall have, with respect to the labor standard specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(b)(1) In considering applications for such grants under this part, the Secretary shall require that such applications demonstrate that the grant application has been reviewed and commented on by the State planning council, and with respect to grants to university affiliated facilities, give priority to any application which shows that the applicant has made arrangements, in accordance with regulations of the Secretary for a junior college or other community-based educational or health facility to participate in the programs for which the application is made.

(2) In the event that a State planning council fails to complete its review and comment within thirty calendar days after the submission of such application to the council under this subsection, the applicant may submit directly to the Secretary a request to approve its application. If the Secretary finds that the failure by such council is arbitrary, capricious, or unwarranted, he may approve such application without further action by such council. In a case where the findings of the Secretary do not meet the criteria of the preceding sentence, he shall return such application to the State planning council for action.

(c) Applications for assistance under this part shall establish as priority goals—

(1) deinstitutionalization of persons with developmental disabilities including prevention of institutionalization, normalization outside of institutions, development of community-based programs including placement, and follow-up services;

(2) early screening, diagnosis, and evaluation of developmentally disabled infants and preschool children (including maternal care, developmental screening, home care, infant and preschool stimulation programs, and parent counseling and training);

(3) counseling, program coordination, follow-along services, protective services, and personal advocacy on behalf of developmentally disabled adults; and

(4) normalization of institutional life.

PART B—GRANTS FOR PLANNING, PROVISIONS OF SERVICES, AND CONSTRUCTION AND OPERATION OF FACILITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

AUTHORIZATION OF APPROPRIATION

SEC. 111. For the purpose of making grants to carry out this part, there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1975, $850,000,000 for the fiscal year ending June 30, 1976, $95,000,000 for the fiscal year ending June 30, 1977, $100,000,000 for the fiscal year ending June 30, 1978, and $110,000,000 for the fiscal year ending June 30, 1979; and there is further authorized to be appropriated for such purpose for each such fiscal year such additional sums as the Congress may deem necessary.

STATE ALLOTMENTS

SEC. 112. (a)(1) From the sums appropriated pursuant to section 111 for each fiscal year, other than amounts reserved by the Secretary for projects under subsection (e) of this section, the several States shall be entitled to allotments determined, in accordance with regulations, on the basis of (A) the population, (B) the extent of need for service and facilities for persons with developmental disabilities, and (C) the financial need, of the respective States; except that the allotment of any State (other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands) for any such fiscal year shall be not less than $200,000 (except that no State shall receive less than the amount such State received for the fiscal year ending June 30, 1974, under section 132(a)(1) of the Mental Retardation Facilities Construction Act (84 Stat. 1317)) and the allotment of the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands shall be not less than $50,000 plus, for each fiscal year ending after June 30, 1975, for which appropriations exceed $50,000,000, an amount which bears the same ratio to $200,000 (or in the case of the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands, $50,000) as the difference between the amount so appropriated for each fiscal year and $50,000,000 bears to $50,000,000.

(2) In determining, for purposes of paragraph (1), the extent of need in any State for services and facilities for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services specified, pursuant to section 114(b), in the State plan of such State approved under this part.

(3) Sums allotted to a State for a fiscal year and designated by it for construction, renovation, or modernization which are unobligated at the end of such year shall remain available to such State for such purpose for the next fiscal year and for such year only, in addition to the sums allotted to such State for such fiscal year.

(b) Whenever a State plan is approved in accordance with section 114 which provides for participation of more than one State agency in administering or supervising the administration of designated portions of such plan, the State may apportion its allotment among such agencies in a manner which is reasonably related to the responsibilities assigned to such agencies in carrying out the purposes of this part, subject to the approval of the Secretary. Fund so apportioned to State agencies may be combined with other State or Federal funds authorized to be expended for other purposes, provided the purposes of this part will receive proportionate benefit from the combination.

(c) Whenever a State plan approved in accordance with section 114(c) provides for cooperative or joint effort between States or between or among agencies, public or private, in more than one State, portions of funds allotted to one or more such cooperating States or agencies may be combined in accordance with the agreements between the agencies and States involved.

(d) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which it is allotted shall be available for reallotment by the Secretary on such date or dates as he may fix (but not earlier than thirty days after he has published notice of his intention to make such reallotment in the Federal Register), to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

(e) Of the sums appropriated pursuant to section 111, such amount as the Secretary may determine, but not more than 10 percent thereof, shall be available to the Secretary who, after consultation with the National Council established pursuant to section 113, may (notwithstanding the provisions of subsection (c) of section 100) make grants to States and public or nonprofit private agencies to pay up to 90 percent of the cost of projects which in his judgment are of special national significance. Such projects shall include—

(1) integrated service model projects for services to the developmentally disabled population,

(2) public awareness and public education programs to assist in the elimination of attitudinal and environmental barriers confronted by individuals with developmental disabilities, and

(3) demonstration projects to coordinate and utilize all available community resources.

in meeting the needs of persons with developmental disabilities (especially the disadvantaged), or will demonstrate new or improved techniques for the provision of services for such persons, or are otherwise specifically significant for carrying out the purposes of this part.

(f) The Secretary shall administer grants under this part in accordance with policies used generally to administer grants throughout the Department of Health, Education, and Welfare.

NATIONAL COUNCIL ON SERVICES AND FACILITIES FOR THE DEVELOPMENTALLY DISABLED

SEC. 113. (a)(1) Effective thirty days after the date of enactment of this Act, there is esablished in the Office of the Secretary a National Council on Services and Facilities for the Developmentally Disabled (herein referred to as the "National Council"), whose membership shall include the Deputy Commissioner of the Bureau of Education for the Handicapped, the Commissioner of the Rehabilitation Services Administration, the Administrator of the Social and Rehabilitation Service, the Director of the National Institute of Child Health and Human Development, the Director of the National Institute of Neurological Disease and Stroke, the Director of the National Institute of Mental Health, three other representatives of the Department of Health, Education, and Welfare selected by the Secretary, and sixteen members, who are not full-time employees of the United States, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service.

(2) The Secretary shall from time to time designate 1 of the 16 appointed members of the National Council to serve as Chairman thereof.

(3) The 16 appointed members of the National Council shall be selected from advocates in the fields of service to persons with developmental disabilities, including leaders in State or local government, in institutions of higher education, and in organizations which have demonstrated advocacy on behalf of consumers of such services. At least 5 such members shall be representatives of State or local public or nonprofit private agencies responsible for services to persons with developmental disabilities, and at least 5 other such members shall be consumers of such services or the parents or guardians of such consumers.

(b) Each appointed member of the National Council shall hold office for a term of 4 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. A former member may only be reappointed to the National Council after a period of 1 year has elapsed from the end of his appointed term. The Secretary shall fill all vacancies resulting from the expiration of members' terms on the National Council within 10 calendar days of the occurrence of such vacancies.

(c) The National Council shall meet at least twice a year, and shall hold its initial meeting within 90 days after the date of enactment of this Act.

(d) It shall be the duty and function of the National Council to—

(1) advise the Secretary with respect to any regulations promulgated or proposed to be promulgated by him in the implementation of the provisions of this title;

(2) study and evaluate programs authorized by this title to determine their effectiveness in carrying out the purposes for which they were established;

(3) monitor the development and execution of this title and report directly to the Secretary any delay in the rapid execution of this title;

(4) review grants made under section 112(e) and advise the Secretary with respect thereto;

(5) review grants and contracts entered into pursuant to section 121, including review of the final evaluation system and advise the Secretary with respect thereto; and

(6) submit to the Congress annually and evaluation of the efficiency of the administration of the provisions of this title.

(e) The National Council is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the National Council such secretarial, clerical, and other assistance and such statistical and other pertinent data prepared by or available to the Department of Health, Education, and Welfare as it may require to carry out such functions.

(f) Members of the National Council, while attending meetings or conferences thereof or otherwise serving on the business of the National Council, shall be entitled to receive compensation at rates fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate provided for GS–18 of the General Schedule for each day of such service (including traveltime), and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(g) A member of the National Council created pursuant to section 133 of the Developmental Disabilities Services and Facilities Construction Amendments of 1970 whose term has not expired by July 1, 1974, shall continue to serve as a member of the National Council established in this section until the date such term would have expired had such Act remained in effect after July 1, 1974.

(h) There are authorized to be appropriated to carry out the purposes of this section $100,000 for the fiscal year ending June 30, 1975, and for each of the four succeeding fiscal years.

(i) The National Council shall cease to exist as of June 30, 1979.

STATE PLANS

SEC. 114. (a) For each fiscal year in which a State makes application to participate in programs under this part it shall develop, submit, and obtain the approval of the Secretary of an annual State plan which is a specific goal oriented plan, which shall include provisions designed to—

(1) reduce and eventually eliminate inappropriate institutional placement of persons with developmental disabilities;

(2) improve the quality of care, habilitation, and rehabilitation of persons with developmental disabilities for whom institutional care is appropriate;

(3) provide early screening, diagnosis, and evaluation of developmentally disabled infants and preschool children (including maternal care, developmental screening, home care, infant and preschool stimulation programs, and parent counseling and training);

(4) provide counseling, program coordination, follow-along services, protective services, and personal advocacy on behalf of developmentally disabled adults;

(5) support the establishment of community programs as alternatives to institutionalization, designed to provide services for the care and habilitation of persons with developmental disabilities, which programs utilize, to the maximum extent feasible, the resources and personnel in related community programs to assure full coordination with such programs and to assure the provision of appropriate supplemental health, educational or social services for persons with developmental disabilities;

(6) protect the human rights of all persons with developmental disabilities, especially those without familial protection; and

(7) provide for interdisciplinary intervention and training programs for multihandicapped individuals.

Such annual State plan shall be initially submitted within one hundred and eighty days after the date of enactment of this Act.

(b) Before the Secretary may approve a State plan under subsection (c) of this section, the appropriate State planning council shall approve the design for implementation (including its plan for expenditure of funds) contained within such State plan. A State plan for the provision of services and facil-

UMI

ities for persons with developmental disabilities shall—

(1) designate—

(A) the State agency or agencies (except as provided in clause (B)) which shall administer and supervise the administration of the State plan, and if there is more than one such agency, the portion of such plan which each will administer (or the portion the administration of which each will supervise); and

(B) a single State agency as the sole agency for administering or supervising the administration of grants for construction, renovation, or modernization under the State plan;

(2) describe the quality, extent, and scope of services being provided or to be provided to meet the goals specified in subsection (a) of this section;

(3) describe (A) the quality, extent, and scope of services being provided, or to be provided, to persons with developmental disabilities under such other State plans for federally assisted State programs as may be specified by the Secretary, which shall in any case include education for the handicapped, vocational rehabilitation, public assistance, medical assistance, social services, maternal and child health, crippled children's services, and comprehensive health and mental health plans, and (B) how funds allotted to the State in accordance with section 112 will be used to complement and augment rather than duplicate or replace services and facilities for persons with developmental disabilities who are eligible for Federal assistance under such other State programs;

(4) provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 (87 Stat. 394) and other appropriate voluntary organizations except that volunteer services shall supplement, but shall not be in lieu of, services of paid employees;

(5) set forth policies and procedures for the expenditure of funds under the plan which, in the judgment of the Secretary, are designed to assure effective continuing State planning, evaluation, and delivery of services (both public and private) for persons with developmental disabilities;

(6) contain assurances satisfactory to the Secretary that (A) the funds paid to the State under this part will be used to make a significant contribution toward strengthening services for persons with developmental disabilities in the various political subdivisions of the State in order to improve the quality, scope, and extent of such services; (B) part of such funds may be made available to other public or nonprofit private agencies, institutions, and organizations; (C) such funds will be used to supplement and, to the extent practicable, to increase the level of funds that would otherwise be made available for the purposes of which the Federal funds are provided and not to supplant such non-Federal funds; and (D) there will be reasonable State financial participation in the cost of carrying out the State plan;

(7) provide that services and facilities furnished under the plan for persons with developmental disabilities will be in accordance with standards prescribed by regulations of the Secretary pursuant to this title and title II of this Act;

(8) provide such methods of administration, including methods relating to the establishment and maintenance of personnel standards and selection and advancement of personnel on a merit basis, as are found by the Secretary to be necessary for the proper and efficient operation of the plan (except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods);

(9) provide assurances that the State planning council is assigned adequate personnel in order to insure that such council has the capacity to fulfill its responisbilities in the areas of planning, resource development, and program evaluation;

(10) provide that the State planning council shall periodically, but not less often than annually, review and evaluate the State plan and submit appropriate modifications to the Secretary for his approval;

(11) provide that the State agencies designated pursuant to paragraph (1) of this subsection will make such reports, in such form and containing such information, as the Secretary or the State planning council may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary finds necessary to assure the correctness and verification of such reports;

(12) provide that special financial and technical assistance shall be given to areas of urban or rural poverty in providing services and facilities for persons with developmental disabilities who are residents of such areas;

(13) describe the methods to be used to assess the effectiveness and accomplishments of the State in meeting the needs of persons with developmental disabilities in the State;

(14) specify the maximum amount of, and the percentage of the State's allotment under, section 112 for any year which is to be devoted to construction, renovation, or modernization of facilities, which percentage shall be not more than 10 percent of the State's allotment or such lesser percentage as the Secretary may from time to time prescribe;

(15) provide reasonable assurance that adequate financial support will be available to complete the construction of, and to maintain and operate (when such construction is completed), any facility the construction of which is assisted by funds made available under this part;

(16) if Federal funds are allotted for construction, renovation, or modernization under this part, outline a program of construction, renovation, or modernization of facilities for the provision of services for persons with development disabilities which—

(A) is based on a statewide inventory of existing facilities and survey of need;

(B) sets forth the relative need, determined in accordance with the regulations prescribed by the Secretary for the several projects included in the construction, renovation, or modernization program; and

(C) assigns priority to the construction, renovation, or modernization of projects, to the extent that financial resources available therefor and for maintenance and operation permit such priority, in the order of relative need, taking into account the requirement that any such construction, renovation, or modernization complies with any standards prescribed pursuant to the Architectural Barriers Act of 1968;

(17) provide for an opportunity for hearing before the State agency to every applicant for a construction, renovation, or modernization project;

(18) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursements of, and accounting for, funds paid to the State under this part in accordance with regulations the Secretary shall prescribe;

(19) provide for the implementation of an evaluation system compatible with the system developed under section 121 of this Act;

(20) provide, to the maximum extent feasible, an opportunity for prior review and comment by the State planning council of all State plans in the State which relate to programs affecting persons with developmental disabilities;

(21) provide that personnel assigned to the State planning council shall be solely responsible to such council;

(22) provide that all relevant information concerning any programs which may affect persons with developmental disabilities shall be made available by projects and State agencies to the State planning council;

(23) provide for fair and equitable arrangements (as determined by the Secretary in consultation with the Secretary of Labor) to protect the interests of employees affected by the plan required under this section, including, but not limited to, preservation of employee rights and benefits, training and retraining for career development and advancement, and maximum efforts to assure employment to employees who may be affected by any plan or program funded in whole or in part under this title; and

(24) contain such additional information and assurances as the Secretary may determine to be necessary to carry out the provisions and purpose of this part.

(c) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (b) of this section. The Secretary shall not disapprove a State plan unless he has provided reasonable notice and opportunity for a hearing to the State.

STATE PLANNING COUNCILS

SEC. 115. (a) Each State which receives assistance under this title shall establish a State planning council which shall serve as advocate for persons with developmental disabilities, and whose members shall be appointed by the Governor of each such State.

(b) The State planning council shall—

(1) develop and prepare the State plan required by section 114;

(2) approve, monitor, and evaluate the implementation of such State plan and submit to the Governor and the State legislature an annual report on such implementation;

(3) establish priorities for the distribution of funds for programs for persons with developmental disabilities within the State;

(4) review and comment on all State plans in the State which relate to programs affecting persons with developmental disabilities; and

(5) submit to the Secretary, through the Governor, such periodic reports on its activities as the Secretary may reasonably request.

(c) Each State receiving assistance under this title shall provide for the assignment to the State Planning Council of personnel adequate to insure that such council has the capacity to fulfill its responsibilities in the areas of planning, resource development, and program evaluation, except that funds provided for such council personnel shall be at least at a level equal to 20 percent of the amount of the State's allotment under section 112, but not more than 30 percent of such amount.

(d) Each State Planning Council shall at all times include in its membership representatives of the principal State agencies, local agencies, and nongovernmental agencies, and groups concerned with services to persons with developmental disabilities, including a representative of an institution of higher education receiving a grant under this title and servicing a facility within that State and at least one-third of the membership of such council shall consist of consumers of such services, or their parents or guardians, who are not officers of any organization, or employees of any State agency, or other agency or facility, which receives funds or provides services pursuant to this Act.

(e) The State agency or agencies designated under section 114(b)(1)(A) shall submit to the State planning council for its approval the design for implementation, including a detailed plan for the disbursement of all funds under this part (except as otherwise provided by this part).

(f) The Secretary shall insure that each State planning council has access to all other State plans submitted to him under section 114, as well as any relevant statistical and fiscal information relating to persons with developmental disabilities.

WITHHOLDING OF PAYMENTS

SEC. 116. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to a State planning and advisory council and a State agency or agencies designated pursuant to section 114(b)(1), finds—

(1) that any such State agency or agencies are not complying with the provisions required by section 114(b) to be included in the State plan, or with regulations of the Secretary;

(2) that any requirement set forth in an application submitted under section 114 and approved by the Secretary is not being or cannot be carried out with respect to the project for which such application was submitted; or

(3) that adequate funds are not being provided annually for the direct administration of the State plan,

the Secretary may forthwith notify such State council and State agency or agencies that no further payments will be made from allotments under this part for any project or projects designated by the Secretary as being affected by the action or inaction referred to in paragraph (1), (2), or (3) of this subsection as the Secretary may determine to be appropriate under the circumstances.

(b) Whenever the State planning and advisory council finds that a State agency administering funds pursuant to the implementation design is failing to comply with such design, the State planning and advisory council shall notify the Governor and the Secretary, who may provide notice, conduct a hearing, and withhold payments pursuant to subsection (a) of this section.

REGULATIONS

SEC. 117. (a) The Secretary, not later than 90 days after the date of enactment of this Act, shall prescribe general regulations in final form applicable to all the States to carry out the purposes of this title.

(b)(1) Regulations promulgated by the Secretary may be waived upon approval of an application submitted by a State for a project to be completed by two or more political subdivisions or public or nonprofit private agencies, or by a combination thereof, which is consistent with applicable law and regulations promulgated by the Secretary for such purposes to provide services to persons with developmental disabilities by combining funds received from other Federal, State, or local programs to the extent that such regulations would without such waiver impede the implementation of such project. Such waivers shall be reviewed annually by the Secretary and issued on a case-by-case basis and for a specified period of time, but in no case longer than thirty-six months. Renewal of such waivers may be granted only after a full evaluation of the impact of such waivers by the Secretary. The Secretary shall submit his justifications for any renewal of such waivers in a report to the appropriate committees of the Congress.

(2) The Secretary shall publish in the Federal Register the fact that an application for waiver under paragraph (1) has been submitted by a State, and he shall not approve or disapprove such application for a period of not less than 60 nor more than 90 days after the date of such publication.

EVALUATION

SEC. 118. (a) The Secretary, in consultation with the National Council created pursuant to section 113 of this Act shall, by February 1, 1977, develop (A) a design for a comprehensive system for the evaluation of services provided to persons with developmental disabilities and (B) a time-phased plan for the implementation by the States of such system which will specify a minimal evaluation system to be implemented by all States by October 1, 1977, and which will further specify phases of development leading to the establishment in each State of such comprehensive evaluation system within 36 months after date of enactment of this section. The comprehensive system shall provide a model or models for the development of State evaluation systems for all services delivered within each State in order to evaluate the effects of services on the lives of persons with developmental disabilities.

(b) The evaluation system required by subsection (a) shall be designed to—

(1) provide objective measures of the developmental progress of persons with developmental disabilities using data obtained from individualized habilitation plans as required under section 211 of this Act (where applicable) or other comparable individual data;

(2) provide objective measures of the value of living environments and associated services in promoting developmental progress of persons; and

(3) provide specific criteria which are effective and practical to use as compliance levels for operating residential and community facilities and agencies.

(c) Not later than February 1, 1977, the Secretary shall submit to the Congress a report on the evaluation system design developed pursuant to subsection (a). Such report shall include an estimate of the costs to the Federal Government and the States of developing and implementing such system.

(d) The Secretary, in consultation with the National Council, may make grants to, and enter into contracts with, public and private nonprofit organizations and individuals to conduct feasibility studies to assist in developing the evaluation system required under subsection (a), except that such grant or contract shall not be entered into with groups or individuals who have any financial or other direct interest in the program being evaluated.

(e) There are authorized to be appropriated to carry out the purposes of this section $1,000,000 for the fiscal year ending June 30, 1976, and $1,000,000 for the fiscal year ending June 30, 1977.

GRANTS FOR SPECIAL PROJECTS FOR SERVICES TO PERSONS WITH DEVELOPMENTAL DISABILITIES

SEC. 119. (a) For the purpose of making grants under this section for special projects and demonstrations (and research and evaluation connected therewith), there is authorized to be appropriated $17,500,000 for the fiscal year ending June 30, 1975, $20,000,000 for the fiscal year ending June 30, 1976, $22,500,000 for the fiscal year ending June 30, 1977, $25,000,000 for the fiscal year ending June 30, 1978, and $27,500,000 for the fiscal year ending June 3, 1979.

(b) The Secretary, after consultation with the National Council, shall make grants to States and public or nonprofit agencies and organizations to pay part or all of the cost of special projects and demonstrations (and research and evaluation in connection therewith) for establishing programs which hold promise of expanding or otherwise improving services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped). Such projects and demonstrations shall include, but not be limited to, parent counseling and training, early screening and intervention, infant and preschool programs, seizure control system, legal advocacy, and community based counseling, care, housing, and other services or systems necessary to maintain a person with developmental disabilities in the community.

(c) The Secretary shall insure that any such special projects are approved or disapproved by the appropriate State planning council within 30 days after such council receives the application for review.

(d) Projects, or a component of any project funded under this section, shall not be eligible for funding under section 304 of the Rehabilitation Act of 1973 (87 Stat. 381).

REPEAL

SEC. 120. Effective 90 days after enactment, parts B and C of the Developmental Disabilities Services and Facilities Construction Act (42 U.S.C. 2661) are repealed.

TITLE II—BILL OF RIGHTS FOR MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

STATEMENT OF PURPOSE

SEC. 200. The purpose of this title is to establish standards to assure the humane care, treatment, habilitation, and protection of mentally retarded and other persons with developmental disabilities who are served by residential and community facilities and agencies; to establish a method to assess compliance with such standards; and to minimize inappropriate admissions to such facilities and agencies, through the establishment of a method for assuring that the standards affecting the health, safety, personal dignity, and human and civil rights of persons with developmental disabilities are being complied with by such facilities or agencies; and through (1)(A) the use of procedural criteria set forth in part B of this title and performance based criteria developed by the Secretary pursuant to section 210 of this Act; (B) compliance with minimum standards set forth in section 215; and (C) such additional specific criteria that the Council and the Secretary may deem necessary; or (2) compliance with standards set forth in parts C and D of this title.

PART A—GENERAL PROVISIONS FOR RESIDENTIAL AND COMMUNITY FACILITIES AND AGENCIES SERVING MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

DEFINITIONS

SEC. 201. For the purposes of this title—

(1) "adaptive behavior" means the effectiveness or degree with which the individual meets the standards of personal independence and social responsibility which is normal in relation to his age and social and cultural environment;

(2) "agency" means a public or nonprofit organization that provides services to persons with mental retardation and other developmental disabilities, or to their families, but which need not limit its services to developmentally disabled persons, and may provide services to developmentally disabled persons as part of services provided to the general public;

(3) "body image" means the concept that each person has of his or her own body as an object in space, independent of and apart from all other objects, including one's attitudes, perceptions, and feelings toward his or her body and its parts;

(4) "client", "person", "disabled person", or "disabled" means a person or individual who is mentally retarded or otherwise developmentally disabled, and who needs some form of specialized or generic service related to his mental or physical impairment;

(5) "program coordinator" means an individual who is responsible for the implementation of the individual program plan, and who participates in the regular evaluation, revision, and redirection of the individual program plan;

(6) "community" means a general population having a common interest or interde-

UMI

pendency in the delivery of services to mentally retarded or other persons with developmental disability;

(7) "cross-disciplinary approach" means a method of delivering services in which one or two members of an interdisciplinary team serve as team facilitators to implement the program plan between regularly scheduled reevaluation sessions by the team, and in which other members of the team teach and share their specialized professional skills with, and release their intervention role to, such facilitators during such implementation, while maintaining their professional (or credentialed) accountability on behalf of the person and his family;

(8) "culturally normative" means that which is normal, typical, or usual for a given culture, including the attitudes, performances, or behavior ordinarily displayed by, or expected of, most individuals within a given culture;

(9) "family" means parents, brothers, sisters, foster parents, advocates, guardians, surrogates, and others who perform the roles and functions of natural family members in the lives of persons;

(10) "generic services" means services offered or available to the general public, as distinguished from specialized services that are intended only for mentally retarded or other developmentally disabled persons;

(11) "governing board", "board of trustees", "board of directors", or "board of governors" means the group of individuals that constitutes the governing body of an agency or facility;

(12) "governing body" means the policy-making authority, whether an individual or a group, that exercises general direction over the affairs of an agency or facility and that establishes policies concerning its operation and the welfare of the persons that it serves;

(13) "guardian" means an individual (other than a guardian ad litem) who has legal control and management of the person, or of the property or estate, or of both the person and the property, of a ward;

(14) "guardian of the person" means a guardian appointed to see that the ward has proper care and protective supervision in keeping with his needs;

(15) "guardian of the property" means a guardian appointed to see that the financial affairs of the ward are handled in his best interests;

(16) "legal guardian" means a guardian appointed by a court;

(17) "natural guardian" means a parent lawfully in control of the person of his or her minor child, and such natural guardianship terminates when the child attains his or her majority;

(18) "plenary guardian" means a guardian who has full guardianship of both the person and the property of the ward;

(19) "public guardian" means a public official empowered to accept court appointment as a legal guardian;

(20) "testimony guardian" means a guardian designated by the last will and testament of a natural guardian;

(21) "guardian ad litem" means an individual appointed to represent a ward in a particular legal proceeding, without control over either the ward's person or his estate;

(22) "indigenous leadership" means leadership that is derived from within the community or group in which it is exercised, as, for example, leadership that is derived from within the community or group in which it is exercised, as, for example, leadership that is derived from the parents or friends of the person;

(23)(A) "informed consent" means the consent of a person, or his guardian or legal representative, as appropriate, to a procedure, operation, research, demonstration, or experiment, so situated as to enable such person, or through his guardian or legal representative to exercise free power of choice, without the intervention of any element of force, fraud, deceit, duress, or other form of constraint or coercion, and the information to be given to such person or such guardian or legal representative shall include, in order to assure such informed consent, the following basic elements in all but exceptional cases;

(i) a fair explanation of the procedures to be followed, including an identification of any which are experimental;

(ii) a description of any attendant discomforts and risks reasonably to be expected;

(iii) a description of any benefit reasonably to be expected;

(iv) a disclosure of any appropriate alternative procedures that might be advantageous for the subject;

(v) an offer to answer any inquiries concerning the procedures; and

(vi) an instruction that such person is free to withdraw his consent and to discontinue participation in the project or activity at any time;

and, in addition, any agreement, written or oral, entered into by such person or his guardian or legal representative, shall include no exculpatory language through which such person is made to give, or to appear to waive, any of his legal rights, or to release the institution or its agents from liability for negligence. Any organization which initiates, directs, or engages in programs of research, development, or demonstration which require informed consent shall keep a permanent record of each such consent and the information provided such person and shall develop appropriate documentation and reporting procedures as an essential administrative function;

(B) "exceptional cases", as used in this section, are cases where it is not feasible to obtain a person's consent or the consent of his representative, or where, as a matter of professional judgment exercised in the best interest of a particular person under care, it would be contrary to that person's welfare to obtain his consent as the communication of information to obtain consent would seriously affect the person's disease status and the physician has exercised a professional judgment that under the particular circumstances of this person's case, the person's best interests would suffer if consent were sought;

(24) "interdisciplinary approach" means an approach to diagnosis, evaluation, and individual program planning in which professional and other personnel participate as a team, and in which each participant, utilizing whatever skills, competencies, insights, and perspectives his or her particular training and experience provide, focuses on identifying the developmental needs of the person and devising ways to meet him, without constraints imposed by assigning particular domains of behavior or development to particular disciplines only, and participants share all information and recommendations, so that a unified and integrated habilitation program plan is devised by the team;

(25) "multidisciplinary approach" means an approach to diagnosis, evaluation, and individual program planning in which each representative of a particular discipline or program views the person only from the perspective assigned to his discipline or program; in which particular domains of individual development and behavior are often held to be the sole responsibility or perquisite of particular professions or programs; and in which each representative of a discipline separately reports his or her findings and the recommendations that he or she proposes to implement as a result, more or less independently of the findings and recommendations reported by other representatives;

(26) "mapping" means one's liability to move safely, effectively, and comfortably from one place to another within his or her immediate environment by using cues such as size, shape, odor, and landmarks;

(27) "mental retardation" means significantly subaverage general intellectual functioning existing concurrently with deficits in adaptive behavior, and manifested during the developmental period;

(28) "mobile nonambulatory" means an inability to walk independently, without assistance;

(29) "nonambulatory" means an inability to walk independently, without assistance;

(30) "normalization principle" means the principle of helping mentally retarded and other developmentally disabled individuals to obtain an existence as close to the normal as possible, particularly through the use of means that are as culturally normative as possible to elicit and maintain behavior that is as culturally normative as possible;

(31) "orientation" means the establishing of awareness of one's position in relation to the environment and significant objects within the environment;

(32) "program" means a structured set of activities to achieve specific objectives, relative to the developmental needs of the clients served by an agency;

(33) "residential facility" means a facility that provides 24-hour programing services, including residential or domiciliary services, directed to enhancing the health, welfare, and development of persons with mental retardation or other developmental disabilities;

(34) "service delivery system" means the total array of service components, specialized and generic, that is directed toward meeting the general and extraordinary needs of developmentally disabled persons;

(35) "advocate" means an individual, whether a professional employed by a private or public agency, or a volunteer, who acts on behalf of a resident to secure both the services that the resident requires and the exercise of his or her full human and legal rights;

(36) "ambulatory" means able to walk independently, without assistance;

(37) "chief executive officer" means the individual appointed by the governing body of a facility to act in its behalf in the overall management of the facility (job titles may include, but are not limited to, superintendent, director, and administrator);

(38) "developmental disability" means a disability—

(A) attributable to mental retardation, or cerebral palsy, or epilepsy, or autism, or specific learning disability; or

(B) attributable to any other condition of an individual found to be related to mental retardation as it refers to general intellectual functioning or impairment in adaptive behavior or to require treatment similar to that required for mentally retarded individuals, which disability (i) originates before such individual attains age eighteen, (ii) which has continued or can be expected to continue indefinitely, and (iii) which constitutes a substantial handicap to such individual's ability to function normally in society;

(39) "direct-care staff" means individuals who conduct the resident-living program;

(40) "legal incompetence" means the legal determination that a resident is unable to exercise his or her full civil and legal rights, and that a guardian is required;

(41) "living unit" means a resident-living unit that includes sleeping, dining, and activity areas;

(42) "nonmobile" means unable to move from place to place;

(43) "public financial support programs" include, but are not limited to, services for crippled children; aid to the disabled; old-age, survivors, and disability insurance; and other benefits available under the Social Security Act and those benefits of the Veterans' Administration;

(44) "resident" means an individual who receives service from a residential facility, whether or not such individual is actually in residence in the facility, and includes individuals who are being considered for residence in a facility, individuals who were formerly in residence in a facility, and individuals who are receiving services other than domiciliary from a facility;

(45) "resident-living" means residential or domiciliary services provided by a facility;

(46) "rhythm of life" means a normal pattern of behavior during the day (in respect to arising, getting dressed, participating in play and work activities, eating meals, retiring, and so forth), or the week (differentiation of daily activities and schedules);

(47) "surrogate" means an individual who functions in lieu of a resident's parents or family; and

(48) "time out" means a period outside the time of positive reinforcement in which, contingent upon the emission of undesired behavior, the resident is removed from the situation in which positive reinforcement is available.

NATIONAL ADVISORY COUNCIL ON STANDARDS FOR RESIDENTIAL AND COMMUNITY FACILITIES FOR MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

SEC. 202. (a) Effective 90 days after the date of enactment of this Act, there is established a National Advisory Council for Residential and Community Facilities (hereinafter in this title referred to as the "Council"), which shall consist of 15 members who are not regular full-time employees of the United States, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service. The Secretary shall designate one of the members of the Council to serve as Chairman thereof. The members of the Council shall be selected from appropriate public agencies providing services to individuals with developmental disabilities, and professional and voluntary associations representing developmentally disabled persons. At least one-third of the membership of the Council shall be consumers of services, including parents or guardians of persons receiving services from publicly operated and publicly assisted residential and community facilities and agencies for mentally retarded or developmentally disabled persons.

(b) It shall be the duty and function of the Council to (1) advise the Secretary with respect to any regulations promulgated or proposed to be promulgated by him for the implementation of the provisions of this title and of the standards established under parts C and D of this title, (2) study and evaluate such provisions and standards, including site visits and other appropriate methods with a view of determining their effectiveness in carrying out the purposes for which they were established, and (3) assist the Secretary in developing performance criteria to evaluate alternate standards pursuant to part B and section 121 of this Act in lieu of standards under parts C and D of this title.

(c) Based upon studies, evaluations, and other appropriate review mechanisms (including onsite visits), the Council shall submit to the Secretary all recommendations for changes, revisions, modifications or improvements in the standards established under parts C and D of this title which in its judgment would strengthen or upgrade such standards.

(d) Members of the Council while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive compensation rates fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate provided for GS-18 of the General Schedule for each day of such service (including traveltime), and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(e) Appointments to fill vacancies on such Council shall be made not less than 30 days after a vacancy occurs.

(f) The Council shall employ such experts and consultants as it may require, in accordance with section 3109 of title 5, United States Code.

(g) There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary.

ASSESSING COMPLIANCE WITH STANDARDS

SEC. 203. (a) In determining whether any federally assisted facility or agency within its jurisdiction is in compliance with the standards specified in this title, a State shall provide assurances to the Secretary within 1 year after the date of enactment of this title that each such facility or agency has established a plan for achieving compliance no later than 5 years after the date of enactment of this title, and—

(1) is actively pursuing a program to comply with standards set forth in parts C and D of this title, or

(2) meets the requirements set forth in part B of this title.

In order to further demonstrate compliance with the standards set forth in this title, a State shall submit to the Secretary a plan based upon the combined plans of all such facilities and agencies which sets forth detailed procedures for compliance under which such State agrees to meet such provisions for compliance reviews as the Secretary may require pursuant to subsection (d) of this section.

(b) Each State plan for achieving compliance required under section (a) shall—

(1) provide a detailed analysis of the steps each residential or community facility or agency will take to comply with standards under part B, or parts C and D;

(2) set forth a detailed schedule for compliance with such standards based on the analysis submitted pursuant to clause (1);

(3) demonstrate the need for continuing residential services and provide detailed assurances that residential facilities for individuals with developmental disabilities will complement and augment rather than duplicate or replace other community services and facilities for individuals with developmental disabilities which meet the requirements of this title;

(4) designate a single State agency to oversee compliance by facilities and agencies within its jurisdiction;

(5) provide that such State plan has been submitted to the State planning council established under section 115 of this Act for review and comment and has been found to be in conformance with the State plan required under section 114(b) of this Act;

(6) set forth a schedule of costs to achieve compliance with the standards established under part B or parts C and D of this title;

(7) demonstrate procedures adopted by the State to assure that primary emphasis will be given to placing each individual in the least restrictive program and living environment commensurate with that individual's capabilities and needs, and that any assistance available pursuant to State or Federal law under which services are provided to persons with developmental disabilities will be utilized to foster the carrying out of such procedures;

(8) set forth the detailed performance criteria to be used in assessing the quality of treatment, care, training, and habilitation services, provided that such criteria conform to criteria developed by the Secretary under section 210;

(9) provide an explanation of the system to be used for gathering, analyzing, and interpreting information and data for compliance review; and

(10) provide assurances that all subjective judgments concerning the quality of services rendered will be made by qualified individuals who are not employed by, or financially obligated to, the agency responsible for operating the programs for persons with developmental disabilities.

(c) The Secretary shall approve a plan which sets forth a reasonable time, subject to the provisions of section 206, for compliance with the standards established under this title, and shall not finally disapprove a plan except after reasonable notice and opportunity for a hearing to such State.

(d)(1) Each State shall enter into an agreement with the Secretary under which the services of the State agency designated pursuant to paragraph (4) of subsection (b) will be utilized on his behalf for the purpose of determining whether a residential or community facility or agency is in compliance with standards established under part B or parts C and D of this title. Such determination shall be made on the basis of on-site surveys conducted by the State agency. Any State agency which has such an agreement may furnish to such facilities and agencies such specialized consultation services as may be needed to meet one or more of the standards established under this title. Any such services furnished by the State agency shall be deemed to have been furnished pursuant to such agreement. Within 90 days following the completion of each survey, the Secretary shall make public in readily available form the findings of each such survey.

(2) In order to assure compliance with the standards under part B or parts C and D and the performance criteria developed and established pursuant to section 210, the Secretary shall conduct a statistically valid, independent compliance survey of facilities and agencies within each State to determine the accuracy of information and data submitted pursuant to subsection (b) and paragraph (1) of this subsection.

(3) The Secretary shall submit annually to the appropriate committees of the Congress an annual report summarizing—

(A) the number and types of facilities and agencies, by State, found to be in compliance with the standards specified in part B, or parts C and D of this title;

(B) the number and types of facilities and agencies, by State, found not to be in compliance with the standards specified in part B, or parts C and D of this title;

(C) the reasons for noncompliance and the steps being taken by each State to assure that such facilities and agencies comply in the future with such standards;

(D) the findings of validation surveys conducted or commissioned by the Secretary in accordance with paragraph (1);

(E) the number and types of facilities and agencies, by State, which have been found by the Secretary to be ineligible for Federal assistance because of failure to comply with standards under this title; and

(F) recommendations for alterations in the compliance review system (including changes in performance criteria developed and established pursuant to section 210) and the supporting evidence for such alterations or change.

GRANTS TO ASSIST COMPLIANCE

SEC. 204. (a) The Secretary is authorized to make grants to assist States in bringing

publicly operated and federally assisted residential or community facilities and agencies into compliance with the appropriate standards established under this title.

(b) For the purpose of making grants under this section, there are authorized to be appropriated for each fiscal year such sums as may be necessary.

(c) Any State applying for a grant under this section shall provide detailed information to the Secretary which shows how such grant will assist in meeting the standards established under this title.

(d)(1) The total of the grants with respect to any project under this part may not exceed 75 percent of the necessary cost thereof as determined by the Secretary.

(2) Payments of grants under this part shall be made in advance or by way of reimbursement, and on such conditions as the Secretary may determine.

MAINTENANCE OF EFFORT

SEC. 205. (a) In any fiscal year the Secretary may make Federal assistance payments authorized under any Federal law, to any publicly operated or publicly assisted facility for the developmentally disabled only if such facility provides specific evidence that such payments have not resulted in, or will not result in, any decrease in the per capita State and local expenditures for services for individuals with developmental disabilities which would otherwise be available to such facility. Such evidence shall include a detailed fiscal report, containing such information and in such form as the Secretary may specify after consultation with the Director of the Office of Management and Budget, on the residential facility's expenditures, by category and source, during the base year and the fiscal year immediately preceding such base year.

(b) For purposes of this section, the term "base year" means the most recent fiscal year for which reliable fiscal data is available.

(c) The Secretary shall submit an annual report to the appropriate committees of the Congress summarizing (1) the number and types of residential facilities, by State, which have complied with the provisions of subsection (a) of this section and the data upon which such decisions were based, and (2) the number, types, and names of all residential facilities, by State, which have failed to comply with the provisions of subsection (a) of this section, the data upon which such decisions were based in each instance, and the steps which have been taken to withhold Federal assistance from such residential facilities.

WITHHOLDING OF GRANTS

SEC. 206. (a) After December 31, 1979, no residential facility or program of community care for individuals with developmental disabilities shall be eligible to receive payments either directly or indirectly under any Federal law, unless such residential facility meets the standards promulgated under parts C or D of this title or has demonstrated to the Secretary for a reasonable period of time that it has actively implemented the requirements of part B.

(b) The funds to which any individual would otherwise be entitled to have paid on his behalf to any ventor of residential services or program of community care, public or private, shall be reserved for him and administered by the Social Security Administration in the same manner as benefits under title II of the Social Security Act would be administered on his behalf were he entitled to same.

EVALUATION AND PERFORMANCE CRITERIA

SEC. 207. (a) The Secretary of Health, Education, and Welfare, in consultation with the Council established pursuant to section 202 of this title, shall develop and transmit to the appropriate committees of Congress within 18 months after the date of enactment an evaluation system and plan for implementation of such system designed to:

(1) assess the adequacy of all education and training, habilitation, rehabilitation, early childhood, diagnostic and evaluation services, or any other services or assistance under all laws administered by the Secretary; and

(2) develop specific criteria designed to provide objective measurement of the development progress of a developmentally disabled individual, which may be utilized by public agencies, residential facilities, and community based facilities and agencies to evaluate the effectiveness of the services provided to such individual.

(b) In developing such evaluation system the Secretary shall insure that such system is consumer oriented and is designed to—

(1) evaluate the effects of services on the lives of consumers, utilizing information and data obtained from individualized written habilitation plans as required under section 211,

(2) evaluate the overall impact of State and local programs for the developmentally disabled,

(3) provide and evaluate the cost-benefit ratios of particular service alternatives, and

(4) provide that evaluation of program quality shall be performed by individuals not directly involved in the delivery of such services to the program being evaluated.

(c) The Secretary, in consultation with the Council established pursuant to section 202, shall make grants and enter into contracts to conduct feasibility studies to assist in developing the evaluation system required under subsection (a) except that such grant or contract shall not be entered into with groups or individuals who are directly related to the program being evaluated.

(d) There are authorized to be appropriated to carry out the purposes of this section $1,000,000 each for the fiscal year ending June 30, 1975, and for the succeeding fiscal year.

PART B—ALTERNATIVE CRITERIA FOR COMPLIANCE IN LIEU OF STANDARDS FOR RESIDENTIAL AND COMMUNITY FACILITIES AND AGENCIES

PERFORMANCE CRITERIA

SEC. 210. (a) The Secretary shall specify detailed performance criteria for measuring and evaluating the developmental progress of a person with developmental disabilities who is receiving direct service in a residential or community based facility or agency and minimum compliance levels for such criteria which shall be applicable to residential and community facilities and agencies. Such performance criteria shall be developed pursuant to section 203 and shall be considered, along with minimum compliance levels, as required standards under this part.

(b) Prior to approving any compliance plan submitted under section 203, the Secretary shall obtain adequate assurance of compliance with the performance criteria developed under such section.

INDIVIDUALIZED WRITTEN HABILITATION PLAN

SEC. 211. (a) The Secretary shall insure that an individualized written habilitation plan is developed and modified at frequent intervals on behalf of each developmentally disabled person who is in a residential facility or community facility and agency for which standards have been established under this Act or under any other federally assisted State or local program specified by the Secretary.

(b) Each individualized written habilitation plan shall be developed jointly by a representative or representatives of the facility or agency primarily responsible for delivering or coordinating the delivery of services to the developmentally disabled person in a residential facility or community facility and agency and the developmentally disabled person (or, in appropriate cases, his parents or guardian). In any case in which such developmentally disabled person is receiving services from two or more distinct service agencies, the agency primarily responsible for delivering or coordinating the delivery of such services will also be responsible for insuring that all services are made part of the individualized written habilitation plan.

(c) Each individualized written habilitation plan shall be reviewed at least annually by the agency primarily responsible for delivery or coordinating the delivery of services referred to in subsection (b) at which time the developmentally disabled person (or, in appropriate cases, his parents or guardian) will be afforded an opportunity to review such plan and jointly redevelop its terms. Such plan shall include but not be limited to (1) a statement of long-term habilitation goals for the developmentally disabled person and intermediate habilitation objectives related to the attainment of such goals, (2) a statement of specific habilitation services to be provided, (3) the projected date for the initiation and the anticipated duration of each such service, and (4) objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved.

(d) Each individualized written habilitation plan shall conform to the following basic criteria:

(1) the initial plan shall be developed upon the person's application for service;

(2) such plan shall reflect the use of assessment data in at least the following areas:

(A) sensor-motor development;

(B) communicative development;

(C) social development;

(D) affective development; and

(E) cognitive development;

(3) the objectives of such plan shall be developed with the participation of:

(A) the person;

(B) the person's family or guardian;

(C) all relevant agency staff members; and

(D) staff of other agencies involved in serving the person;

(4) the objectives of such plan shall be—

(A) stated separately;

(B) stated in sequence with specific time periods; and

(C) expressed in behavioral terms that provide measurable indices of progress;

(5) such plan shall describe the conditions, activities, or barriers that interfere with the achievement of the objectives;

(6) such plan shall specify modes of intervention for the achievement of the stated objectives;

(7) such plan shall identify agencies which will deliver the services required;

(8) such plan shall identify a designated focus of responsibility for utilizing and coordinating services provided by different practitioners or agencies;

(9) such plan shall include a specification of proposed day-to-day training activities designed to assist in attaining the stated objectives;

(10) such plan shall be written in functional terms that are understandable to the person, and, as appropriate, his or her parents or guardians;

(11) such plan shall be reviewed at least quarterly in order to—

(A) measure the person's progress;

(B) modify the objectives of the plan as necessary;

(C) determine the services that are needed; and

(D) provide guidance and remediation techniques to modify barriers to growth; and

(12) such plan shall include a written agreement that specifies the role and objectives of each party to the implementation of the individualized written habilitation plan.

(e) The Secretary shall also insure that, in developing and carrying out each individualized written habilitation plan, primary emphasis will be given to placing the person in the least restrictive program and living environment commensurate with his capabilities and needs.

(f) The Secretary shall specify detailed performance criteria for measuring and evaluating the developmental progress of developmentally disabled persons attained through the use of such individualized written habilitation plans.

PROGRAM COORDINATION

SEC. 212. (a) Each person served by an agency shall be assigned by such agency a program coordinator responsible for implementing the person's individual written habilitation plan. The program coordinator's service to a person shall be terminated only when responsibility for service to the person has been effectively assumed by another agency, at which time a new program coordinator shall be assigned by the agency assuming responsibility.

(b) Each agency shall insure that—

(1) the person or his family shall participate in the selection of the program coordinator and the program coordinator shall be identified to the person, to his family, and to appropriate staff members;

(2) the program coordinator shall attend to the total spectrum of the person's needs, including, but not limited to, housing, family relationships, social activities, education, finances, employment, health, recreation, and records. In respect to these areas the program coordinator shall determine whether the person's needs are being met and how such needs are being met;

(3) the program coordinator shall provide supportive services to the person and his family;

(4) to keep the individual written habilitation plan up to date, the program coordinator shall secure relevant data from other agencies providing service;

(5) the program coordinator shall provide documentation relevant to the review of the individual written habilitation plan as required by section 211; and

(6) the program coordinator, or another agency staff member, shall assist the person, his or her family, or his or her guardian, in the planning for and securing living arrangements that are adapted to the person's needs.

PROTECTIVE AND PERSONAL ADVOCACY

SEC. 213. (a) The Secretary shall insure that a system of protective and personal advocacy is established in each State to monitor programs and services and protect the human and legal rights of each developmentally disabled person served by residential facilities or programs of community care within the State.

(b) The Secretary shall insure that for each such system an agency or entity is designated which (1) is independent of any agency providing services directly or indirectly, (2) is capable of providing protective and personal advocacy services, and (3) shall be responsible for monitoring and auditing the individualized programs of persons to insure that they receive all of the benefits, services, and rights to which they are entitled under any law or program thereunder.

(c)(1) Such system shall include the establishment of an independent entity which has the authority to receive all complaints regarding the infringement of rights, or denial of benefits, or the failure to provide services necessary to assure the human and legal rights of all developmentally disabled persons within the State.

(2) Each entity established pursuant to paragraph (1) shall be empowered to render a decision with respect to any complaint, including an order to provide services or such other remedy which may be deemed appropriate, and such decision shall be final and binding. Prior to the issuance of any order or decision rendered pursuant to this paragraph, any party which may be affected by such order or decision may request a hearing, which shall be held within 60 days after binding. Prior to the issuance of any order or decision shall be rendered within 60 days after such hearing is concluded. Such order or decision shall be subject to appropriate judicial review.

RECORD REQUIREMENTS

SEC. 214. (a) The residential and community facilities and agencies shall keep such records as the Secretary or the State may deem appropriate to evaluate the effectiveness of performance and compliance with the provisions of this part.

(b) Each residential and community facility and agency shall identify the number of developmentally disabled persons rejected for services by such facility or agency, and the reasons for each such rejection, and report such information every 6 months to the Secretary and the State.

MINIMUM STANDARDS FOR USE WITH THE ALTERNATE PROCEDURE

SEC. 215. Each residential and community facility and agency desiring to use the alternative procedures of this part in lieu of compliance with parts C and D of this title shall insure—

(1) that close relatives shall be permitted to visit a person at any reasonable hour and without prior notice: *Provided*, That the privacy and rights of the other residents and person are not infringed thereby;

(2) the implementation of advocacy for all residents and persons;

(3) that no individual whose needs cannot be met by the residential facility or agency shall be admitted to it;

(4) that the number of persons admitted as residents or persons to the residential facility or agency shall not exceed—

(A) its rated capacity; and

(B) its provisions for adequate programming;

(5) that there is a regular, at least annual, joint review of the status of each resident or person by all relevant personnel, including personnel in the living unit with program recommendations for implementation, to include—

(A) consideration of the advisability of continued residence and alternative programs, and

(B) at the time of the resident's or person's attained majority, or if he becomes emancipated prior thereto:

(i) the resident's or person's need for remaining in the residential facility;

(ii) the need for guardianship of the resident or person; and

(iii) the protection of the resident's or person's civil and legal rights;

(6) that mistreatment of residents and persons shall be strictly prohibited, that any such mistreatment shall be reported immediately by the facility or agency to the State, that—

(A) all alleged incidents of mistreatment thoroughly investigated;

(B) the results of such investigation are reported to the chief executive officer, or his designated representative, within 24 hours of the incident; and

(C) appropriate sanctions are invoked when the allegations of mistreatment are substantiated through an established procedure consistent with due process;

(7) that living unit personnel shall train residents and persons in activities of daily living and in the development of self-help and social skills;

(8) that living unit personnel shall be responsible for the development and maintenance of a warm, family or home like environment that is conducive to the achievement by the resident or person;

(9) that the rhythm of life in the living unit shall resemble the cultural norm of the resident's or person's nonretarded or nondevelopmentally disabled age peers, unless a departure from this rhythm is justified on the basis of maximizing the resident's or person's human qualities;

(10) that residents and persons shall be assigned responsibilities in the living unit commensurate with their interests, abilities, and developmental plans, in order to enhance feelings of self-respect and to develop skills of independent living, and that multiple-handicapped and nonambulatory residents or persons shall—

(A) spend a major portion of their waking day out of bed;

(B) spend a portion of their waking day out of their bedroom areas; and

(C) have planned daily activity and exercise periods;

(11) that residents and persons shall be provided with systematic training to develop appropriate eating skills utilizing adaptive equipment where it serves the developmental process;

(12) that, in accordance with the normalization principle, all professional services to mentally retarded and other persons with developmental disabilities shall, to the extent feasible, be provided in the community, rather than in a residential facility, and where provided in a residential facility, such services must be at least comparable to those provided in the community;

(13) that educational services (defined as deliberate attempts to facilitate the intellectual sensorimotor and effective development of the individual) shall be available to all residents and persons regardless of chronological age, degree of retardation, or accompanying disabilities or handicaps, and for residents or persons of legal school age the State shall insure that the State educational agency provides educational services equivalent to those provided to the nonhandicapped population; and

(14) that special attention shall be given those residents and persons, without active intervention, are at the risk of further loss of function, including—

(A) early diagnosis of disease;

(B) prompt treatment in the early stages of disease;

(C) limitation of disability by arresting the disease process;

(D) prevention of complications and sequelae; and

(E) rehabilitation services to raise the resident or person to his greatest possible level of function in spite of his or her handicap, by maximizing the use of his or her existing capabilities;

(15) that the civil rights of all residents are assured;

(16) that physical restraint shall be employed unless absolutely necessary. Restraint shall not be used as punishment or substitute for program, and a written policy available to the public shall govern any use of restraint. Orders for restraint shall not be in force for periods of longer than twelve hours. Residents placed in restraint shall be checked at least every thirty minutes by trained staff. Mechanical restraints shall be designed to insure the least discomfort. Opportunity for motion and exercise shall be provided for not less than fifteen minutes during each two hours when restraint is employed. Totally enclosed cribs and based enencloseures shall be considered restraints;

(17) that chemical restraint shall not be used excessively, or as punishment or substitute for program or in quantities that interfere with habilitation programs;

(18) that a nourishing, well-balanced diet shall be provided all residents;

UMI

(19) that medical and dental services shall be provided to all residents and shall include—

(a) preventive health services;

(b) evaluation, diagnosis, consultation, and treatment; and

(c) infections and contagious disease control;

(20) that adequate fire and safety standards as promulgated in regulations by the Secretary shall be met, and such standards shall include—

(a) adequate and alternate exits and exit doors;

(b) exit ramps with nonskid surfaces and slopes not to exceed one foot in twelve;

(c) handrails on stairways;

(d) unencumbered aisles and exits and uncluttered floors; and

(e) proper storage and other adequate safeguards for flammable materials;

(21) that paint used in facilities shall be lead free; and

(22) that there shall be adequate sanitation and waste disposal procedures to protect the health of the residents.

PART C—STANDARDS FOR RESIDENTIAL FACILITIES FOR MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

Chapter 1.—ADMINISTRATIVE POLICIES AND PRACTICES

Subchapter I—Philosophy, Location, and Organization

SEC. 220. (a) The ultimate aim of the residential facility shall be to foster those behaviors that maximize the human qualities of the resident, increase the complexity of his or her behavior, and enhance his or her ability to cope with his or her environment.

(b) The residential facility shall accept and implement the principle of normalization, defined as the use of means that are as culturally normative as possible to elicit and maintain behavior that is culturally normative as possible, taking into account local and subcultural differences.

(c) The names of residential facilities, the labels applied to their users, and the way these users are interpreted to the public should be appropriate to their purposes and programs and services should not emphasize "mental retardation" or "deviancy".

(d) Residents should not be referred to as "patient" except in a hospital-medical context; as "kids" or "children" if they are adults; or as "inmates"; or as "clients".

SEC. 221. (a) The residential facility should be located within, and conveniently accessible to, the population served, so as to have access to necessary generic community services.

(b) The residential facility should not be isolated from society or community by factors such as:

(1) difficulty of access, due to distance or lack of public transportation;

(2) architectural features;

(3) sociocultural or psychological features; and

(4) rules, regulations, customs, and habits.

(c) Protection devices (such as fences and security windows), where necessary, should be inconspicuous, and should preserve as normal an environmental appearance as possible, so as to permit the pursuit of normal activities.

(d) The residential facility should be in scale with the community in which it is located.

(e) The residential facility and the surrounding community should be encouraged to share their services and resources on a reciprocal basis.

(f) The community in which the residential facility is located should be capable of meeting the needs of the residential facility's residents for generic and specialized services.

(g) The community in which the residential facility is located should be capable of absorbing, and encouraged to absorb, into its cultural life those residents capable of participation in that life.

(h) The residential facility shall have available a current descriptive directory of community resources.

SEC. 222. (a) Residents should be integrated to the greatest possible extent with the general population. To this end, generic and specialized community services, rather than residential facility services, should be used extensively or, if possible, completely. The residents should, including but not limited to—

(1) attend (special) classes or programs in regular schools;

(2) attend religious instruction and worship in the community;

(3) utilize medical, dental, and all other professional services located in the community;

(4) use community rather than residential facility recreation resources, such as bowling alleys, swimming pools, movies, and gymnasia;

(5) shop in community stores, rather than in industrial facility stores and canteens; and

(6) work in as integrated a fashion as possible and sheltered employment should be in regular industry, and among nonretarded workers; sheltered workshops should be in the community; and work that must be on the campus of the industrial facility should afford maximal contact with nonretarded persons.

There shall be evidence of professional and public education to facilitate the integration of residents, as above set forth.

(b) The residential facility should be divided into groupings of program and residence units, based upon a rational plan to meet the needs of the residents and fulfill the purposes of the residential facility.

SEC. 223. The residential facility shall to the maximum extent feasible move residents from—

(1) more to less structured living;

(2) larger to smaller residential facilities;

(3) larger living units to smaller living units;

(4) group to individual residence;

(5) dependent to independent living; and

(6) segregated to integrated living.

Subchapter II—General Policies and Practices

SEC. 224 (a) The residential facility shall have a written outline of the philosophy, objectives, and goals it is striving to achieve, that it available for distribution to staff, consumer representatives, and the interested public, and that shall include but need not be limited to:

(1) its role in the State comprehensive program for the mentally retarded and other individuals with developmental disabilities;

(2) its concept of the rights of its residents;

(3) its goals for its residents;

(4) its concept of its relationship to the parents of its residents, or to their surrogates;

(5) its concept of its relationship to the community, zone, or region from which its residents come;

(6) its concept of its responsibility (through research, training, and education) for improving methods, understanding, and support for the mental retardation and developmentally disabled field.

(b) The residential facility shall have a plan for evaluation and modification to maintain:

(1) the consistency of its philosophy, objectives, and goals with advancements in knowledge and professional practices; and

(2) the consistency of its practices with its philosophy, objectives, and goals.

(c) The residential facility shall have a manual on policies and procedures, describing the current methods, forms, processes, and sequence of events being followed to achieve its objectives and goals.

(d) The residential facility shall have a written statement of policies and procedures concerning the rights of residents that—

(1) assure the civil rights of all residents;

(2) are in accordance with general and special rights of the mentally retarded and other individuals with developmental disabilities as defined by the Secretary in accordance with section 201 of this title; and

(3) define the means of making legal counsel available to residents for the protection of their rights.

SEC. 225. (a) The residential facility shall have a written statement of policies and procedures that protect the financial interests of residents and that provide for—

(1) determining the financial benefits for which the resident is eligible;

(2) assuring that the resident receives the funds for incidentals and for special needs (such as specialized equipment) that are due him or her under public and private financial support programs; and

(3) when large sums accrue to the resident, providing for counseling of the resident concerning their use, and for appropriate protection of such funds.

(b) Procedures in the major operating units of the residential facility shall be described in manuals that are current, relevant, available, and followed.

(c) The residential facility shall have a summary of the laws and regulations relevant to mental retardation and other developmental disabilities and to the function of the residential facility.

(d) The residental facility shall have a plan for a continuing management audit to insure compliance with State laws and regulations and the effective implementation of its stated policies and procedures.

SEC. 226. (a) A public residential facility shall have documents that describe the statutory basis of its existence, and describe the administrative framework of the governmental department in which it operates.

(b) A private residential facility shall have documents that include its charter, its constitution and bylaws, and its State license.

SEC. 227. (a) The governing body of the residential facility shall exercise general direction and shall establish policies concerning the operation of the residential facility and the welfare of the individuals served.

(b) The governing body shall establish appropriate qualifications of education, experience, personal factors, and skills for the chief executive officer. The chief executive officer shall have had training and experience in the administration of human services. The chief executive officer shall have administrative ability, leadership ability, and an understanding of mental retardation and other developmental disabilities. Where the chief executive officer is required also to have had training in a professional service discipline, such training shall be in a discipline appropriate to the residential facility's program.

(c) The governing body shall employ a chief executive officer so qualified, and shall delegate to him or her authority and responsibility for the management of the affairs of the residential facility in accordance with established policies.

(d) The chief executive officer shall—

(1) designate an individual to act for him or her in his or her absence;

(2) make arrangements so that some one individual is responsible for the administrative direction of the residential facility at all times;

(3) when an assistant chief executive officer is employed, the qualifications required for this position shall be in compliance with those stated above for the chief executive officer; and

(4) there shall be on the premises of the residential facility at all times a person designated by the chief executive officer, or the person acting for him or her, to be responsible for the supervision of the residential facility.

SEC. 228. (a) The residential facility shall be administered and operated in accordance with sound management principles.

(b) The type of administrative organization of the residential facility shall be appropriate to the program needs of its residents.

(c) The residential facility shall have a table of organization that shows the governance and administrative pattern of the residential facility.

(d) The table of organization shall show the major operating programs of the residential facility, with staff divisions, the administrative personnel in charge of the programs and divisions, and their lines of authority, responsibility, and communication.

(e) The organization shall provide for the judicious delegation of administrative authority and responsibility among qualified members of the staff, in order to distribute the administrative load of the residential facility and to accelerate its operating efficiency.

(f) The organization shall be such that problems requiring ongoing decisionmaking regarding the welfare of the resident are handled primarily by personnel on the lowest level competent to resolve the problem.

(g) The organization shall provide for the utilization of staff with different levels of training by using those with more adequate training to supervise and train those with lesser training.

(h) The organization shall provide effective channels of communication in all directions.

(i) The residential facility shall have a plan for improving the quality of staff and services that shows how the staff functions by programmatic responsibilities in establishing and maintaining standards of quality for services to residents. The plan shall show the residential facility's organizational structure enables the following functions:

(1) determination of standards for quality of services to the residents;

(2) establishment of qualifications for personnel;

(3) recruitment of qualified personnel;

(4) initiation of preservice and inservice training and staff development programs;

(5) work with administrators, supervisors, and staff of the administrative units of the residential facility to secure and assign qualified personnel to such units;

(6) annual evaluation of staff performance;

(7) continuous evaluation of program effectiveness; and

(8) development and conduct of appropriate research activities.

SEC. 229. (a) The administration of the residential facility shall provide for effective staff and resident participation and communication. Staff meetings shall be regularly held. Standing committees appropriate to the residential facility, such as records, safety, human rights, utilization review, research review, and infection and sanitation, shall meet regularly. Committees shall include resident participation, whenever appropriate. Committees shall include the participation of direct-care staff, whenever appropriate.

(b) Minutes and reports of staff meetings, and of standing and ad hoc committee meetings shall include records of recommendations and their implementation, and shall be kept and filed. Summaries of the minutes and reports of staff and committee meetings shall be distributed to participants and to appropriate staff members. Various forms of communication (such as meetings, minutes of meetings, directives, and bulletins) shall be utilized to foster understanding among the staff, among the residents, between staff and residents, and between residential facility, community, and family.

SEC. 230. (a) The facility shall designate a percentage of its operating budget for self-renewal purposes, including but not limited to:

(1) development of operational data records;

(2) research on its own programs;

(3) evaluation by qualified persons who are not part of the residential facility;

(4) elicitation of feedback from consumers of the residential facility's services, or from their representatives; and

(5) staff education.

(b) The findings generated by the foregoing activities shall be actively and broadly disseminated to:

(1) all members of the residential facility's staff; and

(2) consumer representatives, when appropriate.

(c) The residential facility shall have a continuing system for collecting and recording accurate data that describe its population, in such form as to permit data retrieval and usage for description, programing of services, and research. Such data shall include, but need not be limited to:

(1) number of age-groups, sex, and race;

(2) number grouped by levels of retardation (profound, severe, moderate, mild, and borderline), according to the appropriate nationally recognized professional association on mental deficiency's manual on terminology and classification in mental retardation;

(3) number grouped by levels of adaptive behavior, according to the appropriate nationally recognized professional association on mental deficiency classification;

(4) number with physical disabilities;

(5) number ambulatory and nonambulatory (mobile and nonmobile);

(6) number with sensory defects;

(7) number with oral and other communication handicaps; and

(8) number with convulsive disorders, grouped by level of seizure control.

SEC. 231. The residential facility shall have a description of services for residents that is available to the public and that includes information including but not limited to:

(1) groups served;

(2) limitations concerning age, length of residence, or type or degree of handicap;

(3) the plan for grouping residents into program and living units;

(4) preadmission and admission services;

(5) diagnosis and evaluation services;

(6) means for individual programing of residents in accordance with need;

(7) means for implementation of programs for residents, through clearly designated responsibility;

(8) the therapeutic and developmental environment provided the residents; and

(9) release and follow-up services and procedures.

SEC. 232. (a) The residential facility shall provide for meaningful and extensive consumer-representative and public participation, by the following means:

(1) the policymaking or governing board (if any) shall include consumers or their representatives (for example, parents), interested citizens, and relevantly qualified professionals presumed to be free of conflicts of interest;

(2) when a residential facility does not have a governing board, its policymaking authority shall actively seek advice from an advisory body composed as described above;

(3) the residential facility shall actively elicit feedback from those consumers of its services (and their representatives) who are not members of the aforementioned governing or advisory bodies;

(4) there shall be an active program of ready, open, and honest communication with the public. In structuring visits to the residential facility by persons not directly concerned with a resident, however, steps shall be taken both to encourage visiting and to consider the sensibilities and privacy of the residents. Undignified displays or exhibitions of residents shall be avoided, and normal sensibility shall be exercised in speaking about a resident;

(5) personnel shall be permitted to communicate their views about a resident and his needs and program to his relatives. Personnel shall be trained to properly and competently assume this responsibility;

(6) the residential facility shall maintain active means of keeping residents' families or surrogates informed of activities related to the residents that may be of interest to them;

(7) communications to the residential facility from residents' relatives shall be promptly and appropriately handled and answered;

(8) close relatives shall be permitted to visit at any reasonable hour, and without prior notice. Steps shall be taken, however, so that the privacy and rights of the other residents are not infringed by this practice;

(9) parents and other visitors shall be encouraged to visit the living units, with due regard for privacy. There shall be residential facilities for visiting that provide privacy in the living unit (but not special rooms used solely for visiting);

(10) parents shall be permitted to visit all parts of the residential facility that provide services to residents;

(11) frequent and informal visits home shall be encouraged, and the regulations of the residential facility shall encourage rather than inhibit such visitations;

(12) there shall be an active citizens' volunteer program; and

(13) the residential facility shall acknowledge the need for, and encourage the implementation of, advocacy for all residents.

(b) A public education and information program should be established that utilizes all communication media, and all service, religious, and civic groups, and so forth, to develop attitudes of understanding and acceptance of the mentally retarded and other individuals with developmental disabilities in all aspects of community living.

Subchapter III—Admission and Release

SEC. 233. No individual whose needs cannot be met by the residential facility shall be admitted to it. The number admitted as residents to the residential facility shall not exceed—

(1) its rated capacity; and

(2) its provisions for adequate programing.

SEC. 234. (a) The laws, regulations, and procedures concerning admission, readmission, and release shall be summarized and available for distribution. Admission and release procedures shall—

(1) encourage voluntary admission, upon application of parent or guardian or self;

(2) give equal priority to persons of comparable need, whether application is voluntary or by a court;

(3) facilitate emergency, partial, and short-term residential care, where feasible; and

(4) utilize the maximum feasible amount of voluntariness in each individual case.

(b) The determination of legal incompetence shall be separate from the determination of the need for residential services, and admission to the residential facility shall not automatically imply legal incompetence.

SEC. 235. (a) The residential facility shall admit only residents who have had a comprehensive evaluation, covering physical, emotional, social, and cognitive factors, conducted by an appropriately constituted interdisciplinary team.

(b) Initially, service need shall be defined without regard to the actual availability of the desirable options. All available and applicable programs of care, treatment, and train-

UMI

ing shall be investigated and weighed, and the deliberations and findings recorded. Admission to the residential facility shall occur only when it is determined to be the optimal available plan. Where admission is not the optimal measure, but must nevertheless be recommended or implemented, its inappropriateness shall be clearly acknowledged and plans shall be initiated for the continued and active exploration of alternatives.

(c) The intended primary beneficiary of the admission shall be clearly specified as—

(1) the resident;
(2) his or her family;
(3) his or her community;
(4) society; and
(5) any combination of the above.

(d) All admissions to the residential facility shall be considered temporary, and, when appropriate, admissions shall be time limited. Parents or guardians shall be counseled, prior to admission, on the relative advantages and disadvantages and the temporary nature of residential services in the residential facility. Prior to admission, parents or guardians shall, and the prospective resident should, have visited the residential facility and the living unit in which the prospective resident is likely to be placed.

SEC. 236. (a) A medical evaluation by a licensed physician shall be made within one week of the resident's admission. Upon admission, residents should be placed in their program groups, and they should be isolated only upon medical orders issued for specific reasons.

(b) Within the period of 1 month after admission there shall be:

(1) a review and updating of the preadmission evaluation;
(2) a prognosis that can be used for programing and placement;
(3) a comprehensive evaluation and individual program plan, made by an interdisciplinary team;
(4) direct-care personnel shall participate in the aforementioned activities;
(5) the results of the evaluation shall be recorded in the resident's unit record;
(6) an interpretation of the evaluation, in action terms, shall be made to:
(A) the direct-care personnel responsible for carrying out the resident's program;
(B) the special services staff responsible for carrying out the resident's program; and
(C) the resident's parents or their surrogates.

(c) There shall be a regular, at least annual, joint review of the status of each resident by all relevant personnel, including personnel in the living unit, with program recommendations for implementation. This review shall include—

(1) consideration of the advisability of continued residence and alternative programs;
(2) at the time of the resident's attaining majority, or if he becomes emancipated prior thereto;
(A) the resident's need for remaining in the residential facility;
(B) the need for guardianship of the resident;
(C) the exercise of the resident's civil and legal rights;
(3) The results of these reviews shall be:
(A) recorded in the resident's unit record;
(B) made available to relevant personnel;
(C) interpreted to the resident's parents or surrogates;
(D) interpreted to the resident, when appropriate; and
(4) parents or their surrogates shall be involved in planning and decisionmaking.

SEC. 237. A physical inspection for signs of injury or disease should be made in accordance with procedures established by the residential facility:

(A) within 24 hours prior to a resident's leaving residential facility for vacation, placement, or other temporary or permanent release; and
(B) within 24 hours following a resident's return to the residential facility from such absence.

SEC. 238. (a) At the time of permanent release or transfer, there shall be recorded a summary of findings, progress, and plans.

(b) Planning for release shall include provision for appropriate services, including protective supervision and other followup services, in the resident's new environment. Procedures shall be established so that—

(1) parents or guardians who request the release of a resident are counseled concerning the advantages and disadvantages of such release; and
(2) the court or other appropriate authorities are notified when a resident's release might endanger either the individual or society.

(c) When a resident is transferred to another residential facility there shall be—

(1) written evidence that the reason for the transfer is the welfare of the resident; and
(2) a transfer process that shall insure that the receiving residential facility will meet the needs of the resident.

(d) Except in an emergency, transfer shall be made only with the prior knowledge, and ordinarily the consent, of the resident and his or her guardian.

SEC. 239. (a) In the event of any unusual occurrence, including serious illness or accidents, impending death, or death, the resident's next of kin, or the person who functions in that capacity (a guardian or citizen advocate) shall be notified promptly and in a compassionate manner. When appropriate, the wishes and needs of the resident, and of the next of kin, concerning religious matters shall be determined and, insofar as possible, fulfilled.

(b) When death occurs:

(1) with the permission of the next of kin or legal guardian, an autopsy shall be performed;
(2) such autopsy shall be performed by a qualified physician, so selected as to be free of any conflict of interest or loyalty;
(3) the family shall be told of the autopsy findings, if they so desire; and
(4) the residential facility shall render as much assistance as possible in making arrangements for dignified religious services and burial, unless contraindicated by the wishes of the family.

(c) The coroner or medical examiner shall be notified of deaths, in accordance with State law.

Subchapter IV—Personnel Policies

SEC. 240. (a) Adequate personnel services shall be provided by means appropriate to the size of the residential facility. If the size of the residential facility warrants a personnel director, he shall have had several years of progressively more responsible experience or training in personnel administration, and demonstrated competence in this area.

(b) The residential facility's current personnel policies and practices shall be described in writing:

(1) The hiring, assignment, and promotion of employees shall be based on their qualifications and abilities, without regard to sex, race, color, creed, age, irrelevant disability, marital status, ethnic or national origin, or membership in an organization.
(2) Written job descriptions shall be available for all positions.
(3) Licensure, certification, or standards such as are required in community practice shall be required for all comparable positions in the residential facility.
(4) Ethical standards of professional conduct, as developed by appropriate professional societies, shall be recognized as applying in the residential facility.
(5) There shall be a planned program for career development and advancement for all categories of personnel.
(6) There shall be an authorized procedure, consistent with due process, for suspension or dismissal of an employee for cause.
(7) Methods of improving the welfare and security of employees shall include:
(A) a merit system or its equivalent;
(B) a salary schedule covering all positions;
(C) effective grievance procedures;
(D) provisions for vacations, holidays, and sick leave;
(E) provisions for health insurance and retirement;
(F) provisions for employee organizations;
(G) opportunities for continuing educational experiences, including educational leave; and
(H) provisions for recognizing outstanding contributions to the residential facility.

(c) A statement of the residential facility's personnel policies and practices shall be available to all its employees.

(d) All personnel shall be initially screened to determine if they are capable of fulfilling the specific job requirements. All personnel shall be medically determined to be free of communicable and infectious diseases at the time of employment and annually thereafter. All personnel should have a medical examination at the time of employment and annually thereafter.

(e) The performance of each employee shall be evaluated regularly and periodically, and at least annually. Each such evaluation shall be—

(1) reviewed with the employee; and
(2) recorded in the employee's personnel record.

(f) Written policy shall prohibit mistreatment, neglect, or abuse of residents. Alleged violations shall be reported immediately, and there shall be evidence that—

(1) all alleged violations are thoroughly investigated;
(2) the results of such investigation are reported to the chief executive officer, or his or her designated representative, within 24 hours of the report of the incident; and
(3) appropriate sanctions are invoked when the allegation is substantiated through an established procedure consistent with due process.

SEC. 241. (a) Staffing shall be sufficient so that the residential facility is not dependent upon the use of residents or volunteers for productive services. There shall be a written policy to protect residents from exploitation when they are engaged in productive work. A current, written policy shall encourage that residents be trained for productive, paid employment. Residents shall not be involved in the care (feeding, clothing, bathing), training, or supervision of other residents unless they—

(1) have been specifically trained in the necessary skills;
(2) have the humane judgment required by these activities;
(3) are adequately supervised; and
(4) are reimbursed.

(b) Residents who function at the level of staff in occupational or training activities shall—

(1) have the right to enjoy the same privileges as staff; and
(2) be paid at the legally required wage level when employed in other than training situations.

(c) Appropriate to the size and nature of the residential facility, there shall be a staff training program that includes:

(1) orientation for all new employees, to acquaint them with the philosophy, organization, program, practices, and goals of the residential facility;
(2) induction training for each new employee, so that his skills in working with the residents are increased;
(3) inservice training for employees who have not achieved the desired level of competence, and opportunities for continuous inservice training to update and improve the skills and competencies of all employees;
(4) supervisory and management training for all employees in, or candidates for, supervisory positions;
(5) provisions shall be made for all staff members to improve their competencies, through means, including but not limited to—
(A) attending staff meetings;
(B) undertaking seminars, conferences, workshops, and institutes;
(C) attending college and university courses;
(D) visiting other residential facilities;
(E) participation in professional organizations;
(F) conducting research;
(G) publishing studies;
(H) access to consultants;
(I) access to current literature, including books, monographs, and journals relevant to mental retardation and developmental disabilities;
(6) interdisciplinary training programs shall be stressed;
(7) the ongoing staff development program should include provisions for educating staff members as research consumers;
(8) where appropriate to the size and nature of the residential facility, there shall be in individual designated to be responsible for staff development and training, and such individual should have—
(A) at least a master's degree in one of the major disciplines relevant to mental retardation or other developmental disability;
(B) a thorough knowledge of the nature of mental retardation and other developmental disabilities, and the current goals, programs, and practices in this field;
(C) a knowledge of the educational process;
(D) an appropriate combination of academic training and relevant experience;
(E) demonstrated competence in organizing and directing staff training programs; and
(9) appropriate to the size and nature of the residential facility, there should be adequate, modern educational media equipment (including but not limited to: overhead, filmstrip, motion picture, and slide projectors; screens, models and charts; and video tape systems) for the conduct of an inservice training program.

(d) Working relations should be established between the residential facility and nearby colleges and universities for the following purposes:

(1) making credit courses, seminars, and workshops available to the residential facility's staff;
(2 using residential facility resources for training and research by colleges and universities; and
(3) exchanging of staff between the residential facility and the colleges and universities for teaching, research, and consultation.

Chapter 2.—RESIDENT LIVING

Subchapter I—Staff-Resident Relationships and Activities

SEC. 242. (a) The primary responsibility of the living unit staff shall be to devote their attention to the care and development of the residents as follows:

(1) each resident shall receive appreciable and appropriate attention each day from the staff in the living unit;
(2) living unit personnel shall train residents in activities of daily living and in the development of self-help and social skills;
(3) living unit personnel shall be responsible for the development and maintenance of a warm, family- or home-like environment that is conducive to the achievement of optimal development by the resident;
(4) appropriate provision shall be made to insure that the efforts of the staff are not diverted from these responsibilities by excessive housekeeping clerical duties, or other non-resident-care activities; and
(5) the objective in staffing each living unit should be to maintain reasonable stability in the assignment of staff, thereby permitting the development of a consistent interpersonal relationship between each resident and one or two staff members.

(b) Members of the living unit staff from all shifts shall participate with an interdisciplinary team in appropriate referral, planning, initiation, coordination, implementation, followthrough, monitoring, and evaluation activities relative to the care and development of the resident.

(c) There shall be specific evaluation and program plans for each resident that are—

(1) available to direct care staff in each living unit; and
(2) reviewed by a member or members of the interdisciplinary program team at least monthly, with documentation of such review entered in the resident's record.

(d) Activity schedules for each resident shall be available to direct care staff and shall be implemented daily as follows:

(1) such schedules shall not permit "dead time" of unscheduled activity of more than 1 hour continuous duration; and
(2) such schedules shall allow for individual or group free activities, with appropriate materials, as specified by the program team.

(e) The rhythm of life in the living unit shall resemble the cultural norm for the residents' nonretarded or nondevelopmentally disabled age peers, unless a departure from this rhythm is justified on the basis of maximizing the residents' human qualities. Residents shall be assigned responsibilities in the living unit commensurate with their interests, abilities, and developmental plans, in order to enhance feelings of self-respect and to develop skills of independent living. Multiple-handicapped and nonambulatory residents shall—

(1) spend a major portion of their waking day out of bed;
(2) spend a portion of their waking day out of their bedroom area;
(3) have planned daily activity and exercise periods; and
(4) be rendered mobile by various methods and devices.

(f) All residents shall have planned periods out of doors on a year-round basis. Residents should be instructed in how to use, and, except as contraindicated for individual residents by their program plan, shall be given opportunity for freedom of movement—

(1) within the residential facility's ground;
(2) without the residential facility's grounds.

Birthdays and special events should be individually observed. Provisions shall be made for heterosexual interaction appropriate to the residents' developmental levels.

(g) Residents' views and opinions on matters concerning them should be elicited and given consideration in defining the processes and structures that affect them.

(h) Residents should be instructed in the free and unsupervised use of communication processes. Except as denied individual residents by team action, for cause, this should typically include—

(1) having access to telephones for incoming and local outgoing calls;
(2) having free access to pay telephones, or the equivalent, for outgoing long distance calls;
(3) opening their own mail and packages, and generally doing so without direct surveillance; and
(4) not having their outgoing mail read by staff, unless requested by the resident.

(i) Residents shall be permitted personal possessions, such as toys, books, pictures, games, radios, arts and crafts materials, religious articles, toiletries, jewelry and letters.

(j) Regulations shall permit normalized and normalizing possession and use of money by residents for work payment and property administration as for example, in performing cash and check transactions, and in buying clothing and other items, as readily as other citizens. In accordance with their developmental level—

(1) allowances or opportunities to earn money shall be available to residents; and
(2) residents shall be trained in the value and use of money.

(k) There shall be provision for prompt recognition and appropriate management of behavioral problems in the living unit. There shall be a written statement of policies and procedures for the control and discipline of residents that is—

(1) directed to the goal of maximizing the growth and development of the residents;
(2) available in each living unit; and
(3) available to parents or guardians.

(l) Residents shall participate, as appropriate, in the formulation of such policies and procedures. Corporal punishment shall not be permitted. Residents shall not discipline other residents, except as part of an organized self-government program that is conducted in accordance with written policy.

(m) Seclusion, defined as the placement of a resident alone in a locked room, shall not be employed.

(n) Except as provided in subsection (p), physical restraint shall be employed only when absolutely necessary to protect the resident from injury to himself and to others, and restraint shall not be employed as punishment, for the convenience of staff, or as a substitute for program. The residential facility shall have a written policy that defines the uses of restraint, the staff members who may authorize its use, and a mechanism for monitoring and controlling its use. Orders for restraints shall not be in force for longer than 12 hours. A resident placed in restraint shall be checked at least every 30 minutes by staff trained in the use of restraints, and a record of such checks shall be kept. Mechanical restraints shall be designed and used so as not to cause physical injury to the resident, and so as to cause the least possible discomfort. Opportunity for motion and exercise shall be provided for a period of not less than 10 minutes during each 2 hours in which restraint is employed. Totally enclosed cribs and barred enclosures shall be considered restraints.

(o) Mechanical supports used in normative situations to achieve proper body position and balance shall not be considered to be restraints, but shall be designed and applied—

(1) under the supervision of a qualified professional person; and
(2) so as to reflect concern for principles of good body alinement, concern for circulation, and allowance for change of position.

(p) Chemical restraint shall not be used excessively, as punishment, for the convenience of staff, as a substitute for program, or in quantities that interfere with a resident's habilitation program.

(q) Behavior modification programs involving the use of time-out devices or the use of noxious or aversive stimuli shall be:

(1) reviewed and approved by the residential facility's research review and human rights committees;
(2) conducted only with the consent of the affected resident's parents or surrogates;
(3) described in written plans that are kept on file in the residential facility;
(4) restraints employed as time-out devices shall be applied for only very brief

UMI

periods, only during conditioning sessions, and only in the presence of the trainer; and

(5) removal from a situation for time-out purposes shall not be for more than 1 hour, and this procedure shall be used only during the conditioning program, and only under the supervision of the trainer.

Subchapter II—Food Services

SEC. 243. (a) Food services shall recognize and provide for the physiological, emotional, religious, and cultural needs of each resident, through provision of a planned, nutritionally adequate diet. There shall be a written statement of goals, policies, and procedures that—

(1) governs all food service and nutrition activities;

(2) is prepared by, or with the assistance of, a nutritionist or dietitian;

(3) is reviewed periodically, as necessary, by the nutritionist or dietitian;

(4) is in compliance with State and local regulations;

(5) is consistent with the residential facility's goals and policies; and

(6) is distributed to residential facility personnel.

(b) When food services are not directed by a nutritionist or dietitian, regular, planned, and frequent consultation with a nutritionist or dietitian should be available. Records of consultations and recommendations shall be maintained by the residential facility and by the consultant. An evaluation procedure shall be established to determine the extent of implementation of the consultant's recommendations.

(c) A nourishing, well-balanced diet, consistent with local customs, shall be provided all residents. Modified diets shall be—

(1) prescribed by the resident's program team, with a record of the prescription kept on file;

(2) planned, prepared, and served by persons who have received adequate instruction; and

(3) periodically reviewed and adjusted as needed.

(d) Dietary practices in keeping with the religious requirements of resident's faith groups should be observed at the request of parents or guardians. Denial of a nutritionally adequate diet shall not be used as a punishment. At least three meals shall be served daily, at regular times, with—

(1) no more than a 14-hour span between a substantial evening meal and breakfast of the following day, and

(2) not less than 10 hours between breakfast and the evening meal of the same day.

(e) Resident's mealtimes shall be comparable to those normally obtaining in the community. Provision should be made for between meal and before bedtime snacks, in keeping with the total daily needs of each resident. Food shall be served—

(1) as soon as possible after preparation, in order to conserve nutritive value;

(2) in an attractive manner;

(3) in appropriate quantity;

(4) at appropriate temperature;

(5) in a form consistent with the developmental level of the resident; and

(6) with appropriate utensils.

When food is transported, it shall be done in a manner that maintains proper temperature, protects the food from contamination and spoilage, and insures the preservation of nutritive value.

(f) All residents, including the mobile nonambulatory, shall eat or be fed in dining rooms, except where contraindicated for health reasons, or by decision of the team responsible for the resident's program. Table service shall be provided for all who can and will eat at a table, including residents in wheelchairs. Dining areas shall—

(1) be equipped with tables having smooth, impervious tops or clean table coverings may be used;

(2) be equipped with tables, chairs, eating utensils, and dishes designed to meet the developmental needs of each resident;

(3) promote a pleasant and home-like environment that is attractively furnished and decorated, and is of good acoustical quality; and

(4) be designed to stimulate maximum self-development, social interaction, comfort, and pleasure.

(g) Dining arrangements shall be based upon a rational plan to meet the needs of residents and the requirements of their programs. Dining and serving arrangements should provide for a variety of eating experiences (for example, cafeteria and family style), and, when appropriate, for the opportunity to make food selections with guidance, Unless justified on the basis of meeting the program needs of the particular residents being served, dining tables should seat small groups of residents (typically four to six at a table), preferably including both sexes.

(h) Dining rooms shall be adequately supervised and staffed for the direction of self-help eating procedures, and to assure that each resident receives an adequate amount and variety of food. Staff members should be encouraged to eat with those residents who have semi-independent or independent eating skills. For residents not able to get to dining areas, food service practices shall permit and encourage maximum self-help, and shall promote social interaction and enjoyable experiences.

SEC. 244. (a) Residents shall be provided with systematic training to develop appropriate eating skills, utilizing adaptive equipment where it serves the developmental process.

(b) Residents with special eating disabilities shall be provided with an interdisciplinary approach to the diagnosis and remediation of their problems, consistent with their developmental needs.

(c) Direct-care staff shall be trained in and shall utilize proper feeding techniques. Residents shall eat in an upright position. Residents shall eat in a manner consistent with their developmental needs (for example, infants should be fed in arms, as appropriate). Residents shall be fed at a leisurely rate, and the time allowed for eating shall be such as to permit adequate nutrition, to promote the development of self-feeding abilities, to encourage socialization, and to provide a pleasant mealtime experience.

(d) Effective procedures for cleaning all equipment and all areas shall be followed consistently. Handwashing facilities, including hot and cold water, soap, and paper towels, shall be provided adjacent to work areas.

Subchapter III—Clothing

SEC. 245. (a) Each resident shall have an adequate allowance of neat, clean, fashionable, and seasonable clothing.

(b) Each resident shall have his or her own clothing, which is, when necessary, properly and inconspicuously marked with his or her name, and he or she shall use this clothing. Such clothing shall make it possible for residents to go out of doors in inclement weather, to go for trips or visits appropriately dressed, and to make a normal appearance in the community.

(c) Nonambulatory residents shall be dressed daily in their own clothing, including shoes, unless contraindicated in written medical orders.

(d) Washable clothing shall be designed for multihandicapped residents being trained in self-help skills, in accordance with individual needs.

(e) Clothing for incontinent residents shall be designed to foster comfortable sitting, crawling or walking, and toilet training.

(f) A current inventory should be kept of each resident's personal and clothing items.

(g) Residents shall be trained and encouraged to:

(1) select and purchase their own clothing as independently as possible, preferably utilizing community stores;

(2) select their daily clothing;

(3) dress themselves;

(4) change their clothes to suit the activities in which they engaged; and

(5) maintain (launder, clean, mend) their clothing as independently as possible.

SEC. 246. Storage space for clothing to which the resident has access shall be provided. Ample closet and drawer space shall be provided for each resident. Such space shall be accessible to all, including those in wheelchairs.

SEC. 247. The person responsible for the residential facility's resident-clothing program shall be trained or experienced in the selection, purchase, and maintenance of clothing, including the design of clothing for the handicapped.

Subchapter IV—Health, Hygiene, and Grooming

SEC. 248. (a) Residents shall be trained to exercise maximum independence in health, hygiene, and grooming practices, including bathing, brushing teeth, shampooing, combing and brushing hair, shaving, and caring for toenails and fingernails.

(b) Each resident shall be assisted in learning normal grooming practices with individual toilet articles that are appropriately available to that resident.

(c) Teeth shall be brushed daily, with an effective dentifrice. Individual brushes shall be properly marked, used, and stored. Dental care practices should encourage the use of newer dental equipment, such as electric toothbrushes and water picks, as prescribed.

(d) Residents shall be regularly scheduled for hair cutting and styling, in an individualized, normalized manner, by trained personnel.

(e) For residents who require such assistance, cutting of toenails and fingernails by trained personnel shall be scheduled at regular intervals.

(f) Each resident shall have a shower or tub bath at least daily, unless medically contraindicated. Resident's bathing shall be conducted at the most independent level possible. Resident's bathing shall be conducted with due regard for privacy. Individual washcloths and towels shall be used. A bacteriostatic soap shall be used, unless otherwise prescribed.

(g) Female residents shall be helped to attain maximum independence in caring for menstrual needs. Menstrual supplies shall be of the same quality and diversity available to all women.

(h) Every resident who does not eliminate appropriately and independently shall be engaged in a toilet training program. The residential facility's training program shall be applied systematically and regularly. Appropriate dietary adaptions shall be made to promote normal evacuation and urination. The program shall comprise a hierarchy of procedures leading from incontinence to independent toileting. Records shall be kept of the progress of each resident receiving toilet training. Appropriate equipment shall be provided for toilet training, including equipment appropriate for the multiple handicapped. Residents who are incontinent shall be immediately bathed or cleansed, upon voiding or soiling, unless specifically contraindicated by the training program in which they are enrolled, and all soiled items shall be changed. Persons shall wash their hands after handling an incontinent resident.

(i) Each living unit shall have a properly adapted drinking unit. Residents shall be taught to use such units. Those residents who cannot be so taught shall be given the proper daily amount of fluid at appropriate intervals adequate to prevent dehydration. There shall be a drinking unit accessible to, and usable by, residents in wheelchairs. Special cups and noncollapsible straws shall be available when needed by the multiple handicapped. If the drinking unit employs cups, only single-use, disposable types shall be used.

(j) Procedures shall be established for:

(1) monthly weighing of residents, with greater frequency for those with special needs;

(2) quarterly measurement of height, until the age of maximum growth;

(3) maintenance of weight and height records; and

(4) every effort shall be made to assure that residents maintain normal weights.

(k) Policies and procedures for the care of residents with infections and contagious diseases shall conform to State and local health department regulations.

(l) Orders prescribing bed rest or prohibiting residents from being taken out of doors shall be reviewed by a physician at least every 3 days.

(m) Provisions shall be made to furnish and maintain in good repair, and to encourage the use of, dentures, eyeglasses, hearing aids, braces, and so forth, prescribed by appropriate specialists.

Subchapter V—Grouping and Organization of Living Units

SEC. 249. (a) Living unit components or groupings shall be small enough to insure the development of meaningful interpersonal relationships among residents and between residents and staff. The resident-living unit (self-contained unit including sleeping, dining, and activity areas) should provide for not more than 16 residents. Any deviation from this size should be justified on the basis of meeting the program needs of the specific residents being served. To maximize development, residents should be grouped within the living unit into program groups of not more than eight. Any deviation from this size should be justified on the basis of meeting the program needs of the specific residents being served.

(b) Residential units or complexes should house both male and female residents to the extent that this conforms to the prevailing cultural norms. Residents of grossly different ages, developmental levels, and social needs shall not be housed in close physical or social proximity, unless such housing is planned to promote the growth and development of all those housed together. Residents who are mobile-non-ambulatory, deaf, blind, or multihandicapped shall be integrated with peers of comparable social and intellectual development, and shall not be segregated on the basis of their handicaps.

(c) The living unit shall not be a self-contained program unit, and living unit activities shall be coordinated with recreation, educational and habilitative activities which residents engage outside the living unit, unless contraindicated by the specific program needs of the particular residents being served. Each program group should be assigned a specific person, who has responsibility for providing an organized, developmental program of physical care, training, and recreation.

(d) Residents shall be allowed free use of all living areas within the living units, with due regard for privacy and personal possessions. Each resident shall have access to a quite, private area where he can withdraw from the group when not specifically engaged in structured activities.

(e) Outdoor active play or recreation areas shall be readily accessible to all living units.

Subchapter VI—Resident-Living Staff

SEC. 250. (a) There shall be sufficient, appropriately qualified, and adequately trained personnel to conduct the resident-living program, in accordance with the standards specified in this section. Resident-living personnel shall be administratively responsible to a person whose training and experience is appropriate to the program. The title applied to the individuals who directly interact with residents in the living units should be appropriate to the kind of residents with whom they work and the kind of interaction in which they engage. The personnel who staff the living units may be referred to by a variety of terms, such as attendants, child care workers, or cottage parents. The term "psychiatric aid" may be appropriate for a unit serving the emotionally disturbed, but not for a cottage of well-adjusted children. The title of "child care workers" may be appropriate for a nursery school group, but not for an adult unit. Nurses' aides are appropriate for units serving sick residents but not well ones.

(b) The attire of resident-living personnel should be appropriate to the program of the unit in which they work, and consistent with attire worn in the community.

(c) When resident-living units are organized as recommended in subchapter V, and designed as stipulated in subchapter VII, the staff-resident ratios for 24-hour, 7-day coverage of such units by resident-living personnel, or the equivalent coverage, should be as follows:

(1) for medical and surgical units, and for units including infants, children (to puberty), adolescents requiring considerable adult guidance and supervision, severely and profoundly retarded or developmentally disabled, moderately and severely physically handicapped, and residents who are aggressive, assaultive, or security risks, or who manifest severely hyperactive or psychotic like behavior—

(A) first shift, 1 to 4;

(B) second shift, 1 to 4;

(C) third shift, 1 to 8; and

(D) overall ratio (allowing for a 5-day work week plus holiday, vacation, and sick time), 1 to 1;

(2) for units serving moderately retarded or developmentally disabled adolescents and adults requiring habit training—

(A) first shift, 1 to 8;

(B) second shift, 1 to 4;

(C) third shift, 1 to 8; and

(D) overall ratio, 1 to 1.25;

(3) for units serving residents in vocational training programs and adults who work in sheltered employment situations—

(A) first shift, 1 to 16;

(B) second shift, 1 to 8;

(C) third shift, 1 to 16; and

(D) overall ratio, 1 to 2.5.

(d) Regardless of the organization or design of resident-living units, the overall staff-resident ratios as stipulated above. Regardless of the organization or design of resident-living units, the overall staff-resident ratios for the categories defined above shall not be less than 1 to 2, 1 to 2.5, and 1 to 5, respectively.

Subchapter VII—Design and Furnishing of Living Units

SEC. 251. (a) The design, construction, and furnishing of resident-living units shall be—

(1) appropriate for the fostering of personal and social development;

(2) appropriate to the program;

(3) flexible enough to accommodate variations in program to meet changing needs of residents; and

(4) such as to minimize noise and permit communication at normal conversation levels.

(b) The interior design of living units shall simulate the functional arrangements of a home to encourage a personalized atmosphere for small groups of residents, unless it has been demonstrated that another arrangement is more effective in maximizing the human qualities of the specific residents being served. There shall be a minimum of 80 square feet of living, dining, or activity space for each resident. This space shall be arranged to permit residents to participate in different kinds of activities, both in groups and singly. Furniture and furnishings shall be safe, appropriate, comfortable, and home-like.

(c) Bedrooms shall:

(1) be on or above street grade level;

(2) be outside rooms;

(3) accommodate from one to four residents;

(4) provide at least 60 square feet per resident in multiple sleeping rooms, and not less than 80 square feet in single rooms;

(5) partitions defining each bedroom shall extend from floor to ceiling;

(6) doors to bedrooms—

(A) should not have vision panels;

(B) should not be lockable, except where residents may lock their own bedroom doors, as consistent with their programs;

(7) there shall be provision for residents to mount pictures on bedroom walls (for example, by means of pegboard or cork strips), and to have flowers, artwork, and other decorations;

(8) each resident shall be provided with—

(A) a separate bed or proper size and height for the convenience of the resident;

(B) a clean, comfortable mattress;

(C) bedding appropriate for weather and climate;

(9) each resident shall be provided with—

(A) appropriate individual furniture, such as a chest of drawers, a table or desk, and an individual closet with clothes racks and shelves accessible to the resident;

(B) a place of his or her own for personal play equipment and individually prescribed prosthetic equipment; and

(10) space shall be provided for equipment for daily out-of-bed activity for all residents not yet mobile, except those who have a short-term illness, or those very few for whom out-of-bed activity is a threat to life.

(d) Suitable storage shall be provided for personal possessions, such as toys, books, pictures, games, radios, arts and crafts materials, toiletries, jewelry, letters, and other articles and equipment, so that they are accessible to the residents for their use. Storage areas shall be available for off-season personal belongings, clothing, and luggage.

(e) Toilet areas, clothes closets, and other facilities shall be located and equipped so as to facilitate training toward maximum self-help by residents, including the severely and profoundly retarded or developmentally disabled and the multiple handicapped as follows:

(1) water closets, showers, bathtubs, and lavatories shall approximate normal patterns found in homes, unless specifically contraindicated by program needs;

(2) toilets, bathtubs, and showers shall provide for individual privacy (with partitions and doors), unless specifically contraindicated by program needs;

(3) water closets and bathing and toileting appliances shall be equipped for use by the physically handicapped;

(4) there shall be at least one water closet of appropriate size for each six residents,

(A) at least one water closet in each living unit shall be accessible to residents in wheelchairs;

(B) each water closet shall be equipped with a toilet seat;

(C) toilet tissue shall be readily accessible at each water closet;

(5) there shall be at least one lavatory for each six residents and one lavatory shall be

UMI

accessible to and usable by residents in wheelchairs;

(6) there shall be at least one tub or shower for each eight residents;

(7) there shall be individual racks or other drying space for washcloths and towels; and

(8) larger, tilted mirrors shall be available to residents in wheelchairs.

(f) Provisions for the safety, sanitation, and comfort of the residents shall comply with the following requirements:

(1) each habitable room shall have direct outside ventilation by means of windows, louvres, air-conditioning, or mechanical ventilation horizontally and vertically;

(2) each habitable room shall have at least one window, and the window space in each habitable room should be at least one-eighth (12½ percent) of the floor space;

(A) each resident unit of eight shall have at least one glazed area low enough so that a child in normal day activities has horizontal visual access to the out-of-doors;

(B) the type of glass or other glazing material used shall be appropriate to the safety needs of the residents of the unit;

(3) floors shall provide a resilient, comfortable, attractive, nonabrasive, and slip-resistant surface. Carpeting used in units serving residents who crawl or creep shall be nonabrasive;

(4) temperature and humidity shall be maintained within a normal comfort range by heating, air-conditioning, or other means. The heating apparatus employed shall not constitute a burn hazard to the residents;

(5) the temperature of the hot water at all taps to which residents have access shall be controlled, by the use of thermostatically controlled mixing valves or by other means, so that it does not exceed 110 degrees Fahrenheit. Mixing valves shall be equipped with safety alarms that provide both auditory and visual signals of valve failure;

(6) emergency lighting of stairs and exits, with automatic switches, shall be provided in units housing more than 15 residents;

(7) there shall be adequate clean linen and dirty linen storage areas for each living unit. Dirty linen and laundry shall be removed from the living unit daily; and

(8) laundry and trash chutes are discouraged, but, if installed, such chutes shall comply with regulations prescribed by the Secretary.

Chapter 3.—PROFESSIONAL AND SPECIAL PROGRAMS AND SERVICES

Subchapter I—Introduction

SEC. 252. (a) In addition to the resident-living services otherwise detailed in this title, residents shall be provided with the professional and special programs and services detailed in this section, in accordance with their needs for such programs and services.

(b) The professional and special programs and services detailed herein may be provided by programs maintained or personnel employed by the residential facility, or by formal arrangements between the residential facility and other agencies or persons, whereby the latter will provide such programs and services to the residential facility's residents as needed.

(c) In accordance with the normalized principle, all professional services to the mentally retarded and other individuals with developmental disabilities should be rendered in the community, whenever possible, rather than in a residential facility, and where rendered in a residential facility, such services must be at least comparable to those provided the nonretarded in the community.

(d) Programs and services provided by the residential facility or to the residential facility by agencies outside it, or by persons not employed by it, shall meet the standards for quality of service as stated in this section. The residential facility shall require that services provided its residents meet the standards for quality of services as stated in this section, and all contracts for the provision of such services shall stipulate that these standards will be met.

SEC. 253. (a) Individuals providing professional and special programs and services to residents may be identified with the following professions, disciplines, or areas of service:

(1) audiology;

(2) dentistry (including services rendered by licensed dentists, licensed dental hygienists, and dental assistants);

(3) education;

(4) food and nutrition (including services rendered by dietitians and nutritionists);

(5) library services;

(6) medicine (including services rendered by licensed physicians, whether doctors of medicine or doctors of osteopathy, licensed podiatrists, and licensed optometrists);

(7) music, art, dance, and other activity therapies;

(8) nursing;

(9) occupational therapy;

(10) pharmacy;

(11) physical therapy;

(12) psychology;

(13) recreation;

(14) religion (including services rendered by clergy and religious educators);

(15) social work;

(16) speech pathology;

(17) vocational rehabilitation counseling; and

(18) volunteer services.

(b) Interdisciplinary teams for evaluating the resident's needs, planning an individualized habilitation program to meet identified needs, and periodically reviewing the resident's response to his program and revising the program accordingly, shall be constituted of persons drawn from, or representing, such of the aforementioned professions, disciplines, or service areas as are relevant in each particular case.

(c) Since many identical or similar services or functions may competently be rendered by individuals of different professions, the standards in the following subsections shall be interpreted to mean that necessary services are to be provided in efficient and competent fashion, without regard to the professional identifications of the persons providing them, unless only members of a single profession are qualified or legally authorized to perform the stated service. Services listed under the duties of one profession may, therefore, be rendered by members of other professions who are equipped by training and experience to do so.

(d) Regardless of the means by which the residential facility makes professional services available to its residents, there shall be evidence that members of professional disciplines work together in cooperative, coordinated, interdisciplinary fashion to achieve the objective of the residential facility.

SEC. 254. Programs and services and the pattern of staff organization and function within the residential facility shall be focused upon serving the individual needs of residents and should provide for—

(1) comprehensive diagnosis and evaluation of each resident as a basis for planning programing and management;

(2) design and implementation of an individualized habilitation program to effectively meet the needs of each resident;

(3) regular review, evaluation, and revision, as necessary, of each individual's habilitation program;

(4) freedom of movement of individual residents from one level of achievement to another, within the facility and also out of the residential facility, through training, habilitation, and placement; and

(5) an array of those services that will enable each resident to develop to his maximum potential.

Subchapter II—Dental Services

SEC. 255. (a) Dental services shall be provided all residents in order to maximize their general health by—

(1) maintaining an optimal level of daily oral health, through preventive measures; and

(2) correcting existing oral diseases.

(b) Dental services shall be rendered—

(1) directly, through personal contact with all residents by dentists, dental hygienists, dental assistants, dental health educators, and oral hygiene aides, as appropriate to the size of the residential facility; and

(2) indirectly, through contact between dental staff and other personnel caring for the residents, in order to maintain their optimal oral health.

(c) Dental services available to the residential facility should include—

(1) dental evaluation and diagnosis;

(2) dental treatment;

(3) comprehensive preventive dentistry programs;

(4) education and training in the maintenance of oral health;

(5) participation, as appropriate, by dentists and dental hygienists in the continuing evaluation of individual residents by interdisciplinary teams, to initiate, monitor, and follow up individualized habilitation programs;

(6) consultation with, or relating to—

(A) residents;

(B) families of residents;

(C) other residential facility services and personnel;

(7) participation on appropriate residential facility committees; and

(8) planning and conducting dental research; cooperating in interdisciplinary research; and interpreting, disseminating and implementing applicable research findings.

(d) Comprehensive diagnostic services for all residents shall include—

(1) a complete extra- and intraoral examination, utilizing all diagnostic aids necessary to properly evaluate the resident's oral condition, within a period of 1 month following admission;

(2) provision for adequate consultation in dentistry and other fields, so as to properly evaluate the ability of the patient to accept the treatment plan that results from the diagnosis; and

(3) a recall system that will assure that each resident is reexamined at specified intervals in accordance with his needs, but at least annually.

(e) Comprehensive treatment services for all residents shall include—

(1) provision for dental treatment, including the dental specialties of pedodontics, orthodontics, periodontics, prosthodontics, endodontics, oral surgery, and oral medicine, as indicated; and

(2) provision for emergency treatment on a 24-hour, 7-days-a-week basis, by a qualified dentist.

(f) Comprehensive preventive dentistry programs should include—

(1) fluoridation of the residential facility's water supply;

(2) topical and systematic fluoride therapy, as prescribed by the dentist;

(3) periodical oral prophylaxis, by a dentist or dental hygienist, for each resident;

(4) provisions for daily oral care, as prescribed by a dentist or dental hygienist, including:

(A) toothbrushing and toothbrushing aids, such as disclosing wafers;

(B) tooth flossing;

(C) irrigation;

(D) proper maintenance of oral hygiene equipment;

(E) monitoring the program to assure its effectiveness; and

(5) provision, wherever possible, of diets in a form that stimulates chewing and improvement of oral health.

(g) Education and training in the maintenance of oral health shall include:

(1) continuing inservice training of living-unit personnel in providing proper daily oral health care for residents;

(2) providing dental health education to direct-care personnel;

(3) a dental hygiene program that includes:

(A) discovery, development, and utilization of specialized teaching techniques that are effective for individual residents;

(B) importing information regarding nutrition and diet control measures to residents and staff;

(C) instruction of classroom teachers or students in proper oral hygiene methods;

(D) motivation of teachers and students to promote and maintain good oral hygiene;

(E) instruction of residents in living units in proper oral hygiene methods; and

(4) instruction of parents or surrogates in the maintenance of proper oral hygiene, where appropriate (as in the case of residential facilities having day programs, or in the case of residents leaving the residential facility).

(h) A permanent dental record shall be maintained for each resident. A summary dental progress report shall be entered in the resident's unit record at stated intervals. A copy of the permanent dental record shall be provided a residential facility to which a resident is transferred.

(i) When the residential facility has its own dental staff, there should be a manual that states the philosophy of the dental service and describes all dental procedures and policies. There shall be a formal arrangement for providing qualified and adequate dental services to the residential facility including care for dental emergencies on a 24-hour, 7-days-a-week basis. A dentist, fully licensed to practice in the State in which the residential facility is located, shall be designated to be responsible for maintaining standards of professional and ethical practice in the rendering of dental services to the residential facility. Where appropriate, the residential facility should, in addition, have available to it, and should utilize the program-development consultation services of a qualified dentist who has experience in the field of dentistry for the retarded and other individuals with developmental disabilities.

(j) There shall be available sufficient, appropriately qualified dental personnel, and necessary supporting staff, to carry out the dental services program. All dentists providing services to the residential facility shall be fully licensed to practice in the State in which the residential facility is located. All dental hygienists providing services to the residential facility shall be licensend to practice in the State in which the residential facility is located. Dental assistants should be certified by an appropriate nationally recognized professional association or should be enrolled in a program leading to certification. Dental health educators shall have a thorough knowledge of—

(1) dental health; and

(2) teaching methods.

(k) Oral hygiene aides, who may supplement and promote the proper daily oral care of residents, through actual participation and development of new methods in the toothbrushing program, or in the dissemination of oral hygiene information, should be—

(1) thoroughly trained in current concepts and procedurea of oral care; and

(2) trained to recognize abnormal oral conditions.

(l) Supporting staff should include, as appropriate to the program—

(1) receptionists;

(2) trained to recognize abnormal oral conditions, records;

(3) dental laboratory technicians certified by the appropriate nationally recognized professional association;

(4) escort aides; and

(5) janitorial or housekeeping personnel.

(m) All dentists providing service to the residential facility shall adhere to the code of ethics published by the appropriate nationally recognized professional association.

SEC. 256. (a) Appropriate to the size of the residential facility, a continuing education program shall be provided that is designed to maintain and improve the skills and knowledge of its professional dental personnel, through means including but not limited to:

(1) preceptor or other orientation programs;

(2) participation in seminars, workshops, conferences, institutes, or college or university courses, to the extent of at least 60 clock hours annually for each dental professional, in accordance with the standards of the nationally recognized professional dental association and its component societies;

(3) study leave;

(4) participation in the activities of professional organizations that have as their goals the furtherance of expertise in the treatment of the handicapped;

(5) access to adequate library resources, including current and relevant books and journals in dentistry, dental hygiene, dental assisting, mental retardation, and developmental disabilities;

(6) encouragement of dentists to qualify themselves for staff privileges in hospitals; and

(7) sharing of information concerning dentistry in its relationship with mental retardation and developmental disabilities as by publication.

(b) To enrich and stimulate the residential facility's dental program, and to facilitate its integration with community services, the residential facility with, and provide educational experiences for the dental-career students of, dental schools, universities, colleges, technical schools, and hospitals, whenever the best interests of the retals, whenever the best interests of the residential facility's residents are thereby

(c) There shall be adequate space, facilities, and equipment to meet the professional, education, and administrative needs of the dental service. General anesthesia facilities for dental care shall be available. The services of a certified dental laboratory shall be available. Appropriate dental consultation shall be employed in the planning, design, and equippage of new dental facilities, and in the modification of existing facilities. All dental facilities shall be free of architectural barriers for physically handicapped residents.

Subchapter III—Educational Services

SEC. 257. (a) Educational services, defined as deliberate attempts to facilitate the intellectual, sensorimotor, and effective development of the individual, shall be available to all residents, regardless of chronological age, degree of retardation, or accompanying disabilities or handicaps. There shall be a written statement of educational objectives that are consistent with the residenial facility's philosophy and goals. The principle that learning begins at birth shall be recognized, and the expertise of early childhood educators shall be integrated into the interdisciplinary evaluation and programing for residents.

(b) Educational services available to the residential facility shall include but not be limited to—

(1) establishment and implementation of individual educational programs providing:

(A) continuous evaluation and assessment of the individual;

(B) programing for the individual;

(C) instruction of individuals and groups;

(D) evaluation and improvement of instructional programs and procedures;

(2) participation in program development services, including those relating to:

(A) resident habilitation;

(B) staff training;

(C) community activities;

(3) consultation with, or relating to:

(A) other programs for residents and staff;

(B) parents of residents;

(C) administration and operation of the residential facility;

(D) the community served by the residential facility; and

(4) research relating to educational programs, procedures, and techniques; and the interpretation, dissemination, and application of applicable research findings.

(c) Where appropriate, an educator shall be a member of the interdisciplinary teams or groups concerned with—

(1) the total programing of each resident; and

(2) the planning and development of the residential facility's programs for residents.

(d) Individual educational evaluations of residents shall:

(1) commence with the admission of the resident;

(2) be conducted at least annually;

(3) be based upon the use of empirically reliable and valid instruments, whenever such tools are available;

(4) provide the basis for prescribing an appropriate program of learning experiences for the resident;

(5) provide the basis for revising the individual prescription as needed;

(6) the reporting and dissemination of evaluation results shall be done in such a manner as to—

(A) render the content of the report meaningful and useful to its intended recipient and user; and

(B) promptly provide information useful to staff working directly with the resident.

(e) There shall be written educational objectives for each resident that are—

(1) based upon complete and relevant diagnostic and prognostic data;

(2) stated in specific behavioral terms that permit the progress of the individual to be assessed; and

(3) adequate for implementation, continuing assessment and revision, as necessary, of an individually prescribed program.

(f) There shall be evidence of educational activities designed to meet the educational objectives set for every resident. There shall be a functional educational record for each resident, maintained by, and available to, the educator.

(g) There shall be appropriate programs to implement the residential facility's educational objectives. Wherever local resources permit and the needs of the residents shall be provided an educational program of a quality not less than that provided by public school programs for comparable pupils, as regards:

(1) physical facilities;

(2) qualifications of personnel;

(3) length of the school day;

(4) length of school year;

(5) class size;

(6) provision of instructional materials and supplies; and

(7) availability of evaluative and other ancillary services.

UMI

(h) Educational programs shall be provided to severely and profoundly retarded or developmentally disabled residents, and all other residents for whom educational provisions may not be required by State laws, irrespective of age or ability.

(i) Appropriate educational programs shall be provided residents with hearing, vision, perceptual, or motor impairments, in cooperation with appropriate staff.

(j) Educational programs should include opportunities for physical education, health education, music education, and art education, in accordance with the needs of the residents being served.

(k) A full range of instructional materials and media shall be readily accessible to the educational staff of the residential facility.

(l) Educational progams shall provide coeducational experiences. Learning activities in the classroom shall be coordinated with activities of daily living in the living units and with other programs of the residential facility and the community. The residential facility shall seek reciprocal services to and from the community, within the bounds of legality and propriety. An educational program operated by a residential facility shall seek consultation from educational agencies not directly associated with the residential facility.

SEC. 258. (a) There shall be available sufficient, appropriately qualified educational personnel, and necessary supporting staff, to carry out the educational programs. Delivery of educational services shall be the responsibility of a person who is eligible for—

(1) certification as a special educator of the mentally retarded or other individuals with developmental disabilities; and

(2) the credential required for a comparable supervisory or administrative position in the community.

(b) Teachers shall be provided aides or assistants, as needed. The residential facility's educators shall adhere to a code of ethics prescribed by the Secretary. Appropriate to the nature and size of the residential facility, there shall be an ongoing program for staff development specifically designed for educators. Staff members shall be encouraged to participate actively in professional organization related to their responsibilities.

(c) To enrich and stimulate the residential facility's education program and to facilitate its integration with community services, opportunities for internships, student teaching, and practical experiences should be made available, in cooperation with university teacher-training programs, whenever the best interests of the residents are thereby served.

Subchapter IV—Food and Nutrition Services

SEC. 259. (a) Food and nutrition services shall be provided in order to—

(1) insure optimal nutritional status of each resident, thereby enhancing his or her physical, emotional, and social well-being; and

(2) provide a nutritionally adequate diet, in a form consistent with developmental level, to meet the dietary needs of each resident.

(b) There shall be a written statement of policies and procedures that—

(2) governs the functions and programs of the food and nutrition services;

(3) is formulated and periodically reviewed by professional nutrition personnel;

(4) is prepared in consultation with other professional staff;

(5) is consistent with the residential facility's goals and policies;

(6) is distributed and interpreted to all residential facility personnel; and

(7) complies with State and local regulations.

(c) Whenever appropriate, the following services should be provided—

(1) initial and periodic evaluation of the nutritional status of each resident, including—

(A) determination of dietary requirements and assessments of intake and adequacy through—

(i) dietary interview;

(ii) clinical evaluation;

(iii) biochemical assessment;

(B) assessment of food service practices;

(C) assessment of feeding practices, capabilities, and potential;

(2) maintenance of a continuing and periodically reviewed nutrition record for each resident;

(3) incorporation of recommendations drawn from the nutrition evaluation into the total management plans for the resident;

(4) periodic review of implementation of recommendations and of need of modification;

(5) participation in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs;

(6) provision of—

(A) counseling services to the individual resident;

(B) reciprocal consultation with residential facility staff and students;

(C) counseling service to residents' families or their surrogates;

(D) nutrition education, on a continuing basis, for residents, families or surrogates, staff, and students, and development of such programs in coordination with various education programs within the residential facility and the community;

(7) coordination of nutrition programs between the residential facility and the community, including—

(A) development of awareness of available programs in nutrition;

(B) development of needed nutrition programs;

(C) encouragement of participation of professionals and students in nutrition programs for the mentally retarded and developmentally disabled; and

(8) development, coordination, and direction of nutrition research, as well as cooperation in interdisciplinary research.

(d) Food services shall include—

(1) menu planning;

(2) initiating food orders or requisitions;

(3) establishing specifications for food purchases, and insuring that such specifications are met;

(4) storing and handling of food;

(5) food preparation;

(6) food serving;

(7) maintaining sanitary standards in compliance with State and local regulations; and

(8) orientation, training, and supervision of food service personnel.

(e) The food and nutrition needs of residents shall be met in accordance with the recommended dietary allowances of the food and nutrition board of the national research council, adjusted for age, sex, activity, and disability, through a nourishing, well-balanced diet. The total food intake of the resident should be evaluated, including food consumed outside of as well as within the residential facility.

(f) Menus shall be planned to meet the needs of the residents in accordance with subsection (e). Menus shall be written in advance. The daily menu shall be posted in food preparation areas. When changes in the menu are necessary, substitutions should be noted and should provide equal nutritive values. Menus shall provide sufficient variety of foods served in adequate amounts at each meal, and shall be: (1) Different for the same days of each week; (2) Adjusted for seasonal changes. Records of menus as served shall be filed and maintained for at least 30 days. At least a 1-week supply of staple foods and a 2-day supply of perishable foods shall be maintained on the premises. Records of food purchased for preparation shall be filed and maintained for at least 30 days. A file of tested recipes adjusted to appropriate yield should be maintained.

(g) Foods shall be prepared by methods that—

(1) conserve nutritive value;

(2) enhance flavor; and

(3) enhance appearance.

(h) Food shall be prepared, stored, and distributed in a manner that assures a high quality of sanitation. Effective procedures for cleaning all equipment and work areas shall be followed consistently. Dishwashing and panwashing shall be carried out in compliance with State and local health codes. Handwashing facilities, including hot and cold water, soap, and paper towels, shall be provided adjacent to work area.

(i) When food is transported, it shall be done in a manner that maintains proper temperature, protects the food from contamination and spoilage, and insures the preservation of nutritive value. Food storage procedures shall meet State and local regulations. Dry or staple food items shall be stored at least 12 inches above the floor, in a ventilated room not subject to sewage or waste water backflow, or contamination by condensation, leakage, rodents, or vermin. Perishable foods shall be stored at the proper temperature to preserve nutritive values. Food served to residents and not consumed shall be discarded.

(j) There shall be a sufficient number of competent personnel to fulfill the objectives of the food and nutrition services, including—

(1) nutritionists or dietitians;

(2) other food service personnel;

(3) clerical personnel;

(4) depending upon the size and scope of the residential facility, food and nutrition services shall be directed by one of the following—

(A) a dietitian who is eligible for membership in the appropriate professional dietetic association and preferably eligible for registration by such association, or a nutritionist who has a master's degree in foods, nutrition, or public health nutrition, who is eligible for membership in the appropriate professional dietetic association, and preferably eligible for registration by the association, and who, unless employed by a residential facility that also employs a dietitian, has had experience in institutional food management;

(B) a food service manager who has a bachelor's degree in foods, nutrition, or a related field, and who receives consultation from a dietary consultant;

(C) a responsible person who has had training and experience in meal management and service, and who receives consultation from a dietary consultant; and

(D) the person responsible for food and nutrition services should have had training or experience in providing services to the mentally retarded, and other individuals with developmental disabilities and should be sensitive to their needs;

(5) the dietary consultant shall—

(A) be eligible for membership in the appropriate professional dietetic association, and preferably eligible for registration by such association;

(B) serve on a regularly scheduled and frequent basis when no full-time dietitian is available; and

(6) every person engaged in the preparation and serving of food in the residential facility shall have a valid food handler's permit, as required by State or local regulations. No person who is afflicted with a disease in a communicable stage, or who is a carrier of a communicable disease, or who has an open wound, shall work in any food service operation. Every person engaged in the preparation and serving of food in the residential facility shall annually be medically determined to be free of any disease in a communicable stage. All dietitians and nutritionists shall adhere to the code of ethics of the appropriate professional dietetic association.

(k) Appropriate to the size of the residential facility, an ongoing inservice training program shall be conducted that is designed to improve and maintain the skills of its food and nutrition services staff, through means such as—

(1) seminars, workshops, conferences, and institutes;

(2) college and university courses;

(3) participation in professional organizations;

(4) participation in interdisciplinary groups;

(5) visitations to other residential facilities; and

(6) access to adequate library resources, including current and relevant books and journals in nutrition and mental retardation.

(l) Opportunities should be provided, in cooperation with university and other training programs, for students to obtain practical experience, under appropriate supervision, whenever the best interests of the residents are thereby served.

(m) There shall be adequate space, facilities, and equipment to fulfill the professional, educational, administrative, operational, and research needs of the food and nutrition services. Dining areas and facilities for food storage, preparation, and distribution shall be—

(1) designed in cooperation with a dietitian and, when appropriate, with assistance from a qualified food service and equipment consultant;

(2) adequate for the storage and preservation of food;

(3) in compliance with State and local sanitation and other requirements;

(4) adequate for the preparation and serving of food; and

(5) adequate for sanitary storage for all dishes and equipment.

SUBCHAPTER V—LIBRARY SERVICES

SEC. 260. (a) Library services, which include the location, acquisition, organization, utilization, retrieval, and delivery of materials in a variety of media, shall be available to the residential facility, in order to support and strengthen its total habilitation program by providing complete and integrated multimedia information services to both staff and residents. Library services shall make available to the residential facility the resources of local, regional, State, and National library systems and networks. Library services shall be available to all residents, regardless of chronological age, degree of retardation, level of communication skills, or accompanying disabilities or handicaps.

(b) Library services to residents shall be rendered—

(1) directly, through personal contact between library staff and residents;

(2) indirectly, through contact between librarians and other persons working with the residents, designed to—

(A) maintain an atmosphere that recognizes the rights of the resident to access to information and to personal use of library materials appropriate to his level of development in communication skills or to his desire to conform to peer groups; and

(B) enhance interpersonal relationships between direct-care workers and residents, through the mutual enjoyment of written, recorded, or oral literature appropriate to the resident's level of development and preference.

(c) Library services available to residents should include—

(1) assistance in team evaluation and assessment of the individual's level of development in communication skills, such as listening, comprehension, reading, and ability to respond to stimuli in a wide range and variety of media;

(2) provision of informational, recreational, and educational materials appropriate to individual residents at all stages of development in communication skills, including media to stimulate sensory development, both in the library and in the living unit. Such materials should include, but need not be limited to—

(A) books, including picture, juvenile, adult, high interest-low vocabulary, large print, and talking books;

(B) magazines, including juvenile, adult pictorial, and magazines on talking books;

(C) newspapers;

(D) audiovisual media, including films, filmstrips, slides, video tapes, audio tapes, and records, and appropriate equipment;

(E) graphics;

(F) experience materials, such as manipulative materials, toys and games, realia, and animals;

(3) development of programs for individual or group enjoyment, for development of communication skills, for encouragement and satisfaction of natural human curiosity about anything, including sex and the facts of life, and for general enhancement of self-image. These programs should include, but need not be limited to—

(A) storytelling with listener participation through games or other activities;

(B) reading aloud, including "reading" pictures;

(C) film or filmstrip programs;

(D) listening to recorded media;

(E) media discussion groups;

(F) library clubs;

(G) touching, browsing, exploring, or naming sensory stimuli;

(H) creative writing, including group composition through dictation, tape recording, etc.;

(I) puppetry, including the making of puppets;

(J) creative dramatics;

(4) opportunities to visit, and make use of, community library services and facilities in the same manner, and on the same terms, as any resident of the community;

(5) referral services to the community library most convenient to place of residence or employment, when the resident leaves the residential facility; and

(6) active participation in, and encouragement of, library programs related to the educational and habilitative services of the residential facility, including the supplementation, support, and reinforcement of school programs.

(d) Librarians providing services to residents should act as advocates on their behalf if residential facility policies or community library policies interfere with the retarded or developmentally disabled person's freedom to read materials of his own choosing or if they deny or abrogate his right to information or access to library services of any kind, in accordance with the standards adopted by the appropriate professional library association.

(e) Library services to staff should include—

(1) selection, acquisition, organization, classification, cataloging, procurement through interlibrary loan, and dissemination of informational, educational, and instructional library materials and audiovisual equipment;

(2) provision of reference and bibliographic materials and services, literature searches, bibliography compilation, indexing and abstracting services, and other guides to the literature relevant to mental retardation and developmental disabilities;

(3) acquisition of materials for evaluation for purchase;

(4) provision of a current awareness program to alert staff to new materials and developments in their fields;

(5) orientation to library services and functions, including continuing instruction and assistance in the use of informational sources, and participation in general orientations to the residential facility;

(6) provision of written and oral translation services; and

(7) cooperation in inservice training programs by working with subject specialists and by recommending, providing, or producing materials in various media.

(f) Library services to the residential facility may include—

(1) provision of informational materials about the residential facility and mental retardation developmental disabilities in general, through an organized collection of resources;

(2) assistance with such public relation functions as preparing brochures, program statements, annual reports, writing news releases and feature stories, and offering editorial and research assistance to staff preparing professional books and papers; and

(3) assistance in preparing grant applications and report writing.

(g) When library services are provided in the residential facility—

(1) there shall be a written statement of objectives that make possible a well-conceived, comprehensive, long-range program of library development, consistent with the overall goals of the residential facility, adapted to the needs and aptitudes of the residents, and designed to be modified as the program of the residential facility changes;

(2) there shall be a separate budget, adequate to carry out the program in accordance with stated goals and objectives;

(3) library services shall be placed within the organizational structure of the residential facility in such a way as to be available to, and maximally utilized by, all relevant services and programs;

(4) there shall be written policies covering the library's day-to-day activities, and the coordination of these activities with those of other services of the residential facility and with related activities in the community;

(5) there shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the program in accordance with stated goals and objectives;

(6) a qualified librarian shall be responsible for all library services. Where the level of need for services does not require the full-time employment of a professional librarian, coverage may be through the use of consultant service or supervisory personnel, through the pooling of resources and the sharing of services by two or more residential facilities in a geographic area, or through service supplied through a regional library system;

(7) the librarian shall participate, when appropriate, in the interdisciplinary planning, development, and evaluation of residential facility programs;

(8) the librarian should coordinate the purchasing of all print and nonprint materials for the residential facility, and act as the residential facility's informed agent in initiating the purchase of print and nonprint materials, and the library should serve as a clearinghouse for such holdings;

(9) librarians should participate in—

(A) educating appropriate members of the

community, concerning the library needs of residents;

(B) planning, with community librarians, the utilization of library resources to optimize resident adjustment;

(C) developing appropriate expectancies and attitudes within community libraries that residents will use;

(10) appropriate relationships with other libraries and community agencies shall be established to more effectively accomplish the library's service functions;

(11) appropriate to the size of the residential facility, there should be a staff development program designed to maintain and improve the skills of library services staff through means such as—

(A) staff meetings and inservice training;

(B) seminars, workshops, conferences, and institutes;

(C) college and university courses;

(D) professional organizations;

(E) participation in interdisciplinary groups;

(F) visits to other residential facilities;

(G) access to relevant professional literature;

(12) whenever appropriate, the library should provide training for beginning librarians, further the orientation and training of library assistants, technicians, or volunteers, and serve as a training center for library institutes or workshops;

(13) library services should be located so as to be convenient and accessible to all users;

(14) all library functions should be integrated within a centralized location, whenever this does not act as a barrier to accessibility for any group;

(15) space, physical facilities, and equipment shall be adequate to carry out the program, and shall comply with the standards for library services in health care institutions published by the appropriate professional library association of hospitals and institutions of the appropriate professional library association;

(16) the hours during which the library is open should meet the requirements of the majority of the library's users, and should be as generous as possible; and

(17) users of library services shall participate in the planning and evaluation of library programs, by means such as advisory committees.

(h) If library services are provided outside the residential facility, there shall be a formal agreement that stipulates lines of communication, areas of responsibility, and kinds of service.

(i) The individual responsible for maintaining standards of professional and ethical practice in the rendering of library services to the residential facility—

(1) shall have a master's degree in library science from a school accredited by the recognized national professional library association; and

(2) should have preparation in a field relevant to work with the mentally retarded and other individuals with developmental disabilities.

(j) Individuals rendering library services, including librarians, media specialists, library and media technicians, supportive staff, and volunteers, shall have qualifications appropriate to their responsibilities and duties.

SUBCHAPTER VI—MEDICAL SERVICES

SEC. 261. (a) Medical services shall be provided in order to—

(1) achieve and maintain an optimal level of general health for each resident;

(2) maximize normal function and prevent disability; and

(3) facilitate the optimal development of each resident.

(b) Medical services shall be rendered—

(1) directly, through personal contact between physicians and residents; and

(2) indirectly, through contact between physicians and other persons working with the residents, which is designed to maintain an environment that recognizes and meets the health, hygiene, sanitary, and nutritional needs of the residents.

(c) Medical services available to the residential facility should include—

(1) evaluation and diagnosis;

(2) treatment;

(3) program development services, including those relating to—

(A) resident habilitation;

(B) staff training;

(C) community participation;

(4) consultation with, or relating to—

(A) residents;

(B) families of residents;

(C) the administration and operation of the residential facility;

(5) medical and ancillary staff training; and

(6) preventive health services for residents and staff.

(d) The services of medical and surgical hospitals that are accredited by the recognized national appropriate joint commission on accreditation of hospitals shall be available to residents. Only pathology, clinical laboratory, and radiologic services that meet the hospital accreditation standards of such joint commission on accreditation of hospitals shall be utilized. Electroencephalographic services shall be available as necessary. There shall be evidence, such as may be provided by a record of the deliberations of a utilization review committee, that such hospital and laboratory services are utilized in accordance with proper professional standards.

(e) Physicians shall participate, when appropriate—

(1) in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs; and

(2) in the development for each resident of a detailed, written statement of—

(A) case management goals, encompassing the areas of physical and mental health, education, and functional and social competence; and

(B) a management plan detailing the various habilitation or rehabilitation modalities that are to be applied in order to achieve the specified goals, with clear designation of responsibility for implementation.

(f) The management plan shall ordinarily include, but not necessarily be limited to—

(1) the resident's day-to-day activity program;

(2) physical rehabilitation to prevent and correct deformity, to enhance mobility, and to facilitate training in self-help skills;

(3) provision for adaptive equipment necessary to the rehabilitation plan;

(4) an educational program;

(5) a vocation and occupational program;

(6) stated intervals for review of the management plan; and

(7) short- and long-term goals, including criteria for release.

(g) Statement of treatment goals and management plans shall be reviewed and updated—

(1) as needed, but at least annually; and

(2) to insure continuing appropriateness of the goals, consistency of management methods with the goals and the achievement of progress toward the goals.

(h) Special attention shall be given those residents who, without active intervention, are at risk of further loss of function, by means that include—

(1) early diagnosis of disease;

(2) prompt treatment in the early stages of disease;

(3) limitation of disability by arresting the disease process;

(4) prevention of complications and sequelae; and

(5) rehabilitation services to raise the affected individual to his or her greatest possible level of function, in spite of his or her handicap, by maximizing the use of his or her remaining capabilities.

(i) Preventive health services to residents shall include—

(1) means for the prompt detection and referral of health problems, through adequate medical surveillance, periodic inspection, and regular medical examination;

(2) annual physical examinations, that include—

(A) examination of vision and hearing;

(B) routine screening laboratory examinations, as determined by the physician, and special studies when the index of suspicion is high;

(3) maintenance of a graphic record of height and weight for each resident, in a form that permits ready reference to standardized norms;

(4) immunizations, using as a guide the recommendations of the United States Public Health Service Advisory Committee on Immunization Practices and of the appropriate committee on the control of infectious diseases of the appropriate medical specialty association;

(5) tuberculosis control, in accordance with the recommendations of the appropriate medical specialty association as appropriate to the residential facility's population; and

(6) reporting of communicable diseases and infections in accordance with law.

(j) Preventive health services to staff shall include—

(1) preemployment physical examinations; and

(2) surveys for the detection and prevention of communicable diseases.

(k) There shall be a formal arrangement for qualified medical care for the residential facility, including care for medical emergencies on a 24-hour, 7-days-a-week basis. A physician, fully licensed to practice medicine in the State in which the residential facility is located, shall be designated to be responsible for—

(1) maintaining standards of professional and ethical practice in the rendering of medical services in the residential facility; and

(2) maintaining the general health conditions and practices of the residential facility and/or system of health services.

Each resident shall have a personal (primary) physician, who maintains familiarity with his state of health and with conditions within the residential living unit that bear on his health. Qualified medical specialists of recognized professional ability shall be—

(1) available for a broad range of specialized care and consultation; and

(2) appropriately used.

(l) Appropriate to the size of the residential facility, an ongoing inservice training program shall be conducted that is designed to maintain and improve the medical skills of its physicians and their knowledge of development disabilities, through methods such as staff seminars, outside speakers, attendance at professional medical meetings, and informational exchanges with universities and teaching hospitals.

(m) There shall be adequate space, facilities, and equipment to fulfill the professional, education, and administrative needs of the medical service.

SUBCHAPTER VII—NURSING SERVICES

SEC. 262. (a) Residents shall be provided with nursing services, in accordance with their needs, in order to—

(1) develop and maintain an environment that will meet their total health needs;

(2) foster optimal health;

(3) encourage maximum self-care and independence; and

(4) provide skilled nursing care as needed.

(b) There shall be a written statement of nursing philosophy and objectives that are consistent with the purpose of the residential facility and that give direction to the nursing program. Nursing personnel shall be responsible for the formulation, review, and revision of the philosophy and objectives. The philosophy and objectives shall be—

(1) distributed to all nursing personnel; and

(2) made available and interpreted to all other personnel.

(c) Nursing services should be provided through—

(1) direct nursing intervention;

(2) instruction and supervision of residential facility staff rendering nursing care;

(3) supporting, counseling, and teaching the resident, his or her family, and his or her direct-care staff, at the residential facility or in the home;

(4) consultation and followthrough in the interest of the resident; and

(5) participation on appropriate residential facility committees.

(d) Nursing services to residents shall include, when appropriate—

(1) professional nurse participation in—

(A) the preadmission evaluation study and plan;

(B) the evaluation study, program design, and placement of the resident at the time of admission to the residential facility;

(C) the periodic reevaluation of the type, extent, and quality of services and programing;

(D) the development of discharge plans;

(E) the referral to appropriate community resources;

(2) services directed toward the promotion of health, including—

(A) observation and assessment of the developmental function of the resident, within his or her environment;

(B) training in habits of personal hygiene;

(C) family life and sex education;

(D) safety education;

(E) control of communicable diseases and infections, through—

(i) identification and assessment;

(ii) reporting to medical authority;

(iii) implementation of appropriate protective and preventive measures;

(F) development of a written plan for nursing action, in relation to the total habilitation program;

(G) modification of the nursing plan, in terms of the resident's daily needs, at least annually for adults and more frequently for children, in accordance with developmental changes;

(3) participation in the prevention of disability for all residents, with special attention to those residents who exhibit the lowest level of functional development including—

(A) nursing assessment of the functional level of development;

(B) development, implementation, and coordination of a plan to maintain and encourage optimal level of function, with written provision for direct and indirect nursing intervention; and

(4) planned, intensive nursing care for every resident who is medically determined to be acutely ill.

(e) A professional nurse shall participate, as appropriate, in the planning and implementation of training of residential facility personnel. Direct-care personnel shall be trained in—

(1) detecting signs of illness or dysfunction that warrant medical or nursing intervention;

(2) basic skills required to meet the health needs and problems of the residents; and

(3) first aid in the presence of accident or illness.

(f) Qualified nurses shall be encouraged to become involved in—

(1) initiating, conducting, and evaluating nursing research;

(2) evaluating and applying relevant research findings for the benefit of residents;

(3) formulating the policies governing research in the residential facility; and

(4) serving as resource persons to schools of nursing, and to public health nursing and related agencies.

(g) There shall be available sufficient, appropriately qualified nursing staff, which may include currently licensed practical nurses and other supporting personnel, to carry out the various nursing service activities. A registered professional nurse shall be designated as being responsible for maintaining standards of professional, legal, and ethical practice in the delivery of nursing services according to the needs of the residents. The individual responsible for the delivery of nursing services—

(1) should have at least a master's degree in nursing; and

(2) shall have knowledge and experience in the field of developmental disabilities.

(h) Nursing service personnel at all levels of experience and competence shall be—

(1) assigned responsibilities in accordance with their qualifications;

(2) delegated authority commensurate with their responsibility; and

(3) provided appropriate professional nursing supervision.

(i) Organized nursing services and professional nurse practitioners should have recourse to qualified and appropriate consultation as needed. All professional nurses shall be familiar with, and adhere to, the code of ethics published by the appropriate nationally recognized professional nurses' association.

(j) Appropriate to the size of the residential facility, there shall be an educational program designed to enhance the clinical competencies and the knowledge of developmental disabilities of its professional nursing staff, through means, including but not limited to—

(1) staff meetings and inservice training;

(2) seminars, workshops, conferences, and institutes;

(3) college and university courses;

(4) participation in professional organizations;

(5) participation in interdisciplinary groups;

(6) visits to other residential facilities; and

(7) access to relevant professional literature.

(k) To enrich and stimulate the residential facility's nursing program, and to facilitate its integration with community services, educational experiences for students of all types of professional and vocational nursing schools shall be encouraged and defined by a contractual agreement, whenever the best interests of the residents are thereby served.

(l) There shall be adequate space, facilities, and equipment to fulfill the professional, educational, and administrative needs of the nursing service. Professional nursing consultation shall be included in the design and modification of areas and residential facilities that will be used by the ill and the physically handicapped.

SUBCHAPTER VIII—PHARMACY SERVICES

SEC. 263. (a) In order to contribute to improved resident care and to promote optimal response to drug therapy by the residents, through the full utilization of the knowledge and skills of the pharmacist, pharmacy services shall be provided under the direction of a qualified pharmacist. There shall be a formal arrangement for qualified pharmacy services, including provision for emergency service, by means appropriate to the residential facility. Such means may include the services of a pharmacist in a local community or hospital pharmacy that meets the standards listed herein, as well as the operation of its own pharmacy by the residential facility. There shall be a current pharmacy manual that—

(1) includes policies and procedures, and defines the functions and responsibilities relating to pharmacy services; and

(2) is revised annually to keep abreast of current developments in services and management techniques.

(b) There shall be a formulary system, approved by the responsible physician and pharmacist, and by other appropriate residential facility staff. Copies of the residential facility's formulary and of the nationally recognized American hospital formulary service shall be located and available, as appropriate to the residential facility.

(c) Upon admission of the resident, a medication history of prescription and nonprescription drugs used shall be obtained, preferably by the pharmacist, and his information shall be entered in the resident's record for the information of the staff. The pharmacist shall—

(1) receive the original, or a direct copy, of the physician's drug treatment order;

(2) review the drug regimen, and any changes, for potential adverse reactions, allergies, interactions, contraindications, rationality, and laboratory test modifications, and advise the physician of any recommended changes, with reasons and with an alternate drug regimen;

(3) maintain for each resident an individual record of all medications (prescription and nonprescription) dispensed, including quantities and frequency or refills;

(4) participate, as appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs;

(5) participate in any of the following activities that are undertaken in the residential facility:

(A) drug research;

(B) drug utilization review;

(C) infection and communicable disease committee;

(D) safety committee;

(E) patient care incident review; and

(6) establish quality specifications for drug purchases, and insure that they are met.

(d) The pharmacist should—

(1) prepare a drug treatment plan, as prescribed by the attending physician, for inclusion in the resident's record and for use by the staff, that includes—

(A) the drug product, dosage form, route of administration, and time of administration, including, when appropriate, the time with respect to meals, other drugs, and activities;

(B) a schedule of laboratory tests necessary to detect adverse reactions;

(C) noting of any potential adverse reactions for the staff's information;

(2) regularly review the record of each resident on medication, and have contact with selected residents with potential problems, noting in the residents' records and reporting to physicians any observations of response to drug therapy, and of adverse reactions and over or underutilization of drugs;

(3) provide instructions and counseling on the correct use of his or her drugs, as prescribed by the attending physician, to each resident on home visit and discharge, or to his or her parents;

UMI

(4) provide education and counseling to residents in independent living units on the correct use of their drugs, as prescribed by the attending physician, and on the results expected from correct use and from over or underuse;

(5) participate in programs for sex education and drug abuse education;

(6) provide information on the resident's drug regimen to the receiving residential facility pharmacist, when the resident is transferred, and, with the approval of the resident or his or her guardian, to the resident's community pharmacist, his or her private physician, or the community mental retardation or developmental disability service when the resident is discharged from the residential facility, so as to insure continuity of care;

(7) participate in inservice education programs for professional and direct-care staff;

(8) orient and teach students in pharmacy and other professions, regarding pharmacy's services to the residents and regarding drugs and their uses; and

(9) participate in public educational and informational programs on mental retardation and developmental disabilities.

(e) Where appropriate to the residential facility, there shall be a pharmacy and therapeutics committee, that includes one or more pharmacists, to develop policy on drug usage in the residential facility, and to develop and maintain a current formulary. This committee shall meet not less than once every 3 months. Minutes of the committee meetings shall be kept on file.

(f) Written policies and procedures that govern the safe administration and handling of all drugs shall be developed by the responsible pharmacist, physician, nurse, and other professional staff, as appropriate to the residential facility. The compounding, packaging, labeling, and dispensing of drugs, including samples and investigational drugs, shall be done by the pharmacist, or under his direct supervision, with proper controls and records. Each drug shall be identified up to the point of administration. Procedures shall be established for obtaining drugs when the pharmacy is closed.

(g) The unit dose or individual prescription system of drug distribution should be used. Wherever possible, drugs that require dosage measurement shall be dispensed by the pharmacist in a form ready to be administered to the patient.

(h) There shall be a written policy regarding the administration of all drugs used by the residents, including those not specifically prescribed by the attending practitioner. There shall be a written policy regarding the routine of drug administration, including standardization of abbreviations indicating dose schedules. Medications shall not be used by any resident other than the one for whom they were issued. Only appropriately trained staff shall be allowed to administer drugs.

(i) There shall be a written policy governing the self-administration of drugs, whether prescribed or not.

(j) Drugs shall be stored under proper conditions of sanitation, temperature, light, moisture, ventilation, segregation, and security. All drugs shall be kept under lock and key except when authorized personnel are in attendance. The security requirements of Federal and State laws shall be satisfied in storerooms, pharmacies, and living units. Poisons, drugs used externally, and drugs taken internally shall be stored on separate shelves or in separate cabinets, at all locations. Medications that are stored in a refrigerator containing things other than drugs shall be kept in a separate compartment with proper security. A perpetual inventory shall be maintained of each narcotic drug in the pharmacy, and in each unit in which such drugs are kept, and inventory records shall show the quantities of receipts and issues and the person to whom issued or administered. If there is a drug storeroom separate from the pharmacy, there shall be a perpetual inventory of receipts and issues of all drugs by such storeroom.

(k) The pharmacist should review the drugs in each living unit monthly, and should remove outdated and deteriorated drugs and drugs not being used. Discontinued and outdated drugs, and containers with worn, illegible, or missing labels, shall be returned to the pharmacy for proper disposition.

(l) There shall be automatic stop orders on all drugs. There shall be a drug recall procedure that can be readily implemented. Medication errors and drug reactions shall be recorded and reported immediately to the practitioner who ordered the drug. There shall be a procedure for reporting adverse drug reactions to the Federal Food and Drug Administration. The pharmacist shall be responsible for the storage and dispensing of investigational drugs. The pharmacist shall provide the residential staff with pharmacological and other necessary information on investigational drugs, including dosage form, dosage range, storage, adverse reactions, usage, and contraindications.

(m) There shall be an emergency kit—

(1) readily available to each living unit; and

(2) constituted so as to be appropriate to the needs of its residents.

(n) Pharmacy services shall be—

(1) directed by a professionally competent and legally qualified pharmacist who is a graduate of a school of pharmacy accredited by an accrediting agency approved by the Secretary, or its equivalent, and who serves on a full-time or part-time basis, as the activity of the service requires;

(2) staffed by a sufficient number of competent personnel, consistent with the residential facility's needs, and including—

(A) pharmacists necessary to provide comprehensive pharmacy services;

(B) technicians and clerical personnel to relieve the pharmacist of nonprofessional and clerical duties;

(3) pharmacists should have had training or experience in providing services to the mentally retarded and other individuals with developmental disabilities, and should be sensitive to their needs; and

(4) all pharmacists shall be familiar with, and adhere to, the code of ethics of the nationally recognized professional pharmaceutical association.

(o) Appropriate to the size of the residential facility, there should be a staff development program, designed to maintain and improve the skills of its pharmacy staff through means, including but not limited to:

(1) staff meetings and inservice training;

(2) seminars, workshops, conferences, and institutes;

(3) college and university courses;

(4) participation in professional organizations;

(5) participation in interdisciplinary groups;

(6) visits to other residential facilities; and

(7) access to relevant professional literature.

(p) The pharmacy serving the residential facility shall—

(1) have sufficient space for necessary compounding, dispensing, labeling, and packaging functions;

(2) have the equipment necessary for compounding, dispensing, issuing, storing, and administrative functions;

(3) be clean and orderly; and

(4) contain current pharmaceutical reference material to provide adequate information concerning drugs.

(q) Space for the storage of drugs in the storeroom, pharmacy, and living units shall be sufficient to prevent crowding of the drugs. There shall be adequate drug preparation areas, that are—

(1) properly secured;

(2) well lighted; and

(3) located so that personnel will not be interrupted when handling drugs.

(r) If the residential facility operates its own pharmacy, there should be—

(1) an office for the pharmacist; and

(2) a private area for instructing and counseling residents or parents on the correct use of drugs.

Subchapter IX—Physical and Occupational Therapy Services

SEC. 264. (a) Although this subchapter combines standards for physical and occupational therapy, each is a discrete service that complements the other in a manner similar to their relationship with all other health and medically related services. Both services, therefore, shall be provided, or made available to, residents on a continuing basis, as needed. Physical and occupational therapy services shall be provided in order to—

(1) prevent abnormal development and further disability;

(2) facilitate the optimal development at each resident; and

(3) enable the resident to be a contributing and participating member of the community in which he resides,

The residential facility shall have a written statement of its physical therapy and occupational therapy objectives for its residents, consistent with—

(1) the needs of the residents;

(2) currently accepted physical therapy and occupational therapy theories, principles, and goals;

(3) the philosophy and goals of the residential facility; and

(4) the services and resources provided.

Physical and occupational therapy services shall be provided—

(1) directly, through personal contact between therapists and residents;

(2) indirectly, through contact between therapists and other persons involved with the residents, to:

(A) create and maintain an atmosphere that recognizes the physical and psychosocial needs of residents and is conducive to the development and maintenance of optimal physical and psychological functioning;

(B) maximize the effectiveness of all programs for residents, through the application of knowledge concerning the development and maintenance of motor performance and behaviors; and

(C) implement programs for the improvement of physical and psychosocial functioning in all environmental settings.

Physical and occupational therapists shall have a responsibility for organizing and implementing programs to achieve physical and occupational therapy goals throughout the resident's daily activities.

(b) Physical and occupational therapy services available to the residential facility should include—

(1) screening and evaluation of residents;

(2) therapy with individuals and groups;

(3) program development services; including those relating to—

(A) resident habilitation;

(B) inservice training of professional, direct-care, and other staff;

(C) community participation;

(4) consultation with, or relating to—

(A) residents;

(B) families of residents;

(C) medical, dental, psychological, educational, nursing, and other services;

(D) the administration and operation of the residential facility;

(E) the community served, by the residential facility;

(5) training of therapy staff;

(6) training of physical and occupational therapy graduate or undergraduate students, interns, supportive staff, and volunteer workers;

(7) assessment of program effectiveness; and

(8) conduct of, or participation in, research, and dissemination and appropriate application of research findings.

(c) Therapists should screen residents, in order to—

(1) determine the characteristics of the residential facility's population;

(2) identify resident needs and establish program priorities; and

(3) determine the administrative, budgetary, and personnel requirements of the service.

(d) Evaluation of individual residents by physical and occupational therapists should include—

(1) observing and testing performance and motivation in sensorimotor, perceptual, behavioral, and self-care activities;

(2) assessment and analysis of findings, to determine level of function and to identify deviations from accepted norms;

(3) providing information for interdisciplinary staff use, in determining diagnosis, functional capacities, prognosis, and management goals; and

(4) physical and occupational therapists shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs.

(e) Physical therapy and occupational therapy staff shall provide treatment-training programs that are designed to—

(1) preserve and improve abilities for independent function, such as range of motion, strength, tolerance, coordination, and activities of daily living;

(2) prevent, insofar as possible, irreducible or progressive disabilities, through means such as the use of orthotic and prosthetic appliances, assistive and adaptive devices, positioning, behavior adaptations, and sensory stimulation;

(3) the therapist shall function closely with the resident's primary physician and with other medical specialists;

(4) treatment-training progress shall be—

(A) recorded regularly;

(B) evaluated periodically; and

(C) used as the basis for continuation or change of the resident's program.

(f) Evaluation results; treatment objectives, plans, and procedures; and continuing observations of treatment progress shall be—

(1) recorded accurately, summarized meaningfully, and communicated effectively;

(2) effectively used in evaluating progress; and

(3) included in the resident's unit record.

(g) Consumers and their representatives, including residents, families, other disciplines, and community groups, shall be utilized in the planning and evaluation of physical therapy and occupational therapy services. There shall be available sufficient, appropriately qualified staff, and supporting personnel, to carry out the various physical and occupational therapy services, in accordance with stated goals and objectives. Physical and occupational therapists shall be—

(1) graduates of a curriculum accredited by the appropriate nationally recognized association;

(2) if a physical therapist, eligible to practice in the State in which the residential facility is located; and

(3) if an occupational therapist, eligible for registration by the appropriate nationally recognized association.

(h) A physical therapist and an occupational therapist shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of their respective therapy services in the residential facility. Each such therapist shall be qualified as required by the provisions of subsection (g) and, in addition, shall—

(1) have had 3 years of professional experience, 2 years of which should have been in working with the mentally retarded and other individuals with developmental disabilities;

(2) have demonstrated competence in administration and supervision, as appropriate to the residential facility's program; and

(3) preferably have a master's degree, in an area related to the program.

(i) Therapy assistant shall—

(1) be certified by the nationally recognized professional occupational therapy association or be graduates of a program accredited by the nationally recognized professional physical therapy association; and

(2) work under the supervision of a qualified therapist.

(j) Therapy aides shall—

(1) be provided specific inservice training; and

(2) work under the supervision of a qualified therapist assistant.

(k) Physical and occupational therapy personnel shall be—

(1) assigned responsibilities in accordance with their qualifications;

(2) delegated authority commensurate with their responsibilities; and

(3) provided appropriate professional direction and consultation.

(l) Physical and occupational therapy personnel shall be familiar with, and adhere to, the ethical codes and standards of practice promulgated by their respective nationally recognized professional organizations.

(m) Physical therapy and occupational therapy services operated by a residential facility shall seek consultation, at periodic intervals, from experts in physical therapy and occupational therapy who are not directly associated with the residential facility. Appropriate to the nature and size of the residential facility and to the physical and occupational therapy services, there shall be a staff development program that is designed to maintain and improve the skills of physical and occupational therapy personnel, through methods, including but not limited to:

(1) regular staff meetings;

(2) an organized inservice training program in physical and occupational therapy;

(3) visits to and from the staff of other residential facilities and programs;

(4) participation in interdisciplinary meetings;

(5) provision for financial assistance and time for attending professional conferences;

(6) provisions for encouraging continuing education, including educational leave, financial assistance, and accommodation work schedules;

(7) career ladders and other incentives to staff recruitment and development;

(8) workshops and seminars;

(9) consultations with specialists; and

(10) access to adequate library resources, which include current and relevant books and journals in physical and occupational therapy, mental retardation, development disabilities, and related professions and fields.

(n) Space, residential facilities, equipment, supplies, and resources shall be adequate for providing efficient and effective physical and occupational therapy services, including, but not necessarily limited to—

(1) residential facilities for conducting administrative aspects of the program;

(2) residential facilities for conducting screenings and evaluations;

(3) residential facilities for providing treatment and training for individuals and groups;

(4) such other space staff, and services as are essential to support and maintain effective programs; and

(5) appropriate physical and occupational therapy consultation shall be employed in the design, modification, and furnishing of all physical and occupational therapy areas and residential facilities required to meet the specific goals of physical and occupational therapy services.

Subchapter X—Psychological Services

SEC. 265. (a) Psychological services shall be provided, in order to facilitate, through the application of psychological principles, techniques, and skills, the optimal development of each resident. Psychological services shall be rendered—

(1) directly, through personal contact between psychologists and residents;

(2) indirectly, through contact between psychologists and other persons involved with the residents, designed to—

(A) maintain an atmosphere that recognizes the psychological needs of residents and that is conducive to the development and maintenance of constructive interpersonal relationships; and

(B) maximize the effectiveness of all programs for residents, through the application of knowledge concerning the understanding and change of behavior.

(b) Psychological services available to the residential facility should include but not be limited to:

(1) evaluation and assessment of individuals and programs;

(2) therapy with individuals and groups;

(3) program development services, including those relating to—

(A) resident habilitation;

(B) staff training;

(C) community participation;

(D) resident, staff, and community motivation;

(4) consultation with, or relating to—

(A) residents;

(B) parents of residents;

(C) the administration and operation of the residential facility;

(D) the community served by the residential facility;

(5) psychology staff training; and

(6) conduct of research, consultation on research design, and dissemination of research findings.

(c) Psychologists shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs—

(1) psychologists shall conduct evaluations necessary to—

(A) meet legal requirements;

(B) meet research needs; and

(C) provide data for biostatistical reporting;

(2) methods of data collection employed in evaluation and assessment shall include, as appropriate—

(A) standardized tests and techniques;

(B) observations in natural and experimental settings, using standardized or generally accepted techniques;

(C) interviews with—

(i) the resident (or prospective resident);

(ii) members of the resident's family and other informants; and

(D) review of all pertinent records, including the comparison of current and previous status;

(3) collation, analysis, and interpretation of data shall—

(A) be performed in accordance with standards generally acceptable in professional psychology;

(B) provide, as appropriate, both intra- and interindividual comparisons, by reference to normative data; and

UMI

(C) utilize appropriate equipment, which is made available for the purpose;

(4) the reporting and dissemination of evaluation results shall be done in such a manner as to—

(A) render the content of the report meaningful and useful to its intended recipient and user;

(B) enhance clinical understanding of the individual;

(C) promptly provide information useful to staff working directly with the resident;

(D) facilitate use of data for research and professional education;

(E) facilitate use of data for statistical reporting; and

(F) maintain accepted standards of confidentiality;

(5) there shall be developed and maintained for each resident a continuing evaluation record that is frequently updated and that includes, but is not limited to, psychometric data.

(d) Psychologists shall participate, when appropriate, in the development of written, detailed, specific, and individualized habilitation program plans that—

(1) provide for periodic review, followup, and updating;

(2) are designed to maximize each resident's development and acquisition of—

(A) perceptual skills;

(B) sensorimotor skills;

(C) self-help skills;

(D) communication skills;

(E) social skills;

(F) self direction;

(G) emotional stability;

(H) effective use of time (including leisure time);

(I) basic knowledge;

(J) vocational-occupational skills; and

(K) socioeconomic values relevant to the community in which he lives.

(e) Psychologists should provide individual, or groups of, residents with therapy designed to develop, modify, and maintain behavior and attitudes that are rewarding and effective in meeting the demands of their intrapersonal and interpersonal situations. Psychologists should provide consultation and training services to program staff concerning:

(1) principles and methods of understanding and changing behavior, to the end of devising maximally effective programs for residents;

(2) principles and methods of individual and program evaluation, for the purposes of assessing resident response to programs and of measuring program effectiveness;

(3) psychologists should participate in the development of incentive systems designed to maximize motivation and to optimize, by means of provision for feedback, performance, and learning on the part of—

(A) residents enrolled in habilitation programs;

(B) staff engaged in resident habilitation programs; and

(C) personnel involved in resident habilitation resources in the community.

(f) Psychologists should provide assistance or consultation relative to—

(1) developing and conducting evaluations designed to select and maintain appropriate and effective staff;

(2) developing job analyses;

(3) pyschological problems of staff, including the making of appropriate referrals;

(4) data concerning staff, and reports of evaluations of staff, shall—

(A) be provided in appropriate form, and only to clearly appropriate supervisory staff;

(B) enable data to be used for classification and reporting purposes;

(C) enable data to be used for research purposes; and

(D) maintain acceptable standards of confidentiality.

(g) Psychologists should participate in—

(1) educating appropriate members of the community, concerning the domiciliary, vocational, and recreational needs of residents who return to the community;

(2) planning with community officials the adaptation of domiciliary, vocational, and recreational resources, to optimize resident adjustments; and

(3) developing appropriate experiences and attitudes within the community into which residents go.

(h) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the various psychological service activities in accordance with the needs of the following functions:

(1) psychological services to residents, including evaluation, consultation, therapy, and program development;

(2) administration and supervision of psychological services;

(3) staff training;

(4) research;

(5) the residential facility should have available to it the services of at least one doctoral-level psychologist who is—

(A) a diplomate of the nationally recognized board of professional psychology, or is licensed or certified by a State examining board, or is certified by a voluntary board established by a qualified State professional psychological association;

(B) knowledgeable and experienced in the area of mental retardation or developmental disabilities;

(6) a psychologist qualified as specified in subsection (h) (5) shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of psychological services in the residential facility;

(7) all psychologists providing service to the residential facility shall—

(A) possess the educational and experiential qualifications required for membership in the nationally recognized professional psychological association;

(B) have demonstrated knowledge in the area of mental retardation and developmental disabilities;

(8) all psychological technicians, assistants, and clerks employed by the residential facility shall work under the direct supervision of a psychologist who is qualified as specified in subsection (h) (5);

(9) all members of the psychological services staff shall have and be familiar with, the ethical standards of psychologists and the nationally recognized casebook on ethical standards of psychologists, published by the professional psychological association, and all shall adhere to the ethical standards stated therein;

(A) all new psychology service employees shall receive this material, and be familiarized with it, as a part of their orientation; and

(B) the application of the ethical standards to practice with the mentally retarded and developmentally disabled in residential facilities shall be emphasized.

(i) Appropriate to the size of the residential facility, an ongoing inservice training program shall be conducted that is designed to maintain and improve the skills of its psychology staff, through methods, including but not limited to—

(1) staff seminars;

(2) outside speakers;

(3) visits to and from the staff of other residential facilities;

(4) attendance at conferences;

(5) participation in interdisciplinary groups;

(6) informational exchanges with universities, teaching hospitals, community mental health and mental retardation centers, and other community resources; and

(7) adequate library resources, including current and relevant books and journals in psychology and mental retardation and developmental disabilities shall be available.

(j) The training of interns and graduate students in psychology shall be encouraged, and appropriate supervision shall be provided. There shall be appropriate space and equipment for psychological services, including—

(1) offices for professional and clerical staff;

(2) testing and observation rooms;

(3) interviewing, counseling, and training and treatment rooms;

(4) play therapy rooms;

(5) access to conference rooms; and

(6) access to research and data analysis facilities.

Subchapter XI—Recreation Services

SEC. 266. (a) Recreation services should provide each resident with a program of activities that—

(1) promotes physical and mental health;

(2) promotes optimal sensorimotor, cognitive, affective, and social development;

(3) encourages movement from dependent to independent and interdependent functioning; and

(4) provides for the enjoyable use of leisure time.

(b) The residential facility shall have a written statement of its recreation objectives for residents, consistent with—

(1) the needs of its residents;

(2) currently accepted recreation principles and goals;

(3) the philosophy and goals of the residential facility; and

(4) the services and resources the residential facility offers.

(c) Recreation services available to the residential facility should include—

(1) recreation activities for the residents;

(2) recreation counseling;

(3) individual and group instruction of residents in recreation skills, to achieve maximum proficiency and develop leadership potential;

(4) therapeutic recreation;

(5) education and consultation; and

(6) research and evaluation.

(d) Recreation activities available to the residents should include, as appropriate to the size and location of the residential facility, and as adapted to the needs of the residents being served—

(1) excursions, outings, and other trips to familiarize the residents with community facilities;

(2) spectator activities, such as movies, television, sports events, and theater;

(3) participation in music, drama, and dance, such as rhythmics, folk dancing, community sings, group music sessions in the living units, performance in music or dramatic productions, performance in choral or instrumental groups, and informal listening to records or tapes;

(4) outdoor and nature experiences, including activities such as camping, hiking, and gardening;

(5) team sports and lead-up activities;

(6) individual and dual sports, such as bowling, archery, badminton, horseshoes, miniature golf, bicycling, and shuffleboard;

(7) hobbies, such as collecting, photography, model building, woodworking (including use of power tools), cooking, and sewing;

(8) social activities, such as clubs, special interest and discussion groups, social dancing, cookouts, parties, and games;

(9) service clubs and organizations, such as leaders clubs, scouting, 4–H, Junior Red Cross, Junior Chamber of Commerce, Hi–Y, Tri-Hi-Y, resident councils, and senior citizens clubs;

(10) aquatics, including waterplay, swimming, and boating;

(11) arts and crafts, including a wide range of activities from simple to complex, from reproductive to creative, and consistent with activities found in the community;

(12) physical fitness activities designed to develop efficient cardiovascular and cardiorespiratory functions, strength, endurance, power, coordination, and agility, sufficient for both usual and extra demands;

(13) library services for reading, listening, and viewing, such as looking at books, listening to records and tapes, and viewing film strips and slides;

(14) celebration of special events, such as holidays and field days;

(15) winter activities, including snow sculpture snowplay, games, and sports;

(16) opportunities to use leisure time in activities of the resident's own choosing in an informal setting under minimal supervision, such as a "drop-in center";

(17) frequent coeducational experiences, to promote acceptable social behavior and enjoyment of social relationships; and

(18) activities for the nonambulatory, including the mobile and nonmobile.

(e) Maximum use should be made of all community recreation resources. Recreation counseling should be a continuous process that provides for—

(1) modification of resident's recreation behaviors;

(2) guidance to residents on how to find, reach, and utilize community recreation resources;

(3) family counseling in relation to recreation activities; and

(4) interpretation of resident's needs and abilities to community agencies.

(f) Therapeutic recreation, defined as purposive intervention, through recreation activities, to modify, ameliorate, or reinforce specific physical, emotional, or social behaviors, should include as appropriate—

(1) participation on an interdisciplinary team, to identify the habilitation needs and goals of the resident;

(2) determination of appropriate recreation intervention, to achieve the statcd habilitation goals;

(3) a written plan for implementing the therapeutic recreation objectives, consistent with the recommendations of the evaluation team; and

(4) evaluation of the effectiveness of such interventions, and subsequent redefinition of the resident's habilitation needs and goals.

(g) Education and consultation services should include—

(1) provision of stimulation, leadership, and assistance with recreation activities, conducted by the direct-care staff;

(2) staff training and development;

(3) orientation and training of volunteers;

(4) training of interns and students in recreation;

(5) consultation to community agencies and organizations, to stimulate the development and improvement of recreation services for the retarded and other developmentally disabled individuals; and

(6) public education and information, to encourage acceptance of the retarded and other developmentally disabled individuals in recreation activities.

(h) Recreational service shall be coordinated with other services and programs provided the residents, in order to make fullest possible use of the residential facility's resources and to maximize benefits to the residents. Activities in health, music, art, and physical education shall be coordinated with recreation activities relevant to these areas.

(i) Records concerning residents should include—

(1) periodic surveys of their recreation interests;

(2) periodic surveys of their attitudes and opinions regarding recreation services;

(3) the extent and level of each resident's participation in the activities program;

(4) progress reports, as appropriate;

(5) reports on relationships among peers, and between residents and staff; and

(6) evaluations conducted by personnel at all levels and, where appropriate, by staff from other services.

(j) Established procedures for evaluating and researching the effectiveness of recreation services, in relation to stated purposes, goals, and objectives, should include—

(1) utilization of adequate records concerning residents' interests, attitudes, opinions, participations, and achievements;

(2) time schedules for evaluation that are appropriate to the service or program being evaluated;

(3) provision for using evaluation results in program planning and development;

(4) provision for disseminating evaluation results in professional journals and in public education and information programs; and

(5) encouragement of recreation staff to initiate, conduct, and participate in research studies, under the supervision of qualified personnel.

(k) There shall be sufficient, appropriately qualified recreation staff, and necessary supporting staff, to carry out the various recreation services in accordance with stated goals and objectives.

(l) Scheduling of staff shall provide—

(A) coverage on evenings, weekends, and holidays; and

(B) additional coverage during periods of peak activity.

(2) Recreation personnel shall be—

(A) assigned responsibilities in accordance with their qualifications;

(B) delegated authority commensurate with their responsibility; and

(C) provided appropriate professional recreation supervision.

(3) Personnel conducting activities in recreation program areas should possess the following minimum educational and experiential qualifications:

(A) a bachelor's degree in recreation, or in a speciality area, such as art, music, or physical education; or

(B) an associate degree in recreation and one year of experience in recreation; or

(C) a high school diploma, or an equivalency certificate; and 2 years of experience in recreation, or 1 year of experience in recreation plus completion of comprehensive inservice training in recreation; or

(D) demonstrated proficiency and experience in conducting activities in one or more program areas.

(4) Personnel performing recreation counseling or therapeutic recreation functions should possess the following minimum education and experiential qualifications, and should be eligible for registration with the appropriate nationally recognized therapeutic recreation society at the appropriate therapeutic recreation specialist level:

(A) a master's degree in therapeutic recreation and 1 year of experience in a recreation program servicing disabled persons; or

(B) a master's degree in recreation and 2 years of experience in a recreation program serving disabled persons; or

(C) a bachelor's degree in recreation and 3 years of experience in a recreation program serving disabled persons; or

(D) a combination of education and experience in recreation serving disabled persons that totals 6 years.

(5) Education and consultation functions in recreation should be conducted by staff members, in accordance with their education, experience, and role in the recreation program.

(l) Appropriate to the size of the recreation program, there shall be a staff development program that provides opportunities for professional development, including—

(1) regular staff meetings;

(2) an organized inservice training program in recreation;

(3) access to professional journals, books, and other literature in the fields of recreation, therapeutic recreation, rehabilitation, special education, and other allied professions;

(4) provisions for financial assistance and time for attendance at professional conferences and meetings;

(5) procedures for encouraging continuing education, including educational leaves, direct financial assistance, and rearrangement of work schedules;

(6) provision for workshops and seminars relating to recreation, planned by the recreation and other professional and administrative staff; and

(7) provision for staff consultation with specialists, as needed, to improve recreation services to residents.

(m) Recreation areas and facilities shall be designed and constructed or modified so as to—

(1) permit all recreation services to be carried out to the fullest possible extent in pleasant and functional surroundings;

(2) be easily accessible to all residents, regardless of their disabilities;

(3) appropriate recreation consultation shall be employed in the design or modification of all recreation areas and facilities;

(4) toilet facilities, appropriately equipped in accordance with the needs of the residents, should be easily accessible from recreation areas; and

(5) appropriate and necessary maintenance services shall be provided for all recreation areas and facilities.

(n) Indoor recreation facilities should include, as appropriate to the residential facility—

(1) a multipurpose room;

(2) a quiet browsing room;

(3) access to a gymnasium;

(4) access to an auditorium;

(5) access to suitable library facilities;

(6) access to kitchen facilities;

(7) adequate and convenient space for storage of supplies and large and small equipment; and

(8) adequate office space for the recreation staff.

(o) Outdoor recreation facilities should include, as appropriate to the residential facility—

(1) access to a hard-top, all-weather-surface area;

(2) access to gardening and nature activity areas;

(3) access to adequately equipped recreation areas; and

(4) the residential facilitiy's residents should have, as appropriate and feasible, access to year-round swimming and aquatic facilities.

(p) Adequate transportation services for recreation programs shall be provided. Recreation equipment and supplies in sufficient quantity and variety shall be provided to carry out the stated objectives of the activities programs. Toys, games, and equipment shall be—

(1) selected on the basis of suitability, safety, durability, and multiplicity of use; and

(2) adapted as necessary to the special needs of the residents.

(q) If a music therapy program is provided, it should include—

(1) participation by the music therapist, when appropriate, on an interdisciplinary evaluation team to identify the resident's needs and ways of meeting them;

(2) determination of music therapy goals for the resident and development of a written plan for achieving them;

UMI

(3) periodic progress reports, reevaluations, and program changes as indicated;
(4) direction by a therapist eligible for registration with the appropriate nationally recognized association for music therapy; and
(5) appropriate space, facilities, and equipment, with special consideration of the acoustical characteristics of rooms used for performing and listening.

Subchapter XII—Religious Services

SEC. 267. (a) Religious services shall be made available to residents, in accordance with their needs, desires, capabilities, and in accordance with their basic right to freedom of religion, in order to—
(1) develop and enhance their dignity;
(2) provide for the most meaningful and relevant practice of their religion; and
(3) provide spiritual programs designed to aid their development and growth as persons.
(b) Implementation of religious services should utilize community resources, whenever and wherever this is possible and be in the best interests of the residents. The objectives of the residential facility's religious services for its residents shall be directed toward full integration into, and membership in, their faith, and should include—
(1) upholding the dignity and worth of the individual;
(2) buildings moral and ethical standards of behavior;
(2) building moral and ethical standards faith groups;
(4) establishing healthy self, world, and God concepts;
(5) establishing constructive value systems;
(6) giving direction toward greater personal maturity;
(7) strengthening interpersonal relationships; and
(8) contributing to growth in personal adequacy and happiness.
(c) Religious services shall be made available to all residents, regardless of their degree of retardation or developmental disability. Participation in religious programs shall be voluntary, in accordance with the wishes of the resident, if he or she expresses them, or with the wishes of his or her parent or guardian.
(d) Religious services to residents should include—
(1) worship opportunities, sacraments, and religious rites, according to the needs and abilities of the residents and consonant with the practices of their respective faiths;
(2) religious education programs geared to the needs and abilities of the residents;
(3) observation of dietary practices in keeping with the religious requirements of residents' faith groups;
(4) observation of religious holidays and holy days in keeping with the religious requirements of residents' faith groups;
(5) pastoral counseling, both individual and group, to residents and their families;
(6) pastoral visits to residents, with special emphasis on the care of the troubled, the sick, and the dying;
(7) pastoral consultation with persons concerned with the resident's welfare; and
(8) referral and communication between religious workers in the residential facility and in the community.
(e) Those who serve the religious needs of the residents, including clergy, religious educators, and volunteers, should whenever possible—
(1) assert and safeguard the full human and civil rights of the residents;
(2) participate, as appropriate, in team and other interdisciplinary planning regarding programs for individual residents, as well as in residential facility-wide or community programs;
(3) keep appropriate records of significant religious events in the lives of each resident;
(4) participate in training programs for residential facility personnel, including orientation of direct-care personnel in how they may help to further the religious programs for residents;
(5) participate in training programs for community clergy, theological students, and others;
(6) become involved with community clergy, and with religious and other groups, in their concerns for the spiritual care of the retarded and other developmentally disabled individuals;
(7) promote public understanding and acceptance of the retarded and other developmentally disabled individuals; and
(8) participate in their own faith group meetings, as required to maintain their standing.
(f) There shall be available sufficient, appropriately qualified personnel, which may include clergy or religious leaders, religious educators, volunteers, and clerical and supporting personnel, to carry out the various religious programs—
(1) religious services to residents shall be under the direction of a person who, in keeping with the size and nature of the residential facility, may be one of the following:
(A) a chaplain certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;
(B) a clergyman or religious leader in good standing in his religious body;
(C) a religious educator; or
(D) a responsible person, who secures the services of qualified persons in carrying out the worship and education aspects of the program;
(2) chaplains serving residential facilities for the retarded, on a full- or part-time basis, should—
(A) be clergymen or religious leaders in good standing in their religious bodies; or
(B) be endorsed or assigned by their recognized religious bodies; or
(C) have B.A. and B.D. degrees, or their equivalents; and
(D) be certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;
(3) professional religious educators serving residential facilities for the retarded or other individuals with developmental disabilities, on a full- or part-time basis, should—
(A) be endorsed or assigned by their recognized religious bodies; or
(B) have a bachelor's degree, or its equivalent; and
(C) be certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;
(4) nonprofessional religious services personnel, including volunteers, should—
(A) be screened for ability to perform their assigned duties;
(B) be oriented to, and trained for, their assignments; and
(C) be provided ongoing supervision by a clergyman, religious leader, or religious educator of the respective faith.
(g) Appropriate to the size of the residential facility, there shall be an educational program designed to enhance the competencies of religious services personnel, through means such as:
(1) staff meetings and inservice training;
(2) seminars, workshops, conferences, and institutes;
(3) college and university courses;
(4) participation in professional organizations;
(5) participation in interdisciplinary groups;
(6) visits to other residential facilities;
(7) access to relevant professional literature; and
(8) religious services personnel should have access to qualified and appropriate consultation, as needed.
(h) Religious services personnel should be encouraged, when possible, to involve themselves in activities such as—
(1) offering clinical pastoral educational programs;
(2) providing educational experiences for students;
(3) developing innovative religious education materials;
(4) developing innovative worship services;
(5) conducting specific research and development projects; and
(6) exploring and expanding citizen advocacy programs.
(i) Residents shall have access to places appropriate for worship and religious education that are adequate to meet the needs of all. Religious services personnel shall be provided with office and other space, equipment, and supplies adequate to carry out an effective program.

Subchapter XIII—Social Services

SEC. 268. (a) Social services shall be available to all residents and their families, in order to foster and facilitate—
(1) maximum personal and social development of the resident;
(2) positive family functioning; and
(3) effective and satisfying social and community relationships.
(b) Social services shall be provided, directly and indirectly, to—
(1) the resident;
(2) his or her family;
(3) individuals or groups who represent different aspects of the social environment of the resident; and
(4) the community.
(c) Consumers and their representatives, including residents, families, other disciplines, and community groups shall participate in the planning and evaluation of social service programs. Social services, as part of an interdisciplinary spectrum of services, shall be provided through the use of social work methods directed toward—
(1) maximizing the social functioning of the resident;
(2) his or her family;
(3) modifying environmental influences leading to or aggravating, mental retardation or developmental disabilities;
(4) increasing public understanding and acceptance of mental retardation or developmental disabilities and its associated problems;
(5) creating a favorable climate to assist each retarded person to achieve as nearly normal living as is possible for the resident;
(6) asserting and safeguarding the human and civil rights of the retarded and other individuals with developmental disabilities and their families; and
(7) fostering the human dignity and personal worth of each resident.
(d) Social services available to the residential facility should include, as appropriate—
(1) preadmission evaluation and counseling, with referral to, and use of, other community resources, as appropriate;
(2) psychosocial assessment of the individual resident and his or her environment, as a basis for formulating an individual treatment plan;
(3) implementation of an individual social work treatment plan for the resident and his or her family;
(4) planning for community placement, discharge, and followup;
(5) participation in policy and program development within the residential facility in relation to—
(A) the resident's psychosocial needs and development;

(B) serving the families of the resident;
(C) use of community supportive and habilitative services;
(D) staff training and development;
(6) consultation with, or in relation to—
(A) programs offered by other disciplines;
(B) administration and operation of the residential facility;
(C) agencies and individuals in the community served by the residential facility;
(7) collaboration with other service delivery systems in planning and implementing programs for residents; and
(8) participation in social work and interdisciplinary program evaluation and research.
(e) During the evaluation process, which may or may not lead to admission, the resident and his or her family should be helped by social workers to—
(1) know the rights and services to which they are entitled, including the means of directing their appeals to the proper sources;
(2) obtain advocacy on their behalf if rights and services are denied them; and
(3) consider alternative services, based on the retarded or developmentally disabled person's status and salient family and community factors, and make a responsible choice as to whether and when residential placement is indicated.
(f) During the preadmission process, the resident and his or her family should be helped by social workers to—
(1) cope with problems of separation inherent in placement;
(2) initiate planning for the resident's return to his or her family or community;
(3) begin involving themselves as partners with the residential facility staff in developing a treatment and habilitation plan;
(4) become oriented to the practices and procedures of the residential facility; and
(5) share information about themselves that will provide the residential facility's staff with maximum understanding of their situation, so that effective services can be delivered.
(g) Social workers shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents for the purposes of initiation, monitoring, and followup of individualized habilitation programs.
(h) During the retarded or developmentally disabled person's admission to, and residence in, the residential facility, or while he or she is receiving services from the residential facility, social workers shall provide liaison between him, the residential facility, the family, and the community, so as to:
(1) help the resident to—
(A) cope with problems accompanying separation from family and community;
(B) learn the roles and use the resources that will enable him or her to maximize his or her development;
(C) participate in programs, in accordance with his or her individual treatment plan, that will maximize his or her ability for independent living, in or out of the residential facility;
(2) help the staff to—
(A) individualize and understand the needs of the resident and his or her family in relation to each other;
(B) understand social factors in the resident's day-to-day behavior, including staff-resident relationships;
(C) prepare the resident for changes in his or her living situations;
(3) help the family to develop constructive and personally meaningful ways to support the resident's experience in the residential facility through—
(A) counseling concerned with problems associated with changes in family structure and functioning;
(B) utilization of the family's and the resident's own strengths and resources;
(C) referral to specific services, as appropriate; and
(4) the family to participate in planning for the resident's return to home or other community placement. (i) After the resident leaves the residential facility, social workers shall provide systematic followup, including—
(1) counseling with the resident;
(2) counseling with family, employers, and other persons significant to the resident's adjustment in the community; and
(3) referral to appropriate community agencies.
(j) Social services shall help to integrate residential and other community services, through—
(1) providing liaison between the residential facility and the community;
(2) providing consultation to community agencies to facilitate the identification of needed resources for the retarded and other individuals with developmental disabilities and his family;
(3) interpreting the residential facility and its program to relevant sectors of the community;
(4) collaborating with other disciplines to help the community develop appropriate resources; and
(5) involvement with social policy issues that affect the retarded and other individuals with developmental disabilities.
(k) Social services shall develop and maintain comprehensive, current records, useful for its own programs and those of other services. There shall be available sufficient, appropriately qualified staff and necessary supporting personnel to carry out the various social service activities.
(l) The residential facility should have available to it a social worker who—
(A) has a master's or doctoral degree from an accredited school of social work;
(B) has had 3 years of post-master's experience in the field of social welfare; and
(C) meets the educational and experiential qualifications for certification by the appropriate nationally recognized academy of certified social workers; and
(D) is knowledgeable and experienced in mental retardation.
(2) A social worker having the qualifications specified in subsection (k)(1) shall be designated as being responsible for maintaining standards of professional practice in the rendering of social services to the residential facility, and for staff development.
(3) Social workers providing service to the residential facility shall—
(A) have a master's degree from an accredited school of social works; or
(B) meet the educational qualifications required for full membership in the appropriate nationally recognized professional association of social workers and shall have had 3 years of experience in the field of social welfare.
(4) Social work assistants or aides employed by the residential facility shall work under the supervision of a social worker having the qualifications specified in subsection (k)(3).
(5) Social service personnel, at all levels of experience and competence, shall be—
(A) assigned responsibilities in accordance with their qualifications;
(B) delegated authority commensurate with their responsibilities; and
(C) provided appropriate professional social work supervision.
(6) A full-time supervisor should be responsible for the direct supervision of not more than six staff members, plus related activities.
(7) All social service personnel shall be familiar with, and adhere to, the code of ethics of appropriate nationally recognized professional associations.
(l) Appropriate to the size of the residential facility's social service program, an ongoing program of staff development shall be provided to improve the skills of the social work staff through such means as—
(1) inservice training;
(2) affiliation with schools of social work;
(3) staff consultation with specialists, as needed, to improve social services to residents;
(4) conference attendance, and other educational opportunities and forms of professional exchange; and
(5) career ladders and other incentives to staff recruitment and development.
(m) Space, facilities, equipment, supplies, and resources shall be adequate for providing effective social services, including—
(1) offices for social service and clerical staff;
(2) private interviewing rooms;
(3) rooms suitable for conferences and group activities;
(4) dictating and transcribing equipment;
(5) telephone service;
(6) travel provisions;
(7) provision for recordkeeping and information retrieval; and
(8) library services.

Subchapter XIV—Speech and Pathology and Audiology Services

SEC. 269. (a) Speech pathology and audiology services shall be available, in order to—
(1) maximize the communication skills of all residents; and
(2) provide for the evaluation, counseling, treatment, and rehabilitation of those residents with speech, hearing or language handicaps.
(b) The specific goals of speech pathology and audiology services shall be—
(1) appropriate to the needs of the residents served;
(2) consistent with the philosophy and goals of the residential facility;
(3) consistent with the services and resources offered by the residential facility; and
(4) known to, and coordinated with, other services provided by the residential facility.
(c) Speech pathology and audiology services shall be rendered through—
(1) direct contact between speech pathologists and audiologists and residents;
(2) participation with administrative personnel in designing and maintaining social and physical environments that maximize the communication development of the residents; and
(3) working with other personnel, such as teachers and direct-care staff, in implementing communication improvement programs in environmental settings.
(d) Speech pathology and audiology services available to the residential facility shall include, as appropriate—
(1) audiometric screening of—
(A) all new residents;
(B) children under the age of ten, at annual intervals;
(C) other residents at regular intervals;
(D) any resident referred;
(2) speech and language screening of—
(A) all new residents;
(B) children under the age of ten at annual intervals;
(C) all residents, as needed;
(3) comprehensive audiological assessment of residents, as indicated by screening results, to include tests of pure-tone air and bone conduction, speech audiometry, and other procedures, as necessary, and to include assessment of the use of visual cues;
(4) assessment of the use of amplification;
(5) provision of procurement, maintenance, and replacement of hearing aids, as specified by a qualified audiologist;
(6) comprehensive speech and language evaluation of residents, as indicated by screening results, including appraisal of articulation, voice, rhythm, and language;

UMI

(7) participation in the continuing interdisciplinary evaluation of individual residents for purposes of initiation, monitoring, and followup of individualized habilitation programs;

(8) treatment services, interpreted as an extension of the evaluation process, that include—

(A) direct counseling with residents;

(B) speech and language development and stimulation through daily living activities;

(C) consultation with classroom teachers for speech improvement and speech education activities;

(D) direct contact with residents to carry on programs designed to meet individual needs in comprehension (for example, speech reading, auditory training, and hearing aid utilization) as well as expression (for example, improvement in articulation, voice, rhythm, and language);

(E) collaboration with appropriate educators and librarians to develop specialized programs for developing the communication skills of multiple handicapped residents, such as the deaf, retarded, and the cerebral palsied;

(9) consultation with administrative staff regarding the planning of environments that facilitate communication development among residents in—

(A) living areas;

(B) dining areas;

(C) educational areas;

(D) other areas, where relevant;

(10) participation in inservice training programs for direct-care and other staff;

(11) training of speech pathology and audiology staff;

(12) training of speech pathology and audiology graduate or undergraduate students, interns, supportive staff, and volunteer workers;

(13) consultation with, or relating to—

(A) residents (for example, self-referral);

(B) parents of residents;

(C) medical (otological, pediatric, and so forth), dental, psychological, educational, and other services;

(D) the administration and operation of the residential facility;

(E) the community served by the residential facility; and

(14) program evaluation and research.

(e) Comprehensive evaluations in speech pathology and audiology shall consider the total person and his environment. Such evaluations should—

(1) present a complete appraisal of the resident's communication skills;

(2) evidence concern for, and evaluation of, conditions extending beyond observed speech, language, and hearing defects;

(3) consider factors in the history and environment relevant to the origins and maintenance of the disability;

(4) consider the effect of the disability upon the individual and the adjustments he makes to the problem as he or she perceives it; and

(5) consider the reaction of the resident's family, associates, and peers to the speech or hearing problem.

(f) Evaluation and assessment results shall be reported accurately and systematically, and in such manner as to—

(1) define the problem to provide a basis for formulating treatment objectives and procedures;

(2) render the report meaningful and useful to its intended recipient and user;

(3) where appropriate, provide information useful to other staff working directly with the resident;

(4) conform to acceptable professional standards, provide for intraindividual and interindividual comparisons, and facilitate the use of data for research and professional education; and

(5) provide evaluative and summary reports for inclusion in the resident's unit record.

(g) Treatment objectives, plans, and procedures shall—

(1) be based upon adequate evaluation and assessment;

(2) be based upon a clear rationale;

(3) reflect consideration of the objectives of the resident's total habilitation program;

(4) be stated in terms that permit the progress of the individual to be assessed;

(5) provide for periodic evaluation of the resident's response to treatment and of treatment effectiveness;

(6) provide for revision of objectives and procedures as indicated; and

(7) provide for assistance or consultation when necessary.

(h) Continuing observations of treatment progress shall be—

(1) recorded accurately, summarized meaningfully, and communicate effectively; and

(2) effectively utilized in evaluating progress.

(i) There shall be established procedures for evaluating and researching the effectiveness of speech pathology and audiology services, including but not limited to:

(1) utilization of adequate records concerning residents' response and progress;

(2) time schedules for evaluation that are appropriate to the service being evaluated;

(3) provision for using evaluation results in program planning and development;

(4) encouragement of speech pathology and audiology staff to participate in research activities; and

(5) provision for dissemination of research results in professional journals.

(j) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the various speech pathology and audiology services, in accordance with stated goals and objectives—

(1) A speech pathologist or audiologist, who is qualified as specified in paragraph (2) of this subsection, and who, in addition, has had at least 3 years of professional experience, shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of speech pathology and audiology services in the facility.

(2) Staff who assume independent responsibilities for clinical services shall possess the educational and experiential qualifications required for the appropriate certificate of clinical competence issued by the appropriate nationally recognized professional speech and hearing association in the area (speech pathology or audiology) in which they provide services.

(3) Staff not qualified for such association certification shall be provided adequate, direct, active, and continuing supervision by staff qualified for certification in the area in which supervision is rendered.

(A) Supervising staff shall be responsible for the services rendered by uncertified staff under their supervision.

(B) Adequate, direct, and continuing supervision shall be provided nonprofessionals volunteers, or other supportive personnel utilized in providing clinical services.

(4) Students in training and staff fulfilling experience requirements for such appropriate nationally recognized professional speech and hearing association certification shall receive direct supervision, in accordance with the requirements of the appropriate nationally recognized professional boards of examiners in speech pathology and audiology.

(5) All speech pathology and audiology staff shall be familiar with, and adhere to, the code of ethics published by the appropriate nationally recognized profession speech and hearing association.

(k) Appropriate to the nature and size of the residential facility and to the speech pathology and audiology service, there shall be a staff development program that is designed to maintain and improve the skills of speech pathology and audiology staff, through methods, including but not limited to—

(1) regular staff meetings;

(2) an organized inservice training program in speech pathology and audiology;

(3) visits to and from the staff of other residential facilities and programs;

(4) participation in interdisciplinary meetings;

(5) provision for financial assistance and time for attendance at professional conferences;

(6) provisions for encouraging continuing education, including educational leave, financial assistance, and accommodation of work schedules;

(7) workshops and seminars;

(8) consultations with specialists; and

(9) access to adequate library resources, which include current and relevant books and journals in speech pathology and audiology, mental retardation, and related professions and fields.

(l) Space, facilities, equipment, and supplies shall be adequate for providing efficient and effective speech pathology and audiology services, in accordance with stated objectives, including—

(1) adequate and convenient evaluation, treatment, counseling, and waiting rooms;

(2) specially constructed and sound-treated suites for audiological services, meeting appropriate standards;

(3) design and location such as to be easily accessible to all residents, regardless of disability;

(4) specialized equipment needed by the speech pathologist;

(5) specialized equipment needed by the audiologist, including an audiometer, with provisions for sound field audiometry, and equipment capable of performing at least the following procedures; hearing screening, pure-tone air and bone conduction with contralateral masking, speech audiometry, site-of-lesion battery, nonorganic hearing loss battery, and hearing aid evaluation;

(6) provisions for adequate maintenance of all areas, facilities, and equipment, including—

(A) electroacoustic calibration of audiometers at regular, at least quarterly, intervals;

(B) calibration logs on all audiometers; and

(7) appropriate speech pathology and audiology consultation shall be employed in the design, modification, and equipage of all speech pathology and audiology areas and facilities.

Subchapter XV—Vocational Rehabilitation Services

SEC. 270. (a) The residential facility shall provide all its residents with habilitation or rehabilitation services, which includes the establishment, maintenance, and implementation of those programs that will insure the optimal development or restoration of each resident, physically, psychologically, socially, and vocationally—

(1) The residential facility shall have a written, public statement of its rehabilitation objectives for its residents, consistent with—

(A) the needs of its residents;

(B) currently accepted rehabilitation principles and goals;

(C) the residential facility's philosophy and goals; and

(D) the services and resources the residential facility offers.

(2) While the habilitation and rehabilitation concept and process embrace all efforts to achieve the optimal development of each resident, specific habilitation and rehabilitation services shall focus on the maximum achievement of—

(A) self-help skills;

(B) social competence, including communication skills;

(C) vocational competence; and

(D) independent living.

(b) The ultimate objective of vocational rehabilitation services shall be to assist every resident to move as far as he or she can along the continuum from vocational afunction to remunerative employment and entry into the mainstream of society as an independent citizen and worker. Vocational rehabilitation services shall be rendered—

(1) directly, through personnel contact between vocational rehabilitation personnel and residents; and

(2) indirectly, through contact between vocational rehabilitation personnel and other persons working with residents, designed to enhance and facilitate the development and maintenance of a rehabilitative environment.

(c) Vocational rehabilitation services available to the residents, in accordance with their needs, shall include—

(1) vocational evaluation;

(2) the formulation of written vocational objectives for each resident;

(3) the formulation of a written plan to achieve the stated objectives;

(4) implementation of the vocational plan through—

(A) individual counseling;

(B) prevocational programs;

(C) vocational training;

(D) vocational placement;

(E) referral to appropriate sources for other services; and

(F) followup.

(d) Vocational evaluation of each resident shall—

(1) be initiated within one month after admission to the residential facility;

(2) arise out of a written comprehensive interdisciplinary evaluation (medical, psychological, social, and educational) that generates data relevant to vocational objectives and goals, such as information concerning—

(A) aptitudes and abilities;

(B) self-help and independent living skills;

(C) interests;

(D) self and vocational perception;

(E) sensorimotor coordination;

(F) communication skills;

(G) current social adjustment;

(H) educational history; and

(I) vocational and avocational history;

(3) be adequate for the formulation of vocational goals and of a detailed plan for the achievement of such goals;

(4) be adequate for the assessment of current vocational status and for the prediction of possible future status; and

(5) provide for periodic, but at least semiannual reevaluation, consistent with the progress of the resident toward the stated goals.

(e) The written vocational plan for each resident shall—

(1) be consistent with the vocational evaluation;

(2) specify the program to be undertaken to achieve his or her vocational objectives;

(3) indicate the order in which the program is to be undertaken;

(4) provide for the implementation of the evaluation team's recommendations; and

(5) assign the responsibility to carry out the plan.

(f) The resident shall be fully involved in his or her vocational evaluation, and in the formulation of his or her program plan. Prevocational services shall contribute to the development of work readiness in the resident, and shall provide—

(1) vocationally relevant academic instruction;

(2) instruction in the self-help and social skills necessary for vocational success;

(3) instruction and practice in the social skills necessary for maximally independent functioning in the community, such as travel, handling of money, and use of community resources;

(4) an orientation to the world of work;

(5) development of work attitudes needed for vocational success;

(6) rotated exploration and try-out of job tasks;

(7) continuous evaluation of vocational potential; and

(8) any necessary supportive services, including physical and mental restoration.

(g) Vocational training programs shall meet all applicable legal requirements, and shall be provided through means such as:

(1) work training stations;

(2) work activity centers;

(3) transitional sheltered workshops;

(4) work-study programs;

(5) on-the-job training;

(6) trade training, in the classroom or on the job;

(7) vocational training programs shall—

(A) provide for an evaluation of training progress at least every 3 months;

(B) make maximum use of job training resources—

(i) within the residential facility;

(ii) within the community;

(8) residential facilities conducting vocational training programs shall have vocational training personnel assigned, in such numbers and for such times as are necessary and appropriate to the situation, to supervise the training in each training area; and

(9) written, detailed training guides and curricula shall be available for all vocational training areas.

(h) Job placement services shall assist the individual to enter into appropriate kinds of employment, such as:

(1) competitive, remunerative employment;

(2) trade training programs;

(3) transitional or extended sheltered workshops;

(4) sheltered employment;

(5) homebound employment;

(6) homemaker; and

(7) in conjunction with job placement services, the individual shall be provided assistance related to off-the-job needs, activities, and resources, such as—

(A) living arrangements;

(B) social and recreation activities;

(C) medical services;

(D) educational resources;

(E) religious activities;

(F) transportation;

(G) legal affairs;

(H) financial affairs; and

(I) counseling.

(i) Systematic follow-up services shall be provided that—

(1) continue to be available to the individual for at least 1 year following placement;

(2) involve contact with—

(A) the individual;

(B) the individual's family or family-substitute; and

(C) the individual's employer, if appropriate;

(3) generate data concerning vocational outcomes to evaluate and improve the effectiveness of vocational rehabilitation programs.

(j) There shall be a clearly designated person or team responsible for the implementation, evaluation, and revision of the residential facility's vocational rehabilitation program.

(1) There shall be available to each resident in a vocational rehabilitation program a counselor who is responsible for seeing that the resident's vocational rehabilitation program is effectively carried out.

(2) A vocational rehabilitation counselor shall—

(A) have a master's degree in rehabilitation counseling, or a master's degree in a related area plus training and skill in the vocational rehabilitation process; or

(B) have a bachelor's degree and work under the direct supervision of a person described in (A).

(3) Vocational rehabilitation personnel providing training to residents in vocational areas shall be—

(A) vocational instructors certified by the appropriate State agency; or

(B) tradesmen who have attained at least journeyman status.

(k) Appropriate to the nature and size of the residential facility, provisions shall be made for vocational rehabilitation staff developments, through such means as—

(1) inservice training;

(2) short-term workshops;

(3) seminars;

(4) attendance at conferences; and

(5) visits to other residential facilities.

(l) Every residential facility that has a vocational rehabilitation program shall seek to establish working relationships with public and private rehabilitation agencies in the community. Each residential facility should have working relationships with university training programs in rehabilitation, including provision for—

(1) research opportunities;

(2) practical experiences;

(3) internship; and

(4) consultation.

Subchapter XVI—Volunteer Services

SEC. 271. (a) Volunteer services shall be provided in order to enhance opportunities for the fullest realization of the potential of each resident by—

(1) increasing the amount, and improving the quality, of services and programs; and

(2) facilitating positive relationships between the residential facility and the community which it serves.

(b) The residential facility shall have a written statement of the goals and objectives of its volunteer services program that are—

(1) appropriate to the needs of the residents;

(2) consistent with the philosophy and goals of the residential facility;

(3) developed in collaboration with the facility's staff;

(4) specific and measurable; and

(5) continuously assessed and periodically revised.

(c) Volunteers shall provide services, which may be direct or indirect, that are based on resident needs, staff requests, and volunteer skills, and that enhance programs, develop social competence, and build self-esteem—

(1) volunteer services shall supplement, but shall not be used in lieu of, the services of paid employees;

(2) volunteer participation shall comply with State laws, such as those relating to labor and insurance;

(3) volunteer participation shall be open to persons of both sexes, and of all ages, races, creeds, and national origins; and

(4) volunteer services shall be available to all residents, regardless of age, ability, or handicaps.

(d) Direct services provided to residents by volunteers, as appropriate to the residential facility's program and in cooperation with its staff, may include, but are not limited to—

(1) physical, occupational, and music therapy assistance;

(2) psychological testing assistance;

(3) behavior modification and programed instruction assistance;
(4) teacher or classrooms assistance;
(5) religious instruction;
(6) recreation and leisure time activities;
(7) social skills development;
(8) library services;
(9) nursing services;
(10 transportation and escort assistance;
(11) visits, vacations, and trips;
(12) job and home findings; and
(13) citizen advocacy.

(e) Indirect services provided by volunteers, as appropriate to the residential facility's program and in cooperation with its staff, may include, but are not limited to—
(1) conducting tours;
(2) clerical and laboratory assistance;
(3) gift shop and canteen operation;
(4) public relations and community education; and
(5) contributions.

(f) Volunteer services staff should provide the following services—
(1) to the residential facility's staff—
(A) orientation in the need for, and philosophy of volunteer services;
(B) identification of how and where volunteers can be utilized; and
(C) assistance in developing training for volunteers;
(2) to the volunteers—
(A) orientation, training, and placement;
(B) opportunities to participate in planning and evaluating their experiences; and
(C) appropriate recognition of their services and contributions.

(g) Volunteer services staff functions shall include—
(1) development and implementation of a plan for recruitment, selection, deployment, orientation, training, supervision, evaluation, recognition, advancement, and separation of volunteers;
(2) development in collaboration with appropriate staff, of job descriptions for volunteers;
(3) maintenance of complete and accurate records, including, but not necessarily limited to—
(A) hours of volunteer service rendered;
(B) individuals and organizations providing services;
(C) materials and moneys received; and
(D) operational budget.

(h) The staff members responsible for residential facility programs utilizing volunteers shall be responsible for providing such volunteers with on-the-job training, supervision, and consultation.

(i) The cooperation and involvement of staff and community, which is essential to a successful volunteer services program, should be achieved by means such as—
(1) a standing staff committee on volunteer services, to foster communications and cooperation, to evaluate and coordinate existing programs, and to stimulate new programs;
(2) a volunteer services advisory committee, composed of representatives of appropriate community organizations;
(3) encouragement of, and involvement with parents groups;
(4) collaboration with appropriate agencies and community groups; and
(5) recruiting volunteers representative of the community served by the residential facility, in respect of age, sex, socioeconomic, religious, racial, and ethnic groups.

(j) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the volunteer services program, in accordance with stated goals and objectives.

(l) A residential facility staff member shall be designated to be responsible and accountable for volunteer services—
(A) where the size of the residential facility and scope of the program warrant, the person responsible for volunteer services shall devote full time to this area;
(B) volunteer services shall be organized within the administrative structure of the residential facility in such a way as to be available to, and maximally utilized by, all relevant services and programs; therefore, the staff member responsible for volunteer services should report to an individual with residential facility-wide administrative responsibility; and
(C) the staff member responsible for volunteer services should have the same relationship to volunteers as a personnel officer has to paid employees.

(2) The staff member responsible for volunteer services shall have—
(A) the necessary interpersonal, consultative, leadership, and organizational and administrative skills and abilities;
(B) demonstrated ability to identify, mobilize, and deploy volunteer resources to meet the needs of residents;
(C) knowledge of community organization;
(D) knowledge of current practices and concepts in mental retardation and other developmental disabilities; and
(E) training or experience in organizing and administering volunteer services, as appropriate to the nature and size of the residential facility, and preferably—
(i) a baccalaureate degree in a behavioral science; and
(ii) 3 years of experience in volunteer services or related area.

(k) Appropriate to the size of the residential facility, there should be a staff development program designed to maintain and improve the skills of volunteer services staff, through means such as—
(1) seminars, workshops, and conferences;
(2) college and university courses;
(3) participation in professional organizations
(4) participation in interdisciplinary groups;
(5) visits to other residential facilities; and
(6) access to relevant professional literature.

(l) There shall be adequate and accessible space, facilities, equipment, and supplies for providing efficient and effective volunteer services. If a canteen is operated by the residential facility, it shall—
(1) be operated for the benefit of the residents;
(2) be open to residents, staff, families, and visitors, without seegrgtaion by space or hours of use, so as to facilitate interaction;
(3) provide opportunities for residents to purchase items for their personal needs;
(4) provide opportunities for the training of residents; and
(5) be operated so that any profits derived are utilized for the benefit of residents.

Chapter 4.—RECORDS

Subchapter I—Maintenance of Residents' Records

SEC. 272. (a) A record shall be maintained for each resident that is adequate for—
(1) planning and continuous evaluating of the resident's habilitation program;
(2) providing a means of communication among all persons contributing to the resident's habilitation program;
(3) furnishing documentary evidence of the resident's progress and of his response to his habilitation program;
(4) serving as a basis for review, study, and evaluation of the overall programs provided by the residential facility for its residents;
(5) protecting the legal rights of the residents, residential facility, and staff; and
(6) providing data for use in research and education.

(b) All information pertinent to the above-stated purposes shall be incorporated in the resident's record, in sufficient detail to enable those persons involved in the resident's program to provide effective, continuing services. All entries in the resident's record shall be—
(1) legible;
(2) dated; and
(3) authenticated by the signature and identification of the individual making the entry.

(c) Symbols and abbreviations may be used in the record entries only if they are in a list approved by the residential facility's chief executive officer and a legend is provided to explain them. Diagnoses should be recorded in full and without the use of symbols or abbreviations.

Subchapter II—Content of Records

SEC. 273. (a) The following information should be obtained and entered in the resident's record at the time of admission to the residential facility:
(1) name, date of admission, date of birth, place of birth, citizenship status, marital status, and social security number;
(2) father's name and birthplace, mother's maiden name and birthplace, and parents' marital status;
(3) name and address of parents, legal guardian, or next of kin;
(4) sex, race, height, weight, color of hair, color of eyes, identifying marks, and recent photograph;
(5) reason for admission or referral problem;
(6) type and legal status of admission;
(7) legal competency status;
(8) language spoken or understood;
(9) sources of support, including social security, veterans' benefits, and insurance;
(10) provisions for clothing and other personal needs;
(11) information relevant to religious affiliation;
(12) reports of the preadmission evaluations; and
(13) reports of previous histories and evaluations.

(b) Within the period of one month after admission there shall be entered in the resident's record—
(1) a report of the review and updating of the preadmission evaluation;
(2) a statement of prognosis that can be used for programing and placement;
(3) a comprehensive evaluation and individual program plan, designed by an interdisciplinary team; and
(4) a diagnosis based on the appropriate nationally recognized professional association's manual on terminology and classification in mental retardation and other developmental disabilities and, where necessary, the diagnostic and statistical manual of mental disorders, most recent edition, published by the appropriate nationally recognized professional psychiatric association.

(c) Records during residence should include—
(1) reports of accidents, seizures, illnesses, and treatments thereof, and immunizations;
(2) record of all periods of restraint, with justification and authorization for each;
(3) report of regular, at least annual, review and evaluation of the program, developmental progress, and status of each resident;
(4) observations of the resident's response to his program, recorded with sufficient frequency to enable evaluation of its efficacy;
(5) record of significant behavior incidents;
(6) record of family visits and contacts;
(7) record of attendance and leaves;
(8) correspondence;
(9) periodic updating of the information recorded at the time of admission; and
(10) appropriate authorizations and consents.

(d) At the time of discharge from the residential facility, a discharge summary shall be prepared that should—
(1) include a brief recapitulation of findings, events, and progress during residence, diagnosis, prognosis, and recommendations and arrangements for future programing;
(2) be completed and entered in the resident's record within 7 days following discharge; and
(3) with the written consent of the resident or his guardian, be copied and sent to the individual or agency who will be responsible for future programing of the resident.

(e) In the event of death—
(1) a copy of the death certificate should be placed in the resident's record; and
(2) when a necropsy is performed, provisional anatomic diagnoses should be recorded within 72 hours, where feasible, and the complete protocol should be made part of the record within 3 months.

Subchapter III—Confidentiality of Records

SEC. 274. (a) All information contained in a resident's records, including information contained in an automated data bank, shall be considered privileged and confidential—
(1) the record is the property of the residential facility whose responsibility it is to secure the information against loss, defacement, tampering, or use by unauthorized persons;
(2) the record may be removed from the residential facility's jurisdiction and safekeeping only in accordance with a court order, subpena, or statute;
(3) there shall be written policies governing access to, duplication of, and dissemination of information from the record; and
(4) written consent of the resident or his guardian shall be required for the release of information to persons not otherwise authorized to receive it.

Subchapter IV—Central Record Service

SEC. 275. (a) The residential facility shall maintain an organized central record service for the collection and dissemination of information regarding residents. A centralized or decentralized system of recordkeeping may be used in accordance with the needs of the residential facility—
(1) there shall be a unit record that contains all information pertaining to an individual resident for all admissions to the residential facility;
(2) where particular professional services require the maintenance of separate records, a summary of the information contained therein shall be entered in the unit record at stated intervals;
(3) records shall be readily accessible to authorized personnel;
(4) where a centralized system is used, appropriate records shall also be available in the resident-living units; and
(5) a periodic review of the content of the records should be made by—
(A) record personnel, to assure that they are current and complete; and
(B) a committee of appropriate staff, including the record librarian, to assure that they meet the standards set forth in section 278;
(6) there shall be a master alphabetical index of all residents admitted to the residential facility; and
(7) records shall be retained for the period of time specified by the residential facility, but at least for the period of time consistent with the statute of limitations of the State in which the residential facility is located.

Subchapter V—Statistical Records

SEC. 276. (a) While the type and amount of statistical information will depend upon the residential facility's particular needs, such information should include at least the following:
(1) number of residents by age groups, sex, race, and place of residence;
(2) number of residents by level of retardation, according to the appropriate nationally recognized professional association on mental deficiency classification;
(3) number of residents by level of adaptive behavior, according to the appropriate nationally recognized professional association of mental deficiency classification;
(4) number of residents with physical disabilities;
(5) number of residents who are ambulatory and nonambulatory (mobile and nonmobile);
(6) number of residents with sensory defects;
(7) number of residents with convulsive disorders, grouped by level of seizure control;
(8) number of residents by etiological diagnoses, according to the appropriate nationally recognized professional association and, where necessary, the DSM–II classifications;
(9) movement of residents into, out of, and within the residential facility; and
(10) length of stay.

(b) Data shall be reported to appropriate Federal and other agencies as requested.

Subchapter VI—Records Personnel

SEC. 277. (a) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to facilitate the accurate processing, checking, indexing, filing, and prompt retrieval of records and record data.

(b) The record system should be supervised on a full- or part-time basis, according to the needs of the residential facility, by an individual who—
(1) is a registered record librarian; or
(2) is an accredited record technician;
(3) has demonstrated competence and experience in administering and supervising, the maintenance and use of records and reports.

(c) Record personnel should—
(1) be involved in educational programs relative in their activities, including orientation, on-the-job training, and regular in-service education programs; and
(2) participate in workshops, institutes, or correspondence education courses available outside the residential facility.

(d) There shall be adequate space, facilities, equipment, and supplies for providing efficient and effective record services.

Chapter 5.—RESEARCH

Subchapter I—Encouragement of Research

SEC. 278. (a) Recognizing that the understanding, prevention, and amelioration of mental retardation and other developmental disabilities ultimately depends upon knowledge gained through research, the administration and staff of the residential facility (and, in the case of public facilities, the appropriate governmental agency) shall encourage research activity.

(1) opportunities and resources should be made available to members of the staff who are equipped by interest and training to conduct applied or basic research. Research resources or necessary research assistance should be made available to all staff members who have identified researchable problems related to the programs for which they are responsible;

(2) research by qualified investigators who are not staff members of the residential facility shall be encouraged. There shall be a written policy concerning the conduct of research in the residential facility by investigators who are not staff members. Outside researchers shall fulfill the same obligations relative to staff information and feedback as do residential facility staff members. Consideration should be given to the assignment of a residential facility staff member to each research project conducted by outside investigators; and

(3) where feasible, there shall be ongoing, cooperative programs of research and research training with colleges, universities, and research agencies.

(b) The administration of the residential facility shall make provision for the design and conduct, or the supervision, of research that will objectively evaluate the effectiveness of program components and contribute to informed decisionmaking in the residential facility.

Subchapter II—Review of Research Proposals

SEC. 279. (a) An interdisciplinary research committee shall review all proposed studies to insure—
(1) adequacy of research design; and
(2) implementation of ethical standards in the design.

(b) Residential facility staff members shall be consulted regarding the planning of research and the utilization of research findings in their areas of competence and interest.

Subchapter III—Conduct of Research

SEC. 280. (a) The residential facility shall follow, and comply with the statement of assurance on research involving human subjects required by the United States Department of Health, Education, and Welfare for projects supported by that agency or any appropriate more stringent such statement, as appropriate.

(b) Investigators and others directly involved in the research shall—
(1) adhere to the ethical standards of their professions concerning the conduct of research; and
(2) have access to the record of informed consent.

Subchapter IV—Reporting Research Results

SEC. 281. (a) The principal investigator of each research project shall be responsible for communicating to the staff of the residential facility the purpose, nature, outcome, and possible practical or theoretical implications of the research. Copies of the report resulting from research projects shall be maintained in the residential facility.

(b) Where research findings are made public, care shall be taken to assure the anonymity of individual residents and parents.

(c) Clearly defined mechanisms shall exist for informing staff members of new research findings that have applicability to the programs and administration of the residential facility. There shall be evidence that currently applicable research results are being implemented in the residential facility's programs.

Chapter 6.—SAFETY AND SANITATION

Subchapter I—Safety

SEC. 282. (a) The requirements of the Secretary shall be met, with specific reference to the following—
(1) provision of adequate and alternate exits and exit doors;
(2) provision of exit ramps, with nonskid surface and slope not exceeding one foot in twelve; and
(3) provision of handrails on stairways.

(b) There shall be records that document strict compliance with the regulation of the State or local fire safety authority that has primary jurisdiction over the residential facility—
(1) aisles and exits shall be free from all encumbrances and floors shall be uncluttered;
(2) flammable materials shall be properly stored and safeguarded;
(3) attics and basements shall be kept orderly and free of rubbish; and
(4) there shall be records of periodic fire safety inspections and reports.

(c) There shall be a written staff organization plan and detailed, written procedures, which are clearly communicated to, and periodically reviewed with staff, for meeting

UMI

all potential emergencies and disasters pertinent to the area, such as fire, severe weather, and missing persons.

(A) plans for the assignment of personnel to specific tasks and responsibilities;

(B) instructions relating to the use of alarm systems and signals;

(C) information concerning methods of fire containment;

(D) systems for notification of appropriate persons;

(E) information concerning the location of firefighting equipment; and

(F) specification of evacuation routes and procedures.

(2) The plans and procedures shall be posted at suitable locations through the residential facility.

(d) Evacuation drills shall be held at least quarterly, for each shift of residential facility personnel and under varied conditions, in order to—

(1) insure that all personnel on all shifts are trained to perform assigned tasks;

(2) insure that all personnel on all shifts are familiar with the use of the firefighting equipment in the residential facility;

(3) evaluate the effectiveness of disaster plans and procedures;

(4) evacuation drills shall include actual evacuation of residents to safe areas during at least one drill each year, on each shift. There shall be special provisions for the evacuation of the physically handicapped, such as fire chutes and mattress loops with poles; and

(5) there shall be a written filed report and evaluation of each evacuation drill.

(e) An active safety program shall be maintained by a multidisciplinary safety committee that investigates all accidents and makes recommendations for prevention. Records of the activities of the safety committee shall be kept. There shall be adequate safety shields on the moving parts of all dumbwaiters, elevators, and other machinery, as provided for in applicable standards and codes.

(f) All buildings and outdoor recreation facilities constructed after 1971 shall be accessible to, and usable by, the nonambulatory and shall meet standards of the Secretary for making building accessible to, and usable, by the physically handicapped—

(1) all existing buildings and outdoor recreation facilities shall be modified so as to conform to the above standards by December 31, 1976; and

(2) existing residential facilities shall provide—

(A) entrance ramps wide enough for wheelchairs, not exceeding a rise of one foot in twelve, with nonslip surfaces, and with rails on both sides;

(B) doorways and corridors wide enough for wheelchairs; and

(C) grab bars in toilet and bathing facilities.

(g) Paint used in the residential facility shall be lead free. Old paint or plaster containing lead shall have been removed, or covered in such manner that it is not accessible to residents.

(h) Appropriate provisions shall be made for emergency auxiliary heat by means of alternate sources of electric power, alternate fuels, or standby equipment.

Subchapter II—Sanitation

SEC. 283. (a) There shall be records that document strict compliance with the sanitation, health, and environmental safety codes of the State or local authorities having primary jurisdiction over the residential facility. Written reports of inspections by State or local health authorities, and records of action taken on their recommendations, shall be kept on file at the residential facility.

(b) The holding, transferring, and disposal of waste and garbage shall be done in a manner that will not create a nuisance, nor permit the transmission of disease, or create a breeding place for insects or rodents—

(1) waste that is not disposed of by mechanical means shall be—

(A) kept in leakproof, nonabsorbent containers with close-fitting covers; and

(B) disposed of daily;

(2) containers shall be thoroughly cleaned inside and out, each time they are emptied; and

(3) impervious plastic liners should be used.

(c) Handwashing facilities shall be available in, or immediately adjacent to—

(1) bathrooms;

(2) toilet rooms;

(3) sleeping areas; and

(4) kitchens.

(d) There shall be adequate insect screens on all windows and doors where needed and adequate janitorial equipment and storage space in each unit of the residential facility.

Chapter 7.—ADMINISTRATIVE SUPPORT SERVICES

Subchapter I—Functions, Personnel, and Facilities

SEC. 284. (a) Adequate, modern administrative support shall be provided to efficiently meet the needs of, and contribute to, program services for residents, and to facilitate support of a variety of resources, which may include, but need not be limited to, the following kinds of services: clerical, communication, dietary, financial, housekeeping, laundry, personnel, physical plant, records, safety and security, and supply and purchasing.

(b) Administrative support functions should be directed by a qualified administrator, trained and experienced to provide skilled and efficient coordination of these services, to adequately meet the residential facility's program objectives. In larger residential facilities, provision may be made for both executive direction, via a chief executive officer (superintendent, director), and administration of support services (via a business manager). In smaller residential facilities, a single person may provide both program direction and administration of support services—

(1) the administrator of support services should—

(A) have at least a baccalaureate degree; or

(B) have completed formal graduate education in health administration or its equivalent;

(2) all administrative support personnel shall have sufficient understanding and appreciation of the nature and behavior of the mentally retarded and developmentally disabled resident, to assure that each employee's work and his or her relations to the residents contribute positively to their welfare.

(c) There shall be adequate office space, facilities, equipment, and supplies for the efficient conduct of all administrative support functions.

PART D—STANDARDS FOR COMMUNITY FACILITIES AND AGENCIES; PROGRAMS FOR MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

Subpart 1—Individual Support Systems

CASE FINDING

SEC. 285. (a) For the purposes of this part the term "case finding" means the processes of systematically reaching into the community for the purposes of identifying persons in need of services provided pursuant to this title; alerting persons and their families to the availability of such services; locating providers of such services; and assisting persons to enter the service delivery system.

(b) Facilities and agencies receiving Federal assistance under this Act shall—

(1) establish written policies for its case finding program;

(2) designate a staff member to monitor and to follow up the case finding process;

(3) maintain evidence of its case finding activities in the following areas:

(A) identifying persons in need of services, locating services to meet their needs, and assisting them in entering the service delivery system;

(B) alerting relevant agencies and individuals of the importance of early detection, especially with high risk populations, and of their role as case finders;

(C) coordinating its case finding activities with the case finding activities of relevant agencies and practitioners; and

(D) reaching out to meet the expressed or unexpressed needs of the inarticulate.

ENTRY INTO THE SERVICE DELIVERY SYSTEM

SEC. 286. (a) "Entry", for purposes of this part, means actions taken by a facility or agency to bring a person in need of services into the service delivery system, and to the actions taken by such facility or agency immediately preceding and following actual entry.

(b) Facilities and agencies receiving assistance under this Act shall—

(1) establish written policies regarding its entry procedures, and stipulate in such policies that persons are accepted for entry services without regard to ethnic origin, sex, or ability to pay and without regard to the ability of the facility or agency to provide direct services;

(2) obtain, provide, or coordinate any services needed to facilitate entry, including assurances that—

(A) the facility's or agency's hours of operation shall be arranged to enable easy accessibility for total family units;

(B) staff members responsible for the entry interview shall be readily accessible;

(C) transportation shall be arranged, or a home visit made if necessary, for the initial interview;

(D) available sources of funding shall be identified for the person and his or her family;

(3) service, at the point of referral, any followup required to facilitate the person's entry into the service delivery system, and such facility or agency—

(A) shall obtain from the person and his or her family, and from other appropriate sources, the information needed to determine appropriate referrals;

(B) may use the recorded information to make appropriate referrals to other agencies; and

(C) shall have policies and procedures that define the conditions of discharge and procedures for reentry if needed;

(4) insure that the entry procedure shall be evaluated annually, and that such evaluation shall include maintenance of a log of requests for information, entries, referrals, follow-up services, dispositions, and reasons for rejection, the data from which log shall be reviewed as a basis for planning, evaluating, and modifying the facility's or agency's role and as a part of the community coordinating process, that such data is shared with other agencies for use in planning, evaluating, and modifying the service delivery system in such a way that it does not reveal the identity of the individuals.

FOLLOW-ALONG SERVICES

SEC. 287. (a) "Follow-along" as used in this part means provision for a continuing relationship with the person and his or her family, which may extend over the life of the person, for the purpose of assuring that changing needs are recognized and appropriately met. The facility or agency which provided services to a person shall remain available as a contact for persons who are no longer receiving services but who seek support or guidance with respect to needs formerly accommodated by such facility or agency.

(b) Facilities and agencies receiving assistance under this Act shall—

(1) provide follow-along services to persons as needed;

(2) educate persons it serves to seek follow-along the services when such services are needed to enhance the independence of such persons; and

(3) provide to each person served specific point of contact within the facility or agency, in order to receive follow-along service.

(c) Each facility and agency, together with other appropriate facilities or agencies, shall identify each person's primary follow-along agency, in order to promote efficient service and reduce duplication of efforts. The person and his or her family shall be informed by the appropriate facility or agency of the procedures for terminating or reentering a follow-along service program. Such facility or agency shall insure that the follow-along service assists with the transition to a new service, as necessary; that the person's right to privacy is not violated; and that the person's status is recorded at least annually. A facility or agency providing follow-along service may have access to any appropriate information in the person's records.

INDIVIDUAL PROGRAM PLAN

SEC. 288. (a) The individual program plan is a written plan of intervention and action that is developed, and modified at frequent intervals, with the participation of all concerned. It shall specify objectives and goals, and identify a continuum of development, outlining projected progressive steps, and the developmental consequences of services.

(b) Facilities and agencies receiving assistance under this Act shall insure that—

(1) each person enrolled in a service has an individual program plan;

(2) the initial individual program plan is developed within five days after the person is enrolled in a service;

(3) the individual program plan includes, at a minimum, assessment data with respect to the person's sensorimotor development, communicative development, social development, and cogitive development;

(4) the objectives of the individual program plan are developed with the participation of the person, his or her family, all relevant agency staff members, and staff of other agencies involved in serving the client;

(5) each objective of the individual program plan are stated separately, sequenced within a time frame, and expressed in behavioral terms that provide measurable indices of progress;

(6) the individual program plan describes the conditions, activities, or barriers that interfere with the achievement of the objectives;

(7) the individual program plan specifies modes of intervention for the achievement of the stated objectives;

(8) the individual program plan identifies agencies capable of delivering the services required;

(9) the individual program plan identifies a designated focus of responsibility for utilizing and coordinating services provided by different practitioners or agencies;

(10) the individual program plan included day-to-day training activities designed to assist attaining the stated objectives;

(11) the individual program plan is written in terms that are understandable to the person and his or her family;

(12) the individual program plan is reviewed at least quarterly in order to measure the person's progress, modify the objectives as necessary, determine the services that are needed, and provide guidance and remediation techniques to modify barriers to growth; and

(13) the individual program plan includes a written agreement that specifies the roll and objectives of each party to the implementation of the individual program plan, and provides for at least semiannual review of the plan by all parties concerned.

PROGRAM COORDINATION

SEC. 289. (a) Program coordination is the process of establishing responsibility for implementation of the person's individual program plan. Such process includes providing support, procuring direct services, coordinating services, collecting and disseminating data and information, and monitoring the progress of the person.

(b) Facilities and agencies receiving assistance under this Act shall insure that—

(1) each person served by the agency is assigned a program coordinator responsible for implementing his or her individual program plan;

(2) the person and his or her family shall participate in the selection of the program coordinator, and that the program coordinator is identified to the person, to his or her family, and to appropriate staff members;

(3) the program coordinator attends to the total spectrum of the person's needs including, but not limited to housing, family relationships social activities, education, finances, employment, health, recreation, and records;

(4) the program coordinator determines whether or not the person's needs are being met, and how the person's needs are being met;

(5) the program coordinator arranges supportive services for the person and his or her family, locates and procures services outside the agency when needed, and coordinates the delivery of all services to the person;

(6) in order to keep the individual program plan up to date the program coordinator secures relevant data from other agencies providing service;

(7) the program coordinator provides documentation relevant to the review of the individual program plan required by section 284;

(8) the program coordinator monitors the operation of the services that are provided to the person; and

(9) the program coordinator facilitates the transfer of the person to another service or agency when such transfer is determined to be appropriate.

PROTECTIVE SERVICES

SEC. 290. (a) Each State which receives assistance under this Act shall establish a system of continuing legal and social protection which shall monitor programs and assist persons in securing their rights under law, and their entitlements. Each such State shall provide advice and guidance to persons and, if necessary, actively intervene in social and legal processes.

(b) Each State providing protective services shall insure that—

(1) the protective services function shall be independent of any facility or agency providing direct services;

(2) the programs of each facility and agency are monitored and audited to an extent which assures the receipt by each person served of all the benefits, services, and rights to which they are entitled;

(3) services are provided to persons in congregate living situations, as well as those living alone or in families;

(4) protective intervention is provided in cases of abuse or neglect of either children or adults;

(5) no right of a person protected pursuant to this section may be abridged without due process, which shall include—

(A) notice to the affected person, appropriate family members, and other interested persons advance of the proposed abridgement, and an explanation to the affected person and his or her family of the reason for such abridgement, his or her rights, with respect thereto, and the means for appeal from such abridgement;

(B) evaluation of the appropriateness of such abridgement by individuals professionally qualified to do so;

(C) the modification of the right shall be specific to the person's ability to exercise that right; and

(D) opportunity for judicial review.

(6) there is provision for periodic review of the need to abridge the right of any person, and for restoration of any right that is abridged, should the circumstances justify its restoration;

(7) each facility and agency shall participate in educating law enforcement agencies and the local bar association concerning the nature of mental retardation and other developmental disabilities, and the special needs of persons with such disabilities, and that each facility and agency shall make its resources available to law enforcement officials in the event that such persons are subjected to arrest, questioning, or detention;

(8) each facility and agency shall work with law enforcement officials and the courts in establishing a system for processing the developmentally disabled offender that provides recognition of diminished responsibility and a means for avoiding unnecessary or undue confinement; and

(9) each facility and agency shall instruct each person it serves concerning the law and how he or she may obtain assistance if arrested, and shall provide any such person who has communication problems, or who desire this service, with a means of identifying himself or herself to law enforcement officials.

PERSONAL ADVOCACY SERVICES

SEC. 291. (a) Personal advocacy services include the provision of competent individuals to assist mentally retarded and other developmentally disabled persons to cope with problems, including the exercise of their personal and legal rights.

(b) Each facility and agency providing personal advocacy services shall—

(1) identify persons needing personal advocates;

(2) select, recruit, and train volunteers, as advocates;

(3) assess the ability of each volunteer to perform competently as an advocate;

(4) provide practical assistance to personal advocates, and secure any legal and profesional services that may be needed by the advocate for the person;

(5) mediate the assumption of a legal role, such as guardian or adoptive parent, by a personal advocate;

(6) evaluate the performance of each advocate and the adequacy and effectiveness of the personal advocacy services program at least quarterly;

(7) have written procedures for terminating advocacy service at the request of either the advocate or the person;

(8) solicit recommendations of advocates and persons with respect to the expansion or modification of personal advocacy services;

(9) publicize the program to consumers, interested citizens, and cooperating agencies; and

(10) prepare and publish material for use in orienting and training personal advocates.

(c)(1) Each personal advocate assigned pursuant to this section shall monitor individual program plans for persons assigned to him for advocacy services.

Each such advocate shall be known to the client program coordinator and to the protective services worker assigned to the person.

(2) In accordance with the needs of the person, the personal advocate's functions and supportive social activities shall include, but are not limited to—

(A) providing companionship in activities of daily living;

(B) providing assistance in solving problems of daily living;

(C) supplying missing or needed affective relationships, as parent or sibling substitute, or as friend;

(D) working to increase the person's competency and independence;

(E) helping to obtain needed services; and

(F) challenging agency practices that appear to discriminate against the person.

(3) Each facility and agency shall coordinate its activities with personal advocacy services personnel to insure that the persons its serves receive personal advocacy services if needed. If personal advocacy services are not otherwise available, the agency shall proceed to establish them.

GUARDIANSHIP SERVICES

SEC. 292. (a) Guardianship services are those services provided by a person in a public or private agency who is serving as a guardian when there is no suitable relative or friend available to assume this responsibility for the person receiving services.

(b) Each facility and agency assisted under this Act shall—

(1) assist the person, his or her family, and the court in determining the need for guardianship, including a determination of whether guardianship of either the person or the property or of both is needed, whether such guardianships should be combined or separate and, where State law provides for both plenary and limited guardianship, the appropriate level of guardianship;

(2) assist the person, his or her family, and the court in assuring that a qualified private individual or a qualified individual in a public or private agency is available as a guardian to such person, insuring that no individual or agency who is responsible for rendering a direct service to a person will also be appointed guardian of that person;

(3) if State law provides for corporate guardianship (guardianship by an organization rather than by an individual), assist in establishing procedures that will eliminate conflicts of interest;

(4) assist the guardian in understanding mental retardation and other developmental disabilities, and in fostering increased independence on the part of his or her ward;

(5) assist guardians to become more effective in securing the rights, benefits, and services for their wards' needs, and to which they are entitled; and

(6) the agency shall work with the client, his or her family, and the court to insure that all guardianship procedures provide for due process;

(c) (1) In those cases in which a guardian is compensated for his or her services, the facility or agency shall demonstrate its efforts to insure that such compensation is in accordance with actual duties performed, rather than based solely on the income or assets of the ward and that no person will be denied legal guardianship services due to inadequate resources.

(2) The agency shall assist the client, his or her family, and the court in assuring that timely and appropriate procedures are available for the orderly continuation or reestablishment of guardianship upon the attainment of the age of majority, or for the person who otherwise needs continuation or reestablishment of guardianship, and, where appropriate, the appointment of a suitable successor guardian.

(3) The agency shall further assist the person, his or her family, and his attorney in the appropriate utilization of property management devices such as wills and trusts, educate the community concerning the need for and the availability of guardianship services, and if guardianship services are not available, the facility or agency shall establish one.

Subpart 2—Agency Service Components

PURPOSE

SEC. 293. (a) The program coordinator shall assist in the carrying out of the individual program plan by selective use of the direct services available. Each facility and agency that supplies one or more services shall publish a clear statement of the extent and limitations of the service or services that it provides. Such facility or agency shall demonstrate a willingness to modify its services in relation to the needs of the person and his or her family, in relation to other services, and in response to community planning processes.

(b) Each agency shall be evaluated on the basis of the specific component services that it provides. Each of the service components described in this subpart shall be available within the service delivery system of each State.

INDIVIDUAL ASSESSMENT

SEC. 294. (a) Individual assessment means an empirical process to determine if, and to what degree, a person has developmental deficiencies, and what interventions and services are needed to increase the independent functioning of such person. The individual assessment shall identify the present developmental level of the person, the conditions that impede his development, and, where possible, the etiology of the disability.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide or procure assessment services, identify for persons it serves and their families those areas in which it is competent to offer assessment services, and have written procedures for referring the person to other agencies for assessment services that it does not provide;

(2) include in each individual assessment, in order to provide data for the individual program plan, comprehensive assessments of sensorimotor, communicative, social, affective, and cognitive development;

(3) provide, through an interdisciplinary team constituted of members drawn from, or representing, such professions, disciplines, or service areas as are relevant in each particular case, a comprehensive medical examination, dental evaluation, visual and auditory screening, speech and language screening, and psychological and social assessments, including specialized assessments, where needed;

(4) insure that all State licensure, certification, and registration laws regulating the professional disciplines authorized to perform specific diagnostic tests shall be observed;

(5) assign specific responsibility for synthesizing, interpreting, and utilizing the results of the assessment components provided by different practitioners or agencies;

(6) insure that the assessment process is adapted to the cultural background, language, and ethnic origin of the person and his or her family;

(7) insure that assessment data are recorded in terms that facilitate clear communication across disciplines and with persons;

(8) insure that each assessment identifies the symptomatology of problems or disabilities, and, where possible, their etiologies;

(9) insure that the assessment process identifies all available alternatives for the selection of needed services, establishes a focus of responsibility for those services, and that such process involves the person and his or her family and that they are advised of the assessment findings;

(c) A preliminary individual assessment shall be completed within thirty days after entry. Reassessment shall be provided at developmental intervals during childhood, adolescence, and adulthood; provided at times of crisis; and available when behavioral responses indicate the need. Assessments reports may be sent to other facilities or agencies that provide services to the person and his or her family if written permission to do so is provided by such person or his or her family.

ATTENTION TO HEALTH NEEDS

SEC. 295. (a) Health needs include the needs for health care that are common to all persons, and any special health needs that arise from problems associated with mental retardation and other developmental disabilities.

(b) Each facility and agency receiving assistance under this Act shall—

(1) have identifiable procedures for the early detection and remediation of the special health needs of the person;

(2) provide or procure health assessments for each person served, including dental evaluations, at regular intervals, but at least annually;

(3) provide for the detection, diagnosis, and treatment of sensorimotor deficits;

(4) provide or procure corrective or prosthetic devices in accordance with specialists' recommendations, along with periodic reevaluation of corrective or prosthetic devices by appropriate professional personnel, to ascertain their continued applicability and fitness, and to recommend changes as needed, and instruction to parents and to pertinent staff members in the proper use and care of such devices;

(5) provide or procure home health services to foster implementation of the home aspects of the special health remediation program;

(6) insure that the special health needs of persons served are met by the generic resources of the community;

(7) provide that health supervision for disabled children shall conform to the regulations of the Secretary;

(8) provide nutritional services to assist in planning adequate and proper diets, including special diets when needed;

(9) provide services to develop functional oral systems such as sucking, swallowing and chewing;

(10) have written policy regarding the administration of all medications used by persons served, including those not specifically prescribed by the attending practitioner, except that no medication shall be administered to a person without a written order by a physician; and written policy specifying the procedures to be followed in medical emergencies, and in rendering emergency medical care;

(11) insure that each person who requires medication shall receive appropriate medical supervision, which includes regular evaluation of his or her response to the medication, with appropriate monitoring and laboratory assessment;

(12) have policies and procedures for persons with infectious and contagious diseases which conform to State and local health department regulations, and copies of such policies and procedures shall be available to all staff, persons served, and their families;

(13) include in its inservice training program instruction in the proper handling of persons with convulsive disorders, and insure that such instruction is given to all personnel who work with such persons;

(14) make available to persons served and their families specialized family planning services and genetic counseling services.

(c) Any facility or agency which does not provide specialized health services shall refer each person and his or her family to the appropriate agencies and follow up on such referrals.

ATTENTION TO DEVELOPMENTAL NEEDS

SEC. 296. (a) Attention to developmental needs means the provision of specific opportunities for growth and development.

(b) Effective programs for mentally retarded and other developmentally disabled persons shall be based upon a developmental model which assumes that (1) change and development begin at conception and continue throughout the life span of every human being, (2) human development progresses in a sequential, orderly, and predictable manner, (3) specific opportunities for development must be provided if development is to occur, and (4) the rate and direction of development are influenced by many factors, some of which can be significantly modified by utilizing and controlling certain physical, psychological, and social aspects of the environment. The objective of services which attend to developmental needs shall be to enhance development and increase adaptive behavior by modifying the rate and direction of behavioral change.

(c) Attention to developmental needs shall be made available by each facility and agency receiving assistance under this Act to every person served, regardless of age, or type or degree of disability. Programs shall be designed to (1) enable such persons to develop an increasing degree of control over his or her environment, and (2) to gradually produce more complex behavior patterns that increase the person's capacity to cope with his or her environment. The person's individual program plan must specify the progressive developmental steps and goals that are to be attained.

(d) Basic goals for development shall include understanding, appreciating, and caring for the natural world; promoting esthetic experiences and creating emotional stability; learning to perform work for reimbursement; and learning a critical or intellectual method by which to evaluate experiences and environment.

(e) The objectives of education and training programs shall be to maximize the person's development. Arbitrary time and age limits shall not be imposed on any process of education.

(f) Each facility and agency receiving assistance under this Act shall—

(1) assist in initiating developmental programs that begin in infancy and continue throughout the lifespan;

(2) insure that its program is determined by individual developmental needs, and is not contingent on age or time restrictions;

(3) implement in each person's individual program plan the progressive developmental steps and goals that are to be attained;

(4) define the responsibilities of both the agency and the family as they affect individual attainment of developmental objectives, and the communication mechanism;

(5) provide or procure formal education and training services that begin with early childhood programs and continue through post-secondary schools and vocational training activities including opportunities for continuing education and retraining without arbitrary time and age limits, and which are directed toward integrating the person in the most appropriate learning environment that is available in the community;

(6) insure that the objectives of its education and training programs shall be related to the long-range goals of its clients, to include the achievement of academic knowledge and the development of competence in activities of daily living;

(7) insure that education and training programs meet the standards established by the appropriate State agency and that instructional techniques, physical settings, and materials are appropriate to the ages and developmental levels of each person served;

(8) identify programs and services available to the person and his or her family from other sources, to reinforce and enrich its education program;

(9) document the person's participation in the selection of alternatives relating to activities of daily living;

(10) prohibit the use of corporal punishment and verbal abuse (shouting, screaming, swearing, name calling, or any other activity that would be damaging to a person's self-respect) and seclusion (defined as the placement of a person alone in a locked room); and

(11) have a written policy that defines the use of behavior modification programs, the staff members who may authorize their use, and a mechanism for monitoring and controlling their use, in which

(A) noxious or aversive stimuli shall be employed only in very extreme situations and only when reviewed and approved by the agency's or facility's research and human rights committees, conducted with the consent of the client's family, and the use of such stimuli is described in written plans;

(B) medication shall not be used as punishment, for the convenience of staff, as a substitute for a program, or in quantities that interfere with a developmental program; and

(C) persons shall not discipline other persons, except as part of an organized self-government program that is conducted in accordance with written policy.

SENSORIMOTOR DEVELOPMENT

SEC. 297. (a) Motor development means the development of those behaviors that primarily involve muscular, neuromuscular, or physical skills, and varying degrees of physical dexterity. Sensory development includes the development of perceptual skills.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include in each individual program plan objectives relating to sensorimotor development, including, but not limited to, the development of balance and posture, perceptual-motor skills, locomotor skills, manipulative skills, and body image; and shall evaluate and record each person's development at least quarterly;

(2) have specific programs directed to the sensorimotor development of nonambulatory individuals;

(3) have individually prescribed sensorimotor development activities performed by each person regularly, where appropriate, which are designed to increase individual skills, strength, and endurance, modified in accordance with the person's progress toward his or her sensorimotor development objectives;

(4) provide direct services or obtain consulting services from professionally qualified persons to assist person and his or her family in sensorimotor training; and

(5) demonstrate functional integration of sensorimotor activities and therapeutic interventions in the educational, social, recreational, development, or vocational programs that it provides.

COMMUNICATIVE DEVELOPMENT

SEC. 298. (a) Communicative development means the development of communication skills, transmitting meaning to others, either verbally or nonverbally.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include in each individual program plan objectives relating to communicative development, and the progress of the person toward these objectives shall be recorded at least quarterly;

(2) provide appropriate training in the areas of sensory stimulation, awareness, appropriate gestures, receptive skills, speaking, writing, reading, listening, and expression;

(3) provide specialized services or procure to correct structural or habit deficits that interfere with persons' communicative development;

(4) provide for each person specific opportunities for the use of functional communication skills in activities of daily living; and

(5) provide instruction concerning the availability and utilization of all forms of communication media, such as radio, television, telephone, and such specialized equipment as may be required.

SOCIAL DEVELOPMENT

SEC. 299. (a) Social development means the formation and growth of self-help and interpersonal skills that enable a person to establish and maintain appropriate roles and maintain fulfilling relationships within his or her environment.

(b) Each facility and agency receiving assistance under this Act shall—

(1) insure that each individual program plan contains objectives relating to social development, and that the progress of the person relative to these objectives shall be recorded at least quarterly;

(2) provide for the development of culturally normative behavior by persons it serves, including a sequential life education program, opportunities for social development appropriate to the person's chronological age, and activities that promote the development of socially adaptive relationships with the opposite sex;

(3) provide activities for individual social interaction outside the training programs;

(4) provide programs to (A) assist the person with clothing selection and grooming appropriate to various social situations, such as work, school, church, and leisure time activities; and (B) as a part of the social development program, provide special training relating to safety in all activities of daily living;

(5) design a program for use by the person's family to encourage independent functioning through the acquisition of self-help and interpersonal skills;

(6) provide counsel for the person and his or her family concerning interpersonal conflicts, or conflicts arising from isolated or disorganized families, and if referral is made for counseling, it shall provide follow-up to insure resolution of the conflict.

AFFECTIVE DEVELOPMENT

SEC. 299A. (a) Affective development means the development of feelings and emotions, including behaviors that relate to, rise from, or influence, interests, attitudes, emotions, and values.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include in each individual program plan objectives relating to affective development, and the progress of the person toward these objectives shall be recorded at least quarterly;

(2) develop, with the client and his or her family, a plan for developing the expression of appropriate emotional behaviors;

(3) provide a warm, accepting environment that is conducive to the development of positive feelings, including opportunities for the expression of appropriate feelings;

(4) provide for the development and enhancement of the person's self-concept through activities that promote awareness of self and the experience of success and security;

(5) provide a variety of experiences to develop the client's interest in and appreciation of the esthetic components of his environment; and

(6) provide specific training objectives for persons displaying maladaptive behavior that lead to more adaptive behavior, and maintain records of significant maladaptive behavior, and of actions taken by parents and staff as a consequence of such behavior, and, when necessary, provide specialized

UMI

therapeutic techniques to develop constructive adaptive behaviors.

COGNITIVE DEVELOPMENT

SEC. 299B. (a) Cognitive development means the development of those processes by which seniority input is transformed, stored, recovered, and used, including processes and abilities involved in perceiving, recognizing, remembering, conceiving, judging, reasoning, thinking, and knowing.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include in each individual program plan objectives relating the cognitive development which are written in behavioral terms, and progress relative to these objectives shall be recorded at least quarterly;

(2) help parents to recognize and implement their roles in fostering the cognitive development of the child;

(3) provide initial activities in the development of cognitive skills at the most basic developmental level, including sensory stimulation;

(4) provide specialized services to remediate or compensate for specific barriers to learnings; and

(5) provide opportunities for alternatives leading to independent action, including evaluation of the consequences of the person's decisions.

SERVICES TO SUPPORT EMPLOYMENT AND WORK

SEC. 299C. Each person shall be prepared for opportunities to engage in productive work or other meaningful occupation that leads toward making an economic contribution to society and securing a decent standard of living.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include work objectives in each individual program plan directed to maximizing the independence of the person, which are established in cooperation with the person, based on a recorded evaluation of work potential, and which include the attainment of at least partial employability or self-support, or other meaningful occupation;

(2) provide opportunities for, and assist the client in the selection of, alternatives in vocational training and retraining;

(3) integrate its work and employment programs with the community by providing or obtaining occupational training, adjunctive therapy, bio-engineering consultations, or other services that are designed to maximize the person's level of work functioning; establishing locations in the community where on-the-job training takes place; facilitating the placement of persons in full-time employment at the Federal minimum wage or higher; providing or obtaining reimbursed work experiences for those persons whose evaluations document that they are unable to utilize or attain on-the-job training, full-time employment, or sheltered work in the community; and providing or obtaining follow along to insure that the employee has opportunity for job upgrading or reevaluation, in order to increase employment potential;

(4) provide the person with materials for productive work at his or her place of residence, when this is in his or her best interest;

(5) provide support to the person by helping him or her make constructive use of leisure; assisting in the development of peer relationships in leisure time activities; and maximizing opportunities for increasingly independent living by minimizing the effects of the disability;

(6) maintain at least yearly contact with the advocate, guardian, family, or other responsible person to evaluate the work expectations and performance of the person;

(7) maintain documentary evidence of each person's production level earning rate;

(8) insure that persons who are paid for productive work shall be provided benefits that include, but are not limited to effective grievance procedures; provisions for paid vacations, holidays, and sick leave; workmen's compensation; provisions for health insurance and retirement; opportunities for continuing educational activities; and provisions for recognizing outstanding contributions to the agency; and

(9) utilize definitive time study procedures and competitive bidding practices.

RECREATION AND LEISURE

SEC. 299D. (a) Recreation means the satisfying use of leisure time. Recreation and leisure activities may be elements of a person's daily life in which participation may be planned, requested, or self-initiated to meet a basic need and to provide personal enjoyment.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide or obtain recreation and leisure time activities that are designed to allow the person to choose whether or not to participate, and to choose the type of activity in which he or she wishes to participate; develop skills and interests leading to enjoyable and satisfying use of leisure time; provide opportunities to be successful; provide experiences that develop social interaction skills; provide activities that promote physical and emotional health; and provide individualized therapeutic activities for the alleviation of disabilities and the prevention of regression;

(2) plan and organize recreation programs and activities to include a specific set of objectives for each person, based upon his or her individual program plan; assessments of the person's abilities and performance level, to determine the type of recreation activities that are appropriate; grouping of persons according to their expressed wishes and probable abilities; careful selection of the method of presentation, in accordance with the abilities of the participants; availability of and access to desired activities; communication and coordination with other agencies to develop wider opportunities in programing; opportunities to participate with nondisabled people; and parent and family education concerning leisure time activities;

(3) provide recreation activities to persons who are served by other agencies, and to others who are not served by any direct program, through daytime activities for children; after-school activities; after-work and evening activities; weekend activities; and summer activities;

(4) if generic, community recreation programs are not available to the disabled, initiate action with appropriate agencies in order to make such programs available, including consultation and training services to generic agencies in developing and implementing programs for persons served;

(5) insure that recreation programs are available to severely and multiple disabled persons; and

(6) keep the population that it serves informed of all recreation opportunities.

FAMILY RELATED SERVICES

SEC. 299E. (a) Family related services are those that specifically serve both the person and his or her family, to include a range of services provided both within and without the home by a variety of agencies and disciplines. The term also includes services for a disabled adult who is married and has a family.

(b) All services provided to persons under this Act shall include considerations and involvement of his or her family, and the special emotional, social, and educational needs of the family must be recognized. Family members shall be assisted to increase their understanding of the impact of disability, to improve their understanding of the person and their relationship with him or her, and to mobilize their own strengths in coping with the disability in a constructive fashion. Instruction in ways of facilitating the development of the person, including training in specific management techniques, shall be provided.

HOME TRAINING SERVICES

SEC. 299F. (a) Home training services means specialized services that are provided to a person and his or her family in the home setting, as an extension of his or her total program.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide home training services through a home trainer, who shall:

(A) develop with the family a developmentally sequenced management and training program that is a component of the individual program plan, and that is carried out in the home;

(B) instruct the family in how to carry out the program;

(C) provide for family use of specialized instructional material;

(D) provide information on developmental disabilities and developmental patterns;

(E) develop with the family a method of assessing the assets, liabilities, and level of performance of the person;

(F) assist the person and the family in incorporating the therapy offered by various disciplines into the daily regime;

(G) coordinate the person's activities with services delivered by others;

(H) demonstrate special procedures;

(I) help adapt home equipment;

(J) help the family make or identify resources for obtaining specialized equipment;

(K) assist the family with special clothing adaptations; and

(L) provide continuing support and assistance;

(2) coordinate its efforts with other agencies and services that are involved with the person and his or her family and if home training services are not available the facility or agency shall initiate such services.

HOMEMAKER SERVICES

SEC. 299G. (a) Homemaker services means services in caring for the family in the home during periods of need or crisis, and teaching family members techniques of home management.

(b) Each facility or agency receiving assistance under this Act shall insure that—

(1) homemaker services shall be available, when needed, to families with a disabled person living at home, and to disabled adults living in their own homes;

(2) the homemaker shall teach appropriate techniques of home management, including good health care, meal planning, marketing, budgeting, and housekeeping;

(3) the homemaker's home management skills shall be sufficient to meet a variety of family emergencies, including relief in a crisis;

(4) evaluation of the family's needs shall be made prior to the placement of a homemaker, and shall continue after the homemaker is in the home;

(5) the homemaker shall be apprised of the family situation prior to entering the home;

(6) the homemaker shall be prepared to assist with the training program of the person, so that he or she may remain in the home; and

(7) if homemaker services are not available, the agency shall initiate such services.

RESPITE CARE

SEC. 299H. (a) Respite care means short-term, out-of-the-home care of a person that is provided for the temporary relief of his or her family.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide day and night respite care services;

(2) identify to persons and their families other agencies that provide respite care;

(3) have a written plan for the retirement, selection, training, and evaluation of persons who provide respite care;

(4) monitor respite care services to insure continuity with the normal living patterns of those being served; and

(5) if respite care services are not available initiate such services.

SITTER SERVICES

SEC. 299I. (a) Sitter services means in-the-home care of a person for the temporary relief of his or her family.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide sitter services, available on an hourly or weekly schedule;

(2) have a written plan for the recruitment, selection, training, and evaluation of persons who provide sitter services;

(3) insure that sitter services personnel shall have specialized training and experience in the management of disabled persons;

(4) if the agency does not provide sitter services, identify sources for obtaining qualified sitter services; and

(5) if sitter services are not available, initiate such services.

FAMILY EDUCATION SERVICES

SEC. 299J. (a) Family education services means the provision of opportunities for the family to increase its knowledge and understanding of mental retardation and other developmetal disabilities, and of other concerns relating to the family unit.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide family education opportunities on a regularly scheduled basis and as family needs arise, in which family members are involved in the development and evaluation of family education programs; and in which family education techniques shall be adapted to the cultural, educational, and economic characteristics of the families being served;

(2) insure that family members have an opportunity to observe the person in a service setting, establishing procedures by which these observations are discussed with the appropriate staff;

(3) insure that planned conferences between staff members and individual families are held on a regularly scheduled basis, as needs arise, and either in or out of the home, as appropriate;

(4) provide parent-to-parent counseling activities for newly identified parents and in times of crisis;

(5) conduct group meetings for siblings of persons who are disabled;

(6) maintain a resource library relating to mental retardation and other developmental disabilities, available for use by the family, which includes basic information on mental retardation and other development disabilities, information on developmental patterns, information on techniques of management and training, information relating to attitudes and feelings toward, and understanding of, the developmentally disabled, and instructional materials, including games and toys, and information on their use; and

(7) have a planned program for mobilizing and utilizing parent leadership skills.

ATTENTION TO NEEDS FOR MOBILITY

SEC. 299K. (a) Mobility means the ability of persons to move within, and thereby interact with, their environment. Attention to needs for mobility means helping nonambulatory persons to become mobile or partially mobile, as well as enabling them to use public and private transportation systems to meet their normal needs.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide services to increase the mobility of disabled persons as specified in their individual plans, including services and equipment necessary to improve ambulation and to promote mobility, and training in mapping and orientation within the person's immediate environment;

(2) promote maximum safety in the use of all mobility devices and procedures, including inspection at least quarterly of all equipment used in the mobility program to insure that it is in proper working condition;

(3) actively strive to eliminate architectural barriers, and to modify equipment and facilities to overcome barriers, insuring that multistory buildings are equipped with elevators for the use of mobile nonambulatory persons, and that restrooms, water fountains, and other facilities are accessible for use by mobile nonambulatory persons;

(4) shall make driver education available to those persons who are capable of learning to drive;

(5) promote or help establish generic community transportation services that are usable by disabled persons;

(6) assist persons in securing transportation that enables them to have access to needed programs and services, including transportation after hours and on weekends;

(7) insure that the transportation system is licensed by a State agency; that a current State inspection report is available; that all drivers are trained and licensed; that adequate insurance coverage, including collision, comprehensive, and liability, is in force; that overloads are not permitted; and that transportation provided is adapted to the special needs of the persons receiving such service; and

(8) compile data concerning persons denied or excluded from services because of their unique mobility needs.

Subpart 3—Community Organization

PURPOSE

SEC. 299L. The service delivery system shall be so organized that each person has services available at the time of need, and in close proximity to his or her home. One agency or facility in the service delivery system shall be responsible for implementing a systematic method of collecting data useful for planning and coordinating activities, and shall make available to other facilities and agencies current information on the resources available in the community for serving mentally retarded and other developmentally disabled persons.

RESOURCE INFORMATION AND DATA DOCUMENTATION SERVICES

SEC. 299M. (a) A resource information service shall be established by the agency identified in section 299L to compile and disseminate current and complete listings of all appropriate resources, referral procedures, and other pertinent information. A data documentation service shall be established by the same agency to collect and disseminate data that is useful for planning and coordinating activities.

(b) Within each community a single agency shall provide a centralized resource information and data documentation service.

(c) Each community whose facilities and agencies receive assistance under this Act shall—

(1) maintain a resource information service which shall be an easily identifiable point of contact for professionals and agencies seeking assistance, and which shall:

(A) maintain a current directory of local resources;

(B) have directories of regional and State agencies and facilities serving the local area;

(C) have standing procedures for obtaining, cataloging, and updating information concerning resources and services;

(D) have written policies describing minimum standards for services to which referrals are made;

(E) have regular followups on its referrals to determine if they were completed, and if they were appropriate to the request for assistance;

(F) analyze referral requests quarterly to determine changing needs and programs, and provide feedback for planning and coordinating purposes;

(G) actively disseminate information about activities, so as to facilitate the resources information and referral activities of other agencies and facilities;

(H) work with other agencies and facilities to improve resource information and referral services;

(I) make materials available for inservice training and community education; and

(J) provide consultation services to support community organization activities;

(2) maintain a data documentation service which shall coordinate its activities with those of other data collection agencies, so as to minimize duplication of effort and encourage the use of standardized reporting systems, and which shall:

(A) collect data at least yearly from all agencies and facilities in the service delivery system;

(B) provide consultation to local agencies in the design of agency reporting systems;

(C) disseminate data for community education and social action programs;

(D) regularly categorize the reasons that persons are rejected for service, and report this information to planning and coordinating bodies as a means of stimulating program modification and development;

(3) work with other agencies in the service delivery system to develop a continuum of services to meet all the needs of the disabled; and

(4) participate in a regular, at least annual, review of the service delivery system that includes, but is not limited to, an analysis of:

(A) the design of system and agency approaches to solving problems;

(B) joint efforts among agencies and facilities to resolve problems in providing services;

(C) the need for integration of ongoing programs within the system;

(D) the identification and resolution of conflicting policies and practices;

(E) the identification and resolution of unnecessary duplication or uneven distribution of services;

(F) the need for simplification and combination of administrative, operational, and funding procedures;

(G) the coordination of data collection and the use of data to study the characteristics and needs of the community; and

(H) the development of standards for personnel selection and performance, and for program evaluation.

COORDINATION

SEC. 299N. (a) Coordination means the process of bringing together all necessary resources in the appropriate sequence in order to accomplish a given objective. Coordination involves initiating, sustaining, and interrelating the various parts of the service delivery system.

(b) Each facility and agency receiving assistance under this Act shall—

(1) have a written statement that clearly defines its role and function within the service delivery system;

(2) have a directory of all other resources and services within the service delivery system;

UMI

(3) have cooperative agreements with other components of the service delivery system; and

(4) have established and written procedures for coordination with other components of the service delivery system, including procedures for coordinated planning of services with other agencies, referrals of persons to other agencies, and follow-up referrals.

AGENCY ADVOCACY

SEC. 299O. (a) Agency advocacy means a social action program in which an agency acts to support and safeguard the rights and interests of disabled persons.

(b) Each facility and agency receiving assistance under this Act shall—

(1) participate, where appropriate, with a coalition of other agencies in developing a coordinated plan for agency advocacy, and such a plan shall identify communitywide problems that confront disabled persons and their families, methods for resolving problems within the service delivery system, and strategies for resolving legal or legislative problems that compromise the rights and privileges of disabled persons;

(2) periodically, or as the need arises, make its findings and recommendations known to the public and to appropriate governmental bodies; and

(3) encourage and demonstrate the participation of persons served, their families, and their advocates.

COMMUNITY EDUCATION AND INVOLVEMENT

SEC. 299P. (a) Community education and involvement means an active program of ready, open, and honest communication with the public, aimed at creating community awareness of the needs of mentally retarded and other developmentally disabled persons, and at stimulating social action to meet those needs.

(b) Each facility and agency receiving assistance under this Act shall—

(1) conduct an ongoing community education program that is designed to create community awareness and acceptance of mentally retarded and other developmentally disabled persons, focusing specific attention on understanding the general and special needs of disabled persons, and on the right of disabled persons to participate in the mainstream of community life;

(2) establish a fixed point for collecting and disseminating information and have procedures for disseminating such information during a crisis;

(3) participate in making the community aware of the causes of mental retardation and other developmental disabilities;

(4) educate the general public concerning community programs that are available and needs that remain unmet;

(5) educate the community by employing a variety of techniques such as brochures on services currently provided, fact sheets describing program components, newsletters, audiovisual materials, a speaker's bureau, program presentations, meetings, and seminars, school and college class presentations, a total media publicity program, including press releases, staff interviews, and consumer interviews, and a library and bibliography of books and publications for staff, families, and the general public;

(6) identify, and conduct informational sessions for, special audiences, such as public officials;

(7) conduct educational sessions for public and private officials on the advantages of normalized living arrangements for disabled persons, to promote the adoption of zoning ordinances that promote normalization and licensing standards that promote normalization; and

(8) promote community involvement by methods that include, but are not limited to:

(A) using volunteers in the community education program;

(B) involving citizens in writing and contacting their legislators in support of needed legislation;

(C) sponsoring special events that appeal to broad community interests in support of program needs;

(D) conducting activities that express and recognize citizen support of program needs;

(E) recognizing community leaders for their participation in and support of new program developments;

(F) encouraging fraternal civic, and social organizations to support programs for mentally retarded and other developmentally disabled persons; and

(G) encouraging organizations to invite mentally retarded and other developmentally disabled persons to become members, and to participate in activities with their peers.

PREVENTION

SEC. 299Q. (a) Prevention means the process of arranging forces in the society so as to mitigate or eliminate those factors which contribute to mental retardation or other developmental disabilities.

(b) Each agency or facility receiving assistance under this Act shall—

(1) maintain current information concerning preventive services available in the community, including information necessary to make referrals;

(2) insure that preventive services are readily accessible to any family, regardless of the family's ability to pay for such services;

(3) make provisions for providing or procuring preventive services for all conditions known to entail risk of mental retardation or other developmental disability;

(4) have provisions for ongoing child health programs, including immunization, screening, regular assessment of physical and mental health, and periodic assessment of development;

(5) insure that highly specialized preventive services, such as genetic screening and counseling, are available, at least on a regional basis; and

(6) insure that services are offered to those who are not aware of their problems, or who are unaccustomed to asking for help;

(7) include current information concerning prevention in orientation and inservice training programs for staff;

(8) participate, where appropriate, with a coalition of other agencies in implementing communitywide preventive activities;

(9) provide opportunities for young people and parents to learn about child development and child rearing, designed to enable participants to understand children by appreciating the various stages of child development, and develop ability and confidence in child rearing;

(10) undertake preventive activities in environmental areas including: amelioration of conditions that adversely affect health, amelioration of social and racial discrimination, reduction of cultural conflicts, and working to make community resources accessible to those who need them;

(11) undertake biomedical preventive activities including: immunization programs that comply with standards established by the Secretary, voluntary detection or screening programs for infections, voluntary detection or screening programs for endocrine and metabolic disorders, comprehensive health care programs for all women of childbearing age, family planning services, comprehensive prenatal care programs (including nutrition education and services, detection of abnormalities of the placenta and of blood group incompatibilities, and precautions to reduce complications due to radiation, medication, and drug abuse), and comprehensive natal and neonatal care programs to reduce risks due to mechanical, infectious, endocrine, metabolic, neurologic, and nutritional factors, and to toxic drugs; and

(12) undertake special preventive services including genetic screening and counseling and accident prevention and safety programs.

MANPOWER DEVELOPMENT

SEC. 299R. (a) Manpower development means the cooperative process through which the agencies in a community strive to assure the availability of an adequate present and future supply of qualified personnel to work in programs providing services to mentally retarded and other developmentally disabled persons.

(b) Each facility and agency receiving assistance under this Act shall cooperate with other agencies to assure the availability of an adequate present and future supply of qualified personnel through activities such as:

(1) establishing working relationships between agencies and nearby colleges and universities to,

(A) make credit courses, seminars, and workshops available to agency staff, in accordance with their needs, and as related to their occupations,

(B) make agency resources available for training and research, while maintaining the primary goal of serving mentally retarded or other developmentally disabled persons,

(C) permit exchange of staff between agencies and colleges or universities for teaching, research, and consultation,

(D) allow students to visit and observe agency programs, and

(E) allow students to participate in field placements that are supervised by agency staff;

(2) establishing working relationships with other nearby manpower training centers to,

(A) provide follow-up and feedback regarding the effectiveness of training programs,

(B) identify new manpower training needs, and

(C) evaluate manpower training programs yearly; and

(3) participating in training programs conducted by university affiliated facilities, where available.

VOLUNTEER SERVICES

SEC. 299S. (a) Volunteer services means an organized and carefully supervised activity in which the varied skills of unpaid personnel are utilized to support and supplement the efforts of paid agency staff.

(b) Each agency or facility receiving assistance under this Act shall—

(1) use volunteers to support and supplement the activities of its paid staff;

(2) follow established written policies concerning recruitment, selection, training, assignment, supervision, evaluation, recognition, and separation of volunteers;

(3) insure that volunteer participation is open to all persons regardless of sex, race, creed, age, or national origin;

(4) insure that volunteer participation complies with all appropriate State and Federal laws, including those relating to labor and insurance;

(5) insure that volunteer services are available to all persons served, regardless of age, ability, or handicap;

(6) designate a staff member to be responsible for conducting the volunteer services program who shall have education or experience in the administration of volunteer services, devote sufficient time to the administration of the program, in accordance with its size, and have the same relationship to volunteers as a personnel officer has to paid employees;

(7) maintain accurate records, concerning volunteer services, including, but not limited to the types, hours, and results of volunteer services provided, individuals and organizations providing services; materials and money received, and operational expenditures; and

(8) provide a volunteer services advisory committee, composed of representatives from the agency, the consumer population and the community, plans, reviews, and recommends improvements in the volunteer program.

Subpart 4—Program Evaluation

PROGRAM EVALUATION

SEC. 229T. (a) Program evaluation means a process in which program outcomes are measured against the previously stated goals and objectives of the agency.

(b) Each agency or facility receiving assistance under this Act shall—

(1) have a written statement of its goals and objectives, insuring that such objectives are related to the objectives of the service delivery system of which the agency is a part, and to the identified needs of the population served by such service delivery system, and that such objectives define the population to be served, the services to be provided, and the modalities to be utilized in providing these services;

(2) periodically, and at least annually, evaluate its performance against its stated goals and objectives, including in such evaluation assessment of the agency's objectives, the relation of the agency's objectives to the objectives specified in the individual program plans, agency program standards, program methodologies, staff performance, staffing requirements;

(3) provide for staff, persons served and family involved in the evaluation process;

(4) measure the effectiveness of its programs and services in terms of the progress of persons served toward the objectives specified in their individual program plans;

(5) have procedures for continuous monitoring of the person's progress toward the objectives stated in his individual program plan;

(6) provide in its evaluation process mechanisms for the consequent review and modification of objectives, policies, and practices;

(7) insure where cooperative efforts among agencies are designed to achieve a common goal, provide that services are evaluated cooperatively and in relation to one another;

(8) have evidence of its cooperative efforts with other agencies to develop a continuum of services to meet all of the needs of mentally retarded and other developmentally disabled persons; and

(9) insure that the number of persons served by agencies in the service delivery system is consistent with the needs for service, as determined by a survey of community needs;

(10) insure that appropriate alternatives and options exist within the system to meet the varied needs of mentally retarded and other developmentally disabled persons; and

(11) provide its funding sources with qualitative evidence of accomplishments and shortcomings in relation to its stated goals and objectives, documenting its efforts to facilitate maximum coordination among its funding sources with respect to licensing requirements, required reports, accountability requirements, and delays between approval and receipts of funds.

Subpart 5—Research and Research Utilization

RESEARCH AND UTILIZATION

SEC. 229V. (a) Research means a systematic and detailed attempt to discover or confirm facts relating to the problems associated with mental retardation and other developmental disabilities. Research utilization shall include the dissemination of research findings and the use of such findings to improve services to and for mentally retarded and other developmentally disabled persons.

(b) Each agency and facility receiving assistance under this Act shall—

(1) indicate in its statement of purposes whether or not the agency will engage in research activities;

(2) provide a written policy concerning the purpose and conduct of all research involving the development of research efforts in services;

(3) consult agency staff members regarding the agency's staff, persons served, or their areas of competence and interest, and make available to staff members who have identified researchable problems, and who are equipped by interest and training to conduct applied or basic research opportunities, resources, and other necessary research assistance and insure that an agency staff member is assigned to provide liaison with each research project conducted by outside investigators.

(4) establish an interdisciplinary research committee that includes both agency staff members and qualified persons who are not members of the agency's staff who shall be qualified by training and experience to conduct initial and continuing reviews of research projects; and such committee shall review all proposed studies to insure adequacy of research design, implementation of ethical standards in the design, and compliance with the regulations published by the Department of Health, Education, and Welfare, maintaining a continuing review of all research activity;

(5) establish a human rights committee to assure that the rights and welfare of research subjects are protected, and such committee shall include disabled persons or their representatives, and relevantly qualified professionals who are not involved in the research project under review; and the committee shall insure that informed consent is obtained by adequate and appropriate methods, that methods for obtaining informed consent are reviewed at least annually, and that disabled persons are not used as a captive source of research subjects for purposes unrelated to their specific welfare, unless they or their families have agreed to the research, and the research is in no way detrimental to their welfare;

(6) provide procedures for obtaining informed consent that include:

(A) a fair explanation of the procedures to be followed, including an identification of those that are experimental;

(B) a description of the attendant discomforts and risks;

(C) a description of the benefits to be expected;

(D) a disclosure of appropriate alternative procedures that would be advantageous for the subject;

(E) an offer to answer any inquires concerning the procedures; and

(F) an instruction that the subject is free to withdraw his or her consent and to discontinue participation in the project or activity at any time;

(7) insure that the written or oral agreement entered into by the subject includes no exculpatory language through which the subject is made to waive, or appear to waive, any of his or her legal rights, or to release the agency or its agents from liability for negligence;

(8) insure that the individual conducting research involving human subjects is affiliated with or sponsored by an agency that can and does share responsibility for the protection of the subjects involved;

(9) provide appropriate guidelines to deal with any emergency that may develop, even in the course of seemingly routine research activities;

(10) insure that investigators and others directly involved in research adhere to the ethical standards of their professions concerning the conduct of research and obtain informed consent from each subject, or have access to the record of informed consent;

(11) insure that the principal investigator of each completed research project is responsible for communicating to the staff of the agency the purpose, nature, outcome, and possible practical or theoretical implications of the research and that outside researchers have the same obligations relative to staff information and feedback as do agency staff members;

(12) insure that copies of reports resulting from research projects shall be maintained in the agency and that the agency assists in disseminating the results of its research to other units of the service delivery system, assuring that when research findings are made public, the anonymity of individual persons and parents is maintained;

(13) have a mechanism to review research finding external to the agency, and to implement those findings that will improve the quality of services being provided; and

(14) cooperate with programs of research and research training that are conducted by colleges, universities, and research agencies, or by other qualified investigators.

Subpart 6—Records

RECORDS

SEC. 299W. (a) The person's record is a compilation of data that provides the basis for planning and evaluating his or her individual program plan; that provides a means of communication among all staff members who are involved in implementing that plan; that furnishes evidence of the person's progress; that serves as a basis for review and evaluation of the agency's programs; that assists in protecting the legal rights of the person, the staff, and the agency; and that provides data for use in research and education.

(b) the establishment and maintenance of a functional records system shall be an essential activity of each community service program. Records shall document the services provided the person, and any action taken in his or her behalf, contacts with persons who were rejected for service, or who were referred to other agencies, shall be available to parents and persons served upon demand, and shall record only objective data and observable behaviors.

(c) Each facility and agency receiving assistance under this Act shall—

(1) insure that a record is maintained for each person that is adequate for:

(A) developing and continuously evaluating the individual program plan;

(B) providing a means of communication among all persons contributing to the individual program plan;

(C) recording progress in achieving the objectives specified in the individual program plan;

(D) serving as a basis for review, study, and evaluation of the programs provided by the agency for its patients;

(E) protesting the legal rights of the person, agency, and staff; and

(F) providing data for use in research and education;

(2) insure that all information pertinent to the above stated purposes is incorporated in the person's record in sufficient detail and clarity to enable those persons involved in implementing the individual program to provide effective, continuing services, and insure that all entries in the record are legible, dated, authenticated by the signature and identification of the person making the entry, to the extent possible, written in nontechnical terms, and include symbols and abbreviations only if they are in a list approved by the agency's chief executive officer, and if a legend understood by the staff is provided to explain them;

(3) assist the family in establishing and maintaining a record to document its role in implementing the individual program plan;

UMI

(4) insure that the person's record shall be available to the family and that person upon demand;

(5) insure that the following information shall be obtained and entered in the person's record at the time of entry to the program:

(A) name, date of initial conduct, date of birth, citizenship status, marital status, and social security number;

(B) sex, race, height, weight, color of hair, color of eyes, identifying marks, and recent photograph;

(C) name and address of parents, legal guardian, advocate, or next of kin;

(D) reason for entry, referral, or rejection;

(E) legal competency status;

(F) language spoken or understood;

(G) sources of support, including social security, veterans' benefits, and insurance;

(H) information relevant to religious affiliation;

(I) reports of previous histories, evaluations, or observations;

(J) age at onset of disability;

(K) name and address of family physician or health facility providing medical care; and

(L) medication history;

(6) insure that within the period of three months after initial contact, there shall be entered in the person's record:

(A) a report of the review and updating of the entry information;

(B) a statement of short-term goals that can be used for programing and placement;

(C) a comprehensive assessment and individual program plan, designed by an interdisciplinary team; and

(D) when possible, a diagnosis based on the American Association on Mental Deficiency (AAMD) Manual on Terminology and Classification in Mental Retardation; the Diagnostic and Statistical Manual of Mental Disorders, second edition (DSM–II), published by the American Psychiatric Association; or another accepted standard nomenclature;

(7) insure that record entries during the period of service shall include:

(A) reports of regular and specific reviews and evaluations of the individual program plan;

(B) observations of response to the individual program plan, recorded with sufficient frequency to enable evaluation of its efficiency;

(C) records of significant behavior incidents;

(D) records of agency contacts with the person's family or guardian;

(E) records of services provided, and attendance;

(F) periodic updating of the information recorded at the time of initial contact;

(G) appropriate authorizations and consents; and

(H) medication response profile;

(8) insure that a discharge summary shall be entered in the record within seven days after the time of termination of agency services, which shall include—

(A) a brief recapitulation of findings, events, and progress during the period of service;

(B) specific recommendations and arrangements for future programing and follow along services; and

(C) the agency's evaluation of the appropriateness of the reason for terminating agency services, when termination is contrary to the agency's recommendation;

(9) insure that all information contained in the person's record, including information contained in an automated data bank, shall be privileged and confidential, including assurances that—

(A) the agency shall be responsible for safekeeping of any record, and for securing it against loss or use by unauthorized persons;

(B) the record may be removed from the agency's jurisdiction and safekeeping only in accordance with court order, subpena, or statute;

(C) there shall be written policies governing access to, duplication of, and dissemination of information in the record;

(D) information in the record may be released only after the requesting individual or agency clearly documents the need to know; and

(E) written account of the person or his or her family shall be required for the release of information to persons not otherwise authorized to receive it;

(10) maintain an organized record system for the collection and dissemination of information regarding persons served, which is compatible with an existing community or State system; contains all information pertaining to the person; where particular professional services require the maintenance of separate records, includes a summary of the information entered in the person's unit record; are readily accessible to authorized personnel; are periodically reviewed to assure that they are current and complete, and that they meet agency, community, or State standards; include a master index of all persons seen by the agency; and are retained for a reasonable period of time as specified by the agency;

(11) insure that statistical information includes at least the following:

(A) number of persons served by age group, sex, race, and place of residence;

(B) number of persons served by level of retardation, according to regulations prescribed by the Secretary;

(C) number of persons served by level of adaptive behavior, according to regulations prescribed by the Secretary;

(D) number of persons with physical disabilities;

(E) number of persons served who are ambulatory, mobile nonambulatory, and nonmobile;

(F) number of persons with sensory defects;

(G) number of persons with communication handicaps;

(H) number of persons with convulsive disorders;

(I) number of persons with emotional and behavioral problems;

(J) number of persons served by etiological diagnosis, according to regulations prescribed by the Secretary;

(K) number of persons with multiple disabilities, inclusive of numbers listed separately in preceding categories;

(L) movement of persons into, out of, and, within the agency; and

(M) length of service; and

(12) insure that data is reported to appropriate community, State, and Federal agencies as required.

Subpart 7—Administration

PHILOSOPHY, POLICIES, AND PRACTICES

SEC. 299X. (a) Administration means that segment of an agency that determines its mission and purpose, and that is responsible for planning, organizing, directing, controlling, and coordinating the activities of the organization.

(b) Each agency or facility receiving assistance under this Act shall—

(1) have a written statement of philosophy that stipulates its mission, purpose, and role in the service delivery system:

(A) Copies of this statement shall be distributed to agency staff and shall be available to persons served, consumer representatives, and the interested public;

(2) insure that the ultimate aim of the agency is to foster those behaviors that maximize the human qualities of the disabled person, increase the complexity of behavior, and enhance ability to cope with the environment:

(A) the agency shall accept and implement the principle of normalization, defined as the use of means that are as culturally normative as possible to elicit and maintain behavior that is as culturally normative as possible, taking into account local and subcultural differences; and

(B) the agency's philosophy and goals shall require the use of the least restrictive alternatives that are consistent with the developmental needs and objectives of its clients;

(3) facilitate integration by seeking to make generic services accessible to the consumer population when appropriate to its needs;

(4) insure that the agency and its service delivery unit shall be located within, and shall be conveniently accessible to, the population served;

(5) regulate its services and resources to those of all other agencies in its community;

(6) have a written statement of policies and procedures concerning the rights of the consumer population that:

(A) assures the civil rights of all persons; and

(B) defines the means of making legal counsel available to persons, for the protection of their rights;

(7) have a written statement of policies and procedures that protect the financial interests of its consumer population and that provide for:

(A) determining the financial benefits for which consumer population are eligible; and

(B) assuring that consumer population receive the funds for incidentals and for special needs (such as specialized equipment) that are due them under public and private support programs;

(8) have evidence that the views and opinions of the person on matters concerning him or her are elicited and given consideration in defining the processes and structures that affect the person, unless the person is clearly unable to communicate in any way:

(A) The agency shall have written procedures for the appeal of agency decisions by a person or his or her family; and

(B) The agency shall have written procedures for notifying a person's family in the event of an emergency;

(9) have a waiting list policy and procedure that specifies the interim services to be provided persons who have not been admitted to programs. The agency shall provide assisted referral services to any person upon request.

(10) require that services provided its consumer population by other agencies meet the standards for quality of services as stated in this title, and all contracts for the provision of such services stipulate that these standards shall be met.

(11) insure that residential services provided by the agency comply with the standards of title II of this Act.

(12) have documentary evidence of its source of operating authority:

(A) A public agency shall have documents that describe the administrative framework of the governmental department in which it operates;

(B) A private agency shall have documents that include its charter, its constitution and bylaws, and, where required, its state license

(13) insure that the governing body of the agency shall exercise general direction and shall establish policies concerning the operation of the agency and the welfare of the clients served:

(A) if the governing body is a board:

(i) its members shall visit all program components of the agency during operating hours; and

(ii) the agency shall provide orientation and training for new members.

(14) insure that the governing body shall establish a job description for the position of chief executive officer, including appropriate qualifications of education, experience, personal factors and skills.

(15) insure that the governing body employs a chief executive officer so qualified, and delegates to him or her authority and responsibility for the management of the affairs of the agency in accordance with established written policy. Procedures shall provide for the designation of an individual to be in charge of the agency when the chief executive officer is not available.

(16) provide for meaningful and extensive consumer and public participation in the development of agency policies, through the following means:

(A) If the agency has a governing board, its members include consumers or their representatives, interested citizens, and relevantly qualified professionals presumed to be free of conflicts of interest;

(B) If the agency does not have a governing board, its governing body actively seeks advice from an advisory board composed as described above; and

(C) The agency shall provide for periodic peer review, or consumer advisory committee assessment, of agency practices and services, including services provided by other agencies that support those provided by the agency itself.

(17) be administered and operated in accordance with sound management principles. The type of administrative organization of the agency shall be appropriate to the program needs of its consumers. The agency shall have a current table of organization that shows the governance and administrative pattern of the agency. The organization shall provide effective channels of communication in all directions.

(18) have a policies and procedures manual that describes the current methods, forms, processes, and sequences of events that are utilized to achieve its objectives and goals. These policies and procedures shall be:

(A) consistent with the needs of the agency's consumers;

(B) consistent with the agency's philosophy and objectives;

(C) consistent with currently accepted theories, principles, and goals;

(D) consistent with the resources available; and

(E) applicable to all services provided.

(19) have copies of the laws, rules, and regulations that are relevant to its functions.

(20) have implemented a plan for a continuing management audit to insure that:

(A) effective implementation of its stated policies and procedures; and

(B) compliance of its policies and procedures with laws and regulations.

(21) have a written plan for improving the quality of staff and services that reflects the staff's programmatic responsibilities in establishing and maintaining standards for services to clients:

(A) Each program component of the agency shall be licensed by the appropriate State agency; and

(B) The services of consultants not directly associated with the agency shall be available to the staff of each program.

(22) provide for effective staff and consumer participation and communication in the following ways:

(A) Staff meetings shall be held regularly;

(B) Standard committees appropriate to the agency shall meet regularly;

(C) Committees shall include client participation whenever appropriate;

(D) Minutes and reports of staff meetings and of standing and ad hoc committee meetings, including records of recommendations and their implementation, shall be kept and filed;

(E) Summaries of the minutes and reports of staff and committee meetings shall be distributed to participants and to appropriate staff members; and

(F) Summaries of the minutes and reports of governing board meetings shall be distributed to staff and to consumer representatives.

(23) have a sufficient number of appropriately qualified and adequately trained personnel to conduct appropriate activities.

(24) provide space, equipment, and an environment that is appropriate and adequate for conducting its program in accordance with the standards specified in this title.

(25) insure that funds are budgeted and spent in accordance with the principles and procedures of program budgeting:

(A) The fixed and incremental costs for adequate programming for the person shall be recorded;

(B) The budget requests submitted by the agency shall reflect its program needs, as developed by its staff;

(C) The budget requests submitted by the agency shall be documented and interpreted;

(D) Budget performance reports shall be prepared at appropriate intervals and shall be submitted to those staff and governing board members who participate in budget and management responsibilities; and

(E) There are provisions for rebudgeting of funds in accordance with changing program needs;

(26) insure that individuals acting on the agency's budget requests (such as board members, State budget officials, and members of appropriations committees) shall have firsthand knowledge of its operation and needs, obtained by regular visitation and observation of its programs;

(27) insure that a full audit of the agency's fiscal activities is performed annually by a qualified accountant independent of the agency;

(28) insure that fiscal reports are prepared annually and communicated to the agency's public;

(29) insure that there are written purchasing policies regarding authority and approvals for supplies, services, and equipment;

(30) have insurance that includes, but not limited to, insurance against public and professional liability, fire, theft, and disaster;

(31) provide that charges for services shall have a written schedule of rates and charge policies that is available to all concerned;

(32) insure that fundraising activities comply with local and State laws and with applicable ethical practices;

(33) insure that adequate services for personnel administration shall be provided by means appropriate to the size and function of the agency;

(34) provide a statement of its personnel policies and practices which insures:

(A) the hiring, assignment, and promotion of employees shall be based on their qualifications and abilities, without regard to sex, color, creed, age, irrelevant disability, marital status, ethnic or national origin, or membership in an organization;

(B) there shall be written job descriptions for all positions;

(C) personnel shall be licensed, certified, or registered as required by the State in which the agency is located;

(D) paraprofessional personnel shall be supervised by qualified and licensed, certified or registered supervisory personnel;

(E) each professional staff member shall be familiar with and shall adhere to the code of ethics and standards of practice promulgated by his or her professional organization;

(F) all personnel shall be medically determined to be free of communicable and infectious diseases at the time of employment and annually thereafter. All personnel shall undergo a medical examination at the time of employment and annually thereafter;

(G) all employees shall be appointed for a limited probationary period in order to determine if they are capable of fulfilling the specific requirements of their jobs;

(H) each employee shall be evaluated at least annually after the initial trial period. The evaluation shall be:

(i) reviewed with the employee; and

(ii) recorded in the employee's personnel record;

(I) there shall be an authorized procedure, consistent with due process, for suspension or dismissal of an employee for cause;

(J) methods of improving the welfare and security of employees shall include:

(i) a merit system or its equivalent;

(ii) a salary schedule covering all positions;

(iii) effective grievance procedures;

(iv) provisions for vacations, holidays, and sick leave;

(v) provisions for health insurance and retirement;

(vi) permitting employee organizations;

(vii) opportunities for continuing educational experiences, including educational leave; and

(viii) provisions for recognizing outstanding contributions to the agency;

(K) a statement of the agency's personnel policies and practices shall be provided to all its employees;

(35) develop with each consultant, professional, and paraprofessional staff member a performance description of his or her assigned duties. Each performance description shall include, but not be limited to:

(A) the staff member's accountability for accomplishing mutually determined objectives;

(B) the staff member's role in implementing individual program plans;

(C) the development of outcome measures to evaluate the staff member's performance;

(D) specified performance evaluation techniques; and

(E) a signed performance description agreement between the agency and the staff member;

(36) provide a written statement of the agency's policies and procedures for handling cases of neglect or abuse of its clients. Alleged violations shall be reported immediately.

(A) all alleged violations shall be thoroughly investigated, using specified investigation procedures;

(B) at least preliminary results of such investigations shall be reported to the chief executive officer, or his or her designated representative, within twenty-four hours of the report of the incident;

(C) the results of the investigation shall be recorded in the employee's personnel record; and

(D) sanctions shall be invoked when an allegation is sustained *through an established procedure consistent with due process;*

(37) staff shall be sufficient so that the agency is not dependent upon the use of the consumer population or volunteers for productive services. There shall be a written policy for protecting persons from exploitation when they are engaged in training and productive work. Persons who function at the level of staff in occupational or training activities shall have the same privileges as staff, and be paid at the same legally required wage level when employed in other than training situations;

(38) insure that a staff development program is provided that includes:

UMI

(A) orientation for all new employees to acquaint them with the philosophy, organization, program, practices, and goals of the agency;

(B) induction training for each new employee, so that his or her skills in working with the consumer population are increased;

(C) inservice training for employees who have not achieved the desired level of competence, and opportunities for continuous inservice training to update and improve the skills and competencies of all employees;

(D) supervisory and management training for all employees in, or candidates for, supervisory positions;

(E) training programs designed to facilitate an increase in personal effectiveness, as well as lateral and upward movement;

(F) emphasis on interdisciplinary training programs;

(G) studies to assess the training needs of the staff; and

(H) participation of appropriate staff in staff development programs; and

(39) insure that provision is made for all staff members to improve their competencies by:

(A) attending staff meetings;

(B) attending seminars, conferences, workshops, and institutes;

(C) attending college and university courses;

(D) visiting other agencies and facilities;

(E) participating in professional organizations;

(F) conducting research;

(G) publishing studies; and

(H) having access to a professional library.

(40) If the agency provides food services, provide a written statement of goods, policies, and procedures that:

(A) shall govern all food services and nutrition activities;

(B) shall be in compliance with State and local regulations;

(C) shall provide for a planned, nutritionally adequate diet;

(D) shall contain provisions for feeding persons who have special needs, and for the development of self-feeding skills, including attention to such matters as the texture of food and needs for special diets, feeding techniques, and equipment;

(E) shall be prepared by, or with the assistance of, a nutritionist or dietitian;

(F) shall be reviewed regularly by the nutritionist or dietitian; and;

(G) shall be distributed to agency personnel;

(41) Persons with special eating disabilities are provided with an interdisciplinary approach to the diagnosis and remediation of their problems, consistent with their developmental needs;

(42) Provide when food services are not directed by a nutritionist or dietitian, that regular consultation with a nutritionist or dietitian shall be documented; and

(43) Provide that copies of the daily menu shall be posted; and kept on file for at least thirty days;

(44) Insure that the requirements of the Secretary, with regard to fire safety, shall be met, with specific reference to the following:

(A) provision of adequate and alternate exits and exit doors;

(B) provision of exit markings at each exit;

(C) provision of exit ramps, with nonskid surface and slope not exceeding one foot in twelve; and

(D) provision of handrails on stairways;

(E) there shall be records that document compliance with the regulations of the State or local fire safety authority that has primary jurisdiction over the agency;

(F) aisles and exits shall be free from all encumbrances, and floors shall be uncluttered;

(G) Flammable materials shall be properly stored and safeguarded; and

(H) There shall be records of periodic fire safety inspections and reports;

(45) insure that records that document compliance with the sanitation, health, and environmental safety codes of the State or local authority having primary jurisdiction over the agency:

(A) Written reports of inspections by State or local health authorities shall be kept on file; and

(B) Handwashing facilities shall be available in, or immediately adjacent to, all restrooms, kitchens, and treatment rooms;

(46) have evidence that it is aware of the provisions of the Occupational Safety and Health Act of 1970;

(47) insure that insurance company written inspection reports and records are kept on file;

(48) have a written staff organization plan and written procedures, that are communicated to the staff and reviewed by the staff annually, for meeting all potential emergencies and disasters, such as fire, severe weather, and missing persons:

(A) the plan and procedures shall be posted at suitable locations throughout the agency;

(49) insure that evacuation drills are held at least quarterly for each shift of agency personnel, and under varied conditions and the results of each drill shall be recorded;

(50) insure that all buildings and outdoor recreation facilities constructed after December 31, 1974, are accessible to, and usable by, the nonambulatory, and shall meet all applicable specifications for making buildings accessible to, and usable by, the physically handicapped;

(A) All existing buildings and outdoor recreation facilities shall be modified so as to conform to the above requirements not later than December 31, 1979, and

(B) Existing facilities shall provide,

(i) Entrance ramps wide enough for wheelchairs, not exceeding a rise of one foot in twelve, with nonslip surfaces, and with rails on both sides,

(ii) Doorways and corridors wide enough for wheelchairs, and

(iii) Grab bars in toilet and bathing facilities; and

(51) use paint that is lead free and insure that old paint and plaster containing lead shall be removed or covered in such a manner that it is not accessible to any person.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

Mr. RANDOLPH. Mr. President, this bill is essentially the same as the legislation (S. 3378) which the Senate passed unanimously 8 months ago, on October 1, 1974. Unfortunately, due to heavy legislative schedules, we were unable to secure a conference with the House Interstate and Foreign Commerce Committee. The bill was reintroduced in January of this year.

Our Subcommittee on the Handicapped has been working on this legislation since January 1974, when we received from the General Accounting Office a study of the programs currently authorized by the Developmental Disabilities Act. The goal of the original 1970 act was to assist the State in developing a comprehensive State plan which would meet the needs of developmentally disabled persons by using the limited funds authorized in the bill to identify and fill in any gaps in the delivery of services. It was never intended to establish a separate delivery system. The General Accounting Office study which was conducted at my request, revealed inequities between States and within States in the delivery of services; administrative problems; and insufficient or inadequate evaluation of the programs both at the State and national levels. The General Accounting Office also found that the funds which have been allocated to the States have not always been used to fill the real needs of developmentally disabled persons.

The bill approved yesterday is an attempt to solve these deficiencies. It has been a joint effort, and I express appreciation to Senators JAVITS, KENNEDY, STAFFORD, CRANSTON, and WILLIAMS for their continuing vigorous commitment to not only this bill but all activities of the Subcommittee. I am grateful also to Senators PELL, MONDALE, HATHAWAY, TAFT, SCHWEIKER, and BEALL. Working cooperatively, we have developed a bill whose thrust, like the 1970 act, is to assist States in developing a comprehensive plan to bring together available resources in a coordinated way so developmentally disabled individuals are appropriately served. Our goal is more thorough and careful planning and more effective evaluation. To accomplish this, we have written legislation which establishes a new, more cooperative relationship between the State planning councils; the State agencies responsible for implementing the program; and the university-affiliated facilities, which are responsible for training the manpower to meet the needs of developmentally disabled persons.

The State planning councils have been strengthened under this legislation in order to perform greater—and different—responsibilities. Under the present act, the State planning councils have had a grant administration function. Now the State planning councils, which are appointed by either the Governor or the legislature when appropriate, can devote their time and energies to developing a State plan, monitoring and evaluating the implementation of this plan, establishing priorities for the distribution of funds within the State, and submitting a mandated report to the Secretary. The requirements of the State plan make very clear the importance of coordinating existing services and planning for new community services to prevent the occurrence of developmental disabilities insofar as possible, to provide early diagnosis, treatment and evaluation when the conditions are present, and finally to serve fully and adequately those persons who suffer from a developmental disability.

The State agency which is designated to administer the funds must do so in accordance with a design for implementation which has been approved by the State planning council. The design for implementation is a document prepared by the State agency which includes details on the priorities for spending, on the use of funds provided under this act, on the specific objectives to be achieved, on the methods of implementation, and on a method for periodic evaluation.

Neither the State planning council nor the implementing State agency alone can do the job. While the council has the prime responsibility for the development and updating of the comprehensive State plan, the State agency has the equally critical responsibility to select from alternative strategies those best methods of actually implementing the plan through its program development and evaluation procedures. Bringing needed services to persons with developmental disabilities can occur only if this partnership succeeds.

S. 462 also provides that proposals from university-affiliated facilities—UAF's—must be consistent with the appropriate State plan. It will insure that the the applicant will provide the services and training required by that plan. Our subcommittee believes that the State planning councils and university-affiliated facilities should work together, pooling and coordinating talents and resources for the benefit of persons with developmental disabilities. In addition, Senator STAFFORD of Vermont, the able ranking minority member of the subcommittee, has proposed the establishment of an outreach program by the university-affiliated facilities. This would be accomplished by the development of satellite centers; that is, clinical facilities linked to existing university-affiliated facilities.

The UAF's would be a source of continuing education and technical assistance. Hopefully, the satellite centers would be based on existing nonprofit clinical service programs whenever possible. This approach utilizes the advantage of a 10-year Federal investment in university affiliated facilities—UAF's—eliminates duplication of efforts, and brings the highest quality services to developmentally disabled individuals at the community level.

Under S. 462, the National Council on Services and Facilities for the Developmentally Disabled must assume a more active role in the administration of this program. This can be accomplished by their working on planning and evaluation with the Secretary. The expertise of the National Council will be invaluable to the Secretary during the decisionmaking process on grants of national significance and special projects.

Because the core of this legislation is planning and coordination of services, the committee has broadened the definition of developmental disability to include persons suffering from autism and severe specific learning disabilities. In the opinion of many in the professional community, the original definition—which was restricted to mental retardation, cerebral palsy, and epilepsy—omitted a large number of persons who were, in fact, developmentally disabled and who could greatly benefit from the planning and resulting services mandated by this legislation. It is our belief that the inclusion of these other populations—who must meet the existing requirements that: First, the disability must originate before age 18; second, must continue indefinitely; and third, must constitute a severe handicap—is a logical step in planning for a comprehensive service delivery system.

Title II of the bill establishes standards for residential and community facilities and agencies for the protection of the rights of those individuals needing services, and to develop alternative procedures and performance criteria that may be used by facilities to comply with the standards. Appropriately, it is called the "Bill of Rights for Mentally Retarded and Other Persons with Developmental Disabilities" and is based upon legislation which Senator JAVITS, the distinguished ranking minority member of the full committee, introduced. This title is a very important component in our efforts to provide high quality services to and promote maximum development of the population covered by this act.

There are several differences between S. 462 and the bill S. 3378 passed last year. These changes, however, are either technical or minor in their overall impact. The thrust of this measure is the same as in S. 3378. In summary, the new language:

First, clarifies the intent of the committee that only severe specific learning disabilities are included in the definition of developmental disabilities;

Second, deletes the provision calling for an Office of Developmental Disabilities. The administering agency has been transferred from its role as a subordinate division of the Rehabilitation Services Administration to one in which it reports directly to the Assistant Secretary for Human Development, and this arrangement is satisfactory to the committee;

Third, deletes the requirement for Federal approval of construction and renovation projects;

Fourth, adds protections for employees who either lose their jobs or are transferred because of the deinstitutionalization process. This in no way changes the committee's commitment to deinstitutionalization whenever appropriate for the individual;

Fifth, rewrites the section on evaluation by changing the time of submission of the Secretary's report to February 1, 1977, providing that the implementation of the evaluation system takes place in phases, providing that it be a model for systems at the State level, and clarifying its objectives; and

Sixth, makes technical changes and consolidates duplicative language.

Mr. President, the endeavors of the Subcommittee on the Handicapped, which I am privileged to chair, are being directed toward legislation and oversight of issues affecting all handicapped persons. The substantive direction of our efforts is toward the goal of equal rights for all handicapped Americans. Legislation such as the Developmentally Disabled Assistance and Bill of Rights Act is one of the cornerstones to the construction of programs that will meet these goals.

I commend the staff of the Subcommittee on the Handicapped, the staff of the members of the committee, and the staff of the legislative counsel's office. These staff members—Jack Andrews, Renee Bergman, Betty Boynton, Dr. Phil Caper, Jay Cutler, Claire Comisky Pam Ebert, Patria Forsythe, Mike Francis, Anne Hocutt, Bob Humphreys, Danny Murray, Ellie Parker, Louise Ringwalt, and Lisa Walker—have performed hours of research and study. They have worked in cooperation with representatives of national organizations representing handicapped persons and the National Advisory Council on Development Disabilities. These intensive efforts are the basis for this vitally needed bill.

Mr. President, again I express my deep appreciation to the members of the subcommittee and the full committee for their cooperation in the development of this legislation.

We share in the gratification that this legislation has been approved by the Senate. Our work will be continued to insure that this measure will be finalized and enacted before the end of the fiscal year so that the programs which help developmentally disabled Americans may be improved and extended beyond June 30, 1975.

Mr. STAFFORD. Mr. President, I would like to share with my colleagues some of the items which I think are of immense importance to us as we look to providing the necessary services to the developmentally disabled community and all members of the handicapped community.

If my fellow Senators have had the time to read portions or all of the report prepared by Rand Corp. on Services for Handicapped Youths, they would find that while our hearts are right in what we want to do to help the handicapped individual, we had better start taxing our minds to try to begin the development of a coordinated system for delivery of the multitude of services needed for assisting the handicapped individual.

The problems uncovered by the Rand Report in the present service system are the inequities, the gaps in the services, the insufficient knowledge on the part of the administrators of the programs, the inadequacy of efficient controllers, and the insufficient resources to meet the needs.

We have always faced the fifth problem of insufficiency of resources to meet all the needs that we see have to be met in this country. However, I do not see any reason that we should have to have three of the other four problems since mainly these are administrative and managerial. In the case of inequities, this is a congressional problem that we must remedy.

I want to state at this point that I do not want my remarks to be taken as any support for the melding of the categorical programs that we now have into any broad generic program. I do feel that we must start looking for methods of bringing together for cooperation, coordination, and informational purposes those programs we have so that we may get the maximum feasible value of the limited dollars which we can now find to support these programs.

Our goal is to provide services and assistance to handicapped individuals and we should do it with programs which work together for one common goal; service to the individual.

Mr. President, in developing the new

UMI

approach of title I of the developmental disabilities bill, I had this concern in mind. We must begin somewhere to give someone the authority and the initiative to start looking across bureaucratic agencies and program lines in an attempt to plan for the many needed services for one segment of the handicapped population.

The State planning council for the developmental disabilities programs has the authority to prepare the State plan and to monitor and evaluate the implementation of the plan. The council has the ability to coordinate the aspects of the many service plans which provide assistance to the developmentally disabled. This is an important first step in trying to provide a better delivery system to the developmentally disabled population and later to extend this concept to the total handicapped population.

In S. 462 we have restructured the State planning councils as advocates for persons with developmental disabilities who shall develop the State plan to provide for better coordination of all the programs in involving the developmentally disabled individual. The council, which prepares and approves the State plan and establishes priorities for the distribution of funds within the State, will be responsible for the monitoring and evaluation of implementation of the plan as it serves the individual.

The procedure set forth in the State plan section is designed to bring the State agency and State planning council together in planning and delivering of services to the developmental disabilities community.

It is our expectation that the State planning councils and the State agencies will develop a close working relationship that will benefit the developmentally disabled individual.

This council I believe is a crucial first step that the Congress must provide in order to give better service to the developmentally disabled citizen.

An area of major significance in this bill is the provisions relating to university-affiliated facilities. As background for my colleagues, the basic concept of the UAF's is interdisciplinary training.

However, the concept of UAF has officially or in some instances, unofficially, come to mean involvement by the facility in several other activities besides training. The role UAF's have been mandated or encouraged to assume has expanded since the enactment of Public Law 88–164, the authority which provided the impetus to build many of these facilities.

Public Law 88–164, enacted in October 1963, intended UAF's to be clinical facilities which would serve three main functions:

First. Provide clinical training of physicians and other specialized personnel to serve the mentally retarded;

Second. Demonstrate new techniques—exemplary services—to diagnose, treat, educate, train, and care for the mentally retarded; and

Third. Provide inpatient and outpatient services for the mentally retarded.

Public Law 90–170 in 1967 expanded the UAF's role to include persons with other neurological conditions that are related to mental retardation and to include research incidental to the facility's program.

A third major piece of legislation affecting UAF's was Public Law 91–157—developmental disabilities—passed in October 1970. It officially introduced the term "interdisciplinary training" to emphasize that UAF training should be cross-disciplinary in nature. Further, it directed UAF's to focus their activities on the developmentally disabled which included not only the mentally retarded but also epileptics and cerebral palsied.

From the beginning UAF's have been funded from numerous sources which have slight relationships in goals and objectives to the developmental disabilities program.

After the initial building of facilities established under Public Law 88–164, UAF's were set loose to search out sources of funds to operate training programs. According to data supplied by the General Accounting Office, UAF's receive the backbone of their funds from the Maternal and Child Health Service provisions of section 511 of the Social Security Act. In 1973 the Maternal and Child Health contributed $14.6 million to support training programs for 20 of the 33 UAF's in existence.

The bill passed by the Senate yesterday reflects the view of the committee that the UAF's have much to offer the developmentally disabled community in terms of training, manpower resources and the provision of interdisciplinary services as a function of their training programs.

It is the intent of S. 462 to provide for better cooperation between the UAF's and the State planning councils to maximize the resources for the developmentally disabled community. Amendments I offered in subcommittee last year to S. 3378 were adopted to facilitate a better planning and resources utilization process for the developmentally disabled individual.

Mr. President, S. 462 contains the amendments adopted last year to provide a system of UAF satellite centers located in areas where the need exists for the UAF resource and places a representative of the UAF on every State council as a means to accomplish the desired coordination and cooperation for the developmentally disabled community. Simply stated, the goal is geting the necessary and needed services to the severely handicapped individual who is the focus of the program.

Finally, I would like to address myself to a most important aspect of the bill. I refer to title II, the Bill of Rights for Mentally Retarded and other persons with developmental disabilities.

This title seeks to establish residential and community facilities and agencies for the protection of the rights of those individuals needing services and to develop alternative procedural and performance criteria that may be used by facilities to comply with standards of the title.

Title II was added to the bill to assist in the protection of the rights guaranteed under our Constitution for those individuals that will require institutionalization or the need for the use of community facilities and programs.

The residential standards were originally introduced by Senator JAVITS, and they form a major contribution toward the protection of the rights of the developmentally disabled individual.

The title is designed to provide that the system be evaluated on the outcome of the individuals receiving the services that either the residential institution or community facility is providing.

The goal which the standards in the title seek to achieve is one of development for the developmentally disabled individual who is in need of the services. The alternative procedural standards of our amendment—part B of title II—seek to measure a residential or community program's performance in terms of development of the individual receiving the services.

The alternative procedure does not attempt to set the criteria by which to evaluate development, but only seeks to establish procedural criteria for the protection of the developmentally disabled individual who is participating in the services.

Mr. President, title II of this bill is absolutely essential if we are to keep our commitment to the handicapped individual that he or she, like every other American, is protected by the Constitution.

Mr. President, the bill that was passed yesterday is an attempt to meet the needs of the developmentally disabled individual and protect his rights.

Mr. WILLIAMS. Mr. President, I am pleased that S. 462, the Developmental Disabilities Assistance and Bill of Rights Act, passed the Senate yesterday. This Act, passed the Senate. This bill is virtually identical to S. 3378, passed by the Senate in the 93d Congress. This legislation extends and strengthens the Developmental Disabilities Services and Facilities Construction Act and establishes basic minimum standards for community and residential services for developmentally disabled persons.

Over the past few years, the horrifying conditions which exist in most of the public residential institutions for the mentally retarded and other developmentally disabled persons have provided shocking testimony to the inhuman way we care for such persons. The conditions at Willowbrook, at Partlow in Alabama, and at Rosewood in Maryland, and at many other institutions have shown beyond a shadow of a doubt that the treatment of these individuals is worse then all of us would like to admit.

Steps to scale down many of these large custodial institutions have resulted in not-so-large institutions, often with not much improved care and with little follow-up. This has been true at Willowbrook: in 1965 and again in 1972, broad criticism has been levied at this institution; all indications point toward little change, unless substantial legal and advocacy pressure is forthcoming. While much can be said about the lack of available funds to improve conditions at these institutions, at some point this country must draw the line. The abuses are too commonplace to point at a single institution, or a single abuse and say

that it is an anomaly. Over the last 2 years the Committee on Labor and Public Welfare has taken testimony or received reports of: Inappropriate admissions because of lack of community services, inappropriate and inhuman experimentation with residents, sterilizations and other operations performed for convenience of treatment, starvation and malnutrition, abuse and physical punishment, inadequate food and living conditions, and death.

S. 462 provides a framework by which the constitutional rights of residents and other persons with developmental disabilities may be enforced. Title I assists States in their planning toward the provision of services to meet the needs of developmentally disabled individuals. Title II of the legislation sets forth basic minimum standards for both community agencies and facilities and residential facilities. In brief, title I:

Requires affirmative action to employ and advance in employment handicapped individuals—applies to all recipients of assistance under the act and parallels provisions in the Rehabilitation Act;

Creates a new special project grant authority in the developmental disabilities legislation;

Strengthens the State Planning and Advisory Councils by providing adequate staff, making them responsible for submission of a State plan and approving all plans for implementation of the State plan, including the plans for expenditure of funds, and giving them prior review and comment over other State plans for Federal assistance which affect persons with developmental disabilities;

Establishes priorities for the expenditure of funds under the act, which place primary emphasis on the establishment of community based programs to serve persons with developmental disabilities and the deinstitutionalization of such persons;

Includes as a primary emphasis for funds for university affiliated facilities, the deinstitutionalization of persons with developmental disabilities, and provides funds for university affiliated facilities to conduct assessments of the need for facilities to train persons and provide services in States not served by university affiliated facilities, and funds to establish satellite centers; and

Mandates the development of a model evaluation system by the Secretary of HEW which will assess the adequacy of services to individuals with developmental disabilities.

Title II of the bill sets forth a means to assure that the rights of developmentally disabled individuals will be protected. It provides that all facilities for persons with developmental disabilities meet standards based on the standards of the Joint Commission on Accreditation of Hospitals for residential facilities or meet alternative procedures for residential and community facilities and agencies providing services to persons with developmental disabilities. Under this title:

A State must provide assurances to the Secretary within 1 year from enactment that each facility and agency within the State has adopted a plan for compliance with the requirements of the act, and the State must submit to the Secretary a plan which demonstrates how such compliance will be met;

A State must agree to do compliance reviews, and the Secretary is required to conduct validation surveys of such compliance reviews; and

Residential and community facilities and agencies are required to meet standards based on standards of the Joint Commission on Accreditation of Hospitals within 5 years.

Or, must meet alternative requirements which include:

Such performance criteria as developed by the Secretary;

The provision of individualized written habilitation plans;

A client program coordinator to be assigned to each developmentally disabled individual;

Certain minimum standards relating to family visitation, admission requirements to facilities, personnel, educational services, civil rights, and food, medical treatment and safety.

Title II also provides that a system of personal and protective advocacy must be established in each State to monitor programs and services and to protect the rights of each developmentally disabled individual.

Mr. President, the focus of this bill is the reinforcing of all of the aspects of service delivery to persons with developmental disabilities which are needed to provide a comprehensive service system. The committee has emphasized the need for ancillary services in the community under title I to bolster community facilities and community care. Such ancillary care includes: Parent training and counseling, early childhood diagnostic and evaluation services, home care, and stimulation and intervention services.

The bill further broadens the definition of developmental disabilities and other disabilities which are found to be closely related to mental retardation as that term refers to the general intellectual functioning or an impairment in adaptive behavior or which requires treatment similar to that required for persons who are mentally retarded. Such disabilities must: Originate before age 18, be expected to continue indefinitely and constitute a substantial handicap to the individual's ability to function normally in society. This definition stresses the chronic nature of the disability, its occurrence early in life, and its impairment of the development of an individual. It is further important to note that in terms of development, persons with developmental disabilities are those who are the most severely impaired in both intellectual functioning or general adaptive behavior. It is for this reason that autism and specific learning disabilities are included, but the bill intends that those individuals with specific learning disabilities who are covered by this definition are persons for whom this disability is a very severe impairment.

In conclusion, Mr. President, I wish to praise my colleagues on the committee who were most steadfast in their support and continuing examination of this legislation in the 93d Congress and wish to thank the Senator from West Virginia (Mr. RANDOLPH), the Senator from Vermont (Mr. STAFFORD), the Senator from California (Mr. CRANSTON) and the Senator from New York (Mr. JAVITS) for their work on this legislation and their staffs for their assistance.

Mr. KENNEDY. Mr. President, I would like to join my colleagues in commending Senators RANDOLPH, STAFFORD and JAVITS on the passage of the Developmentally Disabled Assistance and Bill of Rights Act.

I strongly support the purposes of S. 462, but I want to point out to my colleagues that many of the changes contained in this bill will require a concentrated, concerted effort to increase appropriations.

When Congress passed the Developmental Disabilities Act in 1970, its intent was for a considerable expansion of services through State formula grants. The bill authorized $60 million for formula grants in 1971, increasing to $130 million for such grants in 1973. The appropriation levels for these grants were $11.2 million for 1971, $21.7 million for 1972, and $21.7 million for 1973; so that less than 1/6 of the need was actually funded in 1973.

The funding level for formula grants is presently at $30.8 million—$32.5 million less 5 percent reduction by the President. This is not significantly more than was appropriated for the Mental Retardation Facilities and Construction Act. Note that from 1971 though 1974 the initial staffing program was merely being maintained as a rapidly declining ratio. Without these "continuation" funds, the total appropriations for those years were:

[In millions]

1971	$11.2
1972	25.9
1973	25.9
1974	35.1

Compounding the problem, since passing of the 1970 bill, in addition to construction, the money has been intended to provide services, administration, and planning. Additionally, the service population has expanded to include cerebral palsy, epilepsy, and neurological conditions closely related to mental retardation, and the definition is presently being further broadened to include autism and specific learning disabilities. Enlarged eligibility without expanded appropriations would result in an inadequate program for all recipients.

Last year in testimony on this legislation, Geraldo Rivera showed the committee portions of his documentary on Willowbrook, and if anyone needed convincing of the need for the establishment of institutional standards, that film provided it. This legislation provides for the establishment of such standards, and I want to commend Senator JAVITS for agreeing to incorporate his Bill of Rights for Mentally Retarded into S. 462. In order to emphasize the committee's intent that persons with learning disabilities other than mental retardation be limited to those most severely affected, and those who are most seriously in need of assistance, I offered an amendment in committee which added the word "severe" before "specific learning disabilities" to section 4 of the bill. The amendment was unanimously accepted by the committee and I believe reempha-

UMI

sizes its concern that the benefits and resources of a rather limited program not be spread so thin that the program loses its focus and impact for all involved.

By limiting assistance under this program to those individuals with learning disabilities most severely affected, it is hoped that the resources of this program can be concentrated upon those most in need.

Learning disabilities include all varieties of school problems in which differences in academic abilities from normal exists as measured by performance at two or more grade levels below the expected level for age or other performances. Estimates of frequency range from 5 to 20 percent of all school children. One category alone, dyslexia—reading disability—amounts to 3 to 15 percent of all children depending upon severity. Minimal brain disfunction may include 1 to 5 percent of all schoolchildren at early grade levels.

Learning disabilities begin early in life and are prominent during the period of school age, but frequently disappear or diminish as the child ages. For example, the mechanical problems of reading disability which are present in grades 2 and 3 are minimized by grades 9 and 10. Many reading disability cases go on to college and into industry and are highly successful economically. Minimal brain dysfunction almost always abates by 13 or 14 years of age and the associated hyperactivity and concentration problems disappear even without treatment.

Learning disabilities are presently covered under title VI, part G, "Special Programs for Children With Specific Learning Disabilities" (Public Law 91-230), and title VI, part B, "Education of the Handicapped" (Public Law 93-380). The very number of such children in the public school system—3 to 15 million—makes public education the only responsible agent that can cope. Frequently, no other complicating, handicapping conditions coexist that require other than educational services.

I want to emphasize my concern that children with all types of disabilities, including learning disabilities, be eligible for assistance under specific, targeted programs or in our educational programs. I am concerned, however, that the inclusion of large numbers of such children in this legislation will destroy its effectiveness for all groups by spreading its already inadequate resources too thin.

President Kennedy said:

> The manner in which our nation cares for its citizens, conserves its manpower resources, is more than an index to its concern for the less fortunate. It is the key to its future.

I believe that this legislation, if enacted and fully implemented, will go a long way toward brightening that future.

For that reason, I enthusiastically join with my colleagues in landing the passage of this legislation.

Mr. JAVITS. Mr. President, S. 462, the Developmentally Disabled Assistance and Bill of Rights Act, introduced by my distinguished colleague, Senator JENNINGS RANDOLPH of West Virginia, fully merits the broad bipartisan support which attended its favorable consideration by the Senate, and passed as the text of H.R. 4005.

I am particularly gratified that title II of this measure is based upon the bill of rights for the mentally retarded which I originally introduced in the 92d Congress.

The shocking conditions at Willowbrook in New York, and many other institutions for the mentally retarded throughout the Nation which inspired the bill of rights have not ended. However, the debate on the issues since the 92d Congress has revealed that a comprehensive planning approach will go further to improve the situation of all developmental disabled persons than legislation directed solely at mental institutions. S. 462 is such an approach. As an integral part of this package, title II will establish minimum standards for residential and community facilities and agencies for the protection of the rights of those individuals needing services, while at the same time, encouraging deinstitutionalization and normalization.

This measure was introduced as S. 3378 in April 1974, and passed by the Senate on October 1, 1974. The press of the legislative calendar thereafter rendered the House unable to meet in conference with us on this measure. I am hopeful that H.R. 4005, for which the text of S. 462 was substituted, can speedily be brought to conference with the House so that remaining differences between the House and Senate measures can be resolved before the continuing resolution under which the developmental disabilities program is funded, expires.

Title II is presently organized as follows:

Part A sets forth general provisions for residential and community facilities and agencies serving mentally retarded and other developmentally disabled individuals.

Section 201: A definition section containing the necessary definition of terms used in title II. The term "developmental disabilities" is again defined here, and is consistent with the definition in title I. Also there is a definition of "informed consent" which parallels that in the Human Experimentation Act.

Section 202: Establishes a national advisory council for residential and community facilities to review and recommend changes to the standards for facilities serving the mentally retarded and other individuals with developmental disabilities. Effective 90 days after enactment, the Secretary of HEW shall appoint the council which shall consist of 15 members. Such council shall be made up of members from appropriate public agencies providing services to individuals with developmental disabilities, professional and voluntary organizations representing people with deevlopmental disabilities, and at least one-third of the council shall be consumers or the parents or guardians of individuals who are receiving services from publicly operated or publicly assisted residential and community facilities and agencies.

It is the duty and function of the council to advise the Secretary with respect to regulations promulgated under this title and on the standards set forth in parts C and D to study and evaluate the standards of parts C and D of this act and their effectiveness, conduct sight visits or studies and recommend changes in the standards, and to assist the Secretary in developing specific performance criteria for use in the alternative standards procedure of part B of this title.

The Secretary shall appoint members to the council within 30 days of the effective date of establishing the council and shall fill all subsequent vacancies within 30 days of their occurrence.

The council is authorized such sums as may be necessary for staffing and performance of duties in this section.

Section 203: Assessing compliance with standards. This section sets forth the mechanism by which a State must provide assurance to the Secretary that those facilities, both residential and community, must provide assurance for compliance with either the standards set forth in parts C and D of title II, and the establishment of a compliance plan, or that the residential or community facility or agency is meeting the requirements of part B of this title.

This section makes the Secretary responsible for insuring compliance with title II.

Any State desiring to receive assistance under this title shall submit a State plan setting forth the schedule for compliance of standards established in parts C and D of title II assuring reasonable State financial participation, demonstrating the need for continuing residential services, specifying how the State intends to evaluate and assess the compliance of residential and community facilities with the standards set forth in parts C and D of the title, provide for reviewing of this State plan by the State planning council, set forth a schedule of cost and demonstration procedures to assure that the primary emphasis on programs, relating to the mentally retarded and other developmentally disabled individuals will be to place these individuals in the least restrictive program and living environment commensurate with their capability.

Section 204: Authorizes such sums as may be necessary to help existing residential and community facilities and agencies to comply with the standards set forth in this title. The section also establishes a Federal share of 75 percent of the necessary cost determined by the Secretary.

Section 205: Maintenance of Effort. This section sets forth provisions for the maintenance of effort by States in relation to all Federal programs which have a bearing on those individuals in residential and community facilities and agencies to insure that the financial effort on the part of the State shall not be lessened with any increase in Federal aid. This language was developed in conjunction with the Office of Management and Budget and requires reports to the Congress of noncompliance with this section.

Section 206: Withholding of grants. This section provides that 5 years after the date of enactment of this title, no residential or community facility or agency for individuals with developmental disabilities shall be eligible to receive payments either directly or indirectly under any Federal law unless the facility meets the standards presented in parts C and D of this title or has demonstrated to the Secretary for a reasonable period of time that it has implemented requirements of part B of this title.

Section 207: Evaluation and performance criteria. The section directs the Secretary of HEW to create an evaluation system of the performance criteria that is consumer oriented. Such system shall be developed in consultation with the National council, and transmitted to the Congress within 18 months of enactment of this title. $1,000,000 is authorized for this purpose in both fiscal year 1975 and fiscal year 1976.

Part B: Alternative criteria for compliance in lieu of standards for residential and community facilities and agencies, provided in parts C and D of this title.

Section 210: The purpose of this section is to provide for an alternative means for residential and community facilities to comply with standards set forth in parts C and D of the title by the use of specified procedural criteria set for in this part, by compliance with certain minimum standards set forth in this part, and by additional compliance with specific performance criteria developed by the national council and the Secretary and deemed necessary for the protection of the rights of individuals receiving services in residential and community facilities and agencies.

Section 211: Individualized written habilitation plan. The Secretary shall insure that an individualized written habilitation program is developed for every individual who is in or served by a residential facilty, community facility, or agency for which standards have been established under this act.

Every plan shall be developed jointly by representatives of the facility or agency responsible for the developmentally disabled individual or his representative. Such plans shall be reviewed periodically but at least annually.

Such plans shall include the statement of long-term habilitation goals for the individual, intermediate habilitation objectives, statement or specific service to be provided, dates for initiation and anticipated duration, objective criteria, and evaluation procedures. The plan is intended to assure the greatest latitude of choice for the individual and shall be written in language that is as understandable to all concerned as possible.

Under subsection F the Secretary is required to specify detailed performance criteria to further evaluate the progress attained by individuals through the use of such habilitation plans.

Section 212: Program coordination. Every person served by an agency shall have a program coordinator who is responsible for implementing the person's individual written habilitation plan. It shall be the function of the coordinator to attend to the total spectrum of the person's needs and be the focal point of responsibility for the provision of service to that person. The person—where practicable—or his family shall participate in the selection of this coordinator.

Section 213: Protective and personal advocacy. Under this section the Secretary shall insure that provisions are made for the establishing of a system of protection and personal advisory service within each State to monitor programs and services to protect the human and legal rights of every developmentally disabled individual served by a residential or community facility or agency.

Such programs shall be independent of the agency providing direct service. The newly established agency shall set such an independent compliance mechanism which has authority to review all complaints regarding infringement of rights or denial of benefits. Decisions of the independent compliance board shall be subject to appropriate judicial review.

Section 214: Record requirements. This section requires facilities using procedure of part B to keep records that the Secretary may deem appropriate to evaluate the effectiveness and compliance with this part and that such facilities shall review those individuals refused for service and the reasons for their refusal at least semiannually and that the information shall be reported to the Secretary and the State.

Section 215: Minimum standards for use with alternative procedures. This section sets forth provisions which shall be required when a residential or community facility or agency selects to use part B in lieu of the standards set forth in C and D.

These minimum standards comprise basic necessities for the individual to develop without violation of his human or civil rights. These minimum standards set forth certain physical requirements for the facilities opting to use part B procedures and provides certain minimum protections of the human rights of the individual.

Part C. Provides detailed minimum standards for residential facilities as developed by the major accrediting councils and associations in the field of care for the developmentally disabled. These are minimum standards guided by the principle of normalization of persons with developmental disabilities, which insure that persons receiving services from residential facilities are protected from violation of their human and civil rights.

Part D: Provides detailed minimum standards for community facilities and agencies serving persons with developmental disabilities. These are minimum standards, developed by the same groups which developed part C standards, are consistent with part C and likewise are guided by the principle of normalization of persons with developmental disabilities while insuring that the human and civil rights of these persons are not violated when they receive services from community facilities and agencies.

Mr. President, hundreds of hours of painstaking labor have been spent by many persons in the development of title II. I would particularly like to commend Mike Francis of Senator STAFFORD's staff, Lisa Walker, Judy Heumann, and Nik Edes of Senator WILLIAMS' staff, Pat Forsythe, Ann Hocutt, and Bob Humphreys of Senator RANDOLPH's staff, Jon Steinberg and Louise Ringwalt of Senator CRANSTON's staff, and Clare Comiskey of Senator BEALL's staff for their ideas, effort, enthusiasm, skill, and persistence in readying this measure for passage by the Senate and for conference with the House.

This bill of rights represents a reaffirmation of the basic human and civil rights of all citizens. It offers the direction to provide a valid and realistic framework for improving the overall situation of this country's mentally retarded and other developmentally disabled individuals.

Progress toward recognition of the basic human and civil rights of the mentally retarded and other developmentally disabled persons has been slow. The Federal Government has largely abrogated its responsibility in this regard and recently the greatest initiatives have come from our courts. For example, a 1972 decision of a U.S. district court in the case of Wyatt against Stickney set forth constitutionally required minimum standards for the care and treatment of mentally retarded patients. Before the Supreme Court at this time, is O'Connor against Donaldson in which the U.S. court of appeals of the fifth circuit held that a mental patient in a public institution has a constitutional right to treatment.

Congress should reaffirm its belief in equal rights for all citizens—including the developmentally disabled. Congress should provide the leadership to change the tragic warehousing of human beings that has been the product of insensitive Federal support of facilities providing inhumane care and treatment of the mentally retarded. The bill of rights of S. 462 represents this new direction, and begins this reaffirmation.

Mr. CRANSTON. Mr. President, yesterday the Senate passed the provisions of S. 462, the proposed Developmentally Disabled Assistance and Bill of Rights Act, inserting its provisions in lieu of those passed by the House in H.R. 4005. I would like to take the opportunity today to comment on the provisions of S. 462 as reported from committee.

The proposed Developmentally Disabled Assistance and Bill of Rights Act—is the product of intensive study by the Committee on Labor and Public Welfare, and represents a major effort to clarify the purposes of the present Developmental Disabilities Act and to improve its implementation and administration, as well as to provide greater protection for the rights of individuals with developmental disabilities.

I would like to express my admiration for the initiative and insight into the problems of individuals with developmental disabilities displayed by the distinguished chairman of the Committee on Labor and Public Welfare, Senator WILLIAMS, by the ranking minority member of that committee, Senator JAVITS, as well as by the chairman of the Subcommittee on the Handicapped, Senator RANDOLPH, and the ranking minority member of the subcommittee, Senator STAFFORD.

GAO REPORT

Mr. President, the bill which has been reported from committee provides for a clear exposition of the purposes for which support should be provided under the authorities of the act. Before undertaking an extension of this act, the subcommittee had asked the General Accounting Office to conduct an intensive review of programs supported by the act. The GAO study found there were wide variations between programs in the various States and, in addition, found programs in the same State supported under the two major authorities in current law—assistance to university-affiliated facilities and assistance to States for planning programs to aid persons with developmental disabilities—were frequently administered and operated without coordination and with different goals.

In addition, the GAO report found that there was wide latitude among the States as well as within the States as to the definition of a developmental disability, due to the lack of precision in current law in expressing congressional intent, and the Department of Health, Education, and Welfare's very limited interpretation of that intent.

DEFINITION OF DEVELOPMENTAL DISABILITIES

When legislation extending the act was first introduced, Mr. President, I expressed my intention to amend the act to make it clear that additional disabilities were to be included in the definition, and specifically, that autism was included.

I am delighted that the bill as reported from committee expands the definition

UMI

of developmental disabilities to include autism. The most effective treatment programs for children suffering from autism to date have been very parallel to the type of programs established under the authorities of the Developmental Disabilities Act, so the inclusion of this disability will not add significantly to the costs of administering the act while, at the same time, making its benefits available to a group which has been excluded, unfairly I believe, from its programs.

Clarification of the definition of a developmental disability in addition should result in fewer variations and inconsistencies in programs administered under the authorities of the act.

UNIVERSITY-AFFILIATED FACILITIES

Mr. President, the university-affiliated facility—UAF—program partly supported under the authorities of the Developmental Disabilities Act, has been a valuable resource in training personnel to provide services for individuals with developmental disabilities, as well as in developing new diagnosis and treatment procedures.

However, these facilities exist in only 26 States at the present time plus the District of Columbia. To assure that the resources of these university-affiliated facilities are made available to those States not now having a facility, the bill provides that each existing university-affiliated facility may assess the needs of States within their geographic area with a view to assisting in the establishment of a satellite center where the needs assessment indicates one is needed. Such a satellite center would receive backup support from the university-affiliated facility and would, in turn, operate in close coordination with an appropriate institution or agency in its State in providing clinical services.

In providing this backup support and in conducting the initial assessment, the university-affiliated facility's efforts would be supported fully by Federal funds and matching funds provided by the State in which the satellite center would be established. I feel these university-affiliated facilities currently perform an outstanding function with very limited funding, and the additional costs involved in assisting in the establishment of satellite centers should not be out of funds needed to maintain existing UAF facilities. The reported bill fully protects the present level of UAF funding—$4.75 million—for existing programs.

COMMUNITY-BASED PROGRAMS

Mr. President, I believe one very clear basic goal has been enunciated in the legislation reported from committee. That is the need to move away from long-term institutionalization of individuals with developmental disabilities to the development of community-based programs utilizing all community resources related to treatment or habilitation of such individuals to provide comprehensive services in the home community.

However, in encouraging the movement to community-based programs, I recognize that the need for some long-term residential programs will remain. The bill specifically provides that where institutional programs are appropriate, adequate support should be planned for them so that necessary treatment and habilitation programs can be given residential patients to develop their full potential.

To reinforce the bill's commitment to these needs, the reported bill provides that for a State to qualify for support under its authorities, it must develop a State plan oriented to specific goals designed, one, to reduce inappropriate institutionalization and, two, to improve institutional care where such placement is appropriate.

The priority goals which a university affiliated facility must establish include these two specific goals as well.

The growing realization over the past decade that institutional placement of individuals with developmental disabilities is inappropriate to their full development to their maximum level of ability has been reflected in efforts in many States to develop alternative programs to State institutions. California has instituted such a program. However, in the transition to community-based programs, greater responsibility is placed on local governments to coordinate the several community programs which are called upon to serve individuals with developmental disabilities, such as medical services, social services, educational services, and specialized services for the specific needs of such individuals.

Mr. President, where the State's program has been primarily based on residential facilities, the State has attempted to bring all these services to the facility. As the programs are transferred into the community, these varied services need to be contacted and coordinated programs developed at the local community level so that each individual will have the benefit of all the programs to which he is entitled and which will help him achieve his full potential. California has begun to face the reality of this situation with the phase out of some of its State facilities.

This major change in the method of providing services for those individuals with developmental disabilities places a new responsibility on State plans for programs to provide services to individuals with developmental disabilities to assure full coordination of all related services at the community level as well as at the State level.

STATE PLANNING COUNCIL

Mr. President, to enable the State to carry out this new and expanded responsibility, S. 462 specifically details the makeup and duties of the State planning council and places prime responsibility for development, preparation, and implementation of the State plan in the State planning council established by the act.

So the council can function with the authority required to plan and implement a program which will cut across the jurisdictional responsibilities of several State agencies, as well as local agencies, S. 462 as reported requires that it include representatives of the principal State agencies, local agencies, and nongovernmental agencies and groups which are concerned with services to individuals with developmental disabilities.

The Governor, as chief executive officer, is resposible for appointments to the council to insure that the council will have the cabinet-level status required to develop a State plan which will coordinate programs of several State agencies where they relate to services for individuals with developmental disabilities. In addition, Mr. President, the membership of the council must include consumers of services or their parents or guardians, who shall make up at least one-third of the membership.

I would like to clarify, Mr. President, that appointment of the members of the State planning council by the Governor would not preclude the appointment of some of the members by a State legislature as is done in my State of California. I would like to quote from the Senate committee report language describing the legislative intent in adopting this provision:

E. STATE PLANNING COUNCILS

In addition to reorganizing and strengthening the National Council, the Committee has also changed and enlarged the functions of the State Councils. The bill as reported provides for the appointment of the State Planning Council by the Governor, as Chief Executive Officer of the State. Designation of the Governor as the appointing official is intended to ensure that the Council will have sufficient stature in the State administrative structure to provide the monitoring and evaluation of the programs instituted by the State plan and to ensure the coordination of programs affecting individuals with developmental disabilities administered by the various State agencies. The Committee does not intend to exclude the appointment of members of the council by the State legislature in those States where such a procedure is established. In such cases, this procedure would be permissible, as long as the intent of the reported bill to place the Council in an administrative position above that of State agencies providing services for individuals with developmental disabilities is preserved, and the membership of the Council adheres to the composition specified in section 115 (d) of the reported bill. This membership shall include representatives of the principal State agencies, local agencies and nongovernmental agencies and groups concerned with services to persons with developmental disabilities. One-third must consist of consumers or their parents or guardians. Each State is responsible for the assignment of adequate personnel to insure that the Council may carry out its duties.

COORDINATION WITH OTHER PROGRAMS

Mr. President, turning to another point, the requirements of the State plan make very clear the importance of coordinating all State and community resources in the development of programs to provide services to persons with developmental disabilities. In addition, the State plan is required to take into account the services provided such individuals by other federally assisted State programs, such as vocational rehabilitation, education for the handicapped, and maternal and child health programs among others.

VOLUNTEERS

Mr. President, Federal programs which I believe are particularly complementary to programs providing services for persons with developmental disabilities are those authorized by the Domestic Volunteer Service Act of 1973—Public Law 93-113—which I authored.

That act provides for support of the training of citizens of all ages in volunteer services to the community, including specifically services for individuals with developmental disabilities, especially those with severe handicaps. The involvement of RSVP volunteers and Foster Grandparents seems particularly valuable, after appropriate training has been provided them, as individual patient advocates assigned to an individual with one or more developmental disabilities. In such a role, the volunteer can provide necessary support to that individual in his effort to function independently in the community. Other voluntary groups such as service organizations should also be encouraged to devote some emphasis to programs which can increase the availability of services or otherwise aid individuals with developmental disabilities.

Mr. President, the benefits which can be derived both by the patient and the volunteer can be achieved in institutional settings or in community-based programs. In our fast-paced and impersonal urban society it is difficult for an individual who is developmentally disabled to venture beyond his home or a community program providing services for his needs. A volunteer can provide the necessary support to enable the individual to broaden his horizons—perhaps to travel to the seashore or go on a picnic—or perhaps to provide companionship to visit a neighborhood movie.

These volunteers can also be of invaluable assistance in assisting the professional staff in community facilities to organize programs and to insure that the human and legal rights of each person served are fully protected and his interests are advocated.

I was pleased to cosponsor an amendment in committee with the distinguished chairman of the committee (Mr. WILLIAMS) which clarified the original intent of the provision that volunteer services would supplement, but not be in lieu of, services of paid employees.

INDIVIDUALIZED SERVICE

Mr. President, although S. 462 as reported does place a good deal of emphasis on the need to organize and implement programs to provide services to individuals with developmental disabilities in the most effective and efficient manner, it does not lose sight of the fact that all the best-run programs in the world cannot take the place of providing services in an atmosphere of respect and dignity for each individual. A major portion of the committee's efforts were devoted to developing a framework which would assure that each individual receiving services, whether in a community-based, or long-term residential facility, is given the respect and attention due each person. Incentives are provided to such facilities to enable them to meet standards which will guarantee that services can be provided on a personalized basis so that each individual served can achieve his full potential.

CONCLUSION

With this multiple approach to providing quality and total services to individuals with developmental disabilities, both from an organizational as well as a humanistic viewpoint, S. 462 as reported offers an opportunity to the States to make their programs particularly supportive of citizens' needs and relevant to todays demands.

Mr. President, I urge S. 462 as reported is deserving of the full support of the Members of the Senate.

Mr. MONTOYA. Mr. President, I strongly endorse S. 462, the Developmental Disabilities Act of 1975, and compliment the Senate Subcommittee on the Handicapped which is chaired by my good friend from the State of West Virginia, Senator JENNINGS RANDOLPH. The subcommittee has held several hearings and has worked for many months in developing this important legislation.

An important aspect of this legislation is the administrative support authorized to university affiliated facilities concerned with interdisciplinary training of professionals who will work in the field of developmental disabilities. Some 40 UAF's presently receive administrative support under the Developmental Disabilities Act which this measure will extend and revise. The UAF concept was an important component of Public Law 88-164, the landmark legislation which embodied many of the recommendations of President John F. Kennedy's 1962 Panel on Mental Retardation. Since the enactment of Public Law 88-164, the university affiliated facilities program has provided substantial numbers of superbly trained professionals to the developmental disabilities field. The trainees each receive a unique interdisciplinary educational experience, and the service settings upon which the training is superimposed have provided exemplary services to thousands of disabled, retarded and multiply handicapped children and adults each year.

In my State of New Mexico, we have long been without adequate services for the developmentally disabled population. Last year, as a member of the Subcommittee on Labor-HEW Appropriations, I offered an amendment to the bill which resulted in an increase in maternal and child health funds for university affiliated facilities, and which contemplated the establishment of a UAF at the University of New Mexico to serve the southwestern part of the country. Over the past year, I have worked closely with Dr. Robert Kugel, vice-president for Health Sciences of UNM, and last week the university submitted a proposal to establish the Center for Child Development at UNM as a university affiliated facility. The proposal reveals a broad base of support for the new center among all population groups in the State, and indicates without question that the new center will contribute substantially to the developmentally disabled population. The UNM Center for Child Development will provide interdisciplinary training to a wide range of professionals, and will greatly improve the quality and the delivery of services to all disabled persons in the Southwest, including the Spanish speaking and Indian populations.

I strongly urge the Division of Developmental Disabilities to support the new center, along with the Bureau of Community Health Services.

Mr. SCHWEIKER. Mr. President, I want to express my strong support for S. 462, the Developmentally Disabled Assistance and Bill of Rights Act. I am pleased to be a cosponsor of this legislation, which has been reported out of the Committee on Labor and Public Welfare.

I am pleased that the legislation broadens the definition of developmental disabilities to include mental retardation, cerebral palsy, epilepsy, autism, severe specific learning disabilities, and other conditions. Therefore, the bill would provide assistance to many more of our Nation's developmentally disabled citizens than existing law.

Mr. President, over 6 million Americans suffer from mental retardation, over 2 million from epilepsy, 750,000 are afflicted with cerebral palsy, about 80,000 with autism, and nearly 500,000 American students suffer from specific learning disabilities toward the severe end of the continuum. A large percentage of these citizens are so severely disabled that they require a lifetime of services in order to be able to function adequately for personal or social needs. Developmentally disabled persons often suffer from two or more overlapping conditions. Obviously, these individuals require programs to provide for their specific and multiple conditions.

The committee has determined that there is a need for continued Federal concern for the treatment and dignity of developmentally disabled citizens in terms of legislation and adequate financial support. The bill therefore provides that existing programs and services for handicapped individuals be coordinated in their planning by providing a focal point for the planning money in order to coordinate the delivery of services to our Nation's handicapped individuals. S. 462 redesigns the existing program by setting up a cooperative relationship between the State planning councils and the State agencies responsible for the implementation of the State plans, in order that an integrated and efficient delivery of services to developmentally disabled individuals can be achieved.

The last 5 years have seen a dramatic increase in public awareness of the needs of institutionalized mentally retarded and developmentally disabled persons. This has been highlighted by scandals in many institutions, by court cases, and by the efforts of the communications media. Testimony before the committee demonstrated that standards in institutions for the developmentally disabled are urgently needed and that the Federal Government should play a major role in improving the care and services provided to developmentally disabled citizens.

Mr. President, also added to the legislation is a bill of rights for the devel-

UMI

opmentally disabled. This provision was originally introduced as a bill of rights for the mentally retarded, which I also cosponsored earlier. I am pleased that the committee has included this provision in the bill, because I feel the developmentally disabled in this Nation for too long have been treated as burdensome problems, rather than with the affection and care they deserve as human beings.

I strongly support four specific requirements in this bill of rights: Humane care, treatment, rehabilitation, and protection in residential facilities; strict quality and control standards for facilities; better standards to reduce inappropriate admissions; and programs to stimulate regional and community programs involving residential facilities. Too often developmentally disabled persons are "put away" in an institution and forgotten. It is now time to provide alternatives to locking persons up in institutions. Treating the developmentally disabled with more human dignity can bring additional benefits to themselves, their families, and to society.

In conclusion, Mr. President, I support this legislation not because it represents the end of our efforts in this area, but because it provides a basis for a new beginning in expanded services for our Nation's developmentally disabled citizens. I urge prompt Senate passage of this important measure.

Mr. BEALL. Mr. President, the Senate passed S. 462, the Developmentally Disabled Assistance and Bill of Rights Act, of which I am a cosponsor. Although prior obligations prevented me from being here at that time, I would like to add my strong support for this measure and for quick action by the House, so that we may see this legislation implemented in the near future.

The concept underlying the original Developmental Disabilities Act, passed in 1970, was that there was a great need for better planning for services to developmentally disabled individuals. Efforts were made under limited funding to provide for this planning, but inadequacies were evident, and it was determined that there is a need for continued Federal concern for the treatment and dignity of developmentally disabled citizens in terms of appropriate legislation and adequate levels of financial support. S. 462 acts as the vehicle for this Federal concern, and also sets up a cooperative relationship between those State agencies responsible for the implementation of the State plans and the State planning councils themselves, insuring better coordination of programs to the developmentally disabled. Continued emphasis is placed in the importance of the university affiliated facilities in both serving the developmentally disabled and in operating demonstration facilities and interdisciplinary training programs for professional personnel.

I have had the opportunity to see the contributions that can be made in this field by these university affiliated facilities right in my own State. The John F. Kennedy Institute at Johns Hopkins Hospital, is considered one of the finest facilities in the United States, and Maryland is indeed fortunate in having such a facility located in Baltimore and serving the entire State. My recent visit there further convinced me of the importance in continuing Federal support of such programs and facilities.

In addition, I would like to express my support of title II of this bill, which reflects the increasing concern of Congress and the public in general about persons who are institutionalized because they are developmentally disabled. Increased technological development, especially in regard to travel speeds, and the sociological stress that many of our citizens are experiencing, particularly in this time of economic strain and increased crime, evidence the sad fact that there will be an increased need for psychological care. Residential care outside the home is necessary in some instances, although I am glad to say that increased emphasis is being placed in similar community-based facilities rather than the larger State institutions. Title II assures those individuals who must be institutionalized of their civil and personal rights, and, at the same time, provides for the best possible care and services.

These programs under S. 462 can be of valuable use in our Nation's care of the developmentally disabled. I commend my colleagues on the Labor and Public Welfare Committee, particularly Senators RANDOLPH and JAVITS, for their efforts on this measure, and I am hopeful that this bill will soon be enacted into law.

Mr. TAFT. Mr. President, the Developmentally Disabled Assistance and Bill of Rights Act, S. 462, which passed the Senate, extends and broadens the mental retardation legislation of the past decade. Similar legislation, S. 3378, passed the Senate in the last Congress, but unfortunately never came out of conference. I am a cosponor of S. 462 and enthusiastically endorse its passage.

With appropriate encouragement and assistance, many developmentally disabled persons can become productive members of society. To accomplish this, we must have the cooperation of Federal, State, and local governments. To this end, this legislation is designed to assist the States in developing a comprehensive plan which will bring together all available resources so that developmentally disabled persons may be served in the most effective and efficient way. It provides for the renovation and modernization of university affiliated facilities and support of demonstration and training programs, development of regional community programs, support of activities demonstrating exemplary services to persons with developmental disabilities who are especially disadvantaged, technical assistance, training of specialized personnel, and developing or demonstrating new or improved techniques for delivery of services to developmentally disabled persons.

The university affiliated facilities program—UAF—enables individuals to learn and contribute to their fullest potential. We have two UAF centers in Ohio, the Cincinnati Center for Developmental Disorders and the Nisonger Center for Mental Retardation and Developmental Disabilities in Columbus.

The Cincinnati center, affiliated with the University of Cincinnati, Children's Hospital Medical Center, and the Institute for Developmental Research, is engaged in training professional personnel in those disciplines which provide services to persons with mental retardation and related disabilities, with emphasis on optimal technology in case finding, diagnosis, treatment, counseling, delivery services, education, and training—all of this from a coordinated university base.

The Nisonger Center on the Ohio State University campus strives to achieve a basic level of human dignity for those afflicted with mental retardation and related developmental disabilities. This center brings a multitude of behavioral, educational, home economical, medical, and social disciplines together in a forum dealing with the many-faceted problems of mental retardation.

Title II calls for a bill of rights for mentally retarded and other persons with developmental disabilities.

In Ohio, three constitutional amendments, the 8th, 13th, and 14th have been the primary tools of litigation used to secure basic rights and liberties for the mentally retarded and the developmentally disabled.

The eighth amendment prohibits cruel and unusual punishment and has application in the context of institutionalization and habilitation.

The 13th amendment covers a person being institutionalized against his will. When that is the situation, the individual is not to be forced to contribute his uncompensated labor for the benefits of the institution, unless the work is part of a therapeutic habilitation plan.

The 14th amendment provides protection under the law and prohibits the taking of life, liberty, or property without due process.

I recognize the need for standards to help insure the rights of the mentally retarded and developmentally disabled citizens and commend the goals of this legislation which I believe are necessary if America's mentally retarded are to receive the services and opportunities they so greatly need and deserve.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from the consideration of H.R. 4005, and that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The legislative clerk read as follows:

A bill H.R. 4005, to amend the Developmental Disabilities Service and Facilities Construction Act to revise and extend the programs authorized by that act.

The Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I move to strike out all after the enacting clause and to substitute the text of S. 462, as reported and as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (H.R. 4005) was passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 462 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE TO FILE REPORTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be permitted to file reports until midnight tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it stand in adjournment until 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the joint leaders are recognized tomorrow morning, under the standing order, the following Senators be recognized for not to exceed 15 minutes each: the Senator from Missouri (Mr. EAGLETON), the Senator from Ohio (Mr. TAFT), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Rhode Island (Mr. PASTORE).

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the recognition of the Senators aforementioned, there be a period for the transaction of morning business, for not to exceed 15 minutes, with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE LIMITATION AGREEMENT—H.R. 5899

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the message from the House on H.R. 5899 be called before the Senate, debate on any motion to agree to the House amendment with an amendment be limited to one-half hour, the time to be equally divided and controlled by the majority and minority leaders or their designees, and subject to the approval of the chairman and ranking member of the Appropriations Committee, Senators MCCLELLAN and YOUNG.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I do not intend to object—the majority leader refers to an amendment. I am familiar with the amendment. I think that he has in mind an amendment that the Senator from New York (Mr. JAVITS) will probably offer.

Mr. MANSFIELD. That is correct.

Mr. GRIFFIN. I wonder if we are precluding any other Senator from offering an amendment, and I would also like to find out if an amendment to the Javits amendment would be in order.

I make that inquiry of the Chair.

The PRESIDING OFFICER. The Chair would like to consult with the Parliamentarian, if the Senator will withhold his question for a moment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent——

Mr. MANSFIELD. Mr. President, may we have a ruling on the question?

Then I repeat my request.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, it would be my understanding under the request as put by the majority leader that if there were no amendment offered, in the event the Javits amendment, for example, would be defeated, there would be no time limit on such an amendment, and since that would protect other Senators, I would not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER subsequently said: In response to the earlier parliamentary inquiry from the Senator from Michigan, if the Senator from New York makes his motion to concur with an amendment, it is amendable in one more degree.

Mr. GRIFFIN. I thank the Chair.

DR. ARTURO BOMOLAN DELA ROSA

Mr. STENNIS. Mr. President, I introduce a bill and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

There being no objection, the Senate proceeded to consider the bill (S. 1842) for the relief of Dr. Arturo Bomolan Dela Rosa, which was read the first time by title and the second time at length.

Mr. STENNIS. Mr. President, this bill has been cleared with the leadership on each side of the aisle, it has been cleared with the committees of the Congress. It permits a doctor from the Philippine Islands to be lawfully here in the United States as a permanent resident, which would make him qualified to take the board of medical examinations with a view to locating to practice his profession in a county in Mississippi that now has only one doctor and they are in dire need of another.

Mr. President, this is a private bill to resolve an urgent matter involving the hospital services in my home county.

The Kemper County, Miss., Hospital will soon be without a single doctor unless we obtain passage of a private bill on an emergency basis. The senior of the two present doctors is leaving for military service. The remaining doctor intends to leave within 60 days if he does not obtain assistance in attending to the medical needs of Kemper County.

I have located a replacement doctor who is a native of the Philippine Islands. His name is Dr. Arturo Bomolan Dela Rosa. He cannot enter private practice until he takes the State medical examinations, which are to be given on June 10.

In order to be eligible to take the medical examinations he must be a permanent resident and have filed a declaration of intent to become a naturalized citizen. The present waiting list for Filipinos to become permanent residents is such that he faces a delay of 18 months.

I have discussed this case with the Commissioner of Immigration and Naturalization, and he informs me that the method of handling such a case is a private bill to make Dr. Dela Rosa a permanent resident, and thus make him eligible to take the medical examinations. He informs me that this is not an unusual situation, especially with respect to foreign-trained doctors, and that his office would have no objection to such a bill.

The extreme urgency in this case is that the medical examinations that Dr. Dela Rosa must take are to be given on June 10, and will not be given again for six months.

The bill I am introducing follows a very common format often used in cases of this kind. For the reasons above assigned this is an emergency.

Mr. President, I have a certificate here from the Educational Council for Foreign Medical Graduates that sets forth the case and supports the bill and this has been approved by the immigration authorities in every way.

Mr. GRIFFIN. Will the Senator yield to me?

Mr. STENNIS. Yes.

I had mentioned this bill to them.

Mr. GRIFFIN. I want to confirm this has been cleared and, as I understand it, the bill will only affect one doctor and that there is some urgency to the passage of the bill?

Mr. STENNIS. Yes.

Mr. GRIFFIN. Because of time limitation having to do with taking the examinations?

Mr. STENNIS. That is exactly right. The examinations begin a week from to-

UMI

morrow, there will not be repetition of the examinations for 6 months more, and there is only one doctor in this county now and he says he will leave unless we get some relief or some additional help there.

Mr. President, I ask unanimous consent that this certificate be printed in the RECORD.

There being no objection, the certificate was ordered to be printed in the RECORD, as follows:

CERTIFICATE BY THE EDUCATIONAL COUNCIL FOR FOREIGN MEDICAL GRADUATES

EDUCATIONAL COUNCIL FOR FOREIGN MEDICAL GRADUATES

Sponsored by: American Hospital Association, American Medical Association, Association of American Medical Colleges, Association for Hospital Medical Education, Federation of State Medical Boards of the United States.

Certifies that Arturo Bomolan Dela Rosa has satisfied all the requirements of the Council; has successfully passed its examination and has been awarded Certificate Number 098-778-4, July 24, 1974.

JOHN G. MCMANN,
President.

ROY L. CASTULINE,
Executive Director.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1842) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Arturo Bomolan Dela Rosa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

Mr. STENNIS. Mr. President, I thank the Chair and all concerned.

PRIVILEGE OF THE FLOOR—S. 920

Mr. STENNIS. Mr. President, in connection with S. 920, the military procurement authorization bill, quite a number of our professional staff members from the committee worked on different parts of this bill. There may be brief times when we need more than the normal number of assistants on the floor, including minority members of the staff. Also, additional members of the staff need to be present.

Therefore, I ask unanimous consent that the following members of the staff be permitted the privilege of the floor during the deliberations on the bill emphasizing that we will not need all on the floor at the same time:

T. Edward Braswell, Clark McFadden, Don Lynch, Hy Fine, Ed Kenney, George Foster, Robert Old, Nancy Bearg, Francis J. Sullivan, Charles Cromwell, John Goldsmith, Charles Connerly, Jack Ticer, and Christine Cowart.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MANSFIELD. Now, Mr. President, tomorrow the Senate will convene at 9 a.m. After the joint leaders have been recognized, the distinguished Senators from Missouri (Mr. EAGLETON), Ohio (Mr. TAFT), Michigan (Mr. GRIFFIN), and Rhode Island (Mr. PASTORE) will be recognized for not to exceed 15 minutes each.

After that there will be a period for the conduct of morning business not to exceed 15 minutes with a time limitation of 3 minutes attached thereto, after which time we will return to the limited time for consideration of the foreign policy debate with the time equally divided between the distinguished Senator from Mississippi (Mr. STENNIS), the manager of the bill, and the distinguished Senator from California (Mr. CRANSTON), and the distinguished Senator from Massachusetts (Mr. KENNEDY), or whomever they may designate.

ADJOURNMENT TO 9 A.M.

Mr. CRANSTON. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and at 6:49 p.m. the Senate adjourned until tomorrow, Tuesday, June 3, 1975, at 9 a.m.

NOMINATIONS

Messages received May 23, 1975, under authority of the order of May 22, 1975:

IN THE AIR FOACE

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be first lieutenant (Dental Corps)

Withers, James A., 318-40-1468.

To be first lieutenant (Medical Corps)

Nash, Peter R., 517-50-3088.

The following cadets, U.S. Air Force Academy for appointment in the Regular Air Force in the grade of second lieutenant, effective upon their graduation, under the provisions of sections 8284 and 9353, title 10, United States Code. Date of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

To be second lieutenant

Beesley, Mark G., 449-90-0692.
O'Keefe, William S., 575-66-4447.

The following persons for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Thomas, Maurice S., 374-14-1125.

To be lieutenant colonel

Denison, William A., 382-14-2333.
Fligor, Lloyd G., 488-07-4907.

The following person for appointment as Reserve of the Air Force (Nurse Corps), in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation to perform Nurse Corps duties, under the provisions of section 8067, title 10, United States Code:

NURSE CORPS

To be lieutenant colonel

Farrell, Barbara L., 135-28-2378.

The following persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation as medical officer, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be colonel

Willard, Ralph L., 482-16-8249.

To be lieutenant colonel

Blair, Robert T., 278-12-6549.
Crane, Edward B., 009-07-3621.
DeAugustine, Vincent P., 197-12-0691.
Dickinson, Wylie P., 442-14-5634.
Forbes, Peter R., 562-28-9020.
Guerdan, Donald C., 146-18-4102.
Horner, Frank S., Jr., 166-26-8099.
Loprete, Frederick P., 145-12-5588.
McGranahan, Thomas C., 535-14-8394.
Menzies, William C., 208-28-8495.
Rodriquez-Colon, Juan, 580-52-7701.
Stephens, James E., 499-07-1393.
Thorpe, Joseph E., 569-28-2834.
Turner, William, 558-28-4505.
Wentworth, Earle T., Jr., 031-05-0810.

The following persons for appointment as Temporary officers in the United States Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation as medical officer, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be lieutenant colonel

Alandydy, Manuel S., Jr., 112-38-0910.
Arroyo-Scotoliff, Hector A., 582-46-0450.
Blair, Robert T., 278-12-6549.
Crane, Edward B., 009-07-3621.
Davis, James C., 464-44-2737.
DeAugustine, Vincent P., 197-12-0691.
Dickinson, Wylie P., 442-14-5634.
Dunn, Latimer E., 303-34-7221.
Edmundson, Arlo R., 506-20-1783.
Forbes, Peter R., 562-28-9020.
Grossling, Sergio F., 475-54-4526.
Guerdan, Donald K., 146-18-4102.
Horner, Frank S., 166-26-8099.
Joder, Donald K., 520-40-4923.
Kilpatrick, Troy F., 422-32-8044.
Loprete, Frederick P., 145-12-5588.
McGranahan, Thomas C., 535-14-8394.
Menzies, William C., 208-28-8495.
Otte, Carl W., 479-44-8310.
Stephens, James E., 499-07-1393.
Thorpe, Joseph E., 569-28-2834.
Turner, William, 558-28-4505.
Wentworth, Earle T., Jr., 031-05-0810.

The following-named officer for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of sections 593 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant colonel

Carmack, Donald L., 558-42-0595.

The following officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code:

LINE OF THE AIR FORCE

Major to lieutenant colonel

Carpenter, George W., Jr., 241-46-5019.
Corbridge, Richard Q., 519-34-0110.

MEDICAL CORPS

Bowden, Wayne M., 340-28-2164.
Martindale, Richard E., Jr., 036-20-4969.
Singer, Karl L., 537-40-3020.
Oyer, John T., 408-48-2287.
Rayos, Blas O., Jr., 090-30-2683.

NURSE CORPS

Holt, Maurita E., 330-28-9823.

IN THE ARMY

The following-named persons for reappointment in the active list of the Regular Army of the United States, from the temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be colonel, regular Army and colonel, Army of the United States

Hill, Garrett L., 460-64-2657.

To be major, regular Army and lieutenant colonel, Army of the United States

McKenzie, Charles B., 403-20-8946.

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

To be first lieutenant

Gregg, Robert E., 223-74-0325.
Swick, Richard L., 216-46-5758.

The following-named persons for appointment in the Regular Army of the United States, in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be colonel

Quinones-Acosta, Francisco, 581-52-6072.

To be captain

Hawkins, Robert, 309-46-5926.
Hiltbrand, Lance K., 302-38-3229.
Hoagland, Gretchen M., 567-58-2526.
Knight, Sylvia S., 267-70-2130.
Kullman, Thomas M., 422-52-2478.
Lord, Ellen V., 081-36-4376.
Smith, Mary E., 189-30-5979.
Smith, Ronald M., 445-42-6889.
Thompson, Marie T., 537-44-4257.

To be first lieutenant

Arceneaux, Edgar, J., 437-74-0506.
Carle, Marcia L., 575-58-9914.
Cruden, John C., 363-46-1678.
Darden, Marianne L., 148-42-3008.
Fynn, Patricia J., 452-84-2451.
Gibb, Mary R., 207-38-6449.
Hopkins, Elwyn V., Jr., 256-72-1267.
Hussey, Robert T., 248- 72-6556.
Jackson, Jerome L., 212-52-3259.
Ketels, Donald L., Jr., 166-38-0709.
Krom, Frances A. K., 235-74-3226.
Lance, Charles E., 451-76-7974.
McDermott, Diane E., 167-42-2376.
Menton, Leta K., 462-80-9024.
Mull, Ellen A., 231-58-5414.
Nelson, Sharon J., 474-58-1121.
O'Leary, Denise R., 332-44-1781.
O'Sullivan, Patricia D., 225-72-5503.
Plummer, Margaret A., 027-40-3039.
Quinn, Kristi M. K., 503-58-8031.
Sandberg, Julie K., 543-42-7233.
Sanker, Joseph H., 206-34-1572.
Sekiguhi, June, 562-52-7047.
Shively, Martha J., 274-44-2936.
Sprosty, Elizabeth M., 390-54-8258.
Stagliano, Richard F., 181-36-8298.
Stowe, Harvey O., 415-50-0380.
Strong, Diana C., 156-42-5294.
Utz, Clarence D., 177-36-3210.
Vanderhoof, Linda M., 543-62-4612.
Ward, Gwendolyn K., 305-38-8776.
Wigger, James R., Jr., 222-28-0501.

To be second lieutenant

Acer, Mary Ann, 110-44-5635.
Bressett, Barbara M., 003-38-4237.
Farnell, Jill E., 523-66-1495.
Gray, Ollie B., 198-42-2121.
Hicks, Linda S., 469-62-5324.
Hix, Gary D., 193-40-3531.
Houser, Susan M., 571-64-9572.
King, Michele M., 184-38-2655.
Kochansky, Samuel W., 173-42-6845.
Lawver, John A., 514-52-3855.
Massey, Joane, 189-42-6336.
Meier, Nancy J., 214-60-1660.
Morrison, Brenda F., 197-40-7484.
Penoyer, David H., 267-86-8451.
Pfund, Sally J., 391-56-3947.
Richardson, Joyce, 045-46-4640.
Rucki, Carol A., 201-38-5473.
Splichal, Clifford T., 228-62-3826.
Spring, William B., Jr., 278-48-2940.
Taylor, Daniel B., 274-46-3601.
Thomas, Steven C., 394-48-0765.
Wharton, Barbara R., 519-62-6773.
Whitehurst, Cynthia J., 157-44-7689.
Zimmerman, Katherine A., 437-88-8851.

The following-named cadet, graduating class of 1975, United States Air Force Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3283 and 3284:

Kobza, Marvin E., 521-80-7630.

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Alston, James R., Jr., 424-42-3550.
Bullard, James L., 257-22-7268.
Caprio, Daniel W., 139-24-5271.
Cater, Charles J., Jr., 561-40-3354.
Conklin, Leroy W., 077-22-9946.
Fahn, Lester D., 095-18-7020.
Glover, James E., 526-32-7583.
Hall, Matthew H., 416-34-7953.
Henderson, John P., Jr., 726-05-4990.
Hewitt, James W., 496-28-8114.
Koehler, Herbert C., 130-16-8966.
Mahan, Charles E., 316-16-2994.
Martin, Donald B., 561-30-9545.
McNichols, William L., 505-32-5106.
Miltner, Edward, 150-16-9892.
Neal, Kenneth L., 528-36-6727.
Nordigian, Peter J., 347-24-7179.
Patterson, Donald J., 495-28-6717.
Peery, William A., 230-36-8944.
Ricottilli, John, Jr., 037-20-4783.
Robb, James F., 544-26-3431.
Rowe, James, 466-24-5341.
Scrocco, George L., 122-09-2421.
Simmons, Preston H., 537-16-1283.
Steele, Harold E., 190-24-0845.
Stein, Albert E., 560-36-7135.
Stout, Charles H., 266-34-0152.
Wadleigh, Gerald T., Jr., 111-16-7127.
West, Donald E., 137-26-3750.

ARMY NURSE CORPS

To be colonel

Bendgen, Mary M., 424-22-4643.
Colon, Leticia M., 103-22-8997.
Landells, Edith A., 726-07-8678.
Laughlin, Mary P., 508-20-7777.
Ledbetter, Doris H., 453-56-1820.
Leftault, Loretto F., 526-20-5195.
Lewis, Viola M., 251-28-1750.
Walker, Edwin J., 075-24-0333.

DENTAL CORPS

To be colonel

Blayne, Arthur, 074-14-4749.
Purdy, Edmund C., 062-12-7715.

MEDICAL CORPS

To be colonel

Lehman, David P., 426-16-5620.
Wolcott, Lester E., 069-18-5770.

MEDICAL SERVICE CORPS

To be colonel

Mendenhall, John H., 265-26-7674.
Sammons, Joseph A., 247-22-6832.
Yokoyama, Katsuyuki, 575-12-1902.

ARMY MEDICAL SPECIALIST CORPS

To be colonel

Minogue, Rita C., 474-16-5410.

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of Title 10, Sections 3366, 3367, and 3383:

ARMY PROMOTION LIST

To be lieutenant colonel

Allen, John E., 113-26-5582.
Armstrong, Charles D., 409-30-0965.
Belus, Paul J., 194-16-3600.
Betts, William L., 100-28-7821.
Bluestone, Howard I., 434-30-5121.
Bonthuis, Robert E., 485-30-2603.
Bopp, Robert J., 487-38-7114.
Bowers, John S., Jr., 496-38-3063.
Bragg, Henry C., 429-50-5389.
Brinn, Alan, 079-26-2845.
Broderick, James A., Jr., 139-20-6525.
Brunett, Louis E., 437-48-5595.
Burger, Harry B., 186-22-3987.
Busch, James L., 365-26-2014.
Caiafa, Joseph, 100-20-4991.
Carp, Milton J., 236-54-4591.
Chirico, Anthony P., 114-20-2068.
Clark, Ronald K., 084-24-2147.
Crase, Robert R., 388-30-0933.
Crowder, Paul J., Jr., 411-32-3490.
Curry, James A., 204-16-9516.
Darbyshire, David W., 483-42-6359.
Darst, Henry J., Jr., 721-12-4260.
Davis, Maxie L., 415-50-0452.
Dean, John A., 122-28-8813.
Delapp, John M., 352-28-7400.
Donaldson, Robert J., 247-52-9175.
Elbert, Leo J., Jr., 373-20-6102.
Etzel, Ernest J., 529-36-1325.
Ewing, Jack E., 383-28-4791.
Feldman, Myron R., 349-20-9974.
Frohmader, George T., 399-18-5186.
Frost, Billy D., 412-50-7787.
Geleerd, William L., 133-22-6941.
Gerl, Kennard A., 536-32-3740.
Getchell, Charles R., 540-34-9817.
Glueck, Gerald A., 568-46-0018.
Greco, Joseph F., 559-54-6481.
Gross, Matthew, 347-24-4197.
Gustafson, Allan C., 474-20-5310.
Haas, Robert D., 297-22-4435.
Haberle, John H., 536-26-4379.
Hanson, Merle A., 471-30-4909.
Harlan, Ralph E., 514-24-9947.
Heath, Richard S., 133-12-5220.
Helm, John B., Jr., 405-36-3517.
Hess, William R., 512-34-1839.
Hitchcock, Daniel F., 549-44-0159.
Hughes, Maurice I., 579-26-4816.
Isbel, Clarence H., Jr., 459-36-6189.
Iverson, Clark M., 504-36-6048.
Johnson, Donald L., 487-40-7831.
Johnson, E. R., 320-24-0345.
Johnson, Joseph H., Jr., 241-44-8137.
Johnston, Alan A., 338-28-9068.
Jones, John E., 537-28-2845.
Juerjens, Robert R., 351-22-3504.
Kane, Eugene R., 094-26-6111.
Kenna, Roswell E., Jr., 264-34-7357.
Kenney, George H., Jr., 131-22-3610.
LaRoche, Joseph A., 001-20-9012.
Last, Alvin, 375-30-2472.
Lay, John L., 150-22-1060.
Liariakos, George F., Jr., 031-22-7242.
Libby, Fred W., 004-30-1263.
Lingo, Robert A., 290-24-5726.
Lopes, Joseph P., 014-26-1805.
Lytle, Otis M., Jr., 566-26-6301.
Mannberger, Marx M., 358-12-8256.
Marden, Frank D., 010-26-4398.
Mauro, John E., 058-227-670.
McIntosh, Donald H., 566-30-2684.
McNett, John F., 322-32-3665.
Mercer, George Jr., 456-30-5791.
Mirolla, John Jr., 554-42-6479.

UMI

Moyal, Maurice S., 089–24–3076.
Mulvaney, Hugh B. Jr., 143–22–5972.
Murphy, John B., 218–30–8134.
Muscha, Robert F., 502–42–3010.
Musselman, Alan M., 184–28–6237.
Newman, Henry H., 147–16–9190.
Norton, Melvin L., 025–18–1163.
Oglesby, Virgil W., 412–40–1413.
Olmstead, George H., 478–32–7060.
Parris, Herman A. Jr., 404–44–0337.
Patterson, James T., 457–50–6924.
Pauler, Gerald L., 509–34–0698.
Pavlin, Ivan C., 342–26–2837.
Perry, Edward L., 160–28–8321.
Piotrowski, W. S., 125–28–3313.
Pollard, Guy S., 486–30–2776.
Pond, Robert J., 292–28–7321.
Priebe, Richard E., 297–16–6161.
Raymond, Jack A., 165–26–8062.
Reel, Robert F., 479–28–9242.
Regan, John J., 022–28–2152.
Rigg, Richard J., 389–34–2741.
Ritter, Kenneth K., 270–28–4959.
Roberts, Euriel H., 265–42–9304.
Robinson, Fielding B., 427–54–7857.
Rodriques, Samuel R., 523–22–5868.
Ross, Keith A., 575–28–9154.
Rufus, James G., 516–20–9609.
Russell, Rolland F., 296–28–2828.
Scales, David J., 155–22–0609.
Schuster, Joseph L., 460–52–7914.
Schweers, Henry E., 458–46–1808.
Sica, Carl G., 071–24–9683.
Simon, John E., 438–38–7244.
Simonsen, Clifford E., 537–28–7084.
Skaar, Marvin C., 469–20–3819.
Smith, David, 066–28–7571.
Smith, Morgan, 135–22–6758.
Smith, Robert C., 228–38–5908.
Smith, Robert V., 066–24–4292.
Smythe, Kenneth D., 211–14–0710.
Spradlin, Robert L., 405–22–4627.
Stewart, Jerry A., 428–60–7041.
Stoneman, Rixey K., 229–32–4783.
Sullivan, Philip S., 163–26–7456.
Sword, Carl D. 408–38–1328.
Talley, Boyd G., 510–20–5077.
Taylor, Clovis O., 423–40–1668.
Thater, Ralph R., 499–12–6379.
Thompson, Hugh N., 430–05–6452.
Thompson, Orrin S. Jr., 057–28–7852.
Tibbetts, Donald E. 003–18–9659.
Tighman, Roy E., 133–24–6425.
Vale, Oscar T., 461–44–2827.
Valeriana, Nicholas P., 016–24–1746.
Vance, Freddie L., 428–42–5256.
Villacres, Jorge N., 223–38–8706.
Voelkel, Ray F., 458–40–0876.
Walton, Denzil R., 544–26–8658.
Warlick, Thomas W., 245–52–0188.
Webb, John W., 396–28–7313.
Weber, Donald L., 499–26–0588.
Wertman, Gerald A., 185–26–6386.
Whitehead, James K., 286–12–7013.
Worrell, Arthur R., 099–20–2050.
Young, Kwal S., 576–34–2127.
Younker, John O. Jr., 181–32–1164.

CHAPLAIN

To be lieutenant colonel

McNitt, John M., 167–22–6949.

ARMY NURSE CORPS

To be lieutenant colonel

Carson, Callie, 518–28–3533.
Rodriquez-Martinez, V., 582–70–0942.
Tardif, Louis G., 007–14–0961.
Wilson, William J., 356–12–9624.

MEDICAL CORPS

To be lieutenant colonel

Davis George B. Jr., 120–28–9276.
McNabney, Warren K., 510–32–1332.

MEDICAL SERVICE CORPS

To be lieutenant colonel

Allen, Richard P., 456–40–7239.
Boddeker, Cary A., 450–52–1398.
Boland, Ernest P., 263–24–4064.
Clark, Lawrence E. Jr., 524–34–4108.
Crabtree, Reece J., 448–30–2920.
Dalton, John C., 485–28–3904.
Dupre, Earl P., 271–28–4553.
Ellis, Carl T. Jr., 463–16–0622
Goldben, Harry I., 341–26–9182.
Gore, Paul H., 551–38–1755.
Hayes, George F., 015–26–6940.
Hendershott, Ralph A., 163–22–4116.
House, Delma R., 458–58–0154.
Johnson, Thomas A., 334–28–7781.
Kenyon, Gerald P., 372–28–5096.
Latenser, John E., 500–20–8512.
Leary, Robert F., 024–26–2210.
Linder, William W., 255–48–8032.
Marhefsky, Louis A., 046–24–4951.
Schalker, William L., 473–26–5671.
Shadomy, Smith, 550–40–8752.
Shapiro, Sidney N., 046–12–7593.
Sharp, Howard J., 087–24–3636.
Smith, Louis L., 428–22–8328.
Spears, James H., 307–26–6916.
Thomas, Richard D., 423–30–9109.
Uyeda, Charles, 556–48–6302.

ARMY MEDICAL SPECIALIST CORPS

To be lieutenant colonel

Deering, Elwood J., 142–24–4223.
Hull, Roger A., 564–40–3676.

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C., Sections 591, 593, and 594:

ARMY PROMOTION LIST

To be lieutenant colonel

Barnes, Wilson C., 024–22–2624.
Young, Earl J., 316–26–9174.

DENTAL CORPS

To be lieutenant colonel

Dolin, Paul R., 329–16–4238.
Rosinski, Donald J., 124–22–9782.
Savoai, John R., 009–24–6171.
Sgambellone, Frank J., 077–26–9553.
Spring, Paul N., 077–26–6575.

MEDICAL CORPS

To be lieutenant colonel

Bloom, Irving, 361–16–4313.
DeAugustine, Vincent P., 197–12–0691.
Gares, Gustavo, 489–44–1766.
Griffin, John B., 361–14–1058.
Kissack, Alfred S., 103–24–8601.
Kissack, Micheline, 106–36–3813.
Lieberman, Murray, 108–20–8917.
Marvis, Theodore E., 133–09–5959.
Rosen, Murray J. D., 445–28–9752.
Ross, Robert F., 101–28–3275.
Sokol, Robert J., 058–22–0217.
Strum, Donald H., 535–32–4056.
Vennes, George J., 544–34–8400.
Vincent, Peter D., 197–12–0691.

The following-named officers for appointment in the Army of the United States, under the provisions of Title 10, U.S.C., Section 3494:

MEDICAL CORPS

To be lieutenant colonel

Jacobs, Wesley R., 544–34–0281.
Nevarez, Leonard J., 573–48–2849.
Prakash, Om, 359–38–1633.
Shim, Poong S., 081–44–6947.
Smith, Lane F., 528–46–7223.

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 385:

ARMY PROMOTION LIST

To be colonel

Bishop Chester, 444–12–9898.
Dean, Richard D., 497–24–7899.
Fryslie, Harold A., 721–18–7577.
Gilbertson, Carlyn L., 517–22–0559.
Greenagel, Fred W., 473–28–4356.
Gunnar, George F. P., 052–14–0665.
Kling, Arthur K., Jr., 144–18–7391.
Lee, Edwin E., 432–28–8321.
Painter, Charles R., 222–18–1562.
Patterson, William G., 489–20–4003.
Sedlacko, Cyril L., 288–20–0421.
Sharpe, Thomas A., 188–12–6375.
Stephens, Lewey, Jr., 418–26–0078.
Sullivan, John T., 416–26–1249.
Todd, Charles A., 441–22–2977.
Wellman, Billy G., 406–32–2435.
Wing, Charles J., 520–24–4296.

ARMY PROMOTION LIST

To be lieutenant colonel

Alexander, Thomas H., 251–56–0524.
Ballard ,Lawrence L., 443–30–4174.
Berthold, Julius L., 406–40–9839.
Boyersmith, Joseph C., 200–28–1394.
Boykin, Robert H., Jr., 250–42–0584.
Burnett, Jack A., 410–44–8933.
Christiansen, Arthur R., 543–34–0995.
Craig, Joe W., Jr., 243–40–8155.
Culbreath, Richard A., 249–42–2872.
Duffy, Richard B., 516–34–2446.
Easler, Oliver F., 251–34–1609.
Floyd, Richard T., Jr., 525–72–6976.
Gann, Tom H., 256–42–6137.
Gautreau, Edward J., Jr., 041–42–7001.
Gill, Dwight A., 421–36–5214.
Guerin, Donald S., 525–50–8475.
Guy, Addeliar D., 358–16–1211.
Heuer, David A., 397–34–0728.
Hickman, Ralph E., 223–36–4077.
Huntington, Robert F., 314–30–3209.
Hutton, Cornelius, 483–14–9745.
Judgensmeyer, Robert F., 507–40–3390.
Long, Demar C., 574–09–4173.
Macaron, Joseph, Jr., 525–52–8451.
Maness, James, 516–24–8917.
McClure, William H., 248–54–0488.
Miller, Levy C., 253–24–7702.
Muniz-Ramos, Edwin, 580–58–6874.
Palmieri, Henry J. R., 174–26–2327.
Reiff, William H., 313–34–9887.
Roof, Volie, L., Jr., 248–52–3985.
Savino, Joseph D., 037–24–3338.
Sheffield, David T., 418–34–3665.
Spalding, John W., 440–30–4873.
Spofford, Nathaniel A., 519–32–0208.
Stone, Thomas G., 458–44–2705.
Theesfeld, F. H., Jr., 153–12–8816.
Toste, Stephen L., 022–20–7360.
Willis, Clinton V., Jr., 239–34–8982.
Wolf, Beverly J., 494–30–7475.

MEDICAL CORPS

To be lieutenant colonel

Atkins, Raymond M., 214–20–9175.
Clark, Jack C., 409–58–1272.
Warden, David R., Jr., 235–58–5552.

MEDICAL SERVICE CORPS

To be lieutenant colonel

Herrington, Larry D., 571–46–5281.
McCowan, Gordon, 553–38–2864.

IN THE NAVY

The following-named (Naval Reserve Officers Training Corps candidates) to be permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

Dwight W. Colburn — Mark T. Otten
Robert P. Machala — Keith A. Walls

Quentin L. Van Meter (Naval Reserve officer), to be appointed a permanent lieutenant (jg.) and temporary lieutenant in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

John W. McReynolds (Naval Reserve officer), to be appointed a permanent lieutenant in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers), to be appointed permanent lieutenants and temporary lieutenant commanders in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law:

William A. Buckendorf — Madison W. Gay
Conrad I. Dalton — Robert A. Peinert, Jr.
Richard L. Wilson

John M. Hallenbeck (Naval Reserve officer), to be appointed a permanent lieutenant commander in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

Glen D. McKnight, Jr. (Naval Reserve officer), to be appointed a permanent commander in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

Francis T. Oliver (civilian college graduate), to be appointed a permanent captain in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Roger H. Cahoon and Eric J. Sunderman (Naval Reserve officers), to be appointed permanent lieutenants (jg.) and temporary lieutenants in the Dental Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers), to be appointed permanent lieutenants in the Dental Corps in the U.S. Navy, subject to the qualifications therefor as provided by law:

John A. Berude — Jeffrey L. Lockwood
James L. Currier — Kenneth E. Perino
Terry L. Kippa

Robert L. Curry and Daniel M. Rapps (Naval Reserve officers), to be appointed permanent lieutenants and temporary lieutenant commanders in the Dental Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

Lieutenant commander Charles W. Bollinger, MC, USNR, to be promoted to the grade of commander in the Medical Corps in the reserve of the U.S. Navy, for temporary service, subject to the qualifications therefor as provided by law.

*CWO–2 William L. Mergen (USN(T)), to be appointed a lieutenant (j.g.), for limited duty, for temporary service, in the classification, electronics, and as a permanent chief warrant officer in the U.S. Navy, subject to the qualifications therefor as provided by law.

Edward M. McCollum, U.S. Air Force, to be a permanent ensign in the restricted line of the U.S. Navy, subject to the qualifications therefor as provided by law.

Franklin G. Ebaugh, Jr. (Naval Reserve Officer), to be appointed a permanent captain in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

James R. Kraft, U.S. Navy officer, to be reappointed from the temporary disability retired list as permanent chief warrant officer, W–3 and temporary lieutenant commander, limited duty, in the line in the U.S. Navy subject to the qualifications therefor as provided by law.

The following-named naval enlisted scientific educational program candidates to be permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

Graham T. Hall
Michael J. Tierney

James A. Usselman (ex-USN officer), to be appointed a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Jean E. Todd (civilian college graduate), to be a permanent captain in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Carlos A. Araoz (civilian college graduate), to be appointed a temporary commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

William R. Kendall and Gilbert W. Taylor (civilian college graduates), to be permanent commanders in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Recess appointments issued for the following-named Naval Reserve Officers Training Corps candidates appointed as permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

Paul A. Anderson, Jr. — Lee A. Licata
Steven D. Bell — Marcus A. McInnis
Charles C. Briant — Patrick P. McKernan
John R. Bush — Brian S. McNamara
Michael D. Bussey — Cheri J. Mangham
David W. Cady — Harold A. Miller
Stephen M. Carr — Ernest A. Prescott, Jr.
Jeffrey D. Cavanagh — Charles M. Rohda III
Scott R. Crager — Ralph M. Scaperotta
Steve W. Eggleston — Keith E. Short
Rodney A. Elsea — Gerald K. Stair, Jr.
Robert M. Frese — James R. Stelten
Terrence D. Harvey — Martin D. Sullivan
Lawrence M. Hufty — Michael E. Suttinger
Lesley J. Jackson, Jr. — James M. Torpey
Claudette G. Johnstone — Matthew W. Tuohy
Jeffrey W. Kemhus — Richard K. Veley
Gary M. Kunz — David T. Ward
Matthew J. Leininger — Michael G. Waterfield
Stephen M. Wellock

Recess appointments issued for the following-named naval enlisted scientific educational program candidates appointed as permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

Kenneth D. Bradley — Darrell W. Warren
Wayne Peterson — William C. Wren

CWO–2 James L. Bales (USN(T)) issued a recess appointment as lieutenant (j.g.), for limited duty, for temporary service, in the classification, electronics, and a permanent chief warrant officer in the Navy, subject to the qualifications therefor as provided by law.

Recess appointments issued for the following-named chief warrant officers appointed as lieutenants (j.g.) in the Navy, limited duty, for temporary service, in the classification indicated and as permanent warrant officers and/or permanent and temporary warrant officers subject to the qualifications therefor as provided by law:

SUPPLY CORPS

James P. Bondurant — Walter J. Pratt
Robert A. Brown — Bobby D. Woodson

CIVIL ENGINEER CORPS

Timothy P. Curtin

DECK

John W. Ackerman — Claude R. Layne
John T. Bauder — David E. Little
Robert P. Brittingham — Thomas H. McKenzie
William A. Burris — Curtis Moss
Stephen W. Cherry — Merlin E. Mundy, Jr.
James M. Evans — Ronald D. Powell
James H. Ferguson, Jr. — David G. Ray
Normand L. Gregoire — Glenn L. Smith
Thomas G. Hill — John J. Smith
Robert B. Hoffman — William J. Stewart
James M. Jackson — Jerry L. Todd
Joseph C. Kitts — Charles E. Whitehead
Wallace W. Wilhelm

OPERATIONS

Hubert E. Colman — Robert O. Lowell
Arthur W. Greer

ORDNANCE

James P. Adams, Jr. — Richard B. Heller
Laurence J. H. Atchison — Daniel L. Hoover
Ronald L. Beasley — John M. Iannetta
Roy L. Book — Herbert C. Kelly
J. K. Casper — Paul R. Muse, Jr.
Bruce L. Chase — James O. Mustin
Michael W. Clayburn — Frank P. Phipps
David E. Furst — William E. Sitton
Frank T. Grutta — Robert M. Stolarz

EXPLOSIVE ORDNANCE DISPOSAL

John G. Honer

ADMINISTRATION

Richard D. Barber — Larry W. Huckfeldt
Loren W. Biegler — Ernest W. Hurst
Tyrone R. Blanchard — Thomas E. Kearney
Ivon G. Boycourt, Jr. — Herman C. Moore, Jr.
Robert L. Drane — Ronald E. Nash
Charles H. Fortier — Albert L. North
Ronald M. Greene — Emmett L. Plimmer
David A. Gschwend — Richard R. Poch, Sr.
Roy G. Hale — Ralph G. Reed
James P. Henry — James H. Wilson
Charles W. Hogue — Joseph Woods
Michael R. Hopkins

DATA PROCESSING

Charles W. Cooper — John F. Steib, Jr.
Thomas E. Jones — Jimmie D. Weaver
Marion L. Martin

BANDMASTER

John D. Fluck

ENGINEERING

Ervel E. Attebury, Jr. — Howard L. Jones
John B. Baldwin — David L. Kaufman
Raymond J. Boeckmann — Alfred D. Kemp, Jr.
Earl L. Brandon — Harold E. Kerns, Jr.
William M. Brigman — Frank C. Knapp
Geoffrey J. Calabrese — John T. Lapoint
Charles D. Carrigan — Glenn K. Larson
David L. Clements — Joseph W. Mahaffey
Francis C. Conahan, Jr. — John D. Meeks
James L. Connell — Erwin C. Morris, Jr.
Richard E. Crabtree — Warren C. Mow
Levi Davis — George E. Nims, Jr.
John M. Dorso — Gary A. Ovsak
Elroy B. Elger — Frank C. Peters
Russell W. Enos, Jr. — Donald A Pierce
Frank E. Florida — John H. Rasberry
Frank S. Fortson III — James E. Roskoph
Charles R. Gulbrandson — Roger W. Rutland
Claude R. Hanley — Gerald M Schwartz
Lloyd D. Higgins — Gordon F. Scott, Jr.
Raymond J. Hopkins, Jr. — Michael F. Scott
Reynold N. Hulse — Dennis D. Sheridan
John A. Ireland, Jr. — James L. Singleton
Ralph M. Sorensen, Jr. — Richard L. Stuntz
Craig R. Truebel — James E. Walthall

HULL

Jack R. Branson — William A. Lynch
Earl D. Briley — Richerd G. McPherson
Russell R. Carpenter Jr. — Charles C. Morris
William H. Davis — Joseph P. Noha, Jr.
Delmas G. Fike — Peter G. Piccini
Larry E. Hafer — Charles E. Runyan
William P. Jones — William A. Schmidt
Robert J. Kenyon — John M. Shriver
Walter Kohn — Robert E. Wallace
Daniel R. Kroeger

ELECTRICIAN

James A. Lane — Terry S. Steele

ELECTRONICS

William J. Anderson — Oakley A. Korbelik
Paul J. Apodaca — Robert T. Lunt
Charles D. Arnold — John F. MacKenn
Thomas E. Brayman — Thomas F. Maguire
Ward M. Bromaghim — Julian T. Matthews
George F. Crawford — Charles B. Poston
Harvey E. Denam — Charles L. Ruddy, Jr.
Luis M. Duran — George G. Rule
Edward E. Flamboe — Russell M. Safford
Terrance J. Ford — William R. Sage
James R. Free, Jr. — Arnold R. Schulmeister, Jr.
Howard E. Galen, Jr. — Johnnie W. Shierling
William E. German — Kenneth G Shull
Walter Gibson — Robert H. Slack
Eric S. Glidden — Hugh L. Stephens
Richard Granlund — Bernard I. Sulman
Kenneth R. Greve — Marshall E. Tanner, Jr.
James D. Hammontree — Freddie Von Tate
Clark R. Hanson — Ralph M. Vicek
Frederick R. Heckel — John Wall
Norman L. Hinen — John W. Wells
Robert O. James
Michael R. Judd

UMI

CRYPTOLOGY

Kenneth W. Cummings, Jr.

COMMUNICATIONS

Daniel L. Bodine
Wesley F. Borner
Terrence J. Comfort
Alfred J. Estep
Jackie E. Godwin
Herbert R. Hinton
John L. Howard
Johnnie C. Moore, Jr.
Michael T. Peyton
Edward J. Schultz
Gerald F. Terrebrood
Richard L. Weavil
John S. Woodbury
Ronald J. Zell

AVIATION OPERATIONS

Joseph J. Breslin III
John H. Starnes

AVIATION CONTROL

Bobby J. Bullard
Hubert W. Minnick
Robert M. Parsons
Jerry M. Snyder

PHOTOGRAPHY

William C. Fenton, Jr.
Donald R. Waller

AIR INTELLIGENCE

Melvin L. Gilbert

METEOROLOGY

Jerry C. McConnell

AVIATION ORDNANCE

Rex Brown
Raymond B. Fone
Thomas C. Malich
Donald M. Smith

AVIONICS

Fred C. Artley
Lawrence D. Brosh
Ralph C. Buzzell
Ronald J. McLeroy
Daniel R. Richards
Joseph T. Tindell
James J. Werbiskis

AVIATION ANTISUBMARINE WARFARE

David L. Barger

AVIATION MAINTENANCE

Richard E. Andersen
Eben E. Barnett II
William L. Beane
Bruce C. Carawon
Sidney B. Freegard
Randal R. Hall
Lester Johnson
Patrick H. Johnson
Patrick K. Justet
James R. King
Garrel R. McNeal
Joseph M. Odell
Gary D. Patton
Freddie W. Ritchie
William A. Saye
William M. Schieber
Richard K. Siar, Jr.

Executive nominations received by the Senate June 2, 1975:

FEDERAL ENERGY ADMINISTRATION

Eric R. Zausner, of Virginia, to be a Deputy Administrator of the Federal Energy Administration (new position).

DEPARTMENT OF STATE

James D. Theberge, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Nicaragua.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Wallace F. Bennett, of Utah, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1977, vice Bradford Mills, term expired.

DEPARTMENT OF STATE

The following-named person for reappointment in the Foreign Service as a Foreign Service Officer of class 3, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Louis Schwartz, Jr., of Florida.

For reappointment in the Foreign Service as a Foreign Service Officer of class 4, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America

Raymond J. Wach, of the District of Columbia.

For appointment as Foreign Service Information Officers of class 4, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Richard George Brown, of Illinois.
Claude William La Salle II, of Louisiana.

For promotion from Foreign Service Officers of class 6 to class 5:

Barbara K. Bodine, of California.
William Harrison Courtney, of West Virginia.
Edward J. Marcott, of Massachusetts.
Harry E. Young, Jr., of Kansas.
Richard H. Zorn II, of Illinois.

For appointment as a Foreign Service Officer of class 5, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Michael Sager Royle, of California.

For appointment as Foreign Service Information Officers of class 5, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Harriet L. Elam, of Massachusetts.
G. Alfred Kennedy, of New Jersey.
Jane Prindeville Newman, of Maryland.
Marjorie Ann Ransom, of the District of Columbia.

For promotion from a Foreign Service Officer of class 7 to class 6:

Robyn M. Facinelli, of Illinois.

For promotion from a Foreign Service Information Officer of class 7 to class 6:

Theodore A. Boyd, of Ohio.

For reappointment in the Foreign Service as Foreign Service Officers of class 6, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Ann R. Berry, of Kentucky.
Therese Ann Kleinkauf, of New York.

For reappointment in the Foreign Service as a Foreign Service Information Officer of class 6, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Timothy M. Randall, of Illinois.

For appointment as Foreign Service Officers of class 6, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

José L. Fernández, of Puerto Rico.
Melvin Masaru Tano, of Hawaii.

For promotion from a Foreign Service officer of class 8 to class 7:

Frank V. Nash, of Connecticut.

For reappointment in the Foreign Service as a Foreign Service Officer of class 7, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Lorraine Wendell Polik, of Virginia.

For appointment as Foreign Service Officers of class 7, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Stephen E. Eisenbraun, of Florida.
John J. Feeney, of New York.
Kang Shih Huang, of the District of Columbia.
Albert C. Hyde, of New York.
Michael W. Marine, of Connecticut.
Robert J. Nemeth, of California.
Edward B. O'Donnell, Jr. of Tennessee.
Douglas E. Paradis, of New York.
Gerard R. Pascua, of Virginia.
Charles N. Patterson, Jr., of Texas.
William H. Prior, of New Mexico.
Christopher W. Runckel, of Washington.
Daniel H. Sanders, Jr., of Kentucky.
Richard G. Watkins, of Ohio.

For appointment as Foreign Service Officers of class 8, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America.

James B. Cunningham, of Pennsylvania.
Laura-Elizabeth Kennedy, of Virginia.
Daniel J. McDade, of California.
Karen R. Moore, of Texas.
John F. Noss, of Alaska.
Kathryn Dee Robinson, of Tennessee.
Terry R. Snell, of Washington.

Foreign Service Reserve Officers to be Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

Donna J. Anderson, of the District of Columbia.
Anita D. Banks, of Maryland.
V. Harwood Blocker III, of Virginia.
Justin L. Bloom, of Maryland.
Marie L. Burba, of New York.
John A. Collins, Jr., of Maryland.
Jean T. Copp, of California.
Donald E. Fitzpatrick, of New York.
Norman H. Gardner, Jr., Connecticut.
Clair E. George, of Maryland.
Sally M. Gober, of Ohio.
Alfred Gonzales, of California.
Gerald D. Gregory, of Rhode Island.
Donald R. Griffin, of the District of Columbia.
Timothy S. Griggs, of Virginia.
Kenneth E. Haas, of Virginia.
A. B. Hemmings, of Virginia.
James E. Horn, of Minnesota.
Constance Huggins, of Ohio.
Natalia D. Horodecka, of the District of Columbia.
Dirk W. Hutchins, of Virginia.
Elizabeth J. Ingold, of the District of Columbia.
Frank J. Johnston, of Virginia.
Yukio Kawamoto, of Virginia.
Richard P. Lawless, Jr. of Virginia.
Charles H. Leven, of Virginia.
Donald J. Lynch, of Florida.
Richard Martin, of Ohio.
David P. Mathewson, of Virginia.
Robert P. McCarthy, of Virginia.
Gene M. McGill, of Virginia.
Russell J. Morgan, of Virginia.
Herman Wesley Odom, Jr., of Virginia.
Jeffrey D. Peacock, of Florida.
William R. Piekney, of Virginia.
David S. Rupp, of Virginia.
Fernando Sanchez, of California.
Robert C. Sardino, of Maryland.
Carl P. Scheid, of Maryland.
Richard E. Schroeder, of the District of Columbia.
Roger D. Severance, of Virginia.
Frederick Smith, Jr., of Virginia.
Richard I. Smith III, of Virginia.
Charles W. Sweetwood, of Idaho.
S. Edwin Ulmer, of Tennessee.
Jack Guy Wood, of the District of Columbia.

Foreign Service Reserve Officers to be Secretaries in the Diplomatic Service of the United States of America:

Frank R. Anderson, of Illinois.
Paul A. Cooper, of Florida.
Graham E. Fuller, of Connecticut.
Richard B. Jackmon, of Virginia.
James W. McWilliams, of Oregon.
Fermino J. Spencer, of Connecticut.
Wilbert R. Templeton, of California.

Foreign Service Staff Officers to be Consular Officers of the United States of America:

Nicholas G. Benigsen, of Virginia.
Richard A. Bienvenue, of New Hampshire.
Katharine T. Eliam, of Massachusetts.
Lester W. Klotzbach, of Ohio.
Oris O. Rives, of Texas.
R. Harden Smith, of Maryland.
James W. True, of California.
Gene H. Williams, of Virginia.
Doris E. Wilmeth, of Texas.

IN THE ARMY

The following-named officers for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3347:

To be major general

Brig. Gen. Willard Latham, 464–22–0730, Army of the United States (colonel, U.S. Army).

Brig. Gen. Otis C. Lynn, 409–30–3190, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles F. Means, 280–20–0506, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Volney F. Warner, 504–18–6947, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert G. Yerks, 061–32–6760, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Morris J. Brady, 346–18–2472, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Kenneth E. Dohleman, 346–22–8288, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph E. Fix, III, 136–32–3557, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert J. Malley, 475–20–0596, Army of the United States (colonel, U.S. Army).

Brig. Gen. John J. Koehler, Jr., 027–18–9345, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Donald R. Keith, 364–26–3704, Army of the United States (colonel, U.S. Army).

Brig. Gen. Oliver W. Dillard, 421–24–9988, Army of the United States (colonel, U.S. Army).

Brig. Gen. Milton E. Key, 444–40–8022, Army of the United States (colonel, U.S. Army).

Brig. Gen. William R. Richardson, 238–38–4817, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Joseph K. Bratton, 472–24–0434, Army of the United States (colonel, U.S. Army).

Brig. Gen. William R. Wray, 433–58–0469, Army of the United States (colonel, U.S. Army).

Brig. Gen. Vernon B. Lewis, Jr., 459–40–9439, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William L. Mundie, 457–34–8521, Army of the United States (colonel, U.S. Army).

Brig Gen Carroll N. LeTellier, 251–32–5955, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph P. Kingston, 538–14–9731, Army of the United States (colonel, U.S. Army).

Brig. Gen. William A. Patch, 466–60–3313, Army of the United States (colonel, U.S. Army).

Brig. Gen. Wallace H. Nutting, 007–18–5771, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Richard A. Bresnahan, 021–18–9126, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard A. Thompson, 120–16–1747, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert C. Kingston, 012–22–3429, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles C. Rogers, 234–48–9012, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. John G. Hill, Jr., 516–24–4439, Army of the United States (colonel, U.S. Army).

Brig. Gen. Bennett L. Lewis, 002–16–8027, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Homer S. Long, Jr., 486–24–9098, Army of the United States (colonel, United States Army).

Brig. Gen. Richard L. Harris, 203–22–4362, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. William W. Palmer, 241–32–2474, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. James L. Kelly, 510–22–9173, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. George E. Turnmeyer, 484–16–2355, Army of the United States (colonel, United States Army).

Brig. Gen. James A. Johnson, 395–14–8732, Army of the United States (colonel, United States Army).

Brig. Gen. Jerry B. Lauer, 063–26–5540, Army of the United States (colonel, United States Army).

Brig. Gen. Oren E. DeHaven, 363–24–3776, Army of the United States (colonel, United States Army).

Brig. Gen. Edward Greer, 233–34–8814, Army of the United States (colonel, United States Army).

Brig. Gen. John F. Forrest, 356–16–9650, Army of the United States (colonel, United States Army).

Brig. Gen. James B. Vaught, 449–64–3161, Army of the United States (colonel, United States Army).

Brig. Gen. Lee E. Surut, 081–32–6261, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Wesley E. Peel, 466–22–1910, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Judson F. Miller, 447–12–2063, Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerd S. Grombacher, 340–16–0471, Army of the United States (colonel, U.S. Army).

Brig. Gen. Paul T. Smith, 430–48–8214, Army of the United States (colonel, U.S. Army).

Brig. Gen. James M. Rockwell, 121–20–9150, Army of the United States (lieutenant colonel, U.S. Army).

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3306:

To be brigadier general

Brig. Gen. Judson F. Miller, 447–12–2063, Army of the United States (colonel, U.S. Army).

Brig. Gen. William R. Wray, 433–58–0469, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert J. Malley, 475–20–0596, Army of the United States (colonel, U.S. Army).

Brig. Gen. John G. Hill, Jr., 516–24–4439, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard A. Bresnahan, 021–18–9126, Army of the United States (colonel, U.S. Army).

Brig. Gen. George E. Turnmeyer, 484–16–2355, Army of the United States (colonel, U.S. Army).

Brig. Gen. James A. Johnson, 395–14–8732, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph E. Fix, III, 136–32–3557, Army of the United States (colonel, U.S. Army).

Brig. Gen. James B. Vaught, 449–64–3161, Army of the United States (colonel, U.S. Army).

Brig. Gen. Oliver W. Dillard, 421–24–9988, Army of the United States (colonel, U.S. Army).

Brig. Gen. Otis C. Lynn, 409–30–3190, Army of the United States (colonel, U.S. Army).

Brig. Gen. William L. Mundie, 457–34–8521, Army of the United States (colonel, U.S. Army).

Maj. Gen. Homer D. Smith, Jr., 462–03–8363, Army of the United States (colonel, U.S. Army).

Maj. Gen. James A. Grimsley, Jr., 250–14–6502, Army of the United States (colonel, U.S. Army).

Maj. Gen. John G. Waggener, 490–44–8300, Army of the United States (colonel, U.S. Army).

Maj. Gen. Willard W. Scott, Jr., 258–34–4284, Army of the United States (colonel, U.S. Army).

Maj. Gen. John W. McEnery, 520–44–2282, Army of the United States (colonel, U.S. Army).

Maj. Gen. Sidney B. Berry, 428–22–5274, Army of the United States (colonel, U.S. Army).

Maj. Gen. Donn A. Starry, 510–22–2130, Army of the United States (colonel, U.S. Army).

Maj. Gen. Eugene P. Forrester, 410–64–1272, Army of the United States (colonel, U.S. Army).

Maj. Gen. William B. Caldwell III, 576–18–4643, Army of the United States (colonel, U.S. Army).

Brig. Gen. William A. Patch, 446–60–3313, Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Greer, 233–34–8814, Army of the United States (colonel, U.S. Army).

Brig. Gen. Kenneth E. Dohleman, 346–22–8288, Army of the United States (colonel, U.S. Army).

Brig. Gen. Paul T. Smith, 430–48–8214, Army of the United States (colonel, U.S. Army).

Brig. Gen. Oren E. DeHaven, 363–24–3776, Army of the United States (colonel, U.S. Army).

Brig. Gen. Willard Latham, 464–22–0730, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph K. Bratton, 472–24–0434, Army of the United States (colonel, U.S. Army).

Maj. Gen. Michael D. Healy, 354–16–1804, Army of the United States (colonel, U.S. Army).

EXTENSIONS OF REMARKS

STRANGERS IN A GENEROUS LAND

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. SCHEUER. Mr. Speaker, I wish to call attention to a most evocative and humane essay which was published recently on the editorial page of the Washington Post. It focuses the American reader's heart and mind on the Vietnamese refugees who have come to our country to start their lives anew as did so many of our own forebears.

The essay is the work of a distinguished journalist, Charles Fenyvesi, who himself emigrated to America from his native Hungary in 1956, the year of the anti-Soviet uprising. He is now editor of the National Jewish Monthly publication.

As the news media have demonstrated amply, there are Americans who, having established themselves here, would raise high the dikes and turn their backs on this newest tide of immigrants entering a nation built of immigrants. That response, even in a time of high unemployment and economic uncertainty, is fun-

damentally un-American and runs counter to our Judeo-Christian values.

While we now recognize the theory of "America as a social melting pot" to be historical wishful-thinking at best, perhaps we are indeed more fortunate that the separate ethnic and racial backgrounds and traditions which in their sum are America have remained distinct to the extent that they have. As with the Irish and the Jews, the Polish and the Italians and the Japanese who have preceded the Vietnamese to our shores, what truly matters is that they are ready to stake everything in a new future of self-improvement, which has been America's primary attractive commodity, as Mr. Fenyvesi observes.

Here is a well-educated, sophisticated Hungarian who found himself in the midst of a refugee tide nearly 20 years ago, who believes that "there is no strong reason why 150,000 Vietnamese refugees should not make it in America."

In his essay, this editor has also reminded us of a basic precept of humanity: What helps the refugee most in his struggle for self-improvement is the generosity of those who are established here—"the openness to the refugees that is basic to the American character and makes this country what it is."

I would like to share this essay with my colleagues who missed this timely reminder of the necessity to consult our consciences and our heritage as these newest strangers enter our society after 30 years of war in their homeland.

The essay, as printed in the Washington Post, follows:

STRANGERS IN A GENEROUS LAND

(By Charles Fenyvesi)

The refugee is seldom a hero. He may be a victim of discrimination or persecution, he might have been slated for martyrdom by an oppressive regime. But the majority of people flee their homeland to rebuild their lives in what they hope will be a more congenial environment. Their ranks include the footloose and the discontented, the ambitious and the crook, the dreamer and the realist, life's losers and those marked for riches and fame.

What matters is that they are prepared to recycle themselves. They are ready to stake everything they have and are by investing in a new future—a future of self-improvement, which has been America's number one commodity and which has attracted the Pilgrims set on building a Puritan Zion and the Irish fleeing from famine, Russian Jews denied elementary freedoms by the czar and Hungarians who "voted with their feet against communism."

Recommendations that the United States encourage the repatriation of Vietnamese refugees represent the last volley of American self-righteousness on Indochina. It is of the stuff of the presumptions that led to that war and prevented administration after administration from extricating itself. For the American inclination has been to see The War in terms of the good guys and the bad; if those who have fled South Vietnam are not heroes then they must be villains; economic or political war profiteers. The Vietnamese who succeeded in climbing aboard U.S. ships are penalized for their government's loss of a war, for dividing American society in a way that no other foreign war did and ultimately, for not being able to appeal to our sense of political and moral rectitude. If there is racism involved in the lack of welcome, there is also guilt for the bombings and Mylai—and the various emotional reactions to such guilt. The Vietnamese refugees remind us that in Southeast Asia, America's missionary idealism failed, our sophisticated technology was defeated by a peasant society and our vaunted rationalism turned out to be inapplicable.

What is particularly difficult for people of good intentions to accept is that the Vietnam war presented no clearcut moral choice comparable to the one of joining or fighting Nazi or Communist dictatorship in Europe. Instead of being resisters, dissenters or freedom-fighters, in a scenario by James Michener, the Vietnamese refugees are the surging, faceless, inarticulate extras in a film that could have been directed by Sam Peckinpah or Francois Truffaut.

Perhaps it is because of the enormous cultural gap—how many Americans have heard of a book or read an article by a Vietnamese? Who can name one of their painters?—or because of the passions aroused in attempts to stop the war, but it is hard to visualize that there must have been Vietnamese who, like Pasternak's Dr. Zhivago in the Russian civil war, attempted to stay out of the conflict and be private persons. As for those who did take sides with the *ancien regime*, is it really necessary or feasible to clear them of charges—of killing Vietcong prisoners or trafficking in black market goods—before we can welcome them into American society?

Neither side in Vietnam has had a monopoly on good intentions or on atrocities. The system the winners are to impose may bring about a more just society and make for a bureaucracy less susceptible to corruption. But to fear a Socialist transformation of society is justified, for that process has never taken place, in Asia or in Europe, without great human suffering. Not to take part in making such history was the refugees' decision; it was their first American-style free choice—a vote cast for a way of life only dimly known.

There is no strong reason why 150,000 Vietnamese refugees should not make it in America. They will not be less virtuous and patriotic and a credit to what will emerge as a new minority in this land than previous migrations of refugees. They too will suffer from the corrosive effects of emigre politics, turn bitter and unreasonable, and find no important American group paying them attention. But the majority will opt for a pursuit of personal gains. The soldier will consider himself lucky if he can go back to farming. The lawyer will accept a job in the stock room. The corrupt bureaucrat will be too old to learn the tricks of his new country. There will be family arguments whether or not to open up a restaurant; daughters of respectable families will do less well than former bar-girls; children will be born who insist on speaking English. There will be complaints that the Vietnamese are clannish, unwilling to change and adapt—as well as fears among the Vietnamese that their community will disappear in the great compost pile of American humanity.

Like truck drivers and generals, refugees from various lands are much alike. Some learn to enjoy "All in the Family," wear torn sweatshirts Sundays and save furiously to send a son through medical school. Others remain refugees for the rest of their lives, nursing old wounds, living off memories of the life left behind and re-fighting the battles which made the flight necessary. A typical refugee dream is of going back to the old country and not being able to get out again—children born in the new land disappear and the relatives found in the old houses are stonyfaced, even hostile. There are refugees who never stop running for their lives: fires burn, the killing continues and the enemy cannot be vanquished.

In the morning, reality often seems bland, vacuous, insubstantial. The rustle of palm fronds, the scent of violets in the rain or the golden sheaves of wheat recall another time, another world.

Forgetfulness helps. So do friendly neighbors, the shimmer of dogwood, the Buick station wagon that takes the family to the Fingers Lakes or the Grand Canyon, the possibilities of getting ahead and recognition by colleagues and new friends. But what helps most is the generosity toward the stranger—the openness to his strangeness that is basic to the American character and makes this country what it is.

A TRIBUTE TO JOSEF CARDINAL MINDSZENTY

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. BRADEMAS. Mr. Speaker, millions of people all over the world were saddened by the death earlier this month of Josef Cardinal Mindszenty.

Cardinal Mindszenty's death brought a special sadness to the people of my own congressional district because he had visited it only last summer.

Cardinal Mindszenty came to symbolize not only for the people of his native Hungary but for people of other countries of the world a depth of religious faith and a tenacity of purpose that were remarkable.

Cardinal Mindszenty's host in Indiana was a longtime friend, himself a distinguished religious leader, Msgr. John S. Sabo, the pastor of Our Lady of Hungary Church in South Bend.

Monsignor Sabo, in comments shortly before flying to the cardinal's funeral in Vienna, regarded him as a "wonderful man" who had "outlived every one of those who had anything to do with his torture."

Mr. Speaker, I join in paying tribute to this remarkable figure who came to symbolize the tyranny of both nazism and communism, and I insert at this point in the RECORD several news accounts and editorials about Cardinal Mindszenty from the South Bend Tribune and "The Harmonizer," the official newspaper of the Roman Catholic Diocese of Fort Wayne-South Bend.

The articles follow:

CARDINAL MINDSZENTY DIES

Joseph Cardinal Mindszenty, former primate of the Hungarian Catholic Church, who died today in Vienna, Austria at age 83, was eulogized today by his longtime South Bend friend, Msgr. John S. Sabo, as "a wonderful man."

A spokesman at the palace of Vienna's Archbishop-Cardinal Franz Koenic said Mindszenty died in a Vienna hospital at 8:15 a.m. EST. The spokesman said the cardinal underwent prostate surgery this morning and died four hours later from heart failure.

A one-time major figure of the East-West controversy, Cardinal Mindszenty, a bitter enemy of communism, was long a refugee in the United States mission in Budapest. Communists had tortured him and sentenced him to life imprisonment in 1949 for fighting the Red takeover of his country.

Msgr. Sabo, pastor of Our Lady of Hungary Catholic Church, noted today that "he (the cardinal) outlived every one of those who had anything to do with his torture."

Msgr. Sabo, recalling Cardinal Mindszenty's visits with him in South Bend in 1947 and

last year, remembers serving as an interpreter for the cardinal at press interviews during Mindszenty's 1947 visit to Ottawa, Canada.

Mindszenty became an international figure during the 1956 Hungarian revolution when Hungarian freedom fighters released him from life imprisonment and Russian intervention in the revolution forced him to seek refuge in the U.S. Mission in Budapest where he remained for 15 years. He wrote in his memoirs that he would have remained there in perpetual asylum but that President Richard M. Nixon convinced him he was an unwelcome guest, a barrier to detente.

During his visit to South Bend last June, Cardinal Mindszenty visited area clergy and concelebrated the mass with them. He also visited the University of Notre Dame.

Pope Paul VI removed the cardinal as primate of Hungary and archbishop of Esztergom on Feb. 4, 1974. Cardinal Mindszenty emphatically denied that he stepped down voluntarily.

He was a symbol of lifelong resistance to Nazi and Communist tyranny.

CARDINAL MINDSZENTY MOURNED HERE

The death of Josef Cardinal Mindszenty has special meaning here because of the large South Bend Hungarian community and the cardinal's visit here less than a year ago.

The former primate of Hungary suffered imprisonment by both Nazis and Communists. However, he became a symbol of the cold war after he was sentenced in 1949 on a trumped-up treason charge.

He remained in prison until the ill-fated Hungarian revolution in 1956, when he was released by freedom fighters. But he remained free only four days until Soviet forces put down the revolt and he began a 15-year stay as a refugee in the United States Mission in Budapest.

As times changed, Popes John XXIII and Paul VI sought his release, but the cardinal was reluctant to leave unless the Hungarian regime completely cleared him of the charges.

Nevertheless, he sadly agreed to depart his homeland for the last time Sept. 28, 1971, apparently as the result of an agreement between the Hungarian government and the Vatican under which his life sentence was suspended.

He traveled to Rome and eventually took up residence in Vienna, close to his own land where he was removed as primate by Pope Paul on Feb. 4, 1974.

Cardinal Mindszenty paid his second visit here last June, having come to South Bend in 1947, also. During his most recent stay he celebrated mass with area clergy, visited the University of Notre Dame and greeted hundreds eager to meet him.

His local host and friend, Rt. Rev. Msgr. John S. Sabo, pastor of Our Lady of Hungary Church, noted that Mindszenty had "outlived every one of those who had anything to do with his torture."

At the age of 83, Cardinal Mindszenty was not happy with the circumstances of his freedom or continued Communist rule in Hungary. His steadfast refusal to compromise his beliefs won him world-wide admiration.

IN MEMORIAM

The recent death of Josef Cardinal Mindszenty recalls a sad page in the contemporary history of the Church. It reminds me of the strange phrase of Chesterton about the "halo of hatred around the Church of God." Why halo, the symbol of holiness? Because those who hate the Church confirm its holiness. They do not hate it because it is evil but because it condemns what is evil in the designs and desires of men.

The great Cardinal will always be, in our time, an unforgettable example of the courage required to stand firm in the faith in the face of tyranny, oppression, persecution, to suffer injustice in the cause of justice, to sacrifice his own freedom rather than surrender and submit to those bent on destroying the freedom of the Church. For that reason his memory is a blessing, his heroism a challenge, his life an inspiration, his death an appeal for our prayers not only for his happy repose with God but for some measure of his strength to bear faithful witness to Our Lord in a world that rejects Him.

SO WE KNEW

Someone has defined greatness in a man as that quality which causes people to see in him something of the divine. To know him is to be lifted up. It is to come a bit closer to Heaven while in his presence—if only for a fleeting moment.

Cardinal Mindszenty was former primate of the Hungarian Catholic Church and known throughout the free world for his unwavering opposition to Marxism. He voluntarily endured exile and accepted asylum in the American Legation in Budapest for many years to dramatize the brutal takeover of his native Hungary by the Communists in the late '40s.

But it was not because of these facts that he is to be considered a great man. They would account for his being well known, and even unforgettable as a historical figure, but not necessarily great.

Cardinal Mindszenty qualifies as a great man because one saw in him something of the divine. Just what made men see in him something of the divine is difficult to confine to one example or incident.

When the Cardinal visited the diocese almost a year ago we were struck with the thought that here was an unusual man—and would have thought so even if we were not aware of his background.

Our first glimpse of him was pacing the floor saying his breviary just off the lobby of the Morris Inn at Notre Dame.

With newsmen standing by ready to pounce upon him with question, with cameras and electronic gear lying about in organized confusion, with important people chatting away while waiting to be introduced to him—there he was praying, unperturbed, as in a monastery garden. So we knew he was a man of prayer.

During the interview he was most anxious to be understood as a pastor looking after his flock. He parried direct political questions. He could not be drawn into a castigation of his enemies. And he would not be drawn into any criticism of the Pope. So we knew he was a churchman, not a diplomat or worldly figure of sorts.

And then his references during the interview, to the wisdom and goodness of God. So we knew he was a man of God.

Adding just these elements together one began to see something uplifting in the man—yes, something of the divine.

Cardinal Mindszenty was a great man!

May He Rest in Peace!

A RESOLUTION ADOPTED BY THE MASSACHUSETTS STATE COUNCIL KNIGHTS OF COLUMBUS

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. EARLY. Mr. Speaker, at the annual meeting of the Massachusetts State Council Knights of Columbus on May 17, 1975, at Boston, Mass., the council adopted a resolution urging all Members of the Massachusetts congressional delegation to support the "right to life" of all persons from the moment of conception.

I am including the text of that resolution for the attention of my colleagues from Massachusetts, and all of the Members of the House.

The resolution follows:

RESOLUTION

Whereas: America's greatest natural resource, its youth, is being decimated at the rate of almost four abortions every minute of every day; and

Whereas: The only solution to this wanton destruction of human life is an amendment to the Constitution of the United States; therefore, be it

Resolved: That the Knights of Columbus of Massachusetts, meeting in convention at Boston the 17th and 18th days of May 1975, urge all the members of the Massachusetts Congressional Delegation to do all in their power to insure speedy enactment of an amendment to our Constitution which will guarantee the right to life from the moment of conception; and be it further

Resolved: That a copy of this resolution be forwarded to all members of the Massachusetts Congressional Delegation.

Adopted at the Annual Meeting, Massachusetts State Council Knights of Columbus on May 17, 1975, at Boston, Massachusetts.

NATIONAL PARK SERVICE PUBLIC HEARING ON DRAFT MASTER PLAN

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. DOWNEY of New York. Mr. Speaker, on May 21, 1975, the National Park Service held a public hearing in Patchogue, N.Y., on the draft master plan prepared by the Park Service for the Fire Island National Seashore.

The plan proposes, in part, that 6 miles of the western portion of Fire Island be deleted from the national seashore. I have strenuously opposed this proposal and will continue to do so. As I said at that hearing, this is not a master plan for the protection of Fire Island, it is a declaration of open season on one of our most vital natural resources.

Mr. Speaker, I include my statement at that hearing in the RECORD:

NATIONAL PARK SERVICE PUBLIC HEARING ON DRAFT MASTER PLAN

I appear before you tonight with grave concern about the future of the Fire Island National Seashore. We have, in Fire Island, a unique natural resource. The preservation and protection of the Seashore has been, and I firmly believe must continue to be, a top priority for all concerned and responsible citizens and public officials. We must not waver in our support of the mandate of the Act of Congress which created the National Seashore. We must do everything we can to conserve and preserve for future generations the relatively unspoiled and undeveloped beaches, dunes, and other beautiful natural features on Fire Island.

Two months ago, the National Park Service (NPS) published a draft of a new master plan for the Fire Island National Seashore. This plan is intended to revise and succeed the master plan approved in 1965, shortly after the Seashore was first established.

According to the Park Service, this new

UMI

plan was developed after careful consideration of all relevant economic, social and environmental considerations. Allegedly, it reflects the experience which the Park Service has gained since 1964 in administering the Seashore.

If this is the Park Service's position, I reject it. This is not a master plan for the protection of Fire Island, it is a declaration of open season on one of our most vital natural resources. It is not a responsible document and it is not carefully drawn. It is instead an indication that whatever the Park Service has been doing on Fire Island for the last eleven years, it has not learned very much about the needs of the national seashore.

All of us here tonight know that the plan proposes the deletion of six miles of the western portion of the Seashore. How this proposal was arrived at, I am not sure. However, it is apparent to me that this master plan is not based upon a very conscientious analysis of all the facts.

As an example, let me direct your attention for a moment to an environmental inventory of the National Seashore commissioned by the Park Service in 1973. This study, conducted by Jack McCormick Associates and submitted in February of this year is generally considered the most complete environmental study of the area ever conducted.

I should also note that the Park Service paid in excess of $80,000 for the preparation of the McCormick study. This, incidentally, is more than the combined cost of all of the other studies conducted in preparation of the Master Plan.

Gentlemen, this study reaches conclusions which run directly contrary to the draft master plan. The environmental experts at McCormick determined in their report that the boundaries should be extended, not contracted. Let me repeat, the environmental experts commissioned by the Park Service to prepare a study of the Fire Island National Seashore firmly believe that the boundaries of the seashore should not be contracted, as the Park Service proposes, but should be expanded in an effort to provide greater protection to this fragile natural resource.

Moreover, in the "General Introduction" of this study the consultants make it clear that they were verbally requested to include in the study recommendations and assessments on the possible alternative scenarios for future development of Fire Island. However, they were never furnished with either preliminary sections or copies of the draft master plan, or a written list of alternatives which the National Park Service considered feasible.

Thus, McCormick was commissioned to do a major environmental study—a study which should have been relied upon in assessing the environmental impact of the master plan—but, was not informed of the intention of the Park Service to "lop off" a portion of the western end of the Seashore. To say the least, this does not seem to be a very responsible way of preparing a master plan.

Furthermore, in the "General Introduction" of the Environmental Inventory, McCormick Associates, Inc., state that they were expected to "work closely with another contractor (to be selected) who would be charged with developing zoning standards for exempted communities on Fire Island. It is my understanding that section 3(a) of the Act establishing the National Seashore requires that the Secretary issue regulations specifying standards for "exempt communities" that are consistent with the purposes of the Act. It is also my understanding that the present standards largely incorporate local zoning regulations and that a need for new standards has existed for some time.

However, McCormick discloses in its report that no such contractor was ever selected and that no effort was made to develop new standards for exempt areas.

Why was another contractor not selected to develop these standards, given the need for these standards and the fact that McCormick was led to believe such a contractor would be found?

How can we account for these things? Why does the Park Service propose to take action diametrically opposed to the strong recommendations of the most recent and most thorough environmental study of Fire Island conducted by an independent contractor? Why has the Park Service neglected to comply with the requirements of the Act of Congress creating the National Seashore?

On April 30th, I wrote a letter to Assistant Secretary Nathaniel Reed regarding these very grave questions. This afternoon I received the attached reply signed by Mr. Douglas Wheeler, Deputy Assistant Secretary of the Interior. Let me say that I am very disturbed by this reply. In this letter the Park Service admits that it abandoned plans to develop zoning standards for exempted communities. The Park Service explains that it decided instead to seek from Congress the additional authority to halt improper development by obtaining injunctive relief in the courts. In essence the Park Service received a mandate from Congress in 1964 to establish zoning standards, failed to fully implement it, proceeded to abandon all plans for establishing these Congressionally required standards, and now says, as an excuse, that it has a better idea. This is patently irresponsible and may constitute a violation of law.

The Park Service also states that it commissioned the study to provide data for its "boundary readjustment proposal." However, I should point out that the Park Service made its proposal a full month before the McCormick study was finished. And in the draft master plan's bibliography of studies conducted in preparation of the plan, the McCormick study is never cited. Furthermore, as I pointed out before, McCormick states that he was never officially informed of the Park Service's boundary readjustment proposal.

In an effort to make the facts fit their argument the Park Service goes on to state that when McCormick was asked if the proposed boundary revision would affect the island's resources the consultants answered that the island "had the capacity to handle increased development providing that existing *zoning standards were maintained.*" (Emphasis supplied)

But, what the Park Service forgot to mention was that McCormick on page 396 of its study emphasized that without Federal presence in the communities these standards will probably not be maintained. Just what kind of double talk is the National Park Service involved in?

Finally, in the last paragraph of its letter, the Park Service says it "had attempted to weigh all the factors" in proposing and drafting this master plan. All the factors? How about the recommendations of the McCormick study? How about the abandoned study of zoning needs?

Maybe we could find a few answers if we delve a little deeper.

In Section VII of the Draft Environmental Impact Statement, an alternative to your proposed plan is presented which explores the possibility of extending the Western boundary of the Seashore in a manner similar to the one suggested by McCormick Associates. It is made patently clear in the Impact Statement that by extending the boundary to incorporate the Historic Coast Guard Lighthouse located on land adjacent to Robert Moses Park, we would prevent the increased use of vehicles (one of the master plan's stated goals), prevent the construction of a major paved road in the area, prevent the creation of an urban strip such as that along Long Beach, and incorporate a significant historic resource (the only one on the island) into the seashore where it should belong.

And what reason is given for not adopting this plan? Let me read from Page 296 of the Impact Statement:

"Given the existing park staff and level of funding, the management of the Fire Island Lighthouse unit would significantly impair the ability of the National Park Service to protect natural and cultural resources, maintain park facilities, and provide a variety of services to park visitors elsewhere in the seashore. In addition to providing visitor services, maintenance of facilities, and patrol of Federal lands in this area, park management would retain responsibility for issuing vehicle permits, investigating known or potential violations of Federal zoning standards, and addressing the concerns of community residents. Conflicts with local communities on matters pertaining to beach-erosion control, vehicle use, and enforcement of Federal standards would continue to divert management efforts from protecting and providing for a broad spectrum of visitor activities within the seashore district. However, the provision of adequate funding and personnel to meet these additional management responsibility could completely mitigate those adverse effects."

I think we are all aware of the fact that the National Seashore has expended nearly all of its financial resources on condemnations and acquisitions.

And I am sure we all know of the problems that have been encountered in controlling inconsistent land uses through the power of condemnation.

So, let's not kid ourselves, the issue here is not the deletion of the six mile tract, but rather the protection of a vital national resource. If this protection requires additional money or authority then let us authorize it!

What should happen if the Seashore continues to have financial problems?—do we continue to delete sections of the island from the Seashore until there is nothing left? Certainly not.

Then why even consider such an action? Perhaps controlling private development is an administrative pain in the neck and the NPS would rather not meet its statutory obligations?

I am sure you will agree that the Park Service has shown us that it would rather shirk its obligations to this valuable resource rather than seek those remedies which would make Fire Island the kind of recreation area it should be.

The Park Service has not fully considered the environmental factors as is claimed in the master plan.

The Park Service has not come to the Congress and openly requested the needed funds to create a truly outstanding National Park.

The Park Service has not lent any support to H.R. 3994, a bill introduced by Reps. Pike, Ambro, Solarz and myself that would increase the authorization for the Seashore and would grant the Secretary of the Interior the authority to seek injunctive relief against any nonconforming land use in exempted communities.

And the Park Service has made ill advised proposals based upon their own lack of initiative that will seriously jeopardize the future of Fire Island as a complete National resource.

The Park Service may not delete six miles of the Fire Island National Seashore without the approval of the Congress. Let me state that I will vigorously oppose any attempt to get such legislation through the Congress.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C.

Hon. THOMAS J. DOWNEY,
House of Representatives,
Washington, D.C.

DEAR MR. DOWNEY: Thank you for your letter of April 30 concerning Fire Island National Seashore.

The National Park Service shares your concern that the Fire Island resource be preserved. The proposals in the draft master plan are not intended to suggest that continued Federal presence on the island is not desirable. They, in fact, are intended to offer solutions to the problems that the National Park Service faces in managing the park. The needs of the communities as they relate to the broader needs of all of the people of the Nation for outdoor recreation is a particularly complex problem for which there is no simple answer. The issue is still open during the master plan review process and, ultimately, until additional legislation is enacted.

When the National Park Service issued the contract to McCormick and Associates for the environmental inventory, it was intended that an addendum to that contract would be issued for the development of model zoning guidelines. Work was not started on this study. As the general standards for zoning evolved to support the injunctive relief proposal during the master planning process, the intended indepth study on zoning standards was abandoned. The issue of zoning, as you are aware, is neither peculiar to Fire Island nor is it an easy question to answer. We believe additional legislative direction is needed to resolve the present conflict between Federal responsibility and the traditional local responsibility for zoning matters.

McCormick and Associates was requested to include in its study recommendations and assessments on the possible alternative scenarios for future development on Fire Island. Staff members of McCormick worked very closely with the Master Plan Team and were made fully aware of an alternative calling for boundary revision. In fact, one of the primary reasons that an environmental study was contracted was to provide data for a possible boundary adjustment proposal.

Before the decision was made to adjust the boundary, the contractor gave a negative reply when asked in a meeting if a boundary revision would adversely affect the physical resource in that portion of Fire Island proposed for deletion from the seashore boundary. The land resource in its estimation had the capacity to handle increased development providing that existing zoning standards were maintained. This factor and the planner's recommendation not to acquire the beach in front of the communities, plus the desirability of concentrating limited funds and manpower in the seashore district resulted in the decision to propose a boundary adjustment. The lighthouse tract would become a detached unit if the boundary were adjusted. The problems of managing a separate unit and the State of New York's capability to preserve this area were factors in the decision not to recommend Federal control of the lighthouse.

The McCormick study reaches conclusions about the need for Federal presence on Fire Island which do contradict the draft master plan. However, it is important to remember that the McCormick study was intended to provide background data for decisions. There are other important considerations in making these decisions beyond environmental concerns. For example, the contractor makes the recommendation that it would be desirable to consider expansion of the authorized boundary of Fire Island National Seashore to include the entire geomorphologic unit of the island. This is not a reasonable proposal due to economic and management limitations even though it does perhaps make sense from an environmental point of view. The Service has attempted to weigh all factors, including environmental, in coming to its recommendations.

Hopefully, we have responded to your concerns about the conduct of the master plan for Fire Island. Thank you for your continuing interest.

Sincerely yours,
DOUGLAS P. WHEELER,
Deputy Assistant Secretary of the Interior.

STATEMENT ON CYPRUS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. EILBERG. Mr. Speaker, the situation in Cyprus remains in its present inequitable and unjust form and nothing has happened to relieve the suffering of the Greek-Cypriots who were driven from their homes or to force the Turkish forces to retreat.

Immediately after the crisis began, the Congress ordered a cutoff of arms shipments to Turkey because of that country's aggressive actions. Although Turkey has refused to make any concessions, the Senate has approved legislation which would permit the arms flow to Turkey to resume.

At this time I enter into the RECORD a statement on the Cyprus situation by the officers of the Metropolitan Christian Council of Philadelphia and the chief executives of member denominations of the council.

The statement follows:

STATEMENT ON CYPRUS

(By the officers of the Metropolitan Christian Council of Philadelphia and the chief executives of member denominations of the council)

In September, 1974, we registered our disapproval of the intervention of foreign military forces in Cyprus and expressed our concern for the suffering and uprooting of thousands of people caused by the conflict. We called for settlement by negotiations of differences among the parties involved and diplomatic efforts by our government to restrain aggressive acts of foreign military forces on this island.

We note with deep regret that to this day the fate of the uprooted people in Cyprus has not been resolved. We urge the early and safe return of all refugees and displaced people to their homes, and we join the World Council of Churches' Executive Committee in asking that these same refugees and uprooted people not be used as "pawns in negotiations or become the object of political exploitation."

We regret, moreover, that the United Nations' request made more than five months ago for the speedy withdrawal of all foreign armed forces from the Republic of Cyprus has not so far been heeded. We view with concern the possible results of a bill (S. 846) passed by the Senate to open up channels for military assistance to the occupying power and fear that a measure of this kind might encourage further resistance to the U.N.'s request for withdrawal. We would therefore urge the members of the House of Representatives to resist all such legislative efforts.

We wish to reaffirm our previous statement and once more call upon our government to employ its legislative and diplomatic resources to restrain aggressive acts and support withdrawal of foreign military forces in Cyrus, and to coorperate with all efforts through the United Nations to bring about the peaceful settlement of differences.

Persons endorsing the statement include the following:

The Rev. John C. Shetler, Chairman, Metropolitan Christian Council of Philadelphia, Conference Minister, Pennsylvania Southeast Conference, United Church of Christ.

The Rev. Dr. William A. Janson, Jr., Vice-President, Metropolitan Christian Council of Philadelphia, President, Southeastern Pennsylvania Synod, Luthern Church of America.

The Rev. Carl M. Kleis, Secretary, Metropolitan Christian Council of Philadelphia, President, Philadelphia Classis, Reformed Church in America.

The Rev. Dr. Rufus Cornelsen, Executive Director, Metropolitan Christian Council of Philadelphia.

The Rt. Rev. James M. Ault, Bishop, Eastern Pennsylvania Conference, United Methodist Church.

Francis G. Brown, General Secretary, Philadelphia Yearly Meeting of the Religious Society of Friends.

The Rev. William J. Brown, Executive Presbyter, Donegal Presbytery, United Presbyterian Church in the USA.

The Rt. Rev. E. L. Hickman, Bishop, First Episcopal District, African Methodist Episcopal Ch.

The Rev. John A. Limberakis, Archpriest, Greek Orthodox Community of Philadelphia.

The Rt. Rev. Lyman C. Ogilby, Bishop, Diocese of Pennsylvania, Episcopal Church.

The Rev. Harrison J. Trapp, Moderator, Pennsylvania Baptist Association.

THE RETURN OF THE REMAINS OF MARINE CPL. CHARLES McMAHON, JR.

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. EARLY. Mr. Speaker, on May 14, 1975, the Massachusetts State Senate adopted a resolution calling upon the administration to secure the safe return of the remains of Marine Cpl. Charles McMahon, Jr., to the United States. Corporal McMahon, of Woburn, Mass., was killed in action at Tan Son Nhut Airport in Saigon, South Vietnam on April 28, 1975 and was one of the last Americans to lose his life in defense of the interests of the United States and the Republic of South Vietnam.

I am inserting the text of the resolution at this point in the RECORD, and would like to call the special attention of the President, the Secretary of State, and the Secretary of Defense to this matter.

The resolution follows:

RESOLUTION—THE COMMONWEALTH OF MASSACHUSETTS

Resolutions urging the President of the United States to endeavor to obtain the return of the remains of Marine Corporal Charles McMahon, Jr. from South Vietnam

Whereas, Marine Corporal Charles McMahon, Jr. of Woburn was killed in action while guarding the interests of the United States at Tan Son Nhut Airport in Saigon, South Vietnam, on April 28, 1975; and

Whereas, Marine Corporal Charles McMahon, Jr. was one of the last Americans to lose his life in defense of the interests of the United States in Southeast Asia and in the Republic of South Vietnam; and

Whereas, The United States Marine Corps confirmed on May 7, 1975 that his earthly re-

UMI

mains were not able to be evacuated from the country because of severe problems and chaos in the final evacuation of American citizens from Saigon; now, therefore, be it

Resolved, That the Massachusetts Senate hereby requests that the President of the United States, the Secretary of State, the Secretary of Defense and the Commandant of the Marine Corps exert every conceivable effort, diplomatically and otherwise, to secure the safe return of the remains of Marine Corporal Charles McMahon, Jr. to the United States; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, the Secretary of State, the Secretary of Defense, the Commandant of the Marine Corps, the presiding officer of each branch of Congress and to the members thereof from the Commonwealth.

Senate, adopted, May 14, 1975.

MALPRACTICE INSURANCE

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. RINALDO. Mr. Speaker, in a statement I recently issued, I discussed the problems connected with malpractice insurance and the very real need for reform in this area. Because my statement raises certain important factors connected with malpractice insurance, I am inserting it in the RECORD so that it may receive the attention of my colleagues:

MALPRACTICE INSURANCE

Sue somebody.

That describes the new national mood as Americans flock to lawyers' offices with a medical bill in one hand and a determination to cash in on somebody's misfortune in the other.

From auto accidents to malpractice suits, the avalanche of lawsuits and out-of-court settlements is costing Americans billions of dollars in court awards, higher insurance premiums, and doctor and hospital bills.

In the case of medical malpractice suits, it is weakening trust between doctors and patients and affecting the type of care and emergency service that the medical profession has willingly supplied for 200 years in this country.

Delicate surgery in which there is a high risk of death or permanent damage has made many doctors wary of proceeding because of the implicit threat that if anything goes wrong they may be heavily sued and driven out of the profession.

More and more we hear that doctors are practicing defensive medicine—ordering more consultations, X-rays and other expensive laboratory procedures because of an increase in unjustified malpractice claims. Simple, inexpensive medical examinations and diagnosis are becoming harder to find.

The rise in malpractice premiums has become so regular and so steep that it is one of the largest costs of practicing medicine. One insurance company in New Jersey recently imposed a 410 percent increase on malpractice insurance for hospitals in New Jersey.

Doctors are not taking the situation lying down. The two-week strike by some doctors in northern California symptomizes the spreading discontent in the medical profession. On one side, they feel the pressure from patients angered by rising medical costs, and on the other by runaway malpractice settlements that threaten them with financial calamity if they take necessary risks with a patient's life.

Suits against physicians have been increasing at the rate of 10 percent a year, higher than any other branch of business and the professions. These costs are being passed on to patients, health insurance companies and to the federal health care programs.

In some cases, patients, their lawyers and juries assume that physicians are gods and should produce medical miracles. If anything goes wrong, the doctor and the hospital are sued. The Journal of the Medical Society of New Jersey recently questioned the cause of medical malpractice suits. Their conclusion was that attorneys have been pressing more people to sue. Second was the growth of the "anything for a buck" philosophy, and third, the erosion of the traditional doctor-patient relationship.

There is no doubt that over-specialization has been partly responsible for the breakdown in trust between doctors and patients. The person undergoing surgery seldom knows the other consulting physicians called in on the operation and often even feels that they may be unnecessary.

The clash between the medical and legal profession over the increase in lawsuits and the cost of settlements is complicated. More physicians are engaged in group practice. Moreover, there are studies alleging that some surgeons are unnecessarily advising patients to undergo operations. Finally, many new medical procedures are being tried today that would have been impossible ten or fifteen years ago. It means that many high risk patients, who would have died without surgery in the 1950's are now being saved.

The facts surrounding the cost of malpractice insurance are by no means clear. For example, Dr. Norman Blackman, president of the Kings County Medical Society in New York, has claimed that only 18 cents of the doctor's insurance dollar goes to an injured patient. Eighty-two cents goes to lawyers, insurance companies, insurance brokers and for overhead. According to Dr. Blackman, the public is being legally fleeced. Naturally, the lawyers are protesting such claims.

Medical insurance coverage should, in my opinion, remain a private matter with regulation of the insurance industry left to the states. Federal takeover of malpractice insurance would guarantee no improvements; very likely, it would not multiply the confusion, the problems, the disputes and the costs to everyone.

The billions of dollars lost in the Medicare and Medicaid programs are a warning of what might happen if the federal government attempts to regulate medical malpractice. Instead of a rare strike by physicians in northern California, we might trigger nationwide protests by aggrieved doctors.

On the other side of the coin, patients who have received improper or careless treatment have a constitutional right to sue for damages. Incompetent physicians should not be shielded from responsibility by the code of silence in the operating room.

Suggestions that Congress enact a no-fault medical insurance system would be a mistake. It would stimulate a rash of small claims because of the ease of filing for compensation. In this event, insurance costs would go higher, and medical care would become more expensive and perhaps even more impersonal.

It seems to me that personal accountability is indispensible in the practice of medicine just as in the practice of law. Both professions should police themselves better to weed out those whose primary aim is to get rich and someone else's misery.

Congress should act on medical malpractice insurance only as a last resort, when the professions, the public and the insurance companies have exhausted their own patience, intelligence and good will. Even then, I have serious reservations that the federal government could provide American physicians and patients with a simple, workable and inexpensive plan for insurance coverage. The best remedy is the cheapest: mutual trust and medical competence. It is something that money cannot buy and the government cannot provide.

FISH AND WILDLIFE'S EXPERTISE NEEDED

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. UDALL. Mr. Speaker, I have joined with a number of colleagues in legislation designed to place all units of the National Wildlife Refuge System under the Agency of the Department of the Interior best equipped to provide the kind of administration needed. This would be the U.S. Fish and Wildlife Service, of course.

In Arizona, considerable ferment has arisen over decision of the Department to transfer Kofa Game Range from Fish and Wildlife to the Bureau of Land Management.

Pete Cowgill, outdoor editor for the Arizona Daily Star, Tucson, has sharply attacked this action and details the case in three excellent articles on April 27, 1975. I wanted to share Mr. Cowgill's findings with my colleagues:

CATTLE GRAZING IN KOFA RANGE HARMS WILDLIFE

The Kofa Game Range was established by an executive order of President Franklin D. Roosevelt Jan. 25, 1939.

". . . The following described lands are hereby withdrawn from settlement, location, sale or entry and reserved and set apart for the conservation and development of natural wildlife resources, and for the protection and improvement of public grazing lands and natural forage resources . . .

". . . the range or preserve being duly established . . . shall be under the exclusive jurisdiction of the Secretary of the Interior so far as it relates to the public grazing lands and natural forage resources thereof: provided, however, that all the forage resources in excess of that required to maintain a balanced wildlife population within this range or preserve shall be available for domestic livestock. . ."

A Memorandum of Understanding was signed Oct. 15, 1940, by the Grazing Service (now called Bureau of Land Management) and the Fish and Wildlife Service covering the Kofa and Cabeza Prieta Game Ranges in Arizona Grazing District No. 3.

"It is mutually agreed that the livestock licensed and permitted will be held strictly to cattle and horses and that no domestic sheep or goats will be allowed.

"It is mutually agreed that wild horses and burros will be controlled.

"It is mutually agreed that the overall rate of stocking on the available cattle range shall not exceed three cattle yearlong per section and this rate will never be exceeded without the consent of the FWS after a joint examination of the area."

After 25 years of joint management an analysis of the Kofa and Cabeza Prieta Game Ranges was made by Hugh Harper, wildlife specialist for the BLM and George Wiseman, assistant regional supervisor for the Bureau of Sport Fisheries and Wildlife.

"Grazing lands of the Kofa and Cabeza Prieta Game Ranges are at best marginal so far as supporting a feasible livestock operation is concerned.

"Rainfall has an appreciable effect on the quantity of forage which is available, for livestock use. Spring rains on occasion result in growth of some annual plants which may be utilized by livestock for brief periods of time. Such plants include eriogonum, plantago and aristida. Ranchers attempt to turn cattle onto game range lands during periods when these annual forage plants are present. In practice, the timing of the entry and removal of cattle does not . . . correspond too closely to the period of availability of the temporary forage source.

"Even when annual plant growth occurs, cattle utilize other plants which are needed by wildlife. After the annuals dry, other important wildlife plants are used extensively by livestock. The result has been abusive use of perennial shrubs and other plants important to wildlife on portions of the game ranges used regularly by livestock. Lack of fencing in the rugged terrain has resulted in trespass grazing of areas not included in grazing allotments. It is apparent the delicately balanced vegetative complex on the desert areas involved cannot support livestock and also maintain its inherent potential to serve wildlife.

"Preferred wildlife brouse plants such as deernut, wolfberry and ratany are utilized extensively by cattle. Severe use of such plants was noted where livestock grazing occurs every year—as on the Crowder allotment.

"Present livestock use is occurring to the department of wildlife, representing an infraction of the directives of the establishing executive order.

"The following recommendations are made: the area should be administered solely by the Bureau of Sport Fisheries and Wildlife. To accomplish conformance with the directives of the establishing executive order, livestock grazing should be phased out within seven years."

The above comments were dated June 17, 1965.

On May 25, 1972, a memo was sent by Bob Hernbrode Jr., then wildlife manager of the area for the Arizona Game and Fish Department, to Mike Yeager, G&F regional supervisor.

"In 1939 the Kofa Game Range was established by executive order to maintain a balanced wildlife population. It was further provided that excess forage resources not needed by those wildlife populations should be available for domestic livestock. To date no determination has been made as to what are maximum wildlife populations: what should be their forage needs; and what should be in excess to be available for domestic livestock use. Instead active allotments have been maintained which largely monopolize all available forage in some of the less rugged areas.

"Active cattle allotments negatively influence wildlife populations where they occur on the desert.

"Destructive use of important brouse species is occurring throughout the cruising radius of livestock from the drought period watering sites. The reduced carrying capacity will again effect wildlife species, not in individual body condition, but in reduced herd size.

"With the development of water catchments desert mule deer numbers have increased substantially, thereby increasing their availability for sport hunting. Desert bighorn sheep have evolved from an unknown to the most coveted of big game animals in the last 20 years. Large amounts of money are spent directly and indirectly in pursuit of these species. Economically these two wildlife species and all other desert wildlife are highly valuable, perhaps more so than the livestock industry in these two desert areas."

Gerald E. Duncan, former acting refuge manager for the FWS, wrote a letter dated June 1, 1973, to William Brigham, secretary of the Arizona Desert Bighorn Sheep Society.

"We have documented in our annual reports that we believed cattle operations on the Kofa to be taking excessive toll of grasses, forbs and browse plants which are valuable to wildlife as food and cover."

ON THE TRAIL

(By Pete Cowgill)

Can the Bureau of Land Management change its spots?

The answer, unfortunately, is "No."

It is inconceivable that this federal bureaucracy which for 35 years has been an active conspirator in the vegetational rape of the Kofe Game Range will suddenly smite down the nasty ranchers whose cattle roam much of the region.

History tells us that the BLM is blissfully wedded to the consumptive users of our public domain land: ranchers with cattle, sheep, goats, horses and other domestic livestock; miners and prospectors; timber cutters; and any other commercial users of the 450 million acres of public domain land in the western United States.

The BLM record in the Kofa Game Range has been abysmal, as far as wildlife values on the Kofa are concerned.

In 1965 a two-man team from the Fish and Wildlife Service surveyed the Kofa and stated that where cattle were grazing, the range was overused to the detriment of wildlife. The study recommended that grazing be terminated in seven years.

Two months later—July 27, 1975—the late Fred Weiler, then Arizona director for the BLM, wrote a six page memo to the BLM Washington, D.C., office commenting on the FWS study.

"I fully agree with the report in its recommendation that domestic livestock be, over a period of years, excluded from both of the ranges (Kofa and Cabeza Prieta)" Weiler wrote. "The annual use is small so, with time to adjust, the ranchers should not be duly affected. This proposed exclusion will not be easy for there will be strong objections on the part of some of the ranchers."

On April 14–15 I took a tour of the northeast quarter of the Kofa Game Range with Monte Dotson, FWS range manager, and Bob Weaver, wildlife specialist for the Arizona Game and Fish Department.

What we observed was very discouraging as far as wildlife values were concerned.

We went by corral after corral, salt lick after salt lick, windmill after windmill, catchment after catchment and the results were the same. The vegetation around them had been denuded by livestock. Next to the washes the jojoba bushes were so severely browsed down that they were little more than remnants. Patches of big galleta grass were uniformly grazed 100 per cent.

Our visit was too early for many of the annual wild flowers to be in bloom. These are eagerly sought after by both cattle and wildlife. In particular, the brittlebush is a favorite of bighorn sheep but these colorful greyish bushes with their yellow flowers on tall stalks are readily browned by cattle up to five miles from their water sources; this includes nearly all of the flatter country in the range.

The Crowder Cattle Co. has a permit for 150 head of livestock on a yearlong basis.

Hoodoo Well is on a popular ram travel route. In the past the sheep have utilized this water source, according to Weaver. That is all but impossible now. The line shack has been improved and a wrangler lives there full time now. He has a large dog which further reduces the chance that any sheep or deer can get close to the water.

Wilbanks cabin is about eight airline miles to the west in the very upper end of Hoodoo Canyon; it is about three miles east of Squaw Peak. There is a corral, windmill and line shack. We saw 19 mule deer does on the way over to the cabin. Even in this remote area the vegetation along the wash was eaten down and the presence of anyone at the cabin would detract from the wildlife use of the water. Fortunately, the FWS has improved Squaw Tanks, one mile to the west. Here is a good source of water which cattle cannot get to.

One of the sorriest examples of the invasion of cattle improvements and the disregard for wildlife and wilderness values is at what Dotson called Crowder Dam No. 2 in Dry Well Wash. Two years ago the rancher wanted to build a corral here—far inside the proposed Kofa Wilderness Area boundary. The rancher, a BLM employe and Dotson went over the route and agreement was reached on an absolute minimum amount of road blading so a stock truck could reach the site. The BLM employe was supposed to go along when the rancher bulldozed in the road.

The verbal agreement was grossly violated as the bulldozer "dropped his blade at the start and ran with it down the whole way to the charco," said Dodson. A new corral was built.

According to Weaver it will not be long before the sides of the hills are denuded, as nearby washes have already been, by the invasion of the cattle.

It has been 10 years since Weiler agreed that grazing should be terminated on the Kofa. But things have gone the opposite way with new improvement built on sites which are recognized as valuable for wildlife.

It is quite obvious that BLM has not considered wildlife as the primary resources of the Kofa.

The record of the FWS is better. Many high tanks have been built and existing natural tanks have been expanded for the use of sheep and deer. A close watch is kept on the size and health of the sheep herds and hunt permit numbers are established. In the Kofas the number of ram permits has been 10 since 1963.

When the Kofa and Cabeza Prieta Game Ranges were established in 1939 two federal agencies were given administrative responsibilities.

The Grazing Service (now Bureau of Land Management) managed all resources except wildlife which was the province of the U.S. Fish and Wildlife Service.

On Feb. 5, 1975, Undersecretary of the Interior W. W. Lyon wrote to the directors of the BLM and FWS: "In line with recent proposals, hearings, and reports, the Secretary of the Interior has decided, and so directs, that the Cabeza Prieta should be administered exclusively by the FWS and that the Kofa will be administered exclusively by BLM.

"The secretary understands these areas which are being placed under administration of the BLM will continue to be managed as ranges and will be considered components of the National Wildlife Refuge System under directives as stated in the originating executive orders.

"The solicitor has ruled that there is no legal restraint which would limit BLM's administration of such areas. The record shows that the BLM can adequately and efficiently carry out this mandate."

The Federal Register of March 28, 1975, contained public land orders from Rogers C. B. Morton, Secretary of the Interior, carrying out the above transfers.

(In addition to the Kofa, Secretary Morton also transferred to BLM the Charles M. Russell National Wildlife Range in Montana and the Charles Sheldon Antelope Range in Nevada.)

Congressional reaction to the administrative transfers has been forthright and almost unanimously in opposition.

"As chairman of the Subcommittee of Fisheries and Wildlife Conservation and the Environment, I am greatly distressed over

UMI

this announcement," wrote Robert Liggett, a member of the House of Representatives from California on March 5. "Your action appears to be precipitous and poorly conceived.

"I fail to see how the division of any cohesive organization such as the National Wildlife Refuge System would prove to be other than chaotic."

On March 14 Congressmen John Dingell and Henry Ruess wrote to Secretary of the Interior Morton, "We think your decision to abandon this practice after more than 40 years and place these areas under exclusive jurisdiction of the BLM is ill-advised, contrary to the public interest, and in violation of the Congressional intention and understandings of the 1966 Act (which established the National Wildlife Refuge System).

Senator Lee Metcalf of Montana introduced S.B. 1293 on March 21. "I have always held the view that the FWS should be the sole administrator of the areas in question and have so communicated my feelings to the Secretary.

"I am introducing today a bill which would first establish the western game ranges by Act of Congress rather than by their present executive decree, and second ward sole jurisdiction to the FWS. This action has the support of 22 national conservation organizations plus co-sponsorship on short notice by my senior colleague Mike Mansfield, and the junior senator from Oregon, Bob Packwood."

House Bill 5511 was introduced on March 26 by Reps. Dingell, Leggett and Ruess. Commenting on the transfer of the Kofa to the BLM, Dingell said, "This is like appointing the fox to guard the henhouse.

"In the fifties the Eisenhower Administration attempted to dispose of a number of wildlife refuges, declaring them to be surplus. This effort was blocked by the outcry of citizens across the country. Again in 1970 the Nixon Administration tried to sell some 10 percent of our national wildlife refuge lands. This too was stopped by the public outcry which ensued.

"Thwarted in recent attempts to dispose of wildlife refuges outright, the Ford Administration has come up with a new, but most insidious way, of dismantling the refuge system. The program involved transfer of the three wildlife refuges to the BLM while keeping them as parts of the National Wildlife Refuge System.

"If we let this proposed pattern of administrative nonresponsibility go unchallenged, no unit of the National Wildlife Refuge System or National Park System is safe from administrative transfer to another agency for 'management.' If this proposed transfer is left unchallenged the intent and will of Congress will thus be subverted and ignored."

Members of Congress are not the only persons who have publicly expressed concern at the transfer. On March 18 a telegram was sent to President Ford signed by representatives of 25 Arizona-based conservation groups. "To give the primary management responsibility for an area that has been dedicated since 1939 to the protection of wildlife to an agency that is more responsive to the interests of miners and ranchers is a grave mistake.

"The history of the BLM activities in the Kofa under joint management arrangement with the FWS has been most disappointing.

"We urge you to overrule Secretary Morton's decision and to give the FWS primary management responsibility for the Kofa Game Range."

The Wilderness Society wrote to President Ford on March 25, "Why does Secretary Morton consider the FWS the appropriate agency to continue to manage the Cabeza Prieta as a unit of the National Wildlife Refuge System but not the Kofa.

"This precedent, if allowed to stand, will be a dark blot on wildlife conservation history. We urge your prompt reversal of Secretary Morton's decision as being contrary to the national interest."

Tucsonans who have expressed opposition to the transfer include John McComb, southwest representative of the Sierra Club; Jim Levy, former member of several BLM advisory boards; Richard Small, former executive secretary of the Arizona Wildlife Federation, and president of the Arizona Habitat Association.

COSTS OF FINDING, DEVELOPING AND PRODUCING CRUDE OIL IN THE UNITED STATES

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. WIRTH. Mr. Speaker, in the near future the Members of the House will be asked to make a series of major decisions with respect to oil pricing policy. In the RECORD for Tuesday, May 14, 1975, appears a series of remarks which I made on the question of oil prices. Included in those remarks were eight basic questions which I feel lie at the heart of the oil pricing issue. Subsequently I have attempted to call to the attention of my colleagues further information which focuses on answers to the questions which I have posed. To that same end I am today submitting for the RECORD a copy of some recent remarks by Mr. Robert Nathan before the Senate Committee on the Interior. Mr. Nathan's remarks represent the results of a thorough study of 15 years of data on the costs of developing domestic oil. It is another piece of evidence to be weighed in advance of our upcoming decision; I submit the testimony of Mr. Nathan herewith:

THE COST OF FINDING, DEVELOPING, AND PRODUCING CRUDE OIL IN THE UNITED STATES

(Testimony of Robert R. Nathan on petroleum pricing before the Senate Committee on the Interior, April 28, 1975)

In order to shed light on the price problem for new domestic oil, we have undertaken an analysis of the true economic costs involved in all aspects of new production of crude oil in this country. The results are both significant and provocative. It is quite clear that for some time oil prices in the United States have been at levels well below actual costs and this has had a discouraging impact on finding and developing new sources of oil supplies. These findings may not be good news for us, but it is essential that the facts be developed and aired in order to arrive at policies which will be compatible with moving toward the fulfillment of our national objectives of reducing our dependence on insecure sources for energy and reducing the unfavorable balance of payments resulting from heavy imports of crude oil and petroleum products. Simultaneously, we must take into account the longer run needs of consumers and the problems of general inflation.

The following observations relate specifically to the cost and price problems of new oil development in the United States and should help to shed light on a complex and sensitive subject. It should be noted that these problems are quite distinct from two other issues that must be addressed by overall energy policy; the problem of conservation by constraining demand; and the problem of preventing or offsetting unintended enrichment of producers of old oil or impoverishment of consumers. Here we are dealing only with incentives and means to add to domestic supplies.

Unless oil can be sold by producers at prices sufficient to cover costs plus a return on the operator's capital investment sufficient to sustain exploration, then surely wildcat drilling in the United States will decline. It is the rate of return on capital investment that provides the driving force to sustain the level of exploratory activity. This, in turn, determines the level of our oil discoveries and production volume. It is in this context that we must take note of the huge cost increases that have been experienced in finding, developing, and producing crude petroleum.

The attached table, Exhibit I, provides data on the economic cost of finding, developing and producing crude oil in the United States for each year during the period 1959 through 1974. The oil (and related gas) reserves found each year represent the total quantity of usable reserves that are available for production attributable to all new wells drilled within that year. The total level of capital investment in drillings each year in the United States (excluding Prudhoe Bay) is also shown. Revenues from the sale of each year's discovered reserves of oil and their attendant costs were projected year by year over the calculated life of the reserve. The price at which each year's discovered oil was assumed to be sold over the life of the reserve was then determined to be at that level which would yield a discounted cash flow rate of return to the producer of 15 percent after payment of all costs, including income taxes. This is referred to as the "economic price," in that it represents the price necessary to induce wildcat producers to take the risks and incur the costs attendant on finding and developing new sources of crude oil.

In the calculations, all costs incurred in the drilling of dry wells as well as new discoveries have been taken into account. All tax incentives, such as intangible drilling costs and percentage depletion, as they actually existed in each year have been added to cash flow in arriving at the price needed to yield the 15 percent rate of return. The 1974 calculated price does not, therefore, reflect the increased costs and reduced capital accumulation which will result from the changes in percentage depletion rates and the 65 percent taxable income ceiling enacted in 1975. It does not take into account the 10 percent minimum preference tax on percentage depletion or the higher than 50 percent income tax bracket of many individual entrepreneurs.

An enterprise engaged in oil exploration is distinctly unique from most other kinds of business. It utilizes depleting capital as income and then expends the larger part of this income in ventures, many of which result in a negative return. Four out of five exploratory wells drilled are dry. A 15 percent return on invested capital must be regarded as an extremely conservative basis for calculating the economic price in an industry that is so speculative and risk-laden.

The year by year economic price and the actual prices received for oil discovered over the 1959–74 period are shown graphically in Exhibit II. As is evident, only in 1959 did the price actually received equal or exceed the economic price for new crude oil. The consequences of this price situation should have been anticipated. During this 1959–74 period the number of barrels per exploratory well drilled dropped by almost 50 percent. The level of drilling activity fell by 56 percent. The number of independent oil producers declined from an estimated 20,000 to 10,000. The price chart largely explains these declines. Reasonable returns from exploratory drilling involved real costs that far exceeded the prices at which oil was being bought abroad.

Despite the recent price increases in crude oil, the economic cost of new oil remained above the price actually received through 1974. If new oil prices were rolled back or if ceilings on new oil were set at levels below the economic cost, taking into account the cost effects of the changes already made in percentage depletion, we could well again experience the situation that resulted in the precipitous decline in the discovery of oil reserves over the past 20 years. Oil is more difficult to find than in the earlier years of the industry, but scientific techniques are increasingly sophisticated and costly. If the decline in domestic discoveries is to be reversed for any extended period of time, the existence of appropriate economic incentives—absent for so many years—is a necessary prerequisite for more exploration.

To the degree that exploration for new oil in the United States is discouraged, additions to reserves and domestic production will be at lower levels. This will leave the nation with the unpleasant choice of importing more oil from the Mideast and African OPEC countries or greatly reducing consumption. Reducing consumption should be pursued but it will entail sharply increased prices, sharply increased taxes, or rationing—or some combination of these. Despite the higher costs to obtain new domestic oil, the implicit price compares favorably with the price of imported oil and yields a large bonus in the form of national security.

Approximately two-thirds of domestic crude oil is sold at the controlled price of $5.25 per barrel; the remaining one-third is not subject to price ceilings. Production of crude oil at uncontrolled prices comes to about 2.9 million barrels a day, accounting for some 17 percent of the total supply, including imports from abroad, needed to meet United States demand for petroleum products. The effect on consumer prices for all petroleum products that would result from lowering prices on the 17 percent share of the market accounted for by oil presently sold at market prices is clearly very limited.

The thrust of the foregoing analysis is clear. It costs a great deal more to find, develop, and produce oil today than ever in the past. If this nation is serious about reducing dependence on oil imported from insecure sources, it will have to pay sufficient prices to cover the true economic costs of exploration, discovery, development, and production.

EXHIBIT I

COST OF NEW OIL, TOTAL UNITED STATES, YEARS 1959 THROUGH 1974

[Dollar amounts in millions]

Year	Gross oil reserves (millions of barrels) (1)	Gross gas reserves (billions of cubic feet) (2)	Gross oil and gas sales (3)	Royalty expense (4)	Ad valorem and State taxes (5)	Operating expenses (6)	Adjusted gross income (7)	Total invested capital (8)	Intangible drilling cost (9)	Depletion allowance (10)	Depreciation (11)	Taxable income (12)	Investment tax credit (13)	Federal income taxes (14)	After tax net income (15)	Net cash flow (16)	Net cash flow discounted 15 percent (17)	Gross oil price (dollars per barrel) (18)	Gas price (dollars per thousand cubic feet) (19)
1959	3,793	4,594	$11,740	$1,467	$680	$1,893	$7,700	$3,630	$2,341	$2,362	$857	$2,139	0	$1,070	$6,360	$3,000	0	2.86	0.194
1960	2,785	3,373	10,179	1,272	594	1,505	6,807	3,150	2,042	2,087	706	1,927	0	986	5,821	2,671	0	3.40	.210
1961	2,773	3,358	10,025	1,253	567	1,531	6,674	3,120	2,048	2,052	701	1,873	0	936	5,738	2,618	0	3.34	.227
1962	2,511	3,041	10,174	1,272	570	1,550	6,783	3,202	2,078	2,100	704	1,900	$49	901	5,882	2,680	0	3.77	.233
1963	2,133	2,583	9,721	1,215	538	1,565	6,403	3,095	2,074	2,004	718	1,607	50	753	5,650	2,555	0	4.27	.237
1964	3,118	3,775	11,223	1,403	641	1,670	7,508	3,475	2,155	2,307	769	2,277	54	1,085	6,424	2,949	0	3.32	.231
1965	2,234	2,705	9,098	1,137	522	1,498	5,940	2,917	1,981	1,852	693	1,414	48	659	5,282	2,365	0	3.79	.234
1966	1,986	2,560	9,998	1,250	562	1,477	6,709	3,135	2,009	2,085	758	1,857	41	887	5,822	2,687	0	4.73	.236
1967	1,874	1,908	9,808	1,226	569	1,426	6,587	3,132	2,088	2,042	753	1,704	43	809	5,778	2,646	0	4.99	.240
1968	2,003	2,258	10,833	1,354	634	1,478	7,367	3,446	2,268	2,273	781	2,045	55	968	6,399	2,953	0	5.13	.246
1969	1,522	1,901	11,146	1,393	640	1,493	7,620	3,406	2,112	2,358	757	2,393	37	1,159	6,461	3,055	0	7.01	.251
1970	1,766	2,138	13,352	1,669	770	1,667	9,247	3,590	1,891	2,323	692	4,340	0	2,170	7,077	3,487	0	7.25	.257
1971	1,267	1,488	10,818	1,352	605	1,546	7,315	3,032	1,751	1,864	606	3,093	42	1,504	5,811	2,779	0	8.22	.273
1972	1,303	1,764	10,105	1,263	561	1,499	6,781	2,986	1,893	1,726	696	2,467	49	1,185	5,597	2,611	0	7.36	.293
1973	1,049	1,450	9,458	1,182	448	1,451	6,377	2,846	1,855	1,628	669	2,225	47	1,066	5,311	2,465	0	8.63	.279
1974	1,206	1,677	16,099	2,012	762	2,137	11,187	4,632	2,739	2,813	987	4,648	69	2,255	8,932	4,300	0	12.73	.449

Note: Figures are for total United States except Prudhoe Bay field in Alaska. All financial data expressed in constant dollars for year of initial projection. Columns may not add precisely because of computer rounding.

EXPLANATORY NOTES

Column:
(1) Oil reserves added by drilling plus expected upward revisions.
(2) Gas reserves associated with oil.
(3) Col. (1) times col. (18) plus col. (2) times col. (19).
(4) 12.5 percent of col. (3).
(5) Variable tax rate times (col. (3) minus col. (4)). Tax rate is approximately 6 percent.
(6) Direct operating costs including field labor and supplies, maintenance, general and administrative overhead.
(7) Col. (3) minus col. (4) minus col. (5) minus col. (6).
(8) Total capital investment attributable to oil reserves added in year including leasehold costs.
(9) Portion of total capital attributable to intangible drilling costs.
(10) Includes cost and percentage depletion based on law at time of 1st yr projected.
(11) Cumulative depreciation of tangible drilling costs and leasehold equipment.
(12) Col. (7) minus col. (9) minus col. (10) minus col. (11).
(13) Investment tax credit is variable for each year depending on law at start of year. Zero some years.
(14) Col. (12) times 50 percent minus col. (13).
(15) Col. (7) minus col. (14) or alternatively col. (12) minus col. (14) plus col. (10) plus col. (9) plus col. (11).
(16) Col. (15) minus col. (8).
(17) Col. (16) discounted at 15 percent per annum compounded annually. Must total zero.
(18) Gross oil price at wellhead required for 15 percent discounted rate of return after Federal income taxes.
(19) Gross gas price for the purpose of calculating coproduct credits

EXHIBIT III A

ECONOMIC PRICE OF NEW OIL AND PRICE RECEIVED FOR OIL

[In dollars per barrel]

Year	Economic price for new oil [1]	Price received for oil [2]	Difference
1959	2.86	3.25	−0.39
1960	3.40	3.25	.15
1961	3.34	3.20	.14
1962	3.77	3.10	.67
1963	4.27	3.10	1.17
1964	3.32	3.10	.22
1965	3.79	3.10	.69
1966	4.73	3.11	1.62
1967	4.99	3.11	1.88
1968	5.13	3.16	1.97
1969	7.01	3.32	3.69
1970	7.25	3.40	3.85
1971	8.22	3.60	4.62
1972	7.36	3.60	3.76
1973	8.63	[3] 4.20	4.43
1974	12.73	[3] 10.50	2.23

[1] Col. 18, exhibit I.
[2] Price received for oil during year (east Texas field).
[3] New oil.

EXHIBIT IV A

DOMESTIC PRODUCTION OF CRUDE OIL AND NATURAL GAS LIQUIDS AND IMPORTS OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS, UNITED STATES, 1959–74

[In thousands of barrels per day]

Year	U.S. production	Imports into United States	U.S. consumption
1959	7,969	1,780	9,749
1960	8,194	1,815	10,009
1961	8,242	1,917	10,159
1962	8,496	2,082	10,578
1963	8,838	2,123	10,961
1964	8,976	2,258	11,234
1965	9,242	2,468	11,710
1966	9,720	2,573	12,293
1967	10,339	2,537	12,876
1968	10,796	2,839	13,635
1969	11,215	3,166	14,381
1970	11,549	3,419	14,968
1971	11,523	3,926	15,449
1972	11,861	4,741	16,602
1973	11,296	6,256	17,552
1974	10,781	6,083	16,864

A SALUTE TO THE BRONZE SHIELDS OF NEWARK

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. RODINO. Mr. Speaker, I would like to call my colleagues' attention to a very significant public service organization which has been in existence in my home town of Newark, N.J., since 1959.

The name of this organization is the "Bronze Shields" and its membership is comprised of the black police officers of the Newark Police Force.

On Sunday, May 25, 1975, I had the pleasure of attending the third annual Bronze Shields awards dinner at the Robert Treat Hotel in Newark. Those chosen to be honored for their outstanding service to the community were:

UMI

Mr. Hubert Williams, director of the Newark Police Department, who received the 1975 Law Enforcement Award;

Mr. George Branch, community service aide for the Newark Housing Authority, cited for his activities in the youth services area;

Mr. Daniel W. Blue, Jr., executive director of the Newark Human Rights Commission, who received the 1975 Unity Award;

Mr. George Barrie, president and chief executive of Faberge, Inc., who was given the 1975 Community Service Award;

And, radio station WNJR, which was given the 1975 Special Service Citation.

These men are to be commended for the dedication and hard work which has gained them this deserved recognition.

However, Mr. Speaker, I believe that more than just these few award winners should be recognized at this time. I salute the entire membership of the Bronze Shields for their outstanding service to the city of Newark as "protectors of freedom and guardians of justice."

The people of Newark are indeed fortunate to have individuals such as these serving on the Newark Police Force.

STATEMENT BY BELLA S. ABZUG ANNOUNCING HEARINGS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Ms. ABZUG. Mr. Speaker, on Tuesday, June 3, 1975, my Subcommittee on Government Information and Individual Rights will hold a hearing on the status of Federal agency implementation of the Privacy Act of 1974. This act, signed by the President on December 31, 1974, becomes effective on September 27, 1975. The Privacy Act is a landmark enactment in the continuing effort to protect individual privacy. It is the first step taken to regulate the conduct of Government recordkeeping on American citizens and provides the individual access to their files, contains remedies for inaccurate recordkeeping, prevents unauthorized disclosures, and most importantly, requires that every single data bank—without exception—must be publicly described by the Government agency maintaining such data bank.

It is estimated that at least 2,000 data banks are maintained by Federal agencies. Each of these data banks must be publicly disclosed by this coming September unless the agency decides to discontinue use of the data and destroys the files. Thus, the magnitude of the effort necessary to prepare for compliance with the provisions of the act is evident.

The purpose of Tuesday's hearing is to determine how well the various agencies, under the direction of the Office of Management and Budget, are prepared to meet the complicated provisions of the act.

The Government Information and Individual Rights Subcommittee will take testimony from the Office of Management and Budget, the Department of Justice, the Department of Defense, and the Department of Health, Education, and Welfare.

The hearing will be held in room 2203, Rayburn House Office Building, commencing at 9 a.m., Tuesday, June 3, 1975.

ZOIE SMITH: AN ACHIEVER

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. BRADEMAS. Mr. Speaker, one of the longtime civic and political leaders in my district is Mrs. Zoie Smith of South Bend. I insert in the RECORD the following article, which appeared in the Tri-County News on April 25, 1975, on Mrs. Smith's outstanding contributions to her community:

ZOIE SMITH: AN ACHIEVER

(By Mary Fischer)

When her mother named her Zoie, she must have sensed that this child would be unusual in more ways than in name only. Now, at age 77 Zoie's achievements prove her mother was right.

Zoie Aubert Smith was born in Terrebonne Parish, Louisiana on July 12, 1897. Her father was a Baptist minister. At age 8 she was teaching a Sunday School class and showing the leadership that was to shape her life. The feelings in the church were friendly; fellowship made the church one big happy family. Everyone cared. There were no social justice programs . . . no recreation agencies . . . the church membership looked after each other. It was a place of renewal and encouragement.

With such a beginning Zoie was bound to continue in a service career. After finishing school she taught for two years in Houma, Louisiana, beginning as a grade school teacher and eventually becoming principal. Later, in Lafouch Parish, Louisiana she taught history and home economics. She has been helping all ages in these fields for years. In 1923 she came to South Bend.

When the Ku Klux Klan announced that they were going to parade through South Bend in 1925, Zoie was part of the group that harassed the KKK right out of town. The University of Notre Dame students were a big part of the rout. They gathered vegetables and stones to shower the Klansmen and send them hightailing out of town.

"They weren't all bad men," says Zoie, "just misled." I had a friend in Louisiana whose father was a Klansman. I saw a parade one day. Later on I was visiting at her home when her father came home, put away his robes, and came out to visit with us, very pleasant. It may have helped that I wasn't a Catholic!"

When Zoie came to South Bend in 1923 she planned to continue teaching. But blacks were not allowed to teach. So she got a job with the WPA as a sewing project supervisor. Later, when blacks were finally asked to work there, she was hired at Kingsbury Ordnance Plant. She left Kingsbury to work at Bendix where she became the first black woman machine operator.

All this time she was active in the church. She helped the Pilgrim Baptist Church through many crises including signing the mortgage note to remodel the church. She is the first and the only woman to serve as trustee of the Pilgrim Baptist church.

In helping people Zoie could not stop with church work. The blacks at this time were strong Republicans. They might still be if Herbert Hoover hadn't messed things up. In some speeches he made he swore that the Republican party was for everyone. In the deep South he said that the Republican party was going to be "lily-white." When Zoie heard that she made a few speeches of her own. The blacks in St. Joseph county organized as the Colored Women's Democratic Club of St. Joseph County. After the election the men joined the club and after a few changes it was decided on the All American Democratic Club of St. Joseph County. Zoie was the first president and last week they unanimously voted to keep her there.

Zoie Aubert Smith is of average size and quietly elegant with a wry sense of humor, a lovely smile, and humble. But injustice . . . watch out. She has strength where it is needed.

Through her perseverance she saw the first black fireman and the first black policeman hired. That opened the door to other government jobs.

"There's so much to do in the world!" says Zoie. "How can any one be bored?" She starts her day, very early, with prayer. "I talk with God. I tell Him what I'd like to do and ask His help. If plans go awry, I don't worry. The Lord will handle things His way." And so she has done much that must have met with God's approval.

She has helped groups to organize and get things done. In the Fraternal Order of Oddfellow, she is director of Missions. This work covers the United States, Canada and the Islands. She founded and was the first director of the National Baptist Youth Camp and Senior Retreat in Constantine, Michigan. Several women's groups working in all areas of family living, got their start with her encouragement. She believes that the church is an important part of life and is charter member of the Council of Church Women of St. Joseph County. She was parliamentarian of the National Urban League. She is a charter member of the South Bend Urban League Guild.

When Zoie was showing the Sunday School class the way at age eight, she was only beginning a long job. She helped to reorganize the NACCP in 1924. When the REAL Services program came along she was ready to do the work of the Outreach Worker.

She has to travel to far places to keep informed and to inform others. Every five years the Baptist World Alliance visits different parts of the world. Zoie has been abroad four times, around the world once.

She's covered Canada, Hawaii, and the Bahamas. The next tour is planned for Sweden, Israel, Ghana, Ivory Coast, Nigeria. That's how Zoie keeps her "batteries charged." She'll come back a more vigorous and interesting president of the Northeast Senior Citizens Council.

Her mother was right. Zoie is an unusual and gifted woman.

HOMER HEACOCK: MONTEBELLO'S "MAN OF THE YEAR"

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. DANIELSON. Mr. Speaker, on March 19, 1975, Homer R. Heacock, an outstanding citizen of southern California and of the 30th Congressional District, was honored for his community service at the 21st annual All-Service Clubs Banquet, sponsored by the Montebello Jaycees. I also wish to express my appreciation to Mr. Heacock for his service to the community and to call it to the attention of our colleagues. Mr. Heacock's contributions have been in the fields of business, civic affairs, and service organizations. His selection as "Man of the Year" was most appropriate.

As a director of the Montebello Chamber of Commerce for many years, Mr. Heacock worked for the development and betterment of the entire community. He has also served as the president of the Montebello Public Improvement Corp. since 1966, and is a past president of the Montebello Realty Board.

Mr. Heacock's service has not been limited to the world of business. He also served for years as a member of the Board of Education of the Montebello Unified School District. Through his sponsorship of the Little League "Heacock Realty" baseball team at Grant Rea Park, many of the district's young people have been given the opportunity to participate in organized sports.

Having long been a member of many service organizations in Montebello, Mr. Heacock has been the recipient of a number of awards. He received an honorary life membership from the Montebello Council of Parents and Teachers Associations in 1963, and was made the "Lion of the Year" by the Montebello Lions Club in 1973.

It is only fitting that now, after years of service to our community, Homer Heacock should be named "Man of the Year." His dedication can serve as an example for us all.

SALUTE TO RAY CHARLES

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. BELL. Mr. Speaker, a very special event will take place in Los Angeles on Monday, June 9 at the Beverly Hilton Hotel. It will be a salute to Ray Charles sponsored by the National Association for Sickle Cell Disease.

This tribute will be hosted by actor McLean Stevenson, Singer Aretha Franklin is honorary cochairwoman of the event. Ray Charles will be honored for his long involvement in, and support of, sickle cell programs throughout the country with the first "Man of Distinction" award to be presented by NASCD.

Ray Charles was helping sickle cell groups throughout the country long before the general public was aware of this disease. He is a member of the National Advisory Board of NASCD and has been the honorary chairman of the Sickle Cell Disease Research Foundation, the local arm of NASCD, since 1962. For many years he has contributed time, money, and his legendary talent to the fight against this dread disease.

This will be the first major fundraising event of the 4-year-old National Association for Sickle Cell Disease, a coalition of sickle cell organizations in the United States whose aim is to conquer this crippling and life-threatening blood disease.

Outstanding members of the entertainment, social and business worlds, including Dyan Cannon, Brock Peters, Lou Rawls, Jack Cassidy, Cher Bono, Raymond St. Jacques, Lola Falana, Jan Murray, Mable John, and Whitman Mayor are expected to attend.

So it is with special pleasure, Mr. Speaker, that I call attention to the honor which will be paid to Ray Charles on June 9 and to the deserving charity which is sponsoring the event. It will be my great pleasure to join with Ray Charles' many admirers on this occasion. Our hope is to show something of our high regard for one of the world's great entertainers while, at the same time, contributing to the campaign against a killer disease which has not gotten the attention it deserves.

CONTINUED SUPPORT URGED FOR ISRAEL

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. NOWAK. Mr. Speaker, the recent flurry of events in Indochina justifiably is prompting an internal reassessment of our Nation's foreign policy goals and our international commitments. There will be much soul-searching in the months ahead as our foreign aid programs—both economic and military—undergo scrutiny and challenges unparalled in recent years. Much of this review will be couched in terms of "who are our friends?" and "where do we benefit most from our foreign aid investments?" On both counts, Israel deserves a continued high rating from the United States. While our economic situation and domestic needs may force budgetary restraints on all foreign aid programs, I certainly feel that assistance to Israel should remain high on our list of priorities.

A disturbing trend of late, however, is the tendency to connect aid to Israel with our former assistance to South Vietnam. The Buffalo Jewish Review in an effort to put the issue in perspective, on May 9 editorialized as follows:

ISRAEL IS NOT VIETNAM

The fall of South Vietnam to the Viet Cong has brought reports from Israel of fears about its implications for United States commitments to the Jewish state.

Actually, the connection between Vietnam and Israel was chiefly made by spokesmen for the Johnson, Nixon and Ford Administrations who wanted to persuade supporters of aid for Israel that they should also support aid for Vietnam. But some of the leading critics of American Vietnam policy have never accepted this connection. Indeed, the differences are so great that it is difficult to see how any linkage can exist.

Israel is a democracy. Its people are united in support of their state, and have shown a willingness to defend themselves. These things were not true in South Vietnam. Indeed, Israel has never wanted American troops to aid her and Zionist philosophy would almost forbid this. Israel has asked only for the arms and supplies she needs to defend herself.

While the American people were deeply divided about Vietnam, they have shown through their representatives in Congress a commitment to the survival of Israel.

Perhaps most of all, while there were differences over whether American security depends on what happens in Southeast Asia, no one doubts that it is in America's interest to have a strong and viable Israel in the Mideast.

This does not mean that all will be smooth sailing for Israel. The Ford Administration is still exhibiting a coolness toward Israel and though the United States is still expected to provide Israel with economic and military aid, it may not be all that Israel wants.

But this has nothing to do with Vietnam and now that the war is over this Administration may be able to devote more of its time and energies to other areas, including the Middle East.

This time of reappraisal of our foreign policy goals is also the time to solidify our ties with friendly democratic nations. First and foremost, Israel is a democracy. It is engaged in a struggle for its national existence, not embroiled in a civil war. There are no tiger cages in Israel, no elections during which Government opponents face arrest. In this light, support of Israel promotes both our national interests and our Nation's ideals. In addition, in international forums, Israel has shown itself to be a reliable supporter of the United States on occasions when many of our European Allies were silent or withheld support.

These are times, too, of uncertainty in the Middle East, where the threat of war has never entirely receded in 27 years. However, as we continue to seek to promote a negotiated settlement in the Mideast, we have a moral responsibility to stand firm in our support for Israel's rights and we must keep pressing for a reciprocal willingness from the Arab nations to forge a real compromise, a real commitment to nonbelligerency.

Determined American demonstrations of our commitment to stand firmly behind Israel's just struggles are essential not only for maintaining the status quo and the balance of power, but for forging the path toward genuine peace in this troubled area of the world.

THE WAR POWERS ACT: HEARINGS SCHEDULED ON PERTINENT CONSIDERATIONS

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. ZABLOCKI. Mr. Speaker, numerous editorial comments have appeared recently which raise interesting and pertinent questions regarding various aspects of the War Powers Act. All of these comments have been generated by the four reports from the President to the Congress in compliance with the act.

Of particular note in this connection is an editorial from the May 23 Milwaukee Journal, a copy of which I include at the end of these remarks. The Journal editorial raises the question of whether there was full and adequate compliance with the act's consultation provision contained in section 3. Beyond the Journal's comments, the issue has been the subject of considerable discussion and some controversy within the Congress as well.

UMI

There is, in short, an honest difference of opinion on what precisely the consultation provision calls for and what Congress intended when the act was adopted on November 7, 1973.

This and other issues were the subject of hearings held by the Subcommittee on International Security and Scientific Affairs on May 7. Under discussion during that hearing were the President's reports of April 4 on the evacuation off the coast of Danang, April 12 relative to the evacuation of Phnom Penh, and April 30 regarding the evacuation of Saigon.

Since that time, of course, we have received the President's report of May 15 regarding the *Mayaguez* incident. In an effort to clarify some of the issues raised by that report, especially on the nature and extent of the consultation effort, the subcommittee will resume its hearings on Wednesday, June 4, at 2 p.m. in room H–236 of the Capitol. Our witnesses at that time will be the Honorable JACOB JAVITS, Senator from the State of New York, the Honorable JOHN F. SEIBERLING, Representative from the State of Ohio, and the Honorable Monroe Leigh, legal adviser of the Department of State.

Without prejudging the situation, I would only note that as the chief House sponsor of the War Powers Act I can say clearly that consultation was contemplated in all cases in which U.S. Armed Forces are to be committed into areas of hostility abroad. This understanding is contrary to what appears to be the administration's view that such consultation was required or desirable only in instances in which a section 4(a)(1) report would be anticipated.

It is these and other possible misunderstandings which the subcommittee will attempt to clarify and resolve during its hearings on June 4.

In an effort to be of assistance to my colleagues in the Congress on this war powers issue I wish to call attention to the availability of a recent committee print published by the House International Relations Committee under the title "The War Powers Resolution: Relevant Documents, Correspondence, Reports."

The article follows:

CONGRESS AND FOREIGN POLICY

How far can Congress go in shaping American foreign policy?

For many years, lawmakers largely failed to assert themselves adequately in this vital arena. Indochina was a tragic example. All to easily, with far too little questioning, Congress let presidents draw the nation deeply into that bog.

Recently, Congress has sought to be more active. Notably, in 1973 it barred all US combat activity in Indochina after Aug. 15 of that year. Later in 1973, Congress passed the War Powers Act, broadly aiming to assure "collective judgment of both Congress and the president" when military force is used overseas. On the whole, these were healthy developments. Yet two recent events—the Mayaguez incident and the Vietnam evacuation—show the difficulty in achieving a workable partnership.

In the Mayaguez affair, President Ford was mindful of congressional pronouncements. He pondered the 1973 Indochina combat ban and concluded—quite reasonably—that it was not intended to bar the rescue of Americans captured in an act of piracy. As for the War Powers Act, Ford dutifully informed congressional leaders of what he had already decided to do about the Mayaguez and its crew. He also filed a prompt report with Congress after military action was completed. But did this really comply with the law, which says the president "in every possible instance shall consult with Congress before introducing US armed forces into hostilities"?

By all accounts, consultation was pretty thing—so thin that a regrettable precedent may have been set. But if Ford should have been more consultative, the slippery question is how much more. Certainly in situations where quick response, flexibility and surprise seem essential, extensive dialog in fine detail with 535 members of Congress is simply unrealistic.

The Vietnam evacuation further illustrates the problem. In the spirit of partnership, Ford asked Congress to provide both money and clear authority to evacuate endangered Vietnamese along with Americans. While South Vietnam crumbled, Congress wrangled. Dozens of amendments filled the air. Many a lawmaker played general, trying to link certain kinds of aid to certain military maneuvers under certain conditions. Finally, Ford was forced to rely on inherent presidential power and order evacuation without companion action by Congress.

From all this, a pointed lesson emerges. On urgent foreign policy issues, the presidency is still the government's decision making center—if only because it can move with a crisp singularity that a congressional multitude cannot hope to match.

This doesn't mean that Congress should lapse again into being a weak and silent partner on international questions. On the contrary, it should set broad policy outlines. It should prod, question, demand that presidents justify actions abroad. It should strive to clarify procedures for consultation under the War Powers Act. But it is impractical—and probably hazardous—to think that intricate details of emergency moves in faraway places can be sensibly hammered out on the noisy floor of Congress.

ARIZONA MOVES FORWARD ON SOLAR

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. UDALL. Mr. Speaker, pioneering efforts in utilizing the sun for heating and cooling, for food production and for water desalinization are being successfully pursued by the University of Arizona's Environmental Research Laboratory.

The scientific excellence guiding these efforts has won the U. of A. international recognition and invitations to establish activities in other countries.

Now the city of Tucson and Pima County have stepped in with further encouragement for ERL, calling on the laboratory to help design a solar heated fire station and houses for the Tucson market.

The encouraging successes of the laboratory are set out in a letter and memo by Carl N. Hodges, the lab's able director. I wanted to call these community accomplishments to my colleagues' attention:

THE UNIVERSITY OF ARIZONA,
Tucson, Ariz., May 12, 1975.

Hon. MORRIS K. UDALL,
House of Representatives,
Washington, D.C.

SIR: The Mayor and City Council of Tucson, and the Board of Supervisors of Pima County, have asked us to inform you that they have both just contributed funds to our University laboratory for the development of a series of buildings utilizing solar heating and cooling.

This may be the first instance in the U.S. in which municipal governments are vigorously pursuing solar energy applications on their own initiative. Arizona should be very proud.

By way of background, the Environmental Research Laboratory (ERL) specializes in direct and indirect applications of solar energy technology. These have included a solar heated laboratory/office building on campus (1959); large-scale solar distillation of seawater (Puerto Peñasco, Mexico, 1962); very large-scale production of vegetables in controlled-environment greenhouses (Mexico, Arizona, California, Arabia and Iran, 1964 to date); and the experimental production of marine shrimp in controlled environments (Puerto Peñasco, 1972 to date).

Currently, in a rapidly developing series of related projects, ERL has built, is building or has in design five new and separate solar heated experimental buildings in Tucson.

Three of these are located at ERL's laboratories at Tucson International Airport. These are working laboratory/office spaces utilizing three different types of solar collectors and heat distribution systems. One structure has just been completed with in-house University research funding and the other two are in final design or early construction with University support which, hopefully, will be supplemented by federal funding from the new Energy Research and Development Administration (ERDA).

The fourth unit will be a new suburban fire station for the City of Tucson, to be located not far from the Laboratory. The Mayor and City Council have just approved a grant of $28,760 to ERL to work with city and private architects in the design of the fire station, which is to be built as soon as possible. ERL's energy-engineers are also drawing upon the talents of the University's College of Architecture in this project.

The fifth unit is a full-scale Tucson home in an existing suburban subdivision. Pima County has granted ERL $5,000 (with a separate grant to the subdivision contractor) for the design and construction of a solar heating system integral to the home.

Paramount in the design of three of the five buildings above is an innovative solar-collector wall being developed by ERL. Vertical wall sections of double-glazed windows enclose air spaces which may contain venetian blinds or similar devices to provide privacy and additional heat retention. This creates a hot-air collector which appears to be merely a giant picture window. It is pleasing to the eye, requires no rooftop structures and, most importantly, permits complete see-through visability from the interior of the building. ERL, however, also works with other types of solar collectors; each of the various systems has advantages and disadvantages peculiar to individual applications.

ERL is now discussing with ERDA the ways in which these and other projects may be coordinated and accelerated with new federal support. Of particular significance is the desire of the Mayor and City Council of Tucson to have us investigate solar heating and cooling of larger municipal buildings as well as existing and future publicly owned or subsidized housing units for low-income families. In the latter regard, such developments in Tucson would be of nationwide importance; the retro-fitting of existing buildings to solar heating is one of the major challenges facing the new national determination to utilize solar energy to supplement fossil fuels.

We will take the liberty of keeping your office fully informed of the progress of these and related developmenta in applied technology at ERL.

Respectfully,

CARL N. HODGES,
Director.

BACKGROUND

The University of Arizona Environmental Research Laboratory was, until 1967, the Solar Energy Laboratory of the Institute of Atmospheric Physics. It was located in a solar-heated and night-radiation cooled office/laboratory building on the Tucson central campus. This 1,440 square foot structure was placed in full operation in 1959 and monitored and evaluated continuously for several years. The solar collector was a water circulating system built into the roof which was used during summer months to reject heat to the night sky. Heated or cooled water was stored in an insulated tank with a conventional heat pump used to raise or lower the water temperature additionally when necessary. The water was circulated through ceiling panels in the building for heating or cooling. The experimental laboratory was judged useful as a research tool and teaching aid, but the technique of energy conversion and use as well as the type of materials used (roof and ceiling of copper sheet with built-in water tubes) was not regarded as practical or economical even at that date.

Concurrently (1960), heat transfer studies at the Solar Energy Lab led to an experimental low temperature solar distillation plant on campus in 1962, funded by the Office of Saline Water. After successful testing, a larger scaled solar powered desalting plant was designed and built in 1963 under OSW sponsorship at the Laboratory's experimental station on the Mexican coastal desert at Puerto Penasco, Sonora, on the Gulf of California. This plant reached design capacity (3,000 gallons/day) and maximum efficiencies in 1965. It was converted the following year to operate on the waste heat rejected by the station's small engine-generator sets. In this mode, sponsored by the Rockefeller Foundation and others, the humidification cycle desalting plant was operated another eight years. This was well beyond the time necessary for data generation, but the plant had become the sole source of daily drinking water for the Mexican shrimping village.

By 1967, studies indicated that a most efficient and cost productive use of solar radiation and high cost desalted water in desert regions would be the development of controlled-environment greenhouses for vegetable production, and such were added to the power/water station at Puerto Penasco. The Laboratory staff was accordingly augmented by the addition of plant scientists and technicians.

The successes at Puerto Penasco led subsequently to a larger integrated power/water/greenhouse complex designed and built by the Laboratory for the Persian Gulf sheikhdom of Abu Dhabi and various applications of the greenhouse components only in the U.S. and the Middle East. The largest of the latter is located in Tucson and operated by Superior Farming Company of California.

Also by 1967, the Laboratory's missions had altered to the point that the University changed its name to the Environmental Research Laboratory. With NSF funding, a new and larger laboratory/office complex was built for ERL off-campus at Tucson International Airport. Here more space has been available for the increasing number of experimental buildings and greenhouses. In addition, the location has proved perhaps uniquely convenient for demonstration projects and site visitors: ERL's adjacency to the airport terminal places the Laboratory 42 seconds by automobile or six minutes via walking from the exist doors for disembarking passengers.

Unfortunately, the "old" solar heated Laboratory on campus was demolished in subsequent years for construction of the University's new Medical Center.

Beginning in 1973, when ERL as an activity was removed from the Institute and created a separate department of the University, the experimental station on the Gulf of California was converted from a desalting/greenhouse complex to a shrimp hatchery and series of controlled-environment raceways for production research with this high economic value species. Crustacea pathologists and nutritionists as well as marine biologists were added to the ERL staff. Solar radiation is employed in the enclosed raceways to stimulate the growth of selected algae for oxygen generation via photosynthesis to enhance the shrimp environment.

SOLAR ENERGY

ERL neither had nor solicited any funding for solar energy applications (other than greenhouse research) since the solar operation of the desalting plant in Mexico. During most of this eight-year period, however, at University expense, ERL maintained a modest but continuous overview of solar energy developments and literature. Beginning in 1973, a Ph.D. metallurgist/engineer on the ERL staff was assigned full time to this overview and to the task of devising practical applications, particularly in the category of home heating/cooling. A close contact was developed between ERL and local government and industry groups late in 1973 when, to increase public understanding of the "energy crunch" and its alternatives, ERL formed a University/community group called "Project POWER". This ad hoc organization stimulated (among other things) a rejuvenated interest in University and local government circles for the use of solar energy. Tucson, after all, used to call itself "The Sunshine Capital of the World."

In 1974, entirely with University funding, ERL began to build the first of the five new experimental solar heated buildings listed below. The interest generated by each led to the addition of the next.

Angled-collector experimental lab

This 600 square foot building at ERL utilizes an angled rooftop hot air collector of wire screens behind a single glazing of glass. Warm air is ducted through a porous ceiling and, via a heat exchanger, stores thermal energy in a 2,000 gallon underground storage tank for nighttime use. Summer cooling is achieved by a separate two-stage evaporative cooler. In either mode, rejected air from the building is drawn out at floor level and carried upward through hollow exterior walls for discharge at ceiling level, thus adding to the effective insulation of the interior. This experimental lab is used for office, conference and demonstration space.

Near this structure are test beds for other experimental solar collector panels. These include the window-collector as well as water circulating collectors behind different types of glazing.

Window-collector experimental lab

Also being built with funding developed by the University, this 1,200 square foot two-story structure is in final design by some of the faculty of the University College of Architecture in cooperation with ERL engineers. It will be located in the forecourt of ERL at the airport. This prototype structure will be the first to employ the window-collector in a large, two-story array. Interior spaces will be used for offices and demonstration areas as well as recording instrumentation, etc. Designed as a flexible research tool, the building can be modified in various ways. One unusual feature, for example, will be a rearrangeable loft floor which can make the second story of the Window Collector Lab either a south-wall mezzanine, a north-wall mezzanine or a full second floor. This has required some ingenuity in the design of air-handling and other mechanical systems but will greatly enhance data collection. A below-grade concrete rock storage area will be used for heat-storage and an associated two-stage evaporative cooler will provide summertime cooling.

Window-collector prototype home

With a $5,000 grant from the Pima County government, ERL is assisting a Tucson area quality builder and developer in modifying the design of one of his stock floor plans to include solar heating via modifications of the window-collector. The builder (John Miller Homes, Inc.) will construct the north-facing territorial-style home at his own expense and seek to develop cost-saving improvements in the window-collector, which will enclose a south-facing patio and increase the floor-space of the home to nearly 3,000 square feet. Other Tucson builders will receive similar ERL "extension service" support as necessary.

A suburban Tucson city fire station

A new fire station to be located in the general vicinity of ERL and Tucson International Airport is ready to be let out to architectural bid for design. The City government, extremely interested in the use of solar energy, has voted a $28,760 grant to ERL so that University engineers and architects may assist city architects and the selected commercial architect in incorporating the window-solar collector or other solar designs and attendant mechanical systems in the fire station design. Cost/time criteria will be developed by the project team to compare the anticipated cost-efficiencies of the design against the more easily projected building and operating costs of a conventional fire station of similar size. The City is prepared to proceed with construction of the solar-heated station as soon as possible (early 1976) provided that building and operating cost projections are not wildly out of phase with "ordinary" projections.

The City government of Tucson is also interested (as is ERL) in the potential of solar heating larger public buildings. The City administration is in preliminary planning for a large new central library and has asked ERL to explore the possibility of federal assistance in funding part of such a structure.

Of equal or greater interest to ERL is the City of Tucson's desire to have the Laboratory actively investigate the potential of designing future public housing for low income families with solar heating; and, of more immediacy, the feasibility of retrofitting for solar heating approximately 600 of the City's existing housing units.

Attached greenhouse experimental collector

In November, 1974, ERL submitted to the National Science Foundation a proposal for "Residential Environmental Control Utilizing a Combined Solar-Collector Greenhouse". In program shifting between federal agencies, this proposal now appears to be part of the ERDA–ARS project "Solar Heating and Cooling of Greenhouses and Rural Residences" being administered through the USDA–ARS Rural Housing Research Unit in Clemson, South Carolina. ARS–Clemson notified ERL (letter dated March 31, 1975) of proposal acceptance.

The gist of this proposal was to modify one of the existing attached greenhouse chambers at ERL's main laboratory building to isolate it and adjacent office spaces from the Laboratory's total energy environmental control system. The greenhouse chamber would be used as a solar collector for the office spaces as well as for food production. An evaluation would be made of the economic feasibility of developing such units for residential applications to save on fossil

UMI

fuels, enhance the quality of life and make some contribution to food supply.

ERL's present scale of effort in these solar energy related activities, supported by the own funding, is approximately at the following annual level: 30 man-months engineering; 12 months attached-chamber horticulture; 3 months architecture; 24 months graduate research assistance; 24 months technical, shop and construction assistance; and 11 months of administrative and clerical support.

ROSARY HILL COLLEGE COMMENCEMENT: THOMAS A. MURPHY OF GENERAL MOTORS ON WHAT THE FUTURE HOLDS FOR THE CLASS OF 1975

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. KEMP. Mr. Speaker, it is most encouraging to those in Congress who are active in the struggle to restore America to its once-great economic status in the world community and to stop the erosion of economic freedom occasioned by the growth in Government intervention in the economic affairs of the people to learn of efforts being made by private citizens to attain those same objectives.

Freedom is not easily preserved, and one reason for this is that our Nation—and too many of our lawmakers—have failed to note the profound meaning of our founding documents: That rights are inalienable and that liberty is indivisible. All aspects of freedom and liberty are interrelated, integrated. There cannot long exist political freedom without economic freedom, and vice versa. To the degree that we continue to let our economic freedom slip away from us, the loss of political freedom will be the inevitable consequence. It is the anticipitalist mentality which is the principal cause for the erosion of our economic freedom—and our prosperity.

On Sunday, May 18, I had the honor of sharing the platform at the commencement exercises of Rosary Hill College in Buffalo with Mr. Thomas A. Murphy, chairman of the board of the General Motors Corp. Tom Murphy grew up in the Buffalo area and was returning to give the commencement address to the graduating class of Rosary Hill of which his niece was a member.

In his remarks he addressed himself to the substantial impact of the state of the economy on the lives of our people—especially those just now entering the job market. He talked in terms of how far too many of our people fail to appreciate how the rise and fall of the economy, affect their lives, and how we can never meet our Nation's social, economic, and environmental objectives unless we have sufficient capital accumulation—an accumulation impossible without business profits and incentives for savings.

I think Tom Murphy's remarks are well worth the attention of my colleagues, and I include the text of his timely address in the RECORD at this point:

REMARKS BY THOMAS A. MURPHY

A great many people will be honored here today, most notably you, the members of the Class of 1975. And I will join in paying tribute to every one of them. But no one in this hall will be more honored than I am right now. It is one thing to be invited to speak at a commencement by an institution's board of trustees, the president, or the faculty, but it is on an entirely different order of distinction to be selected by the students themselves. I am grateful, and I think you would have to be my age and identified as closely with the business community as I am to appreciate how profound that feeling of gratitude is.

In his letter announcing my selection, Dr. Marshall suggested some of the probable reasons behind the choice.

First and foremost, he wrote, "students are becoming more serious about the vocational side of their lives. They are beginning to understand some economic realities and some of the threats that are posed to our traditional free enterprise system of government. "Secondly," he continued, "the automobile industry is one of the leading economic indicators in the country and closely related to the potential energy crisis. Students, as well as many others in the academic world, now understand a little more of the important role you play in their everyday lives."

Dr. Marshall then went on to suggest several other reasons behind the selection, including the traditional one—that I am a local boy who somehow confounded all the experts in career guidance by doing a little better than expected. I also managed to confound C. Northcote Parkinson, whose advice in selecting candidates for important positions was simply—reject anyone under 20 and over 50, plus anyone called Murphy.

In response, I want to underscore some of the threats to our free enterprise system of government and commend everyone here at Rosary Hill; and especially you students, on your levelheadedness and your economic sophistication. I wish more Americans were as wise and enlightened.

Just last Wednesday, I read the results of a government-funded study of public attitudes towards our economic system. Twenty-four percent of those interviewed—and, by projection, 24 percent of all Americans—do not know how to define the term "private enterprise." They don't know what it means. Even more disturbing, but probably not more surprising, a great majority express negative attitudes towards our free enterprise system, including 56 percent who say they would like to see more government regulation of private business.

The coup de grace came with this final statistic: despite our national unemployment rate, which is hovering around nine percent, and despite the troublesome lack of capital accumulation which we need to finance business expansion, to promote economic growth, and to underwrite our ambitious and costly programs in energy development and clean air and water, a staggering 37 percent of the American people can't think of any way in which their lives are affected by the rise and fall of business profits. All of these social, economic and environmental objectives depend upon capital accumulation, and capital accumulation is impossible without profits. But these people do not see how profit affects their lives.

You can understand why I am so ready to commend the levelheaded and economically sophisticated academic community here at Rosary Hill.

Many of you graduatea will now be going on to graduate school, and others will be looking for your first permanent jobs. Some of you may have already found that first job—I sincerely hope so.

As Mrs. Maier noted, I wasn't any more fortunate than you in choosing a graduating year. I received my diploma back in the 1930's, and therefore I know what it is to look for a job in this kind of labor market. But don't despair.

We at General Motors think our country's economy is poised for the inevitable upturn. Unemployment may continue at depressingly high levels for a while, but it seems clear that the worst is behind us. Unsold inventories, which have been blocking production for many months, took a dramatic drop in the first quarter of this year. Consumer spending, and the confidence needed to sustain it, are both gaining in strength. So are our balance of payments. So is personal income. The national inflation rate is down, and if it drops by as much as four percent this year—a reasonable prospect—it would mean the equivalent of two extra weeks' pay for every wage earner and pensioner in America.

For most Americans, that will represent a greater degree of financial aid than the generous tax rebates now being mailed out by the federal government.

Other economic indexes are also showing improvement. By the fourth quarter of this year—and perhaps even sooner—we think the signs of national economic recovery will be unmistakeable.

So, 1975 is not such a bad year to graduate after all. You may have to take odd jobs here and there until the position you really want opens up, but from our view at General Motors the prospects look pretty good for you—at least in the not-too-distant future. And the long-term future is rich with promise—never doubt that.

I come here today in a variety of capacities. No man or woman, including the chairman of General Motors, is just one thing and one thing only. We are all a complex tangle of genes and experiences, beliefs, and personal biases. And we act and think accordingly.

For example—and not necessarily in this order—I stand before you now as a man who loves his God, as mysterious as that Being is; a man who loves his country, with all of its imperfections; a man who loves his wife, as full of wonder as he is that she could possibly return that love; a man who loves his children, despite the reflections of himself that he sees in them; a man who loves his fellow man, even those who don't understand and appreciate free enterprise and a man who loves his work, including that much maligned and completely indispensable thing we call the automobile.

I am all of these things, and this afternoon I would like to reflect all of these different capacities of mine in what I have to say to you. To recapitulate what Mrs. Maier said earlier, I am Thomas Aquinas Murphy, son of John and Alma O'Grady Murphy, born not a hundred miles from the campus of Rosary Hill. In fact, when I was walking the streets of Buffalo as a boy, there was no Rosary Hill. I'm a whole lot older now, and I hope a whole lot wiser. But on balance, all things considered, I don't think I have changed all that much.

Other things change, but human beings hardly change at all. Not really. From generation to generation, we pass things along—some good, some bad—and in this country, at least, we make things a little easier in a physical and material way for our children—as we should. Things change all around us—the kind of economy we have, the kind of music we listen to, even the kind of cosmic self-image we have—the way we view ourselves in relation to the government, to time and eternity, to the universe. But so much of what we are doesn't change, and if you doubt that you have to wonder why we find so much of current application to our lives today in the writings of men and women who lived a hundred and even a thousand or more years ago.

For that reason, I would like to share some thoughts with you young people—humbly and sincerely—hopeful that the gap between

various small grants and by the University's generations is not enough to separate us as human beings.

The first thought I would like to share with you has to do with the learning process—not the formal education some of you have completed today, but the life-long school we all attend, the school that knows no graduation and that lasts for as long as the mind lasts.

As an employer, I am ultimately responsible for the development and advancement of thousands of young people like yourselves. I know the value of knowledge and experience, and for the good of General Motors I do all I can to make sure that our most promising young employes are moved from assignment to assignment and from staff to staff to give them the variety of new knowledge and experience that will equip them for greater and greater responsibility.

Don't stagnate. Don't stay in one job for too many years or you'll find your mind curling up along with your personal vision and self-esteem. Above all—Think. Forget the television and think for yourselves—that's why you were sent to college, that's what you were taught and should have learned, and that's why your parents made so many sacrifices.

And every once in a while, give the products of your thinking a little workout. Get up on your feet and tell people what you have on your mind. When I was your age I was scared to death of public speaking. I still am—but I try to do it nevertheless. This is the age of communication. Virtually everything we do in business, in local government, in church, in social groups involves working with and communicating with others. To be silent today is to be disenfranchised.

So, get up and speak—thoughtfully and honestly.

And don't be afraid of making mistakes—or of admitting them, either. In my experience, it is not the number of mistakes you make but your batting average that counts. If you are right at least half the time, you'll win wide respect. And remember that you learn as much from goofing-up as you do from a victory—perhaps even more.

Books will continue to be a part of your learning process, but the people you work with, and live with, and play with will be even more important. But you have to give them a chance. You have to recognize that they might have something to tell you. Communication involves listening as well as speaking, and learning as well as informing. There's an old saying that bears on this point, and it goes something like this: "It's remarkable to see what you can learn, after you think you know it all."

Among the people you should be careful to give a chance to, and learn from, are your parents. Now, I know what you're thinking, but it's not true. I'm not just being diplomatic. As proof, let me point out that both my mother and my wife are here in the audience—so I have to be sincere. My brother is also here, and so is his daughter, Mary Murphy, who is graduating with this Class.

I sincerely hope she, above all, is listening.

What I have to say on the subject of parents can be summed up in a quotation generally attributed to Mark Twain. We all know Mark Twain. There have been few more independent thinkers in America. But even so, the great iconoclast is reported to have said: "When I was a boy of 14, my father was so ignorant I could hardly stand to have the old man around. But when I got to be 21, I was astonished at how much he had learned in seven years."

So don't ignore your parents. What you can't learn from them in conversation, you can learn from studying the pattern of their lives. There is no greater source of knowledge than a human life.

And take pride in them, as they do in you, as you should in yourselves. Pride is not a vice, at least not in moderation. In fact, it is indispensable to the development of many virtues, including industry and initiative. Strive to do your best, and take pride in whatever you do. Pride in yourself is not the easiest thing to achieve, but, believe me, it is essential. It is frequently the only thing that will keep you going in adverse circumstances.

The rest of what I have to say on this great and solemn occasion has to do with you and the society we all live in. It's not perfect—far from it. We are reminded of its shortcomings every day of every year, in every news report we see and hear. But it's the best we have—and not only the best *we* have, but the best *any* people have ever had, anywhere and at any time in history.

But we are all agreed that it is not perfect. So, let's improve it. We have enough critics of our system in this country; we need more doers. Criticism in moderation, constructively offered, can be a positive force in society; when carried to excess, it can sap initiative. And I think that is partly what is happening in America today.

The American people have been through a lot in the past decade or so, not the least of which was a divisive war in Vietnam. More recently, they experienced the resignations of their President and Vice President, and the longest and deepest economic recession of the postwar period. It is not surprising that they have lost confidence in a wide range of institutions, public and private alike.

In time, they will find institutions and causes of sufficient integrity to restore their belief, but meanwhile they can be best described as looking for a better way.

Some government officials have stepped into this vacuum and have adopted a series of values and priorities which they assume match the people's mood. I, personally, think they have seriously misjudged that mood—in urging more and more government direction upon private industry, for example, and in restricting the range of free consumer choice in the marketplace.

The net effect is that the areas of our private lives and affairs over which the government is assuming jurisdiction are growing, while the private domain left to the people for independent decision is shrinking. It seems to me at times that the more strictly controlled—but less free and less advanced—societies of Europe and Asia are being held up as models for America. And I say to those who espouse such models, consider this: what we define as the poverty level in America is the average family income in Russia.

This trend of economic and political thought concerns me very much, and I would like to enlist your help and support in changing its direction. When the private and public sectors of our society work in cooperation with each other—as they have done so often and so successfully in the past—there is no problem that can stand before this nation's tremendous resources. But when they are at loggerheads with each other, we inevitably witness an inexcusable waste of those valuable resources—resources we need desperately for other purposes, such as economic growth.

But that is only part of the penalty. Other consequences concern me even more. For example, I ask myself, what is this thing we call America, anyway? Of all the nations of the world and of history, what does America have to offer posterity that others have not offered? It certainly is not air conditioning, or space exploration, or mile-long shopping centers, impressive as they may seem. Rather, it is our success in making freedom work in a highly complex, pluralistic society. That was, is, and always will be the great American contribution to history. It is our most profound achievement. And the coming Bicentennial should remind us of that. Remember—America is great only because America is free, and it's up to each of us to keep it so.

I think one of the problems is that some public figures today believe and preach that there has been a shift of power in this country. They point to big business, big labor, and big government with the clear implication that before such forces the people have become powerless. This is nonsense. The people still hold the reins of power in this country, and that is why their loss of confidence in many of our private institutions has led to a steady growth in government influence. It is not that they trust government more—quite the reverse. It is that they have little trust in anything, and they have been willing to stand by while government stepped into the vacuum and extended the range of its influence.

As I stand here on this stage, I hope and pray that you graduates are as concerned about this growing trend of government intrusion in our private lives and affairs as I am. We are approaching the Bicentennial, and as we do so, there are many questions we in America should be asking ourselves. Do we know where we are heading politically and economically? Are we in control of that direction? Are we satisfied that we are gaining more than we are losing when we encourage greater government control over our private activities?

Unfortunately, I think some Americans are. I think some Americans welcome the move towards a greater degree of statism in this country. And many more of us, unfortunately, are unaware of what is taking place. The loss of our hard-earned personal liberties is proceeding so gradually that we hardly notice each tragic disappearance.

It was James Madison who once said, "There are more instances of the abridgement of the freedom of the people by gradual and silent encroachments of those in power than by violent and sudden usurpations." And, remember, this was a revolutionist talking.

More recently, one of our senators back home in Michigan, Senator Robert Griffin, put it this way: "In the long course of history, freedom has died in various ways. Freedom has died on the battlefield, freedom has died because of ignorance and greed. But I should like to suggest that the most ignominious death of all—is when freedom dies in its sleep."

We live in a great country, rich with opportunity and with a record of progress and a standard of living that are the envy of the rest of the world.

We have advanced this far because of our fundamental freedoms, and, as optimistic as I am, I would feel even more optimistic about the future if more of us—particularly you young people—were concerned about the preservation of those freedoms. Because on them rests not only our past but our future as well—your future. My strong hope and belief is that the coming Bicentennial will prompt a lot of us to do more serious thinking about our freedoms than we have in the recent past, and that the simple, uncomplicated and altogether extraordinary idea of freedom will once again begin to excite every American.

Thank you all very much—and, once again, my profoundest and most sincere congratulations to you members of the Class of 1975.

UMI

ERROR IN COSPONSORSHIP

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. ARMSTRONG. Mr. Speaker, through a clerical error, I was listed as a cosponsor of H.R. 7010, The Defense Economic Adjustment Act.

Without passing on the merits of the bill, and to avoid misunderstandings which might later arise, I wish to state that I did not cosponsor this legislation.

OUTSTANDING ACHIEVEMENT

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. FLOWERS. Mr. Speaker, I am proud to announce to my colleagues that an industrious and far-sighted community group in my district has been singled out by the Department of Agriculture for outstanding achievement. The group I speak of is the Sumter County Rural Development Committee, which was presented the Department's Distinguished Service Award last week here in Washington.

The committee received the award, according to the official citation, "for demonstrating that people from different areas of endeavor and with strong individual interests can make important contributions to improving rural life by working cooperatively on programs of mutual concern."

When the Sumter County Rural Development Committee was formed in 1961, the country was plagued with problems typical of hundreds of rural counties across the country. The population was dropping, income was low, economic opportunities were few, new industries were staying away and public services and facilities were poor.

But now, thanks largely to the committee's dynamic leadership, Sumter County is prospering. Industrial parks, hospitals, and recreational facilities have been built. The county's forest products industry was expanded. New kinds of farm crops are being produced. Employment has doubled and family income has nearly tripled. A countywide water system plan and solid waste disposal system have been developed. A transportation system has been set up for the county's elderly persons.

There is much more, but I think you have got a good idea of the tremendous progress that was made through the hard work, dedication and perseverance of the people of Sumter County. They now have pride in the present and hope for the future. Their success should serve as an inspiration to citizens in rural areas throughout America.

LUNCHEON SPEECH OF CONGRESSMAN JAMES W. SYMINGTON

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. CONTE. Mr. Speaker, I was privileged to be present recently as the Helen Childs Boyden Science Center was dedicated at Deerfield Academy. We were treated to a very moving speech by my good friend and colleague, the gentleman from Missouri, Congressman JAMES W. SYMINGTON, himself a graduate of Deerfield Academy.

His tribute to the late Helen Boyden captured so well the spirit of this remarkable woman that I insert it, at this time, in the RECORD and commend it to my colleagues, along with brief dedicatory remarks that I was called upon to deliver.

The articles follow:

LUNCHEON SPEECH OF CONGRESSMAN JAMES W. SYMINGTON

I can see her—that quizzical look of mixed surprise, compassion, and feigned disappointment—a catch of breath, and then in those gentle, measured matter-of-fact tones, the devastating pronouncement, "The trouble you don't get into, you don't have to get out of." What a world of wisdom in that! What captains of industry and labor, what soldiers, kings and priests, what Congressmen, what Presidents might have found a better fate had they but heard and heeded the tender caution of Helen Childs Boyden—and what schoolboys! What is it about the great teachers that makes every one of their charges feel like a schoolboy in their presence ten, twenty, thirty years after graduation—no matter what empires have fallen to them in the interim? It is the shared awareness of the gap between the potential and the performance. Any man knows when he's doing his best, or less than his best, and if he ever sat in Mrs. Boyden's classroom he knows she knows it, too. That'a power for you—the power to make a grown man uncomfortable about his shortcomings simply with the same wordless look she gave him when he was a boy. Perhaps because the boy is still hiding there, waiting, maybe even hoping, to be found out and set again on the right course.

Set again on the right course—what a happy prospect, and what an attainable one should enough good teachers be found to stretch the minds of our nation's young. I say "good" for the great would not be so if they were numerous. Frank Boyden knew a good teacher when he met Helen Childs, but he grew to know a great one, so decidedly so that it was he—and never her—who quoted with relish the inscription on her Smith College Honorary Degree—"To Helen Childs Boyden, who, with some small help from her husband, built a great school." Some of you may remember when ten years ago or so I described the Headmaster in his rumpled hat and fur-collared coat standing on the field after a game, after the song had been sung and the boys had left, standing there alone wiping his spectacles, "was it mist or memory, because here were the touchdowns, the home runs, the goal line stands, and the stifled pain of boys becoming men." And who helped him make men of these boys? Who helped him contain the conflicts in his own mind, the pressures, the sudden impulses of an embattled guardian of so many parental hopes, so many young teachers' expectations, and so many incorrigible boys?

"We've never lost a boy," he would say with pride. "We don't believe in petty punishments. No such thing as a bad boy . . . Will the boy who threw the snowball through the old dorm window please come see me in the morning?"

Yes, she held him on that course while bringing up their own daughter and two sons and sending generations of the luckiest boys in the world out into it. Out into a world which today fears science as much as she taught us to love it. Today, as Prof. Loren Eiseley, our distinguished guest speaker has written in his "Firmament of Time," ". . . the scientific worker has frequently denied personal responsibility for the way his discoveries are used . . . and points to the evils of the statesmen's use of power. The statesmen shrug and remind the scientist that they are incumbered with monstrous forces science has unleashed . . . few men on either side of the curtain believe themselves in any sense personally responsible . . ."

A sense of personal responsibility for one's acts is what this school above all has tried to instill. If it is true as has been said that science and technology are essentially neutral, and simply answer the questions we ask, we must learn to ask the right questions, or at least the very best questions we can think of. We do ask, we must, buoyed up here at least by the memory of a lady who distrusted airplanes no more than she did horses, who stood tall and gentle in the classroom with a shawl over her shoulders, whose great eyes twinkled beneath the simple pulled back grey hair. Remember how she would touch back a few stray wisps, and say to the perplexed algebra student, "Victor, when will you stop trying to remember and start trying to think?" We'll try to think, Mrs. Boyden—but we can't help remembering.

REMARKS OF CONGRESSMAN SILVIO O. CONTE

It is a great pleasure to be here today to participate in ceremonies marking the dedication of a new science center on the Deerfield campus to the memory of a great lady, Helen Childs Boyden.

As you undoubtedly know, Mrs. Boyden came to Deerfield seventy years ago, in 1905, as a science teacher. When she started, she was given this advice by the Headmaster:

"If you ever have any trouble with the boys, remember that I'll be on their side."

That Headmaster was Frank Boyden. Within two years, Frank and Helen were married. And this began the great Boyden era at Deerfield. Years after their marriage, Frank Boyden wrote this about his wife:

"She is much more important than I am. She has a wonderful sense of humor and deep affection for the boys. She has more influence on the boys than I have. She makes them want to do the work. Her judgment is excellent. It is interesting that a combination such as the two of us could get together. She could have been the head of any school." What a wonderful, loving tribute that was.

How well I remember the day seven years ago when many of the same people I see here today gathered to dedicate a new library in the name of the Headmaster, Frank Boyden.

But in order to preserve the memory of these two great educators it was hardly necessary to construct monuments. Their memories will live on in the hearts of the students they served at Deerfield and all who knew them.

Indeed, it was the Boydens who molded living monuments in the character and intellect of their young charges.

I have always considered it an unequalled pleasure to represent, in the United States Congress, a district with so many great schools. I feel closest, perhaps to Deerfield. Although I did not attend Deerfield, like my colleague and clear friend Jim Symington, I did the next best thing, I entrusted to Helen and Frank Boyden the education of my son, John.

It is fitting that we dedicate this science center today to Mrs. Boyden. Here young men will be instructed in the same principles of science that she came to Deerfield to teach in 1905. But using this new facility their opportunities will be enlarged. Vistas for experimentation will be opened. In a center such as this a young scientist's mind can romp unhindered. Helen Childs Boyden always gave her boys her best—that is why it is so proper to provide this superb facility for all of the Deerfield boys in her name.

1975 MEMORIAL DAY

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. ZABLOCKI. Mr. Speaker, Americans across the Nation paid homage and honor to our heroic dead last Monday, May 26, 1975, Memorial Day.

It was my honor, privilege, and pleasure to address those in attendance at the 1975 Memorial Day ceremony at the Veterans' Administration Center at Wood, Wis. I also am pleased to report that many citizens in my district, the Fourth Congressional District of Wisconsin, patriotically and actively participated in commemorating our heroic dead. It was most impressive to witness the large number of citizens who displayed the flag.

On Memorial Day in Milwaukee last week I heard one of the local radio commentators, Mr. Charlie Hanson of WISN, read his inspiring Memorial Day poem, which he composed especially for Memorial Day, 1975. I would like to include the poem as well as the address I delivered at the Veterans' Administration ceremonies at Wood, Wis., on Memorial Day, at this point in the RECORD.

The articles follow:

MEMORIAL DAY 1975—CHARLIE HANSON

I worry that each new generation
Will forget what the other ones gave
That there may be no veneration
For those people so young and so brave
Kids who marched off with our tears and our prayers
Always to save something or other
I worry now if anyone cares
Except a father and mother
I believe in my heart that my country is great
That there'd be no free world without it
But I don't want to see a love turned to hate
And I don't want others to doubt it
So—what can we do—to make sure that the past
Will continue to serve as it must?
And the honor and pride we thought always would last
Won't be buried and forgotten as dust
I dunno—of course we'll always parade
And stand at attention with pride
I just pray for our buddies so tenderly laid
In our earth, all our earth, where they died.

THE GLORY AND HONOR OF THEIR SACRIFICE FOR US

(Address by Hon. CLEMENT J. ZABLOCKI of Wisconsin)

It is a honor and privilege for me to participate in the 1975 Memorial Day ceremony at the Woods Veterans Administration Center.

Paraphrasing the quote of Benjamin Harrison, as reprinted in the inside of today's program, it is on this special day every year that we pause, reflect, honor, glorify and express sincere gratitude to the countless thousands who have made the ultimate sacrifice for us—so that we may continue to enjoy the blessings of freedom and liberty.

Memorial Day is a day of memory—a day of remembering that the men and women who died in the service of our great nation have immeasurably contributed to the freedoms and liberties which we enjoy. On our part we must continue to defend and preserve freedom for ourselves, our loved ones and for future generations. Thus, we will keep faith to their memory.

Memorial Day is also a day of thanksgiving—a day for expressing gratitude for the many fruits of life which we as American citizens enjoy only because throughout our history there have been young men and women willing to make the ultimate sacrifice in defense of our country and our way of life.

This Memorial Day we have a special reason to be thankful . . . because, for the first time in many years we are not engaged in a shooting war. Our military involvement in the Vietnam conflict has ended.

In reviewing our long and difficult and tragic involvement in South Vietnam we inevitably come to the difficult but fair and reasonable question: Have our heroic dead in South Vietnam died in vain?

Like other difficult and complex questions, this question cannot be answered with a simple answer. As of this moment, fresh from the end of our military involvement in South Vietnam, a definitive answer is tenuous and uncertain. Ultimately, and only after a period of time will history be able to record a final and definitive answer.

In the interim, however, and in reverent memory of all the brave victims of our wars, including and especially Vietnam, I respectfully submit that they did not die in vain.

The victims of Vietnam did not fight and die for a monument—

They fought for a principle—

They fought for the preservation of freedom for their contemporaries and for the generations ahead—

They fought in the service of our nation so that the hopes and ambitions of the Founding Fathers might be realized—

They fought so that the Constitution upon which our form of government is based might stand today strong and sturdy as an assurance of our liberty and freedom—

They fought inspired by genuine concern for their fellow-beings, a commitment that is the ultimate form of man's humanity to man—

They fought because they feared the rebirth of totalitarianism which we had defeated in World War II at a great human sacrifice—

They fought for the many thousands of innocent South Vietnamese subjected to outside intervention and aggression.

Their work is done—ours remains. They have been vindicated—we remain to vindicate ourselves.

Our servicemen and women have given us a new vision, a feeling of brotherhood, the joy of freedom and the right to entertain new hopes.

They have given themselves as hostages for peace for us. As long as life remains in us, it must be our determination that they shall not have died in vain.

The most recent sacrifice for our fellowman was demonstrated just two weeks ago by the courageous action of our marines, Air Force and Navy in successfully retrieving the seamen and the freighter, Mayaguez, which was illegally pirated by the new communist government of Cambodia.

It is with pride that we extend our appreciation and congratulations to our brave troops for their valor and courage. We are especially pleased that the ship's entire crew was rescued, including a fellow Wisconsinite, Mr. Salvatore Puntillo.

At the same time, we sincerely regret the loss of any servicemen and those injured in the operation, and join in sympathy to their loved ones. The American people are greatly indebted to and grateful for their sacrifice.

It is our sincere hope that this bold and successful action will prove to be a lasting deterrent against future similar acts of piracy and other violations of international law.

I believe that it is basic to our Judeo-Christian heritage that concern for fellowmen constitutes the highest degree of moral philosophy, and I submit that is the true definition of civilization. The sacrifice of our brave and valiant men, who fell in South Vietnam, Korea, World War II, World War I, remains vivid and untarnished even though, despite our good intentions, we were not always successful.

The price of death is always too high but if we remember why they fought it will at least give meaning to the sacrifice of our dead and maimed, and confirm and honor the conviction of many of them that they were risking their lives for the freedom of fellowmen.

It is worth recalling that even still today, more than 100 years after the Civil War, some people in the North and South still raise the same question, that is, have our heroic dead died in vain?

Our history books are full of stories of valiant soldiers of the north and valiant soldiers of the south, and even at times relatives fighting relatives, who immediately after the Civil War asked that same question. Our own Civil War clearly underscores the fact that it simply takes a long time to heal. In fact, the point is, while much has been accomplished, the world is still in the process of healing and therefore I believe we can properly and correctly state that while the sacrifice indeed was great, it was not in vain.

As we recall the great suffering and many deaths in the Indochina conflict we must not and will not turn our backs on the necessary act of humanitarianism on the part of the American people to assist the more than 100,000 South Vietnamese refugees in relocating in the world.

Some suggest that the refugees should be sent back to Indochina to face the consequences. I deeply regret such suggestions and am confident that our heroic dead who fought side by side with the Vietnamese and Koreans would not agree with this attitude on the part of a few of our citizens.

In my judgment, the free world has an obligation to help these unfortunate victims of the Indochina conflict. Understandably, they chose not to live under a communist form of government. In the memory of our heroic dead and as Judeo-Christian people regarding freedom, human dignity and self-determination, we should assist these unfortunate victims who voluntarily escaped from South Vietnam.

As a country of immigrants we have demonstrated in the past our capacity to assimilate similar refugees throughout our nation's history. Since World War II one million immigrants have been resettled in the United States. These include over 500,000 Cubans, 50,000 Hungarians, 300,000 Jews, and many other thousands of refugees fleeing political and religious persecution who have found a home in our beloved country and have contributed much to our economic and cultural well being. I am confident that our sense of decency and humanity will again prevail.

As we recall and memorialize the victims of war and aggression in man's history, let us not forget the thousands of disabled vet-

UMI

erans, many still confined to hospitals. Let us be mindful of the dependents and the widows and orphans of those deceased veterans whose lives were shattered in our nation's behalf. We must continue to do our utmost to provide hospital care and medical services to our thousands of disabled veterans.

Let me also take this opportunity to pay tribute to the Veterans Administration personnel and to the doctors and nurses in our veterans' hospitals whose work is often overlooked but who are giving the best of their energies, their knowledge and their skill in order to help and comfort the sick and disabled war veterans.

In the future, these efforts must be continued and expanded. As we look to the Civil War-vintage domiciliary, which is up yonder, we see that this dilapidated building underscores the need to provide adequate nursing and domiciliary facilities for our aged veterans. On my part, I have written to the new Administrator of the Veterans Administration, Mr. Richard Roudebush, strongly endorsing the recommendation of the professional administrative staff of Wood, that the Annex building be remodeled as a nursing home care unit to include approximately 250 beds. A new domiciliary is long overdue. There is certainly a definite need for additional facilities for the treatment and domicile of nursing care patients, and you may be assured of my continued support of efforts to remodel the Annex building, and to convert it into a nursing care facility to better serve the veterans in our state and community.

In conclusion, let us rededicate ourselves not only today, but always to the same principles and ideals to which those we honor today committed themselves. Let us leave here today grateful for the blessings we enjoy and with the determination to share them with others less fortunate. Let us go from here and continue what those we today commemorate fostered. Let us follow their example of seeking peace through greater understanding.

And as we memorialize those who gave the ultimate sacrifice and rededicate our efforts to assist our living veterans, we must in the memory of those who died, keep faith with them by serving our country in war and peace with the ultimate hope that future wars will be averted. In this present age of atomic and nuclear threats, we must endeavor to employ the best minds as we have done for example in medical science and space technology to seek the formula for peace. We must employ our talents to prevent war so that men can live in peace and harmony as the good book and divine doctrine call for. The greatest tribute to our fallen heroes is our resolve that by our actions and deeds these honored dead shall not have died in vain.

ESCONDIDO ONE OF NINE

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. BURGENER. Mr. Speaker, The Chamber of Commerce of Escondido, Calif. is soon to be honored by joining a small list of chambers of commerce who have achieved the recognition of official accreditation from the U.S. Chamber of Commerce.

The Escondido Chamber has a long and impressive record of service to its beautiful and progressive community. Since its incorporation in April of 1919 this organization has taken on hundreds of projects which have benefited the community as a whole or deserving segments of the community. All of San Diego County and, indeed, all of California has benefited from their efforts.

Accreditation is an exclusive honor which demonstrates the strength of this chamber's record of accomplishment. There are only 283 accredited chambers in the Nation and only 92 in California. To achieve accreditation requires not only a review by local individuals but an on-the-site review by the U.S. Chamber of Commerce.

Escondido is one of only nine chambers of commerce to be so recognized this year. It becomes the first chamber of commerce in San Diego County to achieve accreditation.

I draw the House's attention to this great accomplishment and I know that I can speak for the Members when I wish the Escondido Chamber of Commerce success and sincere congratulations.

BETTER SPEECH AND HEARING MONTH

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. RHODES. Mr. Speaker, I would like to call to the attention of my colleagues that the month of May, just past, was Better Speech and Hearing Month. This "cause" is one that we all should recognize as having no special "month" but as being something we can support the year around.

There are 20 million Americans, 1 out of 10 of our population, who suffer from impairments of hearing, speech, and language so severe that they have great difficulty with the functions in life that most of us take for granted.

A communications handicap in today's world is a most discouraging affliction. Fortunately, there is help available for many of these handicapped persons. I know that in my own area there are treatment facilities ranging from those serving people unable to pay a fee, to those at which the patient bears the entire cost.

The essential need is that more of those with impairments are made aware that they can be helped, that facilities are available, that modern science is making strides toward providing them with even more advanced aids and equipment.

Across the country there are dedicated men and women who are working to restore hope for those with communications handicaps. They go largely unsung, but are contributing much to our society. Speech pathologists and audiologists offer to the handicapped the road out, a chance for an improved life, a chance to take their place in a society where communications has become of paramount importance.

Although Better Speech and Hearing Month is past, we all can be aware that a continuing effort is being made to find, diagnose, and correct speech and hearing impediments and impairments. All of us should help this worthwhile endeavor whenever we have an opportunity to do so.

SECOND DISTRICT CONGRESSIONAL ASSOCIATION

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. DOWNEY of New York. Mr. Speaker, in the 5 months that I have been a Member of Congress, I have become increasingly aware of how important it is for a Congressman to offer a broad range of services and engage in a wide variety of activities with the aim of assuring that his or her constituents are fully informed and represented. Yet, unfortunately, many of the programs required to properly serve a congressional district are either inadequately funded by the Federal Government or completely ignored as to reimbursement. Our colleagues have employed many different means to raise the funds necessary to support their congressional office operations: Some, of independent means, can afford to spend thousands of dollars per year to pay for services; others have chosen to solicit contributions which are not publicly reportable because they are not "campaign expenditures." Some Members follow the letter of the law and do not discuss their methods of financing newsletters and other constituent service programs; others have chosen to go beyond the restricted disclosure requirements to reveal both the sources of their "operating" funds and the nature of the expenditures. I have chosen to adopt the latter policy, even though it goes far beyond the requirements of the law. I believe that my constituents have a right to know the source of every contribution I receive, even if it does not fall within the political sphere.

To implement this practice, I am establishing a "Second District Congressional Association." I asked the Internal Revenue Service for an opinion to guide me on the handling and reporting of any funds that the association raises. The exchange of letters, which partially describes the program we have initiated in the Second District, is reprinted below. I intend to follow the IRS opinion and in addition, to further report publicly the receipts and expenditures of the association.

The letters follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 7, 1975.

Mr. DONALD C. ALEXANDER,
Commissioner, Internal Revenue Service, Washington, D.C.

DEAR COMMISSIONER ALEXANDER: I am in the process of formulating a "Second District Congressional Association" which would consist of constituents from my District who

are interested in helping me defray the costs of direct mailings, questionnaires and newsletters, and various office expenses that are not covered by my Government allowance.

I would be interested, after enumerating the manner in which the funds will be handled and the proposed way in which they will be used, what would be the proper way for me to report these funds that I receive.

It is my intention that the funds will be maintained in a separate bank account that will be segregated from all other funds maintained by my office. The account will be handled by an individual outside my staff who will be charged with the responsibility of keeping the records and payment will only be made on the following office expenses which I incur.

Specifically, I would also be very interested in knowing whether the use of these funds meet the test of Sections 162(a) and 7701(a)(26) of the Code which I feel are "ordinary and necessary" for the operation of a Congressional office:

(1) Mobile office: Whenever possible, including every Saturday of the year, either myself or a member of my staff will tour a specific section of the District in a mobile office that the Association will purchase, and will record constituent inquiries which are to be followed up with case responses. This operation will require a driver and maintenance;

(2) Newsletters, questionnaires and direct mailings that consist of matters of general interest such as taxes, social security, energy problems, and other subjects pertaining to the affairs of the Federal Government;

(3) Transportation: This would include both myself and my staff members over and above the allotted trips back and forth from my District permitted by Government allowance;

(4) Entertainment and public information forums: Including meals and conducting special meetings where I, and occasional guests of the Association would discuss matters of general interest to my constituents and other subjects pertaining to the affairs of the Federal Government;

(5) Additional clerical assistance above the Government allowance of 18 staff members, should the need arise.

I might add that the direct mailings, questionnaires and newsletters will be sent to all my constituents, whether they have contributed to the "Second District Congressional Association" or not. Any excess in the fund at the end of any particular year would be carried over to the following year to be used for the same purposes. The annual costs I envision that the funds will be used for will be less than my annual salary.

Your expeditious review of the above mentioned items and manner in which the funds would be utilized will be very much appreciated by me personally.

With kindest regards,

Sincerely,

THOMAS A. DOWNEY,
Member of Congress.

APRIL 21, 1975.

Hon. THOMAS J. DOWNEY,
House of Representatives,
Washington, D.C.

DEAR Mr. DOWNEY: This is in reply to your letter of March 7, 1975 to Commissioner Alexander asking the proper method of reporting funds you will receive under the circumstances described below.

You state that you are organizing the Second District Congressional Association ("Association") which will consist of your constituents who desire to help defray the various expenses that you are not compensated for by your government allowance.

The expenses to be defrayed are: (1) The purchase, operation, and maintenance of a mobile office; (2) The cost of newsletters, questionnaires, and direct mailings; (3) Transportation for you and staff members to the extent not compensated for by your government travel allowance; (4) Entertainment and public information forum expenses; and (5) Additional clerical assistance not compensated for by your government allowance.

The funds received by you for the above purposes will be maintained in a bank account that will be segregated from other funds maintained by you.

Section 61 of the Internal Revenue Code of 1954 provides, in pertinent part, that gross income means all income from whatever source derived, unless otherwise excluded by law. The performance of the official duties of a Congressman in his trade or business as an elected official includes keeping his constituents informed with respect to the affairs of the Federal Government and his own official actions, and seeking opinions from them on pertinent issues. Thus, any amount received by a Congressman for the purpose of defraying part of the cost of reporting to constituents is a substantial benefit to him in that it offsets a portion of the cost to him of performing the duties of his office. Therefore, such amounts received by a Congressman for the purpose of defraying these costs must be included in his income under section 61 of the Code in the year received. See Rev. Rul. 73-356, 1973-2 C. B. 31 (copy enclosed).

As you are aware, under our system of Federal taxation, deductions are a matter of legislative grace. That is, Congress must make a specific provision for a deduction in the tax law and a taxpayer must show that he comes within the provision to be entitled to the deduction.

This concept of legislative grace is reflected in section 262 of the Code which provides that except as otherwise expressly provided, no deduction shall be allowed for personal, living, or family expenses. See, for example, *McDonald v. Commissioner*, 323 U.S. 57 (1944), 1944 C.B. 94.

However, section 162(a) of the Code provides that there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business. Among the items representing ordinary and necessary business expenses are traveling expenses (including amounts spent for meals and lodging other than amounts which are lavish or extravagant) while away from home in the pursuit of a trade or business.

As defined in section 7701(a)(26) of the Code the term "trade or business" includes the performance of the functions of a public office. Thus, for the subject expenses to be deductible, they must be ordinary, necessary, and directly connected with or pertaining to the carrying on of the trade or business of being a Congressman.

Revenue Ruling 58-479, published in our Cumulative Bulletin 1958-2, at page 60, provides, in pertinent part, that in interpreting the requirement that an expense be ordinary and necessary in order to be deductible for Federal tax purposes, the word "ordinary" has consistently been given the connotation of normal, usual, or customary. An expense is ordinary where experience shows that payments for such items are the common and accepted practice in the field of business involved. An expense is necessary where it is appropriate and helpful in the development of the taxpayer's business.

Therefore, assuming that your mobile office will be devoted exclusively to your official duties as a Congressman, the expenses of operating and maintaining it will be deductible under section 162 of the Code.

However, with respect to the deductibility of the cost of the mobile office itself, section 1.263(a)-2 of the Income Tax Regulations provides, in pertinent part, that the cost of acquisition of machinery and equipment, and similar property having a useful life substantially beyond the taxable year is a capital expenditure and is not deductible.

Section 167 of the Code allows as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence) of property used in the trade or business.

Accordingly, if the estimated useful life of the mobile office is substantially beyond one year, you will be entitled to claim an annual deduction for the depreciation of such equipment under section 167(b) of the Code.

Regarding your second inquiry, the amounts expended in issuing such publications are ordinary and necessary business expenses within the meaning of section 162 (a) of the Code.

However, under section 62 of the Code relating to adjusted gross income, with exceptions not here relevant, expenses attributable to the performance of a trade or business as an employee are deductible in computing taxable income.

Accordingly, the expenses in issuing these publications will be deductible by you only if you itemize your deductions.

With respect to your third inquiry, if the transportation expenditures to be incurred by you and your staff members in traveling to your Congressional district in excess of amounts allotted by the Government are directly related to the performance of your functions as a public official, such expenditures would be deductible under section 162 of the Code.

As to your fourth inquiry, even though a particular expenditure may meet the tests imposed by section 162 of the Code, section 274 of the Code imposes further conditions upon the allowance of deductions for expenditures of a type generally considered to constitute entertainment expenses.

In general, "directly related" entertainment is that which occurs while the taxpayer is engaging in a substantial and bona fide business discussion with a business associate. While there are activities which generally will be considered circumstances where there was little chance or no possibility of engaging in business discussion, such as entertainment at night clubs, theaters, and sporting events, this presumption can be overcome if the taxpayer clearly establishes to the contrary.

"Associated" entertainment is an entertainment activity which directly precedes or follows a substantial and bona fide business discussion. If the entertainment event and the business discussion occur on the same day, then the entertainment will be considered to have directly preceded or followed the business discussion. If it does not occur on the same day, all the facts and circumstances of the situation must be considered to determine whether the entertainment directly preceded or followed the business discussion.

Further, section 274(d) of the Code provides that no deduction shall be allowed for any item of entertainment, unless the taxpayer substantiates by adequate records or by sufficient evidence corroborating his own statement the following elements with respect to each expenditure: (a) amount; (b) time; (c) place; (d) business purpose; and (e) business relationship of person entertained. In addition, if an entertainment expense deduction is claimed because a substantial and bona fide business discussion was held during, or directly preceding or following, the activity ("directly related" and "associated" entertainment respectively), the records must establish the date, place, and duration of the business discussion; nature of business discussed; and identification of persons entertained who participated in such a discussion.

Therefore, entertainment expenses are deductible only to the extent the require-

UMI

ments of sections 162 and 274 of the Code and the regulations thereunder, outlined generally above, are satisfied.

Regarding your fifth inquiry, Revenue Ruling 73–464, 1973–2 C.B. 35 (copy enclosed), sets forth circumstances necessitating a member of Congress hiring additional personnel, the salaries of whom were deductible under section 162 of the Code as itemized deductions.

The Revenue Ruling states, in part, that an individual was elected to Congress to represent a large constituency, and was re-elected to successive terms over a period of years. Upon arriving in Washington to begin his first term, he found thousands of letters waiting to be answered. This unusually heavy flow of mail continued for his first two years in office. Moreover, because of the size of his constituency, he had substantially more than the average number of visits from constituents and telephone calls in addition to his normal legislative activities.

The Revenue Ruling provides further that the member of Congress exhausted his annual Congressional allowance for hiring employees and purchasing equipment, but found that the staff could not simultaneously eliminate the backlog of work and stay current with the continuing heavy workload. Thereupon, he hired additional staff employees, compensating them with his own funds. The services of the additional employees, were connected with the official duties of the member of Congress and were not related to his personal or campaign activities. The salaries were reasonable in amount for the services actually rendered.

Therefore, if the circumstances with respect to the operation of your Congressional office are substantially similar to those described in Revenue Ruling 73–464, and additional personnel are hired, and their salaries are reasonable in amount for the services actually performed, such salaries would be deductible under section 162 of the Code as itemized deductions.

In conclusion we would like to mention for your information the recently enacted Public Law 93–625 that added new section 527 to the Code. Under pertinent provisions of this new law which applies to contributions made after December 31, 1974, a fund established and maintained by an individual who holds any Federal elective public office for use by such individual *exclusively* for the preparation and circulation of such individual's newsletter shall be treated as if such fund constituted a political organization. In general, Pub. L. No. 93–625 provides that contributions received for this purpose are not includible in gross income, nor are deductions allowable for expenses paid by the fund.

Sincerely yours,

(S) BILLY M. HARGETT,
Chief, Individual Income Tax Branch.

THIRTY-FIRST ANNIVERSARY BANQUET OF THE COLUMBIA LODGE, SONS OF ITALY

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. RYAN. Mr. Speaker, the 31st anniversary banquet of the Columbia Lodge, Sons of Italy will be held on June 7 at the Peninsula Social Club in San Mateo. At the banquet Mr. William B. Addiego will be their honored guest. I would like to congratulate Bill on his appointment as national chairman of the order's bylaws committee.

Bill Addiego has personally contributed to the Sons of Italy for many years in every capacity. Starting his life in the United States as an immigrant from Italy, Bill Addiego became a citizen at age 24 and continues to serve the country and his own community by his participation in the Elk's Club, the Italian American Social Club of Menlo Park, as director for the children's health home for retarded children and adults and as a member and former president of the Italian American Federation of San Mateo County as well as continuing his active participation in the Sons of Italy where he has served in every office of the lodge including two as venerable.

As a member of the San Mateo County grand jury, a board member of the Past Grand Jury Association of San Mateo County, chairman of the local draft board, commissioner for the Juvenile Justice and Delinquency Prevention Commission of San Mateo County, and a member of the probation and parole board, Bill has helped to improve the quality of life within our community.

Bill resides in Redwood City with his wife, Marie, and their two daughters, Diane and Jeannine. This man who is being honored tonight possesses those qualities of diligence, energy, steadfastness of purpose and keen loyalty to his adopted country that characterized others who have become a part of the American dream.

JOHN ADAMS ATHLETIC DIRECTOR RETIRES AFTER 40 YEARS OF SERVICE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. STOKES. Mr. Speaker, I would like to ask my colleagues to join me in congratulating Mr. Edwin Caldwell, former athletic director of John Adams High School in Cleveland, on the occasion of his retirement. Mr. Caldwell's years of service to the student body of John Adams cover the years 1936 through 1975. In that time he has served as football coach, athletic director, and as a teacher of social studies.

Mr. Caldwell graduated from Hudson High School and went on to take a bachelor of arts degree from Notre Dame, and a masters degree from Ohio State University. He arrived at John Adams in 1936 and coached the school's senate and city football championship teams in 1937 and 1939. World War II interrupted Mr. Caldwell's service at John Adams for 5 years while he saw action in both the Atlantic and Pacific with the U.S. Navy. He returned to teaching and coaching after the war, but was called on to serve his country once again during the Korean war.

In 1956 Mr. Caldwell was named as John Adams athletic director and held that post until his retirement this year. In 1960 he was named Ohio Athletic Director of the Year.

In almost 40 years at the school, Ed Caldwell has won the admiration and the affection of students, faculty, and parents alike. He will be sorely missed, for his contribution was great. I take this opportunity to commend him for dedicating his entire career to the education of our youth, and service to the nation. I call on my colleagues to join me in wishing Ed Caldwell a happy and healthy retirement.

A REPORT FROM THE MIDDLE EAST

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. McDONALD of Georgia. Mr. Speaker, in February I was privileged to travel to the Middle East as a member of a special subcommittee of the Armed Services Committee. Our 11-day fact-finding mission was very successful, giving us a particularly good grasp of the military position of the countries of Israel, Egypt, Iran, and Saudi Arabia.

Since then the best summary of the situation in the Middle East that I have seen is a report by Hilaire du Berrier which appeared in the April 9, 1975, issue of the Review of the News.

I commend it to the attention of my colleagues.

The report follows:

REPORT FROM THE MIDDLE EAST

Your correspondent has just traveled through the Middle East, talking and listening, piecing together for *The Review Of The News* a picture of the realities of a very serious situation. Here is that picture as we saw it.

The Mediterranean: At stake in the struggle of the giants is the sea-lane which with the Malacca Straits forms Europe's waterway to the East. Before World War II the Mediterranean was a European lake. Russia's entry into the area began in 1950, when Moscow turned to the sea as a means of dealing with a potential enemy which possessed the atomic bomb—a bomb Russia did not have. Using German technology and designs supplied by agents in the West, Russia began a crash naval program. She worked with a frenzy to build fleets to carry her military credibility into the world's waters, and the drive to acquire distant bases became all important.

By 1967 Russia no longer regarded herself as bound to stick to her adjacent waters, and the permanent invasion of the Mediterranean began. From the Mediterranean her Navy ranged into the Indian Ocean. In 1969, Russian surface vessels were cruising the Caribbean, the following year they were off the coast of Guinea. Constant passage of Red warships through the Dardanelles has established a precedent which the West has meekly accepted. Soviet nuclear submarines accompanied by surface escorts now depart regularly from their bases in the Barents Sea to relieve units in the Mediterranean.

In late 1974, Russia's first aircraft carrier, the *Kiev*, joined a helicopter-carrier, thirty-some surface vessels, and a dozen submarines in the Mediterranean. At the time the American fleet in the area was composed of 40 surface vessels, 150 planes, and some 20,000 men, plus a landing party of Marines. The aircraft carriers *Saratoga* and *Independence*, supported by the helicopter-carrier *Guam*, a missile-launching cruiser, and submarines armed with Polaris missiles completed the American force. It looked good on paper, but despite the disparity in numbers the U.S. force was out-weighed, outgunned, and in some respects obsolete.

The nations on the Mediterranean, the Aegean, and the Persian Gulf now await the reopening of the Suez knowing that Russia will then link up her fleet in the Indian Ocean with her units in the Mediterranean and move in on our Sixth Fleet.

Without the presence of the American fleet in the Mediterranean, Russia would by now have taken the Middle East to control the 600 million tons of oil produced there each year. America's Sixth Fleet makes possible the continued flow of petroleum to Europe. Without that oil, industry and agriculture there would grind to a stop; without industry and agriculture, Europe would quickly be starved into submission.

Behind the closed doors of ministries in Western Europe it is feared that in a crisis situation America may find herself with a weak President in thrall to the highly dangerous Henry Kissinger. They have been promised that in the event of war America's Polaris-bearing submarines, under the direct command of the President, will hit directly at Soviet Russia. Since the betrayal of South Vietnam became obvious, however, few Europeans have any faith in that promise. When the new "Liberal" Congress moved to cut our military aid to Turkey, the nation standing between Russia's land forces and Europe, many began to read the handwriting on the wall.

Malta: Mastery of the Mediterranean has for centuries been contingent on possession of the three strategic islands of Malta, Gozo, and Comino, clustered together 58 miles south of Sicily and 180 miles from the coast of North Africa. Malta and her two neighboring islands form a closed society in which everyone knows everyone else's business. Dom Mintoff, the Labor Party leader, put his henchmen to work ferreting out the secrets of prominent citizens and Members of Parliament. His rise to power was achieved by blackmail. Installed as Prime Minister in 1971, Mintoff has hastened Malta's move to the Left. When we were there recently, only a British frigate and destroyer lay in the harbor at Valletta where once whole fleets were anchored. Red Chinese workmen were arriving daily. On December 19, 1974, Libya's sword-rattling Colonel Muammar Qaddafi had been in Malta to coordinate plans for a $200 million shipyard, to be financed by the Arabs and constructed on Britain's former Royal Naval Air Service base.

On January 7, 1975, Dom Mintoff was welcomed to Peking by a tumultuous crowd. A few days later it was announced that Communist China would send more technicians "to train Malta's new labor force." Red Chinese had already taken over the former British Army barracks and were appropriating the former Royal Artillery barracks. Before leaving for North Korea, Dom Mintoff spoke with Mao Tse-tung on "the warlike activities of the foreign imperialist base"—a base for which he was still receiving $75 million a year under a N.A.T.O. treaty.

Supporters of Malta's opposition leader Borg Olivier lament confidentially that if Olivier takes a stand Mintoff will declare a state of emergency and the opposition will legally cease to exist. The only force standing up to the Marxist Prime Minister is Mabel Strickland, owner of the *Times Of Malta*. Mintoff cannot deport her, however, because she is not British but the daughter of one of the old noble Maltese families. To close down her paper would cause a furor among the tradition-minded Maltese. Mabel Strickland has her finger in the dyke, but she will not be able to hold off Mintoff and his Maoists forever.

The Red Chinese are so sure they are in strategic Malta to stay that top men in their Embassy have learned the Maltese language, a difficult tongue and useless anywhere else in the world.

Lebanon: This a helpless passenger nation aboard the drifting boat that is the Middle East. While a militant Israel poses a threat from the South, Marxist-ruled Syria is a permanent menace in the north.

Here the Arab banks, money-changers, traders, and property-buyers for the emirs maintain their alliances with the West. Key men of the drug world rub elbows with tourists, Israeli spies, and revolutionaries from Japan, West Germany, Turkey, Ireland, and other allies of the Palestinians.

Should the Government attempt to crack down on the 350,000 Palestinian refugees using south Lebanon as a sanctuary and Beirut as their base, their Moslem supporters would tear Lebanon apart. In such a climate no Lebanese counts on the police for security. Each block and hamlet has its cache of hidden arms. For everyone from Members of Parliament to taxi drivers, a revolver is as much a part of daily life as a wristwatch. And, here in Lebanon, grenades, explosives, automatic rifles, and rockets are provided for terrorists whom the Arab population regard as freedom fighters. Powerless to control the terrorists, President Seleiman Franjieh has nonetheless warned: "Never in history did a dispersed people save themselves by destroying those who give them shelter." His plea fell on deaf ears.

To get an idea of the problem President Franjieh faces one has but to recall that in the Moslem hysteria which followed Nasser's death, police reported 26 killed and 160 wounded in Beirut alone by bullets, grenades, and exploding dynamite. Security forces privately admit that the figures were double those given.

Men who live with one eye on the money market and the other on Russia, Israel, and the Arabs, predict that the hardliners in Israel will never consent to give up the Arab holy places in Jerusalem, and sooner or later there will be another war. This time the Israelis will win decisively, and the Arabs will blame America. Leaders of the oil-producing states (not including Iran) will then place an embargo on oil exports to the U.S. and other Western powers which supported the Israeli cause. Regardless of whether America invades one of the oil-producing countries, the Soviet Union will reap political benefits from the resulting anti-Western wave. According to mystics in Beirut, after a long period of simmering hatred accompanied by growing opposition to the West's support of Israel, Islam will win the final round. The only catch is that Red domination of the Middle East may by then be complete and irreversible.

In the meantime, leaders of every faction plot to advance themselves. Libya's Muammar Quaddafi complains that only 40 percent of Arab terrorists operating out of Lebanon and Damascus are directing their attacks against Israel. The remainder are fighting each other or Arab regimes in the region, putting revolution in the Arab states before victory over Israel. Quaddafi wants the divided factions to unite into a single terrorist army dedicated to the destruction of Israel and any Arab leader who makes a move toward negotiation. The immediate result is trouble for Lebanon.

Half a million Lebanese live in the fertile southern region which constitutes a third of their country. Here also are the Palestinian refugee camps. Each time a Palestinian band financed by Quaddafi and encouraged by Syria makes a foray against Israel, a frontier village or the outskirts of Beirut are bombed in retaliation. Since June 1967 there have been thirteen major Israeli military operations against Lebanon. This has pushed the Lebanese into clamoring for defense measures and Prime Minister Rashid Sohl is under pressure to buy arms at any price, even if he has to turn to Russian arms.

Sohl and his supporters argue that arming Lebanon would lead to fighting, and fighting would bring worse dissensions and dangers than the Israeli bombings. He has maintained that Lebanon's best defense is her weakness: As long as she does not become a military state, the 1949 armistice agreement with Israel provides legal protection against Israeli occupation. Lebanon could not withstand an Israeli assault.

Prime Minister Sohl's policy of weakness and reliance on diplomatic dissuasion has been under fire since early this year. First came a visit in mid-January from Syria's President Hafez al-Assad. Assad is afraid that Israel will establish a military foothold in southern Lebanon and turn the flank of the Syrian position on the Golan Front. He wants to send regular Army forces into Lebanon. Already Syria-trained units of the Palestine Liberation Army are bolstering the Palestinian guerrillas. If Sohl opposes them he will lose his Moslem support; if he yields to internal Christian pressure for a United Nations police force along the border with Israel, this will also be regarded as a renunciation of Arab cooperation.

Unless a settlement comes soon, Lebanon will face an internal explosion or involvement in a war in which she does not stand a chance. Perhaps both. In this atmosphere anti-American feelings have been on the rise, and our refusal to extend diplomatic courtesies to President Seleiman Franjieh when he arrived in 1974 for a meeting of the U.N. General Assembly has not helped matters. The Lebanese President was detained, questioned, and further offended when police dogs were brought in to sniff his luggage as though he were a common hoodlum from some criminal drug ring. President Franjieh's ill treatment at Kennedy Airport was grist for the mill of Soviet agents stirring up anti-Americanism among the many Lebanese who have been driven by Israeli bombings to a rootless existence around Beirut.

Saudi Arabia: This is written the day after the tragic death of King Faisal Ibn Abd al-Aziz, whose name means "son of the servant of the loved one," the loved one being Allah. When men bowed to this great leader, he would bid them rise and reprove them by saying: "Bow to Allah, but to no man."

There is much more behind this senseless killing than the mental unbalance of the assassin, the nephew who walked the length of the reception hall to embrace his uncle and kill him. But for the moment, what is important to remember is that the assassination came on the heels of the breakdown of Henry Kissinger's peace negotiations, at a time when the only reproach the King's enemies could bring against him was that he had placed too much value on American friendship.

In the last months of Kissinger's "step-by-step" diplomacy all Islam knew that he only had one remaining argument in his bag of tricks that would have the slightest effect on King Faisal: If the oil shortage became too grave it could bring about the collapse of Europe and Communist parties would seize power in Italy, France, and Spain. The Mediterranean would become a Red lake and that was the last thing Faisal wanted. It was King Faisal who persuaded Egypt's President Sadat to throw out the Russians, and to the end Faisal continued to offer America a new "special relationship" in return for cooperation in opposing the growing influence of Moscow in the Middle East.

Palestinian Marxists had long talked of revolution in the conservative Arab states.

UMI

And the Russians, whom the King detested as atheists as well as Communists, had reason to wish his death. He had other enemies.

Israel's annexation of the old city of Jerusalem—third in holiness only to Mecca and Medina in Moslem eyes—had made the King's moderation toward America almost suicidal. Yet, Faisal continued to feel that patience was the answer, that in time Americans and Europeans would refuse to pay the price of supporting a state in which they have no economic interest. He was convinced Washington would come to agree with him that giving Israel more and more weapons would not lead her to make concessions.

Ironically, the King was one of the few Arab leaders to make no public comment on the notorious Kissinger talk of force as possible answer to oil "strangulation." A man close to King Faisal explained his silence by saying: "It is a desert custom to remain mute but dignified in the face of folly."

Kissinger and the bumptious newsmen he carried along to sing his praise had no such compunctions, even in Riyad, the capital of Saudi Arabia. Anthony Sampson, the British writer, tells how on the thirteenth day of his February 1975 tour of the Middle East, he arrived in Riyad just ahead of Kissinger and his press crowd. Sampson called them Henry's "captive claque." They talked freely to Sampson. "Henry has assured them," he says, "that the talk of invasion, though never serious, has had its desired effect; there's been no recent mention of embargo."

There is a very real possibility that Henry Kissinger's talk of invasion had the exact opposite effect. The wise and humble man whose moral leadership was so great is now gone, and in his place is Khaled Ben Abdel Aziz, Faisal's brother. Many believe that real power will be in the hands of Fahd Ben Abdel Aziz, a half-brother of the late King. How great the changes will be remains to be seen. But one thing friends of the West agree upon: We have seen the end of an epoch. There is an Arab saying that all changes are for the worse.

It is feared that, with the failure to obtain from Israel the concessions which would have made peace possible, Washington has had her day in the Middle East. The mortal enemy of Communism and Russia is gone, and the Comrades hope that now Egypt and the Arab world will turn to the power which has been waiting to edge America out of the Mediterranean and the Middle East.

North Yemen: Colonel Ibrahim Mohammed el-Hamidi is the man keeping North Yemen out of the Communist camp. It was Faisal of Saudia Arabia who planned, encouraged, and financed the coup d'état of June 13, 1974, which made North Yemen a partner with Saudi Arabia in guaranteeing the Asian bank of the Red Sea for the West. The question is whether Faisal's successor will stick by the colonel who was Faisal protégé.

In the Sixties, American labor officials used the anti-colonialism stirred up by America, Russia, and the U.N. to drive the British out of Aden. Irving Brown, American labor's delegate to the International Confederation of Free Trade Unions in Brussels, and Jay Lovestone, former secretary-general of the Communist Party, U.S.A., made the Aden Trade Union Congress their instrument in Britain's former base at the mouth of the Red Sea. Brown's labor leaders, using their unions as an army, evicted the British and the Communists took control.

Red power was on the rise in the whole Red Sea area in 1962 when 18-year-old Ibrahim el-Hamidi left his village to become a soldier under the new Imam Badr. A short time later Colonel Abdullah Salal, commander of the Imam's guard, launched the Marxist revolution which Nasser sent seventy thousand men to support. For five years royalist supporters of the Imam tied down Nasser's troops, until a truce was arranged and the Imam fled to exile in Saudi Arabia.

In the late Sixties the threat of Communist subversion on his Southern flank became more than Faisal could stand and a second *coup d'etat* unseated Salal. Steadily, under Faisal's watchful eye, the man he had picked to save North Yemen from the Red camp forged ahead, moving in twelve years from simple soldier to second in command of North Yemen's armed forces. On June 13, 1974, Faisal's protégé was installed in Sanaa, the capital, where for years Yemen's Imams have sat on a carved throne under a suspended scimitar as temporal and spiritual rulers.

What South Yemen with its cluster of Peking agents does in the days and weeks ahead will indicate the degree of Red China's interest in the death of King Faisal.

FOSTER GRANDPARENTS PROGRAM

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. ZEFERETTI. Mr. Speaker, one of the finest programs of recent years initiated by the Federal Government has been the foster grandparents program. It offers assistance to low-income men and women, age 60 and over and in good health, to provide love and attention to physically, emotionally and mentally handicapped children in institutions and private settings.

Foster grandparents work 4 hours a day during the 5-day week, devoting 2 hours daily to each of two children placed under their care. Tasks may vary, from feeding and dressing the children, playing games and reading stories, to helping with speech and physical therapy. The volunteers receive 40 hours of orientation training, are supervised by child-care teams in their assigned agencies, and attend in-service training sessions. And, for their work, foster grandparents receive a stipend of $32 weekly, a transportation allowance, hot meals while in service, accident insurance and annual physical examinations.

As of September 30, 1974, 12,543 foster grandparents were serving in 156 projects in the 50 States, Puerto Rico, the Virgin Islands and the District of Columbia. And, under the Domestic Volunteers Services Act of 1973, their existence has been guaranteed through fiscal year 1976.

However, the President has recently proposed a cut of nearly $3 million in this invaluable and unique program, a classic example of the shortsightedness of the present administration. I believe that it is vital that the House Appropriations Committee restore the foster grandparents program to its full funding and reject the proposed budget cut. Only then can we assure its maximum effectiveness and survival.

The foster grandparents program is one of the most worthy undertakings of the Federal Government; it allows elderly citizens to engage in the most useful work befitting themselves and children desperately in need of their assistance. If this country can afford to spend large fortunes in other areas of questionable worth, we can surely afford to continue this investment in our elderly and our children.

BLACK LAWYERS IN THE UNITED STATES: (1840–1900)

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. FORD of Tennessee. Mr. Speaker, I ask unanimous consent to have printed in the RECORD an address delivered by J. Clay Smith, Jr. before the Law Librarians' Society of Washington, D.C., on May 21, 1975.

Mr. Smith is a 1967 graduate of the Howard University School (J.D.) of Law in the District of Columbia. He received his LL.M. from George Washington National Law Center, Washington, D.C. in 1971, and has completed all the course requirements towards his doctorate in law (S.J.D.) at that institution.

Mr. Smith, a native of Omaha, Nebr., served 4 years in the U.S. Army Judge Advocates General's Corp and was associated with the Washington, D.C. law firm of Arent, Fox, Kintner, Plotkin and Kahn before receiving his present appointment—June, 1974—as Deputy Chief of the Cable Television Bureau at the Federal Communications Commission.

The address which I am privileged to present is about the black lawyers in the United States prior to 1900. As this Nation enters into its Bicentennial celebration and simultaneously celebrates the history of the land, it must pause to pay due deference to the American black lawyer, too, especially those who labored at bar prior to 1900.

I join Mr. Smith in calling on the academic community to expand its research so as to focus on the accomplishments of the pre-1900 black lawyer—for little is known about the contribution of these people to the causes of this Republic. I urge the citizens of Tennessee, black and white, to join in this research effort for most people in the Nation are probably unaware that Lutie A. Little was the first black woman—and perhaps the first black person—admitted to practice law in the State of Tennessee in 1897.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

BLACK LAWYERS IN THE UNITED STATES (1840–1900)

(By J. Clay Smith, Jr.) *

Ladies and gentlemen. I am honored to be your guest of and to speak at the Annual Dinner meeting of the D.C. Chapter of Law Librarians' Society. Libraries have always had a special meaning for me. During my undergraduate days at Creighton University, I worked as a "page" in the Business and Industrial section of the Central Branch Library in Omaha, Nebraska. Because of that experience, I realize the importance of the library system as the preserver of the past and guardian of facts and thoughts which may protect and secure future generations. So, I say to each of you librarians, whether you are employed by the Federal or State government, a law firm, university or law college or in the private sector, thank you for your dedication and your vigilance in preserving the most valuable resource of our nation—thought.

This evening I will speak briefly on the subject of "Black Lawyers in the United States: 1840–1900."

* Before the Law Librarians' Society of Washington, D.C. at the Key Bridge Marriott, Rosslyn, Virginia, on May 21, 1975. Mr. Smith is the Deputy Chief, Cable Television Bureau, Federal Communications Commission, Washington, D.C.

Many law librarians, who have worked in law firms, various branches of the federal government and in private corporations have probably seen the number of black attorneys using those libraries increase in the last 5 to 10 years. Although black people make up well over 11 percent of the overall population of the United States, there are only about 4,500 black lawyers in the country comprising 1½ percent of the collective bar, and maybe fewer. Burns, Tyranny of American Law, 407 Annals 156, 165 (1973). One study indicates that black lawyers constitute less than 1 percent of all practicing attorneys in the United States. Shuman, A Black Lawyers Study, 16 How. L.J. 225, 229 (1971). There is no doubt that there is and has always been a shortage of black lawyers in the United States to serve the needs of various communities in our nation. Houston, The Need for Negro Lawyers, 4 J. of Negro Ed. 49 (1935); Tollett, Black Lawyers, Their Education and the Black Community, 17 How. L.J. 326 (1972).

A few years ago, I became interested in the study of black lawyers at the bar, especially those attorneys who had argued the great civil rights cases of the '40's, the '50's and the '60's. I heard all kinds of stories from lawyers on how they had been physically abused while attempting to represent their clients. In fact, some of these lawyers had—in modern times—been run from their homes and out of cities and counties in their states while investigating or attempting to represent a black client. As a footnote, I might add that some of these stories included white attorneys, who with the black attorneys, were also run out of town.

While the lawyers of recent years certainly have struggled in the practice of their chosen profession, their predecessors at the bar—the pre-1900 black attorney—must also be given due deference because to some degree the pre-1900 black lawyer layed the foundation which future black lawyers would build upon. During my law school days at the Howard University School of Law and since being graduated from that institution, I have searched numerous sources trying to discover facts about black lawyers of yesterday, and to ascertain, to weigh the impact, if any, they had upon enhancing the quality of life minorities have had in the United States because of their legal efforts.

While my research is far from complete, it is my present judgment that the legal activities of the black lawyer, though few in number, has had a significant impact upon raising the quality of life for minorities in the United States and maintaining their faith in the republican form of government—even during the most repressive periods of American history. Secondly, it is also my preliminary finding that law as a business has become more attractive as a profession as black people have broken the barriers in higher education areas and upward employment levels in both the public and private sectors. Thirdly, the image and respect of the black lawyer *vis-a-vis* blacks has steadily increased as a result of their presence and performance both in and out of courtrooms.

However, in the early days, prior to broader acceptability of black professionals in our society, the life of the American black attorney was rather difficult. The first difficulty of a black person seeking to better himself was learning how to read and analyze opinions of law where the emphasis of the case was based on english jurisprudence—something many Anglo-American attorneys with the finest educations had difficulty understanding. Another difficulty related to the exclusion of blacks from basically all major institutions of lower and higher education. Obviously, the intellectual study required to be an attorney was often too great to be obtained by studying law solely by candlelight. Another difficulty was that many white attorneys were unwilling to permit blacks to read law in their offices without whose supervision or vouch the bar association or the courts refused to admit a person to practice law. Yet another difficulty was related to black people themselves. Some black people felt that a black man's place was to learn a trade rather than to seek a profession, such as law.

However, even before the Civil War there were a few black men who came to the bar. While to date very little is known about the scope of these lawyers practices—the fact that they existed is itself enough to spur inquisitive minds to do additional research in the geographical areas in which they practiced. For example, Robert Morris was admitted to the Boston, Massachusetts, Bar about 1843. It is reported that he succeeded against great odds, becoming by 1863 a man of position and influence there, contributing to the civic advance of black people. F. Styles, Negroes and the Law 14 (1937); also, see Leonard, The Development of the Black Bar, 407 Annals 134–139 (1973).

Little is known about Macon B. Allen, but one historian records him as being admitted to the bar of the State of Maine in 1854. R. Adams, Great Negroes Past and Present 102 (1963), while another publication lists him as the "first Negro formally admitted (emphasis added) to the bar in the United States [in Worcester, Massachusetts, in May 3, 1845]" Ploski and Brown, the Negro Almanac 8, 829 (1966). Additional research is required to resolve this question of whether Robert Morris or Macon B. Allen was the first black lawyer admitted to practice in the United States, and whether the State of Maine or Massachusetts may lay claim to this historical honor. Perhaps Robert Morris was the first black lawyer in the United States or perhaps Macon B. Allen was the first black to formally pass a bar examination to gain admittance to the bar. Leonard, *supra* at 135.

John S. Rock was the first black to be admitted to practice the profession of law before the Supreme Court of the United States. He was sworn in on February 1, 1865. It is reported that as the Oath of Admission was read by Chief Justice Salmon P. Chase that "the rave to bury the Dred Scott decision was in that sentence dug . . ." Styles, *supra* at 14.

During the Reconstruction era black lawyers played a vital role in the Congress. It is reported that twenty-two to twenty-five Negroes sat in the U.S. Congress during the Reconstruction era. Styles reports that at least seven of these congressmen were lawyers; namely:

NAME, ELECTED, SERVICE, AND STATE

H. P. Cheatham, 52d and 53rd Cong., 4 yrs., South Carolina.

Robert Elliott, 42d Cong., 2 yrs., South Carolina.

John M. Langston, 51st Cong., 2 yrs., Virginia.

John R. Lynch, 43d, 44th, 47th Cong., 6 yrs., Mississippi.

Jas. E. O'Hara, 48th-49th Cong., 6 yrs., North Carolina.

Jos. H. Rainey, 44th et seq. Cong., 10 yrs., South Carolina.

Geo. H. White, 55th Cong., 4 yrs., North Carolina.

See Styles, *supra* at 19.

Whether Style's list accurately reflects the lawyer population in Congress is unclear. For example, Congressman John Roy Lynch, who is listed as being an attorney by Styles is said to have worked in a photographer's studio by one recent historian. J. H. Franklin, The South's New Leaders reprinted in Black History 311 (Edited by M. Drimmer 1968). One would tend to think that Professor Franklin, who has studied black history for years is correct. Franklin states, that after the Civil War "most of the Negro leaders were ministers . . . Here and there one found a Negro who had been trained in the law." *Id.* at 312.

According to one source, among the most brilliant of the post war congressmen was Robert B. Elliott "who had one of the finest law libraries in the South." Adams, supra at 102. Mr. Elliott was a member of the South Carolina Legislature and served as Speaker of the House of that body. While serving as a U.S. Congressman, Elliott argued for the passage of a post war Civil Rights Bill. Styles, *supra* at 15.

Johnathan J. Wright was an Associate Justice of the State Supreme Court of South Carolina from 1870–1877. Judge Wright "studied at the University of Pennsylvania and had been a respected member of the Pennsylvania bar before moving to South Carolina after the [Civil] War." Franklin, *supra* at 311.

One of the towering giants of the Reconstruction era, who today is still considered one of the most important men in American history is John Mercer Langston. It is John Mercer Langston, who alone, as a single force against amazing odds was pleading and representing the cause of black people prior to the Civil War. He was admitted to the bar in Ohio, September 13, 1854. It is said that in those days, few white men introduced black people at National forums; however, it is reported that William Lloyd Garrison, then President of the American Anti-Slavery Society, introduced John Mercer Langston, who then addressed the Society at its 22nd anniversary meeting in the Metropolitan Theatre, New York, on the subject of the evils of slavery and its abolition. Langston was admitted to the bar of the Supreme Court of the United States on January 17, 1867, on motion of James A. Garfield, who later became President of the United States. The life of Langston was filled with success as a lawyer, educator and Consul-General to Haiti, and U. S. Congressman from the Commonwealth of Virginia. Styles, *supra* at 14–15. He took his seat in Congress in 1899 after having served as professor of law (1868) and Dean of Howard University Law Department when it was formed on January 6, 1869. See R. Logan, Howard University The First Hundred Years 1867–1967 49 (1968) (actually Langston became Dean in 1870).

According to Professor Kellis Parker, a distinguished professor of law at Columbia, the "first effort to attract blacks to the legal profession was launched by Howard University . . . Howard University had a virtual monopoly on the production of black lawyers." Parker reports that by "1900 it had trained 328 of the 728 black lawyers in the nation." Parker and Stebman, Legal Education For Blacks, 407 Annals 144, 145 (1973). If Professor Parker's figures are correct, this means that for 30 years after the establishment of the Howard Law Department it had graduated on the average of 19 lawyers per year, or almost half of the total black lawyer population in the United States. See Leonard, *supra* at 138.

With the exception of a few lawyers, the 1800's of American history reflects little, if any, physical presence of the black lawyers in court rooms and before juries representing

UMI

black people. I have been unable to identify any black lawyers in the United States prior to 1843. Many of the black lawyers became law librarians or law clerks in white law firms, or businessmen and newspapermen. No doubt some black lawyers became low level clerks in local courts. Many of these attorneys probably used their law degreea to qualify for non-legal jobs. B. T. Washington, The Negro in Business 212, 219 (1907). However, the black lawyer did practice in some courts. Booker T. Washington reports in his book The Negro in Business that in Florida during the latter days of the 1800's or the very early days of the 20th Century that "The professions are represented among the colored population by three lawyers . . . The Negro lawyers seem to have the entire respect of the members of the bar and are accorded the same courtesies in the courts that are shown to white lawyers." (at 233). See also, Styles, *supra* at 16 (both books refer to attorney I. L. Purcell). This information on the respect and treatment of black lawyers in Florida is indeed a rare find because it is the only information that I have found on a positive note indicating that black lawyers prior to relatively recent times freely participating in the legal process in the South and parts of the North uninhibited by racism. Higginbotham, Racism and the Early American Legal Process, 407 Annals 1 (1973); Bell, Racism in American Courts: Cause for Black Disruption or Despair, 61 Calif. L. R. 165 (1973).

Black lawyers were also involved in politics not only because of the Reconstruction period during which blacks were permitted to and did become active therein, but because they knew and understood that law was both influenced by, and perhaps, determined by politics. While there are others that I could mention, one outstanding politician-lawyer comes to mind. His name was Judge M. W. Gibbs. Gibbs was born in Philadelphia in 1823. He spent most of his energies in business as a farmer and a clothing business. He was admitted to the bar in Little Rock, Arkansas, in 1873 and was elected a municipal judge—"the first Negro in the United States to hold such an office." Washington, *supra* at 219.[1] Booker T. Washington reports that after Judge Gibbs' election to the bench "he was prominent in the politics of that state and was delegate-at-large at every National Republican Convention . . ." From 1888 to 1897 he was Secretary of the Republican State Executive Committee. In 1877 Judge Gibbs was appointed Register of the United States Land Office at Little Rock and he was reappointed to this office by Presidents Garfield and Arthur. Washington, *supra* at 219–220.

Thus far I have not referred to any black women lawyers. There are few women lawyers between 1840–1900. I really do not think that historians really know the first black woman lawyer to be admitted to the bar in the United States. One historian reports that "Miss Charlotte E. Ray, daughter of Charles B. Ray, Negro Congregational Minister . . . was graduated in 1872, the first woman graduate of the [Howard] Law School." R. Logan, *supra* at 49. The same historian states: "Miss Ray is traditionally referred to as the first woman in the United States to graduate from a regular non-profit law school and also the first woman admitted to practice law before the Supreme Court of the District of Columbia. Both of these 'firsts' are difficult to establish. Records of the United States District Court of the District of Columbia do show that she was admitted to the bar of the District of Columbia on April 23, 1872." Logan, *supra* at 49–50. Hence, Miss Ray may be the first black woman lawyer in the history of the nation. In 1894 Ida Platt became the first black woman admitted to the Chicago bar. In 1897 it is reported that Lutie A. Little was the first black woman at the bar in Tennessee, and the only black woman licensed to practice law in the South. R. Logan, The Betrayal of the Negro 316–17 (1969). The legal activities of these women are presently unknown to me; however, there is a need for someone to look at the records in the District of Columbia, Illinois and Tennessee to discover what, if any, impact these women had on the development of law in their states or on the nation.

In closing, let me say that in this twenty or so minutes before you that I have tried to highlight the names of a few black lawyers, who in the most difficult period of history for blacks in America, were pioneers of legal thought and legal strategy that would later result in great constitutional decisions. Some of the facts that I have given you this evening are not generally known by the legal profession and the public-at-large. These great names and events have unfortunately been excluded from history and law books. Hence, little is known about the struggle of black lawyers past or present.

I am using this occasion to call upon the academic community to focus their attention on a neglected area of study. In my way of thinking, there is no better group to share this knowledge with than law librarians because within the storerooms of your law libraries there probably exist valuable materials which touch upon the history and legal acumen of black lawyers in this country.

In these few moments I have not attempted to identify all of the key lawyers during the 1800's. In order to adjust to the economy of time, I have omitted a few names that should have been mentioned. While preparing this paper, I recognized that I probably needed a year's notice to adequately cover the universe during the period covered by this talk. Hopefully, one day I, or some other (enthusiast) will finish the factual development of this study which must be finished. Thank you.

[1] George L. Ruffin, who received his law degree from Harvard Law School in 1869 was appointed judge in the municipal court of Charlestown, Massachusetts—reportedly, "becoming the first Negro to hold a judicial position in the North." Leonard, *supra* at 137.

A NEW NATIONAL SCIENCE POLICY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. TEAGUE. Mr. Speaker, recently an article in the National Defense magazine discussed the National Science Policy and Organization Act of 1975 which was introduced to the House by my colleague, the Honorable CHARLES A. MOSHER, of Ohio, and myself on March 6, 1975.

I want to present the article now because hearings on the bill will begin June 10 in the Science and Technology Committee of the House and I feel that each and every Member of Congress and the general public should be aware of the various aspects of the bill. The article gives a brief, but good, description of that legislation.

The article follows:

A NEW NATIONAL SCIENCE POLICY

The National Science Policy and Organization Act of 1975 draws from two prior reports—"Toward a Science Policy for the United States," issued by the House Science, Research and Development Subcommittee in October 1970, and "Federal Policy Plans and Organization for Science and Technology," issued by the full Committee on Science and Technology in July 1974.

In summary, the bill seeks to accomplish four things. First, it endeavors to enunciate a well-rounded national science policy. I am not aware of any prior statutory effort of this specific character. Secondly, it would establish a Council of Advisers on Science and Technology in the Executive Office of the President—but with specially built-in discretionary powers as to use and organization vested in the President.

Thirdly, it would provide administrative unity and coordination of the essentially research and development agencies of Government, as well as Governmentwide oversight and budget review of R&D activities, through the innovation of a staff-function, Cabinet-level Secretary of Research and Technology Operations.

Fourthly, it would undertake to consolidate and make compatible the operations of the various Federal science information agencies by merging them into a single Government corporation with special ties to the private sector.

There are many reasons which form the backdrop of this bill. The following reasons, however, would seem to be cardinal to the issues of the day:

1. We recognize the prominent role which applied science has played in producing the great problems of modern civilization—the crowding and congestion, the excessive gobbling of natural resources, the dangerously shifting foundations undergirding the economy, the disruptive social and moral influences abroad in the land, and so on. Indeed, such recognition was directly responsible, and in large measure, for the concept of technology assessment and the formation of the legislative office which now bears that name. We know the need to understand as best we can all the probable impacts of technologies as they develop—good and bad.

2. We are further aware, particularly as we look about and see the critical problems facing us with regard to food, energy, national security, economic strength, and the like, that the solutions to our problems depend in some way upon the judicious use of better technology. Former Presidential science adviser, Dr. Edward E. David, has put it succinctly:

"Can we be sure that science and technology will find the answers? Can we be sure that solutions to our problems exist? No, but we can be sure that nothing but science and technology can find them if they do exist. To put it as bluntly as possible: science and technology must answer our problems. If they don't, nothing else will."

This may be overstated, but its germaneness to the needs of our era has been recognized, openly or tacitly, by every administration of the past 45 years.

3. We have, finally, arrived at the solid conclusion that a statutory base of some kind is essential to bring order and stability to the Government's use of science and technology. For science and technology are elements of our contemporary culture as pervasive and important as economics or education or labor or environment. Like them, science and technology are interwoven into all the major missions with which Government is involved. Like them, science and technology should be fabricated concretely and statutorily into the managerial and policy structure of our National Government.

We have no desire to force a science advisory mechanism on the Executive Office which the President may find distasteful or foreign to his mode of operation. That is wheel-spinning. But we are inclined to believe—having watched the handling of science and technology on an ad hoc basis by a long succession of administrations—that a firm science and technology policy is needed; a dependable though flexible science advisory system is needed; and a high-level, influential base for the definition and coordination of such governmental activities as are inherently devoted to or dominated by science and technology is also needed.

Our evidence strongly suggests that these are all integral parts of a single theme and should be treated together.

The bill asserts an obligation of Congress to set the policy of the Federal Government which the President will execute. Title I puts into explicit language a set of science and technology policies for congressional and public consideration. What is offered is a first try at a very large, difficult, and perhaps controversial task—a specific delineation of national goals in science and technology plus policies and procedures for achieving them.

The bill proposes to relate these goals to the still broader goals of our society. For if we do not ensure that science and technology serve our goals as a nation, we are ignoring the lessons of history. The principle proposed here is that of expenditure of public funds must be for definable and accepted public purposes, understood and agreed.

Title II of the bill would make available to the President a new instrument for translating into action the policies enunciated. This is a Council of Advisers on Science and Technology. The intention is to design a body whose collective wisdom will focus on ways to use the resources of science and technology to advance the programs of the President, to create a central point for policy within the Executive Office, to provide a scientific input for the deliberations of other councils within that office, to advise the President and the Congress of current progress and long-range plans and opportunities for the social uses of science and technology, and to evaluate the effectiveness of all Federal research and development programs.

The rationale here is not to insist upon a particular style of scientific support for the President but to suggest a method of mobilizing expertise which will be clearly advantageous and will commend itself to the Executive Office.

Under this bill, the President could use the Chairman of the Council as a personal science adviser if he so desired. In any case, the Chairman would speak for the best public use of science and not as an advocate for science.

Most important, this title carries a limited reorganization authority so that the President—or his successors—may revise the advisory mechanism, unless Congress dissents, to suit his particular needs and methods.

Title III of the proposed statute is a new variation of a concept first suggested about a century ago and periodically revived in one form or another ever since. It is the creation of a Department of Research and Technology Operations.

Unlike previous proposals for such a Department, the present scheme does not call for the transfer to it of most scientific and technological functions which support the missions of existing departments. While the new Department would stand ready to assist other departments in the conduct of their scientific activities on request, and to review the total allocation of Government funds to research and development activities, it would in no way usurp the scientific decisionmaking and operational functions of other departments.

In the case of particular agencies whose fundamental purposes are scientific or technological, a consolidation in the new Department is proposed.

The rationale is that the need for new and often massive scientific and technological programs has been repeatedly demonstrated over the past three-quarters of a century. We have seen various new agencies created to manage such programs, sometimes loosely attached to an existing department, and in recent years more often made a separate agency.

In the first category are the National Bureau of Standards, the Weather Bureau, and then the National Oceanic and Atmospheric Administration. In the second category are the Atomic Energy Commission, the National Science Foundation, the National Aeronautics and Space Administration, and, most recently, the Energy Research and Development Administration.

As times goes on, it is likely that more and more new technological enterprises will need to be added to this roster for the encouragement of technologies only dimly perceived today. The burden of the President is heavy enough without the creation of additional new agencies reporting separately to the White House. At the same time, management of large scientific enterprises within the administrative structure of existing departments can be difficult when their relationships are not obviously and closely functional. Gathering these two classes of research organizations within a single department should result in improved administration. It should also assure informed, qualified, and uniform supervision of the proliferating R&D enterprises within the executive branch—as well as provide a place in the executive branch for further additions of functions without creating new independent agencies until the need for such has been established.

The agencies comprising the department would retain their administrative structure; their missions would be unchanged; they would control their operations as they now do—subject to the "general supervision and direction" of the Secretary.

Finally, it is here, at Cabinet level, that the role of advocacy for science and technology settles in—where the voice for the scientific mission can be heard with consistency, clarity, relevancy, and influence. That voice does not exist today.

Admittedly, the concept of the department is not traditional. It is more of a staff than a line operation. It has not been tried before. However, we believe it is workable and is worthy of careful consideration.

Title IV of the proposed bill would establish one other institution to be added to the agencies gathered by Title III into the new Department. This is an institution to provide a service which has been repeatedly sought by Congress since at least 1950.

It is a plan for a Government corporation to ensure the fullest possible use of the scientific and technological information generated at public expense.

The rationale of Title IV is that this information should not gather dust in files but should be put to use as promptly and as efficiently as possible.

Moreover, the nature of the information process is such that it requires close cooperation between Government and private entities. Thus the corporation is directed to establish close liaison with all pertinent elements of the private sector.

Abundant evidence has shown that information management today is resulting in wasteful neglect of available knowledge and the funding of needless research to repeat findings already in the literature. This waste is no longer tolerable.

The rationale of Tide IV is that scientific information management is recognized by the Congress as a vital part of the whole scientific and technological process. It must be efficiently carried out. We are abundantly supplied with many technologies for managing, sorting, retrieving, and transmitting information. But we need a channel through which to combine the best of these technologies with the human skills of judgment, discrimination, information-structuring, and updating.

In summary: The proposed bill is intended to provide a focus for mature discussion of a national need. It has been framed with care. Advice on its content has been drawn from many well-informed sources. Nevertheless, it is not to be considered a finished product but rather a stepping etone toward a genuine science policy.

TIME FOR APPRAISEMENT

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. SHUSTER. Mr. Speaker, although I do not frequently insert items in the extensions section of the CONGRESSIONAL RECORD, I was particularly impressed by a column written by Bill Curry which appeared in the Waynesboro Record Herald on May 30, 1975. I commend it to my colleagues as both thought-provoking and timely:

TIME FOR APPRAISEMENT!

(By Bill Curry)

As the celebration of this nation's 200th birthday approaches it appears to be an appropriate time to also look at the future along with recalling the past.

In the past several months I have studied many economic forecasts—as well as appraisals of trends in government. Based on what I have read I am more than a little pessimistic about the days ahead.

It is becoming increasingly popular these days to place all the blame for the radical changes in policies affecting the daily lives of Americans on Congress and the White House. But who elects these people? The answer is obvious and it naturally follows that the electorate has been irresponsible and pathetically apathetic.

In keeping with observing the Bicentennial it is a good time to take a look at the political creed of the American colonist. It was short but substantial.

He believed that God made all mankind originally equal: That He endowed them with the rights of life, property, and as much liberty as was consistent with the rights of others. That He had bestowed on His vast family of the human race, the earth for their support, and that all government was a political institution between men naturally equal, not for the aggrandizement of one, or a few, but for the general happiness of the whole community.

This was indeed a noble but simple set of principles. Somewhere along the path of history some changes in the thinking or an attitude of indifference has evolved in the minds of the majority of our citizens.

I am convinced that we now have a political system that keeps in office and rewards legislators who deliver short-term benefits to the most vocal of their constituents. At the same time, these politicians are unable, too stupid or too selfseeking to cope with long-term economic and political problems requiring sacrifice by themselves and the voters.

Basically we have become a nation of escapists. We are ignoring the many problems facing us.

In dicussing this subject there is the temptation to attempt placing in focus a long list of ills facing the Americans through their government but there is hardly enough space available to elaborate on all of them.

But there is one aspect of the United States government that is indeed a travesty on the democracy as envisioned by those who signed the Declaration of Independence. I am refer-

UMI

ring to the insidious growth of federal and state bureaucracies.

Altogether, bureaucracy is America—federal, state and local—accounts for almost 15 million civilian workers. In effect, one out of six American workers now is on the public payroll, while adding muscle through unionization and voting power.

It is the federal bureaucracy, however, that mainly sets the pace for the others in money and authority.

There are approximately three million of these men and women—almost rivaling in number the American colonists who angrily rose in rebellion against bureaucratic harassment by a British king's representatives two centuries ago.

Today these people reach deeply into the lives of 212 million Americans from cradle to grave.

An article in U.S. News and World Report last November carried a headline: "Washington's Bureaucrats: 'Real Rulers of America'." Here are a few sentences concerning the rising power of those holding federal positions:

"They grant, withhold or revoke broadcasting licenses, slap penalties on erring taxpayers and tell employers whom they must hire. They decide on loans to needy countries and welfare payments to needy Americans. They print the nation's money, and get back much of it—42 billions this year (1974)—for their own salaries, fringe benefits and allowances.

"They count noses, keep records on births, marriages, divorces genius Americanus, and pass judgment on such products as armaments, food and medicines.

"In the view of some scholars, bureaucrats are becoming the real rulers of America day by day—'the new mandarins' who match in power the elite bureaucracy that served the emperors of China and controlled that nation for centuries. . ."

One observer in Washington pointed out that the federal bureaucracy has offices in approximately 425,000 buildings in the U.S. and most countries of the world. "Nobody knows what all the civil servants are doing, or trying to do," he lamented.

All these various agencies function under laws that are found in 16 volumes of "The United States Code," filling 11,749 pages.

And the frustrating aspect of the whole problem is the fact, sadly enough, that several Presidents, members of the Congress and cabinet members have been helpless to cope with the menace to good democratic government!

Oddly enough, the creators of this Frankenstein's monster, the politicians elected to high office, now find themselves at the mercy of what has evolved from their selfishly playing the game of politics. They have permitted unionization of employes which will eventually result in their becoming practically impregnable.

Also, the nearly 15 million bureaucrats are becoming aware of the fact that if each one of them could influence two other votes, it would add up to almost 44 million votes, or more than half the number case in the last presidential election—a pressure weapon of potentially fearsome magnitude!

As I mentioned, the Bicentennial year would be a most propitious and appropriate time for a serious appraisement of where we are today economically and the state of our government. Even the most confined optimist must recognize that we cannot proceed along the same paths in the years ahead.

As a starter, a new constitutional convention should be assembled in 1976 to redefine the goals of U.S. society, reform the political system—with a one-term 10-year presidency, six years for House members and 10-year terms for senators.

In addition, the President should be authorized to appoint a nonpartisan board consisting of the best business and academic brains in the country for the purpose of establishing long-term policies.

At least these suggestions, if implemented, would represent a start toward slowing down this country which in many ways is headed for economic and political disaster.

HOBART ROWAN'S ANALYSIS ON ENERGY

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. BOLLING. Mr. Speaker, Hobart Rowan's analysis of the current situation with regard to energy programs leads a reader to only one conclusion. If the Congress does not produce good energy legislation then the Congress will share with the President the blame for the consequences of his bad energy program.

THE BILL FOR OIL IMPORT DUTIES, DECONTROL

(By Hobart Rowan)

President Ford is playing the confrontation role of the late Harry Truman to the hilt in his squabble with Congress over its "do-nothing" role on energy. And many Democrats have been playing cheap politics with energy, betting that any gasoline price rise next summer can be saddled onto Mr. Ford.

But if you put aside the political brinksmanship and look at what the President has done and proposed, the only conclusion is that it adds up to economic disaster.

President Ford has not only tacked on another $1 a barrel to crude oil import duties (making it $2 in all, thus boosting the average price of a barrel of imported crude oil to about $13.50) but will send a plan to Congress for the decontrol of "old" domestic oil, now $5.25 a barrel.

These steps, rationalized as a way of cutting demand and providing a stimulus for increased production, actually will have an enormous inflationary effect on the economy. They also raise serious questions about recovery from recession.

Administration assurances that price rises and decontrol will have a minimal impact on inflation are totally unrealistic. A "fact sheet" put out by the Federal Energy Administration, for example, claims that decontrol would result in no change at all in the coal and natural gas prices!

A new study by Lawrence Kumins of the Congressional Research Service of the Library of Congress shows that each $1 added as an import oil charge costs consumers and industry $6.1 billion on an annual basis. This includes the impact on that part of domestic oil production which is uncontrolled, and parallel rises in unregulated natural gas and in coal.

A similar calculation is made by former Budget Director Charles Schultze, now at the Brookings Institution.

Thus, the $2 worth of import duties so far promulgated by President Ford will cost about $12 billion. If you count the "ripple" effects as these basic higher fuel prices work their way through the economy, Kumins estimates the bill at $18 to $24 billion on an annual basis.

But there's more: If the President succeeds in getting $5.25 "old" oil decontrolled over a two-year period (and legislative possibilities are that he probably can accomplish that), old oil would of course rise $8.25 a barrel to the $13.50 price.

"Old" oil production has been running at about 5.5 million barrels a day. The increased cost would amount to $16.5 billion (and coal and unregulated gas would go up some more).

Adding in the ripple effects, Kumins puts the cost of decontrol at $24 billion a year, worth 2¼ to 3 points on the inflation index.

Meanwhile, each $1 of added import charges could push the index up 0.7 to 0.9 per cent, making the total inflationary impact a potential 3.75 to 4.75 per cent when all costs are fully effective at the end of a two-year decontrol program.

Rep. Toby Moffett (D-Conn.), who released Kumins' study, said that 89 per cent of the overall cost to consumers would go to oil, coal, and gas producers as extra profits.

It should be remembered that, when President Ford originally presented his decontrol scheme, plus new import duties of $1, $2 and (ultimately $3 a barrel, the enormous drain of purchasing power from consumers, corporations and government entities was to be offset by an elevator, Rube Goldberg tax rebate system.

But there are no offsets to the $1 that was imposed on Feb. 1, and none proposed for the $1 that will be imposed today, along with 60 cents a barrel on refined product imports.

Moreover, the windfall profits tax that the President proposed in January when he first put forward decontrol of "old" oil, now has been modified to include a plow-back provision, which simply means that there will be no meaningful windfall profits tax on those who reinvest in energy production—which they would be doing anyway because of the incentive of high prices.

The ultimate absurdity, of course, is that, if the Organization of Petroleum Exporting Countries makes good on a rumored $2-a-barrel price increase of its own, that will boost the price to $15.50. Such a level is so outrageous that Mr. Ford might be forced to withdraw $1 or $2 of the imported duties.

But how, then, could he complain of an OPEC $13.50 price, which merely would be at the level he himself had set?

The essential elements of a real energy program still include some direct limitation on imports so as to weaken the cartel; government action to allocate reduced supplies; a legislated efficiency requirement for gas-guzzling cars; other conservation measures in heating and air-conditioning; and a shift to other forms of energy, especially coal, while new sources of oil are being developed.

This would require a dramatic change in American life-styles that are based on brutally wasteful energy practices. Ford's program will do nothing to bring about such a change. It will only raise hell with the economy.

THE RIGHT TO BEAR ARMS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. HANSEN. Mr. Speaker, a young constituent of mine sees the contradiction of certain efforts to deny an American citizen the right to bear arms. His voice against these efforts is with the majority of persons in my district and in my State. I share his sincere letter with my colleagues:

DEAR GENTLEMEN: I am just a common middle class American citizen who very much enjoys his citizenship in such a great and wonderful nation; a land of great freedom, joy, opportunity, advancement and higher education, to name just a few. A free nation upon the mountains. Yes, a nation in which we are free to worship Almighty God by the dictates of our own conscience. Is not this same God spoken of on our currency—"In God We Trust"? It certainly must be important for us as a people to be free, for we find on every dollar and coin spent in or

out of these United States the words—"In God We Trust", or, "Liberty".

So let us pause for a moment and think of the abundance of life that we do have and how we obtained it. Just think for a moment that every time we toss a coin, or spend a dollar, we are constantly reminded of a freedom and trust that we all share. The freedom is Liberty, and the Trust is in God. That God that made us free, even from the beginning! Let us all trust in God 'so he will bless America for which we sing in that great and wonderful song, "My Country 'Tis of Thee"!

We know that in the great history of this country we find great and inspired men, such as Columbus who discovered this great land of America, the new world. And the Pilgrims who came after, looking for a place to worship their God in peace. And, of course, the great men who founded this land, our Founding Fathers, George Washington, Abraham Lincoln, and so on. Men who had great hopes and dreams for this land and its people, and thus, they drew up a document and called it the Constitution of the United States. A document stating our rights and freedoms as an American Citizen. Our rights to own and bear arms, our rights of free speech, and even the right to take a drive on Sunday afternoon and spend time with our families.

There have been many men in the course of our country's history who have exercised their right to own and bear arms, by leaving by their own choice, their homes, towns and hamlets to rally around the flag. Many have given their homes, lives and limbs in wars to defend and withhold the right to own and bear arms, whether it be a rifle or pistol, and many of the other rights which we now enjoy.

I am only sorry and sad to know that there are a few men who want to take this right away—the right to own and bear arms. I, as a free citizen of this great country, am opposed to any person or thing working against the rights of the people. It would be unfair to those who have died fighting to preserve the right to own and bear arms, for they would have died in vain.

I am particularly opposed to any move by Congress to take away my right and privilege as a free citizen to buy and own ammunition or bullets for hand guns. It is my right as a free citizen to protect my home, property and family from intrustion.

I am just thankful that we have good men such as yourself in Congress fighting to preserve our rights. May God bless you in your efforts, I pray.

Sincerely yours,

GERALD N. KARLSON.

ILLEGAL ALIENS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. DOWNEY of New York. Mr. Speaker, the problem of illegal aliens is no longer confined to the southwestern States. It is a problem that has reached national proportions and affects the economy of nearly every State. It is no longer a problem confined to the ranks of agricultural jobs for many aliens now hold jobs as skilled craftsmen. It has been estimated that these illegal aliens hold 1 million jobs—jobs that should be held by some of the 9 million unemployed citizens. Because of the severity of this problem I have cosponsored legislation introduced by Chairman PETER RODINO that would make it illegal to knowingly hire an illegal alien.

I offer to the attention of my colleagues an article from the May issue of Nation's Business that concerns this problem:

HOW ILLEGAL ALIENS ROB JOBS FROM UNEMPLOYED AMERICANS

During 37 years of Marine Corps duty that included four in the top spot of commandant, Gen. Leonard F. Chapman, Jr. was not a man to throw up his hands in the face of a challenge.

But now, as head of the Immigration and Naturalization Service, he bluntly concedes that mastering the major difficulty facing his agency is "totally beyond our capabilities—just totally."

Gen. Chapman, who was named immigration commissioner in 1972 after retiring from the Corps, is referring to the huge—and growing—problem of illegal aliens.

"It has reached what I consider really alarming propostions," he told Nation's Business. "There are literally millions of them here."

How many millions?

"My best guess is seven to eight million, with at least one million holding jobs—many of them good-paying jobs—at the same time eight million Americans are out of work.

"It's a moving target, increasing very substantially every year. Ten or 15 years ago, there were a few hundred thousand, nearly all in agricultural jobs in the Southwest. If things don't change, there will be 13 million to 15 million, scattered all over the country, within the next three or four years."

Last year, 800,000 foreigners who entered the country illegally were caught and sent back, but Gen. Chapman thinks that's only a third to a half of the total number who came in.

How do they evade detection?

By swimming the Rio Grande to Texas in classic "wetback" fashion, or walking across the 800-mile Southwestern land border between El Paso, Texas, and the Pacific.

"MARRIAGE" MILLS

Or by using more sophisticated techniques. There are millions of aliens in the country who have:

Entered legally as tourists or students and simply stayed on after their visas expired.

Been smuggled in on boats or in hidden compartments of trucks by organized rings charging up to $700 each.

Used fraudulent passports, visas or other documents.

Employed the services of brokers of bogus marriages, who arrange for an alien to "marry" a U.S. citizen, enabling the foreigner to qualify for permanent residence in this country. Charges for such services run as high as $1,500. The U.S. partner to the "marriage" may enter into several such arrangements a month—without benefit of divorce.

Most of the illegal aliens are Mexicans, but the number coming from other countries has been growing steadily, and today every part of the world is represented. Significantly, half or more of those holding jobs in the U.S. are not Mexicans, Gen. Chapman says.

He adopts a somewhat sympathetic attitude toward the majority of these people who so frustrate him and the agency he leads.

Noting the lengths to which they go to get here, he says: "The attraction of a job in this country is so great that no risk and, apparently, no price are too high for them."

He adds: "Most of them are good, hard-working people who look to this country as the only place where they can earn a decent living. You can't blame them very much for that.

"Our investigators checked out a cleaning crew in a big Chicago office building recently and found 41 of the women working there were Polish citizens. I don't doubt they were probably the best cleaning woman anybody has ever seen. I really mean it."

Illegal aliens, he says, "send money back to their families, save, and in most cases, eventually go back home and live relatively well."

But many never go home and many more might stay—and bring in relatives—were it not for the fear of being caught, Gen. Chapman says.

If the nation doesn't effectively deal with the problem of illegal aliens, he warns, "if we just throw open our doors, it wouldn't be many years before we had India's population problems."

WHERE YOU FIT IN

For the businessman, the issue has many facets.

While it is a crime for any aliens to represent themselves as American citizens, and for most of them to accept employment in the U.S. (the exceptions, of course, are limited to aliens legally in the country—and only to some of them), an employer commits no crime by hiring one, nor is there any obligation on the employer's part to ascertain a job applicant's nationality.

Many employers unknowingly hire "illegals," as they are called. A small number, Gen. Chapman says, hire them knowingly.

The general notes that such hirings can have short-range economic benefits for an employer: "He pays lower wages than he would have to pay Americans; and sometimes the working and living conditions he provides are substandard."

But, Gen. Chapman adds, "we are all subsidizing" any savings an individual makes in labor costs by hiring an alien: "That worker sends his children to school, his family uses hospitals and other public facilities, and he might even go on welfare. And many are paying no taxes at all."

The California Social Welfare Board estimated after a 1973 study that illegal aliens in its state were receiving $100 million a year in welfare payments and services. Nationally, that figure is in the billions, the Immigration Service estimates.

In a pilot program that the Service conducted jointly last year with Internal Revenue, 1,700 illegal aliens suspected as tax dodgers were found to owe $250,000 in income taxes, and $168,000 was actually collected.

Another adverse economic impact: The effect on the U.S. balance of payments of dollars which Gen. Chapman says are conservatively estimated to total 1.5 billion a year—earned here and sent back to the aliens' home countries.

"So the taxpayers as a whole are footing the bill for whatever an employer saves by hiring illegal aliens," the general says.

Another reason that aliens are hired for certain jobs, he points out, is that "the employer can't get an American to do his farm work or punch his cattle or whatever he needs help for."

A farmer or other employer unable to recruit workers who are U.S. citizens can take advantage of a Labor Department program under which aliens are brought into the country to work for short periods. But paperwork is involved for the employer.

"The local labor office of the state employment service is required to give certification if the farmer can't get American laborers, but in point of fact the farmer often doesn't make the request," Gen. Chapman says. "Why should he? Why should he go through all the damn red tape when he probably has 200 fellows standing right outside his main gate ready to go to work, and there's no law that says he can't hire them?"

A BURDEN FOR BUSINESS?

The Immigration Service is backing legislation, introduced by Rep. Peter W. Rodino

UMI

Jr. (D.-N.J.), making it an offense to knowingly hire an illegal alien. A job-seeker would have to certify to the prospective employer that he is a U.S. citizen (or that he's in the highly limited category of legal aliens entitled to obtain employment in this country—in which case, he would have to produce documentation).

If he's American, the job-seeker's statement can be oral or written, as the employer wishes. The Justice Department at one point wanted the measure to include a provision requiring all U.S. applicants for work to produce papers identifying them as citizens—a move criticized as smacking of a police state. The new Attorney General, Edward H. Levi, scratched the idea.

After posing the question and receiving the answer, the employer would have no further responsibility under the law—the burden would shift to the employee, who could be punished for misrepresentation.

On the other hand, an employer found to have knowingly hired an illegal alien would be liable to a warning for a first offense, and to a fine, imposed by the Immigration Service in a noncriminal proceeding, of up to $500 per alien for a second offense. For a third offense, the employer would face a criminal misdemeanor charge with a maximum penalty per alien of a year in jail and a $1,000 fine.

Challengee to the Rodino bill have come from the American Farm Bureau, the nation's largest employer of farm labor, which favors keeping illegal aliens out but proposes other ways than the pending legislation, and from religious organizations urging "amnesty" for illegals already here.

At its annual meeting last February, the Farm Bureau adopted a policy statement that said in part:

"We continue to oppose legislation that would put the burden of proof on employers as to whether a person is an illegal alien. We feel . . . [it] would place an unwarranted burden for law enforcement on employers . . . and would prove to be unworkable and ineffective in solving the problem of illegal aliens entering this country.

"This is no longer a farm employment problem. Most illegal aliens in almost every area of this country are working in nonfarm occupations.

"Instead of shifting the burden of enforcement to employers, we favor legislation that would make it illegal for any public agency or public official to approve or provide public services to illegal aliens. Tightening up procedures involved in the issuance of Social Security cards and requiring that those who apply for welfare, food stamps and other such social services show proof of their legal status as citizens or legal aliens would be more effective in locating such aliens and in discouraging their entry than other plans that have been advanced."

A Farm Bureau spokesman explains that employers may not be able to cover themselves under the law as easily as it might seem. For one thing, he says, many previous laws have been passed with official assurance of a minimal impact on businessmen—but the impact has turned out to be much more burdensome and costly because of rules drafted by enforcing agencies.

The United States Catholic Conference is the largest of organizations urging amnesty—granting illegal aliens now in the country legal status with the right to work and eventually become citizens. Most of these foreigners came to this country, these organizations say, at a time of economic boom, filling lower-paying jobs that Americans shunned.

Gen. Chapman questions the general amnesty approach on the ground that providing it would lead to recurring demands to allow later waves of illegal aliens to stay on. But he thinks special consideration might be given aliens who have been in the country for a decade or more and have deep roots here. Basically, however, he wants to confront the problem as it now stands: "I have told Congress several times that, with the Rodino bill and a couple of thousand more agents, we could do a number of things—one of which is to open up a million jobs for unemployed Americans."

The commissioner gives these insights into his current manpower difficulties.

Electronic devices that detect the presence of humans and relay the information to a headquarters (equipment originally developed for Viet Nam battlefields) have been installed at many points along the Southwestern land border but the Border Patrol is spread so thinly that half the alarms go unanswered.

There are fewer than 1,000 immigration investigators—officers assigned to nab foreigners who have managed to get into the country illegally—compared with the estimated eight million illegal aliens. There are 200 investigators and an estimated one million illegals in the New York City area; 100 investigators and a half-million illegal aliens in Chicago.

But it's not just a question of manpower, Gen. Chapman emphasizes.

"How can you man 6,000 miles of land border, not to mention two seacoasts?" he asks. "You'd probably have to have officers standing shoulder to shoulder. And you could turn the entire Marine Corps into immigration investigators and it wouldn't provide enough personnel to sort through 215 million people to locate seven to eight million illegal aliens when, at the same time, two or three more were coming in for every one you found."

He adds: "What we need more than anything else is the Rodino bill to make it illegal to hire them knowingly."

In pressing for the legislation's passage, Gen. Chapman bears down heavily on the opening up of jobs for Americans.

It's a mistake, he says, to dismiss the alien problem by saying that the illegals are just filling menial jobs Americans would spurn in any event.

"At one time, it was generally true that nearly all the illegal aliens working in this country were Mexicans doing stoop labor," he concedes. "But that's not the case anymore. Only about a third of the million aliens holding jobs are in agriculture. The biggest concentration now is in industry and the service fields."

FROM PLUMBING TO INVESTING

He slides across his desk a long list of recently caught illegal aliens.

It includes a Greek earning $12 an hour as a plumber; two other Greeks receiving $9.71 an hour as painters (and arrested while working with a crew painting the Statue of Liberty); a wirephoto operator from Trinidad, $6 an hour; a Jamaican carpenter, $7; a jeweler from Colombia, $4.46; an airline office worker from Japan, $4; a real estate secretary from Germany, $5 an hour; and an art restorer from Israel, $9 an hour.

Also on the list: a restaurant owner, a bookkeeper, an auto mechanic, a computer technician, an investment adviser and the director of a university residence hall.

One recent investigation turned up four illegal aliens working as janitors in a private Washington, D.C., office building where a major tenant is—you guessed it—the Immigration and Naturalization Service.

THE DISAPPEARING ARTS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD an article by Art Detman, Jr., entitled, "Should Business and Government Finance the Arts? The Disappearing Arts."

The article appears in the May 1975 issue of Mainliner magazine, published by United Air Lines.

Mr. Detman is a contributing editor for Dun's Review.

The article follows:

SHOULD BUSINESS AND GOVERNMENT FINANCE THE ARTS? THE DISAPPEARING ARTS

(By Art Detman, Jr.)

The next time you complain about the high price of a ticket to the symphony or opera, to the theater or the ballet, consider this: even when you buy the most expensive ticket in the house, you're not paying your own way. The arts, whether the performing arts or the fine arts, require big subsidies to exist, and right now the outlook for such subsidies is uncertain.

The immediate cause is the overall economic situation. Prices keep rising—12.2 percent last year alone—while business activity keeps falling. As a result, arts organizations throughout the country find themselves paying more for just about everything while facing reductions in their funding.

A Ford Foundation study predicts that deficits of arts organizations will increase threefold to sixfold over the next seven years. If the arts are to continue at their current level, that means subsidies must increase three to six times. One reason for the expected increase in deficits is that foundation support is likely to decline. Ironically, the Ford Foundation itself is sharply decreasing its future grants, primarily because the value of its investment portfolio plunged from $3.4 billion in 1973 to about $2 billion in 1974. Ford plans to reduce its total giving by 50 percent over the next four years, from $200 million to $100 million. Currently, Ford gives about $11 million to the arts, and it's not yet known how much this will be cut.

Altogether, the nation's 30 largest foundations saw the value of their endowments (mainly stocks and bonds) decrease by a fourth in 1974. Nonetheless, their income from these securities remained about the same, and so no immediate decrease in grants is expected. "But if business has another rotten year in 1975," warns George Baker of the Council on Foundations, "then the foundations' income will drop, too. And the programs that they have been supporting, including those for the arts, will suffer a cutback."

The double whammy of inflation and recession comes at a time when support of the arts in the U.S. is finally growing. The federal government's National Endowment for the Arts, which didn't exist ten years ago, has a $75 million budget. New York's Council on the Arts has $34 million, more than double last year's figure. Foundations are giving roughly $200 million a year. Business, by one reckoning, devoted $144 million to the arts in 1973, probably more in 1974. Meanwhile, symphonies, dance companies and other arts organizations are performing to record numbers of ticketbuyers.

For all that, these figures are far less impressive than they seem. The National Endowment's $75 million, for example, would not buy a single new intercontinental bomber, New York's newly swollen budget is less than what West Germany's government gives to the theater alone. That $144 million from business comprises both philanthropic dollars and advertising dollars; it shrinks to insignificance when compared with after-tax profits of $70 billion in 1973.

SUBSIDIES FOR SURVIVAL

The basic problem of financing the arts is much more than just inflation and recession. The plain fact is that Americans have never given much to support the arts. Why? Probably because America is such a young nation and has grown so fast—in population, in territory, in commerce, in technology. There has been little time left over for the arts. As a result, Americans generally are indifferent to the arts. "We revere our sports heroes because they seem to support the whole male chauvinistic idea of the all-American man," says Lloyd E. Rigler, a Los Angeles businessman and a major arts supporter. "But we view the arts as not very masculine."

This antipathy extends into the business community. People like Rigler often must first justify the arts before they can ask for money. "The arts are that imaginative force that really gives us the spirit to live," says Rigler. "We can't live by business alone. We have to have food for the soul."

In more tangible terms, Rigler and others argue that the arts nurture new ideas and help train people in the commercial arts, such as advertising and industrial design. Moreover, local arts organizations can make outlying communities attractive to executives who manage factories and branch offices and who otherwise might resist such assignments.

Even so, if business pays its own way, why can't the arts? It's an appealing proposition in a country dedicated to a free marketplace. But it just wouldn't work, any more than self-supporting police departments, schools or libraries would work. The cost would exclude all but the wealthy from enjoying the arts. For example, the Chicago Symphony Orchestra plays to 230,000 seats during the winter, with a top price of $16, and 74,000 during the summer, with a top of $7.50. If the Symphony could sell *every* ticket, winter and summer, at $16, it would gross only $4.9 million—vs. an annual budget of over $7 million.

Clearly, only subsidies will permit the arts to survive, even in the best of times—and now is not the best of times. Foundation support appears to be waning. Support from individuals (who give even more than foundations) is uncertain. Government support is likely frozen at its present level. That leaves only business as the major source for the necessary increased funding required in years ahead. "Business is doing a lot for the arts," says Goldwin A. McLellan, president of the Business Committee for the Arts. "The climate has changed tremendously in the last few years. But we don't think that business is doing nearly enough yet. It has to increase its support because there are arts organizations suffering financial woes all over the country."

MORE FOR THE ARTS

Although corporations can make tax-free charitable contributions up to 5 percent of their pre-tax income, most give around 2 percent, and very little of this goes to the arts. "In the minds of management," says one businessman, "it just doesn't look right to shareholders. They are afraid of being criticized." But if the arts are to flourish, management will have to convince shareholders that such contributions are not only proper but in their best interest.

At the same time, business must expand its technical aid to arts organizations. Across the country, management experts, accountants and lawyers—all on business payrolls—are helping arts organizations develop into efficient operations. "This is one of the greatest forms of business support," says McLellan of the BCA. "Even a local repertory theater is big business nowadays and requires professional management."

To encourage business support of the arts, each year BCA, in conjunction with *Esquire* magazine, cites up to 30 companies that have made outstanding contributions to the arts. Nominations have grown from a trickle eight years ago to a flood in the hundreds. "The judges have a heck of a time coming up with the winners," says McLellan. The latest group includes such national companies as Borg-Warner, Exxon, Ford Motor, Hallmark and IBM.

A dramatic example of how a businessman can revitalize an arts organization is what Louis Sudler did for the Chicago Symphony. Sudler, a real estate man (the John Hancock building, among others), became president of the struggling orchestra company in 1966. He overhauled its business procedures, brought in Sir Georg Solti as music director, extended the season to 52 weeks, increased contributions (especially by fellow businessmen) from $350,000 annually to $1.8 million and boosted ticket revenues from $600,000 to $2 million. The public's attitude changed from lukewarm to enthusiastic; when the Symphony returned from a triumphant European tour in 1971, it was given a parade through the Loop.

The overseas success of the orchestra underscores a bitter irony. Americans don't wholeheartedly support the arts, yet American arts are unexcelled in quality. The world's top five—perhaps six—symphony orchestras are in the U.S. The world center of dance is in New York City. American opera, ballet and theater companies can equal the best from any other land. Yet we clutch the pursestrings tightly, probably more out of ignorance than meanness. If America is to retain preeminence in the arts, and if more Americans are to enjoy the arts, this attitude will have to change. The next 18 months could prove crucial.

CLOSEUP PROGRAM

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. WIRTH. Mr. Speaker, I would like to call the attention of this House to the closeup program, which has just completed its fifth year of bringing students and teachers to Washington for a close look at the workings of their Government. It is a program that has been greeted with enthusiasm by students and teachers alike, and we should take a careful look at just what it does.

We are all aware of the feeling of alienation which many people experience today. They sense a distance between themselves and their Government, and consequently decline to participate in politics. Disenchantment with the "system" is nowhere so prevalent as among our young people.

The closeup program has sought to involve students in the governmental process. The students and their teachers spend an intensive week of seminars in Washington. They are given the opportunity to listen to, question, and talk with representatives of the Congress, the executive branch, the press, lobbyists, the diplomatic corps, and others involved in the Government, and they gain a sense of how the process works.

I am especially enthusiastic about Close-Up now, because this year, for the first time, students and teachers from the Denver-Boulder area of Colorado participated in the program. Mr. Stephen Janger, the director of Close-Up, and Ms. Beryl Hall, who organized the Colorado program, were very enthusiastic about expanding into Colorado, and I, and the residents of Colorado, owe them many thanks for their hard work and unflagging good spirits. I would also like to single out Jim Pierson and Bill White, Jefferson County, Colo., educators who spent an enormous amount of time and energy to help make this year's program a success.

Mr. Speaker, when I have spoken with groups of Close-Up participants I have been impressed by their enthusiasm, by their interest, and by how well-informed they are. During their week here these young people clearly acquire an increased understanding of the governmental process. We hope that they carry away with them a lasting interest in it as well. The most important aspect of this exciting program is, I believe, that the 285 Coloradans who participated this year will go back to Colorado and talk about the program and what they have learned. Each of them has a real obligation to remain well informed, to continue his or her interest in how our Government works, and to relay this new enthusiasm to others. I hope that they will urge others to participate in Close-Up as it continues to expand in Colorado next year. And I trust that each one of this year's participants will become actively involved in the political process. In order for our system to work properly, we must have an informed and active citizenry. Close-Up, I think, provides a good start.

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD the first of Mr. Levins' articles. On subsequent days I will be entering the remainder of the pieces he wrote about the arsenal. The material follows:

[From the Philadelphia Daily News, Jan. 13, 1975]

INSIDE FRANKFORD ARSENAL—WHAT WILL BE LOST IF ARMY CLOSES IT DOWN

(By Hoag Levins)

If you fear fires, enjoy movies, drive a car, work with metal or value your vision, the Frankford Arsenal may have changed your life.

If that surprises you, it just shows that you—like most Philadelphians—don't really know what has been going on inside the arsenal for the last decade.

The super-secret research center is no longer an arsenal, the Daily News discovered in a series of visits last week inside the walls.

The center, to be closed by the Defense Department by 1977, long ago quit manufacturing the bombs and bullets for which it became famous during World War II.

With the same secrecy which characterizes all its internal moves, the arsenal has

UMI

developed a core of scientists, engineers and technicians who now work in one of the most unusual research and development centers in the world.

The arsenal at Tacony and Bridge Sts. today is thought of in the same terms which evolved during the 1940s when workers dispatched trainloads of munitions to fight a war.

A place of mystery and a self-contained city, the arsenal had its own generating plants, fire department, hospital, water and sewerage systems and police force. Even in emergencies—such as munitions explosions—it didn't let outsiders in.

Today the 110-acre complex's gunpowder storage houses—with three-foot-thick concrete walls—have been converted to workshops and warehouses.

The arsenal's famed bullet shops are abandoned, its thousands of machines and assembly lines covered with canvas, heavy grease or layers of dust. Its bomb foundries and artillery shell works are occasionally used only for experimental work.

"We should have changed the name of the place for the sake of accuracy and called it 'Frankford Research and Development Center'," explained Seymore Miller, the arsenal's technical director.

Miller's office is decorated with munitions memorabilia celebrating arsenal accomplishments during his 25 years there.

On the wall, bullets of every size and shape are displayed, some cut down the middle to show their powder charge. One long narrow box traces the development of a bullet, from the first formless metal blob to finished, highly polished bullet. On the desk a special rack holds 20-millimeter shells, their tips colorfully decorated in red, green, purple and yellow.

"What we do now is develop a new item of munitions, test it out and create the tools needed to produce it on a large scale. Then we send them all off to the government-owned, company-operated plants around the country that long ago took over the actual production."

Miller is not happy about the Arsenal's closing.

"They are not closing a storage arsenal. They're closing down a repository for engineering expertise. When you move this operation someplace else, very few of our people will actually move with it. You'll have plenty of equipment, but you won't have the people who have spent a dozen years gaining the experience you need to do this sort of work.

"The Army is dealing with building and equipment. You can build a building and buy equipment anywhere. The capability here is the man who knows what to do with that equipment. He is the capability of our mission. It'll take ten years or more to create more like him in some other location. This move doesn't make sense, no matter how you look at it."

Miller's frustration is echoed in office after office throughout the arsenal.

"The Army is going to hurt itself and Philadelphia by closing this installation," said Joseph McCaughey, top civilian executive of the arsenal. "I'm most fearful that it will lose our cadre of young, aggressive engineers and scientists.

"They are the future of the field. People are the mission. This thing is about people and experience, not equipment and old buildings," said McCaughey.

A visitor can sum up the story of "this thing" from the intersection of Reese st. and Worth rd.

That intersection—not far from McCaughey's office—serves as a symbolic crossroads in time for the arsenal and its 158 years in Philadelphia.

A stone's throw away is Building No. 11, which a small plaque indicates is more than 100 years old and still in use. Eight other nearby buildings date back to the arsenal's beginning.

Encircling a large grassy parade mall, the buildings occupy 9.5 acres of some of the most historic land in Philadelphia. Even the U.S. government cannot make changes on this area without the approval of the Philadelphia Historical Commission.

A stone thrown in the opposite direction will fall just short of Building No. 109—a more modern structure typical of many of the laboratories and workshops which sprawl across the Arsenal grounds.

In the basement of No. 109 is an ultra-modern communications center where, on Nov. 22, a rattling teletype announced the decision to close the arsenal and eliminate 3,500 jobs.

The arsenal's historic background, so • • • become a disadvantage. The Army decided its "outmoded" facilities could no longer keep up with modern research demands. There is a counter-argument.

Said Dr. David Rosenblatt, director of the arsenal's Pitman Dunn laboratories:

"It's difficult for some people to visualize, but the sort of work we do here now is aimed at the future. With the close of the facility, the results might well take until the 1980s to show up, when the Army begins to look for new systems and developments and sees that there is this five-to-ten-year lag when not much was done in the way of research. That's how long it would take to just get back to normal level of operation on current projects."

Throughout the complex's 240 buildings, more than 1,500 engineers and technicians work at research projects ranging from lubricating oils to laser beams.

The arsenal's engineers have been granted more than 1,000 patents, and their ideas have been involved in the Mercury, Gemini and Apollo space shots. Equipment developed at the arsenal went to the moon with Neil Armstrong and Buzz Aldrin in 1969.

During the last five years, the arsenal has been awash with rumors, false hopes, political promises. Throughout the buildings and labs, a visitor finds an air of unreality as workers doggedly push ahead on projects they will never finish.

"You've got to do something," explained one gristled technician. "For years we've been hearing all this crap. You get numb to it. I work like this because . . . well, I don't want to think about what it's going to be like when I don't have any work."

In the main headquarters building, Joseph M. McCaughey leaned back from his enormous desk, pressed his finger tips together and nodded solemnly.

"We're in a difficult period right now," admitted McCaughey, the arsenal's top civilian executive. "The arsenal is to be closed for sure. But they haven't cut our work load. We're going on just like before.

"We have no time schedule for closing. We don't know what missions will be transferred. The future of the people working here is totally up in the air.

"Obviously, that has an overall effect on the morale."

[From the Philadelphia Daily News, Jan. 13, 1975]

"THE STREET THAT BEAT HITLER"

(By Hoag Levins)

Out past the dangling gray ash of his cigarette, ghosts were dancing down Craig rd.

"You shoulda' seen 'em. There was so many people here it was like a sea of people in this street," said the man eagerly. His rough hand gestured broadly down the length of deserted Craig rd. which cuts its way through a cluster of red brick industrial buildings inside Frankford Arsenal.

"This here is the street that beat Hitler. There was bullets coming out of these buildings like you couldn't believe. It was like a beehive here," he said, flicking an ash into the gutter and shaking his head at the memories.

Behind him a four-story building bore the date 1865 in stone above the massive double-entrance doors. Like much of the arsenal, Craig rd. was planned and built around the time of the Civil War.

Craig rd. workers turned out the paper and powder wards needed by Union Army riflemen. Some 57 years later, operations along the street's "Bullet Row" had changed considerably and centered around the production of the new metal bullet cartridges used by the Allies throughout World War I. By the 1940s, Bullet Row housed one of the most massive munitions manufacturing operations in the world.

Every round of small caliber ammunition fired by American troops during World War II came along Craig rd. At the peak of the war, more than 22,000 people worked in three shifts round-the-clock. They made 8 million bullets a day.

"You could feel it when you came to work. It meant something to be part of the arsenal. We were working to save the world.

"That sounds silly as hell now, but that's the way it was then," said the Craig rd. watchman, walking back up the steps into Building No. 215.

Inside the building, one finds the arsenal-that-used-to-be. It lies quietly beneath a heavy layer of dust, surrounded by the malls of cold grease and old wood.

Row after row, lines of small wooden cubicles await a shift of workers which have not come for a decade. Hundreds of women sat here each day as an overhead chute dropped an avalanche of brass casings past each station for one final check.

Room after room, floor after floor, building after building, the idle machinery waits. Here and there, one finds an old apron on a rusty nail, old hair pins beneath a bench, or a few battered boxes of loose brass shells, an industrial ghost town.

Further down, like square-shouldered steel soldiers, giant 2,000-ton presses stand two and three stories high.

"It took three months just to get that one press in place," said one worker, jabbing his grease-blackened hand authoritatively at the monstrous machines. "Imagine them moving this stuff out of here to somewhere else. This is just one building—there are dozens like this one, all full," he said, disappearing around a corner.

"It depends on how you want to look at it," said William Lennox, walking through the chilly factories, his hands deep in the pockets of his coat. "The army is talking about idle buildings. We look at them as potential factories. In peace, no one wants to hear about arsenals or bullet shops. In war, suddenly they become popular as hell. One day we're going to need these factories and we're not going to have them."

Lennox, who is the Arsenal's information officer, has worked there 29 years. His father worked there before him, and his father's father before that.

In a nearby mailroom, Eleanor Duzenski, who came to the arsenal in 1941 as a patriotic 18-year-old girl with nine brothers in the service, said:

"It was important to work here in those days. I wanted to have a hand in the war effort along with my brothers. Here, we were fighting for the same thing . . . end the war and bring the boys home."

PLANT COULD HELP SAVE WHALES

Scientists at Philadelphia's Frankford Arsenal may save the world's endangered sperm whales.

For centuries, the 60-foot-long whales have been mercilessly hunted for their oil, one of the finest quality lubricants yet discovered. The whales are on the endangered species list but are still hunted because of heavy demand for their oil.

Studies at the Arsenal's Pitman-Dunn laboratories may soon change that. Scientists found that an oil made from jojoba plant seeds has the same lubricating qualities as sperm whale oil. Jojoba plants only grow in the arid southwestern U.S. where Indian tribes are now considering jojoba as a cash crop because of the arsenal's findings.

Ironically, the same arsenal which 100 years ago supplied muskets and bowie knives to fight the plains Indians may now provide a living for some of their descendants.

LOYALTY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. TEAGUE. Mr. Speaker, last month the mayor of DeSoto, Tex., the Honorable Charles Harwell, addressed the Veterans of Foreign Wars Post 8913 on loyalty. I was very impressed by the mayor's words and would like to share them with the general public and my colleagues in Congress.

The speech follows:

LOYALTY

It is a pleasure and an honor to be the recipient of your gracious invitation and to speak on a subject that is near and dear to our hearts. "Loyalty" is a word we all know. It is a subject we need to reaffirm from time to time. I notice your motto is "It's not the price you pay to join, but the price you have paid to be eligible to be a member of VFW" that is important. This is the theme I bring to you. Whether we be at war or peace, when we have pride and self respect and loyalty, we cannot be conquered.

Can we see loyalty? We see loyalty in the actions of people. Sgt. Alvin York was Loyalty personified. Loyalty is the spirit and fibre of the Great and Noble American Nation! Loyalty is the strength and devotion that catapults us to national greatness. Loyalty is the tie that binds and the healer of wounds. Loyalty is the solidifying agent that binds a great nation of diversified peoples, ideals and aspirations into one gigantic force. We expect and demand loyalty in our business, our political, school and military life. We must have loyalty if we are successful. We do not always receive loyalty and we know the consequences. When we do receive Loyalty we know it is the backbone of all our hopes, dreams and aspirations. Our great friend "Loyalty" called our nation into being! This brave, courageous ally called us to National greatness. It will be the same gallant friend Loyalty that calls us again to greatness. For without "her" there shall be no tomorrow for the America we know. That great and grand idea called Loyalty becomes a mighty force beating upon the Anvil of Time and Circumstances culminating in the power of the American Nation, personified in her millions of brave sons and daughters, who time and time again bring utter and complete devastation to those enemies of America and all civilized humanity.

So it is, standing head and shoulders above all whom we need, expect, and receive Loyalty is the American Fighting man. There are no individuals or groups of individuals who ever have, ever can, or ever will, match or surpass the Loyalty that you, the American Soldier, renders to America. You, the American Soldier, the "Guardian of Freedom", here and around the world are the bulwark of all Human Liberty. It is you who are Loyalty Personified. He who takes the oath of all oaths and that pledge of all pledges, he who utters those words, "I am an American Fighting Man", he who prepares for the supreme sacrifice which is demanded by loyalty, it is he who is loyalty personified.

Who else could call us to such sacrifices, such heroic deeds but that grand lady called "Loyalty"? The American soldier still believes "Eternal Vigilance" is the price of liberty as in 1776 when the rag tag farmers came from behind every plow, tree and rock to beat the mightiest army in the world. The American soldier with his gracious compassion, his unfaltering courage, his astounding military genius, his tenacious ability to hold a position in the face of overwhelming opposition, his outstanding ability to attack, attack and counter attack, when others would withdraw, with his complete and unswerving dedication to the great and noble American nation, he is loyalty. And so it is you the Veterans of Foreign Wars of the United States of America who are indeed Loyalty Personified, those brave and gallant soldiers of America who have given so much and expected so little. You who have borne so much and suffered battle scars of a thousand firefights, you who have borne the broken hearts and suffered the intense agony of the crushing pains and fears of battle, it is you that we honor, you that we lift up, you that we salute today, you are "Loyalty Personified". You who have waded the muddy swamps of the Rhine, you who are the heroes of Pearl Harbor, Bataan, Corregidor, Kasserine, Cassino, the Solomons, Gulf of Leyte, Bastogne, Normandy and Okinawa, you who trudged the dusty tank trails, climbed blistering hills and stormed the sandy beaches in the face of withering firepower, you who marched with frozen feet and were blown apart by land mines, you who received depth charges and were blown out of the sky, you who battled the hellish flame throwers and the never ending snipers, you who raised the Stars and Stripes on Iwo Jima and liberated France and England, you who broke the impregnable Siegfried line, and defeated the unbeatable Luftwaffe and crushed the uncrushable Panzer divisions, you who hammered the Germans into submission May 1945 and prostrated the Empire of Japan, August 1945, so that freedom might live today. It is you who are Loyalty Personified.

I reiterate it is an immeasurable honor for me to be here and a humbling experience to speak to such a distinguished group of American patriots. It is loyalty that calls men to greatness. Loyalty calls men to participate in the most devastating war known to mankind. Even though to the participants it has become a cloudy memory and to many of the younger generation a myth, it would behoove us to remember it, tell it to our children and their children, for it was our finest hour.

World War II touches the lives of all those living today and will continue to do so for generations to come! It affected our laws and society and our way of life as a nation. It opened the nuclear age and made major contributions to American military tradition at its best! This war was called forth by Loyalty as none other has been since 1776. It was a war fought for a cause well understood. Our participation was well defined as the immediate result of a sudden, damaging blow to our military forces. But oh, how our forces rallied and healed their wounds! My, how the home-front leaped to the factories, how our fighting men in the air, on the sea and on the land carried the fight to the ruthless enemy of America and all civilization. This was loyalty personified. It is not only an inspiring story, it is the gruesome saga of the great and noble American Fighting Man! It was truly global in scope, massive in manpower and destruction, rich in heroic deed, bloody with countless examples of man's inhumanity to man, sacred in that the American soldier performed as tempered steel and was referred to by the Japanese as "Their beloved Conqueror". It is the story of milions of men and women surging in battle across continents. This indeed is the story of Loyalty Personified.

I would like to bring to your remembrance a few great and crucial speeches in American History in which Americans were called upon through Loyalty to render the supreme sacrifice. The stirring lines from FDR's historic speech—"Yesterday, December 7, 1941, a date which will live in infamy, the United States of America was suddenly and deliberately attacked by naval and air forces of the Empire of Japan. Always will we remember the character of the onslaught against us. No matter how long it may take us to overcome this premeditated invasion, the American people in their righteous might will win through to absolute victory!"

Americans, so largely isolationists at heart, girded themselves for the greatest industrial and military effort in their history, indeed this was—Loyalty Personified. So obvious was the effect of Roosevelt's speeches on American and British morale that the German and Japanese tried again and again to distract attention from them by diversionary air raids. Even though the United States emerged as the most powerful undisputed leader of the free world, still again and again, we summoned our friend "Loyalty" to call America's sons to be offered on the Altar of War for again and again we must resist the arch enemy of freedom. As the American Fighting Men trudged the rugged hills of Korea and passed over the frozen dead still chssing an elusive enemy, it was during that campaign that nothing less than treason demanded that the commander of the US 8th Army, the Commander of UN Forces in Korea and the Supreme Commander of Allied Forces in Japan be relieved of his commands April 11, 1951. But then, that brave ally "Loyalty" demanded that the old soldier address a joint session of the US Congress, although this was unheard of in the annals of American History. He thought surely there must be enough patriots still in Congress to come to the aid of America's gallant sons who so desperately needed them. He began—

"Mr. Speaker, Distinguished Members of Congress, I stand on this rostrum with a sense of deep humility and great pride—humility in the wake of those great architects of our history who have stood here before me—pride in the reflection that this home of legislative debate represents human liberty in the purest form yet devised. Here are centered the hopes and aspirations and faith of the entire human race. I do not stand here an advocate for any partisan cause, for the issues are fundamental and reach quite beyond the realm of partisan considerations. They must be resolved on the highest plane of national interest if our course is to prove sound and our future protected. I trust, therefore, that you will do me the justice of receiving that which I have to say as solely expressing the considered viewpoint of a fellow American. I address you with neither rancor nor bitterness in the fading twilight of life, with but one purpose in mind, to serve my country. Once war is forced upon us, there is no other alternative than to apply every available means to bring it to a swift end. War's very objective is victory, not prolonged indecision. In war there is no substitute for victory. I have just left your fighting sons in Korea. They have met all the tests there, and I can report to you without reservation that they are splendid in every way. It was my constant effort to preserve them and to end this savage conflict honorably and with the least loss of time and a minimum of sacrifice and life. Its gowing bloodshed has caused me the deepest anguish and anxiety. Those gallant men will remain often in my thoughts and my prayers always."—And thus came to pass the saying "Old Soldiers Never Die, They just fade away."

And so we see "Loyalty" as she lifts the vision of America in the great wars. Then, we see loyalty again cutting through the jungles of Vietnam in a thousand firefights against a ruthless, faceless enemy with a never ending savagery which boggles the minds of civilized people. But even before America was born we see Loyalty aflame in the hearts and minds of a handful of patriots. In the most crucial speech in American history Patrick Henry addressed the House of Burgesses in 1775. He stunned the audience with a commanding appeal to that brave and noble ally "Loyalty". He said—

"Our chains are forged! Their clanking

UMI

may be heard on the plains of Boston! The war is inevitable—let it come—I repeat Sirs—let it come! Gentlemen may cry peace, peace, peace, but there is no peace. The war is actually begun! The next gale that sweeps from the north will bring to our ears the clash of resounding arms! Our brethren are already in the field! Why stand we here idle? What is it that Gentlemen wish? What would they have? Is life so dear, or peace so sweet, as to be purchased at the price of chains and slavery? Forbid it Almighty God! I know not what course others may take, but as for me Give Me Liberty or Give Me Death!" Loyalty was personified in Patrick Henry on that day as none other. He took his seat. No murmur of applause was heard. The effect was too deep! After a moment the cry "To Arms" seemed to quiver on every lip and gleam from every eye. Richard H. Lee rose and supported Mr. Henry but his melodious speech was lost amid the agitations of that ocean which the Master Spirit of the Storm had lifted high! That supernatural voice still sounded in their ears and shivered along their arteries! They heard in every pause the cry of liberty or death! Loyalty was aroused. They became impatient of speech. Their souls were on fire for action. The resolutions were adopted. Loyalty was abounding. Patrick Henry, Richard H. Lee, Richard C. Nicholas, Benjamin Harrison, Lemuel Reddick, George Washington, Adam Stevens, Thomas Jefferson, Isaac Zane, Edmund Pendleton were appointed to prepare the plan called for by the last resolution. Loyalty had united with bravery, courage and love of freedom to bring forth this great and noble nation that we love. Loyalty—this is our hope.

With Loyalty we will be able to hew out of the mountains of despair a stone of hope and with this hope, we will be able to transform the jangling discord of our nation into a solid force of greatness so that our children and their children may enjoy the freedom that we inherited. Listen with the spirit of your ears as the 35th President of the United States appealed to the hopes, the aspirations and to the loyalty of this great nation.—

"We dare not forget today that we are the heirs of that first revolution. Let the word go forth, from this time and place, to friend and foe alike, that the torch has passed to a new generation of Americans born in this Century, tempered by war, disciplined by a hard and bitter peace—proud of our ancient heritage—and unwilling to witness or permit the slow undoing of these human rights to which this Nation has always been committed, and to which we are committed today—at home and around the world—Even now the dark shadow of tyranny surrounds us. The next ten years will determine whether freedom survives or Communism conquers. Since this country was founded, each generation of Americans has been summoned to give testimony to its nation's Loyalty. The graves of young Americans who answered the call to service surround the globe. Now the trumpet summons us again, not as a call to bear arms, though arms we need; not as a call to battle, though embattled we are, but a call to bear the burden of a long twilight struggle, year in and year out, rejoicing in hope, patient in tribulation, a struggle against the common enemies of man, tyranny, poverty, disease and war itself. Can we forge against these enemies a grand and global alliance, North and South, East and West, that can assure a more fruitful life for all mankind? Will you join in that historic effort? In the long history of the world only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shirk from this responsibility. I welcome it. I do not believe that any of us would exchange places with any other people or any other generation, for the energy, the faith, the devotion which we bring to this endeavor will light our country and all who serve it and the glow from that fire can truly light the world. And so my fellow Americans, ask not what your country can do for you, ask what you can do for your country. With a good conscience as our only sure reward, with history the final judge of our deeds, let us go forth to lead the land that we love."

As the President appealed to that brave ally "loyalty" to defeat Communism, so let us remember only our great friend "Loyalty" will be able to rise up in total resistance to the insidious International Communist Conspiracy of which he spoke.

Americans are not as concerned today with Loyalty as we should be. Today a prairie fire of narcotics and pornography sweeps the country. Our communist enemies in the UN humiliate us. We have suffered 80,000 battle deaths since World War II without being told that we are in a war for survival against the international communist conspiracy. We raise up Marxist assassins who confide in the bullet and bomb as the final argument against fellow Americans. We coddle young criminals who have made school teaching a hazardous occupation. The "Communist Daily World", March 27, 1975 (page 2) news item: "Students to get credit for study of Marxism." For the first time in the history of the university of Minnesota, students get credit for courses in Marxism taught by Professor Erwin Marquit, who is state chairman of the Minnesota communist party and who was a candidate for governor of Minnesota in 1974 on the Communist party ticket. When we see a rattlesnake we can walk around him before he strikes. When we see a speeding automobile, we know not to get run over. We can avoid them. But our worst enemy is the hidden enemy, the Godless atheistic, communist philosophy which will destroy our youth, our will to survive—yes—and will destroy our loyalty to the great and noble American Nation. The sack that holds freedom is sewn with threads of the living and dead. It is only sewn by loyal Americans, no namby pamby fence straddlers ever sewed a thread but they do pull out threads. The land of the pilgrim's pride will not survive without Loyalty—Loyalty to America and the ideas and ideals that made us great.

Benjamin Franklin in 1787 was asked what kind of a government the Constitutional convention would give us. "A Republic if you can keep it."—Let's keep it. As we look to yesteryear we see how they kept it—by eternal vigilance. We see Loyalty summoned forth time and time again by our leaders. Today patriot leaders in the military have either been relieved of their commands or forced to retire. Today patriotic civilian leaders have been gunned down by Marxist assassins. So, let us vow to raise up loyal leaders from City Hall to the Court House to the State House to the White House and demand from every elected official that he or she promote loyalty to the American Nation, loyalty to our ancient heritage and remember, if America is saved again, it will be by you who saved her before. Let us stand with pride and salute Old Glory when the National Anthem is played, while chills run up and down our spine. Let us nurture Loyalty to America as the first and last hope for the freedom of mankind. I reiterate that it is a humbling experience to be the recipient of your kind and gracious invitation and to speak with such a distinguished group of American Patriots. "Thank you for saving America." Please join together in effective political action to save her again.

INSIDE THE MIDDLE EAST—III

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. MIKVA. Mr. Speaker, I would like to insert for my colleagues' attention the third and final installment in the series "Inside the Middle East" by the K-Thorpes of Evanston, Ill., chronicling their trip to the Middle East with the Second Editorial Conference on the Middle East.

The article follows:

TWO VIEWS OF LEBANON

(By Jane K-Thorpe and Lee K-Thorpe)

We were walking in the shoes of the peacemaker a few weeks ago, catching glimpses of Henry Kissinger and his beautiful red, white and blue 707 in Cairo, Damascus and Israel. And, like Kissinger, we were talking peace.

Our dusty, camera-laden group—32-strong, all journalists and communicators from the U.S.—was attending an editorial conference on the Middle East convening in five countries of that troubled area. Judged important because of our media pipeline to the American people through our respective papers and networks, we were meeting with heads of state and national leaders in Lebanon, Egypt, Syria, Jordan and Israel.

We asked our key question everywhere: Is peace realistically possible in the Middle East? We asked in palaces and in taxicabs, in ministries and in refugee camps, in Suez, in the souks (markets), wherever we could find people who understood our language and were willing to stop and talk to us.

It seemed a short and simple little seven-word question, but the responses it drew, especially in "high places," were lengthy, convoluted and full of abstractions and conditional phrases. On one point, however, all were agreed: Everyone wanted peace. Every statesman in the Middle East described his country as peaceloving. Still, the louder the cries for peace, the more perfectly in unison they sounded, the stronger grew the counterpoint in our ears—strains of distrust and fear, from Arabs and Israelis alike, that no promise, no agreement, written or otherwise, can be absolutely trusted. Nothing, they seemed to feel, can realistically guarantee a lasting peace.

No head of state said those things to us in these words. They talked, instead, of peace as possible, but only "barely possible." The attitude we observed most often was one of "guarded optimism," a favorite phrase that gave us little comfort. Only a bit of hope—better, of course, than no hope at all.

Now, with the world's attention on shuttle diplomacy and step-by-step unilateral disengagements, the focus is moving to the problems of the more moderate Arab states in negotiating for peace without offending the radical, hard-line Arab countries and the Palestine Liberation Organization (PLO). Positions differ, political fortunes are on the line, and the problems and potential roadblocks, as everyone must know by now, are many.

For Israel the risks are probably the greatest, and opinion within the country is understandably most divided. Asked to give up territories of important military and economic value in return for pledges it tends to distrust, pressed for the rights of Palestinians (no one is clear on what, in effect, this means), its back is to the wall.

Our trip began in Lebanon, host country to most of the refugee Palestinians. Over 400,000 men, women and children are living by choice in primitive camps in and around Beirut and elsewhere in Lebanon.

The Palestinian refugees are, according to Dr. Charles Malik, a Lebanese statesman now teaching at Beirut's American University, "politically more powerful than any other group in the Arab world. They are armed better by far than the small Lebanese army, and they hold considerable wealth.

"Frankly," said Malik when asked how it is that Lebanon has been unable to control PLO terrorist activity, "Lebanon is simply not able to cope. We cannot control the Palestinians and we would not if we could." Malik, who served some years ago as President of the 13th Session of the UN General Assembly and was a member of the UN Security Council, went on to say that "it would, indeed, be against the character of the Lebanese people to interfere.

"The Lebanese," he said, "are not fighters. We want to live in peace with the Palestinians, and we think of our country as offering a refuge for the persecuted, unwanted, kicked-out people of Palestine."

These attitudes, commendable as they seem on the surface, are frightening. They will surely prove to be stumbling blocks to peace when it is time for Secretary Kissinger to begin negotiations for peace in Lebanon. How can a nation which considers one of its major problems to be "working out a stable mode of existence for the Palestinians in our midst," which admits its unwillingness to censure (certainly a doubtful position from any moral point of view) and its inability to control a wealthy, well-armed, stronger "country within its country"—how can such a nation act independently at the peace table?

The Palestinians, who have come late, perhaps, to an appreciation of good public relations and the favorable influencing of public opinion, are determined not to become absorbed in the Lebanese community, refusing both Lebanese and UN housing, among other benefits, for reasons of strengthening political pressure and dramatizing their condition. Many have also refused employment and denied themselves available community services; health care, schools and other services.

On our second day in Beirut we visited a PLO refugee camp situated on a craggy hill near the center of the city. We were taken there by a young married couple from the United States, expatriates and passionate champions of the refugees. The couple were members of "Americans for Justice in the Middle East," which, we learned, is an organization founded at the end of the 1967 Arab-Israeli War for the purpose of balancing what it believed (and still believes) a bias in the American press against the Palestinians. More than half the members of the Beirut-based organization are in the United States.

Our eager volunteer guides (who had come to meet us at our hotel the evening before, less than an hour after our arrival in Lebanon) led us now past the crude stone huts of the Palestinians, excitedly talking to us both at once and introducing us in rapid Arabic to their friends in the camp. We tried to understand what we were being shown, to absorb the feelings and tensions all around us while holding on to every sight and smell and sound.

It was a windy day, and on Beirut's beaches high ocean breakers had been rolling in over the jetties all morning. The air was cold, too, and storm clouds were gathering over the refugee camp. Yet the women, young and old, and children, shivering, barefoot in their rubber thong sandals (dime store variety), crowded the doorways to have a look at us.

Black pipes ran along the stone paths, leaking cold streams of water, and inside the huts we could see small cooking fires burning here and there and pallets for sleeping or maybe sitting, but little furniture. Were these the wealthy Palestinians? Their wealth, obviously, is earmarked for other things—like arms. Not simple comforts.

A stone statue, the life-size figure of a guerrilla fighter in militant posture, dominated a fork in the stone path. Right arm outstretched, the figure held aloft a rifle.

No picture taking, we were told as we made our way uphill to the camp's clinic, a rude stone building not unlike the simple low huts all around us, only somewhat larger and two stories high. Grandly named Haifa Hospital, it had been established in 1970 to provide emergency survery services; to treat "certain illnesses;" to serve the paralyzed and permanently disabled, and to provide an outpatient clinic for those within the camp—all free.

The hospital serves between 25 and 50 patients "at all times," and is staffed by three doctors in general practice and three medical specialists, all volunteers living within the camp or in other camps. In addition, other physicians, not Palestianians, sometimes volunteer a few hours a week, we were told. And this is not strange, remembering that the majority of the Lebanese people are deeply sympathetic to the Palestinians and their state of homelessness.

"Profound sympathy," said Dr. Malik, "is felt by the Lebanese for the Palestinian cause—independent of the means they (the PLO) use. The word 'terrorist' is your term. Here they are called freedom fighters."

We looked in the doorway of a 10-bed ward, instantly interrupting conversations among the room's three or four patients and their visitors.

Back outside we resumed our climb along the stone walks, tripping over the water pipes, meeting the openly hostile gazes of the men, now, come out to see the foreigners. There were no smiles for American visitors here; we were representatives of Israel's support and strength, its big power friend, the United States.

Black-margin posters on the walls of the huts and on trees and fences reminded us, as they must daily remind the refugees, of the dead; pictured were the faces of young men killed in the raids, names and ages, dates and places of death noted below. Our guides translated the obituary posters' Arabic lettering for us.

Near the top of the hill we came to the camp's school, a two-room building heated by an oil stove, its efficiency lowered by cold gusts of wind blowing through the paneless windows. Twenty children attend classes here; they range in age from three to 10 years and they are taught by volunteer teachers, women and young girls, who live in the camp.

Little children of all complexions and coloring, the boys dressed in the thin, printed cotton pajamas that are their customary daytime clothing in all of the Arab countries, solemnly repeated the words of their teacher as she held up a green block, then a red block, then a yellow. They sat around an oval table, aware of our attention but unembarrassed by us, learning the names of the colors in that most difficult of languages, Arabic. When they are older they will learn to write; not the Arabic they speak, but the classical Arabic of the printed and written word, almost another language. Meanwhile, kindergarten projects decorate the classroom walls, as in schoolrooms everwhere.

Crayoned pictures of guns and bloody scenes of fighting, and rifles and pistols cut out of construction paper are on display. The teaching violence seems to be a part of education here, absorbed easily, no doubt, in this bitter place.

Education for the children is optional and free to the refugees. Many choose not to send their children to the camp's school, nor to the free schools of Lebanon which would receive them. Some go to work outside the camp, but for most of the children camp life is all they have ever known.

This column begins the first of a question and answer series based on questions people have asked concerning our recent trips to the Middle East. Our trip began in Lebanon.

(1) How do the people of Lebanon see their country in relation to the rest of the Middle East?

Lebanon believes it is the intellectual center of the Middle East. The free enterprise economy and bank secrecy policy have helped make it a commercial and banking center, and Lebanon is also noted for its universities and cultural life. The Lebanese feel that their pluralistic and educated population of about half Moslems and half Christians helps to make Lebanon a country of moderate viewpoints, encouraged to develop in a climate of freedom of thought strongly influenced by the West as well as the East. By contrast, the Lebanese feel that the Syrians are "difficult" and "warlike," as most of the people in other Arab countries we spoke to told us. Lebanon feels particularly threatened by Syria militarily. The most serious problems facing Lebanon are the Palestinian refugees living in their country since their presence acts as a potential for war between themselves, the other Arab nations and Israel. Besides making Lebanon insecure militarily, the Palestinian refugees' presence has prevented Lebanon from dealing with its own problems, such as social and economic inequality and political corruption. Although they believe other Arab nations have difficult problems, the Lebanese feel they are able to deal with theirs more effectively.

(2) How strong a group are the Palestinian refugees within Lebanon?

According to Charles Malik, a Lebanese statesman and former president of the United Nations, the Palestinians are "politically more powerful than any Arab country." There are about 400,000 Palestinian refugees in Lebanon who maintain a strong and well-equipped army, whereas the Lebanese army is small and weak. Malik states, "The Palestinians in Lebanon are very wealthy," yet we noted that they use their resources to increase their military strength rather than deal with the urgent social needs of their fellow Palestinians. They are in effect a country within a country in Lebanon, and they govern themselves according to their own laws. Another Lebanese statesman pointed out that the Palestinian refugees are probably not as strong militarily or financially as is claimed but that their inflated political strength has given rise to strong fears in the Middle East and these fears are used by the Arab governments as a threat to the West.

(3) How do the Lebanese feel about the Palestinians living in their country?

The Lebanese think of their country as a refuge for persecuted peoples and they feel a great deal of sympathy for the Palestinians; yet they do not want them to live in Lebanon. The average Lebanese citizens we spoke to said that the Palestinians' presence in most of the south of Lebanon is not an "occupation" of their country. The Lebanese villages are not endangered by the Palestinians but only by the terrorists among them. A fragile agreement has been reached between the Lebanese and their "guests," as they call the refugees. But there is also a great deal of friction and insecurity caused by their presence.

(4) Do the Lebanese want the Palestinian refugees to leave Lebanon?

Some of the Lebanese would accept the Palestinians and help them become part of their society, especially those who have settled and found jobs. The majority of the Lebanese people we spoke with, including both statesmen and private citizens, feel that the refugees should return to Israel, or possibly a state in the West Bank. Most of these Lebanese share the PLO's vision of Israel as a secular, democratic state, as they claim theirs to be. The Lebanese feel that the Palestinian refugees' problem is an area concern and not only Lebanon's. They feel Israel should bear a larger burden than the other Arab countries and that Lebanon has done

UMI

its part. As one of our tour guides put it, "We are not ready to battle." But it was also stated that Lebanon militarily is not able to expel the Palestinians from its land, and so the Palestinian "guests" remain.

(5) How important is the problem of the Palestinian refugees to peace in the Middle East?

The statesmen and leaders with whom we spoke in Lebanon were unanimous in stressing the importance of the problem of the refugees. Gassan Toueni, editor of An Nahar, a leading Middle East newspaper, and Charles Malik were particularly insistent that Israel and the U.S. should negotiate directly with Yassir Arafat, the PLO leader, whom the Lebanese regard as the spokesman for the Palestinians. They claim he is a moderate in relationship to potential leaders who are reckless and foolish. Some go as far as to say that once the problem of the refugees is solved, the wider problems of the Middle East will also disappear. Almost all of those we spoke with felt that speaking with the PLO is essential to peace. However, when we asked Malik why Israel should meet with the PLO as a political entity if Arafat will not recognize Israel, the lack of an answer revealed a double standard. The PLO's terrorist tactics are considered understandable in order to call attention to a situation, and Toueni compared the Palestinian struggle to that of the Jews fighting for Israeli independence from the British in the 1940's. Although the Lebanese feel that dealing with Arafat is necessary to peace, they give no assurances. Everywhere we went we asked, "If Israel met with the PLO, returned to the pre-1967 borders, gave up the requested territory and allowed Jerusalem to be internationalized, would Israel be recognized as a sovereign state and would non-belligerency resolutions be agreed upon?" The response was, "We could discuss it after Israel complied," and that recognition of Israel is not "obligatory."

(6) How would the Lebanese leaders feel toward Israel even if Israel complies?

There is deep and strong hostility toward Israel on the part of the Lebanese leaders. While they separate Jews and Zionists in theory, in practice they consider all Israelis "imperialistic Zionists," and the U.S. is also considered imperialistic for supporting Israel. A feeling has developed that without Israel, the Arab nations' other problems would also vanish. Lebanese Prime Minister Rashid el-Solh stated that Israel is a threat to peace which can only be ended by converting Israel into a secular state. Lebanese leaders also indicated that Israel represents a threat to Lebanon's position as the intellectual and commercial center of the Middle East, and they feel that an influx of Palestinian Arabs into Israel would help to preserve a balance between the two countries. In spite of their hostility, the Lebanese we spoke with also felt that they have more in common with the Israelis than any other Arabs because of their intellectual level and cultural background. The PLO speech writer, Dr. Nahil Shaath, educated in the U.S., feels that the Jews and Palestinians are particularly alike, both being persecuted, intelligent and industrious peoples. Some Lebanese leaders speaking to us privately told us they had Israeli friends, particularly among the university professors of both countries and as a result of writing and travelling. But they refused to speak of this publicly, not wanting to "rock the boat."

(7) How does the Lebanese "man on the street" feel toward Israel?

The average citizens feel the military threat of Israel but are less adamant than their leaders in their hatred of Israel. They are sympathetic to the Palestinian refugees' cause but many are also sympathetic to Israel's situation, although they are afraid to speak out for this viewpoint. Most of the people we spoke with want peace more than anything else, and stated that they would support any political agreement with Israel, the U.S., or other nations toward that end. The private citizens of Lebanon and other Arab countries are surprisingly uncommitted to the official positions of their leaders, partly because many do not read the newspapers. They use the name "Israel" instead of "Palestine," unlike their leaders. They are often vague and uncertain as to how to achieve peace, but they feel that their country needs peace. They view the Palestinian refugees as a people rather than a political entity, unlike their leaders, who view them as a force for achieving the Arab goal, but they also feel threatened by the PLO militarily.

(8) What solutions do the Lebanese offer for the Arab-Israeli conflict?

As one leader said, "There is no rabbit to pull out of a hat," and in fact no proposals we heard would allow Israel to remain a sovereign Jewish state. The PLO leader Shaath called for a secular state in Israel with both Arabs and Jews. When asked what would happen if the populations became unbalanced, he stated that the Jews could survive in a predominantly Muslim state as they do in the U.S. despite a non-Jewish majority and some discrimination against Jews. Once the "Zionists" are expelled, he feels, the "Palestinians can live with their Jewish cousins in harmony." Malik stated the PLO goal similarly: ". . . for present day Israel, plus the West Bank, plus Jerusalem, plus the Gaza Strip, to form one democratic secular state based on equal rights for all to which the Palestinians would be permitted to return." Malik did not consider the possibility of Israel as a Jewish state specifically. Among average citizens we spoke with some also mentioned the possibility of a separate Palestinian state in the West Bank or elsewhere, but the PLO and Lebanese leaders we spoke with did not mention this possibility. It could be that all there is in common between the Israelis' and Arabs' objectives at this point is that everyone deeply desires peace. But there would be a better chance for peace if more innovative solutions would be conscientiously considered.

AMENDMENT TO H.R. 6860

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. GIBBONS. Mr. Speaker, I intend to offer several amendments to H.R. 6860, the proposed Energy Conservation and Conversion Act, when it is considered by the House. The text of these amendments appeared in the Extensions of Remarks of the May 19 RECORD.

One of these amendments, which would repeal percentage depletion for those who receive royalty income from oil and gas properties, was misprinted. For the reference of my colleagues, I am inserting the text of the correct version of this amendment.

The text follows:

AMENDMENT TO H.R. 6860

By Mr. GIBBONS:

At the end of the bill add the following new section:

SEC. —. REPEAL OF PERCENTAGE DEPLETION ON OIL AND GAS ROYALTY INCOME.

(a) Subsection (d) of section 613A of the Internal Revenue Code of 1954 (relating to persons entitled to percentage depletion on 2,000 barrels of oil per day) is amended by adding at the end thereof the following new paragraph:

"(5) Royalty income excluded.—Subsection (c) shall not apply to income derived from a nonoperating mineral interest as defined in section 614. In applying such definition for purposes of this paragraph, the taxpayer's share of the costs of production of the oil or gas shall be treated as zero if his percentage share of such costs is substantially less than his percentage share of the production."

(b) The amendment made by subsection (a) shall apply to income received on and after the date of enactment of this Act.

WHY AMERICA IS BECOMING AN ARMED CAMP

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. DINGELL. Mr. Speaker, pursuant to permission previously granted, I insert the enclosed article from TV Guide magazine:

NEWS WATCH: WHY AMERICA IS BECOMING AN ARMED CAMP

(By Patrick Buchanan)

The recent hour-long NBC documentary "A Shooting Gallery Called America?" is a simplistic, emotional, singledimensional *cri de coeur* against the handgun in America society. As one critic put it, it uses 'every cinematic trick in the book." As gun-control propaganda, it was powerful stuff. As a substantive explanation of a complex phenomenon, it was a failure.

We saw and heard more pistols fired in that one hour than in a lifetime of Clint Eastwood police films. We saw gripping scenes of parents whose adopted child was killed in a gun accident. We saw a police officer break down in tears over the loss of relatives and comrades to handguns. We saw graphic footage of police shootouts, and bank robberies in progress. We saw bodies in the morgue still oozing blood from bullet wounds. We saw one old codger talking in animated and cheerful anticipation of filling the belly of some future assailant full of lead.

We saw and heard two of the most callous thugs ever interviewed on national television testifying clincially to their utter indifference killing during the daily routine of their criminal careers. But the thugs were stronger arguments for rewiring the electric chair than for new controls on guns. Indeed, the satanic brutality they exhibited was itself a powerful advertisement for guns to protect honest citizens.

NBC's statistics were impressive: 40 million handguns out there in Middle America; two and a half million added to the armory yearly; a handgun death every hour.

But what NBC failed to explore with sympathy or understanding is why.

Those millions of handgun purchases each year represent millions of votes of no confidence by the American people in the criminal justice system of the United States. They are more an effect than a cause of crime. The massive inventory of private weapons is a mountain of testimony to government's utter failure to protect the life, home and property of the average citizen.

An there are more reasons than simply affection for firearms why Americans oppose gun controls. One of them is the source of the proposals. Invariably, they are advanced as the solution to the crime crisis by people who seem to oppose every other proposed solution. It is the armed criminal, not the armed citizen, whom this country fears. Yet, whenever it is proposed that automatic added sentences be applied to any criminal using a weapon during his felony, or an automatic death sentence be imposed upon any individual who kills during the course of a felony, the vanguard of the gun-control lobby suddenly askes to be excused. To millions of Americans, gun control is the respectable, but ineffectual, "law and order" position of the liberal elite.

Would gun controls reduce crime? Certainly, limited controls, like banning the so-called "Saturday Night Special," would do little but raise the price of quality firearms available by the millions. A price rise is not going to deter a criminal, to whom the price of his weapon is a cost of doing business. And a few extra dollars is not going to deter a citizen who thinks he is buying protection of himself and his family.

What about confiscation of handguns, with a criminal penalty attached to ownership? Would that reduce crime, or would it, like Prohibition, make lawbreakers out of millions who would prefer to keep their weapons illegally in today's climate than to give up the protection they believe they have? In this observer's judgment, there is a measure of truth in the bumper stickers that read "If guns are outlawed, only outlaws will have guns."

Certainly, confiscation of handguns would have little effect upon the 10,000 persons who use them to commit suicide each year. They could buy a rifle or a bottle of pills. What of the 1600 gun accidents? Many of these are hunting accidents, with rifles. And is it right for government to confiscate the weapons of tens of millions because a few hundred are so careless with them each year as to take their own lives?

What of the statistic that shows the likelihood at six-to-one that the individual shot with your handgun will be an acquaintance or family member? Well, most Americans are already instinctively aware of that statistic. Which is why they do not have guns in their homes. But what is happening in society is that the fear of the rapist, the armed robber and the juvenile terrorist is rapidly overcoming the apprehension of Americans about having a gun in their homes or offices. And one is hard put to blame them.

NBC is guilty of a common political sin. It has dealt with the symptoms of a national problem, rather than the cause. The cause of the "gun problem" is fear, that same fear of crime that has produced a boom market in the sale of watchdogs, burglar alarms, triple locks and long guns. Until this society begins to deal with the crime crisis in earnest, America will remain an armed camp, no matter the disarmament decrees handed down by Congress. It is said that in New York City, where the gun laws are the most stringent, there are something like a million weapons in private hands.

Since gun-control legislation is a burning issue in this Congress, and NBC has taken—even if it refused to declare—a point of view, the right of rebuttal would seem to have been created, under the Fairness Doctrine, by this documentary.

Here in this Nation's capital, which was, until not too long ago, known as the "crime capital of the world," one is hard put to say to some store owner, who may have been beaten and robbed half a dozen times, that he has no right to a weapon to give himself the protection the police and government are no longer able to provide.

One may walk away from this documentary, produced by Lucy Jarvis and narrated by Carl Stern, with the impression that all these gun purchases represent a sort of gun lunacy in America. But that is not the case.

The explosion in gun sales represents the very rational decisions of very rational but frightened Americans who have concluded, with justification, that their government cannot protect them, and, therefore, they had best provide for their own protection.

The sentiment is widespread. Indeed, one recalls that not too long ago, here in the capital of the West, the Chief Justice of the United States was awakened late one night by reporters banging at his door, and he greeted them in pajamas, with pistol in hand. They claim today the revolver was a toy. Perhaps—but pistol in hand is exactly the way Judge Roy Bean would have greeted a similar late-night caller in the more secure Wild West days years ago.

NUCLEAR ENERGY OVERSIGHT HEARINGS

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1975

Mr. UDALL. Mr. Speaker, to the Committee on Interior and Insular Affairs the jurisdictional rules of the House of Representatives give the special oversight function of "reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with—nonmilitary nuclear energy and research and development including the disposal of nuclear waste"; and this function has been assigned by the committee to its Subcommittee on Energy and the Environment, which I chair.

Members of the subcommittee have unanimously decided to give this new responsibility the highest priority. We have begun our work with an intensive series of hearings covering 4 days during the last week in April. In these hearings we tried to cover the entire range of problems associated with the development of nuclear power reactors, to set forth in laymen's terms the long-range and short-term risks and benefits, and to pinpoint the areas of greatest concern.

Dr. Brian O'Leary of the subcommittee staff has prepared a summary of our first hearings. The summary follows:

SUMMARY OF NUCLEAR ENERGY HEARINGS, SUBCOMMITTEE ON ENERGY AND THE ENVIRONMENT

The hearings started with Nuclear Regulatory Commission Chairman *William Anders* who reviewed the mission and organization of the newly-established N.R.C., the nuclear power plant licensing process and the approach the N.R.C. is taking to regulatory questions. Under hard questioning by Subcommittee members, *Anders* did acknowledge that some issues are not yet resolved in all areas and expressed concern over the nuclear-waste disposal problem. Nevertheless, he felt that the major safety and safeguard problems were sufficiently answered and that plants should continue to be built.

Consumer advocate *Ralph Nader* reiterated his reasons for being opposed to an increased reliance on nuclear power: a pattern of AEC suppression of some of its safety reports (one report stated that a major reactor accident could result in as many as 45,000 deaths), flaws and neglects in the Rasmussen report on reactor safety, and the lack of a long-range plan to dispose of nuclear waste. *Nader* recommended energy conservation and increased use of solar energy and other alternatives. He suggested that Congress should stop issuing new construction licenses for nuclear power plants, decide whether plutonium should be rejected, stop funding the breeder reactor, and repeal the Price-Anderson Act. In the question period, Chairman Udall asked, "Feeling as strongly as you do . . . why don't you push for closing down existing nuclear plants?" *Nader* replied this would be his preference if he thought it politically possible. *Nader* said he would provide the Subcommittee documentation supporting his charges.

In the afternoon of April 28, Senator *Mike Gravel* testified that the anti-nuclear movement was the "most significant developing political force in the nation today", noting that 500,000 persons have signed a nuclear safeguards initiative which would put it on the ballot. It calls for a phase-out of nuclear plants if certain problems are not resolved and full nuclear liability insurance provided.

Roger LaGassie, ERDA's Assistant Administrator for Planning and Analysis, discussed that agency's forecast of electrical energy growth. Even in the low growth scenario (about 5.8% per year) the use of electricity would be three times as large in the year 2000 as today. The nominal estimate was 7% per year based on recent history.

Robert I. Smith, President of Public Service Electric and Gas Company and speaking on behalf of the Edison Electric Institute, projected a 6% per year electrical growth rate and argued that nuclear power would be considerably less expensive than fossil fuels because of low nuclear fuel costs. When questioned by Chairman Udall on government subsidies for the nuclear industry, in particular the Price-Anderson Act, *Smith* felt that utilities would be willing to take on the insurance responsibilities themselves if Price-Anderson were repealed.

The last witness of the first day was *Daniel Ford*, Executive Director of the Union of Concerned Scientists, who testified that safety requirements and lower-than-expected capacity factors for nuclear power plants have tipped the economic balance in favor of fossil fuel plants—even in the wake of increased oil and coal prices.

APRIL 29

The first witness on April 29 was Dr. *Norman Rasmussen*, director of the recent AEC-funded reactor safety study. He defended the accuracy of his report and argued for the report's conclusion that the frequency and consequences of major light water reactor accidents are "very small compared to the other risks which society accepts.".

The next witness, Dr. Henry Kendall of the Union of Concerned Scientists, took issue with this conclusion and called for "convincing evidence of full resolution" or reactor safety issues as a prerequisite for public acceptance. He noted that emergency core-cooling systems (ECCS) have never been tested experimentally under the expected conditions of operations. Adequate simulations of and confidence in the effectiveness of cooling accidents are minimal. Kendall cited the recent American Physical Society study and other studies which show a greater number of cancer cases resulting from a major accident than that calculated by Rasmussen. A debate between the witnesses ensued under questioning.

The final witness that morning was Dr. Herbert J. C. Kouts, Director of Safety for N.R.C. He said that a substantial safety research program for ECCS accidents does exist and the first experimental tests will begin later this year. Even so, he said that it would be difficult to calculate absolute accident probabilities.

That afternoon, Representative Fred Richmond (D–N.Y.) condemned the recent shipment of plutonium through New York City and the abundant risks in flying and driving such a toxic material through high population areas. He questioned the viability of nuclear power and recommended that there be an immediate five year moratorium on nuclear construction.

Dr. James L. Liverman, ERDA's Assistant Administrator for Environment and Safety, testified on the waste disposal problem. Under active consideration is permanent disposal of high level solid wastes in salt formations—

UMI

perhaps in eastern New Mexico—which would not have the same water contamination problems that the formerly proposed Lyons, Kansas site would have had. The Federal Government has assumed responsibility for this problem and will replace its WASH–1529 environmental statement with another draft available in 1976. If approved, a pilot retrievable storage facility will be constructed in a salt deposit in the hope that it will become an operating permanent site around 1990. Dr. Livermore also explained that the near-term above ground waste storage tanks at Hanford, Washington have been redesigned to prevent leaks.

Professor *David Rose* of MIT testified on new initiatives in nuclear waste disposal while acknowledging that the hazards of the wastes and their long time horizon present serious social problems which must be solved. Dr. *Rose* summarized the characteristics of materials involved and possible solutions. Of particular interest would be recycling plutonium and other long-lived high level radioactive materials through reactors, thus turning a 500,000-year problem into a 500-year problem.

Robert Thorne, ERDA's Acting Deputy Assistant Administrator for Nuclear Energy, testified on the liquid metal fast breeder reactor (LMFBR) development program. He defended ERDA's view that this option "offers the nation a well-advanced technology which when fully commercialized will be a safe, clean, reliable and economical electric power generation system" and that its advantages far outweigh its disadvantages. The total LMFBR R&D costs are estimated $10.6 billion with almost $500 million requested for fiscal year 1976. Thorne argued that limited supplies of uranium and large electrical growth projections make LMFBR development ERDA's top energy priority.

Dr. *Thomas Cochran*, staff scientist at the National Resources Defense Council, condemned the LMFBR program because it was premature, expensive, the wrong energy priority (versus solar energy and other options), and it would add to safety and safeguard problems of nuclear materials. He argued that the LMFBR would not be commercially competitive until about 2020—when other new alternatives would also be ready.

Dr. *Hans Bethe*, on the other hand, argued that the energy problem of the U.S. and all the Western World could not be solved without "full use" of the nuclear option. Present estimates of limited uranium resources and the increase in the number of light water reactors could use up most of our nuclear fuel by early in the 21st century. *Bethe* urged study of breeders which would extend the uranium supply one-hundredfold or more. He noted large discrepancies in cost estimates for breeders and discussed safety advantages and disadvantages of the LMFBR. He felt that the nuclear explosion potential of the breeder was minor and "easy to contain" in the reactor vessel. He suggested that a joint effort with Canada in developing an advanced CANDU reactor would present a lower cost alternative to the LMFBR.

That afternoon, Dr. *Wolfgang Panofsky* testified on peaceful nuclear explosion (PNE's). He noted that PNE's provide no economic advantages over conventional explosives in all commercial applications explored. Moreover, the safety problems could be very severe. The difficulty is, some countries are interested in PNE's for prestige value and for potential military use. The non-proliferation treaty does not obligate us to share PNE opportunities with other countries, but it would be difficult to design a comprehensive nuclear test ban that does not also prohibit PNE's outright because of their value in verifying military tests. Panofsky urged critical scrutiny of the export of PNE's.

Dr. *Anne Cahn* discussed the implications of the planned introduction of nuclear reactors into the Persian Gulf and Middle East. Her basic thesis was that "the United States could and should be doing more to structure the incentive systems so that non-nuclear weapon states choose *not* to pursue nuclear weapons options". Of particular concern is the introduction of nuclear enrichment and reprocessing facilities to other countries. She urged that Congress prohibit any agreement for cooperation between the United States and Iran that did not deal with reprocessing in a regional or international framework.

Mason Willrich of the University of Virginia Law School noted that the number of countries with operable nuclear power reactors will double to 30 by 1980. He urged co-location of enrichment, fuel fabrication and chemical reprocessing plants under multinational or U.S. management for reasons of economy and safeguards. Exports of American nuclear materials should be subject to safeguards no less stringent than those in the U.S.

Commissioner *Victor Gilinsky* of the Nuclear Regulatory Commission described stringent new standards safeguarding 19 facilities licensed for the possession of over four pounds of plutonium or eleven pounds of highly enriched uranium.

J. G. Speth of the National Resources Defense Council opposed a plutonium recycle economy on grounds of safeguards and safety. His arguments were based on past experience, resistance to these pressures by the nuclear industry and the general difficulty of achieving both standards at once. As plutonium recycle was economically marginal anyway, *Speth* concluded that the use of plutonium fuel was a technology that was "too risky and too demanding" to be pursued.

Dr. *Theodore Taylor* discussed ways in which plutonium and highly enriched uranium could be safeguarded against theft—highly-guarded barriers, co-location of fuel fabrication and reprocessing plants, special shipment techniques, and the spiking of these fissionable materials with intensive gamma ray-emitting materials which would make theft highly risky. Taylor argued that a rather massive safeguard system would cost less than one per cent of the cost of generating electricity but was concerned about whether such high standards would be politically possible. He disagreed with Speth that these safeguards would be tantamount to creating a garrison atmosphere.

A. E. Schubert, President of Allied General Nuclear Services which is building the Barnwell, S.C. nuclear reprocessing plant scheduled to begin operating next year, urged the rapid development of reprocessing technology, because: (1) spent fuel piling up in storage pools threaten to close down many existing nuclear power plants and need a place to go (Barnwell is the only place); (2) the Barnwell facility could provide the reprocessing industry the experience it needs to enter a plutonium economy; and (3) reprocessed plutonium and highly enriched uranium promise virtually unlimited fuel for electrical power generation. *Schubert* argued that government indecisions and changes in regulations have severely interfered with bringing the Barnwell plant on-line.

Dr. *Marvin Resnikoff* of the Sierra Club questioned the cost-effectiveness of reprocessing unless the price of uranium goes up considerably. Government subsidies tend to mask some of the costs of reprocessing. He also argued that experience has shown very high levels of radioactive release from the Nuclear Fuels Services reprocessing plant (now closed) and felt that the newer technology of the Barnwell facility would not make much difference.

Dr. *William Rowe* of EPA testified on plutonium toxicity at expected levels of release. Plutonium, he said, has induced cancers in laboratory animals but has not yet been identified in humans—even near the upper limit of the current range—although induction periods might be long.

THE "MAYAGUEZ" INCIDENT AND THE CONSTITUTION

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. DRINAN. Mr. Speaker, a number of serious constitutional questions have been raised by the President's use of military force in recapturing the *Mayaguez* and its crew several weeks ago. The distinguished constitutional scholar, Raoul Berger, Charles Warren senior fellow in American legal history at Harvard Law School, analyzes the most significant of those questions in an incisive article published in the New York Times of May 23, 1975.

Professor Berger challenges the President's assertion that he was exercising his constitutional authority as Commander in Chief in ordering military action against Cambodia. He points out that historical precedent reveals no inherent presidential power to undertake hostilities for the protection of Americans abroad. The President, Berger asserts, must be held strictly accountable to the provisions of the War Powers Act which require that he consult, not merely inform, the Congress before taking military action.

Professor Berger's brilliant analysis hints at the more fundamental question of whether the War Powers Act constitutes a further surrender of Congress' constitutional warmaking powers to the Executive, rather than a reaffirmation of those powers as originally claimed by its proponents. In light of the *Mayaguez* incident, Congress will have to take a long and hard look at the meaning and effectiveness of the War Powers Act in the months ahead.

[From the New York Times, May 23, 1975]

THE MAYAGUEZ INCIDENT AND THE CONSTITUTION

(By Raoul Berger)

CAMBRIDGE, MASS.—Once more Congress has abdicated its constitutional responsibility, carried away by a wave of "rally round the flag" fever. The Senate Foreign Relations Committee hastened to set its seal on the President's "exercise of his constitutional powers" in sinking Cambodian patrol boats in order to regain the captured merchant vessel Mayaguez.

What powers? President Ford invoked his "constitutional executive power and his authority as Commander in Chief." His counsel, Roderick Hills, explained that Mr. Ford "acted under his constitutional war powers to protect the lives and property of Americans."

We are not, of course, at war with Cambodia, so that resort to the "war powers" is farfetched; and those powers were by design very limited.

As to "protection" of Americans abroad, President James Buchanan recognized in 1859 that the power to afford such protection resides in Congress. He advised Congress, "I deem it my duty to recommend the passage of a law authorizing the President to employ the naval forces for the purpose of protecting the lives and property of American citizens passing in transit across the Panama routes."

The Act of July 27, 1868, directs the President, when citizen is unjustly deprived of his liberty by a foreign country, "to use such means, not amounting to acts of war, to obtain the release, and promptly to report to Congress."

Suppose that the patrol boats that the United States sunk, instead of belonging to pygmy Cambodia, had been those of the Soviet Union. Is it for the President alone to make the fateful judgment that may plunge us into war? Such situations call for the "collective judgment" of President and Congress, as the War Powers Resolution of 1973 requires.

That requirement is not satisfied by merely "informing" selected members of Congress of the forthcoming hostilities, but by genuine "consultation" before a decision is made, as is stated in the conference committee report on the resolution.

By his invocation of the "constitutional executive power" and that of "Commander in Chief," Mr. Ford apparently signals that he does not consider his "constitutional" powers to be limited by the resolution, a view that seems to be shared by the Senate committee. Of course, if the President possesses the "constitutional powers" to which he lays claim, they cannot be limited by Congress, and the President is free to sink us into yet another Vietnam quagmire.

It is idle to look to the words "executive power" for war-making authority, for the powers comprehended therein were painstakingly enumerated by the Framers of the Constitution. In that enumeration the sole grant of "war power" is contained in the words "Commander in Chief," a limited grant.

Because opponents of the Constitution raised the specter of "detested" monarchical power, Alexander Hamilton downgraded the grant, explaining that the words "Commander in Chief" merely made the President "first General."

Louis Henkin, professor of constitutional law at Columbia University, has justly observed that generals "even when they are 'first' do not determine the political purposes for which troops are to be used; they command them in the execution of policy made by others"—by the Congress, as the Founders made abundantly clear.

The power to "declare war," meaning, as Justice Joseph Story stated, the "power to make and carry on war," was lodged in Congress exclusively. The purpose, James Wilson explained to the Pennsylvania ratification convention, was to guard against being "hurried" into war, so that no "single man [can] . . . involve us in such distress." It was designed, said James Madison, to hobble the "executive propensity to war." In addition to "commanding" troops in a war so "declared," the President is authorized to repel an invasion, and by the terms of the War Powers Resolution an attack upon the armed forces. Manifestly, the bombing of the Cambodian patrol boats falls in none of these categories.

Does the President have an "inherent right," as his counsel Mr. Hills postulates, to undertake hostilities for the "protection" of American citizens and property? President Buchanan did not think so. The constitutional records disclose that the Founders jealously insisted on a Federal Government of enumerated, strictly limited powers.

Defending the Constitution in the Virginia ratification convention, Gov. Edmund Randolph said that the powers of the Government "are enumerated," that it "has no power but what is expressly given it." In the same convention, it was stated that the "legality of any power" is to be tested by the question, "Is it enumerated in the Constitution." Such citations can be multiplied, and they are reinforced by the pervasive Colonial distrust of executive power. To conjure up an "inherent" executive power in the teeth of the Farmers' studied efforts to limit it is to charge them with leaving the barn door wide open.

When the claim to "inherent power" was made in support of President Harry S. Truman's seizure of the steel mills to prevent a strike during the Korean war, it was emphatically rejected by Justice Robert H. Jackson.

In what is considered his finest opinion, Mr. Jackson stated that the Framers "made no provision for exercise of extraordinary authority because of a crisis." Emergency powers, he said, "are consistent with free government only when their control is lodged elsewhere than in the executive who exercises them"—that is, in Congress. Claims of "inherent power" are a euphemism for stepping out of bounds, for exercise of a power that was not conferred. Such claims, particularly when they assert power exclusively lodged in Congress, endanger our democratic system.

The paramount harm that flows from this fresh Cambodian adventure is the disruption of the constitutional allocation of powers, the invasion of powers confided exclusively to Congress. Approval by individual members cannot make such invasion constitutional. The Supreme Court has declared: "One branch of government cannot encroach on the domain of another without danger. The safety of our institutions depends in no small degree on strict observance of this salutary rule."

Richard M. Nixon has taught us anew that power grows by what it feeds on, and that to condone unauthorized expansion is to undermine the foundations of our democratic society.

It is a reproach to Congress that, having just shaken us loose from a disastrous war, sustained in no small part by Congressional acquiescence—it is once more ready to approve a Presidential exercise of its own power. Thereby it gives its sanction to yet another dismal "precedent" that future Presidents will not be slow to invoke against Congress.

A LOOK AT GOV. EDMUND G. BROWN, JR., OF CALIFORNIA

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. BROWN of California. Mr. Speaker, over the weekend the Washington Post carried an interesting and informative feature story on the new administration in Sacramento, Calif. While I have an advantage of knowing about many of the items that David Broder described in this article, I know my colleagues have not had as much an opportunity to observe these developments. Because I believe what is happening in California has national significance, and lessons for all levels of government, I would like to share this article, entitled "Governor Brown: An 'Honest Approach,'" with my colleagues.

I must admit that I have been pleased with the developments in California since we have changed administrations, but I do not believe my attitudes merely reflect my partisan interests. Governor Brown is truly trying new approaches to serve the people. At this time I insert the article from the May 31 issue of the Washington Post in the RECORD:

GOVERNOR BROWN: AN "HONEST APPROACH"

(By David S. Broder)

SACRAMENTO.—A strange, cryptic press release came out of Gov. Edmund G. Brown Jr.'s office on May 7, announcing that he had just vetoed a bill to delete the legal requirement that the formal name of a garbage and refuge disposal district must contain the words "garbage and refuse disposal district."

The veto message said: "The present law accurately states the case. I see no compelling reason to sanction yet another governmental euphemism. Accordingly, I am returning the bill unsigned."

Jerry Brown's five-month-old administration wants to be known as one which calls a garbage dump a garbage dump, and not a sanitary landfill. And that is one of several reasons why it may be called America's first post-Vietnam government.

The 37-year-old Brown and the intellectually precocious men and women with whom he has surrounded himself see themselves as members of a new generation.

A year ago, Brown told this reporter that the main difference between him and his Republican opponent, Houston I. Flournoy, was that "he is a politician of the '60s and I am a politician of the '70s. He started politics with Camelot, and I came to politics out of the Great Society, the Vietnam war and Watergate." Brown and his colleagues have reacted to the atrocities of the previous political generation, including those perpetrated against the language by government.

The Great Society gave America such inflated slogans as the "war on poverty" and "model cities." Vietnam was the place where warfare was called "pacification" and assassination was disguised as "termination with extreme prejudice." The scandal-stained Nixon government was, of course, a "law-and-order administration."

So Brown says "the central principle that guides me is an attempt to restore confidence in government, and that means taking the most honest approach possible. That sounds trite, but there's a lot of sloppy thinking in government, even where there isn't deliberate deception. The most certain way to restore confidence is to insist on a relentless honesty in every step. That is more important to me than any program."

Although Brown disdains euphemism, his own statement is a euphemistic elaboration of the "No More B— S—" slogan used by Norman Mailer and Jimmy Breslin in their semi-serious New York City campaign in 1969 and by Fred Harris in his abortive 1972 try for the Democratic presidential nomination.

The difference, of course, is that Mailer and Breslin and Harris never had to govern under that restriction, and Brown is stuck with running the biggest state in the union, a government whose budget dwarfs most of the nations of the world.

But he is not alone in his approach. In the post-Watergate election of 1974, any number of candidates ran on the platform of "relentless honesty," voluntarily making public their personal income tax returns, as Brown has done, and demonstrating their disdain for the perquisites of office.

In Massachusetts, newly elected Gov. Michael Dukakis ignores his official limousine and rides the trolley back and forth from home to office. In Maine, newly elected Gov. James B. Longley rejects $11,000 of his $31,000 salary, and stops his car in a snowstorm to help a motorist change a tire.

But none has outdone Brown, a former Jesuit seminarian, in wearing the hair shirt. Since taking office in January, he has cut back the salaries and the size of his personal staff, refused all gifts, sold the executive jet he inherited from Ronald Reagan, turned in his limousine for a 1974 Plymouth and turned down the executive mansion being built to Reagan's design, in favor of a starkly furnished little apartment across the street from the Capitol.

However sincere these gestures, they have an inevitable tinge of public-relations gimmickry. As one fellow-official here said of Brown, "He's a single guy with a $50,000 salary. He's not hurting."

The more interesting question is whether

UMI

"relentless honesty" as a principle of government translates into anything different from what has gone before.

At this early stage of the Brown administration, the answer is: clearly yes, it is different in method and manner, and perhaps, but not certainly, in substance and policy as well.

The most striking and controversial characteristic of the new governor is his inquisitor-general style. A man with little of the personal charm or gift for small talk of his father, who was governor from 1949 through 1966, Jerry Brown looks at every piece of government business like Ralph Nader inspecting a used Corvair.

He is skeptical of anything brought him by his own staff. As Donald E. Burns, a Yale law school classmate recruited from Washington, D.C., to head the business and transportation agency says, "He hates to be told, 'Jerry, just sign this. It's routine.' To have him do that is a mark of favor, a grant."

Anecdotes flourish about his desire to put his personal stamp on every piece of business that passes through his office. A Democratic Party official who arrived with a routine statement for the governor to issue on behalf of a candidate in a special legislative election was astonished to be called in by Brown for an intensive grilling on the candidate's views and qualifications—at the end of which Brown turned to his typewriter and rewrote the endorsement in his own words.

The scrutiny has been even more intense when proposals have come from outside his own circle. Unlike Reagan, who liked to delegate the detail work and to keep a comfortable schedule of office hours, Brown is a workaholic who seems to get a second wind about 9 p.m.

Often, the result of that scrutiny is scathing criticism or even scrapping of programs it was assumed that Brown would support.

Dissatisfied with the evidence presented by scientists in 35 hours of hearings in his office on the effects of an automobile antipollution device, the governor ordered new field tests made. When they showed only marginal impact, far short of the original promise, he reversed his campaign posture and killed the program.

A similar fate may befall the $100-million annual federally financed law enforcement assistance program in California, which Brown is now threatening to end.

Gary Davis, the governor's 32-year-old executive assistant, says that program is in trouble because "it's a perfect example of the way the government keeps shifting its justifications in order to keep a program going, just the same as in Vietnam.

Davis picks up a copy of the original Great Society legislation and says: "Read the first five words: 'To reduce and prevent crime . . .' Now, that's what we said it was for. Now, $190 million later, we've got half-way houses and treatment centers and helicopters and computers and planning and evaluation. And more crime than we had when we began. Hell, last year we spent $5 million to evaluate local grant applications and we rejected one of 500. That's make-work. And what Jerry's saying is that if the government isn't going to do what it says it's going to do with the money, it ought to be honest with people and let them decide if they want to finance marginal projects of police departments."

Brown himself has administered the same shock treatment to education in the state, showing up, well-briefed, at both committee sessions and regular meetings of the governing boards of the state's vast college and university systems, on which he is an ex officio member, and raising detailed, time-consuming and often critical questions about budgets, programs and results.

He told University of California officials they were using a "squid process" to cloak their objectives in academic gobbledygook and startled college trustees by asking, "Why in the world are salaries more for administrators than teachers when the basic mission of the university is teaching?"

By posturing himself as the amateur confounding the experts, the skeptic striving to understand the jargon of bureaucrats, Brown has played to the sentiments of thousands of voters cynical about big government. Public opinion polls show his popularity has risen sharply since his unexpectedly narrow victory over Flournoy last November.

But he has disturbed and disillusioned many who backed him in the belief that he would be automatically supportive of programs ostensibly aimed at such traditional liberal goals as improved environment, social welfare and education. "They thought he would be his father's son," said one Democratic Party leader, "and that was their mistake."

California teachers, who were among Browns biggest financial boosters, are bitter at his personal intervention to kill a cost-of-living increase in school funds. A fellow state official, known for his own tough tactics, says "Jerry's screwed his friends worse than I ever screwed my enemies."

But Charles Manatt, the state Democratic chairman, says, "He's doing precisely what he said he was going to do during the campaign." And it is a fact that in that 1974 interview Brown said, "I've seen government all my life, and I'm not bemused by it. I take a somewhat jaundiced view of the ability of government to perform."

Members of Brown's circle have trouble themselves defining what is Democratic or liberal about his administration, though most insist its basic impulses are "humanitarian" and "progressive."

"What confuses people," says legislative aide Marc Poche, "is that just because it's been part of the New Deal, the Fair Deal, the New Frontier and the Great Society doesn't mean that Jerry Brown signs off on it."

That the Brown formula escapes categorization is obvious. In the space of 48 hours, one hears radically different characterizations of the new governor.

"I don't think he knows what he is," says a major California AFL-CIO official, who backed him last November. "We took him to be a liberal, but we were startled by his saying that money is no solution to the problems of our society, and that people better lower their expectations of what government can do. We don't know if this is just talk, or what."

But a top staffer in the United Auto Workers calls Brown "the first real radical to be elected in years, and a forerunner of what's to come. The guys in our union, who haven't been turned on by anything in politics for 12 years, are turned on by him."

An officer of the state's largest banking corporation says, "We've been pleasantly surprised by Brown. He talks like a liberal but he acts like Reagan. Mainly, he's very businesslike. He cuts through the rhetoric and gets to the heart of an issue."

But a liberal academic says scornfully, "He's done nothing, you understand, but his rhetoric is offensive. He feeds the public prejudices and adds nothing to the understanding of issues."

A Democratic Party official says, "There's no one in his office you can talk politics with, and if any of his dad's old political cronies are behind a project, it's sure to kill it with Jerry."

But a leader of the California GOP says, "He's been good. People are after me to attack him, but what am I supposed to attack him on? He's doing a real good job of getting to that silent majority vote, and if I attack him, I just make them mad."

Because Brown echoes some of Reagan's anti-spending rhetoric, he is, Gray Davis concedes, sometimes jokingly called "Son of Cut and Trim."

But Tom Goff, chief of the Los Angeles Times Sacramento bureau, wrote that "Brown's assault against state spending is an assault on the Establishment—not only in government but throughout society in general. It seeks change in priorities, in concepts, in methods and most of all in values. Reagan's forays against spending and taxes were purely in defense of the Establishment as he saw it. He sought no basic change beyond that which would reduce the number of dollars being spent . . ."

Brown has filled his administration with young anti-Establishment lawyers who would have been totally out of place in the Reagan era.

Probably no one in the Brown circle symbolizes the contrast more clearly than J. Anthony (Tony) Kline, a Yale law school classmate of Brown's who formerly headed one of the anti-poverty law firms with which Reagan feuded throughout his eight years in office. Now, as Brown's legal affairs secretary, Kline is spearheading the dispute with the federal government over offshore oil drilling and fighting with the state's legal establishment over Brown's refusal to fill some 65 judgeship vacancies until agreement is reached on higher productivity from the sitting judges.

Kline is a man who challenges conventional wisdom on everything from fluoridation of water to rehabilitation of prisoners (on both of which he has doubts) to the optimism about the future growth of America, which he is sure is ill-founded.

"The governor and I believe that things are going to get a lot worse than they are now," he says. "While it was a growth economy, the American dream was tenable—even for the bottom quarter of the population. But we are in hard times now, and we're going to have to learn to postpone instant gratification of our desires. Maybe, we'll have to learn that the American dream must be redefined.

In this, and in similar comments one hears from Brown and his associates, there is a challenge not just to the programs but to the values of older Democrats, who believed the mission of government was to provide more adequately for people's needs, however broadly they were defined.

Rose Bird, a classmate of Brown's at Berkeley and a former Stanford law professor and public defender, named as California's first woman cabinet member, suggests why the change may have taken place:

"The governor has jumped a full generation," she says. "Instead of being in their 45s and 50s, this is a government of people in their late 20s and 30s. We were trained in our universities to be skeptical, and we have lived through enough history in the last 10 years to be very skeptical of government itself."

"The rule around here," she says, "is to question every assumption." Kline and others in the inner circle of Brown's classmates say they and Brown acquired that habit during the Vietnam years.

"We didn't learn anything from Vietnam," Kline adds, "if we didn't learn that putting in more technology and money doesn't remedy a lack of motivation and commitment. California is a lot like Vietnam in that respect. Our problems will be solved only by people who are willing to sacrifice . . . Sometimes I think the most radical thing to do is do nothing."

But doing nothing is not a luxury that is allowed the governor of California. And even in Brown's own circle there are questions whether this experiment in generational change and value-challenging can succeed.

"He's after revolutionary change—through process—" says Donald Burns, "and he realizes it probably can't be done."

"It might be a good idea to try this approach first in a state the size of Montana," adds Marc Poche, shaking his head at the scale of problems in a state where a million people are now unemployed.

Assembly Speaker Leo McCarthy, a Brown ally, says guardedly that Brown's challenges to existing programs and organizations "are entirely appropriate as long as they lead to a definable policy in the reasonable future. I think the governor realizes he can't just ask questions."

Despite the Brown administration's intention to provide more responsive government, even a casual visitor encounters numerous stories of minor decisions being delayed by Brown's refusal to delegate authority. An old friend notes that the governor and his major appointees have a conspicuous lack of administrative experience, and he questions whether Brown can let others take over running policy areas after his own intensive involvement has ceased.

An even more fundamental question is whether the many organized groups that view government as a source of benefits will accept Brown's ascetic calls for sacrifice as a substitute for the help they thought they would receive. "You can't make the teachers mad one week, the public employees the next, labor the third, and the welfare people the fourth, and hope to survive," another elected state official says.

All these groups have powerful representation in the legislature, whose members are somewhat puzzled by Brown's disinclination for the normal give-and-take of legislative bargaining.

Noting this, some Sacramento observers predict Brown will end as another John Lindsay—a well-meaning idealist, surrounded by bright thinkers, but destroyed by political naivete.

So far, however, Brown's footwork has been fast. The farm labor legislation which Rose Bird drafted, she says, "a fair bill, not one distorted to anticipate the pressures of the legislative process," is about to become law—thanks to some hard and effective bargaining with the representatives of the growers, the Teamsters, Cesar Chavez' farm workers.

Brown has actually achieved more in the way of legislation than his own rhetoric would suggest. A bill ending the state's oil depletion allowance is law, and others creating a major and innovative housing subsidy program, providing collective bargaining for public employees and tightening business tax exemptions are moving forward.

Despite these successes, Brown refuses to play the part of a traditional programmatic liberal. "People ask me, 'What's your program?'" he says. "What the hell does that mean? The program is to confront the confusion and hypocrisy of government. That's what's important."

The remarks came during the course of an "interview" in an inexpensive Japanese restaurant here, which was actually more of an open-ended conversation with fellow-diners. During the two hours, Brown joined in free-style verbal wrestling with a labor organizers, a karate teacher and an artist among others, on subjects ranging from art subsidies, to the fallacies of Daniel Bell's pragmatic realism to ethics of legislative favor-swapping.

The atmosphere was that of a college bull session, and the only strain was that a reporter felt in recalling that this was, indeed, the governor of the biggest state to whom one verbal sparring partner said, without rebuke, "Frankly, that's a lot of crap. I can't believe you believe that."

Among other things Brown said was this: "Vietnam is the prime example of how government can get off the track with all that systems analysis stuff. We're process-oriented here, too, but the idea that a few experts can tell everybody what to do, I just question. Vietnam tells you that programs and planning and technology and money are not enough—any more than charisma and being hard-nosed are enough.

"Ultimately, people have to believe in some ideal," he said, "and they have to believe you're leveling with them. You can't win hearts and minds through planning and technology. In the final analysis, people will support only what they believe.

"Open government means more than Proposition 9 (the California initiative he endorsed last year, which has strict controls on conflict-of-interest, lobbying and corrupt practices). It means opening up the argument so the options are laid out. The whole fault in Vietnam was that our government didn't trust the people to make the right decisions.

"You ask me what I want. I want to be the governor of the 54 per cent of the people who didn't vote at all last year. The largest constituency of all is the constituency of no confidence, and that constituency is important to remember. I don't know if we can satisfy them. Probably not. But wouldn't it be something if we could?"

PRESS URGED TO DIG OUT FACTS ON RESPONSIBILITY FOR VIETNAM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. CRANE. Mr. Speaker, many in our country are now saying that no blame should be assessed for the defeat which the United States and the free world suffered in Vietnam.

Senate Majority Leader MIKE MANSFIELD, for example, declared that, "This is not the time for either the executive or the legislative branch to begin pointing the finger. Let us recognize that there is enough blame to go around and that it affects all."

The fact is that those who told us that the people of South Vietnam really wanted to live under communism were wrong. Those who told us that the Soviet Union and Communist China wished to live in peace were wrong. Those who argued that the Vietcong and the North Vietnamese were "humane" and "progressive" while the South Vietnamese were brutal and tyrannical were wrong. It is fair to say, I think, that those who misled the Nation so seriously be held accountable. If we endure the loss of South Vietnam without learning any lessons from it, our loss will be that much greater.

John M. Fisher, the president of the American Security Council, has called for a "national assessment of the reasons for the tragic loss of Vietnam."

Fisher said:

This is the first war America has lost in its 200-year history. If we want it to be the last, we must analyze the reasons for this defeat promptly and carefully. I urge the press to be just as diligent in digging out the facts on how we lost Vietnam as it was in digging out the facts in the Watergate case.

To those who say that we should not consider these questions and fall into the destructiveness of partisan charge and countercharge, Mr. Fisher replies that:

Calling for no recriminations is the same as calling for a coverup. Only those who feel they might be vulnerable should want to hide the reasons for defeat.

I wish to share with my colleagues the news release issued by the American Security Council and containing John Fisher's call for an assessment of responsibility with regard to Vietnam, and insert it into the RECORD at this time.

PRESS URGED TO DIG OUT FACTS ON RESPONSIBILITY FOR VIETNAM

WASHINGTON, MAY 2.—John M. Fisher, president of the American Security Council, today called for a "national assessment of the reasons for the tragic loss of Vietnam."

"This is the first war America has lost in its 200-year history," Fisher said. "If we want it to be the last, we must analyze the reasons for this defeat promptly and carefully. I urge the press to be just as diligent in digging out the facts on how we lost Vietnam as it was in digging out the facts in the watergate case."

He said that "this is vitally important because we are now facing other tests in places like Thailand, South Korea, Portugal, Latin American and the Mideast. If we are defeated in these areas too, the psychological momentum of Communist victories may soon give us only two choices—World War III or surrender."

"Calling for no recriminations is the same as calling for a coverup," Fisher said. "Only those who feel they might be vulnerable should want to hide the reasons for defeat."

Fisher said he would ask the National Strategy Committee of the American Security Council to "review our crumbling and discredited foreign policy and to make recommendations as to what must now be done."

"If we would permit North Vietnam to breach the Paris peace accord, then why should Moscow not feel free to violate the SALT agreements," Fisher asked.

"The clear answer as to whether the Communists can be trusted to keep other detente agreements, such as SALT, can be found in Vietnam," he said.

"Our actions in Vietnam and elsewhere in the world have added up to a policy of phased surrender," he charged. "Our failure to take action against North Vietnam is especially significant to our allies around the world."

He pointed out that Thailand, the Philippines and Greece have already announced changes of policy with regard to U.S. bases in their countries.

"If our national leaders do not understand the implications of the tragedy in Vietnam, the policy-makers of nations in the Middle-East, Far East, Western Europe and Latin America will certainly have no difficulty understanding after the fall of Saigon," Fisher said.

"If it can be argued," said Fisher, "That we do not have the military strength to follow any other policy than that of acquiescence to defeat in Southeast Asia, then we must ask why—why do we not have the sufficient strength?"

"America fought in Vietnam against the recommendations of the Joint Chiefs of Staff," Fisher said. "They held that the U.S. should not engage in a land war in Asia unless we intended to go all out to win."

"The Joint Chiefs were overruled and a policy of gradual escalation was followed by a policy of gradual withdrawal. The predictable result was defeat.

"We owe a thorough and honest assessment of the reasons for this defeat to the 54,000 Americans who died in Vietnam, to the many thousands more who were wounded, and to every citizen we ask to serve in defense of our country," Fisher said.

The American Security Council is a private organization supported by more than 150,000 citizens interested in strengthening National Security.

UMI

SENIOR CITIZENS AND THE ECONOMY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. DOWNEY of New York. Mr. Speaker, on March 3, I held a day-long public hearing in my district on senior citizens and the economy. I heard testimony from more than two dozen witnesses, including heads of senior citizen organizations, agency directors, and some very outspoken individuals representing themselves. The hearing room was packed with interested older Americans anxious to be heard by their Congressman as well as by the various public officials who were also in attendance.

Mary Voyse, chairman of the Federal Legislative Committee LIZ, New York State Retired Teachers Association, wrote a letter which was read into the testimony at the hearing. Within the letter she stated that her organization favors specific legislation to aid senior citizens. Peg Haliday, chairman of the FISH Volunteers of Babylon was at the hearing. She spoke of specific problems encountered by senior citizens. I include this testimony in the RECORD.

TESTIMONY

The CHAIRMAN. I would like to read into the testimony a letter from Mary Voyse, Chairman of the Federal Legislative Committee L.I.Z., New York State Retired Teachers Association.

"My dear Mr. Downey,

"My name is Miss Mary Voyse. I am Chairman of the Federal Legislative Committee of the Long Island Zone of the New York State Retired Teachers Association. This association is part of the National Retired Teachers Association which, with the American Association for Retired Persons, has over 2,000,000 members. The NRTA-AARP has a joint committee on federal legislation. Mr. C. B. Murray represents New York State on this committee and Mr. Cyril Brickfield represents it in working on legislation for Congress. But now I am speaking for the Long Island Zone.

"We favor the following legislation now.

"1. A comprehensive health plan. Last year we favored the Comprehensive Medicare Reform Act of 1974, sponsored by Senator Ribicoff.

"2. Exemption of the first $5,000 of pension or annuity from federal income tax.

"3. Correction of the Social Security Supplemental Law of 1974 so that increases in income due to it do not cut off the elderly indigent from other help.

"4. Allow those over sixty-five to earn any amount and not have to return part of their Social Security to the government as they do now if they earn more than $2,400. Senator Goldwater favors this.

"5. A built-in cost-of-living adjustment on the income tax forms to increase the retirement allowance.

"6. Housing legislation to help retirees get good housing at fair prices, introduced last year by Representative Hugh Carey.

"7. Every effort to stop the cost of living spiral and to meet the energy crisis, but care must be taken not to overburden the aged.

"8. Legislation to see to it that the elderly get a fair share of Federal Revenue Sharing funds given to states and communities to be used for such services as transportation, legal aid, nutrition, recreation.

"9. Larger retirement income credit on income tax forms.

"10. Legislation with states to control abuses in nursing homes.

"11. Continuing the Older Americans Comprehensive Act and Nutrition for the Elderly Act.

"We hope to keep in touch with you as these matters are brought before Congress."

The CHAIRMAN. We have another speaker. She is Peg Haliday, the Chairman of the F.I.S.H. Volunteers of Babylon.

Ms. HALIDAY. I am here as a representative of F.I.S.H. of Babylon which is a nonprofit helping-hand organization and which, over the past five years, has had considerable contact with out senior citizens.

The overwhelming problem that they face is lack of adequate income to assure the most basic of living needs. It is totally unrealistic in the light of today's economy.

We would like to see more consideration given to low-cost senior citizen housing and also the establishment of some form of transportation—either a mini-bus service or the use of school buses—to aid these people in getting to shopping, nutrition and recreational centers. Towns erect recreational facilities for their senior citizens but neglect to provide an adequate plan for getting them there.

Getting back to the question of finances, the stories that come to our attention are heartbreaking and a disgrace. Repeatedly we are told of senior citizens who try to save on their electric bills by not using electric lights and instead use only the light from their T.V. sets in the evening. There are those who have a glass of milk at night and call it dinner and even those who have, on occasion, resorted to eating dog food.

THE CHAIRMAN. Thank you all for being so patient and waiting so long.

I have one other announcement to make. Mary Scalice, who was sick earlier this morning, is in Southside Hospital and is doing fine. I'm sure you will happy to hear this.

Let me thank you all again for your participation. Your remarks and your testimony are what will make this session. In fact, they will be an inclusion in the record and a committee report.

You've helped make the case for me with the facts that I have heard from you. You have a real message to tell me, and I will tell this to my representatives. Hopefully, we will be able to do some of the things that have been suggested here today.

PRESIDENT CHIANG KAI-SHEK'S NEW YEAR'S MESSAGE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. McDONALD of Georgia. Mr. Speaker, one of the last public messages of Chiang Kai-shek was his New Year's Day message to his people, as printed in Parliament Monthly for January 1975. In my view, it was particularly good for putting the China question in proper perspective. Therefore, I commend it to the attention of my colleagues. His message follows:

PRESIDENT CHIANG KAI-SHEK'S NEW YEAR'S DAY MESSAGE

My fellow countrymen:

We have never ceased to encounter difficulties and have faced innumerable obstacles and challenges at every step of the way in carrying out our Founding Father's instruction to "establish and safeguard the Republic with the Three Principles of the People." In celebrating the 64th year of the establishment of the Republic, all of us—military and civilians alike—must bring to bear our moral confidence and moral courage and forge from these a common will and united effort.

Since the Founding Father and our other forefathers put in motion the wheel of our National Revolution and established the Republic, we have never ceased trying to uphold and advance our cultural tradition. We have never spared any effort in expanding the people's rights through the implementation of democracy and constitutional government. Nor have we failed to strive to the utmost to improve the lives of our people and pursue national economic construction in which the primary consideration is the life and well-being of the people. In our lengthy struggle against traitors and aggressors, we have always exerted ourselves to ensure the survival of our nation and people. We have, in other words, been engaged in an all-out undertaking to carry out the Three Principles of the People at the same time the Chinese Communists have been exerting themselves to destroy the Three Principles. The Communists have time and again pretended to support the Three Principles in an attempt to destroy both the principles and the National Revolution.

Mao Tse-tung claims to be engaged in class struggle. Actually, countless political, economic and social gaps and injustices have grown out Mao's class oppression. The developments and extent of this are beyond the imagination of a capitalistic society.

No one knows how much of our national cultural legacy has been destroyed under the slogan of "destroying the old" during the course of the "great cultural revolution." Yet the Chinese Communists have shamelessly boasted of the Chinese cultural tradition, which they really hate, and shown it to the world as an instrument of their international united front operations.

Mao is now trying to hoodwink other countries with the pretense of holding the "national people's congress" and drafting a "constitution." He is, furthermore, so brazen as to write his own name into the "constitution" openly and to heap all manner of totalarian titles on his own head, thereby giving rise to a farce without parallel in human history. No one can say how many times the Chinese Communists have made believe they were "greeting the opening of the fourth national people's congress" or have shouted slogans of "holding the people's congress as soon as possible." In fact, they are still unable to stage this ugly farce.

We are aware that the struggle against Liu Shao-chi, Teng Hsia-ping and many others smashed the administrative and party machinery of the Peiping regime a long time ago. The reinstatement of Teng Hsia-ping, who was discredited and cannot call his soul his own, only proves that the wicked Mao is at his wit's end. The ruthless post-mortem criticism and struggle against Lin Piao and the remnants of his influence will shake down the "mountain stronghold" that the regime built with the help of the gun barrel. So it is that the Communist cadres have shouted: "Maoists have ruthlessly dragged us out for struggle. We must eventually pay them in their own coin, and if we charge no interest, that will be lucky for them." On the other hand, Chiang Ching and her company have shouted plaintively, "Those who oppose us will rebel, regardless of whether we curtail their power." In brief, the specter of contradictions and increasing inflexibility within party, administration and military, and the pent-up hatred and fury of the people cannot be changed. If there is any change, it will be for the worse. Whether the "People's congress' is held will make no difference. Failure to convene the "congress" will reflect the vast dimensions of Peiping's internal crisis. If the "congress" is reluctantly held, the forcible installation of Mao's wife, Chiang Ching, in a position of power, or the moving of Wang Hung-wen, Chang Chun-chiao and others to the fore in the hope they can seize power for Mao from various "mountain strongholds," can never terminate internal strife. To the contrary, this would signal the beginning of large-scale disruptions, disorders and massacres in which "alliance with this or that mountain stronghold would be sought in order to struggle against the others."

All of us know that "tyranny" and disorder" accompany each other and develop cyclically. The outcome of tyranny is great disorder. The worse the disorder, the crueler will be the tyranny. Disorder marks a rebellion against tyranny—a seizing of power from the tyrant. Tyranny is a means of holding onto power and preventing its seizure by others. The tyrant must resort to ever more tyrannical measures to suppress rebellion. Mao Tse-tung has engaged in power seizure throughout his life. If Mao loudly proclaims someone to be his "close comrade-in-arms," that is the moment at which Mao is most afraid of him and seeks his expeditious removal, fearful that his own power will be taken away. This is also a time of the most gruesome persecution and killing. Consequently, every cadre is caught up in the grip of fear and suspicion and does not know which is the right road to take. Nor does the cadre know to which chieftain he should give allegiance in order to escape the fate of being dragged out for struggle or being killed. The natural tendency is for him to turn on Mao and liquidate him with even greater savagery than the Russians showed in destalinization. As an ancient saying has it: "Tyranny against the people will result in the loss of one's life and the destruction of the state." This will be history's judgment on Mao.

Notwithstanding this, the people of the world are tending to keep their eyes glued on developments concerning convocation of the "national people's congress." They continue to deceive themselves by gazing into a mirage, although they know that in truth the disorder cannot be ended. In my recent Constitution Day message, I made it clear: "We people of the Republic of China possess a Constitution written in accordance with the wishes of the whole body of the people and we have a central government and local governments organized under this Constitution. So long as we can uphold this legitimacy it will not matter whether the 'people's congress' is convened. Such a 'congress' could only expedite collapse and intensify calamitous changes within the Peiping regime."

I must tell my fellow countrymen, military and civilians alike, that in sustaining the moral confidence and courage of National Revolution based on the Three Principles, we cannot depend on the muddle-headedness and disorder of the enemy. Nor can we base the peace and security of any part of the free world on the exploitation of international relations—the seeking of contradictions among enemies to play off one against another. Our confidence and courage are built upon the self-awakening and self-determination of our people—on the reconstruction of our conscience.

So long as we understand that the Three Principles must be carried out, that our national culture must not be destroyed, that our 700 million compatriots must be freed from the Communist hell and that we alone must control and defend our national destiny, we shall never be deceived by any mirage and shall never be swayed by momentary gain or loss. This is the responsibility of all our countrymen to their history and their conscience.

Our Founding Father's will to build the Republic, abolish the unequal treaties and establish constitutional government was successfully implemented by national unification following the Northern Expedition and by our victory in the War of Resistance Against Japan. Tragically, the Chinese Communists then undertook their rebellion and reign of tyrrany. The strong country we sought and were building up was turned into a land of evil and poverty; the people we intended to make free and happy fell into an abyss of misery and terrorism. The living space of the Chinese people has been transformed into a barren wilderness, and the spiritual and cultural realm has been turned into an empty desert. These developments require that we rededicate ourselves to the directive of our Founding Father to "make the weak country strong and the sad people happy," engender the great awakening, take up the great task of defending the Republic, overcome all obstacles and meet all challenges.

Fellow countrymen: If we look only at the road beneath our feet, we shall find that it is rough and tortuous; we shall feel as though we may stumble at any time. However, if we take every step with firm stride and look forward, we shall be happy to see that new roads are opening up at every turn and that the sky is bright. We have reached the starting point of a new era—the beginning of our successful suppression of Chinese Communist wickedness and the establishment of a new China through construction in our bastion of freedom and the reinforcement of our strength.

WELL-KNOWN NEWSPAPERWOMAN RETIRES

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. NOWAK. Mr. Speaker, recently Mrs. Anne McIlhenney Matthews Andrade announced her retirement from the Buffalo Courier-Express after nearly four decades in the newspaper business.

Widely known and greatly respected, her distinguished career has been marked by great versatility, evidenced in the following, abbreviated biographical data:

BIOGRAPHY

Anne McIlhenney Matthews Andrade—known professionally as Anne McIlhenney.

Currently listed in Who's Who in the East; Who's Who in American Women; Dictionary of International Biography; Foremost Women in Communications.

Newspaperwoman; former swimming champion; Major in Women's Army Corps in World War II, Bronze Star recipient; active in numerous civic, social and philanthropic activities.

Began Army career when Women's Army Corps was formed in 1942; first woman Chief Public Relations Officer in U.S. Army; participated in news coverage and public relations on staffs of General Eisenhower, General Mark Clark, General Patton; and during Korean War served with her husband, the late Burrows Matthews, Editor of the Courier-Express, on the staff of General Matthew Ridgeway in Tokyo and Paris, until Mr. Matthew's resignation to aid in General Eisenhower's election as President.

Recipient of more than 30 awards for journalism; special citation and Pulitzer nomination for successful efforts to revise the Penal Code to tighten loopholes for criminals; Erie County Bar Association "Liberty Bell: award; honorary Doctor of Letters degree from Rosary Hill College of Buffalo; VFW Community Service Award; American Legion Citation; Buffalo and Erie County police officers' service award.

Member of Overseas Press Club; Board of Directors of Buffalo and Erie County Public Library: former president and current director of Niagara Frontier Press Club; one of first women members of Sigma Delta Chi; first woman appointed to Board of Directors of Buffalo unit of Association of U.S. Army; member of University Council of Niagara University.

Born in Philadelphia; came to Buffalo in 1920; educated in Buffalo and Paris; now resides with husband, Michael R. Andrade, in Eden, New York.

Mr. Speaker, 600 of her friends turned out last week for a gala testimonial dinner, described in the Courier-Express on May 26:

600 SALUTE C-E EX-COLUMNIST ANNE McILHENNEY MATTHEWS

Anne McIlhenney Matthews Andrade needed no introduction on Sunday night, for her confident voice announced her entry into a crowd of nearly 600 well-wishers at a testimonial dinner given by her many friends.

The crowd comprised a galaxy of the renowned drawn from Buffalo's business, religious, culinary, press and law enforcement communities, all gathered to pay tribute to one of the area's favorite columnists—and a mainstay of The Courier-Express, covering every kind of story imaginable for 52 years.

Her column appeared under the byline Anne McIlhenney Matthews. She married Michael R. Andrade, an Eden resident, in 1972.

The dinner was held at the Pellamwood House, 3300 Transit Rd., West Seneca.

TOP ASSIGNMENTS

"I always got the top assignments," said the columnist, praising The Courier-Express, "never those women's assignments."

Mrs. Andrade briefly spoke of her career before the evening's program began, recalling her fondest journalistic achievements as guests interrupted her to remind her of those they remembered best. Mrs. Andrade retired in January 1975.

"I had every job on the paper," she said. "I started in the sports department (she was an expert swimmer and a swimming coach for many years) and was the only woman on the paper. Later on I moved to cityside, covering stories other than sports.

"I remember that I got the states penal law changed in many ways"—most of which eliminated technicalities that were allowing criminal suspects to go free—"including getting it changed so you could protect your own home from intruders."

"YOU GOT US 911"

"You got us 911, too, Anne," one guest chimed in.

"That's right," she said, "I was the first person in the area to suggest that the police use the 911 system," referring to the use of one central police telephone number for emergency calls.

She also spent 13 years in Hollywood as a columnist for The Courier-Express and spent World War II as one of the first Women's Army Corps members to be assigned overseas. Once there, she was assigned to help the many correspondents covering the war for American news agencies—and that included helping them out of scrapes, too.

"The Courier-Express gave me the opportunity to do everything," she said, "every beat. I covered murder trials, crime news, politics, you name it."

The impact of her stories in The Courier-Express could be judged by the number of distinguished guests who paid $15-a-plate to honor Mrs. Andrade. Among those at the head table were such dignitaries as State Supreme Court Justice Frederick Marshall, Erie County Sheriff Michael Amico, the Rev.

UMI

Msgrs. James Healy and Joseph Shieder, and author Taylor Caldwell.

COCHAIRMEN OF EVENT

• • • were former Buffalo Police Commissioner Frank N. Felicetta and Brig. Gen. Edward Murphy.

The Courier-Express was represented by Howard W. Clother, assistant publisher; Douglas L. Turner, executive editor; Thomas Schaeffer, advertising director; and Robert Giabelucca, circulation director.

The Master of Ceremonies, Special Asst. State Atty. Gen. Thomas Cleary, turned over the speaking duties to Jack O'Brien, a syndicated columnist from New York City, who had the desk next to Mrs. Andrade's when they worked together at The Courier-Express.

"TOUGH AND SMART"

"Anne always had the reputation of being like a Mark VII tank," O'Brien said, "but there was always a little girl inside there. She was tough and smart. When she entered the WACs there was something commanding in her demeanor—and she was put in command of her unit. She was always involved in crazy marvelous escapades—She's a swashbuckler.

"Anne was a liberated woman from the day she was born."

Mr. Speaker, Anne McIlhenney Matthews Andrade will be greatly missed in the public arena she has served so capably, but she has only good wishes for the future as she enjoys her well-earned retirement.

BEN R. FERGUSON

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. FRASER. Mr. Speaker, I learned recently with great regret of the death of Ben R. Ferguson.

Ben worked in the difficult and troublesome field of development. He was one American who succeeded in crossing the cultural barrier to work directly with the rural poor in Asia, inspiring them to improve themselves through their own efforts. Hopefully, the lesson he tried to teach the rural people with whom he worked is being learned by our aid agency, AID—Americans can do much to help developing countries, but only if people and governments are willing to help themselves.

I would like to enter into the RECORD the following article that appeared in AID's newspaper, Front Lines, May 1. It captures the spirit of this remarkable man. He was a man of courage, but stubborn, a man of wit and wisdom, but uncomprising. Above all, he believed in people.

The article follows:

BEN'S FRIENDS RECALL THE MAN AND HIS WORK

(By Alexanderina Shuler)

Ben R. Ferguson—AID's "living legend"—died Thursday, April 10, at the Sloan Kettering Institute in New York following surgery for cancer of the esophagus. He was 66.

Ben, who disliked being addressed by formal titles as much as he disdained bureaucracy and its formalities, is famous among people working in international development, particularly in the agriculture field. Among his most notable contributions is the self-help "Program Development" concept introduced to the Pakistanis when he was stationed in East Pakistan from 1961 to 1966. The idea is a model for AID agricultural programs in a few developing countries.

Following a memorial service for Ben at the Western Presbyterian Church in Washington on April 15, three of Ben's friends and former colleagues reflected on their years of friendship with the agricultural advisor—former Assistant Administrator Donald M. McDonald, Edgar "Ted" Owens of the Asia Bureau and George Laudato of the Yemen Desk.

Described by friends as "incorrigible and stubborn to the point of pig-headed, except he always seemed to be right," Ben's philosophy included the strong belief that little if anything was impossible if one went about it properly.

When Ben arrived in Pakistan in 1961 he brought with him nearly 25 years of experience as an agricultural extension agent, having owned and operated a 2,220-acre ranch with 400 head of cattle and a breeding flock of 1,200 ewes. The ranch also produced 250 acres of potatoes annually.

Mr. McDonald remembers that when Ben applied to work for AID "he didn't qualify on paper. But someone noted—fortunately, for the Agency—that he had been an extension agent with a railroad out west which was the key to his being hired."

Ben's first task in Pakistan was to train 1,200 extension agents. But he soon found that while the agents were learning the material, they seldom applied the new methods in the field.

Ben decided that existing AID agricultural programs needed to be rebuilt "from the bottom up" to provide the vital link between knowledge and application.

"PROGRAM DEVELOPMENT"

"Program Development" was the result.

Ben felt the first step was for the villagers to identify their problems. Initial assembly meetings turned into gripe sessions with complaints focused on the lack of assistance provided by the local and national governments.

Ted explained what followed.

"Once they got their complaints out of their systems Ben would ask them: 'What are you going to do about it?' and urged them to decide what they wanted. The next step was to find out how to get it. That's when Ben finally would step in.

"Up until this point he would sit back and watch what he had instigated. Now was the time to advise and guide them toward the resources that were available. He would suggest, in a very off-handed manner, 'why don't you go see the agriculture advisor in the district capital about some fertilizer.'"

Sometimes Ben would find that his hint was not taken and he would boom out "why didn't you see the man I told you about" and make some gentle 'threats'.

"The next visit you can be certain the work was well in progress," Ted recalls. "It had a snowball effect. People suddenly realized their capabilities and were instilled with self-pride. It soon expanded into a community effort to help each other as well as their own individual cause."

"You don't tell people what to do," Ben said. "You don't begin by making people fit into your way of doing things. You begin by making the farmer think about what he wants and needs. It may take some doing, but he's got to decide for himself. Then, you help him get it with the idea that this is only the beginning. He can do a lot for himself. Once he gets the hang of it, he'll do more."

Ben's colleagues recall an average day for him was about 14 hours and often more. He worked right alongside local farmers in the fields.

Ben received AID's Superior Honor Award for his outstanding work in helping the farmers and villagers in the Mymensingh area.

The people loved him," Ted said. "In spite of his gruff exterior, he had a magical charm about him. I think it was because he had such a genuine, deep respect and love for people—a quality that simply can't go undetected."

FAST FRIENDS

When the two men first met in Dacca in 1961, Ben took one disappointed look at Ted and said "someone told me you were different. But to me you look just like another bureaucrat."

They became fast friends, working side by side with Ted handling the red tape and Ben carrying out what started out as mere words on paper into the fields, into better crops and new schools.

"You know how you read books on how to be a manager and administrator, and organizer?" George Laudato asks. "Well, Ben never needed a book. He was a natural organizer. He had a phenomenal psyche, he sparked automatically with people."

"He was tenacious," Mr. McDonald insists. All three men recall going out on field inspection trips with Ben.

"We were on the road in Vietnam many times," George recalls, "when it would start getting dark, meaning it was time to go home, Ben would persist—just one more village. Soon it was three or four and finally the inevitable happened one day. We got caught in the middle of a military operation which sent us scrambling under the jeep.

"I told you this would happen Ben," George admonished his friend.

"Yeah, but at least we're not a few villages behind," Ben retorted.

"I used to warn Ben too," Ted says. "When I suggested once that we were bound to get shot at he quipped, 'Maybe they'll miss!' Nothing fazed the man."

"I remember the time he was returning from My Tho where he had spent the day working with the local farmers", Mr. McDonald says. "There had been a Viet Cong ambush on the road. Ben was everywhere—comforting the dying, trying to save the wounded, protecting the frightened. He didn't really talk about it on his return until word began drifting in of what he'd done. When pressed, he said 'Yes, there was an ambush . . .' and that after awhile there were so many spent bullets lying around that, in anger, he started throwing them back and that seemed to put an end to the shooting." For his efforts, Ben received the Secretary of State's Award for Heroism. "How many other awards he earned for helping people but did not receive I don't know," Mr. McDonald says. "But I think there must have been many."

George notes that "Ben would sum up his contributions with 'I learn as much as I teach. Maybe more.'"

Ben Ferguson had an impact on more than the local people in developing countries.

"In Vietnam there were a lot of young people, both in the military and in humanitarian work, he converted as a result of just one briefing," George says. "His workday in Vietnam was 18 hours long but he never was too busy to take time out to answer questions, to explain, to go over things. He never turned anyone away. He was admired and respected by everyone."

Ben's observations about the rural Vietnamese was interesting, George adds.

"He once said that the best men in Vietnam are the women! They hold the receipts, they pay the bills, they handle the family finances. Ben often said 'let the old man talk but listen to mamma.'

"He was very emphastic about the important role he felt women played in economic and social progress and this was long before the Percy Amendment existed."

Ben went to the Philippines without his three friends but Ted says they kept in close contact and continued to work together in spite of the distance.

"Chapter II of my book, 'Development Reconsidered', is Ben", Ted says. "The whole self-help concept and how you go about instilling self-realization into people is there, based on his work."

In the Philippines Ben set out to do what he had succeeded in accomplishing in his two previous assignments. In a municipal procedural guideline called "Local Development Through Local Initiative by Local People" Ben said.

". . . barrio people are willing to do their share to help uplift themselves from the morass of poverty and squalor . . . and to develop and improve their community . . . to work . . . to produce more by accepting modern techniques . . . and to pay more taxes if governmental leaders and technicians will show them how and *help them on their own ground* in the barrio."

"There were two ways of doing things when you dealt with Ben," according to Mr. McDonald. "The Ferguson way or the wrong way. Lord, was he stubborn! Compromise to that man meant agreeing with him."

Ben Ferguson's work, his philosophy and the kind of man he was is a matter of record. About 10 years ago AID decided to make a movie which would show the U.S. foreign aid program in action. Ben was filmed as he went about a typical day's work, from sunrise to long past sunset.

SIMPLE CUP OF TEA

The 20-minute movie—"A Simple Cup of Tea"—caught his spirit through and through, according to Mr. McDonald. "His infectious optimism, his good humor, his devotion to people, his compassion, gentleness and his stubborness, his stamina and wisdom and even his irreverence was all there in living color."

At the end of each day of filming, hours late in moving on, there always was a final delay—to drink a simple cup of tea with the local farmers.

"Ben Ferguson was an extraordinary human being," Mr. McDonald said at a memorial service last month. "But there always was just enough of a touch of human frailty to make him true. He helped cause hope to replace despair, self-confidence to conquer resignation and energy to overcome lethargy. And that's what Ben did all the years I knew him in parts of the world where that message still is most needed. He inspsired people—sometimes quietly, sometimes not so quietly, but invariably, he inspired them."

Born in Memphis, Tenn. in 1909, Ben graduated from high school in Ordway, Colo., and received a B.S. degree in animal husbandry from Colorado State University in 1931. He studied law at the University of Colorado and educational administration at the University of Denver.

He is survived by his wife, Etna, of 501 York Town Boulevard, Arlington, Va. 22207. Other survivors include a daughter, Mary Lou Hankins; a son, Dr. Benjamin Ferguson Jr., and six grandchildren. Mrs. Hankin's husband, Al, is a rural development advisor in the Ecuador Mission. Dr. Ferguson served as a physician on contract with the Vietnam Mission in the late 1960s.

Donations may be made to "Wade Hall, c/o Ben Ferguson Memorial Fund", New State, Room 4218. The funds will be forwarded to Passa Municipality in the Philippines.

FEDERAL ELECTION COMMISSION

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. STEED. Mr. Speaker, by arrangement with Chairman Thomas B. Curtis and the staff of the newly created Federal Elections Commission, I am attaching herewith a copy of the Commission's "Notice of Proposed Rulemaking" being placed in the Federal Register. Because of the widespread interest in the Commission and its rules, I believe this method of keeping a greater number advised will be useful. Additional materials will be made available as soon as possible. I suggest my colleagues may find it useful to retain these materials because of ongoing certainty of public inquiry that this program has, and will, elicit. The material follows:

[Federal Election Commission, 11 CFR, Chapter II, Implementation of Federal Election Campaign Act, Notice 1975–2]

NOTICE OF PROPOSED RULEMAKING

Federal Election Campaign Act Amendments of 1974 (P.L. 93–443, 2 U.S.C. Section 431 et seq.). The FEC is responsible for the administration of, for obtaining compliance with, and for formulating policy with respect to the Federal Election Campaign Act of 1971, as amended (the Act), and Sections 608, 610, 611, 613, 614, 615, 616, and 617 of Title 18, United States Code (the Act and these Sections are collectively referred to herein as the "Statutory Provisions".) Pursuant to these responsibilities, the FEC is preparing regulations to implement certain of the Statutory Provisions; the FEC proposes to make rules with respect to some or all of the aforementioned matters. Such regulations will be designed to insure that all persons and organizations subject to the Statutory Provisions are equally treated, and that the public interest requiring a clear development of constitutional safeguards is saved.

Any interested person or organization is invited to submit written comments to the FEC concerning any part of this Notice. The facts, opinions, and recommendations presented in writing, in response to this Notice will be considered in drafting regulations related to the Statutory Provisions.

Set forth below is a general description of the subjects and issues that the FEC believes require the most immediate attention:

I. PROCEDURES

A. Comments should be directed to whether or not the Commission has the authority to issue regulations generally for 18 U.S.C. §§ 608, 610, 611, 613, 614, 615, 616 and 617, similar to its authority with respect to Title 2, or whether the Commission can only issue regulations in respect to Title 18 so far as there is a question of:

(1) General policy;

(2) Where such regulations are necessary or appropriate in connection with the reporting requirements under Title 2; or

(3) Where there are parallel references in Titles 2 and 18.

B. Comments should be addressed to general rulemaking procedures of the FEC and consideration should be given to the manner in which comments should be solicited, hearings (if deemed appropriate, the timing, location and duration of said hearings), and the manner in which notices and regulations shall be made public.

C. Advisory opinion requests. Among other considerations, comments should be addressed to whether or not the FEC should have a procedure for issuing opinions to other than the categories of opinions to other than the categories of persons listed in 2 U.S.C. § 437f(a). See generally 2 U.S.C. § 437f. See generally 2 U.S.C. § 437f.

D. Complaints. Comment should be addressed to whether or not complaint hearings such as those contemplated by 2 U.S.C. § 437 g(a)(4) should, if ever, be closed to the public. Additional comments as to the entire complaint procedure may be submitted.

E. Comments are invited concerning the manner in which requests under the Freedom of Information Act should be processed.

F. The regulations and procedures necessary to carry out the provision of 2 U.S.C. § 439a requiring disclosure of excess contributions and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office.

II. DEFINITIONS

A. "News story, commentary of editorial" is used in the definition of "expenditure" under the Act at 2 U.S.C. §431(f) and in 18 U.S.C. § 591(f) but is not mentioned in the definition of "contribution" in 2 U.S.C. § 431(e) of the Act and 18 U.S.C. § 591(e). Comments may be addressed to the issue of whether a "news story, commentary or editorial" is to be included in the definition of a "contribution".

B. "Debt" is not defined in the Act or in Title 18. Comments may be addressed to the distinction between "debt" and "loan" and "anything of value". In this regard comments are solicited concerning "debts" incurred in the normal course of business and consideration should be given to both contingent fees and 18 U.S.C. § 610. In addition, comments may be addressed to the question of whether both the expenditure of the proceeds of a loan and the repayment of the loan itself are "expenditures for the purposes of 2 U.S.C. § 431(f) of the Act and 18 U.S.C. § 591(f): similar attention should be given to a "debt". [See 2 U.S.C. § 436(c).]

C. "Slate cards" are defined in 2 U.S.C. § 431 of the Act and 18 U.S.C. 591 to require the listing of three or more candidates and costs involving such cards are excluded from expenditures. Comments regarding further definitions of "slate cards" may be concerned with the treatment of slate cards that include partial slates and the printing requirements of such cards in regards to the size and type of print of the cards.

D. "Unreimbursed payment for travel expense" is used in 2 U.S.C. §§ 431(e)(5)(D) and 431(f)(4)(E) of the Act and 18 U.S.C. §§ 591(e)(5)(D) and 591(f)(4)(E), but is not defined. Comments may be addressed to the issue of whether or not the $500 limitation regarding unreimbursed travel expenses is applicable to travel to a campaign site, to travel expenses at or near the campaign site, and to living expenses at said campaign site.

E. Comments are invited with respect to interpretive rules governing the application of 18 U.S.C. § 608(e), the "independent expenditure" limitation, including the definition of the word "directly or indirectly, on behalf of a particular candidate" in 18 U.S.C. § 608(b)(6) so as to make it clear that only truly independent expenditures will be considered under 18 U.S.C. § 608(e), and the scope of activities covered.

F. "Ordinary and necessary expenses incurred . . . in connection with his duties as a holder of Federal Office" is used in 2 U.S.C. § 491(a) but is not defined. Comments may be submitted concerning the distinctions between "ordinary and necessary expenses" and political expenses, whether or not there should be time limits placed on the use of excess funds prior to and after an election,

UMI

whether or not a distinction should be drawn between a declared and non-declared candidate for reelection and other matters concerning 2 U.S.C. § 439(a).

G. Comment is invited as to whether the term "new party" as defined in 26 U.S.C. § 9002(6) includes only organizations that formally considered themselves political parties and nominate candidates for a number of offices, or whether it includes any political organization which serves as the principal campaign committee for a presidential candidate which does not qualify as a "major party" or "minority party" under 26 U.S.C. § 9002(6), (7).

III. COMMITTEES

Persons and/or organizations commenting on this section should attempt to suggest ideas and recommendations that will allow local committees to file relatively simple, although comprehensive, reports that will not require extensive backup material or a professional staff to maintain said backup material or prepare the required reports. One purpose of the Act is to encourage widespread participation in the political process, and to such end the FEC will attempt to avoid any regulation tending to limit the economic feasibility of local committees.

1. Comments are invited concerning allocation of expenditures among candidates by multi-candidate committees and by hybrid committees contributing to both non-Federal and Federal candidates.

2. Comments are invited concerning filing requirements for multi-candidate committees and local and State committees, both Federal and non-Federal. Comments may involve whether such committees are required to file and/or register with the FEC and/or file with a principal campaign committee. Standards for such filings may involve the degree of control and/or fund interchange among various committees.

3. Comments are invited concerning the issue of whether local and State party committees are required to register with the FEC.

IV. ELECTIONS

1. *Unopposed Primary Nominations.* Comments are invited to discuss whether or not a candidate who is unopposed on the last day of filing for a party nomination and otherwise qualifies to be the nominee of a party should be entitled to the same expenditures under 18 U.S.C. § 608(c)(1) during the primary period as a candidate running opposed in the primary.

2. *Independent Nominees.* Comments are invited to discuss whether or not candidates not chosen by a primary election, who may [or may not] be required to secure nominating petitions before appearing on the general election ballot, should be entitled to the same expenditures under 18 U.S.C. § 608(c)(1) during the primary period as a candidate running opposed in the primary.

V. CAMPAIGN DEFICITS

1. Comments are invited to discuss whether or not contributions made after January 1, 1975, the effective date of the Act, should be allowed to reduce the campaign deficit in existence prior to January 1, 1975 and whether or not such contributions should be counted toward the limits of the next "election".

2. Comments are invited to discuss whether or not the 1974 Amendments to the Act should be applied to a run-off election held after January 1, 1975 but arising out of an election in 1974.

3. Comments are invited to discuss whether or not contributions received after an election to retire a deficit should be counted for the election just completed. Comments are invited to discuss how businesses should be allowed to deal with valid business debts which a political committee or candidate cannot pay due to lack of campaign funds or expenditure limits.

VI. NATIONAL CONVENTIONS

1. Comments are invited on the method which should be used to determine payout schedules and amounts.

2. Comments are invited to discuss the treatment of "in kind" contributions, such as reduced room rates, reduced car rental, payment of expenses to site selecting committees, and reduced charges for use of convention halls.

VII. PUBLICATIONS

Comments are solicited on the number, type and orientation of materials which the Commission should publish to serve as guides to compliance with the laws in the most convenient form and efficient manner.

Comments with respect to additional matters not specifically mentioned are also invited.

Comment period.—Comments should be mailed to Rulemaking Section, Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463 by July 1, 1975. For further information call (202) 382-5162.

EULOGY TO JOSEF CARDINAL MINDSZENTY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. HORTON. Mr. Speaker, on May 6 it was my sad duty to announce to my colleagues the death of Josef Cardinal Mindszenty, a man whose memory will live forever in the annals of freedom.

At a Requiem Mass celebrated in St. Matthew's Cathedral by Archbishop William W. Baum, many friends and colleagues gathered to mourn the loss of Cardinal Mindszenty. The Very Reverend Dr. Ladislaus Iranyi, Provincial of the Piarist Fathers, delivered a very moving eulogy which captured Cardinal Mindszenty's devotion to human freedom and dignity. The eulogy follows:

EULOGY TO JOSEF CARDINAL MINDSZENTY

"For Zion's sake I will not be silent, for Jerusalem's sake I will not be quite, Until her vindication shines forth like the dawn and her victory like a burning torch!" (Is., 62,1.)

Almost a year ago, Cardinal Mindszenty offered a concelebrated Mass here and received an unparalled tribute from the clergy and faithful of Washington.

Now we are meeting again around this altar to say farewell in our own fashion to him, who has outstripped us in the race for eternity. In these few words I want to recreate the image of this great Man, leader, shepherd and prophet of his people, cardinal of this Church and father of all.

He will be remembered as a great and solitary hero in the middle of the twentieth century; as a prophet in an age of false prophets.

He warned us continuously since 1919, that human freedom and dignity were threatened; the same freedom and dignity that are today in many places all but destroyed.

He warned us against the perils of industrialism and communism alike, and today our complex society is labouring with the problems of both. He warned us (since the 1930's), when nationalism and communism were a fashion, that these are not easily destroyed—today both are still shadows over man's hearts.

His life of eighty-three years was a real following of Christ, a veritable way of the cross. His life comes to our mind in the words of St. Paul: "with my many labors and imprisonments, with far worse beatings and frequent brushes with death. Times and times I was beaten—endangered by my own people—by false brothers—enduring labor, hardship, many sleepless nights, in hunger and thirst, in frequent fastings, in cold and nakedness." (II. Cor. 11, 23–28)

His sixtieth birthday found him in communist prison, his seventieth in the refuge of the American Embassy in Budapest, his eightieth in "complete and absolute exile" in Vienna.

The summary or better: the sense of his life could be summed up also with the words of St. Paul, words, which greeted him a year ago in the prayer breakfast honoring him here in Washington—and there is a lesson for all of us in it:

"If we are afflicted it is for your encouragement and salvation, and when we are consoled it is for your consolation, so that you may endure patiently.

We do not wish to leave you in the dark about the trouble we had—we were crushed beyond our strength.

We were left to feel like men condemned to death so that we might trust, not in ourselves, but in God.

We have put our hope in Him who will never cease to deliver us. But you must help us with your prayers, so that on our behalf God may be thanked for the gift granted us through the prayers of so many." (II. Cor. 1, 3–12.)

His life, the details of which you know so well, bears the earmark of the great commitment . . . so aptly expressed by Belloc:

"That great word which every man
Gave God (before his life began)."

"I stand for God, for the Church and for Hungary.

This responsibility has been imposed upon me by the fate of my nation which stands alone (so lonely), an orphan in the whole world. Compared with the sufferings of my people, my own fate is of no importance." (From his last pastoral letter.)

"It was a sacred word, he said,
Which comforted the pathless dead,
And made God smile when it was shown
Unforfeited before the throne."

He took a sacred oath that he will be true to himself, that he will carry out faithfully the mission God gave him, that he will—with his characteristic fervor—challenge the men of his age with the word of God. This commitment he kept unforfeited.

No human flattery, no love of ease, no weariness of conflict made him break the pledge he gave to his God, his Church, his Nation.

"I have fought the good fight, I have finished the race, I have redeemed my pledge"—Joseph Cardinal Mindszenty would not wish us to say more of him. There are very few of whom Paul's words could be said so truly.

Those heavenly graces which he received from God, he has now given back to God; his soul contemplates eternal horizons. Yet, while he rests with God, if any thoughts of his still turn toward earth, surely they will turn next to his beloved country towards this place and dwell like a benediction over this altar. May the prayers of our blessed Lady, St. Matthew and the Saints of Hungary win him, now and hereafter "light happiness and peace"! Amen!

MARXISM - LENINISM-MAOISM-ARTHUR KINOY THOUGHT, THE NIC, PART III

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. McDONALD of Georgia. Mr. Speaker, my Extensions of Remarks of May 13, 1975—14158–14159—and May 16, 1975—14906–14908—provided background, position papers, and a summary of current organizing activities of the National Interim Committee for a Mass Party of the People—NIC—a revolutionary Marxist-Leninist preparty organization which calls for the eventual "necessity of armed struggle" against our constitutional form of government and free enterprise economic system.

As was reported in detail at those times, the National Interim Committee, founded and led by Arthur Kinoy, is energetically involved in building a coalition of revolutionary socialist and Maoist Communist groups.

One of the most important groups being courted by the NIC are the Maoist revolutionary Congress of Afrikan People—CAP—whose leader, LeRoi Jones recently proclaimed:

Mao speaks of three magic weapons: vanguard party, united front, armed struggle. In the U.S. today we have none of these. We must develop all three.

A second, and larger organization with a proven record of revolutionary violence working closely with the NIC and CAP is the Puerto Rican Socialist Party—PSP—Partido Socialista Puertorriqueña.

The Puerto Rican Socialist Party, a self-proclaimed revolutionary Marxist-Leninist vanguard party, has worked with leading members of the NIC for several years. The association of the two groups appears to have developed from the legal representation afforded the PSP by Arthur Kinoy, Mark Amsterdam, and other National Lawyers Guild activists associated with the Center for Constitutional Rights in New York City.

It is interesting to observe the complex interweavings of the NIC, which appears to be attempting to build an American Maoist party; the Soviet-dominated Communist Party, U.S.A.—CPUSA; and the Puerto Rican Socialist Party, which although characterized in internal CPUSA documents as "essentially Maoist," has restrained itself under the tutelage of Cuba and continues to enjoy the support of the Soviet-controlled world Communist movement.

The National Interim Committee and the PSP jointly operate the Puerto Rican Solidarity Committee—PRSC. The NIC, PSP, and CPUSA all sent delegates to Havana, Cuba, in March of this year to participate in the planning of an International Conference of Solidarity with the Independence of Puerto Rico to be held September 5–7, 1975, in Havana, under the auspices of the Soviet-controlled World Peace Council.

A meeting of the International Preparatory Committee for the Conference of Solidarity was held in Havana, March 30–31, 1975. A reported 79 delegates from 28 countries and 12 international organizations attended. The U.S. delegates included:

Alfredo Lopez, a principal organizer of the PSP in New York who formerly headed the Carlos Feliciano Defense Committee and now is executive secretary of the Puerto Rican Solidarity Committee—PRSC.

Frances M. Beal, a member of the PRSC national board who is a leading member of the New York-based Third World Women's Alliance—TWWA—and is editor of its newspaper, Triple Jeopardy; she was formerly active with the Student Nonviolent—now National—Coordinating Committee—SNCC.

Arthur Kinoy, of the National Lawyers Guild and National Interim Committee for a Mass Party of the People, in his capacity as a PRSC board member.

Helen Allison Winter, representing the American Committee of the World Peace Council; she is the international affairs secretary of the CPUSA.

Roque Ristorrucci, representing the American Committee of the World Peace Council; he is presently both education director of the New York State Communist Party and executive secretary of the CPUSA youth group, the Young Workers Liberation League—YWLL.

Anthony Monteiro, another member of the World Peace Council American Committee delegation, has an interesting career in violence and revolutionary activity. Monteiro was in 1967 one of four Revolutionary Action Movement—RAM—members indicted in Philadelphia for plotting to poison police, assassinate police officers, local and national officials, and blow up city hall. By 1970, after a trip to North Vietnam and Moscow, he openly proclaimed his membership in the CPUSA and has twice run for Congress on the CPUSA ticket; a member of the Central Committee of the Young Workers Liberation League, Monteiro also serves as executive secretary of the National Anti-Imperialist Movement in Solidarity with African Liberation—NAIMSAL, the CPUSA front for obtaining support from American Negroes for Marxist African guerrilla forces.

Dr. Noel Colon Martinez, president of the Puerto Rican section of the World Peace Council.

Delegates attended from the Soviet Union, Cuba, the Democratic Republic of Vietnam—North Vietnam—and other Communist countries.

The International Preparatory Committee delegates elected a secretariat for the solidarity conference which includes members of both the PSP and the Puerto Rican Solidarity Committee, and adopted a draft agenda. The three main points for discussion at the Havana meeting of the International Preparatory Committee were, in their words:

The colonial cruelty of Puerto Rico and the strategic importance of the liberation of the Puerto Rican people and other people to the world struggle against North American imperialism; (2) The struggle of the Puerto Rican people for their sovereignty and independence; (3) International solidarity with the just struggle of the Puerto Rican people.

A keynote presentation was made at the meeting by Dr. Noel Colon Martinez of the World Peace Council Puerto Rican Committee. Puerto Rico Libre, the monthly bulletin of the Puerto Rican Solidarity Committee, reported:

[Dr. Colon] offered a somber picture of his stricken nation, and enumerated the disastrous social and economic effects of colonial domination. • • • He emphasized that no peace is possible so long as the Yankee colonial war is maintained and that the Puerto Rican people will continue to exercise their right to the war of liberation in every form necessary to their survival and to the triumph of their centennial struggle.

We see again in this statement the Leninist precept that in the struggle against the free enterprise system and democracy, any means necessary will be used to win. Lenin, in his essay "Guerrilla Warfare," pointed out:

Marxism differs from all primitive forms of socialism by not binding the movement to any one particular form of struggle. It recognizes the most varied forms of struggle. • • • To attempt to answer yes or no to the question whether any particular means of struggle should be used, without making a detailed examination of the concrete situation of the given moment at the given stage of its development, means completely to abandon the Marxist position.

Arthur Kinoy's contribution to the Havana meeting of the International Preparatory Committee was a speech which "dealt with the indivisible nature of the struggle of the Puerto Rican people and the United States masses against oppression and exploitation at home," for which sentiments he was given a standing ovation.

Comrade Monteiro, who apparently has a broad range of experience with active support for terrorism, also delivered a speech on behalf of the Puerto Rican Socialist Party's drive for an "independent" People's Republic of Puerto Rico. Monteiro's bombastic speech, reprinted in CPUSA's World Magazine supplement to the Daily World, makes most of the usual Communist points about Puerto Rico.

Stressed particularly is the linking of "détente" and "coexistence" with the Communist's requirement that the United States abandon its defense commitments abroad, demolish any defense bases not located on the U.S. mainland, and disarm. In other words, the Soviets and their allies would prefer the Americans to voluntarily disarm and surrender to Marxist-Leninist totalitarianism rather than to resist.

The Communist-bloc countries are quite aware of the strategic importance of the defense bases located in Puerto Rico, and Monteiro's speech contains the usual slanders about "militarization," "imperialism," et cetera.

Anticommunism—that is to say resistance to Marxist-Leninist totalitarianism—is, as usual, smeared by association with militarism, reaction, and assorted other terms with negative connotations in Monteiro's speech.

The following excerpts from Monteiro's speech are offered as a sample of the cur-

UMI

rent Communist line in the World Peace Council.

Comrades: The U.S. colonial domination of Puerto Rico attests to the barbaric character of the present ruling circles in our country. The facts—which I need not repeat—shatter the demagogy of U.S. imperialist propaganda to the effect that the imperialism rooted in the U.S. is somehow different, somehow democratic and peaceful. The Puerto Rican case is without question that of a classical colony. Here the world's peoples witness examples of perhaps the most savage oppression in our hemisphere. This shameful oppression originates in our country, is carried out by the imperialism based in the U.S. For this reason, comrades, we of the U.S. delegation wholeheartedly endorse this preparatory meeting and the proposed Congress for Solidarity with the Independence of Puerto Rico.

• • • • •

But we welcome, and recognize as quite appropriate, the initiative of the World Peace Council. For, in our opinion, the global struggle for peace is the point of intersection of the most noble aspirations of all the people. The struggle for and attainment of detente and peaceful coexistence are strategic to the process of liquidating the remaining remnants of colonialism, of defeating fascism and militarism, of creating a positive international environment for the acceleration of the struggles for democracy and social progress. It is, however, also true that the realization of detente as an irreversible process leading to peaceful coexistence between states with differing social systems is possible only as colonial oppression is terminated. Hence, national freedom and global peace are parts of a single whole. Colonization, and the colonial domination of Puerto Rico in particular, is therefore a threat to world peace, as well as a violation of international law and contemporary norms guiding the relationships between peoples.

The new correlation of world forces, which is made possible in the first place by the strength and growing unity of the world system of socialist states, headed by the mighty Soviet Union, creates extraordinarily favorable circumstances for the independence struggle within Puerto Rico and building international solidarity with the Puerto Rican people. U.S. imperialist domination of Puerto Rico is today incompatible with this new global correlation of forces. Moreover, the elevation of the Puerto Rican independence struggle further weakens U.S. colonization of Puerto Rico and is providing the decisive link that will break the chain of U.S. colonial oppression of Puerto Rico. The world embraces the just and noble struggle of the Puerto Rican people.

Comrades, allow us to be quite frank. This meeting is decisively important to the people of the United States. The actions of the U.S. people are important. Because it is U.S. imperialism that imposes colonial domination on the Puerto Rican people, the fulfillment of our responsibility is fundamental.

U.S. imperialism seeks to preserve colonialism in Puerto Rico as a strategic beachhead in the policy of neo-colonial containment of the Latin American liberation process. In fact, this neo-colonial aggression is an attempt to roll back the historic gains of the Latin American peoples, and in the first place, to liquidate socialism in Cuba, the first land of freedom on our hemisphere. This policy orients upon the militarization of Puerto Rico as a step in the militarization of the entire continent, as a base for counter-revolution, reaction and anti-Communism. U.S. imperialism plans to utilize Puerto Rico as a staging area for the liquidation of popular democratic governments of the continent, as in Santo Domingo. This policy is evidenced in its most criminal and brutal expression in the overthrow of the Popular Unity Government in Chile, and the murder of Dr. Salvador Allende.

Monteiro's long speech pointed with pride to the work of the National Conference for a Drastic Cutback in the Military Budget, held April 5–6, 1975, in Chicago, and organized by members of the CPUSA long active in the work of the World Peace Council which was reported on in my remarks of and concluded:

To our comrades and to the people of Puerto Rico, of Chile, Cuba, and all of Latin America, to the fraternal peoples of Vietnam and Cambodia, of Korea, to the peoples of the Mid East, Africa and to the peoples of all continents, we, the U.S. peace movement, pledge our enhanced activity in our common cause of liberation, these actions, our dear comrades will be our common witness of the death of U.S. imperialism.

This alliance of the Puerto Rican Socialist Party, the Communist Party, U.S.A., and the National Interim Committee for a Mass Party of the People is especially interesting in light of the vehement denunciations of the NIC by CPUSA leaders. As has been noted previously, a substantial proportion of those now associated with NIC were formerly either members of the Communist Party or were on the fringes of the CPUSA. The defection of militant organizers with years of experience is a serious blow to the CPUSA.

But despite faction fighting and mutual charges of "deviationism" or "revisionism," all Marxist-Leninists can agree, given a properly motivating cause, that the true "class enemy" is the United States.

In light of these various alliances and factional quarrels, the history of the Puerto Rican Solidarity Committee is of interest.

The Puerto Rican Solidarity Committee—PRSC—had its founding conference March 1–2, 1975, on the campus of Rutgers University, Newark, N.J., a university where Arthur Kinoy has been a professor of law for a number of years. Alferdo Lopez, the PRSC executive secretary, characterized the committee as "an organization, in the United States, in support of the national liberation struggle in Puerto Rico."

The Puerto Rican Solidarity Committee developed from a reorganization of the Committee for Puerto Rican Decolonization—CPRD—which had been created in August 1973, by groups and individuals active in the Communist Party's front in the prison and civil rights movement, the National Alliance Against Racist and Political Repression—NAARPR—in which the PSP has played an important role.

The Committee for Puerto Rican Decolonization, in turn, had its antecedents in the Committee To Defend Carlos Feliciano, which was supported by both the CPUSA and the PSP. Carlos Feliciano, a member of the violent Puerto Rican Nationalist Party, had served a prison sentence in Puerto Rico for his part in the abortive 1950 revolution in that island. He was arrested in New York and was charged with several bombings attributed to MIRV, an independentista terrorist organization. After a series of trials in which he was represented by William Kunstler, Arthur Kinoy's law partner, Feliciano pleaded guilty to the lesser charge of possession of explosives and was sentenced in 1973 to a 4½-year prison term which he is now serving.

On May 29, 1974, to develop broad radical support for the PSP's Puerto Rican Solidarity Day rally in Madison Square Garden on October 27, 1974, the Committee for Puerto Rican Decolonization and the Puerto Rican Socialist Party created an expanded group, the Puerto Rican Solidarity Day Committee—PRSDC. Many of the PRSDC national board members were associated with Arthur Kinoy's NIC, and now continue to serve on the Puerto Rican Solidarity Committee.

Among the approximately one hundred delegates who attended the founding of the reconstituted Puerto Rican Solidarity Committee were representatives of the PSP, the leading political force in the organization; the Congress of Afrikan People; the Maoist revolutionary October League; the Third World Women's Alliance; NIC; the National Committee to Free Los Tres, a militant Chicano organization also associated with NAARPR; El Comité, a Puerto Rican organization from New York City's Upper West Side; and the weekly newspaper, Guardian, a Maoist publication.

Also present, according to the Guardian, were "a significant number of people who could reasonably be described as having political views closely associated with Prairie Fire—who—play an active role in the organization."

The Guardian correctly noted that Prairie Fire is the title of a political statement produced by the Weather Underground Organization, the clandestine apparat of new Left terrorists who profess their admiration for the forms of Marxism-Leninism practiced in Cuba, North Vietnam, and the Peoples Republic of China.

The Puerto Rican Solidarity Committee agreed to develop campaigns around "workers struggles in Puerto Rico, repression against Puerto Rican people and the independence movement in the United States and Puerto Rico, the genocidal population policies of U.S. imperialism and freedom for Puerto Rican 'political prisoners.'"

The PRSC elected a national board a list of whose members include:

At-large members: Ella J. Baker;* Amiri Baraka * [LeRoi Jones], CAP leader working with NIC to form a common electoral strategy; Frances M. Beal, Third World Women's Alliance; Clyde Bellecourt * American Indian Movement (AIM); Ben Chavis, NAARPR and United Church of Christ Commission for Racial Justice; Walter Collins,* executive director, Southern Conference Educational Funds (SCEF); Dave Dellinger; * David Garcia, St. Mark's Church, N.Y.C.; Corky Gonzales, Crusade for Justice; Jim Haughton,* Fight Back; Phil Hutchings; Arthur Kinoy; * Yuri Kochiyama,* Asian Americans for Action (AAA); Beverely Leman; Bob Lewis,* NLG and United Electrical (UE); Antonio Rodriguez; Awusu Sadaukai [Howard Fuller], African Liberation Support Committee (ALSC); Irwin Silber, *Guardian;* Annie Stein; and Jose "Che" Velazquez, PSP.

PRSC coordinators include: Ted Glick,* also an NIC traveler, Washington, D.C.; Tami Gold, N.J.; Cathy Graham, Hartford, CN; Fannie Hicks, Chicago; Julie Nichamin, N.Y.C.; Venceremos Brigade and NACLA-East, and an old Weather Underground contact; Belen Molinari, Buffalo; Ivelisse Padin, Los Angeles; Tony Rostain, New Haven, CN; Anne Sills, Boston; and Alfredo Lopez, executive secretary.

* Persons who are members or who have numerous interlocking associations with the NIC.

The Puerto Rican Solidarity Committee national staff, which produces its monthly bulletin, *Puerto Rico Libre,* previously the publication of the CPRD, includes: Maggie Block, Rosa Borenstein, David Burd, Bill Henning, Sally Hamann, Lally Lopez, Liz Mestres and Vicki Wheeler.

The emphasis placed by the PRSC on "workers struggles" is derived, no doubt, from the close relationships between the lawyers who act as NIC organizers, the Puerto Rican Socialist Party, and the United Workers Movement—MOU—Movimiento Obrero Unido—in Puerto Rico whose coordinator and president, Pedro Grant, is also a member of the PSP Central Committee.

Puerto Rico Libre states:

One can easily understand why the colonial government of Puerto Rico is threatened by the MOU. At a time when Puerto Rico is suffering a major economic crisis, the MOU is building a united trade union movement capable of and active in coordinating islandwide strike support. The MOU was formed on October 16, 1972, out of a labor committee organized by a group of labor union leaders which sought a vehicle for unity in the trade union movement.

The MOU now has some 40-member unions and about 100 locals. These include the Boilermakers Union, Island Union of Electrical Construction and Industrial Workers—UITICE, Union of Workers of the Cement Industry, Amalgamated Meatcutters Union, the Congress of Industrial Unions, the Union of Petrochemical Workers, Union of United Firefighters, Puerto Rican Workers Guild, Puerto Rican Industrial Maintenance and Service Union, Ready Mix Workers Union, Union of Housing Fund Employees, Union of Fomento Company Employees, Union of Professional Employees of the Electrical Authority—AFF, APATE, and the National Workers Union.

The National Workers Union—UNT, Union Nacional de Trabajadores, has been represented by attorneys from Arthur Kinoy's Center for Constitutional Rights—CCR—since 1973 in a National Labor Relations Board dispute. UNT President Arturo Grant and UNT Secretary-Treasurer Radames Acosta, both leading members of the PSP, are charged with violating an NLRB injunction against an illegal strike.

Radames Acosta, in an interview in Puerto Rico Libre, said of the UNT and MOU:

We're working to reach our basic goal of uniting the Puerto Rican workers. We believe that the creation of a *Central Unica de Trabajadores* (Central labor organization made up of all the island's unions) is essential.

Puerto Rico Libre reported:

To achieve this long-term goal, one of the union's officers, Osvaldo Romero, is also the Southern area coordinator of the MOU (Movimiento Obrero Unido) •••. It is hoped that the MOU will act as a catalyst for the eventual formation of this [Marxist-Leninist] workers' central.

As an indication of the revolutionary militancy of the Puerto Rican Socialist Party which the National Interim Committee for a Mass Party of the People is supporting so actively, the reports in the radical press of the MOU's Mayday rally in San Juan, Puerto Rico, is on point.

On May 1, the MOU led some 15,000 demonstrators in a rally on the steps of the capitol building in San Juan. These demonstrators were joined by a torchlight parade of 5,000 which marched from the harbor area in solidarity with striking dockworkers to the main MOU rally which was "dedicated to the victories of Vietnam and Cambodia, working women, the Puerto Rico Cement strikers, the Puerto Rican Telephone Co. • • • strikers, and all struggling workers here as well as throughout the world."

Speakers included Efrain Fernandez president of the Cement Industry Operators and Quarry Workers Union, who announced that the southern area MOU would stage "a massive act of solidarity with the telephone workers." He also said:

Eighty percent of the workers do not have a fighting organization at this moment . . . and that is the fault of the capitalist system in this country.

Fernandez was arrested in Puerto Rico on April 9, 1975, on charges of violating the Federal Explosives and Firearms Act. His $11,000 bail was posted by the treasurer of the Independent Union of Petrochemical Workers, an MOU affiliate.

The principal speaker was MOU coordinator Pedro Grant, who is also secretary-treasurer of the Boilermakers Union which he helped organize 11 years ago. Grant said:

Today is a day of extraordinary importance for the working class of the world. Today we also celebrate the triumph of the peoples' forces in Vietnam against three imperialisms citing the defeats of the Japanese, French and "now the U.S. imperialists." And he declared that "the Puerto Rican people also are with the Vietnamese."

Grant continued saying that the MOU cannot be stopped "because it is the instrument which will lead to the destruction" of the free enterprise system.

The NIC and PSP's Puerto Rican Solidarity Committee sponsored a U.S.-speaking tour by Pedro Grant from May 15 to 31. The tour included engagements in many areas where the PSP have followings including New York City; Newark, N.J.; Hartford and New Haven; Boston; Buffalo; Chicago; Washington, D.C., and Los Angeles.

Mr. Speaker, the intense revolutionary organizing by these three groups, the National Interim Committee for a Mass Party of the People, the Puerto Rican Socialist Party, and the Congress of Afrikan People, active across the country and each calling for armed struggle to overthrow our constitutional form of government and free enterprise economic system, is clearly a matter for intensive investigation by the House Judiciary Committee which now has jurisdiction over matters of internal security.

We need to know the extent of the threat posed by these organizations, whether new laws need to be drafted, and whether the appropriate existing laws are being properly enforced.

TRADE COMMISSION LISTENS TO PEOPLE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. GAYDOS. Mr. Speaker, a few weeks ago the U.S. International Trade Commission conducted 2 days of hearings in southwestern Pennsylvania to determine what impact relaxed trade concessions to foreign manufacturers would have on the local economy and the working force. Its visit to Pittsburgh was one of a series scheduled on this critical issue throughout the United States.

Unfortunately, because the House was in session I was unable to personally attend the proceedings in Pittsburgh, although I have an intense interest in the problem of foreign imports and our local domestic markets. Nevertheless, I want to commend the Trade Commission for venturing forth from the hallowed halls of Washington to listen to those most affected by sudden and drastic changes in our Nation's trade policies—the people!

In particular, I want to publicly recognize the efforts of Mr. Daniel Minchew and Mr. Will E. Leonard for bringing the Commission's hearings to Pittsburgh.

When the Commission first announced its schedule of hearing locations in January, neither Pittsburgh nor the State of Pennsylvania were included on the list. I was highly disturbed by the omission because the area not only is a massive industrial center but it also is home to approximately 30 major corporations.

I wrote the Commission chairman, requesting the itinerary be revised or expanded to include Pittsburgh. Regretably, the request was rejected. However, a few weeks later I was informed the Commission had reconsidered and would be coming to Pittsburgh the latter part of April. It is my understanding Mr. Minchew and Mr. Leonard were primarily responsible for the Commission's change of heart.

I sincerely appreciate the interest of these two men, whom I have never met, for I deeply feel southwest Pennsylvania, which is a blend of white and blue collar workers, is vulnerable to any upsurge in the importation of many foreign-made products.

By coming to Pittsburgh, Mr. Minchew and Mr. Leonard provided a great service to our people by listening to their opinions. They also provided a service to our President for by having the advantage of personal interviews with people directly involved in the question of international trade, they will be able to furnish a broader, more comprehensive set of facts on which high echelon officials may base their decisions.

I am confident the information Mr. Minchew and Mr. Leonard collected during the Pittsburgh visit will prove helpful to them in making their recommendations to the President.

UMI

SENATE—*Tuesday, June 3, 1975*

The Senate met at 9 a.m. and was called to order by Hon. PATRICK J. LEAHY, a Senator from the State of Vermont.

PRAYER

Maj. Gen. Gerhardt W. Hyatt, Chief of Chaplains, Department of the Army, Washington, D.C., offered the following prayer:

Our great and eternal Father, You have given us a land of plenty and varied resources. You have blessed us with citizens of faith and industry who have used the bounties of the Earth for Your glory and the well-being of millions on Earth. You have raised up for us brave and noble sons who have defended all that we hold dear. You have provided us with leaders and statesmen who have pledged allegiance to country and fidelity to Your commandments that righteousness may exalt our Nation.

We ask Your forgiveness where we have failed. We pray that the pattern of our lives may be such that we may be worthy of this heritage. Give us wisdom and understanding that today we may act so selflessly in the interest of the future that our children and our children's children may rise up and call us blessed.

This we ask in Your name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 3, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. PATRICK J. LEAHY, a Senator from the State of Vermont, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. LEAHY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, June 2, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Michigan wish to be recognized?

Mr. GRIFFIN. No, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Missouri (Mr. EAGLETON) is recognized for not to exceed 15 minutes.

THE AMERICAN MILITARY POSTURE IN ASIA

Mr. EAGLETON. Mr. President, when we consider the military posture of the United States, no part of the world poses as many imponderables as Asia. The American presence in that area has undergone careful scrutiny for over a decade, primarily because of the war in Indochina. Now that the last semblance of that involvement has been terminated, we must begin again to reassess America's Asia policies.

The American military posture in Asia was originally formulated to support a policy of "containing" Communist China. Since the Korean conflict, we have concentrated on projecting the American military presence at certain strategic points on the Asian mainland. And to assure that the bases created at these points remained viable, we pursued a military strategy intended to protect lines of transport and communication—to maintain the integrity of these "projections of force ashore," to use the parlance of the Navy.

In order to counter what we perceived to be a growing strategic threat in China, we placed B–52 bombers on land-based installations in Guam, Okinawa, Taiwan, and Thailand. And when the "flexible response" policy of the Kennedy administration was melded with the Dulles concept of "massive retaliation," Asian bases were given a conventional mission—to aid in the fight against "wars of national liberation."

The United States has a different view of China today. And China, for its part, has a new, more real threat to its interests in Asia—the Soviet Union.

While China actively supported the export of its brand of communism in Southeast Asia, it did so by encouraging, reluctantly, a sense of nationalism—nationalism which, ironically, now threatens to reduce Chinese influence over the area. National governments recently created in Indochina remain arenas for political competition with the Soviet Union. Indeed, if the Soviet Union is able to achieve a military presence in Indochina, the "Communist" victory will be a hollow one for China.

China's logistical support for the "liberation" movements of Southeast Asia did not constitute the type of expansionism against which our containment strategy was originally devised. In fact, the People's Republic has from the beginning shown little inclination to move forces across its borders. China came to North Korea's assistance in 1950 belatedly and with a "volunteer" force. And it moved regular forces into Tibet over a border dispute with India in the mid-1960's. But these are exceptions to a Chinese policy which has preoccupied itself mainly with internal development.

Certainly today, with the Soviet Union posing a very real threat in Manchuria and Sin-Jung Provinces, China can ill afford a policy of military adventurism. In the context of the Sino-Soviet dispute there is tangible value to China in a policy of détente with the United States. American military policies should recognize this new reality and should be devised to exploit it.

As is perhaps normal, a number of factors have delayed our response to this changing Asian scene. The traditions of military doctrine, the nature of available weapons systems and, perhaps most importantly, the political and psychological impact of the American presence all work against a rapid and efficient response to the changing situation. This "lag" phenomenon is very much in evidence in Asia today.

As we debate whether the United States should be an "Asian power" or a "Pacific power," we must consider carefully the impact of our decisions—and of their timing—on the nations of Asia. And we must consider that the way we go about modifying the American role could have long-range consequences important to the United States.

In this regard, there are four important considerations which, in my opinion, should guide American policymakers as they contemplate our military posture in Asia.

First, we should consider carefully the implications of the Sino-Soviet dispute. As I have discussed earlier, areas adjacent to China have become arenas of competition between China and the Soviet Union.

As long as the United States is perceived to represent a third force, capable, at a minimum, of offsetting Soviet naval power, China will have little interest in encouraging hostilities against Western-oriented or democratic societies in Asia. This was most recently reflected when China reportedly offered no support for a North Korean invasion of the South.

Second, we should consider the radical-independent Communist nations. The model for this breed is, of course, North Korea. North Vietnam and Cambodia may eventually fall into this characterization as well, since these new Communist nations have given no indication of becoming satellites of either China or the Soviet Union.

North Korea represents an aberration in the détente strategies of both China and the Soviet Union. Neither wants a renewal of the Korean conflict, but neither could afford to withhold support if Marshall Kim Il Sung launches an attack.

It would appear that the most important deterrent to a North Korean offensive—and the subsequent disruption of détente—is the American military presence in South Korea. While it is unlikely that North Korea would launch a major attack across the DMZ before important votes next fall on the continuation of the United Nations force, efforts will no doubt be made to test American resolve. Attacks may be made, for example, on offshore islands which would not directly involve American forces, but would afford North Korea an opportunity to measure the reaction of the American public.

Mr. President, I long opposed the American involvement in Indochina. Some would classify me as a "dove" because of the position I took on the Vietnam war. As I will later explain more fully, I do not believe that the United States need be an Asian power. But I do feel that we must remain a viable force in the Pacific. The most important question in my mind with respect to our withdrawal from the Asian mainland is one of timing.

Those who argued against our Vietnam involvement said that Indochina would become a buffer against Chinese expansion—that it would become a neutral zone if the United States left it alone. By and large that prediction, based on an objective look at the history of the area, has been fulfilled.

Mr. President, it is not now time for those who had a more realistic view of Asia during the Vietnam war to react emotionally and precipitate a chain of events which I consider equally as predictable. I refer, of course, to the presence of American forces in Korea. I believe that current conditions in Asia do not permit the luxury of removing those forces or of abrogating our mutual defense treaty with that nation.

Ironically, factors other than the safety of South Korea itself have convinced me of the necessity of maintaining our presence in that country, at least for the foreseeable future. I detest the repressive actions of the Park regime. Our alliance with that regime is, in my opinion, an unholy one, born in an era when "containment" was our central concern. Nonetheless, other factors today make the ending of that alliance potentially more dangerous than its continuation.

I refer to the impact a precipitous withdrawal would have on détente. We would, in effect, be creating the circumstance wherein the radical Communist government of Kim Il Sung could force China and Russia to forego détente to prove their dedication to the larger cause.

The destabilizing effect such an action could have—not only on the Korean peninsula, but between China and the Soviet Union in other areas—would be detrimental to U.S. interests.

Furthermore, Mr. President, such a withdrawal would disrupt current efforts to "evolve" American Asian policies into the "Pacific-power" mold. The cornerstone of such a policy is a politically and economically viable alternative to communism in Asia. To the extent that such an alternative exists, the need for a countervailing military presence is diminished.

Which brings me to the third ingredient important to American interests: an economically strong, democratic, and demilitarized Japan.

There is perhaps a tendency in some quarters to be too sanguine over the potential impact on Japan of an American withdrawal from Korea. While I do not foresee the immediate repeal of the article in the Japanese constitution which prohibits military expenditures for other than self-defense, I do feel that we could set in motion those now discredited forces within Japan which desire to rearm that nation.

In the long run, such a prospect could seriously complicate the Asian political situation.

Asia needs an economically and politically active Japan, and it is in Japan's long-range interest to help create an economically viable, free Asia. Not only would this bring new markets for Japanese goods, it would contribute to regional stability.

The fourth consideration for America's Asia policy should be self-evident: the elimination of American bases created solely for "containment" purposes or to support the Indochina involvement.

By and large, we no longer need to project American military strength onto the Asian mainland. A number of air bases created for this purpose are clearly obsolete and, perhaps more importantly, they have become political handicaps.

The first to go should obviously be those in Thailand where we have been asked to leave within a year. Bases such as Utapao in Thailand lost their importance when we left Indochina. They have in turn become liabilities in our relations with the new Thai Government. That government wants to avoid any potential conflict with its neighbors in Southeast Asia and must concern itself with minor insurgency movements. These movements now have no nationalist base—no anticolonialist motivation. And they will remain unsuccessful so long as we do not give their leaders an issue by remaining too long in Thailand.

We should also reappraise our presence in the Philippines. Certainly the naval facility at Subic Bay will continue to be important for the foreseeable future. But the large Clark Air Base may no longer be worth the apparent extortion price President Marcos will ask. If we reappraise the need for Clark in terms of the new Asian realities, we may find ourselves less susceptible to blackmail.

Lastly, we must reassess our presence on Taiwan and our mutual defense arrangements with that country.

If the Taiwan issue is permitted to foment to the detriment of our relations with the People's Republic of China, we will have bought military convenience today in one region of Asia at the expense of a reemerging threat throughout all of Asia. We cannot afford to ignore the requirements, implicit and explicit, of the Shanghai communique.

However, there is no obvious need for precipitous action with respect to our forces on Taiwan since no requirement for such action currently is being levied by the People's Republic. Hopefully a reduction of American forces will be accompanied by a defusing of tension between Taiwan and Peking, making our presence less important. A removal of Taiwanese forces from Quemoy and Matsu would contribute to this process, as would an easing of the demands of the People's Republic that Taiwan eventually give up its autonomy and its distinctive economic system.

In summary, it seems clear that the old rationale for an American presence on the mainland of Asia is anachronistic. It was premised on the need to project our military might onto mainland Asia for purposes of containment. Some of the bases created for this purpose have become obsolete because of the changing threat, and others remain important but for entirely different reasons.

Mr. President, I believe that America should be moving toward an Asian posture earlier recommended by military experts for the post-World War II era. Generals Marshall, Ridgeway, and MacArthur warned against our involvement in a land war in Asia. Now that we have tasted the lessons of such an experience, we should move back, not to isolationism, but to a posture which accommodates our strength—a posture which will protect our vital Pacific interests. At the same time, we should realize that such a goal cannot be safely reached until the powderkeg of Korea has been defused.

Mr. President, I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I commend the distinguished Senator from Missouri for the statement he has made this morning, which is part of a continuing dialog and debate being carried on in this Chamber.

I think the debate, by and large, has been highly constructive, has been carried on with dignity, and has contributed to the knowledge of the Senate, as a whole, and also I would hope to the American people and would be noted downtown as well.

I was interested in what the distinguished Senator had to say in delineating the position of the United States in the Far East, laying emphasis on the fact that we are not, primarily, an Asian power but are, specifically, a Pacific power. I think that is a point that we ought to keep in mind because in time we will have to withdraw entirely from the Asian mainland.

I agree with the distinguished Senator when he says that now is not the time to withdraw from Korea, because of the situation which has developed following the collapse in Indochina. When I refer to Indochina I refer to the three Indo-

UMI

chinese states of Cambodia, Laos, and Vietnam.

So I commend the distinguished Senator on his contribution to this most important debate and express the hope that what he and others have undertaken to do this week they will continue to undertake in the future, so that this will not be a one-shot affair, tied to a particular piece of legislation, but will have a continuity, which will bring home to all of us the importance of the changes which have occurred in the world and, most important, to recognize the fact, at least in my opinion, that what has happened in Indochina has marked the end of an old era and now we are embarked on a new one.

Again I commend the distinguished Senator for making a significant contribution.

Mr. EAGLETON. Mr. President, I personally am deeply pleased with the comments of the distinguished majority leader. He has impressed his life's career with an intense and in-depth study of Asian policies, both political, military, and otherwise. To have him gain recognition in the Chamber and express those words with respect to my speech gratifies me deeply, and I express my thanks to him.

I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Ohio (Mr. TAFT is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, will the Senator from Ohio yield to me briefly?

Mr. TAFT. I am glad to yield to the distinguished acting minority floor leader.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the time allotted to me under the order be transferred to the Senator from Ohio (Mr. TAFT).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Ohio (Mr. TAFT) is recognized not to exceed 30 minutes.

Mr. TAFT. Mr. President, I thank the distinguished acting minority floor leader for granting me the additional time.

MILITARY PREPAREDNESS AND STRATEGIC DETERRENCE

Mr. TAFT. Mr. President, at the outset, I pick up this morning where we left off last evening in pointing out that, in the consideration of this authorization bill for our Armed Forces for the year 1976, we are determining the overall size and capacity of our Armed Forces for some time into the future. We will, of course, review it from year to year, as the need arises and changes. But I point out again, as I did last evening, that this is a long-range, overall policy question. The size of our forces and the capabilities of our forces, it seem to me, must be related to the general world geopolitical picture, of course, and also must be related, I think, as I said last night, very definitely to the enemy capabilities.

The first tenet of military preparedness is to know what the enemy capabilities are and to be in a position to react to them.

We also, of course, have certain international missions that we may or may not wish to take up when the occasion arises, but the capabilities of our Armed Forces will determine the extent and ability of our response when international crises do arise.

The danger that I saw in the debate yesterday, concentrating on particular problems that we have in the world today, such as the Middle East, such as the Korean situation, such as the Cyprus-Turkish-Mediterranean situation, I think should not be allowed to dominate our thinking at a time when we are trying to assess the overall size and capability that the Armed Forces of the United States ought to have.

I think there has been, unfortunately thus far in the debate, too much of a tendency to look to these particular threats and decide whether or not they represent wise or unwise commitments insofar as the United States is concerned.

These are proper considerations for Congress. There is no doubt about it. I feel very strongly that American foreign policy, even in relationship to particular theaters, ought to be debated in the Senate as the problems arise, and that the Senate and the entire Congress, for that matter, I think should be consulted with from time to time.

I would welcome some new procedural way in which the Congress of the United States annually got into a major debate on U.S. foreign policy, perhaps culminating in resolutions with regard to particular areas and expressing our best views as to what American commitments in that direction should be. But that is not the purpose of the debate we are involved in or the votes that we will be involved in, at any rate, during this week, on the military procurement bill that is before the Senate.

We are directing our attention to our own overall military capabilities and preparedness. It is in that regard that I am going to address my remarks this morning, to the whole question of our military preparedness and the question of strategic deterrence, because I think our overall goal in the world is to create a climate in which we will have no outbreak of nuclear conflict with major powers or even a conventional conflict with major powers. This, to me, does rest on the whole question of strategic deterrence.

Mr. President, I would like to say a few words about that element of our national defense which is, by any measure, the most vital to our national existence. I speak of our strategic nuclear deterrence forces.

There is to me no question that the maintenance of strategic deterrence must be among the highest of our national priorities. There are, indeed, many important national goals—some military related, many not—toward which we work, and to the achievement of which we, in Congress, dedicate our national resources. I would, however, suggest that despite the importance of these goals, there is only one among them upon which, and upon which alone, the very survival of this Nation depends: that of maintaining strategic deterrence.

Because our strategic deterrence forces have always been adequate to their task, in the nuclear age we tend to forget about them. Indeed, it is not pleasant to think about them, because it is not pleasant to think about what would happen should they fail: nuclear war. And that is, let us not forget, the price of a failure of strategic deterrence—international nuclear war: the utter destruction of our cities, and those of our opponent; the slaughter of tens or hundreds of millions of people; and the agonizing deaths of millions more through the effects of radioactivity. It is not impossible that the cumulative effects of a nuclear war would leave the Earth without human life, or with that life twisted into bizarre forms that we would not recognize as human. It is probable that if humanity survived, those who remained would live in a state of barbarism; that all the painstaking achievements of the last 3,000 years would be reduced to ashes. This is the price of one single failure of strategic deterrence. However unpleasant it is to remember, we have a solemn responsibility never to forget it.

What, in general terms, must we do to insure that deterrence does not fail?

First, we must take our deterrence forces seriously. We must not assume blithely that, because they have succeeded in maintaining deterrence over the past 30 years, we can pick and chip away at them, that we can comfortably talk of "overkill" and let our deterrence forces fend for themselves. Such attitudes, such unconcern, contain the potential for utter and irretrievable catastrophe.

Second, we must realize that there is no cost effectiveness for deterrence. The cost of a failure of deterrence is incalculable; therefore, there is no cost too great to pay for maintaining deterrence. A decision that we cannot afford a weapon system necessary for the maintenance of strategic deterrence is, by definition, a decision either to surrender or to commit collective suicide.

Third, we must be extremely cautious about tampering with the heretofore successful structure of our deterrence force. It would be a rash man who would suggest experimenting in this area, who would abandon the structure which has proven successful, simply because it has worked. There are areas where we, as Senators have a responsibility to see that no resources are committed beyond the bare minimum needed to do the job. But this is not such an area. Strategic deterrence is not the place to cut to the bone, to make fine calculations of just how much is enough. Far better that we should have some surplus capability, even at a high dollar price, than that we should cut too finely and pay the infinite cost of a failure of deterrence. In this area, the wise man walks carefully and with reverence for that which has succeeded.

Where do we stand today, in relation to the ability of our strategic forces to maintain deterrence? Our forces have thus far proven adequate to their task—

indeed, we would not be here reviewing the situation had they not. Our current force of bombers, ICBM's, and SLBM's continues to create sufficient uncertainties in the minds of potential attackers to prevent them from being able to calculate favorably the results of an attack; thus, we continue to deter successfully.

We see some hopeful developments in the area of strategic forces, in terms of arms limitation agreements with the Soviet Union. The President and Secretary of State have concluded an agreement on limiting these weapons, at Vladivostok, and they deserve our thanks for their efforts, meager though some consider those efforts. I hope that further negotiations will confirm and expand the results of Vladivostok, and take the next step of moving toward reductions of strategic arms by both ourselves and the Soviets.

However, even a successful arms reduction agreement will not end the need for us to maintain the basic structure of our deterrence force. It is worth our time, I believe, to look briefly at that force structure, and at what is needed to maintain it.

The basic structure is the Triad—the combination of bombers, ICBM's and SLBM's. It is this Triad structure which creates the deterrence-producing uncertainties in the minds of our opponents. It is this Triad structure which is the very basis of our deterrence force. It is this Triad structure which has been successful; and, as I noted earlier, it is a bold man who would propose to experiment with success in this area.

What do we need to maintain our successful deterrence force structure, the Triad? There are, in this military procurement bill, several programs which are vital, if the Triad is to be maintained.

The first of these is the Trident submarine. There are several qualities which are important to a ballistics missile submarine, if it is to remain undetected by potential attackers and thus able to carry out its deterrence mission. The two most important of these qualities are the range of its missiles and the quietness of the submarine.

Missile range is of great importance because it is the range of the missile which determines how much of the ocean is usable by the submarine. If the missile range is short, the submarine must remain close to the potential enemy's coasts and thus vulnerable to his anti-submarine ships and aircraft. The longer the missile range, the more of the ocean the submarine can cruise in while remaining in range of its targets, and the greater the potential opponent's ASW problems. The missile which the Trident submarine will carry will have a range of over 4,000 miles—compared with the 2,900-mile range of our current SLBM. Subsequent missiles for the Trident will have an even greater range/payload capability. I note that the SSN–8 ballistic missile in the Soviet "Delta" class submarine, currently in service, has a range of 4,200 miles. These submarines can sit at their docks in Petropavlovsk and hit every city in my State of Ohio.

The Trident submarine will also be materially more quiet than our current Poseidon class. Quietness is a key factor in a submarine's ability to avoid detection; a principal means of finding a submarine is through underwater listening devices, which can pick up underwater noise hundreds of miles away.

If we are to maintain the Triad, we need the Trident submarine. We need the deterrence capability given by its increased ability to avoid hostile ASW forces.

Another system which we need if we are to maintain the Triad is the B–1 bomber. One of the three basic elements of the Triad is a manned bomber. Without an effective, modern, strategic bomber, you do not have a Triad—you have abandoned our successful deterrence force structure, and have decided to experiment with deterrence. The only alternative to abandoning the Triad is the B–1, because it is the only modern strategic bomber available to us. The B–52 is increasingly outdated in design, and the actual planes are wearing out. The FB–111 is only capable of one-way missions, and, more importantly, it is physically too small to carry the advanced electronics which will be necessary to penetrate the Soviet air defenses of the 1980's and 1990's. Forward based, they would be subject to a first strike. Proposed cruise missile carriers are not strategic bombers at all; they would be converted transport or civilian airliners, and would be incapable of penetrating any hostile air defenses. They would be extremely vulnerable because of their tactical inflexibility. They have only one tactic: Approach the borders of a hostile country and launch their missiles. Long-range interceptors or long-range air defense missiles would be an easy and effective answer to such a system. Again, it simply is not a bomber; it is just another launching platform for missiles.

Thus, the B–1 is necesssary if we are to maintain the Triad. There is no alternative to it, other than to abandon the Triad structure of our deterrence force. Is it expensive? Yes. But I return to the point: Can you play cost-effectiveness with deterrence, where the price of failure—of just one failure—is nuclear holocaust. The Triad structure is the only deterrence system which we know does work.

There is one further portion of the bill before us which relates to our Triad. In this case primarily to our ICBM force. This is the strategic initiatives package, the programs designed to improve the accuracy of our missiles. These programs would give us a certain counterforce capability, a certain capability of hitting Soviet targets selectively.

We all hope we will never have to use nuclear weapons. That hope is best served by the deterrence effect of having all know that if we ever did have to use them, they would be accurate and effective. We should take notice that the Soviet Union is currently increasing its counterforce capability. They are doing so not so much with increase accuracy, as with increased throwweight for bigger warheads, but the effect is approximately the same. One can make all sorts of abstract arguments about counterforce and deterrence theory, but the real question here is one of Soviet perceptions. The Soviets have a long history of respecting strength in their opponents, and of taking every advantage of opponents who show a lack of will and resolve.

What will be Moscow's perception of our strength and commitment if we refuse to match their development of a possible counterforce capability? I am sure that, had we been the first to develop such a capability, the Soviets would not have hesitated to respond.

We cannot afford to take a position which Moscow may perceive as weakness. History gives us no reason to think that the Soviets will respect such a position on our part, or that it will do anything but hinder our efforts to reach a just and equitable arrangement with them in arms control negotiations.

Let me note further that, in relation to a deterrence theory which some people advance, it ignores a very important point: Specifically, that deterrence must be credible to work. If we are restricted to population center targeting, we face an increasing possibility of the Soviets striking at all or selected missile and bomber bases, and then saying to us, "We have not hit any of your population centers: Do you want to be the one to start trading cities?" Some argue that such a counterforce strike by the Soviets is not credible, because they could not destroy all our delivery systems. But this ignores the fact that, if the remaining system were capable only of being population center targeted, we could not use them to retaliate without initiating a mutual destruction of population centers, the Soviets would then have destroyed enough of our strategic weapons to reduce us to a second-class power, with dire consequences to our interests throughout the free world.

The addition of a counterforce and other options would eliminate the possibility of this scenario. We would have the flexibility to respond to a Soviet counterforce strike by cutting down their strategic forces as they cut down ours, thus maintaining the overall balance of power. We would not be forced to choose between accepting the status of a second-class power, or initiating an exchange of cities.

Finally, I note that the arguments against a counterforce capability have been made only in relation to a scenario of a direct attack by the Soviets on the United States. But our defense problems extend beyond our own borders, and a counterforce capability may be necessary in situations other than a Soviet counterforce strike on the United States. For example, in the event of a Soviet attack on Europe, approximately 600 Soviet MRBM's and IRBM's, plus about 100 ICBM's are targeted on our NATO allies. Of these, about 220—easily enough to wipe out European civilization—are in protected silos. It would greatly increase the deterrent ability of NATO if we had the ability to knock out at least some of these 220 missiles in their silos.

Another factor which we should consider in this relation, is the likely effect on nuclear proliferation. Already the addition of India to the nuclear club is alarming.

I might say that, as reported in the morning news, the commitment apparently has been made by the Russians to provide nuclear technology, at least, to

UMI

such a small nation as Libya, which certainly has not been friendly in its recent relationships with the United States, which makes the point, I think, even more clearly perhaps than the problems with regard to India. The failure of the United States to continue to improve its weapons would almost invite other powers to such proliferation from the point of view of defending themselves from increased Russian throw-weight and MIRV'ing of their weapons.

Finally, we should note that these items related solely to advanced research and development, and not to procurement. I think it would be a great mistake for us to stop the advanced research in these areas. These programs will leave us options that will be open if the need should arise. If we refuse to do the R. & D. work, we will have closed off the options, and we would face a long delay in starting up on them again, if we suddenly required them.

Thus, our negotiating position vis-a-vis the U.S.S.R. and our security, for both the continental United States and our overseas interests, require these programs to increase the accuracy of our missiles. I hope my colleagues will agree with Secretary Schlesinger, Secretary Kissinger, and the committee that they should be authorized.

Each of these programs strengthens one of the three arms of the triad. And we must not forget that each of those arms is needed, not only because without any one of them we will have abandoned the triad, but because, on its own, each has its vulnerabilities.

The bomber has always been somewhat vulnerable to hostile interceptors and to antiaircraft defenses, as well as to attacks on its bases. From the day in 1871 when the Parisians tried to evade the besieging Prussians in balloons, and the Prussians responded by building antiballoon guns, we have seen a struggle between bombers and defensive forces. I would point out that some bombers have always gotten through, and I have confidence in the ability of a modern bomber such as the B–1, flying fast and low, to penetrate any air defense. Nonetheless, the bomber has its vulnerabilities; and a deterrence force based solely on bombers would be a risky way to insure our national existence.

Similarly, land-based ICBM's are potentially vulnerable to first strikes by opposing ballistic missile forces. Large numbers of enemy ICBM's, equipped with multimegaton warheads and high-precision guidance systems, could pose a threat to any land-based ICBM system. I do not intend to say that we now face such a threat; we do not, and I am confident in the high survivability of our land-based missiles against the current threat. We must note, however, that the Soviets are increasing both the size of their missiles and the accuracy of their guidance systems. It is not inconceivable that we could, in the not-too-distant future, face a threat to our land-based missiles that would have to concern us.

What, lastly, of our vaunted sea-based missile force? It is sometimes argued that our submarine-based missiles are completely invulnerable, now and for the foreseeable future. This argument is in turn used to say that we do not need a Triad; that submarine-based missiles alone are adequate to provide deterrence.

I have looked into this matter in some depth, because, quite frankly, I was interested in the possibility that we had developed, in the SLBM, a completely invulnerable system. I found that if one looks at the Soviet antisubmarine warfare forces, those that are similar to ours, this seems to be the case; the Soviet sonars, ASW helicopters, and destroyers are not as capable as ours, and even ours are not all that effective against an evading nuclear submarine.

But I also realized that the Soviets often do not do things the way we do them. We tend to forget this. We indulge in the comforting vanity that the Soviets are simply trying to copy us. Unfortunately, the Soviets are very advanced technologically, and also conceptually. They have completely different approaches from ours to many of the same problems. What do we see if we step back a pace, and, instead of just looking at Soviet ASW capabilities that are copies of ours. We look at their whole fleet? Do we see them working on some threats to our submarines, including our missile submarines, that we may previously have overlooked?

Maybe we do. I have noticed some interesting patterns in their weapon systems construction. I am not certain exactly where the patterns lead, but I wonder if it could be in the direction of a new approach to ASW.

In May of 1967, the Soviets paraded the prototype of their current SSN–8 submarine launched ballistic missile. The 4,200-mile range missile now on their newest ballistic missile submarine, the "Delta" class. It had a diameter of 7 feet. Then, in 1968, 1 year later, they commissioned the first of their "Yankee" class submarines. We identified this submarine as a strategic ballistic missile submarine, because it looked like ours—again, we automatically think the Soviets copy us. The Soviets have built 34 of these "Yankee" class boats.

There is one interesting thing about these submarines. They cannot carry the SSN–8 ballistic missile—the missile which the Soviets use on their latest submarine, but which they had then. The missile tubes on their "Yankee" class are too small for the SSN–8, and the submarine apparently cannot be rebuilt for the larger missile. Why would the Soviets build a strategic ballistic missile submarine which could not carry the strategic missile they already had?

Now, it is true the "Yankee" class was fitted out with strategic ballistic missiles—the SSN–6. However, this missile is far inferior to the SSN–8. It has a range of only 1,500 miles, compared to the 4,200-mile range of the SSN–8. Why would the Soviets build a submarine that could only carry an inferior missile, when they already had one far superior?

Another interesting fact is that only 2 years after the first "Yankee" class was commissioned, the Soviets began building the "Delta" class nuclear strategic missile submarine. This submarine, of which 6 are now in service with 15 building, does carry the long-range SSN–8. Why would the Soviets build 34 expensive submarines for the inferior SSN–6 missile, when they knew they would soon be building a submarine that could carry the SSN–8?

There is a further fact in this series that raises some questions. The Soviets have developed a new and frighteningly capable short-range ballistic missile, the SSN–13. This missile, although it is ballistic, has a range of only about 300 miles. It thus cannot be a strategic missile. This missile has a maneuverable warhead. It can be fired from a submarine, while submerged.

Most interestingly, this missile fits in the missile tubes of a "Yankee" class submarine.

To what uses could this missile, the SSN–13, be put? Its short range prevents its effective strategic use against U.S. land targets. Could it thus be designed for use against ships? Its maneuverable warhead could be designed to enable it to attack ships. This would be a very frightening capability. There is currently no adequate defense for our surface ships against a ballistic missile. There is no way currently to shoot down a ballistic missile. What if the Soviets were to deploy this missile, in an antiship role, on their "Yankees"? They would suddenly have, for use against our surface fleet, 34 submarines with 16 missiles each, a total of 544 missiles of a type against which we currently have no defense. What would this sudden unexpected capability on the part of the Soviets mean in terms of the United States-Soviet naval balance? Personally, I believe it would mean a decisive step by the Soviet Union on the road to naval superiority.

There is, however, one further observation I must make. The Soviet navy today has two fundamental military missions, anticarrier and antisubmarine. The SSN–13 on the "Yankee" class submarine could give a tremendous boost to the Soviet anticarrier capability. However, the Soviets already have a very impressive anticarrier capability. Today, without counting the SSN–13, the Soviets theoretically can launch simultaneously about 1,400 antiship missiles, 100 missiles for each U.S. carrier.

On the other hand, as I have noted, when we look at conventional, U.S.-type Soviet antisubmarine warfare capabilities, they seem weak. Could then the SSN–13 on the "Yankee" be somehow an antisubmarine weapon?

We can only speculate on this question. There is, however, no doubt that a 300-mile range, submarine-launched guidable ballistic missile could be a potent threat to a hostile submarine. Such a missile could have, for a warhead, a nuclear depth charge. In a nuclear war situation, there would be little hesitation in using a nuclear depth charge, and the power of such a weapon could render pinpoint accuracy unnecessary.

Could the Soviets locate our ballistic missile submarines, so that they could attack with such a weapon? Again, we cannot give a definitive answer. But there is a continuing potential for new development in the area of submarine detection.

I thus return to my basic question: Have we found, in the ballistic missile submarine, a strategic weapon which is invulnerable now and for the foreseeable future? The answer, I think, is that the submarine will remain a vital part of the Triad; but that all systems, individually, have potential vulnerabilities. That, I suggest, is why we continue to need a Triad. And that is the reason why I hope my colleagues will join me in supporting the programs we must have if we are to maintain the Triad: The Trident submarine, which as I noted, will be far less vulnerable to ASW than the present Poseidon; the B–1 bomber; and the strategic initiatives program.

Mr. President, I yield the floor.

Mr. PASTORE addressed the Chair.

Mr. TAFT. I will be glad to yield the floor.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Rhode Island (Mr. PASTORE) is recognized for not to exceed 15 minutes.

THE DANGER OF NUCLEAR PROLIFERATION

Mr. PASTORE. Mr. President, an article entitled, "Brazil Nuclear Deal Raises U.S. Concern" written by Lewis H. Diuguid appeared in the June 1, 1975, edition of the Washington Post. I ask unanimous consent that the article be placed in the RECORD in its entirety at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRAZIL NUCLEAR DEAL RAISES U.S. CONCERN

(By Lewis H. Diuguid)

Brazil has arranged to obtain from West Germany the technology that would give it the capability to produce nuclear weapons, and U.S. officials are concerned that the military-dominated government has decided to opt for the bomb.

Brazilian authorities insist, however, that the sole purpose of the contract with the Germans is to generate electricity.

Neighboring Argentina, with a long-standing nuclear research program, is also thought by some high-ranking officials to have decided to attempt nuclear-weapon manufacture.

Neither South American nation signed the 1970 nuclear nonproliferation treaty, and both appear on lists of countries expected soon to be capable of joining the United States, Soviet Union, Britain, France, China and, since last year, India in the nuclear club.

The development lending immediacy to the Brazilian case is an accord now being completed with the STEAG, AG consortium of Essen for provision of several large nuclear reactors, fuel-processing plants and, most important, a uranium-enrichment plant using a unique process.

Robert Gillette of Science magazine, commenting in the current issue, quotes estimates that the secretive contract will run to $8 billion over the next 10 to 15 years.

It is considered possible that Brazil will pay for the technology with the enriched uranium eventually produced. The vast country has deposits of natural uranium and fissionable thorium, plus the hydroelectric power in large quantity needed for the new enrichment process offered by STEAG, AG.

West Germany will need the enriched uranium for its own nuclear generators but it lacks cheap electricity needed for the STEAG, AG production process on which it is banking. The present gaseous diffusion and gas centrifuge processes, developed in this country and Western Europe, require less electricity. All demand huge investments of capital and technology.

A major question is what controls West Germany will require on the technology. As a signer of the nonproliferation treaty, Bonn is under some restraints. But the treaty's restrictions on supplies of enriched uranium need not apply if Brazil produces the weapons-grade fuel itself.

Without naming countries, U.S. Arms Control and Disarmament Director Fred C. Ikle said in April, "Unhappily, short-sighted commercial interests sometimes militate against application of effective controls . . . You would think that all nations willing to export nuclear materials or equipment would be anxious to prevent proliferation.

"Even the largest nations would suffer greviously if nuclear explosives became widely available."

The president of Brazil's nuclear energy commission, Hervasio de Carvalho, told Washington Post special correspondent Bruce Handler that the country must act now to assure supplies for its booming seaboard cities.

Carvalho explained that most of the rivers with undeveloped hydroelectric potential are too far away for cheap transmission to the cities.

Enriched uranium, however, could be produced at jungle generating sites and brought to the eight or so nuclear power plants—with a total capacity of nearly 10 million kilowatt hours—foreseen in the agreement.

Carvalho pointed out that the "basic principes" for bomb-making "are known in practically all countries," but that there are still "technical secrets."

A main U.S. control on those secrets has been refusal to sell the technology for production of enriched uranium.

Secretary of State Henry A. Kissinger offered assurances last week at the International Energy Agency meeting in Paris that the United States would increase supplies of enriched uranium to meet demand in countries agreeing to safeguards against proliferation of arms.

But West Europeans, and now the Brazilians, have been unwilling to rely solely on U.S. sources.

Neither Brazil nor Argentina signed the nonproliferation treaty because, they said, it offered unfair advantages to the nuclear powers. Both are also exempt from the lesser-known 1967 treaty establishing Latin America as a nuclear-free zone.

Argentina has not ratified the treaty and Brazil did so with a waiver requiring all territories within the zone to adhere before it takes effect for Brazil.

A member of Brazil's Chamber of Deputies, Lysaneas Maciel, told the Associated Press Friday in Brasilia that he had been told by an Argentine legislator that the Argentines are able to produce a nuclear explosion.

"That may cause a problem of imbalance in Latin America," said Maciel, who is chairman of the mines and energy committee of the Brazilian lower house.

Brazil, with a population of 100 million but a per capita income under $700, is a traditional competitor of Argentina, where the population of 24 million has a per capita income of about $1,000.

Argentina has long invested in nuclear research and has a nuclear power plant functioning, whereas Brazil's first station—provided by Westinghouse with U.S. enriched uranium—is still under construction.

The West German-supplied plant now operating and a second Argentine plant being supplied by Canada both use natural rather than enriched uranium.

As India proved with the use of plutonium in its Canadian-provided plant, nuclear explosions are possible without enriched uranium.

But as U.S. officials see it, the Indian and now the Brazilian cases show that the real proliferation is of technology, not just fuel. Once the national capacity is built up, the national leaders can use it for peaceful explosions or nuclear bombs.

And while such decisions are tightly held, U.S. officials show intense concern that Brazil and Argentina have both decided to produce the bomb.

Mr. PASTORE. I must say at this juncture, parenthetically, that the substance contained in that article is correct.

The article points out that West Germany is about to enter into an agreement with the Brazilian Government to provide several large nuclear reactors, a fuel reprocessing plant, and a uranium enrichment plant. In other words, the arrangement would provide essentially an entire fuel cycle for the Brazilians. This matter disturbs me greatly as it does, I am sure, many of my colleagues and interested citizens. The Brazilian Government has not signed or ratified the Nonproliferation Treaty. In fact, the representatives of the Brazilian Government have made statements which have been carried in the press to the effect that they do not preclude the possibility of developing peaceful nuclear explosions. The scientific director of Brazil's center of physical research is quoted in the New York Times of August 24, 1974, as saying:

Brazil already has the necessary conditions for building its first atomic bomb.

I ask unanimous consent that that New York Times article be printed in the RECORD at this point.

There being no objection, the article

UMI

was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 24, 1974]

BRAZILIAN A-BOMB REPORTED WITHIN COUNTRY'S CAPACITY

RIO DE JANEIRO, Aug. 23.—The scientific director of Brazil's Center of Physical Research, Alfredo Marques, said yesterday that "Brazil already has the necessary conditions for building its first atomic bomb."

But Mr. Marques, speaking at an astronomy seminar, said there were other problems to be solved in making the bomb, because "a project of this nature involves rather ample questions, including the diplomatic field."

Brazil presently depends on the United States for plutonium and enriched uranium. The supplies are covered by an agreement signed with the United States Government two years ago, providing radioactive materials for Brazilian nuclear power plants for 30 years.

Mr. PASTORE. Mr. President, it is my understanding that behind the scenes the U.S. Government has taken steps to try to dissuade the Federal Republic of Germany from undertaking such an arrangement, particularly on providing enrichment and reprocessing capabilities to Brazil. Notwithstanding protestations by U.S. officials, including a meeting last April in Bonn, the arrangement apparently is going to be executed. I have been advised that on April 30 of this year the West German Parliament approved in principle the sale and the related arrangements to provide power reactors, a pilot plant for reprocessing fuel, and an enrichment capability to Brazil.

Now, I understand that the United States has sold Brazil two research reactors and a power reactor. The research reactors began operating in 1958 and 1960, respectively, and they do not have any significant amounts of plutonium connected with them because of their small size and design. The power reactor will not come into operation until 1976. All of these arrangements are governed by an Agreement for Cooperation between the United States and Brazil signed on July 17, 1972—which superseded an agreement signed in 1955—and this agreement runs until the year 2002. All of the facilities that I have mentioned are under International Atomic Energy Agency safeguards.

The proposed sale by West Germany to Brazil adds, however, a completely new dimension to the nonproliferation problem. West Germany is going to provide essentially a complete fuel cycle which could assist Brazil in making a nuclear bomb, if it so desires. Brazilian officials have been quite frank to indicate that Brazil does not plan to sign the Nonproliferation Treaty.

This, of course, reminds us all too vividly of the situation when India became the sixth nuclear power. The Indians utilized plutonium produced in a reactor not subject to IAEA safeguards and are now constructing a power reactor not under IAEA safeguards utilizing technology and knowhow obtained from a Canadian power reactor. I think this is an extremely important fact because no matter what arrangements are made with the West Germans, even if they were completely effective, there is nothing to preclude the Brazilians from building separate and indigenous reprocessing and enriching facilities simply by copying what the West Germans have given them, and then deciding to build a nuclear explosive device, unless all such reproduced facilities are specifically subject to adequate IAEA safeguards.

Arrangements such as the proposed one between West Germany and Brazil would greatly aggravate the additional measures which must be taken to deal with nonproliferation of nuclear explosive devices. There are those, myself included, who strongly believe that the adequacy of international safeguards must be carefully and promptly reexamined and strengthened, and that this country should provide leadership to that end.

I am informed that the United States has urged its manufacturers of nuclear facilities not to enter into any arrangement such as the one proposed by West Germany, pending further study of the situation, and that the manufacturers have agreed. I applaud this decision because we cannot expect others to show restraint if we do not ourselves exercise restraint. The problem of nuclear explosive device proliferation does not concern any one country of the world or groups of countries—every nation's security and survival is directly involved. Secretary of State Kissinger in an address on September 23, 1974, before the 29th United Nations' General Assembly, said that the United States is prepared to join with other countries in the world community to work urgently toward a system of effective international safeguards against the diversion of plutonium to nuclear explosives. The Secretary said, among other things that—

The United States will shortly offer specific proposals to strengthen safeguards to other principal supplier countries.

I hope that the Secretary is now acting decisively to present specific proposals, at the earliest date, to the principal countries which supply nuclear technology which could lead to the proliferation of nuclear explosive devices.

Despite all of this, and despite the protestations of our State Department, the West Germans have decided to go ahead because they apparently look upon this as "business as usual." Nothing could be further from responsible action, no matter who the supplier might be.

I strongly stress the need and importance for the United States to urge the Federal Republic of Germany not to proceed with the arrangement until these matters, which are of the gravest international concern, receive the most deliberate and careful consideration at the highest levels of international diplomacy.

West Germany's apparent disregard of the plea of our Government on this important international policy issue is really difficult for me to understand and accept. The United States has gone out of its way to assure our NATO allies, and particularly the West Germans, that we would defend them and has backed up this commitment with positive actions. Yet despite this, and despite the obvious need for reason and sound judgment to prevail, the pleas of our Government have been to no avail.

And what concerns me to no end is the fact that this is a likely peril being instituted by an ally in our own back yard, so to speak, while, at the same time, the U.S. Government is heavily committed in West Germany's backyard to defend them against a likely peril.

I urge the Secretary of State and the President to use and exhaust every available diplomatic avenue to assure that the proposed arrangement—and any similar arrangement which may be proposed by any other nation—be held in abeyance until the principal supplier countries have had a reasonable opportunity to consider and agree on the practical steps which can and must urgently be taken toward a system of effective international safeguards against the proliferation of nuclear explosives.

I would like at this point to have printed in the RECORD an extract from the foreign reactors list showing the reactors presently in Brazil. I would also like to have printed a copy of the United States-Brazil Agreement for Cooperation and a copy of the text of the Treaty on Nonproliferation of Nuclear Weapons.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FOREIGN REACTOR LIST

Foreign reactors operating, being built, or planned from a listing of foreign reactors which is updated and revised periodically by the Division of International Programs, Energy Research and Development Administration.

County and designation	Description (type, enrichment, moderator, coolant—when available)	Site	Power	Criticality
Brazil:				
Operating—Research:				
IEA-R1 (U.S. built)	Pool, 20 and 93 percent enriched uranium, H_2O moderated and cooled.	Atomic Energy Institute, University of Sao Paulo	5 MWt	1958
IPR-R1 (U.S. built)	Triga Mark I, 20 percent enriched uranium, H_2O ZrH moderated, H_2O cooled.	Radioactive Research Institute, University of Minas Gerais, Belo Horizonte.	100 KWt	1960
IEN-R1	Argonaut, 20 percent enriched uranium, H_2O and graphite moderated, H_2O cooled.	Nuclear Engineering Institute, Rio de Janeiro	10 KW	1965
Being built—Power: ANGRA 1	PWR, 2.2–3.6 percent UO_2, H_2O moderated and cooled.	Angra dos Reis, Rio de Janeiro	657 MWe	1976
Proposed—Power: ANGRA 2		Angra dos Reis		

[Atomic Energy Cooperation for Civil Uses]

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND BRAZIL

(Signed at Washington July 17, 1972)

NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89–497, approved July 8, 1966 (80 Stat. 271; 1 U.S.C. 113)—

". . . the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof."

AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL CONCERNING CIVIL USES OF ATOMIC ENERGY

Whereas the Government of the United States of America and the Government of the Federative Republic of Brazil signed an "Agreement for Cooperation Between the Government of the United States of America and the Government of the United States of Brazil Concerning Civil Uses of Atomic Energy" on July 8, 1965; [1] and

Whereas the Government of the United States of America and the Government of the Federative Republic of Brazil desire to pursue a research and development program looking toward the realization of peaceful and humanitarian uses of atomic energy, including the design, construction, and operation of power-producing reactors and research reactors, and the exchange of information relating to the development of other peaceful uses of atomic energy; and

Whereas the Government of the United States of America and the Government of the Federative Republic of Brazil are desirous of entering into this Agreement to cooperate with each other to attain the above objectives; and

Whereas the Parties desire this Agreement to supersede the "Agreement for Cooperation Between the Government of the United States of America and the Government of the United States of Brazil Concerning Civil Uses of Atomic Energy" signed on July 8, 1965;

The Parties agree as follows:

Article I

For the purposes of this Agreement:

(1) "Parties" means the Government of the United States of America, including the Commission on behalf of the Government of the United States of America, and the Government of the Federative Republic of Brazil. "Party" means one of the above Parties.

(2) "Commission" means the United States Atomic Energy Commission.

(3) "Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

(4) "Byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

(5) "Equipment and devices" and "equipment or devices" mean any instrument, apparatus, or facility, and include any facility, except an atomic weapon, capable of making use of or producing special nuclear material, and component parts thereof.

(6) "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency, or government corporation but does not include the Parties to this Agreement.

(7) "Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium, or thorium, or any combination of uranium, plutonium, or thorium.

(8) "Restricted Data" means all data concerning (1) design, manufacture, or utilization of atomic weapons, (2) the production of special nuclear material, or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the category of Restricted Data by the appropriate authority.

(9) "Safeguards" means a system of controls designed to assure that any materials, equipment and devices committed to the peaceful uses of atomic energy are not used to further any military purpose.

(10) "Source material" means (1) uranium, thorium, or any other material which is determined by the Commission or the Government of the Federative Republic of Brazil to be source material, or (2) ores containing one or more of the foregoing materials, in such concentration as the Commission or the Government of the Federative Republic of Brazil may determine from time to time.

(11) "Special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Commission or the Government of the Federative Republic of Brazil determines to be special nuclear material or (2) any material artificially enriched by any of the foregoing.

(12) "Superseded Agreement" means the "Agreement for Cooperation between the Government of the United States of America and the Government of the United States of Brazil Concerning Civil Uses of Atomic Energy" signed by the Parties on July 8, 1965.

Article II

A. Subject to the provisions of this Agreement, the availability of personnel and material, and the applicable laws, regulations, and license requirements in force in their respective countries, the Parties shall cooperate with each other in the achievement of the uses of atomic energy for peaceful purposes.

B. Restricted Data shall not be communicated under this Agreement, and no materials or equipment and devices shall be transferred, and no services shall be furnished, under this Agreement, if the transfer of any such materials or equipment and devices or the furnishing of any such services involves the communication of Restricted Data.

C. This Agreement shall not require the exchange of any information which the Parties are not permitted to communicate.

Article III

Subject to the provisions of Article II, the Parties may exchange unclassified information with respect to the application of atomic energy to peaceful uses and the considerations of health and safety connected therewith. The exchange of information provided for in this Article will be accomplished through various means, including reports, conferences, and visits to facilities, and may include information in the following fields:

(1) Development, design, construction, operation, and use of research, materials testing, experimental, demonstration power, and power reactors and reactor experiments;

(2) The use of radioactive isotopes and source material, special nuclear material, and byproduct material in physical and biological research, medicine, agriculture, and industry and

(3) Health and safety considerations related to the foregoing.

Article IV

A. Materials of interest in connection with the subjects of agreed exchange of information, as provided in Article III and subject to the provisions of Article II, including source material, heavy water, byproduct material, other radioisotopes, stable isotopes, and special nuclear material for purposes other than fueling reactors and reactor experiments, may be transferred between the Parties for defined applications in such quantities and under such terms and conditions as may be agreed when such materials are not commercially available.

B. Subject to the provisions of Article II and under such terms and conditions as may be agreed, specialized research facilities and reactor materials testing facilities of the Parties may be made available for mutual use consistent with the limits of space, facilities, and personnel conveniently available when such facilities are not commercially available.

C. With respect to the subjects of agreed exchange of information as provided in Article III and subject to the provisions of Article II, equipment and devices may be transferred from one Party to the other under such terms and conditions as may be agreed. It is recognized that such transfers will be subject to limitations which may arise from shortages of supplies or other circumstances existing at the time.

Article V

The application or use of any information (including design drawings and specifications), and any material, equipment and devices, exchanged or transferred between the Parties under this Agreement or the superseded Agreement shall be the responsibility of the Party receiving it, and the other Party does not warrant the accuracy or completeness of such information and does not warrant the suitability of such information, material, equipment and devices for any particular use or application.

Article VI

A. With respect to the application of atomic energy to peaceful uses, it is understood that arrangements may be made between either Party or authorized persons under its jurisdiction and authorized persons under the jurisdiction of the other Party for the transfer of equipment and devices and materials other than special nuclear material and for the performance of services with respect thereto.

B. With respect to the application of atomic energy to peaceful uses, it is understood that arrangements may be made between either Party or authorized persons under its jurisdiction and authorized persons under the jurisdiction of the other Party for the transfer of special nuclear material and for the performance of services with respect thereto for the uses specified in Articles IV and VII and subject to the relevant provisions of Article VIII and to the provisions of Article IX.

C. The Parties agree that the activities referred to in paragraphs A and B of this Article shall be subject to the limitations in Article II and to the policies of the Parties with regard to transactions involving the authorized persons referred to in paragraphs A and B of this Article.

Article VII

A. During the period of this Agreement, and as set forth below, the Commission will

[1] TIAS 6126; 17 UST 1859.

UMI

supply to the Government of the Federative Republic of Brazil or, pursuant to Article VI, to authorized persons under its jurisdiction, under such terms and conditions as may be agreed, all of the requirements of the Federative Republic of Brazil for uranium enriched in the isotope U-235 for use as fuel in the power reactor program described in the Appendix to this Agreement, which Appendix, subject to the quantity limitation established in Article IX, may be amended from time to time by mutual consent of the Parties without modification of this Agreement.

(1) The Commission will supply such uranium enriched in the isotope U-235 by providing, to the same extent as for United States licensees, for the production or enrichment, or both, of uranium enriched in the isotope U-235 for the account of the Government of the Federative Republic of Brazil or such authorized persons. (Upon timely advice that any natural uranium required with respect to any particular delivery of enriched uranium under such service arrangements is not reasonably available to the Government of the Federative Republic of Brazil or any such authorized persons, the Commission will be prepared to furnish the required natural uranium on terms and conditions to be agreed.)

(2) Notwithstanding the provisions of paragraph A(1) of this Article, if the Government of the Federative Republic of Brazil or such authorized persons so request, the Commission, at its election, may sell the uranium enriched in the isotope U-235 under such terms and conditions as may be agreed.

B. As may be agreed, the Commission will transfer to the Government of the Federative Republic of Brazil or to authorized persons under its jurisdiction uranium enriched in the isotope U-235 for use as fuel in defined research applications, including research, materials testing, and experimental reactors and reactor experiments. The terms and conditions of each transfer shall be agreed upon in advance, it being understood that, in the event of transfer of title to uranium enriched in the isotope U-235, the Commission shall have the option of limiting the arrangements to undertakings such as those described in paragraph A(1) of this Article.

C. As may be agreed, the Commission will transfer to the Government of the Federative Republic of Brazil, or to authorized persons under the jurisdiction of the Government of the Federative Republic of Brazil, plutonium for use as fuel in reactors and reactor experiments. The terms and conditions of each transfer will be agreed upon in advance.

D. It is understood that the Commission may transfer to a person or persons under the jurisdiction of the Government of the United States of America such of its responsibilities under this Agreement with respect to the supply of special nuclear material, including the provision of enrichment services, as the Commission deems desirable.

Article VIII

A. With respect to transfers by the Commission of uranium enriched in the isotope U-235 provided for in Article VI, paragraph B and Article VII, it is understood that:

(1) Contracts specifying quantities, enrichments, delivery schedules, and other terms and conditions of supply or services will be executed on a timely basis between the Commission and the Government of the Federative Republic of Brazil or persons authorized by it, and

(2) Prices for uranium enriched in the isotope U-235 sold or charges for enrichment services performed will be those in effect for users in the United States of America at the time of delivery. The advance notice required for delivery will be that in effect for users in the United States of America at the time of giving such notice. The Commission may agree to supply uranium enriched in the isotope U-235 or perform enrichment services upon shorter notice, subject to assessment of such surcharge to the usual base price or charge as the Commission may consider reasonable to cover abnormal costs incurred by the Commission by reason of such shorter notice.

B. Should the total quantity of uranium enriched in the isotope U-235 which the Commission has agreed to provide pursuant to this Agreement and other Agreements for Cooperation reach the maximum quantity of uranium enriched in the isotope U-235 which the Commission has available for such purposes, and should contracts covering the adjusted net quantity specified in Article IX not have been executed, the Commission may request, upon appropriate notice, that the Government of the Federative Republic of Brazil or persons authorized by it execute contracts for all or any part of such uranium enriched in the isotope U-235 as is not then under contract. It is understood that, should contracts not be executed in accordance with a request by the Commission hereunder, the Commission shall be relieved of all obligations with respect to the uranium enriched in the isotope U-235 for which contracts have been so requested.

c. The enriched uranium supplied hereunder may contain up to twenty percent (20%) in the isotope U-235. A portion of the uranium enriched in the isotope U-235 supplied hereunder may be made available as material containing more than twenty percent (20%) in the isotope U-235 when the Commission finds there is a technical or economic justification for such a transfer.

D. It is understood, unless otherwise agreed, that, in order to assure the availability of the entire quantity of uranium enriched in the isotope U-235 allocated hereunder for a particular reactor project described in the Appendix, it will be necessary for the construction of the project to be initiated in accordance with the schedule set forth in the Appendix and for the Government of the Federative Republic of Brazil or persons authorized by it to execute a contract for that quantity in time to allow the Commission to provide the material for the first fuel loading. It is also understood that, if the Government of the Federative Republic of Brazil or persons authorized by it desire to contract for less than the entire quantity of uranium enriched in the isotope U-235 allocated for a particular project or terminate the supply contract after execution, the remaining quantity allocated for that project shall cease to be available and the maximum adjusted net quantity of U-235 provided for in Article IX shall be reduced accordingly, unless otherwise agreed.

E. Within the limitations contained in Article IX, the quantity of uranium enriched in the isotope U-235 transferred under Article VI, paragraph B or Article VII and under the jurisdiction of the Government of the Federative Republic of Brazil for the fueling of reactors or reactor experiments shall not at any time be in excess of the quantity necessary for the loading of such reactors or reactor experiments, plus such additional quantity as, in the opinion of the Parties, is necessary for the efficient and continuous operation of such reactors or reactor experiments.

F. When any special nuclear material received from the United States of America pursuant to this Agreement or the superseded Agreement requires reprocessing, or any irradiated fuel elements containing fuel material received from the United States of America pursuant to this Agreement or the superseded Agreement are to be removed from a reactor and are to be altered in form or content, such reprocessing or alteration may be performed in Brazilian facilities upon a joint determination of the Parties that the provisions of Article XI may be effectively applied, or in other facilities as may be mutually agreed.

G. Special nuclear material produced as a result of irradiation processes in any part of the fuel that may be leased by the Commission under this Agreement or the superseded Agreement shall be for the account of the lessee and, after reprocessing as provided in paragraph F of this Article, title to such produced material shall be in the lessee unless the Commission and the lessee otherwise agree.

H. No special nuclear material produced through the use of material transferred to the Government of the Federative Republic of Brazil or to authorized persons under its jurisdiction, pursuant to this Agreement or the superseded Agreement, will be transferred to the jurisdiction of any other nation or group of nations, except as the Commission may agree to such a transfer.

I. Some atomic energy materials which may be provided in accordance with this Agreement, or which have been provided to the Government of the Federative Republic of Brazil under the superseded Agreement, are harmful to persons and property unless handled and used carefully. After delivery of such materials, the Government of the Federative Republic of Brazil shall bear all responsibility, insofar as the Government of the United States of America is concerned, for the safe handling and use of such materials. With respect to any special nuclear material or fuel elements which the Commission may, pursuant to this Agreement, lease to the Government of the Federative Republic of Brazil or to any authorized person under its jurisdiction, or may have leased pursuant to the superseded Agreement to the Government of the Federative Republic of Brazil, the Government of the Federative Republic of Brazil shall indemnify and save harmless the Government of the United States of America against any and all liability (including third party liability) for any cause whatsoever arising out of the production or fabrication, the ownership, the lease and the possession and use of such special nuclear material or fuel elements after delivery by the Commission to the Government of the Federative Republic of Brazil or to any such authorized person under its jurisdiction.

Article IX

A. The adjusted net quantity of U-235 in enriched uranium transferred from the United States of America to the Federative Republic of Brazil under Articles IV, VI, and VII during the period of this Agreement for Cooperation, or under the superseded Agreement, shall not exceed in the aggregate 12,300 kilograms. The following method of computation shall be used in calculating transfers, within the ceiling quantity of 12,300 kilograms of U-235, made under the said Articles or the superseded Agreement:

From:

(1) The quantity of U-235 contained in enriched uranium transferred under the said Articles or the superseded Agreement, minus

(2) The quality of U-235 contained in an equal quantity of uranium of normal isotopic assay,

Subtract:

(3) The aggregate of the quantities of U-235 contained in recoverable uranium of United States origin either returned to the United States of America or transferred to any other nation or group of nations with the approval of the Government of the United States of America pursuant to this Agreement or the superseded Agreement, minus

(4) The quantity of U-235 contained in an equal quantity of uranium of normal isotopic assay.

B. The quantity of plutonium transferred from the United States of America to the Federative Republic of Brazil under Articles IV, VI and VII during the period of this Agreement for Cooperation, or under the superceded Agreement, shall not exceed a net amount of twenty (20) kilograms. The net amount of plutonium shall be the gross quantity transferred to the Government of the Federative Republic of Brazil, or to authorized persons under the jurisdiction of the Government of the Federative Republic of Brazil, less the quantity which has been returned to the United States of America or transferred to any other nation or group of nations with the agreement of the Government of the United States of America pursuant to this Agreement.

Article X

A. The Government of the Federative Republic of Brazil guarantees that:

(1) Safeguards provided in Article XI shall be maintained.

(2) No material, including equipment and devices, transferred to the Government of the Federative Republic of Brazil or authorized persons under its jurisdiction by purchase or otherwise pursuant to this Agreement or to the superseded Agreement, and no special nuclear material produced through the use of such material, equipment or devices, will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose.

(3) No material, including equipment and devices, transferred to the Government of the Federative Republic of Brazil or to authorized persons under its jurisdiction pursuant to this Agreement or the superseded Agreement will be transferred to authorized persons or beyond the jurisdiction of the Government of the Federative Republic of Brazil except as the Commission may agree to such a transfer to the jurisdiction of another nation or group of nations, and then only if, in the opinion of the Commission, the transfer is within the scope of an Agreement for cooperation between the Government of the United States of America and the other nation or group of nations.

B. The Government of the United States of America guarantees that:

(1) No material, including equipment and devices, transferred to the Government of the United States of America or authorized persons under its jurisdiction by purchase or otherwise pursuant to this Agreement or the superseded Agreement, and no special nuclear material produced through the use of such material, including equipment or devices, or an equivalent amount of material of the same type as such transferred or produced material substituted therefor, will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose.

(2) No material, including equipment and devices, transferred to the Government of the United States of America or to authorized persons under its jurisdiction pursuant to this Agreement or the superseded Agreement will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the United States of America except as the Government of the Federative Republic of Brazil may agree to such a transfer to the jurisdiction of another nation or group of nations, and then only if, in the opinion of the Government of the Federative Republic of Brazil, the transfer is within the scope of an Agreement for Cooperation between the Government of the Federative Republic of Brazil and the other nation or group of nations.

Article XI

A. The Government of the United States of America and the Government of the Federative Republic of Brazil emphasize their common interest in assuring that any material, equipment or devices made available to the Government of the Federative Republic of Brazil or any authorized person under its jurisdiction pursuant to this Agreement or the superseded Agreement shall be used solely for civil purposes.

B. Except to the extent that the safeguards rights provided for in this Agreement are suspended by virtue of the application of safeguards of the International Atomic Energy Agency, as provided in Article XII, the Government of the United States of America, notwithstanding any other provisions of this Agreement, shall have the following rights:

(1) With the objective of assuring design and operation for civil purposes and permitting effective application of safeguards, to review the design of any

(a) reactor, and

(b) other equipment and devices the design of which the Commission determines to be relevant to the effective application of safeguards,

which are to be made available under this Agreement, or have been made available under the superseded Agreement, to the Government of the Federative Republic of Brazil or to any authorized person under its jurisdiction by the Government of the United States of America or any person under its jurisdiction, or which are to use, fabricate, or process any of the following materials so made available: source material, special nuclear material, moderator material, or other material designated by the Commission;

(2) With respect to any source material or special nuclear material made available to the Government of the Federative Republic of Brazil or to any authorized person under its jurisdiction under this Agreement or the superseded Agreement by the Government of the United States of America or any person under its jurisdiction and any source material or special nuclear material utilized in, recovered from, or produced as a result of the use of any of the following materials, equipment or devices so made available:

(a) source material, special nuclear material, moderator material, or other material designated by the Commission,

(b) reactors, and

(c) any other equipment or devices designated by the Commission as an item to be made available on the condition that the provisions of this paragraph B (2) will apply,

(i) to require the maintenance and production of operating records and to request and receive reports for the purpose of assisting in ensuring accountability for such materials, and

(ii) to require that any such material in the custody of the Government of the Federative Republic of Brazil or any person under its jurisdiction be subject to all of the safeguards provided for in this Article and the guarantees set forth in Article X;

(3) To approve facilities which are to be used for the storage of any of the special nuclear material referred to in paragraph B(2) of this Article which is not required for atomic energy programs in the Federative Republic of Brazil and which is not transferred beyond the jurisdiction of the Government of the Federative Republic of Brazil or otherwise disposed of pursuant to an arrangement mutually acceptable to the Parties;

(4) To designate, after consultation with the Government of the Federative Republic of Brazil, personnel who, accompanied, if either Party so requests, by personnel designated by the Government of the Federative Republic of Brazil, shall have access in the Federative Republic of Brazil to all places and data necessary to account for the source material and special nuclear material which are subject to paragraph B(2) of this Article to determine whether there is compliance with this Agreement and to make such independent measurements as may be deemed necessary;

(5) In the event of non-compliance with the provisions of this Article or the guarantees set forth in Article X and the failure of the Government of the Federative Republic of Brazil to carry out the provisions of this Article within a reasonable time, to suspend or terminate this Agreement and to require the return of any materials, equipment and devices referred to in paragraph B(2) of this Article;

(6) To consult with the Government of the Federative Republic of Brazil in the matter of health and safety.

C. The Government of the Federative Republic of Brazil undertakes to facilitate the application of safeguards provided for in this Article.

D. The Government of the United States of America shall direct persons designated by it under the provisions of paragraph B(4) of this Article not to reveal to persons other than those authorized within the Government of the United States of America to receive such information on grounds of their official obligations in connection with safeguards, any industrial secret or confidential information which comes to their knowledge as a consequence of their official obligations established in the above-mentioned paragraph.

Article XII

A. The Government of the United States of America and the Government of the Federative Republic of Brazil note that, by an agreement signed by them and the International Atomic Energy Agency on March 10, 1967,[2] the Agency has been applying safeguards to materials, equipment and facilities transferred to the jurisdiction of the Government of the Federative Republic of Brazil under the superseded Agreement. The parties, recognizing the desirability of continuing to make use of the facilities and services of the International Atomic Energy Agency, agree that the Agency safeguards shall continue to apply to materials, equipment and facilities transferred under the superseded Agreement or to be transferred under this Agreement.

B. It is contemplated that the continued application of Agency safeguards pursuant to this Article will be accomplished as provided in the above-mentioned trilateral agreement among the Parties and the Agency, as it may be amended from time to time or supplanted by a new trilateral agreement. It is understood that, without modification of this Agreement, the safeguards rights accorded to the Government of the United States of America by Article XI of this Agreement will be suspended during the time and to the extent that the Government of the United States of America agree that the need to exercise such rights is satisfied by a safeguard agreement as contemplated in this paragraph.

C. In the event the applicable safeguards agreement referred to in paragraph B of this Article should be terminated prior to the expiration of this Agreement and the Parties should fail to agree within three months upon a resumption of Agency safeguards, either Party may, by notification, terminate this Agreement. Before either Party takes steps to terminate this Agreement, the Parties will carefully consider the economic effects of such termination. Neither Party will invoke its termination rights until the other Party has been given sufficient advance notice to permit arrangements by the Government of the Federative Republic of Brazil, if it is the other Party, for an alternative source of power and to permit adjustment by the Government of the United States of America, if it is the other Party, of production schedules. In the event of such termination by either Party, the Government of the Federative Republic of Brazil shall, at the request of the Government of the United States of America, return to the Government of the United States of America all special nuclear

[2] TIAS 6583; 19 UST 6322.

UMI

material received pursuant to this Agreement or the superseded Agreement and still in its possession or in the possession of persons under its jurisdiction. The Government of the United States of America will compensate the Government of the Federative Republic of Brazil or the persons under its jurisdiction for their interest in such material so returned at the Commission's schedule of prices then in effect in the United States of America.

Article XIII

The rights and obligations of the Parties provided for under this Agreement shall extend, to the extent applicable, to cooperative activities initiated under the superseded Agreement, including, but not limited to, information, material, equipment and devices transferred thereunder.

Article XIV

The "Agreement for Cooperation Between the Government of the United States of America and the Government of the United States of Brazil Concerning Civil Uses of Atomic Energy" signed on July 8, 1965, is superseded by this Agreement on the date this Agreement enters into force.

Article XV

This Agreement shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for entry into force of such Agreement[2] and shall remain in force for a period of thirty (30) years.

In witness whereof, the undersigned, duly authorized, have signed this Agreement.

Done at Washington, in duplicate in the English and Portuguese languages, both equally authentic, this seventeenth day of July, 1972.

For the Government of the United States of America:

U. ALEXIS JOHNSON,
JAMES R. SCHLESINGER,

For the Government of the Federative Republic of Brazil:

JOÃO AUGUSTO DE ARAUJO CASTRO.

APPENDIX

Brazilian enriched uranium power reactor program

Reactor: Angra I, 626 MWe, PWR.
Start of construction: 1972.
Criticality date: 1976.
Total KGS. U-235 required: 11,800.

[Atomic Energy—Application of Safeguards by the IAEA to the United States-Brazil Cooperation Agreement]

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA, BRAZIL, AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

Agreement signed at Vienna March 10, 1967; Entered into force October 31, 1968.

AGREEMENT BETWEEN THE INTERNATIONAL ATOMIC ENERGY AGENCY, THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED STATES OF BRAZIL FOR THE APPLICATION OF SAFEGUARDS

Whereas the Government of the United States of America and the Government of the United States of Brazil have been cooperating on the civil uses of atomic energy under their Agreement for Cooperation of 8 July 1965,[1] which requires that equipment, devices and materials made available to Brazil by the United States be used solely for peaceful purposes and establishes a system of safeguards to that end;

Whereas the Agreement for Cooperation reflects the mutual recognition of the two

soon as practicable;

Governments of the desirability of arranging for the Agency to administer safeguards as

[2] Sept. 20, 1972.
[1] TIAS 6126; 17 UST 1659.

Whereas the Agency is, pursuant to its Statute[2] and the action of its Board of Governors, now in a position to apply safeguards in accordance with the Agency's Safeguards Document and Inspectors Document;

Whereas the two Governments have reaffirmed their desire that equipment, devices and materials supplied by the United States under the Agreement for Cooperation or produced by their use or otherwise subject to safeguards under that Agreement shall not be used for any military purpose and have requested the Agency to apply safeguards to such materials, equipment and facilities as are covered by this Agreement; and

Whereas the Board of Governors of the Agency approved that request on 22 February 1966;

Now, therefore, the Agency and the two Governments agree as follows:

PART I

Definitions

Section 1. For the purposes of this Agreement:

(a) "Agency" means the International Atomic Energy Agency.

(b) "Board" means the Board of Governors of the Agency.

(c) "Agreement for Cooperation" means the agreement between Brazil and the United States for co-operation on the civil uses of atomic energy signed on 8 July 1965.

(d) "Inspectors Document" means the Annex to Agency document GC(V)/INF/39, which was placed in effect by the Board on 29 June 1961.

(e) "Inventory" means either of the lists of material, equipment and facilities described in Section 10.

(f) "Nuclear material" means any source or special fissionable material as defined in Article XX of the Agency's Statute.

(g) "Safeguards Document" means Agency document INFCIRC/66, which was approved by the Board on 28 September 1965.

(h) "United States" means the Government of the United States of America.

(i) "Brazil" means the Government of the United States of Brazil.

PART II

Undertakings by the Governments and the Agency

Section 2. Brazil undertakes that it will not use in such a way as to further any military purpose any material, equipment or facility while it is listed in the Inventory for Brazil.

Section 3. The United States undertakes that it will not use in such a way as to further any military purpose any special fissionable material, equipment or facility while it is listed in the Inventory for the United States.

Section 4. The Agency undertakes to apply safeguards in accordance with the provisions of this Agreement to materials, equipment and facilities while they are listed in the Inventories to ensure so far as it is able that they will not be used in such a way as to further any military purpose.

Section 5. Brazil and the United States undertake to facilitate the application of safeguards and to co-operate with the Agency and each other to that end.

Section 6. The United States agrees that its rights under Article VI of the Agreement for Cooperation to apply safeguards to equipment, devices and materials subject to that Agreement will be suspended with respect to materials, equipment and facilities while they are listed in the Inventory for Brazil. It is understood that no other rights and obligations of Brazil and the United States between themselves under Article VI and under other provisions of the Agreement for Cooperation, including those arising by reason of paragraph B of Article VII, will be affected by this Agreement.

Section 7. If the Agency is relieved, pursuant to Section 21(a), of its undertaking in Section 4, or if for any other reason the Board determines that the Agency is unable to ensure that any material, equipment or facility listed in an Inventory is not being used for any military purpose, the material, equipment or facility involved shall thereby automatically be removed from such Inventory until the Board determines that the Agency is again able to apply safeguards thereto. When, under this Section, an item is removed from the Inventory for either Government, the Agency may, at the request of the other Government, provide it with information available to the Agency about such material, equipment or facility in order to enable that Government to exercise effectively its rights thereto.

Section 8. Brazil and the United States shall promptly notify the Agency of any amendment to the Agreement for Cooperation and any notice of termination given with respect to that Agreement.

PART III

Inventories and notifications

Section 9.

(a) An initial list of all the materials, equipment and facilities which are within the jurisdiction of Brazil and subject to the Agreement for Cooperation shall be prepared by the two Governments and submitted jointly to the Agency as promptly as feasible after the entry into force of this Agreement. The Agency's acceptance thereof shall establish the Inventory for Brazil and the Agency will thereupon commence applying safeguards to such materials, equipment and facilities.

(b) Thereafter Brazil and the United States shall jointly notify the Agency of:

(i) Any transfer from the United States to Brazil under this Agreement for Cooperation of materials, equipment or facilities;

(ii) Any transfer from Brazil to the United States of any special fissionable material which has been included in the Inventory for Brazil pursuant to Section 12; and

(iii) Any other materials, equipment and facilities which as a consequence of the transfers referred to in (i) and (ii) above come within the scope of the Category described in Section 10 (b) or (c).

(c) The Agency shall, within 30 days of its receipt of a joint notification, advise both Governments either:

(i) That the items covered by the notification are listed in the appropriate Inventory as of the date of the Agency's advice; or

(ii) That the Agency is unable to apply safeguards to such items, in which case, however, it may indicate at what future time or under what conditions it would be able to apply safeguards thereto if the Governments so desire.

Section 10. The Agency shall establish and maintain the Inventory with respect to each Government which shall be divided into three Categories.

(a) Category I of the Inventory with respect to Brazil shall list:

(i) Equipment and facilities transferred to Brazil;

(ii) Material transferred to Brazil or material substituted therefor in accordance with paragraph 25 or 26(d) of the Safeguards Document;

(iii) Special fissionable materials produced in Brazil, as specified in Section 12, or any material substituted therefor in accordance with paragraph 25 or 26(d) of the Safeguards Document; and

(iv) Nuclear materials, other than those which are listed under (ii) or (iii) above, which are processed or used in any of the materials, equipment or facilities listed under (i), (ii) or (iii) above, or any material substituted therefor in accordance with

[2] TIAS 3873; 8 UST 1093.

paragraph 25 or 26(d) of the Safeguards Document.

(b) Category II of the Inventory with respect to Brazil shall list:

(i) Any facility while it incorporates any equipment listed in Category I of the Inventory for Brazil; and

(ii) Any equipment or facility while it is containing, using, fabricating or processing any material listed in Category I of the Inventory for Brazil.

(c) Category III of the Inventory with respect to Brazil shall list any nuclear material which would normally be listed in Category I of the Inventory for Brazil but which is not so listed because:

(i) It is exempt from safeguards in accordance with the provisions of paragraph 21, 22 or 23 of the Safeguards Document; or

(ii) Safeguards thereon are suspended in accordance with the provisions of paragraph 24 or 25 of the Safeguards Document.

(d) Category I of the Inventory with respect to the United States shall list:

(i) Special fissionable material of whose transfer from Brazil the Agency has been notified pursuant to Section 9(b)(ii) or material substituted therefor, in accordance with paragraph 25 or 26(d) of the Safeguards Document; or

(ii) Special fissionable material produced in the United States, as specified in Section 12, or any material substituted therefor in accordance with paragraph 25 or 26(d) of the Safeguards Document.

(e) Category II of the Inventory with respect to the United States shall list any equipment or facility while it is containing, using, fabricating or processing any material listed in Category I of the Inventory for the United States.

(f) Category III of the Inventory with respect to the United States shall list any material which would normally be listed in Category I of the Inventory for the United States but which is not so listed because:

(i) It is exempt from Safeguards in accordance with the provisions of paragraph 21, 22 or 23 of the Safeguards Document; or

(ii) Safeguards thereon are suspended in accordance with the provisions of paragraph 24 or 25 of the Safeguards Document.

The Agency shall send copies of both Inventories to both Governments every twelve months and also at any other times specified by either Government in a request communicated to the Agency at least two weeks in advance.

Section 11. The notification by the two Governments provided for in Section 9(b)(i) shall normally be sent to the Agency not more than two weeks after the material, equipment or facility arrives in Brazil, except that shipments of source material in quantities not exceeding one metric ton shall not be subject to the two-week notification requirement but shall be reported to the Agency at intervals not exceeding three months. All notifications under Section 9 shall include, to the extent relevant, the nuclear and chemical composition, the physical form, and the quantity of the material and/or the type and capacity of the equipment or facility involved, the date of shipment, the date of receipt, the identity of the consignor and consignee, and any other relevant information. The two Governments also undertake to give the Agency as much advance notice as possible of the transfer of large quantities of nuclear materials or major equipment or facilities.

Section 12. Eact Government shall notify the Agency, by means of its reports pursuant to the Safeguards Document, of any special fissionable material it has produced, during the period covered by the report, in or by the use of any of the materials, equipment or facilities described in Section 10(a), 10(b)(i) or 10(d). Upon receipt by the Agency of the notification, such produced material shall be listed in Category I of the Inventory, provided that any material so produced shall be deemed to be listed and therefore shall be subject to safeguards by the Agency from the time it is produced. The Agency may verify the calculations of the amounts of such materials; appropriate adjustment in the Inventory shall be made by agreement of the Parties; pending final agreement of the Parties, the Agency's calculations shall govern.

Section 13. The two Governments shall jointly notify the Agency of the transfer to the United States of any materials, equipment or facilities listed in the Inventory for Brazil. Upon receipt thereof by the United States:

(a) Materials described in Section 9(b)(ii) shall be transferred from the Inventory for Brazil to Category I of the Inventory for the United States;

(b) Other materials, and equipment or facilities shall be deleted from the Inventory.

Section 14. The two Governments shall jointly notify the Agency of any transfer of materials, equipment or facilities listed in Category I of the Inventory to a recipient which is not under the jurisdiction of either of the two Governments. Such materials, equipment or facilities may be transferred and shall thereupon be deleted from the Inventory, provided that:

(a) Arrangements have been made by the Agency to safeguard such materials, equipment or facilities; or

(b) The materials, equipment or facilities will be subject to safeguards other than those of the Agency but generally consistent with such safeguards and accepted by the Agency.

Section 15. Whenever either Government intends to transfer material or equipment, listed in Category I of its Inventory, to a facility within its jurisdiction which the Agency has not previously accepted for listing in that Government's Inventory, the Government shall so notify the Agency and may make the transfer to that facility only after the Agency has accepted the facility for listing in that Government's Inventory.

Section 16. The notifications provided for in Section 13, 14 and 15 shall be sent to the Agency at least two weeks before the material, equipment or facility is to be transferred. The contents of these notifications shall conform, as far as appropriate, to the requirements of Section 11.

Section 17. The Agency shall exempt from safeguards nuclear material under the conditions specified in paragraph 21, 22 or 23 of the Safeguards Documents and shall suspend safeguards with respect to nuclear materials under the conditions specified in paragraph 24 or 25 of the Document.

Section 18. The Agency shall terminate safeguards under this Agreement with respect to those items deleted from an Inventory as provided in Section 13(b) and 14 above. Nuclear material other than that covered by the preceding sentence shall be deleted from the Inventory and Agency safeguards thereon shall be terminated as provided in paragraph 26 of the Safeguards Document.

PART IV

Safeguards procedures

Section 19. In applying safeguards, the Agency shall observe the principles set forth in paragraphs 9 through 14 of the Safeguards Document.

Section 20. The safeguards to be applied by the Agency to the items listed in the Inventories are those procedures specified in Part III of the Safeguards Document. The Agency shall make subsidiary arrangements with each Government concerning the implementation of safeguards procedures. The Agency shall have the right to request the information referred to in paragraph 41 of the Safeguards Document and to make the inspections referred to in paragraphs 51 and 52 of the Safeguards Document.

Section 21. If the Board determines that there has been any noncompliance with this Agreement, the Board shall call upon the Government concerned to remedy such noncompliance forthwith, and shall make such reports as it deems appropriate. If the Government fails to take fully corrective action within a reasonable time:

(a) The Agency shall be relieved of its undertaking to apply safeguards under Section 4 for such time as the Board determines that the Agency cannot effectively apply the safeguards provided for in this Agreement; and

(b) The Board may take any measures provided for in Article XII.C of the Statute.

The Agency shall promptly notify both Governments in the event of any determination by the Board pursuant to this Section.

PART V

Agency inspectors

Section 22. Agency inspectors performing functions pursuant to this Agreement shall be governed by paragraphs 1 through 7 and 9, 10, 12 and 14 of the Inspectors Document. However, paragraph 4 of the Inspectors Document shall not apply with regard to any facility or to nuclear material to which the Agency has access at all times. The actual procedures to implement paragraph 50 of the Safeguards Document in the United States and in Brazil shall be agreed between the Agency and the Government concerned before the facility or material is listed in the Inventory.

Section 23. Brazil shall apply the relevant provisions of the Agreement on the Privileges and Immunities of the Agency to Agency inspectors performing functions under this Agreement and to any property of the Agency used by them.

Section 24. The provisions of the International Organizations Immunities Act of the United States shall apply to Agency inspectors performing functions in the United States of America under this Agreement and to any property of the Agency used by them.

PART VI

Finance

Section 25. Each Party shall bear any expense incurred in the implementation of its responsibilities under this Agreement. The Agency shall reimburse each Government for any special expenses, including those referred to in paragraph 6 of the Inspectors Document, incurred by the Government or persons under its jurisdiction at the written request of the Agency, if the Government notified the Agency before the expense was incurred that reimbursement would be required. These provisions shall not prejudice the allocation of expenses attributable to a failure by a Party to comply with this Agreement.

Section 26.

(a) Brazil shall ensure that any protection against third-party liability, including any insurance or other financial security in respect of a nuclear incident occurring in a nuclear installation under its jurisdiction shall apply to the Agency and its inspectors when carrying out their functions under this Agreement as that protection applies to nationals of Brazil.

(b) In carrying out its functions under this Agreement within the United States, the Agency and its personnel shall be covered to the same extent as United States nationals by any protection against third-party liability provided under the Price-Anderson Act, including insurance or other indemnity coverage that may be required by the Price-Anderson Act with respect to nuclear incidents within the United States.

Settlement of disputes

Section 27. Any dispute arising out of the interpretation or application of this Agreement which is not settled by negotiation or as may otherwise be agreed by the Parties concerned shall on the request of any Party

UMI

be submitted to an arbitral tribunal composed as follows:

(a) If the dispute involves only two of the Parties to this Agreement, all three Parties agreeing that the third is not concerned, the two Parties involved shall each designate one arbitrator, and the two arbitrators so designated shall elect a third, who shall be the Chairman. If within thirty days of the request for arbitration either Party has not designated an arbitrator, either Party to the dispute may request the President of the International Court of Justice to appoint an arbitrator. The same procedure shall apply if, within thirty days of the designation or appointment of the second arbitrator, the third arbitrator has not been elected; or

(b) If the dispute involves all three Parties to this Agreement, each Party shall designate one arbitrator, and the three arbitrators so designated shall by unanimous decision elect a fourth arbitrator, who shall be the Chairman, and a fifth arbitrator. If within thirty days of the request for arbitration any Party has not designated an arbitrator, any Party may request the President of the International Court of Justice to appoint the necessary number of arbitrators. The same procedure shall apply if, within thirty days of the designation or appointment of the third of the first three arbitrators, the Chairman or the fifth arbitrator has not been elected.

A majority of the members of the arbitral tribunal shall constitute a quorum, and all decisions shall be made by majority vote. The arbitral procedure shall be fixed by the tribunal. The decisions of the tribunal, including all rulings concerning its constitution, procedure, jurisdiction and the division of the expenses of arbitration between the Parties, shall be binding on all Parties. The remuneration of the arbitrators shall be determined on the same basis as that of ad hoc judges of the International Court of Justice.

Section 28. Decisions of the Board concerning the implementation of this Agreement, except such as relate only to Part VI, shall, if they so provide, be given effect immediately by the Parties, pending the final settlement of any dispute.

PART VIII

Amendment, modifications, entry into force and duration

Section 29. The Parties shall, at the request of any one of them, consult about amending this Agreement. If the Board modifies the Safeguards Document, or the scope of the safeguards system, this Agreement shall be amended at the request of the Governments to take account of any or all such modifications. If the Board modifies the Inspectors Document, this Agreement shall be amended at the request of the Governments to take account of any or all such modifications.

Section 30.

(a) This Agreement shall be signed by the Director General of the Agency or his representative and by the authorized representative of each Government.

(b) This Agreement shall enter into force on the date on which the Agency shall have received from the two Governments written notification that they have complied with all statutory and constitutional requirements for its entry into force.[2]

Section 31. This Agreement shall remain in force during the term of the Agreement for Cooperation, as extended from time to time, unless terminated sooner by any Party upon six months' notice to the other Parties or as may otherwise be agreed. It may be prolonged for further periods as agreed by the Parties and may be terminated sooner by any Party on six months' notice to the other Parties or as may be otherwise agreed. However, this Agreement shall remain in force with regard to any nuclear material referred to in Section 10(a)(iii) or 10(d) until the Agency has notified both Governments that it has terminated safeguards on such material in accordance with Section 18.

DONE in Vienna, this 10th day of March 1967, in triplicate in the English language.

FOR THE INTERNATIONAL ATOMIC ENERGY AGENCY:

SIGVARD EKLUND

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

VERNE B. LEWIS,

FOR THE GOVERNMENT OF THE UNITED STATES OF BRAZIL:

HELIO F. S. BITTENCOURT.

[Atomic Energy—Application of Safeguards by the IAEA to the United States-Brazil Cooperation Agreement]

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA, BRAZIL, AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

Agreement amending the agreement of March 10, 1967. Signed at Vienna July 27, 1972; Entered into force September 20, 1972.

AGREEMENT TO AMEND THE AGREEMENT BETWEEN THE INTERNATIONAL ATOMIC ENERGY AGENCY, THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED STATES OF BRAZIL FOR THE APPLICATION OF SAFEGUARDS

Whereas the Government of the United States of America and the Government of the Federative Republic of Brazil have been cooperating on the civil uses of atomic energy under their Agreement for Co-operation signed on 8 July 1965,[1] which requires that equipment, devices and materials made available to Brazil by the United States be used solely for peaceful purposes;

Whereas the Agreement for Co-operation signed on 8 July 1965 has been superseded by an Agreement for Co-operation signed on 17 July 1972,[2] which requires that equipment, devices and materials made available to Brazil by the United States under either Agreement be used solely for peaceful purposes;

Whereas the International Atomic Energy Agency has been applying safeguards in accordance with the provisions of the Agreement between the International Atomic Energy Agency, the Government of the United States of America and the Government of the United States of Brazil for the Application of Safeguards of 10 March 1967[3] to equipment, materials and facilities required to be safeguarded under the Agreement for Co-operation of 8 July 1965 to ensure so far as it is able that they will not be used in such a way as to further any military purpose;

Whereas the Agency and the two Governments desire to amend the Agreement of 10 March 1967 to apply safeguards to materials, equipment and facilities required to be safeguarded by the Agreement for Co-operation of 17 July 1972;

Now, therefore, the Agency and the two Governments agree as follows:

Section 1. The Agreement for the Application of Safeguards of 10 March 1967 is amended as follows:

A. The first Whereas clause is amended to read as follows:

"Whereas the Government of the United States of America and the Government of the Federative Republic of Brazil have agreed to continue co-operating on the civil uses of atomic energy under their Agreement for Co-operation of 17 July 1972, which requires that equipment, devices and materials made available to Brazil by the United States be used solely for peaceful purposes and establishes a system of safeguards to that end"

B. The fifth Whereas clause is amended to read as follows:

"Whereas the Board of Governors of the Agency approved that request on 29 February 1972"

C. Section 1(c) is amended to read as follows:

"(c) 'Agreement for Co-operation' means the agreement between Brazil and the United States for co-operation on the civil uses of atomic energy signed on 17 July 1972, as it may be amended"

D. Section 1(g) is amended to read as follows:

"(g) 'Safeguards Document' means Agency document INFCIRC/66/Rev. 2, which contains provisions approved by the Board on 28 September 1965, 17 June 1966, and 13 June 1968"

E. Section 1(i) is amended to read as follows:

"(i) 'Brazil' means the Government of the Federative Republic of Brazil"

F. Section 6 is amended by deleting "Article VI of" in the first sentence, and by deleting the second sentence and inserting the following language in lieu thereof:

"It is understood that no other rights and obligations of Brazil and the United States between themselves under the Agreement for Co-operation will be affected by this Agreement"

G. Section 20 is amended by deleting "Part III of" in the first sentence.

Section 2. The present Agreement shall be signed by or for the Director General of the Agency and by the authorized representatives of Brazil and the United States and shall enter into force on the date upon which the Agreement for Co-operation of 17 July 1972 enters into force.[4] The two Governments shall notify the Agency of the date of the entry into force of the Agreement for Co-operation of 17 July 1972 within one week after that date.

Done in Vienna, this twenty-seventh day of July 1972, in triplicate in the English language.

For the International Atomic Energy Agency:

A. FINKELSTEIN.

For the Government of the United States of America:

DWIGHT J. PORTER.

For the Government of the Federative Republic of Brazil:

HELIO F. S. BITTENCOURT.

TREATY ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS

The States concluding this Treaty, hereinafter referred to as the "Parties to the Treaty",

Considering the devastation that would be visited upon all mankind by a nuclear war and the consequent need to make every effort to avert the danger of such a war and to take measures to safeguard the security of peoples,

Believing that the proliferation of nuclear weapons would seriously enhance the danger of nuclear war,

In conformity with resolutions of the United Nations General Assembly calling for the conclusion of an agreement on the prevention of wider dissemination of nuclear weapons,

Undertaking to co-operate in facilitating the application of International Atomic Energy Agency safeguards on peaceful nuclear activities,

Expressing their support for research, development and other efforts to further the application, within the framework of the International Atomic Energy Agency safeguards system, of the principle of safeguarding effectively the flow of source and special fissionable materials by use of instruments and other techniques at certain strategic points,

Affirming the principle that the benefits of peaceful applications of nuclear technology, including any technological by-products which may be derived by nuclear-weapon States from the development of nuclear explosive devices, should be available for peaceful purposes to all Parties to the Treaty, whether nuclear-weapon or non-nuclear-weapon States,

Convinced that, in furtherance of this principle, all Parties to the Treaty are entitled to participate in the fullest possible exchange of scientific information for, and to contribute alone or in co-operation with other States to, the further development of the applications of atomic energy for peaceful purposes,

Declaring their intention to achieve at the earliest possible date the cessation of the nuclear arms race and to undertake effective measures in the direction of nuclear disarmament,

Urging the co-operation of all States in the attainment of this objective,

Recalling the determination expressed by the Parties to the 1963 Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water in its Preamble to seek to achieve the discontinuance of all test explosions of nuclear weapons for all time and to continue negotiations to this end,

Desiring to further the easing of international tension and the strengthening of trust between States in order to facilitate the cessation of the manufacture of nuclear weapons, the liquidation of all their existing stockpiles, and the elimination from national arsenals of nuclear weapons and the means of their delivery pursuant to a Treaty on general and complete disarmament under strict and effective international control,

Recalling that, in accordance with the Charter of the United Nations, States must refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State, or in any other manner inconsistent with the Purposes of the United Nations, and that the establishment and maintenance of international peace and security are to be promoted with the least diversion for armaments of the world's human and economic resources,

Have agreed as follows:

ARTICLE I

Each nuclear-weapon State Party to the Treaty undertakes not to transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices directly, or indirectly; and not in any way to assist, encourage, or induce any non-nuclear-weapon State to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices, or control over such weapons or explosive devices.

ARTICLE II

Each non-nuclear-weapon State Party to the Treaty undertakes not to receive the transfer from any transferor whatsoever of nuclear weapons or other nuclear explosive devices or of control over such weapons or explosive device directly, or indirectly; not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices; and not to seek or receive any assistance in the manufacture of nuclear weapons or other nuclear explosive devices.

ARTICLE III

1. Each non-nuclear-weapon State Party to the Treaty undertakes to accept safeguards, as set forth in an agreement to be negotiated and concluded with the International Atomic Energy Agency in accordance with the Statute of the International Atomic Energy Agency and the Agency's safeguards system, for the exclusive purpose of verification of the fulfilment of its obligations assumed under this Treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices. Procedures for the safeguards required by this Article shall be followed with respect to source or special fissionable material whether it is being produced, processed or used in any principal nuclear facility or is outside any such facility. The safeguards required by this Article shall be applied on all source or special fissionable material in all peaceful nuclear activities within the territory of such State, under its jurisdiction, or carried out under its control anywhere.

2. Each State Party to the Treaty undertakes not to provide: (*a*) source of special fissionable material, or (*b*) equipment or material especially designed or prepared for the processing, use or production of special fissionable material, to any non-nuclear-weapon State for peaceful purposes, unless the source of special fissionable material shall be subject to the safeguards required by this Article.

3. The safeguards required by this Article shall be implemented in a manner designed to comply with Article IV of this Treaty, and to avoid hampering the economic or technological development of the Parties or international co-operation in the field of peaceful nuclear activities, including the international exchange of nuclear material and equipment for the processing, use or production of nuclear material for peaceful purposes in accordance with the provisions of this Article and the principle of safeguarding set forth in the Preamble of the Treaty.

4. Non-nuclear-weapon States Party to the Treaty shall conclude agreements with the International Atomic Energy Agency to meet the requirements of this Article either individually or together with other States in accordance with the Statute of the International Atomic Energy Agency. Negotiation of such agreements shall commence within 180 days from the original entry into force of this Treaty. For States depositing their instruments of ratification or accession after the 180-day period, negotiation of such agreements shall commence not later than the date of such deposit. Such agreements shall enter into force not later than eighteen months after the date of initiation of negotiations.

ARTICLE IV

1. Nothing in this Treaty shall be interpreted as affected the inalienable right of all the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with Articles I and II of this Treaty.

2. All the Parties to the Treaty undertake to facilitate, and have the right to participate in, the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy. Parties to the Treaty in a position to do so shall also co-operate in contributing alone or together with other States or international organizations to the further development of the applications of nuclear energy for peaceful purposes, especially in the territories of non-nuclear-weapon States Party to the Treaty, with due consideration for the needs of the developing areas of the world.

ARTICLE V

Each Party to the Treaty undertakes to take appropriate measures to ensure that, in accordance with this Treaty, under appropriate international observation and through appropriate international procedures, potential benefits from any peaceful applications of nuclear explosions will be made available to non-nuclear weapon States Party to the Treaty on a non-discriminatory basis and that the charge to such Parties for the explosive devices used will be as low as possible and exclude any charge for research and development. Non-nuclear-weapon States Party to the Treaty shall be able to obtain such benefits, pursuant to a special international agreement or agreements, through an appropriate international body with adequate representation of non-nuclear-weapon States. Negotiations on this subject shall commence as soon as possible after the Treaty so desiring may also obtain such benefits pursuant to bilateral agreements.

ARTICLE VI

Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control.

ARTICLE VII

Nothing in this Treaty affects the right of any group of States to conclude regional treaties in order to assure the total absence of nuclear weapons in their respective territories.

ARTICLE VIII

1. Any Party to the Treaty may propose amendments to this Treaty. The text of any proposed amendment shall be submitted to the Depositary Governments which shall circulate it to all Parties to the Treaty. Thereupon, if requested to do so by one-third or more of the Parties to the Treaty, the Depositary Governments shall convene a conference, to which they shall invite all the Parties to the Treaty, to consider such an amendment.

2. Any amendment to this Treaty must be approved by a majority of the votes of all the Parties to the Treaty, including the votes of all nuclear-weapon States Party to the Treaty and all other Parties which, on the date the amendment is circulated, are members of the Board of Governors of the International Atomic Energy Agency. The amendment shall enter into force for each Party that deposits its instrument of ratification of the amendment upon the deposit of such instruments of ratification by a majority of all the Parties, including the instruments of ratification of all nuclear-weapon States Party to the Treaty and all other Parties which, on the date the amendment is circulated, are members of the Board of Governors of the International Atomic Energy Agency. Thereafter, it shall enter into force for any other Party upon the deposit of its instrument of ratification of the amendment.

3. Five years after the entry into force of this Treaty, a conference of Parties to the Treaty shall be held in Geneva, Switzerland, in order to review the operation of this Treaty with a view to assuring that the purposes of the Preamble and the provisions of the Treaty are being realised. At intervals of five years thereafter, a majority of the Parties to the Treaty may obtain, by submitting a proposal to this effect to the Depositary Governments, the convening of further conferences with the same objective of reviewing the operation of the Treaty.

ARTICLE IX

1. This Treaty shall be open to all States for signature. Any State which does not sign the Treaty before its entry into force in accordance with paragraph 3 of this Article may acceed to it at any time.

2. This Treaty shall be subject to ratification by signatory States. Instruments of ratification and instruments of accession shall be deposited with the Governments of the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics and the United States of America, which are hereby designated the Depositary Governments.

---

[2] Oct. 31, 1968.

[1] TIAS 6126; 17 UST 1659.

[2] TIAS 7439; 23 UST.

[3] TIAS 6583; 19 UST 6322.

[4] Sept. 20, 1972.

UMI

3. This Treaty shall enter into force after its ratification by the States, the Governments of which are designated Depositaries of the Treaty, and forty other States signatory to this Treaty and the deposit of their instruments of ratification. For the purposes of this Treaty, a nuclear-weapon State is one which has manufactured and exploded a nuclear weapon or other nuclear explosive device prior to 1 January, 1967.

4. For States whose instruments of ratification or accession are deposited subsequent to the entry into force of this Treaty, it shall enter into force on the date of the deposit of their instruments of ratification or accession.

5. The Depositary Governments shall promptly inform all signatory and acceding States of the date of each signature, the date of deposit of each instrument of ratification or of accession, the date of the entry into force of this Treaty, and the date of receipt of any requests for convening a conference or other notices.

6. This Treaty shall be registered by the Depositary Governments pursuant to Article 102 of the Charter of the United Nations.

ARTICLE X

1. Each Party shall in exercising its national sovereignty have the right to withdraw from the Treaty if it decides that extraordinary events, related to the subject matter of this Treaty, have jeopardized the supreme interests of its country. It shall give notice of such withdrawal to all other Parties to the Treaty and to the United Nations Security Council three months in advance. Such notice shall include a statement of the extraordinary events it regards as having jeopardized its supreme interests.

2. Twenty-five years after the entry into force of the Treaty, a conference shall be convened to decide whether the Treaty shall continue in force indefinitely, or shall be extended for an additional fixed period or periods. This decision shall be taken by a majority of the Parties to the Treaty.

ARTICLE XI

This Treaty, the English, Russian, French, Spanish and Chinese texts of which are equally authentic, shall be deposited in the archives of the Depositary Governments. Duly certified copies of this Treaty shall be transmitted by the Depositary Governments to the Governments of the signatory and acceding States.

In witness whereof the undersigned, duly authorized, have signed this Treaty.

Done in triplicate, at the cities of London, Moscow and Washington, the first day of July, one thousand nine hundred and sixty-eight.

Mr. SYMINGTON. Mr. President, will the distinguished Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. SYMINGTON. I would congratulate him on being the one person to consistently bring before Congress and the people the steadily growing danger incident to nuclear proliferation and nuclear weaponry and the dangers connected therewith.

As a member of the Joint Atomic Energy Committee, and with the privilege of serving under him as chairman, I, too, was shocked—that is a fair word—at the arrangements the West Germans have made with Brazil.

Does the Senator know of any arrangement with Brazil which would result in plutonium being shipped back to West Germany?

Mr. PASTORE. No; I do not know about that particular arrangement, but they do not have to ship it back. They are giving them the full cycle. They are giving them reprocessing, the know-how and the technology. Of course, the argument is going to be made by the West German Government that they are going to put this under the safeguards of the international organization, which may be true. But on the other hand there is nothing that stops Brazil from building their own indigenous plants by using the technology that the West Germans give them. Then they will say, "We do not have to be under safeguards at all."

Here we are, we have nuclear bombs in Latin America. Then the next thing is Argentina, maybe Chile, maybe somebody else. What do we do? We are making an atomic fortress in Latin America, after the American taxpayers have spent billions and billions of dollars in West Germany and in Europe to protect them against a peril, and they are constituting one in our own backyard. Are we going to have Cuba all over again?

Mr. SYMINGTON. I believe it would be possible the Germans might want plutonium. As everyone knows, West Germany is between two great nuclear powers, the Soviet Union and France. The Soviets have signed the nonproliferation treaty. France has not signed or ratified it, but rather has consistently adopted unilateral policies in this nuclear field.

We spent many hours yesterday discussing the number of our military people in Europe, primarily in West Germany. What we are talking about this morning is the development of a situation which could wipe out most of those people with one or two airplanes or one or two missiles.

I again commend the Senator for bringing up this vital subject and would ask this question: Yesterday on the ticker, although a small development, could it not be a camel's nose under the tent when Libya makes arrangements with the Soviet Union to obtain small reactors comparable perhaps to what we gave Brazil to start them off in the art, but which could be increased into a complete nuclear armament cycle as West Germany apparently has now given Brazil?

Mr. PASTORE. Well, of course, everything is possible. From my investigation, I do not think that is very likely to happen for the simple reason that that is a 2 megawatt research reactor with the possibility of being accelerated to 10 megawatts. Beyond that it comes under the safeguards and inspection. There is no technology involved. I mean, there is a distinction in that case. As a matter of fact, the Soviets are doing in Libya what we have already done once in Brazil ourselves. There is a distinction to be made between granting the full cycle and only giving a research reactor which is under international control. First of all, the production of plutonium is very slight. It has to be reprocessed and they do not have the reprocessing facilities in those countries to begin with. It does not mean that they cannot build them, but, after all, when we talk about an undeveloped nation operating under such an arrangement that it is an entirely different thing.

The thing that disturbs me is not only has Brazil not signed the nonproliferation treaty, but the fact still remains that they are boasting of the fact that they have the capability and I understand the motivation to build an atomic bomb. We cannot stop them if they do that on their own, no more than they can stop us from doing anything we want to do on our own. But here we have an ally, West Germany, where we are so heavily committed.

The Senator from Montana (Mr. MANSFIELD), who has been introducing an amendment year in and year out to withdraw about 50 percent of our troops out of West Germany, and West Germany does not like the idea at all, only yesterday announced that he would not propose the amendment because of the lack of credibility or the likelihood of the lack of credibility among our NATO allies because of the debacle of South Vietnam.

Here we are. We have changed our mind about withdrawing our troops to assist them, to protect them. We are heavily committed there. And what are they doing? They are selling all of this technology to the Brazilian Government. How far is Brazil from Cuba? Is it in Latin America? Is it in the Western Hemisphere? What are we doing?

Mr. SYMINGTON. How far is Brazil from West Germany.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to proceed for 5 minutes.

Mr. MANSFIELD. Mr. President, if we could go into morning business now, I wish we could do so and the Senator from Missouri could be recognized.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. NUNN). Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

THE DANGER OF NUCLEAR PROLIFERATION

Mr. SYMINGTON. Mr. President, for many years, the Senator from Rhode Island has been the leader in warning of this great and growing danger realized probably the most important single problem in the world today.

I congratulate the able Chairman of the Joint Atomic Energy Committee for bringing up this latest startling development in the entire nuclear field.

Mr. GLENN. If the Senator will yield, I will stay within my 3-minute limit.

Mr. PASTORE. I yield.

Mr. GLENN. I do want to associate myself with the remarks of both able Senators and particularly congratulate the Senator from Rhode Island on his forthrightness in bringing this forward to the attention of the Senate and the American people. I think we have kept much of our nuclear policy based on an

exclusivity basis that no longer exists. I think this is evidence of that.

Scientific information does not remain the property of one nation for very long. I think much of our policy has remained based on that. We are seeing West Germany now contribute to the spread of nuclear know-how and potentially nuclear weapons around the world.

Other nations, whether it be Sweden, France, India, or whatever nation, could contribute to this later on. We all want to seek the benefits that can come to the world from the proper use of nuclear energy. So far, the limitations on that use have only been expressed through the very tentative at best arrangements of the International Atomic Energy Agency, which is the best we have, but which remains on a voluntary basis for cooperation. The nonproliferation treaty, which, as the Senator from Missouri pointed out, France has not even signed or agreed with and yet sends nuclear equipment around the world, is the only other way we have dreamed up so far of trying to somehow control this nuclear spread and keep it under control.

New techniques are becoming available almost daily in this field. I believe it is almost mandatory, as the Senators have pointed out, that we come up with some new way, whether it is a new incentive for people to cooperate, which we have talked about privately in the past in various meetings, or whether it is strengthening the arrangements that we have now.

I think the Senator from Rhode Island has very properly put his finger on what is a tremendously increasing danger around the world that we get in this whole Brazilian thing with West Germany, and our lack of control over it, pointing out the hazards that we face today in this area. I feel this should have the very highest priority of the President and the State Department in trying to work out whatever control methods we can that will not only strengthen the IAEA or the NPT signatory nations, their effect on the other nations of the world, but see if we can come up with new methods of control which would be more meaningful than what we have now.

We no longer have this monopoly of nuclear knowledge. It is spreading through many nations of the world. We have to come up with new techniques to control this or it is out of control. We can figure on every tiny nation in the world having its own atomic weapon in the next 15 or 20 years unless we do something now to control it.

I once again congratulate the Senator from Rhode Island and the Senator from Missouri on the lead they have taken in this area. I hope we can see our executive branch of Government and the State Department taking the lead. Hopefully, we can work with them through the Joint Atomic Energy Committee and the Government Operations Committee, which has oversight over the Nuclear Regulatory Commission, and get some kind of control in this area.

Mr. SYMINGTON. Will the able Senator yield?

Mr. GLENN. Certainly.

Mr. SYMINGTON. I commend him for his position. It is a matter about which he knows a very great deal, based on his past superb experience. I would ask the Senator: If the West Germans, where we already have put tens of billions of dollars in military equipment for their defense and apparently intend to continue to put billions in ground troops, planes, nuclear weapons, despite requests and advice of this Government, makes a deal of this character with Brazil, what would prevent one of the six members of the nuclear club, three of whom have not signed said treaty, or ratified it—what would prevent France—in return for an amount of oil from some of these Mideast countries, which have become unprecedently rich in recent years, the OPEC group, from giving them all the information necessary, if not weapons themselves, in return for oil if their economy was faced with disaster because of the lack of that fuel?

Mr. GLENN. I would think that there would be nothing that would prevent that. I think, in fact, just about a year and a half ago we saw a breakdown of international cooperation when the embargo hit in the Mideast that saw various nations scurrying about making their own private arrangements, quite apart from the common good that we all agreed to that everybody was adhering to before. I would think that the danger that the Senator alludes to would be a very real one, particularly with any embargo situation that is invoked in the future. I would think that we would face probably exactly the situation the Senator outlines.

Mr. PASTORE. Mr. President, the point that needs to be made here, and I have tried to emphasize that point, is, naturally, you cannot get a sovereign government to agree to sign any agreement that it does not want to sign. Naturally, of course, this has to be all done by mutual consent. The trouble is sometimes when you get into this area of mutual consent you get into certain compromises which do not lead to the strength that you need to enforce this nonproliferation, as the Senator has already pointed out.

But the serious question that I raised here today is that here we are, and this is being done by West Germany. I am not talking about France. France has not signed the nuclear nonproliferation treaty. We are talking about West Germany, and West Germany, of course, has just given Brazil the full cycle.

The present government in Brazil may be very amenable in their friendship to the United States. I am not questioning that at all. But we are living in a changing world where governments are being toppled over day by day. How do we know that we will not have another Castro in some other country in South America or Latin America?

Once that happens and they have the facilities to make a bomb, then we have something else to worry about.

It would be foolish to argue in the Chamber of the Senate, "Let us cut out the military budget" when we have a brand new peril right under the belly of the United States. That necessarily means that if Latin America goes nuclear, it means that we have to begin to be concerned about that and have to begin to take measures. Then you will be cutting down the military budget. You will be exacerbating that budget. And that is where the peril lies.

I say West Germany should have consulted the United States. After all, we consult them. The majority leader says we will forget the withdrawal of troops this year in order to satisfy them. Now they come along, and they give all the facilities to Brazil, which is not too far away from the United States of America, the capability to make a bomb.

I say of all the countries in the world that should not have done it is West Germany.

Mr. GLENN. If the Senator will yield for one further comment, I believe the significant part of this, as the Senator has pointed out, is that this is one of the first times that the complete cycle has been sold. Before this time, we have had various parts of the cycle, but this is one of the first deals, I believe, where we have seen a complete cycle sold, which includes all the reprocessing, everything that would permit a nation, not only to use this for nuclear energy, for legitimate purposes, but the reprocessing cycle gives them, for the first time, the total capability for plutonium use in the weaponry. Prior to this it has been sort of a reprocessing. It was held off as bait, or it was held off to one side. Nations were not given this very freely, because it did give the capability, then, for atomic weaponry that we do not want to see.

But what we are seeing now is the entry in the world business community of nuclear energy, on the basis just like any other source of energy, but it has the side effect here of once plutonium is available then of having it potentially available for atomic weaponry or a terrorist stealing of atomic weaponry, and so on.

I think we have to encourage the President and the best minds in Congress and the State Department to get going just as fast as possible on trying to get some new type control procedures because the old procedures are obviously not adequate to this new era in which we are entering.

Mr. PASTORE. That is correct.

Mr. GLENN. I thank the Senator very much.

Mr. SYMINGTON. Mr. President, will the Senator yield at that point?

Mr. GLENN. Certainly.

Mr. SYMINGTON. We computerized in the Joint Committee and found arrangements France has made with a country in the Middle East, fortunately, a country truly a friend of ours. As a result, by reprocessing the plutonium from the waste in question, that country could make 200 Hiroshima-type bombs a year. One Hiroshima bomb, as we know from testimony, killed 100,000 people.

So this is a practical matter, one which, unfortunately, when we were discussing forces in Europe, was almost disregarded in the debate, especially from the standpoint of proliferation and the growing sensitivity in West Germany of the fact the two countries located next

UMI

to it, the Soviet Union and France, have both become major nuclear powers.

It occurs that in their own interest they could be beginning to plan along nuclear lines themselves. The papers say one of the reasons we are given all these NATO reassurances is growing doubt that the real shield over NATO, the nuclear umbrella, is one they believe the American Government might not fulfill in a crunch.

So I think this is a very serious matter.

I again commend the Senator from Rhode Island for bringing this up, and also the Senator from Ohio for his remarks, and would hope we would worry less about numbers of divisions and conventional weapons and more about this steady proliferation of nuclear weapon proficiency all over the world.

Mr. PASTORE. Mr. President, I might conclude by saying this: If this agreement goes through at this time in this fashion, it will make a mockery out of the Monroe Doctrine.

Mr. RIBICOFF. Mr. President, the global spread of nuclear weapons capability is on the verge of running out of control.

This dangerous situation stems from the fact that the United States and other suppliers of nuclear facilities and materials have been unable to agree on safeguards for preventing the conversion of this peaceful technology into nuclear weapons by nations and terrorist groups.

The problem is as large and well-concealed as an iceberg, but a tip of the iceberg was seen on the front page of last Sunday's Washington Post in an article detailing how the West Germans beat out the United States for a multi-billion contract to sell several large reactors to Brazil.

I commend my good friend Senator PASTORE, the distinguished chairman of the Joint Committee on Atomic Energy, for drawing attention to this article and helping to focus public attention on the danger involved in the West German-Brazilian transaction. I share Senator PASTORE's concern that the ability to make atomic bombs will proliferate among nations in our own hemisphere and around the world unless West Germany and our other nuclear "allies" refrain from making clearly dangerous nuclear exports. That is why the Government Operations Committee has been considering legislation to tighten the interagency safeguards controls over U.S. nuclear exports. Only by setting a proper safeguards example at home with our own exports can we hope to convince other nuclear supplier nations to impose similar controls over their exports.

The Brazilian reactor contract went to West Germany because the West Germans were willing to export a uranium enrichment plant and a plutonium reprocessing plant as "sweeteners" to sell the reactors. The United States, knowing that the sale of such accessory facilities gives the purchasing country the capability to produce its own nuclear explosives, offered only reactors and reactor fuel to Brazil.

Now, according to Washington Post reporter Lewis H. Diuguid,

U.S. officials are concerned that the military-dominated government (of Brazil) has decided to opt for the bomb

The Brazilians are viewed as being in a race with their traditional rival, Argentina, to be the first to produce a nuclear explosion in South America. Neither nation has signed the 1970 Treaty for the Non-Proliferation of Nuclear Weapons—(NPT); nor are they members of a nuclear free zone that was established in Latin America by another treaty in 1967. Both treaties require nations to refrain from developing their own nuclear explosives and to submit to international inspection of all their nuclear facilities.

In another article in the May 30 issue of Science Magazine, "Nuclear Proliferation: India, Germany May Accelerate the Process," Robert Gillette reports that U.S. officials view India as being prepared to detonate its second nuclear explosion. India is not a party to the NPT, and a follow-up to its historic nuclear explosion of last year can only encourage other non-NPT nations like Brazil and Argentina to seek admission to the still-exclusive nuclear club. I ask unanimous consent that this article be inserted in the RECORD at the close of my remarks.

Mr. President, the development of nuclear weapons capability on the subcontinent, and the likelihood of it developing in Latin America and the Middle East, stem from the fierce competition among nuclear advanced nations to sell reactors to the oil-rich and developing nations. Until recently, the multibillion-dollar nuclear trade was dominated by the United States. It involved only the sale of research and power reactors and the enriched uranium needed to fuel them.

Today, however, nations like France and West Germany are rapidly closing what used to be a long U.S. lead in nuclear technology. They have developed their own versions of American reactors from blueprints licensed by American companies—principally General Electric and Westinghouse. Now French and West German companies like Framatome and Siemans are exporting these reactors, and their governments are permitting the inclusion of enrichment and reprocessing plants as inducements to pull nuclear trade away from the United States. Until now, the United States has continued to trade only in reactors and reactor fuel.

Hard economic times and the high price of oil have combined to establish a desperate need to sell and a desperate need to buy nuclear power reactors. Nothing less than balanced international payments and energy self-sufficiency are at stake.

The resulting cutthroat nuclear competition is leading to the spread of plutonium reprocessing and uranium enrichment facilities. The capability to produce nuclear explosives is spreading "like a plague" in the words of the Inspector General of the International Atomic Energy Agency, who is responsible for detecting the diversion of peaceful nuclear materials to weapons development.

An inquiry by the Senate Government Operations Committee has found that in addition to West Germany providing an entire nuclear fuel cycle to Brazil, France is supplying plutonium reprocessing technology and machinery to Pakistan, Taiwan and South Korea, and is assisting Argentina to build a pilot plutonium plant. The United States has provided computers to assist South Africa to develop its own uranium-enrichment facility. This means that at least six more nations soon will have a nuclear-explosion capability.

In truth, the United States must assume a major share of the responsibility for the present nuclear proliferation problem. We pioneered the civilian nuclear power technology, made it available to other nations through our atoms for peace program and still clearly dominate the worldwide nuclear power industry. Closer attention should have been given safeguards over the years, particularly to safeguards conditions on the reexport of U.S. nuclear technology by nations like France and West Germany.

Although the United States is gradually losing its monopoly over nuclear technology, we are by no means helpless to deal with the proliferation tendencies of other nations. We are still the nearly exclusive supplier of enriched uranium fuel for the free world's reactors. The old Atomic Energy Commission projected that we would still by supplying 40 to 60 percent of this precious fuel by 1990. This is still a substantial amount, giving the United States considerable leverage over the way nations that depend on us for nuclear fuel should conduct their nuclear affairs.

Another indicator of U.S. civilian nuclear clout is found in the recent Atomic Industrial Forum report that U.S. type reactors make up no less than 70 percent of the reactors already chosen by the world's 38 other nuclear-power nations.

In France, for example, of the 42 reactors operating, under construction and on order, no less than 33 are based on designs licensed by Westinghouse. Most of these reactors were manufactured by Framatone, a French manufacturer, of which Westinghouse is an important shareholder.

All of Germany's 34 reactors in operation, under construction or on order are U.S. type reactors. In the case of Germany, most of the reactors are built by Siemens and KWU, which are German manufacturers, using technology licensed by General Electric. GE is not a stockholder in these companies.

Why, then, should the United States have permitted France and West Germany to engage in the reexport of U.S. nuclear technology under safeguards conditions that are less stringent than those we impose on our own exports? The commercial licenses for the export of U.S. nuclear technology—that is, of nuclear blueprints and designs—were approved by the AEC, and now by its successor agency, the Energy Research and Development Administration—ERDA. Why did we not insist that nations benefiting from our reactor technology agree not to offer enrichment and reprocessing plants as inducements to sell their versions of our reactors?

The world cannot ignore us yet with respect to controlling nuclear proliferation. Our nuclear industry still dwarfs all others. According to ERDA, total U.S. nuclear exports—including facilities, services, technology, and fuel—came to $2.4 billion through last year. All foreign exports combined for the same period totaled $1.2 billion, or half the U.S. figure.

The United States has agreements for nuclear cooperation with 29 nations: Argentina, Australia, Austria, Brazil, Canada, Republic of China, Colombia, Finland, Greece, India, Indonesia, Iran, Ireland, Israel, Italy, Japan, Korea, Norway, Philippines, Portugal, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, United Kingdom, Venezuela, and Republic of Vietnam. About half of these nations have power reactors built by the United States. The remainder have research reactors and nuclear fuel provided by the United States. About two-thirds of the world's research reactors are U.S. built.

I ask unanimous consent to have printed in the RECORD a table showing the world's nuclear suppliers and the nations to whom they are supplying nuclear power reactors. Clearly, the United States dominates the world markets.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SUPPLIERS AND RECIPIENTS OF NUCLEAR POWERPLANTS

West Germany	Italy	United kingdom	France	Canada	United States	Belgium	Japan	Holland	Sweden	U.S.S.R.
Austria, Iran, Holland, Switzerland.	----------	Italy, Japan...	Belgium, Iran, Spain.	Argentina, India, South Korea, Pakistan.	Belgium, Brazil, Taiwan, France, India, Italy, Japan, South Korea, Mexico, Holland, Philippines, Spain, Sweden, Switzerland, Yugoslavia.	Switzerland.	----------	Finland.		Bulgaria, Czech, Finland, East Germany, Hungary.

Source: Atomic Industrial Forum.

Mr. RIBICOFF. Thus, the United States today and for at least the next two decades will play a dominant role in supply reactors and reactor fuel to the world nuclear market. The question is, to what extent will the U.S. leverage this commanding position to win cooperation on combating nuclear weapons proliferation?

Much remains to be done, and there is precious little time to do it.

Nuclear weapons proliferation has occurred because of loopholes in the NPT itself, and because France has refused to associate itself with the treaty. The NPT prohibits the development of nuclear weapons or explosives of any kind—including so-called peaceful nuclear explosives, by non-nuclear-weapon states that are parties to the treaty. The treaty also requires use of a system of safeguards, governing the entire nuclear fuel cycle, which is administered by the IAEA. These safeguards are aimed at "preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices."

The critical flaw in the treaty is that it does not bar nuclear trade with non-NPT nations. Such nations do not have to put their entire fuel cycle under IAEA safeguards, nor are they prevented from detonating PNE's.

Thus, an exporter like West Germany can sell a reactor or a fuel facility to a non-NPT country like Brazil, and although these particular facilities may be placed under IAEA safeguards, the recipient country is free to build or import other facilities, and to generate nuclear materials, outside of IAEA safeguards.

India already has demonstrated that a less-developed nation with incomplete safeguards can produce a nuclear explosive. It also has demonstrated that there is no meaningful difference between a PNE and a nuclear weapon.

Safeguards has become the commercial battleground on which the fate of reactor sales—particularly those to non-NPT nations—hangs. The United States engages in questionable nuclear trade with non-NPT nations.

The shaving of safeguards can be done in subtle ways. Thus Canada and the United States agree to engage in nuclear trade with India even though India has not put its entire nuclear fuel cycle under IAEA safeguards. The reactors which Canada and the United States sold to India were under IAEA safeguards. But we did not require that India's reprocessing plant, with which it produced the plutonium for its peaceful nuclear explosive, be under IAEA safeguards. It was through this glaring loophole that India became the world's sixth nuclear-weapons nation.

This loophole—the failure to require that an entire nuclear fuel cycle be placed under IAEA safeguards as a condition of sale—is a common, but rarely discussed feature of nuclear trade with non-NPT nations.

South Africa, for example, has developed its own uranium enrichment facility while benefiting from U.S. nuclear technology and materials obtained from an imported research reactor nearby. The enrichment facility is not safeguarded even though the research reactor is.

France is not insisting on entire fuel-cycle safeguards in connection with its exports of reprocessing plants to Pakistan, Taiwan and Argentina. Nor is Brazil being asked for such assurances by West German exporters.

Generally, the only condition placed on nuclear exports is that IAEA safeguards apply to the specific facilities being exported. The safeguards need not be applied to facilities that may be exported or built indigenously later on. Nor would these nations be barred from developing and detonating nuclear explosives, if they wished to follow India into the nuclear weapons club.

The inherent danger of incomplete safeguards were stressed at the recent NPT Review Conference by Sigvard Eklund, Director General of the IAEA. In an obvious reference to India, he said:

As events have shown, the applications of safeguards to only some of the nuclear installations of an importing country is not sufficient to deter by detection the acquisition of nuclear explosive capacity.

He then gave some advice to the exporting counties:

Exporting countries could, if they were so determined, go considerably further than at present and require membership of NPT or other arrangements involving the application of safeguards to the complete fuel cycle of the importing country as a condition of supply. This would be the single most important measure which could be taken to control horizontal proliferation, even outside the NPT framework, and the Agency is ready to assist as required.

There is an immediate need to require entire-fuel-cycle safeguards as a condition of nuclear sales. There is also an urgent need to ban the export of reprocessing plants, in order to prevent nonweapons states from gaining the individual capability to produce material for nuclear explosives. A moratorium on reprocessing plant export and construction should be agreed, in order to allow time to regionalize reprocessing under multinational control and to upgrade IAEA safeguards over such plants.

The inherent danger in the failure to obtain such an agreement cannot be overemphasized. Dr. Fred Ikle, Director of the Arms Control and Disarmament Agency, recently laid out the threat posed by global proliferation of nuclear weapons:

We are basically defenseless against threats of nuclear attack that could come from a great many different sources rather than from one or two principal adversaries. Our entire nuclear defense effort has been directed against one or two clearly identifiable potential adversaries. Our strategic doctrine and strategic weapons systems are designed to deter these potential adversaries from launching an attack. The only way we now know to ward off nuclear attack rests on two critical premises: the premise that we need be concerned with one, or at most a very

UMI

few, potential nuclear adversary powers and the premise that these potentially hostile nuclear armaments will always be controlled by men who care about the survival of their countries. In a world of widespread nuclear proliferation, certainly one, and perhaps both of these premises would be shattered.

Complicating the picture still further is the inherent inadequacy of IAEA safeguards, particularly those usually applied to non-NPT nations. The Inspector General of the IAEA, Rudolph Rometsch, has stated that safeguards on reprocessing plants are presently less effective for detecting diversion than those applied to reactors.

Generally, the IAEA's safeguards and inspection procedures amount to little more than accounting methods for verifying the efficiency of national or regional inspection systems. The IAEA, in other words, is heavily dependent on the good will and cooperation of the nations whose nuclear facilities it inspects and audits.

An IAEA bulletin distributed at the NPT Review Conference, notes that "unfortunately no analytical method has yet been developed for routine use for the determination of the uranium content of fuel assemblies"; also, that "the estimation of the plutonium content cannot be made very accurately for a discharged fuel core." Both these statements underscore the inadequacy of IAEA safeguards to detect diversion, particularly in the absence of full cooperation from a non-NPT nation.

Inspector General Rometsch, asked recently whether there was still time to develop a system for regionalizing plutonium reprocessing under effective safeguards, said:

One has to run at least.

He also said:

So long as people try to make a business out of reprocessing, it won't be brought under control. It could be very costly to verify (safeguard) the small reprocessing plants that France is seeding throughout the world.

The St. Gobain Corp., a major French glass manufacturer and engineering firm, has been the major exporter of reprocessing plants. It apparently has a technological lead in the manufacture of certain plutonium reprocessing components, to the extent that the United States has imported some of them for the reprocessing plant now under construction in Barnwell, S.C.

The IAEA is now preparing a study on the "safety, physical security and safeguards problems that would be caused by a proliferation of small, uneconomic reprocessing and related facilities."

The present less-than-aggressive approach by the United States and other nuclear suppliers to insuring adequate international safeguards on plutonium reprocessing conflicts with the recent hard-nosed position taken by the Nuclear Regulatory Commission with respect to the problem here at home. In a recent, encouraging move, the NRC announced that it will delay for 3 years any decision on whether to approve commercial reprocessing of plutonium to allow time for completion of various safeguards studies.

Serious questions also remain, as to the adequacy of even the most advanced regime of physical security to prevent terrorist theft and sabotage.

A recent unclassified study by the Sandia National Laboratory acknowledges the sabotage problem:

It appears that a sufficiently determined and able group could perform acts of sabotage which could endanger the safety of the public surrounding the plant. Information on plant design, operation, and security procedures is available from many unclassified sources. With current security measures, a group of unauthorized personnel could gain access to vital systems of the plant with sufficient equipment and explosives to disable critical plant systems and possibly cause a radioactivity release.

There is clearly a difference of opinion among experts as to whether nuclear fuel facilities are sufficient hardened, guarded, and fitted with alarm systems to prevent the kind of penetration that the Sandia study indicates can take place with respect to reactors. Some experts believe that present physical security can be overcome by a "credible" terrorist attack—that is, one involving 10 to 15 well-trained individuals using automatic weapons and shaped charges.

The United States and the other suppliers should take a candid look at the adequacy of physical security standards. A set of standards that is inadequate to the task would be misleading and, therefore, dangerous.

Mr. President, the rapid spread of nuclear weapons capability to nonnuclear weapons states, and the vulnerability of nuclear facilities and materials to terrorist attack, represent a clearly dangerous situation. The United States and the other nuclear-exporting nations are not doing what they reasonably can be expected to do to correct the situation. Very little time remains to bring the situation under control.

As a minimum, we should reach an understanding with other nuclear suppliers that there be:

No nuclear exports to any nation not placing its entire nuclear-fuel cycle under IAEA safeguards that are as tight as those required of NPT nations;

No exports of plutonium-processing facilities or technology, pending completion of IAEA studies with respect to safeguarding and regionalizing reprocessing plants;

No exports to any nation that does not give assurances that it will refrain from developing nuclear explosives of any kind; and

Uniform physical-security conditions on particular nuclear exports, using IAEA guidelines to establish minimum standards.

Finally, Mr. President, the Senate Government Operations Committee has recently issued a 1,400-page compendium, "Peaceful Nuclear Exports and Weapons Proliferation." This volume has been a valuable resource to the committee, and I commend it to anyone interested in pursuing the nuclear safeguards and proliferation problems.

I ask unanimous consent that the statement of purpose from the compendium—as given by Senator PERCY and myself—be printed in the RECORD, as well as an article entitled "Nuclear Proliferation: India, Germany May Accelerate the Process."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF PURPOSE

A close relationship exists between the export of peaceful nuclear technology and the proliferation of nuclear weapons.

India's use of imported civilian nuclear materials and technology to carry out a "peaceful" nuclear explosion, is the most dramatic evidence that the problem has broken out of the realm of possibility into the world of hard reality.

Potentially more significant in terms of nuclear weapons proliferation is the fact that the United States has lost its virtual monopoly over supplying enriched uranium to the non-Communist world. South Africa, a major importer of United States nuclear technology and materials, recently announced that it has developed a new, inexpensive process for enriching uranium to levels of concentration needed to make reactor fuel or nuclear explosives.

It is fast becoming clear that as nations acquire civilian nuclear technology to attain energy self-sufficiency, they also acquire the materials, personnel and ability to build nuclear weapons.

Of no less concern is the fact that the rapid increase in nuclear technology and materials throughout the world coincides with the worldwide problem of brazen, sophisticated terrorism. Preventing the theft of weapons-grade materials by subnational groups has become as serious a problem as detecting the diversion of such materials by national governments.

Dr. Fred Ikle, Director of the Arms Control and Disarmament Agency, testified before this Committee that detonation of a terrorist's nuclear device in a major city would be "an event that would change the world." He also testified that it is now possible for terrorist groups to "put a skilled team together that could fashion an explosive, should they have obtained the requisite plutonium or enriched uranium."

The problem is complicated by the fact that as the worldwide civilian nuclear industry continues to grow, so will the amounts of weapons-grade materials that will be generated by its fuel cycle. According to present projections, about 2 million pounds of plutonium will be generated each year by the world's civilian reactors by the year 2000. A system of safeguards will have to be devised to prevent as little as 20 pounds of plutonium, the minimum amount needed to fabricate a weapon, from being converted from civilian to weapons purposes.

The present system of international nuclear safeguards is generally considered to be weak. The safeguards administered by the International Atomic Energy Agency for parties to the Nuclear Non-Proliferation Treaty are designed only to detect diversion by nations, not to prevent theft by terrorists. It is questionable whether these safeguards are sufficient to stop a nation intent on secretly stockpiling plutonium or weapons-grade uranium. Each nation provides its own physical security against nuclear theft and sabotage, and it is questionable whether these safeguards are generally sufficient to repel a significant terrorist attack.

The global spread of atomic weapons as an unforeseen outgrowth of our Atoms for Peace program should be a matter of great concern to the Congress, the Executive Branch, the scientific and diplomatic communities and the public at large.

It is in the interest of the United States and all nations to establish a strict, uniform system of nuclear safeguards for detecting diversion and preventing theft.

Unfortunately, safeguards has been a battleground for commercial advantage among nuclear exporting nations, including the United States. Short-term commercial interests have overshadowed long-term national-security interests. The inclination has been not to apply strict safeguards conditions on commercial nuclear transactions out of fear that a rival exporter will permit weaker safeguards in order to win a sale.

This compendium is designed to provide a selected but comprehensive review of the legal, technical and policy aspects of this critical problem for all who seek an understanding of it. We intend it to be a valuable resource to this Committee and to all those who wish to participate in our consideration of S. 1439—the Export Reorganization Act of 1975—to reform the present Federal interagency system of controlling peaceful nuclear exports, as well as the export of other strategically significant commodities. It will provide useful background information on safeguards and other issues on the agenda of the Review Conference of the Nuclear Non-Proliferation Treaty Conference in Geneva in May, 1975.

Little time remains to act. The rapid worldwide development of civilian nuclear technology may soon make the weapons-proliferation problem unmanageable. Obviously the United States cannot solve the problem alone. That will require the cooperation of all nuclear exporting nations. The United States can play a major leadership role, however. It is clearly in our national interest, and in the interest of the very survival of man, to do so. Hopefully, this volume will help point the way.

ABE RIBICOFF,
Chairman.
CHARLES H. PERCY,
Ranking Minority Member.

Senate Committee on Government Operations, April 29, 1975.

NUCLEAR PROLIFERATION: INDIA, GERMANY MAY ACCELERATE THE PROCESS

(By Robert Gillette)

As representatives of 69 nations meet in Geneva this month to review the status and ponder the future of the 1970 Non-Proliferation Treaty (NPT), awareness is growing that further restraint on the spread of nuclear weapons may depend as much on controlling technology as on guarding world commerce in the fissionable fuels—uranium and plutonium. Certainly this was a cardinal lesson of India's first nuclear explosion a year ago. India, after all, got its plutonium not by theft but openly from a Canadian-supplied reactor and is building more reactors based on Canadian technology.

While the Geneva meeting continues, two imminent events promise to lend a grim new aura of urgency to controls on nuclear technology. For one, knowledgeable U.S. officials believe that India is prepared to detonate its second nuclear explosion. At the same time, West Germany is on the verge of concluding an agreement with Brazil that would provide Latin America's largest nation not only with the technology it needs to become self-sufficient in nuclear energy but would also endow Brazil with the technological base from which, if it saw fit, to build nuclear weapons.

Like India, Brazil has refused to sign the NPT, under which it would be obliged to foreswear development of nuclear explosives and submit to international inspection of its nuclear facilities. Brazil's government has maintained the position that the NPT discriminates against nonnuclear powers. Various Brazilian government officials since the late 1960's also have asserted a right to build and detonate "peaceful" nuclear explosives.

Informed U.S. officials believe that both the Indian nuclear test and the signing of the West German-Brazilian technology agreement are being delayed now only for diplomatic reasons, possibly in deference to the NPT review conference, which ends on 30 May. West Germany and Brazil are participating in the conference, but India is not. India is believed to recognize that it has little to gain by an act that would inevitably be interpreted as a calculated insult to conference participants and a blow to the treaty itself. Also, India is just now reaching an understanding with Canada that could lead to a resumption of nuclear cooperation between the two countries. Even so, the second Indian explosion is regarded as imminent. "It could be days, it could be weeks," one U.S. official told *Science*. "It's just a matter of when they decide to push the button."

Similarly, or so it seems, "all systems are go" with the West German-Brazilian deal, worth by some estimates as much as $8 billion over the next 10 to 15 years.

Of the two developments, the pending agreement between West Germany and Brazil may have the greater significance for the proliferation problem. Details are sketchy, but the agreement apparently grew out of talks that began last November between the Brazilian government and a consortium of German firms. The *Folha de São Paulo*, a well-regarded São Paulo newspaper, reported on 27 March that the agreement "will involve all aspects of nuclear technology, from prospecting for radioactive minerals, uranium enrichment, and reactor production all the way to fuel reprocessing."

Government and industry sources in the United States say the deal appears to include the sale of as many as eight 1200-megawatt pressurized water reactors of German design to be built over the next 10 to 15 years (Brazil's first nuclear power plant, a 626-megawatt Westinghouse facility, is scheduled to start up in 1977). More important from the arms controller's point of view is the inclusion of a "complete package" of nuclear fuel facilities—a fuel fabrication plant, a chemical reprocessing plant for extracting plutonium from spent fuel, and a uranium enrichment plant for concentrating the fissionable isotope uranium-235.

The uranium enrichment plant contemplated in the agrement would be based on the "jet nozzle" process developed gradually since the mid-1950's, first at the government-supported Karlsruhe Nuclear Research Center and, since 1970, by the large energy combine of STEAG, AG in Essen (see box below). If the sale of a nozzle enrichment plant goes through, it will mark the first commercial development of this dark-horse competitor with gaseous diffusion and the gas centrifuge, the two enrichment processes currently working on a commercial scale.

The last two items in the German package worry arms control analysts more than anything else. Reprocessing and enrichment plants are the most logical targets for attempts to divert fissionable fuels, either by a government bent on joining the nuclear club or by terrorist factions. For this reason, the U.S. government has discouraged U.S. companies from exporting reprocessing technology and has only recently been willing to share enrichment technology, and then only under closely controlled circumstances.

The Bonn government, however, has adopted a more relaxed attitude, as is indicated by its insistence in the late 1960's that a clause be included in the NPT stating that the treaty shall be applied so as to:

"Avoid hampering the economic or technological development of the Parties or international cooperation in the field of peaceful nuclear activities, including the international exchange of nuclear material and equipment for the processing, use or production of nuclear material for peaceful purposes."

The result of differing attitudes toward the export of nuclear technology is that U.S. companies competing for the Brazilian reactor market found themselves unable to match the breadth and attractiveness of the German offer.

Given the energy resources it has, a full suite of nuclear technology makes eminent sense from the Brazilian point of view. Brazil already imports three-fourths of its oil, its known resources are small, and demand is growing as the number of automobiles multiplies. On the other hand, Brazil's reserves of uranium are considerable and its deposits of thorium (which can be bred in reactors to form a new fissionable fuel, uranium-233) are second only to India's. Hydroelectric potential is also vast—an estimated 152,000 megawatts—but much of this power would have to be transmitted hundreds of miles to industrial centers like Sao Paulo, with consequent losses.

One alternative is to place electricity-intensive industries such as aluminum plants close to hydroelectric projects, but uranium enrichment offers another option. Putting an enrichment plant near a hydroelectric installation eliminates transmission losses to the plant and allows the energy—once converted to enriched uranium—to be trucked to nuclear plants near industrial centers.

Some U.S. enrichment experts believe this is precisely what Brazil has in mind, and they point to two hydroelectric projects as possible sites for a Brazilian enrichment facility. The first is the nearly completed Urubupungá project on the Parana River, west of São Paulo. One of the world's 10 largest hydro installations, Urubupungá's capacity is scheduled to grow by 1980 to 4600 megawatts, or more than twice the output of Hoover Dam. Further down the Parana River, along the Brazil-Paraguay border, construction is scheduled to start in August on the $4.2 billion Itaipú hydroelectric project designed to generate 12,000 megawatts. Half of this will go to Paraguay, which, with virtually no place to use it, will export the power back to Brazil. The size of a nozzle enrichment plant the Brazilian government has in mind has not been divulged, although the "reference size" being discussed by STEAG for a commercial plant in the early 1980's would consume 2500 megawatts and perform 5000 tons of separative work a year (this is a measure of enrichment capacity; U.S. gaseous diffusion plants are currently rated at 17,000 tons and consume 6000 megawatts at peak capacity).

If the pending nuclear agreement goes through it will represent a major breakthrough for Brazil, which has been frustrated since the early 1950's in its attempts to obtain uranium enrichment technology. In 1954, for example, before the Federal Republic gained its sovereignty, the United States squelched a German attempt to sell gas centrifuges to Brazil for a reported price of $80 million. The centrifuges were among those designed and built by Wilhelm Groth, a physical chemist who was instrumental in organizing the abortive German attempt to build an atomic bomb during World War II. The Brazilian government then turned to France in an attempt to obtain gaseous diffusion technology, again unsuccessfully. Finally, in 1958, Brazil did acquire three of Groth's centrifuges but evidently accomplished little with them. The machines, primitive by today's standards, were last heard from in 1964 when Brazilian researchers reported in Geneva that they had separated isotopes of argon.

In spite of these frustrations, Brazil's nuclear policy continued to drift toward a dependence on reactors requiring enriched uranium fuel (in contrast to that of Argentina, which has opted for natural uranium reactors much in the fashion of India).

Having gradually locked itself into light-water reactor technology Brazil then had a

UMI

choice of depending on the United States or one of the other major industrial powers to supply enriched uranium—a dependence increasingly unpalatable in the mood of economic nationalism that currently pervades Latin America. Or Brazil could enrich its own uranium, if only someone would provide the know-how.

The latter alternative has doubtless become more appealing as the United States' ability to meet its foreign enrichment commitments in the 1980's has grown less certain. Moreover, nuclear exports come increasingly with "safeguard" strings attached that make it difficult for nations like Brazil to keep their explosives option open.

SAFEGUARDS ARE REQUIRED

The Bonn government, as a party to the NPT, is obliged to sell such things as enrichment plants under safeguard controls, to ensure that the plant is used for "peaceful" purposes. But the NPT doesn't define the word "peaceful." And as the Indian test showed, (there is room for disagreement as to whether it includes explosives.

Bonn could, of course, always ask for specific assurances from Brazil that its enrichment and reprocessing plant would only be used for making reactor fuel. But what worries U.S. arms control analysts is that no such assurances would apply to a second, third, or *n*th plant built entirely by Brazilian scientists and engineers who had thoroughly learned the workings of the first one.

"It's a very difficult problem," one U.S. proliferation expert says. "If it [the technology] is in the literature, how do you distinguish between what's transferred by license and what's transferred by textbook?"

As it happens, West Germany is transferring a great deal by "textbook." Nozzle enrichment technology has not been classified, and published technical papers on the subject go into far more detail than any available on gaseous diffusion or centrifuge technology. The firm of STEAG, in addition, takes the position that "local industry should . . . be permitted to participate in the project so as to obtain direct access to the technology."

To Latin American nations increasingly sensitive to "technological dependence" on the industrial powers, this is a powerful enticement.

And yet, as analysts of the proliferation problem point out, the path to nuclear self-sufficiency is also the path to a nuclear weapons capability. A small number of explosives requires only a small siphoning of material and talent from the main objective of electric power generation. Moreover, as one nation acquires the crucial equipment for self-sufficiency: the incentive grows for its neighbors to follow suit. Both Brazil and Argentina, for example, have long dreamed of Latin American hegemony, and neither is believed willing to let the other realize its dream on the strength of nuclear superiority.

Some analysts, like Mason Willrich of the University of Virginia law school, have suggested that nuclear rivalries might be restrained by placing enrichment, reprocessing, and fuel fabrication plants under regional control. Britain, the Netherlands, and West Germany have taken a step in this direction with a tripartite agreement to build centrifuge enrichment plants.

Old rivalries are more durable in Latin America, however, and the outlook for such communal agreement there is poor. For the foreseeable future, nuclear machismo is likely to prevail.

"NOZZLE" ENRICHMENT FOR SALE

Dozens of different methods have been devised since the 1940's to enrich uranium. In each the objective is the same—to concentrate fissionable uranium-235 for use in reactor fuel or weapons. Two of these methods, gaseous diffusion and the gas centrifuge, have proved economical in commercial plants. But the West German "nozzle" or aerodynamic process now appears not only to be economically competitive but also technologically simpler than the other two.

Several variations of the nozzle process exists, but the one closest to commercial application works like this:

Uranium hexafluoride gas (mixed with hydrogen) is pumped through a long slit, forming a rapidly moving sheet of gas. The gas strikes a curved wall, bending the sheet through 180 degrees. Centrifugal forces then carry the heavier uranium-238 (which makes up 99.3 percent of the gas) to the outer surface of the sheet, where a knifelike barrier pares it off. The lighter fraction, now slightly enriched in uranium-235, is routed through hundreds of additional stages to reach the desired level of enrichment—about 3 percent uranium-235 for the fuel of light-water reactors or more than 90 percent for gas-cooled reactors or weapons.

Advantages of the nozzle process are that it does not require the hard-to-make porous barriers of a gaseous diffusion plant and that it avoids the highly stressed moving parts of an ultracentrifuge. One disadvantage of the nozzle process is that it consumes almost twice as much electric power as a gaseous diffusion plant and 20 times the power of an equivalent centrifuge plant. This disadvantage wanes, however, where electric power is cheap (even if inconveniently located), as in Brazil.

The man credited with inventing the nozzle process is Erwin-Willy Becker, a leader of the government-supported Karlsruhe Nuclear Research Center. A physical chemist, Becker published his first papers on the technology in the mid-1950's. He and his coworkers started up a 2-ton-per-year pilot plant in 1967 and in 1970 signed a "collaboration contract" with the large energy company of STEAG, AG in Essen for further development work.

According to a paper presented by STEAG delegates to a London meeting of the British Nuclear Energy Society in March, a 5-year technology program began last year is aimed at testing prototype enrichment stages for a 2500-ton-per-year plant in 1977. Planning for a plant twice that size with 570 successive stages is under way.

STEAG representatives are saying little about their making plans beyond their declaration at the BNES meeting: "The offer is . . . made to the uranium producing countries to collaborate in partnership on utilizing the separation nozzle process for the enrichment of uranium."

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 12:45 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the enrolled bill (H.H. 4109) to amend the Grand Canyon National Park Enlargement Act (88 Stat. 2089).

The enrolled bill was subsequently signed by the President pro tempore.

At 3:20 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1236) to extend and amend the Emergency Livestock Credit Act of 1974, and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE AMERICAN SYMPHONY ORCHESTRA LEAGUE, INC.

A letter from a Certified Public Accountant transmitting, pursuant to law, a copy of the audit report for the American Symphony Orchestra League, Inc., for the fiscal year March 31, 1975 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. LEAHY):

A resolution adopted by the City Council of Garfield, New Jersey, urging approval of the Local Public Works Capital Development and Investment Act of 1975; to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

S. Con. Res. 45. An original resolution expressing the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing variable rate mortgages unless and until authorized by the Congress (Rept. No. 94–170).

By Mr. HASKELL, from the Committee on Interior and Insular Affairs with amendments:

S. 267. A bill to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado (Rept. No. 94–171).

S. 266. A bill to designate the Eagles Nest Wilderness, Arapaho, and White River National Forests, in the State of Colorado (Rept. No. 94–172).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

Mr. WEICKER. Mr. President, as in executive session, from the Committee on Commerce, I report favorably sundry nominations in the Coast Guard which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of May 12, 1975, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOLE:

S. 1843. A bill to amend and clarify certain regulatory authorities of the Federal government over work and activities in navigable waters. Referred to the Committee on Public Works.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 1844. A bill to amend the Internal Revenue Code of 1954 to adjust the occupational taxes on employees of wagering operations. Referred to the Committee on Finance.

By Mr. THURMOND:

S. 1845. A bill to amend section 306 of the Consolidated Farm and Rural Development Act to expand the definition of an eligible borrower to allow loans and/or grants to be made to borrowers irrespective of location of the borrower or facility provided the facility will primarily serve rural residents. Referred to the Committee on Agriculture and Forestry.

By Mr. BUCKLEY:

S. 1846. A bill to authorize the States to carry out certain functions of the Secretary of the Army and the Chief of Engineers on intrastate waters. Referred to the Committee on Public Works.

By Mr. HUMPHREY:

S. 1847. A bill to authorize the One Hundred and First Airborne Division Association to erect a memorial in the District of Columbia or its environs. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE:

S. 1843. A bill to amend and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters. Referred to the Committee on Public Works.

CLARIFY ARMY ENGINEERS' AUTHORITY OVER WATERWAYS

Mr. DOLE. Mr. President, I am introducing today a bill to provide clarity and restraint with regard to the authority of the Army Corps of Engineers to supervise waterway activities in the United States. In my opinion, it is time that the eminent Federal authority over our national waterways which is wielded by the Corps of Engineers is clearly defined and refined, to eliminate confusion as well as unnecessary Federal encroachment upon local and private rights.

The recent publication of proposed regulations expanding the scope of corps authority has caused considerable alarm in my State, which I think is well founded. Dozens of Kansans have written to me to express their concern that any of the four proposed options for expanded jurisdiction over inland waters would seriously encroach upon the most regular and simple farming activities. Resulting confusion about the regulations, if they are enacted, would cause frequent delay, at the very least, and could feasibly result in exorbitant fines for common farming activities of an entirely innocent nature. Furthermore, the unacceptable breadth of some current corps authorities calls for legislative correction at the earliest possible time, to avoid unnecessary and expensive supervisory functions by the Corps of Engineers.

The bill I am introducing today will resolve these flaws by doing four things:

First, restrict corps jurisdiction to navigable waters currently used, or subject to use for transporting interstate or foreign commerce;

Second, abolish corps jurisdiction over the discharge of fill material into such waterways—an operation which is essentially irrelevant to water quality control purposes;

Third, prohibit corps jurisdiction over navigable waterways identified as such purely on the basis of historical use alone; and

Fourth, permit the corps to waive requirements for oversight jurisdiction in certain instances where the State or locality is capable of performing regulatory functions.

When Congress enacted the Federal Water Pollution Control Act in 1972, it gave to the Army Corps of Engineers the authority to regulate the discharge of dredged or fill material into "navigable waters," and defined these as "waters of the United States, including the territorial seas." In an effort to give practical expression to this broad definition, the corps restricted its regulatory activities to "navigable waters . . . which are presently, or have been in the past, or may be in the future susceptible for use for purposes of interstate or foreign commerce." This procedure has operated reasonably well for 3 years, and, with the revisions I am proposing at this time, will continue to provide the most practical and effective application of the corps' authority in the future, I believe. It will provide a proper balance between environmental safeguards and private rights as the Corps of Engineers continues to carry out its designated responsibilities under the Water Pollution Control Act.

THREAT OF EXPANDED CONTROL

In response to a suit filed against the Army, the corps, and the Environmental Protection Agency, the U.S. District Court for the District of Columbia ruled in March of this year that the Corps of Engineers was without authority to apply its own interpretation to the broad language of the act. The court ordered the Army, instead, to issue regulations "recognizing the full regulatory mandate" of the act, which the court determined to entail "the maximum extent [of jurisdiction] permissible under the commerce clause of the Constitution." As a result, the Army Corps of Engineers set forth for public comment four alternative approaches to such expanded regulation, which could represent a potential threat to private land operations and to the concept of individual freedom in this country.

If these proposals were to be interpreted as extending Federal jurisdiction over dredge and fill operations in virtually every artificial or natural body of water in the country, Government intrusion of the most ominous nature could loom over a number of ordinary, everyday practices. According to the Office of the Chief of Engineers:

> Federal permits may be required by the rancher who wants to enlarge his stock pond, or the farmer who wants to deepen his irrigation ditch or plow a field, or the mountaineer who wants to protect his land against stream erosion.

While there is some uncertainty at the moment as to just how pervasive such control might become, the potential expansion of Government jurisdiction over private matters of this type simply boggles the mind.

NEED TO LIMIT CONTROL

Recently, in letters to the chairmen of the Senate and House Agriculture Committees, Secretary of Agriculture Earl Butz called the proposed regulations "a harassment to farmers and ranchers trying to grow this Nation's food supply," and he warned that "Millions of people, as they now operate . . . could be fined up to $25,000 a day and imprisoned for 1 year for violations" of the law. The Kansas Livestock Association calls the proposal "a further deterioration of the private property rights of individuals." At a time when the private farmers in this country are already reeling under economic pressures, the possible expansion of Federal control over simple agrarian activities would be a completely intolerable and unnecessary additional burden. I believe that this possibility of expanded authority can be prohibited through clarification of the language of the Federal Water Pollution Control Act.

Furthermore, I feel that certain regulatory authority presently held by the Corps of Engineers should be amended to reduce still other visible threats to land and water rights properly within the realm of private and local government control.

As section 404 of the Federal Water Pollution Control Act now reads, the corps has regulatory jurisdiction over the discharge of both "dredged" and "fill" material into navigable waters.

While I can understand the importance of maintaining direct control over the distribution of dredged materials into our waterways as a means of protecting the quality of water, it is more difficult to see any immediate relationship between certain nondredged "filling" operations on river tributaries and the maintenance of water quality standards. In many cases, a raising of the level of streambeds may be important to private or municipal owners for the purposes of construction, and would appear to have little or no effect upon the quality of the water. While I have serious reservations about Federal control of such fill operations in any instance, the action seems particularly inappropriate and irrelevant to the corps' jurisdiction for the purposes of the 1972 act.

In a related vein, the corps currently defines its responsibilities to include oversight of work and activities on navigable waterways presently, formerly, or potentially susceptible to use for interstate or foreign commerce. In my opinion, this interpretation is needlessly, and possibly harmfully broad.

Under the terms of this interpretation, the corps envisions for itself a responsibility to review and approve all work and activity on such waterways, even though the water may not now be, in practice, "navigable." Historically, a particular stream or swamp, for example, may have been used as a rudimentary means for transporting commercial goods interstate. By the corps' interpretation, such water would currently fall within its oversight jurisdiction even though it

UMI

may not have been used for such purposes in many years. The course or depth of the waterway may now be such that commercial use would be totally impractical. Yet, under its current authority, the Corps of Engineers can retain or initiate regulatory control over operations connected with the waterbody.

DAMAGING TO KANSAS INTEREST

Recently, my own State of Kansas was informed that the Army Corps of Engineers intends to study the navigability of numerous streams and waterways in that region with the possible intention of declaring these additional waters "navigable." I have been advised by representatives of the Kansas State government that the addition of these waterways to the Federal purview at this late date could be damaging to both private and State rights, in more ways than one. Because land titles to the affected streambeds were in many instances issued to riparian owners by Federal land offices in the past, corps action along the lines stated above could now, I am advised, deprive local taxing jurisdictions of property tax revenue. Furthermore, current permits and agreements issued under State statutes for structures, diversions, and waste discharges along these waterways could conceivably be abrogated in some instances by Federal edict. Indeed, the entire structure of water rights administration within the State would be jeopardized by the newly established Federal jurisdiction.

In recognition of this factor, I am further proposing that the Secretary of the Army and the Chief of Engineers be authorized to waive jointly their requirements for approval of activities on these waterways, provided a determination is made that such activities would not have a "substantial adverse impact" on transportation, and provided the State or locality is seen capable of regulating such activity in the public interest. Such an authorization provides necessary and entirely appropriate flexibility in corps regulations to permit local government to retain its rights and responsibilities with regard to its own waterways.

Mr. President, I believe that this is the time to clarify the authority which has been given to the Army Corps of Engineers by the Congress, to avoid any errant behavior on the part of either the corps or private individuals. Failure to specify the limits of the corps' jurisdiction could result in costly and unnecessary action by that branch of the Army. Furthermore, I would like to see the corps exercise the authority to waive its jurisdiction whenever State or local regulations are capable of ensuring the standards of Federal water quality and navigability requirements. Prompt attention by the Senate Public Works Committee to these issues seems warranted and will hopefully be forthcoming.

Mr. President, I request that this bill be appropriately referred and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 404 of the Federal Water Pollution Control Act (62 Stat. 1155), as amended (33 U.S.C. 125 *et seq.*), is further amended by adding a new subsection (d) as follows:

"(d) The term 'navigable waters' as used in this section shall mean all waters which are presently used, or are susceptible to use in their natural condition or by reasonable improvement as a means to transport interstate or foreign commerce shoreward to their ordinary high water mark, including all waters which are subject to the ebb and flow of the tide shoreward to their mean high water mark (mean higher high water mark on the West Coast)."

SEC. 2. The Federal Water Pollution Control Act is further amended by deleting the word "or fill" in subsection (a) thereof and adding a new subsection (e) as follows:

"(e) For purposes of this section, the term 'dredged material' means any material excavated or dredged from coastal waters of the United States which are subject to the ebb and flow of the tide and up to the mean high water mark on the East and Gulf Coasts and the mean higher high water mark on the West Coast and/or from those inland waters of the United States up to their ordinary high water mark which are presently or may be in the future susceptible for use to transport interstate or foreign commerce."

SEC. 3. The prohibitions and provisions for review and approval concerning work and activities in waters of the United States contained in sections 9 and 10 of the Act of March 3, 1899 (30 Stat. 1151) and section 1 of the Act of June 13, 1902 (32 Stat. 371) extend only to the coastal waters of the United States subject to the ebb and flow of the tide and up to the mean high water mark on the East and Gulf Coasts and the mean higher high water mark on the West Coast and/or to those inland waters of the United States up to their ordinary high water mark which are presently or may be in the future susceptible for use to transport interstate or foreign commerce.

SEC. 4. The Secretary of the Army and the Chief of Engineers are authorized to waive jointly any requirements they may have for review and approval of any work or activities in or on waters of the United States, including segments thereof or their associated river bank, shoreline or wetland areas under the provisions of section 404 of the Federal Water Pollution Control Act, section 10 of the Act of March 3, 1899, and section 1 of the Act of June 13, 1902 as amended and clarified by the provisions of this Act: *Provided,* That the Chief of Engineers has determined in writing that such work and activities, which have been or might be conducted, will not have a substantial adverse impact on the affected waters for their use to transport interstate or foreign commerce and can be appropriately regulated in the public interest, if necessary, by the affected State or its political subdivisions within whose boundaries the work and activities occur.

SEC. 5. The waiver authorized by section 4 of this Act shall be effective only when in writing and signed by the Secretary of the Army and the Chief of Engineers and shall pertain to such water areas and the exempted types of work and activity which may be conducted therein as are specified in the waiver. It shall not be unlawful under the provisions of the Acts specified in section 4 of this Act to commence or conduct such work and activities as are specified in the waiver during any period in which the waiver is in effect.

SEC. 6. No action to waive exercise of authority taken pursuant to section 4 of this Act shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852) if such action concerns types of work and activities which occur within water areas situated in any State which has enacted legislation to regulate such work and activities by the State or its political subdivisions.

SEC. 7. The Secretary of the Army and the Chief of Engineers, after notice and thirty days' opportunity for public comment, may reassert the exercise of any jurisdiction waived under the authority of this Act subject to such conditions and for such periods as they deem necessary. Such reassertion of the exercise of jurisdiction involved shall be effective only when in writing and signed by the Secretary of the Army and the Chief of Engineers. All work and activities in waters pertaining to this resumed exercise of jurisdiction shall at the date of resumption be subject to the provisions of the Acts specified in section 4 of this Act in accordance with the terms specified by the Secretary of the Army: *Provided,* That such work and activities, which have commenced prior to the reassertion of the exercise of jurisdiction and have been specifically authorized or permitted in accordance with a law of the State having jurisdiction at that level of government over such work and activities, shall not be subject to the provisions specified in section 4 of this Act unless the Chief of Engineers determines that requirements for transportation of interstate and foreign commerce so requires.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 1844. A bill to amend the Internal Revenue Code of 1954 to adjust the occupational taxes on employees of wagering operations. Referred to the Committee on Finance.

Mr. CANNON. Mr. President, today I am introducing an amendment to the Internal Revenue Code of 1954, the intent of which is to reduce the amount of occupational wagering taxes required under section 4411 of the code from the present $500 to $50.

The State of Nevada has a highly regulated and licensed gaming industry which for many years has required bookmakers to pay Federal tax of 10 percent on wagers. This tax money has generated revenue for the Federal Treasury and has provided funds for the abatement of illegal gaming operations.

In 1968 the Supreme Court handed down two key decisions dealing with gaming in this country—*Marchetti* v. *the United States,* 390 U.S. 39 (1968) and *Grosso* v. *United States,* 390 U.S. 63 (1968). The effect of these two rulings was to disallow the prosecutorial function of the tax, leaving the legal gaming operation in the State of Nevada as the only taxpayers needing to comply with the laws governing the bookmaker tax.

During the last session of Congress, I introduced an amendment to eliminate the tax for those legal gaming operations, leaving intact the assessment of a tax for illegal operations. The Senate and House conferees, in lieu of my amendment, decided to reduce the tax to 2 percent and increase the occupational tax in section 4411 from $50 to $500. Traditionally, this tax was paid by the employers of the various gaming establishments. But the increase has proved to be such an onerous burden they are no longer able to absorb this excessive tax. This $500 tax now must be paid by each employee for the right to work in a gaming establishment.

Mr. President, this tax was never meant to be a revenue raising measure but rather was meant to be an enforcement tool to combat illegal gaming. As such, the increase to $500 is an unnecessary and excessive amount which unfairly interferes with the employees' right to work.

In no way is the original intent of this legislation impaired. The Internal Revenue Service will receive the same amount of information with regard to each employee as it has in the past and the impact, although minimal on the Federal budget is substantial with regard to those employees liable under section 4411.

Mr. President, I ask that the bill be appropriately referred and am hopeful that the Senate will take rapid and favorable resolution with regard to this unfortunate situation.

By Mr. THURMOND:

S. 1845. A bill to amend section 306 of the Consolidated Farm and Rural Development Act to expand the definition of an eligible borrower to allow loans and/or grants to be made to borrowers irrespective of location of the borrower or facility provided the facility will primarily serve rural residents. Referred to the Committee on Agriculture and Forestry.

Mr. THURMOND. Mr. President, I am today introducing legislation to amend the Consolidated Farm and Rural Development Act to allow the Farmers Home Administration, FmHA, to make loans and/or grants for community facilities in nonrural areas, provided the facilities will serve primarily rural residents.

Under section 506 of this act, FmHA is authorized to make loans and/or grants to develop facilities for public use in rural areas and towns of not more than 10,000 population. However, in the case of housing loans, an amendment to the Housing and Community Development Act of 1974 expanded the definition of rural areas to include towns of not more than 20,000 persons. Thus, FmHA now has additional legislative authority to make housing loans in a town of between 10,000 and 20,000 persons, provided such town is not within a standard metropolitan statistical area, SMSA, and has been determined to have a serious lack of mortgage credit. However, due to lack of loan funds and administrative personnel, FmHA has not yet implemented this expanded authority.

In a practical sense, the legislation which I am introducing today would have the effect of expanding the population limitation of the Consolidated Farm and Rural Development Act in the case of community facility loans. However, in my opinion, my bill employs a more realistic measuring tool for determining a town's eligibility for community facility loans. Rather than relying entirely on population within an incorporated area, my bill would direct the Farmers Home Administration to consider the population character in the surrounding area wherein the users of the contemplated facility reside. If a facility would likely be used primarily by rural residents, then FmHA, under my bill, could make a building or improvement loan, even if the facility was situated within an incorporated area of over 10,000 persons.

Preliminary discussions with FmHA officials indicate that the approach embodied in my bill is desirable and workable. It is desirable because the intent of section 506 of the Consolidated Farm and Rural Development Act is to help provide community facilities and services to rural people who otherwise would not be able to afford them. I do not believe Congress intended for persons in predominantly rural areas to be penalized, simply because the ideal site for a community facility might happen to be in a town of more than 10,000 persons, which is ineligible as a borrower and/or facility location under present law.

This act was designed to extend to rural people the kinds of facilities and services routinely available to persons in metropolitan areas—such as water and sewer, fire protection services, hospitals, nursing homes, courthouses, schools, civic centers, and other essential community facilities and services. If the majority of potential users of the community facility—whatever it might be—live in rural areas—that is, outside towns with over 10,000 persons—then I think they should receive the benefits of the Consolidated Farm and Rural Development Act. However, there are numerous instances which have come to the attention of FmHA officials where the present law prevents the Agency from rendering financial assistance. My bill would amend the present law to correct these problems.

To further illustrate the unreasonable limitations of the present law, I would like to point out that there are nine cities in South Carolina which have populations over the present 10,000 maximum but less than 20,000. As a matter of fact, all of the nine towns in this population category have less than 13,500 persons. Yet, all nine towns are presently ineligible for FmHA community facility financing, which several need very badly to make public improvements. Most of these nine towns are located in predominantly rural counties of low population density. The towns simply happen to be the economic and population centers of larger rural areas.

I think it is unreasonable and unfair to arbitrarily say that these towns, and hundreds of others like them across the Nation, are ineligible for FmHA financing of facilities that would primarily serve rural people. I urge that the present law be changed, along the lines that I am suggesting, so that it will be more sensible and help the people in rural areas who need this loan assistance.

By Mr. HUMPHREY:

S. 1847. A bill to authorize the 101st Airborne Division Association to erect a memorial in the District of Columbia or its environs. Referred to the Committee on Interior and Insular Affairs.

THE 101ST AIRBORNE DIVISION MEMORIAL

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to authorize the 101st Airborne Division Association to erect a memorial in the District of Columbia or its environs.

This bill is identical to legislation introduced in the House by Representative ROBIN L. BEARD.

I believe this memorial, for which private donations have now been received by the association, is a fitting tribute to those who have contributed to the proud heritage of the Screaming Eagles and given their lives in service to their country.

Mr. President, a letter to me from Mr. William J. Lewis, executive secretary of the 101st Airborne Division Association, located in Trimont, Minn., describes the history and purpose of legislation to authorize a memorial site. I ask unanimous consent that excerpts from this letter, and the text of the bill, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

101ST AIRBORNE
DIVISION ASSOCIATION,
Trimont, Minn., April 10, 1975.
Trimont, Minn.

DEAR SENATOR HUMPHREY:

The National Headquarters of the 101st Airborne Division Association is located in Trimont, Minnesota and I am the National Executive Secretary.

Since 1958 we have been trying to erect a monument honoring the hundreds of thousands of Screaming Eagles who have honorably served their country in World War II, Vietnam and maintaining the peace in-between wars.

The bill originally passed by both houses of Congress and signed by President Eisenhower had a five year limitation. We were not able to raise the $100,000 needed within that period of time and the Bill expired. . . .

Senator we have again got the Bill before the House of Representatives . . . H.R. 3710. Can you help us?

The 101st Airborne Division has a unique and proud heritage and a Rendezvous with Destiny. It has always been tomorrow's division in todays Army, more capable, more tenacious and more combat ready than any other. H.R. 3710 will recognize this proud uniqueness and heritage.

The eyes of hundreds of thousands of Americans are on H.R. 3710. The roots of the Screaming Eagles extend to every state and territory of the United States. They ask not for the ticker tape parades of a victorious unit nor the plaudits of their grateful fellow country-men. Instead they ask for a piece of ground on which to erect a memorial to their fallen comrades.

The Screaming Eagle Division has always been sound. Its soldiers skilled, spirited and proud. The Division has accomplished effectively, efficiently and in special style, every mission assigned, no matter how difficult. Will you now help us memorialize our dead.

Senator, H.R. 3710 is not inflationary, it will use none of our energy resources, but it will be a visible symbol of our Nation's resolve to remember our proud heritage, and will serve as a reminder to the peoples of the world that we are a concerned compassionate people.

Senator Humphrey, all of the donations were of a small amount. We have collected $100,000.00 over the last ten years. We have received over 25,000 donations from World War II and Vietnam Veterans, alive and dead, Gold Star Mothers and other relatives of deceased Screaming Eagles, by European friends in Great Britain, and liberated friends in The Netherlands, Belgium and France.

Senator, we now need your help. Infantry Divisions are made up of the common ordinary people. We do not have many who came from influential families. Most Screaming Eagles are ordinary citizens; who work for a living, support their families, educate their

UMI

children, support their communities and raise patriotic, God fearing offspring.

We need your help now. Can you help us get this legislation through so that we can start construction and have the monument erected by our Bi-Centennial Celebration in 1976.

Sincerely,

WILLIAM J. LEWIS,
Executive Secretary.

S. 1847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the One Hundred and First Airborne Division Association is authorized to erect a memorial on public grounds in the District of Columbia or its environs in honor and in commemoration of the men of the "Screaming Eagles" of the One Hundred and First Airborne Division, United States Army, who have served their country in World War II, Vietnam, and maintaining peace.

SEC. 2. (a) The Secretary of the Interior is authorized and directed to select, with the approval of the National Commission of Fine Arts and the National Capital Planning Commission, a suitable site on public grounds in the District of Columbia, or its environs, upon which may be erected the memorial authorized in the first section of this Act: *Provided,* That if the site selected is on public grounds belonging to or under the jurisdiction of the government of the District of Columbia, the approval of the Commissioner of the District of Columbia shall also be obtained.

(b) The design and plans for such memorial shall be subject to the approval of the Secretary of the Interior, the National Commission of Fine Arts and the National Capital Planning Commission, and the United States or the District of Columbia shall be put to no expense in the erection thereof.

SEC. 3. The authority conferred pursuant to this joint resolution shall lapse unless (1) the erection of such memorial is commenced within five years from the date of enactment of this joint resolution, and (2) prior to its commencement funds are certified available in an amount sufficient, in the judgment of the Secretary of the Interior, to insure completion of the memorial.

SEC. 4. The maintenance and care of the memorial erected under the provisions of this Act shall be the responsibility of the Secretary of the Interior, or, if the memorial is erected upon public grounds belonging to or under the jurisdiction of the District of Columbia, the government of the District of Columbia.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 19

At the request of Mr. DOLE, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 19, a bill to amend title XVI of the Social Security Act so as to provide for the referral, for appropriate services provided by other States' agencies, of blind or disabled children who are receiving supplemental security income benefits.

S. 228

At the request of Mr. KENNEDY, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 228, a bill to establish the National Trust for the Preservation of Historic Ships.

S. 758

At the request of Mr. HATFIELD, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 758, a bill to authorize the President to issue a proclamation designating August 22 to 28, 1975, as "National Deaf Awareness Week."

S. 865

At the request of Mr. BUCKLEY, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 865, the Public Buildings Cooperative Use Act.

S. 872

At the request of Mr. HATFIELD, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 872, a bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates.

S. 1406

At the request of Mr. MONTOYA, the Senator from Kansas (Mr. DOLE) was added as a cosponsor of S. 1406, a bill to provide that veterans' pension and compensation will not be reduced as a result of certain increases in monthly social security benefits.

S. 1426

At the request of Mr. CHURCH, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 1426, a bill to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such act, to prohibit discrimination on the basis of age, and for other purposes.

S. 1504

At the request of Mr. MONTOYA, the Senator from Rhode Island (Mr. PELL), the Senator from Massachusetts (Mr. BROOKE), the Senator from Illinois (Mr. STEVENSON), the Senator from California (Mr. TUNNEY), and the Senator from Pennsylvania (Mr. HUGH SCOTT) were added as cosponsors of S. 1504, the drugs-under-medicare proposal.

S. 1652

At the request of Mr. STONE, the Senator from South Carolina (Mr. THURMOND), the Senator from Nevada (Mr. LAXALT), and the Senator from Kansas (Mr. DOLE) were added as cosponsors of S. 1652, a bill to amend the Internal Revenue Code of 1954 to provide that no interest is payable on income tax deficiencies in the case of returns prepared by the Internal Revenue Service until the expiration of 30 days after notice to the taxpayer of such deficiency.

S. 1789

At the request of Mr. CRANSTON, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 1789, a bill to amend the Domestic Volunteer Service Act of 1973 and the Peace Corps Act to provide for an increase in the VISTA volunteer stipend and Peace Corps volunteer readjustment allowance, respectively.

S. 1795

At the request of Mr. HUMPHREY, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 1795, the Balanced Growth and Economic Planning Act of 1975.

SENATE RESOLUTION 131

At the request of Mr. STONE, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of Senate Resolution 131, to oppose the lifting of sanctions aginst Cuba and to request the advice and consent of the Senate prior to any proposed change in our Cuba policy.

SENATE CONCURRENT RESOLUTION 45—ORIGINAL CONCURRENT RESOLUTION REPORTED RELATING TO THE AUTHORIZING OF VARIABLE RATE MORTGAGES BY THE FEDERAL HOME LOAN BANK BOARD

(Placed on the calendar.)

Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs, reported the following original concurrent resolution:

S. CON. RES. 45

Whereas the variable rate mortgage concept may strengthen the financial viability of thrift institutions specializing in mortgage lending and increase the availability of mortgage credit;

Whereas the Congress is presently considering legislation to restructure the powers of financial institutions in order to enhance their competitive ability to provide financial services;

Whereas the variable rate mortgage concept requires safeguards to prevent undue risks from being imposed on consumers; and

Whereas the Congress believes that further review is needed to determine the appropriate safeguards needed to protect consumers in connection with the use of variable rate mortgage loans and the appropriate degree of interest rate risk which should be assumed by financial institutions making mortgage loans: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing, by rule, regulation, or otherwise, a Federal savings and loan association to offer loans with variable interest rates and secured by one- to four-family homes or dwelling units unless Congress specifically, by law, authorizes such variable interest rates.

AMENDMENTS SUBMITTED FOR PRINTING

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1975—S. 920

AMENDMENTS NOS. 504 AND 505

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted two amendments intended to be proposed by him to the bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

AMENDMENT NO. 506

(Ordered to be printed and to lie on the table.)

Mr. SYMINGTON (for himself, Mr. KENNEDY, Mr. CRANSTON, Mr. HATHAWAY, Mr. MATHIAS, and Mr. SCHWEIKER) submitted an amendment intended to be proposed by them jointly to the bill (S. 920), supra.

AMENDMENT NO. 507

(Ordered to be printed and to lie on the table.)

NAVY RESERVE REDUCED BY 25 PERCENT

Mr. DOLE. Mr. President, in recent years, whenever there is unusual budgetary pressure, the Navy's leadership, apparently with the blessing of the Department of Defense, has consistently whacked away at the authorization and appropriations of the Navy Reserve.

If allowed to prevail the strength of the Navy Reserve will have been reduced from 129,000 in fiscal 1973 to 92,000 in 1976—a reduction of more than 25 percent in 3 years. Past budgets have eroded support for the Naval Reserve to subminimal levels of capability.

MOBILIZATION REQUIREMENTS UNCERTAIN

In the last 5 years, the Department of Navy and the Department of Defense have "reorganized" and "studied" the Naval Reserve to the point of demoralization for those most closely involved with Reserve programs throughout the country. Each succeeding "study" brought a new round of structural changes and heightened confusion among dedicated Naval Reservists. Mobilization requirements of the Naval Reserve, once clear and concise, became murky and uncertain.

In response to a letter I wrote to Secretary Schlesinger in February 1975, the Secretary of the Navy assured me that the Department of Defense is committed to the "total force policy which has as one of its principals maximum utilization of the potential in the Reserve Forces."

I do not view scuttling 25 percent of the Naval Reserve Forces in 3 years as "maximum utilization of the potential of Reserve Forces." The actions of the Navy Department and the Department of Defense simply do not match their fine phrases of support.

SOVIETS CHALLENGE U.S. CONTROL OF SEAS

It should not be necessary to remind either the Department of Defense or my distinguished colleagues in the Senate that the Soviet Union is mounting a deadly serious challenge to this country for control of the seas. Their ships are now new; their manpower is disciplined, well trained, and backed up by adequate reserves.

The Soviet challenge comes at a point when our Regular Navy Forces are approaching record low levels for the post World War II period.

In consideration of the critical importance to our national security for control of the seas, I submit this amendment to stabilize Navy Reserve manpower at current authorized levels.

CONFORMS WITH HOUSE ACTION

This amendment would put the Senate in conformity with action already taken by the House to stabilize Naval Reserve manpower at its current 112,000 authorized level.

Mr. President, I request unanimous consent that this amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

Amendment No. 507

On page 18, line 21, strike out "92,000" and insert in lieu thereof "112,000"; and on page 25, line 4, strike out "92,000;" and insert in lieu thereof "112,000:".

AMENDMENT NO. 511

(Ordered to be printed and to lie on the table.)

Mr. BELLMON. Mr. President, I send to the desk an amendment to S. 920 to restore full-funding for the B–1 bomber. This amendment would increase procurement of aircraft for the Air Force by $77 million in fiscal year 1976 and $31 million in the TQ'76. In addition, research and development for the Air Force would be increased $75 million in fiscal year 1976 and $39.3 million in the TQ'76. The sum of these amounts would be $222.3 million, which is the exact amount the Armed Services Committee deleted from the Defense Department's request for the B–1 program.

By delaying this program through reductions in fiscal year 1976 and TQ'76 funds, costs will go up an estimated $1 billion over the next decade and deliveries will stretch out an additional year. This would be a result of two major factors:

First. The "stop and go" approach to making airplanes is very expensive. By not permitting the orderly progression of development into production planning and by not being able to order long-lead materials, we must pay for manufacturing facilities that will not be manufacturing—they will be dormant, waiting for the authorization of new work. And workers—the engineers, the fabricators, the assembly people—will probably not be dormant. They will have taken other jobs or joined the rising ranks of the unemployed. The downtime associated with delaying the program will cost an estimated $300 million—a cost we need not incur if we fund the B–1 adequately now.

Second. The purpose of the amendment is to add $222.3 million for the B–1 bomber program. This sum of money will keep the production line for the B–1 operational so that if the Congress decided to go into full production on the B–1, the personnel and equipment will be in place. Without this additional sum of money, it will be necessary to close down the plant and lay off the workers. The addition of these funds will eliminate this kind of "stop and go" policy with a savings of about five times the amount added by this amendment.

It is for these basic cost-saving measures that I urge the adoption of this amendment for continued development and advance procurement of long lead time materials that will assure program continuity for the B–1 bomber. I ask unanimous consent that the text of my amendment be printed in full in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMDT. NO. 511

On page 16, line 22, strike out "$3,960,700,000" and insert in lieu thereof "$4,037,700,000".

On page 17, line 25, strike out "$3,707,840,000" and insert in lieu thereof "$3,782,840,000".

On page 23, line 6, strike out "$831,300,000" and insert in lieu thereof "$862,300,000".

On page 24, line 9, strike out "$946,621,000" and insert in lieu thereof "$985,921,000".

AMENDMENT NO. 513

(Orderd to be printed and to lie on the table.)

Mr. BUCKLEY (for himself and Mr. MCCLURE) submitted an amendment intended to be proposed by them jointly to the bill (S. 920), supra.

LAND RESOURCES PLANNING ASSISTANCE ACT—S. 984

AMENDMENT NO. 508

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. BAYH. Mr. President, I am today introducing a five-part amendment to S. 984, the Land Resources Planning Assistance Act, to guarantee that local government will have adequate opportunity to participate in the development and implementation of land resource programs. While I support Federal assistance to the States for the development of land resource programs, I believe it is absolutely imperative to insure that at every step of the process that local government is fully involved in the planning and decisionmaking processes. It is easy for us to sit here in Washington and acknowledge the real need for good land resource planning and to offer the financial support necessary to accomplish this objective in the States. But there can be no denying that any such program developed without the full and active participation of local officials, who are best qualified to know the needs of their communities, is doomed to failure.

Rather than undertake such a futile effort, I am offering this amendment to S. 984 to guarantee that local government is properly involved in the development and implementation of land resource programs at the State level, and fully consulted in the issuance of Federal guidelines for the program.

Mr. President, S. 984 is the latest in a series of bills providing Federal assistance to the States and localities for land use planning that has been before this body throughout the 1970's. The need for balanced planning and rational growth has clearly been established.

Since World War II, our Nation has been growing at breakneck speed, with too much of this growth taking place in a chaotic and haphazard fashion Congressional initiatives to fight air and water pollution reflect our recognition that we have paid a price for our phenomenal growth and that our natural resources can too easily be exhausted. The steps we have taken to reverse a century's desecration of our air and water must now be complemented by legislation focused on the use to which we put our land.

Random development has totally altered our national landscape, transferring pleasant and stable communities into polluted eyesores and placing escalating demands on energy facilities, housing markets, waste treatment facilities, and transportation services. Recreational

and residential developments, as well as poorly planned highway construction, have destroyed rural communities and laid waste to hundreds of acres of farm and timber lands.

These trends, Mr. President, will be further aggravated if ignored. Projections of future economic development indicate that American growth over the next 25 years will equal that of our first 200. It is incumbent on us to act now before it is too late, and to guarantee the fruits of balanced growth and a quality environment to future generations of Americans. Continued economic development is to be welcomed, but if it is done in a thoughtful fashion it will be an asset of which we can all be proud.

Historically, the Nation's response to the problems accompanying population growth and economic development has been to turn to local government. In the past, State Governments have routinely delegated zoning authority to localities, leaving them to cope, as best they could, with conflicting interests on a case by case basis without the benefit of constructive guidelines or essential financial and technical assistance.

Currently over 10,000 local governments are engaged in implementing some type of land use control. Frequently, these political units make decisions which impact beyond their communities. However, because of formal political boundaries, parties with legitimate claims to representation in the decisionmaking process are frozen out. The need for coordinating land use decisions and broadening the political arena in which decisions are made is clear. Yet, at the same time that we address these realities, it is essential that we do not throw the baby out with the bath water.

The development of land use programs will involve us in a sensitive experiment in intergovernmental relations. As we move toward coordinating Federal, State, and local efforts to make optimal use of our land, we must do our best to encourage a creative partnership between Federal, State, and local governments, providing for effective grassroots participation and community control. We can protect local concerns adequately while turning to higher levels of government for coordination and review as appropriate.

Unfortunately, a close examination of S. 984 as presently drafted reveals that it is remiss in, first, not establishing a permanent structure in land resource programs for participation of local elected officials at both the Federal and State levels, and second, in not making resources automatically available to localities taking on substantial land use planning responsibilities.

Experience at the State level with land use planning is instructive in this regard. In response to growing demands on our land and the inappropriateness of continued balkanization of land planning efforts, a growing number of States have reversed the historical pattern and moved to reclaim some of the land control authority they had previously delegated to local governments. This is obviously most appropriate in those instances when the decisions at a single locality impact on its neighbors.

In the last 15 years, a significant number of States have developed legislation addressing at least some of the questions raised by land use planning advocates. A few have enacted comprehensive land use planning programs. Others have established State controls over critical areas or uses where there is more than local significance. Still others have involved themselves in land decisions about energy siting, waste disposal, open spaces, strip mining, and recreational or residential development.

In almost all cases, the States have chosen to rely on local units for implementing guidelines developed at the State level, with the States retaining ultimate review authority of locally developed land use decisions that have broader impact.

In most of these cases, State/local relationships have proven to be sensitive and sometimes are fraught with conflict. Further, in a time of shrinking resources and rising demands, funding has proven to be a persistent problem. Rarely have local or regional units felt that they have been granted resources commensurate with the responsibilities they have assumed.

Mr. President, I urge my colleagues not to ignore these experiences. It is important that we address these problems at the beginning of a federally funded program involving all three levels of government.

This is the thrust of the five-part amendment I am offering today. It is meant to insure that local governments can participate fully and effectively in the land use planning programs encouraged by S. 984 as the States move to set up programs over the next 5 years.

Local governments all around the country are experiencing severe fiscal crises as a result of the recission. Reduced revenues have necessarily led to cuts in local services, an end to the initiation of new programs and the laying off of personnel. It would be particularly unfortunate if, at the onset of this land resource planning program, we denied already over-burdened location governments the resources necessary for them to assume new land used responsibilities in an effective manner.

Recognizing the imperative need to protect the proper role of governments in land resource programs, my five-part amendment will correct the deficiencies in S. 984 in the following ways:

First. No grants will be made to any State for a land resource program unless that State creates and consults with an advisory council of officials of local government. Such consultation must be comprehensive and must take place at each step of the land resource program development and administration;

Second. The continuing eligibility of each State for land resource program grants from the Federal Government will be made contingent on the State including within its program technical assistance and training programs for local government personnel. This will help financially hard-pressed local governments develop the necessary expertise to successfully fulfill their crucial role in land resource planning and development;

Third. The President would be required to consult with representatives of State and local governments, as well as Federal officials, before issuing guidelines to the States and Federal officials for implementing the provisions of the legislation;

Fourth. In a similar vein, the Secretary of Interior would be required to consult with local officials before issuing his rules and regulations to implement the Presidential guidelines; and

Fifth. Each State would be required to pass through to local governments a portion of its Federal assistance. This will help ensure that local governments have the necessary funds for planning and review of land resource programs that affect them so directly.

These provisions do nothing to weaken the ability of the Federal and State Governments to set policy guidelines and review final decisions that involve more than one community. However, they do write directly into the statute a strong mandatory role for our lower levels of Government. The provisions are consistent with sections of the companion House bill. They should contribute toward developing a productive and ongoing relationship between the Federal, State, and local governments in land use planning.

In this way, Mr. President, this amendment will increase significantly the chances of S. 984 achieving its lofty objectives.

I ask unanimous consent that the full text of my amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 12, line 11, immediately before "The Secretary", insert "(a)".

On page 12, line 25, immediately before "section" insert "subsection (b) of this section and of".

On page 12, after line 25, add the following:

"(b) No grant shall be made pursuant to subsection (a) to assist any State in developing and administering a State land resource program for non-Federal lands unless the Secretary has determined that the State has established and has in existence an advisory council composed of a representative number of chief elected officials of general purpose local governments in urban and nonurban areas selected by the Statewide association or associations representing such groups, and which has been charged with the responsibility, among other things, to comment on all State guidelines and rules and regulations relating to the establishment or administration of such program, to participate in the development of the Statewide land use planning process and State land use program, and make formal comments on annual reports which the agency may prepare and submit to the council (which report may detail all activities within the State conducted by the State and local governments)."

On page 15, line 14, strike out the word "and" after the semicolon.

On page 15, line 17, strike out the period and insert in lieu thereof a semicolon and the word "and".

On page 15, between lines 17 and 18, insert the following: "(10) technical assistance and training programs for appropriate State, regional and local agency or local government personnel concerned with the development and implementation of the State land use programs.".

On page 25, line 8, immediately after the period, add the following: "Before issuing such guidelines, the President shall consult with the Secretary, the heads of Federal agencies, and representatives of State and local governments.".

On page 25, line 10, immediately after "Secretary", insert a comma and the following: "after consultatation with representatives of State and local governments,".

On page 56, strike out lines 3 and 4 and insert in lieu thereof the following: "Act shall allocate a portion of its grant funds to a participating unit of government for planning and review purposes".

EXTENSION OF SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN—S. 850

AMENDMENTS NOS. 509 AND 510

(Ordered to be printed and referred to the Committee on Agriculture and Forestry.)

AMENDMENTS TO S. 850—TO RESERVE EQUIPMENT FUNDS FOR NO-PROGRAM SCHOOLS AND TO UPDATE POVERTY GUIDELINES FOR NATIONAL SCHOOL LUNCH ACT

Mr. HUMPHREY. Mr. President, I am introducing today, on behalf of myself and Senator MONDALE, two amendments to S. 850, a bill earlier introduced by Senator MCGOVERN, myself, and others, to amend and extend certain provisions of the National School Lunch and the Child Nutrition Acts.

NONPROGRAM-SCHOOLS AMENDMENT

Purpose of the amendment: To continue to reserve 50 percent of the nonfood assistance funds provided under the Child Nutrition Act of 1966 for no-program schools.

Nature of the amendment: The amendment takes three actions:

First. Continues for 3 more years a provision of the Child Nutrition Act of 1966 that reserves 50 percent of nonfood-assistance funds for use in no-program schools. This provision has been in effect for fiscal years 1973, 1974, and 1975, and is due to expire on June 30 unless it is extended.

Second. Enables these reserved funds to be used for schools that lack the facilities to prepare or receive hot meals as well as for schools without food service. At present, a school that has nothing more than a refrigerator in which milk and the makings for sandwiches and other components of a cold lunch are kept is not eligible to receive reserved funds. Thus a school interested in instituting a food service program but needing equipment aid is rewarded if it takes no steps whatsoever to set up a lunch program until the equipment funds arrive, while a school that moves to set up a cold lunch program on an interim basis loses its eligibility for the reserved funds.

Third. Allows reserved funds that cannot be used by any State even after reapportionments to be taken out of the reserve and used for regular program schools.

Need for the amendment: The "Comprehensive Study of the Child Nutrition Programs" submitted to Congress in July 1974 by the U.S. Department of Agriculture reported that over 5 million children in 18,000 schools—or 10 percent of the Nation's school enrollment—still attend schools without a food service. The first priority for nonfood assistance funds must continue to be placed on bringing these children, at least 1 million of whom are needy, into the school lunch program.

If the "no program" school reserve is allowed to expire, the current emphasis on reaching the no-program schools will be lost. In the 3 years that the reserve has been in effect, 55 percent, 49.5 percent, and 50 percent of the nonfood assistance funds have been used in no-program schools. In the 3 preceding years, by contrast, only 16.8 percent, 32.1 percent, and 44.4 percent of the nonfood assistance funds went to no-program schools—see chart.

Moreover, the reason that 44.4 percent of the funds went to no-program schools in fiscal year 1972 is that USDA that year directed States to hold half of their equipment funding aside for use for no-program schools until February of that fiscal year.

A continuation of the reserve—which has proven itself effective over the last 3 years in channeling aid to no-program schools—is desirable. A continuation of the reserve will insure that tens of thousands of children who otherwise would be left out of any school food program will be able to receive school lunches.

This amendment also contains two modifications designed to improve the no-program school reserve. One modification enables those schools unable either to prepare or to receive hot meals to be eligible for reserved funds. This will enable some very old school buildings with nothing more than a refrigerator to establish a bona fide hot lunch program. The other modification requires that if some of the reserved funds are left unused after reapportionments—an unlikely possibility—the reserve could be broken and these funds used to assist regular program schools.

Mr. President, I ask unanimous consent that a table illustrating the effect that this reserve feature has had in bringing no-program schools into the school lunch program in recent years. Also I ask unanimous consent that the full text of my amendment to continue this reserve feature be printed in the RECORD following the table.

There being no objection, the table and amendment were ordered to be printed in the RECORD, as follows:

NONFOOD ASSISTANCE SPENDING BY FISCAL YEAR

	Fiscal year—					
	1970	1971	1972	1973	1974	1975 (estimated)
Funds used: Program schools	$13,905,601	$24,717,544	$9,258,010	$6,821,224	$13,720,551	$14,000,000
Funds used: No program schools	$2,799,569	$11,680,081	$7,387,771	$8,334,998	$13,470,576	$14,000,000
Percentage of funds: Program schools	83.2	67.9	55.6	45	50.5	50
Percentage of funds: No program schools	16.8	32.1	44.4	55	49.5	50

Note: Reserve in effect.

AMENDMENT No. 509

On page 5 immediately following line 24, insert the following:

NONFOOD ASSISTANCE FOR NO-PROGRAM SCHOOLS

SEC. 11A. Section 5(e) of the Child Nutrition Act of 1966 is amended to read as follows:

"(e) In each of the fiscal years ending June 30, 1976, September 30, 1977, and September 30, 1978, 50 per centum of the funds appropriated for the purposes of this section shall be reserved to the Secretary to assist schools without a food service and schools without the facilities to prepare or receive hot meals. For the fiscal year ending June 30, 1976, the Secretary shall apportion the funds so reserved among the States on the basis of the ratio of the number of children in each State enrolled in schools without a food service to the number of children in all States enrolled in schools without a food service. In each of the fiscal years ending September 30, 1977, and September 30, 1978, the Secretary shall apportion the funds so reserved among the States on the basis of the ratio of the number of children in each State enrolled in schools without a food service and in schools without the facilities to prepare or receive hot meals to the number of children in all States enrolled in schools without a food service and in schools without the facilities to prepare or receive hot meals. In those States in which the Secretary administers the nonfood assistance program in nonprofit private schools, the Secretary shall, for the fiscal year ending June 30, 1976, withhold from the funds apportioned to any such State under this subsection an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service in such State bears to the total number of children enrolled in all schools without a food service in such State. In those States in which the Secretary administers the nonfood assistance program in nonprofit private schools, the Secretary shall, for the fiscal years ending September 30, 1977, and September 30, 1978, withhold from the funds apportioned to any such State under this subsection an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service or without the facilities to prepare or receive hot meals in such State bears to the total number of children enrolled in all schools without a food service or without the facilities to prepare or receive hot meals in such State. The funds so reserved, apportioned, and withheld shall be used by State educational agencies, or the Secretary in the case of nonprofit private schools, only to assist schools without a food service and schools without the facilities to prepare or receive hot meals. If any State cannot so utilize all the funds apportioned to it under the provisions of this subsection, the Secretary shall make further apportionments to the remaining States for use only in assisting schools without a food service and schools without the facilities to prepare or receive hot meals: *Provided, however,* That if after such further

UMI

apportionments any funds reserved under this subsection remain unused, the Secretary shall immediately apportion such funds among the States in accordance with the provisions of subsection (b) of this section to assist schools with a food service and with the facilities to prepare or receive hot meals. Payment to any State of the funds provided to it under the provisions of this subsection shall be made upon the condition that at least one-fourth of the cost of the equipment financed shall be borne by funds from sources within the State, except that such condition shall not apply with respect to funds used under this subsection to assist schools which are especially needy, as determined by the State.

Mr. HUMPHREY. Mr. President, the second amendment we are introducing today would update the income poverty guidelines for school lunch programs.

INCOME GUIDELINE AMENDMENT

Purpose of the amendment: To bring the income poverty guidelines used in the school food programs more up to date, so that the guidelines no longer lag 1 to 2 years behind the Consumer Price Indexes on which they are based.

Explanation of the amendment: The income poverty guidelines currently in use are essentially 1 to 2 years out of date because of the method used in making annual revisions in the guideline. The guideline currently in effect is based on the 1973 poverty line. The guideline scheduled to take effect on July 1, 1975, and to remain in effect through June 1976, is derived from the 1974 poverty line.

The poverty line for each year is based on the average Consumer Price Index for the 12 months during that year. Thus, the 1974 poverty line is based on the average CPI for the 12 months of 1974—and ends up approximating the CPI's for last summer. Yet it is this poverty line that forms the basis for the school lunch income poverty guideline that takes effect in July 1975 and remains in effect through June 1976. Thus, the school lunch guidelines are about a year out of date when they take effect and 2 years out of date by the time they expire.

The remedy for this situation is relatively simple. The income poverty guideline should be adjusted twice a year rather than once, and should reflect changes in the CPI through the most recent month for which the CPI is available when the revision is made. That is what this amendment does.

Under this amendment, the income guidelines would always be 2 to 8 months out of date, rather than 1 to 2 years out of date.

This change will therefore allow the guideline to more accurately reflect the actual poverty line at the time the guideline is in effect.

PRECEDENTS FOR THIS AMENDMENT

First. The Community Services Act of 1974 made a very similar change in the method of revising the poverty guideline used for all CSA and Headstart programs. This act ended the old system of using the average CPI for the previous calendar year as a basis for these revisions, and required instead that the revisions reflect changes in the CPI through the most recent month for which the CPI is available at the time the revision is made.

Second. Public Law 93-86, signed into law in August 1972, required that food stamp allotments and income eligibility limits be revised twice a year and reflect changes in food prices—as shown in data collected by the Bureau of Labor Statistics as part of its work on the CPI—for the most recent month for which the data are available when the revision is made.

Nature of the amendment: The amendment:

First. Requires that the income guidelines be adjusted twice a year.

Second. Requires that each adjustment be based on the latest CPI available. The guideline in effect for July through December each year would reflect changes in the CPI through the preceeding April. The guideline in effect for January through June each year would reflect changes in the CPI through the preceding October.

Third. Requires that the revisions in the income guidelines be based on month-to-month changes in the CPI, rather than on changes in the average CPI for 12-month periods.

Effect of the amendment on the guidelines: The new poverty guidelines scheduled to take effect for the second half of 1975 and the first half of 1976 are set at $5,010 for a family of four. The HEW Department estimates that the 1975 poverty line will actually be close to $5,600 for a family of four—and that the 1976 poverty line will actually be close to $6,000. If the amendment offered here were now in effect, the income guideline for the second half of 1975 would be set at $5,320.

Relation to other amendments: This amendment is a substitute for amendment No. 360. Amendment No. 360, which has already been passed by the House, requires that schools offer reduced-price lunches to students from families with incomes below 200 percent of the income poverty guidelines. This amendment retains the reduced price lunch provisions of amendment No. 360 without any changes, and adds the new provision to change the method of revising the income guidelines.

Mr. President, I ask unaminous consent that the text of this amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 510

On page 3, line 2, insert the following:

Sec. 5. Section 9(b) of the National School Lunch Act is amended to read as follows:

"(1) No later than June 1 of each fiscal year, the Secretary shall issue revised income poverty guidelines for use during the subsequent six month period from July through December. Such revisions shall be made by multiplying the income poverty guideline currently in effect by the change in the Consumer Price Index for the six month period ending in April of such fiscal year. No later than December 1 of each fiscal year (except fiscal year 1976) the Secretary shall issue revised income poverty guidelines for use during the subsequent six month period from January through June. Such revisions shall be made by multiplying the income poverty guideline currently in effect by the change in the Consumer Price Index for the six month period ending in October of such fiscal year. No later than December 1, 1975, the Secretary shall issue revised income poverty guidelines for use from January 1976 through June 1976. Such revision shall be made by multiplying the income poverty guideline currently in effect by the change between the average 1974 Consumer Price Index and the Consumer Price Index for October 1975.

"(2) Any child who is a member of a household which has an annual income not above the applicable family-size income level set forth in the income poverty guidelines prescribed by the Secretary shall be served a free lunch. Following the announcement by the Secretary of the income poverty guidelines for each six month period, each State educational agency shall prescribe the income guidelines, by family size, to be used by schools in the State during such six month period in making determinations of those eligible for a free lunch. The income guidelines for free lunches to be prescribed by each State educational agency shall not be less than the applicable family-size income levels in the income poverty guidelines prescribed by the Secretary and shall not be more than 25 per centum above such family-size income levels.

"(3) Local school authorities shall publicly announce such income guidelines on or about the opening of school each fiscal year, and on or about January 1 of each fiscal year, and shall make determinations with respect to the annual incomes of any household solely on the basis of a statement executed in such form as the Secretary may prescribe by an adult member of such household. No physical segregation of or other discrimination against any child eligible for a free lunch or a reduced price lunch shall be made by the school nor shall there by any overt identification of any child by special tokens or tickets, announced or published lists of names, or by other means: Provided further, That, beginning with the fiscal year ending June 30, 1976, State educational agencies shall establish income guidelines for reduced-price lunches at 100 per centum above the applicable family size income levels in the income poverty guidelines as prescribed by the Secretary, and any child who is a member of a household whose income falls between the State's free lunch standards (as prescribed in this section) and 100 per centum above the income poverty guideline prescribed by the Secretary shall be provided a reduced price lunch, at a cost of no more than 20 cents per lunch.

"(4) For purposes of this section, "Consumer Price Index" means the Consumer Price Index published each month by the Bureau of Labor Statistics of the Department of Labor."

ELECTRONIC FUNDS TRANSFER MORATORIUM ACT OF 1975—S. 245

AMENDMENT NO. 512

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. PROXMIRE submitted an amendment in the nature of a substitute intended to be proposed by him to the bill S. 245, to impose a moratorium on the receipt of deposits or the making of loans by financial institutions at places of business, other than those of financial institutions through the means of electronic methods of funds transfers.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENTS NOS. 466 THROUGH 474

At the request of Mr. CLARK, the Senator from Arkansas (Mr. DUMPERS), the Senator from California (Mr. TUNNEY), and the Senator from Kansas (Mr. DOLE) were added as cosponsors of amendments Nos. 466, 467, 468, 469, 470, 471, 472, 473, and 474, amendments to help insure that rural areas are given equitable treatment in the administration of the Older Americans Act programs, and intended to be proposed to the bill (S. 1426), a bill to amend the Older Americans Act of 1965.

AMENDMENT NO. 486

At the request of Mr. HUMPHREY, the Senator from Wisconsin (Mr. NELSON) was added as a cosponsor of amendment No. 486, intended to be proposed to S. 1517, to authorize reopening of the U.S. consulate in Gothenburg, Sweden.

NOTICE OF HEARING ON CERTAIN FARM STORAGE LOANS

Mr. HUDDLESTON. Mr. President, the Subcommittee on Agricultural Production, Marketing and Stabilization of Prices of the Committee on Agriculture and Forestry will hold a hearing Monday, June 9, on S. 1331, to authorize Commodity Credit Corporation loans for on-the-farm wet storage. The hearing will be in room 324, Russell Office Building, beginning at 10 a.m. Oral presentations will be limited to 10 minutes with the privilege of filing longer statements for the record. Anyone wishing to testify should contact the committee clerk as soon as possible.

NOTICE OF HEARING

Mr. BURDICK. Mr. President, as chairman of the Judiciary Committee's Subcommittee on National Penitentiaries, I wish to announce a change in the dates of hearings for consideration of S. 1243, legislation providing for the relocation of certain District of Columbia correctional facilities. The hearings will begin June 10, 1975, in room 6202 of the Dirksen Senate Office Building, 10 a.m.

Any person who wishes to testify or submit a statement for inclusion in the record of the hearings should communicate as soon as possible with the Subcommittee on National Penitentiaries, room A-404, Senate Annex, telephone 224-5461.

ADDITIONAL STATEMENTS

SELECTIVE INDIGNATION

Mr. BUCKLEY. Mr. President, not so long ago it seemed that not a day could pass without a critic of American involvement in Vietnam pointing out the real and alleged faults of what was called the "Thieu Regime" or "the corrupt Thieu regime." Many of these impassioned criticisms of the South Vietnamese Government centered on the censoring of opposition newspapers. Others pointed out that American involvement in Cambodia had brought grief and sorrow to the Cambodian people. Some of the most eloquent criticisms of the South Vietnamese Government and of American involvement were made on the Senate floor.

I mention this because ever since the Communist victory in South Vietnam and Cambodia there has been a curious silence on the part of those who just a few weeks ago were so eloquent in their indignation over injustice in Southeast Asia. The New York Times has reported that the entire population of Phnom Penh—men, women, children, the old, the sick, the young—have been sent on a forced march—a death march—into the countryside, all in the name of some ideological objective. And Time Magazine, May 19, 1975, reports that in Saigon.

All non-Communist newspapers in the capital were suppressed. The city's only sources of information were the government controlled radio, a new newspaper called *Saigon Liberation* and a few copies of two Hanoi newspapers.

Mr. President, what has happened to those whose denunciations of far less brutal suppression made the rafters shake when the government in power was non-Communist? Where is the weeping and gnashing of teeth over the suppression—not just the censorship, but the suppression—of every non-Communist newspaper in Saigon? Where are the fervent appeals to morality? Where are the oratorical flourishes? They have all been sent down the memory-hole that George Orwell told us of in his prophetic novel 1984. Suppression? Mass murders of innocent civilians? You would never think any such things are now occurring. The voices that were raised in this country only a short while ago are curiously silent about Communist atrocities and injustices.

I have but one question, Mr. President: Why?

BETTER UNDERSTANDING NEEDED BETWEEN RURAL AND URBAN AMERICA

Mr. HUMPHREY. Mr. President, I wish to call attention to an informative article, entitled "Better Understanding Needed Between Rural and Urban America," by Congressman JERRY LITTON. This article appeared in the April issue of the National Agriculture Aviation Association.

This article points out the need for a better understanding between urban and rural people in this country, and it details the efforts of Congressman JERRY LITTON to bring about such an improved understanding.

At a time when we have just seen an emergency farm bill vetoed, I think this effort is needed more than ever. The gist of the article is what many of us from rural America have long appreciated: that our farmers work extremely hard, face very high risks and receive minimal benefits for their efforts.

The article provides many detailed examples of how farmers have often not benefited from increasing returns while other sectors of the economy have managed to improve their position or at least stay abreast of inflation. The article points out also that farmers in the most recent 10-year period have averaged only 3.9 percent as a return on the current value of their equity in farm assets. Congressman LITTON states American consumers should be happy that with these figures, American farmers do not sell their holdings, invest their money elsewhere, get twice as much return on their investment and just lie in the sun.

Our consumers should all be aware of these facts, and the Administration as well as the Congress should keep them in mind as we attempt to develop legislation to afford some measure of protection for our farm producers.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BETTER UNDERSTANDING NEEDED BETWEEN RURAL AND URBAN AMERICA

(By Congressman Jerry Litton)

Historically farmers and their representatives in Congress have been voting against legislation helpful to consumers and urban America. Historically consumers and urban America have applauded their representatives in Congress for voting against farmers because of the erroneous assumption that legislation which helps the farmers must raise the price of food to the consumer. Urban Congressmen have been applauded by their already overcrowded urban voters for voting against spending money in the rural areas when it is this very lack of legislative support that is contributing to the death of small towns throughout America, forcing people to the already overcrowded cities.

It is cheaper to feed, clothe, and educate people in small towns than large cities. The money needed to buy land in New York City for a school, in a small rural town would buy the land, build the school, and build part of a hospital. Urban America, already plagued by overcrowded conditions, unemployment, and heavy welfare rolls, needs to recognize that it will take less of their tax money to feed, clothe, and educate people in small towns where many people now live than in their overcrowded cities.

I visited with several Congressmen from poor, urban areas shortly after my arrival in Congress. I pointed out that the average American spends less than 16 percent of his disposable income after taxes for food and that in wealthy Congressional districts, the figure was lower. But in their poor districts, the figure was closer to 50 percent. I pointed out that in view of this, they should be voting for every legislative program offered which would help the farmer even if it meant subsidizing the farmer, since so much of the income of their constituents went for food. I might add that since conveying this information to some of my colleagues from these poor, urban areas, I have gotten their votes on some important farm legislation.

There is the other side of the coin, too. Farmers and their representatives in Congress have historically not only voted against urban areas (resulting in urban areas voting against farmers) but they have also historically voted against legislation helpful to the poor. Part of this is because of the usually independent nature of the farmers. Part is because many farmers feel people are poor because they are too lazy to work, without realizing that many people are poor in the cities because they cannot get work. Regardless of the reasons, it needs to be pointed out to farmers and their representatives in Washington that when poor people receive an extra dollar, about 50 percent of it will go to buy food produced by the farmer, and when a millionaire gets an extra dollar he is already eating all the food he wants.

This doesn't mean I am in favor of all government give-aways and welfare or that I expect urban America to urge their representatives to wage a battle to help farmers and rural America so as to help urban America. However, I do think it needs to be pointed out that those things which help the farmers usually help consumers and vice

UMI

versa. Farmers who can afford fertilizer, who can afford good machinery, etc., are better able to produce more and better food for urban America. Likewise, consumers who are better off economically are in a better position to buy more food at higher prices from the farmer.

If wages in America had gone up no faster than food prices in the last 20 years, the average industrial worker would not be earning $3.89 an hour as he now earns, but $2.74. Or to put it another way, twenty years ago the typical household spent $956 a year for farm-produced foods at the supermarket. In 1973 this "market basket" of food for the household had increased to $1537. Had food prices increased as much as industrial wages, the market basket would have increased to $2314 for the typical household.

The average wage-earner in Tokyo, Japan, had to work 5 hours and 29 minutes in order to earn enough money to buy a pound of sirloin steak in September, 1973. The average wage-earner in London, England, had to work one hour and 14 minutes. Here in Washington, D.C., to buy the same pound of sirloin steak the average wage-earner had to work only 27 minutes.

For the past 10 years farmers got 37 to 41 cents out of each dollar the American consumer spent for farm-produced food at the store. In 1073 this increased to 46 cents. However, by the spring of 1974 this had fallen to about 40 cents.

When farm or food prices increase it makes the front page, but often similar decreases in food or farm prices do not make the news. Unlike wages, the cost of services, or the price of most other items in America, the prices that the farmer receives for his products do not always go up. About half the time, 11 years in the past 20, it goes up and the other half it goes down. What else in America can you think of that has decreased in price for 9 out of the last 20 years?

A good example is eggs. In 1952 eggs averaged 42 cents. In 1972 they had fallen in price to 32 cents. In August of 1973 because of reduced supply, increased demand (and the inelastic demand for food which results in substantial increases or decreases in retail food price if there is a slight shortage or surplus of food) the farm price of eggs went to 69 cents. For the year as a whole they averaged out to 54 cents. However, by May of 1974 they had fallen to 42 cents, or the same price they brought twenty-two years earlier. There was much press coverage when eggs hit 69 cents. Where was the press when they hit 42 cents? Giving press to food prices when they increase and not giving much press to their decrease is one of the reasons people have such an erroneous picture of food prices.

In the most recent 10-year period, farmers have averaged only 3.9 percent return on their current value of their equity in farm assets. American consumers should be happy that with these figures, American farmers don't sell their holding, invest their money elsewhere, get twice as much return on their investment and just lie in the sun.

One of the major reasons we had such low food prices in America in the 1950s and 1960s was because of the extremely low return the farmer received. In the 1950s the average after-tax income of farm people averaged only 54 percent as much as the average for non-farm people. In the 1960s the average after-tax income of farm people was 67 percent as much as the non-farm average. This is in spite of the heavy investment the farmer must have in his business. Between 1950 and 1960 food prices increased 18 percent and the cost of living increased 23 percent. During this same period farm prices actually declined 8 percent. Between 1960 and 1970 farm prices did increase by 17 percent, but food prices and the cost of living both increased 31 percent.

From 1953 to 1973 while wages in America were going up 142 percent, the prices farmers paid went up 79 percent. During this same period the wages farmers paid went up 143 percent, their farm machinery price levels increased 113 percent, and their total farm production costs increased 200 percent. I remember a high official on television last year, defending the boycotts and food price freezes, saying that farmers never had it so good and were "crying all the way to the bank." I remarked, "heck, if he knew anything about farming he would know why they were crying and why they were going to the bank." Because from 1953 to 1973 the amount of debt owed by farmers has increased nearly 500 percent. That is a pretty good reason to be going to the bank.

During the 25-year period from 1947 to 1972 food prices at the retail level increased 74.9 percent. But during this same period, per capita disposable income increased 223.2 percent in America.

The Consumer Price Index includes food eaten at home and in restaurants. Since 1955 food eaten at home has increased 64 percent while food eaten away from home has increased 105 percent. These two figures very well illustrate how labor and other items have played a far greater role in increased food costs to the consumer than increased prices to the farmer. Since far more food is consumed in the home than away, even by combining the two you find that food eaten at home and away has gone up 70 percent since 1955 while hourly wages since 1955 have gone up 142 percent. In the last five years both wages and the price of food at the retail level have gone up a little more than one-third.

This summer I visited with one farmer who had just sent 30 gilts to market. In a few days he was planning to start breeding those gilts. Why did he decide to sell the gilts rather than keep them for breeding? He said it was a combination of many things. Those things included the depressed hog market, lack of concern in Washington for the livestock producers, lack of rain, etc. Why should the consumer in New York City concern herself with the attitude of this one farmer who sent 30 gilts to market? Those 30 gilts, if kept for breeding, could have produced 120,000 pounds of pork in 12 months. If this farmer was depressed enough to decide not to keep gilts for breeding, you can be sure hundreds or thousands like him across the country made similar decisions.

This means thousands of tons of pork are not produced for the consumer. This reduction in pork supplies will substantially drive up the price of that pork (plus other meat) which is produced. That's why the consumer in New York City wants to keep the farmer happy and producing.

Trying to solve a problem of food shortages with a food price freeze is like trying to solve a teachers' shortage with a ceiling on teacher's salaries. Instead of easing the shortage, it creates additional shortages. You solve problems of shortages with programs which encourage production . . . not those which discourage production. Unfortunately, many politicians in both the Congress and the Administration took the easy way out and yielded to pressure from would-be consumer advocates by supporting those programs which appeared to help the consumer when in fact they did just the opposite. Those in Congress who pointed out the fallacy of the food price freeze were labeled as being unsympathetic to the consumer when in fact they were the ones being honest with the consumer. In February of 1973 food prices, responding to increased food demand, were on their way up. Farmers anticipating better pork, poultry, beef, and grain prices were increasing their breeding herds, buying better machinery, and preparing to produce record volumes of food. Then came the boycotts and threatened freezes or price rollbacks in April. While the boycotts and demands for freezers or rollbacks were well intended, they accomplished only one thing. Farmers who in February were increasing their breeding herds in anticipation of better prices started decreasing them in April.

The louder the cries from consumers and consumer leaders for boycotts and food price freezes, the more farmers reduced their consumer leaders for boycotts and food price breeding herd numbers. Farmers weren't reducing their herd numbers or drowning baby chickens to hurt the consumer. Like everyone else, they are in business to make a profit, and I might add their income is substantially below that of nonfarmers. Breeding herds were being reduced and chickens drowned only to lessen losses they anticipated they would take if the boycotts or freezes took place.

The freeze meant farmers not only couldn't look forward to increased prices for their products, but were caught in a squeeze between ceiling prices and increasing costs of production. Instead of being encouraged to increase their production, they were discouraged. Tens of thousands of farmers across the country took this occasion to cull their herds of all but their very best breeding animals. Many farmers decided it was time to quit completely.

The high-quality dairy cows going to market and the fact that such an unusually high percentage of the sows going to market were pregnant indicated that these were animals that farmers, before the boycotts and freezes, clearly had planned to keep to produce more milk and pork.

Pork and poultry prices were first to go up because of the sows that went to market and the eggs that weren't hatched. Pork and poultry shortages (caused by the freeze supposedly to help the consumer) caused prices for these food items to skyrocket when the freeze was lifted. Had the freeze not been lifted, severe shortages would have resulted. High pork and poultry prices caused by the freeze caused consumers to shift to beef which helped to create a similar situation in beef.

Put yourself in the shoes of the farmer for just a minute. Imagine you own a farm. Farm debt has increased 400 percent since 1960 so chances are you own it with the bank. Imagine you have room on your farm to keep between 10 and 100 sows this winter. First you hear that corn prices are going up and since that will raise your feeding costs, you lean toward keeping 10 sows. Then you hear hog numbers are down, meaning better pork prices, so you decide to keep 100 sows. Then you hear of consumer boycotts being planned for meat and consumer advocates crying for food price freezes or price rollbacks. This causes you to decide to keep 10 sows.

The 90 sows you didn't keep (because of boycott and food price freeze threats) could have produced 10 pigs each (twice a year). The 1800 pigs you didn't produce because of the 90 sows you didn't keep represent over a quarter of a million pounds (200 pounds per market hog) of pork this one farmer did not produce in one year. Multiply this by the thousands of hog farmers around the country who were frightened by the boycotts and food price freezes and you see why pork production went down. Consumers bidding against each other for a limited amount of pork simply bid up the price of pork.

Consumers in effect talked the farmers into raising less food (by their support of boycotts and cries for food prices freezes) and then, by bidding against each other for reduced food supplies, bid the price of food up. If consumers had had a better understanding of what encourages farmers to produce more or less food, there would have been no food crisis in America this year. By now food production would have started responding to higher food prices and food supplies would have been more in line with demand instead of being short.

The food price freeze hurt everyone. It hurt the consumer by raising her food costs. It hurt the producer by denying him profits from higher production and in many cases by forcing him to take losses. It hurt the economy by reducing the production of goods we needed to help offset our balance of trade deficit.

In 1971 and 1972 our great productive America bought more goods than it sold for the first time since 1893. In 1971 we had a balance of trade deficit of over 2 billion dollars, and in 1972 it was over 6 billion dollars. We can't continue to buy more than we sell for long, any more than we can continue to take more out of our bank account than we put in. How are we going to reverse our balance of trade so as to strengthen the value of the dollar, afford to buy higher priced energy, reverse our balance of payments, halt the inflationary spiral, and solve some of the major economic problems confronting America? Can we export labor? No, it is higher in America than most other countries. Can we export manufactured goods? No, we had a balance of trade deficit in manufactured goods in 1972 of nearly 10 billion dollars. What, then, do we produce in America cheaply enough to sell competitively on the world market? The answer is food. If the answer is food, then again the question must be asked . . . how can it be said it is too high?

Some have suggested that we embargo the export of farm commodities because they are so high in America. It would seem to me that if food prices in America are too high that we would have no need to build a wall around America to keep the food from leaving America. A wall would be needed if food in America were priced so cheaply that many other less fortunate countries than America from around the world wanted to buy our food and were willing to outbid Americans for the food.

Have the short-sighted politicians, vying for consumer votes, learned a lesson? I fear they have not. Some of the same people are now asking the government to shut off exports of grain and other farm products. Again, imagine you are a farmer. Grain prices have gone up sharply in the past few months. Because of this you are considering making long-range investments in machinery and land improvements. Now you hear talk that the government is considering stopping exports of American grains. What do you do? Chances are you won't make the big investments. Once again when American farmers should have been encouraged to produce more, they were discouraged. Once again the consumer will have been used.

A fair question is, why did food go up so much in price last year? This took place because of a combination of economic factors. We had substantial increases in social security and the food stamp program which increased demand for food in America. We had bad crop conditions in America, as well as in other countries, which decreased supply. Russia and China changed their food policy toward their people last year and their trade policy toward the United States last year which increased demand. Wages at the lower wage scale increased in America last year. A man making $1.40 per hour who is raised to $2.00 per hour spends quite a bit of the extra 60c on food while a man making $10 per hour who has an increase in wages is probably eating about as much as he wants to eat. This increased the demand for food. The standard of living around the world improved last year, which increased demand. We devalued the dollar twice in 14 months which made our food a better buy abroad, which increased demand. There was a change in the sex life of the anchovy off the coast of Peru which reduced the world protein supply, which increased demand for soybeans, which increased the price of all grains, which increased the price of many foods in America. These various factors which decreased food supply and increased food demand quite naturally caused the increase in food prices.

One of the big reasons consumers are suspicious of food price increases is because these prices go up so suddenly, unlike the gradual prices increase of most other products and services. This, too, can be easily explained. It is because the demand for food is inelastic. The elasticity of demand is based on the essential nature of the product (food is very essential) and the price as it relates to the role performed by the product. The more essential the product and the lower the price in relation to the importance of the role of the product, the more inelastic we find the demand. This means the demand for food is very inelastic.

In cases where products have an elastic consumer demand, decreases in supply of the product result in corresponding increases in price which are offset by a corresponding decrease in demand (because of the higher price), thus both averting shortages and resulting in gradual increases or decreases in price. However, in the case of food, increases in price are not offset by corresponding decreases in purchases because people must eat. With less food to go around and people trying to buy as much as always, this quickly bids the price up. And since increases in price are not offset by corresponding decreases in purchases, we have food shortages.

Because of the inelastic demand for food (unlike the demand for many products) a one percent decrease in supply results in a 3 to 4 percent increase in price. The desire to stabilize food supply so as to avert radical price changes to the consumer and to give foreign buyers confidence in our market, the U.S. government has often been more involved in farming than either consumer or producer would like.

Given a 7 percent return on his assets, the farmer received 74 cents and 81 cents an hour for his labor in 1971 and 1972. He could have gotten this by simply selling out and drawing interest.

It is true inflation has driven skyhigh prices consumers pay for most things they need. Since food is both a family necessity and one that is purchased regularly, consumers noticed it here more than elsewhere. Irritating to farmers, however, during the meat boycotts in April was the fact that beef prices to the farmer were no higher than 20 years ago . . . how many other things were that cheap? Farmers are proud of their production efficiency. Inflation is a situation whereby we have a shortage of goods and services in relation to dollars. It can be overcome by less government spending or more productivity. Farmers have increased their productivity per man-hour more than twice as much as the non-farmer in the past twenty years which means that if non-farmers had increased productivity as much as farmers, inflation would not be a problem in America today.

Recently at the World Population Conference, several heavily populated, food-poor nations refused to support American proposals designed to encourage efforts to bring the world population in check. Instead, they criticized wasteful consumption of food in countries such as America. Since then, there has been criticism blaming American consumers for consuming too much and American farmers for producing too little. My answer to those people in light of the response at the recent World Population Conference and to those who will attend the November World Food Conference in Rome is that if the people of many of these countries had done as good a job of keeping their population in check as the American farmers have in increasing their production there would be no world hunger. America can no more police and feed the world than we can tell them how to run the internal affairs of their countries, but we should suggest that while we will not turn our backs on hungry people, we expect them to do their part and we will take this into consideration as we continue to share our food with the world.

SHARING SKILLS AND KNOWLEDGE IN AN AGE OF INTERDEPENDENCE

Mr. CRANSTON. Mr. President, I wish to bring to the attention of my colleagues a speech given by a fellow Californian, Mr. Rudolph A. Peterson, former president of the Bank of America in San Francisco, Calif., and currently serving as the Administrator of the United Nations Development Program, to Caltech Associates on May 12, 1975. Mr. Peterson's remarks are timely as he discusses the need for transfer of science and technology to the least developed nations of the world. Also, he describes the activities of the United Nations in bringing programs of science and technology to these nations.

I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

SHARING SKILLS AND KNOWLEDGE IN AN AGE OF INTERDEPENDENCE

I am very happy to have been asked by President Brown to share with you some of my perspectives, and concerns, about world development during our gathering here in connexion with the California Institute of Technology. Science and technology are at the very heart of the United Nations Development Programme, (UNDP), the largest multilateral effort in technical assistance in the world. Among our 7,600 projects in over a hundred countries and territories, about 25 per cent have a scientific or technological orientation. A great many more are designed to provide the planning skills, basic human resource development, and pre-investment surveys, without which science and technology cannot go to work to raise the quality of life among desperately poor peoples.

But one of the experiences of working in a global development programme is becoming aware of—indeed having to try to spot—the paradoxes. And we now have to face the paradox that the way in which scientific research and technology is presently concentrated may have been helping to widen the gap between the rich and the wretched of this earth.

How can this be? On the face of it, the idea is extraordinary. The transfer of science and technology, as rapidly as possible from the developed countries to the developing, is supposed to be one of the major keys to their increased productivity, employment, food production, and improved international trading capacity. Undoubtedly, this process of sharing will prove to be such a key. But a whole sequence of specialised global studies under United Nations and other auspices in the last five years has been pointing to some serious problems in the way we have gone about this so far.

First, what are the basic facts about where scientific and technological capability now reside? In 1971, a United Nations study determined that about 90 per cent of all the scientists who have ever lived were now alive on earth—but of these, 90 per cent still work in the world's developed countries. The United States account for 35 per cent; the Soviet Union about 13 per cent; the United Kingdom 6 per cent; India only 1 per cent.

Of about 50 billion dollars spent each year

UMI

on scientific research and technological development, the developing countries in 1971 were still getting only 2 per cent. Yet, as we know, those countries not only contain about two-thirds of humanity; they also contain many of the vital natural resources on which the whole of Earth depends. At once, we can begin to see a tremendous imbalance in the sharing of skills, in a world of whose interdependence we can no longer have any doubt.

Let us look next at the overall educational base, the foundations, upon which growth in scientific and technological capability in any country depends. The developing countries have been increasing their expenditure on education: by 1968 it had reached nearly 4 per cent of their GNP, compared to the rich countries' expenditure of just under 5 per cent of their GNP. But with the tremendous lead the rich countries already had, they obviously achieved a higher rate of growth than did the poorer countries.

We have, then, a picture of science and technology resources so heavily concentrated within the rich countries that they are almost automatically helping the rich move ahead faster than the poor. And despite a really herculean effort by the developing countries to expand their educational foundations, they cannot hope to keep pace with the rich countries.

Faced with this total picture, there are no easy remedies. And even some of the apparent ways of easing the strain have hidden drawbacks. For example, a major company based in a rich country can send into a developing country all the experts needed to exploit a natural resource. But a moment's reflection will expose the second-range effects of this. First, the government of the developing country cannot have its own, independent, assessment of how this exploitation of its resources is being carried out, if it lacks its own technological advisory staff. Secondly, it will also fall behind in the use of the very revenues it may earn from selling the minerals or commodities. For if the country's human resources in technology are not simultaneously growing, not benefiting from the process, how can it invest these earnings in technology-based growth? Once again, the skills and the knowledge really stay in the rich country: and the gap goes on widening.

The transfer of technology—as also of management skills—can no longer usefully, and equitably, touch only one select level or point in a developing country. It must carry with it a real filtering-down and radiating-out effect. Increasingly, as the developing countries see it, foreign investment packages of integrated skills seem to end up as a cost rather than a continuing benefit—unless those skills are useful in more than one industry: unless the investment yields a real and enduring contribution to local know-how. These concepts, of course, are not only technical, but are becoming increasingly political propositions. Last year at the General Assembly they were firmly incorporated in its declaration on a New International Economic Order.

Let me cite another example of these runaway imbalances, from a particularly complex technology—computerization. The growth of high-speed computerized shipping systems like containerization and air freight in the trade of Europe, North America, and Japan is going to put great pressure on the developing countries. If they are going to expand their exports into these high-efficiency international markets, they too, will have to computerize. Otherwise how will they compete on delivery schedules; minimise delays in the use of costly container systems; calculate costs and report rapidly enough to suppliers and consumers? Computerization is an expensive business as we all know. Yet the relentless progress of industrial and commercial technology in the rich part of the world will impose such increasingly costly requirements—in both money and skill-training—on the poorer countries if they are to try for fairer shares in world trade.

The paradoxes, and the needs, keep coming across my desk in New York, and coming at me on my UNDP field missions. Not long ago I was studying a really critical one in Latin America. Many of the major hospitals there have received complex, sometimes highly sophisticated, medical equipment, from all sorts of sources. But they don't have anything like enough trained engineers and other technicians to keep all this equipment in constant running order. And thousands of lives are at stake in this skills deficiency. UNDP is now studying how to set up a system for better training, better manuals, more mobile repair teams, to keep this vital hospital equipment functioning.

Now and then, from people weary of the spectres of massive poverty, one hears the phrase, "stop the world, I want to get off". There is another increasingly impatient voice coming from the poorer countries directed towards the rich. To paraphrase, it is saying, "slow down your part of the world or speed up the sharing of skills, because we insist on getting on". Seen from the southern part of Earth, the North increasingly looks like a voracious scientific juggernaut—grinding ahead, consuming ever more of total Earth resources, continuously re-investing its technological lead within its own area; and in turn imposing more and more vital skill requirements on the South if it is ever to hold the gap.

These are the realities, and the reasons why the United Nations system is increasingly the focal point, and the forum, of impatient awareness of our interdependence. And clearly, in face of these realities, the need for international technical assistance remains enormous. But because of the cost of technical assistance, and because of these hidden complexities, we are trying to maximize the benefits from present inputs. The sharing of skills must build indigenous technology in the developing countries; it must be appropriate to their needs at each stage of development; it must mesh with unfolding investment, trade, and other international patterns, all in which the right skills in the right place at the right time are often the make or break factors.

I would like to share with you now some of our recent innovations and improvements in the United Nations Development Programme, using these principles for global technical assistance.

1. First, all of us have increasingly realised the sensitivity of technology transfers—politically, economically, socially, and recently ecologically. Especially in the lowest-income countries, there remains a major job to be done in equipping their governments and supporting institutions in the overall fields of economic and social planning. This includes the capacity to assess options in technology, and weigh their relative merits, their social and ecological costs as well as their economic benefits, at each individual stage of national development.

Here, as you can imagine, United Nations assistance has an especially important role to play. More and more governments look to our 101 field offices, staffed by highly qualified management teams, to help them co-ordinate external development assistance and impartially assess the options. At the same time, UNDP-financed experts or fellowships are providing training for their planning and evaluation staff.

2. We also continuously search for opportunities for strategic assistance in applied scientific research of the kind that can have truly worldwide pay-off, as in the breakthroughs in breeding nutritious high-lysine maize at the International Maize and Wheat Improvement Center in Mexico. Last year, we moved further into these fields. We added two new global research projects. One is to identify the fastest-growing and most disease-resistant rice strains among the many now bred at the Rice Research Institute in the Philippines. We initiated a similar research drive in sorghum and millet, which are vital nutrition elements in Africa. In these projects, UNDP joins with bilateral donors and American private foundations to finance the research. But the research won't mean very much if the results don't get down to the real productive level—to the millions of farmers themselves in Asia, Africa, and Latin America.

So UNDP undertakes special follow-up programmes to disseminate each new agricultural technology down to country levels. Slowly, we start to see the whole system of international technical assistance pay off. Because in a great many of the countries, the agricultural scientists to whom these global research results are diffused have already been trained and their demonstration farms have been set up under UNDP-financed programmes with FAO. And in country after country, the next and the ultimate stage—the extension work out to the farmers themselves—is in turn helped by UNDP.

3. There is, then, this additional role of dovetailing, and synchronising, which is vital for efficient direction of global development work, just as it is within any one country, or corporation. Until recently, the very way in which international development assistance came about made it next to impossible. It wasn't just the sheer number of individual projects rising and ongoing all over the world at any one time. It was the fact that they rose from governments—for financing from all sorts of foreign aid agencies—on a first come, first served basis, project by project. The result, as you can imagine, was not exactly orderly! However, since 1972, the United Nations Development Programme has completely shifted to forward planning, with considerable headway in co-ordination with all aid sources. The key to this has been a new planning system. Over 100 governments are now operating medium-term country programming against what we call "indicative planning figures"—the amounts of assistance that they can plan on from UNDP over a forward five years.

4. This in turn has made even more necessary the use of our improved management and management-information tools to deploy and re-deploy our multinational teams of experts as effectively as possible. This is no easy job. The size of the team, and the competition for their skills, can be gauged from the fact that in 1974 we had to field 9,800 experts all over the developing world—in just about every discipline and specialized skill you could name. Incidentally, over a thousand were drawn from the United States; the majority were from the developed countries where, even with the present general recession, there is continuously increasing domestic demand for the very same skills.

We have experienced no little success, in certain types of projects with another new approach. This is to use an expert on a recurring short-term, visiting basis. The expert stays at his home-country academic or other institution, but makes quite frequent advisory trips to the project site across the world. He can thus up-date his technical advice from his home institution where he can draw on the ideas and experiences of his colleagues. More "twinning" schemes between universities, development study centres, and specialised institutions, may greatly help to speed up the sharing of skills.

5. Meanwhile, and getting back to the real core of the problem I mentioned earlier, there is the steady, slogging job of building up those indigenous banks of human skills in the developing countries. Over one million people have received training through UNDP-assisted fellowships and in-country training projects. Naturally, the multiplier-effect, as these graduates in turn train many more of their fellow-citizens, takes the total result to far higher figures.

Yet these needs are staggering, and continuously increasing. We find ourselves asked by governments to help develop skills at every level of the human-resource pyramid—from introduction of science teaching in schools, with a new curriculum that has to be locally relevant, to training teachers for technical institutes . . . and providing the laboratory equipment for them. For example, Egypt needs eight thousand more mechanical engineers and electrical technicans, and automotive and other mechanics every year. And the present training institutes can only turn out 1,800 a year. So we have started a new project there to help them speed up this training.

In this foundation-laying work, we need the help of every kind of educational technology that can accelerate learning processes—among millions of people who have no uniform schooling background, and who've had no chance of benefiting from the neatly structured sequences of learning that richer countries now provide.

6. Let me turn next to another huge demand on us—for technical assistance to help countries choose their specific investment options as carefully as possible. We have recently had a striking example of this in Nepal. Over the last 25 years, much had been done to develop road infrastructure in Nepal. Then the question came to us, how to connect three particularly inaccessible, very mountainous regions of this Himalayan country with the new main road grid? The usual earlier, and rather automatic, answer would have been "invest in mountain roads too". But our specialists advised the government that at this stage, the economic potential of these mountainous areas did not justify road construction. Instead, we are now financing engineering studies for all-purpose commercial cargo cableways into these areas—and we are hoping that these studies will prove of value in other similar mountainous countries.

The capital and human resources saved by this kind of options analysis, will in turn be available for other priority needs in Nepal.

Like everywhere else, the high oil prices have also led UNDP to re-investigate with governments energy resources which had hitherto seemed less economical. For example, in Bangladesh, the government has asked for a comprehensive energy survey to reconsider coal, natural gas, and hydropower, in the best mix for the country's total development needs. Incidentally, as here in California, geothermal energy is proving important in this whole new drive: in Kenya our studies of geothermal energy in the Rift Valley have now led to useful tapping of steam which may well prove more economical than hydropower; in El Salvador our geothermal survey has resulted in plans for at least three 30-megawatt power stations.

7. Then, there is the need to help countries overcome the technological obstacles they face in trying to increase export earnings from their staple crops. About 40 per cent of the world's sesame seed and sesame oil exports come from the Sudan; and there is rising demand. You may wonder what for; what is so important about sesame seed? Well, it's a key and very nutritious element in cattle feed; we also use it in salad and cooking oil, in pharmaceuticals and in soap. But increasing the Sudan's exports to meet all these demands called for mechanical harvesting—and the traditional sesame seeds were just too fragile to be mechanically harvested. Now, we have a project with the government that is applying University of California's work in breeding non-shattering varieties of sesame. The project first had to improve the adaptability and yield of these California varieties, and their resistance to insects and disease. This stage has been promising enough so that we can now hope to see extensive acreage under mechanical harvesting in the Sudan in the next two years, with investment organizations already interested in financing it.

8. This points up how follow-up investment is also vital in the meshing of all gears in technical aid. No time can be lost securing such investment from our surveys. We therefore operate a special system to help stimulate and attract investment follow-up, worldwide. Since 1959, we have seen over 17 billion dollars of such follow-up investment resulting from UNDP-assisted projects. And you will be interested to know that almost 60 per cent of last year's follow-up investment came from public and private sectors of the developing countries themselves.

This also tells us something very important—that these development prospects were chosen as priorities by the countries themselves, and were not mere foreigners' enthusiasms.

9. The "appropriateness" of technology transfer involves a great many dilemmas of selection. It is not difficult to appreciate how agonizing the process of choice can be for governments in low-income countries, with scarce capital and limited skills. One mistaken choice which a rich country would take in stride, can here be disastrous for a generation. And for exactly the same reasons that so wisely brought the addition of the Humanities and the Social Sciences into Caltech, so the questions about options in developing countries nowadays range—they must range—into sociological implications.

Let me pose the kind of questioning this may involve. Suppose that in a given area, the economic potential suggests going for a new pattern of farming and crops: but this pattern means that the existing small, individually owned plots will have to be reorganized and consolidated. The land consolidation specialist will in turn probably advise that new co-operatives among the farmers will be needed. But the social scientist—if brought in at this stage—will have to ask a whole further range of absolutely vital questions.

Is there a tradition of co-operation in the area? If not, are there good indications, from the human behaviour patterns, that people would really make co-operatives work? What will it take—in time, in explanation and in motivation—even to persuade farmers to accept the consolidation of the little plots of land their families may have held for generations? And will they come out of that process in a frame of mind not only to take new risks and learn new techniques—but on top of this to join in co-operatives and make them work?

If the answers in these social science areas are simply not promising, should the whole scheme be attempted? Or should a development process less fraught with behavioural risk be substituted? Questions like these have not always been asked, about project proposals that then turned out to be curiously slow to move; that involved heavy investment costs; and that brought inadequate or late returns. And we have laid some pretty big eggs to learn this lesson. In the United Nations development system, we are now trying to help governments ask these questions—at the right and early enough stage.

10. And this brings me to mention one further factor, the importance of which is almost beyond measurement. It is nothing less than the role of the human spirit in the selection and application of technology that is truly appropriate. The other day, public television carried a remarkable little story from the Caribbean, of a farmers' co-operative which was in need of bringing water down off a mountain to open up and irrigate some new farming land. The technical advisor who had helped them set up the co-operative estimated the cost in piping and other installations at 6,000 dollars. They didn't have 6,000 dollars, and decided together that they shouldn't borrow it at this time. The technical advisor went on vacation for a month. When he returned, he found a fully functioning pipe system already bringing that water down the mountainside—pipes made of bamboo, ingeniously joined, carefully positioned, and sub-dividing off into the new farmland. The whole system had been designed, planned, and carried out by the villagers with their own hands—because they were really determined to move ahead.

These are the hidden stories that inspire us—and that re-explain the infinite sensitivity of this great global venture of sharing skills. All over the world, there are these bursts of sheer local initiative and spirit, of technical wisdom adequate for the moment and infinitely rewarding. They should renew our faith, and the readiness of the more fortunate to enter into genuine interdependence with the rest of humanity.

You will not mind my recalling that we have dined well tonight; while something like half of all the world's peoples have gone to bed, or are starting another day's work to survive, in a state of under-nourishment. And I am frankly concerned that our own country's contributions to helping these peoples have progressively declined to one of the lowest, on a per capita basis.

We cannot really rest happy in a somewin, some-lose sort of world. It is not in our nature and it is not in any case feasible. I believe you will agree with me that this has already been, and is, the questing and innovative spirit of the great Institute with which we associate ourselves this evening. The Caltech students who work upon Mount Palomar can very surely see our little planet as one single system, reflected back from the universe they are helping to map. We have entered the age of interdependence. Let us strive with all the skills we possess, and the maximum resources we can share, to pass this little planet onto our children in better balance than we find it today.

DÉTENTE?

Mr. THURMOND. Mr. President, recently a distinguished American and a personal friend of mine, Karl R. Bendetsen, received the award for distinguished service presented by the New York Chapter of the Association of the U.S. Army. Mr. Bendetsen, in response to receiving this coveted award, made a comprehensive address on the subject of détente. As a former Acting Deputy Secretary of Defense and Assistant Secretary and Under Secretary of the Army, Mr. Bendetsen is ably qualified to speak on such a complicated and far-reaching subject as détente.

Mr. President, in order that my colleagues may have the benefit of Mr. Bendetsen's clear and incisive views on this subject, I ask unanimous consent that Mr. Bendetsen's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

DÉTENTE?

In composing my responsive remarks, I yearned to find contemporary words of gracious optimism and high confidence. Regrettably in the national environment in which we find ourselves, my quest has been fruitless.

In preparation, I have reviewed anew the streams of history whose confluence has formed the mighty river of time now swiftly carrying us and the nation we revere into an uncertain future whose coming events may now be casting their shadows before us. Can we discern them?

Specifically, my subject is Détente. To set

UMI

the background, may we together glance briefly at the somewhat remote past.

While it is unnecessary to detail the tangle of episodes along the corridor of time, the train of events which led to the onset of World War II began their inexorable march long before. It would be difficult to fix their initial point in time. One could speak appropriately of the years between 1900 and 1914 when the statesmen of old Europe knew full well what was afoot but chose, even as some statesmen of today, to ignore the facts and do nothing. But it would not do violence to history to cite the guns of August in 1914 and the entry of the United States on April 6, 1917 into World War I.

But no sooner said, one is forced to recall the fateful decision of the German Imperial General Staff in 1918 to relieve the pressure on the eastern front. It was they who launched the so-called Russian Revolution. No popular uprising at all—it was created and financed by the Germans with a million gold rubles and a secret train carrying a load of exiled and violent Russian revolutionaries, Lenin included, to St. Petersburg. The Germans to their later great regret had carefully gathered them together for the purpose. But for this, there would not have been a U.S.S.R. today.

There was the total disability of Woodrow Wilson not long after the peace conference in Paris. He exhausted himself on the League of Nations issue in a confrontation with the Senate of the United States. It struck him down for nearly the last 18 months of his second term. Had he retained all his faculties, some of the tragic mistakes of that period might have been avoided, but they were not. They accelerated and compounded. As they did, World War II became inevitable. As the fateful years of the 1920's and 1930's slipped into history, the momentum toward the abyss gained steadily. The formidable prospects we now face were even then being shaped.

What of World War II itself? Did we learn from the past? Were the ostrich-like nonjudgments of yesteryear avoided by our chosen leaders? And what may we say to ourselves about the present? More pertinently, what do both the past and the present portend for the future?

I first touch upon Yalta. In February, 1945, when Roosevelt, Churchill and Stalin met there, they created the temporal cauldron of the postwar world. After the third plenary session, a communique was issued to the world announcing progress to date. It said there had been "complete agreement for joint military operations in the final phase of the war against Nazi Germany and that discussions of problems involving a secure peace have also begun." All the liberated nations of old Europe were to have representative governments freely elected.

The communique sounded reassuring but a number of Americans among those present at Yalta who had dealt closely with the Russians were gravely concerned by what was actually taking place. One among these, our former Ambassador to Russia, William C. Bullitt, feared that President Roosevelt was being taken by Stalin.

In his memoirs, Bullitt said Roosevelt once told him in private that he would convert Stalin from Soviet imperialism to democratic collaboration by giving him everything he needed to fight the Nazis. Stalin needed peace so badly, the President had said to Bullitt, that he, Stalin, would willingly pay for it by collaborating with the West. Bullitt predicted that Stalin would never keep his agreements. The President replied, and I quote "Bill, I do not dispute your facts. They are accurate. I do not even dispute the logic of your reasoning. I just have a hunch that Stalin is not that kind of a man. Harry Hopkins says he is not and that he does not want anything but security for his country, and I think that if I give him everything I possibly can and ask nothing from him in return, noblesse oblige, he won't try to annex anything and he will work with me for a world of peace and democracy." When Bullitt persisted, the President replied, "Bill, this is my responsibility and not yours; I'm going to play my hunch."

The next month, in March of 1945, when the outlines of that which had been both settled and defaulted at Yalta began to be known, a rather remarkable statement was made and I quote: "If the German people surrender, the Soviets will occupy • • • the Baltic states, the whole east and southeast of Europe in addition to the larger part of Germany. In front of this enormous territory, including the Soviet Union itself, an iron curtain will go down • • •". Now who do you suppose was the author of this statement—Churchill? Certainly not. It was Joseph Goebbels, Hitler's propaganda minister, and it appeared in an article he then wrote entitled "The Year 2000" warning the West of the duplicity of the Soviets. But who could believe Goebbels, an enemy, particularly when he so freely mixed fact and fiction?

The world soon learned following VE day in Europe that the Soviets could not be trusted; and would not honor their agreements. This was the consequence of our second adventure with detente. The first was much earlier and will be briefly mentioned later. Save for Finland, an iron curtain did indeed descend across the states bordering the Baltic seas and their hapless peoples were enslaved as they remain today. Within months, the same fate befell all eastern Europe.

Stalin and Churchill had privately agreed in a bilateral conference in Moscow in March of 1945 that the British would have the main say over Greece in the postwar era. It was not long before the Soviet-backed guerrilla forces were attempting to subvert Greece, and it was only because of the intervention of the United States with military advisors and armaments under General Van Fleet that Greece was then saved from the fate which befell the other nations.

I turn to another chapter and a different theme. On June 25, 1950, the armed forces of the People's Democratic Republic of North Korea, armed, trained and directed by the then allied Communist powers of the U.S.S.R. and mainland China, launched an unprovoked, well planned aggression against South Korea. The United States decided to act with determination that the aggression be repulsed and procured the adoption by the Security Council of the United Nations, after the Soviet representatives stormed out of the meeting, of a resolution denominating the forces employed as the United Nations forces, although the United States carried the main burden of arms, men and casualties.

The aggression was repulsed to the point of its initiation following the brilliant maneuvers of General MacArthur culminating with the classic landing at Inchon. At great cost, the aggressors had been forced reeling back across the line of departure they had first violated. Then a fateful decision was made—the aggressors would be pursued.

It was a decision of enormous significance—its validity destroyed by a stark, immutable fact in the face of which it could not have been justified on any grounds.

As a personal note, having been then on the scene, I opposed the decision to pursue the aggressors in every way I could. I still regard it as having been a cataclysmic mistake.

What pervasive omission made this decision unsound? It was that the government of the United States was not prepared to succeed. We had not made a determination before embarking upon a new adventure, having repulsed the aggressor, that we would bring to bear under all circumstances the full force of our military capabilities. Certainly our intelligence knew of the massed Chinese forces north of the Yalu River.

Having gained face in Asia, our gain was eroded by the chilling consequences of that unfortunate decision. We failed. Each of you knows and vividly remembers the adverse impact on our national life of that failure and its aftermath. Would it not be reasonable to suppose that in the light of the profound difficulties we encountered in extricating ourselves from a blunder of such calamitous magnitude that we would have learned an indelible lesson? Never launch a major undertaking of milestone significance without a well deliberated commitment to succeed!

But this is not the end of the story. It had a tragic sequel of catastrophic proportions. We were not to learn from the bitter lessons of Korea. More importantly perhaps, we may find to our ultimate tragedy that we have not learned from Roosevelt's fateful delusion at Yalta. What did the long planned resolute duplicity of the Soviets in Korea and in their descending an iron curtain across eastern Europe and the Baltic states, first described by Goebbels and later claimed as his own classic description by Churchill at Fulton, Missouri, teach us, if anything? Let us inquire further. I shift to still another chapter.

On August 26, 1960, John F. Kennedy during his campaign for the presidency said at Detroit and I quote: "I think the American people are willing to undergo whatever is necessary for the world's best defense." At Harrisburg, Pennsylvania on September 15 of that year, he said "Freedom and communism are locked in a deadly embrace. The goals of communism and its methods do not change one iota when Khrushchev talks of peace and a peaceful coexistence." He added a few days later on the 20th of September in Washington, "This is no ordinary enemy and this is no ordinary struggle." On the following day, he elaborated, "Mr. Khrushchev is not impressed by words, nor is Mr. Castro, nor are the satellite leaders. They're not impressed by speeches, they're not impressed by debates, they are impressed by power, they are impressed by strength. The communists are determined to destroy us."

In the October, 1960 issue of The Keystone Catholic Veteran, he said, "Let us make certain that as long as the unbridled power of communism exists, we will have in fact, as well as word, a military establishment not only second to none but first." And later at Miami, he said "Communism is struggling to subvert and to destroy the process of democratic development, to extend its rule over nations of this hemisphere. The leaders of Cuba have made the people of Cuba victims of foreign imperialism."

Early in 1962, Robert Kennedy who was then Attorney General in his brother's administration, said in Hong Kong, "The solution lies in winning the war in South Vietnam. This is what the President intends to do." And a few days later in Saigon, he declared "We are going to win it and we are going to stay here until we do."

A little more than four years after he said "We are going to win it and we are going to stay here until we do," the then Senator Robert Kennedy, seeking the Democratic nomination for President, reversed himself completely. He said at Kansas State University on March 18, 1968, "If the South Vietnamese government feels that Khe Shanh is so important, then let them put South Vietnamese troops there and elsewhere and let's take all the Americans out of South Vietnam now."

What had happened to the people of the United States? Our people were for intervention in the beginning just as they were for Truman's intervention in Korea. What may we say were the basic causes of the violent and traumatic experiences through which we went in the sixties? Had some vast geological fault destroyed the foundations on which rational behavior and thought must rest? Countless others besides Robert Kennedy were disparaging the costly effort and burden in South Vietnam. Many were doing so with outrageous, intolerable violence—orchestrated violence.

It is true that ugly, well planned, highly organized subversive efforts were being launched in the streets and on the campuses and against our very institutions. I do not believe these were the causes of what happened to our nation. They were in my view the opportunistic consequences. I believe that these dark and sinister forces of subversion, violence and terrorism had been presented with an opportunity. That opportunity was provided because the government of the United States once again was not prepared to succeed. The inevitable result was that vast numbers of the youth of the United States and countless numbers of their parents were shocked, horrified and aghast that these young men would be asked to expose themselves to the supreme sacrifice in a cause which they knew was not being pursued with all of the military capabilities at our command. This was known as the "no win" policy.

The lesson of Korea went unheeded. A distorted picture grossly unfair to the vast majority of our young people had been depicted and vast numbers of our adults were dismayed and discouraged and confused that our government would launch a major undertaking which put the lives of the flower of our youth at risk without being determined to succeed.

I wish to make crystal clear to all that I did not then and do not now defend the decision to intervene in Vietnam. To the contrary, I opposed it from the very beginning. The point is, however, that we did intervene under self-imposed restrictions on our military operations which made it absolutely impossible to prevail. It is the consequences of this folly with which we are living.

And now? South Vietnam has virtually fallen. Not only will the terrible sacrifices over the past years have been lost, so will American credibility have been lost. After a so-called peace with honor, in the face of South Vietnamese determination to defend their own freedoms with their own men, it became increasingly clear that we were in the process of abandoning them while the U.S.S.R. continued fully to support the enemy in its gross violations of its agreements. In truth, our abandonment began at Paris, very sadly too late. It would have been better if Paris had been years earlier.

How helpful to North Vietnam to know that the United States would not enforce the peace! Our Congress saw to that. It passed legislation prohibiting all U.S. military operations in Southeast Asia. Let us not soon forget the Cooper-Church amendment nor that early in our intervention we announced that the United States had forbidden itself and South Vietnam to invade the North. This mindless contribution to the North freed from four to eight divisions held in reserve for defense of North Vietnam to be used for military operations in the South against our own forces and those of our ally.

What more effective relatively low-cost way for the Soviets to discredit the United States? We will have demonstrated to the watching world that the United States "does not have the willpower to resist" as Ho Chi Minh put it, "and the inevitable revolution will succeed because the people of the United States do not have the determination to persevere in the struggle in Southeast Asia." A certain leading U.S. Senator recently said, and I quote "I am sick and tired of the killing caused by U.S. supplied munitions." Soviet weapons and ammunition, I gather, fire doves of detente.

The Thais are inviting us to leave. There will be others. Perhaps the Philippines will be next. Now that our declared determination to help the peoples of their neighboring nations defend themselves has evaporated and has become meaningless in Asia, they know they will need to accommodate another power. The news accounts announce that the collapse of the armies of South Vietnam is because of President Thieu and his corrupt leadership. Apparently the flagrant violations by the enemy of the Paris agreement in the face of our own silence has nothing to do with it. Of course, they have collapsed. The incredibly self-defeating manner in which our civilian leaders decreed that we limit the effectiveness of our massive interventions made this inevitable. The men in the armies of old nations have ways of knowing what is happening to them. In such matters, the little people of ancient lands always sense the smell of defeat. A new and perhaps tragic era has well begun. It is we who initiated it—some years ago. Send not to know for whom the bell tolls in Vietnam. It tolls for thee and me.

What about Castro and Cuba? The press, television and radio media eagerly assisted by certain members of Congress and others in our government are conducting a campaign to legitimize Fidel and in the Organization of American States to lift the embargo against Cuba and bring about the resumption of diplomatic relations between Cuba and the United States. The Washington Star News on September 1, 1974 said, "One of the reasons for the imposition of sanctions in 1964 was Cuba's support of subversion in Cuba's support of subversion in Latin America. Since the death of Ernesto Che Guevara in Bolivia in 1967, such activity has virtually ceased."

On October 22, 1973, Dan Rather presented a CBS documentary entitled "Castro, Cuba and the U.S.A." To prepare this documentary he acquired from Frank Mankiewicz and Kirby Jones a tape made of an interview these passages and responses by Castro: "Do with Fidel Castro. On that tape there were we sympathize with the revolutionaries? Yes, we do. Have we aided the revolutionaries as much as we have been able to? Yes, we have. It is of course essential that they be fighting. If they are not, then we do not. When they do fight, we back them, we train them, we help finance them and supply them." During the hour-long documentary, Dan Rather chose to omit all of this portion of the tape. He made no mention of it whatever. Instead he stated that Fidel now thought mostly about "conciliation and trade."

Surely, all of us know of the KGB and perhaps of its subsidiary, the GRU. KGB means in English the Committee for State Security. In Russian, it stands for the first letters of three words "Komitet Gosudarstvennov Bezopasnosti." It fulfills a fundamental and extraordinary role. It has no counterpart anywhere in the western world. Parallel and subordinate agencies of the KGB and its subsidiary, the GRU, exist within all of the Soviet satellites, including Cuba.

The KGB is the sole means by which Soviet thought, speech, behavior are regulated, the arts, science, religion, education, the press, the police and the military are controlled. It is used to suppress ethnic minorities, to prevent the flight of Soviet citizens, to keep watch on all individuals, with unlimited powers of arrest. It is there to compel the whole population to subserve the interests and the whims and the orders of the Soviet rulers. Every visa application for entry into the Soviet Union is screened, rejected or approved by a department of the KGB. There is a dossier on every visitor who is admitted and each such visitor is programmed, followed, watched, escorted and propagandized in a special way by agents of the KGB or the GRU.

Every Soviet embassy throughout the world is heavily staffed by KGB and GRU officers. If the KGB and its subsidiary were to disappear, the staffs of Soviet embassies all over the world would shrink dramatically, including the embassy in Washington, D.C. In some cases there would be no Soviet representatives left at all.

If the KGB were to cease to exist, the Soviet Union would lose its capacity to rule at home, to commit espionage abroad, to subvert public officials abroad, to conduct disinformation and character assassinations in various countries of the world, as well as to plot and carry out both sabotage and assassinations, to foment demonstrations and riots, to nurture terrorism and guerrilla warfare, clandestinely to pollute public discourse with disinformation and calumny. It would be unable to seek surreptitiously what it has been totally unable to attain overtly. There is no evidence that the activities of the KGB around the world have diminished in detente, only increased. Te evidence is substantial that its efforts have been intensified. Two years ago, the chairman of the KGB was accorded full membership in the politburo, the first such case since Beria in the days of Stalin.

Since our withdrawal from Vietnam we have been reducing the size of our armed forces. The Soviet Union has steadily increased and strengthened theirs. In 1973, the Soviets spent $96 billion on their armed forces and we spent $82 billion on ours; 56% of what we spent were personnel costs but for the Soviets it was only 27%. So the Soviets spent $70 billion for new weapons and increased strength in 1973 and we spent less that $30 billion, most of it to replace our huge losses incurred in Vietnam. The Wall Street Journal stated that in constant dollars, our investment in strategic programs in 1961 was $29 billion, but in 1974 it was only $6.8 billion and concluded "It is impossible to look at their deployment without concluding that our effort has fallen as theirs has soared."

How else do we stand in strategic and defense posture? The Congress of the United States has alienated Turkey, for 1200 years the enemy of Russia. Soviet men-of-war now traverse the Dardanelles and the Bosphorus without advance permission—only a signal while passing through that they are.

Our relations with Greece are precarious, and the KGB has fomented an anti-U.S. sentiment. Our bases there are in jeopardy and may be lost. Italy hangs in the balance with communist power gaining daily. Portugal has fallen and with it the Cape Verde Islands off the west coast of Africa which control the sealanes of the South Atlantic. Portugal is to become a Soviet puppet. Will the Azores go? They are key to the North Atlantic. If Portugal stays in NATO, it will relieve the KGB and the GRU of some of its espionage responsibilities in Europe because the secrets of NATO will be freely delivered through the Portuguese government. What of the Seychelle Islands in the Indian Ocean off the Horn of Africa, south of the Red Sea? They are coming under the domination of a KGB-developed and financed front which will take over the government shortly.

The tip of South Africa is a highly strategic piece of real estate. Somehow the United States cannot seem to understand its own national interests. Because we object to the fact that the government of South Africa has racist problems, we deny ourselves the protection that the Cape route around Africa would afford us, even though we have race problems too. We could have the Simonstown Naval Base if we chose. The fact that it is important ought to be underscored by the fact that the Soviets are issuing through the KGB around the world a calumny and a chorus of hate because the British who are giving it up have asked the South African government to give us access.

Spain is perched on the edge of the abyss. When Franco dies, the KGB-developed underground will take over and there are thousands upon thousands of violent Spanish revolutionaries in the mountains on the northern border of Spain who are harbored in France near the town of Peperrone.

On April 2, James Reston wrote "-Portugal,

UMI

Italy, Cyprus and Turkey are not going to determine the fate of the Atlantic alliance, or relations between Washington and Moscow." He omitted Greece—he must have forgotten. But if all this happens, the Mediterranean Sea will be a Soviet lake. With the Seychelle Islands commanding the Indian Ocean and the exit from the Red Sea and the Gulfs of Aden and Oman, she will have encircled the Middle East and western Europe will be forced to her knees for oil on Soviet terms. The mission of the Soviet Navy is to deny the sea routes to her adversaries—ours is to keep them open. How can we without the Mediterranean and the Indian Ocean! Need it be said what all this would cause to happen to the United States?

It is reported that our government is in the culminating stages of negotiations with Panama to cede sovereignty over the Zone to Panama and jointly operate the Panama Canal. The Government of Panama is an illegal government. Above all else, it is a communist government. The members in power are puppets of the U.S.S.R., the citizens of Panama are gagged, the press is censored. There have been assassinations, terror in the night. It is argued somehow that if the United States does not make a change in Panama and agree to such a treaty, perhaps there would be a guerrilla warfare in the Zone. Certainly there are guerrillas for this purpose being trained by the Soviet government in Cuba and North Vietnam. They are also at Soviet expense being trained in North Korea for violence elsewhere in the western hemisphere—close to us. Is this some form of disguised detente?

Sadat announced on April 1 that it is Egypt's right to deny access to the Suez of any shipping access inimical to Egypt's interest. Would not Panama do the same to us at her own or at Soviet instigation?

Speaking of the Sucz Canal, the heaviest burden of the extensive cost of reopening it has been and is being borne by the United States to our own detriment. A principal beneficiary will be the U.S.S.R. because it will link up the Soviet naval forces. The Black Sea and Pacific fleets will be joined. This is heavily adverse to U.S. security.

What else has detente given us? Well, there is the Apollo-Soyuz project. Soyuz is a Model T Ford and the Apollo is the apex of new technology. The Soviets have never developed inertial guidance. This joint project agreed to during the euphoria of detente hands the Soviets on a golden platter as a gift, technologies they have never developed. Their space program is a military program; ours is not. But inertial guidance, structural techniques, propulsion systems, advanced aerodynamics theory which they are learning from the United States with no plus for us will make their ICBM's and their submarine launch ballistic missiles substantially more accurate than they are or could be. The U.S. has incurred another deficit. We will lose much and gain nothing. And the lives of our astronauts are in danger. With the Soviets' tremendous advantage in ballistic missile throw weight over our ICBM's, the application of advanced technologies could well make ours a noncompetitive strategic system.

Finally, what do the Soviets say about detente? For publication and consumption in the West, the Soviet survey for the year 1974 published in Moscow stated "1974 was the year of detente, the year of mutual understanding, the year during which the Brezhnev doctrine of relaxation and international understanding made considerable progress. As 1975 approaches, everyone can breathe more easily and the danger of serious conflict has receded."

I now quote from the official Soviet survey of 1974, published within the U.S.S.R. for consumption there and for consumption in the Soviet satellites. Here are some highlights: "The world is shifting to the left and this shift will continue * * *. 1974 has undoubtedly proved to be a bad year for NATO. There has been no success in stopping the progression of left-wing forces. The coming to power of left-wing governments in at least two western European countries remains a real possibility * * *. This is why events in Portugal and Greece are indeed of great significance. The alliance of communists, socialists and other leftists with the armed forces movement in Portugal is a sign indicating profound change on our continent. This has not happened before." The survey goes on, "There is the strengthening of the union of left-wing forces in France, Italy and Spain and the strengthening of the left wing of the British Labor Party." With regard to the Middle East, the survey states "There is no need to emphasize that the forces of reaction gained nothing from the latest Arab-Israeli War * * *. In one way or another, imperialist reaction's chances have not improved." As to the western hemisphere which the survey called "the western continent," the survey goes on to say, "The southern part of the continent continues to seethe and it is there that considerable left-wing-forces are already operating * * *. It is impossible to halt the revolutionary process in Latin America. Opportunities exist for a broad counteroffensive of the Democratic Socialist forces. This will have consequences not only for North America, Australia and Oceania but for the rest of the world."

In conclusion, the survey asks and answers an ominous question—"Is the world shifting toward the left spontaneously by itself? Of course not. It is being moved forward by quite definite class and political forces. The shift we see is primarily the result of a conscious policy of the community of socialist countries, of the consistent struggle of the Communist Party of the Soviet Union, of its Leninist Central Committee of the Communist Workers' parties. This is why progress is not fortuitous and temporary." And the word "Detente"? It is not even mentioned.

The world knows that despite his devout belief in his own infallibility, President Roosevelt's hunch was disastrously wrong. Are the rulers of the Soviet Empire in the Kremlin fooling us again? I would have to answer that question this time in the negative. I do not believe they are. To the contrary, we are fooling ourselves. Has active Marxist-Leninist imperialism abated? Is it not clear that the expansionistic, ambitionistic, insidious effort to subvert the major parts of the world continues intensively as before? Does anyone seriously consider that prior to detente the Soviets were in fact plotting a surprise nuclear attack upon the United States? I would have to say that anyone who believes this takes his cues directly from Grimm's fairy tales.

Of course, they are eager for detente. It is a weapon, a one-way street used before. In 1919–1920, Herbert Hoover brought famine relief to Lenin and thousands of U.S. engineers and executives helped Lenin to bring some semblance of order out of the chaos he created. In return, we have had ceaseless infiltration and subversion—intensified ever since diplomatic relations were established by President Roosevelt.

If Salt II stands, the U.S.S.R. has a clear path toward an overwhelming advantage if she chooses to exploit it. There are many well-meaning, well-intentioned, good and not-so-good people in the United States and in the Congress who believe in detente, who have concluded that we are receiving a distinct advantage. There are also some people with thoroughly bad purpose—perhaps some few of those are also in the Congress of the United States who wish for detente so as to erode our determination to defend the national interest.

The worldwide KGB has been described by an authority on communism, Mr. Robert Conquest, as "the storm troops of a system whose long-term aim is to extirpate our own." There are those who exploit detente on Capitol Hill for the purpose of further reducing our defense appropriations. There are those on Capitol Hill who wish to go all the way in exposing our national security protective agencies such as the FBI and the CIA. If the CIA has exceeded its charter, then it should be reprimanded. But the FBI and the CIA are our only defensive shield against the ceaseless offensive of the KGB. As long as the Soviets gather offensive military might and increase it beyond our own, while we relax in the euphoria of detente, it becomes virtually certain that they will never use their nuclear power nor would they intend to; will not need to; would not accept the retaliation. They can gain all they seek without it.

Our press and media, the faculties of our universities and members of Congress daily condone the atrocities of the left and condemn only the abuses of the right. They are consumed with invective against Chile and Brazil but have no breath of criticism for Cuba, Peru, Panama or the U.S.S.R. Is this not a shocking double standard? Ask yourselves why this is the practice.

Almost five years ago, a report was made to The President and to the Secretary of Defense by the Blue Ribbon Defense Panel. In a supplemental statement of September 30, 1970, it was emphasized: "The convergence of a number of trends indicates a significant shifting of the strategic military balance against the United States and in favor of the Soviet Union. * * * The situation which our country faces is without precedent. * * * It is not too much to say that in the 70's neither the vital interests of the United States * * * nor * * * the freedom of its citizens will be secure."

The lines traced by these "converging trends" have crossed for all classes of armaments and forces whether conventional or strategic. If the United States does not reverse the declining trend of our strategic and tactical capabilities so as to overcome the growing adverse disparity of military power in favor of the U.S.S.R., the cruel impact of Soviet coercion will become a reality for the people of our nation.

The vast array of Soviet land, sea and air forces, including those of the satellite Warsaw Pact nations, have achieved a momentum which will, in a relatively few years, give the U.S.S.R. massive superiority over those of the United States and its allies. Salt I and now Salt II can well provide the Soviets with superior strategic nuclear power.

We are now in a trend which make certain that we no longer face a superpower with alleged parity (whatever that means). It does mean, however, that we will face a superior military power.

What will this portend for our nation? I would like to quote from the Strategic Review of Spring, 1975:

"First, the U.S. nuclear deterrent will disappear simply by the passage of time * * * and end our ability to negotiate or to guarantee U.S. (and allied) security.

"Second * * * U.S. failure to exploit * * * its period of nuclear monopoly and superiority is not a model which the Soviet Union can be expected to follow when it has * * * the advantage.

"Third * * * allied ties would * * * ultimately perhaps be broken by the necessity for accommodation with the Soviets.

"Fourth, crisis creation and crisis management as a standard Soviet procedure are greatly enhanced * * *.

"Sixth, whatever the costs of maintenance of our national security and our priceless freedom, the cost in dollars * * * of being subject to outside control * * * and the increasing bill for blackmail and tribute could well make the cost of an adequate military posture * * * (once lost) seem * * * small * * *.

"Nothing less than * * * whether the American experience is to have a future

hangs on the decision of The President and the Congress to take prompt and bold action to provide beyond * * * doubt for the safety of the Nation * * * This is the first responsibility of government * * *."

It is now five years since the Blue Ribbon Defense Panel bespoke its warning and our nation remains complacent. Can there be leadership of a people who seem to wish neither to be led nor any longer to sacrifice anything for their own defense and survival—let alone to prevent the disaster of hyper-inflation which the actions of Congress thus far make all but certain?

Vatican intelligence which has always been of the highest quality is reliably reported to have concluded that the Post-WW II era has ended and the Pre-WW III era has begun.

In detente, are we replaying the lofty but hapless hunch of President Roosevelt that led to the enslavement of the Baltic states and eastern Europe, and could now lead to our own? The hour is late but it is a certainty that there is still time. The task is arduous but if we will, we can remain free even unto our tricentennial. This is no time for recriminations—instead it is a time to ask—Are we now at long last prepared to succeed?

OIL FROM THE JOJOBA BUSH

Mr. FANNIN. Mr. President, last month the Washington Post carried a story regarding the discovery that oil from the jojoba bush which grows wild in Arizona has the same qualities as sperm whale oil. I had this article reprinted in the RECORD.

Today I would like to call the attention of my colleagues to an editorial which appeared May 21, 1975, in the Arizona Republic concerning the jojoba bush and the discovery made by Dr. Robert A. Greene at the University of Arizona.

Mr. President, a number of years ago Indians from southern Arizona came to me with plans to plant jojoba bushes on their reservations, and then market the seeds which were produced. The problem was that we could not find the market, or convince potential markets of the value of the jojoba oil.

With the energy crisis and the outcry over the continued slaughter of sperm whales, it may be that the time has come when the jojoba plants will be put to use to help resolve some of our problems. The tribal leaders who conferred with me were ahead of their time—a fact they nor I could have fully appreciated at that early date.

Mr. President, to pay tribute to Dr. Greene, and to the Indians who were so confident that they had a product of use to modern society, I ask that the Republic editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HE WANTED TO KNOW

Curiosity killed the cat, but the curiosity of a group of Arizona scientists may save the sperm whale from extinction.

It also may solve a nagging technical problem for General Motors and provide reservation Indians with a new source of revenue.

This is the story:

Half a century ago, scientists at the Boyce Thompson Arboretum at Superior became curious about a shrub that grows wild in the desert, called the jojoba.

The shrub is thick and leathery, with gray-green leaves and seeds the size of a peanut. The scientists noticed that oil squeezed from the seeds could be used to lubricate an office fan.

They interested Dr. Robert A. Greene, a chemist at the University of Arizona College of Agriculture, in this. With the help of a student, Elbert O. Foster, Dr. Greene ran the jojoba oil through a series of tests.

To his amazement, he discovered that it's not like any other plantseed oil known to man; in fact, it has virtually the same chemistry as sperm whale oil.

Having satisfied his curiosity, Dr. Greene put the whole thing from his mind.

Meanwhile, Russian and Japanese whalers kept plowing the seas, slaughtering every whale they could find. There's money in whales. The oil makes a fine additive for lubricants. It also can be converted into a variety of products, including margarine, lipsticks, pancake makeup and shoe polish.

For years, 13 of 15 nations represented on the International Whaling Commission, including the United States, have attempted to stop the slaughter, because the whale is a unique form of life, a mammal that lives in the sea; studying it could reveal much about the mysteries of evolution.

The other two members, Soviet Russia and Japan, have balked.

In 1971, to help save the sperm whale, the United States put a ban on the importation of whale oil.

This created a problem for General Motors, which used whale oil in making its automatic transmission fluids. Only last month, GM complained that removal of whale oil from the fluids has created serious corrosion problems.

Last week, the National Research Council of the National Academy of Sciences remembered Dr. Greene's research.

The council released a report, urging the widespread cultivation of the jojoba and the extraction of its oil as a substitute for sperm whale oil.

"Technically, jojoba is a marketable commodity," the report said. It could become the nation's newest crop plant—"an important national materials resource."

And it would end the extermination of the whale.

The council listed 26 Indian reservations where the jojoba could be cultivated.

Said Dr. Philip Handler, president of the National Academy of Sciences: "The jojoba is an excellent example of the value of basic research.

"The scientist who wanted to find out the chemistry of the seed had no idea what this piece of information would lead to. No one did—at least, not until now."

Take a bow, Dr. Greene.

OUR NATION'S HANDICAPPED

Mr. HUMPHREY. Mr. President, I wish to take this opportunity to share with my colleagues a very insightful article concerning the neglect we have allowed to take place with regard to our Nation's handicapped. The essay is authored by Margaret McGlynn of my home State of Minnesota. I am proud to point out that her essay "Full Employment Opportunity: Does It Exist for the Handicapped?" won first place in a contest sponsored by the Governor's Committee on Employment of the Handicapped in Minnesota. Miss McGlynn is a senior at Grace High School in Fridley, Minn.

"Visibility is the key to awareness" is the theme of Miss McGlynn's essay. She points to a host of barriers in our society which hinder the efforts of handicapped people to pursue a life of independence and well-being. "Trapped at home by transportation barriers, ignored by the press, physically barred from entering buildings and public facilities—creates an 'invisible minority' of handicapped citizens" which fosters ignorance. She points out that disabled persons have become unduly stigmatized and stereotyped, expected to play the "role" of a handicapped person. However, she reminds us that the true meaning of a man's life is to be found by observing what he does with it.

Mr. President, I commend Miss McGlynn's essay to my colleagues and ask unanimous consent to have it printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

FULL EMPLOYMENT: DOES IT EXIST FOR THE HANDICAPPED?

Benjamin Franklin: "Early to bed and early to rise, makes a man healthy, wealthy and wise."

If you follow Ben Franklin's advice, you could become healthier than you are. You might even become wealthier. I believe, however, that man is not going to get any wiser if he remains asleep to the fact that handicapped persons are not treated as equal members of our society.

It is unfortunate for a society so advanced in technology and education to be so ignorant to the needs of a significant portion of our population. I find this a terrible loss of manpower.

There are concerned persons, however. The current Affirmative Action Program [1] has made a definite impression on employers. On recent interviews of local businessmen,[2] I have found that the majority of these companies do actively implement this program or a similar company policy. However, a personnel manager of a smaller business [3] did express the opinion that in a proportionately smaller organization, unless under direct observation from a federal, state, or local agency is not going to concern itself with the employment of the handicapped due to the pressure put on it by other minority groups. This leads me to conclude that handicapped persons are often not considered a minority.

Marty Leet, director of personnel at Sister Kenny Institute, stated, "visibility is the key to awareness." This is a very realistic situation, since the path to acceptance is through contact with each other. The inaccessibility of transportation and the unresponsiveness of the media has created a large gap between the able-bodied and those disabled persons of our society. The President's Committee on the Employment of the Handicapped [4] has found that transportation is the most serious problem encountered by the disabled. Without mobility, they become dependent on family and friends or confined to their homes. Those disabled persons [5] interviewed see an urgent need for completion of accessible public transportation, noting that wide use of bus lifts will not be realized until the 1980's.

Only a minimal number of activities involving the handicapped are covered by the media. Without exposure there will not be acceptance or understanding. If used effectively, the media could be a good tool for the disabled to create better communication among all people.

Trapped at home, ignored by the press, physically barred from entering buildings and public facilities, only tolerated on the job, and unaccepted socially, creates an "invisible minority" of handicapped citizens.

Fear and ignorance have surfaced due to this lack of exposure in our society. The only way handicapped persons will be accepted is if they can intermingle with the able-bodied and "prove" to them that they are just as

Footnotes at end of article.

UMI

"human" as they are, with emotions, beliefs, love, and most importantly, dignity.

Disabled persons have become unduly stigmatized and stereotyped, expected to play the "role" of a handicapped person. A quote I ran across offers a solution to this problem: "The true meaning of a term is to be found by observing what a man does with it, not by what he says about it." [6]

FOOTNOTES

[1] Affirmative Action to Employ Handicapped People, Section 503, Rehabilitation Act of 1973

[2] Beverly Franklin-Dayton Corp.; Michael Chapman-Farmers & Mechanics Bank, Senior Personnel Adm., EEO Director; Jane Cooper-Administrator, Affirmative Action Career Planning; Al Weyrauch-NSP, Employment and Placement Manager

[3] Asked not to be identified.

[4] Paul Hippolitus-Member of the President's Committee on the Employment of the Handicapped, Washington, D.C.

[5] John Schatzlein, Counselor at the University of Minnesota, paraplegic. Steve Wrbonich, paraplegic.

[6] Bridgeman

BIBLIOGRAPHY

John Schatzlein—Counselor at University of Minn., paraplegic.

Steve Wrbonich—Counselor, paraplegic.

Marty Leet—Personnel Director, Sister Kenny Inst.

Beverly Franklin—Personnel, Dayton Corp.

Jane Cooper—NSP, Administrator—Affirmative Action Career Planning.

Al Weyrauch—Employment and Placement Manager, NSP.

Michael Chapman—Personnel Director, EEO Director, Farmers and Mechanics Bank.

Michael McGlynn—former Director of Public Relations, St. Paul Goodwill Ind.

Senator Hubert H. Humphrey—Washington, D.C. Jan., 1975.

Subcommittee on the Employment of Handicapped, Washington, D.C., Jan., 1975.

Paul Hippolitus—President's Committee on the Employment of the Handicapped, Washington, D.C., Jan., 1975.

A LOOK AT MEDICAID AND MEDICARE

Mr. HARRY F. BYRD, JR. Mr. President, during the period of economic disruption, our Federal budget should come under some closer scrutiny. Of particular interest are the massive social programs which consume billions of dollars every year.

Two of these programs—medicaid and medicare—have been investigated by two reporters for the Scripps-Howard newspapers. Dan Thomasson and Carl West have dug into these programs and have pointed to the abuse and fraud rampant in them.

Thomasson and West estimate that fraud and abuse will cost up to $3 billion next year out of a combined program cost of $30 billion. That is $3 billion of health care not going to the medically needy, and it is $3 billion of taxpayers' money into pockets it should not be in.

So that the Senate may read the work of this team of reporters, I ask unanimous consent that their articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

COSTS TAXPAYERS $1½ BILLION A YEAR

(By Dan Thomasson and Carl West)

MIAMI—Some providers of medical care here are involved in what may be multi-million-dollar schemes to cheat the Federal Government's Medicare program by grossly inflating bills for laboratory testing, a Scripps-Howard Newspaper investigation reveals.

Cheating here is suspected of being part of an overall Medicare fraud and abuse pattern which federal investigators estimate is costing taxpayers $1.5 billion annually.

Federal auditors and Medicare investigators say one of the schemes involving laboratory service charges, also is occurring elsewhere in the Federal Government's $15 billion-a-year program which pays most or all of the medical bills for those 65 or older. Similar chiseling has turned up in Georgia, Kansas City and Washington, D.C.

A two-weeks Scripps-Howard investigation, involving interviews with physicians and laboratory technicians and examination of Medicare records, disclosed a varety of schemes. One of the more common works this way.

A Medicare recipient visits a physician who orders a series of tests which are farmed out to an independent laboratory. The physician may collect specimens or have the lab do it.

In either case, the laboratory bills the physician who has the option of billing Medicare directly or charging the patient who then seeks reimbursement from Medicare.

However, some dishonest physicians grossly inflate what the lab billed them for the service—two, three times, even more. Thus, if the lab charged the physician $6 for a certain type of blood test, he might charge Medicare as much as $20.

If this is not fraud it certainly rubs counter to a Florida Medical Assn. resolution which states a physician "is not engaged in a commercial enterprise, however, and any markup, commission or profit on services rendered by a laboratory is exploitation of the patient."

Investigators have found several variations of the scheme, one of them clearly in violation of federal Medicare regulations.

It works this way:

Physicians, because they use manual equipment in making laboratory tests themselves, are permitted to charge more than when the analysis is done by a lab using automated machines.

But many physicians are sending the samples to independent labs for testing and then billing Medicare as though they had performed the work in their own offices.

A third variation of the laboratory chiseling scheme finds some physicians not passing on to Medicare the discounts they have obtained from independent laboratories.

Many labs offer physicians a 5% discount off the regularly quoted price for $500 worth of work, 10% on $1000 to $2000 worth, and 15% above $2000. But federal investigators contend it has become a common practice here and elsewhere for the physician to bill Medicare for the full lab fee without reporting the discount he has received.

Even when doctors legitimately perform their own lab work, their bills to Medicare appear disproportionately high when compared to charges by independent labs for the same work.

A Scripps-Howard examination of fee schedules, for instance, reveals that while independent labs perform a certain blood test for $2.50, physicians generally charge $10.

A Medicare claim furnished to Scripps-Howard reporters shows one physician charged Medicare $5, $10 and $20 for tests for which independent licensed labs charge $2.50, $3.75 and $15 respectively.

Some physicians also are suspected of gross abuse by prescribing unnecessary tests. And investigators believe that in some cases there may be collusion between doctors and laboratories.

Laboratories, for instance, have approached a number of physicians here with a complex scheme that investigators say is costing Medicare millions of dollars annually.

When a physician is suspected by Medicare authorities of overutilizing the program (performing needless work and billing Medicare), the lab owner offers to "take the heat off" the physician by conducting his tests and billing Medicare directly. Thus, the physician's name never comes into the picture.

The lab operator then inflates the bill and passes on some of his profit to the doctor by paying rent on a "closet" in the physician's office where specimens are stored to await pickup by the lab. The doctor's cut of the lab's overbilling is the rent on the closet. In some instances, that's as high as $200 a week.

THE HEALTH CARE SCANDAL: MEDICARE SUPPORTS GHETTO CLINICS

Second of a series

(By Dan Thomasson and Carl West)

MIAMI BEACH.—Federally financed Medicare is picking up a whopping tab on a booming business involving storefront clinics which peddle medical services to the burgeoning elderly population here.

A first-hand look by Scripps-Howard Newspapers at medical services for the aged here discloses examples of assembly line treatment of hundreds of patients per day in storefront clinics.

A score or more of the clinics cater mainly to a geriatrics ghetto, a 150-square block area at Miami Beach's southern tip where an estimated 15,000 retired persons live on meager pensions.

The main drag, Washington-av, is modestly clean, has metered parking, friendly cops and an array of shops and markets offering jewelry, fish, pastries, appliances, novelties, drugs, fresh fruit, shoe repair, hardware, barbering and hair dressing.

But the storefront clinics, exploiting Medicare's $15-billion-a-year program, that are sprinkled along a 20-block section of Washington-av, probably make it unique in the United States.

The clinics, squeezed in among the other shops, beckon to the elderly who promenade, some with the aid of canes and walkers, past the palm and coconut trees.

One clinic sandwiched between a barber shop and bargain clothing store has its window crammed with arch supports, hernia trusses, elastic hosiery, abdominal belts, crutches and artificial limbs.

Another offers a blood pressure kit for $24, "instructions included"; a health food store also houses a podiatrist; yet another has a sign wired by a rusty coathanger to an awning: "Blood Pressure Taken, $1."

Some clinics are spotlessly clean, staffed by immaculately dressed nurses; others are dingy and may have a letter or two missing from their names. They all seem to have one common trait:

A large glass window in the waiting room which permits passersby to peer in on patients as they fill out Medicare forms, sip coffee, watch TV or read magazines. Waiting rooms are cramped and chairs are unstylish straight backs.

Even more bizarre is the practice of one osteopath with offices in nearby Miami of shuttling patients back and forth in a bus.

"He brings them over here," said Dr. James Byrne, former chairman of Florida's peer Medical Utilization Review Committee, Medicare's watchdog, "works them over and takes them back."

"You say to the old people, 'What does he do for you?' and they say, 'Well, he takes good care of me.' It is a mess."

Contrary to prevailing Florida custom, physicians here are willing to take "assignment" of Medicare claims. In other words, the physicians bill Medicare directly for the 80 per cent the program will pay as opposed to billing the patient and letting him settle with Medicare.

When a physician takes assignment, he agrees to accept whatever Medicare will allow on the claim.

Normally, with this practice, the physician collects the other 20 per cent from the patient. But here, some physicians who depend on volume business for their income don't bill the patient who probably could not afford it anyway.

This is a good deal for the physicians because it takes the patient completely out of the reimbursement picture. If the patient never sees what the physician is billing Medicare for, there are no complaints about high costs.

Or if the physician bills Medicare for a service that was never performed or was unnecessary, the patient will never know it. And Medicare administrators are kept in the dark because most complaints of wrongdoing come from patients.

To make up for the "loss," physicians are suspected of prescribing unnecessary and expensive treatments and tests, then billing Medicare.

"They are making out like burglars," said Dr. M. Eugene Flipse, University of Miami Health Center director. "If patients can find a physician who will assure them 'I'll never bill you a penny' they will take him. These poor people want medical care and they don't really care what the physician bills the Government."

Dr. Byrne said of South Miami Beach elderly: "You've got a bunch of people over there who are a little bit senile and the Government said they could have medical care free. So they like to see that doctor every day and if you don't let them see that doctor every day, they call on their congressman. Giving it to them free—boy, when you do, they park on your doorstep."

Overutilization is naturally suspected because Medicare claims in Dade (Miami) and nearby Monroe counties skyrocketed to a point where Blue Shield, the insurance carrier for Medicare's nonhospital medical services, will give its business to another carrier starting July 1. Blue Shield simply could not handle the volume.

THE HEALTH CARE SCANDAL—I

(By Dan Thomasson and Carl West)

WASHINGTON, March 17.—During a three-month period ending last June 20, 26 States reported to the U.S. Health, Education and Welfare Department (HEW) 954 cases of suspected fraud in the Federal-State medicaid program for the poor.

Only 47 of those cases were ever turned over to public prosecutors.

For the succeeding quarter, ending Sept. 30, 21 States reported 824 cases of suspected fraud. Of those only 18 were referred for prosecution.

In the final quarter, ending Dec. 30, 25 States reported 1,052 cases of suspected fraud. Only 15 of those cases were referred for prosecution.

These data, gathered from reports on file with HEW's division of program monitoring, go a long way toward explaining the estimate by Federal investigators that cheating in the medicaid program is costing taxpayers $1.5 billion a year.

Even this doesn't define the scope of the problem, however.

Although required by Federal regulation to do so, a few States don't even bother to file reports on suspected fraud. And some that do only provide incomplete and inaccurate information.

Congressional experts think many cases go undetected because States have inadequate or inefficient means of spotting and auditing seemingly extravagant medicaid claims submitted by health care providers. And they find it incredible that 21 States reported no suspected fraud cases for the quarter ending June 30, 1974.

Also puzzling to congressional experts and HEW officials is the fact that in many instances medical care providers suspected of fraud are being permitted to pay back the Government without further action being taken against them.

Federal law provides that anyone convicted of filing a false medicaid claim can be imprisoned for one year and fined $10,000.

"The very fact that a medical provider is anxious to pay back the money should be a clear indication that he hadn't made just an honest mistake," said one congressional investigator.

For years HEW has had virtually no system to monitor medicaid. But with stories of wholesale cheating flooding in from every part of the Nation, HEW set up a division of program monitoring it hopes will be able to measure accurately the scope of chiseling and help stop it.

The first official reports sent to the division beginning last year weren't encouraging. They were sloppy and showed an alarming indifference to the problem.

Here are some glaring examples:

Twenty-four Michigan medical care providers were suspected of bilking a total of $125,582 from medicaid either by knowingly overcharging or billing for services not provided. Not a single provider was prosecuted or suspended from the program after all the money was repaid.

Five Mississippi physicians handed back $10,883 after being challenged about their bills. They were not prosecuted although evidence showed they deliberately overcharged and billed for services not provided.

In South Carolina one physician repaid the Government $57,000 after it was determined he had sent duplicate bills to five medicaid recipients and another reimbursed the program $49,368 after allegedly submitting false billings on 22 patients.

In Alabama, two pharmacists were discovered billing—how much, officials couldn't determine—for services not provided. But officials contended to HEW that there was insufficient evidence of fraud.

Massachusetts authorities notified HEW that a pharmacist was suspected of bilking the program of $50,000 by writing excessive prescriptions. But the State authorities said the case was "difficult to prove" and the pharmacist was not prosecuted.

A Texas physician overcharged $10,702 and escaped prosecution by reimbursing the program, and another gave back $5,504.

The "horror stories" seem endless. And concern is mounting about what they forebode for a future national health insurance program that could handle $60 billion annually.

Few congressional experts believe the feeble efforts now being exerted by HEW are sufficient. They warn that unless the Federal Government steps in with much sterner measures, medicaid fraud alone could reach $3 billion within the next few years.

THE HEALTH CARE SCANDAL—II

(By Dan Thomasson and Carl West)

NEW YORK, April 4.—As many as 150 New York City medical practitioners are involved in what is suspected to be the largest single cheating scandal in the 10-year history of the national medicaid program for the poor, Scripps-Howard Newspapers has learned.

Sources close to a federal grand jury investigation of the scandal say considerably more than $2 million worth of bills totalling $5 million submitted by the practitioners to medicaid may be fraudulent.

They said the practitioners, from surgeons to chiropractors, work out of nine "clinics" in Manhattan's ghettos. The clinics, the sources said, are owned and operated by a "core group" of six or seven physicians who "lease" space in them to the practitioners for a percentage of each practitioner's total billings to medicaid.

The sources said the cut taken by the core group runs as high as 60 per cent, and, thus, has been an encouragement for the practitioners to falsify their medicaid charges to increase their own share.

The core group, the sources said, also actively encourages falsification of billings to increase its share.

In instance after instance, the sources said, investigators have discovered the practitioners billing for services they never performed.

"It has been common practice for one of these practitioners to perform say $300 worth of services and then bill medicaid for say $700, including charges for tests and procedures that never occurred," said one investigative source.

The sources said another incentive for the cheating has been the presence of "factors" in the scheme. Factors are nonmedical, independent agenta who collect medicaid bills for practitioners, taking a percentage of the charges. Practitioners like factors because they frequently speed up the collection process and relieve the doctor of paper work.

According to the sources, each of the suspected practitioners made his own deal with one of two factoring agencies, permitting the agencies to collect about 12 per cent of the amount of the practitioner's billing. Investigators have discovered, however, that the factors also were kicking back to the core group 2 per cent of the 12 per cent they took from the practitioners.

The practitioners, the sources said, were unaware of those kickbacks.

Although Congress two years ago adopted laws to prevent factoring, the suspected practitioners got around it by giving the factors power of attorney. The sources said when the check came in from medicaid, sent to the factor's address but made out to the practitioner, the factor had the authority to sign the practitioner's name and cash it.

"When you built in the core group percentage and the factoring percentage, the practitioners were only too willing to phony up their bills," one source said.

The investigators in the case also have uncovered a kickback scheme involving medical providers such as pharmacies. The sources said the practitioners padded their prescription bills in return for a kickback from the pharmacist.

The investigators believe the scheme worked so well for several years because many of the practitioners—including medical doctors, dentists, podiatrists, optometrists and others—are of foreign birth.

"Many of these guys had nowhere else to go to practice," an investigative source said. "They are in the 'refugee' category and can't get a hospital affiliation. They have to practice outside or on the fringe of the established medical system in this country."

The sources said that investigators, working out of the office of the U.S. Attorney for the Southern District of New York, have identified considerably more than $2 million of false billings. They said as more and more bills are checked they expect the figure to climb.

"I don't know how much it will reach before we're through," one source said.

The suspicion of massive wrongdoing by the clinics was developed a little more than a year ago by the New York City Investigations Commission. But the scope of the case brought federal authorities into it last fall.

Under the medicaid law, the federal government pays half of the cost of operating

UMI

the program, with state and local governments picking up the balance.

Until recently, state and local officials have been responsible almost solely for discovering and prosecuting cheaters. Federal authorities did little more than monitor their progress.

But federal officials, increasingly alarmed by the growing amount of swindling in the $15 billion-a-year program, have begun expanding their own investigating forces and stepping into more and more cases. Fraud and abuse in medicaid nationally is estimated conservatively at $1.5 billion annually and accelerating.

Now participating in the investigation of the New York case in addition to the Justice Department are personnel from the state medicaid program, the Federal Bureau of Health Insurance, and the Internal Revenue Service.

THE HEALTH CARE SCANDAL—III

(By Dan Thomasson and Carl West)

NEW YORK, April 7.—Call her Maria Gonzalez. She is a welfare mother in New York City's Spanish Harlem.

She has six children under 10 years of age.

Recently, her five-year-old daughter had a bad cold and Mrs. Gonzalez, who has no regular doctor, was forced to seek help from a storefront "clinic" a few blocks from her neighborhood. The clinic houses a group of independent medical practitioners.

Because there was no one at home to watch over the other children, Mrs. Gonzalez took them along. Before her visit was completed hours later not only the sick child but Mrs. Gonzalez and all of her other children had been examined and "treated" unnecessarily by all the practitioners in the clinic. These included a general practice physician, a podiatrist, a chiropractor, an optometrist and a dentist.

Mrs. Gonzalez is fictitious. Her ordeal is not.

It is called "ping ponging" and it is an increasingly common experience for this city's 1.5 million welfare poor who are forced to rely for their health care on some 600 "medicaid mills" which dot New York's decaying inner city.

"There are dozens of 'Mrs. Gonzalezes' in these places every day," said a Federal medicaid official.

The medicaid mills (those who operate them prefer to call them "shared medical facilities") are a major reason Dr. Keith Weikel, commissioner of medical services for the Department of Health, Education, and Welfare (HEW) labels New York City's medicaid program a "disaster."

"New York typifies every kind of horror story we ever hear about in medicaid," Weikel confided recently. "It is the worst spot in the nation."

New York City currently is trying to process one million medicaid invoices a month at an annual cost of more than $1.3 billion. But federal, state and city officials refuse even to estimate how much of this is being lost to fraud and abuse.

Dr. John Gentry of the New York City department of social service concedes that as much as $140 million a year could be "saved" through tighter controls and drastic changes, most of it by eliminating overuse of nursing homes.

Dr. Gentry, however, does not minimize the impact on the program's accelerating costs of unscrupulous profiteers and medical practitioners and providers who operate independently or inside the medicaid mills.

The medicaid mills have proliferated as more and more private physicians have refused to do business with the city's poor, leaving them to be attended by young physicians waiting for residencies at major city hospitals and those of foreign origin with questionable credentials who have no hospital affiliation. The medicaid mills offer practitioners with foreign diplomas an opportunity to make a living where the regular medical system does not.

At their best, Dr. Gentry and other officials believe, the medicaid mills can offer a vital service. But at their worst, they offer a sad experience for the welfare patient and the nation's taxpayers.

The medicaid mills frequently are owned by nonmedical "entrepreneurs" who were quick to see the growing vacuum in needed ghetto medical services and stepped in to make a quick dollar off the poorly monitored Federal-State medicaid program. Often the owners of the mills are lawyers, real estate men, and healthy retired persons. In some cases, a few healthy physicians have banded together to operate a string of mills.

The financial arrangement between the owner-operator of the medicaid mills and the practitioners who "lease" space in them is an encouragement to "ping ponging" and other abuses.

For his cubicle the practitioner must pay the entrepreneur a percentage of his total charges to medicaid. This cut generally runs 40 per cent but can be as high as 60 per cent with the practitioner doing everything he can to boost his patient load to make ends meet.

"About the only relationship the practitioners in one shared facility have with one another is a financial one," said a federal official, "they bounce or 'ping pong' every patient so they all can get in on the action and increase their medicaid billings."

"We've had cases where a medicaid patient went to a clinic for a sore elbow and before he was released had been put through skull and teeth x-rays, had his back adjusted, and his feet treated and Lord knows what else before he ever got his elbow treated," said Dr. Gentry.

Dr. Gentry is concerned that not only are such practices dishonest and costly but also that they are hazardous to the patients who are being exposed unnecessarily to potentially harmful x-rays and other procedures.

Currently under investigation, for instance, is a methadone clinic for drug addicts which is operated by a practitioner who also has a share in a medicaid mill.

The investigators have discovered that about every three months the methadone patients are sent to the medicaid mill where they are being put through a full skull series examination, chest and abdominal x-rays and electrocardiograms.

This extensive examination was given before the patient received his methadone allotment for that day and if he refused to participate the methadone for that day was withheld.

The medicaid mills often take on some of the aspects of a "floating crap game," changing ownership and personnel frequently.

"We've found clinics whose ownerships have changed three times in six months and none of the practitioners using them when they opened was still there," said Dr. Gentry.

With the backing of state officials, Dr. Gentry has moved to tighten controls over the mills and to formulate tough new regulations to cut down on abuses.

But the problem has been complicated by lack of trained personnel to audit and otherwise monitor the huge mass of medicaid billings. Dr. Gentry has about 400 employes—including secretaries and clerks—to process the mountain of invoices.

The state provides about 25 per cent of the program's financial support with the city picking up the other 25 per cent of the nonfederal half. But the state offers little help in this area, largely because administration is left to the local areas. The Federal government also is lax in supervising the program.

Federal authorities, however, recently have become alarmed at the growing national medicaid scandal. In New York City they stepped in to investigate a medicaid-mills scheme which probers now estimate involves 150 practitioners who are suspected of cheating medicaid of more than $2 million through fraudulent billings.

THE HEALTH CARE SCANDAL—IV

(By Dan Thomasson and Carl West)

WASHINGTON, April 10.—Health, Education and Welfare Department (HEW) officials said today they hope to save taxpayers $600 million a year by having states adopt a new procedure to weed out ineligibles from the medicaid program for the poor.

Adding to the woes of the scandal-ridden program is the fact that an estimated 20 per cent of those receiving its benefits actually are ineligible.

HEW has designed a Medicaid Eligibility Quality Control system in an effort to correct the problem and has asked the States to adopt the uniform system by July 1.

But compliance is up to the States, which pay approximately half of the costs of the $13.5 billion annual program. HEW authorities conceded no sanctions will be imposed against States which don't put the system into effect.

Fred Schutzman, the HEW official charged with making the system work, said he feels confident most States will adopt it in light of increasingly rampant cheating which is bilking medicaid of more than $1.5 billion annually.

To be eligible for medicaid, an applicant must have income or financial resources below the "poverty level" of any particular State. These levels vary from State to State.

A recent HEW survey, however, discovered that:

States are not verifying information supplied by an applicant to support his claims of eligibility for medicaid.

Many States automatically renew medicaid cards without checking to see if the recipient's financial position has improved.

Some medical providers are billing medicaid for treatment of patients who never have applied for the program.

Many recipients lied about their incomes.

"We found in one State that out of 60 recipients, seven were receiving Social Security benefits that the State was unaware of," Schutzman said. "All these people were ineligible for medicaid."

Under the new monitoring system, States will review a scientifically determined sampling of paid medicaid claims to determine the rate of error. They will then impose controls.

Schutzman said there is no question the States are doing a "poor job" of determining who is eligible for medicaid.

The $600 million estimate of loss through ineligibles, he said, could be and probably is considerably higher. "We just don't know because we don't have enough samples."

THE HEALTH CARE SCANDAL—V

(By Dan Thomasson and Carl West)

WASHINGTON, April 22.—Nowhere is there more suspected medicaid and medicare cheating than in the nation's nursing homes whose revenues soared from $500 million annually in 1960 to $7.5 billion last year, chiefly because of the two taxpayer-financed health care programs.

Documented nursing home abuses uncovered by federal investigators range from simple chiseling like cutting back on services to increase profits to complex schemes where millions of government dollars are being misused.

Dr. John Gentry of the New York City Department of Social Services estimates that elimination of even some of the nursing

home abuses could save medicaid $126 million a year in his city alone.

Most of the cheating comes in medicaid, which provides government-supported, long-term nursing home care for the nation's elderly poor and accounts for about 50 per cent of the nursing home revenues. Medicare for all citizens 65 and older adds another 7 per cent to the revenues by providing short-term convalescent care for its recipients.

This means that about $1.60 of every $3 spent in nursing homes is taxpayer-provided.

The nursing home industry has become so lucrative that chains of homes have cropped up throughout the nation. Some of them employ a variety of tactics to squeeze profits out of medicaid.

A recent survey identified 160 publicly held corporations as controlling 18 per cent of the nursing home beds nationwide and accounting for one-third of the industry's revenues. The survey showed these nursing home corportaions grew 122 per cent in assets, 149 per cent in gross revenues, and 116 per cent in average income per home between 1969 and 1972.

While many nursing homes are scrupulously honest, a large number of profiteers have been able to thrive largely because of lax or nonexistent supervision by the federal and state governments which split the medicaid bill 50–50.

The Department of Health, Education, and Welfare (HEW), which administers the federal share of medicaid, virtually has abandoned to the states the task of overseeing the program. And most states have been unable or unwilling to muster the expertise and manpower needed to watchdog medicaid.

A 1973 federal law requiring the states to conduct and make public the results of periodic nursing home audits has been all but ignored by HEW officials charged with enforcing it. These officials contend the law is discretionary, but the congressional experts who drafted it say otherwise.

Against this background, the continuing Scripps-Howard Newspapers investigation of an estimated $3 billion-a-year fraud and abuse in medicare and medicaid has identified the most frequently used nursing home schemes to bilk the American taxpayer.

Many states reimburse nursing homes for their medicaid patients on a flat per-day rate which includes a margin of profit, for instance the rate might be $14 per day per patient with $12 representing the actual cost of maintaining the patient and the other $2 representing profit.

Because the states will not reimburse above this ceiling, some operators slash costs to increase the profit margin. This frequently means reduced services for the patients.

Operators have been discovered spending as little as 37 cents per patient per day for food, recycling untouched portions of meals, hiring incompetent personnel at low rates, cutting heat in winter and air conditioning in summer. Some ration toilet paper and skimp on soap.

Wthout proper oversight, they are able still to collect as though their costs were $12 per day when they might actually be as little as $5.

This lack of supervision also permits unscrupulous operators to bill medicaid for care of patients for several days or even weeks after they have been discharged or died.

"It's easy," said one medicaid official in Miami. "No one is watching."

Among the more simple schemes is the common kickback. Federal and state authorities interviewed believe hundreds of nursing homes regularly have kickback arrangements with suppliers, particularly pharmacies which often make cash payments to the nursing homes sending them business.

In a number of cases, nursing homes have a proprietary relationship with a linen company or a pharmacy and rake off from both ends. These relationships frequently are hidden from medicaid.

"In this kind of arrangement, the nursing home is making a killing," said the Miami official.

Nursing home operators have been caught falsifying records that show expenses for patient care that were, in fact, diverted to the operator's private use.

In New York, investigators discovered expenses were falsified to cover up the purchase of a Rolls Royce; hiring of a chauffeur; buying yacht fuel. A South Carolina woman was convicted in state court for using medicaid funds to build a $60,000 home, claiming the money was used for a variety of home services.

A New York nursing home owner built into his "legitimate" expenses the cost of renting a garage to house his Cadillac. He argued that the vehicle was used only to inspect his nursing homes. This same operator traveled to Israel at medicaid's expense on grounds he was surveying nursing homes to improve his own.

Another scheme is to build into the nursing homes' cost expenses actually incurred by other businesses owned by the nursing home operator. Owners have been caught charging off to medicaid real estate taxes, fuel oil, insurance and supplies for other businesses in which they were involved. Because some states compute their medicaid payments to a nursing home, by including not only the cost of operation but also the operator's equity in the facility, owners have been discovered altering books to boost that equity.

One New York owner withdrew $790,149 in cash equity from one nursing home to build another. But he continued to carry the money as equity in the first home.

Investigators say nursing homes also use a "change of ownership" scheme to drive up their reimbursements from medicaid.

Here's how:

Medicaid permits operators to figure into their per day costs of maintaining a medicaid patient the costs of mortgage interest, depreciation, and rent. When a nursing home changes hands, these costs may be increased at medicaid's expense.

Put another way, nursing homes often are sold back and forth to drive up operating costs in order to be qualified for higher reimbursement rates from medicaid.

A typical example of this practice is a Staten Island nursing home that changed ownerships 17 times between 1959 and 1971. The last recorded sale has $6 million for property assessed at less than $2 million. New York State medicaid authorities challenged the $6 million sale price and it has reduced to $4.5 million. But the rate per patient per day soared from $15.09 to $39.18. That $39.18 is the rate which the nursing home was reimbursed by medicaid.

WASHINGTON, March 27.—The Health, Education and Welfare Department (HEW) is planning to tighten procedures by which States report suspected medicaid fraud cases in an effort to crack down on chiselers who are milking $1.5 billion a year from the Federal-State program for the poor.

If the plan is approved, HEW officials feel they will be in good position to know just how widespread fraud is in the $15 billion-a-year program and what is being done about it on a case-by-case basis.

Last fall, because HEW had no idea how much chiseling was taking place, States were required to begin making quarterly reports of suspected fraud cases and the disposition of each case.

But, as a Scripps-Howard newspapers' report last week revealed, some States were not bothering to file reports and others were simply declaring no cases of suspected fraud had been found.

Furthermore, the reports that did cite suspected fraud showed an apparent reluctance by States to prosecute.

For example, Scripps-Howard newspapers reported that for the three months ending Dec. 31, 1974, 25 States reported 1,052 cases of suspected fraud. Of those, only 15 were referred to prosecutors.

The proposed new reporting method would consolidate information to show not only the number and dispositions of suspected fraud cases but whether suspected cheaters are being allowed to participate in medicaid or whether they have been temporarily permanently suspended.

This consolidation will enable HEW to identify "hot spots" and reveal which States have been soft on chiselers. HEW is planning to add 103 filed auditors to its staff next fiscal year—sooner if Congress approves—to assist States that show a large number of cheaters.

MAN IN NURSING HOME HAS ONLY $4 A MONTH

(By Dan Thomasson and Carl West)

MANASSAS, VA.—There are few if any luxuries in the life of Harold Johnson, 88, one of 215 Medicaid patients in a Virginia nursing home.

About the only one he can afford these days is a bite of Red Apple chewing tobacco. Even this is infrequent, however, because a box of 12 plugs costs $6.80 and Johnson must make them last. He has a personal income of only $4 a month.

Johnson (not his real name) is entitled by Federal law to a minimum of $25 a month for his personal needs. But his county (Prince William) welfare department arbitrarily decided he could get by on $4.

The county confiscates the other $21 and applies it to the cost of his nursing home care along with the rest of the $188 he receives from Social Security—a practice that appears to violate both the letter and the spirit of the law.

FUNDS RAIDED

A continuing investigation by Scripps-Howard Newspapers of a national health care scandal has discovered that greedy nursing home operators, unsympathetic relatives and even some local governments are raiding the personal funds of Medicaid patients with impunity.

Johnson's right or guarantee to the $25 a month out of his Social Security check is provided for by a section of the Medicaid law. Because states share Medicaid payments on a 50–50 basis with the Federal Government, they are allowed to let patients keep more than the $25 a month, but not less. Some states let patients keep $28.50.

Thus, if a patient is receiving $110 a month from Social Security, only $85 of that legally can be applied by the state or local government to the cost of his monthly nursing home bill. The remaining $25, according to the law, must go into his personal account.

Even if Johnson had no income at all, he would receive $25 a month. This is because Congress in 1972 enacted the Supplemental Security Income (SSI) law. SSI provided a minimum monthly income for the poor who are aged, blind or disabled. It also provided that every Medicaid patient in a nursing home will receive $25 a month.

Rep. Wilbur D. Mills (D-Ark.), then House Ways and Means Committee chairman, became appalled at the fact that tens of thousands of elderly poor, already stripped of most of their personal belongings and dignity, had no guarantee of money of their own for the few small things that can make life bearable.

Mills pushed through the $25-a-month minimum payments to Medicaid nursing home patients. As of last December, there were 170,000 such patients being paid $50 million annually.

UMI

"It was one of the new Federal guidelines and a lot of people got caught without it," said David Jennings, operator of a Spartanburg, S.C., nursing home. Jennings didn't install an accounting system for SSI funds until March of this year.

"JUST DIDN'T KNOW"

"I just didn't know it was necessary," said Mrs. Floy McDonald who has 22 Medicaid patient in her Pickins, S.C. home. "I just put the money in envelopes for each patient," she said.

William Chauvious, a South Carolina state Medicaid official, said he planned to begin a series of audits of nursing home handling of patients' personal funds.

In North Carolina, state officials also concede they suspect some nursing homes are dipping into their patients' SSI funds. Earneat Phillips, charged with monitoring North Carolina nursing homes says, however, he doubts that chiseling is as widespread as it is in other states. He said North Carolina, which operates one of the nation's better nursing home systems, became aware of the potential problem early and has taken steps to stop it.

Despite his claims, a random check of state Medicaid records disclosed some nursing homes had failed to establish an accounting system for SSI payments.

CALLED "VICIOUS"

Mrs. Dalphne Krause, a nationally known crusader for nursing home reform from Minnesota, told Scripps-Howard she believes the stealing of the $25 a month in SSI funds is nationwide and one of the most "vicious" practices she had uncovered in years of ferreting out abuses of the elderly.

The most vulnerable are the functionally incompetent, she noted. "It is very easy to confuse this type patient," she said. "It is very easy to take advantage of them especially if there are no relatives to ask questions. It is a nice, easy rakeoff if there are a number of patients in this category in a home."

Investigators have found dozens of cases where nursing home patients complain that they are being told by home operators that "you just don't remember having spent the money."

"The patients realize they're old and they begin to question their own ability to remember even when they are obviously competent," said a GAO investigator. "They're easy pickings."

In New York, a nursing home operator was discovered appropriating the entire SSI payments of Medicaid patients in advanced states of senility, falsely claiming it was owed for laundry, or other services.

Despite the Federal law, Prince William County officials have informed the operator of the nursing home where Johnson resides that Johnson has two sons who should take care of his small personal needs. The county officials have decided that in the case of Johnson and 30 others in the same home who also get less than the $25 they are entitled to that their relatives have a moral obligation to make up the difference.

The county officials have been unmoved by the nursing home operators' arguments that the relatives refuse to help and that Johnson's needs, for instance, must be met by sporadic handouts from his former employer and a few dollars raised by the home's employees.

The county's welfare department officials have ducked Scripps-Howard's inquiries and have informed the General Accounting Office (GAO) they are too busy to talk to its investigators. GAO, meanwhile, has turned up similar practices in two other Virginia counties and now suspects that this mishandling of SSI funds by local governments is statewide.

In those instances where a Medicaid patient has Social Security or private pension checks coming in monthly, the nursing home operator is supposed to deduct the $25 from the patient's endorsed check and apply the rest to the patient's bill, which may be as high as $500 a month. Medicaid makes up the difference. Those persons who have no such income receive monthly an SSI check for $25 for their personal needs. They generally cash it at the home.

ACCOUNTING LAX

The nursing home operator can either administer the money himself or, under patient instructions, turn it over to a relative. If the operator administers it himself, Federal regulations require an accountability system of receipts and disbursements.

Scripps-Howard found examples of irregular or even non-existent accounting of SSI funds by nursing homes in Illinois, South Carolina, North Carolina, and Virginia. And GAO investigators are looking into reported improper handling of funds by the homes in Florida, Michigan, Missouri, California and New York.

ABOUT $1.60 OF EVERY $3 SPENT IN NURSING HOMES IS TAXPAYER-PROVIDED—SOME NURSING HOMES ARE MEDICARE-MEDICAID CHEATS

(By Dan Thomasson and Carl West)

WASHINGTON.—Nowhere is there more suspected medicaid and medicare cheating than in the nation's nursing homes whose revenues soared from $500 million annually in 1960 to $7.5 billion last year, chiefly because of the two taxpayer-financed health care programs.

Documented nursing home abuses uncovered by federal investigators range from simple chiseling like cutting back on services to increase profits to complex schemes where millions of government dollars are being misused.

Dr. John Gentry of the New York City Department of Social Services estimates that elimination of even some of the nursing home abuses could save medicaid $126 million a year in his city alone.

Most of the cheating comes in medicaid, which provides government-supported, long-term nursing home care for the nation's elderly poor and accounts for about 50 per cent of the nursing home revenues. Medicare for all citizens 65 and older adds another 7 per cent to the revenues by providing short-term convalescent care for its recipients.

This means that about $1.60 of every $3 spent in nursing homes is taxpayer-provided.

The nursing home industry has become so lucrative that chains of homes have cropped up throughout the nation. Some of them employ a variety of tactics to squeeze profits out of medicaid.

A recent survey identified 106 publicly held corporations as controlling 18 per cent of the nursing home beds nationwide and accounting for one-third of the industry's revenues. The survey showed these nursing home corporations grew 122 percent in assets, 149 per cent in gross revenues, and 116 per cent in average income per house between 1969 and 1972.

While many nursing homes are scrupulously honest, a large number of profiteers have been able to thrive largely because of lax or non-existent supervision by the federal and state governments which split the medicaid bill 50–50.

The Department of Health, Education, and Welfare (HEW), which administers the federal share of medicaid, virtually has abandoned to the states the task of overseeing the program. And most states have been unable or unwilling to muster the expertise and manpower needed to watchdog medicaid.

A 1973 Federal law requiring the states to conduct and make public the results of periodic nursing home audits has been all but ignored by HEW officials charged with enforcing it. These officials contend the law is discretionary, but the congressional experts who drafted it say otherwise.

Against this background, the continuing Scripps-Howard Newspapers investigation of an estimated $3 billion-a-year fraud and abuse in medicare and medicaid has identified the most frequently used nursing home schemes to bilk the American taxpayer.

Many states reimburse nursing homes for their medicaid patients on a flat per day rate which includes a margin of profit. For instance, the rate might be $14 per day per patient with $12 representing the actual cost of maintaining the patient and the other $2 representing profit.

Because the states will not reimburse above this ceiling, some operators slash costs to increase the profit margin. This frequently means reduced services for the patients.

Operators have been discovered spending as little as 37 cents per patient per day for food, recycling untouched portions of meals, hiring incompetent personnel at low rates, cutting heat in winter and air conditioning in summer. Some ration toilet paper and skimp on soap.

Without proper oversight, they are able still to collect as though their costs were $12 per day when they might actually be as little as $5.

This lack of supervision also permits unscrupulous operators to bill medicaid for care of patients for several days or even weeks after they have been discharged or died.

"It's easy," said one medicaid official in Miami. "No one is watching."

Among the more simple schemes is the common kickback. Federal and state authorities interviewed believe hundreds of nursing homes regularly have kickback arrangements with suppliers, particularly pharmacies which often make cash payments to the nursing homes sending them business.

In a number of cases, nursing homes have a proprietary relationship with a linen company or a pharmacy and rake off from both ends. These relationships frequently are hidden from medicaid.

"In this kind of arrangement, the nursing home is making a killing," said the Miami official.

Nursing homes operators have been caught falsifying records that show expenses for patient care that were, in fact, diverted to the operator's private use.

In New York, investigators discovered expenses were falsified to cover up the purchase of a Rolls Royce, hiring of a chauffeur, buying yacht fuel. A South Carolina woman was convicted in state court for using medicaid funds to build a $60,000 home, claiming the money was used for a variety of home services.

A New York nursing home owner built into his "Legitimate" expenses the cost of renting a garage to house his Cadillac. He argued that the vehicle was used only to inspect his nursing homes. This same operator traveled to Israel at medicaid's expense on grounds he was surveying nursing homes to improve his own.

Another scheme is to build into the nursing homes' cost expenses actually incurred by other businesses owned by the nursing home operator. Owners have been caught charging off to medicaid real estate taxes, fuel oil, insurance and supplies for other businesses in which they were involved. Because some states compute their medicaid payments to a nursing home by including not only the cost of operation but also the operator's equity in the facility, owners have been discovered altering books to boost that equity.

One New York owner withdrew $790,149 in cash equity from one nursing home to build another. But he continued to carry the money as equity in the first home.

Investigators say nursing homes also use a "change of ownership" scheme to drive up their reimbursements from medicaid.

Here's how:

Medicaid permits operators to figure into their per day costs of maintaining a medicaid patient the cost of mortgage interest, depreciation, and rent. When a nursing home changes hands, these costs may be increased at medicaid's expense.

Put another way, nursing homes often are sold back and forth to drive up operating costs in order to be qualified for higher reimbursement rates from medicaid.

A typical example of this practice is a Staten Island nursing home that changed ownerships 17 times between 1959 and 1971. The last recorded sale was $6 million for property assessed at less than $2 million. New York state medicaid authorities challenged the $6 million sale price and it was reduced to $4.5 million. But the rate per patient per day soared from $15.09 to $39.18. That $39.18 is the rate which the nursing home was reimbursed by medicaid.

NEW YORK CITY HAS $18 MILLION MEDICAID GOOF

(By Dan Thomasson and Carl West)

NEW YORK.—New York City officials admitted erroneously billing the federal government $18 million for unauthorized medicaid payments.

Officials said $18 million from federal funds was paid to provide medical services for about 3,500 persons who were not eligible for Medicaid.

A "computer error" was blamed for the mistake. Officials said the money would be repaid to the federal government which shares Medicaid's costs 50–50 with states.

The Medicaid program is for the poor who are blind, disabled, or 65 or older or participating in the Aid to Families with Dependent Children program (AFDC). Medicare is for those 65 or older regardless of need.

Health, Education and Welfare (HEW) officials believe the New York case is the largest single bureaucratic bungle in medicaid's 10-year history. "Someone really goofed," sighed a top HEW official.

Henry Rosner, New York City's deputy administrator for fiscal affairs, told Scripps-Howard Newspapers about the mixup:

Two or three years ago, Rosner said, the city installed new computers to handle medical service billings. One category of recipients was carried as "home relief."

Those in this category are the medically needy between ages 21 and 65 but not blind or disabled or taking part in AFDC and therefore ineligible for medicaid. The cost of their care is picked up by the city and state. There is no federal money involved.

As persons in the "home relief" category became eligible for Medicaid—by reaching 65, or becoming blind or disabled—Rosner said the computer was supposed to add their names to the medicaid rolls and the federal government would begin paying half of the medical bills.

But, Rosner explained, the computer erred and put the entire "Home relief" category on the medicaid rolls.

"I don't think anyone is to blame," Rosner said. "Why blame anybody?" There was a mistake in instructions to the computer. It is just one of those things that happen to computers.

General Accounting Office (GAO) auditors spotted the mistake last September, according to William Toby, assistant Region II Commissioner for HEW's Social and Rehabilitation Service here. Toby said a state and GAO audit followed "immediately."

"We were very careful to rely on GAO's findings," Toby said. "And we are comfortable with the conclusion that it was a computer error and we decided to take no further action for federal moneys that we incorrectly claimed."

City and HEW officials said an agreement has been reached whereby the $18 million would be repaid by deducting that amount from future medicaid claims to the federal government. "We're not going to write a check," Rosner said.

Rosner was bitterly critical of the federal government for not providing medical assistance to indigent persons between ages ages 21 and 65 who are not blind or disabled or who are not participating in the families with independent children program.

DOING IT OPEC'S WAY

Mr. HUMPHREY. Mr. President, President Ford's decision to raise the tariff on crude imported oil, to impose a tariff on refined oil imports, and to deregulate so-called "old" domestic oil will deliver a knockout blow to hopes for an economic recovery this year.

It will almost double consumer oil bills by the fall of 1976, and impose $300 in higher fuel costs on each of our 70 million households.

It will drain $20 billion from consumer budgets in higher coal and petroleum prices in the midst of our worst post-war recession; this figure includes $2.5 billion in higher coal prices; $14.4 billion in higher oil prices due to decontrol of old oil; $1.9 billion in higher oil prices due to the tariff increase; and $1.3 billion in higher prices for new oil linked in the market to the rise in imported oil prices.

It will almost exactly offset and nullify the impact on consumers of the tax cut designed to stimulate economic recovery.

It will raise consumer prices by between 2 to 3 percent this year and next year as the cost of almost every item consumers use from fertilizer to food to gasoline to chemicals is pushed up. If petroleum importers and wholesalers pass the higher oil prices along to consumers largely in gasoline prices, gas prices will rise 18 cents per gallon by the fall of 1976, a figure confirmed by Mr. Zarb, Administrator of the FEA.

The tariffs and proposed deregulation are partially designed to finance exploration by oil companies in order to reverse the decline of domestic production. Yet, there is no clamor from the oil companies themselves for additional revenue with which to finance exploration. In addition, the price increases in oil to date may well have stabilized domestic oil production if preliminary indications for Texas oil production noted by the Texas Railroad Commission hold true on a nationwide basis. As revealed by the Wall Street Journal on May 21, the commission "is beginning to stabilize and possibly show a slight increase."

If crude production in Texas has in fact been stabilized, and similar results appear elsewhere at the high, existing price levels, there is no point in raising oil prices still further to stimulate exploration which is, in fact already occurring. The price of "new" domestic oil has risen 400 percent since late 1973. We should delay any further price hikes until the longer run results on oil production of this original price increase are clear; and 18 months is simply an insufficient time period for such an evaluation to be accurately made.

The President also partially justified his actions because of what he terms congressional inaction on energy legislation. Yet, Congress must now for the second time in only 4 months set aside its deliberations on energy to deal with the President's narrow and oversimplified solution to the very complex issue of achieving meaningful energy conservation without exacerbating our recession. It is indeed ironic that the President criticizes Congress for inaction on energy legislation at the same time that he once again diverts it from deliberation on that same energy legislation.

The President knows full well that the Congress has spent many long and hard hours examining his as well as other energy proposals and programs. It has rejected his earlier energy program designed to push energy prices up some $50 billion; it did so because his program was inadequate, inequitable, and ineffective.

Congress chose to deal first with the urgent need to restore economic health to the country, before turning its full attention to energy legislation. The necessary action to restore that good economic health was taken speedily and focused on tax cuts totaling $22.7 billion—the stimulative impact of which the President would have completely nullified with his ill considered actions.

The Congress has passed energy legislation, including a bill designed to boost coal production, by clarifying the environmental ground rules under which strip mining can be conducted. This was legislation badly needed by a coal industry beset with uncertainty and a bewildering array of State strip-mining laws. This uncertainty and the associated low production has only been reinforced by the President's veto of the strip-mining bill.

The President finally justified his actions by suggesting they displayed our independence from OPEC. In fact, his actions seem designed more to ratify than to remedy OPEC's collusive oil pricing decisions.

There is speculation that OPEC will force up international crude oil prices by another $2 per barrel this fall. This would raise consumer oil and coal prices some $17 billion in addition to the $20 billion increase just urged upon consumers by President Ford. Would the President have us believe that a third $1 barrel oil tariff increase—raising imported crude oil to $16 per barrel—is then the appropriate response to that $2 jump in OPEC prices?

Mr. President, I ask unanimous consent that a Wall Street Journal article from May 21, 1971, entitled "Texas Oil Production May Be Stabilizing After Years of Decline, State Agency Says," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEXAS OIL PRODUCTION MAY BE STABILIZING AFTER YEARS OF DECLINE, STATE AGENCY SAYS

AUSTIN, TEX.—Texas oil production rates may be stabilizing after several years of decline.

That's the preliminary conclusion of the Texas Railroad Commission, which at a hearing yesterday once again ordered most of the

UMI

state's major oil fields to continue producing at maximum levels next month.

Ben Ramsey, chairman of the commission, the state's oil and gas regulatory agency, said "a preliminary examination of crude oil production figures indicates that Texas production is beginning to stabilize and possibly show a slight increase."

If that proves to be a continuing trend, it could have nationwide significance. U.S. oil production has been declining since 1970. In Texas, for instance, where about 40% of all domestic oil is produced, daily production declined about 30,000 barrels in the past year, largely because oil from new wells was unable to offset declines in production from older fields.

The commission's order sets allowed June production at 3,956,423 barrels of oil daily. The latest figures for actual production are sharply less, about 3,278,132 barrels daily in February. However, the commission said this amount is an increase of about 3,000 barrels daily from actual January production levels.

Purchasers of Texas crude oil told the agency that their stocks on May 1, totaling about 286.1 million barrels, including finished products, were below desired levels by 7.5 million barrels. Crude stocks totaled 138.5 million barrels, below desired levels by 1.1 million; finished gasoline, 84.1 million, below by seven million; kerosene, 9.8 million, below by 250,000; distillate, 44.1 million, above by 399,000; and residual; 9.5 million, above by 550,000.

ROPER HOSPITAL

Mr. THURMOND. Mr. President, Roper Hospital in Charleston is one of South Carolina's finest medical facilities. Unique in its system of governance and its financial condition, Roper is also noted for its courteous staff who are deeply concerned for the well-being of the patients they serve.

Roper is a private, nonprofit community hospital held in trust by the medical society of South Carolina. The medical society established a board of commissioners composed of businessmen and physicians to administer the hospital. This carefully chosen system has worked exceedingly well as evidenced by the fact that last year Roper showed surplus of approximately $500,000, which will be used to finance expansion and to fund charity work. Roper's bed rates are the lowest among private hospitals in the community while the minimum wage it pays its staff is the highest. This is an outstanding example of what efficient management, coupled with the efforts of dedicated, enthusiastic employees, can do. I might add all this has been done without one cent of Federal, State, county, or municipal money.

Mr. President, I ask unanimous consent that an article entitled "Roper Hospital" which appeared in the May, 1975, issue of Private Practice be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROPER HOSPITAL

(By John R. Coyne, Jr.)

Senior Editor

CHARLESTON, South Carolina, in March is Shangri-la for the grey, winter-sick Northerner. The azaleas and camellias are in bloom, the air is clean and clear, and the sun, falling on pale Yankee skins, feels late-April warm.

Charleston is a beautiful place, rich in history, a city whose present is built upon a solid foundation laid in its past. The people of Charleston know who they are, where they have been, and where they are going. They are relaxed, confident, and unfailingly courteous, and suddenly you find yourself wondering why everyone everywhere can't be just as courteous. It's no more difficult, after all, than being rude. And it makes life a good deal easier.

Charleston is the home of unique people, mansions, gardens, churches, markets, and monuments. It is also the home of one of the nation's unique medical institutions, Roper Hospital.

Roper is unique for its system of governance, its financial condition, and its attitude toward Federal money.

Founded with a bequest from Thomas Roper, the hospital opened its doors in 1852. Today, just as one-hundred and twenty-three years ago, Roper is a private, non-profit, community hospital held in trust by the Medical Society of South Carolina, an organization made up of Charleston physicians.*

To administer Roper, the Medical Society established a Board of Commissioners, composed of businessmen and physicians. The hospital's administrator reports directly to the board, and the board is responsible to the Medical Society. As a result, all respects of administration, planning, and policy-making are ultimately under the control of doctors, the people who know most about medical needs.

This careful governance has paid off in helping Roper to pay for itself. Last year, with operating expenses of about $8.8 million, Roper, as it does every year, showed a surplus of approximately $500,000, which is used to finance expansion and fund charity work. And it came up with this surplus, in a period of raging inflation and soaring energy costs, without penalizing its patients, scrimping on staff salaries, or cutting corners in its ongoing program of expansion and improvement. The average cost per patient per day is still only $83.65. Roper's rates for its 420 beds are the lowest among private hospitals in the community, while the minimum wage it pays its staff—$2.50, as opposed to the national hospital minimum of $2.00—is the highest. Its building programs, involving about $15 million over the past ten years—financed by hospital surpluses, endowments, and individual and business contributions—have expanded and modernized the hospital's facilities. The current program—just completed—has added 98 beds, increased operating suites, enlarged the intensive care unit, added a coronary care unit and an intensive-care nursery, as well as a new nursery. A cobalt unit is also under construction.

All this—a surplus, low rates, clean, bright facilities, a handsome building that would be an asset to any community, a happy and dedicated staff, contented, well-tended patients, a dynamic building program—all this, and not one cent of Federal, state, county, or municipal money.

Just as important as careful governance to Roper's continued good health is its refusal to accept Federal money and to participate in Medicaid and Medicare. Its reasons for vetoing Medicare are especially instructive.

In 1973, a committee of the Medical Society was asked to reconsider the refusal to accept the Federal Medicare contract. The committee's report, authorized by Dr. Frank Gruber—a man with no political or ideological axe to grind—is succinct, thoughtful, and objective—a model argument against Medicare.

Based on careful interviews and conferences with hospital administrators, physicians, insurance representatives, and public health officials, the report points out that Medicare pays only what its auditors determine should be the cost of Medicare patients. "The result is that Medicare pays less than the usual charge since they will not carry any part of the more expensively maintained obstetric or pediatric patients as do the other private patients.

"Ideally," the report continues, "Medicare pays in such a way that a hospital neither gains nor loses on [Medicare patients]. In practice, the hospitals in this state lose on Medicare to the extent that the intermediary disallows services as excessive or needless. This disagreement between hospital and intermediary as to eligibility is broad enough to be one of the major objections to the Medicare program."

Medicare functionaries can rule on eligibility, the report points out, up to a year after the patient has been treated, and if the judgment goes against the hospital, it "is then required to refund many thousands of dollars at one time, which is naturally a hardship."

And for a hospital like Roper, as the report implies, it's not only a financial hardship. Roper is known throughout South Carolina for the decency, the civility, and the genuine concern with which it treats its patients. But if you are under-reimbursed by Medicare, then you have to try to collect the difference from the patient. And it's hard to maintain a reputation for gentleness and civility when you're forced to dun a patient who had left the hospital a year ago, secure in the knowledge that his bill had been paid. The inevitable result: bad debts and worse feelings.

Medicare would also mean the loss of a large part of Roper's surplus, nearly half of which is the result of bed charges being set above cost. But because "Medicare pays only costs, this surplus would be reduced proportionately to the extent that Medicare patients replace full-paying patients."

Another loss would result from the decreased use of supplementary services, since these are performed during the early stages of admission, and Medicare patients tend to stay an average of four days longer than paying patients.

And then there is the matter of the horrendous amount of paperwork that accompanies Medicare. The report estimates that the additional clerical help needed to push the paper would cost $60,000 a year. Here the report pinpoints a significant contradiction.

"Medicare will pay a portion of this expense, but the rest they wish to be passed on to the other patients. Herein lies a contradiction which underscores the unfairness of the program. Medicare refuses to carry expenses peculiar to obstetrical and pediatric patients, but they demand that expenses peculiar to Medicare be shared by the other patients."

An interesting contradiction indeed, perhaps illustrative of the philosophy that underlies so many of our Federal programs—from each according to his abilities, to each according to his needs.

The report's financial arguments are telling ones, and many Medicare hospital administrators no doubt now wish that they could have foreseen them back in the sixties when we began laying the medical cornerstone for our brave new world.

Even more striking to the layman who has been fortunate enough to visit Roper is the human argument.

"Since we operate at full occupancy, we will be refusing admittance to our regular full-pay patients when Medicare patients are admitted." (And here I should add that although other Charleston hospitals admit Medicare recipients, there has not been, according to Roper administrator Mr. C. A. Robb, "any material decline in our over-65 patients." They continue to come to Roper because of the quality of its care, despite the fact that they could choose to go to a Medicare hospital.)

"The same number of patients will be disappointed, in other words. In fact, a greater number of patients will be dissatisfied as the confusion and misunderstandings between hospital patient and intermediary with the Medicare program often result in animosity on the part of the patient toward the hospital."

And that would be a tragedy for Roper Hospital and the people it serves.

I feel this keenly, for I recently returned from a visit to New York's municipal hospitals. New York is as ugly as Charleston is beautiful, and the contrast between those hospitals and Roper is just as striking.

In New York, patients not only feel animosity toward the hospitals; the hospitals feel animosity toward the patients.

New York's hospitals have been mismanaged by political appointees and brought to the brink of bankruptcy by union demands and muddled Federal programs. They struggle along, drowning in a sea of red ink, surviving only because of huge transfusions of taxpayers' money. The buildings are dingy, the equipment obsolete, the staff at worst surly and at best officious. Appalling conditions brought on by political and governmental involvement in medicine. And in the end, it is the patient who suffers.

The difference between these conditions and the conditions at Roper is the difference between February and May in New England.

Roper is clean and bright, its equipment modern, its finances well-managed. Above all, the people who work there are friendly, courteous, and deeply concerned for the well-being of the patients they serve.

The staff at Roper is a happy one. There are 112 employees with more than 10 years of service and 29 employees with more than 20 years. And one employee, Miss Irene Dixon, has been at Roper since 1927—48 years.

Miss Dixon, a charming and articulate lady for whom Roper's auditorium is named, has no doubt about the qualities that make Roper unique.

"It's the courtesy of the hospital," she says, "the outstanding nursing, and the love displayed by the employees for the patients."

We hear a great deal about the "quality" of medical care these days. It's a vague term, encompassing many services, treatments, and techniques. Yet to the lay person who is hospitalized, "quality" care means above all personalized, involved, concerned individual attention. And this is precisely what patients receive at Roper.

You don't have to worry about a unionized nurse at Roper refusing to assist with surgery because it would interfere with her lunch hour, as you would in New York. You don't have to worry about an orderly refusing to move a patient beyond a certain point because it would violate his union contract. And you would never, in this life, have to worry about doctors at Roper going on strike. As Miss Dixon points out, everyone at Roper is there only to serve the patients.

There is a quality at Roper that once was characteristic of American life, a quality that is now fast disappearing. It springs from a belief in the innate worth of the individual and manifests itself in a sense of community far superior to any system based on the assumption that the individual is significant only insofar as he is part of an identifiable, collective group.

It is this belief in the absolute worth of the individual that built this nation. It is the belief in the absolute worth of the individual patient, and the consequent belief that the patient deserves the very finest care, that has made Roper Hospital the envy of its neighbors and a model worthy of national emulation.

An administrator from another South Carolina hospital has said that were he to fall ill, he'd leave his own hospital and enter Roper.

I know how he feels. When my luck finally runs out and I'm hit with a major illness, I'll ask my wife to load me on the first plane to Charleston.

Mr. THURMOND. Mr. President, between 1965 and 1968 several of my distinguished colleagues denounced on the floor of the Senate the restrictions placed on the human and civil rights of the Hungarians in Romania, who constitute about 2.5 million people, mostly in the Province of Transylvania.

A persistent pattern of denationalization continues, which was recognized by our State Department in a memorandum to Representative PATTEN and other House and Senate Members on September 19, 1967.

Since that date, I am informed that the educational opportunities for Hungarians in Romania are rapidly worsening. In grade schools, it is reported that it is still possible to attend Hungarian sections, but all entrance examinations in the high schools, vocational schools, and specialized secondary schools are given in Romanian. Except for the general high schools, there are hardly any vocational and specialized schools with Hungarian sections at all. On the higher education and university levels, except for two teachers' colleges and an academy of the performing arts, no Hungarian courses are even offered.

Furthermore, I understand that if a citizen of Hungarian ethnic background succeeds in attaining his doctor's degree or his engineering diploma, he is sent to purely Romanian areas to work. The use of the Hungarian language in public is frowned upon in the cities despite the large number of Hungarians living in them.

There is evidence that harassment of the churches of the Hungarian minority—Reformed Protestant and Catholic—continues, and lately even their sources of outside assistance from brother churches abroad have been cut off by ministerial regulations adopted in 1974.

Church records and art objects have now been confiscated to a large extent by the State, which cannot provide for their categorization due to a lack of qualified archivists familiar with Hungarian, Latin, and classical Greek. Thus, there is danger that the historical records about Hungarians in Transylvania, which, during the past millennium had belonged directly or indirectly to the Hungarian kingdom, will be essentially lost to researchers.

The President has submitted to the Senate a proclamation awarding Rumania the status of a most-favored nation on import duties. The proclamation, now sponsored by a Senate resolution is at the present time before the Finance Committee. I feel this would be the ideal time for the administration to raise the issue of the apparent continued mistreatment of the Hungarian minority, and the denial of their civil rights guaranteed under articles 2, 17, 22, and 102 of the Constitution of the Socialist Republic of Romania, in order to achieve some alleviation of the present reported conditions.

INTER-AMERICAN FOUNDATION: THE RIGHT ROLE FOR THE UNITED STATES IN BILATERAL FOREIGN ASSISTANCE

Mr. KENNEDY. Mr. President, the Inter-American Foundation was created in 1969 as an attempt to break the pattern of U.S. foreign assistance over recent decades. As an independent Government Corporation barred from creating a permanent overseas presence, it was to focus on direct economic and social development among the poorest groups in Latin America.

Too often these marginal sectors of society are not only frozen out of the host country development plans, but are also by-passed by government-to-government AID programs.

Responding to the initiatives of the groups themselves, the Foundation was designed to assist these individuals in participating in the design, the implementation and the benefits of decisions that affect their families and their communities. It was community development in its purest sense, a concept frequently espoused by U.S. foreign aid advocates but rarely implemented.

In the past several years, the Foundation has been attempting to implement that concept. From reports I have received it has been doing a commendable job.

Recently, a member of my subcommittee staff, Mark L. Schneider, visited one of the Foundation-supported projects in Mexico. His report follows:

The project is located in Ciudad Netzahualcoyotl, a densely populated urban community flush against the Federal District in the State of Mexico.

It is difficult to imagine the magnitude of the problem and the overpowering impact of poverty in that community. The city had a population of some 60,000 in 1962. It now has more than 1 million. Unemployment is estimated at 45 percent. For every two live births, it is estimated that one dies before the fourth year. Infant mortality is reported to be the highest in the state of Mexico. Nevertheless, the monthly population increase is estimated at 15,000, when natural population growth is boosted by migration. Once again, estimates are that in 1970 the community lacked 38,000 primary school openings. And although primary school enrollment was 130,000, educational opportunities clearly were limited by the existence of only 5,000 secondary school slots.

The city is a maze of individual houses on dirt streets with interdicting main roads the only ones paved. There are only 3 stop lights in the entire city.

The level of communication is so poor that the government-run utilities drop leaflets from small planes to publicize their programs to the residents. Pamphlets were sprinkled over the city announcing the benefits of water service and residents immediately explained that this signified a forthcoming campaign to collect utility bills.

Some of the community organizers described the level of poverty with the following anecdote. Since the price of milk has risen in past months, a new buying pattern has risen in past months, a new buying pattern has developed. Rather than buy from the store during normal hours, families line up as early as 3 a.m. outside the small stores to buy directly from the distributor at the lower price. The really enterprising residents bring several members of the family and then sell their spaces in the line to some of the late arrivals.

UMI

A more grotesque reminder of the depth of poverty that individuals in many countries still suffer is the number of men, women and children who stand with burlap bags in the garbage dump to pick over the most recent loads.

The Inter-American Foundation is supporting a community organization operating in Ciudad Netzahualcoyotl called SEPAC. The grants for assistance total approximately $100,000 with the program cost for the cooperatives, out reach and research approximately $160,000. Other programs operated by SEPAC include health clinics, community centers, literacy training, community newspaper and recreation and cultural activities.

The Carpenters Cooperation, which has specialized in children's furniture and equipment recently won a design prize and also has become a major supplier for Montessori schools.

SEPAC was organized by a group of young professionals to promote the organization of low income people in the area through education, social services and cooperatives. Its staff of 9 professionals includes educators, co-op experts, sociologists, an anthropologist, an administrator and a psychologist, according to the Foundation.

But what is impressive when one visits the SEPAC headquarters is the sense of involvement, the sense of activity and the sense of commitment to change in the activities of the organization.

Clearly, it can only succeed as part of a combined municipal, state and federal effort to expend resources to raise the standard of living in the community. Yet, its very existence helps to impel those institutions to make those commitments.

NONPROLIFERATION TREATY CONFERENCE

Mr. HUMPHREY. Mr. President, I have received a communication from "non-governmental observers" at the NPT Review Conference in Geneva. It speaks for itself and merits our urgent attention.

Mr. President, I ask unanimous consent that Dr. Alan Geyer's letter to me of May 10, 1975, and his council's statement entitled, "An Unofficial U.S. Policy on Nuclear Proliferation" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. NGO COUNCIL FOR THE NPT,
Geneva, Switzerland, May 10, 1975.

DEAR SENATOR HUMPHREY: I am writing from the Non-Proliferation Treaty Review Conference here at the Palais in Geneva where I am serving as head of the unofficial U.S. delegation of NGO's which we have called the "U.S. NGO Council for the NPT."

While the conference secretary-general has called this "the largest and most important disarmament conference" since World War II, it is painfully clear that the joint U.S.-Soviet line here is to downgrade the conference and to stonewall any pressures to reverse their own mutual escalation of the nuclear arms race. The conference will be a tragic failure if this line is not changed.

There is no chance for an effective international regime against nuclear weapons spread if the non-nuclear states do not get more convincing evidence that the U.S. and U.S.S.R. are prepared to fulfill Article VI's "good faith" pledge to stop the nuclear arms race "at an early date." We appreciate your calling attention to this problem in your Senate remarks of April 10 commending Senator Kennedy's address to the Arms Control Association the previous day.

The low visability of the NPT Conference derives from the fact that the President and Secy of State did nothing to prepare the public for it, from the anonymity of the low-level bureaucratic delegation, from the complete absence of Senators thus far, and from the inattention of the press.

We are holding a press conference Monday, May 12, to release the enclosed "Unofficial US Policy on Nuclear Proliferation" which focuses on three "good faith measures" under Article VI. There must be some action on (1) a comprehensive test ban or moratorium; (2) reducing nuclear arsenals; and (3) a pledge not to attack non-nuclear states. Perhaps you will want to call attention to this statement in some way. We have also activated a "Non-Proliferation Action Committee" back in the States with Sanford Gottlieb serving as a Washington coordinator; he or someone else may soon be in touch with you.

Can you and some colleagues try to persuade the President and the Secretary of State to upgrade the performance and commitments of the US here? Can't the US move on at least *one* of these good faith measures? Could an emergency hearing be held?

There is still time. The Conference runs until May 30 and I will be here until the end of it.

Thank you for your attention. All of us here feel very deeply about the urgency of early action to redeem the conference and the treaty itself.

Yours sincerely,

ALAN GEYER,
Dag Hammarskjold Professor of Peace Studies, Colgate University.

AN UNOFFICIAL U.S. POLICY ON NUCLEAR PROLIFERATION

(A statement by U.S. non-governmental observers at the NPT Review Conference, Geneva, May 12, 1975)

We citizens of the United States of America are determined to persuade our own government to adopt more responsive and realistic policies concerning the proliferation of nuclear weapons.

Here at the Non-Proliferation Treaty Review Conference in Geneva—"the largest and most important disarmament conference since World War Two," according to Secretary-General Ilkka Pastinen—we acknowledge the special obligations of the United States to avert nuclear war and devastation.

We welcome President Ford's message to the Conference which pledged to "re-dedicate the United States to the support of the Non-Proliferation Treaty and to the high purpose of a stable peace which animates it."

That re-dedication, however, requires much more than exhortation to other governments to heed the perils of proliferation. It also requires more than a recitation of "arms control" agreements which have actually authorized extremely dangerous vertical proliferation on the part of the "superpowers."

The provisions of the NPT which severely discriminate against non-nuclear weapons states can only be justified by the resolute fulfillment of Article VI which requires "negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament."

The plain truth, however, is that the bilateral U.S.-Soviet SALT talks have not, to any meaningful degree, contributed to the fulfillment of Article VI. The nuclear arms race continues. No date has been set for its termination. There is no significant progress towards nuclear disarmament. Since signing the Treaty in 1968, both the U.S. and the USSR have multiplied their deployments of nuclear warheads and have proceeded to develop a stunning array of costly new weapons systems.

We believe that the most vital manifestation of re-dedication to the Non-Proliferation Treaty on the part of the United States (and the Soviet Union) would be the announcement, at this Review Conference, of a firm commitment to three specific measures of "good faith," as set forth below.

THREE MEASURES OF GOOD FAITH IN SUPPORT OF THE NON-PROLIFERATION TREATY

We invite all governments, non-governmental organizations, and world citizens to support these three measures as the most urgent actions which may now be taken to make the Non-Proliferation Treaty a more balanced and secure instrument of peace. (These measures generally correspond to the first three proposals contained in the declaration by more than thirty international non-governmental organizations, titled "Recommendations to Governments Concerning the Treaty on the Non-Proliferation of Nuclear Weapons.")

1. Comprehensive Test Ban. The NPT's own Preamble recalled "the determination expressed by the Parties to the Partial Test Ban Treaty of 1963 . . . to seek to achieve the discontinuance of all test explosions of nuclear weapons for all time." Yet there have been more nuclear weapon tests since 1963 than there were before the Partial Test Ban. Most knowledgeable observers believe the superpowers could accept such a ban without any real threat to their security. The United Nations General Assembly has repeatedly and unequivocably asked them to do so. It is time to bring two decades of struggle over the test ban issue to a swift conclusion. Failure to do so will gravely weaken the political and moral constraints against nuclear testing by other countries, especially those on the threshold of nuclear weapons capabilities.

The U.S. should seek an agreement with the USSR to announce, at this Review Conference, a joint commitment to sign a comprehensive test ban treaty in the immediate future. If such an agreement is not forthcoming at this Conference, the U.S. should announce its own moratorium on nuclear weapons testing for a definite and substantial period.

2. Reduction of Nuclear Arsenals. The inequities involved in permitting the superpowers to multiply warheads, increase the destructive power of their missiles, and develop new generations of offensive weapons—while prohibiting non-nuclear-weapon states from developing any nuclear weapons—will not be tolerated much longer by some of the latter states. This is more than a moral double standard: vertical proliferation is almost sure to follow. The SALT and Vladivostok agreements have not only failed to halt this vertical proliferation: they have legitimized it for a period of many years.

The U.S. (preferably in a joint pledge with the USSR) should propose at this Review Conference a schedule for a significant reduction of strategic nuclear weapons at an early and specified date.

3. Pledge to Non-Nuclear-Weapon States. The nuclear weapon states have a solemn obligation to ensure the freedom from nuclear war of those states which have agreed to forego the acquisition of nuclear weapons. The inadequate "assurances" contained in U.N. Security Council Resolution 255 (June 1968) must be reinforced by an unequivocal pledge not to use, or threaten to use, nuclear weapons against non-nuclear-weapons parties to the NPT. The United States has already undertaken such a commitment regionally under the Treaty of Tlatelolco establishing a nuclear free zone in Latin America. More positively, parties to the NPT should devote further study to the whole problem of maintaining international peace and security through the United Nations.

The U.S. (preferably in a joint statement with the USSR) should pledge, at this Review Conference, never to use, or threaten to use, nuclear weapons against non-nuclear-weapon states which are parties to the NPT.

We do not claim that these three "good faith measures" will suffice to establish a secure international regime against nuclear weapons spread. We do believe, however, that they will help to lay a more solid and equitable foundation for the adoption of such other measures as nuclear free zones, the restriction of technical nuclear aid to countries accepting IAEA safeguards, strict standards of physical security to prevent theft, and a moratorium on "peaceful nuclear explosions" pending more comprehensive study.

These three measures are advanced, not in a spirit of condemnation, but in the hope that this Review Conference may achieve truly constructive results. In the nuclear age, all nations must win together, or they shall all lose together.

Signatures for "An Unofficial U.S. Policy on Nuclear Proliferation" (Affiliations for identification purposes only):

Alan Geyer, Dag Hammarskjöld Professor of Peace Studies, Colgate University; Consortium on Peace Research, Education, and Development.

Homer A. Jack, Secretary-General, World Conference on Religion and Peace; Chairman, NGO Committee on Disarmament (at Headquarters).

René Wadlow, Director of Studies, Institute of Development Studies (Geneva); World Association of World Federalists.

Daniel Cheever, Professor, Graduate School of Public and International Affairs, University of Pittsburgh; International Studies Association.

Milton G. Johnson, International Association for Religious Freedom.

NORTH CAROLINA GENERAL ASSEMBLY COMMENDS ARMED FORCES, CALLS FOR STRONG NATIONAL DEFENSE

Mr. HELMS. Mr. President, I have received a copy of a document that has made me extremely proud of my home State and the North Carolina General Assembly. It is a joint resolution, approved unanimously on May 13, 1975, which commends the Armed Forces of the United States and urges Congress to preserve the defenses of this Nation.

Nowadays, there are those who seem to be falling over themselves to reduce the United States to a second-rate military power. It restores one's confidence in the good sense of the American people when they make their feelings known in this way. They know that a nation must be prepared to defend herself against aggression at any time. They also know that half measures will not do—a wise nation is stronger than her enemies. They know, too, that the leaders of a nation have a moral obligation to see that that nation is not lulled by paper treaties which guarantee no security unless backed up with military strength.

Mr. President, I ask unanimous consent that the aforementioned resolution, and a letter from the Honorable W. G. Smith which accompanied it, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RALEIGH, N.C.,
May 23, 1975.

Hon. JESSE A. HELMS,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HELMS: I believe the enclosed Resolution fairly reflects the overwhelming opinion of the people of North Carolina. I drew the Resolution with the very vivid recollection of the sacrifices made by some of my own companions in World War II, and a very sincere appreciation of the sacrifices made by the men and women of the United States Armed Forces over the past 200 years. Every member of the North Carolina Senate enthusiastically supported it where it was passed unanimously and it received the same treatment in the North Carolina House.

I think it is especially appropriate now when it seems that each time it is necessary to reduce the budget the Defense Department is the first to feel the sword.

With best wishes, I am,

Cordially yours,

W. G. SMITH.

STATE OF NORTH CAROLINA, DEPARTMENT OF STATE

I, Thad Eure, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached three (3) pages to be a true copy of Resolution 58, 1975 Sessions Laws entitled "A joint resolution commending the Armed Forces and urging Congress to preserve the defenses of this Nation," ratified on the 13th day of May, 1975, by the General Assembly of North Carolina, the original of which is now on file and a matter of record in this office.

In witness whereof, I have hereunto set my hand and affixed my official seal.

Done in office in Raleigh, this the 23rd day of May, 1975.

THAD EURE,
Secretary of State.

SENATE JOINT RESOLUTION 596

A joint resolution commending the Armed Forces and urging Congress to preserve the defenses of this Nation

Whereas, this State and nation is now in its 200th year of freedom; and

Whereas, that freedom was secured and has since been maintained by the sacrifices of the men and women of the armed forces of this nation, both professional and civilian; and

Whereas, the potential cost of maintenance of freedom is and always will be the lives and fortunes of every citizen of this nation; and

Whereas, it is absolutely essential to the survival of these freedoms which Americans traditionally hold most dear, including but not limited to freedom of religion, freedom of speech, freedom of the press, freedom from any restraints on our liberties without due process of law, and the freedom to criticize government and dissent from the majority, and that survival depends upon the safety of this nation from governments and ideologies which would destroy us in the pursuit of their own destinies; and

Whereas, there has been a discernable trend in the Congress of the United States and in certain segments of the public to detract from the armed forces of this nation, not only the financial support which those forces must have to adequately protect this nation and insure its survival, but also from the respect and admiration which this nation has traditionally had for its armed forces; and

Whereas, such detraction is inimical to the best interests of this nation and should be deplored by every American citizen;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. That the General Assembly of North Carolina recognizes that while we continue our efforts to secure economic and social justice for all our people we must realize that such justice cannot be obtained unless we remain free, and that freedom can only be guaranteed for the foreseeable future by an armed force second to none.

Sec. 2. That the appreciation of the people of North Carolina is hereby expressed to the men and women of the armed forces, living and dead, who have devoted their lives and fortunes to the maintenance of those freedoms which all of us now enjoy.

Sec. 3. That the Congress of the United States is hereby urged to take care that the defenses of this nation remain adequate for the preservation of this nation and its ideals.

Sec. 4. That this resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 13th day of May 1975.

THE OUTLOOK

Mr. HARRY F. BYRD, JR. Mr. President, the burgeoning growth of big government is a threat to the economic and political health of the United States.

One of the best statements of the dangers inherent in the rapid growth of Government spending and centralization of Government power came in an address delivered to a meeting of the Gas Appliance Manufacturers' Association by G. Warren Nutter, professor of economics and director of the Thomas Jefferson Center for Political Economy at the University of Virginia.

Professor Nutter cites an alarming trend when he says:

Since the early Sixties, a new trend has established itself: regardless of what happens to the defense effort, domestic spending by government steadily rises faster than the national income.

This is a trend which cannot continue indefinitely. Professor Nutter explains the economic, social, and political consequences we face if we try to keep moving in that dangerous direction.

I ask unanimous consent that the text of Professor Nutter's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE OUTLOOK

(By G. Warren Nutter)

I have been asked to reveal the future to you, to speak on the economic outlook. Since what is to come issues from what has been, I will begin with a review of the recent past. For this purpose, nothing is more descriptive than my favorite letter, written by a workman in the Bahamas. It runs as follows: Respected Sir:

When I got to the building, I found that the hurricane had knocked some bricks off the top. So I rigged up a beam with a pulley at the top of the building and hoisted up a couple of barrels full of bricks. When I had fixed the building, there was a lot of bricks left over.

I hoisted the barrel back up again and secured the line at the bottom, and then went up and filled the barrel with extra bricks. Then I went to the bottom and cast off the line.

Unfortunately the barrel of bricks was heavier than I was and before I knew what was happening the barrel started down, jerking me off the ground. I decided to hang on and halfway up I met the barrel coming down and received a severe blow on the shoulder.

I then continued to the top, banging my head against the beam and getting my finger jammed in the pulley. When the barrel hit the ground it bursted its bottom, allowing all the bricks to spill out.

I was heavier than the empty barrel and so started down again at high speed. Halfway down, I met the barrel coming up and re-

UMI

ceived severe injuries to my shins. When I hit the ground, I landed on the bricks getting several painful cuts from the sharp edges.

At this point I must have lost my presence of mind, because I let go of the line. The barrel then came down giving me another heavy blow on the head and putting me in the hospital.

So much for the recent past. What about the future? Well, the way things are going, I'd say we can expect more of the same for a while and then something much worse.

But that is hardly what you have assembled to hear. You want to know, as I would if I were in your shoes, when and how fast the economy is going to turn up, and what the timetable of events will be as far as production, employment, and inflation are concerned. I could easily give you such a forecast, and it would be worth about as much as any one of the hundreds already available to choose among—which is to say, not much. The problem is not to find a forecast but to find a correct one.

Identifying the true prophet has been a problem since the days of Cassandra, and it is made worse in the case of economic soothsayers by the fact that anybody who really could divine the future course of events would almost certainly be busy amassing a fortune beyond imagination rather than issuing forecasts that others might profit from. In other words, if I really knew what is going to happen and when, I would not be wasting my time telling you, despite my most generous disposition.

If you get the impression that I have little faith in economic sooth-saying, you have been listening. In my opinion, economic forecasts have not improved noticeably in my lifetime, at least not in any way that eases the problems of the businessman or government official. But I don't want to be misunderstood as condemning efforts to look ahead, or as saying that no forecasts of any kind are useful. What is important about a forecast is its degree of certainty, and the only way to make one more certain is to make it less and less specific. And so it is possible to find broad generalizations about trends that can be believed with some confidence. One such generalization is that the current recession will bottom out within the next few months. Another is that inflation will begin accelerating again toward double-digit rates within the next year.

But you have surely heard, and will continue to hear, more of this sort of thing than you can make use of. So I want to talk about something else, about the deeper forces at work shaping the future of our society and economy.

We hear much today about failures of our economy, but there is nothing wrong with our economy. On the contrary, it is easily the strongest, healthiest, wealthiest, most responsive economy on this planet. It is amazingly so given the political handicaps which are being piled upon it and which are gradually dragging it down. The economic pains now being experienced are symptoms of an affliction much more grave: a political, moral, and social sickness that threatens to undermine our system of government and demoralize our society. It is an affliction not our alone, but one unfortunately spread throughout the Western civilization.

These are, I recognize, stern words not to be uttered lightly. But these are ominous times requiring stern speech, whether it helps or not. It would take many hours to describe what I mean by the disintegration of Western society that I see as underway, and more hours to diagnose its causes. In my few minutes, I must be satisfied with focusing attention on one important part of the degenerative process.

I will talk about big government, how it grew and what it has wrought.

Let me start the story four and a half decades ago, when a momentous turning point occurred in our political and social history. We stood at the pinnacle of prosperity then, at the conclusion of the halcyon twenties. In fact seeming golden age of free enterprise, who would have predicted the cataclysm of the thirties and the social revolution that erupted in that brief span of time?

Those who did not live through the Great Depression may find it hard to imagine that the events of a decade could work such profound and lasting change in social attitudes developed over centuries. Those of us who experienced those years don't have the same difficulty. Perhaps because it was not yet my good fortune to live in Charlottesville, the view from where I stood was not so idyllic as it seems to have been from Walton's Mountain. What I recall most vividly is the sense of shock and despair that colored social thought. The hardship of the moment was bad enough, but even worse was fear of what the uncertain future would bring.

Confidence was hardly inspired by looking elsewhere. Bad times were spread throughout the world, and societies most akin to ours were coping badly. There was Britain, for example, stuck in the rut of unemployment through the twenties as well as the thirties. Other nations of Europe had scarcely escaped inflation and even hyperinflation before being plunged into depression. The strains had proven too strong in Italy, and democracy had crumbled. A decade later, a more gruesome course was to be followed by Germany. Meanwhile, the Soviet Union was building the very model of the totalitarian state, that most modern of political inventions. A variety of isms sprang into being, and it began to look as if one or another might be the wave of the future.

In a word, things were a mess, and we sought a way out by creating a welfare state at record speed. The size of government, measured by its power to command the nation's resources, doubled virtually overnight in the reckoning of history. That is, the fraction of national income accounted for by government spending at all levels—federal, state, and local—rose from 12 per cent in 1929 to 24 per cent in 1939, when the real national product had roughly recovered to its 1929 level. If spending is divided into two parts, defense and all other (which I shall call "domestic"), the fraction of national income attributable to each doubled, although defense spending still amounted to less than 2 per cent of national income in 1939. We did not sense any grave threat to national security.

During the next decade, the size of government moved up and down with the demands of war, demobilization, and subsequent threats to national security. At its peak in 1944, government spending had risen to 56 per cent of national income; at its low point in 1947, it had fallen to 21 per cent. While defense spending was rising relative to national income, domestic spending was falling, and vice versa. In 1944, for example, domestic spending accounted for only 8 per cent of national income as compared with 11 per cent in 1929. Between 1929 and 1949, the fraction of national income attributable to total government spending rose by 3 percentage points, but the net rise encompassed a decline of 1.4 percentage points for domestic spending. In other words, the growth of government was more than accounted for by expansion of the defense effort.

Over the fifties, the ups and downs of defense once again set the trend. Until 1968, domestic spending by government represented a smaller share of national income than in 1949.

To recapitulate, government doubled in relative size over the first decade after 1929 and grew by another third over the next two decades. But all the latter growth and then some came from the expanded defense effort. Domestic spending by government actually constituted a slightly smaller percentage of national income in 1959 than in 1939. The initial shock of the social revolution had been rather quickly absorbed, and a new state of equilibrium then seemed to prevail.

But not for long. Since the early sixties, a new trend has established itself: regardless of what happens to the defense effort, domestic spending by government steadily rises faster than national income. And the pace has accelerated: from 1962 through 1968, the percentage of national income represented by domestic spending of government rose from 24 to 27, or by 14 per cent; from 1968 through 1974, it rose from 27 to 34, or by 24 per cent. Despite the Vietnam War, despite introduction of the all-volunteer armed forces, and despite mounting problems of national security, the fraction of national income spent for defense has never again reached its level of 1959, when it was 11.5 per cent. Today, the fraction is below 7 per cent, or lower than in any year since 1950.

So, how big is government today? Well, government spending amounts to more than 40 per cent of national income. If the prevailing trend continues, it will pass 50 per cent by the early 1980's. Transfer payments alone—the personal income taken from one set of pockets and put in another—amount today to 10 per cent of national income, or almost as much as total government spending amounted to in 1929. If those transfer payments were paid only to our 10 million poor families and individuals, each would receive some $14,000 a year. More than four-fifths of government spending is for domestic purposes and less than a fifth for defense. Over the last four and a half decades, the fraction of national income attributable to domestic spending has more than tripled. A third of that expansion has come in the last fifteen years.

These figures symbolize, or course, the growth of the welfare state, a growth that has been even more pronounced in other democracies like Great Britain, France, West Germany, Italy, the Scandanavian countries, and so on and on. While the governments of all democracies have grown bigger and bigger, they have come to rest on a more and more precarious base of power.

I therefore submit the following proposition: the bigger a democratic government becomes, the weaker it tends to be. As proof, I offer the current state of affairs in democracies through the world.

Look at the parliamentary governments. In case after case, the lending party is managing to stay in power by the skin of its teeth. If it has a majority of seats, it is a slim one, often based on a minority of the popular vote. Governments frequently must be built through formal or informal coalitions that permit factions or splinter parties to wield power far in excess of their popular vote. Governments rise and fall in close elections in which a small swing vote makes the difference. Thus the British Labor Party is said to have scored a big victory in the most recent election because it acquired a paperthin majority in the new parliament. In the old one, it held only the laregst minority of seats. But it won its majority of seats by capturing less than 40 per cent of the popular vote. In Germany, the tiny Free Democratic Party holds the balance of power in an uneasy coalition, whose major partner—the Social Democratic Party—gets fewer votes than the opposition. In Italy, it seems proper to say that there is no government at all, only a succession of caretakers. And so on and on.

The presidential democracies have their close elections, too. Witness France last year and our own country in 1960 and 1968. We had our landslides in the presidential elections of 1964 and 1972, and in the congressional election last year. But they have not exactly conveyed lasting power to the winners, and hence are symptoms of the same basic instability. In both 1964 and 1972, the overriding issue was ideological, as one candidate in each case called for radical change in the role of the welfare state. The electorate convincing rejected the bid for drastic curtailment in the one case and drastic expansion in the other. And the cloud of Watergate hung over the recent congressional election. Our landslides have been against, not for, something.

If weak government is so widespread among democracies, one naturally suspects that there is a common reason. I would argue that one important cause has been the who-whom dilemma raised by big government. Who is to benefit at the expense of whom? Who is to receive what from whom? The answer is fairly simple when the welfare state is small enough. If, say, a quarter or less of national income is flowing through the hands of government, it may seem plausible to a large majority that needed taxes can be collected from the remaining minority. Politicians can credibly campaign on the platform of "soaking the rich." But not when the tax take rises to thirty, forty, or fifty per cent of national income. Voters promised growing benefits from the welfare state must begin wondering whether they will receive more than will be taken from them. A politician who puts together a successful coalition of the electorate by promising everybody pie in the sky and accordingly gets elected by a handsome majority is bound to lose support when the bill comes due. Even with the most skillful use of hidden taxes, he will find it increasingly difficult to persuade the public that mutual exploitation is beneficial to all. The margin of voters who have more taken from them than they receive must grow with the welfare state. Eventually, the margin must rise to half the electorate. The natural result will be for elections to become close and for minorities to coalesce into powerful third forces.

There are, after all, only two conditions under which a welfare state can achieve a natural equilibrium: either the majority must be benefiting at the expense of a minority, or vice versa—a minority must be benefiting at the expense of the majority. When the welfare state grows past a certain size, it simply becomes impossible for government to take away from any minority what is required to provide net benefits to more than half the public. The equilibrium, in which the majority benefits at the expense of a minority, therefore gets ruled out by the facts of life when government becomes too big. And the other alternative—in which a minority exploits the majority—is ruled out by the nature of democracy. That leaves only an unstable borderline situation in which half the electorate tries to gain at the expense of the other half, a circumstance that so weakens and demoralizes government as to imperil democracy. No elected authorities can govern firmly and effectively if they must constantly look over their shoulders to see whether they still have a majority of voters behind them. Margins of victory at the polls become so small and fleeting that politicians, struggling to survive reelection, curry favor from all manner of factions and special interest thought to be of marginal help in scoring an election. The demogogue has his day.

It is this weakening of democratic government taken together with the underlying who-whom dilemma that largely explains, I believe, why inflation has erupted virtually everywhere in the democratic world. Governments are driven to spend without visibly taxing. Inflation becomes the easiest way out, and it acquires a momentum of its own. Once started, it cannot be stopped without endangering the holy of holies: full employment. The insecurities of unemployment are in part replaced and in part supplemented by those of inflation. Mixing inflation and unemployment means in effect that neither can be controlled without straining democratic institutions.

Far be it from me to be a prophet of doom, but I do believe that, unless a way is quickly found out of this vicious circle, we may face a social crisis more serious than the thirties. A democratic public will endure many hardships, but it cannot live with the prospect of perpetual insecurity. If the sense of insecurity is not removed by democratic means, the public will seek another political solution. A few years might well mark another momentous turning point in social history.

The American republic is to me the greatest wonder of all time, a system of representative government and personal freedom that has flourished for two hundred years despite the disastrous failure of every democracy in recorded history up to the founding of our republic. Our founders knew that history and had no good words to say for democracy in its classic form. They constantly stressed that they were creating a republic based on representative government, not a democracy. They constructed a system of government based on separated powers, checks and balances, and a citizenry hopefully steeped in republican virtues. Their object was to thwart the majoritarian tyranny that they associated with democracy. Their sentiments were in accord with those expressed by the following words in an earlier time:

"And thus the frame of the democracy was dissolved; and gave place to the rule of violence and force. For when once the people are accustomed to be fed without any cost or labour, and to derive all the means of their subsistence from the wealth of other citizens; if at this time some bold and enterprising leader should arise, whose poverty has shut him out from all the honours of the state, then commences the government of the multitude; who run together in tumultuous assemblies, and are hurried into every kind of violence; assassinations, banishments, and divisions of lands; till, being reduced at last to a state of savage anarchy, they once more find a master and a monarch, and submit themselves to arbitrary sway."*

So wrote Polybius, Greek historian of the second century B.C. Do his words describe what lies before us?

I once had the experience of being in an honest-to-goodness train wreck. It happened on a January morning in 1953, when the Federal Limited plowed through the Station Master's office into the anteroom of the Washington Union Station and crashed through the floor on top of the newstand. I remember watching a report of the wreck on the television news that evening, sitting at home in the comfort of a drink. A commentator was questioning eyewitnesses, coming eventually to a red cap. "Were you worried at all," he asked the red cap, "about what would have happened if the Federal Limited hadn't crashed through the floor out here? Did it occur to you that the train might otherwise have broken through the columns holding up the ceiling, torn through the crowd in the waiting room, and run out into the street?"

The red cap scratched his head a moment and said: "Well, I don't know. But now that you mention it, it sure enough was headed in that direction."

Well, I don't know whether there will be a wreck. I hope and trust not. But the inflation express is sure enough headed in that direction. That is the outlook, political and economic. Only if we have the good sense to face up to that fact can we hope to avoid the wreck.

*Polybius, *General History*, trans: James Hampton, Oxford, 1923, II, pp. 128 f.

TAX BREAKS SAVE AFFLUENT $7.3 BILLION

Mr. HATFIELD. Mr. President, last week Senator MONDALE announced the results of a study of the income distribution of tax expenditures, prepared by his staff, with data furnished by the Department of the Treasury. The conclusions of the study are very forceful reminders of the need for tax reform.

The analysis of tax expenditures released in connection with the fiscal year 1976 budget is very revealing and Senator MONDALE has provided a helpful service in showing how these tax breaks affect various income categories. Some people defend certain tax deductions on their own merits, forgetting the inequities which result from the unevenness of benefits. As Senator MONDALE has shown, only a very small percentage of taxpayers receive the full benefit of the tax expenditures.

In February I introduced S. 802, which is one solution to this problem. It would eliminate virtually all of the provisions of the law which produce $58 million in tax expenditures. The response to this reform and simplification proposal has been very gratifying. People are ready for a hard look at our tax laws.

I ask unanimous consent that a report in the Washington Post of May 27, 1975, regarding the Mondale study be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAX BREAKS SAVE AFFLUENT $7.3 BILLION

(By Peter Milius)

Preferential provisions in U.S. tax laws saved the 160,000 richest taxpayers in America an average of $45,662 each last fiscal year—a total of $7.3 billion—according to a study made public yesterday by Sen. Walter F. Mondale (D-Minn.).

The 160,000 were those persons with gross incomes of $100,000 and over for the fiscal year ended last June 30.

The study, done for Mondale by the Treasury Department, compared what they paid with what they would have paid had there been no special, tax-reducing provisions in the law.

Part of the taxes they were spared were attributable to sections of the revenue code that benefit average citizens as well—the right to deduct state and local tax and mortgage interest payments, for example, or charitable contributions from taxable income.

But Mondale noted that, the way the tax laws work, the rich benefit disproportionately from even these provisions: a $100 deduction is worth $70 to someone in the highest tax bracket (70 per cent), only $14 to someone in the lowest (14 per cent).

In addition, he said, there are still other provisions that benefit the rich almost exclusively.

Half the taxes that people in the $100,000-and-over category were spared in fiscal 1974 came from two so-called exclusions in the revenue code, one for capital gains, the other for interest income on state and local government bonds.

Capital gains are profits on the sale of stock or other forms of property owned for

UMI

more than six months. If you make such a profit, the law says you only have to pay taxes on half of it; the tax rate on capital gains is thus half the rate on ordinary income.

The Treasury Department would have collected $6.2 billion more in individual income taxes last fiscal year had it not been for this provision. About $3.1 billion of that would have come from people in the $100,000-and-over bracket.

Interest earned on state and municipal bonds is not taxed. Had it been, Treasury would have collected $1.1 billion more last year, $546 million of it from the $100,000-and-over category.

Mondale, a member of both the Senate Finance and Senate Budget committees, proposed no specific changes in the tax laws yesterday. The House Ways and Means Committee is scheduled to take up the subject of tax reform this summer.

But the senator asked whether it "makes sense" to go on with "a system which provides the highest benefits to those with the highest incomes."

According to the Treasury study, total individual income tax collections last fiscal year would have been $58.2 billion higher and there been no preferential provisions of any kind in the revenue code.

Almost a fourth of this money would have come from people with incomes of $50,000 and over—1.2 per cent of all taxpayers. Only about a sixth of it would have come from those with incomes of $10,000 or less—46.9 per cent of all taxpayers.

The preferential provisions did more for the rich than the poor.

The deduction allowed for state and local tax payments, other than property and gasoline taxes, was the government's greatest single loss of revenue. It cost the Treasury $7 billion last fiscal year. The gasoline tax deduction cost it $865 million, the property tax deduction $4.1 billion, the deduction for mortgage interest payments, $4.9 billion. Charitable deductions came to $3.8 billion, Social Security payments (because they are exempt from the federal income tax), $3.2 billion.

THE FUTURE OF AMERICAN FOREIGN POLICY

Mr. STEVENSON. Mr. President, the distinguished senior Senator from Maine (Mr. MUSKIE) brought our debate on foreign policy to the people of Illinois in a significant speech to the Chicago Council on Foreign Relations, yesterday.

Senator MUSKIE thoughtfully analyzes the era of cold war policies and the realities of détente and concludes:

Historians may later refer to the present era as the balkanization of world politics. And in such a world, peace and progress will require patience, flexible diplomacy, and truly brilliant statecraft.

Instead of seeing a weakened America, Senator MUSKIE reminds us that America's changing role in the world comes largely from changed circumstances that we helped create—an emergence of strong nation-states among our allies and in the third world. This development has been a basic objective of U.S. foreign policy since World War II—a world not dominated by the United States or any other power; a world in which democracy is secured through collective action.

We strove to make the world more interdependent, and we succeeded. In such a world, bilateral maneuverings and unilateral saber rattling can undermine this historic objective. We must instead, as Senator MUSKIE urges, continue to build the institutions of collective leadership for a leaderless world. As he rightly sums up:

We cannot achieve our objective in the world through military might alone and we cannot do so even through our enormous economic power. Instead, we must pursue our objectives through a combination of diplomatic skill and international political leadership—a leadership position which is enhanced not primarily by the credibility of our military commitments but by the credibility of the political values for which we stand.

Mr. President, I commend to the attention of all my colleagues this most important address, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE FUTURE AMERICAN FOREIGN POLICY

(By Senator Edmund S. Muskie)

There is a widely shared view, both here and abroad, that American foreign policy today is at an historical crossroads. Will the United States continue to be an active leader in world affairs? Do the Congress and the people have the will to sustain fundamental American commitments abroad? Is there a fading of America?

There is no doubt that the United States has been going through a difficult period in world affairs. We have had some major foreign policy failures. There has been disagreement on some basic issues between the Executive and Legislative branches. There has been a national political scandal of unprecedented proportions. We are going through our most serious economic difficulties since the 1930's.

All this has given rise to a good deal of apocalyptic rhetoric about America in decline and a loss of national nerve. I think it is time for everyone to calm down and begin instead a rational, dispassionate national debate about the world we live in and our purposes in it.

Such a debate would, I think, serve two constructive purposes: First, it would reveal a deeper sense of unity on fundamental foreign policy issues than many people recognize. Hedley Donovan of *Time* has observed that the "bedrock purpose of our foreign policy is, in the end, to preserve the independence, freedom and prosperity of the U.S." He adds that "we also expect our foreign policy to enable us to feel good about being Americans, to feel good and be good."

Secretary Kissinger recently put it another way: "The fundamental goal of our foreign policy [is] to preserve peace and achieve progress—economically, humanly, and politically—in the world."

I do not believe many Americans would disagree with either formulation. Americans differ on the means to achieve these objectives but not on the objectives themselves. This underlying unity—as well as the differences—were documented in the opinion survey commissioned by The Chicago Council on Foreign Relations last December, which was a most useful contribution to public understanding of the mood of the American people.

A serious national debate about the world we live in and our purposes in it would serve, I believe, a second constructive purpose: It would show that we live in a very different world today from the one our foreign policy since World War II has prepared us to deal with. I would like to speak about some of those changes today and to suggest what they might mean for the future of American foreign policy.

I

The international system which emerged in 1945 and lasted into the 1960's was characterized principally by a bipolar balance of power between two great coalitions of nations—locked in a hostile adversary relationship aptly described as "cold war." The stability of this system was based largely on the existence of two superpowers whose preeminence within their respective spheres was not seriously challenged by their own allies. It was also based increasingly, as time went on, on the nuclear balance of terror, which required that each side exercise caution and restraint in dealing with the other, lest events get out of control and lead to a nuclear conflagration. It was not a comfortable system—indeed, it was quite dangerous—but it did achieve a tenuous stability through mutual paralysis in the fundamental areas of conflict. In the words of one writer, the two superpowers resembled two scorpions in a bottle, holding each other at bay, and neither able to abandon the encounter.

As we all know, this cold war world gave way to a different kind of international system. Some of the members of the opposing coalitions began to chafe under superpower leadership. China split openly with the Soviet Union and shifted into an adversary relationship. France under de Gaulle became a vocal opponent of American hegemony in Europe. Economic and cultural relations between the two blocs deepened, and the siege mentality of both sides began to lessen. Although the military balance remained essentially bipolar in nature, in other respects the bipolar world of the cold war era was transformed into a multipolar world of several significant power centers.

In retrospect, this transformation of the international system seemed inevitable. But for the Soviets and ourselves, the transformation was not easy at the time. Much as we enjoyed observing growing difficulties with China and some of her Eastern European satellites, we were not at all amused by President de Gaulle's antagonism toward our own leadership of the Western alliance. But in the end we had no choice but to accommodate ourselves to the new political realities which were beyond our power to control.

This natural evolution away from the cold war system has also been hastened by the concerted effort of the United States and the Soviet Union to move from confrontation to negotiation over the basic issues which have separated us. The purpose of detente has always been limited. It is not an effort to develop a relationship of great warmth and mutual friendship. It is simply an effort to moderate the most dangerous areas of conflict, and to cooperate as closely as possible in the pursuit of one common and overriding objective: the avoidance of nuclear war.

I believe that detente has been a wise and prudent reaction to the confrontation policies of the cold war. It recognizes that although the two scorpions haven't killed each other thus far, they have been pressing their luck. In the words of Stanley Hoffman of Harvard, Secretary Kissinger has "very cleverly and rightly tried to turn our [Soviet] policy from an adversary relationship to one that is half adversary and half cooperative."

Perhaps the notion of a relationship which is half adversary and half cooperative is too subtle for the critics of detente to comprehend. The more sophisticated critics of detente, on the other hand, do understand the necessity of limited cooperation with the Soviet Union. They voice their criticism only to remind us that we are dealing with a regime which is very different from our own and whose purposes in the world are not friendly to us. They urge the Administration to be tough-minded and not to be beguiled by Russian charm. They want our leaders to keep a close watch on American interests.

I certainly agree with that point of view, and I have no objection to such public reminders. I would only hope that President Ford and Secretary Kissinger do not need them.

So the policy of detente has been a limited exercise—and limited not only in the bilateral Soviet-American relationship. If Kissinger has had any illusion about detente, it is his overly optimistic appraisal of the benefits of his policy for long-term world order—in President Nixon's words, for "a generation of peace." But as Stanley Hoffman has remarked, "Kissinger has approached [detente] with the notion that if he controlled this key relationhip, everything else would fall into place. The problem is that the two superpowers control less and less of world politics. What we are seeing now is the revenge of every other party pursuing its own self-interest. All over the world there is a reassertion of the smaller powers."

The world in which we find ourselves today has gone beyond the multipolar stage. It is in the process of becoming completely decentralized. Historians may later refer to the present era as the balkanization of world politics. And in such a world, peace and progress will require patience, flexible diplomacy, and true statecraft. What can the United States do in such a world? What is our role?

II

The most important thing to see as we look at today's world is simply this: We are no longer in charge. After World War II we emerged as the world's predominant power. Our predominance was undermined by post-war Communist successes and by the development of a nuclear capability in the Soviet Union. It was further whittled away as our own allies began to pursue more independent policies. And more recently, our image of ourselves as a superpower has been dealt a body-blow by the apparent ability of smaller states—individually or collectively, as in the United Nations—to trample on our interests with impunity. The United States is certainly not a pitiful, helpless giant. But many Americans, including some of our leaders who should know better, seem to think that that is what we have become. Our first priority must be to overcome this mood of defeatism, and to look at our situation positively and realistically.

It is not easy for anyone—individual or nation—to suffer a relative loss of stature and influence in the community. The United States is no exception. But it is helpful to remember that the erosion of our influence in the world results largely from the development of stronger and more viable nation-states among our allies and in the third world. And just such a development has been a basic objective of U.S. foreign policy since World War II.

Harlan Cleveland has recently pointed out that our present condition results from our achievements, and he has reminded us that we decided long ago we didn't want to be in charge of the world—and we didn't want anyone else to be either. We offered our atomic monopoly to the U.N. in the Baruch Plan. We helped Western Europe recover its health and confidence. We established the principle of development assistance for the underdeveloped countries. We educated thousands of young people all over the world. We pushed for independence for many colonies, thereby creating a new majority in the United Nations. Our objectives were right, and our achievements are impressive. So let us not now sulk about the results. They were foreseeable.

The emergence of this new world, however, does create real problems for American foreign policy. Although we are no longer in charge, we are still the most powerful. We have global interests of our own and we have a major stake—perhaps the major responsibility—in preserving the peace. We must continue to pursue objectives which we have pursued in the past, but with much reduced leverage. The rules of the game have changed.

The traditional tools of diplomacy have become useless in many situations. The preservation of a military balance of power, for example, is still a necessary condition of our security—but it is far from sufficient. If the Soviets were to gain a clear-cut military advantage over us, we would have cause to worry. But even if the opposite were true, we would still have serious problems. For the threats to American influence in the world today are no longer concentrated in the Communist world, nor are they military in nature. The new threats are those over which we have little control, which are affected by domestic trends in various countries, and which originate with personalities and regimes which come to power and are hostile to us.

We really have no effective or direct way to deal with this problem. Direct intervention is almost always counterproductive, and covert activities by the CIA designed to influence and control the domestic politics of foreign countries have probably cost us far more than we have gained, while undermining our nation's credibility in the world far more than we know. It will simply not do to defend such activities on the theory that the Soviet KGB is doing the same thing, only worse. We are not the Soviet Union. Instead of adopting Soviet methods, we should help other countries identify the threats to their sovereign independence and, if necessary, provide appropriate assistance so that they can deal with such threats themselves.

In short, the United States can no longer expect to "manage" world politics through the traditional techniques of force, foreign aid, covert conspiracies, or grand alliances. Instead, we will require more skillful, flexible diplomacy. We will have to rely more on our brains than our military or economic brawn. And we must simply learn to live with events which are uncontrollable, whatever our diplomatic skill.

III

Some students of international relations have suggested that there is a convergence of domestic policy and foreign policy in the contemporary era. Traditionally, foreign policy and domestic policy were considered quite distinct. A nation's foreign policy was supposed to be based on objective national interests determined, above all, by potential military threats from other countries. Foreign policy was supposed to be forged by rational men who would coolly calculate the nation's interests and choose suitable methods of pursuing those interests. The guiding principle was "reason of state."

This image of the foreign policy process is obviously unsuited to the contemporary world. The real process is messier. Foreign policy today is more likely to be a complex mixture of current public opinion and political styles, along with realistic calculations of the national interest. A nation's external acts may often be based as much on internal requirements as on external interests. In the advanced countries, foreign policy is also deeply affected by the complex interaction of large bureaucracies.

This being true, our foreign policy leaders today must be men and women of considerable experience and vision. They must be skillful negotiators; they must be sophisticated about the use and limitations of military force; they must understand the international economic system; and they must be masters of bureaucratic politics.

But in addition to these qualities, I would argue that our diplomats should also be "political" people—that they be able to recognize and deal with the interaction between domestic and foreign policy, and that they help us to forge a foreign policy for ourselves, in style and substance, which takes account of the domestic political realities of the various countries with which we must deal.

Such a "political" awareness within our foreign policy establishment should begin at home. Secretary Kissinger has acknowledged that domestic support is the litmus test of any successful foreign policy. And yet there is an odd resentment of the American public and of the Congress, as though public opinion were just another troublesome factor in a confused and chaotic world to be managed and controlled as part of the diplomatic process.

"Modern democracies," Kissinger said recently, "are besieged by social, economic and political challenges that cut across national boundaries and lie at the margin of governments' ability to control. . . . Instant communications force the pace of events and of expectations. . . . A premium is placed on simplification—an invitation to demagogues."

"All of this," he continues, "has compounded the complex problem of Executive-Legislative relations. . . . Executive authority is challenged by legislators who themselves find it difficult to affect policy except piecemeal or negatively. Issues become so technical that Legislative oversight becomes increasingly difficult—just as the issues become increasingly vital. The very essence of problem-solving on domestic issues—accommodation of special interests—robs foreign policy of consistency and focus when applied to our dealings with other nations."

Secretary Kissinger has preferred a personal diplomatic style involving secrecy, surprise, and unpredictability as a means of keeping our adversaries off guard. To pursue such a policy, he has sought maximum independence from the Congress and maximum freedom from legislative constraints. And yet, in my view, this very style has done more to weaken us in the world than any Congressional action. It has deprived our foreign policy of the consistent continuous, moral and universal elements which have been the basis of American influence in the world for many years.

Moreover, as I have already argued, there are greater similarities between domestic and foreign policy than Secretary Kissinger would admit. He dismisses domestic policy as being essentially the accommodation of special interests. But what is foreign policy, if not the accommodation of special interests in the international sphere? Our diplomatic leaders would do well to pay more attention to domestic politics. They might learn some useful techniques—and, in the process, they should come closer to achieving long-term consistency and focus in our foreign policy than Secretary Kissinger's grand conceptual frameworks have been able to give it.

IV

I began my remarks today by asking whether there has been a fading of America in the world. I have argued that our capacity to manage and control world politics has lessened as the result of a natural and even desirable historical evolution since World War II. But the image of a "fading" America is, in my view, so much scare talk. We have been through some difficult times. But as James Reston of the *New York Times* said in a recent column, it is a mistake to see the future in terms of the gloomy present.

Take, for example, the case of the Soviet Union. The Soviet Union failed to achieve its political goals in Europe after World War II, despite the fact that Europe lay prostrate at her feet. The Soviets forged a dramatic alliance with China, only to see it fail to ruins. It achieved inroads in Cuba, only to be humiliated by President Kennedy in the missile crisis. It supplied the Arab states with military hardware, only to see their military advisers kicked out of Egypt. But where is all the talk about the "fading" of the Soviet Union?

UMI

I do not mean to downplay the real problems we face in the world. But let us maintain a proper perspective. The end of American influence is not at hand. So let us debate intelligently how best that influence should be used.

Now that the Indochina war is behind us, I believe there is a firm basis for national unity on the principal challenges before us. I would summarize those challenges, in Harlan Cleveland's words, as the need to build the institutions of collective leadership in a leaderless world, and to "turn our American ingenuity loose on the humanistic management of interdependence."

Secretary Kissinger recently enumerated the major tasks of our foreign policy, and in keeping with the bipartisan spirit, I would like to emphasize my own strong support. Among those tasks is the need to maintain and strengthen the great democratic alliances, which provide an "anchor of shared values and purposes" as we struggle to deal with the contemporary world. We must also look ahead to a fundamentally reformed international economic system, which recognizes the legitimate needs of the developing world. I believe President Ford and Secretary Kissinger made significant progress in both areas during their stay in Europe last week. We must build upon that progress.

The challenges before the world are immense:

We must maintain an equilibrium in the military balance with the Soviet Union in order to ensure the continued security of ourselves and our alles. But at the same time we must seek to reduce the burden of arms on both sides and lessen the continuing dangers of nuclear war.

We must encourage other countries to forego a nuclear option for themselves, and to exercise restraint in the development of conventional military capabilities.

We must re-write the rules of international trade and investment, and help the poorer countries of the world cope with the problems of overpopulation, lagging economic growth, and famine.

We must, in Kissinger's words, "stand up for what we believe in international forums, including the United Nations, and resist the politics of resentment, of confrontation, and stale ideology."

We must achieve cooperation with other nations in establishing rules to govern the oceans, space, and the global environment, so that we may preserve and enhance for future generations the common heritage of mankind.

We cannot achieve our objectives in the world through military might alone and we cannot do so even through our enormous economic power. Instead we must pursue our objectives through a combination of diplomatic skill and international political leadership—a leadership position which is enhanced not primarily by the credibility of our military commitments but by the credibility of the political values for which we stand. That in turn depends on what we do as a people, and on the standards of international conduct which we establish for ourselves in the world.

Your own distinguished Senator, Adlai Stevenson, said it well in a Senate speech not long ago. "Some nation must lead these and other great causes," he said. "If they are not led by the United States, they may not be led at all. . . . We have now a chance to begin where we left off, recognizing that morality and self-interest can coincide, that our best interests are served by our best principles, and that the peace and security of the world demand . . . the cooperative efforts of free nations joined as equals and led, once again, by America."

SOUTHERN AFRICA: DÉTENTE OR PROLOGUE TO STRUGGLE?

Mr. KENNEDY. Mr. President, I call attention to an article by George Houser of the American Committee on Africa, published in the January 20, 1975, issue of Christianity and Crisis.

Mr. Houser's broad experience in African affairs makes him an exceptional observer of the current changing events in southern Africa. This article, titled—"Southern Africa: Détente or Prologue to Struggle?" articulately explains how important the outcome of the changing events in that region can be for all peoples of the world.

For this reason, I ask unanimous consent to have printed in the RECORD the article prepared by Mr. Houser.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOUTHERN AFRICA: DÉTENTE OR PROLOGUE TO STRUGGLE?

(By George Houser)

Africa, and particularly southern Africa, featured prominently in the news to an unusual degree during the last eight months of 1974. The April military coup in Portugal paved the way for the Portuguese recognition of Guinea-Bissau's independence. In September a transitional government was instituted in Mozambique under the leadership of FRELIMO, the liberation movement that waged guerrilla warfare against Portuguese domination for ten years. Talks began between the Portuguese and three liberation movements to set up a provincial government in Angola. None of this could have been prophesied as 1974 began.

The attempt, led by African countries, to expel the Republic of South Africa from the United Nations (which was defeated only by the veto in the Security Council of the US, Britain and France) was certainly one of the events that made memorable the 29th session of the United Nations General Assembly. Contrasting with this effort at international censure were the public statements by President Kenneth Kaunda of Zambia and Prime Minister Johannes Vorster of South Africa, which seemed to signal the opening stages of a détent between the white supremacist state and black African countries. Speaking in Capetown in late October, Vorster said that South Africa was an African (rather than European) country and pledged his Government to work for peace, progress and development in the African context. Kaunda responded during the celebration of the tenth anniversary of Zambia's independence: "This is the voice of reason for which Africa and the world have waited for many years."

I have been traveling to Africa for varying periods of time over the past 20 years, most recently last fall. During this visit I was deeply impressed by a mood of rising expectation that prevailed everywhere. This was reflected by officials in such key countries as Zambia and Tanzania, as well as by leaders of all the southern Africa liberation movements. The effect of the changes in former Portuguese Africa has been contagious.

The formation of a FRELIMO-dominated government in Mozambique has particularly inspired the optimistic feeling that change will continue elsewhere. Leaders of the Zimbabwe liberation movements in Rhodesia have begun to see the end of their long struggle against the white minority Government. (Zimbabwe is the name used by African nationalists to refer to what others call Rhodesia.) Though they do not assume that their freedom will simply be handed to them, they feel that Ian Smith cannot hold out indefinitely against their expanding guerrilla activity, the economic pressure that an independent Mozambique could exert by limiting the use of the rail line to Beira on the Indian Ocean, and the growing international diplomatic and economic pressures. The same mood was reflected regarding the independence of Namibia (Southwest Africa).

Meanwhile, the reality of a soon-to-be independent Mozambique and Angola was causing South Africa to display a new and unexpected international image. Statements about "self-determination" in Namibia were reiterated. Prime Minister Vorster and Foreign Minister Muller wished the FRELIMO Government well, hinted at the withdrawal of South African troops from Rhodesia, and suggested that within six months there would be unexpected changes in South Africa's pattern of race relations. Things definitely were moving in southern Africa, and the seeming stalemate of more than a decade was apparently being broken.

This overwhelming mood of expectancy on the continent can only be compared with the early 1960's. Between 1956 and 1960, 21 African countries became independent. In February 1960 Prime Minister Harold Macmillan of Great Britain made his famous "winds of change" speech in Capetown. Many assumed that the change from colonial rule and white-minority domination could not be stopped—not even in South Africa. But it was!

The Portuguese gave no indication of leaving their territories, and the whites of South Africa, Rhodesia and Namibia were obviously resolved to hang on indefinitely. Guerrilla warfare began in earnest in Guinea-Bissau, Angola and Mozambique, and more sporadically in Rhodesia and Namibia. In South Africa the Government simply strengthened the police state apparatus to make effective African opposition virtually impossible.

But the coup in Portugal ended the long period of violent struggle in its colonies. And, no doubt, the change will continue in Rhodesia and Namibia. An independent Zimbabwe and Namibia cannot be too distant. The question is (and the ultimate problem of southern Africa always has been): What will South Africa do? The reality of the new situation has forced South Africa to take a new look at its position. Unless it wishes to fight beyond its own borders in Rhodesia and Namibia, South Africa will be bordered shortly on all landward sides by independent black African states.

THE MYTH OF CHANGE

Vorster has said that South Africa is at the crossroads. Kaunda has stated explicitly: "The time has come for the South African Government to make a choice. . . . The choice is either the road to peace, progress and development or to the escalation of conflict in southern Africa."

One would like to believe that the change triggered in 1974 by Portugal's new policy would extend to South Africa itself. This would seem logical. And yet, I am convinced it is not happening, and it will not happen without a bitter struggle that will be, in part, violent. Those who view South Africa as a radically changing country prepared to adjust readily to the new realities are making serious error. Such an assumption can lead individuals, organizations and governments to adopt policies that will hold back the fundamental changes that must take place.

Gradual and peaceful change can take place only within a country that is essentially stable. Those who assume that South Africa is now changing believe in its long-range stability. The more than 300 American corporations that have invested a billion dollars or so (and their British counterparts who are investing much more) have confidence in South Africa's stability. And U.S. Government policy based on "communication" and "dialogue" assumes its stability.

The argument for stability has several bases: (1) South Africa's wealth—it uses or produces 40 percent of the automobiles of Africa, 50 percent of the electrical power, half of the telephones of the continent, 80 percent of the coal, and 64 percent of the whole Western world's gold; (2) firm political control by the National Party, which has 122 seats out of 171 in Parliament; (3) military strength—military expenditures have been increased to over a billion dollars for the current year. On the surface at least, everything would appear to be safely set for the foreseeable future.

It is well-recognized that the Republic has significant problems based primarily on its racial divisions. Virtually all sections of the American community involved with South Africa are critical of the apartheid (separate development) policy. At least this is their public posture, whatever their private views might be.

However, those who have the greatest economic involvement assume that change will come about, that it will be gradual and orderly, and that greater investment will quicken the pressure for change. They argue that the need for black labor and its influx into urban communities will lead to the erosion of apartheid. They argue that as more skilled positions in industry are opened to black workers the industrial color bar will gradually fade away.

These arguments are frequently bolstered by pointing to recent changes: the beginning of multiracial sports events, the abolition of certain aspects of petty apartheid in some of the major cities (separate park benches, waiting lines, etc.), the abolition of the Masters and Servants Act (thereby permitting servants to leave their employers), the election of seven Progressive Party members to Parliament in the recent elections (there has been only one for many years), the announcement of a noninterference policy toward the FRELIMO Government of Mozambique, the offer of economic aid to black African states, and hints that South Africa will not try to sustain the Ian Smith regime and will opt for new forms of self-determination in Namibia.

It is important to note that those working within the system tend to argue that apartheid can be humanized, that the system itself is not essentially bad, and that changes will make it acceptable. Business interests abroad optimistically argue that the changes taking place presage the erosion of the system itself and that a genuine multiracial society can evolve through the pressures of industrial growth.

But is real change taking place? I would argue that the changes are superficial and cosmetic. They do not take into account the dynamics of injustice inherent in apartheid or the tenacity with which a privileged minority will hang on to its special status. Furthermore, the stability of South Africa is more apparent than real. This statement is based on the historical, political and moral judgment that a minority cannot indefinitely preserve a system based on exploitation and repression of a majority.

The whites, although in control of the country through a police state mechanism, are only 17 percent of the total population. There are about four million whites as over against 16 million Africans, almost one million Asians and approximately two million Coloureds (mixed blood).

The differential in living standards between whites and blacks continues to grow. Blacks' wages have risen in the last few years, but in absolute terms the economic gap is growing. The average white income in urban areas is about $600 a month, and that of the blacks is just over $100. Over half of the blacks live below the $120 estimated as the Poverty Datum line for a family of five.

Apartheid is not being eroded by the growth of the economy and the opening up of new jobs for Africans in the urban communities and in industry. African trade unions are still not permitted in the collective bargaining process. A growing number of strikes have taken place in the last few years, and the Government has taken a somewhat tolerant attitude towards them. However, the alternative might have been industrial chaos.

According to the South African Institute of Race Relations, over two million Africans have been removed forcibly from their locations in the urban areas to African reserves (also called Bantustans or "homelands") since 1962 under various apartheid laws. Since 1968 the wife and family of an African worker (who may be allowed to remain in an urban area to work) can no longer stay and live with the wage earner; they are forced to live separately in the reserves. The Government has extended the migratory labor system and established labor recruiting centers in the reserves to sign up workers for one-year contracts. By 1971 over 50 percent of Africans working in the urban areas were on one-year contracts.

A CHANGE OF TACTICS

The "homelands," moreover, are not economically viable. Most of the men are at work elsewhere, and the women and children are forced to eke out a meager existence from the nation's poorest, least productive lands. About 47 percent of the African population lives there, but only 15 percent of the income of the people in the Transkei and nine percent of the income of the people in Kwazulu (the two largest Bantustans) are earned within these "homelands" themselves.

There are no signs of significant changes in the inequity of this society. Nevertheless, developments such as the forthcoming independence of Mozambique and Angola have indeed shaken the sense of stability of the white South African regime. Vorster has reacted with a change of tactics. Instead of reiterating statements of the past—such as that South Africa could take care of the rest of Africa before breakfast, or that a friend knows what to do when a neighbor's house is on fire—he announced a policy of noninterference in Mozambique. But in explaining his new tactical approach to his own constituents, Vorster said: "I have made no promises of change in domestic policy."

The fear among the white minority is, nevertheless, real and apparent. Rapid increases in defense expenditures are a case in point. Also indicative is the rapidity with which the Government introduced a bill in Parliament with drastic penalties to punish anyone who in any way encouraged or incited another to refuse to give service to the state. This was a response to an action of the South African Council of Churches supporting the right of conscientious objection to military service. The Prime Minister was led to comment:

"I am aware that there are some of these clerics . . . who among themselves are bandying about the idea they should do the sort of thing in South Africa that Martin Luther King did in America. I want to say to them: Cut it out immediately, because the cloth you are wearing will not protect you if you try to do this in South Africa."

The contradiction between domestic and international action was revealed tellingly in Mozambique policy. Internationally, Vorster announced a "correct" policy toward Mozambique. Inside the country, however, things are different. When three organizations—the South African Student Organization, the Black People's Convention and the Black Allied Workers Union—announced they were holding a public rally in support of FRELIMO, the Government acted promptly. It banned the rally, arrested the leaders (who are now on trial) and raided the offices of the sponsoring groups.

The fundamental policy of apartheid has not changed; it is simply stated more politely, primarily for consumption abroad. Republic spokesmen speak of separate development and the "homelands" policy as being nondiscriminatory. They will justify their system by contending that South Africa is made up of many nations. The difference they say is based not on race but on nationhood. Thus each national (or ethnic) community (there are nine) should have freedom of expression within its own homeland.

However, within the white man's community—which hapens to be the most desirable 87 percent of the country—control legislation exists, backed up by police enforcement, to keep the African majority in the status of "visitors." Thus the pass laws, which restrict Africans' freedom of movement, are as strong as ever. Black trade unions are not yet permitted to operate. And there is no right of African political organization or of blacks being elected to office.

Chief Buthelezi, head of the Zulu "homeland" commented: "I do not feel less of a 'kaffir' [read "nigger"] in 1973 than I did in 1948." And Prime Minister Vorster recently told a student conference: "I have spoken recently to many who have integrationist tendencies. They are people who have already thrown in the towel . . . , do not advocate a course which would lead to a sharing of power over your own people and over other people."

In late November the Committee For Human Rights, a newly established South African group, called for international expressions of solidarity with their plan to hold Human Rights Day rallies on December 8. They seemed to me to understand the real situation in their country. They said:

"The world appears to be easily misled on the whole question of change in South Africa. White election results, the speeches of 'homeland leaders,' black entertainers in white concert halls, 'multinational' sports teams, and even a 'multinational' delegation to the United Nations, all seem to be interpreted as cracks in the edifice of white supremacy.

"But these peripheral concessions are nothing other than the elimination of certain tangible racialistic irritants, the effect of which will be to consolidate the power basis for the perpetuation of white supremacy.

"Those, both internationally and domestically, who believe that significant change is occurring . . . are those whose interests in South Africa are such that they must uphold such changes as a rationalization for their exploitative practices in South Africa."

I am firmly convinced that—with the changes taking place in Africa north of the South African border—the foundation is laid for a bitter struggle ahead. The white minority of South Africa is powerful. They have given no expression of intention to make the fundamental changes required if a true multiracial society is to be constructed. Yet they have no more chance of maintaining their position of special privilege than have Ian Smith and his fellow whites in Rhodesia. Indeed, their relative size and strength make it likely that the struggle will be ultimately all the more intense. South Africa is simply stronger and can, therefore, drag out the process of struggle.

UMI

I do not look upon this view as pessimistic. It takes seriously the way change occurs in history. When has a highly privileged minority ever given up its superior status willingly, without genuine struggle? And when has a repressed majority ever accepted its inferior status indefinitely?

GROWTH OF OPPOSITION

I confidently expect African opposition to grow rapidly. This will be one of the infectious results of the changes in southern Africa. Ever since 1960 the old liberation movements of the African National Congress and the Pan Africanist Congress have been banned. Their leaders have been killed, imprisoned or exiled. New attempts to organize movements have suffered almost the same fate. Although the South African Student Organization and the Black People's Convention have not been banned, their leaders have been. Yet in the present atmosphere of expectancy an exiled leader of the African National Congress said to me: "This is the period of greatest hope for us since Sharpeville [the 1960 massacre]."

The first new sign of African action has been in the industrial sector. This can be expected to grow. Thousands of workers have begun to strike for higher wages. They have been winning some concessions. Their demands have not yet been political, but soon they will be: full trade union rights, abolition of the migratory labor system and the pass system, and establishment of the right of political organization and electoral participation.

Where will the white minority draw a line and say, "this far and no further"? Such a line will be drawn, not once but many times. But small concessions will not end the protest action or the demands of the struggle. Concessions will lead to greater demands because the majority will accept nothing less than full participation in the life of the country.

It is significant that only one of the Bantustan spokesmen, Chief Kaiser Matanzima of the Transkei, has accepted the idea of independence for his area. The eight others have turned down the idea on the ground that, if independent, they would be excluded from sharing in the total riches of South Africa.

The movement toward black consciousness is growing. Growing numbers in the Coloured and Indian communities are beginning to see their future in terms of identification not with the whites but with the Africans. In the late 1960's even the indirect representation of the Coloureds in Parliament was removed, and the Government established a separate Coloured People's Representative Council. In recent elections the Labor Party won a majority on this Council. But because this party was dedicated to ending the Council's paternalism and to working more closely with African groups, the Government suspended the Council.

The struggle for a new society in South Africa need not be characterized only by violence. Yet given the nature of Government repression it would be unrealistic to think violence can be avoided. The nation's basic instability will be apparent for all the world to see as the struggle intensifies. Furthermore, any real detente with black African states will be impossible—regardless of what happens in Namibia and Rhodesia—as African political demands increase and as conflict grows.

Governmental, business or organizational policies that assume stability and the possibility of an orderly erosion of apartheid are politically unrealistic and morally bankrupt. Any temptation by Washington to enter into a military understanding with South Africa to preserve the Cape shipping route or to protect American interests in the Indian Ocean would be disastrous. Continued American business investment may, for a short time, lead to continued high profits. But this cannot last.

Most important of all, this investment strengthens the status quo. The role of IBM in supplying computers to South Africa's Department of Defense hardly undercuts apartheid. The role of ITT in supplying a complex communication system does not erode apartheid. The role of Mobil and Caltec in refining almost 50 percent of the Republic's oil hardly qualifies as a stroke for undermining the white minority regime. Foreign business interests are, of necessity, integrated into the apartheid structure. Those who are making profits under the present system can hardly work effectively against it. They also are fearful of what change will do to their operations.

It follows from this analysis and orientation that there is urgent need for a shift in US governmental and nongovernmental policy. Foreign business interests should move towards withdrawal from South Africa as long as present conditions prevail. Cultural exchanges with white South Africa must be discouraged because they help to bolster the false image of significant change. Trade in products such as locomotives, trucks, telecommunication materials and planes that can be converted into military use should end forthwith. Official visits by Government leaders to talk with their American counterparts should be forbidden. International pressure of all sorts, governmental and nongovernmental, must be increased.

An end to the present governmental and business dialogue would open up new ways of encouraging and supporting black trade union organization and action, or supporting legal defense funds for white and black opponents of the regime, and of dealing creatively with the political refugees and exiled political leaders of South Africa. Let us have instead a new American policy of "communication"—not with the unstable apartheid regime of the white minority, but with those forces, both white and black, that are utterly opposed to racial separation and are the only hope for a free, independent and multiracial South Africa.

THE UNINTENDED CONSEQUENCES OF DEVELOPMENT

Mr. HUMPHREY. Mr. President, as chairman of the Subcommittee on Foreign Agricultural Policy and of the Subcommittee on Foreign Assistance, I am a strong supporter of development assistance to the third world. It is one effective means of helping the third world reap the benefits of our modern world. Unfortunately, as Dr. Irene Tinker, Director of the Office of International Science for the American Association for the Advancement of Science, eloquently points out in a paper presented to the 141st annual meeting of the association, development efforts can also represent one step backwards for a substantial portion of the third world—its women.

There is a lesson to be learned from this: In devising our development programs, we must be wary lest they encourage a better life for 60 percent of these societies at the expense of the other 40 percent.

Mr. President, I ask unanimous consent that Dr. Tinker's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE TRANSFER OF OCCUPATIONAL STEREOTYPES

(By Irene Tinker)

(Paper read at the 141st Annual Meeting of the American Association for the Advancement of Science in New York City, at panel on "Western Standards and Stereotypes as Impediments to Development," January 30, 1975.)

The intertwining of western cultural values and development schemes has too frequently deflected the intended improvement in the quality of life, especially for women. Development specialists are increasingly aware that theories of development based on capital intensive projects may have increased the overall GNP, but at the expense of the lower forty percent of the population. Even that estimate is based upon selective statistics which ignore whole sectors of the economy: the informal or tertiary sector, the exchange labor, and the large amount of agricultural labor and food processing done within the family context. A closer look at real economic activity would show that a majority of women are playing more restrictive economic roles today than in the predeveloped economy: women are losing out as development widens the gap between women's and men's earning power. The reason is that the western model of development exports a middle class image of what is appropriate for women's work, one that limits or undermines traditional occupations. Thus development adversely affects the status of women in most developing countries.

For clarity, it is useful to distinguish between relatively equal subsistence societies and those countries where social stratification has been inherited from older civilizations. In both areas women on the lower end of the economic scale have to work but both the number of non-working middle-class women and the status of that position varies with the degree of social stratification. Western stereotypes reenforce this middle-class view of women's roles while neglecting the vital economic role performed by traditional-oriented women in agriculture, trade, and manufacturing.

In subsistence economies where there is no land pressure, slash and burn is the typical agricultural style. While the men clear the land, women generally do the farming. Ester Boserup, in her landmark book *Women's Role in Economic Development*, shows that as land pressure increases draft animals are brought in to increase productivity; at that point men become more involved in the farming. As land pressure increases, intensive agricultural practices replace the more extensive plow system. This is as true in traditional wet-rice systems as in the recent green revolution. Thus, while in Africa women work more hours in the fields than men, men do most of the work in Latin America and in West Asia; in Southeast Asia a balance is reached. Statistics gathered by the Economic Commission of Africa show women as agricultural laborers in Africa to vary by country and region, but generally to constitute between 60% and 70% of the agricultural labor force. Female hours worked as a percent of male hours hovers at 150% and goes to an amazing 450% in parts of Uganda.

These facts have important implications both for food production and population control. Women who do not aid in food production contribute less to the economic level of the family while frequently raising large families in order to achieve status within the kin group. Studies show that poor families choose large families as a method of accumulating money to improve their options. Only at a more-than-subsistence level does the investment in fewer children begin to make sense. Women working contribute to the achievement of that level, hastening the reduction in family size.

Further, the economic use of women affects marriage practices. In slash and burn societies where women are a valuable commodity, men must pay a bride price to the bride's father to buy her services. In West Asia where purdah is enforced, meaning women are required to remain in the house or wear veils outside, women never work in the fields. They become an expense, not an asset; therefore a dowry is sent from the bride's family along with her into the marriage to aid in her support. Where women are pulled back into the fields by the green revolution, as in the Indian Punjab, a rise in the age of marriage and a fall in dowry have been observed as women's economic usefulness is increased.

The fact that women play a crucial role in agricultural production has been widely ignored by developers, and by the colonial powers before them. Land farmed by the women was taken out of communal ownership and deeded to men. Plantation groups were introduced and men hired to work them while women's expertise was ignored. Agricultural experimentation tended to focus on cash crops. Thus women, in Africa especially, were left nearly untouched and unaided in their subsistence farming. As interest in food production heightened, developers have expanded agricultural extension services. Yet it is typical of these schemes that all the workers are male which, in these sex-segregated societies, means they only talk to men. Western stereotypes held by the developers has meant that no one asks the question: who farms? This blindness has reached such proportions that in Liberia last year Taiwanese rice farmers were brought in to help local farmers increase their yield per acre. To guarantee attendance, days wages were offered to the farmers attending the lessons. So of course the men came: there were the women, out working in the fields.

Women engaged in agriculture typically sell their own produce in the market. In Asia, Africa, and Latin America women dominate the small markets. They sell fresh fruits and vegetables; they also sell prepared food and often home-brewed beer. In areas where women are in purdah they may still engage in selling, often sending a child or a male relative out with the cooked food. Cloth, woven at home or decorated at home, as well as pottery and other homecrafts are generally sold by the women in the local markets. But as soon as development introduces wider markets and foreign goods, then women are left behind. Men are given preference in education: while illiteracy may be no bar in the local markets, it is a handicap in the more modern market systems. Men also have access to modern jobs such as driving a truck or working in a factory. They are able to accumulate capital and, by economies of scale, outdistance women traders.

Even in the area of food processing women lose out to men as development proceeds. Small technological devices for grinding grain or for making tortillas have been widely introduced, but it is men that have taken over these tasks and made the income from technological improvement. Again, men have better access to education and so understand both the technology and the marketing system. Further, credit is seldom available to women for technological improvements or for agriculture. The West assumes men are heads of household and only heads, in many places, can join coops or apply for loans. An important exception are the women's coops in East Nigeria where women process palm oil. But generally, as soon as an occupation moves from drudgery to income-producing, men take over.

As long as women's work was part of the family support scheme, their role was ingrained in tradition. They worked hard, but their economic contribution to the family was recognized and rewarded. As development progresses, women's ability to compete in food growing and processing or in trade is diminished. Her income, over which she generally had control, dwindles, and she becomes more and more dependent upon men.

Such dependency is almost complete among middle and upper class women in the stratified societies of the developing world. For centuries such women have been confined to their homes under various intensities of purdah. Houses in old urban centers reflected this life: they were walled on the outside with enclosed courtyards and flat roofs. Only here could women move unveiled. Even behind walls women worked at food processing and weaving, precisely the occupations in which they are now being superseded by development. Yet, such is the force of social stratification that lower classes wish to emulate the class above them. Thus, isolation of women is an ideal to be achieved as part of upward mobility. The same ideal has long been present in American society: middle class women were not supposed to work. Combined together in such countries as India, Pakistan, Turkey, Morocco, this pressure of conformity to a middle class ideal, old and new, has meant that women are ignored by economic development both by the indigenous and the foreign planner. Middle class women remain dependent, and lower class women become more dependent.

Upper class women in both countries are less restricted by social norms than is the middle class. For example, in the United States, when only 2% of the age group went to college during the decade 1910–20, there was a higher percentage of women in professional and technical positions than there has been since. Similarly, even where women were kept in isolation, upper class women were often well educated. Freed from household duties by servants, an occasional woman leader had emerged from this unpromising background to amaze the world. The two women prime ministers of India and Sri Lanka are examples of the phenomenon. Yet in both those countries, the rise in educational opportunities for the middle class has already reduced opportunities for the educated woman. When there is a surplus of college graduates and a scarcity of jobs, women are last hired, first fired.

As economic opportunities in the rural areas are restricted, women migrate to the cities. In Latin America where women had little role in agriculture, the female migration is greater than that of males. Given the middle class stereotypes, reenforced in the older urban centers by the concepts of social stratification, there is little modern employment available in cities to the migrants. Too many take up the oldest profession. Others become domestic servants. But others fit into the uncounter interstices of the economy. They buy a pack of cigarettes and sell them one at a time. They cook food and hawk it on the street. Men, too, engage in this informal sector. Statistics show, however, that male migrants usually progress from this sector into the statistically enumerated "modern sector" while women tend to remain uncounted, but working at these marginal jobs. Similarly, the exchange of services, which recent studies have shown permeates the American society from lower through middle class, goes uncounted. Women are more likely than men to do the exchanging, often doing child care or nursing. But men paint houses, fix cars, and exchange other such services. None of this economic activity enters into that mythical standard, the GNP.

The very fact that women's roles in the informal and exchange sectors go uncounted contributes to their invisibility to planners. Thus, the middle class male planner assumes the woman is at home with the kids, and plans accordingly: for men.

In sum, then, development tends to ignore or bypass women's traditional economic roles and, by concentrating only on the role of motherhood, both undercuts women's status, and encourages larger families. These effects run counter to the stated goals of planners in most countries: to increase economic activity of adults and to regulate, if not stop, population growth. Thus, the transfer of U.S. middle class stereotypes about proper occupations for women impairs the long-range goals of development.

INTER-AMERICAN DEVELOPMENT BANK

Mr. KENNEDY. Mr. President, the Inter-American Development Bank is now 15 years old and still growing. Across the panorama of hemispheric institutions, it remains the only multilateral entity whose sole function is to finance economic and social development.

In a recent statement accompanying the release of the 1974 annual report by IDB President Antonio Ortiz Mena, the accomplishments of the past year were summarized.

I believe it is worth noting that, in the past year, a dozen countries from outside the hemisphere have pledged to seek membership in the Bank and to contribute over a 3-year period $745 million. In addition, Venezuela has announced its intention to establish a trust fund of $500 million to be administered by the Bank.

Both developments reflect a growing maturity of this institution as an effective promotor of development. They also reflect a broadening of the financial support for the institution with a lessening of its reliance on the United States. All of these developments are positive steps in the Bank's growth.

However, the United States still has a major continuing responsibility to provide support for the Bank. The transfer of large-scale development support from bilateral to multilateral channels is a principle which I have advocated for several years. And the recent report of the Bank's president supports that concept in its indication of continuing progress by that institution.

I ask unanimous consent that the news release of the Inter-American Development Bank and a portion of its 15-year report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTER-AMERICAN BANK PROVIDES RECORD SUPPORT FOR LATIN AMERICA'S DEVELOPMENT IN 1974

The Inter-American Development Bank provided more than $1 billion in loans and technical cooperation in 1974 for the development of its member countries in Latin America, according to the Bank's Annual Report released today.

It was the largest yearly volume of loans and technical cooperation authorized by the 24-nation Bank in its 15 years of operations, despite the crisis and uncertainty on the world economic scene during the past year.

IDB lending in 1974 amounted to $1,111 million which is 26 percent higher than 1973's record total of $884 million. Technical cooperation amounted to $22 million, compared with $6.4 million in 1973.

The Bank's activities were outlined in the

Bank's 1974 Annual Report presented by Antonio Ortiz Mena, President of the Bank, to the Sixteenth Annual Meeting of the Bank's Board of Governors which opened today in Santo Domingo, the Dominican Republic. The Report contains a review of the Bank's operations during 1974 and a brief summary of Latin America's economic development scene.

In 1974 the Bank continued in its role as a strong catalyst of the socio-economic development of Latin America and the Caribbean. The accomplishments which the Bank's lending through December 31, 1974 has brought about or is expected to bring about include the expansion of electric generating capacity by 13.1 million kilovolts and the installation of an additional 95 miles of transmission and distribution lines; the incorporation into production of some 10.9 million acres of farmland and the granting of more than 1 million credits to farmers, the construction or improvement of 76 large industrial plants and 6,261 small and medium-sized plants; of 28,278 miles of roads and 5,228 water and sewage systems; the construction of 350,479 housing units for low-income families, the improvement of 690 learning centers, the execution of 1,020 preinvestment studies for new projects, and the financing of exports with an invoice value of $160 million among its member countries.

Another highlight in 1974 was the Bank's substantial progress in its efforts to attract additional resources in the future to maintain and expand its support for Latin America's development. Twelve countries from outside the hemisphere pledged to seek membership in the Bank as contributing members and Venezuela agreed to provide a trust fund to be administered by the Bank for development projects in Latin America.

The intention of the 12 nonregional countries—Austria, Belgium, Denmark, Germany, Israel, Italy, Japan, the Netherlands, Spain, Switzerland, the United Kingdom and Yugoslavia—was contained in the Declaration of Madrid, signed December 17, 1974, in Madrid. Once their entry into the Bank becomes effective, these countries would contribute a total of $745 million to the Bank over a three-year period.

The decision of the Government of Venezuela to contribute $500 million of its petroleum revenues for Latin American development through a fund now being administered by the Bank was conveyed to the Bank at its Fifteen Annual Meeting in April 1974 and was put into effect February 27, 1975.

The Report also disclosed that the Bank had record disbursements in 1974—$673 million, compared with $582 million in 1973; record net earnings from its own resources—the ordinary capital and the Fund for Special Operations—$94 million compared with $71 million in 1973, and record repayments on loans—$182 million in 1974 compared with $168 million in 1973.

Accentuating a trend of recent years, the Bank in 1974 placed increasingly heavy stress in its lending and technical cooperation activities on support for the region's less developed countries and those of limited markets. Those countries received a total of $426 million of the year's loans, compared with $316 million in 1973. The 1974 figure represented nearly 38 per cent of the Bank's total lending and marked the continuation of a policy initiated in 1971 when the percentage was about 28 per cent.

In this regard, five of the least developed member countries obtained the highest yearly volume of loans that they had ever received from the Bank. They were Barbados with $9 million, Costa Rica with $54 million, Honduras with $36 million, Paraguay with $49 million and Uruguay with $57 million. Two other countries—Bolivia with $46 million and Ecuador with $55 million—matched previous record years.

The year's lending brought the Bank's cumulative 15-year total to $7,416 million in 822 individual operations. The contributions of the Latin American countries themselves to the execution of those projects amounted to more than twice that amount—some $18 billion—so that the Bank is helping to finance projects whose total cost amounts to some $25.5 billion.

In 1974 the Bank again relied on sources outside the United States to raise funds in the capital markets to augment its lending resources. During 1974 a substantial part of the Bank's borrowings took place in Latin America. The Bank sold its ninth short-term bond issue to Central Banks in the region and two member countries—Venezuela and Trinidad and Tobago which have benefited from increased petroleum revenues—channeled some of those earnings to the Bank through the purchase of the first long-term bonds sold by the Bank in Latin America.

In all the Bank raised $704.7 million in borrowings in 1974, including $23.3 million in Venezuela, $10 million in Trinidad and Tobago, $40.2 million in short-term bonds placed in 16 Latin American member countries and Israel, $24.6 million in Japan, $6 million in Sweden and $600,000 in Finland.

The year's borrowings brought the Bank's outstanding borrowings as of December 31, 1974, to $1,346.7 million, composed of $811 million owed to nonmember countries, $421.4 million owed in the United States and $114.3 million owed in Latin America.

The Bank's lending in 1974 was broadly balanced among the directly productive, the economic infrastructure and the social infrastructure sectors.

In 1974 the economic infrastructure sector accounted for $579 or 52 per cent of the Bank's lending, the directly productive sector for $333 million or 30 per cent, and the social sector for $129 million or 12 per cent, with other sectors accounting for $70 million or 6 per cent.

A distribution of the Bank's loans in 1974, as well as on a cumulative basis, is shown on the following table:

DISTRIBUTION OF LOANS

[Dollar amounts in millions]

Sector	1974	Percent	1961–74	Percent
Directly productive:				
Agriculture	$228	21	$1,672	23
Industry and mining	105	9	1,080	15
Economic infrastructure:				
Electric power	384	34	1,570	21
Transportation and communications	195	18	1,311	17
Social infrastructure:				
Sanitation	110	10	752	10
Urban development			415	6
Education	19	2	306	4
Other:				
Preinvestment	29	3	133	2
Export financing	12	1	108	1
Tourism	29	2	69	1
Total	1,111	100	7,416	100

During 1974 the Bank completed its share in the execution of 65 projects for which the Bank had authorized loans totaling a net of $517 million. This brought the cumulative number of loans totally disbursed to 495.

The Bank's lending action has supported and coincided with a period of steady economic growth in the hemisphere over the past decade. In its economic appraisal, the Bank's Report noted that preliminary estimates indicate that for the region as a whole the 1974 growth rate of the gross domestic product once more exceeded 7 percent, as it did in 1973 when such growth reached 7.4 percent.

While there was some slowdown of economic activity in the less developed countries, for the region as a whole this was made up by the exceptional improvement in the economic performance of the net oil exporting countries. Meanwhile the negative impact of international events on the larger countries of the region was not fully felt in 1974.

The Report said: "During the year a variety of cross currents were at work. The prices of basic commodities—dramatized by the case of oil—which had reached high levels in 1973 and continued in the early part of 1974, began to decline as the industrialized world entered the current severe recession, creating a reduction in the volume of imports by the second half of the year. Thus the full impact of declining demand in the Northern Hemisphere will be working against Latin American export earnings throughout 1975.

"For many countries in the region, therefore, the capacity to pay for high priced industrial imports, oil and raw materials, which had been enhanced by favorable prices for their own commodity exports in the past year, will be especially strained in the present year. Not even the net oil exporting countries can look ahead to increases in total earnings from hydrocarbon exports, since prices have ceased to climb and the volume of shipments is holding level or declining."

The Report noted that the generalized inflation in the industrialized world had its own counterpart in the region as food and raw material prices, as well as investment costs, rose steeply. While only four countries had rates of inflation of more than 15 percent in 1972, the number rose to 9 in 1973 and to 14 in 1974.

"Thus the gains that had been made in the 1960s toward greater price stability have been reversed since 1971," the Report said. "However, a slowdown in inflation was becoming evident in the last months of 1974."

The Report said that during 1973 there was a continuing expansion of manufacturing activity, accompanied by relatively good performance in agriculture and a strong recovery of the mining sector, which had declined in 1971–72.

For these reasons, the Report said, it may be anticipated that Latin American export earnings will show no significant increase in 1975 and, in fact, may record a drop in value.

The Report pointed out that, the maintenance of the flow of imports of capital goods, industrial and agricultural imports, as well as oil and derivatives will depend on the availability of external financing. At the same time, this has been made more difficult and costly to obtain by the unprecedented demand of the industrialized countries for financing the additional cost of their oil imports, it added.

Similarly, it noted, that the rapid increase in the region's international monetary reserves, which more than tripled between 1970 and 1974, has been checked and, for many countries of the region, the trend had begun to reverse during the second half of 1974.

In connection with the agricultural sector, the Report said that "a very special effort will have to be made to ensure that adequate internal and external resources are assigned to the sector if Latin America is to continue to improve the welfare of its still large rural population and provide food for the rapidly expanding urban centers, as well as contribute to the rising supplies needed by these regions of the world which have very limited agricultural potential."

It added: "Because of the complexities inherent in accelerating rural development, Latin America, despite its resource endowment, will require considerable external cooperation to attain the targets that have been set by the governments of the region and by the international community.

"The success of the region in the development of industry, which is demonstrated by the rapid expansion and diversification of manufactured exports in recent years, suggests that a vigorous and sustained commitment to rural and agricultural development can be equally successful."

Statement on the 1974 Accomplishments of the Inter-American Development Bank

Foreword

December 30, 1974 marked the 15th anniversary of the Agreement Establishing the Inter-American Development Bank—the multilateral accord that gave the Bank its mandate to promote economic growth and social improvement in Latin America.

Commemorating this event, this publication offers an insight into the Bank's activities over the past 15 years, including its project financing role in the major sectors of Latin American development and its lending operations in the countries of the area.

Ratification of the Agreement in 1959 by 20 Western Hemisphere nations fulfilled a long-standing goal of the Latin American countries. Proposals for a hemispheric financial agency ranging from a private commercial institution to a multinational central bank had been discussed periodically at inter-American forums since the turn of the century. The Bank finally came into existence as a regional development institution specializing in the needs of Latin America and in which the countries of the area have a major responsibility in setting financing priorities and authorizing loans.

Since the Bank opened in 1960 extraordinary changes have taken place in the world at large and in the Western Hemisphere that have repeatedly posed new challenges to the institution. The world community today is much more interdependent, economic issues have assumed a sharply increased importance, and the demands of millions of poverty-stricken peoples around the globe are far more pervasive. The evolving world conditions have required the Bank to expand its international reach as well as to broaden the scope and function of its lending and technical cooperation activities.

One contrast between the Bank of 15 years ago and today is its enlarged membership. The original 20 members included 19 Latin American countries and the United States. In the 1960s three-newly independent Caribbean nations—Trinidad and Tobago, Barbados and Jamaica—became members. Canada was admitted in 1972, further strengthening the Bank's multilateral character. In 1973 two other Caribbean countries—Guyana and the Bahamas—applied for admission, a process which is now in its final stage of formalization. And in December 1974, ten industrialized European nations, Israel and Japan agreed in principle to join the Bank, a step that once fully implemented will greatly reinforce its multilateral base and capitalization.

A second contrast is the Bank's increased capacity to channel external financial and technical resources to Latin America. Initially endowed by the Agreement with funds totaling $1 billion, it presently operates with a capital structure exceeding $11.5 billion. This stronger resource position has been further enhanced by new forms and practices of international financial cooperation which the Bank has adopted. Two of the most important are the administration of special funds on behalf of various member and nonmember countries for investment in development projects and for technical cooperation, and arrangements negotiated with capital-exporting countries for financing projects suggested by the Bank, on a joint or independent basis.

A third aspect is the much larger scale of yearly lending that the Bank has been recording in the 1970s relative to the early 1960s, and the wider variety of development activities eligible for financing. In 1974 alone the Bank lent over $1.1 billion, an amount exceeding its original capitalization, bringing its cumulative lending to $7.4 billion. These resources are helping to finance projects requiring a total investment of $25.5 billion. The difference between total IDB lending and this figure represents the funds that the countries have mobilized largely from their own savings to carry out the projects.

In regard to the kinds of development projects being financed, the IDB has gone into some sectors that before its creation had been relatively neglected or were even considered beyond the province of international lending agencies, particularly in the fields of education, rural development, housing and urban renewal, water supply, health and tourism infrastructure. At the same time, the Bank has sought to foster Latin America's economic integration process by financing development projects and studies that benefit two or more countries of the region, especially in such sectors as energy, transportation and telecommunications. It also operates a program for financing exports of capital goods among the Latin American countries to stimulate economic integration through higher levels of production and intraregional trade of these goods.

The Bank's experience has taught us that our approach to development must be dynamic. Latin America is living a fast-paced process of economic and social change in which each country formulates its own answers to its development problems, based upon its traditions, aspirations and resources. We have also learned that external financial cooperation like the Bank provides is essentially catalytic and, as such, can be effective only in the measure that a country is committed to development. This involves not only the mobilization of available human, natural and financial resources, but also the fashioning of fiscal, monetary investment and related policies fostering efficient resource allocation and stimulating capital formation within a coherent institutional framework.

While the Bank can look with some satisfaction on what it has accomplished in the past 15 years, the fact is that the vast amount of investment resources required to accelerate Latin America's economic and social development in the years immediately ahead leaves no room for complacency. The Bank is now more than ever resolved to play an even greater role to help meet this challenge, confident that it will continue to count on the support and trust that the member countries have bestowed upon it in the past 15 years.

Antonio Ortiz Mena,
President.

Portions of the 15-Year Report of the Inter-American Development Bank

Role of the IDB

Latin America occupies about one-fifth the total area of the inhabited continents and its 300 million people account for almost 8 per cent of the world's population. Geographically, its natural diversity surpasses that of all the major world regions, and economically and socially the 25 independent nations in the area make up a cross-section of virtually every stage of human history.

Indeed, every country in Latin America has its own individual characteristics, and its pattern of development usually offers sharp contrasts with those of its neighbors. But different though they may be one from the other, they all have this in common: they are engaged in a broad development effort to improve their societies economically and socially and thereby enrich the quality of life of their peoples. As a result of this effort, Latin America in the past 10 years recorded the highest economic growth rates among the world's developing regions.

The keystone of this development drive is self-help and mutual aid. Yet the vast network of relations between the Latin American countries and the rest of the world—economic, financial, political, cultural—necessarily influences the character and speed of their progress. External trade and investment flows, in particular, are extremely important through their effect on the countries' rates of capital formation. Thus, while self-help is the basis of Latin America's commitment to economic and social advance, it is still insufficient by itself to insure self-sustained growth, and external cooperation remains an essential factor for attaining the individual countries' development goals.

For the past 15 years the Inter-American Development Bank, as an international financing institution exclusively devoted to contributing to economic and social improvement in Latin America, has been playing a strong supporting role in merging self-help and external cooperation into specific development initiatives.

The first regional institution of its kind, the Bank was founded in December 1959 by 19 Latin American countries and the United States "to contribute to the acceleration of the process of economic development of the member countries, individually and collectively." To this end IDB was given the functions of promoting public and private investment in Latin America through the use of its own capital, borrowings and other available resources; by providing technical assistance for preparing, financing and implementing development plans and projects; and by cooperating with the members in orienting their policies toward a better use of their resources and fostering greater economic complementarity and the orderly growth of their foreign trade.

The Bank's primary role as a catalyst of economic growth in Latin America through the coordination of domestic and external efforts was vested from the beginning with a unique social development dimension. In the debates and negotiations that preceded its creation, it had been widely recognized that the social integration of the millions of low-income peoples in Latin America was an essential condition for faster economic progress in the region. This concern had led to the establishment within the Bank's capital structure, but entirely separate from its ordinary resources, of a concessional loan "window"—the Fund for Special Operations—to enable the institution to deal "with special circumstances arising in specific countries or with respect to specific projects." Creation of this fund—a pioneering step in the field of international development financing—reflected the view of the founding members that Latin America's external financing needs called for a flexible IDB approach: that certain projects and activities that may be slow-yielding in the economic sense or have a low rate of return in the financial sense are nonetheless indispensable for economic and social progress; and that the Bank should give preferential treatment to its lesser developed member countries, and to disadvantaged groups in others.

This special capability to engage in concessional lending was reinforced in 1961 when the Bank was designated by the United States the administrator of the Social Progress Trust Fund. Its resources were meant "to support the efforts of the Latin American countries with a view to achieving greater social progress and more balanced economic growth." Since then, a number of other member and nonmember countries have placed special funds under Bank administration which provide for concessional lending, further enhancing its capacity to finance development projects with a high social content.

Thus, of the cumulative IDB lending through 1974 of $7.4 billion in 822 loans, about $4 billion have been funded from the Bank's concessional resources, for projects primarily benefiting low-income areas or

UMI

groups of people. The bulk of these loans has been devoted to projects in small-scale agriculture and fishing, rural electrification, rural and urban water supply, sanitation and health facilities, housing and urban renewal, and advanced, technical and vocational education. Of course, the ordinary capital lending, primarily lent for projects involving medium- and large-scale agriculture, industry and infrastructure facilities, also benefits low-income groups through the effect of these projects on national output, employment and income redistribution.

IDB MEMBERSHIP

The *Agreement Establishing the Bank* originally limited membership to countries belonging to the Organization of American States (OAS), which in 1959 included 21 countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, United States of America, Uruguay and Venezuela.

All these nations ratified the *Agreement* except Cuba, which did not join even though it had participated in the charter negotiations.

During the 1960s the Bank expanded from 20 to 23 members with the admission of three newly-independent Caribbean countries that had previously joined the OAS: Trinidad and Tobago became a Bank member in 1967, and Barbados and Jamaica in 1969. Two additional Caribbean countries—Guyana and the Bahamas—applied for IDB membership in 1973 and the process of amending the *Agreement Establishing the Bank* to make their admission possible is almost completed.

In its effort to expand the flow of investment funds to Latin America the Bank from the beginning sought the cooperation of nonmember, capital-exporting countries. It succeeded in negotiating numerous arrangements in the 1960s with the industrialized countries of Europe, Canada and Japan, giving the Bank access to their capital markets, granting it official loans, placing special funds under IDB administration and establishing various other joint mechanisms for financial and technical cooperation. The increasingly closer IDB ties with these countries culminated in the 1970s in two major Bank policy changes affecting membership:

Canada became the 24th Bank member in 1972, through an amendment to the Bank's charter which permitted this country's entry even though it was not a member of the OAS.

Twelve nonregional industrialized countries agreed on December 17, 1974 to take the necessary measures to apply for Bank membership as soon as possible. These countries are Austria, Belgium, Denmark, Germany, Israel, Italy, Japan, Netherlands, Spain, Switzerland, United Kingdom and Yugoslavia.

These nations will be known as "the nonregional members." In order for these countries to be formally admitted, the Bank's present member governments must approve the enabling amendments to the *Agreement*, and the prospective members must adopt the necessary legal and financial measures to comply with entry requirements, including acceptance and ratification of the charter.

Bank President Antonio Ortiz Mena has described the significance of the entry of these countries in these words:

"The diversification of the Bank's sources of funds . . . represents the beginning of a solution to problems affecting the multilateral nature of our institution. In effect, the increase in the number of contributors reduces the possibility that member countries may be excluded from loan benefits because of difficulties that might arise with certain of the nations contributing resources. Furthermore, the diversification of sources will help to diminish the possibility of sharp fluctuations in the flow of funds received by the Bank. Progress along this line is a practical means of strengthening the multilateral approach adopted by the Bank."

STRUCTURE OF THE IDB

There are several channels through which the member countries participate directly in the affairs of the Bank, both at the policy level and in the management of its day-to-day operations.

The top institutional authority is the Board of Governors. Each member country designates one Governor and one Alternate member of the Board. The Governors normally are the Ministers of Finance of the countries, while the Alternates usually are the heads of their Central Banks. This circumstances makes the Board of Governors a hemispheric forum intimately familiar with economic policies of the member countries and with their external development financing needs.

At its regular Annual Meeting, the Board of Governors and its several Committees examine the Bank's performance and decided on future policies in the light of current and anticipated conditions in the region. Special meetings are held by the Board or its Committees as needs warrant. Such major policies as the preferential treatment the Bank accords to its less-developed member countries and the decision to invite extra-regional countries to join the Bank, are among recent Board of Governors resolutions.

Decisions of the Board of Governors are adopted by a simple majority of the total voting power of the member countries, except on matters specifically cited in the *Agreement* that require a two-thirds majority. The voting position of each Governor is proportional to the ordinary capital contribution of the member country he represents. At the end of 1974, the Latin American countries together held 54.86 per cent of the voting power, Canada 4.92 per cent and the United States 40.22 per cent.

Operations at Bank headquarters in Washington, D.C. are entrusted to the Board of Executive Directors, the President and the Executive Vice President.

The President of the Bank is elected by the Board of Governors for a five-year term. He conducts the Bank's ordinary business under the direction of the Board of Executive Directors, of which he is the presiding officer. He also is the Bank's legal representative and the chief of its staff. The Executive Vice President is elected by the Board of Executive Directors on the recommendation of the President. He exercises such authority under the President as the Board of Directors determines and performs the functions of the President during the latter's absence.

The Board of Executive Directors is chosen by the member countries every three years through an election held by the Board of Governors. It currently has nine members: seven elected by the Latin American countries, one elected by Canada and one designated by the United States.

The Board of Directors meets regularly at the Bank's headquarters. Among its most important responsibilities are to authorize loan and technical cooperation proposals submitted by the President of the Bank, to interpret Bank policy, to pass on the institution's annual operating budget, and to carry out specific assignments delegated to it by the Board of Governors.

As in the case of the Board of Governors, decisions of the Board of Executive Directors are adopted by simple majority, except on matters in which the *Agreement Establishing the Bank* provides for a two-thirds majority. The voting position of each Executive Director is fixed by the voting power of the country or group of countries he represents. The Executive Directors are in close communication with the governments they represent and therefore the Board's deliberations reflect the countries' current views and positions on economic issues as they pertain to the Bank's operations.

The Bank at present is organized into seven major departments: Operations, Finance, Project Analysis, Economic and Social Development, Legal, Administrative and Secretariat. In addition, the Offices of the Program Advisory and the Controller report to the President and Executive Vice President.

The staff at the Bank's headquarters at the end of 1974 included 581 professionals in a broad range of specializations and 512 administrative employees, from all the member countries.

The institution also has field offices in each member country in Latin America, which are under the jurisdiction of the Operations Department. These offices render supporting services in the identification of new development projects, in the day-to-day administration of authorized loans as instructed from headquarters, and in the inspection and supervision of projects underway.

The Bank also has an office in Europe that serves as liaison with nonmember countries.

At various times over the past 15 years, many key positions in the Bank have been held by Latin Americans who have previously served in top capacities in the governments of their countries, while in other cases Latin American IDB officials have been named to top posts in their countries. This turnover of Latin American personnel in the top ranks of the Bank has been another important factor in the institution's responsiveness to changing conditions and development financing requirements in the area.

IDB RESOURCES

The Bank has access to various types of resources which, all told, have grown from $1 billion in 1959 to approximately $11.5 billion as of early 1975.

The *Agreeemnt Establishing the Bank* initially endowed the institution with two separate sets of resources totaling $1 billion: the ordinary capital, then fixed at $850 million, and a Fund for Special Operations of $150 million. Since then, the member countries have authorized several increases in both sets of resources and at the end of 1974 they totaled $10.4 billion.

In addition, on various occasions in the past 15 years the Bank has been named administrator of trust funds for Latin American development under special agreements with both member and nonmember countries. These trust funds total $1,155 million. The two largest are the $525 million Social Progress Trust Fund placed under Bank administration by the United States in 1961, and a $500 million Venezuelan Trust Fund established on February 27, 1975.

The ordinary capital

The ordinary capital has been increased three times—in 1964, 1968 and 1971—and today it stands at almost $6.0 billion. Not all this amount is readily available to make ordinary loans: a part is in the form of paid-in capital and another part in callable capital. The paid-in portion, currently $972.4 million, consists of actual payments by the membership, one half of each country's subscription in dollars and the other in local currency. The callable subscriptions, now totaling $4,981.9 million, can be requested by the Bank from the member countries only if it were to require funds to meet obligations arising from borrowings or loan guarantees. Thus these subscriptions constitute in effect a pledge of the member governments that the Bank's bonds and other capital-raising instruments will be honored under all circumstances. The IDB has exercised this borrowing power many times in the United States, in Latin America and in various industrialized nonmember countries. As of March 31, 1975, it had borrowed a total of $2 billion.

Since the Bank must rely heavily on international money markets to raise funds for ordinary capital lending, the loans from these resources are made on "conventional" terms, that is, at interest rates and under amortization schedules closely related to the cost and terms of the Bank's borrowings.

The fund for special operations

This Fund, the Bank's second original source of funds, comprises resources contributed by the membership but which it manages entirely separate from the ordinary capital stock. A fundamental distinction between the two is that although both are used to finance development projects, Fund for Special Operations loans carry comparatively "softer" conditions than ordinary loans—lower interest and longer amortization and grace periods. The member countries have raised their contributions to the Fund on four occasions—in 1964, 1965, 1967 and 1971—and today its resources amount to almost $4.4 billion.

In 1965, when the Board of Governors agreed to a $900 million replenishment of the Fund, it expanded the scope of its lending activities to include social development projects in such fields as assistance to low-income farmers, housing for people of modest means, community water supply and sewage facilities, and education and advanced training. Previously the Bank had been financing such projects primarily from the Social Progress Trust Fund placed under its administration by the United States in 1961. The Trust Fund's resources of $525 million had been almost fully committed by the end of 1964.

Another major lending policy decision affecting the Fund for Special Operations was made in 1972, when the Governors directed the Bank to adopt an explicit policy of preferential treatment to the less-developed countries and those with limited markets. As a result, the Bank introduced specific lending guidelines under which Fund for Special Operations loans for projects in the least-developed members bear interest rates of no more than 2 per cent, amortization periods that can extend up to 40 years and grace periods up to 10 years.

Other funds

Besides these two sets of resources of its own, the IDB up to the end of 1974 was administering—in addition to the above-noted Social Progress Trust Fund—special trust funds totaling $130 million that have been established by Argentina, Canada, Germany, Norway, Sweden, Switzerland, the United Kingdom, the Vatican and the Inter-Governmental Committee for European Migration. The Bank makes loans from these funds under terms and conditions mutually agreed to with the donor countries.

On February 27, 1975, formalizing a commitment made at the 1974 Meeting of the Board of Governors, the Government of Venezuela placed under Bank administration a $500 million trust fund from its oil revenues. The Bank will use this fund preferably to finance large-scale projects to develop the region's natural resources—particularly nonrenewable resources. These objectives may be implemented through loans for fixed investments and working capital, and via the subscription of share capital and the purchase of debt instruments of national and multinational Latin American enterprises, either directly or through national agencies in the countries of the region. The fund may also be used to finance Latin American exports of manufactures of all types marketed inside and outside the region, and will thus supplement an IDB program established in 1963 under which the Bank provides lines of credit to finance intra-Latin American exports of capital goods. In the use of the Venezuelan Trust Fund the Bank will give priority to projects in the relatively less-developed members, those with limited markets, and those of intermediate development.

Prospective nonregional members

The 12 prospective nonregional countries that on December 17, 1974 expressed their intention to seek membership in the Bank (page 6) would initially contribute $745 million over a three-year period to two separate funds: to a new Inter-Regional Capital Stock similar in structure but entirely separate from the Bank's ordinary capital, and to the IDB's Fund for Special Operations. Of the $745 million, $372,712,000 would be in the form of subscriptions to the Inter-Regional Capital Stock, including $61,475,000 in paid-in capital and $311,237,000 in callable capital. The remaining $372,712,000 would be cash contributions to the Bank's Fund for Special Operations.

Entry into the Bank of these nonregional countries will become effective once the pertinent ratifications are obtained from the present as well as the prospective members.

LENDING OPERATIONS

From its various sources of funds, between February 1961, when it approved its first loan, and December 1974, the Bank made 822 loans totaling $7,416 million for economic and social development projects in all its Latin American and Caribbean member countries. About $4,341 million of the total amount committed had been disbursed up to the end of 1974.

The cumulative lending includes:

267 ordinary capital loans totaling $3,326 million.

410 Fund for Special Operations loans totaling $3,497 million.

145 loans amounting to $593 million from funds under administration.

The yearly lending curve shows three stages of growth that coincide with increases in Bank resources, know-how and enlarged responsibilities. The first stage, from 1961 to 1965, was one of gradual expansion as the Bank proceeded to develop its capabilities and to consolidate itself institutionally. The second stage, 1969–71, saw a rise in lending from an annual average of $441 million in 1966–68 to a level above $600 million, boosted by the large infusion of new resources that the members agreed to provide beginning in 1967.

The current stage, dating from 1972, reflects the decision of the countries to further expand the Bank's lending operations, bolstered by a $3.5 billion increase in its resources in 1971. This marked rise in recent yearly lending volumes, that went from $800 million in 1972 to a level above $1 billion in 1974, also reflects in part the impact of inflationary pressures that have raised the cost of the machinery, equipment and services necessary to carry out projects.

The trend of Bank disbursements shows the smoother rate of expansion to be expected from the fact that loan commitments are paid out in step with a given project's funding needs as the work progresses. Depending on its nature, the execution of a development project may take from one to several years.

IDB CUMULATIVE LENDING (1961–74), BY COUNTRY

Country	Loans	Total cost of projects
Argentina	$770,100,000	$2,619,000,000
Barbados	12,900,000	18,000,000
Bolivia	242,200,000	433,000,000
Brazil	1,715,300,000	10,585,700,000
Chile	406,100,000	1,319,700,000
Colombia	620,300,000	1,448,300,000
Costa Rica	143,200,000	284,200,000
Dominican Republic	171,100,000	299,300,000
Ecuador	284,000,000	685,500,000
El Salvador	137,300,000	268,800,000
Guatemala	133,400,000	246,600,000
Haiti	$45,500,000	$61,900,000
Honduras	122,500,000	207,500,000
Jamaica	50,800,000	105,200,000
Mexico	1,041,200,000	3,036,800,000
Nicaragua	126,900,000	231,200,000
Panama	113,100,000	289,100,000
Paraguay	191,400,000	306,800,000
Peru	335,000,000	712,700,000
Trinidad and Tobago	35,500,000	76,500,000
Uruguay	132,000,000	279,200,000
Venezuela	326,600,000	952,400,000
Regional	259,600,000	811,100,000
Total	7,416,200,000	25,482,500,000

SECTORAL LENDING

The $7.4 billion the Bank lent between 1961 and 1974 are contributing to the financing of projects valued at approximately $25.5 billion. In other words, for every dollar supplied by the Bank the borrowing countries have provided more than $2 of their own for financing the projects involved.

These projects can be grouped into 10 sectors of activity which correspond to the major general investment categories that most Latin American countries use in their economic and social planning. This classification obscures the close sectoral interrelations that exist in reality. Obviously a hydroelectric project—economic infrastructure—yields important benefits both to the rural sector through farm electrification and irrigation programs, and to the cities for industry and general urban power needs. The sectoral classification, however, is a useful tool for identifying major trends of Bank lending relative to national and regional priorities and for programming future operations over the medium term.

In general, the Bank has sought a balanced lending pattern among the directly productive sectors (agriculture, industry), economic infrastructure facilities (energy, transportation and communications) and socially-oriented projects (education, rural and urban water and sewage systems, health facilities, and housing and integral urban development projects).

In regard to the lending pattern by country, the distribution reflects the priority given to the development of regions, countries and zones within countries that, for a variety of reasons, have not kept pace with the rate of growth of the area in general. Since 1972, in particular, Bank policy has explicitly called for preferential treatment to its relatively less-developed countries. In 1974, for example, 53.2 per cent of IDB concessional lending went for projects in its nine least developed members, compared with 16.6 per cent in 1970.

Region-wide, the Bank has fostered the physical and economic integration of the Latin American continent by financing projects and studies of roads, communications systems and electric power facilities serving more than one country, and other projects which favor a greater intraregional flow of goods and services. Loans for projects with such joint national-multinational impact totalled $1 billion through the end of 1974, or 14 per cent of the Bank's cumulative lending (see page 80).

The ten sectors of lending and the most important types of projects financed within them are shown below.

ACTIVITIES FINANCED BY THE BANK

Agriculture, forestry and fishing

Specific crops.
Irrigation and drainage systems.
Multipurpose agricultural credit programs.
Land settlement and agrarian reform projects.
Storage and marketing projects.
Herd and pasture development.
Livestock disease control programs.
Fisheries and fishing vessels.

UMI

Forest development and conservation.
Research and extension services.

Industry and mining

Major industrial plants.
Industrial credit programs for small- and medium-size industries.
Ore extraction and related facilities.
Primary processing.

Transportation and communications

Highways and related facilities.
Rural roads.
City streets.
Road maintenance programs.
Gas and oil pipelines.
Airports and ports.
Local and international communications networks and related facilities.

Electric power

Generating facilities.
Transmission facilities.
Urban electrification.
Rural electrification.

Sanitation

Urban water supply and sewage systems.
Rural water supply systems.
Health facilities, including hospitals.

Housing and urban development

Urban housing projects.
City markets.
Rural housing projects.

Education

Advanced, technical and vocational education facilities and programs.
Student-aid programs.

Tourism

Integral tourism projects.
Infrastructure facilities.
Hotels and motels.

Preinvestment and technical cooperation

Feasibility and prefeasibility studies.
Technical services for project identification, preparation and execution.
Research activities.
Training activities.

Export financing

Lines of credit for financing exports of capital goods among the Latin American countries.

NEW COAL MINES TO BE OPENED BY MONTEREY COAL CO., IN WAYNE AND LINCOLN COUNTIES, W. VA.

Mr. RANDOLPH. Mr. President, one of the highest priorities our country faces in efforts to approach energy self-sufficiency is the development of our richest indigenous source of energy—coal.

The coal industry is moving forward to meet this challenge by raising capital, opening new mines, and providing needed energy supplies. In most cases, this expansion is being carried out in a manner which is entirely consistent with the best standards of corporate responsibility and modern management techniques. Environmental concern, manpower planning and development, and interrelated safety and production technology are a critical part of this endeavor within the coal industry.

An example is the experience of a relatively new firm, Monterey Coal Co., a subsidiary of the Carter Oil Co. This company was organized in 1969 to carry out underground mining operations on coal reserves controlled by Carter in Illinois. At the time, Monterey assembled a team of employees experienced and knowledgeable in the coal business.

Monterey has moved ahead in a sound, systematic basis in developing coal reserves through underground mining. Rather than acquire existing mines, the purpose was to develop new mines; to bring on new coal supplies.

Recently I met with Robert H. Quenon, the president of Monterey Coal Co. to discuss announced plans for the early development of low-sulfur coal reserves in Wayne and Lincoln Counties, W. Va.

Mr. Quenon told me that Monterey's West Virginia division has opened an office in Huntington. George L. May, an individual with extensive managerial experience in the coal industry, is manager.

Preliminary engineering and design are underway on the first mine which will be located in the Camp Creek area of Wayne County about 20 miles southeast of Huntington. Current plans call for the preparation plant contract to be let later in the year. The mine is to begin production in 1977 and achieve full capacity by 1979.

The Norfolk & Western Railroad will handle the tonnage when the mine begins operation. A baseline survey has been established for monitoring water quality in the area of the mine to assure that mining operations do not result in deterioration of the natural environment. A preliminary socioeconomic study has been completed to provide information on employee sources and community requirements. Construction of the second mine, in Lincoln County, W. Va., will follow completion of the first mine.

When these two mines are fully operational, they will provide employment for approximately 1,600 people and will have an annual payroll of over $27 million. The mines will have a capacity of 4.4 million tons per year, representing an additional three-fourths of 1 percent over present national coal production. Production should proceed for 30 years.

Mr. President, these will be modern, sophisticated mining operations. The Monterey Coal Co. has demonstrated its responsible attitudes in environmental and safety matters at its No. 1 mine near Carlinville, Ill. This mine, which began operation in the fall of 1970, reached full production in 1972. Coal from this 3 million-tons-per-year mine is sold for steam power generation in the mid-West.

The design of the mine incorporates the most recent technological innovations in the areas of dust suppression, ventilation, machine protection, roof supports and other features, to assure a safe working environment.

Today, approximately 500 workers are employed at this mine. These employees have gone through an initial training program devoted primarily to safety. Approximately 70 percent of the workers have gone through additional programs in the classroom and on the job.

Last year, in June, Monterey announced plans for a second underground mine near Albers, Ill. Today, the construction of Monterey No. 2 is well underway. It is a completely modern underground mine. Beginning operations in 1976, the mine will reach full capacity in 1979. It will employ about 650 people and produce about 3.6 million tons of coal a year for steampower generation.

Mr. President, the experience of Monterey has been good, but not necessarily unique in today's coal industry. This industry is moving ahead to develop resources that will make a positive contribution to the Nation's energy balance. The proper development of these resources will take great amounts of time and money. At least 3 years leadtime is needed to bring new mines into production. In most cases, 2 additional years are needed to bring the mine into full production. Today's mines are designed and engineered with full realization that safety and environment are basic factors which, along with the latest coal recovery techniques, must be a part of the planning and the operation of the mines. Since 1973, the financial requirements for modern mining continue to increase. The investment cost of coal mines has risen 50 percent.

Today, as in the past, the miner is the mainstay of underground mining. Today's miner, however, is not the impoverished, fatalistic character often found in fiction. He is one of the most highly skilled and sought after workers in U.S. industry. A miner with a few years of experience often earns over $50 a day, and with normal work time, averages over $13,000 a year. Employment opportunities in coal mining are now long term with career-type choices available to miners joining new large mines. The industry's improved safety record is reflecting the continued concern of workers and management with safety and safe working conditions.

The coal industry must have a goal that the Nation's coal resources be developed to assure that our country's energy balance is restored and maintained. These resources can be developed in such a manner that protects the health and safety of miners and environmental quality. Private industry has the experience, the expertise, and the commitment for this development. Many segments of private industry also have demonstrated that they are willing to make the large investments necesary in today's mining operations provided there is a reasonable return on investments.

A comprehensive national energy policy, I say to my colleagues, must fully recognize the leadtime and investment required for resource development, and provide a climate that is conducive to private industry's continued development of these resources.

THE HEAVY HAND OF FEDERAL INTERVENTION

Mr. LAXALT. Mr. President, my Senate colleagues and the Members of the House of Representatives often take the floor in their respective bodies to inform the Congress of developments and problems in their States or districts which relate to the Federal Government. The subjects discussed are diverse, but, lately, one theme threads through many of the remarks. Heavy-handed Federal intervention is interrupting the flow of the free enterprise system and causing much of the disruption our economy is experiencing. Businessmen, their employees, and concerned private citizens in general across this country are letting their representatives know that they are fed-up with "big-brother's" codes, regulations, strictures and overall daily annoyances.

At times, Mr. President, these annoyances are serious enough to force businesses to close their doors putting thousands out of work. Time and time again I have listened to this type of story related here in the Senate. I am also in daily contact with my constituents who write and sometimes call to tell me their livelihood is being threatened in one way or another by the Federal Government.

For example, near Ely, Nev., the EPA zeroed in on Kennecott Copper by rejecting this firm's expensive and complex air quality program. This was done despite the fact that the program is designed to meet strict Nevada State air quality standards and Federal ambient air quality standards and would constitute an enormous capital investment when installed. The situation remains in state of flux to this day and many of the mill's employees are very concerned that their jobs may be in jeopardy. Once again, arrogant Federal action has disregarded State expertise and local wishes.

It is incredible that with economic dislocations plaguing our economy, the Federal bureaucrats here in Washington are managing to exacerbate the problem. At one end of this town we have a President working hard to promote market stability and keep Americans working while at the other end we find Federal employees undermining these effects. If this situation were not so terribly tragic it would be funny.

Our country's free enterprise system has provided the foundation for the greatest and mist prosperous civilization in history. In the past, an individual was permitted to use his ingenuity and the sweat of hard work to build a business. The American economy became a dream machine for a nation of immigrants. It is something to be proud of. Today, however, a young person starting in business is faced with obstacles—barriers to success—erected by the Federal Government. The Internal Revenue Service tells the entrepeneur how much he can make; the Occupational Safety and Health Administration tells him under what conditions his employees should produce; and the Environmental Protection Agency follows this up with directives on how to use the natural resource available. If the fledgling business man or woman can survive all this they certainly deserve every success.

Mr. President, I am convinced that the staggering of our once robust economy is due in large part to the meddling Federal Government. We must take steps to remedy these counterproductive activities before the American dream becomes a nightmare.

DISPERSING POPULATION: WHAT AMERICA CAN LEARN FROM EUROPE

Mr. HUMPHREY. Mr. President, as the United States begins to consider national growth policy options and issues related to such options, our Nation has a lot to learn from other advanced countries of the world which have been struggling with these questions for a long time—some of them for as long as 40 years—and with a great deal of commitment and success. Indeed, the United States is the only advanced nation in the world that has not developed any explicit national growth and development policies to date which incorporate population distribution or dispersal. Apparently, no advanced nation but the United States today thinks this subject is so unimportant that it can be entrusted to the market, and whatever the outcome, as being acceptable. These other nations, if not the United States, have lived by President Nixon's words of 1970:

> We can make the 1970's an historic period when by conscious choice we transform our land into what we want it to become.

I, therefore, commend to my colleagues' attention, a book just published, by the Brookings Institution, entitled, "Dispersing Population: What America Can Learn From Europe," which analyzes in detail the experience of five European countries—Britain, France, Italy, the Netherlands, and Sweden—and sets out what their national growth policies are, how they have arrived at them, what means they use to carry them into effect, and what they have accomplished in reversing the trends toward overconcentration of population that they, along with other countries of the world, had been experiencing. The author of the book is James L. Sundquist, formerly a legislative assistant here in the Senate and, during parts of the Kennedy and Johnson administrations, the Deputy Under Secretary of Agriculture. He spent a year in Europe gathering material for the book.

Let me quote the last four lines:

> America can learn from Europe these things: A population dispersal policy and the programs to execute it can be conceived simply enough. They are likely to be popular. They are not unduly costly. And they work.

Mr. President, I ask unanimous consent to have printed in the RECORD an earlier article by Mr. Sundquist published in the Nation, entitled, "Europe Stops the Urban Swarm", which summarizes some of the material in his book.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Nation magazine, July 20, 1974]

EUROPE STOPS THE URBAN SWARM

(By James L. Sundquist)

Everybody knows that, along with the rest of the world, the United States has been caught up in a headlong rush toward urbanization, but the statistics are nevertheless startling when brought together and projected into the future. Many communities in rural and small-town America, especially in older areas of the country reached their population peaks about the turn of the century, and since then have been declining or in a state of stagnation. In the 1950s half the counties in America lost population; in the 1960s the same thing happened—again half the counties lost population, though not necessarily the same ones. To put it another way, almost the entire gain in population during the 1960s—23.5 million out of 24 million—took place in metropolitan areas with populations greater than 100,000.

Between now and the year 2000, according to current estimates, we will have added 84 million people to the country—a horde almost equal to the combined population of Great Britain and France. And if distribution trends also continue into the future, they will all be added in the metropolitan areas. By then, these metropolitan areas will be merging and flowing out into vast urban regions.

There will be twenty-eight such regions of more than a million population each, comprising at that time 85 per cent of the country's population. Almost half of that metropolitan population—117 million people—will be in one vast rectangular or T-shaped urban region, with its corners at Waterville, Me. in the Northeast; Norfolk, Va. in the South; and Chicago and Indianapolis in the West. Or you may conceive of this as two megalopolises which have grown together—one extending down the Eastern seaboard and the other along the base of the Great Lakes from upstate New York to the western shores of Lake Michigan, and extending south to the Pittsburgh and Cincinnati metropolitan areas.

Another urban region—one more great sea of brick and concrete and 34 million people—will cover most of California from Sacramento to the Mexico border. Thirteen million Americans will live in one Florida city that extends from Jacksonville to Miami and across the peninsula to Tampa. These three gigantic conglomerates will account for 60 per cent of the population. Another 25 per cent will live in the twenty-five other urban regions of a million or more. In short, 85 per cent of the population will be crowded into 18 per cent of the nation's land area. That will be the flourishing one-sixth of the country; the other five-sixths, embracing 15 per cent of the population, will be stagnant or in decline.

No one can prove that this is good or bad—or if bad, how bad. Economists have a concept of economies or diseconomies of urban scale, and the sociologists and political scientists have similar notions. All of their data agree that at one end of the graph our rural communities are too small to be sound bases for economic development. They cannot provide the external economies necessary for modern industry. Public services are too expensive—when they can be provided at all—and the communities cannot offer the cultural amenities to be found in larger places.

At the other end of the graph, in our very largest cities any economies of scale are outweighed by the diseconomies—the costs of congestion, time lost in commuting, and the high cost of public services per capita. Just to give one example, when a city gets to be a certain size, it must have a subway; the Washington subway, under construction now, is reputed to be the most expensive single public works project in the history of the world. Crime, mental illness, suicide, family breakdown—all kinds of social pathology as well as some physical illnesses—increase with the size of cities, although these figures must be handled with some care. And it seems evident that public services are easier to organize in small metropolitan areas than in large ones and that smaller places are in general more easily governed.

But if we have some solid data about the diseconomies at the upper and lower extremes, we don't know much about what happens in between. We can't say at what point cities become too big, at what point too small; we certainly don't know what is the ideal population distribution.

Yet if the social sciences offer no solid data, there is another source that has particular merit in a democracy: data exist on the kind of settlement pattern in which people would like to live. All public opinion

UMI

polls taken on the subject in this country and abroad—especially in France, which has apparently done the most polling on it—show that the public has a marked preference for smaller communities. The most recent authoritative poll in this county was taken for the Commission on Population Growth and the American Future. It found that only 55 per cent of the respondents were satisfied with the size of the communities in which they lived. Of the other 45 per cent, most would prefer to live in a smaller place. And in the very large cities, only 39 per cent expressed satisfaction.

On the proposition that the federal government should discourage further growth of large cities, the nationwide vote was 52 to 33 in favor. An interesting aspect was that the residents of the large cities voted in about the same proportion—51 for and 36 against—as did the population as a whole.

Responding to public opinion, the politicians seem to be arriving at a mild and weak consensus that the over-concentration of population is getting to be a problem serious enough to merit their attention. President Nixon in 1970 made a strong statement to the effect that policies should be adopted that would "not only stem the flow of migration to urban centers but reverse it." This repeated a similarly strong statement in the Republican platform of 1968. I don't want to overstate the President's commitment to this proposition because he has not mentioned it again since 1970, nor set in motion any action to develop a program that might carry it out. And the 1972 platform of the Republican Party did not repeat the sentiments of 1968.

Meanwhile, however, Congress had taken essentially the same position. In an act of 1970, it committed itself "to a sound balance between urban and rural America," and it repeated that sentiment later in another law. In the 1970 law, Congress sought to stimulate the President by requiring that he submit in February of every even-numbered year a report which would present data useful for the formation of a national growth policy.

The 1972 Democratic platform made a similar declaration, and other political groups, such as the National Governors' Conference, the Advisory Commission on Intergovernmental Relations, and the National League of Cities, have all adopted resolutions calling for a national growth policy that would encourage some degree of population decentralization.

But none of the advocates of a national growth policy has produced anything resembling a program. Nobody has defined a population distribution pattern or proposed the measures that would influence the location of people according to that pattern. So in considering this particular policy problem, it is logical to begin by looking at what has been learned in countries that have been struggling with the problem longer and with a greater degree of determination than we have. They are the industrial countries of Western Europe; in particular, Great Britain, France, Italy, the Netherlands and Sweden.

All those countries have growth policies. They all aim to disperse the national population by stemming migration and thus retarding the congestion of the biggest cities. Some of their plans are quite specific. Some have quantitative population targets for regions, or even communes. In each country, the dispersal policies enjoy complete political support. Implementing measures are becoming increasingly forceful and are clearly effective in slowing down, or stopping altogether, the movement from smaller places to larger centers. This is, of course, the usual squabbling over what the policies should be—that is, where the growth should be directed—but there is no significant political group or party in any of these countries that advocates abandoning a national growth policy and going back to laissez faire.

The basic program measure is one of incentives, usually in the form of capital grants to investors, covering a portion of the cost of investment in areas where growth is to be encouraged. This is normally limited to industrial investment. The standard proportion is around 20 per cent, but most of the countries now have a kind of zoning whereby areas most in need of encouragement may get a subsidy of up to 25 per cent, or even 35 to 50 per cent in the case of Italy.

In Britain, the goal has been to stem what it called the "drift to the South"—the movement of people from older, declining industrial areas of Scotland, Wales and northern England to the south, particularly Southeast England, the region centering on London. In France, the object has been to reduce the dominance of Paris in every aspect of national life by building effective competitive centers in hinterland, with special emphasis on the underdeveloped rural areas of southern and western France. In Italy, the aim has been to develop the economy of the South—or Mezzogiorno—so that the people of that region, who have been emigrating for decades, will not inundate the cities of northern Italy or be forced to seek their livelihoods in other countries. In the Netherlands, the object has been to stabilize the population in the eastern part of the country, so that no unnecessary migrants will be added to the population in the west, which is already threatening what all Dutch governments and Dutch planners (and I assume the Dutch public) hold dear—the so-called "green heart," which is in the center of the "Rimcity," a ring-shaped conurbation made up of Amsterdam, the Hague, Rotterdam and Utrecht, and smaller cities in between. And in Sweden, the object is—as in Britain—to stop the drift to the south that has been gradually depopulating most of the land area of the country—the northern regions which begin a little north of Stockholm and extend beyond the Arctic Circle.

Accompanying the incentives to get industry to move to the designated areas has been a program of public investment in industrial infrastructure, to give the development regions extra funds for roads, ports, utilities, etc., much as is the case with our Appalachian and Economic Development Administration programs. There are also miscellaneous incentives, such as tax concessions to industry and—in the case of Britain at present—a regional employment premium, which is simply a wage subsidy in the amount of between $3 and $4 a week for male adult employees and a somewhat smaller amount for women and juvenile employees.

As a counterpart to incentives, the European countries impose controls upon investment in the cost congested area. London has been under tight controls since the war, and these have now been extended to the entire Southeast region and to the West Midlands, centering on Birmingham, as well. To build an industrial plant—or in recent years an office building in the London region—an enterpreneur must prove that the enterprise he proposes to develop can't be developed anywhere else, and particularly not in one of the depressed areas.

France has required a similar special permit for construction in the Paris region since 1955. It also imposes a small penalty tax to discourage such new construction. Italy has just adopted controls on industrial construction in its large Northern cities; only the other day it was reported that for the first time the government actually turned down Alfa Romeo's application to build an 11,000-job factory at Milan and told the famous auto firm to undertake its development elsewhere.

The Swedes do not have direct controls, but they do have a system of mandatory consultation on the part of any investor proposing to establish a plant in any of the three large metropolitan areas of the country; during the consultation, the government attempts to persuade the investor to put his plant somewhere else. This has not been working very effectively, and the government is now considering the imposition of stronger controls.

The Netherlands Government proposed a measure that would not only introduce controls but impose one of the harshest taxes anywhere: a 40 per cent tax on buildings in the Rimcity and a 5 per cent tax on machinery and equipment. The Parliament is in the process of reducing the rates—putting a greater reliance on direct controls instead—but the measure is considered sure to pass.

In addition, governments are taking various direct measures. Britain, the Netherlands and Sweden have extensive programs for decentralizing government offices. Sweden is in the process of moving one-fourth of its national government out of Stockholm to thirteen growth centers scattered around the country. The state-owned and state-controlled industries that are of particular importance in some European countries—especially in Italy, where they account for 25 per cent of new industrial investment—have been obliged to put virtually all of their new projects in the development areas.

France has a very deliberate, and apparently effective, program of negotiating with occupiers of Paris office space—particularly banks, insurance companies and other "tertiary" institutions—to decentralize. The French can do this in part because of a control program that not only covers construction but also requires permits for the occupancy of office space. So if a bank, for instance, wants to obtain space for 5,000 employees, either by renting or by building, the government is in a position to bargain with it—to say in effect, "Look, if you will put 4,500 of your employees in Lyons or Bordeaux, you can put 500 in Paris." An impressive number of jobs have been decentralized through this process.

As for the total effect, it seems clear that the European governments have interfered successfully with the normal working of the economy—jobs have been moved from congested areas to decongested areas, particularly new jobs. Migration has been slowed down. Population has been stabilized in areas of out-migration. The proudest boasts in these countries now are that, probably for the first time in modern history, there is a net out-migration from the London region (not from just the city proper but from the whole region, which includes most of London's commutation area), from the Paris region and from the provinces of North Holland and South Holland (which contain the cities of Amsterdam, The Hague and Rotterdam). And in the case of the Stockholm region, there was not only a net out-migration last year but an absolute decline in population. The Swedes say that this has happened only twice before in the modern era: once in 1868 as the result of a potato famine, once in 1918 as the consequence of an influenza epidemic.

Some of this turnaround in the migration pattern might have happened anyway as the cities became more and more expensive places in which to do business, but the fact that the shift in migration patterns followed immediately and abruptly upon the adoption of tough national policies suggests that the policy shift was the major factor.

The best economic analyses of results of the population dispersal policies have been made in Britain. Three independent studies made by economists there indicate that government programs have resulted in something like 30,000 to 70,000 additional jobs a year in development areas above what would otherwise have taken place. A. J. Brown, author of one of these studies, concluded that in the absence of policy the migration flow from north to south would have been twice as high, that unemployment in development areas would have been 1 to 1.5 percentage points higher, adding one-half of a percentage point to the national unemployment rate, and that the loss of output would have been more than $500 million a year.

Now, preventing those consequences is not without costs. Britain is spending in the neighborhood of $700 million a year in direct incentives alone—although it may be observed that other countries, which use more selective methods in handing out subsidies, have been able to accomplish about as much with a considerably smaller expenditure. There is some loss, presumably, of competitiveness and efficiency for industries that are forced to accept locations they do not choose; the subsidies are supposedly fixed at amounts to offset such losses, but that is a hotly disputed point. The automotive industry in Britain has recently testified before a committee of the House of Commons as to the added costs that are imposed by its being forced to locate plants in Scotland, rather than in the Midlands. The Chrysler Corporation has been forced to assemble its cars on what is called "the longest assembly line in Europe," stretching from the Midlands to Scotland and back again. This, of course, is also disputed; the government planners contend that, had Chrysler planned its expansion properly, the company would not be in the position of transporting components back and forth between plants located in distant places.

Originally, the concept appeared to be that, if industrial production were dispersed, service industries would assume a dispersed pattern as well. Now the planners have found, somewhat to their surprise, that service industries seem to lead a life of their own, that no matter how industry is dispersed, the banking, insurance, engineering, brokerage and related tertiary functions prefer to concentrate in national capitals.

At present there is great rivalry among European countries for the location of the corporate headquarters of multinational enterprises. And each country would like to house the financial center of the European Economic Community (EEC); competition for that honor is particularly keen since the British with their City of London have joined the EEC. The countries believe they must offer their principal cities as the locations for the corporate headquarters and the financial services, which presumably will insist on locating in London or Paris or Amsterdam, rather than in Glasgow or Toulouse or Groningen. So they are trying to invite developments of that kind, while at the same time imposing control measures on office-building construction. And, in the case of France, on office-building occupancy.

When talking to their domestic industries, they make the argument that if enough activities are not pushed out of the capital cities to make room for the multinational corporations, they won't be able to attract the latter at all. But they are finding that international competition puts a damper on the move toward tighter controls on growth in the congested areas. The argument used by opponents of the pending building tax in Holland is that, if the Dutch impose such a heavy penalty, it will simply mean that the corporations that want to locate their headquarters or their factories in Rotterdam or Amsterdam will move over the line to Antwerp or Brussels—and, as the opponents put it, "Belgium will get the taxes, while we get the smoke."

Similarly, many French planners would like to impose even tougher controls on Paris, but once again they fear that the beneficiaries of such a policy would not be the regional centers of France, but rather Brussels, Antwerp and Düsseldorf. So both the French and Dutch face the necessity of raising this whole issue to the level of the EEC and trying there to get uniform controls that all countries will impose simultaneously on their congested centers. Unfortunately, the EEC is not quite ready to add this problem to all the other vexations it is dealing with.

So, how applicable is the European experience to the United States? It is clear that difficulties would arise if anyone here proposed to adopt the entire range of European programs. Whereas the tradition in Europe is one of planning and the acceptance of government controls, the tradition in this country is primarily one of *laissez faire*. If in European countries all the parties are for these incentive and control programs, with only the right-wing minority of a conservative party possibly opposed (and even that much opposition would be found only in Britain, since the Enoch Powell wing of the Conservative Party is the one significant political group in Europe that opposes a national growth policy), here it would likely be the other way around. Only a minority, liberal wing of one of our major parties would probably favor a move in this direction.

And our federal system imposes barriers. It is hard to foresee any general acceptance of a system of controls on land use that operated out of Washington, and yet if the states were to endeavor to control growth within their boundaries, they would immediately run into the same problems that are now appearing in Europe on the international scale. If Michigan, for instance, decided to impose controls on the expansion of the automotive industry in the Detroit area, the automobile companies could simply move over the line into Ohio and still for practical purposes be in the Detroit metropolitan area. Michigan would lose the taxes—and whatever politicians in Michigan proposed the control would be out of office.

Nevertheless, one feature of the European approach could be adopted here—the incentive system. We would probably have to use an indirect tax subsidy, but that that would be feasible is indicated by the fact that such a measure has passed the Senate twice, both times being lost in conference. That measure would have applied a higher rate of investment credit to plants located in depressed areas, as defined under current law, than is granted to plants elsewhere.

At any rate, the President is required to focus attention on this subject at least every two years, when he must present to Congress his report on national growth policy. And so, in some February of some even-numbered year, we can expect that there may be recommendations by some President on a first move toward establishing a national growth policy. When that time comes, we shall be able to proceed with the assurance, gained from more experienced countries, that measures to stem the over-concentration of population in one or a few great urban regions can be devised, that they do work and that politically they prove not only acceptable but also popular.

ROBERT BALL ON SOCIAL SECURITY

Mr. CHURCH. Mr. President, the social security system is now confronted with a short-term and long-term actuarial deficit.

The short-range problem is caused primarily by the recession which is straining the program at both ends.

First, our 8.9-percent unemployment level has reduced revenue for social security. Second, benefit outlays are much higher than initially projected because of the rampant inflation during the past year.

The long-range deficit is caused primarily by a sharp reduction in the projected birth rates. In addition, the Social Security Board of Trustees now assumes a higher rate of inflation into the next century than previously projected.

Quite clearly, the financial condition of social security is a matter of vital concern for all Americans. In one form or another, social security touches the lives of almost every family in our Nation.

Consequently, prompt action is needed by the Congress and administration to come to grips with these financing issues.

At the same time, though, it should be emphasized that these problems are clearly solvable if approached in an intelligent and dispassionate fashion.

Mr. Robert Ball—a former Social Security Commissioner and now a scholar in residence at the National Academy of Sciences—recently discussed the financial condition of the Social Security Trust Fund in an interview with Washington Star staff writer Ned Scharff.

As always, Bob Ball spoke with great insight, understanding, and a fundamental grasp of the issues.

His comments make it abundantly clear social security beneficiaries should have no fears that their checks will stop coming.

Moreover, he discusses other issues which merit the attention of the Senate.

Mr. President, I ask unanimous consent that the interview between Bob view was ordered to be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Apr. 29, 1975]

BALL ON TAX FOR SOCIAL SECURITY AID

Robert M. Ball has been involved with the Social Security Administration since he went to work in 1939 as a petty official in the Newark district office. He served as commissioner of the system from 1962 to 1973, and is now scholar-in-residence at the Institute of Medicine of the National Academy of Sciences. Ball was interviewed by Washington Star Staff Writer Ned Scharff.

Question. Many observers of the Social Security system are saying that it's in trouble financially. Do you think Social Security can continue to function as it does now?

Ball. Well, the system does need more financing. I think the best way to look at this is in two parts. There is a short-range financing problem which grows out of the present economic situation. And then in the next century there is the possibility of a problem in Social Security financing which grows out of an expected change in the age composition of the population. I have no doubt that the promises of Social Security will be met by the U.S. government, but, as I say, some additional financing will undoubtedly be needed.

Q. Where do you think that should come from?

A. Well, it would not be good economics to raise Social Security contributions, taxes or premiums, at this time, but obviously you can't let the deficits go on. It is very important that the income to the program be raised so that it is in excess of the benefit payments that have to be made just as soon as an economic turnaround. I would not do it until the economy is on the upbeat. But when that happens, I would propose that the maximum amount on which people pay and the maximum which is credited to their benefits be raised to $24,000 a year.

Q. That is you would advocate an increase in the tax base rather than in the tax rate itself?

A. The tax rate which falls on everybody under Social Security is now 5.85% and that is a fairly sizable rate if that applies to workers of all levels. If you increase the base it applies only to 15% of workers under the system who have the highest earnings. In other words, 85% of workers today have all their earnings counted toward those security benefits and they pay on those earnings. The 15% at the upper end do not.

Q. Would you agree that it makes it a regressive tax that falls hardest on low income earners?

A. I don't think really it's correct to look at Social Security finance primarily as a tax. It's the purchase of retirement insurance, disability insurance and of life insurance. People are paying for a protection and what they pay is marked for the purpose of Social Security. Now if you look at it as a complete system, then it is not regressive because the benefit amounts that people get are weighted in favor of the lower wages. If you look at both of what you pay in and what you take out the lower paid wage earner has a break as compared to the high-paid wage earner.

Q. But generally, a man or a woman retiring now on nothing other than Social Security benefits would find it pretty difficult to lead a decent life?

A. No, I don't think so. I think the way to judge a retirement system like Social Security or Federal Civil Service or private pension is the relationship of the payment made to the recent earnings that the individual has been getting. And for people retiring today under Social Security, the worker who has been earning the federal minimum wage, he and his wife together if he retires at 65, would be getting benefits at about 80 percent of what he had been earning in the years just before retiring. The worker earning the amount that the average male worker would get, he and his wife together would be getting about two-thirds of what they had been earning just before retiring.

Q. When the system was introduced in 1935, it was designed not only to provide a minimal income for the elderly but at the same time to get elderly people out of the job market to help clear the way for younger people. Is that fair or wise?

A. I feel very strongly that there should be increased opportunities for older people to work. I think that it ought to be up to the individual whether 65 is the right age for him to stop paid employment and start something else, volunteer work and other activities or whether he wants to continue in a regular or part-time job. However, I do not believe that a retirement system should be paying people who aren't retired any more than a disability insurance system should be paying people who aren't disabled. And I think it would be a great mistake to turn the Social Security system into what the insurance people call an "annuity program," which just gives you the benefit because you reached age 65, say. Up till now the philosophy has been that it's retirement insurance designed to partly make up for the income you lose when you retire. So you need some sort of a test of when a person is retired and the present provision in Social Security seems to me reasonably satisfactory.

Q. But as far as retirement itself goes, do you think the government is proper in making this a basic humanitarian goal?

A. I think at age 65 what I'd like to see is the opportunity for people to choose. I'm against forced retirement. I think the trend toward compulsory retirement in industry is undesirable, particularly if we take note of the problem of a high ratio of older people to 20 to 64-year-olds in the next century. The more older people who have the opportunity to work, the less economic burden therefore they would be. At the same time, I think if individuals are willing to accept a somewhat lower level of living as they do under well-designed retirement systems, then I think that's acceptable. I think what we want to do is enlarge choices.

Q. The present Social Security Advisory Council suggests that part of the burden in the next few years be paid for out of the general treasury. How do you feel about that?

A. I'm very much against the specific proposal made by the advisory council. What they suggested was that the Medicare program(the health insurance program providing hospitalization for older people and disabled people, be supported 100 percent out of general revenue, not be a contributory system at all. The reason I'm opposed to that is that I believe that if Medicare was supported entirely out of general revenues there would be a good possibility that in the future that an income test might be introduced. People might say, in effect, well if this is all being paid for from general revenues why should the protection be given to people who could take care of it on their own. You'd soon find I think that instead of an insurance program, like Medicare now is, you'd have turned it into a relief program. Now on the larger question of general revenues for the Social Security program as a whole I am not opposed to that if it's kept to a subordinate part of the financing for the long run. I see no need to introduce general revenues at this point. I'd be for raising the maximum earnings base to $24,000 which I think helps on the benefits side as well as on the financing, and that would carry the program for many many years into the future. If in the next century we find that the commitments of the present program still need additional financing at that time, I would be personally in favor of the gradual introduction of some general revenue financing, both on the cash program and on the health insurance. Not putting it all one way or the other.

Q. One of the most difficult questions about the future of the system is that as we become an aging society with fewer workers proportionate to the number of retirees in our society, the current level of benefits may well be impossible to keep up some years from now without severely damaging the economy. How do you feel about this?

A. I don't agree with that at all. It seems to me that we are now into the question of the long range financing of Social Security and I think the problem you're raising really applies to an estimated or projected situation that begins about 2010. Assuming an accumulation of low fertility rates, by about 2010 the people of working age, those between 20 and 65, in absolute numbers will come to a halt and the numbers of people above 65 greatly increases for a period there between 2010 and 2030. Now that just taken in itself would create an additional economic burden on the people of working age, and this is to aside from Social Security. This would be true if you were to support an entire elderly population entirely out of private pension plans or if you were going to do it out of relief or assistance or if you were going to do it all from the wages of their children. That kind of a shift in the larger number of retired people vs. people of working age would apply to any matter. But the point I want to emphasize is that exactly the same in birth rate that has brought what we have just described also results in a lot fewer children and so that the people of working age, the 20–64 group, we have no more dependents to support in an economic sense than they do today. As a matter of fact, they have less. There are fewer combined dependents, that is those under 20 plus the group over 65 as a ratio to those of 20–64 than is true right now today.

Q. So it would certainly be easier for them to prepare for retirement?

A. Yes. Maybe the long-range problem could be described as: how do we translate the reduced burden of caring for and raising children on the willingness of people of working age to pay higher rates for retirement benefits.

FARMWORKER RIGHTS

Mr. KENNEDY. Mr. President, the California Legislature has approved a bill, perhaps the first of its kind in the Nation, to provide to farmworkers the right to have secret ballot elections in choosing their own union.

In a real sense, the rights that industrial union workers won in this Nation during the 1930's have finally made their way out of the cities to the agricultural fields in California.

California Gov. Jerry Brown deserves a great deal of credit for placing his personal prestige behind this effort to find a peaceful solution to the constant threat of violence in California agriculture.

His negotiations with growers, United Farm Workers, Teamsters, the AFL–CIO, and other interested groups were finally successful in producing this unique piece of legislation. It, unlike other measures introduced in the past, is particularly sensitive to the differences between farm labor and other industries, differences which require a detailed set of protections to insure that elections would actually permit the workers to decide whether they wanted a union and which union they wanted.

This moment also marks another accomplishment for Cesar Chavez, president of the United Farm Workers of America, AFL–CIO, who began this movement many years ago and, despite enormous obstacles and powerful opponents, continues to speak out against the injustice that still faces the Nation's migrant workers.

His movement can be credited to a large extent with having spurred better wages, working conditions, and public recognition for the Nation's farmworkers. This new law may be the start of a new era in farm labor, an era where laws protect the rights of the farm workers to organize, to choose a union of their own choice, and to obtain a better share of the bounty that they harvest.

I ask unanimous consent that two articles in the Los Angeles Times and one article from the New York Times detailing these events be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, May 30, 1975]

ASSEMBLY SENDS FARM BILL TO BROWN FOR SIGNING

(By Jerry Gillam)

SACRAMENTO.—Gov. Brown scored a major victory Thursday when the Assembly granted final legislative approval to his farm labor bill designed to end 10 years of turmoil in the state's $10 billion annual agricultural industry.

By a lopsided 64–10 bipartisan vote, the lower house sent the landmark legislation to the governor's desk for signing into law. The Senate already had approved it 31 to 7.

Brown is expected to sign the bill early next week with representatives of all affected groups present to witness the historic act.

The basic thrust of the measure is to let farm workers choose their collective bargaining agents, if any, by secret ballot elections and to regulate farm labor relations, starting with the September harvests.

The effective date of the new law will be Aug. 29, regardless of when the governor signs it, or 91 days after Thursday's adjournment of the special session called to consider the matter.

It was the second major legislative victory for the new governor this month.

The first came when the lawmakers sent him another requested bill eliminating the oil depletion tax allowance for big oil companies. This will pump another $43 million into the state Treasury.

But the farm labor bill triumph was extra sweet for Brown, who succeeded during round-the-clock negotiations in convincing growers, the Teamsters Union, Cesar Chavez' United Farm Workers of America and AFL–CIO Labor Federation to support it.

The governor hailed final passage of the bill as a "real milestone" that will benefit both farmers and workers by restoring stability in agriculture.

Asked if he saw it as a major achievement of his first six months in office, Brown said, "I see it as an achievement of everyone who worked on it. I really see myself as a catalyst. I think the credit goes equally to everyone concerned."

Assembly Majority Floor Leader Howard Berman (D-Sherman Oaks), who handled the bill on the lower house floor, said the governor exhibited "brilliant leadership" and the speedy passage was a "beautiful example of the legislative process at its very best."

"The public interest and the interest of the farm workers are both best served by giving the farm workers secret ballot union elections," Berman told his colleagues.

Assembly Minority Floor Leader Bob Beverly (R-Redondo Beach), who voted for the bill, said, "I hope and pray this will bring peace to the fields—but I am not as optimistic as the governor."

An opponent, Assemblyman John V. Briggs (R-Fullerton), charged Brown drafted the bill "and told the Legislature to take it or leave it," signalling a return to old-style "power politics" in California.

The lower house debate on the farm labor bill actually was anticlimactic to the negotiations that preceded it.

In his inaugural message to the 1975–76 Legislature last Jan. 6, Brown called for such a bill.

Lawmakers applauded that statement, but many were skeptical that the governor could look forward to such an occurrence.

Neither former Gov. Ronald Reagan nor ex-Gov. Edmund G. (Pat) Brown, the current governor's father, had been able to achieve the same goal to reduce the violence in the fields.

The new governor did it in less than six months, helped by the fact that his fellow Democrats hold large vote majorities in both the Senate and Assembly.

[From the Los Angeles Times, May 30, 1975]

DAWN OF A NEW ERA FOR FARM WORKERS

(By Harry Bernstein)

Strange looking machines now pick most of the tomatoes we eat, shake most of our walnuts from trees, dig most sugar beets from the earth.

Sensitive electronic light beams even "feel" fruit, such as strawberries, to make sure it's ready for plucking by mechanical arms.

Within another five years, most crops will be mechanized by the industrial revolution sweeping the nation's farmlands, a revolution which can be measured statistically:

In the last decade, farm production jumped nearly 25% despite a 35% decline in the number of people working on farms.

A decade ago, one worker produced enough food for 24 people. Today one worker can supply 49 people.

The mechanical revolution has been spurred by thousands of scientists and engineers working in tax-supported university research centers, and by giant corporations which already have taken over about 40% of all farm production.

But another almost equally dramatic revolution also is sweeping agriculture. It is bringing radical changes in grower attitudes toward workers. It is making a significant start toward improving poverty-level wages and sometimes brutal conditions of hired farm workers, the laborers who still are required as supplements to the machines.

The social revolution in agriculture has been fermenting for many years, but didn't become a major force for change until 10 years ago when a Mexican-American, Cesar Chavez, and a relatively few farm workers decided to form a union.

Chavez and what was to become the United Farm Workers of America ran into opposition not only from growers but from leaders of the 2 million-member Teamsters Union which allied itself with growers to oppose the UFWA.

But the revolution could not be stopped, and the resulting gains made for farm workers are far greater than most Americans realize.

One of the most impressive results of the revolution was the passage Thursday of a farm labor law for California, a law which could become a pattern for other states and even the nation.

What the farm workers actually won is a law giving them the same rights most other nonfarm American workers have had since 1935: the right to vote by secret ballot, in government-supervised elections, on which union, if any, they want to represent them.

The law was supported by a coalition of once-feuding forces united, at least temporarily, by Gov. Brown in a political coup which can only boost his political status in California and across the country.

It came at a time when Chavez's UFWA appeared to be at its weakest stage since the union was formed, with even Chavez conceding he has only 15,000 members during the peak harvest season, and less than 20 union contracts.

M. E. (Andy) Anderson, head of the Western Conference of Teamsters, estimates that when the new law becomes effective Aug. 29, the Teamsters will have at least 467 farm labor contracts covering the 65,000 members they already have, and perhaps by then, many more.

With fewer than 80,000 farm workers belonging to unions out of a potential membership of about 250,000, the stage is thus set for a new kind of battle in California agriculture, one which will see workers voting under government supervision on the issue of union representation. Hopefully, the battle will be fought with electioneering words, not the fists and sticks and sometimes guns that have marked agricultural disputes in recent years.

It may not all be peaceful. There is still occasional violence despite the National Labor Relations Act which Congress passed 40 years ago to regulate and minimize conflict in nonfarm labor relations.

And now the claims being made by all sides about the true feeling of farm workers will be tested at the ballot box.

Growers who have signed contracts with the Teamsters Union have insisted their workers really wanted the Teamsters, not Chavez or the UFWA, and the Teamsters, of course, agreed.

Chavez insisted all along that workers were forced by growers and Teamster officials into the Teamsters Union to thwart the militant UFWA, which is oriented around Mexican-Americans, who make up the bulk of California's farm labor work force.

The truth is, no one really knows which union the majority of workers want, if any.

It is possible that, while Chavez and the UFWA must be credited with sparking the workers' revolution in agriculture, the Teamsters could walk away with the victor's laurels.

Few observers believe farm workers will vote for no union, at least not on those farms where contracts now are in effect.

Chavez will be gambling the bulk of the vast support he and his union have developed in the last 10 years among most church leaders, liberals and millions of other people around the world.

That support stemmed from the conviction of most of those supporters that farm workers themselves want Chavez and the UFWA.

If honest elections do not substantiate that conviction, the UFWA could be wiped out.

In contrast, if the Teamsters do not win most of the elections, that union is so large it could stay in the battle for years. It does not rely on public support.

Growers, UFWA officials and Teamsters leaders Thursday all promised to try and make the new law work.

Secretary of Agriculture and Services Rose Bird, who did most of the legal work on the law, said it will take the cooperation of all those involved to end the chaos of farm labor disputes even with the new law.

While promising to try and make the law work, however, Teamsters officers and many growers maintain it is a measure designed primarily to help the UFWA.

For instance, it allows secondary boycotts, so the UFWA can try and get employes of a market, for instance, to refuse to handle products of a grower being struck by the UFWA.

Such tactics are not allowed under the federal labor law, but since that law doesn't apply to farms, secondary boycotts will be legal in California.

Some growers now regret their decision to work with the Teamsters Union as a means of getting rid of Chavez, UFWA.

One grower fumed in a recent off-the-record conversation that, "We were a bunch of god-damned fools. We might never have had any union if we hadn't cooperated with the Teamsters to keep Chavez out."

For many generations, California ranchers, like farmers in every part of the country, fought unionization of field workers.

Some of the physical battles started in the 1900s, and the redoubtable growers easily won all of them.

Legislative encounters with the unions also resulted in grower victories over the years, and California's farmers were part of the powerful farm bloc which successfully fought inclusion of farm workers in the Wagner Act which helped bring millions of factory workers into labor unions.

The growers grim determination to prevent unionization of field workers was as strong or stronger, and certainly longer lasting, than factory workers encountered from the auto and steel industries during the organizing campaigns of the 1930s.

The hard-line, antiunion stance did not change significantly until Chavez launched the strike and worldwide boycott against 27 Delano area grape growers on Sept. 8, 1965.

Chavez, a militant Catholic who prides himself on his $5 a week salary, plus limited expenses, flaunted the symbols of his religious faith, fasting, praying, lighting candles for Mass out in the fields at night.

The boycott of grapes was a devastating success, and five hate-filled years after it began, grape growers surrendered and negotiated contracts with the UFWA.

But when those contracts expired three

UMI

years ago, the growers suddenly announced they had signed contracts with the Teamsters Union, apparently assuming that the Teamsters would be easier to get along with than Chevez' union.

The UFWA immediately launched new strikes and boycotts against the grape growers, against lettuce growers and against Gallo Winery, which also signed up with the Teamsters after dropping the UFWA contracts.

No worker votes were taken, but few industrial employers ever sounded as enthusiastic about labor contracts as some of the growers did when they signed with the Teamsters.

The growers warned that even if the Teamsters decided to get out of the fight, the growers would go all the way to the U.S. Supreme Court to maintain the validity of those contracts.

Now, the new law will recognize contracts as valid only if the majority of workers on a farm have voted for the union involved, although the law will not automatically invalidate existing agreements. It will take a union representation election to do that, but, for the first time, the system is available to knock out any contracts signed without worker approval.

It is easier to measure the result of the mechanical revolution in agriculture than the social one, but some figures are available.

For instance, when Chavez began, the average California farm worker earned $1.42 an hour, or 47% of the average industrial worker's wage.

Today, the California average for farm workers is $2.64 an hour, or 58% of the factory worker's wage.

Even more important than the substantial gain in wages, however, are the changes in attitudes.

For generations, farm workers were known only as "hands" to many of their employers. Housing ranged from poor to disgraceful. Today, workers are treated with much more respect, housing has improved, and the views of the workers are being carefully considered as growers anxiously await the result of those upcoming elections.

At least some of these changes are due to the promise, or the threat, of a militant Chavez and his UFWA.

Chavez did have trouble with the administration of his union, so much so that growers who signed contracts with him said it became intolerable.

Now that the ballot box system is available to demonstrate the choice of the workers, each side is getting ready for a new kind of contest.

Anderson, the Teamsters Union leader, feels his forces are in good shape for the battle.

"We've got good contracts and our success in the future will be based on our ability to get those contracts and improve them. The workers can see for themselves what the Teamsters Union can do."

The Teamsters first tried a separate union of farm workers, but now have reformed their organizational structure and have farm worker members in nine different Teamster locals throughout the state. The Teamsters also have an agricultural division, which employs 35 organizers who move from local to local to help with the farm worker campaigns.

"We are going to service farm worker members like we do our members who are truck drivers, warehousemen and all of the other categories, and everyone knows, I think, that our contracts are among the best in the entire country," Anderson said in an interview Thursday.

"We'll organize based on our achievements, not with street demonstrations, red flag wavings, or using the Catholic Church," he said.

The Teamster official has been advocating the use of secret ballot elections for several years, but until a few weeks ago, no agreement could be reached on the specifics of a farm labor law.

The Teamsters will resume bargaining soon on new contracts to replace pacts which expire July 15 for most lettuce workers in California.

And Anderson said, "We're going to treat those growers like any other employers, with the goal of making the farm workers first-class Teamster members, with all of the wages and benefits our other members enjoy."

Chavez, in a separate interview, said his forces, too, are ready, but specific plans have not been completed yet on which farms will be targeted first for elections.

Under the law, a union must first get 50% of the workers on a farm to sign cards saying they want a union and that move can come only when the grower has employed at least half of the total expected at the peak season of the year.

Chavez said, "We'll have elections first where the workers want them, but the interest is fantastic already.

"I went down to Coachella Valley the other day without any advance planning and just stood outside our hall there for a few minutes when more than 80 people came by asking how to get elections and what the new law means.

"We're getting 200 to 300 inquiries a day in our offices around the state from farm workers who want a union, and in addition, we have ranch committees working not just on those farms where we have contracts, but even on those places where the Teamsters have contracts."

Chavez said the UFWA will keep the pressure on growers through the boycott until elections are won or lost.

The UFWA has 26 area offices, in addition to the ranch committees, and through these facilities Chavez said the UFWA will keep close check on evidence of further, illegal collusion between Teamsters and growers.

While growers generally said they have strong reservations about the law, and especially about the secondary boycott provision, they seemed relieved to know that, for the first time, the battle over unionization of farm workers will be guided by laws.

[From the New York Times, May 30, 1975]

CALIFORNIA FARM WORKERS LAW PASSED

(By Wallace Turner)

SAN FRANCISCO, May 29.—The California Legislature completed passage today of the Agricultural Labor Relations Act and sent it to the man who proposed it, Gov. Edmund G. Brown, Jr., who will sign it next week.

Final passage came in the Assembly by a vote of 63 to 10. The Senate had earlier approved the bill 31 to 7.

The law is expected to bring deep changes in this state's immense agricultural operations and could set a national pattern. It is designed to end the strife that resulted from competing negotiation drives of the United Farm Workers Union led by Cesar Chavez and the International Brotherhood of Teamsters.

The legislation came before a special legislative session, meeting during the regular session, as a device to make the act effective in September. The harvest of many crops will then be in full swing so that union representation elections can be held. Otherwise, the bill would be effective Jan. 1 with much disruption of contracts during the interim.

The new law is modeled on the National Labor Relations Act. It is designed, according to one of its authors, to change the flow of power on which farm labor organization in this state has been based. The national law has never covered farm workers, which is one of the reasons for the competition that has characterized field labor unions here. In addition, the growers have been able to play unions off against each other, and this will end also.

"Traditionally, farm labor has been organized from the top down," said Rose Elizabeth Bird, Secretary of Agriculture and Services, to whom Governor Brown in January gave the job of producing a farm labor bill. "Cesar Chavez used boycotts to force growers to sign up. The teamsters negotiated directly with the growers, who forced workers to join the union.

"We wanted to change that," she said. "We wanted to give the farm workers themselves the power."

The bill sets up a five-member board that will be appointed by Governor Brown. The board will oversee secret ballot elections to select unions. The workers on a farm will decide between competing unions, or for no union, the latter a provision written in at the growers' insistence.

"We wanted the secret ballot elections to encourage democratization among farm workers," said Secretary Bird. "Also, by use of this key institution in American life, the secret ballot, we overcome the question of legitimacy which has plagued farm union organizations here."

The growers have asserted that the United Farm Workers coerced field workers into union membership. That union has argued that grower sold out field workers by forcing them to join the teamsters.

The new act permits strikes at any time. But the secret ballot certification elections can be held only during harvest, to insure voting opportunity or the maximum number of workers. Elections must be called quickly after filing of qualified petitions seeking them. No negotiation can begin with a grower until certification has been won by the union.

The major interests touched by the bill all got some benefit from it. The growers were persuaded by Governor Brown that they must accept this act to avoid being caught in disputes between competing unions. The teamsters were persuaded that a bill would be passed with Governor Brown's backing, so when they received some protection through amendments, they supported the bill. For the United Farm Workers the legislation provides a chance for re-establishment of contracts through persuading field workers to join the union.

NO SECONDARY BOYCOTTS

Agreement was reached that the law will forbid secondary boycotts of the sort that tried to prevent goods from reaching the market place, but consumer educational boycotts against buying from a grower who is under attack will be permitted.

The bill that was passed was the result of a series of discussions, the most crucial of which were usually led by Governor Brown, a 37-year-old who once worked in the fields while he was a Jesuit seminary student and who marched with the United Farm Workers in the nineteen sixties when they sought contracts with grape growers.

The expectation is that the new law will put an end to one kind of conflict between the U.F.W. and the Teamsters. In the past, the U.F.W. has charged the Teamsters and growers with conspiring to force the Chavez union out of the fields.

In 1970 the Teamsters began to pick off contracts with growers who had been brought into the U.F.W. rift by the grape boycotts of the nineteen sixties. In 1972 the California State Supreme Court held that there was collusion with the growers in some of these contracts. The secret ballot elections presumbaly will stop this kind of dispute.

There is a question whether the U.F.W. will attempt to keep alive its present boycotts, such as those against the Gallo winerie of Modesto and the Franzia wineries of Stockton. The U.F.W. also has boycotts going against iceberg lettuce at Salinas and against table grapes. These will probably continue until September to keep up pressure against the employers.

KENNETH B. KEATING

Mr. FANNIN. Mr. President, few men have had the talent and the energy to serve their Nation so well for so long in so many capacities as Kenneth B. Keating.

During his distinguished career he was an attorney, a much-decorated soldier, a Member of the House of Representatives, a U.S. Senator, a judge, and an ambassador. In each of these endeavors he served the people of the State of New York and the people of the United States with enthusiasm and distinction. He was a man who welcomed responsibilities and never rejected challenges.

Although over draft age, he gave up his very successful law practice to serve in the Army in World War II where he earned numerous decorations. During his six terms in the House of Representatives and his 6 years in the Senate, Kenneth Keating was outspoken on issues but at the same time a man known for his fine sense of humor. His final assignments on behalf of our country, as ambassador to India and then to Israel, were difficult tasks which he performed with great skill.

Mr. President, although I missed the opportunity to serve at the same time as Kenneth Keating in the Senate, I am well aware of his patriotism, of his great contributions to the Nation, and of the high regard in which he was held by his colleagues in the Congress.

We are saddened that this outstanding man has died, but we also give thanks that we were fortunate enough to benefit from his service which enriched our Nation immeasurably.

THE SAGA OF AMERICAN BEEF

Mr. CLARK. Mr. President, earlier this year, Senator CURTIS and I introduced S. 1532, the Packer Bonding Amendments of 1975, because we are convinced that this country's livestock producers deserve some protection from financial disaster in the event of packer bankruptcies. The need for that protection is not theoretical.

On January 7, American Beef Packers, Inc., one of the largest meatpacking firms in the country filed a petition for bankruptcy. For livestock producers, the impact was sudden and devastating. And, as a result, several hundred producers in Iowa, Nebraska, and other States are holding more than $20 million in unpaid checks written by American Beef.

It is not possible to legislate a resolution to the collapse of American Beef—the matter is in the courts—but it is possible to help prevent future bankruptcies from crippling livestock producers. S. 1532 attempts to do that by giving the Secretary of Agriculture the authority to require that packers be bonded and that they pay producers by certified check or, in some cases, in cash. In addition, it would enable people to seek damages through the Packers and Stockyards Administration—as well as the courts—from packers that have broken the law.

The sad and strange case of American Beef presents a compelling case for the legislation. In today's Washington Post, reporter Dan Morgan describes the company's financial collapse and its impact.

I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 3, 1975]

AMERICAN BEEF, INC.: FALL OF AN EMPIRE

(By Dan Morgan)

OMAHA.—Local people say this city already has experienced two disasters in 1975.

One was the May 6 tornado that demolished scores of homes and businesses and caused millions of dollars in damage.

The other was the financial collapse of American Beef Packers, Inc., whose meteoric growth had been the talk of the $30-billion-a-year meat-packing industry until its lawyers went into court Jan. 7 with a limited bankruptcy petition.

Most of the wreckage left by the tornado was speedily cleared away, but lawyers and investigators still are sifting through the legal and economic debris left after the corporation's collapse.

Several hundred farmers in half a dozen states still are waiting to be paid some $22 million for cattle they delivered to American Beef just before it filed for bankruptcy. Many are holding checks written on empty company bank accounts.

For some smaller operators, the blow has meant personal sacrifices, dashed plans and deep uncertainty. American taxpayers also may be among the losers. Lawyers have indicated in U.S. District Court in Omaha that deferred company income taxes of $2,745,000 may go largely uncollected.

Although the firm's Oakland, Iowa, plant reopened Feb. 24 with the aid of a $7 million loan from the General Electric Credit Corp., officials here believe the closing of American Beef plants after Jan. 7 probably depressed cattle prices paid to farmers, at least temporarily.

Cattlemen found that a major bidder for their livestock had disappeared overnight.

American Beef's Jan. 7 blockbuster has led to numerous federal and state investigations as well as call for reform of the laws governing the packing industry.

The plight of the company has focused national attention on an industry at the very center of the American farm economy—an industry that operates on quick decisions, enormous volume, thin profit margins and financial fine tuning.

In Omaha, however, local attention has tended to focus on the saga of Frank R. West, 55, company president, chairman and founder, as he maneuvers to keep control of the company he built. West was not in Omaha and could not be interviewed there last week. But by most accounts the man at the center of the storm is a prototypical Western entrepreneur, nurtured in the Nebraska climate of no-holds-barred free enterprise, an individual with a forceful and ambitious personality to match his towering, six-foot three-inch frame.

To friends and admirers, West is a victim of the downturn in the U.S. economy and of the boom-induced expansion psychology that permeated the meat-packing industry until recently. Even now, they say, he may find a way to stay at the helm.

To enemies and critics, he is a man who showed questionable business judgment—investing in a new, ultramodern plant in Dumas, Tex. whose costs soared from $10 million to $23 million in three years, sometimes buying livestock on speculation and imposing a one-man rule.

Long before his present difficulties, West had had brushes with federal regulations. Last year, the Department of Agriculture charged American Beef and West's Farmland Enterprises with numerous violations of the Packers and Stockyards Act, including charges of issuing false invoices and manipulating hog prices in Omaha.

West's companies never admitted any of the allegations, but the complaint was settled last June by a consent order in which West agreed to give up a substantial interest in Farmland Enterprises, a major hog-buying firm on the Omaha market.

But those difficulties, are minor, compared to his present ones.

The Securities and Exchange Commission has asked the court to appoint a receiver to manage American Beef, thus removing West from control.

After the bad checks circulated, West and three other officials of the firm were named in warrants from South Dakota charging grand larceny, fraud and issuing checks with insufficient funds to cattlemen.

A federal grand jury in Omaha is hearing testimony in the case and investigations are being conducted by the state attorneys-general of Iowa and Nebraska, the Securities and Exchange Commission, the Internal Revenue Service, the Postal Service and the Department of Agriculture.

Among questions being examined, according to sources, is whether company officials knew bank accounts would not be replenished when they wrote the bad checks.

Another issue is whether American Beef or other meat packers violated the 1973 price freeze on meat.

In March, a plant manager for American Beef was indicted by the federal grand jury in Omaha on charges of perjury in connection with a bribery investigation.

The grand jury was investigating whether any person had paid money to federal meat inspectors or graders for the purpose of "corruptly influencing" them.

West pyramided his holdings from humble business beginnings, selling and buying hogs in the Omaha stockyards. In the early 1960s, he founded a hog-slaughtering company in Harlan, Iowa, and later incorporated it into American Beef. He began acquiring or building packing houses in Colorado, Nebraska, Iowa, and Texas, riding the crest of a revolutionary decentralization of the industry into remote parts of the corn belt and the Southwest.

By 1974, American Beef's sales totaled $891 million, making it the 218th largest company in the nation. It was one of the country's major buyers of choice steers and it bought the largest number of hogs on the Omaha market.

Through all this growth, West never shed his rough hard-driving ways or relaxed his one-man control over the company, associates say.

"Frank West was a guy who was showing up at the office with muddy boots after selling hogs in the yards all morning, even when this company was taking off," said a former associate. "He was also a guy who had to make decisions. You'd go into his office just to talk, and come out with a decision, even though it wasn't time for one."

What went wrong with American Beef is therefore partly traceable to the forceful personality of Frank West, some of both his associates and enemies say.

Yet more is emerging from the testimony and documents filed with the court here—and from other sources—than a portrait of West and his company. Also emerging is an unusual picture of the American meat packing industry.

Many packing companies, including American Beef, operate on profits of under 1 per cent of total sales. They work in an atmos-

UMI

phere of frenzied competition, with powerful economic pressures exerted on them to cut corners and to extend their financial leverage.

The Agriculture Department's Packers and Stockyards Administration has regulations that require packers to pay their suppliers of cattle within 48 hours. But there is no such law requiring retail chains, meat purveyors and wholesalers who buy from packers to pay promptly.

Because of this payment lag, the packing industry requires vast amounts of credit. At the time it filed for bankruptcy, American Beef was selling some $3 million worth of meat daily. Because of a payment lag of up to 15 days, its accounts receivable totaled some $45 million.

The debt was financed by General Electric Credit Corp. through a revolving fund. American Beef's customers would mail payments to an East Coast "lock box" accessible to General Electric. Several times a day, General Electric representatives would empty the lock box, tally the payments and wire American Beef more credit on the basis of the new payments.

In Omaha, money managers of American Beef tried to slow down clearance of payments to the farmers by establishing checking accounts in remote parts of the country. Checks written on these accounts took longer to clear.

A number of the worthless checks now held by Midwest farmers were written on the Greenville, N.C., branch of the Wachovia National Bank in Winston-Salem, and on a Spokane, Wash., branch of the Seattle National Bank.

During Feb. 12 testimony in Omaha's Federal Bankruptcy Court, Thomas J. Clark, vice president of finance for American Beef until his recent resignation, said this "cash management" scheme had been outlined in a brochure from the Wachovia bank and that Seattle also was "selling us this system."

"It would add maybe one or two days . . . on the time these checks were presented for payment," Clark said.

In the wake of the bankruptcy petition, many questions remain unanswered, according to various officials in Omaha.

Federal officials say they have no evidence to back charges raised by some farmers that American Beef escalated its purchases of cattle right before the collapse.

But the SEC's petition to appoint a receiver, joined by the attorneys-general of Nebraska and Iowa, raises other serious charges.

The petition alleges that American Beef transferred money to "affiliated companies" before and after filing for protection under bankruptcy law, transacted business with companies in which West had a significant interest "to the detriment of the debtor," and diverted payments from the General Electric Credit Corp.'s revolving fund. The latter charge was raised by General Electric as grounds for pulling out of its financing scheme, the step that brought on the company's collapse.

As a result of the American Beef tangle, cattlemen and state and federal legislators have proposed many reforms, including requirements that packers be insured against financial defaults by bonding companies, that retailers be required to pay their bills faster and that packers be required to pay farmers with government-certified accounts at in-state banks.

The limited bankruptcy petition filed by West's lawyers seeks to keep American Beef operating while a plan to repay creditors is worked out. On April 16, the company proposed paying creditors owned less than $5,000 half their money and bigger creditors up to 80 per cent over five year. The plan was rejected by the creditors' representatives.

Sources close to negotiations taking place between American Beef, General Electric Credit Corp. and the creditors say they are optimistic that an acceptable plan will be reached in a few days.

"It's not a question of a plan that will satisfy everyone," said B. H. (Bill) Jones, executive vice president of the National Livestock Feeders Association. "It's a question of what is plausible."

A major element in any solution will be the sale of the American Beef plant in Dumas, Tex., built to serve the huge new investor-financed cattle feed lots in the Southwest. Swift Packing Co. has offered $18 million for it.

In the seven weeks following the collapse, General Electric Credit Corp. collected $43 million of American Beef's accounts receivable, thus covering most of its own operating loans, while farmers got nothing. At the same time, there was testimony at the Feb. 12 hearing that West had "halved" his salary to $75,000 a year.

Dozens of suits from farmers assert that General Electric had no right to claim the money accruing from the sale of carcasses and cuts following the bankruptcy action.

Although many creditors say they will not accept any solution that allows West a voice in management of the company, some believe he will hang on.

Several months ago, he placed a full-page advertisement in the Omaha World-Herald declaring:

"We at American Beef deeply want to get back into production and get everyone repaid. We plan to do this, we will do this. If only we have the time.

"The rumor has me absconding everywhere from Brazil to Bora Bora. I've been right here on the job, and have no intention of going anywhere else."

West repeatedly has insisted he never intended to defraud farmers. In retrospect, some old associates take the blame for not being more forceful in fighting West on decisions they know were damaging to the firm.

"We were too complacent," said former feedlot manager Walter Hackney.

Loren D. Schultz, who farms several hundred acres of rented land in Wisner, Neb., was so stunned by the news of the collapse of American Beef Packers, Inc., that he just "stood still for a while," he recalls. Then he "called them a few dirty names."

Schultz is one of several hundred Midwestern farmers who are holding uncashable checks from American Beef for cattle delivered just before the company petitioned for bankruptcy.

The company owes Schultz $23,000 for two truckloads shipped to a nearby American Beef plant four days before the collapse Jan. 7. For a small farmer such as Schultz the setback has been devastating.

He owes $17,000 in bank notes, which he had expected to pay off with proceeds of the cattle sale. He has postponed indefinitely his plans to buy his own farm, scaled down his farming operations drastically and lowered his living standard.

Schultz says he got through the winter by "just living damn cheap. We had figured the kids (three daughters) were growing up and now we'd spend a little more for a couch and living room furniture. Heck, now we're just sitting still. We can't do a thing."

For Schultz, the bad checks from American Beef added insult to injury. He had figured to lose about $175 a head on the cattle anyway, because of January's sagging market and high feed prices.

The checks Schultz got from the company, written on a bank in Winston-Salem, N.C., were returned because the company's account was insufficient to cover them.

Since then, Schultz has felt the financial squeeze steadily tightening. "At first, I could afford to sit back and hope they'd pay off. But now, this time of year, you need the money to buy fertilizer and things."

His banker has extended his loans. "He hasn't pushed me—we're going to surely get something out of this, he says." But Schultz has had to cut back his farming because banks are reluctant to make new loans for cattle buying, and as months pass he is less sure of the future.

He is bitter at the ways of big companies—bitter at the General Electric Corp. because its operating loans to American Beef were paid off before the farmers' accounts were. And he is angry at the packers.

"They have it all their way to start with, you might say. Hell, we've taken the loss. The sick cattle have died on us, and we have all the expenses until we ship them. And then the packer comes out and tells us, 'We don't want no hidden expenses'."

Mr. CLARK. Mr. President, the packer bonding legislation now has 11 cosponsors, and Senator CURTIS and I hope to hold hearings on the bill in Omaha and Washington, D.C., in the near future. As the saga of American Beef makes all too clear, it is needed.

UNION EXEMPTION FROM ANTITRUST LAWS

Mr. FANNIN. Mr. President, most of our basic labor-management laws contain a provision exempting unions from the antitrust laws. Over the years the U.S. Supreme Court has held that unions are exempt only when they join with one or more employer in an illegal agreement. Until Monday of this week the construction industry had been held exempt.

On June 2, 1975, the High Court held that general building contractors in Dallas, Tex., could sue a plumber's union under Federal antitrust laws. The union had picketed the employers to force them to agree to a contract provision that the employers would contract only to union subcontractors.

As a cosponsor of Senator THURMOND's bill, S. 926, which would bring the unions under the antitrust laws, I welcome this small step that the Court has taken to equalize the power of unions and employers. I ask unanimous consent to have printed in the RECORD a newsstory from this morning's edition of the Wall Street Journal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 3, 1975]

HIGH COURT DEALS BLOW TO LABOR IN ANTITRUST ISSUE

(By Wayne E. Green)

WASHINGTON.—The Supreme Court dealt labor a major setback by expanding the circumstances in which unions can be sued under federal antitrust laws.

In a five-to-four decision involving a building-trades union, the high court said unions are subject to antitrust attack if they coerce general contractors into agreements that "indiscriminately" keep nonunion companies from competing for subcontracting business.

The decision upheld the right of Connell Construction Co., a general building contractor in Dallas, to sue a Plumbers and Steamfitters local under federal antitrust law. Connell filed the suit after the union pressured Connell, through picketing, to agree to let subcontracts for mechanical work only to companies that had collective bargaining agreements with the union. The high court rejected the union's claims of antitrust immunity.

In a separate labor case, the Supreme Court limited the authority of federal judges to review Labor Department decisions against challenging union elections. It held eight-to-one that Congress didn't intend to bar all judicial review of such decisions, but the high court said the scope of review is a narrow one.

Writing for the majority, Justice William Brennan said the Labor Department must provide the reviewing court and the complaining union member with a written statement of why it decided against filing a suit. The reviewing court should then confine its examination to the statement, deciding whether the department's decision is "arbitrary and capricious," the Supreme Court said.

The suit was brought by Walter Bachowski, an unsuccessful candidate for a district director's position in a 1973 United Steelworkers election. Mr. Bachowski sought to set aside the election on grounds that certain disclosure provisions of federal labor law had been violated.

In the Connell Construction case, the high court acknowledged a broad antitrust immunity for organized labor. Some of it is included in federal antitrust statutes, which declare that labor unions aren't combinations or conspiracies and which exempt specific union activities—secondary picketing, for example—that are dealt with under federal labor statutes.

Moreover, the high court itself has created some antitrust immunity, under a National Labor policy that sometimes requires a tolerance of union activities that restrict business competition. Thus, it has held that union organizational efforts that reduce competition are sometimes proper if they are designed to eliminate substandard wages and working conditions. The high court has sometimes applied antitrust laws to unions but mainly in situations where the union has conspired with a non-labor party to eliminate competition.

The Connell Construction case didn't involve allegations of a conspiracy to eliminate competition. The local steamfitters union was trying to organize nonunion subcontractors in the Dallas area and, in support of that objective, sought to coerce general contractors, including Connell, to agree to deal only with union subcontractors.

Writing for the five-member majority, Justice Lewis Powell said the resulting agreements "indiscriminately excluded nonunion subcontractors from a portion of the market, even if their competitive advantages were not derived from substandard wages and working conditions, but rather from more efficient operating methods." Mr. Powell said that competition based on efficiency is a goal of antitrust laws and isn't a goal of federal labor policy.

Joining Mr. Powell in the majority were Chief Justice Warren Burger and Justices Byron White, Harry Blackmun and William Rehnquist. Justice Potter Stewart wrote a dissenting opinion joined by Justices Brennan, William O. Douglas and Thurgood Marshall.

Mr. Stewart said Congress didn't intend to restore antitrust sanctions to the kind of "secondary boycott activity" involved in this case.

NEW MEXICO'S STATE BAR ASSOCIATION PROPOSES SCHOOL LEGAL EDUCATION PROGRAM

Mr. MONTOYA. Mr. President, New Mexico, like other States, has had a continuing problem in controlling crime. Our crime statistics nationwide are increasing almost exponentially.

The most tragic aspect of our crime reports in recent years is the rapid growth in the number of juvenile crimes. Young people in the United States have not found that justice is always present in our juvenile court system, and they have not always been able to understand our law. They have, in some cases, lost respect for our Government, our laws, and the law enforcement officers who work to protect us. Nearly 40 percent of all crimes in the Nation are committed by young people under the age of 18—and that figure is rising every day.

In New Mexico we have passed legislation to establish a Children's Code of Justice. We have tried to correct the problems in the juvenile court system, tried to provide bilingual courts, and the State bar association has worked to establish a better understanding of the law among our young people.

Last fall I addressed the Citizens Conference on New Mexico Courts, with special emphasis on the need for more and better education programs on the law for our children. At that time I discussed the possibility of using our local school systems to establish a program of legal education for our children. I mentioned the work of a young New Mexico lawyer, Roy Schowers, in developing such a program.

I am delighted to be able to report that Mr. Schowers has now been appointed to head a State bar association project which will provide this kind of special educational program in the schools of our State.

I ask unanimous consent that an article published in the Albuquerque Journal on Sunday, May 25, be printed in the RECORD. This article discusses the New Mexico State Bar Association project in some detail, and explains what I feel will be a valuable model program in legal education for the young people in New Mexico.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Albuquerque Journal, May 25, 1975]

BAR ASSOCIATION PROPOSES SCHOOL LAW PROJECT

(By Sandy McCraw)

A school project which would teach children in all grades about the law and how it affects them has been proposed by a committee of the State Bar Assn.

Headed by attorney Raymond Schovers, the project goal is to "provide students with a better understanding of the fundamental values, principle and processes upon which our legal system is based."

The project could be viewed as a bicentennial program, Schowers said, the bar association plans to begin the process next year.

"The teaching of specifics of the law will be a secondary aspect of the program," Schowers said, with information being supplied for students to gain a "basic understanding of the legal process and the need for authority in our society."

The primary thesis of the program, Schowers continued, will be that "the informed student will respect law and thereby minimize anti-social behavior reducing delinquency and crime resulting in more effective citizens."

"It's not designed to teach children their rights so they can go stomping through the schools asserting them," he continued.

As an example of what the program is aimed toward, Schowers stated that from the first grade emphasis will be on "basic legal problem solving."

"We might discuss for the first graders a case in which someone takes a jump rope. We'd talk about why this is wrong and how citizens have to share. The program is designed to make children appreciate and respect someone else's property," Schowers said.

"We will discuss how in an ordered society, laws must apply. Well talk about how not everyone can hopscotch at the same time when there are only two sets of squares," he continued.

The training will advance with the level of the student but be based on the principles that were laid out by lower-grade programs, Schowers said.

"We can assume that since a number of juveniles are getting into trouble . . . that they have a misunderstanding of responsibility," he said.

"There could be an upsurge in interest in the political process and a lowering in juvenile delinquency statistics," he theorized.

The bar association committee—with representatives from the State departments of education—is currently studying curricula for the program and writing a grant request from the Law Enforcement Assistance Administration.

Other states have already initiated similar programs, Schowers said, and the committee will probably adopt existing materials and write supplementary texts which deal with New Mexico law.

One California program includes units on justice, privacy, responsibility, diversity, property, freedom and authority, Schowers said.

The committee has authorized Schowers to assess costs for the program based on the project, which is entitled "Law In a Free Society."

The courses would be taught in regular social studies of civics classes, Schowers said.

"In the civics class, we always go to the rights you will have when you attain adulthood. Juveniles are citizens also. They're more interested if these rights are applied to them in the present as well as in the future," he said.

But "the most important aspect" of the program would be teacher training, with graduate level courses being offered through a university program, Schowers said.

"Basically, I think we all assume the system is predicated on sound grounds, but few people even understand the Bill of Rights," Schowers said.

CORPORATE PROFITS

Mr. FANNIN. Mr. President, public opinion polls have indicated that many people have a frightening lack of knowledge about the profits made by American businesses and the importance of profits to our economy.

A Gallup poll last month found that the majority of college students believe that large corporations make enormous profits. The median average of the estimates was 45 percent, according to Dr. Gallup.

The antibusiness attitude evident in this poll has serious implications for the future of our country.

Corporate profits fell a record 22.3 percent in the first quarter of this year. It may only be a coincidence, but a Wall Street Journal story the same week this

UMI

statistic was released noted that job offers for college graduates were off 18 percent this spring. It takes profits to provide the capital and the investment incentives necessary to provide jobs. Estimates are that it takes between $25,000 and $30,000 to create one job in our economy—it can take over $100,000 per job in some industries.

If our Government continues to pile controls and taxes on private enterprise, we will stifle our industries and unemployment will grow. If we allow businesses and industries to function with relative freedom, Americans will have the jobs and the products and services they deserve.

Somehow, somewhere, our educational system or our families, or the business community itself, is failing to educate our young people regarding our economic system.

Without profit, our economic system will falter and the United States will sink into the mire along with other nations which have turned to socialism. There are plenty of examples around the world.

Mr. President, the Arizona Republic on May 27, 1975, printed an editorial regarding profits and the misinformation in the public mind. I ask unanimous consent to have this outstanding editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Arizona Republic, May 27, 1975]

WITHOUT PROFIT: ZILCH

Corporate profits are suspect in the United States, particularly those of the American multi national corporations that have expanded around the world.

In a way this reverses an earlier American belief. It was President Calvin Coolidge who once said, "The business of the United States is business."

Yet there is an abysmal ignorance about both profits and business in this country, particularly in the nation's colleges and universities.

George Bernard Shaw said, "Those who can, do. Those who can't, teach." And all too often those who teach seek to make fall guys of those who do.

Consider, for instance, an April 1975 Opinion Research Poll which asked a cross section of American citizens: "On the average what per cent of profit on each dollar of sales do you think auto companies make, after taxes?"

The answer, averaged from the entire sample, was that auto companies keep 39 cents out of each sales dollar as profit. The actual figure, as compiled by the First National City Bank, is 1.9 cents. That was for the year 1974. This year at least two of the big auto companies are reporting losses, not profits.

The same survey showed that the average estimate of oil company profits was 61 cents out of each dollar. The correct figure is 7.2 cents. The poll reveals the average manufacturer is believed to make 33 cents profit out of each dollar in sales. The correct figure is 5.2 cents.

Too many Americans think that only a handful of rich people are hurt when profits decline. In point of fact, everybody is hurt. There would be no layoffs in the Detroit auto factories today if the companies were making their ordinary profits.

Thomas A. Murphy, chairman of General Motors Corp., said:

"It is not only business that lives on profits, it is our employees, our schools, our hospitals, our welfare system, our police and fire departments, our national defense system, our playgrounds, our national parks, our libraries, our museums, our entire national life."

Murphy's statement is demonstrably true. And yet, a columnist in the Wall Street Journal recently raised the question: "Why, in view of the general prosperity which the free exercise of our profit system has brought to our society, is it held in such low esteem—indeed in contempt—by intellectuals, academics, students, the media, politicians, even our very own children?"

That question takes us back to the classroom where all too little effort is made to demonstrate the success of the profit system, or the free enterprise system if you will.

Let us make one thing clear. There is more than the quest of profit in the American business world. The big companies (as well as the small) have provided high wages, reasonable hours, protection for women and children, opportunities for minorities, quality controls, and environmental improvement.

But without profit, there would be none of these things. It will be a great day for the United States when American educators begin to realize that everything else depends on someone's making a profit.

BANK OF NORTH DAKOTA

Mr. BURDICK. Mr. President, while the economies of many States are approaching conditions prevalent in the depression years, the economy of North Dakota is strong. Supported by a firm agricultural will, complemented by a vibrant and energetic small business sector, and buoyed by our pioneer spirit, we in North Dakota have managed for the most part to withstand the boom and bust cycles which recently have dealt such devastating blows to many of our neighboring States.

The above-mentioned factors are truly assets of our State. Unfortunately, we are unable to lend our strength of soul, richness of soil, clean air or jobs and opportunities to our neighbors. However, one idea which bears sharing is that of the Bank of North Dakota, the only State-owned bank in the Nation.

I have noted growing interest in North Dakota's 56-year old "experiment" in legislatures of Colorado, Washington, and New York are considering setting up banks on the North Dakota model. As Mr. H. L. Thorndal, president of the Bank of North Dakota, testifying at a recent New York State Assembly hearing, explained,

(The bank) did not propose to compete with existing banks but to cooperate with them and assist in developing and coordinating the financial services of the State to meet the needs of the people.

I would recommend to my colleagues an article which recently appeared in the Sunday New York Times, April 13, 1975, section 3, page 4, which deals in a very thorough way with the bank. The article entitled, "The Only Bank of Its Kind," was written by Mr. Philip Matthews of the Fargo Forum. Mr. Matthews, as usual, has presented the essentials of the story in the concise yet fluid form to which his many readers have become accustomed.

Mr. President, I ask unanimous consent that Mr. Matthews' article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ONLY BANK OF ITS KIND

(By Philip Matthews)

BISMARCK, N.D.—Liberal politicians in New York and elsewhere seeking to set up an institution modeled on the Bank of North Dakota might be surprised at some of its characteristics.

It's a $382-million giant, the biggest in a 1,350-mile swath across the northern United States. It is four times as big as any other bank in the state, has one customer that provides nearly all its deposits and doesn't pay any taxes on its hugh profits—$9.2-million last year on capital of only $6-million.

What's more, its loans are all riskless since they are guaranteed against loss by the Government and the bank has only 83 on its payroll.

Although the Bank of North Dakota seems at least superficially unworthy of emulation, in a free-enterprise system, it has a long history of popularity in a part of the country that is largely conservative.

Founded in 1919 with $2-million of state money, the bank was designed to provide local financing at a time when out-of-state bankers were charging up to 12½ percent interest for short-term rural credit.

The bank—still the only state-owned one in the nation—rescued thousands of farmers from financial ruin in the nineteen-twenties and $16-million in the process. It foreclosed on about 9,600 of the 16,000 mortgages it held but even so there was no doubt about the primary concern for the health of the farming economy.

The bank now has about $32-million in loans to farmers or farm-related industries, $35-million in housing loans and $27-million in student loans. These are presumably high on the list of priorities of those who are proposing the formation of state-owned banks in Washington and Colorado as well as in New York.

In New York supporters present the idea as a profit-seeking venture as well as a governmental "yardstick" to measure overall the performance of commercial banks.

According to H. L. Thorndal, President of the Bank of North Dakota, "The legislative intent was for our bank to function as a service organization and we feel we are giving that service. It just so happens that we are making a lot of money at the same time."

But Mr. Thorndal minimized in an interview the notion of acting as a standard of banking, citing the vast differences between North Dakota and New York and maintaining that no conclusions should be drawn from experiments in other fields such as the generation of electric power by the Tennessee Valley Authority.

"We're not in competition—we're partners in progress for North Dakota with other financial institutions," he declared.

PANAMA

Mr. KENNEDY. Mr. President, in 1965, after consulting with former Presidents Eisenhower and Truman, President Lyndon Johnson entered into a public commitment for the renegotiation of the Hay-Buneau-Varilla Treaty of 1903—the Panama Canal Treaty.

Negotiations on a new treaty have followed a meandering course for nearly a decade. However, the administration in the past 2 years has put additional energies into achieving a treaty mutually acceptable to our interests and to the legitimate concerns of the people of Panama.

Just prior to the Tlatelolco conference in Mexico in February 1974, Secretary of State Kissinger signed a statement of principles outlining the general terms that would govern the future treaty. I ask unanimous consent that this statement be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KENNEDY. Since then, Ambassador Ellsworth Bunker has led a U.S. negotiating team in attempting to work out the details of a draft treaty which ultimately will be brought to the Senate.

Unfortunately, even prior to the arrival of the draft treaty, a group of Senators apparently opposed to a change in the current situation has made their views known through the presentation of a resolution.

I hope that their concerns may yet be allayed by the content of the draft treaty since I believe it is essential that a new treaty sensitive to our interests and to the interests of Panama be ratified.

In a recent news article, Theodore M. Sorenson has commented on the dangers inherent in maintaining a negative attitude on the question of a new treaty. He stated:

If our imperial past and Pentagon pressures cause the Senate to reject such a treaty, then we will not only alienate all of Latin America but also risk the future of the canal and hemispheric peace.

I ask unanimous consent that the full article be printed at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. KENNEDY. The consequences of a failure to resolve this lingering conflict with Panama clearly extend far beyond the matter of our relations with that nation alone.

Thus the OAS General Assembly in its recent meeting here in Washington resolved:

To express the hope that a prompt and successful conclusion will be reached in the negotiations that the governments of the United States and the Republic of Panama have been conducting for eleven years for the purpose of concluding a new, just, and fair treaty concerning the Canal, which will definitely eliminate the causes of conflict between the two countries and be efficacious in strengthening international cooperation and peace in the Americas.

I ask unanimous consent that the full text of the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

[General Assembly, Fifth Regular Session, May 8, 1975, Washington, D.C.]

NEGOTIATIONS BETWEEN THE GOVERNMENTS OF PANAMA AND THE UNITED STATES OF AMERICA ON THE QUESTION OF THE PANAMA CANAL

(Resolution adopted at the first plenary session, held on May 15, 1975)

The General Assembly,

Having heard the report on the negotiations concerning the Panama Canal question made by the representatives of the United States and Panama and

Considering:

That the Meetings of Foreign Ministers held in Bogotá, Tlatelolco, and Washington proclaimed the Panama Canal question to be of common interest for Latin America;

That on March 24, 1975, the Head of the Panamanian Government and the Presidents of Colombia, Costa Rica, and Venezuela signed in Panama City a declaration concerning the Panama Canal question; and

That the Declaration has as antecedents the Joint Declaration signed by the United States and Panama in the Council of the Organization of American States on April 3, 1964, and an eight-point agreement signed by the two countries on February 7, 1974, known as the Tack-Kissinger Statement,

Resolves:

1. To note with satisfaction that on February 7, 1974, the Foreign Minister of the Republic of Panama and the Secretary of the United States signed an eight-point Statement setting forth basic principles that will serve as a guide for the negotiators of the two countries, in which its is stipulated, *inter alia*, that the Panamanian territory of which the Panama Canal forms a part will soon be returned to the jurisdiction of the Republic of Panama, and that the Republic will assume total responsibility for the interoceanic canal on the termination of the new treaty.

2. To note with satisfaction the report presented by the Delegations of the United States and of Panama, which records the progress made.

3. To express the hope that a prompt and successful conclusion will be reached in the negotiations that the governments of the United States and the Republic of Panama have been conducting for eleven years for the purpose of concluding a new, just, and fair treaty concerning the Canal, which will definitively eliminate the causes of conflict between the two countries and be efficacious in strengthening international cooperation and peace in the Americas.

Mr. KENNEDY. Mr. President, perhaps the person most sensitive to the intensity of feeling on this matter is Ambassador Bunker. He has not only been the chief negotiator but also has been deeply aware of the feelings of other Latin American nations.

For that reason, I also urge my colleagues to study carefully his recent speech in Seattle, Wash., and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PANAMA AND THE UNITED STATES: TOWARD A NEW RELATIONSHIP

(Address by Ellsworth Bunker)

I am happy to be with you this afternoon and to have this opportunity to speak on the efforts now underway to create a new relationship between Panama and the United States.

I know that the arrangements for the future operation of the Panama Canal are of great interest to a major maritime city such as Seattle.

But there are broader reasons why negotiations over the future of the Canal should concern Americans. For the successful conclusion of a new agreement on the Canal:

Would demonstrate the possibility, in the conduct of our foreign relations, of resolving problems when they are susceptible to accommodation and compromise, rather than waiting until they raise the danger of confrontation and possible use of military force;

Would provide concrete evidence of our country's willingness to move toward a more mature partnership with Latin America, where we have often in the past been accused of paternalism or neglect; and,

It would serve as an example of practical cooperation between a large and a small country, a developed and a less developed country. Such cooperation is indispensable if we are to achieve what the Secretary of State recently described as the aim of U.S. foreign policy: "to help shape a new structure of international relations which promotes cooperation rather than force; negotiation rather than confrontation, and the positive aspirations of peoples rather than the accumulation of arms by nations."

In the past, when serving as a U.S. negotiator, I have made it a habit to keep my mouth shut publicly while negotiations were in progress. The fact that I have decided to discuss today some of the key issues in the current Canal negotiations reflects another basic element of this Administration's conduct of foreign policy—the awareness that no foreign policy decision, and particularly no significant change in foreign policy, can take place without the advice and consent of Congress and the informed support of the American people, on the basis of candid and reasonable public discussion.

The story begins 72 years ago.

In 1903 the newly-independent Republic of Panama granted to the United States—in the Hay-Bunau-Varilla Treaty—a strip of its territory 10 miles wide and 50 miles long for the construction, maintenance, operation and protection of a Canal between the Atlantic and Pacific.

Panama also granted to the United States—in perpetuity—all of rights, power and authority to act within that strip of territory as "if it were the sovereign."

That the Treaty favored the United States was acknowledged promptly.

John Hay—then Secretary of State—told the Senate when it was considering the Treaty for ratification:

"We shall have a Treaty very satisfactory, vastly advantageous to the United States, and we must confess, not so advantageous to Panama."

The Senate ratified the Treaty promptly.

Hay added, in writing to Senator John C. Spooner:

"You and I know very well how many points are in the Treaty to which many patriotic Panamanians would object."

The exploits of Goethals, Gorgas and Walter Reed led to a magnificent engineering achievement which has served us well and of which we are justly proud.

For 60 years world shipping has been served efficiently and at low tolls.

Today the Canal, despite its age, is still of value to the United States.

Economically, we continue to benefit from the shortened shipping lines and lower transportation costs it permits.

Recent studies have estimated—for example—that some 9% of the total value of our exports and imports transited the Canal in 1972.

However, we must be careful in assessing the Canal's long-term value.

It appears now that trading patterns are evolving and that alternatives to the Canal have begun to emerge.

As Canal users take advantage of these alternatives, it appears likely that the Canal's value will generally decline relative to our economy.

Militarily, the Canal has also been important to the United States.

Although our largest warships cannot use the the Canal now, it clearly enables us to shorten our supply lines to some areas.

Its large contributions during the World War, Korean War and Vietnam War have been amply documented.

But, again, we should bear in mind the Canal's growing vulnerability to hostile at-

UMI

tack, which points to the fact that we should not rely too heavily on it.

The point that I wish to make is that the Canal's value—while of continuing importance—is probably not as great relatively speaking as in earlier years.

Moreover, our world today is a far different one than that of 1903.

No nation, including ours, would accept today a Treaty which permits exercise of rights as if sovereign on a foreign land in perpetuity.

Panama has grown increasingly conscious of the fact that the Treaty is heavily weighted in our favor.

Consequently, the level of its consent to our presence there has—over the years—persistently declined.

And by Panama, I mean the Panamanian people of all strata—not simply their governments.

Among the aspect of the 1903 Treaty which have caused this decline in consent, Panama cites the following:

The United States occupies a strip across the heartland of its territory—cutting the nation in two and curbing the natural growth of its urban areas;

The United States rules as sovereign over this strip of Panama's territory—the Canal Zone;

It maintains a police force, courts, and jails to enforce the laws of the United States—not only upon Americans, but upon Panamanians as well;

It operates, on Panama's territory, a full-fledged government—a government which has no reference to the Government of Panama, its host;

It operates virtually all commercial enterprises within the Canal Zone—and denies to Panama the jurisdictional rights which would permit private Panamanian enterprise to compete;

It controls virtually all the deep-water port facilities which serve Panama;

It holds idle large areas of land and water within the Canal Zone;

The United States pays Panama but $2 million annually for the immensely valuable rights it enjoys on Panamanian territory; and

Finally—and perhaps most importantly—the United States can do all these things, the Treaty says, forever.

To these conditions Panama objects, saying that they deprive their country of dignity, of the ability to develop naturally, and indeed, of full independence.

The United States attempted to respond to some of the Panamanian objections in the past.

Treaty revisions were made in 1936 and 1955.

But the most objectionable feature from Panama's viewpoint—United States exercise of rights as if sovereign in the Canal Zone in perpetuity—has remained unchanged.

Panamanian frustrations over this state of affairs, and over the apparent disinclination of the United States to alter it has intensified over the years.

These frustrations culminated in demonstrations and riots in January 1964 when 21 Panamanians and 3 Americans were killed.

Diplomatic relations were broken.

Following a major reassessment of our policy toward Panama, President Johnson after consultations with President Truman and President Eisenhower committed us—publicly and with bipartisan support—to negotiate a wholly new treaty to replace the old one.

President Nixon and President Ford subsequently renewed that commitment.

Our purpose was, and continues to be this—to lay the foundations for a new—a more modern—relationship between the two countries.

Without such a changed relationship I believe it safe to say that Panama's already low level of consent to our presence will become lower still.

It will approach zero.

While it is true—of course—that we could attempt to maintain our present position with regard to the Panama Canal, we would have to do so in an increasingly hostile atmosphere.

In these circumstances we would likely find ourselves engaged in hostilities with an otherwise friendly country—a conflict that, in my view, the American people would not long accept.

At the same time, we should bear in mind that the Canal is vulnerable to sabotage and terrorist acts.

We would find it difficult, if not impossible, to keep the Canal running against all our Panamanian opposition.

The problem—in my opinion—simply will not go away.

Attitudes—not only in Panama but in the Hemisphere at large—have changed.

The Latin American nations have made our handling of the Panama negotiation a test of our intentions in the Hemisphere.

When the Latin American Foreign Ministers met in Bogota, Colombia, in November 1973 they voted to put the Panama question on the agenda of the "New Dialogue" proposed by Secretary Kissinger.

In March of this year the Presidents of Colombia, Costa Rica and Venezuela publicly expressed their support for Panama's cause.

More recently, the General Assembly of the Organization of American States, meeting in Washington in the last two weeks, approved unanimously a resolution reaffirming their interest in the negotiation.

We no longer can be—nor would we want to be—the only country in the world exercising extra-territoriality on the soil of another country.

The evidence—it seems to me—strongly favors some form of partnership with Panama.

Partnership with Panama would help the United States preserve what it needs most respecting the Canal.

Partnership would provide an environment conducive to effective operation and defense of the Canal by the United States.

It would provide Panama with a meaningful stake in the operation and defense of the Canal.

It would help stimulate the cooperation and friendship both of the Panamanian people and of whatever government exists in Panama at any given time.

In short, Partnership would mean that the United States would not have to divert any of its energies in Panama from the functions required for the efficient operation of the Canal.

Putting it simply, I believe our interest in keeping the Canal open and operating for our own strategic and economic purposes is best served by a partnership agreement for a reasonably additional period of time.

The plain fact of the matter is that geography—history—and the economic and political imperatives of our time compel the United States and Panama to a joint venture in the Panama Canal.

We must learn to comport ourselves as partners, and friends, preserving what is essential to each, protecting and making more efficient an important international line of communication, and, I suggest, creating an example for the world of a small nation and a large one working peacefully and profitably together.

Such a new relationship involves giving up something of what we now possess.

We want to keep the power but discard what is nonessential to our purpose in Panama.

Three examples should serve to explain my meaning:

First, we will retain control over Canal operations for the duration of the Treaty, *but* Panama will participate progressively in these operations in preparation for its future role;

Second, we will keep the lands and facilities we need to control and defend the Canal, *but* return what we can do without; and

Third, we will have defense rights, *but* perform our defense tasks with Panamanian participation.

Simply stated, we will work together, *but*—for the Treaty's life—we will operate the Canal.

We will secure the lands we need by releasing what we do not need.

By having Panamanian participation in operation and defense we will have a more secure Canal.

In sum, we see a new Treaty as the most practical means for protecting our interest.

Whereas continuance of the status quo will lead surely to prolonged problems—possible loss of what we are trying to preserve—partnership promises a greater assurance of success in achieving our essential interest—a Canal that is open, efficient and neutral.

Turning to the negotiations, they have proceeded step by step during the past 21 months through three stages.

Stage 1 ended 15 months ago when Secretary of State Kissinger journeyed to Panama to initial with the Panamanian Foreign Minister a set of eight "Principles" to serve as guidelines in working out the details of a new Treaty.

Perhaps General Torrijos, the Chief of Government in Panama, best characterized these principles when he said they constitute "a philosophy of understanding."

Their essence is that:

Panama will grant the United States the rights, facilities and lands necessary to continue operating and defending the Canal; and

The United States will return to Panama jurisdiction over its territory and arrange for the participation by Panama in the Canal's operation and defense.

We have also agreed in the "Principles" that the Treaty will provide, for any expansion of Canal capacity in Panama that may eventually be needed, that Panama will get a more equitable share of the benefits resulting from the use of its geographical location, and—last, but surely not least—that the New Treaty shall not be in perpetuity but rather for a fixed period.

Stage 2 involved the identification of the major issues under each of the eight principles.

This in turn provided the basis for substantive discussions.

Stage 3 began last June and continues.

For almost one year now we have been discussing—with the helpful cooperation and support of the Department of Defense—the substantive issues associated with the Statement of Principles to which we agreed in February 1974.

We have made significant advances in important subjects, including agreements relating to jurisdiction, Canal operation and Canal defense.

Besides these three issues several other major elements of a Treaty package still require resolution.

They concern:

Increased economic benefits to Panama;

Some capability to expand the Canal should we wish to do so;

The size and location of the land/water areas we will need for control of Canal operation and defense; and

Finally, and perhaps most importantly—the extent of duration of the Treaty period.

I shall comment now on only three of these questions—economic benefits, land use and duration—and then only in a general way.

On Economic Benefits—Panama for many years has complained that it receives a direct annuity of only $2.3 million.

It has complained that the low tolls charged to Canal users mean in effect that Panama has been subsidizing world shipping.

Moreover, Panama believes that it can obtain additional benefits from greater Panamanian exploitation of its geographic position and the presence of the Canal by developing a wide range of commercial and service activities in the Canal area and by deriving tax revenues from these activities—something Panama could do once it exercised jurisdiction over the area.

For example, Panama says it could develop certain unused land areas, improve the Atlantic and Pacific ports by installing larger more efficient cranes for handling cargo and developing greater port facilities, and expand the Colon Free Zone.

Already Panama has plans which call for construction of an oil pipeline which would reduce the cost of transporting petroleum across the Isthmus.

The United States agreed in the eight principles that Panama would receive greater economic benefits from the operation of the Canal.

As for the issue of Land Use—that is, the land and water areas that the United States will need to continue to operate and defend the Canal—it is not easily susceptible to rapid resolution.

Panama wishes to recover sizeable land and water areas, especially those adjacent to its urban centers, that are now under United States jurisdiction and would be the most logical areas for urban expansion.

For our part we want use—through the life of the Treaty—of those lands and waters that are necessary for the operation and defense of the Canal.

The problem will be to ensure that we get sufficient areas to efficiently perform these functions while at the same time reducing the physical presence which is so objectionable to Panama.

Closely linked to the question of land use is the issue of Treaty Duration.

Panama has publicly said that "there is no colonial situation which last for 100 years or a Panamanian who could endure it."

For the United States, it is difficult to predict with any accuracy the duration of the Canal's utility to us.

And yet, we believe that the Canal will have an importance for an extended period of time.

The agreements we reach on these issues will determine the final outcome of the negotiation.

For better or worse, they could shape our relationship with Panama—and, indeed, with all Latin America—over the next decades.

Although we have no fixed timetable, we are proceeding—as I have said—with all deliberate speed.

There is opposition in both countries.

In Panama some stand ready to challenge any "surrender" by their government of Panamanian aspirations to immediate control of the Canal.

Here at home, I recognize that there are some who hold the view that we should not relinquish any rights acquired under the 1903 Treaty.

I understand this point of view.

But for the reasons I have mentioned I believe it is time for a new relationship.

I hope that it will be understood:

That a new relationship means good foreign policy; and good defense policy;

That a new relationship based on partnership is consistent with good business management; and

That a new relationship signals a new era of cooperation between the United States and the rest of the Hemisphere.

We need to overcome several misconceptions.

I will mention four.

First, we need to overcome the belief that sovereignty is essential to our needs.

In reality we have never claimed sovereignty over the Canal Zone.

Under the 1903 Treaty we have extensive rights.

The new Treaty would grant us continued rights to operate and defend the Canal, but we would relinquish some rights which we don't need to accomplish these missions.

Our essential requirement is not abstract sovereignty but the specific rights—accepted by Panama—that give the control we need.

Second, we need to overcome the idea that perpetuity is essential to defense and operation of the Canal.

On the contrary United States insistence on perpetual control is likely to create the kind of hostile environment which will jeopardize our ability to operate and defend the Canal for an extended period of time.

What is required is a relationship based on mutual respect and dignity.

Third, we must overcome the belief that the Canal Zone is part of the United States or a United States territory.

In the 1903 Treaty Panama granted us "rights, powers and authority within the Zone . . . which the United States would possess . . . if it were the sovereign of the territory."

We were not granted "sovereignty" as such.

The United States for many years has considered the Canal Zone as Panamanian territory, albeit under the United States jurisdiction.

Fourth—and last—we must overcome the notion that a new Treaty will somehow lead inevitably to the Canal's closure and loss.

This concern appears based upon an erroneous view of the Panamanians as well as a lack of knowledge about our negotiating objectives.

There are still people who believe that Panamanians lack the technical aptitude and the inclination to manage the operation of the Canal.

These people ignore the fact that Panamanians already comprise over three-fourths of the employees of the Canal enterprise.

While it is true that many of these employees have not held supervisory positions, no one who has been to Panama and seen its thriving economy can persuasively argue that Panamanians—given the proper training—would not be able to keep the Canal operating effectively and efficiently.

Whereas Panama's participation in the Canal's operation and defense would increase its stake in the Canal and provide it with a greater incentive to help us keep the Canal open and operating efficiently, adherence to the status quo would more likely lead to the Canal's closure and loss.

I firmly believe that our most critical problem at home is not fundamental antipathy to a new relationship with Panama.

It is ignorance of why the new relationship is needed to protect our interests.

We need a straightforward and productive dialogue.

Considerable public education is needed if a new Treaty is not to be regarded as bad politics domestically.

Debate on an issue of such national import is not only inevitable but desirable.

After education, dialogue and debate I believe that we will emerge with a reasonable and mutually satisfactory Treaty which will be examined and which will stand, on its merits.

Mr. KENNEDY. Mr. President, I urge my colleagues to study carefully the entire matter of the proposed treaty when it comes before us. I hope that there will be a close inspection, not only of the consequences of acting to ratify the treaty but also the consequences of not acting.

EXHIBIT 1

A GENERAL COMMENT ON U.S. SECURITY INTERESTS IN LATIN AMERICA

Latin America does not present a military threat, conventional or otherwise, to the United States. Nor can it be said that a third party has posed such a threat to the United States through Latin America since the Cuban missile crisis of 1962.

The absence of immediate threats to U.S. security arising directly from Latin America or using Latin America as a base cannot, however, be taken to imply the absence of U.S. security interests in Latin America.

In the first place, recent experience suggests that security in an interdependent world cannot be defined in narrowly military terms. Venezuela, for example, supplies several times as much petroleum to the United States as does the Middle East. The shifting balance of world economic power and vulnerabilities make any simple correlation between "security threat" and "military power" at least potentially if not actually fallacious.

In the second place, no country can afford to disregard its immediate neighbors. Though changing patterns of global communication and weapons delivery systems have both tended to shrink the planet, geographic proximity remains a critical psychological and, therefore, political-military fact. The most isolationist of nations must maintain a residual concern for the security of its neighbors.

In the third place even a casual review of the Latin American scene reveals a substantial rise in the activities of non-hemispheric powers. While these have, until recently, been principally Europe and Japan, that is powers generally considered friendly to the United States they also include the Soviet Union. All non-hemispheric sources currently account for more than three quarters of deliveries of new military equipment to Latin America.

Finally, the strength and capabilities of Latin American states themselves must be taken into account. While none could now pose a credible military threat to the United States, the prospect of a united and hostile Latin America determined to use the full arsenal of international pressure tactics to obtain a better deal from the United States is one that cannot be entirely discounted.

None of these considerations implies a clear and present threat to US security. Indeed, their indeterminate and multifaceted nature suggests that even if they did, the threat would not be one that could be met with traditional military means. Taken as a whole, however, these factors do suggest that US military programs and activities in Latin America can serve some important purposes. These are essentially two:

(1) To serve as one of various foreign policy tools designed to demonstrate US responsiveness to Latin American conditions and interests;

(2) To maintain the kind of professional contact and understandings necessary to serve as a basis for emergency cooperation or even joint operations should the necessity arise in the future.

These objectives do not require large or concessional military programs. They do, however, require some programs whose content should be simultaneously professionally sound and politically defensible. Institutional linkages between the United States and Latin American military forces based on professional liaison through training and on arms transfer through sales might meet these general criteria on an interim basis.

To determine more accurately the role and content of security programs in an overall US strategy would require not only a further reassessment of traditional security concerns (bases, sea lanes, limiting the presence

UMI

of forces from third countries, military doctrines), but a clarification of those new concerns ("collective economic security", definition of aggression) now being debated in the OAS Special Committee on the restructuring of the Inter-American System with regard to the reform of the Rio Treaty.

EXHIBIT 2

ABOUT THAT PIECE OF THE GOOD OLD U.S. OF A. IN PANAMA

(By Theodore C. Sorensen)

No gulf separating the Congress and the Organization of American States general assembly, now winding up in Washington, is greater than the ten-mile-wide Panama Canal Zone. That strip through the heart of a poor but proud nation, is, under a 1903 treaty, still subject forever to the United States' sovereign control.

Last year, Secretary of State Kissinger and the Panamanian Foreign Minister, Juan A. Tack, adopted a statement of principles for a wholly new treaty with a fixed termination date respecting the territorial sovereignty of Panama.

But Strom Thurmond, Republican of South Carolina, backed by more than the necessary number of Senators, says he will block any such treaty. In that event, the Panamanian Chief of Government, Gen. Omar Torrijos Herrera, told me last month without rancor or bluster, it may be impossible to avoid guerrilla warfare.

Our side would have a vastly superior military force—as we used to say in Vietnam. But the other side would once again have the banner of nationalism, generations of resentment, a strong and determined leader, and the sympathy of most of the world.

If war closed the Canal the Panamanians would have more to lose than we would—as we used to say about the Arabs' embargoing oil. But the Panamanians' need for the absurdly low rentals and other income now received from the Canal, already reduced by the development of minerals and other sources of revenues, is more than offset by their need for a greater sense of national dignity.

Today, by crossing a street in the midst of their own country, Panamanians become strangers in a strange land, subject to foreign laws, foreign policemen and foreign courts in a language they cannot read or speak.

Today, on enormous military installations wholly unrelated to Canal defense, the training of Latin-American counterinsurgency forces—bitterly criticized by many of Panama's friends in the hemisphere—takes place in their very midst without their consent.

The 1903 treaty grants us the sovereign rights associated with colonial rule "in perpetuity." The treaty, accepted sight unseen under duress and in haste by the infant Panamanian Government, reflected Theodore Roosevelt's concern that our country might otherwise never achieve a two-ocean Navy or direct commercial transportation links between our two coasts.

"You and I know very well," Secretary of State John Hay wrote Senator John C. Spooner at the time, "how many points are in the treaty to which many patriotic Panamanians would object." They still object, and their patience is nearing its end.

The threat seems as foolish and distant today as it did in Vietnam a generation ago. But it could be equally disastrous to this country's global position. Any conflict that blocked the Canal would be viewed abroad as a product of our intransigence.

We can and must keep the Canal open, and obtain its long-needed enlargement and modernization, by adopting a new treaty in accordance with the Kissinger-Tack principles. The Panamanians have not irresponsibly demanded a treaty requiring our immediate abandonment of the Canal, its operation, its defense, or the large number of United States families who have lived there for generations. But neither will Panama's feelings be assuaged this time by increased financial payments alone. Justice and independence do not bear a price tag.

A new treaty should respect Panama's desire to judge her own people, govern her own territory and participate in administering the exploitation of her principal natural asset—her location. If our imperial past and Pentagon pressures cause the Senate to reject such a treaty, then we will not only alienate all of Latin America but also risk the future of the canal and hemispheric peace.

NEW HAMPSHIRE'S RAILS: THOUGHTS ON THE FUTURE

Mr. McINTYRE. Mr. President, at one time New England enjoyed a lively textile and manufacturing industry. Raw materials and finished products were moved rapidly and economically over rail lines equipped to handle these demands. Today, New England maintains industry of a lighter nature with New Hampshire's prime economic source being tourism.

This industry demands the rapid and economic movement of people. Railroads have the potential for offering this mobility. Edgar Mead, executive director of New Hampshire's Transportation Authority has recently published an article in New Hampshire Profiles. Mr. Mead has offered some constructive thoughts and farsighted plans for New Hampshire's rail transportation future.

I ask unanimous consent that the full text of Mr. Mead's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW HAMPSHIRE RAILROADS: ARE THE GOLDEN YEARS AHEAD?

(By Edgar T. Mead)

(NOTE.—Edgar T. Mead has maintained a life long interest in railroading. He has been active with the Steamtown Foundation in Vermont, has written four books about New England railroads and is now Executive Director of the New Hampshire Transportation Authority, where a good portion of his time is concerned with the problems of railroading in this state. He lives in Hanover where he serves as a Selectmen and member of the Planning Board and Housing Authority.)

Like country folk everywhere, New Hampshire railroads have a knack for adaptability. In 1842, the first trains rolled into Concord from Boston. In those early days railroads became expert in handling farm-to-market cargos of cattle, wood, field crops and passengers despite the limitations of wood burning engines, rickety wooden cars and uncertain track. Gradually tracks were extended beyond Concord to the Lakes Region and the White Mountains and toward Canada via White River Junction. There were early railroads along the seacoast too, and at one time there were three routes between Massachusetts and Portland, Maine, crossing the State of New Hampshire.

After the Civil War, manufacturing boomed and became the mainstay of rail activity. Raw materials and fuel streamed in and virtually all finished products moved out by rail. Little branch lines were pushed into every conceivable corner of the state to serve small mills turning out shoes, knitted goods, and wood products. Many branch lines lasted no more than a few decades but all served their purpose.

After 1920, railroads tended to specialize increasingly in heavy, bulk commodities such as coal, paper, grain, cement and other goods that normally move in massive volume. As the profits from bulk shipments grew, lost along the way were some of the traditional cargos such as milk, perishables, less-than-carload freight, mail, express and regretfully, passengers. While railroads are not quite the "common carriers" they once were, at least they proved able to react and adapt themselves to the more profitable areas of commerce. Today's heavy-duty railroad lines chiefly follow rivers such as the Connecticut and Merrimack, and the one remaining seacoast line from Maine to Massachusetts via Dover, Durham, and Exeter accommodates tens of thousands of tons of freight every single day. There is a 52 mile section of the Canadian National (the Grand Trunk) that trundles northwest through the White Mountains from Portland to Montreal, and by offering superior service seems to have syphoned off western traffic otherwise routed via Penn Central.

Over each of these heavy-duty lines there are two or three fast freights every day. The 400 odd miles of branch lines, almost half the total rail mileage in New Hampshire, meanwhile are served once, twice or three times a week by local freight trains.

The premier freight train in New Hampshire is probably the "Unit Train" carrying coal from West Virginia to Bow, near Concord. These same locomotives run through from start to finish, pausing only for crew changes and inspections. This train is quite profitable for Boston & Maine, and one ponders if the Bow electric station were expanded, thus requiring an additional "Unit Train," the resulting profit could go far toward postponing the inevitable day of subsidizing Boston & Maine operations.

While the "Unit Train" is a kind of conveyer belt for coal, the daily paper mill trains convey enormous bulks of news, magazine and general purpose paper and paper products. The largest mills at Berlin and Groveton together account for a long train that roars down through the mountains late at night, bound for various markets along the Eastern Seaboard.

Near Whitefield, the Boston & Maine paper mill train crosses the Maine Central line between Portland and St. Johnsbury. One of the few working "highball" signals left in New England controls the crossing. It is still an effective system. No train moves unless the large metal globe (with a lantern attached by night) is high on the mast. The Maine Central operates a heavy train up and back every night along this route, which also passes through famous Crawford Notch, and on some nights six or seven locomotives are required for working upgrade over Willey Brook trestle.

Between 1872 and 1928, Crawford Notch was a favorite route for excursion passenger trains, providing some of the most spectacular scenery in the East. The average motorist in the valley far below gets one perspective, but not as dramatic as from the rail tracks carved out of the sheer cliff walls.

New Hampshire still possesses several interesting shortlines. The Wolfeboro Railroad (Profiles, January 1975) and the Conway Scenic Railroad operate steam passenger trains during the vacation seasons. The Claremont and Concord Railroad between Claremont Junction and Newport maintains two fine wooden covered bridges to cross the Sugar River. The Berlin Mills Railroad, as its name implies, concentrates on shifting cars around the huge paper mill near Berlin.

New Hampshire is one of the few states in the country which has been enabled by the legislature to purchase branch line trackage, specifically lines subject to abandonment. The bill was passed with full knowledge that along New Hampshire branch lines are some of the best remaining industrial sites in the state. Furthermore, abandonment of a branch line usually creates undesirable short term economic disruption. It is felt that independent short line operators can perhaps achieve greater success than big mainline carriers with their high cost problems. Short line operators tend to stay close to their customers and offer maximum service. Several lines seem well-suited to this type of treatment, such as the Keene Branch, the Hillsboro Branch, short lines east and south of Manchester, the Conway Branch and the Lincoln Branch. The state is prepared to step in and save nearly 400 miles of line as the occasions present themselves.

Intelligent disposition of branch lines might create a more viable Boston & Maine. Freed of the maintenance headache of branch lines, the larger road would nevertheless continue to receive feeder traffic, and perhaps more business would materialize as the native operators scratched for carloads. It has worked in other states.

What the eastern mainline railroads need, of course, is more volume. With the help of the Interstate Highways, much profitable freight was taken away; trucks are admirable in terms of making fast and dependable schedules. More coal for power plants has been mentioned as one important solution to the rail problem. Factories now using oil for fuel could restore all or part of their coal burning capacity. Other commodities seem well-suited to rail haul, such as waste materials. The enormous production of trash and garbage now hauled away wastefully to expensive landfills could be recycled into other materials like Methanol or used for boiler fuel. A "Trash Train" could pick up accumulations very easily and shuttle to and from the recycling plants. If New Hampshire reacts to the need for greater crop production, vast tonnages of fertilizer will be needed. Rail trains can then carry fertilizer in "unit train" lots from chemical plants to principal New England rail yards. In addition, the haulage of freight containers would be a new experience for New England. These containers are in reality large metal boxes for freight that can be carried on trucks, flatcars or ocean steamships. Containers are widely used in Europe and in Canada. If a new container terminal could be built in New Hampshire, this would be valuable for railroads, as well as other forms of transportation.

The success of railroading in New Hampshire depends on events gradually unfolding. On the negative side, the 1974–1975 recession is producing an adverse effect on northeastern railroad revenues. Deficits of bankrupt carriers will tend to widen. Railroads ordinarily holding their own such as Maine Central are threatened. At worst, this situation might precipitate additional roads being forced into Conrail, the government creature for absorbing Penn Central and other marginal eastern carriers. Erie Lackawanna had hoped to stay outside of Conrail but admitted defeat and cast in its lot for Conrail in January, 1975. This spells additional trouble for Boston and Maine and other New England systems, since east and west bound traffic may now be pulled into Conrail instead of providing a long and profitable haul for the private non-Conrail systems.

The private enterprise strategy has been for Boston & Maine to join or merge with other New England and Northeastern roads in an effort to forge a strong "alternative" route system. This involves Bangor & Aroostook in Maine, Maine Central, Boston & Maine, Delaware & Hudson, and Erie-Lackawanna. Additionally, a few extra tracks of Penn Central could be added with the aim of constructing two competitive and viable systems. One proposed addition in a Penn Central line from Worcester, Mass., to New London via Norwich, Conn. Certainly industry would prefer to deal with two or more competing rail carriers at each traffic center, rather than with one sprawling mastodon of a system with headquarters somewhere in a distant state and miles of red tape to contend with.

From New England's viewpoint, the ongoing settlement of the Penn Central bankruptcy seems to be growing worse rather than better. The settlement appears to be favoring Union Pacific, a successful western carrier blessed with fast, unobstructed mainlines, heavy volume tonnage, and few short-line and switching problems. As if this were not enough, the division of freight rates between eastern and western carloads still assumes that eastern carriers have all the "gravy" and the western carriers are fighting Indians. At almost no time during the current proceedings has anything memorable been said about redressing this unfair freight rate situation. If freight rate divisions were realigned to assist the beleaguered eastern carriers, this one stroke would accomplish much to restore the faith that eastern carriers could approach profitability. Since Union Pacific exchanges close to 30% of its traffic with eastern railroads, a bitter fight would ensue. And UP is not accustomed to defeat.

Meanwhile, various governmental agencies in Washington hold hearings, Conferences are held. Consultants are being paid. If nothing else has resulted, it is that the seventeen states in the area affected by the Penn Central bankruptcy are learning to talk and work together on transportation subjects for probably the first time in history. A great deal of purely factual information has been researched and compiled and while undoubtedly much will be wasted, the rest may prove a solid base for future action. If not, the exercise will have proven to be a rather expensive education process for Washington agencies charged with the administration of transportation.

The author has suggested, not totally in jest, that the Federal government should quickly back away from all the current hearings and conferences. A gigantic contest would be announced. The purpose of the contest, which would be open to all public and private consultants and other parties, would be to redesign the transportation system east of the Mississippi and north of the Potomac. The first prize would be $5 million, and there would be handsome second, third, and honorable mention prizes. Actually, the prize money would be absurdly cheap if there were even one successful design.

Without a change, of course, it looks as though the Boston & Maine (and Penn Central for that matter) is headed toward the position of becoming a weak branchline feeder to the luckier southern and western systems.

On the favorable side, the energy problem has introduced a note of caution in further airport and highway expansion, and greater attention is slowly being shifted toward better utilization of the rail network. For a fraction of current Federal funds spent on other modes of transportation, the entire northeast rail system could be rebuilt and converted into a highspeed network. It has been estimated that since 1949, government at various levels has dumped $360 billion into airways, waterways, and highways. The implication is that this unfairness should be redressed. In fact, the Ford Administration has recognized this in a February 1975 announcement that public transportation funds, including rail, will be vastly increased commencing in 1977.

More obvious in the mind of the general public is the passenger train, now represented chiefly in the form of Amtrak, the quasi-public corporation funded by Congress and instructed to provide efficient intercity service, develop the potential of modern rail service, and operate on a "for profit basis." For New Englanders, the only direct knowledge of Amtrak is provided by the successful "Montrealer" between Washington and Montreal (via Brattleboro and White River Junction), and also by Metroliners between Boston and Washington via New York. There is talk that Amtrak might extend service into New Hampshire and Maine, but it is doubtful whether the states would want to finance the so-called 403d formula, which requires states to kick in two-thirds of operating losses. One reason is that Amtrak track rental, facility rental, repair contracts and labor arrangements have been something less than spartan. A case may be made of course that in order for Amtrak to entice railroads into permitting use of tracks, rental payments had to be relatively generous. It is hoped, however, that an alternative may be discovered. There is the "Auto Train" approach, for example. In this case, a corporation owns a fleet of passenger cars and operates them over commercial railroad tracks. Service runs between Washington and Florida, as well as Chicago and Florida. Other routes are under consideration.

Another approach for New Hampshire would be to encourage a viable Amtrak "experimental route." A good candidate, in the writer's view, would be to extend existing Amtrak service in Massachusetts toward Portland, Maine (via Boston & Maine and Maine Central tracks) then westerly via Lewiston, Me. over Grand Trunk Ry., through Gorham, Berlin, and Groveton, N.H., across northern Vermont and into Quebec to Montreal. This route would then provide a new link to Montreal from the larger cities in New England and reestablish important lines of passenger communication that were truncated when railroads found it desirable to cut down on service.

Various groups and individuals have raised the question as to why in 1975 there is still no passenger service in New Hampshire. Nor is all the pressure from the mountain and lake resort districts. People from New York, Connecticut and Massachusetts seem to be increasingly insistent that some alternative means be provided to reach northern New England. Groups such as the Municipal Association, Association of Railroad Passengers, and Wolfeboro Branch Railroad Club advocate passenger service. Carroll County has an active transportation committee. The Governor's Economic Recovery Committee has gone on record to advocate automated high speed trains. Like everything else in politics, popular support must precede action.

Another hope on the horizon for passengers in the central corridor is that present train service between Boston and Lowell conducted by the MBTA might be extended to Manchester, Concord and Laconia. The parking lots at Lowell and Reading, Mass. are crowded with New Hampshire cars, and from the viewpoint of MBTA, it would be better to free up the parking lots and extend train service to the places where commuters live. This might come about through matching funds from the cities desiring service.

At a later date, high speed trains are envisioned between Boston and Montreal, and between New York and Portland. These new trains might resemble the British "HST," not an expensive or radical train, but one which can slide along at 125 mph over well-maintained conventional track. Boston people could then expect to reach Montreal in less than three hours, about the same time for Portland to New York. Funds would have to be sought for the new cars, and, of course, for upgrading the present track.

The New Hampshire Transportation Authority, created by the 1973 Legislature, is mandated to study and take action on public transportation. Already, the Authority has begun to create a statewide data base for transportation planning, and to take the initiative in new ideas for public transit. For example, the Authority proposed House Bill

UMI

70 which allows taxi men to carry slightly more people, thus permitting local taxis to create "dial-a-bus" systems to benefit office workers, shoppers, people meeting medical appointments, etc. The "dial-a-bus" can offer group rates which are cheaper and more economical than the present system. Another idea is "Transportation Hubs," which sets up a list for criteria as a planning guideline. The concept envisions utilizing existing public and private resources to create comfortable and workable transportation centers where cars, taxis, buses and trains can interchange. The Authority has devised a "Charter Train" for New Hampshire, which allows people who travel in groups to charter a train to ski resorts, sports events, conventions, and numerous other destinations. The "Charter Train" could be operated by a private enterprise tour agency which would market the train service year-round. These are steps toward achieving train service by private enterprise methods.

That railroads have been able to survive to 1975 without help seems more than a small miracle. The problems have been many. Over-regulation, unequal aid to competitors, and inequitable rate divisions would be enough to derail most industries, permanently. Yet the railroads seem to possess pretty strong survival instincts. One aspect is their ability to adapt to new types and concept of traffic through the decades. Another aspect is the new realization that in terms of environmental, energy and "quality of life" values, the trains have been badly neglected. Recognition of the importance of railroads appears to be growing rapidly on the public level, slowly on the official level. With new and broader support likely over the next several years, it is entirely possible that railroads may be entering a new form of a "Golden Age."

NUCLEAR ENERGY

Mr. WEICKER. Mr. President, in recent months we have witnessed an intensification of debate over the subject of nuclear energy. In particular, we have viewed a growing attack by various public-interest groups upon the expanded utilization of nuclear fission power. Legislation—the Nuclear Power Reappraisal Act of 1975—has been introduced within both Houses of Congress to provide for a 5-year moratorium on the construction of new nuclear powerplants.

Mr. President, I am concerned that recent criticism of the use of nuclear energy does not reflect an objective analysis of this country's energy position. I do not believe that this criticism has fully taken into account the history of nuclear power development and utilization in this country and the consequences for the future of abandonment of growth in the nuclear energy industry. I am not and cannot be convinced, simply from the plain facts of the matter, that nuclear fission power is unsafe or unnecessary.

I can fully appreciate the safety concerns of interested parties over the wide-scale use of nuclear energy. Indeed, in the past, critics of nuclear power have played an important role in facilitating constructive change and improvement in the nuclear power industry.

However, here is a need for informed and balanced discussion on the subject of nuclear energy. Recent criticism has clearly distorted the facts and gone beyond the point of being constructive.

I would like to offer some brief factual analysis that might shed a little light upon the subject of nuclear energy.

Does the utilization of nuclear energy present a serious threat to the welfare of American citizens? Commercial nuclear reactors have existed in the United States since 1957. Today, there are some 55 nuclear powerplants licensed to operate in the United States, generating a capacity of approximately 40,000 megawatts, or about 9 percent of the Nation's electric generating capacity. In these past 19 years of operation of commercial nuclear reactors no member of the general public has ever been seriously injured by an accidental release of radioactivity or by the failure of a nuclear reactor. Nuclear liability insurance claim payments for all major nuclear activity by private enterprise since 1957 have totaled only $540,000. The great majority of this money was paid in connection with separate incidents involving claims from two workers in the nuclear power industry. The fact is that the safety record of the nuclear power industry, as evidenced over a 19-year period, is outstanding.

The question then is what is the probability of a major accident connected with the use of nuclear energy assuming expansion of present facilities? Dr. Norman Rasmussen, of MIT, whose recent studies represent the most formidable inquiry into the matter of nuclear energy and the public safety has attempted to answer this question. The Rasmussen report itemizes the natural and man-caused disasters of the past as a basic frame of reference for risk assessment. Let us look at some examples:

PROBABILITY OF MAJOR MAN-CAUSED AND NATURAL EVENTS

Type of event; probability of 100 or more fatalities; and probability of 1,000 or more fatalities:

Man-caused:
Airplane crash: 1 in 2 years; 1 in 2,000 years.
Fire: 1 in 7 years; 1 in 200 years.
Explosion: 1 in 16 years; 1 in 120 years.
Toxic gas: 1 in 100 years; 1 in 1,000 years.
Natural:
Tornado: 1 in 5 years; Very small.
Hurricane: 1 in 5 years; 1 in 25 years.
Earthquake: 1 in 20 years; 1 in 50 years.
Meteoritic impact: 1 in 100,000 years; 1 in 1 million years.

By way of comparison, according to the Rasmussen study, the operation of 100 commercial nuclear reactors, nearly twice as many as there are currently in operation, would have a probability of one in 10,000 years of causing a 100 fatality accident. A 1,000 fatality consequence would be even less probably—about one chance in a million years for 100 reactors. Otherwise, about the same chance as a major accident from a meteorite crash.

What then about the numerous scare stories relative to the radiation leaks from the nuclear energy industry? Let us view this in a comparative framework. Today, with the reduced 55-mile-per-hour speed limit, about 45,000 Americans are killed annually in automobile accidents. More than 8,000 Americans burn to death. Some 3,000 persons choke to death on food, 2,000 die in plane accidents, 160 are killed by lightning. However, no member of the general public has ever been killed or seriously injured by an accidental release of radioactivity from a nuclear reactor within the United States.

When we examine the issue of nuclear energy, we must pay close attention to the matter of public safety. However, we cannot afford to close the door upon nuclear energy simply because there is risk. All means of producing, generating, or utilizing energy involve some public risks and environmental problems. On the basis of past experience, risk in the coal mining industry has been much higher than in the nuclear power industry. The real question is: How much risk is there? For what purpose is the risk being undertaken? How can we minimize that risk? The Rasmussen report has made clear commentary upon nuclear energy and risk—especially upon the probability of a major accident. In examining Professor Rasmussen's study of risk probabilities, it is important to realize that the results could be wrong by a factor of 10 or more and still make little appreciable difference in the comparison of risks. It is also important to realize that past experience in the nuclear power industry has demonstrated that we have handled nuclear energy in a safe and responsible fashion and that there is no reason to believe we cannot do so for the future.

The question that comes to mind next is: Do we really need an expanded utilization of nuclear fusion power?

A substantial increase in the utilization of nuclear energy is an integral aspect of Project Independence's goal to increase domestic energy supplies.

The use of atomic fuels for generating electric power will play a very important role in extending our energy resources for the future, in freeing our limited fossil fuel supplies for other productive uses, and in reducing reliance upon increasingly expensive imports of foreign oil.

Presently, nuclear energy accounts for about 1 percent of total U.S. energy demand. By 1985, nuclear energy could provide up to 15 percent of demand, by the end of the century as much as 30 to 40 percent overall demand.

The consequences of abandoning nuclear development would be most serious. The experience of the past 2 years has clearly demonstrated the repercussions caused within the economy, and accordingly within the private lives of us all, because of energy shortages. FEA has estimated that the 1973 embargo, which included only 14 percent of U.S. petroleum consumption, put half a million people out of work. The aftermath of that embargo, in terms of the quadrupling of OPEC oil prices, has had a devastating impact upon our economy and has been the major contributing factor to the worsening recession in this country.

To totally abandon development of nuclear power—or to substantially impede that development through a 5-year moratorium—will place this country in an intolerable position for the decade ahead. The alternative to a nuclear moratorium is a steadily increasing reliance upon foreign oil with the attendant consequences—an increased balance-of-payments deficit, continued inflation, more unemployment, generally an invitation for economic disaster.

The simple facts are that even with strict conservation, even with full development of alternate energy sources, even with expanded exploration and development of the fossil fuels, this country will be hard pressed to meet its basic energy demands in the years ahead without increasing its reliance upon foreign oil supplies. In 2 years, if nothing is done, the United States will be importing in excess of 40 percent of our petroleum needs. We will be agreeing to a 1,000 percent increase over 1970 in the annual cost of imported oil. We will be transferring $32 billion from the American economy overseas. We will be inviting the possibility of a $45 billion drop in the gross national product if oil supplies were cut off for a 6-month period.

To avoid the consequences of dependence upon expensive and insecure supplies of foreign oil, this country will have to adopt policies of short-term mandatory energy conservation and of long-term energy development. Any serious effort at full energy development necessarily means expanded utilization of nuclear fission power. Aside from the expanded use of our indigenous fossil fuel supplies, in particular of coal, further development of nuclear power will yield the most substantial results in the terms of increased domestic energy supplies by 1985. An abandonment of nuclear power development will clearly undermine any national effort to achieve energy independence in the 1980's.

Nuclear energy is clearly necessary for the future, and it puzzles me that responsible public officials can overlook the importance of expanded nuclear power development to America's quest for energy self-sufficiency. The argument against nuclear energy makes even less sense when one carefully examines the safety record the industry has produced over a 19-year period—in addition to considering recent studies conducted to assess the extent of risk involved in the expanded utilization of nuclear energy.

Mr. President, in closing, I would like to say that obviously we have not answered all the questions concerning the utilization of nuclear energy. I fully agree that we must proceed with the greatest care in the development of nuclear energy. However, what problems presently confront the nuclear power industry are manageable. I can see no reason at this point to shut the door on the industry. I believe that this country can continue to develop nuclear power in a safe and responsible fashion. I see the alternative as a seriously deteriorating energy posture for this Nation in the years ahead.

At this point, Mr. President, I ask unanimous consent that a copy of an energy policy statement released by some of this country's most prominent scientists, including a number of Nobel prize winners in physics and chemistry, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SCIENTISTS' STATEMENT ON ENERGY POLICY*

We, as scientists and citizens of the United States, believe that the Republic is in the most serious situation since World War II. Today's energy crisis is not a matter of just a few years but of decades. It is the new and predominant fact of life in industrialized societies.

The high price of oil which we must now import in order to keep Americans at their jobs threatens our economic structure—indeed, that of the Western World. Energy is the lifeblood of all modern societies and they are currently held hostage by a price structure that they are powerless to influence.

In the next three to five years conservation is essentially the only energy option. We can and we must use energy and existing energy sources more intelligently. But there must also be long range realistic plans and we deplore the fact that they are developing so slowly. We also deplore the fact that the public is given unrealistic assurances that there are easy solutions. There are many interesting proposals for alternative energy sources which deserve vigorous research effort, but none of them is likely to contribute significantly to our energy supply in this century.

Conservation, while urgently necessary and highly desirable, also has its price. One man's conservation may be another man's loss of job. Conservation, the first time around, can trim off fat, but the second time will cut deeply.

When we search for domestic energy sources to substitute for imported oil, we must look at the whole picture. If we look at each possible energy source separately, we can easily find fault with each of them, and rule out each one. Clearly, this would mean the end of our civilization as we know it.

Our domestic oil reserves are running down and the deficit can only partially be replaced by the new sources in Alaska; we must, in addition, permit off-shore exploration. Natural gas is in a similar critical condition; in the last seven years new discoveries have run far below our level of gas consumption. Only with strong measures could we hope to reverse this trend.

We shall have to make much greater use of solid fuels. Here coal and uranium are the most important options. This represents a profound change in the character of the American fuel economy. The Nation has truly great reserves of these solid fuels in the earth. Our economically recoverable coal reserves are estimated to be 250 billion tons and exceed the energy of the world's total oil reserves. Our known uranium ores potentially equal the energy of 6,000 billion tons of coal; lower grade ore promises even more abundance.

The U.S. choice is not coal or uranium; we need both. Coal is irreplaceable as the basis of new synthetic fuels to replace oil and natural gas.

However, we see the primary use of solid fuels, especially of uranium, as a source of electricity. Uranium power, the culmination of basic discoveries in physics, is an engineered reality generating electricity today. Nuclear power has its critics, but we believe they lack perspective as to the feasibility of non-nuclear power sources and the gravity of the fuel crisis.

All energy release involves risks and nuclear power is certainly no exception. The safety of civilian nuclear power has been under public surveillance without parallel in the history of technology. As in any new technology there is a learning period. Contrary to the scare publicity given to some mistakes that have occurred, no appreciable amount of radioactive material has escaped from any commercial U.S. power reactor. We have confidence that technical ingenuity and care in operation can continue to improve the safety in all phases of the nuclear power program, including the difficult areas of transportation and nuclear waste disposal. The separation of the Atomic Energy Commission into the Energy Research and Development Administration and the Nuclear Regulatory Commission provides added reassurance for realistic management of potential risks and benefits. On any scale the benefits of a clean, inexpensive and inexhaustible domestic fuel far outweigh the possible risks.

We can see no reasonable alternative to an increased use of nuclear power to satisfy our energy needs.

Many of us have worked for a long time on energy problems and therefore we feel the responsibility to speak out. The energy famine that threatens will require many sacrifices on the part of the American people, but these will be reduced if we marshall the huge scientific and technical resources of our country to improve the use of known energy sources.

Professional affiliation is listed for identification purposes only (* noble prize in physics; ** Noble prize in chemistry; and ***Nobel prize in physiology and medicine):

*Luis W. Alvarez: Lawrence Radiation Laboratory, University of California.

Peter L. Auer: Director, Laboratory of Plasma Studies, Cornell University.

Robert F. Bacher: Department of Physics, California Institute of Technology.

William Baker: President, Bell Laboratories.

*John Bardeen: Department of Physics and Department of Electrical Engineering, University of Illinois.

*Hans A. Bethe: Organizing Chairman, Laboratory of Nuclear Studies, Cornell University.

*F. Bloch: Department of Physics, Stanford University.

Norris E. Bradbury: Former Director, Los Alamos Scientific Laboratory.

Harold Brown: President, California Institute of Technology.

Richard Chamberlain: Chairman, Department of Radiology, University of Pennsylvania.

Cyril S. Comar: Professor of Physical Biology, Cornell University.

Arthur Kantrowitz: AVCO-Everett Research Laboratory, Everett, Massachusetts.

Ralph E. Lapp: Energy Consultant, Alexandria, Virginia.

***Joshua Lederberg: Department of Genetics, Stanford University.

**Willard F. Libby: Department of Chemistry, University of California at L.A.

Franklin Long: Professor of Chemistry, Center for Science, Technology and Society, Cornell University.

**Edwin M. McMillan: Lawrence Radiation Laboratory, University of California.

Kenneth S. Pitzur: Professor of Chemistry, University of California at Berkeley.

*Edward M. Purcell: Department of Physics, Harvard University.

*I. I. Rabi: Professor of Physics, Emeritus, Columbia University.

Norman Rasmussen: Department of Nuclear Energy, Massachusetts Institute of Technology.

Roger Revelle: Director, Harvard Center for Population Studies.

**Glenn T. Seaborg: Department of Chemistry, University of California.

Frederick Seitz: President, Rockefeller University.

Julius Stratton: President, emeritus, Massachusetts Institute of Technology.

Edward Teller: Lawrence Radiation Laboratory, University of California.

* Issued at a press conference on January 16, 1975, at the National Press Club in Washington, D.C.

UMI

James Van Allen: Department of Physics, University of California.

Warren Weaver: Mathematician, New Milford, Connecticut.

Alvin M. Weinberg: Former Director, Oak Ridge National Laboratory.

Edward Wenk, Jr.: Director, Program on Social Management of Technology, University of Washington.

*Eugene P. Wigner: Professor of Theoretical Physics, Princeton University.

Richard Wilson: Department of Physics, Harvard University.

William A. McElroy: Former Director, National Science Foundation.

FEA ESTIMATES FORD ENERGY PROGRAM TO INCREASE UNEMPLOYMENT BY AS MUCH AS 200,000

Mr. JACKSON. Mr. President, 2 weeks ago today President Ford vetoed—for the second time—surface mining legislation which was overwhelmingly passed by the House and Senate. Without substantiating his statement in any way, the President in his veto message contended that as many as 36,000 people would lose their jobs if the bill were enacted. I have not received—despite repeated requests—the analysis and working papers upon which this estimate is based. I believe it is grossly exaggerated. Moreover, the sincerity of the President's concern for protecting jobs, cited by him as a prime factor motivating the veto, is open to serious question.

Only last week the President vetoed an emergency employment bill that would have created more than a million jobs. This irresponsible action did not come as a complete surprise from an administration whose only prescription for inflation has been long unemployment lines and deepening recession. It does not, however, indicate any great concern for the plight of the unemployed. I was more surprised, Mr. President, by Federal Energy Administration estimates, which I received on May 29, assessing the impact on employment of President Ford's energy program.

The FEA, responding to questions submitted on May 12, 1975, in the course of oversight activities conducted by the Senate Interior Committee, revealed that the President's energy program would put 100,000 to 200,000 more Americans out of work. I am appalled that the President, at a time when unemployment is higher than at any time since the Great Depression, would consciously pursue a program depriving working Americans of their jobs, and then heap abuse on Congress for rejecting it.

In characteristic bureaucratic understatement, the Federal Energy Administration noted that the Ford energy program "is projected to increase unemployment by up to one-tenth to two-tenths of a percentage point above what it would be in each period in the absence of the program." Translated into more human terms, Mr. President, one-tenth of 1 percent of a labor force of over 90 million amounts to more than 90,000 lost jobs; two-tenths of 1 percent would mean nearly 200,000 lost jobs.

President Ford's disastrous "job-reducing" energy program—coupled with the veto of the emergency employment bill—demonstrates a callous disregard not only for the welfare of the unemployed, but for low- and middle-income Americans whose well-being depends on continued employment and a rapid upturn in the economy. This administration's response to national problems is truly perplexing: for high energy prices, even higher prices are proposed; for high rates of unemployment, even higher rates are pursued.

It is hypocritical for the President to veto congressional surface mining legislation on the basis of grossly exaggerated unemployment estimates, when his own energy program, according to conservative administration estimates, would result in an unemployment impact four, five, or six times as great. This President is less concerned with protecting jobs than he is with protecting oil and coal company profits.

In February the Interior Committee heard testimony that President Ford's energy program would result in 25,000 to 50,000 lost jobs in the airline industry alone. I, therefore, believe the FEA estimates, alarming as they are, seriously understate the magnitude of the adverse impact on employment.

The President has been all too successful in using the veto to frustrate the implementation of responsible energy and economic policies. Congress must meet this challenge, however difficult, by overriding the President on crucial matters of both energy and economic policy: the oil import tariff, strip-mining, and emergency employment bills.

Mr. President, it is time for Congress to deliver Mr. Ford a message: High energy prices and high rates of unemployment are not the answer; they are the problem.

I ask unanimous consent to have printed in the RECORD a fact sheet, prepared by the Interior Committee, detailing the cost of the President's energy program, as well as the Federal Energy Administration's assessment of that program's economic impact.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY PRICES AND THE FORD ADMINISTRATION ENERGY PROPOSALS

The plan the Ford Administration calls its "energy program" has two principal goals:

to substantially raise the energy prices paid by consumers; and

to substantially increase the profits of energy companies.

The energy tariff and price decontrol program which the President plans to implement through executive order will raise domestic energy costs for petroleum, natural gas, coal and electricity by at least $33 billion on an annual basis. This is virtually identical to the increased costs paid for primary energy in the U.S. in 1974 as a result of the price increases of OPEC and domestic energy producers.

OIL

The President's proposed $3 tariff on imported oil increases the price of the one-third of domestic production which is not under price controls.

Added cost of imports (including effect of rebates for imported refined products) $5.4 billion.

Added costs: "new oil," $3.3 billion.

The subtotal, $8.7 billion.

The President proposes to decontrol the prices of "old" oil—two thirds of domestic production. With the $3 tariff in effect, the price of this oil would rise by over $9 per barrel.

Added costs: decontrol of old oil, $19.0 billion.

The total cost: oil, $27.7 billion.

COAL AND NATURAL GAS

The prices of natural gas sold on the intrastate market and of coal rise in response to oil price increases. Each dollar per barrel increase in oil prices is equivalent on a Btu basis to an increase of 18¢ per thousand cubic feet for natural gas and $4.50 per ton for coal.

Added costs: coal and natural gas, $5.8 billion.

The total cost: all fuels, $33.5 billion.

COST TO THE AVERAGE AMERICAN

The $33.5 billion in increased costs to the economy will be paid by consumers in the form of higher prices for fuels and electricity, in higher taxes to support government's increased energy costs and in higher prices for all other goods and services whose costs depend in various ways on energy prices.

Spread over 210 million people, $33.5 billion amounts to $160 for each man, woman and child.

Cost to an average four-person family: $600 per year.

EFFECT ON PETROLEUM PRICES

The price paid by US refiners for crude oil—including new, old and imported oil—would increase by over $6 per barrel.

Average price increase for all petroleum products: 15¢ per gallon.

Costs tilted towards gasoline: 28¢ per gallon.

PROFITS AND TAXES

Of the $33.5 billion annual cost, $5.4 billion represents Treasury revenues and the remainder, $28.1 billion represents increased profits for domestic oil, natural gas and petroleum producers, since no workable windfall profits tax have been proposed.

COST OF INCREASED DOMESTIC PRODUCTION

The Ford Administration's discussion of the impact of the decontrol of crude oil prices on domestic production shows projected production with decontrol dropping below current levels. However, the drop projected is smaller than the decline projected without decontrol. The net increase is 135,000 barrels per day—or 50 million barrels per year—when the decontrol has been completed. Consumers will pay oil companies an extra 22.3 billion annually for this oil.

Cost of added domestic production: $445 per barrel.

FURTHER OPEC PRICE INCREASES

FEA Administrator, Frank Zarb, has indicated that he expects the OPEC cartel to raise world oil prices by $2 per barrel this fall. If this happens and domestic energy prices are decontrolled, the price of all domestic oil—and natural gas and coal as well—will rise in response to the OPEC price decision.

Added costs: $2 OPEC price increase, $15.3 billion.

PRICE INCREASES DURING THE 1973–74 EMBARGO

During 1974 the price of all imported oil rose from an annual rate of $7 billion to approximately $24 billion. Domestic energy production increased in price by over $16 billion. Thus the increase in the cost of primary energy to the US economy in 1974—which was triggered by OPEC's embargo and price escalation—amounted to $33 billion. These increases were a principal factor in the 12% inflation of 1974. High energy costs have also been important in deepening and prolonging the current recession. The energy price increases of 1973–74 brought upon us by OPEC were almost identical in magnitude to those the Ford Administration proposes for 1975 and 1976.

Question: The higher prices for oil, coal, and intrastate natural gas that would result from current and proposed oil import fees and the decontrol of old crude will result in the diversion of extraordinary amounts of capital from other sectors of the economy to energy. Has FEA identified the source of that capital; the impact on employment; on the price of manufactured goods; on the relative cost of U.S. exports in world markets? Please describe that impact.

Answer: The sources of capital for energy investments were reviewed in Project Independence Report analyses. The study showed that even in the most accelerated supply case, the total capital pool expected to be available for energy is adequate, and maintains about the same share of fixed business investment as it did historically. However, the electric utility sector may have problems attracting its share. The impact on employment as a result of the President's entire energy program is projected to increase unemployment by up to one-tenth to two-tenths of a percentage point above what it would be in each period in the absence of the program.

Current Estimates from the Office of Economic Impact: Impact on the prices of manufactured goods.

Durables: Increase in first year two-tenths of a percentage point; increases in second and third years up to .7%, fourth year, drops back.

Non-durables: (excluding food and fuel): .9 of percentage point in first year.

Food: one-tenth of a percentage point in first year.

For non-durables and food, first year shows the most significant increases.

Any estimates of the relative cost of U.S. exports in world markets depend upon the actions taken by individual governments. All major exporting nations face the same increases in energy costs and will be in a similar position to ours unless they are able to find a better way to conserve energy in the production process.

PETROLEUM PRICES

Mr. FANNIN. Mr. President, many of the problems plaguing our country today would be solved if the Congress would only let the business enterprise system function more freely. The free marketplace remains the most efficient, fairest and most inexpensive means of allocating goods and services.

We have an energy crisis today because of Government policies—which have been dictated by the Congress over the past decade or more. The more Congress has tried to control energy prices and allocations, the more troubles we have.

Mr. President, the Phoenix Gazette on May 26, 1975, carried an excellent editorial pointing out that the era of cheap oil has come to an end, and attempts by the Congress to legislate otherwise will only result in disaster. I ask unanimous consent that this editorial be printed in the RECORD so that my colleagues may share in this clear analysis of the problem.

as follows:

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

END OF CHEAP OIL ERA

Whatever Congress may do about energy conservation—if indeed it is able to agree on anything at all—the U.S. won't be safe until the marketplace controls petroleum prices, as painful as that may be to the American consumer.

Because Congress has done nothing, President Ford reportedly is ready to remove artificial price controls on domestic oil and to add an additional dollar-a-barrel tariff on imported petroleum. Such action would increase the price of gasoline and other oil products dramatically, but higher prices are the best instrument to do what must be done about oil.

First of all, by lifting the controls that hold the price of domestic oil at $5.25 a barrel—just half of the cost of imported oil—the President would encourage more domestic exploration and production that eventually would make the United States less dependent on imports. Higher prices also would stimulate the development of alternate fuels, including solar power.

The higher prices prompted by removing the domestic controls and increasing tariffs also would reduce demand that now forces the United States to spend something like $25 billion a year for foreign oil, an amount that will go up when oil-producing nations hike prices this fall. As long as that kind of money is draining out of the country, there is little hope of stabilizing the American economy.

The Democratic Congress is searching for the impossible, a formula that would reduce demand, but leave the American people with plenty of low-cost petroleum products and encourage domestic production without allowing the oil companies the earnings they must receive to provide capital for exploration, new refineries and all the rest of it.

So far Congress has acted only to repeal the oil depletion allowance once offered as an incentive for exploration. That, of course, was a counterproductive move.

The ugly fact confronting the President, Congress and the American people is that the era of cheap petroleum is over. That means higher energy costs for Americans, barring some unanticipated breakthrough, and those higher costs in turn mean a change of lifestyle. Too bad, perhaps, but inevitable nevertheless.

The President is aware of the reality and most Americans probably are ready to accept it, however reluctantly. Only the Democratic Congress refuses to see the situation for what it really is.

THE HOSPITAL AND THE BUREAUCRATS

Mr. BARTLETT. Mr. President, there is a problem that is facing our Nation's hospitals today, especially small rural hospitals, called utilization review requirements promulgated by the Department of Health, Education, and Welfare. These requisites as they relate to the small hospital are exceptionally critical, mainly because they are unrealistic.

I have met with rural physicians from Oklahoma who have expressed great concern about utilization review and the effect that it has on the small hospital. I have met also with officials of HEW regarding this problem, and they have indicated an understanding of the situation and willingness to correct inequities that may exist. It is with sincere hope and conviction that this problem can be resolved in a manner that will benefit all people.

I ask unanimous consent to have printed in the RECORD, Mr. President, an excellent article on this subject from Nation's Business, May 1975 issue, written by James J. Kilpatrick.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE HOSPITAL AND THE BUREAUCRATS

(By James J. Kilpatrick)

Several months ago, a small-town physician in Oklahoma, Dr. Claude H. Williams of Okeene, cried out in despair against what he termed a "death sentence" on his community hospital. Late in March, Health and Welfare Secretary Caspar Weinberger granted a three-month reprieve. But unless the terms of the reprieve are more helpful than they now appear to be, Okeene's little 34-bed hospital is doomed. Bureaucracy will have killed it.

Dr. Williams' plight is duplicated many times over. Of the nation's 7,100 hospitals, nearly 1,800 have fewer than 50 beds; of these, almost 400 have fewer than 25 beds. These are the small rural hospitals, having staffs of only as many as six doctors. Typically, the institutions are the proud results of community effort. Daniel Webster's famous tribute to Dartmouth finds an echo here: They are small, these hospitals, but there are those who love them.

The story provides a textbook example, on a scale that anyone can understand, of bureaucracy gone berserk. The story therefore has its good aspects, for bureaucracy has its good aspects; bureaucracy is not intrinsically evil. The problem, one surmises, is that bureaucrats of the best intentions often dwell in an ethereal world of their own, light-years removed from the realities they seek to regulate. It seems unlikely, somehow, that Secretary Weinberger or his aides know much about the hospitals at Okeene, Watonga, Cherokee or Alva, all in northwestern Oklahoma. These institutions are real, and the Secretary's regulations have them in trouble.

Under various programs of Medicare and Medicaid, tax funds are provided to pay for the hospitalization of patients under Social Security or public assistance. In many institutions, such patients constitute more than half of the patient load. Payments for their care are indispensable to the hospital's survival. The two programs are costly: In the coming fiscal year, the President's budget asks $7.4 billion for Medicaid, more than $10 billion for Medicare.

It doubtless is true, as various critics have charged, that some doctors and some hospitals, seeing such vast sums available, have abused the programs. That is, they have admitted patients who never should have been admitted; or they have kept some patients hospitalized after they should have been discharged. It was in a commendable effort to prevent these abuses that the government, last November, laid down its utilization review regulations. They were to have become effective on Feb. 1. Under the reprieve, the effective date now is July 1.

This is how the system works. The Okeene Municipal Hospital must prepare a written set of "norms" for all categories of prospective admissions. Such "norms" are defined as "numerical or statistical measures of usually observed performance." You are a person on Social Security, living somewhere in the boondocks of Blaine or Kingfisher County, and you come down sick. You make it into the Okeene hospital, where a doctor orders your admission.

Within 24 hours, a full written justification for the admission must be prepared and reviewed by a utilization review committee. This "staff committee" is to be composed of "two or more physicians with participation of other professional personnel," or by a "group outside the hospital which is similarly composed." The reviews may not be conducted "by any person who is financially interested in any hospital or by any person who was professionally involved in the care of the patient whose case is being reviewed."

At the time Dr. Williams cried out for

UMI

relief, the Okeene Municipal Hospital had a staff of two doctors. The hospital at Watonga had three, the 20-bed hospital at Waynoka had one. Ten institutions in the general area had a total of only 26 doctors. It is a fair assumption that most of the doctors have at least some financial interest in some hospital; they would thus be disqualified from serving on a review committee, even if their 60-hour workweeks could be stretched to include committee service. In practice, every doctor attached to a small hospital becomes professionally involved in the care of every patient. This is rural practice.

How is your admission to be reviewed and justified according to the predetermined "norms"? Dr. Williams says flatly, "No way." The hospitals do not have the clerical staff, let alone the time, to fill out elaborate reports on every Medicare or Medicaid admission, detailing "the diagnosis or symptoms indicating the need for the admission, the physician's plan of treatment, and other supporting material (e.g., recent test fidings, recent case history, schedule of tests planned, etc.) the group or committee may deem appropriate." No way.

But if the admission is not thus reviewed and justified, no payments will be made for the patient's care.

Between now and July 1, "alternative means" are to be explored. According to a spokesperson at HEW, it might be possible for a nurse or a records librarian to make an initial determination that a particular admission met the written "norms." If in doubt about the admitting doctor's judgment, the nurse or librarian could telephone some other doctor somewhere else. The other doctor, somewhere else, would then drop whatever he was doing in order to approve or disapprove the judgment of his distant colleague. It sounds, somehow, a little improbable.

Utilization review is only one of the burdens placed upon the small institutions. Back in July of 1974, an inspector for the Social Security Administration descended upon the Okeene Municipal Hospital. Subsequently he prepared a seven-page, single-spaced statement of "deficiencies and plan for correction." The document is a masterpiece of bureaucratic harassment: "Storage of garbage is not stored properly." In reports of staff meetings, "the names of discussants was [sic] not given." As to records, "there is no registered record administrator which makes periodic visits to the hospital to evaluate the records." The author of this infuriating document could not spell "examination"; he could not spell "privileges," "Caesarean," "judgment" or "specialization." His most serious citation, having to do with the supposed lack of an emergency water supply, later was acknowledged to have been "an error."

This is bureaucracy in action, out in the boondocks. The reality, as distinguished from the theory, is that rural physicians are swamped by the everyday demands of patient care. Overwhelmingly, these are doctors of honor and integrity. They are working formidable hours, with limited clerical and nursing staffs, and they are providing a kind of community hospital service that is indispensable to their people. They can cope with most of the medical and surgical situations one would expect—they can cope with epidemics, with the farmer who manages to get a leg caught in a baling machine, and with other emergencies—but they cannot tend to their patients and tend to the big-city demands of bureaucracy also.

Because these observations seem to have focused on a single area in Oklahoma, probably it should be emphasized, for the record, that Dr. Williams is no isolated dissident. In Louisiana, Dr. H. Ashton Thomas, executive vice-president for the Louisiana State Medical Society, has objected as severely. The utilization review requirements, he says, are the work of "technocrats," unfamiliar with actual hospital care. The small hospitals of Louisiana, in his view, could comply only by "paper-faked deals." Dr. F. Michael Smith Jr., of Thibodoux, is still more emphatic. Compliance, as he sees it, means "sham, subterfuge and perjury."

How did these critical problems develop? They developed somewhat in the fashion of the Mad Hatter's watch. If you remember your Alice in Wonderland, the watch needed repair and the Mad Hatter asked the March Hare to minister to the timepiece. It still ran two days wrong. "I told you," says the Hatter, "that butter wouldn't suit the works." The March Hare says defensively that "it was the best butter," and the Hatter grumbles that some crumbs must have gotten in as well: "You shouldn't have put it in with the bread knife."

That is what has happened here. With the most proper and virtuous intentions, the Medicare and Medicaid people set out to repair a minor malfunction in the government's hospitalization machinery. They proceeded to impose a bewildering array of regulations geared to the largest big-city hospitals. It would be unkind to suggest that the bureaucrats knew that enforcement would demand still more bureaucrats, and that the labors of these bureaucrats would produce work for still more bureaucrats, and so add infinitum. In charity, let it be said that the bureaucracy was motivated solely by an earnest desire to provide high-quality hospital care, and to protect the taxpayers from unscrupulous rip-off.

All right. Where do we go from here? A Congress firmly controlled by liberal Democrats soon will turn to the business of national health insurance. Before long, the taxpayers will be asked to finance not $7 billion for Medicaid and $10 billion for Medicare, but $50 or $60 billion for everyone. The federal government then will be pervasively involved in claims, payments, reviews, justifications, appeals and the preservation of medical records from the cradle to the grave.

We ought to think about where we are going. No matter how national health insurance may be financed and administered, new armies of inspectors, coordinators, auditors and supervisors will be required. In the name of accountability, new volumes of rules and regulations will have to be composed. National "norms" of admission and treatment inevitably will appear. Government's standards will replace individual judgment. Doctors and hospitals that deviate from certifiable procedures eventually will weary of bureaucratic combat. The tendency will be to "go by the book," to take the easy way.

At some point—and that point is nearer than most Americans think—the people must wake up to what is happening to the private practice of medicine in our country. The doctors know what is going on, but they are an inarticulate bunch, for the most part, ill-equipped—and lacking the time—to communicate with people who may be concerned when they're sick but remain indifferent when they're well. Meanwhile, small-town Americans need to look to their small hospitals. The institutions are suffocating under a bureaucratic blanket, and may not survive.

PRIVATE DOCTORS CUT MEDICAL COSTS

Mr. FANNIN. Mr. President, during the past 5 years we have had much debate and discussion in the Congress regarding the spiraling cost of medical care. We have been especially alarmed by the fact that hospitalization can be a financial disaster for many people.

While the Congress has been debating and discussing, some doctors in Phoenix, Ariz., have been doing something about the problem.

A little more than 5 years ago Drs. Wallace Reed and John Ford opened a facility in Phoenix known as Surgicenter to handle minor surgical procedures without hospitalization.

This program has been immensely successful and provides a model which might be copied across the Nation.

Mr. President, an article by Julian DeVries, medical editor of the Arizona Republic, appears in the May issue of the magazine Private Practice. This is an excellent summary of what has been accomplished at Surgicenter, and I ask unanimous consent that this be printed in the RECORD for the benefit of my colleagues who are concerned about improving health care in America.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRIVATE DOCTORS CUT MEDICAL COSTS
(By Julian DeVries)

After five years and 23,000 minor operations, two Phoenix, Arizona, anesthesiologists have proved that private doctors can help their patients save money.

But that's not all that Wallace Reed, MD, and John Ford, MD, had in mind when they started their Surgicenter in February 1970.

In addition to cutting the cost of care, and thus lightening the burden on the patient's purse, Drs. Ford and Reed also sought to make the ambulatory patient a matter of greater concern, streamline the delivery of medical services, and work for a broadening of the patient's insurance coverage.

They have succeeded in all four aims.

Surgicenter is an "in-and-out" surgical facility for minor procedures which do not require hospitalization. That advantage alone saves each patient an average of $130 in expenses. As the two doctors put it, "Patients who require only minor surgery shouldn't be made to pay extra for other patients' major surgery."

In the five years of its existence, Surgicenter has grown from four to six operating rooms; 12 to 24 admitting and recovery beds, and four to 50 employees.

Average recovery bed occupancy time at Surgicenter is about three hours, after which the patient goes home and is returned to the care of his own doctor.

Since Ford and Reed began what in 1969 was a bold venture in medical care, the idea has spread across the nation. Some of the facilities, like Surgicenter, are free-standing. Others are associated with a hospital or group of hospitals. But all have the same objectives: save money for the patient without sacrificing the quality of his care, and make more hospital beds available for critical cases.

Getting insurance company approval for Surgicenter's services wasn't easy. It took four years to convince all but the carriers in New York, Michigan, and Maryland that Surgicenter provided a genuine, cost-saving service. The refusal of insurance companies in the three states to recognize Surgicenter is no black mark against its record, however; laws in those states prevent insurers from recognizing similar facilities in their own states. Arizona Blue Cross, of course, recognizes Surgicenter.

With an eye out for further Federal encroachment on the practice of medicine, particularly if National Health Insurance is enacted, Ford and Reed regard facilities such as Surgicenter as absolute necessities.

The Phoenix medical community seems to agree with them. If National Health Insurance comes along, hospitals will be inundated with patients. Without facilities such as Surgicenter, the hospitals could be bogged down chaotically.

All but a very few Phonix surgeons avail themselves of Surgicenter's facilities. They regard it as an extension of their own offices.

In addition to saving money at Surgicenter, there's a touch of glamor for patients, too. Some of the equipment, such as operating tables, overhead surgical lights, and other operating room necessities, were purchased from the old Ben Casey television show when the series went off the air a few years ago.

Producers of the show installed the equipment in their TV studio to lend an air of authenticity to the production, but the furnishings were never actually used.

At the end of its fifth year of operation, Surgicenter's books still do not show substantial profits. Most of the facility's earnings, after expenses, are plowed back into the organization for improvements to better Surgicenter's service to its patients.

"We don't reject the idea of earning a profit," Ford and Reed said, "but providing our patients with the very best in care and facilities as well as personalized service comes first."

Aside from being a going business venture, Surgicenter is proud of an even more important achievement—the enviable record of no fatalities during more than five years and over 23,000 surgical cures. Nation-wide statistics show an average of one death per 5,000 administrations of anesthesia.

Starting with an average of about five patients per day, Surgicenter now serves about 60 men, women, and children daily. Half of them are outright surgical cases. The rest involve diagnostic and therapeutic nerve blocks.

Rigidly adhered-to ground rules for the protection of the patient are observed at Surgicenter. A medical audit team functions as a volunteer, private review committee (Federal PSRO hustlers, please note), and the team sets the standards by which the facility accepts patients as well as surgeons.

One such is that an anesthesiologist must be on duty until all patients have been discharged. So long as even only one patient remains, an anesthesiologist must remain also.

When Surgicenter was born five years ago in Phoenix, it was not greeted with much enthusiasm by many members of the medical profession who (although they've now changed their minds) felt as the American Hospital Association does now, that "free-standing ambulatory surgical or single-procedure facilities are acceptable only if there is a need in the community clearly demonstrated on an economic basis or on the basis of a clearly defined need to restructure the existing systems. . . . The overall impact of providing these services in a community-wide system of health care must be considered, rather than a unit cost per service in individual facilities."

To which Ford and Reed reply: "Surgicenter is a response from the private sector to the many urgent appeals from the government, labor, industry, and the medical profession to streamline the delivery of medical care and reduce its cost."

The Surgicenter statement is in keeping with the view of the American College of Surgeons, which notes that "avoidance of overnight stay (in a hospital) under expensive per diem rates saves the patient money, avoids admission delays where hospital beds are in short supply, and shortens the time of a surgical event between admission and discharge to three or four hours. . . . Economical operation of a free-standing surgical unit demands acceptance and utilization by the local practitioners, approval by third-party payers, and efficiency in design, staffing, and procedure."

Surgicenter has passed muster with the Phoenix medical and surgical community, and Arizona Blue Cross notes that it has been a "real money-saver" without sacrificing high standards.

Although Surgicenter in Phoenix was the first of its kind, it no longer is the only one. Of the many to spring up across the country, the Minor Surgery Center in Wichita, Kansas, seems to follow most successfully the humanistic doctor-patient relationship established by Surgicenter.

Established in February 1974 by M. Robert Knapp, M.D., Wichita's Minor Surgery Center, in addition to adhering to the same high quality of medical and surgical services which characterizes Surgicenter, also places great emphasis on personalized medical care for its patients.

That, incidentally, goes for the nurses as well as the doctors.

"I think the nurses are getting as much out of this facility as the patients are," MSC Nursing Supervisor Dee Bigley said. "The part of nursing that I went into the profession to find is finally being fulfilled because I'm able to feel the completion of being with patients, before, during, and after their surgery." Surgical nurses agree.

"Patients are people, not procedures," Nurse Bigley said, "and that's the way we treat them."

"So do we," echoed Sharon Wann, RN., Surgicenter OR supervisor.

Surgicenter's Ford and Reed see the future of their undertaking, as well as that of similar facilities, as almost unlimited.

"When the patient can save money and still be assured of receiving the best, the very best, in care and services," they maintain," we believe optimism concerning the future is more than justified."

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, again I rise on behalf of the Genocide Convention. Recently, the Executive has referred to the Congress inaction with respect to several matters, energy being foremost in all of our minds. There are many items of great importance before the Congress today, and while not all of them are acted upon with the swiftness of lightning, there are few matters upon which the Senate has been as slow to act as the Genocide Convention. For 26 years, the United States has been a signatory to this document, and for 26 years, the Senate has stood by and watched every President call for its ratification, and 84 other nations accede formally to this Convention.

We are almost alone among the Charter Nations of the U.N. in not having ratified this treaty. Only South Africa stands with this Nation in scorning to go on record as opposed to mass murder of peoples. Ours is not a record of which we can be proud. I am totally in favor of full discussion and debate of all public issues, including energy bills and tax measures, but the time has come to act upon the Genocide Convention. As the only Nation to be founded as an experiment in human rights, we should be consistent with our principles and formally proclaim our abhorrence of the crime of genocide in all of its forms.

I urge that the Senate ratify the Convention without delay.

THE INTERNAL REVENUE SERVICE AND "AFFIRMATIVE ACTION"

Mr. BUCKLEY. Mr. President, I recently wrote to the Internal Revenue Service—IRS—Commissioner Donald C. Alexander questioning the IRS' proposed rules dealing with racial bias which would apply to private educational institutions. These proposed rules would, if they became a reality, place the IRS in the position of becoming an "affirmative action" watchdog agency. It would seem obvious that the IRS has enough to do without taking on this new and unnecessary burden.

Mr. President, at this time, I request unanimous consent that correspondence between my office and the office of IRS Commissioner Alexander, along with a copy of an article entitled "Simon Calms Deans on Bias Rules," appearing in the Washington Post, Sunday, May 25, 1975, be printed in the RECORD:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 27, 1975.

Hon. DONALD C. ALEXANDER,
Commissioner, Internal Revenue Service, Washington, D.C.

DEAR MR. ALEXANDER: The *Federal Register* (Vol. 40, No. 33—Tuesday, February 18, 1975) contains a proposed revenue procedure of the Internal Revenue Service (IRS) for "Private Schools." Section 1 of this revenue procedure, stating its purpose, reads, in part, as follows:

"This Revenue Procedure sets forth guidelines and record-keeping requirements for determining whether private schools that are applying for recognition of exemption under sections 501(a) and 501(c)(3) of the Internal Revenue Code of 1945, or are presently exempt from tax, have racially nondiscriminatory policies as to students."

Section 2 of the proposed procedure states:

". . . A school must show affirmatively both that it has adopted a racially nondiscriminatory policy as to students that is made known to the general public and that it has operated continuously in accordance with such racially nondiscriminatory policy. The existence of a racially discriminatory policy with respect to faculty and administrative staff is evidence of a racially discriminatory policy as to students. . . ."

I find the explanation for the the expressed purpose of this proposed procedure to be highly questionable. Why should private schools be forced, under penalty of loss of tax exemption status, to keep records of "racial composition" of the "student body", "applicants for admission" and "facility (sic) and administrative staff?" (I assume "facility" was means to be "faculty?") The only explanation given in the procedure is that "service experience with private school operations" has shown a "need" for such procedures. This explanation—if that is what it is—is not a sufficient basis for what would amount to a wholly new set of rules and procedures of the Internal Revenue Service concerning private schools. I would very much appreciate receiving from you specific documentation of this "service experience" and an explanation of how this "experience" leads the Internal Revenue Service to believe that every private, tax-exempt school in the nation must begin to keep voluminous records for the benefit of IRS.

In *U.S. News & World Report* (November 19, 1973) you responded to questions con-

UMI

cerning practices of the IRS. In part, you stated:

". . . The tax laws are an imperfect instrument for solving all the ills of society. People should pay their taxes. But people should also comply with other laws, and people shouldn't violate the Criminal Code.

"It is not up to the Internal Revenue Service to enforce the Criminal Code. There are other agencies—the Federal Bureau of Investigation, the Postal Service, for example—that are given resources to enforce provisions of the Criminal Code. . . ."

I agree with your statement that "It is not up to the Internal Revenue Service to enforce the Criminal Code." It is also not up to IRS to enforce the anti-discrimination laws or to require private schools to add yet another layer of "affirmative-action" procedures to the already staggering load borne by these institutions.

Rev. Rul. 71–447, 1971–2, C.B. 30 states, in part:

"Although the operation of private schools on a discriminatory basis is not prohibited by Federal statutory laws, the policy of the United States is to discourage discrimination in such schools. The Federal policy against racial discrimination is well-settled in many areas. . . ."

". . . racial discrimination in education is contrary to Federal public policy. Therefore, a school not having a racially nondiscriminatory policy as to students is not 'charitable' within the common law concepts reflected in sections 170 and 501 (c) (3) of the Code and in other relevant Federal statutes and accordingly does not qualify as an organization exempt from Federal income tax."

Surely there must be a better way to determine if a private school indeed qualifies for such an exemption other than the massive record keeping outlined in Section 6 of the proposed procedures. That a charitable institution can be denied tax exemption on the grounds, given in Section 6, that a failure to maintain or "produce" such records will "warrant the presumption" of race discrimination is contrary to the most elementary rules of fairness and due process.

I want to take this opportunity to state my concern over these proposed procedures and to state to you my conviction that they should be immediately rejected.

Sincerely,

JAMES L. BUCKLEY.

INTERNAL REVENUE SERVICE,
Washington, D.C., May 10, 1975.

Hon. JAMES L. BUCKLEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BUCKLEY: This is in reply to your letter of March 27, 1975, commenting on the proposed revenue procedure set forth in the February 18, 1975, issue of the Federal Register and asking for documentation and rationale upon which the Service guidelines and record-keeping requirements are based.

The guidelines and record-keeping requirements are mandated by *Green* v. *Connally*, 330 F. Supp. 1150 (D.D.C. 1971), aff'd. sub nom. *Coit* v. *Green*, 404 U.S. 997 (1971). The court enjoined the Service from approving or continuing in effect any Mississippi school's application for exempt status unless the school has established that it has a policy of racial nondiscrimination. Under that decision, a school must submit to the Service information as to the racial composition of its students, faculty, staff, candidates for admission, and recipients of scholarship and loan awards. The school must provide information relating to whether any of its incorporators, founders, board members, or substantial donors have a connection with an organization devoted to the maintenance of segregated school education. The school must also submit evidence that it has adequately publicized its racially nondiscriminatory policy.

The rationale behind the *Green* case and the proposed revenue procedure is that the general law of charity requires the purposes of charitable trusts not to be contrary to public policy. Inasmuch as a racially discriminatory school is violative of Federal public policy, it is not "charitable" within the meaning of the general law of charity and thus does not qualify for exempt status under section 501(c)(3).

We naturally are very concerned as to the potential impact of these guidelines and record-keeping requirements upon the operation of educational institutions. We intend to study the comments solicited of the general public very carefully with the view of developing final rules that impose the least possible burden upon schools consistent with the mandate of the *Green* case, the Code, and regulations.

We appreciate the opportunity to consider your views and want to assure you they will be fully taken into account upon preparation of final procedures governing this matter.

We are sorry for any inconvenience caused by the delay in our reply.

With kind regards,

Sincerely,

DONALD C. ALEXANDER,
Commissioner.

SIMON CALMS DEAN ON BIAS RULES

(By Eric Wentworth)

Complaints that proposed Internal Revenue Service rules against racial bias would burden private universities with needless paperwork have drawn a sympathetic response from Treasury Secretary William E. Simon.

Simon, answering an irate letter from President Richard W. Lyman of Stanford University, assured Lyman the proposed rules for tax-exempt schools "will be modified to eliminate for institutionals such as yours the duplicative burdens your letter describes."

Lyman's letter, warning that the IRS rules would create a "paper nightmare" reflected growing resentment of federal regulatory activities among presidents of some of the nation's best-known universities.

Presidents John G. Kemeny of Dartmouth, William J. McGill of Columbia and Kingman Brewster Jr. of Yale have spoken out against what they view as excessive government intrusion in campus affairs. Problems they cite range from conflicting requirements to costly administrative burdens to fundamental threats to their institutions' independence.

Lyman told Simon he was writing him directly about the IRS rules because "what is at issue are matters of governmentwide policy and practice that transcend the intent, however laudable it is on the part of IRS, to eliminate racial discrimination in the private schools."

The IRS proposals, Stanford's president wrote, ignored the existing "web of regulation" against racial bias spun by the Health, Education, and Welfare Department, the Labor Department, the Equal Employment Opportunity Commission and—in California—the State Fair Employment Practices Commission.

"There is ample data available from those agencies," Lyman wrote, "as to our policies, plans, and practices to meet any reasonable need of the IRS."

Lyman particularly criticized the proposed IRS requirement that institutions keep for three years all applications for admission, student financial aid or employment and record the reason for each rejection.

Last year, he reported, Stanford admitted 2,000 freshmen out of 9,373 applicants, and 3,844 graduate and professional school students out of 17,689 applicants. More than 5,000 nonfaculty positions also were filled.

Lyman attacked the IRS for failing to specify who would have access to the records and for what purposes.

Simon, replying last month to Lyman, wrote he believed IRS could do its job "without imposing duplicative and expensive administrative burdens on private universities."

Dartmouth's Kemeny and other critics have complained that the IRS record-keeping proposal seemed to clash with last year's Family Educational Rights and Privacy Act, sponsored by Sen. James L. Buckley (Cons. R-N.Y.), which among other things restricts outsiders' access to a student's records without the student's consent.

The IRS proposals were published in February, shortly after the U.S. Civil Rights Commission blasted the tax agency for lax enforcement of its anti-bias authority.

The major aim of IRS was to bar racial discrimination in tax-exempt private elementary and secondary schools—and to bar tax exemptions for schools set up as exclusive havens for whites fleeing desegregated public schools.

But private nonprofit colleges and universities saw that the proposed rules would apply to them, too. IRS exemptions are vital to such institutions, freeing them from federal income taxes and providing the incentive for private gifts from donors who can claim tax deductions.

IRS is currently reviewing more than 100 comments on the proposed rules from interested parties. Aside from record-keeping, the rules also would require educational institutions to publicize their racial nondiscriminatory policies and be prepared to prove absence of bias in use of campus facilities and in all programs, including scholarship aid.

CHILE

Mr. KENNEDY. Mr. President, a series of reports and events have occurred recently to point up to the continuing violation of human rights in Chile.

The International Labor Organization has sent to Chile a three-member, fact-finding Commission, headed by a former President of Peru. The group, according to news accounts, found that labor leaders had been killed or executed for no other reason than that they were "trade unionists or that they exercised trade union activities."

The Commission also called a matter of "utmost gravity, the disappearance, in some cases without trace, of persons arrested by the authorities and who cannot be identified."

Their conclusions also reportedly sharply criticized the ill treatment of prisoners.

This report follows action by the General Assembly of the Organization of American States 2 weeks ago, directing a continuing investigation of human rights violations in Chile.

All of these reports indicate that the situation has not changed to any great extent from what it was last year. Therefore I urge a continuation in this year's foreign aid bill of a prohibition on all military equipment and assistance to Chile.

The Assembly's standing Committee on Political and Judicial Matters approved a resolution directing the commission—

Availing itself of all appropriate means, to secure and consider additional information and submit a report on the human rights situation in Chile. . . .

Also, it is noteworthy that Assistant Secretary of State William Rogers, acting as head of the U.S. delegation, made a statement to the Foreign Ministers supporting the efforts of the Inter-American Commission on Human Rights to investigate human rights violations in Chile. This represents a commendable departure from previous occasions when the United States has been all too silent on matters such as these.

The OAS discussion also represents a significant and hopefully permanent strengthening of the Inter-American Commission on Human Rights in its activities throughout the hemisphere.

In its past investigation into human rights violations in Chile, the Commission found that the current regime in Chile has engaged in "repeated violations of the rights set forth in articles I, II, IV, VIII, XVII, XXV, and XXVI of the American Declaration of the Rights and Duties of man."

The Commission found that the right to life was violated by the junta's actions, that torture, inhuman pressure, and treatment including the application of electric shock, threats to relatives, sexual attacks, blindfolding prisoners for weeks, have occurred. They found the violation of due process of law, the nonexistence of freedom of expression, thought or information, suspension of the right to meet, denial of the freedom of association, absence of equal treatment before the law, and the abolition of all political rights.

In that regard, I would urge my colleagues to consider the recent article by Joanne Omang of the Washington Post, in which she reports on the continuation of torture and repression in Chile. Her report confirms the private correspondence that I have received from individuals and groups in Chile protesting the continued violation of human rights in that country. I ask unanimous consent that Ms. Omang's article be printed in the RECORD at the conclusion of my remarks.

Similarly, only yesterday I received two urgent pleas for action from Amnesty International on behalf of two Chileans reportedly being held incommunicado and reportedly tortured. I ask unanimous consent that the Amnesty International message be printed in the RECORD at the conclusion of my remarks.

These two reports, and the others I have received, fly in the face of new decrees by the junta, allegedly restoring the requirement for notification of arrests within 48 hours and the filing of charges within 5 days. However, it should be noted that decrees have been issued in the past. For example, a year ago, a study mission of the Senate Refugee Subcommittee reported that it was informed by the former Minister of Interior of a decree issued by the junta in January of that year, directing that within 48 hours of any arrest, the facts were to be presented to the Minister of Interior.

Shortly after visiting the Minister of the Interior and learning this, the study mission was given the opportunity to visit an interrogation center of the DINA, the national intelligence gathering organization. There they observed an individual sitting facing the wall, who the DINA officials informed them had been arrested 8 days earlier. When they asked whether the information of the arrest had been given to the Minister of Interior, they were told that it had not. The explanation was that the prisoner wanted to continue confessing to DINA and thus they had kept him at this center and not reported it to the Minister of Interior.

What is sought is not merely the issuance of decrees indicating a reinstitution of traditional Chilean due process guarantees, but the implementation of those decrees.

I ask unanimous consent that articles on the subject of Chile be printed in the RECORD along with a copy of the statement by Assistant Secretary William Rogers at the OAS meeting and a copy of the OAS resolution on that subject.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 30, 1975]

CHILE IS ACCUSED BY LABOR GROUP

GENEVA, May 29.—A three-member fact-finding commission appointed by the International Labor Organization accused Chile's military Government today of having tortured labor leaders to death or executed them because of their trade union activities.

The commission which spent four weeks in Chile at the end of last year and conferred with Government officials there, made the charge in a 122-page report. It quoted the Chilean Government as having denied that it had put any labor leaders to death because of their trade union activities.

However, the commission said, it is an "established fact" that many trade union officials, or former officials, died after the military revolt that overthrew President Salvador Allende Gossens in September 1973. But the commission did not say how many.

The trade unionist died, the commission asserted, "either by execution, with or without trial, or in application of the law concerning fugitives, or as a result of torture inflicted upon them or in other circumstances."

EX-PRESIDENT A MEMBER

The Commission was headed by José Luis Bustamente y Rivero, a former President of Peru and a former head of the International Court of Justice. He is an expert on civil law.

The other members were Harold S. Kirkaldy, a British lawyer who is professor emeritus of industrial relations at Cambridge University, and Jacques Ducoux, a French lawyer who is now a member of the French Council of State. The council is the judicial body that rules on the constitutionality of French legislation and government acts.

The commission was appointed last June by the executive council of the I.L.O., a specialized agency of the United Nations, to investigate, with the agreement of the Chilean Government, complaints filed by the International Confederation of Free Trade Unions, the World Federation of Trade and many other such labor groups.

The commission sat in Geneva to hear witnesses before going to Chile late in November to make an on-the-spot investigation and discuss issues with the Chilean authorities. It completed the drafting of its report here this month.

DEAD ARE LISTED

The commission said it had submitted to the Chilean Government a "nonexhaustive list" of 110 labor leaders alleged to have been killed or executed up to the end of 1973.

The Government, the commission reported, confirmed the death of 33 of them. Ten were executed, nine died in clashes with the armed forces and 14 died while attempting to escape, according to the Government.

According to the commission, the Chilean Government failed to prove that the labor leaders had died for reasons other than that they were "trade unionists or that they exercised trade union activities."

The commission said the evidence made clear that one of the Government's aims was to "eliminate or prevent any large-scale opposition to its policy" by trade of unions or their leaders.

The lack of legal safeguards, the commission said, "is still making it possible for trade union officials to be victimized by unjust decisions and has allowed many of them to be subjected to unwarranted treatment."

The commission reported that among the former trade union officials it interviewed while in Chile were five who had been held since September or October of 1973 without charges being formally laid against them.

NO CHANCE TO APPEAL

They were being "detained at the pleasure of the executive power and had no opportunity to file an appeal or seek legal advice," the commission said.

Another matter of "utmost gravity," the commission said, "concerns the disappearance, in some cases without trace, of persons arrested by the authorities and who cannot be identified."

Even more serious, it continued, is the question of ill treatment of prisoners.

The commission said it had received "detailed particulars directly from a number of trade union officials who have been subjected to physical coercion, in some cases causing severe injury from the after effects of which they are still suffering."

"Information in the same vein," it said, "has also been supplied from various sources considered by the commission to be trustworthy, including eyewitnesses who gave evidence in Geneva and others in Chile."

The commission said that with the present Chilean regime in power for nearly two years the time had come for it to take steps to "insure respect for civil liberties which are essential to the exercise of trade union rights and without which the very concepts of such rights is meaningless."

STATEMENT

(By Assistant Secretary William D. Rogers)

I wish to take this opportunity, Mr. Chairman, to make a few comments on the agenda item, concerning the Inter-American Human Rights Commission Report on Chile.

In Article 3 of the Charter of the OAS, the member states affirm, and I quote, "The American States proclaim the fundamental rights of the individual without distinction as to race, nationality, creed or sex." The U.S. heartily endorses and reaffirms, for its part, these words from our Charter. We deplore human rights violations wherever they occur.

In 1959, the member states established the Inter-American Human Rights Commission. The Council of the OAS prepared and approved its statute in 1960. The Second Special Inter-American Conference in 1965 increased its functions and powers.

The Commission, in carrying out its duties, has issued a number of significant reports over the years, including the report on the human rights situation in Chile.

The Chilean Government is to be commended for having permitted the Commission to come to Chile. It has taken issue with certain aspects of the Commission's report. The report and the observations of the Gov-

UMI

ernment of Chile have merited the careful attention of us all.

The primary issue here, now, is not whether there may have been some defects or inadequacies in the IAHRC Report. It is now somewhat dated. The more important issue is the future—the deep concern which we all have for the promotion of respect for human rights and the elimination of human rights violations wherever they occur, and our ability to build and strengthen an international system to consider matters so vital to the common human values of this hemisphere. In this connection the suggestions and recommendations of the Commission for the future deserve the attention of all, including the Government of Chile.

The U.S. position on such questions is clear. On June 27, 1974, Deputy Secretary of State Ingersoll wrote Chairman Morgan of the House Committee on Foreign Affairs with reference to our obligation under the United Nations Charter to promote respect for and observance of human rights and fundamental freedoms for all. Mr. Ingersoll said "no matter where in the world violations of human rights occur, they trouble and concern us and we make our best efforts to ascertain the facts and promote respect for human rights and fundamental freedoms."

We do not regard human rights as an exclusively domestic concern. The state who are members of our Organization adopted: and have subscribed to an international series of standards. These standards are set down in the Universal Declaration of Human Rights and in the American Declaration of the Rights and Duties of Man. We are fortunate that the OAS has given the responsibility of inquiry, reporting and recommendation, when violations of these standards are alleged, to its autonomous, independent and expert Inter-American Human Rights Commission.

The Commission, except in certain respects has noted, received extensive cooperation from the Government of Chile. It has filed the report that is now before us. The Government of Chile has made observations about that Report. I will not take the time of the Assembly to review the findings of the Commission, and the comments of the Government of Chile. But I think it appropriate that we note our appreciation of the efforts of those who have now been able to place this matter before us so fully, and to commend what I sense to be a spirit, on all sides, of seeking an outcome fully consistent with our shared commitments and aspirations concerning human rights and fundamental freedoms.

We hope to continue to unite our efforts with those of the other members of this Organization, including especially the Government of Chile, in placing the great weight of this Assembly behind constructive steps towards the promotion of human rights, here and elsewhere in the hemisphere. We are especially encouraged in this hope by the reaffirmation by the Government of Chile of its constructive attitude toward impartial international visits, observation and study. Its decision to welcome and cooperate with a United Nations study group acting under a U.N. Human Rights Commission Resolution recently approved the U.N. Economic and Social Council was not lightly taken. It deserves the attention and respect of all member states in this regard.

We believe that this Assembly should take note of the forthcoming visit of the U.N. Working Group, applaud the Chilean Government's decision to cooperate with it and state that we will keep the issue before us pending receipt of the forthcoming U.N. Working Group reports.

My delegation further believes that the IA Haman Rights Commission should remain seized of the issue. A process of inter-action between the Government of Chile and the Human Rights Commission is desirable, including opportunity for the Commission to keep its information up-to-date by all means appropriate.

In conclusion, I would stress that this agenda item represents a test of the system and of the capacity of the members of the Organization of American States rationally, objectively and effectively to weigh human rights issues collectively. In a sense, all of us are on trial here—all of us, in our capacity to articulate a continuing standard and to develop fair and effective procedures for the application of that standard to individual cases.

It would be idle to pretend that this is an easy or simple task. Temptations exist in such circumstances, either to maintain silence, or, in speaking out, to exceed somewhat the rhetorical needs of the matter before us.

But this, it seems to me, is a high challenge. No issue is more fundamental to the business of the Hemisphere, than the humane tradition which is common to us all—the sustenance of human freedom an individual dignity. It was this which drove us all to independence, and it is this which, above all else, tests the adequacy of our efforts to govern and lead our peoples.

As we have said, in the American Declaration of the Rights and Duties of Man, "All men are born free and equal, in dignity and in rights, and being endowed by nature with reason and conscience, they should conduct themselves as brothers one to another."

REPORT OF THE INTER-AMERICAN COMMITTEE ON HUMAN RIGHTS ON "THE STATUS OF HUMAN RIGHTS IN CHILE"

(Resolution adopted at the sixth plenary session, held on May 19, 1975)

Whereas: It has received the report of the Inter-American Commission on Human Rights on "The Status of Human Rights in Chile," based upon materials presented to the Commission by various sources, including the Government of Chile, and on its in situ investigation of the facts during its visit to Chile from July 22 to August 2, 1974;

This report, together with the observations of the Government of Chile, was sent to the United Nations and was considered at the Thirty-first Session of the United Nations Commission on Human Rights;

As a result of this consideration, in which seven member states of the OAS took part, the United Nations Commission on Human Rights unanimously decided to send a working group to Chile to study the present status of human rights in that country; and

Consequently, both the Inter-American Commission on Human Rights and the next session of the General Assembly will have the additional benefit of a report based on further investigations to assist them in their work in the coming year,

The General Assembly resolves:

1. To take note, with appreciation, of the report of the Inter-American Commission on Human Rights on "The Status of Human Rights in Chile," "as well as the observations of the Government of Chile on that report.

2. To take note, with approval, of the acceptance by the Government of Chile of the visit of the working group of the United Nations Commission on Human Rights.

3. To respectfully call upon all the governments, including the Government of Chile, to continue to give the most careful attention to the suggestions and recommendations of the Inter-American Commission concerning human rights.

4. To request the Inter-American Commission to secure, by all appropriate means, additional information, to consider that information, and to submit a report on the status of human rights in Chile to the next session of the General Assembly, ensuring that the Government of Chile has reasonable time to submit its own observations.

[From the New York Times, May 25, 1975]

TORTURE STILL A WAY OF LIFE TO CHILE'S JUNTA

(By Jonathan Kandell)

SANTIAGO, CHILE.—A few weeks ago, a Chilean newspaper published a letter by a reader who congratulated the President of the Supreme Court for his strong support of the military junta and his vehement denials that torture was practiced by the authorities.

The letter, a clever forgery, was signed, "Luis Manuel Contreras," who listed as his address a former discotheque on the outskirts of Santiago.

The projunta newspaper, La Segunda, had been taken in by a bit of black humor. Mr. Contreras is the army colonel who heads the feared Dirección de Inteligencia Nacional, the most powerful of the secret police organizations. The former discotheque is Villa Grimaldi, now used by the organization as an interrogation and torture center.

Most Chileans have never heard of Colonel Contreras. Many believe that the reports of torture are greatly exaggerated and part of a Marxist campaign that has infiltrated the highest international organizations, the mass media, universities and government circles in Western countries.

But for thousands of other Chileans, the secret police is a reality. According to the junta's own estimates, 41,000 people—or one out of every 250 Chileans—have been detained at least temporarily for political reasons since the 1973 coup that toppled the Marxist Government of the late President Salvador Allende Gossens.

Church sources, who have concerned themselves with political prisoners, believe that the figure is much higher, perhaps one out of every hundred Chileans.

Both the Government and its critics agree that about 5,000 people remain in prison camps for political reasons.

In a typical case last month, Juan Sepulveda Arancibia, owner of an auto repair shop in the southern factory district of Santiago, was arrested with his two sons by police detectives who were looking for a third son, Alejandro, who allegedly was a member of an extreme left wing organization.

The Sepulvedas were released after nine days. But in a sworn statement to a Santiago court, the father asserted that he had been repeatedly beaten and submitted to electric torture.

TO PREVENT ABUSES

On April 30, President Augusto Pinochet Ugarte unveiled a new series of legal norms to prevent "abuses of power that the Government has not approved."

These measures call for the punishment of torturers and require that new detainees be released within five days or be turned over to a court of justice. The secret police must also inform a prisoner's nearest relative within 48 hours of his arrest.

The new security laws are viewed skeptically by critics because, as recently as April, political detentions in the Santiago area alone were running at about 40 a week, and the Court of Appeals was still receiving sworn statements of torture from the victims' relatives.

Junta opponents also point to the broad mandate that the junta gave to Mr. Contreras' secret police by the decree officially creating the organization in early 1974.

The decree gives the organization unlimited access to "the resources that are necessary for this financing" and allows it duty free imports of "complete equipment, accessories and other elementa," presumably for interrogation and investigation.

The issue of human rights has greviously damaged the junta's image abroad. Earlier this month, the Government was forced to withdraw Dr. Urrutia Marzano, the President of the Supreme Court, as its candidate for Ambassador in Paris after the French Government refused to accept him. He is well known for his spirited defense of the junta and his strong denials that torture and other violations of human rights exist in Chile.

At its recent meeting in Washington, the Organization of American States deferred action on a report by its Committee on Human Rights, which has been investigating reports of torture in Chile, until a United Nations commission completes a similar investigation. The United States has not pressed the Chile human rights issue openly, if at all, through economic or political sanctions.

For most Chileans, however, the issue of human rights places a distant second to concerns over the faltering economy. The junta inherited from the Allende years an economy devastated by inflation, production declines, and a huge balance-of-payments deficit.

This month, the junta began to implement what it calls "shock treatment" to stem an inflationary spiral that reached 376 percent in 1974. The measures include a 15 to 25 per cent cut in Government spending, a clampdown on the overprinting of new money, and increases in property and income taxes.

[From the Washington Post, May 18, 1975]

CHILE TORTURE SAID TO PERSIST

(By Joanne Omang)

SANTIAGO, May 17.—Ramon Herrera Sepulveda is his real name. "Use it," he said. "Ask them why they killed my son."

In Chile, four sets of relatives, including the Herreras, last week claimed their dead at the city morgue, each one saying the man had been tortured and killed by one of the five branches of the government security system.

Twenty months after overthrowing the leftist government of Salvador Allende, the ruling military junta is preoccupied by a quest for security in the face of an alleged international Communist plot that it denounces almost daily.

At the same time, buffeted by foreign press criticism over reports of torture and other violations of human rights, the junta has offered a new law, statistics on its political prisoners and public access to condemned torturers in a continuing try for international respectability.

The new law restores to the formal stage of siege the traditional Chilean requirement for notification of relatives within 48 hours after arrest and the filing of charges within five days.

But it would not have helped Herrera's son Guillermo, 28, a teacher and father of two. His father said Guillermo was brought home eight hours after his arrest on May 3. He said Guillermo was clutching his stomach, and died vomiting blood on his bed 36 hours later. The mattress bears bloodstains.

Ramon Herrera, 71, spent 26 years in the army as a weapons expert and the last 14 years working for the army as a civilian in the same job.

"When the junta took over," said his wife, pulling her black shawl closer, "I ran out and put up the flag, I was so happy." The two of them voted for the centrist Christian Democratic Party—now in recess, like all Chilean parties—for 16 years, and they hated Allende.

Now, Herrera said, his entire family, all military men, is horrified by what he said happened to his son, and even more by the aftermath.

"My son took his last breath in my arms," Herrera said. "And then they told me he committed suicide."

The National Intelligence Department, DINA, had brought Guillermo Herrera home to await a phone contact with an alleged higherup in the outlawed leftist MIR party. His parents insist their son was not a member.

Herrera complained that day to his superior officer, who investigated and told him suicide was the official cause of death. The cover of the autopsy report, on file at the city morgue, says "suicide—death by a knife wound in the neck and subsequent loss of blood."

The report's detailed description of the internal organs, done by a respected veteran autopsy physician who has held his job for 20 years, is locked in the files of the 7th Judicial District Court, where Herrera has filed a denunciation of the DINA and demanded an investigation.

A government source who privately checked the case confirmed that Herrera was arrested by the DINA as a suspected MIR courier, questioned and taken home on May 3 to await the phone call. The source said, however, that the young man slit his own throat in the bathroom, "apparently in an effort to get taken to the hospital, out of the house, and made an error that was fatal."

The new law, promulgated two weeks ago "to avoid abuses" of the formal state of siege, according to President Augusto Pinochet, extends jurisdiction of military tribunals, widens the number of punishable offenses and increases penalties.

Supporters said it imposes control and makes litigation possible on the previous blank-check state of siege procedures of detention without charge. Opponents say it makes things worse by formally authorizing arrest by intelligence services without court or presidential orders.

In an announcement timed to coincide with the Organization of American States meeting in Washington, which took up the question of human rights in Chile yesterday, Interior Minister Cesar Benavides said the government is holding 3,811 persons under the state of siege laws.

Another 2,744 have been freed on condition they leave the country, he said and added that the government would like to get rid of most of the rest. "But it's paradoxical that many of the same governments that criticize Chile refuse to accept these people," he said.

Other sources say the number of those held in prisons around the country is much higher, that 1,450 persons were arrested between May and December 1974 in Santiago alone, and that nearly 800 of them do not appear on any government list but have simply disappeared. Government officials have said those who disappear often have left the country or have resurfaced under false names.

The number of people held in Chile, the minister said, "is notoriously less than that in other democratic countries, subject to the state of siege, where no interest is shown in investigating the human rights situation." The remark reflects the government position that it is a victim of leftist propaganda.

In an interview this week, President Augusto Pinochet said some officers charged with torturing prisoners were in jail, and nodded in agreement when an aide said "the president will always order that they be thoroughly investigated and punished."

PRISONER'S ESCAPE PUTS CHURCH GROUP ON THE SPOT IN CHILE

(By Joanne Omang)

SANTIAGO.—A prisoner of Chile's secret police set off a tense standoff between the ruling military junta and the Catholic Church last week when he escaped from a police car and sought sanctuary in an office of the church-backed Committee for Cooperation and Peace in Chile.

The incident came as many Chileans appear to be looking to the church for leadership as an institution that can remain relatively independent from the authoritarian government.

The church has been the country's only vocal critic of harsh economic and security measures imposed after the military overthrew the leftist government of Salvador Allende in September 1973. The recent incident seems certain to heighten church-state tensions.

After the prisoner entered the peace committee offices on Santa Monica Street in central Santiago on May 15, officers of the National Intelligence Department, known as DINA, immediately surrounded the building. Independent accounts from several sources said the incident ended only after urgent telephone contacts by high church diplomatic and government officials, including President Augusto Pinochet.

The peace committee, founded by Lutheran, Catholic and Jewish leaders a month after the coup, has been the major source of support for political prisoners and refugees here.

The prisoner, whose identity could not be learned, apparently arrived on the committee grounds in the late afternoon and demanded protection. The building was surrounded for several hours until the security officials who had pursued him were withdrawn around midnight.

The prisoner was taken to a physician, and the various accounts said he is to be given safe passage out of the country as a sort of compromise solution to the question of whether he is legally in the custody of the church or DINA.

The committee, which is closely watched by the junta, has provided legal assistance and material aid to 38,000 persons or relatives of persons who are detained, charged with political crimes or seeking to leave the country.

Its programs of distribution of food to shantytown children and its legal assistance for persons filing court charges on human-rights abuses have irritated the government, which is worried about its image abroad.

"The situation is very delicate now," said a nun who teaches in a Santigo school. "People are angry on both sides."

Spokesmen for the peace committee and for Raul Cardinal Silva Henriquez refused to comment on reports of the incident.

Church officials have been careful to maintain correct and polite, if not close, relations with the government, preferring to make broad affirmations of human rights and of the church's role as "the conscience of Chile" while expressing more concrete concern privately, in personal communications to government officials.

Cardinal Silva Henriquez has made several strong public statements in the past condemning the abuse of sweeping detention and transfer procedures that are legal under Chile's state of siege. He has also denounced alleged torture in specific cases, but there have been no such statements recently.

As evidence of the cardinal's support in Chile, where 90 per cent of the population is nominally Catholic, the main cathedral was jammed and ringed by armed police May 1 following rumors that the cardinal would issue a strong denunciation of the government during his traditional Labor Day homily.

He received a 10 minute ovation before speaking, and the atmosphere was tense. The homily was a generalized call to solidarity and respect for the workers and the poor.

"The poor are our judges," he said. There were no incidents.

Similarly, a pamphlet published this week, entitled "The Church Today," is a broadly stated overview that promises another document later this year, which is to state church positions more concretely.

Affirming "promotion of human rights" among other goals, the pamphlet notes "a sense of powerlessness in the face of the

UMI

gravity of the problems that affect all Chileans." In it, the church defines itself in part as "a church that is trying to be more free and independent of the political and economic powers."

AMNESTY INTERNATIONAL CAMPAIGN FOR THE ABOLITION OF TORTURE

CHILE: FRANCISCO MUNSTER LEON (OR LEAL)

Important: We have just received more detailed and alarming news about this arrest: Mr. MUNSTER *LEAL* (this is probably the correct name) is 26 years old, married, with a 3-year-old daughter.

He was arrested in Concepcion, by the Military Intelligence Service (SIRE) about 15 days ago, and then handed over to the Navy in Talcahuano, where he is reportedly being brutally tortured in a place called "La Ciudadela", near the Naval Base.

Action recommended: telegrams should express concern for his treatment and condition rather than request information about his legal situation as we had suggested before. Request authorities to intervene to protect his safety and life. Try to involve students unions/bodies as instructed.

Addresses: Do not send telegrams to DINA (Direccion de Inteligencia Nacional) as we now know that the arresting authority is SIRE, not DINA. Instead, address telegrams to the military commander of the Concepcion area (where he was arrested) and to the Navy Commander of Talcahuano Base, where he is actually being held:

Base Naval Talcahuano, Contraalmirante Cmte.en Jefe, Antonio Costa Bobadilla, Talcahuano, Chile.

General Nilo Floody, Jefe de Zona en Estado de Sitio, Concepcion, Chile.

CHILE: HUGO DANIEL RIOS VIDELA

In our UA 75/10 of 6 March 1975 we informed that Hugo Daniel RIOS VIDELA, a 21-year-old member of MIR (Movement of the Revolutionary Left), had been arrested on 14 February after having lived several months in hiding and was being held incommunicado in an unknown place. We then asked you to express concern about his situation and request information about his condition.

Several sources in Chile have now reported that this prisoner is dead, although information is conflicting in the reported way in which he died: some say under torture, others through ill health and still another version states that he was executed.

It is important that the responsibility of the authorities for the lives of the prisoners be stressed by international opinion in every possible occasion. Furthermore, the fact that versions are conflicting leaves a hope that Mr. Rios Videla might still be alive, although held as a "secret prisoner" and in very bad health condition.

Action recommended: Telegrams expressing grave concern about his state of health and asking for a reply as to his whereabouts.

Addresses:

General Augusto Pinochet Ugarte, Jefe Supremo del Estado, Edificio Diego Portales.

General Manuel Contreras Sepúlveda, Dirección de Inteligencia Nacional Ministerio del Interior, Edificio Diego Portales.

Coronel Jorge Espinosa, Sendet, Edificio del Congreso, Compañia 111, all in Santiago, Chile.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business?

If not, morning business is now closed.

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 7, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time? Will the Senator from California specify whose time?

Mr. CRANSTON. Mr. President, I ask unanimous consent that it not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that Nancy Carlile, of my staff, be accorded privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GARY W. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARY W. HART. Mr. President, will the Senator from California yield me 10 minutes?

Mr. CRANSTON. I most certainly do.

Mr. GARY W. HART. Mr. President, we are here today continuing our discussions of foreign policy which lie behind our military strategy and our appropriations to support these foreign agreements.

Many of us raise the question of how many problems we create for ourselves around the world by either initiating hostilities, such as our activities in nations such as Chile, or by actually not conducting the kind of intelligent foreign relations with other nations that would stabilize relationships and not destabilize them. When we do cause these problems for ourselves, many times administrative branches claim that because of chaotic world conditions, we require strength abroad.

A great Ambassador, George Kennan, said some 20 or 25 years ago that we should conduct our foreign policy more as gardeners than as mechanics. Many of us believe that because we have conducted ourselves abroad as mechanics, we are then confronted with the kind of chaotic world conditions I have mentioned, which require greater and greater military power.

Strategic questions, it seems, are too often and too simplistically phrased in terms of strength versus weakness; but I think this confrontation could be avoided if we exerted more craft and subtlety and discretion and diplomacy in our dealings with other nations.

It seems to me that the real question our Government faces is this: When does "defense" become in fact destabilization? In other words, it what parts of the world are we guilty of creating an imbalance which we must then hasten to redress, at the cost of billions of dollars?

We are also told that we must absorb the cost of maintaining a defense production base. Too often, the costs to the taxpayers are guaranteed profits to defense contractors, which cause both lack of incentive on their part and poor management. We are also justifying the perpetuation of the defense production base by arms sales abroad, which get into the multiples of billions of dollars a year, further destabilizing world conditions, and require us to defend ourselves against those unstable conditions.

We have procurement policies in our Military Establishment which are archaic and lacking in diplomacy and are duplicative and wasteful to the American taxpayer.

What many of us are seeking to do here this week is to call to the attention of the American people the fact that the tremendous costs of our Defense Establishment are occasionally the fault of poor diplomacy on our part and of maintaining a productive capability which is not necessary to assure the defense of our Nation and often produces the kind of waste and duplication that the American taxpayers can ill afford.

If the administration, as I suggested here yesterday, would bring agreements before the Senate in a timely fashion, so that we could debate and discuss them among ourselves, without being confronted with fait accompli, then I am sure the American people would be willing to vote the bill for many of the commitments we have abroad.

As I also indicated yesterday, our commitments to some 41 nations do not contain even one requirement as to the placement of armed services personnel or weaponry anywhere in the world. It is, in fact, the interpretation of those agreements that has caused us to spend $100 billion or more in fiscal 1976 to back up what we call our commitments around the world.

It is in the interest of discussing these kinds of commitments and their interpretation in terms of dollars and weaponry that many of us are speaking on the floor of the Senate this week.

I thank the Senator from California for yielding.

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. GARY W. HART. I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I listened to the presentation yesterday of the chairman of the Committee on Armed Services with respect to the proposed legislation. During the course of that presentation, he indicated that we have a number of commitments overseas. I think he even indicated that, in retrospect, he might not have supported some of those commitments. Nonetheless, I think he recognized that we have them, today, and that this was not the time we should be reassessing them.

I wonder whether the Senator from Colorado will agree with me that there never seems to be a time when it is appropriate for us to reassess them? I wonder whether part of the purpose of the discussion that took place yesterday, and is taking place today, is that we should begin to raise a number of questions about the nature of our commitments, particularly to make the American people aware of what these commitments are and where we are obligated and where we are not, so that they will gain an understanding. I think even many of us who serve in Congress, perhaps, would have a keener understanding, at least about what the interpretation of the administration is, or what the military forces think our interests are.

I wonder whether the Senator from Colorado would agree with me that there is no better time for us to consider the nature of these commitments than during the discussion and the debate on the defense budget and in this particular area of the procurement budget.

Mr. GARY W. HART. If the Senator from Massachusetts will yield, I think we are at a turning point in the history of this Nation. We have extracted ourselves from the bloody involvement in Southeast Asia. Many other events have conspired to bring this Nation, at its 200th year of history, to a point where we are going to have to decide what kind of people we are going to be.

Although the Senator from Colorado is certainly not as experienced in foreign relations and foreign matters as is the distinguished Senator from Massachusetts, it seems to me it would be well to discuss, in the future when we enter into agreements with foreign nations that would commit many of our troops and many billions of our dollars, whether those agreements might not be reconsidered and reevaluated periodically during the life of the agreement, whether every 10 months, every 5 years, or whatever.

I think that could be done without causing misapprehension among our allies and our colleagues—just to say that periodically throughout the life of the agreement it will be reassessed by all parties, just to see, when world conditions change, how that might alter everyone's agreement to that arrangement.

Mr. KENNEDY. Would the Senator agree that, with the winding up of the Vietnam war, we heard the President state that our allies and friends in different parts of the world might wonder about the nature of the willingness of Americans to bear commitments in other parts of the world?

I myself must say I did not approve of the repetitive nature of that comment, because I could not believe that our allies in Western Europe, in Japan, or in the State of Israel would doubt the nature of our commitment. However, if the President kept repeating it they might begin to wonder. But I do think it is of great importance, that our allies ought to be aware of the fact that we do have commitments to them, and be able to make adjustments in terms of their own particular relationships with that understanding; and I think the American people ought to understand where these commitments are illusory and where we have valid commitments as well. Our allies and adversaries ought to understand that, so that we do not get into questions of miscalculation.

Certainly I think one of the results of the whole Vietnam experience is that at least some people thought it was a commitment, and that South Vietnam was vital to our security or some other interests. But that was something the American people never really understood. As a matter of fact, they understood that Vietnam was not in our interest, before political leaders understood that lesson. It is that type of situation, I would think, that we would want to avoid. I believe there is no clearer or better time to focus on the nature of U.S. commitments abroad than at a time when we are talking about the military budget—when we have some 1,760 facilities and 310 bases scattered around the world. It is only appropriate that we ask what those facilities and those bases really mean in terms of our vital security interests and our interests in terms of our economy and our responsibilities to the free world.

Mr. GARY W. HART. Would the Senator agree that what we are really discussing here today is the degree of commitment? We can be involved in a mutual security agreement with one or more nations.

The PRESIDING OFFICER (Mr. NUNN). The time of the Senator from Colorado has expired.

Mr. KENNEDY. I yield the Senator such additional time as he may require.

Mr. GARY W. HART. I thank the Senator from Massachusetts.

The real question which the Congress of the United States is faced with, I think, in appropriating the funds for these involvements, is how far the commitment extends, how many personnel of the Armed Services, how many tanks, how many guns, and so forth, are involved.

We are constantly confronted with the bill which the Pentagon presents each year for carrying out these commitments, and yet I think, at least in my brief experience in this body, we have not taken the time to examine why that amount of commitment of personnel and weaponry is actually necessary to guarantee other nations that we are in agreement with in defending ourselves that we need that kind of involvement, that kind of troop level, or that kind of weaponry.

I think it is occurring to more and more Members of this body that we need to get more deeply involved in the degree and nature of those commitments, and not just say we have a commitment, and therefore we have to pay every dollar the Pentagon says is necessary to carry out that commitment.

Mr. KENNEDY. I think the point is well raised, and I appreciate the comments of the Senator from Colorado.

We have seen a rather dramatic change in the situation in Southeast Asia, for example, over the period of the last several weeks. That was unpredicted, at least at the time of the formulation of this particular budget; and yet, even with that dramatic change of our interest in Southeast Asia, the termination of the conflict, and the termination of any military support, we do not see that change reflected to any extent in the presentation that we have heard here during the course of this debate.

What troubles me, and I am sure troubles others, is that we have seen dramatic changes in relations between various countries around the world, yet nonetheless it does not appear that the nature of our response in terms of defense has really reflected those changes. This is what we hoped would be developed during the course of the justification of this particular authorization and later authorization legislation.

I thank the distinguished Senator.

Mr. GARY W. HART. Would the Senator from Massachusetts agree that there have been occasions in the past, in his experience, where it has been our own bumbling foreign policy and our own inability to realize what the interests of other nations are that has caused the unstable conditions in the world to exist, or the so-called chaotic world conditions, which have necessitated bigger and bigger defense budgets, and that in fact if we had been more sophisticated and subtle in our dealings, particularly with emerging nations, we could have avoided the kind of instability that has led Pentagon leaders to say we needed bigger and bigger weapons to operate in an unstable world? Could we not have avoided a great deal of expense and expenditure if we had been a little more sophisticated and subtle in our dealings with foreign nations?

Mr. KENNEDY. I think the Senator is correct.

I want to say finally that I think an area of the world which I have just had a chance to visit—the Persian Gulf—is precisely one where we do need reclarification in terms of policy and statement.

We are, at the present time, selling military arms to a value of $10 billion a year, at an annual rate, to the Persian Gulf countries—the most lethal kinds of weapons that we have. We have Americans over there training personnel in those countries on a contract basis.

There is the sale of arms, there are American technical and trained person-

UMI

nel involved in this situation, there are prospects of an escalating arms race in an extremely important and vital strategic part of the world for the United States and for the West. Yet I do not see statements of our real interests, other than the general kinds of statements that are made by the Secretary of Defense or by the Secretary of State, that say, "First, if we do not sell them arms, someone else will; second, if we do sell the arms, we will increase our influence, regardless of what happens in that part of the world; third, if we do sell them arms, we will relieve some of the unemployment that exists here in this country." Those arguments are used to justify the sale of arms to a part of the world which has had age-old conflicts, has had tremendous instability in the course of history, and where only in a matter of hours or days there can be dramatically different changes in the form and structure of these various governments. Yet we hear the explanation of our policy put in what I consider to be negative terms rather than in terms of the real interests we have in that part of the world, and how far we are prepared to go and what our intentions are.

Such statements or comments would have a salutary impact in that part of the world if they were made and clarified. The countries would understand the nature of our interest as well as the nature of the limitations which we are prepared to live by, and these countries would be able to make appropriate adjustments. Our adversaries would also understand quite clearly what they might expect from the United States.

But in reading and reviewing statements of policy by responsible officials, it is extremely difficult for me to understand what the nature of our commitment is in the Gulf States.

Although arms sales do not entail actual procurement, and we are talking about a defensive posture, and we are talking about stability and security for that part of the world, yet the nature of our commitment and the nature of our interest is extremely unclear. What is really more important, it is unclear to the countries in that part of the world.

Mr. GARY W. HART. Does the Senator doubt if, to some degree, as a result of our provision of weaponry to many of the nations in the Persian Gulf area or that part of the Middle East, hostilities between or among them sprang up that our own defense officials would be back before Congress asking for more dollars to protect us and defend us against a very unstable situation in the Middle East?

Mr. KENNEDY. I think the Senator is quite correct. I think that is a very important point. What we have seen in the past when we provided military equipment both to India and Pakistan, our ability to influence the course of events in that part of the world was extremely limited.

We have seen our ability to influence become insignificant in the case of Turkey, to try to bring about any kind of alteration or change in that situation.

What we have seen now, with the escalation of the arms race, is some increased presence of the Soviet Union in the Indian Ocean—whatever their motivations are. As a result, we are finding now requests for millions of dollars at the base at Diego Garcia. It is only a few millions of dollars at the present time. But we may very well be seeing—if we follow the justifications and the explanations we heard yesterday on the floor of the Senate about increases in numbers of personnel or weaponry by our adversaries—the possibility of an escalation of the arms race in the Indian Ocean, and a whole new phase of a continued arms escalation.

Yet we do not hear the voices of the administration asking our allies in France or Great Britain, or challenging the Soviet Union at Geneva: "Well, can't we get some kind of arms limitation in the Persian Gulf area or the Indian Ocean?"

We do not hear that exploration. Perhaps it would be rebutted, turned down, or cast aside. Perhaps, we would have to make a decision that, because of our interests, we have to take certain steps.

But we have not heard of an effort or an explanation why we should not try to add this part of the world to those other forums where at least we are in communication with our adversaries, such as MBFR or in Geneva on SALT, to try to bring some kind of a limitation to Persian Gulf arms sales and Indian Ocean naval deployments.

What we do see are, I think, the strong possibilities, probabilities, and eventualities that we will see a serious arms race. We will be asked here, either next year or the year after, to provide additional billions of dollars because, as the Senator from Colorado pointed out, of instability in that part of the world.

Mr. GARY W. HART. Has the Senator from Massachusetts noticed over recent years an increase in the tendency of the administrative branch to rely on so-called Executive Agreements with various nations, in effect, to bypass the constitutional requirements of ratification by the Senate of the United States and, therefore, to involve this Government and commit this Government to some sort of an arrangement down the road which will require us to spend or involve our own troops or weaponry to defend that nation or nations involved in that agreement; and that, perhaps, we are really bypassing by the practice over the past few years what is a constitutional institution?

Mr. KENNEDY. I could not agree with the Senator more. As a matter of fact, our distinguished colleague, Senator ABOUREZK, had been holding hearings in the Subcommittee on the Separation of Powers of the Judiciary Committee on this very subject.

I think that has been a great service. The Senator from Colorado, as well as myself, is very familiar with the recent history of various executive agreements or letters and communications that have been made by various Presidents on which other countries have relied and taken military steps resulting in an increased response by the United States, either in military aid or assistance or other kinds of military activity.

Quite clearly, this is contrary to what I consider to be both the letter and the spirit of the Constitution, and is an additional issue of which we ought to be aware. The American people ought to have a very clear understanding, about what agreements have been made by Presidents with various countries, what the nature of these commitments is, and to what degree we feel we are obligated under them.

I am sure we would hear, "Well, those are classified and those are secret," and we are not supposed to know about them. The time we find out about them is when it is almost too late, when we are asked to authorize and appropriate billions of dollars more or, perhaps, even send American servicemen.

Quite clearly we ought to be aware of those commitments. I think they ought to be laid out before us to consider, so that again we have an understanding of the nature of these agreements. I agree completely with the Senator.

Mr. GARY W. HART. Would the Senator from Massachusetts agree that there seems to be a continuing trend of lack of candor and forthrightness not only in the use of executive agreements rather than actual formal treaties which require ratification, but also there seems to be a tendency on the part of our Defense Department to enter into contracts or to operate as a third party in contracts before some government, perhaps the Iranian Government, and a domestic weapons producer and supplier?

We have now seen that trend in the Middle East where the Defense Department brokers a contract for services or for equipment between a foreign government and one of our own domestic defense industries which are almost totally captive of our own weapons demands.

The Senator from Colorado during the hearings asked all kinds of Defense officials, from the Secretary on down. Individual weapons systems we are asked to agree to are not being justified financially because of their salability to other nations; that is, to drive the per unit cost down, we sell more and more abroad.

The Senator mentioned Diego Garcia. The Senator from Colorado has been concerned in recent weeks and months about the proposal to create a commonwealth in the trust territories to turn the Mariana Islands——

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. MCINTYRE). There will be order in the Senate.

Mr. GARY W. HART. Those islands are 6,000 miles from the shores of this country. They are scattered over thousands of square miles in the ocean.

Though some suggest that the Defense Department might want those islands for a large new base out there, that might be in our national interest, it might be in the best interests of this country's defense and our future foreign policy, but they ought to be discussed, if that is in fact the plan. They ought to be discussed on that basis and not brought in around the side door or back door as some proposal of the Interior Department.

If there is, in fact, a long-range plan

to make a military establishment that far away, I think the Congress of the United States ought to know about that when it is agreeing to these step-by-step approaches that we are asked to ratify here on this floor.

Mr. KENNEDY. The Senator has mentioned two very good examples.

As the Senator from Colorado understands, when the contract came up, that was not something that was brought up by the Defense Department to the Armed Services Committee. It leaked out as a result of a newspaper story and then there was, after probing by the various congressional groups and committees, an unraveling of this situation.

The Senator from Colorado talked about various contracting arrangements that have been developed by the Defense Department which are sending thousands of Americans—in this case to Saudi Arabia—and to other countries in that area for the training of various personnel.

So we have the weapons in that area, we have the personnel, and we have the awesome shadow of our involvement in Southeast Asia.

I think the Senator, in his expression of concern about the kind of development for the Pacific islands, the Marianas and the rest, raises an issue which ought to be developed and focused on. We should have a very clear understanding about the long-range implications of these programs, and it would certainly deserve our attention.

I thank the Senator.

Mr. GARY W. HART. I thank the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield the floor.

Mr. STENNIS. Mr. President——

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, in just a moment I will yield 30 minutes to the Senator from Georgia, but I will use part of his first minute.

The Senator from Georgia is chairman of the subcommittee of the Senate Armed Services Committee on matters relating to personnel, which includes not only military personnel but civilian personnel. Strength levels for each are set by the bill, the number allowed.

He has done an excellent job in this field and related fields and and I know his subcommittee members also contribute. His recommendations were largely, if not altogether, adopted by the full committee.

I know his remarks will be of value to the membership here, whether they are here to hear the remarks or not, they will learn about them and it will be of value to the country.

I am glad to yield 30 minutes to the Senator from Georgia.

Mr. NUNN. I thank the chairman.

Mr. President, I want to add my support of the committee recommendations to the Senate for this year's military authorization bill. This bill covers a broad spectrum of key defense issues, which the distinguished chairman of the committee has already outlined. I want to speak in particular to the four titles of this bill which are concerned with the authorization of active duty, civilian and reserve strengths and military student training loads. Although funds for personnel are not authorized by this bill, the cost of these 3,940,000 active duty military, civilian and reserve personnel that are authorized in this bill represents some 53 percent of the total defense budget.

I might add that last year the figure was higher than this. It was something like 56 percent, and one of the real problems we have today is the continuing escalation in the percentage of personnel costs as related to the entire defense budget.

Somebody once said if you want to find out what the Defense Department is doing, look at what its people are doing. The Subcommittee on Manpower and Personnel attempted to do just that this year. This is my first year as chairman of that subcommittee and we looked into that subject in detail. In some 15 hearings and numerous briefings and staff reports, the subcommittee looked into a host of manpower issues ranging from why we have personnel deployed to various areas overseas to the number of school teachers teaching the dependents of military personnel. After this extensive review, the full committee unanimously, on a vote of 12 to 0, accepted the recommendations of the Subcommittee on Manpower and Personnel.

Turning to those recommendations, the committee recommendations include a 1 percent—or 18,300—reduction of military personnel, all of which are to be taken from support areas and none from combat units. The committee also recommended a 2 percent—or 23,000—reduction of civilian personnel. In addition, the committee recommends the Defense request for Selected Reserve personnel and military student training loads.

I might add, the Defense Department itself requested substantially less in the overall Selective Reserve personnel.

This committee reduction of military and civilian manpower was based on a consideration of each of the functions and areas that require personnel. The functions reduced included command headquarters, base operating support, formal training staffs, and overhead and support in Thailand. The committee gave consideration to the progress each of the various services had made in reducing their request for manpower for these functions.

The military strength level of 2,081,700 recommended by the committee, is the lowest active duty military strength the United States has had since 1950, prior to the Korean war. It represents less than 1 percent of the total population of the United States. That is also the lowest percentage of the population that has been under arms since before the Korean war. On the other hand, the Soviet Union's military manpower has grown from just over 3 million in 1964 to about 4 million today. That is almost twice the number of military personnel under arms as the United States has. It is also almost twice the burden, as measured by the percentage of the Soviet population in the armed forces. The civilian personnel strength recommended by the committee is about 3 percent below the level of 1964. The Selective Reserve strength proposed by the Department of Defense and adopted by the committee is the lowest since 1962.

The various manpower strengths—active duty, civilian and reserve—of the Department of Defense do not exist in a vacuum. This is explicitly recognized in the law that requires congressional authorization for personnel strengths. In the manpower report required by law, these strength must be related to the force structure and to the various kinds of support required to maintain the force levels. The force structure in turn must be related to the potential external dangers this country faces and to Defense policies. Following upon this logic, the committee examined the force levels, support, and overseas force levels which were proposed in the DOD budget.

The committee recommendations are based upon the conclusion that we should not make major reductions in personnel strengths at this time in light of the relative United States-Soviet military balance, the commitments the United States has around the world and the need to reevaluate our posture after the withdrawal from Southeast Asia. On the other hand, the committee found some relatively soft spots in the Defense request and accordingly recommended reductions that totaled some 41,300 military and civilian personnel and would save some $540 million annually when fully implemented. Thus, the committee tried to strike a balance between retaining needed combat strength while trimming out any excess.

In regard to force levels, the Army has proposed 16 divisions for fiscal year 1976 compared with the fiscal year 1975 level of 14.

The 13 divisions that were alluded to in debate yesterday represented the 1974 level. The Army has already moved up one division without increasing manpower. However, the 16 divisions were to be formed from the current manpower strength with no expansion in strength.

As a matter of fact, we are getting new divisions, new combat power, and at the same time, we are trimming about 5,700 military people out of the Army. That point has not been very clearly understood so far in this debate.

The Air Force is proposing to go from 22 wings to 26 wings in future years, again with no increase in manpower. The Navy discussed plans to expand to 600 ships in the next 10 years with an increase of some 60,000 personnel over that time period.

Although this has not been approved, it is their present projection.

Since the Air Force and Navy force structure increases do not take place in fiscal year 1976, the committee reserved judgment on the personnel strengths associated with those plans. We have not approved either the Air Force or Navy projections. In regard to the Army's expansion to 16 divisions, the committee did not object to this expansion provided that it could be done with the committee recommended manpower levels for fiscal year 1976 and provided that there would be no need for more active duty or reserve manpower, nor substantially in-

UMI

creased manpower costs, and in particular no necessity to return to the draft. I want to personally emphasize that the movement to 16 divisions is contingent on these factors.

In light of the growing Soviet strength and in light of the uncertainties caused by the American withdrawal from Southeast Asia, this is not the time to present the American people, the Soviet Union, and the rest of the world with a major cutback in U.S. military strength. We should not make a major cutback at least until such time as we have reviewed our foreign policy and have come to a consensus on where we should be going. Cutting strength further before we know where we are going could leave the United States in an exposed and vulnerable position.

At the moment, and until a different consensus is reached for the future, we need to find ways and incentives to insure that the money and manpower of the Defense Department are used in the most efficient way. The committee recommendations included an attempt to do just that by rewarding progress in converting fat into muscle and cutting out additional fat where it could be found.

I might add there is no line item coming over from the executive department that says fat. You have to dig and you have to find it. That is exactly what we have tried to do.

This approach seems to be working, at least to some extent in that the Defense proposed budget showed a reduction of 48,000 auxiliary and support military personnel. In addition, the Defense request showed a reduction of 9,400 civilians. Part of this reduction was used to increase conventional force combat manpower. The balance, about 38,400 was used as a net savings in the Defense budget request.

In the debate yesterday this did not seem to be clearly understood.

When you add the Defense proposed cut of 38,400 to the committee recommended cut of 41,300, you get a total net reduction of military and civilian personnel strength from this year of 79,700.

I would like to get the chairman's attention on the point because it is particularly important.

I see the Senator from Iowa in the Chamber. He has played a great role in the subcommittee.

If you add the 38,400 that the Defense Department is taking out of the budget from fiscal year 1975 to the recommended committee cut of 41,300, you get a total reduction of military and civilian strength from fiscal year 1975 to fiscal year 1976 of 79,700.

This is the really important point: At the same time that that reduction is being made, it is an increase in conventional combat strength of 27,000 from last year. We are going up in combat strength and we are going down in total dollars. We are going down in total manpower cost, at least on a constant basis, not considering the pay raises. To me, that seems to be headed in exactly the right direction.

I know the chairman, for a great number of years, has been pushing to get the military services to convert fat to muscle. I know the Senator from South Carolina, the ranking Republican on the committee, has also joined in that effort. I would say that we are seeing the biggest payoff of that effort that did not start with me on the Manpower Subcommittee, but started several years ago. In my opinion, that payoff is very dramatic.

Mr. STENNIS. Will the Senator yield at that point?

Mr. NUNN. I yield.

Mr. GARY W. HART assumed the chair at this point.

Mr. STENNIS. The Senator has the figures, and that is proof of the pudding. I think it is an extraordinary fact, the development of something that had to be pushed and pressed. That was done by the committee, and the Senator from Georgia was one of those who were speaking for the committee. In fact, he was taking the lead and carried a great part of that load. That is what I call getting down to a bone and muscle army.

While we are talking about the things we are proud of in the services, I have some concern, and have had, about the Army, that we not make it too small, that we cling to the idea of quality in the way of recruits, and that we cling to the idea here of combat strength. That is exactly what these figures are proving. It is taking down the total number but increasing the number in combat units. In that way, it is really saving money because, as the Senator has already pointed out, that is where a lot of the big money is now. It is not in weaponry, but it is in troops in uniform.

I am not just here to commend the Senator, as he does not need it, but I am proud of this achievement. I believe that almost to a man the Senate will adopt the committee's work and the work of the Senator from Georgia.

Mr. NUNN. I thank the chairman. As the chairman knows, the committee was unanimous in approving this. I believe this was the only unanimous vote we had on things that went to rollcall vote. It reflects the work in the Armed Services Committee before I arrived in the U.S. Senate. The chairman, before I ever arrived, was pushing the Army and pushing the other military services in this direction. What we have done is tried to reemphasize that and continue this push.

So the chairman and the committee, I believe, are to be commended. I believe the results of efforts that started 5 or 6 years ago are really beginning to pay off.

About 500,000 of the total requested military strength for fiscal year 1976 would be stationed outside the United States, according to the budget plan. This is somewhat less than at the present time. A majority of these, over 300,000, are located in Europe in support of our NATO commitment. Over 140,000 of the remaining 200,000 are in various parts of the Western Pacific area. Compared with fiscal year 1964, before we were involved in the Vietnam war, overseas strength is down 250,000. So we have been reducing our presence overseas.

In other words, we have one-third fewer people overseas now than we did before Vietnam. There are 25 percent fewer people in Europe and 35 percent fewer in the Western Pacific than in 1964.

I hope our debate—and I welcome a debate on all of this—will focus on the facts. So many times I get the impression we are debating this year's authorization bill on the facts that existed 3 and 4 years ago. I got that impression very definitely in the last couple of days. I hope we will look at what has happened and look at what has taken place in 3 or 4 years.

The question is how much further we want to go in this direction in reduction before we know what our final destination is.

I make three brief points regarding our troop levels in Europe. I am pleased that the majority leader indicated yesterday that he would not renew his amendment for unilateral withdrawal in Europe. Certainly that is a statesmanlike position for him to take, because I know he believes very deeply in that position, and I do agree with him that it is not the appropriate time to do it this year.

First, on the NATO commitment, I think we can all agree that the Soviet Union is our chief potential adversary and I think, second, we can agree if we ever have to take on the Russians we do need a conventional option.

The third point is: If we agree that the Russians are our principal adversary and if we agree that we need a conventional option so we would not have to immediately go to nuclear weapons, then the question is where should we be able to maintain that conventional deterrence?

In my opinion, if we ever have to take on the Soviet Union, which I hope we will not, it would be better to do it in Europe with our millions of allies at our side, than in our own territory by ourselves.

Second, another point is the MFBR talks do offer a real hope for a mutual reduction of forces and tensions in Europe. These talks, which have just resumed, offer some hopeful signs and, in my opinion, are the way to accomplish reductions of U.S. forces in Europe.

All of us would like to bring some of the troops home. We would also like for the Soviet Union to bring some of theirs back to the Soviet Union so the likelihood of war in Europe would be reduced.

The way to go about it is a mutual reduction, not a unilateral reduction.

A unilateral reduction, in my opinion, without any doubt, would destroy any hope for an MBFR-negotiated balanced and mutual reduction.

Third, the Defense Department has been making substantial progress in converting fat to muscle in Europe. We have talked about overall conversions of fat to muscle, but probably the most dramatic fact is what is taking place in Europe.

This comes from an amendment, which the committee passed last year, which required the reduction of 18,000 support troops in Europe and allowed the conversions to combat to take place, permissively, depending on the Secretary of Defense.

Significant progress has already been made. It was 40 percent more than was required by law. The law required 6,000 in 1975 fiscal year and 12,000 in 1976 fiscal year.

That is a very significant, I think, increase in our combat capability without any real increase in overall manpower.

Steps have also been taken to update our tactical nuclear posture in Europe as a result of last year's committee amendment, and I understand an unclassified version of that report has now been put out. The committee received a classified version several weeks ago.

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. NUNN. I am glad to yield to my colleague from New Mexico.

Mr. DOMENICI. I ask the distinguished Senator from Georgia, after complimenting him on his splendid work and report and splendid statement regarding personnel, to comment on the proposition he is making that we must maintain the levels that he is describing until we have a change or an evaluation of our foreign policy.

First, I will discuss with him how he thinks that evaluation of our foreign policy is going to occur and then a little bit more specifically, since he is talking about balanced force reduction of conventional weaponry, I ask the Senator how he thinks efforts in that regard are being impacted by the sale by the United States and Russia, and other countries, of military weapons of a conventional type to other lesser countries in the world in a rather willy-nilly first-come, who-has-the-money, we-will-sell-it-to basis.

It appears to me that that is rampant and has a significant impact on whether or not we are going to succeed in the negotiations with the Soviet Union, and others, for a conventional reduction of armaments, U.S. vis-a-vis Russia.

Mr. NUNN. I thank the Senator for those questions and before I begin to answer them I will certainly say that they go beyond my scope and capability in giving a definitive, complete and final answer because those are very difficult questions.

My own opinion, and I strictly speak for the Senator from Georgia, is if we are going to do anything about foreign military sales that are taking place on a proliferation basis throughout the world, the first thing is not so much to come to an agreement with the Soviet Union. The first thing is to try to reach some meaningful agreement with our NATO allies, because we are competing with France, for instance, and to a lesser degree with some other NATO allies all over the world.

I made a speech to the NATO Air Chiefs about 3 weeks ago, and some of the points I made there relate to this. I think the first step is trying to go to standardization and interoperability within NATO itself. NATO is losing more in terms of effectiveness by reason of overlaps and duplication within the alliance than perhaps any other source of waste. So, the first step I think is to come to some agreement on standardization and interoperability that will mean that we are working together instead of competing within the alliance.

Once we reach that, a more difficult step is to agree that there are certain nations in the world that we should not sell weapons to that would be injurious to the alliance. I do not know which nations those may be.

But certainly it does not make sense for people, who are having a common defense in Europe, for the United States, that has 300,000 troops there, and an awful lot of our overall defense posture aimed toward Europe, to be in some kind of mad scramble competition with our European allies to sell weapons to people all over the world that may end up being very injurious to NATO itself.

The other point I made to the NATO air chiefs, that I think is very important, is that Europe is going to have to broaden its horizon in looking at the problems around the world.

It is fine for the European alliance to say that NATO involves just the geography of Europe, but I do not think that is going to sell for the next 15 years, because Europe is affected by what happens in the Middle East, Europe is affected by what happens in Korea, and Europe is affected by what happens in Japan.

I believe the American public, over a period of years, is going to demand that if we continue our commitment in Europe, which I happen to think is in our own best interest, that Europe is going to have to broaden its outlook.

I do not mean by that that we are going to have to use NATO to defend every country in the world. But I think that when we have a problem in other areas of the world, it is not realistic for the European alliance to say, "That is your problem."

I would venture to say that if the United States of America announced tomorrow that we were going to have nothing else to do with Korea, Japan, the Middle East, or any other part of the world, except the United States and Europe, we would have heart attacks by our allies all throughout Europe—those same people who say that they do not have any reason to be involved in those areas. That is a very fallacious policy over the long haul.

The Senator's first question, as I recall, was how do we go about coming to conclusions on foreign policies. I think the thing that we are doing right now in the Chamber of the Senate is a beginning in that direction.

The Senator from California has taken the initiative here, and others, to have a foreign policy debate coincide with the military debate. I think that is healthy, and I think that is good.

I do think that we must observe at this point, that we have been much more successful in pointing out the problems that exist in the world than the changes we think ought to be made.

We spent yesterday afternoon talking about the problems that existed and still exist in Korea. I heard an awful lot of problems identified, but I did not hear anybody who said what we should do about it, and that is what is tough.

Will Rogers once said that the way to end World War I, I believe, was to drain the Atlantic Ocean and there would not be any German submarines. Somebody asked him how he was going to do it. He said:

Well, that is a detail. I am not a detail man.

It is pretty hard when you get down to the details about what we are going to do in Korea, about what we are going to do without creating a vacuum in reappraising our foreign policy.

So I wish I could give the Senator a definitive answer. I can only say that I believe this debate is helpful. Not only will it point out areas in which we are frustrated, but also that there are no easy, simple, concise solutions to these problems.

Mr. DOMENICI. I thank the Senator.

Mr. CLARK. Mr. President, will the Senator from Georgia yield?

Mr. NUNN. I yield.

Mr. CLARK. I understood the Senator from New Mexico to ask how we might control the Soviet arms sales, something related to the level of Soviet sales. It is my recollection that in the debate yesterday, it was pointed out that the major arms sales come from the United States; that our arms sales overseas are about twice as large as those of the Soviet Union, something like nine times as large as the sales of France, and some 15 times as large as arms sales by Great Britain.

Are those figures basically accurate, as the Senator understands them?

Mr. NUNN. I heard those figures yesterday, but I cannot say whether they are accurate. They were used yesterday.

Mr. DOMENICI. I was concerned not only about the present degree of Soviet sale of armaments, but also the fact that we use as one of our justifications for selling military equipment to anyone who wants to buy it that if we do not, someone else will.

Mr. CLARK. That is right.

Mr. DOMENICI. So I directed my question to the Senator from Georgia, who was talking about negotiations that are taking place following the strategic negotiations to balance the world's conventional arms. I asked whether it seems inconsistent that while we are concerned about negotiating about that, we are talking about sales, and he appropriately said that many of them are to our NATO allies, and we could add the Soviet Union to that and some of their Eastern bloc countries, who are busily engaged in proliferation of conventional weaponry among all kinds of nations in the world; and we are talking at a very high level about reducing these conventional weapons, through negotiations among Russia, the United States, and a few other countries.

I think we must work them together. That is why I believe the debate at this point has focused on a couple of good points. One of them is that we have to take a good look at the sale internationally by ourselves, our allies, our potential adversary, of conventional weaponry to anyone, almost anywhere, just because they have the money to buy it. It seems terribly relevant to this budget. It seems terribly relevant to trying to work out a treaty to reduce them.

The Senator was explaining his views on NATO's particular problem. I think it was a splendid answer, and we should start there. But I hope we go beyond it as a result of this discussion and find a way to involve ourselves and the execu-

tive in a more meaningful approach to this subject.

Mr. CLARK. I agree with the Senator from New Mexico completely.

Mr. NUNN. I also agree with that statement completely.

Mr. DOMENICI. Let me ask the Senator from Georgia about the evolution of a changing foreign policy as it is affected by our military commitments.

It appears to me that Vietnam taught us one thing: that the successful implementation of any military commitment by the United States——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NUNN. Mr. President, will the Senator yield me 10 additional minutes?

Mr. STENNIS. Mr. President, I am glad to yield 10 additional minutes to the Senator from Georgia, but under the circumstances, 10 minutes are all I can yield, under the present arrangement.

Mr. CRANSTON. Mr. President, will the Senator yield, for the purpose of a unanimous-consent request?

Mr. NUNN. I yield.

Mr. CRANSTON. Mr. President, in order to permit this debate to continue in the way we all have conceived of it, I believe it is necessary to have a new unanimous-consent agreement as to time.

Therefore, I ask unanimous consent that we disregard the 10-hour agreement of yesterday, because that is going to run out shortly, and that we simply divide the time evenly for the remainder of this debate, while we are on this bill today, between the distinguished chairman of the committee, Senator STENNIS, on the one hand, and Senator KENNEDY and myself, on the other hand.

Mr. STENNIS. Mr. President, reserving the right to object—and for the time being, I do object—I think it would be better for us to have a little conference about it, and then we could ask jointly for a unanimous-consent agreement.

Mr. CRANSTON. Very well.

Mr. STENNIS. The Senator from Georgia is presenting a subcommittee report, and I have promised to yield time to the Senator from Arizona.

How much time does the Senator desire?

Mr. GOLDWATER. Thirty minutes.

Mr. STENNIS. I object, for the time being.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. Mr. President, does the Senator from Georgia need the remaining 10 minutes to complete his report?

Mr. NUNN. I need approximately 7 minutes.

Mr. DOMENICI. Let me ask one question, then.

In the development of this new foreign policy, I started to say that we learned one thing from Vietnam, it appears to me: that no matter how strong our military, how ready they are to fight, how ready they are to live up to commitments, unless the people of the United States support the commitment, support the involvement, it is doomed to failure. It appears to me that, other than for a short-lived type operation, any kind of sustained military involvement by America overseas requires the full support of the American people.

So I ask the Senator if he agrees with me that over the ensuing months, as we try to develop the new foreign policy, it is inherent upon the executive and legislative branches to inform the American people, as they have never been informed before, as to the extent and the nature of our commitments and the basic whys for our commitments, if we are to expect them to support the commitments and the evolving or changing foreign policy.

Mr. NUNN. I agree completely with the Senator. I think that was one of the fundamental and underlying problems in the whole Vietnam involvement. There never was a frank and candid revelation to the American people about why we were there, what our policy was, and at least the planned hope for that policy. I believe we have to do that. That is beginning to take place on a more meaningful basis, and I hope it continues at a greater pace.

Mr. DOMENICI. Does the Senator also agree that we just not reiterate that we will live up to our commitments? That is not the kind of information we are talking about. Rather, we should begin a dialog with the American people as to what the commitments are and why, and the executive and legislative branches should cooperate in that effort, with the dissemination of basic information about our commitments, the needed changes, and what they really mean.

Mr. NUNN. That is exactly right.

For example, we have been in NATO for a long time, and I am not sure that the American people fully understand why. I am convinced that it is to our own national security interests. I believe it is the best place we can have a conventional deterrent, if we want one. That point needs to be made over and over, and we need a fundamental decision on that—not in a formal sense but in a sense that it is understood.

We also need to understand the relationship between the prevention of nuclear war and the necessity for conventional forces. We spent 2 hours talking about that yesterday, but that is one of the most basic, fundamental premises of our defense posture and our foreign posture today—that is, if we want to avoid nuclear war, the likelihood of it, we have to have a conventional deterrent. That needs to be talked about a long time, because it is beginning to take place; yet, I am not sure that it is understood fully in the halls of Congress or in the towns and boroughs throughout the United States.

Mr. DOMENICI. I thank the Senator.

Mr. NUNN. In completing my subcommittee report, so far as this bill is concerned, there is one other particular amendment in this bill for which Senator CULVER is due credit. I joined him on that amendment. It is an area in which I have worked and in which I continue to work. That is the area of standardization. It is a very important amendment in this bill, and we will say more about it later.

In regard to Asia and the Pacific, the committee reductions included cuts of support personnel in Thailand based on the withdrawal of U.S. combat forces from Thailand. Beyond that, the committee has called for an overall Pacific basing posture study by the Department of Defense before we go much further in cutting our troop levels in the Pacific. We need to take a hard look at what our real interests are, particularly as they relate to Japan, Korea, Taiwan, the Philippines, and Thailand. Considering the vast distances and diverse areas where U.S. forces are based, there are no longer massive U.S. troop concentrations in the Pacific.

Before we cut back further we should determine what our long run interests are and the best defense posture to meet those interests.

The subcommittee did not recommend any change in the requested strengths for the Reserve components, though the requested strength for the Army Reserve and Naval Reserve were below the fiscal year 1975 request.

In keeping with the subcommittee's emphasis on what the people in the military are doing, missions of the Reserve components were studied. Under the total force concept, active duty and reserve personnel are supposed to share responsibilities and missions. However, in too many cases, no real mobilization mission related to contingency plans is identified for some reserve units. It is important that specific missions be identified and transferred to the Reserves. To this end, the committee report requests that the Secretary of Defense submit to the committee a study on missions in each service that could be transferred to a Selected Reserve component and various methods of integrating active units with Reserve units.

I might add on that point—and this also has not been completely understood—the Army, in moving to the new divisions, is utilizing one-third of those divisions as existing National Guard and Reserve forces. Of the three brigades in each division, one is a national guard or reserve unit which already exists. I think that is a very strong step in the right direction.

The committee also requested the Secretary of Defense to report to the committee on the capability of active and reserve units, as currently configured in combat and support, to reinforce units in Europe. The U.S. capability to achieve, with our allies, a conventional balance in Europe should be considered as a whole, and part of the whole is personnel and equipment that would be deployed to Europe in the case of war. Hopefully the study will result in a good assessment of total force capability to reinforce NATO and recommendations on improving the capability.

In conclusion, I want to say that the committee has made a start in reexamining our defense posture, overseas troop levels, and overall strength. These are not easy questions, but the committee has taken action in various areas where action appeared necessary. Until that is done, the committee recommendations on manpower provide for an adequate defense posture for the current year insofar as that has been identified.

Before closing, Mr. President, I wish to commend Frank Sullivan, an outstanding member of the staff, who has provided the expertise, the detailed examination, and the dedicated effort to enable our subcommittee to properly function. I commend him as well as the other staff members who have worked with him.

Mr. CRANSTON. Mr. President, I yield 20 minutes to the Senator from Illinois (Mr. STEVENSON).

Mr. STEVENSON. Mr. President, I thank the Senator from California for yielding, and I also commend him for initiating this debate.

I ask unanimous consent that Mr. John Miles of my staff be granted the privilege of the floor during the consideration of this measure and all amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I regret that I did not have occasion to hear all of the report submitted by our distinguished colleague the Senator from Georgia (Mr. NUNN), but I wish to commend him for that report. What I did hear of it I thought was highly commendable, in particular the emphasis on collective security, and more particularly NATO.

Back in the 1940's, after World War II, when the United States was the one unchallenged, preeminent power on Earth, exercising, among other things, a monopoly over nuclear power, it had the wisdom to recognize that power in this highly interdependent, rapidly changing world would be collective. We did not undertake to become policemen of the world, or undertake by ourselves to finance an East-West balance of power. We led what became an American-inspired new world order which preserved the peace of the world for many years.

If the concern in this debate is where we go from here, and what should be the outlines of the policy of the United States, then perhaps we should go back to when we were right, and most conspicuously so, after World War II.

If nothing else, this debate has demonstrated, first of all, that the United States has no foreign policy now. It has its impulses; it has the dreams and the odysseys of its Secretary of State; it has its cliches, slogans; but it has no foreign policy. And, as the Senator from Arizona indicated yesterday, without a foreign policy it is difficult, at best, to make sensible decisions about military priorities. They have to be geared to a perceived purpose in the world, to a foreign policy. Without a foreign policy, it becomes impossible for the military and for Congress to establish a realistic sense of military priorities. I think that has become rather evident in the course of this debate, too. The debate is in a vacuum—a series of comments and complaints, all of them disjointed. We have no foreign policy to debate, and without a perceived foreign policy, it becomes difficult for us to intelligently debate military priorities.

I wish to ask the Senator from Georgia a question or two about NATO, and the possibilities for recreating an alliance and acting collectively upon questions which go beyond mutual defense arrangements. I agree with him that we should be undertaking within the NATO framework efforts to come to terms with our natural allies on exports of conventional arms to other nations. But within that framework it seems to me that there could be agreement upon other and similar subjects. It may soon be that the greatest threat to the peace and stability of the world is the nuclear threat, the proliferation of nuclear technology, which started some 20 years ago, innocently enough, as the atoms for peace program, but which has now become, with the energy crisis and the incentives that all nations have to seek dependable and inexpensive alternatives to undependable and expensive oil, a source of nuclear weapons. What is ostensibly a proliferation of nuclear technology for peaceful purposes becomes the proliferation of nuclear technology for nonpeaceful purposes. It will not be long before every nation which wants it will have access to fissionable materials, plutonium in particular, with which to create nuclear weapons, and then many of them will acquire delivery systems.

We rely on the Nuclear Nonproliferation Treaty; but the Nuclear Nonproliferation Treaty, under review now, is inadequate. We rely on the International Atomic Energy Agency to impose safeguards throughout the world; but the International Atomic Energy Agency is controlled, in the last analysis, by the nuclear recipient countries, the developing countries, the majority in this world.

I ask the Senator from Georgia, does not NATO offer us a framework within which most of the nuclear exporters could begin to come to terms on the establishment of safeguard technologies? We do not even have the technologies available now, nor the institutions with which to enforce such safeguards and the sanctions which ultimately may have to be put in place if the safeguards are disregarded and the diversion of nuclear materials for nonpeaceful purposes is detected.

Mr. NUNN. I would say, in answer to the Senator from Illinois, that I agree with him completely, and NATO should serve that purpose. I think if NATO for the next 20 years is defined in the narrowest sense, that is to say if it is defined only as being in existence to protect the geography of its members, and is not expanded and working toward economic, political, and security interests throughout the world, then NATO will not have the kind of foundation which will be in jeopardy. So I would agree with the Senator that without any doubt nuclear proliferation should be of great concern to the NATO allies.

We have Great Britain, France, and the United States in terms of weaponry and, in terms of capability in the nuclear field, West Germany.

I just listened to a dialog this morning between the Senator from Rhode Island (Mr. PASTORE), and the Senator from Missouri (Mr. SYMINGTON), about their great concern with the West German agreement with Brazil. This is something about which I do not know the details, but it certainly should be of concern to us, and I think nuclear proliferation itself should be addressed in a very serious way in NATO.

Mr. STEVENSON. If Brazil goes so will Argentina. That is the process that is being replicated throughout the world.

The NATO allies do not, of course, within themselves include all of the nuclear powers, all of the nuclear exporting nations. The principal nation which exports nuclear technology, outside of the NATO alliance, although others may come along, including India, is the Soviet Union. But all great powers have a great deal to lose as a result of the proliferation of nuclear technology and of the ensuing political instability and threats which are possible throughout the world.

Would it not be possible that within this framework of agreement among NATO members on safeguards and sanctions, on institutions for enforcement, that there might also be a possibility for some agreement between them and the Soviet Union on the need to control and check the spreading nuclear menace, because on that issue I think there is a rather perceptible mutual interest between NATO and its adversary, the Soviet Union?

Mr. NUNN. I would agree with the Senator completely. I believe there is a strong commonality of interest. Even though the Soviet Union and NATO differ on many things, we should have a commonality of interest on avoiding the spread of nuclear weapons throughout the world. So I would agree with every word the Senator said on that subject.

Mr. STEVENSON. On that subject there is a commonality, a mutuality, of interest, I believe, as the Senator agrees, between NATO and the Soviet Union.

Let me raise within this NATO framework another subject with the Senator upon which there is not a mutuality of interest but also, I think, a possibility for joint action by the NATO allies.

The Senator knows well that the NATO Treaty was intended to be more than a purely military alliance. As a matter of fact, Senator Vandenberg on the floor of this Chamber—and your distinguished chairman, our distinguished colleague, may have been present during the course of his remarks during ratification of NATO, the treaty—said:

> Unless the treaty becomes far more than a purely military alliance, it will be at the mercy of the first plausible Soviet peace offensive.

In an effort to open the way toward cohesion among the allies in nonmilitary fields, article 2 was included in the treaty:

> The Parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

That last line is what brings me to this point. The allies, partly as a result of the energy crisis and the need to promote exports with which to generate the revenues with which, in turn, to pay the

UMI

oil bill, are competing strenuously among themselves to subsidize their exports, and one of the principal beneficiaries of their efforts to subsidize exports is the Soviet Union.

The Soviet Union does not permit the United States and its NATO allies, except infrequently, access to its consumer markets. The access that is permitted is access to its market for technological and industrial equipment, all of the ingredients of both industrial and agricultural development.

With the pressure to promote exports and subsidize employment in our export sectors, the United States competes with the United Kingdom, with France, with Japan—outside NATO—for business in the Soviet Union and to extend large lines of subsidized credit to the Soviet Union.

The United States has extended in subsidized credits to the Soviet Union over $1 billion; the United Kingdom, France, and other countries are following with more subsidized lines of credit, more loans for the Soviet Union.

The result is the subsidized development of the Soviet Union, for example, a truck factory with obvious military potentials, and even in those cases where the military potentials are not so obvious, the pressures on the capital resources of the Soviet Union are relieved to the extent of the credits and Soviet resources are made available for the development of other projects which do have a military potential.

So the United States and its allies end up subsidizing the development of the military and the industrial capabilities of the Soviet Union, on the one hand and, on the other hand, compete among themselves to reduce their military burdens, to shift the burdens from one to the other, and to get the business for the development of the Soviet Union. We are, in a sense, arming ourselves against the threat we are helping to create in the Soviet Union.

Now it seems to me that this nonmilitary subject ought to be a matter for some agreement and, at least, discussion among the NATO allies.

Feeling that way—and I want to ask the Senator how he feels—I wrote a letter to the President on May 23 on the eve of his departure for the NATO summit conference and, among other things, it said:

Through COCOM attempts are made to coordinate export policy with respect to goods and technology of military significance to the Soviet Union. At present no mechanism exists to coordinate credits for the Soviet Union. Indeed, the industrial democracies, the U.S. government temporarily excepted, are competing among themselves to extend more subsidized credits to the Soviet Union for exports which typically are for the development of Soviet technology and industrial capacity. Only rarely is the West afforded access to the Soviet consumer market for finished goods.

Such credits take on the character of foreign aid and assist the Soviet Union to develop its military capabilities. They have directly assisted the development of such facilities as a truck factory with obvious military potentials. They also release Soviet capital resources for purely military objectives.

It is incongruous for the United States and its allies to subsidize, directly and indirectly, the development of Soviet military capabilities and deprive themselves of capital resources with which to develop their own military and industrial capabilities.

As it is now, the industrial democracies are competing among themselves, on the one hand to diminish their burdens of mutual defense, while on the other hand to aid in the development of Soviet military and industrial capabilities. As you know, the United States has already extended about $1 billion in subsidized credits to the Soviet Union. Our allies are doing likewise. Some coordination among the allies might diminish the pursuit of inconsistent ends, perhaps upon some understanding that credits will be made available through a consultative process as progress with the Soviet Union is achieved on such large issues as mutual and balanced force reductions, SALT and peace in the Middle East. It could lead to a relaxation of tensions between East and West.

Mr. President, I ask unanimous consent that his letter be printed in the RECORD at the conclusion of this colloquy.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NUNN. I might say, I think the Senator has made excellent points here. One of the most disturbing things about the overall détente policy, and certainly all of us want to ease tensions, certainly all of us want to reduce the military burden if we possibly can, but one of the disturbing things is that does not appear to be the result, particularly in the case of the Soviet Union. Their military spending exceeds that of the United States.

This is a worrisome thing. I do not think we have to match for every tank or for every rifle or missile or man, for that matter. But it is awfully important in the world balance of power that we maintain at least a deterrent to any kind of nuclear strike. I think we have to have no less than parity. I would prefer more, but that is a matter of debate.

But we have to be very careful in the foreign policy field if we are going to allow our credit to relieve the Soviet Union of their burdens in certain areas where they can shift more of their resources to the military area.

Then we are really hurting ourselves in the long run, and I say that in the broadest sense, that includes all of our allies.

So I think the Senator has made a very excellent point here and I certainly believe this matter of credits should be carefully considered in the context of what the Soviet Union is doing with our resources and whether they are forcing us to continue to increase our military budgets to try to struggle to keep up with them.

So I think the Senator has made excellent points.

Mr. STEVENSON. I thank the Senator.

To put it slightly differently, it is unrealistic to think that with credits, or any other such form of assistance to the Soviet Union, or any other great power, that we can influence their policies.

Every government is going to do what it perceives is in its best interests. Its policies will not be altered by cash. The most such credits can do is help to normalize trade and help create a climate within which agreements become easier upon political subjects, but to think, as I think has been the prevailing attitude, that somehow by extending billions of dollars of credit to the Soviet Union we can influence its policy is just utterly unrealistic.

The best way to relax tensions is to act from a position of strength, a position of collective strength, and not just upon military subjects, but also upon nuclear proliferation and upon such questions as the extension of credits for the industrial, agricultural, and the military development of the Soviet Union.

I thank the Senator from Georgia.

EXHIBIT 1

U.S. SENATE,
Washington, D.C., May 23, 1975.

Hon. GERALD R. FORD,
The President, The White House, Washington, D.C.

DEAR MR. PRESIDENT: The Secretary of State's recent statement in St. Louis about the importance of U.S. alliances with other industrial democracies was most welcome.

I urge you at the NATO Summit meeting in Brussels to take up the impact of credits from the industrial democracies for the Soviet Union on its military capabilities. This subject begs for cooperation between the NATO nations and some appreciation of the military, as well as the commercial, consequences of continued large-scale credit for the Soviet Union. It has a GNP second only to our own, is now the world's foremost oil producer and enjoys a substantial and growing payments surplus.

Through COCOM attempts are made to coordinate export policy with respect to goods and technology of military significance to the Soviet Union. At present no mechanism exists to coordinate credits for the Soviet Union. Indeed, the industrial democracies, the U.S. government temporarily excepted, are competing among themselves to extend more subsidized credits to the Soviet Union for exports which typically are for the development of Soviet technology and industrial capacity. Only rarely is the West afforded access to the Soviet consumer market for finished goods.

Such credits take on the character of foreign aid and assist the Soviet Union to develop its military capabilities. They have directly assisted the development of such facilities as a truck factory with obvious military potentials. They also release Soviet capital resources for purely military objectives.

It is incongruous for the United States and its allies to subsidize, directly and indirectly, the development of Soviet military capabilities and deprive themselves of capital resources with which to develop their own military and industrial capabilities.

As it is now, the industrial democracies are competing among themselves, on the one hand to diminish their burdens of mutual defense, while on the other hand to aid in the development of Soviet military and industrial capabilities. As you know, the United States has already extended about $1 billion in subsidized credits to the Soviet Union. Our allies are doing likewise. Some coordination among the allies might diminish the pursuit of inconsistent ends, perhaps upon some understanding that credits will be made available through a consultative process as progress with the Soviet Union is achieved on such large issues as mutual and balanced force reductions, SALT and peace in the Middle East. It could lead to a relaxation of tensions between East and West.

The disarray among the industrial democracies is disturbing and too reminiscent of times past. I, therefore, urge you to take up the subject of credits for the Soviet Union at the meeting in Brussels. I believe that your trip is most timely, symbolically important, and am hopeful you can achieve progress on the substantive questions.

With the highest regards,
Sincerely,

ADLAI STEVENSON.

Mr. GOLDWATER. Mr. President——

The PRESIDING OFFICER. The Senator from Arizona.

Mr. STENNIS. Mr. President, I yield 30 minutes to the Senator from Arizona.

And, Mr. President, should time run out during the Senator's remarks, I ask unanimous consent now that he, nevertheless, be allowed the full 30 minutes.

Mr. KENNEDY. Mr. President, would the Senator be kind enough—reserving the right to object, and I will not object—to propound a consent request to divide the time equally for the rest of the afternoon?

Mr. STENNIS. We propose to do that, but not just at this moment, for reasons I will explain.

Mr. President, I yield 30 minutes to the Senator from Arizona.

Mr. THURMOND. Mr. President, on that point, the question just made, yesterday that side took up practically the whole day and they have used all that time. Now, why should we be deprived of time over here until we have used up our time, then we can talk about dividing time.

Mr. KENNEDY. I will be glad to.

Further, I thought the distinguished Senator from Georgia, in his exchange with both the Senator from South Dakota and myself, was speaking very eloquently and commendably and forcefully for the position of the committee. I, quite frankly, thought that during that exchange the arguments were being presented on behalf of the committee, and should have been charged to its time. At this point, we would be better organized by yielding time, rather than constantly dividing the time.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. I have the floor, have I not?

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. I yielded 30 minutes to the Senator from Arizona, Mr. President.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. I will be glad to yield to my friend, but I do not want it coming out of my time.

Mr. KENNEDY. No; I just wanted to make that point, and the chairman of the committee has been very generous.

Mr. STENNIS. Mr. President, a point of order. I cannot accommodate everyone. I yielded 30 minutes to the Senator.

Mr. KENNEDY. I indicated I reserved the right to object.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. GOLDWATER. The Senator from Massachusetts has not objected, or withdrawn his objection.

Mr. KENNEDY. I do not believe the consent request was——

Mr. STENNIS. I withdraw the request, Mr. President, and have yielded 30 minutes already to the Senator from Arizona.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. GOLDWATER. I thank my chairman.

WHAT PRIORITIES: EUROPE, ASIA OR BOTH?

Mr. President, I do not want to address myself at this time to the bill or to weapons, strategy, and so forth. My subject is, "What Priorities: Europe, Asia, or Both,"

Mr. President, as events in Southeast Asia continue on their tragic way, the American people are being assailed by statements to the effect that, "Now that the Vietnam war is behind us we can wash our hands of all those complications in Asia and get on with really important foreign policy issues." Well, I am not sure the Vietnam war is behind us. I think the consequences of that particular failure will haunt us—and perhaps wound us—for many years to come. But, this is not my subject today. Instead, I want to explore this now continuously repeated assertion that our most important foreign policy tasks lie elsewhere, lie other than in Asia. One will note, of course, that, as is common in today's practice, our pundits do not define precisely what these "other issues" are but they seem to infer that the really important area for us is Europe—not Asia. I would like to examine this proposition more precisely. I would like to argue against this proposition because I think it to be wrong.

There is no doubt but that American thinking has a European tilt. In one sense this is understandable but in another, it is not. Most of us arose from European origins not too many generations ago. We have, therefore, cultural, ethnic and in many senses, political connections with Europe. But may I suggest to you that important as these links may be in promoting a commonality of interests with Europe, it does not necessarily follow that these are the ingredients that should prompt the United States to make Europe the focal point of a foreign policy. In fact by themselves, these alleged links mean very little in terms of foreign policy. Europe must also affect critical U.S. interests. We can view these economically, in terms of international politics and in strategic terms. Before we do, however, we should note some other factors about Europe which perhaps suggest that we have as many uncommon interests as we do common. Some of the former are significant relative to the goals we have sought for our country.

Mr. President, our ancestors left Europe for very special reasons. Alongside its sometimes expression of liberty and justice, Europe has a long and near continuous history of repression—especially repression of ordinary, humble folk. These have fallen under the rubric of the religious oppression of three centuries ago, the racial oppression of the last century, or in Stalin's Gulag Archipelago in our own time—just to quote some examples. These highly organized mass repressions have occurred with monotonous regularity.

Mr. President, we must remember, too, that doctrinarily Europe is also the home of fascism and communism. It was there where those creeds were not only formulated but put into practice. Communism still bedevils the entire world and causes most of our problems. Thus, our European antecedents are not entirely without their flaws. We must remember these flaws when we are being reminded of our European heritage and recognize that our cultural and political linkage is not something that demands total homage on our part. But, neither can a foreign policy be based on these contrary issues anymore than it can be on those more favorable fabrics which are normally held before our gaze. Other factors intrude. These are, as I have already mentioned, economic, political and strategic.

As a framework for examining these, let me ask a brutal question. How significant would it be to the United States if the various European states became Communist states? I might add that I regard the possibility of Europe becoming Communist as more likely to arise not so much by outright aggression by the U.S.S.R., as by the impending failure of the European experiment with semisocialist government, controlled economics and its inability to handle the subsequent social unrest and political confusion likely to ensue should these operations fail. But, let me stick to my question—What if Europe did become Communist? How would it affect us economically, politically and strategically?

Economically, the impact would be extremely severe but not crippling. Since World War II the United States has made substantial investments in Europe. Indeed, in my opinion we have over-invested in Europe. These would be lost to us. But they are likely to be lost in any case but perhaps less dramatically. Strikes, political ideologies, political confusion, increasing European nationalism and a general instability in many countries may force the curtailing of many American enterprises in the longer term. Personally I hope this does not happen but the signs are there. And, what would all this mean here at home? Higher prices, a lesser variety of goods—and on the plus side, possibly more jobs for Americans—and overall, a general but not critical diminution in our standard of living. We would however face one critical economic impact beyond trade and that would be relative to oil. The security of Europe's southern flank is critical to the security of the Middle East. Thus, Europe's position in this regard bears upon the security of the Middle East's oil fields. I will discuss this more fully when I talk of the strategic implications of a Communist Europe.

But before that, let me turn to the political impact should Europe become Communist. If Communist practice holds good, there would be a primacy of politics over economics. We could then expect that both Africa and the South American Continent would be subjected to strong political pressures. These would be first a "wave of the future" syndrome that, as Communists could not successfully be opposed, the time had come up to join them. At home no doubt our growing left wing would redouble its efforts to socialize America and I would expect our well-meaning appeasement faction to join forces with them. Overall I would expect the political effort worldwide to be intense. After all, in terms of the Communist dialectic this

UMI

would be the culminating phase of a historical epoch presaging the triumph of world communism. This political effort would have but one primary motive—the isolation of the United States. I believe they would succeed with this and the United States would be isolated and as a result find itself in a very difficult political position.

But, the Communist hegemony of the U.S.S.R. in Europe would also have enormous political problems. It is one thing to subvert a nation's political processes. It is another thing to be faced with the day-to-day control of an alien nation's political system and the attendant social forms. This problem becomes accentuated when more than one state is involved and these states are all different. The states of Eastern Europe, notably Hungary in 1956 and Czechoslovakia in 1966, have revealed these difficulties.

And, Europe does represent a polygot collection of States which, even under the best of circumstances, as is under the Common Market, have shown remarkable indifference to each other's interests and a selfish independence. Further, the ancient European disparateness on politics and culture not only still remains but is continually exploited by nationalist leaders. I believe it will become increasingly easy to subvert most European political systems but managing these will cause the manager immense problems. I do not envy anyone's task, if that task is to homogenize Europe politically and govern Europe as a unified whole. If the Soviet Union is ever in a position to try, they will have their hands full. I do not say this because I believe European States to be vigorously independent but rather that their inchoate selfishness would inhibit collective action even under the gun. I would not for example like to be the Russian commander of a grand European army. But neither should we underestimate the political impact upon us of a nominally Communist Europe. Isolation from others is an enormous burden to bear even for the robust of spirit: for the less robust, it leads to despair. Thus, economically and politically a Communist Europe would not be a pleasant prospect for the United States.

Such changes in Europe's alinement however would have its most important effect in the strategic sense. In some degree the changes are already underway. For example, with its economic wealth and its 260 million people, Western Europe should be well capable of defending itself against the Soviet Union. But, Western Europe still looks upon the United States as its defender. The failure here is failure of will rather than of an inadequacy of material strength. It is time we recognize this. Western Europe is without great leaders. Indeed, of those now in power in Great Britain, France and Germany, all are in office either by narrow majorities or through coalitions. Westen Europe is disunited, despite opportunities for unification under the Common Market. The nations of Western Europe are unwilling to sacrifice social welfare schemes for the disciplined realities essential to their own long term defense. The nations of Western Europe seem to be floundering as they seek a unity of purpose. Strategically, we cannot look upon Europe as an ally commensurate with its size and wealth. Soon we shall have to face new factors.

It seems to me that Europe is in the process of being outflanked by the U.S.S.R., especially in regards its southern flank, the critical Mediterranean Sea. In part we have contributed to this by such acts as cutting off military aid to Turkey—whose geographical significance should be obvious to all—and by our policy of endeavoring to play both the Arab and the Israeli sides of the street without at the same time enunciating a clear and simple Middle Eastern policy.

A further complication could also rise when Marshall Tito passes from the scene. The Russians, because of the absence of any countervailing force, will be tempted to intervene in Yugoslavia, and here will be a secure Russian access to the Mediterranean Ocean.

The Mediterranean is also related to yet another vital issue; namely, Middle Eastern oil. Some 90 percent of Europe's oil is drawn from Middle Eastern wells. If ever a region had a clear-cut strategic aim, surely that of Europe would be to maintain access to this critical resource through preservation of Middle Eastern stability. Yet the Europeans have reacted as though, provided they were nice to this or that supplier, all would be well. Unfortunately, in this sad world, life does not operate that way.

The Arabs want to sell their oil and indeed they must in their own future interests. But, as in any trading operation, they prefer customers who are materially secure and emotionally robust, customers who have a future. So, too, would the majority of the Arab states rather not have the Soviet Union as the owner of Europe, a Europe ready at the Soviet's will to exert whatever pressures they wished upon the Middle Eastern world.

Then, as I see it, Western Europe has failed to take those measures necessary to sovereign states such as being responsible for their own defense to the degree possible, or, in taking those measures such as with the Middle Eastern oil, of maintaining the viability of a vital interest. Thus, I see a grave possibility waiting in the wings. It is possible to perceive of Western Europe as a hostage to be held against us by the Soviet Union because, relatively speaking, Europe is growing militarily and politically weaker and, therefore, more militarily dependent upon the United States and because we at the same time have bound ourselves to Europe by such a tight alliance as the NATO pact.

We of the United States may have a liability on our hands more than we have an asset.

Of all the concepts regarding Europe that I have enunciated here, that of Europe held as hostage against the United States is the most likely and the most dangerous. Perhaps we have forgotten but the NATO pact states as its most operative element that "An attack on one, is an attack on all." Ponder on this situation. The alliance is not unified; it has not marshalled sufficient forces to mount its own defense by land and promises to do less in the future. There are strong forces within the alliance antipathetic to the United States: because of NATO's weakness any war in Europe would inevitably mean the use of nuclear weapons: more and more we are assuming the role of the alliance's nuclear mercenaries. Yet, we are bound to this disparate and, may I say it, militarily ineffective group by a boiler-plated agreement. Europe is impotent both in terms of will and capability relative to Soviet might. This is what I mean by Europe being held hostage with the United States responsible for the rescue—or the trade-off.

This situation which is upon us now can and must be rectified if the NATO Alliance is to endure. Without rectification, the United States would be as well served in changing its automatic guarantees to NATO. This would give us the flexibility of choosing what action we might take relative to Soviet adventures in Europe or elsewhere. With this new course we would lose little while making a substantive gain in our freedom of political and strategic maneuver.

I realize this is a grim analysis and one I trust will never come to fruition but in international politics, reality comes first. Yet, there is no question but Europe is important to us, economically, politically, and strategically. But, it must be a strong, viable, independent Europe. European history indicates that all of her states have great resiliency. This is what must come forth again. American leadership and example could be a key factor if we are to maintain the European alliance as an asset.

Again, we must summon both our own will and thereafter, that of European allies toward vigorous defense of independence and liberties. If this is not achieved, Western Europe and the entire NATO Alliance can become an awesome liability, a mortgage on our future freedom to decide and upon our capacity to calculate our own best defense.

Thus, we do have tasks in Europe and Europe is important to us. But, we should also be aware that our relationship with Europe is not nearly as cozy and natural as popular myth would have it. In the immediate future we may perhaps have to seek a new flexibility. It may become more in our interests to deal with each European country on its merit rather than pretending Europe is a united whole. This would give us flexibility. One example of the use of such flexibility might be that of deploying forces say to aid our friends, and our own interests, in the Persian Gulf. The time may be at hand when this is a more important venture for us than protecting a Europe reluctant to protect itself.

Let me return, however, to my original question. While we resuscitate our relationship with Europe, do we turn our backs on Asia? I think not. For each reason I have given you—economic, political, and strategic—that prompts us to continue our relationship in Europe. I can give equally valid reasons for like relations with Asia, and more.

In terms of the U.S. trade abroad, Western Europe still outranks Asia by a ratio of nearly 2 to 1. But this is changing. Our trade with Asia has more than tripled these past 10 years while our trade with Europe has grown at much slower rate. Japan, for example, is now the world's biggest buyer of U.S. agricultural products. I believe that all our trade opportunities in Asia lie ahead and if the region is stable for the next 10 years and if our diplomacy in Asia is competent, Asia will soon outrank Europe as a trading region for the United States.

Politically Asia is more important to us than Europe. Europe's political originality seems to be of the past—both the good and the bad. I do not sense any ground swell of new ideas in Europe, although there may be repetition of what has happened before. In Asia, however, things may be different. When Mao Tse-tung turned Karl Marx's theories upside down and made the peasant rather than the proletariat the raw material of revolution he initiated a momentous event. Some two-thirds, or more, of the world's peoples are peasant. Has Mao given to this enormous mass a rationale for their future? If he has, we have a startling phenomenon on our hands. It transcends anything that has happened in Europe in planetary significance both politically and especially strategically. Recent events in Asia would seem to bear out this contention at least in part and this leads me immediately to the strategic significance of this Maoist concept.

Let me deal first with peasants, not only in Asia, but of peasants generally. These past 30 years we have seen peasants at war in Asia. These folk have shown discipline, military skill, dedication, endurance and hardihood. We Americans perhaps know this as well as anyone. But, only a tiny fraction of Asian peasants have been involved. The characteristics I have noted apply to peasantry in general and especially to China's peasants. We see therefore a potential for an enormous mass to be mobilized for war of a particular kind, what Mao has called protracted limited war, similar to what we faced in Vietnam but of a grander scale. But another critical factor must be added to this new pattern, namely nuclear weapons. I believe this bringing together of nuclear weapons and the enormous peasant mass in the strategy of protracted limited war is as potentially significant militarily as was the famous levee en masse of the French Revolution which when combined with Napoleon's genius created a conquering force which made the world tremble.

We must now note yet another important factor. The discipline and endurance of China's peasants—and for that matter those of Japan and Vietnam also—is intrinsically rooted in their family system. It is not something brought about by communism. On the contrary, communism, as turned around by Mao Tse Tung, exploits these ancient values. This discipline and endurance, therefore, is not something which is of fleeting significance but is a characteristic that will be around for a long time.

The strategic significance of the peasant mass, allied to nuclear weapons, allied to their innate discipline, has been recognized by the U.S.S.R. The U.S.S.R. shares with China the longest land frontier in the world. As compared to Western Europe where we face a situation of actual, or near, apathy to the imperial designs of the Soviet Union, in Asia we find at this time a dynamic opposition which is new in its concepts and has immense potential power in its capabilities. It makes the U.S.S.R. tremble. If the United States turns its back upon this situation, two potentially dangerous situations arise. First we lose a counterbalancing force to the U.S.S.R. Before this century draws to an end we may need this force. The U.S.S.R. is soon to be the mightiest military power on earth but it can never conquer China, if China remains united and opposed to Russian conquest. The Chinese are also as disturbed, as I am, at the seeming weakness of NATO and the distinct possibility that NATO might be held hostage against the United States or that the United States might withdraw.

Either course would allow the U.S.S.R. to transfer vast military power to Asia, to further menace China. Already China has begun to make overtures to Europe to stand firm. Especially, China needs the United States in a global role. For our part, it is in our interests that Communist China retain its posture of unity and of independence from the Soviet Union. Further, Communist China has done something that Europe has failed to do; namely, obtained the military respect if not fear on the part of the U.S.S.R. It is in our national interest in the foreseeable future that China remain a counterbalancing force. I am in no way suggesting that we get into bed with China. I am in no way suggesting that we forget our life-long friends on Taiwan. There is no need to. They do not want us—I am speaking of the Red Chinese—as allies or even as friends. They are our self-avowed enemies. But, they are also the enemy of our other and biggest self-avowed enemy. Let us, therefore, endeavor to conduct a vigorous forward diplomacy with Communist China in which we represent our national interests clearly and unconditionally. They will take note and react appropriately if we show clarity of mind and purpose.

The second danger that could arise, if we turn our backs on Asia, is that after Mao's demise an almost opposite situation could arise. Along with Russian help, a pro-Soviet faction could take power in China. This would presage a time of great turmoil and danger. But should an alliance between China and the U.S.S.R. arise, this would represent the first—I repeat, the first—unbeatable alliance yet seen on this planet. Europe does not represent such an adjunct to the U.S.S.R., even under the best of circumstances.

And then we must turn to Japan, already the world's third industrial power, and like China, the home of a highly disciplined and enduring people. Should the Japanese feel that the United States has withdrawn from Asia, what would her position be? Japan could hardly sit by and do nothing. Japan could seek new alliances, with the U.S.S.R. or China, and either would again represent a formidable realinement in the global power structure. Japan could readily manufacture nuclear weapons and indeed would be almost forced into this situation. This would almost certainly usher in the second nuclear age, an age when most nations with the capability would scramble to produce their own nuclear arsenals.

Here, then, are some of the international aspects of Asia, a region we are now being told has little importance to us. It seems to me that Asia, in a strategic sense is no less important to us than is Europe. Indeed, I would like to go further and suggest that Asia is probably more important to us over the next 20 years than Europe is ever likely to be. We must rid ourselves of that strange syndrome that somehow we "owe" Europe more than we do other parts of the world, especially Asia.

As a policy for the United States in regard to its relations with Europe or Asia, let me recommend the following and at the same time summarize my discourse:

First. Post-Vietnam international politics will not improve and almost certainly will get worse. We can neither deny nor dodge certain distinct but terrible forces at work—namely, the increasing power of the U.S.S.R. and China and their continuing messianic stance; the conflict between the U.S.S.R. and China; the decline of Europe; the dependence of Europe and the United States on Middle Eastern oil, and the reluctance of the United States to see the world as it is and, as a consequence, assume its correct national posture.

Second. Unless Europe is to be held hostage against the United States, Europe must take a vigorous and urgent step to adopt a more unified posture and shoulder greater defense burdens.

Third. In the meantime, the United States must establish a more flexible defense posture which instead of binding us to plans which may fail in the event allows us greater freedom of choice not only vis-a-vis Europe but also other regions.

Fourth. China will increasingly represent a new dynamic in military strategy, and at all costs China must not really itself with the U.S.S.R.

Fifth. Japan could follow in China's wake, not necessarily as an ally but as a new military force in the world.

Sixth. China needs the United States to counterbalance the U.S.S.R., and we should recognize this situation and work vigorously to obtain our best advantage from it, without for one minute forsaking our allies on Taiwan.

Seventh. As a nation, we need to turn more to Asia not less, learn more of its ways and its potentials so as to serve best our national interests.

In conclusion, Mr. President, let me make one last observation. I hope I am wrong in my gloomy assessment of this world we live in and of the remainder of this terrible century in which we find ourselves. I have been talking of terrible things: of war, of subjugation, of the prostitution of ancient values and the

UMI

dimming of future hopes—all brought about in pursuit of the theoretical nonsense first dreamed up more than a century ago by an unworldly and impractical German named Karl Marx. It is not pretty but, unfortunately, it is real. We Americans have a tendency to put aside realities of this kind, and here lies our danger. It is critical that our country awake to the realities. I ask for no more. Each American strives to build a better world for his family and their families. We can do this for ourselves, and perhaps help others, if we but recognize the realities about us. A new cold war, or a hot war, is less likely to arise if we maintain this vigilance. More importantly, if the American people are told the truth and offered effective leadership relative to that truth at home and abroad, they, you the people, will respond with the vigor and enterprise they have always given to the cause of their freedom.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. GOLDWATER. I think I have a few minutes remaining.

The PRESIDING OFFICER. The Senator's 30 minutes expired. Who yields time?

Mr. CRANSTON. I yield 5 minutes to the Senator.

Mr. CLARK. I would like to ask a couple of questions about the two or three points that the Senator from Arizona has made.

First, I certainly agree with his description of the unwillingness of many countries in Western Europe to help finance their own self-defense. As these countries actually take over their own self-defense. I wonder if the Senator feels there will be a point where the United States can withdraw all its ground troops from Europe.

Mr. GOLDWATER. I certainly think that would be possible. In fact, that is the thinking of our military leaders. It has been the thinking of President after President.

I do not think that we are permanently married to the NATO concept of American troops being there. I do think I could count the entire structure, which includes, most important, the 6th Fleet. This is not a proper time to withdraw either strategically, from a strategic sense, or policywise from a policy sense, because the world would misinterpret what we might do. We have discussed this on the floor of the Senate year after year. I do not know what the target date might be; but certainly if we can get the European nations to assume more and more of their own responsibility, the time when we bring our troops home will be here.

Mr. CLARK. I am happy to hear the Senator from Arizona say that. I agree with him. This is not the year for it; but, I hope that we soon will be prepared to set a date certain.

Does the Senator have the same view on U.S. troops in Korea and Japan? In the future, should we not have a policy of troop withdrawal from that area of the world as well?

Mr. GOLDWATER. I think the answer to that would depend almost entirely on what we do relative to a foreign policy in Asia.

If we assume, as many people are seeming to advise we assume, that Asia has no more importance for us, if that is going to be our stance, I think we are asking for trouble by staying in Korea. But if we continue to recognize the periphery of the Pacific, as we really have for a few years over 100, as the focal point of American foreign policy, then I think that not only must our troops remain in Korea, but also, we have to strengthen wherever we are around that periphery to prevent whatever—I do not like to use the word "Communist"—but whatever antifreedom forces might prevail, particularly in Thailand and in the Straits of Malacca and Indonesia and on down in that general country.

It all depends on what this country comes up with as a form of foreign policy.

Mr. CLARK. But the Senator will agree that at some future point—perhaps not this year or next year—but on down the line—keeping a permanent occupation force in a foreign country is not a very desirable policy.

Mr. GOLDWATER. Well, I do not know if I would agree to that. I cannot agree to it right now. What I might think about it a year or two or five years from now would be another thing. We all change our minds.

But the United States has been, since World War II, the world's No. 1 military power. I do not look at us any longer as that, but we are very close to it. I think our giving up Okinawa was a dreadful mistake, for example, with our nuclear arsenal there.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. I yield the Senator 5 more minutes.

Mr. GOLDWATER. I am all finished.

Mr. STENNIS. Very well.

Mr. President, I propose to propound a unanimous-consent agreement now, which has been cleared with the Senator from Massachusetts, the Senator from California, and the Senator from South Carolina, who has been called to the telephone. I have not had a chance to clear it with the Senator from Montana, but it pertains only to the remainder of the day.

This proposal is in two parts. The first part is that the Senator from South Carolina be allotted at this time 35 minutes; and second, that thereafter, the rest of the time for today be divided between the proponents of debate on the matters pending, and the other part would be controlled by the proponents of the bill, though they are not adversaries; and that the time be controlled, then, by the Senator from Massachusetts and the Senator from California for their side and by the chairman of the committee, the Senator from Mississippi, for the bill; and that we shift from side to side, so to speak, about every 60 minutes or as near thereto as possible, which will provide a more even distribution and a better understanding of the debate. That arrangement would last for today only.

Mr. GOLDWATER. Mr. President, reserving the right to object, and I shall not object——

Mr. STENNIS. I yield.

Mr. GOLDWATER. I merely want to ask the majority leader a question. Would this preclude the bringing up of any legislation this afternoon that would require a vote?

Mr. MANSFIELD. It all depends. No votes on this bill; they will not occur until tomorrow.

Mr. GOLDWATER. I understand that.

Mr. MANSFIELD. But we do have a supplemental appropriation conference report which we would take up if we concluded this business in time this afternoon, which I doubt very much, because we have a number of speakers on both sides. So I would say the chances are pretty much negative that there would be any votes today.

Mr. GOLDWATER. I thank the Senator very much. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Montana.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until the hour of 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I thank the Senator.

Mr. STENNIS. Now, to the Senator from South Carolina let me say this: On this matter of controlling the time, the Senator from Mississippi is not a candidate for controlling time. I would rather follow the debate and get interested in it. I think that would better serve the cause. So if any Senator is willing to control the time in behalf of the committee, I am glad to yield to him.

As I understand, the unanimous consent request was agreed to.

The PRESIDING OFFICER. The Senator is correct.

Mr. STENNIS. If the Senator from South Carolina is ready, I suggest that he proceed with his 35 minutes now.

Mr. YOUNG. Mr. President, first, will the Senator from Mississippi yield for an inquiry?

Mr. STENNIS. I yield.

Mr. YOUNG. The supplemental conference report is a privileged matter, and there is urgency about it; many of these funds have run out.

Mr. MANSFIELD. That is true, may I say to the Senator from North Dakota, but we are operating under a time arrangement which I think supersedes that. What I said before the Senator came in was that we are proceeding under a time arrangement for this afternoon, because, thanks to the cooperation and the Senators on both sides and of the committee, we have a time limitation of 1½ hours.

Mr. YOUNG. But if there was a yea-and-nay vote on that, would the vote occur tonight?

Mr. MANSFIELD. It was my intention that if there was to be a vote on the conference report, it be postponed until tomorrow, because the membership were under the understanding that there would be no votes on Monday or Tuesday.

Mr. YOUNG. I thank the Senator.

Mr. STENNIS. Mr. President, it is my understanding that the 35 minutes to the Senator from South Carolina now will not apply to 50–50 division of the time thereafter.

The PRESIDING OFFICER. The Senator is correct. The Senator from South Carolina is recognized for 35 minutes.

Mr. THURMOND. Mr. President, I yield 5 minutes of that 35 minutes to the distinguished Senator from Illinois (Mr. PERCY).

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. STENNIS. Mr. President, may we have quiet so that the Senator may be heard?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PERCY. Mr. President, this year, we consider the authorization and appropriation bills for the Department of Defense for the first time in what may be called the post-Vietnam era. It is a proper time to reassess our defense policy and requirements.

First, I wish to express appreciation to and commend the distinguished Senator from California (Mr. CRANSTON), the distinguished Senator from Massachusetts (Mr. KENNEDY), and the distinguished managers of the bill, the rank-ink minority member, the Senator from South Carolina (Mr. THURMOND), and the chairman of the Armed Services Committee (Mr. STENNIS), and other Senators such as the distinguished Senator from Arizona (Mr. GOLDWATER), who have contributed their thoughts and their judgments at a very, very important time in our history as we seek to reassess our defense policy and the requirements of our country.

At this time there may be an inclination to act quickly and perhaps even rashly. Some will feel impelled to conclude that—with Vietnam behind us and no imminent prospect of another war—we can slash the defense budget. Others may believe that—with Vietnam behind us and some military stocks in shortage as a result of the massive resupply of Israel during and following the Yom Kippur war, an action that we virtually overwhelmingly agreed with and fully supported, and I fully supported it—that we should increase defense spending to build up our arsenal, and increase it substantially.

In this debate, both opinions have been and will continue to be expressed. I would fault no one for taking either view, since it is a question of judgment and priorities, as this debate has clearly well demonstrated.

It is my own view that we cannot act precipitately. The post-Vietnam era has just begun. A substantial foreign policy reassessment is underway in the administration, in Congress, and among the American people whom we seek to serve. Because armament decisions should support foreign policy, and because foreign policy should never be dictated by armament decisions, we must make our defense judgments on the basis of conclusions reached concerning our foreign policy goals.

Therefore, I oppose any sweeping changes in defense policy until the foreign policy reassessment is completed.

I certainly commend the distinguished majority leader (Mr. MANSFIELD) for not pressing forward with the Mansfield amendment for unilateral troop withdrawals in Europe at this time, because he has very accurately taken this reassessment of our foreign policy into account, a policy reassessment that is going on intensively now in the executive branch, and hopefully with the cooperation of both Houses of Congress.

During the debate on the 1976 defense authorization and appropriation, we shall have to make some decisions, as the Senate Armed Services Committee has already done. But prudence requires that these decisions not close off our options or prejudge the needs of a foreign policy still under review.

An example is the B–1 bomber program. Since the need for a follow-on manned strategic bomber has not been fully established and flight test data is inadequate to support a production decision, I believe the committee has acted wisely in denying all the advance procurement funding requested. At the same time, I believe it prudent to continue the flight test program to help determine whether the B–1 is a technically sound aircraft which even merits production consideration.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. PERCY. May I have 3 additional minutes?

Mr. THURMOND. Mr. President, I yield the Senator 3 additional minutes.

Mr. PERCY. I thank the distinguished Senator.

It is my belief that the eventual decision to produce and deploy B–1 bombers and other strategic weapons systems should be made only after there has been a fresh evaluation of the basic defense concept of the nuclear triad which includes long-range bombers, land-based intercontinental ballistic missiles and submarine-launched ballistic missiles. We must finally address ourselves to determining the validity of the triad concept within the context of national security needs and foreign policy developments. Again, I do not think that a reassessment of triad can be taken lightly or concluded promptly. I believe it would be wise to study the triad concept, and all alternatives to it, for a year, so that our ultimate judgment would be sound and based on thorough analysis.

I recommend that joint hearings be held within a year on the triad concept and alternative concepts, by the Armed Services Committee and the Foreign Relations Committee. The Departments of Defense and State, the Arms Control and Disarmament Agency, and the Central Intelligence Agency should be asked now to begin preparation of serious studies of the triad concept and the alternatives, both to stimulate their own thinking and to have such studies available for committee consideration prior to the hearings.

In addition, outside experts and interest groups should be invited to make their own studies and recommendations for the consideration of Congress.

Only if we approach defense requirements and defense policy in a rational, thoughtful way can we have a reasonable expectation of making decisions which are right for our country.

ISRAEL'S PULLBACK IN THE SUEZ CANAL AREA

Mr. President, on a very much related matter, I would like to take this occasion to commend the initiative of Prime Minister Rabin of Israel in making a unilateral pullback of half his troops in the Suez Canal area, which gives renewed hope that there can be new steps toward peace in the Middle East.

Hopefully we are seeing the start of a new process toward reducing tensions and enhancing the environment for successful negotiations.

I think it would now be desirable for President Anwar Sadat of Egypt to respond to the Israeli initiative by allowing Israeli ships as well as cargoes to transit the Suez Canal.

It is a time for hope, and Israel deserves credit for this important and symbolic initiative.

I thank my distinguished colleague from South Carolina for yielding time.

Mr. THURMOND. Mr. President, I want to offer some comments on the matter of national defense and national priorities. I will present 10 facts which, I believe, are clear and simple and are very relative to the matters that concern us today.

First, Mr. President, all spending is up. Defense spending and domestic spending is up. Spending by the Congress and by the executive branch is up. Federal spending and spending by State and local governments is up. Public spending and private spending is up. All spending is rising to record highs. Inflation alone assures that. The fact that we must spend more for defense than we used to, in and of itself, is not surprising. So must we spend more on everything else.

Second, defense spending is rising less—much less—than other spending. Let us consider figures. Total Federal spending is estimated at $367 billion for fiscal year 1976, under the budget resolution. That is an increase of $53 billion from fiscal year 1975. Let us consider where that increase is:

Defense spending rises by $5 billion, or 6 percent.

Nondefense spending rises by $48 billion, or 21 percent.

Mr. President, nondefense spending is rising nine times as much—$48 billion versus $5 billion—as defense spending and three times as fast—21 percent versus 6 percent. These simple facts leave no room for the allegation that defense spending is rising while other spending is being cut back.

It simply is not true that the defense budget is the only part of the Federal budget that is growing. Just the opposite is the case. Nondefense spending is growing nine times as much, and three times as fast, as defense spending.

Third, this is not just a matter of a 1-year comparison. It applies for as many years as you would like to use:

For the past 5 years—1971 to 1976:

Defense spending is up $10 billion, or 13 percent.

Nondefense spending is up $172 billion, or 165 percent.

For the past 10 years, 1966–76:

UMI

Defense spending is up $35 billion, or 62 percent.

Nondefense spending is up $198 billion, or 251 percent.

For the past 20 years, 1956–76:

Defense spending is up $51 billion, or 128 percent.

Nondefense spending is up $246 billion, or 800 percent.

Mr. President, there is simply no reason—there is no factual basis—for the allegation that other Federal spending is being cut back while defense spending is rising. The facts are just the opposite.

Fourth, we must consider total U.S. public spending—Federal, State, and local. National defense is carried out only at the Federal level, while domestic programs are carried out at all levels. The Federal Government pays for a large share of State and local spending, through grants-in-aid. Of course, the same taxpayers pay for all public spending. Net U.S. public spending is estimated at $576 billion for fiscal year 1976. That is a rise of $78 billion from fiscal year 1975. Defense accounts for $5 billion of this rise. Nondefense spending accounts for the other $73 billion.

Fifth, let us consider the share of total Federal spending; that is, the amount of our Federal taxes that go for each program. The budget resolution estimates Federal spending at $367 billion for fiscal year 1976. That includes $90.7 billion for defense, or 24.7 percent of the total. That is the smallest defense share of the Federal budget since fiscal year 1940, which ended 18 months before Pearl Harbor. Let me offer some key comparisons. The defense shares of total Federal spending were: 44.3 percent in fiscal year 1941—which ended 6 months before Pearl Harbor; 88 percent at the 1945 peak of World War II; 30 percent in the days of Secretary Louis Johnson—1949–50, before the Korea buildup; 51 percent in the peacetime decade from the mid-1950's to the mid-1960's; and 24.7 percent for fiscal year 1976.

The defense share of the Federal budget is thus at a 36-year low.

I repeat, the defense share of the Federal budget is thus at a 36-year low. It follows that the nondefense share is at a 36-year high.

Sixth, the defense share of total U.S. public spending—the defense share of the total tax dollar—is also the lowest since before Pearl Harbor. Net total U.S. public spending is estimated at $576 billion for fiscal year 1976 and defense spending is estimated at $90.7 billion, or 15.7 percent of that. That is the lowest share since fiscal year 1940. Over the years, here are the defense shares of total U.S. public spending. Mr. President, I am going into this detail to present to this body the facts, the unquestioned facts, the facts that cannot be disputed, about defense compared with nondefense and defense compared with other items in the budget.

Here are the defense shares of total U.S. public spending: 27.5 percent in fiscal year 1941—which ended 6 months before Pearl Harbor; 81 percent at the 1945 peak of World War II; 20 percent in the days of Secretary Louis Johnson—1949–50, before the Korea buildup; 33 percent in the peacetime decade from the mid-1950's to the mid-1960's; and 15.7 percent for fiscal year 1976.

Seventh, defense spending in fiscal year 1976 will amount to 5.7 percent of the gross national product—the lowest share since fiscal year 1950. Here are defense shares of GNP for selected years: 42 percent in 1944–45, the peak of World War II; 14 percent in 1953, the Korea war peak; 10 percent in the period 1955–58, peacetime years; 9 percent in 1962–64, again, peacetime years; and 5.7 percent in fiscal year 1976.

So the defense burden, the share of our total income that goes to defense, is at a 26-year low.

Eighth, defense employment will account for 4.8 percent of the labor force in fiscal year 1976, the lowest share since fiscal year 1940. The total labor force in fiscal year 1976 is estimated at 95 million. That is the total number of employed people, plus those unemployed and seeking work. Defense employment in fiscal year 1976 will amount to 4.6 million—military, civil service, and defense-related employment in industry. Defense employment thus amounts to 4.8 percent of the labor force; the lowest share since 1940—that is, the lowest share since before Pearl Harbor.

Mr. President, in terms of absolute numbers, as distinct from percentage shares, defense employment, estimated at 4.6 million for fiscal year 1976, is the lowest since fiscal year 1950—prior to the Korean buildup.

Ninth, a large part of public spending goes for the public payroll. Total public employment is estimated at 17.2 million for fiscal year 1976: Military and civil service; Federal, State, and local governments. The same taxpayers pay for all this employment. The Federal Government, considering grants-in-aid, pays nearly half of this payroll. Direct defense employment—military and civil service—is set at 3,044,000 for 1976, under the Senate bill. That is 17.7 percent of the total, the lowest share since 1940. This defense share was 36 percent in 1941; 33 percent in 1949—before Korea; 32 percent in 1960; 31 percent in 1968; and is estimated at 17.7 percent in 1976.

Mr. President, the fact is important because it is sometimes alleged or implied that nondefense spending is not real money. Some seem to think that all we spend, aside from defense, is for such things as social security, debt interest, and maybe a few seed samples. That is not true. We maintain a large number of public employees, for one thing; five times as many as there are in defense.

The 10th and final fact, Mr. President, is that all spending is up, and all spending has been impacted by inflation. Every housewife knows that she can spend more dollars, and buy less, than she did before. It is necessary to allow for inflation to determine where you stand in terms of real buying power: Food on the table or defense for the country. When we allow for inflation—using figures published by the Office of Management and Budget and the Department of Commerce—we find that:

Defense spending in real terms is at the lowest level since fiscal year 1950. Fiscal year 1976 defense spending is down 4 percent from fiscal year 1975, 41 percent from fiscal year 1968, and 21 percent from peacetime fiscal year 1964.

Nondefense Federal spending in real terms is at the highest level since 1940—as far back as the records go. There is an increase of 11 percent from fiscal year 1975 to fiscal year 1976; of 49 percent from fiscal year 1968 to fiscal year 1976; and of 93 percent from fiscal year 1964 to fiscal year 1976.

State and local government spending is also the highest, in real terms, since 1929—as far back as the records go.

In conclusion, Mr. President, if we do not take account of inflation, we will find that all spending is up. But defense spending is up far less than spending for domestic programs. If we consider inflation, and measure trends in real purchasing power, we find that defense spending is sharply down and domestic spending is sharply up. If we consider employment—the total labor force or public employment—we find that defense is down and other sectors are up. We find that the defense share, the defense burden, is the lowest since 1950 at the latest, and the lowest since 1940 by most measures. That is true of Federal spending, all public spending, GNP, the labor force, and public employment. It simply is not true that we have been starving other sectors to provide for defense. It simply is not true that defense spending has been rising while other spending is falling. And it is not true that we can solve our domestic problems by further slashes in the defense budget.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. BUMPERS). The Senator has 7 minutes remaining.

Mr. CLARK. Will the Senator yield for a question or two?

Mr. THURMOND. I will be pleased to yield to the distinguished Senator.

Mr. CLARK. I was particularly interested in the series of statistics that the Senator presented.

As I understand it, the increase in the total defense request for this year was 18 percent above last year's authorization. Does that meet the Senator's understanding?

Mr. THURMOND. That is not correct.

Defense spending rises by $5 billion, or 6 percent, while nondefense spending rises about $48 billion, or 21 percent.

Mr. CLARK. It is the Senator's position then that this year's military spending request is only 6 percent above last year's?

Mr. THURMOND. That is correct, the total defense spending rises $5 billion, or 6 percent, as I said.

Mr. CLARK. Would that be authorization, or outlays or appropriation?

Mr. THURMOND. Well, total Federal spending is estimated at $367 billion for the fiscal year 1976 under the budget resolution.

Now, that is an increase of $53 billion over fiscal year 1975.

Mr. CLARK. Well, $53 billion of $362 billion, would certainly be more than 6 percent.

Mr. THURMOND. And in all that amount, the defense spending rises by $5 billion, 6 percent; nondefense rises by $48 billion, or 21 percent.

In other words, the increase is $53 billion. The defense increase is $5 billion and nondefense increases at $48 billion.

Mr. CLARK. I am reading from the hearings of the Committee on Armed Services authorizations, part 1, page 330. It talks about spending authority increases, fiscal year 1975 to 1976. National defense, 17.94, which would round off at an 18-percent increase in defense spending in fiscal 1976 compared to fiscal 1975. If one follows that chart further, we find that in other areas—in the environment, for example—we are increasing our expenditures by only 6 percent, in health by only 9 percent, and in education we are actually going to spend 6 percent less. So it would seem to me, if the hearing record is accurate, that we are increasing spending a good deal more this year in the area of national defense than we are in environment or health or education. I would appreciate the Senator's comments on that.

Mr. THURMOND. Not in terms of buying power.

Mr. CLARK. In terms of buying power? Why would education, health and environment not suffer the same inflationary problems as defense?

Mr. THURMOND. In the figures that I have presented here, I might say they have been verified by the Comptroller in the Defense Department. He has gone back, or I had him to go back, for years and years, comparing it back to 1940 on up to the present time.

Mr. CLARK. I was not questioning the accuracy of the Senator's long-term statistical analysis, but, rather, the specific request in the bill before us. The source of information from the committee hearings is analysis of the fiscal 1976 budget prepared by the staff of the Joint Economic Committee.

My other question is more specifically on this particular bill. According to the information that I have before me, the President asked for a 35-percent increase in defense procurement authorization this year over last year in this bill. The exact figures are: Fiscal 1975, $20,893,000,000; the President's request this year is $28,226,000,000. That is a 35-percent increase in this procurement bill. Does that meet with the statistics that the Senator has before him?

Mr. THURMOND. Some of what we authorized has to go against the 1975 program. Shipbuilding overruns, for instance.

Mr. CLARK. But there nevertheless is a 35-percent increase in the President's budget request over last year, excluding Vietnam.

Mr. THURMOND. Not when you consider those factors, when you consider just 1974 and 1975 compared with 1975 and 1976. The defense spending it up only $5 billion or 5 percent for the total defense budget.

Mr. CLARK. I was speaking only of the authorization bill that is before us now.

As I understand the committee's recommendation, it is that we authorize $25 billion in fiscal 1976 for this procurement bill. Last year we spent $20,893,000,000. Even with the cuts that took place in committee, it means that we have an actual 20-percent increase.

Mr. THURMOND. $1.3 billion of this authorization is for prior commitments, commitments of prior years.

I am speaking here about the actual 1975–76 budget.

Mr. CLARK. What is the inflationary factor in defense figures that the committee uses? How much does inflation explain this increase compared to the actual increase?

Mr. THURMOND. 7.5 percent in the authorization bill.

Mr. CLARK. So that would explain the 7.5-percent increase as inflation. But what about the fact that we have an $8 billion increase in real dollars? It seems to me we are going far beyond the problem of dealing with inflation.

Mr. THURMOND. When you have your inflation factor in there, it is not real buying power.

Mr. CLARK. As I understand the Symington ceiling amendment which I strongly support, we would still have a 14-percent increase—or almost twice the rate of inflation. It seems to me that it would not at all be out of order to limit defense spending on procurement to a 14-percent increase. Does the Senator agree with that?

Mr. THURMOND. I brought out that defense spending in fiscal year 1976 will amount to 5.7 percent of the gross national product. For instance, in 1944–45, it was 42 percent. From 1962 to 1964 it was 9 percent. So it is only 5.7 percent in 1976.

Mr. CLARK. In view of the decline in the gross national product these last several quarters, would the Senator argue, therefore, that we ought to have a decline in the defense spending to match that?

Mr. THURMOND. No, I would not. I would not have a decline in defense spending. The very survival of this country depends upon the strength of our Defense Establishment. The very possibility of maintaining détente depends upon the strength of our Military Establishment. Our foreign affairs depends upon the strength of our Military Establishment. Foreign affairs are no stronger than defense to back it up. We are dealing in the world today with dictators. The people in the Kremlin are dictators. All they know is power. If we do not have the power, then we will be attacked. If we do have it, we will not be.

Mr. CLARK. I was just questioning the Senator's use of a great number of statistics over the last 30 years relating defense spending to the gross national product. It seems to me that if we are going to relate those two and say it is a declining part, that we are relating, in effect, our defense spending to our economic strength. As our economic strength increases, perhaps our defense spending can increase—if that is a relevant kind of argument, and I am not sure that it is. But under that theory, as our gross national product declines, as our economy recedes, then defense spending also should decline.

Mr. THURMOND. We had a reduction in the gross national product last year and we will have one this year. But even then, the percent of the defense budget compared with the gross national product is down. It is down to 5.7 percent. As I stated, from 1962 to 1964 it was 9 percent. Now it is down. So it is even a better reduction, you might say, because the percentage is not nearly so high.

Mr. CLARK. I do not quite understand how we can increase the defense budget by 18 percent, as the gross national product declines, and then have a smaller percentage of the gross national product spent for defense.

Mr. THURMOND. We are not increasing the defense budget by 18 percent. We are increasing it by 6 percent if you consider the factors I have just related to the Senator.

Mr. CLARK. I thank the Senator.

The PRESIDING OFFICER (Mr. HATHAWAY). Who yields time?

Mr. STENNIS. Mr. President, I am glad to yield 10 minutes to the Senator from Iowa, a member of our committee.

Mr. CULVER. I thank the distinguished chairman for yielding.

Mr. President, I ask unanimous consent that the privilege of the floor be extended to Charles Stevenson, of my staff, during the course of the consideration of the authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CULVER. Mr. President, I also ask unanimous consent that at the conclusion of my report on tank programs on behalf of the committee, there be printed in the RECORD the text of the interim report on tank programs, presented to the Committee on Armed Services by the distinguished Senator from Oklahoma (Mr. BARTLETT) and myself.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CULVER. Mr. President, I appreciate this opportunity to report to the Senate on the recommendations of the Armed Services Committee regarding tank programs.

At the request of the distinguished chairman of that committee, Mr. STENNIS, Senator BARTLETT and I conducted an extensive study of all tank programs and made recommendations which are reflected in this bill.

Our approach was to get the best available information from tank users, tank planners, and tank testers, both on current plans and problems and on future needs.

The committee's immediate objective is to provide adequate numbers of tanks to strengthen our conventional deterrent force in Europe. Although all active Army units now have their full complement of prime asset tanks, our Reserve Forces inventories and prepositioned stocks have been seriously depleted by foreign military sales. In addition, delays have been encountered in increasing rates of production.

Our long-term objective is to encourage development of new weapons and force structures which provide the most cost-effective blend of advanced technology and refined tactics.

Mr. President, the heavy tank losses

UMI

in the Middle East war have cast doubt on the utility of heavy tanks on the modern battlefield. We need to move cautiously so that we will achieve the best balance of tanks and antitank weapons.

Furthermore, since the most likely theater for potential ground combat is in Europe, we must be sure that our tanks and other weapons have the highest possible degree of standardization and operability with our allies. This requires close cooperation in tactics and doctrine as well as in weaponry.

Mr. President, this bill furthers those objectives.

To help reduce our current shortages in the authorized numbers of tanks, this bill provides 910 new tanks for the Army and 154 for the Marine Corps. We on the committee are skeptical, however, that all of these tanks can be built within the funded delivery period, and consequently the bill stipulates that these funds can be used only for new tank production and thus cannot be reprogramed to less urgent activities.

While approving the requested numbers of tanks, the committee did delete funds for expensive product improvements involving laser range finders and computers, since these improvements have not been demonstrated as cost effective.

If further rapid improvements in our tank posture are deemed necessary, the committee has urged consideration of upgrading of M–48 tanks which, when given a larger gun and a diesel engine, become as effective against Soviet tanks as M–60 tanks.

In short, Mr. President, this bill will provide the tanks which are needed to strengthen our ground combat forces so that they can deter and, if necessary, defeat, an enemy attack.

Looking to the future, the committee has taken a cautious approach. The availability of relatively inexpensive, highly accurate antitank weapons on the battlefield of the future may render the tank as we know it today obsolete.

We cannot make that judgment now, but we must be willing to face up to the issue. Several studies are now under way on different aspects of the future role of the tank and the best tank/antitank force mix. The committee has requested a report from the Secretary of Defense on these matters in order to assist our continuing evaluation of tank programs.

The Army is currently developing a new main battle tank, the XM–1, which is expected to have significant improvements over the current M–60 tanks. In a commendable effort to achieve greater standardization of weapons in NATO, the U.S. Government is participating in a tripartite gun competition with Germany and the United Kingdom and has agreed to let the German Leopard II tank compete in the XM–1 program.

Both of these steps, however, raise uncertainties and possible schedule changes in the present XM–1 plan.

To reduce these uncertainties, and particularly to provide a full and fair evaluation of the German Leopard II tank, the committee has approved a reduction in the funding proposed for the transitional quarter. This is intended to continue the competition between American contractors until the Leopard II has been tested and evaluated—provided, of course, that the Germans fulfill their commitments under the bilateral memorandum of understanding.

Although the Army would have preferred no change in the XM–1 program, it has commented on the committee's recommendation as follows:

The alternative program is not preferred by the Army; however, it would certainly not be expected to have a devastating effect on the XM–1 project assuming no complications arise in the international aspects of the program. The advantage it offers is one of increased evidence of U.S. emphasis on NATO standardization.

Given the appalling lack of standardization and interoperability in NATO today, as well as the European doubts about American willingness to make standardization a two-way street, successful cooperation on tanks would be no small achievement.

Mr. President, I hope that the Senate will strongly support these recommended tank programs, both to improve our current posture and to provide for the best possible judgments and programs to meet our future needs.

Finally, Mr. President, let me conclude by expressing my appreciation to the outstanding staff committee work provided the Senator from Oklahoma (Mr. BARTLETT) and myself in this study by Mr. George Foster of the Committee on Armed Services.

I yield back the remainder of my time.

EXHIBIT 1

INTERIM REPORT OF SENATOR JOHN CULVER AND SENATOR DEWEY BARTLETT ON TANK PROGRAMS

Mr. Chairman and members of the Committee: The Chairman in March 1975 requested that Senator Bartlett and myself undertake to prepare for the full Committee a thorough study of the entire situation relating to the tank program of the U.S. Army and Marine Corps.

We were requested to make an interim report to the Committee for use during mark-up of the Authorization Bill presently before us.

I am pleased at this time to present to the Committee this interim report with recommandations that we have been able to arrive at from our study to date.

Since we were asked to undertake this study we have visited and had discussions with the tank user, the tank planner, and the tank testers. We have visited Fort Riley, Kansas, and discussed the tank issues with the tankers themselves that are in units assigned as the primary reforger division scheduled to be the first to respond in a NATO conflict. We visited the Aberdeen Proving Grounds where we had the opportunity to review both U.S. and Soviet tanks and weaponry and see the testing of the new armor planned for the Army's XM–1 tank. We have visited extensively with General DePugh, the Army's Chief tactician, and discussed thoroughly the Army's problems and direction in the tank/anti-tank role. We have discussed to a large degree in hearings before the R&D Subcommittee, the new XM–1 program both with the Program Manager and the Army's Secretary for Research and Development. We have discussed the Marine Corps requirements for a new mobile weapon system and their views of the tank program. A visit has also been made to both competing U.S. contractors to review the XM–1 tank program at the test site.

I have myself visited the NATO area and discussed the tank issue with both the German and U.S. force commanders in the field. I had the opportunity to fly over in a helicopter the actual section of responsibility to the U.S. in the NATO area.

I believe that we have a good start on our examination of this tank issue.

With this lengthy introduction, I would suggest that our future effort in the tank area would be to respond to these questions:

1. Will the tank as we know it now be obsolete on the modern battlefield?

2. What is the proper role of a tank in the modern battlefield considering the evolution of anti-tank weaponry in the recent years?

More directly into the budget authorization request before us now for FY 1976 and FY 197T we have certain recommendations to present to the Committee at this time.

In the Research and Development budget request our recommendations are primarily related to the new Army's XM–1 program where the budget request for FY 1976 and FY 197T is for $90.8 million to complete the competitive prototype development testing and select a contractor for full scale engineering development.

Our recommendation is to defer $29.7 million out of the FY 197T budget request to allow continuation of the full competitive evaluation up through March 1977 when the Army will also, by agreement with the German government, consider the Leopard II tank in an effort to mutually promote standardization in this important area of NATO.

It is our coincident recommendation that language be incorporated in the Committee report to the effect that, barring further agreements by the Army, if the Germans do not deliver the tank test articles as requested for testing on the scheduled date of September 1, 1976, the Committee would consider it proper and essential for the Army to request authorization to go ahead with their U.S. tank program at the start of the new fiscal year 1977.

Under the current XM–1 program the Army would make a source selection of the U.S. competitor in July 1976 and award a full scale engineering development contract some eight months before the Defense Department's decision is made on the German Leopard II competitor.

The Secretary of Defense, the Assistant Secretary of Defense for Research and Development, and the Army have all strongly supported the efforts toward standardization of weaponry in NATO. This Committee is also a strong supporter of efforts toward standardization of weaponry.

If we are to support this issue, and I fully believe that we should make every effort toward this end, then we should support this recommendation and defer the selection of a tank until the full consideration can be given to the German competitor.

Other advantages to this recommendation are the continuation of competition to avoid a sole source situation and to reduce technical risk. History has shown that competition usually results in lower costs.

The Army advises that this recommendation will increase the overall development cost by about $38.5 million and the procurement cost by about $100 million. The current overall program cost estimate is now at about $6.2 million.

The Army is now involved in an attempt at standardization of the gun with the United Kingdom and Germany scheduled for a decision in September of this year. The Army advises that if other than the U.S. gun is selected the program will slip about a year and add about $200 million to the cost from this gun standardization effort alone.

The Army has expressed concern with our recommendation that the Germans may not deliver their prototype as now scheduled on September 1, 1976. The Germans have agreed to this schedule as late as November of last year and have shown no indication to date that they will not deliver the prototype tank on schedule. The report language recommended will provide a strong stimulus to the Germans to deliver this prototype on time, and at the same time eliminate the Army's concern. If Germany is not ready for the competition as scheduled, this recommendation and language will cause only a 2 month delay in the program.

This recommendation is feasible and practical from the standpoint of providing the Committee additional time to complete the tank study requested by the Chairman and showing the Germans that we are sincere in our efforts toward standardization of weaponry in NATO.

Mr. Chairman, we are also recommending that language be included in the Committee report that Marine Corps be encouraged to take a more active participation in the Army's XM–1 development and to accelerate to the extent practical their conceptual effort toward a mobile assault system.

In the procurement area, we are recommending authorization of $746.1 million for the Army's tank program and $86.4 million for the Marine Corps tank program in FY 1976 and FY 197T out of a requested amount of $910.8 million. This recommendation is with the stipulation to be included in the bill that of the funding authorized for the Army tank program an amount of $512.4 million can be used only for the procurement of new M60 tanks.

This recommended funding will provide authorization for new production of 910 M60 tanks for the Army and 154 new M60 tanks for the Marine Corps; the modification of 636 older M48 tanks with new engines and 106 mm guns; the product improvement of M60 tanks excepting the laser range finder and solid state computer; and facilities funding to expand the production capacity.

I would add, Mr. Chairman, that the Army also presently has authorization and contracts for 1558 new tanks and about 600 modifications of older M48 tanks.

The recommendation for the language in the bill is because the Army's attempts to establish a second source of the critical hull and turret castings has been delayed from December 1974. The go ahead on this second source capability is now expected to be in August of this year. Because of this delay, we are skeptical whether the Army will get these tanks manufactured within the period considered in the budget authorization request. But we recommend full funding for M60A1s provided that those funds be used only for new tank production as requested.

The recommendation to defer the laser range finder and solid state computer on the M60 tank is related to the less than anticipated improvement in effectiveness from test analysis to date for the laser range finder and computer. The Army is concerned that the effectiveness of these improvements is not as good as anticipated for the cost investment. These improvement items are recommended for deferral until more development and testing can be performed.

We would recommend report language that could support a reprogramming request by the Army for reinstating these items if subsequent testing proved the effectiveness of the laser range finder and computer.

We are further requesting that the Committee report include the following recommendations:

(a) That the Secretary of Defense be requested to advise the Committee of the Defense Department plans to maintain a standby tank production facility as well as standby foundry capability for the crucial hull and turret castings.

(b) That the Army consider the use of a tank similator in an effort to increase the proficiency of tank gunners in their first round hit capability.

(c) That the Army consider acceleration of their M48 tank modification program as a means of improving their present tank inventory problem and also consider the feasibility of modifying up to 1000 additional M48 tanks at a cost effectiveness means of improving the tank posture.

(d) Recommend that the Army be requested to submit a report on how they plan to improve the training program for tank gunners to increase proficiency.

(e) Recommend that the Army consider that in any future competitive selection the Army's new tank program which includes the German Leopard II tank, representation from the Secretary of Defense office be included on the source selection advisory board to protect the Army's interest in full and fair competition as it may be viewed from outside the Army.

(f) That the Secretary of Defense be requested to submit a report to the Committee which would include a conceptual analysis of the future role of the tank and the effort that the technological improvements in anti-tank and precision guided weapons will have on that role. The report should also include an analysis of the qualitative and quantitative improvements that present tank and anti-tank weaponry now in development will provide in meeting the NATO threat. The report should further include a status position on the discussions on changes in force structure and weapon mix in NATO and the degree of agreement on common doctrines, tactics, and concepts in the use of tank anti-tank weapons in NATO.

Finally, Mr. Chairman, we are recommending that the Committee consider legislation designed to reduce the drain on U.S. prime tank assets and require that the funding from the sale of tanks be sufficient to fully pay the replacement cost including inflation when the replacement tank it manufactured.

Mr. BARTLETT. Mr. President, I was a member of the two-member subcommittee appointed by the chairman to study the matter of tanks. The chairman was the distinguished Senator from Iowa (Mr. CULVER). I compliment him on his aggressiveness, energy, activity, and thoroughness. He and I submitted a joint report to the Armed Services Committee which was digested and placed in the report that each Senator has at his desk.

In addition to those comments, with which I already agreed with the distinguished chairman of the subcommittee, I would like to present a few other remarks.

Mr. President, our armored fighting units need the best equipment possible to maintain their combat effectiveness. Upgrading of the M–48 and M–60 tanks with better firepower and diesel packs is a step in the right direction. Upgrading of old tanks is not the answer to the needs of our men in the field. They need new equipment, M–60A1's, to sustain a first-rate fighting capability.

At present the Army is about 50 percent short of the number of prime tanks that are authorized.

I am in full agreement with the Army plan to continue with the fiscal year 1976 and transitional programs that convert 636 M–48 tanks at a cost of $127.7 million. The total program including fiscal year 1975 provides 1,209 tanks for distribution to Reserve units and will have a major impact toward satisfying their readiness levels and training requirements. The Reserve components are currently using tanks produced during the mid-1950's which are suitable only for training and do not meet the potential threat they oppose.

The fact that the Army is short on prime tank assets should concern each of us, and we should support the Army's plan for upgrading its current inventories.

The Soviet Union, the U.S. major cause for concern, recognizes the importance of the tank and has continually expanded its tank production with larger numbers of tanks as well as with new and sophisticated models.

The Soviets recognize that in a nuclear environment, as in the case of a global confrontation, there will be no stable delineated "front line" of combat. Recognizing the type of battlefield upon which combatants will fight, a distinctive feature emerges for future battles, and that will be the use of tanks and armored carriers as primary weapons.

The events of the Yom Kippur war of 1973 did not downplay or degrade the role of the tank. The lessons learned were that the tank is still the most effective combat weapon in the Army inventory today. New tactics will be and should be developed; better armor will be, and has been, designed; and more effective guns will be integrated into the tank. The single biggest tank killer in the Arab-Israeli war was another tank.

The drawdown on our inventories for foreign military sales has brought the current supply to an alarming level.

In summary, I urge my colleagues to support the Army's efforts to rebuild its inventory with prime tank assets capable of successfully meeting the threat imposed by potential adversaries. I feel very uncomfortable knowing that our forces have only about 50 percent of the first-line tanks they are authorized and am desirous of correcting this situation by providing tanks in sufficient quantities to at least satisfy their minimum requirements. This is essential to insure our land forces remain a viable part of our national defense.

Mr. President, I want to take 2 minutes to speak on the XM–1 tank program and the delay proposed for its inclusion in the Army inventory.

The XM–1 is the finest tank that has been designed and produced to this point. The XM–1 prototypes that have been developed bear witness to the capability that this weapon system will have once it is integrated into our active fighting force.

Of particular concern to me is the proposed delay in the selection of the prime contractor for continued development of the XM–1. It is claimed that this delay is in the interest of "standardization" of NATO weapons. I have said before, and I reiterate, standardization is a desirable goal so long as it is cost effective and consistent with our own goals of national security.

In this case, however, standardization is being proffered as a veil to the issue of source selection of the two U.S. competitors. It is far better to select the "winning" U.S. candidate under the current schedule and incorporate desirable features from the other U.S. candidates for the competition with the German Leopard II tank. It does not make good economic sense to allow both competitors

UMI

to work on a "slow-down" development schedule for months awaiting the German Leopard model in hopes that a competition between the United States and German prototypes will be staged in a timely manner.

I do not believe that the two U.S. competitors, GM and Chrysler, or the Army are in favor of a delay of source selection; and I hope that our conferees will work toward achieving source selection as presently proposed by the Army.

Mr. CULVER. Will the Senator yield?

Mr. BARTLETT. I yield.

Mr. CULVER. Mr. President, I would like to take this opportunity to express my appreciation to the Senator from Oklahoma for his most conscientious and capable participation in this study of the tanks.

Mr. BARTLETT. I thank the distinguished Senator from Iowa. I enjoyed my membership on the committee with him very much and felt that I learned a lot. I am looking forward to continued participation with the Senator in the future.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I yield 20 minutes to the Senator from Iowa.

Mr. CLARK. Mr. President, the Congress is weighing this $25 billion defense authorization bill at a time of great uncertainty and great opportunity in the future of this country's foreign policy.

The collapse in Vietnam and the seizure of the *Mayaguez* still are fresh in mind. President Ford is just returning from Europe, where he discussed the role of NATO, developments in Greece and Turkey, Portugal, Spain, and the Middle East. Already, in a few short days, he has given firm indication of his personal perception of what U.S. foreign policy should be. But the bitter experiences of the last 10 years have taught everyone that an enlightened and successful foreign policy should not be dictated by a president. The President administers foreign policy, but its direction must be set with the advice and consent of the Congress and the people.

Clearly, there is a desperate need to develop a broad consensus on the proper place of this country in the world in the years to come. The Congress must play a leading role in the development of that consensus and its expression in foreign policy. And this debate is but a first step in that process because it is crucially important that our military procurement decisions support—and do not conflict with—our vital national interests abroad and the interests of other countries. That is what this debate, after all, is all about.

The U.S. departure from Indochina has not removed a single treaty obligation which commits this country to support allies and friends throughout the world. The United States is still bound by collective defense arrangements with 41 countries. Even in Southeast Asia, the SEATO treaty in some circumstances constitutes a latent obligation to the defense of Thailand and the Philippines.

There, and elsewhere, friends and allies—not to mention adversaries—speculate on the reliability of U.S. pledges of collective defense. Ironically, much of the speculation about our resolve stems from the President's constant references to it. At this juncture, there is no easy answer. One thing is certain though: a return to gunboat diplomacy will not remove uncertainties or resolve difficulties in foreign policy. In the long run, belligerency will not substitute for steady and moderate diplomatic reserve. However dramatic and daring, the *Mayaguez* incident does not represent good foreign policy. Military strength must complement and support a sound foreign policy, not try to supplant it.

There is a temptation now to lash out at those countries that supported the other side in Vietnam, to imply that somehow they betrayed the spirit of détente more than did the United States. Carried far enough, such anger could lead to disenchantment with the détente being developed with the Soviet Union and China. That would be catastrophic.

Détente, difficult as it may be, is really the best—and only—option open to the United States. We must pursue it enthusiastically, realistically—realizing that while it can lead to the lessening of international tensions and to the improvement of international cooperation and understanding, there still will be tensions, rivalries and very deep disagreement.

What is the alternative to détente?

If détente does fail, it could lead to the fall of the present Soviet leadership which has based its reputation on a policy of détente. Failure could precipitate political upheaval in China as well. If each major power regressed to a hard-line, cold-war approach to foreign policy, can anyone doubt that the result would be far greater instability, if not renewed conflict or even nuclear war? Surely, we should not be so embarrassed by the outcome in Indochina that we need to search for opportunities to prove our virility, our military prowess, or our will to use it. One cannot help but wonder if that was the case with the response to the Mayaguez incident. Yes, we firmly believe in a North Atlantic Treaty Organization, but let us not get so carried away with our resolve that we once again return to the rhetoric of the cold war.

There is no alternative to détente. And the administration's military spending request for the next fiscal year must stand examination in the light of that reality.

This country must avoid military spending which goes beyond our national security needs, contradicts our best foreign policy interests, and which might provoke a further arms spiral. We need not overreach and overspend—in order to overkill—to prove a resolve which prudent diplomatic policies should make clear.

In this context, some of the proposed strategic programs in this budget are particularly unsettling.

So far, at least, the strategic arms limitation talks have succeeded only in limiting the quantities of some weapons programs, leaving some areas untouched—such as long-range cruise missiles, which if uncontrolled, could become another strategic menace. Nor have we yet achieved any limit on the race to develop more accurate and more deadly versions of those weapons, a program that assumes a need not to deter nuclear war but to fight one.

With such a poor record, the administration notes with alarm possible Soviet strategic developments, while at the same time proposes new strategic programs of our own. Research and development continues on cruise missiles, air-mobile and land-mobile ballistic missiles and various counterforce programs. The Trident submarine program moves ahead rapidly and this authorization for fiscal year 1976 will move us one step closer to the deployment of the new and expensive B–1 bomber. The Soviet Union, well behind this country in the development of multiple independently targetable reentry vehicles—MIRVs—is pushing vigorously to catch up, and it is developing bomber, submarine and land-based missile programs.

Unfortunately, this defense authorization bill, if approved by the Senate as sent to the floor, may do tremendous damage to the chances of achieving a second SALT agreement between the United States and Soviet Union. The report of the Committee on Armed Services—in outlining its approval of the Department of Defense's strategic initiatives, including the new counterforce programs—argues that

> These new R & D programs create the most compelling incentive for Soviet restraint in the technological exploitations of its numerically superior strategic forces and for a genuine effort to conclude a stabilizing SALT II agreement.

This argument is nothing more than that hoary old scarecrow, the "bargaining chip," dredged up to a support further strategic programs. To support this theory, the committee report suggests that favorable congressional action on the antiballistic missile program brought the Soviet Union to agree to the 1972 ABM treaty. Actually, the reverse was true. Congressional misgivings and opposition lead to a steady curbing of the ABM program. That restriction, coupled with a realistic assessment on both sides about the limited value of ABMs, led to the agreement.

There just are no examples that support the "bargaining chip" theory. And authorization for the new programs in this budget almost certainly will mean that they will become "nonnegotiable" between the United States and the Soviet Union. The counterforce programs may pose an apparent first-strike threat to the Soviet Union, leading to a response on their side and increasing, rather than diminishing, strategic arms instability. These programs will compound the difficulty of the search for the broad, comprehensive arms limitation so desperately needed.

The Secretary of Defense has said that neither the United States nor the Soviet Union is in the position to develop a successful first-strike ability. In other words, there is no doubt that, like the U.S.S.R., we now are able to deter nuclear war and that we will retain that ability for the foreseeable future.

As a result, it is imperative to explore every avenue of arms limitation before

rushing ahead with programs which cannot be stopped. If the negotiations fail, then—and only then—need we approve the necessary strategic initiatives. But I will not support unnecessary strategic programs that may cause negotiations to fail.

Over half of the U.S. defense dollar pays for conventional forces, and that figure will go higher if the Department of Defense plans are approved. The Army, for instance, is going from 13⅓ divisions to 16 divisions, at a substantial and still indefinite cost. Right now, there are about 510,000 service men and women outside the United States. Most of these are in Europe. Of the 300,000 in Western Europe and related areas, over two-thirds are in Germany and another 26,000 are with the 6th Fleet.

At least for the moment, these forces in Europe are justified, in my judgment. A strong and secure NATO is certainly a legitimate goal and in our national interest.

Our European allies now are embarked on modernization programs, and the money they will be spending for new aircraft and other weapons will help ease the balance-of-payments problem considerably. A unilateral U.S. withdrawal would only create unfilled gaps in the NATO defense.

The key to a less burdensome European defense is the mutual and balanced force reduction—MBFR—talks. Congress should insist that the executive branch pursue this negotiation diligently to achieve mutually acceptable reductions as soon as possible. Whether or not MBFR succeeds, it should be clear that the United States must some day remove all of its ground troops from Europe. We cannot maintain armies in other nations indefinitely and be perceived as a friendly nation. No country in history has ever kept an army of occupation in a foreign land for a long period of time and avoided the enmity of the "occupied" territory.

At the same time we negotiate troop reductions, we should face the present problems of NATO. It is essential that the allies consolidate, particularly in armaments, to prevent duplication and waste. Further, we must thoroughly examine our nuclear force in Europe. It has been said, only partially in jest, that the United States has 7,000 nuclear warheads in Europe and no conceivable targets. A substantial reduction of nuclear warheads—one-half of two-thirds of current levels—certainly is justified. Done in cooperation with NATO allies, this would allow concentration on conventional defense, and such a reduction could be an important ingredient in a negotiated force reduction by both sides. In return for a reduction of allied forward-based systems and nuclear warheads, the Warsaw Pact countries might agree to reduce some of their nuclear and conventional forces most troublesome to us and our allies.

In Asia, as the Armed Service Committee report says, the United States must develop a clear policy and a related defense posture that meet its long-term interests. The committee has asked the Secretary of Defense to provide a report on those interests, and I will ask the chairman of the Foreign Relations Committee to request the report as well so that the two committees, together, can reassess our policy in this area.

The Armed Services Committee has recommended a reduction of 3,500 U.S. support personnel in Thailand. Thailand may insist that our other forces—more than 20,000 personnel altogether—leave as well. In any event, the United States should plan a complete withdrawal of forces in that part of the world. With the collapse of South Vietnam and Cambodia, these forces cannot be justified.

In South Korea, present force levels should be maintained—for the time being—while a thorough review is made of our future involvement in that country. Frankly, there is little justification for the presence of the 2d Marine Division and the tremendous army and corps headquarters which have remained there so long after the Korean war. A sharply curtailed headquarters staff with no more than a brigade on the ground would be adequate proof of U.S. support. In not too many years, however, U.S. ground presence in Korea should be withdrawn.

None of these reductions should be made precipitately. But it would be a serious mistake to merely stand pat throughout the world. We must analyze our foreign policy and defense requirements carefully—in the reality of a world after the fall of South Vietnam and Cambodia—and then move to shape military policy to reflect clear policy interests.

Americans will differ in their reactions to the final U.S. withdrawal from Vietnam, but I suspect that most share a profound sense of relief. A long and tragic chapter of American history finally has ended. But the end of American involvement in Vietnam will not necessarily be the end of Vietnam's involvement in American politics and Government. Historians will one day comment upon the enormous impact of the war on our political life. It may be that the Vietnamese had a far greater influence on us than we had on them.

Before attempting to put Vietnam out of mind, we should pause long enough to consider what that experience suggests for the future. And this debate is an opportunity for that kind of consideration. If we seize the opportunity, the end of Vietnam could be the beginning of a new era in U.S. foreign policy. The choice is simple: Will we continue the policies of confrontation which have dominated the last two decades, or will we cultivate new attitudes and relationships that reflect an awareness of the world as it really is—small, perilous and interdependent?

The American people are farther advanced than their leaders in their desire to put aside power politics. A humanitarian concern for other people and a willingness to acknowledge the different aspirations of other peoples found expression in a recent poll by the Des Moines Register.

To the surprise of some, that poll and others like it indicate strong support among the public for foreign economic and humanitarian assistance and corresponding disapproval of costly military aid programs.

The significance of the polls lies in what they reveal of the public's positive concern about other people's problems. If the leaders of the executive branch would only listen to what the American people seem to be saying, we could have a foreign policy which would find broad support and bring credit abroad, without costing us an arm and a leg.

As a beginning, we should deemphasize military aid programs as primary tools of foreign policy. In the last two decades, administration after administration came to rely far too much on providing money and arms to support foreign governments. That often set in motion a self-defeating, self-fulfilling prophecy.

First, U.S. material support, far from encouraging independence, fostered dependence, and when this support was reduced—as in Vietnam—the governments began to come apart. Second, in order to get aid funds, threats were overdramatized and, in time, these threats became real.

The American people have sensed the futility of these practices and they have soured, not on having anything to do with the rest of the world, but on the manner in which successive administrations have conceived our role in that world.

As a nation, we cannot—and should not—try to solve all of the problems of the world. There are limits to our power and our purses, and we have learned, painfully, that the ability to help others is limited by the capacity of others to help themselves. Among the most serious mistakes made in Vietnam was the failure to recognize that even an unlimited commitment of men and money could not compensate for the lack of political will and unity among the South Vietnamese and the failure to understand the Vietnamese themselves.

At the outset of what became the American war in Vietnam, most people believed that this country was doing something good and noble. Unfortunately, we did not understand our enemies, our friends or ourselves. The result was the disaster which we have lived with this past decade. It would be tragic if the experience were to lead us to withdraw from the world. This is the danger to which the executive continually points, but in my judgment, this fear is unfounded—unless, of course, by its constant reiteration, the administration makes it a reality.

The greater danger—one which may already have overtaken us—is a reluctance to stand for what is right, even when it means admitting a mistake. There was a time, within recent memory, when this was our greatest asset in the eyes of the rest of the world. The trouble was, though, that we thought money and power made everything "right" possible. But we were neither as clever nor as powerful as we would have liked to believe.

Not long ago, prophets of doom, among them some of our own national leaders, were predicting the end of American influence in the world. Their litany of catastrophies included Vietnam, Portugal, Turkey, Greece, and the Middle East. In each situation, the air of crisis now seems to have abated even as Saigon has collapsed. In retrospect, these cries

UMI

that the sky was falling seem to have been part of the futile effort to obtain additional funds for South Vietnam. By linking Vietnam's survival to America's interests everywhere else on the globe, the administration sought one last time to play on the very fears that originally led us into Indochina. Clearly, the American people no longer believe that interest exists, if it ever did.

We now have an opportunity for a clean break with the past. We should carry forward the lessons of Vietnam—but not the bitterness. There were enough mistakes to go around. The important thing is that we set a positive new role for the United States in world affairs. It is my hope that in the future our strength will derive from the identification of the United States as an open, united, and compassionate nation with the ability and disposition to lend its political support, its knowledge and—within reason—its wealth to the pursuit of political and economic justice throughout the world.

To the extent that we can reestablish this identification, our own interests will be more secure. Our strength will then rest on enduring bonds of shared interest and interdependence—not of the military sort, but of the strongest, most human kind.

As we do this, we must realize that American leadership in agricultural, technological, and industrial development is of much more lasting value than our military might. Military strength is necessary to deter others from violence, but it is through other, more positive steps that we will maintain and enhance U.S. world leadership.

Military strength—both conventional and nuclear—is critically important, but not an end in itself. Military programs should be adequate, but not excessive, to allow the application of this country's considerable energies and resources to meeting the worldwide energy, food and resource problems.

One final point: In the headlong race for more military power to face the "threat of communism," we should pause long enough to question whether there may ultimately be a greater threat to world peace, and thereby, to our tranquility, from the developing nations of the world—from that two-thirds of the world that is destitute and increasingly angered. Their peoples are dying of malnutrition and inadequate health care. They are illiterate and multiplying in population at a frightening rate.

Those of us in the industrialized world have the resources and ability to help them feed themselves and check their population growth. With our help, they could develop as we have. That, however, is hardly possible, when both this country and our adversaries spend $250 billion a year on weapons to threaten one another. We will spend more for one Trident submarine than we spent in this famine year for food assistance to 500 million malnourished and starving people.

As the peoples of Asia, Africa, and Latin America become more aware of their poverty, they also become more conscious of their power. Eleven of the 14 most basic raw materials—materials on which our continued prosperity depends—come from these developing nations. And as these nations organize and express themselves in the General Assembly of the United Nations, we become more isolated from them, while our leaders give lip service to independence and budget for war.

In my judgement, if we fail to achieve a stable and peaceful world, it will be because of our unwillingness to deal with these human problems rather than a shortage of death-dealing weapons.

I yield the remainder of my time.

Mr. CRANSTON. Mr. President, I want to pay tribute to the Senator for a very, very fine statement that shows the many links between foreign policy, military policy and stated priorities in a very superb way.

Mr. BARTLETT addressed the Chair.

Mr. CRANSTON. May I say to the Senator from Oklahoma with whom I just spoke that the Senator from New Hampshire had requested the floor next, so could we do that and then go to the Senator.

I hope and I urge again that we have some exchange as well as just set speeches.

I yield such time as needed to the Senator from New Hampshire.

Mr. McINTYRE. I thank my good friend from California.

Mr. President, I, too, want to compliment the Senator from Iowa. It is my understanding before I arrived at the Chamber the Senator was discussing détente, and I will be speaking about détente. I want to say, too, that one of the things that those of us who worked diligently, as, I think, all of us do on the Armed Services Committee, that while we appreciate and we want friendship all across the globe, one of our very important duties as the protectors of the security of this great Nation is that we must always keep our eye on the capabilities, the capabilities of our potential enemies. No matter how nice the smile or how firm the handshake, we must never forget what their capabilities are.

Mr. President, the crucial importance of the deliberations we conduct this week cannot be overstated.

For the first time in my experience, at least, the issue of military procurement will be considered in the fuller context of our country's role as a world power—in a different world than any of us has ever known.

Surely the time has come for our deliberations to be conducted in this much broader-dimensioned format.

The President, himself, has called for a full-scale reassessment of foreign policy, and the subject of military procurement—with all its ramifications and potential long range effects—is a most appropriate launching pad for that kind of conscientious, in-depth review.

I must say that those of us on the Armed Services Committee well recognize the jurisdiction of the Foreign Relations Committee, so that is why I would consider anything I say here today as being a modest contribution. But I want to take this opportunity to congratulate the distinguished Senator from California (Mr. CRANSTON) and his colleague, the Senator from Massachusetts (Mr. KENNEDY), for arranging to have this full-scaled discussion take place. I am also delighted that agreement on this format was bipartisan, and for that I credit, among others, the distinguished Senator from Arizona (Mr. GOLDWATER) and the distinguished Senator from Virginia (Mr. BYRD).

Mr. President, no problem is more troubling or immediate than that of America's role in the world today.

It is but a few weeks since the American Embassy closed its doors in Saigon and brought American involvement in the Vietnam conflict to an end. Yet we are still reminded everyday of the bitter fruits of our errors there.

And now, months of hearings and internal deliberations, are about to surface in this week's debate on America's military defense posture.

It is in this context that I take up the matter of "Security and Détente."

Détente, of course, is a name that has arisen in the last 5 or 6 years to describe a process of negotiations between the United States and the Soviet Union. And although the Presidents Truman, Eisenhower, Kennedy, and Johnson each tried in his own way to develop such process, there is no question that the process has blossomed during the Nixon-Ford administration and the diplomacy of Henry Kissinger.

Détente, like most words in the public arena, is a term that has lacked precision and has been embarrassed as a result.

Détente is more than our being treated to the art of Olga Korbut and the Russians drinking Pepsi-Cola, however refreshing both may be.

Surely détente is more substantive than the personal diplomacy, pious rhetoric and show business public relations which from time to time have threatened to obscure whatever real security gains we have derived from détente.

Surely détente does not mean that we must take leave of our good senses and surrender the tradition of the Yankee trader as we did in the wheat deal and, as I fear, we may in the continued export—and I think this is very important—of certain critical advanced American technologies. Surely détente does not mean that we must trade substantial concrete concessions for a mess of abstractions.

Nor is détente so fragile that we should inhibit ourselves from expressing our own best values as we did when our Government failed to state plainly and flatly our indignation about the Soviet's treatment of Solzhenitsyn and his courageous associates.

No, the critical test and meaning of détente is whether this process of negotiations has produced solid results which enhance our own national security. It is this question that I want to address.

Let us first realize that many of the most pressing threats to our security are outside the frame of a United States-Soviet détente. Terrorism, nuclear proliferation, hunger, the life of the world's oceans, worldwide inflation and historical regional hostilities—all of these and

other dire threats to our national security and world stability are either at the edge or outside the reach of a détente between the two superpowers.

Of course, détente, when it works, can give the world a model for the resolution of intense differences on these matters. It also can help avoid escalation of tensions between nonsuper powers into confrontations between the nuclear powers. Ideally, the combined resources and leadership that the two superpowers could bring to bear on these common problems of the world community represent an enormous potential for détente. But this promise is for the most part as yet unrealized. So let us remember that many of our most critical security problems are beyond the capacity of even the two superpowers to resolve through détente even at its best.

There is a second major way in which our security problems lie outside the reach of détente.

The ability of the United States to defend its real security interests and avoid involvements that would hurt us will depend primarily on our own ability to define our own security interests with more precision. Until we do so, neither détente nor any other external process will be of much help.

Let us remember that détente is not an alliance nor a friendship. It certainly is not a mutual admiration society. I assume the Soviet and United States Governments will continue to have a protracted rivalry throughout the world.

Détente may well moderate direct confrontation between the two superpowers, but the problems facing the United States because of its entanglements throughout the world are larger than United States-Soviet rivalry. And the Soviets may, on some occasions, seem to help us cool a conflict if it threatens to involve them directly.

But I am skeptical that they will renounce attempts to exploit tensions and to gain unilateral advantage or renounce claims of special influence in the world even though they affirmed these principles with us in Moscow in 1972.

Even if the Soviets would stop fishing in troubled waters, the United States will continue to face, particularly after Vietnam, a maze of challenges around the globe. We certainly cannot expect the Soviets to bail us out of embarrassing entanglements because of détente, to say the very least. The answer to this problem is in ourselves.

The prime internal task before us is to learn from Vietnam to discriminate in the kinds of commitment that this Nation chooses to make and guarantees. Otherwise we either will continue to be drawn into conflicts against our interest or fail to recognize challenges which must be opposed as a unified nation.

The American people and our adversaries and allies as well are, after Vietnam, a bit like Mark Twain's cat—who once sat on a hot stove. Twain said that his cat never sat on a hot stove again—but neither did he sit on a cold one.

We must learn as a nation what Twain's cat never learned. We must learn to discriminate. Surely there is room for responsible foreign policy that falls somewhere between the polarized conception of a Policeman of the World, on the one hand, and Fortress America on the other.

Surely, it is possible to construct foreign policy that tells us where our national security interests do not lie, as well as where they do.

Dominant as we were after the Second World War, we were not required to draw such distinctions. It seems then there were no limits to what we could and should do. But now it is time for Americans whose vision of our role in the world was fixed in the 1940's to ask some hard questions. Is there a place on the globe that this Nation should not contest? Are there situations in this world in which the United States has minimal or nonsecurity interests?

Surely, thoughtful, responsible "hawks" understand that there are times, places, and circumstances in which it would be against our security interests to engage militarily.

Let them detail such instances. Let them wrestle with the related problem of getting the most from our defense dollar.

And other Americans whose vision of our role in the world has been formed by Vietnam—and who have rightly learned that there are instances in which our interests are not at stake—must now address the question of what our valid security interests are in the world. What are the critical locales and circumstances in which American power should properly be exercised.

Thoughtful and responsible doves know that no nation—even ours—can be an island unto itself. They know that there are times, places and circumstances in which it could be against our security interest not to exercise power. Let them define what circumstances would justify the commitment of American power and the risking of American lives. Let them wrestle with the related problem of defining what weapon systems, what military technology we must have to protect these security interests.

I am calling for a searching, self-analysis by all Americans of what our post-Vietnam security interests really are. I am asking that each of us shake off conditioned political reflexes, reexamine our premises, and even reverse our habitual domestic political roles.

Out of this process I hope that we can devise, together, and without recrimination about the past, a new consensus of what our foreign policy ought to be.

A central test of this new foreign policy will be whether it will enable us to discriminate—to differentiate between our broadly agreed upon security interests and those other temptations which are not in our interest.

While the shape of this new consensus is yet to be defined, let me offer some observations to that end.

I am sure that we are unanimous in our judgment that our supreme security interest is the protection of our own Nation. We also know that this national security must be defined in more than physical, military terms. We know that our economic stability, our sense of rightness, our internal unity and our collective will are as important to our security as troops and arms.

By defining our prime national security interest in this broader, more realistic way, we will be able to distinguish between real threats which we must oppose as a unified nation and instances such as Vietnam where we were drained and divided without being attacked.

I also believe that a new, discriminating foreign policy would realistically revitalize the principles of collective security. There are limits to American power and we need our allies' partnership. We are interdependent economically on other nations. Despite our wealth and power, our own national security is, therefore, linked to some other nations in greater or lesser degree.

But the web of alliances in which we are currently enmeshed is a far cry from the true partnerships we enjoyed in the Second World War. Many of our allies simply do not pull their own weight. Some are unwilling to defend themselves. True collective security must be collective.

Our reappreciation of this axiom will make us more skeptical about helping those nations demonstrably unwilling to help themselves yet be a rallying point for aid for real partners.

I also believe that a new foreign policy must address the contradictions between what we have been doing in practice and what we know are our best traditional values. We all know that there have been contradictions between our historic role of defender of liberty and our actual support of governments as authoritarian as those we defend them against. We have used hellish, modern technology, black arts of war which are at odds without best sense of what is humane. Our classical idea of foreign aggression formed in the 1930's and 1940's does not square with contemporary realities of civil war and propped-up unpopular governments whose power over their own people is secured by our military aid.

These contradictions pose real dilemmas that will not be easily resolved. Some nations which are no model of American democracy have a strategic importance to the security of our allies that we cannot ignore. If we pressure such nations to democratize their governments they will resent it and we will be charged with intervening in their affairs. And yet our continued military and economic support of such governments already constitutes such intervention. So what is the proper mix of idealism and realism?

These contradictions will not be easily resolved. There are far-flung and powerful American military and national security bureaucracies that have arisen in the last 25 years that will resist change. The conditioned reflexes and painful memories on both sides of the polarized Vietnam debate will make it difficult for us all to examine these dilemmas afresh.

But unless we can together learn to differentiate in our foreign policy between that which is in our critical interest and that which is not, between acts which square with our best sense of ourselves, and those which do not, I fear the

UMI

American loss of life, treasure and confidence in ourselves over the last decade might well have been in vain.

For years American leaders who defended our role in Vietnam preached the gospel here at home that our withdrawal from that country would threaten our credibility elsewhere in the world. And now from abroad we hear the echoes of our own leaders' pleadings from foreign leaders.

And unless we know as a people when and where the American Nation should and should not exercise its power with unity and will, how can our allies know?

Unless we can agree on what our true security interests are, how will our adversaries know? They will test and probe and further divide us and we might even lose that which we cannot afford to lose as a result.

But if we agree, on the basis of such a discriminating new policy, that we should withdraw or limit our involvement in cases where American presence would be as invalid, tangential and inconsistent with our real security interest as Vietnam was, then self-esteem, our security, and our global stature will be the better for it. And if we agree as a Nation to oppose a threat to our real security, we can, without doubt, prevail as we have in the past.

This critical task of devising a new discriminating foreign policy is too domestic for détente, just as some worldwide challenges to our security are too international in scope for détente.

On the other hand, détente has enhanced our national security in another way—a fundamental way—by curbing the strategic arms race.

The complex of agreements that were negotiated at SALT I, and since, make up the most significant achievement of détente. While these treaties are neither perfect nor complete they are a historic and substantial step toward a durable nuclear peace—the preservation of which is in our supreme national security interest.

These agreements are the products of a continuing process of hard-nosed negotiations. They do not depend on the good faith of the Soviets. We independently monitor and verify Soviet compliance through our remarkable satellite intelligence gathering systems.

The security of these agreements are solidly rooted in mutual self-interest. Both sides have explicitly recognized and have agreed to act upon the overriding reality of our time which is that both nuclear superpowers are inescapably locked into a state of mutual deterrence and common vulnerability. Both sides know that no amount of money, no stroke of technological genius could give either side the capability to destroy the other without in turn being destroyed itself. Through SALT both sides recognize that it is against the national interest of both countries to continue the strategic arms race. Adding further to these devastating arsenals would only endanger the national security of both by adding to the risks of accidental attacks or raising the fears of nuclear first strike or diplomatic blackmail.

Our success in persuading the Soviets to agree to curb the arms race was based on two preconditions of our own making. One was our military strength. But it was military strength of a particular kind. Our strategic arsenal was designed for unquestionable survivability against any Soviet threat. Our extraordinary military R. & D. programs produced superior technologies which were at the heart of this survivability—our MIRV's; the hardness of our missiles and their silos; the quietness of our submarines; and the penetration of our bombers. These technologies, together with the redundancy of our Triad and the size of each of its component forces, insure, as Secretary Schlesinger has often stated, that the Soviets cannot achieve a preemptive first strike and helped persuade them to accept and act on this hard military reality at SALT.

There was another important precondition for SALT which was less noticed than our military strength. This was a broad consensus that our Nation achieved in the early 1970's regarding the shape of our strategic policy and technology. Since the central premise of SALT is mutual deterrence, we first had to agree among ourselves that this Nation's prime strategic goal was to deter nuclear war rather than to prepare for limited nuclear war fighting. And we did agree.

Along with several of my colleagues, I intend to discuss how this consensus on strategic policy was formed and reinforced in the early years of this decade, and how it is currently under attack from Defense Secretary Schlesinger's nuclear war fighting doctrines and technologies.

For now, let me point out that the success we achieved in enhancing our security in strategic arms depended upon precise combinations of military strength and national unity. These policies were discriminating. They told us not only what we should do. They told us what we should not do. And they worked.

If we are going to properly define our role as a nation in the post-Vietnam world—if we are going to make an accurate assessment of how much military strength is enough military strength to give us national security in this new world role—then we must discipline ourselves to make discriminating judgments—to differentiate between our real security interests and those that are deceptive or delusory; to revitalize the principles of collective security; to address the contradictions between what we have been doing in practice and what we know are our best traditional values—and we must forego the temptation to abort the principle of mutual deterrence and put a hair trigger on nuclear war.

I thank the Senator from California.

Mr. CRANSTON. I yield next to the Senator from Oklahoma.

Will that be on the time of the other side?

Mr. BARTLETT. Yes.

Mr. President, I yield myself as much time as I need. The distinguished chairman, the Senator from Mississippi, left the floor and advised me I could yield the time on his behalf.

Mr. President, the distinguished Senator from Massachusetts (Mr. BROOKE) said yesterday that he thought the debate on foreign affairs should include some remarks concerning the role played by Congress.

(At this point Mr. BAKER assumed the chair.)

Mr. BARTLETT. Mr. President, it is my interest in the remarks that I will make to discuss that question, not that I have the answer, but to raise some questions about the role of Congress in foreign affairs.

I think it is important for Congress to consider whether or not it does have limitations in the handling of foreign affairs in a proper manner. The answer to this question may be crucial to our future as a world power.

The disastrous chain of world events in recent weeks, highlighted by the fall of South Vietnam and Cambodia, have intensified doubts about America's foreign policy being clearly articulated. While in the past, criticisms of our Nation's policies have been frequent and vocal, they were generally of a different type than the legitimate questions heard today. In the past, questions centered around the wisdom of our policies. Today we are asked in some cases whether we have a policy at all. Formerly, others wondered why a specific policy was adopted. Now the issue is "who makes foreign policy, the President, the Congress, or both or neither one?" In earlier times, our manner of meeting a commitment too frequently was often challenged. In recent times, we have been challenged as to whether we have any such commitment.

The temptation in times like these is to designate a single factor, such as congressional ineptness for the outcome in Vietnam and Cambodia. For many years in the future, political scientists will be dissecting and diagnosing U.S. involvement in Southeast Asia and the ultimate debacle which occurred there. Years of analysis may be required to give the proper weight to all factors, but it is not too simplistic to say that congressional action utimately contributed nothing in this area to preserve freedom or enhance our national power, influence, or prestige.

Regardless of analytical variations, one conclusion on which there is unanimity is that we lost. Actually, what we lost is a matter of disagreement. Did we lose a war or just not win? Can anyone say that we did not lose national prestige? Though some may argue that prestige was lost by our entry into the Vietnam conflict, it can scarcely be argued that our prestige is not lower today as a result of the ultimate downfall of those we defended. Whether our national honor has been lost might be subject to debate. But can anyone maintain that we have not lost creditability? Congressional vacillation, however well intended, has contributed to losses of prestige and credibility. Has there been a real, or only an apparent, loss in our commitment to freedom? Who in Congress can make a case that our commitment is stronger than the commitment of Russia and China to aggression? While we debated, the Russians and Chinese were pouring in support to their allies, and the world knows it.

Regardless of our views as to what went wrong, few Americans enjoyed the sight of our Ambassador scurrying aboard a helicopter as Saigon prepared for surrender. We are not used to an ally's defeat for any reason, much less because in part of our failure to supply needed support. Congress literally fiddled while Vietnam burned. Let us hope that we have not become accustomed to that recent role. So that there may be no misunderstanding, my position is not that we should return to the role of world policeman nor is it my view that all world problems can be really categorized in packages of black or white. The point is that for at least a decade, American foreign policy in Southeast Asia has left much to be desired and that growing congressional involvement has been part of the problem rather than part of the solution.

In the days and years ahead, we, as a nation and as a government, must attempt to salvage something of value from that war.

Certainly, various ingredients went into the downfall of Cambodia and South Vietnam. Many of these were out of our control and must be left for the consciences of other countries, their peoples, and leaders.

No amount of finger pointing or breast-beating will rescue Vietnam or Cambodia from Communist domination. However, the role which Congress played there must be evaluated. For the future, there is one central issue to which these remarks are addressed: What is the proper role for Congress in foreign affairs?

Since the inception of the Republic, the question of Congress role in foreign policy has been debated. The debates included a pronouncement by the U.S. Supreme Court that congressional participation—

> In the exercise of the power over foreign policy is significantly limited. In this vast realm with its important, complicated and delicate problems, the President alone has the power to speak or listen as a representative of the nation—in the field of negotiation the Senate cannot intrude and Congress itself is powerless to invade it.

That was United States against Curtis Wright Corp.

President John Kennedy said:

> It is the President alone who must make the major decisions of our foreign policy.

However, to the contrary, our former colleague and a constitutional scholar, Senator Sam Ervin, said that—

> When the legislative branch ceases and desists from responsibly and effectively exercising its constitutional powers with respect to foreign affairs, the Republic will come to an end.

History reflects the occurrence of periodic shifts in the balance of power in foreign policy between Congress and the Chief Executive.

But, for most of our nearly 200 years, Congress has taken a back seat to the President. Most leaders of Congress have bragged in times of international crisis that political partisanship ends at the water's edge.

This unanimity of support for the ballooning of the Vietnam war was evident in the 88 to 2 vote in favor of the Gulf of Tonkin Resolution. However, eventually widespread disatisfaction by the people in an unpopular war prompted many Members of Congress to object to the war, President Johnson apparently to decide against reelection, and President Nixon to gradually withdraw all American combat troops from South Vietnam.

From this devastating experience, most Americans wanted Congress to be a safety valve to the Presidency to prevent a repeat of sending Americans abroad in an unpopular war. So I believe most Americans agree enthusiastically in the constitutional requirement that only Congress can declare war or engage Americans in lengthy foreign military combat.

Thus, the War Powers Act of 1973 with the Church-Case amendment forbids the involvement of American troops in Southeast Asia. Overreaction and unconstitutionality may be determined from President Ford's use of troops in the evacuation of Americans and foreign nationals from Cambodia and South Vietnam; and from efforts to free the predominantly American crew and their American freight, the *Mayaguez*.

So, born of an unpopular war, prodded by the illegal misuse of Presidential power in the Watergate scandals, and supported by a one-sided Democratic majority, Congress has succeeded in strongly asserting itself in foreign affairs during the last years.

Unfortunately, the results have at best been mixed, and some, perhaps more accurately, have been dismal.

In President Ford's April 10 speech, he enumerated a number of instances in which he believed Congress had gone too far, acting beyond its purview in attempting to define the tactics as well as the underlying strategy of U.S. foreign policy. An illustration given by the President was the Jackson-Vanik amendment in which the Congress, acting over the objections of our Secretary of State involving ourselves in the internal affairs of another nation, sought to enlarge Jewish emigration from the Soviet Union. Instead the Soviets restricted the flow of emigrants and abrogated an agreement which could have possibly brought considerable economic benefit to this country. Nothing was gained and much was lost.

Nor has the congressional action in cutting off aid to Turkey brought us any closer to an equitable settlement of the Cyprus problem; instead it has weakened the eastern flank of NATO and soured, perhaps irreparably, our relations with two traditional and staunch allies standing between the Soviet Union and the Middle East—Turkey and Greece.

Most disconcerting to me as the inept handling by Congress of our affairs in Southeast Asia.

After the Paris accords of January 28, 1973, President Nixon's policy was a continuation of Vietnamization with sufficient military aid to South Vietnam to carry on an effective offensive-defensive war against North Vietnam. But the Congress reduced requested appropriations by $600 million and $700 million, respectively, in each of the fiscal years, reflecting a 50-percent average cut.

On January 28 of this year, President Ford sent an urgent message to Congress requesting an emergency supplemental military appropriation for South Vietnam and Cambodia. On April 16, Cambodia surrendered to the Khmer Rouge, and on April 29 the South Vietnamese surrendered to North Vietnam and the Vietcong—and by that time, neither House of Congress had voted on the President's request for assistance.

The propriety of the request or the amount is now irrelevant, but it is relevant that Congress stood by and let our two allies fall without a floor vote on that urgent Presidential request.

On the one hand, Congress had succeeded in asserting itself in regard to our foreign policy in Southeast Asia, but on the other, because Congress totally failed to enunciate a policy in regard to Vietnam and Cambodia, no one knew what our policy was. Our contributions, which were most significant, resulted from only negative actions and inactions. Establishing a foreign policy by default is not, in my opinion, the best way.

Congress has a valid role in foreign affairs. But the danger is that the collective thinking of Congress will make it impossible for Congress to realize its own serious limitations. Certainly control of the purse strings is a proper congressional role. Congress should be able to assist in the articulation of broad policy, but realistically it must either accept the policies of the President or adopt its own—it cannot play a major role in foreign affairs by endless dialog and handwringing.

The failure of Congress to declare a clear policy in Southeast Asia and to respond quickly to Presidential requests for emergency military aid raises the question of whether two committees of 534 Members can engage responsibly on a wide front in foreign affairs.

Proponents of Congress might point out that the Democratic caucuses of both the House and Senate spoke clearly on March 12 and 13, respectively, when each voted overwhelmingly against military aid to both Cambodia and South Vietnam. This raises the question whether a majority caucus rather than the entire membership of either body should decide such a vital question.

Should a caucus, subcommittee, or a full committee decide such a serious emergency question, or should it in any case go to the floor for full consideration by the entire membership?

Certainly, I believe Congress failure to act was critical in the psychological impact of the losses of Cambodia and South Vietnam on our other allies around the world. I believe it is crucial that our foes as well as our allies see us stay to the bitter end rather than cutting the umbilical at the most perilous moment. Already, we are seeing the inevitable reaction to our vacillation and lack of will.

The formerly discredited domino theory is taking on more respect as Laos teeters on the brink of Communist control, while our allies in Thailand, the Philippines, and Taiwan have all begun a reassessment of their commitments

UMI

with the United States. The problem with the now famous American freighter, the *Mayaguez*, is a fallout of the domino logic.

I do not know the precise role which Congress should play in foreign affairs, but we must begin a period of self-examination. Secretary Kissinger has called for a major reassessment of American foreign policy objectives and methods. I believe this is essential.

Obviously, one of the questions which must be explored is whether Congress, made up of two committees, one with 100 Members and another with 435, can effectively dance every dance in foreign affairs. By its very nature, foreign policy must have a definite firmness, yet a reasonable flexibility capable of quick formulation and clear articulation. Is Congress inherently limited in this role? I favor extending as much as possible the effective participation of Congress in foreign affairs.

Somehow, we must restore—through a partnership between the Executive and Congress—an unfailing confidence by which foreign governments, friend and foe alike, as well as our own citizens, will know that when the President speaks, he speaks authoritatively for the entire country.

I wince each time I hear President Ford or Secretary Kissinger attempt to assure our allies of our constancy in fulfilling our foreign commitments. At this stage of our history, it appears to be a questionable pledge. It is not a lack of confidence in the commitment or will of President Ford, but doubts about the disposition of Congress. There is reason for Congress to have doubts about itself.

Perhaps such unanimity is impossible with the congressional and executive branches under control of opposing political parties. I do not think that is the case. Perhaps we should limit and carefully define the areas of congressional responsibility, and develop cooperative approaches with the administration in order to forge clear-cut foreign policies while, as in the past, we forget our partisan differences in most matters at the water's edge.

President Lincoln's call to his Congress was most appropriate to our problems of the last few years:

> The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, we must think anew and act anew. We must disenthrall ourselves and we shall save our country.

We must, like Lincoln, "rise" to this occasion, and, hopefully, "we shall save our country."

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON and Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I was going to yield to Senator GOLDWATER.

The PRESIDING OFFICER. I think the Senator is aware that we are rotating the sides.

Mr. THURMOND. One hour at a time.

The PRESIDING OFFICER. Since the agreement was reached to alternate an hour on a side, neither side has used its full hour.

Mr. CRANSTON. It is perfectly acceptable for us, on this side, for Senator GOLDWATER to go ahead, if he wishes to do so.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I yield to the Senator from Arizona such time as he requires.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. GOLDWATER. Mr. President, as one of the cosigners of the letter that suggested this overall debate and discussion on national defense and national priorities, I am especially pleased to be able to speak on our strategic force requirements. This particular subject merits our very closest attention and concern since our national survival may be determined by the decisions we make on the defense bill.

Today we refer to our strategic forces collectively as the Triad, meaning our land-based missiles, our sea-based missiles, and our manned bomber force. When discussing our strategic force requirements, I start with the premise that the Triad must be retained, that there must be no degradation in its collective capability, and that each Triad system must be capable of carrying out its mission independent of the other two.

Over the years I believe we have adhered to this, especially in insuring that each system remains capable of performing its mission without reliance on the other two. For example, in FBM submarines we have advanced from Polaris to Poseidon with Trident now under construction.

The missiles of those submarines have advanced from the A–1 to A–3 and to C–4 for Trident. In land-based missiles we have progressed from Atlas and Titan to Minuteman I, II, and III with design funds for M–X, the follow-on to Minuteman, now requested. In bombers we have gone from the B–47 and B–58 to the B–52, with the B–1 now in engineering development. And all of these systems have been subjected to modification to insure there has been no degradation in the effectiveness of each.

Mr. President, I see this as a logical and orderly way to insure the independent, as well as the collective, capability of each system in the Triad. It is an evolutionary approach that, if not interrupted, will continue to serve us well and guarantee, to the maximum extent possible, our national security and survival.

However, I am concerned about the verbal attacks we have had on these systems of late. None have escaped attack, either when modification or new systems were proposed.

The basis of the attack is always the same; that the new modification or the new system is not needed and what we have at present is more than adequate.

Simply stated, the fallacy I see in the critics' logic is that they fail to realize these are static systems trying to compete and exist under very dynamic conditions. Therefore, they must change, either through modification or, if that is not adequate, by a totally new system, in order to guarantee the individual and collective capability of the Triad. There can be no such thing as a static weapon within our strategic forces. There cannot be a perfect offensive weapon that will serve our purposes ad infinitum. Therefore, we should not expect such results from our present systems.

At the moment, the system in the Triad under attack is the B–1. Two years ago it was the Trident system when Navy was seeking funds for the first of 10 boats. Sometime before that, it was over whether we should proceed with the Minuteman III program.

Mr. President, do not mistake my description of the "attack" on these systems as being critical of legitimate debate and discussion of these systems. That is absolutely necessary, and I defend that as a basic part of the congressional process.

No, Mr. President, I am complaining about those who, from my point of view, fail to grasp the significance of the Triad and do not recognize the dynamic conditions that surround these systems.

Maybe part of the problem is the extreme amount of time it takes us today to get a system from the drawing board to the inventory. Because of this, it often does appear that we are starting way too early to develop a new or follow-on system. It may appear at the time that a new system is not required.

The B–1 might be a case in point, because some of the criticism is that the B–52 has plenty of lifetime left. Therefore, there is no requirement to begin a replacement or follow-on program this soon. Mr. President, it is correct that the B–1 program began in 1970 and the requirement was generated long before that. Even so, we will not get the first B–1 into the inventory until around 1980. Even then, it will take a year or two before there are enough to make an impact. So over 10 years of planning, development, testing, and production will have transpired before we can have a replacement for the B–52. We have not started too early if we are to maintain the strength of the Triad.

Still, it can be argued the B–1 is coming into the inventory several years too soon. However, on that point I must ask, "Who knows for sure how much 'life' will be left in the B–52 force in the 1980's?"

For example, Mr. President, we have run into metal fatigue in the B–52 aircraft at a much earlier stage than we did in an aircraft with a rigid wing. As all of us know, the B–52 has a droop-wing. It droops some 13 feet, and when it comes to the vertical, the aircraft becomes airborne. Because the B–52 must use a low-level attack mode to enhance its chances of survival, it has been subjected, during training exercises, to a lot of high-G or high gravity forces that the aircraft was not originally planned to be subjected to. So we are uncertain now as to how long the metal, which is so tortuously twisted and stressed in this bird, will last until we have to make major replacements at great cost.

Mr. President, I am concerned that there are some who would entrust part of the security of this country to a force whose capability, at that time, will be an unknown quality. Dr. John McLucas, Secretary of the Air Force, in response to a question during our Research and Development Subcommittee hearing on the B–1, stated that he had high confidence in the ability of the B–52 to penetrate to its assigned targets through the 1970's but, sometime in the 1980's it becomes questionable.

There is a related point which is, there are some who equate the B–52 life expectancy with penetration expectancy. That is, it is thought that the B–52 will be able to penetrate to a Soviet Union target with the same effectiveness throughout its entire life span. Secretary McLucas pointed out that it does not automatically follow that, because you have been able to extend the life of the B–52 design to over 30 years it will, therefore, remain an effective penetrator. He indicated that it also depends on how the Soviet defenses change with time, along with our ability to modify the B–52 in accordance with those defenses. For example, there are some aspects of the B–52 that are not going to change significantly, such as its speed and its large radar cross section, because they cannot be changed.

Where then is the mission capability of the B–52, if the Soviet Union develops defenses that capitalize on the B–52 speed and particularly on radar cross section weaknesses? Would that be the time to begin to develop a new follow-on bomber that will require 10 years to bring into the inventory? I do not think it is.

Mr. President, referring back to my earlier remarks that there must be no degradation in the collective ability of the Triad and that each system in the Triad must be capable of carrying out its mission independently of the other two, I believe it is clear that the B–52 is not going to measure up. It is becoming less and less capable, just as we all do when we reach a certain age.

Those who say they believe in the manned bomber leg of the Triad, but state a B–52 replacement is not required, in my opinion, are not concerned about retaining the strength of the Triad.

Those who say they believe the manned bomber leg of the Triad will no longer be required after the B–52 would, in my opinion, be willing to entrust our national security and survival to systems that have never been fully tested as integrated systems.

For example, we have never fired an ICBM or an SLBM at a target at operational distances with a nuclear warhead and nuclear detonation. We do not know for sure what the effect of a number of missiles going to the same target will be. There may be a fratricide phenomenon, but we are not sure. Admittedly, these tests have not been possible because of the test ban treaty but it gives me cause for concern that we would be dependent upon systems that had never been fully tested. I believe they will work as advertised, but I am not 100 percent sure, and I would not make any sizable bet on it. I think, for example, one of the big mistakes we have made is being lured into the test ban treaty by the Soviets following a time when the Soviets had discovered everything they had to know about the nuclear X-ray phenomenon that occurs during flights of these missiles, and particularly upon their reentry into the atmosphere or into any nuclear situation. We have been able, by this program testing, to come to the point that we think we have learned, but until one has to fly to a target we are not sure.

However, there are other reasons that argue against eliminating the manned bomber that are equally important. Eliminating one leg of the Triad reduces the enemy's defense problem by one-third for sure. Statistically it is probably more in the case of the bomber because ICBM and SLBM defensive measures are the same. It also reduces his offense problems because he no longer needs to target our strategic airfields. Consequently, even with a ceiling agreement on missiles his force becomes more effective since there are a reduced number of targets to cover. The enemy's ability to launch a successful preemptive strike is enhanced, since the timing and coordination required for such a strike is less complex with the targeting of airfields not required.

Further, the manned bomber is a mobile system. The Soviet Union knows that as long as we have the manned bomber it can never totally destroy our retaliatory force. Consequently, the manned bomber has to be considered as a very stabilizing force, which significantly lessens the chance of a nuclear war.

Mr. President, there is a requirement for the manned bomber and specifically there is a requirement for the B–1, as the follow-on to the B–52. Further, I believe the logic is adequate to support these requirements.

Mr. President, let me preface my few remarks on the B–1 with this observation: That once you have pressed the button launching a land-based missile or once we have instructed a submarine by radio to release a submarine-launched missile, that is it. Those missiles are going to fly toward the target. Hopefully, if we have to do it, they will be effective.

But if you have a manned bomber with the eyes, brains, and ears of young men in it, if it has been determined after launch that a mistake has been made, that mission can be very quickly terminated and the aircraft returned.

I want to put specific emphasis on that because if we argue this elimination of a manned bomber to the extreme then the proponents of this elimination would have to assume the full responsibility for any nuclear war that might result.

I personally do not believe that we are ever going to become engaged in a nuclear war, particularly if we have the threat of a manned bomber of the type that the B–1 represents.

Now, let me turn specifically to the B–1, since there has been about as much criticism over the B–1 itself as there has been over the manned bomber requirement.

Last Thursday I was at Edwards Air Force Base and I flew chase in an F–4 to watch part of the ninth test flight of the B–1. The total test flight was over 6 hours and I observed it for about 2 hours.

I would have done it longer but they were flying at very low altitudes and jet aircraft can eat up a lot of fuel when you are down around 6,000 feet.

I will have to say it was a beautiful sight to watch the aircraft. Maybe a lifetime pilot like myself believes all aircraft are beautiful so you have to discount that, but particularly so when I recall the predictions of many people who said the B–1 would never fly.

The B–1 flight test program has been proceeding extremely well since the first flight took place on December 23, 1974, almost to the point of being routine. Even the first supersonic flight and aerial refueling went off without a hitch. The B–1 is meeting its flight test objectives, as required and scheduled, and that has to be viewed as a significant achievement.

I think I am the only Member of the Senate who has been to Edwards Air Force Base to observe a test flight. As a matter of interest, only 10 other Senators have visited the B–1 since the program started. Yet, for all the criticism that has been raised about the program, it would seem there would be more who would want firsthand evidence—especially the critics.

I am impressed with the results of the flight test program, to date, and I believe there are others who would be also. So, with that in mind Mr. President, I ask unanimous consent that a summary of the flight test program to date, be printed at this point in my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

FLIGHT TEST PROGRAM—ACCOMPLISHMENTS TO DATE

First Flight, 23 December 1974, Duration 1+18.

Max altitude 10,000 ft; Max airspeed 190 knots.

Takeoff from Palmdale, Calif.; landing Edwards AFB.

Landing Gear, Flaps, Slats, Wings were not moved.

Mission objectives were evaluation of flying qualities, engine operations, and airspeed calibrations.

Second Flight, 23 January 1975, Duration 3+21 (Cum: 4+39).

Max altitude, 16,000 ft; max airspeed, .70 mach.

Landing Gear, Flaps, Slats retracted.

Wings swept from 15° thru 25°.

Flying qualities investigated at several altitudes and configurations.

Third Flight, 11 February 1975, Duration +58 (Cum: 5+37).

Max altitude, 10,000 ft; max airspeed, 330 knots.

Overheat warning light following climb.

Minor problem in cooling system.

Fuel jettison system checked.

Fourth Flight, 19 February 1975, Duration 4+34 (Cum: 10+11).

UMI

Max altitude, 23,000 ft; max airspeed, .75 mach.
Flying qualities at various altitudes.
Engine/APU airstarts.
Three go-arounds.
Wing sweep 15°–25°–20° (position).
Fifth Flight, 18 March 1975, Duration 2+57 (Cum: 13+08).
Max altitude, 20,000 ft; max airspeed, .75 mach.
Full wing sweep (67.5°).
Airspeed calibration.
Functional check of Structural Mode Control System (SMCS).
Initial aerial refueling (3 dry hook-ups).
Sixth Flight, 10 April 1975, Duration 6+23 (Cum: 19+31), Supersonic Cum: +01.
Max altitude, 29,000 ft; max airspeed, 1.05 mach.
Flutter tests.
Aerial refueling (53,000# transferred).
Seventh Flight—21 April 1975—Duration 5+45 (Cum: 25+16) Supersonic Cum: +43.
Max altitude—29,500 ft; max airspeed—1.08 Mach.
Flutter Tests.
Aerial refueling (120,000# transferred from two tankers).
Airspeed calibration.
Initial windmill airstarts on engines 1 and 2.
SMSC Flight Check.
Eighth Flight—30 April 1975—Duration 6+13 (Cum: 31+29) Supersonic Cum: 1+31.
Max altitude—29,500 ft; max airspeed—1.25 Mach.
Flutter Tests & Flying Qualities.
Aerial refueling (138,900# from two tankers).
Landing Gear Extension at various speeds (to max).
Initial max power climb.
Ninth Flight—29 May 1975—Duration 6+18 (Cum: 37+47) Supersonic Cum: 1+31 (no change).
Max altitude—20,000 ft; max airspeed—0.95 Mach.
Subsonic Flutter Tests.
Flying Qualities at various altitudes (3,000–20,000ft).
Aerial refueling (118,000# from two SAC tankers).
Tenth Flight—tentatively 12 June 1975.

Mr. GOLDWATER. Now permit me a few observations on the flight test program to date. Thus far, of the 37 hours, 47 minutes total that have been flown, 1 hour, 31 minutes have been at supersonic speed, with the longest sustained flight at supersonic speed being about 24 minutes. The last four flights have included aerial refuelings.

But even in minor turbulence I do not think I have ever watched an aircraft of any size come up to a tanker and be serviced with the tremendous amount of fuel that it was serviced with at that altitude, which was around 22,000 feet. Although there has been no requirement to go above 29,500, feet, high altitude flights will come later. Of course, this is very early in the flight test program and the flight envelope is being explored very carefully. Even so, it is very impressive that there have been no significant difficulties.

I believe I can say the only difficulty they experienced was the loss of a seal in the bomb bay section where there is no pressurization, and the loss of this seal had no effect at all on the flight of the craft; in fact, it was not even noticed that it was gone.

This is a good indication that aircraft performance will meet or exceed what the engineers predicted. Said another way, actual performance through flight tests is beginning to confirm predicted performance.

Nevertheless, we still hear from those who are critical of the B–1 and claim it does not meet the original specifications and, consequently, performance will be degraded. It is correct that the weight of the aircraft is above that originally predicted and that makes the takeoff distance longer. But the impact of that is negligible, because operational requirements are not affected. The same is true of the minor reduction in the maximum supersonic speed.

I might point out, Mr. President, that since the first aircraft had been constructed, the escape capsule has been eliminated from further aircraft, and this will be a substantial reduction in weight.

Last year during our hearings I discussed this with Gen. John C. Meyer, then Commander-in-Chief, Strategic Air Command. I asked him if he was satisfied that the B–1 would meet or exceed Air Force performance distance, penetration speed, payload, et cetera. His answer was yes, even though he said some specifications may not be met. There is a difference between specifications and performance requirements and they should not be confused.

There are those in the Senate who are critical of the B–1 program but, I do not fault them for that. However, I do get somewhat concerned when these critics do not take advantage of the opportunity to try and resolve their criticisms. For example, none of the critics—not including those on the Armed Services Committee—attended this year's B–1 hearing. None of the critics took advantage of that opporunity to question the Secretary of the Air Force or the Chief of Staff of the Air Force about the program. None of the critics took advantage of that opportunity to question the program manager, who had all the detailed cost and predicted performance data. In fact, none of the critics even bothered to submit questions for the record.

Now last year, as I mentioned, when we had General Meyer, we had a man who is an expert on strategic force requirements and the need for the B–1 as a follow-on to the B–52. However, none of the critics—again, members of the committee excepted—came to question General Meyer. They missed an excellent opportunity because he was extremely knowledgeable on the subject. He gave some very informative responses and I cited some of them when I spoke last year on the B–1. However, I doubt if anyone paid any attention or if anyone critical of the program, even later, took the time to read what a man, whose life work and profession was air warfare, had to say about the B–1 and the role of the manned bomber.

That, to me, is one of the tragedies of this continuing debate over the B–1. Why do we refuse to listen to the advice of the experts whose total motivation is directed toward insuring the security and survival of this country?

Mr. President, lest the B1 opponents accuse me of stacking the deck with only those expected to favor the B–1, let me mention this. Last year the Armed Services Committee directed the GAO to participate in, what came to be known as, the joint strategic bomber study. This was the study which was to examine a number of alternatives to the B–1. The study concludes that a B–1 force is the most cost effective of a number of alternatives. Believe it or not, the GAO commented that:

If no one concludes that a bomber force should be capable of a high level of destruction of a target set, as assumed in the OSD study, and that it will be confronted with a high threat, then analyses performed by OSD show that the B–1 is the most cost effective bomber.

Mr. LEAHY. Mr. President, will the Senator yield for a question at that point?

Mr. GOLDWATER. I would be happy to.

Mr. LEAHY. The Senator refers to the General Accounting Office report. But is it not a fact that the GAO report stated that the highly complex issue of whether there is a need for a follow-on manned strategic bomber has not yet been resolved?

Mr. GOLDWATER. That is true, however, I was reporting the comments of the GAO on this particular aircraft, the question of whether——

Mr. LEAHY. Mr. President, may we have order; I cannot hear the Senator from Arizona.

The PRESIDING OFFICER (Mr. HATFIELD). Will the Senator use his microphone?

Mr. GOLDWATER. I have got it going; it never has worked.

Mr. LEAHY. I cannot hear the Senator.

Mr. GOLDWATER. To answer the question, I think what the Senator is proposing, really, requires two answers. One answer would be a continued use of the B–52 and the other would be whether or not the B–1 is the type of manned bomber we need, and we happen to have designed the B–1 after years of discussion starting in 1970.

So that is what we have today. If we take into consideration what the study states is needed in that type bomber.

Mr. LEAHY. Well, without going into the general issue as to whether we really do need such a strategic bomber, do we not presently have nearly three times as many intercontinental bombers as the Soviets do?

Mr. GOLDWATER. If the Senator wants to base an answer to that on whether the Soviets have three times the long-range bombers, such as the B–52, my answer would be yes. But if one would want to include all the Soviet bombers that can strike the United States, my answer would have to be no.

They have considerably more because when we scrapped our B–47's, they did not scrap their Badger, their intermediate range bomber.

They may not get back to Russia, they may be forced to land in the United States or Cuba, but they have that many aircraft capable of bombing the United States.

So I do not say that we have more ability to bomb the Russians by aircraft than they have of us. I would say it is about even.

Mr. LEAHY. Saying that compared to them——

Mr. GOLDWATER. What was that?

Mr. LEAHY. Is the Senator suggesting that the number of Soviet bombers capable of striking the United States can include those which cannot make the return trip, but must land in Cuba? How do we compare if we use the same philosophy on our side?

Mr. GOLDWATER. We do not take that philosophy because we have no bombers in the inventory today we could call an intermediate range bomber. The B–47 was the last one. We had the B–58, but never used it. They are all in mothballs in Arizona. The B–52 is our bomber force.

I do not have the figures at my fingertips. I think it is in the neighborhood of 300, 360-odd that we have.

Mr. LEAHY. But if we do compare the actual numbers of intercontinental airplanes, we do have superiority on just that basis alone?

Mr. GOLDWATER. If we consider just their Bison and their other heavy long-range aircraft, I would have to admit that the United States has a larger force of both long-range aircraft than the Soviets have, but if the Senator states the question to include all bombers, I would have to say no. They probably have a few more than we have capable of hitting the United States.

Mr. KENNEDY. Will the Senator yield?

Mr. GOLDWATER. Yes.

Mr. KENNEDY. Mr. President, today, in part 2 of our debate on foreign policy and the Defense budget, we are concerned with America's strategic forces. Fortunately, we are able to talk about this subject this year from a position of confidence and expectation—confidence in the viability of the U.S. strategic deterrent, and expectation of future agreements on the control of nuclear weapons.

During the last quarter century, we have evolved nuclear forces, and nuclear doctrines, that have provided the underpinning for our security, and have helped bring into being the hopeful process called détente.

The theory underlying these forces and doctrines is relatively simple; we should insure that nothing the Soviet Union—or a group of adversaries—could do would deny us the capacity to inflict massive and unacceptable damage in return. This is assured destruction—made even more secure by the agreement with the Soviet Union in 1972 to place severe limits on anti-ballistic missile systems.

At the same time, we have conceded to the Soviet Union a similar posture—as a matter of our security and national interests, as well. Thus we have a situation of mutual assured destruction—mutual deterrence—that gives both sides a high degree of confidence that they can prevent mankind's final war in a nuclear holocaust.

To maintain our nuclear deterrent—and mutual assured destruction—is the first charge on our military capacities and foreign policy. This we have done for many years. We have the forces, in a triad of land-based missiles, bombers, and missiles based in submarines at sea. We have the command and control systems; and we have elaborated the doctrines of deterrence—effectively communicated to friends and foes alike—that help guarantee this aspect of our security.

Now we face some important choices in our strategic policy. Some are simply economic: whether we need to build systems that are so advanced, or that proliferate in such numbers, that we gain nothing in terms of security but lose in terms of the alternative uses of precious national resources. Thus, I believe there is little point in building a new bomber, the B–1, while our existing B–52 force has so many years effective life, and while we have not explored much cheaper bomber systems for the distant future. And I also believe that there are much cheaper but effective alternatives to the Trident submarine—including the Trident I missile in existing Poseidon boats—as our seabased deterrent for the latter part of the next decade.

Furthermore, some strategic weapons affect basic foreign policy concerns outside of the nuclear balance, itself. For example, it is clear to many observers that trying to halt the proliferation of nuclear weapons to other nations—a "horizontal" proliferation—must entail serious efforts by the superpowers to limit their own arms race in both qualitative and quantitative terms—so-called vertical proliferation. This need—and the failure of the superpowers yet to be fully responsive to it—was amply demonstrated at the recent Geneva Review Conference on the Nonproliferation Treaty, which I had the honor to address 2 weeks ago.

In addition, further elaboration of strategic nuclear systems can also complicate direct arms control efforts involving the superpowers. Both our new programs and those of the Soviet Union do have a reinforcing effect on both sides. These "bargaining chips" are not traded away, we have found, but tend to set new and higher levels for the arms race, even where neither side really wants or needs the added weaponry. So restraint on both sides—a mutually reinforcing restraint—is part of creating possibilities for successful arms control efforts, in the interests of U.S. national security.

Finally, there are some strategic choices that will actually affect the stability of nuclear deterrence, itself. Thus we have learned that we must not threaten the Soviet Union's capacity to respond to a U.S. nuclear attack, and that we must insist that they exercise the same forbearance. Yet today new questions are indeed being raised in this area. The Soviet Union, for example, is going forward with new programs that could, in time, pose a significant threat to our land-based missiles. Of course, this is not a threat to the other two parts of the triad—airborne bombers or missiles at sea. It is not threat to deterrence.

But there is still cause for concern, especially in trying to assess the political implications of Soviet weapons programs.

Our response, however, should be to seek limits on these Soviet programs at the conference table, not to take a reflexive action in building weapons that could similarly threaten Soviet land-based missiles. Nothing in strategic theory can justify such a course. Yet that is what several Defense Department "hard targeting" programs would do: They would call into question, by however little, Soviet confidence in its land-based missile force.

To be sure, these programs also do not mean a serious threat to Soviet deterrent capabilities. But, again, there will be questions raised about American political intentions, and it will become more difficult to negotiate effective arms control agreements with the Soviet Union. Furthermore, there will be voices raised in the Soviet Union—just as voices will be raised here—urging a move back toward a "launch on warning" concept, which we both were able to abandon when secure, second strike forces were introduced more than a decade ago. This would truly be a step backward, a step toward greater anxiety and greater risk of nuclear war, by accident more than by design.

We are told by the Defense Department that we need these new hard-targeting programs in order to add flexibility to our forces, or to be able to fight a nuclear war in the unlikely event one should start. Yet we already have flexibility—and have had it for many years. There is no question of our having to launch the final holocaust the moment a nuclear war started. There can be limits; there can be restraints.

Should this so-called flexibility be increased in order to make it easier to fight a nuclear war without total war? Should we build the hard-targeting weapons? The answer must be "No:" For if by increasing our capacity to destroy Soviet missiles we only increase Soviet anxieties, we may find that our new capabilities only make a nuclear war more likely. It may seem like a paradox that, in preparing to fight a war, we may make it more likely, but that has long been a central fact of the nuclear age. And I for one do not believe that we can take the fateful step of increasing the risks of a nuclear war.

We must oppose hard-targeting programs.

There is one further argument advanced for continuing to expand our nuclear programs. This is the aspect of national will, and perception by others of our capabilities. Yet this is not a problem of building new weapons—which we already have in such abundance that it is difficult to find targets for all the weapons we now have. It is rather in the attitude we present of ourselves. If we say that a slight lead for the Soviet Union in one or another category of nuclear power means that our will to defend ourselves or our allies is weak, then perhaps some will believe that to be so. No additional arms will compensate for this lack in ourselves. But if instead we continue to stress the irreducible elements of mutual assured destruction—if we assert our firm determination to defend our

UMI

vital interests and those of our critical allies—then our massive nuclear arsenal will speak for itself: It needs no bolstering.

The fact of the matter is also that in many of the most critical areas of nuclear power we remain ahead of the Soviet Union, and are likely to remain so for the foreseeable future. And in general we are in a "zone of perceived parity," where we have—in quantitative and qualitative terms—a "substantial overall equality." With this posture, we have a sound basis for seeking to limit the arms race; and sound arguments against many of the increases in strategic weapons capability that are being suggested in this year's budget.

Therefore, Mr. President, I ask only that we use commonsense as we assess U.S. strategic programs: To be as strong as we must be; but not to jeopardize either our security or the chances of ending the tyranny of nuclear weapons by building too many weapons, or by introducing refinements that could actually work against U.S. security and national interests.

Mr. President, in reference to the B–1—to carry the Senator's point forward—if one includes the forward-based aircraft in Germany, for example, or those that are on the various aircraft carriers that would be able to reach the heart of the Soviet Union, then the balance shifts quite dramatically back in favor of the United States and the——

Mr. GOLDWATER. No.

Mr. KENNEDY. The Senator said we do not go by that philosophy.

Well, Jimmy Doolittle went by that philosophy in World War II, and I think it is entirely appropriate that these statistics be included in any kind of analysis of relative strategic balance.

Mr. GOLDWATER. If the Senator wants to include that kind of argument in this discussion, he gets to tactical aircraft, not bombers, but aircraft capable of dropping some kind of a bomb.

We have a limited number of F–111's in the European theater. No aircraft carrier in time of war would ever get close enough to the Russian targets to be launched. So we would have to forget about them.

At their best, they are the tactical type, with a limited amount of bomb tonnage that could be dropped.

The F–111 is not in the same category as the B–52. It is an interdiction bomber that is very useful on an unrefueled range and return of 1,200 to 1,500 miles with extremely light bomb loads.

But when we get into that argument, we cannot forget the overwhelming superiority of the Soviet air force in tactical-type fighters that are in all countries that border NATO and in the Soviet Union itself.

So we are really arguing out of our area, in my opinion. The question of the distinguished Senator from Vermont was about bombers, not about tactical aircraft.

Mr. KENNEDY. Would the Senator, because he is an extremely knowledgeable person in this body, compare the B–1 with the latest B–52 carrying the SRAM missile as an offensive weapon?

Mr. GOLDWATER. Well, I mentioned that earlier in my remarks, but I will be glad to go over them again.

The essential difference is one, speed; and I think the most important difference, as we are talking about ability to penetrate Soviet targets, is the radar reflection.

Now, to the uninitiated, the radar reflection is a size of target that one sees on the radar scope and the B–52 presents a very, very large image on a scope at great distances, where the B–1, with its smaller dimensions, with its smaller profile, and with its built-in antiradar, or ACM equipment, electronic countermeasure equipment, gives a much smaller blip on the radar. We cannot change that on the B–52.

The B–1 will carry a large bomber load faster. The B–52 has a little longer range than the B–1. But the combined speed, lower radar profile, and the heavier bomb load, plus many other advantages we have not gone into because we have not extended the testing far enough, and the B–1 is not only superior but as I will point out shortly if we decided to go with the B–52 in an extended version, then we run into some real sizable money and I had not touched on money yet.

Mr. LEAHY. If the Senator will yield again for a question, quite frankly, I have not made up my mind on how I will vote on the overall question of the B–1 bomber, but there are several issues that have been raised by the Senator from Arizona, and I agree with the Senator from Massachusetts that the Senator from Arizona is very knowledgeable on this subject.

When we speak of the smaller radar reflection of the B–1 bomber, and we have discussed this within committee, aren't we also assuming that radar technology stays as it is today? We are talking about a bomber system, really, that will be operational almost into the next century.

Is it not safe to assume if we do go to such a bomber system that the Soviets will upgrade the present state of their radar technology?

Mr. GOLDWATER. We would expect the Soviets to be constantly improving their technological abilities, and I would assume that they would have the ability to improve radar. But I would also say that this does not make a great deal of difference. The range of radar, using the frequency range that it does, requires what we call line of sight. We are beginning to experiment with curve of the earth radar. Whether we will be that far along in 10 years or 20 years, I cannot say. We are experimenting. We have to assume that the Russians are doing likewise. If they can do this, and we think we can do it very well shortly, then they can detect a low flying anything over the horizon where they cannot do it today.

The size of the return on the radar will not be improved. The sharpness of it, the ability to pick it up at an earlier time if we have the over-the-horizon ability and they have it, yes; I would have to say that. But if we retain the B–52 it would just magnify their ability to detect.

Mr. LEAHY. This is assuming a low-flying approach?

Mr. GOLDWATER. The planned mode of attack of any of our bombers is high-low-high or high-low-low, mostly going in low, and I say not over 500 feet, for bombing, and remaining at low altitude for escape.

Mr. LEAHY. But if we do this with the B–1 bomber, it cannot fly supersonically at low altitude; is that right?

Mr. GOLDWATER. It is not possible to fly any airplane at low altitude for supersonic speeds. You would have to go to Mach 1. But assuming 0.9 or .95, which is possible in the B–1 bomber, this is a very high range of closure for any radar to pick up at the ranges today, and even at the extent of the ranges, the over-the-horizon, by taking advantage of the range features we feel they could avoid any improvements in radar.

Mr. LEAHY. I am concerned about the fact that we are going to tremendous expense to build a supersonic bomber which must be flown at subsonic speed, necessitated by the low altitude required to penetrate a potential adversary's air defenses. I assume it would have to go to a higher altitude at the time it releases its nuclear weapons, thus becoming more vulnerable. It is going to take some 7 or 8 hours for a B–1 to get to its target, which is certainly going to allow the Soviets a chance to employ several different methods of detection compared to 30 minutes or so for land-based missiles to reach their targets, and even less, 15 to 20 minutes, for submarine-launched missiles. With this in mind, I wonder if we are in a position where we can justify the expenditure for an airplane that was going to cost $20 to $24 million, at the start, and which is now up around $80 to $84 million. If past performance is any record, we find that weapons systems never decrease in cost. It could get to the point where we will be spending billions of dollars for a weapons system which, in the estimation of this Senator, does not substantially improve the situation we have with the B–52G's and H's. The concern that I express is the fact that even though we are in the missile age, it will take the B–1 an enormous amount of time to get to a target undetected. Furthermore, this supersonic bomber will have to fly at subsonic speeds at low altitude and then go to a high altitude at the time it releases its bomb.

Mr. GOLDWATER. Let me clarify what I mean by high-low-high. We would not fly the whole route at low altitude. We would not fly the initial phase of that probably up to within—well, I cannot make a standard guess because it would depend on the target, terrain, the approach and all of that. We would probably fly at altitudes of above 30,000 feet, at subsonic speeds, to the general target area and then descend within 1,000, 1,500, or 2,000 miles to make a low approach to the target where we would have a better chance of being undetected, even though I will admit that their early warning radar probably would have picked us up.

I want to touch on one other thing that has not been touched on so far. We are not certain right now what type of weapon we are going to hang in this bird. It is not going to be in the inventory to fly until about 1980. I looked in the bomb bays last week when I was out there and I asked the question, because I had heard it rumored that they were not going to configure it for conventional bombs. They said nothing could be further from the truth, that they had not configured it for anything except the SRAM missile, which we now have. If that is the only missile we have at that time, it will be used.

There is one other point which the Senator brought up, and that is the cost. I was going to get into that next in my discussion. If the Senator would like to wait——

Mr. LEAHY. I have just two other points, if I could. The SRAM missile, of course, is available to be used on the B–52's. I think it would be safe to say that most SRAM-type missiles are a kind of a stand-off sort of missile. It might be available for the B–1, but it could also be carried by the B–52. That is somewhat of a generalization, but I would assume that might be so.

The thing that bothers me when we talk about the bomb load is the idea that the B–1 would be used as a conventional bomber to be used in conventional warfare. Are we going to spend $85 million to possibly $100 million per plane for bombers susceptible of being shot down by $50,000 missiles?

Mr. GOLDWATER. When we built the B–52 we did not think of the B–52 as the conventional bomber. But it did not take us long to convert the B–52 into a conventional bomber to be used in Southeast Asia. In this field we have so many developments going in conventional weapons that the Air Force is not ready at this time to say, other than the SRAM will be the weapon. The type and configuration of conventional weapons will be determined later. There is time.

Mr. LEAHY. Will the Senator yield?

Mr. GOLDWATER. One minute.

Certainly, we would never develop a weapon that can only be used for nuclear bombs. In the inventory now, we have very few B–52's that are not configured for conventional bombs. In my opinion, when we are talking about conventional bombs today they may be obsolete at that time.

Mr. LEAHY. Is this in a conventional war?

Mr. GOLDWATER. Wait a minute. The Senator is talking about using a B–52. This is the argument he is getting into. As I tried to explain earlier, we do not know how long these airplanes will be good, how long they will fly. We found metal fatigue in the B–47, a smaller aircraft but of similar design, starting at 4,000 hours. We find metal fatigue in the B–52 starting at 10,000 hours. While the G's have not reached that high, it is not going to take many more years for them to get there.

As long as the Senator has brought in the matter of cost. I have asked the Air Force to prepare some data on what it would cost today to acquire our B–52 force in 1975 dollars, to improve them, to put modern engines on them, and modern avionics. It would be about $24 billion for 744 B–52's and that compares to $15 billion for the B–1 in 1975 dollars.

So, that gets us talking in equivalent dollars. What we are talking about is a more effective airplane.

Mr. LEAHY. The cost has gone up.

Mr. GOLDWATER. And we are talking about also smaller numbers.

Mr. LEAHY. Again, the question of using the B–1 in conventional warfare worries me. When we used the B–52 in Vietnam, and the North Vietnamese finally got a sophisticated antiaircraft system around Hanoi, we started losing our B–52's.

I think it was a shock to the American people, and I think a shock to the military, quite frankly, at that time. The loss of American lives was shocking enough. Added to that we were also losing millions of dollars a copy on a fairly limited fleet.

Mr. GOLDWATER. To put the record straight, our losses in the B–52 blanket bombing or meadow bombing, whatever one wants to call it, of North and South Vietnam, were lower than in any other conflict we have ever engaged in. We had remarkably low losses.

Mr. GLENN. Mr. President, will the Senator yield for a question?

Mr. GOLDWATER. I am happy to.

Mr. GLENN. I think this point is at the heart of whether we need a B–1 bomber, the exact colloquy that has been going on here.

As I see it, we will be running out of a weapon to conduct conventional bombing. Hopefully we shall never be engaged in an all-out nuclear war, but any bomber purchased must have both conventional and nuclear delivery capabilities. To buy the B–1 strictly on the basis that it can deliver a nuclear weapon to me is to proceed to the most fantastic overkill capability any nation possessed in history by a quantum magnitude almost beyond all belief.

We can, already, literally sink Russia if we wanted to with ICBM's, and they could do the same to us.

Whether we do or do not have parity, an item of discussion yesterday, we are already so far above anything we need with respect to ICBM's and likewise the Russians, that to talk about needing another weapon to deliver nuclear weapons is, to me, wishful thinking of the highest order.

If they clobber us with a nuclear weapon in South Dakota and that mushroom-shaped cloud drifts east, we are not liable to sit and wait for them to fire the second ICBM at New York or Washington; and vice versa, I might say, on the other side.

One of the big advantages, perhaps even the biggest advantage of the B–1 is that it can be engineered to carry conventional weapons with so much more safety for crews, and can successfully penetrate the air defenses. More importantly, the B–1 bomber with conventional capabilities can conduct a somewhat normal nonnuclear war, if there is such a thing. However, if we are not providing that capability in the B–1, then I begin to question its use.

The conversations we have had today, not in the Chamber, but privately, with the Pentagon have indicated that this capability is not in the B–1 now but is planned as the older conventional capability phases out.

I hope that is the case, because I understand that the B–1 is not now being constructed with the necessary hard points and with the structural engineering so that bombs weighing 1,000 pounds or more—conventional bombs—can be carried. This conventional capability certainly should be planned because if that is not being planned, much of the advantage of the B–1, to my way of thinking, is lost.

I think we need a capability of going into a target, short of nuclear war, in the future. I therefore hope that a conventional warfare capability is being planned for the B–1 bomber.

Mr. LEAHY. Mr. President, will the Senator yield on that point?

Mr. GOLDWATER. Let me answer the question put by the distinguished Senator from Ohio, whose combat experience I highly respect and whose judgment in these matters I think will be a great asset to the Senate.

As I said at the outset, when you look in the bomb bays today, there is nothing. When you go into the drawing rooms, when you discuss what is their planning, are there plans for conventional bomb racks? Again, we get into the question of what are we going to hang in this bird. Is it going to be a stand-off missile? There is a lot of growing emphasis on the value of a stand-off missile. Will the SRAM still be the only thing we have at that time?

We are talking about this aircraft that will not come in the inventory until 1980, about 5 or 6 years from now.

The Senator well knows, with his experience in jet fighter craft, that they are hanging things on airplanes until the darn things fall apart. But I can tell him that I have seen on the drawing board and I have heard discussed as I have been with this B–1 program since its conception, that its probable use will be conventional.

When you ask specifics, will it be a bomb of 500, 750, or 1,000 pounds, I do not think the Air Force can answer it. I do know that they would rather have a conventional B–1 configured only for nuclear bombs because we learned our lesson when we had to have a conventional bomber in South Vietnam, and we had to very suddenly convert our B–52 from the atomic capability to the conventional bomb capability.

I can assure my friend and my colleague from Ohio that they will be and we will continue to stress the need for them, but we are still in the test-flying period. We have not even tested the avionics yet.

We have very few hard points on the bird, but they will be coming within the next several years.

Mr. GLENN. I appreciate the comments of the Senator from Arizona. As he well knows, during the construction of aircraft of this type, it is imperative that the engineering right from the ground up be such that the load carried through structures are such that these

UMI

attached points for heavy weapons or for bombs can be placed later. Unless that is provided for right from the start that cannot be incorporated later without fixtures that will be very expensive and may lead to designing another airplane.

So I am glad to hear the comments of the Senator from Arizona, and I thank him.

Mr. GOLDWATER. I assure the Senator that not only hard points for interior but exterior loads are already in the aircraft. The test that I watched the other day was what we call the flutter test to test just these points. It is a very modern method of testing. We used to have to go up and tear the airplane apart. Now they can induce flutter by a piece of metal coming out of the tip of each aerodynamic surface and telemeter it back to Edwards Air Force Base where it is inscribed with a long pencil, as the Senator well knows, as his flights in space were all telemetered. From that we know where the weaknesses are. We know where engineering has to be done.

We have a long way to go, and I hope some day that the Senator from Ohio, with his great experience, will go out—and I am sure they will give him an F–4 or F–15 or any bird he wants to tie on him—and go up and see what happens.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. BROCK. I think the point that is being made by the Senator from Ohio and the Senator from Arizona is to go beyond the debate that the Senator from Vermont mentioned about whether or not we need a manned bomber. That is a separate matter. If we are discussing any manned bomber, then we have to look at the specific program in relation to any other potential alternative.

The fact of the matter is whether you are talking conventional or nuclear, or strategic, the B–1 bomber has a lower profile, has a higher survivability, much reduced risk, a greater payload and a greater opportunity for pilot as well as plane survival than the B–52, all at a considerably reduced cost over what it would take to get the B–52 up to a similar capability, and even then the B–52 will not have the survivability that the B–1 has.

I think that is a fair summary of the case that we are talking about, true cost-effectiveness, true survivability, true deliverability, and true pilot safety in this particular regard.

Mr. LEAHY. Mr. President, will the Senator yield on that?

Mr. BROCK. I yield.

Mr. LEAHY. I appreciate the fact that we are talking about the particular plane and not the overall manned-bomber system.

As I stated before, I still have yet to make up my mind on the question of the B–1. I had hoped that we could have followed through on what we suggested in the Subcommittee on Research and Development on this; that is, to continue the research this year and go to the overall debate next year.

But apparently some of this is going to come into this debate. If in fact the B–1 may be configured for conventional warfare, if indeed it is going to be used as a conventional bomber, is it really that improved over the FB–111 to justify its enormous cost? And if it is to be used only as a strategic bomber, does it really justify again the enormous cost, considering the fact that our main nuclear load is going to be delivered by SLBM's and ICBM's, and various other missile systems?

I really question the advantage to us of preparing the B–1 as a conventional bomber. If that is our primary purpose, what is its advantage over the FB–111, which is far less expensive?

Mr. GARY W. HART. Mr. President, will the Senator yield for a question?

Mr. BROCK. Let me answer the point raised by the Senator from Vermont.

The Senator is beginning again to mix apples and oranges.

Mr. LEAHY. I cannot hear the Senator.

Mr. President, may we have order, or a microphone, whichever is going to work better?

The PRESIDING OFFICER. The Chair thinks there is order in the Senate, if the microphones are working.

Mr. BROCK. I think the Senator is walking into sort of a trap by mixing the apples and the oranges, the tactical weapon versus the strategic weapon.

If we are going to have a strategic weapon which is either the B–1 or the B–52, the B–52 is not an adequate weapon with today's technology. It could not survive, even with some modernization, the intensive defensive systems within the technology. If we want to talk conventional, the B–1 has both the conventional capability of the B–52 and the FB–111.

So in either sense, if one wants to compare the investment required for the strategic and tactical capability, the investment is far greater to continue existing programs with the FB–111 and the modernization of the B–52 than it would be to go to a new system. The new system is more cost-effective. You get more survivability, more deliverable capacity, and ultimately, although you hope you never use either system, if you have to, you have better results.

Mr. GARY W. HART. Mr. President, will the Senator yield for a question?

Mr. GOLDWATER. I yield.

Mr. GARY W. HART. With respect to the so-called triad theory, it is my understanding that much of our attack-destructive capability used to be with the manned bomber, and thus, for cost-effective reasons, we began to shift that to land-based so-called ICBM missiles. Then, a few years later, the Navy began to get into the act and wanted the sea-launched ballistic missiles, and we had ICBM's and SLBM's and then we decided that we needed the manned bomber back, with a nuclear capability.

My question to the Senator from Arizona, particularly in the context of the remarks of the able Senator from Ohio about our tremendous mutual destructive capability, is with respect to the theory of the triad itself and how something that almost came along by accident, or evolved, has now gotten to be almost gospel in doctrine. To what degree is maintenance of the triad theory itself written into stone, and how much can that be questioned in discussions of the sort that we are having these days?

Mr. GOLDWATER. The triad concept did not come into being by accident, by any means. We have had the nuclear submarines for a good many years. In fact, we are wearing out the first family of nuclear submarines. We are now building the Trident, which will be the carry-on in the 1980's. The land-based ballistic missiles are old with us. We have always had, since World War II, the concept of strategic bombing by manned bombers.

The three together, forming a three-legged structure, or a triad, give us selectivity, give us maneuverability, and give us a selectivity of choice that the enemy need know nothing about.

The advantage I recited earlier of the manned bomber is that once the President has determined to punch that red button, missiles, whether they be land based or submarine based, are off and gone, and there is no calling them back. If it is a manned bomber that is on the alert and it is called into the target, it can be called back at any time.

This is a structure of the Triad, and it is the validity of the Triad, and I do not think the Triad can even begin to exist without the manned bomber.

While the B–52 has served its purposes, it cannot be in the inventory very much longer. We are now flying an aircraft that is about 22 years old, and this is particularly old for any airplane, particularly one subjected to the type stresses required for operations in South Vietnam.

I do not go along with the idea that the B–52 will be a viable aircraft until 1984, which some people say. I say 1980. We are probably going to see the last of them flying, and we will probably go through a period in which we will not have an adequate manned-bomber force. This is one of the reasons why I am so strong on the B–1 or any other aircraft that we would have that would be new. The B–1 happens to be it, and it has been on the drawing boards starting back in the late 1960's and came into fruition on the boards about 1970, and it is now being test flown.

Mr. GARY W. HART. I have done a search of where the so-called triad concept originated, and it seems to have been used first in the late 1960's, perhaps 1969 or 1970, by then Secretary of Defense Laird. Fairly recently, I believe Secretary Schlesinger has said that it was more or less an accidental strategic concept, and I think Gen. Maxwell Taylor fairly recently has talked about the United States unnecessary strategic redundancy.

So I think that in the context of the debate over foreign policy and the relationship of military policy, it is legitimate to ask the very fundamental question of the degree to which we are basing all our discussion and decisions here on a concept that just sort of happened along over a period of years and now has taken on all the sanctity of the Ten Commandments.

Mr. GOLDWATER. It goes back a long time before Laird. If my memory serves me correctly, there was an Italian named Douhet who wrote on airpower way back before World War II. While he did not use the word "triad," he could conceive of a very difficult to conquer combination of seapower, airpower, and landpower, with airpower playing the biggest role. He did not spell out missiles at that time, because we did not know about that.

But this concept of a multiple force is not new. It may be that Secretary Laird used the term "triad" first, although I doubt that. I think it has been in effect much longer than that, because we go back with the Poseidon 20 years; so it has been a long, long time.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. BROCK. I think it is important to point out that this Nation went through one of the great debates—the Senator mentioned one point in history—about 40 years ago, over the Billy Mitchell case, as to whether or not air power had any function in modern war power. The Nation—or at least some leaders—made a very unfortunate decision at that particular time, I believe.

It is quite possible that we can talk about redundancy, as the Senator from Colorado does, in the wrong context with the B–1. There is a redundancy in terms of its ability to deliver megatonnage on a strategic target; but it is not redundant in terms of survivability, in terms of its mission and its control, the ability to direct it to alternative targets, the ability to recall it, the ability of it to survive a different kind of attack. These are very specific differences that lend it a credence that it would not have if it were an identical counterpart of the Minuteman III missile.

The whole purpose of the Triad is to give us a balanced mix in our strategic capability. We are not talking land, sea, and air any more. We are talking strategic capacity; and within the strategic area we have the concept of Triad simply because it is the only logical extension of our ability to survive in a peaceful world, and that is the purpose of Triad. That is the purpose of Triad.

Mr. GOLDWATER. I thank the Senator for his contribution.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GOLDWATER. I might just add that there may come a time—I am not ruling this out, though it is not here yet—when it can be effectively proved that strategic warfare is no longer a valid means of warfare. But the fact remains that it is of utmost importance to us, it is of utmost importance to the Soviets, and it is of utmost importance to the Red Chinese. All of us are building supersonic bombers.

Mr. HUMPHREY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GOLDWATER. I am very happy to.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a member of my staff working on this bill, Darrell Horne, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, to continue my remarks: For the critics who still want one of the alternatives—and again I point out the Joint Strategic Bomber Study judges the B–1 as the most cost effective option—I asked the Air Force to prepare some data on what it would cost today to acquire our B–52 force. In 1975 dollars it would cost an estimated $24 billion for 744 B–52's, the number we bought over the years. In 1975 dollars, the B–1 program is estimated at $15 billion, though of course with considerably fewer bombers.

For the $15 billion we could buy about 480 B–52's. Although you get more bombers, the supplement to the Joint Strategic Bomber Study found that 480 B–52's would be less effective than 244 B–1's. And, with the B–52, no matter how you do it, you still end up with an old airplane.

I make a short comment here. The cost of this airplane today is about $84 million. It started out to be about $29 million. If you compare this weapons system with any other—and I will stretch that and say with anything else the Government is doing—and do it in then year dollars, the increased cost of the B–1 has been only about 12 percent, where, when we look at the Metro subway system, the increase is over 400 percent, or at the Kennedy Center, over 200 percent. I think the B–1 has actually been kept in pretty good line, although the figures are frightening.

Yet the criticism and the haranguing of the critics persists. As I have said before, no amount of objective factual data supportive of the B–1 will convince those who wish to kill the B–1 program, for reasons known only to themselves.

Mr. President, what we need to do is vote this program up or down. We need to get on with it or get off of it. Anything in between just costs the taxpayer more than he needs to pay.

Let me take a minute to discuss some of the costs of the B–1 program. As the result of previous year congressional reductions to annual funding requests, Air Force estimates the total program cost has increased by $458 million. This is because schedules were readjusted and the inflation factor works for a longer time. Some of the previous year reductions were reasonable and required. There were several times when the program seemed to falter and a more conservative approach than the Air Force requested was warranted. So I do not, by any means, place the blame for the entire $458 million increase on the Congress.

This year our committee denied the funds requested for long lead procurement items and also all funds within the R. & D. request that in any way could be related to production. The committee felt that to authorize these particular funds would be to make a semiproduction decision prior to the actual planned production decision, to be made by the Secretary of Defense in November 1976. I do not view it that way but a majority of the committee felt otherwise. I might add we will face the same problem next year.

However, I want to point out that the impact of the committee action will be to add almost $1 billion, I repeat $1 billion, to the total program cost if the B–1 goes to production—and I have no doubt that the B–1 will go to production. The committee action will also further delay the planned inventory date.

Mr. President, in our bill last year, I think my colleagues will remember we used language to the effect that on the completion of successful test flights, the production model will be purchased. We did not live up to our word on that. We are delaying; and if we delay too long, we can add a billion dollars to the cost of this program by virtue of slowed down production, and so forth.

Whereas the previous program cost increases brought on by congressional reductions could be attributed to program difficulties, that will not be the case, if this year's committee recommendation is sustained through appropriations.

Frankly, from this point on, I believe the question is, Do we want the B–1 or not?

I think it is just as simple as that. I think we would be making a terrible mistake in this body if we try to reduce it further. If we do not want it, let us have the courage to stand up on our two feet and say, "We do not need that bomber, let us scrub it." I think that would be a big mistake, but I do not think we can fool around with anything as big as this.

It is merely a matter of making up one's mind. The first aircraft is flying and the second and third development aircraft are well on their way to completion. The fourth aircraft requested this year will be used to finalize the configuration of the production aircraft. There are no significant development or manufacturing hurdles to overcome, more than enough studies have been made on the requirement, an endless amount of data has been made available and there has been ample debate by the Congress. What else could we possibly need?

Mr. President, as I said at the beginning, I believe the Triad must be retained, that there must be no degradation in its collective capability and that each Triad system must be capable of carrying out its mission independent of the other two. Our strategic force programs are designed to insure that each of these conditions continue to be met, and I urge my colleagues to support these programs with that in mind. Anything less will, in my opinion, place our security at greater risk.

Before I relinquish the floor, I may have said something during the course of answering a question or two that might be misconstrued, involving a matter of bombing altitudes. I did not mean altitudes of 30,000 feet, 40,000 feet, or even 20,000 feet. The bombing would be done at low level altitudes. Just what that might be I do not know; I have not sat through the profiling of any of those missions.

Mr. President, I relinquish the floor and yield to the Senator from California.

UMI

Mr. CRANSTON. Mr. President, I yield such time as he may wish to the Senator from Arkansas.

Mr. BUMPERS. Mr. President, I recall a statement by the Senator from California about 2 weeks ago, in which he told me that this debate would be primarily, during the first 2 days, to examine our present, past, and possibly future foreign policy, examine the attitudes that had led us into the foreign policy, and what the future course ought to be, based on some of our past experiences.

I have found all the arguments here regarding the weapons procurement bill very illuminating. My remarks are a little more general, and deal with certain problems to which I should like to address myself.

Like most Americans, I felt an enormous sense of relief when the President announced that an American ship and its crew had been rescued from their Cambodian captors. But I was and am troubled because the whole episode may indicate that we did not learn or at least have not profited from the lessons of Vietnam. Rather our actions suggest that we still may be snared by the same, tired dictates that have governed our foreign policy for the last 30 years.

As the cheering over the *Mayaguez's* recovery is dying down, we are slowly learning just how costly that operation was. According to the latest figures, 38 Americans are dead; 3 missing; 54 wounded. The number of casualties alone should give us pause. The human and material loss would be a sad but acceptable price if we knew for sure the action by the President was taken soberly and reluctantly, as an absolutely necessary measure to protect American lives and to uphold international law.

Unfortunately, the President and other members of his administration have not made it sufficiently clear that this was the case.

Were our actions in the *Mayaguez* incident those of a calm and self-confident great power, or those of a Nation anxious to salve its wounded pride? We seem to have been looking over our shoulder at all those little countries, especially Korea, that supposedly would start pulling our tail if we reacted in any different manner. Strangely and inexplicably one of our first acts was to drop our most destructive conventional weapon, a 15,000-pound bomb, on the small island which we believed housed the men we were seeking to save.

There are questions: Why were the casualties so slow in being announced? Why was it necessary to bomb the Cambodian mainland after the *Mayaguez* and its crew had been safely recovered?

More importantly, was the President's action in accord with the letter and spirit of the War Powers Act? If so, does it mean the President, without congressional consent, can under other circumstances, not covered in the act, bomb other mainlands of say China or the Soviet Union?

When—when is this country going to learn the simple lesson that restraint is not incompatible with great strength? John Kennedy proved this in the 1960's when he allowed the Soviet Union ample time to withdraw their missiles from Cuba, because he knew we did not want nor did the Soviet Union want the confrontation that would certainly result from precipitant action on the part of the President.

Later in the 1960's we succumbed to the illusion that we could fight a futile foreign war and pour endless sums into domestic programs at the same time without tearing our society apart, and we were wrong. Now we are paying the price, in the form of our worst recession since the 1930's—and that is only the material, not the spiritual, price.

We will never recover our real strength by displaying the same attitude, that got us into the Vietnam quagmire in the first place. Military power is vital to our interests, but it is only a companion of our greater strength, which is confidence in ourselves as a concerned and sensitive nation. So military power should not be an end in itself. It should be the tool for a broader foreign policy, a policy which I hope in the future will be more visionary and realistic than it has been in the past. And the decisions which we are about to make regarding the size and number of weapons our Armed Forces shall have, should reflect this philosophy.

For many years after World War II, our foreign policy was guided by fervent anticommunism. For all of its shortcomings, anticommunism had one great virtue: When a decision had to be made, we knew where we stood. We have made common cause with tyrants, and always justified our communion on the ground that the tyranny we opposed was worse than the tyranny we supported.

This foundation of our foreign policy began to erode during the Vietnam war, as we slowly came to the realization that our blind and unquestioning allegiance to the dogma of anticommunism might not be the godhead we had held it up to be and indeed might in some cases be contrary to our best interests. President Nixon and Secretary Kissinger recognized this when they opened the way for détente with China and the Soviet Union. I believe our single minded devotion to this concept has been discarded.

At the same time we cannot succeed with a morally neutral foreign policy, and I do not believe such a policy is acceptable to most Americans. We are too accustomed to the idea that America stands for something. Our policy ought to be firmly rooted in a few basic principles. It should reflect a firm and deep commitment to democracy, not just professions of allegiance to nebulous and undefined "values." There is nothing wrong with being anti-Communist. In fact, there is every reason to be opposed to communism. The fatal flaw in our former policy has been the rigidity with which it was carried out. It left this country no flexibility.

In terms of foreign policy choices facing us, what does all this mean? It means that every foreign development—whether within another country or between two or more other countries—must be evaluated on its own terms. We should ask ourselves: First, does it suggest the beginning of an effort at widespread conquest and possibly world domination, or is the development only one aspect of a local or regional redistribution of power and territory? Second, is the uprising a conspiracy by a small diabolical group to gain tyrannical control over a traditionally democratic freedom-loving people, or, is it a fairly broad-based movement to replace one form of despotism with another which the people, for their own reasons, find more acceptable?

Stated simply, we must be prepared to deal with, and even maintain diplomatic relations with, governments and incipient popular movements which espouse ideologies and values alien to our own. One criterion for our acceptance must be the regime's potential or actual viability with its own people, not just its ideological slogans. Another criterion is to determine objectively whether that government is a threat to us, or if it is only unpleasant. We cannot continue to oppose groups in other lands simply because they seek social or political reform within their own countries, or because we would not want their social or political values here. We certainly cannot continue to support regimes and political parties which are patently repressive and narrowly based just because they oppose or are opposed by groups considered to be leftists.

The world economic structure, and the closely related global political structures, which have served us since World War II are in disarray. U.S. foreign policy must now be prepared to deal with the challenges inherent in this new situation, and exercise its leadership creatively. To do otherwise would be to invite continued worldwide economic stagnation, a declining standard of living at home, and disorders and chaos abroad.

Our relations with the People's Republic of China and the Soviet Union should be approached not with fear but with great care. We must not lose sight of the differences of value and interest which separate our countries, nor should we overlook the ability of these countries to adversely affect us. By the same token, we should not overlook the changes which have taken place in our mutual perceptions and relations. While we must guard against their less than totally benign ambitions, we must take care not to undertake military expenditures to check or balance nonexistent challenges or threats. More importantly, we must be careful lest our fervor for defending our interests creates challenges where none now exist.

The realities of today's world require that a great nation's foreign policy has the ability to turn, in the last instance and in total failure, to military power. So we have the duty to make certain our foreign policy is not undercut by stripping it of this strength. But, this duty must be balanced against a cogent responsibility not to waste our Nation's dwindling resources, the taxpayer's dollars, nor build a military establishment equipped beyond all reasonable requirements necessary to fortifying a positive, forwardlooking foreign policy.

The issues we will discuss here are staggering in their significance.

Should we continue to develop and test the accuracy and yield of our Minuteman III and SCBM missiles, to enable us to retaliate against the Soviet Union's fixed missiles in the event of an attack against ours? Or are we simply using the counterforce rationale as a disingenuous means of justifying the development of a first strike capability?

Is a manned bomber fleet which forms one arm of our strategic Triad a viable and essential weapon system, or is it a dated concept which is vulnerable to a sophisticated air defense? And more specifically, if we are to retain the manned bomber as strategically viable, are the improvements in the B–1 sufficient to warrant its exorbitant cost or can we make do with the newer classifications of the B–52?

Are nuclear submarines and submarine launched ballistic missiles to be our first line of defense in the 1980's and 1990's and if so, can we afford the Trident program which will cost upwards of $20 billion and give us 240 new launchers with ranges of 4,500 nautical miles? Or, should we save substantially by reoutfitting our Poseidon fleet with Trident missiles?

And finally, hovering over all our discussions will be the spirit of the Salt II talks and the issue of whether we have a duty and obligation to reach the proposed limits of 2,400 delivery systems and 1,320 MIRV launchers as soon as practicable, which is the administration's view, or rather should we resist the temptation to let numbers be the sole criterion for nuclear superiority.

From all reports we are substantially stronger than the Soviet Union strategically and tactically. The number of our warheads and our technological advancement put us far in the lead even by the most pessimistic standards. The danger lies in falling prey to the temptation to expand our significant lead the obvious effect of which will be a continuation of the endless arms race—and the concomitant proliferation of arms to more and more nations.

I simply hope that this body will have the wisdom and discretion to walk that narrow line and maintain that delicate balance between sustaining our lead and succumbing to excess.

Mr. President, I thank the Senator from California for yielding me this time.

Mr. HUMPHREY. Will the Senator yield?

Mr. BUMPERS. I am happy to yield.

Mr. HUMPHREY. I rise primarily for the purpose of commending the Senator from Arkansas for his splendid address. I was privileged to be here to listen to his remarks in full. They represent a very cogent and persuasive argument for new directions in our national security policy.

I think that to narrowly focus our attention in the search for new directions on what is traditionally termed foreign policy would be regrettable. In our search for new directions we must think more broadly than this. We need to think of a coordinated national security policy—one which includes our diplomatic initiatives abroad, which includes foreign trade and our policies that relate to foreign trade, which includes farsighted policies concerning the international monetary process, which includes developmental assistance of an economic nature, and of course which includes the traditional military policy that we in the past years called national security.

National security is a combination of many facets of the Nation's strength and of the Nation's purpose.

This morning in the Committee on Foreign Relations we listened to six outstanding witnesses, two of them members of former administrations, Mr. George Ball and Mr. McGeorge Bundy. The other four addressed us in a panel. They were Mr. James Grant, Dr. Joseph Nye of Harvard University, Mr. C. Fred Bergsten from Brookings, one of the foremost analysts in terms of what is happening on the economic front internationally, and Dr. Ed Fried from Brookings Institution.

I think the point needs to be made, as was made by the Senator from Arkansas about midway in his address here today, that the emphasis in American policy from here on out must be somewhat tilted toward the international economic aspects of our relationships in the world.

Of course, it must be buttressed by a strong defense. That strong defense is present now, and the efforts made by the Congress in this bill and other measures will maintain that defense. But if there is any one weakness today in America's national security, it is the fact that we have not developed a mechanism, either at the executive level or at the legislative level, to coordinate the various aspects of our policy into an overall national security policy.

Let me give you one example to illustrate this point: There is very little coordination between Defense and State and Commerce and Treasury and AID in all matters that relate to access to supply.

Look at how we have acted about our relations with the OPEC countries. One day, the Secretary of Defense says that if they do not shape up we may have to attack them; another time a different administration official suggests that we might organize the consumers to deal as a bloc with the producers. Later, officials shift and say that we have got to be cooperative with the producers and see if they will not be willing to listen to reason and sit down with the consumers.

We are all over the lot and the reason is that there is no sense of direction relating to the new realities that exist in the world of today as compared to what existed in the world of yesterday.

There was a time, and I think the Senator from Arkansas made this point, when we had a singleness of purpose; namely, to meet the Communist menace, and that singleness of purpose had merit and was also successful.

I think we ought to make note of the fact that our policy has been eminently successful. It is still to be understood that the ideological systems of the Soviet Union and the People's Republic of China, and 12 other Communist countries, are contrary, in many ways, to our system and to our purposes. Of course, we must be on guard as we deal with these systems. But on guard to be cautious, prudent, and careful.

I think the point also needs to be made that maybe our greatest danger today may not be military.

As one of the witnesses said to us this morning, it is entirely possible that problems of overpopulation in the world may present a greater threat to world security than some weapons system.

The problem of ecological imbalance which can be caused by overrapid industrialization, the unwillingness to have any kind of international mechanism than can protect the evironment, may cause us real problems of national security.

The proliferation of nuclear technology, even for the purposes of energy, which may make possible the production of plutonium, and the improper care of the nuclear waste, could possibly be more disastrous to the modern world than some of the problems we face in terms of traditional conflicts between some of the smaller nation states.

My point is that in the debate on foreign policy, we must expand that phrase to the broad concepts of national security, and get away from thinking about national security in strictly military terms.

I shall never forget what General Eisenhower told us in 1949 in the Coolidge Auditorium of the Library of Congress when I was a freshman Senator. It was my first opportunity to see the distinguished general and great American, and as he stood before those of us who gathered at the Coolidge Auditorium, he said to us that the military is but the cutting edge of the political, social and economic fabric of this Nation and that true security was to be found in the strength of the blade rather than just in the fine cutting edge.

What he was talking about was the basic structure of the American economy and its relevance to our national security.

Today, that economy is in some trouble. Hopefully and prayerfully, it is on the way out of that difficulty, but it is a long ordeal.

More significantly, our economy as it relates to the world economy, I think, is very much out of balance. We still do not understand how to deal with the international cartels that beset us. We still do not understand how to deal with the shortages of supply that this Nation faces in many of its industrial processes. We still are unable to really come to grips with what kind of international monetary system we need to guide a world through vast economic development. We still have no control over the race between food and population. This is a very serious matter.

The back page of the New York Times today in its first section carries the story that the prospects of world famine are still here and that they will grow rather than diminish.

A host of things that go far beyond weapons systems or any series of weapons systems affect our national security.

My point in rising here today to join

UMI

in this discussion is that while this particular bill affords us the opportunity to discuss tanks and B–1 bombers and AWACS, or whether or not there should be a new type of missile like a MARV, the most important thing is, what is our perception of the world in which we live today, what kind of world are we going to create?

We have got to understand that the world of the sixties, during which I served here in the Senate for a period, and the world of the fifties, when I first served in the Senate—no longer exist. The world has changed vastly, there are 150 sovereign nations today in this world. The United States of America has not become weaker because of these changes but some other parts of the world have grown stronger—not stronger than we, but stronger than they were.

We have to understand that there are powerful economic forces at work in the world that could be more destructive to us than almost anything. For example, the Arab oil embargo did more damage to many parts of the world than any war could have done. The economic damage of that embargo and the quadrupling of the price of oil almost within a period of 2 to 3 months did more damage than almost any kind of military attack. Had the Soviet Union planned it, they could not have been more effective. But I do not say nor would you that they had planned it.

Might I say that a renewal of that kind of embargo could have a devastating effect. Furthermore, the renewal or strengthening of cartels in certain metals or perishable products can have a devastating effect upon us.

So as we look to our national security, I believe it to be important that we focus on the new dimensions of world policy that in the past received very little consideration. Most every debate in this Senate over the last 10 years has been over Indochina, whether we were right or whether we were wrong in being there. Finally we came to the conclusion that we were wrong.

All during this entire period, much of the intellectual talent of this country was in a sense focused upon one little segment of the world and one area of our involvement at the expense of many other things that were transpiring.

Today, we find ourselves facing complex problems. We find the value of the U.S. dollar as a foreign currency diminishing. We find our great Nation being very concerned over problems of its trade relations with many other countries of the world. We find our industrial system wondering whether or not there will be access to supply as well as access to markets.

These debates that Senator CRANSTON, Senator KENNEDY, and others have organized are valuable because they force us to look at the other dimensions of national security. We are not going to find any immediate answers, but we have to break out of this mold of yesterday and get out here and argue out as intelligent people where we ought to be going tomorrow.

We do not have all the information we need. We do not realize yet how much the world has changed. This morning Senator CASE of New Jersey, asked the witnesses penetrating questions about what changes are taking place in this world.

We talk about the new realities. What are the new realities? One of the new realities is the world has had a fantastic growth rate in both productivity and population. That means that we can expect a fantastic growth in the consumption of raw materials.

Another change is the rise of sovereign nation states. At the time we are talking internationalism, nationalism has become a much more powerful force than either communism or internationalism.

There are other great changes that are taking place: the new awareness of the environment in which we live and the importance of it to our future; the possibilities of some major imbalance in the stratosphere or in what we call the ozone layer surrounding our earth and the impact of such an imbalance on our national security are just two.

As the Senate debates this bill with the intelligent perceptions of men like the Senator from Arkansas and others who have debated here, I believe we are going to find that we have opened up a whole new period of American policy. We do not yet know what that policy will be, because the American people are yet confused as to what our foreign policy is. There is a good reason for the confusion—the world to which that foreign policy was once directed has changed, and has changed very dramatically. The question is: has our policy changed?

When I look at my responsibilities as chairman of a Subcommittee on Foreign Assistance, what do I see? I see that we have the same old foreign assistance program year after year after year, as if nothing had ever changed. We know we cannot go on with that. We know that it is not good enough for America just to be generous in its food assistance. We know that no matter how humanitarian we are, we cannot feed all the hungry people of the world. The question is: What is going to be done about it? How are we, not we as Americans alone but how is the world, going to meet the problems of food? Are we going to be able to tie in foreign assistance with population and with the growth in population, or the control of population? These are questions we are going to have to ask ourselves, and there are many more.

I thank the Senator for yielding some of his time to me. I appreciate it very much. I had no prepared remarks, but I was impressed with what the Senator had to say. I hope more Senators will get up and be willing to express themselves without worrying about whether or not their address is the most cogent address they have ever delivered in their life. This country needs some thinking out loud. We need to be brave enough to discuss our inadequacies and our strengths out loud.

We are a very powerful Nation. We are a very fortunate people. I think it ought to be said in this debate as it has been said in the past, that if there is going to be a better world in which more people can enjoy the benefits of technology, science, and the good life, we are going to help make it that way.

America is still a leader. The fact that we do not have a monopoly on nuclear weapons does not deny us the role of leadership. The fact that we are not able to call every signal does not mean that we are still not a leader. It means, however, that we have to be much more intelligent in our leadership. Now we cannot give command; we must be able to merit respect.

I believe that just as government by the consent of the governed requires a feeling of respect for those who are doing the governing and a feeling on the part of those who govern of respect for those who are governed, world leadership in a world of sovereign nations requires that we be able to command that same kind of respect in the international scene.

Anybody can give an order, but it takes a brave and an intelligent people to convince others that the course which it designed is the proper course to follow.

I believe that the time of cooperation—cooperation not on the basis of weakness but cooperation on the basis of many inherent strengths—has come.

It is only the strong that can afford to be considerate, and it is only the strong that can afford to be compassionate. It is only the strong nation that can afford to listen to the other man's point of view.

It is the weak and the bully that give the orders that tell people where to go and what to do.

I hope that we will make it our business to once again merit the confidence and the respect of nations and peoples, not only by setting a good example with our conduct, but with equal significance by setting a good example in our deliberations, in how we discuss these issues, and the spirit in which we seek to find answers.

I thank the Senator.

Mr. BUMPERS. I thank the Senator from Minnesota for his kind remarks. I would simply say that the last part of his remarks about the conduct of great nations is the point I was trying to make in my remarks about restraint. I think on the manifestation of strength and courage, as I pointed out with regard to President Kennedy, he showed remarkable restraint with regard to the Cuban situation, that if we gave the Soviet Union the opportunity that it was apparent that they did not want confrontation, that we did not either. It is that kind of restraint that I think we should understand is the mark of a great nation.

We have talked for 2 days about foreign policy as it relates to our military establishment, because we are about to take up the debate of the weapons procurement bill tomorrow. By the same token, I do not believe anybody in this Chamber would want to say where he thinks is the greatest danger to this country, whether it is from a military attack or from economic collapse from within. We have not faced up to the problems which the Senator has discussed here.

Sometimes I think it would be well for this Senate to engage in this same type of debate, designed and scheduled by the

distinguished Senator from Minnesota, who has made these points so very clear.

All of us remember when Mr. Khrushchev said, "We will bury you." While all of the cynics in the country wrote terrible articles about how we have to increase our military establishment to make sure that Mr. Khrushchev's predictions did not come true, he was trying to explain that he did not mean a military burial but an economic burial. I expect if he were alive today and saw the Arab oil embargo and subsequent events, he would be taking some consolation from his prediction.

Mr. HUMPHREY. Will the Senator yield one more time?

Mr. BUMPERS. I yield.

Mr. HUMPHREY. Mr. President, if the Senator will yield just once more one of the advantages of public life is the opportunity to observe and witness what happens in other lands as well in your own. I think that we are beginning to find out that, as President Kennedy once said, there is not an American solution to every problem. I think it is equally important for us to remember that, as we try to seek some answers to the problems we face, we have to have a very broad knowledge of the world in which we live.

I had long been convinced that the biggest mistakes that we have made in international policy or foreign policy are mistakes essentially of judgment and surely not of purpose. We have, for example, knowledge of Western Europe which is almost part of our national culture. Most every young American, who attends school, gets some history of Europe as well as the United States. But we had and have very little information, even to this day, even in this august body, of the Soviet Union. We have very little information about the Peoples Republic of China. Yet the Peoples Republic of China and the Soviet Union together represent over one-third of the world's population. They represent a vast landmass on the Earth's surface, and they represent a tremendous storehouse of natural resources. They also represent thousands of years of the history of mankind.

Here we are talking about national security, and most of us have very little information about either of these great two landmasses and great populations.

I did not say anything about India, which has 600 million people.

I venture to say, without trying to be explicit, in either person or committee, that very little information is known by Members of Congress as well as the public about that great area of the world called the subcontinent in Asia and even less is known about that vast area known as China.

I think that most of us, who are people in public life, know that the most important information about a political opponent or about a particular area is not what you read in the daily paper but what you know of the religion, the family life, the values, the culture, the music, the literature, the basic background of the opponent or of the people who reside in that area. We learn to make political judgments on the basis of information in depth—not on the kind of current events that one day can make one look good or one day make one look bad. The same should be true in our national security policy—we must make judgments on the basis of in-depth information.

We have attitudes about the people in Germany, their industriousness, also at times their militarism.

We had had attitudes about people in France, about the British and the Scandinavians. This is because we have known about their cultures and their backgrounds for years.

How little we know about Russia in comparison! We know something about Communist Russia, but how little we know about Russia, the Russia of 1,000, 500, 300 or 100 years ago. And yet, Communist Russia's policies and actions have a substantial impact on our national security!

When old Joe Stalin was trying to defeat the Nazis at Stalingrad, I think it should never be forgotten that the radios in Russia and the Soviet Union and the speeches did not call upon the Russian people to rise up in defense of Lenin and Marx. When the chips were down Stalin himself got on the radio and said, "Die for mother Russia." In other words, mother Russia meant something to the people, and Stalin called on great national strengths within those people.

I think about how little we have known about Vietnam—it was like a finger sticking out in Southeast Asia. We knew nothing of the Vietnamese culture, nothing of the poetry, nothing of the music, nothing of the art, nothing of the ethnic origin, literally nothing.

Yet, we committed ourselves as a country and a government to a vast endeavor.

When we talk national security, I think we should remember what Clemenceau said. He said that war is too important to be left to generals. What did he mean by that? He meant that generals understand the arts and the tactics of warfare but they know all too little about the motivations of people, what it is that makes people what they are, what it is that makes people want to fight or stop fighting.

I believe that when we talk here about weapons systems, about military budgets, and about foreign policy, we had better remember that America is a world power but with a half-world knowledge. We are going to have to become a much more informed people because, as has been said so many times, a person's judgment is no better than his information. The information that we have frequently is very faulty.

Even now, when we try to find out information about other parts of the world that relate to NATO defense budgets, it is very difficult for us to get accurate information. But we must try to get better information, to be a much more informed people.

Our process here is one of relearning. I was here when we debated the Marshall plan and the NATO alliance. We had lots of information about the world about which we were talking then, the world of 55 nation states. Members of the Congress could tick them off one by one, at least the ones that counted. But just 5 days ago, 17 nations in Africa put together a common market, headed up by Nigeria and Kenya, and I venture to say very little attention has been paid in this Government to the significance of that common market. But that common market can control vast supplies of natural resources that this industrial system of ours depends on.

We have spent very little time on that part of the world. We have almost ignored them. That is one of the reasons today why they ignore us.

We have spent very little time until recently on any other part of the world except Southeast Asia. Now the relearning process, the catchup is necessary. This bill affords us that chance.

(Mr. GLENN addressed the Chair.)

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I yield such time as the Senator from Ohio may need.

Mr. GLENN. I thank the Senator from California.

I should like first to associate myself with the remarks of both the Senator from Arkansas (Mr. BUMPERS) and the Senator from Minnesota (Mr. HUMPHREY).

I accept the challenge to speak informally on some of these items because I do feel that in the last day, despite what was billed as a foreign policy discussion here, we have somewhat stressed other areas directed more specifically at the defense budget.

I think we have looked mainly at the short-range aspects of our defense budget. The discussions in this Chamber have centered mainly around what happens to our American forces if we find an attack imminent in Korea, or what happens in the event of a conflagration in the Mideast, or what happens if the Panama Canal comes under seige in some form. These are the short-range considerations of the defense policy, and I think we must expand beyond them.

I certainly congratulate the Senator from Massachusetts (Mr. KENNEDY) and the Senator from California (Mr. CRANSTON), who have put together these days of discussion on foreign policy as it relates to our national defense and the consideration of the procurement bill.

I think this debate is a very wise thing to do as we recede from the devastation, the tragedy of Vietnam and of Cambodia. We are seeing even now the very first efforts of our President, indeed of the executive branch of Government, to examine what our foreign policy will be in the future. At this very hour right now, the President is flying back from Europe and our foreign policy reorientation is in order.

During the foreign policy reassessment, of reorientation, whatever we want to call it, the question of what defense budget we settle on, in this unsettled time period, is presented to us even before we know what our foreign policy is going to be in the future.

I think that, at best, this defense budget therefore will be an interim defense budget, while we sort out around

UMI

the world what our defense posture is going to be, what our foreign policy is going to be.

A long-range foreign policy must precede any meaningful long-range defense considerations, in my opinion. However, we have had little discussion of our long-range foreign policy here during the last 2 days. I was very glad when the Senator from Arkansas opened this matter for discussion. Thus, informally, today, I would like to mention a few things that I think need to be considered in any long-range consideration of our foreign policy.

First, I believe we need to consider the very basic principles that should guide this Nation in its foreign policy. I do not suggest this merely in the abstract of a schoolboy-type consideration of American principles. If there is one fundamental place we went wrong in Southeast Asia it was that we violated one of our long-term principles that this Nation has held since its founding days almost 200 years ago—namely, that we are not a colonial power. We have never striven for colonial empires around the world. Yet, at the end of World War II, when faced with a decision as to whether we were going to support other nations in their attempts to regain their prewar colonial empires, we backed the French in returning to Vietnam.

In doing that I think we violated one of the basic principles of our Government that later would have prevented what happened in Vietnam in recent years.

So I maintain that our first consideration in foreign policy must be to remember those principles that are going to guide us in everything else we do. The real politik is something that we have to consider, but it must be considered also in the realm of real principle if it is to be meaningful.

A second item to be considered has already been touched on in some detail by the Senator from Minnesota. No matter what foreign policy we eventually settle on it is going to be guided, both for ourselves and for many nations around the world, whether we like it or not, by two items—food and fuel.

These two problems are going to dictate much of our foreign policy over the next couple of decades. What we do with regard to those two items is going to determine much of our foreign policy. Those two areas need to be considered, and we could talk about both for days. However, the Senator from Minnesota has talked about those points, and the Committee on Interior and Insular Affairs, of which I am a member, is constantly talking about our energy needs, energy research and development around the world, what happens to the OPEC cartel, and so forth. Further, our relationships around the world, and any meaningful foreign policy, are going to succeed or fail on those two things in the next couple of decades.

A third consideration is that while we have maintained, basically, a post-World War II posture around the world with our dissemination of troops and our influence as it flows around the world, the world has changed. In the immediate post-World War II days we had but two power centers—the United States and Russia. After World War II, we very properly provided both a military presence and a stabilizing presence around the world. Those policies let the rest of the world recover. The Marshall Plan and other foreign aid was probably the greatest missionary effort the world has ever seen. We have been so eminently successful with those efforts that we find other powers brought to the fore by our efforts—Western Europe and Japan, to mention two. Another emerging power center in the world, geopolitically, is China, with one-quarter of the human race. Along with those five power centers which have changed the complexity of things since the post-World War II days, we have seen in the last year and a half a flow of economic wealth into the OPEC nations of the Mideast which we would not have dreamed possible a few years back. Thus, we find ourselves geopolitically with six power centers around the world to consider now in the conduct of any meaningful foreign policy. What do these geopolitical developments mean, then, with regard to food and fuel, the second item I mentioned?

We now have six power centers involved around the world—each with food and fuel interests and all the interrelatedness of those complex dealings back and forth between one nation and another. Moreover, I must mention the relationships imposed on top of all that with the Northern Hemisphere "have" nations as contrasted to the Southern Hemisphere "have not" nations. So, as the Senator ably pointed out, if ever there was a time for a reconsideration of our foreign policy, it seems to me that now is that time.

A fourth consideration in any foreign policy was touched upon this morning by Senator PASTORE, when he talked about the nuclear relationships between Brazil and West Germany, the spreading around the world of nuclear plants, of nuclear reprocessing plants. Indeed, I must emphasize the flow of plutonium, which if not under adequate control gives pause when we think of terrorists or when we think of what this does to the atomic weaponry capability around the world. We have not yet begun to deal with these problems on a meaningful basis.

We have only the International Atomic Energy Agency, which remains a voluntary organization; the non-proliferation treaty, which some of the major suppliers have not signed—and France is a good example of that. Nuclear information is now general around the world. You cannot keep scientific advances a secret very long. We no longer have a monopoly on atomic power and weaponry and nuclear power that we once had. We must begin to address these issues.

A fifth item to be considered is nuclear parity. That was discussed at great length yesterday and again this morning. Do we have nuclear parity with the Russians? To my way of thinking, one of the predominant items in foreign policy is that we both have such overkill capability that we, literally, each could throw away half our capability and we would still have an overkill capability far beyond any need we possibly could conceive at the present time. Just to put numbers to the idea of nuclear parity, even by the conservative estimates which have been in the public print, we have 1,054 ICBM's. The Russians are supposed to have 1,610, at very conservative estimates. Taking our multiple warhead capabilities of even a minimum of 5 per booster, this comes out to almost 5,500 deliverable nuclear warheads on Russia—just with a conservative estimate of the number of ICBM's we already possess. If we take the 219 targets considered to be prime targets in the U.S.S.R. and divide, it develops that we have 24 deliverable nuclear warheads on each Russian target worth the effort. That is such a fantastic overkill capacity that it must be a major item in any consideration of foreign policy.

A sixth item for consideration is that our conventional forces, which have been discussed at some length yesterday and today, will probably be the only real capability we will rely on in any future war, because any nuclear exchange, with this fantastic overkill capability, will almost be out of question.

A seventh consideration of a foreign policy is what type nations we will support. This was touched upon yesterday by the very distinguished Senator from California, who coordinated this particular foreign policy discussion. Should we be supporting a Korea with a near dictatorship? Should we be supporting other nations that do not have democratic principles, that do not adhere to the democratic principles to which we in this country adhere? Conversely, when we look at our relationships with Russia, we would not say that we favor their style or type of government or their policies of suppression, as outlined by Mr. Solzhenitsyn in the "Gulag Archipelago" or of the other tragedies we all see unfolding in that country. Yet, we have a friendly relationship and are trying to become more friendly—not less friendly? Coherent policies must be established as to the type of governments we will support, if we are to have other than pure rhetoric and a foreign policy to which we will refer only in odd moments.

For example, we talk about Korea and about withdrawing from Korea. Yet, we know that Korea is a focal point for a four-nation interest. We know China and Russia are interested in that area, together with Japan and the United States. One of the reasons why we have stayed in Korea is that this deployment has let Japan feel our presence in that part of the world, whereas they might be more inclined to rearm themselves if we pulled out of Korea. Such considerations as these go beyond any consideration of mere numbers of troops or whether we should be the trigger mechanism for any attack on Seoul.

An eighth consideration is our arms sales around the world. What should they be? I do not like it when I see "Made in U.S.A." stamped on weapons used by both sides in some of the conflicts around the world. These sales must be geared to our foreign policy, if either our foreign policy or arms sales themselves are to be meaningful.

The Senator from Minnesota, once again, as another consideration, touched on another item I had planned to mention in the area of trade, foreign aid, and economies around the world. These are matters we must consider in any real foreign policy.

The 10th item to be considered is how far we are going to let executive agreements by the executive branch dictate our foreign policy—quite apart from any considerations of the Congress, which is expected to come along later and pick up the bill—after these executive agreements have been completed. Lest we think this is minor, we must remember that we have just completed withdrawal from Vietnam, from a war that was conducted for 8 years virtually by executive agreement—not by treaty commitment through SEATO. It was not a military commitment that got us into that; it was a discussion agreement in SEATO, but we still virtually conducted an 8-year war by executive agreement.

I have submitted an executive agreement bill, S. 1251, because I think the ball is in the Senate's court with respect to our role of advice and consent. The Case Act of the last Congress required that executive agreements be submitted to the Senate to be reviewed. So we have them being submitted here, and the ball is in our court. We are doing nothing with them.

The executive agreement bill that I have submitted on which we have had 2 days of hearings in the Judiciary Subcommittee on Separation of Powers, would provide that we would have to do something. In short, we reply to the executive branch. We exercise our advice and consent role, as is provided in the Constitution with regard to treaties. Because we now find executive agreements being used as treaties, I urge that when we have executive agreements submitted to us, we should either reply affirmatively or negatively, or, if they are of such a minor nature that we can let them lie on the table for 60 days, they would in fact become a commitment that the executive branch could rely upon.

I think that is a key word, letting other nations know what our intent is, so they do not have the uncertainties that are rampant right now as to what are our intentions around the world. Other nations would then know they could rely on us.

With these comments to add to those of the Senator from Arkansas and the Senator from Minnesota, I have outlined what items should be considered in any long-range foreign policy. Such a foreign policy must be the basis for whatever defense establishment we are going to maintain in this Nation. This specific budget can at best be a holding action while such dialog starts. And while it is our "needs," underlined many times, that we must be considering—not the frills of a military establishment that have gotten us into overexpenditures, with too many backup systems of one type or another—we will not know what those needs are unless we have a long-range foreign policy that tells us what our worldwide relationships are going to be. Until that time, any defense budget will be just a holding action.

This process cannot however be a one-sided dialog. There is no such thing as a dialog with only one group talking. I think the President, in his leadership role in this foreign policy area, will be working with Congress because he must work with Congress if he is to expect us to back him up and provide the substance. The President cannot play this foreign policy game alone, because the foreign policy substance comes from here; it comes from these Chambers, from the people, and in the action taken at both ends of this Capitol.

As we come out of Vietnam and Cambodia, our time for a change in foreign policy is now. There will be a dialog back and forth with the executive branch. I hope most sincerely, as sincerely as I have ever hoped in my life, that the President is sincere in wanting to share these responsibilities and relationships with Congress. I think it is now up to us to take him up on that and start a dialog back and forth that can define a foreign policy, so that we will not be back here a year from today talking about a defense budget about which we know as little as we know about the defense budget today.

We are at a time, I think, of very great change in our foreign policy. We are at a watershed, a critical period, when we are going to see a foreign policy emerge. We shall be in a position of world leadership, because we cannot abrogate that position. It is just a question of whether it will be good leadership or poor leadership, and that is what we must hammer out here. As we recover from Vietnam and Cambodia, we must not retreat into isolationism, but instead should hammer out a foreign policy on which, one of these days, we can base a good, solid defense policy and base it on a much more knowledgeable foundation that we have this year.

I thank the Senator from California for his courtesy and consideration.

Mr. CLARK. Mr. President, will the Senator from Ohio yield for a comment and some discussion of the points he has raised?

Mr. GLENN. Surely.

Mr. CLARK. Unfortunately I left the Chamber and did not hear all of the discussion, but I really wonder if the United States, coming out of Southeast Asia, is going to take the opportunity to go in any new directions in foreign policy. It seems to me, for reasons that are somewhat unclear, that the administration, and I think it is fair to say, the majority in Congress, have somehow become so embarrassed or falsely humiliated by the experience of Southeast Asia, that they may in fact react the other way: the President reassuring everyone over and over again that we are really a world power, the *Mayaguez*, the President's trip with his emphasis on our will to use force around the world, the Secretary of State's discussion in St. Louis of an "abrasive" foreign policy. I wonder if all these things do not, in fact, tell us that we are going to continue the cold war rather than move in any new directions that we may go to bigger and bigger defense budgets and to a period of return, really, to the cold war.

Does that seem to be a possibility to the Senator from Ohio? Is that not what the House of Representatives vote on the defense budget meant in part 2 weeks ago?

Mr. GLENN. There are so many items that the distinguished Senator from Iowa has touched upon that we could spend an hour's colloquy on each item. I hope we are not trying to flex our muscles around the world. Rather, I want our Defense Department to be exactly that, a Defense Department, and I think it is up to us to keep it that way.

I think so far as the Mayaguez situation is concerned, there are probably still some questions to be answered as to the reason for timing of both the bombings, and the release of the crew. I have not seen a full explanation of that, and I would really like to see such an explanation.

I hope the talk about an abrasive foreign policy will not go on into more saber rattling in Europe. I think our allies around the world probably do need some assurance that they can rely on us at this point. However, I would hate for this dialog to get into such flaming rhetoric that it would inflame other nations around the world, and perhaps encourage some of our potential adversaries, to take a very hard line position toward us. I would not want to see détente end, although I must say, in all candor, that détente means considerably less to me than it seems to many people in the news media and to many Senators here. I have yet to hear anyone name any one thing that the Russians have given up in the name of détente, except talking a little softer than they used to talk. Meanwhile we have given favored deals and trade arrangements and things like this, and we are talking about cutting back substantially on our military forces while the Russians do not seem to be doing the same thing. Moreover they have remained rather intransigent with regard to some of the SALT talks and Mutual Balanced Force Reduction talks. So to me détente still is a word. I want to see something backed up with cold, hard action. I also do not want to see us limit our power beyond what the Russians are doing in the name of détente.

I come back, therefore, to what our real defense needs are. What are those needs? I do not think we can make that assessment on the rationale and analysis that the Pentagon presents to the Congress. I think we should be going back and weighing weapons system against the countersystem that our potential adversaries have against us.

I do not like it, nor is it rational public policy, when we just come in and hear that an adversary has so many thousand tanks so, therefore, we must have so many thousand tanks; they have so many bombers so, therefore, we should have so many bombers. Bombers do not go out fighting bombers. There are all sorts of countersystems against each one of these, and we have a complicated, but inadequate, accounting system in Congress.

UMI

I would like to see the Pentagon present a budget to Congress based on countersystems such as countersystems, tanks against anti-tank weapons and infantry manpower, ideally, we should match weapons systems, and then it starts fitting all these into the jigsaw puzzle which then can determine what are our real defense needs.

So I come back again to the need for a very broad gaged foreign policy. We must hammer out such a policy over the next year or two if we are going to have a real defense-needs type of budget.

Mr. CLARK. Mr. President, I wanted to raise this one question.

For years many people talked about how our foreign policy was going to change after we came out of Southeast Asia. In the last several weeks, the point has been made over and over again that we ought to have learned something from that experience, and that this country would then begin perhaps to reevaluate and reassess our position and see, indeed, whether we wanted to continue this 25-year-long policy of cold war.

But, it seems to me, the experience since the fall of Saigon has pointed in exactly the opposite direction. If anything, we have gone more in the direction of trying to solve problems by force and threat of force, and there seems to be more support now, in fact, for higher defense budgets than there was a year ago or 2 years or 3 years ago, as evidenced by the vote in the House.

We cannot predict what is going to happen on the Senate floor. But this is a time of reassessment, and we ought to ask whether we want to go back into that cold war again or whether indeed we might take this opportunity to take a new direction.

Mr. GLENN. Well, I think the Senator from Iowa makes a very good point that the time is now for a real reassessment. The only point I would make, summarizing what I said during my talk, is that I think any real defense posture must be based on a long-range foreign policy that is a well-thought-out foreign policy, not just something we put together on the spur of the moment. I think that such a foreign policy should consider first, the No. 1 thing I mentioned, the principles that our Nation has been founded on.

The second item was food and fuel—needs that I think are going to dictate much of foreign policy for the next generation. The fact is simply that there is no longer a World War II or post-World War II alinement of nations now; rather there are six different power centers around the world that have to be considered in any foreign policy decision we make. Nor do I think our foreign policy has really reflected another important consideration; namely, the nuclear spread around the world. We no longer have a monopoly on nuclear power nor do other nations. The nuclear parity we talked about also must be considered; conventional forces for any future war must be considered; what type nation we wish to support vis-a-vis the Korean discussion of yesterday here on the floor is yet another factor. Arms sales around the world are another consideration. Trade, foreign aid, and economics that the Senator from Minnesota touched on are critical; the executive agreements that we have seen take us into and keep us in an 8-year war in Southeast Asia—these are just some of the important factors that must be evaluated in future foreign policy. These are not intended to be a complete list, but they are a list of things that must be considered in any future foreign policy. I hope we have hammered out these priorities a year from today when we are back here talking about a defense budget again.

Unless we have reassessed our whole position in that regard and with that kind of depth the Senator alludes to, over the next few months, then we have not done our duty, and the President has not done his duty. We are at a change point in foreign policy, and it is up to all of us to work together, the executive and legislative branches of Government, to hammer a foreign policy we can really support in the future. I do not think we have done that in the immediate past. I do think we have to do it in the next year or two.

I am finished now. I thank the Chair. I return the floor to the Senator from California.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I allot to Senator BAKER such time as the Senator may need.

Mr. BROCK. Before the Senator makes his statement, will he yield me just a couple of minutes?

Mr. BAKER. Mr. President, I would be happy to yield 2 minutes to my colleague from Tennessee.

Mr. BROCK. Mr. President, I am sort of fascinated by this debate or nondebate, as the case may be. Occasionally it has been both. But I keep hearing people raising concerns, and we have all got concern, that, say, we need a new direction. But the question is: What? What new direction?

I think I have learned something from Vietnam. I surely hope so. I think we all may have, but I am afraid we may all have learned this lesson, maybe it just reaffirms our own biases and prejudices. The questions is: What is the lesson?

The question is on foreign policy. I do not think we have a foreign policy in this country. I do not think the Senate has a proposal. I do not think it has the capacity to arrive at one with 13 different people, or committees, dealing with foreign policy.

I am getting a little bit confused by people who say that we need a new direction. Nobody seems to want to be specific about what a new direction is.

I do not know that any of us have an ultimate answer, but if we are going to have a debate, we ought to have specifics to debate so we can say that this is good, this is bad, and this is why.

I have felt enormous frustration during the course of this day and yesterday listening to this debate with the nonspecificity of some of the comments that have been made. It seems to me that this is maybe just an excuse for a foreign policy debate that does not turn out to be a debate anyway.

If we are going to have debate, we ought to debate the structure of Congress itself and its incapacity or lack of will to come to grips with the fundamental purpose of the mission of this country of ours, where we are going and why.

I have not seen a lot of that. It seems to me, maybe that is where we ought to be pointing our best efforts. First, structural, and then second, in terms of our individual legislative contribution and discussions.

Mr. BAKER. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. Mr. President, on the matters commented on by my distinguished colleague from Tennessee, I would like to add my own thoughts and comments before I have a more exact discussion of the issue at hand, and that is our foreign policy as it relates to our defense posture.

I have been in the Senate now a little over 8 years, it will be 9 years in January. That does not qualify me for great longevity, certainly not for gaining insight, but it seems to me in that relatively brief span of time that I have seen the Senate change gradually and inexorably, that it is losing some of its character as a great deliberative body and a forum for meaningful debate.

It seems to me in the course of that time that I have seen us slipping away quietly to our offices to do the necessary work, to attend to what we refer to as constituency matters, our mail, our visitors, our telephone calls.

Goodness knows, those are all essential and a traditional part of the ombudsman role we occupy as a Member of the Senate, but it does not do much to embellish the image of the Senate as the world's greatest deliberative body.

At the risk of sounding vain, that is a shame, because I think there is great talent in this body. There are great men and great women who have been here and who are here now who have something to contribute to the give and take and the cross-pollination of honest thought and genuine disagreement, honest disagreement.

I would wish for a return to something of the forum character of the Senate of the United States. I would like to see us restructure and reorganize ourselves so that when we do have matters of significant importance to the Republic we are here to understand the point of view of our colleagues and to contribute our own experience and insight to a general debate. So when the CONGRESSIONAL RECORD is read on tomorrow and next year and a century from now, our citizens and the scholars of the present and the future will not see instead the burnished work product of capable staff, but instead will see something of a contribution of our talent as Senators, as Representatives of the States of the Union, a unique body that was constituted for a particular purpose and given special authority to advise and consent with the President in matters of foreign policy, the ratification of treaties, the selection and confirmation of major officers of this Federal democracy.

Mr. President, I do not think this is the world's greatest deliberative body any more and it pains me to say that. But I think we ought to do something to try to reinstate that situation.

Maybe we ought to say, "Look, we will meet 2 hours a day, from 2 o'clock to 4 o'clock, and during that time there are going to be no committee meetings. We urge, in fact we insist on our colleagues being present. We will experiment with changes in the rules of procedure. Maybe we will be a little less grandiloquent, a little less deferential and respectful toward each other. Maybe there will be fewer esteemed colleagues and maybe there will be more of the raw give and take that was once the frontier spirit of this body.

Maybe we ought to think of other ways and techniques to bring out the best in the Senate so that there is a greater spontaneity and a greater understanding of current flow than has been in the tide of events in this Nation as they ought to be reflected in the Senate.

I think we should put our own house in order, Mr. President. I do not stand here as an expert on the organization of the Congress, let alone the future traditions of the Senate, but rather, as one appealing to my colleagues to find a way to convert our substantial jury deliberations into meaningful debate.

With that off my chest, Mr. President, I would like to talk about the matters at hand. This is an important time in the history of the Republic. As our colleagues have just commented, we are engaged in transition from a policy that led us into Southeast Asia, to the unhappy situation where we have watched now the death struggles of our former allies, American-supported governments in Indochina, as we now view Presidential efforts to reinvigorate the NATO alliance and truly assess American foreign policy in the Middle East.

I think at this particular time it is appropriate that we do engage in a wide-range debate or discussion of our defense and foreign policy, and I believe the two are inexorably interwoven.

In this vein, Mr. President, I wish to extend my genuine thanks and appreciation to our colleague, the chairman of the Armed Services Committee (Mr. STENNIS), and the distinguished Senator from California (Mr. CRANSTON), and others, in the leadership and outside of the leadership, for their foresight and concern in organizing and contributing to this discussion, now in its second day.

Mr. CRANSTON. Will the Senator yield?

Mr. BAKER. I am happy to yield to the Senator.

Mr. CRANSTON. I would just like to say that I agree with a great deal that the Senator has said, also with what the Senator from Tennessee just said about the input of the Congress as it presently conducts its affairs to prepare to play a meaningful role in foreign policy decisionmaking and in the defense decisionmaking that is to be related to whatever our foreign policy is.

This debate has been one venture into the effort to bring about a more thoughtful and organized approach to all this. I do not think we can expect any miracles to come out of this effort, but I think that it heightens our own concerns and recognitions of our inadequacies structurally and time-wise, and otherwise, and may lead ultimately, or perhaps sooner, to a more careful and thoughtful and effective approach where we share the responsibilities that we really constitutionally must share with the executive branch on foreign policy and defense decisionmaking.

I just want to thank both Senators for their contributions in terms of laying the groundwork for that sort of activity in the days and months ahead.

Mr. BROCK. Will the Senator yield?

Mr. BAKER. Yes.

Mr. BROCK. I would like to thank both the Senator from Tennessee, my senior colleague, and the Senator from California for his leadership in this debate. I was in no way denigrating his efforts. I think this is a magnificent first step.

But I think it does point out the inadequacies of the framework. We have to use a bill which deals with defense procurement to debate foreign policy, as if they were two separate things. They are not. I do not know how one separates foreign policy from defense. I do not know how one separates food policy from defense or national security.

The fact is that we have all of these myriad interests of committees and we never have a fulcrum through which we force these complex issues into some general content or context that relates to our total national security. I wish that I had the eloquence of my senior colleague from the State of Tennessee. He states the case far better than I. But I do appreciate his statement and the statement of the Senator from California. All I was trying to do was to vent my enormous frustration with the fact that we find ourselves in a situation where we cannot even come to grips with it in this setting because we are always talking about something new, something grand, something fundamental, but very rarely anything particularly significant or specific. Why? Because it is out of context. That is the structure of the Senate itself.

I share the Senator's concern with this body. Maybe I came with too idealistic a view, but it seems to me that it is terribly important that somewhere in this lord world of ours men can get together without staff and talk to each other about their fundamental philosophies and viewpoints and crossfertilize our ideas and our ideals so that we all gain in the process.

Mr. PROXMIRE. Will the Senator yield very briefly on this point?

Mr. BAKER. I am happy to yield.

Mr. PROXMIRE. I have been in the Senate for 18 years and this is the first time we have had this type of debate. I think it is something that has been badly missing. The Senator points out that we are on the defense procurement bill. In my view, there is no justification for spending a nickel, let alone the $22 billion or $24 billion in this bill, whatever it is, except as it relates to our foreign policy objectives. It should be rationalized and explained on that basis, and it has not been done before.

I think what the Senator from California and others have done in organizing this debate is a remarkably useful contribution. The junior Senator from Tennessee puts his finger on something that bothers all of us, this frustration. I cannot think of any way to bring these 13 diverse committees which have responsibilities in the foreign relations area together except here in the Chamber; this is where it should be.

As the Senator from Missouri recognizes, we used to have the chairman of the Armed Services Committee, the predecessor of Senator STENNIS, come in and make a fine speech on the armed services bill, and sometimes the bill would later pass by voice vote, with no consideration of the foreign policy elements, and in fact, very little of the details of the bill.

So this is a remarkable advance. In all the years, the 17 years, I have been here, and the far more than that that many other Senators have been here, to the best of my knowledge there has never been anything approaching this. So this is a welcome step in the right direction.

While we were frustrated by the time limitations and the fact we do go off in a number of directions, I think we should recognize we are making progress. I would expect we will make further progress as we debate the specific amendments, having established this kind of background, and relate our arguments on those amendments, the counterforce amendment, the ceiling amendment, and so forth, to the foreign policy discussion that we have had.

Mr. SYMINGTON. Will the Senator yield briefly to me?

Mr. BAKER. I am happy to yield.

Mr. SYMINGTON. The distinguished Senator from Wisconsin has really made the short talk that I was going to make. It has been my good fortune or misfortune, whichever way one wants to look at it, to be the only Senator for the last 16 years on both the Foreign Relations and the Armed Services Committees. I know my good friend from Mississippi, whom I could not respect more, my chairman of the Armed Services Committee, would agree when I say that for years I have tried to get these two committees closer and closer together on many issues. I am very grateful for what has been said by the junior Senator from Tennessee. I have worked with the senior Senator in these matters. We get together in another field which is very close to both Foreign Relations and Armed Services in the Joint Atomic Energy Committee.

I, too, would like to join in congratu-

UMI

lating the Senator from California and the Senator from Massachusetts for engineering and developing this discussion. This is the first serious discussion of what it is the Pentagon wants and why that I have ever heard for the 23 years I have been in the Senate. The desires have been presented, and some reductions have been made. But this is the first debate, and I think it is an excellent decision. I congratulate those responsible for it.

I am going to talk on a more specific subject tomorrow, Mr. President. I ask unanimous consent that at this point there be printed in the RECORD an article on the front page of the Wall Street Journal entitled "Armchair War, U.S. Military Strategy As Well As Weaponry Begins To Draw Fire. Rarely Challenged in Past, Basic Pentagon Planning Is Studied by Lawmakers."

I think that fits in with what has been said by the two able gentlemen from the great State of Tennessee.

These being no objection, the article was ordered to be printed in the RECORD, as follows:

ARMCHAIR WAR: U.S. MILITARY STRATEGY AS WELL AS WEAPONRY BEGINS TO DRAW FIRE—RARELY CHALLENGED IN PAST, BASIC PENTAGON PLANNING IS STUDIED BY LAWMAKERS

(By Richard J. Levine)

WASHINGTON.—World-wide military equilibrium. Flexible strategic response. One and a half wars. Long-war hedges.

This is the Dr. Strangelove jargon of U.S. military strategy, long the private preserve of a small group of officials at the Pentagon, State Department and National Security Council. Though it's complicated, its military and economic importance is incalculable.

For military strategy outlines how and where the U.S. might get entangled in a new war. It provides basic rationales for huge military budgets that provide Army divisions, Navy ships and Air Force missiles. To approve the Pentagon's current $104.7 billion budget request, Defense Secretary James Schlesinger tells Congress, is to accept "the strategic concepts on which it is based."

Yet American military strategy has been little understood and rarely challenged in the past on Capitol Hill—or anywhere else. Pentagon critics in and out of government have focused their attacks on large weapons systems such as the B1 bomber or the nuclear aircraft carrier rather than on the strategies for employing them.

SHARPER DEBATES AHEAD

Now, however, lawmakers and private defense analysts are starting to scrutinize strategy as well as weaponry. This approach, if pursued seriously, could make it harder for the Defense Department to win congressional approval of future budgets. Pentagon planners might have to defend American military strategy and then demonstrate clearly how the weapons and manpower they want would support that strategy.

"If Congress has differing assumptions from those of the Defense Department about global strategy and the U.S. role in the world, substantial cuts can be made in the defense budget without injuring national security," asserts Democratic Sen. Alan Cranston of California. Rep. John Brademas, a liberal Democrat from Indiana, says, "We need far more reasoned justifications than we have been getting—in terms of military posture, our foreign policy and our national economy—for a particular defense mix at a particular level of spending."

Yesterday the Senate began grappling with such issues. It opened full-scale debate on military strategy in preparation for voting on the annual weapons-procurement bill. The early arguments centered on the rationale behind plans to expand the number of Army divisions; Democratic Sen. Edward Kennedy of Massachusetts questioned the need for expansion.

Another sign of Congress' growing interest in strategic questions is the appearance this year of an "Alternative Defense Posture Statement," prepared by six liberal Democrats on the House Armed Services Committee. The 34-page analysis seeks "to provide another perspective" on the "policy assumptions which lie behind the defense-budget requests." Among its conclusions: U.S. forces in Asia should be reduced, and the number of aircraft carriers could be cut to nine from the current 15.

GIST OF CURRENT STRATEGY

In laymen's language, current strategy provides that the U.S. maintain a rough military balance with the Soviet Union in strategic nuclear weapons, in ground forces in Central Europe and in sea power ("worldwide military equilibrium"). More specifically, U.S. nuclear forces should be designed not only to deter a Soviet missile attack on the U.S. but also to wage limited nuclear war should deterrence fail ("flexible strategic response"). And U.S. conventional forces should be capable of simultaneously fighting a major war in Europe or Asia and coping with a "minor contingency" elsewhere ("one and a half wars").

Pentagon critics charge that this strategy, especially in the conventional-warfare area, is increasingly outdated and self-contradictory.

"For Pentagon guys to come up to Congress and imply that our strategy is based on enormously complicated analysis is utter bull," contends Rep. Les Aspin, the Wisconsin Democrat who is one of the Pentagon's sharpest critics. "It's based on rules of thumb that may or may not be true."

SOME OF THE QUESTIONS

Some of the questions being raised by skeptics about U.S. strategy:

Will Pentagon plans to improve the accuracy and power of U.S. nuclear warheads, increasing their capability for limited atomic war, heighten the danger of nuclear exchange?

Is it necessary to modernize all three mainstays of our strategic arsenal—land-based intercontinental ballistic missiles, long-range bombers and submarine-launched missiles—in the most expensive manner?

Does it really make sense for the U.S. to plan for a protracted conventional war in Europe? And if a short war is more likely, as most defense experts believe, why is the Navy spending billions of dollars to improve its capacity to escort convoys to Europe and the Army planning to expand to 16 divisions from 13?

Should the U.S. be prepared to fight a half war anywhere? Or is this simply a byproduct of the interventionist zeal that got us into Vietnam?

Congress, fearful of signaling that the U.S. is turning isolationist after Vietnam, is unlikely to force any substantive changes in strategy this year. But congressional debate in the weeks and months ahead could lay the groundwork for a significant challenge to military doctrine later in the decade, when the pain of Indochina has faded. In the long term, several influences could produce a broad review of U.S. strategy.

Most obvious is the growth of the defense budget. The Pentagon projects that by 1980 it will be asking Congress for $148 billion, compared with its current $104.7 billion request; the prospect alarms congressional liberals. Another factor is that Congress is developing new tools—the budget committees and the Budget Office—for more critical long-range analysis.

As congressional and private analysts begin to examine military strategy, they are looking at both nuclear and conventional-war doctrine. Here are the main issues, as viewed by administration planners and their critics:

Strategic nuclear forces: For the decade prior to 1974, the fundamental concept governing the design of U.S. strategic forces was that they should be able—even after absorbing a surprise attack—to inflict "unacceptable damage on the attacker." Thus the Soviet Union would presumably be deterred from striking first.

The architect of this strategy, known as assured destruction, was former Defense Secretary Robert McNamara. He defined "unacceptable damage" precisely—20% to 25% of Russia's population and 50% of its industrial capacity. The strategy emphasized destruction of heavily populated areas.

For this mission, the U.S. has assembled a mighty "triad" of weapons, which today number 1,054 ICBMs, 41 nuclear submarines (each armed with 16 missiles) and 498 long-range bombers. Together, these systems can deliver 8,500 nuclear warheads—or about 39 warheads for each of the Soviet Union's 219 major urban areas.

In January 1974, the U.S. started moving toward a new strategy of flexible strategic response. It envisions increasing the ability of U.S. missiles to destroy Soviet military installations (such as hardened underground missile silos) by improving the accuracy and power of American warheads. Mr. Schlesinger contends that this capability is needed to give the President "a reasonable range of options" in case deterrence failed, so he wouldn't then feel forced to launch a full-scale nuclear attack on Soviet cities.

WHAT CRITICS SAY

But many who have studied the new doctrine fear it will heighten, rather than lower, the danger of nuclear war.

The Arms Control Association, a respected Washington organization whose leaders include many former national security officials, argues that improved U.S. capability to destroy Soviet missiles is likely to "generate uncertainties in Soviet eyes about our intentions, create instabilities in the strategic balance and foster suspicions between the two nations."

Other critics agree. "Our threat to Soviet ICBMs might motivate them to strike first in a period of international tension," says Sen. Thomas McIntyre, the New Hampshire Democrat who has emerged as the leading congressional opponent of the Schlesinger strategy.

It is also argued that the new approach could make nuclear war more likely by convincing Pentagon planners that it is possible to conduct surgically accurate nuclear strikes causing relatively few casualties. Democratic Rep. Morris Udall of Arizona warns that development of more-accurate, more-powerful warheads "would blur the heretofore-distinct line between a thinkable conventional war and the unthinkable disaster of nuclear conflict."

EXTENT OF PLANS AT ISSUE

Questions are also being raised about the need to modernize all three legs of the American deterrent, and especially about the wisdom of investing more than $20 billion in a fleet of 244 B1 bombers to replace the aging B52s. Defense officials believe that maintenance of three separate systems complicate Soviet defense problems and insures against the failure of any one system. But Pentagon critics aren't sure the U.S. needs quite as much insurance as it's planning—the B1, the Trident submarine to replace and supplement the Polaris-Poseidon subs, and perhaps a large new ICBM to replace the Minuteman missile.

"There's nothing wrong with maintaining the triad" of nuclear systems, a Senate expert on strategic warfare says. "My problem is with upgrading it, especially the B1 and the new ICBM." The Center for Defense Information, a Washington think tank often skeptical of Pentagon proposals, argues that the U.S. "doesn't require the wide variety of overlapping, redundant forces whose destructive power far outstrips any reasonable need."

Conventional Forces: Despite the debate on strategic nuclear weapons, general-purpose forces consume far more of the Pentagon budget and are far more likely to be used. (In the year beginning July 1, conventional forces will cost an estimated $35.9 billion, compared with $7.7 billion for strategic forces.)

During the 1960s, it was declared U.S. policy to maintain conventional forces capable of simultaneously fighting a war in Europe and a war in Asia, as well as a lesser conflict elsewhere. The Nixon administration junked this 2½-war strategy in 1970 for the current 1½-war concept.

Yet the 1½-war strategy leaves unresolved some issues that affect the design of U.S. forces. The most critical of these is the length of war the U.S. should be prepared to fight in Central Europe to fulfill its commitment to the North Atlantic Treaty Organization. While Mr. Schlesinger has been emphasizing preparations for a short war, the American military machine is still geared mainly for a protracted war on the Continent. Thus, in addition to 4⅔ divisions now stationed in West Germany, the Army has seven divisions in the U.S. that could be sent to Europe. And three more are being formed.

The fact is that the Pentagon remains uncertain about the kind of war for which it should prepare—and so, in time-honored tradition, it's preparing for all contingencies. This uncertainty is reflected in contradictory statements in a key Pentagon planning document: The Manpower Requirements Report for Fiscal Year 1976.

At one point, the report states the short-war view: "A conflict in Europe is likely to be more violent and of much shorter duration than past wars. The phenomenal increases in firepower will produce such intense conflict that it may well be decided in the first few days." But elsewhere the report makes a different assumption: "In the event of a major conflict with the Warsaw Pact, we plan on deploying (to Europe) most of our active divisions."

BASIC VIEW QUESTIONED

Many analysts disparage Mr. Schesinger's insistence on maintaining strong hedges against a protracted European conflict. While they believe the U.S. should maintain significant forces in Europe to counterbalance Soviet power, they argue that any hostilities would either end quickly or escalate to nuclear war.

"Schlesinger is planning to fight World War II over again in Europe," Rep. Aspin asserts. ". . . . the Army needs that long-war scenario to justify its force structure."

Jeffrey Record, a defense analyst with the prestigious Brookings Institution, contends that "as a legacy of World War II, we've ended hedging against a long war in Europe, to the extent that it undermines our preparation for a short war." He adds, "Whereas Soviet and Warsaw Pact forces are geared for a short, sharp, decisive conflict, U.S. and Western European forces reflect preparation for a longer war of less intensity."

Like other experts, he notes that Soviet divisions have a high ratio of combat to support troops, hordes of quick-striking tanks and lots of bridging equipment for crossing rivers. In contrast, NATO forces depend on major reinforcement and lengthy mobilization and have a high ratio of support to combat troops. If the Pentagon abandoned preparations for another World War II in Europe, some analysts conclude, it could reduce support forces there and eliminate some combat units based in the U.S.

NAVY'S ROLE

The Navy's role in conventional-war strategy is also controversial, troubling even top officers like Vice Adm. Stansfield Turner, former president of the Naval War College. "One of the most important challenges facing naval officers today is to define, then articulate, why we need a Navy and what it should be able to accomplish," the admiral wrote in the professional journal "Proceedings."

Provoking the sharpest debate is the Navy's mission of controlling the world's sea-lanes; in a European war, Pentagon strategists envision resupply by sea. But many analysts argue that the U.S. Navy couldn't possibly protect surface shipping against Soviet nuclear submarines.

A civilian expert declares: "The need for naval capability to resupply Europe offends logic in two respects: It assumes a protracted war, and it assumes convoy work is possible."

While the Navy insists that it could escort convoys successfully, some Navy men have doubts. Adm. Ralph Cousins, who recently retired as commander of the Atlantic fleet, told Congress last year: "I have serious reservations about our being able to give adequate protection to large convoys—convoys loaded with troops and equipment—sailing from North America for Europe along fairly predictable routes and converging on predictable ports." If the Pentagon ever conceded that sea control is impossible in the age of the nuclear sub, billions of dollars in shipbuilding costs could be saved.

The half-war concept in current strategy is also coming under attack. Paul Warnke, a Washington lawyer who served as assistant defense secretary, says it smacks of "intervention in a local or regional conflict" like Vietnam. "I say forget it," he adds. "It isn't an acceptable use of American military power."

And though Congress has been reluctant to order reductions in American forces stationed in the Far East following the fall of Vietnam, eventually the Pentagon is likely to find itself under heavy pressure to withdraw more troops from Thailand, Japan and South Korea.

Mr. SYMINGTON. I thank the Senator for his courtesy in yielding.

Mr. STENNIS. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Tennessee has the floor.

Mr. BAKER. Mr. President, I will proceed with my statement in just a moment, but I cannot resist saying one or two other things on this same subject.

I say in ultimate good grace and without any trace of criticism to my colleagues that we have fallen into exactly what I was commenting on. I made one remark to the effect that I paid my respects to Senator STENNIS and Senator CRANSTON for arranging this debate and we spent 30 minutes complimenting each other. I think this is great and I enjoyed it. But I am not sure that that contributes to our image as a great deliberative body.

I would also note, if my head count is right, that there are 10 Senators in the Chamber. Maybe the RECORD should recite every 15 minutes how many of us there are so that our remarks could be taken in perspective.

My father was in the Congress once. He came many years ago, and he used to say in jest, although I think about it from time to time, that the downfall of the Republic may be measured from the time they air-conditioned the Capitol, because then the Congress started staying all year.

I see in the newspapers and on television any number of comments lately that the Congress is taking this recess or that recess, and that we are going to adjourn sometime in November for Christmas.

The Legislative Reorganization Act provides the Congress is supposed to adjourn sine die and quit in July, unless it passes a resolution that says there is a great national emergency.

I have a strong hunch, Mr. President, that we would be a lot better off if we met for an hour or 2 every day, if we came in here 100 strong or 90 strong or however strong we happened to be that day and we really debated without worrying so much about the deferential respect we show for our colleagues, that we got down to cases, for 3 or 6 months and went home and found out what was going on.

So much for that. I have a terrible tendency to warm to my own subject matter. I apologize to my colleagues.

Mr. BROCK. I wonder if the Senator would feel it might be helpful if there were television coverage of this debate.

Mr. BAKER. I think the greatest thing that could happen would be if we had television coverage of every session of the Senate and I would enthusiastically support it.

Mr. BROCK. The Senator and I are in complete agreement.

Mr. BAKER. As we usually are.

Mr. President, I would like to continue, if I may, with my thanks to the distinguished managers of this bill for giving me the time this afternoon to make these remarks.

I was about to say, Mr. President, that it is my privilege to have just returned from a trip to the Middle East for the Foreign Relations Committee where I had the opportunity to see first hand the effect and impact of America's foreign policy on that I believe most troubled part of the world. I had a chance to visit in Israel, Jordan, Lebanon, Egypt, and Saudi Arabia, and to return to the United States after about 2 weeks.

I found to my surprise somewhat, and with some gratification, that our foreign policy reverses in Southeast Asia have not had as much impact as I thought they might have had in that part of the world, and that after Cambodia, Vietnam and Laos the United States continues to wield, I believe, unrivaled influence among our world neighbors and possesses paramount responsibilities for the maintenance of peace and stability.

Thus, I am pleased that my colleagues have stepped beyond a posture of attempting to assess and fix the blame for our foreign policy failures. I find that there exists sufficient blame to go around, and I agree that it is appropriate and timely for the Senate and the Nation to take stock of the foreign policy of the United States and to begin to formulate our next step. I believe that our next step is down a very unpopular road but a route that I deem essential and necessary.

UMI

I believe that our next step is going to be one that is going to take some salesmanship and some responsibility, and I believe some statesmanship on the part of the Senators and some statesmanship on the part of the Members of the House of Representatives of the Congress of the United States.

Mr. President, even at this time when we are suffering the prospect of our greatest budgetary deficit since World War II, even now when inflation remains a serious and significant problem in the American economy, even today when the price we pay for petroleum imports has quadrupled in the last few months, even in light of the unpleasantness of our experience in Southeast Asia, and even in the recognition that recent and significant progress has been made through détente toward reducing the possibility of nuclear war and toward mutual reductions in the respective Soviet and American military postures, I have come to the conclusion that it is necessary to not only maintain the level of spending authorized by this bill but in the future to consider increasing our national defense expenditure commitment.

Last month, we witnessed the largest fleet to maneuver in the North Atlantic since World War II. That fleet, as I am sure my colleagues know, was not an American fleet nor the British Navy, but was a Russian blue water navy maneuvering in force, for the first time. It is interesting to me in the context of this bill now before us, and its provisions for weapons systems, that roughly 80 percent of the Russian fleet is less than 10 years old, while I am informed that 80 percent of the American Navy is more than 20 years of age.

Similarly, the Soviet Air Force is younger by far, and by and large newer—especially in the bomber component—than anything America has to offer except the oncoming B–1 bomber. In terms of ballistic missiles, it is recognized that we are clearly superior in our missile-delivery systems and our nuclear weaponry technology. But again, our missile systems are more than 10 years old; and with the exception of our MIRVing capability, there has been no significant new development in this field by the United States in recent years.

I do not intend to be a prophet of gloom and doom, and I recognize and am gratified that noteworthy progress has been made via our diplomatic efforts with the Soviet Union and the People's Republic of China toward achieving a stable and permanent peace. On the other hand, I simply mean to be realistic. Given our profound responsibility as Members of the Senate to join with the President in providing for the national defense, I believe that we cannot place total reliance on the prospects of détente and rapprochement, although I feel that these diplomatic efforts are deserving of as much fervor as we can muster. But as sincere as I believe the Soviets to be, in the SALT talks, the European Security Conference, and the discussions on mutual and balanced force reductions in central Europe, we must take cognizance of the fact that the Soviet Union continues to markedly upgrade both their strategic and conventional weapons systems.

To digress only for just a moment, in that respect, Mr. President, I call attention to one other development that was most urgently brought to my attention while visiting in the Middle East, particularly in Egypt.

It has been publicly proclaimed in the press in this country and abroad that an arms pact between Libya and the Soviet Union threatens to make Libya one of the major military powers in that part of the world.

In conversations with President Sadat, of Egypt, it was clear to me that he had great concern for this, concern for the fact that the most modern type of weaponry was being offered to the Libyan Government and that almost certainly, almost without a doubt, that equipment, that sophisticated and exotic equipment, those tanks, more modern than any that were given to Egypt by the Soviet Union, that exotic equipment must be operated, at least temporarily, by people other than the Libyan Armed Forces, because the numbers involved upwards of 1,000 tanks or 2,000 tanks are clearly beyond the manpower capability of the Libyan Armed Forces and probably beyond the technical capability of the Libyan armed forces.

As President Sadat also pointed out, with the Russians coming into Libya, they have 2,000 kilometers along the Mediterranean coast, and with the published reports of an intensive effort by the Soviet Union to build a military facility in Tripoli, it is almost sure that before long, if they continue with that policy, Libya and her Soviet friends will have a military presence, an aircraft capability that will be a distinct rival to our very significant carrier capability in the Mediterranean.

Once again, as President Sadat said, "Libya has pointed toward me," meaning Egypt, and then he shook his finger at me and said, "It is pointed toward you, too." And it is.

Mr. President, détente is worthy of our support. Détente will be recorded as a great accomplishment of President Nixon's administration. Détente is a humanistic effort to end the scourge of war in our lifetime, but détente is not an end all.

Détente is an invitation to disaster if we do not in fact recognize it for what it is, and it is only an opportunity to reduce and lessen tensions and not to eliminate the requirement for a strong, vital and credible national defense force in the United States and a foreign policy that gives credence to our strength and courage to our lives.

Mr. President, in light of these developments on Tripoli, I very much fear that the United States cannot depend for very much longer on its current level of defense spending, nor on the shield of NATO, nor on our forward position defenses in the Asian crescent to defend its interest or to fulfill the profound moral requirement of this country to provide protection for its friends and allies. Consequently, I think the time may come in the near future for us to undertake a national sacrifice by increasing our national defense commitment. I recognize that this is a hard message, Mr. President, and it may be difficult to sell, but, Mr. President, it is essential to the welfare of this country.

I believe that this Nation still has her future before her. I believe that our greatness is still to be realized.

I believe our role as a leader of the free world, as a protector of democracy, as a friend of the downtrodden and aid to the aspirations to all mankind, has only just begun. I believe it is utterly impossible in this era of instantaneous electronic communications and near-instantaneous transportation to isolate ourselves behind any ocean or any philosophical barrier.

I believe we have a heavy burden, but I believe we are uniquely equipped to undertake it, to shoulder it and to discharge our responsibilities.

But to do so, Mr. President, we must undertake at one and the same time the seemingly conflicting paradox of trying diligently, consistently and inexorably to reduce the tensions leading to strategic nuclear war, through SALT, through the elaboration of détente and trade, through friendship and rapprochment. We must do these things while at the same time we jealously guard our military sinews and strentgh so that this country is never thought to be weak, let alone being weak, and God deliver us from the time whenever this or any future President finds his only line of defense is nuclear deterrence.

Mr. President, that is what we are talking about with this bill, and I respect the judgment of those who say that the fat has been trimmed out of this bill, or most of it, at least, and that it ought to be passed as our colleagues in the House of Representatives passed it substantially intact.

There will be tests of our resolve and our strength tomorrow, and it will be watched by the world, just as when I was in Egypt they watched with great interest as 76 of our colleagues signed a letter expressing their foreign policy intentment with respect to the Middle East.

I checked the headlines when I came back to the United States, and they were minute and miniscule compared to the headlines that letter received in the Middle East, in Israel, in Egypt, and Saudi Arabia.

The Senators may be assured, Mr. President, that those headlines abroad will once again be bigger for our actions here this week on foreign policy and national defense than they are likely to be in the United States.

This is a time of trial, but I have great confidence that we will meet it well.

Mr. GARY W. HART. Mr. President, will the Senator yield for a question?

Mr. BAKER. I am happy to yield.

Mr. GARY W. HART. What many of us have been discussing over the last couple of days is an attempt to relate the items in this authorization bill, to specific commitments around the world.

What we have difficulty doing is understanding the transition from either a formal treaty commitment or an informal executive agreement commitment, or perhaps even a third-party negotiation between a foreign government and a domestic defense contractor, into actual dollar amounts for manpower levels, for specific weapons systems, for triads, and so forth.

My question to the able Senator from Tennessee is whether he feels, based on his experience, that there is the bridge presently existing within the institution of the Senate between the commitments, either real or imagined, that we may have and specific items in this document that we are asked to approve here this week.

Mr. BAKER. In response to the query by the Senator from Colorado, for whom I have respect, I say that I do not think we can do that. I do not think it is possible to relate a treaty commitment, a foreign policy requirement, directly to a weapons system. The composite total of the several arsenals of the U.S. military might have to be taken into account as a part of our foreign policy potential. I wish it were not so, but it is so.

The burden of my remarks would be that it is essential that we have the appropriate mix, the appropriate depth and strength, the appropriate modernness and relevance of weapons systems, so that whatever treaty commitments we undertake in the future, whatever international situations may develop in the immediate future or in the distant future can be accommodated within that range of strengths.

I do not believe the B–1 bomber can be related to our situation in Egypt, any more than the Trident submarine can be related to the situation in the Indian Ocean or in Saudi Arabia. I think the totality of them have to do with the total image of the United States and its credibility in the formulation of its foreign policy.

Mr. GARY W. HART. Will the Senator from Tennessee agree that if the institution of the Senate were permitted to have explained to it, at earlier times than the time for ratification, what proposed commitments, treaties, executive agreements, and so forth, implied for a military posture, we, as individuals and as a body, might be better equipped to understand why we need more bombers, Trident submarines, and so forth, instead of taking the passive position we have taken in the past, waiting for the agreement to appear here, ratify it, and then have it followed up with a bill?

My question is whether we, as individuals, in doing our jobs, became involved in these agreements earlier, we would understand what we are asked to pass upon here this week.

Mr. BAKER. Mr. President, I think the Senator is entirely correct. Not only do we sit here as a deliberative body, with give and take, as we should, but also, we are poorly served to find a few days in advance a committee report, which is usually the only basis upon which we can make our judgments.

I do not quite know how I would go about changing that, but I think it cries out for change and arrangements in the Senate and allocations of our time for it to be taken into consideration.

I would extend that one step further. I believe that the constitutional requirement that the Senate, as a body, participate in the formulation of foreign policy with the President is so generally spoken of by the Constitution and so little aided by precedent that it does not mean much. It might serve us well for the Senate as a whole, for the Committee on Foreign Relations, or for anybody else to have some hearings and publicly to ventilate the ideas that may develop as to how the Senate goes about advising and consenting with the President, how we go about gaining relevant information and data at an appropriate time, how we go about versing ourselves on the requirements of foreign policy and military strength well in advance of the crucial time when we vote.

I think we have only barely touched on the inadequacies of the Senate in that respect, but we should give careful attention to it; and I would support a proposal to examine fully how we might improve that.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. BROCK. Mr. President, I share the concern of the Senator from Colorado about executive agreements. I think they tend to skew out of kilter our policy, particularly our understanding of the policy within the framework of the Senate, and I hope we can correct that.

I believe it would be very easy to use our treaties and/or executive agreements, or the lack thereof, as a "copout" to pare down or attack the defense budget, which should not relate so much to treaties as it should to national security in its broad context. I do not want to see that happen. I want to debate the security question in its full context on one side, I want to debate the constitutional question of executive agreements on another side, and then I want to fold it into the fundamental context of our national security. But we must not allow this or any other debate to be used as a device to assault our national security from the framework of a treaty versus an executive agreement which does not really relate, in either instance, to the continued peace of the world.

Mr. BAKER. Mr. President, I have great admiration and respect and, indeed, enormous affection for the constitutional form, but I think that sometimes we should give some attention to the virtues of the parliamentary system. I do not believe it suits the American personality, but there are aspects of it that we used to have but do not have any more. Perhaps that would solve some of the problems raised by the Senator from Colorado.

It has not been so very long ago, in terms of the history of this Nation, when the President had his office in the Capitol—or at least an office—when the Supreme Court was housed in the Capitol, and when the Government was really centered in this location. The continental drift is nowhere more pronounced than it is down Pennsylvania Avenue.

It might be that a few things we borrow from our European cousins, from the parliamentary system, as simple as a presidential presence in the Capitol, with a part of his major staff and the President here from time to time to talk, as Lincoln used to talk, on the adjourning and waning days of Congress, might be helpful in seeing that there is a full interchange of ideas from time to time.

I reiterate: I do not think the parliamentary system suits the American political personality; but I believe that the isolation, not only at the White House but also of the administrative bureaucracy—the major figures in it—has become so great that we tend to assume adversary roles beyond those envisioned by the framers of the Constitution in establishing jurisdiction and checks and balances.

Mr. GARY W. HART. Mr. President, if the Senator will yield, I should like to comment on the observations of the Senator from Tennessee (Mr. BROCK).

I think there are two issues here, and we cannot avoid the constitutional issue. The Senate is doing its job, and part of that job is to authorize and appropriate $100 billion for commitments around the world. Some of those commitments have not passed the constitutional test of ratification by this body. I do not know how we can avoid that.

We are asked to give these commitments. We represent the people of this country, and it is their hard-earned tax dollars. It is very much at issue whether this body should ratify an agreement and whether there is a trend to get away from treaties and executive agreements that bypass the approval of this House.

Mr. BROCK. I do not argue that. I say that we should not use that as an excuse to assault the budget. We should debate a procurement budget in terms of the national interests of the American people.

Mr. BAKER. Mr. President, I do not mean to intrude in the colloquy between the Senator from Tennessee and the Senator from Colorado, but I have only a few more words before I will yield the floor.

I believe it is essential that we proceed with the show of resolve and determination. I believe that the translation of that resolve and determination is the adoption of this bill in essentially its present form. I believe that it will be viewed by the rest of the world as a significant act by the United States at a sensitive and significant time.

In my opinion, the worst is still ahead. Those who wish for reduction in arms expenditures in the future have a long way to go and a long time to wait.

I predict—I am afraid unpleasantly to the ears of those who hear me—that in the future there will be a requirement for still more defense dollars. But I believe that we had better just face up to the fact that détente is not the total answer. Détente is the expression of our hope and a measure of our political progress; but it does not diminish the continuing requirement that we devote whatever share of our national resources and treasury is reasonably required to see that America maintains her position of leadership, as we must.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

UMI

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. STENNIS. Mr. President, I yield myself 10 minutes, and I yield for a question.

Mr. KENNEDY. Just to carry forward the matter that the Senator from Colorado has been talking about, a matter we discussed earlier in the day. I wonder whether there are any executive agreements which involve the commitment of either manpower or equipment, or other agreements or understandings which have not been published and which we have not since made available to the American people generally. I would hope this is something the chairman of the committee feels he can talk about, because I do think it is a matter of importance. I think over the period of the last year or year-and-a-half we have seen agreements which have been made on the basis of executive assurances.

I just wonder now whether this is something that the chairman of the committee could discuss. I must say I would have liked to mention this item to the chairman of the committee before addressing this question to him; but it has come up in the context of the Senator from Colorado's statement. It is a matter about which the Senator from South Dakota (Mr. ABOUREZK) has chaired hearings of the Senate Judiciary Subcommittee on Separation of Powers. So there has been considerable interest in this issue. I wonder what the chairman of the committee could tell us about the nature of executive agreements, whether he is consistently informed when these agreements are made, and whether there are agreements now about which we in Congress are unaware.

Mr. STENNIS. The Senator refers to executive agreements involving military forces?

Mr. KENNEDY. The Senator is correct; yes.

Mr. STENNIS. No, Mr. President, I have no special knowledge of any special closed or secret executive agreements regarding the placing of troops anywhere, or any special arrangements with foreign countries. There are not any that I know of.

Going back just a few years, we had a tremendous debate here on NATO, when there would be 50, 60, 70, or 80 Senators present on the floor day after day. That was the first great American venture into the field of alliances. I believe one or two preceded NATO, but NATO was the biggest one. It was followed by several others. Then, of course, we have had the war in Korea and the war in South Vietnam. We have had seven, I believe it is, treaty alliances; and we had a proposed constitutional amendment here once called the Bricker amendment—Senator Bricker was from the State of Ohio, and a so-called conservative—which would have eliminated a great many of the executive agreements to which Senators have referred. I remember it failed to pass; it required a two-thirds vote as a constitutional amendment, and it was thought it would have been readily accepted by the House of Representatives, but if failed to pass here by one vote. A great deal of the opposition, incidentally, was led by so-called liberals, so far as the division then was concerned.

But as to the Senator's specific question: I have no special knowledge of any kind of a secret or side executive agreement. We have had the debates on the Senate floor many times over, though, about the placing of troops. I thought that this was very good, these last 2 days of talking and debate. But a few years ago we had the Selective Service Act renewal, and the Senator from Massachusetts was very active on that, and helpful. That bill and the authorization bill for military procurement crossed on the floor here, and it took over 7 weeks of solid debate, with no filibusters, to get those two bills into law.

I remember the military procurement bill that year required 25 or 28 rollcalls, and there were 50-odd amendments. One of them was to take part of the troops out of Europe, to limit the NATO commitment. I think we also had amendments to limit the troops in the Pacific area. Maybe that involved an overall number. In those debates, there was a proposed limitation, or cutoff date, for ending the war in Vietnam. So really it is nothing new for us to have a lot of debate here on policy questions, on the matters that pertain to this bill, or on agreements of various kinds.

I have a few remarks I want to make, but that covers the Senator's question as well as I can answer it.

Mr. KENNEDY. I thank the Senator. If I may be somewhat more precise, I was inquiring whether he knows of any secret agreements or understandings which would in any way require the presence of American troops in any part of the world, on the basis of any kind of understanding of the President with a foreign leader.

Mr. STENNIS. No, I am sure I have no such knowledge, or any information along that line.

Mr. KENNEDY. Well, the Senator would know, obviously, would he not? Would he not be informed?

Mr. STENNIS. I would expect to know; yes. I would expect to know through various sources. I do not know to what extent the Executive, whomever he may have been, always told us everything along those lines but I would expect to know something.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. STENNIS. I want to yield to the Senator from Massachusetts as long as he has further questions.

Mr. KENNEDY. I yield.

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Wisconsin?

Mr. STENNIS. Yes; I yield for a question.

Mr. PROXMIRE. Is it not true that there was an executive agreement or commitment to defend or to act in a military way in Laos, which executive agreement cost us billions of dollars over a period of years, and which executive agreement was not communicated to Members of Congress, and to the best of my knowledge was not communicated to the distinguished chairman of the Armed Services Committee? Is that correct or not?

Mr. STENNIS. Well, I became chairman of the Armed Services Committee in January 1969. I was already a member of the CIA Subcommittee, but they told me nothing about any real troop commitments in Laos. We spent money there, paying for a lot of other activities and all; that was a case where there was a lot of use of forces hired by our Government, but I was not told anything about it as a member of the Armed Services Committee or when I became chairman.

Mr. PROXMIRE. Is the distinguished Senator satisfied that the situation has been changed, so that at the present time he would be aware of any agreements similar to the agreement made as to Laos?

Mr. STENNIS. Yes, I am satisfied of that. I have no knowledge to indicate anything to the contrary, as far as I know.

Mr. PROXMIRE. Of course, the difficulty is that at that time the Members of Congress assumed there was not such a commitment or such a requirement.

Mr. STENNIS. Yes. Well——

Mr. PROXMIRE. It involved a colossal amount of investment of materials, men, and equipment that we did not even know about.

Mr. STENNIS. Well, there was one difference there. When I did discover it, I considered it as a part of the war that was already going on in South Vietnam. The whole operation there in Indochina was more or less blended together, and I wanted to get out, but I did not want to be run out. I opposed all these deadline amendments for that reason.

I trust I am not going back too far, but I spoke on the Senate floor against going into Vietnam. The Senator from Wisconsin perhaps was not here then, in 1954, when we sent the first uniformed people in there.

So I was wanting to get out all the time but there are ways and ways of getting out. I really considered the activity at that stage, what had gone on in Laos, as part of the war that our men were carrying on in Vietnam. Later the Cambodian matter arose, and I supported the idea of destroying all this ammunition and supplies in Cambodia, and I have never regretted it. We were already in the war, and our men were being killed every day, sent forth to battle.

There were not any troops whom we had in Laos. There was money, and there might have been a few trainers sent in there, but we were not sending our American troops in there in this fighting. It was money and equipment and maybe a little know-how or techniques.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. STENNIS. I yield myself 10 minutes more. I am glad the Senator brought up his question.

I can assure the Senate that I have no secret knowledge along that line.

Mr. President, I have enjoyed this presentation here. But it is a great mistake, an error or just forgetfulness on

the part of some to say that we have not had some real genuine debates here, on this bill, over a period of years. I handled the bill for the late Senator Russell when things were running so smoothly that 30 minutes to an hour, which has been mentioned, was correct. It did not take long to pass it.

But things changed, and it has been a rough go ever since. I am not complaining of that either. [Laughter.] I happen to be the author of the amendment that requires these procurement authorizations. Some years ago there was nothing which required authorization by the Armed Services Committee except buildings, runways, and construction of that kind.

Senator Russell and I worked together. I put the amendment in his name. It was to a military construction authorization bill that the amendment was added which started this off. So I certainly am not dodging.

I want the discussion here. I have appointed subcommittees to go into these matters in depth, and that opened the debate up a lot more. I do not want anyone to think now, as this part of the debate closes, that we will have easy going, because we still have some hard rows to hoe, and a lot of hard work to do. We have a very important bill pending.

I came in this morning just as the Senator from Massachuestts was concluding, and I got the idea that maybe he was inferring that something I said yesterday was a suggestion that there was nothing that could be done about the situation in Korea, I believe, was what we were talking about.

But I opened my remarks yesterday by saying that real issues of foreign relations, foreign policy belong to the Foreign Relations Committee. I have always kept my record clear that I did not want to invade the jurisdiction of another committee and, with the exception of aid to South Vietnam—and that was under a special agreement—the Foreign Relations Committee has had jurisdiction over these military aid matters and, of course, primary jurisdiction of all foreign policy as it pertains to the Senate.

That is a very important committee, and one that I respect very highly. I was trained to respect it, as a young student of government, as a committee passing on all the nominations, making recommendations on treaties.

Yesterday, after we had talked about Korea a good while, I asked the Senator from California—and he is a very frank and honest man—if he had any proposal that would affect this pending bill with reference to Korea, and he said "no."

I asked him if he proposed to withdraw any troops that we had there now, and he said "no." His were full, frank, and honest answers. I refer to that now to point out that we have had the debate, which is all right, but we still have this bill pending, and we have an agreement under which things will move along rather rapidly.

I want to warn the Members of the Senate again that this is a very, very important bill in a highly critical time. You can file such amendments as you think you should. But I think we have already done a lot of amending on this and we have a good bill.

I want to just say one word about Senate debates now. I think to have Senate debates that are meaningful—and I am not referring to any individual—we have got to have attendance here on the Senate floor. You do not have much chance to advance an idea over here any more. When these debates took place on the NATO alliance we had 50, 60 to 70 men here on the floor beginning soon after 12 o'clock, who stayed from 4, 5 to 6 hours.

I know times have changed a great deal since then, but there was really a fine exchange of ideas and the presentation of resolutions with reports, printed testimony, to back it up, and some highly important votes were taken.

We are just going to have to work out some way—I am not trying to blame anyone. Senators are called on to do so many things, personal service or attention to constituents, a great many more committees, much more legislation, many more fields have to be covered.

After all, there are 100 men who have to pass on here the same amount of legislation generally that 435 Members of our splendid other body have to pass upon. They are good and they have some real experts over there, and if you do not believe it, go to conference with them. [Laughter.]

But to get down to the nub of the thing, for a real exchange of views we have got to make up our minds, I think, to stay around more and stay in session more and attend the floor here when debates are in order and are undertaken.

We have splendid floor leadership. I do not want anybody to infer that I am critical of them. They do such a fine job in keeping things arranged and getting consent agreements. If it were not for that, we never would get through.

I look forward to the time when we can review all these matters. But on foreign policy matters I want the Foreign Relations Committee to take the lead. I want to have the benefit of their expertise, the benefit of their staff work and their fine knowledge and their valuable recommendations. We will come back to some of those things. There may be some amendments here that will raise those issues.

Well, I am glad to yield the floor or to respond to any questions.

I believe the Senator from Massachusetts maybe—I have already yielded to him—does the Senator from Rhode Island have any questions?

Mr. PELL. No. I would like some time on my own when this exchange is through.

Mr. KENNEDY. The Senator from Maine has a question, and I will just make a comment.

Mr. STENNIS. Yes, I yield for a question.

Mr. HATHAWAY. The Chairman has had a long and grueling day.

Mr. STENNIS. That is all right. I am glad to yield to the Senator.

Mr. HATHAWAY. One question that has been bothering me for many years, and I have asked this question repeatedly both here and in the House of Representatives, is what the intelligence basis is for the alleged threat to our national security. I know it is presupposed that Soviet Russia presents some threat, as do China and probably some other nations in the world. But although I have asked Pentagon officials repeatedly for what intelligence sources they had to indicate the nature of these threats, I have not yet been able to receive that kind of information.

I wonder if the chairman of the committee could give me some idea as to what intelligence we have that indicates to us one nation is or more than one nation are, a threat to our national security.

Mr. STENNIS. For the purposes of answering the question, I yield myself 5 minutes, Mr. President.

The Senator says that the Department of Defense, other departments, was unable to give him any information.

Mr. HATHAWAY. Not any information, but it certainly was not adequate information.

I recall when I was on the subcommittee of the Appropriations Committee in the House, and on Foreign Operations, I asked the same questions and did not receive what I considered to be satisfactory responses.

Mr. STENNIS. We have a very fine intelligence gathering apparatus that I would be glad to discuss with the Senator. The reason I do not want to talk about it here is because of disclosing things.

I am talking about our intelligence gathering, through electronic devices, and so forth. I think it is superior to anything else.

But the others have it, too, although they do not need it as we do. They can go to newsstands and magazine racks and get most of what they want to know. It is just superb and amazing photography that we all are familiar with generally. We have the benefit of those things.

We also have other sources, of course, that come through human channels.

We do not know what is in a man's head and there is no camera that can tell us what a man is thinking about.

I think that with Russia as our main threat—if we may use that term—I think we have got to call it a deterrent balance, in a way, that protects us.

I think if there is any advantage given, they will take it, and by blackmail or force, but I have never made a career of just being anti-Russia. I just think those are some facts of life.

I want us to have a military force that will not leave anything to chance as to our ability to protect ourselves and those we are allied with, as long as they have shown evidence that they really go the limit to protect themselves. Why, I think we have to help them as we promised we would.

But I believe that is about as far as I can go in open discussion here.

I do not think there is any doubt, we must be prepared.

Mr. HATHAWAY. I would think it appropriate for that information to be revealed to the Members, even if it has to be in a secret session, so that we would have better evidence of an armed buildup in Soviet Russia to indicate to us when they are a threat to us.

UMI

Mr. STENNIS. It is a matter of judgment, what their purposes and intentions are.

I have noticed this, every President that served since I have been around—and I started with Mr. Truman—every President, Democrat or Republican, liberal or conservative, so-called, after they experienced it they all felt about the same way, toward not leaving anything to chance, about being prepared.

That, within itself, is an impressive fact to me, the different type men that have been there. Mr. Truman, Mr. Eisenhower, Mr. Kennedy, Mr. Johnson, Mr. Nixon, and Mr. Ford, there is certainly a diversity, and this is the conclusion all of them reached.

So I do not have any doubt myself.

Mr. HATHAWAY. Certainly, the times in which President Truman was President are diffcrent than the times today. Maybe he had a basis at that time for believing we could have the tremendous buildup that we did at that time, but those facts might not exist today.

Mr. STENNIS. That is true.

Mr. HATHAWAY. I am simply asking for the facts.

Mr. STENNIS. I am giving the facts, and my reasoning, but I do not want to just open up the whole thing here as to how we find out some things. I think I will talk to you in the cloakroom, if I may, about it.

Mr. HATHAWAY. Or in a secret session so that everybody will know about it.

Mr. BROCK. Will the Senator yield?

Mr. STENNIS. I think I have told the Senator about all I know and a great deal is opinion. After you get some facts, you have to have an opinion. The Senator's and mine might be together on some things, might not be together on some things.

Mr. BROCK. Will the Senator yield?

Mr. STENNIS. Mr. President, I yield myself 2 minutes further.

Mr. HATHAWAY. I just wanted to know if the chairman would make available to us the facts on which he bases his opinion that Soviet Russia, or any other nation, constitutes a real threat.

Mr. STENNIS. Under the circumstances here, now, I think I have gone about as far as I can go, with all deference to the Senator.

Let me yield the floor for a couple of minutes.

Mr. BROCK. I wonder, on this same point, it is a fact the Soviet Union has, without any single exception in any single year since World War II, increased its military force.

Mr. STENNIS. That concerns me, too.

Mr. BROCK. Is it not a fact they have increased their strategic capability?

Mr. STENNIS. Even today, we will have some of that come out in debate, perhaps not in detail.

Their navy is building at alarming proportions. I do not know why. Maybe because we had built up.

Mr. HATHAWAY. That is just the point I am trying to make: if they are just responding to our buildup.

Mr. STENNIS. Maybe so. I do not know.

Mr. BROCK. Is it not a fact we reduced our expenditures in the 1960's for strategic weapons under Secretary McNamara, we made a conscious decision to withhold development of major new systems and the Russians continued to build during that time and subsequently, is that not a fact?

Mr. STENNIS. It is very true. It is true, they have.

Mr. HATHAWAY. The Russian buildup the Senator from Tennessee is referring to: it could be on the basis of a supposed threat to Soviet Russia from China.

Mr. BROCK. Well, is it not a fact, Mr. Chairman——

Mr. HATHAWAY. It just seems to me it is not very wise for us to be spending billions of dollars just on suppositions.

The Senator from Tennessee demands much factual evidence if we are spending money for aid to education; or for any social program.

Mr. STENNIS. Mr. President, I yield 5 more minutes for answering questions.

The PRESIDING OFFICER. The Senator from Mississippi has the floor.

Mr. STENNIS. I feel that I have covered it about as well as I can here.

I have gathered some unclassified data that I am going to refer to later on their weapons systems, and it is not encouraging, but as to their intents and their purposes, no one can be certain of that. It is an open question.

China is a problem for them, and I think it is for us, too, or could be. There is no use to take a chance with those powers, in the nuclear field, particularly.

We are arguing here about the size of the Army. I think, for the size of our Nation and the wide interests we have, we have a very small Army, and I hope the quality stays high because it is small. The Navy has been neglected during the war in South Vietnam—the building program has, I mean, no doubt about that, as we are trying to pick that up now.

Mr. President, I yield the floor.

Mr. BROCK. I am just surprised at the Senator's question, and I think it is factually stated, the chairman can correct me if I am wrong, that the Soviet Union has considerably more men in the field in uniform than we do, considerably more tanks, they are developing rapidly a considerable naval threat, they have considerably more strategic throwaway, more and bigger missiles, and probably better in some sense of the word.

If the Senator's logic were correct, that they have built up because they are afraid of us, what are they afraid of now?

Why do they continue to outspend us, not only on research and development, but on hardware?

I wonder what fact it takes to require the Senator to look at it from that point of view. I wonder what facts it takes the Senator to buy an insurance policy.

Mr. STENNIS. The gentlemen can have the floor as far as I am concerned.

I assume everyone knows about their military strength. They do not have long-range bombers like we have, but they have plenty of great power, a tremendous buildup in their navy, their submarines and antisubmarine forces are considerable.

Very well. I have yielded.

Mr. KENNEDY. I would like to make one comment, if the Senator will yield.

Mr. STENNIS. I am going to yield the floor. The Senator from Rhode Island has not had the floor today.

Mr. KENNEDY. I just wanted to state, as we are winding up this day, that I support what the Senator from Mississippi has said to be the past record. Over the period of time that I have been in the U.S. Senate, and I am sure before, the chairman has been quite willing to be involved in debate or discussion on any matter. As one who has followed and observed him, and on occasion differed with him on particular items, I believe the RECORD should be very clear, on the part those of us who supported this exercise the last 2 days, that it was in no way a reflection on his willingness to enter into debate or discussion. This history is quite well known.

As we end this phase of the overview on the Senate debate, and as we move into the various amendments, I want to express very substantial appreciation to him and to the members of the committee for permitting the discussion of the last 2 days.

As the Senator realizes, we had some meetings prior to the break. He felt a strong responsibility to the committee to expedite the action of the legislation, but he saw at least our point of view in trying to develop this dialog. He cooperated with us completely and was prepared to respond to questions.

At this phase of our discussion, I want that to be extremely clear.

As the Senator knows, we have tried, over the period of the last couple of days, to at least identify what the nature of our foreign policy commitments should be in the world in the aftermath of Vietnam. I and others thought it to be important that our friends and allies know the nature of our commitment, particularly in Western Europe, in Israel, and Japan, and elsewhere.

Mr. STENNIS. May I thank the Senator, and may I yield the floor? He will have time to speak on his own.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Also in this debate we seek to understand the distinction between commitments which directly relate to our security and require the availability or military power, and those areas which do not. We really have not been able to achieve, in this sense, a very precise and clear consensus. But I do think that it has been helpful, certainly, for those Members of the Senate who have been prepared to enter into this discussion and dialog. I think it has been informative for many of us. I know there were some Members earlier who made comments about the nature of this exchange. I found that some of them just drifted into the Chamber, made their comments, even read from formal statements, then drifted away, even though they had made some observations about the character and nature of the debate.

Nonetheless, I am hopeful that, in the nature of our responsibilities to the American people, this will be an important beginning for further discussion and debate on the nature of our commitments, on the defense structure needed to preserve those commitments, and on strategic arms policy.

We have had some discussion of differing views of strategic policy today. We had hoped we would be able to spend 4 or 5 hours on this particular issue. I believe it is an issue which does deserve a great deal of attention and discussion.

I have heard the numbers game played time and time again. I think it is important for us to try to make a decision whether we want to continue to play the numbers game ad infinitum, with all its implications for accelerated nuclear weapons development. An expansion of our own strategic weaponry tends to drive other countries, perhaps those countries that have nuclear capacity and perhaps even those who have a nuclear potential, to escalate their own development. We have been questioning whether our security is served by that kind of march into the future. We believe it is time to recognize, and hopefully we will, that we have a strategic force that guarantees second-strike assured destruction against any aggressor. We have a sufficient deterrent; in fact, we have massive overkill available.

Obviously, we have questions on modernization, but they pale before the overwhelming level of forces we now have. We have more crucial questions of how we are going to encourage further arms control. We have the dangers of nuclear proliferation. But we have to ask ourselves whether the development of hard targeting weapons systems, building more weapons systems and talking about relative numbers, really moves us further toward or away from some degree of sanity on this issue.

We are in a zone of perceived parity and we will continue to have substantial overall equality for the foreseeable future, and I believe that we should. But we do have to ask ourselves, if these are some of the parameters for this problem, what sense it makes to continue to build B–1 bombers or the Trident weapon system that are suggested within this budget, where the cost will reach close to $20 billion for the B–1 and close to $1,500,000,000 for each of the Trident weapon systems. All these matters are interrelated.

Finally, I know we will hear from the distinguished Senator from Rhode Island on a final aspect of this debate, which I think was addressed with great eloquence by the Senator from Minnesota (Mr. HUMPHREY) earlier. As we add dollar for dollar on this procurement measure, we must recognize what it is costing in terms of foregone health services for the people in my State and in other States; what it means in cuts in the various programs on alcoholism and drug control; what it means in less resources for community neighborhood health centers and child maternal health centers; what it means in the whole range of health programs; what it means for senior citizens and what it means for the quality of life of millions of Americans.

Perhaps we have not been able to develop this particular issue with all the precision that we might have hoped for in the course of the last 2 days. But I do believe it is a crucial element in this debate.

I think it is important to recognize at the outset that every Senator here today believes in a strong defense adequate to our needs.

Yet, we also believe that our national security is made up of more than men in uniform and the missiles and tanks and bombers in our weaponry. The eagle does have an olive branch in one of his talons.

We believe that part of our national security rests on an allocation of resources that assures a vigorous economy. Part rests on our ability to provide for the health of our families, the education of our children, and the condition of our cities and rural areas. And part rests on our capacity to awaken and preserve the confidence of our people in the just workings of their Government.

As we have seen in Vietnam, in Greece, and in Portugal, the size or emphasis on military forces does not in the long run assure the security of a country. It requires as well the support of the people.

And so when we glance over the level of strategic strength that we possess that assures a deterrent against any nuclear aggressor, when we view the level of preparation of our conventional forces—General Brown, when Chief of Staff of the Air Force saying that the U.S. Air Force "overall is a stronger, more proficient and professional force."

Senator STENNIS, saying of our naval forces:

> Based on current forces and the progress we are presently making, the U.S. Navy is without doubt superior to the Russian navy. On a Navy-to-navy basis, the Soviet navy does not match the capability of the U.S. Navy.

And General Brown this year as Chairman of the Joint Chiefs, saying that since 1972, we have increased our Army combat readiness from 4 to 13 divisions, then we know we have a military structure second to none.

When we see this and then see a world in which the level of threat to our security from foreign sources has at least declined over the past decade, we find it strange that the President requested an 18-percent overall increase in defense spending this year.

We find it strange that the procurement and research and development request was for more than a 35-percent increase. We find it strange that the level of increase for our general purpose forces was 27 percent. And we find it strange that the committee approved a procurement request of 20 percent more than last year.

We find this difficult to understand during a year when fiscal constraints are such the President proposed a 5-percent cap on social security cost-of-living increases, to food stamp programs, child nutrition programs, and the supplemental security income program. We find it strange that the budget would entirely eliminate the school breakfast program.

And in the area of health, we find some of the deepest, and in my view, most unwise proposed reductions.

Mr. President, the great tragedy of this military procurement authorization is that every dollar comes out of the hide of other programs—such as health programs. We are all working today within tight economic constraints. The President's fiscal year 1976 budget lives within tight ceilings on the deficit—and the congressional budget resolution also confronts us with tight ceilings on appropriations and the Federal deficit. If we are to live within these ceilings, we cannot authorize these levels of appropriations for military procurement without severely limiting other programs.

The President's fiscal year 1976 budget, indeed, proposes disastrous cuts in health in order to fund military procurement and other Department of Defense funding. The President's fiscal year 1976 budget, in fact—

Cuts research at 9 of the 11 National Institutes of Health below their fiscal year 1974 levels;

Cuts support of medical, dental, nursing and other health professions below their fiscal year 1974 levels;

Cuts services at neighborhood health centers, migrant health centers, and mental health centers an estimated 30 percent—well below their fiscal year 1974 levels;

Cut Federal support of medicaid;

And in the face of venereal disease incidence that has more than doubled in the last year—and approached nearly 1 million reported cases last year—the administration proposes drastic cuts in funds for venereal disease control and other preventive programs.

Mr. President, these cuts in health go beyond holding the line or tightening our belts—they are destructive. They cut deep enough to destroy health research, health education, and health service institutions that have taken years to build. It would take years to rebuild the research, education and service capacity these cuts would destroy.

The clock would be turned back on the conquest of disease and on good health care—and every American would pay the price for years to come. But these are the cuts the administration would make in order to spend $28.6 billion on military procurement.

And even more tragically, many of these cuts will immediately hurt the very people who have already been hurt most by unemployment and inflation. Federal health service programs aim mostly at the poor, the elderly, and those living on fixed incomes. These are the people served by medicaid—by migrant health centers—by neighborhood health centers—and by mental health centers. And because of unemployment and underemployment, there are record numbers of poor and low-income Americans today. But the administration proposes not to meet this increased need, but to cut services to these people by 30 percent.

At the President's Presummit Conference on Health, when idealism was running high, and principles were being stated with respect to the fight against inflation and unemployment, the over-

UMI

whelming consensus was that it would be doubly tragic to fight our economic problems by cutting services to the very people who have already been most hurt by unemployment and inflation. Yet, when it came time to draft the budget, the administration proposed to do exactly that.

I am pleased, Mr. President, that the committee has reduced the authorization for military procurement from $28.6 to $25 billion. But this is not enough.

With approximately $400 million of the $1.2 billion, Senator SYMINGTON and I and others are proposing to cut from the authorization, we could restore the 30 percent cuts in health services programs, and even modestly expand these programs to respond to the growing number of Americans who need their care. The Senate on April 10, streamlined these programs in the Nurse Training and Health Revenue Sharing and Health Services Act. They now badly need to be funded at a level that enables them to do a decent job.

Moreover, the savings from military procurement would help us to go a step further, and finance health insurance for the Americans who have been hurt most of all by our economic woes; namely, the unemployed. The Senate has on its calendar a bill reported by the Committee on Labor and Public Welfare to extend the health insurance of the unemployed to cover the period during which they are eligible for unemployment compensation. A similar bill has been reported out of the Ways and Means Committee and out of the House Commerce Committee. As the President's budget currently stands, we cannot even dream of extending this insurance coverage to the unemployed. We can only pass this bill if we cut funds from some other area, or if we raise the projected fiscal year 1976 budget deficit. I propose that we obtain a share of these dollars from military procurement funding.

Mr. President, not only the poor and elderly are hurt by the President's health budget, all Americans are hurt. Since last April, when wage and price controls were removed from the health care industry, health care costs have risen over 15 percent. During the first 3 months of this year, health care costs skyrocketed at a rate of 1½ times that of the rest of the economy. As prices of food, housing, and other essentials consume larger and larger portions of the average family's budget, health care is becoming even harder to afford.

Indeed, the Federal and State budgets for health face the same crisis. State after State is considering cutbacks in medicaid services. My own State of Massachusetts is running millions of dollars in the red, because more people than ever are eligible for medicaid—and inflation has driven health care costs sky high. And of the $2.7 billion increase for health care proposed in the President's fiscal year 1976 budget—$2.6 billion is to pay for increased costs under medicare and medicaid. In fact, the increase would be even more, except that the administration proposed to cut approximately $600 million in Federal expenditures on medicaid by asking the States to increase their share of the costs from 50 to 60 percent. The proposal is lunacy given the shape of States' budgets and these funds will have to be restored to the Federal budget.

The point is—that, if we do not do something soon to reform our health care system and control costs, no one will be able to afford good health care—not the Federal Government, not the States—and not the average American family either.

The Senate has already taken steps to deal with these problems. We have passed a new health planning law which establishes more effective State and local health care planning agencies throughout the Nation. We have passed a Health Maintenance Organization Act designed to foster growth of more efficient and economical ways of organizing health care.

We are also in the very midst of legislating basic reforms in health manpower to require health professional schools and students to offer services in underserved areas as a condition of continued Federal support. Before this year is out, I am hopeful that the Senate will again pass, and the President sign new legislation aimed at making sure we have enough physicians of the right specialties in all parts of the country to offer health care to all our people.

Unfortunately, Mr. President, the President's budget for health allows only minimal programs in all of these areas. In fact, over $400 million more would be required in fiscal year 1976 to adequately implement planning, health manpower, and health maintenance. Every year that we wait to begin these reforms, the problems grow more acute. Inflation does not slow down in the health care field, the physicians keep leaving the rural areas, and unnecessary costly hospital construction continues across the country running up the future health care bill in our Nation. I would use some of the funds cut from military procurement to finance these urgent programs to control health care costs and assure that health is available in every community in our Nation.

Finally, Mr. President, we need to face the reality of national health insurance. There are a variety of proposals pending before this body, and I, of course, endorse the Health Security Act. Whichever of these programs passes, however, we will face a "gearing up period" during the next 3 or 4 years which will be costly. If the administration and the Congress seriously mean to enact a program of national health insurance during the next several years, we cannot commit ourselves to levels of spending for military procurement that involve obligations over the next 4 years of an amount that squeezes the health care budget dry. I would propose to use some of the future year savings for military procurement to finance this "gearing up" period.

Mr. President, the increases I have proposed for health add up to more than the $1.2 billion cut we have proposed to cut from the military procurement authorization. We will have to look elsewhere for further savings—or we will have to make some compromises. But I believe this cut in military procurement is essential for health programs.

Given the commitment this Congress has made to examine tradeoffs between programs in an effort to live within our self-imposed ceilings on expenditures and the deficit, we must face the fact that we cannot meet our responsibilities to Americans in the area of health care and continue pouring dollars into unnecessary military procurement. If we fail to cut military procurement tomorrow, we will be cutting health care programs as surely as if we were amending the Labor/HEW appropriations bill to chop out the services that could be funded with these dollars.

I urge my colleagues to support tomorrow the ceiling amendment on military procurement proposed by Senator SYMINGTON.

It will reduce the bill before us by 4.8 percent. Yet it will leave the Department of Revenue with a 14-percent increase over last year.

The bill now permits a 20-percent increase, which in this year of fiscal constraints, reduced commitments in Southeast Asia and no significant increased threat elsewhere, I believe is excessive.

Mr. President, I ask unanimous consent to insert in the RECORD, a series of letters of support of this amendment from labor unions; the National Farmers Union and the U.S. Conference of Mayors who clearly recognize the issue of priorities involved in this bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAY 30, 1975.

DEAR SENATOR: When the Defense Authorization Bill (S. 920) comes before the Senate this week, we urge you to support an amendment offered by Senators Symington, Cranston and Kennedy placing a $25.8 billion ceiling on defense procurement and research.

We believe that this ceiling is necessary in order to curb the continually escalating military budget. For FY 1976 the Administration proposes to increase budget authority for military procurement and research by an alarming 37 percent. Coming at a time when our expensive military commitments in Southeast Asia are at an end, when valuable social programs are being cut, and when the economy is in need of stimulation, this increase is unjustifiable.

The proposed "cap" or ceiling amendment will reduce the budget authority level proposed by the Armed Services Committee by $1.2 billion, allowing a 14 percent increase over FY 1975 levels to compensate for inflationary cost increases and to maintain programs at their current levels. For several reasons we believe that this amendment reflects sound economic judgment.

At this present time of high unemployment, increases in federal spending should be directed into those programs which stimulate the economy and produce jobs. Defense spending, especially in the areas of research and procurement, is a less effective way to create employment than a public service jobs program. Yet, while requesting $7.7 billion more for military procurement and research, the Administration sought only $2.4 billion for public jobs and a total of only $3.4 billion for all recovery programs.

We believe that the $7.7 billion increase in spending for military procurement and research could be used to finance those recovery programs the nation needs, health insurance for the unemployed, public service and public works employment programs, assistance to state and local governments, housing, improvement of railroad beds, and cost-of-living increases in Social Security.

Military spending cannot be targeted to the geographic areas of greatest need but takes place primarily at the locations of military contractors and defense installations. Increases in federal spending can aid economic recovery more effectively if pinpointed through public works, public service jobs and emergency assistance to states and cities.

In contrast with recovery programs, military spending is necessarily slow. Most of its stimulative effects will not be felt until a time when most forecasters believe the economy will be on the upswing. Based on past experience, only $8.9 billion of the $28.6 billion requested by the Administration for procurement and research will be spent in the first year.

There are many social programs where military funds could be reallocated to fulfill vital human needs. The bill proposed by the Armed Services Committee represents a 20 percent increase in Pentagon procurement and research at the same time that manpower training funds are being cut by 21 percent, social services funds cut by 6 percent, elementary and secondary education aid cut by 5 percent; and the President is proposing 5 percent caps on social security and federal pay increases.

We believe that all military spending not necessary to maintain an adequate defense posture should be used to create jobs and fulfill pressing human needs. Therefore, we hope that you will support the Symington, Cranston and Kennedy ceiling amendment to the Defense Authorization Bill when it is considered by the Senate.

JACK BEIDLER,
Legislative Director, United Automobile, Aerospace and Agricultural Implement Workers of America—UAW.
BRUCE DUNTON,
COPE — Legislative Director, Textile Workers of America, AFL–CIO.
ANTHONY MAZZOCCHI,
Citizenship — Legislative Director Oil, Chemical & Atomic Workers International Union, AFL–CIO.
ROBERT R. NELSON,
Legislative Director, United Mine Workers of America.
JANE O'GRADY,
Legislative Representative, Amalgamated Clothing Workers of America, AFL–CIO.
JOHN J. SHEEHAN,
Legislative Director, United Steelworkers of America, AFL–CIO.
PATRICK TOBIN,
Washington Representative, International Longshoremen's and Warehousemen's Union.
WILLIAM B. WELSH,
Executive Director for Legislation and Political Education, American Federation of State, County, and Municipal Employees—AFL–CIO.

URGENT LEGISLATIVE MESSAGE ON MILITARY AUTHORIZATION BILL

MAY 29, 1975.

To Members of the United States Senate.
From Tony T. Dechant, President.

DEAR SENATOR: We understand that the military authorization bill for weapons procurement and research and development will come to the floor of the Senate for debate beginning June 2, and for a vote soon thereafter.

The delegates to the 73rd Annual Convention of the Farmers Union, at Portland, Oregon, March 16–19, 1975, adopted the following statement of policy on this issue:

"We favor renewed and redoubled efforts to negotiate an end to the senseless arms race, and to reduce the levels of troops and military bases maintained in the territory of third countries both by the United States and the Soviet Union."

Accordingly, we urge that the spending for procurement and research authorized in the defense budget presented by the President, and in the pending bill as recommended by the Senate Armed Services Committee, be reduced. We are disappointed that the President has recommended an increase of nearly 35 percent in this item over last year, and that the House Armed Services Committee reduced this to an amount 20 percent greater than last year.

The provision in the pending bill should be reduced further when it reaches the floor. We strongly urge that you support and vote for the amendment by Senators Symington, Cranston and Kennedy to impose a ceiling on expenditures for this purpose no higher than the same purchasing power in constant dollars as that approved by Congress last year.

Sincerely,

TONY T. DECHANT,
President, Farmers Union.

MAY 30, 1975.

DEAR SENATOR: During the week of June 2nd the Senate will be considering the Defense Authorization Bill for weapons procurement and research and development. The Administration request for Budget Authority in FY 1976 is 37 percent greater than FY 1975. The Senate Armed Services Committee has recommended a budget of $25.0 billion, which is still a 20 percent increase.

We believe this is an unnecessary and unjustified increase, and we urge your support of a ceiling amendment being offered by Senators Symington, Cranston and Kennedy. The amendment reduces the Committee's proposal by $1.2 billion for FY 1976; it allows for a 14 percent increase for inflation to maintain programs at their present level.

This year it is more important than ever to pare back the extraordinary increase sought for defense spending. At a time when badly needed domestic programs are being cut back, we cannot afford to add an extra $4.1 billion for weapons and research, as recommended by the Senate Armed Services Committee.

Environmental programs have been drastically slashed in the budget proposed by the Administration. Budget Authority for pollution control was $4.1 billion in FY 1975, but this year the Administration has requested only *$.6 billion*, practically eliminating the program. Conservation and land management has been reduced from $1 billion to $.8 billion, a 20 percent reduction. The reductions total $3.5 billion, and to cut that amount from environmental programs while adding $4.1 billion for the military is an indefensible scheme of national priorities. A greater threat to the security and well-being of our nation is posed by neglecting our environment and abusing our natural resources.

We hope you will vote for reasonable control of defense spending by supporting the Symington, Cranston and Kennedy ceiling amendment.

LEN ARROW,
Highway Action Coalition.
JOE BROWDER,
Environmental Policy Center.
PETER HARNIK,
Environmental Action.
BILL PAINTER,
American Rivers Conservation.
RAFE POMERANCE,
Friends of the Earth.

U.S. CONFERENCE OF MAYORS,
Washington, D.C., May 30, 1975.

Through the Vietnam War years, the U.S. Conference of Mayors has publicly supported resolutions calling for a reordering of national priorities. Now that the nation's involvement in Southeast Asia has concluded once and for all, we were hopeful that the Administration and the Congress would begin to decrease funds for defense and direct resources into those social and urban programs where funds are so desperately needed. Yet now, the Administration has requested an unprecedented $28.6 billion for weapons procurement and military research and development for FY 1976.

Given the pressing needs of our cities and the importance of reordering our nation's priorities, the U.S. Conference of Mayors urges you to support the ceiling amendment to be offered this week to the Military Authorization Bill (S. 920) by Senators Symington, Cranston and Kennedy.

As reported by the Senate Armed Services Committee, S. 920 authorizes an alarming $25.0 billion for weapons procurement and for military research and development, a figure which represents a 20 percent increase over the FY 1975 budget. Much of the cut recommended by the Committee can be attributed to the end of all military assistance to Southeast Asia and not to any deliberate action on the part of committee members.

At a time when valuable urban programs are being slashed, this nation cannot tolerate high and unjustifiable increases in the Pentagon's budget. The ceiling amendment would limit increases in procurement and research to 14 percent for FY 1976, a rate which generously allows the Defense Department to keep pace with inflation and to maintain its current programs at their existing levels. This kind of inflationary increase is more than the Administration is willing to concede to the elderly, the handicapped, and other recipients of Social Security or to valuable urban programs.

At the same time the President proposes a 37 percent increase in the military procurement and research budget, he proposes to cut manpower programs by more than 20 percent, federal aid to elementary and secondary education by 5 percent, social services funds by 6 percent and LEAA grants by 11 percent. Almost as bad, "701" planning funds would continue at critically low levels, community health programs would be slashed, and federal matching funds for other health programs substantially reduced so that a heavier burden for these programs is shifted to local governments.

In these days of unemployment as high as 25 percent in some central cities when the nation should be concentrating its resources in economic recovery—on public service and public works jobs and on emergency aid to states and cities—it is foolhardy to increase spending for weapons systems and military R&D.

As a first significant step toward reordering our nation's priorities, we urge you to support the Symington, Cranston, Kennedy amendment to the Military Authorization Bill.

Sincerely,

JOHN GUNTHER.

UMI

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a study by the Public Interest Research Group in Michigan which demonstrates that defense expenditures mean fewer, not more, jobs when compared to expenditures in many other areas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE EMPTY PORK BARREL: UNEMPLOYMENT AND THE PENTAGON BUDGET

Contrary to popular and long-held beliefs, a high level of military spending creates unemployment. An analysis of the years 1968 through 1972 indicates that the net annual job loss nationwide, when the military budget averaged about $80 billion, was about 840,000 jobs.

The result comes from a statistical analysis of the negative impact of military spending upon major sectors of the US economy: durable goods, nondurable goods, residential and non-residential construction, state and local government expenditures, services, exports, imports, federal civil purchases, and producers durable equipment.[1] It was found that when spending on the military went up, expenditures on these civilian categories went down by certain definite percentages. The present analysis translates the expenditures foregone between 1968 and 1972 because of the $80 billion military budgets into jobs foregone during these years.

The extent of the job losses was unexpected. Twenty-six states, containing 60% of the US population, lose more jobs than they gain. Every major industrial state in the nation with the only exceptions of Texas and California lost jobs—most very heavily. New York alone suffered a net loss of 426,000 jobs. Michigan, Illinois, and Ohio together lost 492,000 jobs. Most of New England, all of the Middle Atlantic States, and all of the North Central states lost heavily. This was in spite of the fact that some of these states had substantial military contracts and large bases. The negative impact of Pentagon spending upon their industrial base far outweighed the jobs they gained through military contracts and bases.

The regional impact of military spending shows its other side when you look at a map. The South and West gain heavily. Less industrialized, on the whole, these states which have both military industry and large bases gain many more jobs than they lose. Texas, Georgia, and California together show a net gain of 285,000 jobs.

Military spending creates unemployment in another, more indirect way. It creates fewer jobs per billion dollars spent than any other government spending except the space program. The job-creating differential between spending $1 billion on the Pentagon and $1 billion on public service employment, for example, is about 57,000 jobs.[2]

Nationwide, high military budgets have a deleterious effect upon the economy and upon employment. This analysis, using conservative assumptions, reveals where and how the jobs are lost.

THE JOB COSTS OF HIGH MILITARY SPENDING

A major reallocation of jobs comes from the decision at the federal level to spend money upon the military. The following table indicates how many jobs are created by different ways of spending one billion dollars.

Footnotes at end of article.

TABLE 1.—Jobs Generated by One Billion Dollars of Expenditure[3]

	Jobs
Job Corps	151,000
Teachers	100,000
Nurses	77,000
Public Housing	76,000
Sewer Construction	76,000
School Construction	50,000
Defense (Non-DOD civilian)	[4] 55,000

State and local government expenditure, nationwide, generates about 100,000 jobs for every billion dollars spent.[5]

If the analysis is done by sector of the economy, Table 2 shows, for each billion dollars spent on the military, the amounts *not* spent in other sectors.

TABLE 2.—Expenditures Foregone by Sector of the Economy for Each Billion Dollars Spent on the Military[6]

$187,000,000 on services
163,000,000 on durable goods
128,000,000 on state and local government consumption
114,000,000 on residential structures
110,000,000 on producers durable equipment
97,000,000 on exports
71,000,000 on non-durable goods
68,000,000 on non-residential structures
48,000,000 on federal civil purchases
25,000,000 on imports

The present study analyzes the negative job impact upon the 50 states of only six of the above ten categories: durables, nondurables, residential construction, non-residential construction, services, and state and local government. This procedure both makes the figures more conservative and avoids the possibility of double counting.[7] The gross number of jobs foregone in each of these sectors was first calculated for each state, and then the number of jobs created by military prime contract awards and military personnel. The difference between total civilian jobs foregone and military jobs created equals the net loss or net gain for the state.

The results for each state are shown in Table 3.

The results are even more dramatic when viewed regionally, as in Tables 4 and 5. The Middle Atlantic and the East North Central states together lose over one and one-quarter million jobs. The Great Plains states lose. The South Atlantic and West Central states, on the other hand, gain over one-quarter million jobs.

Although some states and regions gain, the result nationwide is negative. Over 60% of the people of the United States live in states which suffer net job losses.

The figures on net jobs foregone by state take on a more human meaning when compared to their average employment during the years studied. For five of the largest industrial states—New York, Illinois, Michigan, Ohio, and Pennsylvania—the jobs foregone because of high Pentagon budgets *averaged 85%* of their total unemployment between 1968 and 1972. This means that military spending had an enormous impact upon their unemployment situation, their welfare expenditures, and the state services never provided because of a lowered tax base and higher welfare costs. The relationship of jobs foregone to unemployment in each of the states which suffer a net loss of jobs is shown in Table 6.

Table 7 shows the jobs foregone and created nationwide in each sector analyzed.

TABLE 3.—States in Order of Negative Employment Impact of Military Spending. Annual Average, 1968–1972:

	Number of jobs foregone or gained
1. New York	−426,000
2. Illinois	−174,000
3. Michigan	−172,000
4. Ohio	−146,000
5. Pennsylvania	−127,000
6. Wisconsin	− 72,000
7. Indiana	− 57,000
8. New Jersey	− 53,000
9. Minnesota	− 47,000
10. Tennessee	− 40,000
11. Iowa	− 37,000
12. Massachusetts	− 35,000
13. Oregon	− 33,000
14. Florida	− 23,000
15. West Virginia	− 22,000
16. Nevada	− 15,000
17. Arkansas	− 12,000
18. Connecticut	− 9,000
19. Louisiana	− 9,000
20. Vermont	− 4,400
21. Nebraska	− 4,200
22. Idaho	− 4,000
23. Maine	− 3,800
24. Delaware	− 1,000
25. Wyoming	− 1,000
26. South Dakota	− 100
27. Missouri	+ 1,500
28. Montana	+ 2,000
29. Rhode Island	+ 4,800
30. New Hampshire	+ 5,500
31. Arizona	+ 7,700
32. Maryland	+ 8,000
33. Alabama	+ 9,000
34. New Mexico	+ 10,000
35. North Dakota	+ 10,000
36. Kentucky	+ 14,000
37. Kansas	+ 16,000
38. Mississippi	+ 17,000
39. Utah	+ 19,000
40. Washington	+ 25,000
41. Colorado	+ 25,000
42. Alaska	+ 29,000
43. Oklahoma	+ 32,000
44. North Carolina	+ 33,000
45. South Carolina	+ 36,000
46. Hawaii	+ 38,000
47. Georgia	+ 55,000
48. Virginia	+ 56,000
49. California	+ 97,000
50. Texas	+133,000
U.S. total	−844,000

TABLE 4.—Net Jobs Lost by Geographical Region. Annual Average, 1968–1972:

	Net job loss or gain
NEW ENGLAND	
Maine	− 3,800
New Hampshire	+ 5,500
Vermont	− 4,400
Massachusetts	− 35,000
Rhode Island	+ 4,800
Connecticut	− 9,000
Net New England	− 41,900
MIDDLE ATLANTIC	
New York	−426,000
New Jersey	− 53,000
Pennsylvania	−127,000
Net Middle Atlantic	−606,000
EAST NORTH CENTRAL	
Ohio	−146,000
Indiana	− 57,000
Illinois	−174,000
Michigan	−172,000
Wisconsin	− 72,000
Net E.N. Central	−621,000
WEST NORTH CENTRAL	
Minnesota	− 47,000
Iowa	− 37,000
Missouri	+ 1,500
North Dakota	+ 10,000
South Dakota	− 100
Nebraska	− 4,200
Kansas	+ 16,000
Net W.N. Central	−60,800
EAST SOUTH CENTRAL	
Kentucky	+ 14,000
Tennessee	− 40,400
Alabama	+ 8,600
Mississippi	+ 17,000
Net E.S. Central	− 800
SOUTH ATLANTIC	
Delaware	− 1,000
Maryland	+ 8,000
Virginia	+ 56,000
West Virginia	− 22,000
North Carolina	+ 33,000
South Carolina	+ 36,000
Georgia	+ 55,000
Florida	− 23,000
Net South Atlantic	+ 142,000
WEST SOUTH CENTRAL	
Arkansas	− 9,000
Louisiana	− 12,000
Oklahoma	+ 32,000
Texas	+ 133,000
Net W.S. Central	+ 144,000
MOUNTAIN	
Montana	+ 2,000
Idaho	− 4,000
Wyoming	− 1,000
Colorado	+ 25,000
New Mexico	+ 10,000
Arizona	+ 7,700
Utah	+ 19,000
Nevada	− 15,000
Net Mountain	+ 43,700
PACIFIC	
Washington	+ 25,000
Oregon	− 33,000
California	+ 97,000
Alaska	+ 29,000
Hawaii	+ 38,000
Net Pacific	+ 158,000

TABLE 5.—Net Jobs Gained by Geographical Region. Annual Average, 1968–1972:

Sector	Gross jobs foregone	Military jobs created	Net
Nonresidential construction	−253,000	+ 11,000	− 242,000
Services	−1,528,000		−1,528,000
State and local government	−1,012,000		−1,012,000
Jobs foregone in industry, services, and State and local government			− 3,443,000
Uniformed and nonuniformed military personnel employed in the United States		+ 2,599,000	+ 2,599,000
Net jobs foregone nationwide			− 844,000

TABLE 7.—JOBS FOREGONE BY SECTOR OF THE ECONOMY-ANNUAL AVERAGE, 1968–72

Sector	Gross jobs foregone	Military jobs created	Net
Durable goods	−796,000	+ 806,000	+ 10,000
Nondurable goods	− 353,000	+ 52,000	− 301,000
Residential construction	− 428,000	+ 58,000	− 370,000

State	Number of jobs foregone	Average number of unemployed persons	Jobs foregone as percent of unemployment
New York	426,000	382,000	112
Illinois	174,000	191,000	91
Michigan	172,000	230,000	75
Ohio	146,000	171,000	85
Pennsylvania	127,000	207,000	61
Wisconsin	72,000	83,000	87
Indiana	57,000	92,000	62
New Jersey	53,000	175,000	30
Minnesota	47,000	71,000	66
Tennessee	40,000	68,000	59
Iowa	37,000	41,000	90
Massachusetts	35,000	143,000	25
Oregon	33,000	50,000	66
Florida	23,000	90,000	26
West Virginia	22,000	41,000	54
Nevada	15,000	14,000	107
Arkansas	12,000	35,000	34
Connecticut	9,000	83,000	11
Louisiana	9,000	79,000	11
Vermont	4,400	9,000	49
Nebraska	4,200	19,000	22
Idaho	4,000	15,000	27
Maine	3,800	24,000	16
Delaware	1,000	10,000	10
Wyoming	1,000	6,000	17
South Dakota	100	9,000	1

ANALYSIS OF FINDINGS

The Net Loss States

Of the 60% of the US citizens who live in states which suffer a net loss of jobs, the overwhelming majority of them live in highly industrialized states which do not contain large military bases.

During the period studied, most of the New England states were net loss states (see Table 4). Only Rhode Island and New Hampshires owed slight gains. The region as a whole lost about 42,000 jobs annually. This was true even when Connecticut was getting heavy military contracts because of the Vietnam war and Massachusetts was getting substantial contracts for research and development.

In the Middle Atlantic region every state lost, with New York losing more jobs than any other state in the country—an astounding 426,000. New Jersey and Pennsylvania lost heavily even though they received substantial military contracts and both states host some military bases. The losses they sustained in civilian industrial production, coupled with the very large number of jobs which they had to forego in services and state and local government, resulted in 53,000 jobs foregone in New Jersey and 127,000 in Pennsylvania.

The industrial belt of the United States suffers the worst: 621,000 jobs were foregone in the East North Central states of Ohio, Indiana, Illinois, Michigan, and Wisconsin. This region, the industrial heartland of the nation, showed a net loss of over 360,000 jobs just in the industrial sectors (durable and non-durable goods) of its economy. With relatively few military bases to compensate and a very substantial number of jobs foregone in services and state and local government, this region was the hardest hit in the nation.

The Great Plains states showed a more varied picture. Although the region as a whole showed a net loss of 60,000 jobs, some states gained. The net loss states included Minnesota, Iowa, South Dakota, and Nebraska. The net gain states were North Dakota, Missouri (which had considerable military production), and Kansas (which had some military bases).

The last of the net loss regions was the East South Central comprising Kentucky, Tennessee, Alabama, and Mississippi. The region had many military bases, and Tennessee was the only net loss state—with over 40,000 jobs foregone. All the other states showed slight net gains, but Tennessee's large loss resulted in a regional total net loss of about 800 jobs.

The Net Gain States

The states which showed net gains in jobs from military bases and industry form a geographic band which begins in Maryland and extends south to Georgia (Florida is excluded), west to California (excluding Louisiana), and north to Washington (omitting Oregon).

The South Atlantic region, which includes Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, and Florida, gained 142,000 jobs. Delaware, West Virginia, Florida lost jobs; the other states gained heavily, Virginia, North and South Carolina and Georgia had almost 427,000 military personnel stationed within their borders. Over 105,000 military personnel were living in Florida, but their presence was not sufficient to overcome the large job losses in residential construction and services.

Texas led the West South Central section with a net gain of 133,000 jobs. Texas was receiving an average of $2.5 billion worth of military contracts during these years, generating about 88,000 jobs a year. There were also 247,000 uniformed and civilian military personnel stationed there each year. Therefore, Texas' net gain was large, the largest in the nation. Oklahoma also gained about 32,000 jobs. Arkansas, lost almost 12,000 jobs during each year of the period studied.

Washington, with both troops and contracts, and Alaska and Hawaii, with large military bases, were all net gain states. Only Oregon of the Pacific Coast states lost jobs—33,000 of them.

National Employment Effects of Military Spending

A *net increase* in employment could follow a Defense Department budget cut. As Dr. John Henderson, professor of economics at Michigan State University, says, "In addition to the reallocative effects of military spending, there is also the fact that for every dollar spent in that direction there are fewer jobs created than if the money were spent by consumers and the private sector including state and local government. Where military expenditures go for military hardware, the labor input is a small component compared to the product of civilian goods and services."

Whether the cut meant that money went from military contracts to civilian industry or military personnel were cut and state and local governments had a rise in employment, a trade-off would mean a net increase of jobs for the economy (see Table 8).

TABLE 8.—JOBS CREATED PER BILLION DOLLARS OF EXPENDITURE

	If spend to create jobs in industry	If spent to create jobs in government
Jobs created by:		
$1,000,000,000 spend in civilian sector	[8] 65,000	[9] 100,000
$1,000,000,000 spent in military sector	[10] 55,000	[11] 79,000
Jobs foregone by spending on the military	10,000	21,000

*State and local government.

If money were taken out of military contracting and either through a tax cut or reallocation to other federal programs, put toward civilian needs, the nation's economy would benefit. Depending on exactly how the money were spent, at least 10,000 more jobs per billion dollars transferred could be created.

If there were cuts in armed forces personnel, both civilian and military, and the number of firemen, teachers, state parks personnel, and other government employees were raised, the economy would gain 21,000 jobs per billion dollars transferred to state and local government.

Either way, more jobs will be created in the United States.

The belief that spending by the Department of Defense has been good for the economy has been a myth. It is not supported by the facts.

Every billion dollars spent on the Pentagon costs the economy jobs, costs people who are employed higher taxes, and produces a lower quality of life for all.

With a transfer of tax money back to the pockets of people, whether spent for personal or for state and local needs, nearly every major industrial state would benefit. The increase in employment would be considerable in all industrial areas which are not heavily devoted to manufacturing military hardware.

There would be, of course, temporary dislocations in areas near large bases or concentrations of military contracting, which would have to be offset by careful conversion planning for civilian production. But as many more industrial, service, and state and local government jobs would be opening up in the economy as a whole, even the workers laid off at a military plant should not be out of work for long.

CONCLUSIONS AND RECOMMENDATIONS

The conclusion is clear. Sustained high military expenditure costs the people of the United States dearly. It costs them money. It costs them jobs.

The deep problems of the American economy cannot be ameliorated until the waste and fat is cut from the military budget, and the money either left in the hands of the citizens through tax cuts or spent upon economically productive activities by the government—federal, state, or local.

Cuts in taxes would leave more money in the people's hands to spend as they wish. Cuts in the lower-income tax brackets would mean more money immediately going into the necessities of life: food, clothing, and shelter. Cuts in the higher brackets have a greater effect on luxury expenditures. In either case, some money goes into saving and some into consumer goods expenditure which both stimulate investment and generate jobs. Non-military expenditures by the federal government could also have a salutary effect on jobs and income. All non-military federal expenditure (except on the space program) produces more jobs for each billion dollars spent than does the Pentagon.

To effect the changes in national spending policies needed to regenerate the American economy, a change in national priorities is needed. Taxpayers should be as intolerant of waste in the military as they are at the level of their local school district. A school for 200 students staffed by 40 administrators and 90 teachers would never be tolerated by taxpayers. The same balance and sanity must accrue to the bloated military.

According to a poll taken by *Time* magazine, the American people overwhelmingly want the Pentagon budget to be cut. People know that their cities, their air, their land, their sick, and their children need far more money and attention. And that is what they want to spend their taxes on.

PIRGIM's recommendations are straightforward and succinct:

1. A cut of $20 billion in the military budget, thus allowing 212,000 people nationwide to have jobs again.

2. A Congressional investigation into the nationwide unemployment effects of high military spending. Particular attention should be given to the states which would be positively affected by major cuts.

3. The passage of legislation for the conversion of military industry to civilian industry with concomitant provisions to lessen the problems of retraining and relocation of workers.

FOOTNOTES

[1] Bruce Russett, What Price Vigilance? Yale University Press, New Haven and London, 1970, p. 140.

[2] Department of Defense and Bureau of Labor Statistics, Department of Labor.

[3] CONGRESSIONAL RECORD, May 23, 1972, H4917. (Rep. Aspin cites as his sources: space, NASA; teachers, Office of Education; school construction, Bureau of Labor Statistics; nurses, Bureau of Health Manpower, HEW; public housing, Bureau of Labor Statistics; sewer construction, Bureau of Labor Statistics; Job Corps, Department of Labor; Defense, Office of the Comptroller, Department of Defense.

[4] The Department of Defense figure was modified pursuant to an interview with an economist in the Office of the Comptroller of the Department of Defense.

[5] Bureau of Labor Statistics, Department of Labor.

[6] Russett, What Price Vigilance? P. 140.

[7] The methodology was made still more conservative by not using the multiplier effect. This would further exacerbate the difference between the civilian jobs foregone and the military jobs generated as the multiplier for civilian expenditures is higher than that for military expenditures.

[8] Bureau of Labor Statistics, Department of Labor.

[9] Bureau of Labor Statistics.

[10] Office of the Comptroller, Department of Defense.

[11] Office of the Comptroller, Department of Defense.

APPENDIX A: JOBS FOREGONE BY SECTOR OF THE ECONOMY BY STATE

JOB LOSSES AND GAINS IN COMPONENTS OF THE GNP: ANNUAL AVERAGE, 1968–72

Component of GNP	Number of civilian jobs foregone	Number of military jobs created	Net job gain or loss
ALABAMA			
Durable goods	−9,650	+7,850	−1,800
Nondurable goods	−8,000	+1,900	−6,100
Residential construction	−7,000	+550	−6,450
Nonresidential construction	−3,500	+50	−3,450
Services	−15,250		−15,250
State and local government	−12,900		−12,900
Military personnel		+54,950	+54,950
Total			+9,000
ALASKA			
Durable goods	0	0	0
Nondurable goods	−250	+350	+100
Residential construction	−1,050	+1,450	+400
Nonresidential construction	−1,300	0	−1,300
Services	−2,250		−2,250
State and local government	−3,250		−3,250
Military personnel		+35,300	+35,300
Total			+29,000
ARIZONA			
Durable goods	−4,500	+7,950	+3,450
Nondurable goods	−1,000	+200	−800
Residential construction	−7,100	+1,000	−6,100
Nonresidential construction	−3,050	+0	−3,050
Services	−13,900		−13,900
State and local government	−9,400		−9,400
Military personnel		+37,500	+37,500
Total			+7,700
ARKANSAS			
Durable goods	−4,400	+1,700	−2,700
Nondurable goods	−3,950	−450	−3,500
Residential construction	−4,100	+150	−3,950
Nonresidential construction	−1,800	+100	−1,700
Services	−7,700		−7,700
State and local government	−6,400		−6,400
Military personnel		+13,950	+13,950
Total			−12,000
CALIFORNIA			
Durable goods	−71,200	+158,300	+87,100
Nondurable goods	−21,850	−8,750	−13,100
Residential construction	−51,150	+8,950	−42,200
Nonresidential construction	−23,500	+500	−23,000
Services	−206,600		−206,600
State and local government	−125,300		−125,300
Military personnel		+420,100	+420,100
Total			+97,000
COLORADO			
Durable goods	−4,300	+4,700	+400
Nondurable goods	−2,025	+300	−1,725
Residential construction	−7,100	+1,250	−5,850
Nonresidential construction	−3,025	+50	−2,975
Services	−17,700		−17,700
State and local government	−11,800		−11,800
Military personnel		+64,650	+64,650
Total			+25,000
CONNECTICUT			
Durable goods	−26,250	+56,950	+30,700
Nondurable goods	−3,350	+200	−3,150
Residential construction	−5,950	+400	−5,550
Nonresidential construction	−4,100	+50	−4,050
Services	−20,050		−20,050
State and local government	−15,750		−15,750
Military personnel		+8,850	+8,850
Total			−9,000
DELAWARE			
Durable goods	−700	+200	−500
Nondurable goods	−900	+400	−500
Residential construction	−1,350	+100	−1,250
Nonresidential construction	−750		−750
Services	−3,500		−3,500
State and local government	−3,200		−3,200
Military personnel		+8,700	+8,700
Total			−1,000
FLORIDA			
Durable goods	−10,200	+26,700	+16,500
Nondurable goods	−6,900	+1,000	−5,900
Residential construction	−35,700	+2,800	−32,900
Nonresidential construction	−9,000	+50	−8,950
Services	−67,250		−67,250
State and local government	−29,900		−29,900
Military personnel		+105,400	+105,400
Total			−23,000
GEORGIA			
Durable goods	−9,800	+18,100	+8,300
Nondurable goods	−14,150	+1,650	−12,500
Residential construction	−12,800	+850	−11,950
Nonresidential construction	−5,450	+50	−5,400
Services	−28,100		−28,100
State and local government	−19,050		−19,050
Military personnel		+123,700	+123,700
Total			+55,000
HAWAII			
Durable goods	−150	+300	+150
Nondurable goods	−1,000	+500	−500
Residential construction	−4,100	+1,850	−2,250
Nonresidential construction	−1,650	0	−1,650
Services	−8,800		−8,800
State and local government	−5,550		−5,550
Military personnel		+56,600	+56,600
Total			+38,000
IDAHO			
Durable goods	−150	+50	−100
Nondurable goods	−1,400	+100	−1,300
Residential construction	−750	+200	−550
Nonresidential construction	−850	0	−850
Services	−3,850		−3,850
State and local government	−3,250		−3,250
Military personnel		+5,900	+5,900
Total			−4,000

APPENDIX A: JOBS FOREGONE BY SECTOR OF THE ECONOMY BY STATE—Continued

JOB LOSSES AND GAINS IN COMPONENTS OF THE GNP: ANNUAL AVERAGE, 1968–72—Continued

Component of GNP	Number of civilian jobs foregone	Number of military jobs created	Net job gain or loss
ILLINOIS			
Durable goods	−68,450	+14,350	−54,100
Nondurable goods	−19,650	+1,650	−18,000
Residential construction	−21,400	+2,200	−19,200
Nonresidential construction	−13,700	+3,350	−10,350
Services	−97,850		−97,850
State and local government	−53,200		−53,200
Military personnel		+78,700	+78,700
Total			−174,000
INDIANA			
Durable goods	−41,950	+25,100	−16,850
Nondurable goods	−7,650	+650	−7,000
Residential construction	−9,450	+850	−8,600
Nonresidential construction	−6,250	+450	−5,800
Services	−21,050		−21,050
State and local government	−22,550		−22,550
Military personnel		+24,850	+24,850
Total			−57,000
IOWA			
Durable goods	−9,050	+5,050	−4,000
Nondurable goods	−4,050	+450	−3,600
Residential construction	−3,700	+200	−3,500
Nonresidential construction	−2,850	+450	−2,400
Services	−11,200		−11,250
State and local government	−14,400		−14,400
Military personnel		+2,100	+2,100
Total			−37,000
KANSAS			
Durable goods	−5,950	+7,000	+1,050
Nondurable goods	−2,250	+300	−1,950
Residential construction	−3,350	+700	−2,650
Nonresidential construction	−2,275	+25	−2,250
Services	−8,600		−8,600
State and local government	−10,600		−10,600
Military personnel		+41,000	+41,000
Total			+16,000
KENTUCKY			
Durable goods	−9,700	+250	−9,450
Nondurable goods	−4,550	+550	−4,000
Residential construction	−7,500	+600	−6,900
Nonresidential construction	−5,000	+0	−5,000
Services	−13,150		−13,150
State and local government	−12,300		−12,300
Military personnel		+64,800	+64,800
Total			+14,000
LOUISIANA			
Durable goods	−4,150	4,550	+400
Nondurable goods	−4,400	1,200	−3,200
Residential construction	−9,100	500	−8,600
Nonresidential construction	−5,000	0	−5,000
Services	−19,700		−19,700
State and local government	−16,300		−16,300
Military personnel		+43,400	+43,400
Total			−9,000
MARYLAND			
Durable goods	−11,950	+16,600	+4,650
Nondurable goods	−5,750	+650	−5,100
Residential construction	−8,400	+2,300	−6,100
Nonresidential construction	−5,200	+50	−5,150
Services	−30,850		−30,850
State and local government	−20,750		−20,750
Military personnel		+71,300	+71,300
Total			+8,000
MAINE			
Durable goods	−900	+2,100	+1,200
Nondurable goods	−2,900	+250	−2,650
Residential construction	−1,500	+100	−1,400
Nonresidential construction	−1,000	0	−1,000
Services	−4,300		−4,300
State and local government	−4,350		−4,350
Military personnel		−8,700	+8,700
Total			−3,800
MASSACHUSETTS			
Durable goods	−26,800	+47,350	+20,550
Nondurable goods	−12,050	+1,700	−10,350
Residential construction	−10,150	+900	−9,250
Nonresidential construction	−7,200	+50	−7,150
Services	−44,450		−44,450
State and local government	−28,600		−28,600
Military personnel		+44,250	+44,250
Total			−35,000
MICHIGAN			
Durable goods	−67,000	+10,500	−56,500
Nondurable goods	−9,900	+700	−9,200
Residential construction	−15,950	+450	−15,500
Nonresidential construction	−10,450	+1,250	−9,200
Services	−60,250		−60,250
State and local government	−49,100		−49,100
Military personnel		+27,750	+27,750
Total			−172,000
MINNESOTA			
Durable goods	−11,250	+15,650	+4,400
Nondurable goods	−5,300	+250	−5,050
Residential construction	−6,850	+150	−6,700
Nonresidential construction	−4,450	+100	−4,350
Services	−21,100		−21,100
State and local government	−21,050		−21,050
Military personnel		+6,850	+6,850
Total			−47,000
MISSISSIPPI			
Durable goods	−5,500	+17,500	+12,000
Nondurable goods	−4,600	+1,300	−3,300
Residential construction	−4,500	+700	−3,800
Nonresidential construction	−2,250	+150	−2,100
Services	−7,300		−7,300
State and local government	−8,500		−8,500
Military personnel		+30,000	+30,000
Total			+17,000
MISSOURI			
Durable goods	−17,550	+30,050	+12,500
Nondurable goods	−7,850	+500	−7,350
Residential construction	−7,300	+1,200	−6,100
Nonresidential construction	−5,100	+50	−5,050
Services	−30,150		−30,150
State and local government	−19,450		−19,450
Military personnel		+57,100	+57,100
Total			+1,500
MONTANA			
Durable goods	−100	+200	+100
Nondurable goods	−650	+50	−600
Residential construction	−700	+3,300	+2,600
Nonresidential construction	−1,050	0	−1,050
Services	−3,200		−3,200
State and local government	−3,550		−3,550
Military personnel		+7,700	+7,700
Total			+2,000
NEBRASKA			
Durable goods	−2,900	+1,500	−1,400
Nondurable goods	−1,650	+250	−1,400
Residential construction	−2,500	+300	−2,200
Nonresidential construction	−1,600	0	−1,600
Services	−7,200		−7,200
State and local government	−6,950		−6,950
Military personnel		+16,550	+16,550
Total			+4,200
NEVADA			
Durable goods	−150	+50	−100
Nondurable goods	−100	+0	−100
Residential construction	−3,000	+350	−2,650
Nonresidential construction	−1,100	+0	−1,100
Services	−20,450		−20,450
State and local government	−3,300		−3,300
Military personnel		+12,700	+12,700
Total			−15,000
NEW HAMPSHIRE			
Durable goods	−3,100	+5,900	+2,800
Nondurable goods	−1,650	+400	−1,250
Residential construction	−1,350	+100	−1,250
Nonresidential construction	−850	0	−850
Services	−4,550		−4,550
State and local government	−3,100		−3,100
Military personnel		+13,700	+13,700
Total			+5,500
NEW JERSEY			
Durable goods	−32,150	+23,250	−8,900
Nondurable goods	−17,200	+2,000	−15,200
Residential construction	−11,700	+1,000	−10,700
Nonresidential construction	−10,100	0	−10,100
Services	−54,400		−54,400
State and local government	−35,700		−35,700
Military personnel		+82,000	+82,000
Total			−53,000
NEW MEXICO			
Durable goods	−350	+1,550	+1,200
Nondurable goods	−300	+150	−150
Residential construction	−2,150	+800	−1,350
Nonresidential construction	−1,300	0	−1,300
Services	−10,600		−10,000
State and local government	−5,500		−5,500
Military personnel		+27,100	+27,100
Total			+10,000
NEW YORK			
Durable goods	−65,150	+69,450	+4,300
Nondurable goods	−37,400	+3,200	−34,200
Residential construction	−24,050	+1,700	−22,350
Nonresidential construction	−23,550	+200	−23,350
Services	−272,600		−272,600
State and local government	−132,100		−132,100
Military personnel		+54,300	+54,300
Total			−426,000
NORTH CAROLINA			
Durable goods	−14,250	+11,350	−2,900
Nondurable goods	−21,700	+3,300	−18,400
Residential construction	−12,550	+1,450	−11,100
Nonresidential construction	−5,750	+350	−5,400
Services	−23,300		−23,300
State and local government	−18,800		−18,800
Military personnel		+112,900	+112,900
Total			+33,000
NORTH DAKOTA			
Durable goods	−150	+800	+650
Nondurable goods	−200	+200	0
Residential construction	−850	+3,000	+2,150
Nonresidential construction	−1,000	0	−1,000
Services	−2,300		−2,300
State and local government	−3,300		−3,300
Military personnel		+13,800	+13,800
Total			+10,000
OHIO			
Durable goods	−78,400	+29,900	−48,500
Nondurable goods	−17,250	+550	−16,700
Residential construction	−21,000	+2,000	−19,000
Nonresidential construction	−12,600	+1,350	−11,250
Services	−64,650		−64,650
State and local government	−43,850		−43,850
Military personnel		+57,950	+57,950
Total			−146,000
OKLAHOMA			
Durable goods	−5,600	+2,100	−3,500
Nondurable goods	−1,800	+800	−1,000
Residential construction	−5,850	+1,050	−4,800
Nonresidential construction	−2,750	+450	−2,300
Services	−13,450		−13,450
State and local government	−10,900		−10,900
Military personnel		+67,950	+67,950
Total			+32,000
OREGON			
Durable goods	−3,400	+1,000	−2,400
Nondurable goods	−5,400	+400	−5,000
Residential construction	−4,100	0	−4,100
Nonresidential construction	−2,700	+100	−2,600
Services	−13,400		−13,400
State and local government	−11,900		−11,900
Military personnel		−6,400	+6,400
Total			+33,000

UMI

APPENDIX A: JOBS FOREGONE BY SECTOR OF THE ECONOMY BY STATE—Continued

JOB LOSSES AND GAINS IN COMPONENTS OF THE GNP: ANNUAL AVERAGE, 1968–72—Continued

Component of GNP	Number of civilian jobs foregone	Number of military jobs created	Net job gain or loss
PENNSYLVANIA			
Durable goods	−67,850	+35,400	−32,450
Nondurable goods	−26,100	+2,300	−23,800
Residential construction	−13,300	−1,000	−12,300
Nonresidential construction	−14,800	+450	−14,350
Services	−73,000		−73,000
State and local government	−51,700		−51,700
Military personnel		+80,600	+80,600
Total			−127,000
RHODE ISLAND			
Durable goods	−3,600	+2,400	−1,200
Nondurable goods	−1,850	+750	−1,100
Residential construction	−1,300	+600	−700
Nonresidential construction	−700	0	−700
Services	−5,300		−5,300
State and local government	−4,400		−4,400
Military personnel		+18,200	+18,200
Total			+4,800
TENNESSEE			
Durable goods	−12,750	+9,600	−3,150
Nondurable goods	−11,600	+1,700	−9,900
Residential construction	−9,450	+1,600	−7,850
Nonresidential construction	−5,000	+100	−4,900
Services	−22,850		−22,850
State and Local government	−14,750		−14,750
Military personnel		+23,400	+23,400
Total			−40,000
TEXAS			
Durable goods	−27,400	+78,200	+50,800
Nondurable goods	−13,000	+5,500	−7,100
Residential construction	−27,500	+4,000	−23,500
Nonresidential construction	−15,150	+200	−14,950
Services	−76,250		−76,250
State and local government	−43,200		−43,200
Military personnel		+247,200	+247,200
Total			+133,000
SOUTH CAROLINA			
Durable goods	−4,800	+1,300	−3,500
Nondurable goods	−11,950	+1,900	−10,050
Residential construction	−6,500	+1,500	−5,000
Nonresidential construction	−2,900	0	−2,900
Services	−10,850		−10,850
State and local government	−9,600		−9,600
Military personnel		+77,900	+77,900
Total			+36,000
SOUTH DAKOTA			
Durable goods	−300	+850	+550
Nondurable goods	−500	+50	−450
Residential construction	−700	+50	−600
Nonresidential construction	−750	+0	−750
Services	−2,200		−2,200
State and local government	−3,500		−3,500
Military personnel		+6,900	+6,900
Total			−100
UTAH			
Durable goods	−1,500	+3,650	+2,150
Nondurable goods	−900	+200	−700
Residential construction	−2,075	+450	−1,625
Nonresidential construction	−1,250	0	−1,250
Services	−6,175		−6,175
State and local government	−5,250		−5,250
Military personnel		+31,850	+31,850
Total			+19,000
VERMONT			
Durable goods	−1,100	+3,000	+1,900
Nondurable goods	−500	0	−500
Residential construction	−750	0	−750
Nonresidential construction	−600	0	−600
Services	−2,700		−2,700
State and local government	−2,350		−2,350
Military personnel		+600	+600
Total			−4,400
VIRGINIA			
Durable goods	−10,050	+21,750	+11,700
Nondurable goods	−9,400	+1,300	−8,100
Residential construction	−13,100	+3,300	−9,800
Nonresidential construction	−5,700	+100	−5,600
Services	−25,200		−25,300
State and local government	−19,200		−19,200
Military personnel		+112,300	+112,300
Total			+56,000
WASHINGTON			
Durable goods	−9,800	+12,000	+2,200
Nondurable goods	−5,300	+700	−4,600
Residential construction	−7,800	+1,000	−6,800
Nonresidential construction	−5,100	+100	−5,000
Services	−20,700		−20,700
State and local government	−19,100		−19,100
Military personnel		+79,000	+79,000
Total			+25,000
WEST VIRGINIA			
Durable goods	−5,300	+1,550	−3,750
Nondurable goods	−2,200	+300	−1,900
Residential construction	−1,700	+150	−1,550
Nonresidential construction	−2,800	0	−2,800
Services	−6,800		−6,800
State and local government	−7,100		−7,100
Military personnel		+1,900	+1,900
Total			−22,000
WISCONSIN			
Durable goods	−24,500	+10,150	−14,350
Nondurable goods	−8,200	+475	−7,725
Residential construction	−7,400	+275	−7,125
Nonresidential construction	−4,700	+250	−4,450
Services	−18,900		−18,900
State and local government	−24,300		−24,300
Military personnel		+4,850	+4,850
Total			−72,000
WYOMING			
Durable goods	−50	+275	+225
Nondurable goods	−100	+125	+25
Residential construction	+300	+50	−250
Nonresidential construction	−600	+0	−600
Services	−2,325		−2,325
State and local government	−2,375		−2,375
Military personnel		+4,300	+4,300
Total			−1,000

APPENDIX B: METHODOLOGY

The methodology was developed by Dr. John Henderson, former Director of Graduate Studies, Department of Economics, Michigan State University; Dr. Seymour Melman of Columbia University; Alan Fischer, Research Economist, United Auto Workers; Dr. Bruce Russett of Yale University; and, for construction, Dr. Robert Ball, Supervisory Economist, Bureau of Labor Statistics. A number of other distinguished economists have given advice on both the use of statistics and on the methodology used.

The method involves first calculating the gross number of jobs foregone in each of six sectors of each state's economy: Durable Goods, Non-Durable Goods, Residential Construction, Non-Residential Construction, Services, State and Local Government. Next the number of jobs created in four of these sectors (Durable Goods, Non-Durable Goods, Residential Construction, and Non-Residential Construction) by military prime contracts is calculated and the result is subtracted from the gross number of jobs foregone in those sectors. This yields the net number of jobs foregone in each of the categories. Finally, the net jobs foregone in the six sectors are added for each state, and the number of uniformed and non-uniformed military personnel is subtracted. The result is the total number of jobs foregone for the state.

DURABLE GOODS

A. Gross number of jobs foregone annually.

Step. 1. Multiply the Defense Department outlays for that year[1] by Russett's negative coefficient for Durable Good of −.163.[2] This will yield an estimate of the net national value of resources that were not used that year in Durable Goods production. Hence, this is our estimate of purchases of Durable Goods by the final user (value added) which are foregone.

Step 2. Divide the state's total amount of value added for Durable Goods for that year by the U.S. total value added for Durable Goods for the same year[3] to determine the state's percentage of the U.S. total value added.

Step 3. Multiply the result of Step 2 (state's percentage of U.S. value added) by the result of Step 1 (amount of value added foregone in U.S. Durables) to get the dollar amount of value added foregone for Durable Goods for that state that year.

Step 4. Divide the state's payroll in Durables[4] by state's the total value added for Durables to yield the percentage of value added comprised by the payroll.

Step 5. Multiply the result of Step 4 (payroll percentage) by the result of Step 3 (dollar amount of value added foregone) to get the amount of wages foregone for that year.

Step 6. Determine the yearly average wage in the state for Durables by dividing total payroll by total number of employees.[5]

Step 7. Divide the result of Step 6 (average wage) into the result of Step 5 (wages foregone) to get the gross number of jobs foregone in Durable Goods for the year.

Step 8. Complete Steps 1 through 7 for each of the years 1967, 1969, and 1971, and divide the total by 3 to get the average gross number of jobs foregone yearly in Durable Goods.

B. Number of military jobs created.

Step 9. Calculate the total amount of military prime contracts for Durable Goods coming into the state in each of Fiscal Years 1968, 1970, and 1972[6] and divide by 3 for the yearly average. The Durable Goods prime contracts are in:

1. Air Frames, Related Assemblies and Spares
2. Aircraft Engines and Related Spares
3. Other Aircraft Equipment and Supplies
4. Missile Systems
5. Ships
6 Combat Vehicles
7 Non-Combat Vehicles
8. Weapons
9. Ammunition
10. Electronics and Communication Equipment
11. Separately Procured Containers and Holding Equipment
12. Military Building Supplies
13. Transportation Equipment—Railway
14. Production Equipment
15. Medical and Dental Supplies and Equipment
16. Photographic Equipment and Supplies

Step 10. In order to determine the amount of wages and the number of jobs created by military contracts, first determine value added in the state by prime contracts. The prime contracts can be broken down into categories of the Census of Manufacturers (prime contracts are equivalent to value of shipments[7] which is a standard category of the annual Census of Manufacturers). Prime contracts for Durable Goods fall into the following categories:

Footnotes at end of article.

1. Stone, Clay, and Glass
2. Primary Metal Industries
3. Fabricated Metal Products
4. Machinery Except Electrical
5. Electrical Equipment and Supplies
6. Transportation Equipment
7. Instruments and Related Products

Calculate total value added in the state for these seven Census of Manufacturers categories for the years 1967, 1969, and 1971 and the total value of shipments for each of these years.[8] Division yields the average percentage of value of shipments comprised by value added.

Step 11. Multiply the percentage derived in Step 10 by total average prime contracts in the state (Step 9), yielding the dollar amount of value added by prime contracts in Durable Goods in the state.

Step 12. Average the payroll percentages of value added for 1967, 1969, and 1971 found in Step 4.

Step 13. Multiply the dollar amount of value added found in Step 11 by the average payroll percentage found in Step 12 to get the dollar amount of prime contracts comprised by the payroll.

Step 14. Divide the results of Step 13 (payroll) by the average wage for Durable Goods during these years (Step 6), giving the number of Durable Goods jobs created by military prime contracts.

C. Net jobs foregone.

Step 15. Subtract the number of jobs created by military prime contracts (Step 14) from the gross number of jobs foregone (Step 8), giving the *net* yearly average number of jobs foregone from the state's economy in the Durable Goods sector for the period under study.

NON-DURABLE GOODS

A. Gross number of jobs foregone.

Step 1. Compute the dollar amount not spent that year on Non-Durable Goods value added in the same way as Step 1 for Durable Goods, but using the negative coefficient—.071 for Non-Durables.[9]

Steps 2–8: The same as for Durable Goods.

B. Number of military jobs created.

Step 9. Calculate the total amount of military prime contracts of Non-Durable Goods in Fiscal Years 1968, 1970, and 1972[10] and divide by 3. The Non-Durable Goods prime contracts are in:

1. Subsistence
2. Petroleum
3. Other Fuels and Lubricants
4. Textiles, Clothing, and Equipage

Step 10. Calculate value added by prime contracts as percentage of value of shipments in the same way as Step 10 of Durable Goods, using the following Census of Manufacturers categories for Non-Durable Goods: [11]

1. Food and Kindred Products
2. Petroleum and Coal Products
3. Apparel and Other Textile Products
4. Rubber and Plastic Products

Steps 11–14: The same as for Durable Goods.

C. Net jobs foregone.

Step 15. The same as for Durable Goods.

RESIDENTIAL CONSTRUCTION

A. Gross number of jobs foregone.

Step 1. Multiply the average DOD outlays for 1968–1972, which is $79.6 billion, by the negative coefficient of −.114 [12] to get the average U.S. dollar amount foregone annually.

Step 2. Determine the sum of U.S. contracts let in 1968 through 1972 [13] and divide by 5 to get the average dollar amount of contracts.

Step 3. In a similar manner, determine the state's average yearly contracts.[13]

Step 4. Divide the state's average amount of construction contracts (Step 3) by the U.S. average contracts let (Step 2) to get the state's percentage of contracts let.

Step 5. Multiply the state's percentage of U.S. contracts let (Step 4) times U.S. amount foregone (Step 1) to get the dollar amount of state contracts foregone.

Step 6. In order to get the wages component, multiply the result of Step 5 by .47. (Procedure suggested by Dr. Robert Ball, Supervisory Economist, Office of Productivity and Technology, Bureau of Labor Statistics.)

Step 7. Divide the result of Step 6 by average estimated wages of $10,000 to get the gross number of jobs foregone.

B. Number of military jobs created.

Step 8. Total the Military Construction prime contract awards for Fiscal Years 1968, 1970, and 1972 [14] and divide by 3 to get the average.

Step 9. Follow the same procedures described in Steps 6 and 7 above: multiply the results of Step 8 by .47 and divide by $10,000 to get the number of military jobs created.

C. Net jobs foregone.

Step 10. Subtract the jobs created by military contracts found in Step 9 from the gross jobs foregone found in Step 7, yielding the net jobs foregone in Residential Construction.

NON-RESIDENTIAL CONSTRUCTION

A. Gross number of jobs foregone.

Step 1. Same as Step 1 for Residential Construction, using negative coefficient of −.068.[15]

Step 2. To determine U.S. total contracts in non-residential construction, add the categories U.S. Non-Residential Construction contract awards to U.S. Public Works and Utilities contract awards.[16] Compute the average yearly total for the years 1968–1972.

Step 3. Apply the same procedure and source as Step 2 to the state's public works and utilities contract awards and non-residential construction awards to arrive at the state's yearly average non-residential contracts.

Steps 4–7: The same as for Residential Construction.

B. Number of jobs created by military spending.

Step 8. Average the military prime contracts awards for Fiscal Years 1968, 1970, and 1972 [17] for:

1. Construction Equipment
2. Materials Handling Equipment

Step 9. Same procedure as Step 9 of Residential Construction.

C. Net jobs foregone.

Step 10. Same as Step 10 for Residential Construction.

SERVICES

Step 1. Divide the state's total receipts for General Selected Services for the year by the U.S. total for the year [18] to get the state's percentage of the U.S. total.

Step 2. Multiply the total DOD outlays for the year by Russett's negative coefficient of −.187 [19] to get the total amount foregone for that year.

Step 3. Multiply the results of Step 1 (state's percentage) by the results of Step 2 (U.S. receipts foregone) to get the amount foregone for the state for a year. (We did this for the years 1967 and 1972, the only years for which data are available.)

Step 4. Divide the receipts foregone (Step 3) by $10,000,[20] giving the number of jobs foregone.

Step 5. Results for the two years were averaged, giving the average job loss.

STATE AND LOCAL GOVERNMENT

Step 1. From total U.S. expenditures for state and local government,[21] subtract capital outlay (which is included in construction figures above) and public welfare (which is essentially mere transfer of funds), for each of the years 1968 through 1972. Then divide the sum of outlays for those years by 5 to get the average yearly expenditure.

Step 2. Follow the same procedure as Step 1 above for the state.[22]

Step 3. Divide the state's expenditures by the U.S. expenditures to get the state's percentage of U.S. total expenditures.

Step 4. Multiply the average DOD outlays for 1968–1972, $79.6 billion, by Russett's coefficient, −.126,[23] to get the U.S. amount foregone on state and local government expenditures.

Step 5. Multiply the results of Step 3 (state's percentage) by the results of Step 4 (U.S. expenditures foregone) to get the average amount foregone for that state.

Step 6. Divide the results of Step 5 by $10,000 per man-year to get the average number of jobs foregone.[24]

MILITARY PERSONNEL

Average the total number of civilian and military personnel stationed in the state for the years 1968 through 1972.[25]

TOTAL NUMBER OF JOBS FOREGONE IN THE STATE

Add the net number of jobs foregone in the first four categories (Durable Goods, Non-Durable Goods, Residential Construction, and Non-Residential Construction) to total jobs foregone in Services and State and Local Government. Then subtract the number of military personnel. The result is the average total number of jobs foregone in the state annually during the period under study, 1968–1972.

FOOTNOTES FOR APPENDIX B

[1] U.S. Statistical Abstract, 1974, p. 306.

[2] Russett, Bruce, *What Price Vigilance?* Yale University Press, 1970, p. 140. Russett's negative coefficient is based upon the relationship between two ratios: the category to the GNP, and the military budget to the GNP, over the years 1939–1968. In the years studied in this report, 1968–1972, the percentage of the GNP comprised by the military was between 7.2% and 9.7%. This is well within the average range studied by Russett.

[3] Both state and U.S. figures are in the 1967 *Census of Manufacturers*, and 1969 and 1971 *Annual Survey of Manufacturers*, U.S. Department of Commerce.

[4] *Annual Survey of Manufacturers*, 1967, 1969, 1971.

[5] *Annual Survey of Manufacturers*, 1967, 1969, 1971.

[6] *Department of Defense Military Prime Contract Awards by State, Claimant Program and Purpose*, FY 1968, 1970, 1972.

[7] Information from the Department of Commerce, Bureau of Census, Industry Division.

[8] *Annual Survey of Manufacturers*, 1967, 1969, 1971.

[9] Russett, p. 140.

[10] *DOD Military Prime Contract Awards*, FY 1968, 1970, 1972.

[11] *Annual Survey of Manufacurers*, 1967, 1969, 1971.

[12] Russett, p. 140.

[13] *U.S. Statistical Abstract*, 1969, p. 694; 1970, p. 677; 1971, p. 666; 1972, p. 679; 1973, p. 680; 1974, p. 306.

[14] *DOD Military Prime Contract Awards.*

[15] Russett, p. 140.

[16] *U.S. Statistical Abstract*, 1969–1974.

[17] *DOD Military Prime Contract Awards.*

[18] U.S. Department of Commerce, Bureau of Census, *Census of Business*, 1967 and 1972, for both the state and U.S. statistics.

[19] Russett, p. 140.

[20] Dr. John Henderson: "Due to problems in the way in which income and receipts are calculated in industries other than manufacturing, it is assumed that for every increase in receipts of $10,000, there will be one job created in this section. This $10,000 in-

cludes not only wages but overhead costs." Interview with Dr. John Henderson, Department of Economics, Michigan State University, May 15, 1974.

[21] U.S. Department of Commerce, *Government Finance Series #5*, Table 18. Procedures suggested by Dr. Leonard D. Bronder, Chief Economist, Office of Economic Expansion, Michigan Department of Commerce.

[22] *Government Finance Series #5.*

[23] Russett, p. 140.

[24] Bureau of Labor Statistics, U.S. Department of Labor.

[25] Office of the Comptroller, U.S. Department of Defense.

APPENDIX C: MICHIGAN—A CASE STUDY

Michigan is known throughout the world as one of the great centers of heavy industry. The automobiles made in Michigan have made the name "Detroit" synonymous with the industry itself. The automobile industry is by far the largest employer in the state with almost 400,000 employees,[1] 11 percent of all the people employed in the state.[2]

Metal working machinery and general industrial machinery are also significant parts of Michigan's durable goods industry, as are metal stamping equipment and household appliances.

From 1968 to 1972, Michigan's durable goods sector employed an average of 790,000 people with a payroll of $7,444,700,000.[3]

Nondurable goods, mostly light industry, employed over 208,000 people statewide.[4] The people employed in this category processed food, made textiles and clothing, were engaged in printing and publishing, and manufactured rubber, plastic, chemicals, and wood products. The total average payroll in nondurable goods was about $1,662,800,000.[5]

Services have been growing in the Michigan economy. The tourist industry, comprising hotels, motels, tourist courts and camps, employed over 17,000 people in 1972. Business services employed 52,500 people. Garages, personal services, and amusements comprised the rest, giving a total of over 163,000 employees bringing in almost three billion dollars worth of receipts in 1972.[6]

Carpenters, plumbers, electricians, roofers, and painters are some of the 136,000 citizens of Michigan engaged in the construction industry.[7]

To summarize, in 1972, the most recent year included in this study, these activities employed the following numbers of people in Michigan:

TABLE 1.—MICHIGAN EMPLOYEES, 1972

	Michigan employees
Durable goods	790,000
Nondurable goods	208,000
Services	163,000
Residential and nonresidential structures	136,000
State and local government	[8] 437,000

Applying Russett's findings to Michigan's economy, it is evident that the citizens of Michigan are vulnerable to rises in the Pentagon budget. The economy of the state is heavily dependent for job creation upon the three sectors which are the most adversely affected by Pentagon budget rises: durable goods, which nationally loses $163 million worth of expenditure when the Defense budget goes up a billion dollars; services, which loses $187 million if there is a one billion rise; and state and local governments, which forego $126 million with each one billion dollar rise in Pentagon spending.

During the years analyzed, 1968–1972, the military budget was about $80 billion. The following chart applies Dr. Russett's figures to determine the effect of this level of military spending upon major sectors of Michigan's economy and on the jobs of the people of Michigan.

TABLE 2.—JOBS FOREGONE IN MICHIGAN BY SECTOR OF THE ECONOMY

Sector*	Gross jobs foregone	Military jobs created	Net
Durable goods [9]	−67,000	+10,500	−56,500
Nondurable goods [10]	−9,900	+700	−9,200
Residential construction [11]	−16,000	+500	−15,500
Nonresidential construction [12]	−10,400	+1,300	−9,100
Services [13]	−60,000		−60,000
State and local government [14]	−49,000		−49,000
Total			−199,300
Military personnel (uniformed and nonuniformed) [15]		+27,700	+27,700
Average net number of jobs foregone annually in Michigan			−171,600

Non-residential structures: public works and utilities and non-residential structures.

Durable goods: furniture and fixtures; stone, clay and glass; primary metal products; fabricated metal products; machinery except electrical; electrical equipment and supplies; transportation equipment; instruments and related products.

Non-durable goods: food and kindred products; textile mill products; apparel and other textile products; lumber and wood products; paper and allied products; printing and publishing; chemicals and allied products; rubber and plastic products.

General selected services: hotels, motels, tourist courts and camps; personal services; miscellaneous business service; auto repair, services, and garages; miscellaneous repair services; motion pictures; recreation except motion pictures.

FOOTNOTES FOR APPENDIX C

[1] Economic Report of the Governor, 1974, p. 32.

[2] Economic Report of the Governor, 1974, p. 32.

[3] Annual Survey of Manufacturers, 1968, 1970, 1972.

[4] Annual Survey of Manufacturers, 1968, 1970, 1972.

[5] Annual Survey of Manufacturers, 1968, 1970, 1972.

[6] Census of Business, 1967, 1972.

[7] Economic Report of the Governor, 1974, p. 120, table B–19.

[8] *Public Employment*, U.S. Department of Commerce Social and Economic Statistics, 1968–1972.

[9] Census of Manufacturers, 1967, 1969, 1971, U.S. Department of Commerce, Bureau of the Census; Russet, p. 140. *Department of Defense Military Prime Contract Awards by State, Claimant Program and Purpose*, FY 1968, 1970, 1972.

[10] Census of Manufacturers, 1967, 1969, p. 22, 1971, p. 22; East North Central Division, U.S. Department of Commerce, Bureau of Census; *Michigan Statistical Abstract*, 8th edition, pp. 257–8; Russett, p. 140. *DOD Military Prime Contract Awards.*

[11] *Economic Report of the Governor*, 1974, p. 45, Russett, p. 140; *DOD Prime Contracts.*

[12] *Economic Report of the Governor*, 1974, p. 45; Russett, p. 140; *DOD Prime Contracts.*

[13] *Michigan Statistical Abstract*, 8th edition, p. 459; U.S. Department of Commerce, Bureau of the Census, *Census of Business*, 1972.

[14] *Public Employment*—U.S. Department of Commerce, tables 5 and 8; Social and Economic Statistics, Bureau of the Census.

[15] Department of Defense.

APPENDIX D: CREDITS AND THANKS

This work would never have been possible without Dr. Bruce Russett's analysis in *What Price Vigilance?*

Dr. John Henderson of the Department of Economics, Michigan State University, provided both his expertise in questions of statistical methodology and his wisdom in looking at the economic problems of our land and their interrelationships.

Dr. Seymour Melman of Columbia University gave constant help, advice, and inspiration.

Alan Fischer of the Research Department of the United Auto Workers was unstinting with his expertise and his analytical talents.

Dr. William Baugh of the Political Science Department of Michigan State University was generous with his advice and help.

Dr. Leonard Bronder, Chief Economist of the Bureau of Economic Expansion, Michigan Department of Commerce, suggested detailed methodology in calculating the expenditures of state and local governments.

Dr. Robert Ball, Supervisory Economist, Office of Productivity and Technology, Bureau of Labor Statistics, Department of Labor, suggested the methodology used in the calculation of the construction industry.

The computerization of the methodology would never have been possible without the generous efforts of Harriet Dhanak of the Department of Political Science, Michigan State University.

Richard Krush did yeoman work on the statistical analysis.

William Kincade, staff of the Joint Committee on Defense Production, provided invaluable editorial advice and assistance.

The documents librarians at Michigan State University and the State of Michigan library were unfailing with their much needed help.

Mr. KENNEDY. As we move on to specific weapon systems, I want to thank the chairman of the committee, the members of the committee, and those Senators who have been willing to participate in the Chamber in this debate, including those Senators whose views on these issues we differ with in many instances. Anyone who takes the time to review the record will perhaps profit from these discussions.

I want to express again my very warm sense of appreciation to those Members who have participated in the last 2 days. This has been a useful and commendable experiment. It has pointed up many of the frustrations which many of us feel with the Senate as an institution, in handling various items, whether defense procurement legislation or questions of health, where three different committees have health jurisdiction. This is true about energy and all the other problems we are facing.

We are dealing with a committee structure that was set up some 30 years ago to deal with problems that we are facing 30 years later. The problems in many instances are different today. They require and demand even more effective and efficient institutions within the Senate to deal with them.

Having said this, I should point out that there is absolutely no reflection on the job that has been done by the Committee on Armed Services in the development of this proposal, but the weakness

of Senate committee structure is, I think, a fact which it would be unrealistic not to recognize.

Finally, let me thank my colleague, the Senator from California (Mr. CRANSTON), whom I think all of us recognize is a real workhorse in the Senate, on this issue, and who I think has performed an extraordinary service. He is tireless in his efforts on so many matters of public interest and concern. He has really been the one who spearheaded this whole effort. If there is any Member of the Senate who deserves credit it is my colleague, the Senator from California.

Mr. CRANSTON. Mr. President, I will say one word and then yield to the Senator from Rhode Island (Mr. PELL). He has been waiting all day. I will take less than a minute.

I do join in all the expressions of thanks to the others that were expressed by the Senator from Massachusetts (Mr. KENNEDY).

A great many Members of the Senate have been in the Chamber to listen. A great many have participated. I think it has been a very productive debate, and I am very grateful to the distinguished Senator who chairs the Committee on Armed Services (Mr. STENNIS) for his cooperation.

I thank the Senator from Arizona (Mr. GOLDWATER), and others with differing views, who joined with the Senator from Massachusetts (Mr. KENNEDY) and myself in organizing this.

Without the help of the Senator from Massachusetts, along with the help of the staff from his office and my office, and from the offices of many others, we would not have accomplished what we have accomplished, which is not all that we hoped, but it is something, and I think it sets the stage for a more effective participation by the Senate in very important decisionmaking in foreign policy and in defense.

I say to the Senator from Massachusetts that I thank him very much.

Mr. BROCK. Mr. President, will the Senator yield for these comments?

Mr CRANSTON. Yes, I yield

Mr BROCK. Mr. President, I appreciate the efforts of the Senators and I echo what the Senator from Massachusetts said about the Senator from Mississippi.

If we had 100 Senators who would stay here in the Chamber, as the Senator from Mississippi does, we would have a debate every day, and we would learn something in the process.

There is no one who is more unflagging and unstinting in his giving to the Senate in the process of debate than the Senator from Mississippi (Mr. STENNIS).

I have to say, in all candor, that not all the Senators see the full value of debate that the Senator from Mississippi does. I wish that they did.

I think it is rather symptomatic of our problem that the Senator from Massachusetts can refer to this as an experiment. It is a 200-year-old experiment that we sort of let lie in recent years, not so much on this kind of legislation, but in general terms.

We simply do not have enough participation in the Chamber of enough Senators to acquire what is so valuable in the process of debate, and that is a cross-fertilization of ideas, the give and take of honest exchange and honest differences of opinion. I am delighted that we have started. But may the Lord forgive us if we do not continue.

I appreciate the leadership of the Senator.

Mr. PELL. Mr. President, I realize that the number of the Senators in the Chamber at this hour has dwindled, however, I commend my distinguished colleagues for undertaking this debate on foreign policy assumptions, and am pleased to have the opportunity to participate in this critical discussion. I hope it will continue so that more colleagues may have an opportunity to share their views.

The idea of this debate is an excellent one. It is the first time I have seen it happen, in my presence here in these years, when we seek to examine the fundamental conceptions or precepts upon which we are building our policy.

I think the question of the Senator from Maine was a very fundamental one: What is the threat from the Soviet Union? What is the threat from China, These are subjective judgments that we have to make with the best wisdom and the best experience that we can. We do not know for sure.

I remember when we had a conversation, the distinguished former Senator from Tennessee (Mr. Gore) and myself, with Mr. Kosygin in the Soviet Union. He was very concerned as he talked about the need for roads, automobiles, and consumer goods. He was very much concerned about the influence of his generals and his admirals on the course of policy in his country.

It occurred to me, and it occurred to him in our conversation, that hawks and doves are not confined to the United States alone.

I think as we are here and examine these assumptions we are like the man who is determining what kind of suit he is going to purchase. Maybe, if he is worried that it will be cold, he ought to get a large suit, thoroughly lined and of the heaviest weight. On the other hand, if he is going to be living in Florida or he does not think it is going to be cold, he wants to get one that is suited for his needs and the weather threats that he will face.

When we come to get our armaments, I think we want to get an armament system that is more or less suited to the threats that we will likely face, and that is what we are attempting to do now.

In order to determine the weapon systems, we first have to understand what these threats are and where we are going.

I can remember a very few years ago it was considered absolutely necessary that we could fight two major wars and one minor war with our military services. That has gone by the board now, and it is now one major war and one minor war.

I think we still have not looked at what the concepts are. Here I would like to go back for a little bit and have us look at the progress of our country over the years.

People are always dividing time and events into centuries, half-centuries, quarter-centuries, but it is really I think to be divided into third-centuries, because we have had six third-centuries in our country's life. During the first five we grew in a fairly steady and regular manner, but it is the last third-century, the last sixth of our life when we have expanded from being a nation that was inward-looking and not at all concerned with the world outside, into very sharply becoming the largest, most aggressive, and strong nation in the world. Now we have seen others coming up to rival us in this period of time.

We found ourselves stubbing our toe on a stubborn little portion of Southeast Asia called South Vietnam. By doing that, we perhaps have reason and cause to pause and to think for a moment, because we must learn where we are going from where we have been. We cannot be like the Bourbons of whom it was said they experienced history but never learned from it. We must learn from our experiences, learn what our limitations are, what our vital national interests are, and as I see it today we are basically moving away from the old simplistic thought of isolationism against internationalism, to one whether we should contract or whether we should expand.

As I see it, there are four levels of interrelationship between nations: military, diplomatic, economic, and cultural.

In my view we should contract in the military and diplomatic levels and expand in the economic and the cultural or propaganda levels.

The military level that I am talking about is the 1,400-plus minor military bases around the world and the 300-plus major bases. I am talking about the idea of developing a large naval base in Diego Garcia in the middle of the Indian Ocean, presently a peaceful ocean, or building one in Tinian, at a cost of $300 million or $400 million.

When we talk about $400 million, that is not an abstract sum; that is $2 from the pocket of every man, woman and child in the United States.

What I am suggesting is that we should contract on our weapons systems, contract on our military commitments, and contract on the responsibilities of installations that are scattered around the world, retaining and remaining true to NATO, to the European interests from which we spring, and also remaining true to Israel, which really is a country created by the United States, virtually alone, in 1948.

UMI

On the diplomatic side, we ought to think of pulling back from some of the multilateral treaties, CENTO and SEATO and the like, and some of the bilateral treaties we have properly, of course, not walking out on them, however, carefully reassessing each commitment to see if they are really in the best interests of our country.

I also wince when I see our Secretary of State perambulating around the world, carrying the prestige of the United States on his shoulders, engaged in negotiations for a few square yards in the Sinai passes, a few miles in Cyprus, and if he succeeds, good; if he does not succeed, it is a black eye for the whole United States.

My view is that we should be less active in those fields. If we must negotiate, we ought to have a corps of American ambassadors, special ambassadors, American ambassadors-at-large, to do this, and the Secretary of State should spend more of his time right here using his excellent mind and brain in running the Department of State, which the Lord knows needs a strong helm and a present helm there.

On the economic side, we should expand. We should expand in supporting our business activities abroad, making sure that the companies do not bring disgrace to the United States. As a general rule, I think we do less to help our businessmen abroad than do other nations.

I recall that when I was in the Foreign Service, the vice consuls and the consuls of other nations would help their business people much more than we used to help our own.

We should do more in the multinational economic sphere through the various United Nations economic agencies and expand these efforts, and we should expand culturally. That costs the least of all. The whole budget for the USIA costs less than a third of an aircraft carrier.

We should quadruple the Fulbright exchange programs, the exchange of students and peoples between nations. We should enlarge the USIA.

If we did these things, if we expanded economically and culturally, we would save a great deal of money. There are those who believe in a strong diplomatic establishment, and there are those who believe equally strongly in emphasis on the human sector—health, education, and the problems of old age. These we have not been willing to retreat on, either, and we have insisted on passing these programs, although not as large as I would like to have seen pass.

What do we do to pay for these programs? Instead of doing the honest thing, which is to pay taxes, we pay for it by inflation, which is the cruelest tax there is, and we have been cutting taxes. If we are going to spend as we do diplomatically and economically at home, then we should raise, not cut taxes, rather than leaving inflation to bear the cost of these programs, making these burdens rest on future generations.

Mr. President, our debate on national priorities must necessarily include a consideration of education in the whole scheme of planning and directing the future of this Government in meeting the social and economic needs of our society and in providing qualified persons for the conduct of national affairs—domestic and international, civil and military. Our decisions on the direction, focus, and goals of the Nation will come to naught if we have not prepared our people to be competent to achieve them. Indeed, we cannot make wise decisions without the advice, direction, and support of a well-educated citizenry.

Although the States and their localities, as well as private groups, have borne the responsibility for supporting the education systems which serve the Nation, there is a definite responsibility in the Federal Government for assisting and guiding those systems in assuring that all Americans are able to fulfill their obligations as citizens and to exercise their rights under our laws. This Federal concern has resulted in the enactment of laws assisting in the creation and support of educational agencies, organizations, and systems for the education of Americans from early childhood through their senior years.

In the decade since 1965, the Federal Government has increased its direct support for students and educational agencies and institutions, through Federal education laws, from about $500 million to almost $7 billion. In recent years we have committed ourselves to a basic right of students to seek a postsecondary education with assistance in accordance with financial need, to assist our schools in overcoming educational handicaps which inhibit the success of children in regular school programs, to assist in supplying the educational resources necessary for education, and to encourage the search for, and development of, new and improved educational methods, practices, and techniques designed to solve age-old problems in education.

Most recently, in 1974, Congress has laid out the groundwork for correcting our course of action and seeking new direction by enacting laws which call for White House Conferences on Education and on Libraries and Information Services. Moreover, the Congress, recognizing that the Nation's economic, political, and social security require a well-educated citizenry, reaffirmed, as a matter of high priority, the Nation's goal of equal educational opportunity and declared it to be the policy of the United States of America that every citizen is entitled to an education to meet his or her full potential without financial barriers.

In addition, the Congress authorized assistance to the States to encourage them to approach equal educational opportunity by equalizing expenditures for elementary and secondary schoolchildren by means of aid by the States to local school districts.

Looking to the future there are realities which must be recognized by the Congress in improving the quality of education available to our people and in guaranteeing equality of educational opportunity.

Local school districts no longer have the financial resources to continue their efforts in education. Their resources are directly dependent upon the national economy, and, as a result of our present recession, we will see school closings and educational offerings curtailed in this coming school year. Although the States have been encouraged to, and do, assist local schools, their method of financing State governments necessarily limits the degree to which schools can depend on State help. This is a national problem which calls for a national attempt at solution. It is my belief that the Federal Government must assume a considerable portion—perhaps 25 to 55 percent of the financial burden for operating elementary and secondary schools.

Postsecondary education has become a necessity for American young people. It can no longer be treated as a privilege conferred on the fortunate few—it must be recognized as a right for all who can benefit from it. We have begun to assume our responsibility through the basic educational opportunity grant program; however, present levels of assistance are minuscule when compared with the need for assistance. The cost of attending postsecondary institutions is rising even faster than the rate of inflation. Those rising costs will continue. Therefore, I am of the opinion that basic grant assistance must be increased to the level necessary to enable all persons to pursue a postsecondary education without regard for their individual financial limitations.

In addition, the Federal Government must stand ever alert to discern and cope with barriers which stand in the path of those who seek education to their full potential. We must be ready to assist financially in solving those problems and to enact legislation to overcome conditions which prevent equal educational opportunity for all.

In closing, Mr. President, I think that the whole question of priorities and of where our Nation should be putting its treasure can be best expressed by a comparison between the authorizations which the Subcommittee on Education has recommended to the Senate and which the Senate has adopted, and the budget requests and, ultimately, the appropriations made. The shortfall between those figures is mute comment on the failure to meet what we consider to be the bare minimum national needs in education. Until these figures are raised and until we meet those bare national minimums, our country will not be making available to its citizens the best possible education.

I ask unanimous consent that a chart showing certain statistics be printed in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, EDUCATION DIVISION—AUTHORIZATIONS AND APPROPRIATIONS, FISCAL YEAR 1975

[In millions of dollars]

Activity	Authorization	Budget estimate	Appropriation	Authorization	Appropriation
I. Assistant Secretary for Education:					
1. Salaries and expenses (sec. 402, GEPA)[1]	(2)	3.671	2.307	(2)	
2. Fund for the Improvement of postsecondary education (sec. 404, GEPA)	75.0	15.0	10.0	[3] 75.0	
3. National Center for Education Statistics (sec. 406, GEPA):					
(a) Grants and contracts	20.0	(4)	(4)	25.0	
(b) Salaries and expenses	5.0	(4)	(4)	10.0	
II. National Institute of Education (sec. 405, GEPA)	(3 5)	130.0	70.0	(3 5)	
III. Office of Education:					
1. Salaries and expenses (sec. 403, GEPA)	(2)	127.284	114.4	(2)	
2. Elementary and secondary education:					
(a) Educationally deprived children (title I, ESEA [6])	4,000.0	1,885.0	1,876.0	4,500.0	[7] 1,900.0
(b) Supplementary services (title III, ESEA)	623.15	146.393	120.0	(8)	
(c) Strengthening State departments of education (title V, ESEA)	150.0	39.425	39.425	(8)	
(d) Consolidated programs (title IV, ESEA)				445.0	[7] 300.22
(e) Bilingual education (title VII, ESEA)	142.25	70.0	85.0	147.75	
(f) Right-to-read (Cooperative Research Act)	(9)	12.0	12.0	(8)	
(g) Educational broadcasting projects:					
(1) Facilities (Communications Act of 1934)	30.0	7.0	12.0	30.0	
(2) Programing (Cooperative Research Act)	(9)	7.0	7.0	(8)	
(h) Civil Rights Advisory Service (title IV, Civil Rights Act)	(9)	21.7	26.7	(9)	
(i) Follow Through (Economic Opportunity Act)	(9)	34.0	53.0	(9)	
(j) Equipment and minor remodeling (title III, NDEA)	140.5	0	21.75	(8)	
3. School assistance in federally affected areas:					
(a) Maintenance and operation (Public Law 874)	[10] 1,184.50	320.3	636.016	1,060.0	
(b) Construction (Public Law 815)	[10] 70.0	20.0	20.0	[9 11]	
4. Emergency school aid (title VII, Public Law 92-318)	1,000.0	(12)	(12)	(14)	
5. Occupational, vocational, and adult education:					
(a) Grants to States (VEA, pts. A, B, E, F, G, H, J)	853.16	498.637	510.637	(13)	
(b) Research and development (VEA, pts. C, D, I)	141.00	38.0	35.0	(13)	
(c) Education professions development (EPDA)	450.0	45.639	56.737	(15)	
(d) Career education (cooperative research)	(9)	10.0	10.0	(12)	
(e) Occupational education (title X-B, HEA)	650.0	0	0	(15)	
(f) Adult education (AEA)	150.0	63.319	67.5	175.0	[16] 67.5
(g) Nutrition education (sec. 808, ESEA)	26.0	0	.8	(17)	
(h) Ethnic heritage studies (title IX, ESEA)	15.0	0	1.8	15.0	
6. Higher education:					
(a) Student assistance:					
(1) Basic grants (title IV-A-1, HEA)	1,300.0	1,300.0	660.0	(13)	
(2) Supplemental (title IV-A-2, HEA)	(9)		240.3	(13)	
(3) Work-study (title IV-C, HEA)	470.0	250.0	300.2	(14)	
(4) Cooperative education (title IV-D, HEA)	10.75	10.75	10.75	(15)	
(5) Direct loans (title IV-E, HEA)	400.0	6.44	329.44	(15)	
(6) State scholarship incentives (title IV-A-3, HEA)	(9)		20.0	(13)	
(7) Guaranteed student loans (title IV-B, HEA)	(9)	430.0	430.0	(18)	
(b) Special programs for disadvantaged (title IV-A-4, HEA)	100.0	70.331	70.331	(15)	
(c) Institutional assistance:					
(1) Strengthening developing institutions (title III, HEA)	120.0	120.0	110.0	(15)	
(2) Construction (title VII, HEA)	459.25	24.953	2.701	(18)	
(3) Language training and area studies (title VI, NDEA)	75.0	70.0	14.0	(18)	
7. Library resources:					
(a) Public libraries:					
(1) Services (titles I and III, LSCA [19])	146.975	25.0	51.749	155.35	
(2) Construction (title II, LSCA)	92.5	0	0	97.0	
(3) Older Americans (title IV, LSCA)	(9)	0	0	(8)	
(b) School library resources (title II, ESEA)	226.6	90.25	95.25	(13)	
(c) College libraries	100.0	0	12.975	(18)	
(d) Undergraduate equipment	70.0	0	7.5	(18)	
8. National readng improvement program (title VII, Public Law 93-380)	53.0	0	0	109.5	
9. Special Projects Act				200.0	
(4) University community services (title I, HEA)	50.0	0	14.25	(18)	
(5) Land grant colleges	16.00	9.5	9.5	16.00	
(6) State 1202 commissions	(2)	0	3.0	(18)	
(7) Veterans cost of instruction (sec. 420, HEA)	(9)	0	23.75	(13)	
(8) Institutional assistance	1,000.0	0	0	(18)	
(9) Networks for knowledge (title VIII, HEA)	15.0	0	0	(15)	
(10) Clinical practice of the law (title XI, HEA)	7.5	0	0	(15)	
(11) Graduate programs (title IX, HEA)	50.0	0	0	(18)	
(d) Personnel development (title IX, HEA)	(9)	7.056	10.750	(18)	
(a) Metric education				[20] (10.0)	
(b) Gifted and talented children				(12.25)	
(c) Community schools				(17.0)	
(d) Career education				(15.0)	
(e) Consumers' education				(15.0)	
(f) Women's educational equity				(30.03)	
(g) School arts				(0.75)	
10. Indian education:					
(a) Grants and contracts (Indian Education Act)	354.777	40.0	40.0	435.7	
(b) Salaries and expenses	(9)	2.0	2.0	(9)	
IV. National Commission on Libraries and Information Sciences Act (Public Law 91-345)	.75	.502	.409	.75	
V. Student Loan Marketing Association (sec. 439, HEA) [21]					
VI. White House Conference on Education (sec. 804, Education Amendments of 1974, Public Law 93-380)	(9)			(9)	
VII. White House Conference on Library and Information Services (Public Law 93-568)	(9)			(9)	
Grand total (for fiscal year 1975)	14,843.062	5,892.15	6,246.927		

[1] General Education Provisions Act.
[2] Indefinite.
[3] Authorization expires June 30, 1975 but is continued for 1 year by contingent extension authority under sec. 414 of the General Education Provisions Act.
[4] Estimates and appropriations for the National Center for Education Statistics were included among Office of Education activities in fiscal year 1975.
[5] The National Institute of Education had a lump-sum authorization covering a period of three fiscal years with no definite amount for fiscal year 1975.
[6] The Elementary and Secondary Education Act of 1965.
[7] The fiscal year 1976 appropriation was appropriated in the Supplemental Appropriations Act for fiscal year 1975 for forward funding of the program.
[8] 1 of the consolidated education programs.
[9] To be continued under the Special Projects Act (see Special Projects Act
[10] Plus indefinite minor amounts.
[11] Estimated authorization cannot be made until applications have been filed.
[12] No official budget estimate was made.
[13] Appropriations are being made under a continuing resolution; amount is indefinite.
[14] Indefinite, phaseout appropriation authority.
[15] Authorization expires June 30, 1975, extended for 1 year under the contingent extension authority, sec. 414, GEPA.
[16] Appropriation made in Supplemental Appropriations Act for 1975 to be forward funded.
[17] Consolidated program.
[18] The Library Services and Construction Act.
[19] Amounts in parentheses are included in the $200,000,000 for Special Projects Act.
[20] Self-supporting, except for obligation arising from guarantees.

UMI

Mr. BROCK. Mr. President, will the Senator yield for a question?

Mr. PELL. I yield.

Mr. BROCK. I am interested in the remark of the Senator regarding the Secretary of State and his activities in the Middle East, in Turkey, in Cyprus, and so forth. I am not sure I understood the Senator correctly. Was he suggesting that we not act as a mediator or that the Secretary of State not be involved?

Mr. PELL. A bit of both. I was suggesting that we, as a nation, would be better off if we were less involved as the sort of negotiator extraordinaire around the world and left more of it to the United Nations, left more of it to the nations themselves, and that we need the Secretary of State more here at home.

Mr. BROCK. I wonder whether the Senator would really suggest that we leave the State of Israel to the tender mercies of the United Nations, in view of their actions of the past few months.

Mr. PELL. As I said earlier, we have a vital interest in the NATO countries, the European countries, and in Israel, which we created. I think these are two very strong, overriding interests.

Mr. BROCK. But are not Turkey and Cyprus part of NATO?

Mr. PELL. They most certainly are.

Mr. BROCK. Then, where do we draw the line?

Mr. PELL. In the case of Turkey and Greece, I think they will find a solution, and it looks as though they will find one on their own.

Mr. BROCK. I am very hopeful of that, just as I honestly believe that ultimately in the Middle East, it will be Israel and her neighbors who will resolve the crisis, not outside intervenors.

I was struck by the Senator's implication, at least. I am not sure that this is what he meant, but the inference I drew from his remarks was that the United States does not have a national security interest in either Turkey and Greece and their conflict or in the Middle East, in the conflict between Israel and her Arab neighbors. I think that both involve the national security of the United States to an enormous degree.

Mr. PELL. I think we have a responsibility and an obligation toward Israel that is absolute.

So far as Greece and Turkey are concerned, it is a question of relative value.

The Senator may recall that I fought for some years to try to change the regime in Greece. It was as a result of the dying gasps of that regime that the Cyprus problem arose. I believe that if we had been less involved, the whole thing would not have occurred.

What I am saying is that we could well retract from there; and if we lose some of our bases in Turkey, I do not think it is the end of the world.

Mr. BROCK. No, if we lost Turkey from NATO, it would have an enormously detrimental effect upon NATO as an alliance.

Mr. PELL. I think that if Turkey were parted from NATO, at any real threat from the Soviet Union, we would find that Turkey, as it has through the years, would fight an enemy coming from any direction.

Mr. BROCK. I do not recall Turkey doing that in World War I.

Mr. PELL. In World War I, she was on the German side.

Mr. BROCK. That is correct.

Mr. PELL. And she saw the threats to her coming from the other direction.

Mr. BROCK. I raise the question because it seems to me the United States has an enormous vested interest, No. 1, in NATO—and the Senator accepted that in his opening remarks—and Greece and Turkey are essential to NATO in its total context, and, No. 2, in the Middle East.

I believe that it is absolutely essential that we be as helpful as we possibly can be in assuaging the tensions in that particular area. I have rather specific disagreements with Dr. Kissinger. I have a rather specific disagreement with his reassessment, as it were, of our Middle East policy. But I cannot disagree with his enormously important efforts—by and large, effective efforts—in pursuit of peace over there.

I do not believe any other country in the world is big enough and tough enough and decent enough to do what we have done in that area in recent years. It would be a tragedy if we withdrew from that responsibility and turned it over to this hypocrisy in New York City that we call the United Nations, which is engaged in classic self-flagellation because we have not been a force for good and leadership there. I believe that is largely our fault. But it has become something less than a body for peace in the world, and I would not turn over the Middle East or Cyprus to their jurisdiction or judgment.

Mr. PELL. I would turn over to them the Cyprus problem. So far as Israel is concerned, I agree with the Senator, because the cards are so stacked against Israel in the United Nations that she could not get a fair shake there. But so far as Turkey and Greece are concerned, they get a perfectly fair shake.

The PRESIDING OFFICER. The Chair will entertain a motion, under the previous order.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, before moving to adjourn, I should like to say that I am glad the Senator from Rhode Island had the patience to wait so long for the floor, because he has made a fitting statement in ending this stage of our proceedings here.

We have talked a great deal during this debate about the importance of considering alternatives to simply relying upon force and military solutions to our problems. His point that we should not always think that diplomacy is the only alternative is a very good one.

While the diplomacy of Secretary Kissinger, as the Senator from Tennessee has pointed out, has been very important in many places—successful in some and not successful in others, and we want those efforts to continue—the points he stressed with respect to cultural, economic, and energy matters are very important points that I trust we will heed.

Mr. President, if there be no further business to come before the Senate—I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I was not here for the entire debate, but in the closing hours of it, I want to once again thank the distinguished Senator from California for having initiated it. I think some very positive suggestions have come forth in the last 2 days, some tremendous food for thought, both for the executive and for the legislative leaders of our country, and hopefully for the American people, because it seems to me, as I said this morning, that any foreign policy that makes commitments, which commitments in turn expect military implementation, is in the long run dependent on whether the American people want to see those implementation plans completed or not. I think we have learned that much.

Perhaps, as we come to the conclusion of the debate, a few statements and comments about Latin America are appropriate. I do not think anyone has talked much about them in the last 2 days, our neighbors to the west and the continent of South America. I do not think we should conclude with them, and by concluding remarks on them indicate that they are not deserving of significant consideration by Americans, because I think for too long we have neglected probably the most significant neighbors we have. I have very brief prepared remarks about the continent of South America which I shall ask to have inserted in the RECORD, but I would just comment that since the end of the Second World War, it is obvious that the United States of America has focused its attention, its military commitments, and its general concern for good relationships with other countries on far-off and distant lands, and it is obvious that for the last 2 days we have talked about countries and peoples that are tremendously far removed from the continental United States, while right next door to us, including Mexico and then all of South America, sits this huge continent, with many millions of people, and, as I indicate in my statement, a resource-laden continent with tremendous cultural ties to the United States, particularly to the West and Southwestern United States.

It seems to me that because that particular part of the world has not made a lot of noise, we have more or less taken it for granted, you know, sort of like the old adage that the squeaking wheel gets all the attention. That seems to be the

premise upon which we have based a policy that has almost ignored the necessity for better economic relationships with South America and far more significant ties between their people and ours.

It seems that our country waits until we have crises before we really very seriously put our heads to thinking about a problem. South America sits there as one of our major trading partners, immediately abutting upon our hemisphere, one of the continents that is most laden with natural resources, and a continent filled with people who would probably be far more friendly to America, far more receptive to being our friends, far more receptive to implementing freedom and economic opportunity for their people over the long run, than many countries we have chosen to establish commitments with, economic and military commitments, and far more willing to accept true and bona fide American friendship than many others.

So perhaps it is fitting that we close with a few remarks on Latin America. Maybe that will stimulate those who think that putting out the brush fires around the world and the hot spots justify our ignoring it. Perhaps it will remind them that we can all wake up someday to find that this huge continent has decided unequivocally they do not want us or need us, and what a shame that would be.

So, Mr. President, once again I compliment those who prompted the discussions on foreign affairs as a precursor to the basic bill that has so much to do with military and with foreign affairs.

I ask unanimous consent that my remarks on Latin America be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LATIN AMERICA DESERVES MORE ATTENTION

In our deliberations on S. 920, the floor discussions have centered on various background issues and question concerning foreign policy and our national defense. We have discussed and debated our foreign commitments and national security interests in many parks of the world, and I compliment my colleagues on their knowledge and preparation.

I believe, however, that in the process of these discussions we must not overlook an area of the world which is so important to the United States and which is constantly increasing in international importance. Specifically, I am referring to Latin America.

Latin America is the fourth largest continent in the world, has 12% of the world's land area and ranks fifth in world population. The Latin Americans are truly a people worthy of our respect and attention, and, when necessary, our assistance and support. They are a people with a rich and diversified culture, who are creating new opportunities for themselves and who are rapidly expanding their international influence.

In a world in which nations are recognizing the primacy of economic interdependence, Latin America is now, more than ever before, of utmost importance to the national security and economic stability of the United States. Latin America is our third most important trading partner, behind Canada and the European Community, and it is approximately equal in importance to Japan. It is a principal source of imported petroleum, tropical products, and valuable minerals. Our imports from Latin America last year totalled approximately $17 billion. This is a two-way street, since trade with the U.S. accounts for 35 to 40 percent of all Latin American international trade. This mutual dependence gives the U.S. and Latin America a common interest in liberalizing our trade agreements and improving our overall relations.

We are currently witnessing an imbalance in our foreign policy, an imbalance which has concentrated on the big powers and neglected some very pressing problems in our own hemisphere. As important as these relations are, we must face the fact that our Latin American friends have been neglected by that imbalance.

We cannot continue to ignore our closest neighbors. We must realize that our own national security is closely tied with the political and economic development of this hemisphere. And we must realize that it is in our own best interest to construct a framework for our foreign policy with Latin America which will offer real solutions and break down the political and economic barriers which exist today. I intend to devote myself to that effort and I implore my colleagues to do likewise.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. DOMENICI. I am delighted to yield.

Mr. CRANSTON. I thank the Senator for his generous remarks about my efforts and those of others who have organized this debate, and also for his encouragement and his participation. It is true, I think, that we have had less said about Latin America than was appropriate, because we did not have it properly organized. I am sure that every part of the world where we do have foreign policy and defense considerations was adequately covered, so the Senator's presentation helped complete the picture, and I think it is a really important part of the debate.

Mr. DOMENICI. I thank the Senator. I also compliment him for one other thing: It seems to me that during the course of the debate perhaps too many people expected precise answers. On the other hand, many have said that there were no precise answers to the questions raised about some of the troubled spots in the world. I want to say that the Senator from California, in my opinion, suggested a very constructive course of conduct in one very troubled spot, Korea. I listened attentively to his presentation, and I think he very genuinely suggested that he did not know the answers, but that there was another course of conduct. He very emphatically said that we should not remove our troops now, but he was suggesting that that particular confrontation spot be looked at from another international or maybe collective point of view in seeking a solution or answer. I compliment him for that, and I think he brought up another increasingly important one, which is that the sale of conventional armaments by most of the free world nations to other nations of the world, not the Soviet Union, which is not participating, but basically focusing in on the fact that we are indeed engaged in a tremendous proliferation of armaments by sale, and that has to do with our NATO allies and to some extent the Soviet Union, I predict will be a focal point of concern later in this country, within the foreseeable future.

I will join with the Senator from California in whatever concrete approaches we can take in coming up with some solutions to that problem, because it appears to me that it is certainly counterproductive. It is not a procurement bill, like we are going to pass in the next few days and then not really know how much we are going to be fighting ourselves, in a sense, by virtue of the proliferation in a willy-nilly manner of armaments among whoever wants to buy them, and we just trade shipments.

It seems to me that if no more than those two things had come out of this discussion, we should be grateful to the Senator from California and the others who have participated.

So I say it has been extremely useful. Perhaps in the future we could find better ways in this very complicated area to focus in on the differing responsibilities that seem to be ours, and find a better way to merge the role of our military committees with those of our foreign affairs committees. I think that goes to the heart of the problem. One goes with the other.

Yet we have been treating them separately and, if nothing else comes from it, obviously those who work on military and defense authorizations and appropriations must come from today's concern that we have to tie that into the role of our foreign affairs committees here and on the other side of the Capitol.

If some way can be figured out to do that in conjunction with the executive in open dialog, it seems to me we will have taken some giant strikes.

We thank the Senator for originating that.

Mr. CRANSTON. I want to again thank the Senator very, very much.

Let me say in regard to his latter point, I believe some ideas are germinating out of this debate that may lead to some proposals, possibly one in the form of an amendment by the Senator from Iowa, Senator CULVER, relating to certain ways we might coordinate foreign policy and defense policy more closely.

I appreciate very much the Senator's remarks about the specific proposals I made about Korea which, I think, are, along with Israel and the general nuclear arms race and proliferation, the most dangerous single situation confronting us.

On the matter of arms sales and gifts all over the world, that certainly is an area of grave danger and grave waste of resources also, and one where, with Senator PROXMIRE, who has exhibited a great interest and leadership on this front, I trust we can work together.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

UMI

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. FOREIGN POLICY—AND THE NATION'S DEFENSE NEEDS

Mr. HARRY F. BYRD, JR. Mr. President, as the Senate considers the military procurement authorization bill, I welcome the opportunity to discuss with my colleagues today U.S. foreign policy and defense needs.

The tone for the debate was set when Secretary of Defense Schlesinger, submitted the fiscal year 1976 Annual Defense Department Report to Congress.

In this report the Secretary of Defense stated that decisions concerning the Nation's defense, and our role in the international political system, should not be made by default.

On the contrary, as Secretary Schlesinger argued, any decisions concerning our defense establishment should be made explicitly, rather than in a "casual and impulsive fashion."

The Secretary's report to Congress was both responsible and reasonable.

Mr. Schlesinger has laid the facts before Congress.

He has outlined the various security problems he sees confronting the Nation; he has shown a keen sense of awareness of the domestic interests which also must be considered as Congress prepares the defense budget, and he has set forth the Department of Defense proposals in a calm, reasoned, and passionless tone.

I applaud Secretary Schlesinger for this approach.

He is mindful of Congress' responsibilities, and in turn we in Congress, I believe, will reciprocate with the same consideration.

Since the Department of Defense submitted its budget requests, the Senate Armed Services Committee, under the leadership of its distinguished chairman, Senator STENNIS, has examined in great detail DOD's requests for the fiscal year 1976 military procurement authorization bill, and has sent, in my opinion, a well-balanced bill to the floor of the Senate for consideration.

We will be considering this legislation on an item by item basis shortly.

However, let me point out that the Senate Armed Services Committee, because of the economic and domestic problems facing us, recognizes the need for a lean defense budget.

But the committee is also very much aware that the security of our Nation, the welfare of our citizens, and the defense of our interests abroad, require a defense budget adequate to meet those needs.

While I will not discuss the line items of the military procurement authorization bill at this time, I would like to remind my colleagues that the $25 billion the Senate Armed Services Committee has authorized in this legislation is $4.8 billion—including $1.3 billion for Vietnam that was not authorized—less than requested for fiscal year 1976 by the Department of Defense.

This 16-percent reduction is also greater than the 6-percent reduction recommended for the overall national defense category by the Senate Budget Committee report.

But the defense budget is not put together in a vacuum, and arbitrarily set at a given level; it can consequently not be haphazardly cut with a scatter gun approach.

The military procurement authorization bill covers the hardware for our Armed Forces. It includes funds for the procurement of weapons and it includes funds for research and development.

In addition, the legislation includes the authorization levels for the active duty, reserve forces, and civilian strength for the armed services.

To put it another way, it puts a ceiling on Defense Department personnel.

Decisions as to what troop levels the United States should have, what kinds of armed forces, what kinds of weapons, and weapons systems, and how many of these we should have, are inextricably linked with the questions of what is needed for American security—what is needed to defend our Nation's interests?

Before we can answer these questions we must, of course, examine the goals and purpose of our Nation in the international system.

We must take a cold, hard look at the power realities we see in the world today.

Today, three decades after the end of World War War II, the strong and prosperous economics of Western Europe and Japan are a tribute to the generosity and foresight of our post-World War II policies.

Yet despite the restoration in the power vacuums that existed in the aftermath of World War II, the United States and the Soviet Union still retain the political, military, and economic role implied in this name, the "superpowers."

Modern technology, and the impact of nuclear weapons, have placed the United States and the Soviet Union in this preeminent role, but it is a role that brings with it responsibilities—not just rewards.

Because of our country's preeminent military and political position among the nations of the world over the last 30 years, the United States assumed many obligations and had others thrust upon it.

The values and goals which were threatened in this process, and the precedents which were established in defending our role in the international system produced expectations about our behavior, which in turn established the credibility of our posture.

Without this credibility—a credibility we see threatened today—we would not only lose the confidence of our allies, but perhaps even more far-reaching, we would lose the credibility needed to deter any would-be aggressor.

History has taught us only too well that our international commitments have value only insofar as they are perceived to be credible by both our allies and our adversaries.

In the United States, popular dissatisfaction with what seemed to be an endless conflict in Vietnam led to an erosion of the domestic consensus over the conduct of our foreign policy.

The illusion of détente further dimmed popular awareness of existing military and political threats to the United States, and also contributed to an erosion in the Western alliance system.

Free nations around the world, confused by the ambiguities of détente, seem weakened in their sense of unity and common purpose.

A major danger of détente is that it tends to lull the United States into a false sense of security. Indeed, it tends to mislead the free world.

Although we would all prefer a world order based on justice rather than on might, such an order, unfortunately, has not yet come.

A brief glance at the committee report accompanying S. 920 reveals the following information about growing Soviet military efforts:

First. From 10 years ago, the Soviet Union has increased its military manpower by about 750,000 to almost 4 million. The United States on the other hand has reduced its military manpower by 585,000 to about 2.1 million men.

Second. The U.S.S.R. within the last 10 years has maintained about the same number of major combatant ships and submarines. The United States compared to 10 years ago has reduced this category of ships by about one-third.

Third. The Soviet Union has maintained a level number of tactical aircraft over the last year period while the United States reduced their number by seventeen percent.

Fourth. While the United States maintains a technological superiority with regard to research and development in certain areas, the Soviet Union is closing the gap.

It is not sophisticated today to talk of a Communist threat. Yet, in my judgment, Russia remains committed to the destruction of the free world, although not necessarily by force.

It is, therefore, essential that the United States never lose sight of the fact that while moods and methods, words and gestures may change in Moscow, the underlying goal of the Communist dictatorship remains constant. That goal is the worldwide domination of the Communist system.

If we forget this central fact, we imperil ourselves. Soviet theorists constantly reiterate that no matter what course may be dictated by the opportunities of the moment—and Moscow has changed course often—the ultimate goal remains the same.

Chairman Brezhnev made this clear in June 1972, when he said:

> Détente in no way implies the possibility of relaxing the ideological struggle. On the contrary, we must be prepared for this struggle to be intensified and become an even sharper form of the confrontation between the two systems.

The United States cannot afford to accept a "détente" which paves the way for global domination by the Soviet Union.

In 1975, when our allies are questioning America's commitment to them, it is particularly important that we carefully evaluate the entire defense policy of the United States.

Today the free world is beset by troubles, with weakness and disorder apparent both between nations and within nations.

In Asia, the United States is being called a nation without morals. Thailand, South Korea, the Philippines, Taiwan, and Japan are unsure of our Nation's resolve.

In Europe, the United States and its NATO allies are confronted by one of the most awesome military machines ever created, the Warsaw Pact.

At the same time, the cohesiveness of the NATO alliance is threatened because of the tragic situation in Cyprus, and the left-wing takeover in Portugal.

In the Middle East, the United States remains committed to helping Israel build a secure and peaceful relationship with her neighbors, but the political and military situation remains tenuous at best.

In Latin America, Secretary of State Kissinger has committed the Nation to a treaty terminating U.S. sovereignty over the Panama Canal, despite congressional opposition which is likely to prevail.

Overtures are being made to Cuba in which our Government appears ready to make unilateral concessions to Castro, thereby rejecting the Monroe Doctrine and accepting Soviet penetration of the Western Hemisphere.

As we look around the world, we see that power without resolve is no power at all.

But if we restore confidence in our institutions and pride in our Nation, we need be second to none.

We must also look closely at all our commitments around the world—and be selective in the commitments which we choose to renew.

We must then let our potential adversaries know that we will always be ready to negotiate on the basis of equality, that we want peaceful solutions to the problems of the world, but that we have principles, and interests that cannot be compromised.

I believe the military procurement authorization bill we consider here today provides the United States with adequate procurement, research and development, and manpower levels for the United States to meet its defense and foreign policy needs.

I, for one, am convinced that in this dangerous nuclear age, readiness in defense is essential to the preservation of freedom.

In more concrete terms, this means that the United States cannot forsake its strategic research and development program.

It means that we must have a strategic force sufficient to deter nuclear war and a conventional force including naval power second to none, and a land force adequate to discourage expansionism on the part of the Communist powers.

We need both—nuclear and conventional—because without the latter a future President will lack a conventional option. We must have an alternative to nuclear war.

For if, in this nuclear age, thermo-nuclear force is to remain the last and not the only resort, traditional diplomatic and military procedures are more important than ever before, and conventional forces must be ready to indicate the seriousness of a nation's intentions.

But conventional war itself can only be kept within limits if a nuclear war appears less attractive.

Let us also be aware that in this present age, an age of systemic conflict, a conflict of interest between the major powers exists, the desire for global peace notwithstanding.

The United States must, therefore, be capable of establishing political goals in which the question of national survival is not always the immediate issue.

This requires responsible and enlightened leadership, and it requires a public enlightened to the realities of a nuclear war.

Peace can only be preserved if we have the capacity to deal with crisis before they lead to general war.

We cannot, therefore, allow wistfulness to cloud our judgment of prevailing power realities.

We must never lose sight of the fact that dollars spent for American defense are an investment in the world peace and stability, and that world peace and stability, in turn, are highly important to our own freedom and prosperity.

U.S. FUNDAMENTAL STRATEGY IS DESIGNED TO DETER WAR FROM STARTING

Mr. ALLEN. Mr. President, any analysis of U.S. military force presence in Europe and Korea must be based on, and directly linked to clearly defined U.S. interests.

The nature of U.S. interests in the NATO alliance is based on long and deep historical and cultural ties with European countries. We all know that the United States and Western Europe are economically interdependent, with U.S. cumulative investments approaching $40 billion in Western Europe, and with mutual trade in 1974 exceeding $40 billion. Western Europe has a combined population that exceeds either the United States or the U.S.S.R., and a total GNP nearly equal to the United States. No rational U.S. policy could justify weakening our links with this powerful and dynamic region.

In analyzing our military strategy, we often hear gross misconceptions as to exactly what the U.S. role might be. The question is not simply, "can 13 Army divisions defeat the Soviet Union in Central Europe?" but "what U.S. forces are needed to prevent the outbreak of war?" Our fundamental strategy after all is designed to deter war from starting. It relies heavily on existing U.S. forces and partnership with our NATO allies. The fact is that if war starts, our strategy will have failed, and we will have to pick up the terrible burden of international war.

How does a nation or an alliance of nations deter war? This is the central question. The answer to it forms a reasonable basis for our deployed force levels.

Deterrence in NATO requires, at the very least, both visible credible military power within the alliance for use against all forms of aggression, and a manifest resolve to use that military power. The U.S. strategy to implement deterrence is, "flexible response," a term too often misunderstood. Opponents of this strategy ask, "Why be flexible when you can simply respond to aggression with strategic nuclear weapons?" This simplistic approach will do little to deter the more subtle and sophisticated threats confronting NATO. Flexible response is designed to counter any act of aggression with an appropriate level of combat power. A central feature is that excessive dependence on any one form of power, such as nuclear weapons, weakens our overall deterrent posture.

The Soviets have not been idle. Their military budget has increased in real terms during each of the past 6 years, today accounting for 12 percent of their GNP. By comparison, the United States devotes only 5.9 percent of its GNP to national defense. While our preoccupation with Vietnam has precluded extensive force modernization, the Soviet Union has made dramatic quantitative and qualitative improvements in their conventional forces. In recent years they have created 20 new divisions, increased Army manpower by some 400,000 soldiers, and deployed an astonishing array of sophisticated new weapons: a new tank, a superb mounted infantry combat vehicle, new antiaircraft and antitank systems, self-propelled artillery, and advanced helicopters. Their chemical warfare capabilities are already the world's best. The U.S.S.R. outnumbers the United States in tanks by about 5 to 1, and in the last 2 years has added 2,000 more opposite NATO—enough to equip 37 U.S. tank battalions. The 1973 Middle East war revealed the United States had lost most of its earlier qualitative weapons advantage and that the Soviets could rapidly project great military power beyond their normal borders.

In analyzing our continued presence in Korea, there are certain factors common to the situation existing in Europe, while others are unique to Northeast Asia. Sometimes we forget that U.S. trade with Northeast Asia is 88 percent of that with Europe. In Asia, the key issue is our relationship with Japan. It is critical that Japan remain friendly and secure, and that a regional equilibrium exist between the United States, U.S.S.R., Japan, and China. Our forces in the area stabilize the only point in the world where vital interests of all four major powers converge. In addition, our deployments protect vital U.S. markets, access to raw materials, and defend key air and sea routes.

Our strategy in Northeast Asia is to help build and provide for continued stability in an area troubled by almost constant turbulence and strife since the turn of the century. In the past, civil war, revolution, and the strains of internal development have disrupted regional stability and have threatened our economic ties to that area, particularly with

UMI

Japan. Since the early 1950's, however, our presence in Northeast Asia has constructively dampened local adventurism, promoted a beneficial equilibrium throughout the region, and discouraged the local development of nuclear weapons.

What then is the nature of the threat that justifies our continued presence today? The potential for turbulence has not subsided to a level sufficient to guarantee the security of our allies or the protection of our interests. While we are encouraged by diplomatic breakthroughs with China, we are still unsure as to the ultimate intentions of that vast country. No one can be sure whether North Korea is any less irrational than they were in the summer of 1950. This element of uncertainty, in itself, feeds regional insecurity and poses a threat that must be countered by the presence of U.S. forces.

We have all heard it said that this is an era of negotiations. I see this also as an era of opportunity for eventual force reductions and expanded economic opportunity. But let me emphasize that we are just entering the era and are far from realizing the major fruits of our effort, Salt II, MBFR, United States-China relations and the European Security Conference are all in the embryonic state. A significant U.S. force change at this critical time would shake the confidence of the free world and threaten the very existence of these negotiations.

Let me conclude by saying that by every realistic measure we have, U.S. forward deployments are extremely cost-effective in defending the United States, maintaining the peace in vital areas, reducing East-West tensions, supporting deterrent strategy, and providing credible evidence of America's determination to protect its vital interests. It would be foolhardy to make hasty unilateral changes in these deployments until and unless preliminary negotiations have established they can be accomplished in a safe and prudent manner.

Mr. GOLDWATER. Mr. President, the Department of Defense and the Air Force plan to enhance Air Force tactical fighter/attack combat capability by bringing the current 26 organizationally structured wings up to full combat strength. This 26 tactical fighter wing structure and the associated command and control mechanism provides an immediately ready force to respond to crisis anywhere in the world. Nominally each of these fighter wings would be equipped with 72 UE aircraft. However, the current force is underequipped and the Air Force plans to gradually increase the unit strength within the 26 wings to bring them to full combat capability by 1981.

I am told there is no direct correlation between the planned increases in Army combat divisions and the Air Force tactical air forces. As we all know, Army divisions and tactical fighter/attack wings comprise the prime combat elements of our land-based combat general purposes forces or non-nuclear deterrence and defense. As Secretary Schlesinger pointed out in his report to the Congress, determining the requirements for nonnuclear deterrence is even more complex than for strategic nuclear forces.

However, the defense objectives that are defined in national security policy are then translated into defense policy and planning guidance by the Secretary of Defense with advice from the Joint Chiefs of Staff. In that guidance, the defense of Europe is given first priority, after defense of the United States. The guidance requires that our forces be able to mount a strong initial and sustained conventional defense in Europe—the most demanding as well as single most important planning contingency. Moreover, our forces must be prepared to cope with a simultaneous minor contingency elsewhere. This is sometimes referred to as the "one-and-one-half strategy." It is the best judgment of the JCS that the minimum number of tactical wings required for these contingencies is 26. Let me stress here that there is no way the 26 wing minimum requirement can be "proved." It is a military judgment that I am willing to accept.

However, as I implied, even this 26 active fighter wing level is below the desired level recommended by the Joint Chiefs of Staff to meet the national strategy at a prudent level of risk. However, considering current fiscal realities, the 26 wing level represents the best balance between combat capability and resource availability that the Air Force, the JCS, and the Department of Defense can achieve.

The Air Force fighter force is designed and structured to achieve specified objectives in the face of the current and projected threat. However, we must remember that potential adversaries are improving both the quality and quantity of their forces. They are currently numerically superior to the combined NATO tactical air forces.

Additionally, their force posture is becoming more offensively oriented. They are developing and deploying improved aircraft and munitions more closely attuned to that posture. The Soviets now routinely deploy their latest and most sophisticated weaponry as evidenced by the 1973 Mid East conflict. Aircraft such as the variable geometry wing Flogger, the long-range Fencer and Fitter attack fighters, the Mach 3 Foxbat and the newer models of the Fishbed—MIG 21J, K and L—are characteristic of the qualitative improvements in their forces. Many of these Soviet forces are forward deployed in Warsaw Pact countries. Thus the United States is required to maintain a sizable portion of its forces deployed and immediately available to the needs of the theater commander.

Warsaw Pact ground forces, which already possess perhaps the most modern and formidable armor capability in the world, are also increasing in numbers and improving in capabilities, thus presenting an even greater challenge to our ground attack capability.

In essence, tactical air power complements ground forces. In the mix of ground forces and tactical air elements comprising general purpose forces for combined arms combat, we emphasize tactical air more heavily than do our potential adversaries.

With the increasing emphasis on conventional forces I am glad the Department of Defense has finally decided to reverse the reductions of the past few years in the Air Force combat strengths and permit some growth in order to signify our intent to maintain a credible capability to meet our many commitments.

In the active component, the Air Force plans to gradually achieve a fully equipped 26 wing posture by the early 1980's and while remaining within a 590,000 AF manpower level. This "more fire power for the same manpower" is not unlike Army's plan to expand to 16 divisions.

The increased numbers of A–10, F–15 and F–16 fighter aircraft from fiscal years 1976 to 1981 will require approximately 22,000 additional personnel. Reductions in active force F–4 aircraft, transfer of A–7's to the reserve forces, phase out of F–105 aircraft and minor adjustments in F–111's between fiscal years 1976 and 1981 will result in the freeing up of about 17,000 military spaces that can be applied against the 22,000 requirement.

Also, the F–15 and F–16 require less maintenance manhours per flying hour and less manpower will be required here. Thus, the Air Force can then add combat aircraft and fully equip the 26 wing force with a net increase of only about 5,000 people. However, some adjustment will obviously be required as this program progresses if the 7,600 manpower reduction recommended by the committee is sustained.

The planned mix of USAF tactical fighters in the 26-wing force will emphasize aircraft specifically designed to perform best in a certain role or mission. This also results in significant cost savings compared to costs required to procure, operate, and maintain a force composed entirely of multipurpose aircraft. For example, the F–15 and F–16 need not be equipped to perform all-weather or night ground attack to the degree of the F–111, and the A–10 need not have the attack radar of the F–15, F–16, F–4, or F–111. The savings in initial investment and life cycle costs can then be devoted to increasing the total number of aircraft and enhancing force modernization, flexibility and combat capability.

The addition of the A–10 will offer a significant improvement in antiarmor capability. Because of rising manpower costs and the difficulty of going beyond programed DOD manpower levels, the A–10's contribution to tactical airpower becomes a potentially efficient way of providing additional firepower.

The mix of forward deployed F–15's and F–16's will insure the retention of the U.S. qualitative advantage and partially offset the Soviet/Warsaw Pact quantitative advantage requiring air superiority capabilities. These two advanced fighters with their inherent capability to perform in the air-to-ground attack role, if required, will provide a highly effective air superiority capability as well as a significant degree of flexibility to the theater commanders.

In summary, the Air Force plans to fully equip 26 active and 10 reserve wings in the early 1980's, while remaining within the projected manpower and fiscal levels. Specifically, the Air Force intends to increase the quality, quantity, and readiness of active fighter forces complemented by improved reserve component forces, remain within the 590,000 active Air Force manpower level and meet the fiscal guidance levels projected for the Air Force by OSD.

Still, the combat capability of these general purpose forces will remain short of what the JCS says is required but, nonetheless, they will significantly enhance our capabilities in the tactical arena.

It is a program that should be supported.

Mr. RIBICOFF. Mr. President, we are debating this week the defense of our Nation. We are trying to determine what our vital security objectives ought to be, and whether our present defense policies and programs should be changed.

I have no doubt that we must have an adequate defense system, in a world in which there are threats to our way of life. We are faced with some grim realities. Foremost among these is the need to maintain a balance of force between the United States and the U.S.S.R. which creates a balance of restraint between our Nation and that military power. I do not say that our military forces must be equal in numbers, nor that they must be spread out over the globe to meet every potential adversary. I emphasize in my own thinking that an adequate balance of force is ultimately a question of deterrence: How much does it take to discourage the other party from utilizing military force, particularly in a direct confrontation with the United States?

We do also have some vital interests in the geopolitical balance of forces too, and it is simply naive to consider the security of Western Europe or Northeast Asia—Japan—as unrelated to our own. The security issue in these cases is clear. We could not have an adequate balance of deterrence or an expectation of stability in international affairs in a world where the most economically and technologically powerful nations were all threatened by another power and therefore arrayed against us.

Many of my colleagues in the Senate would share these thoughts. Yet I am increasingly concerned that this simplified way of describing our security interests is growing inadequate in our rapidly changing world. First of all, the United States and the U.S.S.R. are not the only players, and the chances of the two nations going to war are not great. But the location of actual and potential military power throughout the world is changing.

It is not the United States or the U.S.S.R., or even the West Europeans or the Japanese who are responsible for the change. We now see the new wealth of oil-producing nations being used to build gigantic military forces, and new aspirations in nations like Iran to play a regional role in the balancing of power. We see the emergence of China bringing great changes in the power balance over the next couple of decades—but nobody seems to have a good idea what those changes will be. We see the capacity to develop nuclear weapons spreading relentlessly like a disease, and we find our own Nation aiding the process through its eagerness to spread the capacity to generate nuclear power without adequate thought to the political implications.

But even these concerns do not really comprehend the forces now at work in shaping the stability of the world and the security of America. They are important problems. They require our attention, and the efforts of our officials, to keep such forces of change from creating confrontation and conflict. But behind even these forces are more basic changes. While we have been preoccupied with the location of ships, planes, missiles, and soldiers, the globe has become more and more economically interdependent. The interweaving of our own economy and our own economic well-being with developments in other parts of the world has brought side effects which make us more vulnerable to what someone else does. National interests are being shaped by economic forces. Nations which once had little power are suddenly emerging as major determinants of the flow of energy and raw materials. The power to withhold has become more threatening than the potential application of military force, because the use of military force is deterred by the expectation of military reaction, while the withholding of supplies faces no such deterrent. The nature of what constitutes power is thus changing.

I have been deeply worried about the changing nature of international security for several years. In a report to the Senate Finance Committee in early 1971 I said that—

> Any significant change in economic policy today in one industrial nation inevitably has serious effects on industries as well as governments of other nations. Investment flows, balance of payments and trade balances are shaping national interests. As these trends continue, trade policies become more politically explosive. These questions have a direct bearing on fundamental foreign policy issues . . . during the last quarter of the Twentieth Century geoeconomics will replace geopolitics as the prime concern of international relations.

By 1972, while writing my book, "America Can Make It!," I found myself even more concerned with orientation of our foreign policy leaders to the politics to the past:

> Regrettably, American policy in Eastern Europe, Russia elsewhere overseas is still dominated by a World-War-II era thinking. Most of our leaders today learned that foreign policy at a time when giants like Roosevelt, Churchill, Stalin, deGaulle and Hitler strode, across the stage of history, seeking to respond to their people's needs in an often intensely personal manner. Those days are gone. That style is behind us. The world has not seen the last of great men, I hope. But the issues have changed. The romance has been taken out of militarism. The political giants have been replaced by teams of managers, salesmen and technicians. A nation's historic destiny does not concern most people as much any more. "Geopolitics"—military pacts, treaties and balance of power diplomacy—is being replaced by "ecopolitics"—developing international trade and investment policies to achieve economic prosperity and a higher standard of living.

The fact of how vulnerable we have become hit us unexpectedly and dramatically by the oil embargo, which was triggered by the Arab-Israeli War of October 1973. But other nations had become used to the ideas of dependence and vulnerability years earlier. The role of colonial relationships in providing stable sources of raw materials was well known in Europe for decades. The crises of the Middle East were perceived as economic crises—whether in connection with Suez or the oilfields themselves. And Japan, the industrialized nation most dependent of all on foreign sources and foreign markets, has built a great and powerful nation around the recognition and even exploitation of dependence on others.

It was only in the late 1960's that our dollar diplomacy appeared to be running out of relevance, and the dollar itself seemed to be heading for disaster. It was only in these years that our domestic monetary policy became visibly influenced by the outflow and inflow of capital and money, so that interest rates and policies in other nations had to be taken into account in setting domestic policies. And then we were forced to take unilateral actions in the summer of 1971 on the international front, in conjunction with drastic domestic economic measures. We shocked the world with the import surcharge and the unlinking of gold and the dollar—but what most shocked other nations was not the substance of our actions but the fact we acted unilaterally. Many nations learned a lesson from that, and felt freer to take unilateral actions of their own when it suited them.

By 1971 we had discovered that domestic and international policy were interconnected. Surprisingly, we did very little about this new recognition, and developed a series of domestic economic policy problems in 1972 and 1973 because of inadequate thought to the international pressures. Our panic resort to export controls, because we were losing domestic supplies to higher bidders abroad, resulted from weakness in planning for the obvious. We should have known that domestic price restraints aimed at curbing inflation would have to be determined in relation to world demand, not just U.S. demand.

What has happened is that our economy has been so big and so rich that we never really had to give much thought to international pressures until recently. But now we are facing an interlocking of our economy with those of our trading partners. As Henry Steele Commager said recently:

> We must now recognize that all major problems are global; that none can be solved by any one nation, or even by a small group of nations.

UMI

These problems are going to intensify. The poorer nations of the world are led by the politics of envy and a sense of unfairness. They will seek confrontation. Today's conflict of rhetoric can become tomorrow's conflict of economic power, and perhaps even war. And among the rich nations there will also be more trouble. In all our industrialized societies there is vigorous and growing demand for more governmental intervention—on behalf of consumers, environmentalists, and those favoring a further tilt of the scales of social justice. With increased government activity in each nation, there tends to be more and more opportunity for conflict between the actions of the various governments. So we now need to find better ways to coordinate our policies with other nations, internationally. For this we need effective international institutions; but the developing nations are increasingly tying up these international institutions with their own demands, making cooperation more and more difficult to manage.

We are in a crisis, but we have little more than a few words in speeches to offer to deal with it. Secretary Kissinger has recognized the problem in his May 13 Kansas City speech:

> The paramount necessity of our time is the preservation of peace. But history has shown that international political stability requires international economic stability. Order cannot survive if economic arrangements are constantly buffeted by crisis or if they fail to meet the aspirations of nations and peoples for progress.

But the solutions offered represent only the barest beginnings based upon only the most cursory examination in our Government of the problems of our time. The bureaucracy is caught up in ideological debate about the role of free markets and free trade, without much thought to the basic threats which now exist—threats which may well erode our whole economic way of life—and without thought to the fact that other governments are already the main players in many fields of economic activity.

In foreign policy circles it is fashionable to refer to the "seamless web" or the "linkage" of all issues and all places, so that how we behave in Western Europe affects Russian thinking in Southeast Asia, and so on. I have personally been intrigued by the use of the linkage idea when it suited certain policymakers found such arguments a disadvantage. The United States pushed for an interweaving of politics, economics, and security in the speeches of John Connally, when he was Treasury Secretary, and in the abortive Atlantic Charter of Kissinger's initiative, but precious little has been done to integrate our planning and foreign policy management in this direction.

Instead we have policies based upon secret diplomacy, with each issue handled by separate advisers. It is almost as if foreign policy were being run like a group of secret agents, each unaware of the work of the others, or sometimes even unaware of each other's identity, to keep any one from endangering another through his knowledge.

Secret diplomacy is counterproductive in economic affairs. Too many people are directly involved in the results of decisions, with personal expertise and a direct interest in the outcome. Secret diplomacy can be used to mislead and fool those affected by economic policy decisions. But those misled will sooner or later turn around to undercut the policies that hurt them.

Foreign economic policy, to be effective, has to be built around consensus decisionmaking and consensus diplomacy. There has to be openness. There has to be involvement. Where interests differ they have to be compared and weighed, and compromises worked out. This is as true internationally as it is at home in the United States.

We are now in a period of experimentation with new relationships among the great powers. Most prominent among the examples is the policy of détent in East-West relations. What is détente? Many answers could be given, but included in any answer would be the opening of economic relationships, and the creation of mutual incentives to keep peace. Beyond this our policy does not go, when it comes to economics. And because it was not thought through, we have often been surprised, and damaged. The Russian grain deal of 1972 and the near-disruptive Russian actions of late 1974 in the grain market are but one example. The development of energy resources in in the Soviet Union by U.S. interests was actively promoted by the administration without fully working out the implications for U.S. economic independence and security.

We are busy trying to get other western nations to set up a world food reserve scheme, without any clear idea where Russia fits in. Suppose Russia sits outside any new system, and in times of shortage simply demands grain from the West. Can such a "free rider" be tolerated? Why would any other nation pay the costs of supporting reserves if a free rider could get all the benefits of stocks in time of need? They would not. And so the Russians, with their secret market demands sprung upon us only when it suits them, must be fitted in. But this requires more orderly behavior on the side of the Soviets. Where is the diplomacy of détente on this vital issue? My impression is that these issues are not being addressed.

Today the Russians are discovering the market, as they raise oil and other resource prices for sale to the Eastern European countries. The COMCON nations are meeting inflation as a consequence of their adjustment to the world market price pressures. So the politics of Russian-East European relations will soon be tested on entirely different grounds than in the past.

So when I hear explanations of détente, I am skeptical—not about its desirability, but about whether we know what we are trying to accomplish and how.

In this area, economics and strategic behavior interact. Who is thinking about the interaction, and guiding the Congress and the experts in the overall method of managing détente. I don't know.

In the absence of a framework, Congress has had to respond to the particular problems as they have come up. The humanitarian concerns in Congress about emigration from Russia were not surprising. But the working out of an understanding with the Executive, and in turn with the Russians, was frustrated by an atmosphere of suspicion and secrecy. Where was the seamless web, the interlinkage theory, when the Congress wanted to gain a commitment toward openness in the movement of people as well as goods? The atmosphere became steadily worse, and the positions of the Congress, the Executive, and the Russians further and further apart. And all parties acted surprised when everything seemed to break down in the closing days of deliberation on the Trade Act of 1974. This unfortunate history provides a lesson for all of us, that working together is far better than working at cross-purposes in secret.

But even more basic is the problem I have already raised about ecopolitics. The United States and the U.S.S.R. are not the only players. Power has been redistributed globally. Strategic weapons are not the crucial factor in the stability of international relations—especially since nobody really expects them to be used.

In strategic defense, the United States and the U.S.S.R. are central. In ecopolitics, the whole world is relevant. The smaller nations economically, militarily, or geographically can wield great power in management of key resources, or in multilateral politicking to frustrate our objectives on other issues. The interaction of small nations and big, of oil producers and oil consumers, of financially strong and financially weak—this global interaction makes every nation an active player.

In a Washington Post article datelined Brussels May 28, Murray Marder put it this way:

> In the Nixon administration, diplomatic "linkage" of different problems in East-West relations was championed by Kissinger as the cement of East-West detente. The concept, which the Soviet Union initially looked upon warily, then joined, was designed to produce a web of interests that would discourage super power confrontations.
>
> Linkage, however, stretched across the East-West dividing line in ways that no one anticipated, as the Cold War turned into detente. Almost every nation is a player in the new global game, and linkage can checkmate, as well as advance, moves on the diplomatic chessboard.

The issues involve interlinkage of economic, political, and security questions. They involve the behavior of other nations, and the behavior of the two great military powers, the United States and the Soviets, toward these other nations. This interaction will focus increasingly on the economic front. How much coordination do we do with the Russians on the economic front, in relation to the rest of the world? I would ventuer to guess the answer is none.

When we look at the defense issues, we in the Congress are faced with literal armies of bureaucrats as well as armies of soldiers. The number of people working on security questions in the Defense Department, the armed services, the intelligence community, the State Department, the defense industry, the universities, is staggering. Experts are thrust at the Congress in hordes, where a position is being lobbied—although they vanish from the scene, protected by security classifications, when the tide is running against the defense establishment and facts would be an embarrassment.

When we look at international economic policy, the smallness of our system is shocking by comparison. It is true that there are experts with special interests throughout the Government. It is true they are poorly coordinated. But the number of generalists in or even out of government who can pull the issues together, and relate them to our overall security, is frighteningly small.

In this context, I believe the foreign policy leaders have no choice. They must themselves shift to the economic issues, and leave the weapons systems intricacies and the international power balance negotiations to subordinates. They must delegate the traditional questions of high politics, and take to the center the economic issues which are already grabbing center stage action from the wings.

Secretary Kissinger said in his May 13 Kansas City speech that—

> Obvious crises are the easiest to meet; the deepest challenges to men are those that emerge imperceptibly, that derive from fundamental changes which, if not addressed, portend upheavals in the future. These contemporary challenges to the world economic structure must be overcome, or we face not only an end to the growth of the last 30 years but the shattering of the hopes of all mankind for a better future. Our economic strength is unmistakable. But what is tested now is our vision and our will—and that of the other nations of the world.

This is true. But our Government is not responding to it. The Congress is not being asked to work together with the Executive in the shaping of a new international system. And this surprises me at a time when the President is publicly calling for bipartianship in foreign policy. You cannot have bipartisanship if all that is offered is a rubberstamp.

And you cannot have effective economic policies without congressional support, because Congress must implement. You cannot have Congress in a constructive mood in this area if you practice secret diplomacy, because domestic economic interests will be working against the secret diplomat, by appealing to the Congress.

And you cannot look at stability in the world as a delicate balance of terror, and nothing more. The defense system has to be looked at in connection with the whole of our international policy and practices. The incentives for others to make trouble has to be looked at in connection with the incentives the world economic system provides for them to avoid trouble. I would even venture to say that a small bit of the money and manpower applied to defense could be transferred to the foreign economic policy area with far more than proportionate gains to our overall security.

We have recognized the new realities in some of our foreign policy speeches. Now we have to bring this new recognition to the management of foreign policy generally. A defense debate cannot any longer concentrate exclusively on which weapons systems are best. A defense debate without a foreign policy debate is devoid of meaning; a foreign policy debate without a foreign economic policy at its heart is irrelevant.

Thus when you ask where do we go on defense, I feel we must answer with another question: How do we change the context in which nations build up and threaten military force. That is what we are not asking ourselves, and I think the answers will provide important keys to the puzzle of how much defense is enough.

Let me add that the world may have its wars in other forms—in raw materials and food, in financial squeezes, in investment control—but if the consequences get painful enough, what greater incentive is there to resort to military force?

Let us not have trade wars, or economic anarchy, because that can only threaten the very foundations of our system at home and abroad.

Three centuries ago John Dryden wrote that "war is the trade of kings." Let us not now find that "trade becomes the war of kings in times of peace." The kings of tomorrow will not necessarily be the kings of yesterday, and the battleground could be our economics and our social systems.

That, to me, is what we must face up to when we debate how much is enough in defending our national security.

Mr. STEVENSON. Mr. President, in a government which knew the price of everything and the value of nothing, the notion was not surprising that everything, even national security, could be bought. It was a notion compatible with the realpolitik of the 1970's, but a notion altogether out of line with our principles—and the realities of the world in which we live.

Comparisons are deceptive, but the Soviet Union began to catch up by spending less for the military than did the United States. With 500,000 American troops, the most sophisticated arms, and an expenditure of over $160 billion, the United States and its heavily armed clients in Indochina could not win against an outmanned, outgunned adversary. Foreign oil producers brought the industrialized West to its knees—not with arms. Expenditures for weapons systems and national security are not equatable—and such recent experiences are proof.

Mr. President, the weakness of the United States is not caused by insufficient arms but by insufficient wisdom. Our judgments are out of balance and out of touch with reality. They lack a feeling for history and principle. They have been angry, impulsive, and irrational—unguided by any sound policy. The United States has no policy. Its military spending is indiscriminate. It buys fat as well as muscle—insecurity as well as security.

Money for weapons systems is the most nonproductive and, therefore, inflationary form of Government spending. It deprives the Government of resources with which to acquire energy alternatives, leaving us dependent on undependable foreign sources of oil, many of which we have ourselves armed. It deprives us of resources for agricultural productivity and industrial efficiency, sources of world power as well as human well-being. It deprives us of efficient transportation systems, housing, education, and other sources of overall national security. Expenditures for unnecessary weapons systems deprive the United States of resources for the acquisition of weapons systems which are relevant and necessary for our defense.

Weapons expenditures usually, and almost always in the case of strategic weapons systems, leave us in the same or in an inferior relative position, always closer to the flash point and always poorer.

As the world is caught up in the arms race, it becomes more unstable. The world's expenditure of about $250 billion a year for armaments far exceeds its expenditure for health or education. The threat to U.S. security spreads with the spread of arms to all parts of the world.

In an unstable world, nations seek conventional arms for the maintenance of internal security and increasingly they seek nuclear weapons to deter or provoke aggression, or simply to acquire the trappings of power and the illusions of national security.

Caught up in the notion that more money buys more defense, the United States proposes to spend $1.6 billion each for fully equipped Trident submarines. This underseas deterrent will be based at one vulnerable location in the United States. Missiles of the 10 Tridents will be aimed essentially at one nation. And the United States will discover again that for another large investment in national security it has bought more insecurity.

Our failure to agree with the other nuclear exporting nations on inexpensive measures to halt the proliferation of nuclear technology means that the nuclear threat will come from many quarters. The United States could be developing and acquiring a broadly dispersed, survivable underseas deterrent—many small submarines capable of responding to assault—or threat—from many directions. For a minuscule sum, this most real threat to the peace and stability of the world could be eliminated, or at least reduced, through the development of nuclear safeguards technology and the institutions with which to enforce them. Instead, we arm against a Soviet threat for which there is already an adequate deterrent. And we fail to deal with the worldwide nuclear menace which we and the other nuclear nations are creating.

Mr. President, less money, more wisely spent, can acquire a more adequate de-

UMI

fense. What is needed now is not more money for unnecessary weapons systems, but more wisdom. My argument is not with an adequate defense, but with the notion that indiscriminate expenditures for weapons systems automatically buy security.

The first installments on the weapons systems commit the Nation to larger installments later. The war in Indochina ends, but military spending in real dollars goes up. Inflation induced partly by defense spending inflates defense spending. The estimated cost of the Trident submarine is 25 percent higher this year than it was last year. This madness acquires a momentum all its own, and we surge like lemmings toward the sea.

Mr. President, we ought finally to recognize the debilitating consequences of arms expenditures and determine what is necessary and worth the heavy price. And even without the formulation of a policy for the United States we should perceive some defense measures which cost no money and others which save money. There are some weapons systems for which I think the United States should spend more money—a small, less expensive alternative to the Trident, for example. I could support efforts to accelerate the development and procurement of a Norwhal submarine and other less expensive ships and advanced weapons systems with which maintain a credible worldwide underseas deterrent and control the sea lanes against Soviet submarines. But the United States cannot afford to use carrier task forces to keep the sea lanes under control, because carriers require more protection themselves than they provide. I think we should spend more money on nuclear safeguards, more money on multipurposs surface control vessels, less money on such extravagances as the Trident submarine, nuclear aircraft carriers and the B–1 bomber.

The *Mayaguez* incident may be cited as a case for still more extravagant expenditures on nuclear carriers and nuclear escorts. It is a case for the opposite. Supercarriers and great nuclear frigates could not have reached the area of the Mayaguez in a timely fashion, but even if they had, their ability to achieve our stated ends would have been limited. They could have done no more than the 200 marines and their helicopters accomplished. Expenditures for smaller more versatile ships, such as Patrol Frigates and small surface effect escorts, if they can be developed successfully, could go farther toward control of the sea lanes.

The B–1 is another example. For less money, the United States could upgrade its arsenal of B–52's. Alternatively, it could turn Boeing 747 aircraft into launching platforms for air-to-surface cruise missiles and for less money perform the mission of the B–1 more effectively. And so it goes. Those who support all the funding in this bill could deprive the United States of resources with which to acquire more relevant weapons systems.

The elimination of certain expenditures could also improve our defense posture as well as save us money. Under the rubric of détente, the United States has been subsidizing Soviet internal development. It extended more than $1 billion in credits to the Soviet Union. The credits extended through the Eximbank take on the character of foreign aid. They have assisted the Soviet Union to develop its industrial capacity, and indirectly its military capabilities. They have, for example, directly assisted the development of a large truck factory which has obvious military potential. They release Soviet capital resources for purely military objectives. The United States and its allies have subsidized, directly and indirectly, the development of Soviet capabilities, simultaneously enlarging the Soviet threat while depriving themselves of capital resources with which to develop their own military and industrial capabilities.

On the eve of his departure for the NATO summit meeting I suggested to the President that the United States and its NATO allies consider ways to discontinue this beggar-thy-neighbor practice of subsidizing Soviet development on the one hand, while expensively guarding against it on the other. Some coordination among the allies could diminish the pursuit of inconsistent ends with some understanding that credits would be made available through consultative arrangements as progress with the Soviet Union was achieved on such large issues as mutual and balanced force reductions, SALT, and peace in the Middle East. Such a process could lead to a relaxation of tensions between East and West.

Mr. President, I ask unanimous consent that my letter of May 23, 1975, to the President be inserted in the RECORD, at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENSON. In the end the question we must answer is simply, "What is necessary to the present and future defense requirements of the United States?" What is fat and what is muscle? What should be done to diminish the threat, as well as to defend against it? Unhappily, there is no way the Congress can competently or confidently answer now. The Government offers no vision of the future, no U.S. role in the world, no foreign policy. Without some objective in the world, some policy, all agencies of Government, including the Congress, are cut loose to fend for themselves. The Pentagon is left to plan expensively for every conceivable contingency.

The branches of the military produce worst case scenarios; they sometimes base planning on 19th century doctrines and then plan expensively to meet contingencies that are unreal with weapons systems that are irrelevant. They are unguided by policy established by the civilian authorities.

The Safeguard ABM system is but one example of an enormous expenditure for an irrelevant weapons system.

Instead of defining the limits of military power, Indochina is used to justify a repetition of past mistakes and still more military excesses. The domino theory is cited, as if to suggest that the United States must be prepared to fight for more dominoes. The domino theory has validity, to be sure. But it has validity only because the United States created the dominoes. To resist one form of repression, the United States created others. Its clients in Indochina could not win the support of their people, nor defend themselves from the people. The lesson is not to prepare for the support of more dominoes. The lesson is that the United States should not go on creating indefensible dominoes.

The United States subsidized détente with the super-Communist power in Moscow while it subsidized war against communism in Indochina. Such implausibilities undermine U.S. authority and influence in the world. They deprive the world of confidence in U.S. wisdom, not U.S. resolve. The world outside of East and Southeast Asia was dismayed by the obsession of the United States with a hopeless cause in an area remote from its interests. It was no coincidence that U.S. influence at the United Nations perceptibly declined in the last 6 years as its involvement in Indochina deepened and it reeled ineffectively and impulsively from one crisis to the next in the world.

Now the United States has a chance to regain authority in the world, not by engaging in an orgy of military spending, but by regaining its reputation for wisdom. One lesson crying out to be learned from Indochina is that to fight despotism by sponsoring despots is a betrayal of our own best principles—a policy that will not be supported by the American people, a policy doomed by history to failure everywhere that it is attempted. In that respect Vietnam is but a symbol of a larger failure—a failure in Portugal, a failure in the Eastern Mediterranean, a failure in south Asia, in Chile.

Instead of a policy, the United States has acted from habit and impulse. The President and the Secretaries of Defense and State threaten war against the sheiks one day and arm them the next. The United States preached the ideals of the American Revolution and propped up the Greek junta, tilted to Yahya Khan and alined itself in the eyes of sub-Sahara Africa with the Salazar regime in Portugal; now the United States attempts to rearm the Turks. And all the way along the line, it loses authority because it loses respect. Its actions are incomprehensible and inconsistent. Slogans were substituted for policy—"the era of peace," "from confrontation to negotiation."

The "Nixon doctrine" was vaguely understood because it was vague. Personalized diplomacy in Peking and Moscow excluded allies, dismaying friendly nations in Europe and Asia. Power became so centralized in our "Bismarckian" approach to great power diplomacy that the Government had no time for the pursuit of U.S. interests in the third world. It never anticipated the energy crisis. The year of Europe never even began. Now the great alliance is in disarray. The collective basis of power in the West has been undermined by U.S. neglect.

The President, quite rightly but belatedly, is seeking to undo some of the damage in Europe. But still the United States has no policy. And without a policy its Government is left adrift, caught up by habit, and still tempted by the old notion that everything has its price. So it lurches ahead. Everything is changed; yet nothing is changed. The wheel takes another turn, and the world inches toward the brink. The United States continues its movement away from new ideas and structural changes. To pay for the military and energy development, the President imposes a moratorium on all new ideas that cost money—not one more penny, he says, for the repair of the economic system or for economic justice in the United States. And so the confidence of the American public in the justice and the wisdom of the Government erodes, and the Nation is insecure. Nothing sustains this Government—which is founded on rule by the consent of the governed—except public trust. Now that foundation is eroded by the results of incompetence: Inflation, recession, declining authority in the world—all of which can be traced in one degree or another to extravagant military spending, including the expenditures for the conflict in Indochina.

It is difficult for the Congress to say precisely what weapons systems should or should not be bought. It should not be difficult to say that our self-destruction must be stopped. What the United States needs now is not more expensive, irrelevant weapons systems but a sane and sensible policy. Now in the wake of Indochina, it should reassess its interests in all parts of the world and begin to formulate a policy. Then the Congress could make sensible decisions on military priorities.

This debate is useful because it demonstrates that the Congress is, as we all know, unfit to formulate foreign policy or effectively oversee its implementation in all parts of a diverse, fast moving world. The formulation of foreign policy is by law and the order of things uniquely within the authority and competence of the executive branch. The Congress can only exercise a negative power, a power to withhold authorizations and appropriations for the implementation of policies it disapproves. It has done so in the case of loans to the Soviet Union, armed intervention in Indochina and in the matter of aid to Turkey. It can act, as it has, to halt the misconduct of policy, as well as to support policies of which it approves. It can do no more, and the fractured, public nature of this debate indicates as much.

This debate has also recognized that foreign and military policy are in the word of Senator GOLDWATER "intertwined." The purpose of the military is to support the policy of the United States. But it is also evident that the United States has no policy. And so we have little to debate; there is not a policy to "intertwine" with military priorities. We cannot debate the rights and wrongs of a policy which does not exist, nor, sensibly, the relevance of the military forces sought for the support of policy which does not exist. Consequently, this debate is conducted in a vacuum created by the absence of policy or perceived purpose in the world. The debate tends to be a succession of disjointed comments and complaints cut loose from any purpose or design. As such the debate is useful as a means of demonstrating that the United States has no policy. And it contributes ideas, particularly complaints about where the United States has gone wrong—but little that is definitive upon the more difficult subject of how to go right—and what military systems are relevant and which are not.

About all the Congress can do is hold the line, arrest the Nation's decline and give the executive branch time with which to formulate a policy that can attract bipartisan support and be geared to a relevant set of military priorities.

Without a foreign policy the Congress cannot establish sound military priorities, and on the other hand, it dare not bankrupt the Nation by funding everything the military seeks or expose the Nation to unacceptable risks by escalating the qualitative strategic arms race.

While such a reassessment is in progress, the defenses of the United States now in being will be adequate for every contingency that is at all likely. When all factors are included, including the reliability and accuracy of our strategic systems, our strategic superiority over the Soviet Union enjoys a ratio of something like three to one in terms of deliverable weapons, and that gap will widen. Even with the waste of funds on expensive ships and the many other known failures of the shipbuilding and naval weapons development programs in recent years, the Navy has not lost its superiority on the seas. And NATO naval capabilities far exceed those of the Warsaw Pact nations.

The Congress can afford to hold the line on military spending. It cannot afford to let national decline caused by excessive military spending continue. So we propose a ceiling on spending for weapons systems within which the Executive can determine military priorities pending a review of U.S. interests in all parts of the world and a formulation of a realistic foreign policy. That is what we propose, as well as efforts to eliminate some of the more egregious examples of military profligacy.

As for a right foreign policy, the United States would do well to remember what it did when it was right—and most conspicuously after World War II. Even then, when the United States was the one preeminent power in the world, it recognized that power was collective. It inspired and led a new world order founded upon the collective strength of industrialized democracies.

Now the underpinnings of collective prosperity and security are undermined by the neglect and bilateral maneuverings of the United States in unfamiliar places. We recognized then, as we should today, that the United States simply cannot afford to serve as policeman of the world or alone to maintain an East-West balance of power. And so we ought, I suggest, to make our first order of business the recreation of an alliance of Europe, North America, Japan, and other industrialized democracies. Such an alliance could once again become the collective basis for mutual security and prosperity, and also for joint action upon such large questions as nuclear proliferation and access to commodities at reasonable prices.

It could be the first step toward creation of international institutions to govern trade and investment in an interdependent but fractured world. Such a high endeavor will be led by the United States or not at all. Such an endeavor, including collective commitments for mutual security and the security of nations outside the alliance, would affect the military requirements of the United States. At this point, we cannot say whether that vision of collective security will emerge, or some other. All we know is that without a vision of our future and our role in the world, it is impossible to make sensible decisions—and the one most unsensible decision would be to repeat the mistakes of excessive military spending which have already brought us to a perilously weak point in our history.

From the failure of recent ways, some of them so dangerous, so expensive and so destructive that they must be changed, the U.S. can discover new ways and emerge again as the preeminent power in the world—not as Mr. Nixon feared and made possible, a pitiful, helpless giant. That is the choice and the hope, and the opportunity which should be underscored as we put Vietnam behind us and face up to a murky but promising future.

EXHIBIT 1

MAY 23, 1975.

HON. GERALD R. FORD,
The President, The White House, Washington, D.C.

DEAR MR. PRESIDENT: The Secretary of State's recent statement in St. Louis about the importance of U.S. alliances with other industrial democracies was most welcome.

I urge you at the NATO Summit meeting in Brussels to take up the impact of credits from the industrial democracies for the Soviet Union on its military capabilities. This subject begs for cooperation between the NATO nations and some appreciation of the military, as well as the commercial, consequences of continued large-scale credit for the Soviet Union. It has a GNP second only to our own, is now the world's foremost oil producer and enjoys a substantial and growing payments surplus.

Through COCOM attempts are made to coordinate export policy with respect to goods and technology of military significance to the Soviet Union. At present no mechanism exists to coordinate credits for the Soviet Union. Indeed, the industrial democracies, the U.S. government temporarily excepted, are competing among themselves to extend more subsidized credits to the Soviet Union for exports which typically are for the development of Soviet technology and industrial capability. Only rarely is the West

UMI

afforded access to the Soviet consumer market for finished goods.

Such credits take on the character of foreign aid and assist the Soviet Union to develop its military capabilities. They have directly assisted the development of such facilities as a truck factory with obvious military potentials. They also release Soviet capital resources for purely military objectives.

It is incongrous for the United States and its allies to subsidize, directly and indirectly, the development of Soviet military capabilities and deprive themselves of capital resources with which to develop their own military and industrial capabilities.

As it is now, the industrial democracies are competing among themselves, on the one hand to diminish their burdens of mutual defense, while on the other hand to aid in the development of Soviet military and industrial capabilities. As you know, the United States has already extended about $1 billion in subsidized credits to the Soviet Union. Our allies are doing likewise. Some coordination among the allies might diminish the pursuit of inconsistent ends, perhaps upon some understanding that credits will be made available through a consultative process as progress with the Soviet Union is achieved on such large issues as mutual and balanced force reductions, SALT and peace in the Middle East. It could lead to a relaxation of tensions between East and West.

The disarray among the industrial democracies is disturbing and too reminiscent of times past. I, therefore, urge you to take up the subject of credits for the Soviet Union at the meeting in Brussels. I believe that your trip is most timely, symbolically important, and am hopeful you can achieve progress on the substantive questions.

With the highest regards,

Sincerely,

———

PARALLELS BETWEEN VIETNAM AND THE GLOBAL CONFLICT

Mr. HELMS. Mr. President, I am pleased to have the opportunity of participating in this debate on foreign policy and defense, two subjects which are closely and always interconnected. Certainly the Senate, which must give its advice and consent to treaties concluded by the President, has a special responsibility to participate in the formulation of foreign policy at least to the extent of making its opinions known. Though we do not wish to usurp the prerogatives of the executive branch in the conduct of foreign policy, under our constitutional system the Congress does have a definite role to play in the definition of what our foreign policy should be. And this seems to be a circumstance which the executive branch, under whatever party, sometimes has a tendency to forget.

Today I should like to dwell very briefly on what seem to me to be some highly disturbing parallels between the course of events in South Vietnam which led to that country's sudden collapse and defeat, and the global strategy of the Soviet Union with which we are now directly confronted. To me, some of these parallels are exceedingly disturbing, and although I do not want to speak as an alarmist, there are times when we have to look at a rather unpleasant reality with open eyes, if we are to be true to our duty to the people whom we represent.

As I see it, the final stages of the conflict in South Vietnam had three major components. These were:

An attempt to take over as much of the hinterland of South Vietnam as possible without causing a strong reaction from the South Vietnamese.

A treaty—the Paris Peace Agreements of 1973—which the Communists quickly violated but which served the purpose of keeping the South Vietnamese from building up their forces, if only because the United States observed the treaty scrupulously.

A sudden attack when the Communists had built up overwhelming superiority in military hardware, which led to the rapid defeat of the South Vietnamese, since they could hardly have been resupplied in time in any case.

Now, Mr. President, I fear that I observe some disturbing parallels between this strategy and that of the Soviet Union against us in the global conflict. Let me give a little more detail on what I mean.

Taking over the hinterland: For us as a global power, the hinterland is the entire free world, which has shrunk quite noticeably in the last few years, especially during the year of détente. Not only have we clearly lost South Vietnam, Cambodia, and now Laos, but Thailand is obviously on the way and the pressure is clearly on in Asia. The Soviet Union is gaining predominant influence in the area of the Mediterranean, and we sit back while Portugal slips away from the free world and into the Soviet orbit. There are a number of other countries where Communist influence is growing and our defense perimeter is shrinking. In the Pacific our defense perimeter is being thrown back on Japan, which is militarily weak, South Korea, and the Republic of China. And let us note that if that perimeter goes, we are forced back to Hawaii and Alaska. In Europe also our defense perimeter is thinning, and the potential loss of Portugal will have vast implications for our ability to defend our interests in the Middle East, both in Israel and in the oilfields of Iran and the Arab States necessary to the economies of the free world. So our hinterland is being gradually taken from us—but very gradually, so that we do not react strongly at any one point.

The treaty: Our equivalent of the Paris peace accords in this analogy, I submit, is the SALT agreement and the negotiations for SALT II. Like the Paris peace accords, the SALT negotiations have lulled us into a false sense of security. The distinguished junior Senator from New York (Mr. BUCKLEY) in a widely unnoticed speech recently pointed out the evidence that the Soviets have been consciously cheating on the SALT I agreements, while we, of course, have been more than careful to live up to the provisions of that treaty from our side. Indeed I sometimes think we have an irrational faith in treaties, especially treaties with the Communist powers. History should long since have taught us that the Communist powers regard treaties as simply another form of warfare, and yet we go right on negotiating them and sticking to them as closely as we can.

Treaties like nonaggression pacts are not worth the paper they are written on—if an aggressor who is party to such a pact thinks he can get away with military attack, the paper he has signed will not stop him. The lesson from that is that we should not be especially anxious to enter into treaties affecting our vital interests with the Communists, for pieces of paper will not preserve the peace in any case. If for some reason we do conclude a treaty with the Communists, we should be ready to tear it up just as soon as it becomes clear that they have violated it in a significant way. Instead of that, we were still trying to observe the Paris Peace Accords at the very end, when South Vietnam was falling to barefaced military aggression. That, I suggest, was one of the most inexplicable episodes in the history of American foreign policy. It sprang from what one writer has called the "disease of treaty reliance," an illness which we had better cure in ourselves very fast. We should be quick to pay attention to evidence that the Soviets are violating the SALT agreements, instead of looking the other way and being determined to ignore such violations. Our very national existence is at stake.

Building overwhelming military superiority: In the final months of the Vietnam war, we had quite good intelligence on the tremendous buildup of Communist arms in South Vietnam. But our sophisticated intellectuals concocted ingenious explanations of what this might mean, while our responsible officials looked the other way. The meaning of it was quite clear, of course. The North Vietnamese were not pouring military supplies into South Vietnam for the fun of it—they meant to accumulate overwhelming military superiority and then use it, quickly and ruthlessly. And they did. Now in the case of the Soviet Union and the United States, we have plenty of intelligence on the enormous size of the Soviet armies, the indisputable superiority of their strategic forces, the tremendous buildup of their navy, in short the immense resources they are pouring into their military machine while our resources remain static or even decline. I think there can be no doubt in anyone's mind that the Soviet Union has clear superiority over the United States in most military areas.

More important, Soviet military superiority is increasing while we seem unwilling to invest the resources necessary to restore our military position. Our sophisticated intellectuals can find all sorts of explanations for this and try to explain it away, but I am afraid that one stark fact stares us in the face. The Soviet Union is not investing all this money in military hardware just because the Soviet leaders enjoy it, but because they intend to use it. If the Soviets achieve clear military superiority, they will strike quickly. And we, like the South Vietnamese, will have no time left to recover and little space into which to retreat. If we are unprepared at the beginning of the conflict, we shall be beaten.

That is why, Mr. President, it is so crucial that the Congress do what is necessary to recover our military superiority over the Soviet Union. It will not be easy or pleasant, but it is a matter of our very

national survival. If you see that your enemy is heavily armed, much more so than you, and you depend on his "good will" alone to preserve the peace, then you are liable to be very sorry indeed.

Mr. President, some people are gullible and will believe anything. But there are others who are skeptics when they should not be. It is not good to be gullible, but it is just as bad to refuse to see what is going on before our very eyes. We have a solemn responsibility to the American people. We must learn from history. The tragedy of Vietnam may yet be turned to good if we learn from the pattern of aggression unfolded there. In these remarks I have suggested that we consider very, very seriously the possibility that the same strategy which worked so well for the Communists in Vietnam is being used—with appropriate modifications—against us on a global scale. For we know what the outcome was in Vietnam.

We cannot allow the same thing to happen to us.

THE NEED FOR A NEW FOREIGN POLICY

Mr. HATFIELD. Mr. President, our debate on this bill has been devoted primarily to questions of our military might versus that of the Soviet Union or of China; of the kinds of weapons we need to meet the perceived threat these and other nations pose to us; of the number of men and women we need in uniform to perform all the various missions we assign the military, and how we define those missions; of strategic war philosophies; of the costs versus the benefits of these programs, in particular with respect to the military gains, the inflationary impact, and the effect upon unemployment.

All these are important questions, especially since they are about a $100 billion budget which is charged to the American taxpayers. I commend my colleagues for arranging this stimulating and informative debate. They are too few and far between.

But the entire discussion arises out of a shopworn cold war diplomacy that needs to be discarded for one that promotes interdependence rather than rivalry. The issues are contained in an argument that is principally a private one between the rich nations of the West and those of the East. It is not private, of course, in that its resolution could very well destroy the whole world, but it is carried on in virtually total disregard of those nations that have not reached the level of "development" necessary for the construction and purchase of modern military hardware.

Those are mainly the nations of the South. I believe that global survival depends on how we relate to those developing nations, not how long we are able to arm ourselves for total war against other nuclear powers.

It is true, of course, that matters of nuclear war debated here deal precisely with global survival, and that in the continued development and proliferation of nuclear weaponry we are offering a macabre solution to world problems: Annihilation. But we do not have to surrender to that argument, and affirm the horrible absurdity that the only way to save the world is to arm to destroy it. Why do we persist in this fanatical desire to always be No. 1 in the ability to kill people in war, to the neglect of efforts to end world hunger, control world population, clean up our oceans, and find new energy sources?

So long as we argue that the fate of all the world hangs on the rich nations squandering billions on weapons to defend themselves against one another, we will remain ignorant of the plain and simple fact that the fate of the world depends upon our recognition of the interdependence of us all, and upon all of us sharing global resources.

If it is valid to ask who will defend the so-called free world from military aggression, is it not also valid to ask who will defend the developing nations from the ravages of famine and overpopulation and poverty? And when it becomes apparent, as it has now, that we cannot both fuel the engines of war to indulge our fascination with technology and meet the human needs of the human race as well, how will we apportion our resources?

The world spends $240 billion annually on the military, not including veterans' benefits and interest on war debts. An estimated $40 to $50 billion of this amount is spent for nuclear armaments which, if used, would destroy the world. Military projects consume 40 percent of the world's research and development money from both public and private sources. The $240 billion we spend each year preparing to kill each other exceeds the value of the combined GNP of Africa and south Asia. If the world keeps spending on the military at the present rate, we will have spent more than $4 trillion in the sixties and seventies for the military.

What will we have done in the meantime to meet the needs of the world's people, including our own?

Last year, in the midst of a global food crisis that cast at least 460 million people into severe malnutrition, all the United States could scrape up for Public Law 480 aid was $1.47 billion, and that only after a struggle with the administration. Just two Trident submarines would cost more than we were willing to provide in a time of world crisis. The same sort of priority on allocation of resources exists throughout the developed world. In 1972, over 30 countries were recorded as donors of economic aid. The total value of their economic assistance was less than 6 percent of their military budgets.

We are more generous with our weapons than with humanitarian aid. Since 1973 we have supplied the Persian Gulf nations, for example, with more than $10 billion in military hardware, including some of our most advanced weaponry. Our arms aid to developing nations in the years 1970–73 was 150 percent greater than the sum of arms aid to those countries in the prior 20 years. Sales to developing nations in 1970–72 were 60 percent greater than sales to developed nations. In short, we are helping create in the LDC's the maniacal devotion to weaponry that robs the poor of the resources necessary to end their plight.

United Nations Secretary-General Kurt Waldheim said last fall that:

Now we face a series of global problems from which no nation, however rich and powerful, can remain immune, and which no nation can hope to confront and resolve successfully on its own.

These are not problems of the arms race, but of the human race. They are problems of food, population, resource depletion, and ecological destruction. So long as we divide the world into warring camps armed to the teeth, we lose sight of the essential interdependence that binds us all together, and we steal from ourselves the resources necessary to solve our shared problems.

Since the end of World War II, our foreign policy has been based on the premise of war against other rich nations, regardless of the wishes or the needs of the world's poor. In the face of global problems that dwarf our political rivalries, this kind of foreign policy is a luxury we cannot afford. We are already irrevocably dependent upon one another. All we need to do is recognize that fact and build a foreign policy based on our interdependence with all the nations of the world.

Mr. CULVER. Mr. President, at the outset, we must recognize that there is no monopoly of wisdom or patriotism in a large building with five sides, or in Foggy Bottom, 1600 Pennsylvania Avenue, or Capitol Hill.

We all want what is best for our country. We question the other man's facts and logic but not his motives, his intentions.

Post-Vietnam is the right time to have a searching and serious debate on our overall defense policy and commitments—not a time to dampen discussion or to recoil into obdurate defense of all U.S. positions elsewhere. It would be a further tragic irony if the Vietnam experience were to leave another legacy—a moratorium on fresh and open debate on our strategic policies and national priorities.

Vietnam has been a historic and sobering defeat. But it need not and ought not cause a mood of national hysteria or put us in a condition of permanent shock. There is justification neither for a "who lost Vietnam?" orgy nor for universalizing the roles of Vietnam and Cambodia to Europe, Israel, or Japan. The dismantlement of our policy in Southeast Asia is not a "hand of fate" for our policy in other areas. Quite the opposite: It opens up options and redirects energies so that U.S. policy in other areas can be strengthened and given a new realism.

Rather than an era of dominoes and barren recrimination we have a setting which makes this debate timely. The Vietnam defeat was spread over a long period of time; the responsibility for our involvement there—and for our ultimate disengagement—was widely shared among administrations, parties, and national leaders. It was a defeat with many fathers, American and Vietnamese.

In reading the defense authorization debates in the House and much of the current public discussion, I detect a tendency to assume that the failure of policy in Southeast Asia should mute this year's

UMI

debate on our fundamental strategic policies for fear of casting a shadow over our alliances and misleading or tempting Russia and China. This makes no sense whatever.

The rest of the world is not standing still nor are they failing to assess their foreign policy objectives. In some areas of the world such as the southern tier of NATO and in the Persian Gulf there is an unprecedented velocity of change. The surge of arms deals almost daily carries the possibility of new foreign policy commitments and missions, intended or unintended. So Congress cannot declare a holiday and supinely accept whatever recommendations the Pentagon and Mr. Kissinger put forward.

I believe that the cuts already made by the Armed Services Committee and others I recommend in my additional views can in fact help better aline our defense posture to our foreign policy objectives. Not only do they save moderate amounts which can be applied to our critical domestic needs; they make our defense budget a better servant of our international policies. Nothing causes more ambiguity in foreign policy than a defense structure that is artificially high, redundant, or unnecessarily provocative.

The items in this budget which are principally under debate, it should be clearly understood, are related mainly to our deterrent capacity, not to our commitments. The counterforce amendment, the B–1 amendment, the Trident amendment, and most others are to be measured primarily by what they may contribute to overkill capacity—not by how they diminish our commitments to NATO or other essential features of the international system. Nonessential programs do not improve our standing abroad or the confidence of allies. The significant fact is not the dollar level of our defense spending, but what we do with those dollars and how credible our deterrent is in terms of the quality of life and leadership in our own society and the will of our people. The adoption of the amendments being proposed by Mr. McINTYRE, Mr. EAGLETON, Mr. SYMINGTON, and others would cause no impairment to our fundamental national interests; they would in fact be an expression of careful and responsible congressional control and improve the close assessment which must be made during the next year of the roles and missions of all our forces.

In addition to the specific weapons systems on which we shall vote, this debate is important too for the guidelines it may furnish for actions we take in future years. The committee report seeks to slow down the drain on our military inventories from foreign sales; hopefully, this will be a prelude to a sustained congressional inquiry and public debate of how uncontrolled arms vending can distort both our alliances and a sensible relationship with nations of the third world. The call for greater standardization within NATO can be not only an attack on massive waste but also a means of giving that alliance a new coherence and dynamic.

If this post-Vietnam reassessment of our foreign and defense policies is to mean anything, it must be set in the context of our overall national goals and purpose as a people.

If, in the hot pursuit of the overkill, we lose or destroy the values we were supposed to have been fighting for in the beginning, what have we won?

Also, if this reassessment is to have any true meaning, it must be set in a longer time perspective than the here and now.

Every year we begin this debate over military spending in a spirit of reason and balance and with some decent respect for the need for longer range thinking. But as the debate heats up, the immediacy overcomes us.

And like a Panzer Corps, the ad hoc brigade runs over any sense of context we may have begun with—Washington is the ad hoc Capital of the world and never can this be seen more clearly than in the fury of the defense debate.

Remember only a few short years ago when our chances of national survival were so vividly depicted as depending upon the development of the ABM?

Apart from the massive defense expenditures which year by year impoverish our domestic economy, the landscape is littered with the bleached bones of weapon systems and contingency plans that once were pictured as absolutely essential for our survival.

This year, as in former years, the dialog starts out in an atmosphere of reason and logic and then degenerates into a rigid, simplistic standoff.

You are either for national defense or against it. If you are for national defense, you vote to spend what the Pentagon asks. Love me, love my Trident, my B–1.

After all of the agonizing experience in Southeast Asia, once the defense debate gets under way, we slip back into the same black and white oversimplifications—for defense or against it, hawk versus dove.

I look over this Senate and I see men who believe that we are spending more for military purposes than is necessary or good for our national well-being and security, but I do not see a single pacifist.

As I see it, there are 100 individuals in this Senate who are united on one overriding objective. They want a United States of America that is strong in military capability, in economic health, and in moral purpose.

Like many others, I want a strong, flexible defense capability for our country, but believe it is essential not to confuse quantity with quality.

Through the pages of history we have learned that size and quantity do not always prevail in military conflicts. From David and Goliath, through the Spanish armada, and the American Revolution we will, so proudly celebrate next year, and more recently, Vietnam, quantity of weaponry and size of forces in the field do not necessarily insure superiority.

In theory, I think we can all agree on this point. And it should be acknowledged that the Defense Department under its present Secretary has made admirable progress in moving toward qualitative improvements in our Military Establishment.

Yet, in a larger sense, particularly in strategic planning, we regress into the same quantitative morass. Superiority, sufficiency, parity—whatever the terms we use in any particular season—the overkill is never enough. We are prisoners of our own propaganda.

There is a new order of realities emerging in the world—not entirely of our choosing but by no means beyond our ability to cope with effectively. Those who mournfully predict the eclipse of U.S. power and leadership in the world are still thinking in terms of colonialism, monolithic Marxism, and gunboat diplomacy. This is no time to panic, to sell the United States short.

In this new world order, the United States will continue its role of leadership, albeit in different form and content. The world order we see emerging is one of developing nations, of global shortages and cartels, of new and aberrant international economic stresses.

To make our place in this new world order, it is essential to look the current realities in the face, to gear our foreign and defense policies to those realities and limitations, and not to live in a past that has had, along with its progress and achievements, its share of mistaken idealism and broken dreams.

It is apparent that complex international economic issues will figure heavily in the world politics of the future. Can anyone doubt that the United States can hold its own in this area if we use our unquestioned business expertise and allocate our resources prudently?

The new world order of which I speak also presents a new set of dangers and challenges to our national interest and security. To fulfill our leadership potentials and to protect our security in a rapidly changing world, we must have a profound and realistic assessment of our national goals and purpose. To implement these goals on the world scene, we need a coordination of foreign and defense policies that is presently grievously lacking. For starters, the State Department and the Pentagon and the corresponding committees of the Congress should integrate their efforts in a way that has not yet been seen.

One example of a possible way of tightening the relationship between foreign policy and force posture and encouraging reassessment, would be to require the joint preparation, presentation, and defense, by the Secretaries of State and Defense, of an annual foreign policy and force policy statement. This would supersede the Secretary of Defense's annual force posture statement and would be presented jointly to the Armed Services and Foreign Relations Committees.

Another possibility would be to require an annual net assessment of the strategic balance to be prepared and presented by the President to the Armed Services and Foreign Relations Committees.

Contingency defense planning, long and short range, we must have. But we cannot support a Defense Establishment that is geared to meet every conceivable contingency or combination of contingencies, however remote, that can be dreamed up in the fertile imaginations of military planners.

I am not proposing that we let down our guard. I am saying let us provide for the dangers that realistically threaten. Let us go with the alliances that are proven and that make sense. Let's no longer extend ourselves with military intervention in areas. Where there is no justification in terms of national interest. This is not neo-isolationism; it is new and sensible internationalism. It is commonsense—as old as the stars.

In all the testimony I have heard as a member of the Armed Services Committee, I have heard no evidence that we do not possess an adequate—more than adequate—deterrent strength to meet all realistic future threats. In strategic forces we can deliver three times as many nuclear warheads as the Soviet Union. Our missiles are more accurate, our submarines more capable of surviving, our bombers more numerous and efficient. Our technological edge remains considerable. There is no strategic gap to be filled and no need certainly for exotic weapons systems in search of a mission. Therefore, we can prudently cut back or postpone some of the strategic expenditures recommended by the administration. If we seek to gear—as we must—our military spending to our explicit requirements in foreign policy, then it is proper to adopt the counterforce and other amendments. And at a time when there is a greater diffusion of power world-wide and the great power confrontation is changing, we are under a special obligation not to add unnecessarily to our strategic power.

In approaching our responsibilities, we should, with equal fervor, reject blind defense budget-slashing on the one hand and the rubberstamping of all Pentagon requests on the other. There is here a genuine middle ground which takes into account our explicit objectives in foreign policy, the sustenance of our domestic society, and the overall national purpose. To reach that ground is to serve the national interest as well as the just expectations of other nations who seek our leadership and cooperation.

We can no longer, in my judgment, let our defense and foreign policy be circumscribed to the extent that it has been by the stand-off between the superpowers.

For years we have lived under the big nuclear cloud. Now there is a growing number of smaller clouds that are perhaps even more threatening to the peace and security of the world.

The nightmare of nuclear proliferation deserves far more serious attention than we have given it in our preoccupation with the superpower standoff and the enthrallment of the overkill.

The saddest, most myopic viewpoint of all in the defense debate is the contention that we strengthen our national security by spending unlimited amounts for military buildup while cutting to the quick domestic funding to sustain the quality of life here at home.

A nation in severe economic distress is in no position to fight a war however formidable its armaments may be. A people whose morale has been eroded by long neglect of such problems as unemployment, poverty, health care and racial injustice may eventually lack the physical strength and will to fight the war for which we are otherwise so well equipped.

If Vietnam taught us nothing else, it should have taught us this:

The front line of our national defense is here at home.

Each time, we begin the defense debate as responsible, thinking individuals going our rational ways toward the common objective of sustaining our national defense. Soon we are in lock-step. No matter what the weapon system or force outlay may be, we must go for the whole loaf—with taxpayers' money. In other budgeting, we recognize that $2 million plus $2 million is $4 million—and that it is a lot of money. But $2 billion plus $2 billion for military spending is something else. The decimal points no longer matter.

A number of proposals for reductions in the defense budget will be offered this week—not cleaver-cuts, but sensible, well thought out economies. Perhaps the most recent winds of public opinion blowing across the land suggest that we should shut our eyes and buy the whole loaf again. But judging from what I know of the thinking of the people in my own State, I am convinced that they expect us to cut the excesses out of the defense authorizations and will hold us accountable for doing so.

It has long seemed to me that the only way we can get any rationality into our defense spending and public understanding of the priorities involved is by going to a new emphasis on longer range projections and planning.

In the anxiety of an immediate set of circumstances, perhaps the public can be persuaded that the whole loaf is necessary. Once again, perhaps they will accept the bad news that domestic needs must be shunted aside.

But if, at some point, people begin to look at the picture in the longer range, I am convinced there will be a profound change of public opinion—and that this change is already well underway.

If the defense budget is $100 billion this year, what about next year, 5, 10, 20 years hence?

Where will it all lead to?

Other questions leap out at us as we look down the long range.

With our rapidly escalating foreign military sales establishing us as the premier merchant of death in human history, where will this lead us in another decade? We arm to the teeth both sides in areas of potential conflict. It is good for our balance of payments, we are told, but are we building stability in the world or security for ourselves? Or sowing the seeds of the inevitable whirlwind?

We ardently and conscientiously argue over what we will fund in tanks and missiles and planes and submarines and combat divisions—I no less than any other in this Chamber.

But how do these bits and pieces fit into the mural of our national purpose?

When all is said and done, what kind of a future are we helping to shape for the people we were elected to serve?

ORDER FOR THE RECOGNITION OF SENATOR MORGAN ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders, or their designees, have been recognized on tomorrow, the distinguished Senator from North Carolina (Mr. MORGAN) be recognized for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS AND RESUMPTION OF CONSIDERATION OF S. 920 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. MORGAN's statement is completed tomorrow there be a period for the transaction of routine morning business, not to extend beyond the hour of 10:30 a.m. with statements limited therein to 3 minutes each; at the conclusion of which the Senate resume consideration of the military procurement authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROLLCALL VOTE ON CEILING AMENDMENT AT 12:30 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the adoption of the ceiling amendment occur tomorrow at 12:30 p.m. rather than at the hour of 12 o'clock noon as was earlier agreed to. I have cleared this with Mr. CRANSTON and Mr. STENNIS.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF H.R. 5899 TOMORROW WITH TIME LIMITATION AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the ceiling amendment tomorrow the Senate proceed to the consideration of the House message on H.R. 5899, and that the one-half hour of time that has been agreed to earlier on the proposed Javits motion to concur in the House amendment with an amendment begin running, and any amendment to that motion or debatable motion or appeal in relation thereto be limited to 10 minutes, to be equally divided between the majority leader and minority leader or their designees.

Mr. JAVITS. Mr. President, I did not hear the first part of that. A half-hour equally divided——

Mr. ROBERT C. BYRD. My request was to the effect that upon the disposition of the ceiling amendment tomorrow, the Senate proceed to the consideration of the House message, and there is a half-hour time limitation on the Senator's motion, and that would begin running at that time.

UMI

Mr. JAVITS. I thank my colleague.

Mr. ROBERT C. BYRD. The second part was that there be a time limitation to any amendment.

Mr. JAVITS. The amendment will be by Senator BAYH.

Mr. ROBERT C. BYRD. Very well.

Mr. CRANSTON. May I ask the Senator, the counterforce amendment would then follow that starting around 1:30?

Mr. ROBERT C. BYRD. There was provision for a possible second ceiling amendment.

Mr. CRANSTON. Yes, there probably will not be, although I am not certain. I think there is only one ceiling amendment, so if we go from the one-ceiling amendment at 12:30 to the other the Senator just brought up, we would go back to this bill. What was next, presumably counterforce?

Mr. ROBERT C. BYRD. Yes, it would be about 1:15 or 1:30.

Mr. CRANSTON. I thank the Senator.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. The Senate will convene tomorrow at 10 a.m. After the two leaders or their designees have been recognized under the standing order, Mr. MORGAN will be recognized for not to exceed 10 minutes, after which there will be a period for the transaction of routine morning business, not to extend beyond the hour of 10:30 a.m., with statements therein limited to 3 minutes.

At the hour of 10:30 a.m., the Senate will resume consideration of the military authorization bill, and the 2 hours on the ceiling amendment will begin running. A vote will occur on the ceiling amendment at the hour of 12:30 p.m. Upon the disposition of the ceiling amendment, the Senate will take up the House message on H.R. 5899, and the question will be on the House amendment to Senate amendment No. 107. There is a 30-minute time limitation on a proposed motion by Mr. JAVITS to concur in the House amendment with an amendment.

Upon the disposition of the Javits motion, the Senate will return to the consideration of the military procurement authorization bill. If a second ceiling amendment is not offered at that time, the Senate will take up the counterforce amendment. Several rollcall votes will occur daily tomorrow and through Friday.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. CRANSTON. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 a.m. tomorrow.

The motion was agreed to; and at 6:49 p.m. the Senate adjourned until tomorrow, Wednesday, June 4, 1975, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, June 3, 1975*

The House met at 12 o'clock noon.

Dr. Acen L. Phillips, pastor, Mount Gilead Baptist Church, Denver, Colo., offered the following prayer:

Our Father, which art in Heaven, hallowed be Thy name. Let Thy kingdom come; let Thy kingdom spread in the hearts of men; let Thy will be done.

We thank Thee, O God, for America, land of free spirits, where men's hearts can be directed and altered by the indwelling of God's Holy Spirit; for a nation which has the heart to reach across the horizon of turbulent seas and manifest love for a desolate and homeless nation as Vietnam and without awesome reservation adopt refugees from that war-torn nation into the melting pot dreams of the American society.

But, Father, forgive us because we have yet to learn how to reach across the street and become neighbors to those who are hungry, homeless, jobless, and disenfranchised children of the "American dream."

Lord, give these legislators a courage of conviction and a sense of direction which will lead all men from the gutter of despair and the shadows of hopelessness to a criteria of commitment which will alter the cybernetics of America and allow all of her children, black, white, yellow, brown, Jew and Gentile, rich and poor, to shed the shackles of depressed mentality and charter a course of reinvested hope, moving from protest to production. Then all of America's children can rise up with dignity and declare with boldness from the turbulent shores of Maine, tension-torn bowels of Boston, the frustrated unemployment roles of Detroit, the mile-high amnesia of Colorado, "God bless America.

"God Bless America, land that I love. Stand beside her and guide her." Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 4109. An act to amend the Grand Canyon National Park Enlargement Act (88 Stat. 2089).

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 37. An act to authorize appropriations to carry out the Standard Reference Data Act.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 322. The Hells Canyon National Recreation Area Act, and

S. 1842. An act for the relief of Dr. Arturo Bomolan Dela Rosa.

The message also announced that the Vice President, pursuant to Public Law 79–565, appointed Mr. GLENN, on the part of the Senate, to the U.S. National Commission for the United Nations Educational, Scientific, and Cultural Organization.

DR. ACEN L. PHILLIPS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute, to revise and extend her remarks and to include extraneous matter.)

Mrs. SCHROEDER. Mr. Speaker, the Congress is doubly blessed today. We had that very moving prayer from the Reverend Dr. Acen Phillips of the Mount Gilead Baptist Church in my district, Denver, Colo., and I can tell the Members and the reverend doctor I think it was one of the best prayers I have heard during my tenure in the House. I was really very impressed and proud.

I also have an insert for the RECORD from another Reverend Phillips in Denver who also wanted to send a prayerful message to the Congress. I think we in the Congress should feel very fortunate that we have two people who want to be with us rather than against us.

I am very, very proud of the Reverend Dr. Acen Phillips who comes from Denver. He has been very concerned about all aspects of the lives of the people of Denver, whether it be education, whether it be job opportunities, whether it be their being able to eat, or whether it be their having a roof under which to sleep.

I think there are very few of us, who have done as much as he has done and have had as deep a concern for the quality of everyone's life, not just the spiritual life. I think it is incredibly historic that he would give the prayer on the day that we are voting on amendments to the Voting Rights Act extension, because I think this is one of the things that he and Dr. Martin Luther King, and many others, have felt so strongly about and worked so hard to see passed. I hope he can stay and hear some of this historic debate which will place Spanish speaking under the Voting Rights Act if passed. I cannot say enough about Reverend Phillips or thank him enough for being here and giving a very moving prayer on this very historic day in the House when we take up the Voting Rights Act extension.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 249]

Alexander	Ginn	Mollohan
Ambro	Hammer-schmidt	Pattison, N.Y.
Andrews, N.C.	Harsha	Railsback
Baucus	Hébert	Roberts
Beard, Tenn.	Holtzman	Ruppe
Bonker	Hyde	Russo
Bowen	Jarman	Santini
Burke, Calif.	Jenrette	Satterfield
Chisholm	Jones, N.C.	Scheuer
Cochran	Jones, Tenn.	Seiberling
Conyers	Karth	Shuster
Dellums	Kastenmeier	Skubitz
Dodd	Kelly	Smith, Iowa
Drinan	Lott	Steelman
du Pont	Mathis	Steiger, Ariz.
Eilberg	Mezvinsky	Teague
Eshleman	Mink	Udall
Fish		Wilson, Tex.

The SPEAKER. On this rollcall 380 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FURTHER LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I take this time to announce that we are making a change in the schedule for this week.

After disposition of the voting rights amendments bill, we will consider H.R. 4035, the Emergency Petroleum Allocation Act extension. H.R. 4035 will be considered under an open rule, with 1 hour of debate. The Members may recall that this bill was on the schedule 2 weeks ago, and at that time we had taken it off the calendar. We are placing it on the schedule for consideration possibly tomorrow.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to, under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions to be determined by nonrecord votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

EQUAL CREDIT OPPORTUNITY ACT AMENDMENTS OF 1975

Mr. REUSS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6516) to amend the Equal Credit Opportunity Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes, as amended.

The Clerk read as follows:

H.R. 6516

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Equal Credit Opportunity Act Amendments of 1975".

(b) Title VII of the Consumer Credit Protection Act is amended by adding at the end thereof the following new section:

"§ 709. Short title

"This title may be cited as the Equal Credit Opportunity Act'."

SEC. 2. (a) Section 701(a) of the Equal Credit Opportunity Act as redesignated by subsection (b) of the first section of this Act, is amended by inserting "age provided the applicant has the capacity to contract, race, color, religion, national origin," immediately before "sex".

(b) Section 701(b) of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended by inserting "or age" immediately after "marital status".

(c) Section 701 of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended by adding at the end thereof the following new subsections:

"(c) The declination of credit on terms offered pursuant to—

"(1) any loan assistance program expressly authorized by law for an economically disadvantaged class of persons;

"(2) any loan assistance program administered by a nonprofit organization for its members or an economically disadvantaged class of persons; or

"(3) any special purpose loan program offered by a profitmaking organization to meet special social needs which meets standards prescribed in regulations by the Board;

shall not constitute a violation of this section.

"(d) Inquiry and consideration by a creditor of the age of an applicant when used by such creditor in the extension of credit in favor of an applicant because such applicant is in a particular age category shall not constitute discrimination under this section."

SEC. 3. Section 703 of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended by inserting "(a)" immediately prior to "The", and by adding at the end thereof the following new subsections:

"(c) The Board shall establish an advisory committee to advise and consult with it in the exercise of its functions under this Act. In appointing the members of the committee, the Board shall seek to achieve a fair representation of the interests of creditors and consumers. The committee shall meet from time to time at the call of the Board. Members of the committee who are not regular full-time employees of the United States shall, while attending meetings of such committee, be entitled to receive compensation at a rate fixed by the Board, but not exceeding $100 per day, including traveltime. Such members may be allowed travel expenses, including transportation and subsistence, while away from their homes or regular place of business.".

SEC. 4. Section 705(e) of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended to read as follows:

"(e) No person aggrieved by a violation of this title shall recover under this title on any transaction for which recovery is had under the laws of any State relating to the prohibition of discrimination on the basis of race, color, religion, national origin, sex, marital status, or, provided the applicant has the capacity to contract, age."

SEC. 5. Section 706 of the Equal Credit Opportunity Act as redesignated by subsection (b) of the first section of this Act, is amended to read as follows:

"§ 706. Civil liability

"(a) Any creditor who violates section 701 or any regulation prescribed under section 703 shall be liable to the aggrieved applicant in an amount equal to the sum of any actual damages sustained by such applicant acting either in an individual capacity or as a member of a class.

"(b) Except with respect to any Government or governmental subdivision or agency, any creditor who willfully violates section 701 or any regulation prescribed under section 703 shall be liable to the aggrieved applicant for punitive damages in an amount not greater than $10,000, in addition to any actual damages provided in subsection (a), except in the case of a class action the total recovery shall not exceed the lesser of $100,000 or 1 per centum of the net worth of the creditor. In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional.

"(c) Upon application by an aggrieved applicant, the appropriate United States district court may grant such equitable and declaratory relief as is necessary to enforce section 701 or any regulation prescribed under section 703.

"(d) In the case of any successful action under subsection (a), (b), or (c), the costs of the action, together with a reasonable attorney's fee as determined by the court, shall be added to any damages awarded by the court under such subsection.

"(e) No provision of this title imposing liability shall apply to any act done or omitted in good faith in conformity with any official regulation or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such regulation or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

"(f) Any action under this section may be brought in the appropriate United States district court without regard to the amount in controversy. No such action shall be brought later than one year from the date of the occurrence of the violation, except—

"(1) whenever any agency having responsibility for administrative enforcement under section 704 commences its enforcement proceeding within one year from the date of the occurrence of the violation and obtains compliance with this title by a creditor who was in violation of such title, or

"(2) whenever the Attorney General commences a civil action within one year from the date of the occurrence of the violation in an appropriate United States district court under this section against a creditor who is found by the court to be in violation of this title,

then any applicant who has been a victim of the discrimination with respect to the ad-

UMI

ministrative action under paragraph (1) or the judgment of the court under paragraph (2) may, within one year after the date of compliance with the administrative action or within one year after the date of the judgment of the court, as the case may be, bring an action under this section against such creditor.

"(g) The agencies having responsibility for administrative enforcement under section 704, if unable to obtain compliance with section 701, are authorized to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted.

"(h) When a matter is referred to the Attorney General pursuant to subsection (g), or whenever he has reason to believe that one or more creditors are engaged in a pattern or practice in violation of this title, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

"(i) No person aggrieved by a violation of this title and by a violation of section 805 of the Civil Rights Act of 1968 shall recover under this title and section 812 of the Civil Rights Act of 1968, if each such violation is based on the same transaction.".

SEC. 6. The Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended by redesignating section 707 as section 708 and by inserting immediately after section 706 the following new section:

"§ 707. Annual reports to Congress

"Not later than February 1 of each year after 1976, the Board and the Attorney General shall, respectively, make reports to the Congress concerning the administration of their functions under this title, including such recommendations as the Board and the Attorney General, respectively, deem necessary or appropriate. In addition, each report of the Board shall include its assessment of the extent to which compliance with the requirements of this title is being achieved, and a summary of the enforcement actions taken by each of the agencies assigned administrative enforcement responsibilities under section 704.":

SEC. 7. Section 708 of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act and by section 6 of this Act, is amended by inserting ", except that the amendments made by the Equal Credit Opportunity Act Amendments of 1975 shall take effect six months after the date of its enactment" immediately before the period at the end thereof.

SEC. 8. The table of sections of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended by striking out

"707. Effective date."

and inserting in lieu there of the following new items:

"707. Annual reports to Congress.
"708. Effective date.
"709. Short title."

SEC. 9. Section 501 of title V of Public Law 93-495 is repealed.

The SPEAKER. Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. REUSS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I first want to express my support for H.R. 6516, a bill to amend the Equal Credit Opportunity Act, which was reported by a unanimous vote of 36 to 0 by the Banking, Currency and Housing Committee.

I also wish to express, as chairman of the full committee, my deep appreciation to the chairman of the Consumer Affairs Subcommittee, the gentlemen from Illinois (Mr. ANNUNZIO), and the other members of the subcommittee for the outstanding job they have performed in bringing this bill to the floor for consideration today. The Consumer Affairs Subcommittee worked long and hard to write a good bill, a bill that will end discrimination in credit on the basis of race, color, religion, national origin, and age.

This bill is a good example of the importance of subcommittees in the legislative process. It was the subcommittee that spent the many hours listening to testimony and dealing with the numerous amendments necessary to perfect this bill.

Once again, I wish to commend the Consumer Affairs Subcommittee and express my full support for this bill.

Mr. Speaker I now yield to the chairman of the subcommittee the gentleman from Illinois (Mr. ANNUNZIO) such time as he may consume.

Mr. ANNUNZIO. Mr. Speaker, I thank the distinguished gentleman from Wisconsin (Mr. REUSS), the chairman of the full committee, for the cooperation that he has extended the Subcommittee on Consumer Affairs.

I would also at this time like to express my appreciation to all of the members of the subcommittee, both on the majority and minority sides. All of the subcommittee's members have worked long and hard to bring to the floor of the House legislation that will go a long way, especially for the aged of this country, in helping all credit worthy individuals to get credit in the United States of America.

I want to especially thank the gentleman from Ohio (Mr. WYLIE), the ranking member on the minority side, for his cooperation in working closely with me to perfect legislation which eliminates discrimination on the basis of age, race, color, religion, or national origin.

There are several amendments to this legislation. All of the amendments, except one, are explained in the committee report on the legislation. One of the amendments, however, is not in the report. Quite simply, that amendment would strike section 3(b) of the bill, which deals with the so-called population numbers test. This section was placed in the bill so as to eliminate the need for businessmen to keep records in connection with credit extensions in order to defend themselves against lawsuits. However, some Members felt that the inclusion of this section might confuse various court decisions in civil rights matters.

Mr. Speaker, I do not agree wholeheartedly with that assumption. However, since those Members held such strong convictions about this section, I was happy to comply with the request of the gentleman from Maryland (Mr. MITCHELL) a member of the full committee, that the section be deleted.

Mr. MITCHELL of Maryland. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I am very happy to yield to my distinguished friend, the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Speaker, I want to publicly thank the distinguished Member in the well the chairman of the subcommittee for his fine understanding of the nature of the problem that was presented in terms of the original language in the bill.

I think the gentleman has been most gracious and understanding in this matter, and I am just delighted that that has been resolved.

Mr. Speaker, I want to take this opportunity to ask that we have full, overwhelming support for the passage of this legislation.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ANNUNZIO. Mr. Speaker, I thank the gentleman from Maryland (Mr. MITCHELL) for his support.

I want to reiterate to the Members of the House that my only interest in this legislation is to ban discrimination. I do not want to take any chance of damaging any civil rights lawsuits.

There are some people in the House who say the bill does not go far enough. There are people in the House who say that this bill is not strong enough. But let me point out that we had a credit reporting bill before this House, and the same criticism was made to the effect that it was not strong enough as far as the Federal Reserve Board was concerned. On the other hand, the Congress spoke, and the Federal Reserve Board knows where the Congress stands as far as credit reporting is concerned.

We have already passed anti-discrimination legislation that includes sex and martial status, and we are trying to add the other categories. The most important thing about this legislation is that we are going to extend credit to the senior citizens of our Nation, the aged of our Nation, who appeared before our committee demanding that they be given free and equal opportunity to credit.

So again I want to say that this bill helps the senior citizens of America. I know there is not a Member in this Chamber who does not want to help the senior citizens of America.

Mr. STEPHENS. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I am delighted to yield to a member of the full committee, the gentleman from Georgia (Mr. STEPHENS).

Mr. STEPHENS. Mr. Speaker, I want to compliment the gentleman from Illinois (Mr. ANNUNZIO), on the hard work the gentleman has done in bringing out this legislation.

As the gentleman from Illinois will recall, we adopted an amendment dealing with the use of the age factor, and said in that amendment:

Inquiry and consideration by a creditor of the age of an applicant when used by such creditor in the extension of credit in favor of an applicant because such applicant is in a particular age category shall not constitute discrimination under this section.

That is very broad language. I would like to ask the gentleman from Illinois, if the gentleman will be kind enough to respond to a question. The report itself seems to limit that broad language to some extent so I ask if the following would still continue to be the way businesses could handle age. A number of businesses use a point scoring method, and in that point scoring method they use age as a way to evaluate the credit worthiness. Montgomery Ward, for example, is listed on page 4 of the report as using that point system.

The language quoted above as adopted, and the explanatory language in the committee report does not restrict the continued use of this point system, does it?

Mr. ANNUNZIO. The gentleman from Georgia is absolutely correct; it does no restrict it.

Mr. STEPHENS. I thank the gentleman from Illinois.

Mr. ANNUNZIO. I appreciate the support of the gentleman from Georgia.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I am delighted to yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, I thank the gentleman for yielding. I would like to commend the distinguished gentleman in the well, the gentleman from Illinois (Mr. ANNUNZIO) for his excellent statement in support of this important legislation. I associate myself fully with the substance of his thoughtful remarks. Had there been any question in my mind about the merits of H.R. 6516, the gentleman's remarks would have persuaded me to support it.

The bill now under consideration by the House would prohibit a lender from denying credit to any prospective borrower on the basis of age, race, color, religion, or national origin. This would be added to the already existing prohibitions against discrimination in credit granting on the basis of sex or marital status.

Mr. Speaker, no one can deny the essential role played by credit in a variety of transactions in our daily lives. Each American is entitled to access to credit based on credit-worthiness. A creditor should ask about a person's income, or assets, or past credit record, not about how old the person is, or where he was born, or where he goes to church.

One of the most important aspects of H.R. 6516, in my judgment, is the protection against credit discrimination on the basis of age. As chairman of the Government Services Subcommittee of the new House Select Committee on Aging, I am becoming increasingly aware of the problems experienced by older Americans in getting relatively simple tasks done in everyday life.

This is painfully true in the area of credit availability. One major older Americans group, the American Association of Retired People, asked its members if they had been denied credit because of their age, and received almost a thousand responses. One lady member wrote that she had been denied credit by a department store because she was not employed, although her income was quite adequate. "It is a great way," she commented, "to make one feel like a nonperson." And, I might add Mr. Speaker, it is an outrageous way to treat our senior citizens.

Sometimes older persons find it necessary to establish credit after a lifetime of cash transactions. In order to cash a personal check in many stores, one must display a major credit card. Some elderly persons are rightfully afraid to carry substantial amounts of cash. Denial of credit to such persons is not an inconvenience; it is a major hardship.

We should pass H.R. 6515, Mr. Speaker, and move toward ending arbitrary credit rejections. As I have often remarked, the greatness of a society can be accurately measured by the degree to which it cares for its aged. Passage of the pending bill will add to our Nation's greatness. I urge its overwhelming approval.

Mr. ANNUNZIO. I thank my good friend, the gentleman from Hawaii.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I am happy to yield to my colleague, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, I wish to join in commending my distinguished colleague, the gentleman from Illinois (Mr. ANNUNZIO). But I must say that there is one situation here that intrigues me for, if I understand correctly, the bill was reported out of the Committee on Banking, Currency and Housing by a 36 to 0 vote. I must say that in my 17 years in the House of Representatives I cannot recall any bill coming out of the Committee on Banking, Currency and Housing without any controversy. I want to commend the gentleman from Illinois for his exceptional diplomatic skill as well as his legislative ability in producing this measure, and again I compliment the gentleman.

Mr. ANNUNZIO. Mr. Speaker, I thank my good friend, the gentleman from Illinois (Mr. DERWINSKI), but I want the gentleman to know that the gentlewoman from New Jersey (Mrs. FENWICK), the gentlewoman from Maryland (Mrs. SPELLMAN), and the gentlewoman from Missouri (Mrs. SULLIVAN), as well as all the other members of the committee, worked together as a team, and I want to attribute the 36 to 0 victory to their efforts.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I am delighted and happy to yield to the gentlewoman from New Jersey (Mrs. FENWICK), and to add that I deeply appreciate the contributions the gentlewoman made during the hearings. The gentlewoman attended all of the meetings, and participated in them, and I appreciate her strong support for the legislation.

Mrs. FENWICK. Mr. Speaker, I think that the 36 to 0 vote came about through the ability and the diplomacy of our chairman.

Speaking for myself, and I believe also for the distinguished gentlewoman from Maryland (Mrs. SPELLMAN), whose amendment includes my own as it appears on page 3, I would like to say that that amendment clearly allows questions as to age, when the purpose of this is to extend credit when it might otherwise not be possible—in other words, affirmative action, including questions as to age, is lawful when the purpose is to extend credit which otherwise might not be possible. I think it is a very fine addition, and I am happy about it.

Mr. ANNUNZIO. I thank the gentlewoman.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I am glad to yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I thank the gentleman for yielding.

I would like to engage the gentleman in colloquy, if I may, to make sure that we have a complete understanding of the staff language which appears in the bill as a culmination of the so-called Spellman and Fenwick amendments.

To refresh the gentleman's recollection, he will recall that the so-called Spellman amendment provided, and I quote:

It shall be lawful for a creditor to inquire or consider age in a determination of the applicant's credit worthiness if such inquiry or consideration is not utilized by a creditor for the purpose of denying or revoking credit.

The gentleman will recall that the language was adopted as an amendment in the committee. Then the so-called Fenwick amendment was proposed, and it also was adopted. It provided, and I quote:

Affirmative discrimination by a creditor in extension of credit in favor of an older individual because such individual is in a particular age category is not a violation of this section.

As I say, the gentleman will recall that that amendment was adopted. At that point in time it was felt that these two proposals were somewhat duplicative and that the staff should work out combined language to include the substance of these amendments which had been adopted by the committee.

Those two were put together and ended up in the bill as this language, and I quote:

Inquiry and consideration by a creditor of the age of an applicant when used by such creditor in the extension of credit in favor of an applicant because such applicant is in a paritcular age category shall not constitute discrimination under this section.

That is the language that presently appears in the bill as a result of the amalgamation of the so-called Spellman and Fenwick amendments. Have I not correctly stated the situation?

Mr. ANNUNZIO. The gentleman from Michigan has correctly stated the situation. The gentleman from Michigan will recall that I had instructed legal counsel to amalgamate both amendments so that the meaning of the language would take care of the so-called Fenwick and Spellman amendments, and I have been assured by legal counsel that it does take care of the problem of the gentlewoman from Maryland (Mrs. SPELLMAN), and the problem of the gentlewoman from New Jersey (Mrs. FENWICK).

Mr. BROWN of Michigan. I thank the gentleman.

If the gentleman will yield further, let me just continue for a minute, if I may. The gentleman, I am sure, in having the staff put this language together, did not intend in any way to cause a diminution in the meaning of either the Spellman or

UMI

the Fenwick amendments; is that not correct?

Mr. ANNUNZIO. That is correct.

Mr. BROWN of Michigan. If the gentleman will yield further, the only point I wish in this colloquy is that under the Spellman amendment, the language of Spellman was inserted in the bill to establish clearly that a creditor could inquire about age so long as he did not use that for the purpose of refusing or revoking credit, whereas the language as it appears in the bill at the present time seems to say that he can inquire about age, that the creditor may inquire about age, only if that creditor intends to affirmatively discriminate, and that, I think, was not the intent of the Spellman language originally.

Mr. ANNUNZIO. I want to say to the gentleman from Michigan that he is absolutely correct. It is our intention that a person who applies for credit, regardless of age, be given full consideration. We do not intend to discriminate.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I will be happy to yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

The original Spellman amendment was offered to make it lawful for a lender to make an inquiry as to age in the granting of credit, the reverse of denying credit because of age. We found that in certain areas of the country the question of age was asked on credit applications to deny credit to people over 65. In other words, if a person reaches the age of 65, he could not otherwise qualify for credit, even though that person had gone through life paying all his bills. Credit was denied because of age. The Spellman amendment was to make it quite clear that a creditor could make an inquiry concerning age for the purpose of granting credit but not to deny credit.

The Fenwick amendment was then added to the Spellman amendment to favor older Americans by giving them preferential treatment in the granting of credit; so that what the merger of the two amendments in effect accomplished was to allow a lender to ask a person's age in the application for credit and to extend credit in favor of a person in an age group who might not otherwise meet credit worthiness standards.

Mr. ANNUNZIO. I appreciate the contribution of the gentleman from Ohio (Mr. WYLIE).

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I yield to the gentleman from Michigan?

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman for yielding.

I am not sure but trust that the most recent colloquy has not further muddied the waters. The Spellman amendment expressly stated that it shall be lawful for a creditor to inquire about age so long as the inquiry about age is not made for the purpose of denying or revoking credit. That is what we intended. In other words there does not have to be an intent on the part of the creditor to affirmatively discriminate in order to inquire. Am I not correct?

Mr. ANNUNZIO. I think the gentleman is correct. But also I want to say to the gentleman the one thing to bear in mind is that whenever credit is extended the credit must be based on the ability of the individual to repay that loan and we do not want to lose sight of that fact. I am inclined to agree with the gentleman.

Mr. BROWN of Michigan. I thank the gentleman.

Mrs. SPELLMAN. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I am happy to yield to the gentlewoman from Maryland.

Mr Speaker, I also want to acknowledge the great work the gentlewoman from Maryland has done in the subcommittee on this legislation. Her assistance has been invaluable. She is a most able legislator and I feel fortunate in having her as a member of my committee.

Mrs. SPELLMAN. Mr. Speaker, I thank the chairman and I want to point out that it has been a real pleasure to work with him. It has been a superb experience. The chairman did indeed bring us all together.

The gentleman on the minority side, Mr. WYLIE, is absolutely correct. The idea of the amendment which I offered was to enable the lender to take affirmative action where senior citizens are concerned. We all know that an income which is too low to be considered creditworthy for a family with the needs which growing children engender may be sufficient to qualify senior citizens for credit. Their house mortgage is probably already paid up; they are probably not going to be buying a great deal of furniture; their heavy expense period is probably behind them. Their age would thus be a factor in making them credit worthy and it would be an affirmative action in that case to allow credit for older people.

This would also help very young people whose days of earning power are still ahead of them.

So the purpose of the amendment was to enable people to benefit from the fact that they were either senior citizens or very young—to enable the creditor to solicit information which could identify them for special credit assistance.

I am happy we are having this colloquy today because I would like it made perfectly clear that I have been assured that the rewording of my original language was not meant in any way to lessen the effect as intended in my original amendment. I think the discussion has done a great deal to clarify that and I thank the Members for it.

Mr. ANNUNZIO. Mr. Speaker, the legislation before this body today, H.R. 6516, will amend the Equal Credit Opportunity Act to prohibit discrimination in the extension of credit on the basis of race, color, religion, national origin, and age. This legislation is especially important because today roughly 10 percent of our population is composed of people 65 years of age or older. By the year 2000 nearly 25 percent of our population will be made up of old people. These figures reveal that unless this legislation is passed, the dimension and impact of age discrimination is going to multiply. In 25 years, without this legislation, nearly one-fourth of our population will be having credit denied them solely on the basis of their age. This bill makes certain such credit discrimination will not continue.

The bill is brought to the floor following unanimous votes in both the Consumer Affairs Subcommittee and the full committee. The subcommittee heard from every segment of the industry, as well as from consumer groups and governmental agencies. The consensus support this legislation has won so far, is no accident. It reflects that this legislation responds to the genuine need to end unfair discrimination in the extension of credit, and does so in a manner which will still allow creditors to extend credit based on sound business practices.

The Equal Credit Opportunity Act was passed during the 93d Congress. It prohibits discrimination in the granting of credit based on sex or marital status. Although the Consumer Affairs Subcommittee of the House had reported a bill to the full committee precluding discrimination on sex, marital status and the other categories addressed in H.R. 6516, there was not enough time during the closing days of the Congress to push through the House version of the bill. It was necessary to accept the limited antidiscrimination bill proposed by the Senate. Yet, it is not enough to prohibit credit discrimination on the basis of sex or marital status. To truly end credit discrimination those persons in the categories enumerated in H.R. 6516 must also be free from discrimination when applying for credit.

H.R. 6516 prohibits any lender or credit extender from discriminating against a borrower based on race, color, religion, national origin, and age. In the age classification, a credit applicant must have the capacity to contract. This language is to make it clear that a minor cannot sue because he was denied credit solely on the basis of his age, if he is not legally responsible for his debts.

The essential concept of nondiscrimination in the extension of credit is that each individual has a right when he applies for credit, to be evaluated as an individual: to be evaluated on his individual creditworthiness, rather than based on some generalization or stereotype about people who are similar to him in race, color, national origin, religion, age, sex or marital status. Bias is not creditworthiness. Impression is not creditworthiness. An individual's ability and willingness to repay an extension of credit is creditworthiness.

There is a manifest need for such legislation. Refusal of credit based on racial, age, or other of the categories included in H.R. 6516, are an all too common occurrence in our credit oriented society. Such refusal ignores creditworthiness. Instead of genuine creditworthiness, creditors who engage in discrimination prefer to rely on unfair and reprehensible criteria such as racial, age, or sex bias.

Credit discrimination cannot be dismissed lightly. Credit has a profound effect on the life of virtually every person in this country. Few of us pay cash. We pay for meals, transportation, homes, cars, hospital care, and numerous other

everyday necessities through extensions of credit. Even when we seek to pay for something in a cash-related way such as through a personal check, most creditors require one or more major credit cards as poor of our reliability for the debt.

Consequently, the ubiquitous presence of credit in our lives means that unfair denial of credit can have tragic and cruel consequences. The statement of the Honorable Arthur S. Flemming, Chairman of the U.S. Commission on Civil Rights before the Consumer Affairs Subcommittee in testimony on this legislation makes clear the impact of credit on our lives:

> It would be difficult to exaggerate the role of credit in our society. Credit is involved in an almost endless variety of transactions reaching from the medical delivery of the newborn to the rituals associated with the burial of our dead. The availability of credit often determines an individual's effective range of social choice and influences such basic life matters as selection of occupation and housing. Indeed, the availability of credit has a profound impact on an individual's ability to exercise the substantive civil rights guaranteed by the Constitution.

For those who may doubt that there is credit discrimination, particularly as far as the elderly are concerned, I call attention to a column appearing in the June issue of the News Bulletin of the American Association of Retired Persons. The column, Executive Director's Report, points out a number of areas of discrimination among the elderly in the granting of credit and calls for an end to these practices through legislation. In part the column states:

> Our associations believe that credit should be granted or denied on the basis of income, past credit experience and other relevant factors, not because of age. Creditors have no right to assume that all persons over a certain age have insufficient resources to be good credit risks.

Because this column so clearly spells out the need for H.R. 6516, I am including the entire column as part of my remarks:

LET'S END AGE BIAS IN DETERMINING WHO QUALIFIES FOR CREDIT

(By Bernard E. Nash, Executive Director, NRTA–AARP)

"Thank you for your Master Charge application . . . The reason for our declination is based on your advanced age."

"The reason we are unable to issue you a BankAmericard is that one of our basic requirements is that an applicant be under the age of 65 years."

Throughout the country, thousands of our members and other older citizens are being denied credit by banks, finance companies, credit card companies, department stores and other lenders solely because of their age.

In response to our recent request in the News Bulletin, hundreds of members have sent us detailed and convincing accounts of age discrimination in the granting of credit. For instance:

A Delaware member with a net worth of more than $100,000 wrote that he was refused a loan for $1,000 by three finance companies and was told by three others that a co-signer would be required.

A New Jersey woman was refused a "checking reserve" credit account at her local bank despite the fact that she had more than $2,200 in her checking account and more than $3,200 in her savings account at the time.

A New York man with annual earned income of more than $16,000 and interest income of $4,000 was refused a credit card which his younger, lower-salaried colleagues were granted.

A North Carolina member with retirement income of more than $10,000 per year and $23,000 in savings was refused credit for the purchase of a $650 television set.

These and other examples of credit discrimination have been turned over to a Congressional committee now drafting legislation to prohibit credit discrimination based on race, color, religion, national origin or age (a bill to outlaw such discrimination based on sex and marital status was enacted into law last year).

It is clear that age discrimination in credit works a great hardship on older citizens. Many need credit cards in order to use personal checks at major department stores. Others are simply afraid to carry cash. And it is a humiliating experience for an older person to discover that he is no longer considered reliable simply because of his age—despite a lifetime of good credit.

Our Associations believe that credit should be granted or denied on the basis of income, past credit experience and other relevant factors, not because of age. Creditors have no right to assume that all persons over a certain age have insufficient resources to be good credit risks.

We shall continue to expose—and report to the Congress, the Federal Trade Commission and other agencies—instances of credit discrimination until this unfair practice is eliminated.

Some people have alleged that current legislation such as title VIII of the Civil Rights Act of 1968, makes H.R. 6516 unnecessary. Yet, the various Civil Rights Acts do not even consider the question of age. The testimony of the Honorable Arthur S. Flemming, Chairman of the U.S. Commission on Civil Rights, in testimony before the Consumer Affairs Subcommittee commented on this point:

> The Bill H.R. 3386 (H.R. 6516) presently before this subcommittee promises to finally halt discrimination on the basis of race, color, religion, national origin and age in the granting of credit. Unlike the broad prohibitions contained in the Civil Rights Act of 1866, H.R. 3386 (H.R. 6516) pertains directly to the problem of credit discrimination. Unlike Title VIII of the Civil Rights Act of 1968, H.R. 3386 (H.R. 6516) forbids discrimination based on race, color, religion, national origin and age in *all areas of credit* not just mortgage finance.

While not diminishing the importance of the discrimination categories of race, color, religion and national origin, I do feel that special attention should be given to the category of age. Various assertions have been made about the reasons creditors need to be able to consider age in an evaluation of creditworthiness.

Some people claim the elderly have unstable incomes. Yet, those on social security or pensions have a steady, secure income that is more reliable than employment. While it is true that the elderly have less income than those younger who have jobs, the elderly do not often have major expenses such as homes, major appliances, cars, or child-connected expenses.

It has been claimed that because credit life insurance companies do not make credit life insurance available to individuals over a certain age, creditors should not have to extend credit to such elderly people. Yet, credit life insurance is only required in a small percentage of loan transactions. Also it is only sometimes mandatory.

As the author of this legislation and chairman of the subcommittee handling this legislation, I would like to make clear what the result under H.R. 6516 will be of denying an extension of credit because credit life insurance is unavailable. Frequently, old people apply for credit and are rejected solely because no credit life insurance is available to an individual of their age. There is no way the old person can win: The creditor conditions approval of extension of credit on the applicant acquiring credit life insurance, knowing full well that the applicant cannot acquire such credit life insurance because it is not available to him since he is above a certain age limit.

Denial of a credit application to an elderly individual because credit life insurance is unavailable shall definitely constitute violative discrimination under this legislation.

The Consumer Affairs Subcommittee has been unable to uncover any valid reasons for age discrimination in the extension of credit. However, there is empirical data that demonstrates that the elderly are outstanding credit risks. The following chart showing credit performance by various age groups for Montgomery Ward customers illustrate this point dramatically:

CUSTOMER AGE RELATED TO ACCOUNT PERFORMANCE

Customer age	Balance dollars 2 to 8 mo delinquent as percent of all balances	Balance dollars 6 to 8 mo delinquent as percent of all balances	Balance dollars charged off annually as percent of all balances
18 to 24	7.95	0.93	3.98
25 to 29	6.52	.73	3.76
30 to 34	5.24	.56	2.89
35 to 44	3.80	.36	1.76
45 to 54	2.40	.21	1.12
55 to 64	1.71	.15	.87
65 and up	1.63	.15	1.11

If anyone doubts that people are discriminated against on the basis of age, read the excerpts from letters which the Consumer Affairs Subcommittee has received. The first letter comes from a gentleman in New Jersey who writes:

> The enclosed form letter is self-explanatory. However, I will give you other pertinent details. I opened the account early in 1961. I do not remember anything concerning age limitations being suggested at that time. At the time of the termination I was still employed. I own my own home 100% and at no time during the duration of the account was I ever late in making payments.

Now the letter to which the gentleman referred was received from a bank also in New Jersey. In part the letter reads:

> We are sorry to inform you that under the policy governing our write-a-loan plan, we are unable to continue the availability of your account which is being terminated as of April 1st.
>
> Experience has shown that revolving loan privileges must be limited within certain age and consequently we have established our policy limiting this availability to individuals between the ages of 21 and 65.

This is the part of the letter that is absolutely appalling. First they tell the gentleman that they are removing his access to credit because he has reached the age of 65. In the very next paragraph

UMI

the assistant vice president of the bank tells the customer:

Although it is necessary to take this step, we wish to congratulate you upon your excellent paying record and extend the offer to accommodate your future financial needs through one of our other loan plans.

A letter from a bank to a customer states in part:

We have obtained a credit report from the credit bureau and find your credit standing to be excellent. It is, however, the general practice of our bank to limit cardholder accounts to persons between the ages of 21 and 65.

The gentleman in this case quite clearly had worked extremely hard to maintain an outstanding credit record throughout his life but he was denied credit because of a fact over which he had no control. He was getting old.

The letter from a Pennsylvania bank to a senior citizen applicant for a bank charge card reads:

The reason for our declination is based on your advanced age. Of course, our refusal to grant you a revolving line of credit should by no means be taken as an indication of your creditworthiness. It is quite simply a requirement of our program that the borrower be under 65 years of age, this being the rule unless there is an established banking relationship with our bank.

A Federal Trade Commission investigation verifies the reality of age discrimination. Mr. Sheldon Feldman, Assistant Director for Special Statutes, Bureau of Consumer Protection of the Federal Trade Commission testified before the Consumer Affairs Subcommittee with respect to H.R. 6516 that—

While the Commission has had even less experience with discrimination involving age than with racial or ethnic discrimination, there are indications that the problem is substantial. For instance, in the course of a recent investigation unrelated to discrimination, the staff obtained the credit evaluation manuals of several major consumer finance companies. One such company's corporate manual states flatly that, "no unsecured loans are to be made to any person over 65 years of age." The manuals of nearly all the other companies investigated (all are major national creditors) contain restrictive limitations on loans to the elderly and general cautionary language warning that the aged are poor credit risks. The impact of these discriminatory policies is perhaps reflected in the fact that only 1.4% of all personal loans made in 1973 went to persons over 64 years old even though persons over 64 made up 10.2% of the population.

This legislation is not aimed at making lawyers rich through spurious litigation. It is aimed at compliance with the law, at stopping credit discrimination on the basis of race, color, religion, national origin, and age.

This legislation is offered to make it clear to consumers that they have a right to have each and every application for credit evaluated by a creditor based on the merits of their personal creditworthiness and not on discrimination, and to make it clear to creditors what does and does not constitute credit discrimination.

In addition to its prohibition against credit discrimination, H.R. 6516 includes several other significant provisions that will improve compliance with the Equal Credit Opportunity Act, and provide protection to creditors for specified legitimate conduct. The legislation includes provisions:

(1) provided specified conditions are met, authority for the Attorney General to bring a civil action in any appropriate United States District Court for such relief as may be appropriate. This should improve compliance with the Act.

(2) under certain circumstances, there is an extension of the one year time limit for bringing an action.

(3) for establishment of an advisory Committee to assist the Federal Reserve Board in writing regulations for the Act.

(4) for exemptions from the Act for special loan programs designed to help economically disadvantaged individuals or individuals who might otherwise not be creditworthy under normal business standards. Thus, a lender could set up special programs to grant credit for young married couples or for retired persons on a limited income.

(5) that a lender or credit extender must willfully violate section 701 or any regulations proscribed under section 703 in order to be liable for punitive damages. This safeguard is to make it clear that a technical violation or a clerk's error will not subject a business to punitive damages.

(6) for annual reports to Congress by the Board and the Attorney General with a summary of the enforcement actions taken by each of the agencies assigned administrative enforcement responsibilities under Section 704 of the bill.

(7) and for the effective date of the Act to be delayed for six months following the date of enactment. This delay is to give the Federal Reserve Board time to write regulations.

The Equal Credit Amendments of 1975 must be passed if Congress is to insure every individual the right he should have to live in the society free of the unfair handicap of credit discrimination. I urge your support in the speedy adoption of this important legislation.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at the outset, I want to compliment the chairman of the subcommittee, the gentleman from Illinois (Mr. ANNUNZIO) for his cooperative spirit in working to bring to the House floor today what I think is meaningful and workable legislation. To my way of thinking this could be the most important piece of consumer legislation to come before the 94th Congress. It is historic legislation, and I am pleased and proud to be a part of this moment.

Credit is extremely important in our society today, as we all know. That is an understatement to state the obvious. Credit sales last year totaled $235 billion as compared to cash sales which totaled approximately $341 billion.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. Yes, I am happy to yield to my friend the chairman.

Mr. ANNUNZIO. I do not have any time left. I would appreciate if the gentleman has the time that the gentlewoman from New York (Mr. ABZUG) be recognized for 2 minutes. I told her yesterday that she could have 2 minutes.

Mr. WYLIE. I am not sure if I will have any time left.

Mr. ANNUNZIO. I had a half a minute left that I reserved.

Mr. WYLIE. I will try to accommodate the gentleman from Illinois and the gentlewoman from New York.

Needless to say, discrimination against anybody is a bad thing. It ought to be outlawed, but to outlaw discrimination in the granting of credit is sometimes difficult. Credit ought to be equally available to every worthy borrower in our system and ought to be based on credit worthiness alone, of course.

At the same time, we ought to permit the lender to exercise some judgment as to whether a borrower is, indeed, credit worthy. We cannot pass a law which would, simply stated, say that a lender must mandatorily grant everybody credit who seeks credit.

It would seem to be easy to say that a person should not be discriminated against because of age. That is one of the categories we are here adding to the Equal Credit Opportunity Act which was passed by the 93d Congress. Age is easily determined.

We have also prohibited discrimination or will prohibit discrimination in this bill on the basis of race, color, religion and national origin.

It is my judgment that all those areas of discrimination were prohibited in the Civil Rights Act of 1964, but it does no harm to have these categories included in this bill granting equal credit opportunity, and it might help. This question of age discrimination came up when it was determined during hearings that there are, in fact, credit granting agencies which ask the question as to whether a person is age 65 or over and which do, in fact, discriminate against persons 65 years of age or older so they can not receive credit, which I think is bad.

It is easy to say that a person should not be discriminated against because of age. But, it would make no sense to mandate a mortgage company to extend a 30-year mortgage to a person who is 85 years of age or older.

On the other hand, it is known factually and statistically that an 18-year-old girl is a better driving risk than an 18-year-old boy. So we ought to permit an insurance company to make this inquiry and to allow the 18-year-old girl the benefit of a lower automobile insurance premium.

So what we did to take care of these situations is to say that age could not be used as a negative factor to deny credit.

To refer back to the Spellman-Fenwick amendment then, it would not be a discriminatory practice if a lender decided to use age to provide credit or so-called affirmative discrimination; in other words, an inquiry could be made as to a person's age to grant credit, but could not be used as an inquiry to deny credit.

Although this bill does not specifically prohibit the practice of redlining, and that came up early in the hearings on this bill and I was asked about redlining and what we did in that regard just before the bill came up today. This bill would indirectly prohibit such practice in that each individual applicant for credit must be considered on his own merits as to his credit worthiness.

The Honorable Arthur S. Flemming, Chairman of the U.S. Commission on Civil Rights, made note of this practice of redlining when he appeared at the hearings with supporting testimony that the practice is widespread. He said he supported this bill, because he felt this approach would, indeed, provide a neutral standard of credit worthiness, which would not include class discrimination and would, in fact, prohibit the practice of so-called redlining.

In the case of discrimination because of race or color, the question arose about the laws which provide specific benefits for loans to minority enterprises. I raised this question about minority enterprises last year when we considered the equal credit opportunity bill because the city of Columbus has been an outstanding and shining example of a community which has made credit money available to minority enterprises under arrangements which encourages the loaning of money to minority businessmen and we want to be sure that such lending practices would not be discouraged or would, in fact, be prohibited by this bill. So, we have said, in effect, the loan of money to minority enterprises by businessmen in a community is not unlawful per se and can, in effect, be made the basis of affirmative discrimination.

This bill has a provision which states that a person may not be denied credit because of his race, but economically or socially disadvantaged people may be given preferential treatment in the granting of credit without the lender being in violation of the law. This arose during the hearings about a supposed lender in St. Petersburg, Fla., who has a portfolio indicating that 40 percent of his loans were made to persons aged 65 years of age or older. Statistics in the community indicate that in the creditor's trade area, 60 percent of the people are 65 years of age or older. Would this be a statistic which could be factual evidence of the lender's discrimination?

The gentleman from Illinois (Mr. ANNUNZIO) drafted an amendment, which I supported, which was to make it clear that the fact that the creditor's loans to any of the classifications enumerated in this bill were not equal to the population percentage of such classifications in the creditor's trade area was not, per se, a violation of this act. The gentleman from Illinois has now withdrawn that amendment because it would make unlawful the collection of data provided for in other laws with reference to discrimination in the case of housing and unemployment.

I might add that in the report which was prepared by the Republican Conference, it was stated that the administration is opposed to this bill, but that is not accurate. I have checked with the administration. It was thought that the Federal Home Loan Bank Board was opposed to this bill because it would prohibit the collecting of data which has been otherwise provided for in the housing act to determine if there is discrimination in fact in housing.

The most controversial section of this bill is the one dealing with class action. The bill would provide that a person who is actually damaged may recover his actual damage as an individual or member of a class. If it can be proved that the lender was willful in his violation of the law, punitive damages can be assessed in the amount of 1 percent of the net worth or $100,000, whichever is the lesser.

It is my judgment that the Subcommittee on Consumer Affairs and the Banking, Currency and Housing Committee have done an excellent job. Therefore, I urge support of this bill today.

Mr. WIGGINS. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from California.

Mr. WIGGINS. Mr. Speaker, I ask a question to correct and clarify an uncertainty in my own mind.

May a prospective lender inquire the age of a prospective borrower and deny credit on the basis of the answer, if the answer discloses that the borrower is under the age required to enter into a contract?

Mr. WYLIE. Yes; there is language in the bill which indicates that the person must have the capacity to contract or is of an age to contract. In other words, if a person is under 18 years of age which is the age of consent to contract in most States that could be the basis for denying a contract for credit yes.

Mr. WIGGINS. There is no problem, then, about inquiring with respect to the bottom end of the age scale?

Mr. WYLIE. There is no problem. Any person must, in the first instance, have the legal capacity to enter into a contract to borrow money otherwise the question of credit worthiness does not arise.

Mr. WIGGINS. He must ask the question in order to ascertain that fact?

Mr. WYLIE. That is correct.

Mr. WIGGINS. The creditor would not be obliged to refrain from asking such a question?

Mr. WYLIE. The answer is "No."

Mr. WIGGINS. I thank the gentleman.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague yielding to me. I would like to discuss with him briefly on page 2 of the bill where it outlines three areas for which the decline of credit will not be a violation.

I would like to review those three instances in which a declination of credit is not a violation under this law, and that is:

(1) any loan assistance program expressly authorized by law for an economically disadvantaged class of persons;

(2) any loan assistance program administered by a nonprofit organization for its members or an economically disadvantaged class of persons; or

(3) any special purpose loan program offered by a profitmaking organization to meet special social needs which meets standards prescribed in regulations by the Board;

My question relates to this: The thrust of these provisions is that it shall be illegal for private parties to discriminate in the granting of credit, but that it appears to be perfectly all right for the Federal Government to do so. And the bill seems to provide that it shall be illegal to discriminate against somebody, but entirely proper to discriminate for somebody.

How did the subcommittee handle that problem, as the gentleman sees it, in this bill?

Mr. WYLIE. The gentleman from California is absolutely correct. The gentleman has stated succintly the specific purpose of those three provisions.

As I indicated in my opening statement, there are areas in which we do not want to prohibit discrimination in the granting of credit to a particular ethnic group or to a particular group of people who are economically or socially disadvantaged, and I mentioned the case of the city of Columbus——

Mr. ROUSSELOT. Yes, the gentleman did.

Mr. WYLIE [continuing]. Where a private corporation not for profit was organized, and the lending institutions in the city of Columbus were encouraged to loan money to that private group, which happens to be a black-oriented group.

We do not want the lending institutions in the city of Columbus to be discouraged from continuing with that program. So the language to which you refer simply says that an affirmative discrimination of that kind is not unlawful and is not a violation of this act. Negative discrimination, or the denial of credit, could be. Affirmative discrimination in those three areas would not be prohibited. The gentleman is correct.

Mr. ROUSSELOT. Mr. Speaker, I wonder if we are potentially creating some problems of contradiction with this provision. I do understand, and I am sympathetic with what the committee has attempted to do here, but I wonder if it does not present some kind of potential contradiction as to a policy of Congress.

Mr. WYLIE. I do not sense that there is any policy of contradiction envisioned here. I think it is in line with the Civil Rights Act of 1964, with the Equal Opportunity Acts, with the Equal Employment Acts, et cetera. I believe we could not pass a bill providing for equal credit opportunity if we did not make it unmistakably clear that there are certain cases in which affirmative discrimination in the granting of credit is not only desirable but necessary.

Mr. ROUSSELOT. I appreciate the gentleman's comments.

Mr. WYLIE. I thank the gentleman for his contribution.

Mr. Speaker, I yield 5 minutes to the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, in view of the circumstances under which this legislation is coming before the House today—under suspension of the rules requiring a two-thirds vote for passage and prohibiting any amendments from the floor—I want to make clear to colleagues who know of my long identification with this legislation that I intend to vote for H.R. 6516.

However, I am sorry it is being brought before the House under suspension of the

UMI

rules because I would have offered a number of amendments to strengthen the measure had it come before us in the normal manner. In my separate statement of views in House Report 94–210, the committee report to accompany H.R. 6516, I tried to spell out in detail the shortcomings of the bill as agreed to in committee, as well as its very good points.

SIMILAR TO LAST YEAR'S H.R. 14856

Essentially, it is the kind of legislation I wrote and tried to get through the full committee last year while I was chairman of the Subcommittee on Consumer Affairs. But before the House Committee on Banking and Currency completed action on last year's bill, H.R. 14856, House conferees from another banking subcommittee went to conference with the Senate on the bank deposit insurance bill, H.R. 11221, and agreed to a series of nongermane Senate amendments to that bill which were in the jurisdiction of the Consumer Affairs Subcommittee.

Among those nongermane amendments was an abbreviated version of H.R. 14856 applying only to discrimination by reason of sex or marital status, and excluding the other categories covered in H.R. 14856, race, color, religion, national origin, and age.

The conference report on H.R. 11221 came before the House last year under a rule waiving points of order on nongermane Senate amendments, and the House therefore had no chance to vote on any of the specific provisions of what is now the Equal Credit Opportunity Act. I fought that procedure as hard as I could last year, but lost.

I was therefore hoping that when we took up this new bill to strengthen the Equal Credit Opportunity Act passed last year, and to expand its coverage, we would do so under an open rule with full opportunity to offer amendments. Since the chairman of the subcommittee, Mr. ANNUNZIO, apparently feels the House would be more likely to accept floor amendments to weaken the bill rather than those to strengthen it, I will not attempt to block its passage under suspension. I am convinced that Chairman ANNUNZIO also wants a good, strong Equal Credit Opportunity Act. He has worked very hard on this legislation.

It is now going to be up to the Senate to improve H.R. 6516 in order to correct some of the remaining deficiencies of the law the Senate wrote last year, particularly as regards the effectiveness of the class action penalty. Consumer groups which should have a very strong interest in this issue have so far evidenced less concern than I hoped they would show on this point. The weak class action provision of existing law is continued in H.R. 6516. Several other provisions of H.R. 6516 also differ markedly from the stronger bill I introduced on the opening day of this Congress, H.R. 1065, and its identical successor, H.R. 3386, introduced by Mr. ANNUNZIO and seven others of us on the subcommittee and by Chairman REUSS of the full committee. I hope the changes which weaken the legislation will be sharply scrutinized by the Senate committee when it holds hearings for the first time on equal credit legislation. Let us hope the Senate can then pass an even stronger bill than H.R. 6516 as now written.

GOOD AND NOT-SO-GOOD PROVISIONS OF BILL

In the meantime, I feel H.R. 6516 represents tremendous progress over the present act. As the original author of such broad-based legislation covering discrimination by reason of race, color, religion, national origin, and age, as well as sex and marital status, I hope H.R. 6516 will receive the necessary two-thirds majority today to send it to the Senate for further consideration which could result in further strengthening the 1974 law on credit discrimination which takes effect next October 28.

Some of the good and not-so-good provisions of H.R. 6516 as it now stands are as follows:

Legislation to amend the Equal Credit Opportunity Act of October 28, 1974, is needed in order to accomplish these two important purposes:

First. To strengthen materially the weak law now on the books, which takes effect October 28, 1975, to prohibit discrimination in credit transactions by reason of sex or marital status; and

Second. In addition to strengthening the existing law applying to discrimination based on sex or marital status, it is essential also to effectively prohibit discrimination in credit by reason of race, color, religion, national origin, or age.

Most of the provisions of H.R. 6516 as reported from the Committee on Banking, Currency and Housing are directed to these two desirable objectives. Furthermore, the committee amendments reported to the House are generally technical or substantive improvements. But H.R. 6516—introduced as a clean bill following action by the Subcommittee on Consumer Affairs on H.R. 3386—contains several serious changes from the original bill which not only water down the proposed new prohibitions dealing with race, color, religion, national origin, and age, but actually reduce the effectiveness of the weak existing law dealing with discrimination by reason of sex or marital status.

Thus, the women's groups which worked so hard to get Congress to enact a law to outlaw credit practices based on archaic concepts of women's role in the economy would find H.R. 6516—if not further strengthened before enactment—a trade-off. Several good new enforcement weapons would be added to the law, but at the expense of greater difficulty in getting into court than is now the case when violations occur.

ADDITION OF THE WORD "WILLFULLY"

A glance at the Ramseyer section of the report showing changes in existing law will reveal that H.R. 6516 revises significantly, and mostly for the better, the existing law's section 706 dealing with civil liability. One of the major changes ascribes important enforcement powers to the Attorney General, in pursuing credit discrimination violations called to his attention by various Federal enforcement agencies or, in acting on his own initiative, "whenever he has reason to believe that one or more creditors are engaged in a pattern or practice in violation" of the Equal Credit Opportunity Act. Another new provision provides aggrieved applicants for a credit period of up to 1 year after an enforcement agency establishes a violation by a creditor to enter a suit for damages. Otherwise, the 1-year statute of limitations in the present act could well expire before an applicant who had been turned down for credit became aware from a Federal agency action that he or she may have been discriminated against illegally by that creditor and had a legitimate cause of action for redress.

However, against these consumer protection improvements in the law, section 706 as revised by H.R. 6516, would provide that no consumer could successfully seek punitive damages unless the creditor "willfully" violates the law. This word is not in the present law. Removal of the word "willfully" from H.R. 6516 would not open the way to frivolous law suits based on technical violations because other provisions of the legislation require that in successful class actions the court in determining the amount of the award must take into consideration, among other things, "the extent to which the creditor's failure of compliance was intentional." This is, in any event, a test which the courts would apply in any case involving punitive damages. Requiring that willfulness be proved as a condition of collecting punitive damages would mean that the kind of proof generally required in criminal cases would have to be produced in civil actions under this law. Unlike the Truth in Lending Act, the Equal Credit Opportunity Act contains no provision for criminal penalties for willful violations.

SHOULD PROVIDE THE RIGHT TO KNOW THE REASON FOR DENIAL OF CREDIT

One of the most frustrating experiences of the creditworthy applicant in being turned down for credit is to try to find out why. Under the Fair Credit Reporting Act, such an applicant must be told whether the rejection was based wholly or in part on information provided by a credit bureau, but not the reason for rejection. Many consumers who are refused credit ostensibly because of a credit report then go to the credit bureau but find nothing in their record which can be considered adverse. The creditor does not indicate what material in the credit report has prompted the turndown.

In developing its regulation for implementing the Equal Credit Opportunity Act of 1974 applying to discrimination by reason of sex or marital status, the Federal Reserve Board proposes that all credit applications carry a notation that in case of rejection the applicant is entitled to ask for the reason and to receive it in writing, and that the rejected applicant must be given the creditor's reason for rejection upon so requesting it. An amendment I offered in committee to write this protection specifically into the law was rejected on a tie vote, 18 to 18. It would provide statutory support for the Federal Reserve regulatory proposal. It would also provide consumers with information they need to know in order to determine whether a rejection for credit is legitimately based on lack of creditworthiness and potential difficulty in obtaining payment of the credit. Such a provision would eliminate many misunderstandings which would cause needless litigation.

Adoption of this amendment would strengthen the existing law, and would prevent a successful challenge to the Fed's right to require such disclosure to all consumers covered under the Equal Credit Opportunity Act. Under the act as now written, the Federal Reserve has full authority to make provision in its regulations for adjustments and exceptions for "any class of transactions" necessary in its judgment to effectuate the purposes of the law. If enacted, therefore, this amendment would not—as some critics charged in committee it would do—have to require every "mom and pop" grocery store or neighborhood gas station operator to provide written explanations for refusing to put a casual customer's Sunday purchase "on the tab."

RELATION TO STATE LAWS (COMMITTEE AMENDMENT)

The committee amendment language now in section 4 of the amended bill dealing with State laws was originally a part of another section of H.R. 3386 and apparently was inadvertently dropped in drafting the clean bill. It eliminates section 705(e) of the existing law which now requires an aggrieved applicant seeking redress for discrimination to elect to use either machinery of the Federal law or of any State law applying to the same transaction. Many of the State laws prohibiting credit discrimination provide only for mediation by the State human rights commission or similar agency, with no provision for recovery of damages. A consumer who is referred to a State agency for help in investigating a rejection for credit based perhaps on illegal discrimination should not thereby be precluded from recovering damages he or she would be entitled to for violation of this Federal law. At the same time, the amendment makes clear that damages cannot be obtained under the Federal law if recovery has been had under a State antidiscrimination law affecting the same transaction.

For instance, according to information obtained by the subcommittee in 1974 on State antidiscrimination laws, summarized in part 2 of the 1974 hearings on credit discrimination, the Connecticut Human Rights Commission can investigate complaints and order payment of actual damages only; in Maryland the Commissioner of Small Loans can issue cease and desist orders and seek criminal penalties, but there is no provision for private suits; similarly in Minnesota, there is no provision for private suits but the State Commission Against Discrimination can seek criminal penalties for contempt of a commission order; New Jersey's law provides for complaints to the attorney general but no provision for damages; Rhode Island's law provides primarily for conciliation by the Commission on Human Rights; Illinois' law sets up no enforcement machinery; and administrative remedies only are available in West Virginia, Vermont, Alaska, Kansas, and South Dakota. A $1,000 fine can be imposed in Wisconsin.

Actual damages can be obtained under court action in Washington plus court costs, in California plus $250, in Utah, and in Texas or $50, whichever is greater. In Colorado, consumers can sue for actual damages, and if successful can receive at least $100 and up to $1,000, plus costs. Massachusetts provides for actual and special damages up to $1,000. Oregon permits both compensatory and punitive damages.

AVOIDING CONFUSION IN ENFORCEMENT POLICY (COMMITTEE AMENDMENT)

A provision of H.R. 6516 struck out by a committee amendment would have amended section 706 of the existing law to provide a "good faith" defense against liability under the act for any creditor who can show that he acted in conformance with any "interpretation" of the act provided by any of the many Federal agencies which now have enforcement responsibilities under the Equal Credit Opportunity Act—the FTC, the CAB, the SEC, the Small Business Administration, the Farm Credit Administration, the FDIC, the Home Loan Bank Board, the Comptroller of the Currency, the Interstate Commerce Commission, the Federal Credit Union Administration, or the Secretary of Agriculture—in addition to the Federal Reserve, which alone has the power to issue regulations under the act.

Both the Federal Reserve and the FTC have advised the committee that allowing a proliferation of agencies authorized to issue legally binding interpretations of the act would cause vast confusion as to compliance requirements and undermine if not destroy the goal of uniformity of enforcement policy. The Federal Reserve, furthermore, has assured the committee that it and the 12 regional Federal Reserve banks stand ready at any time to advise any businessman who requests guidance on what he can or cannot do under the act.

The Fed also provides such guidance to business firms under the Truth in Lending Act, for which it also has sole powers for issuing regulations and official interpretations. Under both laws the creditor can depend absolutely as a "good faith" defense against charges of violation any action based on conformance to the policy set down by the Federal Reserve Board. The Government should speak with one voice on this crucial matter of compliance policy, not through 12 separate agencies issuing differing interpretations.

The committee amendment to H.R. 6516 striking the words "or any other agency having rulewriting or enforcement responsibilities under the act" in the revised section 706(e) should therefore be approved in order to prevent chaotic dispersal of binding rulemaking authority among the 12 different agencies of Government enforcing the Equal Credit Opportunity Act.

NEED FOR CLASS ACTIONS AS AN EFFECTIVE DETERRENT

Perhaps the most serious of all of the changes made in H.R. 3386 by the Subcommittee and now contained in H.R. 6516 is one which continues the ceiling in the present law of $100,000 or 1 percent of net worth, whichever is less, as the maximum amount of recovery of punitive damages in a class action suit, regardless of the number of persons involved or the seriousness of the violation or violations. H.R. 3386, before amendment in the subcommittee, would have set these maximum limits at $50,000 or 1 percent of net worth, whichever is greater.

To a very large national creditor, a $100,000 judgment in a class action suit is inconsequential as a deterrent to serious violations; similarly, to a small local creditor, thinly capitalized, a judgment aggregating only 1 percent of net worth is also negligible as a deterrent. Private law suits, particularly the threat of class actions, are regarded by the enforcement agencies as an invaluable adjunct to administrative enforcement efforts, but only if the penalties are significant enough to justify the tremendous complexities of utilizing the class action device under the severe restrictions of Federal Rule 23 as recently upheld by the Supreme Court. If the word "willfully" stays in the bill, the limitations on class action penalties in the legislation as now written preclude any effective use of class actions in promoting creditor compliance with the Equal Credit Opportunity Act.

Unless the words "lesser of $100,000 or 1 percent of net worth" are replaced by the language originally in H.R. 3386, "greater of $50,000 or 1 percent of net worth," it would be preferable in my opinion to have no reference in the Equal Credit Opportunity Act to class actions.

EXTRA CREDITOR PROTECTIONS ADDED IN SECTION 3(b)

I tried and failed in committee to strike from section 3(b) the second sentence holding a creditor not in violation of the act if the creditor excludes race, color, religion, national origin, age, sex, or marital status "from its determination of the creditworthiness of any applicant or from any other aspect of a credit transaction." I find these words unclear and a potential loophole of vast dimensions. Congressman MITCHELL of Maryland tried and failed in committee to delete all of section 3(b) including the first sentence which in effect holds that no prima facie case of violation can be established by evidence of apparent discrimination based on statistical data. I support Congressman MITCHELL'S contention that such evidence, while certainly not conclusive, should at least be permitted to be taken into consideration, particularly when the figures are so flagrantly lopsided as to indicate pretty strongly that the creditor may be discriminating illegally.

It is my understanding that section 3(b) is not included in the bill as offered for consideration under suspension of the rules. The deletion of that section improves the legislation significantly.

HISTORY OF THE LEGISLATION

While I have been critical of some of the provisions of the bill and of existing law which I think are weak or are loopholes in fighting unfair credit discrimination, I am nevertheless deeply proud of the progress that has been made in this field in the very short period of 3 years since the National Commission on Consumer Finance held hearings at my instigation on the extent of discrimi-

UMI

nation against women, particularly married women, in the use of credit. The Commission, which was created by title 4 of the Consumer Credit Protection Act of 1968, conducted a study between 1970 and the end of 1972 into all aspects of consumer credit in the United States and made many excellent—along with some hotly disputed—recommendations for improvement of the consumer credit field. But the aspect of the Commission's work which instantly won the greatest public interest and support was in dramatizing the extent of credit discrimination against women. Congressman GONZALEZ of Texas and former Congressman Lawrence G. Williams of Pennsylvania served with me as House members of the nine-member Commission during the 92d Congress.

Three years ago this month when we held our Commission hearings on this issue, there was not a single law, I believe, on the books of any State, and not a single bill in either House of Congress, to prohibit credit discrimination based on sex or marital status. Immediately thereafter—even before the Commission completed its final report in December 1972—the States began passing laws to prohibit discrimination in credit because of sex, or because of sex or marital status, and dozens of bills along the same line were introduced in Congress. The Senate passed such a bill without hearings in the 93d Congress as part of an omnibus bill containing numerous controversial provisions to revise the Truth in Lending Act. In the House, the Subcommittee on Consumer Affairs drafted and proceeded to take up a separate bill dealing with discrimination by reason of race, color, religion, national origin, age, sex, and marital status, with the agreement among its 13 cosponsors that we would all oppose any attempt to make the House antidiscrimination bill a vehicle for going to conference on the Senate's omnibus truth in lending bill.

But after the Subcommittee on Consumer Affairs had completed action on its broad based antidiscrimination bill last year and before the full committee acted on it, the House conferees from another subcommittee went to conference with the Senate on the bank deposit insurance bill to which the Senate had attached all of the provisions of their consumer credit bill. The House conferees agreed to these Senate riders, including the weak Senate antidiscrimination bill, and the conference report then came before the House under a rule waiving points of order against the nongermane Senate amendments. Thus there was no way to obtain separate votes in the House on the individual provisions of the nongermane Senate amendments. Under the equivalent of a closed rule on the conference report on the bank deposit insurance bill the House was faced with the choice of defeating or recommitting the entire conference report, including provisions desperately sought by the homebuilding industry as a means to try to revive that depression-ridden segment of the economy.

That is how a weak Equal Credit Opportunity Act was enacted, to take effect October 28, 1975, and how some seriously weakening amendments to the class action provisions of the Truth in Lending Act were also enacted, to take effect immediately on passage and apply retroactively to pending cases, without the House having had the opportunity to vote on any of these specific provisions or to amend them.

This year, therefore, I introduced on the opening day of the 94th Congress a new credit discrimination bill, H.R. 1065, which was later reintroduced in identical form as H.R. 3386 on February 20 by the new chairman of the Subcommittee on Consumer Affairs, Mr. ANNUNZIO, and was cosponsored by seven others of us on the subcommittee and by Chairman REUSS of the parent committee. This legislation was intended to close the loopholes in the 1974 statute on equal credit and to expand its coverage to include all of the categories now cited in H.R. 6516, along with sex and marital status. H.R. 6516 incorporates most of the provisions originally introduced in the last Congress as H.R. 14856, and of H.R. 1065 and H.R. 3386 as introduced in this Congress. I am proud of the work which has gone into this legislation as far as it goes.

But since the new bill as it now stands is not as strong as it needs to be to meet its objectives, I hope the 94th Congress will make the Equal Credit Opportunity Act into the kind of law it should be to eliminate unfair and irrational discrimination against millions of creditworthy Americans—men and women; single, married, or divorced; black or white; under 26 or over 65; English or Spanish-speaking—as long as they are creditworthy.

As I said earlier in my remarks, the chairman of the subcommittee, Mr. ANNUNZIO, has worked hard to get a good bill through. I appreciate the courageous position he has taken on some of the more controversial issues considered in the subcommittee and in the full committee. I hope we can all be proud of the final version of this legislation in fighting credit discrimination.

Mr. ANNUNZIO. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I wish to ask one question.

When I consulted with the gentlewoman from Missouri about placing this legislation on the schedule for consideration under suspension of the rules and we discussed the reasons for that, I was under the impression the gentlewoman agreed with me. Am I wrong about that?

Mrs. SULLIVAN. Mr. Speaker, I agreed with the gentleman when he told me he wanted the bill on the suspension calendar. I said to the gentleman that he was the chairman of the subcommittee, and it was his decision to make.

Mr. ANNUNZIO. And the gentlewoman said she would have no objection?

Mrs. SULLIVAN. I said I would yield to the gentleman's request, and I did. I did not object.

Mr. WYLIE. Mr. Speaker, how much time do I have remaining?

The SPEAKER. The gentleman from Ohio has 1 minute remaining.

Mr. WYLIE. Mr. Speaker, I yield myself the balance of my time.

Ms. ABZUG. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I would be glad to yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Speaker, I wish to compliment the gentlewoman from Missouri (Mrs. SULLIVAN) for her pioneering work in the whole consumer credit field, and I wish to compliment the gentleman from Illinois (Mr. ANNUNZIO) for his work in this regard.

I regret that this bill has been placed on the Suspension Calendar. It is good legislation as far as it goes, but it should be amended in several respects. Regrettably, it is not only the class action feature which we are being deprived of here, but the existence of consumer credit legislation requiring a showing of willfulness in order to collect damages is an anomaly. Everyone knows effective consumer credit legislation requires an ability to be able to collect damages.

The weakness in H.R. 6516 that is closely related to use of the effects test is the requirement in section 5 that a violation must be willful in order for a court to award a civil penalty. The Equal Credit Opportunity Act of 1974 provides for the award of civil penalties for all violations, whether willful or negligent. Under proposed section 5 plaintiffs who could not establish that violations were willful would be limited to actual damages.

Where credit criteria, though arbitrary and discriminatory, are on their face legitimate, it would become nearly impossible to demonstrate an intent to discriminate. This would mean that plaintiffs who rely on the effects test would be limited to the recovery of actual damages.

In the area of consumer credit legislation actual damages do not provide a sufficient incentive for endorsement by private actions. The actual money damages that result from violations of statutes such as truth-in-lending, fair credit reporting, or the Equal Credit Opportunity Act may be very small or highly speculative. With the likelihood of only minor recoveries, consumers will have little incentive to bring lawsuits to enforce their rights.

Congress successfully addressed this problem in the original Truth in Lending Act of 1968 which provided a minimum civil penalty of $100 for all violations of the act. The Equal Credit Opportunity Act of 1974 was a partial retreat in that it failed to provide for a minimum civil penalty. Section 5 of H.R. 6516, in disallowing any civil penalties, except in the rare case of proven willful discrimination, would be a full retreat from effective private enforcement. Undermining enforcement by private actions will result in widespread non-compliance and create demands for already overregulating agencies to undertake extensive programs of administrative enforcement.

Other amendments considered in subcommittee and committee—particularly those raising the ceiling on punitive damages and requiring creditors to disclose to an applicant the reasons his or her application was rejected—should also have been considered on floor.

I regret that a law which I and some

of my colleagues fought for has been unnecessarily weakened in this legislation. I trust that the other body will remedy these weaknesses, and that the leaders of this committee will seek to do likewise through the process of hearings and enactment in the other body, and through conference.

Mr. WYLIE. Mr. Speaker, if the gentlewoman will suspend, I would like to answer her erroneous statement. There is only about 30 seconds left in order for me to do that.

We used the word, "willful," in the bill as a part of the test for punitive damages. There are two sections with respect to damages for individual or class actions. One section has to do with actual damages, and if a person can prove in court that a lender has been negligent, that person or any person in that class is entitled to actual damages.

In the case of punitive damages section 5(b) requires proof of willful negligence. But, the point is there are two separate tests required for separate causes of action. A lender should not have punitive damages assessed in a lawsuit where only simple negligence could be shown. Punitive damages would be added to actual damages only where the act of negligence was willful.

Mr. Speaker, that was the reason for adding the word, "willful," to the punitive damage section.

Mr. ANNUNZIO. Mr. Speaker, in closing, let me point out to the House that this is a simple bill, landmark legislation. A vote for the bill is a vote to help 25 million senior citizens. A vote against the bill is to deny our old people access to credit.

Mr. GRASSLEY. Mr. Speaker, in a free enterprise system the happiness of the individual and the smooth operation of the free market mechanism require that individual action not be restricted, either by the person's own ignorance or by the actions of others who want to prevent the individual from acting freely.

The Government of our Nation sponsors a variety of programs and laws which are designed to assist the individual to act in accord with his own choices. These include laws aimed at preventing individuals and businesses from unfairly restricting the rights of others, programs such as social security and medicare, for which an individual contributes during his working life to preserve his economic independence later on, and such programs as public housing and welfare whose aim is to provide a modicum of support for those who have not achieved complete independence in the economic realm of the free market system.

There are important distinctions to be drawn between the list of the programs discussed above and the others. In public housing or welfare, the recipient receives support from the Government without being required to repay the Government for services or funds received. Thus, in my estimation, the value of such programs for the recipient is diminished by the very fact that he has little to give in return. If I may allude to a recent editorial by Mr. William Raspberry in the Washington Post, June 2, there is a tinge of illegitimacy to public giveaways. He states further:

> It isn't just the intrinsic worth of the goods or services that determines whether they will be of value or not; it is also whether the recipients consider that they are deserved.

Yet in the cases of medicare and social security, the benefits are clearly deserved in virtue of the contributory nature of these programs, so the recipients need feel no lack of pride.

If all people, however, are to be in a position to contribute to their own well-being, they must be able to overcome the adverse affects of discrimination, in any form. This is why legislation such as H.R. 6516 is so important, and why I have agreed to be one of the measure's cosponsors. The legislation would prohibit discrimination on the basis of race, color, religion, national origin, and age. The effective result will be to open up choices for Americans from all walks of life who have been unable to participate freely in the marketplace in years past. The cost of this legislation, in terms of dollars and governmental interference in the activities of business, is minimal. Willful discrimination is legislated against so that businesses would be subject to punitive damages if it is practiced. But at the same time, businesses will be put on notice that the Federal Government cannot and will not tolerate discrimination on the basis of personal whims and personal prejudices. The result, then, should be a new breath of freedom for many who have had trouble getting credit in the past, and another step forward toward assuring the individual of his right to act independently and to achieve a sense of deservedness.

Of particular concern to me is the prohibition of discrimination on age. People who have worked for a lifetime and have otherwise been creditworthy should not be arbitrarily denied credit because they have reached a certain age. This bill is a conscientious effort to overcome such a practice.

Mr. PICKLE. Mr. Speaker, I rise in support of the Equal Credit Opportunity Act Amendments of 1975.

I have long been interested in providing equal credit opportunity to all our citizens. In the previous Congress I introduced a bill to prohibit discrimination on account of sex or marital status in the granting of credit. I am pleased that the 93d Congress acted to make this a reality. For too long we have allowed discrimination on credit to effectively limit the opportunities for making a living. This is the worst kind of discrimination, and has no place in America.

The bill we are considering today would also prohibit discrimination, based on race, color, religion, national origin, or age. Discrimination on any one of these grounds should not be allowed. Credit should be granted on the basis of the ability to pay back the loan, not the superficial basis of prejudice or appearance.

There is one additional point I would like to make, Mr. Speaker. The bill I introduced called for a penalty, in the case of a class action, of "not more than the greater of $50,000 or 2 per centum of the net worth of the creditor." This is considerably stronger, and, I feel more effective, than the class action penalty provision we are considering today. My distinguished colleague from Missouri (Mrs. SULLIVAN) has expressed her concern that the provisions in the amendments would preclude effective use of class actions in promoting creditor compliance with the Equal Credit Opportunity Act. She has urged that the original language of the bill taken up by the committee be used the lesser of $100,000 or 1 percent of net worth. This provision is similar to the one in the bill I introduced, except that a 1-percent instead of the 2-percent net worth figure is used. I believe this change would make this measure even more effective, and I lend my support to it.

I urge my colleagues to give this measure a vote of approval. America, the land of the free, deserves another freedom, the freedom to obtain credit so as to have the ability to make a living.

Mr. DRINAN. Mr. Speaker, the Equal Credit Opportunity Act Amendments of 1975 fill important gaps that were left in the statute when we first enacted the law prohibiting discrimination in credit transactions. In the bill we pass today, additional forms of discrimination are forbidden. H.R. 6516 adds race, color, religion, national origin, and age to the list of prescribed credit practices. That should go a long way in helping to solve the serious problems which members of those groups confront when seeking credit.

Despite the praiseworthy provisions and goals of this bill, two of its sections gave me a great deal of pause when H.R. 6516 was first placed on the calendar prior to the recess. First, language in section 3 of the act appeared to diminish some of the thrust of the decision of the Supreme Court in *Griggs* v. *Duke Power* Co., 401 U.S. 424 (1971). In that and other cases, the courts have held that statistical evidence showing discrimination constitutes a prima facie case which casts the burden on the defendant to come forward with facts to rebut the presumption of discrimination. To undercut that evidentiary rule, which has been part of civil rights law for many years, would be to do a great disservice to the attempts to eliminate all vestiges of discrimination in American life.

I am pleased to note, however, that, after the bill was withdrawn from the calendar 2 weeks ago, and amendment was agreed to which would remove the offending section from the bill. It required the deletion of language from section 3 and the sponsors have now indicted that that has not been accomplished.

The second matter which concerned me involved the addition of the word "willfully" to the section which allows recovery of punitive damages for violations of the act. The problem here is that the courts have applied differing standards of proof in assessing punitive damages. Without precise definition of terms, the addition of that word might well eliminate a very important remedy from the law. In an area as critical as

UMI

credit, we ought not to remove, directly or by implication, any relief which might be available to the hapless victim. Nor should we allow any weakening amendments which might dilute the laudatory objectives of the statute.

Because of the procedural posture in which this bill comes to the floor and because it is important that the bill be enacted into law, I am prepared to vote in favor of it, despite the presence of the word "willfully" in the statute. As I understand the matter, it is our intention that the word not be construed to prevent recovery, in appropriate cases, of punitive damages. Persons who extend credit must be deterred from engaging in conduct proscribed by this law. The punitive damage provision is one way of doing that.

There, of course, is no desire to "punish" credit department employees who make technical errors in recording transactions. But for serious violations, punitive damages should be available and should be awarded under a standard consistent with the goals of the act.

Mrs. HOLT. Mr. Speaker, the Equal Credit Opportunity Act Amendments of 1975 are an important and necessary step toward the fair, successful, and efficient operation of any and all legitimate credit agencies. H.R. 6516 increases the potency of all existing laws regarding credit discrimination, and does so in a manner that benefits large and small business alike. While the bill does not open any loopholes by which the credit industry may take unfair advantage, it does eliminate some of the unnecessary restrictions that hamper the growth and progress of all legitimate credit agencies.

H.R. 6516 not only is a boon to the business community, it is good for the individual consumer as well. It protects the young child who has no experience in handling credit matters from discrimination at the hands of a large credit organization. Also, it extends this same protection to the elderly.

By exempting from violations certain actions by credit agencies, H.R. 6516 provides the breathing room necessary for extending credit in a manner that benefits both parties involved in the transaction. One of the cornerstones of American business is a workable system of credit, and the Equal Credit Opportunity Act Amendments of 1975 will help to insure that this country's business system remains the strongest in the world.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill (H.R. 6516), the Equal Credit Opportunity Act Amendments of 1975.

The SPEAKER. The question is on the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. REUSS) that the House suspend the rules and pass the bill (H.R. 6516), as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend title VII of the Consumer Credit Protection Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes.".

A motion to reconsider was laid on the table.

AMENDMENT TO THE FOREST PEST CONTROL ACT OF 1947

Mr. LITTON. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 441), as amended, to amend the Forest Pest Control Act of June 25, 1947.

The Clerk read the Senate bill as follows:

S. 441

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 5 of the Forest Pest Control Act of June 25, 1947 (61 Stat. 177; 16 U.S.C. 594–1 through 594–5), is amended by changing the period at the end thereof to a comma and adding the following: "such sums appropriated for fiscal year 1975 and thereafter to remain available until expended.".

The SPEAKER. Is a second demanded?

Mr. SYMMS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. LITTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 441, as amended, provides that funds appropriated in accordance with the provisions of the Forest Pest Control Act of June 25, 1947, for fiscal year 1975 and thereafter shall remain available until expended. Under existing law, Federal pest control funds cannot be carried over into the next fiscal year. The effect of S. 441 would be to remove this limitation by making funds appropriated under the act available until expended.

The House amendment to the Senate bill simply makes it clear that the provisions of this act will apply beginning with funds appropriated in the present fiscal year, which ends June 30, 1975.

The bill as amended received unanimous support of both the Forests Subcommittee and the full Committee on Agriculture. It has the support of the administration. All testimony received by the Subcommittee on Forests was favorable. I know of no opposition to its passage.

S. 441, as amended, will provide the Forest Service of the Department of Agriculture with the funding continuity that is so essential to control efforts directed at forest pests.

The lack of funding continuity between fiscal years interrupts control projects at the end of the fiscal year when funds cease to be available. Control projects which should be started or continued early in the next fiscal year are delayed until new funds are appropriated. Meanwhile, the forest pests continue to do their damage, and the most effective time for control may pass. These interruptions and delays are also administratively inefficient.

As the House is aware, four times in the past 12 years, the Forest Service has had to come to Congress seeking supplemental appropriations to handle major outbreaks of forest pests. There is $5 million in the second supplemental for this purpose directed toward control of forest pest outbreaks in several sections of the country. If this bill is not enacted, this money would have to be spent prior to June 30, 1975, or revert back to the Treasury. Should this occur, the Forest Service control projects would, necessarily, be reduced in overall effectiveness.

A further point to consider is that control projects must be monitored and evaluated to determine their effectiveness and environmental impacts and to make recommendations for future action. Financing this important followup work can be very difficult late in the fiscal year when funds may cease to be available before the work can be completed.

The State forestry agencies conducting the forest pest control program on non-Federal lands are dependent upon matching Federal funds for 50 percent of the cost. State legislatures are reluctant to appropriate matching funds if the Federal dollars cannot be assured. These assurances are not possible when Federal forest pest funds are unavailable between the end of 1 fiscal year and the passage of an appropriation for the next fiscal year. Testimony before the Subcommittee on Forests of the Committee on Agriculture revealed that the situation is complicated by the fact that some States budget on a biennial basis.

Finally, Forest Service data for 1970 shows 4.5 billion cubic feet of growing stock and 2.6 billion cubic feet of sawtimber were lost to destructive agents, but do not identify specifically the losses caused by insects and diseases. However, in 1966, insects and diseases caused direct losses of 2.4 billion cubic feet of growing timber valued at $112.5 million and 1.6 billion cubic feet of sawtimber valued at $500 million. In addition, losses to other forest resources such as watersheds, recreation, and so forth, reduced the opportunity for their utilization by the American public. Secondary losses which include the amount of available lumber for housing or industrial development and the subsequent reduction in available jobs at critical time periods can also be attributed to the outbreak.

Effective suppression prevents the destruction or damage to all forest resources both immediately and ultimately threatened. A direct monetary return for the investment may result where suppression strategy includes removal of timber for processing into lumber.

The Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344) provides that fiscal years shall begin on October 1, effective October 1, 1976. While this change will place the critical May through August period in the same fiscal year, it will not solve the basic problem addressed by S. 441. Regardless of when the fiscal year begins and ends, there could be potentially serious interruptions in forest pest control projects unless funds are available until expended.

Before concluding, Mr. Speaker, I would like to comment on the fact that while the committee report takes note of the serious problem facing the Northeast with the spruce budworm, it is not the intent of the committee that the Forest Service reduce its research efforts aimed at the other major forest pests such as the tussock moth, southern pine beetle, gypsy moth, or mountain pine beetle, or any of the other lesser pests. The committee recognizes the budget restraints on the Forest Service in this area and asks only that the Forest Service recognize the significance of the threat posed by the spruce budworm and that the Forest Service continue to do the necessary research to gain control over all forest pests, including the spruce budworm.

Mr. SYMMS. Mr. Speaker, I yield 5 minutes to the gentleman from Maine (Mr. COHEN).

Mr. COHEN. Mr. Speaker, I rise in strong support of S. 441, and would like to commend my colleagues on the Forests Subcommittee of the Committee on Agriculture for their efforts on behalf of this legislation. This bill is an amended version of H.R. 1670 which I introduced on January 20, and it removes the existing limitation from the Forest Pest Control Act of 1947 which precludes the carryover of funds appropriated for forest pest control activities from one fiscal year to another. This change in the law is primarily designed to promote the efficiency of Federal and State pest control activities by providing the Forest Service with greater flexibility to conduct forest pest control programs when they will be most effective.

I would also like to commend the subcommittee for its recognition of the severity of the spruce budworm infestation now plaguing the forests of Maine. In this regard, I was pleased to note that the report accompanying S. 441 urges the Forest Service to allocate a significant portion of its research and development funds to devising a means of combating this destructive pest. It is clear that the best hope for protecting and preserving Maine's invaluable forest environment from the recurring attacks of the budworm lies in an extensive research program, and I trust that the Forest Service will heed the wishes of the subcommittee and assign this task the highest priority.

Specifically, S. 441 seeks to remedy a recurring problem which has impeded forest pest control efforts over the years, namely the lack of funding continuity in carrying out these activities. Typical forest insect and disease outbreaks become active in the spring and increase in intensity during the summer and fall. If control efforts are to be effective, it is essential that they be geared to coincide with a particular period in the pest's life cycle. This period, which can be as short as 2 or 3 weeks, varies greatly among individual insects or diseases, geographic locations, and weather conditions, thus necessitating the need for flexibility in seeking to combat the outbreak. Moreover, many forest pest control projects span 2 fiscal years, because pests are at their peak between May and August. Interruptions in control projects resulting from a lack of funding continuity between fiscal years lessen the effectiveness of the projects and only leads to further depredation of the forests by allowing the pest to become reestablished and to spread. Frequently, the end result is the permanent loss of precious woodlands that could have possibly been saved had control efforts not been interrupted.

The problem is aggravated when a cold or wet spring delays the emergence of the insects, and control projects must be postponed until early in the next fiscal year. In this situation, funds appropriated for the past fiscal year cannot be carried over, and funds may not yet be available for the current year. In the interim, the forest pests continue to do their damage, and the most effective time for control may pass before new funds become available.

Occasionally several major forest pest outbreaks reach emergency levels at the same time, dictating the need for a supplemental appropriation for the U.S. Forest Service. Whenever this situation arises, particularly if it occurs late in the fiscal year, it is extremely difficult to use the funds effectively without carryover authority. Control projects must be monitored and evaluated to determine their effectiveness and environmental impacts and to make recommendations for future action. Financing this important followup work can be very difficut late in the fiscal year when funds may cease to be available before the work can be completed.

The State forestry agencies conducting the forest pest control program on non-Federal lands are dependent upon matching Federal funds for 50 percent of the cost. State legislatures are reluctant to appropriate matching funds if the Federal dollars cannot be assured. These assurances are not possible when Federal forest pest funds are unavailable between the end of one fiscal year and the passage of an appropriation for the next fiscal year. The situation is complicated by the fact that some States budget on a biennial basis.

The Congressional Budget and Impoundment Control Act of 1974—Public Law 93–344—does provide that fiscal years shall begin on October 1, effective in October 1976. While this change will place the critical May through August period in the same fiscal year, it will not totally solve the basic problem addressed by S. 441. Regardless of when the fiscal year begins and ends, there could be potentially serious interruptions in forest pest control projects unless funds are available until expended.

For certain, enactment of S. 441 will not mitigate the requirement for an ongoing, extensive research program in the area of pest control and forest management. Nor does it diminish the acute need to adequately fund vital pest control, prevention and monitoring projects, as well as the various other activities and programs of the U.S. Forest Service. What it does represent, however, is a positive step forward in providing forestry officials with greater flexibility and latitude in protecting our forest resources from the ravages of natural forces, which tragically nullify almost one-fifth of our annual timber growth. Given the economic, environmental, recreational, and related values that are associated with this resource, the importance of this undertaking cannot be overstated.

In a very real sense, every American has a large stake in our efforts here today, for the preservation and protection of our invaluable forest environment is a major national imperative. Forest pest control and management programs that sustain this goal represent a sound investment with multiple returns—an investment that directly or indirectly affects the lives of all Americans. Nature blessed this Nation with bountiful renewable resource in timber, and each of us has an overriding obligation to support whatever measures are necessary to protect this priceless national asset. S. 441 seeks to enhance this objective at no additional cost to the Government, and I am hopeful that it will have the support of every Member of this body.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. COHEN. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

I would like to compliment the gentleman in the well for his support and authorship of this legislation and compliment the chairman of the subcommittee, the gentleman from Missouri (Mr. LITTON), for his remarks, also, and for his support of the legislation.

I know the gentleman in the well represents a timber-producing district, as I do, from a different end of the country. But what would the gentleman's opinion as far as how good a job we are doing with our national forests compared with what we could be doing with regard to using trees for energy converters the natural way to produce wood products, and so forth?

Mr. COHEN. I think it leaves a lot to be desired. As a matter of fact, in the State of Maine we are now undertaking to establish an experimental program to take the wastes from our forests, which are substantial, and convert them into methanol which could be used as a fuel with great potential as far as an alternative source of energy. So in a time when we are having a great deal of talk about finding alternative sources of energy, this is just one example of using a forest product to its fullest extent. A renewable resource is not being fully utilized, and it would only seem to me to dictate further concentration and research in this field.

Mr. SYMMS. If the gentleman will yield further, I guess what one might say is that the bottom line on this legislation means it is not going to cost more money but it is going to get the gestation period of rests in line with the fiscal appropriations of Congress, and, hopefully, would facilitate better management on the part of the U.S. Forest Service.

Mr. COHEN. That is exactly right. The essence of this bill is simply continuity and flexibility to gain the maximum impact of our forest pest control efforts.

Mr. SYMMS. We estimate in the Pacific Northwest we could probably cut

UMI

a lot more timber and maintain a sustained yield if we could get coordination between appropriations from Congress and the agency and get the thing going. It is rather frustrating to watch all that overmature timber falling to rot, we probably lost more timber to pests and to overmaturity than we do to chain saws.

Mr. COHEN. I think this measure makes fiscal sense; it makes environmental sense; and it makes energy sense, if we turn our efforts to the possibility of fully utilizing our renewable resources.

The SPEAKER. The time of the gentleman has expired.

Mr. LITTON. Mr. Speaker, I have no further requests for time.

Mr. SYMMS. Mr. Speaker, I rise in support of S. 441 to provide that funds appropriated to the Forest Service for pest control activities remain available until spent.

The measure had unanimous support in committee and we heard no witnesses with objection to its provisions. It insures the kind of continuity in responsible management of our forest resources which I believe to be the intent of this Congress.

Our private and national forests are a continuing host to a variety of insect pests. Without proper pest and disease control, this Nation loses valuable timber, wildlife habitat, watershed quality, and other basic natural resources of commercial and environmental value. It has been the intent of the Congress that we adequately control forest predators. This bill, in my view, is a technical amendment to that original authority. It protects against periodic suspension of valuable ongoing programs and specific control efforts in the field during that lag between the close of the fiscal year and congressional action to finish up the business of appropriations. Right now, these pest control funds can be irretrievably lost under provision of the existing statute.

We, therefore, hope to curb the annual migration to the Congress for supplemental appropriations for the purpose of controlling these outbreaks. It is a coincidence of nature that the gestation period of these insects rarely parallels this Government's fiscal year. This termination of funds coincides regularly with our most critical control season.

I think it is important to make clear to my colleagues that the Forests Subcommittee took its hearings on S. 441 as an opportunity to address a broad range of pest control-related problems. Those issues, including particular insect species and the problem of access to infested areas, are addressed in our committee report. It is not the intent of the House Agriculture Committee that this report be taken by Forest Service officials as a specific directive for priorities in pest management. We have tried to identify key issues; to locate particularly grave problems. It is expected, if I may speak here for my committee colleagues, that these problems will be given appropriate attention, but it is the responsibility of the Forest Service to determine their own program objectives under existing law and regulations. Those issues raised in hearing will in some cases be addressed in depth at a later date by our subcommittee.

The statistics on timber loss, epidemic frequency, and so forth, have been provided to you this afternoon. I urge your full support of this effort toward efficient management of our national forests.

Mr. Speaker, I yield 1 minute to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Speaker, I would like to urge my colleagues to support this legislation. It very obviously has been needed for some time.

We have four national forests in my district, and this kind of legislation has been badly needed. It would involve no additional expense on the part of the Government, but it would involve the desperately needed reform in the administration of the program, and I urge my colleagues to support the bill.

Mr. SIKES. Mr. Speaker, I fully support S. 441, a bill to amend the Forest Pest Control Act of 1947.

Insects and diseases destroy tremendous quantities of timber each year. According to a recent Forest Service report, "Outlook for Timber in the United States," annual mortality losses from natural causes were estimated at 4.5 billion cubic feet in 1970. Thus, mortality nullified about one-fifth of the total annual growth. Our Nation cannot continue to accept losses of such magnitude in this basic natural resource. We need to make our control efforts as efficient as possible.

The measure under consideration by the House today provides that funds appropriated for fiscal year 1975 and thereafter for pest control programs conducted by the Forest Service of the Department of Agriculture shall remain available until expended, thus increasing the efficiency of that agency in dealing with periodic insect infestations that threaten the renewable resources of our national forest system.

Typical forest insect and disease outbreaks become active in the spring and intensify during summer and fall. Control efforts, to be most effective, must be carefully timed to coincide with a particular period in the pest's life cycle, which varies greatly among types of insects or diseases and according to geographic locations and weather conditions. In many instances, because of this variation, forest pest control projects must span 2 fiscal years, and any interruption because of a lack of funding continuity reduces the effectiveness of the control project by allowing the pest to become reestablished and to spread.

The Forest Service is responsible for the prevention, survey, and control of forest insect and disease outbreaks on all forest land, regardless of ownership, and this agency is providing outstanding service in this regard. Pest control is carried out directly or in cooperation with other Federal departments, State public agencies, organizations, or individuals.

The Forest Service has had to come to Congress only four times in the past 12 years requesting a supplemental appropriation to handle this problem and these four instances were cases of severe pest outbreaks. The situation in fiscal year 1974 is indicative of the type of problem confronting the Forest Service. Failure to enact this legislation would force the Forest Service to expend these funds prior to June 30, 1975, thus reducing and threatening the overall effectiveness of the control projects. I strongly recommend enactment of S. 441 to make funds appropriated for control of forest pests available until they are expended.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri (Mr. LITTON) that the House suspend the rules and pass the Senate bill S. 441, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LITTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

POSTAL REORGANIZATION ACT AMENDMENTS OF 1975

Mr. HANLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5774) to amend section 1006 of title 39, United States Code, relating to the eligibility of the U.S. postal Service employees for transfer to other positions in the executive branch, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5774

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1006 of title 39, United States Code, is amended to read as follows:

"§ 1006. Right of transfer

"Each officer or employee in the postal career service of the Postal Service shall be eligible for—

"(1) promotion or transfer to any other position in the Postal Service for which he is qualified; or

"(2) transfer to any other position in the executive branch of the Government of the United States for which he is qualified, upon completion of at least one year of continuous employment in the postal career service immediately before the transfer and subject to such regulations governing the transfer as the United States Civil Service Commission shall prescribe.

The authority provided by this section shall be used to provide a maximum degree of career promotion opportunities for officers and employees and to insure continued improvement of postal services.".

SEC. 2. (a) Section 409(d) of title 39, United States Code, is amended by striking out "with the prior consent of the Attorney General", and by adding at the end thereof the following new sentence: "The Postal Service may not employ attorneys by contract if an attorney or attorneys may be economically employed on a full-time basis to conduct such litigation.".

SEC. 3. Title 39, United States Code, is amended as follows:

(1) in section 404(6) strike out "special nonpostal or" and insert "special, nonpostal, or" in place thereof;

(2) at the end of chapter 4 add the following new section:

"§ 413. Return receipts received in the courts

"A return receipt provided by the Postal Service to a sender of mail showing to whom and when an article was delivered, or to whom, when, and the address where an article was delivered, shall be received in the courts as prima facie evidence of the delivery.";

(3) in the analysis of chapter 4 add the following item at the end thereof:

"413. Return receipts received in the courts.";

(4) in section 2401(c) strike out "are" and insert "is" in place thereof;

(5) in section 3202(a)(1)(C) strike out "the Pan American Union" and insert "the General Secretariat of the Organization of American States" in place thereof;

(6) in section 3204(a)(2) strike out "mailings" and insert "mailing" in place thereof;

(7) in section 3625(d) strike out "section 3628" and insert "section 3628" in place thereof;

(8) in the last sentence of section 3626 strike out "under this subsection" and insert "under this section" in place thereof;

(9) in section 3641(a) insert "its recommended decision" immediately following the words "does not transmit";

(10) in section 3682(b) strike out "maximum size on mail" and insert "maximum size of mail" in place thereof;

(11) in the first sentence of section 5212 strike out the comma after the words "without advertising" and insert a comma immediately after the words "for bids".

SEC. 4. Section 3604 of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) The accounts and operations of the Commission shall be audited by the Comptroller General of the United States. The Comptroller General shall transmit reports with respect to such audits to the Congress at such times, and containing such information and materials, as the Comptroller General determines to be necessary or appropriate.".

SEC. 5. (a)(1) Section 3210(b)(1) of title 39, United States Code, is amended by striking out "and" immediately before "the Legislative Counsels", and by inserting immediately after "and the Senate," the following: "and the Law Revision Counsel of the House of Representatives,".

(2) Section 3210(b)(2) of such title is amended by striking out "or" immediately before "the Legislative Counsel" and by inserting immediately after "or the Senate," the following: "or the Law Revision Counsel of the House of Representatives,".

(b) Section 3216(a)(1)(A) of title 39, United States Code, is amended by striking out "and" immediately before "the Legislative Counsels" and by inserting immediately after "and the Senate" the following: ", and the Law Revision Counsel of the House of Representatives".

SEC. 6. Section 1209 of title 39, United States Code, is amended by adding the following new subsection:

"(d) The provisions of chapter 8 of title 29, relating to the Fair Labor Standards Act of 1938, as amended from time to time, shall apply to employees of the Postal Service, except that section 207 of such title shall not apply in the case of rural letter carriers covered by a collective bargaining agreement authorized by this chapter.".

The SPEAKER. Is a second demanded?

Mr. DERWINSKI. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. HANLEY. Mr. Speaker, I rise in support of H.R. 5774. The bill contains several noncontroversial and technical provisions included in section 15 of H.R. 2445 and in H. R. 43, which are currently pending before the Postal Service Subcommittee. It also contains two housekeeping provisions relating to the General Accounting Office and the law revision counsel of the House of Representatives.

I want to emphasize that this bill does not contain the authorization or Postal Rate Commission provisions of H.R. 2445. The Post Office and Civil Service Committee will soon be considering this major legislation, and I hope that it will reach the floor of the House in the near future. This bill is primarily technical in nature and is designed to dispose of several relatively noncontroversial and necessary amendments to the postal reorganization Act. H.R. 5774 was approved unanimously by both the Postal Service Subcommittee and the Post Office and Civil Service Committee.

I would like to briefly discuss the major provisions of H.R. 5774.

The provision regarding the right of postal employees to transfer to other Federal agencies is designed to correct an oversight in the Postal Reorganization Act. It would require that a postal employee be on the postal service roles for 1 year before he has a right to transfer noncompetitively to another Federal agency. This conforms with current practice outside the Postal Service in and among other agencies where employees serve for a year in a probationary status before being given full civil service status.

When we adopted the Postal Reorganization Act, we gave employees a right to transfer within the Postal Service without a time limit—unless negotiated or promulgated by postal management. The provision, however, did not distinguish between transfer or promotion within the Postal Service and among other agencies. The result has been to unnecessarily discriminate against other Federal employees. I must emphasize that the bill's provision in no way affects the right of promotion or transfer within the Postal Service.

The bill also grants the Postal Service the right to litigate its own cases without prior consent of the Attorney General. The Postal Service maintains that it is handicapped by having to rely solely on the Justice Department in specialized areas such as postal rates, collective bargaining, and private express statutes which are unique to the Postal Service. In the past, the Postal Service has asked, but been denied, permission by the Attorney General to represent itself in some areas.

The Postal Service anticipates that most litigation will still be handled by the Justice Department. No testimony was received against this provision in the hearings on H.R. 2445. However, both the Justice Department and the Civil Service Commission have written to the committee opposing the provision. Justice Department opposition is somewhat baffling since it has gone on record favoring similar provisions for the Tennessee Valley Authority and the Federal Deposit Insurance Corporation and it was agreed to allow some agencies to handle their cases in some areas. For example, the Labor Department participates directly in litigation involving OSHA cases. With its status as an independent establishment receiving most of its funds from postal rates, the Postal Service should have the same authority.

The Civil Service Commission expresses concern that the Postal Service and the Commission may disagree on some issues in litigation, and that, therefore, the Government could not present a unified position in court. In the rare instances this might happen, the Postal Service should make every attempt to resolve such differences before the cases go to court.

The provision granting authority to the GAO to audit Postal Rate Commission accounts and operations is really in the nature of a technical amendment to correct an apparent oversight in the Postal Reorganization Act. The Postal Reorganization Act exempted both the Postal Service and the Postal Rate Commission from the provisions of the Budget and Accounting Act which contains authority for the GAO to audit accounts and operations of all Federal agencies. The Postal Reorganization Act gave the GAO specific authority to audit Postal Service accounts and operations, but failed to mention specifically the Postal Rate Commission. While the Commission has not objected to the current GAO study of its operations, it is felt that we should clear up this inconsistency.

The provision allowing the Law Revision Counsel the power to use the frank is a housekeeping item. The Office of the Law Revision Counsel was recently removed from the Judiciary Committee and placed directly under the Speaker in a position analogous to the Office of the Legislative Counsel. The Office of the Legislative Counsel has its own frank and this provision would merely give the Law Revision Counsel the same status.

An amendment was added in committee which would exempt rural letter carriers from the overtime provisions of the Fair Labor Standards Act.

Last year, we applied the Fair Labor Standards Act to Federal and Postal employees. However, it was subsequently recognized that the pay structure for rural letter carriers is incompatible with the Fair Labor Standards Act and that any attempt to make it conform would be detrimental to many rural carriers.

The rural carrier pay system, which is subject to collective bargaining, is based on mileage or an evaluation of routes which includes compensation for all evaluation of routes which includes compensation for all evaluated hours in excess of 40 hours. It is virtually impossible to tailor a rural route to exactly 40 hours a week. To meet the requirements of the Fair Labor Standards Act would require hundreds of thousands of address changes throughout rural America. It

UMI

would also probably lead to reduced pay for many rural carriers. Both the National Association of Rural Letter Carriers and the Postal Service endorse this amendment.

Finally, the bill contains several technical amendments to title 39 to correct various grammatical, typographical and punctuation errors. I strongly urge passage of H.R. 5774.

Mr. DERWINSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of this bill. As the distinguished gentleman from New York so ably explained, H.R. 5774 is a noncontroversial bill which proposes clarifying and technical amendments to title 39 of the United States Code relating to the U.S. Postal Service.

At a time when budget-busting has become the order of the day, it is indeed a pleasure and a welcome change of pace to have the opportunity to vote for a bill that will not have an inflationary effect on the Nation's economy. H.R. 5774, believe it or not, will not require the authorization or appropriation of any additional funds.

Although this bill makes no major changes in the 1970 Postal Reorganization Act, I know some Members are concerned about the way that Act has been implemented. In fact, shortly after the House Post Office and Civil Service Committee reported H.R. 5774 on a unanimous voice vote, some Members made inquiries about the possibility of offering amendments dealing with the private express statutes. This bill, of course, is not the proper vehicle for such amendments. But I do want to assure all Members that the Post Office and Civil Service Committee is hard at work on a comprehensive postal reform measure which will be reported to the House later in the season. That bill will afford Members the opportunity to work their will on the Postal Reform Act.

H.R. 5774 was ordered reported, with amendment, by the House Post Office and Civil Service Committee, on May 15, by a unanimous voice vote. The amendment permits rural letter carriers to continue to have their pay rates computed under collective bargaining agreements rather than the fair labor standards law. That amendment was endorsed by the Postal Service and the rural carriers.

Other changes in H.R. 5774 would require employees to be on the rolls for 1 year before they could transfer noncompetitively to another Federal agency and would permit the Postal Service the right to litigate its own cases without the prior consent of the Attorney General.

Mr. Speaker, I strongly support passage of H.R. 5774 and urge my colleagues to give it an overwhelming vote of approval.

Mr. HANLEY. Mr. Speaker, I yield such time as he may consume to the chairman of the full committee, the gentleman from North Carolina (Mr. HENDERSON).

Mr. HENDERSON. Mr. Speaker, I rise in support of H.R. 5774, a bill which I sponsored providing miscellaneous technical amendments to title 39, United States Code.

As Mr. DERWINSKI and I pointed out in our letter to each Member, this bill makes no major changes in the Postal Reorganization Act, but is designed primarily to correct technical errors and to make some relatively minor adjustments. Our Postal Service Subcommittee currently is considering legislation which is proposing major revisions in this area and we expect to have the proposal before the House in the near future.

There is no significant opposition to the provisions of this bill. The bill was approved unanimously by the Post Office and Civil Service Committee.

The major provision of H.R. 5774 would allow the Postal Service to conduct litigation in its own behalf. I endorse this provision wholeheartedly. It is designed to give the Postal Service somewhat more flexibility in court cases involving questions unique to the Postal Service including postal rates, collective bargaining, and the private express statutes.

The provision requiring postal employees to be on the rolls 1 year before being granted noncompetitive civil service status to transfer to other agencies corrects an apparent oversight in the original Reorganization Act. It places postal employees on a par with other Federal employees in this respect. I must emphasize that it in no way affects the right of transfer or promotion within the Postal Service.

The provisions regarding the frank for the Law Revision Counsel and authority for the General Accounting Office to audit Postal Rate Commission accounts and operations are actually internal housekeeping matters which were recommended by the office of the Law Revision Counsel and the General Accounting Office, respectively.

The amendment adopted in committee exempting rural letter carriers from the overtime provisions of the Fair Labor Standards Act is similar to H.R. 3942 sponsored by Representative WILLIAM D. FORD. The matter is of great urgency since the Postal Service is now bargaining with rural letter carriers, whose contract expires in July. Failure to enact this amendment would require severe alterations in the pay structure of rural letter carriers. Both the Postal Service and the National Association of Rural Letter Carriers support this amendment.

The bill also contains several technical amendments which correct grammatical, punctuation, typographical, and printing errors in title 39.

I strongly urge adoption of H.R. 5774.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. HANLEY) that the House suspend the rules and pass the bill H.R. 5774, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill (H.R. 5774) just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT ON S. 1236, EMERGENCY LIVESTOCK CREDIT

Mr. BERGLAND. Mr. Speaker, I call up the conference report on the Senate bill (S. 1236) to extend and amend the Emergency Livestock Credit Act of 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 22, 1975.)

Mr. BERGLAND (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER. The chair recognizes the gentleman from Minnesota.

Mr. BERGLAND. Mr. Speaker, the conference report which amends the Emergency Livestock Credit Act of 1974 provides an extension of the availability of livestock loans through December 31, 1976, from its current expiration date of June 25, 1975—plus a 6-month extension at the discretion of the Secretary. It also contains a number of other provisions which streamline and improve the program and eliminate some of the problems which developed in administration of the act. The conference report represents a reasonable compromise of the House and Senate differences and deserves the support of the Members of the House.

At this time, I would like to summarize for the Members the principal provisions of the conference report.

First. Relates to eligibility of dairy producers. The House amendment provides that the term "livestock" as used in the act shall include "dairy cattle raised and maintained for the primary purpose of marketing dairy products." The Senate bill contains no comparable provision. The conference substitute adopts the House provision. The amendment is clarifying in nature in that the Secretary now has authority under existing law to guarantee loans with respect to producers of milk, eggs and other livestock products such as wool and mohair.

Second. Relates to eligibility criteria of producers. The Senate bill directs extension of financial assistance to bona fide farmers and ranchers "who have substantial operations" in breeding, raising, fattening, or marketing livestock. The House amendment contains no comparable provision. The conference substitute adopts the Senate provision. The conferees intend that a bona fide farmer or rancher shall be deemed as having substantial operations in the breeding, raising, fattening, or marketing of livestock if he devotes not less than 25 percent of his time to his livestock operation; not less than 25 percent of his farm income is derived from his livestock operation; or not less than 25 percent of his capital investment is attributable to his livestock operation. Only persons actually engaged in livestock production would be eligible for assistance under the act. Under this provision, diversified farmers—those who produce crops, in addition to a modest livestock operation—are eligible for loan guarantees. Under current law, many of these farmers have not been able to obtain assistance under the act.

Third. Relates to secondary financing through the Federal Financing Bank. Both the Senate bill and the House amendment permit secondary financing of the guaranteed portion of livestock loans through the Federal Financing Bank. The House amendment provides specifically that the Bank may hold only the guaranteed portion of loans guaranteed under the act. The conference report adopts the House provision. This provision will make more capital available to local agricultural lenders.

Fourth. Relates to the term of loans and renewals. The Senate bill permits loans for the period reasonably required by the needs of the borrower, taking into consideration the security he has available, but not exceeding an original term of 7 years. Loans could be renewed for not more than 3 years. The House amendment permits loans over such period of time as determined by the Secretary, but not to exceed 7 years. The conference substitute adopts the Senate provision. If the Secretary of Agriculture determines that a borrower is in a position to repay a loan in less time, he may prescribe a shorter term.

Fifth. Relates to the maximum loan level. The Senate bill authorizes the guarantee of a line of credit up to $500,000. The House amendment reduces the maximum line of credit to $250,000. Under the conference substitute, the line of credit could not exceed $350,000—the maximum amount permitted for loans guaranteed by the Small Business Administration.

Sixth. Relates to the limitation of total outstanding loan guarantees. The House amendment reduces the amount of loan guarantees under existing law which may be outstanding at any one time from $2 billion to $1 billion. The Senate bill contains no comparable provision. Under the conference substitute, the amount of loan guarantees which may be outstanding at one time is reduced to $1.5 billion.

Seventh. Relates to utilization of the agricultural credit insurance fund. The Senate bill authorizes the use of the agricultural credit insurance fund to pay administrative expenses. The House amendment also authorizes the use of the fund to pay administrative expenses and further authorizes the Secretary of Agriculture to use this fund, on such terms and conditions as he may deem appropriate, to purchase the guaranteed portion of any loans "made pursuant to amendments to this act." The conference substitute adopts the House provision with an amendment to make clear that the fund may be used to buy the guaranteed portion of loans previously made under the act as well as loans made after enactment of S. 1236.

Eighth. Relates to time limit on processing loans. The Senate bill provides that, insofar as practicable, the Secretary shall complete action on each loan application within 30 days after receipt. The House amendment contains no comparable provision. The conference substitute adopts the Senate provision in order to require that the administrative process be speeded up so that a producer can obtain an answer quickly and make plans accordingly.

Ninth. Relates to security and collateral for guaranteed loans. The House amendment provides that guaranteed loans must be secured by collateral adequate to protect the Government's interest but permits the Secretary to accept collateral which has depreciated in value owing to temporary economic conditions. The Senate bill contains no comparable provision. The conference substitute adopts the House provision.

Tenth. Relates to annual reports. The House amendment requires annual reports from the Secretary on the effectiveness of the act and the activity thereunder, including any recommendations the Secretary may have as to actions which can be taken to decrease the farm-retail price spread and increase the consumption of beef. The Senate bill contains no comparable provision. The conference substitute adopts the House provision.

Eleventh. Relates to loan guarantees under the Consolidated Farm and Rural Development Act. The Senate bill amends the Consolidated Farm and Rural Development Act to provided that contracts of guarantee under that act shall not require the Secretary to guarantee more than 90 percent of the principal and interest on such loans. Under existing law, the Secretary may guarantee no more than 90 percent of the loss sustained on any loan. This provision will make the same guarantee provision available under the livestock credit program available as well to Farmers Home Administration real estate and operating loan programs. The House amendment contains no comparable provision. The conference substitute adopts the Senate provision.

Twelfth. Relates to consolidation of farm operating loans. The House amendment amends the Consolidated Farm and Rural Development Act to permit the Secretary to consolidate and amortize subsequent repayment of farm operating loans over a period of not to exceed 10 years from the date of consolidation. The Senate bill contains no comparable provision. The conference substitute deletes the House provision. This provision was opposed by the administration.

In summary, the conference report provides an improved credit program to one of the first sectors of our economy to feel the real weight of a depression. Livestock prices have improved somewhat in recent weeks. However, full recovery will be a long slow process. This act is of important assistance in maintaining our food production chain with little, if any, cost to the taxpayers. All loans are to be guaranteed and thus no direct costs to the Treasury are anticipated at this time. The act continues to require that each borrower demonstrate an ability to repay his loans and thus it is not expected that any losses should be incurred by the Government.

The Senate has already approved the conference report. I urge my colleagues likewise to vote in support of the conference report on S. 1236.

The SPEAKER. The Chair recognizes the gentleman from Virginia (Mr. WAMPLER).

Mr. WAMPLER. Mr. Speaker, I rise in support of the conference report on S. 1236. This legislation is designed to improve upon the existing emergency livestock loan program and make it more effective.

The need for these changes in the Emergency Livestock Credit Act of 1974 results from the fact that operating experience with the act has demonstrated certain deficiencies and practical problems. After the act was signed into law, there were lengthy administrative delays before the program was implemented, and only recently has USDA begun to bring help to our livestock producers.

Mr. Speaker, I am pleased to report to the Members of this body that the differences between the Senate- and House-passed versions were resolved with relative ease in conference, and in my opinion a good compromise has been reached.

The bill as approved by the committee of conference provides for:

First. FHA guarantees of 90 percent of the principal and interest;

Second. A maximum original loan term of 7 years with up to a 3-year extension;

Third. Total principal balance outstanding at any one time for any borrower not to exceed $350,000;

Fourth. A limit of $1,500,000,000 on the total line of credit guaranteed by the U.S. Government under the program; and

Fifth. An extension of the emergency livestock credit program to December 31, 1976.

Additionally, the Secretary of Agriculture is required to make a comprehensive report to the Agriculture Committees of the House and the other body within 1 year of the date of enactment of this bill.

Mr. Speaker, I feel the changes in the law that I have just outlined will make the program more effective while still protecting the Government from assuming the risk of bad loans. I feel certain that I reflect the view of the committee in saying that none of us wants to see

UMI

the Government put in a situation where it would be required to cover bad loans, but many of our good livestock producers have been left in a terrible financial bind by forces beyond their control during the course of the past 2 years. I am confident that these amendments to the emergency livestock credit program will allow many of these producers to work their way out of this period of economic adversity.

Therefore, Mr. Speaker, I urge my colleagues to vote for passage of the conference report on this bill. I am confident that it will have the approval of the President, and it is supported by the livestock industry and by the agricultural community.

S. 1236 is needed to help in the financing of the production of livestock throughout the Nation, and it deserves to be enacted into law.

Mr. PRESSLER. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from South Dakota.

Mr. PRESSLER. Mr. Speaker, I would like to identify myself with the remarks of the distinguished gentleman from Virginia (Mr. WAMPLER) and also with the remarks of the gentleman from Minnesota (Mr. BERGLAND).

I would like to point out that one of the complaints that my office has received most often concerns the difficulty of our farmers in getting loans. This involves many farmers in eastern South Dakota. They do not seek handouts or additional aid as much as they seek loans and assistance to carry them through this time of difficulty.

Mr. Speaker, our country grants loans to foreign governments and to overseas operations on 20- and 30-year bases and at interest rates lower than we grant to some of our own businessmen and farmers and those in other categories.

Mr. Speaker, I believe that this legislation would help to preserve our agriculture industry and would help the people who wish to borrow money in order to carry them through this very difficult period.

Mr. Speaker, I am very much in support of this legislation, and I urge the conference report be agreed to. I thank the gentleman for yielding.

Mr. WAMPLER. Mr. Speaker, I have no further requests for time.

Mr. BERGLAND. Mr. Speaker, I have no further requests for time.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

VOTING RIGHTS ACT EXTENSION

Miss JORDAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentlewoman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6219, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose on yesterday, all time for general debate on the bill had expired.

Pursuant to the rule, the Clerk will now read the bill by title.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. Section 4(a) of the Voting Rights Act of 1965 is amended by striking out "ten" each time it appears and inserting in lieu thereof "twenty".

SEC. 102. Section 201(a) of the Voting Rights Act of 1965 is amended by—

(1) striking out "Prior to August 6, 1975, no" and inserting "No" in lieu thereof; and

(2) striking out "as to which the provisions of section 4(a) of this Act are not in effect by reason of determinations made under section 4(b) of this Act." and inserting in lieu thereof a period.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. WIGGINS: In H.R. 6219 strike out all after the enacting clause and insert in lieu thereof the following: That this Act may be cited as "The Voting Rights Extension Act of 1975".

SEC. 2. Section 4(a) of the Voting Rights Act of 1965 is amended by striking out "ten years" each time is appears and inserting in lieu thereof "eleven-year-and-180-day period".

SEC. 3. Effective February 6, 1977:

(a) Section 4 of the Voting Rights Act is amended to read as follows:

"SEC. 4. (a) To assure that the right of citizens of the United States to vote is not denied or abridged on account of race or color or national origin, the requirements of section 5 shall apply to any State with respect to which the determinations have been made under subsection (b) or in any political subdivision with respect to which such determinations have been made as a separate unit, unless the United States District Court for the District of Columbia in an action for a declaratory judgment brought by such State or subdivision against the United States has determined that no voting qualification, or prerequisite to voting or standard, practice, or procedure with respect to voting is in effect during or preceding the filing of the action where such qualification, prerequiste, standard, practice, or procedure does have or is likely to have the purpose or the effect of denying or abridging the right to vote on account of race or color or national origin: *Provided*, That for purposes of this section no State or political subdivision shall be determined to have engaged in the use of such qualifications, prerequisites, standards, practices, or procedures for the purpose or with the effect of denying or abridging the right to vote on account of race or color or natical origin if (1) incidents of such use have been few in number and have been promptly and effectively corrected by State or local action, (2) the continuing effect of such incidents has been eliminated, and (3) there is no reasonable probability of their recurrence in the future.

"An action pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall lie to the Supreme Court. The Court shall retain jurisdiction of any action pursuant to this subsection until determinations are made by the Director of the Census pursuant to subsection (b) following the next general federal election after the filing of the action and shall reopen the action upon motion of the Attorney General alleging that such qualifications, prerequisites, standards, practices, or procedures have been used for the purpose or with the effect of denying or abridging the right to vote on account of race or color, or national origin.

"If the Attorney General determines that he has no reason to believe that any such qualifications, prerequisites, standards, practices, or procedures are in effect or are likely to be effective with the purpose or with the effect of denying or abridging the right to vote on account of race or color or national origin, he shall consent to the entry of such judgment.

"(b) The provisions of subsection (a) shall apply in any State or in any political subdivision of a state for which the Director of the Census determines that discrete groups of racial or language minority citizens of voting age comprise more than 5 per centum of the voting age population of such State or political subdivision and that less than 50 per centum of such separate group of racial or language minority citizens of voting age voted in the most recent general federal election. The provisions of subsection (a) shall continue in effect until the Director of the Census makes determinations pursuant to this subsection following the next general federal election after which time such provisions shall only apply based upon determinations pertaining to the most recent general federal election at that time. The Director of the Census is directed to make determinations pursuant to this subsection to the greatest degree possible within 60 days after a general federal election is held.

"A determination or certification of the Attorney General or of the Director of the Census under this section or under section 6 or section 13 shall not be reviewable in any court and shall be effective upon publication in the Federal Register.

"(c) As used in this Act, the phrase 'general federal election' shall mean any general election held solely or in part for the purpose of selecting or electing any candidate for the office of President, Vice President, presidential elector, Member of the United States Senate, Member of the United States House of Representatives, Delegate from the District of Columbia, Guam, or the Virgin Islands, or Resident Commissioner of the Commonwealth of Puerto Rico.

"(d) As used in this section, the phrase 'racial or language minority citizens' means citizens of the United States who are Negroes or persons of Spanish heritage as those terms are defined by the Buerau of the Census."

(b) Section 5 of the Voting Rights Act is amended to read as follows:

"SEC. 5. Whenever a State or political subdivision with respect to which the prohibitions set forth in section 4(a) based upon determinations made under section 4(b) are in effect shall enact or seek to administer any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting such State or subdivision may institute an action in the United States District Court for the District of Columbia for a declaratory judgment that such qualification, prerequisite, standard, practice, or procedure does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race or color or national origin, and unless and until the court enters such judgment no person shall be denied the right to vote for failure to comply with such qualification, prerequisite, standard, practice, or procedure: *Provided*, That such qualification, prerequisite, standard, practice, or procedure may be enforced without such proceeding if the qualification, prerequisite, standard, practice, or procedure has been submitted by the chief legal officer or other appropriate official of such State or subdivision to the Attorney General and the Attorney General has not interposed an objection within sixty days after such submission, or upon good cause shown, to facilitate an expedited approval within sixty days after such submission, the Attorney General has affirmatively indicated that such objection will not be made. Neither an affirmative indication by the Attorney General that no objection will be made, nor failure to object, nor a declaratory judgment entered under this section shall bar a subsequent action to enjoin enforcement of such qualification, prerequisite, standard, practice, or procedure. In the event the Attorney General affirmatively indicates that no objection will be made within the sixty-day period following receipt of such a submission, the Attorney General may reserve the right to reexamine the submission if additional information comes to his attention during the remainder of the sixty-day period which would otherwise require objection in accordance with this section. Any action under this section shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall lie to the Supreme Court."

SEC. 4. Section 3 of the Voting Rights Act is amended by—

(1) striking out "fifteenth amendment" each time it appears and inserting in lieu thereof "fourteenth amendment or fifteenth amendment";

(2) striking out "race or color" each time it appears and inserting in lieu thereof "race or color or national origin";

(3) striking out "test or device" each time it appears and inserting in lieu thereof "voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting";

(4) striking out "tests or devices" each time it appears an inserting in lieu thereof "such voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting";

(5) striking out "except that neither" and inserting in lieu thereof "or upon good cause shown to facilitate an expedited approval within sixty days after such submission, the Attorney General has affirmatively indicated that such objection will not be made. Neither an affirmative indication by the Attorney General that no objection will be made, nor";

(6) adding at the end thereof the following: "In the event the Attorney General affirmatively indicates that no objection will be made within the sixty-day period following receipt of such a submission, the Attorney General may reserve the right to reexamine the submission if additional information comes to his attention during the remainder of the sixty-day period which would otherwise require objection in accordance with this section.";

(7) striking out "deem appropriate" and inserting in lieu thereof "deem appropriate, but in no event after determinations are made by the Director of the Census pursuant to Section 4(b) following the next general federal election from the date of the order,";

(8) striking out "deems necessary." and inserting in lieu thereof "deems necessary, but in no event after determinations are made by the Director of the Census pursuant to Section 4(b) following the next general federal election from the date of the order.";

(9) striking out "different from that in force or effect at the time the proceeding was commenced", effective February 6, 1977; and

(10) striking out "Attorney General" the first three times it appears and inserting in lieu thereof the following "Attorney General or an aggrieved person".

SEC. 5. Section 201(a) of the Voting Rights Act of 1965 is amended by—

(1) striking out "Prior to August 6, 1975, no" and inserting "No" in lieu thereof; and

(2) striking out "as to which the provisions of section 4(a) of this Act are not in effect by reason of determinations made under section 4(b) of this Act." and inserting in lieu thereof a period.

SEC. 6. Section 14 of the Voting Rights Act of 1965 is amended by adding at the end thereof the following new subsection:

"(e) In any action or proceeding to enforce the voting guarantees of the fourteenth or fifteenth amendment, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs.".

SEC. 7. Title II of the Voting Rights Act of 1965 is amended by adding at the end thereof the following new section:

"SEC. 207. (a) Congress hereby directs the Director of the Census forthwith to conduct a survey to compile registration and voting statistics: (i) in every State or political subdivision for every general Federal election after January 1, 1974; and (ii) in every State or political subdivision for any election designated by the United States Commission on Civil Rights. Such surveys shall elicit statistically significant estimates of the citizenship, the race or color, and national origin, of persons of voting age and the extent to which such persons are registered to vote and have voted in the elections surveyed.

"(b) In any survey under subsection (a) of this section no person shall be compelled to disclose his political party affiliation, or how he voted (or the reasons therefor), nor shall any penalty be imposed for his failure or refusal to make such disclosures. Every person interrogated orally, by written survey or questionnaire, or by any other means with respect to such information shall be fully advised of his right to fail or refuse to furnish such information except with regard to information required by subsection (a), with regard to which every such person shall be informed that such information is required solely to enforce nondiscrimination in voting.

"(c) The Director of the Census shall, at the earliest practicable time, report to the Congress the results of every survey conducted pursuant to the provisions of subsection (a) of this section.

"(d) The provisions of section 9 and chapter 7 of title 13 of the United States Code shall apply to any survey, collection, or compilation of registration and voting statistics carried out under subsection (a) of this section."

SEC. 8. Section 11(c) of the Voting Rights Act of 1965 is amended by inserting after "Columbia," the following words: "Guam, or the Virgin Islands,".

SEC. 9. Section 5 of the Voting Rights Act of 1965 is amended—

(1) by striking out "except that neither" and inserting in lieu thereof the following: "or upon good cause shown, to facilitate an expedited approval within sixty days after such submission, the Attorney General has affirmatively indicated that such objection will not be made. Neither an affirmative indication by the Attorney General that no objection will be made, nor"; and

(2) by inserting immediately after the words "failure to object" a comma; and

(3) by inserting immediately before the final sentence thereof the following: "In the event the Attorney General affirmatively indicates that no objection will be made within the sixty-day period following receipt of a submission, the Attorney General may reserve the right to reexamine the submission if additional information comes to his attention during the remainder of the sixty-day period which would otherwise require objection in accordance with this section.".

SEC. 10. Section 203 of the Voting Rights Act of 1965 is amended by striking out "section 2282 of title 28" and inserting "section 2284 of title 28" in lieu thereof.

SEC. 11. Title III of the Voting Rights Act of 1965 is amended to read as follows:

"TITLE III—EIGHTEEN-YEAR-OLD VOTING AGE

"ENFORCEMENT OF TWENTY-SIXTH AMENDMENT

"SEC. 301. (a)(1) The Attorney General is directed to institute, in the name of the United States, such actions against States or political subdivisions, including actions for injunctive relief, as he may determine to be necessary to implement the twenty-sixth article of amendment to the Constitution of the United States.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted under this title, which shall be heard and determined by a court of three judges in accordance with section 2284 of title 28 of the United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing and determination thereof, and to cause the case to be in every way expedited.

"(b) Whoever shall deny or attempt to deny any person of any right secured by the twenty-sixth article of amendment to the Constitution of the United States shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"DEFINITION

"SEC. 302. As used in this title, the term 'State' includes the District of Columbia."

SEC. 12. Section 10 of the Voting Rights Act of 1965 is amended—

(1) by striking out subsection (d);

(2) in subsection (b), by inserting "and section 2 of the twenty-fourth amendment" immediately after 'fifteenth amendment"; and

(3) by striking out "and" the first time it appears in subsection (b), and inserting in lieu thereof a comma.

SEC. 13. Section 6 of the Voting Rights Act of 1965 is amended by striking out "fifteenth amendment" each time it appears and inserting in lieu thereof "fourteenth or fifteenth amendment".

SEC. 14. Section 2, the second paragraph of section 4(a), and sections 4(d), 5, 6, and 13 of the Voting Rights Act of 1965 are each amended by inserting immediately after "on account of race or color" each time it appears "or national origin".

Mr. WIGGINS (during the reading). Mr. Chairman, I ask unanimous consent that my amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WIGGINS. Mr. Chairman, the

UMI

amendment which we shall now consider is my amendment in the nature of a substitute to the committee bill. It has been printed in the RECORD. It has been circulated to all of the Members, has been the subject of considerable discussion, both in general debate and elsewhere, and the full reading of the bill, under those circumstances, is unnecessary.

Mr. Chairman, the principal issue which is to be resolved this afternoon is whether or not this Congress shall vote to perpetuate a bill which is inherently unfair or whether it will seize this opportunity to enact a strong voting rights bill which has elements of fairness in it.

It is my belief that the substitute offered to the Members now is such a constructive alternative proposal.

Mr. Chairman, I want the Members to know that they have a choice this afternoon. The choice is this: If they support the committee bill, they will be voting to force six Southern States of this Union to obtain Federal preclearance of any change in their voting laws, practices, or procedures for the next 10 years, because in 1964 they had a literacy test and less than 50 percent total voter turnout, even though in every election since 1964 they may have achieved a voter performance comparable to or better than that of northern jurisdictions.

If the Members support the committee bill, they will be voting to force many other jurisdictions to obtain Federal preclearance of their voting laws and procedures for the next 10 years because in 1972 they may have had a 5 percent language minority amongst their population, an English-only ballot in that election, and less than a 50-percent turnout. If the Members vote to support the committee bill, they will be voting to force the printing of ballots in multiple languages and dialects on the unproved assumption that language minorities are more literate in a language other than English. If the Members vote to support the committee bill, they will be voting to exclude from coverage for the next 10 years large areas of the United States where blacks and browns are concentrated, even though in 1964 and in every election since the black and brown turnout in those jurisdictions has been suspiciously low.

If the Members believe that such a procedure as I have described is fair and rational, then by all means I urge them to vote for the committee bill and against my substitute.

On the other hand, if you believe that the South is deserving of rejoining the Union and not being compelled to ride in the rear of the bus, as it were, you will support my substitute. If the Members believe that voter participation by black and brown minorities is more rationally related to possible discrimination against them than looking to total voter performance by all voters, then by all means you should support my substitute.

If you believe that voter performance in 1976 and each succeeding general election is a more rational basis for presuming voter discrimination for the next 10 years than continued reliance upon long-abandoned voter practices in existence in 1964, you will support my substitute.

Finally, if you believe that the requirement of including Indians, Alaskan Natives, and Asian Americans under this bill makes no sense at all, and indeed, imposes an impossible administrative burden upon many jurisdictions, then you will support my substitute.

Members of the House, I appeal to your sense of fairness to all States of the Union and all citizens, black, white, brown, or any other ethnic language or racial minority. I appeal to your sense of fairness and to your good commonsense.

My substitute is not regional legislation. It requires Federal preclearance if any jurisdiction includes 5 percent or more of blacks or browns within its total population; and if 50 percent or less of those specific minorities failed to vote in each general election commencing in 1976. If the minorities turn out, and that is the purpose of this bill, the jurisdiction is not covered. If they do not, coverage applies subject, of course, to the right of that jurisdiction to bail out if low voter turnout is caused by nondiscriminatory factors.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WIGGINS was allowed to proceed for 2 additional minutes.)

Mr. WIGGINS. Coverage under my substitute will attach or not, based upon voter performance of the minorities involved automatically every 2 years, after an analyses of the voter results in that general election.

I would ask the Members: Is that not what the Voter Rights Act seeks to achieve, better participation by minority citizens subject to a recent history of discrimination? Of course it is.

My amendment achieves the objectives of all of us much more rationally than does the committee bill. I earnestly urge its support. It is a strong, worthy, commonsense voting rights proposal.

Mr. Chairman, I submit a section-by-section analysis:

SECTION-BY-SECTION ANALYSIS

Section 2: Section 2 extends the special coverage provisions of the Act (§§ 4, 5, 6 and 6) until February 5, 1977 by amending the ten year period currently in § 4 to read "eleven-year-180-day period". This compares with a ten year extension of the special provisions until August 6, 1985 as accomplished by Sec. 101 of H.R. 6219.

The reason that Section 2 of the substitute has a short extension is that a complete revision of the § 4 trigger is made in Section 3(a) of the bill based upon data from the 1976 presidential election. Until such data becomes available, an extension of the current coverage seems appropriate.

Section 3: This section is the heart of the bill. In two separate divisions, Sections 4 and 5 of the Voting Rights Act are revamped to produce bold, new and rational legislation.

(A) Division A amends § 4 of the Act effective February 6, 1977. After that time the following basic changes will occur:

(1) A new trigger will become operative covering States and political subdivisions based upon minority voting turnout in the most recent general federal election. Whenever a jurisdiction has separately at least 5 percent black or Spanish citizens and less than 50 percent of such persons voted in the most recent general federal election, then the special coverage provisions of the Act will apply.

(2) However, coverage will only be dependent upon the most recent general federal election so that if a jurisdiction is able to raise its minority voter turnout above 50 percent, then coverage will cease until such time as the minority voter turnout falls below 50 percent.

(3) To prevent the trigger from being unconstitutionally overbroad a jurisdiction may file an action in the United States District Court for the District of Columbia to "bail out" if it can prove that no law or practice has *or is likely to have* the effect of denying or abridging the voting rights of any citizen on account of race, color or national origin. To prevent a jurisdiction from repealing its laws, obtaining a declaratory judgment, and then reenacting the discriminatory laws, a precaution is provided: The court retains jurisdiction after a successful bailout until after the next general federal election during which time the Attorney General can reopen the action to re-cover the jurisdiction.

This mechanism is fair yet practical. The trigger encourages states to turn out the minority vote and to improve election laws and practices, if early bailout is desired. While it is true that a jurisdiction is automatically bailed out once it meets the 50 percent test in a subsequent election, special coverage will be imposed if at any future time the minority vote falls below 50 percent. Also, as will be developed, bolstering the remedies available in §§ 3 and 5 of the Act will provide an effective alternative for coping with any discriminatory voting laws passed while a jurisdiction is not covered by the trigger.

Under the present Act the trigger in § 4 (b) encompasses all jurisdictions in which less than 50 percent of all persons of voting age voted in the 1964 and 1968 presidential elections and in which a "test or device" was empolyed. Section 4 (a) of the current Act provides a bailout which is more apparent than real with respect to many of the covered jurisdictions. To effectively bail out of the special coverage provisions of the Act, a jurisdiction must show that for the past 10 years (20 years as extended by H.R. 6219) it has not used a test or device with the purpose or effect of denying or abridging the right to vote on account of race or color (or in contravention of the guarantees set forth in § 4 (f) (2) as added by H.R. 6219). However, recent Supreme Court cases have made this bailout almost *per se* impossible for states which had inferior schools for minorities and used a literacy test in the early 1960's by concluding that the effect of such literacy tests when coupled with the educational disparity automatically results in discriminatory application of such tests.

This trigger mechanism is anachronistic and possibly unconstitutional in that it is not rationally related to the actual denial of minority voting rights; by focusing on literacy tests in existence prior to 1965 without taking account of present discrimination the current Act has given the covered jurisdictions no incentive to improve their voting laws.

The trigger suggested in § 3 of this substitute remedies the deficiencies of the trigger in the present Act by encouraging states to improve their voting laws so that they may bail out via a declaratory judgment and to encourage a high minority voter turnout in subsequent elections. In this manner current problems are addressed and affirmative solutions are encouraged.

(B) This division amends § 5 of the Voting Rights Act effective February 6, 1977, to produce the following changes:

(1) The power of the Attorney General under § 5 to preclear state voting laws is expanded to require preclearance of all existing voting laws of the jurisdiction regardless of the time they were placed on the books. Under the current Act as extended by H.R. 6219, the Attorney General is restricted to reviewing only those voting laws that are different from laws on the books when the jurisdiction was covered. This deficiency in the current Act has encouraged states not to change their voting laws and has created a problem of entrenched discrimination whereby discriminatory laws that were on the books prior to the date of coverage of a jurisdiction are invulnerable to attack by the Attorney General under the Voting Rights Act. Section 3 (b) of the substitute remedies this problem, as noted above, by allowing the Attorney General to review all laws; thus if a discriminatory reapportionment plan were implemented while a jurisdiction was not covered, the Attorney General could invalidate that reapportionment plan at a later date if the jurisdiction becomes subject to the special coverage provisions of the Act.

(2) When a voting practice is submitted for preclearance to the Attorney General, the Attorney General is mandated to examine both the present and probable future effect that such law will have. Under the current Act the Attorney General is authorized to examine only the present purpose and effect of the law. Section 3 (b) of the substitute thus has the advantage of eliminating laws which are likely to have a discriminatory impact although the immediate impact of such laws has not yet been felt.

(3) Section 3 (b) of the substitute mandates the Attorney General to examine voting laws to see if they deny or abridge the right to vote on the basis of race or color or national origin. The current Act as extended by H.R. 6219 will only permit examination for discrimination on the basis of race or color or in contravention of the guarantees set forth in § 4 (f) (2) of H.R. 6219. The coverage afforded by § 3 (b) of the substitute is more progressive and equitable in so far as it prohibits discrimination against any ethnic or national origin group. Unfortunately, H.R. 6219 does not protect the voting rights of ethnic groups who are not American Indian, Alaskan Native, Asian American or persons of Spanish heritage. While the trigger of the Act must be geared to cover racial minorities which have been discriminated against, the relief afforded by the Act can be and should be extended wherever discrimination in fact surfaces. The substitute accomplishes this laudable objective.

Section 4: This section amends § 3 of the Voting Rights Act in ten separate ways, all of which are effective immediately except for paragraph (9) which is effective February 6, 1977. The thrust of these amendments is to immediately expand the relief available under § 3 of the Voting Rights Act by incorporating provisions made in §§ 203, 205 and 401 of H.R. 6219. These provisions extend the coverage of § 3 to allow an aggrieved person to receive the special coverage remedies of the Voting Rights Act as relief in a suit commenced pursuant to the fourteenth or fifteenth amendments to redress the denial or abridgement of voting rights on the basis of race or color or in contravention of the guarantees set forth in § 4 (f) (2). Under the current Act only the Attorney General may invoke the relief of § 3 to redress a denial or abridgment of the right to vote on account of race or color in violation of the fifteenth amendment. Section 4 of the substitute improves upon these provisions in H.R. 6219 by allowing an aggrieved person to invoke these special remedies if the right to vote is denied or abridged on account of race or color or national origin in violation of the fourteenth or fifteenth amendments. Furthermore, the court is authorized to suspend and retain jurisdiction of all voting qualifications, prerequistes to voting, standards, practices, or procedures with respect to voting to the extent they have denied or abridged the right to vote on account of race or color or national origin.

This policy is in contradistinction to H.R. 6219 which denies this relief to certain discreet ethnic minorities that are not of a specific national origin group. To reiterate, while the trigger must be narrowly drawn to accommodate evidence of discrimination, once a voting practice is under review, if discrimination is detected in any form it should be obliterated.

Effective February 6, 1977, the coverage of § 3 is expanded consistent with the expansion of the § 4 trigger, effectuated by § 3(a) of the substitute, to allow the court to strike down and/or retain jurisdiction of any voting law regardless of when it was enacted. As previously noted, the present Act as extended by H.R. 6219 fails to deal with this problem of entrenched discrimination.

Finally, to remain consistent with the period of retention of jurisdiction in a bailout suit under § 4(a) of the new trigger as effectuated by § 3(a) of this substitute, the court is permitted to retain jurisdiction in § 3 of the Act only until determinations are made after the next general federal election.

Section 5: Section 5 is an exact replication of § 102 of H.R. 6219. This section permanently bans all tests and devices as defined in § 201 of the Voting Rights Act.

Section 6: Section 6 is an exact replication of § 402 of H.R. 6219 and provides that a reasonable attorney's fees may be awarded to the prevailing party in a suit under this Act.

Section 7: Section 7 amends title II of the Voting Rights Act to mandate the Director of the Census to conduct surveys to elicit the citizenship, race or color, and national origin of each person of voting age in the nation and the extent to which such persons were registered to vote and in fact voted in the election surveyed. While it is mandatory for a person to supply such information, a precaution is provided to protect the person's right of privacy with respect to other matters: Every person is fully advised of his right to fail or refuse to furnish information concerning his political party affiliation, or how he voted or the reasons therefore, and specific exemption from the penalty provisions normally imposed by statute is provided. However, the normal criminal penalties that are pertinent to other official surveys in order to insure accurate statistics are incorporated with respect to the relevant information elicited in this survey.

Section 403 of H.R. 6219 has a similar survey procedure. However the survey procedure in § 403 applies only in covered jurisdictions, fails to elicit citizenship, and does not make responses mandatory. In light of the reliance of the new trigger in H.R. 6219 and the substitute upon ascertaining the *citizenship* of certain language minorities, it is imperative that any survey gather data to ascertain this factor.

Moreover, since the new trigger set forth in § 3(a) of this substitute is applicable to more than one election, it is necessary to survey all states rather than only the covered jurisdictions. Lastly, it has been convincingly demonstrated in other official surveys that unless responses are made mandatory subject to the sanction of mild penalty, the data received may be statistically insignificant. The case law is clear that in order to establish information necessary to guarantee voting rights that any imposition such a survey may have on the right of privacy must give way to an overriding governmental interest.

Section 8: Section 8 is a replication of § 404 of H.R. 6219 and merely extends the anti-fraud provisions of § 11(c) of the Voting Rights Act to apply to the election of delegates from Guam and the Virgin Islands.

Section 9: Section 9 is a replication of § 405 of H.R. 6219 and codifies a regulation enabling the Attorney General to give affirmative approval to a voting change submitted to him under § 5.

Section 10: Section 10 is a replication of § 406 of H.R. 6219 and corrects an erroneous statutory reference incorporated into the Act in 1970.

Section 11: Section 11 is a replication of § 407 of H.R. 6219 and represents an amendment to recognize the existence of the twenty-sixth amendment to the Constitution as it relates to the 18 year old vote.

Section 12: Section 12 is a replication of § 408 of H.R. 6219 and recognizes case law and the twenty-fourth amendment as it relates to the poll tax.

Section 13: Section 13 incorporates an expansion of § 6 of the Act to embrace the fourteenth amendment. A similar section is set forth in § 205 of H.R. 6219.

Section 14: Section 14 tracks the language of § 206 of H.R. 6219 in extending the protection of the Act to cover ethnic minorities. Consistent with the other provisions of this substitute, such protection is extended to cover all national origin groups rather than the four groups singled out in H.R. 6219.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I certainly rise in support of the substitute offered by the gentleman from California (Mr. WIGGINS).

Mr. Chairman, while the Voting Rights Act might have had a place in the recent past, it has long since outlived its usefulness in its present form since the wrongs that brought it about have long since been corrected. If we pass this bill, we will be doing so on the basis of past history and a bygone era and not present circumstances. Extension of the Voting Rights Act without making it apply equally to all parts of the Nation will be a travesty of justice and an insult to our constitutional form of government.

It is our duty today to consider carefully several of the amendments which will be offered to H.R. 6219 to make this more equitable legislation and also make it apply throughout the Nation as all bills should. I refer specifically to amendments by Mr. BUTLER and Mr. WIGGINS, which I shall mention in more detail later on.

I feel that the Voting Rights Act in its present form is discriminatory, because it applies to only one section of the Nation while completely ignoring highly objectionable, if not illegal, voting and registration practices that take place in other parts of America, especially some of our large metropolitan areas.

The bill under consideration makes no allowances for the actions that have been taken in the South to correct alleged wrongdoings in voting practices. We will still be singled out for special treatment and made to atone for our alleged sins for another 10 years. I ask my colleagues, is this justice? Is this due process? Is this equal treatment under the law? I think not and I do not believe there is a member in this body who could suc-

UMI

cessfully argue yes to any of the three questions.

Mr. Chairman, I very much dislike sectionalism and have always tried to steer away from it except in those few cases where the interests of the people I represent greatly outweighed the so-called national interests. As it happens, in most cases the interests of the people of Mississippi are the same as the national interests, because we feel very much a part of this Nation and are proud of the contributions we have made to making America great. I regret very much, therefore, that the Congress is now considering legislation that is sectional in nature and what is even worse is that it is punitive in nature also.

Regardless of how distasteful I find this bill and how unnecessary I believe it to be, I am realistic enough to know that an extension of the Voting Rights Act in some form is going to pass the Congress. For that reason I urge my colleagues to consider carefully several amendments which will be offered to make H.R. 6219 more meaningful and more equitable as a piece of national legislation.

As I mentioned earlier, I feel very strongly that we should accept the amendments by Mr. BUTLER of Virginia and Mr. WIGGINS of California. These two amendments will help to restore a sense of balance to the Voting Rights Act and make the administration of the current law more equitable. More importantly, in the case of the Wiggins substitute, the Voting Rights Act will be applied equally throughout the United States.

The most compelling reason to vote for these amendments is that they will allow jurisdictions in the South to come out from under the Voting Rights Act based on their excellent voting practices of the present and provided they continue these practices in the future. Under these amendments, the South will no longer be unnecessarily punished for alleged misdeeds of a bygone era.

Mr. Chairman, I urge my colleagues to vote for these and other amendments that will make the Voting Rights Act national in scope and equitable in administration.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the Wiggins substitute.

Mr. Chairman, under the substitute proposed by the gentleman from California (Mr. WIGGINS) every 2 years after a general election there would have to be a census, and the Bureau of Census would have to review the election results in 3,044 counties of the United States and determine which of these counties had 5 percent black or Spanish heritage population; then census must determine if 50 percent of that 5 percent minority voted; then advise the Attorney General who would in turn tell the jurisdictions, whichever ones also failed the 50-percent test, that they are covered by the Voting Rights Act; this long process would cost approximately $200 million each 2 years according to a May 30, 1975, letter from the Bureau of the Census.

This would go on forever, because the Wiggins substitute itself would go on forever. So we are estimating that it would cost—and these figures are estimates from the Bureau of the Census—$200 million a year every 2 years.

Mr. WIGGINS. Mr. Chairman, if the gentleman will yield just for one question about the cost figures?

The cost estimates, based upon the standard which I have explained in the legislative history, are on the order of $16 million and, in my opinion, the Bureau of the Census has grossly overestimated the costs.

Mr. EDWARDS of California. The gentleman from California (Mr. WIGGINS) believes that the Bureau of the Census has grossly overestimated the costs. The other facts as to the work that would have to be done, I am sure remain. If 51 percent of this minority in any particular jurisdiction voted, there still could be rampant discrimination in the covered jurisdiction because even if 51 percent voted, and they would not be covered by the bill, of course, they would not be covered by the gentleman from California's Mr. WIGGINS' substitute, and it would not protect minorities against gerrymandering to prevent blacks and Spanish-speaking people from holding office. There would be no protection against annexations which serve to dilute minority voting power, no Federal protection against voting intimidation or voting bias.

The only way for a minority person in a district where the minorities voted 50.1 percent to protect their voting rights would be either to go to court, which is an arduous burden, or simply urge the other minorities in the covered jurisdiction not to vote 2 years hence and get the proportion down to below 50 percent. For a brief period of 9 years, this jurisdiction would be covered.

The gentleman from California (Mr. WIGGINS), for whom I have the greatest respect, and with whom I have worked for many years, asked me to study carefully his proposal. I have. The staff lawyers have studied it carefully, and the various civil rights organizations have studied it carefully.

Mr. Chairman, I cannot begin to tell the Members in 5 minutes all that I find, and the staff lawyers find, that is wrong with the substitute. It is not a voting rights bill; it is not a civil rights bill; and if enacted, it would wreck whatever we would have left of the voting rights bill.

The gentleman from California (Mr. WIGGINS) did not present his substitute to the subcommittee when we had an extensive 13 days of hearings. He did not present it to the full committee when we considered the bill for several days in the writeup. The first that any of us saw of it was when he presented it one day in the Committee on Rules. So the substitute has not been subjected to the usual House disciplines of expert witnesses and hearings.

Contrary to what the gentleman from California (Mr. WIGGINS) says, the committee bill is most carefully drawn, and it covers in the United States the problem areas only where there actually is discrimination. That is what the trigger is designed to do. It burdens only those portions of the country where discrimination has been shown with Federal intrusion—and it is Federal intrusion—while the gentleman from California's, Mr. WIGGINS', substitute burdens 50 States and 3,049 counties where no discrimination has been shown to be existed.

Mr. Chairman, I urgently suggest that an "aye" vote on the substitute is an antivoting-rights vote, is an anticivil-rights vote, and would return us to the sad days of 100 years ago when the majority whites said in effect to the black minorities of the United States, "We really do not care about you any more."

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. EDWARDS of California was allowed to proceed for 1 additional minute.)

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. I thank the distinguished chairman of the subcommittee for yielding to me.

I want to associate myself with his remarks. It is the most curious thing in the world to me that we should attempt to change a law that has worked, and worked effectively, as is demonstrated by the presence of black Members of this Congress, black members of State legislative bodies, and black members of county legislative bodies. It is just remarkably curious to me why someone would want to undo an act that has proven its effectiveness.

I would hope that the Wiggins amendment is roundly defeated.

Mr. Chairman, in Baltimore, as we observed the birthday of Dr. Martin Luther King, Jr., the film, "From Selma to Montgomery," was shown. Emotions flooded me. There was a feeling of pride as I saw men, women and children withstand the fury of unleashed police brutality as they demonstrated to achieve the right to vote. There was a feeling of relief and joy when I saw the signing of the Voting Rights Act of 1965. There was a feeling of exultation as I saw men and women walking triumphantly in a building where they were indeed registered to vote.

Black men and women now hold public office at all levels of government, because this Nation found within itself the moral strength to make the Voting Rights Act the law of the land. Gains made by blacks since that time have been unprecedented, especially in the political sphere.

However, my colleagues, we know well that such gains do not mean that all resistance against further political advances for black citizens has ended. The one sure protection that blacks and other minorities will have is the extension of the Voting Rights Act for an additional 10 years.

Of course, there are those who will contend that for the most part voting rights discrimination has been eliminated in this country and that, therefore, the extension of the act is unnecessary. To this position, I can argue that although religious discrimination has just about been eliminated in this country, would it be sensible to amend the first amendment to the Constitution by deleting the words, "respecting an establishment of religion and prohibiting the free exercise thereof?"

Let us in this House zealously guard against any weakening of the Constitution and let us with equal zeal guard against amendments to weaken or cripple the 1965 Voting Rights Act. The Butler amendment would indeed weaken the act. The dangers of the Butler amendment are clearly delineated in correspondence the Members received from Congressman EDWARDS, the distinguished chairman of the Subcommittee on Civil Rights and Constitutional Rights. I am certain that our colleague from Virginia (Mr. BUTLER) would agree that the desired goal would be for all eligible citizens to be registered and to vote 100 percent of the registration. However, I am puzzled when he proposed that a 60-percent registration rate among minorities is sufficient for bailout. The Butler amendment should be seen for what it really is, a weakening device, and should, therefore, be overwhelmingly rejected by this body.

The Wiggins substitute is an even more dangerous weakening device. Again, I would like to call to the attention of my colleagues the excellent critical analysis of the Wiggins amendment done by the chairman of the subcommittee. The Wiggins substitute, labeled as "progressive" should be allowed to progress to the burial ground for unneeded, unwanted legislation. It is indeed curious that the gentleman from California did not have his proposal before either the subcommittee or the full committee for consideration. This body will reject the Wiggins amendment, because that is the right course of action to follow.

My colleagues, in these times when minorities are once again unsure whether the white majority is with us or against, let us not add to those uncertainties and concerns. Let us pass H.R. 6219 without crippling amendments and pass it in such numbers so as to assure the Nation that our moral fiber has not been eroded.

Mr. DRINAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Voting Rights Act is designed to do three things; first, to allow and facilitate the registration of all voters.

Second, to permit all citizens to vote equally and impartially and without discrimination.

Third, to permit minority candidates to run with a reasonable hope of access to public office.

The substitute that we talk about here is not a substitute, because it covers at most only one section of those three major purposes. The Wiggins substitute is a truncated version, which is not really a Voting Rights Act at all. It surfaced 3 weeks ago in the Committee on Rules, never having been heard of before. It does two things. If 5 percent of the voting population is black or brown and 50 percent fail to vote then a trigger comes in. But what about all the other things that the minorities need in this country?

The Voting Rights Act was called by the press this morning perhaps the most successful Civil Rights Act in the whole history of this Nation.

This substitute would cut out all of the basic protections that have been afforded by this act ever since 1965. We are familiar with gerrymandered districts, with two-Member districts, with registrars that do not register minority voters. There would be no protection against these perils under this substitute.

Furthermore, Mr. Chairman, I think that the Wiggins substitute is of dubious constitutionality. In South Carolina against Katzenbach, the Court said very carefully that the Voting Rights Act has been an unusual exercise of congressional power.

The U.S. Supreme Court went on to note that ordinarily some evidence of abuse must be present before the Congress can constitutionally impose Federal power upon the voting process of a jurisdiction.

The Wiggins substitute speaks of no abuses. It speaks of a blanket coverage, whether there is abuse or not. If 50 percent of the minority do not vote and if they constitute 5 percent of the total voting population, then theoretically the Attorney General does something. This would lead into endless investigations, concluding with the momentous evidence that it was raining the day of the election or that the candidates were not very good or that the issues were never brought out.

What the Wiggins substitute proposes is not a Voting Rights Act. It states merely that we ought to have firm law enforcement at all times with respect to any potential abuse.

I think, therefore, that the Voting Rights Act should be preserved as it is.

The Department of Justice is opposed to the Wiggins substitute. The U.S. Civil Rights Commission has come out against the Wiggins substitute. The Leadership Conference on Civil Rights is opposed to the Wiggins substitute.

The Wiggins substitute is not a substitute at all. It is a complete evisceration of the Voting Rights Act.

I say in all candor and with due respect to the distinguished author of this substitute that he has not given us a substitute. It is a sham. It is not a substitute. It is a sellout.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from California.

Mr. WIGGINS. Mr. Chairman, I thank the gentleman for yielding.

I am sure he does not intend to imply that the substitute has the effect of eliminating all of the guarantees we carefully built into the 1965 act. Surely all Members should understand that all the provisions of that act are incorporated, with respect to registrars and Federal examiners. My amendment retains much of the bill adopted in the committee with respect to expedited proceedings to be followed by the Attorney General. It incorporates the beneficial portions of the committee bill, but, in my opinion, it finally, at long last, puts some rationality into the trigger.

Mr. BADILLO. Mr. Chairman, I rise in opposition to the amendment, because it suffers from the disadvantage that it provides a remedy where no remedy is needed and it takes away a remedy which is necessary in the covered jurisdictions.

The irony of the position of the supporters of the gentleman from California (Mr. WIGGINS) is that those who now want to cover every area where there are more than 5 percent black people or more than 5 percent Spanish-speaking people throughout the country, without inquiry at all, are the very same people who, when this amendment is defeated, will turn around and object to the inclusion of Spanish-speaking people on the grounds that the fact of discrimination has not been fully documented.

They are the ones who, in the committee and yesterday, were objecting to the fact that we did not document that every single county in Texas or every single county included in the other jurisdictions was a county where there had been discrimination practiced. Now, they want to apply, without inquiry, without testimony, to every part of the country; to Nevada, to Wyoming, to Oregon, to Washington, to areas which at no time were considered in the testimony that was submitted before the committee.

We have a tradition in this act that the jurisdictions to be covered are those where there has been a documentation in the record of the need for congressional action. That was the basis of the Voting Rights Act of 1965, and that is why the triggering mechanism was limited particularly to the Southern States involved. In 1975, we seek to show that the spirit of the 1960's continues clear into the 1970's, and now we want to include on the basis of testimony those jurisdictions in the Southwest and in the Northeast where there has been evidence of discrimination.

If there is evidence of further discrimination in every part of the country where there is more than 5 percent of black people or Spanish-speaking people, then that can be brought forward and a subsequent amendment to the Voting Rights Act of 1975 can be made, but no such evidenced was produced.

Therefore, that is why I say that the amendment offered by the gentleman from California (Mr. WIGGINS) seeks to provide a remedy where none is being established as necessary. At the same time, it takes away a remedy that already exists because, by limiting the act to the right to vote, the gentleman from California fails to appreciate the changes that have taken place since the 1965 act was written. At that time, when we said the right to vote, we were talking about registration, we were talking about voting only, but since then and through experience, we have come to recognize that the right to vote is only a meaningful right if the authority of the State, if the authority of the majority, is not used to dilute the right to vote by techniques of redistricting that would bring about a dilution of the right to vote even if more than 50 percent of the people vote, by techniques of annexation which would make it impossible for a black or Spanish-speaking councilman to be elected if an area was brought in and put into his district so that he could not win even if 50 percent of the blacks or Mexicans were to vote.

The Wiggins amendment, by enabling that jurisdiction to pull out from the benefits of the act the moment that the

UMI

minority groups vote to the extent of more than 50 percent, would then enable that State or that locality to pass legislation which would annex other areas, or would redistrict the boundaries of the local districts in such a way that even if 60 percent of the minorities involved were to come out and vote, they could not possibly elect anyone from their particular groups.

To that extent, it takes away a remedy which already exists in that in 1975, and hopefully thereafter, the right to vote is more—not only the right to register and to vote on election day, but the right to have a chance to elect someone who comes from the particular group to show that all of the groups can contribute to better government in our democracy.

Mr. McCLORY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to make a few comments at this point with regard to statements which have been made on the floor in opposition to the amendment offered by my colleague from California (Mr. WIGGINS). I was here in 1965 when we passed the Voting Rights Act, and the testimony and evidence we had of discrimination, of intimidation, of coercion and threats were such as to demand the kind of legislation that is embodied in the 1965 act as extended, an act that I think should be extended again. But I have gone through this record and outside of the testimony and evidence with respect to the State of Texas, I do not find anything that bears any resemblance or any comparison to the kind of testimony and evidence that we had at the time we enacted this original act.

I would like one of the proponents of this legislation who endeavors to include Spanish heritage and native Alaskans and Indians and Asian Americans as contained in the committee bill to point to me in the record the substantial basis for providing this kind of comprehensive legislation. It just is not there. There is a virtual dearth of testimony and evidence in that connection.

I think that it is all well and good to get up on this floor and say how beneficial the 1965 Voting Rights Act has been and I will agree with that and I support that position, but to use that as a basis for expanding the act to include all kinds of language minorities and to do all of the other things that this legislation undertakes to do is to misrepresent what the true facts are.

The true facts are that in 1974 we had less than 40 percent of the entire voting age population who voted in the election. We are not going to use that as a formula, as a trigger. Yet there is no basis for this comprehensive legislation except the triggering device, the formula. There is virtually no evidence of discrimination which should be the basis for the action we are taking here.

For instance, the State of Colorado would have one of the voting areas which would be under this act and subject it automatically to the triggering device that would enable the Federal Government to put in observers and watchers and registrars, and so on in that area.

What evidence is there in the RECORD to justify the imposition or the superimposition of the Federal Government over this area in Colorado? It just is not there.

With respect to not only that area but other areas referred to throughout the country—California, New Mexico, and Arizona—I would say that, outside of the State of Texas, we do not find any evidence which compares to the kind of evidence we had at the time of the 165 act.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I will be glad to yield to the gentleman from Colorado, since I mentioned the gentleman's State.

Mr. EVANS of Colorado. I thank the gentleman for yielding. I do have some grave reservations and concerns about the bill as drawn, in that it does include counties in Colorado.

May I inquire of the gentleman whether he supports the amendment offered by the gentleman from California (Mr. WIGGINS)?

Mr. McCLORY. I did not rise either in support or in opposition. I will have my own amendments to this legislation, to strike titles II and III of the bill, and I will be supporting those. I certainly do not want to do any damage to the gentleman's amendment at this stage, but I think there have been misrepresentations as to what his amendment would do. I just wanted to take the time, in order to clarify that, and to reject the statements that have been made about how important it was for us to expand this legislation far beyond the concept that we had in the 1965 act.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I will be glad to yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, I would like to point out for the gentleman that the facts found by the committee indicated this: The illiteracy rate among persons of Spanish heritage is 18.9 percent; among Chinese it is 16.2 percent; and among American Indians it is 15.5 percent; whereas the nationwide illiterarcy rate is only 4.5 percent.

Furthermore, in the 1972 Presidential election——

Mr. McCLORY. I do not want to yield any more at this point, because I am asking for proof of discrimination. I am not asking that the gentleman suggest how many people voted or what percentage of the people have gone through the fifth grade, or anything like that.

Is there discrimination with respect to voting in any of these States with respect to any of the language categories which compares to the kind of discrimination we had against black Americans when we considered the 1965 act? There is none.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I must say that I find it curious and incredible this country tolerates any roadblocks put in front of its people exercising their franchise. After 200 years in this country we should be doing everything we can to remove any barriers to voting, because we have always had an incredibly low voter turnout among all voters. I would like to see postcard registration or a law saying people can vote on the basis of their social security card. But, that is not what we are discussing. We are discussing how to determine when discriminatory barriers have been erected.

Mr. Chairman, as chairwoman of the House Census Subcommittee I am acutely aware of just how much leadtime is necessary to prepare for, and then conduct a nationwide survey of the scope called for in this amendment.

After checking with the Bureau of the Census, it seems apparent to me that in voting for this amendment, we would, in all probability, be voting to suspend the provisions of the Voting Rights Act from February 1977, until early 1979.

The Bureau of the Census has informed me that unless a $200 million appropriation were forthcoming immediately to begin work on the proposed voting survey, then it could not be done until the 1973 election at the earliest. And as I understand this amendment, there would be no coverage under the act after February 5, 1977, until a survey identified covered jurisdictions.

Moreover, it is clearly unwise to jeopardize the provisions of this act by tieing its coverage to some future appropriation which might not be forthcoming.

But regardless of the questions surrounding the timing of the proposed survey, there is a major flaw in this amendment. It alludes to a "5-percent minority population" coverage criterion, as if this figure can be precisely determined. It cannot.

In fact, as the Bureau of the Census will concede, there are severe difficulties with undercounts in areas with high concentrations of minorities.

The official average undercount nationally for blacks in the 1970 census was 7.7 percent. The undercount for Spanish surnamed cannot be officially determined, but in my opinion, probably exceeded that for blacks. In stating that undercounts averaged almost 8 percent nationally, one virtually concedes that in individual jurisdictions, minority undercounts could easily be as high as 20 to 25 percent.

Therefore, it seems to me to be inappropriate at the very least, to predicate protection of one of the basic civil rights of Americans on the basis of admittedly less than accurate statistical measurements.

The minorities of this country have suffered enough by census undercounts—let us not add yet another category to the injustices and inequities which have resulted from this problem.

Mr. EVANS of Colorado. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I am glad that the gentlewoman has brought these facts to the attention of the Committee. I am concerned about the delay and the cost of the census that would be required by the adoption of the Wiggins amendment.

There is one other aspect of this that also concerns me. Under a provision of the Wiggins amendment, the census would not only result in a voting abstract to find out how many people voted but it seems to me they are going to be called upon to find out the race of every person who voted.

Mr. Chairman, we have some precincts where we might find just one race or one nationality living there and voting, and I suppose taking a census of that precinct would not be difficult at all. However, the majority of the precincts in this Nation are multiracial; they include white, black, brown, oriental, and so forth.

Under the provisions of the Wiggins amendment, the census is going to have to establish the racial identity of everybody who voted. Otherwise the triggering mechanism in the gentleman's amendment would be completely inoperative. If that were to take a long time and if it were to cost a lot of money, I have serious reservations that any such census would be funded, and if it were funded, I have serious reservations that it would be implemented in time to have a timely effect on succeeding elections.

Mr. Chairman, I thank the gentlewoman for yielding.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman for his remarks. I think the gentleman is correct.

I know that the census survey called for in the 1964 Civil Rights Act has never been funded and that has never been.

I also think it is a great tragedy that the gentleman's amendment has never had hearings held on it, and that the Census Bureau has not been able to come forward and explain the problems they would have with this kind of survey acting as a triggering mechanism.

In addition, the State governments should have been able to testify about the implications of this substitute on them.

Mr. Chairman, it sounds as if the gentleman's substitute is very precision-oriented and it sounds as if it would work very well on its face but I do not think the statistics are there to allow this to happen.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to give my colleague from California (Mr. WIGGINS) an opportunity to respond.

I, too, am on the Census Subcommittee of the Committee on Post Office and Civil Service, serving with my distinguished chairman, the gentlewoman from Colorado. It is true that we have ongoing census surveys going on all the time in the field of economics, unemployment, and in the field of health. These civil servants from the Census Bureau are in the field almost all the time, and they tell us that those surveys that they take, on which we base a great deal of the administrative procedures and followup requirements we provide in various laws are in many cases effective up to 3 or 4 percent of the total population.

Mr. Chairman, I will yield to the gentlewoman in just a minute.

I want to give my colleague, the gentleman from California (Mr. WIGGINS) a chance to respond to some of the gentlewoman's claims that it would cost $200 million to conduct the kind of surveys that Mr. WIGGINS' amendment contemplates. That just simply is not true, nor is it a fair statement to make. The material presented in our committee's hearings do not justify that claim.

I now yield to my colleague, the gentleman from California (Mr. WIGGINS), for a brief response.

Mr. WIGGINS. Mr. Chairman, I thank the gentleman for yielding.

I welcome this opportunity to correct any misapprehension on the part of the gentlewoman from Colorado (Mrs. SCHROEDER) or anyone else concerning the cost or the precision necessary in making the determinations which are required of the Bureau of the Census under my substitute.

The legislative history which was made yesterday, pursuant to my substitute language, makes it absolutely clear that the Bureau of the Census may make the determinations required of it under this substitute by relying upon its existing census data, the most recent census data in its computer records or any data that it may have accumulated for another purpose.

The cost of establishing the 5-percent figure is the cost of pushing a button; that is all.

It will be necessary to take a survey to determine voter participation. The media in this country, the national networks, can tell us within 30 seconds after the polls close how the blacks voted. There is not a Member in this Chamber who cannot tell us, with a high degree of precision, how the minorities voted in his district, without the expenditure of any money.

The legislative history makes it clear that the Bureau of the Census need not achieve 95-percent precision, which is their normal standard, but may employ standards or techniques of the type employed by commercial polling organizations. The cost of such a survey is one-tenth or less of the cost projected by the Bureau of the Census.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman for his comments.

I would also like to say in further discussion of the amendment of my colleague, the gentleman from California (Mr. WIGGINS), that our subcommittee is now contemplating legislation for some kind of ongoing census every 5 years. That piece of legislation has not completed its history, but we have had hearings on the concept. The claim that we would have to go to some kind of full census or almost full census to complete the approach contemplated in the amendment of my colleague, the gentleman from California, I do not think is a fair charge.

I will yield to both of my colleagues, the gentlewoman from Colorado, and the gentleman from California, in just a moment.

Mr. Chairman, I would like to reemphasize that there is ongoing census work that takes place every single day in our country relating to unemployment statistics, relating to health surveys, and those type surveys include various racial counts.

My colleague from Colorado had indicated that there is some problem in being able to relate those areas where substantial minority groups reside. That simply is not true. Therefore, I wanted to reassure my colleague that on the basis of the information that we get regularly from the Census Bureau and that the Department of Labor receives every month or which HEW receives every month from the Census Bureau, that the survey proposed by the Wiggins amendment be carried on in connection with other work already being conducted and that we not go into a special census to accomplish the kind of information he envisions.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, I now yield to my colleague, the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, I appreciate the gentleman yielding. Let me say the cost of the survey required by the Wiggins amendment was given me by the Bureau of the Census. The Bureau of the Census gave the chairman of the subcommittee, the same estimate of $200 million to do this survey. You say there may be some dispute about that figure but the Census Bureau has been consistent in their estimates. Unfortunately, there were no hearings on whether the estimate is correct or not. There is also the problem of using the old 1970 census figures. Further if the survey is not funded there is the problem that in 1977 that there might be a gap in coverage until we have the survey that retriggers its coverage under the act.

Mr. ROUSSELOT. Let me say to my colleague, the gentlewoman from Colorado, that we have had extensive hearings on the cost of various kinds and degrees of surveys that have been taken by the Bureau of the Census.

Mrs. SCHROEDER. That is correct.

Mr. ROUSSELOT. We know and have received cost estimates on much of that, and many of those various kinds of limited surveys that my colleague, the gentleman from California (Mr. WIGGINS) contemplates could be taken without the cost being $200 million.

Mr. Chairman, I think it would be wrong to leave the impression with this body that it would be necessary to spend $200 million to achieve the kind of result in a survey that my colleague, the gentleman from California (Mr. WIGGINS) contemplates, in his amendment in the nature of a substitute. As I say, there are varying degrees of census activities that can be undertaken. A survey may not be probable down to 1 percent, but it could be within 3 or 4 percent of actuality, as we have been told by the Bureau of the Census time and time again when they have testified on the points that the gentlewoman from Colorado is making.

Now, Mr. Chairman, I would be glad to yield to the gentleman from California (Mr. EDWARDS) if the gentleman has any additional points to make or raise.

Mr. EDWARDS of California. Mr.

UMI

Chairman, I do not have any additional points to make. My original point is still well made, and I will put in the letter from the Bureau of the Census concerning the costs of the survey that is dated May 30, 1975, in the RECORD when we go back into the House.

Mr. ROUSSELOT. That will be fine.

Let me say to the gentleman from California that the point has been made by the Bureau of the Census itself before our subcommittee that there are varying kinds of surveys that can be taken in conjunction with regular surveys that are now being done, and, although the end product may not be absolutely perfect, it is more than adequate to meet the criteria my colleague, the gentleman from California (Mr. WIGGINS), would contemplate.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. EDWARDS of California, and by unanimous consent, Mr. ROUSSELOT was allowed to proceed for 1 additional minute.)

Mr. EDWARDS of California. Mr. Chairman, if the gentleman will yield further, I would like to make it clear to the gentleman from California (Mr. ROUSSELOT) that the Wiggins amendment in the nature of a substitute mandates a particular type of survey. These are the surveys that the Bureau of the Census says will cost $200 million per year.

Mr. ROUSSELOT. It would be in conjunction with other surveys. That is the point I am trying to make; it would be in conjunction with other surveys that the Bureau of the Census is now completing on an ongoing basis such as a monthly accounting relating to unemployment, production, or many of the other types of surveys. My colleague, the gentleman from California (Mr. WIGGINS), I believe does not contemplate the kind of costly survey that the gentleman from California (Mr. EDWARDS) and the gentlewoman from Colorado (Mrs. SCHROEDER) have in mind.

Mr. EDWARDS of California. The bill mandates it.

Mr. ROUSSELOT. I think there is an honest disagreement on what that cost will be. On the basis of the hearings in which I participated with the Bureau of the Census I do not believe that that cost would be of the kind that the gentleman from California envisions.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment in the nature of a substitute offered by the gentleman from California (Mr. WIGGINS).

I believe that the Wiggins amendment is a wise and reasonable substitute to the committee bill. It concentrates on the percentage of voting minorities rather than the percentage of total citizen voting age population. As my colleague from California has pointed out, if every single person of Spanish heritage voted in a particular area in 1972, the area could still be covered under the committee bill if the overall turnout was less than 50 percent. This does not make sense. If our purpose is to insure the voting rights of our minority citizens, let us direct our attention to their voter participation.

Another positive feature about the Wiggins substitute is that it focuses upon current voter performance. Under this bill, a jurisdiction is covered if 5 percent or more of its voting age population is black or Spanish heritage, and 50 percent or less of such minorities voted in the most recent general Federal election. The coverage is updated every 2 years so that a jurisdiction with a poor minority turnout one year is not indefinitely saddled with the "special remedies" of the act. A jurisdiction thus has a great incentive to improve minority participation in the voting process. I see no reason why an area should continue to be penalized for events that occurred in the past, once the area has taken positive steps to remedy its discriminatory practices.

The Wiggins bill confers special protection on blacks and persons of Spanish heritage only and does not mandate bilingual ballots. During the hearings on H.R. 6219, very little evidence was submitted concerning discrimination against the other minority groups covered in the committee bill, namely American Indians, Asian Americans, and Alaskan Natives. In addition, there is no one single language for each of these groups. Asian Americans include citizens of Japanese, Chinese, Filippino, and other descent while the language of American Indians and Alaskan Natives comprise many dialects and in some cases, does not even have a written form. How, then, can a jurisdiction provide a bilingual ballot?

For these reasons, I urge rejection of the committee bill and passage of the Wiggins substitute.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I am most happy to yield to the gentleman from California.

Mr. WIGGINS. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, we can discuss this question of the census at great length, and I think it is helpful in the sense that it will give some guidance to the Bureau of the Census when they undertake to implement this amendment in the nature of a substitute, or, indeed, the committee bill.

I am sure my colleagues, of course, understand that all of the problems raised with regard to the Wiggins substitute are also present, perhaps to a lesser degree, but present, nevertheless, in the committee bill.

But, Mr. Chairman, let us get this fact clear if we forget everything else. The Bureau of the Census is mandated to do what this Congress tells it to do. It does not determine procedures which it finds satisfactory if the Congress finds those procedures to be unsatisfactory.

In my substitute the standard of certainty required for the purpose of making the determinations required under the substitute is not the 95-percent precision customarily employed by the Bureau of the Census. It is not certain which tolerates one standard deviation. It is the standard of certainty which lawyers in this House are accustomed to dealing with; namely, that the fact to be established is determined by a preponderance of the evidence, that is to say, it is more probable than not.

Why do we seek the determination required under the act? The purpose of this act is not to ascertain how many blacks are in a jurisdiction or how many voted with great precision. Those facts merely trigger a rebuttable presumption. It is not necessary to determine these 5-percent or 50-percent figures with a high level of precision since it only results in a rebuttable presumption.

I assure the Members, Mr. Chairman, that they may have reasons known best to themselves why they would not wish to support my substitute, but do not vote on the false premise that it is extraordinarily expensive. It is not. The job can be done for one-tenth or less than is suggested by the Bureau of the Census. If they claim they cannot perform as required by Congress, then it is high time we get a Director of Bureau of the Census who can.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding.

I would just like to point out that in the committee bill a census is required every 2 years. It seems to me as though the census surveys in the committee bill would be a more complex requirement than the Wiggins substitute since under the Wiggins substitute we would only have Spanish-heritage people to be concerned about, whereas under the committee bill we have American Indians, Alaskan Natives, and Asian Americans, as well as Spanish-heritage people. Accordingly, it would seem to me to be more complicated, more expensive, and more comprehensive under the committee bill than under the Wiggins substitute. At any rate, there will be substantial expense to the conducting of these surveys.

Mr. KETCHUM. Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee of the Whole appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred and one Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the request of the gentleman from California (Mr. WIGGINS) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 134, noes 269, not voting 30, as follows:

[Roll No. 250]

AYES—134

Abdnor	Gonzalez	Moorhead, Calif.
Archer	Goodling	Myers, Ind.
Armstrong	Gradison	Nichols
Ashbrook	Hagedorn	Pettis
Bafalis	Haley	Poage
Bauman	Hansen	Preyer
Boggs	Harsha	Quie
Breaux	Hastings	Quillen
Brinkley	Hefner	Rhodes
Brooks	Henderson	Robinson
Broomfield	Holland	Rose
Brown, Mich.	Hutchinson	Rousselot
Broyhill	Hyde	Runnels
Buchanan	Ichord	Satterfield
Burgener	Jarman	Schneebeli
Burleson, Tex.	Jenrette	Schulze
Butler	Johnson, Colo.	Shuster
Byron	Johnson, Pa.	Sikes
Casey	Jones, Ala.	Smith, Nebr.
Cederberg	Jones, Okla.	Snyder
Clancy	Kasten	Spence
Clausen, Don H.	Kazen	Steelman
Clawson, Del	Kelly	Steiger, Ariz.
Collins, Tex.	Kemp	Steiger, Wis.
Conable	Ketchum	Stephens
Crane	Kindness	Stuckey
Daniel, Dan	Lagomarsino	Symms
Daniel, R. W.	Landrum	Talcott
Davis	Lent	Taylor, Mo.
de la Garza	Levitas	Taylor, N.C.
Derrick	Lloyd, Calif.	Teague
Derwinski	Long, La.	Treen
Devine	Lott	Vander Jagt
Dickinson	Lujan	Waggonner
Downing	McCollister	White
Duncan, Tenn.	McDonald	Whitehurst
Edwards, Ala.	McEwen	Whitten
Erlenborn	Mahon	Wiggins
Eshleman	Mann	Wilson, Bob
Flowers	Martin	Wright
Flynt	Michel	Wydler
Forsythe	Milford	Young, Alaska
Fountain	Miller, Ohio	Young, Fla.
Frey	Montgomery	Young, Tex.
Ginn	Moore	

NOES—269

Abzug	Burton, John	Fish
Adams	Burton, Phillip	Fisher
Addabbo	Carney	Fithian
Ambro	Carr	Flood
Anderson, Calif.	Carter	Florio
Anderson, Ill.	Chisholm	Foley
Andrews, N.C.	Clay	Ford, Mich.
Andrews, N. Dak.	Cleveland	Ford, Tenn.
Annunzio	Cohen	Fraser
Ashley	Collins, Ill.	Frenzel
Aspin	Conte	Fulton
AuCoin	Conyers	Fuqua
Badillo	Corman	Gaydos
Baldus	Cornell	Giaimo
Barrett	Cotter	Gibbons
Beard, R.I.	Coughlin	Gilman
Bedell	D'Amours	Grassley
Bell	Daniels, N.J.	Green
Bennett	Danielson	Gude
Bergland	Delaney	Guyer
Biaggi	Dellums	Hall
Biester	Dent	Hamilton
Bingham	Diggs	Hanley
Blanchard	Downey	Hannaford
Blouin	Drinan	Harkin
Boland	Duncan, Oreg.	Harrington
Bolling	Early	Harris
Bonker	Eckhardt	Hawkins
Brademas	Edgar	Hayes, Ind.
Breckinridge	Edwards, Calif.	Hays, Ohio
Brodhead	Emery	Hechler, W. Va.
Brown, Calif.	English	Heckler, Mass.
Brown, Ohio	Esch	Heinz
Burke, Calif.	Evans, Colo.	Helstoski
Burke, Fla.	Evans, Ind.	Hicks
Burke, Mass.	Evins, Tenn.	Hightower
Burlison, Mo.	Fascell	Hillis
	Fenwick	Holt
	Findley	Horton
	Howard	Mottl
	Howe	Murphy, Ill.
	Hubbard	Murphy, N.Y.
	Hughes	Murtha
	Hungate	Myers, Pa.
	Jacobs	Natcher
	Jeffords	Neal
	Johnson, Calif.	Nedzi
	Jordan	Nix
	Karth	Nolan
	Kastenmeier	Nowak
	Keys	Oberstar
	Koch	Obey
	Krebs	O'Brien
	Krueger	O'Hara
	LaFalce	O'Neill
	Latta	Ottinger
	Leggett	Patman, Tex.
	Lehman	Patten, N.J.
	Litton	Patterson, Calif.
	Lloyd, Tenn.	Pattison, N.Y.
	Long, Md.	Pepper
	McClory	Perkins
	McCloskey	Peyser
	McCormack	Pickle
	McDade	Pike
	McFall	Pressler
	McHugh	Price
	McKay	Pritchard
	McKinney	Randall
	Macdonald	Rangel
	Madden	Rees
	Madigan	Regula
	Maguire	Reuss
	Matsunaga	Richmond
	Mazzoli	Riegle
	Meeds	Rinaldo
	Melcher	Risenhoover
	Metcalfe	Rodino
	Meyner	Rogers
	Mikva	Roncalio
	Miller, Calif.	Rooney
	Mills	Rosenthal
	Mineta	Rostenkowski
	Minish	Roush
	Mink	Roybal
	Mitchell, Md.	Ruppe
	Moakley	Russo
	Moffett	Ryan
	Moorhead, Pa.	St Germain
	Morgan	Santini
	Mosher	Sarasin
	Moss	

Sarbanes		
Scheuer		
Schroeder		
Sebelius		
Seiberling		
Sharp		
Shipley		
Shriver		
Simon		
Sisk		
Skubitz		
Slack		
Solarz		
Spellman		
Staggers		
Stanton, J. William		
Stanton, James V.		
Stark		
Steed		
Stokes		
Stratton		
Studds		
Sullivan		
Symington		
Thompson		
Thone		
Thornton		
Traxler		
Tsongas		
Udall		
Ullman		
Van Deerlin		
Vander Veen		
Vanik		
Vigorito		
Walsh		
Waxman		
Weaver		
Whalen		
Wilson, C. H.		
Winn		
Wirth		
Wolff		
Wylie		
Yates		
Yatron		
Young, Ga.		
Zablocki		
Zeferetti		

NOT VOTING—30

Alexander	Ellberg	Mitchell, N.Y.
Baucus	Goldwater	Mollohan
Beard, Tenn.	Hammer-schmidt	Passman
Bevill	Hébert	Railsback
Bowen	Hinshaw	Roberts
Chappell	Holtzman	Roe
Cochran	Jones, N.C.	Smith, Iowa
Conlan	Jones, Tenn.	Wampler
Dingell	Mathis	Wilson, Tex.
Dodd	Mezvinsky	
du Pont		

So the amendment in the nature of a substitute was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Ellberg against.

Mr. Beville for, with Mr. Baucus against.

Mr. Passman for, with Ms. Holtzman against.

Mr. Roberts for, with Mr. Dingell against.

Mr. Charles Wilson of Texas for, with Mr. Dodd against.

Mr. Mathis for, with Mr. Mollohan against.

Mr. Bowen for, with Mr. Mezvinsky against.

Mr. Chappell for, with Mr. Roe against.

Mr. Conlan for, with Mr. Mitchell of New York against.

Mr. Cochran for, with Mr. Railsback against.

Mr. Wampler for, with Mr. du Pont against.

The result of the vote was announced as above recorded.

Mr. YOUNG of Alaska. I move to strike out the requisite number of words.

The CHAIRMAN. The gentleman from Alaska is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Chairman, the gentleman from Illinois (Mr. McCLORY) and myself will introduce an amendment which will delete the term "Alaska Natives" from the bill H.R. 6219.

I first learned of the Judiciary Committee's intention to include Alaska in this act by reading the newspapers. That may have been my fault or it may not have been my fault, but I have learned since that the inclusion of Alaska Natives was done without research and without much deliberation. The addition of the Alaska Natives was done at the suggestion of the Justice Department which never researched how Alaska would or could comply with the act. I have a letter which I will read and place in the RECORD on this subject.

Let us get back to what this really does. By including Alaska Natives in titles II and III, the act places an impossible burden upon the State of Alaska. The most difficult problem would be providing bilingual ballots. We have in the State of Alaska more than 20 different dialects which, for the most part are spoken, but not written.

It has only been recently that the University of Alaska has attempted to reduce these dialects to written form. Let me restate that. The University of Alaska, and not the native people. As a result, it would be humanly impossible for the State of Alaska to comply with the act.

On the positive side, Alaska statutes (AS 15.15240) dictate that voter assistance must be provided where a language barrier exists. Many voters do ask for and receive assistance as provided in this section of the Alaska statutes. Although there are many Eskimo and Indian dialects, English is the only language spoken and understood by all minority groups.

In 1966 and again in 1971, Alaska has come under the Voting Rights Act and both times the State successfully won their case in the U.S. District Court in Washington, D.C. Alaska's Natives understand the intent of the law, but they also know the realities of the electoral process. I have received telegrams from the Alaska Federation of Natives and several native corporations in support of my amendment. I realize that we could extradite ourselves once again in another suit, but why should the taxpayers of Alaska and of the United States spend money when it is not necessary?

As the president of the Alaska Federation of Natives points out in his telegram, the number of natives able to read their own language is minimal. English is the universal language. Thus, if we were able to print ballots in the 20 different dialects, the Natives themselves would not be able to read them.

The State of Alaska is one of the most progressive in the Union, where voting rights are concerned. We have registration by mail, no literacy tests or devices, many educational pamphlets and other voting aids are made available.

There is a common saying in Alaska, "If you are warm, you can vote."

If the Voting Rights Act passes with Alaska Natives included, it will once again demonstrate to the people in my State that: First, Congress has not done its homework; and second, Congress is needlessly overstepping its boundaries on a matter that can best be handled at the State level.

UMI

Mr. Chairman, if I may, I would like to read from a letter written by one Hon. J. Stanley Pottinger.

This is not to say that any evidence has been presented to us of a need for expansion of the coverage of the Act to Alaskan natives; we have received no specific evidence regarding them. However, we think it would be more appropriate to leave to the courts the determination as to which racial minorities who are non-English speaking need the special protections of the Act. The State of Alaska has been able to bail out from the special provisions of the Act on two prior occasions, and if there is no discrimination against Alaskan natives presumably could bail out if Congress were to include it within the coverage of the 1975 Voting Rights Amendment.

Mr. Chairman, I say the intent of the act is good, but the inclusion of the Alaskan Natives is not. The inclusion of the Alaskan Natives in this act will cause confusion. The Natives themselves do not support inclusion in the act. The elected officials of the State do not support inclusion in the act. It places a burden on the State of Alaska that is not called for.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I will yield to the gentleman from Massachusetts.

Mr. DRINAN. We had evidence in the subcommittee, and also in the Senate, of the position of Senator GRAVEL, and he thought that, while there may be some burdens imposed by this legislation, he said in all three known dialects, Navajo, Sioux and Cherokee, some of the Alaskan Natives could in fact vote in that particular language, but he felt, more fundamentally, that it might be, with regard to the 40 dialects, that not a single language minority in Alaska would in fact trigger the act.

Would the gentleman want to comment on these comments?

Mr. YOUNG of Alaska. The danger we see, if it is triggered, the ballots must be printed in all 20 dialects. It is a possibility. The only people who have those dialects are bilinguists and some people at the University of Alaska. If it is triggered, it will cause a burden upon the Alaska natives who themselves do not want to be included in the act.

So far as the Senator from Alaska, I respectfully submit his wires were crossed, and he is also going to offer an amendment on the Senate side that will possibly try to clarify the position he has taken.

The CHAIRMAN. The time of the gentleman from Alaska has expired.

(By unanimous consent, Mr. YOUNG of Alaska was allowed to proceed for 1 additional minute.)

Mr. YOUNG of Alaska. Again, I can only state that this is a typical example of Congress acting supposedly for the good of the people, when the people—and I am talking about the minorities—do not want it themselves.

I ask the Members, respectfully, to listen to the people we are supposed to represent.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. Yes, I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I think the point should be made that under this legislation, Alaskan Natives would constitute one single minority-language group, and the bill would require that ballots should be printed in that language, whereas there is not one language for the single minority group, but there is a multiplicity of languages and dialects, none of which or most of which are not in written form. Therefore, it makes the act absolutely absurd and ridiculous, in its present form, when attempted to be applied to Alaska.

Mr. YOUNG of Alaska. I cannot agree with the gentleman from Illinois more.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. Yes, I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, I know the gentleman from Massachusetts (Mr. DRINAN) would not mislead us, but the Senator from Alaska did not testify before the House Committee on the Judiciary when I was present, and I think the gentleman from Massachusetts will agree with that.

AMENDMENT OFFERED BY MR. BUTLER

Mr. BUTLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUTLER: Page 2, immediately after line 6, insert the following:

SEC. 103. Section 5 of the Voting Rights Act of 1965 is Amended by adding at the end thereof the following:

"Notwithstanding any other provision of this section, a State or political subdivision with respect to which the prohibitions set forth in section 4(a) of this title are in effect may institute an action in the United States District Court for the District of Columbia for a declaratory judgment against the United States that such State or political subdivision is exempted from complying with the requirements of this section with respect to all existing and prospective voting qualifications, prerequisites to voting, and standards, practices, or procedures with respect to voting. Such declaratory judgment shall be entered by the court upon proof by the State or political subdivision of the following circumstances:

"(1) The Director of the Census has determined that no less than sixty per centum of the eligible minority citizens of voting age residing therein on the date of the most recent general election for President or Members of Congress were registered to vote and no less than sixty per centum of such citizens voted in said election;

"(2)(A) At all times during the two years preceding the filing of the action for a declaratory judgment, there were no objections interposed by the Attorney General (which were not overridden by the granting of a declaratory judgment) or the denial of a declaratory judgment by the United States District Court for the District of Columbia, pursuant to this section, against such State or political subdivision or against any governmental jurisdiction within the territory of such State or political subdivision; and

"(B) At all times during the five years preceding the filing of such action for declaratory judgment there has been

"(a) no final judgment of a federal or State court ruling that violation of the fourteenth or fifteenth amendments with respect to the voting rights of minorities or of any legislation implementing such amendments wtih respect to the voting rights of minorities has occurred anywhere in the territory of such State or political subdivision;

"(b) no change in any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting in such State or political subdivision put into force or effect without timely filing of a declaratory judgment action in the United States District Court for the District of Columbia or timely submission to the Attorney General pursuant to this section;

"(c) repealed and there has not been used any test or device as defined by subsection (c) of section 4 and section 4(f)(3) of this title and there has been repealed or the objection withdrawn with respect to all changes in voting qualifications, or prerequisites to voting, or standards, practices, or procedures with respect to voting to which the Attorney General interposed an objection pursuant to this section (which was not overriden by the granting of a declaratory judgment) or with respect to which the United States District Court for the District of Columbia denied an action for declaratory judgment pursuant to this section in such State or such political subdivision;

"(d) no federal voting examiner sent to or maintained within such political subdivision or sent to or maintained within any political subdivision of such State pursuant to section 6 of this title; and

"(e) no incident of voting discrimination that has denied minority voting rights in violation of the fourteenth or fifteenth amendments or any legislation implementing such amendments; or if there are any such incidents:

"(1) the incidents have been few in number and have been promptly and effectively corrected by State or local action;

"(2) the continuing effect of such incidents has been eliminated; and

"(3) there is no reasonable probability of their recurrence in the future."

(3) The laws of the State and its political subdivisions or of a political subdivision with respect to which a determination has been made pursuant to section 4(b) of this title as a separate unit provide and have been implemented to effectuate:

"(a) An opportunity for every eligible citizen of voting age residing therein to register to vote including the opportunity to register during evening hours on a reasonable number of days each month and on a reasonable number of Saturdays and Sundays of each month;

"(b) reasonable public notice of the opportunity to register;

"(c) a place of registration and a place for voting at a location with access to and not an unreasonable distance from the place of residence of every eligible citizen of voting age residing within such State or political subdivisions;

"(d) reasonable provision for minority representation among election officials at polling places where minorities are registered to vote;

"(e) apportionment plans which assure equal voter representation;

"(f) apportionment plans which avoid submergence of cognizable racial or minority groups;

"(g) removal of all unreasonable financial or other barriers to candidacy; and

"(h) adequate opportunity for minority representation in all local governing bodies where eligible minority citizens of voting age exceed twenty five per centum of the eligible citizens of voting age residing within such political subdivisions.

"If the Attorney General determines that he has no reason to believe that such State or political subdivision has not complied with each of the above requirements, then he shall consent to the entry of such judgment, and the Attorney General shall, upon request, advise in advance of litigation whether in his opinion the above circumstances exist. The court shall retain jurisdiction of any action pursuant to this paragraph for ten years after judgment and shall reopen the action upon motion of the Attorney General alleging that a voting qualification, prerequisite, standard, procedure or practice has been used with the purpose or effect of denying or abridging the right to vote on account of race or color or in contravention of the guarantees set forth in section 4(f)(2).

"The Director of the Census shall make determinations appropriate to this section upon request of such State or political subdivision and such determination shall not be reviewable in any court and shall be effective upon publication in the Federal Register.

"For purposes of this section, the term minority shall mean a person who is a member of a minority race or color or a member of a language minority group as defined in section 14(c)(3)."

Mr. BUTLER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BUTLER. Mr. Chairman, if H.R. 6219 is passed in its present form, and if 100 percent of the blacks or minorities in Virginia, South Carolina, North Carolina, Georgia, Mississippi, Alabama, and Louisiana vote in every election between now and August 1985, each of those States will still remain under the Voting Rights Act and will continue to be required to submit every change in its voting procedure to the Attorney General of the United States, who was elected by nobody, for his approval.

There is no way, under the provisions of H.R. 6219, that any of these covered jurisdictions can escape the burdensome provisions of the act because of a recent opinion of the Supreme Court of the United States saying, in effect, that the modest literacy test employed in Virginia in 1964 is conclusively presumed to have been used to discriminate against minorities.

This is in conflict with the original intent of the Congress to permit the covered jurisdiction to overcome a rebuttable presumption of discrimination.

Mr. Chairman, I will try not to trespass too long upon the time of the House, but I do think it is important, and I do think it is important to understand the situation in which we now find ourselves under the Voting Rights Act of 1965, as extended.

The purpose of that act was to make available certain voting rights; and to protect voting rights, it brought certain jurisdictions under the coverage of the act.

Under the Voting Rights Act of 1965, those jurisdictions which had a literacy test and less than a 50-percent turnout, were brought under the coverage of the act. As a result of a recent Supreme Court decision in Virginia against the United States, it is now held that those States are conclusively presumed to have used their literacy test to discriminate and, as a result of that, they cannot prove, in fact, that the literacy test was not used for that purpose, and therefore there is a conclusive presumption which in effect says that none of those States can come out from under the coverage of the act for another 10 years, if the act is extended.

The purpose of my amendment is to remedy this situation by permitting the covered jurisdictions to work their way out from under the burdens of the Voting Rights Act.

Mr. Chairman, because of the noise in the Chamber, will the gentleman from California object if I move over to the other microphone?

Mr. EDWARDS of California. Mr. Chairman, if the gentleman will yield, we will be delighted to have the gentleman move over there permanently.

Mr. BUTLER. I thank the gentleman.

This is really the sort of an amendment, Mr. Chairman, that we would expect to arise from this side of the House, because it really represents an effort that everybody would want to take, and it is an amendment that ought to be listened to because it goes to some place that we ought to be going to and where we do not seem to be going.

As I say, Mr. Chairman, the purpose of my amendment is to remedy the situation by permitting the covered jurisdictions to work their way out from under the burdens of the Voting Rights Act by adopting an affirmative course of action to discharge their obligation under the 15th amendment. I have called the amendment the "impossible 'bailout' amendment", because it was not possible to meet those requirements, and it is not possible to meet those requirements without a radical change in the voting procedures in the covered jurisdictions.

This amendment has been drafted, has been tested, and it has been redrafted many times since it was first introduced before the subcommittee and, indeed, the final changes were made only this morning, changes which were made to accommodate the objections of the members of the subcommittee and the full committee, and others, the most recent changes were made in response to the objection of the counsel for the Civil Rights Commission, and the Assistant U.S. Attorney General who is charged with the responsibility of oversight in this area. In my view the amendment, I submit, meets all of those substantial and technically drafting objections which have been called to our attention.

The amendment would be valuable not only in providing bailout for the covered jurisdictions, but also in overcoming two objections which have been raised.

I would like to first address myself to the question of the constitutionality of the Voting Rights Act as it now exists. I have already mentioned the States which are covered jurisdictions, and are now unable to get out from under the burdensome duties, and these jurisdictions that are now covered, with the adoption of an additional 10 years' coverage, will be covered for a period of 20 years based on a triggering device which occurred in 1964.

This is an example of the overactive doctrine which is perfectly clear in case law.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BUTLER was allowed to proceed for 3 additional minutes.)

Mr. BUTLER. Under this doctrine it is perfectly clear that where the remedy exceeds the ailment, or exceeds the injury which it is endeavored to be legislated against, then the legislation becomes unconstitutional, otherwise we find ourselves in a situation where the State of Virginia, a covered jurisdiction, cannot come out from under the act for 20 years because of an infraction which took place in 1964.

In addition to that, the other factor which was called to the attention of the subcommittee was the lack of incentive of the covered jurisdiction to change their legislation at that time.

There is no incentive to change the legislation because we are frozen into existing law by the Voting Rights Act, and any changes must be taken from Washington to the Attorney General of the United States for his approval before they can be effected.

The purpose of this amendment is to provide that these covered jurisdictions can come out from under the act by providing an incentive for an affirmative course of action.

There are three requirements which must be met in order to come out from under the act under this amendment. The first is that we must have a 60-percent turnout—a 60-percent turnout of minority voters; that is greater than we have ever had anywhere else before—in the Presidential and Federal elections beginning in 1976. That is a 60-percent turnout.

After that there are two other circumstances. We must have 5 years of purity under the Voting Rights Act. That means that there are 5 years in which there have been no substantial objections under the Voting Rights Act to the Attorney General of the United States or in the district court, and these are spelled out in detail in the amendment, and they have been carefully considered.

Finally, there must be an affirmative legislative program in effect and in fact to provide against the problems which turned up in our hearings about discrimination which still continues. We have a number of items here which were called to the attention of our committee by the Voting Rights Commission, and the legislation before us, and the purpose of our amendment, would require that a State would come out after meeting these first two requirements and meet the third for a legislative program along the lines which meet each one of these objections. They were enumerated carefully before us, and they are set forth with a great deal of care in this amendment.

The way we get out from under it is we meet these three requirements and then have a declaratory judgment proceeding along the lines already provided for a "bailout," which have been taken away from us by a recent decision of the Supreme Court of the United States.

The value of this amendment is that it removes the States, the covered jurisdictions, from their locked-in position where they cannot do anything or make any changes without the burdensome conditions of the act. It gives them an in-

UMI

centive and inspiration to affirmatively change their laws to work to the advantage of the minority to urge them to vote to eliminate the impediments to their voting and to their registration, and affirmatively inspire them to vote.

This makes the 15th amendment to the Constitution of the United States a meaningful thing, and it makes the Voting Rights Act an effective thing. It overcomes the real shortcomings of the act.

Mr. CONYERS. Mr. Chairman, would my colleague yield?

Mr. BUTLER. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank my colleague for yielding.

I would like to raise the question of whether or not the gentleman is aware that two States have been granted "bail-out" since the Court decision. The Gaston County case that the gentleman cited prevents anyone from bailing out.

Mr. BUTLER. Yes, sir; I am aware of that. The two Alaska cases were consent decrees, but I believe the other one was a New York case; was it not?

Mr. CONYERS. Yes, New York.

Mr. BUTLER. I appreciate very much the gentleman's bringing this up because I think it puts the finger on the real problem here. The Gaston case said when we have a separate but unequal school system and a literacy test, then we are conclusively presumed to use that literacy test to discriminate, and we cannot, therefore, go to court and prove that the literacy test was not used to discriminate, and that the statute permits.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(By unanimous consent, Mr. BUTLER was allowed to proceed for 1 additional minute.)

Mr. BUTLER. The effect of this is to say that one cannot come into court as the statute says one can and prove that the literacy test was not used to discriminate because it is conclusively presumed that the literacy test was used to discriminate, and one cannot get out from under the act, and it is manifestly unfair.

Mr. CONYERS. Would the gentleman yield further?

Mr. BUTLER. It would be my pleasure.

Mr. CONYERS. I thank the gentleman for yielding.

The point I was simply making was that the Gaston decision has not prevented State "bailouts" subsequently.

Mr. BUTLER. The point the gentleman makes is wrong. The State of Virginia has just been denied the right to get out from under the statute because of the Gaston doctrine and that is the situation in all of the covered States that had separate but unequal school systems prior to 1964. I appreciate the gentlemen's interest but I am disappointed in his scholarship.

Mr. EDWARDS of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Virginia (Mr. BUTLER).

Mr. Chairman, the gentleman from Virginia (Mr. BUTLER) offered this amendment in the subcommitee and it was rejected, and again in the full committee and it was rejected, albeit by a very close vote.

The amendment offered by the gentleman from Virginia (Mr. BUTLER) is not supported by any civil rights group. It is not supported by the Civil Rights Commission.

I think I should point out that the administration bill on the extension of the Voting Rights Act (H.R. 2148) has no such change in the bailout procedure. As a matter of fact, there was no change at all. So I urge rejection by the Committee of the Whole of the Butler amendment. It would destroy a bailout procedure which has worked very well, and as the gentleman from Virginia (Mr. BUTLER) himself points out, it would overrule two very good Supreme Court decisions, one the 1975 Supreme Court decision.

The gentleman from Virginia (Mr. BUTLER) claims the bailout really does not exist, but as he pointed out in the dialog with the gentleman from Michigan (Mr. CONYERS), there are two recent decisions in Alaska and New York where the bailout was used succesfully.

I am suggesting that the bailout is workable and this House should not change the formula simply because Virginia and one county in North Carolina have not been successful.

The gentleman from Virginia (Mr. BUTLER) claims that there is no incentive to make a progressive change in the election laws because the *Gaston* decision prevents bailout. I find that hard to understand. In no case has the Attorney General denied approval of changes in voting laws by Virginia or any other State when the changes in voting laws were nondiscriminatory. I am sure the gentleman from Virginia (Mr. BUTLER) is not claiming that escape by bailout from voting rights coverage is the only way we can improve voting procedures.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, on yesterday the gentleman from California and I and the chairman of the committee engaged in debate. The chairman told us about the problem that still exists in that voting places are still in some awkward places. People who desire to vote are not getting an opportunity because of the inconvenient hours of the registrar in some cases. All of these things continue to persist. These are the complaints. After 10 years of the Voting Rights Act, if we have not cured those, maybe there is a deficiency in the Voting Rights Act. One deficiency is there is no incentive for a jurisdiction which is frozen into its place in the law to make any change.

Mr. EDWARDS of California. I thank the gentleman, but there are literally thousands of changes in voting laws and improvements by covered jurisdictions that have been assented to by the Attorney General.

Mr. YOUNG of Georgia. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Georgia.

Mr. YOUNG of Georgia. Mr. Chairman, I would like to point out to the gentleman from Virginia that in the State of Georgia every school principal was deputized as a registrar and every public high school in the State was allowed to register its 18-year-olds. In my particular county the county registrars went even further and deputized every bank in the district as a place of voter registration and every public school in the district. Under those situations it was relatively easy to register and vote, but still, even in that district we need the Voting Rights Act as it is now, because the key to the voting rights now is preclearance.

Under the preclearance statute, all that has to be done to make a change is that a letter has to be written to the Attorney General. There were 4,476 such letters which went to the Attorney General, and he questioned only 163 cases. Certainly that is not punitive.

The effect of the Voting Rights Act as far as I can see certainly warrants any continuation that we as a Congress might be able to grant.

Mr. EDWARDS of California. I thank the gentleman from Georgia.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. EDWARDS of California. Mr. Chairman, I ask unanimous consent that I may proceed for 3 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. BUTLER. Mr. Chairman, reserving the right to object, will the gentleman give me an opportunity to reply?

Mr. EDWARDS of California. The gentleman knows I will.

Mr. BUTLER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. EDWARDS of California. Mr. Chairman, following what the gentleman from Georgia pointed out, Mr. J. Stanley Pottinger, the Assistant Attorney General, Civil Rights Division, testified before our subcommittee and described the procedure for getting approval under the preclearance, and, to use his own words, they simply "drop a description of the proposed change into the mail."

In the great State of Virginia we have information to the effect that in Richmond only one person part time is used to comply with section 5.

Lastly, and then I will yield to the gentleman from Virginia (Mr. BUTLER), the bailout that the gentleman from Virginia (Mr. BUTLER) suggests is described in approximately 150 lines of the CONGRESSIONAL RECORD, nearly 1,000 words.

It is described in a letter to me of May 16, 1975, from the Civil Rights Commission as "creating new and difficult problems of standard procedures and management."

I suggest that it is full of vague standards, "reasonable probability" and "adequate opportunity." I am afraid it would invite years of litigation and a paralysis

of the very best Civil Rights Act we have had in this country.

Mr. Chairman, I now yield to the gentleman from Virginia (Mr. BUTLER).

Mr. BUTLER. Mr. Chairman, I thank the gentleman.

I am a little bit embarrassed that the gentleman has given me so much material, but I will work my way back, if I may, by referring to the letter from the Civil Rights Commission. I want to thank the gentleman for making available to me a copy of the letter from the Civil Rights Commission which discusses in such detail my amendment.

I do want to explain that it did stay on the gentleman's desk 10 days before I got it and I only got it yesterday, but I want to say I appreciate the gentleman's generosity in letting me see that letter about my amendment. I have gone back and reviewed my amendment with it in mind and I think the gentleman will find we have taken the objectives into consideration.

I appreciate also the reference of the gentleman from California (Mr. EDWARDS) in reference to the Assistant Attorney General about how easy it is to send a submission to Washington and how easy it is to get a reply.

It is also indicated, he testified, it takes 54 days to get acceptance of a routine submission and 67 days when there is some kind of objection.

He mentioned in the hearings these procedures—maybe I ought to tear off the pages again—1, 2, 3, 4, 5, 6, 7, 8, 9, 10 pages of our record, and this is fine print. The gentleman cannot read it from there, but it is here. And I will tell the gentleman there are 10 pages of regulations and procedures on the Voting Rights Act. That beats the heck out of putting a dime on a letter and mailing it.

It is a difficult procedure, and as the gentleman mentioned, just one man in the office, just one Assistant Attorney General for Virginia is concerned with this.

In each of the 134 separate jurisdictions in Virginia we have to have someone familiar with the Voting Rights Act in order to make a submission and we have to have periodic seminars in Virginia so they will be acted on and be correct.

We have had 2,200 changes in our voting laws that have been submitted by Virginia. It is a nuisance. It is a burden that we ought to be allowed to get out from under.

Mr. McCLORY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it may seem strange that one who is supporting the extension of the Voting Rights Act would rise in support of the amendment of the gentleman from Virginia (Mr. BUTLER).

Nevertheless, I think this amendment is in complete suport of the full voting rights for all Americans. This really gets to the crux of what the Voting Rights Act is all about. This Act is not intended to superimpose upon the States interminably the authority of the Federal Government, but it is designed to correct voting procedures which have deprived persons of the equal opportunity to vote in various jurisdictions—and to provide extraordinary remedies.

Now, the original act was recommended to be effective for 10 years. We are getting to the end of that 10-year period, yet there is no opportunity today under the extension of the act, unless this amendment is adopted, for any of the seven Southern States of the Old Confederacy to be relieved from the burdens of this legislation, unless the amendment is adopted.

It seems to me that what the gentleman from Virginia (Mr. BUTLER) has offered will promote voting rights. It may seem strange, as well, that he would offer the amendment because I cannot conceive of a person or State wanting to be subjected to the kind of humiliation or the kind of admissions that are imposed in order to accomplish this kind, of what he calls, an impossible bailout. But if he does want to, it seems to me that we should give him and the other jurisdictions that opportunity.

In the requirements under the present law, there is no opportunity to bailout, no opoprtunity to be relieved of it because it applies to the facts as they existed in 1964, and we cannot change those facts, but, if they can demonstrate that during the intervening period, for a period of 5 years, they did not discriminate, that they have got 60 percent or more of the population that is voting and that there is no disparity between blacks and whites who are voting in the jurisdiction, why in the world should we not give them an opportunity to be relieved?

There is this other safeguard also: There is the safeguard that for a period of 10 years—for a period of 10 years—the court would retain jurisdiction so that if there was some kind of a subterfuge employed, we could go back and apply the 1965 act against them again.

It seems to me that he has provided the kinds of protections that any of us would want in order to assure fair and equitable nondiscriminatory voting rights within their jurisdiction, without violating any civil rights whatever. I agree that the Voting Rights Act of 1965 is perhaps the landmark piece of civil rights legislation. So it is, but I believe also that the bailout amendment, this so-called impossible bailout, would restore civil rights and dignity and autonomy to the States that are mandated under the present legislation to be subjected to registrars and observers and the preclearance provisions, and other requirements. I think that opportunity should be provided. I think it should be encouraged, and this is the way it seems to me that we can encourage it.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I would like to try out some better scholarship with my colleague from Illinois. Was he aware that he said that there was no bailout possible now under the existing voter rights legislation? Did I hear him correctly?

Mr. McCLORY. The gentleman heard me correctly if he understood me to say that the facts we assumed at the time we enacted the 1965 act are the facts that determine whether or not the jurisdictions are subject to title II of the existing Voting Rights Act, yes.

Mr. CONYERS. The gentleman knows that our laws are subject to Supreme Court modification?

Mr. McCLORY. Let me add this: If we made inaccurate findings, then of course there would be an opportunity, but unless we made inaccurate findings, they would be subjected to the Federal controls imposed automatically. Those controls will continue to be imposed for another 10 years if this act is extended for another 10 years, unless we give the opportunity for bailout as suggested in the amendment offered by the gentleman from Virginia.

Mr. CONYERS. The gentleman knows that Alaska and New York have bailed out since the Gaston decision?

Mr. McCLORY. Yes. They never should have been subjected to it, and this new bill tries to subject Alaska again. They will bail out again, I venture to say.

Mr. CONYERS. But that is what we would want. If they are eligible to be released from the effect of the law, they should.

Mr. McCLORY, No, we do not want to take any arbitrary action against Alaska or any other State. What we want to do is to be fair and equitable with all the States, and we want to encourage them to apply fair and nondiscriminatory voting and registration practices. It seems to me that this amendment would contribute to that goal.

Mr. DRINAN. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Illinois.

Mr. MIKVA. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Virginia (Mr. BUTLER) the so-called bailout amendment, and in support of the committee bill. In particular, I oppose that part of the Butler amendment, as well as other amendments, which propose to weaken or eliminate the provisions of section 5 of the Voting Rights Act.

Section 5 of the act requires review of all voting changes prior to implementation by the covered jurisdictions. This review may be conducted by either the U.S. District Court for the District of Columbia or by the Attorney General of the United States. The provisions of H.R. 6219 amend the act so that the special remedies, including section 5 preclearance, will be operative for an additional 10 years.

Mr. Chairman, now is not the time to remove preclearance protections from the act. As the Supreme Court stated, in upholding the constitutionality of section 5:

> Congress knew that some of the States covered by Section 4(b) of the Act had resorted to the extraordinary stratagem of contriving new rules of various kinds for the sole purpose of perpetuating voting discrimination in the face of adverse federal court decrees.

UMI

The adoption of such measures, including the switching to at-large elections or annexations of predominantly white areas, might take place in the future unless section 5 is maintained. Mr. Chairman, I urge the defeat of this amendment.

Mr. DRINAN. Mr. Chairman, it has been stated here that there is a conclusive presumption that a particular jurisdiction cannot bail out. All of the facts are contrary to that. The fact is, only two jurisdictions have failed to bail out, and unfortunately one of them involves Virginia and the other North Carolina.

I am quite certain that if the distinguished gentleman from Virginia (Mr. BUTLER) had been the attorney for Virginia in that particular case, the result might well have been the opposite. In that particular case, the decision went contrary to Virginia because Virginia did not move forward and carry the burden of proving—and this is the essential question—it did not prove that Virginia's provision of a segregated education did not affect the voting rights of its people.

I quote from the decision here in the district court of the District of Columbia.

I think, therefore, that the entire background of these two States which have not carried the burden of exculpating themselves or removing themselves from the act should be examined.

In Virginia, for example, in 1970, 19.1 percent of the population was black; 39.1 percent of that black population was totally unschooled. The Court rightly went back to the legislative history of the Voting Rights Act as extended in 1970 from the 1965 act and pointed out that one of the key questions involved in the legislative history is the interrelationship between inferior segregated schools and the ability of blacks or minorities to register and to vote.

And the Court concluded that Virginia had not indicated sufficient evidence to demonstrate that the segregated and inferior schools in Virginia over a long period of time had not, in fact, depressed the number of minority people that actually voted.

And I quote from the decision of the U.S. District Court for the District of Columbia:

> The final link in the Gaston County argument is the causal connection between the maintenance of inferior schools for blacks and their lesser ability to pass Virginia's literacy requirement.

The fact is, that when this case was brought, Virginia had corrected the deficiencies of that bad year in the mid-1960's when the Prince Edward schools were closed for a year.

The fact is that lawyers did not carry forward the burden of proof with all of the evidence that was in fact available to them, with the result that in the decision of the court Virginia was not removed from the act. The U.S. Supreme Court affirmed with three dissents and without full arguments.

I say to the Members of the House that I do not think we can conclude anything from this case and from the Gaston County case out of North Carolina. We cannot conclude anything except that in these two particular cases the States involved did not carry the burden of demonstrating, and I quote from the U.S. Supreme Court, "that the dual educational system had no appreciable discriminatory effect on the ability of persons of voting age to meet a literacy requirement."

In both cases—North Carolina and Virginia—they were seeking to reinstate a requirement for literacy for all voters, and in both cases the Court, really with great reluctance, stated that, "We cannot remove Virginia or North Carolina from the particular section of the Voting Rights Act."

I do not think that these two cases support the sweeping generalizations that are in the Butler amendment.

Let me mention just one of those. In his amendment, the gentleman from Virginia (Mr. BUTLER) states this: That at all times during the past 5 years preceding the filing of the action, there has been no "final" judgment of a Federal or State court ruling.

That would mean that in the 5 years if there had been any type of temporary injunctions, restraining orders, administrative difficulties, negotiations, all of that would not be taken into account. You have to have a final judgment of a Federal or a State court before anything happens under his act.

This would really bring us into a land of fantasy where the real world of subtle discrimination against voters would not really be taken into consideration by the court.

I therefore say that I oppose the amendment offered by the gentleman from Virginia (Mr. BUTLER), and I do so with great reluctance because he has been a very devoted member of this subcommittee and he obviously feels that his own State has been treated unjustly. But I do not think—to repeat and conclude—that that justifies a vote for the Butler amendment.

Mr. FRENZEL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I start out with a very heavy prejudice in favor of this bill, and I intend to support the bill whether this worthwhile amendment is passed or not.

However, Mr. Chairman, I think that the gentleman from Virginia (Mr. BUTLER) has very correctly pointed out that we are looking at a punitive piece of legislation. It is legislation that does not allow a State which may in fact want to improve its statutes and its voting rights to rejoin the rest of the Union and to escape the preclearance requirements eventually even if in fact it does provide for its citizens all of the voting rights which we all expect every person in this country deserves. Why could we not have put some incentives into the bill?

Mr. Chairman, I am a little disappointed in the committee. Yesterday the gentleman from Alaska (Mr. YOUNG) pointed out they had not bothered to figure out what was going on in Alaska; the gentleman from Texas (Mr. GONZALEZ) pointed out some other deficiencies; and the gentleman from Colorado (Mr. JOHNSON) asked why we could not have court cases throughout the rest of the country, and he was informed by the committee that we could not do it because the Attorney General likes to centralize his activities in Washington; never mind what anybody in Colorado or Arizona or California wants.

I think what we have done is we have brought up a bill that is very popular, one that all of us are going to vote for, but we have not included provisions that will fit some of our modern conditions. We ought to be passing a law which says to those States that have not done the job, "You are going to be hooked," and to those who have done the job, "You are going to get unhooked."

This bill does not provide that. As I said, I am going to vote for this bill anyway, but we muffed a chance to improve it.

Mr. Chairman, I think the gentleman from Virginia makes a very good point. I feel very strongly about human rights and voting rights of any kind, but I think we are looking backward when we use a 10-year-old criteria to do the job of protecting rights. We should be progressive enough to include a provision to encourage States to improve their voting laws. We should give the States the incentive to improve their voting procedures so that they can escape from the burden of preclearance.

Mr. Chairman, I am disappointed in the committee. I support the amendment offered by the gentleman from Virginia, and I hope it is adopted.

Mr. Chairman, I began my study of H.R. 6219 with a heavy prejudice in favor of it. I am a cosponsor of legislation to extend the Voting Rights Act. Despite the debacle here yesterday, I still shall support H.R. 6219.

Very few Members will vote against the Voting Rights Act extension, and I surely shall not.

But, after hearing the floor debate yesterday, I cannot escape the conclusion that the committee has done its job poorly.

Time and again yesterday, Members raised searching questions and legitimate criticisms of the committee's work. Seldom was the committee's work defended persuasively. I was left with the impression that the committee yawned its way through a batch of friendly testimony, concluded "everybody" was for an extension, and therefore, passed an extension with a few additional frills.

Unfortunately for the committee, the floor discussion indicated that some of what was extended was anachronistic; that some of the new material was founded on no data; and that much of the old and the new was not very carefully scrutinized by the committee.

The committee has simply extended a 10-year-old law for another 10 years. There are few changes, of course, but, basically, we are being asked for a simple extension, not an improvement, and surely not a national Voting Rights Act. In another 10 years, I suppose we will be asked to extend a 20-year-old law another 10 years.

Much in the Voting Rights Act deserves extension. But, described in its worst, the extension seems to give no incentives

to covered States to improve procedures, and it seems to give no opportunities to cover States now uncovered. In other words, if a State is hooked, it cannot get unhooked. If a State is unhooked, it cannot get hooked. No State law or combination of laws is good enough to earn release from preclearance. No law is bad enough to earn coverage under preclearance.

As a nonlawyer, I have some trouble getting a clear picture of this act. I cannot see why it is not a good idea to write a new bill which gives both a positive incentive to covered States to work their way out of preclearance and negative incentive to other States to avoid mistakes which would lead to inclusion under preclearance procedures.

The act seems to me to be a backward looking concept. I think we need a positive, forward-looking bill. As I understand it, the extension means that a State like Virginia, which now has a modern, in some respects a model, voter registration law, cannot escape the preclearance procedures for the next 10 years. States, such as Massachusetts, which has a raging education segregation problem in its principal city, cannot possibly be covered by the preclearance procedures.

It is true, of course, that the extension of the existing Voting Rights Act and the adoption of a truly national voting rights law can be considered as separate questions. The committee, and the Attorney General, are apparently telling us so. I would not object to separate consideration, but I doubt that the committee will take up voting rights again after this bill has passed. We need the expiration of the VRA to force consideration of the whole question. We will only have this one chance.

I am advised that Minnesota is not covered by title II, and that only two counties, Cass and Beltrami, are covered by title III. My State can be included under preclearance procedures, but only if the Attorney General finds discriminatory practices, sues the State and the court determines that preclearance is a good remedy. That is a combination of circumstances that has not occurred during the 10-year lifetime of the act. Obviously the VRA contains no incentives for my State.

I am also concerned about estimates of voting age population, on which several sections of the act depend. Take the State of Maryland, for instance. Using population estimates of its State board of health, which assume that 55.2 percent of its population is eligible to register, Maryland Board of Election Laws reported that about 2.8 million of its people were eligible for registration in 1974. To Maryland, its 1.7 million registrations represented more than 76 percent of eligibles.

To the Census Bureau, however, those same 1.7 million Marylanders represent 62.5 percent of voting age population. The difference arises from Maryland's assumption of 55.2 percent and the census assumption of 65 percent for voting age population as a percentage of total population.

This difference amounts to about 400,000 voters. It is 10 percent of total population, but equals more than 40 percent of those voting in Maryland in 1974.

The Census Bureau says 34 percent of Maryland's voting age population voted in 1974, but Maryland says nearly 42 percent of its citizens eligible to register actually voted. These are substantial differences, and they illustrate the folly of relying on the absolute accuracy of any Census Bureau estimates. The Bureau does a good job, but, in my judgment, its estimates, like all estiates of voting age population or of population eligible to vote, are purely estimates and should be used as estimates, not as hard and fast benchmarks.

One of the excellent features of the bill, for which I commend the committee, is the addition of the 14th amendment. Now, in addition to the 15th amendment, citizens are given the additional safeguard of the "equal protection amendment."

I shall, as I said previously, vote for the extension, but I cannot help "cursing the chance that was wasted." Yesterday, Member after Member—the gentleman from Alaska (Mr. YOUNG), the gentleman from Colorado (Mr. JOHNSON), the gentleman from Texas (Mr. GONZALEZ), the gentleman from Virginia (Mr. BUTLER), the gentleman from Illinois (Mr. MCCLORY), the gentleman from California (Mr. WIGGINS), raised questions and identified problems. The committee members commented, but nobody answered their thoughtful inquiries very well. The committee has taken the easy way out and has given a 10-year-old answer to a current and most important problem. That is not bad for a majority leadership whose economic ideas are 40 years out of date, but its less than the country deserves.

Mr. BADILLO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I wish to compliment my colleague, the gentleman from Virginia, for his skill in getting all of the members of the committee to focus on a problem that does not exist, because he acts as if all of the Southern States are eagerly trying to bail themselves out. He does not mention that in January of 1975, this year, the Commission on Civil Rights issued a report which all of us have received, and that report indicates that in every jurisdiction that is covered by this act, including the State of Virginia, there have been barriers to registration, barriers to voting, barriers to candidates, obstacles set up in redistricting, and obstacles set up in annexation.

In the very State of Virginia there have been 10 cases since 1970 where the Attorney General has objected to what the State of Virginia or its local jurisdictions were trying to do, because they deprived the black people of that State of the right to vote and of the right to properly elect candidates.

So that if we examine just the objections that the Attorney General made, we find that there were 50 in 1971, 32 in 1972, 27 in 1973, and 30 in 1974. And that is only because the jurisdictions knew that if they tried anything else, the Attorney General would object.

If that provision were not there, it would be different. If the Gaston case had never been decided, the State of Virginia would not have a prayer of getting away from this act, because we know of the attempts that they made in the city of Richmond alone to bring about annexation.

So let us not have anybody be fooled into thinking that all of these States have been complying with the act and they just cannot escape, even though they say they have all been pure

Mr. BUTLER. Mr. Chairman, will the gentleman yield on that point?

Mr. BADILLO. Yes, certainly.

Mr. BUTLER. Mr. Chairman, I think the gentleman has put his finger on the problem. The gentleman from New York has been kind enough to enlighten us on part of the hearings in this very case.

But what he did not make clear was that we were foreclosed, conclusively presumed to have discriminated and foreclosed from proving that this literacy test had not been used to discriminate which is the bailout under the statute.

Mr. BADILLO. But that is irrelevant because I have just quoted from the report 5 cases in 1971 where there were objections by the Attorney General, and 10 cases since that time. In other words, the State of Virginia has not been absolutely pure, and it is not that they are being foreclosed. If the Gaston case had never been decided, I am willing to go along with the gentleman to the Supreme Court—forget about the Gaston case—and on the basis of these cases, Virginia could not get out.

Let me make this point because of the limitations of time. The gentleman asks what incentive there is for the States to come out from under the act. That sounds good when it is put that way, but suppose I were to say to the gentleman, what incentive is there to believe in democracy? What incentive is there to give people the right to vote? What incentive is there to obey our Constitution? What incentive? That is what this country is all about.

What is wrong with saying to these States, "Let us comply with the 15th amendment?" If all of them comply with the 15th amendment, we will not need this bailout provision. We could all come back on the day that they comply, and everyone in this Congress would vote to repeal the Voting Rights Act once and forever. That is the incentive, the incentive of obeying the mandate of the Constitution, the incentive of believing that the promise of democracy should be available to all.

Mr. BUTLER. Mr. Chairman, if the gentleman will yield further, may I say to the gentleman that I share that opinion.

Mr. BADILLO. Then that is all we need.

Mr. BUTLER. However, it would be nice if we could get out from under this act by proving ourselves out and improving the voting opportunities.

Mr. BADILLO. Then prove it within the act.

UMI

Mr. BUTLER. We can prove it if we are allowed to.

Mr. BADILLO. Just a moment.

Mr. BUTLER. Now the gentleman is trying to act like the Supreme Court. The Supreme Court will not let us prove. Let me tell the gentleman something.

Mr. BADILLO. The Supreme Court did not mandate that in 1971 the gentleman's State should try to redistrict in the city of Richmond to prevent blacks from being registered. The Supreme Court has not mandated that every technique be used in the State of Virginia to keep blacks from being registered.

There is nothing that the Supreme Court has said that prevents any State or any part of this country from giving people the right to vote. Action is only taken and objections are only filed when people are deprived of the right to vote. The Attorney General has never objected to any jurisdiction giving people an unlimited right to register and to vote.

The CHAIRMAN pro tempore (Mr. STUDDS). The Chair wishes to announce that the House is in session and would like to remind the persons in the gallery that no demonstrations of any kind are in order.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise, of course, to oppose the Butler amendment.

It is my understanding, from an earlier colloquy on the floor with the gentleman from Virginia, that one of the reasons for the Butler bailout was that the States wanted to be cleared from the "onerous," "nuisance" requirements of the Federal Government in protecting voting rights.

Those requirements may appear to be "a nuisance," and they may appear to be "onerous," but I think that if anyone has ever lived through the kind of situation that some of us in this House have lived through, he will see why the requirements are so necessary.

I recall that earlier the gentleman from Virginia said that there was some talk about "measuring the size of the door of the voting booth" and other kinds of "onerous" requirements.

Let me go back to 1970, when Maryland elected its first black Congressman. That black Congressman was elected from the Seventh Congressional District. We have no problem with voter registration in the State of Maryland or in the city of Baltimore, but we did have a great problem with that particular election. I seek to show the chain of events I will speak about could be used by recalcitrant political subdivisions on solely a racial basis.

In the Seventh Congressional District where for the first time a black man sought to enter Congress, the most curious chain of events developed; and I would state that had it not been for the protection of the Federal Government, perhaps I would not be standing in this Chamber today.

Voting machines from the Seventh Congressional District simply disappeared, then when an assessment was made of where they had disappeared from, it was found they had disappeared from the areas of the heaviest concentration of black voters.

In the city of Baltimore during the 1970 campaign two voting machines were found 3 weeks after the election ended.

All of these incidents were concentrated in the black portion of the Seventh Congressional District.

Let me go on a bit further in terms of "onerous" requirements of the law.

In one polling place in the black portion of the Seventh Congressional District, the voting booth was located in the basement of an old house, the machine was almost in a closet therefore, if anyone attempted to open the door and go in and vote, the space inside was so small that one could not pull the lever to register his or her vote, few of the black citizens were able to vote that day in that particular polling place.

Onerous requirements?

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. Not at this point. I will yield later.

A later survey revealed that something like 23 percent of the polling places were late in opening in that election in 1970, and of the 23 percent of the polling places that were late in opening, the vast majority of them were concentrated in the black portion of the Seventh Congressional District.

I have no reason for questioning the gentleman's motives, nor his integrity but having lived through that experience I am sure one can understand what might happen if we did not have those requirements I am sure of what would happen if some political subdivision really wanted to pursue racial segregation or to further discrimination in voting and decided to embark on such a course. One can see what would happen, despite the fact that we have the law, despite the fact that there might be the right to vote, unless those requirements were there for the protection and safeguarding of the minority voters.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from California.

Mr. WIGGINS Mr. Chairman, the gentleman from Maryland has made a powerful case that the Seventh Congressional District of Maryland in Baltimore ought to be covered under the act, because the gentleman has described to the House the discriminatory practices which occurred in 1970. But that district, as the gentleman knows, was not covered under the Voting Rights Act. So this simply demonstrates quite persuasively to us all the uneven manner in which this act is applied.

Mr. MITCHELL of Maryland. No, that interpretation is entirely wrong. Maryland is not covered under the act, and it is quite possible that this was done solely on the basis of political rather than racial reasons.

The point I wanted to make to the gentleman, if I may continue, is that a political subdivision of a jurisdiction which did not want, or sought to prevent voter participation on the basis of race, obviously would find these kinds of techniques very effective.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I am happy to yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I would like to point out that the Butler amendment, as I read it—and I have read it again just a moment ago—that under that amendment there must be a 5-year period when there has been no incident of voting irregularities in the district, or any change of election rolls, and 5 years is the basis on which the bailout is permitted, so that this is to encourage the legality of voting and the kind of nondiscrimination needed if they want to bail out.

Mr. MITCHELL of Maryland. That is precisely the point I was trying to make. There is no law in Maryland that says black people cannot vote. We are not covered under the Voting Rights Act. However it is possible for a State to go through the charade of apparently effectively clearing the barriers to voter registration on the part of minorities and then to implement the kind of things that occurred by my district in the 1970 election. Without the Civil Rights Acts persons denied the right to vote by such tactics would have no real protection, no recourse.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. SARBANES, and by unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 2 additional minutes.)

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from Maryland.

Mr. SARBANES. Mr. Chairman, I thank the gentleman for yielding.

I would like to point out to the gentleman from California (Mr. WIGGINS), with respect to the point he made concerning coverage under the Voting Rights Act, the important thing to realize is that the conditions in the 1970 election about which the gentleman from the Seventh Congressional District spoke were corrected by the State itself and steps taken to insure that they would not be repeated in the next election.

They were conditions which stemmed from the actions of certain people involved in a political matter with perhaps a discriminatory effect, but the State itself took corrective action to insure that this would not happen again. It was that same State which had so properly and fairly conducted the nature of its voter registration and participation in the political process prior to that time that it was not appropriate for Maryland to be under the Voting Rights Act. It is an entirely different situation when you talk about a State like Maryland which has had proper voting procedures than what is involved here. Recall the references made by the gentleman from New York (Mr. BADILLO) about continued efforts which have required the Attorney General to interpose objections to changes which some of the covered States have sought to effect with respect to their electoral laws and the participation by their people in the electoral process.

We had a situation in Maryland in which there was a departure from proper standards in a State which had met those standards in the past and which moved resolutely and quickly to insure that there would be no repetition of such an event, and that makes the situation talked about there properly distinguishable with respect to the coverage under the act.

Mr. MITCHELL of Maryland. I am sorry; my time is up.

I simply want to say to my colleagues that I think I stand here as living testimony as to why there should be the Voting Rights Act in fact and an overwhelming defeat of the Butler amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think we have heard some interesting ideas expressed here that I am still trying to figure out. Maryland had a situation that has been discussed in the foregoing colloquy that obviously could not have been corrected by the State of Maryland had it been one of the covered States under the Voting Rights Act, without preclearance with the Attorney General.

All right, we all know that is the case. Maryland could not have been so ably represented here to proudly say, "We corrected the situation ourselves."

I think the gentleman from Virginia (Mr. BUTLER) has pointed out repeatedly that the problem associated with the current condition of the Voting Rights Act is that the States that are covered, based on 1964 facts, do not have the incentive, do not have the same real ability, to improve their situation that is afforded to the State of Maryland. Why should our law be static rather than dynamic?

I think the amendment of the gentleman from Virginia suggests to us all that the basic purpose of the Voting Rights Act was to accord fairness to everyone, and that really the same fairness ought to be accorded to the States that are covered States.

We all know that there have been occasions in the State of Illinois—I will not mention which county; all right, I will mention it: Cook—where the incidents of irregularity relating to voting have been brought to the attention of the whole Nation. Why should there be a different measure of fairness accorded to that State and its aberrations from the rights of persons in voting as compared to the seven original covered States?

I think, in fact, in the foregoing expression to the committee there have been so many unanswered questions that I would like to yield to my colleague, the gentleman from Virginia (Mr. BUTLER).

Mr. BUTLER. I thank the gentleman for yielding.

I will not trespass on his time, but I do want to make clear that I am having some difficulty getting an opportunity to reply to some of these things.

The gentleman from Massachusetts, I think, put his finger on what we are trying to do with this amendment. He referred to some drafting problems. He called attention to the drafting problems in which he mentioned something about no final judgment required in order to come out from under this thing under section 3 of the amendment. We have offered that amendment to provide in section 3(e) that there must be no incident of voting discrimination within the last 5 years. We talk about what happened; and we have tried to accommodate every one of the objections that has come to our attention in this fashion from various members of the committee and in the subcommittee, and from the gentleman from Maryland who mentioned the fact of the voting booth.

That is the problem. These things continue in the covered jurisdictions. But why should we in Virginia have that? But this is not a good illustration, because we have pretty good, moderate voting laws in Virginia. The record will show from 1965 to the present we have done pretty well, but we got caught on some other things. But the fact is there is no incentive to change these things. If we have the low hanging doors and the crowded voting booths, there is no incentive to change those. It takes more than a 10-cent stamp to change the location of the voting booth or polling place.

But if we pass my amendment in order to get out from under the act we have got to have a good affirmative program to change these things. I think it makes the 15th amendment a meaningful thing in the covered jurisdiction. I hope the Members will support my amendment. I did not fail so miserably in the committee. It failed by a vote of 17 to 17. It is a good amendment. It will make the 15th amendment meaningful.

Miss JORDAN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, one would forget the thrust of the original legislation in 1965. One would think that legislation was passed because we wanted to institute a system of punishment and reward for persons obeying the law.

The law is in the Constitution of the United States in the 14th and 15th amendments. Under the Butler amendment we will say to these covered jurisdictions and States and localities who now for 10 years have not fully complied with the bill: "Be good little boys and girls under the Constitution of the United States. See to it that the minority citizens in your jurisdiction vote and we will in the Federal Government look away from what you are doing and let you continue your activities and remove our oversight from those activities."

Mr. Chairman, I do not think we are in the business of rewarding people who obey the law. That is not what we are trying to do. The pernicious effect of the Butler bailout provision is that it shifts the burden of proof from the litigant, the private party to the Attorney General. The burden of proof ought to be and it should remain on that person who is the party aggrieving. The burden of proof ought to be on the offending jurisdiction. The burden of proof ought to be and ought to remain on those persons who are guilty of violating the Constitution and guilty of performing the acts of discrimination which have the net effect of preventing and prohibiting equal access to the polls by the people.

The gentleman from Virginia (Mr. BUTLER) says in his amendment that the courts will retain jurisdiction of the proceedings for a 10-year period. But who is it after the passage of that time, once the jurisdiction gets out, who is it who will be the watchdog, the oversight, the lantern, the light to see to it that acts of discrimination do not again occur?

Then where will that burden of proof lie? It will be on the Attorney General of the United States and the Justice Department, and that negates the entire thrust of the original act.

If we are serious about what we are trying to do in enforcing the law and seeing that our citizens have access to the polls unimpeded and unfettered, if we want to guarantee that, I would suggest to the Members that no period of time is too long for a jurisdiction to do the things which are right, which are legal, which are lawful. That is why the amendment must be voted down.

Mr. MANN. Mr. Chairman, I move to strike the requisite number of words and I rise in favor of the amendment.

Mr. Chairman, I think the language of the gentlewoman from Texas with reference to burden of proof calls for comment. In American jurisprudence, or be it in equity, we conceive of the burden of proof as being a finite thing, an attainable thing. Yet we have the words of Mr. Pottinger, head of the Civil Rights section of the Department of Justice, and in essence the words of the Supreme Court saying:

> No, you are condemned. Be as good or better than your sister States, but you are condemned.

It is that inequity that is difficult to bear.

The word "incentive" has been used here. I agree with those who say there should be no incentive necessary to comply or obey the law or the Constitution.

But, Mr. Chairman, we are dealing with human nature, and we are dealing with the human impulse to resist being dragged kicking and screaming into compliance with something even when we know it is right. Yet when we have achieved that right, it is not recognized. We are still dragged kicking and screaming through the process. So it is because of those basic human problems that that county council or that State legislature or that city council is not going to engage in the affirmative act of amending the statute or changing the nature of the voting place or otherwise improving the availability of the right of the vote, since any efforts on their part to do so will be greeted with suspicion and with a suggestion that it is being done for a contrary purpose.

So let us realize that equity in this country consists of treating people alike, in allowing people to enjoy to some extent the fruits of their endeavors, to recognize their efforts toward fairness.

It is impossible to stand here today and say that prejudice does not exist in

UMI

Boston, that prejudice does not exist in Detroit, and that prejudice does not exist in South Chicago. So it is impossible to stand here today and say that this law should not apply equally to all the voters of this country, and, therefore, to hand to those to whom it does apply this sop, this shallow vessel of the Butler amendment, is much too little; but to a degree it says to everyone, "You do have a chance to show your purity, impossible as it may be."

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. MANN. I yield to the gentleman.

Mr. CONYERS. Mr. Chairman, when the gentleman refers to the cities of Boston, Detroit, and Chicago, is the gentleman somehow suggesting they are in violation of the Voter Rights Act of 1965?

Mr. MANN. As the gentleman from Detroit, I am sure, will recognize, the consequences of prejudice are broad and difficult to ascertain. Now, as they have manifested themselves in the gentleman's place, they have manifested themselves in other parts of the country where there was evidence, at least, that produced this bill with that formula which locked in forever those States.

Mr. CONYERS. Might I respond to my colleague, who serves with great distinction on the committee, that there has been no evidence that any of those cities or even the States in which those cities are located have produced any violations of the Voter Rights Act. Of course, there is discrimination and there is segregation and there is racism, unfortunately, in every city of every State in the United States; but that is not what we are dealing with today. We are dealing with the question of whether or not the Voting Rights Act should be extended and coverage included.

I cannot see how the city of Detroit bears any relevance to voter rights extension matters.

Mr. MANN. Well, in view of the fact that the failure of the covered States to achieve 50-percent voting participation in the Presidential election of 1964 caused them to be included in the act, it would appear that most of the States flunked this requirement in 1972, when only 38 percent of the Nation's eligible voters actually voted. But I think the real answer to the gentlemen's question is that the subcommittee handling this legislation did not conduct any substantial investigation with reference to voting practices in other parts of the country.

Mr. Chairman, the arguments for passage of H.R. 6219 are many and they are persuasive. But the one glaring shortcoming is so inequitable as to threaten not only House passage of this bill, but its very constitutionality.

I refer, of course, to the impossibility for covered jurisdictions to bail out from the sanctions set forth in section 5.

Although it has been repeated ad nauseum in the Judiciary Committee and in this Chamber, I think it is essential to once more draw your attention to the incredible testimony of Assistant Attorney General for Civil Rights J. Stanley Pottinger when asked whether Virginia—or, by implication, any Southern State—could come out from under the Voting Rights Act. He said, "I do not believe so." A simple statement. But, it could be the death knell for the noble purposes of the original Voting Rights Act of 1965, and it surely heralds a backslide to the most divisive, shameful period in our country's history, the post-Civil War era.

Now, all of you might not be as familiar as a South Carolinian with the major Supreme Court case challenging that 1965 act, South Carolina against Katzenbach, but one of the Court's bases in upholding the act was the very existence of a bailout clause. The Justice recognized the extraordinary invasion of States' rights embodied in this legislation, but felt the overriding importance of individual voting rights was sufficient to justfy such action.

But only barely.

And, one justification expressed was the very bailout provision that Mr. Pottinger and Virginia against the United States now tells us is inoperable!

We have heard a lot today about incentives—and lack thereof. Consider that the very sanctions designed to insure the one-man one-vote concept can, in the extreme, serve as an actual barrier to that goal. A State or locality is hardly likely to take more action than necessary on election laws when it is forced to go begging to Washington for approval of those actions. Thus, the admitted lack of a means to get out from under the Voting Rights Act precludes any real possibility of positive action to correct discriminatory State and local election laws which may predate the 1965 act. If the situation were not so unjust to my district and my region, it could only be described as farcical.

Frankly, Mr. Chairman, I find it difficult to understand how this House could accept the blatant inequity inherent in legislating national laws that apply only to certain jurisdictions—and I must admit, that inequity is so obvious that it is difficult to attribute objectivity to those who would perpetuate it. While I am gratified that the committee saw fit to extend the provisions of the Voting Rights Act to Spanish-speaking people and other language minorities, I am unable to comprehend the reluctance to extend the bill nationwide or, at least, to admit the possibility that covered jurisdictions can correct past mistakes.

As I read the "dear colleague" letters circulated on this bill, I was struck by the violent opposition expressed by several Members whose States include large Spanish-speaking populations and thus would be covered through the provisions of H.R. 6219. Is the prevailing attitude in fact that the high purposes of the Voting Rights Act are fine somewhere else, but not in our own backyards? That attitude hardly reflects the statesmanship to which we all aspire; it reflects instead a narrow regionalism that has no place in our National Legislature.

It would disturb me greatly to witness such unjust regionalism prevail here today, but I do not expect that to occur. I fully expect the House to accept a reasonable bailout amendment in the name of fair play, in the name of practical reality, in the name of justice. And I expect to support the voting rights extension for the same reasons.

If, however, I am wrong—if it is the will of this great House of Representatives to lock the Southern States into this punitive legislation in the finest Reconstructive-era style, I will support final passage. I will not vote my region in the face of an issue of national importance, I will vote my Nation. Because, realistically, I still perceive vestiges of voting injustices that exist in the South—as they exist throughout this country. If my colleagues from other areas are not willing to do as much, if they persist in isolating the South whenever the issue of civil rights arises, then they will be perpetuating inequities even as they claim to mitigate them.

Mr. DRINAN. Mr. Chairman, I move to strike the last word, and I ask unanimous consent to proceed for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection?

Mr. DRINAN. Mr. Chairman, I would like to ask the gentleman from Virginia (Mr. BUTLER) to tell the committee precisely what happens after the Attorney General of the United States indicates that there is no reason to hold a particular State under the coverage of the act. The court shall, under the Butler amendment, retain jurisdiction for 10 years. The Attorney General shall reopen the act: But what happens when he reopens it? Is the preclearance procedure revived? Is the bailout abrogated? What precisely happens in such an instance?

Mr. BUTLER. Mr. Chairman, if the gentleman would yield, I would say to the gentleman that what would happen is what has happened in other cases in which there has been a rehearing. It is simply put back in the jurisdiction of the court and in the jurisdiction of the act.

Mr. DRINAN. Would the gentleman agree that this is not spelled out in the law? It is really quite ambiguous.

This point came up previously in the full committee. The language of the Butler amendment does not state that the penalties of the law will in fact be revived. It states that only the Attorney General can reopen the act. Would the gentleman just explain what precisely happens?

Mr. BUTLER. If the gentleman would yield further, this matter was under consideration in the committee concerning New York State against the United States. That citation is 65 Federal Rules decisions, page 10, January 18, 1974. I apologize to the gentleman. He did raise the point before we looked into it, and we came to that conclusion. My intention was to send the gentleman a copy of this case. We did cite it in our opinion.

Mr. DRINAN. But in the basic amendment which the gentleman is asking the committee to accept, there is a basic deficiency and vagueness and ambiguity which, in my judgment, is very serious.

Mr. BUTLER. If the gentleman will yield just a little further, this same ambiguity, this same vagueness, exists in the Voting Rights Act itself, and it was resolved by this case. So, I would assume that in this case we would handle it in the same way.

Mr. FLOWERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is very difficult to put into words what I want to convey to the Members here today. I think my friend from South Carolina did it perhaps more adequately than I can.

Also, my friend from Virginia has spoken to the point I want to speak to. I doubt if a Member who does not come from covered jurisdictions can quite speak with the same tongue as we can. I want to support this voting rights bill. But I cannot go so far as my friend from Illinois who said a while ago that this is perhaps, and probably must be, the most important civil rights legislation ever enacted by this Congress, because I cannot believe that we can feel that when it primarily affects 7 States out of 50.

Surely, there are some civil rights matters in the 43 other States that should require our attention that would be on the same meritorious level as the voting rights of citizens of 7 Southern States and a few other odds and ends covered jurisdictions. I cannot for the life of me understand the opposition to the amendment offered by my friend from Virginia.

I stand here in support of an amendment, and I really do not know why I am supporting it, I say to the gentleman from Virginia (Mr. BUTLER), because if there ever was an apropos word it is the word of the gentleman "impossible" as it pertains to this amendment.

It would be virtually impossible for my State or the State of the gentleman from South Carolina (Mr. MANN) or the State of the gentleman from Virginia (Mr. BUTLER), or any of the covered States, to come out from under the jurisdiction of this act under the terms of this amendment.

This is important to those covered States, and I want to try to convey to the Members why I think it is important. It would be at least some incentive for affirmative action. It would at least be some recognition by this Congress, this National Legislature, that this is indeed national legislation and not simply sectional legislation. The original 1965 act provided coverage for 5 years—a period in which great progress was made. Such progress was met with an additional 5-year extension in 1970. And, now, in 1975, after a period of further great progress, how can we justify a lengthy 10-year extension? Surely it is not the intent of this National Legislature to institutionalize forever this sectional legislation.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I will be happy to yield to the gentleman.

Mr. McCLORY. I thank the gentleman for yielding. I want to express my support for the Butler amendment. I want to call attention to the fact that the Voting Rights Act does apply throughout the Nation. In case of discrimination, one can appeal to the Attorney General for relief. And, of course, we have a nationwide ban on literacy tests, and things of that nature.

Mr. FLOWERS. These are important, and I certainly did not intend for my remarks to fail to take these matters into account.

What we are doing in this Congress, based upon a tenuous record, at best, that the subcommittee has built here, we are attempting to be the judge and jury, to pass another sentence greater than the preceding sentence upon these seven covered jurisdictions. I do not think that is what we ought to do. I think—and I am afraid that this is true—that in the instance of some of our colleagues in this House—and I ask each Member to look inwardly because I do not attempt to pass judgment on another Member, but I suspect the potential is there—some Members could be voting for this bill because otherwise they might have to vote for a bill that would cover their own jurisdiction. I hope that that is not the case. But I would hope that all of us could support the Butler amendment and give some glimmer of hope based upon affirmative action to come out from under coverage. We are not asking that the bill be voted down or expire by its own terms, but let us at least give some hope of bailing out from coverage and the onerous burdens imposed by the act such as coming hat in hand to the Attorney General's office or the District Court of the District of Columbia to obtain approval of the slightest change in the election law of any covered jurisdiction.

Mr. MAZZOLI. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I will be happy to yield to the gentleman from Kentucky.

Mr. MAZZOLI. I thank the gentleman for yielding. I would like to associate myself with the gentleman's remarks. I recognize how difficult it is to speak on this floor today against the measure and speaking for the Butler amendment.

Mr. FLOWERS. I would have to disagree. I do not think that speaking for the Butler amendment is speaking against the measure.

Mr. MAZZOLI. No, it is not. I am for the Butler amendment, and I do not think it is against the measure. But I say that is how it would be interpreted, and that is a very difficult and awkward position to be in. I think we are giving that glimmer of hope, giving some reason for the State to try to cure its problems that have occurred in the past. I think the gentleman made his case, the gentleman who preceded him in the well made his case, and I would say that anybody in this House could support the Butler amendment and still be for voting rights.

Mr. RODINO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I would like to point out, first of all, that while the gentleman from Alabama (Mr. FLOWERS) has expressed himself in support of the bill as such, it appears, however, that he seems to be seeking to provide the States that are now covered with a reward for saying they will live up to in the future what we believed the law required them to live up to during these past 10 years.

This was a law that provided to people who were entitled to vote but who had been discriminated against over a long period of time their right to vote. This was a situation where the experience and data were complete. We have now seen that there have been many more people registered, many more people turning out to vote, and many more elected officials who are black from those various covered States.

And yet we see the gap continues to exist. It has been presented to us by the Commission on Civil Rights, and they document instances where there has been subtle discrimination. This is a kind of discrimination that is not as obvious as it was in 1965, but it is there.

What does this demonstrate? It demonstrates that the bailout provisions were not discriminatory. It demonstrates that the kinds of triggering devices and the tests that were being employed in the past were discriminatory. There have been States and subdivisions which were exempted as a result of having sought preclearance, and we find that that bailout provision worked.

Why do we now go into something that is new and untested? Are we seeking to provide a reward for the individuals who are now saying they will live up to what was expected of them originally? What was expected of them was to provide citizens a right to vote without discrimination.

Mr. Chairman, I think we would be going into uncharted waters with this amendment. I think we would be committing a misjudgment. For the past 10 years we have sought to provide the people of America, regardless of race, color, creed, or national origin, the right to vote equally with other citizens, as they are entitled to do under the 14th and 15th amendments.

I cannot see why the gentleman from Virginia, who knows full well what the history of this act has been, would now want to say, "Let us chart a new course. Let us get away from the old ways." The old ways have been tested.

I direct my remarks to those who are believers in giving to individuals the right to vote, to those who extended this act in 1970 because it worked so well. And yet the gap still exists in those covered jurisdictions.

These are not just mere, small gaps; they are gaps that in my judgment should be closed. We can only close those gaps by continuing and extending the act. In that way I am sure we will really be providing the individual with the opportunity to vote without fear of discrimination. I am sure that fear would certainly exist if we were to attempt to try the Butler bailout provision.

For that reason, Mr. Chairman, I urge that this Butler bailout amendment be voted down.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. RODINO. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, the chairman of the Committee on the Judiciary has made a very forceful argu-

UMI

ment, but as I view the record, the basis for the Butler bailout amendment is found in the testimony of Mr. Pottinger, in which he testified that if these certain requirements were met, then it would be appropriate for the States to be relieved of the Federal law. I am looking at page 77 of the report, and that testimony seems to support the Butler amendment.

Mr. RODINO. Mr. Chairman, the gentleman from Illinois, who has been a very attentive member of the committee, knows full well that the testimony that was presented was so overwhelming that, while there may be that reference to data by Mr. Pottinger, nonetheless the testimony was such that I think it will support the need to reject the Butler bail-out amendment because it is untested. With this amendment we would be going into an uncharted course, and I am sure this House would not want to make that mistake.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment.

Mr. Chairman, far beyond the substance of this bill, there is this fact: it is a promise and a hope.

I worked for 14 years in civil rights in my State as vice chairman of the New Jersey Committee for the U.S. Commission on Civil Rights, in a State which is not covered. I can imagine how some of those in covered States must feel. I am not unsympathetic, but this is something for the whole Nation, far beyond those States. This is a symbol, a hope, and a promise after so many years of injustice. This is a promise that injustice is going to end; I cannot sit here in this House and not speak.

This act goes far beyond those States that are covered. It is for all the people in this Nation. We cannot chip away at the Voting Rights Act with these amendments. We should move forward with every expectation of higher hopes and greater promise.

That is all I would like to say, Mr. Chairman.

Mr. YOUNG of Georgia. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, when my colleague, the gentleman from Alabama (Mr. FLOWERS), spoke and said, "You cannot know what it feels like to be under this act unless you come from one of the covered States." I felt that I had to stand before this House and tell the Members how it feels to be covered by this act. It surely feels wonderful.

I want to talk for a minute about these onerous provisions that my colleague the gentleman from Virginia, is concerned about. There are 533 southern counties covered by this act, 6 States, and 39 counties in North Carolina. Yet, in only 61 of these counties has there ever been any Federal examiner sent.

Some 1.5 million black citizens have been registered under this act, but there still remain to be registered another 2.5 million persons.

I think that when we look at what is happening in the South, we can see how much progress we have made. In fact, one of the reasons I really feel that we are able to move ahead of the district from which my colleague, the gentleman from Massachusetts, comes and perhaps the district from which my colleague from Detroit comes in racial relations is, in fact, the presence of a new spirit and a new participation in the democratic process.

There was a time when, in order to be elected from our part of the country, you had to present yourself at your worst. The man who was the chairman of my campaign, one of the best mayors that Atlanta ever had, had to run as a segregationist when he wanted to run statewide. It was a degrading experience.

Mr. Chairman, that is no longer true. Because of this act, we have been able to see people of all colors come into public office and express their best selves.

I would think that the so-called onerous provisions that the gentleman from Virginia is concerned about are no more onerous than the fact that I have to drive at 55 miles an hour. I do not like to drive at 55 miles an hour, but the situation in our Nation demands it. Therefore, the way to get out from under the law is to realize that it is in the best interest of the total country to comply with it.

I think that when we look at the facts that people were denied the right to vote and the right to run for public office for more than 100 years, and that at least a dozen friends of mine were shot down, killed, in order that this act might be passed. The gentleman from Virginia would give us the impression that this was all back pre-1965 and since 1965 things are getting better, but in every one of the covered States which submitted plans for reapportionment as a result of the 1970 census, everyone, without fail, was rejected by the Justice Department or the courts due to the fact that they were discriminatory. Therefore, I would contend that we need to continue this act as it is, and as it is proposed by the committee, and I urge that the Butler bailout amendment be defeated and that the bill be passed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. BUTLER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BUTLER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 134, noes 279, not voting 20, as follows:

[Roll No. 251]

AYES—134

Archer	Burgener	Conlan
Armstrong	Burleson, Tex.	Crane
Ashbrook	Butler	Daniel, Dan
Bafalis	Byron	Daniel, R. W.
Bauman	Casey	Davis
Bevill	Cederberg	Derrick
Breaux	Chappell	Devine
Brinkley	Clancy	Dickinson
Brooks	Clausen, Don H.	Downing
Broomfield	Clawson, Del	Duncan, Tenn.
Broyhill	Collins, Tex.	Edwards, Ala.
Buchanan		Erlenborn
Eshleman	Kemp	Robinson
Flowers	Ketchum	Rousselot
Flynt	Kindness	Runnels
Forsythe	Lagomarsino	Satterfield
Fountain	Landrum	Schulze
Frenzel	Lent	Shuster
Frey	Long, La.	Sikes
Gibbons	Lott	Skubitz
Ginn	Lujan	Smith, Nebr.
Goldwater	McClory	Snyder
Goodling	McCollister	Spence
Gradison	McDonald	Steiger, Ariz.
Grassley	McEwen	Stephens
Hagedorn	Mann	Symms
Haley	Martin	Talcott
Hansen	Mazzoli	Taylor, Mo.
Harsha	Michel	Taylor, N.C.
Hastings	Milford	Teague
Hébert	Miller, Ohio	Thornton
Hefner	Montgomery	Treen
Henderson	Moore	Udall
Hightower	Moorhead, Calif.	Vander Jagt
Hinshaw	Myers, Ind.	Waggonner
Holland	Myers, Pa.	Wampler
Holt	Nichols	White
Hutchinson	Passman	Whitehurst
Hyde	Patman, Tex.	Whitten
Ichord	Pettis	Wiggins
Jarman	Pickle	Wright
Jeffords	Poage	Wydler
Jenrette	Quie	Young, Alaska
Johnson, Pa.	Quillen	Young, Fla.
Jones, Ala.	Rhodes	
Kelly		

NOES—279

Abdnor	Dodd	Krebs
Abzug	Downey	Krueger
Adams	Drinan	LaFalce
Addabbo	Duncan, Oreg.	Latta
Ambro	Early	Leggett
Anderson, Calif.	Eckhardt	Lehman
Anderson, Ill.	Edgar	Levitas
Andrews, N.C.	Edwards, Calif.	Litton
Andrews, N. Dak.	Emery	Lloyd, Calif.
Annunzio	English	Lloyd, Tenn.
Ashley	Esch	Long, Md.
Aspin	Evans, Colo.	McCloskey
AuCoin	Evans, Ind.	McCormack
Badillo	Evins, Tenn.	McDade
Baldus	Fascell	McFall
Barrett	Fenwick	McHugh
Baucus	Findley	McKay
Beard, R.I.	Fish	McKinney
Bedell	Fisher	Macdonald
Bell	Fithian	Madden
Bennett	Flood	Madigan
Bergland	Florio	Maguire
Biaggi	Foley	Mahon
Biester	Ford, Mich.	Matsunaga
Bingham	Ford, Tenn.	Meeds
Blanchard	Fraser	Melcher
Blouin	Fulton	Metcalfe
Boland	Fuqua	Meyner
Bolling	Gaydos	Mezvinsky
Bonker	Giaimo	Mikva
Brademas	Gilman	Miller, Calif.
Breckinridge	Gonzalez	Mills
Brodhead	Green	Mineta
Brown, Mich.	Gude	Minish
Brown, Ohio	Guyer	Mink
Burke, Calif.	Hall	Mitchell, Md.
Burke, Fla.	Hamilton	Mitchell, N.Y.
Burke, Mass.	Hanley	Moakley
Burlison, Mo.	Hannaford	Moffett
Burton, John	Harkin	Moorhead, Pa.
Burton, Phillip	Harrington	Morgan
Carney	Harris	Mosher
Carr	Hawkins	Moss
Carter	Hayes, Ind.	Motti
Chisholm	Hechler, W. Va.	Murphy, Ill.
Clay	Heckler, Mass.	Murphy, N.Y.
Cleveland	Heinz	Murtha
Cohen	Helstoski	Natcher
Collins, Ill.	Hicks	Neal
Conable	Hillis	Nedzi
Conte	Holtzman	Nix
Conyers	Horton	Nolan
Corman	Howard	Nowak
Cornell	Howe	Oberstar
Cotter	Hubbard	Obey
Coughlin	Hughes	O'Brien
D'Amours	Hungate	O'Hara
Daniels, N.J.	Jacobs	O'Neill
Danielson	Johnson, Calif.	Ottinger
de la Garza	Johnson, Colo.	Patten, N.J.
Delaney	Jones, Okla.	Patterson, Calif.
Dellums	Jordan	Pattison, N.Y.
Dent	Karth	Pepper
Derwinski	Kasten	Perkins
Diggs	Kastenmeier	Peyser
Dingell	Kazen	Pike
	Keys	Pressler
	Koch	
Preyer	Sarbanes	Symington
Price	Scheuer	Thompson
Pritchard	Schneebeli	Thone
Randall	Schroeder	Traxler
Rangel	Sebelius	Tsongas
Rees	Seiberling	Ullman
Regula	Sharp	Van Deerlin
Reuss	Shipley	Vander Veen
Richmond	Shriver	Vanik
Riegle	Simon	Vigorito
Rinaldo	Sisk	Walsh
Risenhoover	Slack	Waxman
Rodino	Solarz	Weaver
Roe	Spellman	Whalen
Rogers	Staggers	Wilson, Bob
Roncalio	Stanton, J. William	Wilson, C. H.
Rooney	Stanton, James V.	Winn
Rose	Stark	Wirth
Rosenthal	Steed	Wolff
Roush	Steelman	Wylie
Roybal	Steiger, Wis.	Yates
Ruppe	Stokes	Yatron
Russo	Stratton	Young, Ga.
Ryan	Studds	Young, Tex.
St Germain	Sullivan	Zablocki
Santini		Zeferetti
Sarasin		

NOT VOTING—20

Alexander	Ellberg	Mollohan
Beard, Tenn.	Hammer-schmidt	Railsback
Boggs	Hays, Ohio	Roberts
Bowen	Jones, N.C.	Rostenkowski
Brown, Calif.	Jones, Tenn.	Smith, Iowa
Cochran	Mathis	Stuckey
du Pont		Wilson, Tex.

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Roberts for, with Mr. Ellberg against.

Mr. Bowen for, with Mr. Jones of Tennessee against.

Mrs. Boggs for, with Mr. Hays of Ohio against.

Mr. Mathis for, with Mr. Rostenkowski against.

Mr. Stuckey for, with Mr. Mollohan against.

The result of the vote was announced as above recorded.

PERSONAL ANNOUNCEMENT

Mr. UDALL. Mr. Chairman, in the recorded vote on the amendment by Mr. BUTLER to title I of H.R. 6219, rollcall No. 251, I was improperly recorded as voting for the amendment. My vote should have been recorded against this amendment and I want the permanent RECORD to reflect my longstanding position against an amendment which would, in my opinion, have seriously weakened the purpose and scope of the committee bill. I ask unanimous consent that this statement appear in the RECORD, immediately following the vote on the Butler amendment today.

PERSONAL EXPLANATION

Mr. COHEN. Mr. Chairman, in the Judiciary Committee's report on the Voting Rights Act extension (Rept. No. 94–196), I am listed as ascribing to division B of the supplemental views concerning section 11 of the Voting Rights Act—See page 110 of the report. This is incorrect as I intended to ascribe to the stated views expressed in division A only, and not those stated in division B.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. KINDNESS: Page 1, line 6, strike out "twenty" and insert in lieu thereof "five", and strike out the period at the end of line 6 and insert in lieu thereof the following: ", and by adding at the end of the first paragraph of such section 4(a) the following: "Prior to August 6, 1980, no such State nor subdivision may petition the United States District Court for the District of Columbia for such declaratory judgment."."

Mr. KINDNESS. Mr. Chairman, this amendment affects section 101 of the bill that is before us today; but it really has to do with section 4(a) of the Voting Rights Act.

Section 4(a) reads in part as follows under the existing law:

To assure that the right of citizens of the United States to vote is not denied or abridged on account of race or color, no citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device in any State with respect to which the determinations have been made under the first two sentences of subsection (d) or in any political subdivision with respect to which other determinations have been made.

That means the original covered States or other States or subdivisions of States that have come in since 1965. The section continues as follows:

Unless the United States District Court for the District of Columbia in an action for a declaratory judgment brought by such State or subdivision against the United States has determined that no such test or device has been used during the ten years preceding the filing of the action.

The committee bill makes that read "twenty years" instead of "ten years." The amendment I propose changes the committee bill so that instead of reading "twenty," it would read "five." In the fever of the times in 1965 when the Voting Rights Act was first enacted, those references in that section 4(a) were to 5 years. When the Voting Rights Act was extended in 1970, the period of time was changed from 5 years to 10 years. Now, the committee bill would change it to 20 years. This amendment will restore the 5-year period, the concept that was originally contained in the Voting Rights Act. Twenty years is a long time. Let us look at what that 20-year period is used to measure.

First, it is used to measure the period of time during which the court must find that no test or device has been used to deny or to abridge the right to vote on account of race or color in a State or a subdivision which used a prohibited test or device, such as a literacy test, on November 1, 1964, and, the voter registration percentage on November 1, 1964, or the voter turnout in November of 1964 was less than 50 percent, or any State or subdivision which had the same kind of history in November 1968, before that State came out from under the special extraordinary provisions of the act.

Second, the 20 years that is in the committee bill would be used as a measure of another matter wherein the court cannot enter a declaratory judgment until 20 years after the final judgment which holds that a test or device was used to deny or abridge the right to vote on account of race or color. It seems to me that the authors of the original Voting Rights Act were right. Five years is long enough. The committee bill even provides in almost identical language for a 10-year period rather than a 20-year period in the case of language minorities. This amendment that I propose would make the period of time in all cases 5 years, uniformly with no difference between cases that are based upon the concept of voter discrimination with respect to race or color, on the one hand, or cases involving language minorities, on the other hand.

The committee bill distinguishes between those two, 20 years in the former case, 10 years in the latter case.

But, it does one more thing. This amendment provides that no State or subdivision may go into court to obtain a declaratory judgment to get out from under the special provisions of the Voting Rights Act until August 6, 1980.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(On request of Mr. EVANS of Colorado and by unanimous consent Mr. KINDNESS was allowed to proceed for 3 additional minutes.)

Mr. KINDNESS. That is a 5-year period from now during which no State could get out from under the extraordinary provisions of the act. I urge the Members to support the 5-year provision in place of the unreasonable 20-year provision so that again this may be a dynamic law and that we may see progress toward real improvement in the conditions of voting in the covered States.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I will be happy to yield to the gentleman.

Mr. EVANS of Colorado. Mr. Chairman, does the gentleman's amendment continue the existing act on all jurisdictions that it covers now for an additional 5 years, or would it be possible under the gentleman's amendment for jurisdictions covered by the act, having been made under the act for more than 5 years, by virtue of the gentleman's amendment to get out from under it?

Mr. KINDNESS. No; there would still be a hiatus until August 6, 1980, for all presently covered jurisdictions.

Mr. EVANS of Colorado. I thank the gentleman.

Mr. EDWARDS of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Ohio.

Objections to this amendment lie in the fact that its adoption would probably jeopardize the constitutionality of the extension. While it lowers the period of proof to be sustained in a bailout action, the amendment also absolutely precludes the filing of any such action prior to 1980.

In upholding the constitutionality of this act, the Supreme Court in South Carolina against Katzenbach, pointed to the fact that the act acknowledges the possibility of the overbroadness of its trigger by providing for the bailout process for nondiscriminating jurisdictions which are caught under the act's application. Now, if we were to legislatively preclude the filing of such a bailout action for a definite number of years, as Mr. KINDNESS proposes, this would certainly be running counter to any safeguards against overbroadness, safeguards which Chief Justice Warren pointed to with apparent approval in the

UMI

South Carolina decision. The Kindness amendment would, in clear terms, make the bailout provision a nullity.

While it is true that the state of the law under Gaston County does already preclude successful bailout actions for jurisdictions that have offered unequal and inferior educations to their minority citizens, such an interpretation denying or precluding release under those circumstances has been judicially determined to be mandated under the statute. What this amendment proposes is something which is radically different. Its absolute prohibition of a bailout action for a set number of years, irrespective of a jurisdiction's past record in terms of education or achievements in minority voting rights, would be treading on constitutionally dangerous ground.

Furthermore, it simply cannot be suggested that this amendment would have virtually no effect since all covered jurisdictions are already frozen-in under the Gaston County doctrine. While it is true that inferior school systems for minority children might be found in areas throughout the country, we simply cannot irrebutably presume that all of the covered towns in Massachusetts, Connecticut, New Hampshire, and Maine would be unsuccessful in a bailout, as were Gaston County, N.C. and the State of Virginia. To adopt this amendment would mean that the former jurisdictions would be precluded from even making the attempt. As drafted, the Kindness amendment would also preclude bailout actions by jurisdictions newly covered under H.R. 6219 before 1980. Clearly, those newly covered areas which have not discriminated should not be unjustifiably frozen under the act for 5 years, as the Kindness amendment proposes.

In short, the Kindness amendment does more than simply shorten the burden of proof period in bailout actions. It effectively "extends" the act for 5 years by not merely shortening the period of proof, but by also absolutely prohibiting the filing of bailout actions before 1980. In light of court decisions interpreting the Voting Rights Act, this method of extension, destroying totally all safeguards against overbroadness, is most likely unconstitutional and should, therefore, be rejected.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, do I understand the gentleman from California, the chairman of the subcommittee, to be saying that the fact that no bailout action could be taken until August 6, 1980, is considered objectionable other than on the basis cited?

I point this out because I think we have seen the will of the House expressed on the last amendment. The Members do not want the covered States to be out from under the extraordinary provisions of the act at all.

This amendment attempts to meet this objection somewhere in the middle, at least halfway.

Mr. Chairman, the arguments heard against the Butler amendment and against this amendment now seem to be rather inconsistent, and I am having trouble reconciling them.

Mr. EDWARDS of California. Mr. Chairman, under H.R. 6219, if adopted as it has been written—and so far it has not been amended—we have a number of jurisdictions that might be covered who would be entitled to bailout, and it would be most unfair under the gentlemen's amendment if none of these jurisdictions could bail out; they would have to wait until 1980.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield further?

Mr. EDWARDS of California. I yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, do I understand, then, that there should be one rule that applies to jurisdictions that have been covered since 1968, and another, that is a different rule, for those jurisdictions that were originally covered in 1964?

That is why I ask the question. It it unfair that those jurisdictions covered more recently would not have a chance to bail out before 1980, when we have heard that it is all right for the original covered States to have no way to bail out.

The CHAIRMAN. The time of the gentleman from California (Mr. EDWARDS) has expired.

(By unanimous consent, Mr. EDWARDS of California was allowed to proceed for 20 additional seconds.)

Mr. EDWARDS of California. Mr. Chairman, the rule is the same. A number of jurisdictions have bailed out since 1965, and so the rule is no different than it is in this case.

Mr. LOTT. Mr. Chairman, I move to strike the last word, and I rise in support of the Kindness amendment.

Mr. Chairman, I think the Kindness amendment provides a reasonable period for this so-called purity. It provides that no escape can take place under the act prior to August 6, 1980. The period of purity is reduced from 20 years to 5 years.

As I understand H.R. 6219, section 4 (a) extends the purity period for an additional 10 years, until 1985. During this additional 10-year period a State may petition the Federal District Court in the District of Columbia for a declaratory judgment against the United States, determining that no test or device has been used discriminatorily for 20 years prior to the filing of the case. That means if a State tries to bail out under this act in 1976, it would have to prove there had not been any voting rights discrimination back to 1956.

Mr. Chairman, that is bad enough. But the thing that really bothers me is this: As I understand H.R. 6219, no declaratory judgment shall issue with respect to any plaintiff for a period of 20 years after the entry of a final judgment of any court of the United States determining that there has been voter discrimination.

Mr. Chairman, here is the question I have, and I would like to address this question to the gentleman from Ohio (Mr. KINDNESS), if I may:

Am I correct in my understanding of this bill as it presently exists that should a Federal court rule in 1985, for instance, that tests or devices were used discriminatorily anywhere in a State to abridge voting rights, even if for the next 19 years or even 20 years it was perfectly in compliance with this act, that State will be held under this act until the year 2005? Is that correct?

Mr. KINDNESS. Mr. Chairman, the gentleman is correct. And it would be subject to the extraordinary provision of the law regarding preclearance or any changes of its laws or regulations relating to election procedures.

Mr. LOTT. So no matter what they do in the next 20 years, after that ruling in 1985, no matter how pure they might be and how hard they might try to comply with the act in every way, they could not bail out from under this act until the year 2005; is that correct?

Mr. KINDNESS. Mr. Chairman, if the gentleman will yield, I will state that the gentleman is correct.

Further than that, under one interpretation of the language in the committee bill it could be contended that, based on 1964 conditions, the 20-year period beyond that would apply before a declaratory judgment could be sought.

If we take it together, extending the act for another 10 years, we could be tacking on forever to the period of time that would be involved. One interpretation is so extreme that we could tack two 20-year periods together. I am inclined to believe that only the interpretation the gentleman suggests is correct, that the 1985 extension by a State could give rise to coverage until the year 2005.

Mr. LOTT. Mr. Chairman, I thank the gentleman for his comments.

Mr. Chairman, I think that 20 years is an unnecessary extension of the act and, in fact, a punishment of States that try to act in good faith. The Kindness amendment, which provides for 5 years, is more than sufficient.

For the life of me, I cannot understand why this body will not make this act apply to the entire Nation. This is an extremely punitive piece of legislation aimed primarily at a few Southern States. Should not the same provisions apply to New York as Mississippi? The Wiggins substitute and the Butler substitute have already failed, making it virtually impossible for my congressional district to get out from under this act. I implore my colleagues, as fellow Americans, not to hold what may be innocent States in bondage until the year 2000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

The question was taken; and on a division (demanded by Mr. KINDNESS) there were—ayes 36, nays 55.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HYDE: Page 2, immediately after line 6, insert the following:

"SEC. 103. Effective one day after the date of the enactment of this Act section 5 of the Voting Rights Act of 1965 is repealed."

Mr. HYDE. Mr. Chairman, I want to make it unmistakably clear at the outset that I do support the Voting Rights Act of 1965 and I support its extension. I support, for the most part, the methods by which the laudable goals of this worthwhile legislation are sought to be implemented.

I also will assert that, in my judgment, the right to vote is much more important than any other civil right, including even the right of free speech. It does not do anyone much good to be permitted to speak if he cannot implement his views by voting.

As a matter of fact, living as a member of the minority political party in the county of Cook, State of Illinois, I have a very sensitive grasp of how important equal access to the ballot box is.

Unfortunately, it seems to me that this legislation does not go far enough because having one's vote counted is just as important as having it cast; and this bill does not address itself to that problem at all.

The thrust of my amendment is to say simply that the 15th amendment cannot repeal the 10th amendment.

Section 5, as we all know, requires a sovereign State to come, hat in hand, to Washington, D.C., and appear before an appointed official of the Federal Government and get a preclearance for any changes in its laws, whether it be a constitutional amendment, whether it be an annexation, a zoning law, or any law that remotely will affect the right to vote. It is inconceivable to me that under our Federal system, a sovereign State of the United States of America has to come to an appointed official, whether it is the Attorney General or whether it is the Secretary of the Department of Transportation, and get approval before a sovereign State can have its laws implemented.

I am well aware of the case of *South Carolina* v. *Katzenbach*. I read it several times. In my opinion, if I may be so presumptuous, the majority opinion is woefully inadequate in discussing or even addressing the violence done to the 10th amendment by its interpretation of the 15th amendment.

It would be very difficult for me to improve upon the language of Mr. Justice Black in his dissenting opinion. Let me just quote in part from that opinion:

Certainly if all the provisions of our Constitution which limit the power of the Federal Government and reserve other power to the States are to mean anything, they mean at least that the States have power to pass laws and amend their constitutions without first sending their officials hundreds of miles away to beg federal authorities to approve them. Moreover, it seems to me that section 5 which gives federal officials power to veto state laws they do not like is in direct conflict with the clear command of our Constitution that "The United States shall guarantee to every State in this Union a Republican Form of Government." I cannot help but believe that the inevitable effect of any such law which forces any one of the States to entreat federal authorities in far-away places for approval of local laws before they can become effective is to create the impression that the State or States treated in this way are little more than conquered provinces.

Section 5 of this act reduces a sovereign State to the equivalent of an administrative district of the Federal Government, and, no matter how reasonable or how well intentioned the means to the end are, it seems to me this is a violation of, and is repugnant to the concept of our Federal Government.

So I say simply that section 5 demeans, it degrades, and it even disembowels State sovereignty.

I do not believe that States have rights. I believe that people have rights, but I believe also that States have powers. States exist under our Constitution, and if we want to change the Constitution then let us do it by amendment and not by passing a law.

I would also remind my colleagus that the States created the Federal Government—not the other way around. And in this Bicentennial year I think it might be well to dwell upon that.

Let me also state that the judicial power to strike down an unconstitutional law is a long, long way from the power to prevent a State from passing the law or amending its constitution in the first place.

Those Members who are so sensitive to the civil rights cause and to the obscenity cases have brought up the matter of prior censorship, and that is what section 5 of this act is to a sovereign State of the United States; it is prior censorship of its law, and this is something that is unauthorized by our Constitution. No matter how much we want to breathe life into the 15th amendment, we do not have to embalm the 10th amendment in doing so.

I respectfully urge support for my amendment.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, section 5 of the Voting Rights Act has now become the most important provision of the legislation. Today, enforcement of section 5 is the highest priority of the voting section of the Department of Justice's Civil Rights Division. In recent years, the number of Justice Department section 5 objections has greatly increased. The Department has entered objections to changes submitted from a number of jurisdictions, including Arizona, Georgia, Louisiana, Alabama, Virginia, North Carolina, and New York. I include a table:

NUMBER OF SEC. 5 OBJECTIONS INTERPOSED BY THE DEPARTMENT OF JUSTICE, BY STATE AND YEAR, FROM 1965 TO 1975[1]

State	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	Total
Alabama	0	0	0	0	10	1	2	6	1	2	0	22
Arizona[2]						0	0	0	1	0	1	2
California[2]						0	0	0	0	0	0	0
Georgia	0	0	0	4	0	0	5	11	8	9	0	37
Idaho[2]						0	0	0	0	0	0	0
Louisiana	0	0	0	0	2	0	19	8	6	2	0	37
Mississippi	0	0	0	0	3	1	13	2	8	1	1	29
New York[2]						0	0	0	0	1	0	1
North Carolina[2]	0	0	0	0	0	0	6	0	0	0	0	6
South Carolina	0	0	0	0	0	0	0	4	3	12	0	19
Virginia	0	0	0	0	0	1	5	1	0	3	0	10
Wyoming[2]						0	0	0	0	0	0	0
Total	0	0	0	4	15	3	50	32	27	30	2	163

[1] Through Feb. 28, 1975.
[2] Selected county(ies) covered rather than entire State.

Source: U.S. Department of Justice (hearings, 185).

The recent objections entered by the Attorney General of the United States to section 5 submissions clearly bespeak the continuing need for this preclearance mechanism. As registration and voting of minority citizens increases, other measures are resorted to which dilute increasing minority voting strength. Such other measures include switching to at-large elections, annexations of predominantly white areas, or the adoption of discriminatory redistricting plans—Hearing, 1187–1232. In fact, the Justice Department has recently entered objections, at the State and local level, to at-large requirements, polling place changes, majority vote requirements, staggered terms, increased candidate filing fees, redistrictings, switches from elective to appointive offices, multimember districts, and annexations—hearings, 183–185. In each of these objection situations the submitting jurisdiction failed to meet its burden of satisfying the Attorney General of the nondiscriminatory purpose or effect of the proposed change.

In its report, the Judiciary Committee concluded—

That it is largely Section 5 which has contributed to the gains thus far achieved in minority political participation, and it is likewise Section 5 which serves to insure that that progress not be destroyed through new procedures and techniques.

Section 5 of the Voting Rights Act must not be repealed and, I, therefore, urge that the Hyde amendment be rejected.

Mr. ARMSTRONG. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I would like to inquire, for the purpose of clarification, if I may have the attention of the chairman of the subcommittee, am I correct that the pre-

UMI

clearance procedure in this bill applies to statutory enactments of State legislatures to reapportion and redistrict for the purposes of their State legislatures, and for their congressional district. Is that correct?

Mr. EDWARDS of California. For covered jurisdictions, yes, and that is a very important part of section 5.

Mr. ARMSTRONG. To be specific, by "covered jurisdictions" we mean those jurisdictions which are newly covered, not just those which have been covered prior to this time.

Mr. EDWARDS of California. Those that would be covered under title II of the amended act, yes.

Mr. ARMSTRONG. Let me refer to my own State of Colorado which will come under the provisions of this act, if it is enacted, for the first time. El Paso County, Colo., a county which comprises approximately 10 percent of the population of the State of Colorado, will be covered by this act. Running through that county are a number of legislative district boundaries which, as I understand it, could not be changed by the State legislature as they lie within El Paso County, without the preclearance of the Attorney General.

Mr. EDWARDS of California. My understanding is that your understanding is correct.

Mr. ARMSTRONG. Similarly, the boundaries which separate two of the State's five congressional districts run through El Paso County, so we could not redistrict without the approval in advance of the court or of the Attorney General?

Mr. EDWARDS of California. If the facts are that El Paso County has been caught unfairly by the trigger, then El Paso County can apply to be relieved from the provisions of the act.

Mr. ARMSTRONG. I thank the chairman for that explanation. I would like at another time when I will offer an amendment, perhaps, to respond to the specific issue of whether or not El Paso County may have been unfairly caught, along with some other counties.

But now I want to make this point, that at least in my own mind this is the most important issue in the bill. Are we going to make the States beggars, as my colleague, the gentleman from Illinois (Mr. HYDE) has asked? It seems to me that we are going much too far by the action of this bill.

As a member of a State legislature, I participated in redistricting and reapportionment on three occasions. I learned it is a very complex area of the law. It is difficult not only for legal but for practical reasons, and we are placed in the position of having to obtain all kinds of compromises made necessary by both Federal and State constitutional requirements. To impose the additional burden on the State legislature and the citizens of my State of having to go to an unelected Federal official, it seems to me, is not only wrong in theory but imposes very great practical impediment to reapportionment and redistricting.

I have spoken about my State and about a particular county in my State, but it seems to me the principle applies equally in other States covered by the act. For this reason I urge support of the amendment offered by my friend, the gentleman from Illinois (Mr. HYDE).

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I will be pleased to yield to my colleague from Colorado.

Mr. EVANS of Colorado. I thank the gentleman for yielding.

With the permission of the gentleman, I would like to direct a question to the chairman of the committee because I do not think his response was as clear as I would like to have had it on the question of redistricting congressional districts. The gentleman from Colorado and I share El Paso County. I have 32⅓ counties in my district, and I am not sure how many counties are in the gentleman's district adjacent to mine; but the gentleman from Colorado posed the question to the chairman since one county that is split into two congressional districts will be covered under title II, El Paso County, the question to the gentleman was under those circumstances before those congressional districts could be reapportioned, would such a plan have to be presented to and approved by the Attorney General?

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from California.

Mr. EDWARDS of California. I thank the gentleman for yielding.

It would seem to me that that portion of the plan drawn by the State legislature affecting El Paso County would have to be approved.

Mr. EVANS of Colorado. I thank the gentleman for yielding.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to my friend, the gentleman from California.

Mr. WIGGINS. I thank the gentleman for yielding.

We all know, as practical, working politicians, that redistricting is a very interrelated process. It is almost impossible to change one district without affecting all districts. In those States such as Colorado, where only a few counties may be caught, the practical effect of requiring preclearance of one county's redistricting plan is the submission of the entire State's redistricting plan to the Attorney General for his approval. The same is true with respect to other laws affecting voting which have statewide application. Since such statewide laws will apply to a covered county, preclearance will be required. In effect, therefore, the entire State is covered.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. HYDE).

RECORDED VOTE

Mr. HYDE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 105, noes 300, not voting 28, as follows:

[Roll No. 252]

AYES—105

Archer	Flowers	Milford
Armstrong	Flynt	Montgomery
Ashbrook	Fountain	Moore
Bafalis	Frey	Moorhead, Calif.
Bauman	Ginn	Nichols
Bevill	Goldwater	O'Brien
Breaux	Gonzalez	Passman
Brinkley	Hagedorn	Poage
Brooks	Haley	Quillen
Brown, Ohio	Hansen	Rhodes
Broyhill	Harsha	Robinson
Buchanan	Hefner	Rousselot
Burgener	Henderson	Satterfield
Burke, Fla.	Hightower	Scheuer
Burleson, Tex.	Hinshaw	Shuster
Butler	Holland	Sikes
Byron	Holt	Smith, Nebr.
Casey	Hutchinson	Snyder
Cederberg	Hyde	Spence
Chappell	Ichord	Steiger, Ariz.
Clancy	Jarman	Stephens
Clausen, Don H.	Jones, Ala.	Symms
Clawson, Del	Kazen	Taylor, Mo.
Collins, Tex.	Kelly	Treen
Conlan	Kemp	Vander Jagt
Crane	Ketchum	Waggonner
Daniel, Dan	Kindness	Wampler
Daniel, R. W.	Lagomarsino	White
Derwinski	Landrum	Whitehurst
Devine	Lott	Whitten
Dickinson	McCollister	Wiggins
Downing	McDonald	Wright
Duncan, Tenn.	McEwen	Young, Alaska
Edwards, Ala.	Mann	Young, Tex.
Erlenborn	Martin	
	Michel	

NOES—300

Abdnor	Davis	Hicks
Abzug	de la Garza	Hillis
Adams	Delaney	Holtzman
Addabbo	Dellums	Horton
Ambro	Dent	Howard
Anderson, Calif.	Derrick	Howe
Anderson, Ill.	Diggs	Hubbard
Andrews, N.C.	Dingell	Hughes
Andrews, N. Dak.	Dodd	Hungate
Annunzio	Downey	Jacobs
Ashley	Drinan	Jeffords
Aspin	Duncan, Oreg.	Jenrette
AuCoin	Early	Johnson, Calif.
Badillo	Eckhardt	Johnson, Colo.
Baldus	Edgar	Johnson, Pa.
Barrett	Edwards, Calif.	Jones, Okla.
Baucus	Emery	Jordan
Beard, R.I.	English	Karth
Bedell	Esch	Kasten
Bell	Eshleman	Kastenmeier
Bennett	Evans, Colo.	Keys
Bergland	Evans, Ind.	Koch
Biaggi	Evins, Tenn.	Krebs
Biester	Fascell	Krueger
Bingham	Fenwick	LaFalce
Blanchard	Fisher	Latta
Blouin	Fithian	Leggett
Boggs	Flood	Lehman
Boland	Florio	Lent
Bolling	Foley	Levitas
Bonker	Ford, Mich.	Litton
Brademas	Ford, Tenn.	Lloyd, Calif.
Breckinridge	Forsythe	Lloyd, Tenn.
Brodhead	Fraser	Long, La.
Broomfield	Frenzel	Long, Md.
Brown, Mich.	Fulton	Lujan
Burke, Calif.	Fuqua	McClory
Burke, Mass.	Gaydos	McCloskey
Burlison, Mo.	Gibbons	McCormack
Burton, John	Gilman	McDade
Burton, Phillip	Goodling	McFall
Carney	Gradison	McHugh
Carr	Grassley	McKay
Carter	Green	McKinney
Chisholm	Gude	Macdonald
Clay	Guyer	Madden
Cleveland	Hall	Maguire
Cohen	Hamilton	Mahon
Collins, Ill.	Hanley	Matsunaga
Conable	Hannaford	Mazzoli
Conte	Harkin	Meeds
Conyers	Harrington	Metcalfe
Corman	Harris	Meyner
Cornell	Hastings	Mezvinsky
Cotter	Hawkins	Mikva
Coughlin	Hayes, Ind.	Miller, Calif.
D'Amours	Hechler, W. Va.	Miller, Ohio
Daniels, N.J.	Heckler, Mass.	Mills
Danielson	Heinz	Mineta
	Helstoski	Minish
		Mitchell, Md.

Mitchell, N.Y.	Rangel	Stanton, James V.
Moakley	Rees	Stark
Moffett	Regula	Steed
Moorhead, Pa.	Reuss	Steelman
Morgan	Richmond	Steiger, Wis.
Mosher	Riegle	Stokes
Moss	Rinaldo	Stratton
Mottl	Risenhoover	Studds
Murphy, Ill.	Rodino	Sullivan
Murphy, N.Y.	Roe	Symington
Murtha	Rogers	Taylor, N.C.
Myers, Ind.	Roncalio	Thompson
Myers, Pa.	Rooney	Thone
Natcher	Rose	Thornton
Neal	Rosenthal	Traxler
Nedzi	Roush	Tsongas
Nix	Roybal	Udall
Nolan	Runnels	Ullman
Nowak	Russo	Van Deerlin
Oberstar	Ryan	Vander Veen
Obey	St Germain	Vanik
O'Hara	Santini	Vigorito
O'Neill	Sarasin	Walsh
Ottinger	Sarbanes	Waxman
Patman, Tex.	Schneebeli	Weaver
Patten, N.J.	Schroeder	Whalen
Patterson, Calif.	Schulze	Wilson, Bob
Pattison, N.Y.	Sebelius	Wilson, C. H.
Pepper	Selberling	Winn
Perkins	Sharp	Wirth
Pettis	Shipley	Wolff
Peyser	Shriver	Wydler
Pickle	Simon	Wylie
Pike	Sisk	Yates
Pressler	Skubitz	Yatron
Preyer	Slack	Young, Fla.
Price	Solarz	Young, Ga.
Pritchard	Spellman	Zablocki
Quie	Staggers	Zeferetti
Randall	Stanton, J. William	

NOT VOTING—28

Alexander	Hays, Ohio	Rostenkowski
Beard, Tenn.	Hébert	Ruppe
Bowen	Jones, N.C.	Smith, Iowa
Brown, Calif.	Jones, Tenn.	Stuckey
Cochran	Madigan	Talcott
du Pont	Mathis	Teague
Eilberg	Melcher	Wilson, Tex.
Findley	Mink	
Giaimo	Mollohan	
Hammer-schmidt	Railsback	
	Roberts	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Eilberg against.

Mr. Roberts for, with Mr. Jones of Tennessee against.

Mr. Stuckey for, with Mr. Rostenkowski against.

Mr. Mathis for, with Mr. Hays of Ohio against.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there additional amendments to title I?

AMENDMENT OFFERED BY MR. TREEN

Mr. TREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TREEN: Page 2, line 2, after "inserting", strike out "No", and insert "Prior to August 6, 1985, no".

Mr. TREEN. Mr. Chairman and members of the committee, I do not know how many of the Members were surprised, as I was—and I know that a number of us were because of my discussions on the floor—to find that, whereas this is basically a bill to extend the Voting Rights Act for 10 years, it contains a provision to ban, all voter qualification tests and devices forever, not just for 10 years. This ban in the bill is permanent.

"Test or device" is defined in the act to include several things, among which are the following: A test to "demonstrate the ability to read, write, understand or interpret any matter"; second, to "demonstrate any educational achievement or knowledge of any particular subject."

In other words, "test or device" goes far beyond a literacy test; to ban would prohibit any type of qualification that a person understand or have knowledge of anything whatsoever. And this bill would prohibit that for all States forever.

In 1965, when this legislation was originally enacted, we targeted several States and counties and suspended these tests or devices in those States. Certainly argument could be made that that was relevant, because none of us could deny that these things were used for racial discrimination.

In 1970, when we amended this act, we then applied the ban to all States. I was not here then, but I still wonder how it was that it could be argued that the ban had to be applied to every State, because certainly there were some States in this Union that had never used a literacy test for any type of discrimination.

Mr. Chairman, all this amendment does is to take this provision which bans tests and parallel it in time with the other provisions which will expire in 10 years. This means that we can look at this again in 10 years and decide, as we look at the other provisions of the act which will expire, and we can determine whether or not we should continue a ban on all literacy and other types of tests. It gives us that opportunity.

Without this amendment we would foreclose ourselves from that opportunity.

I know that in many States there is not any type of questionnaire or any type of requirement that a person understand the least fundamental thing in order to vote. I can appreciate that some States do not want that requirement. Other States may wish to have it. Unless this amendment is adopted, none of the States may have any type of test, and indeed I do not know how we could keep persons in our insane asylums from demanding their right to vote, because, of course, they could say that the act provides that they do not have to be required to understand or have knowledge of anything whatsoever.

Mr. Chairman, in my judgment the permanent ban provision is of very dubious constitutionality, and I would vote against this bill, if my amendment does not succeed, for that reason alone. I believe it our duty to uphold the Constitution at all times.

The States still have the right—and the courts have said this repeatedly—to set voter qualifications except as limited by several amendments to the Constitution: The 15th amendment, which bans discrimination based upon race; the 19th amendment, which bans discrimination on the basis of sex; the 24th amendment, which prohibits any poll tax; and the 26th amendment, which prohibits age discrimination against persons 18 years of age or older.

These amendments themselves recognize that there reposes in the States the basic right to set voter qualifications. I can guarantee that if this is not amended, there will be an attack on the constitutionality of the act. The Voting Rights Act is supposed to be bottomed on the 15th amendment, and this ban, as I said a moment ago, could perhaps be deemed to be appropriate in the target States. Maybe one could argue it is appropriate in all other States for 5 years, and perhaps by some stretch of the imagination one could say that under the 15th amendment a ban for another 10 years is appropriate. But how could we possibly say that under the 15th amendment a permanent ban, a ban forever, is constitutional?

Mr. DRINAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, Congress clearly has the authority under Katzenbach against Morgan to ban literacy tests. In another case, Oregon against Mitchell, the Supreme Court upheld the existing nationwide ban in previous versions of this particular law.

The commonly stated purpose of literacy tests is to maintain an intelligent electorate, and Congress can clearly find that this purpose is not met through the use of literacy tests. As a matter of fact, there is a total absence of any evidence that the quality of government or of elected officials is higher in States with literacy tests than it is in others. Congress concludes now, as it did before, that a ban on literacy tests is a wise thing in order to give the rights under the 14th and 15th amendments to all Americans.

Mr. Chairman, literacy tests cannot achieve their stated purposes, because they do not assure the qualification of intelligent voters. I think that with electronic media widely available now, it is quite possible and indeed probable that many people with very little formal education to be extraordinarily well-informed and to be intelligent members of the electorate even though they are technically illiterate.

Mr. Justice Black in the Mitchell case noted the long history of the discriminatory effect of literacy tests on minorities.

For this and many other reasons, Mr. Chairman, I urge the defeat of the amendment.

Mr. TREEN. Mr. Chairman, will the gentleman yield for a question?

Mr. DRINAN. Yes, I will be glad to yield to the gentleman from Louisiana.

Mr. TREEN. The gentleman talks about literacy tests. I have tried to point out, in explaining my amendment, that the test or device that is banned forever is much broader than a literacy test. As I am sure the gentleman will agree, the act provides that a test or device includes the requirement that a person demonstrate the ability to read, write, understand, or interpret any matter or demonstrate any educational achievement or knowledge.

The gentleman has reference to the fact that the electronic media will inform persons and they do not have to be literate. That may be true, but this particular ban goes further than that. It would not permit a State to make any requirement for even the most fundamental knowledge of how the Govern-

UMI

ment works, as to what the Senate or the House of Representatives does, any basic type of requirement of that nature. It is much broader than a ban on a literacy test. It is a ban on knowledge or information of any kind whatsoever.

Mr. DRINAN. If the gentleman will yield, the existing language of the Voting Rights Act contains a very carefully chiseled definition of what the word "test" or "device" means. It means that we seek to ban any "test or device" which requires the ability to read, to write, or understand as a prerequisite to voting.

We are including in this particular bill all of those various tests and devices that have been used to defeat the rights of the American people under the 14th and 15th amendments.

Mr. TREEN. If the gentleman will yield, on page 71 of this report, there is reference to the literacy test, but the act itself is much broader than that. The test or device in the section that I seek to amend is defined in the act to include the clauses that I just read.

So that the gentleman is not talking about just the poor who may be illiterate here, and I agree with the gentleman fully for the idea of a literacy test, per se, is, I do not think, very practicable, but it goes much further than that, and talks about knowledge and understanding, and whatsoever, and no State would be able to require that forever.

Mr. DRINAN. What I quoted was from the preexisting Civil Rights and Voting Rights Act and, as a result, we are not changing, in any substantial or significant way, the previously accepted definition of the "tests or devices."

Mr. McCLORY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Louisiana (Mr. TREEN).

Mr. Chairman, I think we should recognize that the Civil Rights Act did not in fact grant any constitutional rights, or expand any existing constitutional rights which are and were and will continue to be available to all Americans. All it did do was to provide remedies, extraordinary remedies, and the extraordinary imposition of the Federal jurisdiction in some States and some political subdivisions in order to enforce the rights guaranteed under the Constitution.

The legislation was intended as a temporary measure, originally recommended by the Civil Rights Commission to extend for 10 years. The House decided it should only apply for 5 years. Then we extended it for an additional 5 years. Now we have before us the question of what further period shall we extend this temporary legislation for? The committee bill would extend the Voting Rights Act for a period of 10 years insofar as most of its sections are concerned. These extraordinary remedies are extended for a period of 10 years under the committee bill.

This criterion of tests and devices, consisting of literacy tests, which was devised back in the 1965 act, as the basis for permitting this extraordinary remedy contemplated that it would continue only on a temporary basis. The gentleman from Louisiana suggested that the constitutionality of this legislation was sustained by the Supreme Court on the basis of it being a part of the temporary law of our country, and not part of the permanent law.

To say that we are never going to have a literate society, to say we are never going to require people to read and write in order to vote in any election, seems to me to be quite inconsistent with the principles of a literate society. It is all well and good to say that we have television and radio now, and you do not have to know how to read and write, but I think that is an admission that we should not want to make. We should make as our goal to extend our literate society. If we need more education, including adult education, then we should provide that by legislation, provide such a program, but to admit that we will never provide the opportunities for illiterates to become literate in our States is an admission this Congress should not make, and a permanent ban on literacy tests certainly should not be made a part of our permanent law.

So I urgently urge the support of the amendment offered by the gentleman from Louisiana (Mr. TREEN).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. TREEN).

The question was taken; and the Chair announced that the noes appeared to have it.

RECORDED VOTE

Mr. TREEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 89, noes 318, not voting 26, as follows:

[Roll No. 253]

AYES—89

Ambro	English	Michel
Archer	Flynt	Montgomery
Armstrong	Ginn	Moore
Ashbrook	Goodling	Nichols
Bauman	Hagedorn	Passman
Bevill	Haley	Poage
Biaggi	Hansen	Quillen
Breaux	Hébert	Rhodes
Brinkley	Hefner	Robinson
Broomfield	Henderson	Rousselot
Broyhill	Hinshaw	Satterfield
Burke, Fla.	Holt	Shuster
Burleson, Tex.	Hutchinson	Snyder
Butler	Hyde	Spence
Byron	Ichord	Steed
Chappell	Jarman	Steiger, Ariz.
Clancy	Johnson, Colo.	Stephens
Clawson, Del	Jones, Okla.	Symms
Cochran	Ketchum	Taylor, Mo.
Collins, Tex.	Kindness	Taylor, N.C.
Conlan	Landrum	Treen
Crane	Lent	Waggonner
Daniel, Dan	Lott	Wampler
Daniel, R. W.	Lujan	Whitehurst
Delaney	McClory	Whitten
Devine	McDonald	Wydler
Dickinson	McEwen	Young, Alaska
Downing	Mann	Young, Fla.
Duncan, Oreg.	Martin	Zeferetti
Edwards, Ala.	Mathis	

NOES—318

Abdnor	Aspin	Biester
Abzug	AuCoin	Bingham
Adams	Badillo	Blanchard
Addabbo	Bafalis	Blouin
Anderson, Calif.	Baldus	Boggs
	Barrett	Boland
Anderson, Ill.	Baucus	Bolling
Andrews, N.C.	Beard, R.I.	Bonker
Andrews, N. Dak.	Bedell	Brademas
	Bell	Breckinridge
Annunzio	Bennett	Brodhead
Ashley	Bergland	Brooks
Brown, Mich.	Helstoski	Pettis
Brown, Ohio	Hicks	Peyser
Buchanan	Hightower	Pickle
Burgener	Hillis	Pike
Burke, Calif.	Holland	Pressler
Burke, Mass.	Holtzman	Preyer
Burlison, Mo.	Horton	Price
Burton, John	Howard	Pritchard
Burton, Phillip	Howe	Quie
Carney	Hubbard	Randall
Carr	Hughes	Rangel
Carter	Hungate	Rees
Casey	Jeffords	Regula
Cederberg	Jenrette	Reuss
Chisholm	Johnson, Calif.	Richmond
Clausen, Don H.	Johnson, Pa.	Riegle
	Jordan	Rinaldo
Clay	Karth	Risenhoover
Cleveland	Kasten	Rodino
Cohen	Kastenmeier	Roe
Collins, Ill.	Kazen	Rogers
Conable	Kelly	Roncallo
Conte	Keys	Rooney
Conyers	Koch	Rose
Corman	Krebs	Rosenthal
Cornell	Krueger	Roush
Cotter	LaFalce	Roybal
Coughlin	Lagomarsino	Runnels
D'Amours	Latta	Ruppe
Daniels, N.J.	Leggett	Russo
Danielson	Lehman	Ryan
Davis	Levitas	St Germain
de la Garza	Litton	Santini
Delluma	Lloyd, Calif.	Sarasin
Dent	Lloyd, Tenn.	Sarbanes
Derrick	Long, La.	Scheuer
Derwinski	Long, Md.	Schneebeli
Diggs	McCloskey	Schroeder
Dingell	McCollister	Schulze
Dodd	McCormack	Sebelius
Downey	McFall	Sharp
Drinan	McHugh	Shipley
Duncan, Tenn.	McKay	Shriver
Early	McKinney	Sikes
Eckhardt	Macdonald	Simon
Edgar	Madden	Sisk
Edwards, Calif.	Maguire	Skubitz
Emery	Mahon	Slack
Erlenborn	Matsunaga	Smith, Iowa
Esch	Mazzoli	Smith, Nebr.
Eshleman	Meeds	Solarz
Evans, Colo.	Melcher	Spellman
Evans, Ind.	Metcalfe	Staggers
Evins, Tenn.	Meyner	Stanton, J. William
Fascell	Mezvinsky	
Fenwick	Mikva	Stanton, James V.
Fish	Milford	
Fisher	Miller, Calif.	Stark
Fithian	Miller, Ohio	Steelman
Flood	Mills	Steiger, Wis.
Florio	Mineta	Stokes
Flowers	Minish	Stratton
Foley	Mitchell, Md.	Studds
Ford, Mich.	Mitchell, N.Y.	Symington
Ford, Tenn.	Moakley	Talcott
Forsythe	Moffett	Thompson
Fountain	Moorhead, Calif.	Thone
Fraser		Thornton
Frenzel	Moorhead, Pa.	Traxler
Frey	Morgan	Tsongas
Fulton	Mosher	Udall
Fuqua	Moss	Ullman
Gaydos	Mottl	Van Deerlin
Giaimo	Murphy, Ill.	Vander Jagt
Gibbons	Murphy, N.Y.	Vander Veen
Gilman	Murtha	Vanik
Goldwater	Myers, Ind.	Vigorito
Gonzalez	Myers, Pa.	Walsh
Gradison	Natcher	Waxman
Grassley	Neal	Weaver
Green	Nedzi	Whalen
Gude	Nix	White
Guyer	Nolan	Wiggins
Hall	Nowak	Wilson, Bob
Hamilton	Oberstar	Wilson, C. H.
Hanley	Obey	Winn
Hannaford	O'Brien	Wirth
Harkin	O'Hara	Wolff
Harrington	O'Neill	Wright
Harris	Ottinger	Wylie
Harsha	Patman, Tex.	Yates
Hastings	Patten, N.J.	Yatron
Hawkins	Patterson, Calif.	Young, Ga.
Hayes, Ind.		Young, Tex.
Hechler, W. Va.	Pattison, N.Y.	Zablocki
Heckler, Mass.	Pepper	
Heinz	Perkins	

NOT VOTING—26

Alexander	Findley	Jones, N.C.
Beard, Tenn.	Hammer-schmidt	Jones, Tenn.
Bowen		Kemp
Brown, Calif.	Hays, Ohio	McDade
du Pont	Jacobs	Madigan
Eilberg	Jones, Ala.	Mink
Mollohan	Rostenkowski	Sullivan
Railsback	Selberling	Teague
Roberts	Stuckey	Wilson, Tex.

So the amendment was rejected.

The Clerk announced the following pairs:

Mr. Roberts for, with Mrs. Sullivan against.
Mr. Stuckey for, with Mr. Eilberg against.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will read.

The Clerk read as follows:

TITLE II

SEC. 201. Section 4(a) of the Voting Rights Act of 1965 is amended by—

(1) inserting immediately after "determinations have been made under" the following: "the first two sentences of";

(2) adding at the end of the first paragraph thereof the following new sentence: "No citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device in any State with respect to which the determinations have been made under the third sentence of subsection (b) of this section or in any political subdivision with respect to which such determinations have been made as a separate unit, unless the United States District Court for the District of Columbia in an action for a declaratory judgment brought by such State or subdivision against the United States has determined that no such test or device has been used during the ten years preceding the filing of the action for the purpose or with the effect of denying or abridging the right to vote on account of race or color, or in contravention of the guarantees set forth in section 4(f)(2): Provided, That no such declaratory judgment shall issue with respect to any plaintiff for a period of ten years after the entry of a final judgment of any court of the United States, other than the denial of a declaratory judgment under this section, whether entered prior to or after the enactment of this paragraph, determining that denials or abridgements of the right to vote on account of race or color, or in contravention of the guarantees set forth in section 4(f)(2) through the use of tests or devices have occurred anywhere in the territory of such plaintiff.";

(3) striking out "the action" in the third paragraph thereof, and by inserting in lieu thereof "an action under the first sentence of this subsection"; and

(4) inserting immediately after the third paragraph thereof the following new paragraph:

"If the Attorney General determines that he has no reason to believe that any such test or device has been used during the ten years preceding the filing of an action under the second sentence of this subsection for the purpose or with the effect of denying or abridging the right to vote on account of race or color, or in contravention of the guarantees set forth in section 4(f)(2), he shall consent to the entry of such judgment.".

SEC. 202. Section 4(b) of the Voting Rights Act of 1965 is amended by adding at the end of the first paragraph thereof the following: "On and after August 6, 1975, in addition to any State or political subdivision of a State determined to be subject to subsection (a) pursuant to the previous two sentences, the provisions of subsection (a) shall apply in any State or any political subdivision of a State which (1) the Attorney General determines maintained on November 1, 1972, any test or device, and with respect to which (11) the Director of the Census determines that less than 50 per centum of the persons of voting age were registered on November 1, 1972, or that less than 50 per centum of such persons voted in the Presidential election of November 1972.".

SEC. 203. Section 4 of the Voting Rights Act of 1965 is amended by adding the following new subsection:

"(f)(1) The Congress finds that voting discrimination against citizens of language minorities is pervasive and national in scope. Such minority citizens are from environments in which the dominant language is other than English. In addition they have been denied equal educational opportunities by State and local government, resulting in severe disabilities and continuing illiteracy in the English language. The Congress further finds that, where State and local officials conduct elections only in English, language minority citizens are excluded from participating in the electoral process. In many areas of the country, this exclusion is aggravated by acts of physical, economic, and political intimidation. The Congress declares that, in order to enforce the guarantees of the fourteenth and fifteenth amendments to the United States Constitution, it is necessary to eliminate such discrimination by prohibiting English-only elections, and by prescribing other remedial devices.

"(2) No voting qualification or prerequisite to voting, or standard, practice, or procedure shall be imposed or applied by any State or political subdivision to deny or abridge the right of any citizen of the United States to vote because he is a member of a language minority group.

"(3) In addition to the meaning given the term under section 4(c), the term 'test or device' shall also mean any practice or requirement by which any State or political subdivision provided any registration or voting notices, forms, instructions, assistance, or other materials or information relating to the electoral process, including ballots, only in the English language, where the Director of the Census determines that more than five per centum of the citizens of voting age residing in such State or political subdivision are members of a single language minority. With respect to section 4(b), the term 'test or device', as defined in this subsection, shall be employed only in making the determinations under the third sentence of that subsection.

"(4) Whenever any State or political subdivision subject to the prohibitions of the second sentence of section 4(a) provides any registration or voting notices, forms, instructions, assistance, or other materials or information relating to the electoral process, including ballots, it shall provide them in the language of the applicable language minority group as well as in the English language.".

SEC. 204. Section 5 of the Voting Rights Act of 1965 is amended by inserting after "November 1, 1968," the following: "or whenever a State or political subdivision with respect to which the prohibitions set forth in section 4(a) based upon determinations made under the third sentence of section 4(b) are in effect shall enact or seek to administer any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting different from that in force or effect on November 1, 1972,".

SEC. 205. Sections 3 and 6 of the Voting Rights Act of 1965 are each amended by striking out "fifteenth amendment" each time it appears and inserting in lieu thereof "fourteenth or fifteenth amendment".

SEC. 206. Sections 2, 3, the second paragraph of section 4(a), and sections 4(d), 5, 6, and 13 of the Voting Rights Act of 1965 are each amended by adding immediately after "on account of race or color" each time it appears the following: ", or in contravention of the guarantees set forth in section 4(f)(2)".

SEC. 207. Section 14(c) is amended by adding at the end the following new paragraph:

"(3) The term 'language minorities' or 'language minority group' means persons who are American Indian, Asian American, Alaskan Natives or of Spanish heritage.".

SEC. 208. If any amendments made by this Act or the application of any provision thereof to any person or circumstance is judicially determined to be invalid, the remainder of the Voting Rights Act of 1965, or the application of such provision to other persons or circumstances shall not be affected by such determination.

Mr. McCLORY (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OFFERED BY MR. M'CLORY

Mr. McCLORY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCLORY: Page 2, beginning with line 7, strike out all down through line 15 on page 7, and insert in lieu thereof the following:

SEC. 103. Sections 3 and 6 of the Voting Rights Act of 1965 are each amended by striking out "fifteenth amendment" each time it appears and inserting in lieu thereof "fourteenth or fifteenth amendment".

SEC. 104. Section 3 of the Voting Rights Act of 1965 is amended by inserting immediately after "on account of race or color" each time it appears the following: "or national origin".

And redesignate titles III and IV as II and III, respectively; redesignate sections 301 through 304 as 201 through 204, respectively, and redesignate sections 401 through 408 as 301 through 308, respectively.

Mr. McCLORY. Mr. Chairman, this amendment, it seems to me, really gets at the crux of what we are considering here in connection with the proposed extension of the Voting Rights Act. I want to state quite firmly and flatly that I am a sponsor of the extension of the Voting Rights Act. I am sponsoring the administration's extension of the Voting Rights Act for a period of 5 years, including a ban on literacy tests for a period of 5 years; in other words, to give 5 years additional effect to the existing Voting Rights Act which, as many have said, has contributed substantially to assuring voting rights to American citizens.

What this amendment does is to strike title II from the bill. Title II would establish a new test or device. The new test or device would do precisely this, and I ask the Members to listen to this: The new test or device would be that if a State or a political subdivision in the election of 1972 used a ballot which was printed only in English, and it had 5 percent or more of a so-called language minority group—Spanish heritage, Asian American, American Indian, or Native Alaskan—and less than 50 percent of the persons voted in the election in that area, then they would automatically come under the Voting Rights Act of 1965. There would be an automatic trigger, just as there was an automatic trigger in 1965 when we originally enacted this legislation.

In other words, we are expanding the Voting Rights Act by employing the same

UMI

type of device, the same means, the same extraordinary remedy, but we are doing it without the justification we had for the original act. I want to emphasize that.

It is true that in the record, in the evidence, if we look at these volumes of evidence that were taken, that there is some evidence in the form of some statements of some persons that in the State of Texas there were discriminatory practices there with regard to some Mexican Americans, but that is not general. That is not general, and it does not compare in any way to the discriminatory practices which were in effect and which we considered in 1965 when we enacted this original Voting Rights Act.

I suggest that with reference, for instance, to the subject of Asian Americans, there is only one single line in one letter which is addressed to the chairman of the committee. There is no evidence of any discrimination with respect to Asian Americans. There is no evidence of discrimination with respect to Alaskan Natives. There is no evidence of discrimination with respect to American Indians.

It is true that American Indians do not vote in large measure, but there is no practice of depriving them of the right to vote. If this title II remains in the bill, then every State that had this English-only election in which they have had not only the ballots but all the voting information only in the English language, then they would be subject to this triggering device and be compelled to come to the Attorney General and have approval of all of its legislation affecting elections, balloting, voting, and all the rest.

As a result, whether or not this is what we want to undertake with regard to voting rights for Americans, it seems to me that this is a far departure. It is not based upon any evidence; it is not based upon the realities; it is not based upon the principle which was applied at the time we enacted the Voting Rights Act of 1965 and which we are undertaking now to extend.

I earnestly urge the Members to support the amendment to strike title II. If we do that, and then follow further by striking title III, it seems to me then that we can go on to extend the Voting Rights Act for the purpose for which it was intended. Let me say that 14 States, in whole or in part, are covered by title II and 27 States under title III.

Not only would the ballots and voting information have to be in these additional languages, but let me point this out also: Not all the American Indian languages are in written form, and there are multiple American Indian languages. There are multiple Aleut and Eskimo languages not in written form. So, first of all, we would have to reduce these to written form. This legislation really gets to be absurd and ridiculous if we consider what title II attempts to do.

Mr. DRINAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I would like to ask the distinguished gentleman from Illinois, if I may, how he reacts to this: that the Department of Justice, in a memorandum of April 8, 1975, stated that there is evidence that American Indians do suffer from extensive infringement of their voting rights. The Justice Department stated that they had found it necessary to engage in litigation in order to protect the voting rights of American Indians. The Department of Justice stated that it has been involved in 33 cases involving discrimination against American Indians since 1970.

That is the basic purpose of title II; namely, to give the machinery to the Department of Justice and to the Federal courts to reach this discrimination that obviously goes on against the American Indians.

Mr. McCLORY. Mr. Chairman, if the gentleman will yield, let me answer by saying that title I already is effective to apply to these parties. The title applies to American Indians and all Americans, all citizens entitled to vote, who are discriminated against because of their race, and we should provide that kind of protection. The Constitution provides that.

But to blanket in all of these States under a formula because there is a certain population of American Indians in a State is completely inconsistent with the original purpose of the Voting Rights Act, which, of course, took care of a practice which had gone on for a century. But we do not have that situation with regard to Indians or Asian Americans.

To print the ballot in Chinese, for instance, in San Francisco, does not make any sense at all. My daughter-in-law, who is Chinese, lives out there in the San Francisco area. She does not want to have the ballots printed in Chinese. But yet she would be counted as an Asian-American.

Mr. DRINAN. But the facts do state overwhelmingly in all of the evidence to which the gentleman has made reference that Asian-Americans and American Indians and Alaskans vote very, very disproportionately compared to their total number, and they vote very substantially less than the Anglos, or the whites, and the presumption is in the Voting Rights Act of 1965 and 1970 that when that type of evidence is there, there is overt discrimination of all kinds and that, therefore, the law is designed to reach the hidden individual sources that are preventing these people from going out to vote.

Mr. McCLORY. If the gentleman will yield, I do not think we should base our judgments on presumption. I think we should base our judgments on fact. The facts do not seem to be there. There are some cases where the Spanish-heritage people vote consistently in large blocs, and vote and elect; and they happen to do that in my district. But I certainly do not think, for instance, in the State of Florida, where the Cubans have arrived recently as refugees and now are citizens, that we should now enact a Voting Rights Act which would require the printing of ballots in the Spanish language in order to take care of these refugees who have now become citizens. It just does not make sense.

Mr. DRINAN. Ten years ago the dramatic demonstration at Selma brought to this Congress and to this country very significant facts indicating that blacks had not been allowed to vote. But if Selma and all of those incidents had not occurred, the statistics would have demonstrated that blacks had been discriminated against. I suggest to the gentleman that the statistics with regard to Asian Americans, native Americans, and Native Alaskans, demonstrate precisely the same thing, and we, therefore, draw the presumption that the protection of the law is needed. And that is what title II and title III is all about.

Mr. McCLORY. If the gentleman will yield, it is true about the situation in Selma; we did have statistics; but we had additional facts of actual intimidation there. I supported the Voting Rights Act then, and I supported the voting rights extension, and I support it now. But we do not have those facts before the House today.

Mr. DRINAN. Those facts are set forth in the 1,300 pages of testimony of the hearings which are available.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. McCLORY).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. McCLORY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 104, noes 305, not voting 24, as follows:

[Roll No. 254]

AYES—104

Archer	Gibbons	Moorhead, Calif.
Armstrong	Ginn	Myers, Ind.
Ashbrook	Haley	Nichols
Bafalis	Hansen	Passman
Bauman	Harsha	Pettis
Bevill	Hastings	Poage
Brinkley	Hefner	Quillen
Brown, Ohio	Henderson	Randall
Broyhill	Hinshaw	Risenhoover
Burleson, Tex.	Holt	Robinson
Butler	Hutchinson	Ruppe
Byron	Hyde	Santini
Casey	Ichord	Satterfield
Cederberg	Jarman	Shuster
Chappell	Johnson, Colo.	Sikes
Clancy	Jones, Okla.	Snyder
Clawson, Del	Kasten	Steed
Collins, Tex.	Kelly	Stelger, Ariz.
Conable	Kemp	Stelger, Wis.
Conlan	Ketchum	Stephens
Crane	Kindness	Symms
Daniel, Dan	Landrum	Talcott
Daniel, R. W.	Latta	Taylor, Mo.
Dent	Leggett	Taylor, N.C.
Devine	Lehman	Treen
Duncan, Tenn.	Lott	Van Deerlin
Edwards, Ala.	McClory	Waggonner
English	McDonald	Wampler
Erlenborn	McEwen	Whitehurst
Eshleman	Martin	Whitten
Fish	Mathis	Wiggins
Flynt	Michel	Wydler
Forsythe	Miller, Ohio	Young, Alaska
Fountain	Montgomery	Young, Fla.
Frey	Moore	

NOES—305

Abdnor	Annunzio	Bennett
Abzug	Ashley	Bergland
Adams	Aspin	Biaggi
Addabbo	AuCoin	Biester
Ambro	Badillo	Bingham
Anderson, Calif.	Baldus	Blanchard
Anderson, Ill.	Barrett	Blouin
Andrews, N.C.	Baucus	Boggs
Andrews, N. Dak.	Beard, R.I.	Boland
	Bedell	Bolling
	Bell	Bonker
Brademas	Heckler, Mass.	Patterson, Calif.
Breaux	Heinz	Pattison, N.Y.
Breckinridge	Helstoski	Pepper
Brodhead	Hicks	Perkins
Brooks	Hightower	Peyser
Broomfield	Hillis	Pickle
Brown, Mich.	Holland	Pike
Buchanan	Holtzman	Pressler
Burgener	Horton	Preyer
Burke, Calif.	Howard	Price
Burke, Fla.	Howe	Pritchard
Burke, Mass.	Hubbard	Quie
Burlison, Mo.	Hughes	Rangel
Burton, John	Hungate	Rees
Burton, Phillip	Jacobs	Regula
Carney	Jeffords	Reuss
Carr	Jenrette	Rhodes
Carter	Johnson, Calif.	Richmond
Chisholm	Johnson, Pa.	Riegle
Clausen, Don H.	Jones, Ala.	Rinaldo
Clay	Jordan	Rodino
Cleveland	Karth	Roe
Cochran	Kastenmeier	Rogers
Cohen	Kazen	Rooney
Collins, Ill.	Keys	Rose
Conte	Koch	Rosenthal
Conyers	Krebs	Roush
Corman	Krueger	Rousselot
Cornell	LaFalce	Roybal
Cotter	Lagomarsino	Runnels
Coughlin	Lent	Russo
D'Amours	Levitas	Ryan
Daniels, N.J.	Litton	St Germain
Danielson	Lloyd, Calif.	Sarasin
Davis	Lloyd, Tenn.	Sarbanes
de la Garza	Long, La.	Scheuer
Delaney	Long, Md.	Schneebeli
Dellums	Lujan	Schroeder
Derrick	McCloskey	Schulze
Derwinski	McCollister	Sebelius
Dickinson	McCormack	Seiberling
Diggs	McDade	Sharp
Dingell	McFall	Shipley
Dodd	McHugh	Shriver
Downey	McKay	Simon
Drinan	McKinney	Sisk
Duncan, Oreg.	Macdonald	Skubitz
Early	Madden	Slack
Eckhardt	Madigan	Smith, Iowa
Edgar	Maguire	Smith, Nebr.
Edwards, Calif.	Mahon	Solarz
Eilberg	Mann	Spellman
Emery	Matsunaga	Spence
Esch	Mazzoli	Staggers
Evans, Colo.	Meeds	Stanton, J. William
Evans, Ind.	Metcalfe	Stanton, James V.
Evins, Tenn.	Meyner	Stark
Fascell	Mezvinsky	Steelman
Fenwick	Mikva	Stokes
Fisher	Milford	Stratton
Fithian	Miller, Calif.	Studds
Flood	Mills	Symington
Florio	Mineta	Thompson
Flowers	Minish	Thone
Foley	Mink	Thornton
Ford, Mich.	Mitchell, Md.	Traxler
Ford, Tenn.	Mitchell, N.Y.	Tsongas
Fraser	Moakley	Udall
Frenzel	Moffett	Vander Jagt
Fuqua	Moorhead, Pa.	Vander Veen
Gaydos	Morgan	Vanik
Gilmo	Mosher	Vigorito
Gilman	Moss	Walsh
Goldwater	Mottl	Waxman
Gonzalez	Murphy, Ill.	Weaver
Goodling	Murphy, N.Y.	Whalen
Gradison	Murtha	White
Grassley	Myers, Pa.	Wilson, Bob
Green	Natcher	Wilson, C. H.
Gude	Neal	Winn
Guyer	Nedzi	Wirth
Hagedorn	Nix	Wolff
Hall	Nolan	Wright
Hamilton	Nowak	Wylie
Hanley	Oberstar	Yates
Hannaford	Obey	Yatron
Harkin	O'Brien	Young, Ga.
Harrington	O'Hara	Young, Tex.
Harris	O'Neill	Zablocki
Hawkins	Ottinger	Zeferetti
Hayes, Ind.	Patman, Tex.	
Hechler, W. Va.	Patten, N.J.	

NOT VOTING—24

Alexander	Hays, Ohio	Stuckey
Beard, Tenn.	Hébert	Sullivan
Bowen	Jones, N.C.	Teague
Brown, Calif.	Jones, Tenn.	Ullman
Downing	Melcher	Wilson, Tex.
du Pont	Mollohan	
Findley	Railsback	
Fulton	Roberts	
Hammer-schmidt	Roncallo	
	Rostenkowski	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mrs. Sullivan against.

Mr. Roberts for, with Mr. Hays of Ohio against.

Mr. Stuckey for, with Mr. Rostenkowski against.

The result of the vote was announced as above recorded.

Mr. EDWARDS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. LONG of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Louisiana.

(By unanimous consent, Mr. LONG of Louisiana was allowed to speak out of order.)

ANNOUNCEMENT OF GRANTING OF RULE ON H.R. 6860

Mr. LONG of Louisiana. I thank the gentleman for yielding.

Mr. Chairman, I have an announcement that might be of interest to the members of the committee.

The Committee on Rules has granted a rule to H.R. 6860, which permits germane amendments to the bill only if they have been printed in the CONGRESSIONAL RECORD before or on June 4. This means that all germane amendments must be printed in either tomorrow's RECORD or a previous edition of the RECORD to be eligible to be offered to the bill.

For the Members' information, H.R. 6860 is described as the Committee on Ways and Means energy bill.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

When the gentleman from Louisiana says it must be in the June 4 RECORD, does that mean that the amendment has got to be on the table up there before the RECORD closes tonight?

Mr. LONG of Louisiana. Before the RECORD closes tomorrow night.

Mr. GIBBONS. Before the RECORD closes tomorrow night?

Mr. LONG of Louisiana. Today, I believe, is June 3.

Mr. GIBBONS. So what the gentleman means is the RECORD that closes tomorrow night?

Mr. LONG of Louisiana. The RECORD that closes at the close of business tomorrow needs to have all the amendments if they are going to be considered.

Mr. GIBBONS. I thank the gentleman.

AMENDMENT OFFERED BY MR. M'CLORY

Mr. McCLORY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCLORY: Strike out "Alaskan Natives" where it appears on page 7, line 9, and on page 9, line 22, and strike out the comma following it on page 9, line 22.

Mr. McCLORY. Mr. Chairman, I ask unanimous consent that this amendment may be considered at this time. It would strike the words "Alaskan Natives" from title II and from title III.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCLORY. Mr. Chairman, I offered this amendment in the committee, and I am offering it again now to strike the term "Alaskan Natives" from the language minority groups that are referred to and included in this legislation. I am not fully familiar with this, but the information I have is that the Alaskan Natives, for the most part, do not have any written language, and the only common language they have is English. This requires that the State of Alaska be blanketed into this bill, which they are, and subjects them automatically to the legislation. Since they did not have their election ballots in the Eskimo and Aleut languages in 1972, it seems to be quite inconsistent with what this Congress should be doing.

I am hopeful that we can eliminate this description. The common language of the Alaskan Native is English. They do have 50 or so dialects which are for the most part not in written form. At the University of Alaska some people are working on reducing these to written form.

From my information both the political leaders and governmental leaders and others in Alaska support striking this expression "Alaskan Natives."

Mr. Chairman, I yield at this time to my colleague, the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman from Illinois and I would like to use my own time later if the gentleman will grant me some time.

Mr. Chairman, we have heard some statements here that there has been discrimination against the Alaskan Natives and I say to you that is not true. Regardless of what the Commission may have written, I have a letter from the man who instigated including this in the bill, J. Stanley Pottinger who writes:

The reason for using a phrase which would embrace within its meaning Alaskan Natives is that we think that legislation of this nature should not single out individual racial groups when there are several racial groups which may be similarly situated. This is not to say that any evidence has been presented to us of a need for expansion of the coverage of the Act to Alaskan Natives; we have received no specific evidence regarding them. However we think it would be more appropriate to leave to the courts the determination as to which racial minorities who are non-English speaking need the special protections of the Act. The State of Alaska has been able to bail out from the special provisions of the Act on two prior occasions, and if there is no discrimination against Alaskan Natives presumably could bail out if Congress were to include it within the coverage of the 1975 Voting Rights Amendment.

I have heard testimony that our Senator supports inclusion of this in the act, and I have received word from our Senator, Senator GRAVEL who writes:

Accordingly, the enclosed Amendment would exempt Alaska from the bilingual ballots requirement, recognizing that Alaska has a voter assistance statute in its laws.

I have received telegrams from leading Alaskan Natives who said they did

UMI

not want to be included under this act because it would cause confusion.

The languages are not written. The only people who know the languages are the professors at the university and some natives. The universal language is English. There is no difficulty about voting in Alaska. If you are warm, you can vote in Alaska. It has been proven that participation in Alaska as far as voting is 50 percent of the Natives who vote in Alaska. I ought to know because I had an Alaskan Native running against me.

Listen to what the people are saying, not what the committee is saying, because the people are speaking and I am speaking for the people. I urge the adoption of this amendment as introduced by my colleague, the gentleman from Illinois.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Illinois and the gentleman from Alaska have made a very flimsy case. The gentleman from Alaska (Mr. YOUNG) is opposed to this provision of the bill. There is no doubt about that, but he is 100 percent wrong if he thinks the Senator from Alaska, Senator GRAVEL is against the bill. I have a letter from him today that I have circulated that says explicitly and emphatically that he favors the bill and the extension of the Voting Rights Act.

I will explain in due time.

The gentleman from Alaska (Mr. YOUNG) and the gentleman from Illinois (Mr. MCCLORY), but generally speaking the gentleman from Alaska (Mr. YOUNG) confuse title II and title III. The coverage of Alaska is much broader than title III on merely bilingual elections. It is covered by title II also.

I might point out that the letters in the report that are put in the report as evidence of nonsupport in Alaska are nothing of the sort.

They are in opposition to title III of the bill in that Alaska should not be required to have bilingual elections and the bill does not require Alaska to have bilingual elections. The native languages are virtually all nonwritten in Alaska. All this bill requires, as has been pointed out over and over again, is bilingual assistance to Alaskan Natives. I might add, it would be a relatively simple process because the languages of Alaska are similar and they require only one interpreter.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman will yield, under the Alaska State legislature we offer that assistance now; but if the gentleman can explain why there is no triggering mechanism in the State of Alaska where it would be required to train the Alaskans when the language is not written—can the gentleman state whether that is one of the requirements or not?

Mr. EDWARDS of California. There is no way to have a written bilingual ballot for a language that is oral.

Mr. YOUNG of Alaska. It is oral, and let me say, if it is a congressional act and becomes law, in a sense it will be written and it actually has been written bilingually.

Is the gentleman telling me it would have to be written and bilingual?

Mr. EDWARDS of California. I suggest that the gentleman read page 41 of the report:

> For those languages which have no written form, registration and voting assistance in the language of the applicable minority group will serve to comply with the section.

This is the situation in Alaska.

Mr. MCCLORY. Mr. Chairman, will the gentleman yield for one more question?

Mr. EDWARDS of California. I yield to the gentleman.

Mr. MCCLORY. I want to point out that section 4 of title II says that the election material, including ballots, shall be provided in the language of the minority group as well as the English language.

The gentleman made reference to the ballot. The ballot has to be in the language of the minority group and the language is the language of the Alaskan native.

Mr. EDWARDS of California. The report makes it clear that in Alaska the languages of the minorities are oral and not written. So how are we going to write something that is an oral language in the ballot?

Mr. MCCLORY. That is overdoing it. We are mandating an impossible act. We are mandating a written language when there is no written language.

Mr. EDWARDS of California. I suggest the gentleman read the report. The trigger does require the inclusion of Alaska in title II and title III and it is a prima facie case by virtue of it being triggered by voting discrimination in Alaska.

We have the enthusiastic support of the senior Senator from Alaska. We have the support of the Alaska Federation of Natives, at least the president, Roger Lang, who wrote one of the letters in the report. I know what the letter says, but that only refers to title III again.

We are getting into the same box we were in with the fact of the oral language.

We have also heard from the president of the Association of Interior Eskimos, John L. Heffle, a telegram from him that I will put into the RECORD when we go back into the House.

If the State of Alaska feels it is unfairly covered it can bail out by seeking a declaratory judgment.

Again, the report is wrong. On page 93 it says that representatives of Alaska twice traveled to Washington to bail out. Alaska was covered twice before. It did not go to Washington. It was done by mail. It is a very simple process, as I am sure the Attorney General of Alaska can inform the gentleman.

Mr. MCCLORY. Mr. Chairman, if the gentleman will yield further, I would like to suggest that under this new legislation there will be no opportunity to bail out, because there will be no way of showing that they did conduct their election in 1972 in any of the Alaskan languages and there will be no way to show that it occurred only in a few instances, because it occurred all over the country, because they did not have any Alaskan ballot anywhere in the country. That is one of the requisites for bailing out.

Mr. EDWARDS of California. Mr. Chairman, I am going to read the telegram from John L. Heffle, Sr., president of the Association of Interior Eskimos, which was received today. The telegram is as follows:

FAIRBANKS, ALASKA,
May 30, 1975.

Congressman DON EDWARDS,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN EDWARDS: This is in full support of H.R. 6219 and the bilingual voting assistance this would extremely beneficial to our Alaskan Natives as our people have in the past experienced difficulty understanding municipal corporation, State, and Federal voting procedures.

Respectfully,

JOHN L. HEFFLE, Sr.,
President,
Association of Interior Eskimos.

Mr. YOUNG of Alaska. Mr. Chairman, may I ask, what is that name?

Mr. EDWARDS of California. John L. Heffle, president, Association of Interior Eskimos.

Mr. YOUNG of Alaska. May I also counteract that with a letter from the gentleman who represents the other areas in the State of Alaska with a total of 60,000 people? One can get a telegram from anybody, but these people are duly elected officials of the State of Alaska under the native representation.

Mr. DRINAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think we ought to know that we are speaking about thousands of people when we speak of the Alaskan Natives. They comprise over 20 percent of the entire population of Alaska. This State of Alaska has consistently had under 50 percent voting in the last three Presidential elections.

The Department of Justice wants the Native Alaskans included. The U.S. Commission on Civil Rights in a letter dated April 29, 1975, wants the special coverage extended to Alaskan Natives.

I want to say to the gentleman from Illinois and also to the gentleman from Alaska that I would be prepared at a later time to suggest an amendment that would ease their understandable anxiety. The amendment at the appropriate place in the bill would read:

> Provided, that where the language of an applicable minority group is oral or unwritten, the state or political subdivision shall only be required to furnish oral instructions, assistance or other information relating to registration and voting.

Mr. MCCLORY. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Illinois.

Mr. MCCLORY. Mr. Chairman, I think that in the existing Alaskan law, there is already authority for voter assistance. Also, I might point out that they had a constitutional amendment recently in Alaska to provide that citizens did not have to understand the English language in order to be entitled to vote, and the people overwhelmingly supported that constitutional amendment.

It seems to me that to include Alaskan Natives under these circumstances is really quite unfair to a large body of American citizens who apparently do not want to have this superimposed Federal authority on them.

Mr. DRINAN. May I respond to the gentleman? Consistent with everything else in the act, we simply extend the coverage of the 14th and 15th amendments to these people.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman will yield further, the Senator I was speaking of previously was not the senior Senator; he was the junior Senator. I want to make that clear for the record.

First and foremost, if the Justice Department wants it—I am not exactly sure why they want it, because Mr. Pottinger states that there has been no evidence at any time that would back up the requirements and the necessity to be included in this act. What he says is this, that the State has been bailed out twice and they can bail out again, and undoubtedly will do it and will probably win the case. The gentleman says it costs 10 cents; I say it will cost $100,000.

To me, it is not right. The Native people of Alaska, with whom I am intimately familiar, do not favor it. As I stated yesterday, we are doing something to the people when they do not want it, but this is wrong.

I voted to support this act, but not this provision.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, the gentleman from Massachusetts will agree, will he not, that at no time during our 13 days of hearings in the subcommittee was the subject of Alaskan Natives and the inclusion of them under the act considered in the hearings. Will the gentleman agree to that?

Mr. DRINAN. We had evidence in the U.S. Commission report and other testimony; not oral evidence, but we have had, it seems to me, sufficient evidence to state that there has been a serious problem with Alaskan Natives not voting according to their proportion in the population.

Mr. BUTLER. Could the gentleman point that out? I have searched the record and I find no page where this is mentioned in the hearings. Maybe this is that kind of unwritten language that we are talking about with the Alaskan Native languages, but it is not in this record.

Mr. MCCLORY. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Illinois.

Mr. MCCLORY. Mr. Chairman, we cannot here, by legislation, extend the 14th and 15th amendments. That is already extended to all Americans, and we cannot make any change in the Constitution here in this legislation.

We cannot make any change in the Constitution here to this legislation. The 14th and 15th amendments blanket in all American citizens, and what we are doing here, it seems to me, is imposing the Federal will in an area that does not want it imposed upon them, and it imposes the impossible.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MCCLORY).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. YOUNG of Alaska. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 145, noes 264, not voting 24, as follows:

[Roll No. 255]

AYES—145

Abdnor	Goldwater	Myers, Ind.
Archer	Gonzalez	Nichols
Armstrong	Goodling	O'Brien
Ashbrook	Gradison	Pettis
Bafalis	Grassley	Pike
Bauman	Hagedorn	Poage
Bevill	Haley	Pritchard
Brinkley	Hansen	Quie
Broomfield	Harsha	Quillen
Brown, Ohio	Hastings	Randall
Broyhill	Hébert	Rhodes
Burgener	Heckler, Mass.	Rinaldo
Burke, Fla.	Hillis	Risenhoover
Burleson, Tex.	Hinshaw	Robinson
Butler	Holt	Rogers
Byron	Hutchinson	Rousselot
Carter	Hyde	Ruppe
Casey	Ichord	Schneebeli
Cederberg	Jarman	Schulze
Chappell	Jeffords	Sebelius
Clancy	Johnson, Colo.	Selberling
Clausen, Don H.	Johnson, Pa.	Shuster
Clawson, Del	Kasten	Sikes
Cochran	Kelly	Simon
Collins, Tex.	Kemp	Skubitz
Conable	Ketchum	Smith, Nebr.
Conlan	Kindness	Snyder
Crane	Lagomarsino	Spence
Daniel, Dan	Landrum	Stanton, J. William
Daniel, R. W.	Latta	Steiger, Ariz.
Dent	Leggett	Steiger, Wis.
Derwinski	Lent	Stephens
Dickinson	Lott	Symms
Downing	Lujan	Talcott
Duncan, Oreg.	McClory	Taylor, Mo.
Duncan, Tenn.	McCollister	Taylor, N.C.
Edwards, Ala.	McDade	Treen
English	McDonald	Vander Jagt
Erlenborn	McEwen	Walsh
Esheman	Martin	Wampler
Evins, Tenn.	Mathis	Whitehurst
Fenwick	Meeds	Wiggins
Fish	Michel	Wilson, Bob
Flynt	Miller, Ohio	Winn
Forsythe	Mitchell, N.Y.	Wydler
Frenzel	Montgomery	Young, Alaska
Frey	Moore	Young, Fla.
Gilman	Moorhead, Calif.	
Ginn	Murtha	

NOES—264

Abzug	Blouin	Corman
Adams	Boggs	Cornell
Addabbo	Boland	Cotter
Ambro	Boiling	D'Amours
Anderson, Calif.	Bonker	Daniels, N.J.
Anderson, Ill.	Brademas	Danielson
Andrews, N.C.	Breaux	Davis
Andrews, N. Dak.	Breckinridge	de la Garza
Annunzio	Brodhead	Delaney
Ashley	Brooks	Dellums
Aspin	Brown, Calif.	Derrick
AuCoin	Brown, Mich.	Devine
Badillo	Buchanan	Diggs
Baldus	Burke, Calif.	Dingell
Barrett	Burke, Mass.	Dodd
Baucus	Burlison, Mo.	Downey
Beard, R.I.	Burton, John	Drinan
Bedell	Burton, Phillip	Early
Bell	Carney	Eckhardt
Bennett	Carr	Edgar
Bergland	Chisholm	Edwards, Calif.
Biaggi	Clay	Eilberg
Biester	Cleveland	Emery
Bingham	Cohen	Esch
Blanchard	Collins, Ill.	Evans, Colo.
	Conte	Evans, Ind.
	Conyers	Fascell
	Corcoran	Fisher
	Cornell	Fithian
	Cotter	Flood
	D'Amours	Florio
	Daniels, N.J.	Flowers
	Danielson	Foley
	Davis	Ford, Mich.
	de la Garza	Ford, Tenn.
	Delaney	Fountain
	Dellums	Fraser
	Derrick	Fuqua
	Devine	Gaydos
	Diggs	Giaimo
	Dingell	Gibbons
	Dodd	Green
	Downey	Gude
	Drinan	Guyer
	Early	Hall
	Eckhardt	Hamilton
	Edgar	Hanley
	Edwards, Calif.	Hannaford
	Eilberg	Harkin
	Emery	Harrington
	Esch	Harris
	Evans, Colo.	Hawkins
	Evans, Ind.	Hayes, Ind.
	Fascell	Hechler, W. Va.
	Fisher	Hefner
	Fithian	Heinz
	Flood	Helstoski
	Florio	Henderson
	Flowers	Hicks
	Foley	Hightower
	Ford, Mich.	Holland
	Ford, Tenn.	Holtzman
	Fountain	Horton
	Fraser	Howard
	Fuqua	Howe
	Gaydos	Hubbard
	Giaimo	Hughes
	Gibbons	Hungate
	Green	Jacobs
	Gude	Jenrette
	Guyer	Johnson, Calif.
	Hall	Jones, Ala.
	Hamilton	Jones, Okla.
	Hanley	Jordan
	Hannaford	Karth
	Harkin	Kastenmeier
	Harrington	Kazen
	Harris	Keys
	Hawkins	Koch
	Hayes, Ind.	Krebs
	Hechler, W. Va.	Krueger
	Hefner	LaFalce
	Heinz	Lehman
	Helstoski	Levitas
	Henderson	Litton
	Hicks	Lloyd, Calif.
	Hightower	Lloyd, Tenn.
	Holland	Long, La.
	Holtzman	Long, Md.
	Horton	McCloskey
	Howard	McCormack
	Howe	McFall
	Hubbard	McHugh
	Hughes	McKay
	Hungate	Macdonald
	Jacobs	Madden
	Jenrette	Maguire
	Johnson, Calif.	Mahon
	Jones, Ala.	Mann
	Jones, Okla.	Matsunaga
	Jordan	Mazzoli
	Karth	Melcher
	Kastenmeier	Metcalfe
	Kazen	Meyner
	Keys	Mezvinsky
	Koch	Mikva
	Krebs	Milford
	Krueger	Miller, Calif.
	LaFalce	Mineta
	Lehman	Minish
	Levitas	Mink
	Litton	Mitchell, Md.
	Lloyd, Calif.	Moakley
	Lloyd, Tenn.	Moffett
	Long, La.	Moorhead, Pa.
	Long, Md.	Morgan
	McCloskey	Mosher
	McCormack	Moss
	McFall	Mottl
	McHugh	Murphy, Ill.
	McKay	Murphy, N.Y.
	Macdonald	Myers, Pa.
	Madden	Natcher
	Maguire	Neal
	Mahon	Nedzi
	Mann	Nix
	Matsunaga	Nolan
	Mazzoli	Nowak
	Melcher	Oberstar
	Metcalfe	Obey
	Meyner	O'Hara
	Mezvinsky	O'Neill
	Mikva	Ottinger
	Milford	Passman
	Miller, Calif.	Patman, Tex.
	Mineta	Patten, N.J.
	Minish	Patterson, Calif.
	Mink	Pattison, N.Y.
	Mitchell, Md.	Pepper
	Moakley	Perkins
	Moffett	Peyser
	Moorhead, Pa.	Pickle
	Morgan	Pressler
	Mosher	Preyer
	Moss	Price
	Mottl	Rangel
	Murphy, Ill.	Rees
	Murphy, N.Y.	Regula
	Myers, Pa.	Reuss
	Natcher	Richmond
	Neal	Riegle
	Nedzi	Rodino
	Nix	Roe
	Nolan	Roncalio
	Nowak	Rooney
	Oberstar	Rose
	Obey	Rosenthal
	O'Hara	Roush
	O'Neill	Roybal
	Ottinger	Runnels
	Passman	Russo
	Patman, Tex.	Ryan
	Patten, N.J.	St Germain
	Patterson, Calif.	Santini
	Pattison, N.Y.	Sarasin
	Pepper	Sarbanes
	Perkins	Satterfield
	Peyser	Scheuer
	Pickle	Schroeder
	Pressler	Sharp
	Preyer	Shipley
	Price	Shriver
	Rangel	Sisk
	Rees	Slack
	Regula	Smith, Iowa
	Reuss	Solarz
	Richmond	Spellman
	Riegle	Stanton, James V.
	Rodino	Stark
	Roe	Steed
	Roncalio	Steelman
	Rooney	Stokes
	Rose	Stratton
	Rosenthal	Studds
	Roush	Symington
	Roybal	Thompson
	Runnels	Thone
	Russo	Thornton
	Ryan	Traxler
	St Germain	Tsongas
	Santini	Udall
	Sarasin	Van Deerlin
	Sarbanes	Vander Veen
	Satterfield	Vanik
	Scheuer	Vigorito
	Schroeder	Waggonner
	Sharp	Waxman
	Shipley	Weaver
	Shriver	Whalen
	Sisk	White
	Slack	Whitten
	Smith, Iowa	Wilson, C. H.
	Solarz	Wirth
	Spellman	Wolff
	Stanton, James V.	Wright
	Stark	Wylie
	Steed	Yates
	Steelman	Yatron
	Stokes	Young, Ga.
	Stratton	Young, Tex.
	Studds	Zablocki
	Symington	Zeferetti
	Thompson	
	Thone	
	Thornton	
	Traxler	
	Tsongas	
	Udall	
	Van Deerlin	
	Vander Veen	
	Vanik	
	Vigorito	
	Waggonner	
	Waxman	
	Weaver	
	Whalen	
	White	
	Whitten	
	Wilson, C. H.	
	Wirth	
	Wolff	
	Wright	
	Wylie	
	Yates	
	Yatron	
	Young, Ga.	
	Young, Tex.	
	Zablocki	
	Zeferetti	

NOT VOTING—24

Alexander	Hays, Ohio	Rostenkowski
Beard, Tenn.	Jones, N.C.	Staggers
Bowen	Jones, Tenn.	Stuckey
Coughlin	McKinney	Sullivan
du Pont	Madigan	Teague
Findley	Mills	Ullman
Fulton	Mollohan	Wilson, Tex.
Hammer-schmidt	Railsback	
	Roberts	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Stuckey for, with Mrs. Sullivan against.

Mr. Roberts for, with Mr. Hays of Ohio against.

The result of the vote was announced as above recorded.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of H.R. 6219 to amend the Voting Rights Act of 1965. The Subcommittee on Civil and Constitutional Rights has held extensive hearings on this bill and has more than adequately documented the need for extending and expanding the provisions of the act. I commend Mr. EDWARDS of California and the members of the subcommittee for the work they have done on this legislation.

No one can deny that tremendous

UMI

strides have been made in the registration of black voters in the States covered by the landmark 1965 legislation. In 1965 only 7.7 percent of the black voting age population was registered to vote in one State covered under the provisions of the act, while in 1972 that same State had registered 63.2 percent of its black eligible voters. The Voting Rights Act has led to an increase in the number of black elected officials in the South from 72 in 1965 to 963 in 1974.

The act has been successful. It has extended the franchise to many blacks in areas of this country where the 15th amendment was nothing more than a piece of paper only 15 years ago. However, the struggle to insure that all minority citizens do, in fact, have the right to vote is a long way from over. The disparity between black and white voter registration remains high in some States. In one, the disparity is 23.6 percent; in some rural counties the gap is as great as 37 percentage points. The number of black representatives in State legislatures still is considerably below the percentage of blacks in the population in those States.

The subcommittee has documented the need for the new protections for minority language citizens as well as for blacks. Titles II and III are not only welcome, they are long overdue. The right to vote is meaningless—for practical purposes—if the potential voter is unable to comprehend voting notices and materials. Titles II and III of the committee bill will make voting a reality for many of our citizens who were previously prevented from voting in fact, if not in law.

I urge all my colleagues to support H.R. 6219 and to reject amendments that will be offered to weaken or dilute the provisions of the act. It has proven effective for black voters. It can and will be effective for language minority voters as well.

Mr. KASTENMEIER. Mr. Chairman, I am happy to strongly endorse H.R. 6219, which will extend for an additional 10 years the special provisions of the Voting Rights Act of 1965, make permanent the current temporary ban on literacy tests and other such devices, and expand the coverage of the act to certain jurisdictions where language minorities reside.

Those of us who were serving in this body in 1965 recall vividly President Johnson's appearance before a joint session of the Congress in March of that year calling for enactment of a strong voting rights bill. His appearance followed by 1 week the tragedy in Selma, Ala., where the Nation witnessed how brutally and totally local and State officials tried to put down efforts to gain for our black citizens the right to vote. The 89th Congress responded decisively to Mr. Johnson's call, and 5 months later, on August 6, 1975, President Johnson signed into law the Voting Rights Act of 1965.

In 1970, this act was extended for an additional 5 years and the provisions of the law expanded to cover new jurisdictions. The amendments in 1970 recognized that discriminatory practices in voting procedures existed not only in our Southern States, but in areas in New England, New York City, California and Arizona, as well.

In the 10 years since the Voting Rights Act has been in operation, significant gains have been made in bringing large numbers of blacks into our electoral system. Between 1964 and 1972 more than 1 million new black voters were registered in the seven covered Southern States. Additionally, the number of black elected officials in those areas has increased dramatically.

Prior to 1965 there were less than 100 elected black officials in these States. As of April 1974 there were nearly 1,000.

In the past 10 years, the Voting Rights Act of 1965 has been lauded by many as the most effective civil rights legislation ever passed by the Congress. However, despite impressive gains in the registration of blacks in covered States, the progress must still be considered limited and uneven at best. There are still States, and pockets within States, where significant discrepancies exist between the percentage of eligible blacks registered to vote and the percentage of eligible whites so registered. Although we no longer have literacy tests, poll taxes, and other blatant efforts to exclude whole classes of people from voting, there still exist more subtle, but still effective, means by which minorities are excluded, or dissuaded from registering to vote.

Evidence still can be found in substantial numbers of areas of outright exclusion and intimidation at the polls; of restrictive times and places for registration; of a lack of assistance to illiterate voters; of discriminatory purging of registration rolls; of a lack of bilingual materials at the polls for non-English-speaking persons; of failure to find voters' names on precinct lists; and of many other devices which effectively exclude or greatly dissuade minority citizens from registering to vote.

It is often said that you cannot legislate changes in attitudes. Such changes more often than not come slowly and only after experience shows that such change is not detrimental to the person or the system.

In 1965 we made the Voting Rights Act effective for only 5 years, not because we thought that was all the time required to accomplish its purpose, but because a compromise was necessary to break a filibuster in the other body. In 1970 we extended the Act for an additional 5 years, and experience has shown that we were too optimistic at that time.

There will be several amendments offered to this bill. Most of these amendments will only serve to weaken the provisions of the measure as reported by the Judiciary Committee. Mr. Chairman, we should not be here today considering how we can weaken the existing act. Rather, our attention should be focused on how this Congress can strengthen its provisions. The Judiciary Committee bill has been carefully drafted to complete the process that has only been started in the last 10 years. These provisions are vital if that goal is to be reached.

A 10-year extension of the act is needed, not only because it will likely take that much longer to finally bring to an end nearly 100 years of voting discrimination, but because such protections will be vitally needed during the redistricting and reapportionment that will take place following the 1980 census.

A permanent ban on literacy tests and other such devices is needed, not only because 14 States still have on their books laws providing for such tests and can reinstate such devices at will upon the expiration of the Federal law, but because we must remove once and for all the assumption that the illiterate are less capable of casting an informed ballot than those who can read and write.

Finally, and most important, the provisions of the Voting Rights Act must be extended to non-English speaking minorities whose voting rights are currently and effectively undermined and many of whom are excluded from participation in elections. An individual is no less informed and knowledgeable simply because English is not his or her main language. Vast amounts of evidence were presented to the Subcommittee on Civil Rights indicating that a lack of bilingual assistance for registration and voting purposes has severely limited participation in the electoral process by language minorities. In those areas where they represent significant portions of the population, devices have been used to dissipate their strength and their vote. This provision of the bill, extending the Voting Rights Act to language minorities, is perhaps the most important part of the measure before us today.

Mr. Chairman, we should be here today striving for no less a goal than providing the opportunity for maximum participation in our electoral process. No one on this floor can deny that there still exist in some areas of this country attempts to prevent such participation by certain groups of people. The Judiciary Committee bill addresses the weaknesses still existing in the system and I firmly believe that we can do no less than adopt this measure.

Finally, I want to particularly commend the chairman of the Subcommittee on Civil Rights, DON EDWARDS, for his strong commitment and dedication to the cause of justice and equality in this country. That his subcommittee produced this bill is a testament to that commitment. His work in the area of voting rights and civil rights, along with those members of his subcommittee, will, in the end, I believe, make this country more worthy of celebrating the values and principles which we will pay tribute to next year, on our 200th anniversary. Like DON EDWARDS, I wish that we did not have to legislate equality and justice. I wish it was truly in the hearts and minds of all of our fellow citizens to grant every individual the feeling of true brotherhood. Short of that, however, we must continue to rely on people like DON EDWARDS to lead the way in creating a "more perfect union," and I believe that this bill brings us one step closer to that goal.

Mr. MOFFETT. Mr. Chairman, I rise in support of H.R. 6219, the Voting Rights Act Amendments of 1975. Ten years ago this body passed landmark legislation designed to insure the voting rights of black Americans, who have historically been subject to highly discriminatory literacy tests and related exclusionary devices. The results of that legislation have been most encouraging, and blacks have made genuine progress towards full representation in this country. Nonetheless, much remains to be done, and so the provisions in this bill which would extend coverage under the act for 10 years and make permanent the ban on literacy tests are absolutely necessary.

The second and third titles of this bill represent a broadening of the act which is long overdue. These sections would extend coverage under the act to several foreign language speaking minorities. Such groups as Hispanic and Asian Americans, not to mention our own native Indians and Alaskans, have long suffered from severe disenfranchisement due to language-based voting and registration barriers. Extension of voting rights coverage to these minorities will enable them to begin achieving the same gains that blacks have begun to realize since the 1965 law.

I believe the Committee on the Judiciary has developed in titles II and III a just and reasonable formula for the provision of voting rights protection to these groups, and I oppose any amendments which would weaken that protection. If we are to continue our progress in the area of minority voter participation, we must pass this bill without the numerous crippling amendments which have been proposed. I urge solid support for H.R. 6219.

Mr. WAXMAN. Mr. Chairman, 94 years after the Declaration of Independence proclaimed that all men are created equal and that government derives its rights to govern from the consent of the people, the 15th amendment to the Constitution was ratified. That amendment provided that the right of citizens to vote shall not be abridged or denied on the account of race or color. With the adoption of the 15th amendment, the Constitution came closer to realizing the ideals of the Declaration of Independence by giving them the force of law.

Although noble in principle, the 15th amendment never became a working reality. For more than a century after the Civil War, many State governments found ways around the intent of the 15th amendment by providing for literacy tests and other devices designed to keep the voting booths another white only area.

Ninety-five years after the approval of the 15th amendment, Congress found it necessary to enact legislation to insure the right to vote was not granted or denied merely on the basis of race. The landmark Voter Rights Act of 1965 broke through many of the barriers barring blacks and other minorities from the polling places. Since 1965 the Nation has seen a substantial advancement in the voting power of minorities indicating they are finally beginning to assume their rightful role of helping to shape, by the force of their participation, the direction this country will take.

This precious right to vote is the key to a representative form of government. If our Nation's citizens cannot choose their representatives or express themselves on an issue, the idea of government by, of, and for the people is rendered a cruel illusion. Not only must citizens be able to practically exercise this right to vote, however, they must also be able to do so intelligently. The 1975 Voter Rights Act extension helps insure that citizens can as a practical matter vote and that they will have the strongest opportunity to vote as informed citizens.

The 1975 act forever bans the prime tool of State discrimination—the literacy test. The act recognizes that education for minorities and for Anglos has been marked by unequal opportunity and that literacy tests given by many of our States after they have failed in their duty to adequately educate all their citizens has saved to perpetuate a racially discriminatory system. The literacy test clearly acts as an overt barrier to voting for minorities. In this day and age when broadcast media are so pervasive and literacy tests are so susceptible to discriminatory abuses, it is obvious these tests do not constitute an accurate measure of an informed electorate.

The Voting Rights Act extension also recognizes that those groups that are not able to read English are in effect discriminated against by the availability of English-only election materials. The act helps language minorities cast an effective ballot by providing for election material to be distributed in the minority's language if a jurisdiction has a significant minority population and an acutely low voter turnout.

It is my firm commitment to the principle that the right to vote should not be denied or abridged on the basis of race, color or literacy in English that moves to wholeheartedly endorse the Voting Rights Act extension.

Mr. FORD of Tennessee. Mr. Chairman, I rise to urge my colleagues to support the final passage of the voting rights extension, H.R. 6219. The Voting Rights Act of 1965 has been hailed by many to be the most effective civil rights law ever passed. It has contributed substantially to the marked increase in all forms of minority political participation in the last 10 years. At the time this act became law, minority group were severely disenfranchised at the polls. In my State of Tennessee, the Civil Rights Commission has found that only 69 percent of blacks were registered, compared with 73 percent of whites. Since the act has been in effect, however, more than 1 million new black voters were registered in the South. This represented a percentage increase from about 29 percent to over 56 percent of eligible blacks registered in the South.

The existence of the Voting Rights Act of 1965 has provided great support to minority citizens as they exercise their constitutional right to vote. The U.S. Civil Rights Commission has revealed that discrimination persists in the political process and that the promise of the 15th amendment to our Constitution and the potential of the Voting Rights Act of 1965 have not been fully realized. We have seen large increases in the numbers of minorities registered and elected to public office since the passage of the act. However, the continued need for its special provisions has been amply demonstrated. We must pass H.R. 6219 in order to prevent the destruction of the political gains minorities have attained thus far.

Mr. EDWARDS of California. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes, had come to no resolution thereon.

PERMISSION FOR SUBCOMMITTEE ON CEMETERIES AND BURIAL BENEFITS OF THE COMMITTEE ON VETERANS' AFFAIRS TO MEET ON JUNE 10, 16, AND 23, 1975, DURING GENERAL DEBATE AND UNDER 5-MINUTE RULE

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Cemeteries and Burial Benefits of the Committee on Veterans' Affairs be allowed to meet on the afternoon of June 10, 16, and 23, 1975, during general debate and under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THE 75TH ANNIVERSARY OF THE ILGWU

(Mr. ADDABBO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ADDABBO. Mr. Speaker, the International Ladies' Garment Workers' Union is celebrating the 75th anniversary of its founding. Since June 3, 1900, the ILGWU has provided leadership to those concerned about changing conditions in the sweatshops of the Nation and to those who wanted to pursue a vision of human dignity for workers through decent conditions, wages, hours, the right to collective bargaining, and industrial responsibility.

I want to take this opportunity to join the many friends and admirers of the activities of the ILGWU by wishing the union and all its members congratulations and best wishes on the celebration of its 75th anniversary. I would also like to call the attention of my colleagues in the House of Representatives to a special message issued on this occasion by the leadership of the ILGWU headed by Louis Stulberg, president and Sol C. Chalkin, secretary treasurer and president elect, which appeared in the special issue of "Justice," the ILGWU publication. That special message has significance for all Americans and for that reason I am placing the full text of the message in the RECORD at this point:

UMI

HEADING FOR A HUNDRED

Anniversaries, by definition, celebrate the past. On such occasions we look back with pride, remembering the sacrifices we made, the battles lost and won, the dreams made real and the hopes fulfilled. By memory and picture, we grip the past as it slips deeper into time.

History magnifies pioneers. We remember the men and women who fought the elemental campaigns of an earlier era as giants. We seek from the record of their achievements the inspiration and encouragement to face the more complex and more difficult challenges of our time.

As garment workers, as unionists and as Americans we may search the pages of history for precedents as guides for today; but we must also search our souls for a reassessment of the values that have brought us to our present difficulties.

Our industry stands at the crossroads of pay and profit. Three-quarters of a century of progress toward decent standards for both is now threatened by a rising tide of imports from low-wage countries. The inherited illusion of free trade covers a reality of heartless exploitation overseas and callous profit-making here at home. The result is a tragic contribution to growing unemployment.

As unionists we are part of a movement whose organized strength has never been greater. Yet, all that we are able to win at the negotiating table is jeopardized at the supermarket cash register. The burden of record profit-making gets shifted back and back until it rests on the shoulders of wage earner and housewife.

As Americans, we must still discover resources of spirit and community by which to rescue ourselves from political cynicism. Men holding national trust have betrayed that trust and have compelled Americans to question what weakness of political faith or procedure has brought us to this low level of national morale.

As we inventory the past we must gird for the future. As in the early decades of this century, so too now, in its last quarter, there will be battles to fight and dreams to be fulfilled. We shall overcome if in these next 25 years we focus on the quality of life in our nation rather than ever higher profit records. If we improve life, profits will follow. But if, in these coming years, we continue to corrupt the free market with monopolies, continue to ignore the social costs of poor housing, inadequate health care, insufficient schooling, cynically play politics for power, we shall face crises far more devastating than those that have plagued us in these last years.

On this great occasion, when we celebrate the 75th anniversary of our union, we say to you, our members: Take courage! Hold fast to your faith in the American dream! Remember that your devotion to your union is loyalty to the same faith on which—two centuries ago—our great nation was founded.

International Ladies' Garment Workers' Union.

Louis Stulberg, President.

Sol C. Chaikin, General Secretary, Treasurer.

Wilbur Daniels, Executive Vice President.

SPEECH BY HON. JAMES G. O'HARA BEFORE NATIONAL UNIVERSITY EXTENSION ASSOCIATION IN SAN JUAN

(Mr. BENITEZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BENITEZ. Mr. Speaker, recently the National University Extension Association—NUEA—held its annual convention in San Juan, Puerto Rico. One of the distinguished speakers at the convention was my good friend and colleague JAMES G. O'HARA, chairman of the Subcommittee on Postsecondary Education of the House Education and Labor Committee. Mr. O'HARA spoke about a decisive factor in present and future university transformation: The nontraditional student. He is a new and growing force not fully appreciated or understood outside or inside university walls; and yet this is a force which reflects one of the most positive educational developments of recent years.

As of today, 37.1 percent of the total college population of the United States is part-time; 10.4 percent of all student enrollment in the United States is over 35 years of age. Congressman O'HARA discusses the educational implications of these and other facts in a thought-provoking presentation which I wish to share with all our colleagues.

Mr. O'HARA's speech follows:

REMARKS OF HON. JAMES G. O'HARA

For much of the past two years, my Subcommittee, its staff and I, as its Chairman, have been concentrating on the problems of student financial assistance as though they were the only problems involved in the Higher Education Act.

And I suppose that our concentration has been justified in that these programs involve almost all of the funds appropriated under the Higher Education Act.

And, in a deeper way, student assistance—financial and otherwise is what the Federal involvement in higher education is all about, anyway.

Unless we were trying to assist students first, last and always, if we were really just in business to keep colleges and universities going for their own sake, it probably would not be worth the time invested in it, and it certainly would not be worth the money the taxpayers have invested in it.

So I don't apologize for my concentration on student financial aid.

But I wouldn't want that concentration to give rise to the view—which it may in fact be encouraging in some quarters—that the Higher Education Act consists only of Title IV, and that all of our educational problems are going to have to be solved in the context of Title IV.

When, on February 20th, I introduced a bill to amend and extend Title IV—the student financial aid title—I also introduced another bill, which was attained very little notice.

That other bill, H.R. 3470, simply extends each and every part of the Higher Education Act through Fiscal Year 1980.

And I have said, and I intend to stick to this promise, that when the Subcommittee gets a student aid bill to the floor, we will turn to H.R. 3470, and start further hearings on the problems under Titles I through III and V through XII.

My student aid bill is fairly detailed, and is the result of last year's extensive hearing.

H.R. 3470 was drafted in a few minutes, and represents no commitment to any of the provisions presently in the Higher Education Act.

We will have to start our hearings, we will have to look very carefully at everything that is now authorized under that Act, and we will have to ask some pretty searching questions about what it is the Federal Government ought to be trying to do under the Higher Education Act.

And I would like today to share with you some glimmerings of my own personal ideas as to what we want to do in the rest of this decade, and in the years beyond that, under the heading of the Higher Education Act.

My ideas are tentative, they are based on limited data—and they are subject to change as I learn more about what I am talking about.

But let me try them out on you, and I hope you will be inspired in the months ahead to try out your own ideas on me in return.

First, as I suggested when I began, I don't think the purpose of the Higher Education Act is simply to preserve postsecondary education as it now exists, with the structure it now has, serving the clientele it now seeks to serve.

Postsecondary education, like every other institution we have, is going to have to change and change in some pretty fundamental ways if it is to continue to serve this Republic in the next century as well as it has served it in the past two.

But what I just said is the clue to where I am coming from in this whole area.

"Postsecondary education serving the Republic."

That is the only justification there can be for the enormous investment we taxpayers make in postsecondary education.

Either the education system serves the whole people, or it ought to be organized, financed and operated like a private profit-making industry with some degree of public supervision, but no public support at all.

I think the postsecondary system does serve the Republic.

I think that our colleges and universities are an unsuspectedly large part of the reason this country has developed as it has.

I think those institutions have enriched the nation and the whole people every time they have educated an individual.

I think, in short, that every penny we have invested in postsecondary education has been returned to us many times, and that postsecondary education continues to be a wise and prudent place not to spend, but to invest our national wealth whatever may be the competing demands on that wealth.

So as I see it there is no problem in justifying a continuation and even an expansion of the Higher Education Act.

And I reject out of hand the Administration's position that direct student financial aid is the only useful area of such activity.

We will have a student financial aid program when the Congress completes action on the bill now before my Subcommittee—a better student financial aid program than we have now, and a far better one than this Administration wants to see on the statute books.

But when we have that, we must turn to other ways and means of improving our educational system.

And the frame of reference I want to share with you—the point of view from which I think I will want to begin that second phase is the need to better equip our system to cope with the new student—the non-traditional student.

Let me cite some figures which are probably more familiar to you than they are to me, but which have deeply impressed me and which I think we must consider when we ask ourselves where we are going from here.

Nobody, of course, knows better than your own Bob Pitchell, how rapidly the part-time student is becoming the typical student.

The full-time student, once the standard figure in student population statistics, and still enshrined as the norm by which we count the size of that student body—the full-time student is becoming a minority in the whole postsecondary scene, and is already a minority in community college, and may ultimately dwindle to a statistical anomaly everywhere.

In 1970, 29% of the total college population was part-time. In 1974, that had grown to 37.1% of the total.

The rate of change is even more striking.

Between 1972 and 1974, the full-time population grew by only 5.8%.

The part-time population grew by 39.2%.

But it is not only in the growth of part-time students that the traditional picture of the American student is changing—and changing faster, perhaps, than most of us realize.

Is the American college student still an 18-21 year old post-adolescent?

I find that over 50% of them are not!

According to Census Bureau figures, 48.8% of the college-going population is between the ages of 18 and 21.

3.1% are 16 or 17, and 48.2% are over 21—with a very impressive 10.4% of the student enrollment over 35 years of age.

And this is a growing phenomenon.

In 1973–74, the college-going population over the age of 21 increased by 81.1% over the previous year.

Let's set aside those figures about the student population itself for a moment, and look at some other disquieting facts.

Many of you are familiar with the most recent College Scholarship Service survey of educational prices.

You have all heard the startling figure of a 12 percent increase at the public institutions, an 8 percent increase at the private institutions and a 6 percent increase for the commuting student since 1970–71.

And while we are talking about double-digit inflation, we are talking about quadruple digit prices!

At the four year public institutions, the average price for a resident student has gone from $1,783 in 1970, 5 years ago, to $2,679 this year!

At the two year public institutions, the average cost has risen for resident students from $2,000 to $2,400 in just two years!

The increases in costs in the private institutions, while slightly less precipitous, have been, of course even greater in dollar figures—escalating from $3,000 in 1970 to $4,400 in 1975.

The figures are different for commuting students, but not that different.

The facts are that the costs of a postsecondary education have risen rapidly, steeply, and far in excess of the consumer's ability to cope with those prices!

I am suggesting that the need to make do with less in the way of capital investment and outlay, combined with the existing changes in the shape of the student body may be two mutually reinforcing factors which will bring about fundamental structural change in our postsecondary education system far more rapidly than we would have imagined a few short years ago.

And we have got to begin to get ready for those changes before they overwhelm us.

And here, of course, is where I begin to think about the importance of two areas of possible expansion and innovation under the new Higher Education Act.

The first of these is in the field of educational technology.

If we are going to have less money to invest in school buildings, classrooms, new libraries, lecture halls, and dormitories—and we are—then we have got to turn to the arts of which you are the practitioner to help develop teaching techniques which can dispense with these steel and stone externals.

The university-without-walls becomes not just an innovation but a necessity in a period when we cannot affort to build walls.

And once we make that adjustment, we may well find that our obsession with walls has always been a waste of resources.

If the skills and the techniques of educational technology can bring the riches of enormous depository libraries to a two-room public library in a remote township hall, if the University of Nebraska can bring the abilities of its best teachers in a one-to-one encounter with isolated farm families via educational satellite telecasting, we may well rethink the nature of the optimum teacher-to-student ratio.

Title VI of the Higher Education Act, one of the few programs under which we have tried to encourage the use of educational technology at the postsecondary level, has been consistently opposed by the administration, and is now facing the serious prospect of losing its annual battle for funding in the Congress.

And I hope that the Congress, when it considers the Higher Education Amendments of 1975 or 1976, whenever we complete that undertaking, will have a clearer vision of the value of educational technology than does an Administration which, in the long tradition it represents, knows the cost of everything and the value of nothing.

But educational technology is not the whole answer, nor is it even the central answer.

It is all too true that educational technology can be utilized to teach whatever the educational system is geared to offer.

It is the substance of our education that we have got to think the hardest about.

And that substance must be designed, not to accommodate the most facile distribution of what the colleges happen to have in their intellectual stock, but to accommodate the felt needs of the student population—a population we have already noted is changing fundamentally and rapidly.

And here, I think, is the occasion for a marriage of the interests of the educational technologists and the extension educators—if I may use that term.

Title I and Title VI have an enormous amount to offer each other—and together they have much to offer the new student.

There is an amazing historical anomaly here.

Our land-grant colleges and universities are, to a great extent, the basic American contribution to higher education.

And the extension idea has been intimately identified with the land-grant colleges for a great part of the life of both.

Yet, at the same time that we recognize the worth of the land-grant college idea and the other institutions that have arisen from it—the rest of the state university system, the community college—even, according to Allan Nevins, the public secondary school systems—we make in our public policy very little effort to utilize the extension idea.

The budgeteers tell us that Title I—Extension and Continuing education—is something of a waste of money.

We fight against making student financial assistance available to part-time students, at any level.

And, by both public and institutional choice, we tend to expect the clientele of continuing and extension education to pay the full cost of the services made available to them.

I am even told, by people who are in position to know, that in some institutions, the continuing education program is expected to produce a profit, so that the full-time student is subsidized by the part-time student.

Academic departments are organized to provide standard courses to full-time students.

And we invest a major share of our resources, much of our talent and all of our priorities on providing to a declining fraction of the student population the same kind of cookie-cutter curriculum that has year after year turned out thousands of identically equipped bachelors of arts—while in the world outside, the demand for that particular cookie is eroding visibly.

I suggest that is not enough.

I suggest that we must look to extension and continuing education and to educational technology to help us cope, with the changing nature of the student, the changing nature of his needs, the changing nature of his very reason for looking for an education.

The student is changing in his identity.

More and more, the student population is becoming a wider cross-section of the total population.

Less easy to identify by age, by sex, by race, by economic or social background.

Women are not only going on to postsecondary education in larger numbers than they used to, but they are returning to school after their children are grown, and, to their credit, they are beginning to wonder why they should wait until the kids are grown before they avail themselves of opportunities for further education.

Members of racial and ethnic groups who in the past simply assumed that postsecondary education was for someone else are finding that it offers them something that they can use to find better jobs, or to provide them with richer lives.

People in mid-career are turning to the college to give them new careers, or to prepare them for their retirement years.

And people in retirement are finding more and more that exercising the mind is one of the most satisfying ways in which they can spend those years.

At the same time the nature of the student population is changing, the demands of that population are changing.

The new student, like the new consumer of every other kind of goods and services, is going to demand that educational services be packaged and distributed to serve the needs of the consumer, not the needs of the packager or the purveyor, and I think our public policy should equip that consumer to see that his needs are paramount.

His needs involve the ability to get an education on his own terms, at his own time, in bits and pieces tailored to his schedule.

It seems to me that in this country, if we have a citizen who wants to learn how to do something, who wants to learn more about his society, about his history, about his civilization, we say: "Well, yes, we could teach you if you are willing to pay, and if you are willing to conform your schedule to ours. Yes, we can teach, but are you really sure you want us to?"

It seems to me that we ought to be saying to them: "If you want to learn something, wonderful. How can we help? What can we do to make it possible for you to do so? How can we assist you, encourage you? How can we serve you?"

And this is the area where you in this audience, you in these professions represented here, hold the key.

Will we really try to turn every living room into a classroom—if we do, you are going to have to figure out how to do it.

Are we going to try to turn every neighborhood library into the scene of a seminar?

Are we going to let each and every one of our citizens, as a matter of right, have free and untrammeled access to the intellectual wealth of which we are the temporary custodians?

You are going to have to tell us how to do that—how to do it without letting this access be frustrated for the senior citizen or the mid-career accountant or the youthful homemaker or the isolated farmer—frustrated by cost, frustrated by the distance to a classroom—frustrated by the tradition of the cookie-cutter classroom.

Let's not end on an unrealistic note, however.

Title VI of the Higher Education Act, one of the few programs under which we have tried to encourage the use of educational technology at the postsecondary level, has been consistently opposed by the Administration, and is now facing the serious prospect of losing its annual battle for funding in the Congress.

If the nontraditional student is to be adequately served—if the postsecondary education of the future is to be focused on the student, rather than on the institutions which are there now, and which are serving

UMI

him reasonably well now, then you and your associates are going to have to fight hard now to see that non-traditional education and its techniques and concepts continue to remain alive and provide the seed bed for the education system of the years just ahead.

You are going to have to fight now to maintain the public's options for the years ahead—the years when the prospect of full access for every American to as much education as he wants and can benefit from can be a reality—with or without the kind of institutional base we *now* think it requires.

I shall close by reminding you that your job, like the job of everyone else in the educational system, is to make a reality of the promise so eloquently described by Thomas Wolfe:

"So then, to every man his chance—to every man, regardless of his birth, his shining golden opportunity—to every man the right to live, to work, to be himself, and to become whatever thing his manhood and his vision can combine to make him—this, Seeker, is the promise of America."

VALLEY FORGE: CRADLE OF REVOLUTION

(Mr. SCHULZE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SCHULZE. Mr. Speaker, as we all know, next year we will celebrate the Bicentennial of the American Revolution. Valley Forge is referred to as "the cradle of the Revolution." What more fitting action on the eve of this anniversary than to establish the Valley Forge National Historical Park. Early this year, I introduced legislation to this effect. Several articles on Valley Forge have appeared in the Washington Post and I would like to share them with my colleagues by including them in the RECORD at this time:

[From the Washington Post, June 3, 1975]

PRESERVING VALLEY FORGE

Land disputes are all too common in the 1970s, but occasionally the value and significance of a tract is so great that much more than regional interests are involved. Valley Forge State Park in eastern Pennsylvania is such a case. Articles by Colman McCarthy on this page today and yesterday document that the preservation of this hallowed and historic 18th century treasure is threatened by economic, political and bureaucratic forces that have become all too familiar in the 20th century. It is true that the costs of progress must be paid. But the price is surely steep when what is demeaned is a site where the future of the nation was determined some 200 years ago by a small band of rugged patriots.

In the next few months, two critical choices must be made. The first involves the Veterans Administration's interest in Valley Forge as a cemetery site. No doubt exists that space is needed to solve what the VA calls "the gravesite availability problem." In 1973, when the VA took over 82 cemeteries from the Army, more than half were already closed to new burials; six of the VA's own 21 cemeteries were also filled. In coming to Pennsylvania—which will serve four additional states—the VA says it is now considering three other sites besides Valley Forge: Gouldsboro State Park near the Poconos, Ft. Necessity near Pittsburgh, and Allenwood, north of Harrisburg. The VA might have a case for taking over the 500 acres of Valley Forge that its eye is now on if that site was the only one. But it isn't.

At the moment, the VA is digging into Valley Forge for soil tests. Although it has the approval of the courts and a state agency to make the tests, the VA has already gone too far. The Valley Forge shrine is too sacred and too historically valued even to be mildly tampered with, let alone converted into a function for which it was never intended. Because suitable sites are available elsewhere in Pennsylvania, the VA should immediately select one of them and create the cemetery it needs.

The second dispute involves the possibility of transfering Valley Forge from state to federal control. The move to bring in the Interior Department's National Park Service is supported by legislation introduced recently in both the House and Senate, as well as bills in Pennsylvania. Although federal control does not guarantee an automatic end to the problems that have plagued Valley Forge in past years, the pressures of the approaching bicentennial can be eased by the additional funds and ideas that would be made available.

In addition, the presence of the Interior Department would make it easier for the park to acquire bordering land that is needed to prevent urban encroachments. The local commission now operating the park is performing well, despite the neglect it suffers from officials in Harrisburg; but an alliance with the Interior Department can give the local board a chance to be even more diligent in its efforts to preserve this shrine.

[From the Washington Post, June 2, 1975]

VALLEY FORGE (I): THE SECOND CRUCIBLE

(By Colman McCarthy)

Naked and starving as they are, we cannot enough admire the incomparable patience and fidelity of the soldiers.—George Washington at Valley Forge, 1778.

VALLEY FORGE, PA.—During the six months of misery that George Washington camped his dispirited and ragtag Continental Army here in the winter of 1777-78, the enemy was less the British forces in nearby Philadelphia than the forces of despair, disease and desertion among his own men. If the nation's birthplace was in Independence Hall in 1776, the first test to the infant democracy came here. The colonial forces had just suffered defeats in the local countryside of Brandywine and Germantown; they straggled to Valley Forge to try to wait out the winter. The British had taken Philadelphia and, either because their generals believed Washington's army would fold during the winter or because the pleasures and parties of Philadelphia were more a delight than warmaking, they did not choose to fight at Valley Forge.

Some 11,000 colonial soldiers encamped at the site in huts and shanties—if that—and about 3,000 died from illness, hunger and cold. Historians such as John Reed describe that winter at Valley Forge—from which the surviving soldiers, aided by the drilling of Gen. von Steuben and by the French Alliance went on to victories at Monmouth and Yorktown—as the crucible of victory.

Now, two centuries later, and with the nation braced to celebrate the bicentennial, Valley Forge is enduring a new crucible. The threats today are not the assaults of hard times and hard weather, but of the quintessentially contemporary encroachments of commercial interests, land developers, speculators and the federal government. The second crucible of Valley Forge involves a war of ideas and values; the adversaries are local, state and federal politicians, judges, bureaucrats, park commissioners, historians, developers and citizens. At stake is both the integrity of the 2,255 acres of rolling meadow and woodland in the state park and a unique history that gives the nation a link to a spirit of courage that it needs to be reminded of today. The fate of Valley Forge has not only aroused the citizens of eastern Pennsylvania. The issue is quickly becoming a national one as well, engaging members of Congress and federal bureaucracies.

For years, those who cherished the beauty and historical specialness of Valley Forge were happy that, whatever other indignities were being inflicted upon surrounding areas by urban growth, at least no one had successfully made a land-grab for the sacred acreage itself. It was true that the army of progress had been emplacing its fortresses almost completely around the park: a housing development, a high rise apartment building, an ITT-Sheraton hotel, a shopping plaza ("the newest landmark in this exciting environment," its owners say), boutiques, an office building, gas stations and 15 acres of parking lot. However much this may be leading to a situation of total encirclement, the park itself has remained inviolate.

Now, those days of guarded virginity may be ending. Last Thursday, a Commonwealth court judge in Harrisburg ruled that the U.S. Veterans Administration may dig test holes in the park to determine the land's suitability for gravesites. The VA had cast its eye on some 500 acres of the park for a national military cemetery.

When a test crew came to dig in the park in mid-May, it was stopped by the Valley Forge Park Commission chairman Annamaria Malloy. Backed by her 13-member commisson that had voted aganst the cemetery plan, she secured a temporary injunction against the testing. "The VA says all they want to do is dig and test to see if it's feasible," says Mrs. Malloy. "I don't want to know. I know already that we have a beautiful burial ground. We have revolutionary soldiers out there. I know it's a perfect burial ground. And I'm not about to let them come in with any 500 acres, because I know that with 4½ million veterans in this district—60 per cent of whom are 62 or over—that in 50 years this will be Valley Forge national cemetery, not state park."

Mrs. Malloy made that comment before the judge ruled against her. It is still not certain that the VA will choose Valley Forge, although with the court now on its side, the way appears clear. It has run tests at three other sites in Pennsylvania, after considering 12 locations. "Valley Forge is highly favored," said a VA official in Washington. In a report by an ad hoc committee of the State Veterans Commission, Valley Forge was given an overall rating of "excellent," while other locations were appraised with "good" and "fair."

The same report, issued in March, said that "no apparent objectionable factors would impair community acceptance" of the VA's taking over part of the park.

Such a scouting report may have been premature. Although the national Veterans of Foreign Wars, a strong and vocal group, would like to see headstones adorning the landscape, many in the community prefer to leave the land as it is. The local congressman, Rep. Richard T. Schulze, a freshman Republican, favors a national cemetery for both Pennsylvania and his district—but not in the park itself. A state legislator, John Stauffer, is also opposed, arguing that "to use Valley Forge park for a national cemetery would be very much like commissioning Andrew Wyeth to do a painting and to give him a Rembrandt for a canvas." A local citizens group, the Valley Forge Committee, has made the point that the park already is a cemetery; although only one grave is marked, it is believed that the bones of hundreds of Washington's men who died that famous winter were buried at one site or another in the meadows. Asked about the possibility of coming upon the bones of patriots, a VA official said: "We would hope we wouldn't do that, but I suppose when you start digging anything might happen."

Before taps are played over Valley Forge, either for newly interred vets or for the

slain inviolability of the parkland, another complexity must be resolved. Efforts are now being made to transfer the park from the control of Pennsylvania to the federal Interior Department; legislation has been offered both in Washington and Harrisburg.

Although it is unlikely that the VA and Interior will go to war over Valley Forge, a skirmish of legalisms is possible. According to a federal statute, the VA must consult with the advisory council on historic preservation before going ahead; the park is a National Register site. Such a consultation may raise the fact that the park was intended to be preserved as a historical site, with its purpose being served already: a sanctuary to remind the nation that its origins were in courage and willpower.

What is needed is a modern von Steuben, the clearheaded Prussian who came into the disheveled camp and organized the troops. He listened to no excuses, nor did he begin his sentences with "but on the other hand." An army is an army he believed. Today he would likely be shouting into the wind of Valley Forge, "a park is a park."

[From the Washington Post, June 3, 1975]

HARSH TIMES RETURN TO VALLEY FORGE (II)

(By Colman McCarthy)

VALLEY FORGE, PA.—"Starve, dissolve or disperse . . . what then is to become of the army this winter?"

The question, dark and despairing, was asked by Gen. George Washington in the freezing months of 1777–1778 when his colonial forces camped here after suffering routs by the British. Two hundred years later, with many in America wanting to observe the Bicentennial in more meaningful ways than watching TV "specials" or walking through freedom trains, places such as Valley Forge provide historical richness that cannot be packaged or marketed. George Washington's question received an answer that is commonly known—the army persevered and went on to victory. But today another question hangs over the site: What is to become of what's left of Valley Forge?

The 2,255 acres of the state park—strikingly scenic grasslands and sloped forests that hold the original quarters of Washington, von Steuben and the nameless foot soldiers—are currently the object of a debate that involves local, state and federal politicians, as well as government agencies, citizens, historians and real estate developers.

Pennsylvania has always been plagued by the bitterness of land disputes—going back to the 1660s when William Penn had to outwit Lord Baltimore for certain tracts, and most recently in both the Charnita case and the Tocks Island dam project. But the struggles to control the Valley Forge parkland and bordering acres is not a local issue alone. It is national. The history of Valley Forge is everyone's, from the million visitors who appear annually (10 times that number are expected next year) to those who want to be reminded that this was not a battleground of bullets and warplay but a scene of spirit and courage.

The most pressing question involves ownership of the park. Pennsylvania set aside the land in 1893, with notions to expand it gradually. Not only did expansion never come, but two major roadways now go through the park, as well as the Pennsylvania turnpike next to it. Until recently, administration of the park had been left mostly to foresters, not historians, and shortsightedness and blundering were common. In January, Rep. Richard T. Schulze, the local congressman, proposed legislation that would transfer the park to the U.S. Interior Department.

In May, Sen. Hugh Scott introduced a similar bill—S. 1776—in the Senate. The advantage of the transfer, Scott said, is that "the park would have access to the expertise of numerous federal historic agencies and would be eligible for federal support and financing for restoration, historic programs and promotion." The state legislature has its own transfer bills, supported by Gov. Milton Schapp.

The political drums appear ready to roll in unison for the plan of federalizing the park. But at the local level other sounds are heard. The Valley Forge park commission has voted against the transfer. Charles H. Wolfinger, a board member, believes that "the state can do the job. We will lose local interest if the federal government comes in. I take a certain pride in what we've done. It's a popular cry—let Uncle Sam do it. But I think we have the talent. I'm not so optimistic that we'll get a lot more money. As a native of Pennsylvania, I think we can do the job."

In theory, Mr. Wolfinger may be right. But in practice something more than state pride may be needed. Past commissions (members are politically appointed) often acted as though all dangers left the area when the British marched north in 1778. A few years ago, a handsome tract of about 25 acres bordering the park was available for $10,000. The developer himself, in a gesture that also may be toasted by historians, offered to sell the property to the state to be preserved, but officials turned it down. Today, at least 20 houses have gone up, creating what the current commission chairman, Annamaria Malloy calls "peripheral intrusion." Mrs. Malloy says of past commissions:

"They viewed Valley Forge in its bucolic splendor without realizing what was happening to the regional development. The old commissions had a tendency to stand on the borders and look in. They didn't stand inside and look out . . . It never occurred to them that in the social order of things, aside from the historical significance of the park, they should look at this place and realize that this was an oasis in a fast-growing megalopolis."

One example of fast growth is the $25-million hotel-office-shopping-plaza-parking-lot complex facing the park's entrance. An ITT-Sheraton hotel of 15 stories dominates the view from that area of the park. Although the commission lacks zoning authority, its recommendations are influential. Mrs. Malloy, only three years in office, said she would never have approved the plaza if it had been her decision: "It aggravates my soul that these people (developers) come in with these glorious plans. Why? To capitalize on Valley Forge park . . . You go up in that hotel in one of the bedrooms and it's magnificent. You can charge a pretty penny over there for those rooms. But the state is maintaining the view, and the view has a great deal to do with the hotel."

For those outside, Sheraton would like to make the view even more spectacular—by perching a giant rotating "S" atop its building. The builder came to a recent commission meeting seeking a blessing for the big "S." Not getting it, he announced angrily he would see about putting up not merely a single letter but a whole sign measuring 1,000 square feet.

Seeing the Sheraton battle as already lost, with or without the crowning glory of the "S," many now struggle to save the last free vista—Chesterbrook, 865 acres of virgin land adjacent to the park. On this site, a real estate firm is planning to create a new town, with homes and offices for 10,000. The plans have been tied up in the courts for three years by a citizens group. One of the worries is water runoff from the proposed development into Valley Creek, which further down runs past Washington's headquarters; even without the development, a recent flood lifted the water so high that the cellar of the headquarters was inundated.

As if corporate threats from without are not enough, many see the greatest mockery inside the park—the Keene Manufacturing Company. In operation before the park's creation and never bought out, its chimneys belch fumes and its asbestos waste is piled in a hollow a few hundred yards between the park's memorial arch and the Washington chapel; a local newspaper recently ran pictures of the festering refuse—mingled with garbage and rubbish of unknown origin—and asked: "Is the park becoming Valley Forge Dump?"

While awaiting an answer, park officials must also worry about money. The commission asked for $1.3 million for next year, but the governor's office came back with only $628,000. "This is not enough to entertain America in 1976," said Mrs. Malloy. Rather than a slice of the money pie, the park appears to be getting only crumbs from the crust. In comparison, Independence Hall in nearby Philadelphia—a three block federal property, not 2,255 acres—receives more than double the Valley Forge budget and has three times the staff.

Court suits, money fights, rubbish dumps, urban encroachments, political wrangling, the threat of a VA cemetery—this is an odd way to treat a site originally settled by William Penn's pacifists and 100 years later made sacred by the heroism of Washington's tattered troops. Is it a question of too few people caring about the fate of the park? Is this, in fact, a valid commentary on American values on the eve of our Bicentennial? Or is it that too few know what is happening? If it is the latter, then a measure of hope exists. For it is hard to believe that the American public, once aware that Valley Forge is again a scene of trials and strains, would not rally to preserve the integrity of a relatively small memorial to a great moment in this Nation's history.

CONGRESS SHOULD OVERRIDE THE JOBS BILL VETO

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I am deeply troubled that with the national rate of unemployment at 8.9 percent in April and expected to top 9 percent in May, President Ford, on May 29, 1975, vetoed H.R. 4481, the Emergency Employment Appropriations Act of 1975.

The House Democratic leadership conceived this measure months ago as a means of combating rising unemployment and providing a much needed stimulus to the economy. H.R. 4481 is designed to do much more than create temporary public service and summer youth jobs. The bill would also accelerate ongoing public works projects such as increased rural water and sewer grants; improvement and modernization of existing veterans' hospitals; reforestation and timber stand improvement; expansion and upgrading of facilities in national parks; increased assistance to small businesses; accelerated construction for public service facilities; and major repairs and renovations of existing Federal buildings.

The bill provides as well for speed-up purchase by the Government of large numbers of trucks and automobiles.

Mr. Speaker, it is estimated that between direct employment and the ripple effect of the accelerated projects, as many as 900,000 new jobs could be created by the bill President Ford vetoed. This legislation is, therefore, of great sig-

UMI

nificance to the over 9 million people now on the unemployment rolls and to the additional 1 million who are not counted as unemployed because they have stopped looking for work.

The President, in his veto message, complained that the cost of this program will be $5.3 billion, or $3.3 billion above his budget request. He also expressed his belief that—

Economic recovery is expected to be well underway by the end of 1975, and the accelerative influences of this bill would come much too late to give impetus to this recovery.

Mr. Speaker, I believe it is important to make two points in response to these claims.

First, it is true that this is an expensive measure. It is not nearly as expensive, however, as the cost of continued unemployment. For each 1-percent rise in unemployment means a cost to the Federal Government of $16 billion—$2 billion in increased unemployment benefits and $14 billion in lost tax revenues. Nor do these figures reflect either the additional revenue losses sustained by State and local governments or the hardships and loss of spirit suffered by the unemployed and their families.

Second, the President speaks of economic recovery by the end of the year.

Now, of course, we all hope for economic recovery as soon as possible. The President's own economists, however, predict not a recovery by the end of the year, but a gradual leveling off or slight fall in the current unemployment rates.

Mr. Speaker, the mere leveling off of unemployment is not recovery, and the continuation of an unemployment rate in excess of 7 percent for several years to come is not acceptable. To acquiesce in the continuation of such an extraordinary rate of unemployment would, indeed, be unconscionable.

H.R. 4481 is a good bill. It is a bill designed to stimulate the economy, provide much needed jobs, and generate new resources for the American people.

I strongly urge Members of the House on both sides of the aisle to cast their votes tomorrow in favor of overriding the President's ill-considered veto.

EXXON: WE'D LIKE YOU TO KNOW WHAT THEY CONSIDER "ENERGY CONSERVATION"

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 15 minutes.

Mr. HECHLER of West Virginia. Mr. Speaker, there is widespread national agreement that the United States must make a more concerted effort to conserve energy and to curtail our reliance on imported oil. Even the President's disastrously inflationary energy program is supposed to be aimed at reducing energy consumption.

However, over the weekend I received a letter from Marvin Z. Gray, executive director of the West Virginia Gasoline Dealers Association, enclosing the latest directives from Exxon to its independent dealers—a notification that independent Exxon retailers will be forced to increase their hours of operation. This policy is outrageous in light of our need to conserve gasoline and energy. In its directive of May 23, 1975, Exxon justifies its new policy by stating that:

Exxon strongly supports the need for energy conservation and urges you to encourage gasoline conservation among your customers. Our decision to rescind hours waivers is consistent with our energy conservation position as a return to convenient operating hours will not increase total gasoline demand.

In short, "We are in favor of energy conservation so long as it does not mean buying less Exxon gasoline." This policy shows that the Ford administration arguments for the need to decontrol old oil are simply not valid—Exxon clearly is not worried about not having enough gasoline to sell at current prices.

OIL GIANTS AND THE INDEPENDENT RETAILER

This directive from Exxon also points up a second outrage—the degree of control exercised by the oil giants over the independent retailer. I am proud to be a cosponsor of H.R. 612 originally introduced by Representative JERRY LITTON; the companion bill in the Senate, S. 323 is sponsored by Senator FRANK MOSS. These bills are aimed at extending protection to independent retailers. However, this legislation is designed primarily to avoid the takeover of independently run stations by the majors. It is clear from this situation that legislation is needed to protect independent retailers from unfair leasing restrictions. At the time of the oil embargo, Exxon waived paragraph 6(a) of the standard retail service station lease agreement which gave power to individual service stations to set operating hours. In a March 15, 1974, directive, Exxon stated:

As an independent businessman, you establish your own hours of operation. Please consider the "good-will" that can be generated through longer hours and full customer service.

In a September 27, 1974, directive, Exxon went one step further but still affirmed the principle of letting the dealer decide:

We think that our experience and counseling will contribute to your success as a service station dealer. It is your right, however, as an independent businessman to determine your own operating practices. We want you to specifically know that our sales representatives are prohibited from using the threat of lease or sales contract cancellation or nonrenewal to induce you to take action on these aspects of your business.

EXXON REVERSES ITS POSITION

Clearly, this voluntary approach has not been successful so Exxon this month has decided to use the waived lease requirements to force action. This is a truly outrageous situation. In effect, the giant is making the little man desert his own commitment to energy conservation at a time when all of us should be moving toward stricter energy conservation.

The Moss bill, S. 323, has been reported out of the Senate Commerce Committee. No action has as yet been taken on the Litton bill, H.R. 612, which has been referred to the House Commerce Committee's Energy and Power Subcommittee. I hope that the subcommittee will amend this legislation to include protections against unfair and antienergy conservation leasing requirements.

The covering letter and text of the three Exxon directives follow:

WEST VIRGINIA GASOLINE DEALERS' ASSOCIATION,
Huntington, W. Va., May 31, 1975.

Hon. KEN HECHLER,
Huntington, W. Va.

DEAR MR. HECHLER: Enclosed are three letters from Exxon Company U.S.A. As you can plainly see . . . regardless of what Exxon calls it, it is another pressure tactic by the giant.

It is my belief that Exxon's main reason for the letter of May 23, 1975, is to get the dealers that are not opening on Sundays at present, to do so as a result of scare tactics.

This is another good reason why the Independent Gasoline Dealer needs legislation that will protect him from the Conglomerates.

Sincerely,

MARVIN Z. GRAY,
Executive Director.

Enclosures: Three.

EXXON CO., U.S.A.,
Charleston, W. Va., March 15, 1974.

IMPORTANT NOTICE

DEAR EXXON RETAILER: This is to confirm that the Federal Energy Office has just approved an increase in the availability of motor gasoline to West Virginia by 27.2% for the month of March, 1974. (There are no "carry-over into April" privileges for this product.) Exxon Company, U.S.A., has already notified the terminals serving West Virginia to multiply your current allocated March volume by 1.272 and to expedite the movement of this additional product immediately.

Obviously, this additional product was provided to enable the petroleum industry to better serve the public. I am personally requesting that each of you immediately expand your retail practices to the convenience of your customers. As an independent businessman, you establish your own hours of operation. Please consider the "good-will" that can be generated through longer hours and full customer service.

Thank you for considering this most important matter. I want you to know that I sincerely appreciate your efforts.

Very truly yours,

J. L. STANISLAUS,
Retail District Manager.

P.S. Remember, an increase in gasoline sales will increase your TBA sales potential.

EXXON CO., U.S.A.,
Baltimore, Md., September 27, 1974.

DEAR EXXON DEALER: Recent press coverage concerning major oil companies makes it desirable that we restate the basic philosophy of Exxon Company, U.S.A. in its relationship with its service station dealers.

The basic relationship between our Company and you is that of supplier and customer. In the long run, Exxon's interest as a wholesaler of petroleum and related products and your interest as a successful retailer will run generally parallel. Our sales representative can provide you with good business counseling on the various aspects of the service station business. We think that our experience and counseling will contribute to your success as a service station dealer. It is your right, however, as an independent businessman to determine your own operating practices. We want you to specifically know that our sales representatives are prohibited from using the threat of lease or sales contract cancellation or nonrenewal to induce you to take action on these aspects of your business.

We at Exxon firmly believe and are dedicated to the principle that the tires, batteries and accessories which we market should be sold on their quality, price and public acceptance. We want you to know that you are free to buy those items from the supplier of your choice. We will solicit your business because we believe that we can offer a line of quality products having good customer acceptance at a competitive price. We hope that you, in the exercise of your independent business judgment, will elect to buy from us.

We at Exxon also endorse the use of effective sales promotion programs by our dealers for all products that they sell. When appropriate, your salesman will communicate to you the availability and the predictable economic results to be gained by the use of such a program. Once this information has been properly communicated to you, it is your right as an independent businessman to decide whether or not to participate in any such program.

Very truly yours,

I. E. KILLIAN.

EXXON CO. U.S.A.,
Baltimore, Md., May 23, 1975.

DEAR EXXON DEALER: This letter is being written to advise you of our plan to review the appropriateness of the hours of operation contained in service station leases. Operating hours will be considered in light of today's marketing environment in preparation for rescinding the hours of operation waivers now in effect.

Many Exxon dealers already have recognized a need to provide more convenient service to the public and have reinstituted the hours of operation that were in effect prior to the period of restricted supply. Unfortunately, our marketing surveys indicate that a number of dealers have not taken this step to improve customer service by returning to convenient hours of operation.

Exxon USA has decided to rescind the waiver of Paragraph 6(a) (Hours of Operation clause) in our Retail Service Station Lease agreement with you. We are now in the process of conducting a complete review of the hours contained in your lease for appropriateness. You will be advised shortly of the results of our review and the effective date of the reinstatement of the "hours" clause.

As you know, Exxon strongly supports the need for energy conservation and urges you to encourage gasoline conservation among your customers. Our decision to rescind hours waivers is consistent with our energy conservation position as a return to convenient operating hours will not increase total gasoline demand.

Very truly yours,

I. E. KILLIAN.

FATHER CUTHBERT ALLEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. BROYHILL) is recognized for 5 minutes.

Mr. BROYHILL. Mr. Speaker, on April 18, 1975, a surprise dinner and ceremony was held for Father Cuthbert Allen, distinguished teacher and administrator at Belmont Abbey College in Belmont, N.C. Two hundred of Father Cuthbert's close friends and acquaintances participated in this "Night to Remember" in Richmond, Va., and paid tribute to this truly great American.

Father Cuthbert Allen has influenced the growth and development of Belmont Abbey for the past 40 years and, under his leadership, this outstanding educational institution developed a 4-year degree program. During these past four decades, Father Cuthbert has served in virtually every capacity, beginning as teacher and progressing to administrative head of the college as rector and vice president in 1936. He has also served as dean, rector, president, vice chancellor, and director of development, public relations, and alumni affairs of Belmont Abbey and executive vice president of the college.

He has been very active in community affairs and has participated in the National Conference of Christians and Jews and as a past president of the North Carolina Conference of Colleges and Universities. Father Cuthbert has served as a director of the Belmont Chamber of Commerce and the American Red Cross. He is listed in many "Who's Who" and in 1970 was elected to the National Register of Prominent Americans.

Father Cuthbert has been an inspiration to all those with whom he has come in contact and I wanted to share with my fellow colleagues some of the tributes made to him at the April 18 dinner:

Rev. John P. Bradley, president of Belmont Abbey College:

Father Cuthbert is not an ordinary person: he is one of those very few people we are fortunate to meet and know in a lifetime, who march to a different drummer and stand out from the generality of men in making an indelible mark on everyone and everything around them . . . It is the great good fortune of Belmont Abbey that he chose to be a Benedictine and to dedicate his entire adult life to Belmont Abbey and to Belmont Abbey College.

Rt. Rev. Edmund F. McCaffrey, OSB, Abbot-Ordinary, Belmont Abbey Nullius:

Father Cuthbert Allen has rightly earned the title of Mr. Belmont Abbey. His years of dedication to God, his country and his monastery has been communicated to all men at all times. Father Cuthbert was ecumenical before ecumenism became popular . . . Father Cuthbert has been Belmont Abbey's prime mover and builder. As a clergyman and leader, he propounded and espoused progressive social and humanitarian ideals for the betterment of the human person, regardless of race, creed or color.

President Gerald R. Ford:

Yours has been a long and distinguished career with the college and your continuing contributions to its growth and development have earned the respect of all who know you. The ability and dedication with which you fulfill your spiritual, educational and civic responsibilities are an inspiration for all.

Dr. James L. Quinn III, director of nuclear medicine at Northwestern Memorial Hospital in Chicago, Ill., a former student of Father Cuthbert's:

More than once during those first few months, the thought crossed my mind that he was my parole officer. Nothing could have been further from the truth. For the first time in my life I was in a truly academic environment constantly being alternately, and sometimes simultaneously, stimulated and challenged . . . The motto of the Abbey is, "Ut in Omnibus Glorificetur Deus," That in all things God may be glorified. As a past student, I'd like to add, "Ut in Omnibus Cuthberto Gratias Agamus," That in all things let Cuthbert be thanked.

Dr. Claude U. Broach, director of the Ecumenical Institute in Charlotte, N.C.:

What we find so delightful in Father Cuthbert is the fact that his goodness is not the sticky-sweet, cloying kind of goodness which makes one feel ill at ease. It is the genuine and wholesome goodness of a man who loves life, loves people, and loves God with a hearty and unselfish abandon. And always about him there is a sassy and refreshing tartness of wit and humor which makes him believable. He is not only a good man; he is a good company!

Dr. Billy Graham:

I have known Father Cuthbert for many years . . . his love for Christ and also his fellowman is obvious to everyone. No doubt his life and ministry have influenced almost as many non-catholics as those of his own faith.

Mr. Harry Golden, author, and editor of the Carolina Israelite:

Father Cuthbert Allen has somehow succeeded during his life to establish a balance between the miracles of science and the miracles of kindness. He has given us a little of St. Francis of Assisi's simple wisdom. Our country at the present time has great need of such spirits as Father Cuthbert Allen to prevent its destruction in spite of its scientific and political glories.

Mr. Speaker, it is a real privilege to share with you and all Members the tremendous respect and admiration that I and hundreds of others have for this very wise man. Father Cuthbert is a unique individual whose multifaceted talents and immeasurable contributions have affected the hearts and minds of so many people.

CAPITAL IS NECESSARY FOR GROWTH; TAXATION IS KILLING CAPITAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, liberals in Washington have tried to tell us for years that deficits create jobs and promote growth. Some of us have argued the direct opposite—we believe deficits which bring higher taxation and inflation do the opposite and result in the destruction of capital. Job expansion is thereby curtailed. Excessive, runaway government has contributed to inflation. High taxes have contributed to inflation by killing investment capital. Runaway regulations have destroyed jobs by adding a nonproductive inflationary cost to every product. We must reverse this trend or we will see an end to the most productive free enterprise system in the history of the world.

The London Economist has stated:

The standard of living of a nation depends . . . on the productive capital it possesses . . . much more . . . than on all other things put together.

I believe this is an accurate statement. Emerging nations of the world adopt socialistic systems without ever going through the hard process of acquiring capital in the manner that Western nations did. They want short cuts. They

UMI

want an easy process but there is none. We are now going socialistic and this is tragic but even more tragic is the specter of countries who follow that course before they ever evolve from a capitalistic heritage. They simply never will acquire capital. We acquired it and are now frittering it away through excessive Government and socialistic programs coupled with high taxation of incentive and profit.

IMPORTANCE OF PRIVATE ENTERPRISE SYSTEM

For a nation to be successful, it must have a system of private enterprise in which the capital required by industry is supplied by the people and the industry is owned by the people who supply the capital.

The opposing system—socialism—in which the Government supplies the capital and owns the industry, has never succeeded.

IMPORTANCE OF CAPITAL

Over 90 percent of all work in this country is done by machinery.

Without this machinery there would be no railroads, automobiles, electric power and appliances, telephones, or the many other things which we have come to regard as necessary. Almost everybody would have to till the soil to raise enough food to prevent starvation. Hours of labor would be limited only by human endurance. Life would be one constant and continuous struggle for existence.

This machinery, so important to the people as a whole, has been made possible by the savings of a small fraction of the American people, who were encouraged to save by our system of private enterprise that has provided an incentive for people to work, save, and invest in productive enterprises.

It is this machinery, provided by the savings of a small part of the people, that has made the high wages and high scale of living possible for the people of this country.

In order for our private enterprise system to operate successfully it must have a steady, continuous supply of new private capital—billions of dollars each year. This capital is required to start new industries and to maintain, expand, and improve existing ones on which so many jobs depend.

According to C. Lowell Harriss, professor of economics at Columbia University and economic consultant to the Tax Foundation, among the capital needs during the 1970's is new investment of between $19 billion and $32 billion annually to provide production facilities that mean jobs for about 1,300,000 new workers each year.

An outstanding example of the effect of a shortage of capital in our country is the period from 1932 to the beginning of the defense program in 1940, during which, largely because of excessive and unsound taxation, the needed capital was not forthcoming. As a result there was large scale unemployment averaging as much as 10 million during much of the time.

The capital gains tax operates as a serious deterrent to the investment of capital in the equities of business enterprises, and its effect is to reduce steadily the fund of venture capital available for that purpose. It lessens the incentive to invest capital in existing and in new enterprises, with the resulting ill effects on employment and wages.

In a statement filed with the House Ways and Means Committee on March 20, 1942, by the Tax Committee of the Executive Council of the American Federation of Labor, it is said:

One tax which has an important effect in slowing up investment in new venture enterprises is the present capital gains tax. If this is not repealed by the new 1942 Revenue Act, it should be sharply modified to tax capital gains at lower rates, and to liberalize the provision for the deduction of capital losses. Failure to take such action in earlier laws has led to a sharp reduction in capital available for new venture enterprises, because of the heavy taxes involved if the business venture is successful, and because of the denial of reasonable credits against other profits if the new venture is not successful.

This statement is just as sound and pertinent today as it was then.

A pamphlet recently issued by the Tax Foundation entitled, "The Challenge of Tax Reform 4. Capital, Taxes, and Jobs", contains the following statement:

On equity grounds it may seem unfair to ignore a realized gain in deciding how much tax one person shall pay compared with others who have only wages, interest, and other forms of ordinary income. Yet is it not unwise for a society which needs capital to reduce the amount in private ownership when a person sells certain assets? *To call the tax an income tax does not alter the economic reality—many, probably most, of the dollars are taken from capital assets.* (Emphasis supplied.)

As a matter of fact, the gain resulting from the sale of a capital asset is, in the eyes of the law, capital, and except for the purpose of taxation it is commonly so treated under our laws.

If capital is essential to the providing of jobs, what possible excuse is there for the Government's seizing that capital by taxation to use for nonproductive purposes? And yet, that is exactly what our Government has been doing, as a result of which the roll of the unemployed continues in the millions—8 million in March 1975.

One of the world's serious problems today is the shortage of investment capital as shown by the Tax Council Preliminary Report, July, 1968, which noted:

Last September in an appearance before the House Ways and Means Committee, the Chairman of the Federal Reserve System, William McChesney Martin, Jr., said: "The entire world today has a shortage of investment capital and all the countries of the world are trying to supplement the supply of investment capital by printing money. This is the easy way to do it, and I simply say that all of us have to face up to this matter of paying our way out of the saving and investment process."

In a recent speech before the United States Chamber of Commerce, George Champion, Chairman of the Chase Manhattan Bank, commented, "Public opinion as a whole is remarkably uninformed about the operation and the formation of capital", continuing. "For example, it is not widely understood that there is a world-wide shortage of capital today and it is likely to worsen over the next decade." He added that the shortage is clearly evident in the industrial countries, not just in the underdeveloped nations.

Also recently, in a speech before the Texas Bankers Association, Roger M. Blough, Chairman of United States Steel Corporation, said, "But the shortage I wish to consider with you today is one which seems to me to be, perhaps, the most far-reaching and persistent economic problem facing the world today. It is a problem whose gravity has been increasingly recognized during recent years and whose existence seems to be clearly indicated by the high levels of interest rates in many parts of the world. It is a problem which, if even a partial solution could be effected, would in turn alleviate some of the other world-wide shortages. I am referring to the historical, but now increasing, world-wide shortage of capital."

In spite of the great benefits our American system has brought us, it is in danger of being radically changed or destroyed by taxation.

THREAT OF SOCIALISM

The effect of the tax on capital gains, the confiscatory taxes on inheritances and gifts, and the heavy graduated income tax is to lessen or destroy the incentive to work, save and invest in productive enterprise and to reduce the supply of private capital so essential to the maintenance of our private enterprise system.

As a result, it becomes necessary for the Government to supply the capital in ever-increasing proportions, until the Government eventually becomes the owner of the business enterprises of the country. This is socialism.

In a statement to the Temporary Economic Committee prior to World War II, Adolph Berle, Jr., Assistant Secretary of State, said:

The government will have to enter into direct financing of activities now supposed to be private, and a continuance of that direct financing must mean inevitably that the government will ultimately control and own those activities. . . . Over a period of years the government will gradually come to own most of the productive plants of the United States.

In 1957 a nine-part study was made by the Legislative Reference Service of the Library of Congress on the "Adverse Effects of Expanding Government." This study was made at the request of Representative Ralph W. Gwinn and 16 other Republican and Democratic legislators and is dated June 27, 1957.

In the chapter dealing with the adverse effects of high taxes, the study says:

The forces of high taxation in the United States have been abetting the "creeping socialism" in the other parts of the country.• • •

Further data have been presented to show that if the United States continues its rates of absorption of national product by taxes we will reach 100 percent socialization in the next century.• • •

The greatest danger of high taxation lies in the fact that we are proceeding in the direction which Karl Marx in 1848 predicted would be the road to destruction of capitalism, namely, destruction of the middle class with the aid of a highly progressive tax. (Emphasis supplied.)

History demonstrates that socialism has never succeeded.

In the words of the Honorable Samuel B. Pettengill, for some years a distinguished Member of the House of Representatives from Indiana:

We have had 400 experiments with socialism in America, such as the Plymouth Rock Colony, New Harmony and Brook Farm. They all failed. They failed because in time the industrious got tired of supporting the drones. So they quit. On a nationwide scale, the result can only be the same.

The effect of socialism on England has been tragic.

On the other hand, that our private enterprise system has worked is demonstrated by the fact that our Nation, with 6 percent of the world's population, produces about 50 percent of the world's goods.

In addition, we have the widest distribution of wealth among the people and the highest scale of living ever known in any country at any time in all history.

It would seem obvious that our tax system should be designed to encourage the increase of private capital on which the success of the private enterprise system depends.

If private capital is so important to the welfare and success of our country, why does our Government deliberately appropriate a substantial part of it by taxation?

If, however, the Government insists on taking the position that capital gains are to be taxed as income, an attempt should be made to determine what are the true capital gains.

In the great majority of cases the capital gain that is taxed must be due in large part to inflation. The longer the asset is held, the greater is the increase in dollar value, but not in real value.

During the period from fiscal 1931 to 1973, inclusive, a period of 43 years, the Federal budget was balanced in only 9 years. Unbalanced budgets are the principal cause of inflation. As a result, there was a very large shrinkage in the value of the dollar during this period.

On June 20, 1955, Dr. Willford I. King, economist for the Committee for Constitutional Government, and a professor at New York University, issued a statement in which he said:

In our nation the latest instance of robbery on a grandiose scale took place between 1939 and 1951. In that period, because of failure to balance the national budget and resulting inflation, the general price level rose some 112%. This advance reduced by more than half the value of all property rights payable in terms of money. Amounts lost by some of the victims of this robbery are very roughly approximated by the following figures, measured in dollars of 1955 value:

	Billions
Owners of bank deposits	$135
Beneficiaries of life insurance policies	152
Holders of U.S. savings bonds	40
Total	327

To secure a complete total, there should be added to this sum the losses incurred by holders of miscellaneous notes, mortgages, and bonds; but accurate figures for these items are not available. However, sample data above presented indicate the magnitude of the latest robbery brought about by failure to keep our money on a sound basis.

Suppose at the beginning of this period a man had bought a piece of real estate or some corporate stock and had sold it at the end of the period for twice the dollar cost to him. Should the dollar gain to him be taxed as a capital gain? There has been no real gain in value to him. To tax the appreciation in dollar value of the property is merely to confiscate from the owner a part of the capital cost of the property to him—capital that could be used to provide jobs.

Quoting from a statement by the American Institute of Economic Research, "Economic Education Bulletin" for October 1971:

The dollar has lost nearly two-thirds of its 1939 buying power. In other words, prices generally have nearly tripled. Whenever any currency has lost as much of its buying power as the dollar now has, that currency has become virtually worthless in only a few more decades. There are no exceptions to this trend in the historical record.

To illustrate the importance of capital, let me state a simple case.

Not too many years ago, the principal means of transportation in China was on the backs of the coolies. It was estimated that a coolie could transport a certain weight of merchandise 1 mile in a day. For this service he received a few pennies.

An American railroad could transport the same amount of merchandise the same distance in a few minutes and for a smaller cost than the wages paid the coolie. For this service the railroad worker was paid wages many times those paid the coolie who performed the same service without the aid of any equipment.

This raises the following questions:

First. Why was it possible to pay the American railroad worker so much more than the Chinese coolie?

The reason was that the American railroad worker was aided by a railroad system which was so much more efficient than the coolie that it was possible to pay the railroad worker the higher wages.

Second. Where did the railroad come from?

It came from an investment of $25,000 per railroad employee.

Third. Where did the $25,000 per employee come from? It did not drop out of the sky or fly up from the ground. Some individuals—a very small percentage of the total—saved some money and invested it in a railroad corporation.

Take the railroad from the American railroad worker and leave him with his bare hands, and his high wages would immediately disappear, and the Chinese coolie would doubtless prove to be more efficient.

This is the process that has been going on for years in this country and is still going on.

If this process is to continue and the needed capital is to be available for industrial expansion, it must not be confiscated by the Government through taxation and the incentive of those who save and supply the capital destroyed; and yet, that is exactly what the so-called liberals would have the Government do.

Robert Dresser, a patriotic American businessman from Providence, R.I., who has spent a great amount of his energy in the cause of promoting an understanding of our free enterprise system, gave the following testimony to the Senate Judiciary Committee on April 27, 1954, in support of the Reed-Dirksen tax limitation amendment:

It should be realized that rich men, such, for example, as the late Henry Ford, play a very important part in our economy. They and their families can personally consume and enjoy but a trivial part of their wealth. The balance is in effect held by them as trustees for the public. It is this wealth that has supplied in the past much of the venture or risk capital required by new and hazardous enterprises, such as the railroads, the automobile industry, the aircraft industry, and many others, as well as for the expansion of existing enterprises. By this means jobs and good wages have been provided for millions of workers. The automobile industry furnishes an excellent illustration. Based upon 1952 reports, the number of jobs created directly and indirectly by the automobile industry, which is only about fifty years old, is over 9 million. This is one out of every seven persons now employed in all classes of employment in the United States.

Such enterprises, however, are risky. Many of them fail and the investor loses his investment. Hence, he must have funds that he can afford to risk. Most people do not have such funds, and such holders of capital as banks and trust estates are not permitted to make such hazardous investments. High death as well as high income taxes destroy the incentive and the ability to incur such risks.

Does anyone doubt that the wealth of Mr. Henry Ford was of far greater benefit to the people of this country in his hands than it would have been in the hands of the Federal Government? He used it to develop a great industry which has given employment at good wages, directly and indirectly, to hundreds of thousands of people. In the hands of the Federal Government the money would soon have been dissipated in paying the costs of an unduly expanded bureaucracy.

René A. Wormser, of New York, one of the country's leading tax authorities, has offered the following suggestion which appeared in an article by him published in the February 1971, issue of "Trusts and Estates":

If we are to have a fair capital gains tax, it should be applied only to the true gain, and not to the inflationary gain.

APPLYING A DEGRESSIVE SCALE

True, there is no scientific way to excise the inflationary growth factor in order to determine what the true gain may be. But to use this uncertainty as a reason for not correcting an obvious injustice is not tolerable. Rough justice can be devised.

One method would be to apply to long term capital gains a degressive scale. This would operate to apply a progressively lower rate of tax the longer an asset had been held and the longer, in consequence, inflation had been responsible for increases in its dollar value.

The following is merely illustrative of the kind of scale which could be employed (I do not present it as a definitive proposal):

Applicable top alternate tax rate

[In percent]

If a capital asset is held for:	
1 year	25
3 years	22
5 years	20
10 years	15
15 years	10
20 years	5
(For more than 20 years)	0

If we are to tax capital gains at all, I submit that the foregoing table provides a more reasonable and much fairer solu-

UMI

tion of the problem than the present practice.

In France and West Germany, capital gains are entirely exempt from income taxation. In Italy, they are only subject to a 9- to 15-percent levy by local authorities. Japan only taxes capital gains if trades in a given year exceed 50 transactions or 200,000 shares.

Mr. Speaker, after decades of wrecking the free enterprise system, the liberal now says the system does not work and we need more of their poison to correct our current economic ills. Over the past decades, Government policies have devastated our enterprise system. Laws have favored unions, laws have given trade concessions to foreign nations who dump in America, laws have set up vast regulatory empires which virtually eat away our private sector, laws have imposed environmental restrictions with impossible goals. A flood of equal employment opportunities regulations, OSHA requirements have filled the statute books. This on top of excessive taxation, double taxation of profits and capital. Capital development is virtually being destroyed.

The economy falters, due in large part to these liberal actions and the liberal then says: "See there, free enterprise does not work. The Government must create jobs so we must have a $100 billion deficit to pump prime." Government has been doing the job. It has been doing in our successful free enterprise system.

I thank Robert B. Dresser of Providence, R.I., for this information and acknowledge his hard work over many years in compiling facts for his countrymen to see. I hope they learn.

SEPARATE LEGISLATION NEEDED TO PERMIT CONSOLIDATION OF FARMERS HOME ADMINISTRATION OPERATING LOANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS) is recognized for 10 minutes.

Mr. JEFFORDS. Mr. Speaker, I am greatly disturbed that the conference committee on S. 1236 saw fit to remove section 2 of that bill. Section 2 would have allowed the consolidation of Farmers Home Administration operating loans. In this time of financial crisis for the Nation's small farmers, such a provision would have allowed many farmers to pull through their current difficulties and remain in business.

All the section would have done is give the FmHA flexibility in handling loans, similar to that which is available to every bank in the country. I introduced the amendment which became section 2. It was approved by the Agriculture Committee and without dissent by the full House.

The significance of this legislation is underscored by the fact that it is listed for priority action by the National Grange. I have also been contacted by many Vermont farmers, urgently requesting that this flexibility be given the FmHA.

The amendment was developed after considerable consultation with FmHA officials in Washington and Vermont. Language was drafted with the cooperation of the Administration, the House Appropriations Committee staff, the Agriculture Committee staff, and my own staff. At one point there was disagreement between the Agriculture Committee and FmHA on a technical point, but this was later resolved, and never mentioned again by the FmHA. The final language had the backing of Administration spokesman William Edwin, Assistant Secretary of Agriculture for Rural Development.

I quote from the record of the House Agriculture Committee:

Mr. JEFFORDS. Now assuming that we can have peace between the House Appropriations Committee and the Department on that particular issue, can you tell me now what the feelings would be on Section 2 with this new language included?

Mr. FOWLER. I would go to Mr. Erwin to take that.

Mr. ERWIN. If we can reconcile the technical matters involved, at this point I see no problem with it.

These technical matters were later resolved to the satisfaction of the Department.

Later, I was amazed to find that the Administration, in a letter directed to Chairman FOLEY and delivered to the conference committee on the day of its deliberations, raised new objections. It is difficult to find in the four reasons set forth in the letter any problems at all in section 2.

The first reason stated indicates that the amendment may create a change in each loan contract with a possible loss in lien priority. Any such problem could be resolved merely by changing the drafting of the FmHA contracts. Similar procedures are followed by every bank in the country.

Further, the consolidation would take place only with the consent of both the borrower and the Secretary, so it is difficult to see what the problem is.

The second reason given is that the borrower might be required to provide further security, since the section would allow note extensions beyond the present 12-year maximum. Since this is at the option of the borrower and with the consent of the Secretary, I cannot see why this would present any problems. The Secretary would not have to approve any situation wherein the security would not meet the requirements that he establishes.

As stated under the third reason in the letter:

The consolidation should be at the Secretary's request rather than the borrower's. Many borrower families of FmHA have serious financial problems and need the advice of professionals to handle their financial problems.

This argument is false for two reasons.

First, the consolidation will take place only with the approval of the Secretary. He need not approve any situation wherein the financial situation does not indicate the desirability of consolidation.

Second, many of the older loans have lower interest rates than those charged for new loans. Giving the Secretary the sole discretion would allow him to force borrowers to pay higher interest rates on their older loans, whether or not the borrower wanted to consolidate.

The language of section 2 which would require the consent of both the borrower and the Secretary for consolidation is far more equitable.

Finally, the letter indicated that the consolidation could result in the borrower paying higher interest rates. Since the option would be with the borrower, he could make that choice depending on how it affected his cash flow situation. If his cash flow would be improved by a consolidation, he might very well be willing to pay the higher interest rate.

This is the same decision which is faced by any borrower who considers consolidating his loans. Often, he will accept the higher interest rate in order to get a lower monthly payment, by stretching out his old loans for a longer period.

This matter is of such obvious importance that I intend to introduce legislation to be acted upon separately.

IN HONOR OF THE BROWNSVILLE AREA HIGH SCHOOL "GOLDEN FALCON" MARCHING BAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MORGAN) is recognized for 5 minutes.

Mr. MORGAN. Mr. Speaker, it is my great pleasure to salute the Brownsville Area High School "Golden Falcon" Band of Brownsville, Pa. in my congressional district, which won second place honors in the 1975 Blossom Festival Parade held in Niagara Falls, Canada on May 10.

What is particularly impressive about the Golden Falcons is that they were able to mobilize the entire Brownsville community to support their trip to Niagara Falls. The Brownsville Area Band Boosters organized the fund raising effort, and the students earned money from tag days, skating parties, and sales of hoagies, pizza, candy, and magazines. Approximately $9,000 was raised to finance this excursion.

Making the trip by bus were 183 student band members, six school officials, and 21 band boosters. Especially inspiring to me, however, was the send-off from the high school, which was attended by the entire student body, faculty, school directors and administrators, and community leaders. In addition, two buses and a number of private vehicles followed the band buses to Niagara Falls to lend their support. As you might expect, the community turned out in similar fashion to welcome the band home after its triumphant success.

Mr. Speaker, the success of the band is a tribute to the dedication and competence of its members. More importantly, however, the community spirit demonstrated by the people of Brownsville is a sign that the idealism and concern for family and community of the American people have not diminished. The Golden Falcons and the citizens of Brownsville deserve our commendation, and I know that all the Members of the House of Representatives join me in this salute.

CAPTIVE NATIONS WEEK 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, on July 13–19, Americans and friends in foreign countries will again be observing Captive Nations Week. This will be the 17th observance of the week, reminding our fellow citizens of the current addition of more once-free nations to the long list of captive nations under Communist domination. For the occasion and the timely reading of our Members, I wish to submit into the RECORD a piece prepared by Dr. Lev E. Dobriansky, of Georgetown University, on "The Climate of Peaceful Coexistence":

THE CLIMATE OF PEACEFUL COEXISTENCE [1]

Actually, any process or movement in whatever sphere, logically presupposes certain conceptual assumptions, an existential framework for the execution of the process, alternative selected means for the process itself, and worthy objectives in addition to "peace." As concerns the U.S.S.R., it is in this area that detente as presently pursued is subject to serious question and total reexamination. Taking the full course of Russian political history, both in its Soviet Russian and U.S.S.R. phases, a future account may well identify this period as a crucial zig-zag in Moscow's ascendancy to the status of a prime global power. For, up till now, all of detente's contributions have been relatively minor, with scarcely any benefits of substance to us, and the basic issues are the same of a generation ago. Certainly, our ruling misconceptions of the U.S.S.R. and its nature and drives have not changed in this period, and numerous myths thrive in detente.

In the recent period we've heard a great deal about the need for a conceptual breakthrough in nuclear arms control. A more fundamental conceptual breakthrough is needed in our understanding of the Soviet Union. The myth that the U.S.S.R. is a nation-state, similar to ours, still persists. Although many others clinging to this myth can be cited, suffice it to mention that our Secretary of State subscribes to this myth, which would indicate an unfamiliarity with the origin and growth of this empire-state, not to mention its present multinational composition and pressures.[8] This vital point has been concisely documented.[9]

When we're considering human rights in the U.S.S.R., the subject is not entirely parallel to that of civil rights and personal liberties which we enjoy in our country. This is shown in the three levels of dissidence in the U.S.S.R., namely civil rights and personal liberty across the Russian/non-Russian complex, the rights of Jews, Russians, Ukrainians and other different nationals to emigrate, and also the national rights of Lithuanians, Byelorussians, Ukrainians, Georgians and others to their own cultures, language, religion and other national expressions, including their independence. Over half of the population in the U.S.S.R. is non-Russian, and most of this part is divided into compact, distinctive nations. Ukraine, with close to 50 million, is the largest non-Russian nation not only in the U.S.S.R. but also Eastern Europe. Thus, to speak of a "Soviet nation," "Soviet people," "national minorities" or "ethnic groups" is to distort the multinational pattern of the U.S.S.R., as well as the real developments and aspirations of its numerous nations.

If the process of détente is pursued without a keen awareness of this multinational complexion of the U.S.S.R., we may find ourselves, by virtue of our economic contributions, guaranteeing the permanent captivity of the many nations in the U.S.S.R., in the end to our own disadvantage. The foundation of Moscow's power and world-wide ambitions rests in these resourceful captive nations within the U.S.S.R. Its domination over the captive nations in Central Europe is insured by this foundation being intact and solidified. The fundamental issue facing us is to what extent and degree will our economic aid and political indifference abet this solidification without exacting an increasing price aimed at an irreversible transformation of human and national rights, conditions and circumstances in this empire-state.

For nations that had been subverted, militarily conquered, and forcibly incorporated into the U.S.S.R. from 1918 on, the current injection of the "non-interference in internal affairs" myth serves as a crude mockery to human and national rights. The abuse of this myth is an old Russian technique which Stalin, Vishinsky, Khrushchev and Brezhnev have frequently employed not only for the empire-state of U.S.S.R. but also, as the Brezhnev doctrine confirms, for its imperial extensions in Central Europe. If Moscow's domain were extended to the Atlantic, the same cry of mythical non-interference would be raised.

The detente process has generated a number of other myths that must be dissipated if the process is to work for our benefit, too. One is the fantastic notion that the external policy of a state can somehow be divorced from its internal, imperial policies. In a statement to the Foreign Affairs Committee in 1951, Dean Acheson stressed the institutional nexus that has existed between Russia's politico-economic institutions and its imperialist expansionism over 500 years.[10] That classic statement holds today, for Moscow's external policy has always been fed by the oppressive internal policy of the empire. In addition, the euphoric notion that Moscow interprets detente as a sort of live-and-let-live policy has also been furthered by the current process, and is thoroughly discredited by Moscow's meaning of "peaceful coexistence." Moreover, as further fantasies generated by current detente, the notions that communist ideology as a tool of penetration has waned in power and that the Kremlin totalitarians are humanized, de-Stalinized types seeking genuine peace are blatantly contradicted by evidences of intensified ideological activity both within the empire and without and the hyper-KGB activity in the USSR with swelling numbers of arrests and prison camps. In connection with Ukraine alone, over 560 known Ukrainian intellectuals have been incarcerated since 1970.[11]

THE ECONOMIC POWER DILEMMA

Plainly, it is in the area of trade, long-term joint projects, and gradually enhanced economic involvements leading to a generalized economic interdependence that leverage is sought by the present detente process to curb Moscow's aggression by proxy in the Free World and to induce liberalizing tendencies with irreversible movement within the Soviet Union. It is even hoped that this purely tangible, materialist process will by sheer complex involvement on the economic front lead to a redirection and reallocation of resources from Moscow's steady military build-up and development. Increasing business contacts would presumably provide the pragmatic, cultural rub-off abetting internal liberalization, and long-term contractual commitments and projects-in-process would form our basis for threats of cut-off in the event Moscow fails to behave itself in Free World areas. In short, despite the strategicity of the trade deals (Kama River Truck complex, computer production, jumbo plane production—all to be the largest in the world, etc.), the suction of economic interdependence would, so to speak, lock in the Soviet Union in a "structure of peace" for a decade or more.

Any analyst conversant with the USSR economy can only view this theory—indeed, myth—of economic interdependence with the gravest doubt. First of all, if lessons of history are to be heeded, our trade with and investments in totalitarian powers with even more open societies in the past, such as Imperial Japan, Fascist Italy and Nazi Germany, failed to produce permanent amity. Second, the planned nature of the USSR economy, the widespread KGB controls, the extensive CP surveillance, and the tightening-up processes already in vogue will undoubtedly produce systematic containment of our "business infiltrators" while the benefits of our advanced technology and know-how, not to mention bargain interim financing of all this, will accrue to the Kremlin's maintenance of its top priorities, with emphasis on the military and its lagging needs to overcome deficiencies in other sectors of the economy. On these and other relevant aspects, including Moscow's economic strategy, background material is readily available in compact, perspectival form.[12] When Dr. Kissinger states that instead of following autarchic policies, "in actuality the Soviet Union and its allies have come closer to acknowledging the reality of an interdependent world economy," he neither understands the traditional trade sieve of these totalitarian-controlled economies nor their temporary hunger for stepped-up productivity via the most advanced technology.[13]

Briefly, the dilemma of our position is in the timing of all this. Should we follow the simple mechanistic course of the present detente process and, hopefully, let "evolution" bring about the unstated or dubious low-keyed objectives of our foreign policy? [14] Or, in the nature of a poltrade policy that would minimize our risks and avoid the expenditure of billions of dollars in beefing up an essentially technocratic, militaristic, and truly imperialistic economy, should we exact increasing prices for this economic aid with human and national rights concessions consonant with our own principles and civilized values? With nothing substantially changed in the imperio-totalitarian framework of the USSR, prudence and historical common sense would dictate necessarily the latter course. Even in this early phase it is becoming patently evident that a manageable policy is urgently needed to monitor our technological flow to the USSR in the interest of our own security.[15]

In view of the USSR's great hunger for capital and time, the emigration concession has been a pithy, initial price to ask for. Since it was accepted by us at the dubious figure of 60,000 per annum and across-the-board of nationals in the U.S.S.R.—contrary to Kissinger's position—this measure of "liberalization" in the U.S.S.R. should, despite Moscow's renunciation of it, be maintained by Congress. However, this is no reason for not pressing for far more proportionate poltrade concessions.[16] They should include for the period ahead such objectives as: (a) the reunion of families and the elimination of extortionate Soviet duty taxes on relief packages; (b) in the spirit of religious freedom, the resurrection of the major Ukrainian Orthodox and Catholic Churches, which were genocided by Stalin; (c) as advanced by many prominent American scholars, consideration for the beginning of direct diplomatic relations with the national republics, Byelorussia and Ukraine for example (the '74 Summit agreement for the opening of a consulate in Kiev was a blunderous error); and (d) the surcease of psychiatric and labor camp incarceration of dissidents.

Indeed, in the wake of the Indo-China

Footnotes at end of article.

UMI

tragedy the time is now for a Select Committee on Captive Nations in Congress, with concentration on those in the U.S.S.R. Congress can and should take the lead in this massive education of our people about all the captive nations, especially those in the U.S.S.R. The greatest weakness and vulnerability of Moscow lies in the existence of these captive non-Russian nations within the U.S.S.R. itself. Moscow knows this, but our leaders scarcely appreciate it. A growing and determined interest in them, at first strictly along politico-educational lines, would in itself signal to the Kremlin that we mean business in developing a genuine detente. If it fails to respond, we, too, can proceed to engage in the Russian type of "peaceful coexistence," without fear of a nuclear war and in the knowledge that the captive nations are our firmest allies, even in the U.S.S.R. itself.

A genuine detente is one that permits competition for our traditional ideas and values on the terrain of an adversary who is firmly committed to ideologic, systen c warfare and global supremacy. To aid him by trade and deals of compromise in "solving" Free World problems virtually forecloses this competition without a poltrade policy aimed at the captive nations, particularly those in the U.S.S.R. and a broader policy designed to intensify the predominant forces of nationalism within the U.S.S.R. Let us not forget that our past errors of concept and misdirected action in the region of the U.S.S.R. saved Lenin's tyrannical regime and contributed to the demise of the independent non-Russian republics in the 20's, provided for the industrial foundations of the U.S.S.R. in the 30's, rescued this empire-state from destruction and enabled it to extend its empire in Central Europe, Asia, and Cuba in the 40's and 50's, and under cover of "detente" tolerated its basic implementation of Hanoi's aggression in the 60's and 70's. The perpetuation and repetition of such errors, as evidenced in the present detent process and its euphoric effects, could lead to our own destruction. We, too, could become a captive nation. This is fundamentally the real ground for despair in the West and confidence in the East.

FOOTNOTES

[8] E.g. Associated Press, March 1974.

[9] See Chapter 4 'Nations, Peoples and Countries in the USSR" and Chapter 5 "The ABC's on Russia and the USSR in *USA and The Soviet Myth*, Old Greenwich, Conn., 1971.

[10] *The Mutual Security Program*. Committee on Foreign Affairs, 1951, pp. 11–12.

[11] See, e.g., *Ukrainian Intellectuals in Shackles*. Ukrainian Congress Committee of America, New York, 1972, pp. 17.

[12] See Chapter 9, "The Russian Trade Trap" in *USA and The Soviet Myth*, 1971.

[13] *Secretary Kissinger's Statement on U.S.-Soviet Relations*. Special Report No. 6, Department of State, September 1974, p. 4.

[14] See President Richard Nixon, *Captive Nations Week, 1974. A Proclamation*. July 12, 1974.

[15] Linda Hudak. "Soviet Trade: Profit v. Policy," *The Washington Post*, December 8, 1974.

[16] See Lev E. Dobriansky. "The Empire-State of USSR—Chief Object of Poltrade," testimony, *The Trade Reform Act*, Senate Finance Committee, April 4, 1974.

SUMMER YOUTH RECREATION PROGRAM

The SPEAKER. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, tomorrow the House is scheduled to vote to override President Ford's veto of H.R. 4481, the Emergency Employment Appropriations Act of 1975. Providing a total of $5.3 million in new budget authority, the bill would create almost one million full and part-time jobs, as well as summer jobs for youths. I find it unconscionable that the President allowed nearly 2 weeks to pass before vetoing the bill. Had the veto immediately followed the bill's passage, Congress would have been able to either override the veto or refashion the bill before the Memorial Day recess. However, with this delay the planning efforts of local communities have been severely undermined—they enter the summer vacation period simply not knowing where they stand.

I would like to single out the success of one program included in the legislation as an example of the constructive impact this kind of emergency jobs program has had in the past. The Summer Youth Recreation program—formerly called the Recreation Support program—is designed to provide recreational/educational opportunities during the summer months to economically disadvantaged children too young to obtain employment. The program enables these children to participate not only in traditional playground events, organized sports and games, and arts and crafts activities, but also in such cultural and educational activities as cultural field trips, instruction in creative arts, and attendance at special events.

In Minneapolis, the program has been an integral component in the city's total summer recreation program. On one hand, it has furnished a constructive alternative to the idleness and inactivity which so often fosters delinquent behavior. On the other hand, it has enhanced the city's efforts to promote cooperative planning among its numerous private and public youth programs. More specifically, last summer, $44,000 in Federal funds allowed almost 29,000 children to participate in a wide array of activities. Ranging from tennis to swimming lessons to juggling and puppet shows, from innertube floats and horseback riding to visits to the public library and the Guthrie Theatre, these activities have presented many children with opportunities usually not available to them.

The program's success in Minneapolis has been mirrored in cities throughout the country. It stands as an example of the kind of benefits the emergency jobs bill can provide. I strongly urge my colleagues to vote to override the veto of this urgently needed legislation. There follow letters or support from four youth service agencies in Minneapolis and a program description drafted by the Minneapolis public schools' department of community education:

POLICE AND COMMUNITY ACTIVITY PROJECT,
Minneapolis, Minn., May 9, 1975.

Congressman DONALD M. FRASER,
Washington, D.C.

DEAR CONGRESSMAN FRASER: The Police and Community Activities Project has been involved with the RSP (Recreation Support Program) for the last two years. The program has been a great asset to our Center, but most of all, an asset to kids who derive the most benefit from the RSP. There is no way our programs would be able to fill the gaps that the Recreation Support Program filled the last two years.

Our agency strongly supports the continuation of the Recreation Support Program. This program has met many of the recreational needs for inner-city recreational programs. It is a vital program that should be continued if at all possible.

Sincerely,

JAMES R. DIAZ,
Recreation Coordinator.

MINNEAPOLIS PUBLIC SCHOOLS,
Minneapolis, Minn., May 5, 1975.

Hon. DONALD M. FRASER,
House of Representatives,
Washington, D.C.

DEAR MR. FRASER: Again we come to you, as we have for so many years in the past, and seek your support for the 1975 Summer Youth Recreation Program. This was previously known as the Recreation Support Program. Enclosed please find a tabloid, which shows the effort of the Minneapolis Public Schools working in community with all community groups to maximize to our boys and girls in the inner city a program which will help not only to enrich their lives, but to make summer days seem short and full of enjoyment. The Summer Youth Recreation Program (page 11 of the tabloid) is a part of this great effort. If these funds do not become available to us for our children, a great part of this program will be cut out. Transportation, free admission to the Twins and cultural activities, art supplies, and so much more, will be phased out of the planned program.

I know your great support for this program, and for that we are thankful. Please encourage your colleagues in the Congress to move with haste on this very vital legislation so our planning will not be in vain.

Sincerely yours,

PAUL BORANIAN,
Director.

MINNEAPOLIS MODEL CITY PROGRAM,
Minneapolis, Minn., April 30, 1975.

Re: RSP Program appropriations
Rep. DONALD M. FRASER,
Washington, D.C.

DEAR CONGRESSMAN FRASER: The relatively small amount of Recreation Support Program monies spent in the city of Minneapolis each summer and the outstanding success of the program leads me to believe that some element of evaluation is missing each year. Here is a program in which scores of agencies are represented, thousands of youth participating, and very little administrative overhead is involved yet each year it seems the appropriation gets stalled in the House. Your personal interest and efforts to enact passage are very much appreciated but I am a bit curious about why this program seems to run into some problems each year. Perhaps, our experiences here are not indicative of the RSP nationwide.

In Minneapolis through the cooperative efforts of public and private agencies, the opportunities for quality recreation for inner-city youth are realized through RSP funding. The coordination and cooperation of programming is excellent and the money stretches by at least doubling or tripling itself through in-kind matches in services and program. It is a showcase project.

Thank you again for your efforts, and I personally look forward to working with this excellent program once more.

Sincerely,

BILL LAWSON,
Recreation Director.

OFFICE OF CITY COORDINATOR,
Minneapolis, Minn., May 12, 1975.

Hon. Congressman DONALD M. FRASER,
Washington, D.C.

DEAR CONGRESSMAN FRASER: The City of Minneapolis has participated in Recreation Support Program (RSP) for the past four years. We have found this program to be beneficial for participants in our city. Recreation Support Program has assisted in the coordination of our youth serving agencies as well as being an asset to the agencies summer programs. The funds received through this program have enabled many inner city youth to have broader experiences in the areas of cultural arts, camping, tennis, crafts, and be exposed to other special events held at various points of the city. We urge you to support this program and seek funding for the summer of 1975.

Sincerely,

RICHARD KELLEY,
Youth Coordinator.

RECREATION SUPPORT PROGRAM,
Minneapolis, Minn.

GENERAL NARRATIVE

The Recreational Support Program for the summer 1974 was a joint venture among the City Youth Coordinator/staff, the Community Education Department of the Minneapolis Public Schools, the Minneapolis Park Board and the youth serving agencies in the city.

Approximately 28,868 Minneapolis youngsters, ages 8 to 14, received recreational services provided directly through the Recreational Support Program (R.S.P.). The Community Educational Services Department of the Minneapolis Public Schools provided coordination at no cost to the project. This program was aimed at poverty area boys and girls, and attempted to provide some expanded or "extra" recreational services for each of these youngsters during the summer. The funds allocated to Minneapolis R.S.P. were used for transportation, tickets to events, art instruction, art supplies, sports programs, tennis instruction, a camp orientation program and for extra youth crew leaders.

The R.S.P. is intended as a supplement to ongoing summer recreation programs of public and private recreation agencies which serve these youngsters. A secondary aim of the R.S.P., besides planning recreation programs for 8 to 14 year olds and providing on-the-job training for 14 to 18 year old N.Y.C. workers, is to stimulate big-city planning and cooperation among the major youth serving agencies. Representatives from the city's various agencies develop these summer plans on a year round basis.

The funding this year, from the Department of Labor, was cut to $44,220 (from $65,000 last year). The decrease resulted because the total federal funding was divided among 410 cities instead of 100 as last year. The amount for this region was also shared among several counties; the total funding came through our local consortium which administers manpower programs.

The approximate $20,000 cut in funds forced the Minneapolis R.S.P. city-wide planning committee to reallocate funds, and cut various aspects of the program. For example, the entire van (small group trips) program was cut this year; this plan formerly provided transportation for small groups of children to local events and program sites (1,070 trips in 1973 moved 6,795 kids). Administration costs were cut by 25%, N.Y.C. crew leaders by 10%, supplies and performances by 10%, as well as most other programs, in the R.S.P. These cuts, combined with the late starting date (July 1) which made agency planning very difficult, drastically reduced the number of children served this year compared with 1973 when we received $63,000 on time.

In 1973, 44,224 children received direct services and 28,868 children in 1974.

In 1973, 50,000 children received assisted program and 41,000 in 1974.

Coordination for field trips was provided at no cost by the Transportation Department of Minneapolis Public Schools. All buses were contracted by city-bid process for lowest cost. As a result of the free tickets and transportation provided through the R.S.P., poverty area children were able to visit metropolitan sites unique to this area, but usually unavailable to them.

The Minneapolis Park Board coordinated leadership for cultural events as well as for the ticket program. Weekly announcements of exact dates and locations appeared in the Sunday Tribune under Park Board Calendar of events. Cultural events included performances by the Powderhorn Puppet Theatre, the Story Talers, Dan Priest (juggler), and so forth.

The R.S.P. also supplemented sports activities by providing participating youth working agencies with extra equipment such as balls, bats, gloves, tennis rackets, pingpong sets, etc., all not included in regular programs currently operating.

Free tennis lessons were offered in a program co-sponsored by the N.W. Tennis Assoc., the Minneapolis Public Schools, the Pepsi-Cola Co., and the R.S.P. These lessons were for 8 to 18 year olds and provided Monday through Friday morning at the following sites: Powderhorn, Stuart, Seward, Martin Luther, Peavy, Brackett, Bottineau, Fairview, Folwell, Windom, and Logan. Children needed only to come to these sites to sign up with the instructor.

Art supplies were added, by the R.S.P., to ongoing arts and crafts programs to feature materials usually not available in inner-city recreation programs. Such supplies included materials for pottery, leather work, and sculpturing.

A camp orientation and preparation program was available at Stuart Wells camp in cooperation with administration by Suburban Recreation Association, in order that innercity youngsters may become acquainted with camping procedures, and experiences before they participate in actual camping program.

Extra facilities, such as the Phillips Jr. High School pool and also 10 inner-city parks were kept open for an additional two weeks with R.S.P. funds, through August 9. These major public owned facilities would normally close the first of August from the lack of funds but could be open during this extra period.

PROGRAM SUMMARY SHEET

R.S.P. programs ran from July 1 to August 23. Program participation summaries are listed below:

I. NYC Involvement

There were 350 NYC boys and girls working directly in the R.S.P. They had assignments at parks, community schools, settlement houses and other youth serving agencies, as well as in special programs such as the tennis lessons, crafts and sports activities.

II. Children ages 8 to 14 receiving direct R.S.P. services:

A. Chartered bus trips . . . 175 trips moved 9,192 children to major recreation sites and events in the metro area (some times further on special occasions).

B. Free ticket program, organized through the transportation unit visited 109 ticketed events and serviced 4,156 children.

C. Cultural events, planned by the Mpls. Park Board, provided 77 performances with 17 different programs for 5,085 children.

D. Tennis at city parks served 600 with instruction at 11 different sites.

E. Camp Orientation Program served 155 prospective campers with basics needed for their first camping experience.

F. Phillips swimming pool was extended two weeks serving 4,600.

G. Sixteen inner-city parks were extended for one extra week through August 19.

H. Shrine All Star Football Game 380 children.

Total, 28,868 *. Children/Direct R.S.P. Service.

III. Major participating agencies received $16,303.32 in art and athletic supplies. They reported over 20,000 art/craft services and over 21,000 athletic services provided as a result of these additional supplies.

Total, 41,000. Children/Assisted Programs.

IV. Agencies report that approximately 7,000 individual memberships, children ages 8 to 14 from poverty areas, participated regularly R.S.P. events; that 9,000 were reached by one or more activity during the summer.

* The decrease in participants in the 1974 R.S.P. from 1973 reflects the decrease of $20,000 in funds between the years (15,356 fewer children/direct R.S.P. program services).

ISRAEL MAKES AN EXTRAORDINARY GESTURE OF PEACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WAXMAN) is recognized for 5 minutes.

Mr. WAXMAN. Mr. Speaker, yesterday morning, Prime Minister Yitzhak Rabin of Israel, in an extraordinary gesture of peace to Egypt, announced that Israel would thin out her forces along the disengagement line in the Sinai, and withdraw most of her heavy artillery to a point some 20 miles from the Suez Canal, coincident with Egypt's reopening of the canal on June 5, 8 years to the day after it was closed by the Six Days' War.

Israel's action at this time brings a warm reassurance to all. It reaffirms the continuity of American efforts for peace in the Middle East, and seeks to evoke a reciprocal response from Egypt.

The opportunity is at hand for President Sadat to return the gesture, to brighten this glimmer of hope and responsibility. A declaration by Egypt that the Suez Canal will be open to Israeli-bound cargo, if not Israeli ships themselves, would be the strongest indication that Israel's message has been received, understood, and welcomed. The time is ripe for the courage of a statesman true to his words to give them the force of deed.

This unilateral move by Israel indicates in the clearest terms Israel's desire to reestablish the momentum toward peace. Israel's action has matched her word that she is prepared to go to extensive lengths in order to achieve peace.

For weeks, many have clamored for some sign, some statement, some indication on Israel's part that she remains an open and flexible participant in the search for peace.

Yesterday's events demonstrate in the most graphic terms Israel's dual commitments toward peace and the furtherance of American initiatives among the nations in the area for a resolution of the Middle East dispute.

Israel's gesture stands in stark contrast to the messages sent by others during moments of delicate negotiation. Just prior to Secretary Kissinger's last diplomatic effort in March, Palestinian terrorists embarked on a murderous mission at the Savoy Hotel in Tel Aviv. The Palestine Liberation Organization's announced intention was to sabotage Secretary Kissinger's diplomacy, making

UMI

plain for all the world—as if it needed another reminder—the PLO's true intentions regarding peace.

Israel has taken a courageous step and sent Egypt a signal. Egypt now has a unique opportunity to strengthen the flexibility of Israel's hand in the peace negotiations by opening the Suez Canal to her ships and cargoes.

CONGRESSMAN McFALL CALLS FOR CONGRESSIONAL ACTION ON ENERGY AND PROPOSES A PREEMPTIVE STATE GASOLINE TAX AMENDMENT TO THE ENERGY BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized 15 minutes.

Mr. McFALL. Mr. Speaker, the House has scheduled action on the energy bill for next week with several days allotted for debate. A matter of such far-reaching importance to our long-term economic well-being and national security deserves to be considered in an atmosphere of calm and purposeful deliberation.

On an issue of this magnitude, we must legislate correctly rather than quickly. It would be folly to legislate just to meet some arbitrary deadline. The difference of a week or a month in enactment is inconsequential compared with the magnitude of the disaster that could befall our economy and our national security if we legislate hastily and poorly. We must take our time and think things through. The public interests demands no less than our full concentration and our best efforts on this critical piece of legislation.

The Ways and Means Committee has worked hard to provide us with a comprehensive, thoughtful and well-drafted piece of legislation for floor consideration—a measure capable of becoming the cornerstone of a new national energy policy.

I support this bill's general approach to our energy needs. However, I do feel that a state preemptive gasoline tax is an absolutely essential part of the package to assure that State transportation programs are not brought to an abrupt halt.

My amendment would permit a State, by enacting its own gasoline tax, to preempt 1 cent of the 3-cent Federal increase to be levied in 1976 and 20 percent of any additional increase in Federal gasoline taxes to be imposed by this bill. States would be required to use these preempted gasoline tax revenues for highway or mass transit purposes consistent with State law.

The need for congressional action on energy is underscored by the additional $1 tariff on oil imports imposed by the President effective June 1. The tariff has now been increased $2 a barrel by Executive action since February. President Ford announced the increase May 27 and said that he will also soon submit to Congress his plan to decontrol the price of domestic old oil.

The combined effect of these moves will be to increase the price of fuel sharply, not only for gasoline but for home heating and cooling and for all other energy uses, including job uses in industry and farming. The head of the Federal Energy Administration freely admitted over the weekend that the administration's intention is to drive up the price of gasoline to 70 cents a gallon.

Obviously, the administration's policy of raising the base price on a barrel of oil is also going to produce indiscriminate, across-the-board increases for all kinds of fuel uses.

The result, as Hobart Rowen pointed out in a cogent article in the Washington Post, Sunday, June 1, will be to "raise hell with the economy."

Mr. Rowen says that the tariff increase and the decontrol of old oil "will have an enormous inflationary effect on the economy. They also raise serious questions about recovery from recession."

The extra dollar in tariff now makes the average price of imported oil about $13.50 a barrel. Mr. Rowen calculates that the decontrol of domestic old oil will permit the present controlled price of $5.25 a barrel to shoot up to $13.50 and set the pattern for parallel increases in unregulated natural gas, coal, and other energy sources. He cites a Congressional Research Service study which shows that the $2 in tariff increases since last February will cost about $18 to $24 billion a year, including the ripple effects on other sectors of the economy. The same study says that the decontrol of old oil would add a similar $24 billion burden to the economy. Together, the increase in energy prices would boost the inflation index by 3.75 to 4.75 percent when all costs are fully effective in 2 years, Mr. Rowen said.

The article also pointed out that President Ford's original proposal for a windfall profits tax has been modified to include a plowback feature which, as Mr. Rowen says:

> Means that there will be no meaningful windfall profits tax on those who reinvest in energy production—which they would be doing anyway because of the incentive of high prices.

Of course, none of this takes into account the $2-a-barrel price increase that the OPEC countries are talking about. That would raise the average price of imported oil to $15.50 a barrel and touch off similar increases for decontrolled domestic oil, unregulated natural gas, coal, and other forms of energy.

This energy cost explosion can only produce another sharp round of inflation as the higher energy prices make themselves felt in all other sectors of the economy. This course leads to disaster, and it is up to the Congress now to substitute a positive and constructive program while there is still time to act.

The plan now is for H.R. 6860, the Energy Conservation and Conversion Act reported by the Ways and Means Committee, to be scheduled for action next week. I will support this bill with an amendment that I intend to offer providing for a State preemptive gasoline tax.

This amendment deals with a matter of critical concern to the States: the maintenance of adequate State funding for highway and mass transit projects.

The highway program in my own State of California is having severe difficulties. Just last month, the State stopped all of its State-only highway projects, even the smaller ones. The State's highway money is now being used only for Federal matching funds projects, and even that is beginning to run low. According to some estimates, the State will no longer be able to meet even its matching funds needs by 1980. If nothing is done, the highway program in California would come virtually to a standstill.

The State Department of Transportation informs me that it is now in the process of reevaluating and eliminating projects which previously had been scheduled for future-year construction. In short, the highway program in California is in serious trouble, as I am sure it is in many other States, and H.R. 6860, in its present form, would do nothing to alleviate it. In fact, the gasoline tax feature, with no provision for State sharing, would only add to the problem by making it nearly impossible for the States to pass new gasoline taxes of their own.

I am sponsoring this amendment in response to a request for assistance from the National Governors' Conference. The Governors are deeply concerned about the effects of the proposed Federal gasoline tax on State finances. A group of Governors headed by Calvin Rampton of Utah, Chairman of the National Governors' Conference, came to see me on May 16, and we talked over possible remedies. As a result, I had printed in the RECORD several possible amendments, each representing a different approach to the problem. After giving the matter careful consideration, including consultation with my colleagues here in the House, many talks with the California Department of Transportation and further discussion with the Governors' Conference office in Washington, I have settled on this preemptive State gasoline tax amendment as the one which would permit us to enact this legislation and at the same time provide the best and fairest opportunity for the States to share in the gasoline tax revenues and to shore up their end of the matching-fund programs.

Among the ideas considered earlier and discarded was a straight pass-through of a portion of the new gasoline tax revenues from the Federal Government to the States. No action by the State would have been required; the shares would have been remanded automatically by the Secretary of the Treasury to each State. This is quite similar to the revenue sharing approach. I myself would oppose this method of passing along part of the new gasoline tax revenues with no initiative from the States, and I do not think that this approach could muster much support at all in the House.

The Governors' Conference informs me that many of the States favor no gasoline tax increase at all. I would expect that there will be a motion to strike on the House floor. If it carries, of course, that resolves the issue. If it fails, I think this would leave the State preemptive tax as the best course by which States could claim a part of the new gasoline revenues.

The Governors themselves are going to be meeting again in New Orleans next Sunday, June 8. They are expected at that time to evaluate the various gasoline tax proposals and hopefully agree among themselves on a united course of action. We would then have a clear idea of support among the Governors for my State preemptive tax amendment or for another approach.

The State preemptive tax is amendment No. 4 on the list that I had printed in the RECORD on May 19. I am asking that this amendment be reprinted in the RECORD today to correct an error in printing and to provide a technical clarification.

I want to make it absolutely clear that revenues from the State preemptive gasoline and special fuels taxes may be used at the discretion of the State for any highway or mass transit purpose consistent with State law. Revenues from the State preemptive taxes would be collected and retained by each State; the money would never pass through the Federal Treasury; it would not be subject to any other Federal law governing general funds use or highway trust fund use. This amendment seeks neither to enlarge nor diminish the range of options that States now enjoy through the Federal transportation aid programs, including highway trust funds and mass transit assistance. The purpose of my amendment is simply to permit the States to share in the new gasoline tax revenues from H.R. 6860; the range of uses to which the State may put these funds is not to be affected by my amendment.

The States could use this money for any purpose authorized by State law for the use of gasoline tax funds.

This means that in those 10 States which limit all gasoline tax revenues to highway purposes, that rule would prevail with regard to these new revenues from H.R. 6860. States which permit the use of gasoline tax money for mass transit construction or operating assistance would retain that option under my amendment. The choice of use would remain with the State, with the requirement that the funds be used for planning, construction, or maintenance of highways or mass transit systems. The mass transit "maintenance" option would include operating assistance in States whose laws provides that gasoline tax revenues may be used for that purpose. This is in keeping with the sound rule of thumb that user tax revenues should be reserved for user purposes.

Essentially, my amendment would permit States to claim a part of the gasoline tax increases proposed by H.R. 6860. By enacting a preemptive State gasoline tax, a State could retain a maximum of 1 cent of the 3-cent gasoline tax increase which would be imposed on January 1, 1976, and up to 20 percent of the additional graduated formula tax which may be imposed beginning on April 15, 1977. The graduated formula tax in H.R. 6860 is a maximum of 20 cents, so a State could claim as much as 4 cents if the full amount of the tax is levied.

Under the bill, the graduated tax would be levied if the Federal Energy Administrator determines that the domestic consumption of gasoline in 1976 or in any succeeding year exceeds the domestic consumption for 1973. If the increase is less than 1 percent, the additional graduated tax would be 5 cents; if it were between 1 and 2 percent, the graduated tax would be 10 cents; if it were between 2 and 3 percent, the graduated tax would be 15 cents; if it were more than 3 percent, the graduated tax would be 20 cents. According to a graph from the Ways and Means Committee, gasoline consumption in 1973 was about 6.67 million barrels a day, and we are expected to come very close to that in 1975.

The remaining 2 cents of the 1976 gasoline tax increase would go into the Federal Energy Conservation and Conversion Trust Fund established by this legislation to develop more efficient uses of energy. The 80-percent Federal share of the graduated formula tax would be available for refunds to individuals and businesses, in the form of income tax credits, as proposed by H.R. 6860. Should any funds remain after the refunds, they would also go into the Energy Trust Fund.

I am also offering a companion amendment that would provide for the same kind of State preemptive tax on special fuels.

Governors across the country are concerned that any significant increase in the Federal tax on gasoline would effectively prevent enactment of any State gasoline tax increases. State highway programs and mass transit projects are already suffering from the effects of inflation and the financial squeeze that is cutting into State and local government services across the board.

Many States are already having difficulty raising their matching shares for Federal aid-highway and mass transit projects. Congress has already passed and sent to the President a bill (H.R. 3786) which would permit States to borrow their matching shares from existing apportionments for Federal aid-highway projects. Relief such as this can only be temporary. In California, the effect of the bill will be minimal, because California has been good about putting its apportionment to use and, therefore, has very little to borrow from. In addition, the money must be paid back with non-Federal funds by January 1, 1977, and in California there is little hope that the highway fund situation will be any better then than now.

This should show us how unfair and self-defeating it would be to undercut State chances to raise further gasoline tax revenues on their own.

Further, it should be apparent that the President's proposal to push the gasoline tax to astronomical heights is neither a fair nor an effective way to cut down on consumption of gasoline. People in my district, especially in the mountainous areas where mass transit is virtually impossible, and people in many other areas of the country are forced to rely on their automobiles to get to their work, to do their grocery shopping and to take care of other essentials. The penalty of a high gasoline tax would fall most heavily on these users who have no choice but to pay it. They would be forced to bear an unfair part of the burden of reducing gasoline and fuel consumption.

The adverse effect of a Federal gasoline tax on State transportation finances is eventually going to come back and haunt the Congress. If an additional gasoline tax is to be levied, its revenues should be shared by the States. That is what my amendment would do. I ask my colleagues in the House to support this approach to the resolution of a very difficult Federal-State problem and to make it part of the comprehensive energy program envisioned by this legislation.

I am including in the RECORD the full texts of the State preemptive gasoline tax amendment and the special fuels preemptive tax amendment:

AMENDMENTS TO H.R. 6860, AS REPORTED, OFFERED BY MR. McFALL

Page 31, line 5, strike out "States.' " and insert in lieu thereof "States.".

Page 31, insert immediately after line 5, the following:

"(c) REDUCTION OF RATE IN CASE OF QUALIFIED STATE GASOLINE TAX.—

"(1) IN GENERAL.—The rate of the tax, which, but for this subsection, would have been imposed by this section on the sale of gasoline in a State which, at the time of such sale, has a qualified State tax with respect to gasoline shall be reduced by the qualified State tax increase on such gasoline.

"(2) LIMITATION.—The rate of tax imposed by this section may not be reduced under this subsection—

"(A) if the rate of such tax is 3 cents per gallon, by more than 1 cent per gallon; or

"(B) if such rate is more than 3 cents per gallon, by more than the sum of—

"(i) 1 cent per gallon, plus

"(ii) 20 percent of the amount by which such rate exceeds 3 cents per gallon.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED STATE TAX.—A tax imposed by any State on the sale of gasoline subject to tax under this section shall be treated as a qualified State tax if the Secretary determines that—

"(i) such tax is not substantially different from the tax under this section,

"(ii) a qualified State tax increase exists with respect to the tax imposed by such State, and

"(iii) the net receipts of the State from such qualified State tax increase will be available only for purposes of planning, constructing, or maintaining highways or mass transit systems.

In making such determination, net receipts from any qualified State tax increase shall not be treated as available for the purposes referred to in clause (iii) if the Secretary finds that funds of the State available for such purposes will be diverted for other purposes because of such tax increase.

"(B) QUALIFIED STATE TAX INCREASE.—The term 'qualified State tax increase' means, with respect to any State, the amount by which—

"(i) the rate (per gallon) of tax imposed by such State on the sale of gasoline subject to tax under this section, exceeds

"(ii) the rate of tax (if any) which was imposed on May 19, 1975, by such State on such a sale.

"(4) APPLICATION OF SUBSECTION.—For purposes of this title, the rate of tax in effect under this section shall be such rate as in effect for the State in which the gasoline was purchased by the user."

UMI

AMENDMENTS TO H.R. 6860, AS REPORTED OFFERED BY MR. MCFALL

Page 32, insert immediately after line 25, the following:

"(d) REDUCTION OF RATE IN CASE OF QUALIFIED STATE SPECIAL FUELS TAX.—

"(1) IN GENERAL.—The rate of the tax, which, but for this subsection, would have been imposed by this section on the sale or use of any fuel in a State which, at the time of such sale or use, has a qualified State tax with respect to such fuel shall be reduced by the qualified State tax increase on such fuel.

"(2) LIMITATION.—The rate of tax imposed by this section may not be reduced under this subsection—

"(A) if the rate of such tax is 3 cents per gallon, by more than 1 cent per gallon; or

"(B) if the rate of such tax is more than 3 cents per gallon, by more than the sum of—

"(i) 1 cent per gallon, plus

"(ii) 20 percent of the amount by which such rate exceeds 3 cents per gallon.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED STATE TAX.—A tax imposed by any State on the sale or use of a fuel subject to tax under this section shall be treated as a qualified State tax if the Secretary determines that—

"(i) such tax is not substantially different from the tax under this section.

"(ii) a qualified State tax increase exists with respect to the tax imposed by such State, and

"(iii) the net receipts of the State from such qualified State tax increase will be available only for purposes of planning, constructing, or maintaining highways or mass transit systems.

In making such determination, the net receipts from any qualified State tax increase shall not be treated as available for the purposes referred to in clause (iii) if the Secretary finds that funds of the State available for such purposes will be diverted for other purposes because of such tax increase.

"(B) QUALIFIED STATE TAX INCREASE.—The term 'qualified State tax increase' means, with respect to any State, the amount by which—

"(i) the rate (per gallon) of tax imposed by such State on the sale or use of the fuels subject to tax under this section, exceeds

"(ii) the rate of tax (if any) which was imposed on May 19, 1975, by such State on such a sale or use.

"(4) APPLICATION OF SUBSECTION.—For purposes of this title, the rate of tax in effect under this section shall be such rate as in effect for the State in which the fuel was purchased (or used) by the user."

Page 33, line 1, strike out "(d)" and insert in lieu thereof "(e)".

Page 33, line 9, strike out "(e)" and insert in lieu thereof "(f)".

AMENDING THE NEW HOUSING CREDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. HARRIS) is recognized for 5 minutes.

Mr. HARRIS. Mr. Speaker, today I am introducing legislation to amend the 5-percent investment tax credit on the purchase of new homes, contained in the Tax Reduction Act of 1975.

On April 9, 1975, the IRS issued guidelines for interpreting the tax credit which confirmed what many had suspected since the passage of the tax cut bill—that there are inequities in the law. The intent of the new housing credit was, of course, to clear the inventory of unsold new homes and to put construction workers back on the job. Unfortunately, a number of new housing units which would otherwise qualify for the tax credit do not qualify by virtue of their previous offering at a lower price.

This stipulation in the bill was written to prevent a seller's jacking-up the price of housing in anticipation of the investment tax credit. However, due to the depressed nature of the economy and the lack of affordable mortgage money, many new homes have gone unsold for as long as 2 years or more. Naturally, the price of building or buying a new home has risen during that time. This is particularly true in my district in northern Virginia where there are so many condominium and planned communities.

Under the present law, if a homebuilder offered a particular model for sale at $32,500 18 months ago, and costs have risen $2,000 during the interim period, he must take the $2,000 loss in selling the house today, or else the buyer cannot qualify for the credit.

My bill removes the "lowest price ever" provision in the bill, and makes the tax credit available on homes which have not been raised in price this year.

The tax credit approach may not be the best approach to reversing the housing market—I prefer action to lower interest rates—but it has worked in cases where it applies. My bill would extend coverage and make more homes available to average families.

I urge the support and invite cosponsoring by my colleagues.

The bill is as follows:

H.R. 7532

A bill to amend section 44 of the Internal Revenue Code of 1954 (relating to credit for purchase of new principal residence) to provide that the lowest offering price requirement be limited to offers after December 31, 1974, and to expedite the prescribing of final regulations on such section 44

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 44(e)(4) of the Internal Revenue Code of 1954 (relating to certification required for credit for purchase of new principal residence) is amended by striking out "lowest price at which the residence was ever offered for sale" and inserting in lieu thereof "lowest price at which the residence was offered for sale after December 31, 1974."

(b) Section 208(b) of the Tax Reduction Act of 1975 is amended by striking out "was ever offered for sale" each place it appears and inserting in lieu thereof "was offered for sale after December 31, 1974".

SEC. 2. The amendments made by the first section of this Act shall apply to principal residences (within the meaning of section 1034 of the Internal Revenue Code of 1954) sold or exchanged after December 31, 1974, in taxable years ending after such date.

SEC. 3. The Secretary of the Treasury or his delegate—

(1) not later than the 15th day after the date of the enactment of this Act, shall publish proposed regulations relating to section 44 of the Internal Revenue Code of 1954,

(2) during the 30-day period beginning on the 16th day after such date of enactment, shall afford an opportunity for public hearings and comments on such proposed regulations, and

(3) not later than the 75th day after such date of enactment, shall prescribe and publish regulations relating to such section 44.

GIVE ME YOUR HAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AUCOIN) is recognized for 5 minutes.

Mr. AUCOIN. Mr. Speaker, recently I had the pleasure of reading an essay delivered by a young man in my congressional district—an essay for which he won second place in the Optimist Club's district oratorial contest. The piece—by Robert Faber—is entitled "Give Me Your Hand" and it is about America's teenage youth.

Too often these days when an article is written about America's teenagers it paints them as a mischievous group of troubled adolescents. Young Faber—an eighth grader at Brown Junior High School in Hillsboro—chose to look at the good in America's teenagers. And I must say that he does an excellent job. He shows us the spirit that is America's teenager, the exuberance, and the hope which they represent for our country.

I would like to enter here the full text of Robert Faber's essay, and I commend it to my colleagues as an inspiring message about the values and potential of this "new generation" of Americans.

Give me your hand. I would like to introduce myself to you. I am an American teenager. My interests are many, but above all, I have a spirit within me that glows like an open fire. This spirit is helping to build our nation today.

Give me your hand, and let me walk with you through the many forests and cities in our land, for I really want you to know me.

On the West Coast in a junior high school, 950 students joined hands in the spirit of helping others and raised nearly a thousand dollars. This money was sent to the children of Honduras who were flood victims of a great disaster. With that same spirit, these children will buy seeds and raise food to help feed the people of Honduras.

Near the Atlantic Coast, a Boy Scout troop made its project of cleaning a river and its banks. Their physical energies accomplished what many just talk about. And all over these United States teenagers are volunteering their time as aides in hospitals, working with the handicapped, and the mentally retarded. Bike-a-thons and walk-a-thons are a popular way we teenagers help others. Thousands of dollars are raised each year through America's Youth.

"Give me your hand" many teenagers are saying to the elderly. In many communities, teenagers are the "guardian angels" of the very old and the sick. They check in each day with their adopted senior citizens to make certain that this newly adopted loved one is having a good day.

Today, when so many people are talking about dropouts, I just want you to know that there are many of us who are really tuned in to life—who have developed their own ham radio stations, are joining swim teams, entering different forms of competition, and are disciplining themselves on the golf course. There is a spirit in the American teenager and it's on the move!

The spirit of the American teenager can best be illustrated by picturing with me a giant orchestra—just imagine—50 musicians, ready for the opening night, and the audience is silent in anticipation.

It has taken hours and hours of preparation to learn the music and to work as a team. Teenagers, through endless efforts, become teams working together for athletic achievements, music awards, scholastic skills and part-time jobs.

As the orchestra warms up and begins to play in harmony, it reminds me of teens who work through organized methods to accomplish a goal in harmony with society.

The orchestra brings to the audience the pleasure of listening to beautiful music—sounds which are pleasing to the ear.

The sounds of the teenager can be heard through their voices on local radio stations, the bugler playing "Taps" at a camp, the sound of the chain saw with teenagers helping in the forests.

The impact of the American teenager working in harmony is tremendous! It is giving! It is giving of yourself to others! It's growing! It's growing in harmony! It's like Wilfred Peterson once said in his essay on the art of giving:

The art of giving encompasses many areas. It is an outgoing, overflowing way of life. We give of ourselves when we give gifts of the heart: Love, kindness, joy, understanding, sympathy, tolerance, forgiveness . . . We should give of ourselves with the radiant warmth of sunshine and the glow of the open fire. The finest gift a man can give to his age and time is the gift of a constructive and creative life.

INTRODUCTION OF LEGISLATION IN THE HOUSE OF REPRESENTATIVES TO IMPROVE SUMMER FEEDING PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, I am today introducing legislation to provide an improvement and continuation of the summer feeding program provided under section 13 of the National School Lunch Act. The bill I am introducing is similar to amendment No. 361 to S. 850, introduced by the chairman of the Senate Select Committee on Nutrition, the Honorable GEORGE MCGOVERN, and described on pages 10977–10978 of the CONGRESSIONAL RECORD of April 21, 1975.

The section 13 program was scheduled to expire on June 30, 1975. It was decided that the many improvements we wanted to make in the summer feeding program could not be enacted in time for the Department of Agriculture to conduct an orderly program this year. Therefore, in S. 1310, the Congress provided for a relatively straightforward 90-day extension of the program.

The other portions of the old section 13 special food service program, which provided lunches for low-income preschool children during the regular school year, are continued in H.R. 4222, a bill to extend a number of provisions of the School Lunch Act and which is now pending before the Senate Agriculture Committee.

It is now imperative that the Congress consider legislation to overhaul and improve the summer feeding program, so that the Department may adequately plan for next year. A well-run program is vital, not only on behalf of the taxpayer's interest, but on behalf of the low-income children who often depend on this program as their only source of sound and nutritious food during the summer months.

The summer feeding program has aided millions of low-income children during the past 7 years. But as the original sponsor of this legislation, I am the first to admit that the program could be improved. Indeed, a program set up for 3 months of the year and run by volunteers and community groups in low-income neighborhoods is, by definition, a challenge.

I must say, Mr. Speaker, that I believe that some of the top management at the Department of Agriculture have purposefully obstructed and delayed the summer feeding program—impounding through red tape—literally taking food from babes. With a better will at the Department, the program could have been improved administratively. The new legislation which we consider must spell out the details of administration to prevent further obstruction by certain Department officials.

In an effort to insure a better summer feeding program, in June of 1973, I requested the General Accounting Office to conduct a study of the summer feeding program. After field visits to six major cities and after a careful study of the program, the GAO issued its report on February 14, 1975. The report, entitled, "An Appraisal of the Special Summer Food Service Program for Children" (RED–75–336), is one of the most constructive GAO reports I have ever received.

Basically:

GAO's observations of 1973 program operations in six cities showed that the program generally accomplished its objectives of providing nutritious meals to many eligible children.

But all too many children are going unserved. As the GAO noted, an average of 8.8 million needy children per day received free or reduced price meals at schools during the 1972–73 school year. The summer program, however, only served 1.5 million meals during its peak July week.

There are a number of reasons for this failure to reach needy children—and the bill I am introducing in the House of Representatives today is designed to meet these problems. First, in the past, each State received an allocation based on the number of children in families with incomes under $3,000. This set "poverty" figures allocated disproportionate amounts of limited section 13 funds to certain States. The result was that some States had more money than they could use—while big States like Ohio were often $1 million short of necessary funds. By the time the Department reallocated funds, it was often too late to plan a sound, expanded program. Second, there were no funds for "outreach" or making known the availability of the program to community groups in low-income areas. Third, the program was limited to areas where 50 percent or more of the families were low-income or there was a concentration of 50 percent-plus of working mothers. This 50-percent requirement eliminated many geographical areas where there were small pockets of poverty or rich and poor families were intermixed. Members of Congress can imagine the inequities created by this requirement by considering the situation here in the District of Columbia and in the Southwest and on Capitol Hill.

The proposed amendments—

First, eliminate the allocation formula and provide that "any eligible service institution shall receive the summer food program upon its request."

Second, provide "that States shall undertake effective outreach to inform institutions in low-income areas of the availability of the summer food program and to reach the maximum number of low-income children who are served free or reduced price school lunches during the school year."

Third, by lowering the 50-percent low-income requirement to areas "in which at least 33⅓ percent of the children are eligible for free or reduced price school meals." I do not believe that this change will result in any abuse of the program. The program does not provide gourmet meals that might bring middle and upper income children to the food centers—they are simple nutritious meals that are not subject to abuse.

One of the major problems in the program has been the lack of administrative control and supervision by both the States and the local program sponsors. Under the proposed amendments, an amount equal to 2 percent of the amount distributed to each State shall be provided to aid in State administration and supervision. In addition, a specific amount for administrative expenses is provided for each lunch, breakfast, and meal supplement served by local program sponsors. Perhaps equally important, "start-up" funds would be provided to insure that sponsors can adequately plan and train for the summer. This provision is in accord with the following GAO recommendations:

The Service suggested that the administering agencies establish time-phase schedules for various planning actions, including the training of administrative and operational personnel. These suggested planning actions, however, were not implemented in some States and adequate planning often had not been carried out.

Although some sponsors must operate on tight budgets and without adequate working capital, especially during the planning stage, the Secretary does not have authority to make advance payments of summer program funds as he has under the National School Lunch Program. Such authority, with proper safeguards, could help sponsors improve their planning and other administrative activities.

The proposed amendments also attempt to deal with other problems that have hindered the program. For example, meal reimbursement rates have lagged behind rates available under the regular school lunch program. This has created special hardships during the recent period of skyrocketing food prices. The new bill would set adequate reimbursement rates and tie them automatically to changes in the cost of living.

In the past the Department has delayed its reimbursements to the States and local sponsors—thus discouraging sponsors from supporting the program and in many cases bankrupting the sponsors. The amendments provide for partial advance payments to the States and payment of valid claims within 60 days. This "bookkeeping" requirement should encourage many groups to reenter the program.

The bill spells out one of my hopes

UMI

when I first introduced this legislation in 1967—that residential summer camps which provide a "camp" or "fresh air fund" experience to poverty children are eligible to receive food assistance.

In addition, the program is extended beyond the summer months to "children on school vacation at any time under a continuous school calendar." During the last Christmas vacation. Dr. Paul Briggs, superintendent of the Cleveland Public Schools devised a program of special reading courses while providing free lunches to needy children during the holiday period. This very successful program was partially financed through a special grant from the Department of Agriculture. The amendments I am introducing would make such programs possible on a regular basis.

In another important area, the Department would be required to issue proposed regulations by January 1 and final regulations by March 1. By spelling out the dates for the establishment of program guidelines, we hope to end the Department's practice of last-minute changes in regulations—a policy which resulted in endless confusion and discouraged many applicants from participating in the program.

The new bill also provides that the program shall be limited to serve institutions "which conduct a regularly scheduled program for children." The Department should be advised that I do not expect this provision to be interpreted so harshly as to exclude eligible children. We want to provide a summer program for children—but mostly, we want to feed children. If a child receives a meal at a playground site and then goes home because of a rainstorm, the institution should not be disqualified for failing to "provide" a program. The Department will be expected to interpret this provision with consideration to the extraordinary difficulties of running these types of summer programs.

Mr. Speaker, I hope that these proposals will be adopted in the near future. I believe that they will help make a good program better.

There is no better investment in our country's future than insuring the healthy development of our Nation's children.

THE NEED FOR A RURAL-URBAN COALITION BASED ON THE NATIONAL INTEREST

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the recent correspondence between my good friend and colleague, CHARLES ROSE, of North Carolina, and myself represents the beginning of a dialog on the need and potential for a rural-urban coalition, without regard to partisanship of any kind, including political party affiliation. We are national Congressmen and have a responsibility to each other's constituents. This awareness of our broad responsibilities is essential in putting together a coalition based on the national interest. Those Members who are interested in working with us in forming this coalition, do let us know. The correspondence is appended for the information and consideration of our colleagues:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 20, 1975.

Hon. CHARLES ROSE,
Cannon House Office Building,
Washington, D.C.

DEAR CHARLIE: I was on the Floor when you made your understandably condemnatory commenta directed at those, like myself, who voted to sustain the President's veto of the farm bill. May I elaborate on why I voted the way I did and suggest how we who represent different regional interests might forge a more productive working relationship for the future.

Like all Urban Members, my principal concern in voting on the bill last week was the impact it would have on food prices. Certainly the proposed substantial increase in wheat prices gave any urban Member pause to think about the impact on the price of bread. Not withstanding this concern and responsibility, however, I would be willing to vote for such a measure if convinced that it were essential to the welfare of the farmer and if there were a spirit in this House in which all Members gave consideration to national interests and not just parochial interests. In short, I would vote for this type of bill if I were confident that the same consideration were given by Members representing farm districts when bills came up affecting my constituents. However, I have not found that kind of spirit prevailing in the House. Indeed, on many occasions I have been distressed to hear anti-New York bias expressed in the cloakrooms and on the Floor when legislation particularly important to New York was under consideration. One good illustration is the mass transit bill which you alluded to indirectly in your remarks. In this instance we from New York had to accept a distribution formula that gave New York 14.9% of the mass transit operating subsidy funds even though we have 40% of the nation's transit ridership. Even with this formula we had great difficulty in getting the bill enacted because so many didn't want to give aid through a program in which they had only a small share.

I believe that agreements should be worked out among Members in support of legislation helping different sectors of the economy when put together aid our total national economy. This must be done, well in advance of their consideration on the Floor of the House. We cannot rely on the rhetoric so often employed today of, "You can rely on me the next time." It must be done carefully by Members representing all interests with the *national* interest as the principal consideration. I think your last sentence in your speech of May 14th is an excellent place to begin and I repeat it, "I would urge their colleagues to widen their vision to encompass the problems of others as future votes are taken." I'm ready to do that and to meet with you and others to discuss our commonality of interests and try to forge such a coalition.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 27, 1975.

Hon. EDWARD I. KOCH,
Longworth House Office Building,
Washington, D.C.

DEAR ED: I welcome your suggestion that we try to forge a coalition of urban and rural Members on the basis of a "commonality of interest." Your letter of May 20 was written in a spirit of co-operation, and I hope that we can proceed on that basis.

Historically, Southern and Midwestern farmers have had a profound distrust of Eastern economic interests. Over the years, these views have been perpetuated by discriminatory freight rates promulgated by New York railroad magnates and dozens of recessions linked to Wall Street brokers. Even though the agricultural markets may be in Chicago or Kansas City or Omaha or Memphis, the farmer has felt that New York bankers were pulling the financial strings. In recent years, politicians such as Spiro Agnew have played on these divisions and added to the dialogue another villain—"the Eastern establishment media." Since most of our colleagues reflect the views of their constituents, I will admit that some anti-New York bias pervades the cloakrooms.

But it has been my experience that on many issues the rural Members have been much more ready to support an urban piece of legislation than the other way around.

Both of us have referred to the vote last year on operating funds for mass transit systems. This measure was approved by just four votes, including the support of people like myself, Jamie Whitten, Gillis Long, Bernie Sisk, Bob Bergland, Dawson Mathis, Jake Pickle, John Melcher, Teno Roncallo, Bo Ginn, Bill Alexander, Bill Natcher and Bob Jones—a broad cross-section of Members with large rural constituencies. Some of my instincts told me that we were subsidizing inefficient transit operations and that by providing Federal funds we were permitting some cities the luxury of avoiding tough decisions on fare structures, hours of operation and other management practices that have led to the present financial mess. But I supported the subsidy, primarily because many friends in the New York delegation were urging me to do so.

With our new chairman of the Agriculture Committee, there is already hope for a new food policy for the nation and the world, with a redirection of emphasis away from agribusiness and toward the small farmer and the consumer. On the recent farm bill votes, unique endorsements from labor and consumer organizations, as well as church groups and economists concerned with world hunger, pointed in this direction. Most of the freshmen Democrats and some urban Members who had never voted for a farm bill gave us their support. We just needed a few more of you.

Many hurdles face our coalition hopes, principally because the interests of our districts tend to override most other considerations, whatever the issue. But I think that men and women of good will can come to an accommodation.

One thing we can remember—each Member of the House represents approximately 500,000 consumers. That is one of the few things we all have in common. Our problem is to define our issues in terms of those consumers with, as you say, "the national interest as the principal consideration."

Why don't we set aside some time next week to get started?

With best wishes.

Sincerely,

CHARLIE ROSE.

THE TREASURY DEPARTMENT IS GUARDING AGAINST ANTI-SEMITIC DISCRIMINATION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to commend Treasury Secretary William Simon for the scrupulous manner in which he is adhering to the administration policy of nondiscrimination in economic matters. The Secretary has taken action to ensure that the United States, in its dealings with Saudia Arabia and other Middle East countries, not accede to any requests to discriminate against Jewish persons, companies, or the State of Israel. I am appending my correspondence with Treasury Secretary William Simon for the information of my colleagues:

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 16, 1975.

Hon. WILLIAM E. SIMON,
Secretary, Department of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: I am distressed that your office would either enter into or permit others under your jurisdiction to engage in programs with Arab countries and in particular Saudia Arabia, which would allow the discriminatory practices engaged in in those countries for the purpose of excluding American Jews from participation in joint Arab-American programs to be implemented by the United States and American firms.

My question is whether there now in fact are any existing or contracted for programs which put the United States and American firms in the position of consenting and participating in Arab discrimination against any American based on race, religion, creed, national orgin, color or sex. If there are such programs in effect were they entered into with your permission and whether or not they were, were they consonant with the letter and spirit of American law?

My concern in this matter arises from the implications of the joint statement on Saudia Arabian-United States cooperation signed June 8 by you on behalf of the United States. President Ford has denounced the kind of discriminatory practices to which my letter refers and therefore I must raise the question whether your actions as Secretary are contradictory to the policies laid down by our President.

This is a matter of great concern to everyone in this country who has fought the battle against discrimination whether it be on the basis of race, religion, creed, national origin, color or sex and therefore I would hope you would give me the benefit of your opinion on this matter as expeditiously as possible.

Sincerely,

EDWARD I. KOCH.

THE SECRETARY OF THE TREASURY,
Washington, May 24, 1975.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: I am replying to your letter of April 16 concerning the activities of the Treasury Department in conjunction with the U.S.-Saudi Arabian Joint Commission on Economic Cooperation.

I want to assure you that there are no Joint Commission programs which put the United States and American firms in the position of consenting and participating in discrimination of any kind.

The bureaus of the Department and my staff have also informed me, and I personally know of no instance in which Saudi Arabia, either officially or unofficially, has requested the Treasury Department to restrict or curtail any of its activities in the Joint Commission framework or elsewhere involving Jewish personnel, companies, lending institutions, etc. or the State of Israel. Furthermore, we do not expect to receive such requests in the future nor will we accede to any.

Apart from the above matter, you may be aware that there has been a report that some Arab nationals may have offered to make deposits in U.S. banks on conditions pertaining to the religion of the management or ownership of the banks. Earlier this year the Comptroller of the Currency circulated a notice to the presidents of all national banks in the United States that such discrimination is unacceptible and that his office intends to assure, through regular functions of the Comptroller's bank examiners, adherence of national banks to a nondiscriminatory policy. I enclose for your information a copy of the Comptroller's circular.

Thank you for expressing your concern. Please rest assured that the Department has not and will not discriminate against any American based on race, religion, creed, national origin, color or sex in any of our Joint Commission programs.

Sincerely yours,

WILLIAM E. SIMON.

THE ADMINISTRATION OF
NATIONAL BANKS,
Washington, D.C., February 24, 1975.

To: Presidents of all national banks.
Subject: Discriminatory practices.

This Office has recently learned that some national banks may have been offered large deposits and loans by agents of foreign investors, one of the conditions for which is that no member of the Jewish faith sit on the bank's board of directors or control any significant amount of the bank's outstanding stock. While we are not presently aware of any such deposits or loans, so conditioned, having been accepted by any of the banks under the jurisdiction of this Office, we are concerned that all national banks scrupulously avoid any practices or policies that are based upon considerations of the race, or religious belief of any customer, stockholder, officer or director of the bank.

One of the major responsibilities of this Office is to insure that each national bank meets the needs of the community it was chartered to serve. While observing those credit and risk factors inherent to the banking business, all the activities of all national banks, indeed of all banks regardless of the origin of their charters, must be performed with this overriding principle of service to the public in mind. Discrimination based on religious affiliation or racial heritage is incompatible with the public service function of a banking institution in this country.

My means of its regular examination function, this Office will assure the adherence of national banks to a nondiscriminatory policy in the circumstances mentioned, as background might similarly be placed in issue. This Office is confident that it has the full understanding and cooperation in this effort of the banks in the national system.

Very truly yours,

JAMES E. SMITH.

FORD DELIVERS THE MAIL

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, the President has falsely castigated Congress for doing nothing about energy, knowing full well that the Ways and Means Committee has reported out a comprehensive bill scheduled for House action next week and that the Energy and Power Subcommittee on which I serve has also reported out a companion bill dealing with allocations, industrial, auto, and appliance energy standards, and a strategic petroleum reserve, scheduled for full committee action this week. His attacks are partisan and false.

Meanwhile, the President has taken energy action that is a formula for national bankruptcy, loading $33 billion additional energy costs on an already faltering economy, with inflationary and depressionary implications that have been estimated as high as $53 billion, or $600 per person, per year. Most of this staggering burden to our consumers and businesses will be endured to the enrichment of the oil oligopolies which include the President's political allies and personal friends.

Outrage at this mockery of the public and the public interest can perhaps better be addressed by humor than polemic.

Russell Baker has accomplished this very deftly in his column "Ford Delivers the Mail" in last Saturday's New York Times which I share with my colleagues and the public for the RECORD:

FORD DELIVERS THE MAIL
(By Russell Baker)

A knock at the door. It was the President, He was beaming. "Guess what I have for you," he urged.

"Snapshots of the sinking of the Cambodian Navy," I said.

"A check," said the President, showing an envelope. "This is your tax rebate."

I kissed his hand and made a grab for the check, but he withdrew it with his quick football moves.

"I want you to think of this check as a tool that will get the economy running again," he said. "By spending it, you will create new demand for goods that will fire the great engines of American production, creating jobs for millions of workers whose soaring income will swell the coffers of the nation with rising wealth."

"How much money is the check for?" I asked.

"Exactly $91.63," he said.

I wept with pride at the thought that the President was entrusting me with $91.63 to restore America to economic health. "There, there," he said. "I know it's a big responsibility, but I want you to know America has faith in you."

"I won't let America down, Mr. President. You can count on me."

Obviously moved, the President took the check from its envelope and showed it to me. Then he grinned. "Now," he said, "for another little surprise. Listen to this."

And he strode to the telephone, dialed somebody extremely vital to the life of the nation and ordered an increase in the price of oil.

"Gosh, Mr. President, doesn't that mean I'll have to pay more for gasoline?"

"Exactly," he smiled. "And not only gasoline. You will have to pay more money to stay warm in the winter."

"And," I noted, "since the air conditioner works on electricity created by burning oil, more money to stay cool in the summer."

The President smiled appreciatively at my quick grasp of economics. "Yes," he said, "there will be another fine surge in your electricity bill."

"And don't forget," I pointed out, "the price of everything that moves to market by truck will go up to cover the rising cost of transportation."

"Everything," the President agreed. "Food, clothing, record albums and chewing gum."

"Hey, that's not all," I reminded him. "Since all those higher oil costs will also have to be paid by the city and the state too, it means they will both have to raise my taxes to avoid going broke."

"I really like a quick learner," said the President, clapping my back.

My pleasure was abruptly ruined, however, by a sudden enlightenment. I understood why the President had still not handed me the check.

"Mr. President," I said, "you're not going to give me that check for $91.63, are you?"

He grinned with delight. "You are one of the brightest tax-rebate recipients I've visited all night," he said. "If you tell me how you figured it out, I'll let you have your check."

I told him it was easy. "You bring me $91.63 so I can fire the great engines of American production by buying more goods. Then you

raise the price of everything so the $91.63 will all be syphoned off for old goods before I can get around to buying any new goods. This way you get credit for giving me $91.63 without giving it to me and I get the blame for not firing the great engines of American production because I spend all the money on oil."

The President was so pleased he took out his taxpayer roster and stuck a gold star beside my name.

"For being so clever," he said, "I'll let you cash the check yourself. If you'd like to spend the cash on higher oil prices for yourself."

I declined with gratitude, endorsed the check to him and asked him to do me the honor of throwing it away himself. He agreed to do so. He was a nice, agreeable guy, especially if you didn't care much about firing the great engines of American production.

WESTCHESTER COUNTY SALUTES INTERNATIONAL WOMEN'S YEAR

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I would like to bring to my colleagues' attention a conference that is the first of its kind in the country. June 4 marks a major event in behalf of the women of Westchester called "Westchester County salutes International Women's Year." It will feature 32 workshops, and 70 exhibits, open throughout the day and evening at the County Center in White Plains, N.Y. There are over 80 cooperating sponsors of this event which has been arranged by the county government with the cooperation of the Women's Bureau of the Department of Labor, and Mary Tobin, the director of the Women's U.S. Bureau, region 2.

The theme of the conference is "All Women Doing All Things," and the exhibits will show the progress of women in nontraditional roles, as well as special educational, scientific and consumer programs.

In addition to workshops and exhibits, there will be awards given to Westchester Women for outstanding achievement, benefiting the residents of the county. Symbolic of the high talent in our county are the following awardees:

Jane Kelley, Scarsdale.
Dorothy Allensworth, Mamaroneck.
Polly Siwek, Rye.

The Honorable Lillian Buell, Bronxville.
Dr. Katherine Friedmann, Hartsdale.
Sioux Taylor, Mount Vernon.
Anna Mae Roberts, Peekskill.

Mary Louise Reid is the chairperson of the screening committee, and the conference coordinators are Susan Glickman, Lori Goldstock, and Peg Blum. Two thousand women are expected at the conference, representing all segments of the community. Cooperating sponsors in the conference include:

SPONSORS

AFL–CIO Central Labor Body Westchester-Putnam.
Alpha Kappa Alpha Sorority, Inc.
American Jewish Committee.
American Jewish Congress.
Associated Colleges of the Mid-Hudson Area.
Bedford Hills Woman's Club.
Bronxville Women's Club.
B'nai Brith.
Business and Professional Women's Clubs.
Business and Professional Women of Upper Westchester.
The Center for Family & Child Development.
Central Westchester Chapter of NOW.
Civic League of New Rochelle.
College of New Rochelle.
College of White Plains.
Consciousness Raising Clearinghouse.
Council for the Arts in Westchester.
Council of Junior Leagues of Westchester.
Day Care Council of Westchester, Inc.
Feminist Speaker's Bureau.
Gravida.
Home Extension Service.
League of Women Voters of Westchester.
Marymount College.
Manhattanville College.
Mercy College.
Mental Health Association of Westchester.
Mt. Holyoke Club of Westchester, Inc.
Mt. Kisco Area Branch American Association of University Women.
National Association of Social Workers.
National Council of Negro Women, Inc.
New Democratic Coalition of Westchester-Putnam.
NOW Southern Westchester.
Ossining Woman's Club.
Professional Women's Caucus.
Psychiatric Society of Westchester, Inc.
Rye Town Women's Democratic Club.
Sarah Lawrence College.
Spiritual Assembly of the Baha'is of Yonkers.
Taconic Girl Scout Council, Inc.
Up-To-Date Club.
Volunteer Service Bureau of Westchester, Inc.
Westchester Chapter of Links, Inc.
Westchester County Association, Inc.
Westchester Coalition, Inc.
Westchester Community College.
Westchester Community Mental Health Board.
Westchester District PTA.
Westchester Council of Women, Inc.
Westchester County Federation of Women's Clubs, Inc.
Westchester County Federation of Women's Clubs, Intermediate Section.
Westchester County Health Department.
Westchester County Task Force on Women.
Westchester Library System.
Westchester Women for Peace.
Westchester Women's Political Caucus.
Westchester County Women's Republican Club.
Westchester Vicariate Ladies of Charity.
Women's American ORT.
Women's Club of Crestwood, Inc.
Women's Club of Eastchester.
Women's Club of Larchmont, Inc.
Women's Club of Pleasantville.
Women's Club of Scarsdale.
Women's International League for Peace & Freedom.
Women's Search for Identity, Freedom & Trust.
YM–YWHA of Mid Westchester.
YWCA.
Zeta Phi Beta Sorority.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. HYDE (at the request of Mr. RHODES), until 2:30 p.m., today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HECHLER of West Virginia, for 15 minutes, today, to revise and extend his remarks and include extraneous material.

(The following Members (at the request of Mr. JOHNSON of Colorado) to revise and extend their remarks and include extraneous material:)

Mr. BROYHILL, for 5 minutes, today.
Mr. ASHBROOK, for 30 minutes, today.
Mr. JEFFORDS, for 10 minutes, today.

(The following Members (at the request of Mr. HIGHTOWER) to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.
Mr. MORGAN, for 5 minutes, today.
Mr. FLOOD, for 10 minutes, today.
Mr. FRASER, for 5 minutes, today.
Mr. WAXMAN, for 5 minutes, today.
Mr. MCFALL, for 15 minutes, today.
Mr. HARRIS, for 5 minutes, today.
Mr. AUCOIN, for 5 minutes, today.
Mr. FORD of Tennessee, for 5 minutes, today.
Mr. VANIK, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. JOHNSON of Colorado) and to include extraneous matter:)

Mr. SARASIN in two instances.
Mr. ARCHER.
Mr. ASHBROOK in three instances.
Mr. CRANE in two instances.
Mr. SYMMS in three instances.
Mr. FORSYTHE.
Mr. LENT in two instances.
Mr. YOUNG of Alaska.
Mr. KEMP.
Mr. CARTER in two instances.
Mr. TAYLOR of Missouri.
Mr. GOLDWATER.
Mr. JEFFORDS.
Mr. COLLINS of Texas in three instances.
Mr. WIGGINS.

(The following Members (at the request of Mr. HIGHTOWER) and to include extraneous material:)

Mr. HUGHES.
Mr. MORGAN in three instances.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mrs. COLLINS of Illinois in two instances.
Mr. PATTEN in two instances.
Mr. SIMON.
Mr. BEARD of Rhode Island.
Mr. EDGAR.
Mr. DOWNEY of New York in two instances.
Mr. MCDONALD of Georgia in three instances.
Mr. DIGGS in two instances.
Mr. SOLARZ in two instances.
Mr. EVINS of Tennessee in two instances.
Mr. BURKE of Massachusetts.
Mr. RIEGLE in two instances.
Mr. HAMILTON in 10 instances.
Mr. MONTGOMERY.
Mr. BRADEMAS in three instances.
Mr. GAYDOS.
Mr. WAXMAN in two instances.
Mr. AUCOIN in three instances.
Mr. BOLAND in two instances.
Mr. MOFFETT.

Mr. RUSSO in five instances.
Mr. RANGEL in two instances.
Mr. ROSE.
Mr. FRASER.
Mr. ROE in two instances.
Mr. HARRINGTON.
Mr. ENGLISH.
Mr. LEVITAS.
Mr. MINETA in two instances.
Mr. MOORHEAD of Pennsylvania.
Mr. CONYERS.
Mr. FLORIO.
Mrs. MINK.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 322. An act entitled "The Hells Canyon National Recreation Area Act," to the Committee on Interior and Insular Affairs.

S. 1842. An act for the relief of Dr. Arturo Bomolan Dela Rosa; to the Committee on the Judiciary.

S. 200. An act to establish an independent consumer agency to protect and serve the interest of consumers, and for other purposes; to the Committee on Government Operations.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4109. An act to amend the Grand Canyon National Park Enlargement Act (88 Stat. 2089).

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1236. An act to extend and amend the Emergency Livestock Credit Act of 1974, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 4109. An act to amend the Grand Canyon National Park Enlargement Act (88 Stat. 2089).

ADJOURNMENT

Mr. HIGHTOWER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 18 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 4, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1157. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend the Aviation Career Incentive Act of 1974 (88 Stat. 177) to make certain technical amendments for purposes of clarification, and for other purposes; to the Committee on Armed Services.

1158. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Act No. 1–15, "To extend the moratorium on the conversion of rental unit properties into horizontal property regimes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

1159. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make certain minor and clarifying amendments to the Elementary and Secondary Education Act of 1965, the General Education Provisions Act, and the Education of the Handicapped Act; to the Committee on Education and Labor.

1160. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize certain officers and employees of the Department of State and of the Foreign Service to carry firearms for the purpose of protecting designated individuals; to the Committee on International Relations.

1161. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend title VIII of the Foreign Service Act of 1946, as amended, relating to the Foreign Service Retirement and Disability System, and for other purposes; jointly to the Committees on International Relations, and Post Office and Civil Service.

1162. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend titles 10 and 14, United States Code, and certain other laws, to modernize the retirement structure relating to members of the uniformed services; jointly, to the Committees on Armed Services, Merchant Marine and Fisheries, and Interstate and Foreign Commerce.

RECEIVED FROM THE COMPTROLLER GENERAL

1163. A letter from the Comptroller General of the United States, transmitting a report that the failure of the Office of Management and Budget to apportion funds appropriated for the housing for the elderly or handicapped program until it was too late for those funds to be obligated before the expiration of the authority for the program, constitutes a de facto rescission of budget authority which has not been reported to the Congress by the President, pursuant to section 1015(a) of the Impoundment Control Act of 1974 (H. Doc. No. 94–177); to the Committee on Appropriations and ordered to be printed.

1164. A letter from the Comptroller General of the United States, transmitting a report discussing the need for guidance by the Law Enforcement Assistance Administration if halfway houses are to be a viable alternative to prison; jointly, to the Committees on Government Operations, and the Judiciary.

1165. A letter from the Comptroller General of the United States, transmitting a report that the U.S. fishing industry can be strengthened by developing underutilized fish resources; jointly, to the Committees on Government Operations, and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HUNGATE: Committee on the Judiciary. Supplemental report on H.R. 6799. A bill to approve certain of the proposed amendment to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules (Rept. No. 94–247, pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 83. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income gains from the condemnation of certain forest lands held in trust for the Klamath Indian Tribe; with amendment (Rept. No. 94–250). Referred to the Committee of the Whole House on the state of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 5559. A bill to amend section 883(a) of the Internal Revenue Code to provide for exclusion of income from the temporary rental of railroad rolling stock of foreign corporations; with amendment (Rept. No. 94–251). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE: Committee on Post Office and Civil Service. H.R. 4573. A bill to amend chapter 83 of title 5, United States Code, to establish time limitations in applying for civil service retirement benefits, and for other purposes; with amendment (Rept. No. 94–252). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE: Committee on Post Office and Civil Service. H.R. 7053. A bill to amend chapter 83 of title 5, United States Code, to eliminate, subsequent to the death of an individual named as having an insurable interest, the annuity reduction made in order to provide a survivor annuity for such an individual. (Rept. No. 94–253). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 504. Resolution providing for the consideration of H.R. 5884. A bill to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended, and for other purposes (Rept. No. 94–254). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 505. Resolution providing for the consideration of H.R. 6860. A bill to provide a comprehensive national energy conservation and conversion program (Rept. No. 94–255). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 506. Resolution providing for consideration of S. 818. An act to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes (Rept. No. 94–256). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER (for himself, Mr. Moore, and Mr. Crane):

H.R. 7524. A bill to require that estimates of the average cost for each taxpaying family be included in all bills and resolutions of a public character introduced and reported in the Senate and the House of Representatives; to the Committee on Rules.

By Mr. ARCHER (for himself and Mr. MICHEL):

H.R. 7525. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption; to the Committee on Ways and Means.

By Mr. BEARD of Rhode Island:

H.R. 7526. A bill to prohibit the denial

UMI

or abridgement of the right of former criminal offenders to vote in elections for Federal offices; to the Committee on House Administration.

By Mr. BERGLAND:

H.R. 7527. A bill to amend the Commodity Credit Corporation Charter Act; to the Committee on Agriculture.

By Mr. CASEY, (for himself, Mr. BREAUX, and Mr. MURPHY of New York):

H.R. 7528. A bill to provide for the regulation of the content of shot used for hunting; to the Committee on Merchant Marine and Fisheries.

By Mr. DOWNEY of New York (for himself, Mr. HARRIS, Mr. MOLLOHAN, Mr. THOMPSON, Mr. WON PAT, Mr. KASTENMEIER, Mr. ROSENTHAL, Mr. EILBERG, Mr. FLORIO, Mr. HECHLER of West Virginia, Mr. CORMAN, Mr. WHITEHURST, Mr. LEGGETT, Mr. HARRINGTON, Mr. FITHIAN, Mr. BEARD of Rhode Island, Mr. BEDELL, Mr. RYAN, Ms. COLLINS of Illinois, Ms. HOLTZMAN, Mr. MOAKLEY, Mr. RICHMOND, and Mr. STARK):

H.R. 7529. A bill to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNEY of New York (for himself, Mr. HARRIS, Ms. BURKE of California, Mr. SOLARZ, Mr. BADILLO, Mr. HICKS, Mr. HAWKINS, Ms. ABZUG, Mr. WAXMAN, and Mr. O'HARA):

H.R. 7530. A bill to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRIS:

H.R. 7531. A bill relating to the retirement annuities of certain Federal law enforcement and firefighter personnel who retired before July 12, 1974; to the Committee on Post Office and Civil Service.

H.R. 7532. A bill to amend section 44 of the Internal Revenue Code of 1954 (relating to credit for purchase of new principal residence) to provide that the lowest offering price requirement be limited to offers after December 31, 1974, and to expedite the prescribing of final regulations on such section 44; to the Committee on Ways and Means.

By Mr. HAWKINS (for himself, Mr. BOLAND, Mr. JOHN L. BURTON, Mr. EILBERG, Mr. HECHLER of West Virginia, Mr. HOWARD, Mr. JOHNSON of California, Mr. KOCH, Mr. MCHUGH, Mr. MEEDS, Mr. MILLER of California, Mr. MITCHELL of Maryland, Mr. MOSS, Mr. REES, Mr. RICHMOND, Mr. ROYBAL, Mr. SCHEUER, Mr. SIMON, Mr. TRAXLER, Mr. VAN DEERLIN, Mr. VANDER VEEN, and Mr. WEAVER):

H.R. 7533. A bill to establish a national policy and nationwide machinery for guaranteeing to all adult Americans able and willing to work the availability of equal opportunities for useful and rewarding employment; to the Committee on Education and Labor.

By Mr. HEINZ (for himself, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BINGHAM, Mr. CARTER, Mr. CORNELL, Mr. COUGHLIN, Mr. EDGAR, Mr. EILBERG, Mr. FASCELL, Mr. GAYDOS, Mr. HARRINGTON, Mr. HUBBARD, Mr. MCKINNEY, Mr. MORGAN, Mr. NIX, Mr. PEPPER, Mr. RIEGLE, Mr. RINALDO, Mr. STUDDS, Mr. WAXMAN, Mr. ZEFERETTI, Mr. OTTINGER, and Mr. MURTHA):

H.R. 7534. A bill to amend title XX of the Social Security Act to provide that no State shall be required to apply a means test, or limit benefits on the basis of federally prescribed income levels, in determining the individuals for whom education, transportation, recreation, socialization, or associated services may be provided thereunder, if such services are provided in a manner consistent with certain specified State programs; to the Committee on Ways and Means.

By Mr. HENDERSON (by request):

H.R. 7535. A bill to repeal the requirements for an annual report to the Congress relating to the higher classification of Federal civilian positions; to the Committee on Post Office and Civil Service.

By Mr. MCFALL (for himself and Mrs. Fenwick):

H.R. 7536. A bill to amend the Small Business Investment Act of 1958 to create a pollution control financing program for small businesses; to the Committee on Small Business.

By Mr. MATSUNAGA:

H.R. 7537. A bill to incorporate United Service Organizations, Incorporated; to the Committee on the Judiciary.

By Mr. ROSE (for himself, Mr. MATHIS, Mr. HICKS, Mr. DU PONT, Mr. DOWNEY of New York, Mr. FUQUA, Mr. HARKIN, Mr. RONCALIO, Mr. PERKINS, Mr. HEFNER, Mr. BEVILL, Mr. MCHUGH, Mr. FITHIAN, and Mr. STEIGER of Wisconsin):

H.R. 7538. A bill to amend section 503(b) of the Rural Development Act of 1972; to the Committee on Agriculture.

By Mr. SOLARZ:

H.R. 7539. A bill to give the Secretary of State responsibility for monitoring the overseas business activities of American companies in order to detect any violations of Federal law and to make it unlawful for an American company to bribe any foreign official; to the Committee on the Judiciary.

By Mr. STEIGER of Wisconsin (for himself and Mr. JEFFORDS):

H.R. 7540. A bill to amend the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. STEIGER of Wisconsin (for himself and Mr. LITTON):

H.R. 7541. A bill to provide for the duty-free entry of binder twine and baler twine made of manmade fibers; to the Committee on Ways and Means.

By Mr. ULLMAN:

H.R. 7542. A bill to amend part D of title IV of the Social Security Act to provide that the incentive payments presently authorized for the enforcement and collection of support rights assigned to a State shall be payable where that State enforces such rights through its own officers and agencies as well as where a political subdivision, or another State, enforces such rights on its behalf; to the Committee on Ways and Means.

By Mr. WAGGONNER (for himself and Mr. ARCHER):

H.R. 7543. A bill to amend the Internal Revenue Code of 1954 to provide a more realistic system of capital recovery for productive plant and equipment and to encourage the growth and modernization of American industrial capacity through increased capital investment and expanded employment opportunities; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 7544. A bill to exclude from certain job preference programs veterans who deserted from the Armed Forces during the Vietnam era and who are awarded other than dishonorable discharges under the Presidential clemency program; jointly to the Committees on Education and Labor and Veterans' Affairs.

By Mr. ULLMAN:

H.R. 7545. A bill to increase the temporary debt limitation; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 7546. A bill to increase the temporary debt limitation and to repeal the tax exemption for a DISC; to the Committee on Ways and Means.

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER Mr. FLORIO, Mr. HASTINGS, and Mr. HEINZ):

H.R. 7547. A bill to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BRODHEAD:

H.R. 7548. A bill to regulate commerce and protect human health and the environment by requiring testing and necessary use restrictions on certain chemical substances, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce and Small Business.

By Mr. BYRON:

H.R. 7549. A bill to amend the Federal Meat Inspection Act with respect to custom slaughtering; to the Committee on Agriculture.

H.R. 7550. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act, to provide that meat or poultry as the case may be, which is inspected in a facility subject to State inspection shall be eligible for distribution in commerce in the same manner as meat or poultry which is inspected in a facility subject to Federal inspection; to the Committee on Agriculture.

H.R. 7551. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for certain income of condominium housing associations, homeowner associations, and cooperative housing corporations; to the Committee on Ways and Means.

By Mr. CLAY (for himself, Ms. ABZUG, Mr. BINGHAM, Mr. BLANCHARD, Mr. BROWN of California, Mrs. BURKE of California, Mr. BURTON of Massachusetts, Mr. CARNEY, Ms. CHISHOLM, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. DANIELSON, Mr. DELLUMS, Mr. DRINAN, Mr. EILBERG, Mr. FISH, Mr. FLORIO, Mr. FRASER, Mr. GAYDOS, Mr. GIAIMO, Mr. GREEN, Mr. HAYS of Ohio, Mr. MACDONALD of Massachusetts, Mr. MADDEN, and Mr. MIKVA):

H.R. 7552. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

Mr. DRINAN (for himself, Mr. DODD, Mr. SYMINGTON, Ms. ABZUG, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BEDELL, Mrs. BURKE of California, Mrs. CHISHOLM, Mr. CORNELL, Mr. EDWARDS of California, Mr. HARRINGTON, Mr. HICKS, Mr. KOCH, Mr. MAZZOLI, Mr. METCALFE, Mr. NEAL, Mr. RICHMOND, Mr. ROSENTHAL, Mr. STARK, Mr. STUDDS, and Mr. WIRTH):

H.R. 7553. A bill to provide for a comprehensive 5-year study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technological Assessment; to the Joint Committee on Atomic Energy.

By Mr. ENGLISH:

H.R. 7554. A bill to amend title II of the Social Security Act to increase to $5,000 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 7555. A bill to amend the Clean Air Act so as to assure that aerosol spray containers discharging chlorofluoromethane compounds in the ambient air will not impair the environmental ozone layer, to prevent any increased skin cancer risk, and otherwise to protect the public health and environment; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

Mr. LEGGETT:

H.R. 7556. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. MAZZOLI:

H.R. 7557. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

H.R. 7558. A bill to amend Public Law 93-233 to extend for an additional 12 months (until July 1, 1976) the eligibility of supplemental security income recipients for food stamps; to the Committee on Ways and Means.

By Mr. MICHEL (for himself, Mr. RHODES, Mr. ANDERSON of Illinois, Mr. ESCH, Mr. QUIE, Mr. WYDLER, Mr. VANDER JAGT, Mr. BROWN of Michigan, Mr. DON H. CLAUSEN, Mr. FORSYTHE, Mr. HORTON, Mr. BROOMFIELD, Mr. BUCHANAN, Mr. SARASIN, Mr. SHRIVER, Mr. J. WILLIAM STANTON, Mr. REGULA, Mr. JEFFORDS, Mr. BELL, Mr. MOSHER, Mr. BROWN of Ohio, Mr. GRASSLEY, Mr. STEIGER of Wisconsin, Mr. FRENZEL, and Mr. MADIGAN):

H.R. 7559. A bill making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations.

By Mr. MILLER of Ohio:

H.R. 7560. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. MINISH:

H.R. 7561. A bill to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America; to the Committee on Banking, Currency and Housing.

By Mr. PATTEN:

H.R. 7562. A bill to amend the Public Health Service Act to revise and extend the program under the National Heart and Lung Institute, to revise and extend the program of national research service awards, to control disclosure of research information, and to establish a national program with respect to genetic diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. SOLARZ:

H.R. 7563. A bill to give the Secretary of State responsibility for monitoring the overseas business activities of American companies in order to detect any violations of Federal law; to the Committee on International Relations.

By Mr. STAGGERS (for himself, Mr. ROGERS, Mr. MOSS, Mr. DEVINE, Mr. BROYHILL, Mr. CARTER, and Mr. HASTINGS):

H.R. 7564. A bill creating the "President's Cancer Research Prize"; to the Committee on Interstate and Foreign Commerce.

By Mr. TAYLOR of North Carolina:

H.R. 7565. A bill to amend the Federal Water Pollution Control Act relating to permits for the discharge of dredged and fill material, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. VANIK:

H.R. 7566. A bill to amend the National School Lunch Act to revise the summer food program; to the Committee on Education and Labor.

By Mr. ZABLOCKI (for himself, Mr. BIESTER, Mr. BINGHAM, Mr. BROOMFIELD, Mr. BUCHANAN, Mrs. COLLINS of Illinois, Mr. DERWINSKI, Mr. FASCELL, Mr. FINDLEY, Mr. FRASER, Mr. GILMAN, Mr. GUYER, Mr. HAMILTON, Mrs. MEYNER, Mr. MORGAN, Mr. NIX, Mr. RIEGLE, Mr. WHALEN, Mr. WINN, and Mr. YATRON):

H.R. 7567. A bill to amend the Arms Control and Disarmament Act, and for other purposes; to the Committee on International Relations.

By Mr. BELL (for himself, Mr. FORSYTHE, Mr. MCCLOSKEY, Mr. STUDDS, Mr. EMERY, and Mr. OTTINGER):

H.J. Res. 478. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on the products of all foreign enterprises engaged in commercial whaling; jointly to the Committees on Merchant Marine and Fisheries and Ways and Means.

H.J. Res. 479. Joint resolution authorizing the President to proclaim the 28th day of September 1975 as Teacher's Day; to the Committee on Post Office and Civil Service.

By Mr. NOWAK:

H.J. Res. 480. Joint resolution proposing an amendment to the Constitution to permit certain types of assistance to religious educational institutions and the students who attend them; to the Committee on the Judiciary.

By Mrs. BOGGS (for herself, Mr. BUTLER, Mr. O'NEILL and Mr. RHODES):

H. Con. Res. 292. Concurrent resolution to provide for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America; to the Committee on Rules.

By Mr. BYRON:

H. Con. Res. 293. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on International Relations.

By Mr. WIRTH (for himself and Mr. HARKIN):

H. Con. Res. 294. Concurrent resolution calling for a fair and equitable allocation of restricted use outdoor recreational resources; to the Committee on Interior and Insular Affairs.

By Mr. MATSUNAGA (for himself and Mr. HUGHES):

H. Res. 503. Resolution providing for senior citizen interns; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

167. Mr. ULLMAN presented a memorial of the Legislature of the State of Oregon, relative to transit systems outside urban areas; to the Committee on Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BELL:

H.R. 7568. A bill to authorize the President of the United States to present in the name of Congress a Medal of Honor to Brig. Gen. Charles E. Yeager; to the Committee on Armed Services.

By Mr. CARTER:

H.R. 7569. A bill for the relief of Shin Min Hao; to the Committee on the Judiciary.

H.R. 7570. A bill for the relief of Rolando Raganas; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 7571. A bill for the relief of Tammy Benoit; to the Committee on the Judiciary.

By Mr. HARRIS:

H.R. 7572. A bill for the relief of Dr. John Alexis L. S. Tam and Yeut Shum Tam; to the Committee on the Judiciary.

By Mr. HAWKINS:

H.R. 7573. A bill for the relief of Mrs. Ethline McRae Thomas; to the Committee on the Judiciary.

By Mr. ROBINSON:

H.R. 7574. A bill to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of Virginia; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII,

144. The SPEAKER presented a petition of the New York State Black and Puerto Rican Legislative Caucus, Albany, N.Y., relative to extension of the Voting Rights Act of 1965; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXII, proposed amendments were submitted as follows:

H.R. 6860

BY Mr. DERRICK:

Page 105, line 5, strike out "and".

Page 105, line 9, strike out "section 513." and insert in lieu thereof "section 513), and".

Page 105, immediately after line 9, insert the following:

"(G) in the preparation process and drying, bleaching, dyeing and printing and finishing processes for textiles, including carpets, and apparel products."

H.R. 6860

By Mr. ENGLISH:

Page 37, strike out line 21 and all that follows down through line 7, page 38, and insert the following:

"(a) GENERAL RULE.—In the case of a taxpayer who is a qualified individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the personal use allowances to which the individual is entitled for each month in such year.

"(b) PERSONAL USE ALLOWANCES.—

"(1) IN GENERAL.—In the case of a qualified individual to whom paragraph (2) does not apply for any month in the taxable year, the personal use allowance for such month shall be an amount equal to—

"(A) so much of the rate of tax in effect for such month under section 4086 (relating to gasoline conservation tax) as exceeds 3 cents a gallon, multiplied by

"(B) 40.

"(2) QUALIFIED INDIVIDUALS WHO RESIDE IN AREAS NOT SERVED BY MASS TRANSIT.—

"(A) IN GENERAL.—In the case of a qualified individual who, at all times during any month in the taxable year, has a residence which is not within a city with a population of at least 50,000 and is at least 30 miles from the closest available transportation furnished by a local mass transportation system, the personal use allowance for such month shall be the sum of—

"(i) the product of the number of gallons which were purchased by the taxpayer and which were used by the taxpayer during such month, multiplied by the rate of tax in effect under section 4086 for such month, plus

"(ii) the amount of the tax imposed by section 4051 on the sale to such taxpayer of fuel used by the taxpayer during such month.

"(B) LOCAL MASS TRANSPORTATION SYSTEM.—For purposes of subparagraph (A), the term 'local mass transportation system' means any entity which provides scheduled common carrier passenger land transportation along regular routes if substantially all of such

UMI

transportation is provided within a single urban area or is for commutation into, or out of, such urban area."

Page 38, line 8, strike out "(b)" and insert in lieu thereof "(c)".

Page 38, line 13, strike out "(c)" and insert in lieu thereof "(d)".

Page 38, line 15, strike out "(d)" and insert in lieu thereof "(e)".

Page 43, insert after line 22 the following:

"(d) INDIVIDUALS WHO RESIDE IN AREAS NOT SERVED BY MASS TRANSIT.—An individual shall not be entitled to any trade or business allowance or work-related travel allowance for any month for which the personal use allowance under section 44A is computed under subsection (b)(2) of such section."

Page 43, line 23, strike out "(d)" and insert in lieu thereof "(e)".

Page 44, line 19, insert after "section 44B" the following "(or in the case of a taxpayer to whom section 44A(b)(2) applies, the amount of any credit allowable under section 44A)".

H.R. 6860

By Mr. FRENZEL:

On page 58, strike out line 3 and all that follows down through line 20 on page 71 and insert:

PART I—AUTOMOBILE FUEL EFFICIENCY TAXES

SEC. 311. TAX ON EACH AUTOMOBILE WITH LOW FUEL EFFICIENCY.

(a) GENERAL RULE.—Part I of subchapter A of chapter 32 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4064. TAX ON EACH AUTOMOBILE WITH LOW FUEL EFFICIENCY.

"There is hereby imposed on each automobile produced in the United States, or imported into the United States, during the model year 1978, 1979, or 1980, a tax determined in accordance with the following table:

"If the fuel mileage rating (in miles per gallon) of the automobile is—	Amount of tax per model year		
	1978	1979	1980
20 or more			0
19 or more but less than 20		0	$100
18 or more but less than 19	0	$100	200
17 or more but less than 18	$100	200	300
16 or more but less than 17	200	300	425
15 or more but less than 16	300	425	550
14 or more but less than 15	425	550	700
13 or more but less than 14	575	700	850
Less than 13	750	850	1,000

The tax imposed by this section shall be paid by the manufacturer or importer, as the case may be."

(b) DISCLOSURE OF TAX AND FUEL MILEAGE RATING ON WHICH TAX IS BASED.—

(1) GENERAL RULE.—In the case of any automobile with respect to which tax was imposed by section 4064 of the Internal Revenue Code of 1954, such manufacturer, producer, or importer shall affix a label to such automobile which shall include a clear, distinct, and legible endorsement stating—

(A) that Federal excise tax was imposed with respect to such automobile based upon the fuel mileage rate of such automobile,

(B) the amount of tax which was imposed,

(C) the fuel mileage rate on which such tax was based, and

(D) the table of taxes imposed by Section 4064 applicable to all automobiles produced in that model year.

(2) PENALTIES.—

(A) FAILURE TO AFFIX LABEL, OR FALSE ENDORSEMENT OF LABEL.—Any person required by paragraph (1) to endorse any label who willfully fails to endorse and affix such label as required by paragraph (1) or who makes a false endorsement of such label, shall be fined not more than $1,000.

(B) REMOVAL, MODIFICATION, OR MUTILATION OF LABEL.—Any person who removes, modifies, or mutilates any label affixed under paragraph (1) to an automobile before title or possession to such automobile is, for purposes of consumption, transferred to any person shall be fined not more than $1,000.

(C) EACH VIOLATION TO BE CONSIDERED A SEPARATE OFFENSE.—Each failure or endorsement referred to in subparagraph (A), and each removal, modification, or mutilation referred to in subparagraph (B), shall constitute a separate offense.

SEC. 312. TAX WHERE MANUFACTURER'S FLEET DOES NOT MEET STANDARDS

(a) GENERAL RULE.—Part I of subchapter A of chapter 32 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4065. TAX WHERE FLEET DOES NOT MEET STANDARD

"(a) IMPOSITION OF TAX.—If the fuel mileage rating of any manufacturer or importer for the model year 1977, 1978, 1979, or 1980 is below the fuel mileage standard for that model year provided by subsection (b), a tax is hereby imposed on each automobile produced by such manufacturer (or imported by such importer) during such model year which has a fuel mileage rating below the fuel mileage standard provided by subsection (b) for that model year. The tax imposed by this section shall be paid by the manufacturer or the importer as the case may be.

"(b) FUEL MILEAGE STANDARD.—For purposes of this section—

"For the model year	The fuel mileage standard (in miles per gallon) is—
1977	16.5
1978	18
1979	19
1980	20

"(c) AMOUNT OF TAX.—In the case of any automobile subject to tax under this section, the amount of such tax shall be $20 for each full 1/10 of a mile per gallon which the fuel mileage rating of the manufacturer or importer for the model year of production or importation is below the fuel mileage standard for that year."

SEC. 313. PROVISIONS COMMON TO SECTIONS 4064 AND 4065.

(a) IN GENERAL.—Part I of subchapter A of chapter 32 is amended by adding at the end thereof the following new section:

"SEC. 4066. PROVISIONS COMMON TO SECTIONS 4064 AND 4065.

"(a) DETERMINATION OF AUTOMOBILE FUEL MILEAGE RATING.—

"(1) DETERMINATION OF RATING.—

"(A) IN GENERAL.—The fuel mileage rating of every automobile which may be subject to tax under section 4064 or 4065 shall be the fuel mileage rating, for the class of automobiles in which such automobile falls, determined by the Secretary or his delegate. The determination of such rating for any class of automobiles shall be based on a composite mileage resulting from the testing of such class of automobiles, conducted in accordance with procedures established under paragraph (4). Such determination shall be published in the Federal Register.

"(B) REVIEW OF DETERMINATION.—Within 30 days after the fuel mileage rating of any class of automobiles has been published under subparagraph (A), the manufacturer or importer of such class of automobiles may file a petition in the United States Court of Appeals for the District of Columbia for judicial review of such determination. Upon the filing of such petition, the court shall have jurisdiction to review such determination in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

"(2) INTERAGENCY COOPERATION.—In order to avoid unnecessary expense and duplication, the Secretary or his delegate shall make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this section and the functions of any department, agency, or establishment of the United States, as he may find practicable and consistent with law. The Secretary or his delegate may have access to and utilize, on a reimbursable or other basis, information, facilities, or services of any department, agency, or establishment of the United States; and each such department, agency, or establishment shall cooperate with the Secretary or his delegate and, to the extent permitted by law, provide such information, facilities, or services as he may request.

"(3) FUEL MILEAGE RATING.—The term 'fuel mileage rating' means, with respect to any class of automobiles, the number of miles which an automobile in such class can be expected to travel for each gallon of fuel which it consumes.

"(4) PROCEDURE FOR DETERMINING FUEL MILEAGE RATINGS.—The Secretary or his delegate shall, by regulations, establish procedures for conducting tests to determine the fuel mileage ratings of automobiles which may be subject to tax under section 4064 or 4065. Under such regulations the Secretary or his delegate shall establish separate classes of automobiles which may be based upon—

"(A) the manufacturer (or division of the manufacturer) of the automobiles;

"(B) the engine family of the automobiles (which takes into account the type of engine, fuel induction system, and emission control system);

"(C) the type of transmission of such automobiles;

"(D) whether or not the automobiles have air conditioners;

"(E) whether or not the automobiles are station wagons; and

"(F) the inertia weight of the automobiles. For purposes of subparagraph (F), the inertia weight shall be taken into account in categories of 250-pound increments for automobiles which have inertia weights under 3,000 pounds, and in categories of 500-pound increments for automobiles which have inertia weights of 3,000 pounds or more.

"(b) DETERMINATION OF FUEL MILEAGE RATING FOR EACH MANUFACTURER OR IMPORTER.—

"(1) MANUFACTURER.—The fuel mileage rating of any manufacturer for purposes of section 4065 for any model year shall be based on all automobiles produced by such manufacturer in the United States or Canada during such model year.

"(2) IMPORTER.—The fuel mileage rating of any importer for purposes of section 4065 for any model year shall be based on all new automobiles imported into the United States during such model year which were produced (outside the United States and Canada) by the manufacturer who produced the automobiles imported by such importer. If there is more than one such manufacturer, the importer shall have a separate fuel mileage rating with respect to the automobiles of each manufacturer.

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) PERSONS WHO MANUFACTURE AND IMPORT.—A person who is both a manufacturer and an importer shall be treated—

"(i) as a manufacturer with respect to automobiles described in paragraph (1), and

"(ii) as an importer with respect to automobiles described in paragraph (2).

A person who manufactures automobiles in the United States shall be treated as the importer of all automobiles produced by such manufacturer which are imported into the United States.

"(B) CERTAIN IMPORTS FROM CANADA.—A person who is not a manufacturer with respect to automobiles described in paragraph (1) but who imports automobiles from Canada shall be treated as an importer with respect to such automobiles.

"(C) PRODUCTION IN UNITED STATES OR CANADA.—An automobile is produced in the United States or Canada if at least 75 percent of the cost to the manufacturer of such automobile is attributable to value added in the United States or Canada. Any automobile not described in the preceding sentence the production of which is completed in the United States shall be treated as having been imported (at the time of such completion) into the United States.

"(D) TREATMENT OF CERTAIN EXPORTS AND IMPORTS AND SALES FOR FURTHER MANUFACTURE.—An automobile otherwise taken into account under paragraph (1) shall not be taken into account under such paragraph (1)—

"(i) if it is sold to any person before the close of the model year in which it is produced for use in further manufacture,

"(ii) if it is exported from the United States before the close of the model year in which it is produced, or

"(iii) in the case of an automobile the production of which is completed outside the United States unless it is imported into the United States before the close of the model year in which it is produced.

"(E) PERSONS UNDER COMMON CONTROL.—All persons who control, are controlled by, or are under common control with any person shall be treated as one person.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) AUTOMOBILE.—The term 'automobile' means—

"(A) any passenger automobile (within the meaning of such term as used in section 4061(b)(2)), or

"(B) any automobile, truck or bus which has a gross vehicle weight of 6,000 pounds or less (as determined under regulations prescribed by the Secretary or his delegate), which uses gasoline or diesel fuel as a fuel for propulsion.

"(2) MODEL YEAR.—The term 'model year' means, with reference to any calendar year, the manufacturer's annual production period (as determined by the Secretary or his delegate) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term 'model year' means the calendar year.

"(3) MANUFACTURER.—The term 'manufacturer' includes a producer.

"(4) MATHEMATICAL CALCULATIONS.—In determining any fuel mileage rating under subsection (a) or (b), the total number of automobiles to be taken into account for that determination is to be divided by a sum of terms, each term of which is a fraction created by dividing—

"(A) the number of automobiles within each group to be taken into account by

"(B) the fuel mileage rating for the automobiles within such group rounded to the nearest 1/10 of a mile per gallon.

"(5) CHANGES IN EMISSIONS STANDARDS.—If there is any change (whether by law or by administrative action) from the Federal emissions standards which apply to automobiles produced on May 1, 1975, the Secretary or his delegate shall determine by rule (in accordance with section 553 of title 5, United States Code) and publish in the Federal Register—

"(A) the extent (of any) to which such change reduces fuel mileage, and

"(B) the modifications in the fuel mileage standard set forth in section 4065(b) and in the mileage brackets of the table set forth in section 4064, which are necessary to reflect the reduction in fuel mileage resulting from such change.

Any modifications published under this paragraph shall have the force and effect of law and shall apply to all automobiles produced or imported to which the changed emissions standards apply as if such modifications were contained in section 4064 or 4065; as the case may be.

"(d) EXEMPTIONS.—Under regulations prescribed by the Secretary or his delegate, for purposes of sections 4064, 4065, and this section the term 'automobile' does not include—

"(1) an ambulance, hearse, or combination ambulance-hearse,

"(2) any bus which is to be used predominantly by the purchaser in mass transportation services in urban areas, or

"(3) any bus sold to any person for use exclusively in transporting students and employees of schools operated by State or local governments or by nonprofit educational organizations (within the meaning of section 4221(d)(5)).

For purposes of paragraph (3), incidental use of a bus in providing transportation for State or local government or a nonprofit organization described in section 501(c) which is exempt from tax under section 501(a) shall be disregarded.

"(e) APPLICATION OF CERTAIN SECTIONS.—Sections 4221 and 4293 shall not apply to the taxes imposed by sections 4064 and 4065.

(b) TECHNICAL AND CLERICAL AMENDMENTS.—

(1) The table of sections for part I of subchapter A of chapter 32 is amended by adding at the end thereof the following:

"Sec. 4064. Tax on each automobile with low fuel efficiency
Sec. 4065. Tax where fleet does not meet standard
Sec. 4066. Provisions common to section 4064 and 4065."

(2) Section 6161(b)(1) (relating to extensions of time for paying tax) is amended by inserting after "or 43," the following: "or by section 4064 or 4065.". The second sentence of such section 6161(b) is amended by inserting after "chapter 43," the following: "or by section 4064 or 4065 of chapter 32,"

(3) Section 6201(d) (cross reference) is amended by striking out "and chapter 43 taxes" and inserting in lieu thereof the following: "chapter 43, and sections 4064 and 4065 taxes".

(4) Section 6211 (defining deficiency) is amended—

(A) by striking out so much of subsection (a) as precedes paragraph (1) and inserting in lieu thereof the following:

"(a) IN GENERAL.—For purposes of this title in the case of income, estate, and gift taxes imposed by subtitles A and B and excise taxes imposed by sections 4064 and 4065 or by chapters 42 and 43, the term 'deficiency' means the amount by which the tax imposed by subtitle A or B, by section 4064 or 4065, or by chapter 42 or 43, exceeds the excess of—"; and

(B) by inserting after "or B" in subsection (b)(2) the following: ", section 4064 or 4065,".

(5) Section 6212 (relating to notice of deficiency) is amended—

(A) by inserting after "or B" in subsection (a) the following: ", section 4064 or 4065,";

(B) by inserting after "chapter 12" each place it appears in subsection (b)(1) the following: ", sections 4064 and 4065,";

(C) by striking out "TAXES IMPOSED BY CHAPTER 42" in the heading of subsection (b)(1) and inserting in lieu thereof "CERTAIN EXCISE TAXES";

(D) by striking out "or of chapter 42 tax" in subsection (c)(1) and inserting in lieu thereof "of chapter 42 tax"; and

(E) by inserting after "to which such petition relates" the following: ", or of section 4064 or 4065 tax with respect to the calendar year to which such petition relates".

(6) Section 6213 (relating to restrictions applicable to deficiencies and petition to Tax Court) is amended by inserting after "or B" in subsection (a) the following: ", section 4064 or 4065.".

(7) Section 6214(d) (relating to final decisions of Tax Court) is amended by inserting after "this chapter," the following: "sections 4064 and 4065,".

(8) Section 6344(a)(1) (relating to cross references) is amended by inserting before "chapter 42" the following: "section 4064 or 4065 or".

(9) Section 6512 (relating to limitations in case of petition to Tax Court) is amended—

(A) by striking out "or 43" each place it appears therein and inserting in lieu thereof ", 43", and

(B) by inserting after "to which such petition relates" the following: ", or of section 4064 or 4065 tax with respect to the calendar year to which such petition relates".

(10) Section 6601(d) (relating to interest on underpayment, nonpayment, or extensions of time for payment of tax) is amended by striking out in the heading thereof "CHAPTER 42 OR 43" and inserting in lieu thereof "CERTAIN EXCISE".

(11) Section 7422(e) (relating to civil actions for refund) is amended by inserting before "chapter 42" the following: "section 4064 or 4065 or".

SEC. 314. RECOMMENDATIONS FOR MODEL YEARS AFTER 1980.

(a) REPORT.—Before March 15, 1978, the Administrator of the Federal Energy Administration shall submit to the Congress a report.

(1) as to whether the taxes imposed by sections 4064 and 4065 of the Internal Revenue Code of 1954 shall be continued upon the model year 1960, and

(2) if such taxes are continued—

(A) any modifications the Administrator believes should be made in such taxes, and

(B) what the fuel mileage standard, and the tax rate brackets and amounts, should be for model years after 1980.

H.R. 6860

By Mr. JOHNSON of Pennsylvania:

Page 5, strike out line 4 and all that follows thereafter down through line 8 and insert in lieu thereof the following:

"This subsection shall apply only with respect to articles entered or withdrawn from warehouse for consumption on or after the day after the date of the enactment of this Act."

Page 9, line 1, strike out "Licensing and".

Page 9, strike out line 9 and all that follows thereafter down through line 19 on page 14.

Page 20, lines 16 and 17, strike out "LICENSING AND".

Page 20, line 21, strike out "Licensing and".

Page 20, line 24, strike out "Licensing".

Page 21, line 1, strike out "and".

Amend section 142 (page 21, lines 5 through 13, inclusive) to read as follows:

"SEC. 142. FUNCTIONS OF THE DEPUTY ADMINISTRATOR.

"The Deputy Administrator shall administer the provisions of part V (relating to the Federal purchase and sale of imports of petroleum and petroleum products)."

Page 21, line 19, strike out "Licensing and".

Page 24, strike out lines 6, 7, and 8.

Page 5, strike out line 4 and all that follows thereafter down through line 8 and insert in lieu thereof the following:

"This subsection shall apply only with respect to articles entered or withdrawn from warehouse for consumption on or after the day after the date of the enactment of this Act."

Page 8, beginning on line 25, strike out "and the Deputy Administrator for Petroleum Import Licensing".

Page 9, strike out line 9 and all the follows thereafter down through line 19 on page 14.

Page 20, strike out line 16 and all that follows thereafter down through line 23 on page 21.

H.R. 6860

By Mr. McFALL:

Page 31, line 5, strike out "States.'" and insert in lieu thereof "States.".

Page 31, insert immediately after line 5, the following:

"(c) REDUCTION OF RATE IN CASE OF QUALIFIED STATE GASOLINE TAX.—

"(1) IN GENERAL.—The rate of the tax, which, but for this subsection, would have been imposed by this section on the sale of gasoline in a State which, at the time of such sale, has a qualified State tax with respect to gasoline shall be reduced by the qualified State tax increase on such gasoline.

"(2) LIMITATION.—The rate of tax imposed by this section may not be reduced under this subsection—

"(A) if the rate of such tax is 3 cents per gallon, by more than 1 cent per gallon; or

"(B) if such rate is more than 3 cents per gallon, by more than the sum of—

"(i) 1 cent per gallon, plus

"(ii) 20 percent of the amount by which such rate exceeds 3 cents per gallon.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED STATE TAX.—A tax imposed by any State on the sale of gasoline subject to tax under this section shall be treated as a qualified State tax if the Secretary determines that—

"(i) such tax is not substantially different from the tax under this section,

"(ii) a qualified State tax increase exists with respect to the tax imposed by such State, and

"(iii) the net receipts of the State from such qualified State tax increase will be available only for purposes of planning, constructing, or maintaining highways or mass transit systems.

In making such determination, net receipts from any qualified State tax increase shall not be treated as available for the purposes referred to in clause (iii) if the Secretary finds that funds of the State available for such purposes will be diverted for other purposes because of such tax increase.

"(B) QUALIFIED STATE TAX INCREASE.—The term 'qualified State tax increase' means, with respect to any State, the amount by which—

"(i) the rate (per gallon) of tax imposed by such State on the sale of gasoline subject to tax under this section, exceeds

"(ii) the rate of tax (if any) which was imposed on May 19, 1975, by such State on such a sale.

"(4) APPLICATION OF SUBSECTION.—For purposes of this title, the rate of tax in effect under this section shall be such rate as in effect for the State in which the gasoline was purchased by the user."

Page 32, insert immediately after line 25, the following:

"(d) REDUCTION OF RATE IN CASE OF QUALIFIED STATE SPECIAL FUELS TAX.—

"(1) IN GENERAL.—The rate of the tax, which, but for this subsection, would have been imposed by this section on the sale or use of any fuel in a State which, at the time of such sale or use, has a qualified State tax with respect to such fuel shall be reduced by the qualified State tax increase on such fuel.

"(2) LIMITATION.—The rate of tax imposed by this section may not be reduced under this subsection—

"(A) if the rate of such tax is 3 cents per gallon, by more than 1 cent per gallon; or

"(B) if the rate of such tax is more than 3 cents per gallon, by more than the sum of—

"(i) 1 cent per gallon, plus

"(ii) 20 percent of the amount by which such rate exceeds 3 cents per gallon.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED STATE TAX.—A tax imposed by any State on the sale or use of a fuel subject to tax under this section shall be treated as a qualified State tax if the Secretary determines that—

"(i) such tax is not substantially different from the tax under this section,

"(ii) a qualified State tax increase exists with respect to the tax imposed by such State, and

"(iii) the net receipts of the State from such qualified State tax increase will be available only for purposes of planning, constructing, or maintaining highways or mass transit systems.

In making such determination, the net receipts from any qualified State tax increase shall not be treated as available for the purposes referred to in clause (iii) if the Secretary finds that funds of the State available for such purposes will be diverted for other purposes because of such tax increase.

"(B) QUALIFIED STATE TAX INCREASE.—The term 'qualified State tax increase' means, with respect to any State, the amount by which—

"(i) the rate (per gallon) of tax imposed by such State on the sale or use of the fuels subject to tax under this section, exceeds

"(ii) the rate of tax (if any) which was imposed on May 19, 1975, by such State on such a sale or use.

"(4) APPLICATION OF SUBSECTION.—For purposes of this title, the rate of tax in effect under this section shall be such rate as in effect for the State in which the fuel was purchased (or used) by the user."

Page 33, line 1, strike out "(d)" and insert in lieu thereof "(e)".

Page 33, line 9, strike out "(e)" and insert in lieu thereof "(f)".

H.R. 6860

By Mr. WAGGONNER:

Page 105, line 5, strike out "and".

Page 105, line 9, strike out the period and insert in lieu thereof, ", and".

Page 105, insert immediately below line 9 the following new subparagraph:

"(G) in the process of melting, fining, feeding, conditioning, polishing, glazing, coating, annealing, or other industrial finishing of glass manufactured products."

EXTENSIONS OF REMARKS

THE ADMINISTRATION'S PROGRAM FOR ENERGY INDEPENDENCE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 2, 1975

Mr. HARRINGTON. Mr. Speaker, over the past few months I have voiced serious reservations concerning the administration's program for energy independence.

It is my belief that the administration's blueprint, in its present form, will impose unnecessary and burdensome controls over State administrative proceedings, actually reducing the regulatory protection available to the consumer. Clearly, the administration's proposal does not represent the most efficient method of achieving energy independence for this country.

The case against the Energy Independence Act offered by the President was well stated by Mr. Ralph W. Wickberg, president of the National Association of Regulatory Utility Commissioners, in testimony before the Subcommittee on Intergovernmental Operations of the Senate Subcommittee on Government Operations.

It seems to me that Mr. Wickberg's testimony is deserving of the attention of all my colleagues and therefore, I would like to insert it in the RECORD at this time.

The text follows:

NARUC TESTIFIES ON ADMINISTRATION'S ENERGY INDEPENDENCE LEGISLATION

NARUC President Ralph H. Wickberg on April 17, 1975, presented the following statement to the Subcommittee on Intergovernmental Relations and the Subcommittee on Reports, Accounting and Management of the Senate Committee on Government Operations on Title VII (Utilities Act of 1975) S. 594, a bill proposing the Energy Independence Act of 1975:

My name is Ralph H. Wickberg, and I am President of the National Association of Regulatory Utility Commissioners, commonly known as the "NARUC." I am also a member of the Idaho Public Utilities Commission.

The NARUC is a quasi-governmental nonprofit organization founded in 1889. Within its membership are the governmental agencies of the fifty States and of the District of Columbia, Puerto Rico, and the Virgin Islands engaged in the regulation of utilities and carriers. Our chief objective is to serve the public interest by seeking to improve the quality and effectiveness of public regulation.

The members of the NARUC appreciate your invitation to make their views known on Title VII of the proposed Energy Independence Act of 1975 (S. 594, H.R. 2633 and H.R. 2650).

The NARUC Executive Committee at its meeting on February 27, 1975 adopted a resolution opposing Title VII. The overall effect of Title VII would be to raise electric utility rates by approximately 20% in addition to any normal inflationary increases—which last year were approximately 11% according to the Consumer Price Index. The proposals in Title VII would also reduce very significantly the State commissions' ability to protect the consumer.

Dr. Smith, our Director of Economics, has prepared a table appended hereto which presents the major policy alternatives and their effects on utility revenues.

The proposed Act would reduce the commissions' flexibility in the setting of rates in a number of important matters: length of hearing, fuel adjustment clauses, peak load pricing, construction work in progress, environmental costs, and normalization of depreciation. State regulatory utility commissions exist to perform a careful analysis of utility rate and service problems in orderly, democratic hearings that protect the public, consumer, producer, and investor interests. The commissions are able to take local conditions and special circumstances into account in arriving at rate and service decisions.

I would like to outline exactly how the Administration's proposals will reduce the regulatory protection available to the consumer.

1. THE REDUCTION OF REGULATORY LAG

The Administration wishes to obtain legislation which would in effect set a maximum time limit of five months for deciding a rate case. At the end of five months the proposed rates would go into effect regardless of whether the rate case had been decided. Although the commission would have the power to reduce or deny subsequently a rate increase in its final order, we believe that in fact this procedure would make such a step very difficult. Many rate cases presently require more than five months for the adequate presentation of public, consumer, producer, and investor viewpoints. An arbitrary acceleration of the rate making process will weaken the protection available to the consumer.

In April 1972, the Edison Electric Institute began a regular survey of electric utility rate case decision data in order to provide its member companies with detailed, conveniently assembled information on rate cases. Although all of the data collected is in the public domain, the compilation of the data entails a substantial effort and expense. Since the EEI data could be used to measure the degree of regulatory lag and its effects on the companies, NARUC has requested copies of the data and all future compilations for analysis and public disclosure. Until the data is provided for public analysis, the Administration's and industry's complaints about the alleged problems of regulatory lag will remain unsubstantiated.

2. FUEL ADJUSTMENT CLAUSES

Under the proposed legislation no regulatory authority could prohibit a utility from using a fuel adjustment clause permitting, without further proceedings, monthly changes in the utility's rates equal to the changes in the cost to the utility of fossil and nonfossil fuel.

With the exception of hydroelectric powered utilities, fuel costs are such an important part of utility rates that most States already have the clauses. However, the proposed legislation would end the flexibility of the State commissions to limit coverage to—for example—95% of the total fuel cost increase in order to provide the companies with an incentive for efficiency in the purchase of fuel.

Fuel adjustment clauses are controversial. There is a question at this time over whether a number of fuel companies have illegally manipulated fuel charges in order to take advantage of the clauses. There is also some concern over whether the utilities have enough incentive under the clauses to control fuel costs. Federal legislation requiring the use of such clauses would be wrong.

3. CONSTRUCTION WORK IN PROGRESS

The Administration's proposal to require that construction work in progress (CWIP) be put into the rate base is inappropriate. A number of States follow this procedure, while others do not. Each State commission should be free to determine the appropriate system of accounts to be used in handling construction work in progress.

4. OFF PEAK PRICING

A national peak load pricing policy is not needed; the State commissions are quite competent to handle the matter. In fact, the State commissions have taken the lead in exploring peak load pricing.

The Madison Gas and Electric Case before the Wisconsin Commission was the definitive case on peak load pricing. In these extensive hearings leading industry, academic, consumer, and environmental spokesmen presented testimony on peak load pricing. As a result, Madison Gas and Electric was ordered to implement peak load pricing for big industrial and commercial customers and to study residential peak load pricing.

The Vermont Commission has been a leader in implementing peak load pricing. Financed by grants from the NSF and the FEA, the Commission has permitted the utilities to implement peak load pricing and time-of-day metering for residential water heating and storage heating uses. It is expected that this will result in a substantial improvement of utility load factors.

In a resolution dated December 5, 1974, the Executive Committee of the NARUC requested the Edison Electric Institute and the Electric Power Research Institute to undertake an analysis of peak load pricing. Work is underway on this study, and it is expected that the study will become a definitive source of information.

5. POLLUTION CONTROL EQUIPMENT

The Administration wishes to require that the cost of pollution control equipment be included in the rate base. In general, this is already done, and the legislation is neither appropriate nor needed. Furthermore, the proposed Federal legislation could weaken the power of the State commissions to protect the consumer against unreasonable charges due to inflated or unwise construction costs.

6. NORMALIZATION

The Administration wishes to require that normalized accounting be used in the handling of depreciation. I believe that each State can best determine the appropriate type of accounting system to use. This is not a Federal matter.

THE STATE ROLE IN MEETING THE ENERGY AND ELECTRIC UTILITY CRISIS

The State utility commissions are fully aware of the need to maintain a viable utility industry. When a State's utility industry does not receive an adequate return on capital it is unable in the long run to raise funds for the expansion and replacement of existing plant and equipment. This hurts all of a State's citizens.

State regulatory utility commissions have demonstrated by their past actions and present endeavors that they are capable of handling the regulation of the electric utilites. Federal legislation of the type proposed by Title VII is not needed.

Our electric utility problem in this country is not the result of State action; the problem is the result of Federal inaction. The Administration's monetary, fiscal, and general business policies have given us rampant inflation, high interest rates, and a major recession. All businesses—including the utilities—have experienced to some degree the problems of low stock prices, increased financial problems, and lack of access to the capital markets. As inflation moderates, business improves, and the Federal Reserve credit crunch comes to an end the utilities will again find that they have an improved financial position and better access to the capital markets. However, there is only a limited amount to the capital available for investment in this country, and it is unlikely that the utilities will be able to borrow as much as they would like.

THE FEDERAL ROLE

For reasons of national security, the Federal government would like to see the expanded use of the Nation's nuclear and coal resources—which must be accomplished through the generation of electricity. This will require a massive flow of capital into the electric utility industry. If the industry is to have a major role in Project Independence—and this may be quite appropriate—then it is necessary for the Federal government to undertake programs providing funding to the industry. The individual rate payer is totally unwilling and probably does not have the financial capacity to pay for a national shift in energy policy to the increased use of electricity. The consumer is not going to provide equity capital directly to the utilities through higher rates. For the amount of funding that the Administration and industry are talking about, the only source is Federal assistance.

In the past the government has provided increased funding to agriculture, space, and defense when they have had high importance in national policy matters. The energy industries, and particularly the electric utilities, now require a national program of assistance. Such a program could consist of the provision of guaranteed loans, direct assistance, and government power operation. I would like to mention some of the alternatives.

1. Chairman William Rosenberg of the Michigan PSC has suggested that the Federal government should provide a program of Federal insurance and guarantees of utility debt for the purpose of assuring a smooth flow of capital to the hard-pressed electric industry. This proposal would operate to reduce the cost of capital by lowering the interest rate of Federally guaranteed utility bonds and by allowing a company to use more debt and less equity in its capital structure. Chairman Rosenberg has indicated that the proposal allows for cheaper debt and more of it. He projects a minimum of a 25% savings on new capital costs.

2. Another possibility for government assistance to the industry would be through the formation of a Utility Finance Corporation to provide funds directly to the companies. This could be accomplished through the provision of self-liquidating loans, the Federal purchase of utility bonds, and possibly even Federal equity participation on a temporary basis. A Utility Finance Corporation could provide the funds which the industry needs on a self-liquidating basis while preserving the advantages of private enterprise.

3. The temporary establishment of government-owned nuclear and coal generating plants is an approach which has also been advocated. The government would build the plants needed to generate electricity and then sell the electricity to privately-owned utilities for transmission and distribution. The advantage of this approach is that it would provide Federal capital at the major bottleneck: the generation of electricity by nuclear and coal sources.

The enabling legislation could include a valuation formula for selling the plants to the using utilities when they are in a position to finance the purchase price.

4. Concurrently with these possibilities, the Federal government should also undertake an examination of its plant siting and environmental requirements. At a time of change in national energy policy it is important that the environmental-cost-availability tradeoffs be reevaluated.

In conclusion, I urge that Title VII not be passed. Its passage would seriously weaken the regulatory protection available to the consumer.

There is a limit to what the consumer can pay, and he cannot afford to provide to the industry equity capital extracted in the form of higher rates in order to finance a national conversion to electricity. It would appear that the time for some limited and hopefully self-liquidating Federal participation in the provision of capital to the industry is here.

Once again, Messrs. Chairmen and Members of the Subcommittees, I want to thank you for this opportunity to make the views of the NARUC on this vital subject known to you.

RUSSIA DEFIES U.N. ON CHROME

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 3, 1975

Mr. HARRY F. BYRD, JR. Mr. President, the House of Representatives is

considering legislation to repeal the Byrd amendment of 1971.

The Byrd amendment provides that there can be no ban on the importation of a strategic material from a free world country if the same commodity is being imported from a Communist country.

The principal effect of the Byrd amendment is to permit the importing of chrome from Rhodesia.

Proponents of repeal argue that the United States is acting illegally so long as the amendment stands, but in truth our Federal courts have specifically ruled that in enacting the Byrd amendment, Congress was wholly within its constitutional powers.

Metallurgical chrome is essential to produce stainless steel, which in turn is vital to U.S. defense and industry. Rhodesia has two-thirds of the world's reserves of ore, and cutting ourselves off from this source would greatly increase our dependence on another major supplier—the Soviet Union.

When the United States was observing the U.N. embargo, Russia more than doubled the price of its chrome, and only last year the Soviets halted chrome exports for 5 months in an effort to drive up the price. Surely the Soviet Union is not a reliable source of a commodity vital to our own security.

The hypocrisy of the U.N. in its actions against Rhodesia, and the hypocrisy of those nations who criticize the United States for importing strategic materials from Rhodesia should not go unnoticed.

A recent article from the London Sunday Telegraph reveals how Russia itself imports chrome from Rhodesia. The Russians use the superior Rhodesian chrome to blend in with their own.

Thus if the United States repeals the Byrd amendment, we will buy an inferior blend of Russian-Rhodesian chrome from the Soviet Union at greater expense.

I believe the absurdity of this situation speaks for itself.

Mr. President, I ask unanimous consent to have the article from the London Sunday Telegraph printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIA DEFIES U.N. ON CHROME

Russia is believed to be importing large quantities of chrome ore from Rhodesia in defiance of the United Nations mandatory resolutions on economic sanctions. Chrome is a highly strategic metal used for hardening steel.

Diplomatic and commercial sources claim that the extensive trade is carried on under cover of forged manifests. The ore is shipped through third country ports in the Persian Gulf, as well as Japan, Turkey, Yugoslavia and Morocco.

In return Russia is sending Rhodesia ball bearings and other industrial manufactures. The Johannesburg weekly, *Financial Times*, has confirmed the arrival of Russian ball bearings in Rhodesia.

Copies of this report have been distributed to members of the United Nations Rhodesian Sanctions Committee, at Britain's request. The Russians denied the allegations.

EXPORT BOOST

Russia is herself the second largest producer of chrome, after Rhodesia. But it is an inferior ore, with less titanium, and it is believed that the Russians are blending Rhodesian ore with their own, both for home use and to enhance exports.

Late last year the Japanese Foreign Ministry said, in effect, that Japan was importing huge amounts of the ore from Rhodesia. Until then Japan had insisted that all its African ore came from South Africa, not a large producer.

Then it was wryly admitted that Japan's chrome imports from Africa were 200,000 tons in excess of the exports shown by South African documents. Clearly it came from Rhodesia.

The Japanese, who now are co-operating with the Russians in the development of Siberian oil and timber resources, obviously could be persuaded to transship the forbidden ore to Russia.

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD another installment of Mr. Levins' articles:

IS THE FRANKFORD ARSENAL "OUTMODED"? THE ROCK ISLAND LINE IS FINE, BUT . . .

(By Hoag Levins)

ROCK ISLAND, Ill.—The Army, in closing the "outmoded" Frankford Arsenal in Philadelphia, intends to transfer many functions here—to an arsenal built during the Civil War.

During a tour of this 113-year-old Illinois arsenal, the Daily News found the same sort of buildings and equipment available now at the 158-year-old Frankford Arsenal.

On Nov. 22, 1974 after years of rumor and speculation, the Army announced it was closing down Frankford by July 1977.

The main reason cited was the Philadelphia arsenal's age which, in part, dates back to the Spanish-American War. Officially, the Army said, it found Frankford buildings "outmoded" for the sophisticated business of modern munitions development.

Now, the Army plans to move at least two major functions of the Frankford Arsenal into buildings here at Rock Island. Frankford's fire control and small-arms munitions programs will be housed here in buildings constructed during the early 1860s when this island arsenal was the site of a prison for Confederate soldiers.

Nearly 2,000 of those soldiers are still here, their tombstones marching row after row in the snow at one end of this 960-acre island in the middle of the Mississippi River.

That Confederate cemetery, a well known local landmark, underscores this arsenal's history reaching back nearly as far as that of the Frankford Arsenal.

Aside from the Civil War structures that now hold the bulk of the workshops and labs, a number of other workshops were built during both World Wars.

One huge building erected in 1917 holds the sprawling computerized machine shop which turns out the massive cannons for which Rock Island Arsenal is famous. That shop has the largest inventory of computer-programmed machines in the Defense Department.

Rock Island Arsenal officials won't comment officially on whether or not their facility can accommodate work now done at the Frankford Arsenal. However, privately they admit it could. Said one:

"We have plenty of space here. It's a matter of time and money. If you don't have what you need, you buy it."

Pat Klein, chief information officer at Rock Island, points with pride to the massive Civil War buildings that line the streets of the arsenal. "What we've done here is to constantly update the inside of the buildings."

His tour led through structures with two-foot-thick stone walls and story-high buildings which line the streets of windows—much like the 1860s Frankford Arsenal.

"The feeling here is, when you have solid buildings like these," explained Klein, "you have as sturdy a building as you're even going to find. You wouldn't be able to buy buildings like this today . . . no matter how much money you had to spend."

NO GOLF A HANDICAP TO KEEPING OUR ARSENAL?

ROCK ISLAND, ILL.—Strange as it sounds, a major factor in the Army's decision to close the Frankford Arsenal in Philadelphia may have been golf.

According to military, political and industrial sources embroiled in the controversy, the Frankford Arsenal has been doomed because it doesn't have a golf course as do most other major Army installations. Said one Washington source:

"It sounds crazy, that the Army brass would balance its total arsenal capability picture against golf courses and nice mansions to live in, but if you knew some of the reasons behind Army decisions, you'd be astounded. The golf course that Frankford doesn't have was the last nail in its coffin."

Another government source says:

"These generals and other higher officers like the frills. They like large homes. Frankford can do the job, but it doesn't have any of the frills. It's a drab place and a commanding officer can't take a visiting dignitary out to the golf course. That is what they like to do."

A few years ago, when the Army transferred the Metrology and Calibration Center from Philadelphia, it sent the mission to Red Stone Arsenal in Huntsville, Ala. That Alabama arsenal has its own golf course.

Currently, all seven major military facilities likely to take over functions from Frankford have golf courses. Some even have their own hunting and fishing preserves.

The other six are Edgewood Arsenal/Aberdeen Proving Grounds complex and Indian Head Naval Facility in Maryland; Picatinny Arsenal, and Fort Monmouth in New Jersey; Fort Lee and Fort Belvoir in Virginia, and Rock Island in Illinois.

Rock Island has one of the nicest courses of all. The Rock Island golf club is privately operated, with a par 71, 7,000-yard, 18-hole course covering acres of lush wooded grounds a few steps from Colonel's Row, a series of castle-like mansions facing onto the Mississippi River where the arsenal's top officers live.

The golf club charges two rates. Military members pay $60 a year. Civilians pay a $1,505 entrance fee and $500 additionally a year. Civilin membership is limited to 75.

"The Army brass like the nice things in life for themselves," said a civilian official. "Get them together behind closed doors and they're like a bunch of kids in a candy store—except they own the candy store."

Said an Army officer at Rock Island:

"You have to look at it from the viewpoint of a career Army officer. The base is his entire life. He doesn't care what's outside. Frankford has a reputation as a dump to live in. It's in the middle of that grimy, dirty industrial district. Now if you were an officer and had a chance to pick between Frankford and the riverfront along the Mississippi, which would it be?

A high civilian official said:

"Understand that generals in the Army live in their own little world. Especially that's true for the older, stiffer officers. They put a large value on things like prestigious houses and communities small enough to make their wives' tea parties major social news events. They just love to walk an important visitor out the front door and over to the golf course. It's a big thing in their life."

ROCK ISLAND HOUSING: VERY SCARCE

ROCK ISLAND, ILL.—One of the first—and largest—problems Philadelphia Arsenal workers will find in Rock Island is housing. There isn't any.

Rock Island has traditionally been plagued by housing shortages, greatly increased by the current building slump and tight money.

The Army consolidated its new Armament Command here two years ago, and brought in hundreds of new workers. They took most of what housing was left.

"It was outrageous," remembered one Rock Island Arsenal worker. "Everybody knew you were an arsenal transfer. The price of every house went up $10,000. The condition of the houses was simply beyond belief."

Dick Weeks, president of the Quad-Cities Development Group, composed of realtors, industrialists and civic leaders interested in promoting the region, said:

"Unfortunately, you can't win in our housing market right now. People coming here are looking at inflated prices for homes in a market that is very, very tight."

John Miller, president of the Rock Island Bank, said the going rate for home mortgages is 9½ percent.

Arsenal officials say those who transfer will not be given financial assistance to offset losses in selling their old house or in the higher costs and interest rates on a new one.

As an example of the prices in Rock Island, Police Chief Charles Myers bought a four-bedroom home in 1968 for $36,000. His taxes on it are about $800 a year.

"It's just a regular house and now its value is up to about $50,000 and climbing," Myers said.

Lynn Ash, executive editor of the local newspaper in Rock Island, called the housing situation "so bad now that what most people do when they come here is to go about 60 miles out into the farm lands."

ARSENAL—THE "PHONY" TRANSFERS

(By Hoag Levins)

The 1,500 Frankford Arsenal jobs the Army has promised to "save" with transfers exist mostly only on paper.

On Nov. 22, the Department of the Army officially announced the arsenal would be closed by 1977 with 2,000 jobs eliminated and 1,500 transferred—including at least 350 to Rock Island, Ill.

Since then, that 1,500 figure frequently has been used to soften the Army's projected unemployment picture. The installation now employs about 3,500 workers.

Actually, the Army intends to offer 1,500 transfers to scientists, engineers and technicians who it knows will probably not accept them.

While Pentagon officials continue to insist that as many as 50 percent of those people offered jobs will take them, few of those offered transfers are expected to accept them.

During the last three weeks, the Daily News has contacted Army and arsenal officials for estimates of how many Philadelphia workers can expect to have arsenal jobs after Frankford closes. Each source produced a different set of figures—in keeping with the atmosphere of confusion, ambiguity and secrecy which has shrouded the arsenal controversy since it began.

Edwin Greiner, deputy secretary of the army for installations and logistics, said his department expects "more would take transfers than would not." He indicated a majority of the 1,500 persons offered transfers would pull up stakes and move.

Gen. Bennett Lewis, head of the Army Material Command, said that "as many as 50 percent" could be expected to accept transfers to other parts of the country.

In a confidential Nov. 22 memo, the Army said it expects the "estimated number of personnel electing to transfer with the function will be 541"—about 36 percent.

In another confidential study, the Army estimated "25 percent of the personnel with transfer rights will exercise that right."

During a visit to Rock Island Arsenal last week, the Daily News found officials there "would be surprised if we even get a dozen" people from Philadelphia.

At the Frankford Arsenal, some officials, who did not want to be identified, estimated "about 3 percent"—or 45 persons—of those offered transfers can be expected to take them.

In dozens of interviews, the Daily News was unable to find anyone in the top level of scientists, engineers and technicians who plans to accept a transfer.

These findings tend to confirm what arsenal veterans refer to as the "5 percent factor." Simply translated, that means 5 percent or less actually will take transfers, despite Pentagon predictions.

"We know taht from experience," explained Joseph M. McCaughey, top civilian executive at Frankford. "In the end, the Army is going to be in serious trouble. We are going to lose our youngest, brightest and most talented engineers. They are the ones who are aggressive and young enough to start over again in something else.

"No matter what the Army says, we know from past experience that these people are not going to go."

Looking back a few years at other facilities which have closed, it appears that the informally recognized "5 percent factor" is solidly based.

When Frankford Arsenal's National Inventory Control Point mission was moved to Rock Island in 1964, its 214 employes were offered transfers. Three went.

In 1967 when the Frankford Arsenal Metrology and Calibration mission was transferred to Huntsville, Ala., 187 of the 300 employees were offered transfers. Only 28 accepted and after the first year, only three remained.

In April 1968, the Army shut down the massive Springfield Armory in Massachusetts, which employed 2,400 people. Of the 1,900 offered transfers to Rock Island, only 32 accepted. Six remain in Rock Island.

"What happened," explained a Rock Island official, "is that we got a lot of people who had a year or so to go until retirement. They moved out here and lived in trailers or apartments until their time was up and they went back home with full retirement pay."

"As a general rule," said Frankford's Dr. David Rosenblatt, director of the Pitman-Dunn Laboratories, "the scientists and engineers who are willing to relocate are those who must serve a few more years before retirement."

Rosenblatt, who heads the arsenal's sprawling research and development complex, fears a large loss of talent.

"Relocation is a filter which allows the untalented and slower individuals to move and remain with the Defense Department, while their more efficient colleagues easily find scientific and engineering jobs in their home areas," he said.

Perhaps ironically, Undersecretary of the Army Herman Staudt recently voiced the same concern at a meeting of Illinois businessmen. Staudt was at Rock Island Arsenal last week to meet with a task force of community leaders who wanted to learn more about the Army's still-secret plans for a new research and development center which would require massive transfers—including ones from Philadelphia.

"Expertise," Staudt assured his audience, "is the most important factor to us. We can replace bricks and mortar, but not teamwork. It is a very great concern to us to be sure that the things we think we gain when making these changes will not be overwhelmed by what we lose."

Staudt, who refused to answer any questions from the press, declined to specify just what gains he was talking about, or what changes were to be made where.

MOSCOW'S ONE-WAY ROAD

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 3, 1975

Mr. HARRY F. BYRD, JR. Mr. President, serious questions now are being raised about the real meaning of détente between the United States and the Soviet Union.

I believe this is healthy. While I endorse the idea of keeping open lines of communication between the great powers, I feel that in recent agreements made in the name of détente, the United States has consistently come out second best.

Three examples are the notorious grain deal, the temporary strategic arms limitation agreement and the settlement of the Russian debt to the United States at a tiny fraction of the amount owed.

Howard Flieger, writing on the Editor's Page of U.S. News and World Report on May 19, put the case very well. Questioning the meaning of détente, he said:

In theory, it bespeaks a sincere effort by the leaders of two cultural and political systems that are poles apart to understand one another and cultivate an area of mutual self-interest to avoid disastrous conflicts.

In practice, it is a one-way street and Moscow has the right of way.

I ask unanimous consent that the text of Mr. Flieger's article, "Moscow's One-Way Road," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOSCOW' ONE-WAY ROAD

(By Howard Flieger)

The numbing shock of defeat in Vietnam is beginning to give way to the anticipated repercussions in Washington.

Now everybody is all out for a searching reexamination of this country's role as a power in the outside world.

Well and good. A reappraisal is needed. It should be all-inclusive—geographically, economically and politically global.

That means both the Administration and its critics should take a cold, careful look at détente—the spirit of co-operation with the Soviet Union that stands today as a keystone of U.S. foreign policy.

The trouble is that nobody knows exactly what détente means.

In theory, it bespeaks a sincere effort by the leaders of two cultural and political systems that are poles apart to understand one another and cultivate an area of mutual self-interest to avoid disastrous conflicts.

In practice, it is a one-way street and Moscow has the right-of-way. If the idea is give-and-take, the give so far has been on the part of the United States.

Certainly no one wants to return to the frozen days of "cold war" when all relations between East and West were immobilized by distrust on both sides. That was a dangerous period. But so is détente, if it is not clearly understood by all concerned.

It is easier to evaluate the term if one is aware of what it really means to the men in the Kremlin. They regard it as synonymous with an earlier popular expression, "peaceful coexistence." And what was that?

A. I. Sobolov, a Soviet historian, defined the words in a long article that first appeared in a scholarly Soviet periodical.. He was writing for an audience of Communist intellectuals and, among other things, he said:

"Peaceful coexistence is a new stage in the development of the world antagonism between socialism and capitalism and in the development of world revolutionary progress . . . a specific but essentially basic form of the class struggle in the world arena between ascendant socialism and a capitalism which is going through a period of acute crisis. . . .

"It is essential to stress once more that the policy of peaceful coexistence is a specific and . . . important integral part of the world revolutionary process."

In plainer words, the Soviet goal is the same as it has always been—a Communist world. Everything in war or peace is directed toward that end result.

Look at the way the Kremlin has used the canopy of détente to shelter Communist advances at the expense of the U.S.

Soviet weapons, diplomats and Moscow-supported Communist parties have been stacking the deck against American interests in Southeast Asia, the Middle East and the littoral countries of the Mediterranean.

In numbers, U.S. military strength is the lowest in a decade. Soviet armed forces, growing all through the period, now outnumber our own by three-to-two.

Arms supplied by the Kremlin powered the assault on South Vietnam in blatant disregard of the Paris cease-fire. Portuguese Communists, though a minority, are having a major impact in that country.

And don't forget that détente made it possible for Moscow to buy up U.S. wheat at bargain prices—a thing that contributed directly to a burst of inflation which undermined our ability to compete in the world.

Action should be demanded of Moscow—a signal that it is willing to leave Portugal alone, or stop inflaming the Middle East, or be less selfish in world trade—if it is going to advance via détente to a summit meeting with President Ford.

If détente is to serve as a bona fide fraternal order for world peace, the Communists ought to, at least, pay their dues.

NO LEADERSHIP IN CONGRESS

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. SARASIN. Mr. Speaker, many of us have repeatedly questioned the wisdom and propriety of continued congressional recesses at a time when the country is faced with many critical problems and few solutions. We have pointed out that such a policy is bound to further erode public confidence in their Government at a time when we should be doing all possible to restore that confidence.

Our protests have obviously not been taken very seriously by the majority of Members and our efforts to at least defer the recesses until some of our more important legislation is dealt with failed.

The results have been as predicted and I am submitting the lead editorial from the May 26 edition of the Waterbury Republican, a major daily paper in my Connecticut district, as clear evidence of the impression we are creating. I urge my colleagues to read and consider this statement, which has been echoed by many of my constituents, as we embark once more on our legislative tasks.

The article follows:

NO LEADERSHIP IN CONGRESS

The inability of Congress to deal with major issues confronting the United States today is demonstrated by the lack of leadership on the part of House Speaker Carl Albert and Senate Majority Leader Mike Mansfield. Once again, the American people have witnessed their representatives running for the doors to recess while legislation dealing with energy, the economy, highway funds, the disputed New Hampshire senatorial election, and other issues lay neglected.

One can only look with nostalgic forlorn at the days when giants like Lyndon Johnson held sway in the Senate and Sam Rayburn ruled the House with an iron hand. There were charges of bossism. There were charges of one-man rule. But there was also accomplishment, the passage of legislation, and the ability of Congress to act as a true co-equal branch of government. Today the President acts while the Congress reacts.

Would Rayburn or Johnson have allowed Congress to take a 10-day recess when such major work remained before them? We think not. To the contrary, they would run Congress with a club, not like a club, and from their stern direction and leadership would have come action.

The causes of congressional decline are many. Watergate weakened the presidency but Congress was unable to fill the power void. The people hear congressmen call for inquiries more frequently, and committees rush to investigate any subject that comes up. Investigations do not pass legislation. They expend money, energy and time, but produce little.

The increasing role presidential politics plays in Congress is disturbing. Candidates begin campaigning earlier, eyeing the election rather than the work to be done. The advice given by former Sen. George Aiken before he retired, that presidential candidates should resign from Congress, is not without merit.

The erosion of the ability of Albert and Mansfield to lead was accelerated by the election of a Congress dominated by more freshman representatives than ever before in modern history. Many of these members matured during the turbulent '60s, when established procedures were questioned, values were attacked, revolt became a by-word, and change often for the sake of change was advocated.

This fervent liberalism has now arisen in Congress. Committee chairmen have been challenged and deposed. Freshmen congressmen, determined that things be done their way, have formed a potent voting bloc. But to date, that power has been concerned with destroying rather than creating, with delaying rather than progressing, with negating rather than approving.

Congress has the right to say "no" if it has an accepted alternative upon which to vote "yes." But when the "no" is followed by nothing, the nation drifts leaderless.

The halls of Congress are quiet while the nation, lacking an energy policy, continues at the mercy of foreign oil suppliers. Congressmen have gone home while Connecticut, New York, and Vermont are unable to utilize their share of $2 billion in highway funds because a bill to free money for those states from a court-imposed ban remains pending.

The representatives and senators left Washington while the people of New Hampshire only have one senator, a gross miscarriage of equal representation. If the delay continues, they may be able to vote for their senator again in November because the vacancy would still exist.

The congressmen have gone home, taking with them their zeal for spending which has put Social Security in crisis, added to the federal deficit, and created first an inflation, and then a recession, which has made hundreds of thousands jobless.

LEGISLATION ADOPTED BY COUNCIL OF THE DISTRICT OF COLUMBIA AND TRANSMITTED TO THE SPEAKER IN MAY 1975

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. DIGGS. Mr. Speaker, an additional act has been adopted by the Council of the District of Columbia and transmitted to the Speaker for layover for 30 legislative days before becoming effective under the Home Rule Act—Public Law 93-198. It is Council Act 1-14.

Two other Council acts of an emergency nature took effect immediately on being signed by the Mayor, are in effect for only 90 days and do not need to be transmitted to the Speaker. They are Act 1-12 and Act 1-13.

Of the earlier acts of the Council, two have now become law with the expiration of the 30 legislative day layover period. Acts 1-2 and 1-3, transmitted to the Speaker on March 14, 1975, became law on May 14. Act 1-1, an emergency act and hence only in effect for 90 days, was passed on January 22, 1975, and remained in effect through April 21.

Information in the committee files on these acts and other matters before the Council is available to any Member on request.

Following are summaries of the three new acts and a listing of relevant dates and titles of the acts.

Act 1-12 is a 90-day emergency act to extend the existing D.C. rent control regulation that was expiring on April 28, 1975. A new permanent rent control act was given a first reading by the Council on May 20 and is designed to take effect before Act 1-12 expires.

Act 1-13 is a 90 day emergency act urging a 60-day cooling off period for the Board of Education in its proceedings to terminate the Superintendent of Schools.

Act 1-14 permits ice cream vending stands and trucks to use dry ice instead of the mechanical equipment required by a Council regulation of December 13, 1974.

ACTS ENACTED—TITLE AND DATE SIGNED BY MAYOR

Act 1-12: Sponsor, Winter, To extend on an emergency basis the rent control program (April 24, 1975) (Bill No. 1-59).

Act 1-13: Sponsor, Moore. To strongly urge a 60-day cooling-off period between the District of Columbia Board of Education and the Superintendent of Schools (May 6, 1975).

Act 1-14: Sponsor, Wilson. Ice Cream Vendors Act (Note: This supersedes Act 1-4 (May 6, 1975)) (Bill No. 1-35). Transmittal date May 16.

THE RUSSIANS ARE COMING—WITH CARS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. ASHBROOK. Mr. Speaker, the Soviet Union is continuing its push to sell Russian-manufactured products in the United States. The latest effort is in the field of automobiles.

The Soviet-made Lada, a small car based on the Italian Fiat, is now undergoing tests in the United States. If certification is granted, several hundred of these cars should be sold here next year. And this is just the beginning. According to Soviet officials, Lada sales in America could eventually reach 10,000 cars annually.

Soviet officials also indicated that they will take a 30 percent loss on each car sold in the United States to promote sales interest in the Lada. This would seem to violate U.S. laws on the sale of imported goods.

About the last thing the United States needs right now is a Soviet-manufactured car. Auto sales of American-made cars are already far below normal. Thousands of auto workers have been thrown out of work.

The situation certainly would not be improved by the introduction of a Soviet-made automobile being sold at less than cost. We cannot afford to have U.S. markets flooded with cheap, state-produced products.

Following is the text of the article from the May 31 edition of the Washington Star:

RUSSIA MAY SELL CAR HERE

DETROIT.—The Soviet Union wants to enter the U.S. car market next year with an imported version of its Lada—a small car based on the Italian Fiat, the Detroit News said yesterday.

The paper said four Soviet-made Ladas are now undergoing 50,000-mile tests in the United States and indicated "several hundred" could be sold in this country next year if they are certified.

The Lada needs modification of its emission unit to comply with strict U.S. anti-pollution standards. The News said the car needs 120 modifications before it is acceptable under U.S. law.

A stick-shift, four-speed Lada is now on sale in Europe. It has a top speed of 90 miles an hour and seats five persons. No gasoline mileage figures are available.

"We anticipate a loss in the first few years of sales," a Soviet trade official told the News.

The paper said Soviet trade officials indicated they will take a 30 percent loss on each car sold in the United States to promote sales interest in the Lada. Officials said they would honor U.S. laws that prohibit underselling by importers, however.

"We plan to earn some currency from the United States to purchase machinery and other equipment, with or without a profit," said one Soviet official.

Though sales in the hundreds would not even cause a ripple in the high-volume U.S. car market, Soviet officials said eventually Lada sales may be "like 10,000 to your 10 million" cars produced here annually.

Collin Gonze, assistant director of the United Auto Workers International Division in Washington, said he had not heard of the reported Russian sales move. He said that if the Russians sell the car in the United States at below cost, the UAW would call for an investigation because he said it is illegal to sell any imported goods in the U.S. market for less than original cost.

A Soviet trade official said, "We are prepared to meet the demand, but we don't plan to flood the market.

"The introduction of another small car would be good because American monopolies insist on big, not-well-constructed cars, and the Lada will push them to produce small cars, better cars."

The Lada now is sold in 50 countries and annual production is expected to reach 660,000 units this year, the trade official said.

EX-FELON VOTING RIGHTS BILL INTRODUCED

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. BEARD of Rhode Island. Mr. Speaker, I will introduce legislation today that would restore voting rights to ex-felons in Federal elections. This bill, if enacted, would authorize States to make provisions for all ex-offenders to participate in the direct vote of Federal officials during general, runoff or primary elections.

Under the bill, the enfranchisement would be granted only if the offender has completed his period of imprisonment and only after the person has paid all fines and satisfied all other penalties imposed upon him. According to this bill, a man or woman on parole would be eligible to vote.

Congressman BEARD has strongly suggested that this legislation is needed to insure the most fundamental of all rights in a democratic society. The Congressman further stressed that "once a person has paid his debt to society, there is no justification for shutting him out from full citizenship."

DOUBLE STANDARDS IN CONGRESS?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. RANGEL. Mr. Speaker, justice is one of those perennial concepts which is difficult to define and almost impossible to apply equally to situations bearing a relatively high degree of similarity. Just as Socrates addressed this paradox in his dialogs, today we continue to ponder the concept and are still unable to give this term a definitive structure so that the ironic phrase, "unequal justice" will become obsolete. Watergate has caused us all to come to grips with this term and to restore "justice" to our American system of government. However, the double standard continues to prevail whether it is on the basis of sex, race, ideology, age, income, or status. Congress is guilty of this asininity in addition to the executive and judicial branches of Government, and let us not forget our very own constituents who are responsible for our being here.

At this point, I would like to share with you, the context of "one man's opinion," in which Edward P. Morgan of the ABC News in Washington further expounds on this phenomenon:

ONE MAN'S OPINION

This is Edward P. Morgan ABC News Washington with the Shape of One Man's Opinion. A look at unequal justice on Capitol Hill after this word.

Congress takes care of its own, sort of.

Almost buried under the avalanche of news of the crumbling of Cambodia and now, inexorably in its wake, South Vietnam, was the sentencing last week of Congressman George V. Hansen, a Republican from Idaho, to two months in federal prison plus a year's probation for admitted violations of the 1971 campaign financing disclosure law.

Even more imperceptible was any move to oust him from the House for his crime. He intends, an aide said, to retain his seat. It would take a two-thirds vote of his peers to expel him.

So far, one source says, the House Ethics Committee, which deals with such matters, has heard not a whisper of opposition. That figures, but it reveals too the almost magical pliability of moral codes in Congress and the wide variance in invoking them.

Eight years ago, the House unseated Adam Clayton Powell. The flamboyant Harlem Democrat had been guilty of outrageous and possibly felonious behavior but he had been convicted of no crime except, figuratively speaking, one: flaunting his unsupportable antics before Congress. This was unpardonable—except to his black constituents, who promptly reelected him.

But then after the House barred Powell's reentry, the Supreme Court reversed that action, ruling, in effect, that it could heave him out for cause but it could not prevent his return as the winner in a legally-conducted election. So Powell was reseated in 1969 (the court process having consumed the intervening time) but fined $25,000 and deprived of his seniority. His legislative career was already in eclipse, however, and in 1970 he was overcome by a native of Harlem, Attorney Charles Rangel, who since has distinguished himself on the House Judiciary Committee.

Some black Americans protested that Powell was guilty of no more excesses than

UMI

some fellow members but he was being singled out as a Negro. The charge would have borne more weight if Adam Clayton Powell had pursued his peccadillos quietly but that would be like asking a bluejay to change not only his feathers but his raucus constitution. Such a charge probably would not be made today; so much for a decade of progress against racial prejudice in government.

But what about reforms and morality? "If people who make the laws can't obey them, who can we expect to?" said Chief Federal District Judge George L. Hart Jr. in sentencing Congressman Hansen. A good question. But where are a constituent's responsibilities? In 1956, Representative Thomas Lane, a Boston Democrat, served four months in prison for income tax evasion and was reelected while still in his cell.

Congressman Hansen says he made a mistake, which is not a felony, but he is very sorry. Others may have made similar mistakes which didn't come to light and that could well be why there is no move to oust him.

I'll have a footnote in 30 seconds.

It should be obvious by now that we don't get good government simply by reform legislation. Officials must abide by the reforms and, most important, their constituents—the public—must hold them to it. This is Edward P. Morgan ABC News Washington with the shape of one man's opinion.

1975 LEGISLATIVE QUESTIONNAIRE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. PATTEN. Mr. Speaker, each year I mail a legislative questionnaire to my constituents. I find it beneficial to my constituents and to myself and hope that this year's questionnaire produces the same good response as the ones of the past.

This year's questionnaire contains six items—three on domestic affairs and three on foreign issues.

I hereby insert the text of the questionnaire:

QUESTIONNAIRE

Congressman Edward J. Patten would appreciate your views on:

1. Which domestic problems do you consider the most serious? (Please check only 3 of these 6)
   - Crime.
   - Inflation.
   - Unemployment.
   - Energy shortage.
   - Pollution.
   - Mass transportation.
2. Because of energy problems, which proposed solution would you prefer to reduce gasoline consumption? (Please select only one)
   - An increase in the U.S. tax on imported oil.
   - Higher gasoline taxes.
   - Gasoline rationing.
3. Which would you consider the best way of keeping the Social Security Trust Fund financially sound? (Please select only one)
   - Use general revenues to finance the program.
   - Increase the Social Security payroll tax.
   - Increase the amount of earnings taxed.
4. Should the U.S. restrict foreign investments in America? Yes; No; Undecided.
5. Do you believe that the U.S. should reduce the number of American troops it has in other countries? Yes; No; Undecided.
6. As part of a Middle East settlement, do you feel that the Ford Administration should give political support to the future security of Israel's borders? Yes; No; Undecided.

U.S. SUPPORT FOR THE PALESTINE LIBERATION ORGANIZATION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. McDONALD of Georgia. Mr. Speaker, virtually without exception, the revolutionary groups in the United States wholeheartedly support the terrorist Palestine Liberation Organization—PLO—against the State of Israel. Three countries friendly to the United States—Israel, Iran and South Africa—have been singled out for attacks in the radical press as "agents of U.S. imperialism" and those governments have been singled out for an international slander campaign.

In the propaganda campaign, only repression, racism, and torture can be found in those countries, while "peace and progress" will reign when the various guerrilla "liberation forces" take over.

On Sunday, May 18, the Palestine Information Committee in New York City (212/850–5296) organized a "rally to support the demands of the Palestine people" in "solidarity with the Palestine Liberation Organization."

The Palestine Information Committee demonstration focused on three issues:

Express solidarity with the national rights of the Palestinian people;

Support the political prisoners in Israeli prisons; and

Support political prisoners in Jordan who wish to continue the struggle against Zionism.

The cosponsors and supporters of this rally and of a PLO Solidarity Night on May 15 at the Columbia School of International Affairs auditorium included a broad range of Maoist, Trotskyist and Communist Party, U.S.A. dominated organizations. They included.

Africa Information Service, a propaganda support group for African Marxist guerrilla groups.

Committee for a Progressive Movement.

Congress of Afrikan People, a Maoist group nationally active headed by LeRoi Jones who states that armed struggle must be developed in the United States.

Eritreans for Liberation, an organization which most often cooperates with Maoist U.S. groups.

Guardian, a Maoist weekly tabloid.

Liberation News Service, the New Left news service for the radical and "alternative culture" press.

Liberation Support Movement, headquartered in Canada with U.S. chapters in New York and Berkeley which have sent money, uniforms and medical supplies to Marxist guerrillas in Angola and other African countries.

Iranian Students Association, a violence-prone organization which works closely with the Maoist Revolutionary Union.

National Anti-Imperialist Movement in Solidarity with African Liberation, a CPUSA front to organize American Negro support for pro-Soviet guerrillas in South Africa.

October League, the leading Maoist Communist rival to the Revolutionary Union.

Prairie Fire Distribution Committee, the overt support group for the Weather Underground Organization.

Puerto Rican Socialist Party, a self-characterized Marxist-Leninist vanguard party, "essentially Maoist" according to the CPUSA but under the lose supervision of the Cuban Communist Party.

Revolutionary Student Brigade, the youth group of the Maoist Communist Revolutionary Union.

Socialist Workers Party, a Trotskyist Communist organization.

United Black Workers, a militant group from Newark, N.J. cooperating with the Congress of Afrikan People and the National Interim Committee for a Mass Party of the People.

Vietnam Veterans Against the War/Winter Soldier Organization, a group dominated by the Revolutionary Union.

War Tax Resistance, New York office, an organization developed from the militant pacifist War Resisters League.

West Side Marxist Center, operated by the CPUSA.

Young Socialist Alliance, the youth group of the Socialist Workers Party.

Youth Against War and Fascism, the violence-prone youth arm of the Trotskyist Communist Workers World Party.

Some 500 demonstrators marched to the Jordanian and Israeli consulates under banners which read, "Support the PLO," "Free the Political Prisoners in Israeli and Jordani Jails," and "United States Out of the Middle East."

Speakers at the rally included Jim Zeghbui, a professor at the University of Pennsylvania; Sokhom Hing, leader of the Khmer Residents in America; Ricardo Alarcon, Cuban ambassador to the United Nations; and Saadat Hassan, PLO permanent observer at the U.N. The PLO was recently granted permanent observer status by the U.N. and has offices in New York at 101 Park Avenue, room 311, New York, N.Y. 10010.

The Palestine Liberation Organization is headed by Yasir Arafat, leader of the Al Fatah guerrillas which is now the dominant force in the PLO. Since the 1973 Arab-Israeli conflict, the PLO has attempted to project the image of "moderate" terrorism by restricting the Al Fatah's Black September terrorist unit and by encouraging the other guerrilla groups in the PLO who would not accept its Moscow-derived discipline to withdraw from the organization.

However, Arafat and the other PLO leaders, while agreeing to limit, for the present time, the use of terrorism to Israeli territory, have never ceased their attacks on unarmed civilians there.

It is the "moderate" terrorists of the PLO who daily commit acts of sabotage and plant explosives in markets, restaurants and movie houses in Israel.

And yet there is a curious and disturbing phenomenon in the United States and in Israel, that of Jews who actively assist Arab terrorists. For example, in Israel, members of the Trotskyist Revolutionary Communist League served as operatives and couriers for Arab terrorists.

In this country, one group, the Committee to Support Middle East Liberation—CSMEL—a front of the Workers World Party, led by WWP functionary Rita Freed, has hailed the activities of Al Fatah's Black September terrorist unit. CSMEL hailed the slaughter of Israeli athletes at Munich during the 1972 Olympics as an attack on "U.S. imperialism," saying:

> It is the imperialists who are the real terrorists, the real menace to humanity, who terrorize workers and oppressed people daily. And until their terror is wiped out, the killing and human misery they cause will never cease.

In other words, the United States, by its very existence, makes the attacks by terrorists "necessary," according to these Trotskyist revolutionaries.

With the Communist victories in Vietnam and Cambodia, the U.S. "peace" movement is looking for new international issues. A certain segment of that movement is now concentrating on support for the Palestine Liberation Organization, devoting their efforts to "re-educating" Americans away from supporting the pro-Western government in Israel.

One such group is Breira—"alternative" in Hebrew—which operates from 299 Riverside Drive, suite 3–D, New York, N.Y. 10025 (212/662–4448), self-described as "a project of concern in Diaspora-Israel relations. Breira aims at encouraging Americans, particularly Jewish Americans, and Israelis to accommodate the demands of the Soviet-supported PLO.

Breira aims at politically "re-educating" the Americans who provide Israel with financial, moral and political support." Breira states it intends to "promote an understanding of long term positive efforts to build peace with the Arab States and the Palestinian people and to deal with the fundamental religious, social, economic and political problems within Israel on which the security and vitality of the state will ultimately rest."

The orientation of that "understanding" is indicated by Breira's reprinting and distributing literature praising the "restraining" influence of Russia on the PLO and the Soviet effort to counteract the "instability, the lack of unity and the radical (including Chinese) influences within the PLO."

The actuality of Breira's alinement with the PLO, the "restraining" policies of the Soviet Union, and individuals and groups within Israel who also support accommodation with the PLO, is partially camouflaged in the amorphous liberal wording of Breira's goals:

> To open the marketplace of public discussion to the full range of American Jewish opinion by legitimizing the possibility of dissent within the American Jewish community.
>
> To create within the American Jewish community an educational process that is based on a positive commitment to the future of Israel and not solely upon response to immediate crisis.
>
> To stimulate a commitment to diaspora Jewish life on the basis of a positive identification with the intrinsic needs and interests of the American Jewish community and the society of which it is a part and not solely in response to demands for financial, moral and political support for the state of Israel.

Breira publishes a bimonthly newsletter, circulates reprints, has held public discussions and forums in the New York City area, and occasionally has arranged national speaking tours.

Breira's working and advisory committees include many persons formerly active in the Jewish Peace Fellowship, Jews for Urban Justice, and in the Jewish Campaign for a People's Peace Treaty which attempted to obtain the signatures of individual American citizens in support of the Communist Vietcong.

The working committee includes Bob Loeb, Rose Brann, David DeNola, Peter Greffen, David Glanz, Lynn Gottlieb, Gershon Hundert, Lee Passkind, John Ruskay, Rabbi David Saperstein and Gerald Serotta.

Among the 150 members of the advisory committee are Rabbi Albert S. Axelrad, Rabbi Balfour Brickner, Rabbi A. Bruce Goldman, Rabbi Gerald Goldman, Marvin M. Karpatkin, William Novak, Rabbi Joachim Prinz, Henry Schwarzschild and, Arthur Waskow.

As many of my colleagues will recall, members of the Black September unit of the Palestine Liberation Organization placed three car bombs in New York City in 1973. The car bombs were discovered and disarmed by Federal agents before they detonated. Also there have been cases of shootings in the Washington, D.C. area in which Arab terrorist slogans were found at the scene.

The PLO maintains a permanent representation at the U.N. in New York, and its members have traveled throughout the United States to speak at radical conferences and rallies.

With this in mind, the activities of the PLO support groups hold the potential of a threat to the internal security of the United States.

WHY WE LOST THE WAR

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. SYMMS. Mr. Speaker, I have always maintained that if we were going to fight in Vietnam in the first place we should have fought to win and thereby save lives on both sides. Mr. Kenneth Crawford, a former columnist for Newsweek, and generally a perceptive commentator on foreign affairs expresses this widely held view in very cogent language in the May 14 Washington Post. I would like to share his thoughts with our colleagues.

The article follows:

WHY WE LOST THE WAR

Could we have won the war in Vietnam? Of course we could. Sen. Barry Goldwater and a few others are saying so but nobody is paying much attention to them and there is no good reason why anybody should. We had the power, as Gen. LeMay told us, to bomb North Vietnam back into the stone age.

Why didn't we do it? The answer usually given is that by doing it we would have risked Chinese intervention of the kind that forced us to settle for a divided Korea in our previous Asian war. But it was at least questionable whether China, preoccupied with its own cultural revolution and mindful of its historic antipathy to the Vietnamese, would have gone to the rescue of its Southern neighbor. The risk was nevertheless there.

A more compelling reason for our failure to win the war in the only way it could have been won was our unwillingness to accept responsibility for the degree of devastation and bloodshed this would have inflicted. Some call this squeamishness. Others call it a decent respect for the opinion of mankind. Squeamishness or respect for civilized standards—it amounts to the same thing differently stated and differently weighted.

Defeat in Vietnam has hurt us, worse probably than we are disposed to acknowledge. It has raised questions around the world about our dependability as defenders of our allies and even more of weak nations not our allies. It has cost us something in self-confidence. It has cast doubt on our competence to hold our own in a contest for advantage, if not survival, with authoritarian systems.

Even the limited war we fought sandpapered the sensibilities of many, perhaps in the end a majority of Americans. Just recently a respected columnist has referred to the "carpet bombing" of Hanoi. Had that been a carpet bombing there would now be no Hanoi to celebrate victory in its well-ordered streets. It was selective bombing of military targets that wasn't quite accurate enough to avoid some civilian structures, including a hospital, which became exhibit-A in the tours conducted for visiting Americans determined to be appalled by their country's barbarism.

Hanoi could have been razed as Dresden was in World War II. The Red River dikes could have been cracked to release flood waters. At one point the rumor that they had been attacked set off an outraged cry of protest in this country. Unquestionably American power, had it been fully employed after the Tet offensive or at some other opportune juncture, could have won the war against North Vietnam and left its indigenous Vietcong cadres in the South unsupplied.

The question is whether we would have been better off winning that way than we are losing as we did. Probably not. Why, then, did our leaders take us into a war destined to harm us whether we won or lost? Because they thought we could win using only limited military means. Thus the Green Berets in Kennedy's scheme of things to beat the invaders at their own guerrilla game. And thus Johnson's determination to escalate enough to meet the challenge posed by the Russian and Chinese arming of North Vietnam. They both miscalculated. So hindsight makes wise men of their surviving critics.

American statesmen who warned this country over the years against enmeshment in land wars on this Asian continent doubtless recognized that a Western army fighting an Oriental army would be handicapped by Western conscience. Attitudes toward the value of life are too different. Even in the war against Hitler certain standards of military conduct were maintained. Prisoners of war, for example, were reasonably well treated over all.

In North Vietnam prisoners were sadistically abused. Civilian populations in the South were systematically terrorized, not by impersonal bombing and shelling, which were bad enough on both sides, but by night marauders on the ground kidnapping and murdering thousands whose only offense was

UMI

that they sympathized with the Communists' enemies. The Phoenix operation, an attempt to fight fire with fire, never burned with enough conscienceless vigor to accomplish its purpose.

We cringed at pictures of Vietcong and North Vietnamese prisoners being kicked around by their South Vietnamese captors and at exposes of tiger cages for Saigon's political prisoners. If our people on the scene tried to moderate the conduct of our Asian allies the attempt was not well enough publicized and in any case seems to have been largely unsuccessful. Rough stuff on the battlefield occurs in every war. Continued abuse after the battle is over is unforgivable. At least, our side opened its prisoner-of-war camps to Red Cross inspection; the other side never did and we never learned until their release how savage its treatment of our men had been.

We keep hearing that the Paris accords, which were to end the war with honor on both sides, were violated by North and South alike. This is to equate cannon balls with bird shot. It became apparent that the North Vietnamese and the Vietcong never had the slightest intention of abiding by the treaty's terms. The South's violations were minor by comparison, maybe because the South lacked the resources to violate them as much as it would have liked. Whatever the reason, the equal division of blame is a distortion of the evidence.

How we Americans will weather the defeat in Vietnam is not yet clear. The immediate signs are depressing. Resistance to the succor of refugees is indecent in a nation of immigrants and refugees. The number is so small that assimilation should be fairly painless even in a time of economic recession. Perhaps it is only a first spiteful reaction of a people unaccustomed to defeat. Hopefully it will change as we get used to the loss.

More troublesome for this country's future is the burgeoning of extreme pacifism. A wave of antiwar sentiment follows every war but it seems more than usually virulent this time for understandable reasons. If there is a sure way for the United States to lose its influence in this world it is to convince friend and foe that American public opinion will never again stand for use of military force in any circumstance.

Another phenomenon of this immediate post-war period is complaisant acceptance of communism as an unobjectionable alternative to democracy. We are invited to be ashamed of our anti-communism during the cold war. It was, we are told, irrational demonology. Anyway Stalin is dead and detente is in force. What if all Asia follows the Vietnamese example? What if Western Europe is Finlandized? We will find out when and if these things happen that there was something not to regret in our cold-war attitude—and perhaps even something to regret in our failure to use our full power against North Vietnam.

PAROLE REORGANIZATION ACT OF 1975, H.R. 5727

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. RUSSO. Mr. Speaker, I would like to voice my disagreement with the action taken by the House on May 21, 1975 concerning the Parole Reorganization Act of 1975, H.R. 5727.

I feel certain provisions of the bill, those which guarantee the rights of the prisoners, are necessary to the efficient functioning of the criminal justice system. The old system deprived prospective parolees counselling which would have helped them prepare their cases for presentation. Affording convicts prompt notification of their parol is only fair. Unnecessary delays cause bitterness when an unfavorable decision finally arrives. But in giving criminals all the privileges which Congress has provided in this legislation, goes too far.

In spite of the favorable provisions of this legislation, I thoroughly disagree with the spirit of section 4204. My objections are twofold. First, the burden of proof shifts to the Parole Board to demonstrate why a prisoner should not be paroled. Second, any person serving a life sentence or a term of more than 30 years become eligible for parole after only serving 10 years.

Switching the burden of proof to the Parole Board places the moving force on the wrong party. The Government has already met its burden of proof at the trial. Now it should be encumbent upon the prisoner, not the Parole Board, to meet the burden of proof at this stage of the proceedings. The criminal should have to demonstrate to the Parole Board that he or she has been fully rehabilitated and is again ready to enter society. The inmate has his or her prison record, plus his/her appearance before the Parole Board as evidence of his/her effort at rehabilitation. If these factors are not sufficient to convince the Board, then he/she should not be released. In placing the presumption of parole in favor of all inmates, we will release people into society who should still be in prison. This represents a very dangerous course for Congress to follow.

When a man or woman has committed a felony so serious that it warrants a life sentence or one in excess of 30 years, he or she should serve longer than 10 years of that term. Amelioration of long jail sentences will encourage criminals to commit those offenses which place the general populace in the greatest danger. Knowledge that the jail term would be considerably modified, would become a significant factor in the equation of whether or not a criminal would commit a crime. What the Congress needs to do is deter criminals, not encourage and coddle them.

In an era of ever-increasing crime, those criminals who have been apprehended and convicted should serve their full jail sentences. Statistics show a high rate of recidivism by recently released convicts. Evidently these criminals were released too soon by a lenient Parole Board. The parolee should not be allowed to prey upon American Society when that society is underprotected by understaffed police forces.

THE LATE CHARLES STUART MOTT WAS BORN 100 YEARS AGO

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. RIEGLE. Mr. Speaker, the late Charles Stuart Mott was born 100 years ago, June 2. Before he passed away in February 1973, Mr. Mott made several outstanding contributions to the city of Flint, Mich., the State of Michigan, and the United States.

Serving on the board of directors for General Motors for 60 years, Mr. Mott was a main force in building the auto industry into the No. 1 industry in the world. But even greater than his work in private industry were his substantial accomplishments in improving the well-being of his fellow man.

He served two terms as the Mayor of Flint and was always concerned with the public policy decisions of the city, State, and Nation. In 1927 he established the Mott Foundation for philanthropic purposes—to serve public purposes with privately funded initiatives.

Over the years the foundation's activities have centered on the issue of education, especially the concept of community education. Community education was based on the principle of opening the doors of facilities after regular hours to the whole community. The program reaches out to include everyone from preschoolers to senior citizens, and results in continuing education for every person and a strong sense of involvement in, and respect for, the local educational system. Wherever community education has been given a chance, people have developed a strong sense of pride in themselves, each other, and their communities.

Since its beginning in 1935, the community education concept was spread throughout the county by the Mott Foundation and by the personal efforts of Mr. C. S. Mott. The most recent victory by the foundation was in 1974 when the Congress authorized legislation to insure the development of a nationwide community schools program—and it was signed into law.

Throughout his life Mr. Mott gave enormous personal leadership to the work of the foundation and his community. The spirit of his work lives on today—and we in Flint are grateful for a legacy we are privileged to continue.

RUTGERS ACCEPTS STATUE OF HIPPOCRATES: DONATED BY PETER T. SIDERIS

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. PATTEN. Mr. Speaker, recently a ceremony was held at the College of Medicine and Dentistry of New Jersey, Rutgers Medical School, that was made possible by a truly distinguished man—one of my most respected constituents, Peter T. Sideris, of Colonia, N.J.

On May 14, 1975, a statue of the "Father of Medicine," Hippocrates, was unveiled at the Rutgers Medical School—a statue that now stands at the main entrance of the school, in the words of its donator, "an indication for students to learn by, something to uplift them when they come and go, when they pass by it every day." Mr. Sideris was the generous donator of that beautiful marble statue.

Mr. Speaker, as thousands of persons in Middlesex County, N.J., know, Peter Sideris is a very successful businessman. But he is also an active citizen and patriotic American who has achieved remarkable success because of the opportunities that exist in America—and because of his unique talents. "I wanted to donate something of value to the State of New Jersey," Mr. Sideris said when the ceremony was held. "Here I had found the opportunity."

The success story of Peter T. Sideris is inspirational—proof that if a man has ability, leadership, and faith, he can achieve great success in America. I am so proud of this devoted friend of freedom and his most recent donation—the statue of Hippocrates—that I hereby insert in the CONGRESSIONAL RECORD the News Tribune story that covered the ceremony at the Rutgers Medical School:

[From the Woodbridge (N.J.) Tribune, May 15, 1975]

DONATED BY COLONIA RESIDENT: RUTGERS ACCEPTS STATUE

A white marble statue of Hippocrates that was donated by Peter T. Sideris of Woodbridge was unveiled at ceremonies yesterday at the Piscataway Campus of the College of Medicine and Dentistry of New Jersey, Rutgers Medical School.

Sideris, of Colonia, is the proprietor of The Landmark Inn, formerly Howard Johnson's Restaurant, Route 1, Woodbridge.

Officiating at the ceremony was Archbishop Iakovos, primate of the Greek Orthodox Church of North and South America.

Dr. Peter Charanis, professor of history at Rutgers University, presented a talk titled "Reflections of Hippocrates."

The statue of the "Father of Medicine" stands at the main entrance. It was carved from a solid piece of white marble taken from the mountain of Pendelli in Greece. The Parthenon and temples of the Acropolis are made from the same stone.

The statue took two years to complete. It was sculptured in Athens, Greece, by Kosta Yeorgakos who began work in 1972. It stands nine feet high and is mounted on a base of solid granite seven feet high.

Its base was designed by William Chirgotis, architect and supreme president of the Order of AHEPA. Sideris is a past Board of Trustee member of the order.

The statue weighs 5,500 pounds and its cost to Sideris for purchase, delivery and installation was an estimated $50,000.

"I wanted to donate something of value to the State of New Jersey," Sideris said. "Here I had found the opportunity."

He said he had visualized the statue as "an indication for students to learn by, something to uplift them when they come and go, when they pass by it every day."

At the base of the statue is a plaque with the Hipprocratic oath engraved in its entirety. The wording has variations as presently adopted by the American Medical Association.

The oath itself has been taken for more than 2,000 years by physicians entering the practice of medicince.

Sideris came to the U.S. at the age of 16. Leaving his village of Faraclo in Laconia, Greece he worked as a bus boy on the passenger ship King Alexander.

He assumed family responsibilities when his father died in action in World War I. He helped support his mother and seven brothers and sisters. His first job was at a 14th Street Horn and Hardart Automat in New York City where he earned 25 cents an hour and went home to a two-room apartment he shared with six other Greek youths.

Sideris worked his way up to the job of a waiter and at the age of 23 opened his own restaurant, The Blue Plate Coffee Shop, located on 14th Street and Avenue A.

He opened a second restaurant, Delightful Restraunt, located at 106th Street and 1st Avenue. And in 1933 he moved to Queens Plaza and opened another restaurant.

In 1937, Sideris left for Greece to visit his family. With a war seeming about to break out in Europe, he traveled to Canada on a temporary visa and came to New York by train.

During the train ride, he had a momentous meeting with a man who introduced himself as a representative of a new and as yet unknown company called Howard Johnson's. Sideris would open the first Howard Johnson's restaurant in this area, beginning it at the Routes 1 and 9 location in Woodbridge.

He opened the restaurant in 1939. His franchise investment had been $8,000. It was billed as "The first Howard Johnson's Restaurant in New Jersey."

Sideris recently participated in a "Mission of Mercy" to Cyprus as a member of the American Hellenic Educational Progressive Association (AHEPA) while the island was in open conflict.

He has received numerous awards including those presented by Queen Frederica, the Mayor of Athens and King Paul. The Ecumenical Patriarch in Constantinople bestowed the Title of Archon upon Sideris for "outstanding services to the church and the Greek community."

AMERICAN FOREIGN POLICY IN THE MIDDLE EAST

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. DOWNEY of New York. Mr. Speaker, we meet at what must certainly be the low ebb of American foreign policy. Never, in recent years, has this Nation's foreign policy been in such apparent disarray. Rarely have the American people been offered so little sound leadership and so few well-defined goals.

We have traditionally viewed ourselves as the ally of freedom-loving peoples all over the world. Yet we have continually supported repressive and corrupt regimes which refuse to honor those fundamental human rights which are the fabric of any free society. We have professed to be a friend of the poor, under-developed societies of the world. Yet, we have totally alienated the new emerging nations and lead them to look to our adversaries for support and guidance.

We have regarded the Mediterranean as an area crucial to our Nation's defense. Yet we have succeeded in putting the "hat trick" in that area by alienating Turkey, Greece, and Cyprus. We have no foreign policy in South America, unless we consider the reported involvement of our CIA in Chile to be some evidence of a "policy" there. We have no friends in Africa to speak of, barring an occasional kind word from South Africa or Rhodesia.

We have proposed to establish a framework of peace in the world, yet we have armed both sides of the India-Pakistan conflict, and in the final analysis gained the support and respect of neither.

And most importantly of all, we have completely mismanaged detente with the Soviet Union. We have given to the Russians American grain at bargain prices together with American technology that the Russians so desperately want without obtaining any substantial concessions from the Soviet Union in return.

And while I am on the subject, let me say that I will continue to oppose any effort to accord "most favored nation" status to the Soviet Union so long as its citizens are subject to constant and pernicious harassment, are not free to raise their children in the religion of their ancestors, and are not permitted to flee such oppression and return to the homeland of their forefathers.

However, the area of our foreign policy about which I am most concerned is our policy in the Middle East.

We are all familiar with Secretary of State Kissinger's ill-fated Middle East campaign to forge a new Israeli-Egyptian interim peace agreement. We are also familiar with his statements and with statements of President Ford to the effect that Israel should have been more flexible in recent negotiations with Egypt, and that Israel is to blame for the breakdown in those negotiations.

I do not know why Mr. Kissinger believed that the Israelis should have agreed to withdraw from positions of great military significance without obtaining reciprocal—if necessarily asymmetrical—political concessions from Egypt. I believe that the Secretary by his remarks did a disservice to the cause of peace and I deplore his attempt to blame the Israelis for his own failure to win minimal peace commitments from President Sadat.

Mr. Kissinger's error stems, in part, from his failure to demand that the parties in the Middle East comply with two key Security Council resolutions on the subject: Resolution 242 of November 27, 1967 and Resolution 338 of October 22, 1973.

Resolution 338 is one of the Security Council's rare "decisions" which is legally binding on the member-states of the United Nations. This resolution, which led to a ceasefire in the Yom Kippur war, commands the parties concerned to negotiate a just and durable peace in accordance with the principles and provisions of resolution 242, and further commands every other member of the United Nations to help the parties fulfill these difficult instructions.

The twin resolutions require the parties to negotiate peace agreements that prescribe security arrangements, provide guarantees for maritime rights, deal justly with refugees and establish secure and recognized boundaries between the parties.

Most importantly, under these two Security Council resolutions, Israel is not required to withdraw 1 inch from the territories which it occupies until its Arab neighbors have made peace. Unless and until the Arabs have committed themselves to peace in the Middle East, the Israelis have no obligation to withdraw from the occupied territories.

This is the famous "package deal" of Resolution 242. It should and must be

UMI

the basis for any negotiations of an interim Middle East peace agreement. Mr. Kissinger of all people should realize this, since it was he who insisted upon such language during the crisis of October 1973.

Thus, I firmly believe that under the Security Council resolutions, the Ford administration had no basis whatsoever for criticizing Israel for being "intransigent" or "unimaginative" in the round of negotiations earlier this year. Dozens of offers have been made to Egypt, some based entirely on terms Egypt has professed to support, and all meet with the same fate: Egypt simply said "No."

Israel is under no obligation to withdraw except in the framework of a peace agreement which guarantees real peace and the administration has no right to ask her to do otherwise.

It is Mr. Kissinger's blatant disregard of a mandatory resolution of the United Nations Security Council that brought an end to shuttle diplomacy and not the bargaining posture of the Israelis.

Rather than attempt to find peace within the framework of these two resolutions, Mr. Kissinger has tried to do precisely what John Foster Dulles did in 1957: Mr. Kissinger has tried to push the Israelis out of the Sinai without peace. It is my firm belief that this policy was a complete disaster in 1957 and would be a catastrophe today.

Now, I would like to comment for a moment on some other remarks made by the Secretary of State about Israel with which I disagree.

First, it was obvious that Mr. Kissinger believed, at the end of March of this year, that shuttle diplomacy was dead. I believe, however, that the facts show otherwise.

This Sunday, President Ford will meet with President Anwar el-Sadat of Egypt in Salzburg, Austria. On June 11, Mr. Ford will meet with Premier Yitzhak Rabin of Israel in Washington. Last week Soviet Foreign Minister Gromyko met with Secretary of State Kissinger in Vienna and the two are scheduled to meet again in July.

And during the most recent Kissinger-Gromyko talks, the Soviet Foreign Minister, according to reports, agreed that direct contacts should be pursued and that a new Geneva meeting should not be hurried. A direct approach to peace is obviously still possible.

We must continue, undaunted by Mr. Kissinger's recent failures, to pursue peace in the Middle East through direct negotiations with the parties involved. It would be disastrous to do otherwise.

Second, Mr. Kissinger has made clear his belief that the Soviet Union would have much greater influence in the area in the wake of the breakdown of the talks. But this has not occurred. In fact, its relations with Egypt may have even worsened since March. Moscow has declined to send additional arms to Egypt or to reschedule Egypt's debts, and Mr. Sadat has been very critical of the Soviets as a result. This is clearly not a time to attempt to fix blame for the failure of negotiations but it is a time to pursue even more diligently our negotiating efforts.

Third, Mr. Kissinger concluded in March that Israel would soon become isolated internationally by its bargaining posture. Here again, he was wrong. A new trade agreement signed by the Israelis with the European Economic Community is an important example of Israel's ability to hold its own diplomatically. Apparently, the world does not view Israel's attempt to provide for her own security as harshly as does our frustrated Secretary of State.

And last, let me comment on Mr. Kissinger's prediction that, because of the failure of shuttle diplomacy, war in the Middle East was likely within a year. All the world must pray that Mr. Kissinger here, too, is wrong.

But, by any standards it is wrong for Secretary Kissinger to imply that Israel's bargaining posture has brought us closer to war in the Middle East. If anything, it is the administration's proposal to reevaluate our support of Israel that poses one of the great threats to peace in that area.

Peace in the Middle East will, in the final analysis, depend upon our continued and unwavering efforts to maintain a strong Israel while we negotiate a peace agreement.

Israel's ability to defend itself is our best insurance against war in the Middle East. Given the heavy flow of Soviet weaponry to the Arab States, it is absolutely imperative that we not permit the military balance to shift against Israel.

Last week, 76 Senators signed a letter, stating in part, as follows:

> We believe that preserving the peace requires that Israel obtain a level of military and economic support adequate to deter a renewal of war by Israel's neighbors. Withholding military equipment from Israel would be dangerous, discouraging accommodation by Israel's neighbors and encouraging a resort to force.

Let me tonight add my name to the purpose of this letter and pledge to do all I can to support the "spirit of these 76."

We must seek peace in the Middle East, but we must never waver in our support of the State of Israel. This is the central meaning of this crisis in the Middle East and must always be the foundation of this Nation's policy.

TO HONOR OUR NATION'S TEACHERS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. MINETA. Mr. Speaker, it is indeed an honor and privilege for me to today introduce for the consideration of my distinguished colleagues a measure which would authorize the President to proclaim the 28th day of September 1975 as "National Teacher's Day."

The 20th century has seen challenges of unprecedented magnitude borne by our schools—challenges of keeping pace with the so-called "future shock" which sees the institutions and mores of our society changing rapidly and educational demands outstripping the availability of fiscal resources. In these troubled times, the fact that those challenges are being met is due in large part to the effort put forth by our concerned teachers in public and private schools. Upon their shoulders rests the heavy burden of providing responsible guidance and quality education which enables the desires, ambitions, and goals of young minds to be met and our future to be realized.

Since 1970, Teacher's Day has been observed annually by the cities of Santa Clara County in conjunction with the San Jose Jaycees; and in 1972 and 1973, September 28 was marked by statewide observance of the contributions of that dedicated segment of our society charged with the awesome responsibility of educating the youth of our country. The aims and objectives of Santa Clara County's Teacher's Day, which lend themselves to replication at the national level, include: First, increasing public awareness of the important responsibility our teachers have in formulating the ideals and goals among our young; Second, understanding that many of the strengths and weaknesses of our country's future leaders are greatly dependent upon the mental, spiritual, and leadership qualities of our teachers; third, recognizing publicly our appreciation of the many fine educational achievements of our teachers and the many years of exacting training necessary for teachers to prepare for their profession; and fourth, encouraging a greater understanding between our young people and those responsible for helping to realize their ideals and goals, thus helping to bridge the generation gap.

In my view, it is both fitting and proper that we designate the 28th of September, the birthday of the great teacher Confucious, as "National Teacher's Day," thereby granting special recognition and appreciation to those men and women among us whose chosen work has had and continues to have such profound influence on our own lives and the lives of our children.

OLDER AMERICANS MONTH

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 21, 1975

Mr. GUDE. Mr. Speaker, progress in 20th century America has brought with it great medical advancements including substantial progress in increasing longevity. But, much of our technological progress is at the same time molding a society obsessed with youth and newness and tends to lower the status of older people. At the same time, family centrality is diminishing and its nuclear unit is no longer equipped to meet the needs of its elderly relatives. This places responsibility in the hands of public support programs most frequently via long term care facilities. As Byron Gold, special assistant to the U.S. Commissioner on Aging, states:

> Many older persons abhor the prospect of being ultimately institutionalized and resent the absence of alternative arrangements to that form of care. For those elderly who are finally placed in an institution for want of such alternatives, placement may result in damage to their sense of psychological well-being; for some it may threaten their very existence.

Hence, although the percentage of people living past the age of 65 has tripled since the turn of the century, the elderly today have fared poorly by our technological strides—still facing loss of health, income, spouse and friends.

Those of us who want to better the situation of the elderly, are battling the negative value placed on old age and the highly complex problems of income maintenance and health care. This underscores the need to establish rational planning imperatives for the elderly and to see to the coordination of Federal, State and local services. This is why the Congress in 1965 enacted into law the Older Americans Act which serves the elderly through three grant programs: First, grants for community planning and services; second, grants for research and demonstration programs; and third, grants for personnel training in the field of aging. Title III of the 1973 amendments to this act creates substate bodies—Area Agencies on Aging—to insure the coordination of such services. This title specifically calls upon these agencies to: First, "secure and maintain maximum independence and dignity in a home environment for older persons capable of self-care with appropriate supportive services;" and, second, "remove individual and social barriers to economic and personal independence for older persons."

Recently, the Congress passed 1975 amendments to this act which will extend the program of grants to States for community service for 4 additional years. In addition, these amendments will: First, extend the nutrition program for the elderly for 2 additional years; second, extend the Old American Community Service Employment Act for 4 additional years; third, extend employment programs, that is, RSVP, roster grandparent, the senior companion program, et cetera, for an additional 3 years; fourth, create a new and very important program to provide greater emphasis on homemaker and other home services—a vehicle to deemphasize the institution as the primary purveyor of long term care; and fifth, specifically prohibit discrimination in Federal programs or activities on the basis of age.

The creation of a House Select Committee on Aging of which I am a member recognizes the need to coordinate legislative efforts for services to the elderly and the division of subcommittee responsibility clearly defines a priority of needs:

First, retirement income and employment;

Second, health and long-term care;

Third, housing and consumer interests; and

Fourth, Federal, State, and community services.

As a member of the Subcommittee on Retirement Income and Employment which addresses the critical aspect of income maintenance, I hope to see a further extension of the subcommitee's review of the Social Security system as well as the initiation of similar hearings on private pension plans. Social security originally intended as a supplemental income for retired persons has since taken on the role of primary supporter—a role for which it is not prepared and for which it cannot adequately provide the income needs of older Americans. Most recently, the financial solvency of the system has become a grave matter of concern and both my subcommittee and the Subcommittee on Social Security of the Ways and Means Committee have initiated studies of the matter.

Last Congress, a pension bill was enacted into law. The purpose of this bill was to more adequately assure reliable income plans after retirement via addressing large loopholes in portability, minimum vesting standards, termination insurance, adequate funding of plans, payment of benefits, fiduciary standards, et cetera. There is still much work to be done before we can say that the majority of citizens relying on these plans are adequately protected after retirement.

Our "over 65" population is said to be increasing not only in number, but also in its educational and political prowess. Unfortunately, our institutions are not adapting quickly enough to meet the needs of this changing population. That is why the most important function of the select committee will be to give our elderly population a forum to express their wishes—something our society seems to have forgotten.

SALUTE TO THE ILGWU ON ITS 75TH ANNIVERSARY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. SOLARZ. Mr. Speaker, today marks the 75th anniversary of the founding of the International Ladies Garment Workers Union. This is a memorable day, marking the triumph of the union movement in its fight for the rights of workers everywhere.

Since its inception in 1900, the ILGWU has become a symbol of the aspirations and compassion of the American people. The ILGWU has served as the port of entry for millions of immigrants as they entered the mainstream of American life. A succession of generations have learned democratic principles and participated in community and political activities in an effort to improve the socioeconomic structure of America.

The ILGWU was born in the brutal environment of slums and sweatshops, and raised human dignity in terms of wages, work hours, collective bargaining, pension plans, industrial responsibility, security in retirement, health benefits, clinics, and housing. All these arose from a union which has remembered its history and its responsibilities.

Today the ILGWU is the major stabilizing factor in an industry that was once brutally competitive. Through collective bargaining, reason has supplanted force in determining employee salaries and benefits. The modern factory has eliminated the sweatshop and arbitration has replaced strikes and lockouts.

Today, more than 400,000 strong, the ILGWU continues to widen its frontiers by organizing workers, upgrading standards, increasing productivity, and formalizing labor-management relations.

For 75 years, the ILGWU has represented the best of the American worker and the union movement. The scope of unionism has expanded to include not only the conditions facing the worker, but the well-being of our entire society. An industry that once shamed the principles of our Nation has been transformed into a symbol of what may be accomplished by the imagination of workers in a free society.

The good works and the inspiring history of the ILGWU testifies to the merits of unionism and I rise to salute men like Benjamin Schlesinger, David Dubinsky, Louis Stulberg, and Sol Chaikin, who have led this union for so many years and through whose efforts real gains were seen by the American worker and so much good accomplished for the society as a whole. They have well represented so many men and women in the ILGWU who represent the best of the American worker.

In my own district in Brooklyn, N.Y., the ILGWU is well-represented. One of the more active groups is the ILGWU retirees, located at the Wabasse Houses in Coney Island. This group of dedicated men and women find time to participate in civic activities and helping to find solutions to the critical problems facing the community. They are truly dedicated to the union ideal of community action to better the lives of their friends and neighbors through organization and hard work.

I have little doubt that with its noble purpose and its fine record of accomplishment, the ILGWU will continue to grow, prosper, and succeed in the years ahead.

LEE HAMILTON'S WASHINGTON REPORT OF MAY 28, 1975, ENTITLED "UNEMPLOYMENT COMPENSATION"

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington report entitled "Unemployment Compensation":

UNEMPLOYMENT COMPENSATION

As the nation experiences the longest and deepest recession since the Great Depression, the system for aiding the unemployed worker is facing the stiffest challenge in its 40 year history, and it is clearly showing signs of strain.

The importance of the unemployment

UMI

compensation system lies not only in the help it provides for the jobless, but also because it acts as one of the automatic stabilizers in the economy. Soon after people lose their jobs, they begin to receive payments. When they go back to work the payments stop, and the unemployment taxes accumulate in reserve funds and exert stabilizing pressure against too much spending. When unemployment increases, these reserve funds are paid out to sustain consumption and moderate an economic downturn.

It is during times of economic stress that the strengths of the system are best appreciated and the strains most painful. The symptoms of the strain are the inadequacy of the deflated unemployment benefits, the financial drain on state unemployment funds, the duration of the benefits, and the administrative problems which have resulted in backlogs and delay in getting the benefits to the jobless. In March a record of 6 million workers were collecting unemployment benefits in the country, and over 170,000 persons were receiving unemployment benefits in Indiana. At some time during this year about 20 million people will receive unemployment benefits. Since unemployment looms as a serious long-term problem likely to trouble the nation deeply in the years ahead, now is an appropriate time to examine the problems of the system and to rethink the nation's approach to maintaining the income of unemployed workers.

The most urgent problem is what to do for those jobless workers who have exhausted their rights to benefits or are about to exhaust them. Insured workers are currently eligible for 65 weeks of unemployment benefits. An estimated 250,000 jobless are expected to exhaust their emergency benefits between April and June, and the Labor Department estimates that the number could go well over a million in the latter half of 1975. But as the benefits are extended, and it is necessary to use funds from the general federal treasury instead of trust funds paid by contributions, the whole compensation system changes to a welfare program and may operate as a disincentive to finding jobs.

Providing adequate benefits for the unemployed to keep benefits in line with inflation is another key concern. The average unemployment check of $65 a week is well below the poverty level for a non-farm family of four. Indiana's average weekly unemployment check is $63. The states have sole responsibility for setting unemployment benefits levels, and benefits vary greatly from from state to state. Although it was originally anticipated that benefit levels should provide about 80% of jobless workers with at least half their lost wages, fewer than half the states measure up to that standard. Resistance to tax rate and wage base increases has also served to keep benefits from rising to keep pace with cost-of-living increases and from extending coverage to excluded groups.

12 million workers, 15% of the labor force, are ineligible for unemployment compensation. Although Congress has extended coverage to various categories of workers simply by placing the federal tax on their employers, farm workers, domestics, employees of small firms and non-profit organizations, and most state and local government employees are still excluded from the system. New entrants and re-entrants to the labor market are also usually excluded. In addition, many qualified claimants are unaware of the benefits available to them.

Welfare is the only alternative for people out of work whose unemployment benefits are exhausted, or who are not covered by unemployment compensation, as well as for those workers discouraged by the tight job market who have dropped out of the labor force altogether.

While the unemployment compensation system will not go bankrupt during the current recession since it may borrow from the federal treasury, the number of claimants and the emergency benefit programs have placed the most serious burden on the financial structure of the system since its beginning. The unemployment compensation system is, in effect, an insurance system with premiums paid by employers and administered by the states. The states are required to place their unemployment tax revenues into separate accounts in a central trust fund managed by the U.S. Treasury. By the end of June as many as 30 states may have exhausted their unemployment reserves and may be forced to borrow from the federal fund. Indiana's trust fund, which is in better shape than the funds of many states, is down from $380 million in December, 1974 to $275 million in April, 1975, but claims are now decreasing, and the losses should be recouped late this year in 1976.

Gives these urgent short-range and longer-term problems, the Congress needs to take a broad look at unemployment compensation. It has been ten years since the Congress has undertaken a thorough examination of the unemployment compensation system, and the basic structure of unemployment insurance is essentially unchanged since the program began forty years ago. There is a growing awareness as a result of the present of the present problems that the basic unemployment laws need to be strengthened and that this is a good time to make improvements for the future.

INDEPENDENT ORDER OF ODD FELLOWS ANNUAL MEMORIAL ADDRESS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. AuCOIN. Mr. Speaker, it is my privilege today to enter into the CONGRESSIONAL RECORD the text of the annual memorial address of the sovereign grand master of the Independent Order of Odd Fellows. Mr. Frank L. Shrives, of Portland, Oreg., addressed the order's delegates following a pilgrimage to the Tomb of the Unknown Soldier in Arlington National Cemetery on May 4.

I feel that Mr. Shrives' remarks are particularly meaningful given our country's recent extrication from the war in Southeast Asia. Whatever controversy still exists regarding our involvement in that war, we must not, for any reason, dishonor the causes of loyalty and patriotism for which our men and women gave their lives.

Again, I am pleased to bring this address to the attention of my colleagues. The text is as follows:

ADDRESS OF FRANK L. SHRIVES

Brother Chairman, Members and Friends of The Independent Order of Odd Fellows: Today, as in days gone by and hopefully in all the days to come, we assemble here out of respect and gratitude to those who have answered the final roll call of service to our great nation and to all mankind. The history of our beloved country is steeped high in the valor of men who believed as Patrick Henry did when he spoke those unforgetable words, "Give Me Liberty or Give Me Death."

Today this nation stands on the threshold of starting its Bi-Centennial place in history: a history that has been made possible by the men who lie silent, here in this hallowed ground. This nation has *withstood* the conflicts of strife and discord, the untold hell of war and suffering to mankind, and the agony of having those who would tear this nation apart be the first to stand in line and demand that their needs and their wants be immediately satisfied. I wonder how these men that lie here today feel about having sacrificed their lives so that these individuals might live in this country, free from dictatorship and with their rights guaranteed by our Constitution. It is time for all Americans to stand up and be counted and to swear allegiance to freedom for all mankind. It is time that each of us remember the words of the American's Creed:

I believe in the United States of America as a government of the people, by the people, for the people;

Whose just powers are derived from the consent of the governed;

A democracy in a republic, a sovereign nation of many sovereign States;

A perfect union one and inseparable;

Established upon those principles of freedom, equality, justice and humanity for which American patriots sacrificed their lives and fortunes;

I therefore believe it is my duty to my country to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it against all enemies.

This nation has always met every challenge by forces of tyranny that would enslave mankind. It was George Bernard Shaw who said, "The worst sin against your fellow creature is not to hate them but to be indifferent to them. That is the essence of inhumanity."

We as members of this fraternity of Odd Fellowship can be proud of our part in helping this great nation take its rightful place in history. I would like to relate to you a story that has recently unfolded. Three men who believed in their duty to God, to their families, to their country, and to themselves entered the service of these United States of America to help assure freedom to all mankind. These three men enlisted in the United States Navy and served aboard the battleship U.S.S. Nevada during the time that this great ship was helping turn the tide of agony and destruction from this land of free men and women. This story would not be so unusual except that not one of these men knew each other until twenty five years after the end of World War II.

If it had not been for their association in Odd Fellowship they would have probably never met for these three men all became Grand Master of their respective States of Arizona, Nevada, and California. Today one of these men will be placing a wreath at the Tomb of the Unknown Soldier in honor of his comrades who made the supreme sacrifice. Yes, the Independent Order of Odd-Fellows can be proud of their heritage and service to this great nation.

MY COUNTRY

God grant that not only the love of liberty
But a thorough knowledge of the rights of man
May prevade all nations of the earth, so that
A philosopher may set his foot anywhere
On its surface, and say, "This is my country"

Yes, we assemble here today out of respect for those that lie silent and at peace. Each of us as individuals must dedicate our being to assure that they have not sacrificed their efforts in vain.

DEDICATION

I was born an American; I live an American; I shall die an American; and I intend to perform the duties incumbent upon me in that character to the end of my career. I mean to do this with absolute disregard of personal consequences. What are the personal consequences? What is the individual man, with all the good or evil that may betide him, in comparison with the good or evil which may befall a great country, and in the midst of great transactions which concern that country's fate? Let the consequence be what they will, I am careless. No man can suffer too much, and no man can fall too soon, if he suffer, or if he fall, in the defense of the liberties and constitution of his country.

NO JOB PREFERENCES FOR DESERTERS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. YOUNG of Florida. Mr. Speaker, I have today introduced legislation to exclude from certain Federal job preference programs those veterans who deserted from the Armed Forces during the Vietnam era, and who are awarded other than dishonorable discharges under the Presidential clemency program. This bill is intended to close a loophole in existing Federal law which requires job preferences to be given to "veterans."

Public Law 93–203, the Comprehensive Employment and Training Act—CETA—of 1973 provides that special consideration shall be given to veterans in filling emergency public service jobs. Technically, as written in Public Law 93–203, this includes Vietnam-era deserters as well as those who fulfilled their obligations. Pursuant to this law, the Department of Labor sent out field memorandum 16–75 on January 22 of this year, instructing its assistant regional directors of manpower to encourage cooperation with the Selective Service System in arranging for alternate public service employment for Vietnam-era draft evaders and military deserters.

My specific concern relates to that portion of the memorandum which states that former AWOL military personnel who are given undesirable discharges under the clemency program "are considered for CETA purposes as veterans. If residency requirements are met, these veterans should be given consideration along with other veterans for public service employment. . . ."

Mr. Speaker, what this memorandum is saying is that so-called prime sponsors of public service jobs—our cities and counties—must give preference to military deserters over other unemployed Americans, and at the same level of consideration as those veterans who served honorably in Southeast Asia. This is a gross misconception of the intent of Congress, and one which my bill is intended to rectify. I do not believe that the American people wish to see deserters receiving job preferences at the same level as veterans who fulfilled their military obligations in wartime, or even to see these deserters receiving preference over needy Americans with families to support. Such deserters refused to obey the law of the land and carry out their obligation to this Nation, and the Nation therefore does not owe them anything in return, much less a special tax-supported job.

I urge my colleagues who share my concern over giving preference for federally funded jobs to deserters to support my bill to halt this practice; the text of the legislation follows:

A bill to exclude from certain job preference programs veterans who deserted from the armed forces during the Vietnam era and who are awarded other than dishonorable discharges under the Presidential clemency program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 205(c)(5)(A) of the Comprehensive Employment and Training Act of 1973 is amended by striking out "(and who have received other than dishonorable discharges)" and inserting in lieu thereof the following: "(and who have received other than dishonorable discharges, but excluding any person who received an other than dishonorable discharge pursuant to the operation of the clemency and reconciliation program implemented pursuant to Executive Order 11804, dated September 16, 1974)".

SEC. 2. Section 2011(2) of title 38, United States Code, is amended by adding at the end thereof the following new sentence: "The term 'veteran of the Vietnam era' does not include any person who was discharged or released from active duty with an other than dishonorable discharge obtained pursuant to the operation of the clemency and reconciliation program implemented pursuant to Executive Order 11804, dated September 16, 1974."

FINANCIAL STATUS OF CONGRESSMAN ROBERT W. EDGAR

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. EDGAR. Mr. Speaker, as a firm believer in complete financial disclosure by public officials and candidates, I am submitting for the RECORD a listing of Mrs. Edgar's and my assets and liabilities, as well as our 1974 income and income taxes paid thereon:

FINANCIAL STATEMENT OF CONGRESSMAN AND MRS. ROBERT W. EDGAR

Assets—As of December 31, 1974

Savings account	$789.52
Cash on hand in checking account	697.41
1969 and 1971 Volkswagens	2,300.00
House in Broomall, Pa	37,000.00
Household goods and miscellaneous personal property	7,500.00
Total Assets	48,286.93

Liabilities—As of December 31, 1974

Mortgage on house in Bromall, Pa	19,727.19
Personal Loans	3,753.09
Total Liabilities	23,480.28
Net Worth	24,806.65

1974 Taxes

Federal	1,042.80
Pennsylvania (State)	249.54
Pennsylvania (Local)	601.51
Total Taxes	1,893.85

1974 Income

Drexel Protestant Advisory Board (Mr. Edgar)	7,290.00
United Methodist Church, Lansdowne, Pa. (Mr. Edgar)	4,268.00
Bryn Mawr Hospital (Mrs. Edgar)	1,555.53
Total Income (combined)	13,113.53

WEST GERMANY'S SECRET WEAPON

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD a most interesting article by C. L. Sulzberger in the New York Times of May 28, 1975 entitled, "West Germany's Secret Weapon."

Mr. Sulzberger describes the policies by which, under the leadership of Chancellor Helmut Schmidt, the Federal Republic of Germany has effectively fought unemployment and inflation.

I suggest that the present administration may take some lessons from the West German example.

WEST GERMANY'S SECRET WEAPON

BONN.—The first German "miracle" was the startling recovery from World War II, which left this country partitioned, ruined, helpless and filled with refugees. Armed with an excellent American-inspired Constitution, led by tough, wise, old Konrad Adenauer, its factories re-equipped with modern machinery, and helped by a daring currency reform, the hard-working German people, united in misery, began their race to prosperity.

The second West German "miracle" is on stage right now. This is the demonstration of how a still-divided land, lacking most raw materials, has managed to surmount the crises of inflation, recession and energy shortages better than any other industrialized country. Why, I asked Chancellor Helmut Schmidt? How was it managed?

Mr. Schmidt is a middle-sized, strong, well-made Hamburg Social Democrat who has been in office only a year. He speaks English well and has an excellent competence in government affairs, having served as minister both of defense and finance.

He acknowledges that the series of Governments here since the Federal Republic began in 1949 has been pretty effective. But for him there is a single basic key to the remarkable current success which is observed enviously by other lands.

"One thing stands out vis-à-vis the rest of Europe," he says. "That is the role of the German trade union movement. There is only one labor federation here as compared with two or three rival associations in some countries. And in this single federation there are only about sixteen large unions as compared with up to a hundred, often competing, elsewhere.

"And our unions have a much greater and more useful influence than in most nations. They have gained experience over the years and they have behaved well. Also, governments have been granting an ever greater role to the unions. This is beneficial to workers, to enterprises, and to the national economy as a whole."

At this point it is proper to interpolate that Mr. Schmidt makes no claim to exclusive wisdom for his Social Democrats in this respect. Until 1969 the Federal Republic was dominated by conservative and centralist

UMI

Catholics. Yet since then the improvement of labor's position has accelerated.

"In Italy, Belgium and Britain—to name but a few—the number of strike days lost to production is far higher than in Germany," the Chancellor adds. "Strikes are rare here. Our unions prefer to negotiate and compromise. And, as a consequence, they have gained higher real wages than in any other European country.

"Restrained functioning of our unions has paid off in wages for workers and in calm for our society. This is very different from the behavior of many unions in Europe or in the U.S.A. I consider this the most important factor in enabling us to surmount the crises you mention."

At the same time Mr. Schmidt stresses: German laborers and whitecollar workers have a feeling of being respected. They have gained legislative advantages on social security during the past 25 years—more than in other lands. They have also gained rights in the realm of social justice that don't exist elsewhere.

"In the coal, iron and steel industries, unions elect their workers councils by secret ballot. They occupy 50 per cent of the seats on boards of directors in an enterprise. And we are about to enlarge this system by spreading it to other major industries."

With these claims in mind—claims upheld by facts—I asked if the Chancellor had any suggestions on what other industrialized lands should do to curb inflation. He replied: "They should have acted earlier than 1975. The greatest evil is no longer inflation but unemployment. Imagine, in the United States you are approaching unemployment of 10 percent of your entire labor force. This would be considered unbearable in Germany.

"In the recession that accompanies inflation it is today most important to fight unemployment. Not that we are abandoning pressure against inflation (down to 5.9 per cent from 7.6 per cent early last year); we have simply shifted priorities. We would like to see many of our friends do this."

The trouble is that these commonsensical formulas require strong, intelligent government, wise labor-capital relations, awareness of a national community of interest, each of which the Federal Republic has.

Above everything, a sense of direction is needed, an idea of which fork in the road to take and where it leads. It is perplexing to recall that while all the above applies in partitioned Germany, which lost the war, none or little of it applies in Britain, which won it.

SUPPORT FOR H.R. 5247

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. FLORIO. Mr. Speaker, on May 20, 1975, the House of Representatives had the opportunity of expressing their support for H.R. 5247, the Local Public Works Capital Development and Investment Act of 1975. The House decisively passed this measure by a vote of 312 yeas to 86 nays.

Unfortunately, I was not able to be present to vote on this measure because I was representing the United States at the World Health Organization Conference in Geneva. However, I have steadfastly supported this legislation and have in fact testified before the House Public Works Committee urging swift and successful passage of this extremely important and much needed bill. As my colleague Mr. ROE stated:

It is an investment in the future of the cities, towns, and rural areas of America.

I fully concur with his eloquent explanation and wish to assure all of my colleagues that my support for this measure will not wane and that had I been present to vote the final tally would have been 313 yeas and not 312.

EPA REGULATIONS ENDANGER GROWTH IN HOUSTON AREA

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. ARCHER. Mr. Speaker, the Environmental Protection Agency has proposed regulations for the Houston area which I believe are absolutely wrong. I recently testified at hearings concerning these proposals and would like to share them with my colleagues in the Congress:

REMARKS OF BILL ARCHER

My name is Bill Archer, and I represent the residents of the 7th Congressional District of Texas in the United States House of Representatives.

At the outset of my testimony, I would like to say emphatically that I fully support the broad purpose of the Clean Air Act of 1970 in its attempt to maintain a healthy living and working environment in this Nation. My objection to the proposed regulations before us today is based on two considerations—the need to maintain sufficient air quality and the need to avoid chaotic economic disruption in our community.

There has not been sufficient evidence presented that proves there will be a significant benefit to the public as a result of these controls, and yet there is a preponderance of evidence that the controls would have a disastrous effect on our economy.

Without adequate data supporting the proposals, what we are really talking about is a vast social and economic experiment—an experiment that uses the 3 million inhabitants of this 13 county area as human guinea pigs.

We are dealing with people and their daily lives—people, who must have access to transportation that will enable them to go to and from work and provide some reasonable level of social existence for themselves and their families.

During the oil embargo last year, the 5 to 10 percent reduction in the amount of gasoline available worked great hardships on many people in this country. Those hardships would be totally insignificant in comparison to what we are looking at here—a reduction of some 75 percent in the number of vehicle miles traveled in Harris County. That means that on the average, each and every driver in Harris County would be able to drive only one mile for every four miles that he or she used to drive.

This is a preposterous proposal. We simply do not have a viable mass transit system available that would serve as an alternative to automobile travel, at the present time . . . and the Environmental Protection Agency knows full well the amount of time and money it takes to develop effective mass transit. All E.P.A. officials have to do is look outside their own offices in Washington, D.C. at the construction now underway on the city's multi-billion dollar subway system . . . a subway system that is projected to handle only 6 percent of Washington's auto traffic once it is completed, if it is ever completed.

At the present time in Harris County, public transportation is capable of carrying less than 10 percent of the work force. Without the automobile where are the rest of the people supposed to turn in order to meet their transportation needs. Other major questions must be raised about the proposed regulations as they affect industrial development in this area.

The proposals to prohibit the construction or modification of industrial plants amounts to a "no-growth" approach to air pollution controls. It is not realistic to order a city to cease *all* growth. If such edicts are implemented and enforced we will be drawn into the greatest depression of all history.

The Congress of the United States never intended for the Clean Air Act to be used as a license to control the nation's economic and social life, and yet that is exactly what we see being proposed here. The economic impact of these controls seems to have been totally ignored. They call for costly vapor recovery systems to be installed where fuel is transferred from one container to another. With no concern over the cost involved or the effect on safety factors.

These and other considerations have not been taken into account as fully as they must be prior to the implementation of these or any other regulations. We cannot isolate our physical environment from our social and economic environments in any plan that is proposed. We are living in the real world, not some laboratory where everything can be controlled.

I fully endorse efforts to put air pollution control for Harris County and its neighboring counties on a sound basis, with the proper implementation by the state and local governments involved. The E.P.A. has overruled our local jurisdictions and the experience and knowledge they have in dealing with the total environment of this area. I strongly oppose these controls as being unjustified by the facts that have been presented.

PERSONAL STATEMENT

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. WIGGINS. Mr. Speaker, at the time these remarks are being prepared, the hour is 6 p.m. The House has been debating amendments to the Voting Rights Act for over 4 hours. It appears that the debate may continue well into the night.

Many months ago, I made a commitment which, if it is to be honored, will require that I depart the Chamber not later than 7 p.m. I am inclined to keep my commitment even at the expense of missing several votes.

My substitute, which was defeated, reflects my position on voting rights. The committee bill is not an appropriate means of achieving voting rights, under present circumstances, and should be defeated.

If the vote should occur on passage in my absence, I would, if present, have voted "No."

LAURENCE J. CURTIN CITIZEN OF THE YEAR AWARD

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to bring to the attention of my colleagues the honor bestowed upon Miss Dorothy Kelly of Quincy, Mass. Miss Kelly has been selected by the Quincy Citizen Association as the recipient of the "Laurence J. Curtin Citizen of the Year Award." This prestigious award is given annually to that resident of Quincy, Mass., who best demonstrates the virtues of good citizenship and dedication to his or her community.

Although she was born in Chicago, Dorothy Kelly is no advocate of big-city living and from the tender age of 12 years has been interested in preserving the environment and amenities of her adopted city of Quincy, Mass.

In appreciation of the beauties of Quincy's shoreline and the good life the city affords to the small homeowner and family, Miss Kelly's first effort was to circulate a petition for the acquisition by the city of Quincy of a piece of land on Quincy Shore Drive for tennis courts, on the site of a fire-ravaged roller skating rink. Although this attempt was not fruitful, in 1957 Miss Kelly joined her Wollaston Park neighbors in a strong fight to preserve Quincy Shore Drive from becoming a honky-tonk recreation area. The Quincy City Council agreed with the Wollaston Park Association, Inc., and instituted residential zoning along the boulevard. That was Dorothy's first skirmish as secretary of the Wollaston Park Association. She continued to be active as secretary in preserving the Black's Creek Marsh from filling and high-rise apartment construction, in preserving Merrymount Park for Quincy residents when it was almost given to a fraternal organization on a 100-year lease, and in the preservation of historical Moswetusset Hummock and the acquisition of Squaw Rock.

In 1967; when revaluation threatened the small homeowners of Quincy with a 100 percent real estate assessment that would have greatly increased real estate taxes, Miss Kelly led the fight to bring the plight of the small homeowners to the attention of city officials and prevent implementation of revaluation. This effort also led to the formation of the Quincy Citizen Association of which Dorothy has been secretary since it was chartered in the fall of that year.

Dorothy Kelly is a product of the Quincy schools. She also attended and graduated from Burdett College and supplemented her business education with several courses at Harvard and is a graduate of the Dale Carnegie course.

Miss Kelly was secretary to the vice president of Ross Engineering for several years and is presently in the Development Division of the Museum of Science, Boston.

An avid sailing buff, Dorothy and her sister Alice (Mrs. Leonard Delaney) are well known in sailboat racing circles as "the Kelly Sisters" for their racing in the Hustler-class at the Squantum Yacht Club, and now are continuing their boating in their "Light Easterly" Halcyon sloop.

Dorothy is the daughter of Catherine and the late James J. Kelly and resides at 108 Davis Street, Quincy, the home she moved to from the big city.

CONGRESSMAN ENGLISH INTRODUCES LEGISLATION TO RAISE SOCIAL SECURITY EARNINGS LIMITATION

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. ENGLISH. Mr. Speaker, all Americans today are suffering from the effects of continuing inflation combined with crippling recession. But for most Americans, some means do exist to counteract the effects of this economic pinch. But such remedies are not available to senior citizens.

Our elderly are, without a doubt, the group hardest hit by inflation. And those who live on the small fixed income provided by social security have the worst time of any Americans as they struggle to make ends meet.

I believe that we need to raise the ceiling on the outside earnings allowable to social security recipients. It is just not right to prohibit an older American from working to supplement his or her meager social security check during these days of spiraling inflation.

Mr. Speaker, I am introducing today legislation to raise the amount of outside earnings allowed to a person who receives social security. I include the text of this bill in the RECORD at the conclusion of my remarks:

H.R. 7554

A bill to amend title II of the Social Security Act to increase to $5,000 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (f)(3) of section 203 of the Social Security Act is amended by striking out "$200 or the exempt amount" and inserting in lieu thereof "$416.66⅔ or (if higher) the exempt amount".

(b) Subsections (f)(1), (f)(4)(B), and (h)(1)(A) of such section 203 are each amended by striking out "$200 or the exempt amount" and inserting in lieu thereof "$416.66⅔ or (if higher) the exempt amount".

SEC. 2. The amendments made by the first section of this Act shall be effective (notwithstanding any action taken prior to the date of the enactment of this Act under section 203(f)(8) of the Social Security Act, but subject to any action taken after such date under that section) with respect to taxable years ending after the date of the enactment of this Act.

MEMORIAL DAY SPEECH GIVEN BY DR. JAMES S. SPEESE

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. TAYLOR of Missouri. Mr. Speaker, there were undoubtedly thousands of speeches, editorials and commentaries disseminated this past Memorial Day, but there were surely none more timely and appropriate than one originated by Dr. James S. Speese, pastor of the Woodland Heights Presbyterian Church in Springfield, Mo.

Dr. Speese, a retired Air Force chaplain and formerly head of the department of history and political science at the College of Emporia, has received nine Freedoms Foundation Awards for his writings and sermons since 1970, including principal awards in 1973 and again in 1975.

I commend Dr. Speese for the unique, provocative way in which he calls our attention to the sacrifices made by all our war dead for the cause of "freedom." Dr. Speese adeptly pays special tribute to those who served their country in Southeast Asia, yet he also fully recognizes the sacrifices of other patriots during the past two centuries.

I would like to share the following comments of Dr. Speese with my colleagues:

IN MEMORIAM: HAS IT BEEN WORTH THE PRICE?

Peace has come to Southeast Asia! The names of the Mayaguez incident casualties have now been added to the long list of other Americans whose candle of life was snuffed out in what developed into America's most unpopular and controversial military involvement. We hold in reverent memory and honor those who responded with loyalty and courage to serve their nation in difficult times.

Their's was a task doubly difficult because there would be no victory jubilations as on the first Armistice Day, or on "V-E" Day and "V-J" Day. There would be no heroes' accolades as for the battle-martyrs of the Nation's earlier wars. They would hear only the echoing voices of disdain and reprobation, in the ignominy of failure and retreat.

But they served—and died—in the compassionate belief that they were serving the cause of "freedom." For this we honor their memory today. For their courage and their sacrifice they deserve a place with the others of the past two hundred years, who had helped establish and preserve a free democratic American nation.

Several summers ago, in the American Military Cemetery in Luxemburg, I gazed reflectively at the countless rows of prim white crosses, interspersed with an occasional Star of David, as they stretched silently over the rolling green hills. The marble slab towering over me, inscribed with the names of American servicemen, gave mute testimony to the fierceness of the Battle of the Bulge.

We remember these, today, and their untold comrades-in-arms—in North Africa, in Italy, throughout Europe, in the Pacific—whose eternal sacrifice helped purchase freedom for a world where the lights were fast going out from the conquests of the Axis Powers.

A few years earlier, at the Jefferson Barracks National Cemetery in St. Louis, a dozen flag-draped caskets before me spoke of a Bomber crew's final mission in Korea. As the

UMI

volleys of the Honor Guard shattered the crisp Spring air, the smoke-wisps faded into the light of the morning sun. The melancholy notes of the bugle sang forth "taps," and—borne by a gentle breeze—the "echo" whispered back from a nearby hill. Men had served—and died—that "freedom" might live.

We honor these, and their contemporaries, whose life's blood blocked the engulfment of the free nation of Korea by the massive forces of Totalitarian terror.

At Valley Forge and at Gettysburg, at Mobile and at San Antonio, at Verdun and at Chateau Thierry, long rows of silent white marble markers remind us of other times and other conflicts, where earlier patriots had served with equal valor to gain our freedom, to preserve our unity, to repel the invader, to conquer the foe, to proclaim "freedom" as a way of life.

Has it been worth the price?

What do we have to show for two hundred years of martyrdom in the name of American "freedom?"

We have a Nation, which, in spite of the economic uncertainties of our times, is still great in industry, rich in commerce, and the most affluent of the great nations of the world.

We have a Nation, which, in spite of the increasing infiltration and spread of Communist doctrine and power throughout much of Europe, Asia, Africa and Latin America, still maintains the strength of its democratic heritage, and offers fullness of opportunity, equality and freedom to all the inhabitants of the land.

We have a Nation, which, in spite of worldwide disregard for treaties and national constitutions, finds its strength in an American Constitution and Bill of Rights which expresses itself in a triune government of executive, judicial and legislative,—of, by and for all the people within its bounds.

We have a Nation, which, in spite of being taunted and pilloried, of being vilified and slapped in the face, is still big enough in spirit to pour out its compassionate heart in aiding the homeless and hungry, the sick and wounded, of disaster areas throughout the world.

We have a Nation, which in spite of its vastness and size, is made up of individuals, with each one free to vote, to worship, to speak, to write, to work as he pleases, with no State-imposed censorship and control of mind and action.

We have ONE Nation, under God, indivisible, of "United" States, rather than a fragmentation into two or three, or even half a dozen separate nations within our present borders.

For these, and much more, we are grateful today. For only through the sacrifice of patriot lives in two centuries of evolving conflict, have these things become a part of our "American Heritage" today.

On Memorial Day, we give tribute to our valiant dead. For they have given us "America!"

(Biographical footnote: Dr. Speese is a Retired Air Force Chaplain, formerly Head of the Dept. of Hist. & Pol. Sc. at the College of Emporia, presently a Presbyterian Pastor. He has received nine Freedoms Foundation Awards for his writings and sermons since 1970, including Principal Awards in 1973 and again in 1975.)

MSGR. EUGENE J. CRAWFORD

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. LENT. Mr. Speaker, I want to take this opportunity to pay tribute to a valued church and community leader from my district, the Right Reverend Monsignor Eugene J. Crawford. On June 6, Monsignor Crawford will celebrate the golden anniversary of his ordination into the Roman Catholic priesthood. On May 31, I was privileged to attend a dinner in his honor, given by his parishioners of Our Holy Redeemer Roman Catholic Church in Freeport, and to read a message of congratulations from President Ford. A commemorative mass was celebrated on June 1.

Since his ordination in 1925, Monsignor Crawford has served as curate in St. Joseph's Parish in Long Island City, St. Raymond's in East Rockaway, and St. Edmund's in Brooklyn; for 28 years as director of the Order of Dominican Sister in Amityville; as visitor general for religious communities for the Long Island Diocese; and from 1959 until his retirement in March of this year, as Pastor of Our Holy Redeemer in Freeport. In addition, he has served as chaplain of the Freeport Police Benevolent Association.

I want to join with Monsignor Crawford's parishioners and the village of Freeport in congratulating him on this joyous occasion. His record of service to his fellow man has been matched by few and will always be appreciated.

THE FUTURE OF THE NATION—A DIALOG ON CHOICES

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. SIMON. Mr. Speaker, in a nation whose mood has aptly been described as "uncertain," three events may cause some reevaluation of where we are and where we must go: Watergate, Vietnam, and the Nation's 200th anniversary.

If such rethinking is to take place, how might Congress lead in this process?

Even to this new Member of Congress it is apparent that congressional leadership on a matter like this will not come easily for two reasons:

First, by its nature Congress deals with immediate problems and emergency situations. The opportunity for the long range, reflective perspective is one that the structure of Congress is not designed to encourage. Both our personal hectic schedules and the political facts of life too often force us to deal with problems which will emerge or disappear today, next week, or, at the most, prior to the next election. The long-range look is rare.

Second, in the House particularly, we specialize by committee assignment, and the opportunity to contribute significantly to meaningful dialog beyond that specific committee assignment is limited. I am concerned about the problem of arms proliferation and control. But how can I contribute anything more than a few words and one vote after committee decisions? Unless I am on either the Armed Services or Appropriations Committee, the opportunity to contribute anything of significance to the shaping of policy is extremely limited. I am concerned about the food and population problems, but, unless I am on the International Relations, Agriculture, or Appropriations Committee, my chance to influence the course of the Nation in these areas is restricted. I know that some of my colleagues share concern about these limitations.

Members of the Senate and the House somehow ought to be involved in a more complete audit of this Nation's goals. Such an audit should not be tied to an immediate series of bills, for the danger is that we shall continue to put pieces of the puzzle together, but the total picture will be badly distorted, though there is some logic to each piece.

Is there a possible answer? Is there a way we can seize this moment in history, recognizing it for the opportunity it is, and move into the third century of this Nation with greater purpose and sense of direction?

There will be no bolt of lightning which suddenly delivers the message, no hand of God which will write a message on the wall. But we can do what our forefathers did: Discuss the issues. The Federalist Papers were a timely, reflective discussion of where this Nation should go.

How can we develop some modest modification of The Federalist Papers? The tool is here: The Extensions of Remarks in the CONGRESSIONAL RECORD.

Here, the 435 Members of the House and 100 Members of the Senate may air their views, with no editor to censor, no publisher whose views must be kept in mind as they write. How might the RECORD be used?

I suggest the following:

On a schedule outline below, beginning Monday, June 9, I shall introduce one of seven areas in brief, giving views and asking some of the fundamental questions. The series will be titled, "The Future of the Nation—A Dialogue on Choices." About 10 days later I hope that some of the more reflective Members of both the Senate and House will give their views on the designated topic. A response might be only a paragraph or two. It could be appreciably longer. There may be members of the executive branch, journalists or other interested citizens who wish to add their observations. Within the practical limitations of space and cost which the RECORD faces, I will consider inserting them in the RECORD, in some cases perhaps performing an editorial function for brevity.

The result could be significant for the Nation. Even if only a few participate it will have been worthwhile, for it will cause those of us who do contribute to probe a little more deeply, to think ahead, we shall be better public servants for it.

The topics chosen are fundamental not only for this Nation, but for all civilization. Others could have been added. I hope those who contribute will not provide academic treatises which are profound only in their obscurity. Fundamental messages need frank language, plainly spoken.

The areas I have chosen and the tentative calendar: "Government Structure," introduction, June 9; contribution, June 18. Civil Liberties, July 14 and July 23. "Armament, Disarmament and World Order," September 8, and September 17, "Economics," September 22 and October 1. "Urbanization and Movement," October 20 and October 29. "Food," November 3 and November 12. "Population," November 17 and December 3.

This can be the start of a significant Bicentennial discussion. The dialog of democracy must be more than the usual partisan oratory. We ought to produce some discussion which will help establish once again a sense of direction and momentum in this Nation.

Perhaps our product will be such that 10 or 50 years from now men and women can read our discussions and profit. We owe it to future generations—we owe it to ourselves—to try.

REPORT OF A STUDY ON LEGALIZED ABORTION AND THE PUBLIC HEALTH

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. FRASER. Mr. Speaker, the Institute of Medicine was created in 1970 by the National Academy of Sciences to examine policy matters affecting the health of the general public. It provides a source of information and analysis, independent of government, on problems of medicine and health.

The abortion issue has been a center of controversy for a long time. In May 1975 the Institute published a report of a lengthy study on legalized abortion and the public health. I am inserting the summary and conclusions of this report into the RECORD in the belief that they will be useful to my colleagues:

INSTITUTE OF MEDICINE: LEGALIZED ABORTION AND THE PUBLIC HEALTH—SUMMARY AND CONCLUSIONS

(Report of a study by a committee of the Institute of Medicine, May 1975, National Academy of Sciences, Washington, D.C.)

The legal status of abortion in the United States became a heightened national issue with the January 1973 rulings by the Supreme Court that severely limited states' rights to control the procedure. The Court's decisions in the historic cases of Roe v. Wade and Doe v. Bolton precluded any state interference with the doctor-patient decision on abortion during the first trimester (three months) of pregnancy. During the second trimester, a state could intervene only to the extent of insisting on safe medical practices "reasonably related to maternal health." And for approximately the final trimester of a pregnancy—what the Court called "the state subsequent to viability" of a fetus—a state could forbid abortion unless medical judgment found it necessary "for the preservation of the life or health of the mother."

The rulings crystallized opposition to abortion, led to the introduction of national and state legislation to curtail or prohibit it, and generated political pressures for a national debate on the issue.

Against this background of concerns about abortion, the Institute of Medicine in 1974 called together a committee to review the existing evidence on the relationship between legalized abortion and the health of the public. The study group was asked to examine the medical risks to women who obtained legal abortions, and to document changes in the risks as legal abortion became more available. Although there have been other publications on particular relationships between abortion and health, the Institute's study is an attempt to enlist scholars, researchers, health practitioners, and concerned lay persons in a more comprehensive analysis of the available medical information on the subject.

Ethical issues of abortion are not discussed in this analysis, nor are questions concerning the fetus in abortion. The study group recognizes that this approach implies an ethical position with which some may disagree. The emphasis of the study is on the health effects of abortion, not on the alternatives to abortion.

Abortion legislation and practices are important factors in the relationship between abortion and health status. In order to examine legislation and court decisions that have affected the availability of legal abortion in the U.S., the study group classified the laws and practices into three categories: restrictive conditions, under which abortion is prohibited or permitted only to save the pregnant woman's life; moderately restrictive conditions, under which abortion is permitted with approval by several physicians, in a wider range of circumstances to preserve the woman's physical or mental health, prevent the birth of a child with severe genetic or congenital defects, or terminate a pregnancy caused by rape or incest; and nonrestrictive conditions, under which abortion essentially is available according to the terms of the Supreme Court ruling.

Before 1967, all abortion laws in the United States could be classified as restrictive. Easing of restrictions began in 1967 with Colorado, and soon thereafter 12 other states also adopted moderately restrictive legislation to expand the conditions under which therapeutic abortion could be obtained. In 1970, four states (Alaska, Hawaii, New York, and Washington) removed nearly all legal controls on abortion. Non-restrictive conditions have theoretically existed throughout all fifty states since January 22, 1973, the date of the Supreme Court decision.

There is evidence that substantial numbers of illegal abortions were obtained in the U.S. when restrictive laws were in force. Although some of the illegal abortions were performed covertly by physicians in medical settings, many were conducted in unsanitary surroundings by unskilled operators or were self-induced. In this report, "illegal abortion" generally refers to those performed by a non-physician or the woman herself. The medical risks associated with the last two types of illegal abortions are patently greater than with the first.

A recent analysis of data from the first year of New York's non-restrictive abortion legislation indicates that approximately 70 percent of the abortions obtained legally in New York City would otherwise have been obtained illegally. Replacement of legal for illegal abortions also is reflected in the substantial decline in the number of reported complications and deaths due to other-than-legal abortions since non-restrictive practices began to be implemented in the United States. The number of all known abortion-related deaths declined from 128 in 1970 to 47 in 1973; those deaths specifically attributed to other-than-legal abortions (i.e., both illegal and spontaneous) dropped from 111 to 25 during the same period, with much of that decline attributed to a reduced incidence of illegal abortions. Increased use of effective contraception may also have played a role in the decline of abortion-related deaths.

Methods most frequently used in the United States to induce abortion during the first trimester of pregnancy are suction (vacuum aspiration) or dilatation and curetage (D&C). Abortions in the second trimester are usually performed by replacing part of the amniotic fluid that surrounds the fetus with a concentrated salt solution (saline abortion), which usually induces labor 24 to 48 hours later. Other second trimester methods are hysterotomy, a surgical entry into the uterus; hysterectomy, which is the removal of the uterus; and, recently, the injection into the uterine cavity of a prostaglandin, a substance that causes muscular contractions that expel the fetus.

Statistics on legal abortion are collected for the U.S. government by the Center for Disease Control. CDC's most recent nationwide data are for 1973, the year of the Supreme Court decision. Some of those figures are:

The 615,800 legal abortions reported in 1973 were an increase of approximately 29,000 over the number reported in 1972. These probably are underestimates of the actual number of abortions performed because some states have not yet developed adequate abortion reporting systems.

The abortion ratio (number of abortions per 1,000 live births) increased from 180 in 1972 to 195 in 1973.

More than four out of five abortions were performed in the first trimester, most often by suction or D&C.

Approximately 25 percent of the reported 1973 abortions were obtained outside the woman's home state.

In 1972, before the Supreme Court decision, 44 percent of the reported abortions had been obtained outside the home state of the patient, primarily in New York and the District of Columbia.

Approximately one-third of the women obtaining abortions were less than 20 years old, another third were between 20 and 25, and the remaining third over 25 years of age.

In all states where data were available, about 25 percent of the women obtaining abortions were married.

White women obtained 68 percent of all reported abortions, but non-white women had abortion ratios about one-third greater than white women. In 1972, non-white women had abortion rates (abortions per 1,000 women of reproductive age) about twice those of whites in three states from which data were available to analyze.

A national survey of hospitals, clinics, and physicians conducted in 1974 by The Alan Guttmacher Institute furnished data on the number of abortions performed in the U.S. during 1973, itemized by state and type of provider. A total of 745,400 abortions were reported in the survey, a figure higher than the 615,800 abortions reported in 1973 to CDC. Guttmacher Institute obtains its data from providers of health services, while CDC gets most of its data from state health departments.

Risks of medical complications associated with legal abortions are difficult to evaluate because of problems of definition and subjective physician judgment. Available information from 66 centers is provided by the Joint Program for the Study of Abortion, undertaken by The Population Council in 1970–71.

The JPSA study surveyed almost 73,000 legal abortions. It used a restricted definition of major complications, which included unintended major surgery, one or more blood transfusions, three or more days of fever, and several other categories involving prolonged illness or permanent impairment. Although this study also collected data on minor complications, such as one day of fever post-operatively, the data on major complications are probably more significant. The major complication rates published by the JPSA study and summarized below relate to women who had abortions in local facilities and from whom follow-up information was obtained.

Complications in women not obtaining

UMI

concurrent sterilization and with no pre-existing medical problems (e.g., diabetes, heart disease, or gynecological problems) occurred 0.6 times per 100 abortions in the first trimester and 2.1 per 100 in the second trimester.

Complications in women not obtaining concurrent sterilization, but having pre-existing problems, occurred 2.0 times per 100 in the first trimester and 6.7 in the second.

Complications in women obtaining concurrent sterilization and not having pre-existing problems occurred 7.2 times per 100 in the first trimester and 8.0 in the second.

Women with both concurrent sterilization and pre-existing problems experienced complications approximately 17 times per 100 abortions regardless of trimester.

The relatively high complication rates associated with sterilization in the JPSA study would probably be lower today because new sterilization techniques require minimal surgery and carry lower rates of complications.

The frequency of medical complications due to illegal abortions cannot be calculated precisely, but the trend in these complications can be estimated from the number of hospital admissions due to septic and incomplete abortion—two adverse consequences of the illegal procedure. The number of such admissions in New York City's municipal hospitals declined from 6,524 in 1969 to 3,253 in 1973; most restrictions on legal abortion in New York City were lifted in July of 1970. In Los Angeles, the number of reported hospital admissions for septic abortions declined from 559 in 1969 to 119 in 1971. Other factors, such as an increased use of effective contraception and a decreasing rate of unwanted pregnancies may have contributed to these declines, but it is probable that the introduction of less restrictive abortion legislation was a major factor.

There has not been enough experience with legal abortion in the U.S. for conclusions to be drawn about longterm complications, particularly for women obtaining repeated legal abortions. Some studies from abroad suggest that long-term complications may include prematurity, miscarriage, or ectopic pregnancies in future pregnancies, or infertility. But research findings from countries having long experience with legal abortion are inconsistent among studies and the relevance of these data to the U.S. is not known; methods of abortion, medical services, and socioeconomic characteristics vary from one country to another.

Risks of maternal death associated with legal abortion are low—1.7 deaths per 100,000 first trimester procedures in 1972 and 1973—and less than the risks associated with illegal abortion, full-term pregnancy, and most surgical procedures. The 1973 mortality rate for a full-term pregnancy was 14 deaths per 100,000 live vaginal deliveries; the 1969 rate for cesarean section was 111 deaths per 100,000 deliveries. For second trimester abortions, the combined 1972–73 mortality ratio was 12.2 deaths per 100,000 abortions. (For comparison, the surgical removal of the tonsils and adenoids had a mortality risk of five deatha per 100,000 operations in 1969.)

When the mortality risk of legal abortion is examined by length of gestation it becomes apparent that the mortality risks increase not only from the first to the second trimester, but also by each week of gestation. For example, during 1972–73, the mortality ratio for legal abortions performed at eight weeks or less was 0.5, and for those performed between nine and 10 weeks was 1.7 deaths per 100,000 legal abortions. At 11 to 12 weeks the mortality ratio increased to 4.2 deaths, and by 16 to 20 weeks, the ratio was more than 17 deaths per 100,000 abortions. Hysterotomy and hysterectomy, methods performed infrequently in both trimesters, had a combined mortality ratio of 61.3 deaths per 100,000 procedures.

Some data on the mortality associated with illegal abortions are available from the National Center for Health Statistics (NCHS) and from CDC. In 1961, there was 320 abortion-related deaths reported in the U.S., most of them presumed by the medical profession to be from illegal abortion. By 1973, total reported deaths had declined to 47, of which 16 were specifically attributed to illegal abortions. There has been a steady decline in the mortality rates (number of deaths per 100,000 women aged 15–44) associated with other-than-legal abortion for both white and non-white women, but in 1973 the mortality rate for non-white women (0.29) was almost ten times greater than that reported for white women (0.03).

Psychological effects of legal abortion are difficult to evaluate for reasons that include lack of information on pre-abortion psychological status, ambiguous terminology, and the absence of standardized measurements. The cumulative evidence in recent years indicates that although it may be a stressful experience, abortion is not associated with any detectable increase in the incidence of mental illness. The depression or guilt feelings reported by some women following abortion are generally described as mild and temporary. This experience, however, does not necessarily apply to women with a previous history of psychiatric illness; for them, abortion may be followed by continued or aggravated mental illness. The JPSA survey led to an estimate of the incidence of post-abortion psychosis ranging from 0.2 to 0.4 per 1,000 legal abortions. This is lower than the post-partum psychosis rate of 1 to 2 per 1,000 deliveries in the United States.

Psychological effects are related to whether a woman obtains a first or second-trimester abortion. Two studies in particular suggest that women who delay abortion into the later period may have more feelings of ambivalence, denial of the pregnancy, or objection on religious grounds than those obtaining abortions in the first trimester. It is also apparent, however, that some second-trimester abortions result from procedural delays, difficulties in obtaining a pregnancy test, locating appropriate counseling, or arranging and financing the procedure.

Diagnosis of severe defects of a fetus well before birth has greatly advanced in the past decade. Developments in the techniques of amniocentesis and cell culture have enabled a number of genetic defects and other congenital disorders to be detected in the second trimester of pregnancy. Prenatal diagnosis and the opportunity to terminate an affected pregnancy by a legal abortion may help many women who would have refrained from becoming pregnant or might have given birth to an abnormal child, to bear children unaffected by the disease they fear. Abortion, with or without prenatal diagnosis, also can be used in instances where there is reasonable risk that the fetus may be affected by birth defects from nongenetic causes, such as those caused by exposure of the woman to rubella virus infection or x-rays, or by her ingestion of drugs known to damage the fetus.

Almost 60 inherited metabolic disorders such as Tay-Sachs disease, potentially can be diagnosed before birth. More than 20 of these diseases already have been diagnosed with reasonable accuracy by means of amniocentesis and other procedures. The techniques also can be used to identify a fetus with abnormal chromosomes, as in Down's syndrome (mongolism), and to discriminate between male and female fetuses, which in such diseases as hemophilia would allow determination of whether the fetus is at risk of being affected or simply at risk of being a hereditary carrier of the disorder.

In North America, amniocentesis was performed in more than 6,000 second-trimester pregnancies between 1967 and 1974. The diagnostic accuracy was close to 100 percent and complication rates were about two percent. Less than 10 percent of the diagnoses disclosed an affected fetus, meaning that the great majority of parents at risk averted an unnecessary abortion and were able to carry an unaffected child to term.

There are many limitations to the use of prenatal diagnosis, especially for mass screening purposes. Amniocentesis is a fairly expensive procedure, and relatively few medical personnel are qualified to administer it and carry out the necessary diagnostic tests. Only a small number of genetic disorders can now be identified by means of amniocentesis and many couples still have no way to determine whether or not they are to be the parents of a child with severe defects. Nevertheless, the availability of a legal abortion expands the options available to a woman who faces a known risk of having an affected child.

Abortion as a substitute for contraception is one possibility raised by the adoption of nonrestrictive abortion laws. Limited data do not allow definitive conclusions, but they suggest that the introduction of nonrestrictive abortion laws in the U.S. has not led to any documented decline in demand for contraceptive services. Among women who sought abortion and who had previously not used contraception or had used it poorly, there is some evidence that they may have begun to practice contraception because contraceptives were made available to them at the time of their abortion.

The health aspects of this issue bear on the higher mortality and morbidity associated with abortion as compared with contraceptive use, and on the possibility that if women rely on abortion rather than contraception they may have repeated abortions, for which the risk of long-term complications is not known.

The incidence of repeated legal abortions is little known because legal abortion has only been widely available in the U.S. for a few years. Data from New York City indicate that during the first two years of nonrestrictive laws, 2.45 percent of the abortions obtained by residents were repeat procedures. If those two years are divided into six-month periods, repeat legal abortions as a percent of the total rose from 0.01 percent in the first period to 6.42 percent in the last. Part of this increase is attributable to a statistical fact: the longer non-restrictive laws are in effect, the greater the number of women eligible to have repeat legal abortions. Perhaps, too, the reporting system has improved. In any case, some low incidence of repeated abortions is to be expected because none of the current contraceptive methods is completely failure-proof, nor are they likely to be used with maximum care on all occasions.

A recent study has suggested that one additional factor contributing to the incidence of repeated abortions is that abortion facilities may not routinely provide contraceptive services at the time of the procedure. This is of concern because of recent evidence that ovulation usually occurs within five weeks and perhaps as early as 10 days after an abortion.

The conclusions of the study group:

Many women will seek to terminate an unwanted pregnancy by abortion whether it is legal or not. Although the mortality and morbidity associated with illegal abortion cannot be fully measured, they are clearly greater than the risks associated with legal abortion. Evidence suggests that legislation and practices that permit women to obtain abortions in proper medical surroundings will lead to fewer deaths and a lower rate of medical complications than restrictive legislation and practices.

The substantial differences between the mortality and morbidity associated with legal abortion in the first and second trimesters suggest that laws, medical practices, and educational programs should enable and encourage women who have chosen abortion to obtain it in the first three months of pregnancy.

More research is needed on the consequences of abortion on health status. Of highest priority are investigations of long-term medical complications, particularly after multiple abortions; the effects of abortion and denied abortion on the mental health and social welfare of individuals and families; the factors of motivation, behavior, and access associated with contraceptive use and the choice of abortion.

COLD WAR UNDER THE OCEANS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. CRANE. Mr. Speaker, one of the dangers of the détente policy upon which we have embarked is that it has led the American people to believe that the cold war is over and that the Soviet Union has ceased to be an enemy and has altered its own aggressive designs in the world.

Such a détente policy has led to a lowering of our guard, for Americans see little reason to be strong if our former adversaries have now become our friends.

Discussing this situation, George Meany, the leader of the AFL–CIO, and one of our more astute observers of international affairs, noted that—

America will be strong only if its people believe there is a need to be strong. We will defend ourselves and our allies only so long as we believe we have something worth defending—and only so long as we believe that there are real threats, real enemies of what is worth defending. The President cannot—any more than his predecessor—resolve the contradiction of proclaiming détente on the one hand and of demanding of the American people a continuing level of vigilance and sacrifice for the cause of freedom.

Unfortunately, as Mr. Meany has said:

Every basic communist tactic of seizing power is now on display throughout the world—naked aggression in Indochina; political blackmail in the Middle East—combined with threats of force; an outrageous putsch in Portugual; a heating up of the cold war in Korea and a diplomatic propaganda war in international institutions.

If Americans believe that the cold war is over it is either because they are unaware of the reality of what is happening in the world or because they have decided to surrender. It is not my belief that Americans would ever surrender to a totalitarian and aggressive force. It does seem, however, that they are misinformed about what the Soviet Union is really doing.

Consider the role of the Soviet Union in the North Atlantic. Recently, four cannisters, each 11 feet long and weighing over a ton, have been washed up on the coasts of Iceland during the past 2 months. They are, as the London Telegraph points out:

Russian, part of the cold war which, despite détente, is being fought for control of the oceans. . . . Each one of them carriers 32 hydrophones—underwater microphones—whose function is to pick up and record the noise of passing submarines.

The Soviet fleet is growing. The Telegraph points out that—

The Russian fleet of over 400 submarines, the largest class of which could destroy London with a missile from beneath the Indian Ocean. Every other city in the world faces the same danger . . .

I wish to share with my colleagues the important discussion of "Cold War Under the Oceans" which appeared in the London Telegraph of April 28, 1975, and insert it into the RECORD at this time:

COLD WAR UNDER THE OCEANS

Looking like something out of "Doctor Who," four canisters, each eleven feet long and weighing over a ton, has been washed up on the coasts of Iceland during the last two months.

But these scientific devices are not from space. They are Russian, part of the cold war which despite detente is being fought for control of the oceans.

Britain, with the experience of almost being starved to death by U-boats in two World Wars, has always been conscious of the dangers posed by submarines. But now, it is not merely a question of getting food and supplies through to a beleaguered nation, it is about the dangers of annihilation posed by the Russian Fleet of oven 400 submarines, the largest class of which could destroy London with a missile from beneath the Indian Ocean.

IMPORTANT LINK

Every other city in the world faces the same danger—and Moscow is included. So as the submarines of the West and the Communist states get larger, faster and carry even more devastating nuclear weapons, so the scientific struggle is carried on by both sides to negate the enemy's capabilities while ensuring their own.

The canisters washed up on Iceland are an important link in this struggle. Each one of them carries 32 hydrophones—underwater microphones—whose function is to pick up and record the noise of passing submarines.

Each submarine has a personal noise as distinctive as a fingerprint which can be recorded, linked to that submarine, then filed in a library of "noise signatures" so that when it is heard again, possibly thousands of miles away, it can be looked up and identified just as aircraft and ships can be identified by consulting recognition books. In this way both sides can keep track of the disposition of the other sides' vessels.

Sound is still, despite all the advances in radar, the most effective way of finding a submarine under the water: it carries astonishing distances and a trained operator can identify its origin with great accuracy.

The problem is that there is so much noise going on beneath the surface of the ocean it needs a high skilled sonar operator to sort them out and such men are the stars of Anti-Submarine Warfare. They can tell the difference between a whale and a mass or floating plankton, a shoal of herring—or a nuclear submarine. With modern equipment these sounds can be linked to a television screen and shown as an identifiable pattern but the skilled sonar operator can name them merely by listening to the pinging of his machine.

Of course, as in all branches of warfare, there are countermeasures. A submarine's noise pattern can be changed by inducting a change in the flow of water over its propellor blades.

This game of hide and seek goes on all over the world. Russian submarines lie off Holy Point in Scotland, Rota in Spain and the various North American bases, while Western submarines lurk off the Kola Inlet in Northern Russia and Vladivostok in the Far East. Everything is done to make the game as difficult as possible.

In the Mediterranean where the Russians keep a fleet of some six submarines of the "Foxtrot" class, the West always keeps watch when the fleet is replaced by a fresh flotilla which has sailed down from North Russia through the Straits of Gibraltar. The changeover nicknamed "the Foxtrot shuffle" is normally carried out on the surface in a safe anchorage.

But last year the Western watchers were surprised to see the relieving flotilla submerge after passing through the Straits then apparently come to the surface, turn round and go home. It was not until aerial photographs were studied that it was realised that the Russians had pulled a fast one by carrying out a submerged shuffle.

TRICK WITH GARBAGE

There are many tricks in the search war. It was possible, for example, for a submarine to be found by the garbage it ejected to float in a tell-tale slick on the surface. Now all garbage is compressed into a heavy block in a special machine and then shot out of a torpedo tube to sink to the sea bed.

But what happens when the game gets serious? Weapons of great ferocity are being developed. The United States Navy is pinning its hopes and millions of its dollars on the Harpoon which it is claimed gives even the smallest ship "the firepower of a World War II battleship." It is a missile which can be fired from a submerged submarine and guided to hit a target 25 miles away.

The United States is also developing an anti-submarine weapon called the Captor which is moored to the seabed and is only activated when it is "interrogated" by an enemy submarine's sonar. When that happens a torpedo is fired which homes on the enemy's sonar, follows it to its source and destroys the submarine.

One of the most extraordinary weapons in the submarine cold war is being built a thousand miles inland in the arid land of the south west United States. Called Sanguine, it emits extremely low-frequency signals which are the only way in which radio signals can be transmitted to submarines running at depths of two to three hundred feet.

But this is no ordinary radio set. It requires an underground antenna network in the form of a grid with sides between 35 and 50 miles long. The cables will be buried six feet underground and will cross each other at three-mile intervals.

And in order to work it must be set on an underlying stratum of deep rock such as granite. Its function: for the President of the United States to give the doomsday order for the nuclear missiles to be fired.

The trouble with Sanguine is that when a pilot test was carried out in North Carolina it was found that it caused farmer's telephones to ring with nobody on the other end, it electrified barbed wire fences, and it changed railway signals from Stop to Go. There was such an outcry from the environmentalists, who argued among other things that it would cause sterility, that the Navy was forced to change its site to government-owned land in the south-west.

Espionage is another aspect of the Anti-Submarine Warfare game. It is to test the West's defences that the Russians send out fleets of so-called trawlers and oceanographic research vessels equipped with arrays of electronic devices.

It is to probe into Russian underwater secrets that the C.I.A. is spending millions of dollars to raise a sunken Russian submarine in the Pacific. And it is because the Russians think we are using the North Sea oil rigs as listening posts that they are taking such a great interest in them.

UMI

All this activity can only be properly appreciated when it is realised that America's latest class of nuclear missile submarine, the Trident, will carry 24 ballistic missiles, each with a range of 4,200 nautical miles and that each missile will contain 14 nuclear warheads each capable of being independently aimed.

CAPTAIN INGERSOLL IS "MR. MARINE CORPS" TO COMMUNITY

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. GOLDWATER. Mr. Speaker, I was aware of many of the ways Capt. A. E. Ingersoll, Jr. had involved himself and his command in community activities in Ventura County, Calif. An officer in the Marine Corps, Captain Ingersoll is the inspector-instructor of H Company, 2d Battalion, 23d Marines, 4th Division at the Marine Corps Reserve Training Center, Naval Construction Battalion Center at Port Hueneme, Calif.

However, the depth and commitment of his involvement was brought to the fore by Ray D. Prueter, secretary of the Ventura County Council Navy League. Mr. Prueter's outline of the activities of Captain Ingersoll represents the amazing blend of military/community involvement that many people in similar situations aspire to achieve, but do not.

Captain Ingersoll accepted command of the unit at CBC on August 23 of last year, and immediately provided support for Navy Relief and the Space Fair at Point Mugu, Calif. He assisted local PTA's in the elementary schools in the Port Hueneme-Oxnard area; he provided a color guard for the Veterans Day football games, for Navy Day, for local parades in Ventura, Oxnard, Camarillo, and Port Hueneme. He has given generously of his time by speaking at many local clubs and organizations on the history, customs, and proper display of our flag. He is a member of the Port Hueneme Bicentennial Committee, and he assisted in arranging the Bicentennial flag raising ceremony. He has also coordinated the Port Hueneme Bicentennial Youth Parade.

His unit is the host field for local schools, and provides instruction on the flag and shows films. He has conducted "Toys for Tots" drives, and collected in excess of 75,000 toys for needy area families.

He conducts youth physical fitness meets for local high schools, and he has spent many hours training and working with the officers of the sea cadet and sea cadettes of the Ventura County Council of the Navy League. These 104 young people are known as one of the most active cadet and cadette groups in the United States, and Captain Ingersoll is responsible for its growth.

It is no wonder to me that Captain Ingersoll is known to the community as "Mr. Marine Corps" and I join with the community in appreciating and recognizing all he has done in so short a time, and look forward to having him with us for a long time to come.

VETERAN NEWSMAN FERNSWORTH PRAISES CONGRESSIONAL RECORD AS "INVALUABLE HISTORICAL SOURCE"

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. EVINS of Tennessee. Mr. Speaker, I am sure that all of us from time to time have heard criticism of the CONGRESSIONAL RECORD, and it is therefore interesting to note that Mr. Larry Fernsworth, a distinguished and veteran newsman, has taken pen in hand to defend the RECORD. Mr. Fernsworth writes:

This correspondence considers the Record to be the country's most all around and informative publication. Its No. 1 usefulness is, of course, its invaluable characteristic as an historical source.

Mr. Fernsworth, in an article which appeared in the Tennessee press, discusses in detail the reasons for the importance of the RECORD, and because of the interest of my colleagues and the American people in this matter, I place the column by Mr. Fernsworth which appeared in the Johnson City, Tenn., Press-Chronicle and other newspapers in the RECORD herewith.

The column follows:

[From the Johnson City (Tenn.) Press-Chronicle, May 19, 1975]

CONGRESSIONAL RECORD: DULL, USELESS APPENDAGE OF CONGRESS, OR USEFUL?

(By Lawrence Fernsworth)

WASHINGTON.—Every once in awhile one reads in some newspaper an article in which the writer looks down his nose at the Congressional Record.

It seems to be a conventional display of not very original copycat humor to speak of the Congressional Record as a dull, useless, unreadable and wasteful appendage of the Congress, plus whatever other deprecatory and presumably funny remarks the writer can think of.

Perhaps it is so much easier for a certain category of newsmen to brush off the homework required for the reading of the Record by indulging in such verbal antics than to settle down to the reading of it.

This correspondent considers the record to be the country's most all around and informative publication. One would have to subscribe to a dozen or more publications to get the diversity of reading that the Congressional Record provides.

Its No. 1 usefulness is, of course, its invaluable characteristic as an historical source.

Its No. 2 value is its importance, not only to the courts, but to a host of governmental agencies in determining, from the material of the debates, the intention of Congress in the passage of some particular statute. The courts, and especially the U.S. Supreme Court refer to it regularly.

Its No. 3 value covers a broad range of interest and usefulness.

It tells the reader a great deal about the kind of men who make the Congress. Their diverse views was reflective of points of view in different parts of the country. Their mentalities—lively or dull; their vanities and foibles; whether they are victims of sectional or ideological prejudices; afflicted with a too-frequent syndrome of fixed ideas or whether they are open to reason; their concepts of legislative responsibilities. Are they more amendable to the pressures of lobbyists than to the demands of responsible legislation? Are they indulging in gamesmanship, trying to con both their colleagues and the public?

Do they go on the theory that what is good for their political prospects is good for the country or is the good of the country their first priority regardless of personal consequences? Are they showoffs for the benefit of the galleries and their constituents, especially the visiting ones, or do they proddingly concentrate on the business in hand? Do they have a sense of humor and how it is tempered?

The Congressional Record can tell one so much about the new American lifestyle as well as what survives of the old. This is reflected not only in what is said on the floor but in the newspaper and magazine articles and the speeches from elsewhere that are regularly inserted. In these respects it reflects the full sweep of American culture.

The format of the Congressional Record with its fine print, its lack of flamboyant headlines and the white space around them, does not invite the reading thereof by persons who are just looking for "something to read." It will not be found in the reading racks of one's favorite dentist or lawyer. It is a special publication for quite special people—and quite special newsmen.

LIBERAL MEDIA'S DOUBLE STANDARD

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. ASHBROOK. Mr. Speaker, does the liberal media have a double standard? On May 6 of this year I discussed how the liberal press distorted Communist bloodbaths.

Let us look at an area in which the liberal media has always had a major interest. The issue is that of freedom of the press.

The New York Times and the Washington Post always have given major coverage including front page stories to any perceived transgressions against a free press by U.S. allies, particularly those who are strong anti-Communists.

Before the free government of South Vietnam fell before the Communist aggression, that government closed five newspapers in Saigon. The New York Times and Washington Post gave the story repeated coverage.

The New York Times carried stories on the occurrence on five different days. The Washington Post carried three different stories. The tone and wording of each of the articles left no confusion in the minds of the readers that the anti-Communist government was being condemned for its actions. The headlines included the following: "5 Saigon Papers Are Closed Down"—appeared on front page of New York Times, "Saigon Arrests Put at 17 In A Crackdown on Press," "Thieu Decides To Act Like Thieu Again," "Saigon Holds 15 Newsmen, Shuts Papers," and so forth.

I believe that freedom of the press is important and that it is a right that should be defended. Therefore, I thought it would be interesting to see how the Communists in South Vietnam allow this right to be carried out in practice. More importantly how diligently will the free press in this country point out the transgression of a Communist regime against a free press?

As has been Communist practice in any country that they have taken over there is now only the completely controlled press. In Saigon where Thieu shut down five newspapers, there is now only one newspaper—Giaiphong (Liberation).

Where are the headlines in the New York Times and the Washington Post decrying the loss of a free press in South Vietnam? There are none. To find out that there is only one newspaper in Saigon allowed by the Communists you would have to be a diligent newspaper reader. The liberal media seems to bury this news.

On Wednesday, May 21, 1975, the Washington Post made a mention of the only one completely controlled newspaper in Saigon the latter part of a story on page A30—not exactly the front page. The discussion of the situation was the following sentence:

The only newspaper, Giaiphong (Liberation), carries news three or four days old which largely consists of statements by the management committee or orders for everyday life.

As a final comparison, it is interesting to note that after Thieu shut down five newspapers there were still seven daily Vietnamese-language newspapers, an English language paper, plus numerous news weeklies. In Saigon today there is one newspaper but the liberal media seems to have lost its righteous zeal in defending freedom of the press in South Vietnam. This does not surprise me as I am well aware of the bias of the news media's big seven—Time, Newsweek, New York Times, Washington Post, NBC, ABC, CBS.

REV. MARTIN H. PHILIPS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mrs. SCHROEDER. Mr. Speaker, the Rev. Martin H. Philips, the president and founder of the Evangelist Association of Denver, Colo., wanted to give the prayer for the House of Representatives today. We had a mixup in the office because there is a Reverend Dr. Acen Phillips and a Rev. Martin H. Philips. Reverend Philips wrote this prayer for the House. I found it very moving and wish to insert it in the RECORD. We are doubly blessed in the House today to have two nice prayers from two fine Denver ministers.

The prayer follows:

PRAYER

O Lord our God we come to thee at this time, for help and guidance for the people who have given their life and time to representing the people who have elected them to serve them and so O Lord we ask your blessing on this Nation as we come to our 199th birthday. Because we have trusted in Thee from the beginning to this time, and will go on doing so to the end with a faith no storm can vanquish by your help and power for we ask it all in the name of the Prince of Peace our Lord and Saviour Jesus Christ. Amen.

DR. RUTH HAAS—OUTSTANDING EDUCATOR

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. SARASIN. Mr. Speaker, education is the insurance policy of the future, the direct source of progress and prosperity for our Nation. It has been an overriding priority during the past decades as the Federal Government has become increasingly involved in providing States and localities with as much assistance as possible in improving the delivery and quality of education.

None of the vast progress which has been made over the years, however, would have been possible were it not for the dedication of those in the mainstream of education, those who have devoted their lives toward improving the education process, meeting the needs of our Nation's youth, and thereby insuring all our futures.

There are many who have been instrumental in the development and expansion of today's education, but there are some whose contributions are so outstanding that they cannot go unrecognized. One such individual is Dr. Ruth Haas, an educator who will be honored with a testimonial dinner on June 6 in Danbury, Conn.

Dr. Haas has participated in all aspects of education, as a teacher, an instructor, a dean, and most recently, as president of Western Connecticut State College. However, since Dr. Haas is a most extraordinary woman, so is the "most recently" an unusual period of time. Dr. Haas came to Western Connecticut State College 44 years ago and has served as president of that institution for the past 25 years, using her talents, vivacity, and intelligence to expand the college to its present state. Indeed, through her serivce, the college has grown from the old 2-building Danbury Normal school of 175 students to the present 9-building college campus of over 5,000 students.

Even though Dr. Haas is retiring at the end of this month, the fruits of her labors will continue to be developed. For the past decade she has been actively lobbying the Connecticut General Assembly for a new campus to accommodate the continuing influx into the college. Not satisfied with the progress in this area, Dr. Haas received official approval from former Governor Meskill 2 years ago for an extension of the mandatory retirement age of 70. This action was not in vain because the State legislature voted the funding. Only today's economic difficulties have prevented construction from progressing, but Dr. Haas' spirit and dedication will carry the project through to completion even in her absence.

Her devotion to improving and expanding Western Connecticut State College, a full-time task in and of itself, did not daunt the indefatigable Dr. Haas. She carried her work beyond the confines of the campus into many professional organizations on local, State and Federal levels. She has served as president of several education organizations, including the American Association of University Women, the Eastern States Association of Professional Schools for Teachers, the New England Teacher Preparation Association, and the Connecticut Council on Higher Education.

Dr. Haas has been involved in many other groups which dedicate themselves to quality education, such as the National Education Association, the Connecticut Education Association, the Governor's Advisory Council to the Connecticut Commission on Higher Education, the State Commission of Cooperation with Federal Authorities in Matters Pertaining to Higher Education, the New England Board of Higher Education, and the Accreditation Committee of the Council on Higher Education.

While most individuals would have been satisfied with these contributions, not so Dr. Haas. She extended her efforts to the community, serving on the scholarship committee of the Barden Corp.; as a member of the board of trustees and board of managers of the Danbury Hospital; on the board of trustees of the Danbury library; the scholarship committees for Republic Foil and the Electrical Workers Union; on the Board of Trustees of the Scott-Fanton Museum.

Through her expertise, devotion, and knowledge, Dr. Haas has played an integral role in the advancement of education in Connecticut and throughout the nation. Her 50 years of service have left us all with a wonderful, living legacy, one that all who care for the future of our children could do well to emulate. Mere words cannot truly express our gratitude for her efforts and achievements; they can only be a small part of our tribute to her. The rest, though unsaid, is sincerely felt.

CITIZENS' BUS PROGRAM

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. HUGHES. Mr. Speaker, today I would like to tell my colleagues of a man in Cape May County who was in the forefront of providing transportation to senior citizens, Mr. John Bierman.

John Bierman was one of the prime movers behind the origination of the award-winning senior citizens' bus program. Several years ago, he organized the program. He and his father ran it for 2½ years. Older Americans were provided with a means of getting from their homes to doctors, to stores, to friends. This service was and is provided free of charge, making activity possible for senior citizens who were previously in dire straits due to an inadequate public transportation system in Cape May County.

UMI

As you know, Mr. Speaker, I am on the Transportation Subcommittee of the Special Committee on Aging. People such as John Bierman have started pilot programs that are extremely useful as national models of what can be done in providing better transportation for all of our senior citizens. I am going to urge the committee to look at the work done by him and others to see what has been successful in the past, and what we can work for in the future.

MAINTENANCE OF FREEDOMS

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. ROSE. Mr. Speaker, the General Assembly of the State of North Carolina has approved a joint resolution commending the men and women of the Armed Forces who have devoted their lives and fortunes to the maintenance of those freedoms which all of us now enjoy.

The Assembly also urges the Congress to take care that the defenses of the Nation remain adequate for the preservation of this Nation and its ideals. In that I am sure we can all agree.

This resolution had the enthusiastic and unanimous support of the North Carolina Senate and the North Carolina House of Representatives. I commend this resolution to the attention of my colleagues and ask that the text be printed in the RECORD:

SENATE JOINT RESOLUTION 596

A joint resolution commending the Armed Forces and urging Congress to preserve the defenses of this Nation

Whereas, this State and nation is now in its 200th year of freedom; and

Whereas, that freedom was secured and has since been maintained by the sacrifices of the men and women of the armed forces of this nation, both professional and civilian; and

Whereas, the potential cost of maintenance of freedom is and always will be the lives and fortunes of every citizen of this nation; and

Whereas, it is absolutely essential to the survival of these freedoms which Americans traditionally hold most dear, including but not limited to freedom of religion, freedom of speech, freedom of the press, freedom from any restraints on our liberties without due process of law, and the freedom to criticize government and dissent from the majority, and that survival depends upon the safety of this nation from governments and ideologies which would destroy us in the pursuit of their own destinies; and

Whereas, there has been a discernible trend in the Congress of the United States and in certain segments of the public to detract from the armed forces of this nation, not only the financial support which those forces must have to adequately protect this nation and insure its survival, but also from the respect and admiration which this nation has traditionally had for its armed forces; and

Whereas, such detraction is inimical to the best interests of this nation and should be deplored by every American citizen;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

SECTION 1. That the General Assembly of North Carolina recognizes that while we continue our efforts to secure economic and social justice for all our people we must realize that such justice cannot be obtained unless we remain free, and that freedom can only be guaranteed for the foreseeable future by an armed force second to none.

SEC. 2. That the appreciation of the people of North Carolina is hereby expressed to the men and women of the armed forces, living and dead, who have devoted their lives and fortunes to the maintenance of those freedoms which all of us now enjoy.

SEC. 3. That the Congress of the United States is hereby urged to take care that the defenses of this nation remain adequate for the preservation of this nation and its ideals.

SEC. 4. That this resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 13th day of May, 1975.

JAMES C. GREEN, Sr.,
President of the Senate.
JAMES B. HUNT, Jr.,
Speaker of the House of Representatives.

SENATOR JACKSON LOOKS AT U.S. FOREIGN POLICY REGARDING AFRICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. RANGEL. Mr. Speaker, the United States is now at a crossroads in its relations with the nations of Africa. Will we continue to ignore the continent of Africa, or will we forge a new relationship based on increased understanding?

This is the question and the challenge which now face us, and which need much greater attention and debate than they are now receiving from the present administration.

On May 28, in a speech at the Pan African Business Center's Northeast Regional Workshop on Trade and Investment in Africa and the Caribbean, Senator HENRY M. JACKSON addressed the issues squarely. Senator JACKSON's remarks showed an awareness of the sad record of America's general African policy and its unconstructive ambiguity on the key points of racism and minority rule in southern Africa. Senator JACKSON evidenced sensitivity to the most difficult present issues in African-American relations, and optimism as to the possibility of improving these relations in the future.

I am therefore inserting Senator JACKSON's remarks in the RECORD today in the hope that they will receive the wide attention they, and the subject matter they concern, so greatly deserve.

The article follows:

AFRICA AND AMERICAN FOREIGN POLICY

Two hundred years ago, the people of the United States declared their independence from foreign rule, and set about to build a new nation in which they would control their own destiny. As we in the United States celebrate the Bicentennial of our own independence, the struggle for independence is still being carried on in Africa. The last major colonial empire, that of Portugal, is now being dissolved—no thanks to the United States, I regret to say. But in Rhodesia and in South Africa, white minorities still deny black majorities their rights. And all over that continent, young countries struggle with the economic and social problems that greet every nation which chooses the uncertainties of independence over the restrictive patterns of colonialism.

AMERICAN POLICY IN AFRICA—TIME FOR A CHANGE

Many leaders in the African struggle for independence have noted how much they were inspired by the experience of the United States in winning its independence and then in the difficult process of nation-building. The world's oldest democracy and its youngest ones should have made common cause in the fight against tyranny, and poverty, and disease.

Sadly, this has too seldom been the case. Too often, American policy towards Africa has been not to lend a hand in assistance, or to extend the hand of friendship; instead, all too often it has been to show the back of the hand in pushing aside African affairs. No area of the world has been assigned a lower priority by the United States Government in recent years than has Africa.

The results have not been surprising. Year after year, opportunities for greater friendship and cooperation have been lost—and both the peoples of Africa and the people of the United States have lost as a result.

This conference is especially important because it demonstrates that there is still time to make a new beginning—time to restore Africa to its rightful place in American foreign policy considerations, time to expand economic cooperation between the nations of Africa and the United States, and time to restore the friendship between America and Africa that marked the early days of decolonization.

AMERICA AND AFRICA: COMMON INTERESTS

For the major concerns of the nations of Africa should be our concerns here in the United States. We must, together, seek to foster economic and social development—to continue the struggle against hunger and disease and illiteracy. We must, together, seek to avoid great power rivalry or conflict on the African continent. We must, together, seek to expand trade between our continents on an equitable and, insofar as is possible, reciprocal basis. And we must, together, seek peaceful paths to social justice and political liberty in all of Africa.

In all of these steps, the advantages to the United States are at least as great as those which accrue to the nations of Africa. The new American approaches to Africa which all of us seek are not gestures of philanthrophy; they are grounded in American principles and American self-interest.

The strategic importance of Africa, resulting from its location on vital air and sea routes, is clear. The mineral wealth of the continent is staggering, with 96 percent of the world's known reserves of chromite and roughly half its cobalt, gold and platinum. In January and February of this year, Nigeria was America's second largest supplier of crude oil, and provided one-fourth of all crude oil imports. Six billion dollars of United States investments are located in Africa—two-thirds in black African countries—and development needs suggest a potential several times that high. African requirements for capital goods and technology offer American industry a challenge and a great opportunity.

And there is a very great common interest between the United States and the States of Africa on the question of world oil prices. The impact of enormous oil price rises on the United States has been severe, but for many nations of Africa it has been catastrophic. For the price and availability of oil determine the price and availability of fertilizer, and there is a very direct relationship in many nations between the supply of fertilizer, and the supply of food. For the United States, high oil prices have contributed to a major recession, in parts of Africa, high oil prices have contributed to hunger and indeed starvation. So there is an important area of common interest here which the nations of Africa and the United States should pursue.

Finally, more than 12 percent of the population of the United States is of African origin. As the political power of American Blacks grows—and sitting here with Percy Sutton and Charley Rangel, I'd be the first to report that it is growing fast—American Blacks will demand a new policy toward Africa which reflects their concern and interest in its future.

And this is as it should be: American foreign policy should not be the creation of one individual or the product of one particular point of view.

It must reflect the concerns and aspirations of all Americans, and must reflect America's deep commitment to the principles of political and social justice on which our nation was founded.

A NEW AMERICAN POLICY

We have the opportunity—and the obligation—to demonstrate this commitment in Africa today.

In Rhodesia, the United States must pledge its full support of United Nations sanctions. I have always opposed the Byrd Amendment and have sought to have U.N. sanctions respected by this country—and I will continue to do so. America must commit itself to support the international efforts now underway for a peaceful transition from minority rule to participation by all in the election of a truly representative government.

In South Africa, the United States cannot be neutral in a struggle for racial justice and political liberty. We must give full support to the efforts now underway to bring about real changes in South African racial policies. These efforts have shown a sensible and moderate attitude towards the South African problem, but Africans will not—and America must not—accept words instead of deeds.

The message on this point is clear: Black Africa demands steady and significant progress toward the elimination of apartheid, and nothing less is acceptable.

We in America must support this stand. I have been especially critical of one disastrous recent move by the United States Government. In April, it was revealed that this country has shipped weapons-grade uranium to the Union of South Africa. As soon as I learned of this, I wrote to Robert Seamans, head of the Energy Research and Development Administration, to demand an explanation. As I told him in April, "I am deeply disturbed that a U.S. atoms-for-peace program could end up aiding the acquisition of nuclear weapons by South Africa." This was a foolhardy move by the United States, and one which can only threaten peace on the African continent.

This is a prime example of what the United States should not be doing in Africa. It was the wrong move, at the wrong time, in the wrong place. And meanwhile, many opportunities for a positive American role in South Africa are being lost. We are in a special position to help encourage the peaceful evolution away from apartheid.

For instance, many American investors in South Africa have allowed their personnel policies to become part and parcel of the apartheid system. This cooperation with racism must end, and a policy of "equal pay for equal work" for Blacks and Whites alike must replace it. Several American companies, acting on their own initiative, are pursuing nondiscriminatory personnel policies in South Africa, and they have set an example. American business practices should help break down the barriers of apartheid—not prop them up.

And America must take a principled stand in support of international law on the question of Namibia. Withdrawal of South Africa must be our goal, so that the people of Namibia may determine for themselves the future of their land.

In Angola, in Mozambique, and in Guinea-Bissau, Portuguese rule is coming to an end. We in America should welcome these new nations to the international community. In fact, in less than one month—on June 25th—Mozambique will join the ranks of independent states, under the unified and progressive leadership of Frelimo.

To all of the new states, American policy must be to deplore intervention by any great power, directly or indirectly, in their internal political developments. At the same time, we must stand ready to offer generous assistance.

The most difficult period in any struggle for freedom—and ours in the United States was no exception—is usually the first years after independence is achieved. The political structure, the economy, foreign policy, staffing of government offices—all must be developed to new levels to meet the challenges of independence.

American interference in any of this must be avoided, but American technical help should be made available whenever requested. Trained technical personnel will be in short supply when the Portuguese leave and U.S. assistance in setting up emergency training programs is an example of American help that might be very valuable to the recipients and might establish the base for friendly relations in the future.

CONCLUSION

We cannot, tonight, touch on all aspects of U.S. policy towards Africa. I have tried to address some of those which are now most pressing, and which offer the United States the most immediate opportunities.

President Johnson, who did so very much to advance the cause of racial justice in America, once spoke with visiting leaders from the Somali Republic of an old Muslim saying. It goes "There are four things which can never be retrieved—the spoken word, the sped arrow, times past, and the neglected opportunity."

Let us resolve—we in the United States, Black and White, in government and out, and those of you from abroad—let us resolve to make a new beginning in American relations with Africa. Let us not neglect the opportunities before us. Let us seize them, and let us assure that friendship and cooperation will mark African-American relations in the years ahead.

IMPORTANCE OF PATRIOTISM IN AMERICAN HISTORY

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. MONTGOMERY. Mr. Speaker, I am pleased to be able to relate to my colleagues a most inspirational and informative tape color slide presentation entitled "America, O' America the Beautiful." This presentation was prepared at great personal expense and sacrifice of Chaplain Maj. Robert E. Wall of Clinton, Miss., a member of the Mississippi National Guard. The presentation has already been seen by Adjutants General Association of the United States and by the Florida National Guard Association. The program emphasizes how patriotism has played a vital part in the formation of our country from a small band of colonies to the great Nation it is. I commend Major Wall for his efforts and would like to share a resolution passed by the National Guard Officers Association of Florida paying tribute to Major Wall. I trust my colleagues will one day have an opportunity to see the presentation. The resolution is as follows:

RESOLUTION

Whereas, the United States of America is preparing to celebrate its bicentennial anniversary; and

Whereas, this great nation was founded on the principle of serving God and Country; and

Whereas, recent domestic and world events have led to a decline in the outward expression of patriotism and love of country on the part of many Americans; and

Whereas, Chaplain (Major) Robert E. Wall, Mississippi National Guard, sensing this decline in patriotism, was inspired to prepare at great personal expense and sacrifice, an outstanding tape color-slide presentation titled "America O' America the Beautiful", emphasizing how patriotism has played a vital part in the formation of our country from a small band of colonies to the greatest nation that the world has ever known; and

Whereas, the National Guard Officers Association of Florida during its 73d Annual Conference was privileged to view this highly motivating and inspiring presentation; and

Whereas, the membership felt that the entire nation would benefit by such a presentation;

Now, therefore, be it resolved, that the National Guard Officers Association of Florida in conference at St. Petersburg, Florida this 11th day of April 1975, unanimously recommends that this outstanding presentation be viewed by a joint session of the Congress of the United States.

I. W. ABEL, USWA, TELLS OF STEEL AND IMPORTS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. GAYDOS. Mr. Speaker, I. W. Abel, president of the United Steelworkers of America, recently outlined the grave concerns of the steel industry before the U.S. International Trade Commission, which is seeking to determine what impact new trade concessions to foreign manufacturers will have on local economies and the working force.

I found Mr. Abel's remarks extremely interesting and I am inserting them into the RECORD for the attention of my colleagues:

I. W. ABEL, USWA, TELLS OF STEEL AND IMPORTS

PITTSBURGH, April 29.—Following is the text of testimony by I. W. Abel, President of the United Steelworkers of America, given at the Federal Building here today before the U.S. International Trade Commission:

My name is I. W. Abel and it is my privilege to serve as president of the United Steelworkers of America.

I want to first express my appreciation for this opportunity to appear before the U.S. International Trade Commission and to testify on behalf of some 500,000 of our members in the Basic Steel Industry.

UMI

I know that this inquiry is directed to the economic impact of future tariff reductions authorized under the Trade Act of 1974. However, in this statement, we intend to emphasize the economic position of our domestic industry in the perspective of what is happening in the world steel industry.

First, I would note that the major portion of world steel production is owned by—controlled by—or operates closely with government authorities. This means the policies of most foreign steel industries are aligned with their national interests. I might insert here that I believe ours should be aligned with our national interests.

In 1974, approximately 44% of world steel production came from government-owned steel plants. If support and subsidy practices are included, the percentage of government involvement in world steel operations is much higher than 44%. Also, many governments in the free world directly support their steel industries. And various incentives to export steel are also used.

For years, the Japanese steel industry has benefited from export subsidies. The British steel industry is almost totally government-owned. I call to your attention the fact that the British Steel Corporation has just announced that it will launch a massive export drive to offset cuts in domestic production and employment. The Italian steel industry is partially government-owned. The French steel industry receives government subsidies, and the French government has played a major role in financing the giant Fos steel plant in Southern France on the Mediterranean as a cost of well over $1 billion. It will provide 4 million tons of raw steel capacity, plus continuous casting and hot rolling facilities.

I would also note that a month ago the Chairman of the French Steel Federation asked the European Coal and Steel Community to improve steel import quotas because of what he said was the worst crisis in the French steel industry since World War II.

These are just a few examples of what has been happening. But they are sufficient to demonstrate why we are concerned with the effects of government ownership and government support practices on the export plans and activities of foreign steel industries. We are concerned because each ton of foreign steel landed in the United States represents lost job opportunities in the Basic Steel Industry in this country, unless our own steel industry is utilizing fully its own production facilities.

In 1971, for example, an all-time record of 18.3 million tons of steel were imported, representing the export of at least 108,000 job opportunities in the steel industry. In 1975, the American Basic Steel Industry could ship at least 15 million tons more than it will. This tonnage, however, will go to imports, costing the country some 90,000 job opportunities. Thus, we have a very vital stake in steel trade policy because it directly affects the well-being of American Steelworkers, their families, their communities and our Nation.

Therefore, it is our firm conviction that one of the first priorities of this Commission, and other agencies of the Government, is to determine where steel stands in the negotiations authorized under the Trade Act of 1974.

I need not elaborate on the fact that the United Steelworkers of America strongly opposed the passage of that legislation. We did so because the legislation did not take into consideration the effect that accelerated imports had on the jobs of American workers. It might be argued that there would be a net gain or maintenance of our over-all level of employment but such a trade policy is insensitive to actual job losses and dislocations that do occur and will occur for individual workers. The offer of special trade adjustment assistance to affected workers in no solution. It is no solution just as unemployment compensation is not the solution for unemployment. The Trade Act of 1974 does nothing to assure the worker of economic security.

Our complaints about the Act did have some effect, however. The Congress established guidelines for conducting trade negotiations in certain industries that might be particularly sensitive to imports and whose economic health is important to the economy of the United States. In such industries, for example, special arrangements were contemplated to require an individual or sector approach whereby all factors affecting trade—including tariffs and non-tariff barriers—could be dealt with because of specific problems in the particular industries. The Congressional hearings and reports are filled with references to sectoral negotiations for certain industries. In fact, the Senate Finance Committee report on the Trade Act specifies that steel is intended to be among those industries that lend themselves to an approach of this kind—that is—a sector negotiating technique.

If we are to adopt the sector technique for steel, as we did in the Kennedy Round, our Government should decide what our objectives are for steel in these trade negotiations. It is important that we know in what direction we are headed. I do not think that we have yet reached that point in determining our Government's policy on the steel sector.

I believe that two principal objectives should be sought in these negotiations:

One: Achieve the maximum degree of international agreement on fair terms of trade in steel; and

Two: Achieve a well-designed, multi-lateral safeguard system for steel. This system would—in the event of industry disruption from imports—permit prompt, adequate limitations on imports for a temporary period until the disruption has stopped.

With these two objectives in mind, I think you will better understand our over-all position on steel trade policy, and our specific position on tariffs as they relate to steel.

With respect to tariffs, we hope you concur that tariffs alone are not the principal determining factor in the flows of steel trade. They play a role but they are inter-related with a wide variety of other political and economic factors. It is the combination of these factors that affect the American Basic Steel Industry and our members employed in the Industry. This is not to excuse our failure to come to grips with the scope of this hearing—that is—the economic impact of tariff adjustments permitted under the Trade Act of 1974. It is to explain the perspective in which we view the issue of tariff reduction or elimination.

The United Steelworkers of America opposes tariff reductions as authorized in the Trade Act. Why should we lend a helping hand to foreign steel producers to repeat, or possibly even expand upon the injury that American steelworkers suffered throughout the decade of the 60's?

Last year the United States had a three billion dollar deficit in its steel trade alone. That's what imported steel cost the Nation last year. Why this excessive trade imbalance. The make-up of the world steel industry is a major factor. The United States is an international Santa Claus when it comes to steel. The United States is one of the freest, most open markets for steel anywhere in the world. Our rates of effective tariffs are the lowest when compared to other major steel producing countries. U.S. tariff rates are assessed on the lower-based Freight-on-Board value of imports, not on the Cost-Insurance-Freight value as followed by most other nations. Steel imported into the U.S. does not bear a value-added tax such as that imposed by the European Economic Community.

And probably overshadowing all of the factors I have just cited, the American Steel Industry is made up of private companies competing with steel industries of other nations that are owned or controlled by their governments. We recognize that ownership or control of their industries is the prerogative of such nations. That is their business. In contrast, we have a private enterprise economy. And what concerns American Steelworkers and what should concern American officials in the trade negotiations is the effect that foreign government's trade policies have on the American market and American workers.

I don't see how we can even consider liberalizing our trade policy when past experience demonstrates that when demand declines, European and Japanese steelmakers—with government assistance and counsel—will sell at any price to keep plants operating at maximum capacity and their workers fully employed. In effect, they export their unemployment to the United States, and we bear the burden of that unemployment.

The Trade Act and the to-be-negotiated trade agreement do not take into consideration the fact that the economies of various countries, which are participants in the General Agreement on Tariffs and Trade, are in a state of recession. However, when the 93rd Congress debated the Trade Act, the economies of the various countries were sound. As a matter of fact, a number of industries such as steel were projecting a supply shortage and the need for investment to increase capacity. But since then the turnaround has been pronounced and serious.

However, it must be emphasized, each country reacts in a different way to recessionary pressures in accordance with its economic practices. If such reactions were confined entirely to its own domestic market, then perhaps the reactions would not be a problem. But the effects of such reactions are not confined to the individual countries. The responses also include the countries' export policies, and they may dramatically conflict with the economic pattern of the countries receiving the exports. However, it is unrealistic to think that there will be drastic international, governmental intervention to bring about uniform economic reactions to economic downturns. Therefore, it is up to the contemplated international trade agreement to provide for such reactions. If it does not, it will be an inadequate agreement.

Just recently, European steelmakers cut their prices for exports in order to maintain production. These prices are now 40 to 55% below prices of last June. I want to cite some specific examples of such reductions as reported in the American Metal Market:

47 percent for reinforcing bars.
46 percent for merchant bars.
56 percent for wire rods.
40 percent for cold-rolled sheet.

We must be able to react domestically to the increased imports that will probably result from such price reductions. We cannot be bound by trade agreements that do not anticipate the actions that result from such economic responses of other countries.

We of the United Steelworkers of America cannot see how we can be receptive to future liberalization of trade when we know that officials of the European Coal and Steel Community and Japan meet at least twice a year to discuss the steel situation and presumably resolve their steel trade problems?

We cannot be receptive to further liberalization of trade because we know that each time we face a surge of imports now we have a formidable job merely trying to convince our own officials that a problem exists, let alone geting them to do something about it. On the other hand, when this occurs in other countries, they engage in private bilateral discussions aimed at alleviating the problem quietly and effectively.

Our only recourse in such situations is our own Government. But so far there is little evidence that our Government is ready to recognize the special problems inherent in steel imports caused by policies of other governments. For the sake of our own steel industry and American Steelworkers—and our economy—our Government must face up to and solve these problems in the forthcoming negotiations. I wish I could say that this will be done by our Government. But as of this time, I do not know. I can only hope that it be done, and urge that it be done.

I cannot stress too emphatically that we must develop a steel trade policy that gives priority to the maintenance of a strong, competitive domestic steel industry. We will not accomplish our national goals relating to energy, transportation, employment and containment of inflation, unless we do have a competitive and strong steel industry that will also help ensure the economic security of Steelworkers.

Frankly, I would like to see us regain some of the ground that we have lost in world steel trade by strengthening our position as a steelmaking and exporting nation. We are fortunate to have the necessary materials, energy, technology, labor and a competitive dollar to make the expansion of our steel industry and increased steel exports a realistic objective.

What we seek in steel on a world-wide basis is fair trade. The steel trade and traiff policy developed by our government in the coming months will determine whether there will be fair trade. It will determine whether we will have the strong, expanding industry our country needs. To the members of this Commission, I say today it will be a priority goal of our Union to make such a trade and tariff policy a reality.

I would now like to say a few words about what is known as a multilateral safeguard system. Our Union is well aware of the escalation of imports during the 60's and the impact this escalation had on jobs. Because of this we helped bring about the Voluntary Restraint Agreement that established steel import quotas for the Common Market countries and Japan. That voluntary agreement was somewhat successful but it is no longer in effect. We now urge that a similar restraint agreement be negotiated as a condition for any trade concessions. This agreement would provide for a bi-lateral arrangement on a country-by-country basis and be enforceable by governmental action. And it would be similar to the provisions and objectives of the earlier Voluntary Restraint Agreement.

The justification for such arrangements was given clearly in a series of papers by the House Ways and Means Committee entitled, "Background and Status of the Multi-Lateral Trade Negotiations." For example, the Committee stated, and I quote:

"Tariff barriers will be lowered as a result of the new trade negotiations, to a point where rapid changes in the world economic situation can put a domestic industry under even more intense and unforseeable pressure from imports than in the past. Countries undertaking substantial trade liberalization in the current negotiations will want assurance that an effective multi-lateral safeguard system is available both to control the pace of adjustment to import competition when this is necessary and to restrain unnecessary restrictive actions by their trading partners."

It is our understanding that Congress favored such flexibility through Section 107 in the Trade Act and that it intended this section to be an operative section. Our Union also takes the position that it is an operative section and that it should be implemened. Without it we cannot be assured about the job security of our members employed in the Basic Steel Industry.

Perhaps you are aware of the fact that we, as a Union, have done much internally in our negotiations with the basic steel companies to bring a great deal of stability to the industry. We and the companies pioneered in the development of joint labor-management productivity committees and in the establishment of a breakthrough in collective bargaining with a new bargaining procedure known as the Experimental Negotiating Agreement—ENA for short. The ENA was used in our 1974 negotiations and aimed at ending the "boom-bust" cycles that plagued past negotiations—the stockpiling in anticipation of possible strikes, the working off of stockpiles after the peaceful settlements, plant shutdowns and prolonged layoffs of many of our members. In brief, the ENA prohibited an industry-wide strike or lockout, provided for the arbitration of unresolved issues, and allowed negotiations on virtually all economic and fringe benefit areas. We reached a settlement in the 1974 negotiations—the best in the history of our Union—without having to submit anything to arbitration. And ENA eliminated the "boom-bust" cycle because steel customers were assured of deliveries, and it prevented any repetition of the kind of layoffs that we experienced in previous negotiations.

These are major departures in the field of labor-management relations and they have produced great benefits to both our members and the industry. We have engaged in this degree of joint action to solve mutual problems, to increase the viability and productivity of the Basic Steel Industry and to ensure the economic security of our members. We do not intend to sit idly by and allow these mutual benefits to be eroded by unfair trade relationships. The Basic Steel Industry, as a result of these joint efforts, is regaining a status of some viability, and our members are enjoying good incomes and meaningful fringe benefits. We cannot allow the present status of the Industry or the benefits and security of our members to be threatened by an ill-conceived trade agreement.

In conclusion, therefore, I urge you on behalf of the United Steelworkers of America to give due weight to a Union and an industry which have been working jointly to produce steel and higher standards of living for our members. Trade negotiations along the lines that I have suggested, and which were contemplated by the Congress for the steel industry, can be beneficial to the industry, to Steelworkers and to our Nation through the stabilization of one of the Nation's basic industries. To do otherwise would bring tragic results.

I sense a feeling among the American people and the American worker that it is time we started to mind our own store a little bit before the store becomes empty. No people have been more generous in the past than the American people. I believe it is now time that our Nation adopted a trade policy that helps safeguard and benefit the economy and the jobs of American workers. For far too long, primary attention has been given to the diplomatic effects of our trade policy and too little has been given to our own national economic and social goals.

Again, I want to thank you for this opportunity to appear before you and to present the position of our Union on the upcoming trade negotiations.

NATIONAL CAN CO. PROPOSES NEW BAN ON HIRING OF ILLEGAL ALIENS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. BIAGGI. Mr. Speaker, it gives me great pleasure to advise my colleagues of the intentions of the National Can Co. of Chicago, Ill., to fight the serious problem of illegal alien employment. At their recent shareholders meeting, they voted to establish a new policy to ban the hiring of illegal aliens.

At the present time it is estimated that there are more than 1 million illegal aliens employed in this Nation. This is distressing when one considers that this Nation's unemployment rate is at record levels. I have introduced legislation in the Congress which would make it an immediate Federal crime for employers to knowingly hire illegal aliens. I applaud the National Can Co. for taking this important and courageous initiative which if adopted by other companies could reduce drastically the numbers of illegal aliens employed. Employment is the prime motivating factor which brings these millions of illegal aliens into this country, and if we are to cut off the flow of illegal aliens in this country we must close off the roads which lead them to jobs.

At this point in the RECORD, I would like to include a National Can Co. press release which outlines their new proposal to ban the hiring of illegal aliens:

NATIONAL CAN ENACTS MEASURES TO INSURE AGAINST HIRING ILLEGAL ALIENS—HEADS DRIVE TO RECRUIT OTHER BUSINESS TO DO THE SAME

CHICAGO, ILL., April 11.—With unemployment at an all-time high since the depression, National Can Corporation announced today that it is enacting measures to insure against the hiring of illegal aliens.

According to the United States Immigration Service, it is the first major U.S. corporation to publicly adopt such a policy.

Frank W. Considine, president and chief executive officer of National Can, in making the announcement at the corporation's annual meeting in Chicago, said that in addition to its own policy, National Can would spearhead a drive in cooperation with the U.S. Immigration Service to get other companies to adopt similar measures. Considine personally will head up the drive.

General Leonard F. Chapman, commissioner of the U.S. Immigration Service, said that a concerted effort by all of business not to employ illegal aliens would help to open up more than one million jobs for unemployed U.S. workers within a matter of months; it could make available over a period of three to four years an additional two million or more jobs.

"The time when our nation could absorb the world's unemployment is long past," Considine said in making his announcement. "I don't see how we can any longer justify taking lightly the hiring of people who enter the country illegally, violating our laws, when so many of our own people are begging for jobs."

Considine stated that government statistics show that illegal aliens don't just occupy the low paying, unwanted jobs.

"Quite to the contrary," he said. "Illegal aliens hold jobs throughout our entire employment stream.

"It is estimated that more than one million illegal aliens are in New York; more than half a million in Chicago," Considine continued. "You can be sure that the people employed in these areas aren't harvesting crops."

According to the Immigration Service, more than two and one-half million illegal aliens come into the United States each year. They arrive from nearly every country in the world.

As unemployment in Europe continues to grow, the number of illegal aliens migrating to this country is expected to rise.

According to General Chapman, the surest

UMI

way of shutting them out is to turn off the magnet that attracts them here . . . jobs.

"This is what we are trying to encourage major corporations to do," General Chapman said. "This is why National Can's public policy and leadership role in this vital issue is so important to our solution to the illegal alien problem."

National Can is listing on all of its employment forms, both temporary and permanent, salaried and hourly, the question: "Do you have the legal right to be in this country?"

It is posting signs in each of its plants, informing workers of the company's policy on the employment of illegal aliens. It is informing each of its employees that it is cooperating fully with the U.S. Immigration Service and that plants will be open for regular immigration inspection.

"This puts the illegal alien on notice that National Can is one company to avoid," General Chapman said.

"If more corporations would adopt this policy it would eventually transmit to the illegal alien that there are no jobs for them here. It would discourage them from coming to America on an illegal basis."

The General said that illegal aliens who were employed at company plants posting this information would most likely leave.

"They know that sooner or later with our regular inspections that they would be detected," he said.

Considine stated that this is of course National Can's goal . . . to open up more jobs for legal residents.

"If we can do something to help ease the unemployment problem in the U.S.," Considine said, "then we feel that we will have truly accomplished something.

"Our goal is to put the U.S. worker back to work, as quickly as possible. We feel that this program with the U.S. Immigration Service is an important step in the right direction."

National Can Corporation has 62 plants across the U.S. It employs over 14,000 people. In addition to its U.S. plants, the company has 12 plants overseas. Its annual sales were $710 million.

THE GREAT DEPRESSION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. SYMMS. Mr. Speaker, the distinguished Austrian Economist Hans Sennholz has done much writing on the true causes of the "Great Depression" of the 1930's. In the April issue of the Freeman—a publication of the Foundation for Economic Education—Dr. Sennholz has an article that describes some of the root causes of the depression. I think that it is of paramount importance that every Member of Congress and all Americans take heed of these lessons, lest we make the same mistake twice. The first part of the article reads as follows—the second part will be read into tomorrow's RECORD:

THE GREAT DEPRESSION

(By Hans F. Sennholz)

Although the Great Depression engulfed the world economy some 40 years ago, it lives on as a nightmare for individuals old enough to remember and as a frightening specter in the textbooks of our youth. Some 13 million Americans were unemployed, "not wanted" in the production process. One worker out of every four was walking the streets in want and despair. Thousands of banks, hundreds of thousands of businesses, and millions of farmers fell into bankruptcy or ceased operations entirely. Nearly everyone suffered painful losses of wealth and income.

Many Americans are convinced that the Great Depression reflected the breakdown of an old economic order built on unhampered markets, unbridled competition, speculation, property rights, and the profit motive. According to them, the Great Depression proved the inevitability of a new order built on government intervention, political and bureaucratic control, human rights, and government welfare. Such persons, under the influence of Keynes, blame businessmen for precipitating depressions by their selfish refusal to spend enough money to maintain or improve the people's purchasing power. This is why they advocate vast governmental expenditures and deficit spending—resulting in an age of money inflation and credit expansion.

Classical economists learned a different lesson. In their view, the Great Depression consisted of four consecutive depressions rolled into one. The causes of each phase differed, but the consequences were all the same; business stagnation and unemployment.

THE BUSINESS CYCLE

The first phase was a period of boom and bust, like the business cycles that had plagued the American economy in 1819-20, 1839-43, 1857-60, 1873-78, 1893-97, and 1920-21. In each case, government had generated a boom through easy money and credit, which was soon followed by the inevitable bust.

The spectacular crash of 1929 followed five years of reckless credit expansion by the Federal Reserve System under the Coolidge Administration. In 1924, after a sharp decline in business, the Reserve banks suddenly created some $500 million in new credit, which led to a bank credit expansion of over $4 billion in less than one year. While the immediate effects of this new powerful expansion of the nation's money and credit were seemingly beneficial, initiating a new economic boom and effacing the 1924 decline, the ultimate outcome was most disastrous. It was the beginning of a monetary policy that led to the stock market crash in 1929 and the following depression. In fact, the expansion of Federal Reserve credit in 1924 constituted what Benjamin Anderson in his great treatise on recent economic history (*Economics and the Public Welfare*, D. Van Nostrand, 1949) called "the beginning of the New Deal."

The Federal Reserve credit expansion in 1924 also was designed to assist the Bank of England in its professed desire to maintain prewar exchange rates. The strong U.S. dollar and the weak British pound were to be readjusted to prewar conditions through a policy of inflation in the U.S. and deflation in Great Britain.

The Federal Reserve System launched a further burst of inflation in 1927, the result being that total currency outside banks plus demand and time deposits in the United States increased from $44.51 billion at the end of June, 1924, to $55.17 billion in 1929. The volume of farm and urban mortgages expanded from $16.8 billion in 1921 to $27.1 billion in 1929. Similar increases occurred in industrial, financial, and state and local government indebtedness. This expansion of money and credit was accompanied by rapidly rising real estate and stock prices. Prices for industrial securities, according to Standard & Poor's common stock index, rose from 59.4 in June of 1922 to 195.2 in September of 1929. Railroad stock climbed from 189.2 to 446.0, while public utilities rose from 82.0 to 375.1.

A SERIES OF FALSE SIGNALS

The vast money and credit expansion by the Coolidge Administration made 1929 inevitable. Inflation and credit expansion always precipitate business maladjustments and malinvestments that must later be liquidated. The expansion artificially reduces and thus falsifies interest rates, and thereby misguides businessmen in their investment decisions. In the belief that declining rates indicate growing supplies of capital savings, they embark upon new production projects. The creation of money gives rise to an economic boom. It causes prices to rise, especially prices of capital goods used for business expansion. But these prices constitute business costs. They soar until business is no longer profitable, at which time the decline begins. In order to prolong the boom, the monetary authorities may continue to inject new money until finally frightened by the prospects of a run-away inflation. The boom that was built on the quicksand of inflation then comes to a sudden end.

The ensuing recession is a period of repair and readjustment. Prices and costs adjust anew to consumer choices and preferences. And above all, interest rates readjust to reflect once more the actual supply of and demand for genuine savings. Poor business investments are abandoned or written down. Business costs, especially labor costs, are reduced through greater labor productivity and managerial efficiency, until business can once more be profitably conducted, capital investments earn interest, and the market economy function smoothly again.

After an abortive attempt at stabilization in the first half of 1928, the Federal Reserve System finally abandoned its easy money policy at the beginning of 1929. It sold government securities and thereby halted the bank credit expansion. It raised its discount rate to 6 per cent in August, 1929. Time-money rates rose to 8 per cent, commercial paper rates to 6 per cent, and call rates to the panic figures of 15 per cent and 20 per cent. The American economy was beginning to readjust. In June, 1929, business activity began to recede. Commodity prices began their retreat in July.

The security market reached its high on September 19 and then, under the pressure of early selling, slowly began to decline. For five more weeks the public nevertheless bought heavily on the way down. More than 100 million shares were traded at the New York Stock Exchange in September. Finally it dawned upon more and more stockholders that the trend had changed. Beginning with October 24, 1929, thousands stampeded to sell their holdings immediately and at any price. Avalanches of selling by the public swamped the ticker tape. Prices broke spectacularly.

LIQUIDATION AND ADJUSTMENT

The stock market break signaled the beginning of a readjustment long overdue. It should have been an orderly liquidation and adjustment followed by a normal revival. After all, the financial structure of business was very strong. Fixed costs were low as business had refunded a good many bond issues and had reduced debts to banks with the proceeds of the sale of stock. In the following months, most business earnings made a reasonable showing. Unemployment in 1930 averaged under 4 million, or 7.8 per cent of labor force.

In modern terminology, the American economy of 1930 had fallen into a mild recession. In the absence of any new causes for depression, the following year should have brought recovery as in previous depressions. In 1921–22 the American economy recovered fully in less than a year. What, then, precipitated the abysmal collapse after 1929? What prevented the price and cost adjustments and thus led to the second phase of the Great Depression?

DISINTEGRATION OF THE WORLD ECONOMY

The Hoover Administration opposed any readjustment. Under the influence of "the new economics" of government planning, the President urged businessmen *not* to cut prices and reduce wages, but rather to increase capital outlay, wages, and other spending in order to maintain purchasing power. He embarked upon deficit spending and called upon municipalities to increase their borrowing for more public works. Through the Farm Board which Hoover had organized in the autumn of 1929, the Federal government tried strenuously to uphold the prices of wheat, cotton, and other farm products. The GOP tradition was further invoked to curtail foreign imports.

The Hawley-Smoot Tariff Act of June, 1930, raised American tariffs to unprecedented levels, which practically closed our borders to foreign goods. According to most economic historians, this was the crowning folly of the whole period from 1920 to 1933 and the beginning of the real depression. "Once we raised our tariffs," wrote Benjamin Anderson, "an irresistible movement all over the world to raise tariffs and to erect other trade barriers, including quotas, began. Protectionism ran wild over the world. Markets were cut off. Trade lines were narrowed. Unemployment in the export industries all over the world grew with great rapidity. Farm prices in the United States dropped sharply through the whole of 1930, but the most rapid rate of decline came following the passage of the tariff bill." When President Hoover announced he would sign the bill into law, industrial stocks broke 20 points in one day. The stock market correctly anticipated the depression.

The protectionists have never learned that curtailment of imports inevitably hampers exports. Even if foreign countries do not immediately retaliate for trade restrictions injuring them, their foreign purchases are circumscribed by their ability to sell abroad. This is why the Hawley-Smoot Tariff Act which closed our borders to foreign products also closed foreign markets to our products. American exports fell from $5.5 billion in 1929 to $1.7 billion in 1932. American agriculture customarily had exported over 20 percent of its wheat, 55 percent of its cotton, 40 percent of its tobacco and lard, and many other products. When international trade and commerce were disrupted, American farming collapsed. In fact, the rapidly growing trade restrictions, including tariffs, quotas, foreign exchange controls, and other devices were generating a world-wide depression.

Agricultural commodity prices, which had been well above the 1926 base before the crisis, dropped to a low of 47 in the summer of 1932. Such prices as $2.50 a hundredweight for hogs, $3.28 for beef cattle, and 32¢ a bushel for wheat, plunged hundreds of thousands of farmers into bankruptcy. Farm mortgages were forcelosed until various states passed moratoria laws, thus shifting the bankruptcy to countless creditors.

RURAL BANKS IN TROUBLE

The main creditors of American farmers were, of course, the rural banks. When agriculture collapsed, the banks closed their doors. Some 2,000 banks, with deposit liabilities of over $1.5 billion, suspended between August, 1931, and February, 1932. Those banks that remained open were forced to curtail their operations sharply. They liquidated customers' loans on securities, contracted real estate loans, pressed for the payment of old loans, and refused to make new ones. Finally, they dumped their most marketable bond holdings on an already depressed market. The panic that had engulfed American agriculture also gripped the banking system and its millions of customers.

The American banking crisis was aggravated by a series of events involving Europe. When the world economy began to disintegrate and economic nationalism ran rampant, European debtor countries were cast in precarious payment situations. Austria and Germany ceased to make foreign payments and froze large English and American credits; when England finally suspended gold payments in September, 1931, the crisis spread to the U.S. The fall in foreign bond values set off a collapse of the general bond market, which hit American banks at their weakest point—their investment portfolios.

DEPRESSION COMPOUNDED

1931 was a tragic year. The whole nation, in fact, the whole world, fell into the cataclysm of despair and depression. American unemployment jumped to more than 8 million and continued to rise. The Hoover Administration, summarily rejecting the thought that it had caused the disaster, labored diligently to place the blame on American businessmen and speculators. President Hoover called together the nation's industrial leaders and pledged them to adopt his program to maintain wage rates and expand construction. He sent a telegram to all the governors, urging cooperative expansion of all public works programs. He expanded Federal public works and granted subsidies to ship construction. And for the benefit of the suffering farmers, a host of Federal agencies embarked upon price stabilization policies that generated ever larger crops and surpluses which in turn depressed product prices even further. Economic conditions went from bad to worse and unemployment in 1932 averaged 12.4 million.

In this dark hour of human want and suffering, the Federal government struck a final blow. The Revenue Act of 1932 doubled the income tax, the sharpest increase in the Federal tax burden in American history. Exemptions were lowered, "earned income credit" was eliminated. Normal tax rates were raised from a range of 1½ to 5 per cent to a range of 4 to 8 per cent, surtax rates from 20 per cent to a maximum of 55 per cent. Corporation tax rates were boosted from 12 per cent to 13¾ to 14½ per cent. Estate taxes were raised. Gift taxes were imposed with rates from ¾ to 33½ per cent. A 1¢ gasoline tax was imposed, a 3 per cent automobile tax, a telegraph and telephone tax, a 2¢ check tax, and many other excise taxes. And finally, postal rates were increased substantially.

When state and local governments faced sbrinking revenues, they, too, joined the Federal government in imposing new levies. The rate schedules of existing taxes on income and business were increased and new taxes imposed on business income, property, sales, tobacco, liquor, and other products.

Murray Rothbard, in his authoritative work on *America's Great Depression* (Van Nostrand, 1963), estimates that the fiscal burden of Federal, state, and local governments nearly doubled during the period, rising from 16 per cent of net private product to 29 per cent. This blow, alone, would bring any economy to its knees, and shatters the silly contention that the Great Depression was a consequence of economic freedom.

BUSINESS AND "THE NEW CLASS"

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. CRANE. Mr. Speaker, more and more Americans, although they live in a free enterprise system in which private enterprise has created the most affluent and free society in the history of man, have a complete misunderstanding about the nature of business and industry.

It is unfortunate, but true, that anti-business feelings proliferate among large segments of our population. Irving Kristol points out that—

On every college campus one can hear it said casually by faculty members that the drug companies are busy suppressing cures for cancer or arthritis or whatever; or that multinational corporations "really" make or unmake American foreign policy; or that "big business" actually welcomes a depression because it creates "a reserve army of the unemployed" from which it can recruit more docile workers.

The attitude of suspicion of capitalism and of business is, in the long run, an elitist attitude which distrusts the concept of democracy. Capitalism is, after all, democracy applied to the marketplace. Each citizen votes with his dollars for the goods and services he wishes. Unfortunately, the wishes of the majority seem to conflict with the wishes of those who view themselves as the leaders and opinion molders of the Nation.

Mr. Kristol notes that—

This attitude may accurately be called "elitist". . . . It is basically suspicious of, and hostile to, the market precisely because the market is so vulgarly democratic—one dollar, one vote. A civilization shaped by market transactions is a civilization responsive to the common appetites, preferences and aspirations of common people. The "new class" . . . has little respect for such a commonplace civilization. It wishes to see its "ideals" more effectual than the market is likely to permit them to be. And so it tries always to supersede economics by politics. . . .

If business is to defend itself, and if free enterprise is to be preserved, it is essential that we understand the real nature of the attack against it. Irving Kristol's important essay, "Business and 'The New Class,' " which appeared in the May 19, 1975 Wall Street Journal, places that attack in a proper perspective.

I wish to share Mr. Kristol's important article with my colleagues, and insert it into the RECORD at this time:

BUSINESS AND THE NEW CLASS

Everyone wants to be loved, and it always comes as a shock to discover that there are people who dislike you for what you really are rather than for what they mistakenly think you are. Indeed, most of us desperately resist such a conclusion. We keep insisting to ourselves and others, that those people out there who are saying nasty things about us are merely ill-informed, or misguided, or have been seduced by mischievous propaganda on the part of a handful of irredeemably perverse spirits. And we remain confident, in our heart of hearts, that if they only understood us better, they would certainly dislike us less.

In this respect businessmen are as human—and are as capable of self-deception—as anyone else. On any single day, all over the country, there are gatherings of corporate executives in which bewilderment and vexation is expressed at the climate of hostility toward business to be found in Washington, or in the media, or in academia—or even, incredibly, among their own children. And, quickly enough, the idea is born that something ought to be done to create a better understanding (and, of course, appreciation) of "the free enterprise system." A television series on economics and business for the high schools? Space advertising in the print media? Face-to-face encounters between businessman and college students? Long and serious luncheons with the editors of major

UMI

newspapers and newsmagazines? in the end, many of these ideas come to fruition, at substantial costs in money and time—but with depressingly small effect.

Now, I do not wish to seem to be underestimating the degree of ignorance about business and economics which does in fact exist in the United States today. It is indeed amazing that, in a society in which business plays so crucial a role, so many people come to understand so little about it—and, at the same time, to know so much about it which isn't so. We have, for instance managed to produce a generation of young people which, for all the education lavished on it, knows less about the world of work—even the world of their fathers' work—than any previous generation in American history. They fantasize easily, disregard common observation, appear to be radically deficient in that faculty we call common sense.

A PREFERENCE FOR FANTASY

Nor, it must be said, are their teachers in a much better condition. The average college professor of history, sociology, literature political science, sometimes even economics, is just as inclined to prefer fantasy over reality. On every college campus one can hear it said casually by faculty members that the drug companies are busy suppressing cures for cancer or arthritis or whatever; or that multinational corporations "really" make or unmake American foreign policy; or that "big business" actually welcomes a depression because it creates a "reserve army of the unemployed" from which it can recruit more docile workers.

So there is certainly room for all kinds of educational endeavors on the part of the business community, and I do not wish to be interpreted as in any way discouraging them. The fact that they seem so relatively ineffectual is not necessarily an argument against them. Education is at best a slow and tedious process, and that kind of education which tries to counteract a massive, original miseducation is even slower and more tedious. Too many businessmen confuse education with advertising, and almost unconsciously impose the short time-horizon of the latter on the former. The unit of time appropriate to the process of education is not a year but a generation.

Having said this, however, I should like to pursue the truly interesting question of *why* so many intelligent people manage to entertain so many absurd ideas about economics in general and business in particular. In truth, one can properly put that question in a much stronger form: Why do so many intelligent people seem *determined* to hold those ideas and to resist any correction of them? Such determination there must be, because mere error and ignorance are not of themselves so obdurate. When they are, it is usually because they also are an integral part of an ideology which serves some deeper passion or interest.

And the more attentively one studies the problem, the clearer it becomes that what is commonly called a "bias" or an "animus" against business is really a by-product of a larger purposiveness. There are people "out there" who find it convenient to believe the worst about business because they have certain adverse intentions toward the business community to begin with. They dislike business for what it is, not for what they mistakenly think it is. These people constitute what one may simply call, for lack of a better name, "the new class."

This "new class" is not easily defined but may be vaguely described. It consists of a goodly proportion of those college-educated people whose skills and vocations proliferate in a "post-industrial society" (to use Daniel Bell's convenient term). We are talking about scientists, teachers and educational administrators, journalists and others in the communications industries, psychologists, social workers, those lawyers and doctors who make their careers in the expanding public sector, city planners, the staffs of the larger foundations, the upper levels of the government bureaucracy, etc., etc. It is, by now, a quite numerous class; it is an indispensable class for our kind of society; it is a disproportionately powerful class; it is also an ambitious and frustrated class.

Kevin Phillips calls this class "the mediacracy," in his new book of that title. Though the book has many shrewd observations, the term he chooses seems to me to be unfortunate. It helps prolong what might be called the "Agnew illusion"—i.e., that much of our troubles derive from the fact that a small and self-selected group, whose opinions are unrepresentative of the American people, have usurped control of our media and use their strategic positions to launch an assault on our traditions and institutions. Such a populist perspective is misleading and ultimately self-defeating. Members of the new class do not "control" the media, they *are* the media—just as they *are* our educational system, our publice health and welfare systems, and much else. Even if the president of CBS or the publisher of Time were to decide tomorrow that George Wallace would be the ideal President, it would have practically no effect on what is broadcast or published. These executives have as much control over "their" bureaucracies as the Secretary of HEW has over his, or as the average college president has over his faculty.

What does this "new class" want and why should it be so hostile to the business community? Well, one should understand that the members of this class are "idealistic," in the 1960s sense of that term—i.e., they are not much interested in money, but are keenly interested in power. Power for what? Well, the power to shape our civilization—a power which, in a capitalist system, is supposed to reside in the free market. The "new class" wants to see much of this power redistributed to government, where *they* will then have a major say in how it is exercised.

From the very beginnings of capitalism, there has always existed a small group of men and women who disapproved of the pervasive influence of the free market on the civilization in which we live. One used to call this group "the intellectuals," and they are the ancestors of our own "new class," very few of whom are intellectuals but all of whom inherit the attitudes toward capitalism that have flourished among intellectuals for more than a century-and-a-half. This attitude may accurately be called "elitist"—though people who are convinced they incarnate "the public interest," as distinct from all the private interests of a free society, are not likely to think of themselves in such a way. It is basically suspicious of, and hostile to, the market precisely because the market is so vulgarly democratic—one dollar, one vote. A civilization shaped by market transactions is a civilization responsive to the common appetites, preferences, and aspirations of common people. The "new class"—intelligent, educated, energetic—has little respect for such a commonplace civilization. It wishes to see its "ideals" more effectual than the market is likely to permit them to be. And so it tries always to supersede economics by politics—an activity in which it is most competent, since it has the talents and the implicit authority to shape public opinion on all larger issues.

ITS OWN GRAVEDIGGER?

So there is a sense in which capitalism may yet turn out to be its own gravedigger, since it is capitalism that creates this "new class"—through economic growth, affluence, mass higher education, the proliferation of new technologies of communication, and in a hundred other ways. Moreover, it must be said that the "idealism" of this "new class," though in all respects self-serving, is not for that reason insincere. It really is true that a civilization shaped predominantly by a free market—by the preferences and appetites of ordinary men and women—has a "quality of life" that is likely to be regarded as less than wholly admirable by the better-educated classes. To be sure, these classes could try to improve things by elevating and refining the preferences of all those ordinary people: That, supposedly, is the liberal and democratic way. But it is so much easier to mobilize the active layers of public opinion behind such issues as environmentalism, ecology, consumer protection, and economic planning, to give the governmental bureaucracy the power to regulate and coerce, and eventually to "politicize" the economic decision-making process. And this is, of course, exactly what has been happening.

There can be little doubt that if these new imperialistic impulses on the part of "the public sector" (i.e., the political sector) are unrestrained, we shall move toward some version of state capitalism in which the citizen's individual liberty would be rendered ever more insecure. But it is important not to have any illusions about how much can be done to cope with this situation. The "new class" is here, it is firmly established in its own societal sectors, and it is not going to go away. It is idle, therefore, to talk about returning to a "free enterprise" system in which government will play the modest role it used to. The idea of such a counter-reformation is utopian. Ronald Reagon was a two-term governor of California, and whatever his accomplishments, the restoration of "free enterprise" was not one of them. Were he to become a two-term President, he (and we) would find that, after the ideological smoke had cleared, not all that much had changed.

NOT HOPELESS, BUT . . .

Not that the situation is hopeless—it's just that one has to recognize the limited range of the possible. It is possible, I think, at least to preserve a substantial and vigorous private sector—not only a business sector, but also a non-governmental not-for-profit sector—in the United States. This can happen, not because of the self-evident virtues of business, but because of the profound appeal of individual liberty to all Americans, and because of the equally profound distrust of big government by all Americans. In this appeal and this distrust even members of the "new class" share, to one degree or another. It is our good fortune that they are not doctrinaire socialists, as in Britain, even if they sometimes look and sound like it. They have long wanted their "place in the sun," they are in the process of seizing and consolidating it—and now they have to be assimilated into the system (even as the system will have to change to assimilate them). It will be a slow and painful business, but need not end in calamity.

A good part of this process of assimilation will be the education of this "new class" in the actualities of business and economics—*not* their conversion to "free enterprise"—so that they can exercise their power responsibly. It will be an immense educational task, in which the business community certainly can play an important role. But before it can play this role, business has first to understand the new sociological and political reality within which it is now operating. That, too, is an educational task of no small proportions.

FORD ENERGY PLAN TO COST CONSUMERS MORE THAN $36 BILLION A YEAR

HON. ANTHONY TOBY MOFFETT
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. MOFFETT. Mr. Speaker, I was most disappointed that President Ford failed to mention in his May 27 televised energy speech just how much his planned tariff and decontrol of domestic oil prices will cost the American consumer.

Consequently, I requested a Library of Congress study on what our constituents will be paying under the White House plan. I regret to report that the total annual cost amounts to a staggering $36.4 billion. Of that total, an estimated $32 billion will be returned to energy producers in the form of windfall profits.

The Library of Congress computes the cost of decontrol alone at $15.7 billion annually, once all price ceilings are removed in about two years. Other costs to the American consumer include: $12.1 billion as a result of the $1 tariff to be imposed June 1, plus the $1 tariff on imported oil already imposed by the President in February; $4.8 billion for coal, which will rise competitively with oil prices, according to the study; and $3.8 billion annually for intrastate natural gas.

The effect on our economy will be most detrimental: Not even including the cost of old oil decontrol, we can expect to see an inflationary impact of at least 1.2 percent, and as high as 1.6 percent.

At this point, I include in the RECORD a reprint of the Library of Congress study:

THE ECONOMIC IMPACT OF AN ADDITIONAL $1 CRUDE OIL IMPORT SURCHARGE AND OLD OIL DECONTROL

This paper is a follow up on the January CRS study which made estimates for the costs associated with the President's State of the Union energy proposals. Now that the import duty surcharge is effective and, unless overruled by Congress, old oil is about to be decontrolled, these costs are reassessed here at congressional request under assumptions delineated in the President's May 27 address. Expressing impatience with the pace of congressional action on comprehensive energy legislation, the Administration has chosen to act using existing Executive powers which permit decontrol of so-called old oil prices and the impcsition of additional import duties.

The range-of-magnitude estimates developed in this paper are based upon the assumption that demand for crude will remain at current levels, which are very low relative to post-1960 demand trends. One reason for this low demand is the recession and the accompanying slack in industrial activity. Much of this activity is fueled with oil, and as the recession ends, business output will increase and more oil would normally be consumed. In this light, a key assumption made herein is that there will be no decrease in oil usage: the tendency for increased use stemming from higher industrial production as the recession winds down is assumed to be offset by the price effect reducing oil demand. In effect, economic recovery demand is offset by the effect of higher crude prices on crude demand.

1.0 Import Duty Costs: A two-step import tariff increase has been levied. The first step of $1 per bbl of crude was levied February 1. A second $1/bbl will be imposed on crude June 1, with a lesser 60¢ per bbl assessed imported refined products.

1.1. Cost of the Crude Import Levies Per Se: The total of $2.00 per bbl which is actually in effect or will become effective June 1st, will impact crude (only, not refined products) imports now arriving at a 4 million bbl/day (mb/d) rate. Costs here will be: 4 mb/d×365×$2.00=$2.9 billion at an annual rate.

1.2. Imported Product Duty Increases: Imports of refined oil products were exempted from the February 1 initial $1.00 surcharge, while at the same time these products were also excluded from the entitlements program. The New England Congressional Caucus staff estimates the cost of entitlement loss at 60¢ per bbl, the same amount as the June 1 refined product levy. So total imported product costs can be anticipated to be escalated by $1.20 per bbl. These products are imported at a current rate of 2.5 mb/d. Hence, costs are estimated at; 2.5 mb/d×$1.20×365=$1.1 billion annually.

1.3. Uncontrolled Domestic Oil: Currenity there is about 2.9 mb/d of released, new and stripper well oil production. This oil sold for $11.00/bbl before the February 1st $1.00 tariff increase, and quickly increased to $12.00 thereafter. It can be expected to move upward by the extra $1.00 after June 1st and indeed there were scattered reports of $13.00 prices a week before the President's actual announcement in anticipation thereof.

The following cost calculation can be made: 2.9 mb/d×($13.00–$11.00)×365=$2.1 billion annually.

1.4. Proportionate Coal Price Increases: In an uncontrolled energy market, economic forces generate a market clearing price for each fuel in such a manner that, on a Btu for Btu basis, fuel prices converge toward equivalence. Oil is the energy price leader, providing 45 percent of "national Btu consumption," as it were. And domestic uncontrolled oil prices are set by the world oil price, the price of imported crude. Oil fuels prices exercise the price leadership function for coal (and unregulated natural gas prices). Therefore we can expect proportionate coal price increases, which will be about $8/ton for this $2 fuel oil price increment. About 30 percent of coal is assumed to be under long term price limiting contract which will frustrate these market clearing forces. With 1975 domestic coal consumption estimated at 600 million tons this cost element is computed as 600 million tons×$8/ton×70%=$3.4 billion.

1.5. Unregulated Natural Gas Price Hikes: Also under the price leadership of oil, unregulated natural gas prices may be expected to increase too. These intra-state sales, accounting for half of production (or 11 tril. cubic feet), are free of price controls. With the exception again being price limiting contracts, assumed to prohibit 30 percent of the anticipated price increase for some time, gas price increases resulting from the two $1.00 crude oil levies will be 11 bil. Mcf×$.34/Mcf×70%=$2.6 billion per year. The 34¢ figure is the Btu parity price increment associated with a $2.00 oil fuel increment.

1.6. Cost Summary For The Two $1.00 Tariff Increases: In total, we can expect to see these cost elements impact our economy this year:

Crude Import Duty, $2.9 Billion.

Product Duty and Entitlement Loss, $1.1 Billion.

Uncontrolled Domestic Crude Increase, $2.1 Billion.

Coal Price Increase Induced By Higher Oil Prices, $3.4 Billion.

Natural Gas Price Hikes Induced By the Tariff Surcharge, $2.6 Billion.

Total, $12.1 Billion.

This figure represents an annual rate of costs to fuel users which will be paid per full year as long as the tariff surcharge is in force.

This $12.1 billion's meaning should be clear. It is the result of the February 1st $1.00 tariff surcharge and the $1.00 increase to become effective June 1. In other words, it is twice the February 1 tariff cost of about $6.1 Billion effective at this writing.

Coal and natural gas prices can be expected to equilibrate with newly higher oil with some lag. Cost elements for coal and gas estimated above will become effective more slowly than the petroleum related costs, but it may be assumed that their full effect will be felt by year end.

This $12.1 Billion translates into a significant amount of inflation. The primary $12.1 billion effect on a $1,500 Billion economy amounts to 8/10ths of one percentage point inflation. When amplified by a ripple effect of 1½ to 2, $18.2 to $24.2 billion translates into an inflationary effect of between 1.2 and 1.6 percentage points.

2.0. Old Oil Decontrol: Old oil is presently under price controls which hold it to an average of $5.25/bbl. Currently, 5.544 mb/d of production are involved. If price controls are lifted, this oil's price will increase to the market clearing rate, the price set by imported oil's landed cost. Because imported oil's landed cost is affected by tariffs, the surcharge directly affects the price of uncontrolled domestic oil, as described above in Section 1.3.

2.1. Cost of Old Oil Decontrol: In Section 1.3, the rise of uncontrolled domestic oil to the OPEC cartel import price plus tariff surcharge was depicted. Without price controls, which hold old oil below the market clearing OPEC plus tariff rate, old oil will quickly escalate to this level—$13.00/bbl. The cost of this rise from $5.25 will be:

5.544 mb/d×365×($13.00–$5.25)=$15.7 billion per year. This is the complete annual cost rate which will be phased in at 4 percent (or $628 million) per month, becoming fully effective in 25 months.

2.1.1. Oil Fuels Price Increase: With crude oil derived fuel consumption (usually thought of as 17 mb/d, overlooking the fact that 1.7 mb/d are natural gas liquids, a separate item anticipated to remain price controlled) remaining at its current 15 mb/d level, we can anticipate that this $15.7 billion will average out at $2.89 per bbl of oil fuels, or roughly 7 cents per gallon. This increment will be reached at the end of the 25 month controls phase out. Figure 1 depicts how this cost will unfold over the phase out period.

2.2. Coal Under Decontrol: The $2.89/bbl increase in oil fuels will impact coal in a manner similar, but in addition to, the tariff surcharge dscussed above. Here $2.89 translates, on a Btu parity basis, into about $11.50 per ton for coal. With 600 million tons projected consumption and the 70 percent contract price effect assumption, extra annual costs will be $11.50 × 600 millions × 70% or $4.8 billion yearly after the two-year oil controls phase out.

2.3 Natural Gas Under Old Oil Decontrol: Paralleling coal, intrastate natural gas will increase by the Btu equivalent of $2.89/bbl or about 50¢/Mcf. Using the assumptions of Sec. 1.5, we have:

70% × 11 Billion Mcf × $.50/Mcf = $3.8 billion.

2.4. Cost Consolidation: These three cost elements will amount to $24.3 billion, an annual rate of extra costs to fuel users that will be phased in at 4 percent, or nearly a billion dollars, monthly. This amount is in addition to the $12.1 tariff surcharge related costs which are fully effective by year end. Furthermore, the Administration's actions here can be estimated to have a total cost

UMI

impact of $36.4 billion at annual rates after phase in. Of this, $32 Billion will accrue to oil, coal and gas producers as windfall profits. The remainder will accrue to the Treasury. About 70 percent of the $32 Billion will accrue to 20 companies, marking substantial income redistribution from consumers of fuel to these few firms.

Figure 1 charts the growth path of these price increases as they are phased in at 4 percent monthly. The total bill here increases monthly at the rate of about $1 Billion for oil, coal and gas. The phase in will start from the $12.1 Billion annual tariff related cost base, increasing $628 million monthly for old oil decontrol per se, and another $344 million monthly from secondary effects on coal and intrastate natural gas.

FORMER CONGRESSMAN THADDEUS J. DULSKI OF BUFFALO HONORED BY THE DISABLED AMERICAN VETERANS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. KEMP. Mr. Speaker, our former colleague, Thaddeus J. Dulski of Buffalo, was honored on May 24, by the Paul J. Schifferli Chapter of the Disabled American Veterans at their annual installation ceremonies in Cheektowaga, N.Y.

Thad Dulski served in the Congress for 16 years, and I had the pleasure of serving with him in representing the people of western New York for the last 4 of those years.

From 1967 through 1974 Thad served as the chairman of the Committee on Post Office and Civil Service, and during his entire tenure served simultaneously as a member of the Committee on Veterans' Affairs where he distinguished himself in service in behalf of America's veterans.

That service was formally recognized by the local chapter of the DAV through the presentation to Thad of its highest honor, the National Commander's Plaque, an award which recognizes outstanding dedication and service to veterans nationwide. National Service Officer Samuel D. Sabino, representing Mr. Charles Huber, the DAV's national legislative affairs director in Washington, made the presentation.

Thad's remarks upon acceptance of this prestigious award are of particular relevance to us today, as we review our individual responsibilities to helping preserve America's heritage in light of our forthcoming Bicentennial observances.

These remarks are worthy of our attention:

SPEECH BY FORMER CONGRESSMAN T. J. DULSKI, MAY 24, 1975, TO DAV CHAPTER NO. 150, CHEEKTOWAGA, NEW YORK

Commander Burkhardt, National Service Office Sabino, distinguished guests, officers and members of DAV Chapter 150, and friends:

Thank you very much.

It is always good to be with a group of veterans, not only because of the fellowship that is born of a shared experience, but also because of the fact that I know I am among Americans in the very best sense of the word.

I appreciate your inviting me here this evening, and it is an even greater honor to receive this award. I am proud to join the list of recipients who have received the National Commander's Plaque in the past. I understand that this is a coveted award and you can be sure it will be so treasured by me.

I want to take a moment to congratulate your Chapter upon its fifth anniversary observance, and also to offer my congratulations to your new officers. You have my warmest good wishes for continued success.

I also want to salute the veterans who fought in many campaigns in the World Wars, Korea, Vietnam, and who today bear the scars of those battles.

Over a period of many years, as a Member of the Veterans' Affairs Committee of the House of Representatives, I had the unusual opportunity to work with and observe the leaders of the various veterans organizations, both at the national and local levels. The competence and dedication of these outstanding people is a tremendous resource for the veterans they serve.

The Disabled American Veterans can be proud indeed of its record and accomplishments. Your representatives here in the Buffalo area have done an outstanding job in helping the disabled veteran, and they have established a reputation for going the last mile in their efforts to be of assistance.

The DAV also has an excellent national staff—experienced and able, cohesive and concerned. It has faced the issues squarely—fortified with facts—and stood firm in the face of pressure—never turning its back on a problem merely because it was a tough one to lick.

I have always had a great deal of respect and admiration for veterans organizations.

Next year our Nation will have completed 200 years of the greatest achievement in representative government man has ever known. We are a small nation when we think in terms of population, yet our country in two centuries—with less than ten percent of the world's peoples—possesses over half of the world's good things. And we have shared our plenty with all mankind.

An inventory of the accomplishments of our first 200 years as a nation will stagger the imagination and will overshadow any other nation or culture that may seek comparison. The accomplishments have been so magnificent, they have encouraged an alarming indifference toward the very qualities of citizenship that have made possible this great progress.

Occurrences over the past few years give us reason for grave concern. The increasing refusal to accept established authority, the growing lack of respect for the rule of our land by law, and the callous disregard for our democratic institutions and their place in an orderly society, pose a real threat to our survival as a representative government.

You and I know that nothing is long maintained when respect for it is gone. Disrespect for law, reckless disregard for the rights of others, and flagrant contempt for the orderly legal processes, can undermine and eventually destroy our society.

You may say that these conditions have existed before in the short span of our nation's history. The roaring twenties brought gangland wars in our large cities. During the frontier days, terror would grip the hearts of law-abiding people when the word came through—"The Daltons are riding again."

These were symptoms of contempt for discipline and the rule of law. We did not then recklessly throw away our cherished rights in order to correct the conditions. Those conditions were suppressed only to the extent that the orderly process of a civilized rule of law were applied to suppress them.

In the past we have prospered as we have maintained a system of government of laws and not of man. Our continuing progress as a nation in the years ahead will be determined by the degree of respect we hold for government by rule of law.

I know that our veterans organizations are made up of men and women who are sensitive to their obligations to the law of our land and its orderly administration.

In the very beginning of the preamble to our Constitution, we associate ourselves together to maintain—and to instill in others—a solemn respect for law and our institutions of government. It becomes our responsibility.

I speak not only as a former public servant, but also as a concerned citizen—who is concerned for America's future and the future of our children and grandchildren—when I say that we, all of us here and veterans everywhere, must accept this responsibility and the sooner the better.

We must let our voices be heard where heretofore a small vocal minority has succeeded in chipping away at the very foundation of our freedoms. We have been silent too long.

Remember—the freedom protected by the sentry who guards the gate today will surely be lost if the sentry, whose job it is to guard the gate tomorrow, is lulled to sleep at his post.

A great nation is not only strong, but wise; not only principled, but purposeful.

We must have faith in America. It is still the greatest country in the world despite its ills.

God Bless America, and each and every one of you.

Mr. Speaker, I congratulate our former colleague upon being singularly honored by the members of the local DAV chapter, and I commend those members for having made such a timely and appropriate selection.

ZARB NAMES FORMER ZION AIDE KEY ENERGY ADVISER

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. MYERS of Indiana. Mr. Speaker, it is with pleasure that I note the assignment of a Hoosier to a key position of responsibility with the Federal Energy Administration. This particular Indianan is well-known to Capitol Hill where he served as legislative assistant to Roger Zion during that gentleman's 8 years in the House. Belden Bell cooperated closely with my office and other Indiana congressional offices during those years in helping his State and its people. Belden served as chairman of the Bull Elephants until his new FEA responsibilities forced him to resign that able leadership position.

Mr. Speaker, I am pleased to know that Belden continues to serve Indiana and the Nation in his new capacity as legislative specialist dealing with our serious energy problems. FEA's announcement of Belden's appointment should be noted.

ZARB NAMES FORMER ZION AIDE KEY ENERGY ADVISER

Belden Bell, of Evansville, Ind., has joined the Federal Energy Administration in Washington, D.C., as a Legislative Specialist.

As a staff member with FEA's Office of Congressional Affairs, Bell maintains close liaison with the key Congressional committees that are considering the President's energy legislation. He also provides high-level advice on legislative matters to FEA Administrator Frank G. Zarb.

Bell formerly was Legislative and Policy Assistant to Congressman Roger Zion (R.-Ind.). In that position he was responsible for overall policy and legislative planning and issue development.

Bell served as Deputy Attorney General of Indiana from 1960 through 1962, when he returned to Evansville to practice law. He also served at one time as Tri-State Editor of the Evansville Courier.

Active in many Congressional staff organizations, Bell has served for three Congresses as President of the Bull Elephants, the top GOP Congressional staff organization. He also has been a member of the Masonic Lodge, Scottish Rite, Shrine, Jaycees, and Elks. He was named a Kentucky Colonel by the Governor of that State in 1964.

Bell attended Dartmouth College and received the Bachelor of Arts degree from Indiana University in Bloomington. He received the Doctor of Jurisprudence degree from Emory University, Atlanta, Ga., and is a member of the Indiana Bar.

Married to the former Rae Ellen Graham of Indianapolis, Bell served as Young Republican Chairman for the Eighth District of Indiana and was the first person elected to that post. He has been a delegate to the Indiana State GOP convention seven times, while Mrs. Bell served in that capacity one time.

Bell was President of the Young Republican Clubs at Indiana and Emory Universities and was his party's nominee for the State legislature in 1962. Mrs. Bell is a board member of the Washington Junior League and is active in historical preservation efforts.

The Bells and their three daughters live in Alexandria, Va., a suburb of Washington, D.C.

DOES CONGRESS REALLY CARE ABOUT A HEALTH PLAN?

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. CLAY. Mr. Speaker, as sentries of the public welfare, those who comprise any humane and enlightened government, have, as their fundamental responsibility, the job to see to it that the society over which they govern is provided certain essential social programs that insure a decent life. Clearly, the universal provision of health care services qualifies as such a fundamental program. And yet, the United States, alone among industrialized nations, is conspicuous for its long-time neglect in responding to this great problem.

Mr. Speaker, my distinguished colleague, Representative CHARLES RANGEL, has published in the Boston Globe a column on this subject in which he worries that Congress may not be even interested in the issue of health care delivery. I deeply hope his words will jar the Congress from its lethargy and with that in mind, I am inserting his article in the RECORD:

DOES CONGRESS REALLY CARE ABOUT A HEALTH PLAN?

(By CHARLES B. RANGEL)

With hearings finally starting on national health insurance, the question is whether Congress really cares about health care.

National health insurance is an idea whose time should have come years ago. Health care costs are escalating, yet an estimated 42 million citizens have no protection at all under private health insurance. For tens of millions more, their coverage is inadequate and will not cover the level of expenses of serious illness. When it comes to dental care, 88.6 percent of all Americans have no insurance.

Health care must be recognized as an inherent right and an obligation of government. This means that all persons should be entitled to comprehensive benefits, regardless of sex, age, income or employment. Included should be preventive and pre-natal care. For those unable to travel, there should be comprehensive home health services.

There is a geographic imbalance in the distribution of health professionals and facilities across the country. Residents of the inner city and rural areas frequently do not have access to the variety and quality of health services available elsewhere. A national health insurance program can help remedy this imbalance by providing incentives for the relocation of facilities and personnel in under-serviced places. Such a program can encourage the expansion of medical paraprofessional training to provide additional, qualified health workers to assist in hospitals, clinics and outreach facilities.

Equally important is the need to permit individuals to choose doctors or hospitals of their choice, as well as fostering community input into issues of health planning and care.

One of the urgent problems facing America is the inadequacy of preventive care. National health insurance will enable every citizen to receive professional assistance in early detection and avoidance of illnesses. It makes sense since it will lessen overall expenses for health care in the long run.

Despite strongly organized opposition from some special interest groups, public support for national health security is spreading. The Roper Survey reveals a significant shift in opinion away from private health insurance and toward national health insurance.

Funding for this type of comprehensive program can come from employer contributions on a progressive scale, based on each worker's earnings. A second source would be fees paid by those in higher tax brackets. The balance would come from general tax revenues.

Thirty years ago, in 1945, President Harry S. Truman called on Congress to enact a national health security plan. He stated, "Millions of our citizens do not now have a full measure of opportunity to achieve and enjoy good health. Millions do not now have protection or security against the economic effects of sickness. The time has arrived for action to help them attain that opportunity and that protection."

Truman's words still accurately reflect the picture of a nation in the midst of a health crisis. Perhaps Congress will finally open its eyes.

REPRESSION IN THE PHILIPPINES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. HARRINGTON. Mr. Speaker, this week Mr. FRASER's Subcommittee of International Relations is holding hearings to investigate political repression in the Philippines. I urge my colleagues to follow these hearings closely because they concern two very important issues The first is political repression itself; the second is the manner in which the Marcos government has responded to inquiries about its policies both to Members of Congress and to State Department officials.

There is ample evidence that President Marcos has imprisoned thousands of persons on political grounds. Three of his most prominent political prisoners have engaged in hunger strikes to bring publicity to their cases. Eugenio Lopez, Jr., once publisher of the Manila Chronicle, and Sergio Osmena III, son of the 1969 opposition candidate for President, held an 11-day hunger strike in November of last year. They ended the strike when Marcos stated that he would move them to a military hospital and then release them so that they could prepare their defenses. No date has been set for the trial yet, and neither has been released from the hospital where they are kept under guard.

Philippine Senator Benigio S. Aquino, Jr. was a declared candidate for President when he was arrested—the night before the martial law proclamation was issued in 1972. Two months ago he began a hunger strike protesting repeated forced appearances before a military tribunal supposedly investigating his case. After 40 days, and near death, he halted the strike under coercion.

President Marcos has virtually outlawed all political activity in the Philippines and the news media are subject to government censorship. It seems to me that the combination of political repression and violation of basic human rights is enough to elicit our consideration of ending all military aid to the Philippines under section 502B of the 1974 Foreign Assistance Act, which provides for the termination of military assistance to any nation that commits gross violations of human rights.

I am also extremely concerned with the manner in which the Philippine Government has responded to official inquiries by Members of Congress and State Department officials. The Marcos regime has not hesitated to mislead officials of our Government. First they denied that any prisoners were being held. Then they implied that the prisoners, whose existence was earlier denied, would soon be released. Now they are silent on the matter.

It does not make sense to me that a nation as powerful internationally as we are can justify the use of full force against a small nation that captures one of our merchant ships while continuing military aid to a small nation that is both politically repressive and less than open in its diplomatic relations with us. If we are unwilling to make clear to President Marcos that we seriously disapprove of his policies, then I wonder how seriously other nations will take our own pledge of support to democratic governments and the universal protection of human rights.

I have contacted Robert J. McCloskey, the Assistant Secretary of State for Congressional Relations, and he assures me that the Philippine Government is fully aware of the concern being voiced in the Congress and by the American people over the continued detention of individuals without charge or trial. But that assurance itself makes clear that President Marcos does not take our concern seriously, for if he did, he would have changed his policies.

SOL "CHICK" CHAIKIN BECOMES PRESIDENT AS INTERNATIONAL LADIES GARMENT WORKERS UNION CELEBRATES 75TH ANNIVERSARY OF FOUNDING

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. BOLAND. Mr. Speaker, today we mark an important historical milestone in the history of organized labor. Seventy-five years ago, on June 3, 1975, the International Ladies Garment Workers Union was founded on the Lower East Side of New York City. Today the ILGWU, with locals across the country, continues to be a fine example of progressive unionism under its new president, Sol C. Chaikin.

It has been 75 years of accomplishment for the International Ladies Garment Workers Union and they deserve the congratulations of us all. They should be congratulated for improving working conditions for their members from the sweatshops of the early 1900's to modern-day ideals of health, comfort, and safety. They should be congratulated for steadily raising the position and status of ILGWU members over the past 75 years. Financially, the union has helped its members progress from the depressed wage levels at the turn of the century to a living wage under decent working conditions.

Today, as in the past, a statement or action by the ILGWU often serves as an example for organized labor everywhere. I commend them for their long-standing leadership role on the labor scene.

I would also like to take this opportunity to bring the attention of the House to the new president of the International Ladies Garment Workers Union, Mr. Sol "Chick" Chaikin. Mr. Chaikin has been a personal friend of mine for years and I can only say that the union has chosen a truly fine leader for the important years ahead.

In the 1950's Mr. Chaikin began progressive leadership, since continued by Jack Albano, in his post as head of the ILGWU's western Massachusetts district office in Springfield, Mass. With his diverse legal background and fine sense of fairness, I am confident the union will continue to advance and prosper under Mr. Chaikin. I extend my heartiest personal congratulations to the International Ladies Garment Workers Union and my good friend, Chick Chaikin.

Mr. Speaker, I include an article from the Boston Globe of May 31, 1975 on the new ILGWU president, Mr. Chaikin, and from the New York Times of June 3, 1975 on the history of the Union's 75 years:

[From the Boston Globe, May 31, 1975]

A "MOD" LOOK FOR THE TRADES

(By Wilfrid C. Rodgers)

The apparel unions of the nation are putting on a new "mod" look and it may well portend some major changes in national trade unionism.

The latest is the naming of Sol "Chick" Chaikin as president of the International Ladies Garment Workers Union.

Perhaps without realizing it, Chaikin may have set the tone for the apparel unions for the next decade when he said upon his election by the ILGWU General Executive Board:

"I am of a new generation, born in this country and born in this century—not necessarily better, but different, as the challenges we confront today are different."

Chaikin, 56, who was paraphrasing the late President Kennedy, is a dynamic, tough, aggressive, innovative type of leader who is well known throughout New England.

Before World War II, Chaikin worked in Boston for the ILGWU as an organizer and after the war he represented the Springfield district for the union. While in Springfield, he became a close friend of former Gov. Foster Furcolo and was active in the Americans for Democratic Action organization.

He now joins Murray H. Finley of the Amalgamated Clothing Workers Union as the new breed union leader taking control of two of the largest unions in the country.

The ILGWU traditionally has organized workers in the ladies garment trade while the Amalgamated has represented workers in men's and boy's clothing industries.

Both of these men are lawyers and both have been outspoken adversaries of importation of foreign made clothing into the United States. Both are considered "liberals" in their political thinking.

The Amalgamated already is talking merger with the once-mammoth Textile Workers Union—a merger expected to become a reality within two years if negotiations continue unabated.

As always happens in recessions, all the apparel unions have been hard hit by unemployment.

Only this past week the Amalgamated passed up for four months a wage increase due June 2, as well as a cost-of-living boost. This 27½-cent increase plus 4 cents in cost-of-living will be diverted instead into the Health and Welfare programs of the union to "secure the stability of the union's welfare funds."

The fund hit a low level, the union claims, because of unemployment, the rise in hospital costs, and the rise in imports from low-wage foreign nations. (Unemployment in the men's and boys' clothing industry is more than 25 percent.)

One big apparel union would give the trade union movement its biggest clout against southern manufacturers and certainly restore to the apparel unions the political clout it had during the days of Franklin D. Roosevelt.

I.L.G.W.U. HAILS DIAMOND ANNIVERSARY

(By Damon Stetson)

"As a union we've had a significance far beyond our numbers or our economic muscle," Sol C. Chaikin, the newly elected president of the International Ladies Garment Workers Union, said the other day as the union prepared to celebrate its 75th anniversary today.

"Our leaders—Benjamin Schlesinger, Morris Sigman, David Dubinsky, Louis Stulberg—have been men of integrity, determined trade unionists and men of social vision. Not only has the union won benefits and dignity for its members but it has had a tremendous impact on the trade union movement . . . It has been a voice for social progress."

MEMBER 30 YEARS

A group of retired members, schmoozing about the union at its Joint Coat and Suit Board headquarters on West 38th Street, spoke in more down-to-earth terms:

"I used to work in a shop that didn't even have a window—a real sweatshop," said Mabel Frazier, a Harlem resident who retired 12 years ago after years as a belt stitcher. "That was before I joined the union. After I joined, things began to improve. I got work in better shops with better conditions and my pay went up. The union's health center has meant so much to me, too, because I had a heart attack. But now I'm better and I'm getting a pension."

Amelia Cortez, who lives on Manhattan's West Side, came to New York from Puerto Rico in 1927 and has been a member of Local 40 for about 30 years, retiring in 1973.

"When I started as an operator," she said, "I made $30 a week. But when I retired I was make $155 a feek. For me the union meant better pay and better conditions—also hospitalization, benefits. And I used to go to Unity House [the union's resort in the Poconos] every year."

Abe Kaver, a gray-haired, 71-year-old immigrant from Warsaw who started as a $15-a-week errand boy and retired as a $200-a-week Bonnaz (embroidery) machine operator, chimed in: "We were the pioneers for the present generation of workers. They get the benefits we fought for."

The "ILG", as the union is known, now has 430,000 members, a level that has been relatively constant over the last two decades. New York City membership is 140,000—down from over 200,000 in the years before the industry began to disperse to other areas.

About 80 per cent of the members are women, but the earlier predominance of Jewish and Italian workers has been diluted and the union now has large numbers of blacks, Spanish-speaking people, Greeks, Chinese, Yugoslavs and others.

FOUNDED IN 1900

The union was founded on June 3, 1900, when 11 cloakmakers met in a small hall on the Lower East Side. The early years, involving frequent strikes and bitter confrontations with employers, left a trail of defeats with garment workers scattered in thousands of homework hovels.

A popular artist of the period, Charles Dana Gibson, sketched a heroine who wore a shirtwaist that had great appeal to the women of that time. As a result, according to union historians, the volume of shirtwaist sales expanded rapidly, leading to the establishment of large shops where the shirtwaists could be cut and sewn.

In these larger shops, the young women workers became a militant labor force, dissatisfied with poor working conditions and depressed earnings. Late in 1909 they struck the Triangle Shirtwaist Company and then, under the I.L.G.W. banner met in the Great Hall of Cooper Union and voted a general strike in the shirtwaist industry.

By the time the strike ended in February, 1910, union historians say, the women strikers had won a victory, had also won public opinion as an ally and had for the first time brought women and immigrants into the mainstream of organized labor in the United States.

MEN REVOLTED, TOO

The following summer of 1910, the men in the cloak shops, numbering perhaps 60,000, revolted against sweatshop conditions and went on strike. It was a bitter strike that lasted from July 7 until Sept. 2. But in the midst of the walkout such community leaders as Louis D. Brandeis and Louis Marchall intervened and achieved a settlement with what came to be known as the Protocol of Peace, outlawing both strikes and lockouts.

In the years that followed union officials say, the I.L.G.W.U., in pursuit of a mobile industry, has "relived these phases of its history—organizing, striking, negotiating and enforcing a contract embodying principles of the 1910 Protocol."

Despite the two historic strikes, the sweatshop operations continued. But the death of 146 workers in a fire at the Triangle Shirtwaist Company on March 25, 1911, shocked the city and the nation into a frightened awareness that the sweatshop not only demeaned the human spirit but could also destroy the worker.

Out of the tragedy grew a movement for legislative safeguards and reform of working conditions, providing what the union has described as "an important root of the New Deal and an imperishable memorial to the Triangle victims."

Early achievements of the union also included the establishment in 1914 of the country's first union health center, which has now grown into a chain of 10 in various states; the organization of educational, cultural and athletic activities for the membership, the opening of Unity House as the first union vacation resort for members in 1915, and the formation of a research department in 1919.

In the Dubinsky years from 1932 to 1966, there were many firsts: The negotiation of a 35-hour, five-day work week; establishment of an employer-financed vacation fund; production of "Pins and Needles" on Broadway with a cast of garment workers from the shops; establishment of a union engineering department to assist employers, and negotiation of an employer-financed retirement fund for workers.

"FUTURE OF AMERICA"

During Mr. Dubinsky's leadership, an International Labor Relations Department was created to support free trade unions abroad. A Political Department was organized to promote membership interest and participation in the nation's political life. A drug prescription plan was set up, making it possible for members to obtain drugs at relatively low cost. Since his retirement Mr. Dubinsky has directed an elaborate program to assist retired I.L.G.W.U. members and to provide them with cultural opportunities.

Mr. Dubinsky, who was born in Brest-Litovsk, then part of Russian Poland, spoke some time ago about his stewardship of the union.

"When we banished the sweatshops, when we reduced the hours of work, when we increased wages, when we provided health centers, when we established Unity House, when we participated in community life, when we eliminated worry, torture, hunger and starvation, we performed a service for the future of America."

Mr. Stulberg, in reviewing his nine years as president, cited such accomplishments as an increase of 65 per cent in negotiated wage and cost-of-living adjustments; improvements in health care; development of a mail order prescription program; a doubling of the death benefit; increases in the retirement benefit to the present level of $100 a month, and negotiation of a third week's vacation pay in labor agreements.

Now, as a new president, Mr. Chaikin, prepares to take over, there are new and difficult problems. The wages of I.L.G.W.U. members, which once exceeded those of auto workers and steelworkers, are now lower, although Mr. Chaikin says they average $4.25 an hour. But the garment industry, with its many small units and a growing number of larger operations, is subject to severe competitive strains, he said.

"There is much non-union production also," Mr. Chaikin said. "And in the last five years there has been an ever increasing influx of imports from countries with unconscionably low wages.

"I see the next five years as being almost crucial to the industry and the union. We have to seek help from Congress and the President to regulate the flow of imports with which we can't compete. We also have to bring the message of unionism to non-union areas. Then we can negotiate better agreements and also give employers respite from extraordinary (foreign and non-union) competition."

In observance of the anniversary, the union will hold a banquet tonight at the Americana Hotel. About 1,600 people, including Governor Carey and Mayor Beame, are expected to attend. George Meany, president of the American Federation of Labor-Congress of Industrial Organization, will be the main speaker.

SPEECH BY HON. LEE H. HAMILTON

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. HAMILTON. Mr. Speaker, I include the speech I delivered recently to the Ninth District of Indiana Small Businessmen's Conference held in Seymour, Ind.:

SPEECH BY HON. LEE H. HAMILTON

America owes much to small businessmen. The debt is too often forgotten, however, in our preoccupation with giant corporations, big unions, conglomerates, multi-national corporations, and agribusiness.

In our fascination with bigness, we often forget the small businessman, who is the economic and commercial backbone of our communities.

Anyone who has walked around a courthouse square in rural America or down most any street in an urban business district is soon made aware of the role the small businessman plays in his community.

SBA Administrator Thomas Kleppe recently commented on the significance of the small businessman in America when he said: "Our traditional values of individual initiative, social mobility, and political freedom are significantly dependent upon the strength of the free enterprise system, a system which is itself dependent upon the maintenance of competition provided by the existence of a large and healthy community of small enterprises".

The contributions of small businessmen to our country are legion. Such technological marvels as:

The rocket engine,
The Polaroid camera,
The helicopter,
The jet engine,
The Xerox process,
Insulin,
The vacuum tube,

And countless other production devices and processes have been developed by small firms and independent inventors.

Those of us from southeastern Indiana depend on the small businessman to meet most of our daily needs. He contributes to the wide diversity of the economy in our communities. He is independent, civic-minded, self-reliant and resourceful. These are the qualities that go to the heart of what the nation is all about.

We know that the small businessman has contributed significantly to the quality of life in America. His demise would have an unfortunate and worrisome impact.

That is why I am concerned that so much of what the government does places a special hardship on the small businessman. He is less apt to be able to absorb higher taxes, inflation, increased wage rates, more paperwork and tighter regulations. Environmental and consumer legislation often cause him severe problems. All of these governmental actions fall with great force upon the small businessman and I am convinced he needs relief and special attention.

If we are serious about creating jobs and improving the economy, we must help the independent businessman survive, grow and prosper.

In economic terms, the small businessman's impact is enormous:

There are an estimated 8.8 million small businesses in the U.S., or about 97% of the nation's total business units.

In the past 25 years, ¾ of the 18½ million jobs created in the U.S. have been in distribution, retailing and service trades where smaller businesses predominate.

At the present time, small businesses provide 52% of the jobs in the private labor force, and produce more than ½ of the GNP.

In 1972, they were responsible for 29% of total government procurement.

SURVIVAL THREATENED

Despite these contributions, small businesses are losing ground rapidly and disastrously to larger firms in terms of marketing share, assets and profits. In 270 of 413 manufacturing industries—the business sector where figures are most complete—the 8 largest companies account for more than 40% of the value of shipments from their industry.

In 1960, small and medium-sized corporations in manufacturing had 50% of this sector's assets and were responsible for 41% of the profits. By 1970, these firms had only 33% of the assets, and by 1972, this had declined to 30% of the assets and 28% of the profits.

Small businesses retain less of their earnings than any other sector. After-tax profits in late 1973 were 2.4¢ on the dollar for companies of $1 million assets or less, 3.4¢ for companies of up to $5 million in assets—but nearly 8¢ for the billion-dollar corporations.

Profits of small businesses turned down earlier in 1974 than those of big business. Interest rates offered to small business have ranged from 12 to 18% for needed capital to pay essential bills. These rates are simply too high for many small businesses already suffering from higher prices and lower sales.

Small businesses are losing out to the "bigs" in terms of tax liability. Recent studies have shown that the biggest U.S. corporations pay taxes at just over half the rate paid by small and medium-sized businesses—28% versus 51%. This seems a complete reversal of the American philosophy that the underdog is entitled to at least an even break.

Small businesses will need substantial amounts of capital, estimated at some 7–10 billion dollars, over the next 5–10 years, in order to meet existing pollution control and other regulations. However, such funds are often not available from private sources or only at prohibitive interest rates.

Although big businesses are confronted with these same standards, they have better access to private capital and can also utilize the highly advantageous industrial revenue bonds. Issuance of such bonds is not feasible for small business because the amount of money involved is not large enough to attract investors. We must find some way to provide a source of needed financing for small businessmen.

The small businessman carries the heaviest portion of the enormous federal paperwork burden. A firm employing fewer than 50 people may be required to fill out as many as 75–80 different types of forms in the course of a year. For a business with a small staff, completion of these forms is a tremendously time-consuming and costly operation. Unlike large corporations, they cannot draw on in-house accountants or tax lawyers to handle this work. Small businessmen do it themselves.

The burdens of state and local as well as federal taxation, and the attendant paperwork burden, grow heavier each year. The inflation of 1974—with its 21% increase in wholesale prices and the recession of 1974–75 have injured small businesses first and worst. Business failure are up 30% this year over last—and 98% of businesses which fail are small businesses.

I am quite concerned by these developments. The small businessman's situation remains tenuous, and the Federal Government should do all that it can to create a climate to improve his chances for successful operation and growth.

I hope that this conference will prove helpful to you in learning more about federal programs designed to assist small businessmen.

UMI

CONGRESSIONAL ACTIONS

In the Small Business Act of 1958, the Federal Government committed itself to a policy of promoting the well-being of the small business community:

"It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns, in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts or subcontracts for property and services of the Government be placed with small-business enterprises, to insure that a fair proportion of the total sales of Government property be made to such enterprises, and to maintain and strengthen the overall economy of the nation".

Through the years, the interests of small business have been addressed by Small Business Committees in both the House and Senate.

Until last year, the House Small Business Committee had only investigative functions. Its 19 members could study small business problems and make recommendations for action by other committees, but could not produce legislation on their own.

Last year's reorganization of the House committee structure recognized congressional concern that greater attention be given to small business. The Small Business Committee was granted legislative authority and was expanded from 19 to 37 members. It also gained jurisdiction over small business financial aid, small business assistance and small business participation in federal procurement and government contracts.

Increased congressional concern for assisting small businesses is evident in the number of bills recently passed and currently pending.

First. This year the House has passed a piece of landmark legislation, the Small Business Emergency Relief Act. The purpose of this legislation was to provide for the granting of increased prices by government agencies to small business contractors caught in a price squeeze. The bill:

Authorizes the head of an executive agency to terminate or modify the terms of any fixed-price contract between the agency and a small business concern if the business experienced significant unanticipated cost increases not caused by negligence.

Specifies numerous data on small business' costs, profits and losses which must be submitted by the mall business in order to justify the request for relief.

Provides that relief may be granted only for contracts which were entered during the period from August 15, 1971 (when price controls were imposed) through October 31, 1974 (when prices began to stabilize).

Provides that a delay in the performance by a small business contractor of a contract between a small business and a Federal agency under a fixed-price contract which was caused by a shortage of energy may be deemed an excusable delay and the contractor not held in default if the contract was not performed in a timely manner.

The bill is now under consideration by the Senate.

Second. The Small Business Committee will soon report out a bill to provide SBA loans to small businesses adversely affected by public utility disasters which interrupt public utility services (primarily to help businesses hurt by the recent telephone breakdowns in New York, though it may also have other applications).

Third. The recently enacted Tax Reduction Act of 1975 contained several provisions affecting smaller businesses.

Under previous law, corporations paid a rate of 22% on profits up to $25,000 a year and 48% above that level. The new law lowers the rate schedule for all of the 1975 income of small corporations. Earnings up to $25,000 will be taxed at 20%. Profits between $25,000 and $50,000 will be taxed at 22%. Earnings above $50,000 will still be taxed at 48%.

The law also provides tax incentives for business outlays on expansion and modernization. The direct tax credit for investment in business equipment and machinery is increased to 10% for expenditures in 1975 and 1976. Under the old law, that tax credit was 4% for utility firms and 7% for others.

The relief provision in the Tax Reduction Act are only temporary, with minor exceptions. It is urgent that the Congress reexamine the business tax structure as it affects small businesses.

(4) The Senate Small Business Committee has begun an indepth study of the tax structure as it affects the entry and growth of small businesses. Public hearings will begin in mid-June.

(5) Other legislation which has been introduced in the House and which is expected to receive further action at some point includes bills to:

Give loans to small businesses adversely affected by energy shortages.

Transfer from SBA to HUD the responsibility for providing disaster assistance to homeowners and other non-small business entities. SBA should not be in the market of helping homeowners; this is the responsibility of HUD.

To expand the definition of "small business" for purposes of the Small Business Act to include small agribusiness.

To institute a moratorium on payment of principal and interest on certain loans made by SBA for 2 years or until the U.S. is no longer in recession.

To direct the SBA not to impose "maturity fees" on certain business loans (loans with maturity of five years or more).

The House Small Business Committee has begun hearings on the problems facing small businesses in obtaining financing for equipment needed to comply with pollution control standards.

Last year the OSHA Act of 1970 was amended to provide that the Administrator of the SBA may render onsite consultation and advice to certain small business employers in providing safe and healthful working conditions for their employees.

In an emergency jobs bill recently sent to the President for his signature (H.R. 4481) $385 million is appropriated for small business direct loans. However, there is a chance the President may veto this bill. If he signs it, the bill will go a long way toward restoring SBA direct loans to the level which is necessary for adequate assistance to small business. The President has requested only $100 million in direct loans for FY 1976.

CONCLUSION

The 94th Congress promises to be a busy and productive one as far as small business is concerned. But we in the Congress can pass responsive legislation only if we hear from the small businessmen themselves what kinds of bills they would like to see enacted.

I hope that this conference will be helpful to all concerned:

To me so that I can become attuned with your needs:

And to you, so that you can learn more about Federal assistance to small businesses.

FBI INVESTIGATION IN TOWN OF HEMPSTEAD

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. LENT. Mr. Speaker, within the past few years, investigations into allegations of political corruption have become so commonplace that they almost seem mundane. I hope, however, that in our haste to make our political system corruption-free, we do not discourage innocent people from taking an active interest in politics and political parties. A case involving the town of Hempstead in Nassau County, N.Y., a large portion of which I represent, should serve to indicate what might happen.

During the course of an investigation into political kickbacks, the functioning of the largest town government in America has been disrupted and many law-abiding town of Hempstead employees have been faced with the frightening reality of intense questioning both at their jobs and in their homes. To someone whose only offense is contributing to the party of his choice, such an experience could well discourage further participation in the political system.

In response to the above-mentioned investigation, the presiding supervisor of the town of Hempstead, Francis T. Purcell, wrote to Attorney General Levi to express his grave concern over the methods being used by Federal agents in the investigation. I include in the RECORD at this point a copy of Presiding Supervisor Purcell's letter to the Attorney General as well as radio commentary on this subject by Jerry Scott of station WGBB:

PRESIDING SUPERVISOR,
TOWN OF HEMPSTEAD, N.Y.,
April 20, 1975.

Hon. EDWARD H. LEVI,
Department of Justice,
Washington, D.C.

DEAR ATTORNEY GENERAL LEVI: As the Chief Executive officer of America's largest town, I commend the agents of the Federal Bureau of Investigation who are currently engaged in what for them must be, and is for us, a most distasteful investigation.

Each of the agents involved in interviewing hundreds of town employees and officials has, as far as I have been able to determine, been extremely courteous and highly professional during the hundreds of man-hours they have spent here at Town Hall, and in the homes of our employees.

Their task has been an extremely delicate one, since most of the people they have interviewed have never before come face to face with a federal investigator. It is perhaps understandable that many of your agents are not prepared for some of the reactions they have received from honest, law-abiding citizens, since most of the agents' time must be spent with felons and members of organized crime.

I'm sure the agents cannot be held responsible for the near miscarriage suffered by one young secretary they interviewed, nor for the heart attack suffered by one of our commissioners.

In an effort to ferret out alleged incidents of coercion in the solicitation of political contributions, the U.S. Attorney for the Eastern District of New York has taken many valuable man-hours of agents' time, disrupted the normal function of municipal government and struck fear into the hearts of many honest people, whose only "offense" was that they contributed to the political party of their choice.

This method of investigation could have a serious effect on the entire political system of all parties in our free society, in a period of time when even the Federal Government is encouraging political contributions by a check-off system on the tax returns; also a political deduction taken on the tax form may cause many people to fear that a contribution could subject them to similar investigation.

This investigation was triggered by a so-called "citizens watchdog" group, which has since been abandoned for lack of citizen participation and whose allegations were not sustained by the courts.

I respectfully request your assurance that this case will be brought to a prompt conclusion. If there are to be indictments, let them be handed up swiftly so that the accused can have speedy trials and any guilty parties brought to justice.

It is regrettable, but to many people in this society the term "indictment" is tantamount to guilt, especially now with the general mistrust of all political figures in the wake of the Watergate spectacle.

I stand ready to aid the Justice Department in any legitimate investigation of wrong-doing in this Town. In my 28 years of public service, I have always endeavored to lead an exemplary life and expect the 3,000 public employees under me to do likewise; but in any barrel there may be a bad apple or two. I am as interested as anyone in removing them, but this should be done without bruising the rest of the apples.

Sincerely yours,

FRANCIS T. PURCELL,
Presiding Supervisor.

JERRY SCOTT'S COMMENTARY ON WGBB, APRIL 22, 1975

Hempstead Presiding Supervisor Francis T. Purcell has again gone to bat for his people, but it may be too little too late. Purcell is incensed at the methods used by federal agents probing allegations of political corruption in his bailiwick. He says his people, town employees, are being harassed and intimidated to the point where he is concerned with their physical well being and Purcell says he has evidence that at least two town employees have been made seriously ill by the effect of their involvement with federal agents.

Federal agents try to find out if there is any truth in those ancient charges that town workers are required to shell out part of their pay checks to the Republican Party in order to get, keep, and grow in their town jobs. Putting aside the charges for the moment, for it isn't up to us to determine their accuracy, let us concentrate on what Supervisor Purcell is saying and determine then if it isn't applicable to all of us or at least those of us who might at some future date be under the federal gun so to speak.

I firmly believe that the allegations made should be investigated. Properly investigated. But within reasonable and logical limits.

If indeed the federal probers are doing their jobs badly, or without common regard for those whom they are investigating, then they should be restrained.

What Mr. Purcell is asking does not seem unreasonable. He has not asked that the investigation be called off or whitewashed, and he has promised to deal sternly with anyone found to be involved in underhanded illegal Party fund raising.

Since he has never to my knowledge broken his word, I see no reason for anyone to think he will begin now. But too often, we the people, have found out that federal investigatory agencies have stepped outside the bounds of propriety and the law, and we are, I think, entitled to some protection from those who would use the law to our disadvantage or to the detriment of our collective well being.

GOSSETT EXPLAINS OIL SHORTAGE

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. COLLINS of Texas. Mr. Speaker, down in the Southwest, folks talk about oil. The answer is to produce more. Judge Ed Gossett has spoken out in plain language on this matter. Judge Gossett served in Congress from 1939 to 1951. He then became general attorney for the Southwestern Bell Telephone Co. He is now a judge in Texas. He handled Tidelands legislation in Congress, and is an authority on oil matters.

Judge Ed Gossett recently made a speech regarding the Northeastern politicians' limited vision on energy. You will find the remarks stimulating:

SPEECH BY JUDGE GOSSETT

A major contributor to our economic problems has been and is the fuel crisis. The major contributor to the fuel crisis has been and is the northeastern politicians.

Statement number one needs no supporting data. Let's proceed to show how and why statement number two is correct.

First the how, then the why.

As the great Al Smith used to say "let's look at the record".

Let's take the record of the Congressmen from the metropolitan areas of New York City and Boston over the last 30 years on issues affecting the production of energy as typical of northeastern Liberals.

First, as early as 1937, Secretary of the Interior, the Honorable Harold Ickes, asserted federal ownership of the tidelands. This froze for all intents and purposes leasing and exploration for petroleum in the offshore waters of the nation. In 1947, he succeeded in getting the U.S. Supreme Court to uphold his position. This resulted in approximately a ten year fight in the Congress to establish State ownership of the so-called tidelands. On this issue the New Yorkers voted 15 to 7 and the Bostonians 3 to 3 for the federal take over. This opposition greatly reduced our production of oil and gas.

Secondly, in 1954, the Federal Power Commission was given plenary authority, which they did not want, over fixing the price of gas at the well head. Congress sought to take this burden off of gas producers by the so-called Harris-Fulbright Bill. This bill would have resulted in far more exploration for and production of natural gas. The New Yorkers voted 21 to 0 against said bill. The Bostonians voted 5 to 1 against said bill.

In his news letter of November 30, 1973, Congressman Bob Poage pointed out that the Federal Power Commission has long been fixing the price of Texas gas at a much lower figure than the cost of gas which we are importing in pressure drums from Africa.

Thirdly, if the Alaska pipe line were in operation today we would be receiving at least two million barrels of oil per day from this source. The Alaska pipe line would have been completed years ago BUT FOR the opposition of the same northeastern liberals. On this issue the New Yorkers voted 17 to 0 against the Alaska pipe line while the Bostonians voted 4 to 0 against the Alaska pipe line.*

Fourthly, the so-called depletion allowance has been the greatest stimulus to the exploration for oil and gas in this country. (Incidentally there has been more money spent looking for oil and gas than the oil and gas found was worth. Furthermore ¾ of such exploration has been done by independent operators, not major oil companies). When depletion was cut from 27½ percent to 22 percent in 1969, the New Yorkers voted 15 to 0 for such cut while the Bostonians voted 3 to 0 for such cut.

Fifthly, the Arabs blame us for all of their conflicts with the sovereign state of Israel, and are using oil as a weapon of pressure and retaliation.

Sixthly, not only did the northeastern politicians cause a 15 year delay in the exploration for and production of oil and gas in the coastal waters of the south and west, they stopped it completely in their area. Furthermore, they have stymied the building of numerous refineries in their area (1973 report of fuel experts Treasury Department).

Summarizing the how of the fuel crisis: but-for the tidelands controversy; but-for depressive regulations of gas; but-for the delay in building the Alaska pipe line; but-for the fight against the depletion allowance; but-for the stymied building of refineries and the stymied exploration off the eastern seacoast; but-for political demagoguery in the U.S. Congress on energy matters; but-for all of the but-fors, we would never have had a fuel crisis.

Now why have the northeastern liberals pursued this course—politics, politics, and more politics. Disraeli once said, "A Statesman thinks of the next generation, a Politician thinks of the next election".

We do not suggest that all the politicians live in the northeast. Ignorance, hatred, prejudice and demagoguery have no party affiliations or regional locations. Unfortunately for this country, the petroleum industry and the petroleum producing states have been irresistible whipping boys for the northeastern politicians. Texas and Louisiana produce two-thirds of the nation's oil and gas. Add Oklahoma, Arkansas and New Mexico and the percentage is much greater.

For at least thirty years the northeastern politicians have made political capital out of demagogic attacks upon two, for them, natural whipping boys, (a) the southwestern region of the country, primarily Texas and Louisiana where most of the oil and gas is produced and (b), the petroleum industry.

Let's briefly compare the northeast with the southwest. On August 19, 1974, there appeared in U.S. News and World Report (based on U.S. Department of Commerce report) a list of fifty richest metropolitan areas in America. None of these fifty richest areas is located in any of the southwestern states while fourteen of these areas is located in the northeastern states. Furthermore the per capita income in the northeastern states is much greater than the per capita income in the southwestern states. If one compares Massachusetts and New York for example with Texas and Louisiana, he finds that New York and Massachusetts has far more votes and more money than does Texas and Louisiana.

The attack upon the big oil companies of America by liberal self seeking politicians is incomprehensible. We suggest that the executives of these big companies are better businessmen and better diplomats than are the vast majority of those persons in positions of power in government. They have doubtless won more friends and influenced more people throughout the world than has the State Department and the C.I.A. put together.

Again, let's look a little further at the record, in World War I the government took over the operation of the railroads. The transportation under government operation was chaotic and cost the country some two billion dollars. In World War II our railroads moved ten times the material and supplies as in World War I, they moved it with great efficiency, and made billions of dollars out of it. If and when the government should take over the petroleum business of this country, supplies would dwindle and costs would skyrocket.

In summary, the fuel crisis did not occur overnight. There were numerous and ominous signs of danger. Thirty years of assault by northeastern politicians upon the people of the southwest in general and the petroleum industry in particular made the fuel crisis inevitable. Verily, verily, the chickens have come home to roost.

UMI

THE HEALTH OF A NATION

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. YOUNG of Georgia. Mr. Speaker, in many respects the health of a nation is its most common bond. It seems to me that if there is one area where there is clear Government responsibility, it is in the area of improving or insuring the best health care for its citizens. Somewhere in the constitutional guarantee of life, liberty, and the pursuit of happiness there is, no doubt, an explicit concern for the health of our Nation.

The debate over national health insurance continues and most agree that it is inevitable. The financing and implementation are the only variables.

Mr. Vernon E. Jordan, Jr., the executive director of the National Urban League, addresses himself to this issue in a recent article in Message magazine.

"The time is ripe for national action on health care," Mr. Jordan writes, "and the final shape of the health plan that is adopted will determine the state of our health, our children's health, and the health of the Nation."

The article follows:

THE HEALTH OF A NATION

(By Vernon E. Jordan, Jr.)

It is especially fitting that the National Institutes of Health observe Afro-American History Week because of the great contributions Black people have made to the development of modern medicine. From the many anonymous folk practitioners in the dungeons of slavery to the accomplishments of great men like Dr. Daniel Hale Williams, Dr. Charles Drew, and my late good friend Dr. Arthur Logan, black doctors have pioneered in public health breakthroughs and in new medical discoveries.

It is good to recall that when the eminent Dr. Benjamin Rush, one of the Founding Fathers of this nation, met with Dr. James Derham, a Black man born a slave who educated himself to become an outstanding doctor, Rush remarked, "I expected to have suggested some new medicines to him, but he suggested many more to me."

The President is fond of saying that America is No. 1 in the world today. But that description does not apply to the health of its people. In infant mortality, America is No. 17, behind such places as Hong Kong and Fiji. In life expectancy for females, we are No. 13; for males, No. 30!

By nearly all standards, the health of Americans lags behind that of other industrialized peoples. And within our country the health of the poor is so bad that it constitutes a major national health crisis.

About five times as many poor families are likely to have members suffering from chronic diseases, heart conditions, and other handicapping illnesses as are more affluent families.

Black people, especially, suffer from worse health conditions than other Americans. In fact, the surgeon general ought to issue a formal warning that being black can be dangerous for your health. And it is getting worse.

The average life expectancy for Black men has actually declined from 61.1 years in 1960 to 60.5 in 1969. White males had a higher life expectancy thirty years ago than Black men have now—the average Black man cannot even expect to live long enough to collect his Social Security pension.

Black infant mortality is double the white rate, and Black people suffer higher rates of serious diseases such as hypertension, tuberculosis, and many other death-dealing illnesses. Black people are less likely to see a doctor, and still less likely to see him in his office; and one out of four has never been to a dentist.

I have not described the health situation of a poor people living in a far-off underdeveloped country; I am talking about the state of health of people living in the world's richest country, a nation with pretensions of being a decent, humane society that stands No. 1 in the world today.

To its credit, the government appears to realize that this sad state of affairs is in need of reform. But I would suggest that the government's health proposal, while a substantial improvement over its previous efforts in this field, falls far, far short of the necessary sweeping reforms.

In his State of the Union speech, the President defined the guiding principle of his administration's health programs. "Government has a great role to play," he said, "but we must always make sure that our doctors will be working for their patients and not for the Federal Government."

I submit to you that this is a gross distortion of the issue. I know of no plan that proposes that doctors become federal employees.

But we owe the government a debt of gratitude for making the issue of health a major national priority in the coming year. The issue is now joined, and a great national debate on health care is underway. The time is ripe for national action on health care, and the final shape of the health plan that is adopted will determine the state of our health, our children's health, and the health of the nation.

The national debate should be shaped by the urgent needs of the people, and we should not allow its borders to be defined by false issues.

If the United States is to see the establishment of a national health program that will finally make America among the world's leaders in health, a plan must be devised that has a clear goal and that comprises elements that deal with solving the real problems faced by its people.

The overriding goal, the basic principle of a national health program must be to ensure that every person, regardless of race or income or geographic location, has high-quality, comprehensive, dignified medical, dental, and mental health care.

The delivery of services is not solely dependent upon the number of doctors. The doctor shortage can be alleviated by creating new career structures for paraprofessionals. If the U.S. army can take green youngsters and make medics out of them in a matter of weeks, civilian health agencies can do the same. Medical paraprofessionals can perform some of the routine tasks now reserved for highly trained professionals, play a key role in community health centers, and be the backbone of community health outreach programs.

Finally, a national health program must provide for education and training. This, of course, touches on the provision of services and especially on the responsibility of a national health program to produce more health professionals. The keystone of a national medical education program could be free professional training open to any applicant in return for a five-year service commitment upon professional certification. This would open the health professions, from doctors to social workers and nurses, to anyone capable of fulfilling the course of training, regardless of that individual's personal financial status. And it would create a large pool of health professionals committed to public health service and available for professional service in the areas now most in need of trained personnel.

A national health program should also encourage, without income penalties, continuing training and formal education of health professionals. This is of special importance in providing incentives for physicians to obtain specialty board certifications and to maintain a constant upgrading of the quality of health care through national licensing of health workers in all categories.

I believe this because the people of our land need such a system, whether they are affluent suburbanites facing crippling hospital costs or ghetto children who need medicine for rat bites.

From the crevices of our society come the cries of the poor, the neglected, the disadvantaged, who call out in pain and suffering, "Is there no balm in Gilead? Is there no physician here?"

The answer cannot be that the balm is priced too high for their purses or that the physician is not available. Our nation's answer must be: Yes, there is a hearing to be done, a mission to accomplish, a cause to serve.

SUBCOMMITTEE ON CRIME TO TAKE TESTIMONY ON FEDERAL FIREARMS LEGISLATION IN HEARINGS IN DETROIT, MICH., AND CLEVELAND, OHIO

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the Committee on the Judiciary will travel to the cities of Detroit, Mich., and Cleveland, Ohio, to continue its series of regionalized hearings, which began in Chicago, Ill., on April 14–15, on more than 50 bills pending before the subcommittee which would amend the Gun Control Act of 1968.

In these cities and others, the subcommittee will seek to satisfy several objectives: To determine public sentiment for more stringent State and Federal controls on firearms; to ascertain the relationship between the proliferation of handguns and increasing crime, as viewed from a local perspective by civic, administrative, and law enforcement personnel; to learn how effectively Congress mandate to assist State and local law enforcement in their efforts to combat increasing violence has been carried out; and to measure the effect of growing homicide rates on the quality of American life, among others.

The Subcommittee on Crime has invited many distinguished persons to appear in Detroit on Monday and Tuesday, June 9–10, to present their views on this issue, including the Honorable Coleman Young, mayor of the city of Detroit; the Honorable William Cahalan, Wayne County prosecutor; the Honorable Phillip G. Tannian, commissioner of police for the city of Detroit; representatives of the Michigan Criminal Justice Commission, the medical profession, crime statistics experts, and several civic and citizens' groups, as well as the local bench and bar.

In addition, Mr. Fred Murrell, Regional Director, Central Region, Bureau of Alcohol, Tobacco, and Firearms, U.S. Department of the Treasury, will assist the subcommittee in completing its assessment of the problem of interstate gun trafficking in handguns. The hearings will be held in the auditorium on the 13th floor of the city-county building, 2 Woodward Street, Detroit, beginning at 9:30 a.m. each day.

The subcommittee will travel to Cleveland, Ohio, for a day of hearings on Monday, June 16, which will begin at 9:30 a.m. in the auditorium on the 31st floor of the Federal Building, Ninth and Lakeside. Among others scheduled to testify are the Honorable Louis Stokes, Member of Congress, 21st District, Ohio; the Honorable Ralph J. Perk, mayor of the city of Cleveland, the Honorable Harry J. Lehman, chairman of the Judiciary Committee, Ohio House of Representatives; the Honorable George L. Forbes, president of the Cleveland City Council; the Honorable Samuel R. Gerber, M.D., Cuyahoga County coroner; and representatives of various community organizations and a wide variety of professional and personal interests.

Those wishing to testify or to submit a statement for the record should address their requests to the Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

TESTIMONY ON THE FIRE ISLAND MASTER PLAN BY REPRESENTATIVE STEPHEN J. SOLARZ

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. SOLARZ. Mr. Speaker, last week I testified before the National Park Service at a public meeting concerning the draft master plan for the Fire Island National Seashore.

This plan proposes in part to "amputate" 6 miles of the seashore, so that private development may begin. I vigorously oppose this proposal and urge my colleagues to do so as well.

Mr. Speaker, I include my statement at that hearing in the RECORD:

STATEMENT OF REPRESENTATIVE STEPHEN J. SOLARZ

Mr. Chairman, I appreciate being afforded the opportunity to testify this evening in regard to the draft Master Plan and draft Environmental Statement for the Fire Island National Seashore.

As a resident of Fire Island and as a Member of Congress, I was shocked and dismayed when I read the draft Master Plan for the Fire Island National Seashore. If put into effect, I clearly see it as a direct violation of the intent of the Congress in enacting the Fire Island National Seashore Act in 1964. This act clearly states its intention "to conserve and preserve, for the use of future generations, certain unspoiled beaches, dunes, and other natural features . . . which possess high values to the Nation, as examples of unspoiled areas of great natural beauty in close proximity to large concentrations of urban population." The boundary was to extend 26 miles from the east boundary of Robert Moses State Park to the Mariches Inlet.

Both the letter and spirit of the Act clearly were designed to prohibit all private development, except in previously established communities. Any development was to be carefully regulated through zoning standards, judged by the Secretary of the Interior as consistent with the Act. The Secretary was given the power to condemn all properties where local authorities had granted variances or exceptions that violated the Seashore standards.

Since its inception over 11 years ago, the Fire Island National Seashore has been plagued by intergovernmental disputes arising from the split jurisdictional nature of the Seashore itself. Four different towns have zoning authority over the Seashore, only one has come up with ordinances that meet the provisions of the legislation and accepted by the Secretary of the Interior—yet literally hundreds of variances have been granted—many over the strong objections of the superintendent of the Seashore and the property owners themselves.

In no case has the National Park Service used its authority to condemn such ill-founded and in fact, illegal development. Crowded cottages with inadequate cesspools and a potential lack of drinking water have become typical on the Island. Commercial establishments such as bars and restaurants, have also begun to spring up on this fragile marshland. According to statistics developed by the Fire Island Association, in the 10 years between 1964 and 1974, private development increased by 31 percent, and about half of that development violated park zoning standards. The Park Service through the Secretary of the Interior has refused to condemn any properties and has pleaded insufficient funds and authority to prevent such zoning outrages. The only actions ever taken to regulate private and commercial development were written objections by the Superintendent to scores of building permits—all were ignored.

To remove all such excuses by the Park Service, I have introduced legislation in the Congress along with Congressmen Pike, Downey, and Ambro which if passed into law, will provide an additional $10 million for Fire Island and the power to seek injunctive relief in the Federal Courts. This amending legislation will correct the inadequacies of the existing law and empower the courts to force the authorities to follow the mandate set down by the Congress. In the words of a New York Times editorial on this matter, the legislation would "Prod the authorities to halt their procrastination and get on with the urgent business of saving this fragile and charming outpost of nature before the encroachments of haphazard development irrevocably despoil it." I might also add that Fire Island is the only national park established in the 1960s which has not had its authorization level substantially increased. The proposed amending legislation to increase the appropriation from $16 million to $26 million will bring Fire Island in line with other National Parks.

The Fire Island Association has aptly called the draft Master Plan, "an attempt to repeal administratively an act of Congress." I believe this assessment is quite apropos.

The draft Master Plan and the Environmental Impact Statement address themselves to numerous proposals—some meritorious, others abominable. I should like to respond to a few of the proposals that blatantly violate the Fire Island Seashore Act.

Mr. Chairman, I submit that the proposal to exclude from the Seashore boundaries all land west of Point O'Woods is political in its entirety. This excluded area would be comprised of 6 miles or 23% of the barrier beach now in the Park and 14 of the 20 communities now established and if removed, would take the "heart" out of the Seashore. There are only two reasons that the National Park Service can have for this incredible proposal. The first is that this is a troublesome area; the area of substantial development that brought on the legal difficulties initially. Clearly this is an "amputation" of a land mass that has caused considerable trouble to the Park Service. By "getting rid" of this area, they manage to also rid themselves of a problem—unfortunately it administratively and functionally destroys Fire Island and the intent of a National Seashore.

The second reason is that there has been a conscious or unconscious decision by the Department of the Interior to succumb to pressures from private real estate interests who stand much to gain by this amputation. There is no doubt that if left unprotected, the western portion of Fire Island will shortly resemble many other despoiled beaches in urban areas. Even under present zoning, authorities indicate there will be an estimated 44% increase in private development. The result will be conversion of properties from low-density single-family homes to multi-family dwellings. The end result being a 200% increase in population. This increased population will have a significant and substantial impact on the ground water table—cause salt water incursion—contaminate the water table and Great South Bay from overtaxed cesspool effluent. These effects are already visible in the Cherry Grove community. Such results seem obvious to any student of the environment but have been dismissed by the Park Service in its Environmental Impact Statement. While the real estate interests may gain from this amputation proposal, Fire Islanders, and indeed all Americans will suffer the loss of a great natural resource.

On a related matter, the Master Plan calls for relaxed zoning controls which would eliminate Federal land use control. In this time of severe recession, to leave the rezoning process to the local municipalities is foolhardy. The towns have neither the desire, the political will nor the resources available to properly develop Fire Island.

In recent weeks I have discussed these matters with environmentalists, Fire Islanders, representatives from the National Park Service and other Congressmen. I come away from these discussions puzzled. There should be no problem with Fire Island. There is unanimous agreement that it is a great natural resource and must be preserved. It contains excellent beaches with imposing sand dunes and fascinating vegetation. The sunken forest is clearly one of the most important of our resources—and it remains wholly natural.

Unfortunately, since the passage of the Fire Island legislation, the intent of the Congress has been subverted resulting in numerous complaints and legal battles over improper development and insufficient regulation of vehicular traffic on this fragile island.

The statute provided the Secretary of the Interior the power to condemn such improper development, but because of the lack of funds and the ensuing court battles, the Interior Department never used this power. On the other hand, the Interior Department never came to Congress to request additional funds. Clearly Fire Island is the stepchild of the National Park Service, and this draft Master Plan is an attempt to circumvent the will of Congress by means of administrative and bureaucratic dictums.

Mr. Chairman, I strongly object to the draft Master Plan and the inadequate Environmental Impact Statement. These drafts will serve only the special interests; destroy a valuable natural resource of beaches, wetlands and marshes; pollute the water; increase air pollution; cause sanitary problems for future residents and force an urban dreamland to become a nightmare.

Fire Island is terribly vulnerable to the impact of man on the environment. There

UMI

can be little question, therefore, that we must take prompt and substantive action in preserving and protecting it.

I expect that the Congress will take up the challenge presented by the Court of Appeals decision and will move ahead to increase the authorization for acquisition on Fire Island and to further provide the Secretary of the Interior with the authority to enjoin development which is inconsistent with the purposes of the Act.

The Department of Interior should likewise accept the challenge of giving "parks to the people" and accept the fact that they are not entitled to administratively thwart the will of the Congress.

I am reminded of the words of Ralph Waldo Emerson:

"I wiped away the weeds and foam, I fetched my sea-born treasures home; But the poor, unsightly, noisome things had left their beauty on the shore, With the sun and the sand and the wild uproar."—Goodbye, Emerson 1847

Mr. Chairman, I respectfully urge the Department of the Interior and its National Park Service to reconsider this draft Master Plan and reshape it into a workable and environmentally acceptable package. We must not let development destroy one of our greatest natural treasures.

TREATY OF THE METRE ANNIVERSARY

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. GUDE. Mr. Speaker, I believe my colleagues would be interested in the following remarks by Dr. Richard W. Roberts, Director, National Bureau of Standards. These remarks deal with the 100th anniversary of the Treaty of the Metre signing in Paris and a short review of the metric system today.

I have supported the concept of the metric system in the previous Congress and I intend to support it in this Congress. I believe worthy of note is the fact that all but five nations have officially adopted the International System of Units. The United States is among those five, the only major nation in the world not officially committed to metric conversion.

I would like to encourage all Members of Congress to visit the National Bureau of Standards in Gaithersburg, Md., and to study the metric display which is set up there.

The remarks follow:

THE INTERNATIONAL SYSTEM OF UNITS

(By Dr. Richard W. Roberts)

If you were music teachers, I'd suggest we sing at least one chorus of "Happy Birthday." Why? Because exactly one hundred years ago today the representatives of 20 nations, including our own, signed the Treaty of the Metre in Paris. The cooperation resulting from that Treaty has produced many notable results, among them being the development of the International System of Units.

When you look at that name—the International System of Units—a little more closely, its real importance becomes quite apparent. First, it truly is an international system, as the theories and experiments of all scientists provide the foundations upon which the system is built. In addition, all nations are eligible to participate in the Treaty of the Metre, and all but five nations are committed to using the International System as their official measurement system.

Next, it is a system of measurement, structured so that there are simple and logical relationships throughout. For example, the multiples and submultiples of all units are based on powers of 10, and all carry the same prefix. A thousandth of a metre is a millimetre, a thousandth of an ampere is a milliampere, and so on. And the unit of volume is defined as one cubic metre.

Finally, the System is built upon a series of base units, currently seven in number (for mass, length, time, temperature, electric current, luminous intensity, amount of substance), from which all other units can be derived. There is some confusion over this term "base unit." They are not more basic or fundamental than other units. Rather, they are those units that are considered to have independent dimensional properties and they form a base from which all other units can be expressed mathematically.

Like Rome, the International System was not built in a day. It has a long history of evolution, a process which will continue as new needs arise, as new knowledge is generated.

It was back in 1670 that Gabriel Mouton of France proposed a decimal system of weights and measures. His idea lay dormant, but not forgotten, until the time of the French Revolution over 100 years later. In 1791, the French General Assembly adopted the principle of a system of weights and measures founded entirely on the metre, which was defined as one ten-millionth of the length of the quadrant of the earth's meridian. Area and volume were to be based on the square metre and cubic metre, and mass on the mass of a standard volume of water.

The French proceeded to determine both the arc of the meridian between Dunkerque and Barcelona, and the weight of a known volume of water. On the basis of these measurements, a platinum metre bar and a platinum kilogram were constructed and deposited in the Archives of the Republic in 1799. These standards became the starting point for the development of the SI.

But the creation of a new measurement system did not mean instant acceptance. Confusion and contention existed in France until a law was passed forbidding the use of any but metric weights and measures after January 1, 1840. This action seemed to pave the way for other countries, and by 1880, 17 nations, including Spain, Germany, Italy, Austria, Norway and Greece, had gone metric.

As use of the metric system increased, so did the need for international coordination. The first step in this direction was informal. In 1867, during the world exposition of Paris, a group of scientists formed a Committee of Weights and Measures and of Money to create more uniformity in the world. This initiative stimulated the French government to invite many countries to appoint delegates to an International Commission for the Metre. Twenty-four countries responded and the meetings started in August 1870. The great majority of those present felt that the metre and kilogram, which were in the Paris Archives, should be the reference for new prototypes.

In 1872 the Commission met again and confirmed its previous decision to construct new prototypes of the metre and the kilogram. A large number of copies, all made from one single melt of platinum containing 10% iridium, were to be made for participating nations. Progress went so well that the French government convened the Diplomatic Conference on the Metre in 1875, to which 20 countries sent government representatives and scientists with authorization to sign agreements. The resulting Metre Convention, or Treaty of the Metre, was officially signed one hundred years ago. The Convention was ratified by the U.S. Senate, and signed by President Hayes in 1878.

Under the Treaty, an International Bureau of Weights and Measures was created to verify the new prototype standards and to make periodic comparisons of national standards with the prototypes. The Bureau is located near Paris, is supported financially by contributions from all nations adhering to the Treaty, and is staffed by scientists from many nations. Surprisingly, only two Americans have ever worked at the International Bureau. The first was the famous Albert A. Michelson, and the second is Thomas Witt of NBS, who went over a few years ago to establish a Josephson-junction voltage laboratory.

The operation of the International Bureau is under the supervision of an International Committee for Weights and Measures, a body of 18 delegates, each from a different nation. Dr. Ernest Ambler, Deputy Director of NBS, represents the United States on the Committee. The Committee in turn reports to the General Conference on Weights and Measures, which is composed of delegates from each of the 43 member nations and which meets periodically to vote on matters of substance.

Over the years the General Conference, acting on the recommendations of the International Committee, has expanded and unified the metric system. Some of these actions are:

1948—addition of the ampere as the unit of electric current, and the candela as the unit of luminous intensity.

1954—adoption of the kelvin as the unit of thermodynamic temperature.

1960—replacement of the metre bar with a wavelength definition based on krypton 86.

1960—adoption of the name "International System of Units" with the abbreviation SI.

1967—adoption of an atomic definition of time.

1971—addition of the mole—the unit of amount of substance—to SI.

This evolutionary process has produced a coherent measurement system that is based on the best thought, and the best experimental data, available anywhere in the world. But, as I said before, such a system cannot be adopted for eternity; as science develops, so must SI.

Today, all but five nations have officially adopted the International System of Units. Those five nations are Brunei, Burma, Liberia, Yemen, and the United States. And while we are not officially committed, there is no question that this nation is going metric. Many of our largest manufacturing companies—giants such as IBM, Rockwell-International, and General Motors—are changing over. As the large firms convert to metric usage, so must thousands of their smaller suppliers. And as more and more metric products appear in the marketplace, every consumer must become familiar with metric measurements. Many Federal agencies are using metric units, and others are ready to go metric. Bills to guide the metrication process have been introduced in 13 states and enacted in Massachusetts and Minnesota.

A few weeks ago I testified before Congress in favor of a bill that would commit the nation to a coordinated, voluntary change to SI units. One of the points I stressed was the need for education of all Americans in the use of SI. During the three year metric study conducted by NBS, a survey was taken of public knowledge and attitudes about metric. At that time, the general public knew very little about the metric syatem. Only 40% of the people surveyed could name a single metric unit, and only 20% were familiar with the relationship between customary and metric units.

The survey did show that the more people knew about metric, the more they approved its adoption. For example, 74% of those who knew a great deal about metric favored it, versus 14% approval by those with little knowledge. This relationship points up the role of public education in a successful conversion program.

A coordinated educational campaign is vital if we are to prepare all of our citizens for the metric America that lies ahead. This fact is recognized in PL 93-380, enacted last year, that states "It is the policy of the United States to prepare students to use the metric system." I know you in the educational community are moving strongly in this area, and I applaud your efforts. Metric education activity is underway in at least 40 states, and I know it's working. Both of my children have been taught metric at their school here in Maryland, and both of them "think metric" with no trouble at all. The generation of Americans now in school should have no trouble at all as the nation goes metric.

But a much broader educational perspective is needed. All Americans, not just school children, will be affected by metrication. Builders, machinists, salesmen, indeed all consumers, must become familiar with the basics of metric usage. That need poses a real challenge for those of you in the educational community. Techniques must be developed for reaching, and teaching, all Americans, not just those in school.

As you probably know, we have a metric information office here at NBS. This small group responds to about 1000 requests for metric information each week, an indication of the broad public interest in metrication. NBS has prepared a variety of informational material, ranging from a small plastic ruler to a general publication ("What about Metric") to a detailed description of the International System (SP 330). These materials may be of interest to you in your educational activities, and people of our metric office stand ready to help you in any way they can.

The speed with which this nation converts to metric usage, and the smoothness with which the process goes, is largely a function of public understanding and knowledge. And that, of course, presents a special challenge to education. I'm encouraged by your response. I think this meeting will stimulate new and creative approaches to teaching metric, and I'm confident that litre and metre will enter our vocabulary, and our thinking, with very little trouble.

COMMUNIST PRACTICES IN CHILE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. McDONALD of Georgia. Mr. Speaker, in view of the continuing propaganda attack upon Chile by the deposed Communists and their supporters, it may be worthwhile to note that the Special Consultative Committee on Security, an organ of the Organization of American States, prepared an exhaustive report on the Chilean situation last year. It is entitled "The Marxist-Leninist Process in Chile" (OAS/Ser.L/X/11.36), and I believe its introduction is in itself an instructive summary of Communist operations in Chile, as in other Latin American countries.

The report follows:

INTRODUCTION

The apparently contradictory attitudes and abrupt changes that international communism adopts in the face of normal events in the nations of the free world, as well as the various circumstances in which these nations developed, can create confusion in the minds of democratic citizens who love their country.

These changes are but variable tactics of great effectiveness which, corresponding to the same strategy, serve communism in finding a better way to conquer national government, control the fields of national power, and subjugate the minds of the people.

In 1971, the Special Consultative Committee on Security published a document entitled "The Paths of International Communism in the Americas" (Doc. OEA/Ser. L/X/II. 23) in which it outlines the two principal strategies used for the conquest of world power.

By means of an overall view of the history of communism and of the various procedures used, we shall see its great adaptability to different actions—which at times constitute a true strategy within general policy—in various parts of the world. These actions are summarized as follows:

1918–1920: The impending World Revolution.

1921–1928: Isolation for purposes of:

a. Consolidation of total power in the Soviet Union (expulsion of Trotsky and predominance of Stalin), and

b. Relative accommodation to the outside world for economic reasons.

1928–1934: Increasing militancy towards the western world (imperialists), and particularly towards non-communist leftist political parties, such as the Social Democrats.

1935–1939: Organization of Popular Fronts. (Beginning with France in Europe and Chile in America.)

1939–1940: Readjustment and neutrality. (The Russo-German Pact.)

1941–1945: Entry into the "anti-Fascist" war. (Following the German invasion.)

1946–1954: Anti-imperialist campaign (cold war period).

1955: Readjustment (Austrian Peace Treaty).

1956: Policy of "peaceful coexistence."

"Peaceful coexistence" is undoubtedly the most effective of the strategies used by communism up to the present.

The following information published in the December 6, 1963 edition of the newspaper *Pravda* shows that "peaceful coexistence" was always an important communist strategy, and not a mere tactical action. According to *Pravda:*

"Marxist-Leninists do not regard the policy of peaceful coexistence as a maneuver for a limited period of time, but as a strategic line for the entire period of transition from capitalism to socialism on a world scale."

"To accept battle when it is obviously to the advantage of the enemy and not to us is a crime; and those political leaders of the revolutionary class who are unable to strike, maneuver or compromise in order to avoid an obviously disadvantageous battle, are useless." (V. I. Lenin)

In general, the tactics of "peaceful coexistence" have been the following:

a. General peace at all costs . . . until sufficient strength is reached. This takes into account that:

Gaining time is essential for conquering the will of the people;

The phrase "Better Red than Dead" is important in the psychological camapign.

b. World disarmament. Economic and military weakness should be compensated by tactics of deceit.

c. Compromising and gaining access to the free world through trade with the western countries. The principal advantages to communism are:

Obtaining articles from industrialized countries which the Soviet bloc produces in limited quantities.

Penetrating into vital areas of the free world from which it can control the supply or strategic materials.

Dominating developing countries in order to place them under its control.

d. Infiltrating the vital activities of each nation. The most profitable areas for infiltration are:

The powers of the State: legislative, judicial and executive (including the Armed Forces and the Police);

Communications media such as radio, television, motion pictures, the theater, newspapers and magazines, the arts in general, etc.;

Elementary, intermediate, higher and technical education (public and private);

Religious organizations.

e. Promoting atheism or communism as a religion.

f. Destroying the concept of the family.

g. Instigating disrespect for law and order.

h. Disparaging national heroes and creating new ones.

i. Disparaging the Armed Forces and the Police.

j. Infiltrating and destroying any anti-communist movement.

The subversive (violent) path spoken of in the previously mentioned publication of the Special Consultative Committee on Security is another tactic of international communism.

Rural and urban guerrilla warfare has been used extensively in some countries of the Americas.

In the military concept, guerrilla warfare is a bloody game of ambush, surprise, deceit and blackmail; whereas in the political sense, it is a revolutionary method which can create a psychosis in the masses causing them to make desperate decisions, such as fleeing the country, selling their property on unfavorable terms, the migration of farm workers to cities, etc.

In this study, the Special Consultative Committee on Security will show how the tactics of "peaceful coexistence" were applied to a greater or lesser degree in the Republic of Chile.

However, we must qualify this by saying that we only partially analyze the different "aspects" contained in the Table of Contents since, as will be seen, for example the "Social Aspects" or the "Political Aspects", etc., actually cover a broader range within these fields. But for reason of time, we have limited ourselves to those which are outstanding in our judgment for their effect on Chilean life.

A new "ingredient" or "successful procedure" for Marxism-Leninism appeared in the political process of this important American Republic, i.e. it was the first time that a Marxist candidate obtained a greater number of votes in popular elections than other candidates of democratic political persuasion. In that result we see how a people, religious, trusting, freedom-loving, respectful of institutions, and of a demonstrated democratic nature, let itself be caught unawares by the snares of extremism, let itself be divided and placed its government under the control of a leader who responded to dogmas and instructions from abroad, contrary to its beliefs, tradition and aspirations.

In this study we can see what aspects the Marxist-Leninists considered most important, such as the educational system, which was subject to vigorous ideological penetration. Political agents without teaching experience were appointed to carry out duties requiring specialists in education, and purely Marxist working methods were used, culminating in the introduction of the system called the Unified National School (ENU), which covered all levels of education.

We can also judge the irregular procedure used by officials at that time to try to impose the above-mentioned system. That procedure consisted primarily in the self-seeking application of foreign methods such as the "Psychosocial Method", by means of which

UMI

it was hoped to reach the primary goal of raising political consciousness of Marxism-Leninism.

Drugs also aroused the interest of officials of the Unidad Popular (UP) [Popular Unity] régime not because Chile represented a good market for them, but because their export produced good returns.

Although the authorities did jail some violators, nevertheless the clandestine production and exportation of drugs was permitted.

Although it is true that there were no direct and open attacks against the free expression of thought, indirect efforts were made, by means of financial pressure, against newspapers, magazines, radio and television stations which opposed the régime, causing some to close.

Moreover, the coercion and take-over of such enterprises was carried out by means of political agitation on the part of the workers, as in the case of the newspaper *El Carin*, which in the end was brought under State control and converted into a means of spreading Marxist-Leninist doctrine. The same procedure was used against the privately-owned publishing house, ZIG-ZAG.[1]

With regard to immigration, it can be seen that foreigners adhering to the ideas held by the government entered the country surreptitiously to make up the large number of guerrillas pursued in other countries who entered Chile in this way to evade justice. This can also be appreciated by noting how, in what numbers, and in what countries they later were given asylum.

As for trade and labor unionism, reference is made to the fraud perpetrated against the labor sector inasmuch as the pact between the Unidad Popular (UP) régime and the Central Unica de Trabajadores (CUT) [Federation of Labor Unions] was not carried out.

Insofar as economics is concerned, in the first place we note how the government, in trying to finance a hard-fought program with the resources at hand, paid for public expenditures by issuing paper money, bringing the country to a level of inflation never before seen in the world, thereby producing a black market in currency and basic commodities which constituted a true scourge for the nation. In the second place, we note how the system of state capitalism promoted by Mr. Allende became a system of all-powerful government whose goal was to control the majority of businesses and especially the national economy.

Regarding politics, we shall consider how, with little more than one third of the vote (36.2%), Mr. Allende rose to the Presidency of the nation.

It will be seen that Mr. Allende's violations of the Constitution and the law were of such magnitude that a bill was presented in the National Congress to impeach him, in addition to numerous statements from institutions of the highest level such as the Supreme Court of Justice and the Office of the Comptroller General of the Republic.

Undoubtedly, a government with a cabinet made up of officials who, although of the same ideology, were strongly sectarian politically generated much friction, division and suspicion; even more so when trying to put into effect a new system such as the "Path to Socialism" which, despite the expertness attributed to Mr. Allende in the handling of high-level persons, had the country practically paralyzed for lack of proper leadership.

With regard to the foreign affairs aspect, diplomatic envoys from communist countries enjoyed great privileges during the Presidency of Mr. Allende, and the Ministry of Foreign Affairs was shackled because of the new policy of making parallel political appointments within the country and abroad which restricted the activities of career officials who were not in agreement with the Unidad Popular (UP) administration.

The presence of paramilitary groups in the countryside and in the cities is also brought out in the chapter entitled "Political Aspects." At least two parties of the ruling coalition had troops of their own, and the armed guard for the protection of the President was also considered a paramilitary group. All of them caused enormous personal and material damage to the nation.

Because of their importance, the guerrillas and their indoctrination deserve a separate section in the above-mentioned chapter. The guerrillas were the primary instigators of the violence supported by various sectors of the Unidad Popular, which relied on it in some cases as the only means for definitively taking over total political power.

In considering the military aspect, we relate the cunning brought into play by the Unidad Popular administration to compromise politically the Armed Forces and the Carabineros which, given their high moral sense and their acumen, succeeded in not falling victim to the stratagem to penetrate, divide, and discredit them before the people.

During the Unidad Popular government, what had been extraordinary throughout the history of the Republic of Chile became routine, such as Cabinet Ministers being forced to leave office by order of Congress, upon proof that they had violated the Constitution. Seven Ministers were removed from office from January 22, 1972 to July 19, 1973, in which cases President Allende mocked the law by removing them from office and immediately thereafter naming them to other positions of equal rank.

Disrespect for law and order reached such an extreme that the Supreme Court of Justice, in a resolution of May 26, 1973, informed the President of the Republic that there existed "not only a crisis in the legal system but a peremptory or imminent collapse of the country's legal structure."

---

[1] See Annex 1 (Page 49 of the book *El Frente de la Libertad de Expresión*).

LEADING NOT FOLLOWING

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. FORSYTHE. Mr. Speaker, the full legislative calendar of the House as it returns from the Memorial Day recess amply testifies to the massive amount of work remaining to be done in the next few months. Possibly most notable of the issues to be dealt with is the pressing need for meaningful legislation in the area of energy conservation and development. Such a difficult problem often seems to throw the weaknesses inherent in the democratic process into sharp focus. Does the desire for reelection often outweigh the need for meaningful though unpopular legislation? So the dismal record of this Congress in attempting to deal with this vital matter would seem to indicate. While the next energy crisis inexorably approaches, Congress seems to be unwilling to risk the wrath of its constituency by imposing the measures needed to achieve some control over the country's energy destiny.

Perhaps, however, the Congress is underestimating the people it represents. Polls, indeed, indicate that the public appears willing to make the sacrifices necessary to solve the problem. And perhaps Congress is also underestimating the ability of the people to distinguish between the meaningful attempts to deal with an unpleasant subject and the meaningless rhetoric of "politics". As the next stage for the energy debate is prepared, I would like to provide my colleagues with the following editorial from the Los Angeles Times as a definition of the word "politics." The days ahead should provide the best indication of whether this difficult energy problem will highlight the strengths as well as the dangers inherent in our democratic process, of whether or not the 94th Congress considers "politics" to be "showing vision and not hesitancy, leading not following."

[From The Los Angeles Times, May 15, 1975]

MUCH WHEEZING, LITTLE ENERGY

The energy tax bill package produced by the House Ways and Means Committee is so weak that no bill at all would be better.

It can be changed and made tougher when it gets to the House floor. If it isn't, it should be defeated. If Congress passes it unchanged, the President should veto it. Its adoption would lead the country to think that something serious had been done, when it hadn't. Better to start all over again.

What it came down to was that the committee chose not to face its responsibilities, but to evade them. Chairman Al Ullman (D-Ore.), trying to explain what happened, said that if there were another Arab oil embargo "we'd get an energy bill out overnight." Brave words, but they miss the point.

The point is simply that Congress has had more than 18 months since the original embargo to do something about making the United States less vulnerable to supply shortages by adopting a wideranging fuel conservation program so that imports could be reduced.

The committee, which is where the action is, hasn't contributed much to that purpose. After months of huffing and puffing, it has finally wheezed out an approach that would do little more than assure a continuation of what has aptly been called gluttony as usual in energy consumption.

The problem was an inability to make the hard dollars-and-cents decisions to achieve energy savings through the price mechanism. One of the more feasible ways to conserve energy is to make it cost enough so that waste and marginal uses will be ended or drastically reduced. President Ford wants to do that by imposing relatively modest new taxes on both imported and domestic petroleum, and by lifting price controls from domestic crude oil. The principle of that approach is sound.

The committee thought that imposing progressively higher taxes directly on gasoline, if future consumption exceeds 1973 levels, would be a more powerful conservation tool. The mechanics of its plan raise doubts, however. Gasoline taxes could go up as much as 23 cents a gallon, but once taxes passed an additional 7 cents a gallon the government would begin end-of-the-year cash payments to everyone in the country 16 or older. Each cent-a-gallon increase, though, equals about $1 billion a year. It is most unlikely that the government would go through with tax increases of this size; the political temptation would be to invoke the escape clauses in the bill that permit the government to avoid imposing the scheduled tax increases. What then of conservation?

Among the committee's more notable failures was its retreat on auto fuel efficiency standards. What it could have done was set a 19-mile-per-gallon minimum fuel standard for 1978 cars—which is technically achievable—with an excise tax imposed on those falling below the mark. Instead, it set an 18-m.p.g. fleet standard—i.e., an average for all cars produced by a manufacturer—with year-end penalties to be paid by a manufacturer in a lump sum. Such penalties almost surely would be passed on in the form of higher prices for the following year's models, no doubt including higher prices even for those cars that give good fuel economy.

Is this really the best that the committee or Congress can do? Some would say it is, given the political realities. But politics is much more than shying away from doing what may be politically unpopular at the moment. Politics at its best means acting in the true long-term interests of the nation, doing what must be done, showing vision and not hesitancy, leading and not following.

TOO MUCH GOVERNMENT BY DECREE

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. LEVITAS. Mr. Speaker, more and more Americans have become aware that the excesses and aberrations in the Federal administrative rulemaking process are the main cause of the private citizen's and the business person's growing cynicism about the responsiveness of his Government. The view that our own Government is the enemy, rather than the friend or servant of the people is, in large measure, traceable to the actions of a faceless, depersonalized bureaucracy.

Time and time again, the principles embodied in good legislation are lost by the time the unelected bureaucratic rulemakers publish their regulations. The rules, which are really laws, are now being ground out at the rate of almost 6,000 per year as compared to about 600 acts of Congress in the same period.

It is absolutely essential that Congress regain control over this administrative lawmaking process, especially when the violation of these rules—many of which are unreasonable and far beyond, or contrary to, the original purpose of Congress—can result in a citizen's being fined or going to jail just as surely as if he had violated an act of Congress itself.

Congress has the opportunity, during this Congress, to begin to remedy the problem. To this end, I introduced H.R. 3658, which would establish the Administrative Rulemaking Control Act, and over 50 Members have already joined with me in cosponsoring this legislation. The bill has also been introduced in the other body by Senator JAMES ABOUREZK of South Dakota. It is inconceivable to me that this Congress will permit this problem to be unanswered.

This is an issue that addresses itself to the rights of individual citizens. It concerns the basic relationship between an individual and his Government. It is highly appropriate for this Bicentennial Congress to reassert these founding principles of constitutional liberty.

Growing and widespread concern about this situation was recently reemphasized in an excellent article that appeared in the May 1975 issue of Reader's Digest written by John Barron and entitled, "Too Much Government by Decree." While Mr. Barron's frightening article still only describes the tip of an iceberg that imperils our ship of state, it should bring the point home to us how deep the public's concern is running, and how much they are looking to Congress to provide an answer. For this reason, I insert at this point in the RECORD, and commend to each of you, the following article so that it may spur us into action:

TOO MUCH GOVERNMENT BY DECREE

(By John Barron)

The decree from the Environmental Protection Agency (EPA) fell upon Bostonians like an edict from some ancient king. Beginning March 1, 1975, no one might park on a downtown street between 7 and 10 a.m. Forty percent of all spaces in Boston's parking garages must be kept empty during the same hours. Employers must eliminate one fourth of all employee parking spaces. By making it difficult, if not impossible, for Boston workers to drive to their jobs, the Washington bureaucrats who handed down these sweeping orders hoped to reduce air pollution.

Boston community leaders were appalled. "We cannot eliminate the car until there is a viable alternative," declared Mayor Kevin White. Businessmen predicted serious economic loss and unemployment, as well as personal hardship and traffic chaos. Nevertheless, the EPA all last year stubbornly proclaimed its determination to compel Bostonians to do what it wanted, regardless of the consequences. Repeatedly it warned employers that they were liable to a year's imprisonment and a $25,000 fine if they disobeyed. Threatened with Congressional intervention, the EPA finally, last February, modified its Draconian decrees and granted the city more time to gird for their effects. Grateful for the reprieve, Boston Chamber of Commerce executive William F. Chouinard nonetheless said, "I hate to think what might have happened if we had not fought like hell."

MASS MEDDLING

Even though postponed, the orders arrogantly visited upon Boston are symptomatic of an insidious change which is occurring in governmental processes. Traditionally, Americans have been governed according to laws enacted by elected representatives answerable to voters. Today, Americans increasingly find their lives regulated by decrees emanating from bureaucrats who are, in effect, accountable to no one.

The stream of bureaucratic dictates pouring out of Washington has turned into a flood. In 1973, the *Federal Register* needed 35,591 pages to publish all the new decrees and decisions; last year it required 45,422 pages. Random examination of the *Register* suggests how far the bureaucracy has thrust itself into the ordinary business of ordinary people. Navel-Orange Regulation 311, for instance, prescribes how many oranges may be shipped from California and Arizona counties during a specific one-week period. Contractors in Allegheny County, Pa., are informed that their bricklayers must be paid $9.25 an hour, whereas bricklayers in Adams and York counties, in another part of the state, can receive $7.65. Arbitrary *Register* regulations may nullify a union contract, require a corporation to spend millions on new equipment, or deny a town the right to approve a new shopping center.

Consumer advocate Ralph Nader points out that senseless or incompetent rulings by federal regulatory agencies drive up prices by suppressing competition, stifling innovation and perpetuating inefficiency. A Senate subcommittee estimates that private business spends $18 billion annually on paperwork demanded by federal bureaucrats, while the General Accounting Office calculated that 1973 paperwork cost the government itself $15 billion. But the gravest consequence of all this bureaucratic meddling carries no price tag. It is eloquently summed up by Sen. Sam Ervin (D., N.C.), Congress' leading constitutional authority, who retired this year after presiding over the Senate Watergate investigation. "Government by bureaucratic decree threatens freedom itself," Ervin declares. "The pursuit of no goal justifies the destruction, or even the erosion, of freedom."

Few Americans would dispute that abolishing racial discrimination, promoting industrial and consumer safety, and cleaning up the environment are worthy goals. The trouble is that Congress has created vast new bureaucracies with sweeping powers to pursue such goals as they see fit. All too often, the results are tragic.

BUSINESS BUSTER

Marlin Toy Products, Inc., in Horicon, Wis., used to provide jobs for 85 of the town's 1400 residents. Its most profitable products were two popular toys designed for babies. One was a transparent plastic sphere containing artificial birds and tiny, bright-colored plastic pellets. The other was a similar sphere containing pellets and artificial butterflies. When the spheres rolled, the birds or butterflies fluttered, the pellets rattled and a child enjoyed motion, color and sound.

In November 1972, the Food and Drug Administration (FDA), then responsible for product safety, suddenly informed Marlin that the toys were unsafe, reasoning that, if a sphere broke, a child might be tempted to eat the pellets.

Since Marlin first marketed the toys in 1962, millions of Americans had purchased them. Not one had complained to the company of any harmful results. The toys had already passed three rigorous safety tests—Marlin's, an insurance company's and a department store's. Nevertheless, Marlin agreed promptly to recall all the spheres and remove the pellets. Within a month, the FDA said it was satisfied and promised to remove the toys from the next published list of banned products.

Marlin proceeded to manufacture hundreds of thousands of the toys, hoping to recover, through the 1973 holiday sales, the losses from the 1972 recalls. But in September 1973 the newly formed Consumer Product Safety Commission (CPSC) issued a "Special Holiday List" of dangerous toys whose sale was prohibited—including the toys Marlin had redesigned months before to FDA satisfaction.

Not until early December did frantic company and Wisconsin officials succeed in getting CPSC to acknowledge that it had made an "editorial error." It was too late. Stores all over the country had cancelled toy orders, and Marlin had lost at least $1.2 million. Today the company is on the verge of collapse.

"ARBITRARY . . . CAPRICIOUS"

Congress in 1970 created the Occupational Safety and Health Administration (OSHA), endowing it with authority to dictate work rules to virtually every segment of American business, from the corporate giants of Detroit to mom-and-pop shops at rural crossroads. OSHA inspectors can walk into any business unannounced, search the premises without a warrant and levy fines without a hearing or trial. Industry and labor alike recognize that there are industrial hazards which require intelligent remedies, but too often OSHA simply makes a nitpicking nuisance of itself. Consider:

In Newport Beach, Calif., an OSHA inspector visited Blackie's Boatyard, where owner Arsene "Blackie" Gadarian and six workers repair small craft. Pointing to a man without a life jacket who was working in a boat tied to the pier, the inspector asked, "What would happen if he fell in the water?"

UMI

"He would stand up," Gadarian replied. "The water's only three feet deep all along the pier." Still, the inspector thought there should be a ladder at the pier's end. Gadarian said he would nail up a ladder.

Three weeks later, OSHA formally notified Gadarian that he had violated its ladder regulation—Section 1501.84(c)(4)—and was liable to a fine of as much as $1000. When Gadarian asked to see the rule, OSHA sent him a 248-page document a month later. Nowhere could Gadarian discover any reference to ladders. Asked for clarification, OSHA sent a 48-page supplement saying only that a ladder must be installed in the vicinity of a dock where boats are repaired.

Because Gadarian already had four ladders near his pier, he decided to appeal the fine. OSHA set the fine at only $15, but Gadarian refused to pay.

A battery of government lawyers assembled to argue the OSHA case before a specially appointed federal hearing examiner and a flock of other federal officials. Gadarian, helped by his wife, acted as his own lawyer. The proceedings lasted four hours before Gadarian's innocence was certified. Gadarian's wife would not let him buy a transcript of the proceedings. It cost $500.

OSHA can be just as foolishly autocratic in dealing with big matters as with little. At a cost of $100,000 annually, the Continental Can Corp. effectively safeguards its employes from noise by providing comfortable ear protectors and insisting that they be worn. OSHA itself admits that the protectors reduce the noise level well below federal standards. Nevertheless, OSHA demanded two years ago that Continental Can "engineer" noise abatement by building sound shields around thousands of machines at a cost of $33.5 million—contending that some workers might be too "ignorant or obstinate" to wear the ear protectors. Continental contested the OSHA decree.

After reviewing 1000 pages of testimony, Judge Robert N. Burchmore last October issued what added up to a searing indictment of both the judgment and the competence of OSHA. A government "expert" had claimed that sound shields could be designed and installed in two months. The court ruled that after seven more years of research it *might* be feasible to install them. OSHA had had to admit that it had found not a single employe who was not wearing the ear protectors. Judge Burchmore dismissed the OSHA ruling, calling it "arbitrary to the point of capriciousness."

PASSION AND THE POLICE

The Equal Employment Opportunities Commission (EEOC) was created to ensure that employers should not discriminate against minorities in hiring and promotions. But the EEOC now ranges far beyond this stated mission; its flagrant excesses have provoked outspoken criticism from even longtime champions of minority causes.

Late last year, for example, the EEOC issued an astonishing set of decrees against the police department of Houston, Texas. By EEOC's own admission, this department has had, in recent years, a commendable record of employing minority personnel, who presently compose about 40 percent of the force. But the Houston police require that applicants have a high-school diploma, and they refuse to hire convicted criminals, people dishonorably discharged from the armed services, and those with a history of defaulting on debts.

The EEOC asserted that the ratio of individuals convicted of crimes, dishonorably discharged from the military, or marked as bad credit risks, is higher among blacks and other minorities than among whites.

Therefore, ruled the agency, the Houston police department is guilty of racial discrimination and must cease investigating the backgrounds of prospective officers. It threatened legal action unless the Houston police opened their ranks to convicts, those with dishonorable discharges from the armed services, those who had not completed high school.

"If we do not even have the right to ask a man if he has been convicted, we could turn over the department to a bunch of criminals, the very element we're supposed to fight!" exploded Chief Carrol Lynn. "Hire a convicted kidnaper, burglar, rapist, murderer as a policeman? My God!" Houston's leading black newspaper, *Forward Times*, published a full-page editorial ridiculing EEOC and defending the police. To all protests, the EEOC has so far responded with bureaucratic contempt for common sense.

Meanwhile, EEOC's real business often goes unattended. It has a backlog of 100,000 cases, and now takes an average of 28 months to process a complaint. In their passion to pursue their mandate, EEOC investigators frequently fail to get facts straight. As a result, the EEOC general counsel has to return to the field as "unsuitable for litigation" between 80 and 90 percent of the cases submitted to his office. Yet this is the bureaucracy that has the power to impose racial and sexual quotas at all levels of business, and to drag any employer into a costly lawsuit at will.

THE SINGLE MOST POWERFUL

But the Congressional creation that threatens to grow into the most fearsome bureaucratic monster of all is the Environmental Protection Agency. Under a pervasive umbrella of power conferred by the National Environmental Policy Act, the Clean Air Amendments, the Water Pollution Control Act and the Noise Control Act, EPA has claimed for itself authority unprecedented in American peacetime history. Indeed, Prof. Irving Kristol of New York University recently wrote: "If the EPA's conception of its mission is permitted to stand, it will be the single most powerful branch of government, having far greater direct control over our individual lives than Congress or the Executive or state and local government." Professor Kristol does not exaggerate. Consider:

EPA asserts the right to veto construction of virtually anything that might generate a substantial volume of traffic. Thus, unless Congress intercedes, as of January 1, 1976, local communities may not permit development of a major shopping center, hotel, stadium or factory without approval from Washington.

In Gary, Ind., the U.S. Steel Corp. tried to meet EPA requirements by building two new installations of non-polluting furnaces. But initially their output was limited by factors beyond the company's control: a power failure that damaged its furnaces, the coal strike and a construction strike. So U.S. Steel last fall asked EPA permission to keep its one remaining openhearth installation in operation six months more. It was told that the installation could be kept open for three months with a $2300 fine for each day of operation. Instead, the company closed the installation, and hundreds of workers are losing their jobs as a result.

An infestation of deadly tussock moths in 1972 defoliated 174,000 acres of magnificent Washington and Oregon forests. To prevent further ravages, state officials and conservationists pleaded with EPA to allow a carefully controlled spraying of DDT. EPA stubbornly refused even a temporary removal of its ban against DDT. Unchecked, the multiplying moths by the summer of 1973 had afflicted 700,000 acres of timber. Faced with Congressional uproar and a lawsuit, EPA in February 1974 relented and authorized use of DDT. Helicopters sprayed the forest, and the infestation ended. But the devastation inflicted by doctrinaire bureaucrats endures.

ULTIMATE REMEDY

Nearly two centuries ago, the people of Boston started one of history's most important revolutions in the name of freedom. In the years since, millions of Americans have risked their lives to preserve that freedom. It is inconceivable that we will now sit back passively and allow it to be lost to bureaucratic usurpation.

The remedy lies in Congress, which created the problem in the first place. Congress should reappraise each federal agency, with a view to outright abolition of those that have obviously outlived their usefulness. It should withdraw from the others the vast grants of arbitrary power that it has bestowed. And Congress should define the powers left to bureaucracies in language so clear and explicit that no officials can expand their power beyond Congressional intent. Finally, broad national policies required to protect consumers, workers, minorities and the environment should be implemented through specific legislation rather than bureaucratic fiat.

If the people don't like the results, then—in the next election—they can remove the members of Congress responsible. That is why the American system has always provided that power must be exercised by elected representatives instead of by bureaucrats who have earned the vote of no one. If freedom is to survive, power must remain in the hands of elected representatives.

MOORHEAD URGES SUPPORT FOR H.R. 4485 CONFERENCE REPORT, THE EMERGENCY MIDDLE-INCOME HOUSING ACT OF 1975

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, as one of the conferees on H.R. 4485, I wish to share some thoughts with my colleagues on the Emergency Middle-Income Housing Act of 1975, in anticipation of Thursday's debate on the conference report.

This legislation represents a thoughtful, creative, and desperately needed program to stimulate our economy, prime the homebuilding industry, and help the many middle-income American families who wish to own a house but find it beyond their means.

A fair question posed by this conference report is just what is the emergency that prompts a proposed $1 billion injection of economic stimulus into the weakened housing industry?

We all know the sorry statistics.

The national unemployment rate is 8.9 percent. This means more than 8 million Americans want but cannot find work. If you add to this the 1.1 million "discouraged" workers who have just given up looking for jobs and the 3.9 million part-time workers who would like full-time jobs, you have an effective unemployment rate of at least 11.9 percent.

Unemployment in the construction trades is approximately 20 percent nationally, with some local jobless rates reaching 30 or 35 percent, as is the case in my city of Pittsburgh.

Interest rates on mortgages, despite overflowing savings and loan coffers, remain around the 9 percent level. In the face of the highest inflow of savings in history, the FHA loan rate has just gone up from 8 to 8½ percent.

Approximately 400,000 units of single family housing, built in the past 12 months or so, continues unsold, which means that builders and developers cannot recover capital necessary to invest in further housing and create jobs, until the present inventory is significantly depleted.

Despite a 2-percent climb in housing starts from March to April, April's rate was down 37 percent from what it was 1 year ago.

Similarly, housing permits were up in April, yet they were still 31 percent lower than the same period in 1974.

Traditionally, the homebuilding industry and the auto industry have been in the vanguard that leads the economy out of its slumps.

It is obvious that Detroit faces challenges that will change the character of that industry for years to come and render it incapable now of helping the national economy. So it seems the housing industry must shoulder the major burden of leading the Nation out of its doldrums and back on the path to growth.

And make no mistake, there will be no major economic recovery in this Nation until the housing industry gets well.

When new homes are being built, not only are construction tradesmen working, but there is a demand for wood, glass, carpeting, plumbing supplies, and other materials—all of which means jobs in those respective industries.

Homebuilding is a linchpin industry, which if properly "fanned and fed," can revive the national economy in a very decided manner.

It has been estimated the new houses contemplated by this legislation should generate 500,000 man-years of employment in construction, manufacturing, and related industries.

With a near 40-percent unemployment among residential construction workers—in an overall construction industry that has 20 percent unemployment—these new jobs will mean a cutback in Government outlays for unemployment compensation, food stamps, and other aid to the unemployed.

Homeowners pay taxes. Federal and local tax revenue generated by these new starts will be in the range of $2 to $3 billion.

That is why the conference report we will be voting on Thursday is so vital.

Title I is the heart of H.R. 4485, and as such has generated the most controversy.

Title I is designed to stimulate the construction of up to 400,000 new homes for middle-income families by offering eligible recipients either a short-term 6-percent subsidy, a 7-percent loan for the life of the mortgage, or a $1,000 grant to be used as a downpayment on a home purchase.

The assistance is available to anyone earning up to 120 percent of the area median income, as determined by HUD. Eligible recipients can get either a subsidy or the $1,000 downpayment grant, not both, and cannot "double-dip" by taking advantage also of the $2,000 tax credit for new home purchases which the Congress approved earlier this year.

In addition, if a home purchased with the 6-percent subsidy or the downpayment aid is sold at a profit within 7 years of purchase, and the seller does not buy an additional house for at least a year and a half, part of the original subsidy would have to be repaid to the Treasury.

It is the hope of your conferees that this program will assist in the economic recovery of the Nation. Consequently, we have limited to June 30, 1976, or approximately 1 year, the period of this home buying assistance. This is not a program designed forever. It is a sharply defined, short-term emergency, antirecession program which has as its goals jobs and related economic activity.

In writing this legislation, we have created for the first time a housing assistance program for America's middle-income majority, the economic segment of the Nation which bears the brunt of the taxes and receives less attention than its more wealthy and less healthy partners, at either income extreme.

Title II contains a loan program for those homeowners who face foreclosure and loss of their home because they cannot keep up their mortgage payments.

The conference report authorizes loans of up to $250 per month for 2 years to eligible homeowners.

The loans called for in this program are repayable at rates and terms set by the Secretray except that the interest rate on the loan cannot exceed 8 percent.

In February, 1.02 percent of all homeowners were 60 days or more delinquent in their mortgage payments. This represents the highest delinquency rate since 1967. It is obvious that the recession has much to do with this sorry statistic.

While some progress was shown in the April delinquency rate, it dropped to 0.92 percent of all homeowners, there appears to be ample reason for the Congress to create a program to keep thousands of owners from losing their homes and seeing their equity and the investment of years go down the drain because of our current economic difficulties.

As in the case of the emergency middle-income mortgage assistance, the foreclosure loan program is of short duration. July 1, 1976 is the cutoff date after which enrollment in the program ends.

Title III of the conference report has created some concern, not for its budget impact—because that is minimal, but more because it contains several miscellaneous amendments to existing law—none of which were in the bills which originally passed the House.

I believe that each of these provisions is merited because of prevalent economic conditions, failure of the Department of Housing and Urban Development to properly administer laws which this body approved in past sessions, the presence of problems not covered by existing housing laws, and ongoing court actions which demand congressional action.

There are eight miscellaneous provisions. Four are controversial.

The first has to do with extension of the section 312 rehabilitation loan program.

Some have argued that this categorical program keeps alive a function which was purposely folded into last year's community development block grant program. And if we authorize new—albeit very limited—funding for section 312 rehab loans, we should resurrect all of the former community development categorical programs and fund them separate also.

This position fails to consider that section 312 loans preserve housing.

In a time when new houses are not being built and those that are are so expensive that middle-income families cannot afford them, we must take deliberate action to preserve those safe, older homes that we already have.

While many recipient governments are using the community development block grants for rehab loan programs, such as my city of Pittsburgh, not all are. And even in those that plan rehab programs, additional funds always can be used to preserve and improve the older housing stock. This extension and new funding will allow more people to maintain quality homes that otherwise become hovels and useless to the community.

Your conferees also voted to transfer $150 million in funds previously approved exclusively for the section 8 leased housing programs to a set aside category for use by local public housing authorities.

It is contemplated that half, of $75 million of this money, would be available for conventional public housing and turnkey programs.

As the original sponsor of this amendment in the House, I believe—a belief unfortuntely born out by the facts—that the new section 8 program will not be able to serve the housing needs of the poor and elderly for many months to come.

In testimony before our subcommittee, Secretary Hills said that less than 40,000 section 8 units will be approved this year and most of them will be existing housing. Congress approved funding for 350,000 units of section 8 last year. That money is not to be used and will not be used for many months to come because of delays in the issuance of the programs regulations and insufficient incentive to developers to build under the program.

Yet the conventional public housing program, which today serves most of the urban and rural poor living in federally subsidized housing, has been virtually shut down by the administration. Requests for more than 200,000 units in public housing are resting down at HUD, not being acted upon. This measure would shift section 8 money to the conventional program and allow some building for the poor and elderly to go on. This provision, I might add, also contemplates about 35,000 man-years of work for the construction industry. A table of pending applications for conventional public housing follows my remarks.

UMI

Your conferees also extended the authority for HUD to insure section 235 mortgages to July 1, 1977.

This action was necessary because funds for the 235 program were impounded under the Nixon administration. Since that time, a case seeking release of the funds was brought on behalf of the Congress by the Comptroller and currently is pending. An extension of the 235 authority is needed should the funds be ordered released.

The last controversial item involves extension of the deadline of the flood disaster assistance program sanctions.

Quite honestly there were many of us who argued against any extension or weakening of this program, which anticipates severe Federal sanctions when flood-prone communities—identified by HUD—refuse to take necessary zoning and land-use action to prevent major floods.

The withholding of all Federal assistance by the Department has caused many people with existing homes in HUD-identified flood-prone areas to lose any hope of selling their houses with Federal mortgage insurance.

We compromised with the Senate and accepted a 6-month extension of the sanction deadline with regard to existing properties only. In other words no new construction in flood-prone areas can get any service under HUD programs, but an owner of an older house wishing to sell his property still can get HUD aid.

Both Senate and House Housing Subcommittees have agreed to hold hearings on the impact of the flood program sanctions during this interim 6-month period.

The four remaining provisions in the miscellaneous section, which I believe involve no dispute, are: An extension of the remaining funds available under the Emergency Home Purchase Act of 1974 to multifamily housing; extension by 7 months of the period during which people who purchased defective FHA-insured houses can file claims for compensation. This is necessary because HUD lagged 7 months in issuing the programs first regulations; a requirement that HUD keep its promise to provide Indian housing from money not previously set aside for that purpose; and amendment which allows people earning higher incomes, but living in State-financed 236 rental assistance projects, to have their rents raised commensurate with their ability to pay.

I know there will be arguments against these matters and we will hear on Thursday the threat of a Presidential veto, but I believe that an objective analysis of this conference report will reveal that we have crafted a program that can take a major stride toward building houses and making them affordable by middle-income families, provide hundreds of thousands of real jobs in the housing construction and related industries, cut Federal unemployment outlays, generate tax revenue for both local and Federal treasuries, and prove that the Congress can devise successful antirecession programs that are not pork barrel. I urge approval of the conference report when it comes before us on Thursday.

I include the following:

NUMBER OF ACTIVE PUBLIC HOUSING UNITS IN PENDING APPLICATIONS, AS OF FEBRUARY, 1973

(At time of Executive order freezing low-rent housing activity)

State	Number of housing units
Alabama	9,324
Alaska	1,592
Arizona	1,181
Arkansas	4,293
California	8,960
Colorado	2,900
Connecticut	1,335
Delaware	250
District of Columbia	--
Florida	7,236
Georgia	7,235
Guam	--
Hawaii	470
Idaho	965
Illinois	3,399
Indiana	2,075
Iowa	1,065
Kansas	3,765
Kentucky	3,595
Louisiana	5,535
Maine	955
Maryland	1,190
Massachusetts	7,285
Michigan	8,667
Minnesota	8,377
Mississippi	5,603
Missouri	2,273
Montana	440
Nebraska	250
Nevada	1,379
New Hampshire	608
New Jersey	4,499
New Mexico	2,131
New York	21,453
North Carolina	1,778
North Dakota	2,934
Ohio	1,330
Oklahoma	9,002
Oregon	485
Pennsylvania	6,795
Rhode Island	1,880
South Carolina	13,623
South Dakota	831
Tennessee	2,603
Texas	10,139
Utah	350
Vermont	285
Virginia	9,273
Washington	3,200
West Virginia	760
Wisconsin	6,221
Wyoming	--
Puerto Rico	1,060
Virgin Islands	--
United States total	202,834

Source: Statistical Operations Branch, Department of HUD, January 22, 1974.

FRONTIER NURSING SERVICE CELEBRATES 50TH ANNIVERSARY

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. CARTER. Mr. Speaker, this past Wednesday the Frontier Nursing Service celebrated its 50th anniversary of serving the people of Leslie County, Ky. As a physician who has practiced in a rural area for many years myself, I can testify to the tremendous service that the Frontier Nursing Service has rendered in meeting the medical needs of the people of that isolated area. This nonprofit service is staffed by volunteers, and I would like to offer for the edification of the Members of this body an article which appeared in the Cleveland Plain Dealer about the very dedicated director of those volunteers, Miss Kate Ireland:

[From the Cleveland Plain Dealer, May 25, 1975]

CLEVELANDER'S FRONTIER SERVICE LIGHTENS THE LOAD IN HEART OF APPALACHIA

(By Mary Strassmeyer)

On Wednesday, the Frontier Nursing Service, Inc., will mark its 50th anniversary with a ceremony in the Old Capitol Building in Frankfort, the capital of Kentucky, and former Clevelander Kate Ireland will be among the proud participants.

Kate Ireland is the unpaid director of volunteers for the Frontier Nursing Service, which has its headquarters in Wendover, Leslie County, Ky., in the Cumberland Mountains. Just a few miles away, in Hyden, is the new Mary Breckinridge Hospital, which was opened in February to replace the sorely inadequate Hyden Hospital and Health Center.

It is the only hospital in Leslie County and within the FNS territory, which takes in parts of neighboring counties in a 750-square-mile area of the Kentucky mountains. In this area, the heart of Appalachia, according to Miss Ireland, live 18,000 people, many of whom rely on some form of welfare to survive.

The new hospital was named in honor of the woman who founded the FNS 50 years ago, Mrs. Mary Breckinridge. After the deaths of her own two children, Polly, six hours after birth, and Breckie, at the age of four, Mrs. Breckinridge decided to devote the rest of her life to the medical and nursing care of children in a remote area.

She chose Kentucky's Cumberland Mountains for her demonstration because of their inaccessibility. She hoped that if it could be successful in Kentucky, the service could be duplicated in other areas such as the Ozarks. But the Depression came along and Mrs. Breckinridge was hard pressed to keep her original service going.

The non-profit FNS began in a small house in Hyden with a staff of three. Then Mrs. Breckinridge built a house in Wendover and that became the headquarters for the FNS.

From the early days, when horseback and mule team were the only modes of travel from the hospital to the outpost nursing centers, to the modern days of the jeep, Mrs. Breckinridge served as active director of the FNS until her death at age 84 in May, 1965.

Kate Ireland became attracted to the service through her family. "Mrs. Breckinridge traveled around the East and the Midwest, trying to interest people in the FNS," Miss Ireland said. "She came to Cleveland and a committee to aid the service was established here."

Mrs. John Sherwin was probably the first committee chairman here in 1928. She said she cannot remember one before her because "it was a long time ago."

The late Mrs. R. Livingston Ireland followed Mrs. Sherwin as committee chairman. That was how Kate Ireland and her sister, Mrs. Gilbert W. Humphrey, became interested in the service.

Mrs. Humphrey served as a FNS courier in 1938 and Kate Ireland has been with the service a part of every year since 1951 with the exception of the years between 1955 and 1958.

The courier service is made up entirely of volunteers—interested young women 18 years of age and older who have completed high school. The initiates stay for six to eight weeks and are called juniors. If they wish to return, they may stay as long as they desire. They are then called seniors.

The idea for the couriers came from Mrs. Breckinridge's post-World War I experience in France with a motor corps service which was staffed with female chauffeurs.

Kate Ireland became a permanent resident of Wendover in 1967 when she built her home, Willow Bend, there.

Before she went to live there permanently, she herself served as chairman of the Cleveland FNS committee. Today it is Mrs. Paul Vignos Jr.

As director of volunteers, Kate Ireland has full charge of the courier service. Its work is varied. The courier may do the shopping—at one of four supermarkets in Hayden, run errands to the hospital or an outpost center; accompany a district nurse on her daily calls; care for horses and livestock and escort visitors.

Besides Miss Ireland and Mrs. Humphrey, other Greater Clevelanders have served as FNS couriers over the years. They include Mrs. Robert C. Webster, Heidi Mehring and Kathy Vignos as well as some women who have moved out of the Greater Cleveland area.

Because of mounting costs for the Mary Breckinridge Hospital, the FNS has had to ask for money in the past few years. Donations are still needed as the FNS marks 50 years of service to others.

Couriers, too, will be welcomed in Wendover, Miss Ireland said.

Inquiries about courier service and donations may be sent to the Frontier Nursing Service, Inc., Wendover, Leslie County, Ky. 41775.

IRRESPONSIBLE JOURNALISM: A DEFENSE OF CHARLES O. PORTER'S DISTORTIONS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. McDONALD of Georgia. Mr. Speaker, in his efforts to avoid the issues raised by his holding an executive position in an important Communist Party, U.S.A. front, the National Committee Against Repressive Legislation—formerly the National Committee to Abolish HUAC/HISC, Mr. Charles O. Porter appears to have descended to disgraceful distortions and personal threats.

I offer the following syndicated column by Tom Tiede which appeared last week:

ABUSE OF FREE SPEECH

(By Tom Tiede)

WASHINGTON.—The United States Congress, being the flower of democracy, exercises freedoms of a scale going far beyond any other institution in the land, particularly concerning the freedom of speech. Though every other American from president to proletarian is limited as to what he can legally say, and about whom he can legally say it, federal legislators in session have naught but their own consciences to guide them.

And so it should be. Lawmakers muzzled would be lawmakers cowed, therefore the good of the nation suggests they be assured immunity from arrest or suit regarding opinions made during their deliberations.

Occasionally, however, the obvious necessity of this immunity is questioned by its potential for misuse. Recently, by example, one member of Congress has called a former member a Communist sympathizer—and the ugly matter raises the wonder of whether immunity should have its bounds.

The situation is this: Rightest Rep. Larry McDonald of Georgia, who has spent the better part of his first term publicizing groups and individuals he believes to be Communist oriented, has on two occasions inserted into the Congressional Record items condemning the activities of former member Charles O. Porter.

Porter, a two-term Democrat from Oregon, now practicing law there, was said by McDonald to have "known involvement with the Communist party" for the last decade.

The known involvement, according to the charge, was Porter's membership in various liberal organizations (one promoting public ownership of power companies, another opposed the old House UnAmerican Activities Committee, etc.). McDonald believes the groups to be Communist-inspired or operated, and has, via Congress, cautioned Porter "to carefully re-examine his record and be absolutely sure this is the road he wishes to take."

The affair, up to now, has been little noted. Few people in the country read the Congressional Record for one thing, and few others pay much attention anymore to accusations of Communist culpability. Not a word of the charge against Porter has appeared in his hometown paper, and he says he has received no contrary response of any kind. "If I run for public office again," says Porter, "somebody may dig this up, but otherwise I don't think anybody cares. It's something of another age."

Yet if the Communist charge has raised little dust, the propriety of it, and the implications of it, remain significant. And not just for Charles Porter, but every private citizen. "What if McDonald had charged me with something more serious;" asks Porter. "What if he said that I had cheated my clients, or that I had taken money not mine?

"That accusation, even though patently false, could destroy my reputation and my business. But he would still have complete immunity from prosecution and I would still not be able to fight back in the courts."

And so the wonder is this: Is there no limit to a lawmaker's immunity? Porter says there isn't, not at least so far as private citizens are concerned. "If a seated member of Congress libels another seated member, that's against the rules. But it's okay to do it to anybody else."

Any citizen, then, is a potential target for character assassination or social ruin. Except for language considerations, members can write into the Congressional Record whatever they wish, against whomever the disfavor, and the accused is powerless to seek legal recourse.

But should the situation be changed? Porter, for one, says no. "The right of a member to speak his mind without the threat of legal harassment is paramount; if we tamper with that we weaken the entire legislative structure."

A better way to protect citizens against such abuse, he thinks, is the voting way. "Personally, I'd like to seek out Rep. McDonald and kick him in the groin. But I suppose I'd be just as happy if the people of his district realize what he is and what a danger he is, and vote him out of office the next time around."

While the CONGRESSIONAL RECORD is unable to match the readership of a column distributed to some 800 newspapers, the partisan nature of this column requires a reply.

As my colleagues who have been following this tedious series of exchanges are aware, but apparently Mr. Tiede is not, the issue of the matter remains that the letterhead of the National Committee Against Repressive Legislation lists Mr. Porter as chairperson of the Northwest Committee Against Repressive Legislation under the subtitle, "Western Regional Office."

NCARL was thoroughly investigated by a committee of the House which discovered that 7 of NCARL's original 15 national leaders were identified members of the Communist Party, and that the organization was—and is—run by identified CPUSA member Frank Wilkinson. Together with other evidence, NCARL was found to have been created by the Communist Party "to lead and direct the Communist Party's operational abolition' campaign" to end all congressional investigation of subversive activities.

Contrary to Mr. Tiede's implications, if there is any "fault" in this controversy, it lies with Mr. Porter for making this public record of activity rather than with me for citing it.

It is a great disappointment to read in Mr. Tiede's column distortions and untrue allegations more suitable for the pages of the Daily World. Specifically that I have called Charles Porter a "Communist sympathizer" and that I, or any other Member of Congress, would make any citizen "a potential target for character assassination or social ruin," with "the accused" being "powerless to seek legal recourse."

Mr. Tiede would know, if he had read the CONGRESSIONAL RECORD or had asked for copies of the items from my office, that I placed all of Mr. Porter's letters to me in the RECORD, the official published procedings of Congress, together with my responses.

If Charles Porter objects to the public record of his 10-year association with a major Communist front, he has himself to blame for having made it. Yet if he has had a change of heart, I ask him to resign his office with NCARL and repudiate its goals and those of its masters.

Concerning matters of contemporary history, if the public record is distressing to any of those involved, we should remember that it is the fault of those who made the record, not of those who merely report it.

JAPAN'S NUCLEAR POWER PROBLEMS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1975

Mr. AuCOIN. Mr. Speaker, I am honored to call Mr. Ivan Bloch of Bend, Oreg., a friend and an adviser on matters relating to energy. Mr. Bloch has dedicated his life to electric power generation and has been an industrial consultant in that field for many years. He has served as consultant for U.S. Secretaries of the Interior as far back as Harold Ickes and served as chief of the Industrial and Resources Development Division of the Bonneville Power Administration from 1938 to 1947.

Mr. Bloch recently sent me an article, first published in the Far Eastern Economic Review, that reports some of the problems Japan has been having with nuclear power generation of electricity. In view of our own projected shortages in electric power, I want to call this arti-

UMI

cle to the attention of my colleagues and the general public.

These difficulties, which have their parallels in our own nuclear industry, emphasize the need for a major effort in energy conservation and in research and development for alternative energy sources. This should be in the form of a crash program, similar in priority to the Manhattan project, and funded at a level substantially higher than the increases provided in Project Independence. Further, our research and development program needs to correct the heavy skew it has in the direction of nuclear fission power generation.

The article follows:

TURNING OFF NUCLEAR POWER
(By Henri Hymans)

TOKYO.—Japan's ambitious plans to diversify its energy sources away from imported oil to atomic power have hit serious snags. One after another, atomic power stations are grinding to a halt. Of Japan's eight nuclear reactors, which have a total power generation capacity of nearly 4 million kilowatts, only two are functioning properly, while the operation of six reactors has had to be halted for prolonged tests and repairs. And projected power stations are likely to be delayed or even abandoned.

Less than two years ago, the Ministry of International Trade and Industry (MITI) was propagating nuclear energy as a clean and economical source of energy that would decrease Japan's overwhelming reliance on oil imports. "The development [of nuclear energy] will probably be our greatest gift to our grandchildren," said a MITI White Paper on energy published in late 1973. The ministry then hammered out an ambitious plan that envisaged a nuclear generation capacity of 60 million kilowatts—a quarter of Japan's total power capacity—by 1985.

At that time, a number of Japanese nuclear scientists warned that Japan was moving much too fast in the field of nuclear energy. They cautioned that the problem of safe disposal of radioactive waste had not been solved, while medical experts warned that reliance on atomic power would release vast amounts of radioactivity into the environment and cause a sharp increase in cancer deaths.

Raw-material experts of some of the major electric power companies voiced fears about future shortages of enriched uranium, and MITI's low cost estimates. But all these warnings fell on deaf ears when oil prices soared at the end of 1973. Many Government officials saw atomic power as a panacea and began to talk about stepping up its development.

Not only did MITI planners ignore the fact that many other countries had similar plans and that the cost of enriched uranium and atomic power plants was bound to rise sharply (almost all enriched uranium supplies are imported, and 50% of atomic power station equipment comes from the US), they also failed to reveal that most nuclear reactors had shown defects and had to be closed down for considerable periods.

The break-even point for atomic power generation is an operation rate of about 80% of capacity, but the average operation rate of Japanese nuclear reactors has been a mere 50% in the past eight months, making nuclear energy uneconomical. Cracks and flaws in steam generator tubes, deformed fuel rod cases and accidents have halted the operation of pressurised light-water reactors (PWRs) as well as boiling water reactors (BWRs). The BWRs were regarded as much safer, but even this has been a miscalculation and not a single BWR is now operating.

Although no fatal accidents have been reported so far, radioactive leakages are causing alarm in Fukui (north of Kyoto) and Fukushima (north of Tokyo) prefectures, the main centre for nuclear power stations. The ill-fated voyage of the atomic-powered ship "Mutsu," which was leaking radiation hardly helped the image of atomic power in a country that still remembers Hiroshima and Nagasaki.

Angry environmentalists are threatening to block the start of four huge new reactors, with a combined capacity of 2.7 million kilowatts, which are scheduled to go into commercial operation during the next four months. In January, 403 residents of Fukushima prefecture filed a suit against the Government to prevent Tokyo Electric Power from building a boiling water reactor with a capacity of 1.1 million kilowatts near their villages.

Campaigns against atomic power are being waged in many parts of the country, and other suits to prevent or postpone the construction of reactors are under preparation. Besides the four reactors that are presently undergoing test runs, 11 more nuclear power plants with a combined capacity of nearly 10 million kilowatts are now under construction and will be completed by 1978.

But unless the industry drastically improves the safety of existing nuclear plants and finds ways to solve the radioactive water disposal problem, there seems little chance that MITI's target of 60 million kilowatts by 1985 will be realised.

MITI chief Toshi Komoto admitted recently that popular opposition to nuclear power stations is making it increasingly difficult to find sites for new reactors, and that the 1985 target may have to be scaled down to 30–40 million kilowatts. Even this reduced target is regarded as too dangerous by outspoken critics of the Miki Government's nuclear energy plan.

One nuclear physicist who is more preoccupied with safety than economic growth stated that the Government's nuclear power scheme may help Japan's gross national product to grow faster again, but that it could create pollution problems which would make the Minamata mercury pollution tragedy look like a minor accident.

Another prominent nuclear physicist says that Government officials only "pay lip-service to taking stringent safety measures before starting commercial operation of nuclear power plants." He believes that official assurances of the safety of nuclear plants in case of earthquakes are by no means convincing.

Asked why the Government is promoting nuclear energy so strongly when the risks are so great, the scientist answers that the Administration and private enterprise have already invested some US$7,000 million in the atomic power field, and that more than 54,000 scientists and technicians are presently engaged in nuclear research and development. Only a few academics and scientists who have no connection with the Government's Atomic Energy Agency dare speak out. Most are too closely linked with MITI and industry, and fear being ostracised by the nuclear community if they object to projects which have been approved by their employers.

Medical experts, however, are more outspoken. Takeshi Hirayama, chief epidemiologist of the National Cancer Centre warns that "the popularisation of nuclear reactors will lead to such an increase in radioactivity in the environment that it will cause approximately 10,000 more cancer deaths a year by the late 1970's." Other scientists fear that the hot coolant discharged from some 80 nuclear power plants by 1985—rising to about 120 plants by 1990—could cause environmental disruption on an unprecedented scale in a country as small as Japan. While fishermen would be doomed, they warn, while other ecological damage is incalculable.

Judging by the present furor over nuclear power plants, MITI will be hard put to come anywhere near its proclaimed targets. And even in Government and industry circles, there are increasing numbers of energy experts who advocate increased exploitation of Japan's traditional energy resources—coal and hydroelectric power—as a safer alternative. Such a switch would turn Japan away from the US suppliers of atomic plant and fuel towards suppliers of coal and oil from China—and perhaps the Soviet Union.

JURISDICTION OVER THE OIL RESERVES AT ELK HILLS SHOULD REMAIN WITH THE DEPARTMENT OF THE NAVY

HON. THOMAS J. DOWNEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 3, 1975

Mr. DOWNEY of New York. Mr. Speaker, between 1912 and 1924, 24 million acres of oil-rich lands were set aside as a savings account of oil for the Navy. Production from just one of these reserves could reach 160,000 barrels per day within 6 months, according to the House Interior Committee, and would increase to 300,000 barrels a day within 1 year, reducing this Nation's dependence on oil imports by those amounts. As a result, there are now two bills before the Congress which would provide for the development of these lands as a means of addressing our present energy crisis.

The reserves at issue consist of four tracks of oil-rich land and three tracks of oil shale which was set aside by a series of Executive orders for the exclusive use of the U.S. Navy in the event of a future emergency. The petroleum reserves consist of:

Elk Hills, Reserve No. 1—46,000 acres which contain known reserves of more than 1 billion barrels of oil and estimated new reserves of about 500 million barrels. Twenty percent of the land in Elk Hills is owned by Standard Oil of California, but the Navy has complete control over production and exploration.

Buena Vista, Reserve No. 2—30,000 acres adjacent to Elk Hills, now largely depleted, containing only 15.6 million barrels of oil.

Teapot Dome, Reserve No. 3—95,000 acres north of Casper, Wyo., is also largely depleted, containing only about 51 million barrels of oil.

North Slope, Reserve No. 4—23.7 million acres near Barrow, Alaska, contains 100 million barrels of oil improved reserves and between 10 billion and 33 billion barrels in estimated new reserves.

In addition, the Navy has three oil shale reserves in Colorado and Utah.

The House Interior Committee on March 18, 1975, reported H.R. 49, a bill which would transfer jurisdiction over the oil reserves from the Navy Department to the Department of Interior and would authorize production at the maximum efficient rate until the oil ran out. Under that bill, the production could be contracted out to a private company through competitive bidding.

Mr. Speaker, I oppose this arrangement because I do not want to see valuable oil reserves disappearing into the hands of the major oil interests, leaving the Department of Defense with nothing in reserve. I believe that such a proposal would threaten our national security. I also oppose the plan because I believe that it would provide an undeserved bonanza to major oil companies.

Mr. Speaker, I believe that the critical military fuel shortages during the recent oil embargo make it clear that we must retain these oil reserves within the jurisdiction of the Navy.

Clearly superior to the Interior Committee bill is an alternative—H.R. 5919—which was reported by the Committee on Armed Services and which I support. The armed services bill would retain the reserves under the control of the Department of the Navy, authorize production of 200,000 barrels a day for 3 years, and require that the oil be used by, or exchanged for, petroleum products to be used exclusively by the U.S. Armed Forces.

I urge my colleagues in the House to support this bill rather than the administrations proposal. We must not allow accelerated exploration and depletion of this vital military reserve. If our current energy shortage precludes us from leaving these reserves untouched, let us begin to explore them with the requisite caution, making sure that we keep sufficient energy resources in our national security bank. Let us evaluate our need for this oil after a long range national energy program has taken shape. The relative importance of production from the naval reserves can be better assessed after 3 years of experience.

Both bills, I am happy to say, would exempt North Slope in Alaska from development until there has been further geological exploration and a subsequent decision by Congress. The environmental impact of exploration in that fragile environment precludes us from acting hastily. We must carefully determine our needs for petroleum production in that area before risking severe environmental damage to that region.

ON THE 29TH ANNIVERSARY OF THE REPUBLIC OF ITALY

HON. MARIO BIAGGI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 3, 1975

Mr. BIAGGI. Mr. Speaker, on June 2, this Nation and the world celebrated the 29th anniversary of the founding of the Republic of Italy. As an Italo-American, it gives me great pleasure to join with the millions of Italians here and around the world in noting this important event in the annals of world history.

The history of the Italian Nation has been a rich one. Many of the foundations of our own modern day democracy were established during the days of the Roman empire, an era when Italians were the preeminent powers in the world. Her later years were highlighted with strife and war but a bold new era in her history was established on June 2, 1946, when the modern day democratic Republic of Italy was established.

Now 29 years later, Italians are again seeking a prominent role in world affairs. It is symbolic that corresponding to the celebration of the founding of the Italian Republic our own President has just completed a trip to Europe which included an important day long visit to Rome. During his meeting with leading Italian government figures, the President indicated that the strong ties between the United States and Italy would continue, and a further pledge was made by this Nation to insure the continued security of Italy and the whole of western Europe. Italy is now on the threshold of assuming an important role in NATO, and her future as a free nation appears bright. Internally, Italy appears on the verge of combating a decade of severe inflation and other economic woes.

On this day it is also fitting to honor the many contributions of the large Italo-American community here in the United States. The Italian influence is felt in virtually every facet of our society. Of particular significance is the role which the Italo-American community plays in the world of politics and the arts. The Italian-American congressional delegation now totals 27, our highest number ever. In the House our delegation is led by Chairman PETER RODINO of the House Judiciary Committee, who etched his own mark in history through this crucial role of the impeachment proceedings of last summer.

In the arts, Italian-Americans can point with pride to the contributions of our members in the film profession. For the second year in a row, Italian-Americans walked off with the highest awards given by the Academy of Motion Picture Artists. Francis Ford Coppola, director of the classic Godfather I and II now rates as the preeminent director in America today.

I hope that as we celebrate this important event, we will look with great anticipation toward 1976, a year when both the 30th anniversary of the Italian Republic as well as our own Nation's 200th birthday will be celebrated. My fervent hope is that this Nation will honor the many contributions which the Italian-American community has made to our Nation's history. We as a people are proud of America, and her history. We are also proud of Italy and her continued strength and vitality as a free nation.

Mr. Speaker, I am honored as an Italian-American to honor this important day. I would like to pay special tribute to the distinguished Ambassador from the Republic of Italy. His Excellency Egidio, Ortona, and wish him continued success and good health in the coming year.

GUN CONTROL

HON. STEVEN D. SYMMS
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 3, 1975

Mr. SYMMS. Mr. Speaker, I have received literally thousands of letters from Idaho and all across the country on the subject of Federal gun control. Those writing represent a broad cross-section of American life, including mothers, businessmen, soldiers, grandmothers, farmers, and city dwellers. They share a love of liberty and a commitment to preserving their constitutionally guaranteed right to firearms ownership. The following letter from my Idaho constituent, now serving in the U.S. Army overseas, is among the most articulate and convincing. Considering the tremendous impact any new legislation in this area would have on the people of our country, and the interest Americans have shown in the gun control issue, I ask that my colleagues take a few moments to read Captain Welch's letter and consider its arguments:

MAY 21, 1975.

Hon. STEVEN D. SYMMS,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SYMMS: As an Idaho citizen and gun owner/collector, I have become increasingly concerned with the appearance of more proposed gun control legislation in the Congress. In my opinion, legislation directed toward the control of firearms is sheer folly. Our own history, in reflection on the prohibition era, cites specific analogies of what could be expected. Laws must be enforced to be effective—to enforce some of the proposed legislation would be impossible, at best. I hesitate to follow the NRA line, but I sincerely believe that legislation directed against the weapon instead of the user would only impose a greater hardship or, in extreme banning legislation, danger on the part of the honest citizen who makes a habit of obeying laws, not breaking them.

As an Army Officer with Vietnam experience, I know first hand and have seen hand guns and rifles, albeit crudely made, but still highly functional, produced by a technically inferior society, yet still possessing the inherent capability to produce very effective results!! Again, as an Army officer, I have other reasons for my view. With our country's ever narrowing vistas world-wide and what appears to me to be a returning trend toward isolationism, I fear what we may be doing to ourselves. The founders of this great nation provided for an armed militia as opposed to the idea of a large standing Army, and it was, and is, a good idea. Our Army is shrinking daily. Universal conscription and training is an idea of the past. Without civilian experience and familiarity with weapons, we would not have a base of bare techniques on which to build, when and if the need should occur.

True, we will still have a regular force, albeit small; even the most asinine must assume this. But these soldiers, by virtue of their very valuable training, must be the technicians and specialists involved in operating our increasingly complicated and technically sophisticated equipment. The great old days of shoot, move, and communicate have changed somewhat, but it is still the foot sore, hardnosed rifleman who will win or lose our next war, and it's facetious to believe that there won't be another.

I also have a very personal reason for my opinion. I would hate to lose those crisp fall Idaho mornings in pursuit of ducks, deer or pheasants. But most of all, I would hate to try to kill a rattlesnake encountered while fishing or hunting by beating him to death with the tip of a fly rod. Additionally, as a target shooter and plinker, my contribution to the economy of the nation and that of my thousands of compatriots, should not be ignored.

In closing, speaking of the handgun alone, it would be a sorry admission, on our part, by some of the proposed legislation, that we, the greatest nation on earth, cannot control our criminal element. How can we violate the

UMI

freedom of millions of honest gun owners in what would be a sorry effort to control the violations of the criminal minority. As a collector and world traveler, the GCA of 1968 ("The Omnibus Crime Bill") has already hurt me numerous times. I can not even bring back to my home a weapon that does not meet someone's circumspect opinion of what is "generally recognized as particularly suitable for or readily adaptable to sporting purposes". How many persons bent on crime fill out the Treasury Form C, may I ask? I sincerely wonder what we were thinking!

Thank you for your consideration. I sincerely hope that the Congress will be able to find other means to control our criminal element rather than to pass additional gun control legislation. The hopes of millions of Americans are riding on that ability.

DENNIS E. WELCH,
Captain, U.S. Army.

HOUSE OF REPRESENTATIVES—*Wednesday, June 4, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Do not be overcome by evil, but overcome evil with good.—Romans 12: 21.

Eternal Spirit, Lord of all nations and Father of all people, we pause at the altar of prayer seeking Your blessing upon us as we enter the duties of a new day. We would not simply bow our heads in a gesture of prayer and then go our own busy ways without You; rather, we truly seek Your presence and the guidance of Your spirit as we face the decisions we have to make, the work we have to do, and the responsibilities we have to carry.

Breathe Your spirit upon us as we pray and send us forth across all barriers of color, creed, and culture bearing witness to the truth of human kindness and the sacredness of every human life. Thus may we be worthy of the trust the Nation has committed to us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

ELECTION AS MEMBERS OF COMMITTEE ON SMALL BUSINESS

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 507), and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 507

Resolved, That Thomas J. Downey of New York and Floyd J. Fithian of Indiana be, and they are hereby, elected members of the Committee on Small Business.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize first a Member on a privileged matter, and after that we will take up as unfinished business the veto message.

PRIVILEGES OF THE HOUSE

Mr. SLACK. Mr. Speaker, I rise to a question of the privileges of the House.

The SPEAKER. The gentleman will state it.

Mr. SLACK. Mr. Speaker, I have received two subpenas which require my appearance before the U.S. District Court for the Southern District of West Virginia. The first subpena requires that I testify on June 9, 1975, in Charleston, W. Va., in the case of Ben-Tom Supply Co., Inc., against V. N. Green Co., Inc., and the second requires that I testify on June 9, 1975, in Charleston, W. Va., in the case of Great American Insurance Co., Inc., against V. N. Green Co., Inc.

Under the precedents of the House I am unable to comply with these subpenas without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

I send to the desk the subpenas.

The SPEAKER. The Clerk will read the subpenas.

The Clerk read as follows:

[U.S. District Court for the Southern District of West Virginia—Civil Action File No. 69–40 CH]

BEN-TOM SUPPLY CO., INC., A CORPORATION, PLAINTIFF *v.* V. N. GREEN & CO., INC., A CORPORATION, ET AL., DEFENDANTS *v.* W. HOLMES SHAVER, THIRD PARTY DEFENDANT

To: John M. Slack, Jr.

You are hereby commanded to appear in the United States District Court for the Southern District of West Virginia, at 500 Quarrier Street in the city of Charleston on the 9th day of June, 1975, at 10:00 o'clock A.M. to testify on behalf of defendant in the above entitled action.

May 1, 1975.

EDWARD W. EARDLEY,
Attorney for Defendant.
P.O. Box 1588, CHARLESTON, W. VA. 25326.

JAMES A. MCWHORTER,
Clerk.
By WILDA STONESTREET,
Deputy Clerk.

[U.S. District Court for the Southern District of West Virginia—Civil Action File No. 70–86]

GREAT AMERICAN INSURANCE CO., A CORPORATION *v.* V. N. GREEN & CO., INC., A CORPORATION, CENTRAL ASPHALT PAVING CO., A CORPORATION, W. HOLMES SHAVER, JOHN M. SLACK, JR., VICTOR N. GREEN AND JOHN W. GREEN, JR.

To: John M. Slack, Jr., House of Representatives, United States Capitol Building, Washington, D.C.

You are hereby commanded to appear in the United States District Court for the Southern District of West Virginia, at 500 Quarrier Street in the city of Charleston, West Virginia, on the 9th day of June, 1975, at 10:00 o'clock A.M. to testify on behalf of W. Holmes Shaver in the above entitled action.

April 28, 1975.

STANLEY E. PREISER,
Attorney for Defendant W. Holmes Shaver.
P.O. Box 2506, CHARLESTON, W. VA.

JAMES A. MCWHORTER,
Clerk.
By MICHAEL D. RELIHON,
Deputy Clerk.

Mr. SLACK. Mr. Speaker, I ask unanimous consent that the Committee on Domestic and International Scientific Planning and Analysis of the Committee on Science and Technology be permitted to sit today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

AUTHORIZING HON. JOHN M. SLACK, JR., TO APPEAR IN RESPONSE TO SUBPENAS OF U.S. DISTRICT COURT FOR SOUTHERN DISTRICT OF WEST VIRGINIA

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 508) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 508

Whereas, Representative John M. Slack, Jr., a Member of this House, has received two subpenas to appear before the United States District Court for the Southern District of West Virginia, one of which requires him to testify on June 9, 1975, in the case of Ben-Tom Supply Company, Inc. versus V. N. Green Company, Inc. (Civil Action No. 69–40) and the other which requires him to testify on June 9, 1975, in the case of Great American Insurance Company, Inc. versus V. N. Green Company, Inc. (Civil Action No. 70–86); and

Whereas, by the privileges of this House no Member is authorized to appear and testify, but by order of the House: Therefore, be it

Resolved, That Representative John M. Slack, Jr., is authorized to appear in response to the subpenas of the United States District Court for the Southern District of West Virginia at such time when the House is not sitting in session; and be it further

Resolved, That as a respectful answer to the subpenas a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON DOMESTIC AND INTERNATIONAL SCIENTIFIC PLANNING AND ANALYSIS TO SIT DURING 5-MINUTE RULE TODAY

NEED OF FAA DECISION ON CONCORDE

(Mr. ADDABBO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADDABBO. Mr. Speaker, I have been informed that the Federal Aviation Administration has decided to put off until September its final decision on whether to allow flights into John F. Kennedy Airport in Queens and Dulles International Airport in nearby Virginia by French and British supersonic transport planes.

If this is true, and I have no doubt that it is, it seems to me that the use of this tactic simply means that the Ford administration has made a firm commitment to England and France, builders of the Concorde, to let their supersonic aircraft thunder across U.S. skies.

It is obvious to me that the decision to put off public announcement of the FAA decision is related to the fact that not until September will the Agency's budget bill be concluded in the Congress. This is a shady and questionable delaying tactic and I would hope that President Ford would disavow himself from any activity that would deprive the Congress and the people of their right to know.

I am very disappointed that the Administration apparently means to ignore the pleas of thousands of citizens in New York and Washington and will go ahead notwithstanding the evidence cited against the applications. Certainly, if there were not pending the matter of the Agency's budget, or if the request were to be denied, there would be no reason to delay any longer the final decision. The evidence against the Concorde is overwhelming both by the public and scientific data.

I am also informed of what I consider to be undue influence by the State Department upon FAA to approve the applications, so that the State Department will find it easier to deal with France and Britain. I would urge that the State Department confine itself to its own areas, which it obviously has difficulty with without additional interference into the functions of other U.S. departments and agencies. And I would urge FAA to answer quickly just why the decision has been made to delay announcement of its final decision on the Concorde.

PRESIDENT'S RETURN FROM EUROPE

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, now that President Ford has returned to this country, I would like to commend him on a highly successful trip to Europe. All of us, I believe, are heartened by the prospect of continued movement toward a just and lasting peace in the Middle East and the apparent success of the meetings between Presidents Ford and Sadat.

The President's consultations in Brussels and his meetings with key European leaders have served to dispel any doubt that might have existed about the degree of our continuing commitment to the North Atlantic Alliance, a cornerstone of our security policy for almost three decades.

I am also pleased to see that, in the spirit of partnership and consultation that has come to characterize the conduct of our diplomacy, Secretary Kissinger will appear before the Committee on International Relations next week to give us a detailed briefing on the results of the President's trip.

I would like to take this opportunity to say: Welcome home, Mr. President, and congratulations on a job well done.

EMERGENCY EMPLOYMENT APPROPRIATION ACT, 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President on the bill (H.R. 4481), an act making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The question is: Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 256]

Alexander	Esch	Passman
Andrews, N.C.	Fish	Peyser
Archer	Fraser	Quillen
AuCoin	Gilman	Ralisback
Badillo	Hawkins	Rees
Burke, Calif.	Hébert	Rostenkowski
Burton, Phillip	Heckler, Mass.	Rousselot
Chisholm	Holt	Santini
Conlan	Horton	Scheuer
Conyers	Jones, Okla.	Shriver
Crane	Jones, Tenn.	Sikes
Digge	Karth	Stuckey
Dingell	Mathis	Teague
Drinan	McCormack	Udall
du Pont	Metcalfe	Wiggins
Eckhardt	Mollohan	Wilson, Tex.
English	Montgomery	

The SPEAKER. On this rollcall 383 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EMERGENCY EMPLOYMENT APPROPRIATION ACT, 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, there is nothing much more demoralizing than for the head of a household to be out of a job. It does something very damaging to people who need work and who want to work to be out of a job.

There are 9 million Americans now, according to statistics, out of jobs. They need to be put back to work in order to increase the productivity and the resources of the United States of America and of course to provide for their own needs. The jobs bill that we passed 2 months ago would put 900,000 men and women back to work.

What precise, overall effect this would have on the economy and to what exact degree it would improve the situation of the American people is hard to estimate, but it could not do anything other than produce good results.

Yes, the unemployment rate is about 9 percent. This is a very high rate, and of course, in many areas is much higher than that. Fortunately unemployment is not high in my congressional district, but we in the House of Representatives must think in terms of the Nation and the needs of Americans everywhere.

The President has asked that we provide hundreds of millions of dollars for public service jobs. I would consider them the most nonproductive of all jobs. They are included, as far as the President's budget estimate is concerned, in the bill which we are going to vote on today, but it was felt by the Congress—and I think I include many Republicans with the Democrats—that if we are going to put people to work and spend taxpayers' money, it ought to be productive work that would increase the resources and economic strength of the country.

Therefore, the 55 members of the Committee on Appropriations combed the Government, so to speak; we combed the budget, so to speak, and we selected projects that were ready to move, where we felt that we could immediately put people to productive effort; and so we passed the jobs bill in early March. It went to the other body, but it has now been vetoed by the President.

When we voted on the bill in the House on March 12, 313 Members voted for it and 113 voted against it.

There was a different feeling among the people of the Nation 2 months ago when we voted on this bill. The situation however, has worsened. Unemployment has worsened, and the President, in his budget, says that next year the unemployment rate will still be about 8 percent—7.9 percent, to be specific—which is an unacceptable level.

I am sure some of the other speakers today will point out just how much it costs the Government—$16 billion, to be exact—for a 1-percent increase in the rate of joblessness. Consequently, I would think that there are men and women in the House who may have voted against the jobs bill when it was before the House in early March but who would want to vote to override today because of the greater urgency of the situation, because there has not been an improvement in the job situation outlook since it is estimated by the Executive that the unemployment rate will be approximately 8 percent next year.

The President says this bill will take effect long after it is needed as a tonic to the economy. By his projections of unemployment, we are going to need some tonic for the economy for quite some time. Yet, these jobs, generally speaking, are ready to impact now, giving people work, productive work.

Therefore, Mr. Speaker, I would urge my colleagues to override the President's veto. How can we do otherwise and not

vote to give people productive jobs at a time when there is so much unemployment and when unemployment costs us so much anyway?

Again, Mr. Speaker, I urge that the veto be overridden by my colleagues. I would point out that if the Members will read the President's veto message, that ought to be sufficient to convince the Members generally that the veto ought to be overridden. There is nothing in the veto message that would give adequate reason to vote to sustain the President, in my judgment.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I rise in support of what my chairman has said.

These public service jobs cost a minimum of $10,000 each. This bill includes, for example, money for small business loans. The Administrator of the Small Business Administration testified before our subcommittee that for each $7,000, they can either provide a new job or save a job, and 92 percent of that money is repaid. Therefore, we get more jobs for the money in this bill by far than we can secure under the administration approach.

Mr. MAHON. Mr. Speaker, let me read a partial list of the areas covered in this bill:

Summer jobs for youths, jobs for older Americans, work-study grants for college students, jobs for youth in the Youth Conservation Corps, an increase in rural water and sewer grants, the improvement and modernization of existing veterans hospitals, reforestation and timber stand improvement, expansion and upgrading of facilities in national parks, increased assistance to small businesses, accelerated construction for public service facilities, and major repairs and renovations of existing Federal buildings.

Mr. Speaker, I urge that the veto be overridden.

The SPEAKER pro tempore (Mr. BOLLING). The time of the gentleman has expired.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan, the distinguished ranking minority member on the committee, Mr. CEDERBERG.

Mr. CEDERBERG. Mr. Speaker, I listened with interest to the chairman of the Committee on Appropriations when the gentleman said there is nothing more demoralizing than having the head of some household out of work. I certainly agree with that, but I also think there is nothing more demoralizing than empty promises. That is what we have here today, empty promises. We are promising something in the way of emergency jobs when there are few emergency jobs in this bill.

As I see it, this is just some of the same old kind of medicine that has been served up over the years to try to solve a problem that cannot be solved by government.

As I said, this is not an emergency jobs bill. That does not mean to say that there are no jobs in the bill, but from all indications, very, very few of these jobs will be generated within the next several months, and probably very little of the money will be spent until the end of fiscal year 1976, and it probably will impact mostly in fiscal year 1977.

As the New York Times stated in its editorial, they referred to it as a "pork-barrel bill," and I think that is exactly what it is.

I come from a State that has the third highest unemployment in the United States. As I look at the bill, and as I did before when the legislation was adopted earlier, I find nothing in this bill that will have any significant impact on the unemployment situation in my own State of Michigan.

How did this bill start out? This bill started out because there was a desire—and I respect the desire—to bring something forward that would have an immediate impact. But, as I say, this bill does not do that. Members of the Committee on Appropriations on the majority side evidently got together and said we are going to have a $3 billion bill—I think that was the first figure that was used—a $3 billion so-called emergency jobs bill.

Well, that crept up to about $5 billion, which is about where it is now.

There were little or no hearings held on any of these items.

So, when they say there is going to be a major economic jobs impact on an emergency basis, I find that to be difficult to believe. The major impact of this bill will be an adverse economic impact, because the major impact will be focused in the period for fiscal year 1976 and fiscal 1977.

Mr. Speaker, I serve on the Committee on the Budget, and if the Members will read the report of the Committee on the Budget they will find, the concern that the deficit for fiscal year 1977 and beyond will be rather significant, and if we have that kind of a budget deficit in those years, as reported to the staff by economists of all persuasions of our country, this is going to have an adverse impact, and will lead us down the road again to double-digit inflation, and double-digit interest rates, which was one of the reasons we are in the kind of situation we are at the present time.

We are going to have, for example, in fiscal year 1976, a deficit of something in the area of probably $80 billion, and you put that on top of a deficit of roughly $40 billion, which is going to be the deficit by the end of this June, and then add on the off-budget items that will have to be financed on top of that, and you will have to go into the money market for $140 billion plus, and compete with people in the private sector who are trying to get money for the purpose of home purchases or other items, businesses that needs capital expansion, and as a result of this we are going to see an upward pressure on interest rates and a downward pressure on the home building business at the time when we want to turn the whole matter around.

I think it would be the height of fiscal folly for us not to sustain the President's veto at this time. It just seems to me that we have enough history of this kind of action over the years to show that it has never really had a major impact. What we need is jobs in the private sector that are meaningful, productive jobs that will put people on the payroll, and we are not going to get that through this kind of legislation.

There are items in this bill that are approved by the President—and I am sure the gentleman from Illinois (Mr. MICHEL) will comment on that a little later on to indicate that some portions of this bill would be approved—and certainly if the veto is sustained, those items will be favorably acted on by the Congress in a very, very short time.

I think it is a very serious thing to mislead the American public into believing that there are some emergency jobs in this bill. There are certain projects that have been spread around, but as far as a major economic impact and the creation of jobs on an emergency basis, I find nothing in here at all.

This bill is a very important test of budget control. On May 14, this House voted a Federal deficit of $68.8 billion for fiscal 1976. The Office of Management and Budget currently estimates the fiscal 1976 deficit at $88 billion, based on completed and potential congressional actions.

How do we reconcile this discrepancy?

How do we provide for economic recovery, sustained by private investment and employment?

Vote "no." Vote to sustain the President's veto of this bill, which is a cruel hoax on your unemployed constituents, and a travesty on the legislative process.

I include the following:

REVISED BUDGET ESTIMATES AND ESTIMATE OF POTENTIAL CONGRESSIONAL ACTIONS

[In billions]

	1975	1976
OMB revised estimates		
Outlays	323.6	358.9
Receipts	281.0	299.0
Deficit	−42.6	−59.9
Possible impact of congressional actions on outlays	+.4	+28.3
Potential deficit	−43.0	−88.2

Source: OMB, May 30, 1975.

SCORECARD ON CONGRESSIONAL ACTION—SUMMARY

[In billions of dollars]

	Outlay effect			
	1975	1976	Tran. qtr.	1977
Completed action:				
Appropriations	−.2	−.3	−.1	−.2
Rescissions and deferrals	.5	1.1	.3	.8
Inaction on substantive reduction proposals:				
Social security and related caps		2.2	.6	2.5
Other	1.1	.1		
Other measures	1.6	.7	.2	.6
Total, completed action	3.0	3.8	1.0	3.7
Potential action:[1]				
Inaction on substantive reduction proposals (attachment A)		8.1	2.5	7.4
Potential spending actions (attachment B)	.4	20.2	6.2	20.3
Total, potential action	.4	28.3	8.7	27.7

[1] Excludes potential decreases that are not definitive.

Source: Office of Management and Budget.

ATTACHMENT A—THREATENED ADDITIONS BECAUSE OF INACTION ON ADMINISTRATION REDUCTION PROPOSALS

[In billions of dollars]

	1975	1976	Tran. qtr.	1977
Remaining 5 percent cap on cost-of-living increases	2.9	1.2		1.9
Production and sale of oil from Naval petroleum reserves	.4	.1		.3
OASDI—Eliminate certain retroactive benefits and retirement monthly measure	.4	.2		.7
Medicare—Modify cost sharing and place limits on provider costs	1.2	.4		1.8
Public assistance proposals	1.6	.4		1.2
Education—Impact aid	.3			.3
ESA stockpile sales	.4	.2		.4
OA—Repeal 2-yr extension of Veterans' training benefits and provider reimbursement by private insurers for medical care	.7	(1)		.5
Other	.2	(1)		.2
Total	8.1	2.5		7.4

[1] Less than $50,000,000.

Source: Office of Management and Budget.

ATTACHMENT B—POTENTIAL CONGRESSIONAL SPENDING ACTIONS

[In billions of dollars]

	Outlay effect in—			
	1975	1976	Tran. qtr.	1977
Antirecession grants to State and local governments (JEC)	5.0	1.0		3.0
Increased public works projects for State and local governments (H.R. 5247)	.5	.2		1.8
Increased school feeding and related programs (H.R. 4220)	1.0	.9		1.1
New housing subsidies (Senate version of H.R. 4485, (H.R. 5398)	1.1	.2		.7
Increased payment to the Postal Service H.R. 2445)	1.8	.4		1.9
Health insurance subsidies for the unemployed (S. 625)	1.0	.2		.4
Education appropriation	.3	.2		1.2
Broadened unemployment compensation benefits (H.R. 6629)	1.2	.5		.5
Funding for National Strategic Petroleum Reserve proposal	.3	.5		2.5
Emergency employment appropriation (House-passed bill)	0.7	1.5	.2	.4
Increased highway projects (House Public Works Committee) (excludes effect of released funds)	1.2	.2		1.0
Increased veterans benefits (H.R. 3563, H.R. 3810, H.R. 4179, et al.)	1.3	.5		1.2
Other changes in a wide variety of spending programs	−.3	4.0	1.2	4.6
Total	.4	20.2	6.2	20.3

Source: Office of Management and Budget.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the distinguished Speaker, the gentleman from Oklahoma (Mr. ALBERT).

Mr. ALBERT. Mr. Speaker, first of all I want to commend the distinguished gentleman from Texas for bringing this bill to the floor. As the leader of the great Committee on Appropriations, and as one of the most knowledgeable and experienced legislators in this Chamber, everyone who has served with him knows that no one more carefully prepares his work and no one more carefully considers the fiscal situation of our country every time he reports an appropriation bill to the House. I commend him because I think this is one of the most important bills we will have this year.

I am really surprised that the President of the United States vetoed this bill. I remember sitting right behind him when he was making his state of the Union message, and I remember him saying this—and here is the message he delivered to this Congress:

> Let us mobilize the most powerful and creative industrial nation that ever existed on this earth to put all our people to work. The emphasis of our economic efforts must now shift from inflation to jobs.

Had the President made that shift before the last election, we would not have 290 Democrats here in the House of Representatives at the present time. Further on in his message, the President said:

> When I became President only five months ago, I promised the last Congress a policy of communication, conciliation, compromise, and cooperation. I renew that pledge to the new Members of this Congress.
>
> To sum up, America needs a new direction which I have sought to chart here today, a change of course which will first put the unemployed back to work.

Is it not giving employment to put 840,000 youths on the payroll for 9 weeks this summer? Is that not creating jobs? Is that waiting until 1976 to create jobs? Has anybody from the administration told us that we will not still have a job problem next year? Has anybody predicted that the jobless rate will go down more than 1 percent, even with the most optimistic figures?

I concur wholeheartedly with what the distinguished chairman of the committee said. There is nothing as tragic, there is nothing as devastating, as a family whose head of the household is out of work, or who has a job but does not know how long he or she is going to have it. We have this situation in nearly every part of the country. We have it worse than we have ever had it since the 1930's, and we have got a lot of other things that are even worse than they were in the 1930's.

The people of this country are going to demand jobs. Every program in this legislation is a productive program. We have a public service jobs program. That will help cities and it will help various agencies of the Government. But we also must have public works projects and, whether we get to all of them by the end of this year or the end of next year, they are going to be programs that are needed to help stabilize and revitalize the economy and put people back on the payroll at the same time.

Mr. Speaker, with all the urgency that I have in my body I plead with the House of Representatives today to give us an affirmative vote to show that we are the legislative body of this Nation and to send a resounding overriding message back to the President of the United States.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York such time as he may consume.

Mr. OTTINGER. Mr. Speaker, I rise in support of overriding the President's veto of the Emergency Employment Appropriations Act.

Unlike "deficit," "recession," "depression," or "inflation," unemployment is a problem of immediate, individual impact. It is a human problem, and there are now over 8 million unemployed people in this country—and perhaps as many more who have given up looking for a job, and therefore are not counted in official unemployment statistics—who have to deal with it.

In New York State, there were 762,900 people officially unemployed at the end of April. Westchester County, which encompasses the district I represent, was suffering an unemployment rate of 8.9 percent. Translated, that means 31,500 people officially without employment, most without an adequate income. We have an opportunity today to take positive action to help alleviate this crisis confronting the Nation.

The Emergency Employment Appropriations Act commits the Federal Government to a program of reducing unemployment and assisting in the economic recovery of the Nation. It would create 900,000 job opportunities, and provide 840,000 young people with constructive employment for the summer months ahead.

Rather than allowing this problem to linger on, it is time to put the power of the Federal Government to work. The 8 million people who are unemployed will not be able to purchase food and shelter with Presidential projections of economic recovery, consistently wrong in the past. To the unemployed, these promises are luxuries which they cannot afford.

The administration's economic recovery program is a sham. The tax relief supposed to stimulate us out of the recession will be more than offset by energy price increases and the resulting increases in the price of everything else produced by the President's tariffs on oil imports and decontrol proposals.

The administration projects an unemployment rate of over 7 percent into the 1980's, and proposes to sit by and do nothing about it, meanwhile railing about a "do-nothing" Congress.

Well, this Congress can turn the tables on the President today. It can show who has the will to do something about our Nation's most important domestic problem—jobs. It can override this veto, and put 900,000 of our citizens to work directly, and hundreds of thousands back on the payrolls indirectly as those 900,000 are able to enter the marketplace again and purchase job creating goods and services.

Let us show a President who wants to roll the clock back to the 1930's, worse than a do-nothing President, that we in Congress intend to act on jobs and put this country back to work again.

The President says that this legislation is too costly and will increase the deficit—nonsense. His own budget submission indicates clearly that his projected $60-billion deficit is primarily due to permitting continued recession and unemployment; it clearly states that the budget would be balanced at a 4.2 percent unemployment rate.

Let us at least confirm the partial action taken by the Congress in this measure to provide public service jobs to just 11.3 percent of the officially unemployed until the public works and other job

UMI

creating measures we have passed—many also subject to the Presidential veto or veto threats—have a chance to reduce unemployment in the private sector.

Let us show a do-nothing President that we are a do-something Congress and override this veto.

Mr. MAHON. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. GOLDWATER. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Speaker, there is nothing worse than a well-intentioned piece of legislation that will at best be mischievous and harmful to our sorely troubled economic situation and domestic economy. Further, there is no worse misappropriation of the trust of the people and their electoral mandate than to vote out legislation that will build false hopes and encourage aspirations that cannot be met over the long run. H.R. 4481, in part because events have overtaken it, does these things.

The basic cause of all our current economic woes is rapacious Federal deficit spending. Deficit Federal spending is a hidden tax that steals from all the population. It undermines the value of our currency, it eats away the equity in investments, and retirement and annuity funds. It cheats a man out of a portion of the fair and legitimate value of his labor, and, it destroys the free market system that is the basic element in the prosperity America has enjoyed to date.

H.R. 4481 is $3.3 billion over what President Ford requested from the Congress for such a program when the economy showed no signs of coming around. The $5.3 billion authorized in this bill will necessitate further heavy deficit spending at a time when the Nation cannot afford it and when the Congress is saying it wants to be fiscally responsible. Further, this bill, even if the level of spending were acceptable, has been rendered obsolete by the beginning recovery of the economy. To pass such a heavy deficit proposal and to do it now would wreck the recovery currently underway. The bill contains too much stimulus. It is too much too late.

Finally, the employment this bill would make possible does not meet the real need of our labor force. Our hard hit citizens and economy do not need make-work jobs that fit the marginal job market of the occasionally employed. It will not help in a substantial enough way the employment picture of the full-time adult worker. And, it will not direct a majority of the jobs to those areas of highest unemployment.

This legislation is excessively expensive. It adds to the Federal deficits at a time when the Congress should be setting the example of basic fiscal responsibility. It misses the needs of the full-time adult worker and it is not directed at those areas of greatest need. I will vote to sustain the President's veto and I urge my colleagues to be fiscally responsible and do likewise.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in opposition to the motion to override the President's veto of this costly $5.3 billion emergency employment appropriation bill. I strongly feel the President's veto of this bill should be sustained because this is ill-timed, ill-advised, and ill-devised legislation of the lowest order. In fact, I think it can be said that this bill is of such a low order that we are virtually scraping the bottom of the "pork barrel" in attempt to come up with politically palatable dregs to serve up to the electorate next year. I do not think our distinguished minority whip was far off the mark during the consideration of the conference report on this bill on May 14 when he characterized this as the Congressional Incumbents Reemployment Act of 1976.

Mr. Speaker, a moment ago the Speaker addressed this House from the well, which is something the Speaker rarely does. Recognizing as I do the very special position that the Speaker does hold in this body, I do not easily disagree with the remarks that he made, but I must respectfully take exception to the statement that he made a moment ago that he was surprised that the American people would be surprised that the President of the United States had vetoed this so-called emergency appropriation for jobs bill.

Small wonder that some are surprised today that a President would have the political courage to do the really unexpected and to tell this Congress that, at a time when we are facing the prospect of a deficit that could go as high as $100 billion, this is no time in the name even of so sacred a cause as employment and jobs to pass an ill-designed and ill-conceived bill of the type that is before us this afternoon.

Sharing as I do, along with many Members indeed if not all the Members of this House, great respect and affection for the gentleman from Texas, the chairman of the great Appropriations Committee, I was surprised rather to hear him stand in the well of this House and urge Members to override the President's veto. In past Congresses I remember the gentleman as a stalwart fiscal conservative. Yet today he has apparently reverted to a position that would call for the passage of a bill over the President's veto that would by more than $3 billion exceed the President's budget.

Where are those cuts going to come in this year's budget? We had on the floor of this House last week a defense procurement bill, and amendment after amendment was offered to cut that more than $26 billion bill, and not one of those amendments was adopted. I happen to be one who actually voted for one of those amendments to reduce Federal spending, but I remind the Members that not one single cut was made in that particular sector of the budget.

Members are under a very false and illusory position if they think by some occult magic we are going to find areas of the budget we are going to be able to cut during the coming weeks and months of this session so we can compensate for the kind of deficit that is implicit in this bill.

I would refer to the editorial that was mentioned by the distinguished gentleman from Michigan, the ranking minority member of the Appropriations Committee, the editorial of Wednesday, June 4, in the New York Times, from which I quote:

> The emergency jobs bill that Congress drafted and that President Ford vetoed was concocted in haste. It suffers from a basic incoherence because it combines urgently needed, immediately effective public service jobs for the unemployed and summer jobs for youth with a miscellany of subsidies and pork-barrel projects that will have no impact until well into next year.

Well, it can have an immediate impact, however, in another very important sector of the economy. It can serve to reignite inflation, which we have finally brought down from a double-digit level to something within manageable proportions. It can reignite that inflation and tax away the earnings of working people of the country through the cruelest tax of all—inflation.

The editorial I referred to earlier in my remarks then recites a litany of examples of questionable programs included in this bill including $70 million for the VA and $100 million for the Postal Service for construction projects, $385 million in additional loans for the SBA, and $325 million in "pork barrel" water projects under the Corps of Engineers and the Bureau of Reclamation.

The editorial concludes, and I quote:

> If the President's veto is sustained—as it should be—it will be the duty of Congress to move quickly to adopt a substitute bill that would provide the essential funds for public service jobs, summer jobs for youth and part-time jobs for college students under the work study program. Summer is about to begin and there is no time for further haggling or delay.

Mr. Speaker, this bill is some $3.3 billion over the President's request in this area. About half of the funds would be spent in fiscal 1976 and the rest in fiscal 1977, despite the fact that all indicators point to an economic recovery later this year. We are already saddled with a huge deficit for fiscal 1976 which is already crowding our self-imposed limit of $69 billion. If all the measures contained in the Democratic economic package are approved by this Congress, that deficit could easily climb over the $100 billion mark. I think this Congress is to be commended on passing the first major budget test of this session by sustaining the President's veto of the farm bill. Today we are confronted with our second major test of whether we truly mean business in attempting to hold down government spending in these critical times. If we fail this test we will only be courting a new round of double-digit inflation and an even deeper recession down the road. In so doing, we will not be aiding economic recovery but only jeopardizing that recovery.

In conclusion, Mr. Speaker, I urge my colleagues to vote no on this motion to override so that we can proceed immediately with formulating a sound and responsible employment bill which is so critically needed.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. MADDEN), the chairman of the Committee on Rules.

Mr. MADDEN. Mr. Speaker, I do not know of any situation since I have been in Congress for 33 years that reminds me more of the days back in 1933 and 1934 when Franklin Roosevelt and a Democratic Congress came in here when there were multimillions idle in this country—if it had not been for legislation passed by Democratic Congress in those Depression years with Social Security, protection of bank deposits, retirements, home labor bills, home ownership loans, and so forth we would be in the same economic hole today that we were in after those deplorable days after the President's Harding, Coolidge, and Hoover years. If it had not been for legislation similar to the above, we would be in the same Depression today we were then. In those days the newspapers reported leaders of the chambers of commerce, industry, business, management, coming to Washington and they said to Franklin Roosevelt "Your program is our program. Whatever your program is, let us save this country and our form of government." In those days Communist agitators were active in idle industrial areas signing up memberships. When the gentleman from Michigan a few moments ago said, "There is nothing the Congress can do about this unemployment," when he made those remarks, that reflected my mind back to the thought that if President Roosevelt had followed those ideas, we would not have the kind of government we have today.

I might say further, this vetoed work bill passed the House by 293 to 109, far more than it takes to override this veto. If this veto is not overridden, there are millions in this Nation today and tomorrow when they read the newspapers who will be more astounded with the acts of Congress than President Ford the other night acted when he tore the three pages from the calendar.

I was home last week over the Memorial Day recess for 9 days. I visited the Budd Company which manufactures auto body parts. There were over 3,500 working in the plant 2 years ago and they have about 1,200 employed now.

I went to the building trades. There are over 40 percent idle in the building trades industry over the industrial Calumet region of Indiana. I visited the steel mills, and many other businesses and industrial plants to find unemployment rampant.

Any Member of this Congress that votes to sustain this veto, if he comes from any area in this country or locality, such as my area or that of Pittsburgh, Los Angeles, New York, Chicago or any other urban district will have a great problem to explain to the voters in 1976.

JOBS AND YOUTH

This bill will provide almost 1 million full- and part-time jobs plus many summer jobs for youths at a time in our Nation's history when we have more than 9 million workers unemployed, the greatest amount of workers idle since 1938. Unemployment is currently 8.9 percent, the highest figure since the depression, and we have no assurance that it will not rise above 9 percent in the near future unless we pass this bill today.

There is nothing more tragic for a recent high school or college graduate to seek employment and be told that there are no jobs available. This bill creates 840,000 jobs for youths. There is nothing more tragic for a family than to have the head of the household or any able and willing person in the family who wants to work be denied the opportunity because there are no jobs available. This bill creates almost 1 million full- and part-time jobs to help end and reduce unemployment.

This veto shows the President's insensitivity to the unemployment problems of able and willing jobseeking Americans. A vote to override this callous veto is a vote to help solve our tremendous unemployment problem and to put our country back on the right track toward economic recovery.

Mr. MAHON. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, H.R. 4481 would contribute to choking off the very economic growth that it is intended to help stimulate. Further, it is unlikely that spending under this bill could occur soon enough to accelerate the economic recovery that is generally expected to be well underway by the end of this year. The heaviest impact that this bill would have on employment is not likely to occur until well into 1976 and an appreciable amount of spending would continue in calendar year 1977. Once projects under this bill are begun, they will be very difficult to stop. This additional spending comes at the wrong time and would run the risk of fueling inflationary pressures that are now subsiding.

To help overcome the recession and high unemployment, the administration and the Congress agreed on a major tax cut. Extensions of unemployment compensation benefits have also been proposed, together with increases, which are included in this bill for public service jobs and summer employment. Further stimulus is not needed now.

Second, this bill is the wrong approach because it provides additional funds for ineffective and costly programs. The $2 billion request that has been made for public service jobs and summer youth employment meets the current problem by providing necessary, immediate, temporary employment. By contrast, and in the guise of aid to the unemployed, this bill contains a conglomeration of increases that are unneeded and expensive, and will be effective in producing immediate employment.

In addition to the $1.6 billion for public service employment, the $413 million—increased by the Congress to $458 million—for summer youth employment, the $30 million for community service employment for older Americans, the $119.8 million for college work study, the $70 million for WIN, and the $5 million for the U.S. Railway Association, the enrolled bill contains appropriations of—

The sum of $642 million for the Farmers Home Administration. Although studies by the Department of Agriculture indicate a demand for program assistance in excess of current funding levels, the loan and grant programs increased by the enrolled bill often require long leadtimes to get underway and will therefore not provide immediate employment assistance.

The sum of $506 million for the General Services Administration. Included in this amount is $440 million for the Federal buildings fund. This appropriation would violate the basic premise of the Federal buildings funds: To operate on a businesslike basis and finance real property expenses out of proceeds of rental receipts.

Language included will exempt GSA from the requirement of repayment with interest of appropriations to this fund. Further, it is doubtful that GSA could effectively use the additional amounts. The remaining $66 million for the general supply fund would purchase 18,000 vehicles, which would be used to replace approximately one-fourth of the entire motor pool fleet. The appropriation would be uneconomical and wasteful, because vehicle purchases are normally financed through agency user charges and at a slightly lower rate.

The amount of $479 million for the Department of Commerce. Of this amount, $375 million would be used in the job opportunities program of the Economic Development Administration. It is not yet known whether the $125 million provided for this program in the Urgent Supplemental Appropriations Act of December 1974 can be effectively used, let alone another $375 million. Experience to date, however, has shown that the program is extremely difficult and time consuming to administer. The remaining $104 million would be used to accelerate the programs of the Economic Development Administration and the regional action planning commissions. Previous efforts to utilize long-range development programs as antirecession tools have not been successful. Funds have not been utilized in a timely enough manner to significantly shorten the period of recession, assistance often has not greatly benefited those areas most in need, and costs of generating temporary employment through such mechanisms have been high.

The sum of $385 million for Small Business Administration loan programs. The recent tax reduction legislation, which included reductions in both corporate and personal income taxes and increased investment tax credits, provides the financial stimulus to allow businesses to recover from the recent drop in the economy. Further, there is the question of whether the Federal Government should—and can effectively—assume a large role in making individual credit allocation decisions for small business financing.

The sum of $333 million for Public Works projects of the Corps of Engineers and Bureau of Reclamation. These funds are to be used to accelerate completion of projects now underway. In addition to providing additional funds, approving the bill would give added weight to an undesirable statement of congressional intent contained in the conference report. The report states that recreation development at projects authorized prior to 1965 should be 100 percent federally funded. This is inconsistent both with the idea of cost sharing on water resource

UMI

projects in general and with the law covering cost sharing on projects authorized after 1965.

An amount of $143 million for the Forest Service. These funds are primarily for low-priority items and may result in completion of some projects—that is, forest roads and trails construction—in advance of need.

The sum of $115 million for the Soil Conservation Service of the Department of Agriculture. Of the amount appropriated, $106 million is to assist in the reduction of backlogs in the watershed and flood prevention program.

The sum of $100 million for payment to the U.S. Postal Service. Under the Postal Reorganization Act of 1970, Federal subsidies are provided to the Postal Service for three specific purposes: To cover public service costs, reimburse the Postal Service for revenue foregone when carrying particular classes of mail at reduced rates, and for covering liabilities of the former Post Office Department. To provide funds as recommended in the bill would not conform to the above statutory authorizations. Provision of these funds would once more inject the legislative branch into Postal decision-making and affect Postal management's long-range planning efforts. It would once more subject the Postal Service to the vagaries if the appropriation process and establish a precedent for providing additional forms of subsidy to assist the Postal Service in areas not envisioned by the Reorganization Act. More importantly, provision of this $100 million would shift, a substantial amount of postal costs from the users of the Postal Service onto the general taxpayer.

In sum, the bill contains a conglomeration of increases, some of which are unneeded, more costly than necessary, will not produce immediate employment, or will set new program levels which will be difficult to reduce late.

Mr. Speaker, I just took off the wire a story from the AP, as follows:

JOBLESS CLAIMS

WASHINGTON.—New claims for unemployment insurance benefits in the week ending May 24 fell below 400,000 for the first time since early October, the Labor Department reported today.

The Department said initial claims totaled 392,500 a drop of 18,700 from the previous week and the smallest number in any seven-day period since the week ending Oct. 12 when 358,000 claims were filed.

So, it seems to me that this is the wrong time for other than the most immediate of our needs. We should sustain this veto and then come back with a measure to provide only the most essential programs.

I would propose, as a number of my colleagues have joined with me in cosponsoring, a measure that would provide the following:

EMERGENCY APPROPRIATION BILL—MICHEL SUBSTITUTE

FUNDING SUMMARY

	Michel bill	Administration
Summer youth employment	$458,050,000	$412,700,000
Community service employment (older Americans)	30,000,000	----------
Public Service jobs	1,625,000,000	1,625,000,000
College work-study	$119,800,000	----------
WIN	70,000,000	----------
U.S. Railway Association (administrative expenses)	5,000,000	$5,000,000
Total	2,307,850,000	2,042,700,000

This is a total package of $265 million more than what the administration proposed, but we could quickly enact this substitute and have it signed into law without very much additional fanfare.

Mr. Speaker, I know what importance the Democratic majority attaches to the bill, as evidenced by the kind of telegrams Members are receiving from labor leaders; not the rank and file of our regular constituencies, who do not know anything about what is provided in this bill—but rather the big, organized labor leaders. They are the ones who are doing the whipping into line for the majority side.

I suppose I should concede that if the majority cannot win this one, it cannot win any of them, because the AFL–CIO election chips of last fall are now due on this one.

I recognize this, but I say there are some good, independent-minded Members on the majority side who have been voting independently and do not owe their allegiance to organized labor. I would appeal to you Members for I know you are seriously concerned about the fiscal condition of this country. If we override the President's veto, we will be piling on another $3 billion over the President's budget. A few weeks ago Members of this House were talking about budget ceilings and how we could exercise some restraint in keeping expenditures in line with revenues. Now is one of those times to honor that commitment and it seems to me that those Members on the majority side who feel as we do about fiscal responsibility would see fit to tear themselves away from the shackles of organized labor and join the majority on our Republican side in voting to sustain the President's veto.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MCFALL).

Mr. MCFALL. Mr. Speaker, it seems to me that what we have heard from the gentlemen on the Republican side of the aisle, all of whom I have the greatest respect and admiration for, is that they say that they are afraid, they are afraid that they might reignite inflation. I tell the Members that our economic situation today is precarious, and I would like to get our economy moving again and then let us worry about reigniting inflation. If we needed any reminder about our economy, it comes in today's paper, which reports that the Nation's largest 1,000 manufacturers cut back by more than $1 billion during the first 3 months of this year on the money they earmarked for new plant and equipment. That comes on top of a $4 billion reduction the previous quarter. This is a 35-percent reduction in plant and equipment funds in the last 6 months. The Conference Board, the New York business research firm that made the announcement, said it was the sharpest two-quarter decline since the 1957–58 recession, which Mr. Eisenhower provided for us. Major cutbacks came in the critical petroleum and automobile industries. The Conference Board said the drop was a delayed reaction to lower profits, high inflation, tight monetary policy, and the present sad state of final demand.

There are plenty of other discouraging economic signs. In Detroit, the private supplemental unemployment benefits to laid-off auto workers are expiring; major cities are facing financial crisis; new housing starts around the Nation are negligible; and here in Congress we are extending unemployment benefits to 65 weeks, most of which is now being paid with general fund money. Unemployment is 8.9 percent and still going up. And I would remind the Members that it was 5.4 percent when President Ford took office.

Let us not be afraid to reignite anything but the economy itself. Let us go forward with some kind of confidence. Let us put people back to work.

There we talk about the budget; this bill was calculated by the House in the budget. It is figured in our budget; not by the President, but it is in the budget. We ought to go forward with confidence and put people back to work.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I have in my hand a bulletin from the International Association of Machinists, informing me that a company is moving out of the Buffalo area with the loss of hundreds of jobs because that company cannot afford to construct a new facility because of both the rates of taxation and the costs of borrowing money. Those are jobs that have been destroyed by these huge deficits run at the Federal level. A major steel company, as another example, is not being expanded today in that same area of New York because interest rates are too high for the company to borrow the funds for the expansion. The reason that those interest rates are too high is the huge Government borrowing requirements to finance the massive deficits. This terrible addiction we have to inflation has made it almost prohibitive for companies to expand their existing plants and invest in new plants and new machinery. Inflation created this recession and is strangling the capital market. If we want to create jobs, if we want to restore a healthy economy, we will vote to sustain the President's veto and then move as quickly as possible to create incentives in our tax system for the type of savings and investment of new capital which increases productivity, creates jobs, raises real wages, and reduces poverty faster and more effectively than these New Deal type programs which do nothing but cause higher unemployment.

When I came to Congress in 1971, the deficit was $7 billion a year, and unemployment was 4 percent. In fiscal year 1975, we are running a deficit of around $50 billion, and in 1976 we will be facing an additional deficit of $70 to $80 billion. Yet we are staring at unemployment

rates of 9 percent. The conclusion: deficits do not create jobs. If they did, we would not have 9 percent unemployment.

Deficits do not create jobs. They destroy jobs. In order to create jobs and bring true prosperity we should put an end to this ruinous rate of inflation, help stimulate the investment of capital that will put people back to work in tax-producing businesses rather than in the tax-consuming—and growing, public sector that is devastating Great Britain, New York City, and my own area of western New York. Sustaining the veto is an important part of helping restore fiscal commonsense to this country.

The Federal Government is now borrowing two-thirds of all available credit in the United States in order to finance the deficits this year and next of close to $150 to $160 billion.

As a result, long-term interest rates are so high as to preclude a sound recovery of the housing and construction industry and the automobile industry.

Government's so-called full employment policies are causing high unemployment. Witness what has happened in New York City where 4 out of every 5 jobs created in the last few years have come in the public sector and the huge burden of taxation has placed such a tax burden that it has accelerated the flight of businesses and jobs from the city and our State.

Mr. Speaker, when is this Congress, when are we as Representatives, going to be leaders and not followers—leaders willing to put aside seductive arguments such as "government deficits create jobs"?

Mr. Speaker, I urge the sustaining of the President's veto and ask that my colleagues join in cosponsoring the Jobs Creation Act, H.R. 7240 and H.R. 7241, which I first introduced in the last Congress and reintroduced recently with almost 50 cosponsors on both sides of the aisle—Members of Congress from all geographical areas of our Nation—liberals, moderates, and conservatives who unite in the belief that we must accelerate the formation of and investment of capital in the private sector if we are to reduce poverty, make jobs, build houses, and increase the real standard of living of the American people.

It is estimated that if we could create enough incentive in our tax system to stimulate the investment of $1.5 trillion we could cut the poverty population by about 12 million people, create almost 20 million new jobs, build 30 million new housing units, and increase the standard of living of each and every American.

The greatest shortage in America today is the capital investment shortage. The Jobs Creation Act is addressed to this problem.

We need to stimulate the private and productive sector of our economy by cutting taxes on all businesses, increasing the asset depreciation range, stopping the double taxation of dividends, and ameliorating the harsh treatment by which America treats capital gains. We need also to stimulate employee purchases of stock in their place of employment. Do not forget, the majority of jobs in America today rest on the strength of the businesses, large and small, that criss-cross this land. A tax reform of this magnitude would save jobs and create new opportunities for jobs, but if we do not find the new sources of private capital we will have continued high unemployment to the detriment of all.

The vast energy needs of our country, the transportation needs, and environmental needs, will require billions and billions of dollars.

If this Congress cannot come up with new incentives for production of wealth and only continues to interfere with the creation of wealth as the vetoed bill does, we will hasten the day in the all-too-near future when American and our great free enterprise system end up in the same pitiful condition as that which now plagues once Great Britain.

The United States has one of the lowest rates of capital investment of any nation in the free world and it is directly caused by these out-of-control Federal deficits. These deficits and the strangling controls and regulation on American productivity are the chief cause of our economic decline.

Let us help turn the state of the economy around by helping turn around the state of economic thinking in this country.

We must never forget that private capital at work means people at work, and when there is not enough private capital at work—because Government took most of it to finance deficit spending—then it means people are out of work. For every $10 billion of deficit we lose 500,000 housing starts.

All jobs derive ultimately from American business. There is the vast work force which is employed directly by business. Then there are the Government workers—whose salaries are paid from taxes collected from businesses and the countless individuals who work for those businesses. Even labor leaders are paid indirectly from businesses because the dues collected to pay their salaries come from deductions made from union members paid by businesses.

All jobs are dependent on American business, and to the degree that we hamstring those businesses—with excessive taxes and regulations all the way through inadequate capital—we hamstring the continuation and creation of jobs.

At a time when one out of every five jobs in our labor force is in the public sector, let us remember that jobs created within the private sector of the economy—among businesses—are productive jobs; they add to the national productivity which is the mainstay of our prosperity. To the degree that funds needed to sustain the salaries for public sector jobs are taken from the productive, private sector, then these Government-funded jobs are counterproductive. The more you spend to finance public, Government jobs, the more you make matters worse. One need only look at New York City to see what may lie in store for the Federal Government unless we get off the public sector merry-go-round of the past 40 years.

Mr. MAHON. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, the vote we soon shall cast will be the clearest test to date in this Congress of just how serious we are about reversing the recession and putting Americans back to work.

In response to the gentleman from New York (Mr. KEMP) who just spoke, it may not be true that deficits create jobs, but it certainly is true that unemployment creates deficits.

Because of the present level of unemployment, we are suffering an adverse budgetary impact of some $60 billion in lost revenues and in necessary unemployment compensation payments this year.

Today every Member in this Chamber will decide just how much unemployment he or she chooses to tolerate. As for me, a jobless rate of 9 percent is simply too much. It is at least twice the level we should ask the Nation to accept. Those who feel as I do will vote to override the veto.

In these few minutes available to me, I want to invite the Members to analyze the President's veto message. It appears in the June 2d edition of the CONGRESSIONAL RECORD, on page H4706. It seems to reveal a strange mixture of insensitivity and wishful thinking.

The President objects to this bill, he says, because "Its chief impact would be felt long after our current unemployment problems are expected to subside."

Yet he proposes no program which will make those problems subside.

A little farther on he refers to this bill as "too much stimulus, too late."

How, I am curious to know, can we do it any sooner?

Too late? This bill was designed to go into effect immediately. If the President is concerned about its being too late, he could have signed it the day he got it, on May 16.

Too much stimulus? Is it too much to provide jobs for 900,000 Americans at a time when we have more than 8 million unemployed?

Too late? Two days after the message, Dr. Burns and Mr. Greenspan were publicly predicting that unemployment would continue to rise above 9 percent in this coming quarter.

Too late? Clearly the unemployment problems have not yet begun to subside. By the admission of the administration's own economists, they are growing steadily worse.

If we fail to take this action to stimulate employment, I wonder just what elusive magic it is they are looking to for this expected economic recovery which they have been predicting with such confident regularity and such consistent futility for the past 10 months.

Mr. Speaker, in the last paragraph of the veto message, the President makes a still more baffling statement. He says:

The need remains, however, for a bill that would provide the funds * * * for immediate and temporary employment through the public sector and summer youth jobs.

I wonder what he thinks this bill that he vetoed contains. It contains the very

UMI

thing he calls for. It provides for immediate and temporary employment. It provides for public sector and summer youth jobs.

The President then points out that "student summer vacations are close at hand." On May 28, did he need to tell us that? And he then urges the Congress to "pass such a bill as quickly as possible."

Now, if he considers this bill "too late," how does he expect us to begin the entire legslative process anew and pass another bill that would be early enough?

And what reason might we have to expect he wouldn't veto that one as well? Are laws acceptable only when the President initiates them and not when they originate in the lawmaking branch?

Mr. Speaker, the President says in his veto message that "economic recovery is expected to be well underway by the end of 1975."

Expected by whom? Well, by Simon and Greenspan and Burns, the very people who were warning us direly last October, at the very onset of this most precipitate economic decline in a generation, that we were overheating the economy. They told us then that the recession had "bottomed out." They were even recommending an immediate tax increase, last October, so as to soak up excess buying power and thus avoid the dread specter of "overspeculation."

Well, since they made that prediction, we have suffered two more quarters of declining economic output and unemployment has risen by 2 million more people out of work.

Dare we now take comfort in yet another chorus of their sweet siren song that the recession indeed has "bottomed out" and all will be well if we simply do nothing?

Mr. Speaker, I think it should be apparent to the Members that the recession has not "bottomed out," and it is not going to bottom out until we do the things that will make it bottom out.

This repeated refrain of roseate rhetoric is reminiscent of the promises of Herbert Hoover who kept assuring us that "Prosperity is just around the corner." He promised us two cars in every garage and two chickens in every pot. Before he was finished it seemed doubtful that any of us would have a pot to put a chicken in.

Mr. Speaker, if any one lesson of history should be clear, it is that words alone will not end a recession. It takes resolute action.

Merely wishing it were so and repeatedly saying it will be so will not make it so.

Prosperity does not flow from doing nothing. The recession will not "bottom out" until we make it bottom out.

Economic revival will occur only when we have the will to do those things necessary to make it occur.

Certainly the clearest and most immediate of those things we can do is to override this veto today and help put 900,000 people to work.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I urge that the House support the first real fiscal veto of this session. This multi-billion-dollar budget buster in a 40-year-old, ineffective, nonsolution to a vexing unemployment problem.

Most of those Members who will support the veto, like myself, do support the public service jobs, and the summer job program, which are included. It is the rest of the grab-bag, the pork barrel, that is unjustified.

The bill's attractiveness lies mainly in the title. Other than CETA or summer jobs, there is far more boondoggle than employment in this bill. Just because some public relations person has used two buzz words—"emergency" and "jobs"—does not mean that the false promise of Federal overspending can deliver us from our unemployment problem. Is there any lesson writ larger than the inability of our central Government to solve the peoples' problems by burying them under a pile of misdirected Federal dollars?

All the euphemism and flowery language that may be summoned in support of this bill cannot hide the fact that, with the exceptions already noted, it is still a soggy grabbag of rotten grapes—a potpourri of leftover spending programs that we have previously found unworthy.

Our constituents expect us to exercise some leadership. We ought to reject the obsolescent, anachronistic calf path of reckless and useless spending. We have to exercise discretion and good sense. There is no way we can justify this $5 billion expense to our constitutents. The public is ahead of us on the issue of wasteful spending, but we can catch up by supporting this veto today.

We have already voted for unemployment benefits of $20 billion this year. We have given $25 billion in tax rebates. We voted $5 billion for this boondoggle, and $5 billion more for public works. We have passed $2 billion worth of a bad housing bill. Nearly every committee of this House is trying to outdo the others in wild spending programs to show how much it is against recession. Most of this spending would not be worthwhile even if we had the money. Let us stand up today for good sense and reason.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. RIEGLE).

Mr. RIEGLE. Mr. Speaker, make no mistake about it, I come from a district in this country with the highest unemployment rate at the present time, and Michigan desperately needs this bill. America desperately needs this bill. This is $5.3 billion that can stimulate this economy starting tomorrow, and it can give people jobs. And these jobs will not increase the deficit over a period of time but will, in fact reduce the deficit over a period of time.

Mr. Speaker, at the present time I do not think my Republican friends understand this. We have one-third of American industry shut down today, one-third of it. We have over 10 million people out of work in this country. This is a heartless, irresponsible, head-in-the-sand veto. If it is upheld we are saying to people that they cannot go to work and instead have to stand in welfare lines. In that event, we are destroying what this country is all about.

Mr. Speaker, this is a chance to give this country an opportunity to get started again.

In 18 months from now we will be on top of a Presidential election. We know this administration at that time will be prepared to spend what it has to to stimulate the economy in order to get itself reelected.

But we need to spend the money today because we need the jobs today, and that is why we have to override this veto now.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Speaker, I rise in support of the overriding of this veto.

Mr. Speaker, I hope that the vote I cast today will assist in providing the necessary two-thirds majority to override the President's veto of the Emergency Employment Appropriations Act of 1975.

I say this in full recognition that on May 12 I disagreed with the report submitted by the House and Senate conferees.

Two significant developments have occurred since then.

Unemployment is showing no sign of tapering off as predicted by the administration. More than 8 million Americans are now out of work with our unemployment rate now set at 8.9 percent.

In New Jersey, unemployment has climbed to 11.6 percent of the available work force and exceeds 20 percent in sections of my district and as high as 80 percent in some construction trades.

Yet the President in his veto message declares that economic recovery is expected to be well underway by the end of this year. By this his economic advisors mean an unemployment rate of 7.9 percent and that, Mr. Speaker, is no recovery by any definition.

I said there were two reasons which convince me that a vote to override is in order. The second is the manner in which we plan to spend the $1.6 billion for public service jobs.

Let me say that this was my principal concern with this appropriations measure since I strongly support its other elements which include jobs for older Americans, summer jobs for youth, small business loans and funds to accelerate flood control, reclamation, and rivers and harbors projects.

There have been serious abuses in past public service jobs programs both in deciding who is to be hired and what work is to be performed. There is a danger here that while our intent may be to reach those most desperately in need of employment, the funds will be used instead to create a political spoils system and to transfer employees off State and local government payrolls and onto the public jobs payroll.

Abuses have already occurred in my congressional district, in New Jersey and, I am certain, throughout the country following the recent flow of Federal dollars to local communities.

I am relieved to learn from my New Jersey colleague, DOMINICK V. DANIELS, that his Education and Labor Subcommittee on Manpower, Compensation, and Health and Safety is planning hearings beginning tomorrow into alleged abuses in the Comprehensive Employment Training Act to be following by oversight hearings related to additional expenditures for public service jobs.

This is no trifling matter, especially if we are successful today in overriding this veto and appropriating $1.6 billion for short-term public service jobs.

This said, Mr. Speaker, I urge any other Members who shared such concerns as I expressed at the time we considered the conference report last month, to override the President's veto and send this measure on to the Senate for quick action.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Speaker, one would have thought, after the election results of last November, that of all of the issues that might divide us along partisan lines, the least likely issue to be joined by our Republican colleagues on the other side would be the issue of the economy and putting the American people back to work.

Mr. Speaker, there was a Member of this body who, on September 29, 1969, had a very interesting thing to say. This then colleague stated:

> The accent should be on the solid American ethic of working for a living. A man never stands so tall as when he stands on his own feet—a hand-up instead of a hand-out.

Mr. Speaker, what are the facts?

The facts are, as every one of us knows, that for every 1 percent of increase in the rate of unemployment the American Treasury pays a price of some $16 billion. We lose some $14 billion of income on wages not earned, and, therefore, taxes not paid, and we spend another $2 billion on unemployment insurance, public assistance, and other income maintenance programs.

I would hope that when the totals on this bill are tallied that no one will be able to say that the Republican Party is a party of the cruel, the heartless, and the indifferent in terms of the plight of jobless America. I would rather that the characterization of this vote be accurately one that stated that Members from both sides of the aisle were determined to see that the American people, the unemployed of our country, will be put back to work.

As for me, Mr. Speaker, I intend to vote to override this veto. It is ill-advised, it makes no sense for the economy of this country. I can forewarn one and all of those who vote to sustain this veto out of some misbegotten partisan view, that they will hear from this side of the aisle through the next several months and, come November of 1976, if the unemployed of America are not put back to work by then, there are going to be a considerable number of Members on the Republican side of the aisle who will join the ranks of the unemployed.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Speaker, I thank the gentleman for yielding me this time.

Those Members in this Chamber who want to support real job creation have an alternative to this ill-conceived, hastily-drawn bill which is before us now. That alternative is the public works jobs bill, which passed in this Chamber overwhelmingly just a few weeks ago, and upon which the Senate is taking quick action. The public works jobs bill should be back before us soon for final passage. That is a bill which has several virtues over this so-called emergency jobs bill before us today.

The public works jobs bill creates real jobs, private-sector construction jobs, where the American people will be able to see the results after the work is done. Jobs to build hospitals, highways, fire and police stations, and other real assets. Second, it is aimed specifically at the high unemployment areas rather than the buckshot approach of this bill. Third, it has a 90-day quick-start clause in it which assures only those projects which can get people back to work quickly.

So, Mr. Speaker, I say: Let us support the President's veto today, and let us support the public works jobs bill, which indeed has been called the Speaker's bill, when it comes back to us, which is a vastly superior bill to this hogepodge before us today.

The SPEAKER. The time of the gentleman has expired.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Rhode Island (Mr. BEARD).

Mr. BEARD of Rhode Island. Mr. Speaker and Members of the House, for 15 years of my life I worked with my hands as a painter from Rhode Island. Today there are a lot of my colleagues all over this country who are out of work. In Rhode Island we have presently 16.4 percent unemployment in the State. Providence, R.I., is rated as one of the highest cities of unemployed in our country, and Newport's unemployment rate is also high in total unemployed workers.

This legislation will help to reduce some of the unemployment in Rhode Island, and some of the unemployment in our country, and we need the legislation now. There are no other alternative programs to go to. This bill is now before us. The President has not come up with a package of legislation that will help put our people back to work.

I invited the President of the United States to come to Rhode Island and to go down and stand in the unemployment lines and rub elbows with the masses to find out what it is all about. We cannot solve our unemployment problems from Spain.

I repeat, this bill is before us now. I think that all of the Members of the House who have people unemployed in their districts, or even if they do not have unemployed people in their districts, should take a look at Rhode Island, take a look at the fact that they pulled the rug out from under, not so long ago, our naval base. So, let us pass this legislation. It is good for the country, and the Members can take that from someone who has worked all his life.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Speaker, we ought to recognize what this bill does or does not do. As one who has been the chief author of the public employment program, I share the view held by the majority party and the administration that we must continue those public employment programs through the next year, along with summer youth programs. But this bill—and I come from a district that has high unemployment in Michigan—does not help unemployment in Michigan to the tune of $5 billion. Over half of this bill, $2½ billion of it, is nothing more than pork barrel legislation to areas of the country that do not need help. We should not be putting Federal dollars where unemployment is down at the 2- or 3-percent level. It will not help Michigan in the way Michigan needs help. It is a sham—a hastily conceived package, which, if passed, will not do the real job of getting the unemployed back to work.

Anyone who comes from Michigan who supports this type of legislation is trading off pork barrel legislation for putting dollars where they should go to our unemployed in Michigan and other areas of high unemployment. They will not be fooling anyone but themselves. The unemployed certainly will not be fooled.

Mr. Speaker, last evening a group of Members, including myself and the gentleman from Illinois (Mr. MICHEL) introduced legislation to continue vital job programs. Our bill does not include the more than $2 billion in wasteful, pork barrel programs such as those of the Army Corps of Engineers and to the General Services Administration building fund. It does include $1.625 billion to continue the emergency public service job program; $458 million for this summer's youth program; $117 million in work-study dollars for needy college students; $30 million community service jobs for older Americans, and $70 million for work incentive. The total of $2.307 billion is a full $2.5 billion less than the new budget authority contained in the conference agreement. It is but a little over $250 million over the President's original budget request and I believe can and will be supported by the administration.

The unemployed cannot be allowed to be sacrificed in a political battle between the President and the Congress. The bill before us today is a political creation, a blatant attempt to embarrass the administration and deceive the American people. The majority party has played politics with the unemployed and this appropriation shows it.

Our bill is the jobs bill the American people should and have a right to expect from this body. Let us reject the bill before us and expend dollars for what they are really needed: Jobs for the unemployed.

Mr. MAHON. Mr. Speaker, I yield such

UMI

time as he may consume to the gentleman from Minnesota (Mr. NOLAN).

Mr. NOLAN. Mr. Speaker, as you are aware, House Democrats and Republicans alike have voiced disappointment with President Ford's veto of the $5.3 billion job appropriations bill and I believe a bipartisan effort to override this veto will be in the best interest of all the people.

Despite administration insistence to the contrary, the Nation's economic outlook is not bright. In January, Mr. Ford projected unemployment would reach 8.1 percent by the end of 1975. The current rate of unemployment is now 8.9 percent. The administration now predicts a peak of between 9 to 9.1 percent by the end of 1975. Other economists indicate the figure may jump to 9.3 percent. Most alarming of all are AFL–CIO estimates placing nationwide unemployment by December of 1975 at 11.2 percent.

This month, 4.2 million young people will be entering the labor force in search of jobs: 1.5 million of these are high school and college graduates looking for permanent work. The Job Appropriations Act would create an estimated 840,000 summer jobs for these people. Without this help, the Labor Department estimates that up to 23 percent of those between the ages of 16 and 19 will remain jobless—an increase of 9 percent over 1974. Unemployment for those between the ages of 20 to 24 is expected to reach 16 percent this summer, unless we in Congress act to reverse the President's decision. This would be an increase of 8 percent over 1974. Meanwhile, tensions in the Nation's largest cities are hightening and the potential for trouble increases daily.

However sincere as he may be, Mr. Ford's assertion that an additional 1.875 million jobs now is "not an effective response" to the unemployment problem just does not hold water. If jobs are not an effective solution to unemployment, what is?

Failure to override this veto would be a tragedy for America. Thousands of senior citizens, bouyed by the expectation of $30 million in additional jobs, will remain on Federal welfare rolls. Economically depressed rural communities will not receive the $325 million in public works funds to provide new jobs and build badly needed public facilities. The Small Business Administration will be unable to lend the additional $385 million provided in the bill. Thousands of college students will not receive the designated $119 million in work study grants provided by the bill.

Mr. Speaker, the 94th Congress was, I believe, sent to Washington with a mandate from the people to end unemployment and put America back on its feet. This is a bipartisan cause, and deserves solid, bipartisan support. I hope the Congress will join with me in voting to override President Ford's veto of the job appropriations act of 1975. Let us put America back to work.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Colorado (Mr. EVANS).

Mr. EVANS of Colorado. I thank the gentleman for yielding.

Mr. Speaker. my good friend, the gentleman from Illinois (Mr. MICHEL), when he spoke on the floor not too long ago called attention to the "jackals of labor"—as he referred to them—demanding the chips that were due on this override of the emergency jobs bill veto.

I am sorry the distinguished gentleman and my friend felt called upon to put the words in that fashion, for I do not believe that is the case. I believe that the Members on this side of the aisle came to this Congress with a good understanding on the part of themselves and American labor to begin with on this issue.

But I would respond to the gentleman in this fashion: When the conference report passed, 49 distinguished Republicans joined with a majority of the Members of this House in passing this bill, and while the gentleman from Illinois and my friend, Mr. MICHEL, would watch and see what happens on this side of the aisle as our chips are called for, I may say to the distinguished gentleman, we shall watch the 49 Members on his side of the aisle to see how chips are paid to the President's whip.

The SPEAKER. The time of the gentleman has expired.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Speaker, I rise in support of the proposition on the floor at this moment, but I would like to move the Congress beyond the consideration of jobs bills which spread a token and inadequate number of jobs around the country as though they were breadcrumbs for the poor. I am one of that growing number of Members who believe that the time has come in our economic development when we must begin to create jobs for all the unemployed members of our society. I believe that the only acceptable level of unemployment is zero percent.

If this Nation and this Congress so elected, we could put everybody back to work and establish a full employment economy, without the mythical trade-off which is supposed to result in rising inflation. We do not lack the resources or the manpower—there is only, sadly, an apparent lack of will.

That worthy notion first given legislative form in 1945, that all persons have the right to meaningful and remunerative employment, has once again been revived in the Congress under the able stewardship of the gentleman from California (Mr. HAWKINS) in the form of H.R. 50, the Equal Opportunity and Full Employment Act. Full employment is what the country really needs as clearly as a man struggling against the tide needs a liferaft for survival. The lack of jobs and its consequences in crime, social upheaval, and societal disintegration threaten to erode and slowly destroy this society from within.

This emergency jobs bill is not adequate to do the whole job, but it would get us started in the right direction. We need to demonstrate our resolve to take care of business at home first much more than we ever needed to prove our military superiority over the upstart Cambodians.

I urge my colleagues support of this vote to override and yield back the balance of my time.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Speaker, two of my colleagues from Illinois have said that this bill is not needed because the recession has already bottomed out, and that this is not going to do enough soon enough. The unemployment rate of teenagers of minority groups in the city of Chicago is over 40 percent. Tell them that the recession has bottomed out. The unemployment rate of the entire city of Chicago for all young people coming out onto the job market for the first time is over 30 percent. Tell them we can do better if we wait and not implement this bill. Tell them that jobs are inflationary.

I am going to vote to override the President's veto.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Speaker, I come from a district that is not unlike most other congressional districts. The guys I talk to on the streets do not understand what we are talking about when we say: "Wait another year or 18 months." They do not understand what we are talking about when we say "the private sector will pick it up 2 years from now." They do not understand all this gobbledygook about "living with unemployment." What they understand is they want to preserve their manhood, they want to support their families, they want to work; and they do not want to be on a dole.

I am asking that we override this veto because it is the decent thing to do, it is the just thing to do, and it is the honest thing to do.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from California (Mr. ROUSSELOT) such time as he may consume.

Mr. ROUSSELOT. Mr. Speaker, I rise in support of the President's veto of H.R. 4481, the Emergency Employment Appropriation Act.

In his veto message, the President gave as one of the primary reasons for rejecting this legislation that—

> Such an increase in the Federal budget deficit would lead to an increase in Federal borrowing from private financial markets. These heavy Federal demands for capital could deprive business firms of funds needed for modernization and expansion of capacity. Thus, H.R. 4481 would contribute to choking off the very economic growth it is intended to stimulate.

This reason is in my opinion the crux of the issue. The Members of this body must realize that the permanent long-term jobs are in the private sector, and these jobs cannot be stimulated by allowing increased deficit spending that further crowds out private industry from obtaining capital for job producing activity. The spending of $5.3 billion on temporary make-work jobs as obligated under H.R. 4481 can only further hinder efforts to achieve long-term employment gains in the private sector.

Rather than H.R. 4481, the Congress should be seeking long-term solutions to our unemployment problems, and looking for ways to stimulate the flow of capital into the private sector. The legislation, H.R. 7241, which I have cosponsored with my colleage from New York, Congressman JACK KEMP, is such a bill. H.R. 7241 is truly a jobs creation act which would accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy.

I strongly urge my colleagues to join with me in voting to sustain the President's veto of H.R. 4481, and to move in the direction of enacting long-term solutions. This action coupled with a strong congressional commitment to bring the budget into balance would provide the relief from the inflation/recession that is needed and demanded by the American people.

Mr. MAHON. Mr. Speaker, I yield to the distinguished gentleman from Indiana (Mr. MYERS) such time as he may consume.

Mr. MYERS of Indiana. Mr. Speaker, I am voting to sustain the President's veto, but not for the same reason that the President vetoed the emergency jobs bill. With unemployment at the level it is today, we do need a reasonable program to provide work for those people who will work. Providing $1.6 billion for public service jobs just is not much better in my judgment than paying unemployment benefits. I feel it is better to provide jobs than to pay out unemployment benefits, but they should be productive jobs.

Employment in many areas is down for a variety of reasons many of which this Congress has refused to consider remedial action. Autos are not selling because of unwanted devices and equipment which have been required by congressional action. Has Congress corrected this? No. Many industries have to lay off people, reduce employment or close because of OSHA, EPA, IRS, or other Federal regulatory provisions. Has Congress acted to restore these jobs? No. Many industries and businesses need to build additional facilities to modernize to be competitive or to expand to hire more people. Nonavailable capital or high interest rates have prevented this investment. Has Congress acted to correct this? No.

We are being told we must act today in haste because we do not have time to bring up a better bill. Why is it that we must act now to put people to work when the leadership of this Congress can wait 2 months, until June 24, to consider in committee a bill to put railroad workers to work? Has Congress acted for railroad workers? No.

We need a work program, but to add a financial burden to the people working is not what the country needs today. This bill would add at least $60 to every working person's taxes next year.

Today, this bill is the wrong remedy. It goes too far in a direction away from the problem of getting people back to work.

Mr. J. WILLIAM STANTON. Mr. Speaker, after careful study and analysis of the President's veto message of H.R. 4481, the Emergency Employment Appropriations Act, I have decided that I will vote to sustain the President's veto. I will do so for four reasons:

First. The President has pointed out that the heaviest impact of this bill on employment is not likely to occur until well into 1976 and an appreciable amount of spending would continue in calendar year 1977. It is very unlikely that most of the spending under this bill could occur soon enough to accelerate the economic recovery that is generally expected to be well underway by the end of this year.

Second. When I voted originally for the Emergency Employment Appropriations Act, it was on the basis that providing public service jobs and summer youth employment should be our No. 1 objective. I still think so. For that reason I have today cosponsored legislation that would provide over $2 billion for this purpose. This is more than the President wants to spend and represents the exact figures contained in H.R. 4481 for these purposes. At the end of this statement I have reproduced my entire emergency appropriation bill. In addition to summer youth employment and public service jobs my bill also provides funds for community service employment, college work-study programs and other noninflationary programs contained in H.R. 4481.

Third. H.R. 4481 far exceeds the debt ceiling that Congress just recently adopted. To establish a debt ceiling one month and to exceed it the next month is not the kind of responsible fiscal policy that the country has a right to expect.

Fourth. Mr. Speaker, in sustaining the President's veto, it is my sincerest hope that Congress will immediately come back next week with a bill that will be a compromise between the President's and the Congress goals. The administration and the Congress agreed on a major tax cut. Extension of unemployment compensation benefits have also been proposed, together with increases for public service jobs and summer employment by both the Congress and the administration. These objectives should become law. However, any additional spending at this time runs the risk of fueling the inflationary pressures that are now subsiding. It is my feeling that the citizens of my district have come to realize that the heavy deficit spending of the Federal Government is the No. 1 cause of inflation and has been a major contributor to the recession that we all hope is now abating.

I include the following:

EMERGENCY APPROPRIATION BILL—SUBSTITUTE

FUNDING SUMMARY

	Michel bill	Administration
Summer youth employment	$458,050,000	$412,700,000
Community service employment (older Americans)	30,000,000	----------
Public Service jobs	1,625,000,000	1,625,000,000
College work-study	119,800,000	----------
WIN	70,000,000	----------
U.S. Railway Association (administrative expenses)	5,000,000	5,000,000
Total	2,307,850,000	2,072,700,000

Note: Station bill exceeds administration request by $265,150,000.

Mr. ASHBROOK. Mr. Speaker, I will vote to sustain the President's veto of H.R. 4481, the Emergency Employment Appropriations Act.

This is not an easy decision. I share the deep concern of my colleagues over the high rate of unemployment that is afflicting our Nation. We must get our jobless citizens back to work.

H.R. 4481, however, is not the answer to the problem. We will not beat unemployment and revitalize our economy by spending billions of taxpayers' dollars on public service jobs and accelerated public works projects. This has been tried before and it has failed.

At best this legislation would provide 900,000 jobs, which would lower unemployment by about 1 percentage point. These would be temporary jobs, most likely ending when the flow of Federal dollars ends. Is the Congress then to step in and fund another costly emergency jobs program? Where would this cycle stop?

Whatever short-term advantages may be derived are far outweighed by the disadvantages. First, H.R. 4481 would add approximately $5 billion to our already staggering Federal deficit. This would move us one step closer to economic chaos.

Second, H.R. 4481 would fuel the fires of inflation. This would throw even more people out of work as well as further burden those who are already in a tight financial squeeze.

Third, H.R. 4481 would further limit the amount of capital available to private industry. The Federal Government would have to borrow another $5 billion from a capital market that is dominated by Federal borrowing.

The only real answer to the unemployment problem is a revitalized free enterprise system. It is the private sector that provides the economic strength of our Nation. We need to get people working in private business and industry. These are permanent jobs, unlike the temporary nature of public service jobs.

Our free enterprise system will not recover, however, until we start cutting Government spending and balancing the budget. It is reckless Federal spending that has caused our current economic mess.

Irresponsible Federal spending has led to climbing interest rates, soaring inflation, and the crowding of private borrowers out of the market. Unable to secure needed capital, job-producing business expansion has stopped. New enterprises have never gotten off the ground. Mortgage money has dried up and with it the housing industry has slumped.

We will not reverse this trend until we reduce Government spending. This is the only way to revitalize our free enterprise system and rebuild our economy.

Mr. KASTENMEIER. Mr. Speaker, the President's veto of the Emergency Employment Appropriations Act may cause many of us great concern, but it certainly should come as no particular surprise. For, we all witnessed in the President's fiscal year 1976 budget the willingness of this administration to accept high levels of unemployment. That budget reflected an acceptance of 7 to

UMI

8 percent unemployment for the next 3 years. In my view, and I hope in the view of this body, this is totally unacceptable.

We all know that unemployment stands at 8.9 percent today and is soon expected to reach 9 percent.. This means that well over 8 million people in this country are jobless. And, for every person who is actually laid off, there are two or three who fear they will be. Estimates are that 20 to 25 million workers will be unemployed at one time or another in 1975.

It is easy, however, to deal with statistics and numbers. The real problem—the human problem—is more difficult to discuss, for we cannot begin to describe the costs of unemployment in personal terms.

Unemployment not only takes away one's source of livelihood, it also severely threatens an individual's sense of dignity and social usefulness. Families and friends are seriously affected. Those who talk about unemployment in terms of statistics ignore the cruel and tragic impact it has on human beings.

The President says that this bill is too expensive. He objects to the fact that it is $3.3 billion above his budget request. Yet he ignores the fact that it is clearly more costly not to reduce our unemployment level. For each 1-percent rise in unemployment we realize a $16 billion loss to the Federal Treasury—$2 billion in increased unemployment benefits and $14 billion in lost tax revenues. It, therefore, follows that we should realize a $16 billion gain for each 1-percent drop in unemployment. The President's cost argument simply does not hold.

Mr. Ford also claims that economic recovery will be well underway by the end of 1975. Yet, his own economists predict only a gradual leveling off or slight fall in the current unemployment rates by the end of this year. Try to tell the man who has been looking for a job for months, has probably exhausted his unemployment benefits, and has been forced to resort to food stamps or public assistance, that things may get better by the end of this year. What does Mr. Ford propose these 8 million plus individuals do in the interim?

Mr. Speaker, next year this Nation will celebrate its Bicentennial. Yet, how can we comment on the glories of a nation, founded on the ideal of every individual enjoying life, liberty, and the pursuit of happiness, when over 20 million of our fellow citizens will stand in unemployment lines?

We cannot sit back and hope that somehow the natural course of events will solve our unemployment problems. It is imperative that we take positive and decisive action to reduce unemployment. This bill will greatly assist in accomplishing such a reduction. I strongly urge my colleagues to vote to override this veto.

Mr. ANDERSON of California. Mr. Speaker, unemployment is one of the most pressing problems facing our Nation today. In April, the national unemployment rate stood at 8.9 percent, and the rate for May is expected to exceed 9 percent.

In my own State of California, the situation is even more critical. The State unemployment rate has been consistently higher than the national average—10 percent in April. This means that there are 949,800 persons out of work—11.5 percent of the Nation's total unemployed. Obviously, we in California have a great interest in any attempt to increase employment.

During the past week, while Congress was in recess, I had a chance to visit with my constituents and listen to their views. And I can report that the people, at least in the district I represent, do not want an increase in relief.

They do not want a tax rebate, or some other type of one-shot handout they know will have to be repayed somehow.

What the people in my district want, and what they need, are jobs.

When Congress passed H.R. 4481, it seemed that the Federal Government was recognizing the needs of the people, and addressing itself to meet those needs.

And now we find ourselves, 1 week after being accused as a "do-nothing" Congress, having to vote for the third time on a bill that should have been in effect long ago.

Here is a bill that will provide up to 1 million jobs, vetoed because apparently the administration feels that it is too expensive. Vetoed by the same administration that submitted a Defense procurement request with a 35-percent increase over last year.

We have a bill that has been vetoed because it is said to be "inflationary." Vetoed by the same administration which is pushing an energy program that will cost our economy over $30 billion.

Mr. Speaker, H.R. 4481 is a bill that will have a direct benefit to over 900,000 Americans, for it will provide them with employment.

I urge my colleagues to join me in overriding this veto.

Mr. ROBINSON. Mr. Speaker, it has been a matter of particular regret to me that the insistence of the Congress on sending the President an appropriations bill obviously grossly excessive in the present Federal fiscal circumstances has operated to delay funding of the college work-study grants.

This delay has hampered the efforts of financial assistance officers of educational institutions to assist deserving students. It has thrown into uncertainty the students' educational plans.

Congress has committed itself to budgetary reform. I submit that the handling of this bill by the majority in control of this Congress has not honored that commitment.

Underestimating the President's determination to resist excessive spending does not excuse delaying the provision of realistic levels of funding to worthy programs having broad congressional and public support, such as the college work-study grants.

Mr. ROYBAL. Mr. Speaker, I rise in support of the motion to override the President's veto of the Emergency Appropriations Act of 1973.

In view of the economic crisis facing this Nation, it is imperative for the Federal Government to create jobs for the thousands of unemployed members of our labor force. In vetoing the Emergency Appropriations Act, the President stated in no uncertain terms that the needs of our people are secondary to the needs of businesses in this Nation. In addition to this outright and deplorable favoritism of big business, the President's justification for his veto reveals a misguided economic approach to the unemployment problem. He says, for example, that we are on the way to economic recovery, and that the influences of the Emergency Appropriations Act will come too late to aid this recovery. I hardly think that an unemployment rate of 8.9 percent reflects anything close to economic recovery, and many would agree with me that the rate of unemployment is not going to stop at 8.9 percent. Further, I would like to know how the President came to the conclusion that we are on the way to recovery, when he vetoed the one plan designed to cure our economic ills, and he has offered none of his own.

I for one believe that we can begin to recover only if we put people back to work. The Emergency Appropriations Act is one answer to the problem. The bill provides for an appropriation of $5.3 billion to fund the creation of public service jobs and the acceleration of Federal construction, building, and purchase programs. The public service component of the bill covers many sectors of the population who sorely need attention. Included are summer jobs for youth, public service jobs, and jobs specifically geared to older Americans. Other work-related efforts to be funded under this appropriation are work-study programs for college students, a work incentive program for welfare recipients, and jobs under the Youth Conservation Corps.

The bill also includes a job stimulus component, providing for programs which are expected to produce a multiplier effect to foster job creation. This will be accomplished through construction contracts for Federal facilities, purchase of needed transportation vehicles for Government use, and further development of recreation and public land resources.

I emphasize the fact that none of these jobs will be of a make-work nature. Those who become employed under the plan will be helping to make much-needed domestic improvements in health care, flood control, sewage disposal, public lands, and recreation.

Through nonaction, the President has indicated that he does not intend to respond to the needs of this Nation. We in Congress must take over and reaffirm the Government's first obligation to the people. I therefore urge my colleagues to act with me in not only challenging, but voting to override the President's veto.

Mr. LAGOMARSINO. Mr. Speaker, I urge a "no" vote on this override. In vetoing this bill, the President was doing what too often is not done in this Chamber—rejecting the pork barrel response to a crisis. I read in the Washington Star yesterday that Federal agencies were literally asked for a "shopping list" of programs and projects in preparing this bill. Well, a shopping list is not what we need. We need jobs—right now. Not 2 years from now. Half the funds in this bill will have no immediate effect on our unemployment problems. What they will do is set off a new round of inflation in 1976, just when we hopefully will be getting our feet back on the ground.

The borrowing needed to finance this bill will serve only to dry up credit for job creating private enterprise and knock the props out from under the housing market. Interest rates will soar. I think some of these agencies are using the present recession, working it for all it is worth to get pet projects through this House.

What we should do, Mr. Speaker, is send this bill back for another run-through, and pare out all the fat and unrelated programs. Let us extend the public service program, let us get those funds moving for summer jobs and for other immediate needs. And let us quit kidding the public about what we are doing.

Mr. AMBRO. Mr. Speaker, I am saddened by the failure of my colleagues in the House of Representatives to override the insensitive—and, I believe, irresponsible—veto cast by President Ford against H.R. 4481, the Emergency Employment Appropriations Act. This legislation would have quickly created over 900,000 jobs at a time when the official unemployment rate of our citizens hovers near 9 percent and the actual rate has skyrocketed to a figure significantly higher than that.

Frankly, I am somewhat perplexed by this action on the part of some of my colleagues particularly in light of the fact that this House approved the conference report on this bill by an overwhelming vote of 293 to 109. Surely, there have been now new economic developments of any consequence to alter this highly affirmative response. Nonetheless, we came up 4 votes short of overriding the veto. An analysis of the voting patterns evidenced indicate the following factors coming into play:

Basically, all of the Democrats elected to Congress for the first time last November, voted to override the veto. Only 3 of this group of 75 voted to sustain it. Perhaps we, who are Members of this body by virtue of a new mood that swept the Nation last fall, are more acutely attuned to the needs and desires of our constituencies and more sensitive to their plight as the economy founders and unemployment continues to rise.

It was quite evident, even for a freshman on the other side of the aisle, that the White House was putting tremendous pressure on the Republican Members of the House in an effort to pursuade, cajole, and strongly suggest that they go along with the veto. It is my understanding that the White House was on the telephone with Republicans through the entire debate and record vote in order to prevent defections. As a result, only 19 Republicans voted to override while 55 had voted in favor of the bill initially and 49 had supported the conference report.

Finally, it is especially disquieting to see a resurgence of the old southern Democrat-conservative Republican coalition that has stymied so many pieces of progressive legislation in the past. There was a very significant defection by the members of the Democratic Party from the South partly evidenced by votes to sustain the veto cast by 10 committee and subcommittee chairmen.

Aside from the immediate harm done to the citizens of this Nation by the veto of a bill that would have provided jobs for the unemployed, for students working their way through college, for senior citizens, the deed done today by a minority—one-third plus four—of the Members of this House bodes ill for the future of compassionate and necessary legislation to emerge from this Congress. I am afraid that we will be witnesses to a policy of "Government by Presidential veto." While our President is fond of comparing himself to President Truman in his battles with the 80th Congress, it must not be forgotten that Mr. Truman used his veto to protect and aid our citizens from a backward and business-oriented Congress, while Mr. Ford is using his to thwart the actions of a Congress that is consumer oriented and committed to alleviating the hardships being borne disproportionately by the poor, the elderly, and the growing numbers of unemployed. What makes Mr. Ford's success in sustaining this veto even more preposterous is that his opposition to this and similar legislation is based on an economic policy that is corporation oriented, insensitive to the situation of the average citizen, and an echo of half-baked theories and bromides that we have not heard—thankfully—since the days of Herbert Hoover. Certainly Mr. Ford's oft-repeated assurances that "economic recovery is expected to be well underway by the end of 1975" sounds suspiciously like "prosperity is just around the corner." Mr. Ford and his House economists seem completely oblivious to the fact that every 1 percent increase in the unemployment rate above the so-called full employment rate of 4.5 percent costs the Federal Government $16 billion—$2 billion in direct benefit payments, and $14 billion in lost tax revenues. Our present 8.9 percent unemployment rate, therefore, is currently contributing $64 billion to the Federal deficit. Putting people back to work, as this bill would have done for over 900,000 individuals might require an initial outlay from the Government but it would result in a decrease in actual costs incurred for those who remain unemployed. Unfortunately, our President would rather see us bear the social and economic costs of keeping people on the unemployment dole than take action to put them back to work. It is equally unfortunate that he was able to persuade over one-third of the Members of this House to agree.

Mr. CONTE. Mr. Speaker, my fellow colleagues and I are faced with a most important question today. Are we to enact a bill filled with provisions which fails to respond to the specific needs of the unemployed across our Nation—or are we to recognize the tremendous effect the $3.3 billion above the budget this bill will have on our economy? The more and more we appropriate above and beyond our budget, the less amount of funds we will have available for private sector borrowing. This will only result in an extension of the serious recession we are involved with.

No one can dispute the urgent and immediate need for summer jobs and the continuation/extension of CETA public service jobs. However, these provisions in the bill are overshadowed by provisions which do not fall into the bill's specified "emergency" category. Those provisions belong under separate legislation.

The funding criteria in the bill does not guarantee that programs will reach every critically affected area. What we need is a broad based, federally controlled jobs program reaching every affected area, to put the jobless to work on lasting useful projects such as reforestation, environmental cleanup and upgrading thousands of miles of unsafe railroad tracks and beds.

We must demonstrate fiscal responsibility and sustain this veto. Further, we must act immediately to pass appropriations for CETA and summer jobs. In addition, we must pass the second supplemental with the amendment providing funds to create jobs on crews to rehabilitate our rail rights-of-way.

I urge my colleagues to sustain this veto.

Thank you, Mr. Speaker.

Mr. FUQUA. Mr. Speaker, it is with great reluctance that I must vote to sustain a veto of an emergency jobs bill as I feel that the attainment of a full employment economy is one of the great priorities of this Congress. Likewise, the need for prudent public works projects is manifest and must be dealt with in a comprehensive way. As my colleagues know, I have consistently voted for jobs' bills and programs to mitigate the devastating impact of unemployment on millions of our citizens.

Unfortunately, however, this measure has been dressed up with an unwholesome complement of amendments and add-ons which has taken the price tag of the bill to fiscally unsound levels. Accordingly, I feel compelled to support the President in holding the line on untoward Federal expenditures and strongly urge the members of the House Committee on Education and Labor to bring a bill back to the full House which will contain the needed employment stimulus without the surplus baggage which made the present bill unacceptable.

The Members know that economic policy is not developed in a vacuum but requires delicate ministrations of proven economic solutions geared to economic, not political, realities. In my opinion, my vote to sustain this veto is as difficult from a political standpoint as it is essential from a fiscal standpoint. Officials in the State of Florida who have been directed to administer the Federal programs made available under this and other legislation have explained to me the serious employment ills facing my great State. They have agreed with me, however, that simply throwing tax dollars at the problem is not going to solve it. The legislation would authorize the purchase of some 21,000 vehicles and other programs designed to serve a multitude of purposes.

It appears to me that we should be applying adequate amounts of Federal funds directly to the problem—the good

UMI

men and women who are out of work and who are unable to support their families. In this regard, I am most hopeful that the extension of title VI, public service employment and the authorization for summer youth employment programs are included in the final measure and that the provisions extending unemployment benefits and other job-related benefits are made available. It appears to me that there is adequate fat in the present bill which can be trimmed without the overall thrust of the measure being adversely effected.

As a primary sponsor of the Budget and Impoundment Control Act of 1974, I feel a personal sense of commitment to remain within the expenditure ceiling recommended by that body as being fiscally sound. A major attraction of the Budget Control Act was the flexibility it provided and the ability of Congress to meet pressing and extraordinary national needs while staying within prudent spending limits. There is very little question but that the people we are trying to help with this jobs bill will be the very ones who are most disadvantaged by a new round of inflation and continued recession. Economic pressures are in large part psychological in nature and massive Federal deficits and the resulting downturn in economic indicators will continue to bring about a recession panic and serve as a disincentive to the increased investment and capital expenditure which would be encouraged in a more attractive economic climate.

Again, without the excess baggage which this measure unfortunately carries, I strongly support the kind of legislation we are considering. Legislation designed to alleviate some of the adverse effects of an inordinarily high level of unemployment. I just cannot, in good conscience, vote to override the President when I sincerely believe the measure will contribute rather than attenuate the impact of our current economic ills on those who are currently unemployed. I hope that an improved measure can be returned here to the full House as early as possible as the end of this fiscal year will soon be upon us.

Mr. STOKES. Mr. Speaker, I rise in support of H.R. 4481, and urge my colleagues to join me in voting to override the President's veto of this vitally important legislation.

In taking this cruel and callous action, President Ford claimed that the national economy is showing signs of recovery. He said that the impact of the bill would not be felt until "long after our current unemployment problems are expected to subside." The President made this glib assertion in the face of incontrovertible testimony by the administration's own economic experts that unemployment will surpass 9 percent this year, and that joblessness will continue at an average of 7.9 percent through 1976. These predictions, disclosed in the administration's own mid-year budget and economic review, are likely to err on the side of optimism as such estimates have so frequently done in the past. Even at these projected levels the enormity of the unemployment problem that we are asked to endure is all too evident. Yet this administration blithely heralds its "recovery indicators." My question is recovery for whom?

The tragic answer is that all the signals of economic turnaround that the administration is crowing about are based on its plan to allow an intolerably high jobless rate for an indefinite period. It has been clear long before this veto that the President is committed to the politically expedient approach of using unemployment to control inflation and that the unemployed are the expendables in the administration's economic plan. This veto only proves the administration's clear intent to create a permanent class of the unemployed.

The administration has made a calculated decision to let the fate of the jobless hang in the balance while hoping against hope that its economic policies will magically begin to work. Yet, the unemployed are scheduled to be the last ones to feel the effects of the so-called recovery, that is, if it ever comes at all.

Meanwhile the gravity of the unemployment crisis worsens daily. Mark Roberts, chief economist for the AFL–CIO, asserted this week that 25 to 35 million Americans will experience some period of unemployment this year. President Ford's veto was announced on the very day that the Department of Labor reported 22 more cities being added to the "substantial unemployment" category. That roster now includes 127 of the Nation's 150 labor areas. The long hot summer approaches while millions of American teenagers prepare to graduate from high school into despair. At this time 40.2 percent of black teenagers are unemployed. By the time school lets out the need will multiply for the 1 million summer jobs for youths this bill would provide. Can we permit that a whole generation of young blacks may come to adulthood as economic shutouts?

While I deplore the inhumanity of the President's action, I also deplore its utter lack of logic. To allow continuing high levels of unemployment will not only mean increased human suffering for some Americans, it will also inevitably destroy the entire economy. A study recently released by the Conference Board, an independent economic research institute showed that the high level of joblessness forecast by the Ford administration through 1979 could result in a loss equivalent to about $350 billion in lost production, equivalent to 40 percent of 1974's real gross national product.

As for Ford's argument about the inflation peril of the budget deficit, we know that unemployment is the greatest contributor to the deficit with a cost of $16 billion in unemployment benefits and foregone tax revenues for every 1 percent of unemployment.

Mr. Speaker, the importance of our vote to override the Ford veto cannot be overly stressed. It is an urgent national imperative. There has never been a greater challenge to the 94th Congress to defend the rights of all Americans for a decent way of life. I implore my colleagues to join me in voting to override the Ford veto.

Mr. MAHON. Mr. Speaker, I yield to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES), 5 minutes.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. One hundred and seventy-nine Members are present, not a quorum.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 257]

Alexander	Mathis	Stuckey
Biaggi	Mollohan	Teague
Burke, Calif.	Passman	Wampler
du Pont	Poage	Wiggins
Early	Railsback	Wilson, C. H.
Foley	Rostenkowski	Wilson, Tex.
Jones, Tenn.	Santini	
McDonald	Scheuer	

The SPEAKER. On this rollcall 411 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EMERGENCY EMPLOYMENT APPROPRIATION ACT, 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

Mr. HILLIS. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Speaker, no one wants unemployment. A general consensus does exist for direct assistance to those who are presently unemployed due to present economic conditions.

Unemployment in my Fifth District of Indiana is considerably above the national average. I want to support legislation which can assist my district and the Nation, however, I seriously question the ability of the Emergency Employment Act to adequately aid in the resolution of our economic difficulties.

As we are all well aware, the President sent the Congress a proposal requesting $1.625 billion for public service job assistance and $412.7 million to create summer youth employment. We added $3.3 billion to this request and enlarged the scope of the bill before sending it back to the President. My present objections to the vetoed bill are provisions calling for the funding of various projects to be carried out by the Army Corps of Engineers and the Bureau of Reclamation. These projects will not aid in solving the unemployment problem mainly because these are long-range projects which are still in the planning stage. As stated by the President in his veto message to the Congress, almost half of the additional spending recommended by the bill would occur in fiscal year 1976 and through calendar year 1977. This certainly will not assist in solving current problems where immediate solutions are called for.

The President's belief that enactment of the bill will in the long run exacerbate budgetary and economic pressures must be given every consideration. The chief impact of the bill as presently devised will be felt after our present problems have subsided.

I recommend that we sustain the President's veto of this questionable measure and rapidly act to pass a substitute measure which directs itself to the problems at hand. The Esch-Michel substitute, of which I am a cosponsor, would accomplish this end. This bill advocates the appropriation of $2.3 billion for the unemployed and summer youth job needs. Unemployment among the young is appallingly high and it stands to reason that action is needed today to resolve our immediate unemployment problems. This bill is $250 million higher than the President's original proposal and eliminates the pork barrel projects added to H.R. 4481 which will not solve unemployment problems.

It is my sincere hope that we can direct our attention to the rapid solution of this matter.

Mr. RHODES. Mr. Speaker, I welcome this debate today. I think it points out some rather fundamental differences in the philosophies of the two parties. Both parties are for jobs. Both parties are against unemployment. I do not think that there can be any doubt about that.

But on our side—the Republican side—we feel that jobs can be had and that unemployment can be controlled and ended best by stimulation of the private sector.

On the Democratic side, there is oratory and there are mostly people who feel that the only way to stop unemployment is by spending through the public sector.

Mr. Speaker, I submit that this is not a new difference. This has been one of the differences between the parties through the years.

I will submit also that spending in the public sector did not stop the Roosevelt depression and it has not stopped the 93d and 94th Congress recession. It is absolutely necessary, if we are really to give people jobs, that the spending be directed through the private sector.

I am not talking about the leaf-raking kind of jobs that one gets when he works through certain Government programs like the ones we saw back in the 1930's. I am talking about real jobs, jobs that people get when they go to work in factories, when they go to work in private enterprise or in some way such as that. I am talking about jobs that one gets after he receives training, whether it be through Federal programs or through other types of programs.

Mr. Speaker, I hate to say this, but I would have to seriously charge that my friends on the Democratic side have not really had a new idea since 1933. They are trying to apply the same type of remedies which failed back in the 1930's, and they will not succeed now.

I want the Members to join with me in thinking of some figures. We have heard many figures bandied about here, and one of them is that we see $16 million lost for every 1 million unemployed. That may or may not be an accurate figure. I do not know for sure. I suggest, if it is, that the best way to end unemployment is not by these Federal programs. There is just no way to do it through these Federal programs.

In the paper this morning there was an article concerning the fact that the appropriations made by business and by private enterprise for capital expansion are way down this year. There is something like a 20-percent cut in those investments.

Mr. Speaker, this genuinely bothers me. It bothers me because it means that private enterprise is not being encouraged, as it must be, to pick up the slack that we see in the economy. And there is slack in the economy.

It also worries me a bit that my good friends on the other side seem to feel that we must not worry about inflation at all and that it is only necessary that we look at what we call the "recession"—and I call it "the 94th Congress recession."

That, to me, is taking a worm's eye view of the economy. This is in effect saying that the Congress does not have the intelligence to look at the whole economy, to look at the economy as it will be 5 or 10 years from now, or even 2 years from now. It is only suggesting that we look at the economy as it is now. That is just what a worm would do. A worm looks at what is exactly ahead of him; he cannot see over that nearest mound of dirt, and he does not know whether there is something there or whether there is nothing there.

Mr. Speaker, I asked the distinguished chairman of the Council of Economic Advisers not too long ago if there was a time at which the Federal deficit was actually deflationary so that it would actually contract the economy. He said, "Yes." He said, "That occurs when the deficit is so large that it inhibits the money market in its ability to provide the capital necessary for the expansion of private enterprise."

I said, "Have we reached that point?"

He said, "We have reached it, and we will surpass it by February of 1976."

Mr. Speaker, this bill, which is $2.7 billion over the budget, adds a straight $2.7 billion more to the deficit. It adds $2.7 billion more in borrowing, and that is the type of borrowing which further takes away from the ability of the money market to allow the economy of the United States to expand, as it must.

Mr. Speaker, I believe that this bill works the wrong way. It is a bill which should have been vetoed. It was vetoed, and I urge that the veto be sustained.

Mr. DANIELSON. Mr. Speaker, I wish to point out that when the distinguished minority leader, Mr. RHODES, referred to the Roosevelt depression, he was probably speaking of the Hoover depression which began in 1929.

Mr. MAHON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the need for this bill is more urgent today than when it passed the House 2 months ago. That is the point I wish to stress in my comments.

What did we do 2 months ago? We passed this bill by a vote of 313 to 113.

Why did we pass it? We passed it because it provides 900,000 jobs for men and women who need work, and we passed it because it provides productive employment, employment that will enhance the resources of the United States.

Mr. Speaker, I urge that the veto be overridden, and I yield the remainder of the time to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I want to congratulate the gentleman from Texas (Mr. MAHON). I am sure that nobody has ever accused him of being fiscally irresponsible. He is one of the great men of this Congress, and we all know it.

I listened with interest as the minority leader referred to the 93d and 94th congressional recession. That is a term I never heard before. I thought this recession, the worst since the 1930's, happened because of a corrupt Nixon administration in which the American people lost confidence. I also thought it happened because of the misguided economic policy of the Ford administration which, in truth, has betrayed the American people.

Mr. Speaker, this is the worst depression since the 1930's. Look at the record. When Mr. Ford took over as President of the United States, we had an unemployment rate of 5.4 percent in this country. Those are the statistics that were given to me today by the Bureau of Statistics of the Department of Labor. I asked what was the unemployment record as of today. The record is 8.9 percent, and we all know that these records are about 6 weeks behind; actually, we have over 10 percent unemployed in America, with 9 million people out of work.

On their records, on the records of the Gerald Ford administration, unemployment has gone up 3.5 percent.

What does that mean? For every 1 percent of unemployment in this country it costs the Federal Government $16 billion; $14 billion in lost anticipated taxes and $2 billion that we pay out for unemployment compensation. Multiply it by 3.5 percent, and in the 8 months that Mr. Ford has been the President of the United States it has cost this Government $56 billion.

Mr. Speaker, this veto message is the weakest that I have ever seen. One of the statements that the President makes is that a further stimulus would hurt more than it would help the economy, in the long run. Yet, nearly a year after Ford began his administration, 9.5 million people are now unemployed. In the 10 months that he has been President, we have gone up 3.5 percent in our unemployment rate.

The Nixon and Ford administrations have been engaging in wrong fiscal maneuvering. We have to change that policy.

Mr. Speaker, what does this bill do? This bill gives us 900,000 jobs—900,000 jobs. The committee has recommended such items as the acceleration of ongoing public works projects, including road, water and sewer grants; improvement and modernization of veterans hospitals; increased maintenance of national cemeteries; reforestation; and other programs along the line. There are 900,000 jobs directly created. We believe and hope, and our economists say, that it will generate another 900,000 jobs in the private sector. Therefore, actually we are talking about 1.8 million jobs.

Mr. Speaker, I just noted that the Republicans are coming out with a motion picture entitled, "Republicans Are People, too." I am happy to know that. I would like to know what this motion picture is about. I am delighted to know that. I am delighted to know that the

UMI

Republicans have some concern for the little fellow, that they have some concern for middle America, and that they have some concern for the more than 9 million people who are unemployed.

What is the problem that is facing the Nation at the present time? Yes, the problem is jobs. Of course, we are producing at a rate of $230 billion below capacity right at this moment. Imagine, $230 billion below capacity.

There would be no deficit, there would be no unemployment if the Nation were being run in a proper manner. Just at the economy as to what has happened in the last 3 months: unemployment has risen from 5.4 to 8.4 percent.

The economic policies set by this administration have failed.

We have given a tax bill to stimulate the economy. We are presently drafting energy legislation. This measure before us is one that we think will help turn the economy around for the good of America. We need to override the veto of President Ford today because, if we do not, we will continue to travel down the wrong road that the Nixon-Ford administration's economic policies have directed us.

Mr. Speaker, we will not be facing a more important issue this session than this veto. It has become a partisan issue. The battlelines are clearly drawn—no other issue divides the ideals and priorities of the Democratic and Republican Parties than the issues of this urgently needed job creating appropriations bill. We have not asked for this confrontation. But we cannot shirk our responsibilities. We have an obligation, a duty to those Americans—our constituents—who last fall voted to send us to Washington to protect their vital interests. The American people have asked us to determine the priorities of the Nation. Let us give them the answers they are demanding and vote to override this veto.

The SPEAKER. All time has expired.

Mr. MAHON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device; and there were—yeas 277, nays 145, not voting 12, as follows:

[Roll No. 258]

YEAS—277

Abzug	Bevill	Burton, John
Adams	Biaggi	Burton, Phillip
Addabbo	Biester	Carney
Albert	Bingham	Carr
Ambro	Blanchard	Casey
Anderson, Calif.	Blouin	Chappell
Andrews, N. Dak.	Boggs	Chisholm
Annunzio	Boland	Clay
Ashley	Bolling	Cohen
Aspin	Bonker	Collins, Ill.
AuCoin	Bowen	Conyers
Badillo	Brademas	Corman
Baldus	Breaux	Cornell
Barrett	Breckinridge	Cotter
Baucus	Brinkley	D'Amours
Beard, R.I.	Brodhead	Daniels, N.J.
Bedell	Brooks	Danielson
Bennett	Brown, Calif.	Davis
Bergland	Burke, Calif.	de la Garza
	Burke, Mass.	Delaney
	Burlison, Mo.	Dellums
Dent	Keys	Rangel
Derrick	Koch	Rees
Diggs	Krebs	Reuss
Dingell	LaFalce	Richmond
Dodd	Leggett	Riegle
Downey	Lehman	Rinaldo
Drinan	Levitas	Risenhoover
Duncan, Oreg.	Litton	Roberts
Early	Lloyd, Calif.	Rodino
Eckhardt	Lloyd, Tenn.	Roe
Edgar	Long, La.	Rogers
Edwards, Calif.	Long, Md.	Roncalio
Eilberg	Lujan	Rooney
Emery	McCormack	Rose
English	McDade	Rosenthal
Evans, Colo.	McFall	Roush
Evans, Ind.	McHugh	Roybal
Evins, Tenn.	McKay	Russo
Fisher	McKinney	Ryan
Fithian	Macdonald	St Germain
Flood	Madden	Santini
Florio	Maguire	Sarasin
Flowers	Mahon	Sarbanes
Flynt	Matsunaga	Scheuer
Foley	Mazzoli	Schroeder
Ford, Mich.	Meeds	Seiberling
Ford, Tenn.	Melcher	Sharp
Fraser	Metcalfe	Shipley
Fulton	Meyner	Sikes
Fuqua	Mezvinsky	Simon
Gaydos	Mikva	Sisk
Giaimo	Milford	Slack
Gibbons	Miller, Calif.	Smith, Iowa
Gilman	Mills	Solarz
Ginn	Mineta	Spellman
Gonzalez	Minish	Staggers
Green	Mink	Stanton, James V.
Haley	Mitchell, Md.	Stark
Hall	Moakley	Steed
Hamilton	Moffett	Stokes
Hanley	Moorhead, Pa.	Stratton
Hannaford	Morgan	Studds
Harkin	Moss	Sullivan
Harrington	Mottl	Symington
Harris	Murphy, Ill.	Taylor, N.C.
Harsha	Murphy, N.Y.	Thompson
Hawkins	Murtha	Thornton
Hayes, Ind.	Natcher	Trader
Hays, Ohio	Neal	Tsongas
Hébert	Nedzi	Udall
Hechler, W. Va.	Nix	Ullman
Heckler, Mass.	Nolan	Van Deerlin
Hefner	Nowak	Vander Veen
Heinz	Oberstar	Vanik
Heistoski	Obey	Vigorito
Hicks	O'Hara	Walsh
Hightower	O'Neill	Waxman
Holland	Ottinger	Weaver
Holtzman	Passman	Whalen
Horton	Patman, Tex.	White
Howard	Patten, N.J.	Whitten
Howe	Patterson, Calif.	Wilson, C. H.
Hubbard	Pattison, N.Y.	Wirth
Hughes	Pepper	Wolff
Hungate	Perkins	Wright
Jenrette	Peyser	Yates
Johnson, Calif.	Pike	Yatron
Jones, Ala.	Pressler	Young, Ga.
Jones, Okla.	Preyer	Young, Tex.
Jordan	Price	Zablocki
Karth	Pritchard	Zeferetti
Kastenmeier	Randall	
Kazen		

NAYS—145

Abdnor	Conte	Hastings
Anderson, Ill.	Coughlin	Henderson
Andrews, N.C.	Crane	Hillis
Archer	Daniel, Dan	Hinshaw
Armstrong	Daniel, R. W.	Holt
Ashbrook	Derwinski	Hutchinson
Bafalis	Devine	Hyde
Bauman	Dickinson	Ichord
Beard, Tenn.	Downing	Jacobs
Bell	Duncan, Tenn.	Jarman
Broomfield	Edwards, Ala.	Jeffords
Brown, Mich.	Erlenborn	Johnson, Colo.
Brown, Ohio	Esch	Johnson, Pa.
Broyhill	Eshleman	Jones, N.C.
Buchanan	Fenwick	Kasten
Burgener	Findley	Kelly
Burke, Fla.	Fish	Kemp
Burleson, Tex.	Forsythe	Ketchum
Butler	Fountain	Kindness
Byron	Frenzel	Krueger
Carter	Frey	Lagomarsino
Cederberg	Goldwater	Landrum
Clancy	Goodling	Latta
Clausen, Don H.	Gradison	Lent
Clawson, Del	Grassley	Lott
Cleveland	Gude	McClory
Cochran	Guyer	McCloskey
Collins, Tex.	Hagedorn	McCollister
Conable	Hammer-schmidt	McDonald
Conlan	Hansen	McEwen
		Madigan
Mann	Regula	Steiger, Ariz.
Martin	Rhodes	Steiger, Wis.
Michel	Robinson	Stephens
Miller, Ohio	Rousselot	Symms
Mitchel, N.Y.	Runnels	Talcott
Montgomery	Ruppe	Taylor, Mo.
Moore	Satterfield	Thone
Moorhead, Calif.	Schneebeli	Treen
Mosher	Schulze	Vander Jagt
Myers, Ind.	Sebelius	Waggonner
Myers, Pa.	Shriver	Wampler
Nichols	Shuster	Whitehurst
O'Brien	Skubitz	Wilson, Bob
Pettis	Smith, Nebr.	Winn
Pickle	Snyder	Wydler
Poage	Spence	Wylie
Quie	Stanton, J. William	Young, Alaska
Quillen	Steelman	Young, Fla.

NOT VOTING—12

Alexander	Mathis	Stuckey
du Pont	Mollohan	Teague
Fascell	Railsback	Wiggins
Jones, Tenn.	Rostenkowski	Wilson, Tex.

So, two-thirds not having voted in favor thereof, the veto of the President was sustained, and the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee and Mr. Railsback for, with Mr. Teague against.

Mr. Mollohan and Mr. Rostenkowski for, with Mr. Wiggins against.

Until further notice:

Mr. Stuckey with Mr. Alexander.

Mr. Charles Wilson of Texas with Mr. Mathis.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will notify the Senate of the action of the House.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the vote to override the President's veto just considered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON H.R. 4700, AUTHORIZING APPROPRIATIONS FOR NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. FUQUA submitted the following conference report and statement on the bill (H.R. 4700) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 94-259)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4700) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration:

(a) For "Research and development," for the following programs:

(1) Space Shuttle, $1,206,000,000;

(2) Space flight operations, $203,100,000;

(3) Advanced missions, $2,000,000;

(4) Physics and astronomy, $162,800,000;

(5) Lunar and planetary exploration, $259,900,000;

(6) Launch vehicle procurement, $166,900,000;

(7) Space applications, $181,530,000;

(8) Aeronautical research and technology, $175,350,000;

(9) Space and nuclear research and technology, $74,900,000;

(10) Energy technology applications, $5,900,000;

(11) Tracking and data acquisition, $240,800,000;

(12) Technology utilization, $8,000,000;

(b) For "Construction of facilities," including land acquisition, as follows:

(1) Modification of 11- by 11-foot transonic wind tunnel, Ames Research Center, $2,695,000.

(2) Addition for composite model and metal finishing shops, Langley Research Center, $1,940,000;

locations as follows:

(3) Space shuttle facilities at various locations as follows:

(A) Modifications to launch complex 39, John F. Kennedy Space Center, $13,110,000;

(B) Construction of Orbiter processing facility, John F. Kennedy Space Center, $8,160,000;

(C) Modifications for solid rocket booster processing facilities, John F. Kennedy Space Center, $5,240,000;

(D) Modifications for hypergolic checkout and refurbishment facilities, John F. Kennedy Space Center, $6,940,000;

(E) Modifications for launch equipment test facilities, John F. Kennedy Space Center, $1,960,000;

(F) Construction of Orbiter approach and landing test facilities, Flight Research Center, and Air Force Plant #42, Palmdale, California, $1,680,000;

(G) Construction of Shuttle/Carrier aircraft mating facilities, Flight Research Center, and Air Force Plant #42, Palmdale, California, $3,890,000;

(H) Modifications for crew training facilities, Lyndon B. Johnson Space Center, $830,000;

(I) Modification of the vibration and acoustic test facility, Lyndon B. Johnson Space Center, $2,410,000;

(J) Modifications for solid rocket booster component manufacturing and assembly facilities (location to be designated), $3,000,000;

(4) Modification of 40-by-80 foot subsonic wind tunnel, Ames Research Center, $12,500,000;

(5) Rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $16,000,000;

(6) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, $5,000,000;

(7) Facility planning and design not otherwise provided for, $13,775,000.

(c) For "Research and program management," $776,000,00, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

(d) Notwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Technology of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified in an appropriation Act, (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed $35,000, for scientific consultations of extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of $25,000 for each project, including collateral equipment may be used for construction of new facilities and additions to existing facilities, and not in excess of $50,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: *Provided*, That of the funds appropriated pursuant to subsection 1(a), not in excess of $250,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (6), inclusive, of subsection 1(b)—

(1) in the discretion of the Administrator or his designee, may be varied upward 10 per centum, or

(2) following a report by the Administrator or his designee to the Committee on Science and Technology of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate on the circumstances of such action, may be varied upward 25 per centum,

to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 3. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (7) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next Authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisitions, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless (A) a period of thirty days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Technology of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 4. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Technology or the Senate Committee on Aeronautical and Space Sciences,

(2) no amounts appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 1(a) and 1(c), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee.

unless (A) a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 6. The National Aeronautics and Space Administration is authorized, when so provided in an appropriation Act, to enter into a contract for tracking and data relay satellite services. Such services shall be furnished to the National Aeronautics and Space Administration in accordance with applicable authorization and appropriation Acts. The Government shall incur no costs under such contract prior to the furnishing of such services except that the contract may provide for the payment for contingent liability of

the Government which may accrue in the event the Government should decide for its convenience to terminate the contract before the end of the period of the contract. Facilities which may be required in the performance of the contract may be constructed on Government-owned lands if there is included in the contract a provision under which the Government may acquire title to the facilities, under terms and conditions agreed upon in the contract, upon termination of the contract.

The Administrator shall in January of each year report to the Committee on Science and Technology and the Committee on Appropriations of the House of Representatives and the Committee on Aeronautical and Space Sciences and the Committee on Appropriations of the Senate the projected aggregate contingent liability of the Government under termination provisions of any contract authorized in this section through the next fiscal year. The authority of the National Aeronautics and Space Administration to enter into and to maintain the contract authorized hereunder shall remain in effect as long as provision therefor is included in Acts authorizing appropriations to the National Aeronautics and Space Administration for subsequent fiscal years.

SEC. 7. In addition to the amounts authorized to be appropriated under section 1 of this Act, there is hereby authorized to be appropriated to the National Aeronautics and Space Administration, to be available no earlier than July 1, 1976:

(a) For "Research and development," for the programs specified in the following paragraphs, $700,600,000, of which no more shall be available for any such program than the amount stipulated (for that program) in the applicable paragraph:

(1) Space Shuttle, $321,000,000;
(2) Space flight operations, $55,100,000;
(3) Advanced missions, $500,000;
(4) Physics and astronomy, $46,600,000;
(5) Lunar and planetary exploration, $73,300,000;
(6) Launch vehicle procurement, $40,400,000;
(7) Space applications, $54,700,000;
(8) Aeronautical research and technology, $46,800,000;
(9) Space and nuclear research and technology, $22,300,000;
(10) Energy technology applications, $1,500,000;
(11) Tracking and data acquisition, $66,400,000;
(12) Technology utilization, $2,000,000.

(b) For "Construction of facilities," including land acquisition, as follows:

(1) Rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $7,000,000;

(2) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, $1,250,000;

(3) Facility planning and design not otherwise provided for, $2,500,000.

(c) For "Research and program management," $213,800,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law. All of the limitations and other provisions of this Act which are applicable to amounts appropriated pursuant to subsections (a), (b), and (c) of section 1 of this Act shall apply in the same manner to amounts appropriated pursuant to subsections (a), (b), and (c), respectively, of this section.

SEC. 8. The National Aeronautics and Space Act of 1958, as amended, is amended by adding at the end thereof the following new title:

"TITLE IV—UPPER ATMOSPHERIC RESEARCH

"PURPOSE AND POLICY

"SEC. 401. (a) The purpose of this title is to authorize and direct the Administration to develop and carry out a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere so as to provide for an understanding of and to maintain the chemical and physical integrity of the Earth's upper atmosphere.

"(b) The Congress declares that it is the policy of the United States to undertake an immediate and appropriate research, technology, and monitoring program that will provide for understanding the physics and chemistry of the Earth's upper atmosphere.

"DEFINITIONS

"SEC. 402. For the purpose of this title the term 'upper atmosphere' means that portion of the Earth's sensible atmosphere above the troposphere.

"PROGRAM AUTHORIZED

"SEC. 403. (a) In order to carry out the purposes of this title the Administration, in cooperation with other Federal agencies, shall initiate and carry out a program of research, technology, monitoring, and other appropriate activities directed to understand the physics and chemistry of the upper atmosphere.

"(b) In carrying out the provisions of this title the Administration shall—

"(1) arrange for participation by the scientific and engineering community, of both the Nation's industrial organizations and institutions of higher education, in planning and carrying out appropriate research, in developing necessary technology and in making necessary observations and measurements;

"(2) provide, by way of grant, contract, scholarships or other arrangements, to the maximum extent practicable and consistent with other laws, for the widest practicable and appropriate participation of the scientific and engineering community in the program authorized by this title; and

"(3) make all results of the program authorized by this title available to the appropriate regulatory agencies and provide for the widest practicable dissemination of such results.

"INTERNATIONAL COOPERATION

"SEC. 404. In carrying out the provisions of this title, the Administration, subject to the direction of the President and after consultation with the Secretary of State, shall make every effort to enlist the support and cooperation of appropriate scientists and engineers of other countries and international organizations."

SEC. 9. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1976".

And the Senate agree to the same.

OLIN E. TEAGUE,
DON FUQUA,
THOMAS N. DOWNING,
JAMES W. SYMINGTON,
WALTER FLOWERS,
DALE MILFORD,
ROBERT A. ROE,
CHARLES A. MOSHER,
LARRY WINN, JR.,
JOHN W. WYDLER,
Managers on the Part of the House.

FRANK E. MOSS,
JOHN C. STENNIS,
HOWARD W. CANNON,
BARRY GOLDWATER,
PETE V. DOMENICI,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4700) to authorize appropriations to the National Aeronautics and Space Administration for fiscal year 1976 and for the transition period, July 1, 1976 through September 30, 1976, for research and development, construction of facilities, and research and program management and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The NASA request for fiscal year 1976 totaled $3,539,000,000. The House authorized $3,585,873,000 and the Senate amendment authorized $3,544,710,000. The committee of conference agrees to a total authorization for fiscal year 1976 of $3,562,310,000 as follows:

CONGRESSIONAL ADJUSTMENTS TO NASA, FISCAL 1976 BUDGET REQUEST

Fiscal year 1976	Budget request	House	Senate	Committee of conference
Research and development:				
Space Shuttle	$1,206,000,000	$1,206,000,000	$1,206,000,000	$1,206,000,000
Space flight operations	207,100,000	203,100,000	203,100,000	203,100,000
Advanced missions	1,500,000	3,000,000	0	2,000,000
Physics and astronomy	155,800,000	156,800,000	162,800,000	162,800,000
Lunar and planetary exploration	259,900,000	258,900,000	259,900,000	259,900,000
Launch vehicle procurement	166,900,000	166,900,000	166,900,000	166,900,000
Space applications	175,030,000	181,530,000	183,930,000	181,530,000
Aeronautical research and technology	175,350,000	175,350,000	175,350,000	175,350,000
Space and nuclear research and technology	74,900,000	76,900,000	74,900,000	74,900,000
Energy technology applications	5,900,000	5,900,000	5,900,000	5,900,000
Tracking and data acquisition	243,000,000	240,800,000	240,800,000	240,800,000
Technology utilization	7,000,000	9,000,000	7,000,000	8,000,000
Total	2,678,380,000	2,684,180,000	2,686,580,000	2,687,180,000
Construction of facilities	84,620,000	125,693,000	82,130,000	99,130,000
Research and program management	776,000,000	776,000,000	776,000,000	776,000,000
Grand total	3,539,000,000	3,585,873,000	3,544,710,000	3,562,310,000

The NASA request for the transition period totaled $958,900,000. The House authorized $922,450,000 and the Senate amendment authorized $929,900,000. The committee of conference agrees to a total authorization of $925,150,000 as follows:

CONGRESSIONAL ADJUSTMENTS TO NASA REQUEST FOR TRANSITION PERIOD—JULY 1, 1976 THROUGH SEPT. 30, 1976

	Budget request	House	Senate	Committee of conference
Research and development	730,600,000	700,600,000	704,600,000	700,600,000
Construction of facilities	14,500,000	8,050,000	11,500,000	10,750,000
Research and program management	213,800,000	213,800,000	213,800,000	213,800,000
Total	958,900,000	922,450,000	929,900,000	925,150,000

The points in disagreement and the conference resolution of them are as follows:

FISCAL YEAR 1976

1. The House authorized $3 million for the Advanced missions program, adding $1.5 million to the NASA request.

The Senate did not include this line item in its bill.

The conference substitute authorizes $2 million for the Advanced missions program.

The conferees agreed that overall advanced mission planning is a vital function within NASA. However, such planning should be an integrated function encompassing all aspects of the Agency's space responsibilities, particularly in view of the advent of the space transportation system. Since presentation of this line item projects an artificial distinction between activities which is no longer appropriate the Conferees agree that, beginning with the fiscal year 1977 budget, NASA should discontinue the use of the Advanced Missions line item.

2. NASA requested $155,800,000 for the Physics and astronomy program. The House authorized $156,800,000, adding $1 million to this program for additional investigations of chlorine compounds in the atmosphere.

The Senate authorized $162,800,000 for this program, $7 million above the request and $6 million above the amount authorized by the House to support an enhanced and aggressive upper atmospheric research program. The Senate addition is complementary to the legislation included in Section 8 of its amendment authorizing and directing NASA to develop and carry out a comprehensive program of research, technology and monitoring of the phenomena of the upper atmosphere.

The conference substitute adopts the Senate amount for the Physics and astronomy program.

3. The House authorized $258,900,000 for the Lunar and planetary program, a reduction of $1,000,000 in the NASA request.

The Senate authorized $259,900,000, identical with the NASA request.

The committee of conference adopts the Senate position.

4. The House approved $181,530,000 for the Space applications program, an increase of $6,500,000 in the NASA request.

The Senate authorized $183,930,000.

The committee of conference adopts the House position authorizing $181,530,000, emphasizing that the additional $6,500,000 authorized is to augment and strengthen research and development programs in the areas of severe storm research, earth resources development and Space Shuttle payload studies.

The conferees also note the need for timely actions to assure continuity of remote sensing of earth resources data from space.

5. The House authorized $76,900,000 for Space and nuclear research and technology.

The Senate authorized $74,900,000, the original NASA request.

The committee of conference adopts the Senate position authorizing $74,900,000.

6. The House authorized $9,000,000 for the Technology utilization program, an increase of $2,000,000 in the NASA request, $1,000,000 of which was to provide additional support for NASA applications teams and $1,000,000 of which was to accelerate documentation and dissemination activities including expansion of services to industry.

The Senate authorized $7,000,000, agreeing with the NASA request.

The conference substitute authorizes $8,000,000.

The conferees agree that in the expansion of the network of industrial applications centers through the establishment of applications divisional offices NASA should assure that service will be provided to the numerous industrial areas of the nation that are now relatively remote from any NASA Center or technology utilizations dissemination center and that no new facility should be located in an area which can reasonably be serviced by an established NASA Center.

7. The House authorized $6,303,000 for modifications for hypergolic checkout and refurbishment facilities for the Space Shuttle program at the John F. Kennedy Space Center, a reduction of $637,000 in the NASA request for this facilities project.

The Senate authorized the full amount of the NASA request, $6,940,000.

The conference substitute adopts the Senate position.

8. The NASA requested $1,680,000 for the construction of orbiter approach and landing test facilities at the Flight Research Center and Air Force Plant No. 42, Palmdale, Calif. The House authorized $1,380,000, a reduction of $300,000 in the NASA request.

The Senate authorized $1,680,000.

The Conference substitute adopts the Senate position.

9. The House authorized $12,500,000 to initiate the first phase of a three-phase program to upgrade the capability of the 40' x 80' aeronautical research wind tunnel at the Ames Research Center. This project was not included in the NASA budget request.

The Senate did not include this facility project in its amendment.

The conference substitute adopts the House position authorizing $12,500,000 for this facility project.

10. The House authorized $27,500,000 to initiate the first phase of a two-phase program to construct a new transonic research tunnel for advanced aeronautical research at the Langley Research Center. NASA did not include this facility project in its budget request.

The Senate did not include this item in its amendment to the bill.

The conference substitute adopts the Senate position.

11. NASA requested $9,275,000 for Facility Planning and Design activities for fiscal year 1976. The House authorized $13,775,000, increasing the request by $4,500,000 to provide for design and engineering services for expanding the 40' x 80' wind tunnel at the Ames Research Center and for a new transonic research tunnel at the Langley Research Center, both of which are advanced aeronautical research facility projects.

The Senate authorized $9,275,000, identical with the NASA request.

The conference substitute authorizes $13,775,000, recognizing that design work on a third leg for the 40' x 80' tunnel is required and that the NASA and Air Force requirements for transonic research facilities require redefinition in order to provide advanced transonic aeronautical research capability.

The conferees agree that reprogramming authority is available for NASA to make the most appropriate use of funds available to assure adequate national aeronautical research facilities.

TRANSITION PERIOD

12. NASA requested a lump sum amount of $730,600,000 for research and development for the transition period, July 1, 1976 through September 30, 1976. The House authorized $700,600,000 for research and development, establishing ceiling amounts for the twelve programs constituting the research and development appropriation. Inasmuch as the total of the program ceilings equated to the original NASA request, the House authorized NASA to fund the several programs within those ceilings up to the total of $700,600,000 except that the entire amount stipulated for the Aeronautical research and technology program was to be available only for that program.

The Senate authorized $704,600,000 for research and development for the transition period and established identical ceiling amounts as the House for all programs except advanced missions which was not included as a specified program. The Senate did not provide any restriction on the amount to be used for the Aeronautical research and technology program. Further, it was the intent of the Senate that $4,000,000 of the total amount authorized for Research and development be applied to the upper atmospheric research activity which would be an addition to those amounts already included in the budget request for such activity during the transition period.

The conference substitute authorizes $700,600,000 for Research and development for the transition period, stipulating ceiling amounts for the twelve research and development programs included therein, and allows NASA the flexibility to apply the authorized funds to the various programs provided that the stipulated ceiling for any program is not exceeded.

13. NASA requested a lump sum of $14,500,000 for the Construction of facilities for the transition period. The House authorized a total of $8,050,000 stipulating that $4,000,000 was for the rehabilitation and modifications of facilities, at various locations, not in excess of $500,000 per project, $1,250,000 was for the minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, and that $2,800,000 was for facility planning and design activities.

The Senate authorized $11,500,000 for the Construction of facilities for the transition period stipulating that $7,000,000 was for the rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $2,000,000 was for minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, and that $2,500,000 was for facility planning and design work.

The conference substitute authorizes three line items for the Construction of facilities for the transition period with amounts as follows: (1) rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $7,000,000; (2) minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, $1,250,000; and (3) facility planning and design not otherwise provided for, $2,500,000.

LEGISLATIVE PROVISIONS

14. The House inserted in Section 6 the following language: "The contract shall include a provision under which the Government may acquire title, upon termination of the contract, to facilities, equipment, and spacecraft which have been acquired in the performance of the contract, under terms and conditions agreed upon in the contract."

The Senate deleted this language from the Bill.

The committee of conference adopts the Senate position on the basis that wording in the request for proposal associated with the project will facilitate the intent of the House language.

15. The Senate amendment added a Section 8 to the bill, amending the National Aeronautics and Space Act of 1958, as amended, through the addition of "Title IV—Upper Atmospheric Research", authorizing and directing the NASA to develop and carry out a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere so as to provide for an understanding of and to maintain the chemical and physical integrity of the earth's upper atmosphere.

The House bill did not contain such a provision.

The conference substitute adopts the Senate amendment except that Section 405 of Title IV requiring a special report on activities carried out pursuant to Title IV is deleted.

The conferees agree that a complete and comprehensive report on the activities being

UMI

carried out under the upper atmospheric research program provided for under this new Title IV should be included in the Aeronautics and Space Report of the President submitted annually to the Congress.

OLIN E. TEAGUE,
DON FUQUA,
THOMAS N. DOWNING,
JAMES W. SYMINGTON,
WALTER FLOWERS,
DALE MILFORD,
ROBERT A. ROE,
CHARLES A. MOSHER,
LARRY WINN, JR.,
JOHN W. WYDLER,
Managers on the Part of the House.

FRANK E. MOSS,
JOHN C. STENNIS,
HOWARD W. CANNON,
BARRY GOLDWATER,
PETE V. DOMENICI,
Managers on the Part of the Senate.

INTRODUCING LEGISLATION TO ESTABLISH AN AGENCY FOR CONSUMER PROTECTION

(Mr. BROOKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOKS. Mr. Speaker, I have introduced today a bill to establish an Agency for Consumer Protection within the executive branch. Representative BEN ROSENTHAL, chairman of the Subcommittee on Commerce, Consumer and Monetary Affairs of the Committee on Government Operations, and Representative FRANK HORTON, the ranking minority member of the Government Operations Committee, have joined me in sponsoring this legislation.

The Committee on Government Operations has had a long and continuing record of trying to assure that the interests of consumers are protected by the Federal Government. In each of the last three Congresses, consumer protection legislation was reported by our committee but, for one reason or another, was not enacted.

The bill I have now introduced is similar to one passed by the House in the 93d Congress by a vote of 293 to 94. It would create an independent agency to represent the interests of consumers before Federal agencies and the courts. The agency would also receive and transmit complaints to the appropriate department for investigation, support research, and provide information to consumers.

After years of effort by House and Senate Members, the time for better consumer protection has arrived. The Senate recently broke a filibuster effort and passed a consumer protection bill 61 to 28.

With Congressmen ROSENTHAL and HORTON, both leading consumer protection advocates, joining in introducing the legislation, I expect the bill to receive broad bipartisan support in the Government Operations Committee and on the House floor.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

RE-REFERRAL OF H.R. 1386 TO COMMITTEE ON WAYS AND MEANS

Mr. FLOWERS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the bill (H.R. 1386) for the relief of Smith College, Northampton, Mass., and that it be rereferred to the Committee on Ways and Means.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

VOTING RIGHTS ACT EXTENSION

Mr. EDWARDS of California. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from California.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6219, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Before the Committee rose on yesterday, it had agreed that title II, ending on page 7, line 15, would be considered as read and open to amendment at any point.

Are there further amendments to title II?

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ: On page 4, delete subparagraph (1) on lines 10 through 12, and substitute the following:

"(1) the Attorney General determines currently maintains any test or device, and with respect to which".

On page 5, line 19, delete the word "provided" and insert in lieu thereof the words "currently provides".

Mr. GONZALEZ. Mr. Chairman, the purpose of this amendment is very simple. It is to limit the definition of "test or device" as applied in title II to those States or political subdivisions which currently maintain voting procedures only in the English language and where 5 percent or more persons of voting age belong to "a minority language group" as defined in this bill.

As the bill now stands, title II would extend coverage of the act to any State with any significant language minority population or any subdivision with such minority, except minorities as limited and defined in the act—native Americans, Indian Americans, Alaskan Natives, or of Spanish heritage. Not "Spanish speaking," not "Spanish surname," but Spanish heritage. Some people think that if somebody plays the castanets, that would tend to make him "Spanish heritage."

There may be merit in the idea that bilingual elections should be conducted in areas where there are substantial numbers of people who cannot communicate effectively in English. I do not think anyone here really seriously denies that. But I have seen—and I emphasize—I have seen nothing that any State or subdivision ever had any intention of restricting or diluting voters rights by failing to provide bilingual election materials. And I think the records of the proceedings, the testimony of Pottinger, the testimony of Fleming, in and out of the congressional committees, merely shows that they have not as yet amassed any conclusive evidence to that effect.

Yet this bill presumes that there was such an intention. Yet there is no proof of that fact that has been adduced by this or any other committee.

I believe that where a State has provided for bilingual election procedures, as my State and other States have—and I might add that the record up to now might show erroneously and unfairly for my home State—that the State of Texas moved to implement bilingual voting even before the hearings on the congressional level tended that way.

It just simply is not true to say that the State of Texas has literally had to be dragged in by the Committee on the Judiciary of the House of Representatives.

I think the Congress will recognize and accept that as a good-faith effort of redressing whatever evil existed because of English-only election materials.

I think that we ought to recognize here that there is a good degree of question about the amount of English illiteracy among language minority groups. We have very little evidence to show that the majority, or even a substantial minority, of persons of Spanish surname cannot read and write ordinary English. If that were so, we would have more Spanish language newspapers in this country. As it stands, there is no such language newspaper in my hometown, which has the most numerous content of people of Spanish heritage.

Mr. Chairman, let me say that my own father was able to live and make a living for our family without having to speak English because he was the editor of a Spanish language daily which died out in the 1950's because of lack of demand or readers, just like German newspapers that used to be printed in the neighbor city of New Braunfels died because of new generations of German Americans, Mexican Americans, Spanish Americans and Indian Americans are not reading in those languages and are not seeking and are not demanding daily newspapers or even weekly newspapers.

But let us assume that there is a need to provide bilingual election materials where a State has already moved to do that.

The CHAIRMAN. The time of the gentleman from Texas (Mr. GONZALEZ) has expired.

(By unanimous consent, Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. GONZALEZ. Mr. Chairman, I see no reason to bring such a State under the terms of this act where the State has already moved to implement the very things that we say we desire, unless we are seeking not equality of opportunity or choice but we want to get even or we want to sort of get punitive about this.

Finally, let me say that I am not alone in my doubts about the need for this coverage. Neither the Assistant Attorney General for Civil Rights nor the Chairman of the Commission on Civil Rights said that there was any demonstrated need for this type of extension. The committee itself seems to have doubts about its legislation, because it directs in title V that special census surveys be made to gather data relevant to the purposes upon which we are being asked to vote today.

Even the committee says it does not have the data, but it hopes that if it has a census, maybe it will be able to make a case. But in the meantime we would have the law foisted on the people and on the States.

Mr. BADILLO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Texas (Mr. GONZALEZ) says that the purpose of his amendment is merely to change the definition of "test or device." What it does is really to exclude the State of Texas from the Voting Rights Act, because what was done in title II was to provide that any State which had only an English-speaking election and which had more than 5 percent Spanish-speaking people or a language minority and less than 50 percent turnout in the 1972 election should be included within the full coverage of the act.

Title III has to do with illiteracy. Title II has nothing whatsoever to do with illiteracy. Title II would include Texas within the full coverage of the act, just as other Southern States, because the evidence is clear that Texas has practiced this same kind of discrimination as the other States have. The gentleman from Texas argues that perhaps the witnesses who testified before our committee were not telling the truth.

The gentleman says that perhaps there should have been a trial. I want to remind the gentleman that there were trials, and I will read to the gentleman from opinions of the Supreme Court which, after a trial, have made certain findings.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. Yes, certainly.

Mr. GONZALEZ. Mr. Chairman, will the gentleman please give me documentation of that?

Mr. BADILLO. Immediately.

Mr. GONZALEZ. And will the gentleman give me specifics of cases in the State of Texas where they have been denied the right to vote, because of their ethnic origin?

Mr. BADILLO. Yes, sir, I will.

First, in *White* v. *Regester*, 412 U.S. 755, in 1972 the Supreme Court of the United States held that the multimember districts were unconstitutional. The court said as follows: The procedures in Texas "have operated to effectively deny Mexican-Americans access to the political processes—even longer than the blacks were formally denied access by the white primary."

That is a finding of the Supreme Court.

Then we have *Garza* v. *Smith*, 320 F. Supp., 131, 1971. The Federal court held that the Texas statute preventing non-English-speaking people from having assistance in voting was unconstitutional.

In United States against Texas, the Federal court handed down an opinion that the poll tax was unconstitutional and the purpose of the poll tax was to disenfranchise the minority group of the State of Texas.

Mr. Chairman, I am now going to 1974. And we have the case of Robinson against Commissioners' Court. The Federal court held that the Anderson County apportionment of court commissioner's district was a gerrymander intended to dilute votes of county minority residents.

In the case of Weaver against Commissioners' Court, again in 1974, the Federal court held that the Nacogodoches County, Tex., apportionment of that district was a gerrymander intended to dilute votes of minority residents.

In Smith against Craddock, the decision of the Texas Supreme Court was that the 1970 apportionment of the Texas Legislature was unconstitutional.

Mr. Chairman, I could spend the whole day reading decisions that have been made after a trial, I will say to the gentleman from Texas (Mr. GONZALEZ)—and these were decisions relating to the State of Texas which have indicated clearly that the State of Texas has consistently discriminated against blacks and against Mexican-Americans.

The only reason Texas was not included in the 1965 act is because they were much more subtle than some of the other States. They never had a formal literacy test and, therefore, they were able to escape the formula.

The problem is this: We have all of these cases, but we are in the same situation in Texas that we were in the other States prior to 1965. The 1957, 1960, and 1964 Civil Rights Acts were ineffectual, because they only gave the individuals the right to go to court on a case-by-case basis. Therefore, you could go to court and win the case, but that does not settle the basic, fundamental problem of class discrimination. If we are going to attack the basic problem of class discrimination, we cannot continue to rely on the case-by-case approach. We have to include the State of Texas fully within the coverage of the act so that the burden of proof shifts to the State of Texas when it tries to carry out the kind of gerrymandering procedure that it has been carrying out as late as last year and this year.

The question of literacy has nothing to do with the question of gerrymandering. It has nothing to do with the problems of reapportionment. It has nothing to do with the efforts by the State of Texas, which, as has been proved in the courts, have been dedicated to discriminate against the minority citizens.

Mr. BROOKS. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

In 1965, Congress enacted legislation to eliminate massive voter discrimination then being practiced against members of a particular race. The remedy employed was tough and the procedure unusual. But, the Supreme Court upheld the constitutionality of our act on the grounds that the facts supported the deed.

Today, we are asked to extend the coverage of the act to States that, in 1972, had not passed bilingual laws.

The basis of this proposal is that failure of States to enact such legislation before 1972 was an act so blatantly discriminatory under the 14th and 15th amendments that Congress has the obligation to apply the extraordinary remedies of the Voting Rights Act to such States. Yet, the hearing record before us fails to support those assumptions. As Congressman GONZALEZ stated, both the Justice Department's and Civil Rights Commission's witnesses maintained that the present evidence does not support a conclusion that lack of bilingual elections laws are a major source of voter discrimination.

Title II is also being justified on the assumption that large numbers of "language minority" individuals are being denied the right to vote, because they cannot read, write, or understand English. Yet, not only is there no currently reliable evidence to support this allegation, the language of title II itself speaks in terms of national origin and not ability to communicate in English.

Finally, the nature of the alleged discrimination can be cured immediately by States' enacting bilingual election laws. The States of California and Texas enacted such legislation out of a sense of fairness and not as a result of allegations of discrimination made before the Judiciary Committee. Yet, H.R. 6219 locks a State into the Voting Rights Act for an indefinite duration even though a State enacts an effective bilingual law.

If a State meets the test, they should be exempted.

I urge all Members on the grounds of fairness and good legislative practice to adopt the Gonzalez amendment.

Mr. Chairman, I had supported the Voting Rights Act originally in 1965 and the extension. I have served on the Committee on the Judiciary for almost 20 years. I have enjoyed it, and I respect the work and the effort of the subcommittee of the gentleman from California (Mr. EDWARDS), in trying to extend the Voting Rights Act in the hope that we can spread the opportunity to vote.

But the candid facts are that everybody in Texas who wants to vote can vote, and they do vote. We beg and borrow trucks, automobiles, Volkswagens, anything we can get to take people to the polls, and to encourage people of all races to vote.

Every Democrat in my State wants everybody to vote. I would be for a tax or a doctor's certificate for not voting rather than any other prohibition.

I would tell the Members that if any State meets the test of bilingual election laws, as we have done, as California has done, then they should be exempted even though they had not done that in 1972, an arbitrary date selected by the subcommittee.

I would urge all Members on the grounds of fairness and good legislative practices to adopt the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

Mr. KAZEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the amendment offered by my colleague, the gentleman from Texas (Mr. GONZALEZ) should certainly deserve the serious consideration of everyone. All the gentleman speaks about is the language deficiency, which the State of Texas, as the Members have heard, has already taken care of. But, more than that, no one has ever accused the State of Texas or any of its jurisdictions of discriminating against anyone, because of language deficiency.

I had the privilege of serving as chairman of the elections committee in the State senate in Texas. I saw to it at that time, many years ago, that every man and woman who went into a polling booth, that if they did not understand the ballot, they were entitled to an interpreter. I know of no other State, as far back as the date when Texas enacted that law, that had that kind of a provision in their laws. So that the language barrier in Texas has never been deterrent to anyone's voting ability or voting right.

As I understand from reading the hearings, the committee took extensive testimony, but did they ever hear the other side of it?

For instance, in the report, they say:

> In 1972, in Pearsall, Texas, for example, the City Council, while refusing to annex compact contiguous areas of high Mexican American concentration, chose to bring a 100 percent Anglo development within the city.

They got that information from a former lawyer who was paid by the Mexican-American Defense Fund. But, did they bother to talk to anyone in position of responsibility that had anything to do with that action? If they had, I am sure they would have found other reasons, as my colleague, Mr. GONZALEZ, found about the situation in San Antonio but the committee has made this accusation, by taking the testimony of one man and they did not bother to go to the officials in Pearsall or in San Antonio to find out why this was done. It certainly was not done on a language deficiency basis and that is at what this amendment is directed.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I thank my colleague for yielding to me.

Mr. Chairman, I think both in fairness to the gentleman from Texas and in fairness to me, since we both have had extensive experience on the local and State legislative levels in Texas, that we should verify the record and correct it from the misleading and, in fact, I will repeat the charge already stated before the Members yesterday, the mendacious assertions that have just been made by the gentleman from New York (Mr. BADILLO). Now, that gentleman is from New York and, let me say we welcome and appreciate his interest in defending and protecting Texas, but let me reassure the Members that we do not need his help, we have been able to do this ourselves in the State of Texas, and did so long before the State of New York even was able to think of electing a bilingual Spanish-speaking person; we have had them elected in droves in the State of Texas, we did it statewide in the State senate and legislature.

But, on top of that, the gentleman from New York has distorted the net content and impact of my amendment.

My amendment has nothing to do with deleting title II, it merely says that we shall not have nunc pro tunc, or ex post facto laws. It says that we have had now, currently, a measure that will correct the malpractice, not to dig into past events or sins of some State for what it might have done in the past, but which it is no longer doing. That is the issue. That is what my amendment is addressing itself to, and it has nothing to do with the distorted sense of history.

The gentleman was not here in 1965, and it is a malicious slander to say that the State of Texas escaped coverage under the Civil Rights Act merely through some slight handiwork or footwork. It was not covered, I will say to the gentleman. It was not covered, just like Maryland was not, and just like New York was not, for the same exact reason.

Mr. KAZEN. Mr. Chairman, I would further point this out to this committee. I do not take a back seat to anyone where civil rights are concerned. I got up 28 years ago as the first legislator in the South and stood up against segregation. I have a long legislative record in favor or civil rights, and I do not have to bring my credentials onto this floor. It is with pride that I say I yield to no one in this field.

But I tell my colleagues that I represent counties right now whose populations are approximately 70 percent Mexican American whose elected officials in county government, in city government, in school districts, are practically all Mexican Americans.

The language deficiency on the ballot has not in any way hindered those jurisdictions.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. KAZEN was allowed to proceed for 2 additional minutes.)

Mr. KAZEN. We have always been interested in registering everyone. We took the lead in abolishing the poll tax in Texas, my colleague, the gentleman from San Antonio (Mr. GONZALEZ) and I, while we were Members of the Senate. I abhorred the poll tax. I think that paying for the privilege of voting was wrong and I was glad to be a part of the movement that abolished the poll tax in Texas.

Then we passed a very liberal registration law and everyone who wishes can be registered. We even register by post card. There is no impediment to registration. Our problem is getting people interested enough to vote. If the Members could tell us by this bill how we can get more people to register and get out and vote, we would be grateful to them, but certainly the procedures stated here will not have that effect.

Tell me again, how does one "bail out" in those jurisdictions where the majority of the people are all of "Spanish heritage" as is defined in this bill, where the majority of elected officials from counties, cities, down to school boards, are all Mexican Americans? How do they "bail out" from under this bill? We have already accomplished in those counties what my colleagues presumably are trying to accomplish by this bill.

If their bill pertained to specific areas in the State of Texas as they do to California and to other States, I would probably not have this argument to make, and I would agree with them. But why—why should every single jurisdiction that falls within all of these guidelines—those things that my colleagues say they want to accomplish by this bill—why should they have to live permanently under the provisions of a bill that forces upon them what they already have?

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROYBAL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is not my intention to involve myself in a personality clash, but I really fail to understand why all of a sudden we are getting arguments to the effect that Texas is so fair to its voters, particularly the Mexican American and the black Americans of the State of Texas. I think history clearly proves that that is not the case. If we go back to history itself, we will find that the State of Texas is perhaps the most discriminatory State insofar as the minority group is concerned, in the Nation.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I will, as soon as I complete my statement. I have offered an opinion based on fact, and based on decisions of the courts.

If this amendment were adopted it would of course enable Texas to escape the special remedies of the Voting Rights Act. Texas then would be exempt from the requirements of section 5, preclearance by the Attorney General, which is a vital and essential remedy under the act.

The purpose of section 5 is to prevent covered jurisdictions from instituting voting practices and procedures which are discriminatory in purpose and effect.

Further, it would exempt Texas from the provisions allowing the Attorney General to send Federal examiners and observers into the State of Texas when necessary to safeguard the voting rights of minority citizens.

In May, 1975, a letter from the Department of Justice pointed to a substantial line of cases involving voting discrimination which support the constitutionality of section 5 as applies in such newly covered jurisdictions as Texas.

Beginning in 1926 the courts have struck down a number of statutes in the State of Texas designed to maintain the white primary system and declared the State's poll tax unconstitutional in 1966. That is a long time ago, but subsequently the State enacted what the court in Graves against Barnes (1972) described as the most restrictive voter registration procedure in the Nation.

I did not say this. It is the court that is saying this.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. Not at this point.

The CHAIRMAN. The gentleman declines to yield.

Mr. ROYBAL. Mr. Chairman, the court noted the adverse impact of Texas voting practices on Mexican-Americans and went on to say this:

> This cultural and language impediment, conjoined with the poll tax and the most restrictive voter registration procedures in the Nation have operated to effectively deny Mexican Americans access to the political processes in Texas . . .

I am not saying that. The court said that.

In 1972, a three-judge Federal court ruled that the use of multimember districts for the election of State legislators in two counties were unconstitutional and diluted the voting strength of Mexican-Americans and blacks in those counties.

I am not saying that. The court said that.

In 1973, the Supreme Court upheld a lower court finding which noted that the Mexican-American population in Texas had—

> historically suffered from, and continues to suffer from, the results and effects of invidious discrimination and treatment in the fields of education, employment, economics, health, and politics . . .

In 1974, a three-judge district court reemphasized its findings that Texas has

> a history pockmarked by a pattern of racial discrimination that has stunted the electoral and economic participation of the black and brown communities in the life of the State.

The court ruled that in several districts, including most of El Paso County—

> the present multi-member scheme operates to deny black and brown voters access to the political process.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. KAZEN, and by unanimous consent, Mr. ROYBAL was allowed to proceed for 1 additional minute.)

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, if the gentleman heard my statement, I was talking about particular jurisdictions in Texas and I pointed out those jurisdictions in which I think the application of this law is unfair. Why could the committee not have carved out, as they did in California and other States, these jurisdictions in which there is no such history as the gentleman read?

Mr. ROYBAL. That is probably a question the committee would have to answer. We are faced now with the problems that exist at the moment.

Mr. KAZEN. But the gentleman is making a blanket indictment of the entire State of Texas, and this is my point of contention.

Mr. ROYBAL. Well, my point of contention is that the courts have come out with a certain definite finding that includes the whole State of Texas. I do not doubt that there are counties in the State of Texas as the gentleman has stated that probably do not come under every particular provision of the legislation before us, including, perhaps, a county that the gentleman represents; but the courts, nevertheless, do involve the entire State in this matter.

Mr. KAZEN. Based upon that, we are passing legislation that affects the innocent along with the guilty.

Mr. ROYBAL. In that particular case, pehaps an amendment that would apply to those particular counties would be in order, but the amendment before us would take the entire State of Texas out of this act.

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. GONZALEZ and by unanimous consent, Mr. ROYBAL was allowed to proceed for 2 additional minutes.)

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, the gentleman from California has taken the floor and put into the RECORD what purports to be a very sorry history of judicial decisions concerning exclusively and, oddly, only for the State of Texas. He has very comfortably—and surely he does not come from Texas—so he has very comfortably and conveniently overlooked his native State of California.

I will ask the gentleman exactly how many members of the California Legislature were of Mexican descent in the decade between 1960 and 1970?

Mr. ROYBAL. Mr. Chairman, I do not think that there were any.

Mr. GONZALEZ. That is correct; there were in Texas and more than just a handful.

Mr. ROYBAL. But may I clarify—I still have the floor.

Mr. GONZALEZ. The gentleman is saying that in Texas—will the gentleman yield further?

Mr. ROYBAL. I do not continue to yield if I am not able to answer some of the gentleman's questions. The gentleman asked whether or not between 1960 and 1970 there was anyone of Mexican descent in the California State Legislature. If the gentleman includes 1960, I would have to say no; but in 1962 there were two elected to the State legislature. At the present time there are five and one Senator; so there has been some progress made in California.

This is not to say that California has not been discriminatory in its voting practices. Yes, it has; but the amendment before us does not include California. It only includes Texas.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield further, because that is the point I want to make.

Mr. ROYBAL. Yes, I yield.

Mr. GONZALEZ. My amendment says nothing about Texas. He says if any segment like California is not now in any way derelict, although it might have been in 1960, like California, or 1972, as the bill sets forth, then this act would apply only to current practices.

The gentleman is saying my amendment would take Texas out.

Mr. ROYBAL. It will.

Mr. GONZALEZ. It will take it out only if Texas is not practicing any of the malpractices in voting that it practiced in 1972.

The CHAIRMAN. The time of the gentleman from California has again expired.

(At the request of Mr. WHITE and by unanimous consent, Mr. ROYBAL was allowed to proceed for an additional 3 minutes.)

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. Yes. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Chairman, the gentleman in the well mentioned one county, which happens to be my home county. I would like to clarify for the record some elements of the decision that he recited. I think he is talking about the Barnes case. One element of the decision used as an indicia of discrimination, the percentage of votes in a barrio along the river.

I want to say that a great number of people in that section are not even citizens of the United States, which would account for the small percentage of votes cast in that area.

The second part on which the court based its decision was that the county clerk, who happened to be of Mexican American origin, excluded the opportunity for persons of Mexican American origin to take voter registration books out of the clerk's office.

The fact was at that particular point of time he denied anyone of any race taking voter registration books out of his office because there were allegations of corruption in the use of those books.

He required everybody to come in and register, and that is the only time he ever did that.

My county is the first county in the State of Texas to have desegregated after the Supreme Court decision. I personally am not aware of any discrimination or avoidance of any opportunity to vote in my area. Our State senator is Mexican American. We have representatives who are Mexican American. Two of the four commissioners of the commissioners court are Mexican American. The last term, I think there were three—of the four aldermen who are Mexican American. I vote Mexican Americans. They have been my friends. I have gone to school with them.

I really believe the court was a little bit heavy-handed in its decision. El Paso County is devoid of any discrimination. The fact is that in the election area

UMI

there has been no prejudice shown, no discrimination shown.

Mr. ROYBAL. I am not here to try to second guess what the courts did. The only thing I did was to read their decisions. I do not know that they were in error, but in this particular instance the Supreme Court upheld the decision of the lower court, so it did get a thorough review.

Mr. WHITE. May I point out one more thing? In many of the Mexican American areas, when they are talking about population, the average age is very low. In fact, the average age in my home county happens to be 18 years of age. At the time they are speaking about, 18-year-olds were not even allowed to vote, so that in those particular areas, especially Mexican American areas, the average age was far below the voting age.

Therefore, I feel that the facts on which the Supreme Court made its decision were either distorted or were wanting in full elaboration. I feel the decision did not reflect the true facts.

Miss JORDAN. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment offered by the gentleman from Texas.

Mr. Chairman, I would think it rather strange if the majority of the Members of the Texas delegation came into this House and asked to be covered under the Voting Rights Act of 1965. That would be a strange circumstance for most. But, it must be kept in mind that we are talking about more than language. The language minority provision is simply a part of a triggering device; it is not the sole ill, the single wrong which the Voting Rights Act addresses.

The Voting Rights Act addresses a multiplicity of wrongs, and the triggering device, 5-percent language minority, makes it possible for the act to become operative to help cure and resolve that plethora of problems which have been discussed in numerous exchanges.

Another point: Yes, Texas passed a bilingual elections law. It is because of that act by the Texas legislature this year, scarcely a month ago, that Texas is to be relieved and freed from the operative provisions of section 5. What has not been said about the law as passed in the State of Texas, in addition to only addressing a small corner of the problem, language, is that the particular law does not even address the entire population we are seeking to help by this legislation.

When we find a covered jurisdiction in the bill, we are talking about a State. The law, as it was passed by the Texas legislature, talks about a precinct, and under the provisions of the law as the Texas legislature passed it, if 5 percent of a language minority does not live in a given precinct, it is not covered under the provisions of the Texas law.

Because of that, there are approximately 102 counties which could escape coverage under the Voting Rights Act if Texas were to become exempt and we only rely on the bilingual elections law. I can say 102 counties—and we are talking about more than 30,000 Mexican American people in Texas—which would not be covered because of the limiting provisions of the State law itself.

Let us say this: The Voting Rights Act employs extraordinary remedies to try to resolve an extraordinary problem. The remedy does not exceed the wrong. I feel that if we were to reject this amendment offered by the gentleman from Texas, that the people of Texas would become as comfortable with the oversight provisions of this law as have the other jurisdictions of the county who have lived with the law for the past 10 years.

Mr. EVANS of Colorado. Mr. Chairman, will the gentlewoman yield?

Miss JORDAN. Yes, I will yield to the gentleman.

Mr. EVANS of Colorado. Mr. Chairman, I thank the gentlewoman for yielding. I appreciate the clarity with which the gentlewoman speaks to this issue. I am concerned about Title III. For the first time, many counties in my district in Colorado will be included, being triggered by virtue of the fact that there are 5-percent minority groups and that less than 50 percent voted in the last election under circumstances where we had no bilingual voting material.

Mr. Chairman, I am concerned about many of my counties being included under this act. What procedures are available to these counties to bring them out from under the provisions of the act?

The CHAIRMAN. The time of the gentlewoman has expired.

(On request of Mr. EVANS of Colorado, and by unanimous consent, Miss JORDAN was allowed to proceed for 2 additional minutes.)

Miss JORDAN. Mr. Chairman, in response to the question of the gentleman from Colorado, we talked about this at some length yesterday as a part of the discussion of what was known as the Butler impossible "bailout" amendment.

In my judgment, it would not be impossible for the jurisdictions of Colorado which are covered to "bail out" from under the current provisions of the act.

If one can show compliance with the law; if that jurisdiction, that county which is covered, can show that it has complied with the law—"compliance" being no impediment to voting processes or voting procedures being exercised by the county—if one can show that, one can go into the district court here, if the bill remains as it is, and seek a declaratory judgment, asking to be relieved of further coverage of the act.

Mr. EVANS of Colorado. Mr. Chairman, will the gentlewoman yield further?

Miss JORDAN. Yes, I yield to the gentleman.

Mr. EVANS of Colorado. Would this be on a county-by-county basis, or would this be done by the State?

Miss JORDAN. No. In the gentleman's instance, since the whole State is not covered, it would have to be by the specific jurisdiction covered. It would be a county. It would not be statewide.

Mr. KAZEN. Mr. Chairman, will the gentlewoman yield?

Miss JORDAN. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentlewoman for yielding.

Carrying that one step further, as far as Webb County in Texas is concerned, how would it ever "bail out"?

Miss JORDAN. They would have to "bail out," I would say in response to the gentleman from Texas, as any community in a State where the whole State is covered would have to respond. That is, they would go to the attorney general in Texas and seek relief via the declaratory-judgment route.

Mr. KAZEN. The attorney general of the State of Texas?

Miss JORDAN. It would have to be the attorney general of the State of Texas, in response to some specific county within Texas who says, "We are now all right, and we would like to get out." It would have to be State action.

The CHAIRMAN. The time of the gentlewoman has expired.

(On request of Mr. ROUSSELOT, and by unanimous consent, Miss JORDAN was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. Mr. Chairman, will the gentlewoman yield?

Miss JORDAN. Yes, I will yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentlewoman for yielding. Is the English language considered under this law as one of those impediments?

Miss JORDAN. The English language is not considered an impediment, I would say to the gentleman from California.

Mr. ROUSSELOT. That is not my understanding of the provisions.

Miss JORDAN. I think the gentleman understands this bill very well, from what it says.

Mr. ROUSSELOT. But the English language could in fact be an impediment, could it not, lack of understanding of the English language?

Miss JORDAN. All right. If a ballot or election materials which are printed are not familiar or recognizable to the minorities in a given jurisdiction, then to print an English-only ballot would be an impediment to that person's right to vote.

Mr. ROUSSELOT. So now we are confronted with a bill that puts up the English language as an impediment. Incredible.

I thank the gentlewoman for answering my question.

Miss JORDAN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The question was taken; and on a division (demanded by Mr. GONZALEZ) there were—ayes 23, noes 30.

So the amendment was rejected.

AMENDMENTS OFFERED BY MR. ARMSTRONG

Mr. ARMSTRONG. Mr. Chairman, I offer amendments to title II and title III, and I ask unanimous consent that this amendment, which in effect is two amendments, be considered en bloc, just in consideration of the time of the committee, because the amendment accomplishes the same purpose at 2 points in the act.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ARMSTRONG: On page 7, line 9 and on page 9, line 23, after the word "heritage" insert the following: "but not including persons whose dominant language is English".

Mr. ARMSTRONG. Mr. Chairman, in title II and in title III of the bill triggers on "language minorities." On page 4 of the bill is a finding by the Congress that "Voting discrimination against citizens of language minorities is pervasive and national in scope. Such minority citizens are from environments in which the dominant language is other than English."

Mr. Chairman, I think it is the intention of the act not to include in the definition of language minorities those persons who in fact are fluent in English and who speak and read and write English.

So all my amendment does is amend the definition section of this bill on page 7 and again on page 9 to assure that such English-speaking persons are not inadvertently included.

Mr. Chairman, if my amendment is adopted, as I trust it will be, that definition will then read as follows: "* * * 'language minorities' or 'language minority group' means persons who are American Indian, Asian American, Alaskan Natives, or of Spanish heritage but not including persons whose dominant language is English."

I believe that explains the amendment. May I also explain that the phrase "dominant language is English," is not one of my choosing. In fact, the phrase seems a bit awkward to me. But I have expressed the amendment in these terms since that is the explanation which appears on page 4 of the bill, and I thought it was more important that the amendment follow the earlier construction than to draw more eloquent or descriptive language.

With that explanation, Mr. Chairman, I hope that my amendment will be adopted.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, it is my understanding that the Census Bureau has no statistics and no category which would fall into the classification of the "dominant language."

How, therefore, would the gentleman suggest that statistics by which the law could become operational would be obtained?

Mr. ARMSTRONG. Mr. Chairman, the Census Bureau is certainly equal to providing such data. I have conformed my amendment to the language which already appears in the bill at line 21, page 4, as follows:

Such minority citizens are from environments in which the dominant language is other than English.

Mr. EDWARDS of California. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. 101 Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, for the benefit of those who have come into the Chamber during the quorum call, let me simply explain that my amendment clarifies the definition of the term "language minorities." On page 4 of the bill the language is as follows:

The Congress finds that voting discrimination against citizens of language minorities is pervasive and national in scope. Such minority citizens are from environments in which the dominant language is other than English.

My amendment simply adds the words "but not including persons whose dominant language is English" to the end of the section as it appears on page 7, line 9 of the bill, so that persons who are in fact oriented to the English language will not be inadvertently included in the triggering language.

With the adoption of my amendment, this section will now read:

The term "language minorities" or "language minority group" means persons who are American Indian, Asian American, Alaskan Natives or of Spanish heritage, but not including persons whose dominant language is English.

Mr. Chairman, I urge the adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. ARMSTRONG).

The question was taken; and on a division (demanded by Mr. EDWARDS of California), there were—ayes 18, noes 27.

Mr. ARMSTRONG. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 259]

Alexander	Goodling	Rhodes
Andrews, N.C.	Harsha	Risenhoover
Archer	Hébert	Rose
Beard, R.I.	Heckler, Mass.	Rosenthal
Beard, Tenn.	Helstoski	Rostenkowski
Bell	Hinshaw	Runnels
Boland	Jarman	Ruppe
Burton, John	Jenrette	Ryan
Carr	Jones, Tenn.	Scheuer
Cederberg	Kemp	Sikes
Conlan	Landrum	Stanton,
Conyers	Leggett	James V.
Crane	Madigan	Steed
Diggs	Mathis	Steiger, Ariz.
Dingell	Mollohan	Stokes
Duncan, Oreg.	Murphy, N.Y.	Stuckey
du Pont	Myers, Pa.	Teague
Early	Neal	Ullman
Esch	Passman	Van Deerlin
Fish	Quillen	Wiggins
Foley	Railsback	Wilson, C. H.
Fulton	Rangel	Wilson, Tex.
Fuqua	Rees	Wright

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 6219, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 365 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand for a recorded vote made by the gentleman from Colorado (Mr. ARMSTRONG) on his amendment.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 122, noes 292, not voting 19, as follows:

[Roll No. 260]

AYES—122

Archer	Ginn	Moorhead,
Armstrong	Goldwater	Calif.
Ashbrook	Goodling	Myers, Ind.
Bafalis	Hagedorn	Nichols
Bauman	Haley	Pettis
Beard, Tenn.	Hansen	Poage
Bennett	Harsha	Pritchard
Bevill	Hastings	Quie
Bowen	Hébert	Quillen
Brinkley	Hillis	Randall
Broomfield	Hinshaw	Rhodes
Brown, Ohio	Holt	Risenhoover
Broyhill	Hutchinson	Roberts
Burgener	Hyde	Robinson
Burke, Fla.	Ichord	Rousselot
Burleson, Tex.	Jarman	Runnels
Butler	Johnson, Colo.	Schneebeli
Casey	Johnson, Pa.	Schulze
Cederberg	Jones, Okla.	Sebelius
Chappell	Kasten	Shuster
Clancy	Kelly	Sikes
Clawson, Del	Kemp	Skubitz
Cochran	Ketchum	Smith, Nebr.
Collins, Tex.	Kindness	Snyder
Conable	Krebs	Spence
Crane	Lagomarsino	Steed
Daniel, R. W.	Latta	Steiger, Ariz.
Derwinski	Lent	Stephens
Devine	Lott	Symms
Dickinson	Lujan	Taylor, Mo.
Downing	McClory	Taylor, N.C.
Duncan, Tenn.	McCollister	Treen
Edwards, Ala.	McDonald	Vander Jagt
English	McEwen	Wampler
Erlenborn	McKay	White
Esch	Martin	Whitehurst
Eshleman	Michel	Wilson, Bob
Evans, Colo.	Milford	Wright
Flynt	Miller, Ohio	Wydler
Forsythe	Montgomery	Young, Alaska
Frey	Moore	Young, Fla.

NOES—292

Abdnor	Boland	Cornell
Abzug	Bolling	Cotter
Adams	Bonker	Coughlin
Addabbo	Brademas	D'Amours
Ambro	Breaux	Daniel, Dan
Anderson,	Breckinridge	Daniels, N.J.
Calif.	Brodhead	Danielson
Anderson, Ill.	Brown, Calif.	Davis
Andrews, N.C.	Brown, Mich.	de la Garza
Andrews,	Buchanan	Delaney
N. Dak.	Burke, Calif.	Dellums
Annunzio	Burke, Mass.	Dent
Ashley	Burlison, Mo.	Derrick
Aspin	Burton, John	Diggs
AuCoin	Burton, Phillip	Dingell
Badillo	Byron	Dodd
Baldus	Carney	Downey
Barrett	Carr	Drinan
Baucus	Carter	Duncan, Oreg.
Beard, R.I.	Chisholm	Early
Bedell	Clausen,	Eckhardt
Bell	Don H.	Edgar
Bergland	Clay	Edwards, Calif.
Biaggi	Cleveland	Eilberg
Biester	Cohen	Emery
Bingham	Collins, Ill.	Evans, Ind.
Blanchard	Conte	Evins, Tenn.
Blouin	Conyers	Fascell
Boggs	Corman	Fenwick

UMI

Findley	Long, La.	Rodino
Fish	Long, Md.	Roe
Fisher	McCloskey	Rogers
Fithian	McCormack	Roncallo
Flood	McDade	Rooney
Florio	McFall	Rose
Flowers	McHugh	Rosenthal
Foley	McKinney	Roush
Ford, Mich.	Macdonald	Roybal
Ford, Tenn.	Madden	Russo
Fountain	Madigan	Ryan
Fraser	Maguire	St Germain
Frenzel	Mahon	Santini
Fulton	Mann	Sarasin
Fuqua	Mateunaga	Sarbanes
Gaydos	Mazzoli	Satterfield
Giaimo	Meeds	Scheuer
Gibbons	Melcher	Schroeder
Gilman	Metcalfe	Seiberling
Gradison	Meyner	Sharp
Grassley	Mezvinsky	Shipley
Green	Mikva	Shriver
Gude	Miller, Calif.	Simon
Guyer	Mills	Sisk
Hall	Mineta	Slack
Hamilton	Minish	Smith, Iowa
Hanley	Mink	Solarz
Hannaford	Mitchell, Md.	Spellman
Harkin	Mitchell, N.Y.	Staggers
Harrington	Moakley	Stanton,
Harris	Moffett	J. William
Hawkins	Moorhead, Pa.	Stanton,
Hayes, Ind.	Morgan	James V.
Hays, Ohio	Mosher	Stark
Hechler, W. Va.	Moss	Steelman
Heckler, Mass.	Mottl	Steiger, Wis.
Hefner	Murphy, Ill.	Stokes
Heinz	Murphy, N.Y.	Stratton
Heistoski	Murtha	Studds
Henderson	Natcher	Sullivan
Hicks	Neal	Symington
Hightower	Nedzi	Talcott
Holland	Nix	Thompson
Holtzman	Nolan	Thone
Horton	Nowak	Thornton
Howard	Oberstar	Traxler
Howe	Obey	Tsongas
Hubbard	O'Brien	Udall
Hughes	O'Hara	Van Deerlin
Hungate	O'Neill	Vander Veen
Jacobs	Ottinger	Vanik
Jeffords	Passman	Vigorito
Jenrette	Patman, Tex.	Waggonner
Johnson, Calif.	Patten, N.J.	Walsh
Jones, Ala.	Patterson,	Waxman
Jones, N.C.	Calif.	Weaver
Jordan	Pattison, N.Y.	Whalen
Karth	Pepper	Whitten
Kastenmeier	Perkins	Wilson, C. H.
Kazen	Peyser	Winn
Keys	Pickle	Wirth
Koch	Pike	Wolff
Krueger	Pressler	Wylie
LaFalce	Preyer	Yates
Landrum	Price	Yatron
Leggett	Rangel	Young, Ga.
Lehman	Rees	Young, Tex.
Levitas	Regula	Zablocki
Litton	Reuss	Zeferetti
Lloyd, Calif.	Riegle	
Lloyd, Tenn.	Rinaldo	

NOT VOTING—19

Alexander	Jones, Tenn.	Ruppe
Brooks	Mathis	Stuckey
Conlan	Mollohan	Teague
du Pont	Myers, Pa.	Ullman
Gonzalez	Railsback	Wiggins
Hammer-schmidt	Richmond	Wilson, Tex.
	Rostenkowski	

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. BUTLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it was my earlier intention to introduce amendments to title II which would have stricken the words dealing with Indians and Asian Americans, because it was my view that the law did not support their inclusion, but I have also learned to count, if I have learned nothing else in the last few days, and so my intention is not to introduce these amendments.

However, if there had been a possibility that they would have succeeded in the House I would have introduced them but, in the interest of speeding things along, I will not do so.

AMENDMENT OFFERED BY MR. M'CLORY

Mr. McCLORY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCLORY: On page 4, line 13, strike out "persons" and insert "citizens" in lieu thereof, and on page 11, line 13, strike out "persons" and insert "citizens" in lieu thereof.

Mr. McCLORY. Mr. Chairman, I ask unanimous consent that the amendment be considered at this time. The first part of it applies to title II, but it is the same amendment that appears to title III.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCLORY. Mr. Chairman, what I am trying to do in this amendment is to eliminate some inconsistency and to provide some consistency in this legislation, notwithstanding my serious objections to various parts of it.

What this amendment would do would be to change the word "persons" where it appears in title II and also in title IV and substitute the word "citizens." The reason for that is this, that the triggering device in title II is based, in part, upon 50 percent or more of the persons voting in the election. The only persons who can vote in an election are "citizens."

When we consider the language minority group in question, we talk about "citizens" of the language minority group. In other words, the bill requires on one hand 5 percent or more of the "citizens" of the language minority group, but on the other hand it requires less than 50 percent of the "persons" of voting age voting in an election, and unless we make this change——

Mrs. MINK. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I will be glad to yield to the gentlewoman from Hawaii.

Mrs. MINK. I thank the gentleman for yielding.

I would like to call to the attention of the gentleman title III language on page 8, line 13, where the criterion there for determining coverage under title III of the committee bill is 5 percent of citizens of voting age.

Mr. McCLORY. Exactly.

Mrs. MINK. I suggest that perhaps the same criterion might well be used in title II. As I understand, under the gentleman's amendment, his intention is simply not to count nonvoting persons in a State or in a political subdivision for the purpose of calculating whether the 50-percent limit has been reached, and the amendment would be for no other purpose; is that a correct statement?

Mr. McCLORY. That is correct. The gentlewoman is exactly right.

Mrs. MINK. If I might comment, the gentleman's amendment would have a very direct impact on my district, particularly the city and County of Honolulu, which is the entire island of Oahu. I believe that this island is probably unique in comparison to all of the counties and political subdivisions of any Member of this body, because, being triggered under title II, as we have been since 1965 because the voting rate has been below 50 percent, this new bill under title II will very likely have the consequence of requiring that our county elections and the ballots and all the bilingual assistance appertaining thereto cover not only the two groups that I think perhaps need such assistance, that is, the Filipinos and the new Koreans that have arrived; but would also have to cover the Chinese and the Japanese whose illiteracy rate is far below the national average and who would most likely not be covered under title III.

So it seems to me in our district we may very well have to have a ballot in five languages, if we count the aliens. So I support the thrust of the gentleman's amendment that in determining the voting age population that we seek to count those who are eligible to vote but who for some reason are not registered to vote and do not vote—to count the noncitizen aliens in a district would completely nullify the accuracy of the percentage calculation. If we did not count the aliens residing on the island of Oahu, Oahu would be well above the 50-percent limit and Oahu would not be triggered in under title II; Oahu would of course be covered under title III as will all the other counties in the State of Hawaii, because we do have an excess of 5 percent of citizens who are Asian-Americans.

That is perfectly legitimate and I would support the necessity for having a bilingual ballot for those persons who because of their lack of understanding of English require such assistance. But to trigger the act under title 2 and put them under all the other onerous procedures I think is unjustified if the criteria for determining the voting age is not consistent with the principle of having them vote who are eligible to vote. That is why I support the amendment offered by the gentleman.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unnaimous consent, Mr. McCLORY was allowed to proceed for 2 additional minutes.)

Mr. McCLORY. I thank the gentlewoman. She had a very good point.

For those who feel that ultimately they want to support title II of this legislation, I think it is a very valid point that the discrepancy should be corrected.

I should also like to point out under the legislation as written we would have to count not only those who are lawfully in the area, but also illegal aliens, and they are a very serious problem in our country. It is estimated there are 6 million such people. If we are going to count illegal aliens in making the required determination, we could trigger in areas under this legislation, because of those people who are within an area contrary to the law. So I would be hopeful this amendment will be agreed to.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I thank the gentleman from Illinois for yielding. The testimony of Commissioner Chapman of the INS, indicated there are about 2.5 million illegal aliens who enter the United States each year. In the city of New York, for example, it is estimated there are 1 million illegal aliens. That would have a tremendous impact on the trigger in some political subdivisions if those voting or registered are compared to both citizens and noncitizens of voting age.

We are going to have that same difficulty it seems to me with the Vietnamese, and even though they are going to be spread all over the United States pretty evenly now, if they are like other aliens who have come to this country they will tend to concentrate in certain places, which could throw off the percentages in those counties.

There are better than 4 million lawful permanent aliens who do not have the right to vote added to illegal aliens could make the total between 15 and 20 million, so we are talking about a large number of people all over the Nation whom we need to exclude from the count in the triggering areas, so I urge support for the amendment.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

I think we ought to point out, Mr. Chairman, that the use of a nationwide triggering device is to reach areas of the country where there are evidences of discrimination in voting. The purpose of the triggering device is to make the bill work in a fair and rational way.

The gentleman from Illinois (Mr. McCLORY) proposes to have these determinations based on the voting age citizen population. This should be defeated. The trigger in the original 1965 Voting Rights Act was held rational and reasonable, by the Supreme Court in South Carolina against Katzenbach. If we tried to change this now, we would be using a different standard for coverage of new jurisdictions in titles II and III than was used for those already covered.

I have a letter from the Census Bureau dated June 3, 1975, saying it is impossible to go back and make 1964 determinations based on whether or not people were citizens.

Further, the Justice Department in a communication dated May 29, 1975, indicated that they would oppose any attempt to require that the 1964 and 1968 determinations be redone and reapplied retroactively.

So I suggest it would be inappropriate to make the triggering mechanism different, to have the new act coverage different from those in the old act.

Both titles II and III of this bill already feature a citizenship factor in the 5 percent population standard for coverage of language minorities.

Mr. Chairman, I strongly urge the defeat of this amendment.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I want to agree with the gentleman as far as the original act is concerned; but it seems to me when focusing on the problem of discrimination against blacks we were not considering persons who might not be citizens, because there are very, very few black aliens; but when we are talking about language minority groups, we are necessarily talking about a vast number of illegal aliens.

Mr. EDWARDS of California. Mr. Chairman, I hope the gentleman does not think that the Census Bureau can count illegal aliens. I do not think they would answer a questionnaire let alone answer the door.

Mr. McCLORY. I understand the Census Bureau does have the information currently with regard to illegal aliens.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, we are not talking about illegal aliens It is registered aliens that the Census Bureau already counts, because every single alien resident is registered every day; so what problem would that create for the Census Bureau? They already have that information and they know exactly where these people are.

Mr. EDWARDS of California. Mr. Chairman, that is still not the problem. The chief problem is the trigger is designed in a way that it hits those particular parts of the country in which we have evidence of discrimination.

Mr. KAZEN. It is done this way when the triggering device is not working.

Mr. EDWARDS of California. It is an indication where the violation of voting rights very probably took place. It is not evidence.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I would like to make reference to the fact that the gentleman said that in 1965 the process worked and there is no reason for it to change now. That would be sound if we had not been in the position to obtain some additional information. In the last few years more attention has been focused on the illegal alien problem. We have from 6 million to 10 million such people; but even more important, and I will produce evidence this afternoon on that, we have illegal aliens registered and there are reports from the Immigration Service where we have illegal aliens registered, and, indeed, voting. Election boards throughout the country have made this available and these illegal aliens do this to further enhance their legitimacy as citizens. It is an important factor and something that should be taken into consideration.

Title 11 of the Voting Rights Act of 1975 has a specific provisions which states that anyone providing false information about their being able to vote shall be fined not less than $10,000 and/or imprisoned for up to 5 years. Specific citation is United States Code 1973 Title 42 1(c)(d).

The argument might be raised that while the Federal enforcement is important in the overall matter of voter registration, they are only involved in cases of false voting in Federal elections. Granted this is true, and the States must also assume responsibilities in this area. The fact is that most States in the union also specifically prohibit attempting to register and vote when not qualified, but they too have become lax in their enforcement of these statutes.

I have stated earlier that there are increasing incidences of false voter registration. While documented cases and even ballpark figures of the extent of this problem are hard to come by. I have obtained a copy of a 1973 report compiled by Immigration Service office in New cases of illegal aliens obtaining voter Registration Fraud—West Indian Aliens." This report showed some 20 cases of illegal aliens obtaining voter cards fraudulently and then using them to verify claims of legal U.S. citizenship.

Allow me to cite one specific case. Subject: Clarence Meyers, native and citizen of Jamaica entered the United States at John F. Kennedy Airport on February 20, 1970. When located and processed at the New York City District Office of INS on May 8, 1973, an election card issued at Bronx County, N.Y., was found in his possession. Mr. Meyers stated that he had never been in the Bronx since his arrival in the United States 3 years previous. He further advised that he had purchased the New York City voter registration card for the sum of $100 in a social club in Kings County, N.Y.

This is but one of a series of cases. Related closely to false voter registration by individuals are organized rings of illegal alien smugglers who obtain these cards and provide them to the illegal aliens they bring it to facilitate their entry into the United States. I am also conducting an inquiry into a conspiracy in New York to falsely get illegal aliens to vote to influence the outcome of close elections.

It is ironic that as we consider legislation which seeks to break down the barriers against voting by American citizens we find illegal aliens with few if any barriers before them for voter registration and actual voting. We must obtain a specific plan from the Justice Department which will demonstrate to the American people that we are committed to eliminating this national scandal. In an era when sentiments in many States including New York are for new forms of voter registration by mail, we must work to enforce existing State and Federal laws against false registration before the practice and abuses become uncontrolled.

Mr. Chairman, I believe the amendment is sound and should be voted for.

The CHAIRMAN. The time of the gentleman from California has again expired.

(By unanimous consent, Mr. EDWARDS of California was allowed to proceed for an additional 3 minutes.)

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. Mr. Chairman, I yield to the gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 6219; however, there are certain questions which I would like to have answered relative to title II, as well as title III.

I would like for the purpose of establishing legislative history to engage in colloquy with the gentleman from California, the distinguished chairman of the subcommittee, Mr. EDWARDS.

To begin with, in both titles II and III of H.R. 6219 coverage depends on their servicing the voting age population who are members of single language minority

UMI

groups. Although the bill defines minority, the term "single language minority" is not defined.

What is the meaning of "single language minority"? Does it mean, for instance, that the minority must have a common single language?

Mr. Chairman, I ask unanimous consent that I may revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Hawaii?

Mr. McCLORY. Mr. Chairman, reserving the right to object to the unanimous consent request, I think that it is appropriate that the committee hear the debate on this subject. If we are making legislative history with respect to some matter that is not actually orally debated on the floor of the House, it seems to me that it is not going to be worth much to the Supreme Court or any other body that is going to interpret what we are doing here today.

I do not want any secret, unwritten history with regard to the extension of the Voting Rights Act. I want to know what we are doing.

The CHAIRMAN. The gentleman from Illinois reserves the right to object to the unanimous consent request of the gentleman from Hawaii to revise and extend his remarks, and makes the point that there should be debate on that subject rather than extension to achieve a legislative history.

Mr. MATSUNAGA. Mr. Chairman, I ask unanimous consent that I may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, a language minority group is defined in the bill as Asian Americans, Alaskan natives, American Indians, or persons of Spanish heritage. The modifier "single" is used to prevent, for example, Asian American and American Indian populations in a jurisdiction to be added together to meet the 3-percent coverage standard.

Mr. MATSUNAGA. So the "single language minority" referred to in the bill need not speak a single, common language?

Mr. EDWARDS of California. That is correct.

Mr. MATSUNAGA. And, as the gentleman knows, there are a great number of national origins represented in Hawaii that could be classified as Asian Americans. Will each of them be covered under H.R. 6219?

Mr. EDWARDS of California. No. Based on usage by the Bureau of Census, Asian Americans means those persons who identified themselves as Japanese, Chinese, Filipino and Korean. H.R. 6219, which addresses language difficulties of minority citizens, does not include persons who identify themselves as Hawaiians within the Asian American category, because it is our understanding that the Hawaiian language is hardly spoken.

Mr. MATSUNAGA. Mr. Chairman, I might say to the gentleman that while the Hawaiian language is hardly spoken, it is still being spoken and there has been a revival of the language in recent years.

To continue with the colloquy, I note that, if a jurisdiction is covered under title II, the bill mandates that bilingual election materials be provided "in the language of the applicable language minority group." I cannot speak for the other groups, but in the case of Asian Americans, there is certainly no single language common to all Asian Americans. Does this mean that bilingual materials must be provided in each of the languages of the subgroups which constitute the language minority group?

Mr. EDWARDS of California. As the gentleman has suggested, the mandate for printed bilingual materials will impact differently on each language minority group. Since each of the subgroups within Spanish heritage have Spanish as their native language, a jurisdiction covered for any of these groups would have to provide materials in English and Spanish. Most of the Alaskan Native and American Indian languages have no written form, and, therefore, we have indicated that jurisdictions covered by respect of their populations of these language minority groups have an affirmative obligation to provide bilingual oral assistance at all stages of the electoral process.

Mr. MATSUNAGA. In an area like Honolulu, where each of the four groups within the census usage of the term Asian American is present, what will be required of a jurisdiction to comply with the bilingual materials mandate?

Mr. EDWARDS of California. In making determinations under title II, the populations of any subgroups within a language minority group are aggregated. If this aggregate represents 5 percent or more of the jurisdiction's voting age citizen population, the jurisdiction is covered. It is then required to provide bilingual materials for each of the subgroups. In certain cases, this could, of course, require materials in each subgroup language within the Asian American category.

Mr. MATSUNAGA. If a jurisdiction like Honolulu were covered and required to print materials in languages appropriate to all four subgroups of Asian American, could that jurisdiction be relieved of that requirement for one or two subgroups, or must it "bail out" for all subgroups at one and the same time?

Mr. EDWARDS of California. If the gentleman will yield, it is the intent of H.R. 6219 that a jurisdiction may be exempted from title II's bilingual elections mandate for any subgroup language minority population. If, for example, Honolulu is covered under title II because of its Asian American population of Japanese, Chinese, and Filipino, the country could seek to bail out each one of these subgroups.

Mr. McCLORY. Mr. Chairman, will the gentleman yield to me on that point?

Mr. MATSUNAGA. I will yield to the gentleman as soon as the gentleman has finished.

The CHAIRMAN. The Chair will state that the committee is now operating under the prior reservation of objection of the gentleman from Illinois. The time of the gentleman from Hawaii has expired.

Mr. McCLORY. Mr. Chairman, further reserving the right to object, I would like to ask the gentleman where in the legislation is there provision for this bailout with regard to the subgroups of a single-language minority group such as Asian Americans? Will the gentleman point that out in the bill?

Mr. EDWARDS of California. The same bailout provisions would apply to the subgroup as would apply to any group.

Mr. MATSUNAGA. If the gentleman will yield, the fact that the term "single-language minority" is used, although not defined, would seem to permit such a bailout.

Mr. McCLORY. Single "language minority groups" includes "Asian Americans." So either the Asian Americans are blanketed in or they are blanketed out. You cannot blanket in the Asian Americans and refuse to provide ballots in the four or five languages of the citizens composing the language minority group. The legislation does not provide that.

I would suggest that such an amendment ought to be offered if that is the intent of the Congress, and not try to build into the legislation during a colloquy here something that is not in the bill.

Mr. MATSUNAGA. If the gentleman will yield further, the reason for the colloquy, which I requested of the chairman of the subcommittee, is based on the very question that the gentleman raises. And it is my understanding now, after having discussed this matter with the chairman of the subcommittee, that by the use of the term "single-language minority," we develop a subgroup within the term "Asian Americans."

Mr. McCLORY. Let me point out that I am not going to agree that we are making legislative history through a colloquy which is inconsistent with the language of the legislation. The bill provides a definition of a "single-language minority group," and it also provides the method by which there can be a bailout, if in fact the ballots and the voting material in 1972 were provided in the language of the minority group. But if it is not provided, it is almost impossible to bail out for 10 years, as I see it.

Also, there is nothing in the bill that says if you give printed ballots to persons who do not have a written language, such as Hawaiians who may not know their written language but nevertheless speak it, there is nothing in the legislation that says that is going to meet the requirement of the act. I do not think we should interpret the legislation inconsistent with the way it is written.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I will be glad to yield to the gentleman from Virginia.

Mr. BUTLER. I thank the gentleman for yielding.

I would like to suggest that the legislative history we are making at the moment is somewhat news to me, who sat on the subcommittee during deliberations, and I strongly suspect that we are not making legislative history. Nothing in the hearings or nothing in our deliberations would indicate the extensive trouble we have here today.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield further?

Mr. McCLORY. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, the purpose of establishing legislative history is in one instance a clarification of language which is not clear in the bill itself, and because the term, "single-language minority," is used and not defined and as "language minority" is defined in the bill, I have risen to clarify the issue along the thoughts that the gentleman from California and I have discussed.

The CHAIRMAN. The Chair desires to state that this is an unusual procedure to continue with colloquy under the reservation of objection during the 5-minute rule. The gentleman who last had the floor in his own right was the chairman of the subcommittee, the gentleman from California (Mr. EDWARDS).

If the chairman of the subcommittee desires to continue this discussion, the Chair would recommend that the gentleman ask unanimous consent to proceed for some additional time.

Mr. EDWARDS of California. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for an additional 30 seconds so that we may finish this discussion.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. McCLORY. Mr. Chairman, reserving the right to object, I would only say this: I am anxious to have the colloquy continue because whatever exchange the parties are having between themselves I think should be heard by the whole House.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. It would seem to the Chair that it would be advisable for the chairman of the subcommittee, the gentleman from California (Mr. EDWARDS), to seek more time than 30 seconds.

Mr. EDWARDS of California. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, if I may, I will proceed with the colloquy.

If these types of showings can be made so that the use of English-only elections would not discriminatorily impact on citizens of Japanese and Chinese ancestry in Honolulu, then the city and county of Honolulu would not be required to provide bilingual materials for these two subgroupings; am I correct in my understanding?

Mr. EDWARDS of California. The gentleman is correct. Of course, a jurisdiction may choose to bail out for any or all of the subgroups which constitute the language minority group that triggered coverage.

Mr. MATSUNAGA. Mr. Chairman, I thank the distinguished gentleman for his clarifying responses.

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman from Hawaii, and I point out to the gentleman from Illinois (Mr. McCLORY) that the provision for bail-out is on page 2 of the bill, beginning at about line 19, and under my interpretation and that of the staff, that would certainly include subgroups.

The CHAIRMAN. The time of the gentleman from California (Mr. EDWARDS) has expired.

The unanimous consent request of the gentleman from Hawaii (Mr. MATSUNAGA) is still pending. His unanimous consent request was to revise and extend his remarks.

Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. KINDNESS. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, it seems that there will be two sides to this two-way colloquy, or another side to the colloquy we have just heard, and for the purpose of clarifying a bit this matter of single-language minorities, I think it would be important to engage the chairman of the subcommittee, if I might, in colloquy and obtain his responses to a couple of questions.

The first question is that: A single-language minority, as set forth in the bill, would be the Asian American grouping? That would be a single-language minority?

Mr. EDWARDS of California. That is correct. Mr. Chairman, if the gentleman will yield further, that would be the Asian American group consisting of a number of people from different countries.

Mr. KINDNESS. And within that grouping would there be a possibility of having a single-language minority that is smaller or more distinctly set forth, for example, Japanese Americans?

Mr. EDWARDS of California. There could be within the group of 5 percent Asian American, 2 percent Japanese, 1 percent Korean, and 3 percent Chinese, yes.

Mr. KINDNESS. And if that were to be the case, then would it be possible for any one of those language minority groupings within the Asian American grouping to be the subject of an inquiry—a bail-out let us call it—as distinguished from the rest of the Asian American grouping?

Mr. EDWARDS of California. That is correct, yes.

Mr. KINDNESS. Then would it be correct to say that "single-language minority" means two things:

It means, on the one hand, the groupings that are specifically included in the definition in the bill, and on the other hand, it also means a subgrouping; it means two things; is that the intent of the chairman of the subcommittee?

Mr. EDWARDS of California. Would the gentleman repeat the question?

Mr. KINDNESS. Yes. I would like to rephrase it so that I understand it better myself.

There seems to arise from the colloquy here so far the answer from the chairman of the subcommittee that "single language minority" can mean two things. On the one hand, it can mean one of the groupings in the definition, for example: Asian Americans. On the other hand, it can also mean a smaller grouping within that grouping such as: Japanese Americans; there can be a subgroup?

Mr. EDWARDS of California. Yes.

Mr. KINDNESS. Does the chairman of the subcommitte, the gentleman from California, indicate that both of those definitions of single language minority may be applicable for the triggering device?

Mr. EDWARDS of California. Yes.

Mr. KINDNESS. Is it also possible that we distinguish, that we include the smaller grouping such as Japanese-American for the purpose of a bail-out action?

Mr. EDWARDS of California. It is possible for a subgroup to have a bail-out device available.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. Yes, I will yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, there is no right, under this legislation, for any group to bail out. The only authority here is for the State or political subdivision to bailout, and they can only bail-out if they are in compliance with title II, which would require them to have had in the election of November, 1972, ballots and voting materials provided in the language of the applicable minority language group.

The bill, on page 7, defines "language minorities" and "language minority group" and does not include Japanese Americans or Chinese Americans or Korean Americans or Philippine Americans as such. It applies only to Asian-Americans, and it includes all of these people in one group.

It seems to me that it is clear from the legislation itself as to what would be required where you have a language minority group over 5 percent under title II. Then, and in that case, we are going to have to provide the ballots and voting materials in the languages that makeup the language minority group. That might be four or five languages.

There is nothing in this bill that talks about subgroups. They cannot bailout—only States and political subdivisions can bailout—and then—only when it is established that the requirements of title II have been met—as impossible as that may be.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, yesterday my colleague, the gentleman from California, and myself had quite a colloquy about the problem of increased cost for the Census Bureau. I am surprised that he is now resisting this amendment, which is much more definitive and helpful to the Census Bureau, because they do, in fact, count the citizens of this country. They do make that kind of count.

All my colleague, the gentleman from Illinois (Mr. McCLORY), is trying to do

UMI

is say that the language under this section, where we mandate the Census Bureau to provide an accountability of citizens of voting age. I am especially surprised at my colleagues objection and opposition since the gentleman knows the kind of problem that we have with illegal aliens in this country, especially in California.

Mr. Chairman, the gentleman from Illinois has given us a very appropriate and currently needed amendment to make sure that we do not improperly mandate the Census Bureau, under this language to count persons, who should not be considered in the triggering mechanism.

I believe that my colleague, the gentleman from Illinois, has tried to be very considerate of the very arguments that my colleague, the gentleman from California, raised yesterday relating to the Wiggins amendment, and that was his concern over the substantial cost for the kind of count with which we are here concerned.

I have read the letter of the Director of the Census Bureau sent to my colleague. The director is mandated under the language of this particular section and my colleague from Illinois is trying to amend the bill in a proper fashion. He says that the kind of surveys that are mandated in this legislation could run anywhere from $50 million to $200 million.

I say to my colleagues that if we do not accept the amendment offered by my colleague, the gentleman from Illinois (Mr. McCLORY) we will in fact be mandating an almost impossible task for the Bureau of the Census, because they will be required to count persons rather than citizens of voting age.

I think that my colleague, the gentleman from Illinois, has been very proper in trying to correct what appears to be a defect in this particular section.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I will be happy to yield to my colleague, the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the problem that we get into is whether or not the Bureau of the Census can do what the gentleman would like them to do.

Mr. ROUSSELOT. Under the amendment it is our judgment that the Director will have a more specific mandate.

How are they going to count persons? To me it is much more appropriate to count citizens on the basis of the estimates they already have under the 1970 census, and/or regular surveys that they do on a month-to-month basis, and in many of the populated areas of our country they are already doing economic surveys.

I believe that the amendment offered by my colleague, the gentleman from Illinois (Mr. McCLORY) to change the wording of a "counting of persons" to a "count of citizens" of voting age is a more appropriate and prudent approach to this problem.

Mr. CONYERS. Mr. Chairman, I am not trying to get into the substantive differences, but I would like to point out to my colleague in the well, the gentleman from California, that the question is the same as the one we were presented with yesterday. The gentleman was asking the Bureau of the Census to do something that the chairman of the subcommittee has a letter in his possession in which they say it is impossible to do.

Mr. ROUSSELOT. No.

Mr. CONYERS. Is that not correct?

Mr. ROUSSELOT. No. I am on the Census and Statistics Subcommittee of the Committee on Post Office and Civil Service. I do not beware that is the the case.

Mr. CONYERS. In that letter they say it is impossible.

Mr. ROUSSELOT. We have been told by the Bureau of the Census people when they have testified that they already engage in many kinds of surveys, and, especially in the regular census, to make a determination of those that are citizens or non-citizens, so they already have estimates in this regard.

But in many of the ongoing surveys there is a requirement that they make a determination before they do the in-depth interviews, as to whether a person is a citizen or not a citizen. So this would not be an unusual requirement.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I would be glad to yield to my colleague, the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Chairman, I want to make this point.

The gentleman knows that we are talking about voting and voting rights, and voting rights pertain only to those qualifications which relate to voting, and citizenship is a prerequisite of voting and so to count persons who are not citizens would be quite inconsistent, in my opinion, to our attempt here.

Mr. ROUSSELOT. The gentleman from Illinois is correct. The gentleman made that point, and made that point in a strong way. What I am saying is that the argument made that the Bureau of the Census is incapable of determining the difference between a citizen and a non-citizen is not a valid argument the Bureau is already required to do that in many of the regular surveys that they do, and what I was trying to point out is that since my colleague, the gentleman from California (Mr. EDWARDS) made a big issue regarding the substantial cost of the potential mandates to the Bureau of the Census, I would think the gentleman would readily accept this amendment because it would narrow down the mandate to the Bureau of the Census. The Bureau should not require that they count "persons."

The CHAIRMAN. The time of the gentleman has expired.

Mr. BADILLO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

What we have sought to do here in putting in title II and title III is to keep the same basic mechanism that existed in the current act, under the provisions of the 1965 act, which would include persons of voting age. The Bureau of the Census is not required, with respect to that provision, in the case of title II and title III, to do anything other than that which it does now. Therefore, there is no additional cost involved with respect to the denominator of the formula, that is, the 50 percent of persons of voting age who voted in 1972.

The part where the Census Bureau is required to conduct a special census, if this bill were to be approved as it stands, would be on the question of determining the 5 percent of a special language minority group, and with respect to that 5 percent, we do provide in the bill that they shall be citizens of voting age, so that the only special census that is required here is that 5 percent. The Census Bureau, if the bill is passed, will be conducting that figure. The denominator figure, the 50 percent, is based on the 1970 census as updated to the 1972 elections. There is no special census required there because that already took place. That was in 1972. We are now in 1975, so no special census is required.

What we need to know is what will happen when the bill becomes effective. That only requires 5 percent of a single language minority. That is the only census that actually will be taken in the field. That is the only census that can be taken in the field.

When it comes to taking action which is required by the Bureau of the Census, we are talking about citizens, and for that reason we have worded the amendment in the manner in which we have, and for that reason I think that we should leave the trigger mechanism, that is, the denominator, based on the same formula that we have historically used from 1965 to 1970, on which, as the chairman indicated, there have been Supreme Court decisions which have established what that denominator means.

If we are going to make a change, obviously, we should talk about citizens when the Census Bureau goes out to count in 1975 and 1976 to determine if a 5 percent single language minority is included. Whether it is in Honolulu or New York City or Texas, they will be counting citizens and, therefore, for that reason I submit that the amendment should be defeated.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding.

The gentleman has made a very good point as far as the 5 percent is concerned. With regard to existing law where "persons" is used, I would not want to change that. Although perhaps we should have used "citizens" when we enacted the 1965 Act. In considering voting rights we only consider those who are entitled to vote, which means citizens. I think the mere fact that we do count the 5 percent of "citizens" in minority groups for purposes of the trigger also establishes the validity of using the expression "citizens" when we talk about the percentage of persons of voting age who vote.

Mr. BADILLO. We have no disagreement. I only point out that people talk

about the Census Bureau having to go out to count. They are not going to go out and count who was there in 1972; they are going to count now the only people in terms of who is there now. The only thing we count is the numerator. Let me say illegal aliens are not counted. I have been trying to find out who the illegal aliens are from the Bureau of the Census, and I cannot get the information. It is not possible one million people in New York City would be illegal aliens because that is one-eighth of the population. If we find out from the Census Bureau who they are, and if we can get those lists, I think the Members who have the lists would be contributing a great service to the country.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding.

Forget illegal aliens; talk about resident aliens who register every single year. The Census Bureau knows where they are, and they know where they live.

Mr. BADILLO. I understand, and I point out to the gentleman if this bill is to be approved, when the Census Bureau goes out to count, let us say, in his district to find out if the 5 percent applies, they will count the 5-percent citizens—and that is all.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. BIAGGI, Mr. BADILLO was allowed to proceed for 1 additional minute.)

Mr. KAZEN. If the gentleman will just let me continue on this one point, they will know what the census was in every year the gentleman is talking about because this registration law has been on the books for many years and the Census Bureau has this information.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I would like to suggest to the gentleman in the well that he knows of my interest in the illegal alien question. We are having hearings and we will provide the gentleman with all the evidence. We have information from the officials who testified to that.

Mr. BADILLO. I think we would be grateful if the gentleman would provide it to every Member in the Congress.

Mr. BIAGGI. I would be delighted to provide the entire Congress with that information and the sad commentary on the investigatory abilities made in this connection.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I want to point out my amendment covers not only title II but also title IV. It would cover the censuses which are going to be made every 2 years from 1974 on, so that we would be requiring the Census Bureau to count persons of voting age—and not citizens from 1974 to 1984, unless this amendment is adopted.

Mr. QUIE. Mr. Chairman, as the gentleman from Illinois indicated, the amendment goes to two parts of the bill. In the title II it seems to me the questions would be: First, should we change the law from the way it was written in 1965, and second, does the Census Bureau have the information or will it cost them additional money to provide that information?

As the gentleman from California has indicated, the Census Bureau has that information. In each decennial census they go out and ask whether or not each person was born abroad. If the answer to that question is yes, then they ask whether one is alien, naturalized or born of naturalized parents. They compute it and the information is available by county.

In 1965 when we passed this legislation, the illegal alien was not a hot question in the country. We did not realize the numbers involved. I have heard the estimate that it is as high as 15 million persons. The estimate by the INS is that about 2.5 million illegal aliens a year come into this country. So it is necessary to change the law of 1965 in this regard also because of new information.

As I said earlier, aliens tend after they come here to congregate together. They like the association with the other individuals who speak the same language and are of the same culture. It is natural for human beings to do that. As has been noted in the recent past, from the Southeastern part of the Nation a number of people from one county in Mississippi tended to go to the same place in the North when they moved north. They liked the association with their friends and relatives. The immigrants who came here from Latvia and Estonia and Lithuania and Hungary each tended to congregate in specific areas, and that throws off the figures in those parts of the Nation for the trigger mechanism since we should only be concerned about those eligible to vote rather than noneligible individuals by Federal standards.

As Commissioner Chapman estimated in one hearing, there are about 1 million illegal aliens in New York City.

Whether we use information on citizens of voting age or on all persons of voting age could result in a dramatic difference in some areas. Since we are writing legislation today we ought to try to make it as exact as possible, and since the information is available from the Census Bureau we ought to use that. There is a reason as you can see for changing from what we had in 1965.

As the gentleman from Illinois indicated under title IV of the bill, on page 11 we are talking about a new responsibility for the Census Bureau. It says the Director of the Census is directed by the Congress forthwith to conduct a survey and compile information on registration and voting statistics in every State or political subdivision coming under this law.

The last sentence of section (a) says that:

> Such surveys shall only include a count of persons of voting age by race or color, and national origin.

That limitation on it, it seems to me, gives them the wrong information. It ought to be, as the amendment offered by the gentleman from Illinois specifies, that the surveys shall only include a count of the citizens of voting age by race, color, and national origin.

There is no way we can ever through this law permit the noncitizen to vote. Therefore, it seems to me these amendments are wise. They do not hurt the legislation at all and ought to be adopted. In this way the Attorney General and the Director of the Census will be required to count only citizens in determining registration and voting percentages.

It would be a most unjust imposition on the States to bring the force of the Voting Rights Act to bear on them when the reason a minority group is disenfranchised is that its members are illegal aliens, resident aliens or unnaturalized persons. It would be a tremendous dilution of the Federal Government's resources should it have to direct its energies in many jurisdictions which merely have a large body of noncitizens.

I urge my colleagues to approve this amendment.

Mrs. MINK. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment.

Mr. Chairman, it is very difficult to speak in opposition to the distinguished chairman of the subcommittee of the Committee on the Judiciary, but I feel very strongly that it is the responsibility of the House in its work on legislation to report legislation which is internally consistent.

It seems to me that if we are addressing ourselves to legislation that is designed to encourage people to vote and if we are going to impose Federal requirements on those districts that do not meet certain criteria, that the criteria used should be based on those eligible to vote. This is the basis for my support of the amendment of the gentleman from Illinois (Mr. McCLORY).

I would like to suggest that the amendment offered by the gentleman from Illinois does not depart that radically from the bill reported to this House, because as I pointed out earlier in my colloquy, that on page 5, the bill provides that in defining the triggering device that "more than 5 percent of the citizens of voting age residing in such State or political subdivision are members of a single language minority."

So in determining the criteria of whether the provision is to apply to a single language minority, the bill says you must use the criteria of "citizens" of that group. In this instance the bill does not count all persons of that group. So it seems to me that the bill already has made this very change which we seek to make here. Despite what the chairman of

UMI

the committee says and what the gentleman from New York says, to wit, that the criteria of title II is sacrosanct and that because the law has been in effect since 1965 we should not change the criteria that has been in effect and which the courts have interpreted over a period of 10 years, may I remind these two gentlemen that this bill amends this very "sacrosanct" title II by changing the definition of "test or device" which new definition is made applicable only for the new bill. The committee in reporting this bill changed the criteria of the Voting Rights Act of 1965 by redefining "test or device," for the purpose of "bailing-out" through a Court review.

The city and county of Honolulu have always been triggered under title II of the Voting Rights Act since its inception; but we always found it was a rather innocuous requirement, because we obviously do not discriminate and the bail-out process was automatic. We did not have to go to court, then, and we should not have to now.

Under the new criteria set forth on page 5 of this bill, I believe it would be virtually impossible for the city and county of Honolulu to go to court and bail out. It would be very difficult. The effect of it would mean that we would have to have a bilingual ballot for Asian Americans, but as has been pointed out, there is no such thing as an "Asian American" language. There are Asian American groups in the country and there are four distinct Asian American groups in my constituency that would meet the 5-percent criteria: the Japanese, Chinese, Koreans, and Filipinos. So we would have to have a ballot in five languages because of the triggering mechanism under title II. We are perfectly willing to live under the provisions of title III on the basis that if there are large groups of citizens who are not able to read English, then I believe they are entitled to bilingual ballots. Under title III the whole State of Hawaii would likely be covered and we would most likely have to have a bilingual ballot for the Filipino and the Korean people who are U.S. citizens. Those who are not versed in English should have every possible assistance from the State and Federal Government to make it possible for them to vote.

But why should we be put under the onerous provisions of title II? We are the only area, I dare say, that will have to have a five language ballot because of the triggering mechanism simply because aliens in our community are counted in determining the voting age population.

I am not talking about illegal aliens. I am talking about legal alien residents of the State of Hawaii numbering 37,000 of voting age, just in the city of Honolulu.

We compound that problem. If there are those who think I am being parochial, we compound that problem, because we had over 73,000 military dependents over the age of 18 and military servicemen in the city and county of Honolulu in 1972 who did not participate in our local elections, yet they were counted in determining our voting age population.

I am not asking this House to exclude these individuals from the count; we feel that we have to deal with that added difficulty. We must take a rational approach to this legislation and seek the imposition of Federal intervention in our election process in those areas that are meaningful. For people who are eligible to vote but for some reason are not able to vote because they cannot read the ballot, then for heaven's sake, help them. I believe title III does this, and I hope the amendment will be agreed to.

Mr. TALCOTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask a question of the gentleman from California, the chairman of the subcommittee (Mr. EDWARDS) to further clarify the definition of language minority groups and the possible subgroups. I would like to ask him several specific questions about the ballot requirements.

I happen to represent a district where I am advised there are probably more than 5-percent Asian Americans. Among them are Chinese, Japanese, Filipino, and probably some others. Actually, the Filipinos speak two or three different dialects. Some of them cannot speak to each other, and the same situation applies to the Chinese. They have at least two dialects in our district.

My question specifically is, would it be required to have two Chinese ballots, one for each dialect, so that they can really read what is on the ballot?

Mr. EDWARDS of California. Mr. Chairman, if the gentleman will yield, I will say that it is our information that the gentleman would require one Chinese written ballot, unless the bailout was instituted by the county to eliminate that requirement.

Mr. TALCOTT. How would we determine which dialect of Chinese is going to be on the ballot?

Mr. EDWARDS of California. It is our understanding that it is the one that is generally used.

Mr. TALCOTT. What about the Philippine dialects? Would the answer be the same? There is only going to be one Philippine dialect on the written ballot?

Mr. EDWARDS of California. It is our understanding that it is the one generally used in the Philippine language.

Mr. TALCOTT. So that there would be no more than one Chinese ballot, no more than one Filipino ballot, no more than one Japanese ballot under the Asian American definition?

Mr. EDWARDS of California. That is correct, and even those subgroups would not be necessary if there was a successful bailout.

Mr. TALCOTT. It is my understanding that there can be no bailout by a language minority group, that they are not the people, or they are not the entity, that bails out, so to speak. The escape clause is exercised by the municipal subdivision involved. Is that not correct?

Mr. EDWARDS of California. Yes, the county, in the gentleman's case, would file the action.

Mr. TALCOTT. They are. In fact, prohibited from filing an action because the requirements are based on the 1972 election, which has already occurred, and there were no multiple ballots used in that election, so there is no way for them to escape, or bail out. Am I not correct?

Mr. EDWARDS of California. No, the bailout relates to the previous 10 years procedure in title II, and in title III to literacy.

Mr. TALCOTT. I do not quite understand that, but in either case the county would not have grounds for using the escape clause.

Mr. EDWARDS of California. I want to emphasize the bailout machinery would be available for both title II and title III.

Mr. TALCOTT. Upon what would the bailout procedure be based—to show that they had used multiple ballots in 1972? If so, that is not available to any California county.

Mr. EDWARDS of California. On the bailout, it would not be necessary to show that bilingual materials were used in 1972. The gentleman would have to prove that the use of English on the election did not discriminate against language minorities.

Mr. TALCOTT. Would not that mean that if there is any language minority that spoke or wrote in its own language, we could not escape or bailout? If that is the case, it would be impossible because there certainly are some Chinese, Japanese, Filipinos and Spanish who could not use the English language, so that bailout procedure would not be available.

Mr. EDWARDS of California. The bailout would be successful if it can be shown that these language minorities have a high literacy rate in English or a high degree of voting participation.

Mr. TALCOTT. But that would be almost impossible, would it not, in any jurisdiction in the United States? I think the literacy rate of the Japanese, Chinese, Filipino, and Spanish in our area is as high as any, but I do not think we can meet that criteria.

Mr. EDWARDS of California. Some will meet the criteria and some will not, but we have a well designed bailout device, and I trust that the people in Monterey County will use it.

Mr. McCLORY. If the gentleman will yield to me on that point, I would just like to say that the testing device which is injected in this bill for failure to have a ballot in the language of the minority group is virtually the same testing device we had in the 1965 act, having a literacy test with respect to voting in States which were covered. So the gentleman is perfectly right that you cannot possibly bail out from this legislation if you had any substantial inconsistency that they did not understand the English language.

Mr. TALCOTT. I thank the gentleman for this clarification. It would be easy to interpret this legislation differently.

I am disturbed by this bill, particularly some of the new provisions—which I consider unnecessary, expensive, burdensome, punitive, and discriminatory.

I voting for the Voting Right Act of 1965 and for the extension of the Voting Rights Act in 1970—and I did so enthusiastically. I did so in spite of my home

county of Monterey in California being covered.

I did so because I believed then and I believe now that voting is the highest privilege of citizenship and that every adult citizen must have the opportunity to exercise that privilege freely and without any discrimination because of any condition over which he has no control. I also believe every citizen should have the prerogative of not voting if he so chooses.

There are and should be other limitations on voting. Voting is a function of citizenship; it should be voluntary and secret.

But there are and should be some responsibilities connected with voting. English is the official language of the United States. There should be only one official language. A nation and community function better and more efficiently with one language than with two or more. The problems which are chronic and pervasive and divisive in the Netherlands, Canada, and the Philippines and other bilingual places should be sufficient warning to us.

Bilingual voting will be just the beginning of bilingual problems in other aspects of official, governmental, social and business life.

Bilingual or multilingual fluency would be useful to anyone, I suppose, but our official language is English and every citizen ought to be required to learn it and use it officially. Most everyone who comes to this country expects to converse in English.

Most immigrants to this country have learned to communicate in English. Most immigrants are proud of their new country and their new language. It is perfectly proper to preserve their national customs, culture and language but it should be expected that when aliens immigrate to this country that they adopt the customs and culture of this country including language.

Under the provisions of this bill, if a State; city, county or political district has more than 5 percent of a language or racial minority and less than 50 percent voted in the 1972 election, it is covered by the act.

A governmental subdivision can get out from under only by extended, onerous, and expensive litigation. It is impossible to escape from the provisions of this act.

As I said, my county of Monterey was covered by the 1970 act although, to my knowledge, and I believe I would know or be told, there has been no voting rights discrimination in Monterey County.

On the contrary, the racial and language minorities take pride in voting and participation in all forms of community activities. They are proud Americans and one reason they can take so much pride and one reason they have been so successful in our county is that they have assumed the responsibilities of citizenship, including the learning of the English language.

I am convinced that the language and racial minorities in our congressional district would oppose this proposal for themselves and for their children. They came to America to be Americans; they want to be good Americans in every sense of the word. They can be proud of their ancestry and native customs but they expect and want to adopt the customs and language of America.

Monterey County was covered by the 1970 act because less than 50 percent of the voting age population voted in the 1968 election. The census computation of the "voting age population"—taken during the peak harvest and tourist season—included thousands of persons stationed at eight military installations—most of whom voted elsewhere—thousands of inmates in two State prisons—none of whom voted anywhere—thousands of migrant farm workers and hundreds of persons employed seasonally in the tourist industry, who leave and reside elsewhere in November.

This was a typical inequity in the law, but required a special census of our county to make certain whether or not we were covered. The census was an additional cost to the federal taxpayers and an embarrassment to our county because no allegation of voter discrimination had ever been made against our county.

Under title II of this act, our whole congressional district will be covered under the Spanish surname provision—and no extra census will get us out from under the extra costs, inconveniences and jeopardy of the Act. All counties in our district, Santa Cruz, Monterey, San Benito and San Luis Obispo, have more than 5 percent Spanish surnames or Mexican language minorities and less than 50 percent of the voting age population voted in 1971. So we will be required to obtain the consent of the Attorney General before we can change any voting law and we will be required to print all ballots, sample ballots and election information and materials in Spanish. We are being put to all of this extra expense and inconvenience when there has been no allegation of discrimination in voting. Even our Spanish surnamed citizens will resent the extra costs, inconveniences, trouble and condescension.

Most Spanish surnamed citizens would prefer that the extra costs and trouble required by this act be spent on English teaching so that their people could more quickly and easily fit into the mainstream of America.

The more that is done to accommodate a foreign language speaking person, the less incentive he will have to become fluent in English and the longer it will take him to fit in to our English-speaking society beneficially and comfortably.

We do no one a favor by printing ballots or election materials in another language. On the contrary we may be making it easier for illegal aliens to vote without detection and this situation would further degrade our vaunted election process.

Generally the same persons who are promoting these special additional racial and language provisions in this act are the ones who are also promoting voter registration by postcard which they expect to lead to actual voting by mail—instead of in private voting booths—which will permit third persons to monitor a voter's ballot.

When this finally occurs there will no longer be a secret ballot, which is the lynch pin of a representative democracy.

This bill is another nose of a herd of camels under our tent we once called a "representative democracy" where everyone had the privilege of voting but also had the responsibility of citizenship which included knowing enough of the official language to vote if he chose to do so. Of course we want to guarantee every citizen the privilege of voting without discrimination. The 14th and 15th amendments provide this guarantee. We do not have to penalize innocent counties or States; we do not have to be condescending; we do not have to degrade our language or customs; we do not have to impose additional costs and inconvenience to innocent areas to guarantee the protections of the constitution to all our citizens.

Furthermore, all counties in our congressional district will be covered under section 4, which provides that districts which have more than 5 percent Asian minorities and less than 50 percent voted in 1972 must print ballots and all election materials in the language of those minorities. I am informed that at least one county in our congressional district has 5 percent Asian minorities—Japanese, Chinese, Philippino, and others including Indonesian and Vietnamese. I have been advised today that under the law, therefore, the ballots and election materials must be printed in Japanese, Chinese—probably two dialects—Philippine dialects—maybe two or more.

Does the law provide for election judges in all the various languages? If you have 3 or 4 different language ballots, how many election judges will be required at every polling place? Is this not an absurd requirement to impose on a political subdivision where there has been no allegation of discrimination?

As much as I would like to vote for a voting rights bill again, as much as I realize how easily a vote against such an admirable and popular idea as "voting rights" can be, and will be, misinterpreted by certain partisans, I must oppose this bill in its present form.

To avoid discrimination against some, you are discriminating unnecessarily against many others.

Instead of enhancing and extending the privilege of voting, you are degrading the privilege; you are being condescending to those racial and language minorities who have done their duty and assumed their responsibilities of citizenship; you are degrading the franchise; you are imposing costs and inconvenience upon innocent citizens and municipalities; you are dividing our peoples rather than unifying them.

I recognize that this bill will pass because of its alluring title and emotional appeal. I suppose no one would care, and it would make little difference, if I voted "aye." In fact, it would be politically more popular and easier to explain an "aye" vote—but my conscience and my concern for our franchise, the most

valuable privilege of citizenship, requires me to vote "nay."

If you think I worry too much about the degradation of the privileges and responsibilities of voting, I would like to advise you that an alien living in my hometown of Salinas has brought suit to mandate the registrar of voters to permit him to register in a school board election. California Rural Legal Assistance—CRLA—a federally funded law firm, is the lawyer for the plaintiffs who I must presume are indigents as well as aliens.

The thesis of the suit is that the Constitution says in effect "No citizen shall be denied the right to vote—and so forth." The Constitution contains no specific prohibition against aliens voting and therefore why should not aliens be permitted to vote? This alien has an obvious interest in the schools—he has 12 children whom he wants educated. He has lived in the United States for 20 years and may own property and therefore may pay school taxes. But he does not want to become a citizen for a number of reasons—he does not want to learn English or study to pass the citizenship tests and, furthermore, aliens can cross and recross borders more easily than citizens. He wants all the privileges of citizenship, including voting, but he does not want to assume the most basic of all responsibilities of U.S. citizenship, namely: learn the official language of the country he calls home and which he expects to provide for the common defense, protection and general welfare of himself and his family.

This so-called voting rights bill very closely approaches the objectives of this lawsuit. I believe I should call attention to the direction we are heading because of these various efforts.

I could and would vote for a simple extension of the Voting Rights Act, because I believe it did some good. It was a necessary civil rights bill. The additional provisions of this bill, however, will negate the good.

I shall fight to prevent any discrimination affecting the basic privilege of voting by citizens; but the same concern and principles force me to vote against this bill.

Mr. DUNCAN of Oregon. Mr. Chairman, I move to strike the necessary words.

Mr. Chairman, I take this time simply because of the increasing confusion which seems to be developing on this bill and particularly this aspect of it that we are now discussing. I have sat back there as both a lawyer and a legislator, and I have become from time to time amazed, sometimes amused, frequently astonished, and, after the colloquy between the chairman of the subcommittee and my friend from Hawaii, I was even appalled.

I have been a lawyer and I have had recourse to legislative history in order to try to make a legal point. I have found that the courts are willing to look at the legislative history where the language is ambiguous, but they will not rely on it where the language is clear or is susceptible to only one reasonable meaning. Neither will they use legislative history in order to subvert or controvert a logical legislative act into either a meaningless or a ridiculous act.

Mr. Chairman, as I read this language that had to do with language minority, and particularly these words "single language minority," it never occurred to me that there was any ambiguity. I looked at "single language minority," and I thought there was an adjective "single" that modified the adjective "language" that modified the noun "minority," and that the only possible, reasonable, rational construction one could put on this language was that when there was a 5-percent minority that spoke a single language, we would, under those circumstances, say that in order to give people their civil rights the ballot would have to be printed in that language.

But where you try, through this colloquy, to convert a multilanguage minority into a single-language minority, I see no other option, for the local election district if they have a 5-percent Asian minority, some of whom speak Mandarin Chinese, who cannot possibly understand those who speak Cantonese, or any of the other 20 or 30 dialects in Chinese, or some who may speak Khmer or some who may speak Cham, or some who may speak Moro or Tagalog. I cannot believe this Congress would intend it, and yet the language of the colloquy as I heard it, will require each election district to print ballots in each of those languages.

On page 8, line 19, the word "each" is used as a modifier of "language" which modifies "minority" and that, to me, confirms what I believe is a rational interpretation of a single-language minority; and I simply do not want some court searching through this legislative record for a basis on which to make a decision on this bill to have to rely solely on that colloquy between the chairman of the subcommittee and the gentleman from Hawaii and the subsequent confusion which has ensued.

I think the only rational interpretation of this language is that if you have a 5-percent Asian minority group who speak a single language—5 percent speak one language—then in order to fulfill the civil rights of those people you must have the ballot printed in that language. I cannot believe that if there are only two of that Asian minority who spoke a single language that this Congress wants to impose on that legislative district the burden of printing multiple ballots in multiple language.

If we do, then I do not see how any court can say it is constitutional if we do not do the same thing for the Germans, for the Poles, for the Czechoslovakians, for the Irish, or for anybody else.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. DUNCAN of Oregon. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. Mr. Chairman, is it not true that "language minorities" is really the term being defined and that "single" is just the adjective?

Mr. DUNCAN of Oregon. "Single" is the adjective, but I think in order to have it make sense, the adjective, "single," has to modify the adjective, "language." The difficulty we get into there—and it adds to the confusion, I agree—is that they have defined in the bill the term, "language minorities."

Mr. ROUSSELOT. But "language minorities" is the defined term on page 7 of the bill?

Mr. DUNCAN of Oregon. The gentleman is correct.

Mr. ROUSSELOT. And that is why the gentleman from Hawaii evidently was trying to clarify it, because he was concerned about the sub-language categories and was not sure what the adjective single meant.

Mr. DUNCAN of Oregon. Mr. Chairman, I really thought that the draftsman had exercised a considerable amount of skill by not defining "single-language minorities" as a separate term. I believed that was intentional and deliberate, and that was one of the reasons I became so confused by the colloquy.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, does the gentleman feel that the discussion raised by the gentleman from Hawaii really did not help clarify the matter?

Mr. DUNCAN of Oregon. Mr. Chairman, the gentleman is one of my good friends; we came into the Congress together. I would not single him out, nor would I single the chairman of the committee out.

I think the continuing colloquy has added to the confusion, and I did not want any court looking at this to conclude that all of the Members of the House agreed with the interpretation placed upon it in that colloquy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. McCLORY).

The question was taken; and on a division (demanded by Mr. EDWARDS of California) there were—ayes 64, noes 24.

RECORDED VOTE

Mr. EDWARDS of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 311, noes 103, not voting 19, as follows:

[Roll No. 261]

AYES—311

Abdnor	Boggs	Collins, Tex.
Adams	Boland	Conable
Addabbo	Bonker	Conte
Ambro	Bowen	Cornell
Anderson, Calif.	Breaux	Crane
Anderson, Ill.	Brinkley	D'Amours
Andrews, N. Dak.	Brooks	Daniel, Dan
Annunzio	Broomfield	Daniel, R. W.
Archer	Brown, Mich.	Daniels, N.J.
Armstrong	Brown, Ohio	Danielson
Ashbrook	Broyhill	de la Garza
Ashley	Burgener	Delaney
Aspin	Burke, Calif.	Dent
AuCoin	Burke, Fla.	Derrick
Bafalis	Burke, Mass.	Derwinski
Baldus	Burleson, Tex.	Devine
Barrett	Butler	Dickinson
Baucus	Byron	Dingell
Bauman	Carter	Downing
Beard, R.I.	Casey	Duncan, Oreg.
Beard, Tenn.	Cederberg	Duncan, Tenn.
Bell	Chappell	Early
Bevill	Clancy	Edwards, Ala.
Biaggi	Clawson, Del	Emery
Blanchard	Cleveland	English
Blouin	Cochran	Erlenborn
Boland	Cohen	Esch
Bolling	Collins, Ill.	Eshleman
Evans, Ind.	Latta	Risenhoover
Evins, Tenn.	Leggett	Roberts
Fascell	Lehman	Robinson
Fenwick	Lent	Roe
Fish	Litton	Rogers
Fisher	Lloyd, Calif.	Roncalio
Flood	Lloyd, Tenn.	Rose
Flynt	Long, Md.	Roush
Foley	Lott	Rousselot
Ford, Mich.	Lujan	Runnels
Forsythe	McClory	Ruppe
Fountain	McCloskey	St Germain
Frenzel	McCollister	Santini
Frey	McDade	Sarasin
Fulton	McDonald	Satterfield
Fuqua	McEwen	Schneebeli
Gaydos	McFall	Schulze
Giaimo	McHugh	Sebelius
Gibbons	McKay	Selberling
Gilman	McKinney	Sharp
Ginn	Macdonald	Shipley
Goldwater	Mahon	Shriver
Gonzalez	Martin	Shuster
Goodling	Matsunaga	Sikes
Gradison	Melcher	Sisk
Grassley	Michel	Skubitz
Gude	Mikva	Smith, Iowa
Guyer	Milford	Smith, Nebr.
Hagedorn	Miller, Ohio	Snyder
Haley	Mills	Solarz
Hall	Mineta	Spellman
Hamilton	Minish	Spence
Hammer-schmidt	Mink	Staggers
Hanley	Mitchell, N.Y.	Stanton, J. William
Hannaford	Moakley	Stanton, James V.
Hansen	Montgomery	Steed
Harkin	Moore	Steelman
Harsha	Moorhead, Calif.	Steiger, Ariz.
Hastings	Moorhead, Pa.	Steiger, Wis.
Hays, Ohio	Morgan	Stephens
Hechler, W. Va.	Mosher	Studds
Heckler, Mass.	Mottl	Sullivan
Hefner	Murphy, Ill.	Symington
Heinz	Murphy, N.Y.	Symms
Helstoski	Murtha	Talcott
Henderson	Myers, Ind.	Taylor, Mo.
Hicks	Natcher	Taylor, N.C.
Hightower	Neal	Thone
Hillis	Nedzi	Thornton
Hinshaw	Nichols	Traxler
Holt	Nix	Treen
Horton	Nowak	Tsongas
Howard	Oberstar	Van Deerlin
Howe	Obey	Vander Jagt
Hubbard	O'Brien	Vanik
Hughes	O'Hara	Vigorito
Hutchinson	Ottinger	Waggonner
Hyde	Passman	Walsh
Ichord	Patterson, Calif.	Wampler
Jarman	Pepper	White
Jeffords	Perkins	Whitehurst
Johnson, Calif.	Pettis	Whitten
Johnson, Colo.	Peyser	Wilson, Bob
Johnson, Pa.	Pickle	Wilson, C. H.
Jones, N.C.	Poage	Winn
Jones, Okla.	Pressler	Wolff
Kasten	Preyer	Wright
Kazen	Pritchard	Wydler
Kelly	Quie	Wylie
Kemp	Quillen	Yates
Ketchum	Randall	Yatron
Kindness	Rees	Young, Alaska
Krebs	Regula	Young, Fla.
Krueger	Rhodes	Young, Tex.
LaFalce	Riegle	Zablocki
Lagomarsino	Rinaldo	Zeferetti
Landrum		

NOES—103

Abzug	Davis	Jenrette
Andrews, N.C.	Dellums	Jones, Ala.
Badillo	Diggs	Jordan
Bedell	Dodd	Karth
Bennett	Downey	Kastenmeier
Bergland	Eckhardt	Keys
Biester	Edgar	Koch
Bingham	Edwards, Calif.	Levitas
Boiling	Eilberg	Long, La.
Brademas	Evans, Colo.	Madden
Breckinridge	Findley	Madigan
Brodhead	Fithian	Maguire
Brown, Calif.	Florio	Mann
Buchanan	Flowers	Mazzoli
Burlison, Mo.	Ford, Tenn.	Meeds
Burton, John	Fraser	Metcalfe
Burton, Phillip	Green	Meyner
Carney	Harrington	Mezvinsky
Carr	Harris	Miller, Calif.
Chisholm	Hawkins	Mitchell, Md.
Clay	Hayes, Ind.	Moffett
Conyers	Holland	Moss
Corman	Holtzman	Nolan
Cotter	Hungate	O'Neill
Coughlin	Jacobs	Patten, N.J.
Pattison, N.Y.	Russo	Thompson
Pike	Ryan	Udall
Price	Sarbanes	Vander Veen
Rangel	Scheuer	Waxman
Reuss	Schroeder	Weaver
Richmond	Simon	Whalen
Rodino	Slack	Wirth
Rooney	Stark	Young, Ga.
Rosenthal	Stokes	
Roybal	Stratton	

NOT VOTING—19

Alexander	Jones, Tenn.	Rostenkowski
Clausen, Don H.	McCormack	Stuckey
Conlan	Mathis	Teague
Drinan	Mollohan	Ullman
du Pont	Myers, Pa.	Wiggins
Hébert	Patman, Tex.	Wilson, Tex.
	Railsback	

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. EDWARDS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe we have an agreement to vote on the final passage of the bill at 6:30 and with a time limitation on certain amendments that remain, so I ask unanimous consent at this time that the bill be considered as read in full and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. JOHNSON of Colorado. Mr. Chairman, I object.

Mr. EDWARDS of California. Mr. Chairman, I so move.

The CHAIRMAN. The motion is not in order. Only title II could be closed at this time by a motion.

AMENDMENT OFFERED BY MR. M'CLORY

Mr. McCLORY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCLORY: On page 6, line 10, and on page 9, line 9, strike out "language" and insert in lieu thereof the following: "language: *Provided*, That where the language of the applicable minority group is oral or unwritten, the State or political subdivision is only required to furnish oral instructions, assistance, or other information relating to registration and voting."

Mr. McCLORY. Mr. Chairman, I ask unanimous consent that the amendment be considered notwithstanding that it applies also to title III of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. EDWARDS of California. Mr. Chairman, I would ask the gentleman from Illinois, is this not the matter we discussed on the floor and had a colloquy about which relates to the registration?

Mr. McCLORY. This is the amendment we discussed.

Mr. EDWARDS of California. Mr. Chairman, we have no objection to the amendment on this side.

Mr. McCLORY. Mr. Chairman, this amendment merely sets forth specifically in the bill that if the language of the minority group is not a written language, it will satisfy the act to provide an oral explanation or assistance to the language minority group member and we will not require the reduction of the unwritten language into written form.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, if I may say to the gentleman, the minority on the subcommittee have reviewed this language and we have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. BIAGGI

Mr. BIAGGI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Biaggi: Page 7, beginning in line 8, strike out "who" and all that follows down through the end of line 9, and insert in lieu thereof the following: "whose principal spoken language is other than English."

Mr. BIAGGI. Mr. Chairman, I offer another amendment to title III with similar language and I ask unanimous consent that the amendments be considered en bloc.

The Clerk read as follows:

Amendment offered by Mr. BIAGGI: Page 9, beginning in line 21, strike out "who" and all that follows down through the end of line 23, and insert in lieu thereof the following: "whose principal spoken language is other than English."

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BIAGGI. Mr. Chairman, I have been listening to the debate for the last 2 days. The last colloquy convinced me more than ever that a great deal is left to be desired on this bill. I support the bill fundamentally, but we all know it is not a perfect creature.

I am really disappointed with the intransigent position of opposition taken by the committee, in spite of all the persuasive arguments.

Mr. Chairman, my amendment, I hope will deal with the issue of a nondiscriminatory basis, on a basis that affects every American in these United States, every group—and I emphasize that, because as we look at the history of this whole proposition relative to minority languages, we find we have a restrictive approach which leaves people outside of this definition to struggle for themselves.

Mr. Chairman, my amendment would simply correct what I consider to be an arbitrary, unfounded limitation on the definition of language minority groups. The committee bill defines language minority groups as being certain specific categories of people which I find remarkable and wanting.

I spoke to the gentlewoman from Hawaii, who stated that she was offended by the term "Asian American" and even more, there is no such thing as an Asian American .There may be Asian American groups, but no Asian Americans, and yet we have that in this language. I would suggest a little more investigation, a little more inquiry in this area, a little sensitivity in this area and we would obviate the offense.

My amendment, on the other hand, defines language minority groups as

UMI

those groups whose principal spoken language is other than English.

The intent of this legislation is clear. We want to assure Americans—all Americans, full and equal access to participation in the electoral process. This is one of the most basic rights of our democracy. However, if discrimination exists, it is wrong, whether those discriminated against are of Spanish heritage, are American Indians, or are Greek, Italian, Albanian-speaking Americans or anyone else.

Yet the committee limits applications of the provisions of this bill to certain categories of people. We even had an illustration where Eskimos wanted to be excluded from the effect of this bill. Yet when the gentleman from Alaska (Mr. YOUNG), representing that State, articulated this sentiment the committee ignored his pleas.

I think the committee is insensitive to persist in this attitude. A clear case of discrimination is said to exist with respect to Spanish-speaking Americans. It has been said that no such case has been made for the other groups included in this definition.

Let me speak about that. Who has not made this case? The agencies involved? There simply has not been an aggressive attitude on the part of the agencies inquiring into this issue. I am a member of the Education and Labor Committee. When I spoke to representatives of the U.S. Attorney General's office, and HEW, relative to bilingual programs in the United States, I said, "Give me the number of people you have other than Spanish and Mexicans involved in this program, give me the Albanians you have in bilingual." Not one.

"Give me the Greek program." Not one.

"Give me the Italian program." Not one.

It is quite evident that they suffer from tunnel vision in the application of that program and that tunnel vision has to be enlarged if all Americans are to be treated freely and equally.

The chairman of the committee, the gentleman from New Jersey (Mr. RODINO) tells me that no such case has been made. Let us look at this question; What has been done in this matter? We are told in the report that no evidence was received. Has there been an aggressive approach by this committee on this bill in their quest for the true picture? Has there been a determination to go out into the field and find out? I suggest that they did not do that.

In my district we have the largest concentration of Greeks in the Nation. And we are told there is no evidence—we have three Greek papers; we have many Greek radio programs, Some of these people are having trouble and could use the assistance.

We have Albanians. Some people do not know that Albanians are in this country. I have the largest concentration of Albanians in the Nation in my district. I am sure many of them do not speak English. What has the committee done in reference to them? Could not they be found? I suggest the committee has not tried.

This legislation should not be so narrowly defined as to eliminate other groups in the future. What happens if, during the next 10 years, another group of Americans not covered under the proposed provisions of this bill would be discriminated against? Must they wait 10 years for relief?

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent Mr. BIAGGI was allowed to proceed for 3 additional minutes.)

Mr. BIAGGI. I listened to the subcommittee chairman and the gentleman from New York (Mr. BADILLO), when they said that we should not place the burden on a case by case basis, and I agree. Most of the people who are offended do not know how to obtain relief. They are intimidated by government, they are frightened by government, they are coerced by government and they are not going to do anything. That is why it is essential that government do its job responsibly. That is why all Americans should be included in this bill.

Certainly, the solution is to define language minority in the broad sense, as my amendment seeks to do. This would not mean, however, that elections would be conducted in a multiple of languages. Only when cases of discrimination are found to exist as set forth in the legislation, based on measures of voter participation and concentration of the language minority in a geographic area—would the relief provisions of the bill go into effect.

The CHAIRMAN. The time of the gentleman from New York has again expired.

(On request of Mr. DE LA GARZA and by unanimous consent Mr. BIAGGI was allowed to proceed for 2 additional minutes.)

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I rise to join with my colleague in support of his amendment. I have prepared an amendment that would have said "mother tongue" instead of "English" because I felt badly, as much as I support this legislation, as the gentleman from New York does; as much as there might be need, which I do not deny, I felt badly in asking for something for my group that will not be shared with all other Americans who cannot benefit from the goodness and from the efforts and help of this type of legislation.

I did not offer the amendment for no other reason except so as not to be detrimental to the legislation which I support, and will support, but I do support the gentleman from New York because, if we speak of one American, we speak of all Americans. If they have trouble voting, let us give them the assistance, regardless of what their language is or their unique derivation. I support the gentleman's amendment.

Mr. BIAGGI. Mr. Chairman, I thank the gentleman very much for his comments.

He has capsuled the entire concept in his brief comments. All Americans should be treated alike. Every group should be given the same opportunity and availability to the law.

Over the last several years, I have been disturbed about the application of the word "minority"—particularly language minority—to mean only certain groups. If a group is a minority and it is being discriminated against, that group should expect relief under the laws of the land.

My amendment would assure all language minority groups that the Voting Rights Act will provide them with equal access to the polls in the event of discrimination against them. To do less would violate the entire intent and purpose of the Constitution, the Civil Rights Act, and this very bill itself.

Mr. BADILLO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, originally when the hearings on this extension of the Voting Rights Act came up, the gentleman from California (Mr. ROYBAL) and myself, together with the gentlewoman from Texas (Miss JORDAN), introduced legislation which said, as has been suggested, that the people who would be affected were the people whose mother tongue was other than English.

Then, we went to hearings, and as the report indicates on page 23, we discovered that when it comes to ethnic origins, the percentages of people registered were: German, 79 percent; Italian, 77 percent; Irish, 76.7 percent; French, 72.7 percent; but for the Spanish speaking people, it was 44 percent.

We have had votes here yesterday, especially, where we were criticized because we did not have sufficient evidence when it came to the Spanish-speaking people. We have had the same votes today. What we have sought to do was to include those people where we had specific evidence. The evidence that was involved particularly concerned those of Spanish heritage, not only the evidence of the witnesses that came before us, not only the evidence of the court cases, but the evidence that was reported by the Bureau of the Census, as well. It was for that reason that we sought to limit the application of the act to provide a remedy where a remedy is needed in these particular cases.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I will yield to the gentleman.

Mr. BIAGGI. I agree that 44 percent brings the Spanish within the purview of this bill, and I support this bill. But the gentleman very conspicuously omitted referring to Greeks. It is not on the list on page 23 nor are the Albanians there.

In 1965, when we passed this bill, there were some violations of the law, and we dealt with them. Later on, there were new violations.

Now we pass this bill this time, and the argument is made, "Well, we have no evidence."

I suggest that perhaps in the next 10 years violations could develop. With my amendment we would have a bill which can be enacted, and can trigger sanctions

to correct discrimination against the newly affected groups. To place the burden on small groups to initiate action or to come back to this Congress to get new legislation is not a very realistic approach, in view of this alternative.

Mr. BADILLO. I would like to answer that. We do not have any disagreement, as far as the Greeks and the Albanians. The gentleman knows we have been looking to get bilingual and other items. The difference is that we have been talking about voting rights, talking about citizens, and, therefore, when it comes to those areas, the particular people involved are not citizens. If they are citizens, they have already passed, in effect, a literacy test, when they got their citizenship papers.

Therefore, they do not come within the problem that we spell out here, which is the question of educational deprivation. It is for that reason that, historically, those groups that came here from Europe as non-citizens did not come into this problem, because in the process of getting to be citizens they had to take a literacy test, they had to learn the language, and, therefore, once they became citizens they did not confront the problems that these groups such as Mexicans and Puerto Ricans had.

That does not mean that there were not cases where there exists a problem of literacy. But talking as a group, it has been indicated that no significant percent of other groups were found other than the groups that have been listed as language minorities in the bill.

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I will be glad to yield to the gentleman.

Mr. SARBANES. I thank the gentleman for yielding.

The difficulty with the amendment, in my view, is that it operates on the premise that one is not equal if one speaks a principal language other than English even if such person suffers or encounters no discrimination with respect to participation in the American political process. There is no evidence to sustain that with respect to the ethnic American, speaking now of those who came from Europe, and they are not encountering that problem. This is an effort to deal with a situation which results from a discrimination which has been shown to exist. I do not believe, in the long haul, we ought to have voting machines set up in all different kinds of languages unless that is necessary because we relate it to a discriminatory situation in participating in the electoral process.

Mr. Chairman, this bill seeks to deal with that kind of situation. The amendment broadens it to an entirely different premise and I am very frank to say to the Members of the Committee that I think that premise is not appropriate. We ought not to adopt it.

Mr. Chairman, we ought to reject this amendment and stick with the fundamental approach contained in the committee bill.

Mr. EDWARDS of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will be brief. I would just like to say "Amen" to what the gentleman from New York (Mr. BADILLO) said.

We made some calculations on what would happen if the amendment offered by the gentleman from New York (Mr. BIAGGI), which is also supported by the gentleman from New York (Mr. SOLARZ), carried. It would result in a coverage of over 40 States and 1,200 counties where there is no record of discrimination whatsoever. The amendment suffers from such a degree of overbroadness that it would destroy the bill.

Mr. McCLORY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to point out that in the record of factual evidence of discrimination against persons of minority language groups there is virtually no evidence of any actual discrimination against Alaskan Natives, there is no evidence of any actual discrimination against Asian Americans, and there is no evidence of actual discrimination against American Indians. With respect to those of Spanish heritage, it is limited to a single area to one particular State, and yet this legislation would affect all 50 States.

So, Mr. Chairman, there is no basis for the expansion of this legislation such as we had in 1965 when we first enacted the Voting Rights Act.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. DENT. Yes, I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

Mr. DENT. Mr. Chairman, does the gentleman mean to include my 5 minutes?

Mr. EDWARDS of California. I do, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DENT. Mr. Chairman, the argument was made by one of the Members here that these are special cases because these people come here not as immigrants, but they come here as Americans. Do they come here as immigrants, or do they come as citizens, as Americans?

Is it not true that they come as immigrants and then, through the process of becoming citizens, just as my father and the fathers of many other Members here, they become Americans?

Then how do we cover those people under the same premise? Do Spanish-speaking Cubans or Mexicans have a special privileged class?

Mr. Chairman, I know, and we all know, that Canada and Quebec have never been peaceful since the English took over, simply because they have a dual language situation that has never been wiped out.

I warned this House what would happen when we first went through the dual language amendments for the Spanish Americans. I have many Spanish-American friends, and they have never had an opportunity to run for office or become elected to office; they were born outside this country. I think they have an exceptional privilege just being citizens. They never will become a one-language thinking people if we give them dual language schools.

I propose in the next general education aid bill to forbid the use of Federal funds for more than one language elementary school and that language would be English. I will make that proposal if I can. Then, after a student has continued on to high school, that student can then study another language if he wants. When I went to school, most of the fellows I know studied Latin because it was the easiest one to forget.

Mr. Chairman, I want to tell the Members that I stood up here and predicted we would have this very problem. This was anticipated by this Member on the floor, and I told the Members it would come, and it is going to be worse than this.

In the new election law that we are trying to put on the books on postcard voting, it means that every person who gets a card to register can request an application and ballot if they desire in any language that he wants. How many precincts are going to have to have a dozen or so languages?

I have a district that has more than 5 percent of maybe 30 different languages, because I come from coal mining areas and industrial cities. We did not have any trouble.

My mother and father would not allow me to try to speak back in their native tongue. They said that they wanted to learn what they could of English from me, not have me learn from them. The little Italian that I know I learned in South America, in Haiti, in the Marine Corps.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I want to commend the gentleman in the well for his remarks. I agree wholeheartedly with all he has said.

Mr. DENT. Mr. Chairman, I am not ashamed to be the son of immigrants. I am proud of the fact that I am and that this country has made it possible for me to serve in this body of the U.S. Congress with only an eighth-grade education. However, I have one language, and I say that every American in grammar school should study English.

I have gone out to California, and I know Spanish Americans or Mexican Americans who have been there for two generations and still do not speak English. Why? Because they did not apply themselves.

UMI

The schools are here. Whether you are born of Spanish American parents or Italian American parents, you start school in the first grade or in kindergarten with all other kids who start even-steven. They do not know grammar. They do not know arithmetic. They do not know anything, but they learn it all together, each and every one. When we include Asian Americans, however, we walk away from the very truth that we are trying to advance here, that we have a special class of Spanish-speaking Americans which deserves special consideration. Why, then, include the Asian Americans? Why do they fit into the picture? They are coming here the same as my people came here as immigrants and most of the Members' people, at one time or another came here in the same fashion.

I warned this House, and the Members would not believe me. Believe me now. This is a second step. There will be a third and there will be a fourth.

A person thinks in the language that the person talks.

There will be Spanish-talking, Spanish-thinking and collectively Spanish-voting pockets in more than one State.

If we had this type of thinking when the masses of immigrants came to this Nation, our Nation would be a hodgepodge of ethnic speaking and thinking and voting foreigners to this day.

The CHAIRMAN. All time has expired.

The question is on the amendments offered by the gentleman from New York (Mr. BIAGGI).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BIAGGI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 156, noes 253, not voting 24, as follows:

[Roll No. 262]

AYES—156

Adams	Daniels, N.J.	Hinshaw
Addabbo	Davis	Holt
Ambro	de la Garza	Ichord
Annunzio	Delaney	Jeffords
Archer	Dent	Jones, Okla.
Ashbrook	Derwinski	Kazen
Aspin	Devine	Kemp
Barrett	Dickinson	Ketchum
Bauman	Downey	Landrum
Bevill	Downing	Lent
Biaggi	Duncan, Tenn.	Levitas
Blanchard	Edwards, Ala.	Long, La.
Bogga	Emery	Lott
Bowen	English	McCollister
Brinkley	Erlenborn	McDonald
Brooks	Esch	McHugh
Broomfield	Flood	Madden
Buchanan	Flowers	Maguire
Burke, Fla.	Flynt	Mahon
Burke, Mass.	Ford, Mich.	Martin
Burleson, Tex.	Fountain	Milford
Byron	Frey	Minish
Carney	Gaydos	Moffett
Casey	Gilman	Montgomery
Cederberg	Ginn	Moorhead, Calif.
Chappell	Goldwater	Motti
Clancy	Gonzalez	Murphy, Ill.
Clawson, Del	Grassley	Murphy, N.Y.
Cochran	Haley	Murtha
Cohen	Hanley	Neal
Collins, Tex.	Hays, Ohio	Nedzi
Cotter	Hefner	Nichols
Crane	Heistoski	Nix
Daniel, Dan	Henderson	Oberstar
Daniel, R. W.	Hightower	O'Hara
Ottinger	Russo	Taylor, N.C.
Patman, Tex.	Santini	Treen
Patterson, Calif.	Satterfield	Vigorito
Peyser	Schulze	Waggonner
Pike	Shipley	Wampler
Poage	Sisk	White
Pressler	Snyder	Whitehurst
Quillen	Solarz	Whitten
Rinaldo	Spence	Winn
Risenhoover	Staggers	Wolff
Roberts	Stanton, James V.	Wright
Robinson	Steed	Wydler
Roncallo	Steiger, Ariz.	Yatron
Rosenthal	Stephens	Young, Alaska
Rousselot	Stratton	Young, Fla.
Runnels	Symington	Young, Tex.
	Symms	Zablocki
		Zeferetti

NOES—253

Abdnor	Gibbons	Mitchell, Md.
Abzug	Gradison	Mitchell, N.Y.
Anderson, Calif.	Green	Moakley
Anderson, Ill.	Gude	Moore
Andrews, N.C.	Guyer	Moorhead, Pa.
Andrews, N. Dak.	Hagedorn	Morgan
Armstrong	Hall	Mosher
Ashley	Hamilton	Moss
AuCoin	Hammer-schmidt	Myers, Ind.
Badillo	Hannaford	Natcher
Bafalis	Hansen	Nolan
Baldus	Harkin	Nowak
Baucus	Harrington	Obey
Beard, R.I.	Harris	O'Brien
Beard, Tenn.	Harsha	O'Neill
Bedell	Hastings	Passman
Bell	Hawkins	Patten, N.J.
Bennett	Hayes, Ind.	Pattison, N.Y.
Bergland	Hechler, W. Va.	Pepper
Biester	Heckler, Mass.	Perkins
Bingham	Heinz	Pettis
Blouin	Hicks	Pickle
Boland	Hillis	Preyer
Bolling	Holland	Price
Bonker	Holtzman	Pritchard
Brademas	Horton	Quie
Breaux	Howard	Randall
Breckinridge	Howe	Rangel
Brodhead	Hubbard	Rees
Brown, Calif.	Hughes	Regula
Brown, Mich.	Hungate	Reuss
Brown, Ohio	Hutchinson	Rhodes
Broyhill	Hyde	Richmond
Burgener	Jacobs	Riegle
Burke, Calif.	Jenrette	Rodino
Burlison, Mo.	Johnson, Calif.	Roe
Burton, John	Johnson, Colo.	Rooney
Burton, Phillip	Johnson, Pa.	Rose
Butler	Jones, Ala.	Roush
Carr	Jones, N.C.	Roybal
Carter	Jordan	Ruppe
Chisholm	Karth	Ryan
Clay	Kasten	St Germain
Cleveland	Kastenmeier	Sarasin
Collins, Ill.	Kelly	Sarbanes
Conable	Keys	Scheuer
Conte	Kindness	Schneebeli
Conyers	Koch	Schroeder
Corman	Krebs	Sebelius
Cornell	Krueger	Seiberling
Coughlin	LaFalce	Sharp
D'Amours	Lagomarsino	Shriver
Danielson	Latta	Shuster
Dellums	Lehman	Sikes
Derrick	Litton	Simon
Diggs	Lloyd, Calif.	Skubitz
Dingell	Lloyd, Tenn.	Slack
Dodd	Long, Md.	Smith, Iowa
Duncan, Oreg.	Lujan	Smith, Nebr.
Early	McClory	Spellman
Eckhardt	McCloskey	Stanton, J. William
Edgar	McCormack	Stark
Edwards, Calif.	McDade	Steelman
Eilberg	McEwen	Steiger, Wis.
Eshleman	McFall	Stokes
Evans, Colo.	McKay	Studds
Evans, Ind.	McKinney	Sullivan
Fascell	Macdonald	Talcott
Fenwick	Madigan	Taylor, Mo.
Findley	Matsunaga	Thompson
Fish	Mazzoli	Thone
Fisher	Meeds	Thornton
Fithian	Melcher	Traxler
Florio	Metcalfe	Tsongas
Foley	Meyner	Udall
Ford, Tenn.	Mezvinsky	Van Deerlin
Forsythe	Michel	Vander Veen
Fraser	Mikva	Vanik
Frenzel	Miller, Calif.	Walsh
Fulton	Miller, Ohio	Waxman
Fuqua	Milla	Weaver
Gialmo	Mineta	Whalen
Wilson, C. H.	Mink	Wilson, Bob
Wirth	Wylie	Young, Ga.
	Yates	

NOT VOTING—24

Alexander	Jarman	Rostenkowski
Clausen, Don H.	Jones, Tenn.	Stuckey
Conlan	Leggett	Teague
Drinan	Mann	Ullman
du Pont	Mathis	Vander Jagt
Evins, Tenn.	Mollohan	Wiggins
Goodling	Myers, Pa.	Wilson, Tex.
Hébert	Railsback	
	Rogers	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Drinan against.

Mr. Teague for, with Mr. Jones of Tennessee against.

Mr. Mollohan for, with Mr. Evins of Tennessee against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE III

SEC. 301. The Voting Rights Act of 1965 is amended by inserting the following new section immediately after section 202:

"BILINGUAL ELECTION REQUIREMENTS

"SEC. 203. (a) The Congress finds that, through the use of various practices and procedures, citizens of language minorities have been effectively excluded from participation in the electoral process. Among other factors, the denial of the right to vote of such minority group citizens is ordinarily directly related to the unequal educational opportunities afforded them resulting in high illiteracy and low voting participation. The Congress declares that, in order to enforce the guarantees of the fourteenth and fifteenth amendments to the United States Constitution, it is necessary to eliminate such discrimination by prohibiting these practices, and by prescribing other remedial devices.

"(b) Prior to August 6, 1985, no State or political subdivision shall provide registration or voting notices, forms, instruction, assistance, or other materials or information relating to the electoral process, including ballots, only in the English language if the Director of the Census determines (i) that more than 5 percent of the citizens of voting age of such State or political subdivision are members of a single language minority and (ii) that the illiteracy rate of such persons as a group is higher than the national illiteracy rate: *Provided*, That the prohibitions of this subsection shall not apply in any political subdivision which has less than five percent voting age citizens of each language minority which comprises over five percent of the statewide population of voting age citizens. For purposes of this subsection, illiteracy means the failure to complete the fifth primary grade. The determinations of the Director of the Census under this subsection shall be effective upon publication in the Federal Register and shall not be subject to review in any court.

"(c) Whenever any State or political subdivision subject to the prohibition of subsection (b) of this section provides any registration or voting notices, forms, instructions, assistance, or other materials or information relating to the electoral process, including ballots, it shall provide them in the language of the applicable minority group as well as in the English language.

"(d) Any State or political subdivision subject to the prohibition of subsection (b) of this section, which seeks to provide English-only registration or voting materials or information, including ballots, may file an action against the United States in the United States District Court for the District of Columbia for a declaratory judgment permitting such provision. The court shall grant the requested relief if it determines that the illiteracy rate of the applicable language minority group within the State or political subdivision is equal to or less than the national illiteracy rate.

"(e) For purposes of this section, the term 'language minorities' or 'language minority group' means persons who are American Indian, Asian American, Alaskan Natives, or of Spanish heritage."

SEC. 302. Sections 203, 204, and 205 of the Voting Rights Act of 1965, are redesignated as 204, 205, and 206, respectively.

SEC. 303. Section 203 of the Voting Rights Act of 1965, as redesignated section 204 by section 302 of this Act, is amended by inserting immediately after "in violation of section 202," the following: "or 203,".

SEC. 304. Section 204 of the Voting Rights Act of 1965, as redesignated section 205 by section 302 of this Act, is amended by striking out "or 202" and inserting in lieu thereof ", 202, or 203".

TITLE IV

SEC. 401. Section 3 of the Voting Rights Act of 1965 is amended by striking out "Attorney General" the first three times it appears and inserting in lieu thereof the following "Attorney General or an aggrieved person".

SEC. 402. Section 14 of the Voting Rights Act of 1965 is amended by adding at the end thereof the following new subsection:

"(e) In any action or proceeding to enforce the voting guarantees of the fourteenth or fifteenth amendment, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs.".

SEC. 403. Title II of the Voting Rights Act of 1965 is amended by adding at the end thereof the following new section:

"SEC. 207. (a) Congress hereby directs the Director of the Census forthwith to conduct a survey to compile registration and voting statistics: (i) in every State or political subdivision with respect to which the prohibition of section 4(a) of the Voting Rights Act of 1965 are in effect, for every statewide general election for Members of the United States House of Representatives after January 1, 1974; and (ii) in every State or political subdivision for any election designated by the United States Commission on Civil Rights. Such surveys shall only include a count of persons of voting age by race or color, and national origin, and a determination of the extent to which such persons are registered to vote and have voted in the elections surveyed.

"(b) In any survey under subsection (a) of this section no person shall be compelled to disclose his race, color, national origin, political party affiliation, or how he voted (or the reasons therefor), nor shall any penalty be imposed for his failure or refusal to make such disclosures. Every person interrogated orally, by written survey or questionnaire, or by any other means with respect to such information shall be fully advised of his right to fail or refuse to furnish such information.

"(c) The Director of the Census shall, at the earliest practicable time, report to the Congress the results of every survey conducted pursuant to the provisions of subsection (a) of this section.

"(d) The provisions of section 9 and chapter 7 of title 13 of the United States Code shall apply to any survey, collection, or compilation of registration and voting statistics carried out under subsection (a) of this section."

SEC. 404. Section 11(c) of the Voting Rights Act of 1965 is amended by inserting after "Columbia," the following words: "Guam, or the Virgin Islands,".

SEC. 405. Section 5 of the Voting Rights Act of 1965 is amended—

(1) by striking out "except that neither" and inserting in lieu thereof the following: "or upon good cause shown, to facilitate an expedited approval within sixty days after such submission, the Attorney General has affirmatively indicated that such objection will not be made. Neither an affirmative indication by the Attorney General that no objection will be made, nor";

(2) by placing after the words "failure to object" a comma; and

(3) by inserting immediately before the final sentence thereof the following: "In the event the Attorney General affirmatively indicates that no objection will be made within the sixty-day period following receipt of a submission, the Attorney General may reserve the right to reexamine the submission if additional information comes to his attention during the remainder of the sixty-day period which would otherwise require objection in accordance with this section.".

SEC. 406. Section 203 of the Voting Rights Act of 1965, as redesignated 204 by section 302 of this Act, is amended by striking out "section 2282 of title 28" and inserting "section 2284 of title 28" in lieu thereof.

Mr. EDWARDS of California (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

PARLIAMENTARY INQUIRY

Mr. KINDNESS. Mr. Chairman, reserving the right to object, may I direct a parliamentary inquiry?

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KINDNESS. Mr. Chairman, if this unanimous consent request is agreed to, would that affect action on title II of the bill; would amendments to title II be still in order?

The CHAIRMAN. Title II is still open.

Is there objection to the request of the gentleman from California?

There was no objection.

MOTION OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Chairman, I move that all debate on the bill and all amendments thereto terminate at 6:45 p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from California.

The motion was agreed to.

The CHAIRMAN. The Chair now recognizes the gentleman from Ohio (Mr. KINDNESS).

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: Page 2, beginning with line 7, strike out all down through line 10 on page 10, and insert in lieu thereof the following:

SEC. 103. Sections 3 and 6 of the Voting Rights Act of 1965 are each amended by striking out "fifteenth amendment" each time it appears and inserting in lieu thereof "fourteenth or fifteenth amendment".

SEC. 104. Section 3 of the Voting Rights Act of 1965 is amended by inserting immediately after "on account of race or color" each time it appears the following: "or national origin".

And redesignate title IV as title II, and sections 401 through 408 as 201 through 208, respectively.

Mr. KINDNESS. Mr. Chairman, this amendment, in effect, would strike out title II. I think it has been shown in the debate concerning the bill today that there is quite a bit of concern over the content and effect of title II.

I think this gives us a clear opportunity to say yes or no as to whether this bill, the Voting Rights Act, should be extended in the manner that is set forth in title II, confusing as it is.

Mr. Chairman, I would urge support for the amendment to amend by eliminating title II and reverting simply to the protection of the 14th and 15th amendments.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this was, in effect, voted on yesterday and overwhelmingly defeated. It would strike the most important part of the bill. I trust that we will reject the amendment today.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

The amendment was rejected.

AMENDMENT OFFERED BY MR. JOHNSON OF COLORADO

Mr. JOHNSON of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Colorado: Page 9, line 14, after "Court" strike out "for the District of Columbia".

The CHAIRMAN. The Chair recognizes the gentleman from Colorado.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, if we understand correctly the amendment offered by the gentleman from Colorado, it is that in title III only, the bailout can go to a local district court and not to the District of Columbia, and this side would have no objection.

Mr. JOHNSON of Colorado. That is correct, go to a Federal district court in another area in title III.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, I associate myself with the remarks of the gentleman from Colorado. We have no objections to the amendment on this side of the aisle.

Mr. JOHNSON of Colorado. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. JOHNSON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: Page 14, immediately after line 19, insert the following:

SEC. 409. Section 11 of the Voting Rights Act of 1965 is amended by adding at the end the following new subsection:

"(e)(1) Whoever votes more than once in an election referred to in paragraph (2) shall

be fined not more than $10,000 or imprisoned not more than five years, or both.

"(2) The prohibition of this subsection applies with respect to any general, special, or primary election held solely or in part for the purpose of selecting or electing any candidate for the office of President, Vice President, presidential elector, Member of the United States Senate, Member of the United States House of Representatives, Delegate from the District of Columbia, Guam, or the Virgin Islands, or Resident Commissioner of the Commonwealth of Puerto Rico.

"(3) As used in this subsection, the term 'votes more than once' does not include the casting of an additional ballot if all prior ballots of that voter were invalidated, nor does it include the voting in two jurisdictions under section 202 of this Act, to the extent two ballots are not cast for an election to the same candidacy or office."

Mr. KINDNESS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Does the gentleman from Ohio want to insist on his 5 minutes?

Mr. KINDNESS. Mr. Chairman, I insist on my 5 minutes at this time.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, this amendment has been discussed on this side. It is a reasonable amendment, and I believe we have no objection to this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: Page 14, immediately after line 19, insert the following:

SEC. 409. (a) Section 4(a) of the Voting Rights Act is amended by striking out "the United States District Court for the District of Columbia" and inserting in lieu thereof the following: "a United States district court".

(b) Section 5 of the Voting Rights Act is amended by striking out "the United States District Court for the District of Columbia" and inserting in lieu thereof the following: "an appropriate United States district court".

(c) Section 13 of the Voting Rights Act of 1965 is amended by striking out "District Court for the District of Columbia" each time it appears and inserting in lieu thereof the following: "appropriate United States district court".

(d) Section 14 of the Voting Rights Act of 1965 is amended—

(1) in subsection (b), by striking out "the District Court for the District of Columbia" and inserting in lieu thereof "a United States district court";

(2) in subsection (d), by striking out "the District Court for the District of Columbia" the first time it appears and inserting in lieu thereof "a United States district court";

(3) in subsection (d), by striking out "District of Columbia" the second time it appears and inserting in lieu thereof "district of a district court"; and

(4) in subsection (d), by striking out "District Court for the District of Columbia" the second time it appears and inserting in lieu thereof "district court".

Mr. KINDNESS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KINDNESS. Mr. Chairman, this amendment would simply provide that those who have to litigate concerning action under the Voting Rights Act could do so in the Federal district court that is convenient to them, that is, in the State where the action arises.

Mr. Chairman, we have a Federal district court system throughout the country. I believe the time is past when we have to feel that, with an act as broad as the scope of the Voting Rights Act would be in its present form, everyone has to come to the District of Columbia to litigate. There is no particular expertise built up on the part of the judges of the U.S. District Court for the District of Columbia. There have been 4 cases where a judge was actually assigned, 3 cases that went to decision, 10 cases altogether, in the U.S. District Court for the District of Columbia. Out of those, there has been one judge who has been assigned four of those cases.

I take that back. There have been two judges one of whom is still sitting. Most of them have been assigned to one, two, or three. I cannot accept the argument that there is any expertise built up here. There will be many, many jurisdictions that will come under the provisions of the Voting Rights Act in its present form, and we cannot impose all of those on the U.S. District Court for the District of Columbia. It is not ready for it, and the litigants cannot travel all the way to the District of Columbia to settle questions such as those referred to in title III.

Without objection, the amendment was made so that the U.S. district court that was the most convenient could be used in the case of title III problems. I believe that should be true in all of these cases; and I would urge the adoption of the amendment so that we can put our confidence in the district courts of this country; that is, the Federal court system.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, under the present provisions of the Voting Rights Act, and under its provisions as extended and expanded by H.R. 6219, exclusive jurisdiction as extended and expanded by H.R. 6219, exclusive jurisdiction for bailout relief and review of section 5 submissions rests with the U.S. District Court for the District of Columbia. Mr. KINDNESS' amendment would eliminate that exclusive jurisdiction and allow local courts to hear and decide such cases. Exclusive jurisdiction ought to be retained in the District of Columbia court. Accordingly, Mr. KINDNESS' amendment must be rejected:

First. The District of Columbia court, since the inception of the act, has served the important function of providing a forum, for those who have had their voting rights transgressed, free of local pressures and customs. In 1965, when the act was first drafted and the exclusive jurisdiction in the District of Columbia court was created, the committee report alluded to the numerous instances wherein local courts had long delayed proceedings filed under prior voting legislation. Moreover, when a finding was made, it was almost inevitably a finding of no discrimination. For example, this is reported to have happened in Dallas County, Ala. where Justice Department photographs of voter registration records showed that the registrars whom the local Federal court had earlier given a clean bill of health were engaging in blatant discrimination. The local pressures and influences which bore upon local judges in 1965 still bear upon such individuals, and we cannot ignore such circumstances by now pretending that they do not exist—as Mr. KINDNESS' amendment would have us do.

Second. In *South Carolina* v. *Katzenbach*, 383 U.S. 301 (1966), the Supreme Court sustained the provisions of the act which limited litigation to the District Court for the District of Columbia. The court found that the Congress could so limit the litigation, pursuant to its constitutional power under article III, section 1, to "ordain and establish" inferior Federal tribunals. The Court also noted that, at that time, similar limitations existed in terms of contractual claims against the United States for more than $10,000 having to be brought in the Court of Claims.

Other examples of exclusive jurisdiction can be found in the Commerce Court created by the Mann-Elkins Act of 1910—which was given exclusive jurisdiction of all cases to enforce orders of the Interstate Commerce Commission or to enjoin, annul, or set aside orders of the Commission; the Emergency Court of Appeals established by the Emergency Price Control Act of January 30, 1942; and the special court created by the Economic Stabilization Act Amendments of 1971. Thus, exclusive jurisdiction courts are nothing new in our jurisprudential system, and their creation by the Congress has been upheld by the Court.

Third. To retain exclusive jurisdiction of Voting Rights Act proceedings in the D.C. court will promote uniformity in the decisionmaking processes under the act.

Fourth. And, although the minority views expressed in the committee report suggest that it is minimal, an expertise has developed among the judges in the District of Columbia court and that expertise is certainly a compelling reason not to modify the statute to eliminate the D.C. court's exclusive jurisdiction. Mr. KINDNESS' own views, as expressed in the committee report, indicate that in the 10 bailout suits filed under the Voting Rights Act, two judges have sat four times, one judge has sat three times, and five judges have sat twice on the required three-judge panels.

While certain Members apparently find that this is not compelling evidence of a developing expertise in the District of Columbia court, I would respectfully beg to differ. Eight of 14 judges who have heard these bailout cases have had exposure to the intricacies of the law on two or more occasions. Personally, I find such experience, when dealing with such complicated factual and legal issues, quite compelling, and I, therefore, urge that Mr. KINDNESS' amendment be rejected.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, does the gentleman know how many of these judges are still on the district court? Does the gentleman know how many of these so-called experts are still on the District Court in the District of Columbia?

Mr. EDWARDS of California. No, I do not.

Mr. BUTLER. Is Judge Holtzman there? Is Judge Weimer there? Is Judge Jones there?

I suggest to the gentleman that the expertise that was developed there has moved on.

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Maryland.

Mr. SARBANES. Mr. Chairman, it is evident that new expertise will be developed. The fact that a particular court has changed its composition does not undercut the validity of placing the jurisdiction in that court.

All of the judges obviously cannot stay there forever. I assume that some day they die. Even judges die.

Mr. BUTLER. Mr. Chairman, will the gentleman yield further?

Mr. EDWARDS of California. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, the gentleman will recall that in 10 years under the Voting Rights Act we only had 10 bailout cases in the District. It was suggested that they developed expertise, but would it not be far more appropriate to let the judges in the districts where the presumed infractions developed hear these cases, perhaps under a three-judge court?

Mr. EDWARDS of California. No, I disagree. I think the present procedure has worked very well, and I think it would be a great mistake to change it.

Mr. YOUNG of Georgia. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Georgia.

Mr. YOUNG of Georgia. Mr. Chairman, I think all we have to do is to look at the morning Post and see what a three-judge court in Mississippi did when they had these cases. I think it is very clear that we have to maintain the act as it is written.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

The question was taken; and on a division (demanded by Mr. KINDNESS) there were—ayes 29, noes 68.

So the amendment was rejected.

The CHAIRMAN. With the permission of the committee, the Chair will briefly state the situation.

There are a number of Members who do not have amendments that were placed in the record, and the Chair feels that he must try to protect them somewhat, so he proposes to go to a number of Members on the list so they will at least get some time. The time allotted will be less than a minute.

The Chair recognizes the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Chairman, I support this legislation. It is a sacred guarantee under our Constitution, that every citizen have a right to life, liberty, and the pursuit of happiness.

This can mean many things to many people, but certainly to all of us it must mean the right to choose our elected officials. To deny any person this privilege is against the laws of God and the laws of men, for it is through this method that all of the God given rights and the certain privileges guaranteed in our form of Government can be protected by an individual. It is detestful that anyone would voluntarily try to impair any citizen's participation in the elective process.

I wish we could do more to encourage participation in our elections. I wish we could have positive action, rather than punitive legislation, but perhaps the events of the past are such that this type of legislation is necessary. I do not know. I wish that this legislation could apply to all Americans regardless of their birth, for I speak of all Americans when I speak of life, liberty, and the pursuit of happiness.

I feel it should apply to all States with equal force, for it is just as detestful that one person be kept from voting in New York, as it would be in Maine, or Texas, or California. In this respect I would question the wisdom of the advocates of this legislation. For that is what this country is all about, that one person, any person, anywhere, anytime have the right, the sacred privilege of deciding who their elective representatives should be.

I must respectfully caution that there is potential for mischief under this legislation, for abuse. I would hope that this does not come to pass, and that we keep constant oversight to see that it is used properly and for the legitimate reasons it was enacted. I would hope, Mr. Chairman, that we also be very careful, that in protecting one group's rights, we do not abridge another's. This can easily happen, and it has; I can attest to that. Again, Mr. Chairman, I support this legislation for the reasons stated and with the hope that it will be used truly and faithfully for the benefit of all, and with detriment to none.

(By unanimous consent, Messrs. DE LA GARZA and DANIELSON yielded their time to Mr. KREBS.)

(By unanimous consent, Mr. MITCHELL of Maryland yielded his time to Mr. BADILLO.)

(By unanimous consent, Messrs. STEED, CASEY, RISENHOOVER, ENGLISH, and BURLESON of Texas yielded their time to Mr. JONES of Oklahoma.)

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma (Mr. JONES).

The Clerk read as follows:

Amendment offered by Mr. JONES of Oklahoma: Page 7, beginning with line 16, strike out all down through line 10 on page 10, and redesignate title IV as title III, and sections 401 through 408 as 301 through 308, respectively.

Mr. JONES of Oklahoma. Mr. Chairman, the thrust of this amendment is to strike title III.

I want to say at the outset that I support the voting rights legislation. My history of support goes back to the original bill when I was a member of President Johnson's White House staff that helped pass the original Voting Rights Act. However, I think the purpose of the old Voting Rights Act was to make sure that there was no discrimination in voting with respect to any American citizen.

In reaching that goal, I think we must keep an eye focused on what is commonsense. Both titles II and III require, for example, among Oklahoma Indian tribes, that there will have to be a bilingual ballot printed for some Indian tribal language which has no written language, but only verbal language. At least, title II pertains to discrimination in voting.

I think in title III that same test does not hold true because there is no such causal connection between voter discrimination and language minority existing in title III. I think to say that there is, really stretches credulity.

Title III establishes these two tests: First of all, that if more than 5 percent of citizens of voting age and members of a single language minority have an illiteracy rate that has gone up and is higher than the national illiteracy rate, then the provisions of this act come into effect. "Illiteracy" is defined as failure to complete the fifth primary grade. The determination of this is not based on any discrimination at the voting polls, but is determined by the Director of the Census and shall become effective in any jurisdiction that comes under this provision, and it will come under the act once the Director of the Census publishes this in the Federal Register. Moreover, the bill says it shall not be subject to review in any court.

I submit, Mr. Chairman, that title III has no relation to the percentages of people who vote in any particular jurisdiction. It has no relation to any evidence of discrimination in voting. If a person is illiterate under the definition of this act, that is, has not finished the fifth primary grade, then what makes anyone believe that if he cannot read or write English, he will be able to be considered literate under the definition of this act in any other language? What shred of evidence is there to think that a Polish American who has not finished the fifth grade will receive better treatment under this act, this title of this act? How does an Indian who has not finished the fifth grade get a better chance to vote by being a member of a tribe that has no written tribal language?

UMI

Mr. Chairman, I suggest that what we are trying to deal with in title III can best be dealt with through the educational process. It does not pertain to voter discrimination. It is an educational problem. I would hope that we would put some commonsense back into this, delete this title from the bill, and then pass a very worthwhile bill which has worked very well during the past 10 years.

Mr. BADILLO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment seeks to delete title III. Title III applies to all groups, not just to the Indians or those who may have an oral language only. This amendment must be opposed because the fact is that the Federal court decisions have held that the right to vote is more than an empty platitude. We are talking here about American citizens, and we say that where there is more than 5 percent of these particular groups that they shall be given the right to vote. In order to make it more than an empty platitude we require that the ballot be in the other language other than English. Where there are people who do not have a written language, obviously we cannot have a written ballot, but they would be given oral assistance. So that whether the people involved are those who speak the language only or are those who have a written language, assistance would be provided to these citizens so that they may cast an intelligent vote.

For that reason the amendment should be defeated.

Mr. EVANS of Colorado. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment, and I will do the best I can to explain my position in the very limited amount of time accorded to me.

In the Third Congressional District of Colorado, which I represent, if title III remains in the bill, although in my district we have no problem in regard to voting because of language, or lack of language skill in the English language, several counties there could be precluded, not just in my district, but others as well.

If people have a problem arising out of language they should vote against this amendment. But that is not the problem in the Third District in Colorado, nor in the State of Colorado.

For this reason I am going to vote in favor of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. JONES).

The amendment was rejected.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will read the commitee amendment.

The Clerk read as follows:

Committee amendment: Page 13, immediately after line 10, add the following:

SEC. 407. Title III of the Voting Rights Act of 1965 is amended to read as follows:

"TITLE III—EIGHTEEN-YEAR-OLD VOTING AGE

"ENFORCEMENT OF TWENTY-SIXTH AMENDMENT

"SEC. 301. (a)(1) The Attorney General is directed to institute, in the name of the United States, such actions against States or political subdivisions, including actions for injunctive relief, as he may determine to be necessary to implement the twenty-sixth article of amendment to the Constitution of the United States.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted under this title, which shall be heard and determined by a court of three judges in accordance with section 2284 of title 28 of the United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing and determination thereof, and to cause the case to be in every way expedited.

"(b) Whoever shall deny or attempt to deny any person of any right secured by the twenty-sixth article of amendment to the Constitution of the United States shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"DEFINITION

"SEC. 302. As used in this title, the term 'State' includes the District of Columbia."

SEC. 408. Section 10 of the Voting Rights Act of 1965 is amended—

(1) by striking out subsection (d);

(2) in subsection (b), by inserting "and section 2 of the twenty-fourth amendment" immediately after "fifteenth amendment"; and

(3) by striking out "and" the first time it appears in subsection (b), and inserting in lieu thereof a comma.

Mr. EDWARDS of California (during the reading). Mr. Chairman, since this is a technical amendment, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. BUTLER

Mr. BUTLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUTLER: Page 14, immediately after line 19, insert the following:

SEC. 10. Section 3 of the Voting Rights Act of 1965 is amended by inserting immediately before "guarantees" each time it appears the following "voting".

Mr. BUTLER (during the reading). Mr. Chairman, since this is a technical amendment I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BUTLER. Mr. Chairman, it is my understanding that since this is a technical amendment that it has been agreed to by the other side.

Mr. EDWARDS of California. Mr. Chairman, if the gentleman will yield, the gentleman is correct; this is a technical amendment, and it has been approved by our side.

Mr. BUTLER. I thank the gentleman.

Mr. Chairman, at this time I would like to digress to dispel some doubts created by statements made by my colleagues from California, Mr. EDWARDS, and from Massachusetts, Mr. DRINAN. Each of these gentlemen, in revising and extending his remarks of June 2, 1975, inserted some matter into the RECORD with which I take issue. It is unfortunate that serious policy questions such as these were not discussed openly in debate on the floor, but rather were placed in the RECORD without the benefit of a full and open debate.

The first matter concerns section 402 of H.R. 6219 concerning attorney's fees. This section is plain on its face in permitting a court to award attorney's fees to the "prevailing" party. This term is plain on its face and should not even be susceptible to a contorted construction through resort to legislative history.

Nonetheless, my colleagues have stated that a prevailing party is to include an intervenor and that different standards are to apply to prevailing plaintiffs and prevailing defendants. In the entire record, through 13 days of hearings and in markup, these important matters were never discussed except when my colleagues assured me during markup that a prevailing defendant would be entitled to attorney's fees in the discretion of the court.

Mr. Chairman, it is disingenuous for these gentlemen to now contend that attorney's fees should be more liberally awarded to prevailing plaintiffs than to prevailing defendants. The statute is plain on its face and cannot be read to warrant a different standard in awarding fees. It is simply not clear that a plaintiff, or an organization that permissively intervenes under rule 24 of the Federal rules of civil procedure, is any less able to pay fees than a small political subdivision that may be the object of the suit.

Equally untenable is the proposition that minority rights are more important than States rights. Congress has struck a balance in this legislation that seriously infringes upon rights of the sovereign States as guaranteed under the Constitution. The majority has done so to balance 14th and 15th amendment interests of individuals against rights reserved to the States and the people. But once the balance is struck, if either side seeks to tip that balance in litigation and is unsuccessful in so doing, then the court can award attorney's fees to the winner regardless of whether he be a plaintiff or defendant, individual, or State.

I am completely aware of the court cases relied upon by my colleagues. They have taken opinions of liberal judges which have distorted congressional intent in the past, and now they seek to "bootstrap" this rhetoric into legislative history. All that the majority of this Congress can do to prevent this subversion is to pass a statute that is plain on its face and susceptible to but one construction, and that is precisely what we have done.

Mr. Chairman, the second issue on which I must focus is the topic of intervention. The statute is silent on this point because no intervention to any party is contemplated. Nothing could be more plain; it would be absurd to have to write into every statute that is passed

that no intervention is permissible, because rule 24 currently permits intervention only when a statute confers such a right, or when common questions of law or fact affect a litigant. This statute is plain on its face; no intervention is given either conditionally or as of right. Judges who have decided otherwise have misread the statute and are guilty of "judge made legislation."

We simply cannot permit our colleagues to seize upon this violation of the separation of powers and imply that this Congress agrees with such opinions. Thus, we have given no right of intervention in the statute with full knowledge that this will result in a restriction of the power of intervention under rule 24 of the Federal rules of civil procedure, and we have written in an attorney's fee provision that could not be plainer in its intention.

One last point remains to be made in this area. The gentleman from Massachusetts (Mr. DRINAN) inserted a statement in the record that intervenors could receive attorney's fees if it is a prevailing party. Nothing could be further from the intention of this body. No rights of the intervenor are at issue; the intervenor is not even a party and voluntarily enters the action. It is simply unintended that the losing party should have to be subjected to massive costs due to a large number of intervenors. In fact, as I have stated, the only intervenor that is envisioned is one who has commenced litigation with similar questions of law or fact. Let me add, in closing, that any intervenor admitted to the case cannot appeal the action. No right of appeal is given to anyone but the party losing the action.

Mr. MCCLORY. Mr. Chairman, I support the remarks of my friend Mr. BUTLER concerning the intent of this body on the issues of intervention and the awarding of an attorney's fee under the Voting Rights Act, as extended by H.R. 6219. I certainly believe that this body did not intend to create any right of intervention and indeed, the statute is silent on this point.

Also, the standard for awarding an attorney's fee to the attorney of the prevailing party should be uniform since important rights on each side of the lawsuit are at issue. I support this legislation insofar as it tries to compensate the winning party in a suit for having to defend its rights, but I am disappointed that some Members have tried to write into the record a perversion of this legislation that was never in the statute and never discussed in the extensive record on this act.

Mr. FLOWERS. Mr. Chairman, I concur in the remarks of my colleague from Virginia, Mr. BUTLER, concerning the issues of attorney's fees and intervenors. It certainly was not the intention of myself and several colleagues on this side of the aisle that intervention be afforded either permissively or as of right under this statute.

In fact, the issue was first mentioned in the CONGRESSIONAL RECORD on Monday, June 2, 1975, as part of a nonverbal insertion into the RECORD. Also, it is unthinkable that a court would ever look to legislative history on the issue of attorney's fees; the statute could not be more clear that an equal standard of awarding fees to the plaintiff or defendant, whoever prevails, is contemplated.

I might note that the use of the singular "attorney's fee" plainly means that only the attorney for the prevailing party is to be compensated; it was never intended that even if some court permitted intervention that the losing party should have to compensate the intervenor's attorney. Such a construction would cripple many small political subdivisions who are forced to defend these actions, so many of which make new and unforeseeable law.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, I am opposed to H.R. 6219, which would amend and extend the Voting Rights Act of 1965.

This legislation constitutes an unwarranted intrusion by the Federal Government into the rights and powers of the individual States. It sanctions further Federal encroachment into areas that traditionally and constitutionally have been the prerogative of State governments.

I would like to remind my colleagues that the 1965 act was viewed as a temporary piece of legislation. We recognized that registration and voting procedures were basically State responsibilities. Federal intervention in these States rights matters was supposedly justified because of its limited duration.

No such pretenses are made in the proposed legislation. The act would be extended for another decade. Literacy tests and similar tests would be permanently banned. In addition, coverage would be expanded to include new jurisdictions under the rubric of "language minorities."

The new trigger mechanism provides that the act shall apply in jurisdictions where less than 50 percent of the population registered or voted in the 1972 Presidential election and at least 5 percent of the citizens are members of a single language minority group. The group is defined as persons who are American Indians, Asian Americans, Alaskan Natives, and of Spanish heritage.

This means that States and political subdivisions would be legally required to provide ballots and other election materials in the language of a language minority group. The State of Alaska, for example, could be forced to provide ballots and voting information in 20 or more different native dialects, many of which are spoken rather than written.

How ridiculous. Compliance in some cases would be virtually impossible. Even where possible the cost to the States and localities would be prohibitively high.

The cost, however, is more than just a monetary one. The cost is also to our federal system of government. Under the pretext of assuring non-English-speaking minorities their voting rights the Federal Government would—without proven justification—be interfering with State election procedures.

Election procedures could be judged unsound simply because of voter apathy rather than because of any restrictions on the voting process. This cannot be justified. It is wrong to presume discrimination wherever there might be voted disinterest. It is wrong to treat such disinterest with Federal intervention.

The consequences are far reaching. The basic right of local governments to nation wherever there might be voter govern themselves as provided in our Constitution would be further undermined. Local jurisdictions would lose the right to make numerous decisions because of possible consequences to minorities within their jurisdiction. Local actions such as annexation, deannexation, the establishment and location of voting booths and the printing of voter information all could become Federal questions, subject to Washington, D.C., approval or Federal court review.

I urge my colleagues to vote against extending this act for another 10 years. I urge my colleagues to vote against extending this act to sanction further Federal invasion of State and local prerogatives. I urge my colleagues to defeat this legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. BUTLER).

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. KREBS

Mr. KREBS. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendments offered by Mr. KREBS: On page 6, line 10, and on page 9, line 9, after "language", strike out the period and insert: "*Provided*, That the reasonable cost incurred in connection with the implementation of this subsection shall be reimbursed to said State or political subdivision by the Federal Government".

Mr. KREBS. Mr. Chairman, since these are actually two amendments, I ask unanimous consent that they may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KREBS. Mr. Chairman, obviously my time is rather brief. As somebody who has served in local government for approximately 5 years, I am painfully aware of the problems that are faced in local government, at least in my State of California and, I suspect, if I may be so presumptuous, throughout this country.

From time to time those of us who have served in local government and others who have served in this House for a number of years have repeatedly heard the complaints of local government, officials of local government, about the imposition of Federal requirements without the funding to go with them, so I think we have an opportunity here to start a new approach that I think is long overdue and an approach that in my opinion is as fair as we should be in this House. I think that we can then go back to our districts and tell the local officials, the county officials, and the State officials,

UMI

that we have now for the first time approached the task of legislating on imposing Federal requirements with the point of view of also furnishing the funds to go with them. I think this is a politically attractive—if one may use that term—proposition. I think it is something long overdue. Certainly local governments throughout this country can no longer have the luxry of having Federal requirements imposed on them and then being asked to pick up the tab.

I urge all of the Members to please adopt this amendment. I think every county and city official will be deeply grateful to all of the Members, and the Members will be doing what, in my opinion, is the right thing.

Mr. EDWARDS of California. Mr. Chairman, regretfully, I strongly oppose the amendment offered by my friend, the gentleman from California. We have estimates of what this would cost. It is estimated in Westchester County, N.Y., it would cost a minimum of some $3,000. In Dade County, Fla., where there are bilingual materials and assistance, the cost only increases it by 7 percent. Revenue funds would be much more appropriate. It is not appropriate to use Federal funds in local elections anyway.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California (Mr. KREBS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. KREBS. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

The question was taken; and on a division (demanded by Mr. KREBS) there were—ayes 35, noes 53.

So the amendments were rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I rise in support of this legislation. I regret that for the third time the effort has been turned back to make it a truly national law. We still have a double standard of Federal law on this subject. But I would vote for this bill if it covered only my own beloved State of Alabama because it protects the rights of citizens of my State. He who truly loves the law and he who truly loves the Constitution must cherish, protect, and defend the rights of the people, which comprise the heart of the Constitution itself.

I would vote for it also because of what it has done for Alabama and our country, because it has helped to emancipate and liberate all of us, black and white. We have distinguished black public officials in Alabama and in many other States, whose election has been made possible, at least in part, by the existence of the Voting Rights Act of 1965.

The increased participation of black Americans in the political process through the protections afforded in this act, notwithstanding the fears and dire predictions concerning its effect on States like mine which were voiced in 1965, has hurt our State approximately as much as black participation has hurt Bear Bryant's football team or the University of Alabama's basketball team.

In 1970 the great and beautiful city of Birmingham, which it is my privilege to represent, was named an All-America City by Look magazine and the National League of Municipalities for its efforts toward becoming a place of hope and of opportunity for all its people. I am deeply proud of the leadership my city is now giving in this very important area.

Our country must continue to move toward the day in which every child born into this society can rise to his or her full stature, fulfill whatever gift God has placed within that person, and become the most and the best it is in that individual to be.

In this effort, I believe the South will lead the way.

The problems addressed by this legislation are national, not regional. Discrimination on an ethnic basis is, and has been, a problem North, South, East, and West. I would, therefore, be better were this a truly national law, that all Americans could be protected thereby. Nevertheless, I urge the passage of the bill in the confidence that it will help us in the continuing perfection of liberty and justice in the greatest, freest and best society the world has ever known, and which remains, in the words of Abraham Lincoln, the world's "last, best hope for human freedom."

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. FLOWERS):

Mr. FLOWERS. Mr. Chairman, I rise in support of this legislation largely on the same basis as my colleague, the gentleman from Alabama.

I deeply regret that this Committee and this House apparently does not desire to extend the privileges of coverage of this legislation to all of our people. We in Alabama believe in the right to vote for our citizens and I intend to give voice to that by my vote here today.

The CHAIRMAN. Is there another Member who is on the list who seeks recognition? Otherwise, the Chair will recognize somebody with a privileged amendment which will use up all the time.

No other Member seeks recognition, so the Chairman recognizes the gentleman from Illinois (Mr. MCCLORY), a member of the committee, who has an amendment at the desk which was printed in the RECORD.

AMENDMENT OFFERED BY MR. M'CLORY

Mr. MCCLORY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McClory: On page 11, strike out line 3 and all that follows down through the end of line 24 and insert in lieu thereof the following:

"SEC. 207. (a) Congress hereby directs the Director of the Census forthwith to conduct a survey to compile registration and voting statistics: (1) in every State or political subdivision with respect to which the prohibitions of section 4(a) of the Voting Rights Act of 1965 are in effect, for every statewide general election for Members of the United States House of Representatives after January 1, 1974; and (ii) in every State or political subdivision for any election designated by the United States Commission on Civil Rights. Such surveys shall elicit the race, color, and national origin of each citizen of voting age and the extent to which such citizens are registered to vote and have voted in the elections surveyed.

"(b) In any survey under subsection (a) of this section no person shall be compelled to disclose his political party affiliation, or how he voted (or the reasons therefor), nor shall any penalty be imposed for his failure or refusal to make such disclosures. Every person interrogated orally, by written survey or questionnaire, or by any other means with respect to such information shall be fully advised of his right to fail or refuse to furnish such information except with regard to information required by subsection (a), with regard to which every such citizen shall be informed that such information is required solely to enforce nondiscrimination in voting."

Mr. MCCLORY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, printed in the RECORD, and I will explain it.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. MCCLORY. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, H.R. 6319 is one of the most important measures to come before the House in this Congress, and I urge its approval today.

It is hard, I know, for many Members to visualize the situation that obtained in 1965, when this legislation was first enacted. Intimidation and harassment of minority voters was widespread. Voting procedures were changed regularly to prevent minority votes from casting the decisive influence in elections.

I remember listening to President Lyndon Johnson calling on a joint session of Congress early in 1965 to assure equity in voter participation by minority citizens. Congress responded expeditiously, and the Voting Rights Act was enacted into law 5 months later.

As a result of this landmark law, minority citizens have been slowly attaining a more direct role in the electoral process. We can see direct evidence of that in the presence in this Chamber of some of our newly elected colleagues. But while the pressures and ill-intentioned practices have been reduced, they have not been eliminated. During the last 2 years the Justice Department has been called on to scrutinize, and has disapproved, certain changes proposed by states within the purview of the act. This is clear and convincing evidence that the need for the protection now provided has not passed.

In addition to continuing these protections, H.R. 6319 would make permanent the present ban on literacy tests as a voting prerequiste and, as has been discussed, extend the act's protection to language minority groups.

This is sound legislation, Mr. Chairman, and I commend the gentleman from California (Mr. EDWARDS), the gentleman from New Jersey (Mr. RODINO), and the other members of the Judiciary Committee, for their excellent effort in bringing this bill to the floor.

As a matter of assuring fairness in our electoral system, Mr. Chairman, we should pass H.R. 6319. I urge its overwhelming approval.

Mr. MCCLORY. Mr. Chairman, in due

course I will be offering a motion to recommit with instructions which will provide for the deletion of titles II, III, and IV of this legislation and for a simple 7-year extension of the Voting Rights Act in its present form. This will take care of the additional 2-year period beyond the decennial censuses, so a person who will be fearful about what may happen as far as congressional redistricting is concerned will be covered during that period.

With respect to the amendment at the desk, this would make mandatory the response during the censuses to the questions on race or color or national origin. In one part of the paragraph on page 11 the Congress mandates the Census Bureau to get this information. They have to get this information with regard to race and color and national origin every 2 years. In every 2-year period they have to get this information and report it. It is a mandate of the Congress.

Then the bill goes on to say that notwithstanding that requirement the information does not have to be supplied by the person questioned. We had this sort of situation before when we had the Federal Jury Selection Act, and initially we made this information voluntary as far as information about race and color, but we demonstrated there that if the information is not given and is not required to be given we cannot make any fair analysis as to the percentage of persons that fit into those categories, so we amended the law to make it mandatory.

I have a letter from the Bureau of the Census which says that to the best of their recollection they have never advised a person before asking a specific question that since the survey was voluntary they need not answer the next question. They said such a procedure would produce a lack of responses.

I had a computerized automatic study made in connection with the Jury Selection Act which showed that if 5 percent or more of persons elected not to respond to the questions, the statistics would be virtually useless.

Consistent with all good civil rights legislation and testimony we had on the Jury Selection Act which was provided by the General Counsel of the Civil Rights Commission at that time, we should require this information be given in order that the statistical information of the Bureau of the Census will be valid so that Congress may determine whether there continues to be voting discrimination in covered jurisdictions.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Chairman, the amendment of the gentleman from Illinois (Mr. MCCLORY) has changed the bill. The bill does not now compel the disclosure of race, color, or national origin. The amendment of the gentleman from Illinois (Mr. MCCLORY) would compel this disclosure under pain of fine or imprisonment. We think it is unnecessary. It is not good policy.

We have a copy of a letter, dated May 23, 1975, from Mr. B. Gregory Russell, Acting Chief of the current Population Survey Branch, indicating that the refusal-to-respond rate on the Current Population Surveys averages no more than 1½ to 2 percent. So there is no need for such stringent provisions.

There really is no evidence that this amendment is necessary. I do not think it is the very best policy to create new criminal law where none is necessary.

Mr. DODD. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Connecticut.

Mr. DODD. Mr. Chairman, I would also add that indication was given to us, as the author of this amendment in the subcommittee, that compulsion might, in fact, increase the amount of refusals. The current population survey, which does not mandate, as the gentleman pointed out, does not mandate compulsion, has indicated it was a good response and there is a feeling on the part of people responsible for the current survey that by requiring compulsion we would get a higher incidence of refusal.

Well, I would urge the Members to reject this amendment as unnecessary, there being no need for this kind of amendment or this kind of legislation.

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman from Connecticut.

Mr. MCCLORY. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Illinois.

Mr. MCCLORY. Mr. Chairman, in the testimony given in 1969 by John H. Powell, Jr., the then general counsel of the Civil Rights Commission, there seems to be support for this amendment requiring mandatory statistics. He said it was necessary to get this information in a mandatory manner in order for the Federal Jury Selection Act to be effective.

May I say with respect to the requirement that a citizen reveal his national origin, if we did not mandate information to be given, it would be terribly difficult to determine whether the nonresponse would bias statistical estimates with respect to these various races, the Asian Americans, American Indians and Alaskans and so on.

Mr. EDWARDS of California. I thank the gentleman, but this amendment for a criminal provision has no place in this bill.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to extending the Voting Rights Act of 1965. I feel I must warn my colleagues that if they vote for this extension they will only succeed in sending seven Southern States, including my home State of Alabama, to the back of the bus for another 10 years.

A vote to extend this questionable act to only seven Southern States is a travesty and an insult to our constitutional form of government. The Civil War has been over for 110 years. Is it not about time that vicious reconstruction of the South also stops?

Yesterday this body rejected amendments to this act which would make the act apply to all States; reduce the length of the extension to 5 years; or give the Southern States a chance to "bailout," that is, to prove they are being fair and no longer need the all-powerful Federal Government to ride herd over their voting procedures. Is it not a fact that Federal laws are supposed to govern all the people in all the States, not some of the people in some of the States? Furthermore, is there no prejudice or discrimination that needs to be corrected in Boston, or Detroit, or Chicago?

Yet, there are those who argue that extending this punitive Voting Act in the South for another 10 years would help eliminate discrimination in voting. Maybe so, but does the possible end justify the repressive means? I think not. To me, this Voting Act is far more discriminatory than any State voting laws. It seems justice, due process, and equal treatment under the law do not apply to the South. Indeed, it appears this Voting Act is only a cover designed to force the South to continue to atone for its alleged past sins.

I realize that I am probably wasting my time speaking to this body today, for with the current composition of the Congress a camel has a better chance of going through the eye of a needle than the South has of getting out from under the oppressive Voting Rights Act. Yet, I feel I would be remiss if I did not make my feelings known in this matter.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MCCLORY).

The amendment was rejected.

The CHAIRMAN. All the time has expired, except on privileged amendments.

The Chair recognizes the gentleman from New York (Mr. SOLARZ).

AMENDMENT OFFERED BY MR. SOLARZ

Mr. SOLARZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLARZ: Page 9, line 23, immediately after "heritage" insert the following: ", or who are members of a group which the Director of the Census determines has a mother tongue other than English".

Mr. DODD. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from Connecticut.

Mr. DODD. Mr. Chairman, I rise in support of H.R. 6219 to extend the Voting Rights Act. I believe this bill which reflects 13 separate hearing sessions of the Subcommittee on Civil and Constitutional Rights, of which I am a member, is an important step toward insuring equal access to the ballot for all Americans.

There are a number of important provisions of H.R. 6219 which extend and expand the coverage of the Voting Rights Act. Not only does H.R. 6219 provide a 10 year extension of the act but it also expands coverage to certain areas not included in the original Voting Rights Act.

Provisions of H.R. 6219 insure protection of voting rights to previously uncovered language minority citizens. Title II protection will now cover such groups as American Indians, Alaskan Natives, Asian Americans, or Spanish heritage groups making it unlawful for the use of English-only election materials in jurisdictions where more than 5 percent of voting age population is comprised of a single language minority group.

In addition, H.R. 6219 would make permanent what is now a temporary

UMI

nationwide ban on the use of literacy tests and other devices, which have been used in the past to deny voting rights to some minorities.

Evidence of the act's effectiveness is the increase in minority participation in the political process. In those Southern States where the act originally was applied to remove voting barriers, the number of blacks registering to vote has risen markedly since the date it was enacted. The percentage difference between white voter registration and black registration in these areas has dropped from 44.1 percent to the current estimate of 11.2 percent.

Yet the full effects of a hundred years of voting discrimination has not been eradicated. There are still over 2.5 million unregistered blacks in the 11 Southern States.

While blacks have increased their representation at the local level, there are still no blacks holding statewide offices in the States currently covered by the act.

Testimony given at subcommittee hearings for H.R. 6219 has convinced me beyond a doubt that to allow the act and its strict enforcement procedures to expire now would cause a reversal of many of the gains in minority voter participation made in the past 10 years.

By extending and expanding the act, we also address the problem of the language-minority citizen and his or her special problems in registering and voting. In the course of hearings, the subcommittee found that conducting elections only in English was as much a barrier to voting by language minorities as are literacy tests, which are prohibited by the present act.

For this reason, title II of H.R. 6219 prohibits the conduct of English-only elections in jurisdictions where 5 percent or more of the population is a member of a single-language minority and less than 50 percent of the eligible voters actually voted in the Presidential election of 1972. Essentially, title II of H.R. 6219 expands the definition of "test or device" to include English-only elections, and prohibits their use in jurisdictions where it would infringe upon a citizen's ability to exercise his or her vote.

The following protections would apply in those jurisdictions covered as a result of title II: First, suspension of literacy tests and the prohibition of the conduct of English-only elections; second, section 5 preclearance of all new voting changes; third, Attorney General authority to certify service of Federal examiners; and fourth, Attorney General authority to certify service of Federal observers.

An area of the act that has recently grown in use is section 5. Under this section, the U.S. district court or the Attorney General is required to review all changes which covered jurisdictions proposed to make in their voting procedures.

Over the years, the number of changes in voting procedures which have been submitted for the Attorney General's review have increased from 1 in 1965 to 1,118 in 1971 and to 988 in 1974. The fact that the Justice Department has recently entered objections to voting changes from some seven States is evidence of the need to continue this preclearance mechanism.

These objections involved such things as at-large requirements, polling place changes, majority vote requirements, and increased candidate filing fees.

Each of these States failed to prove that their proposed changes in voting procedures would not have a discriminatory effect.

In my consideration of H.R. 6219, I have been firmly convinced that section 5 requirements have been largely responsible for the gains that have been achieved in minority voter participation. And, in my opinion, it is absolutely essential to insure that progress will not be destroyed through changes in voting procedures or techniques, in areas where there has been discrimination in the past.

In addition, the extension of the act to specifically include language-minority citizens will address many of the special problems these groups encounter with conducting English-only elections.

For example, one major hardship encountered by this group is the low literacy level among language-minority citizens. This low literacy rate aggravates the problem of dealing with registering and voting procedures that are only in English. According to 1970 census statistics, only 5.5 percent of the total population 25 years or older had less than 5 years of school, while figures for the same year indicate that 14.6 percent of the blacks and 18.9 percent of persons of Spanish heritage had less than 5 years of school.

For example, 80 percent to 90 percent of Spanish-heritage individuals in areas near the Rio Grande in Texas speak and write only in Spanish. Throughout the United States, it has been estimated that almost 50 percent of all persons of Spanish heritage have only a limited knowledge of written and oral English. Therefore, elections held only in English effectively rob these people of their most basic constitutional right.

Another important requirement of the act is section 403 which would require the Bureau of the Census to conduct minority registering and voting surveys. Title VIII of the Civil Rights Act of 1964 required that the Director of the Census collect, by race and national origin, voting and registration statistics in jurisdictions designated by the U.S. Commission on Civil Rights. The Commission made requests for title VIII surveys but the administration never requested and Congress never appropriated funds for their implementation.

Therefore, I offered an amendment that was adopted by the subcommittee and approved by the full committee which would direct the Census Bureau, after every congressional, to collect registration and voting statistics by race, color, and national origin in specific areas. These surveys are to be automatically conducted in every jurisdiction covered under the Voting Rights Act of 1965, as amended. The U.S. Commission on Civil Rights may designate the collection of data in other areas for any election.

Our recent deliberations on the extension of the Voting Rights Act illustrated vividly the lack of substantive data on voting by race and national origin. This data is very important for any future judgments in the area of voting rights.

Mr. Chairman, I believe that H.R. 6219 contains safeguards that are absolutely necessary in order to prevent discrimination in registering and voting against racial- and language-minority citizens.

I give my complete support to this legislation because I am convinced that without it, a large number of Americans will be denied their right to vote. Our Government works on the principle of active participation by all its citizens. By insuring this right to participate in choosing one's elected representatives, we also insure a better America.

Mr. SOLARZ. Mr. Chairman, members of the committee, most of the amendments which have been offered in the course of the last 2 days were clearly designed to weaken the bill. I want to call to the attention of the Members the fact that the amendment I am offering now is designed to strengthen the bill. It does not remove any of the groups that are protected by the bill; it does not in any way diminish the degree of protection for those groups which are covered under the bill are given by this act.

What it does attempt to do is broaden title III of this legislation in order to extend the protections and provisions to a number of groups that are not now included in it. Under the existing language of title III, American Indians, Asian Americans, Alaskan Natives, and those of Spanish heritage who constitute more than 5 percent of the population and which have an illiteracy rate higher than the national illiteracy rate are entitled to have the ballots and other official elective materials printed not only in English, but in their native language as well.

My amendment would add to the four groups already mentioned in the bill any other language minority which meets precisely the same criteria which the four groups already mentioned in title III have to meet as well. That is to say, it would add only those other language minorities which, first, constitute more than 5 percent of the population of a State or political subdivision thereof; and second, have an illiteracy rate higher than the national illiteracy rate.

Now, it is entirely possible that with such protections, no other language minority might qualify throughout the country to have their ballots printed in their language as well as in English. If, in fact, that turned out to be the case, then nothing would have been lost by adding this language, although I might say that if the language is added, we would have established in the law a principle of equity which says to every group that they are theoretically eligible for the protections of this legislation.

On the other hand, if it should turn out that somewhere throughout the length and breadth of this land there are other language minorities that, like the four already mentioned in the bill, constitute more than 5 percent of the population and which have an illiteracy rate higher than the national illiteracy rate, then it seems to me as a matter of equity that such a group would be entitled to the same protection as the four language minorities already mentioned in title III.

The distinguished chairman of the subcommittee will probably tell us that the reason only four language minorities were mentioned in the bill, and none others, is that there was testimony during the course of the hearings indicating that only these four groups were discriminated against, and therefore they are the only ones who should be entitled to this bilingual protection. But, I would submit that in the words of title III, the operative indication of discrimination is the illiteracy rate of the group in question.

I would point out to the Members that if one of the four language minorities mentioned in title III, Alaskan Natives, for example, or Asian Americans, constitutes more than 5 percent of the population but has an illiteracy rate lower than the national illiteracy rate, then they do not qualify to have their ballots printed bilingually. Only if the illiteracy rate is higher do they qualify, and it seems to me they should be able to get bilingual ballots if they have an illiteracy rate higher than the national rate.

The other minorities ought to be able to get ballots as well. If they are French Americans in Louisiana, German Americans in Wisconsin, Italian Americans in Rhode Island, or Yiddish-speaking Americans in Brooklyn, as there are in my district, that meet the very same criteria as the four language minorities specifically mentioned in the bill, then it seems to me as a matter of fundamental fairness that we ought to print bilingual ballots for them as well.

A number of Members who voted against the Biaggi amendment, which was somewhat similar to mine, may want to know wherein my amendment differs from my distinguished colleague from New York. There is a fundamental difference between our two amendments. The Biaggi amendment dealt not only with title III, but with title II.

My amendment deals only with title III. In practical terms, the difference between title II and title III is that under title II of the bill, if the Biaggi amendment had passed, any language minority constituting more than 5 percent of the population in any jurisdiction covered by the Voting Rights Act would have to have bilingual ballots printed for them.

Mr. BADILLO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to this amendment.

As the gentleman from New York (Mr. SOLARZ) has stated, this is almost identical to the amendment offered by the gentleman from New York (Mr. BIAGGI), except instead of covering title II and title III, it covers title III only. It therefore suffers from the same defects with respect to coverage of title III.

Mr. Chairman, as was indicated previously, we have positive evidence that the other language groups mentioned by the gentleman from New York have a very high registration percentage. Once again, we found that the registration percentage of Germans was 79 percent; French, 72 percent; Russians, 85 percent; Italian, 77 percent; and Polish, 79 percent.

Mr. Chairman, I am astonished to hear that the district that is represented by the gentleman from New York (Mr. SOLARZ) has a Yiddish population that does not have a high degree of achievement; and if that is the case, I am also equally astonished that the gentleman did not come before the Judiciary Committee. But I cannot believe in the district in Brooklyn the gentleman is talking about that they have that high degree of illiteracy in the Yiddish population.

I think the amendment is clearly overbroad. I say that we should limit the bill to the groups for which testimony was presented before the committee, and for that reason I urge the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. SOLARZ).

The question was taken; and on a division (demanded by Mr. SOLARZ) there were—ayes 36, noes 73.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: Page 10, strike out lines 12 through 15 and redesignate succeeding sections of title IV accordingly.

Mr. KINDNESS. Mr. Chairman, the effect of this amendment is to eliminate section 401 of the bill, which, for the first time, adds the words "an aggrieved person," modifying those who could bring an action.

It has been the case that the Attorney General could bring an action under the Voting Rights Act, section 3. There are three different subsections dealing with the Attorney General's powers under the Voting Rights Act. That section of the bill, section 401, would now say, if the committee's language is accepted, that not only could the Attorney General go into court and ask for the extraordinary remedies that are provided by the Voting Rights Act, but also "any aggrieved person" could do so.

Mr. Chairman, we have already seen here this afternoon how broad the scope of the Voting Rights Act will be in the language of the bill as it is presently before us. We have already seen how many uncertainties there are in the way of dealing with the litigation. We have already seen that people will have to come to Washington to do it. The term, "any aggrieved person," being added to the burden of litigation, I think, is an undue burden to be added to the Federal court system.

But beyond that, the remedies that are so extraordinary as imposed by the Voting Rights Act are an aberration from our usual constitutional procedures. The powers of the States have been reduced or impinged upon in order to remedy a situation that existed, a situation that ought not to have existed. The power of the Attorney General to bring those actions in court is a power that ought to be reserved only to the Federal Government, it seems to me, if there is to be some lessening of the constitutional role of the States. It ought to be at least under the control of an officer of the Federal Government.

The effect of section 401 of the bill is to open up what we might call a category of class actions. I believe that if logic and reason are to be considered here today, we should consider that this law, the Voting Rights Act, is very different from the Civil Rights Act and others that provide similar opportunities for any aggrieved person to bring an action.

Mr. Chairman, we are talking about extraordinary remedies and we are talking about lessening the powers of the States. I would just urge that the Members support this amendment.

I will ask for a recorded vote if things look too bad, I suppose.

Mr. Chairman, the process that we have been through this afternoon, I think, clearly points out that the kind of litigation that is involved here ought to be under the control of a governmental authority at the Federal level.

It ought not to be so extended as to make this an opportunity for massive litigation, and that can occur in each Member's district, in every district in the country.

Every Federal district court will not be deciding these issues. It will be the U.S. District Court for the District of Columbia, and its docket could very well be terribly overloaded.

I urge that the Members support this amendment.

Mr. Chairman, the one thing I would like to leave the Members with on that point is this: We are talking about control governmentally. If there is anything wrong with the way that section 3 has been used by Attorneys General in the past, that is something that can be controlled at the Federal level and this Congress can have an effect on it to some degree. This Congress cannot in my view responsibly extend that function under section 3 beyond the Attorney General to "any aggrieved person."

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this issue was seriously debated in the subcommittee and in the committee, and it was turned down. We did not accept the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

This is a very important provision of the bill. It in effect makes it possible for aggrieved persons and individuals who suffer a severe discrimination in voting to go into a Federal court and to have the judge at his discretion provide relief, the same kind of relief that the district court judge could afford the U.S. Attorney General.

Mr. Chairman, I urge a "No" vote on the amendment.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, would it

UMI

be fair to say that a person living in an uncovered State—let us say Oklahoma—who feels aggrieved and that he has been discriminated against under the Voting Rights Act can now go into the Federal court and ask the Federal court to issue an order which would require that State to come under the preclearance provisions which are now affecting only the covered States?

Is it fair to say that what this does is to give an individual the right to bring his State under all the sanctions that are now only available if the Attorney General files an action under section 3 or the State is otherwise covered under this legislation?

Mr. EDWARDS of California. It is fair to say that this bill, unless the Kindness amendment is adopted, would so permit an aggrieved person to go into Federal court, and at the judge's discretion have the benefit of the remedies of section 3 of the act.

Mr. BUTLER. If the gentleman will yield further, would it not also be fair to say that once the court takes jurisdiction under the objection of an aggrieved person, under the legislation there is nothing which terminates the jurisdiction of the Federal court thereafter except the discretion of that Federal court itself? Is that a fair statement?

Mr. EDWARDS of California. Yes, and I think it is entirely appropriate.

Mr. BUTLER. Then it would be fair to say that if the judge of the Federal court felt that it would be appropriate, that the Federal court could retain jurisdiction and could bring a State under the act and the Federal court could retain this jurisdiction indefinitely thereafter; if one did not feel that this was appropriate then would it be appropriate to vote for the Kindness amendment?

Mr. EDWARDS of California. Yes, and I firmly believe that it would be entirely appropriate, and I believe that is what the Federal court would do, retain jurisdiction until the matter was decided.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

The question was taken, and on a division (demanded by Mr. KINDNESS) there were—ayes 41, nays 117.

So the amendment was rejected.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, over the past several weeks, some of my colleagues have raised again the question of the fundamental fairness of requiring jurisdictions covered by the Voting Rights Act to carry the burden of demonstrating to the satisfaction of either the Attorney General or the District Court of the District of Columbia that the implementation of any different "qualification, prerequisite, standard, practice, or procedure" affecting the right to vote "does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race, color or national origin"—what has been called the bitter medicine of voting rights laws.

The first observation that must be made is that, in enacting this legislation 10 years ago, Congress saw the need to defeat the "ingenuity and imagination of those determined to circumvent 15th amendment guarantees." In the first constitutional test of this legislation, South Carolina against Katzenbach, the Supreme Court upheld the wisdom of this burden-shifting approach:

Congress has found that case-by-case litigation was inadequate to combat widespread and persistent discrimination in voting, because of the inordinate amount of time and energy required to overcome the obstructionist tactics invariably encountered in these lawsuits. After enduring nearly a century of systematic resistance to the 15th amendment, Congress might well decide to shift the advantage of time and inertia from the perpetrators of the evil of its victims.

In every major decision interpreting the approach taken by section 5 since including the Perkins, Allen, and Georgia decisions, the Court has squarely affirmed it. There can be no quarrel as to the legal soundness of the burden-shifting mechanism, in my judgment; Anglo-American law has traditionally embodied such a doctrine in tort law to protect the opportunity of an aggrieved party to vindicate rights when wronged, when that party—because of his comparative lack of sophistication and resources—is at the mercy of the wrongdoer. Surely we can protect the voting rights of minority citizens with the same vigor that we defend ourselves from stray surgical sponges.

Similarly, the necessity for extending the suspension and preclearance provisions of the act to covered jurisdictions for an additional 10 years has been questioned. Opponents of this extension have characterized these procedures as unfair, in that they unduly stigmatize those jurisdictions which have made a good-faith effort to eliminate discrimination in voting over the life of the act. The record compiled by the Subcommittee on Civil and Constitutional Rights, the U.S. Commission on Civil Rights and the Department of Justice vividly demonstrates the need for continued vigilance in protecting the voting rights of all citizens. For example, although the number of changes submitted to the Attorney General for review under section 5 now exceeds 4,000, 3,898 of those changes were submitted by 12 covered jurisdictions only in the last 4 years. Of the 163 objections interposed by the Attorney General to the implementation of those changes, 141 were made during the past 4 years.

These recent objections—focusing primarily upon at-large requirements, polling place changes, majority voting requirements, staggered terms, increased candidate filing fees, redistrictings, switches from elective to appointive offices, multimember districts and annexations—clearly bespeak the continuing need for the section 5 preclearance mechanism, especially at a time when the Court-fashioned doctrine of "one person, one vote" has, ironically, created new opportunities to disenfranchise minority voters. The limited and fragile success already won under section 5 should not be squandered by removing coverage at a time when it is most necessary.

By the same token, testimony taken by the subcommittee over 13 days of hearings suggests that physical as well as legal barriers are still thrown in the way of some citizens seeking to exercise their franchise. Incidents of threats, intimidation and harassment at the polls are a painful reality that in and of themselves support the continued authority of the Attorney General to certify for appointment Federal poll watchers and registrars.

Much of the dissatisfaction expressed over H.R. 6219 as reported centers upon the alleged unfair treatment afforded covered jurisdictions by not liberalizing procedures whereby they may escape coverage under the automatic triggering mechanism by demonstrating that no discriminatory practices or procedures are in effect at the time of application. I speak of the "bailout" provisions built into the original Voting Rights Act to assure against overbroadness. Proponents of language which would relax present requirements contend that, under the result reached by the Supreme Court in the Gaston County case, those requirements have been rendered impotent. This position ignores the fact that jurisdictions in Alaska and New York have successfully sued for relief, invoking the supposedly inadequate current "bailout" provisions, since the Gaston County decision. In any event, the alternatives proposed to established law suffer from a number of defects; for example, the standard under which criteria for escape are to be tested is one of "reasonableness"—a yardstick that has not had the benefit of examination or application in this area of the law and which is unsupported by available evidence. As the Civil Rights Commission has already indicated, these proposed "bailout" substitutes may "create new and difficult problems of standards, procedures, and management."

Another change in H.R. 6219 has been advanced which has been labeled as progressive because it makes the Voting Rights Act permanent in the law, rather than merely extending its life an additional 10 years. While this idea is generally commendable, its particulars fall short, unfortunately, of what Congress ought to do to make this legislation meaningful in perpetuity. The history of the Voting Rights Act itself clearly demonstrates that a mere 2-year coverage period is inadequate in practice to erase demonstrated voting inequities. Moreover, by ignoring less evident techniques used to effect discrimination, such as switches from district to at-large elections and discriminatory annexations, this amendment would rob distinct racial and language minorities of the equipment they need to combat subtle attempts to dilute their voting strengths. Indeed, the thrust of this proposal would be to offer such identifiable groups the Hobson's choice of accepting such dilutions or staying away from the polls in order to trigger the coverage formula. Such a result is antithetical to the extent with which Congress enacted and extended the Voting Rights Act.

Despite demonstrated and irrefutable evidence of the need to do so, opponents of H.R. 6219 have complained that expanding the boundaries of the act's coverage to include Spanish and Native Americans and other bilingual minorities to enable them to exercise their right to vote unhindered by arbitrary prerequisites constitutes a burden covered jurisdictions should not be made to bear. I submit that the dual guarantees of the 14th and 15th amendments are not qualified by expense or inconvenience. The fact that the lack of equal educational opportunities for some citizens throws a roadblock in their way when given the chance to exercise those guarantees is one too evident to ignore; indeed, the demonstration of the absence of such opportunities led the Supreme Court to strike down literacy barriers in the Gaston County case. This legislation, by recommending a permanent ban on literacy tests—which now exist in 12 States, including Connecticut, Delaware, and New York—gives Congress a unique opportunity to further the designs of those two amendments to the Constitution. As Mr. Justice Douglas pointed out in the case of Oregon against Mitchell, Congress:

. . . can rely on the fact that most States do not have literacy tests, that the tests have been used at times as a discriminatory weapon against some minorities, not only Negroes but Americans of Mexican ancestry, and American Indians; that radio and television have made it possible for a person to be well-informed even though he may not be able to read and write.

There are broader and much more serious implications which may result from ignoring present realities of discrimination in voting and its short-term effects upon ethnic and language minorities for the sake of convenience, ones which go to the very essence of democratic government. Simply put, electoral democracy in this country is shrinking. Voter turnout has declined dramatically since 1960 when 64 percent of the total population voted in the presidential election. In 1972, only 55.6 percent of eligible voters went to the polls. 58 million Americans of voting age stayed home that year, a staggering 42.6 percent of the voting-age population. In addition, 44 million Americans of voting age failed to register to vote in 1972, 32.4 percent of the eligible voting age population. Events in our Nation's recent past should serve as a warning of the dangers of millions of our citizens being excluded or alienated from decisionmaking processes.

Imagine how different this country would be—how different our priorities, policies and spending would be—if, as is the case in western European countries, 75 to 90 percent of eligible voters went to the polls. Given our shrinking electorate and the fact that racial and language minorities are significantly under-represented in our political processes, those who do vote—and who are disproportionately better educated and more economically secure—are able to exert an influence on the agenda of American policies in the direction of narrower class and cultural interests that is out of proportion to their true popular strength. Regardless of the factors that kept almost 60 million Americans away from the polling places in 1972, any legislation that serves to broaden the participative base in our electoral democracy promises to have a salutary effect on the direction of public policy.

As this Nation prepares to celebrate its 200th year of existence, it is not enough to note that some latent progress has been made toward securing the full blessings contemplated by the 15th amendment. It is not enough that the voter registration gap between blacks and whites in seven Southern States has been narrowed from 44 to 11 percent; it is not enough to say that there are now 591 more black elected officials in the South than there were 10 years ago. It is time to recognize and give legislative credence to the fact that America is truly a diverse society—culturally and linguistically, as well as economically. Not every American speaks only English. Not every citizen is middle class and white. Is it not time to translate this diversity, as Canada has successfully done in the past several years, into meaningful political expression and representation? I believe that the answer to that question is within our grasp today. We must make every effort to answer it correctly.

Mr. STOKES. Mr. Chairman, I rise in support of H.R. 6219 which amends and extends the Voting Rights Act of 1965. This legislation, like none before it, has effectively begun the process of guaranteeing the most fundamental of those essential rights descriptive of any truly democratic society.

It is designed to allow and facilitate the registration of all voters; to permit all citizens to vote equally and impartially and without discrimination; and to permit minority candidates to run with a reasonable hope of access to public office.

Since 1965, about 1.5 million blacks in the South as a whole have become registered voters—about 1.1 million in the covered States. The percentage of eligible blacks registered in the seven covered States rose from about 29 percent in 1964 to 56 percent in 1972, and the gap between black and white registration decreased from 44.1 percentage points to 11.2 percentage points.

However, it is estimated that as many as 2.5 million eligible blacks in the South are still not registered, and that black registration is about 15 points below the percentage of white registration.

Black voter turnout in the South has increased in terms of percentages and numbers of registered voters since 1965. It is apparent that black voter turnout in the South is lower, percentagewise, than white turnout.

According to a U.S. census survey of the voting age population, 47.8 percent of blacks in the South reported that they voted in the 1972 election, compared to 57 percent of whites.

The data clearly describes real progress but it remains principally important to remember that we are still in the early stages of reversing the results of centuries of discrimination. If the temporary provisions are not extended, the likelihood is that we would find ourselves set back to the starting point.

It is significant to note that 105 years after the ratification of the 15th amendment and 10 years after passage of the Voting Rights Act, 2½ million blacks in the South remain unregistered today. Though comprising large segments of the population in each of the covered seven States: Mississippi, 37 percent; South Carolina, 31 percent; North Carolina, 22 percent; Virginia, 18 percent: et cetera. No blacks hold statewide office in any of them. The black representation in the State legislatures does not approach the black proportion of the voting age populations in the respective States.

In 1965, there were 72 black elected officials in the 11 Deep South States. Today, there are 1,587—including 1,114 in the seven States specially covered by the Voting Rights Act.

However, blacks hold less than 2 percent of the 79,000 public offices in the South.

In the 101 black-majority counties blacks hold a majority of seats in the county governments of only six counties.

There are 362 majority-black towns and cities in the South which have not yet elected even one black public official.

In the 7 covered States, 27 percent of the population is black, but only 1 of 57 Congressmen from the States is black: of 1,174 State legislators in those States only 68 are black. No blacks in the States hold statewide office.

The number of black elected officials in the South has risen as follows:

1965	72
1968	159
1968	248
1969	388
1970	565
1971	711
1972	873
1973	1,144
1974	1,307
1975	1,587

Whites throughout the South are still very much in control of the electoral machinery, and the results are ever present.

Verified reports abound detailing accounts of lost ballot boxes, inconvenient registration hours, and inaccessible locations for voting and registration. The results: Blacks remain underrepresented even in the 84 southern counties where blacks comprise voting age majorities.

For these reasons among others, the real implications of a congressional failure to extend the special provisions are frightening, more especially in view of one approaching development. Based on the 1980 census, by 1985, all States and many local jurisdictions will have redrawn lines for representative subdivisions altering constituencies from town council districts to congressional districts. Mr. Chairman, I think none of us here has any illusions about the outcome of this redistricting process should the section 5 preclearance requirements be removed. The small gains that blacks have made to date could be all but wiped out by those remaining unreconstructed whites in power who still resist the command of the 15th amendment.

A similar result will obtain, Mr. Chairman, if the national ban against the literacy test is not continued. By March 1975, 12.9 percent of blacks over 25 years of age had received less than 5 years of formal education. For Mexican Americans the figure was 27.2 and 19.5 percent overall for Spanish-origin populations. As discouraging as these measurements may be, illiteracy is hardly a disability peculiar to blacks and Spanish-speaking Americans. In absolute numbers, more whites living in America are functionally illiterate than are minority group members.

UMI

Mr. Chairman, it is safe to assume that if the literacy test ban is not extended, millions of voting age Americans—blacks and Spanish-speaking citizens disproportionately—would again be excluded from participating in our democratic system, the same system that in the first instance failed in its responsibility to provide all Americans alike with the most fundamental of learning skills, the capacity to read and write.

Ten years ago, when the original Voting Rights Act was first passed, it was designed to meet the needs of minorities who were being denied the right to vote. Since then, the situation has improved greatly in those areas which the act was designed to affect. Yet, the need for the bill is still evident, for new areas have been discovered which need the special protection and benefits which the bill, as originally drafted, does not address.

Mr. Chairman, if we are to increase the voter participation of minority Americans, strong congressional action is needed. We must insure full free access to the polls for all. H.R. 6219 recognizes the special needs of many American citizens in exercising their right to vote, and I urge that H.R. 6219 be adopted—without weakening amendments.

Mr. EDWARDS of California. Mr. Chairman, some questions have been brought to my attention concerning two counties in Oklahoma which are covered under title II of H.R. 6219 because of their population of Choctaw Indians. It has been indicated that the American Indians in these two counties, mainly Choctaws, use English as their dominant language and continually have had high rates of voter participation.

If these factors are indeed the case, there would seem to be no problem for these two counties to prove that no "tests or devices" including English-only elections have been used in a discriminatory fashion in the past 10 years. If the Choctaw Indians in these counties do, indeed, speak English and have had generally high voter participation, then it would surely seem that these two counties would be able to easily qualify for exemption from the act.

It has been indicated, in fact, that the members of the Choctaw Tribe no longer currently use the Choctaw language. Since both titles II and III of H.R. 6219 mandate bilingual elections, some concern has been expressed on how covered jurisdictions which include American Indian populations where native languages are not currently used, will comply with the act. We have made clear in the committee report that impossibility of performance in the case of oral-only languages would mean that the bill imposes no mandate for bilingual printed materials. Instead it is intended that the bill create, in such instances, an affirmative obligation to provide bilingual oral assistance in all stages of the electoral process. Further, if an American Indian language is historic in nature and is not used by the population of the relevant tribes, then it is obvious that not even oral assistance in such nonspoken language cases will be required. Moreover, it is obvious that the Attorney General would not enforce a bilingual mandate in such situations.

Mr. ROYBAL. Mr. Chairman, the evidence in support of H.R. 6219 documents the denial of the franchise to language minority groups throughout the United States.

In my own State of California, the more than 3 million Mexican Americans continue to experience serious impediments to registration and voting participation. The discriminatory practices include at-large school board elections, redistricting, registration, and voting irregularities, changes in polling places and lack of bilingual registrars and election officials. The total effect of these practices has been a negligible level of representation for Mexican Americans.

Overall, Mexican Americans comprise approximately 16 percent of California's total population and 12 percent of its voting age population, but yet hold only 0.7 percent of the elected offices in the State. Further, Mexican Americans have only one Federal representative—elected in 1963—out of a total of 43; two State senators out of 40; and four State assemblymen out of 80.

Of particular concern is the rural experience. In an August 1971 report, the California State Advisory Committee to the U.S. Commission on Civil Rights found a serious lack of Mexican American deputy registrars in the rural areas. Citing several voting obstacles, including intimidation, the Civil Rights Advisory Committee concluded that "rural communities generally appear to offer inadequate opportunities for Mexican Americans to participate in governmental functions." Similarly, a 1971 study by the Civil Rights Commission showed that in rural counties such as San Joaquin, Madera, Colusa, Kern, Monterrey, Santa Barbara and Tulare, Mexican Americans had a combined total of 1.2 percent of the governmental officials, although their population in these counties ranged from 16.7 to 44.9 percent.

More recent incidents reinforce the 1971 findings of voting abuse in the rural areas. Staff members of the California Rural Legal Assistance point to a number of voting problems, including at-large school board elections and registration difficulties. In the rural communities we find that at-large school elections effectively deny Chicanos representation on the board, even though they constitute a substantial part of the population. The point is that if school boards were elected by district instead of at-large, Chicanos would likely gain two or three seats.

For example, Chicanos make up 16.8 percent of the Kern County population, 26.2 percent of Tulare, and 24.7 percent of Kings; yet they represent a less than 2 percent of the board membership for these counties. In the rural community of Shafter—Kern County—it is reported that Mexican Americans have no board representation, although they comprise 40 percent of the population. In the community of Delano, the result is the same: No Chicano representation even though they comprise approximately 40 percent of the population and over 50 percent of the school enrollment. In Arvin, Mexican Americans had no board representation until 1972, even though they constituted more than 50 percent of the school enrollment. In 1972 they were successful, finally, in gaining a seat on the five-member board.

Similarly, Mexican Americans have been denied board representation in many of the communities located in Imperial, Santa Barbara, and San Luis Obispo Counties. In Guadalupe—Santa Barbara County—for instance, Chicanos comprise 75 percent of the population, but are denied representation on the board. In Westmoreland—Imperial County—they comprise 40 percent of the population, but have no board representation. The same pattern exists in Lucia Mar—San Luis Obispo County—which had already been investigated in 1973 by the California State Advisory Committee to the U.S. Commission on Civil Rights for discriminatory practices in the education of Mexican American students.

Besides at-large election obstacles, Mexican Americans must face the reluctance of county officials to employ bilingual registrars and election officials. There have been reports that county officials have told Chicanos they were not needed as registrars since the county already had a sufficient number—almost totally Anglo and English speaking. Only in the town of Delano have Mexican Americans been somewhat successful in increasing the number of bilingual registrars. But even there there has been virtually no change in the selection of voting officials.

The result has been the maintenance of an Anglo-only registration and election system within these communities.

In Westmoreland, Mexican Americans comprise 40 percent of the population. In a recent board election in that community, Spanish-speaking voters were unable to obtain assistance from election officials to operate the voting machines, because no one spoke Spanish. When a bilingual observer raised the issue with these same officials, she was told simply that "it was not necessary."

In Heber, Chicanos comprise 80 percent of the population, and yet receive virtually no bilingual assistance. At one polling place, a staff member of the California Rural Legal Assistance was told by an election official who had Spanish-speaking skills that she was instructed by the county clerk not to speak Spanish because it was against the law to do so.

In Niland, an election official insisted that "the Spanish people who do not speak English should not have a right to vote at an election." She added, "If the Spanish people do not speak English, they should be kicked back into Mexico and not be allowed to come back."

In one case, in the town of Arvin, a Spanish-speaking woman was refused an opportunity to register on grounds that she could not speak English.

In another community, San Ysidro, a Spanish-speaking voter asked for assistance in operating the voting machine. Since none of the Anglo election officials spoke Spanish, she obtained help from another Mexican American voter. The woman who assisted her asked the officials why they had failed to provide bilingual officials. The response was that "this is America, and if the woman wanted to vote, she should know how to speak English."

The intentional failure to provide bilingual assistance has serious repercussions in voter turnout among Mexican Americans and other Spanish-speaking citizens. It creates a negative and hostile setting—one of embarrassment and discouragement for Spanish-speaking voters. But why should they suffer embarrassment and harassment because they speak only Spanish or very little English? Why should these voters be turned away because Anglo officials are unable to speak Spanish, have difficulty in finding Spanish surnames, and resent helping voters in another language? Why is it that in El Centro, where Mexican Americans make up 40 percent of the population, a Spanish-speaking woman voting for the first time in her life must experience chagrin because no one could explain to her in Spanish how to operate the voting machine?

At one polling place in Calexico, Anglo officials denied several Spanish-speaking persons an opportunity to vote, supposedly because their names did not appear on the list. One turned-away voter related that on his way home, a friend stopped him and asked if he had voted. When the man explained what had happened, his friend, who was bilingual, accompanied him back to the polling facility and insisted that the individual's name was listed. The election officials finally relented and allowed the person to vote.

The California Rural Legal Assistance reports that many Spanish-speaking voters will not risk going to the polls unless accompanied by friends. The reason is that they believe there is less likelihood of being embarrassed or harassed.

Other complaints focus on the lack of adequate voting facilities and changes in polling places without proper notice. In Shafter, Chicanos complained that they had received voting packets from the county instructing them to vote at a nonexistent location. They were never informed of the correct address.

Other Chicanos had received voting packets that informed them to vote at a certain school where they had usually voted in the past. However, when they attempted to vote at the school, they were unable to locate the polling facility and saw no signs indicating a change to another location on the school grounds. Even after an intensive search, they were unsuccessful in finding the location.

In Delano, Mexican Americans encountered a number of serious voting obstacles during a recent school board election. The first problem involved a voting facility in the west side of town where half of the population, mostly Mexican American, resided. At this location, Chicano voters experienced long lines involving usually an hour wait. Although the facility contained eight voting booths, only one was being used at a time apparently because of the inability of the Anglo election officials to quickly process the Spanish surnames and communicate in Spanish. A staff member of the California Rural Legal Assistance witnessed instances in which several voters decided not to wait and left.

Another incident involved threats made by Anglo election officials to deny a Mexican American woman an opportunity to vote, unless she removed her Farm Workers Union button. She refused and insisted on her right to vote, and was finally permitted to do so.

Aggravating these problems has been the absence of bilingual assistance, despite passage of a 1973 law mandating bilingual registration efforts. The law requires county clerks and registrars to take steps to recruit bilingual registration officials in precincts where 3 percent or more of the voting age residents lack sufficient skill in English to vote without assistance. In addition, an earlier law, effective in 1971, required the posting of a facsimile copy of the ballot in Spanish at the polling place.

Both provisions have not been carried out effectively. A special Library of Congress report on "Bilingual Voting Assistance in the Southwest"—dated February 21, 1975—points out that a Secretary of State official admitted the office had little power to "administer" the State's election process. This means that the administration and enforcement of the election laws, including bilingual assistance, are left to each county's discretion.

A 1974 study by the California Secretary of State found that, on the basis of a poll of all 58 counties—

> The vast majority of County Clerks and/or Registrars of Voters in this state have not responded to the mandate of section 1611 [bilingual registration assistance] and have made little progress in assisting voters who have difficulty in voting in English.

"Most disturbing of all," the report stressed, "was the lack of response to the questionnaire from counties with statistically large numbers of Spanish-speaking and other non-English-speaking ethnic groups." It cited 15 counties with over 10 percent Spanish language populations failing to respond including Imperial, 46 percent; San Benito, 45 percent; Tulare, 26 percent; Fresno, 25 percent; Merced, 23 percent; Monterey, 21 percent; Ventura, 20 percent; San Joaquin, 18 percent; Santa Clara, 18 percent; Kern, 17 percent; Riverside, 17 percent; Santa Barbara, 17 percent; Yolo, 17 percent; Almeda, 16 percent; and San Luis Obispo, 11 percent.

Other counties with 10 percent or more Spanish language responded but failed to find precinct areas needing bilingual assistance although some like Kings, 25 percent, and San Bernardino, 16 percent, have substantial Spanish-speaking populations.

Some of the worst practices affecting Chicano populations have been statewide gerrymandering schemes. These practices have provoked protests from the Mexican-American communities as abridging their right to vote and receive fair representation. In its 1971 plan the State legislature failed to form Mexican-American districts in areas where community patterns lent themselves naturally to that formation. In the Los Angeles area, for instance, there are a number of contiguous Chicano communities, including unincorporated east Los Angeles, where gerrymandering has diluted their vote and level of representation. The combined Chicano population for these adjacent communities has been estimated at 870,000.

The 1971 plan attempted to divide this Mexican American enclave into:

Eight assembly seats with no district having more than 25 percent Chicano registration;

Four Senate seats with three under 18 percent Chicano registration and one with 26 percent; and

Six congressional seats with only one showing as high as a 21-percent Chicano registration.

The 1971 plan mirrored, to a great extent, earlier reapportionment schemes in undermining political representation for Mexican Americans. The 1965 plan splintered the Chicano communities in the Los Angeles area into 10 State assembly seats and five State Senate districts—not one having more than 30 percent Chicano registration. The 1967 plan divided the communities into six congressional seats with only one as high as 23 percent Chicano registration and the other five less than 20 percent.

In their analysis of California's gerrymandering practices, both the California Rural Legal Assistance and the Mexican American Legal and Educational Defense Fund concluded that—

> The architects of the reapportionment were careful to keep the Chicano population in any district small enough so that no incumbent need fear a challenge from a Chicano.

In 1973, the State supreme court stepped into the reapportionment issue after the legislature and the Governor failed to reach agreement. As a result, the court ordered the implementation of its own plan. On first glance the court plan appears to provide additional opportunities for Mexican Americans to increase their level of representation. However, this change of events will not occur unless the prevailing pattern of voting and registration abuse which I have discussed today is eradicated.

Another problem area that must be covered is the lack of representation on school boards elected at-large. This is true not only of rural areas, as I have already mentioned, but of urban communities as well. For example, in Los Angeles County, Mexican Americans continue to be underrepresented on these educational boards.

According to 1975 school data being compiled by the Mexican American Legal and Educational Defense Fund, there are some 2 dozen school districts in Los Angeles County which have failed to provide adequate Chicano representation. A half a dozen districts have between 25 and 35 percent Mexican American enrollment but no Chicano representation on their boards. Four others have over 50 percent Mexican American enrollment but only one Chicano representative on what are usually five-member boards. There are a dozen or so districts which have between 10 and 20 percent Mexican American enrollment but, again, lack Chicano representation.

While I have focused on the California experience, there is little doubt that extensive evidence also exists for the State of Texas. Testimony before the Judiciary Committee documents voting abuses such as widespread gerrymandering, systematic use of at-large election dis-

tricts, inaccessible polling places and use of numbered paper ballots requiring voter signature. Other abuses involve annexation of only Anglo areas but not contiguous Chicano neighborhoods, redistricting, and shifts from single-member to at-large elections.

The impact of these practices can be measured by their effect on political representation. In Texas, Mexican Americans comprise over 18 percent of the total population and over 16 percent of the voting age, but only hold 2.5 percent of the elected offices.

Similarly, in Colorado, Mexican Americans constitute 13 percent of the total population and over 10 percent of the voting age, but less than 2 percent of the elected officials. Despite the fact that nine counties in Arizona are presently covered under the act, Mexican Americans still represent only 4.4 percent of the elected officials, even though they comprise 18 percent of the total population and 15 percent of the voting age.

New York and Florida also show disparities in Latino representation. In New York, for instance Puerto Ricans hold less than one-tenth of 1 percent of the elected offices although they make up over 5 percent of the voting age.

Mrs. BURKE of California. Mr. Chairman, I rise in support of H.R. 6219 to extend the Voting Rights Act of 1965 for an additional 10 years, and to extend coverage to Spanish-speaking and other language minorities. The Voting Rights Act has been extremely effective in bringing blacks into the political process, and needs now to be extended and expanded to include language minorities.

The Voter Registration Act does work. In 1964, just prior to passage of the act, only 94 blacks were in State legislatures. Today 270 blacks are members of State legislatures. In March 1965, 73.4 percent of the eligible white population of seven Southern States were registered to vote. Only 29.3 percent of the black population was registered. The "gap" was 44.1 percent. Current estimates have sharply reduced that gap to 11.2 percent; 56.6 percent of the black population is now registered in these States.

The number of black elected officials is another clear indication of the success of the Voting Rights Act. The number of black elected officials in all levels of government stood at 1,469 in 1970. Today that number is 3,200. The Voting Rights Act has clearly had a positive effect on the participation level of black citizens in their government, but much remains to be done. As heartening as the doubling in number of black officials is, the fact remains that less than 1 percent of the elected offices in this country are filled by blacks. There is a definite need to extend the act for 10 years.

The January 1975 Census Report indicates that 38 percent of the total population remains disenfranchised because of nonregistration. The percentages of blacks registered remains much lower than that of whites. The registration percentages for Americans of Spanish origin are 29 percentage points below that of the white population. Clearly the Voting Rights Act must be extended and expanded to include language minorities.

The census report provides several reasons for minority nonregistration. Inconvenient hours of and locations for registration eliminated an estimated 1.4 million citizens. Two million indicated lack of knowledge about how or where to register. Transportation problems and physical disabilities kept an additional 2.1 million off of the rolls. Recent moves or an inability to meet residency requirements resulted in 6.7 million disenfranchised Americans; 12,200,000 potential voters were unable to exercise their rights as citizens at the ballot box.

Registration has clearly made a great difference for minorities. All major increases in the number of minority office holders seem to follow voter registration drives which have increased minority presence on voting lists. There remains, however, much to do. In testimony before the House Committee on Appropriations in March 1975, Department of Justice officials noted that 407 requests for FBI investigations were pending in cases where voting laws were changed by the States without first being submitted to Washington as the law requires. 317 letters are pending, having been addressed to State attorneys general regarding State enactments found to be unsubmitted as mandated by the law. These examples are not from the 1950's or 1960's. They are pending cases from the period 1971–74. Much progress has been made. More progress is clearly necessary.

California is not covered by the Voting Rights Act. Poignant proof of this can be found by studying the city of Los Angeles. Only Mexico City has a larger Spanish-speaking population than Los Angeles. There are no Chicano members of the city council. There are no Chicano members of the board of supervisors. While there are a few State legislators, only one Chicano is on the school board. Clearly the Spanish-speaking people of the city of Los Angeles are not represented within the city government in a manner consistent with their presence in the population.

Los Angeles apparently does not meet the basic requirements for coverage by the bill—I feel that the city should be covered—but the point is that the high Spanish-speaking percentage of the population contrasted with the almost complete absence of Chicano elected officials in the government points directly to lack of registration and gerrymandered district boundary lines as the cause of Chicano underrepresentation.

I ask that you support passage of H.R. 6219 without any of the weakening amendments such as those submitted by Congressman M. CALDWELL BUTLER and Congressman CHARLES WIGGINS. The Butler amendment would create a vague, weak, and amorphous set of standards for removing a jurisdiction from the special provisions of the act. The existing provisions have worked well and should be left intact. The Wiggins substitute would weaken the protection the act affords against gerrymandering to deny representation. By stressing voting statistics as evidence of conformity with the law, the Wiggins substitute would allow local jurisdictions to gerrymander along racial lines and effectively frustrate the intentions of the act. We cannot afford to take backward steps with the people's right to vote.

The Voting Rights Act of 1965 has resulted in significant gains in the level of minority voter registration. There are more black officials holding elective office than before. The huge gulf between white and black registration percentages has been reduced. More than ever before, Americans who have been denied their right to vote on the basis of the color of their skin are taking an active role in the running of their governments at local, State, and Federal levels. But as the testimony if the Department of Justice officials just over 2 months ago so clearly and starkly reveals, the protection of the Voting Rights Act must be extended. I ask your support to pass H.R. 6219 free of amendments designed to weaken the active role this act has had in the struggle of all Americans to participate in their government.

Mrs. MINK. Mr. Chairman, as a strong supporter of the right of each citizen to participate fully in the democratic process, I rise today in support of the extension of the Voting Rights Act.

The idea of protecting and encouraging the rights of an ethnic minority to exercise its franchise was first developed in the midst of the tumultuous 1960's when the Federal Government intervened on behalf of black Americans. That protection has been extended under this committee bill to members of other ethnic groups including those of Spanish heritage, Asian Americans, Alaskan Natives, and American Indians. Under the rubric "Asian Americans" the following four subgroups are expected to be covered: Japanese, Chinese, Filipino, and Korean. Members of these subgroups residing in the State of Hawaii, including the city and county of Honolulu, will potentially be affected by the committee's bill.

I question the need to cover all of the above subgroups in Hawaii. But I am hopeful that floor debate and the colloquy will clear up some of the questions I have raised. The city and county of Honolulu has been "triggered" since the inception of the Voting Rights Act of 1965 because less than 50 percent of the voting age population voted. This year's bill shows that the city and county of Honolulu will continue to be covered by title II because again under the data used 47.9 percent of its voting age population voted in the Presidential elections of 1972.

Most of the citizens of the State of Hawaii are fluent in English, both as a spoken and as a written language. As a result, English-only elections have been regarded sufficient to meet the needs of the people. This committee bill calls for a bilingual ballot under certain conditions. We need to meet the specific needs of the minority subgroups as applicable in the State of Hawaii. Most of the citizens of the four minority subgroups speak English. However since the 1965 amendments to the Immigration Act, a large number of immigrants of Filipino and Korean ancestry in particular have come to Hawaii, many of whom are now new citizens entitled to vote, but who do not. Because of their relative short stay in the country, obviously their ability to

read, write, and comprehend English is not as good as those who have been here for many years.

I support coverage of these persons who could benefit by a program of bilingual education regarding voting. As for a discussion of all campaign issues in these languages to meet their needs so that we do not have just a new voting bloc but an informed one is another matter entirely. I certainly support the need to do all we can to encourage the extension of the franchise to all citizens so they can discharge their full duty as American citizens. "Equal access to the ballot" to all of our citizens is important, but providing full participation in the democratic process is a far greater challenge.

The committee states through legislative colloquy that a political subdivision may bail out specific minority subgroups covered under title II and that they intend to explicitly direct the Director of the Bureau of the Census to determine illiteracy rates for voting age citizen population by minority subgroups. This information is essential to determine whether a particular subgroup should be covered, if at all, under title III.

The committee's data indicates that the city and county of Honolulu will again fall under the requirements of title II, because less than 50 percent of its voting age population as determined by the act voted in the 1972 Presidential elections.

While the city and county of Honolulu did not under the 1965 act "suffer" any consequences; that is, no Federal registrars were sent in to monitor our elections, because it was assumed we could bail out as we had no "test or device" which discriminated against eligible voters. However, this year's new bill contains an expanded definition of having a test or device under which it will be difficult to bail out the city and county of Honolulu. It says that a test or device could be found where English-only elections were held in a political jurisdiction where 5 percent or more of the citizen population is a single language minority and where less than 50 percent of the voting age population voted.

I have serious misgivings about the wisdom or propriety of a bill which automatically invokes Federal intervention in an area such as the city and county of Honolulu, with no pervasive history of discrimination either in procedure or at the polls and with no chance to bail out of this coverage. The "trigger" is arbitrary and bears no relation to the facts as they exist in Honolulu.

The city and county of Honolulu has had English-only elections for years and is a political subdivision where more than 5 percent of its citizen population is Asian American or, according to the committee, a "language minority." The first fallacy in completely accepting a bill such as that reported by the committee is to subscribe to the term that Asian American is a language minority. There is no such language as "Asian American" or even "Asian." There are many languages which can be considered as being Asian or Asiatic in origin—but bear in mind that "Asian" does not describe one single language. The second fallacy is to subscribe to the premise that an English-only election can be and is, in and of itself, discriminatory simple when 5 percent or more of the people in the stated political jurisdiction is of a single language minority, to wit, in this case Asian American. What if this language minority, as in the State of Hawaii, is perfectly fluent in English as its first, primary, and only language? Then is it not perfectly logical to have an English-only election? Why should a 5-percent ethnic Asian minority trigger title II coverage in such an instance? Should not the minority's ability to read an English language ballot be the test?

Further, under title II, I question the basis upon which the percentage, 47.9 percent, was determined for the city and county of Honolulu. The voting age population used includes aliens, military persons and military dependents. From this base, Census determined that only 47.9 percent of the voting age voted in the 1972 election in Honolulu.

Note that if the determination for voter participation was on the statewide basis, even including aliens and military, the rate would have been 50.9 percent. Why is this percentage not used in terms of determining overall coverage for Hawaii? In addition, for Honolulu with the military and immigrant population concentrations, it is completely misleading to add aliens and the military and military dependent population to the voting age population. These persons are not eligible to vote. Use of such figures inflates the base to the detriment of our actual voter participation counting only eligible voters. Hawaii has the highest, 7.8 percent, rate of aliens of any other State in the Union and one of the highest numbers of military residents.

Most of these two categories of people live in the city of Honolulu. Omitting the military population including their dependents over the age of 18, a group which totaled 73,000 in 1972, could raise the voter participation rate in Honolulu significantly. Also Census says there were 37,677 aliens of voting age in Hawaii in 1970. If that number as well as the military population had been excluded from the voting age population of the city and county of Honolulu, the rate of voter participation for the city and county would have been 65 percent, and Honolulu obviously would not be covered under title II at all.

The entire State of Hawaii will, however, be covered under title III. It may therefore be "moot" to try to "untrigger" the city and county of Honolulu from title II. But I believe that each title should stand on its own basis.

The city and county of Honolulu has been covered under the Voting Rights Act ever since its inception in 1965. However, there has been no Federal intervention despite its inclusion because the criteria could not be met for such intervention. It seems grossly unfair that what "triggers" the city of Honolulu now is an arbitrary formula not relevant to facts of our community. The effect of this will be to impose a great burden on the city and county to go to court to try to free itself of this stigma of discrimination. This I believe is unfair.

I support the elimination of barriers which prevent citizens of racial minority groups of having a meaningful access to the polls. To help all of these individuals we need greater funds for bilingual education in all age groups and I hope that this august committee will consider support of my bill H.R. 2522 which would help areas like Honolulu with a large alien, non-English-speaking population. To merely require a bilingual ballot is not enough. A strong, bilingual, public information, issues orientation, public awareness program is needed so that voting will be a total meaningful experience.

Mr. LAGOMARSINO. Mr. Chairman, the Voting Rights Act of 1965 was a landmark piece of legislation, serving an important purpose at a unique juncture in our history. The long struggle by black people to gain freer access to the political process was aided significantly by Congress when it adopted this measure 10 years ago. The ingrained and systematic exclusion from the polls which blacks had experienced for so long, has been broken down with commendable speed and minimum disruption of constitutional procedures. And the job is not yet ended. The guarantees in the original act remain vital today and should be preserved for the future.

It is for precisely these reasons, Mr. Chairman, that the bill now before us is such a disappointment. This bill, despite its title, is not a simple extension of the original Voting Rights Act, nor of its successor enacted in 1970. In reality, this bill proposes an alarming extension of Federal controls into an area historically and constitutionally reserved to the States, with no corresponding requirement to prove that such a drastic step is necessary.

The assumption in this bill is that you automatically have a case of racial discrimination in any county with a significant minority population, whenever 50 percent of all the voters fail to turn out in an election. As we all know, voter turnout in the 1974 Federal elections was less than 40 percent nationwide. Under the assumption implicit in this bill you would have to convict the entire Nation simply because of apathy.

The sheer practical problems involved in complying with the minority language provisions of the bill are enormous, so enormous, in fact, that both counties in my district oppose the bill. Asian American, Indians, and Alaskans, to cite three of those covered, speak many languages, some of which are not even written. The requirement to administer elections in each language would be impossible to fulfill. And if they could be complied with, who would bear the cost? There is no money provided in this bill, yet election officials in my district estimate costs of up to $20,000 a year in one county alone. To quote a leading newspaper in my district:

> This is fairly typical of the way Federal laws often work: the legislation is approved in Washington . . . and then it's up to Ventura County to find the money to finance whatever the legislators require.

Mr. Chairman, this is not a hopeless situation. We have a basically good law on the books now. Let us repair whatever defects it has and extend it. The best way to have done was to have adopted this, the substitute proposed by Mr.

WIGGINS. All areas should be subject to remedy wherever voting rights are denied, and that is what the Wiggins substitute would do. It would provide for coverage of Spanish-speaking minorities. All areas, likewise, should be released from Federal intervention when rights are restored, as the substitute provides. H.R. 6219 provides no incentive for either of these cases; it simply proposes Federal control of elections, in an arbitrarily selected manner.

Mr. Chairman, the medicine has worked well. Let us not bring in another doctor.

Mr. RANGEL. Mr. Chairman,, I rise today to enthusiastically support H.R. 6219, the Voting Rights Act amendments, as reported out of the Judiciary Committee. As I said when I testified before the Subcommittee on Civil and Constitutional Rights in February, the members of the committee are to be commended for scheduling hearings on this significant piece of legislation soon after the 94th Congress began. In so doing, they insured that the full House would have enough time to act on this issue and thus continue to protect the vital civil liberties of all Americans.

The question which is before us today is whether the act should be extended in order to permit continued increases in registration and voting by the Nation's minority citizens. At a time when cynicism pervades our minority communities throughout the Nation, relative to participating in the political process, we would be remiss in our duties as legislators if we failed to responsibly deal with this issue. In order to restore confidence in our citizenry and to insure maximum participation in the election process, it is imperative that this act be extended.

What type of extension should be supported? I subscribe to the position taken by the many supporters of the proposed 10-year extension. Ten years from now sounds like a long time. I do not think it is a long period when it is viewed in the light of the voting right abuses that were allowed to grow up in the nearly 100 years that elapsed between the ratification of the 15th amendment of the Constitution in 1870 and the enactment of the Voting Rights Act in 1965.

It is true that over 1 million new black voters have been registered in the seven covered Southern States between 1964 and 1972, which has increased the percentage of eligible blacks registered from about 29 percent to over 56 percent. With this increase in black voter participation there has been a significant rise in the numbers of black candidates elected to office. There are those who say that these facts indicate that the law is no longer needed since progress is clearly being made. Thus they will be offering amendments today to dilute the effectiveness of the act. What these amendments seek to do is change the so-called trigger mechanism, to make it easier for jurisdictions to bailout from under the act.

I believe that all amendments which would weaken this important act should be defeated so that all vistiges of overt and direct disenfranchisement will be put to rest once and for all. Even a cursory glance at these figures indicates that the law still is extremely necessary to close the gap that presently separates the number of blacks in the voting population from the number of black elected officials. When the vote on final passage comes today, Americans will be watching to see what response we give to the cries of those who have not been allowed to participate fully in the political process. Let us not fail to meet this very important challenge.

Mrs. HOLT. I am not happy about voting against anything described as an extension of the Voting Rights Act, but H.R. 6219 is another example of legislation having a splendid title to cover a snakepit of dangerous language.

This legislation is an unfair and punitive weapon against several States, endorses voting by illiterates, and provides for extreme Federal intervention in State election processes.

The Voting Rights Act of 1965 required approval by the U.S. Attorney General of any changes in the voting laws or rules of States which had a literacy test and less than a 50-percent voter turnout in the 1964 Presidential election. Literacy tests were suspended.

This placed the elections of several States under Federal jurisdiction for the past 10 years, and they have eliminated discrimination against minorities in their election laws and practices.

But this 1975 act would continue Federal jurisdiction in those States for another 10 years, regardless of minority voter participation since 1965. This legislation provides no mechanism for a State to prove its innocence to recover control of its own election processes. It continues to punish States for practices in effect more than a decade ago.

Another bad feature of this bill extends coverage to language minorities, requiring States and localities to provide ballots and other election materials in the language of such a minority group.

The State of Alaska would be forced to provide ballots and voting information in 20 or more different native dialects. The situation in Hawaii could also become chaotic.

Mr. RANGEL. Mr. Chairman, I rise today to enthusiastically support H.R. 6219, the Voting Rights Act amendments, as reported out the Judiciary Committee. As I said when I testified before the Subcommittee on Civil and Constitutional Rights in February, the members of the committee are to be commended for scheduling hearings on this significant piece of legislation soon after the 94th Congress began. In so doing, they insured that the full House would have enough time to act on this issue and thus continue to protect the vital civil liberties of all Americans.

The question which is before us today is whether the act should be extended in order to permit continued increases in registration and voting by the Nation's minority citizens. At a time when cynicism pervades our minority communities throughout the Nation, relative to participating in the political process, we would be remiss in our duties as legislators if we failed to responsibly deal with this issue. In order to restore confidence in our citizenry and to insure maximum participation in the election process, it is imperative that this act be extended.

What type of extension should be supported? I subscribe to the position taken by the many supporters of the proposed 10-year extension. Ten years from now sounds like a long time. I do not think it is a long period when it is viewed in the light of the voting right abuses that were allowed to grow up in the nearly 100 years that elapsed between the ratification of the 15th amendment of the Constitution in 1870 and the enactment of the Voting Rights Act in 1965.

It is true that over 1 million new black voters have been registered in the seven covered Southern States between 1964 and 1972, which has increased the percentage of eligible blacks registered from about 29 percent to over 56 percent. With this increase in black voter participation there has been a significant rise in the number of black candidates elected to office. There are those who say that these facts indicate that the law is no longer needed since progress is clearly being made. Thus they will be offering amendments today and tomorrow to dilute the effectiveness of the act. What these amendments seek to do is change the so-called trigger mechanism, to make it easier for jurisdictions to bail out from under the act.

I believe that all amendments which would weaken this important act should be defeated so that all vestiges of overt and direct disenfranchisement will be put to rest once and for all. Even a cursory glance at these figures indicates that the law still is extremely necessary to close the gap that presently separates the number of blacks in the voting population from the number of black elected officials.

Numerous studies have been made regarding the progress which has been made under the act. The Civil Rights Commission has pointed out that there continues to be abuses of the right to vote in those jurisdictions presently covered under the act. Although I recognize that advances have been made in increasing the numbers of black elected officials, these officials do not occupy positions which involve broad policymaking for the jurisdiction or constituency represented. The best example of this is the State of Mississippi, where blacks represent 37 percent of the population, while electing only one black member of the State legislature. In order to insure that more blacks and other minorities are elected to policymaking positions, this act must be extended.

When the vote on final passage comes tomorrow, Americans will be watching to see what response we give to the cries of those who have not been allowed to participate fully in the political process. Let us not fail to meet this very important challenge.

The president of the National Bar Association, representing the Nation's black lawyers, wrote to me in my capacity as chairman of the Congressional Black Caucus, to express that organization's strong support for extension of the Voting Rights Act. The letter so eloquently expresses the sound legal and moral reasons for extending the act that I insert it in its entirety at this point in the RECORD for the benefit of my colleagues.

MAY 23, 1975.

HON. CHARLES B. RANGEL,
Chairman, Congressional Black Caucus, Cannon House Office Building Annex, Washington, D.C.

DEAR MR. CHAIRMAN: The National Bar Association supports extension and expansion of the Voting Rights Act of 1965 (as amended) as proposed in HR 6219, the bill reported to the House of Representatives by the Judiciary Committee. As the principal organization representing the nation's black legal community, including more than 8,500 judges, lawyers, and law students, the National Bar Association believes it is a national imperative that the voting rights of American minorities continue to be protected by: (1) extension of the Voting Rights Act of 1965 for ten additional years; (2) making permanent the nationwide ban on the use of literacy tests or devices; and (3) expanding the present coverage of the Act to protect the voting rights of "language minorities" as defined in HR 6219.

The National Bar Association believes that sufficient and persuasive documentation of the continued need for the Act, and the proposed expansion to protect Asian Americans, Alaskan Natives, American Indians and persons of Spanish heritage, has been presented before both the House and Senate Subcommittees hearing testimony on the extension of the Act. *The Voting Rights Act: Ten Years Later*, a report of the Civil Rights Commission, accurately documents continued abuses of the right to vote in presently covered jurisdictions. Although many point to the increase in minority registration and the election of a substantial number of black elected officials in the six southern states as evidence of the Act's success, we believe that much of the purported success is more apparent than real. For example, even a cursory examination of the offices held by many of the southern black elected officials reveals that they hold positions which do not involve broad policy making for the jurisdiction or constituency represented. The clearest example of this is Mississippi—where a 37 percent black, statewide population has successfully elected an impressive number of local officials, while there is only one (1) black member in the entire Mississippi legislature. Another probable indication of the need for the Voting Rights Act is the constant rate of objections entered by the Attorney General to Section 5 submissions.

Additionally, the unwillingness of covered states and jurisdictions to submit to election law changes and comply with the Act's provisions, while complaining of the Act's burdensome intrusion on State prerogatives, provides further evidence for extending the present law. As you know, Justice Department figures indicate the failure of Louisiana, Mississippi, Georgia and Alabama to submit election law changes for preclearance as required by Section 5 of the Act.[1]

The Association also supports extension of the Act to protect the voting rights of other minority groups who suffer similar inhibitions in their effort to register, cast an effective ballot, and successfully pursue public office. Although language differences and lack of full facility with English unquestionably imposes a 'test or device' in places where English only elections are held, the language barrier *is not* the only problem faced by national origin and "language minority" voters candidates. Many of the tools, e.g., annexation, discriminatory districting, at-large elections, multi-member districts, numbered posts, etc., successfully used against blacks in the covered jurisdictions are also employed against other minority groups and minority group coalitions, particularly in Texas.[2]

The proposal to make the temporary ban on literacy tests and other devices permanent is both timely and, in our view, constitutional. The Subcommittee on Civil Rights and Constitutional Rights and the House Judiciary Committee rests its proposal for a permanent ban on the reasons enunciated in *Oregon* v. *Mitchell*, 400 U.S. 112 (1970), supporting Congress' ability, based on the 14th and 15th Amendments, to make the temporary ban permanent. We agree. Further, based on the U.S. Supreme Court decision in *Gaston County* v. *United States*, 395 U.S. 285 (1969), a nationwide permanent ban on literacy tests may be compelled by the failure of the States to provide equal educational opportunity to racial and national origin minority school children.[3] Because of the mobility of all persons, including those who were and are victimized by inferior education, a nationwide ban is appropriate to protect their right to vote wherever they live.

Finally, the National Bar Association wishes to take particular note of and place emphasis upon the proposed amendment which would allow for private suit under Section 3 and provides for attorneys fees and costs to successful plantiffs. This will assist the Department of Justice in enforcing the Act, facilitate the protection of the voting rights of persons in jurisdictions not now covered or proposed for coverage under H.R. 6219, and it will assist private litigants in vindicating their rights. This will be of particular benefit to poor black voters and candidates in the south and elsewhere who often cannot afford the cost of fulfilling their rights under the law.

Needless to say the National Bar Association opposes any weakening amendments which would unnecessarily expand geographic coverage of the Act or weaken public or private enforcement of the Voting Rights Act, particularly amendments aimed at Section 5.

Sincerely,

CHARLES P. HOWARD,
President.

Mr. MOORE. Mr. Chairman, I rise in support of the unencumbered right of all Americans to vote, wherever they might live in the United States. That is precisely why I cannot support this bill as it has been reported from committee.

The committee bill continues the highly discriminatory and punitive treatment of seven southern States. These provisions were put in the law fully 10 years ago. Things were different back in 1965, and this bill fails to recognize the progress my State of Louisiana and her sister States in the South have made in the last decade.

The times have changed. There is today no discrimination in Louisiana against blacks, or anyone else for that matter. To the contrary, minority groups can and do register and vote in large numbers. Yet nothing has been done under this bill to modernize the act, and it is virtually impossible for my State to earn its way out from under its restrictions.

In my humble opinion, it is unconstitutional for the Federal Government to step in and legislate "preclearance" by the U.S. Attorney General or the U.S. courts every time a State wants to change its voting laws and procedures—especially in the absence that the State has been practicing discrimination. Even assuming for the moment that such interference with State election laws is legal, the emphasis should be in rooting out present discrimination wherever it may be found, not in dredging up ancient history.

For this reason, I support the substitute which will be offered by the gentleman from California (Mr. WIGGINS) to provide equal treatment for all jurisdictions based on minority voter participation in the most recent Federal election. If a jurisdiction becomes covered by the act through insufficient minority turnout, the substitute would make it possible to regain control of its own electoral process through improved performance the next time around. This substitute gives every citizen equal protection of the laws in every State of the Union.

If the Wiggins substitute is not accepted, I could still support passage of H.R. 6219, provided that it incorporate the Butler amendment. Although not as comprehensive as the substitute, this amendment would institute strict, but achievable, standards for getting out from under the act. A covered jurisdiction would only be exempted if it had 60-percent minority voter turnout in the latest Presidential election, if it is implementing an affirmative action program to revamp its voting laws, and if it has been free of violations for the preceeding 5 years. These are stiff standards and those jurisdictions which meet them will be far ahead of the rest of the country in minority voter participation.

Mr. Chairman, if either one of these amendments are adopted, the Voting Rights Act will be sufficiently improved to merit my support, If not, I will be left with a choice between a bad bill or no bill at all. In that case I will vote to defeat the bill in the hope that the committee will bring back more equitable language before the current law expires in August. But make no mistake, I can not tolerate any illegal or onerous encumbrances of any citizens right to register, vote, and even run for office regardless of race, color, creed, education, occupation, or place of habitation.

The CHAIRMAN. Are there further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes, pursuant to House Resolution 469, he reported the bill back to the

[1] Assistant Attorney General J. Stanley Pottinger indicated in his March 5, 1975 testimony before the House that Alabama(161), Georgia(158) Louisiana(149), and eight other states have failed to submit laws passed by the legislature subject to Section 5 preclearance.

[2] "Survey of Preliminary Research on Problems of Participation of Spanish Speaking Voters in the Electoral Process", U.S. Commission on Civil Rights Staff Memorandum (April 23, 1975).

[3] Brown v. Board of Education of Topeka 347 U.S. 483 (1954) Brown I; Brown v. Board of Education 349 U.S. 294 (1954) Brown II; Keyes v. School District No. 1 413 U.S. 189, Lau v. Nichols, 414 U.S. 563 (1974); Natonabah v. Board of Education, 355 F. Supp. 716 (D.N. Mex. 1973).

House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. M'CLORY

Mr. McCLORY. Mr. Speaker, I offer a motion to recommit with instructions.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. McCLORY. I am opposed to the bill in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. McCLORY moves to recommit the bill H.R. 6219 to the Committee on the Judiciary with instructions to report back the bill forthwith with an amendment as follows: Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Voting Rights Act Amendment of 1975".

SEC. 2. Section 4(a) of the Voting Rights Act of 1965 (79 Stat. 438; 42 U.S.C. 1973b(a)), as amended by the Voting Rights Act Amendments of 1970 (84 Stat. 315), is further amended by striking the words "ten years" wherever they appear in the first and third paragraphs and by substituting the words "seventeen years".

SEC. 3. Section 201(a) of the Voting Rights Act of 1965 (42 U.S.C. 1972aa(a)), as added by the Voting Rights Act Amendments of 1970 (84 Stat. 315), is amended by striking "August 6, 1975" and substituting "August 6, 1982", and by striking out "as to which the provisions of section 4(a) of this Act are not in effect by reason of determinations made under section 4(b) of this Act." and inserting in lieu thereof a period.

Mr. McCLORY (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion to recommit be dispensed with, that it be printed in the record, and I will explain the motion to recommit.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCLORY. Mr. Speaker, this motion to recommit would provide for the extension of the existing Voting Rights Act for a period of 7 years.

It seems to me that any and all who are in suport of the Voting Rights Act of 1965, and as extended in 1970, who are in support of voting rights for all Americans, can support this motion to recommit.

Let me indicate why I am making this motion at this time.

It is my feeling that the Voting Rights Act has been very salutary and has been very good. We have heard a number of Members who have spoken and who have referred back to the injustices in Selma, Ala., and other incidents, and who have accounted for their own presence here in the House of Representatives because of the Voting Rights Act. Indeed, the act has protected the voting rights of all Americans, giving them the opportunity to serve in public office, and allowing some to serve in the Congress of the United States.

The committee bill which we have before us takes on a whole new concept, an entirely new concept. It is not based on the subject of race or color; it is based on language minority groups.

As a matter of fact, the basis for including language minority groups is not factual but statistical, with no reference at all to the question of whether or not there is discrimination.

Under title II of the bill the trigger for invoking the Federal jurisdiction requires 5 percent or more of a language minority group, and less than 50 percent voter turnout in the State or in the political subdivision. This arbitrary formula would bring in 14 States, or parts of States.

Title III would add the additional factor that if you had less than the national average for literacy in the State, or in the political subdivision, and had 5 percent or more of a single language minority group, then you would have to provide ballots in the language of the minority group.

We heard here today in the colloquy discussing the subject of Asian Americans as a single language minority group that in the State of Hawaii, for instance, they would be required to provide not only ballots, but all of the voting information as well in as many as five different languages.

Let me suggest to the Members, since we are all thinking about the national economy, that the legislation also provides for taking of censuses every 2 years. It is estimated that these would cost at least $100 million each. That is the Federal Government's expense. In addition to that, as the gentleman from California (Mr. KREBS) brought out, this will impose an unconscionable burden upon every State and every locality that is subjected to this legislation, with the entire expense being cast on the area itself.

But more important is the fact that there was no substantial evidence in support of this legislation, nothing that compares with the evidence we had in 1965. We had virtually not a word about Asian Americans, virtually not a word about Alaskan Natives, virtually not a word about American Indians, and virtually not a word about Mexican Americans or those of Spanish heritage, except in the State of Texas. That is a very poor basis upon which to legislate.

Let me point out one further thing: I would like to read one quote from Theodore Roosevelt, because this legislation would perpetuate multilinguism in our country, which I think is bad.

Now, I am a linguist, as some of the Members know. I have studied abroad, studied other languages, and I believe that this should be promoted by us, but for us to promote and perpetuate multilinguism in our country I believe is completely contrary to the American system.

Theodore Roosevelt said:

We have room for but one language here, and that is the English language, for we intend to see that the crucible turns our people out as Americans, and not as dwellers in a polyglot boarding house.

We should provide for language training if there is language deficiency in certain areas of our country. But with this kind of legislation these persons are never going to learn our language.

Furthermore, let me just say this, that we have in all of the States of the union provisions for assistance to voters so that if there is a language deficiency we can assist any voter to see that he has the full opportunity to vote.

This motion to recommit is entirely consistent with voting rights for all Americans, and I urge the Members' support of it so we can get rid of these unconscionable, mischievious parts of the bill that the committee has put in. I urge a favorable vote.

Mr. EDWARDS of California. Mr. Chairman, I urge a no vote on the motion to recommit. The motion to recommit would eliminate titles II, III, and IV from the bill. That is what we have been debating for the last 2 full days. We have a fine bill here. I urge the Members to support it. By all means, let us not vote to recommit.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. McCLORY. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

Mr. McCLORY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. Two hundred twenty-two Members are present, a quorum.

Mr. McCLORY. Mr. Speaker, I demand tellers.

Tellers were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BUTLER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 341, noes 70, answered "present" 2, not voting 20, as follows:

[Roll No. 263]

AYES—341

Abdnor	Badillo	Boggs
Abzug	Bafalis	Boland
Adams	Baldus	Bolling
Addabbo	Barrett	Bonker
Ambro	Baucus	Brademas
Anderson, Calif.	Beard, R.I.	Breaux
Anderson, Ill.	Bedell	Breckinridge
Andrews, N.C.	Bell	Brodhead
Andrews, N. Dak.	Bennett	Brooks
Annunzio	Bergland	Broomfield
Ashley	Biaggi	Brown, Calif.
Aspin	Biester	Brown, Mich.
AuCoin	Bingham	Brown, Ohio
	Blanchard	Broyhill
	Blouin	Buchanan

Burke, Calif.	Hicks	Pepper
Burke, Fla.	Hightower	Perkins
Burke, Mass.	Hillis	Peyser
Burlison, Mo.	Holland	Pickle
Burton, John	Holtzman	Pike
Burton, Phillip	Horton	Pressler
Byron	Howard	Preyer
Carney	Howe	Price
Carr	Hubbard	Pritchard
Carter	Hughes	Quie
Cederberg	Hungate	Randall
Chisholm	Hyde	Rangel
Clay	Jacobs	Rees
Cleveland	Jeffords	Regula
Cohen	Jenrette	Reuss
Collins, Ill.	Johnson, Calif.	Rhodes
Conable	Johnson, Colo.	Richmond
Conte	Johnson, Pa.	Riegle
Conyers	Jones, Ala.	Rinaldo
Corman	Jones, N.C.	Risenhoover
Cornell	Jones, Okla.	Rodino
Cotter	Jordan	Roe
Coughlin	Karth	Rogers
D'Amours	Kasten	Roncalio
Daniels, N.J.	Kastenmeier	Rooney
Danielson	Kazen	Rose
Davis	Kemp	Rosenthal
de la Garza	Keys	Roush
Delaney	Koch	Roybal
Dellums	Krebs	Ruppe
Dent	Krueger	Russo
Derrick	LaFalce	Ryan
Derwinski	Latta	St Germain
Diggs	Leggett	Santini
Dingell	Lehman	Sarasin
Dodd	Lent	Sarbanes
Downey	Levitas	Scheuer
Duncan, Oreg.	Litton	Schneebeli
Duncan, Tenn.	Lloyd, Calif.	Schroeder
du Pont	Lloyd, Tenn.	Schulze
Early	Long, La.	Sebelius
Eckhardt	Long, Md.	Seiberling
Edgar	McCloskey	Sharp
Edwards, Calif.	McCollister	Shipley
Eilberg	McCormack	Shriver
Emery	McDade	Simon
Erlenborn	McFall	Sisk
Esch	McHugh	Skubitz
Eshleman	McKay	Slack
Evans, Colo.	McKinney	Smith, Iowa
Evans, Ind.	Macdonald	Smith, Nebr
Evins, Tenn.	Madden	Snyder
Fascell	Madigan	Solarz
Fenwick	Maguire	Spellman
Findley	Mahon	Staggers
Fish	Mann	Stanton, J. William
Fisher	Martin	Stanton, James V.
Fithian	Matsunaga	Stark
Flood	Mazzoli	Steelman
Florio	Meeds	Steiger, Wis.
Flowers	Melcher	Stokes
Foley	Metcalfe	Stratton
Ford, Mich.	Meyner	Studds
Ford, Tenn.	Mezvinsky	Sullivan
Forsythe	Michel	Symington
Fountain	Mikva	Taylor, Mo.
Fraser	Milford	Taylor, N.C.
Frenzel	Miller, Calif.	Thompson
Frey	Miller, Ohio	Thone
Fulton	Mills	Thornton
Fuqua	Mineta	Traxler
Gaydos	Minish	Tsongas
Giaimo	Mink	Udall
Gibbons	Mitchell, Md.	Van Deerlin
Gilman	Mitchell, N.Y.	Vander Veen
Gradison	Moakley	Vanik
Grassley	Moorhead, Pa.	Vigorito
Green	Morgan	Walsh
Gude	Mosher	Waxman
Guyer	Moss	Weaver
Hagedorn	Mottl	Whalen
Hall	Murphy, Ill.	White
Hamilton	Murphy, N.Y.	Wilson, Bob
Hammer-schmidt	Murtha	Wilson, C. H.
Hanley	Myers, Ind.	Winn
Hannaford	Natcher	Wirth
Harkin	Neal	Wolff
Harrington	Nedzi	Wright
Harris	Nix	Wydler
Harsha	Nolan	Wylie
Hastings	Nowak	Yates
Hawkins	Oberstar	Yatron
Hayes, Ind.	Obey	Young, Alaska
Hays, Ohio	O'Brien	Young, Fla.
Hechler, W. Va.	O'Hara	Young, Ga.
Heckler, Mass.	O'Neill	Young, Tex.
Hefner	Ottinger	Zablocki
Heinz	Patten, N.J.	Zeferetti
Helstoski	Patterson, Calif.	
Henderson	Pattison, N.Y.	

NOES—70

Archer	Ashbrook	Beard, Tenn.
Armstrong	Bauman	Bevill
Bowen	Haley	Pettis
Brinkley	Hansen	Poage
Burgener	Hébert	Quillen
Burleson, Tex.	Hinshaw	Roberts
Butler	Holt	Robinson
Casey	Hutchinson	Rousselot
Chappell	Ichord	Runnels
Clancy	Jarman	Satterfield
Clawson, Del	Kelly	Shuster
Cochran	Ketchum	Sikes
Collins, Tex.	Kindness	Spence
Crane	Lagomarsino	Steed
Daniel, Dan	Landrum	Steiger, Ariz.
Daniel, R. W.	Lott	Stephens
Devine	Lujan	Symms
Dickinson	McDonald	Talcott
Downing	McEwen	Treen
Edwards, Ala.	Montgomery	Waggonner
English	Moore	Wampler
Flynt	Moorhead, Calif.	Whitehurst
Ginn	Nichols	Whitten
Goldwater		

ANSWERED "PRESENT"—2

Gonzalez McClory

NOT VOTING—20

Alexander	Mathis	Rostenkowski
Clausen, Don H.	Moffett	Stuckey
Conlan	Mollohan	Teague
Drinan	Myers, Pa.	Ullman
Goodling	Passman	Vander Jagt
Jones, Tenn.	Patman, Tex.	Wiggins
	Railsback	Wilson, Tex.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Patman for, with Mr. Mathis against.
Mr. Drinan for, with Mr. Teague against.
Mr. Jones of Tennessee for, with Mr. Passman against.

Until further notice:

Mr. Alexander with Mr. Moffett.
Mr. Rostenkowski with Mr. Stuckey.
Mr. Ullman with Mr. Charles Wilson of Texas.
Mr. Mollohan with Mr. Conlan.
Mr. Goodling with Mr. Wiggins.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just enacted.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. MOFFETT. Mr. Speaker, I would like the RECORD to show that I am in strong support of H.R. 6219, the Voting Rights Act Amendments of 1975. The extension and expansion of the original Voting Rights Act represented by this vote is, in my view, one of the most worthy pieces of legislation we have approved this session.

THE OIL AT ELK HILLS

The SPEAKER pro tempore (Mr. HECHLER of West Virginia). Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER), is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, an editorial in today's Washington Post makes an excellent case for the development of the naval petroleum reserve at Elk Hills, Calif. We in Massachusetts and New England are particularly hard hit by the high price of imported oil.

To reduce the impact of these high costs, I am actively seeking a domestic source of fuel to replace oil. To that end, the other 14 members of the Massachusetts delegation in the House of Representatives have joined me in working for State and Federal funding to explore the coal resources of the Narragansett Basin, which is largely in my 10th Congressional District.

But this coal research is a long range project in the movement for energy self sufficiency. More immediate relief for the energy problem would come from having Elk Hills fully developed. The revenue derived from the sale of the oil should be turned over to the Treasury Department because this oil is a national resource.

The planned development of these oil reserves as part of a comprehensive program will help ease our energy plight.

The Defense Production Act provides that the Armed Forces be given top priority over all American oil and production during any national emergency. This law eliminates the need for the Navy to continue to have a special oil reserve—an idea that came into being 60 years ago when the Navy was converting its ships from coal to oil.

I commend the Washington Post editorial to my colleagues and include it here in my remarks:

THE OIL AT ELK HILLS

To increase this country's oil production, one obvious and desirable step is to begin drawing on the naval petroleum reserve at Elk Hills, Calif. That will require legislation. The extreme hesitation and apprehension that Congress brings to this necessary decision reflects the burden of public suspicion that has weighted on every question about the naval reserves since the Teapot Dome scandal more than half a century ago. We still are paying a price for the corruption within the Harding administration. But the national need for the Elk Hills oil grows steadily, and there is no reason to continue to regard it as untouchable.

The main argument for keeping hands off the naval oil reserves is that, in time of war, the Navy might need them. In making up your mind on that point, you might want to recollect that the Elk Hills reserve was established in 1912. Since then the country has been in four wars, in none of which Elk Hills was used—or even usable, since it takes a couple of years to get a field of that size into full production. In any event, in wartime the needs of the armed forces come first in allocating the 8 million barrels of oil a day that this country currently produces. The naval reserve is a concept that had its origin in a time when oil was still a rather novel fuel in an economy that ran mainly on coal, and continental pipelines were unknown. The idea of these reserves is as obsolete, in terms of defense, as the battleship and the cavalry charge.

The oil from Elk Hills would hardly be the only production from federal land. The House Interior Committee estimates that, with full regard for the rules of conservation, Elk Hills could produce 300,000 barrels a day. That is a substantial volume, but 1.4 million barrels a day is currently being pro-

UMI

duced from the federal land that lies under the sea on the outer continental shelf.

The parliamentary situation in both houses of Congress is complicated by the overlap of jurisdiction between the Interior and Armed Services Committees. In the House, where the process is farthest along, the Armed Services Committee's bill is—as you might expect—much more inclined to treat the oil as the private property of the Navy. It is a cautious bill, setting a production limit of 200,000 barrels a day and earmarking sales revenue for exploring the Navy's Alaskan reserve, presumably a much larger one.

The House Interior Committee's bill sets no limit on production. It would sell the oil to the highest bidder, putting the oil on the open market and turning the money over to the Treasury on grounds that it belongs, not to the Navy, but to the nation. Because it cannot be produced quickly, the oil in the present reserve would be useless in an emergency. The Interior Committee would authorize the President to hold one-fourth of the Elk Hills production in strategic storage, available as a defense against future embargoes.

Americans are in a poor position to complain about other countries' cutbacks in oil exports, when we ourselves fail to produce from our known and readily assessible fields. To begin now to exploit Elk Hills sets no new precedent, but only follows the familiar rule of using public resources in the public interest. It is now time to get to work systematically to expand American oil production.

TIME FOR DEREGULATION OF NATURAL GAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, the natural gas situation in Ohio has reached the critical point. Shortages have already led to a substantial curtailment in supply for industrial users. Reductions, moreover, are expected to be even greater next fall.

Additional curtailments would have a devastating impact on Ohio's economy. Some companies would be forced to cut back production or close down altogether. Tens of thousands of workers could lose their jobs.

It is essential that the Congress move now to assure increased domestic supplies of natural gas. This can only be achieved by freeing prices from Government controls.

Since 1954 the Federal Power Commission has regulated the price of natural gas at the wellhead. Regulation has kept the price of natural gas at artificially low levels—well below that of other fossil fuels. The artificially low price has encouraged consumption while discouraging exploration.

During these two decades, many industries and households converted from coal to "cheap" natural gas. At the same time, the price lid caused a decline in gas exploration as producers could not generate sufficient capital from sales to pay for the exploration necessary to maintain adequate supplies.

As a result, between 1954 and 1970 exploratory drilling for natural gas dropped more than 50 percent. The finding rate also dropped dramatically. In the past we used to find more natural gas each year than we consumed. In 1974, however, less than 9 trillion cubic feet were discovered and added to reserves while consumption has been exceeding 22 trillion cubic feet in recent years.

Yes, we are paying the price for Government regulation. The need for natural gas has far outstripped supply. And the situation is predicted to get even worse. Potential demand for natural gas is expected to double between 1970 and 1985. If the present trend continues, the National Petroleum Council anticipates that supply will fall 45 percent short of 1985 demand.

Some politicians claim that the answer to the problem is large-scale Government intervention. In fact, there are proposals circulating on Capitol Hill which include nationalization of the entire oil and gas industry.

Actually, however, just the opposite is true. Less, not more, Government involvement is needed. If the Government stopped regulating the price of natural gas, the free enterprise system would solve the shortages problem for us.

Our natural gas reserves are still abundant. Exploration and development of these reserves will not take place, however, until it is economically profitable to do so. Since most of the potential gas supplies are located in remote or difficult to reach areas—making it more expensive to find and develop—adequately high prices must be allowed if these reserves are to be tapped.

The liberals in Congresss are always talking about lowering prices. It does not do any good to have products sold at artificially low prices if you cannot get any. Natural gas is a good example. For two decades the Government has set prices which have no regard to reality. The result now is a natural gas shortage that is costing jobs.

It is time to institute policies which will assure an adequate supply of natural gas in the future. Total removal of price controls is the best way of assuring this result. Once the artificially low price levels are abandoned and there is a profit incentive to develop the resources, natural gas will again be in abundant supply.

The price of natural gas, of course, will go up. I am convinced, however, that Ohio gas users are better served by an adequate supply of natural gas at reasonable prices than by a scarcity of natural gas at low Government-regulated prices.

THE NEED FOR PREDATOR CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. MCKAY) is recognized for 5 minutes.

Mr. MCKAY. Mr. Speaker, pressure has been mounting in the Western States for Government intervention in the dispute over predator control. Clearly, we need to make a careful analysis of the facts. I have carefully reviewed the literature and heard arguments from both sides and wish to set forth my view.

I believe predator control is one justifiable tool or means of wildlife management. Actually, we cannot separate predator control from the other wildlife and resource management decisions and practices. This is because the principles which guide managing predators are the same whether for sport or because they cause some kind of problem. In addition, to deal effectively with either, we need to examine the same kinds of information and planning practices. Both predator control and other wildlife and resource managing decisions involve the study of population dynamics, mortality factors, stated management objectives, and other basic data before any action is taken. Control then, is one of several methods of regulated harvest and the end results are identical. Population control of predators is a tool which can be employed responsibly and effectively by all fish and wildlife managers. An example of one of the familiar tools used today to manage wildlife is the issuing of hunting permits.

I believe there are certain basic situations when the control of predators is justifiable and necessary, and therefore becomes the responsibility of publicly employed professionals. One of which is when a predator, whether a managed game species or not, requires control because it is causing economic damage or some other kind of problem. The obvious example, of course, is the coyote and its depredations upon domestic animals. Predator control under these circumstances is certainly a wildlife management function and responsibility, as the coyote has no natural predator of its own.

This situation warrants careful examination. In North America, the sheep industry has declined substantially from a peak of 55 million head in 1942 to about 18 million head in 1974. 80 percent of these existing sheep are raised in the 17 Western States. Many of the ex-sheepmen have named coyotes, the No. 1 predator of sheep, as the chief reason they left the business. This appears reasonable as coyotes, by definition, are predators. This means it is a fact that they must kill other animals for food. It is also interesting to note that field observations indicate coyote activity is largely confined to the areas occupied by sheep. Their depredation actions clearly pose a significant problem to many livestock growers and farmers—particularly in the open ranges.

The Fish and Wildlife Service is conducting research studies in the West to measure livestock losses, with and without predator management. The results to date indicate that, under generally intensive predator control programs, 20 percent of the ranchers sustain moderate to heavy losses; the remaining 80 percent have a loss range somewhere between 1 and 4 percent. Without predator control, loss data from two study areas indicate that lamb losses to predators amounted to 32.1 percent and 18.5 percent, respectively. These losses, in turn, accounted for 88.2 and 47.6 percent of the total field mortality in the respective study areas. To some, a loss range between 1 and 4 percent due to predation may appear to be rather insignificant. However, one must take into consideration the profit margin of the sheep industry. The total margin of profit reaches only about 2 to 4 percent. Theoretically then, an end to these frequent losses to coyotes would increase the rancher's profits. Relief for the ranchers, in the form of a planned management program, would result in a less risky business. We are managing other types of wildlife, both for their own protection as well as their control. Management of the coyote would therefore, encourage the growth of the sheep industry and perhaps salvage a declining business.

However, as yet, the Government has not come up with any comprehensive plan of action to alleviate this problem. Many westerners have even formally accused the Department of Interior with failing to protect their livestock from predators. I believe this troubled and declining industry is in need of assistance as they are at a severe disadvantage. I am convinced that help and support, in the form of a well-regulated management program, to sheep ranchers and other livestock growers as well would be beneficial. Turkey farmers and cattle ranchers have also been plagued by losses from the coyote. I am confident, too, that this plan can be accomplished without the threat of an overgrazed landscape devoid of all predators.

Experts have stated that the coyote is far too smart and adaptable to be in any danger of extinction from management controls. Statistics reveal that the coyote has spread to occupy three or four times as much geographic range since North America was colonized. At present, an estimated million coyotes live in the West. Despite any control efforts which have already been undertaken, the population cycles of coyotes remain stable. Previous measures have been largely unsuccessful in curbing their numbers. Those opposing predator control in any manner or form have also argued that any changes made to coyote populations will affect a change in the populations of rabbits and rodents. While the two may be related. I have seen no evidence showing that coyotes control the numbers of these animals. Actually, the reverse seems to be true: that the availability of rabbits and rodents affect the abundance of coyotes.

I believe that coyotes, left unmanaged, are an economic threat to western farmers and cattlemen, in addition to their obvious threat to the sheep rancher.

I have witnessed an increasing number of cattle ranchers who have complained of coyote predation on calves. There are various other types of farmers who are confronted with losses from coyotes as well. The coyote's destructiveness represents lost dollars in profit and potential food resources to the country as well as fiber which is going to be needed in light of the oil shortage.

Presently, there are hundreds of studies being performed in connection with wildlife management, to determine the best possible means of controlling preying coyotes. I am hopeful that research will come up with an effective, yet environmentally safe method or solution. As I see it, unless some type of control program is soon discovered and implemented, the sheep industry will continue to witness a gradual decline and farmers still plagued with unnecessary losses. The coyote will continue to go unchecked at a cost to the various western farmers and ranchers. This should not be allowed to happen, especially when the literature and the experience to date substantiate the fact that predator control is, under such circumstances as these, a necessary tool of wildlife management. Our wildlife must be managed—in ways to both protect and control their numbers. In this way, we can continue to salvage endangered species, maintain the critical balance of nature, and prevent unnecessary destruction of domestic herds from which we need both food and fiber.

AGENCY FOR CONSUMER PROTECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROSENTHAL) is recognized for 5 minutes.

Mr. ROSENTHAL. Mr. Speaker, along with Mr. BROOKS and Mr. HORTON, I am today introducing legislation to create an Agency for Consumer Protection. This legislation, which is among the most carefully considered bills in recent memory, is essential to insure that the consumer interest is properly advocated and considered by Federal agencies and courts when decisions are made affecting the health, safety, and economic well-being of consumers.

Mr. Speaker, opponents of the Consumer Agency, having lost the argument that the consumer interest is already adequately protected at the Federal level, now rest their hopes for defeat of the bill on the poor state of the economy and the admitted limitations of Federal regulation of the marketplace. Their current position is that we do not need a new agency but rather a more fundamental reform of our entire regulatory system.

My own view is that precisely because of our economic difficulties there has never been a greater need for such an agency; and that the weaknesses of our regulatory system provide impetus for, not against creating the consumer unit.

All of us can agree on the need for a review of our regulatory system. But it is clear to me that the creation of a Consumer Protection Agency will itself be a vital component of regulatory reform and will facilitate additional reform by spotlighting regulatory programs that are inflationary or that serve narrow special interests.

Most regulation of the marketplace that is suspect is not concerned, in my view, with protecting consumer or environmental interests; but rather with the protecting of one special interest against another.

Is it any wonder that the Interstate Commerce Commission and the Civil Aeronautics Board are the two agencies most frequently cited when examples are needed of poor regulation. Both of these agencies may regulate in the name of consumers but the effect of that regulation is to protect one business interest against another: For example, the railroad industry against the trucking industry or one airline against another in terms of routes, fares, and so forth.

A basic error made by those who argue for more fundamental regulatory reform than the creation of the Consumer Agency, is that regulatory agencies—even those with the word "consumer" in the title—operate in a quasi-judicial fashion. In the same way that we do not expect a judge to descend from the bench and argue the cause of one side or another in a court proceeding, we really should not expect agencies performing quasi-judicial functions to be an advocate for the consumer or the business side. Accordingly, the job of advocacy must be left to others. Business interests can well afford to finance such advocates but consumers cannot.

The Agency's critics are fond of saying that the proposed Agency merely represents more government. Its supporters more correctly state that the Agency—which will be extremely modest in size and unlike other agencies in function—represents better government. The cause of good government will not be served by allowing the Agency's opponents to kill the bill for the fourth consecutive Congress against the wishes of a majority of the Congress and the American people.

Mr. Speaker, the Agency for Consumer Protection is long overdue and I respectfully urge that my colleagues join with me in avoiding further delay by assisting in the speedy enactment of this legislation.

BALANCED VIEW OF FIGHT AGAINST CANCER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, a number of citizens in the 11th District of Pennsylvania have written me critically in recent weeks about the way this country is fulfilling its commitment to the cure of cancer as a national goal, a priority, if you will.

I, too, feel that we must not lose our sense of urgency about the need for advancement in the conquest of cancer.

Because of the great and widespread interest in this subject, I have made an effort to answer in one document most of the questions raised in inquiries to my office. Possibly other Members are receiving similar inquiries and might want to compare notes.

My answer follows:

A BALANCED VIEW OF THE CONQUEST OF CANCER PROGRAM TODAY

In 1937 Congress passed a law creating the National Cancer Institute because the disease hurt and killed many people—not necessarily the most among all diseases. In addition, a solution to the cancer mystery would throw light on many body functions which scientists did not understand. That is, the path toward curing cancer would lead us, scientists said, to a great many discoveries essential to fighting other diseases.

The National Cancer Institute was the only such organization in the Federal Government. Its budget was $400,000.

The Government had operated medi-

UMI

cal laboratories earlier. But they were relatively small and limited in function.

The National Cancer Institute was the Government's first major commitment to a systematic attack on a disease which kills large numbers of the general public on a chronic basis, not just a short term epidemic, or a military health problem.

I believed then, and believe now that cancer, which I have carried in my own body and have been fortunate enough to throw off, is a big enough enemy to require all of us to get together and fight it.

"All together" means taxes and I want the Government to fight the disease. If management is bad the voter can come in and change it if the Government is the manager.

No magic cure for cancer was found. But by 1947 it was clear that this country's new approach to medical research was beginning to bear fruits.

This progress led to new health research institutes. They were set up near the Cancer Institute and we now have one for allergy, heart and lung, eye, teeth, and others.

As some concerned citizens say, "We do not have the time to spend on an average research program." The National Cancer Institute was the first, and has remained the biggest.

Then in 1971, I again joined several colleagues to convince the Congress that we needed to push harder. Some outstanding citizens were approached to join a panel to study ways to speed the work. Among them were Mr. I. W. Abel of the Steelworkers, Dr. Paul B. Cornely now with the Mine Workers retirement organization, Mr. Emil Mazey of the Auto Workers, and a number of other scientists, business people, and laymen.

We used their recommendations to pass the national cancer law of 1971. We authorized $640 million a year, to start.

Further, the method of attack was changed. All the traditional laboratory work was preserved, even expanded. Scientists still wrack their brains for their best theories, then get National Cancer Institute money to run tests.

A new strategy was designed on top of that. "Average" methods were left behind. Instead, every prominent cancer scientist in the country, and many from abroad were called to Warrenton, Va., near Washington, to look over all the world's knowledge about cancer. Over 250 of them met for several days at a time during a 4-month period.

They said: First, here is what we know; second, here is what we do not know; and third, these are the high priority next steps to wipe out our ignorance.

Just for an example: The 250 scientists insisted that a high priority research was "markers," simple blood or urine tests to all whether a person needs a cancer operation, or after an operation to tell whether he is in need of more medicine.

Markers are further important because some people do not need surgery. They need only drugs. The markers tell when it is safe to stop administering drugs.

In 3 short years we now have markers. About eight of them. They are not perfect. But they are useful now and will be perfected, I predict, within 3 to 5 years.

This priority was extremely important because, with markers, we can make running tests on every type cancer treatment that there is. We know how we are doing. We know if anything remains to be done for the individual patient.

Citizens should know that a major breakthrough has occurred in breast cancer treatment. A major National Cancer Institute announcement was carefully prepared for Monday, September 30, 1974. On September 26 the President's wife was diagnosed for breast cancer. The personal news overshadowed the scientific news, which was that a 2½-year test produced amazing results. Where 47 percent of the women usually showed cancer again in that 2½-year period only 3 percent showed it in the test. A fantastic breakthrough.

The doctors had tried something new with old drugs. Instead of performing a surgical operation and then waiting to see if, by chance, the disease came back, in the test they followed the operation immediately with preventive medicine. They gave drugs right away to kill any residual cancer cells that the operation was unable to reach.

Women now alive will enjoy far, far better chances of survival than ever before—your family and mine—women all over the world. The same techniques are showing progress in most of the solid tumors, the ones most resistant to past approaches.

"We must push with money," some people still say.

Over the years we had raised the National Cancer Institute's annual spending from the original $400,000 to $190 million in 1970 then in 1971 with the new law and conquest of cancer program we made a major step forward. We appropriated $527 million in fiscal 1974. We recaptured $60 million on top of that which the administration had illegally withheld in 1973 and we spent it. The President asked for $600 million in fiscal 1975. We ultimately appropriated $691 million.

There was great protest that cancer was getting too much. Despite opposition from some short-sighted people we pushed ahead.

I agree with those who say that the American Cancer Society cannot do all of the screening and treatment work that needs to be done. ACS knows this. They work primarily to demonstrate and to lead the way.

The Federal budget for that has gone from near $0 in 1970 to $50 million. I could not agree more with those who express a feeling of urgency with regard to cancer control. I want the cities, towns, villages, and every county in the United States to have adequate cancer care. This is a major objective for the next few years. There are patients in all of our communities. There should be community cancer centers to take care of them.

Community cancer centers should be getting the best information from the National Cancer Institute, training people locally to use the information, and providing the best possible preventive medicine practices. By that I mean environmental control, screening, detection centers, early discovery of disease, and all the measures which can cut misery and death from cancer now, long before the researchers produce entirely new answers to this disease.

I believe in the best possible community cancer center program. The program will not be good unless it reaches out to industrial plants, schools, churches, big stores, and any other places where numbers of people congregate. Unless we get to the people we can never make full use of the medical knowledge that we have. If we fail to reach the people we can never cure the disease. The breast cancer screening centers now in operation each require an inventory of equipment which must be leased at a cost upward of $100,000 a year. Whether all of this equipment can be loaded onto mobile units effectively I do not know. I do know, however, that the community cancer centers we are building must press forward with a real feeling of urgency to reach all the potential high risk cancer patients. If this requires mobile equipmentment, so be it. We must press on.

My work has resulted in a grant to create a community cancer center in our district. It is under planning and the operations are expected to be funded soon after local people complete the plans. I hope that laymen with a commitment to success of this kind of work, with a deep interest in it, will be part of the community cancer efforts in our district.

There are five nonscientists on the National Cancer Advisory Board. The Chairman of the three-man President's Cancer Panel is a layman. He puts his heart in it. He is powerful.

I totally agree that consumers should be well represented on every appropriate cancer committee. This would be inappropriate for some of the committees which have only scientific duties, such as judging whether a given piece of laboratory research is better than another proposed piece. However, in all other areas of cancer work I would push for full consumer representation. Suggestions with regard to committees and potential members of them would be appreciated now and in the future.

I am 100 percent in favor of more money for cancer control. I think this country could easily spend $100 million per year on it. That would require new authorizing legislation. I think such legislation is possible. If it passed I would do my best to see that such an amount were appropriated by the House if at all humanly possible.

With God's help we shall reduce this hellish disease to manageable proportions the way we did TB, pollo, appendicitis, measles, yellow fever, mastoiditis, and many others. Research will do it. Citizen interest is vital.

DUAL REGULATORY SCHEME AFFECTING HAWAII OCEAN COMMERCE NEEDS REVISION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 10 minutes.

Mr. MATSUNAGA. Mr. Speaker, most of the goods which the citizens of Hawaii buy, sell and use each day have been brought by ocean transport. It is therefore essential that that transportation be operated in as efficient and economical manner as possible.

That is why I have introduced legislation which would improve the mechanism by which surface commerce between Hawaii and the mainland is regulated. This is to be accomplished by eliminating the role of the Interstate Commerce Commission in setting cargo rates for goods shipped between Hawaii and port-area points in the rest of the United States.

Right now both the ICC and the Federal Maritime Commission—FMC—exercise some authority over these cargo rates. Under FMC practices, cargo shipped from points near San Francisco harbor, for example, would be subject to fully regulated rates. The ocean carrier in effect supplies the drayage, or incidental land transport, via certificated motor carriers at ICC-approved rates. The ICC, on the other hand, permits a land carrier and an ocean carrier to file a point rate, with each taking whatever share of the total has been agreed on between them.

There are two major difficulties in this system which my bill deals with.

First, if my bill was enacted, carriers providing containerized service to or from terminal area points could no longer choose whether to be regulated by the ICC or the FMC. This would provide more certainty to shippers of cargo and simplify the regulatory scheme substantially.

The second improvement is less direct. Members of the House will remember that Congress acted last year to repeal Section 6 of the Intercoastal Shipping Act. I was pleased to sponsor legislation to that effect. That repeal, in effect, required governmental shippers to pay the full costs of carrying their cargo, instead of shifting part of the fully allocated costs to nongovernmental cargo, specifically the citizens of Hawaii. Repeal of a similar provision of the Interstate Commerce Act was contained in the proposed Surface Transportation Act (H.R. 5385) of the 93d Congress, which passed the House overwhelmingly but was not acted on by the Senate. Therefore, government units may still negotiate preferential rates with ocean carriers by using carriers which file with the ICC. The dual regulatory scheme affecting Hawaii permits governmental shippers, principally the Department of Defense, to frustrate the will of Congress in repealing section 6 of the Intercoastal Shipping Act.

I should point out, Mr. Speaker, that my bill would not affect the ICC's authority over intermodal through-rates involving destinations or origins beyond port-area points, such as Denver or Chicago and Hawaii.

I am hopeful that this relatively minor bill will be given careful and speedy attention by the House Committee on Merchant Marine and Fisheries, and later the House itself.

I include at this point the text of my bill:

H.R. —

A bill to amend the Interstate Commerce Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 216(c) of the Interstate Commerce Act (49 U.S.C. 316(c)), as amended, is further amended by changing the period at the end to a colon and adding the following: "*Provided, however,* That this subsection shall not authorize routes and joint rates in interstate commerce to or from the State of Hawaii if the motor carrier segment of the transportation is confined to the commercial zones of ports, within the meaning of section 203(b)(8) of this Act (49 U.S.C. 303(b)(8), or the commercial zones of ports and contiguous commercial zones.".

COAL PRODUCTION LOSS AND H.R. 25

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I wish to address myself to the question of the need for coal production to satisfy our domestic energy requirements.

In his veto message of May 20, 1975, President Ford indicated that annual production losses resulting from passage of the Surface Mining Control and Reclamation Act of 1975, H.R. 25, would range from 40 to 162 million tons by 1977. It is useful to review this estimate in light of administration coal leasing policy.

It is clear that, in the short term, probably for the remainder of this century, it will be necessary for this Nation to rely heavily on its vast coal reserves to meet energy demands. Coal is our major energy resource, representing some 88 percent of our hydrocarbon reserves. While the overwhelming majority of our coal deposits lie too far beneath the surface to be recovered by surface coal mining methods, there are significant reserves which can be recovered by such mining methods. For various reasons, primarily having to do with economic incentive, those involved in energy production are desirous of producing coal by surface mining.

Much of surface mineable coal lies in the Western States, and there is considerable industry interest in development. Of the total western reserves, the Federal Government owns an estimated 60 percent. Moreover, much of the Federal lands are interspersed with lands under State, Indian, and private ownership in such a manner that development of one must go hand in hand with development of the other. Thus, it is clear that the manner in which the Federal lands are managed and the means through which access to public coal is granted, will have a significant effect on surface-mined coal supplies from the West.

Private industry has been afforded, over the years, liberal access to the public coal lands. At present, there are 533 outstanding Federal coal leases. These leases cover a total of 782,878 acres and contain an estimated 16.1 billion tons of coal reserves. To put this reserve figure in perspective, total U.S. coal production in 1974 from all portions of the country was 591 million tons. Thus, the coal reserves presently under lease represents some 27 years of production at current rates.

Whereas the overwhelming majority of these leases were leased sufficiently long ago to have been producing coal by 1974—89 percent of all leases are 5 years old or more—the Department of the Interior states that in 1974 only 53 leases actually produced any coal. These leases represented a total of 12.5 percent of leased acreage and about 10 percent of the total reserves. Thus, while private industry has been given ample opportunity for access to the Federal coal lands, very little actual development has taken place. Moreover, the Department of the Interior has done little to force production from these leases. In fact, the policies of that Department have encouraged speculative holding of leases.

Under the provisions of section 7 of the Mineral Lands Leasing Act, which governs access to coal on the public lands, the Secretary of the Interior may accept payment of a royalty in lieu of the requirement of continued operation of a lease. At present, 470 leases are held under such an arrangement. The royalty paid is normally $1 an acre. Thus, a lessee may, with the approval of the Secretary, maintain his rights to millions of tons of coal, whose value is constantly rising, for a few thousand dollars per year.

Moreover, although leases are subject to diligent development as well as continued operation, no lease has ever been cancelled by the Department of the Interior for lack of diligent development.

Thus, a situation exists in which provisions of the Mineral Lands Leasing Act, which were intended to give the Secretary of the Interior reasonable flexibility in requiring development of Federal coal leases, have been used to perpetuate a system of speculative holding of leases to the detriment of the public treasury as well as the Nation's coal supply.

The Department of the Interior has recognized the fact that it was engaging in little more than a massive alienation of the public coal resources with minimal return to the Treasury and no assurance of coal supply. Secretary Morton declared a moratorium on all coal leasing in February 1973. This moratorium is still in effect. The Department of the Interior has been considering issuance of new regulations aimed at stimulating production. However, these regulations will be primarily of value in their application to future leases.

The current Department of the Interior analysis of existing leases shows that, while 16.1 billion tons are under lease, some are unacceptable for mining for environmental reasons, some are committed for development and some are uneconomic. The breakdown is as follows:

UMI

	In billions of tons
Unacceptable for environmental reasons	2
Uneconomic	0.5
Committed	6.87
Uncommitted	6.67

While this analysis suggests that the alienation of developable coal reserves is not as severe as the figure for total coal under lease would indicate, there remains a total of 6.67 billion tons which are uncommitted for development. In light of the need for coal in the current energy crisis, there is no excuse for nondevelopment of these reserves.

By comparing the coal tonnage loss predictions included in President Ford's veto message of May 20, 1975, for the Surface Mining Control and Reclamation Act of 1975, H.R. 25, with the reserves of coal which are already in private hands and for which no development is planned, it is possible to see the inconsistency of the administration's policy and arguments with respect to coal production. The highest administration estimate for annual loss of production by 1977 is 162 million tons. At this rate, it would take 41 years of production loss to equal the amount which the Department of the Interior admits is already leased, but uncommitted for development on the public lands.

Mr. Speaker, it is clear that, on the one hand, the administration is playing upon fears generated by the energy crisis to attempt to justify veto of the Surface Mining Control and Reclamation Act, on the other hand it has been pursuing a policy which is directly contradictory to maximum coal development.

I do not accept the validity of the coal production loss figures contained in the President's veto message. However, even assuming their accuracy in the worst case, the question of the inconsistency of a veto of the surface mining bill for reasons of production loss, while there has been no attempt to stimulate production from existing Federal coal leases goes unanswered.

"THE CORPS OF ENGINEERS EXAGGERATES THE WATER PERMIT PROGRAM UNDER THE WATER POLLUTION CONTROL ACT OF 1972"

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, on Monday I expressed my dismay over what I view to be an overreaction by the Army Corps of Engineers to the meaning of a court decision handed down in March by the U.S. District Court for the District of Columbia. As I said on Monday, the corps, in its desire to get relief, has unnecessarily alarmed millions of Americans by stating erroneously that "permits may be required by the rancher who wants to enlarge his stock pond, or the farmer who wants to deepen an irrigation ditch or plow a field, or the mountaineer who wants to protect his land against stream erosion."

It has recently come to my attention that Environmental Protection Administrator Russell Train shares my concerns over the way in which the corps has been conducting itself in this matter and has written to Lt. Gen. William Gribble, the Chief of Engineers, to express that concern.

I am submitting Mr. Train's letter for the RECORD, along with my letter to Mr. Train commending him for his fine stand:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., May 16, 1975.

Lt. Gen. WILLIAM C. GRIBBLE, Jr.,
Chief of Engineers,
Washington, D.C.

DEAR GENERAL GRIBBLE: It is becoming increasingly apparent that the recently proposed regulations and guidelines published by the Corps of Engineers and EPA governing the implementation of section 404 of the Federal Water Pollution Control Act are being misunderstood by the public and by Congress. Most of this confusion and misunderstanding is directly attributable to the seriously inaccurate and misleading press release issued by the Corps at the time the regulations were published. Because of the extreme importance of section 404 as the primary mechanism to protect America's valuable wetland resources, I consider it imperative that the Corps of Engineers take steps to remedy these impressions.

We are particularly concerned that the false impression that farmers must obtain permits whenever they plow a field be corrected. Since this was clearly not contemplated by either the Corps or EPA and is not required by the statute, we fail to understand how such a statement could appear in this press release. As you are well aware, the primary concern of section 404 is to address situations where dredged or fill material is discharged into wetland areas. By no stretch of the imagination can the simple act of plowing be considered to fall within that category.

The Corps has also stated to the public that "millions of people may be presently violating the law." Obviously, there are some discharges of dredged or fill material presently occurring which are not regulated due to the Corps' present restrictive definition. Such discharges should and would be regulated under a broader approach. To say, however, that this number approaches millions is totally without basis.

The illustrations contained in the press release have led to EPA receiving numerous inquiries about the types of activities covered by the program. The confusion about its applicability is apparent. For example, it has been suggested that section 404 applies to any area where there is a body of water which has the potential of flooding and that a rice farmer is violating the law if he puts an acreage into cultivation without a permit. Clearly this is not true. While there may be some rice growing operations which are located in wetland areas and which may involve the discharge of fill material for the building of dikes, it is unreasonable to assume that all rice operations fall within this category. Merely because an agricultural operation involves water does not mean that it is subject to section 404. As we indicated in our preamble to our guidelines, we believe that regulations can be developed which will provide effective administration of a permit program within the broader definition of "navigable waters", without involving the extreme and unwarranted extensions of federal jurisdiction mentioned in your letter.

Both EPA and the Corps have issued policy statements recognizing the need to protect wetland areas. It would be unfortunate indeed if, on the basis of these recent misconceptions, legislative changes were made to return the statutory definition of jurisdiction to traditional concepts of navigability. Such a change would leave vast areas of valuable wetlands without the protection of this regulatory mechanism and possibly subject them to uncontrolled development.

I strongly urge the Corps of Engineers to work with us in the development of our section 404 program within the spirit of the Federal Water Pollution Control Act and to take immediate action to correct the misunderstandings which your department's public statements have created.

Sincerely yours,

RUSSELL E. TRAIN.

WASHINGTON, D.C.
May 30, 1975.

Hon. RUSSELL E. TRAIN,
Administrator, Environmental Protection Agency, Washington, D.C.

DEAR RUSS: I would like to commend you and the Environmental Protection Agency for the position you have taken to date regarding the implementation of Section 404 of the Federal Water Pollution Control Act Amendments (FWPCAA) by the Corps of Engineers. Congress authorized the permit program to regulate dredge spoil disposal and fill activities in watercourses and wetlands of the United States in order to achieve the clean water goals which the nation needs.

I abhor the ruthless publicity campaign which the Corps of Engineers and the Department of Agriculture have launched to gut this permit program and undermine the clean water goals of the Act. By threatening the nation's farmers with spurious permit requirements for plowing and enlarging stock ponds and with $25,000 fines and jail terms for "violators," these Agencies have sought to wreak havoc upon one of our Nation's most important environmntal programs. Thus far, only you and your agency have had the courage to stand in opposition to their tactics.

I urge you to stand by the position you have taken on this vital issue. I share the belief you stated in your letter to Secretary Callaway "that regulations can be developed which will provide effective administration of a permit program within the broader definition of "navigable waters" without involving extreme and unwarranted extensions of federal jurisdiction."

Our economy, indeed the very health of our people, depend on the water quality which is jeopardized by unregulated development of watercourses and wetlands. Wetland areas provide vital flood loss protection and fish and wildlife habitat. According to estimates I have seen, our nation has already lost 40% of its wetlands.

As Congress directed, a responsible 404 permit program must be developed as soon as possible.

Again, I appreciate your efforts.
Best regards.
Sincerely,

RICHARD L. OTTINGER,
Member of Congress.

CONGRESSIONAL ENERGY ACTION MUST NOT BE DELAYED

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VANIK. Mr. Speaker, today, the question was raised whether it is wise to proceed with an energy bill which taxes the excessive use of energy when the country is in a recession.

The answer is "yes." This recession—unlike any other in this Nation's history, was caused by the energy crisis, precipitated by arbitrary, sudden, and unwarranted increases in the cost of imported oil. In the year between 1974–75, the cost of foreign oil rose from $7 to $25 billion. This year, the cost will rise to about $30 billion. In the year 1985, the cost of imports at the present price would rise to about $57 billion per year. If the price of foreign oil should rise, the ultimate cost to the American consumer will rise by $3 to $5 billion for every $1 of price increase in a barrel of imported oil.

The annual cost of imported oil today is more than double the average annual dollar cost of the Vietnam war between 1965 and 1975.

The fact is that the oil prices caused the recession and threatens to make it a long-term problem for this country. If we are to solve the problem of recession. If we are to permanently restore productivity and employment—we must begin by terminating our present $30 billion yearly tribute for imported oil.

ENERGY ALTERNATIVES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, in listening to the Ways and Means Committee's presentation in the Democratic caucus today of its proposed energy legislation, I had feelings of deja vu. All of the provisions incorporated in the legislation have been discussed and rediscussed ad nauseam since 1973. And while I am confident that if enacted, this legislation will have some impact on the energy crisis. I am equally convinced that it will fail to resolve the problem. The legislation does not get at the heart of the problem.

There are three broad areas to which the Congress has yet to address itself: The failure to use existing technology to convert coal or oil shale into oil or gas; the noncompetitive aspects of the energy industry; and the failure to invite competitive bids for imported oil from the OPEC countries and thereby reduce its price. Let us explore these three areas further:

First. Promoting the immediate use of existing technology which would permit the conversion of coal and oil shale into oil and gas. As I understand it, that technology, while available, is not commercially used in the United States because of the fear that any time it became competitive with oil, the oil companies could immediately stifle the competition by lowering the price of oil. That valid fear could be overcome were we to guarantee the investor in such technology against loss for some reasonable time as a result of such action by the oil companies. That guarantee could take different forms, to wit: having the United States build, own, and lease the conversion facility, or a "hold harmless" provision relating to the cost of such a facility if privately built in the event oil prices were to fall and make the conversion process noncompetitive, or a floor price for the fuel produced for a fixed period of time, to list just three alternatives of which I am sure there are many more.

Second. The noncompetitive aspects that control the various forms of energy sources. The oil companies own most of the coal companies as well as nuclear facilities, indeed, almost all of the possible competing sources of energy. And in the oil business itself, companies have vertical control from raw material to ultimate retail sale. Those existing patterns of control prevent the normal competitive processes which generally have the impact of lowering prices. And so I am asking the basic question which so many ask, which is, why do we not propose legislation which would break up the domestic cartels requiring that no company can own a competing source of energy, or have vertical domination of any fuel industry?

Third. Why we have not adopted what appears to be a successful approach by France, to wit, not limiting the amount of imported oil by barrels but rather by dollars and requiring that no foreign country can provide more than 15 percent of the total oil annually imported and that all bids be secret to encourage members of OPEC to violate their cartel agreement and undersell one another.

I have talked to a great number of Members who, in all candor, are distressed with the fact that we in Congress and the President have failed the American public in grappling with the most important issues facing this country: providing adequate fuel at reasonable prices to keep our industries going and becoming reasonably self-sufficient so as to prevent foreign blackmail impacting on our foreign policy.

I am writing to four of our colleagues who are chairmen of the legislative bodies having jurisdiction over this matter. They are: Chairman AL ULLMAN, House Ways and Means Committee; Chairman HARLEY STAGGERS, House Interstate and Foreign Commerce Committee; Chairman PETER RODINO, House Judiciary Committee; Chairman JAMES HALEY, House Interior and Insular Affairs Committee.

I have asked them to comment on the points I have raised before the House debates the legislation next week. I will place their responses in the CONGRESSIONAL RECORD with the hope that this dialog will invite the wisdom and insight of other Members of this House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TEAGUE (at the request of Mr. MCFALL), for today, on account of congressional business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. SMITH of Nebraska) to revise and extend their remarks and include extraneous material:)

Mrs. HECKLER of Massachusetts, for 5 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. GOLDWATER, for 15 minutes, today.

Mr. ASHBROOK, for 15 minutes, today.

(The following Members (at the request of Mr. HEFNER) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. MCKAY, for 5 minutes, today.

Mr. ROSENTHAL, for 5 minutes, today.

Mr. DODD, for 5 minutes, today.

Mr. FLOOD, for 10 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. MATSUNAGA, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROOMFIELD in two instances and to include extraneous matter.

Mr. CEDERBERG, to extend his remarks and include certain tables and other extraneous matter after his previous remarks on the veto of the Emergency Employment Appropriation Act of 1975.

Mr. DANIELSON, to follow remarks of Mr. RHODES on veto override, H.R. 4481.

Mr. DICKINSON to revise and extend his remarks immediately following the remarks of Mr. EDWARDS of California.

(The following Members (at the request of Mrs. SMITH of Nebraska) and to include extraneous matter:)

Mr. ANDERSON of Illinois in two instances.

Mr. ROUSSELOT in two instances.

Mr. SARASIN.

Mr. JEFFORDS in two instances.

Mr. SYMMS.

Mr. BROOMFIELD in two instances.

Mr. CRANE.

Mr. FRENZEL in five instances.

Mr. HYDE.

Mr. BOB WILSON.

Mr. J. WILLIAM STANTON.

Mr. GRASSLEY.

Mr. KEMP in two instances.

Mr. MCKINNEY.

Mr. O'BRIEN.

Mr. KELLY.

Mr. ARCHER.

Mr. BAUMAN.

Mr. HORTON.

Mr. STEIGER of Wisconsin.

Mr. PRESSLER.

Mr. WHITEHURST.

Mr. STEELMAN.

Mr. ASHBROOK in three instances.

(The following Members (at the request of Mr. HEFNER) and to include extraneous matter:)

Mr. BLANCHARD.

Mr. RANGEL in two instances.

Mr. LONG of Maryland.

Mr. O'HARA.

Mr. HARRIS in two instances.

Mr. ROSENTHAL.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. FRASER.

Mr. EVANS of Indiana.

Mr. LLOYD of California.

Mr. EVINS of Tennessee in five instances.

Mr. MIKVA.

Mr. ROYBAL in two instances.

UMI

Mr. McDONALD of Georgia in three instances.
Mr. GAYDOS.
Mr. MOSS.
Mr. BOLAND.
Mr. PEPPER in two instances.
Mr. ZEFERETTI.
Mr. JOHNSON of California.
Mr. MOFFETT.
Mr. TRAXLER.
Mr. BEVILL.
Mr. STOKES in two instances.
Mr. RODINO.
Mr. JACOBS.
Mr. CONYERS.

ADJOURNMENT

Mr. HEFNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 40 minutes p.m.) the House adjourned until tomorrow, Thursday, June 5, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1166. A letter from the Mayor of the District of Columbia, transmitting the annual report for fiscal year 1974 of the D.C. Office of Civil Defense, pursuant to section 6 of Public Law 686, 81st Congress; to the Committee on the District of Columbia.

1167. A letter from the Secretary of Health, Education, and Welfare, transmitting proposed consolidated procedural rules for administration and enforcement of certain civil rights laws and authorities, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1168. A letter from the Secretary of Health, Education, and Welfare, transmitting proposed final regulations under title IX of Public Law 92-318, prohibiting discrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1169. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate James D. Theberge and his family, pursuant to section 6 of Public Law 93-126; to the Committee on International Relations.

1170. A letter from the Assistant Administrator for Energy Conservation and Environment, Federal Energy Administration, transmitting an environmental impact statement on the proposed Energy Independence Act of 1975 and related tax proposals, pursuant to section 102 of the National Environmental Policy Act of 1969; jointly, to the Committees on Armed Services, Interstate and Foreign Commerce, Ways and Means, and Banking, Currency and Housing.

RECEIVED FROM THE COMPTROLLER GENERAL

1171. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness of testing of selected major weapon systems of the Department of Defense; to the Committee on Government Operations.

1172. A letter from the Comptroller General of the United States, transmitting a report recommending cancellation of a planned procurement of automatic data processing equipment for the Department of Agriculture; jointly, to the Committees on Government Operations, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REUSS: Committee on Banking, Currency and Housing. Supplemental report on H.R. 6676. A bill to maximize the availability of credit for national priority uses (Rept. No. 94-225, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEDZI: Committee on House Administration. H.R. 5327. A bill to reserve a site for the use of the Smithsonian Institution; with amendment (Rept. No. 94-257). Referred to the House Calendar.

Mr. NEDZI: Committee on House Administration. H.R. 5328. A bill to authorize the Smithsonian Institution to plan museum support facilities; with amendment (Rept. No. 94-258). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee of conference. Conference report on H.R. 4700 (Rept. No. 94-259). Ordered to be printed.

Mr. PRICE: Joint Committee on Atomic Energy. H.R. 7001. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 395 of the Energy Reorganization Act of 1974, and for other purposes (Rept. No. 94-260). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 511. Resolution providing for the consideration of H.R. 6676. A bill to maximize the availability of credit for national priority uses (Rept. No. 94-261). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 512. Resolution providing for the consideration of H.R. 6706. A bill to clarify existing authority for employment of personnel in the White House Office, the Executive Residence at the White House, and the Domestic Council, to clarify existing authority for employment of personnel by the President to meet unanticipated personnel needs, and for other purposes (Rept. No. 94-262). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 513. Resolution providing for the consideration of H.R. 6799. A bill to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules (Rept. No. 94-263). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS (for himself, Mr. ROSENTHAL, and Mr. HORTON):

H.R. 7575. A bill to establish an Agency for Consumer Protection in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.

By Mr. ANDERSON of Illinois:

H.R. 7576. A bill to amend the Federal Metal and Nonmetallic Mine Safety Act of 1966 for the purposes of terminating the Federal Metal and Nonmetallic Mine Safety Board of Review; to the Committee on Education and Labor.

By Mr. BARRETT (for himself and Mr. BROWN of Michigan):

H.R. 7577. A bill to amend the Internal Revenue Code of 1954 to provide that the tax rules now applicable to savings and loan associations, mutual savings banks, and certain cooperative banks, shall be applicable to the comparable mortgage programs now undertaken by national mortgage associations; to the Committee on Ways and Means.

By Mr. CARNEY:

H.R. 7578. A bill to amend the Securities Exchange Act of 1934 to require notification by foreign investors of proposed acquisitions of equity securities of U.S. companies, to authorize the President to prohibit any such acquisition as appropriate for the national security, to further the foreign policy, or to protect the domestic economy of the United States, to require issuers of registered securities to maintain and file with the Securities and Exchange Commission a list of the names and nationalities of the beneficial owners of their equity securities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7579. A bill to amend the Securities Exchange Act of 1934 to restrict persons who are not citizens of the United States from acquiring more than 35 percent of the nonvoting securities or more than 5 percent of the voting securities of any issuer whose securities are registered under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. COCHRAN (for himself, Mr. KINDNESS, Mr. MANN, Mr. MOLLOHAN, Mr. STUCKEY, and Mr. WHITTEN):

H.R. 7580. A bill to amend the Federal Water Pollution Control Act, as amended, to define the term "navigable waters" as it applies to Corps of Engineers responsibility and authority to regulate the discharge of dredged or fill material; to the Committee on Public Works and Transportation.

By Mr. D'AMOURS:

H.R. 7581. A bill to amend title II of the Social Security Act to reduce the 5-month waiting period for disability benefits to 1 month and provide for retroactive payments; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 7582. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act, to reenact the former provisions of title 39, United States Code, for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FASCELL (for himself and Mr. D'AMOURS):

H.R. 7583. A bill to provide that meetings of Government agencies shall be open to the public and for other purposes; to the Committee on Government Operations.

By Mr. FRASER:

H.R. 7584. A bill to amend chapter 79 of title 10, United States Code, to make more feasible the personal appearance of a petitioner before a board authorized to correct discharges and dismissals from the Armed Forces by establishing regional boards of review, and to amend chapter 49 of such title to prohibit the inclusion of certain information on discharge certificates, and for other purposes; to the Committee on Armed Services.

H.R. 7585. A bill to provide for annual adjustments in monthly monetary benefits administered by the Veterans' Administration, according to changes in the Consumer Price Index; to the Committee on Veterans' Affairs.

H.R. 7586. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. GIBBONS:

H.R. 7587. A bill to repeal the income tax exemption of DISC's, and to comply with the directives of the congressional budget resolution for fiscal 1976; to the Committee on Ways and Means.

By Mr. KARTH (for himself and Mr. FORD of Michigan):

H.R. 7588. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. NEDZI:

H.R. 7589. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. PATMAN (for himself, Mr. BARRETT, Mrs. SULLIVAN, Mr. MOORHEAD of Pennsylvania, Mr. ST GERMAIN, Mr. GONZALEZ, Mr. MINISH, Mr. ANNUNZIO, Mr. REES, Mr. HANLEY, Mr. MITCHELL of Maryland, Mr. FAUNTROY, Mr. NEAL, Mr. BLANCHARD, Mr. FORD of Tennessee, Mr. LAFALCE, Mrs. SPELLMAN, Mr. TSONGAS, Mr. HANNAFORD, Mr. EVANS of Indiana, Mr. PATTERSON of California, Mr. AUCOIN, and Mr. REUSS):

H.R. 7590. A bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and Federal Reserve banks and their branches; to the Committee on Banking, Currency and Housing.

By Mr. QUILLEN:

H.R. 7591. A bill to extend for 3 years the period during which certain dyeing and tanning materials may be imported free of duty; to the Committee on Ways and Means.

By Mr. RODINO (for himself and Mr. HUTCHINSON):

H.R. 7592. A bill to provide for the definition and punishment of certain crimes in accordance with the Federal laws in force within the special maritime and territorial jurisdiction of the United States when said crimes are committed by an Indian in order to insure equal treatment for Indian and non-Indian offenders; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 7593. A bill to direct the Secretary of the Army to conduct a study relating to flood and related problems along the San Francisco Bay shoreline; to the Committee on Public Works and Transportation.

By Mr. SEIBERLING:

H.R. 7594. A bill to amend and improve the war powers resolution; to the Committee on International Relations.

By Mr. ARMSTRONG (for himself, Mr. BEARD of Rhode Island, Mr. BURGENER, Mr. CHAPPELL, Mrs. CHISHOLM, Mr. DERWINSKI, Mr. FREY, Mr. GOLDWATER, Mr. HASTINGS, Mr. HECHLER of West Virginia, Mr. HOWARD, Mr. HYDE, Mr. JENRETTE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. KETCHUM, Mrs. LLOYD of Tennessee, Mr. LONG of Maryland, Mr. SARASIN, Mr. SOLARZ, Mr. WALSH, Mr. WAXMAN, and Mr. WON PAT):

H.R. 7595. A bill to amend title II of the Social Security Act to repeal the earnings limitation, to provide benefits for husbands, widowers, and fathers on the same basis as wives, widows, and mothers, to eliminate the 5-month waiting period for disability benefits, to provide for the payment of benefits to an individual through the month of his or her death, to provide an optional exemption from coverage for individuals 65 years of age and over, and to provide that a beneficiary's marriage or remarriage will not affect his or her benefits; and to amend title XVIII of such act to authorize direct payments to physicians and other providers at their option under the supplementary medical insurance program; to the Committee on Ways and Means.

By Mr. CONABLE (for himself and Mr. STEIGER of Wisconsin):

H.R. 7596. A bill to amend section 103(c) of the Internal Revenue Code of 1954 (relating to industrial development bonds) to raise the limit to $10 million, to place this limit on a one-time per company basis, and to remove the limit based on a company's capital expenditures; to the Committee on Ways and Means.

By Mr. DENT (for himself, and Mr. ERLENBORN):

H.R. 7597. A bill to amend the Employee Retirement Income Security Act of 1974; to the Committee on Education and Labor.

By Mr. DRINAN (for himself, Mr. BINGHAM, Mr. BRADEMAS, Mr. CORMAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. FORD of Michigan, Mr. FRASER, Mr. HAWKINS, Mr. MCFALL, Mr. MCKINNEY, Mr. MATSUNAGA, Mr. MOSS, Mr. ROONEY, Mr. ROYBAL, Mr. SEIBERLING, Mr. VANDER VEEN, Ms. ABZUG, Mr. ANDERSON of California, Mr. BADILLO, Mrs. CHISHOLM, Mr. CONTE, Mr. CORNELL, Mr. DIGGS, and Mr. EDGAR):

H.R. 7598. A bill to direct the Administrator of Energy Research and Development to establish a system of research and development of energy-conserving industrial technologies with due regard for the need to operate such a system in a manner which will stimulate depressed sectors of the American economy; to the Committee on Science and Technology.

By Mr. DRINAN (for himself, Mr. EILBERG, Mr. FORD of Tennessee, Mr. HANNAFORD, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. JENRETTE, Mr. KREBS, Mr. MITCHELL of Maryland, Mr. REUSS, Mr. ROSENTHAL, Mr. SCHEUER, Mr. SOLARZ, Mr. STARK, Mr. STOKES, Mr. STUDDS, Mr. UDALL, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, and Mr. WIRTH):

H.R. 7599. A bill to direct the Administrator of Energy Research and Development to establish a system of research and development of energy-conserving industrial technologies with due regard for the need to operate such a system in a manner which will stimulate depressed sectors of the American economy; to the Committee on Science and Technology.

By Mr. EDGAR:

H.R. 7600. A bill to designate the majority and minority leaders of each House of Congress as members of the National Security Council; to the Committee on Armed Services.

By Mr. EILBERG:

H.R. 7601. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax; to the Committee on Ways and Means.

By Mr. FITHIAN:

H.R. 7602. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide financial assistance for alternative educational and security plans to reduce delinquency and crime in and against the public schools of the Nation, and for other purposes; to the Committee on Education and Labor.

H.R. 7603. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide financial assistance for alternative educational and security plans to reduce delinquency and crime in and against the public schools of the Nation, and for other purposes; to the Committee on Education and Labor.

By Mr. GUDE (for himself, Mr. FASCELL, Mr. MEEDS, Mr. FISHER, Mr. MCCLOSKEY, Mr. MITCHELL of New York, Mr. MOORHEAD of Pennsylvania, Mr. LONG of Maryland, Mr. MITCHELL of Maryland, Mr. THOMPSON, Mr. EDWARDS of California, Mr. WIRTH, Mr. DOWNEY of New York, Mr. FAUNTROY, Mr. MOSHER, Mr. BEARD of Rhode Island, Ms. ABZUG, Mr. BURGENER, Mr. HARRINGTON, Mr. BROWN of California, Mr. STARK, Mr. HECHLER of West Virginia, Mr. KREBS, Mr. SOLARZ, and Mr. BADILLO):

H.R. 7604. A bill to amend the Federal employee health insurance provisions of title 5, United States Code, to require that notice and hearing be provided before the effective date of any reduction of health benefits or any exclusion of any type of provider of health services; to the Committee on Post Office and Civil Service.

By Mr. HECHLER or West Virginia (for himself, Mr. ASHLEY, Mr. BEARD of Rhode Island, Mr. BEDELL, Mr. BLANCHARD, Mr. BROYHILL, Mr. CARR, Mr. COHEN, Mr. CONTE, Mr. DOWNEY of New York, Mr. EVINS of Tennessee, Mr. FORD of Tennessee, Mr. FASCELL, Mr. FRASER, Mr. HIGHTOWER, Mr. HOWE, Mr. KEMP, Mr. MARTIN, Mr. MAZZOLI, Mr. NEDZI, Mr. OTTINGER, Mr. RODINO, Mr. SIMON, Mr. THOMPSON, and Mr. VANDER VEEN):

H.R. 7605. A bill to amend the Federal Metal and Nonmetallic Mine Safety Act of 1966 for the purpose of terminating the Federal Metal and Nonmetallic Mine Safety Board of Review; to the Committee on Education and Labor.

By Mr. HECHLER of West Virginia (for himself, Mr. BENNETT, Mr. BONKER, Mrs. COLLINS of Illinois, Mr. CONLAN, Mr. COUGHLIN, Mr. DRINAN, Mr. EDGAR, Mr. EMERY, Mr. FLOWERS, Mr. FUQUA, Mr. HARRIS, Mr. JACOBS, Mr. MCHUGH, Mr. MCKINNEY, Mr. MITCHELL of Maryland, Mr. MOTTL, Mr. PERKINS, Mr. PRITCHARD, Mr. RINALDO, Mr. STUDDS, Mr. WHITEHURST, and Mr. WIRTH):

H.R. 7606. A bill to amend the Federal Metal and Nonmetallic Mine Safety Act of 1966 for the purpose of terminating the Federal Metal and Nonmetallic Mine Safety Board of Review; to the Committee on Education and Labor.

By Mr. HÉBERT:

H.R. 7607. A bill to amend title 10, United States Code, to authorize per diem and travel or transportation expenses for members of the Boards of Visitors to the Service Academies; to the Committee on Armed Services.

By Mr. HINSHAW:

H.R. 7608. A bill to permit certain cooperative and condominium associations to accrue without tax liability, a portion of dues and other income received for the purposes of maintaining and caring for its property and for other purposes; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. BINGHAM, Mr. ANDERSON of California, Mr. BLOUIN, Mr. CLAY, Mr. ECKHARDT, Mr. EDGAR, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. HOWARD, Mr. MEEDS, Mr. PATTERSON of California, Mr. PERKINS, Mr. REUSS, Mr. SEIBERLING, Mr. WIRTH, Mr. YATES, Mr. YOUNG of Georgia, and Mr. ZEFERETTI):

H.R. 7609. A bill to amend title XVI of the Social Security Act to insure that cost-of-living increases in supplemental security income benefits are granted to recipients of such benefits in all States, to provide a housing supplement to certain recipients of such benefits, to prevent reductions in such benefits because of social security benefits increases, to allow recipients of such benefits in cash-out States to elect to receive food stamps, to provide for emergency assistance to recipients, and for other purposes; to the Committee on Ways and Means.

By Mr. MCDONALD of Georgia:

H.R. 7610. A bill to accelerate the formation of the investment capital required to expand job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

By Mr. MICHEL (for himself, Mr. ESCH, Mr. GUYER, Mr. COCHRAN, Mr. HILLIS,

UMI

Mr. McCLORY, Mr. MARTIN, Mr. HAGEDORN, Mr. CARTER, Mr. EMERY, Mr. HINSHAW, Mr. YOUNG of Alaska, Mr. MCKINNEY, Mr. BOB WILSON, Mr. GOODLING, Mr. MCEWEN, Mrs. HECKLER of Massachusetts, Mr. DEVINE, Mr. GUDE, Mr. BROYHILL, Mr. MCCLOSKEY, Mr. KASTEN, Mr. BEARD of Tennessee, Mr. FINDLEY, and Mr. LATTA):

H.R. 7611. A bill making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations.

By Mr. MICHEL (for himself, Mr. CEDERBERG, Mr. SKUBITZ, Mr. ESCH, Mr. GUYER, Mr. CLEVELAND, Mr. REGULA, Mr. HYDE, Mr. FISH, Mr. JOHNSON of Pennsylvania, Mr. MITCHELL of New York, Mr. LAGOMARSINO, Mr. GRADISON, Mr. CONABLE, Mrs. PETTIS, Mr. TALCOTT, Mr. WALSH, Mr. BAFALIS, Mr. RINALDO, Mr. CONTE, Mr. BURGENER, Mr. LENT, Mr. SPENCE, Mr. GILMAN, and Mr. O'BRIEN):

H.R. 7612. A bill making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations.

Mr. MILLER of Ohio:

H.R. 7613. A bill to amend title II of the Social Security Act to increase to $4,000 the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. O'BRIEN:

H.R. 7614. A bill to extend and revise the State and Local Fiscal Assistance Act of 1972; to the Committee on Government Operations.

H.R. 7615. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. O'HARA (for himself, Mr. MILLER of California, Mr. MOLLOHAN, Mr. MORGAN, Mr. NEDZI, Mr. NIX, Mr. OBERSTAR, Mr. OTTINGER, Mr. PATTEN, Mr. PEYSER, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SCHEUER, Mr. SEIBERLING, Mr. SIMON, Mr. SOLARZ, Mr. JAMES V. STANTON, Mr. VIGORITO, Mr. WAXMAN, Mr. WEAVER, Mr. CHARLES H. WILSON of California, Mr. YATRON, and Mr. ZEFERETTI):

H.R. 7616. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. PRESSLER:

H.R. 7617. A bill to insure that recipients of veteran's pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. QUILLEN:

H.R. 7618. A bill to provide incentives and otherwise to encourage the utilization of home dialysis and to encourage early kidney transplantation under the renal disease program authorized under section 226 of the Social Security Act; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 7619. A bill to amend the Tariff Schedules of the United States in order to change the tariff classification of certain composition cork bound with pigmented binder; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. BEARD of Rhode Island, Mr. FITHIAN, Ms. HOLTZMAN, Mr. MURPHY of New York, Mr. SOLARZ, Mr. PATTISON of New York, and Ms. SPELLMAN):

H.R. 7620. A bill to establish grants for research endeavors for the purpose of assisting in the development and utilization of new and improved methods of food and fertilizer production; to the Committee on Agriculture.

By Mr. SHIPLEY:

H.R. 7621. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. WHITEHURST (for himself and Mr. WOLFF):

H.R. 7622. A bill to amend the Federal law relating to the care and treatment of animals to broaden the categories of persons regulated under such law, to assure that birds in pet stores and zoos are protected, and to increase protection for animals in transit; to the Committee on Agriculture.

By Mr. ADAMS:

H.J. Res. 481. Joint resolution to designate the 9th day of October of each year as Lief Erikson Day and to authorize the President to call for the appropriate celebration of such day; to the Committee on Post Office and Civil Service.

By Mr. BELL (for himself, Mr. BOB WILSON, Mr. RIEGLE, Mr. RODINO, Mr. FREY, and Mr. STARK):

H.J. Res. 482. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on the products of all foreign enterprises engaged in commercial whaling; jointly to the Committees on Merchant Marine and Fisheries, and Ways and Means.

By Mr. WHITEHURST (for himself, Mr. BURGENER, Mr. MAZZOLI, Mr. RHODES, Mr. SEBELIUS, Mr. SIKES, Mr. WAMPLER, and Mr. WON PAT):

H.J. Res. 483. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. McDADE:

H. Con. Res. 295. Concurrent resolution creating a Joint Committee on Energy; to the Committee on Rules.

By Mr. CONTE:

H. Res. 509. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

By Mr. BOB WILSON:

H. Res. 510. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EILBERG:

H.R. 7623. A bill for the relief of Rashmikant Shah; to the Committee on the Judiciary.

By Mr. HOWARD:

H.R. 7624. A bill for the relief of Jacinto Vazquez Camacho; to the Committee on the Judiciary.

By Mr. PATTERSON of California:

H.R. 7625. A bill for the relief of Maurice Allan Malinoff (a.k.a. Maurice Allan Malin); to the Committee on the Judiciary.

By Mr. SIKES:

H.R. 7626. A bill for the relief of John R. Coleman; to the Committee on the Judiciary.

By Mr. TSONGAS:

H.R. 7627. A bill for the relief of Ruth Mena Faulkner; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

168. By the SPEAKER: Memorial of the Legislature of the State of New York, relative to highway beautification; to the Committee on Public Works and Transportation.

169. Also, memorial of the assembly of the State of New York, relative to regulations increasing the authority of the Army Corps of Engineers over waters of the United States; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII proposed amendments were submitted as follows:

H.R. 6860

By Ms. ABZUG:

On page 97, line 16, after "activity," insert the following: "Not less than 25 percent of the funds available for expenditure from the Trust Fund during any fiscal year shall be expended for projects or expenditures described in paragraph (4)."

By Mr. ARCHER:

On page 135, after line 12, add the following new part to title V:

PART IV—TAX CREDIT CHANGES RELATING TO DOMESTIC ENERGY EXPLORATION AND DEVELOPMENT

SEC. 541. TAX CREDIT CHANGE RELATING TO DOMESTIC ENERGY EXPLORATION AND DEVELOPMENT.

(a) Subpart A of part IV of chapter 1 (relating to credits against tax) is amended by redesignating section 45 as section 46 and by inserting after section 44 the following new section:

"SEC. 45. EXPENDITURES TO INCREASE DOMESTIC OIL AND GAS RESERVES.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount (subject to the limitations of subsection (b)) eqaul to 10 percent of the amount of expenditures paid or incurred by the taxpayer during the taxable year for—

"(1) intangible drilling and development costs with respect to domestic exploratory oil and gas wells (as defined in subsection (d)(1));

"(2) domestic geological and geophysical costs (as defined in subsection (d)(2)); or

"(3) secondary or tertiary processes with respect to domestic oil and gas wells.

"(b) LIMITATIONS.—

"(1) DURATION.—The credit allowed by subsection (a) shall apply only to expenditures paid or incurred within the 2-year period beginning on the date on which this section is enacted.

"(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciation property).

"(c) CARRYBACK AND CARRYOVER OF UNUSED CREDITS.—

"(1) ALLOWANCE OF CREDIT.—If the amount of the credit determined under subsection (a) for any taxable year exceeds the limitation provided by subsection (b)(2) for such taxable year (hereinafter in this subsection referred to as 'unused credit year'), such excess shall be—

"(A) an exploration or development credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(B) an exploration or development credit carryover to each of the 7 taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by section 40 for such years, except that such excess may be a carryback only to a taxable year ending after the first day of January of the year in which this section is enacted. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 10 taxable years to which (by reason of subparagraph (A) or (B)) such credit may be carried, and then successively to each of the other 9 taxable years to the extent that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(2) LIMITATION.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not, when added to the amount of the credit under subsection (a), exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of—

"(A) the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property); and

"(B) the amounts which, by reason of this subsection, are added to the amount allowable for such taxable year and attributable to taxable years preceding the unused credit year.

"(d) DEFINITIONS.—For purposes of this section—

"(1) EXPLORATORY OIL AND GAS WELLS.—The term 'exploratory oil and gas well' shall mean any well drilled to the depth of a potential oil or gas bearing formation, and which—

"(A) is not a producing well,

"(B) at the time such well is completed, is more than 2 miles from any producing well; or

"(C) at the time such well is completed—

"(i) is within 2 miles of any producing well,

"(ii) is determined (under regulations prescribed by the Secretary or his delegate) to have a bottom hole pressure indicating that no substantial amount of oil or gas has been produced from one or more of the reservoirs in which the well is completed, and

"(iii) is completed more than two years after the completion of a producing well within 2 miles of such well.

A well which is completed within 2 miles of a producing well but does not meet the requirements of subparagraph (C) (ii) and (iii) shall nevertheless be deemed an exploratory well if under all of the facts and circumstances the taxpayer can demonstrate that the well is completed in one or more reservoirs from which there is no significant oil or gas production.

"(2) GEOLOGICAL AND GEOPHYSICAL COSTS.—The term 'geological and geophysical costs' means any expenditure for—

"(i) aerial photography,

"(ii) geological mapping,

"(iii) airborne magnetometer surveys,

"(iv) gravity meter surveys,

"(v) seismograph surveys, or

"(vi) similar geological and geophysical methods,

for the purpose of ascertaining the existence, location, extent, or quality of any deposit of domestic oil or gas.

"(3) DOMESTIC.—The term 'domestic' refers to an oil or gas well or an oil or gas deposit located in this United States or in a possession of the United States.

"(4) PRODUCING WELL.—The term 'producing well' means any well capable of producing oil or gas in commercial quantities.

"(e) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section.".

(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 45. Expenditures to increase domestic oil and gas reserves.

"Sec. 46. Overpayments of tax.".

By Mr. ASHLEY:

On page 108, in line 4, after the word "burning" insert the following: "only waste or".

On page 108, between lines 8 and 9, insert the following: "(C) used to convert waste directly into usable energy (including unloading equipment, feeding systems, furnaces, boilers and associated equipment), or".

And, on line 9, strike "(C)" and insert "(D)".

On page 108, strike line 23 and insert the following: "a liquid, gaseous or clean solid state."

By Mr. CARNEY:

Proposed amendments to title I; title II; title III; title IV; and title V of the bill, H.R. 6860 or to any amendment to any title of the bill, H.R. 6860:

Strike out the necessary number of words.
Strike out the requisite number of words.
Strike out the next to the last word.
Strike out the penultimate word.
Strike out the last word.

Proposed amendments to each section of the bill, H.R. 6860, or to any amendment to any provision of the bill, H.R. 6860:

Strike out the last word of section 111.
Strike out the last word of section 112.
Strike out the last word of section 121.
Strike out the last word of section 131.
Strike out the last word of section 132.
Strike out the last word of section 133.
Strike out the last word of section 141.
Strike out the last word of section 142.
Strike out the last word of section 143.
Strike out the last word of section 211.
Strike out the last word of section 212.
Strike out the last word of section 213.
Strike out the last word of aection 221.
Strike out the last word of section 222.
Strike out the last word of section 223.
Strike out the last word of section 231.
Strike out the last word of section 311.
Strike out the last word of section 321.
Strike out the last word of section 322.
Strike out the last word of section 323.
Strike out the last word of section 331.
Strike out the last word of section 332.
Strike out the last word of section 411.
Strike out the last word of section 412.
Strike out the last word of section 413.
Strike out the last word of section 511.
Strike out the last word of section 521.
Strike out the last word of section 522.
Strike out the last word of section 523.
Strike out the last word of section 524.
Strike out the last word of section 531.
Strike out the last word of section 532.
Strike out the last word of section 533.

By Mr. COTTER:

On page 132, line 9, insert after "paper," the following: "plastics,".

By Mr. FISHER:

Page 58, strike out line 3 and all that follows down through line 20 on page 71 and insert:

PART I—AUTOMOBILE FUEL EFFICIENCY TAXES

SEC. 311. TAX ON EACH AUTOMOBILE WITH LOW FUEL EFFICIENCY.

(a) GENERAL RULE.—Part I of subchapter A of chapter 32 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4064. TAX ON EACH AUTOMOBILE WITH LOW FUEL EFFICIENCY.

"There is hereby imposed on each automobile produced in the United States, or imported into the United States, during the model year 1978, 1979, or 1980, a tax determined in accordance with the following table:

"If the fuel mileage rating (in miles per gallon) of the automobile is—	And the model year is—		
	1978	1979	1980
	Then the amount of the tax is—		
20 or more			
19 or more but less than 20		0	$100
18 or more but less than 19	0	$100	200
17 or more but less than 18	$100	200	300
16 or more but less than 17	200	300	450
15 or more but less than 16	350	450	650
14 or more but less than 15	500	650	850
13 or more but less than 14	700	900	1,110
Less than 13	1,000	1,200	1,400

The tax imposed by this section shall be paid by the manufacturer or importer, as the case may be."

(b) DISCLOSURE OF TAX AND FUEL MILEAGE RATING ON WHICH TAX IS BASED.—

(1) GENERAL RULE.—In the case of any automobile with respect to which tax was imposed by section 4064 of the Internal Revenue Code of 1954, such manufacturer, producer, or importer shall affix a label to such automobile which shall include a clear, distinct, and legible endorsement stating—

(A) that Federal excise tax was imposed with respect to such automobile based upon the fuel mileage rate of such automobile,

(B) the amount of tax which was imposed,

(C) the fuel mileage rate on which such tax was based, and

(D) the table of taxes imposed by section 4064 applicable to all automobiles produced in that model year.

(A) FAILURE TO AFFIX LABEL, OR FALSE ENDORSEMENT OF LABEL.—Any person required by paragraph (1) to endorse any label who willfully fails to endorse and affix such label as required by paragraph (1) or who makes a false endorsement of such label, shall be fined not more than $1,000.

(B) REMOVAL, MODIFICATION, OR MUTILIATION OF LABEL.—Any person who removes, modifies, or mutilates any label affixed under paragraph (1) to an automobile before title or possession to such automobile is, for purposes of consumption, transferred to any person shall be fined not more than $1,000.

(C) EACH VIOLATION TO BE CONSIDERED A SEPARATE OFFENSE.—Each failure or endorsement referred to in subparagraph (A), and each removal, modification, or mutilation referred to in subparagraph (B), shall constitute a separate offense.

SEC. 312. TAX WHERE MANUFACTURER'S FLEET DOES NOT MEET STANDARD

(a) GENERAL RULE.—Part I of subchapter A of chapter 32 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4065. TAX WHERE FLEET DOES NOT MEET STANDARD.

"(a) IMPOSITION OF TAX.—If the fuel mileage rating of any manufacturer or importer for the model year 1978, 1979, or 1980 is below the fuel mileage standard for that model year provided by subsection (b), a tax is hereby imposed on each automobile produced by such manufacturer (or imported by such importer) during such model year which has a fuel mileage rating below the fuel mileage standard provided by subsection (b) for that model year. The tax imposed by this section shall be paid by the manufacturer or the importer, as the case may be.

"(b) FUEL MILEAGE STANDARD.—For purposes of this section—

"For the model year— | The fuel mileage standard (in miles per gallon) is—

1978	18
1979	19
1980	20

"(c) AMOUNT OF TAX.—In the case of any

automobile subject to tax under this section, the amount of such tax shall be $20 for each full 1/10 of a mile per gallon which the fuel mileage rating of the manufacturer or importer for the model year of production of importation is below the fuel mileage standard for that year."

SEC. 313. PROVISIONS COMMON TO SECTIONS 4064 AND 4065.

(a) IN GENERAL.—Part I of subchapter A of chapter 32 is amended by adding at the end thereof the following new section:

"SEC. 4066. PROVISIONS COMMON TO SECTIONS 4064 AND 4065.

"(a) DETERMINATION OF AUTOMOBILE FUEL MILEAGE RATING.—

"(1) DETERMINATION OF RATING.—

"(A) IN GENERAL.—The fuel mileage rating of every automobile which may be subject to tax under section 4064 or 4065 shall be the fuel mileage rating, for the class of automobiles in which such automobile falls, determined by the Secretary or his delegate. The determination of such rating for any class of automobiles shall be based on a composite mileage resulting from the testing of such class of automobiles, conducted in accordance with procedures established under paragraph (4). Such determination shall be published in the Federal Register.

"(B) REVIEW OF DETERMINATION.—Within 30 days after the fuel mileage rating of any class of automobiles has been published under subparagraph (A), the manufacturer or importer of such class of automobiles may file a petition in the United States Court of Appeals for the District of Columbia for judicial review of such determination. Upon the filing of such petition, the court shall have jurisdiction to review such determination in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

"(2) INTERAGENCY COOPERATION.—In order to avoid unnecessary expense and duplication, the Secretary or his delegate shall make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this section and the functions of any department, agency, or establishment of the United States, as he may find practicable and consistent with law. The Secretary or his delegate may have access to and utilize, on a reimbursable or other basis, information, facilities, or services of any department, agency, or establishment of the United States; and each such department, agency, or establishment shall cooperate with the Secretary or his delegate and, to the extent permitted by law, provide such information, facilities, or services as he may request.

"(3) FUEL MILEAGE RATING.—The term 'fuel mileage rating' means, with respect to any class of automobiles, the number of miles which an automobile in such class can be expected to travel for each gallon of fuel which it consumes.

"(4) PROCEDURE FOR DETEAMINING FUEL MILEAGE RATINGS.—The Secretary or his delegate shall, by regulations, establish procedures for conducting tests to determine the fuel mileage ratings of automobiles which may be subject to tax under section 4064 or 4065. Under such regulations the Secretary or his delegate shall establish separate classes of automobiles which may be based upon—

"(A) the manufacturer (or division of the manufacturer) of the automobiles;

"(B) the engine family of the automobiles (which takes into account the type of engine, fuel induction system, and emission control system);

"(C) the type of transmission of such automobiles;

"(D) whether or not the automobiles have air conditioners;

"(E) whether or not the automobiles are station wagons; and

"(F) the inertia weight of the automobiles. For purposes of subparagraph (F), the inertia weight shall be taken into account in categories of 250-pound increments for automobiles which have inertia weights under 3,000 pounds, and in categories of 500-pound increments for automobiles which have inertia weights of 3,000 pounds or more.

"(b) DETERMINATION OF FUEL MILEAGE RATING FOR EACH MANUFACTURER OR IMPORTER.—

"(1) MANUFACTURER.—The fuel mileage rating of any manufacturer for purposes of section 4065 for any model year shall be based on all automobiles produced by such manufacturer in the United States or Canada during such model year.

"(2) IMPORTER.—The fuel mileage rating of any importer for purposes of section 4065 for any model year shall be based on all new automobiles imported into the United States during such model year which were produced (outside the United States and Canada) by the manufacturer who produced the automobiles imported by such importer. If there is more than one such manufacturer, the importer shall have a separate fuel mileage rating with respect to the automobiles of each such manufacturer.

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) PERSONS WHO MANUFACTURE AND IMPORT.—A person who is both a manufacturer and an importer shall be treated—

"(i) as a manufacturer with respect to automobiles described in paragraph (1), and

"(ii) as an importer with respect to automobiles described in paragraph (2).

A person who manufactures automobiles in the United States shall be treated as the importer of all automobiles produced by such manufacturer which are imported into the United States.

"(B) CERTAIN IMPORTS FROM CANADA.—A person who is not a manufacturer with respect to automobiles described in paragraph (1) but who imports automobiles from Canada shall be treated as an importer with respect to such automobiles.

"(C) PRODUCTION IN UNITED STATES OR CANADA.—An automobile is produced in the United States or Canada if at least 75 percent of the cost to the manufacturer of such automobile is attributable to value added in the United States or Canada. Any automobile not described in the preceding sentence the production of which is completed in the United States shall be treated as having been imported (at the time of such completion) into the United States.

"(D) TREATMENT OF CERTAIN EXPORTS AND IMPORTS AND SALES FOR FURTHER MANUFACTURE.—An automobile otherwise taken into account under paragraph (1) shall not be taken into account under such paragraph (1)—

"(i) if it is sold to any person before the close of the model year in which it is produced for use in further manufacture,

"(ii) if it is exported from the United States before the close of the model year in which it is produced, or

"(iii) in the case of an automobile the production of which is completed outside the United States unless it is imported into the United States before the close of the model year in which it is produced.

"(E) PERSONS UNDER COMMON CONTROL.—All persons who control, are controlled by, or are under common control with any person shall be treated as one person.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) AUTOMOBILE.—The term 'automobile' means—

"(A) any passenger automobile (within the meaning of such term as used in section 4061(b)(2)), or

"(B) any automobile truck or bus which has a gross vehicle weight of 6,000 pounds or less (as determined under regulations prescribed by the Secretary or his delegate), which uses gasoline or diesel fuel as a fuel for propulsion.

"(2) MODEL YEAR.—The term 'model year' means, with reference to any calendar year, the manufacturer's annual production period (as determined by the Secretary or his delegate) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term 'model year' means the calendar year.

"(3) MANUFACTURER.—The term 'manufacturer' includes a producer.

"(4) MATHEMATICAL CALCULATIONS.—In determining any fuel mileage rating under subsection (a) or (b), the total number of automobiles to be taken into account for that determination is to be divided by a sum of terms, each term of which is a fraction created by dividing—

"(A) the number of automobiles within each group to be taken into account, by

"(B) the fuel milege rating for the automobiles within such group rounded to the nearest 1/10 of a mile per gallon.

"(5) CHANGES IN EMISSIONS STANDARDS.—If there is any change (whether by law or by administrative action) from the Federal emissions standards which apply to automobiles produced on May 1, 1975, the Secretary or his delegate shall determine by rule (in accordance with section 553 of title 5, United States Code) and publish in the Federal Register—

"(A) the extent (if any) to which such change reduces fuel mileage, and

"(B) the modifications in the fuel mileage standard set forth in section 4065(b) and in the mileage brackets of the table set forth in section 4064, which are necessary to reflect the reduction in fuel mileage resulting from such change.

Any modifications published under this paragraph shall have the force and effect of law and shall apply to all automobiles produced or imported to which the changed emissions standards apply as if such modifications were contained in section 4064 or 4065; as the case may be.

"(d) EXEMPTIONS.—Under regulations prescribed by the Secretary or his delegate, for purposes of sections 4064, 4065, and this section the term 'automobile' does not include—

"(1) an ambulance, hearse, or combination ambulance-hearse,

"(2) any bus which is to be used predominantly by the purchaser in mass transportation services in urban areas, or

"(3) any bus sold to any person for use exclusively in transporting students and employees of schools operated by State or local governments or by nonprofit educational organizations (within the meaning of section 4221(d)(5)).

For purposes of paragraph (3), incidental use of a bus in providing transportation for State or local government or a nonprofit organization described in section 501(c) which is exempt from tax under section 501(a) shall be disregarded.

"(e) Application of Certain Sections.—Sections 4221 and 4293 shall not apply to the taxes imposed by sections 4064 and 4065.

(b) TECHNICAL AND CLERICAL AMENDMENTS.—

(1) The table of sections for part I of subchapter A of chapter 32 is amended by adding at the end thereof the following:

"Sec. 4064. Tax on each automobile with low fuel efficiency

"Sec. 4065. Tax where fleet does not meet standard

"Sec. 4066. Provisions common to section 4064 and 4065."

(2) Section 6161(b)(1) (relating to extensions of time for paying tax) is amended by inserting after "or 43," the following: "or by section 4064 or 4065,". The second sentence of such section 6161(b) is amended by inserting after "chapter 43," the following: "or by section 4064 or 4065 of chapter 32,"

(3) Section 6201(d) (cross reference) is amended by striking out "and chapter 43 taxes" and inserting in lieu thereof the following: "chapter 43, and sections 4064 and 4065 taxes".

(4) Section 6211 (defining deficiency) is amended—

(A) by striking out so much of subsection (a) as precedes paragraph (1) and inserting in lieu thereof the following:

"(a) IN GENERAL.—For purposes of this title in the case of income, estate, and gift taxes imposed by subtitles A and B and excise taxes imposed by sections 4064 and 4065 or by chapters 42 and 43, the term 'deficiency' means the amount by which the tax imposed by subtitle A or B, by section 4064 or 4065, or by chapter 42 or 43, exceeds the excess of—"; and

(B) by inserting after "or B" in subsection (b)(2) the following: ", section 4064 or 4065,".

(5) Section 6212 (relating to notice of deficiency) is amended—

(A) by inserting after "or B" in subsection (a) the following: ", section 4064 or 4065,";

(B) by inserting after "chapter 12" each place it appears in subsection (b)(1) the following: ", sections 4064 and 4065,";

(C) by striking out "TAXES IMPOSED BY CHAPTER 42" in the heading of subsection (b)(1) and inserting in lieu thereof "CERTAIN EXCISE TAXES";

(D) by striking out "or of chapter 42 tax" in subsection (c)(1) and inserting in lieu thereof "of chapter 42 tax"; and

(E) by inserting after "to which such petition relates" the following: ", or of section 4064 or 4065 tax with respect to the calendar year to which such petition relates".

(6) Section 6213 (relating to restrictions applicable to deficiencies and petition to Tax Court) is amended by inserting after "or B" in subsection (a) the following ", section 4064 or 4065.".

(7) Section 6214(d) (relating to final decisions of Tax Court) is amended by inserting after "this chapter," the following: "sections 4064 and 4065,".

(8) Section 6344(a)(1) (relating to cross references) is amended by inserting before "chapter 42" the following: "section 4064 or 4065 or".

(9) Section 6512 (relating to limitations in case of petition to Tax Court) is amended—

(A) by striking out "or 43" each place it appears therein and inserting in lieu thereof ", 43", and

(B) by inserting after "to which such petition relates" the following: ", or of section 4064 or 4065 tax with respect to the calendar year to which such petition relates".

(10) Section 6601(d) (relating to interest on underpayment, nonpayment, or extensions of time for payment of tax) is amended by striking out in the heading thereof "CHAPTER 42 or 43" and inserting in lieu thereof "CERTAIN EXCISE".

(11) Section 7422(e) (relating to civil actions for refund) is amended by inserting before "chapter 42" the following: "section 4064 or 4065 or".

SEC. 314. RECOMMENDATIONS FOR MODEL YEARS AFTER 1980.

(a) REPORT.—Before March 15, 1978, the Administrator of the Federal Energy Administration shall submit to the Congress a report—

(1) as to whether the taxes imposed by sections 4064 and 4065 of the Internal Revenue Code of 1954 shall be continued beyond the model year 1980, and

(2) if such taxes are continued—

(A) any modifications the Administrator believes should be made in such taxes, and

(B) what the fuel mileage standard, and the tax rate brackets and amounts, should be for model years after 1980.

By Mr. GOLDWATER:

Page 84, line 21, delete the language beginning on page 84, line 21, and ending on page 85, line 4; and insert the following new language:

"(1) 50 percent of the qualified solar energy equipment expenditures paid by the taxpayer during the taxable year with respect to any residence to the extent that such expenditures do not exceed $2,000, plus.

"(2) 30 percent of the qualified solar energy equipment expenditures by the taxpayer during the taxable year with respect to such residence to the extent that such expenditures exceed $2,000 but do not exceed $3,000."

Page 87, line 3, after the word "on", insert the phrase, ", or when connected to".

Page 125, lines 17 and 18, delete lines 17 and 16; and insert:

"(2) The amendment made by subsection (b) shall apply to property purchased after July 1, 1976."

By Mr. GONZALEZ:

Page 135, after line 12, add new section:

"No tax resulting from the enactment of this act shall be applicable to municipally owned light and gas public utilities, and public schools."

By Mr. GREEN:

Page 128, after line 17, insert the following:

"(5) Certain lease-back transactions, etc. Where a person who is a party to a binding contract described in paragraph (2) transfers rights in such contract (or in the property to which such contract relates) to another person but a party to such contract retains a right to use the property under a lease with such other person, then to the extent of the transferred rights such other person shall, for purposes of paragraph (2), succeed to the position of the transferor with respect to such binding contract and such property. The preceding sentence shall apply, in any case in which the lessor does not make an election under section 48(d) of the Internal Revenue Code of 1954, only if a party to such contract retains a right to use the property under the long-term lease."

By Mr. HECHLER of West Virginia:

On page 102 after line 10 insert the following:

"SEC. 414. Amounts required for the purposes of this Title shall be established by annual authorization and appropriation acts."

On page 102, beginning on line 11, strike everything through the period on line 13.

On page 107, line 19, after the word "equipment" insert a ".".

On line 20 strike all through the period on line 22.

On page 108, line 11, strike all through the period on page 109, line 5.

By Mr. JEFFORDS:

Page 58, strike out line 3 and all that follows down through line 20 on page 71 and insert:

SEC. 311. EXCISE TAX ON PASSENGER AUTOMOBILES BASED ON FUEL CONSUMPTION RATE.

(a) GENERAL RULE.—Part I of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following section:

"SEC. 4064. AUTOMOBILE FUEL ECONOMY TAX.

"(a) IMPOSITION OF TAX.—There is hereby imposed on every passenger automobile sold by the manufacturer, a tax determined in accordance with the following tables:

"(1) In the case of a passenger automobile sold by the manufacturer during the period beginning on September 1, 1976, and ending on August 30, 1977:

"If fuel efficiency rate is:	The tax is:
Over 15.5	0
Over 13.5 but not over 15.5	$200
Not over 13.5	$250

"(2) In the case of a passenger automobile sold by the manufacturer during the period beginning on September 1, 1977, and ending on August 30, 1978:

"If fuel efficiency rate is:	The tax is:
Over 16.5	0
Over 14.5 but not over 16.5	$200
Over 13 but not over 14.5	$250
Not over 13	50 percent of the price for which so sold.

"(3) In the cast of a passenger automobile sold by the manufacturer during the period beginning on September 1, 1978, and ending on August 30, 1979:

"If fuel efficiency rate is:	The tax is:
Over 17.5	0
Over 15.5 but not over 17.5	$400
Over 14 but not over 15.5	$500
Not over 14	50 percent of the price for which so sold.

"(4) In the case of a passenger automobile sold by the manufacturer during the period beginning on September 1, 1979, and ending on August 30, 1980:

"If fuel efficiency rate is:	The tax is:
Over 18.5	0
Over 16.5 but not over 18.5	$400
Over 16 but not over 16.5	$500
Not over 16	50 percent of the price for which so sold.

"(5) In the case of a passenger automobile sold by the manufacturer during the period beginning on September 1, 1980, and ending on August 30, 1981:

"If fuel efficiency rate is:	The tax is:
Over 19.5	0
Over 18 but not over 19.5	$400
Not over 18	50 percent of the price for which so sold.

"(6) In the case of a passenger automobile sold by the manufacturer during the period beginning on September 1, 1981, and ending on August 30, 1982:

"If fuel efficiency rate is:	The tax is:
Over 21.5	0
Over 20 but not over 21.5	$500
Not over 20	50 percent of the price for which so sold.

"(7) In the case of a passenger automobile sold by the manufacturer during the period beginning on September 1, 1982, and ending on August 30, 1983:

"If fuel efficiency rate is:	The tax is:
Not over 22	50 percent of the price for which so sold.

"(8) In the case of a passenger automobile sold by the manufacturer during the period beginning on September 1, 1983, and ending on August 30, 1984:

"If fuel efficiency rate is:	The tax is:
Not over 24	50 percent of the price for which so sold.

"(9) In the case of a passenger automobile sold by the manufacturer after August 30, 1984:

"If fuel efficiency rate is:	The tax is:
Not over 25	50 percent of the price for which so sold.

"(b) Definitions.—For purposes of this section—

"(1) FUEL EFFICIENCY RATE.—The fuel efficiency rate of any passenger automobile shall be the fuel efficiency rate determined for such automobile by the Administrator of the Environmental Protection Agency under sec-

tion 5(b) of the Automobile Fuel-Economy Act of 1975.

"(2) PASSENGER AUTOMOBILE.—The term 'passenger automobile' means only a passenger automobile (within the meaning of section 4061(b)(2)) which uses gasoline or diesel fuel as a fuel. Such term does not include any ambulance, hearse, or combination ambulance-hearse.

"(3) MANUFACTURER.—The term 'manufacturer' includes a producer or importer.

"(c) EXEMPTION.—Under regulations prescribed by the Secretary or his delegate, the tax imposed by subsection (a) shall not apply in the case of a passenger automobile which is to be used predominantly by a State or local government in performing law enforcement or public safety functions."

(b) FLOOR STOCKS TAXES.—

(1) Subsection (a) of section 4226 of such Code (relating to floor stocks taxes) is amended to read as follows:

"(a) TAX ON PASSENGER AUTOMOBILES.—

"(1) IN GENERAL.—On any passenger automobile which was sold by the manufacturer, producer, or importer, and which, on a tax increase date, is held by a dealer for sale, there is hereby imposed a floor stocks tax at a rate equal to the difference between (A) the tax under section 4064 paid on the sale of such automobile by the manufacturer, producer, or importer, and (B) the tax under such section which would have been applicable to such sale if that sale had occurred on such tax increase day.

"(2) TAX INCREASE DAY DEFINED.—For purposes of paragraph (1), the term 'tax increase day' means September 1, of 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, or 1984."

(2) Subsection (d) of such section 4226 is amended to read as follows:

"(d) DUE DATE OF TAXES.—The taxes imposed by subsection (a) shall be paid at such time after the applicable tax increase day (as defined in subsection (a)(2)) as may be prescribed by the Secretary or his delegate."

(3) Subsection (e) of such section 4226 is amended to read as follows:

"(e) PASSENGER AUTOMOBILE.—For purposes of subsection (a), the term 'passenger automobile' has the meaning given to such term by section 4064(b)(2)."

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 4221 of such Code (relating to certain tax free sales) is amended by adding at the end thereof the following new sentence: "Paragraphs (4) and (5) shall not apply in the case of the tax imposed by section 4064.".

(2) Subsection (c) of such section 4221 is amended by inserting before ", 4083" the following: ", 4064(c)".

(3) Section 4222(d) of such Code (relating to registration in the case of certain other exemptions) is amended by inserting before ", 4083" the following: ", 4064(c)".

(4) Paragraph (2) of section 6416(b) of such Code (relating to overpayments in case of specified uses and resales) is amended—

(A) by inserting before "sold" in subparagraphs (C) and (D) the following: "in the case of an article other than an article taxable under section 4064,"; and

(B) by inserting after subparagraph (D) the following new subparagraph:

"(E) in the case of an article taxable under section 4064, sold to a State or local government to be used predominantly in performing law enforcement or public safety functions;".

(5) The table of sections for part I of subchapter A of chapter 32 of such Code is amended by adding at the end thereof the following new item:

"Sec. 4064. Automobile fuel economy tax."

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 1, 1976.

SEC. 312. PURCHASES OF FUEL-EFFICIENT NEW PASSENGER AUTOMOBILES

(a) GENERAL RULE.—Subchapter B of chapter 65 of the Internal Revenue Code of 1954 (relating to rules of special application for abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6428. PURCHASES OF FUEL-EFFICIENT NEW PASSENGER AUTOMOBILES.

"(a) PAYMENTS.—The Secretary or his delegate shall pay to each individual who, on or before August 30, 1982, purchases a new passager automobile which is manufactured in the United States an amount determined in accordance with the following tables:

"(1) In the case of a new passanger automobile purchased during the period beginning on September 1, 1976, and ending on August 30, 1977:

"If the fuel efficiency rate is:	The payment is:
At least 17.5 but not over 19.5	$500
Over 19.5 but not over 21.5	$700
Over 21.5 but not over 23.5	$900
Over 23.5	$1,000

"(2) In the case of a new passenger automobile purchased during the period beginning on September 1, 1976, and ending on August 30, 1978:

"If the fuel efficiency rate is:	The payment is:
At least 18.5 but not over 20.5	$500
Over 20.5 but not over 22.5	$700
Over 22.5 but not over 24.5	$900
Over 24.5	$1,000

"(3) In the case of a new passenger automobile purchased during the period beginning on September 1, 1978, and ending on August 30, 1979:

"If the fuel efficiency rate is:	The payment is:
At least 19.5 but not over 21.5	$500
Over 21.5 but not over 23.5	$700
Over 23.5 but not over 25.5	$900
Over 25.5	$1,000

"(4) In the case of a new passenger automobile purchased during the period beginning on September 1, 1979, and ending on August 30, 1980:

"If the fuel efficiency rate is:	The payment is:
At least 20.5 but not over 22.5	$500
Over 22.5 but not over 24.5	$700
Over 24.5 but not over 26.5	$900
Over 26.5	$1,000

"(5) In the case of a new passenger automobile purchased during the period beginning on September 1, 1980, and ending on August 30, 1981:

"If the fuel efficiency rate is:	The payment is:
At least 21.5 but not over 23.5	$500
Over 23.5 but not over 25.5	$700
Over 25.5 but not over 27.5	$900
Over 27.5	$1,000

"(6) In the case of a new passenger automobile purchased during the period beginning on September 1, 1981, and ending on August 30, 1982:

"If the fuel efficiency rate is:	The payment is:
At least 22.5 but not over 24.5	$500
Over 24.5 but not over 26.5	$700
Over 26.5 but not over 28.5	$900
Over 28.5	$1,000

"(b) CLAIMS.—No payment shall be made under subsection (a) to any individual unless a claim therefor has been submitted to the Secretary or his delegate within such time, and in such manner and containing such information, as the Secretary or his delegate shall prescribe by regulations.

"(c) LIMITATIONS.—In the case of any individual who received a payment under subsection (a) with respect to the purchase of any new passenger automobile, no payment may be made under subsection (a) to such individual with respect to any other new passenger automobile purchased during the 1-year period beginning on the day on which the individual purchased the passenger automobile with respect to which such payment was made.

"(d) DEFINITIONS AND SPECIAL RULES.—

"(1) NEW PASSENGER AUTOMOBILE.—The term 'new passenger automobile' means any passenger automobile which is purchased by an individual if the individual is the first person to purchase such automobile for purposes other than for resale or use as a demonstration automobile in connection with the sale of other passenger automobiles. For purposes of this paragraph, the term 'passenger automobile' has the meaning given to such term by section 4064(b)(2).

"(2) FUEL CONSUMPTION RATE.—The fuel consumption rate of any new passenger automobile shall be the fuel consumption rate determined for such automobile by the Administrator of the Environmental Protection Agency under section 5 of the Automobile Fuel Economy Act of 1975.

"(3) PURCHASE.—A new passenger automobile shall be considered as purchased by an individual on the day on which he enters into a contract to purchase such automobile if such contract, on such day and at all times thereafter, is binding on him; except that, if delivery of such automobile is not made to the individual within 30 days after he entered into such contract and such contract was entered into on or after September 1, 1976, such automobile shall be considered as purchased on the day on which it is delivered to the individual.

"(4) MANUFACTURED IN THE UNITED STATES.—A new passenger automobile shall be considered as manufactured in the United States if—

"(A) the manufacture or production of such automobile was completed in the United States; and

"(B) at least 50 percent of the basis of such automobile is attributable to value added in the United States.

For purposes of this paragraph, the term 'United States' includes the Commonwealth of Puerto Rico and the possessions of the United States.

"(e) APPLICABLE LAW.—All provisions of law (including penalties) applicable in respect of the taxes imposed by chapter 1 shall, insofar as applicable and not inconsistent with this section, apply in respect of the payments provided for in this section to the same extent as if such payments constituted refunds of overpayments of the taxes so imposed.

"(f) REDUCTION OF BASIS.—The basis of any new passenger automobile with respect to which a payment is made under subsection (a) shall be reduced by the amount of such payment. Such reduction shall be made before computing the amount of any depreciation deduction (or amortization in lieu of depreciation) or any credit under section 38 with respect to such property."

(b) TECHNICAL AMENDMENTS.—

(1) The table of sections for such subpart B is amended by adding at the end thereof the following new item:

"Sec. 6428. Purchase of fuel-efficient passenger automobiles."

(2) Section 1016(a) of such Code (relating to adjustments to basis) is amended by striking out the period at the end of paragraph (22) and inserting in lieu thereof a semicolon and by adding after paragraph (22) the following new paragraph:

"(23) to the extent provided in section 6428(f), in the case of property with respect to which a payment is made under section 6428."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 1, 1976.

SEC. 313. DETERMINATION OF FUEL EFFICIENCY RATES.

(a) TEST PROCEDURES.—The Administrator of the Environmental Protection Agency (hereinafter in this section referred to as the "Administrator") shall establish test procedures to determine the fuel efficiency rates of passenger automobiles sold within the United States. Such procedures shall provide that the fuel efficiency rate of any of such passenger automobiles—

(1) shall be determined under driving conditions which are a composite of the average driving conditions encountered by individuals in urban areas, and

(2) shall not exceed the rate that such passenger automobile can reasonably be expected to maintain during the first 3 years of its operation with proper maintenance.

(b) DETERMINATION OF FUEL EFFICIENCY RATES.—Not later than August 1, 1976, and at such times thereafter as he deems appropriate, the Administrator shall determine the fuel efficiency rate of each model of passenger automobiles sold within the United States—

(1) with each engine size available in such model, and

(2) with each combination of any accessory equipment available in such model if the Administrator determines that such combination has a significant effect on the fuel consumption rate,

in accordance with the test procedures established under subsection (a) and the Administrator shall transmit to the Secretary of the Treasury or his delegate a report of each such determination.

(c) For purposes of this section—

(1) The term "fuel consumption rate" means the average number of highway miles that any passenger automobile will travel for each gallon of fuel which it consumes.

(2) The term "passenger automobile" has the meaning given to such term by section 4064(b)(2) of the Internal Revenue Code of 1954.

SEC. 314. DISCLOSURE OF FUEL EFFICIENCY RATE AND TAXES PAID.

Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by inserting "(a)" after "Sec. 3." and by adding at the end thereof the following new subsection:

"(b) Every label required to be affixed under subsection (a) on any automobile on the sale of which by the manufacturer, producer, or importer a tax was imposed by section 4064 of the Internal Revenue Code of 1954 (relating to automobile fuel economy tax) shall include—

"(1) the fuel efficiency rate (as determined under section 5(b) of the Automobile Fuel-Economy Act of 1975) on which such tax was based, and

"(2) the amount of such tax."

SEC. 315. PROHIBITION OF ADJUSTING PASSENGER AUTOMOBILES TO LOWER FUEL EFFICIENCY RATE.

(a) GENERAL RULE.—No manufacturer, distributor, dealer, or motor vehicle repair business shall alter or adjust any passenger automobile for the purpose of increasing the horsepower or acceleration of such automobile if such alteration or adjustment will reduce the fuel efficiency rate (as defined in section 5(c)(1) of this Act) by at least 20 percent.

(b) PENALTY.—Any person who violates subsection (a) of this section shall be subject to a civil penalty of not more than $1,000 for each such violation. Such civil penalty shall be assessed by the Secretary of Transportation and may be collected in a civil action brought by the United States in a United States court under section 1335 of title 28, United States Code.

(c) DEFINITIONS.—For purposes of this section—

(1) PASSENGER AUTOMOBILES.—The term "passenger automobile" only includes a passenger automobile (as defined in section 4064(b)(2) of the Internal Revenue Code of 1954) which is sold by the manufacturer, producer, or importer on or after September 1, 1976.

(2) MANUFACTURER, DISTRIBUTOR, DEALER, MOTOR VEHICLE REPAIR BUSINESS.—The terms "manufacturer", "distributor", "dealer", and "motor vehicle repair business" have the same meaning as such terms have when used in the National Traffic and Motor Vehicle Safety Act of 1966.

SEC. 316. ESTABLISHMENT OF ENERGY RESEARCH TRUST FUND.

(a) GENERAL RULE.—Section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 is amended to read as follows:

"ENERGY RESEARCH TRUST FUND

"SEC. 16. (a) There is hereby established in the Treasury of the United States a trust fund to be known as the 'Energy Research Trust Fund' (hereinafter in this section referred to as the 'Trust Fund'). The Trust Fund shall consist of such amounts as may be appropriated to it and deposited in it as provided in this section. Amounts in the Trust Fund shall be available to the Administrator without fiscal year limitation, for the purpose of carrying out this Act.

"(b)(1) There are hereby appropriated to the Trust Fund amounts equivalent to the excess (if any) of—

"(A) the amounts of the taxes on passenger automobiles which are imposed by section 4064 of the Internal Revenue Code of 1954 and which are received in the Treasury after September 30, 1976; over

"(B) the amounts of the payments made under section 6428 of such Code after September 30, 1976.

"(2) The amounts appropriated by paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury to the Trust Fund on the basis of estimates by the Secretary of the Treasury of the amount of the excess described in paragraph (1). Proper adjustment shall be made in the amounts subsequently transferred to the extent that prior estimates were in excess of or less than the amounts required to be transferred.

"(c) There are authorized to be appropriated to the Trust Fund such additional sums as may be necessary to carry out the purposes of this Act. There are also authorized to be appropriated to the Trust Fund by separate Acts such sums as may be necessary for demonstration projects for which, the Federal contribution to construction costs exceeds $50,000,000.

"(d) Of the amounts in the Trust Fund—

"(1) $500,000 annually shall be made available by fund transfer to the Council on Environmental Quality for the purpose authorized by section 11; and

"(2) not to exceed $1,000,000 annually shall be made available by fund transfer to the Water Resources Council for the purposes authorized by section 13.

"(e) At the close of September 30, 1976, there shall be transferred to the Trust Fund all unexpended funds which have been appropriated on or before such date for the purpose of carrying out this Act.

"(f) If at any time the Administrator determines that the amounts in the Trust Fund exceed the amounts needed for the purpose of carrying out this Act, such excess shall be transferred to the general fund of the Treasury."

(b) TECHNICAL AMENDMENTS.—

(1) Subsection (e) of section 8 of such Act is amended by striking out "may be appropriated for such project" and inserting in lieu thereof "in the Trust Fund established under section 16 may be used for such project".

(2) Subsection (f) of such section 8 is amended by striking out "under the authorization of appropriations pursuant to section 16" and inserting in lieu thereof, "in the Trust Fund established under section 16".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 30, 1976.

By Mr. KOCH:

Page 96, line 25, strike out "; and" and insert in lieu thereof a semicolon.

Page 97, strike out the period at the end of line 10 and insert a semicolon.

Page 97, insert after line 10 the following:

"(5) the construction of facilities (A) for the conversion of oil shale into oil or gas, or (B) for processing coal into a liquid or gaseous state if such facilities are to be owned by the Federal Government and operated by the Federal Government or by any other person under a lease with the Federal Government; and

"(6) the purchase of oil or gas produced from the conversion of oil shale or of the products derived from the liquification or gasification of coal if such purchase is pursuant to an agreement between the Federal Government and any other person under which—

"(A) such person agrees to construct and operate a facility for the conversion of oil shale into oil or gas or for processing coal into a liquid or gaseous state, and

"(B) the Federal Government agrees to purchase during the 5 year period beginning on the date the construction of such facility is completed, any production from such facility if the market price for such production is less than the price established in such agreement."

Page 97, line 23, strike out "and (4)" and insert in lieu thereof "(4), (5), and (6)".

By Mr. McCORMACK:

Page 90, after line 17, insert the following:

SEC. 333. QUALIFIED ELECTRIC MOTOR VEHICLES.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44E. QUALIFIED ELECTRIC MOTOR VEHICLES.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 percent of the amount paid by the taxpayer during the taxable year for a qualified electric motor vehicle to the extent that the aggregate amount paid by the taxpayer during such taxable year and all prior taxable years for such vehicle does not exceed $3,000.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property and purchases of certain recyclable waste),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to credit for personal exemptions),

"(G) section 44 (relating to purchase of new principal residence),

"(H) section 44C (relating to insulation of principal residence), and

"(I) section 44D (relating to residential solar energy equipment).

"(2) VERIFICATION.—No credit shall be allowed under subsection (a) with respect to any qualified electric motor vehicle unless

such expenditures are verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) QUALIFIED NEW ELECTRIC MOTOR VEHICLE DEFINED.—For purposes of this section, the term 'qualified electric motor vehicle' means any vehicle—

"(1) which is powered primarily by an electric motor drawing current from rechargeable storage batteries or other portable sources of electric current,

"(2) which is purchased by the taxpayer after June 3, 1975, and before January 1, 1979, for the personal use of the taxpayer or a member of his family, and

"(3) the original use of which begins with the taxpayer or a member of his family.

"(d) TERMINATION.—This section shall not apply to any amount paid after December 31, 1978."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44E. Qualified electric motor vehicles."

(2) Section 56(a)(2) (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (viii), by striking out "; and" at the end of clause (ix) and inserting in lieu thereof ", and", and by inserting after clause (ix) the following new clause:

"(x) section 44E (relating to qualified electric motor vehicles); and".

(3) Section 56(c)(1) (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (H), by striking out "exceed" at the end of subparagraph (I) and inserting in lieu thereof "and", and by inserting after subparagraph (I) the following new subparagraph:

"(J) section 44E (relating to qualified electric motor vehicles), exceed".

(4) Section 6096(b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44D" and inserting in lieu thereof "44D, and 44E".

(c) Effective Date.—The amendments made by this section shall apply to amounts paid after June 3, 1975, in taxable years ending after such date.

Page 107, line 21, strike out "or".

Page 107, line 22, strike out the period and insert ", or".

Page 107, after line 22, insert "(E) qualified electric vehicle equipment."

Page 109, after line 3, insert:

"(6) QUALIFIED ELECTRIC VEHICLE EQUIPMENT.—The term 'qualified electric vehicle equipment' means—

"(A) any vehicle which is powered primarily by an electric motor drawing current from rechargeable storage batteries or other portable sources of electric current,

"(B) any non-electric source of power designed to charge batteries for, or to provide auxiliary power to the wheels of, any vehicle described in subparagraph (A), and

"(C) any machinery or equipment (for a character subject to the allowance for depreciation) used to manufacture vehicles described in subparagraph (A) or sources of power described in subparagraph (B).

Page 109, line 4, strike out "(6)" and insert "(7)".

By Mr. MILFORD:

Page 71, following line 20, insert the following:

"PART II—HOME HEATING OIL CONSUMPTION TAX

"SEC. 321.—HOME HEATING OIL CONSUMPTION TAX.

"(a) GENERAL RULE.—Part III of subchapter 32 (relating to petroleum products) is amended by redesignating subpart C as subpart D, and by inserting after subpart B the following new subpart:

"Subpart B—Home Heating Oil Consumption Tax

"Sec. 4101. Imposition of Tax.

"SEC. 4101. IMPOSITION OF TAX.

"(a) GENERAL RULE.—

"(1) IMPOSITION OF 5 CENTS A BARREL TAX.—There is hereby imposed on home heating oil sold by the producer or importer thereof, or by any producer of home heating oil, a tax of 5 cents a barrel.

"(2) TAX TO BE DEPOSITED IN TRUST FUND.—For provisions for depositing amounts of the tax imposed by this section in the Energy Conservation and Conversion Trust Fund, see section 411(b) of the Energy Conservation and Conversion Act of 1975.

"(b) INCREASE IN RATE IF CONSERVATION GOALS ARE NOT REALIZED.—

"(1) DETERMINATION OF DOMESTIC CONSUMPTION.—Not later than January 31, of 1977, and of each year thereafter on January 1 of which the rate of tax imposed by this section is less than $1 a barrel, the Administrator of the Federal Energy Administration (hereinafter in this subsection referred to as the 'Administrator') shall make and publish in the Federal Register—

"(A) a determination of whether domestic consumption of home heating oil, to be determined and listed for each of the ten Standard Federal Regions, for the preceding calendar year exceeds the domestic consumption of home heating oil for each respective Standard Federal Region for 1973, and

"(B) if it does, the percentage by which such consumption for the preceding calendar year exceeds such consumption for 1973.

"(2) INCREASE IN RATE.—If a determination under paragraph (1) yields a percentage which calls for a rate of tax under paragraph (3) which is greater than the rate of tax in effect on January 1 of the calendar year in which such determination is made, then, effective on April 15 of such year, the rate of the tax imposed by this section shall be increased to the rate of tax provided by paragraph (3).

"(3) TAX TABLE.—

"If the domestic consumption of home heating oil for the calendar year preceding the year in which the determination is made exceeds the domestic consumption of home heating oil for 1973 by a percentage which is—	The total tax imposed by this section shall be the following cents/barrel:
More than—	But not more than—
0	1 — 17
1	2 — 33
2	3 — 50
3	4 — 67
4	5 — 83
5	6 — $1

"(4) DOMESTIC CONSUMPTION DEFINED.—For purposes of this subsection, the term 'domestic consumption of home heating oil' means the average daily usage of home heating oil occurring within the United States."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 1976.

Technical and conforming amendment—

Page 72, line 3, strike out "SEC. 321." and insert in lieu thereof "SEC. 322.".

Page 73, line 22, strike out "SEC. 322." and insert in lieu thereof "SEC. 323.".

Page 76, line 13, strike out "SEC. 323." and insert in lieu thereof "SEC. 324.".

Renumber all succeeding "part" and "section" numbers accordingly.

Page 102, line 14, strike out the word "BUSINESS".

Page 102, line 17, strike out the word "Business".

Page 103, line 1, strike out the word "BUSINESS".

Page 103, strike out lines 8 and 9.

Page 103, line 10, renumber subparagraph "(2)" as subparagraph "(1)".

Page 104, lines 4 and 5, strike out the words "in a trade or business".

Page 104, lines 10 and 11, strike out subparagraph "(B)", and re-letter subsequent subparagraphs accordingly.

Page 105, line 19, strike out the word "includes" and insert in lieu thereof the word "excludes".

Page 105, line 22, strike out the word "Business".

By Mr. O'HARA:

Amend H.R. 6860 by striking all of title II beginning on line 1, page 29, through line 24, on page 57.

Amend H.R. 6860 by striking all of part I of title III beginning on line 3, page 58, down through line 20, on page 71.

Strike all of Part I of Title III, beginning on Line 3, Page 58, through Line 20 on Page 71, and insert in lieu thereof the following:

PART I. AUTOMOTIVE TAX CREDIT PLAN

SEC. 311. TAX CREDIT FOR PURCHASE OF FUEL EFFICIENT AUTOMOBILES

(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A of Chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44E. PURCHASE OF FUEL EFFICIENT AUTOMOBILES.

"(a) GENERAL RULE.—In the case of any taxpayer who, during the taxable year, purchases a qualified automobile which has a fuel mileage rating of 18 or more miles per gallon, there shall be allowed against the tax imposed by this chapter for the taxable year a credit of $200.

"(b) DEFINITIONS AND SPECIAL RULE.—For purposes of this section—

"(1) NEW AUTOMOBILE.—The term 'new automobile' means any automobile—

"(A) which is manufactured or produced in the United States; and

"(B) which is purchased by the taxpayer on or after June 3, 1975, and before January 1, 1977, if the taxpayer is the first person to purchase such automobile for a purpose other than for resale or use as a demonstration vehicle in connection with the sale of other autmobiles.

For purposes of this paragraph, the term 'automobile' has the same meaning as such term has when used in section 4064(g)(1).

"(2) FUEL MILEAGE RATING.—The fuel mileage rating of any new automobile shall be the fuel mileage rating determined for such automobile under section 4064(e) or, if such section does not apply with respect to such automobile, the fuel mileage rating of such automobile shall be determined under such section as if such section did apply to such automobile.

"(3) PURCHASE.—A new passenger automobile shall be considered as purchased by the taxpayer on the day on which he enters into a contract to purchase such automobile, if such contract, on such day and at all times thereafter, is binding on him."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 45 the following:

"Sec. 44E. Purchase of fuel efficient automobiles."

(c) REFUND TO BE MADE WHERE CREDIT EXCEEDS TAX.—Section 6401(b) (relating to excess credits treated as overpayments) is amended—

(1) by inserting "44E (relating to purchase of fuel efficient passenger automobiles)," before "and 667(b)"; and

(2) by striking out "and 43" and inserting in lieu thereof "43, and 44E".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after June 2, 1975.

Page 58, line 3, after "TAX" insert "AND CREDIT".

Page 90, insert after line 17 the following:

PART IV—TAX INCENTIVES FOR THE PURCHASE OF FUEL EFFICIENT AUTOMOBILES

SEC. 333. TAX CREDIT FOR PURCHASE OF FUEL EFFICIENT AUTOMOBILES.

(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section;

"SEC. 44E. PURCHASE OF FUEL EFFICIENT AUTOMOBILES.

"(a) GENERAL RULE.—In the case of any taxpayer who, during the taxable year, purchases a qualified automobile which has a fuel mileage rating of 18 or more miles per gallon, there shall be allowed against the tax imposed by this chapter for the taxable year a credit of $200.

"(b) DEFINITIONS AND SPECIAL RULE.—For purposes of this section—

"(1) NEW AUTOMOBILE.—The term 'new automobile' means any automobile—

"(A) which is manufactured or produced in the United States; and

"(B) which is purchased by the taxpayer on or after June 3, 1975, and before January 1, 1977, if the taxpayer is the first person to purchase such automobile for a purpose other than for resale or use as a demonstration vehicle in connection with the sale of other autmobiles.

For purposes of this paragraph, the term 'automobile' has the same meaning as such term has when used in section 4064(g)(1).

"(2) FUEL MILEAGE RATING.—The fuel mileage rating of any new automobile shall be the fuel mileage rating determined for such automobile under section 4064(e) or, if such section does not apply with respect to such automobile, the fuel mileage rating of such automobile shall be determined under such section as if such section did apply to such automobile.

"(3) PURCHASE.—A new passenger automobile shall be considered as purchased by the taxpayer on the day on which he enters into a contract to purchase such automobile, if such contract, on such day and at all times thereafter, is binding on him."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 45 the following:

"Sec. 44E. Purchase of fuel efficient automobiles."

(c) REFUND TO BE MADE WHERE CREDIT EXCEEDS TAX.—Section 6401(b) (relating to excess credits treated as overpayments) is amended—

(1) by inserting "44E (relating to purchase of fuel efficient passenger automobiles)," before "and 667(b)"; and

(2) by striking out "and 43" and inserting in lieu thereof "43, and 44E".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after June 2, 1975.

Page 58, line 3, after "TAX" insert "AND CREDIT".

Page 90, insert after line 17 the following:

PART IV—TAX INCENTIVES FOR THE PURCHASE OF FUEL EFFICIENT AUTOMOBILES

SEC. 333. TAX CREDIT FOR PURCHASE OF FUEL EFFICIENT AUTOMOBILES.

(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44E. PURCHASE OF FUEL EFFICIENT AUTOMOBILES.

"(a) GENERAL RULE.—In the case of any taxpayer who, during the taxable year, purchases a qualified automobile which has a fuel mileage rating of 18 or more miles per gallon, there shall be allowed against the tax imposed by this chapter for the taxable year a credit of $200.

"(b) DEFINITIONS AND SPECIAL RULE.—For purposes of this section—

"(1) NEW AUTOMOBILE.—The term 'new automobile' means any automobile—

"(A) which is manufactured or produced in the United States or Canada; and

"(B) which is purchased by the taxpayer on or after June 3, 1975, and before January 1, 1977, if the taxpayer is the first person to purchase such automobile for a purpose other than for resale or use as a demonstration vehicle in connection with the sale of other automobiles.

For purposes of this paragraph, the term 'automobile' has the same meaning as such term has when used in section 4064(g)(1).

"(2) FUEL MILEAGE RATING.—The fuel mileage rating of any new automobile shall be the fuel mileage rating determined for such automobile under section 4064(e) or, if such section does not apply with respect to such automobile, the fuel mileage rating of such automobile shall be determined under such section as if such section did apply to such automobile.

"(3) PURCHASE.—A new passenger automobile shall be considered as purchased by the taxpayer on the day on which he enters into a contract to purchase such automobile, if such contract, on such day and at all times thereafter, is binding on him."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 45 the following:

"Sec. 44E. Purchase of fuel efficient automobiles."

(c) REFUND TO BE MADE WHERE CREDIT EXCEEDS TAX.—Section 6401(b) (relating to excess credits treated as overpayments) is amended—

(1) by inserting "44E (relating to purchase of fuel efficient passenger automobiles)," before "and 667(b)"; and

(2) by striking out "and 43" and inserting in lieu thereof "43, and 44E".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after June 2, 1975.

Page 58, line 3, after "TAX" insert "AND CREDIT".

By Mr. PEPPER:

Page 90, after line 17, insert the following:

SEC. 333. QUALIFIED MOTOR VEHICLES.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44E. QUALIFIED MOTOR VEHICLES.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 percent of the amount paid by the taxpayer during the taxable year for any qualified motor vehicle.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property and purchases of certain recyclable waste),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to credit for personal exemptions),

"(G) section 44 (relating to purchase of new principal residence),

"(H) section 44C (relating to insulation of principal residence), and

"(I) section 44D (relating to residential solar energy equipment).

"(2) VERIFICATION.—No credit shall be allowed under subsection (a) with respect to any qualified motor vehicle unless such expenditures are verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) QUALIFIED MOTOR VEHICLE DEFINED.—For purposes of this section, the term 'qualified motor vehicle' means any vehicle—

"(1) which is powered by the use of a fuel other than petroleum or petroleum products (including natural gas),

"(2) which is purchased by the taxpayer after June 3, 1975, and before January 1, 1981, and

"(3) the original use of which begins with the taxpayer.

"(d) TERMINATION.—This section shall not apply to any amount paid after December 31, 1980."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44E. Qualified motor vehicles."

(2) Section 56(a)(2) (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (viii), by striking out "; and" at the end of clause (ix) and inserting in lieu thereof ", and", and by inserting after clause (ix) the following new clause:

"(x) section 44E (relating to qualified motor vehicles); and".

(3) Section 56(c)(1) (relating to tax carry-overs) is amended by striking out "and" at the end of subparagraph (H), by striking out "exceed" at the end of subparagraph (I) and inserting in lieu thereof "and", and by inserting after subparagraph (I) the following new subparagraph:

"(J) section 44E (relating to qualified motor vehicles), exceed".

(4) Section 6096(b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44D" and inserting in lieu thereof "44D, and 44E".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after June 3, 1975, in taxable years ending after such date.

Page 107, line 21, strike out "or".

Page 107, line 22, strike out "pipeline." and insert in lieu thereof "pipeline, or".

Page 107, immediately after line 22, insert the following:

"(E) Qualified vehicle research or development equipment."

Page 109, insert immediately after line 3 the following:

"(6) QUALIFIED VEHICLE RESEARCH OR DEVELOPMENT EQUIPMENT.—The term 'qualified vehicle research or development equipment' means any facility or any machinery or equipment (of a character subject to the allowance for depreciation) used—

UMI

"(A) in connection with the research and development of, or

"(B) in connection with the production of, motor vehicles which are propelled by means other than the consumption of gasoline or other petroleum product."

Page 109, line 4, strike out "(6)" and insert in lieu thereof "(7)".

Page 107, strike out lines 21 and 22 and insert the following:

"(C) qualified coal processing equipment,

"(D) a qualified coal pipeline,

"(E) qualified deep mining coal equipment, or

"(F) qualified coal-burning equipment.

Page 109 insert after line 3 the following:

"(6) QUALIFIED DEEP MINING COAL EQUIPMENT.—The term 'qualified deep mining coal equipment' means any machinery or equipment or structural component of a coal mine which is of a character subject to the allowance for depreciation and which is necessary—

"(A) to reach the coal,

"(B) to extract the coal, or

"(C) to bring the coal to the mouth of the mine.

Such term does not include any property used in the surface mining of coal.

"(7) QUALIFIED COAL-BURNING EQUIPMENT.—The term 'qualified coal-burning equipment' means any machinery or equipment (of a character subject to the allowance for depreciation) for the production of electrical power which uses coal as its principal fuel or for the conversion of an electrical power generating facility which uses petroleum or petroleum products as a fuel to the use of coal.

Page 109, line 4, strike out "(6)" and insert in lieu thereof "(8)".

Page 107, strike out lines 21 and 22 and insert the following:

"(C) qualified coal processing equipment,

"(D) a qualified coal pipeline,

"(E) qualified deep mining coal equipment, or

"(F) qualified coal-burning equipment.

Page 109, insert after line 3 the following:

"(6) QUALIFIED DEEP MINING COAL EQUIPMENT.—The term 'qualified deep mining coal equipment' means any machinery or equipment or structural component of a coal mine which is of a character subject to the allowance for depreciation and which is necessary—

"(A) to reach the coal,

"(B) to extract the coal, or

"(C) to bring the coal to the mouth of the mine.

Such term does not include any property used in the surface mining of coal.

"(7) QUALIFIED COAL-BURNING EQUIPMENT.—The term 'qualified coal-burning equipment' means any machinery or equipment (of a character subject to the allowance for depreciation)—

"(A) which is for the production of electrical power which uses coal as its principal fuel for the conversion of an electrical power generating facility which uses petroleum or petroleum products to the use of coal; and

"(B) which is used predominantly in the trade or business of the furnishing or sale of electrical energy.

Page 109, line 4, strike out "(6)" and insert in lieu thereof "(8)".

Page 122, immediately after line 6, insert the following new section:

SEC. 524. AMENDMENTS RELATING TO AMORTIZATION OF POLLUTION CONTROL FACILITIES.

(a) APPLICATION TO PLANTS AND PROPERTY PLACED IN OPERATION AFTER 1968.—Section 169(d)(1) (defining certified pollution control facility) is amended by striking out "in operation before January 1, 1969,".

(b) EXTENSION OF PERIOD DURING WHICH POLLUTION CONTROL FACILITIES MAY QUALIFY FOR 5-YEAR AMORTIZATION.—Section 169(d) (relating to amortization of pollution control facilities) is amended by striking out "January 1, 1976" in paragraph (4)(B) and inserting in lieu thereof "January 1, 1980".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service by the taxpayer after the date of the enactment of this Act.

Page 122, line 7, strike out "SEC. 524." and insert in lieu thereof "SEC. 525.".

By Mr. RISENHOOVER:

Page 38, strike out line 7, and insert:

"(2) the sum of—

"(A) 40, plus

"(B) the lesser of (i) the number of gallons used by the taxpayer during the month to commute between his home and his place of work, or (ii) 400.

By Mr. SHARP:

Page 58, strike out line 3 and all that follows down through line 20 on page 71 and insert in lieu thereof the following:

PART I—AUTOMOBILE FUEL MILEAGE

DEFINITIONS

SEC. 301. (a) As used in this part:

(1) The term "EPA Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "automobile" means a four-wheeled vehicle propelled by fuel which is manufactured primarily for use on public streets, roads, and highways (except any vehicle operated exclusively on a rail or rails), and which is rated at ten thousand pounds gross vehicle weight or less.

(3) The term "passenger automobile" means any automobile which has as its primary intended function the transportation of not more than ten individuals.

(4) The term "light-duty truck and multipurpose passenger vehicle" means any automobile which is not a passenger automobile.

(5) The term "average fuel economy" (except for purposes of section 302(a)(4) of this Act) means (A) the total number of passenger automobiles manufactured in a given model year by a manufacturer (including all passenger automobiles manufactured by persons who control, or are controlled by or under common control with such manufacturer, but excluding any passenger automobile exported in the model year) divided by (B) a sum of terms, each term of which is a fraction created by dividing—

(i) the number of passenger automobiles of a given model type manufactured in such model year by

(ii) the fuel economy measured for such model type rounded to the nearest mile per gallon, as determined by the EPA Administrator.

(6) The term "dealer" means any person engaged in the business of selling new automobiles to purchasers who buy for purposes other than resale.

(7) The term "fuel" means any liquid or gaseous fuel.

(8) the term "fuel economy" refers to the average number of miles traveled by an automobile per gallon of fuel consumed, as determined by the EPA Administrator in accordance with test procedures established under section 302(d) of this Act.

(9) The term "manufacturer" means any person engaged in the manufacture, assembly, or importation of automobiles.

(10) The term "to manufacture" (except for purposes of section 302(a)(2) of this Act) means to manufacture in the United States or to import into the United States.

(11) The term "model type" means a particular class of automobile, as defined by the EPA Administrator.

(12) The term "model year" with reference to any specific calendar year means the manufacturer's annual production period (as determined by the EPA Administrator) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term "model year" shall mean the calendar year.

(13) The term "Secretary" means the Secretary of Transportation.

(b)(1) In calculating the average fuel economy under subsection (a)(3) the Secretary shall separate the total passenger automobiles manufactured by a manufacturer into two categories:

(A) Passenger automobiles manufactured in the United States or Canada by such manufacturer, and passenger automobiles not manufactured in the United States or Canada by such manufacturer which are subject to inclusion pursuant to paragraph (2) of this subsection.

(B) Passenger automobiles not manufactured in the United States or Canada by such manufacturer and not subject to inclusion pursuant to paragraph (2) of this subsection.

The Secretary shall calculate the average fuel economy of each such separate category and each category shall be treated as manufactured by a separate manufacturer for purposes of this part.

(2) The Secretary shall include in paragraph (1)(A) passenger automobiles not manufactured in the United States or Canada to the extent that such automobiles are within the imported automobile base volume of such manufacturer. A manufacturer's imported automobile base volume is an amount of passenger automobiles calculated by multiplying—

(A) the quotient of—

(i) the total number of passenger automobiles imported into the United States (other than from Canada) by such manufacturer during model year 1973 or model year 1974, whichever number is greater, divided by

(ii) the total number of passenger automobiles manufactured by such manufacturer during the model year used in clause (i): and

(B) the total number of passenger automobiles manufactured by such manufacturer during the model year within which such calculation is used.

(3) For purposes of this subsection, the term "automobile is manufactured in the United States or Canada" means an automobile at least 75 percent of the cost to the manufacturer of which is attributable to value added in the United States or Canada, but such term does not include any passenger automobile assembly of which is completed in Canada and which is not imported into the United States during the model year in which it is assembled.

AVERAGE FUEL ECONOMY STANDARDS APPLICABLE TO EACH MANUFACTURER

SEC. 302. (a)(1) Except as otherwise provided in paragraph (2) and in subsection (b)(3)(B), the average fuel economy for all passenger automobiles manufactured by any manufacturer in any model year after model year 1977 shall not be less than the number of miles per gallon determined under the following table:

Model year:	Average fuel economy (in miles per gallon)
1978	18.5.
1979	19.5.
1980	20.5.
1981	Determined by Secretary under subsection (b).
1982	Determined by Secretary under subsection (b).
1983	Determined by Secretary under subsection (b).
1984	Determined by Secretary under subsection (b).
1985 or thereafter	28.0.

(2) On application of a manufacturer, who manufactured (whether or not in the United States) fewer than ten thousand automobiles in the second model year preceding the model year for which the application is made, the Secretary may by rule exempt such manufacturer from paragraph (1). Such exemption may only be granted if (A) such exemption will not significantly detract from the purposes of this part, and (B) such exemption is necessary to avoid an unreasonable burden on such manufacturer. Simultaneously with the issuance of any such exemptions, the Secretary shall establish alternative average fuel economy standards for such manufacturer which shall represent the maximum feasible level of fuel economy for such manufacturer. In determining the number of automobiles manufactured by a manufacturer for purposes of this paragraph, there shall be included all automobiles manufactured by persons who control, are controlled by, or are under common control with such manufacturer.

(3) Beginning in 1977, the Secretary shall review, not later than January 1 of each calendar year, standards promulgated pursuant to this part which will take effect in future model years and shall publish the results of such review in the Federal Register and shall send such review to the members of the Commerce Committees of the Senate and House of Representatives. The review required to be published by January 1, 1979, and sent to the Congress shall include a comprehensive analysis of the program required by this part. Such analysis shall include an assessment of the ability of the Nation to meet the average fuel economy requirements for 1985 as specified in subsection (a)(1) of this section, and any legislative recommendations the Secretary might have for improving the program required by this part.

(4)(A) The Secretary shall, by rule, prescribe average fuel economy standards for all light-duty trucks and multipurpose passenger vehicles manufactured by any manufacturer in any model year after model year 1977. Such a rule may provide for separate standards for different classes of such trucks and vehicles and shall be based upon the maximum feasible average fuel economy level which the Secretary determines manufacturers of light-duty trucks and multipurpose passenger vehicles or classes thereof are able to achieve in each model year after year 1977.

(b)(1) Not later than July 1, 1977, the Secretary shall establish, by rule, average fuel economy standards for new automobiles manufactured in model years 1981 through 1984. The standards, which shall be equally applicable to each manufacturer, shall be set for each such model year at a level which the Secretary determines is the maximum feasible level and shall be promulgated in a manner which will result in steady progress toward meeting an average fuel economy level of 28 miles per gallon for model year 1985.

(2) Any standard prescribed under paragraph (1), and any amendment prescribed under paragraph (3), shall be promulgated not later than 18 months prior to the beginning of the model years to which such standard or amendment will apply.

(3)(A) The Secretary may, from time to time, upon the basis of new information, amend any average fuel economy performance standard established under paragraph (1), except that no such amendment, modification, or revision may reduce the standard for average fuel economy below that necessary to meet the model year 1980 average fuel economy level specified in subsection (a)(1).

(B) If the course of preparing the review required to be published on January 1, 1979, pursuant to subsection (a)(4) of this section, the Secretary finds that the model year 1985 average fuel economy level specified in subsection (a)(1) should be modified because such level cannot reasonably be attained or because a higher level may reasonably be attained, the Secretary may by rule modify such level, to a level that represents the maximum feasible average fuel economy level. The Secretary shall transmit to the Congress notice of the establishment of such modified level. Such modified level shall take effect 60 days on the date or dates specified in such notice, but not sooner than the end of the first period of fifteen calendar days of continuous session of Congress (within the meaning of section 906(b) of title 5, United States Code) after the date on which such amendment is transmitted to it; except that such an amendment shall not take effect if, between the date of transmittal and the end of such fifteen-day period, either House passes a resolution of that House, the matter after the resolving clause of which is as follows: "That the _____ does not favor the modification of the average fuel economy standard, transmitted to the Congress by the President on _____, 19__.", the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled.

(C) Section 908 and sections 910 through 913 of title 5, United States Code, shall apply to any resolution described in paragraph (A), and for purposes of consideration of a resolution under this paragraph, the twenty calendar days specified in section 911 of title 5, United States Code, shall be shortened to five calendar days, any reference to a resolution under section 908 and sections 910 through 913 of title 5, United States Code, shall be deemed a reference to a resolution described in paragraph (A), and any reference to a reorganization plan shall be deemed a reference to an amendment to which this paragraph applies.

(4) For purposes of this subsection, in determining the maximum feasible average fuel economy, the Secretary shall consider:

(A) technological feasibility;

(B) economic practicality;

(C) relationship to other Federal motor vehicle standards (except as otherwise provided in subsection (c)(4)); and

(D) the purposes of this Act.

(c)(1) If the Secretary (after consultation with the EPA Administrator) determines under paragraph (3) that in any model year there will be an emission standards penalty, he shall adjust the fuel economy rate applicable to such year by subtracting a number of miles per gallon (rounded off to the nearest tenth of a mile per gallon) equal to the amount of such penalty.

(2) For purposes of this subsection:

(A) The term "emission standards penalty" means the number of miles per gallon which the Secretary determines is equal to (i) the average fuel economy which all passenger automobiles sold in a model year would achieve, if such automobiles were subject only to the 1975 emission standards, less (ii) the average fuel economy which all such automobiles are likely to achieve while meeting the emission standards actually applicable to such automobiles.

(B) The term "1975 emission standards" means the following standards:

(i) For hydrocarbons, 1.5 grams per mile.

(ii) For carbon monoxide, 15 grams per mile.

(iii) For oxides of nitrogen, 3.1 grams per mile.

(C) The term "fuel economy rate" means the rate under subsection (a)(1), as such rate may be modified under subsection (b).

(3) The Secretary shall commence a proceeding with respect to a determination under paragraph (1) on petition of any manufacturer. Such a petition may be filed only within the 18-month period preceding the beginning of the model year to which it relates. The Secretary shall allow interested persons an opportunity for oral as well as written presentations of data, views, and arguments. He shall render a decision in any such proceeding within 60 days after the filing of the petition.

(4) The Secretary may not make any modification of fuel economy rates to take account of any decrease in fuel economy associated with emissions standards except in accordance with this subsection.

(d)(1) Compliance by a manufacturer with subsection (a) shall be determined by the EPA Administrator (in accordance with test procedures established by the EPA Administrator by rule)—

(A) by calculating for purposes of subsection (a)(1) the average fuel economy of all passenger automobiles manufactured by such manufacturer during such model year, and

(B) by calculating for purposes of subsection (a)(4) the fuel economy of all light duty trucks and multipurpose passenger vehicles (or each class thereof, as may be appropriate) manufactured by such manufacturer in such model year.

Test procedures so established shall be the procedures utilized by the EPA Administrator for model year 1975 (weighted 55 percent urban cycle, and 45 percent highway cycle) or procedures which yield comparable results. Such procedures, to the extent practicable, shall require that fuel economy tests be conducted in conjunction with emissions test conducted under section 206 of the Clean Air Act (42 U.S.C. 1875f-5). The EPA Administrator shall report the findings of such compliance determinations to the Secretary.

(2) In determining whether a manufacturer has complied with subsection (a)—

(A) if the average fuel economy of a manufacturer is less than 0.5 miles per gallon less than the applicable standard under subsection (a), the manufacturer shall be deemed to have complied with subsection (a), and

(B) if the average fuel economy of a manufacturer exceeds the applicable standard under subsection (a) for a model year by more than 0.5 miles per gallon—

(i) he may carry back such excess to the preceding model year to the extent that his average fuel economy was more than 0.5 miles per gallon less than the applicable standard for such preceding year, and

(ii) to the extent such excess was not carried back to the preceding year, he may carry forward the excess to the year succeeding the year of the excess.

The Secretary shall prescribe rules to carry out this subsection. To the extent that a carryback under clause (ii) reduces a manufacturer's liability for a civil penalty paid under section 506, the Secretary shall refund to such manufacturer an amount equal to the amount of such reduction.

(e)(1) Any person who may be adversely affected by any rule promulgated under this section may at any time prior to 60 days after such rule is promulgated file a petition in the United States Court of Appeals for the District of Columbia, or any circuit wherein such person resides or has his or her principal place of business, for judicial review of such rule. A copy of the petition shall be forthwith transmitted by the clerk of such court to the officer who prescribed the rule. Such officer shall thereupon cause to be filed in such court the record of the proceedings upon which the rule which is under review was based, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the officer who prescribed the rule, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before such officer, and be ad-

UMI

duced in a hearing, in such manner and upon such terms and conditions as the court may deem proper. Such officer may modify any earlier finding as to the facts, or make new findings, by reason of the additional evidence so taken, and shall file such modified or new findings, and recommendations, if any, for the modification or setting aside of the previously promulgated rule, with the return of such additional evidence.

(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule of the officer who prescribed the rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(4) The remedies provided for in this section shall be in addition to and not in lieu of any other remedies provided by law.

(f) (1) The Secretary shall prescribe regulations requiring each manufacturer to submit a report to the Secretary during the 30-day period preceding the beginning of each model year, and during the 30-day period beginning on the 180th day of each model year. Each such report shall contain a statement as to whether such manufacturer will comply with applicable requirements under subsection (a); a plan which describes the steps the manufacturer intends to take in order to comply with such requirements; and such other matter as the Secretary may require.

(2) Whenever a manufacturer determines that a plan submitted under paragraph (1) which he stated was sufficient to insure compliance with applicable requirements is not sufficient to insure such compliance, he shall submit a report containing a revised plan which specifies any additional measures which he intends to take in order to comply with such requirements, and a statement as to whether such plan is sufficient to insure such compliance.

DUTIES AND POWERS OF THE SECRETARY AND ADMINISTRATOR

SEC. 303. (a) (1) For the purpose of carrying out the provisions of this part, the Secretary or the EPA Administrator, or their duly designated agents, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, EPA Administrator, or such agents deem advisable. The Secretary, EPA Administrator, or their duly designated agents, shall at all reasonable times have access to, and for the purpose of examination, the right to copy any documentary evidence of any person having materials or information relevant to any function of the Secretary or EPA Administrator under this part. The Secretary or EPA Administrator is authorized to require, by general or special orders, any person to file, in such form as the Secretary or EPA Administrator may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary or EPA Administrator under this part. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary or EPA Administrator within such reasonable period as he may prescribe.

(2) The district courts of the United States for a judicial district in the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a duly authorized subpena or order of the Secretary, the EPA Administrator, or their duly designated agents, issued under paragraph (1) of this subsection, issue an order requiring compliance with such subpena or order. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

(3) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(b) (1) Every manufacturer of automobiles shall establish and maintain such records, make such reports, conduct such tests, and provide such items and information as the Secretary or EPA Administrator may reasonably require to enable the Secretary or EPA Administrator to carry out their duties under this part and under any rules or regulations promulgated pursuant to this part. Such manufacturer shall, upon request of a duly designated agent of the Secretary or EPA Administrator, permit such agent to inspect finished automobiles and appropriate books, papers, records, and documents. Such manufacturer shall make available all of such items and information in accordance with such reasonable rules as the Secretary or EPA Administrator may prescribe.

(2) The district courts of the United States for a judicial district in which an inspection is carried out or requested may, if a manufacturer of automobiles refuses to accede to any reasonable requirement or request, issued or made under paragraph (1) of this subsection, issue an order requiring compliance with such requirement or request. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

(c) (1) Except as provided in paragraph (2), the Secretary or EPA Administrator shall disclose information obtained under this part to the public in accordance with section 552 of title 5, United States Code, except that information may be withheld from disclosure on the grounds specified in subsection (b) (4) of such section only if it contains a trade secret which if disclosed would result in significant competitive damage.

(2) Information contained in a report submitted under section 302(f), disclosure of which the Secretary determines may cause significant competitive damage, may not be disclosed until after the close of the model year to which such report relates; except (A) in a proceeding under section 302(b)(1), (b)(3), or (c); (B) to duly authorized officers or employees of the United States; or (C) to committees of Congress.

LABELING AND ADVERTISING

SEC. 304. (a) (1) Beginning no later than 90 days after the date of enactment of this Act, each manufacturer shall cause to be affixed and each dealer shall cause to be maintained on each new automobile, in a prominent place, a sticker indicating the fuel economy which a prospective purchaser can expect from such automobile, representative average annual fuel costs associated with the operation of such automobile, and the range of fuel economy performance of automobiles of similar size and weight (as determined by the EPA Administrator). If the fuel economy of an automobile manufactured in a model year is less than the miles per gallon level specified in the average fuel economy standard specified by rule under section 302(a)(1) of this Act, such sticker shall disclose that such automobile's fuel economy is less than the Federal standard for average fuel economy. Such sticker shall include a written statement that written information respecting the fuel economy of other automobiles manufactured in such model year is available from the dealer in a simple and readily understandable form in order to facilitate comparison among the various model types. The form and content of such sticker shall be prescribed by the EPA Administrator by rule, after consultation with the Federal Trade Commission and the Secretary.

(2) The EPA Administrator, not later than February 1, 1976, shall by rule establish procedures requiring dealers to make available to prospective purchasers information compiled by the EPA Administrator under paragraph (1).

(b) Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by striking out in the first paragraph "disclosing the following information concerning" and inserting in lieu thereof "disclosing the information required by section 304(a) of the Energy Conservation and Conversion Act of 1975, together with the following information concerning".

PROHIBITED CONDUCT

SEC. 305. The following conduct is prohibited:

(1) the failure to comply with any requirement of section 302(a) of this Act;

(2) the failure to comply with any provision of this part (other than section 302(a) of this Act) or any standard, rule, regulation, or order issued pursuant to such a provision;

(3) the failure to provide information as required in accordance with this part;

(4) the failure to permit inspection pursuant to this part; and

(5) the failure to comply with any requirement under section 304(a)(2) of this Act.

CIVIL PENALTY

SEC. 306. (a) (1) If through testing, inspection, investigation, or research carried out pursuant to this Act, or otherwise, the Secretary determines that any manufacturer has not complied with any requirement of section 302 of this Act, he shall immediately notify such manufacturer and shall publish notice of such determination in the Federal Register. The notification to the manufacturer shall include all information upon which the determination of the Secretary is based. Such notification (including such information) shall be available to any interested person. The Secretary shall afford such manufacturer an opportunity to present data, views, and arguments to establish that there is no violation of section 302 and shall afford other interested persons an opportunity to present data, views, and arguments respecting the determinations of the Secretary.

(2) If, after such presentations by the manufacturer and interested persons, the Secretary determines that such manufacturer has not complied with any requirement under section 302 of this Act, the Secretary shall assess the penalties provided for under subsection (b).

(b) (1) (A) Any manufacturer who the Secretary determines under subsection (a) to have violated a provision of section 302(a)(1) of this Act, shall be liable to the United States for a civil penalty equal to (i) $5.00 for each tenth of mile per gallon by which the average fuel economy of the automobile manufactured by such manufacturer during such model year is exceeded by the applicable average fuel economy standard established under section 302(a)(1) of this Act, multiplied by (ii) the total number of automobiles manufactured by such manufacturer during such model year. Such penalty shall be assessed by the Secretary and collected in a civil action brought by the Attorney General.

(B) Any fuel economy measurement for purposes of paragraph (A) shall be rounded off to the nearest one-tenth gallon (in accordance with rules of the EPA Administrator).

(2) Any person who the Secretary determines after opportunity for presentation of data, views, and arguments to have violated a provision of section 305 of this Act, other than paragraph (1) thereof, shall be liable to the United States for a civil penalty of not more than $10,000 for each violation; each day of a continuing violation constituting a separate violation.

(3) The amount of such civil penalty shall be assessed by the Secretary by written notice. The Secretary shall have the discretion to compromise, modify, or remit, with or without conditions, any civil penalty assessed against a manufacturer only to the extent (A) necessary to prevent the insolvency or bankruptcy of such manufacturer, or (B) such manufacturer shows that noncompliance resulted from an act of God, a strike, or a fire.

RELATIONSHIP TO STATE LAW

SEC. 307. After the effective date of any standard issued or effective under this part relating to fuel economy performance standards for any automobile or to fuel economy labeling or advertising of any new automobile, no State or political subdivision thereof may adopt or enforce any law or regulation relating to such matters which is applicable to such automobile, unless such law or regulation is identical to a standard under this part.

By Mr. SHUSTER:

Page 71, insert after line 20 the following:

SEC. 312. PAYMENTS FOR THE PURPOSE OF REDUCING THE COST OF FUEL-EFFICIENT AUTOMOBILES FOR CONSUMERS.

(a) Allowance of Payment.—Subchapter B of chapter 65 (relating to rules of special application for abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6430. PAYMENTS FOR THE PURPOSE OF REDUCING THE COST OF FUEL-EFFICIENT AUTOMOBILES FOR CONSUMERS.

"(a) GENERAL RULE.—For the purpose of reducing the cost of fuel-efficient automobiles for consumers, the Secretary or his delegate shall pay to the manufacturer or producer of each new automobile which has a fuel mileage rating in excess of 20 miles per gallon and which is sold at retail within the United States an amount equal to 10 percent of the price for which such automobile would have been sold at retail but for the reduction in the price for which such automobile was sold for the amount of the payment under this section.

"(b) CONDITION FOR PAYMENT.—The Secretary or his delegate shall not make any payment under subsection (a) with respect to any new automobile unless the manufacturer or producer of such automobile demonstrates, in such manner as the Secretary or his delegate may by regulation prescribe, that the price for which such automobile was sold at retail was reduced by the amount of the payment made under this section with respect to such automobile.

"(c) DEFINITIONS AND SPECIAL RULE.—For purposes of this section—

"(1) NEW AUTOMOBILE.—The term 'new automobile' means any automobile—

"(A) which is manufactured or produced in the United States; and

"(B) which is sold at retail on or after the date of the enactment of the Energy Conservation and Conversion Act of 1975, if such sale is the first sale of such automobile for a purpose other than for resale or use as a demonstration vehicle in connection with the sale of other automobiles.

For purposes of this paragraph, the term 'automobile' has the same meaning as such term has when used in section 4064(g)(1).

"(2) FUEL MILEAGE RATING.—The fuel mileage rating of any new automobile shall be the fuel mileage rating determined for such automobile under section 4064(e) or, if such section does not apply with respect to such automobile, the fuel mileage rating of such automobile shall be determined under such section as if such section did apply to such automobile.

"(3) PURCHASE.—A new automobile shall be considered as sold at retail on the day on which the purchaser enters into a contract to purchase such automobile, if such contract, on such day and at all times thereafter, is binding on him.

"(d) TERMINATION.—No payment may be made under subsection (a) with respect to any new automobile which is sold at retail after December 31, 1976."

(c) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 65 is amended by adding at the end thereof the following new item:

"SEC. 6430. PAYMENTS FOR THE PURPOSE OF REDUCING THE COST OF FUEL EFFICIENCY AUTOMOBILES FOR CONSUMERS."

Page 58, strike out lines 3 and 4 and insert the following:

PART 1—AUTOMOBILE FUEL EFFICIENCY TAX AND PAYMENTS FOR THE PURPOSE OF REDUCING THE COST OF FUEL EFFICIENCY AUTOMOBILES FOR CONSUMERS.

By Mr. SIMON:

Page 29, line 13, strike out "3 cents" and insert in lieu thereof "5 cents".

Page 29, line 17, strike out "3 cents" and insert in lieu thereof "5 cents".

Page 30, strike out line 1 and all that follows down through line 5, page 31, and insert the following:

(b) TRANSFER TO HIGHWAY TRUST FUND.—

(1) IN GENERAL.—There are hereby appropriated to the Highway Trust Fund amounts determined by the Secretary of the Treasury to be equivalent to 20 percent of the taxes received in the Treasury under sections 4086 and 4051 of the Internal Revenue Code of 1954 after reduction by the amount of the credits allowable under such Code which are properly chargeable against the amount of such taxes.

(2) METHOD OF TRANSFER.—Amounts appropriated to the Highway Trust Fund under paragraph (1) shall be transferred to such Trust Fund in accordance with section 209(c)(4) of the Highway Revenue Act of 1956.

(3) AMOUNTS TO BE USED FOR RURAL HIGHWAY PURPOSES.—Amounts appropriated to the Highway Trust Fund by paragraph (1) shall be available, as provided by Appropriation Acts, for making expenditures only for the construction or maintenance of rural highways or rural highway bridges.

Page 31, line 18, strike out "3 cents" and insert in lieu thereof "5 cents".

Page 32, line 11, strike out "3 cents" and insert in lieu thereof "5 cents".

Page 32, strike out lines 20 through 25.

Page 33, line 1, strike out "(d)" and insert in lieu thereof "(c)".

Page 33, line 9, strike out "(e)" and insert in lieu thereof "(d)".

Page 38, strike out lines 15 through 22.

Page 43, strike out line 23 and all that follows down through line 5, page 44.

Page 51, strike out lines 6 through 13.

Page 91, strike out line 14 and insert the following: "tion tax) to the extent that such taxes are imposed at a rate in excess of 1 cent a gallon,".

Page 91, strike out line 16 and insert the following: "to special motor fuels conservation taxes) to the extent that such taxes are imposed at a rate in excess of 1 cent a gallon,".

Page 96, line 25, strike out "; and" and insert in lieu thereof a semicolon.

Page 97, strike the period at the end of line 10 and insert in lieu thereof "; and".

Page 97, insert after line 10 the following:

"(5) providing financial assistance to urban mass transportation systems."

Page 97, line 16, insert after "activity." the following:

"Not less than 25 percent of the amounts appropriated to the Trust Fund during any fiscal year under clauses (i) and (ii) of section 411(b)(1)(A) shall be expended to provide financial assistance described in paragraph (4)."

Page 97, line 23, strike out "and (4)" and insert in lieu thereof "(4), and (5)".

By Mr. SOLARZ:

Page 81, insert immediately after line 9 the following:

"(3) SPECIAL RULE FOR INDIVIDUAL WHOSE INCOME IS LESS THAN $8,000 OR WHO IS OVER AGE 65.—In the case of any individual—

"(1) whose adjusted gross income for the taxable year is less than $8,000 ($4,000 in the case of a married individual filing a separate return), or

"(2) who has attained the age of 65 before the close of the taxable year,

subsection (a) shall be applied by substituting "90 percent" for "30 percent". In the case of a joint return of a husband and wife, if one spouse satisfies the age requirement of paragraph (2), then both husband and wife shall be treated as satisfying such requirement.

Page 81, line 10, strike out "(3)" and insert in lieu thereof "(4)".

Page 82, line 7, strike out "(4)" and insert in lieu thereof "(5)".

Mr. TSONGAS:

Page 71 insert after line 20 the following:

SEC. 312. PROHIBITION OF PURCHASE OF FUEL INEFFICIENT AUTOMOBILES BY THE FEDERAL GOVERNMENT.

(a) PROHIBITION OF PURCHASE OF FUEL INEFFICIENT AUTOMOBILES.—No agency of the Federal Government may purchase or lease any 1977 or later model year automobile if the fuel mileage rating of such automobile is less than the minimum fuel mileage standard application to such automobile.

(b) MINIMUM FUEL MILEAGE STANDARD.—For purposes of subsection (a)—

In the case of an automobile which is a:	The minimum fuel mileage standard is:
1977 model year automobile	17
1978 model year automobile	18
1979 model year automobile	19
1980 or later model year automobile	20

(c) DEFINITIONS.—For purposes of this section.—

(1) MODEL YEAR.—The term "model year" has the meaning given to such term by section 4064(g) of the Internal Revenue Code of 1954.

(2) AUTOMOBILE.—The term "automobile" has the meaning given such term by section 4064(g) of the Internal Revenue Code of 1954.

(3) AGENCY OF THE FEDERAL GOVERNMENT.—The term "agency of the Federal Government" means any department, agency or instrumentality of the executive, legislative, or judicial branch of the Federal Government.

(4) FUEL MILEAGE RATING.—The fuel mileage rating of any automobile shall be the fuel mileage rating determined for such automobile under section 4064(e) of the Internal Revenue Code of 1954 or, if such section does not apply with respect to such automobile, the fuel mileage rating of such automobile shall be determined under such section as if such section did apply to such automobile.

(5) Any provision hereof may be waived by the President of the United States for such cause as he shall deem necessary and proper and provided that such waiver and the cause thereof shall be reported to the Congress within thirty (30) days after the date of such waiver.

By Mr. VANDER JAGT:

Page 84, strike out line 20 and all that follows thereafter down through line 4 on page 85 and insert in lieu thereof the following: "40 percent of the qualified solar energy equipment expenditures paid by the taxpayer during the taxable year with respect to any residence to the extent that such expenditures do not exceed $5,000."

By Mr. VANDER VEEN:

At page 132 line 11, insert following the word "scrap" and before the parenthesis, the following language "and other than aluminum base scrap"

UMI

By Mr. YOUNG OF GEORGIA:

Page 41, strike out line 15 and all that follows down through line 6 on page 42, and insert in lieu thereof:

"(b) TRADE OR BUSINESS ALLOWANCES.—

"(1) IN GENERAL.—For purposes of subsection (a), the taxpayer shall be entitled to a trade or business allowance for each month in the taxable year, and such allowance shall be equal to the sum of—

"(A) the product of—

"(i) the number of gallons of gasoline used during such month in a trade or business, multiplied by

"(ii) the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the taxpayer; plus

"(B) the amount of the tax imposed by section 4051 on the sale to such taxpayer of fuel used during such month in a trade or business.

Page 42, line 10, strike out ", used" and insert in lieu thereof "or used".

Page 42, strike out line 11 and all that follows down through line 18, and insert in lieu thereof the following: "craft (within the meaning of section 4221(d)(3))."

Page 42, line 23, strike out "equal to ½ of the product of" and insert in lieu thereof "equal to the product of".

Page 42, line 24, strike out ", in excess of 25,".

Page 43, strike out line 5 and all that follows down through line 7 and insert in lieu thereof the following:

"(B) the rate of tax in effect under sections 4086 and 4051 for such month.

Page 44, strike out line 11 and all that follows down through line 5 on page 45, and insert in lieu thereof the following:

"(h) Coordination of Deduction With Credit Allowable for Certain Energy Conservation Taxes.—The amount which, but for this paragraph, would be allowable as a deduction under this section for amounts paid or incurred for gasoline or other fuels subject to tax under section 4086 or 4051 shall be reduced by the amount of any credit allowable under section 44B with respect to such gasoline or other fuels."

Page 48, strike out line 11 and all that follows thereafter down through line 5 on page 50.

Page 50, line 24, strike out "(d) and insert in lieu thereof "(c)".

Page 51, line 10, strike out "subsections (a) and (c)" and insert in lieu thereof "subsection (a)".

Page 51, line 14, strike out "(e)" and insert in lieu thereof "(d)".

Page 51, line 18, strike out ", (b), or (c)" and insert in lieu thereof "or (b)".

Page 52, line 15, strike out "(f)" and insert in lieu thereof "(e)".

Page 53, line 6, strike out "(g)" and insert in lieu thereof "(f)".

Page 53, line 22, strike out "(h)" and insert in lieu thereof "(g)".

Page 54, line 1, strike out "(i)" and insert in lieu thereof "(h)".

Page 54, line 12, strike out "6429(g)" and insert in lieu thereof "6429(f)".

Page 54, line 17, strike out "6429(g)" and insert in lieu thereof "6429(f)".

Page 55, line 21, strike out "6429(f)(2)" and insert in lieu thereof "6429(e)(2)".

Page 55, line 24, strike out "6429(f)(2)" and insert in lieu thereof "6429(e)(2)".

Page 56, line 3, strike out "6429(f)(2)" and insert in lieu thereof "6429(e)(2)".

Page 56, beginning on line 5, strike out "6429(f)(2)" and insert in lieu thereof "6429(e)(2)".

Page 41, strike out line 15 and all that follows down through line 6 on page 42, and insert in lieu thereof:

"(b) TRADE OR BUSINESS ALLOWANCES.—

"(1) IN GENERAL.—For purposes of subsection (a), the taxpayer shall be entitled to a trade or business allowance for each month in the taxable year, and such allowance shall be equal to the sum of—

"(A) the product of—

"(i) the number of gallons of gasoline used during such month in a trade or business, multiplied by

"(ii) the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the taxpayer; plus

"(B) the amount of the tax imposed by section 4051 on the sale to such taxpayer of fuel used during such month in a trade or business.

Page 42, strike out line 12 and all that follows down through "section 6429(c)(2)(A)," appearing on line 14.

Page 42, line 23, strike out "equal to ½ of the product of" and insert in lieu thereof "equal to the product of".

Page 42, line 24, strike out ", in excess of 25,".

Page 43, strike out line 5 and all that follows down through line 7 and insert in lieu thereof the following:

"(B) the rate of tax in effect under sections 4086 and 4051 for such month."

Page 44, strike out line 11 and all that follows down through line 5 on page 45, and insert in lieu thereof the following:

"(h) COORDINATION OF DEDUCTION WITH CREDIT ALLOWABLE FOR CERTAIN ENERGY CONSERVATION TAXES.—The amount which, but for this paragraph, would be allowable as a deduction under this section for amounts paid or incurred for gasoline or other fuels subject to tax under section 4086 or 4051 shall be reduced by the amount of any credit allowable under section 44B with respect to such gasoline or other fuels."

Page 48, strike out line 11 and all that follows thereafter down through line 5 on page 50.

Page 50, line 24, strike out "(d)" and insert in lieu thereof "(c)".

Page 51, line 10, strike out "(i)" and insert in lieu thereof "(h)".

Page 51, line 14, strike out "(e)" and insert in lieu thereof "(d)".

Page 51, line 18, strike out ", (b), or (c)" and insert in lieu thereof "or (b)".

Page 52, line 15, strike out "(f)" and insert in lieu thereof "(e)".

Page 53, line 6, strike out "(g)" and insert in lieu thereof "(f)".

Page 53, line 22, strike out "(h)" and insert in lieu thereof "(g)".

Page 54, line 1, strike out "(j)" and insert in lieu thereof "(i)".

Page 54, line 12, strike out "6429(h)" and insert in lieu thereof "6429(g)".

Page 54, line 17, strike out "6420(h)" and insert in lieu thereof "6429(g)".

Page 55, line 21, strike out "6420(g)(2)" and insert in lieu thereof "6429(f)(2)".

Page 55, line 24, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".

Page 56, line 3, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".

Page 56, line 6, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".

SENATE—*Wednesday, June 4, 1975*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, we thank Thee for the sacrament of life, for its great adventure, its glorious opportunities, its zest, its triumph; for the things that point beyond themselves to the spiritual realm from which they spring; for pains and sorrows and sins that spur us to search for health and comfort and forgiveness; for death that wakens thoughts of immortality; for the beauty of common things, for intimations of the infinite amid all that is finite, for the sacrament of work and Thy blessing upon every vocation lived to Thy glory.

As we have withdrawn from all that is without make us sure of Thy presence within us, guiding us in paths of righteousness, for Thy name's sake. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, June 3, 1975, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 156, and that the rest of the calendar, in sequence, through Calendar No. 161, be called.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PAYMENT OF WITNESS FEES

The resolution (S. Res. 172) relating to the payment of witness fees, was considered, and agreed to, as follows:

Resolved, That witnesses summoned to appear before the Senate or any of its committees shall be entitled to a witness fee rated at not to exceed $35 for each full day spent in traveling to and from the place of examination and for each full day in attendance. A witness shall also be entitled to reimbursement of the actual and necessary transportation expenses incurred by him in traveling to and from the place of examination, in no case to exceed 35 cents a mile for the distance actually traveled by him for the purpose of appearing as a witness if such distance is not more than six hundred miles or 20 cents a mile if such distance is more than six hundred miles.

REPEAL OF CERTAIN PROVISIONS OF THE ACT ESTABLISHING THE ASSATEAGUE ISLAND NATIONAL SEASHORE

The Senate proceeded to consider the bill (S. 82) to repeal certain provisions of the act entitled "An act to provide for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, and for other purposes," approved September 21, 1965, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert the following:

That the Act of September 21, 1965 (79 Stat. 824), as amended, providing for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, is further amended—

(a) by deleting section 7 in its entirety and substituting in lieu thereof the following:

"SEC. 7. The Secretary is authorized to undertake, in consultation with other interested Federal, State, local, and private agencies and interests, the development of a comprehensive plan for the lands and waters adjacent or related to the seashore, the use of which could reasonably be expected to influence the administration, use, and environmental quality of the seashore. Such plan shall set forth the most feasible and prudent methods for providing solid waste disposal, wetlands managements, development of visitor facilities, and other land uses all in a manner compatible with the preservation of the seashore. The Secretary may revise the plan from time to time, and he shall encourage Federal, State, local, and private agencies and interests to be guided thereby. Notwithstanding any other provision of law, no Federal loan, grant license, or other form of assistance for any project which, in the opinion of the Secretary, would significantly affect the administration, use, and environmental quality of the seashore shall be made, issued, or approved by the head of any Federal agency without the concurrence of the Secretary unless such project is consistent with the plan developed pursuant to this section.";

(b) by deleting section 9 in its entirety and by renumbering accordingly;

(c) by deleting in the new section 10 "$21,050,000" and inserting in lieu thereof "$22,400,000".

Mr. BEALL. Mr. President, as a coauthor, along with my distinguished Maryland colleague, Senator MATHIAS, of S. 82, which amends the Assateague Island National Seashore Act, I rise in support of this legislation and urge the Senate to give its favorable consideration to the measure.

Assateague Island is a unique strip of land with great beauty, approximately 37 miles long, located immediately off the coast of Maryland and Virginia on the Atlantic Ocean. It serves not only as a recreational site for 1.7 million citizens who visit it annually, but also serves as a home for many migratory water fowl and other fragile creatures. The island acts as a barrier, sheltering Chincoteague and Sinepuxent Bays, thus providing an excellent place for the protection and breeding of many animals.

The national seashore was created by the Congress in 1965. It was the purpose of this farsighted act to preserve this resource by protecting it from development. However, in the bill, the Congress provided authorization for the construction of a north-south road on the island and for the establishment of a zone where commercial activity would occur.

In the intervening 10 years, it has become apparent that the road and commercial zone are no longer feasible. Therefore, our legislation would repeal sections 7 and 9 of the act which authorized their construction and establishment.

The Interior Committee has also added provisions to the bill which would require the Secretary of the Interior to develop a comprehensive plan for the island. I support this long-needed action, and hope that the Interior Department will move rapidly in beginning this important study. I am sure the demands on Assateague will increase in the coming years, and thus it is imperative that we have a full and complete study not only of the potential uses of this fragile island, but also of its limitations to support human activity.

Mr. President, we must preserve Assateague Island for ourselves and for future generations. I believe S. 82 is a constructive step in that direction and thus I hope the Senate will give its favorable consideration to this legislation.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

KLONDIKE GOLD RUSH PARK

The Senate proceeded to consider the bill (S. 98) to establish the Klondike Gold Rush Park, which had been reported from the Committee on Interior and Insular Affairs with amendments as follows:

On page 4, in line 14, strike out the following:

That is compatible with the development of the Yukon Taiya power project and facilities necessary to retain the area as a major port.

(c) Notwithstanding any other provision of this Act, the Congress may authorize the construction of the Yukon-Taiya power project and the use of such lands and waters within the park as may be required for construction and operation of the project, including the transmission of power.

And insert the word "practicable.";

On page 4, in line 23, strike out "(d)" and insert "(c)";

On page 5, in line 21, strike out:

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

And insert the following:

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not to exceed $2,655,000 for the acquisition of lands and interests in lands.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to preserve in public ownership for the benefit and inspiration of the people of the United States historic structures and trails associated with the Klondike Gold Rush of 1898, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to establish the Klondike Gold Rush National Historical Park (hereinafter referred to as the "park"), consisting of a Seattle unit, a Skagway unit, a Chilkoot Trail unit, and a White Pass Trail unit. The boundaries of the Skagway unit, the Chilkoot Trail unit, and the White Pass Trail unit shall be as generally depicted on a drawing consisting of two sheets entitled "Boundary Map, Klondike Gold Rush National Historical Park", numbered 20,013–B and dated May 1973, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. Within the Pioneer Square Historic District in Seattle as depicted on a drawing entitled "Pioneer Square Historic District", numbered 20,010–B and dated May 19, 1973, which shall also be on file and available as aforesaid, the Secretary may select a suitable site for the Seattle unit and publish a description of the site in the Federal Register. So long as the Federal Government has not acquired the fee, the Secretary may relocate the site of the Seattle unit: *Provided*, That it shall be within the Pioneer Square Historic District. The Secretary may revise the boundaries of the park from time to time, by publication of a revised map or other boundary description in the Federal Register, but the total area of the park may not exceed thirteen thousand three hundred acres.

(b)(1) The Secretary may acquire lands, waters, and interests therein within the park by donation, purchase, lease, exchange, or transfer from another Federal agency. Lands or interests in lands owned by the State of Alaska or any political subdivision thereof may be acquired only by donation. Lands under the jurisdiction of any Federal agency may, with the concurrence of the head thereof, be transferred without consideration to the Secretary for the purposes of the park.

(2) The Secretary is authorized to acquire by any of the above methods, not to exceed fifteen acres of land or interests therein located in, or in the vicinity of, the city of Skagway, Alaska, for an administrative site; and to acquire by any of the above methods up to ten historic structures or interests in such structures located in the city of Skagway but outside the Skagway unit for relocation within such unit as the Secretary deems essential for adequate preservation and interpretation of the national historical park.

SEC. 2. (a) The Secretary shall establish the park by publication of a notice to that effect in the Federal Register at such time as he deems sufficient lands, waters, and interests therein have been acquired for administration in accordance with the purposes of this Act. Pending such establishment and thereafter, the Secretary shall administer lands, waters, and interests therein acquired for the park in accordance with the provisions of the Act approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act approved August 21, 1935 (49 Stat. 666), as amended.

(b) The Secretary is authorized to cooperate and enter into agreements with other Federal agencies, State and local public bodies, and private interests, relating to planning, development, use, acquisition, or disposal (including as provided in section 5 of the Act of July 15, 1968 (82 Stat. 356; (16 U.S.C. 460 1–22)) of lands, structures, and waters in or adjacent to the park or otherwise affecting the administration, use, and enjoyment thereof, in order to contribute to the development and management of such lands in a manner compatible with the purposes of the park. Such agreements, acquisitions, dispositions, development, or use and land-use plans shall provide for the preservation of historical sites and scenic areas, recreation and visitor enjoyment to the fullest extent practicable.

(c) Notwithstanding any other provision of law, the Secretary may restore and rehabilitate property within the park pursuant to cooperative agreements without regard as to whether title thereto is in the United States.

UMI

SEC. 3. (a) The Secretary, in cooperation with the Secretary of State, is authorized to consult and cooperate with appropriate officials of the Government of Canada and provincial or territorial officials regarding planning and development of the park, and an international historical park. At such time as the Secretary shall advise the President of the United States that planning, development, and protection of the adjacent or related historic and scenic resources in Canada in a manner consistent with the purposes for which the park was established, and upon enactment of a provision similar to this section by the proper authority of the Canadian Government, the President is authorized to issue a proclamation designating and including the park as part of an international historical park to be known as Klondike Gold Rush International Historic Park.

(b) For purposes of administration, promotion, development, and support by appropriations, that part of the Klondike Gold Rush International Historic Park within the territory of the United States shall continue to be designated as the Klondike Gold Rush National Historical Park.

SEC. 4. There are authorized to be appropriated of such sums as may be necessary to carry out the provisions of this Act, but not to exceed $2,655,000 for the acquisition of lands and interests in lands.

Mr. STEVENS. Mr. President, the Senate is about to consider S. 98 which would establish the Klondike Gold Rush National Historical Park. I greatly appreciate the strong support that Senator JOHNSTON and the members of the Subcommittee on Parks and Recreation have shown this bill.

This historical park is a most unique concept. It would establish a national park in two noncontiguous States, with a portion being in Washington State and the remainder in Alaska. Its establishment would be a first step on our part in the development of an international park with Canada. Canada has already made great strides in preserving and restoring the significant gold rush areas in her boundaries. We have a great deal of work to do on our side and passage today of S. 98 would be an important step in the right direction.

Passage of this bill will mean a great deal to both States and ultimately to British Columbia and the Yukon Territory in Canada. The Klondike has much to offer the tourist interested in this important part of the nation's past. It will provide on-the-spot education to people who are interested in the Klondike gold rush of 1898. Yet, to accommodate and attract these visitors, Skagway and the surrounding areas need the facilities and management that this park would provide.

Strong support has been expressed for this bill from all across Alaska and Washington State. The park proposal includes a relatively small amount of land. It will include and be adjacent to areas that have tremendous potential for hydroelectric development. To accommodate this, the bill contains a proviso that insures the future development of the Yukon-Taiya hydroelectric project if its construction is authorized by the Congress and the Canadian Government in the future.

Many of the original facilities that were a part of this gold rush are still remaining today. Most, however, are in a state of disrepair and each year depreciate further due to natural conditions and vandalism. Each year we delay in restoring these facilities, more of this important event in our history is lost to current and future generations. It is important that we act now to preserve this part of our history before it is gone forever.

This bill would serve to protect and preserve a period in our history rich in color and historical significance. Southeastern Alaska will benefit from this park and current and future generations who visit and use these facilities will remember the park as an educational, rewarding, and memorable experience. I strongly urge approval of this bill.

I ask unanimous consent that a summary of this legislation be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF PROPOSED KLONDIKE GOLD RUSH NATIONAL HISTORIC PARK

The proposed Klondike Gold Rush National Historical Park will consist of a Seattle Unit, located in the Pioneer Square Historic District in Seattle, Washington; a Skagway Unit, located in Skagway, Alaska; a White Pass Trail Unit, located near Skagway on the upper reaches of the Skagway River; and a Chilkoot Trail Unit, located near Skagway in the Taiya River Valley. The total area of the four units combined is less than 13,300 acres.

SEATTLE UNIT

The Seattle Unit will consist of a site located in the Pioneer Square Historic District. The square is entered on the National Register of Historic Places and is specially zoned as a historic district under a municipal ordinance. The site will be selected by the Secretary of the Interior after the proposed park is authorized by Congress. The site will be in leased space within one of the historical buildings in the district. It will have approximately 3,000 square feet and will contain an exhibit room, a small theater, and administrative quarters. The exhibits will consist of photographic murals and other photographic displays, artifacts, models and other materials illustrating the effect of the gold rush on Seattle and the outside and illustrating the story of transportation to and from the North. The theater will be used for films and slide shows about the gold rush and about the historical park. It will also be used from time to time for live performances of the historic period.

The Park Service plans to enter into a lease agreement for five years, renewable for another five. Under the lease, the lessor will rehabilitate the leased space for occupancy and recover his costs over the period of the lease. In this way, no substantial Federal investment is required to initiate the project. Costs will be handled out of annual operating programs.

SKAGWAY UNIT

The Skagway Unit is located in Skagway, Alaska, and includes 55 wooden, one- and two-story houses and residences, some partially vacated, which are the remaining evidence of the goldrush town of Skagway. The unit is located along Broadway and its side streets between First and Seventh Avenues, largely coinciding with the Skagway Historical District (city ordinance adopted in October 1972). The unit is the focal point of the Skagway business district, is a major tourist attraction, and is listed in the National Register of Historic Places.

The purpose of the Skagway Unit is to preserve and, where necessary, restore historic structures and to provide interpretation and interpretive displays therein so as to provide a comprehensive living history program. To achieve this purpose, up to 22 structures would be acquired for renovation and adaptive restoration. Insofar as private capital is utilized for the same purpose, the Federal program would be reduced proportionately. Most of the refurbished structures will be sold or leased back for private businesses, which will serve resident and visitor uses. For interpretive programs, up to eight of the structures would be retained by the government. However, if cooperative agreements can be reached with private parties to achieve the same purpose, several of these structures would also be sold or leased back. At least one structure, and perhaps two, would have to be retained to provide a visitor center, museum, and theater.

Restoration work undertaken at Skagway will be accomplished by Park Service employees. It is not feasible to contract for this work. It will be done over a period of years and will not require large appropriations in any single year for acquisition and development. The construction of modest maintenance and shop facilities will probably be by contract.

CHILKOOT TRAIL UNIT

The Chilkoot Trail Unit consists of a corridor of park land approximately one mile in width and 16 miles in length paralleling the entire length of the Chilkoot Trail within the United States. It lies principally in a north-south direction, with the south boundary including the historic townsite of Dyea about three miles (eight, by road) northwest of Skagway. The park unit includes the "slide" cemetery, the Chilkoot Trail and all related historic sites and artifacts found along the trail. The north boundary of the corridor is Chilkoot Pass on the international boundary.

The National Park Service intends to restore the Chilkoot Trail to its most representative location, protect structural ruins along the trail, record and protect all artifacts in the corridor, and provide modest camping facilities for the public hiking the trail. Interpretation of this portion of the gold rush story will primarily be through graphics. A trail and two log shelters already exist in the corridor.

Almost all of the work to be undertaken in the Chilkoot Trail Unit will be accomplished by Park Service employees. Full development of modest camping and attendant facilities in the Dyea vicinity in the future will be by contract. The costs in any single year should be relatively small.

WHITE PASS TRAIL UNIT

The White Pass Trail Unit consists of a corridor of park land approximately one mile in width and five miles in length paralleling important remnants of the White Pass Trail. The Unit lies in a north-south direction, the south boundary beginning eight miles northeast of Skagway. It includes remnants of the White Pass Trail and the ruins of White Pass City. The north boundary of the unit is White Pass on the international boundary.

The National Park Service intends to restore a portion of the White Pass Trail, stabilize ruins, record and protect all artifacts within the park, and provide modest camping facilities for the public as needed. Interpretation of the White Pass Trail will be accomplished through means of signs along the trail, overlooks beside the Skagway-Carcross Highway, and interpretive talks on the White Pass and Yukon Route. The White Pass is listed in the National Register of Historic Places.

All of the work to be undertaken in the White Pass Trail Unit during the first five to ten years will be by Park Service employees. The annual costs should be modest. At some time in the future, an overnight facility in the vicinity of the White Pass could be developed if demand warrants. Such a facility would require contracting.

INTERNATIONAL HISTORIC PARK

In British Columbia and the Yukon, the National and Historic Parks Branch of Canada is planning park units based on the Klondike Gold Rush similar to the proposed American park. Preliminary arrangements have been made for the two proposed parks to be designated as the Klondike Gold Rush International Historic Park. Because the respective Chilkoot Trail Units join together and hikers will travel through both countries, preliminary arrangements have been made for integrated management of the Chilkoot Trail. Preliminary arrangements have also been made for developing an integrated interpretive program so that interpretation at the units in each country will complement that in the other.

Canadian preservation and restoration work is already underway. Substantial funds have already been invested in restoration of historic buildings in Dawson and additional work is underway and programmed at Dawson, on the Klondike, and on the Chilkoot Trail.

INTERGOVERNMENTAL COOPERATION

The National Park Service and the National and Historic Parks Branch have developed the park plans in cooperation with the State, Provincial, Territorial, and municipal governments involved. An international working committee composed of officials from the United States, Canada, Alaska, British Columbia, and the Yukon Territory oversees the planning and develops arrangements for international and intergovernmental cooperation. Additionally, the National Park Service had made preliminary arrangements for cooperative management agreements with Skagway, th State of Alaska, and the Forest Service in relation to the park units in and near Skagway.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended to read as follows:

A bill to establish the Klondike Gold Rush National Historical Park, and for other purposes.

EXCHANGE OF LANDS FOR AN ENTRANCE ROAD AT GUADALUPE MOUNTAINS NATIONAL PARK, TEX.

The bill (S. 313) to authorize an exchange of lands for an entrance road at Guadalupe Mountains National Park, Tex., and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 2 of the Act approved October 15, 1966 (80 Stat. 920), providing for the establishment of the Guadalupe Mountains National Park in the State of Texas, is amended by adding the following after the third sentence: "In order to provide for an adequate entrance road into the McKittrick Canyon area of the park, the Secretary may accept title to and interests in lands comprising a right-of-way for a road or roads outside of the boundary of the park from United States highway numbered 62 and 180 to the park boundary, and in exchange therefore he may convey title to and interests in lands comprising a right-of-way from said highway to the boundary which have been donated to the United States. The Secretary may accept cash from or pay cash to the grantor in such exchange in order to equalize the values of the properties exchanged. Lands and interests in lands comprising the right-of-way acquired pursuant to this subsection shall be administered as part of the park.".

BIKINI ATOLL

The bill (H.R. 5158) to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands, was considered, ordered to a third reading, read the third time, and passed.

INCREASED AUTHORIZATIONS FOR CERTAIN SMALL BUSINESS LOAN AND GUARANTEE PROGRAMS

The bill (S. 1839) to amend the Small Business Act and the Small Business Investment Act of 1958 to increase the authorization for certain small business loan and guarantee programs, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Small Business Act Amendments of 1975".

SEC. 2. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$725,000,000" and inserting in lieu thereof "$825,000,000"; and

(2) by striking out "$450,000,000" and inserting in lieu thereof "$525,000,000".

SEC. 3. Section 412 of the Small Business Investment Act of 1958 is amended by striking out "$35,000,000" and inserting in lieu thereof "$45,000,000".

SEC. 4. (a) Section 308(h)(1) of the Small Business Investment Act of 1958 is amended to read as follows:

"(h) (1) Notwithstanding any State constitution or statute, which is hereby preempted for the purposes of this subsection, a small business investment company may, in any State prescribing a lower rate than hereinafter permitted, provide financing in amounts of $25,000 or more pursuant to sections 304 and 305 of this title at a rate of interest, valid for the term of such financing, of not more than 5 per centum in excess of the discount rate on ninety-day commercial paper in effect at the Federal Reserve district where the small business investment company is located.".

(b) The amendment made by subsection (a) applies to any loan made in a State after the date of enactment of this Act, but prior to the earlier of July 1, 1977, or the date (after such date of enactment) on which such State enacts a provision of law which prohibits the charging of interest at the rates provided for in such amendment.

THE PRESIDENT'S RETURN FROM AN EVENTFUL VISIT

Mr. HUGH SCOTT. Mr. President, the President of the United States has returned from an eventful visit.

I noticed one newspaper statement written about it at the time of his departure which said that it would not be expected that within a week the President could accomplish very much, but that his presence would be useful and the establishment of our continued interests in the Western World would be desirable.

Well, of course, like most broad predictions of that kind based on an absolute total lack of knowledge, it was not borne out.

The President's visit had, among other things, these effects:

It brought about a meeting of the NATO representatives with assurances that the U.S. commitment was strong and firm and would continue unabated and unreduced, that our military presence was desirable, acceptable, and would continue.

It brought about a tightening of the NATO alliance with a counseling, on the part of the President, that other nations in NATO must bear their full share and their burden and must not expect the United States to do more than its necessary part.

It brought about the meeting of the Prime Ministers of Greece and Turkey, Messrs. Karamanlis and Demirel, and they are undertaking to seek to pursue peaceful means toward the settlement of the Cyprus crisis.

It led to a fruitful discussion with the leaders of the Government of Spain in undertaking to continue, under whatever revision may be necessary, the arrangement between Spain and the United States whereby the use of certain bases is granted to us.

It led to a visit of the Foreign Minister of Portugal in which he assured the United States that it was expected that we would continue to use the Azores under certain circumstances.

It led to a very useful visit to Italy, to officials of the Italian Government and to His Holiness, the Pope.

There were numerous other exercises which took place in this very short time, particularly the interesting visit between the President of France, Giscard d'Estaing and the President of the United States.

All of these things I feel were an affirmation, if not an extension, of American foreign policy.

I think Europe feels better about us. I think the American people feel that they have a President who has taken a firm grasp on foreign policy and is developing a forward foreign policy which is at the same time an American foreign policy.

I think the spirit of bipartisanship in foreign policy is improving in the last 60 or 90 days within the Congress. The congressional support of necessary measures for the security of the United States is notable. The other body acted formally and supported the President. I believe this body will substantially do the same thing.

So it was quite a week. It was a week of action, of performance, of assurance, a week of restoration of confidence, and a week of leadership.

I think all Americans can be proud of it.

PROGRAM FOR ECONOMIC RECOVERY AND ENERGY SUFFICIENCY

Mr. MANSFIELD. Mr. President, in February, Congress recommended a far-reaching program for economic recovery and energy sufficiency. It received the unanimous endorsement of the Senate Democrats as a comprehensive and con-

UMI

sistent plan of action. It recognized the interrelationship of energy decisions and economic consequences.

In contrast with the administration, Congress established as its first priority a return to full employment as soon as possible.

All other programs, including energy, were adapted to this first priority. Thus, steep energy price increases that would impair economic recovery were specifically rejected as a method to reduce consumption, reflecting the unanimous judgment of the Senate Democrats that energy was an essential component of American life—not a luxury item. Heating a home, feeding and clothing a family, and getting to work are fundamental. All such essential endeavors require petroleum and its byproducts.

The administration's program was quick and easy to comprehend. In terms of economic impact, however, its implementation would be disastrous. For America, the cost of all energy would be doubled and the consumer is at once energy poor—petroleum and is byproducts are placed out of reach of countless millions of our citizens. A form of conservation? Perhaps. Inequity to the American consumer? More likely. A hindrance to economic recovery? A certainty. That is the administration's energy program.

In constrast, the congressional program, passed and to be passed, directs a surgical approach to the wasteful consumption of energy. In transportation, particularly regarding the automobile, mandated efficiency—50 percent in 1980, 100 percent by 1985—alone would save almost 4 million barrels of oil per day. In the industrial and commericial sector, energy efficiency standards would produce enormous savings throughout each segment of industry and in the residential sector, improved standards for new construction with insulation incentives for existing structures would help turn the tide and pave the way to energy sufficiency. It is to these proposals—both comprehensive and mandatory—that the Nation must turn if great fuel savings is the goal. No program offered by the administration would provide similar results.

But this careful and detailed approach prepared by Congress cannot and will not be accomplished by one bill, one package, or in one fell swoop. It requires study and refinement by four major Senate committees. Of the specific bills required, almost two dozen are well underway in the Senate. Proceeding with them in this fashion reflects the essential nature of the legislative process. The ultimate result justifies the process. Enactment will assure a fair and equitable distribution of the burden of scarce energy with savings in consumption translated into a substantially reduced dependence upon imports. Frankly, it is only a reduction imposed in this fashion—via a carefully planned conservation effort—that provides the rational basis for an oil import quota and a reduced dependence upon the OPEC cartel.

What is the record to date? First of all, to meet its commitments, Congress has expedited consideration of those measures deemed most urgent in dealing with America's economic problems and to that end, the following actions—all specifically recommended in the congressional program for economic recovery—have been taken:

First. A tax rebate—far more generous than that proposed by the President—to provide a one-shot stimulus to the sagging economy has been enacted.

Second. A temporary personal tax reduction for continuing support to consumer purchasing power has been enacted.

Third. A business tax reduction to stimulate investment has been enacted.

Fourth. To offset revenue losses and provide more equity within the tax structure, Congress has repealed the oil depletion allowance for major companies.

Fifth. To prevent further economic hardship, Congress suspended the President's authority to raise the price of energy unilaterally. This measure was vetoed by the President.

Sixth. Both the House and Senate have passed an urgent housing program to create jobs, provide homeownership assistance to low- and middle-income families and stimulate the depressed homebuilding industry. This measure faces a Presidential veto. Also, Congress has rejected the President's rescissions and deferrals of funds for existing housing programs and both bodies have passed legislation to prevent mortgage foreclosures during this time of economic hardship.

Seventh. Both the House and Senate have prevented the President's proposed 5 percent ceiling on social security benefit increases and mandated full benefits including a retroactive supplementary bonus payment of $50 to help stimulate economic recovery.

Eighth. By resolution, Congress has called on the Federal Reserve to reduce long-term interest rates and maintain longrun growth in the money supply.

Ninth. Congress has appropriated increased funds for public service employment and job opportunities to help check the still increasing unemployment rate. This measure has also been vetoed with the House scheduled to attempt an override.

Tenth. Congress has rejected the President's rescissions and deferrals of funds for job intense public works and transportation programs.

As to its recommendations on energy policy, Congress has demonstrated similar initiative to meet the potential threat to national energy supplies without disrupting the efforts to achieve economic recovery. In this regard, the following actions have already been taken:

First. The Senate has passed a host of standby authorities, including allocation and rationing, to protect against sudden shortfalls in energy supply.

Second. Both bodies have passed legislation to prevent the President from imposing energy price increases against consumers, including higher tariffs on oil imports and price decontrols. As previously indicated, a veto of this legislation remains pending but the override attempt was postponed in light of the President's deferral of further oil tariff increases. With the President's renewal of his pledge to unilaterally raise energy prices, Congress must again act to block such an economically imprudent move. The congressional program remains opposed to oil price decontrol and price increases and all actions available will be taken by the Congress to protect the American consumer from steep energy price increases during this time of economic crisis.

Third. A mandatory auto fuel efficiency bill is ready for consideration by the Senate. It is hoped the administration will support this stringent energy conservation proposal as it alone would provide an energy savings of almost 4 million barrels per day by 1985.

Fourth. In addition, a bill to reregulate the price of natural gas in order to stimulate more production was reported in late May by the Senate Commerce Committee for consideration in the Senate. It, too, will soon be taken up.

It should be noted finally that negotiations between the congressional leadership and the administration have produced substantial agreement between the executive and legislative branches on a number of long-range objectives dealing with energy conservation and augmented domestic supplies. The highest priority is being given to these measures by the various committees of jurisdictional interest and efforts to speed enactment will continue throughout this session of the Congress.

To date, Mr. President, the record of the Congress on these issues has been exemplary. What must be recognized are the remaining differences with the administration over the question of economic recovery and the adverse impact on that goal of imprudent and abrupt manipulations in the price of fuel in order to obtain short-term and temporary energy policy objectives. This is a time when the American consumer—particularly those in low- and middle-income groups—can least afford such added hardships. It is no time to thrust more economic pain and suffering on America. The congressional energy policy as approved in February recognizes full well the threat to America's energy supply; it provides essential protections and lays the framework for strong and effective mid- and long-term energy programs based on mandatory conservation and augmented production efforts.

As to both economic and energy objectives, the record should reflect the various achievements to date and I ask, therefore, that the congressional program for economic recovery and energy sufficiency with an indication of how initial recommendations stack up against achievements to date be printed at this point in the CONGRESSIONAL RECORD, together with an article by Mr. Hobart Rowen entitled "The Bill for Oil Import Duties, Decontrol" which appeared in last Sunday's Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CONGRESSIONAL PROGRAM OF ECONOMIC RECOVERY AND ENERGY SUFFICIENCY

(NOTE.—Charts in article not printed in RECORD.)

THE ECONOMY

Target

The first priority must be a return to full employment as soon as possible. This can be achieved through fiscal and monetary actions designed to promote economic recovery with a substantially reduced inflation rate

Recommendations

Accept and expand the President's antirecession tax rebate/tax cut concept. (*Congress has passed.*)

Achieve the maximum reduction of imported oil during 1975 consistent with the economic upturn and a reduced unemployment rate. (*Congress has continued its efforts to block energy policies inconsistent with economic upturn while unemployment continues to grow.*)

Reject massive energy price increases caused by import tariff, excise tax and sudden, total decontrol. (*Congress has passed Legislation to prevent the President from increasing energy prices unilaterally. The president has vetoed this legislation.*)

Add further stimulus to consumer spending and prevent the unwarranted reduction in funds to the poor and elderly. (*Congress has enacted legislation to prevent food stamp and social security benefit cut-back.*)

Increase the money supply and stimulate housing. (*By resolution Congress has called on the Federal Reserve to achieve the objectives.*)

Release impoundments to provide immediate employment in the public works and heavy construction fields. (*Congress has passed.*)

Assure adequate private and public employment in light of national needs. (*Congress has passed the legislative framework.*)

The cost of energy under the Administration's program would rise by over $40 billion during the first twelve months (closer to $50 billion by some analyses), an amount equal to the price increases caused during the Arab embargo. The Administration's program would add this new burden to an economy already well into the deepest recession since the 1930's, with inflation continuing at an unacceptably high level, and with unemployment over 8%. Low- and middle-income households will be required by the President's program to spend an even greater portion of their limited income to purchase energy.

As its goal the Administration seeks a reduction of energy consumption by one million barrels per day in 1975. To achieve it, energy prices would be greatly increased, first by taxing all crude oil and natural gas and then by removing the present controls on the market price of oil and gas.

The price of energy is not determined by free forces of supply and demand but rather by the governments of the nations that produce energy. The policy question is whether the U.S. or the OPEC governments will set energy prices in this country. The Administration wishes to decontrol old oil and new natural gas, giving the control of price to OPEC and letting U.S. energy prices follow the prices established by it.

As the chart—not printed—illustrates, if the price of all energy is decontrolled, it will move toward the price set by OPEC. The fact that new domestic oil—now decontrolled—is selling at the OPEC-determined price illustrates this point. If control is maintained and extended the price of domestic energy will be separated from the OPEC price. The Congressional program calls for the rejection of the Administration's plan to decontrol energy prices entirely; it seeks to have the price of U.S. domestic energy set by the U.S., not the OPEC nations. Prices should be high enough to encourage maximum production and discourage wasteful consumption. However, the Congressional program calls for a combination of price controls that are needed to insure an equitable sharing of the burden and to shield American consumers and businessmen from the impact of OPEC-inflated prices.

Over the long run the Administration hopes that the higher prices could be absorbed in normal economic growth; but in the short run as well as the long run, consumers would be required to adjust immediately by not being able to afford energy or by being more efficient in their use of energy. The administration's proposals attempt to achieve long-term energy goals in the short run (one million barrels per day this year, two million by 1977). In so doing, they threaten the Nation's economy by aggravating inflation, inducing a deeper recession and more unemployment.

No aspect of the President's program could be cited as addressing directly the question of national economic recovery. The tax-cut proposal is designed mostly to offset increased energy costs. The President's program would cut taxes and create a large deficit. We agree that tax cuts are justified but we believe these cuts should be designed for stimulus and to help those who have been hurt most by inflation, and the size of these cuts should be determined by what is needed to provide economic recovery and full employment as quickly as possible.

The President's proposal can be thought of in three parts: (a) a $16 billion one time tax rebate to stimulate the economy; (b) a budget moratorium of new spending programs; and (c) a $40 billion-plus cost increase for energy in all forms, offset in part with $27 billion in cash rebates to households, business and state and local government.

Taken by itself, the President's $16 billion one time tax rebate would have a very minor impact on our $1,500 billion economy. Its real growth impact is about one percentage point in 1975 and 1976; its unemployment impact is a reduction by about one-quarter percentage point in each of these same years. In other words, the President's $16 billion tax stimulus might reduce a projected 8.4 percent unemployment rate to 8.1 percent. The impact of the tax rebate on inflation is insignificant.

If one adds the President's energy tax package which costs the consumer about $40 billion, and takes approximately $10–$13 billion out of the economy, thus adding to the recession, it is likely that unemployment would get even higher and that inflation would be dramatically increased by about three percent. The President has estimated that his energy package will make 1975 another full year of double-digit inflation.

In sum, the Administration package is both inadequate and contradictory: inadequate because it does not reduce the rate of unemployment below what would happen with no policy changes, and contradictory because it accelerates the inflation rate three percent beyond what it would be with no policy changes.

The Recommendations of the Congressional Program To Achieve Economic Recovery

Recognizing the interrelated nature of Energy and the Economy, the Congressional program, while designed to reduce national dependence on imported oil, would halt the recessionary slide, begin economic recovery and provide millions of additional jobs without adding to inflation.

To achieve economic recovery numerous suggestions were considered that relate to fiscal and monetary policy and program actions. Recommended in addition to the tax rebate/tax cut concept is a combination of actions which include a rejection of the Administration's energy price increases, the release of impounded funds to create immediate employment, an increase of the money supply, stimulus for jobs in housing and elsewhere and an adequate public employment program with relief to states and locales especially burdened.

If quickly implemented these recommendations will insure an end to the economic downturn and the beginning of a vigorous recovery during the year. Comparing this program to the President's program, our economy will be producing $42 billion more goods and services in 1976, $76 billion more in 1978, and a total of $335 billion more over the 1975 to 1980 period.

This increase in goods and services will generate jobs, reducing the unemployment rate substantially from the Administration's projections. By comparison with the President's economic goals, the proposed Congressional program will produce at least 1.4 million more jobs by the end of 1976 and well over three million more by the end of 1977. In total these recommendations, if implemented, will produce 8.3 million more job-years of employment between 1975 and 1980 than the President's plan.

Under other circumstances the increase in economic activity might be inflationary. However, with the economy operating so far under its potential, the stimulus will not contribute to inflation. In fact, the increase in output is likely to increase productivity as firms spread their fixed overhead over an increased number of units.

A sensible policy of economic stimulus should provide the greatest growth in early months. In contrast, the Administration's approach has the economy moving most rapidly years away as full capacity is approached and the inflationary risks are greatest.

More immediately, the Congressional program will avoid the inflationary effect of the Administration's energy taxes, tariffs and total decontrol, producing 2% less inflation this year and a total of 3% less by 1977.

Elements of the recommendation in summary

Social Security and Supplementary Security Income. Reject President Ford's 5% ceiling on social security; accelerate payment of benefits by the full 8.7% effective January 1, 1975, and mail out retroactive benefits checks in May or June. (*Achieved.*)

Retroactive Personat Tax Reduction. Accept the concept of the Administration's rebate of 1974 taxes. Redesign the program in accordance with objectives recommended by the House Ways and Means Committee so that low- and middle-income taxpayers receive a much larger share of the benefits. Send out the payment in May or June in a single check that would provide a large boost to sagging personal income. This tax rebate would provide a one-shot stimulus to the economy. (*Achieved.*)

Temporary Personal Tax Reduction. Adopt a substantial additional tax cut for 1975, consistent with House Ways and Means action. This reduction would affect withholding schedules by July 1 of this year. This tax cut, also targeted to low- and middle-income taxpayers, would provide continuing support to consumer purchasing power throughout 1975. The Congress envisions that the stimulus would be continued into 1976 if necessary to continue the recovery. (*Achieved.*)

Business Tax Reduction. Accept the proposal to raise the investment tax credit (ITC) to 10% retroactive to January 1, 1975. Reject the Administration's reduction of ITC to the 7% rate in 1976; keep the higher rate in effect until the economy reaches the full-employment zone so that businesses can make investment plans with certainty.

(Achieved.) Set ITC at higher levels for long term capital investment in energy-efficient equipment and in equipment needed to convert from oil and gas to coal.

Tax Reform. Enact an initial tax reform package in 1975 to yield approximately $5 billion in added revenue. Such reform would include repeal of the depletion allowance for big international oil companies, strengthening the minimum income tax so that the rich pay their fair share, and eliminating foreign tax subsidies so that American capital is not encouraged to locate abroad. (Achieved part.)

Energy Taxes, Tariffs, and Decontrol. Reject the Administration's package of excise taxes on oil and natural gas, tariffs on imported oil and decontrol of old oil. (Achieved.) Add 5¢ to the tax on gasoline as a source of revenue for an Energy Trust Fund.

Public Works Employment. Assure that the Job Opportunities Program, the Economic Adjustment Assistance Program and the Public Works Impact Program (Titles X, IX and I of the Public Works and Economic Development Act) are fully funded and implemented to meet their original purpose of providing short-term employment opportunities while constructing facilities of lasting value to the community. Reject rescissions or deferrals and otherwise provide increased funding for short-term construction programs meeting urgent national needs such as water pollution control and transportation. This action would offer opportunities for increased construction and related employment, activities which have suffered real decreases in spending as a result of inflation. Provide any additional Federal assistance which may be necessary to allow state and local governments to make full use of increases in funding for public works construction programs. (Achieved.)

Housing. Stimulate the homebuilding industry through a shallow interest rate subsidy program to enable low- and middle-income families to purchase homes at interest rates they can now afford to pay. Interest subsidies will be limited to low- and middle-income families with phase-out triggered to economic recovery. Reject rescissions and deferrals of appropriations for existing housing programs. Provide temporary aid to homeowners to prevent mortgage foreclosures. (*Achieved.*)

Monetary Policy. Adopt a Congressional resolution calling upon the Federal Reserve to (1) substantially reduce the long term interest rates during 1975, (2) maintain a longrun growth in the money supply and other monetary aggregates commensurate with the economy's economic growth potential, and (3) consult with Congress at semi-annual intervals on the Board's monetary growth targets for the next six months. (*Achieved.*)

Spending Reductions. The President's budget calls for an assortment of non-essential expenditures which should be eliminated or cut in the interest of sound economic policy. Reject the Administration's $7 billion energy equalization payment (as well as its comparison energy taxes). Reduce other portions of the Administration budget—defense, foreign aid, and elsewhere—by $5 billion. From this $12 billion, restore social security levels, reject the food-stamp-cost reduction but undertake a review of the food stamp program to assure that the benefits are received by the most in need. Total spending for all programs should not exceed $355 billion in FY 1976 unless unemployment averages more than 8% during that period. (*Achieved in part.*)

Adequate Public Service Employment in Light of National Need. An expanded public service employment program could play a major role in bringing unemployment down. A public service employment program should give priority to hiring the heads of families. It should avoid displacing existing employment, treat the special concerns of state and local governments and create new jobs with increased emphasis on training and equipment to satisfy important social needs. (*Achieved in part.*)

The House of Representatives has demonstrated strong initiative in getting the economic recovery programs underway. The enactment of these programs deserves the very highest national priority. On the other hand an energy policy must be compatible with these objectives: it must not inhibit their effectiveness. It is the development of an energy policy that aids national economic recovery that the Congress recommends in this report.

ENERGY

Target

Implement a comprehensive conservation program that reduces substantially foreign import dependence without aggravating the Nation's current economic crisis. Expand domestic supply by diversifying energy sources. Establish management procedures in the event of drastic energy shortages

Recommendations

Avoid sudden massive price increases. (*Congress has continued efforts to block.*)

Institute a combination of excise taxes and rebates on new automobile sales, deliberately geared to favor energy-efficient vehicles. (*The Senate is awaiting an appropriate House vehicle.*)

Institute a 5c tax on gasoline as the financial base for an Energy Trust Fund. (*Senate awaiting appropriate House vehicle.*)

Institute urgent program of energy conservation. (*Underway with strict auto fuel standards ready for Senate action.*)

Create a National Energy Production Board. (*Underway.*)

Improve management of current energy supply and protect independent segment of the industry by extending allocation authority. (*Passed Senate.*)

Achieve the maximum reduction of imported oil consistent with an economic upturn and a reduced unemployment rate and empower the Energy Production Board to limit imports to meet targets. (*Underway.*)

Enact emergency powers to limit imports and include standby rationing authority in the event of drastic reduction of energy supply from abroad. (*Passed Senate.*)

This Nation has previously assumed an unlimited and relatively inexpensive energy supply; these assumptions no longer apply. The Congressional program sets forth a comprehensive energy policy and identifies a series of actions designed to conserve the use of energy and expand its available supply.

First is recommended the rejection of the President's proposal for energy price increases. (*Achieved.*) The President's plan reflects a serious lack of perception of the integrated nature of our economy. The added hardships imposed by steep price increases must be avoided in favor of cutting down on waste and expanding and developing our energy production capacity. No justification can be found for impairing economic recovery by inducing immediately a steep increase in the price of imported oil. Recommended instead are a series of actions which, if implemented, will produce both national energy sufficiency and a substantial reduction in dependence upon foreign energy sources. A tax of 5¢ on gasoline at the pump would provide funds for energy production and conservation programs.

The goal of the Congressional energy program is self-sufficiency. At present the Nation imports 20% of its energy sources from abroad. The Congressional program will reduce our reliance by 1985 on imported energy supplies to less than 10% of the United States total energy consumption (and to less than 20% of our total oil use). In addition, our country will have in place a strategic reserve of oil that will provide three million barrels per day for a full year.

Under present policies the United States' energy consumption in 1975 would be equivalent to 38 million barrels of oil per day, with oil imports approaching 6.5 million barrels per day (Tables I & II). At present rates of growth by 1985 as a Nation we could be consuming an estimated 56 million barrels of oil or its equivalent (Table I).

If implemented the Congressional program will reduce this growth rate in energy consumption and by 1985, the Nation will be consuming 45 million barrels per day. To achieve this goal, therefore, this program will conserve eleven million barrels per day by 1985 (Table III). To provide that saving, a series of conservation efforts must be undertaken immediately (Table IV).

Conservation

Transportation. The transportation segment has been identified for prime attention because it accounts for about one-fourth of total energy use and more than one-half of petroleum use. Automobiles are the leading energy user, accounting for more than 50% of the total energy consumed in the transportation sector. Thus an urgent conservation effort in the transportation sector alone will reduce substantially the Nation's total energy budget and significantly reduce the Nation's dependence upon imported oil.

In the President's proposed Energy Independence Act of 1975, the only proposal for conserving energy use in the transportation sector is a requirement for motor vehicle labeling which would give consumers information permitting comparison of the energy consumption of different automobiles. The President has also proposed that the automobile industry meet a voluntary target of 40% improvement in fuel efficiency of new cars by 1980 and has asked the automobile industry to pledge in writing to try to meet the 40% improvement objective. The Administration has specifically rejected a program of mandatory fuel efficiency standards to accomplish the objective.

By contrast, Congress recommends a mandatory fuel efficiency program (*legislation is ready to be considered by the full Senate*) that will dramatically improve new car fuel efficiency—50% by 1980 and 100% by 1985 (over the base year of 1974). The mandatory program would be based upon a sales weighted fuel efficiency average of all new cars sold in a particular model year. The Secretary of Transportation would be authorized to establish in each model year average fuel economy standards which each manufacturer would have to meet or exceed. At the same time, it is recommended that Congress undertake a thorough review of all environmental standards in the light of developing an effective energy policy consistent with economic recovery and including the relation of emission standards to better mileage.

In order to meet the goals of the mandatory fuel economy standards, the manufacturers would have to make substantial improvements in automobile technology and the sales mix of large cars and small cars would have to be altered considerably.

An additional feature of this program would provide incentives for the purchase of fuel-efficient vehicles and the payment of a penalty or excise tax on the purchase of less fuel-efficient vehicles (*legislation ready for consideration by Senate.*) The amount of rebate would increase as the mileage exceeded the annual standard; the excise tax would also increase for fuel-poor cars, with a substantial built-in price spread between the two extremes. It is suggested that the break-even standard might increase by one mile per gallon annually as a continuing incentive not only for customers to shop for energy-efficient vehicles but for automobile manufacturers to build and market them. In order to insure that the American consumer derives the benefits of the incentive program, a manufacturer would have to establish that any price increase on the more fuel-efficient cars was justified on the basis of cost increases.

The Congressional Energy Program also calls for an intensive research and development effort (*legislation underway*) designed to develop within four years a production prototype of a low-polluting, energy-efficient automobile that meets required safety and emission standards.

As well as improving the efficiency of transportation vehicles themselves, the Congressional Energy Program proposes certain measures which encourage the use of more energy-efficient means of transportation, including added funding of public transportation and rail rehabilitation, (*achieved by Senate*) upgrading of road and tracks, electrification, modernization and expansion of roadways and terminals.

Unfortunately the Administration program failed to advocate any mandatory energy conservation measures in the transportation sector. As a result, an optimistic, long-range projection for energy savings in transportation under the Administration program would be less than adequate to meet energy-sufficiency by 1985.

In contrast, the comprehensive energy conservation program in the transportation sector proposed in the Congressional Energy Program would achieve substantial savings in the next 10 years, well over half of the fuel consumed today by the automobile and twice the savings sought by the President's program. (See Table IV.) The Congressional Energy Program offers certainty that this significant savings would be achieved because of the program to stimulate the shift to fuel-efficient vehicles and because of the mandatory fuel-efficiency standards which would be established by the Department of Transportation, not to mention the added emphasis given public transportation.

Transportation, though important, is but one sector of the economy cited by Congress for mandatory conservation.

Residential, Industrial and Commercial Use. It is the goal of the Congressional program to conserve a significant quantity of oil equivalent in residential, industrial and commercial use by 1985. In these uses, the most important saving would come from changing the present insulation requirements for future construction and making it economical for the present owner to install insulation and other energy-saving devices on existing structures.

A major Federal loan guarantee, grant and/or tax credit program is recommended for residential and commercial consumers for insulation (*achieved by Senate*) and other energy-saving modifications. A principal objective of the program would be to upgrade over 10 years some 40 million existing homes presently in need of thermal protection improvements, such as ceiling insulation, storm windows and doors, caulking and weatherstripping. (See Table IV.) Financial incentives should also be explored to encourage the installation of solar heating and cooling facilities.

With specific regard to the Industrial use of energy, including electric utilities these recommendations are made:

Special investment incentives exclusively for conservation (in addition to those required for economic recovery) applicable to any capital investment in the next two years for retrofitting investments made exclusively to save energy or to switch from oil and gas to coal (with appropriate ceilings). (*Senate awaiting appropriate House vehicle.*)

Discouragements against use of natural gas in new electric power generating plants.

A federal requirement for an energy conservation program (efficiency standards) in each industry designed to economically feasible conservation targets. (*Legislation underway.*)

A research and development program for new energy saving industrial processes designed to save 40 percent in key industries over the next decade. (*Legislation underway.*)

To facilitate conversion of electric power generating and other industrial plants from petroleum and natural gas to coal—consistent with public health, technological and economic considerations—we suggest the appropriate committees consider guaranteeing that any new plant for future conversion which faithfully meets current EPA emission standards at the time the facility is built will enjoy a sufficient period of grace against imposition of more costly standards so as to permit amortization of the required investment on an accelerated depreciation schedule. (*Consideration underway.*)

The Congressional program recommends action to facilitate and provide the necessary funding to revise building codes at Federal, state and local levels to improve energy efficiency (*passed Senate*), a Truth-in-Energy law to require labeling of energy content and cost of all appliances, homes, automobiles, etc., and performance standards for major appliances to conserve energy. (*Legislation ready for Senate action.*)

In addition financial aid would be provided to improve electrical transmission lines and to make better use of existing generating capacity. Financial aid would be afforded as well to the utilities in order to facilitate construction of transmission lines that could take advantage of diversity in demand and thus enlarge the capacity available for each utility to meet peak loads without building as many new powerplants. In return, utilities should be encouraged to redesign rate structures so as to encourage energy conservation by all consumers. (*Legislation underway.*)

At the governmental level, all Federal agencies would be required to give energy conservation the highest priority in all purchases, planning, policies and regulatory actions; specifically mandate the ICC, CAB and Maritime Administration that energy wastage be cut out in railroad, airline, truck and marine transportation; work with state regulatory agencies to establish standards for utility rate design in the pricing of electricity and natural gas to encourage energy conservation.

States would be encouraged and even required to develop mandatory conservation measures and affirmative action plans for conservation, particularly with regard to the elimination of nonessential driving. Effective enforcement of the 55 miles-per-hour law together with a host of remedies at the state level should result in substantial fuel savings. Federal funding of any such conservation program should be conditional upon effective savings (See Table IV.) (*Passed Senate.*)

Overall, under these conservation efforts—many of which are mandatory—a savings of over 11 million barrels of oil or its equivalent per day could be achieved by 1985 over what otherwise would have been consumed.

Expanded domestic energy supply

As they begin to take effect and reduce the growth of energy consumption, the conservation programs will permit the orderly but accelerated development of greater and more diversified domestic sources of supply. The increased supply and diversification aspect of the program is equally essential, therefore, to meet the Nation's long range objective of reducing imports to 10% of domestic energy consumption and will require a substantial increase in the use of coal and other more exotic energy sources. (See Tables V & VI.)

The overall objective of national energy sufficiency recognizes the enormous undertaking involved in terms of capital investment and incentives, in terms of environmental protection and national security. Switching from oil and gas to coal and other sources is just one aspect of the program—although a most critical one—and it alone will require a substantial commitment of national resources. A national program of this magnitude requires the establishment of an instrumentality at the highest level of government to make certain that the program is successful. Therefore at the core of the recommendations is the creation of a National Energy Production Board as an independent agency of the government. (*Legislation underway.*) It would mobilize unutilized and under-utilized private and public resources to increase domestic energy production on an urgent basis. The National Energy Production Board would be patterned after the War Production Board of World War II and, subject to Congressional review, would have authority and funding to break energy bottlenecks, and to take all actions necessary to accelerate the production of and conversion to domestic energy sources. Much of the cost would be funded out of an Energy Trust.

At the same time, the NEPB would oversee establishment of a national system of oil strategic reserves (*legislation soon to be before the Senate*) and storage. The program would create a stockpile that could supply three million barrels per day for six months by 1980 and for a full year by 1985. (See Table V.) Part of the oil stored would be purchased on the world market under secret bid to encourage competition. The remainder could come from Naval Petroleum Reserves, the Outer Continental Shelf and the marketplace. While the establishment of the oil bank is an essential component of energy self-sufficiency in the long term, it will be NEPB's prime responsibility to get the augmented supplies and diversification underway on an urgent basis. Leading the specific recommendations proposed by the Congressional program is coal production and conversion.

Coal conversion incentives of major proportion are recommended that are designed to implement a national policy requiring new baseload fossil fuel fired electrical plants and heavy industrial boilers to burn coal rather than oil or natural gas, and the conversion of existing plants over the next 10 years where feasible. (*Legislation underway.*) (See Table V.) In this regard the Congress supports expeditious implementation of the Energy Supply and Environmental Coordination Act of 1974 (referred to as the Coal Conversion Act).

Capital equipment incentives, manpower development and engineering technology should be encouraged. The transportation network must be greatly improved (*passed Senate*) and coal should be mined and burned in compliance with the Federal Coal Mine Health and Safety Act. Strong measures are needed to encourage the conversion to environmentally sound coal use, e.g. tax credits, loan programs, or fuel taxes to finance the cost of conversion.

At the same time a commercial demonstration of new synthetic fuels from coal should be undertaken with an ultimate production goal reaching the equivalent of 500,000 barrels of oil per day. (See Table V.) These technologies, together with oil shale, geothermal, MHD, solar and others, would

UMI

be developed on a contract or joint venture basis with industry. Sufficient Federal financial support is recommended to proceed immediately. From this initial experience, a better assessment could be made of environmental and social as well as economic costs. Incentives should be provided to facilitate expansion of nuclear power. We also recommend funding accelerated efforts to resolve the safety, safeguard and waste disposal problems. (*Legislation underway.*)

As to new domestic oil and gas sources, the Outer Continental Shelf Act should be revised to accelerate exploration consistent with the public interest and in cooperation with states and public authority. This revision will assure coastal states of environmental protection, establish a public knowledge bank on availble resources, permitting production under leases so that available resources will not be kept from the Nation's supply by private speculation and require disclosure of geological and engineering data that pertain to these national resources.

To encourage increased domestic exploration for oil and gas, we recommend:

(1) Completely eliminating the depletion allowance on all foreign drilling;

(2) An excess profits tax on all big oil companies, avoidable only by plowing profits back into domestic exploration, and depositing proceeds from tax into Trust Fund; and

(3) Retaining depletion allowance only for small independent domestic explorers who do not operate retail outlets. (*Enacted.*)

For the near term the Congressional supply program recommends that the Naval Petroleum Reserves be rapidly developed and necessary transportation facilities created to make the estimated 10–40 billion barrels available as needed for storage or commercial use.

And for immediate results, current production should be maximized along with ultimate recovery from existing oil and gas reserves; and to facilitate secondary and tertiary recovery, tax incentives should be provided along with Federal authority for mandatory unitization of fields (harmbnizing the production of wells into a common field) and production at maximum efficient rates with authority exercised by states where state laws and regulations meet Federal standards.

The oil price control program should be modified also to create sufficient incentives to produce all oil that can be recovered economically through secondary and tertiary recovery, substantially increasing the amount of oil ultimately produced from the average field. Perhaps the most effective plan would be to include some decontrol treatment for secondary and tertiary recovery as "new" oil.

Exploiting fully natural gas potential is equally critical and the Federal Power Commission must be mandated to provide price certainty at levels high enough to reflect future costs and to eliminate regulatory delays, reducing any incentive to withhold gas because of the uncertainty over government pricing policy.

The Congressional program therefore recommends measures to reform and simplify natural gas regulation, but continue interatate price controls on old natural gas, and establish a statutory formula ceiling that reflects cost of production. This should assure that the price is high enough to encourage maximum domestic production, but still below the OPEC cartel level. (*Legislation reported to Senate.*)

Finally, procedures to shorten needless regulatory delay in energy production should be adopted. (*Legislation underway.*) This should include expedited consideration of a natural gas delivery system from Alaska and cover speed-up of certification and regulatory procedures by FPC and State Utility Commissions with regard to both electricity and natural gas.

We reject an automatic pass-through to consumers of a fuel adjustment cost without scrutiny and justification by state and local regulatory authorities.

To be sure, there are issues related to the matter of increasing production and achieving a greater diversity in the sources of energy supply. Paramount among these are the environmental questions involved. Congress has played a chief role in developing long-range policies to protect public health and the environment and the actions recommended to increase and diversify energy supply must be designed to maximize the development of the more environmentally sound sources of energy in preference to the more environmentally controversial sources.

To undescore the concern of Congress for an energy production policy fully compatible with environmental concerns, this program recommends the adoption of three precise legislative objectives:

Enact the Surface Mining Control Act. (*Passed Congress; vetoed by President.*)

Enact legislation which recognizes the interests of states in the siting of power plants, refineries, etc.; provides planning mechanisms for regional planning in which states participate and decisions can be made in a timely fashion so that necessary facilities can be built. (*Legislation underway.*)

Establish machinery to recognize and resolve concerns of Coastal, Rocky Mountain States and other concerned with damage to the quality of life from potential exploitation of their regions and to provide adequate funding to minimize detrimental secondary effects. (Legislation underway).

While environmental preservation is a paramount concern of this program, it is just as important that increased production and expanded supply be undertaken by a strong and vigorous industry.

It is therefore recommended that the antitrust laws be strengthened to promote free enterprise and to encourage competition. It is recommended also that the bidding system for Federal leases be changed to permit greater participation by smaller companies.

Together these are the components of a policy designed to expand the domestic production of energy. With a reduced rate of growth, they chart a deliberate path to national energy sufficiency within the next ten years, eliminating this Nation's dependence on insecure sources of supply as rapidly as possible without causing economic adversity along the way.

National energy sufficiency is attainable under this Congressional program; the path is straight and deliberate, joining supply and conservation programs into an integrated rational policy.

What the energy conservation and expanded supply programs indicate, also, is substantial bipartisan agreement on the primary goals of U.S. energy policy—eliminating U.S. dependence on insecure sources of supply as rapidly as possible. In advocating creation of the NEPB, the Congressional program has chosen a separate independent instrumentality fully equipped to get the job done.

Administrative Mechanism

The NEPB and other involved agencies must be equipped equally well to meet each and every contingency that might occur between now and the time a national energy sufficient status has been achieved. To meet such contingencies a host of standby authorities are recommended by the Congressional program. They range from import quotas to centralized purchasing powers, allocations, and as the President has recommended, even to rationing.

What these standby powers reflect is that Congress recognizes the vulnerability of the Nation to energy shortages. To weather any such potential adversity, pending a status dependency and the emplacement of an oil of energy sufficiency with reduced foreign reserve, the Congress accepts the President's judgment that enactment of standby rationing legislation is needed. Also it recommends the extension of the mandatory allocation program (*passed Senate*) which could accommodate a gradual shift to reduced import dependence in the short term by managing and controlling any excessive rate of energy consumption. Allocation management procedures would be called upon immediately in the event that enacted policies did not lead to the previously stated goals. But full-scale rationing could be employed only in the event of a drastic reduction in energy supplies by an embargo of oil imports.

The standby import quota authority vested directly in the NEPB together with a centralized purchasing mechanism for imports recognizes that as a consuming Nation today we may need to become more deeply involved in oil negotiation while we endeavor to attain an energy-sufficient status. Provision for the standby authorities reflects also that in the near and mid term, energy is too important to America to be left in the hands of a cartel of foreign nations. The Congress recommends therefore that the independent NEPB itself be empowered to create an oil import administration which could require that exporters to the United States bid competitively for access to the U.S. market. In addition, the Board would be empowered to set quotas to limit imports.

Other elements of the standby authorities should include the following:

Assure that any allocation rationing program affords equitable treatment of regions, industries, classes of consumers and independent producers during an embargo or energy curtailment from other causes.

Authorize the States to invoke more stringent mandatory conservation measures in any future curtailment.

Direct the Executive immediately to submit its recommendations for a system to ration gasoline and other forms of energy; the system to be activated on notice, subject to expedited Congressional review.

A final component of the comprehensive Congressional program recommends creation of the National Energy Trust which would include the dedication of funds needed to realize national energy goals.

As the financial base for this trust, a 5-cent tax on gasoline at the pump would be imposed 30 days after enactment. This revenue would begin to pay for the urgent program of conservation and production.

Additional revenues for the Trust would be derived from energy taxes on inefficient uses of energy and by dedication of part of the funds paid for leases covering the Outer Continental Shelf.

Conclusion

If much of this Congressional program is in accord with the long range objective of the Administration, then our disagreement is over tactics and the coordination of energy policy with economic policy.

The Administration wants to tax energy at the source; the Congress recommends taxing gasoline at the pump. The Administration wants to put the entire tax on at once; Congress recommends a 5-cent tax coupled with urgent and mandatory conservation and production programs. The Administration seeks to achieve mileage standards; Congress agrees, but would make them mandatory and supplement the standards with a large excise tax on poor mileage autos and an offsetting subsidy for efficient cars. Most importantly, the Administration relies on massive price increases to accomplish its goals while Congress would back up its recommendations with authority to manage supply and allocate—or even to impose quotas if necessary—to meet the goals.

In sum, the President's program would trade the jobs and economic well-being of Americans to achieve a short-term result of dubious merit. The Congress will not tolerate such further economic sacrifice and its comprehensive energy policies reflects a judgment that economic restoration is the Nation's foremost priority today.

TABLE I.—EFFECT OF CONGRESSIONAL PROGRAM ON ENERGY SUPPLIES

	Million barrels of oil equivalent per day			
	1973	1975	1980	1985
Energy demand:				
Consumption if no new actions (historical)	36.6	38.0	47.0	56.1
Energy conservation reductions (congressional program)		1.3	6.0	11.1
Adjusted consumption to reflect energy conservation		36.7	41.0	45.0
Domestic energy supplies:				
Petroleum	10.9	10.5	12.0	13.4
Natural gas	11.2	10.5	10.1	10.3
Coal	6.9	7.5	10.1	15.0
Other	1.5	2.5	3.4	5.2
Total domestic supplies	30.5	31.0	35.6	43.9
Imports	6.1	5.7	4.4	1.1
Total supplies	36.6	36.7	41.0	45.0

TABLE II.—EFFECTS ON OIL IMPORTS

	Million barrels of oil equivalent per day			
	1975	1977	1980	1985
Petroleum supply—Demand balance:				
Consumption if no new actions	[1] 18.00	[1] 18.30	[2] 20.3	[1] 23.90
Imports if no new actions	[1] 6.50	[1] 8.00	[2] 9.5	[1] 12.70
Savings achieved by following actions:				
Voluntary conservation	.78	.90	1.12	1.40
Mandatory conservation (difference between congressional and administration conservation programs)	(0.28)	[3] .25	2.20	5.76
Accelerate oil supply strategy	.10	.10	.65	2.00
Substitution of coal for oil and natural gas	.17	.40	.98	1.40
Promotion of coal for use by new facilities that otherwise would use oil or natural gas	0	0	.18	1.06
Total savings	.77	1.60	5.13	11.62
Necessary imports:				
Congressional program	5.73	6.40	4.39	1.08
Administration program	5.30	5.80	5.38	4.70
Strategic reserve strategy	.20	.30	1.00	3.00
New import vulnerability (requiring standby emergency authority):				
Congressional program	5.53	6.10	3.39	[4]
Administration program	5.30	5.80	5.38	1.7

[1] The President's 1975 state of the Union message including economy and energy, Jan. 15, 1975.
[2] Estimates.
[3] Due principally to administration's price disincentives.
[4] Surplus.

TABLE III.—CONSERVATION STRATEGY—SUMMARY [1]

	Million barrels of oil equivalent per day		
	1975	1980	1985
Transportation:			
Automobile:			
Congressional program (mandatory)	0.33	2.23	3.81
Administration program (voluntary)	.45	1.38	1.95
Public:			
Congressional program	.13	.42	.58
Administration program	[2]	[2]	[2]
Industrial sector:			
Congressional program (mandatory)	.17	1.47	3.65
Administration program (voluntary)	.42	.83	1.27
Residential-commercial sector:			
Congressional program (mandatory)	.42	1.36	2.08
Administration program (voluntary)	.57	1.35	1.92
Utility sector:			
Congressional program (mandatory)	.25	.50	1.00
Administration program (voluntary)	.14	.22	.22
Totals:			
Congressional program	1.30	5.98	11.12
Administration program	1.58	3.78	5.36
Difference	(.28)	2.20	5.76

[1] For detailed program see table IV.
[2] No comparable program.

TABLE IV.—CONSERVATION STRATEGY

	Million barrels of oil equivalent per day		
	1975	1980	1985
Transportation:			
Automobile:			
1. Voluntary conservation: Car pooling and proper maintenance	[1] 0.05	[2] 0.32	[2] 0.35
2. Enforce 55 m/hr speed limit	[1] .05	[1] .16	[1] .16
3. Incentives for purchase of new automobiles with improved efficiency and fuel economy standards:			
Congressional program (mandatory)	.10	1.50	[3] 3.00
Administration program (voluntary)	[4] .05	[5] .48	[5] 1.00
4. Price disincentives:			
Congressional program (gasoline tax)	0.13	0.25	0.30
Administration program (excise tax)	[3] .30	[3] .42	[3] .44
5. Research on urban car	(6)	(6)	(6)
Subtotal:			
Congressional program	.33	2.23	3.81
Administration program	.45	1.38	1.95
Public transportation: Upgrade mass transit systems followed by government programs to discourage inefficient use of automobiles: [7]			
Congressional program	.13	.42	.58
Administration program	(7)	(7)	(7)
Subtotal:			
Congressional program	.13	.42	.58
Administration program	(7)	(7)	(7)
Total, transportation sector:			
Congressional program	.86	3.39	4.58
Administration program	.90	2.82	3.39
Industrial sector:			
1. Encourage voluntary conservation and energy audits:			
Congressional program	[1] .17	(8)	(8)
Administration program	[1] .17	(8)	(8)
2. Investment incentives:			
Congressional program		[1] .47	[1] .90
Administration program		.47	.90
3. Mandatory energy conservation programs, including efficiency standards:			
Congressional program (adjusted to reflect item 2)		[2] 1.00	[2] 2.75
Administration program		(7)	(7)
4. Price disincentives (fuel and excise taxes):			
Congressional program	(7)	(7)	(7)
Administration program	[3] .25	[3] .36	[3] .37
Total, industrial sector:			
Congressional program	.17	1.47	3.65
Administration program	.42	.83	1.27
Residential-commercial sector:			
1. Encourage voluntary energy conservation:			
Residential	[1] .06	[2] .14	[3] .19
Commercial	[1] .28	[2] .50	[2] .70
Subtotal	.34	.64	.89
2. Insulation tax credit:			
Congressional program (commercial)	0	[1] .08	[1] .10
Administration program	0	[4] .18	[3] .30
3. Promote 10-year program to upgrade 40 million residences:			
Congressional program	0.08	0.38	[2] 0.57
Administration program	(8)	(7)	(7)
4. Building code revisions		[4] .17	[3] .30
5. Appliance efficiency standards and labeling:			
Congressional program (mandatory)	0	[2] .09	[3] .22
Administration program (voluntary)	0	[4] .04	[3] .10
6. Price disincentives:			
Congressional program	(7)	(7)	(7)
Administration program [3]	.23	.32	.33
Total, commercial-residential sector:			
Congressional program	.42	1.36	2.08
Administration program	.57	1.35	1.92
Utility sector:			
1. Utility rate redesign:			
Congressional program [2]	[4] .25	[4] .50	1.00
Administration program [3]	[4] .02	[4] .05	.05
2. Investment tax credit	(8)	(8)	(8)
3. Price disincentives:			
Congressional program	(7)	(7)	(7)
Administration program [3]	.12	.17	.17
Total, utility sector:			
Congressional program	.25	.50	1.00
Administration program	.14	.22	.22

[1] Comprehensive energy plan, Federal Energy Administration, December 1975.
[2] Project independence report, Federal Energy Administration, November 1975.
[3] Department of Transportation.
[4] Estimated.
[5] The President's 1975 state of the Union message including economy and energy, Jan. 15, 1975.
[6] No immediate benefit.
[7] No comparable proposal.
[8] See item 3.
[9] No direct conservation.

UMI

TABLE V.—OIL STRATEGIES

	Million barrels of oil equivalent per day			
	1975	1977	1980	1985
Energy supply strategy—Oil:				
1. Accelerate Outer Continental Shelf development			[1] 0.500	[2] 1.500
2. Assure maximum efficient rate of production from existing wells and promote secondary and tertiary recovery	0.100	0.100	.050	0
3. Promote commercial production of synthetic fuels	0	0	.100	.500
Total	.100	.100	.650	2.000
Strategic reserve strategy—Oil:				
1. Production of Elk Hills	[2] .200	[2] .300		
2. Development of Naval Petroleum Reserve No. 4	0	0	0	[3] 2.000
3. Emergency storage	0	0	[1] 1.000	[3] 3.000
Total	.200	.300	1.000	[3] 3.000

[1] Estimate.
[2] The President's 1975 state of the Union message including economy and energy, Jan. 15, 1975.
[3] Assume that production from NPR-4 (item 2) is used to build up emergency storage.

TABLE VI.—COAL STRATEGIES

	Million barrels of oil equivalent per day			
	1975	1977	1980	1985
Energy supply strategy—Coal:				
1. Promote the development of new coal supplies:				
Production goals	7.50		10.08	15.00
(Million tons per day)	(1.9)		(2.52)	(3.81)
(Million tons per year)	(685)		(920)	(1,370)
Current projections [1]		8.52	9.80	12.04
(Million tons per day)		(2.13)	(2.45)	(3.00)
(Million tons per year)		(755)	(895)	(1,100)
Increases over current projections			.28	2.96
(Million tons per day)			(.07)	(.80)
(Million tons per year)			(25)	(270)
2. Promote substitution of coal for oil and natural gas:				
Conversion of utilities with capability to use coal [2]	.100	.300	.400	.400
Conversion of existing utilities without capability to use coal and new utilities now in planning stage or under construction which plan to use natural gas or oil	0	0	[3] .280	[1] .500
Conversion of industrial facilities	[4] .075	[3] .100	[3] .300	[1] .500
Total	.175	.400	.980	1.400

[1] Project Independence Report, Federal Energy Administration, November 1975.
[2] The President's 1975 state of the Union message including economy and energy, Jan. 15, 1975.
[3] Estimate.
[4] Comprehensive Energy Plan, Federal Energy Administration, December 1975.

[From the Washington Post, June 1, 1975]

THE BILL FOR OIL IMPORT DUTIES, DECONTROL

(By Hobart Rowen)

President Ford is playing the confrontation role of the late Harry Truman to the hilt in his squabble with Congress over its "do-nothing" role on energy. And many Democrats have been playing cheap politics with energy, betting that any gasoline price rise next summer can be saddled onto Mr. Ford.

But if you put aside the political brinksmanship and look at what the President has done and proposed, the only conclusion is that it adds up to economic disaster.

President Ford has not only tacked on another $1 a barrel to crude oil import duties (making it $2 in all, thus boosting the average price of a barrel of imported crude oil to about $13.50) but will send a plan to Congress for the decontrol of "old" domestic oil, now $5.25 a barrel.

These steps, rationalized as a way of cutting demand and providing a stimulus for increased production, actually will have an enormous inflationary effect on the economy. They also raise serious questions about recovery from recession.

Administration assurances that price rises and decontrol will have a minimal impact on inflation are totally unrealistic. A "fact sheet" put out by the Federal Energy Administration, for example, claims that decontrol would result in no change at all in the coal and natural gas prices!

A new study by Lawrence Kumins of the Congressional Research Service of the Library of Congress shows that each $1 added as an import oil charge costs consumers and industry $6.1 billion on an annual basis. This includes the impact on that part of domestic oil production which is uncontrolled, and parallel rises in unregulated natural gas and in coal.

A similar calculation is made by former Budget Director Charles Schultze, now at the Brookings Institution.

Thus, the $2 worth of import duties so far promulgated by President Ford will cost about $12 billion, if you count the "ripple" effects as these basic higher fuel prices work their way through the economy, Kumins estimates the bill $18 to $24 billion on annual basis.

But there's more: If the President succeeds in getting $5.25 "old" oil decontrolled over a two-year period (and legislative possibilities are that he probably can accomplish that), old oil would of course rise $8.25 a barrel to the $13.50 price.

"Old" oil production has been running at about 5.5 million barrels a day. The increased cost would amount to $16.5 billion (and coal and unregulated gas would go up some more).

Adding in the ripple effects, Kumins puts the cost of decontrol at $24 billion a year, worth 2¼ to 3 points on the inflation index.

Meanwhile, each $1 of added import charges could push the index up 0.7 to 0.9 per cent, making the total inflationary impact a potential 3.75 to 4.75 per cent when all costs are fully effective at the end of a two-year decontrol program.

Rep. Toby Moffett (D-Conn.), who released Kumins' study, said that 89 per cent of the over-all cost to consumers would go to oil, coal, and gas producers as extra profits.

It should be remembered that, when President Ford originally presented his decontrol scheme, plus new import duties of $1, $2 and (ultimately) $3 a barrel, the enormous drain of purchasing power from consumers, corporations and government entities was to be offset by an elaborate, Rube Goldberg tax rebate system.

But there are no offsets to the $1 that was imposed on Feb. 1, and none proposed for the $1 that will be imposed today, along with 60 cents a barrel on refined product imports.

Moreover, the windfall profits tax that the President proposed in January, when he first put forward decontrol of "old" oil, now has been modified to include a plow-back provision, which simply means that there will be no meaningful windfall profits tax on those who reinvest in energy production—which they would be doing anyway because of the incentive of high prices.

The ultimate absurdity, of course, is that, if the Organization of Petroleum Exporting Countries makes good on a rumored $2-a-barrel price increase of its own, that will boost the price to $15.50. Such a level is so outrageous that Mr. Ford might be forced to withdraw $1 or $2 of the imported duties.

But how, then, could he complain of an OPEC $13.50 price, which merely would be at the level he himself had set?

The essential elements of a real energy program still include some direct limitation on imports so as to weaken the cartel; government action to allocate reduced supplies; a legislated efficiency requirement for gas-guzzling cars; other conservation measures in heating and air-conditioning; and a shift to other forms of energy, especially coal, while new sources of oil are being developed.

This would require a dramatic change in American life-styles that are based on brutally wasteful energy practices. Ford's program will do nothing to bring about such a change. It will only raise hell with the economy.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from North Carolina (Mr. MORGAN) is recognized for not to exceed 10 minutes.

COMMENDING THE ARMED FORCES AND PRESERVING THE DEFENSES OF THIS NATION

Mr. MORGAN. Mr. President, in light of the present discussions that have been going on in the Senate concerning the Defense Procurement Act, I thought it appropriate that I ask unanimous consent to have printed in the RECORD this morning a joint resolution passed about 2 weeks ago by the North Carolina General Assembly with regard to the Defense Establishment.

On the 13th of May of this year, the North Carolina General Assembly unanimously passed a measure titled, "A Joint Resolution Commending the Armed Forces and Urging Congress To Preserve the Defenses of this Nation." I ask unanimous consent that the full text of that resolution be printed in the RECORD at the conclusion of my remarks.

Mr. MORGAN. Mr. President, I feel that it is particularly appropriate for the Senate to take notice of this action by the North Carolina General Assembly at this time. As we debate S. 920, the military procurement authorization bill, I believe it is imperative that we keep in mind the feelings and opinions of our constituents.

North Carolina, and I believe the entire Nation, is no longer willing to see America retreat from a position of leadership and strength in the world arena. The people of this country are demanding that we in the Congress provide for a strong national defense, capable of responding to hostile actions by unfriendly nations in a firm but judicious manner. North Carolinians do not want us to be military adventurers; they do want us to protect American lives, property, and interests when they are threatened. They want the United States to keep promises made to our friends, when those friends have kept their promises to us.

Above all, North Carolinians want to know that this Nation will continue to have the ability to protect the freedoms we cherish so highly. As we approach the 200th anniversary of our independence, there is no better way to commemorate the founding of this Nation than to assure the people we represent that we share these concerns.

EXHIBIT 1

SENATE JOINT RESOLUTION 596

A joint resolution commending the Armed Forces and urging Congress to preserve the defenses of this Nation

Whereas, this State and nation is now in its 200th year of freedom; and

Whereas, that freedom was secured and has since been maintained by the sacrifices of the men and women of the armed forces of this nation, both professional and civilian; and

Whereas, the potential cost of maintenance of freedom is and always will be the lives and fortunes of every citizen of this nation; and

Whereas, it is absolutely essential to the survival of these freedoms which Americans traditionally hold most dear, including but not limited to freedom of religion, freedom of speech, freedom of the press, freedom from any restraints on our liberties without due process of law, and the freedom to criticize government and dissent from the majority, and that survival depends upon the safety of this nation from governments and ideologies which would destroy us in the pursuit of their own destinies; and

Whereas, there has been a discernible trend in the Congress of the United States and in certain segments of the public to detract from the armed forces of this nation, not only the financial support which those forces must have to adequately protect this nation and insure its survival, but also from the respect and admiration which this nation has traditionally had for its armed forces; and

Whereas, such detraction is inimical to the best interests of this nation and should be deplored by every American citizen; now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. That the General Assembly of North Carolina recognizes that while we continue our efforts to secure economic and social justice for all our people we must realize that such justice cannot be obtained unless we remain free, and that freedom can only be guaranteed for the foreseeable future by an armed force second to none.

Sec. 2. That the appreciation of the people of North Carolina is hereby expressed to the men and women of the armed forces, living and dead, who have devoted their lives and fortunes to the maintenance of those freedoms which all of us now enjoy.

Sec. 3. That the Congress of the United States is hereby urged to take care that the defenses of this nation remain adequate for the preservation of this nation and its ideals.

Sec. 4. That this resolution shall become effective upon ratification.

ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 10:30, with statements therein limited to 3 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MORGAN). Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 12:05 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 5774. An act to amend section 1006 of title 39, United States Code, relating to the eligibility of United States Postal Service employees for transfer to other positions in the executive branch, and for other purposes; and

H.R. 6516. An act to amend title VII of the Consumer Credit Protection Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes.

The message also announced that the House has passed the bill (S. 441) to amend the Forest Pest Control Act of June 25, 1947, with an amendment in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the enrolled bill (S. 1236) to extend and amend the Emergency Livestock Credit Act of 1974, and for other purposes.

The enrolled bill was subsequently signed by the Vice President.

At 2:30 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the bill—H.R. 4481—making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes, having been returned by the President of the United States with his objections, on reconsideration by the House, and two-thirds of the House of Representatives not agreeing to pass same, failed of passage.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting a confidential report entitled "Problems in Slowing the Flow of Cocaine and Heroin From and Through South America (with an accompanying report); to the Committee on Government Operations.

APPROVAL OF LOAN BY THE RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Administrator of the Rural Electrification Administration transmitting, pursuant to law, a statement in connection with the approval of a loan in the amount of $6,071,000 to Kodiak Electric Association, Inc., of Kodiak, Alaska (with accompanying papers); to the Committee on Appropriations.

PROPOSED LEGISLATION BY THE GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to modernize the retirement structure relating to members of the Uniformed Services (with accompanying papers); to the Committee on Armed Services.

SUPPLEMENTAL SUMMARY OF THE BUDGET

A letter from the Director of the Office of Management and Budget transmitting, pursuant to law, a supplemental summary of the budget for the ensuing fiscal year (with an accompanying report); to the Committee on Government Operations, the Committee on the Budget, and the Committee on Appropriations, jointly, by unanimous consent.

PROPOSED ACT BY THE COUNCIL OF THE DISTRICT OF COLUMBIA

A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council extending the moratorium on the conversion of rental unit properties into horizontal property regimes (with accompanying papers); to the Committee on the District of Columbia.

REPORT OF THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a report entitled "National Advisory Council on Adult Education, Annual Report" (with an accompanying report); to the Committee on Government Operations.

REPORTS OF THE COMPTROLLER GENERAL

Seven letters from the Comptroller General of the United States each transmitting, pursuant to law, a report as follows: "U.S. Fishing Industry Can Be Strengthened By Developing Underutilized Fish Resources"; "Uniform Treatment of Prisoners Under the Military Correctional Facilities Act Currently Not Being Achieved"; "Federal Guidance Needed If Halfway Houses Are To Be a Viable Alternative To Prison"; Status of Selected Major Weapon Systems"; "Efforts To Develop Two Nuclear Concepts That Could Greatly Improve This Country's Future Energy Situation"; "Cost and Schedule Estimates For the Nation's First Liquid Metal Fast Breeder Reactor Demonstration Powerplant"; and "Examination of Financial Statements of the Government National Mortgage Association for Fiscal Year 1974" (with accompanying reports); to the Committee on Government Operations.

UMI

PROPOSED LEGISLATION BY THE VETERANS ADMINISTRATION

A letter from the Administrator of Veterans Affairs transmitting a draft of proposed legislation to authorize the payment for a 1-year period of a variable allowance to assist in the recruitment and retention of certain physicians in the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes (with accompanying papers); to the Committee on Veterans' Affairs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a communication from the Office of Management and Budget relative to a supplemental summary of the budget for the ensuing fiscal year be referred jointly to the Committees on Appropriations, Budget, and Government Operations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

Assembly Joint Resolution No. 3 adopted by the Legislature of the State of California to the Committee on Agriculture and Forestry:

"ASSEMBLY JOINT RESOLUTION No. 3—RELATIVE TO TIMBER RESOURCES.

"Whereas, Although timber resource areas of the United States have historically been susceptible to wide fluctuations in economic activity and employment, present unemployment and decline in economic activity in the forest products industry far exceeds the rate of unemployment in urban areas and regions with more than one industrial base; and

"Whereas, Workers in the timber resource areas of the nation have little or no other opportunities for employment and many are moving to the cities where their skills are generally not in demand; and

"Whereas, The movement of timber industry workers to the city exacerbates the already difficut problem of finding work for the unemployed and will also make recovery of the timber industry that much more difficult when the recession is over and the demand for forest products returns; and

"Whereas, A report to Congress by the Comptroller General of the United States entitled "More Intensive Reforestation and Timber Stand Improvement Programs Could Help Meet Timber Demands," published in February 1974, states that, since 1968, budget requests by the President and congressional appropriations have been less than United States Forest Service estimates of funds necessary to do the work, and much reforestation and timber stand improvement work needs to be done on national forests; and

"Whereas, Timber sold from the national forests over the years has returned substantial funds to the Treasury and investment in public timberlands has provided the taxpayers with forest products needed for housing; now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President of the United States to support, and the Congress of the United States to enact, laws appropriating funds for, and making such changes in statutes as are necessary or desirable to provide, an expanded program for reforestation and timber stand improvement work on the national forest lands as a priority effort to halt recession-related unemployment in the depressed timber resource regions of the country, and as an investment in the public timberlands to protect and enhance the productivity of this valuable national asset; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Senate Joint Resolution No. 16 adopted by the Legislature of the State of California; to the Committee on Public Works:

"SENATE JOINT RESOLUTION No. 16—RELATIVE TO THE HIGHWAY TRUST FUND

"Whereas, The President has recently advanced the release of $2 billion from the Highway Trust Fund for the starting of projects in the 1975–76 fiscal year to stimulate the economy by providing employment in construction and related industries; and

"Whereas, There now exists a multibillion dollar balance in the Highway Trust Fund authorized for expenditure by the Congress but never released for its intended purposes; and

"Whereas, California motorists annually provide more than 10 percent of the money going into the Highway Trust Fund; and

"Whereas, In recent years, the amount of federal aid for transportation from the Highway Trust Fund returned to California is only approximately 65 percent of that contributed; and

"Whereas, Recent federal legislation has greatly increased the number of special programs of less than national significance and eliminated the flexibility and broad latitude formerly delegated to the states in the administration and use of highway trust funds; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take such steps as necessary to immediately release the existing balance of impounded funds in the Highway Trust Fund to the states for any highway transportation purposes, including, but not limited to, state and local highway systems, with emphasis on gap closing, safety improvements, bridge replacements, and transit-related facilities; and be it further

"Resolved, That the funds be usable, at the discretion of the states, without matching requirements in order to achieve the President's objectives of stimulating the economy; and be it further

"Resolved, That federal legislation be enacted so that no state's share of federal aid for highways from the Highway Trust Fund shall be less than 85 percent of the amount contributed by that state; and be it further

"Resolved, That federal aid highway programs be reduced to only those of national significance: interstate, rural, and urban; and that the administration of these programs be at the state level to reestablish a workable state-local relationship; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Transportation, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Senate Joint Resolution No. 1 adopted by the Legislature of the State of California; to the Committee on Public Works:

"SENATE JOINT RESOLUTION No. 1—RELATIVE TO THE USE OF AD VALOREM TAXES AS A SOURCE OF REVENUE FOR OPERATION AND MAINTENANCE OF WASTE WATER TREATMENT FACILITIES

"Whereas, Legal counsel to the U.S. Comptroller General has interpreted the user charge requirements of Section 204(b) (1) of Public Law 92–500 in such a manner as to preclude the use of ad valorem taxes as a source of revenue for operation and maintenance of waste water treatment facilities; and

"Whereas, The U.S. Environmental Protection Agency has instructed its regional offices to initiate steps to withdraw federal grant assistance from any local agency in nonconformance with this section; and

"Whereas, The elimination of ad valorem taxes as one of several possible sources of revenue will needlessly and drastically restrict the financial operations of many local agencies; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California memorializes the President and the Congress of the United States to amend Public Law 92–500 to permit the use of ad valorem taxes as one possible source of revenue for the operation and maintenance of waste water treatment facilities; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Post Office and Civil Service:

"JOINT RESOLUTION IN SUPPORT OF H.R. 1753 AND H.R. 5035 NOW PENDING IN THE UNITED STATES CONGRESS

"We, your Memorialists, the House of Representatives and Senate of the State of Maine of the One Hundred and Seventh Legislative Session, now assembled, most respectfully present and petition the Congress of the United States as follows:

"Whereas, there are presently before the Congress two bills, H.R. 1753 and H.R. 5035, concerning the transmittal to the states of Decennial Census data which is highly desirable for use for state and local legislative apportionment and for state districting; and

"Whereas, it is vital for legislatures and other bodies to have access to prompt and usable census data if they are to accurately accomplish necessary legislative apportionment and state districting; and

"Whereas passage of H.R. 1753 and H.R. 5035 would materially aid in prompt state access to usable Decennial Census data; now, therefore, be it

"Resolved: that We, your Memorialists, do hereby respectfully request and urge that the United States Congress this year enact into law legislation, substantially the same as H.R. 1753 and H.R. 5035, to aid in the transmittal of federal census data to the states; and be it further

Resolved: that a copy of this Resolution, duly authenticated by the Secretary of State, be transmitted by the Secretary of State to the Speaker of the House of Representatives and to the President of the Senate of the United States Congress and to each member of the Maine Congressional Delegation."

Assembly Bill 81, chapter 109, adopted by the Legislature of the State of Nevada; to the Committee on the Judiciary:

"ASSEMBLY BILL No. 81—COMMITTEE ON GOVERNMENT AFFAIRS CHAPTER 109, STATUTES OF NEVADA 1975

"An act relating to civil defense; providing for the ratification of the Interstate Civil Defense and Disaster Compact; and providing other matters properly relating thereto

"The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

"SECTION 1. Title 36 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 and 3 of this act.

"SEC. 2. The legislature of this state hereby ratifies a compact on behalf of the State of Nevada with any other state legally joining therein in the form substantially as follows:

"Interstate Civil Defense and Disaster Compact

"ARTICLE I

"The purpose of this compact is to provide mutual aid among the States in meeting any emergency or disaster from enemy attack or other cause (natural or otherwise) including sabotage and subversive acts and direct attacks by bombs, shellfire, and atomic, radiological, chemical, bacteriological means, and other weapons. The prompt, full and effective utilization of the resources of the respective States, including such resources as may be available from the United States Government or any other source, are essential to the safety, care and welfare of the people thereof in the event of enemy action or other emergency, and any other resources, including personnel, equipment or supplies, shall be incorporated into a plan or plans of mutual aid to be developed among the Civil Defense agencies or similar bodies of the States that are parties hereto. The Directors of Civil Defense of all party States shall constitute a committee to formulate plans and take all necessary steps for the implementation of this compact.

"ARTICLE II

"It shall be the duty of each party State to formulate civil defense plans and programs for application within such State. There shall be frequent consultation between the representatives of the States and with the United States Government and the free exchange of information and plans, including inventories of any materials and equipment available for civil defense. In carrying out such civil defense plans and programs the party States shall so far as possible provide and follow uniform standards, practices and rules and regulations including:

"(a) Insignia, arm bands and any other distinctive articles to designate and distinguish the different civil defense services;

"(b) Blackouts and practice blackouts, air raid drills, mobilization of civil defense forces and other tests and exercises;

"(c) Warnings and signals for drills or attacks and the mechanical devices to be used in connection therewith;

"(d) The effective screening or extinguishing of all lights and lighting devices and appliances;

"(e) Shutting off water mains, gas mains, electric power connections and the suspension of all other utility services;

"(f) All materials or equipment used or to be used for civil defense purposes in order to assure that such materials and equipment will be easily and freely interchangeable when used in or by any other party State;

"(g) The conduct of civilians and the movement and cessation of movement of pedestrians and vehicular traffic, prior, during and subsequent to drills or attacks;

"(h) The safety of public meetings or gatherings; and

"(i) Mobile support units.

"ARTICLE III

"Any party State requested to render mutual aid shall take such action as is necessary to provide and make available the resources covered by this compact in accordance with the terms hereof; provided that it is understood that the State rendering aid may withhold resources to the extent necessary to provide reasonable protection for such State. Each party State shall extend to the civil defense forces of any other party State, while operating within its State limits under the terms and conditions of this compact, the same powers (except that of arrest unless specifically authorized by the receiving State), duties, rights, privileges and immunities as if they were performing their duties in the State in which normally employed or rendering services. Civil defense forces will continue under the command and control of their regular leaders but the organizational units will come under the operational control of the civil defense authorities of the State receiving assistance.

"ARTICLE IV

"Whenever any person holds a license, certificate or other permit issued by any State evidencing the meeting of qualifications for professional, mechanical or other skills, such person may render aid involving such skill in any party State to meet an emergency or disaster and such State shall give due recognition to such license, certificate or other permit as if issued in the State in which aid is rendered.

"ARTICLE V

"No party State or its officers or employees rendering aid in another State pursuant to this compact shall be liable on account of any act or omission in good faith on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith.

"ARTICLE VI

"Inasmuch as it is probable that the pattern and detail of the machinery for mutual aid among two or more States may differ from that appropriate among other States party hereto, this instrument contains elements of a broad base common to all States, and nothing herein contained shall preclude any State from entering into supplementary agreements with another State or States. Such supplementary agreements may comprehend, but shall not be limited to, provisions for evacuation and reception of injured and other persons, and the exchange of medical, fire, police, public utility, reconnaissance, welfare, transportation and communications personnel, equipment and supplies.

"ARTICLE VII

"Each party State shall provide for the payment of compensation and death benefits to injured members of the civil defense forces of that State and the representatives of deceased members of such forces in case such members sustain injuries or are killed while rendering aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within such State.

"ARTICLE VIII

"Any party State rendering aid in another State pursuant to this compact shall be reimbursed by the party State receiving such aid for any loss or damage to, or expense incurred in the operation of any equipment answering a request for aid, and for the cost incurred in connection with such requests; provided, that any aiding party State may assume in whole or in part such loss, damage, expense, or other cost, or may loan such equipment or donate such services to the receiving party State without charge or cost; and provided further that any two or more party States may enter into supplementary agreements establishing a different allocation of costs as among those States. The United States Government may relieve the party State receiving aid from any liability and reimburse the party State supplying civil defense forces for the compensation paid to and the transportation, subsistence and maintenance expenses of such forces during the time of the rendition of such aid or assistance outside the State and may also pay fair and reasonable compensation for the use or utilization of the supplies, materials, equipment or facilities so utilized or consumed.

"ARTICLE IX

"Plans for the orderly evacuation and reception of the civilian population as the result of an emergency or disaster shall be worked out from time to time between representatives of the party States and the various local civil defense areas thereof. Such plans shall include the manner of transporting such evacuees, the number of evacuees to be received in different areas, the manner in which food, clothing, housing and medical care will be provided, the registration of the evacuees, the providing of facilities for the notification of relatives or friends and the forwarding of such evacuees to other areas or the bringing in of additional materials, supplies, and all other relevant factors. Such plans shall provide that the party State receiving evacuees shall be reimbursed generally for the out-of-pocket expenses incurred in receiving and caring for such evacuees, for expenditures for transportation, food, clothing, medicines and medical care and like items. Such expenditures shall be reimbursed by the party State of which the evacuees are residents, or by the United States Government under plans approved by it. After the termination of the emergency or disaster the party State of which the evacuees are resident shall assume the responsibility for the ultimate support or repatriation of such evacuees.

"ARTICLE X

"This compact shall be available to any State, territory or possession of the United States, and the District of Columbia. The term "State" may also include any neighboring foreign country or province or state thereof.

"ARTICLE XI

"The committee established pursuant to Article 1 of this compact may request the Civil Defense Agency of the United States Government to act as an informational and coordinating body under this compact, and representatives of such agency of the United States Government may attend meetings of such committee.

"ARTICLE XII

"This compact shall become operative immediately upon its ratification by any State as between it and any other State or States so ratifying and shall be subject to approval by Congress unless prior Congressional approval has been given. Duly authenticated copies of this compact and of such supplementary agreements as may be entered into shall, at the time of their approval, be deposited with each of the party States and with the Civil Defense Agency and other appropriate agencies of the United States Government.

"ARTICLE XIII

"This compact shall continue in force and remain binding on each party State until

UMI

the legislature or the Governor of such party State takes action to withdraw therefrom. Such action shall not be effective until 30 days after notice thereof has been sent by the governor of the party State desiring to withdraw to the governors of all other party States.

"ARTICLE XIV

This compact shall be construed to effectuate the purposes stated in Article I hereof. If any provision of this compact is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of this compact and the applicability thereof to other persons and circumstances shall not be affected thereby.

"ARTICLE XV

"(a) This Article shall be in effect only as among those States which have enacted it into law or in which the governors have adopted it pursuant to constitutional or statutory authority sufficient to give it the force of law as part of this compact. Nothing contained in this Article or in any supplementary agreement made in implementation thereof shall be construed to abridge, impair or supersede any other provision of this compact or any obligation undertaken by a State pursuant thereto, except that if its terms so provide, a supplementary agreement in implementation of this Article may modify, expand or add to any such obligation as among the parties to the supplementary agreement.

"(b) In addition to the occurrences, circumstances and subject matters to which preceding articles of this compact make it applicable, this compact and the authorizations, entitlements and procedures thereof shall apply to:

"1. Searches for and rescue of persons who are lost, marooned, or otherwise in danger.

"2. Action useful in coping with disasters arising from any cause or designed to increase the capability to cope with any such pact applies.

"3. Incidents, or the imminence thereof, which endanger the health or safety of the public and which require the use of special equipment, trained personnel or personnel in larger numbers than are locally available in order to reduce, counteract or remove the danger.

"4. The giving and receiving of aid by subdivisions of party States.

"5. Exercises, drills or other training or practice activities designed to aid personnel to prepare for, cope with or prevent any disaster or other emergency to which this compart applies.

"(c) Except as expressly limited by this compact or a supplementary agreement in force pursuant thereto, any aid authorized by this compact or such supplementary agreement may be furnished by any agency of a party State, a subdivision of such State, or by a joint agency providing such aid shall be entitled to reimbursement therefor to the same extent and in the same manner as a State. The personnel of such a joint agency, when rendering aid pursuant to this compact shall have the same rights, authority and immunity as personnel of party States.

"(d) Nothing in this Article shall be construed to exclude from the coverage of Articles I–XIV of this compact any matter which, in the absence of this Article, could reasonably be construed to be covered thereby.

"(e) Nothing in subsection (a) shall be construed to limit previous or future entry into the Interstate Civil Defense and Disaster Compact of this State with other States.

"SEC. 3. Nothing contained in this act shall be construed as a limitation of powers granted in any other act to enter into interstate compacts or other agreements relating to civil defense, or as impairing in any respect the force and effect thereof.

"SEC. 4. Duly authenticated copies of this act shall, upon its approval, be transmitted by the legislative counsel to the governor of each state, to the President of the Senate of the United States, to the Speaker of the United States House of Representatives, to the Federal Civil Defense Administration, or any successor agency, to the Secretary of State of the United States and to the Council of State Governments."

Resolution No. 25–1–1975 adopted by the Saipan Municipal Council of the Mariana Islands; to the Committee on Interior and Insular Affairs:

"RESOLUTION No. 25–1–1975

"A resolution relative to endorsing the covenant to establish the Commonwealth Government for the Northern Mariana Islands

"Whereas, the Covenant for the establishment of the Commonwealth Government of the Northern Mariana Islands was signed by representatives of the United States Government and the people of the Mariana Islands District on February 15, 1975; and

"Whereas, the signing of this historic document will bring to the people in the Mariana Islands District a time measure of self-determination and an opportunity to exercise their God-given right to liberty and freedom; and

"Whereas, more than two years were spent by representatives of the United States and the Mariana Islands District discussing the various options that are open to the people of the Mariana Islands District; the needs of the United States of America; and other pertinent subject affecting the Marianas and the United States; and

"Whereas, we the elected representatives of the Municipality of Saipan, in the exercise of our authority and responsibility to the people do hereby officially go on record as supporting and endorsing the Covenant to establish the Commonwealth Government of the Marianas Island District, now, therefore,

"Be it resolved, by the Twenty-Fifth Saipan Municipal Council, Second Regular Session, 1975, that on behalf of the people of the Municipality of Saipan, the Covenant to establish the Commonwealth Government for the Northern Mariana Islands is hereby endorsed; and

"Be it further resolved, that certified copies of this Resolution be transmitted to the President of United States, President of the United States Senate, and Speaker House of Representatives of the United States Congress, Chairman Senate Committee on Interior and Insular Affairs, and Chairman of House Committee on Interior and Insular Affairs of the United States Congress, Secretary of the United States Department of Interior, Secretary of the United States Department of State, U.S. Ambassador Franklin Haydn Williams, President of the Trusteeship Council of the United Nations, President of the United Nations Security Council, and to the Chairman of the Marianas Political Status Commission."

A resolution adopted by the Senate of the Commonwealth of Massachusetts; to the Committee on Foreign Relations:

"RESOLUTIONS URGING THE PRESIDENT OF THE UNITED STATES TO ENDEAVOR TO OBTAIN THE RETURN OF THE REMAINS OF MARINE CORPORAL CHARLES MCMAHON, JR. FROM SOUTH VIETNAM

"*Whereas*, Marine Corporal Charles McMahon, Jr. of Woburn was killed in action while guarding the interests of the United States at Tan Son Nhut Airport in Saigon, South Vietnam, on April 28, 1975; and

"*Whereas*, Marine Corporal Charles McMahon, Jr. was one of the last Americans to lose his life in defense of the interests of the United States in Southeast Asia and in the Republic of South Vietnam; and

"*Whereas*, The United States Marine Corps confirmed on May 7, 1975 that his earthly remains were not able to be evacuated from the country because of severe problems and chaos in the final evacuation of American citizens from Saigon; now, therefore, be it

"*Resolved*, That the Massachusetts Senate hereby requests that the President of the United States, the Secretary of State, the Secretary of Defense and the Commandant of the Marine Corps exert every conceivable effort, diplomatically and otherwise, to secure the safe return of the remains of Marine Corporal Charles McMahon, Jr. to the United States; and be it further

"*Resolved*, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, the Secretary of State, the Secretary of Defense, the Commandant of the Marine Corps, the presiding officer of each branch of Congress and to the members thereof from the Commonwealth."

Assembly Joint Resolution No. 26 adopted by the Legislature of the State of Nevada; to the Committee on Foreign Relations:

"ASSEMBLY JOINT RESOLUTION—MEMORIALIZING THE PRESIDENT, THE SECRETARY OF STATE AND CONGRESS TO UNDERTAKE NEGOTIATIONS WITH CANADA TO STABILIZE THE PRICE OF NATURAL GAS

"Whereas, Substantial amounts of natural gas are consumed in the State of Nevada for residential, commercial and industrial purposes; and

"Whereas, Approximately 70 percent of the natural gas used in Northern Nevada is imported from Canada and since October 1, 1973, the price of natural gas imported from Canada to the United States has tripled in cost from 33 cents per thousand cubic feet to $1 per thousand cubic feet, with most of this increase attributable to increased Canadian taxes; and

"Whereas, In addition to drastic increases in price, the supply of natural gas from Canada has fallen approximately 50 percent below contract levels during some winter months since October 1973; and

"Whereas, Public utilities that use natural gas to produce power must substitute oil which is double the cost of the energy equivalent amount of natural gas, such cost increases being passed on to all electric power customers as higher rates; and

"Whereas, Commercial contracts should be honored and prices should be governed by economic considerations rather than political ones; and

"Whereas, The citizens of Nevada and many other Americans have become the victims of political economics which has threatened our supply of natural gas and artificially raised its price; and

"Whereas, The external relations of the United States under Article II, Section 2 of the Constitution of the United States are the responsibility of the President and his chief officer for foreign affairs, the Secretary of State; and

"Whereas, The Congress is the voice of the people which is responsible for making known and answering the troubles and vicissitudes of the states and their citizens; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly*, That the legislature hereby respectfully memorializes the President, the Secretary of State and the Congress of the United States to take the steps necessary to bring about negotiations with Canada to stabilize the price of natural gas, to insure its availability and to establish the principle that the future price of natural gas will be based upon sound economic factors; and be it further

"*Resolved*, That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the President, the Secretary of State, the Vice President as presiding officer of the Senate, the Speaker of the House of Representatives and all members of the Nevada Congressional delegation; and be it further

"*Resolved*, That this resolution shall become effective upon passage and approval."

House Resolution No. 31 adopted by the Assembly of the State of California; to the Committee on Foreign Relations:

"HOUSE RESOLUTION NO. 31 RELATIVE TO THE COST OF ASSISTING AND MAINTAINING REFUGEES FROM SOUTHEAST ASIA

"*Resolved by the Assembly of the State of California*, That the Members respectfully memorialize the President and the Congress of the United States to take immediate action to provide that the government of the United States will assume responsibility for costs incurred by the State of California in assisting and maintaining refugees from Southeast Asia; and be it further

"*Resolved*, That the Chief Clerk of the Asembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Foreign Relations:

"JOINT RESOLUTION MEMORIALIZING THE PRESIDENT AND CONGRESS OF THE UNITED STATES TO AID AND ASSIST VIETNAMESE REFUGEES

"We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session assembled, most respectfully present and petition the President and Congress of the United States as follows:

"Whereas, the Governor of this State, with whom We, your Memorialists concur, has offered to do all within the capacity of this State to assist in the resettlement of Vietnamese refugees; and

"Whereas, it is in the best, most noble and strongest tradition of the American people to provide succor and shelter to those who, for whatever reason, are forced to flee their homeland; now, therefore, be it

"Resolved: That We, your Memorialists, respectfully request that the United States Government live up to its most noble traditions by providing sufficient financial aid to resettle Vietnamese refugees in peace and dignity; and be it further

"Resolved: That We, your Memorialists, request guidance as to how the State of Maine can best support the efforts of the United States Government in resettling Vietnamese refugees, knowing that our citizens will offer their time, their homes and other means, to assist these refugees in their time of need; and be it further

"Resolved: That suitable copies of this resolution be prepared and transmitted forthwith by the Secretary of State to the Honorable Gerald R. Ford, President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the United States Congress and to each member of the Maine Congressional Delegation and to such organizations in this State as may be assembled to aid and assist in the resettlement of Vietnamese refugees."

A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Finance:

"JOINT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO CHANGE THE PROPOSED FEDERAL REGULATIONS FOR TITLE XX, THE SOCIAL SERVICES ACT OF 1974

"We, your Memorialists, the House of Representatives and the Senate of the State of Maine of the One Hundred and Seventh Legislative Session assembled, most respectfully present and petition the Congress of the United States, as follows:

"Whereas, the United States Congress has passed the Social Services Act of 1974 and federal regulations have now been issued for Title XX of this Act; and

"Whereas, Title XX affects many social services within this State; and

"Whereas, the Human Service Council of Maine and the Maine Committee on Aging have reviewed the proposed regulations for Title XX; and

"Whereas, many of these regulations have been found to be overly restrictive and overly bureaucratic and will increase the cost of administering these programs; and

"Whereas, these regulations tend to override the intent of Congress in passing this Act, will contribute to a slowdown in the delivery of needed human services and furthermore, run counter to efforts to simplify federal-state programs; now, therefore, be it

"Resolved: That we, your Memorialists, do petition the Congress of the United States to prevail upon the United States Department of Health, Education and Welfare to revise and simplify the complicated regulations of Title XX that will prevent proper service to Maine's elderly and poor; and be it further

"Resolved: That a copy of this resolution, duly authenticated by the Secretary of State, be transmitted by the Secretary of State to the Speaker of the House and to the President of the Senate of the Congress of the United States, to each Member of the Maine Congressional Delegation and to the Secretary of the Department of Health, Education and Welfare of the United States."

Assembly Joint Resolution No. 23 adopted by the Legislature of the State of Nevada; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION—MEMORIALIZING CONGRESS TO STUDY AND CLARIFY THE LAWS AND REGULATIONS PERTAINING TO ACCESS BY GOVERNING AGENCIES TO PERSONAL FINANCIAL INFORMATION IN THE POSSESSION OF FINANCIAL INSTITUTIONS

"Whereas, The Bill of Rights in the Fourth Amendment guarantees freedom from unreasonable searches and seizures and requires issuance of warrants based on probable cause showing what is to be searched; and

"Whereas, Certain accounts and other records of transactions in financial institutions, including banks, savings and loan associations and credit unions, constitute personal papers and effects falling under the protection of the Fourth Amendment; and

"Whereas, The United States Supreme Court has held in *United States v. Bisceglia*, 43 USLW 4242 (1975), that §§ 7601 and 7602 of the Internal Revenue Code of 1954 provide investigative authority that is not limited to situations in which there is probable cause to believe that a violation of the tax laws exists; and

"Whereas, In that opinion the court approved the use of "John Doe" warrants by the Internal Revenue Service to search bank records for evidence of transactions that may reflect avoidance of income taxes; and

"Whereas, Such power could be abused to search personal financial records for whatever might be found of a possibly incriminating nature; and

"Whereas, The Fourth Amendment was designed to prohibit the conduct of arbitrary and nonspecific searches; and

"Whereas, The confidential relationship between financial institutions and their customers, members or depositors is built on trust and must be preserved; and

"Whereas, Customers, members or depositors of financial institutions have the same right to be secure against unwarranted disclosure of their personal records as if the records were in their own possession; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly*, That the Congress of the United States is hereby memorialized to study the Internal Revenue Code, particularly §§ 7601 and 7602, and appropriate regulations of the Internal Revenue service and to take remedial action to clarify sections of the law that would allow abuses of Fourth Amendment protections, and to amend the law to prohibit the use of unreasonable, arbitrary and nonspecific searches of the records of financial institutions; and be it further

"*Resolved*, That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the Vice President as presiding officer of the Senate, to the Speaker of the House of Representatives and to all members of the Nevada congressional delegation; and be it further

"*Resolved*, That this resolution shall become effective upon passage and approval."

A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Finance:

"JOINT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO PREVENT SELECTIVE TAXES FROM BEING IMPOSED AS A MEANS TO REDUCE CONSUMPTION OF PETROLEUM BASED FUELS

"We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session, now assembled, most respectfully present and petition the Congress of the United States, as follows:

"Whereas, the citizens of Maine acknowledge there is a limited amount of petroleum based fuel left in the world; and

"Whereas, the citizens of this State have been and are continuing to reduce their consumption of petroleum based fuels; and

"Whereas, the imposition of a selective excise tax on noncommercial motorboat motors, snowmobiles and noncommercial aircraft as set forth in Section 323 of House Bill 5005, now before the United States Congress, will cause an undue hardship on said citizens of this State by causing certain selected citizens to pay an extra 20% in order to enjoy their sport; and

"Whereas, this tax will cause an undue hardship on the State Government and the citizens of this State by depriving the State of revenue; now, therefore, be it

Resolved: That We, your Memorialists, do hereby respectfully request and urge the Congress of the United States to do all in its power to not impose selective taxes as proposed in House Bill 5005; and be it further

"Resolved: That the Federal Congress be directed to actively seek alternate sources

UMI

of fuel and that any program involving the use of petroleum based energy be established on a fair and equal basis; and be it further

"Resolved: That a suitable copy of this Memorial, duly authenticated by the Secretary of State, be transmitted forthwith by the Secretary of State to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States and to each member of the Maine Congressional Delegation."

House Resolution No. 133 adopted by the House of Representatives of the State of Texas; to the Committee on Finance:

"HOUSE RESOLUTION

"Whereas, The cattle raisers and feeders of this country, who have worked for years to provide vital food products for the people of this nation and the world, are currently the victims of a destructive economic crisis; and

"Whereas, It is in the best interest of all Americans that the nation's cattle industry not be allowed to collapse and perish; now, therefore, be it

"Resolved, That the House of Representatives of the 64th Legislature of the State of Texas hereby respectfully memorialize the Congress of the United States to ban the importation of foreign beef and beef products for at least a six-month period to permit the nation's industry to recover from the current economic crisis; and, be it further

"Resolved, That official copies of this resolution be prepared and forwarded to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the United States Congress, and to all members of the Texas delegation to the Congress with the request that this resolution be entered officially in the Congressional Record as a memorial to the Congress of the United States."

Assembly Joint Resolution No. 25 adopted by the Legislature of the State of Nevada; to the Committee on Commerce:

"ASSEMBLY JOINT RESOLUTION—MEMORIALIZING CONGRESS TO ENACT LEGISLATION RESTRICTING STATES FROM WITHHOLDING INCOME TAX OF NONRESIDENTS

"Whereas, In 1970 Congress adopted P.L. 91–569 permitting a state to require employers to withhold income tax from employees engaged in interstate transportation if more than 50 percent of employment travel occurred in that state; and

"Whereas, Numerous Nevada residents are employed in interstate travel into California and have as much as 95 percent of their employed travel occurring in California; and

"Whereas, California is requiring Nevada-based employers to withhold income tax from the wages of such employees, according to the percentage of employed travel occurring in California, under threat of making the employer responsible for any taxes which are not withheld, with the result that many Nevada residents are paying almost as much tax as permanent California residents; and

"Whereas, These Nevada residents receive no services from the State of California in return for such taxes, nor does their presence in California during the course of their employment result in any expense to California that is not fully compensated for by their employers in the form of highway-use, corporate income and other taxes; and

"Whereas, The withholding of California income taxes from such Nevada residents imposes an unfair and discriminatory burden on them; now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada, jointly, That the Congress of the United States is hereby memorialized to enact federal legislation prohibiting any state other than the state of residence to require withholding of income taxes; and be it further

"Resolved, That copies of this resolution be prepared by the legislative counsel and transmitted forthwith to the Vice President of the United States, as presiding officer of the Senate, the Speaker of the House of Representatives and to all members of the Nevada congressional delegation; and be it further

"Resolved, That this resolution shall become effective upon passage and approval."

Senate Joint Resolution 81 adopted by the Legislature of the State of New York; to the Committee on Banking, Housing and Urban Affairs:

"SENATE JOINT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT THE 'NATIONAL MASS TRANSPORTATION ASSISTANCE ACT AMENDMENTS OF 1975'

"Whereas, On February 11, 1975, Senator Harrison A. Williams, Jr. of New Jersey and six other senators introduced in the United States Senate the "National Mass Transportation Assistance Act Amendments of 1975"; and

"Whereas, This act would require that the Secretary of Transportation ensure that all funded projects are planned, designed, constructed and operated to allow effective utilization of public transportation for the handicapped and the elderly; and

"Whereas, This act would also increase the amount available to state and local bodies and non-profit corporations and associations in providing accessible public transportation for the handicapped and elderly and further provide operating assistance to certain rural and small areas for such projects; and

"Whereas, There has previously been a declaration of national policy that elderly and handicapped persons have the same right as others to utilize mass transportation facilities and services; and

"Whereas, The National Mass Transportation Assistance Act of 1974 does not authorize operating assistance for rural and small urban areas; and therefore, be it

"Resolved, That the Congress of the United States be, and it hereby is, respectfully memorialized to enact legislation entitled the "National Mass Transportation Act Amendments of 1975" (S. 662) to provide additional mass transportation assistance to more fully meet the needs of the elderly and handicapped; and authorize operating assistance for rural and small urban areas; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the Senate of the United States, the Speaker of the House of Representatives, and to each member of the Congress of the United States from the State of New York."

House Concurrent Resolution No. 105 adopted by the Legislature of the State of Hawaii; to the Committee on Armed Services:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE ARMED SERVICES COMMITTEE, SUBCOMMITTEE NO 5, TO SCHEDULE HEARINGS AND RELEASE 1,324 ACRES OF CEDED LAND AS ADVISED BY THE DEPARTMENT OF THE ARMY

"Whereas, the growing population in Wahiawa has caused inadequate park space for recreational use; and

"Whereas, Wahiawa is bordered by a gulch on the northern end and by the East Range on the east; and

"Whereas, the only expansion possible would be on the East Range; and

"Whereas, in accordance with the provisions of 10 USC 2662, the Department of the Army advised the Armed Services Committees of the Congress on June 28, 1974 of its plans to dispose of 1,324 acres of ceded land in Disposal Report No. 495; and

"Whereas, hearings were scheduled on this and other FRESH related real estate projects by Subcommittee No. 5 of the House Armed Services Committee on August 21, 1974; however, because of a lengthy agenda and the reluctance of the Chairman to consider any FRESH projects on a piecemeal basis, Disposal Report No. 495 was not taken up; and

"Whereas, the 93rd Congress adjourned without further consideration of Hawaii real estate matters; now, therefore,

"Be it resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1975, the Senate concurring, that the House Armed Services Committee, Subcommittee No. 5 is urged to schedule hearings and release the 1,324 acres of ceded land to the State of Hawaii; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, the Chairman of the Armed Services Committee, and all members of Hawaii's delegation to the United States Congress."

A resolution adopted by the Fayetteville (North Carolina) Presbytery welcoming the refugees from Southeast Asia; ordered to lie on the table.

A resolution adopted by the Common Council of the City of White Plains, New York, urging the funding of summer youth employment programs; to the Committee on Labor and Public Welfare.

A resolution adopted by the Winter Capital Lodge No. 595, I.B.P.O.E.W., pertaining to the vacancy on the United States District Court for the Eastern District of Louisiana; to the Committee on the Judiciary.

Three petitions seeking a redress of grievances from three citizens of Indiana, and Missouri; to the Committee on Government Operations.

A resolution adopted by the Chamber of Commerce of Saipan, Mariana Islands, relating to the establishment of certain air service to and from Saipan; to the Committee on Commerce.

A resolution adopted by the Council of the City of Watervliet, New York, relating to the proposed relocation of research and development at the Watervliet Arsenal out of New York State; to the Committee on Armed Services.

A resolution adopted by the National Executive Board of B'nai B'rith Women referring to the Arab Boycott; to the Committee on Banking, Housing and Urban Affairs.

Three resolutions adopted by the National Executive Board of B'nai B'rith Women referring to Southeast Asian Refugees, Suspension of Peace Negotiations in the Middle East, and Jews in Foreign Countries; to the Committee on Foreign Relations.

A resolution adopted by the National Executive Board of B'nai B'rith Women referring to Land Use; to the Committee on Interior and Insular Affairs.

Four resolutions adopted by the National Executive Board of B'nai B'rith Women referring to Fair Trade Laws, Voting Rights, White House Conference on Women, and Handgun Ban; to the Committee on the Judiciary.

A resolution adopted by the National Executive Board of B'nai B'rith Women referring to Registration To Vote; to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 371. A bill to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America (Rept. No. 94–173).

By Mr. PASTORE, from the Joint Committee on Atomic Energy, without amendment:

S. 1716. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes (Rept. No. 94–174).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. LONG, from the Committee on Finance:

Richard C. Holmquist, of Connecticut, to be a member of the Renegotiation Board;

William N. Walker, of Illinois, to be a Deputy Special Representative for Trade Negotiations, with the rank of Ambassador; and

Clayton Yeutter, of Nebraska, to be a Deputy Special Representative for Trade Negotiations, with the rank of Ambassador.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

Paul Webster MacAvoy, of Massachusetts, to be a member of the Council of Economic Advisers; and

James H. Blair, of Michigan, to be an Assistant Secretary of Housing and Urban Development.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Glee S. Smith, Jr., of Kansas, to be a member of the Board of Directors of the Legal Services Corporation.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE BILLS REFERRED

The bill (H.R. 6516) to amend title VII of the Consumer Credit Protection Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes, was read twice by its title and referred to the Committee on Banking, Housing and Urban Affairs.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the bill (H.R. 5774) to amend section 1006 of title 39, United States Code, relating to the eligibility of United States Postal Service employees for transfer to other positions in the executive branch, and for other purposes, received from the House today, be referred jointly to the Committee on Post Office and Civil Service and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that today, June 4, 1975, he presented to the President of the United States the enrolled bill (S. 1236) to extend and amend the Emergency Livestock Credit Act of 1974, and for other purposes.

ORDER FOR STAR PRINT OF REPORT NO. 94–172

Mr. HASKELL. Mr. President, I have a unanimous-consent request. I filed yesterday on behalf of the Interior Committee a report on S. 268. I filed the original and uncorrected version. Therefore, I ask unanimous consent that the correct version of the report be star printed to reflect the corrections.

I send that corrected version to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CULVER:

S. 1848. A bill for the relief of Brigitte Marie Harwood. Referred to the Committee on the Judiciary.

By Mr. JACKSON:

S. 1849. A bill to extend the Emergency Petroleum Allocation Act. Referred to the Committee on Interior and Insular Affairs.

By Mr. EASTLAND:

S. 1850. A bill for the relief of Jin Suk Park. Referred to the Committee on the Judiciary.

By Mr. ABOUREZK:

S. 1851. A bill to establish the Smaller Communities Administration. Referred to the Committee on Government Operations.

By Mr. DOMENICI:

S. 1852. A bill for the relief of Robert Joseph Gallant. Referred to the Committee on the Judiciary.

S. 1853. A bill to provide for a study of the suitability and feasibility of designating Toltec Gorge as a unit of the National Park System, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. ABOUREZK (for himself and Mr. McGOVERN):

S. 1854. A bill to amend section 103 of title 23, United States Code, to require the capital cities of the States to be connected to the Interstate System. Referred to the Committee on Public Works.

By Mr. BELLMON:

S. 1855. A bill to require the Secretary of Agriculture to take an agricultural census every five years. Referred to the Committee on Post Office and Civil Service.

By Mr. TAFT (for himself, Mr. STEVENSON, Mr. PERCY, Mr. CASE, Mr. McGOVERN, and Mr. GRAVEL):

S. 1856. A bill to require that States which receive Federal payments with respect to any State welfare program consent to suit in the Federal courts in actions brought against the State by claimants for the aid for assistance provided under such program. Referred to the Committee on Finance.

By Mr. BELLMON:

S. 1857. A bill to amend the Agricultural Act of 1949, as amended by the Agriculture and Consumer Protection Act of 1973, to provide for the adjustment of the so-called target prices for wheat, feed grains, and cotton on the basis of the farmers' increased cost of producing such commodities. Referred to the Committee on Agriculture and Forestry.

S. 1858. A bill to require the Secretary of Agriculture to compute and publish periodically a cost of production index for certain agricultural commodities. Referred to the Committee on Agriculture and Forestry.

By Mr. HARTKE (for himself and Mr. HANSEN) (by request):

S. 1859. A bill to authorize the payment for a 1-year period of a variable allowance to assist in the recruitment and retention of certain physicians in the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. LONG:

S. 1860. A bill to amend the Outer Continental Shelf Lands Act to authorize certain revenues from leases on the Outer Continental Shelf to be made available to assist coastal States to defray the impact of energy resources development and production of offshore facilities; to make available revenues for other States; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. LEAHY (for himself and Mr. STAFFORD):

S. 1861. A bill to amend the Anadromous Fish Conservation Act to include fish in Lake Champlain that ascend streams to spawn. Referred to the Committee on Commerce.

By Mr. BENTSEN (for himself and Mr. JAVITS):

S. 1862. A bill to amend the Federal Financing Bank Act of 1973 to provide funds to general units of local government in financial distress. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BEALL (for himself and Mr. PELL):

S. 1863. A bill to consolidate existing authorities under the Vocational Education Act of 1963 in order to create a more efficient mechanism for Federal assistance to States for vocational education. Referred to the Committee on Labor and Public Welfare.

By Mr. NELSON (for himself, Mr. JACKSON, Mr. HASKELL, and Mr. GLENN):

S. 1864. A bill to establish a National Energy Information Administration and a National Energy Information System, to authorize the Department of the Interior to undertake a survey of U.S. energy resources on the public lands and elsewhere, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1865. A bill to amend sections 5, 6, 7, and 8 of the Intercoastal Shipping Act, 1933, to make public the financial reports of common carriers by water in interstate commerce and for other purposes. Referred to the Committee on Commerce.

By Mr. HELMS:

S. 1866. A bill for the relief of Haviv Schie-

UMI

ber. Referred to the Committee on the Judiciary.

By Mr. MONTOYA (for himself and Mr. PASTORE):

S. 1867. A bill to provide that funds appropriated for newly enacted or extended programs shall remain available for an additional fiscal year if such programs are not promptly implemented by the administering department or agency. Referred to the Committee on Government Operations.

By Mr. MONTOYA:

S. 1868. A bill authorizing the Secretary of the Navy to sell certain types of aircraft no longer needed by the Navy to persons engaged in the business of controlling or extinguishing fires in national forests. Referred to the Committee on Armed Services.

By Mr. WILLIAMS:

S. 1869. A bill to amend the Defense Production Act of 1950 to provide for national stockpiles to protect the economic security of the United States. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 1870. A bill for the relief of Lt. Frederick R. Marlin, Junior, U.S. Navy. Referred to the Committee on the Judiciary.

By Mr. BAYH:

S. 1871. A bill to direct the Secretary of the Army, acting through the Corps of Engineers, to provide certain assistance to individuals whose lands are acquired by the Corps of Engineers in carrying out a project under its civil works program. Referred to the Committee on Public Works.

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S. 1872. A bill to enlarge the boundary of the Cibola National Forest. Referred to the Committee on Interior and Insular Affairs.

By Mr. EAGLETON (for himself, Mr. MORGAN, and Mr. BUCKLEY):

S. 1873. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials. Referred to the Committee on Government Operations.

By Mr. PERCY (for himself, Mr. MUSKIE, and Mr. RIBICOFF):

S. 1874. A bill to authorize appropriations for the period July 1, 1976 through September 30, 1976. Referred to the Committee on Government Operations.

By Mr. BEALL:

S. 1875. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to add a requirement that the comprehensive State plan include provisions for the prevention of crimes against the elderly. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. TALMADGE, and Mr. DOLE):

S.J. Res. 88. A joint resolution to provide emergency authority to the Secretary of Agriculture to restore confidence in the United States grain inspection system, and for other purposes. Referred to the Committee on Agriculture and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ABOUREZK:

S. 1851. A bill to establish the Smaller Communities Administration. Referred to the Committee on Government Operations.

Mr. ABOUREZK. Mr. President, S. 1851, which I introduce today, is a modest bill. It calls for the establishment of a Smaller Communities Administration to upgrade and coordinate the delivery of services to rural and nonmetropolitan areas of the Nation and to act as a spokesman for our smaller communities. This legislation has previously been introduced in the House by Congressman WRIGHT PATMAN.

Mr. President, smalltown America badly needs a spokesman in the executive branch. The Secretary of Housing and Urban Development heads a department so focused on metropolitan areas that they eliminated the Office of Small Town Services that they once had, and the Secretary of Agriculture would better be called the Secretary of Agribusiness.

Even though rural and smalltown America has only a minority of the Nation's people, it has more than its share of the Nation's problems. With 31 percent of the population, according to the 1970 census, nonmetropolitan areas account for 44 percent of the Nation's poor, for 47 percent of our elderly poor, and for more than half of our occupied substandard housing. They have more than their share of people lacking education beyond the eighth grade and less than their share of doctors and hospital beds.

Despite this greater-than-average need, nonmetropolitan areas generally get less than their share of Federal assistance. When the recent National Conference on Rural America was being organized, I was asked to prepare a background paper on the impact of the Federal budget on rural areas.

In that paper we analyzed the distribution of Federal outlays between metropolitan areas and nonmetropolitan areas and concluded that—

If there is no conscious policy of metropolitan bias on the part of the Federal government, there certainly is convincing evidence of an unconscious one.

I shall ask unanimous consent that the full text of this paper, "The Federal Budget and Rural America: Where Do All the Dollars Go?" be inserted in the RECORD at the close of my remarks. I want to emphasize that the statistics are estimates and their reliability may vary from program to program. But they represent the best guess of the various agencies as to what portion of their outlays benefit nonmetropolitan areas.

I would like to call your attention to several of the items in the study. While lagging badly in educational opportunities for its population, nonmetropolitan America evidently gets less than one-fifth of Federal aid to public education. That means on a per capita basis that metropolitan areas get almost twice as much assistance as nonmetropolitan areas—even though the latter would apparently need the help more. With more than half of the Nation's substandard housing, nonmetropolitan areas get only 26 percent of Federal housing payments and only 21 percent of Federal housing credit assistance.

Only one-fourth of Federal outlays to local governments for manpower assistance and for social services are estimated as going to nonmetro areas. Similarly, if aid to Appalachia is excluded, only one-fourth of the outlays in the community and regional development category go to nonmetro communities. And, if you exclude highway programs, only 6 percent of the aid in the commerce and transportation category goes to smaller communities.

The impact of this pattern of discrimination for a State like South Dakota, which is largely rural in character, can be seen from an analysis of the Federal outlay statistics for fiscal year 1974—the most recent year for which those figures are available. While South Dakota ranks 45th in terms of population, it only ranks 48th in terms of Federal outlays. While our State ranks 38th in the Nation in terms of elderly population, 39th in terms of low-income population, and 44th in terms of school-age children, it ranks 45th in terms of outlays from the Department of Health, Education, and Welfare. Our State is 21st in the Nation in miles of highways, but ranks 44th in terms of outlays by the Department of Transportation. Indeed, if funds for highway planning and construction are excluded, per capita outlays by DOT in South Dakota are only two-thirds the national average.

On a per capita basis, Small Business Administration outlays in South Dakota were only 70 percent of the national average, outlays by the Department of Housing and Urban Development were less than three-fourths the national average, and Commerce Department outlays were only 82 percent of the national average. Office of Economic Opportunity outlays per low-income person in South Dakota were only 77 percent of the national average. And, so it goes.

The Smaller Communities Administration I am proposing is certainly no substitute for giving more attention to rural areas and small towns in the design of Federal programs and in the budget priorities we adopt. But it will help. It will give smaller communities a better chance to know about and to use Federal assistance and it can reduce the disparity between the technical resources at their command and those available to the big metropolitan areas.

The Smaller Communities Administration would be staffed to give smaller communities technical assistance. My bill would require coordination of the various grant and credit programs so as to assure smaller communities that their needs are being considered. And it would require representation by the Smaller Communities Administration on policy and planning communities set up at the Federal level. In short, the intent is to increase the equity for small towns under present programs and to assure that their needs are given more consideration in future programs. I hope that this modest suggestion will get serious and sympathetic consideration.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD, together with the paper to which I previously referred.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1851

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Smaller Communities Act of 1975".

DECLARATION OF POLICY

SEC. 2. The smaller communities of America are essential to the economic vitality of the Nation and a better life for all its people; therefore, the Congress declares it to be a goal of the United States Government to promote the full development of small towns and cities in order to improve the quality of life therein, to strengthen surrounding rural areas, to achieve a more favorable population balance, and to lessen the strain on metropolitan areas.

FINDINGS AND PURPOSE

SEC. 3. (a) Congress finds that—

(1) there is no coordination of Federal assistance to smaller communities;

(2) development projects in smaller communities are often delayed due to the difficulties encountered by such communities in gaining access to information concerning the Federal grant and loan assistance that is available to them;

(3) unlike certain metropolitan areas with governmental departments that direct development and planning activities, smaller communities need Federal technical assistance with respect to such activities;

(4) despite the efficiency and effectiveness which would result from locating components of certain Federal agencies in smaller communities, Federal buildings and installations are often located in major cities; and

(5) smaller communities are inadequately represented in the Federal allocation of resources and scarce materials and in Federal policy and planning efforts, and such communities lack effective participation in the administration of Federal community development programs.

(b) It is the purpose of this Act to establish the Small Community Administration in order to—

(1) develop a national program to coordinate and improve the Federal assistance available to smaller communities;

(2) provide for a single source through which small communities may seek Federal development project assistance;

(3) encourage the development of smaller communities through the coordination of certain Federal loan and grant assistance programs;

(4) provide for an equitable allocation of resources and scarce materials to smaller communities and for adequate representation of such communities in the administration of certain Federal community development programs; and

(5) assist the States in the development and implementation of programs designed to aid smaller communities.

ESTABLISHMENT

SEC. 4. There is hereby established an independent agency in the executive branch of the Federal Government to be known as the Smaller Communities Administration (hereinafter referred to as the "Administration"). The principal office of the Administration shall be located in the District of Columbia and a branch office of the Administration shall be located in each of the several States.

ADMINISTRATOR

SEC. 5. (a) There shall be at the head of the Administration an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall be appointed from among persons of outstanding qualifications in private life who are familiar and sympathetic with the needs and interests of small communities.

(b) The Administrator shall be paid at a per annum gross rate equal to the rate of basic pay, as in effect from time to time, for level 3 of the Executive Schedule of section 5314 of title 5, United States Code.

(c) (1) The functions and powers of the Administration shall be vested in and exercised by the Administrator.

(2) the Administrator may, from time to time and in a manner consistent with the purposes of this Act, delegate such of his functions as he deems appropriate.

FUNCTIONS

SEC. 6. (a) The Administration shall—

(1) provide technical assistance to smaller communities through—

(A) the use of engineers and planning experts employed by the Administration to work directly with officials of smaller communities regarding development and planning programs; and

(B) the dissemination of such handbooks and other information as the Administrator deems appropriate;

(2) coordinate with the Small Business Administration, Farmers Home Administration, Department of Transportation, Department of Housing and Urban Development, Department of the Interior, Department of Health, Education, and Welfare, Department of Commerce, the Environmental Protection Agency, and such other Federal agencies as the Administrator determines necessary, for the purposes of formulating Federal policy with respect to smaller communities and determining the amount of loan and grant assistance that is—

(A) necessary to meet the needs of smaller communities; and

(B) available through programs administered by such agencies;

(3) represent the interests of smaller communities in the allocation of resources and scarce materials by the Federal Government;

(4) represent the interests of smaller communities in the location and construction of buildings by the Federal Government;

(5) represent the interests of smaller communities before each Federal policy or planning organization that affects the welfare of small communities, including any such Presidential or executive branch policy or planning commission, committee, or task force;

(6) conduct studies and transmit recommendations to the President with respect to—

(A) the factors which promote and inhibit the growth and development of smaller communities;

(B) the effects of existing Federal laws, programs, and regulations on smaller communities, including any adjustments in programs and regulations that the Administrator determines to be in the interest of such communities; and

(7) assist business firms and nonprofit institutions located in smaller communities in the awarding of Federal contracts.

(b) The Administrator is authorized to provide such technical assistance and conduct such studies as required under subsection (a) of this section by making grants and loans to, or entering into contracts with, qualified profit and nonprofit entities to carry out such activities.

(c) The Administration shall not duplicate the work or activity of any other Federal agency and nothing contained in this Act shall be construed to authorize any such duplication unless such work or activity is expressly provided for in this Act.

SMALLER COMMUNITY OMBUDSMAN

SEC. 7. (a) There is established in the Administration an office to be known as the Office of the Smaller Community Ombudsman to be composed of the Ombudsman and such other staff and employees as the Administrator shall appoint pursuant to the provisions of section 8(a) of this Act.

(b) The Ombudsman shall be appointed by the Administrator and shall be paid at a per annum gross rate equal to the rate of basic pay, as in effect from time to time, for level 4 of the Executive Schedule of section 5315 of title 5, United States Code.

(c) The Ombudsman shall—

(1) develop and implement an information system designed to compile and disseminate to officials of smaller communities all available information with respect to Federal grant and loan assistance programs that are designed to aid small communities; and

(2) coordinate with each Federal agency that administers any such program to assure that applications submitted for assistance thereunder be properly and expeditiously processed.

STAFF AND CONSULTANTS

SEC. 8. (a) The Administrator may appoint and fix the compensation of such employees as he deems advisable who shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) The Administrator may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates for individuals not to exceed $100 per diem.

ACENCY COOPERATION

SEC. 9. The head of each Federal agency shall, upon request, furnish to the Administrator or the Ombudsman, as the case may be, any information or other data which the Administrator or the Ombudsman determines necessary to carry out his functions under this Act.

DEFINITIONS

SEC. 10. As used in this Act—

(1) the term "Federal agency" means any agency, department, corporation, independent establishment, or other entity of the executive branch of the Government of the United States;

(2) the term "metropolitan area" means a standard metropolitan statistical area as established by the Office of Management and Budget, subject however to such modifications and extensions as the Administrator may determine to be appropriate for the purposes of this Act; and

(3) the term "smaller community" means any community with a population of less than fifty thousand located outside a metropolitan area.

RULES AND REGULATIONS

SEC. 11. The Administrator shall prescribe appropriate rules and regulations to carry out the provisions of this Act.

REPORT TO CONGRESS

SEC. 12. No later than December 31 of each year following the effective date of this Act, the Administrator shall transmit to Congress a report of the activities of the Administration during the preceding year, including therein any legislative proposals that the Administrator determines necessary.

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 14. This Act shall take effect upon the expiration of the ninety-day period which begins on the date of the enactment of this Act.

UMI

THE FEDERAL BUDGET AND RURAL AMERICA: WHERE DO ALL THE FEDERAL DOLLARS GO?

(By U.S. Senator JAMES ABOUREZK and George W. Rucker, Professional Staff, Senate Budget Committee)

Beginning as a basically agrarian society, the American nation—like the rest of the world—reacted to the technology of the industrial revolution with increased urbanization. As is the way in such things, the pace of change steadily intensified through the years and we became—particularly in the years following the Second World War—a metropolitan society. More recently still, the pattern that has emerged has been that termed megalopolitan—a social landscape that is as unappealing as the term used to describe it.

This process, though rapid, has never been without its critics and resistants. Most visible in recent years have been those raising questions about the impact of megalopolis on the environment and human ecology. Preceding even that concern have been the warnings of some that the polarization and racial and economic concentration implicit in metropolitan and megalopolitan growth pose dangers for the society. Overlaying these more specific questions has been increasing evidence of general unhappiness with the pattern of population distribution. For at least a decade the public opinion polls have consistently reflected a preference for rural and small town life far exceeding the opportunity to enjoy it. A 1971 survey found the greatest dissatisfaction with the place of residence on the part of those living in large urban areas, the least on the part of those living in rural areas or small towns.[1]

As a counterpoint to this rising concern about urban concentration, there have been legislative pronouncements on the need for "more balanced development of all areas of the nation," for "promoting a sound balance between rural and urban America," and to "help reverse trends of migration and physical growth which reinforce disparities."[2] There is also, fortunately, greater recognition that the debate is not really about whether to have a policy but what the policy should be, and how it should be implemented. The 1972 report on national growth sent to Congress by the Nixon Administration argued that it would be inappropriate for the Federal government to seek "the establishment of a single national policy on growth." In fact, a decision not to seek such a policy represents a ratification of what is, an endorsement of the trends already manifested.

The more recent report of the Ford Administration at least admits that "the public sector does influence growth patterns." If not a recognition of Federal responsibility in an affirmative sense, this is at least acknowledgement of some negative responsibility. As a bare minimum, that negative responsibility requires us to ask the question: Does the Federal government bias the situation? Is the pattern of Federal impact one of equity as between metropolitan areas and rural and small town America, or is it one of discrimination against the latter? And a good place to start looking for the answer is with the Federal Budget.

TRYING TO GET A HANDLE ON THE BUDGETARY IMPACT

Obviously, the Federal Budget, now equal in size to one-fourth of the Gross National Product, has some effect on where people live, how well they live while they're there, and whether or not they want to go on living there or move some place else. Just as obviously, measuring what that effect is with any precision is a very tricky proposition. It is not only a matter of how much money is spent, but on what and where. Moreover, the expenditure side of the Budget doesn't tell the whole story. We make all too frequent use of our tax structure to attempt to influence behavior—economic and otherwise. We have now legislatively recognized that these tax preferences are the equivalent of outlays and call them "tax expenditures." Their total size is approaching $100 billion a year—which puts them at a level of one-fourth or more of the direct spending side of the Budget.

Beyond the Budget, which can at least be quantified in dollar terms, even if we disagree as to the per-dollar effect of various programs, lie other Federal policies which have geographic distributional effects and which may make up part of a de facto growth policy by discriminating against some people and places in favor of others. Their effect is indirect and even more difficult to measure, but nonetheless real. Fiscal and monetary policy affect not only the level of economic activity but the type and they can also affect its location. Regulatory activities represent another type of impact—most clearly in the field of transportation, but elsewhere as well.

All of these have their effects and probably none of them is subject to unchallengeable measurement. In attempting to determine what the impact of a particular program is, you have to make some assumptions about what would constitute neutrality: under what circumstances or with what pattern would there be no discrimination for or against a group or an area? In attempting to measure the impact of the Federal Budget one probably should 'weight' some programs more heavily than others, since some programs have more effect on where people live than others. When dealing with non-quantifiable areas, like regulatory policy, things get even more difficult.

The fact that it is difficult to measure the distributional impact of Federal activities and that the job can probably never be done to everyone's satisfaction does not mean that we shouldn't be trying to do it. It is nothing short of scandalous that we aren't trying it a lot more than we are. The Administration, after admitting in the Second Biennial Report on "National Growth and Development," that "the public sector does influence growth patterns that originate in private market decisions," goes on to list at least seven major growth-influencing Federal activities: grants and loans to State and local governments; location and employment levels of Federal installations; procurement of goods and services; direct and indirect Federal construction of public works; taxation; credit management; and regulatory activities.

Knowledge about the cumulative long-term effects of these Federal actions, especially on localities and regions, is very limited. . . .[3]

One way to change that situation may be to start pointing out what we do know or at least think we know about the pattern of Federal spending. That is what this paper, and earlier efforts by others,[4] attempts: to use the data available to document a pattern of "metropollyana" on the part of the Federal Budget. Let those who don't care for the conclusion and/or think our analysis is simplistic and based on weak data answer with their own analysis and better data. At least let the Federal government start asking itself just what the impact of its Budget is and whether there is not a great deal of room for more equity in it.

WHERE DO ALL THE FEDERAL RESOURCES GO?

There are two major official series indicating the metropolitan-nonmetropolitan distribution of Federal expenditures. One is limited to Federal aid to state and local government and is prepared in terms of national aggregates only. It appears each year as a part of the Special Analysis of the Budget, "Federal Aid to State and Local Governments." The other is a far more ambitious effort and attempts to reflect the distribution of all Federal outlays and of Federally-insured credit programs down to the county level and to towns of 10,000 or more population. The effort has been coordinated since the mid-1960's by the Office of Economic Opportunity (now the Community Services Administration), and is published in a series of reports titled "Federal Outlays."

Both sets of information use computerized data and both are really dependent on the quality of the input from the various administrative agencies and departments. There, the similarity ends. The Special Analysis series, prepared by the Office of Management and Budget, requires of the agencies simply an estimate for each program included (i.e., those making grants to public agencies), of the percentage of outlays going to metropolitan areas. The reliability of those estimates obviously varies from agency to agency and program to program. The Federal Outlays series asks each agency to report for as many of its programs as possible the allocation of outlays by state, by county, and by towns of 10,000 or more population. In many instances the actual pattern of distribution may be known. In others it has to be estimated on some basis or another. Again, the reliability of those estimates varies from program to program and agency to agency.[5] Despite these caveats, the two series must be regarded as the "best guess" available from the Federal agencies as to the geographic distribution of their expenditures.

Outlay, who gets the outlays?

Taking the more limited series first, Table I summarizes the figures for FY 1974 outlays to state and local governments in this year's Special Analysis. Covered are about $46 billion in grants, nearly one-fourth of those going for income security programs (including public housing payments). Of the total, 30% is estimated as going to nonmetropolitan areas. In some categories they do pretty well, receiving 34% of aid in the natural resources field, 37% of that in commerce and transportation, and 36% of that in health. In other categories, nonmetropolitan areas get distinctly less than their proportional share of Federal aid to public bodies: 28% of that for community and regional development, 27% of grants for income security, 22% of those for education, manpower and social services, and only 12% of money from the Law Enforcement Assistance Administration.

Even with those categories where nonmetro areas seem to do well, there are significant variations. The figure for commerce and transportation is skewed by the figures for highway aid, for example. Within the natural resources category, funds from the Environmental Protection Agency are disproportionately aimed at metropolitan areas. If one excludes from Table 1 the outlays for the highway program, Medicaid, and general revenue-sharing, then the share of the remainder shown as going to nonmetropolitan areas is only 26%, significantly below their share of the population.

As has been acted, Table 1 reflects only a limited aspect of the budget. The outlays covered in this series amounted to 17% of all outlays in FY 1974. Data from the more comprehensive "Federal Outlays" series are summarized in Table 2, which presents figures for FY '72 and FY '73 from the most recent report on "Government Services to Rural America."[6]

Footnotes at end of article.

TABLE 1.—FEDERAL AID TO STATE AND LOCAL PUBLIC AGENCIES, FISCAL YEAR 1974

Selected programs and functions	In millions: Total outlays	Nonmetro outlays	Percent Nonmetro
National defense	$64	$32	50
Natural resources:			
EPA	1,623	406	25
Other	514	322	63
Total	2,137	728	34
Agriculture	511	303	59
Commerce and transportation:			
Highways	4,512	1,923	43
Urban mass transit	518	2	(1)
Other	258	56	22
Total	5,288	1,981	37
Community and regional development:			
Urban Renewal and Model Cities	1,671	324	19
Community Services Administration	622	120	19
Appalachia	286	174	61
Other	745	296	40
Total	3,324	914	28
Education, manpower, and social services:			
Elementary and Secondary Education	1,665	309	19
Vocational education	569	68	12
Comprehensive manpower assistance	1,137	285	25
Social services	1,471	368	25
Rehabilitation services	$1,240	$372	30
Other	2,639	512	19
Total	8,721	1,914	22
Health:			
Medical assistance	5,818	2,251	39
Other	1,474	365	25
Total	7,292	2,616	36
Income security:			
Public assistance	5,423	1,404	26
Food and nutrition	4,315	1,334	31
Housing payments	1,116	279	25
Other	458	92	20
Total	11,311	3,108	27
Revenue sharing and fiscal assistance:			
Revenue sharing	6,106	1,832	30
Other	518	217	42
Total	6,624	2,049	31
Law enforcement assistance	637	77	12
Other functions	130	103	79
Total aid	46,040	13,826	30

(1) Less than 0.5 percent.

Source: Special analyses, Budget of the U.S. Government, fiscal year 1976, "Federal Aid to State and Local Governments", tables 0–6 and 0–8, pp. 244 and 246–9.

TABLE 2.—SHARE OF FEDERAL OUTLAYS AND CREDIT PROGRAMS GOING TO NONMETROPOLITAN AREAS, BY FUNCTIONS, FISCAL YEARS 1972 AND 1973

	Fiscal year— 1972 Outlays (millions) Total	1972 Outlays (millions) Nonmetro	1972 Percent nonmetro	1973 Outlays (millions) Total	1973 Outlays (millions) Nonmetro	1973 Percent nonmetro	Per capita outlays: Metro 1972	Metro 1973	Nonmetro 1972	Nonmetro 1973
Direct outlays (including grants):										
Commercial agriculture	$3,942	$3,035	77	$4,628	$3,648	79	$6	$7	$56	$67
Resources and conservation	1,217	791	65	1,340	837	62	3	3	14	15
Community development	3,726	663	18	4,997	876	18	23	29	14	18
Transportation	5,799	2,102	36	5,346	1,669	31	25	25	38	30
Revenue sharing				6,636	1,493	22		35		27
Housing	816	208	25	620	163	26	4	3	4	3
Education	1,832	654	36	2,058	690	34	8	9	12	12
Health and medical assistance	5,247	1,532	29	6,719	1,531	23	25	33	28	25
Welfare and poverty	10,418	2,904	28	10,473	2,835	27	48	52	50	51
Social security and retirement	57,211	16,610	29	72,377	20,914	29	275	351	301	371
Employment and manpower training	4,509	747	17	4,119	711	17	25	23	14	13
Defense and space	69,895	10,742	15	70,621	10,776	15	402	404	188	195
Total direct outlays	164,612	39,716	24	189,935	46,142	24	845	974	718	826
Loans and federally insured credit:										
Commercial agriculture	3,650	3,186	87	2,474	2,134	86	3	2	57	38
Community development	2,734	1,359	50	4,357	1,774	41	9	17	24	32
Housing	21,140	3,338	16	18,166	3,727	21	122	102	61	60
Medical facilities	215	31	14	234	35	15	1	1	1	1
Total credit	27,739	7,914	29	25,231	7,669	30	135	122	142	131
Grand total	192,351	47,630	25	215,165	53,812	25	980	1,097	859	956

Note: Numbers do not always add to totals because of roundings.

Source: Adapted from appendix tables 1 through 4, "Fifth Annual Report of the President to the Congress on Government Services to Rural America."

Direct outlays covered by this analysis totalled $164.6 billion in FY '72 and $189.9 billion in FY '73—roughly three-fourths of all Federal outlays in each year. The share of this accounted for by nonmetro areas was 24% in each of the two years, well below the share reflected in the OMB's series on aid to public bodies. Again, there are wide variations between program areas. Nonmetro areas account for about three-fourths of Federal outlays for agriculture and resources and conservation. The only other categories in which more than 30% of outlays went to nonmetro America were transportation (again including the highway program) and education. At the other end of the scale, nonmetro areas got less than one-fifth of the outlays from community development grants, for employment and manpower training, and on national defense and space.

Putting it another way, per capita Federal outlays were smaller in nonmetro areas than in metro areas in six categories, slightly larger in five, and the same in one. Over all, per capita outlays in nonmetro areas were about 15% lower than in metro areas.

In addition to direct outlays, Table 2 summarizes data on Federal credit programs—either direct or guaranteed. The program levels involved here totalled $27.7 billion in FY '72 and $25.2 billion in FY '73. About three-fourths of this is in housing credit—most of that accounted for by Federal Housing Administration programs. While the nonmetro share of this housing credit increased between FY '72 and FY '73 (from one-sixth of the total to one-fifth), the disparity was still substantial in the second year. On a per capita basis, Federally influenced housing credit in nonmetro areas was less than 60% that in metro areas.

The other major categories of Federal credit reflected in Table 2 are agriculture and community development. In both cases, nonmetro areas got more than their share, on a per capita basis. Given the recognized shortage of credit in most rural areas, the increased role of Federally-influenced credit is not too surprising. Note also, that the situation for community development loans is the reverse of that for community development grants. When the per capita figures for both categories are combined, then metro areas and nonmetro areas received nearly comparable amounts: $46 and $50, respectively. Given the far greater subsidy implicit in grants as compared with loans, the balance is clearly in favor of the metropolitan areas.

The pattern for the two years is rather stable. In only five of the fifteen categories is the share going to nonmetro areas different by three or more percentage points in FY '73 as compared to FY '72. As noted, the nonmetro share of housing loans increased by 5%. The nonmetro share of community

UMI

development loans dropped 9%, and the nonmetro share of grants also declined for health and medical assistance (by 6%), transportation (by 5%), and resources and conservation (by 3%).

Taking a closer look

While these over-all patterns of Federal outlays tell part of the story, it is worth looking behind the simple per capita figures to the extent we can. As an earlier analysis pointed out—

Equal per capita Federal outlays among county groups does not necessarily mean that the people living in these counties received the same quality of service. Particularly in low income, low density, rural counties, per capita Federal outlays may need to be higher because of: (1) the limited ability of low income counties to raise State and local moneys to finance government services, (2) the inability of more sparsely settled counties to achieve economies of scale (lower cost per person) in providing comparable government services, and (3) the frequent need for more capital investment, on a per capita basis, to compensate for past inequities.[7]

The first of those reasons is particularly relevant, for example, to the case of community development outlays. As has been already noted, an apparent near-parity in this category between metro and nonmetro outlays can be regarded as an example of relative short shrift for nonmetro areas.

Housing

Moreover, for programs the constituency of which is not necessarily the total population, differences in outlay distribution are to be expected. The question is whether or not they are equitably related to the distribution of those the program is supposed to serve. Housing provides a particularly striking example. The 1970 Census data show that nonmetro areas account for 57% of the nation's "substandard" year-round housing, and for 54% of that which is occupied. An analysis of housing need done for the Department of Housing and Urban Development by the Harvard-MIT Joint Center for Urban Studies concluded that nonmetro areas contain 57% of the households occupying "physically inadequate" housing as they defined it, and 41% of total housing "deprivation" (including that stemming from rents that take too large a bite out of family income).[8] Compared with any of these measures, Federal housing assistance to nonmetropolitan areas has been lagging far behind. With half or more of the problem, those areas have gotten less than one-fourth of the outlays and credit.

Income Security and Welfare

Similarly, both Table 1 and Table 2 show nonmetro areas receiving about 27% of outlays for income security or welfare and poverty. But the Census data show that almost 44% of the nation's officially-designated poor reside in nonmetropolitan counties. On that basis, outlays per capita for the poverty population in nonmetro areas were less than half those in metro areas.

Jobs and Job Training

Outlays for employment and manpower training look bad enough on a straight per capita basis, with only 17% shown by Table 2 as going into nonmetro areas. Here, too, Census data indicate that things are even worse, with nonmetropolitan counties having 29% of the labor force and 31% of the unemployed.[9]

Education for Children

Looked at in this way, the figures on Federal aid for education seem decidedly less satisfactory for nonmetro America. It accounts for nearly 32% of the nation's elementary and secondary school enrollment and a slightly larger percentage of the population five to nineteen years of age. Yet the Special Analysis data indicate that only one-fifth of grants for elementary and secondary education go to nonmetro governments, and the figures on total education outlays show only 34% going outside of metropolitan areas.

Retirement and Social Security

The same sort of adjustment is necessary in the case of outlays for retirement and social security—the second-largest category in dollar terms. Nonmetropolitan areas contain almost 36% of the nation's population aged 65 and over. They account for more than 47% of the poverty population in that age bracket. Given those figures, the 29% of outlays for social security and retirement going to nonmetro people seems distinctly inadequate. Based on the more conservative definition of "target population," per capita outlays in nonmetro areas are seen to be less than three-fourths those in metro areas.

Highways

An implicit assumption in all this has been that dollars spent in an area help that area. This is presumably an assumption that is generally more or less valid. In some cases, though, it needs to be scrutinized. Highway programs furnish a prime example. As is set forth in Table 1 and implicit in Table 2, outlays for highway construction are a dominant element in the transportation category. Between 35% and 45% of those funds reportedly go to nonmetropolitan areas, which get only a miniscule share of other transportation expenditures. At least one study of the locational impact of Federal activities lists the national highway program as one of "the most powerful influences on patterns of regional development." But, it goes on to say that "the national highway program has reinforced established patterns of settlement and communication," and by "enlarging the trading areas and commuting sheds of many larger towns" has been "accelerating the demise of smaller communities and accelerating the polarization of national development patterns."[10] In short, the highway dollars going into rural and small town America have had a reverse impact, often stimulating decline rather than economic health.

Farm Programs Subsidize Concentration

Agriculture programs offer another, though more complex example. To the extent that it can be argued that Federal outlays in agriculture have been biased toward large-scale production and agri-business, it can be argued that they have contributed to metropollyana rather than countered it. Indeed, the study just cited lists as the first of the "perhaps unintentional" results of our "congeries of policies and programs" the promotion of "the industrialization of American agriculture."[11] This factor must be kept in mind when regarding those substantial nonmetro dollars in the agriculture category.

Finally, as argued earlier, some programs may be more important than others in their impact on where people live and how well. A 1970 survey of 42 Federal assistance programs, for example, concluded that only six had "moderate or heavy impact on national development."[12] Only the national highway program, previously discussed, was rated as having "heavy impact." The others were: sewer and water programs, urban renewal, housing guarantees by the Federal Housing Administration, housing interest deductions (in the tax law), and new community assistance. Estimates of the FY '73 distribution of expenditures under four of those are presented below.[13]

[Dollar amounts in millions]

	Total outlays	Nonmetro outlays	Percent nonmetro
Sewer and water programs	$2,927	$584	29
Urban renewal program	811	157	19
Housing guarantees (FHA)	18,144	3,742	21
Housing interest deductions	4,000	880	20
Total	25,882	5,363	21

Source: Interest deductions estimated; rest same as source for table 2.

It is worth noting that only funds for water and sewer programs go into nonmetropolitan areas in anything like an equal per capita basis.

Some "off-budget" items

The inclusion in the list of programs significant for national development of the tax deduction for mortgage interest underlines another previously mentioned aspect. So-called tax expenditures play a very large role in our economy. Although they are equal in size to almost one-third of direct spending by the Federal government, they don't appear in the Budget. As the recent report on housing goals notes, "The most important housing tax subsidy is the deduction by homeowners of mortgage interest payments and local real estate taxes."[14] Together, these two deductions cost the Treasury an estimated $7.9 billion in 1973. As that report also points out, the subsidy greatly favors the wealthy. Of those taking advantage of the subsidy, the one-fourth with adjusted gross incomes of $20,000 and above received more than half the benefits. (These taxpayers, it should be noted, constitute less than 15% of all taxpayers.) At the other end of the income scale, tax payers with incomes below $10,000 received less than 9% of the benefits. (More than half of all taxpayers are in this income category, but only a small portion of them—less than 15%—were in a position to take advantage of the tax subsidy.)

Because of this bias in favor of upper income homeowners and because of the preponderance of lower incomes in nonmetropolitan areas, the mechanism is automatically biased against nonmetropolitan areas. Based on Census data showing the distribution of homeowners by income class inside and outside of metropolitan areas, it is certain that no more than 20% of the benefits from these tax expenditures go to nonmetro households. If allowance is made for the fact that the average value of houses and the average property tax per $1,000 of value are both lower in nonmetropolitan areas, the share is likely to be closer to 15% and perhaps below.

Studies of other tax policies conclude also that they favor new construction and development. This means a further reinforcement of the pattern of outmigration from older areas, both rural and urban, toward increased suburban sprawl.[15]

Monetary policy also has regional effects, though indirect. Tight money has a substantial adverse effect on local government borrowing and small business borrowing. In both cases, nonmetro areas feel the pinch more. The result of Federal policy here as in other places is to accelerate and reinforce the direction set by the private sector—and that usually means more metropollyana.

Summing up

This look at the Federal Budget and its impact on rural areas and small towns has been necessarily abbreviated. The analysis, like the data, must be regarded as tentative and far from complete. But the general pattern is depressingly clear. Despite general recognition that nonmetropolitan areas have a disproportionate share of the nation's problems; despite equivalent recognition that this is both a cause and an effect of rural-urban migration and metropolitan compaction; and despite substantial official rhetoric in favor of "rural-urban balance," of giving priority to "the revitalization and development of rural areas," of fostering "the continued economic strength of all parts of the United States," and the like, virtually all the evidence we have points to a pattern of inequity for rural areas and small towns.

"The stone bumps the jug. . ."

In most categories of Federal outlays, nonmetropolitan areas get less than their fair share, and where they get more than their share, the effect is frequently to make things worse.

Conspiracy or a system—What's the difference?

If there is no conscious policy of metropolitan bias on the part of the Federal government, there certainly is convincing evidence of an unconscious one. One need not subscribe to any conspiracy theory to explain this. In listing the various aspects of this "perhaps unintentional" body of policy, David Hartley and his associates include four points which are of key importance:[16] Federal policy "Reacts to rather than shapes the economic consequences flowing from the patterns of private investment;" with few exceptions, public investment follows rather than leading private investment; the allocation and direction of geographic shifts of manpower is left to private decisions and information "with minimal public attempts to influence these flows;" and the resulting depopulated rural regions are left "to their own devices in adjusting to shifts in the patterns of national settlement and economic activity."

People Versus Business

In short, public policy underwrites private sector decisions rather than offering a framework even of neutrality, much less conscious direction in the public interest. In the face of the ever-mounting evidence that the shape of the society we have is neither the healthiest possible nor the one which most people want, this reactive role is unacceptable. The market mechanism is an extremely useful institution—particularly when it is in a position to deal with all the facts and it is not subject to manipulation by concentrations of forces. But we have long recognized that economic activity has costs that are not reflected in the market mechanism. In times of depression we are particularly conscious of some of the social costs. In recent years, we have also begun to give priority attention to ecological costs. The point is that it is the role of the political process and the duty of public policy to deal with those issues. To go on blindly underwriting the metropolitan bias of the market mechanism is to abdicate public responsibility.

We need to take a much closer look at what the Budget impact is in terms of rural urban balance, in terms of geographic equity as well as racial and economic equity. Considering our sophistication in complex econometric modeling and our passion for detailed accounting and cost-benefit analysis, the state of our real information about those impacts is pretty pathetic.

But more important than that closer look and the better data and analysis that must go into it, is the willingness to do something about it. If we really mean what we say about "rural-urban balance" and "a decent home in a suitable living environment," then we should see to it that the impact of the Budget is in support of those goals. At the very least, we must seek to end the situation in which the impact is undermining those goals.

FOOTNOTES

[1] See "National Population Distribution Policy," Report of Task Force No. 1 of the Science Advisory Panel, Committee on Public Works, U.S. House of Representatives, *A National Public Works Investment Policy*, Task Force Reports, pp. 12–14 and 25–26.

[2] See Title VII, Housing and Urban Development Act of 1970, and Title IX, Agriculture Act of 1970.

[3] *National Growth and Development*, Second Biennial Report to Congress Submitted pursuant to Section 703(a) of Title VII, Housing and Urban Development Act of 1970, December 1974, p. 3.

[4] Notably Dr. Fred Hines of the Department of Agriculture.

[5] Perhaps the most flagrant case of unreliability is that for public housing payments where the HUD staff person responsible couldn't be bothered to estimate below the state level and simply assigned all of each state's share to its largest city.

[6] *Fifth Annual Report of the President to the Congress on Government Services to Rural America*, Pursuant to Title IX, Section 901(e), of the Agricultural Act of 1970, December 1974. Analysis of the OEO-collected data has become a regular feature of this report. For an earlier analysis, see also *The Economic and Social Condition of Rural America in the 1970's*, Part 3, "The Distribution of Federal Outlays Among U.S. Counties," Committee Print, Senate Committee on Government Operations, December 1971.

[7] "The Distribution of Federal Outlays Among U.S. Counties," *op. cit.*, pp. xi–xii.

[8] *Housing Needs in the United States, 1970–1980*, December 1973. The use of rental housing as the basis for measuring "economic deprivation" biases the estimates in favor of urban areas where rental housing is more prevalent.

[9] The unemployment situation has obviously changed dramatically since the Census, but there is serious question as to the reliability of more current unemployment data for rural areas. In any event, the outlay data are for periods prior to the recent surge in unemployment.

[10] David Hartley, Janet Patton and Lucia Findley, "The Regional Impacts of Federal Policy," in *A National Public Works Investment Policy*, Background Papers prepared for the Committee on Public Works, U.S. House of Representatives, November 1974, pp. 94 and 96.

[11] *Ibid.*, pp. 92–93.

[12] *Federal Activities Affecting Location of of Economic Development*, cited by Terrie Gale, "National Growth Policy," *Toward a National Growth Policy: Federal and State Developments in 1973*, Congressional Research Service, December 1974, p. 373.

[13] Outlays for new community assistance were too small to be of any significance ($121,000 in FY '73 grants).

[14] *Sixth Annual Report on National Housing Goals*, House Document 94–18, January 1975, pp. 17–18.

[15] See Richard Slitor, *The Federal Income Tax in Relation to Housing*, 1968, cited in Hartley et al., *op. cit.*, p. 102.

[16] *Ibid.*, p. 93.

By Mr. DOMENICI:

S. 1853. A bill to provide for a study of the suitability and feasibility of designating Toltec Gorge as a unit of the National Park System, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I send to the desk for appropriate reference a bill which would authorize the Secretary of the Interior to study the desirability of including Toltec Gorge as a unit of the National Park System.

The Toltec Gorge is located along the Los Pinos River northeast of Chama, N. Mex. and it contains some of the most rugged terrain in New Mexico.

The only transportation to Toltec Gorge is on the Cumbres and Toltec scenic railroad. During the 93d Congress legisltaion which I sponsored was enacted to grant the consent of the Congress to the Cumbres and Toltec scenic railroad compact. The approval of this compact permitted the joint acquisition, ownership and control of the interstate narrow gage scenic railroad by the States of New Mexico and Colorado.

Mr. President this railroad is the only extant 19th century narrow-gage line in the West. It was built in 1880 and was originally part of the Denver-Rio Grande Western Railroad. It was the major means of transportation into and out of this section of the country for nearly half a century. The C. & T. S. Railroad was recently designated as a national historic site.

Because of the unique history of the railroad and the unparalled scenic wonder of the gorge it transverses it would make an ideal part of our National Park System.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1853

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to conduct a study of the feasibility and desirability of administering the Toltec Gorge in the States of New Mexico and Colorado as a unit of the National Park System. No later than one year from the date that funds for such study are made available to him, the Secretary shall submit to the Congress a report thereon, including his recommendations as to any further legislation as may be necessary.

SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

By Mr. BELLMON:

S. 1855. A bill to require the Secretary of Agriculture to take an agricultural census every 5 years. Referred to the Committee on Post Office and Civil Service.

Mr. BELLMON. Mr. President, the purpose of this bill is to transfer the responsibility of taking the agricultural census from the Bureau of Census in the Department of Commerce to the Statistical Research Service in the Department of Agriculture. The agriculture census is taken every 5 years with the next census to begin in October, 1979.

Considering the contributions of all producers of statistics, private business, local and State governments, universities and the Federal Government, the statistical measurements related to agriculture are probably more extensive than for any other sector of the U.S. economy. The major suppliers of these statistics are the census of agriculture of the Bureau of

UMI

Census, Department of Commerce, the program of current agriculture statistics as conducted by the Statistical Reporting Service, Department of Agriculture and the program of agricultural statistics supported by a number of State governments.

All phases of the agricultural census have been carried out under cooperative wording relationships between the Department of Agriculture and the Bureau of Census. However, the data compilations have had important shortcomings. Furthermore, the long period between data collection and publication has made the results less useful than desired. The census generally was not available as a tool for revising important, current statistical series until 1 or 2 years, or longer, after the census reference date. This delay has often substantially decreased the usefulness of the agriculture census.

The census of agriculture is and should be conducted under a law that prohibits access by other than Census staff to any source data collected from persons or firms as part of the census process. This law is rigidly adhered to by the Bureau of the Census. It is essential to protect the individuals concerned. The Bureau of the Census files contain data that would be of utmost importance to SRS in the design of its sample surveys. This information can be shared without breaching confidentiality rules. Minimum information needed is the name and address of an agricultural enterprise, a measurement that denotes its relative size, and an indicator of the type of agricultural enterprise.

On the other hand, SRS has not totally prohibited the Bureau of the Census from access to selected information in SRS files. For each 5-year census, SRS has provided the Census Bureau with names and addresses, particularly of large agriculture operations. SRS has also assigned professional personnel on a reimbursable basis, to assist the Census Bureau with data collection and analysis. Nevertheless, the existence of this one-way street rather than equal exchange of important data between the two agencies has probably reduced the amount of meaningful assistance SRS might have provided for the census of agriculture and vice versa.

Mr. President, transferring the responsibility of taking the agricultural census from the Bureau of Census to the Statistical Reporting Service would remedy many inefficiencies in maintaining agriculture statistics that occur under the present system. Currently, the two departments are duplicating sampling; as well as other procedures, that would be remedied by this bill. A savings in cost and an improvement in quality of information would result.

High risks and low margins in today's modern, efficient food and fiber industry spell headaches, nightmares, and even disaster for the uninformed. This situation is creating growing demands for new and better statistical data, as well as improved data collection systems. Moving the agriculture census to the Statistical Reporting Service will be a big step in the right direction.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1855

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, the Secretary of Agriculture shall, beginning in the month of October 1979, and in the same month of every fifth year thereafter, take a census of agriculture.

(b) The agricultural census required to be taken by subsection (a) of this section shall be in lieu of the agricultural census required to be taken under section 142 (a) of title 13, United States Code.

By Mr. TAFT (for himself, Mr. STEVENSON, Mr. PERCY, Mr. CASE, Mr. MCGOVERN, and Mr. GRAVEL):

S. 1856. A bill to require that States, which receive Federal payments with respect to any State welfare program, consent to suit in the Federal courts in actions brought against the State by claimants for the aid or assistance provided under such program. Referred to the Committee on Finance.

Mr. TAFT. Mr. President, today I am introducing legislation designed to close a legal loophole which leaves intended beneficiaries of State administered, federally funded assistance programs helpless to recover benefits denied by States in clear violation of Federal laws.

This legislation is made necessary by an unfortunate 5 to 4 Supreme Court decision rendered March 25, 1974, in which the Court ruled that the 11th amendment to the Constitution bars Federal courts from ordering State officials to pay retroactive program benefits even if they recognize that the State officials acted unlawfully in withholding these benefits. The Court said that Federal courts would have the power only to order the State officials to comply with Federal law in the future.

The case was brought as a class action by John Jordan, an elderly Chicago beneficiary of aid to the aged, who wished to protect himself and others receiving aid from delays in the provision of assistance which were held to be illegal by the district court—a ruling which was not contested by higher courts. His case was predicated on the simple concept assumed valid, in my judgment, by the vast majority of us, that a State which participates voluntarily in federally funded programs certainly must abide by Federal laws and regulations governing the administration of the program.

The 11th amendment literally prevents suits against States in Federal courts by foreign citizens or citizens of other States. Mr. Justice Brennan expressed his belief that it is not applicable to suits against a State by citizens of the same State, as in Jordan. Furthermore, the Court's decision was an express overruling of recent decisions in which it has held for other reasons that courts could order States to pay retroactive benefits withheld in violation of Federal law.

These decisions were based on the proposition that "when a State leaves a sphere that is exclusively its own and enters into activities subject to congressional regulation, it subjects itself to that regulation as fully as if it were a private person or corporation." *Parden* v. *Terminal R. Co.*, 377 U.S. 184, at 196.

Such rulings, coupled with reinforcing statutes—as noted in Mr. Justice Douglas' dissent to Jordan, which I will have printed at the end of my remarks—and the voluntary nature of State participation in these federally funded programs, led Mr. Justice Douglas, Mr. Justice Marshall, and Mr. Justice Blackmun to conclude that by agreeing to participate in the aid to the aged program, States automatically waive whatever immunity they might otherwise have from Federal court orders requiring retroactive payments of benefits.

The effects of the Supreme Court decision on the operation of the Federal assistance programs affected could, unfortunately, be extremely serious, As Mr. Justice Marshall and Mr. Justice Blackmun noted, no remedy other than the Courts' power to order retroactive payment of benefits can effectively deter States from the strong temptation to cut welfare budgets by circumventing the stringent requirements of Federal law. Unless this loophole is closed, State bureaucrats will be able to violate Federal regulations freely, without fear that effective action will be taken against their State.

The Court's argument in the Jordan case rested largely on the premise that because Congress did not specifically require the State to waive its immunity to suit in Federal court as a condition for participation in the aid for the aged program and the State did not take specific voluntary action to do so, the State retained that immunity. This bill would restore the legal rights of affected program beneficiaries, by requiring States to waive immunity to suit as a condition for future Federal financial participation in State administered assistance programs. The principal programs covered would be medicaid and aid to families with dependent children—AFDC.

In my view, this issue has nothing to do with congressional support or lack thereof for specific provisions of the assistance programs. Rather, the bill is necessary to insure that once the Congress has decided what those laws are, the citizens we have decided to assist will have appropriate recourse against States which do not comply with those laws.

After I had introduced similar legislation last year, groups as diverse as the American Hospital Association and the American Civil Liberties Union expressed interest in passage of the bill. I am hopeful that the 94th Congress will act quickly and favorably upon this measure.

I ask unanimous consent that an April 3, 1974, Washington Post editorial on this subject; as well as a letter from John D. Young, Assistant Secretary and Comptroller of HEW, to Chairman MAGNUSON of the Appropriations Committee's Labor-HEW Subcommittee, commenting on the rationale for this legislation, be printed in the RECORD at this point. Because of the importance of the Supreme Court's decision to my bill, I also ask unanimous consent that the slip opinion be printed in the RECORD. Furthermore, I ask unanimous consent that following

those materials, the text of my bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, April 3, 1974]

WELFARE AND THE COURTS

John Jordan, an elderly Chicago indigent, made a simple assumption about equitable justice in the United States and went to court to test it. Last week Mr. Jordan learned that his assumption was wrong. What he assumed is that if a state is conducting a program that involves federal funds, and if the state violates the federal regulations under which the program was established by Congress, then those who are entitled to the benefits of the program are also entitled to sue the state officials and receive the benefits that had been withheld.

What the Supreme Court said in the case, *Edelman v. Jordan*, is that the 11th Amendment to the Constitution bars the federal courts from ordering state officials to pay retroactive benefits, even if it recognizes that the state officials acted unlawfully in withholding the benefits. The Court said it could order the state officials to behave legally in the future, but it could not order the state to pay back benefits.

Mr. Jordan was eligible for benefits under the Assistance to the Aged, Blind and Disabled program. He applied for them, only to discover that Illinois had a regulation that resulted in long delays before such benefits were paid. The federal regulations called for payment to Mr. Jordan within 30 days. Mr. Jordan was told he would have to wait much longer. And so he sued. His class action was intended to do more than recover the $195.00 he would have received if Illinois had obeyed the federal regulations. He wanted to protect the interests of others in the state who had also been victimized by the delays.

Mr. Jordan won in the federal district court and in the Seventh Circuit of the U.S. Court of Appeals. At the Circuit Court level, Illinois asserted its rights under the 11th Amendment, which has been held to bar suits in federal courts brought by residents against their states. The amendment, adopted in 1798, was originally designed to prevent the federal courts from being able to enforce the claims of foreigners against individual states. It has since become a tricky current in the law and has produced a variety of conflicting holdings.

The Supreme Court's most recent interpretation in *Jordan* is that residents of states who are eligible for aid from federally assisted programs cannot sue the state officials in federal court for violating the regulations laid down by federal agencies or by Congress. The Court held that it could enjoin the state officials from future violation of the regulations, but it could not grant the back benefits that had been denied. The Seventh Circuit held that Illinois waited too long to assert its 11th Amendment right, but the Supreme Court ruled that the 11th Amendment is such a grave bar against federal jurisdiction in such cases that it had to be entertained, no matter how late the hour at which it was invoked.

The implications of this case for the public welfare system are serious. If welfare agencies can withhold funds until the courts tell them to stop, many welfare lawyers fear that delay in the processing of applications could well become the rule rather than the exception. The reason for demanding restitution of lost benefits in the Jordan case is to prevent state bureaucrats from discouraging welfare applicants by putting them through long processes. The federal regulations requiring that applications be processed within 30 days for the elderly indigent, the blind and the disabled were intended to guard against just such bureaucratic delay. The Supreme Court has now removed the federal courts from their equity role in such matters.

The court has said that unless a state consents to such a suit in federal court, the court cannot award back benefits. The court rested its decision on the absence of any specific language in the law requiring states to give up their immunity against such suits as a condition of participation in the program. Since the courts no longer have the power to protect recipients, and since the Congress has left the bureaucrats so large a loophole, it is the Congress that must make its intent clearer.

We are here concerned with the interests of the poorest of our citizens who are elderly, disabled or blind. To leave them at the mercy of the agencies that have already demonstrated their lack of concern is unfair and cannot have been the intent of Congress. What is required now is an amendment of the Social Security Act that would take a simple step to right a wrong. Congress can require that any state that participates in a federal welfare program must waive its immunity against suit under the 11th Amendment. Otherwise, an illegally operated program can continue to be in violation until it is enjoined. And at that, its officials will feel no pressure to do anything other than to begin operating legally from the point at which an injunction has been issued.

The reason for the welfare program is to assist those who are unable to help themselves. It is designed to grant "minimal subsistence" in cases of indigence, infirmity or disability. We give to the John Jordans of this country just enough to stay alive. We require the states to do a simple thing—assist them promptly when they are in need. Since the Supreme Court in Edleman v. Jordan has removed the courts from their traditional equity function in welfare cases, the Congress should act to protect the least among us.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C.

Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor and Health, Education, and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The report of the Committee on Appropriations on H.R. 15580, a bill which was introduced in the Ninety-third Congress and later became Public Law 93-517, directs the Secretary of Health, Education, and Welfare to explore the situation created by the fact that the federal courts do not have jurisdiction to hear claims against a State for recovery of financial assistance which has been improperly denied to an individual.

The problem to which the Committee report refers arises from the Supreme Court's decision in Edelman v. Jordan. The Court held in that case that the plaintiff Jordan could not sue in the federal courts for back payments under the Illinois plan for aid to the aged, blind and disabled approved under title XVI of the Social Security Act without the consent of the State. The Court reasoned that a suit for back payments, as opposed to a suit seeking only prospective relief, was a suit against the State itself. The eleventh amendment to the Constitution and case law preclude the federal courts from hearing suits by private citizens against a State without the State's consent, and the Court concluded that Illinois had not consented to the plaintiff's suit. In our view, the decision reached by the court in Edelman is equally applicable to other state plan programs established by the Social Security Act.

In reaching its conclusion, the Court noted that it was within the power of the Federal Government to make consent to suit in the federal courts a condition of participation by a State in a federal program, but took the view that no such condition was imposed on participation in the program of aid to the aged, blind and disabled. It therefore seems clear to us that the most straightforward means of assuring that the federal courts will have jurisdiction to hear claims against a State for recovery of improperly denied assistance under one of the state plan programs of the Social Security Act is by amending the provisions of the Act establishing those programs to make consent to suits in the federal courts a condition of participation by the State.

Sincerely yours,

JOHN D. YOUNG,
Assistant Secretary, Comptroller.

EDELMAN, DIRECTOR, DEPARTMENT OF PUBLIC AID OF ILLINOIS v. JORDAN

SYLLABUS

Certiorari to the United States Court of Appeals for the Seventh Circuit; No. 72-1410. Argued December 12, 1973—Decided March 25, 1974)

Respondent brought this class action for injunctive and declaratory relief against the Illinois officials administering the federal-state programs of Aid to the Aged, Blind, and Disabled (AABD), which are funded equally by the Statae and Federal Governments, contending that they were violating federal law and denying equal protection of the laws by following state regulations that did not comply with the federal time limits within which participating States had to process and make grants with respect to AABD applications. The District Court by a permanent injunction required compliance with the federal time limits and also ordered the state officials to release and remit AABD benefits wrongfully withheld to all persons found eligible who had applied therefor between July 1, 1968, the date of the federal regulations, and April 16, 1971, the date of the Court's preliminary injunction. The Court of Appeals affirmed, rejecting the state officials' contentions that the Eleventh Amendment barred the award of the retroactive benefits and that the judgment of inconsistency between federal regulations and state provisions could be given only prospective effect. *Held:* The Eleventh Amendment of the Constitution bars that portion of the District Court's decree that ordered retroactive payment of benefits. PP 7–26.

(a) A suit by private parties seeking to impose a liability payable from public funds in the state treasury is foreclosed by the Amendment if the State does not consent to suit. P. 11.

(b) The Court of Appeals erred in holding that *Ex parte Young*, 209 U.S. 123, which awarded only prospective relief, did not preclude the retroactive monetary award here on the ground that it was an "equitable restitution," since that award, though on its face directed against the state official individually, as a practical matter could be satisfied only from the general revenues of the State and was indistinguishable from an award of damages against the State. *Ford Motor Co.* v. *Department of Treasury*, 323 U.S. 459, followed. *Shapiro* v. *Thompson*, 394 U.S. 168; *State Dept. of Health and Rehabilitation Services* v. *Zarate*, 407 U.S. 918; *Sterrett* v. *Mothers' & Children's Rights Organization*, 409 U.S. 809; *Wyman* v. *Bowens*, 397 U.S. 39, disapproved to extent that their holdings do not comport with the holding in the instant case on the Eleventh Amendment issue. Pp. 12–20.

(c) The State of Illinois did not waive its Eleventh Amendment immunity and consent to the bringing of respondent's suit by participating in the federal AABD program. *Parden* v. *Terminal R. Co.*, 377 U.S. 184, and *Petty v. Tennessee-Missouri Bridge Comm'n*, 359 U.S. 275, distinguished. Nor does the

UMI

mere fact that a State participates in a program partially funded by the Federal Government manifest consent by the State to be sued in federal courts. Pp. 20–22.

(d) The Court of Appeals properly considered the Eleventh Amendment defense, which the state officials did not assert in the District Court, since that defense partakes of the nature of a jurisdictional bar. *Ford Motor Co. v. Department of Treasury, supra,* Pp. 24–25.

472 F. 2d 985, reversed and remanded.

REHNQUIST, J., delivered the opinion of the Court, in which Burger, C. J., and Stewart, WHITE, and POWELL, JJ., joined. DOUGLAS and BRENNAN, JJ., filed dissenting opinions. MARSHAL, J., filed a dissenting opinion in which BLACKMUN, J., joined.

EDELMAN VERSUS JORDAN

Mr. JUSTICE REHNQUIST delivered the opinion of the Court.

Respondent John Jordan filed a complaint in the United States District Court for the Northern District of Illinois, individually and as a representative of a class, seeking declaratory and injunctive relief against two former directors of the Illinois Department of Public Aid, the director of the Cook County Department of Public Aid, and the comptroller of Cook County. Respondent alleged that these state officials were administering the federal-state programs of Aid to the Aged, Blind and Disabled (AABD) in a manner inconsistent with various federal regulations and with the Fourteenth Amendment to the Constitution.

AABD is one of the categorical aid programs administered by the Illinois Department of Public Aid pursuant to the Illinois Public Aid Code, Ill. Rev. Stat. c. 23, §§ 3–1 through 3–12 (1971). Under the Social Security Act, the program is funded equally by the State and the Federal Government. 42 U.S.C. § 1381–1385 (1969 ed.).[3] The Department of Health, Education, and Welfare (HEW), which administers these payments for the Federal Government, issued regulations prescribing maximum permissible time standards within which States participating in the program must process AABD applications. Those regulations, originally issued in 1968, required, at the time of the institution of this suit, that eligibility determinations must be made by the States within 30 days of receipt of applications for aid to the aged and blind, and within 45 days of receipt of applications for aid to the disabled. For those persons found eligible, the assistance check was required to be received by them within the applicable time period. 45 CFR § 206.10 (a) (3).[4]

During the period in which the federal regulations went into effect, Illinois public aid officials were administering the benefits pursuant to their own regulations as provided in the Categorical Assistance Manual of the Illinois Department of Public Aid.[4] Respondent's complaint charged that the Illinois defendants, operating under those regulations, were improperly authorizing grants to commence only with the month in which an application was approved and not including prior eligibility months for which an applicant was entitled to aid under federal law. The complaint also alleged that the Illinois defendants were not processing the applications within the applicable time requirements of the federal regulations; specifically, respondent alleged that his own application for disability benefits was not acted on by the Illinois Department of Public Aid for almost four months. Such actions of the Illinois officials were alleged to violate federal law and deny the equal protection of the laws. Respondent's prayer requested declaratory and injunctive relief, and specifically requested "a permanent injunction enjoining the defendants to award to the entire class of plaintiffs all AABD benefits wrongfully withheld."

In its judgment of March 15, 1972, the District Court declared § 4004 of the Illinois Manual to be invalid insofar as it was inconsistent with the federal regulations found in 45 CFR § 206.10(a)(3), and granted a permanent injunction requiring compliance with the federal time limits for processing and paying AABD applicants. The District Court, in paragraph 5 of its judgment, also ordered the state officials to "release and remit AABD benefits wrongfully withheld to all applicants for AABD in the State of Illinois who applied between July 1, 1968 the [date of the federal regulations] and April 16, 197[1] [the date of the preliminary injunction issued by the District Court] and were found eligible . . . ."[5]

On appeal to the United States Court of Appeals for the Seventh Circuit, the Illinois' officials contended, *inter alia*, that the eleventh Amendment barred the award of retroactive benefits, that the judgment of inconsistency between the federal regulations and the provisions of the Illinois Categorical Assistance Manual could be given prospective effect only, and that the federal regulations in question were inconsistent with the Social Security Act itself.

The Court of Appeals rejected these contentions and affirmed the judgment of the District Court. *Jordan* v. *Weaver*, 472 F. 2d 985 (1973).[6] Because of an apparent conflict on the Eleventh Amendment issue with the decision of the Court of Appeals for the Second Circuit in *Rothstein* v. *Wyman*, 467 F. 2d. 226 (1972), we granted the petition for certiorari filed by petitioner Joel Edelman, who is the present Director of the Illinois Department of Public Aid, and successor to the former directors sued below. *Sub nom.* 412 U.S. 937 (1973). The petition for certiorari raised the same contentions urged by the petitioner in the Court of Appeals.[7] Because we believe the Court of Appeals erred in its disposition of the Eleventh Amendment claim, we reverse that portion of the Court of Appeals decision which affirmed the District Court's order that retroactive benefits be paid by the Illinois state officials.[8]

The historical basis of the Eleventh Amendment has been oft-stated, and it represents one of the more dramatic examples of this Court's effort to derive meaning from the document given to the Nation by the Framers nearly 200 years ago. A leading historian of the Court tells us:

"The right of the Federal Judiciary to summon a State as defendant and to adjudicate its rights and liabilities had been the subject of deep apprehension and of active debate at the time of the adoption of the Constitution; but the existence of any such right had been disclaimed by many of the most eminent advocates of the new Federal Government, and it was largely owing to their successful dissipation of the fear of the existence of such Federal power that the Constitution was finally adopted." 1 C. Warren, The Supreme Court in United States History 91 (Rev. ed. 1957).

Despite such disclaimers,[9] the very first suit entered in this Court at its February Term in 1791 was brought against the State of Maryland by a firm of Dutch bankers as creditors. *Ibid.*; *Vanstophorst* v. *Maryland*. The subsequent year brought the institution of additional suits against other States, and caused consideration alarm and consternation in the country.

The issue was squarely presented to the Court in a suit brought at the August 1792 Term by two citizens of South Carolina, executors of a British creditor, against the State of Georgia. After a year's postponement for preparation on the part of the State of Georgia, the Court, after argument, rendered in February 1793, its short-lived decision in *Chisholm* v. *Georgia*, 2 U.S. (2 Dall.) 419 (1793). The decision in that case, that a State was liable to suit by a citizen of another State or of a foreign country, literally shocked the Nation. Sentiment for passage of a constitutional amendment to override the decision rapidly gained momentum, and five years after *Chisholm* the Eleventh Amendment was ratified by the final State necessary for passage. As ratified in 1789, and unchanged since, the Amendment provides:

"The judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any Foreign State."

While the Amendment by its terms does not bar suits against a State by its own citizens, this Court has consistently held that an unconsenting State is immune from suits brought in federal courts by her own citizens as well as by citizens of another State. *Hans* v. *Louisiana*, 134 U.S. 1 (1890); *Duhne* v. *New Jersey*, 251 U.S. 311 (1920); *Great Northern Life Insurance Co.* v. *Read*, 322 U.S. 47 (1945); *Parden* v. *Terminal R. Co.*, 377 U.S. 184 (1964); *Employees* v. *Department of Public Health and Welfare*, 411 U.S. 279 (1973). It is also well established that even though a State is not named a party to the action, the suit may nonetheless be barred by the Eleventh Amendment. In *Ford Motor Co.* v. *Department of Treasury*, 323 U.S. 459 (1945), the Court said:

"[W]hen the action is in essence one for the recovery of money from the state, the state is the real, substantial party in interest and is entitled to invoke its sovereign immunity from suit even though individual officials are nominal defendants." *Id.*, at 464.

Thus the rule has evolved that a suit by private parties seeking to impose a liability which must be paid from public funds in the state treasury is barred by the Eleventh Amendment. *Great Northern Life Insurance Co.* v. *Read, supra; Kennecott Copper Corp.* v. *State Tax Comm'n*, 327 U.S. 573 (1946).

The Court of Appeals in this case, while recognizing that the *Hans* line of cases permitted the State to raise the Eleventh Amendment as a defense to suit by its own citizens, nevertheless concluded that the Amendment did not bar the award of retroactive payments to statutory benefits found to have been wrongfully withheld. The Court of Appeals held that the above cited cases, when read in light of the Court's landmark decision in *Ex parte Young*, 209 U.S. 123 (1908), do not preclude the grant of such a monetary award in the nature of equitable restitution.

Petitioner concedes that *Ex parte Young, supra,* is no bar to that part of the District Court's judgment that prospectively enjoined petitioner's predecessors from failing to process applications within the time limits established by the federal regulations. Petitioner argues, however, that *Ex parte Young* does not extend so far as to permit a suit which seeks the award of an accrued monetary liability which must be met from the general revenues of a State, absent consent or waiver by the State of its Eleventh Amendment immunity, and that therefore the award of retroactive benefits by the District Court was improper.

Ex parte Young was a watershed case in which this Court held that the Eleventh Amendment did not bar an action in the federal courts seeking to enjoin the Attorney General of Minnesota from enforcing a statute claimed to violate the Fourteenth Amendment of the United States Constitution. This holding has permitted the Civil War Amendments to the Constitution to serve as a sword, rather than merely as a

Footnotes at end of article.

shield, for those whom they were designed to protect. But the relief awarded in *Ex parte Young* was prospective only; the Attorney General of Minnesota was enjoined to conform his future conduct of that office to the requirement of the Fourteenth Amendment. Such relief is analogous to that awarded by the District Court in the prospective portion of its order under review in this case.

But the retroactive portion of the District Court's order here, which requires the payment of a very substantial amount of money which that court held should have been paid but was not, stands on quite a different footing. These funds will obviously not be paid out of the pocket of petitioner Edelman. Addressing himself to a similar situation in *Rothstein* v. *Wyman*, 467 F. 2d 226 (CA2 1972), cert. denied, 411 U.S. 921 (1973), Judge McGowan[10] observed for the court:

"It is not pretended that these payments are to come from the personal resources of these appellants. Appellees expressly contemplate that they will, rather, involve substantial expenditures from the public funds to the state . . .

"It is one thing to tell the Commissioner of Social Services that he must comply with the federal standards for the future if the state is to have the benefit of federal funds in the programs he administers. It is quite another thing to order the Commissioner to use state funds to make reparation for the past. The latter would appear to us to fall afoul of the Eleventh Amendment if that basic constitutional provision is to be conceived of as having any present force." *Id.*, at 236–237 (footnotes omitted).

We agree with Judge McGowan's observations. The funds to satisfy the award in this case must inevitably come from the general revenues of the State of Illinois, and thus the award against the State itself, *Ford Motor Co.* v. *Department of Treasury, supra,* than it does the prospective injunctive relief awarded in *Ex parte Young*.

The Court of Appeals, in upholding the award in this case, held that it was permissible because it was in the form of "equitable restitution" instead of damages, and therefore capable of being tailored in such a way as to minimize disruptions of the state program of categorical assistance. But we must judge the award actually made in this case, and not one which might have been differently tailored in a different case, and we must judge it in the context of the important constitutional principle embodied in the Eleventh Amendment.[11]

We do not read *Ex parte Young* or subsequent holdings of this Court to indicate that any form of relief may be awarded against the state officer, no matter how closely it may in practice resemble a memory judgment payable out of the state treasury, so long as the relief may be labeled "equitable" in nature. The Court's opinion in *Ex parte Young* hewed to no such line. Its citation of *Hagood* v. *Southern*, 117 U.S. 52 (1886), and *In re Ayers*, 123 U.S. 443 (1887), which were both actions against state officers for specific performance of a contract to which the State was a party, demonstrate that equitable relief may be barred by the Eleventh Amendment.

As in most areas of the law, the difference between the type of relief barred by the Eleventh Amendment and that permitted under *Ex parte Young* will not in many instances be that between day and night. The injunction issued in *Ex parte Young* was not totally without effect on the State's revenues, since the state law which the Attorney General was enjoined from enforcing provided substantial monetary penalties against railroads which did not conform to its provisions. Later cases from this Court have authorized equitable relief which has probably had greater impact on state treasuries than did that awarded in *Ex parte Young*. In *Graham* v. *Richardson*, 403 U.S. 365 (1971), Arizona and Pennsylvania welfare officials were prohibited from denying welfare benefits to otherwise qualified recipients who were aliens. In *Goldberg* v. *Kelly*, 397 U.S. 254 (1970), New York City welfare officials were enjoined from following New York State procedures which authorized the termination of benefits paid to welfare recipients without prior hearing.[12] But the fiscal consequences to state treasuries in these cases were the necessary result of compliance with decrees which by their terms were prospective in nature.

State officials, in order to shape their official conduct to the mandate of the Court's decrees, would more likely have to spend money from the state treasury than if they had been left free to pursue their previous course of conduct. Such an ancillary effect on the state treasury is a permissible and often an inevitable consequence of the principle announced in *Ex parte Young, supra*.

But that portion of the District Court's decree which petitioners challenge on Eleventh Amendment grounds goes much further than any of the cases cited. It requires payment of state funds, not as a necessary consequence of compliance in the future with a substantive federal question determination, but as a form of compensation to those whose applications were processed on the slower time schedule at a time when petitioners were under no court-imposed obligation to conform to a different standard. While the Court of Appeals described this retroactive award of monetary relief as a form of "equitable restitution," it is in practical effect indistinguishable in many aspects from an award of damages against the State. It will to a virtual certainty be paid from state funds, and not from the pocket of the individual state official who was the defendant in the action. It is measured in terms of a monetary loss resulting from a past breach of a legal duty on the part of the defendant state officials.

Were we to uphold this portion of the District Court's decree, we would be obligated to overrule the Court's holding in *Ford Motor Co.* v. *Department of Treasury, supra*. There a taxpayer, who had, under protest, paid taxes to the State of Indiana, sought a refund of those taxes from the Indiana state officials who were charged with their collection. The taxpayer claimed that the tax had been imposed in violation of the United States Constitution. The term "equitable restitution" would seem even more applicable to the relief sought in that case, since the taxpayer had at one time had the money, and paid it over to the State pursuant to an allegedly unconstitutional tax exaction. Yet this Court has no hesitation in holding that the taxpayer's action was a suit against the State, and barred by the Eleventh Amendment. We reach a similar conclusion with respect to the retroactive portion of the relief awarded by the District Court in this case.

The Court of Appeals expressed the view that its conclusion on the Eleventh Amendment issue was supported by this Court's holding in *Department of Employment* v. *United States*, 385 U.S. 355 (1966). There the United States was held entitled to sue the Colorado Department of Employment in the United States District Court for refund of unemployment compensation taxes paid under protest by the American National Red Cross, an instrumentality of the United States. The discussion of the State's Eleventh Amendment claim is confined to the following sentence in the opinion:

"With respect to appellants' contention that the State of Colorado has not consented to suit in a Federal forum even where the plaintiff is the United States, see *Monaco* v. *Mississippi*, 292 U.S. 313 (1934), and *Ex parte Young*, 209 U.S. 123 (1908)." 385 U.S., at 358.

Monaco v. *Mississippi, supra,* reaffirmed the principle that the Eleventh Amendment was no bar to a suit by the United States against a State. 292 U.S., at 329. In view of Mr. Chief Justice Hughes' vigorous reaffirmation in *Monaco* of the principles of the Eleventh Amendment and sovereign immunity, we think it unlikely that the Court in *Department of Employment* v. *United States*, in citing *Ex parte Young* as well as *Monaco*, intended to foreshadow a departure from the rule to which we adhere today.

Three fairly recent District Court judgments requiring state directors of public aid to make the type of retroactive payment involved here have been summarily affirmed by this Court notwithstanding the Eleventh Amendment contentions made by state officers who were appealing from the District Court judgment.[13] *Shapiro* v. *Thompson*, 394 U.S. 168 (1969), is the only instance in which the Eleventh Amendment objection to such retroactive relief was actually presented to this Court in a case which was orally argued. The three-judge District Court in that case had ordered the retroactive payment of welfare benefits found by that court to have been unlawfully withheld because of residency requirements held violative of equal protection. *Thompson* v. *Shapiro*, 270 F. Supp. 331, 338, n. 5 (Conn. 1967). This Court, while affirming the judgment, did not in its opinion refer to or substantively treat the Eleventh Amendment argument. Nor, of course, did the summary dispositions of the three District Court cases contain any substantive discussion of this or any other issues raised by the parties.

This, case, therefore, is the first opportunity the Court has taken to fully explore and treat the Eleventh Amendment aspects of such relief in a written opinion. *Shapiro* v. *Thompson* and these three summary affirmances obviously are of precedental value in support of the contention that the Eleventh Amendment does not bar the relief awarded by the District Court in this case. Equally obviously they are not of the same precedental value as would be an opinion of this Court treating the question on the merits.

Since we deal with a constitutional question, we are less constrained by the principle of *stare decisis* than we are in other areas of the law.[14] Having now had an opportunity to more fully consider the Eleventh Amendment issue after briefing and argument, we disapprove the Eleventh Amendment holdings of those cases to the extent that they are inconsistent with our holding today.

The Court of Appeals held in the alternative that even if the Eleventh Amendment be deemed a bar to the retroactive relief awarded respondent in this case, the State of Illinois had waived its Eleventh Amendment immunity and consented to the bringing of such a suit by participating in the federal AABD program. The Court of Appeals relied upon our holdings in *Parden* v. *Terminal R. Co.*, 337 U.S. 184 (1964), and *Petty* v. *Tennessee-Missouri Bridge Comm'n*, 359 U.S. 275 (1959), and on the disenting opinion of Judge Bright in *Employees of Department of Public Health and Welfare* v. *Department of Public Health and Welfare*, 452 F. 2. 820, 827 (CA8 1971). While the holding in the latter case was ultimately affirmed by this Court in *Employees* v. *Department of Public Health and Welfare*, 411 U.S. 279 (1973), we do not think that the answer to the waiver question turns on the distinction between *Parden, supra,* and *Employees, supra*. Both *Parden* and *Employees* involved a congressional enactment which by its terms authorized suit by designated plaintiffs against a general class of defendants which literally included States or state in-

Footnotes at end of article.

UMI

strumentalities. Similarly, *Petty* v. *Tennessee-Missouri Bridge Comm'n*, *supra*, involved congressional approval, pursuant to the Compact Clause, of a compact between Tennessee and Missouri, which provided that each compacting State would have the power "to contract, to sue, and be sued in its own name." The question of waiver or consent under the Eleventh Amendment was found in those cases to turn on whether Congress had intended to abrogate the immunity in question, and whether the State by its participation in the program authorized by Congress had in effect consented to the abrogation of that immunity.

But in this case the threshold fact of congressional authorization to sue a class of defendants which literally includes States is wholly absent. Thus respondent is not only precluded from relying on this Court's holding in *Employees*, but on this Court's holdings in *Parden* and *Petty* as well.[15]

The Court of Appeals held that as a matter of federal law Illinois had "constructively consented" to this suit by participating in the federal AABD program and agreeing to administer federal and state funds in compliance with federal law. Constructive consent is not a doctrine commonly associated with the surrender of constitutional rights, and we see no place for it here. In deciding whether a State has waived its constitutional protection under the Eleventh Amendment, we will find waiver only where stated "by the most express language or by such overwhelming implications from the text as will leave no room for any other reasonable construction." *Murray* v. *Wilson Distilling Co.*, 213 U.S. 151, 171 (1909). We see no reason to retreat from the Court's statement in *Great Northern Insurance Co.* v. *Reed*, 322 U.S. 47, 54 (1945) (footnote omitted):

"[W]hen we are dealing with the sovereign exemption from judicial interference in the vital field of financial administration a clear declaration of the state's intention to submit its fiscal problems to other courts than those of its own creation must be found."

The mere fact that a State participates in a program through which the Federal Government provides assistance for the operation by the State of a system of public aid is not sufficient to establish consent on the part of the State to be sued in the federal courts. And while this Court has, in cases such *J. I. Case Co.* v. *Borak*, 377 U.S. 426 (1964), authorized suits by one private party against another in order to effectuate a statutory purpose, it has never done so in the context of the Eleventh Amendment and a state defendant. Since *Employees*, *supra*, where Congress had expressly authorized suits against a general class of defendants and the only thing left to implication was whether the described class of defendants included States, was decided adversely to the putative plaintiffs on the waiver question, surely this respondent must also fail on that issue. The only language in the Social Security Act which purports to provide a federal sanction against a State which does not comply with federal requirements for the distribution of federal monies is found in 42 U.S.C. § 1384, which provides for termination of future allocations of federal funds when a participating State fails to conform with federal law.[16] This provision by its terms does not authorize suit against anyone, and standing alone, falls far short of a waiver by a participating State of its Eleventh Amendment immunity.

Our Brother Marshall argues in dissent, and the Court of Appeals held, that although the Social Security Act itself does not create a private cause of action, the cause of action created by 42 U.S.C. § 1983, coupled with the enactment of the AABD program, and the issuance by HEW of regulations which require the States to make corrective payments after successful "fair hearings" and provide for federal matching funds to satisfy federal court orders of retroactive payments, indicate that Congress intended a cause of action for public aid recipients such as respondent.[17] It is of course true that *Rosado* v. *Wyman*, 397 U.S. 397 (1970), held that suits in federal court under § 1983 are proper to secure compliance with the provisions of the Social Security Act on the part of participating States.[18] But it has not heretofore been suggested that § 1983 was intended to create a waiver of a State's Eleventh Amendment immunity merely because an action could be brought under that section against state officers, rather than against the State itself. Though a § 1983 action may be instituted by public aid recipients such as respondent, a federal court's remedial power, consistent with the Eleventh Amendment, is necessarily limited to prospective injunctive relief, *Ex parte Young*, *supra*, and may not include a retroactive award which requires the payment of funds from the state treasury, *Ford Motor Co.* v. *Department of Treasury*, *supra*.

Respondent urges that since the various Illinois officials sued in the District Court failed to raise the Eleventh Amendment as a defense to the relief sought by respondents, petitioner is therefore barred[19] from raising the Eleventh Amendment defense in the Court of Appeals or in this Court. The Court of Appeals apparently felt the defense was properly presented, and dealt with it on the merits. We approve of this resolution, since it has been well-settled since the decision in *Ford Motor Co.* v. *Department of Treasury*, *supra*, that the Eleventh Amendment defense sufficiently partakes of the nature of a jurisdictional bar so that it need not be raised in the trial court:

"[The Attorney General of Indiana] appeared in the federal District Court and the Circuit Court of Appeals and defended the suit on the merits. The objection to petitioner's suit as a violation of the Eleventh Amendment was first made and argued by Indiana in this Court. This was in time, however. The Eleventh Amendment declares a policy and sets forth an explicit limitation on federal judicial power of such compelling force that this Court will consider the issue arising under this Amendment in this case even though urged for the first time in this Court." 323 U.S., at 466–467.

For the foregoing reasons we decide that the Court of Appeals was wrong in holding that the Eleventh Amendment did not constitute a bar to that portion of the District Court decree which ordered retroactive payments of benefits found to have been wrongfully withheld. The judgment of the Court of Appeals is therefore reversed and the cause remanded for further proceedings consistent with this opinion.

So ordered.

FOOTNOTES

[1] In his complaint in the District Court, respondent claimed that the Illinois Department of Public Aid was not complying with federal regulations in its processing of public aid applications, and also that its refusal to process and allow respondent's claim for a period of four months, while processing and allowing the claims of those similarly situated, violated the Equal Protection Clause of the Fourteenth Amendment. Respondent asserted that the District Court could exercise jurisdiction over the cause by virtue of 28 U.S.C. §§ 1331 and 1343 (3) and (4). Though not briefed by the parties before this Court, we think that under our decision in *Hagans* v. *Lavine*, No. 72–6476. —— U.S. —— (1974), the equal protection claim cannot be said to be "wholly insubstantial," and that therefore the District Court was correct in exercising pendent jurisdiction over the statutory claim.

[2] Effective January 1, 1974, the AABD program has been replaced. See 42 U.S.C. § 1381 *et seq.* (Supp. 1973).

[3] CFR § 206.10(a)(3) (1973) provides in pertinent part: "(a) *State plan requirements.* A State plan . . . must provide that. . . .

"(3) A decision will be made promptly on applications, pursuant to reasonable State-established time standards not in excess of 45 days for [aid to aged and blind] and 60 days [for aid to the disabled]. Under this requirement, the applicant is informed of the agency's time standard in acting on applications which covers the time from date of application to the date that the assistance check, or notification of denial of assistance or change of award, or the eligibility decision with respect to medical assistance, is mailed to the applicant or recipient."

When originally issued in 1968 the regulation provided that the applications for aid to the aged and blind be processed within 30 days and that aid to the disabled be processed within 45 days of receipt. They also provided that the person determined to be eligible must *receive* his assistance check within the applicable time period. The amendment to 60 days for aid to the disabled occurred in 1971, as did the change to require mailing instead of receipt of the assistance check within the applicable time period; effective Oct. 15, 1973, the time for processing aged and blind applications became 45 days.

In addition, 45 CFR § 206.10(a)(6) provides in pertinent part:

"(6) Entitlement will begin as specified in the State plan, which (1) for financial assistance must be no later than the date of authorization of payment. . . ."

[4] The Illinois regulations, found in the Illinois Categorica Assistance Manual of the Illinois Department of Public Aid, provide in pertinent parts:

"4004.1

"Except for [disability] cases which have a time standard of 45 days, the time standard for disposition of applications is 30 days from the date of application to the date the applicants are determined eligible and the effective date of their first assistance or are determined ineligible and receive a notice of denial of assistance. . . .

"8255. Initial Awards

"Initial awards may be new grants, reinstatements, or certain types of resumptions. They can be effective for the month in which Form FO–550 is signed but for no prior period except [under conditions not relevant to this case].

"8255.1 New Grants

"A new grant in the first grant authorized after an application has been accepted in a case which has not previously received assistance under the same assistance program. It may be authorized for the month in which Form FO–550 is signed but not for any prior period unless it meets [exceptions not relevant to this case]."

[5] Paragraph 5 of the District Court's judgment provided:

"That the defendant Edward T. Weaver, Director, Illinois Department of Public Aid, his agents, including all of the County Departments of Public Aid in the State of Illinois, and employees, and all persons in active concert and participation with them, are hereby enjoined to release and remit AABD benefits wrongfully withheld to all applicants for AABD in the State of Illinois who applied between July 1, 1968 and April 16, 1972 [*sic*] [should read "1971"], and were determined eligible, as follows:

"(a) For those aged and blind applicants whose first full AABD check was not mailed within thirty days from the date of application, AABD assistance for the period beginning with the thirtieth day from the date of application to the date the applicant's entitlement to AABD became effective;

"(b)(1) For those disabled applicants who applied between July 1, 1968 and December 31, 1970, whose first full AABD check was not mailed within forty-five days from the date of application, AABD assistance for the period beginning with the forty-fifth day from the date of application to the date the applicant's entitlement became effective;

"(ii) For those disabled applicants who applied between January 1, 1971 and April 16, 1971, whose first full AABD check was not mailed within sixty days from the date of application, AABD assistance for the period beginning with the sixtieth day from the date of application to the date the applicant's entitlement became effective.

"These AABD benefits shall be mailed to those persons currently receiving AABD within eight months with an explanatory letter having been first approved by plaintiff's attorney. Any AABD benefits received pursuant to this paragraph shall not be deemed income or resources under Article III of the Illinois Public Aid Code.

"For those persons not presently receiving AABD:

"(a) A certified letter (return receipt requested), said letter having been first approved by plaintiffs' attorney, shall be sent to the last known address of the person, informing him in concise and easily understandable terms that he is entitled to a specified amount of AABD benefits wrongfully withheld, and that he may claim such amount by contacting the County Department of Public Aid at a specified address, within 45 days from the receipt of said letter.

"(b) If the County Department of Public Aid does not receive a claim for the AABD benefits within 45 days from the date of actual notice to the person, the right to said AABD benefits shall be forfeited and the file shall be closed. Persons who do not receive actual notice do not forfeit their rights to AABD benefits wrongfully withheld under this provision."

Paragraph 6 of the District Court's judgment provided:

"Within 15 days from the date of this decree, defendant Edward T. Weaver, Director, Illinois Department of Public Aid, shall submit a detailed statement as to the method of effectuating the relief required by paragraph 5, *supra*, of this Decree. Any disputes between the parties as to whether the procedures and steps outlined by the defendant Weaver will fulfill the requirements of this Decree will be resolved by the Court."

On July 19, 1973, the author of this opinion stayed until further order of this Court these two paragraphs of the District Court's judgment 414 U.S. 1301 (1973).

[6] Respondent appealed from the District Court's judgment insofar as it held him not entitled to receive benefits from the date of his applications (as opposed to the date of authorization of benefits as provided by the federal regulations) and insofar as it failed to award punitive damages. The Court of Appeals upheld the District Court's decision against respondent on those points and they are not at issue here. 472 F. 2d, at 997–999.

[7] Citing *Chevron Oil Co.* v. *Huson*, 404 U.S. 97 (1971), petitioner also contends in this Court that the Court of Appeals erred in refusing to give the District Court's judgment prospective effect only. Brief for the Petitioner, at p. 37, incorporating arguments made in petitioner's petition for Certiorari, at pp. 18–22. The Court of Appeals concluded that this ground was "not presented to the district judge before entry of judgment, so that it comes too late." 472 F. 2d, at 995. The Court of Appeals went on, however, to conclude that "[e]ven if the ground had been timely presented, defendant's contention would be meritless." *Ibid.* Noting that one of three tests established by our decision in *Huson* for determining the retroactivity of court decisions was that "the decision to be applied non-retroactively *must* establish a new principle of law, either by overruling clear past precedent on which litigants may have relied . . . or [have decided] an issue of first impression whose resolution was not clearly foreshadowed . . .", *Chevron Oil Co.* v. *Huson*, *supra*, 404 U.S. at 106, the Court of Appeals found that the petitioner had not satisfied this test, since the "federal time requirements for processing applications and paying eligible AABD applicants were made effective July 1, 1968, and defendants were well aware of these mandatory maximum permissible time standards." 474 F. 2d, at 996.

In light of our disposition of this case on the Eleventh Amendment issue we see no reason to address this contention.

[8] 42 U.S.C. § 1382(a)(8) provides in pertinent part:

"(a) Contents.

"A State plan for aid to the aged, blind, or disabled, or for aid to the aged, blind, or disabled and medical assistance for the aged, must—

"(8) provide that all individuals wishing to make application for aid or assistance under the plan shall have opportunity to do so, and that such aid or assistance shall be furnished with reasonable promptness to all eligible individuals."

HEW, pursuant to authority granted to it by 42 U.S.C. § 1302, has promulgated regulations, see n. 3, *supra*, which require that decisions be made promptly on applications within 45 days for the aged and blind and within 60 days for the disabled, and that initiation of payments to the eligible be made within the same periods. Petitioner renews in this Court the contention made in the Court of Appeals that these time limitations in the regulations are inconsistent with the statute and therefore an unlawful abuse of the rulemaking authority. Brief for the petitioner, at p. 37, incorporating arguments made in petitioner's Petition for Certiorari, at pp. 22–28. Specifically, petitioner argues that the "establishment of arbitrary [forty-five] and sixty day maximums in the HEW regulations for determination of eligibility and initiation of payments without taking into consideration the efficient administration of the Act by the State agencies is inconsistent with the 'reasonable promptness' requirement and must therefore be declared unlawful. . . ." Petition for Certiorari, at p. 23. The Court of Appeals rejected this contention, holding that "these requirements, binding on state welfare officials, are an appropriate interpretation of the Congressional mandate of 'reasonable promptness.'" 472 F. 2d, at 996. We agree with the Court of Appeals.

[9] While the debates of the Constitutional Convention itself do not disclose a discussion of the question, the prevailing view at the time of the ratification of the Constitution was stated by various of the Framers in the writings and debates of the period. Examples of these views have been assembled by Mr. Chief Justice Hughes: ". . . Madison, in the Virginia Convention, answering objections to the ratification of the Constitution, clearly stated his view as to the purpose and effect of the provision conferring jurisdiction over controversies between States of the Union and foreign States. That purpose was suitably to provide for adjudication in such cases if consent should be given but not otherwise. Madison said: 'The next case provides for disputes between a foreign state and one of our states, should such a case ever arise; and between a citizen and a foreign citizen or subject. I do not conceive that any controversy can ever be decided, in these courts, between an American state and a foreign state, without the consent of the parties. If they consent, provision is here made.' 3 Elliot's Debates, 533.

"Marshall, in the same Convention, expressed a similar view. Replying to an objection as to the admissibility of a suit by a foreign state, Marshall said: 'He objects, in the next place, to its jurisdiction in controversies between a state and a foreign state. Suppose, says he, in such a suit, a foreign state is cast; will she be bound by the decision? If a foreign state brought a suit against the commonwealth of Virginia, would she not be barred from the claim if the federal judiciary thought it unjust? The previous consent of the parties is necessary; and, as the federal judiciary will decide, each party will acquiesce.' 3 Elliot's Debates, 557.

"Hamilton, in The Federalist, No. 81, made the following emphatic statement of the general principle of immunity: 'It is inherent in the nature of sovereignty not to be amenable to the suit of an individual *without its consent*. This is the general sense and the general practice of mankind; and the exemption, as one of the attributes of sovereignty, is now enjoyed by the government of every State in the Union. Unless therefore, there is a surrender of this immunity in the plan of the convention, it will remain with the States, and the danger intimated must be merely ideal. The circumstances which are necessary to produce an alienation of State sovereignty were discussed in considering the article of taxation and need not be repeated here. A recurrence to the principles there established will satisfy us that there is no color to pretend that the State governments would by the adoption of that plan be divested of the privilege of paying their own debts in their own way, free from every constraint but that which flows from the obligations of good faith. The contracts between a nation and individuals are only binding on the conscience of the sovereign, and have no pretensions to a compulsive force. They confer no right of action independent of the sovereign will. To what purposes would it be to authorize suits against States for the debts they owe? How could recoveries be enforced? It is evident it could not be done without waging war against the contracting State; and to ascribe to the federal courts by mere implication, and in destruction of a preexisting right of the State governments, a power which would involve such a consequence would be altogether forced and unwarrantable.'" *Monaco* v. *Mississippi*, 292 U.S. 313, 323–325 (1934) (footnotes omitted).

[10] Of the Court of Appeals for the District of Columbia Circuit, sitting by designation on the Court of Appeals for the Second Circuit.

[11] It may be true, as stated by our Brother Douglas in dissent, that "[m]ost welfare decisions by the federal courts have a financial impact on the States." *Post*, at p. —. But we cannot agree that such a financial impact is the same where a federal court applies *Ex parte Young* to grant prospective declaratory and injunctive relief, as opposed to an order of retroactive payments as was made in the instant case. It is not necessarily true that "[w]hether the decree is prospective only or requires payments for the weeks or months wrongfully skipped over by state officials, the nature of the impact on the state treasury is precisely the same." Opinion of MR. JUSTICE DOUGLAS, *post*, at p. —. This argument neglects the fact that where the State has a definable allocation to be used in the payment of public aid benefits, and pursues a certain course of action such as the processing of applications within certain time periods as did Illinois here, the subsequent ordering by a federal court of retroactive payments to correct delays in such processing will invariably mean there is less money available for payments for the continuing obligations of the public aid system.

As stated by Judge McGowan in *Rothstein* v. *Wyman*, 467 F. 2d 226, 235 (CA2 1972):

"The second federal policy which might

arguably be furthered by retroactive payments is the fundamental goal of congressional welfare legislation—the satisfaction of the ascertained needs of impoverished persons. Federal standards are designed to ensure that those needs are equitably met; and there may perhaps be cases in which the *prompt* payment of funds wrongfully withheld will serve that end. As time goes by, however, retroactive payments become compensatory rather than remedial; the coincidence between previously ascertained and existing needs becomes less clear."

[12] The Court of Appeals considered the Court's decision in *Griffin* v. *School Board*, 377 U.S. 218 (1964), to be of like import. But as may be seen from *Griffin's* citation of *Lincoln County* v. *Luning*, 133 U.S. 529 (1890), a county does not occupy the same position as a State for purposes of the Eleventh Amendment. See also *Moor* v. *County of Alameda*, 411 U.S. 633 (1973). The fact that the county policies executed by the county officials in *Griffin* were subject to the commands of the Fourteenth Amendment, but the county was not able to invoke the protection of the Eleventh Amendment, is no more than a recognition of the long established rule that while county action is generally state action for purposes of the Fourteenth Amendment, a county defendant is not necessarily a state defendant for purposes of the Eleventh Amendment.

[13] Brief for the Respondent, at pp. 15–18. Decisions of this Court in which we summarily affirmed a decision of a lower federal court which ordered the payment of retroactive awards and in which the jurisdictional statement filed in this Court raised the Eleventh Amendment defense include: *State Dep't of Health and Rehabilitative Services* v. *Zarate*, 407 U.S. 918 (1972), aff'g 347 F. Supp. 1004 (SD Fla. 1971); *Sterrett* v. *Mothers and Children's Rights Organization*, 409 U.S. 809 (1972) aff'g unreported order and judgment of N.D. Ind. 1972, on remand from *Carpenter* v. *Sterrett*, 405 U.S. 971 (1971); *Gaddis* v. *Wyman*, 304 F. Supp. 717 (SDNY 1968) (order at CCH Pov. L. Rptr. Transfer Binder ¶ 10,506), aff'd *per curiam sub nom. Wyman* v. *Bowens*, 397 U.S. 49 (1969).

[14] In the words of Mr. Justice Brandeis: "*Stare decisis* is usually the wise policy, because in most matters it is more important that the applicable rule of law be settled than that it be settled right. . . . This is commonly true even where the error is a matter of serious concern, provided correction can be had by legislation. But in cases involving the Federal Constitution, where correction through legislative action is practically impossible, this Court has often overruled its earlier decisions. The Court bows to the lessons of experience and the force of better reasoning, recognizing that the process of trial and error, so fruitful in the physical sciences, is appropriate also in the judicial function." *Burnet* v. *Colorado Oil & Gas Co.*, 285 U.S. 393, 406–408 (1932) (dissenting opinion) (footnotes omitted).

[15] Respondents urge that the traditionally broad power of a federal court sitting as a court of equity to fashion appropriate remedies as are necessary to effect congressional purposes requires that the District Court's award of retroactive benefits be upheld. Respondent places principal reliance on our prior decisions in *Porter* v. *Warner Holding Co.*, 328 U.S. 295 (1946), and *Mitchell* v. *DeMario Jewelry*, 361 U.S. 288 (1960). Both cases dealt with the power of a federal court to grant equitable relief for violations of federal law; the decision in *Mitchell* indicated that a federal court could provide equitable relief "complete . . . in light of the statutory purposes." 361 U.S., at 291–292. Since neither of these cases involved a suit against a State or a state official, they did not purport to decide the availability of equitable relief consistent with the Eleventh Amendment.

[16] HEW sought passage of a bill in the 91st Congress, H.R. 16311, 91st Cong., 2d Sess., c. 169–170 (1970), which would have given it authority to require retroactive payments to eligible persons denied such benefits. The bill failed to pass the House of Representatives.

[17] 45 CFR § 205.10(b) (2) and (3) provide:

"(b) *Federal financial participation.* Federal financial participation is available for the following items:

"(2) Payments of assistance made to carry out hearing decisions, or to take corrective action after an appeal but prior to hearing, or to extend the benefit of a hearing decision or court order to others in the same situation as those directly affected by the decision or order. Such payments may be retroactive in accordance with applicable Federal policies on corrective payments.

"(3) Payments of assistance within the scope of Federally aided public assistance programs made in accordance with a court order."

The Court of Appeals felt that § 1983, the enactment of the AABD program and the issuance by HEW of the above regulation, indicated that Congress intended to include within the Social Security Act the remedy of "effective judicial review" and "the remedy of restoration of benefits withheld in violation of federal law." 472 F. 2d. at 994–995 & n. 15. But the adoption of regulations by HEW to permit the use of federal funds in the satisfaction of judicial awards is not determinative of the constitutional issues here presented.

[18] Mr. Justice Marshall, and both the Court of Appeals and the respondent herein, refer to language in *Rosado* v. *Wyman*, 397 U.S., at 420, to the effect that Congress in legislating the Social Security Act has not "closed the avenue of effective judicial review to those individuals most directly affected by the administration of its program." The Court in *Rosado* was concerned with the compatibility of a provision of New York law which decreased benefits to some eligible public aid recipients and amendments to the federal act which required cost-of-living increases. The case did not purport to decide the Eleventh Amendment issue we resolve today. In finding the New York law inconsistent with the federal law, Mr. Justice Harlan stated:

"New York is, of course, in no way prohibited from using only *state* funds according to whatever plan it chooses, providing it violates no provision of the Constitution. It follows, however, from our conclusion that New York's program is incompatible with § 402(a)(23), that petitioners are entitled to declaratory relief and an appropriate injunction against the payment of *federal* monies according to the new schedules, should the State not develop a conforming plan within a reasonable period of time.

"We have considered and rejected the argument that a federal court is without power to review state welfare provisions or prohibit the use of federal funds by the States in view of the fact that Congress has lodged in the Department of HEW the power to cut off federal funds for noncompliance with statutory requirements. We are most reluctant to assume Congress has closed the avenue of effective judicial review to those individuals most directly affected by the administration of its program. . . . We adhere to *King* v. *Smith*, 392 U.S. 309 (1968), which implicitly rejected the argument that the statutory provisions for HEW review of plans should be read to curtail judicial relief and held Alabama's 'substitute father' regulation to be inconsistent with the federal statute. While *King* did not avert specifically to the remedial problem, the unarticulated premise was that the State had alternative choices of assuming the additional cost of paying benefits to families with substitute fathers or not using federal funds to pay welfare benefits according to a plan that was inconsistent with federal requirements." 397 U.S., at 420–421.

Respondent urges that this language is "tantamount to a finding that Congress conditioned the participation of a state in the categorical assistance program on the forfeiture of immunity from suit in a federal forum . . . irrespective of the relief sought, [since] the intent of Congress remains constant." Brief for the Respondent, at p. 42–43. Petitioner contends that this language, coupled with the fact that the Court in *Rosado* remanded the case to the District Court to "afford New York an opportunity to revise its program . . . or, should New York choose [not to revise its program], issue its order restraining the further use of federal monies pursuant to the present statute," 397 U.S., at 421–422, indicates that the Court felt that retroactive relief was not a permissible remedy. Brief for the Petitioner, at pp. 17–20. We do not regard *Rosado* as controlling either way since the Court was not faced with a district court judgment ordering retroactive payments nor with a challenge based on the Eleventh Amendment.

[19] Respondent urges that the State of Illinois has abolished its common-law sovereign immunity in its state courts, and appears to argue that suit in a federal court against the State may thus be maintained. Brief for the Respondent, at p. 23. Petitioner contends that sovereign immunity has not been abolished in Illinois as to this type of case. Brief for the Petitioner, at pp. 31–36. Whether Illinois permits such a suit to be brought against the State in its own courts is not determinative of whether Illinois has relinquished its Eleventh Amendment immunity from suit in the federal courts. *Chandler* v. *Dix*, 194 U.S. 590, 591–592 (1904).

Edelman Versus Jordan

Mr. Justice Douglas, dissenting.

Congress provided in 42 U.S.C. § 1983 that: "Every person who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress."

In this class action respondent sought to enforce against state aid officials of Illinois a provision of the Social Security Act, 42 U.S.C. §§ 1381–1385, known as Aid to the Aged, Blind, or Disabled (AADB).[1] The complaint alleges violations of the Equal Protection Clause of the Fourteenth Amendment and also violations of the Social Security Act. Hence § 1983 is satisfied *in haec verba*, for a deprivation of "rights" which are "secured by the Constitution and laws" is alleged. The Court of Appeals, though ruling that the alleged constitutional violations had not occurred, sustained federal jurisdiction because federal "rights" were violated. The main issue tendered us is whether that ruling of the Court of Appeals is consistent with the Eleventh Amendment.[2]

Once the federal court had jurisdiction over the case, the fact that it ruled adversely to the claimant on the constitutional claim did not deprive it of its pendent jurisdiction over the statutory claim, *United States* v. *Georgia Pub. Serv. Comm'n*, 371 U.S. 285, 287–288.

In *Ex parte Young*, 209 U.S. 123, a suit by stockholders of a railroad was brought in a federal court against state officials to enjoin the imposition of confiscatory rates on the railroad in violation of the Fourteenth

Footnotes at end of article.

Amendment. The Eleventh Amendment was interposed as a defense. The Court rejected the defense saying that state officials with authority to enforce state laws—"who threaten and are about to commence proceedings, either of a civil or criminal nature, to enforce against parties affected an unconstitutional act, violating the Federal Constitution, may be enjoined by a Federal court of equity from such action." *Id.*, at 156.

The Court went on to say that a state official seeking to enforce in the name of a State an unconstitutional act "comes into conflict with the superior authority of that Constitution, and he is in that case stripped of his official or representative character and is subjected in his person to the consequence of his individual conduct. The State has no power to impart to him any immunity from responsibility to the supreme authority of the United States." *Id.*, at 159–160.

As the complaint in the instant case alleges violations by officials of Illinois of the Equal Protection Clause of the Fourteenth Amendment, it seems that the case is governed by *Ex parte Young* so far as injunctive relief is concerned. The main thrust of the argument is that the instant case asks for relief which if granted would affect the treasury of the State.

Most welfare decisions by federal courts have a financial impact on the States. Under the existing federal-state cooperative system, a state desiring to participate, submits a "state plan" to HEW for approval; once HEW approves the plan the State is locked into the cooperative scheme until it withdraws,[3] all as described in *King* v. *Smith*, 392 U.S. 309, 316 *et seq.* The welfare cases coming here have involved ultimately the financial responsibility of the State to beneficiaries claiming they were deprived of federal rights. *King* v. *Smith* required payment to children even though their mother was cohabitating with a man who could not pass muster as a "parent." *Rosado* v. *Wyman*, 397 U.S. 397, held that under this state-federal co-operative program, a State could not reduce its standard of need in conflict with the federal standard. It is true that *Rosado* did not involve retroactive payments as are involved here. But the distinction is not relevant or material because the result in every welfare case coming here is to increase or reduce the financial responsibility of the participating State. In one case when the responsibility of the State is increased to meet the lawful demand of the beneficiary, is there any levy on state funds. Whether the decree is prospective only or requires payments for the weeks or months wrongfully skipped over by the state officials, the nature of the impact on the state treasury is precisely the same.

We have granted relief in other welfare cases which included retroactive assistance or payments. In *State Dept.* v. *Zarate*, 407 U.S. 918, the sole issue presented to us[4] was whether the Eleventh Amendment barred a judgment against state officers for retroactive welfare assistance benefits or payments. That had been ordered by the lower court and we summarily affirmed, only Mr. Justice White voting to note probable jurisdiction.

We also summarily affirmed the judgment in *Sterrett* v. *Mother's Rights Org.*, 409 U.S. 809, where one of the two questions[5] was whether payment of benefits retroactively violated the Eleventh Amendment. In *Wyman* v. *Bowens*, 397 U.S. 4A9, we affirmed a judgment where payments were awarded in spite of the argument that the order was an incursion on the Eleventh Amendment.[6] In *Shapiro* v. *Thompson*, 394 U.S. 618, we affirmed a judgment which ordered payment of benefits wrongfully withheld;[7] and while we did not specifically refer to the point, the lower court had expressly rejected the Eleventh Amendment argument.[8]

As stated in *Gaither* v. *Sterrett*, 346 F. Supp. 1095, 1099, whose judgment we affirmed,[9] 409 U.S. 809, the court said:

"[T]his court would note that if defendants' position regarding the jurisdictional bar of the Eleventh Amendment is correct, a great number of federal district court judgments are void, and the Supreme Court has affirmed many of these void judgments."

The Seventh Circuit Court of Appeals is in line with that view; the opposed view of *Rothstein* v. *Wyman*, 467 F. 2d 226, from the Second Circuit Court of Appeals is out of harmony with the established law.

What is asked by the instant case is minor compared to the relief granted in *Griffin* v. *School Board*, 377 U.S. 218. In that case we authorized entry of an order putting an end to a segregated school system. We held, *inter alia*, "the District Court may, if necessary to prevent further racial discrimination, require the Supervisors to exercise the power that is theirs to levy taxes to raise funds adequate to reopen, operate, and maintain without racial discrimination a public school system in Prince Edward County like that operated in other counties in Virginia." *Id.*, at 233. We so held against vigorous contentions of the state officials that the Eleventh Amendment protected the State; and in reply we cited *Lincoln County* v. *Luning*, 133 U.S. 529, *and Kennecott Copper Corp.* v. *State Tax Comm'n*, 327 U.S. 573, 579, to support the proposition that "actions against a county can be maintained in United States courts in order to vindicate federally guaranteed rights." *Ibid.*

Griffin is sought to be distinguished on the ground that a "county" is not the "state" for purposes of the Eleventh Amendment. But constitutionally the county in *Griffin* was exercising state policy as are the counties here, because otherwise the claim of denial of equal protection would be of no avail.

Counties are citizens of their State for purposes of diversity of citizenship. *Bullard* v. *City of Cisco*, 290 U.S. 179; *Moor* v. *County of Alameda*, 411 U.S. 693, 718–719. And they are not States for purposes of 28 U.S.C. § 1251 (a) which gives this Court original and exclusive jurisdiction of: "(1) All controversies between two or more states. . . ." *Illinois* v. *City of Milwaukee*, 406 U.S. 91, 98. But, being citizens of their State, suits against them by another State are in our original but not exclusive jurisdiction under 28 U.S.C. § 1251 (b)(3). *Ibid.* Yet, as agencies of the State whether in carrying out educational policies or otherwise, they are the State, as *Griffin* held, for purposes of the Fourteenth Amendment. And *Griffin*, like the present case, dealt only with liability to citizens for state policy and state action.

Yet petitioner asserts that money damages may not be awarded against state offenses as such a judgment will expend itself on the state treasury. But we are unable to say that Illinois on entering the federal-state welfare program waived her immunity to suit for injunctions but did not waive her immunity for compensatory awards which remedy her willful defaults of obligations undertaken when she joined the co-operative venture.

It is said however, that the Eleventh Amendment is concerned not with immunity of States from suit but with the jurisdiction of the federal courts to entertain the suit. The Eleventh Amendment does not speak of "jurisdiction"; it withholds the "judicial power" of federal courts "to any suit in law or equity . . . against one of the United States. . . ." If that "judicial power," or "jurisdiction" if one prefers that concept, may not be exercised even in "any suit in . . . equity" then *Ex parte Young* should be overruled. But there is none eager to take the step. Where a State has consented to join a federal-state co-operative project, it is realistic to conclude that the State has agreed to assume its obligations under that legislation. There is nothing in the Eleventh Amendment to suggest a difference between suits at law and suits in equity, for it treats the two without distinction. If common sense has any role to play in constitutional adjudication, once there is a waiver for immunity it must be true that it is complete so far as effective operation of the state-federal joint welfare program is concerned.

We have not always been unanimous in concluding when a State has waived its immunity. In *Parden* v. *Terminal R. Co.*, 377 U.S. 184, where Alabama was sued by some of its citizens for injuries suffered in the interstate operation of an Alabama railroad, the State defended on the grounds of the Eleventh Amendment. The Court held that Alabama was liable as a carrier under the Federal Employees Liability Act, saying,

"Our conclusion is simply that Alabama, when it began operation of an interstate railroad approximately 20 years after enactment of the FELA, necessarily consented to such suit as was authorized by that Act," *id.*, at 192.

The Court added:

"Our conclusion that this suit may be maintained is in accord with the common sense of this Nation's federalism. A State's immunity from suit by an individual without its consent has been fully recognized by the Eleventh Amendment and by subsequent decisions of this Court. But when a State leaves the sphere that is exclusively its own and enters into activities subject to congressional regulation, it subjects itself to that regulation as fully as if it were a private person or corporation."

As the Court of Appeals in the instant case concluded, Illinois by entering into the joint federal-state welfare plan just as surely "left the sphere that is exclusively its own." 37 U.S., at 196.

It is argued that participation in the program of federal financial assistance is not sufficient to establish consent on the part of the State to be sued in federal courts. But it is not merely participation which supports a finding of Eleventh Amendment waiver, but participation in light of the existing state of the law as exhibited in such decisions as *Shapiro* v. *Thompson*, 394 U.S. 618, which affirmed judgments ordering retroactive payments. Today's holding that the Eleventh Amendment forbids court-ordered retroactive payments, as the Court recognizes, necessitates an express overruling of several of our recent decisions. But it was against the background of those decisions that Illinois continued its participation in the federal program, and it can hardly be claimed that such participation was in ignorance of the possibility of court-ordered retroactive payments. The decision to participate against that background of precedent can only be viewed as a waiver of immunity from such judgments.

I would affirm this judgment.

FOOTNOTES

[1] Effective January 1, 1974, the AABD program was replaced by a similar program. See 42 U.S.C. §§ 801–805 (1973 Supp.). The program in Illinois is administered by the Department of Public Aid. Ill. Rev. Stat. c. 23, §§ 3–1 to 3–12 (1971). The program is funded 50% by the State and 50% by the Federal Government, 42 U.S.C. §§ 303–306, 1201–1206, 1351–1355, 1381–1385.

[2] Amendment XI—The Judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any Foreign State.

As the Court, speaking through Mr. Justice Brennan, said in *Parden* v. *Terminal R. Co.*, 377 U.S. 184, 186: "Although the Eleventh Amendment is not in terms applicable here,

since petitioners are citizens of Alabama, this Court has recognized that an unconsenting State is immune from federal-court suits brought by its own citizens as well as by citizens of another State. *Hans* v. *Louisiana*, 134, U.S. 1; *Duhne* v. *New Jersey*, 251 U.S. 311; *Great Northern Life Ins. Co.* v. *Read*, 322 U.S. 47, 51; *Fitts* v. *McGhee*, 172 U.S. 516, 524. See also *Monaco* v. *Mississippi*, 292 U.S. 313."

[3] The Social Security Act states what a "state plan" must provide. At the time this suit was brought, 42 U.S.C. § 1382(a) provided: "A state plan for aid to the aged, blind, or disabled and medical assistance for the aged, must . . . .

"(5) provide (A) such methods of administration . . . as are found by the Secretary to be necessary for the proper and efficient operation of the plan . . .;

"(8) provide that all individuals wishing to make application for aid or assistance under the plan shall have opportunity to do so, and that such aid or assistance shall be furnished with reasonable promptness to all eligible individuals;

"(13) include reasonable standards, consistent with the objectives of this subchapter for determining eligibility for and the extent of aid or assistance under the plan."

Nearly identical provisions are now found at 42 U.S.C. § 802(a) (1973 Supp.)

The Secretary of HEW issued mandatory federal time standard regulations. Handbook Public Assistance Administration, Pt. IV, §§ 2200(b)(3), 2300(b)(5); 45 CFR § 206.10 (a)(3). Illinois adopted a 30-day standard for aged and blind applicants (Ill. Categ. Assistance Manual § 4004.1) as contrasted to HEW's 60-day period, § 2200, *supra*. It is that conflict which exposes the merits of the controversy.

[4] The lower court's opinion is found in 347 F. Supp. 1004.

[5] The jurisdictional statement had as its second question the following:

"Whether a federal court is precluded by the Eleventh Amendment to the United States Constitution from ordering a state agency to pay money from the state treasury and from further ordering the state agency to perform certain specified acts which would otherwise be in the discretion of the agency."

[6] The lower court's opinion is found in 304 F. Supp. 717. Retroactive payments were challenged in question 2 of the jurisdictional statement.

[7] The lower court's opinion is found in 270 F. Supp. 331.

[8] *Id.*, at 338 n. 5. The award of money damages was alleged to be a violation of the Eleventh Amendment in Part V of the jurisdictional statement.

[9] The jurisdictional statement in the Sterrett case explicitly urged that the decree below violated the Eleventh Amendment since it would expand itself in the public treasury—the second question in the jurisdictional statement.

[10] We settled in *Rosado* v. *Wyman*, 397 U.S. 397, the question whether the grant of authority under the Social Security Act to HEW to cut off federal funds for noncompliance with statutory requirements provides the exclusive procedure and remedy for violations of the Act. We said, "We are most reluctant to assume Congress has closed the avenue of effective judicial review to those individuals most directly affected by the administration of its program." *Id.*, at 420.

EDELMAN VERSUS JORDAN

Mr. Justice Marshall, with whom Mr. Justice Blackmun joins, dissenting.

The Social Security Act's categorical assistance programs, including the Aid to the Aged, Blind, and Disabled (AABD) program involved here, are fundamentally different from most federal legislation. Unlike the Fair Labor Standards Act involved in last Term's decision in *Employees* v. *Department of Public Health & Welfare*, 411 U.S. 279 (1973), or the FELA at issue in *Parden* v. *Terminal Railway*, 377 U.S. 184 (1964), the Social Security Act does not impose federal standards and liability upon all who engage in certain regulated activities, including often-unwilling state agencies. Instead, the Act seeks to induce state participation in the federal welfare programs by offering federal matching funds in exchange for the State's voluntary assumption of the Act's requirements. I find this basic distinction crucial: It leads me to conclude that by participation in the programs, the States waive whatever immunity they might otherwise have from federal court orders requiring retroactive payment of welfare benefits.[1]

In its contacts with the Social Security Act's assistance programs in recent years, the Court has frequently described the Act as a "scheme of cooperative federalism." See, *e.g.*, *King* v. *Smith*, 392 U.S. 309, 316 (1968); *Jefferson* v. *Hackney*, 40 U.S. 535, 542 (1972). While this phrase captures a number of the unique characteristics of these programs, for present purposes it serves to emphasize that the State's decision to participate in the programs is a voluntary one. In deciding to participate, however, the States necessarily give up their freedom to operate assistance programs for the needy as they see fit, and bind themselves to conform their programs to the requirements of the federal statute and regulations. As the Court explained in *King* v. *Smith*, *supra*, 392 U.S., at 316–317 (citations omitted):

"States are not required to participate in these programs, but those which desire to take advantage of the substantial federal funds available for distribution to needy children [or needy aged, blind or disabled] are required to submit an AFDC [or AABD] plan for the approval of the Secretary of Health, Education, and Welfare (HEW). The plan must conform with several requirements of the Social Security Act and with rules and regulations promulgated by HEW."

So here, Illinois has elected to participate in the AABD program, and has received and expended substantial federal funds in the years at issue. It has thereby obligated itself to comply with federal law, including the requirement of 42 U.S.C. § 1382(a)(8) (1970) that "such aid or assistance shall be furnished with reasonable promptness to all eligible individuals." In *Townsend* v. *Swank*, 404 U.S. 282, 286 (1971), we held that participating States must strictly comply with the requirement that aid be furnished "to all eligible individuals," and that the States have no power to impose additional eligibility requirements which exclude persons eligible for assistance under federal standards: Today's decision, *ante*, at 7–8 n. 8, properly emphasizes that participating States must also comply strictly with the "reasonable promptness" requirement and the more detailed regulations adding content to it.

In agreeing to comply with the requirements of the Social Security Act and HEW regulations, I believe that Illinois has also agreed to subject itself to suit in the federal courts to enforce these obligations. I recognize, of course, that the Social Security Act does not itself provide for a cause of action to enforce its obligations. As the Court points out the only sanction expressly provided in the Act for a participating State's failure to comply with federal requirements is the cut-off of federal funding by the Secretary of HEW. 42 U.S.C. § 1384 (1970).

But a cause of action is clearly provided by 42 U.S.C. § 1983 (1970), which in terms authorizes suits to redress deprivations of rights secured by the "laws" of the United States. And we have already rejected the argument that Congress intended the funding cutoff to be the sole remedy for noncompliance with federal requirements. In *Rosado* v. *Wyman*, 397, 420–423 (1970), we held that suits in federal court under § 1983 were proper to enforce the provisions of the Social Security Act against participating States. Mr. Justice Harlan, writing for the Court, examined the legislative history and found "not the slightest indication" that Congress intended to prohibit suits in federal court to enforce compliance with federal standards. *Id.*, at 422.

I believe that Congress also intended the full panoply of traditional judicial remedies to be available to the federal courts in these § 1983 suits.

There is surely no indication of any congressional intent to restrict the courts' equitable jurisdiction. Yet the Court has held that "[u]nless a statute in so many words, or by a necessary and inescapable inference, restricts the court's jurisdiction in equity, the full scope of that jurisdiction is to be recognized and applied." *Porter* v. *Warner Holding Co.*, 328 U.S. 395, (1946). "When Congress entrusts to an equity court the enforcement of prohibitions contained in a regulatory enactment, it must be taken to have acted cognizant of the historic power of equity to provide complete relief in light of the statutory purposes." *Mitchell* v. *DeMario Jewelry, Inc.*, 361 U.S. 288, 291–292 (1960).

In particular, I am firmly convinced that Congress intended the restitution of wrongfully withheld assistance payments to be a remedy available to the federal courts in these suits. Benefits under the categorical assistance programs "are a matter of statutory entitlement for persons qualified to receive them." *Goldberg* v. *Kelly*, 397 U.S. 254, 262 (1970). Retroactive payment of benefits secures for recipients this entitlement which was withheld in violation of federal law. Equally important, the courts' power to order retroactive payments is an essential remedy to insure future state compliance with federal requirements. See *Porter* v. *Wagner Holding Co.*, *supra*, 328 U.S., at 400. No other remedy can effectively deter States from the strong temptation to cut welfare budgets by circumventing the stringent requirements of federal law. The funding cutoff is a drastic sanction, one which HEW has proven unwilling or unable to employ to compel strict compliance with the Act and regulations. See *Rosado* v. *Wyman*, *supra*, 397 U.S., at 426 (DOUGLAS, J., concurring). Moreover, the cutoff operates only prospectively: It in no way deters the States from even a flagrant violation of the Act's requirements for as long as HEW does not discover the violation and threaten to take such action.

Absent any remedy which may act with retroactive effect, state welfare officials have everything to gain and nothing to lose by failing to comply with the congressional mandate that assistance be paid with reasonable promptness to all eligible individuals. This is not idle speculation without basis in practical experience. In this very case, for example, Illinois officials have knowingly violated since 1968 a federal regulation on the strength of an argument as to its invalidity which even the majority deems unworthy of discussion. *Ante*, at 7–8 n. 8. Without a retroactive payment remedy, we are indeed faced with the spectre of a state, perhaps calculatingly, defying federal law and thereby depriving welfare recipients of the financial assistance Congress thought it was giving them." *Jordan* v. *Weaver*, 472 F. 2d 985, 995 (CA7 1972). Like the Court of Appeals, I cannot believe that Congress could possibly have intended any such result.

Such indicia of congressional intent as can be gleaned from the statute confirm that Congress intended to authorize retroactive payment of assistance benefits unlawfully withheld. Availability of such payments is implicit in the "fair hearing" requirement,

Footnotes at end of article

42 U.S.C. § 1382(a)(4) (1970), which permits welfare recipients to challenge the denial of assistance. The regulations which *require* States to make corrective payments retroactively in the event of a successful fair hearing challenge, 45 CFR § 205.10(a)(18) (1974), merely confirm the obvious statutory intent. HEW regulations also authorize federal matching funds for retroactive assistance payments made pursuant to court order, 45 CFR § § 205.10 (b)(2), (b)(3) (1974). We should not lightly disregard this explicit recognition by the agency charged with administration of the statute that such a remedy was authorized by Congress. See *Griggs* v. *Duke Power Co.*, 401 U.S. 424, 433–434 (1971).

Illinois chose to participate in the AABD program with its eyes wide open. Drawn by the lure of federal funds, it voluntarily obligated itself to comply with the Social Security Act and HEW regulations, with full knowledge that Congress had authorized assistance recipients to go into federal court to enforce these obligations and to recover benefits wrongfully denied. Any doubts on this score must surely have been removed by our decisions in *Rosado* v. *Wyman*, *supra*, and *Shapiro* v. *Thompson*, 394 U.S. 618 (1969), where we affirmed a district court retroactive payment order. I cannot avoid the conclusion that, by virtue of its knowing and voluntary decision to nevertheless participate in the program, the State necessarily consented to subject itself to these suits. I have no quarrel with the Court's view that waiver of constitutional rights should not lightly be inferred. But I simply cannot believe that the State could have entered into this essentially contractual agreement with the Federal Government without recognizing that it was subjecting itself to the full scope of the § 1983 remedy provided by Congress to enforce the terms of the agreement.

Of course, § 1983 suits are nominally brought against state officers, rather than the State itself, and do not ordinarily raise Eleventh Amendment problems in view of this Court's decision in *Ex parte Young*, 209 U.S. 123 (1908). But to the extent that the relief authorized by Congress in an action under § 1983 may be open to Eleventh Amendment objections,[2] these objections are waived when the State agrees to comply with federal requirements enforceable in such an action.

I do not find persuasive the Court's reliance in this case on the fact that "congressional authorization to sue a class of defendants which literally includes States" is absent. *Ante*, at 21. While true, this fact is irrelevant here, for this is simply not a case "literally" against the State. While the Court successfully knocks down the strawman it has thus set up, it never comes to grips with the undeniable fact that Congress has "literally" authorized this suit within the terms of § 1983. Since there is every reason to believe that Congress intended the full panoply of judicial remedies to be available in § 1983 equitable actions to enforce the Social Security Act, I think the conclusion is inescapable that Congress authorized and the State consented to § 1983 actions in which the relief might otherwise be questioned on Eleventh Amendment grounds.

My conclusion that the State has waived its Eleventh Amendment objections to court ordered retroactive assistance payments is fully consistent with last Term's decision in *Employees* v. *Department of Public Health and Welfare*, 411 U.S. 279 (1973). As I emphasized in my concurring opinion, there was no voluntary action by the State in *Employees* which could reasonably be construed as evidencing its consent to suit in a federal forum.

"The State was fully engaged in the operation of the affected hospitals and schools at the time of the 1966 amendments. To suggest that the State had the choice of either ceasing operation of these vital public services or 'consenting' to federal suit suffices, I believe, to demonstrate that the State had no true choice at all and thereby that the State did not voluntarily consent to the exercise of federal jurisdiction. . . ." *Id.*, at 296.

A finding of waiver here is also consistent with the reasoning of the majority of *Employees*, which relied on a distinction between "governmental" and "proprietary" functions of state government. *Id.* at 284–285. This distinction apparently recognizes that if sovereign immunity is to be at all meaningful, the Court must be reluctant to hold a State to have waived its immunity simply by acting in its sovereign capacity—*i.e.*, by merely performing its "governmental" functions. On the other hand, in launching a profitmaking enterprise, "a State leaves the sphere that is exclusively its own," *Parden* v. *Terminal Railway*, *supra*, 377 U.S., at 196, and a voluntary waiver of sovereign immunity can more easily be found.

While conducting an assistance program for the needy is surely a "governmental" function, the State here has done far more than operate its own program in its sovereign capacity. It has voluntarily subordinated its sovereignty in this matter to that of the Federal Government, and agreed to comply with the conditions imposed by Congress upon the expenditure of federal funds. In entering this federal-state cooperative program, the State again "leaves the sphere that is exclusively its own," and similarly may more readily be found to have voluntarily waived its immunity.

Indeed, this is the lesson to be drawn from this Court's decision in *Petty* v. *Tennessee-Missouri Bridge Comm'n*, 359 U.S. 275 (1959), where the Court found that the States had waived the sovereign immunity of the Commission by joining in an interstate compact subject to the approval of Congress. The Court in *Petty* emphasized that it was "called upon to interpret not unilateral state action but the terms of a consensual agreement" between the States and Congress, *id.*, at 279, and held that the States who join such a consensual agreement, "by accepting it and acting under it assume the conditions that Congress under the Constitution attached." *Id.*, at 281–282. Although the congressional intent regarding the sue-and-be-sued clause was by no means certain, the Court held that the surrounding conditions made it clear that the States accepting it waived their sovereign immunity, *id.*, at 280, especially since this interpretation was necessary to keep the compact "a living interstate agreement which performs high functions in our federalism." *Id.*, at 279.

I find the approach in *Petty* controlling here. As even the dissent in that case recognized, *id.*, at 285 (Frankfurter, J., dissenting), Congress undoubtedly has the power to insist upon a waiver of sovereign immunity as a condition of its consent to such a federal-state agreement. Since I am satisfied that Congress has in fact done so here, at least to the extent that the federal courts may do, "complete rather than truncated justice," *Porter* v. *Warner Holding Co.*, *supra*, 328 U.S., at 398, in § 1983 actions authorized by Congress against state welfare authorities, I respectfully dissent.

FOOTNOTES

[1] In view of my conclusion on this issue, I find it unnecessary to consider whether the Court correctly treats this suit as one against the State rather than as a suit against a state officer permissible under the rationale of *Ex parte Young*, 209 U.S. 123 (1908).

[2] It should be noted that there has been no determination in this case that state action is unconstitutional under the Fourteenth Amendment. Thus, the Court necessarily does not decide whether the States' Eleventh Amendment sovereign immunity may have been limited by the later enactment of the Fourteenth Amendment to the extent that such a limitation is necessary to effectuate the purposes of that Amendment, an argument advanced by an *amicus* in this case. In view of my conclusion that any sovereign immunity which may exist has been waived, I also need not reach this issue.

EDELMAN VERSUS JORDAN

[March 25, 1974]

Mr. Justice Brennan, dissenting.

This suit is brought by Illinois citizens against Illinois officials. In that circumstance, Illinois may not invoke the Eleventh Amendment, since that Amendment bars only federal court suits against States by citizens of other States. Rather, the question is whether Illinois may avail itself of the nonconstitutional but ancient doctrine of sovereign immunity as a bar to respondents' claim for retroactive AABD payments. In my view Illinois may not assert sovereign immunity for the reason I expressed in dissent in *Employees* v. *Department of Public Health and Welfare*, 411 U.S. 279, 298, (1973) the States surrendered that immunity in Hamilton's words, "in the plan of the Convention," that formed the Union, at least insofar as the States granted Congress specifically enumerated powers. See *id.*, at 319 n. 7; *Parden* v. *Terminal Railway*, 377 U.S. 184 (1964). Congressional authority to enact the Social Security Act, of which AABD is a part, 42 U.S.C. §§ 1381–1385, is to be found in Art. I, § 8, cl. 1, one of the enumerated powers granted Congress by the States in the Constitution. I remain of the opinion that "because of its surrender, no immunity exists that can be the subject of a congressional declaration or a voluntary waiver," 411 U.S., at 300, and thus have no occasion to inquire whether or not Congress authorized an action for AABD retroactive benefits, or whether or not Illinois voluntarily waived the immunity by its continued participation in the program against the background of precedent which sustained judgment ordering retroactive payments.

I would affirm the judgment of the Court of Appeals.

S. 1856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in addition to any other requirement imposed by law as a condition of Federal financial participation in any State welfare program (as defined in subsection (c)), there is imposed expressly the requirement that the State give its consent (thereby waiving any immunity to suit conferred upon the State or State officers by Amendment XI of the Constitution or otherwise) to the exercise of the judicial power of the United States in any suit brought against the State or State officers by or on behalf of any claimant (or class of claimants) for the aid or assistance under such program or for redress for the violation of any other requirement imposed by Federal law with respect to such program.

(b) The acceptance, on or after the effective date of this Act, by a State of any Federal payment made to the State for or with respect to any State welfare program (or with respect to any expenditures incurred under such program) shall constitute, with respect to any suits brought against the State or State officers by or on behalf of claimants for aid or assistance under such program or for redress for the violation of any other requirement imposed by Federal law with respect to such program, the consent to suit described in subsection (a).

(c) The term "State welfare program" means a program which is instituted and

operated by the State for the purpose of providing to needy individuals and families aid or assistance (whether in terms of money payments, services, or other benefits), and under which individuals and families meeting the conditions for the receipt of such aid or assistance are legally entitled thereto.

(d) The provisions of this Act shall become effective on the first day of the first calendar quarter which commences more than 60 days after the date of enactment of this Act.

By Mr. BELLMON:

S. 1857. A bill to amend the Agricultural Act of 1949, as amended by the Agriculture and Consumer Protection Act of 1973, to provide for the adjustment of the so-called target prices for wheat, feed grains, and cotton on the basis of the farmers' increased cost of producing such commodities. Referred to the Committee on Agriculture and Forestry.

Mr. BELLMON. Mr. President, this bill amends the Agriculture Act of 1949, as amended by the Agriculture and Consumer Protection Act of 1973, to provide for the adjustment of target prices for wheat, feed grains, and cotton on the basis of the farmers' increased cost of producing such commodities. It would substitute a cost of production index for wheat, cotton, and feed grains for the index of prices paid by farmers for production items, interest, taxes, and wage rates in the escalator clause of the 1973 Agriculture and Consumer Protection Act.

The index now used does not reflect the increased cost of production of these commodities as I point out in my statement on the first bill I introduced today. The new indexes will reflect the actual increases in cost of production and fairly escalate target prices.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1857

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 107(c) of the Agricultural Act of 1949, as added by paragraph (8) (D) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by—

(1) striking out "in the index of prices paid by farmers for production items, interest, taxes, and wage rates" and inserting in lieu thereof "in the production costs of farmers";

(2) striking out "in such index" and inserting in lieu thereof "in the production costs of farmers"; and

(3) striking out "change in the index of prices paid by farmers" and inserting in lieu thereof "change in the production costs of farmers".

SEC. 2. Section 105(b) of the Agricultural Act of 1949, as amended by paragraph (18) (B) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by—

(1) striking out "in the index of prices paid by farmers for production items, interest, taxes, and wage rates" and inserting in lieu thereof "in the production costs of farmers";

(2) striking out "in such index" and inserting in lieu thereof "in the production costs of farmers"; and

(3) striking out "change in the index of prices paid by farmers" and inserting in lieu thereof "change in the production costs of farmers".

SEC. 3. Section 103(e)(2) of the Agricultural Act of 1949, as amended by paragraph (20)(C) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by—

(1) striking out "in the index of prices paid by farmers for production items, interest, taxes, and wage rates" and inserting in lieu thereof "in the production costs of farmers";

(2) striking out "in such index" and inserting in lieu thereof "in the production costs of farmers"; and

(3) striking out "change in the index of prices paid by farmers" and inserting in lieu thereof "change in the production costs of farmers".

By Mr. BELLMON:

S. 1858. A bill to require the Secretary of Agriculture to compute and publish periodically a cost of production index for certain agricultural commodities. Referred to the Committee on Agriculture and Forestry.

Mr. BELLMON. Mr. President, the purpose of this bill is to require the USDA to compute and publish annually a cost of production index for wheat, cotton, soybeans, corn, grain, sorghum, barley, oats, and rye. Presently, USDA's Statistical Research Service and Economic Research Service have not established procedures to determine on a regular basis the cost of production of these important agricultural commodities.

The Agriculture and Consumer Protection Act of 1973 contains a provision that will escalate target prices and loan levels for wheat, cotton, and feed grains based on changes in the index of prices paid by farmers for production items, interest, taxes, and wage rates. This index gives feed and feeder livestock a weight of .2876—29 percent—in computing the cost of production. Yet, feed and feeder livestock are not in any way related to the production of wheat, cotton, and feed grains. In addition other production inputs are given the weight that was established in 1955, which means that this index assumes that farmers are using the same quantity fertilizer as in 1955. This index does not appear to even include pesticides or herbicides which have become an important input in the production of field crops since 1955.

Mr. President, the target prices and loan levels for wheat, cotton, and feed grains for 1976, 1977, and 1978 will be computed annually to reflect changes in cost of production that occurred in the preceding year by using the index of prices paid by farmers for production items, interest, taxes, and wage rates.

This index is grossly out of date and gives substantial weight to inputs that are not even used in production. This escalator does not serve the purpose that was intended by the 93d Congress and it should be replaced by a more realistic measure of actual costs of production.

The USDA has informed me that they do not have a production index that properly reflects the cost of production of wheat, cotton, and feed grains. This bill would require the Secretary of Agriculture to compute and publish annually a cost of production index that would reflect changes in production cost of wheat, cotton, corn, grain, sorghum, soybeans, barley, oats, and rye.

Under the bill the Department of Agriculture will be given 90 days to compute the most accurate index possible with the given time restraint. Currently, SRS and ERS are updating the index used to escalate target prices and loans. They started gathering information in 1970 and will have a new index in a few more years. By the time the index is published it will again be out of date.

Mr. President, the index currently used in the 1973 Agriculture and Consumer Protection Act does not properly reflect changes in production cost for wheat, cotton, and feed grains. Accordingly there is clearly a need for the Department of Agriculture to compute and publish a cost of production index that can be used to fairly escalate target prices and loan levels.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Agriculture shall compute and publish periodically, but not less often than once each year, a cost of production index for wheat, cotton, corn, grain sorghum, soybeans, barley, oats, and rye.

(b) The first cost of production index for the commodities referred to in subsection (a) shall be published by the Secretary of Agriculture within 90 days after the date of enactment of this Act.

By Mr. HARTKE (for himself and Mr. HANSEN) (by request):

S. 1859. A bill to authorize the payment for a 1-year period of a variable allowance to assist in the recruitment and retention of certain physicians in the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes. Referred to the Committee on Veterans' Affairs.

Mr. HARTKE. Mr. President, at the request of the Veterans' Administration, I am pleased to join my distinguished colleague from Wyoming, and ranking minority member, Senator HANSEN, in introducing a bill to allow physicians in the VA hospital system a pay bonus of up to $13,500 per year.

This administrative proposal is similar to S. 1711, a more comprehensive approach to the problem of physician recruitment and retention, which I sponsored with Senator CRANSTON, chairman of the Subcommittee on Health and Hospitals of the Senate Veterans' Affairs Committee. S. 1711 seeks to provide special pay and other improvements designed to enhance the recruitment and retention of physicians, dentists, nursing personnel, and other health care personnel in the Department of Medicine and Surgery of the Veterans' Administration.

This bill which I am introducing today addresses the question of physician pay only. It authorizes the Administrator of Veterans' Affairs to enter into a written agreement with an eligible physician to pay the physician a variable allowance, not to exceed $13,500 per year for the period specified in the agreement.

The bill also calls upon the Administrator of Veterans' Affairs to submit a written report to appropriate veterans' committees of the House and Senate regarding the operation of the special pay program authorized by this bill.

The emergency situation which now exists in the VA in the form of an exodus of physicians from our veterans' hospitals has been well documented.

In testimony before committees of both the House and Senate, the story has been told of full-time physicians converting to part-time status, of growing physician vacancies unable to be filed, of foreign medical graduates rising in numbers.

The medical care in our Nation's VA hospitals is in danger of deteriorating because the VA lacks the authority to pay its doctors more than the current Federal ceiling allows.

The problem of physician recruitment and retention in our Nation's VA hospitals is clear. Several approaches to raise physicians' salaries have been proposed. But I believe that we will be able to move quickly on a solution to this most urgent problem.

Mr. President, I ask unanimous consent that the Administration's letter, the text of the bill, and analysis of the measure be inserted in the RECORD at this point.

There being no objection the material was ordered printed in the RECORD, as follows:

VETERANS' ADMINISTRATION, OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., May 29, 1975.

HON. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, "To authorize the payment for a one-year period of a variable allowance to assist in the recruitment and retention of certain physicians in the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes," with the request that it be introduced and considered for enactment.

The stated purpose of the draft bill is to assist the Department of Medicine and Surgery of the Veterans' Administration to attract and retain the services of highly qualified physicians. To accomplish that purpose, the Administrator would be authorized to pay, upon acceptance of a written agreement executed by an eligible physician employed by the Department of Medicine and Surgery, a variable allowance of up to $13,500 per annum for the period specified in the agreement. Any sum paid under this authority would be in accordance with regulations prescribed by the Administrator and approved by the President, and would be paid in such installments as prescribed in those regulations. Any amount paid to a physician would be in addition to the currently authorized basic salary, and would not be considered basic pay for purposes of Civil Service Retirement or other benefits related to basic pay.

The authority granted by this provision provides for the VA physician a pay adjustment similar to that currently available to physicians in the uniformed services. Also, the draft bill, in limiting the variable allowance to VA physicians, would be consistent with the specific limitation approved for the Department of Defense and the Department of Health, Education, and Welfare last year in Public Law 93-274, which restricted such additional pay to physicians only.

The draft bill also provides for a report by the Administrator to the Committees on Veterans' Affairs of the Senate and House of Representatives regarding the operation of the special pay program. The report would be submitted not later than April 30, 1976. Moreover, it also provides that the variable allowance authorized by section 1 would become payable July 1, 1975, and would expire on June 30, 1976. The proposed ending date for this authority is identical to the concluding date for similar benefits provided under Public Law 93-274.

It would be our intent to implement the provisions of the bill, if enacted, by granting to each eligible physician in the Department of Medicine and Surgery a basic allowance, in addition to pay otherwise authorized. In addition to the basic allowance, there would be allowances which recognize such individual factors as length of service, appointment of full-time status, appointment to positions of greater professional responsibility, and practice in selected scarce specialties. Physicians employed on a part-time or intermittent basis would be eligible to receive, on a prorated basis, most elements of the variable allowance, if an agreement is executed and accepted.

The variable allowance will be applied on a selective basis to those with responsibilities requiring the qualifications of a physician, serving both in Department of Medicine and Surgery field medical facilities and in Central Office, including the Chief Medical Director and the Deputy Chief Medical Director. This provision would exclude physicians in the director grade (hospital, center, domiciliary, and clinic directors), and would not apply to consultants and attendings, and other fee basis physicians, interns, non-career residents, and certain other categories of physicians as determined not to be appropriate by the Administrator. The variable allowance would not be granted to physicians of marginal competence or productivity.

Last year, the Chief Medical Director appointed a task force to review recruitment and retention of VA health care personnel. Such review was part of a Special Survey of Level of Quality of Patient Care at VA Hospitals and Clinics conducted by the VA at the request of the President. As the report indicated, a critical problem confronting the Department of Medicine and Surgery is the recruitment and retention of an adequate staff of well qualified personnel to provide high quality health care.

The major deterrent to successful recruitment and retention of physicians, so vital to the performance of the mission of the Department of Medicine and Surgery, rests in inadequate pay schedules which preclude competitive remuneration for their services. Better pay is readily available through the private practice of medicine, in various categories of academic medicine, and in military medicine. Increasing numbers of career VA physicians are resigning to accept other positions.

The currently imposed $36,000 per annum limitation places salary restriction on about 40 percent of the physicians now employed full-time in the Department of Medicine and Surgery. Some have been affected by this restriction for as long as five years, while, simultaneously, the cost of living has risen in excess of 33 percent. The alarming number of those under salary restriction has eroded, and will further erode, the competitive position of the Department of Medicine and Surgery in recruitment efforts and, more importantly, in retention of these key professionals.

Data regarding net income for physicians in the United States show that, in solo practice, the annual median income is about $48,000; for group practice about $66,000; strict full-time academic medicine (level comparable to VA Chief Grade 8 and above) $48,000; academic geographic full-time $58,000; and military medicine $44,000, plus fringe benefits, bringing the total to about $48,000. Comparing these income figures with the current $36,000 salary ceiling imposed on VA physicians is ample explanation for VA's difficulty in competing for their services.

The VA's non-competitive salary position is now resulting in a continuing loss of United States trained full-time physicians, and their replacement by part-time and foreign trained physicians. Over the past two years, the total number of full-time VA physicians has increased from 5,225 to 5,408, an increase of 183 (3.4 percent), while the number of foreign medical graduate, full-time physician appointments increased from 1,338 to 1,643, an increase of 305 (18.5 percent). This constitutes a decrease of 122 in the total number of U.S. graduate full-time physicians, while at the same time the total number of foreign medical graduate full-time physicians rose 305. Thirty-one percent of the total full-time physican force in the VA are foreign medical graduates, which constitutes an overall 5 percent increase in the past two years. Currently, about 33 percent of the Psychiatry, 47 percent of the Pathology, and 45 percent of the Physical Medicine Specialists in the VA are foreign medical graduates.

A recent survey shows that, for calendar year 1974, 1,209 bona fide offers of full-time employment resulted in 794 declinations (66 percent) owing to inadequate salary. The number of professional staff has increased by 34 percent (6,007 to 3,044) over the past five years. Concomitantly, the number of full-time physicians has increased only 7 percent (5,048 to 5,408), while the number of part-time physicians has increased 175 percent percent (959 to 2,632). Many career full-time physicians are reverting to part-time employment status which allows the option of outside employment. Many others, upon entry into the VA, will accept only part-time appointments so that they may earn additional income from other sources. Part-time employment often leads to management problems with split loyalties, and it also fosters conflicts for the physician where simultaneous demands for his services are made by VA needs and those of his private patients. Although part-time physicians fill a need in patient care, they cannot substitute fully for highly qualified full-time career physicians who constitute the backbone of VA medicine.

Therefore, in view of the foregoing, we request the enactment of the draft bill at the earliest possible date.

It is estimated that enactment of the draft bill would result in a cost for the one year of $63 million.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this draft bill and that enactment of the draft bill would be in accord with the program of the President.

Sincerely,

RICHARD L. ROUDEBUSH,
Administrator.

Enclosure.

S. 1859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to attract and retain the services of highly qualified physicians in the Department of Medicine and Surgery of the Veterans' Administration (hereinafter called the Department of Medicine and Surgery), and under

UMI

regulations to be prescribed by the Administrator of Veterans' Affairs (hereinafter called the Administrator) and approved by the President, and notwithstanding section 5308 of title 5, section 4107 of title 38, or any other provision of law, the Administrator may, upon acceptance of a written agreement executed by an eligible physician employed by the Department of Medicine and Surgery, pay to such physician a variable allowance, not to exceed $13,500 per annum for the period specified in such agreement. Any amount payable under such agreement may be paid in such installments as the Administrator by regulation shall prescribe.

SEC. 2. Any additional amount paid pursuant to the provisions of this Act shall not be considered as basic salary for the purposes of section 4107 of title 38, or of section 5595, chapter 81, 83, or 87 of title 5, or other benefits based on basic salary.

SEC. 3. The Administrator shall submit a written report to the Committees on Veterans' Affairs of the Senate and House of Representatives regarding the operation of the special pay program authorized by this Act. The report shall be submitted not later than April 30, 1976.

SEC. 4. The provision of this Act shall become effective on July 1, 1975, and shall expire on June 30, 1976.

ANALYSIS OF THE DRAFT BILL

The stated purpose of the draft bill is to assist the Department of Medicine and Surgery of the Veterans' Administration to attract and retain the services of highly qualified physicians. To accomplish that purpose, Section 1 of the bill authorizes the Administrator of Veterans' Affairs to pay, upon acceptance of a written agreement executed by an eligible physician employed by the DM&S, a variable allowance of up to $13,500 per annum for the period specified in the agreement. Any sum paid under this authority would be in accordance with the regulations prescribed by the Administrator and approved by the President, and would be paid in such installments as prescribed in those regulations. Any amount paid to a physician would be in addition to the currently authorized basic salary, and would not be considered basic pay for the purposes of Civil Service retirement or other benefits related to basic pay.

The new authority would provide for the VA physician similar pay to that currently available to physicians in the uniformed services. Also, in limiting the variable allowance to VA physicians, the draft bill would be consistent with the specific limitation approved for the Department of Defense and the Department of Health, Education, and Welfare last year in Public Law 93-274, which restricted such additional pay to physicians only.

It would be our intent to implement the provisions of the bill, if enacted, by granting to each eligible physician in the Department of Medicine and Surgery a basic allowance, in addition to pay otherwise authorized. In addition to the basic allowance, there would be allowances which recognize such individual factors as length of service, appointment on full-time status, appointment to positions of greater professional responsibility, and practice in selected scarce specialities. Physicians employed on a part-time or intermittent basis would be eligible to receive, on a prorated basis, most elements of the variable allowance, if an agreement is accepted.

Section 2 of the draft bill would provide that any additional pay received pursuant to this Act would not be considered as basic pay for the purposes of Civil Service retirement or other benefits related to basic pay.

Section 3 of the bill would require the Administrator to submit a written report to the Committees on Veterans' Affairs of the Senate and House of Representatives regarding the operation of the special pay program not later than April 30, 1976. This requirement would also be consistent with similar provision of Public Law 93-274.

Section 4 of the draft bill provides that the variable allowance authorized by section 1 would become payable on July 1, 1975, and would expire on June 30, 1976. The proposed ending date for this authority is identical to the concluding date for the benefits payable under Public Law 93-274, referred to above.

By Mr. LONG:

S. 1860. A bill to amend the Outer Continental Shelf Lands Act to authorize certain revenues from leases on the Outer Continental Shelf to be made available to assist coastal States to defray the impact of energy resource development and production of offshore facilities; to make available revenues for other States; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

OUTER CONTINENTAL SHELF REIMBURSEMENT ACT OF 1975

Mr. LONG. Mr. President, at the request of the Offshore Resources Committee of the National Association of Attorneys General, I am today introducing the proposed Outer Continental Shelf Reimbursement Act of 1975.

This distinguished committee of the National Association of Attorneys General is chaired by the Honorable William J. Guste, Jr., attorney general of the State of Louisiana, who along with several of his colleagues has spent a great deal of time and effort in drafting a proposal on a subject which demands early attention and action by the Congress.

Like the Association of Attorneys General, I wholeheartedly agree that there should be some significant sharing of revenues from offshore mineral production with the states whose coastal areas sustain the burdens, environmental and otherwise, of that offshore mineral production.

I wish to make it clear that I am introducing this bill as a courtesy to this distinguished organization rather than as a proposal whose detailed provisions I specifically endorse and recommend for adoption by the Congress.

Although I wholeheartedly support the bill's basic intent to share a portion of Federal revenues from the Outer Continental Shelf with the coastal States, there are a number of other bills pending in both the House and the Senate which propose to accomplish this so-called offshore revenue sharing in various ways.

My own colleague from Louisiana, Senator J. BENNETT JOHNSTON, was successful in the last Congress in obtaining Senate adoption of a provision somewhat similar to the one contained in the bill which I introduce today.

The measure of which Senator JOHNSTON's proposal was a part was not acted on by the House and, therefore, did not become law. I presume, however, that a similar provision will be considered by the Senate at some point during this session. It may be that some aspects of the proposal being made by the National Association of Attorneys General in the bill I am now introducing will have a significant impact on what the Congress does on this issue.

Other measures containing offshore revenue sharing proposals which merit serious consideration have been introduced by various Senators. Among those are S. 181 by Senator STEVENS of Alaska, S. 1186 by Senator HATHAWAY of Maine, and S. 1383 by Senator BENTSEN of Texas.

Still another major proposal on the subject pending in the House is H.R. 4920, introduced by Majority Leader O'NEILL, along with numerous cosponsors of various Atlantic Seaboard States.

One of the reasons that the National Association of Attorneys General is desirous of having this bill officially pending before the Congress is that the House of Representatives' Ad Hoc Select Committee on the Outer Continental Shelf will be holding hearings in New Orleans later this week on various issues, including offshore revenue sharing. That House committee should have the advantage of hearing testimony and considering the merits of the bill I introduced today at the association's request.

Mr. President, preceding the printing of the language of the bill itself in the RECORD, I ask unanimous consent that two additional documents be printed. The first is a brief description of Outer Continental Shelf Impact Reimbursement Act of 1975, and the second is a summary of Outer Continental Shelf Impact Reimbursement Act of 1975.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF OUTER CONTINENTAL SHELF IMPACT REIMBURSEMENT ACT OF 1975

1. The philosophy of the bill is simple: Those states which suffer an *adverse impact* as a result of oil and gas development by the Federal Government in the Outer Continental Shelf should be reimbursed for that adverse impact.

2. The bill then provides for a procedure by which the Secretary of the Interior will establish the criteria by which states can measure the dollar value of adverse impact after participation by coastal states, public hearings and review by governors.

3. And finally, the bill provides: That all rentals, royalties or sums paid to the United States in connection with leases on the Outer Continental Shelf, and not already dedicated, shall be distributed as follows:

37½% to the Coastal States Impact Assistance Trust Fund. States suffering an *adverse impact* can apply to the Secretary and receive grants to reimburse them for the cost of adverse impact.

12½% to be divided among all 50 states on the same basis as our "General Revenue Sharing" funds now divide; and

50% to be paid to the United States Treasury.

SUMMARY OF OUTER CONTINENTAL SHELF IMPACT REIMBURSEMENT ACT OF 1975

1. Bill recognizes that coastal states furnish government services to industries and people engaged in federal offshore exploration, development and production activities.

2. Bill creates a Coastal State Impact Assistance Trust Fund for distribution of monies to those states adversely affected by Outer Continental Shelf (OCS) activities; monies to be added to such states' general funds and to be used as they deem to be in their best interests; bill provides for reimbursement to coastal states which can demonstrate a net adverse budgetary impact as a result of onshore impact of offshore activities.

3. Impact is determined through an Impact Measurement Criteria plan; plan to be developed by coastal states and Secretary of Interior with provisions for public hearings and review by Governors; plan to be submitted to Congress, and deemed approved unless, within 90 days, either House passes a resolution opposing plan; whereon plan must be revised and resubmitted to Congress; upon approval of plan, states are authorized to make application for reimbursement from the Impact Trust Fund; distributions to be made on a quarterly basis.

4. Bill provides that Impact Trust Fund would be financed from OCS derived revenues in accordance with following formula: 50 per centum of all OCS revenues would be paid into the federal treasury; 37½ per centum would be paid into a separate, interest-bearing Coastal State Impact Assistance Trust Fund; and 12½ per centum would be deposited into the State and Local Government Fiscal Assistance Trust Fund for general revenue sharing purposes.

COMMENTS

(1) Bill, unlike other proposals, provides for adequate compensation to coastal states, is not dependent upon annual appropriations from Congress, and insures predictable cash flows through quarterly distributions.

(2) The 37½ per centum of OCS revenues is based upon the Mineral Leasing Act of 1920, which provides that 27½ per centum of all revenues from mining activities on federal lands in largely interior states shall be paid to those states as reimbursement for the furnishing of governmental services in support of such mining activities.

S. 1860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Outer Continental Shelf Impact Reimbursement Act of 1975."

TITLE I—FINDINGS AND PURPOSES

FINDINGS

SECTION 101. The Congress hereby finds and declares that:

(1) all States which contain public lands of the United States within their boundaries receive certain revenues produced from bonuses, royalties, and rentals of such lands in accordance with the Mineral Leasing Act of 1920 (30 U.S.C. § 191);

(2) such sharing of revenues is based on the equitable consideration that these states furnish governmental services to the industries and people engaged in the exploration, development and production of minerals from such lands and, accordingly these States are entitled to be reimbursed for such services;

(3) coastal States furnish identical governmental services to the industries and people engaged in the exploration, development and production of minerals from the seabed which adjoins coastal States but to which such States do not have title, yet these States now receive no share of the revenue produced;

(4) coastal States, in addition to providing governmental services, are subject to other burdens not financially measurable, such as the risk and actuality of oil spills, movement of population in low coastal areas where hurricane dangers are greatest, and modification of coastal ecology;

(5) basic justice requires that coastal States should share revenues from the aforesaid portion of the seabed at least on the same equitable grounds by which States with Federal lands within their boundaries now share such revenues with the Federal government; and

(6) the bonuses, royalties, and rentals of public lands can provide a practical way in which Federal revenue sharing with all States can be accomplished.

PURPOSE

The purpose of this Act is to provide States which are impacted by Outer Continental Shelf exploration, production and development of oil, gas and other minerals with equitable reimbursement for State and local government services and to assure adequate protection of the onshore social, economic, and environmental conditions in the coastal zone.

TITLE II—DEFINITIONS

SEC. 201. Section 2 of the Outer Continental Shelf Lands Act is amended by adding the following new subsections:

(e) "Coastal State" means a State of the United States in or bordering on, the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, or Long Island Sound. For the purpose of this Act, the term also includes Puerto Rico, the Virgin Islands, Guam and American Samoa, and may include any other State of the United States located within 100 miles of the Outer Continental Shelf if that State otherwise meets the definition of an impacted coastal State as provided in subsection (f) below.

(f) "Impacted Coastal State" means a State of the United States which (1) is directly connected by pipeline to a drilling platform, subsea production unit, transfer facility or other similar facilities; (2) is receiving crude oil for refining or transshipment which was extracted by means of surface vessels; (3) provides direct support of offshore oil, gas and other mineral development in increased government services; (4) will be required to provide facilities as described in subsections (1), (2), and (3) above in connection with new development on the Outer Continental Shelf; or (5) can otherwise show that there is an impact on government operations, social or economic conditions, or the coastal zone, marine environment, or coastal environment resulting from the exploration, development and production of oil, gas and other minerals anywhere on the Outer Continental Shelf.

TITLE III—EQUITABLE ALLOCATION AND DISTRIBUTION OF OUTER CONTINENTAL SHELF RESOURCES AS COMPENSATION FOR NET ADVERSE BUDGETARY IMPACT OF OFF-SHORE DEVELOPMENT

NATIONAL POLICY FOR OUTER CONTINENTAL SHELF

SEC. 202. Section 3 of the Outer Continental Shelf Lands Act is revised by adding the following new subsection (c):

(c) It is hereby recognized that exploration, production and development of the oil, gas and other mineral resources of the Outer Continental Shelf will have significant impact on State coastal zone areas with concomitant costs and risks to State and local governments for the furnishing of governmental services to the industries and people engaged in the exploration, development and production of oil, gas and other minerals on the Outer Continental Shelf, for which no compensation or reimbursement is now provided.

SEC. 203. Section 9 of the Outer Continental Shelf Lands Act is hereby amended to read as follows:

"SEC. 9. DISPOSITION OF REVENUES.—(a) All rentals, royalties, or other sums paid to the Secretary or the Secretary of the Navy under any lease on the Outer Continental Shelf, for the period beginning June 5, 1950, and ending the day preceding the date of the enactment of the Outer Continental Shelf Impact Reimbursement Act of 1975, shall be deposited in the Treasury of the United States and credited to miscellaneous receipts.

(b) All rentals, royalties, or other sums paid to the Secretary or the Secretary of the Navy under or in connection with any lease on the Outer Continental Shelf for the period beginning with the date of enactment of the Outer Continental Shelf Impact Reimbursement Act of 1975, other than any amounts credited to the Land and Water Conservation Fund Act of 1965, as amended [16 U.S.C. § 460 1-5(c)(2)], shall be deposited in the Treasury of the United States and disbursed as follows:

(1) 37½ per centum shall be paid into the Coastal State Impact Assistance Trust Fund for distribution to those States affected by Outer Continental Shelf exploration, development and production activities, to be added to their general funds and to be used as they deem to be in their best interests, except that for the purposes of this clause the revenues attributed to any State be limited in any fiscal year to the net adverse budgetary impact of such exploration, development and production activities as defined and determined herein; and

(2) 12½ per centum shall be deposited in the State and Local Government Fiscal Assistance Trust Fund, established pursuant to § 105 of the State and Local Fiscal Assistance Act of 1972, and shall be allocated and paid to State and local governments for each fiscal year in the same manner and proportions as the total amount appropriated and paid for such year pursuant to such Act; to the extent applicable all provisions of the State and Local Fiscal Assistance Act of 1972 shall apply to paymenta made pursuant to this subsection.

(3) 50 per centum shall be deposited in the Treasury of the United States and credited to miscellaneous receipts.

(c) Any moneys paid to the Secretary or the Secretary of the Navy under, or in connection with, a lease, but held in escrow pending the determination of a controversy as to whether the lands on account of which such moneys are paid constitute part of the Outer Continental Shelf shall, to the extent that such lands are ultimately determined to constitute said part of the Outer Continental Shelf, be distributed—

(1) in accordance with subsection (a) if paid before the date of the Outer Continental Shelf Impact Reimbursement Act of 1975, and

(2) in accordance with subsection (b) if paid on or after the date of the Outer Continental Shelf Impact Reimbursement Act of 1975.

SEC. 204. The Outer Continental Shelf Lands Act is amended by adding the following new sections:

SEC. 18. COASTAL STATE IMPACT ASSISTANCE TRUST FUND.—(a) There is hereby established as a separate, interest-bearing fund the Coastal State Impact Assistance Trust Fund (hereinafter referred to as the Impact Trust Fund). The Impact Trust Fund shall remain available without fiscal year limitation and shall consist of such amounts deposited in it in accordance with section 9(b)(1) of this Act and the interest accruing thereon. The Secretary shall manage and make reimbursement allocations from the fund according to the criteria and regulations established pursuant to provisions of this Act to the coastal States impacted by anticipated or actual oil, gas and other mineral production on the Outer Continental Shelf.

SEC. 19. DEVELOPMENT OF COASTAL STATE IMPACT MEASUREMENT CRITERIA PLAN.—(a)(1) Within 180 days following the enactment of this Act, the Secretary shall transmit a Coastal State Impact Measurement Criteria Plan to Congress. The plan shall be deemed approved and the Secretary shall be authorized to proceed with distribution of moneys authorized under this Act unless, between the date of transmittal and the end of ninety days, either House passes a resolution stating in substance that the House does not favor the Coastal State Impact Measurement Criteria Plan and setting out

UMI

the reasons for its disapproval, in which case, the Secretary, after review of Congressional reasons for disapproval, shall consult with the coastal States and resubmit to Congress within 30 days a revised Coastal State Impact Measurement Criteria Plan, whereupon the procedure set forth in this subsection shall again be followed.

(2) For the purpose of subsection (a)(1) of this section of the Act:

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the ninety-day period.

(b)(1) The Coastal State Impact Measurement Criteria Plan required by subsection (a) of this section shall set forth the objective criteria by which probable revenues and costs to State and local governments resulting from Outer Continental Shelf exploration, development and production activities on Federal lands can be determined and moneys distributed on a net adverse budgetary impact basis as authorized in section 9 of this Act, which criteria shall include, but not be limited to, consideration of probable revenue benefits accruing to State and local governments; assessment of the need for offshore and onshore facilities and services that may be required of State and local governments to support offshore operations; exceptional, unique, or unusual conditions of offshore operations which may require special treatment or precautions to protect the environment; and the overall impact on the economic, social, and institutional structure of the affected coastal States.

(2) The process for development of the criteria for impact measurement shall, at a minimum, provide for consideration of the following factors:

(A) Present acreage leased and proposed to be leased;

(B) Volume and/or projected volume of production of oil, gas, and other minerals from the Outer Continental Shelf brought into the impacted coastal State;

(C) Existing energy facilities and proposals for future energy facility siting on the Outer Continental Shelf;

(D) Nature and extent of coast;

(E) Probability of adverse environmental effect of Outer Continental Shelf development on the coastal and estuarine areas;

(F) Probability and frequency of natural disasters;

(G) Adequacy of existing pollution cleanup and containment syatems, coastal erosion, control systems, and coastal management programs and projected need to provide these services;

(H) Population projections for development and production period;

(I) Projections of change in population due to onshore support facilities and services;

(J) Adequacy of existing public facilities and services such as schools, fire protection and police protection as compared to population projections;

(K) Taxes foregone by State and local government as a result of Outer Continental Shelf activities otherwise taxable.

(L) Use of existing expertise, studies and reports indicating adverse budgetary and environmental impacts of Outer Continental Shelf development;

(M) Benefits derived by the impacted coastal states—as a result of Outer Continental Shelf development including employment opportunities for citizens, energy development, related industrial growth, and growth of other industries due to Outer Continental Shelf activities.

(c) All Federal departments or agencies are authorized and directed to provide the Secretary with any information or data that may be deemed necessary to assist the Secretary in developing the Coastal State Impact Measurement Criteria Plan. In addition, the Secretary is authorized and directed to solicit the advice and assistance of the coastal states in developing and transmitting to Congress the plan required by this Act.

(d) Within sixty days after enactment of this Act the Secretary shall make available to the public proposals for the Coastal State Impact Measurement Criteria Plan. Within ninety days, the Secretary shall commence at least eight coastal regional public hearings on the plan proposed to be submitted to Congress. Within one hundred and twenty days, the Secretary shall submit to the Governors of coastal States, for review and comment within thirty days, the plan proposed to be submitted to Congress.

(e) Within thirty days after the Coastal State Impact Measurement Criteria Plan is deemed approved as provided in subsection (a)(1) of this section, the Secretary is authorized and directed to receive State applications for reimbursement and, upon review and certification of each such application, which review period shall not exceed thirty days, shall pay to the applying State those net adverse budgetary impact sums shown by such State to be attributable to Outer Continental Shelf development activities on Federal lands.

(f) The Secretary shall make quarterly distributions to each impacted coastal State from the Impact Trust Fund on the basis of such applications as may be filed by the States.

(g) If the Impact Trust Fund amount is less than the total of the States' impact reimbursement claims, the Secretary shall authorize payment of that percentage of the impact reimbursement claims on a pro rata basis to the extent that Impact Trust Funds are available; provided that reduced payment of impact reimbursement claims shall not prejudice the rights of applying States to the full amount of such claims when moneys become available; and provided further that where reduced payments have been made the Secretary is directed to make full payment without further application by each State when sufficient moneys have been accumulated in the Impact Trust Fund.

(h) In the event that all revenues and interest in the Impact Trust Fund are not entirely distributed as a consequence of any quarterly payment made pursuant to subsection (f), the Secretary shall keep the remaining moneys in trust to provide for future claims on the fund; in no event shall the remainder be deposited in the Treasury of the United States and credited to miscellaneous receipts.

(i) The Secretary shall see to it that an annual audit of the Impact Trust Fund is made in cooperation with the General Accounting Office. He shall publish an annual report on the status of the Impact Trust Fund including interest accrued, distributions made and any other relevant facts which may assist impacted coastal States in preparing impact reimbursement applications, copies of which report shall be provided to the Congress and the Governors of such States. This report also shall be made available to State and Federal agencies, corporations and other business organizations engaged in energy resource development and production, and interested citizens and citizens' groups.

SEC. 20. RESERVATION OF CLAIMS.—(a) Nothing contained in this Act or in the amendments made by this Act shall be construed to alter, limit, or modify in any manner any right, claim, or interest of any state in any funds received before the date of enactment of this Act and held in escrow pending the determination of any controversy as to whether the submerged lands on account of which such funds are received constitute a part of the Outer Continental Shelf.

(b) Nothing contained in this Act or in the amendments made by this Act shall be construed to alter, limit or modify any claim of any state to any right, title, or interest in, or jurisdiction over, any submerged lands.

By Mr. BENTSEN (for himself and Mr. JAVITS):

S. 1862. A bill to amend the Federal Financing Bank Act of 1973 to provide funds to general units of local government in financial distress. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BENTSEN. Mr. President, today I am introducing the Emergency Municipal Assistance Act of 1975, a bill which I believe will buy time for some of our hard pressed city governments to work out their financial survival. This legislation will allow the Federal Government, specifically the Federal Financing Bank, to purchase the short-term municipal notes of the most financially strained municipalities. In essence, the Federal Government, by purchasing municipal notes, will be making short-term loans to those cities that the recession has temporarily excluded from the credit markets.

It is certainly no great pleasure to stand here today and propose that the Federal Government purchase city government short-term notes. All of us would undoubtedly prefer to see these notes purchased by banks, pension funds, casualty funds, or individual investors who traditionally invest in the tax exempt market. Certainly, for most cities the tax exempt market will continue to be highly effective and will remain as their most advantageous source of funds. However, we must recognize that the institutional market has failed to meet the needs of a small number of cities that are experiencing the most severe recession-related fiscal problems. In these few cases, expenditures have soared and revenues have declined, often precipitating a devastating financial crisis in their operating budgets. Typically, this fiscal crisis is accompanied by a downgrading, or even loss, of the city's credit rating. Once this occurs, the city has lost a source of funding which is essential to the maintenance of reasonable levels of services.

New York City is, of course, the most publicized example of this problem and also the furthest advanced. But New York City is certainly not alone. Other cities, both large and small, are in serious danger of losing their credit rating, a loss which would immediately mire them in a financial crisis similar to that faced by New York City today. A recent speech by Brenton W. Harries, president of Standard and Poor's Corp., corroborated the severity and national scope of the problem when he pointed out that at least eight cities were in danger of having their credit ratings suspended. The crisis in New York City may be the first manifestation of this problem, but clearly it is not the only one.

Nevertheless, many will argue that there is no reason to involve the Federal Government in the financial problems of local or State governments. They would suggest that these crises are local problems requiring local solutions and that the crisis is a result of gross fiscal mismanagement. These arguments have a certain degree of attractiveness because they absolve the Federal Government of any responsibility and point to inaction as the logical and correct solution. In my opinion, however, these arguments are shortsighted, ignoring real and essential Federal purposes that can be accomplished through temporary Federal Government assistance. They also fail to take into account consequences of inaction which cannot be overlooked.

First, it must be pointed out that the financial problems experienced by these local governments are in part a result of a recession which has victimized city governments but is not caused by them. A recent Joint Economic Committee survey of State and local government clearly demonstrated the devastating impact of recession on the financial health of these governments. High unemployment was consistently a harbinger for a budgetary crisis, with high unemployment cities—unemployment rates above the National average—continually suffering fiscal problems five to seven times more severe—as a percentage of their respective budgets—than the jurisdictions with unemployment rates below the national average. In essence, those cities that, for one reason or another, bear a disproportionate share of the national unemployment, also are confronted with disproportionate and often devastating fiscal problems. The Federal Government's policies have precipitated high unemployment, so the Federal Government must bear some responsibility for the consequences. Clearly there must be a limit on how far the Federal Government can pass the buck of responsibility for economic stability, and that limit should be before cities are forced into bankruptcy.

Second, we should not overlook the potentially damaging impact of a major municipal bankruptcy on the finances of all city governments. While our bond markets are certainly resilient, we are kidding ourselves if we believe that they could withstand a significant bankruptcy without dilatory effects. Every city would be forced to pay a slight premium for the perceived and real increase in risk, but the more serious impact would be on those governments whose securities already have marginal ratings. A new skepticism about the finances of these cities would result, probably leading to further rating suspensions and consequently further bankruptcies.

Finally, we cannot ignore the impact that draconian budget measures will have on an already intolerable unemployment situation. I would be one of the first to agree that belt tightening is a positive development in a recession, but to force mammoth layoffs in the depths of the worst recession since World War II is a classic case of throwing the baby out with the bath water. In my opinion, we simply cannot ignore the extent to which draconian budget cuts will exacerbate both the human and economic costs of recession.

The legislation that I am introducing today provides a reasonable mechanism for averting the serious consequences that will accompany major municipal defaults or bankruptcies.

The bill authorizes the Federal Financing Bank—FFB—to purchase up to $3 billion worth of 2-year municipal securities. The interest rate that the city would pay on the note would be sufficient to cover all of the borrowing and servicing costs to the FFB. Only cities that had failed in a bona fide attempt to market their securities would be eligible for the Federal loans. In addition, each city that availed itself of the program would have to submit a comprehensive plan of fiscal and budgetary controls which would satisfy the Secretary of Housing and Urban Development that all obligations would be fully retired within 2 years. Finally, these notes could be used only for operating purposes and not for capital expenditures. The solution has, in my opinion, several attractive features.

First, it is a temporary solution to a short-term problem. It is not a substitute for normal revenue collections, nor will it put the Federal Government in the business of financing long-term capital expenditures by city governments. It will not affect existing activities in the tax-exempt market, but rather temporarily supplement the tax-exempt market in those few cases where the market cannot meet the financing needs.

Second, the program is very carefully targeted to assist only the most financially strained municipalities. It requires that the city fail in a bona fide attempt to obtain private financing, thus limiting the program essentially to those cities that have lost their credit ratings. Further, the interest cost on these notes will be above all but the most distressed bids in the tax-exempt market, screening out all cities that can obtain reasonable private financing.

Third, the requirement for a reasonable plan for retiring the notes develops a partnership in which the city and Federal Government are working together to solve the recession-induced fiscal problems. This plan prevents the Federal Government, private banks, or any other lender from essentially taking over the management of the city. Development of the plan and control over finances is left to the city. On the other hand, the plan insures that the Federal Government will not be caught holding the bag of bad debts that no one else would reasonably purchase. In other words, this mechanism preserves local autonomy in fiscal affairs, but also requires responsible and prudent management to insure repayment.

Fourth, this legislation can be quickly implemented, thus dealing with immediate crises that require immediate solutions. The mechanism—the FFB—is already in place, so no exhaustive criteria and regulations need be developed.

Finally, this legislation will have a very positive impact on other issues in the tax-exempt market. It will slightly reduce the size of the tax-exempt market, thus improving the bids for bonds and notes that remain. More important, however, it will temporarily remove from the tax-exempt market those securities which are creating the greatest uncertainties in the market and thus the greatest skepticism about tax-exempt securities.

Mr. President, the legislation that I introduce today is a reasonable and modest proposal to deal with a problem that we simply cannot afford to ignore. I urge all my colleagues to give this legislation careful consideration so that we may act before it is too late. I ask unanimous consent to include at this point in the RECORD the text of the Emergency Municipal Assistance Act of 1975.

S. 1862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 3 of the Federal Financing Bank Act of 1973 is amended by adding at the end thereof the following:

"(5) The term 'unit of local government' means a county, municipality, city, town, township, or other unit of general local government."

SEC. 2. Section 6 of the Federal Financing Bank Act of 1973 is amended by adding at the end thereof the following:

"(d) In addition, the Bank shall purchase general obligation bonds which are issued by a unit of local government if—

"(1) the maturity of such obligations does not exceed two years;

"(2) the unit of local government issuing such obligations for purchase by the Bank provides such assurances as the Secretary of Housing and Urban Development deems necessary that such unit of local government has made a bona fide attempt, without success, to obtain such funds at reasonable terms from private sources, State sources, or general offerings to the public;

"(3) the unit of local government has submitted to the Secretary of Housing and Urban Development a comprehensive plan of fiscal and budgetary expenditures and controls to achieve a balanced budget and which will, to the satisfaction of the Secretary, permit the full retirement of any such obligation within 2 years; and

"(4) the proceeds of any issue of obligations purchased under this subsection will not be utilized for construction or for any purpose other than the satisfaction of liabilities already incurred.

The aggregate amount of obligations purchased under this subsection may not exceed $3,000,000,000."

By Mr. BEALL (for himself and Mr. PELL):

S. 1863. A bill to consolidate existing authorities under the Vocational Education Act of 1963 in order to create a more efficient mechanism for Federal assistance to States for vocational education. Referred to the Committee on Labor and Public Welfare.

Mr. BEALL. Mr. President, on behalf of Senator PELL and myself, I introduce the administration's vocational education proposal.

On March 4, 1975, I joined Senator PELL in introducing five bills, S. 939 through S. 943. These measures represent the legislative proposals of the American Association of Community and Junior Colleges, the American Personnel and Guidance Associations, the American Vocational Asssociation, and the National Association of State Universities and Land-Grant Colleges. In addition, we introduced a measure which extended the existing law, unchanged, through 1980.

I share the reservations expressed by Mr. QUIE in his April 22 House floor remarks upon introducing the administration's bill, regarding the authorization levels. Certainly vocational education is a high priority subject in the education area and, indeed, is becoming more so. Aside from the authorization levels, the administration's bill contains some worthwhile suggestions. This proposal, along with previously introduced bills, will provide the Congress with the opportunity to combine the best features of the various proposals in order to strengthen and improve the quality and availability of vocational education in this Nation.

I ask unanimous consent that a summary of the administration's "Vocational Education Act of 1975" be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

[From the Congressional Record, Apr. 22, 1975]

SUMMARY OF THE VOCATIONAL EDUCATION ACT OF 1975

TITLE I—GENERAL PROVISIONS

Section 101 of the bill would state the purpose of the Act as being to provide a variety of vocational education programs and services designed to provide that anyone, regardless of educational attainment, may prepare for employment or enhance occupational proficiencies.

Section 102 of the bill would authorize the appropriation of a total of $523,000,000 to carry out the Act for the fiscal year ending June 30, 1976, and for each of the four succeeding fiscal years.

Section 103 requires each State which desires to participate in the programs provided by this Act to designate a single State agency ("State board") responsible for the administration of such programs. The State board may delegate to any other State agency any of its functions under this Act except those of developing policy and developing and submitting required annual and long-range plans. The State board would be required to adopt appeal and hearing procedures for use in the event that local educational agencies or other institutions are dissatisfied with any action of the State board.

Section 104 would retain the current part B formula for the allotment of funds among the States. That allotment would apply to all funds appropriated for basic programs under title III and 50 percent of the funds appropriated for innovative programs under title IV. (The remaining 50 percent of title IV funds would be for the Commissioner's discretionary projects under section 404.)

Section 105 would continue in existence the Presidentially-appointed National Advisory Council for Vocational Education. The bill would specify ten interest areas which must be represented among the 21 members of the Council. The functions of the Council would include advising the Commissioner of Education with regard to the development of regulations, assisting in the assessment of national vocational education needs, evaluating the effectiveness of Federally-assisted vocational education programs, and making recommendations for the improvement of such programs.

Section 106 would require each participating State to establish a State Advisory Council for Vocational Education appointed by the Governor or an elected State school board. The section would specify 18 interest areas which would be required to be represented on the State Council. The functions of the State Council would include advising the State board on the development of annual and long-range plans and evaluating vocational education activities in the State which are assisted under the Act. The Commissioner would be authorized to pay to each State Council out of the annual appropriations for the Act, an amount not to exceed the reasonable amount expended by the Council in carrying out its functions. Such amount could not exceed one percent of the State's allotment under section 104, but no State would receive more than $150,000 or less than $50,000.

Section 107 would prohibit the use of any payments under the Act for religious worship or instruction or for support of so much of any facility as will be used for sectarian instruction or religious worship. The section would also prohibit residential vocational education schools supported under the Act from being used to incarcerate delinquent juveniles.

Section 108 would provide definitions for the numerous terms used in the bill.

Section 109 provides that the effective date of this Act would be July 1, 1975; and the Vocational Education Act of 1963, the Vocational Education Amendments of 1968, and part F of the Education Professions Development Act (relating to training programs for vocational education personnel) would be repealed as of that date. Any fiscal year 1975 funds carried over into fiscal year 1976 would be required to be expended in that year pursuant to the provisions of this Act.

TITLE II—PROGRAM PLANNING

Section 201 would require the Commissioner to conduct and publish in the Federal Register an annual assessment of the status of vocational education in the country in order to determine critical national needs and high national priorities for vocational education. The Secretary of Labor would provide information on manpower needs to the Commissioner, State officials, and advisory councils charged with responsibilities under the Act.

Section 202 would require each State to prepare a five-year forward plan for vocational education in the State. Such plan would have to (1) be prepared in consultation with the State Advisory Council and other appropriate State planning agencies, (2) provide a long-range assessment of vocational education needs in the State and establish long-range objectives to meet those needs, (3) take into consideration the requirements of persons with special needs for vocational education, and (4) provide for the involvement of other appropriate public and private agencies, organizations, and institutions in the development of the plan. The first forward plan would be required to be submitted to the Commissioner not later than June 30, 1976, and would be updated as necessary.

Section 203(a) requires each State to submit to the Commissioner an annual program plan for vocational education. Such plan would be submitted in accordance with procedures set forth in section 434(b) of the General Education Provisions Act (relating to the simplified State application for State-administered programs), if applicable. Subsection (b) would require the Commissioner to approve the annual program plan for any State if he determines that the plan—

(1) has been prepared in consultation with the State Advisory Council and other appropriate organizations;

(2) has been submitted only after it is made reasonably available to the public and opportunity has been provided for a public hearing on the plan;

(3) describes the present and projected vocational education needs of the State and sets forth a program designed to meet those needs;

(4) indicates how the annual program plan relates to the national needs determined by the Commissioner and how it will carry out the objectives set forth in the State's long-range plan;

(5) sets forth a detailed plan for use of funds provided under the Act, including a description of all innovative projects and activities to be carried out under title IV;

(6) provides an assessment of State and local resources available to meet the vocational education needs of the State and indicates how those resources will be used to carry out the annual program plan;

(7) provides an assurance that not less than 25 percent of (A) the State's allocation under title III, (B) the State's allocation under title IV, and (C) the State's required non-Federal contribution under title III will be used to provide vocational education opportunities to persons with special needs;

(8) details the policies and procedures to be followed by the State in allocating funds under the Act to local educational agencies in the State with due consideration being given to (A) current and projected manpower needs, (B) needs of various population groups in the State, particularly those with special needs, (C) the financial ability of various local educational agencies and (D) costs of vocational education activities in various areas of the State;

(9) takes into consideration the State's comprehensive manpower plan developed under the Comprehensive Employment and Training Act of 1973; and

(10) provides an aggrieved local educational agency with notice and opportunity for a hearing before disapproving its annual program plan or before terminating assistance to the States for failure to comply with its approved plan. Judicial review by the appropriate United States court of appeals would be authorized. Subsection (d) of section 203 would authorize a local education agency to obtain judicial review of any final action by the State board in the appropriate United States court of appeals.

Section 204 would authorize the use of funds made available to a State under title III for planning activities by the State.

TITLE III—VOCATIONAL EDUCATION PROGRAMS AND SERVICES

Section 301 would authorize the Commissioner to make grants to States to assist them in establishing and carrying out vocational education programs and services designed to provide individuals in all communities in the State with high quality vocational education. This Federal share of the cost of such programs and services would be 40 percent.

Section 302 would authorize the use of grants for the following programs:

(1) vocational-technical programs of instruction, including those related to homemaking and home economics occupations, designed (A) to prepare students for immediate employment, (B) to prepare students for advanced occupational, vocational, or technical programs, (C) to provide additional occupational proficiencies for those who have left school, (D) to enable those who have entered the labor market to enhance their occupational proficiencies or to improve their advancement opportunities, (E) to provide skills to the unemployed, and (F) to provide bilingual vocational education.

(2) work experience programs including cooperative instructional programs and placement and related activities;

(3) vocational education personnel development and training, including programs designed to update the competencies of vocational education personnel, in-service training programs, and curriculum development programs; and

(4) programs to implement innovative activities developed and successfully demonstrated under title IV.

Section 303 would authorize grants to a State under title III to be used for the following vocational education services related to the programs authorized under that title:

(1) vocational guidance and counseling;

(2) the provision of vocational education opportunities for individuals in private vocational training institutions;

(3) supporting area vocational technical schools and residential facilities;

(4) administration of vocational education programs;

(5) data acquisition, analysis, and dissemination;

(6) exchange of personnel;

(7) use of diversified media and other techniques of student, parent, and citizen involvement in vocational education;

(8) operation by schools of business activities in connection with vocational education programs;

(9) placement and follow-up activities;

(10) maintenance and operation of industrial arts courses related to the purposes of the Act; and

(11) work-study programs.

TITLE IV—GRANTS FOR RESEARCH INNOVATION AND DEMONSTRATION

Section 401 sets forth the purpose of this title, which is to authorize grants to States to encourage research into problems relating to vocational education, development of innovative vocational education activities, and the demonstration of promising new vocational education activities.

Section 402 authorizes the Commissioner to make grants to States out of the amount allotted to each State for the purposes of this title. Grants under title IV could be used to pay up to 100 percent of the cost of carrying out innovative projects and activities.

Section 403(a) sets forth the types of activities to be carried out under title IV, including (1) research in vocational education; (2) experimental, developmental, and pilot programs designed to test the activities of research findings; (3) demonstration and dissemination of innovative projects; (4) development of new vocational education curricula; (5) establishment of cooperative arrangements for training and retraining vocational education personnel; and (6) evaluation of projects funded under this title.

Section 408(b) sets forth the priorities for which title IV funds must be used. Projects assisted under this title must be directed toward one or more of the long-range vocational education needs identified in the State's forward plan, and (1) one or more of the critical national needs identified by the Commissioner in his annual assessment of vocational education needs, or (2) one or more of the following legislated priorities:

(A) vocational education programs for urban centers;

(B) rural manpower development;

(C) guidance and placement centers;

(D) programs for persons with special needs;

(E) correction of sex-role stereotyping;

(F) programs directed at the needs of unemployed youth and adults;

(G) improving the correlation between labor supply and demand; and

(H) bilingual vocational education programs.

Section 403(c) would provide that title IV funds would be used only to support the initial three years of a project or activity and that the annual program plan must indicate the disposition of a project before funding can be approved for the terminal year.

Section 403(d) would prohibit the use of title IV funds for construction or administration by the State board.

Section 403(e) would require title IV projects to include an evaluation component.

Section 403(f) would authorize the use of title IV funds for short-term training necessary to implement a project.

Section 404 would provide the Commissioner authority to make special grants (without regard to State allocations) for projects of national significance which hold promise of making a substantial contribution to meeting either one of the critical national needs identified by the Commmissioner or one or more of the legislated goals set forth in section 403(b)(2). The Federal share of the cost of such projects would be established by the Commissioner in accordance with a schedule of priorities published not later than July 1 of each year. Such share could range from 75 to 100 percent of the cost of any project or activity in its first year and 50 to 100 percent of such costs in the second and third year. Any application for a grant under this section would be required to be submitted to the appropriate State board for their review and comment, but not approval.

By Mr. NELSON (for himself, Mr. JACKSON, Mr. HASKELL, and Mr. GLENN):

S. 1864. A bill to establish a National Energy Information Administration and a National Energy Information System, to authorize the Department of the Interior to undertake a survey of U.S. energy resources on the public lands and elsewhere, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

ENERGY INFORMATION ACT

Mr. NELSON. Mr. President, Senators JACKSON, HASKELL, and GLENN have joined as cosponsors of the Energy Information Act.

This bill would establish a National Energy Information System. That system will be designed—

First, to coordinate and analyze energy data now widely dispersed in public agencies and private hands;

Second, to obtain corporate energy information that is now secret and provide for a fair balancing of the public interest in disclosure and the proprietary interest in confidentiality of such data;

Third, to obtain regular and systematic surveys of all our national energy resources and forecast energy supply and demand for periods from 1 to 20 years in the future;

Fourth, to work toward standardization of our energy accounts and accounting; and

Fifth, to cut down and ultimately cut out duplicate reporting by business concerns of data on energy.

The worldwide energy crisis in which we now find ourselves has many painful aspects, but of all of them, the most painful is that it need not have occurred.

Wise decisions and bold actions by American and other world policymakers some 20 years ago could have averted last year's energy shortages, this year's energy inflation, and the probability that shortages and inflation in the energy sector will cloud the rest of this century.

But such decisions were not made and such actions were not taken. One main reason is that there was no mechanism to bring forcibly, credibly, persuasively to the attention of policymakers and the public essential facts about the national and global energy situation.

The purpose of the bill introduced today is to create a mechanism that will do that job in the future.

This measure will establish an independent National Energy Information Administration—NEIA—as a permanent agency of the Federal Government.

The NEIA's task will be to create and operate a national energy information system. That system will be designed to work toward final solution of the informational problems that are in large part responsible for our failure to recognize and act on the approaching energy crisis until it was too late.

WARNINGS IGNORED

If we had paid the kind of serious attention to energy resources that this bill proposes 15 or 20 years ago, the energy crunch would be manageable without the major disruptions of the economy we are now experiencing.

There were warnings a quarter of a century ago from conservationists and resources experts of what was coming. But the warnings were ignored.

Unfortunately, there was no system, such as the one this bill proposes, to focus public and leadership attention on our increasingly voracious appetite for oil and gas until the tank began to run dry.

For the past 20 years we have been driving blindly down the road into the present energy crunch because there was no formalized mechanism by which this issue could be forcefully thrust to the attention of the President, the Congress, the press, and the public.

Our economic and social institutions are threatened today by shortages that resource experts were predicting 20 years ago and longer.

Twenty years ago, as even today, there was no single Federal agency charged with the responsibility to collect all the information that was publicly available about our energy supply and demand, collate, compare, and analyze it; to make the data easily accessible to the public and to policymakers and to forcefully sound the alarm when the comparisons and analyses showed that there was cause for alarm.

Twenty years ago the country was not taking the trouble to make regular surveys of its own energy resources. We literally did not know our own energy strength.

Twenty years ago this country was permitting giant multinational corporations to hoard, as private monopolized intellectual property, information they possessed which, if publicly available, would have helped Congress to predict and prevent current energy shortages and inflation.

Twenty years ago that was the situation. Unfortunately, the situation is changed very little today.

Enactment of this bill would bring about the needed change.

This proposed legislation is the latest version of the Energy Information Act. Under its 93d Congress number—S. 2782—the bill was first introduced on December 6, 1973, was the subject of 4 days of public hearings in February 1974, and progressed through five revised drafts in the markup process of the Committee on Interior and Insular Affairs. The meas-

ure introduced today is substantially identical to the last of those draft revisions, the Interior Committee print of S. 2782 dated July 22, 1974.

Overdue as it is, essential as it is, a national energy information system must be recognized as responsive to only part of a larger need. Sooner or later there must be created a national resources and materials information system with the responsibility for monitoring and evaluating the status of all vital resources. Earlier this year I introduced S. 1410, the National Resources and Materials Information Act, which would serve that larger purpose. It is now pending, concurrently, in the Committee on Commerce and the Committee on Banking, Housing and Urban Affairs.

However, it may be desirable—indeed it may be necessary—to set up a pilot program of improved monitoring and analysis and forecasting in the energy sector as a prelude to improved monitoring and analysis and forecasting in other resources and materials sectors.

Mr. President, the Senator from Washington (Mr. JACKSON) has prepared a more detailed statement on the Energy Information Act, which he will present at this time. I have read the Senator's statement and summary and am happy to associate myself with them.

Mr. JACKSON. Mr. President, today Senator NELSON, Senator HASKELL, Senator GLENN and I are introducing the Energy Information Act. Enactment of this legislation will accomplish a long overdue goal of Federal energy organization: the establishment of an independent, reliable, and comprehensive base of energy information and expertise for the use of the executive branch and the Congress in the formulation and evaluation of energy policy. I ask unanimous consent that a summary of the bill be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. The principal purposes of this legislation are:

First. The establishment of an independent and credible permanent agency within the Federal Government to collect, analyze and disseminate basic energy-related data and information;

Second. The coordination and consolidation of Federal energy data collection to insure the comprehensiveness of the energy information base available to the public, the Congress and the executive branch and to minimize duplicative reporting by businesses in the energy industry;

Third. The establishment of standards for the handling of energy information pertaining to individual companies which strike a reasonable balance between the public's right to participate in national energy policy decisionmaking and legitimate needs of private businesses for confidentiality; and

Fourth. The authorization of a Federal program to systematically determine the location, extent and value of the domestic energy resources of the United States.

The bill introduced today is based on the Energy Information Act, S. 2782, which was considered by the Interior Committee in the 93d Congress. That bill was sponsored by Senator NELSON, Senator HASKELL, myself, and 26 other Members of the Senate, and was the subject of 4 days of hearings before the Senate Committee in February 1974. The present draft of the bill is based on information and insights gathered at those hearings and on extensive consultation with representatives of the administration, Federal regulatory agencies, consumer and citizen organizations, and the energy industry. I anticipate that the Senate Interior Committee will hold further hearings on this legislation in the very near future. Testimony of selected witnesses will be heard and statements will be accepted for the record.

Mr. President, there is an obvious and well-documented need for this legislation. The effects of the energy policy decisions we have to make are enormous, yet the fundamental data and information upon which we must base these decisions is of little better quality than it was 2 years ago. Current Federal energy data practices are far too fragmented, are almost totally uncoordinated, and tilt in their implementation far too much toward the wishes of the energy industry. The credibility of currently available energy data is subject to continual question because of the biases of industry, of the administration, and of the individual agencies.

The legislation we are proposing today will require systematic, verified reporting by the large energy companies of stocks and distribution activities, financial operations, and energy reserves to an independent Federal energy data agency whose primary job is the collection of accurate, timely, and informative statistics. The time when these big, integrated companies could get away with voluntary, unaudited reporting of data and use the "proprietary" label to conceal vast amounts of information is over. This legislation will open the operations of the energy industry to the objective scrutiny which is necessary for any industry so essential to the public welfare.

The National Energy Information Agency will be an independent information agency with the power to get the right information and the objectivity to let the chips fall where they may. In the future, we may disagree over policy, but we should not have to disagree over the basic data and information which relate to these policies.

The need to have an adequate Federal energy information base available has been so clear that on numerous occasions recommendations have been made for the establishment of a Federal entity responsible for energy information. I will list only a few examples:

In March of 1973 an analysis of problem areas in Federal energy organization, prepared for the Senate Committee on Interior and Insular Affairs—The National Fuels and Energy Policy Study, serial 93–6—was published. This analysis identified as important deficiencies in Federal energy organization the inadequacy of the existing body of energy data available to support Federal policy decisions and government reliance on the energy industries both for basic information and the analysis of information.

In February of 1974, the General Accounting Office submitted a report on the energy information needs of the Federal Government, prepared at my request. This report was presented to the Senate Interior Committee—The National Fuels and Energy Policy Study, serial 93–33—at hearings on S. 2782, the predecessor of the present bill. The report concluded that legislation was needed to establish a comprehensive Federal energy information system.

> Placed in an organization within the Executive branch which has the opportunity to establish itself as a professional, objective, independent gatherer of energy information. The organization should be responsible for data collection and technical analysis without any responsibility for any involvement in energy policy analysis or formulation.

In April of 1974, the report of the Federal Energy Regulation Study Team, headed by former Atomic Energy Commissioner William O. Doub, "Federal Energy Regulation," recommended the establishment of centralized energy data organization within the Federal Government "to compile comprehensive energy-related data for all Federal energy regulatory agencies requiring them."

Finally, the Ford Foundation energy policy project's preliminary report, "Exploring Energy Choices," released on March 31, 1974, observed:

> Data on short-term energy supplies, on reserves, and on the impacts of energy development are present incomplete and fragmented. Decisions are made in a cloud of uncertainty. To dispel the cloud, it might be useful to establish a centralized energy data bank; to require industry to submit essential information for use in the data bank; and to accelerate government research and analysis and make it available to the public in understandable form.

In recent months there have been several graphic examples of problems with the basic energy data relevant to current policy decisions which illustrate the need to develop a systematic and objective approach to Federal energy information. I will offer only a few examples.

First, reliance on the oil industry for weekly statistics:

On March 17 it was reported that FEA plans to suspend its collection of basic operating data from pertoleum refineries on a weekly basis. In place of the weekly system, a monthly reporting scheme has been instituted by the FEA. According to an unidentified FEA spokesman:

> Our figures were tracking along pretty well with API, enough that we could justify any differences with API's long-standing series.

Apparently the Federal Government must now rely on the oil industry for weekly petroleum statistics. I have written the Administrator of the FEA, Mr. Zarb, expressing my concern over this situation. I ask unanimous consent that a copy of the March 17 article in the Oil Daily describing the FEA decision and my letter to Mr. Zarb be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Second, failure to measure changes in petroleum marketing structure: One of the fundamental goals of the Congress in enacting the Emergency Petroleum Allocation Act of 1973 was the preservation of an economically sound and competitive petroleum industry.

To permit the Congress to review on a continuing basis the effectiveness of the act as implemented in attaining that goal, section 4(c)(2) was incorporated requiring that "the President shall report to the Congress monthly, beginning not later than January 1, 1974, with respect to any change after calendar year 1972 in the aggregate share of several categories of persons engaged in the marketing of petroleum."

The first of those monthly reports was transmitted March 4, 1975, over a year late. The report contained no data showing changes in marketing structure since 1972 and 1973 and no indication of service station closings over the past year and a half. Yet, the administration continually emphasized its grave reservations as to the need for, or the wisdom of, continuation of the current mandatory allocation program. According to the FEA Administrator, Frank Zarb:

> It is clearly apparent that the circumstances that led to the enactment and approval of the Allocation Act have markedly changed. Moreover, we are convinced that the comprehensive program mandated by the Act has already contributed to a number of potentially serious market distortions which, if allowed to continue indefinitely, will ultimately cause far greater problems than those with which the program is intended to deal.

Having been unable or unwilling for more than a year to collect, analyze and provide to the Congress the information essential for determination of the impact of the Allocation Act upon the marketing of petroleum, the administration nonetheless now advocates termination of the allocation program because it is "convinced," apparently intuitively, that it has contributed to market distortions. Clearly, decisions impacting upon the preservation of a competitive petroleum industry must be based on a far more complete analysis of real facts and not on intuition.

Third, failure to reconcile petroleum import statistics:

In early March the Commerce Department reported petroleum imports into the United States of 9.2 million barrels per day for January 1975. The data was based on filings with the Customs Bureau which are required by law. On the other hand, the FEA's reporting system indicated petroleum imports of 6.3 million barrels per day for January, a difference of nearly 50 percent. The American Petroleum Institute, the oil industry's lobbying arm, reported imports averaging 6.7 million barrels per day for the same period. The discrepancy has not been resolved nor have similar and persistent discrepancies noted over the past year and a half. It seems clear that until some quantitative reconciliation of figures is made it will not be possible to say with any assurance how much petroleum is imported into the United States from month to month.

Fourth, failure to reconcile natural gas statistics:

Proposals for the deregulation of "new" natural gas have generated substantial debate in the Congress over the past year. Yet there has not been, nor is there now, any agreement on the volumes of gas to be affected by the proposals or the increased costs to consumers of a deregulation policy. Even the nature of the split between regulated and unregulated natural gas is uncertain. The Federal Energy Administration claims that "about one-third" of the natural gas consumed in 1974 was sold in the unregulated intrastate market. Officials in the Federal Power Commission, however, claim that approximately 45 percent of all natural gas is sold in the intrastate market. No one seems able to say what the average price or the distribution of prices for this gas is at this time or what it was in past periods.

Finally, ignorance of basic energy consumption patterns:

The impact of energy price increases on individual consumers and families in various income groups in a central parameter in the discussion of the administration's energy tax, tariff and price decontrol proposals. Yet the only data available within the Federal Government which clearly exhibits even a portion of the energy consumption as a function of income is based on a survey conducted in 1960 and 1961 and is therefore almost 15 years old. The most recent detailed and comprehensive compilation of data describing the consumption of energy in various sectors of the economy and for various end uses is based on data taken in 1968, 7 years ago.

All of these situations exhibit some feature of the general inadequacy of our present factual knowledge of the operation of the U.S. energy supply system and of the manner in which energy is consumed in the domestic economy. All of these situations relate to important policy decisions facing the 94th Congress which are not being clarified by our current handling of energy information.

The 93d Congress enacted two laws with sections which dealt in part with energy information. The first of these, the Federal Energy Administration Act—Public Law 93–275—authorized the collection of energy information by the FEA on a mandatory basis to further the exercise of FEA functions. The second, the Energy Supply and Environmental Coordination Act—Public Law 93–319—specified quarterly energy information reporting requirements for the FEA and authorized the imposition of civil and criminal penalties for failure to provide energy information to the FEA. Taken together the provisions of these laws provide the interim authority necessary for the FEA to analyze and deal with severe short-term energy shortages.

The authority is available to assemble the data required to operate the mandatory allocation program, to control petroleum prices, and to develop forecasts of future petroleum supply and demand. The provisions of these two laws should enable the FEA to collect and analyze the energy information which it requires provided the agency is willing to use its authority. However, as the examples cited earlier show, the FEA has not been aggressive in using this authority to develop the necessary data base. The priorities of FEA's data collection effort are determined almost entirely by the political requirements of the administration policies rather than by the energy policy needs of the Nation as a whole.

In no sense does this grant of information-gathering authority to the FEA by the 93d Congress represent a satisfactory long-term solution to the problem of providing the public, the Congress, and the executive branch with adequate energy-related data and information. In particular:

First, no attempt has been made to coordinate and consolidate the energy data collection by the Federal Government. A large number of departments, agencies, bureaus, and commissions now collect energy information, and an annoying and often onerous duplicative reporting burden on business is often the result. The Energy Information Act will provide central coordination, and minimization or elimination of duplicative reporting.

Second, no attempt has been made to realize the important organizational advantages associated with centralization of energy data and information functions and the insulation of this function from policy and political pressures. The collection of energy information ought to be organized on the basis of a comprehensive view of the energy problem without the need to respond to particular agency biases. This is not happening now. The completeness of the information system in terms of description of production and consumption, research and development, and the range of forms of energy ought to be regularly reviewed and upgraded. This is not happening now.

Third, a uniform set of standards for preserving legitimate confidentiality can be applied to the energy information supplied to the Federal Government. The standards embodied in the Energy Information Act strike a balance in favor of openness in the handling of energy information. In my opinion this openness is consistent with the Federal Government's special responsibility to the American people to assure adequate and reasonably priced supplies of energy. The energy industry is deeply involved with the public welfare, and as such, must accept broad scrutiny of its operations. This has not been the case in the past and it is not the case today.

Fourth, it has been estimated that over half the energy resources of the United States are actually owned by the people of the United States—on Federal lands, in the form of mineral rights held on private lands and on the submerged lands of the Outer Continental Shelf. It is extraordinary, but nevertheless true that the Federal Government does not now have in existence an effective program to determine the real nature, extent and value of these resources. The Energy Information Act specifically authorizes the Secretary of the Interior to conduct a survey of the national energy resource base. With the results of this survey the American people will be in a far better position than now to know the extent of their resources for the purposes of leasing and development.

Finally, the coordination and organi-

UMI

zation of energy information collection, analysis and dissemination is a long-term responsibility of the Federal Government. The credibility and expertise of the agency responsible for energy information must be substantial. Both credibility, experience and independence are essential to insure that a National Energy Information System can be developed which serve the needs of all agencies of the Federal Government. The National Energy Information Administration will have both the authority and the objectivity to provide reliable analysis and basic statistics which do not reflect policy biases of any individual agency. In my opinion, this independence and credibility are best assured by the creation of an agency whose principal responsibility is clear and defensible analysis and rigorously and carefully gathered information and data. The Energy Information Act will create such an agency.

ENERGY INFORMATION ACT SUMMARY

PURPOSE

This legislation is intended to establish an independent agency in the Federal Government, the National Energy Information Administration, whose purpose is the systematic collection, analysis and disemination of the energy information and data required for the formulation and evaluation of energy policy options. This agency will be directed to create and maintain a National Energy Information System. The System will contain an up-to-date, reliable and credible energy data base covering all phases of energy supply, distribution and consumption, including independent estimates of energy reserves and financial and economic information describing the operations of major energy companies.

Title I—National Energy Information Administration

Title I of the Act establishes the National Energy Information Administration. The Administrator of this agency is authorized to collect energy information directly and to coordinate the energy information activities of other Federal agencies so as to minimize or eliminate duplicative reporting of energy information to the Federal government. The Administrator is granted carefully circumscribed authority to inspect records of individual companies, to issue subpoenas for information and documents and to administer oaths. The Administrator is specifically required to provide regular reports to the Congress of the information collected.

Title II—National Energy Information System

Title II of the Act authorizes the establishment of a National Energy Information System to contain the energy information required to define and permit analysis of all phases of energy supply and consumption. Energy information of a financial nature will be collected annually from major energy producing and consuming companies on the basis of segments of business designated by the Administrator. The Administrator may also collect information from other Federal agencies, and, if necessary to obtain the required information, go around these agencies directly to the original sources. Provisions for classification of information in Title II describe tests designed to substantially increase the amount of energy information made available to the Congress and to the public and place the burden of proof for any need of confidentiality on the companies supplying information.

Title III—Energy Resources Surveys

Title III authorizes and directs the Secretary of the Interior to conduct a survey of the energy resources on and under the public lands of the United States, including the Outer Continental Shelf. The Secretary is authorized to conduct or contract for geological testing, including drilling, to carry out the survey. At the request of the Administrator the Secretary may inspect books and records of individual companies to verify information required under this Title.

Title IV—Miscellaneous

Title IV directs the Comptroller General to monitor and evaluate the operations of the Administration. The Comptroller General has broad access to the records of the National Energy Administration and may also collect information to assist in evaluating the operations of the Administration. This Title contains a conforming amendment to the Freedom of Information Act (5 USC 552), a separability clause and an open authorization of appropriations.

[From the Oil Daily, March 17, 1975]

STATISTICIANS, REGROUP! REA DROPS WEEKLY REPORT

(By Sandra Cannon)

WASHINGTON.—The Federal Energy Administration has decided to bow out of the weekly statistics publishing business. Instead, FEA will begin a monthly report in May while sole responsibility for the weekly reports goes back to the American Petroleum Institute.

Last year, API said it might discontinue its Weekly Statistical Bulletin if FEA could do the same job in its weekly Petroleum Situation Report.

Now, the tables have turned and FEA spokesmen said they found FEA was only duplicating API's long-standing effort. "Our figures were tracking along pretty well with API," a source said, "enough that we could justify any differences with API's long standing series."

In a letter to industry, federal energy official Eric Zausner said FEA is revising its report "in an effort to reduce the federal reporting burden."

After April 7, the acting deputy administrator said, the data on the weekly forms will no longer be reported on a weekly basis on the "fourth working day of the month following the reporting month."

FEA will continue to use the same forms but the statistics will no longer be needed to three decimal places; they can be rounded off to the nearest unit.

Weekly reporting will continue through April 4. The next report—the first monthly one—will be due May 6 and should include all data for the month of April.

FEA also is requiring monthly data for March to help with the transition from weekly to monthly reporting. The March data, Zausner said, should be transmitted "via maligram between Apr. 21-25."

API was "surprised," John Hodges, its director of statistics, told Oil Daily. However, Hodges said the industry is "very glad to get rid of the duplication of reporting."

Hodges said several persons had expressed concern about FEA's new plan. "People are asking how FEA can institute a new reporting system without going through the General Accounting Office or publishing a notice in the Federal Register.

"They're also wondering if FEA can require the information just four days after the end of the month or if the weekly reporting forms will suffice with a monthly system."

Under the circumstances, Hodges said, API will continue its weekly statistical bulletin, but it also will undertake a "reevaluation of what it's doing on a weekly basis. Maybe there's no longer a need for a weekly report," he suggested. "We're going to study our position very carefully."

U.S. SENATE,
Washington, D.C., June 4, 1975.

Hon. FRANK G. ZARB,
Administrator, Federal Energy Administration, Washington, D.C.

DEAR MR. ZARB: Today I have joined with Senator Gaylord Nelson, Senator Floyd Haskell and Senator John Glenn to introduce the Energy Information Act. A summary of the bill is attached. One of my principal reasons for submitting this legislation is my continued dissatisfaction with the priorities of the current Federal energy information effort.

A prime example of mistaken data priorities is the recent significant change in the collection of energy information and data authorized by the Federal Energy Administration Act (P.L. 93-275) and the Energy Supply and Environmental Coordination Act (P.L. 93-319). Press reports indicate that FEA has discontinued the collection and publication of weekly data formerly published in the FEA Petroleum Situation Report.

According to the Oil Daily (March 17, 1975, copy enclosed), this decision is prompted in part by FEA's decision that their figures duplicate the figures published weekly by the American Petroleum Institute. Indeed, the most recent FEA publication made available to my staff describing the petroleum situation was contained in the "Monthly Energy Review" for April, 1975 which arrived in May and contained data through February only.

Now, and in the future, presumably, the Federal government, the Congress and the public will have no alternative to reliance on the API for up-to-date energy information and statistics on petroleum supply and demand.

The Federal government has been justly criticized in the past for its reliance on the energy industry for the basic data on which to develop energy policy options which in turn affect that industry's profits. This reliance takes two forms:

(1) Use of predigested information and statistics generated by a lobbying arm of the energy industry, such as the API: and

(2) collection of energy data by the Federal government from individual companies on a voluntary basis in a form which is essentially dictated by industry. Much of this data is then kept confidential and not published for fear of disturbing these voluntary arrangements.

It is well known that the substantial disagreement among data describing U.S. petroleum supply provided by API, by the Bureau of Mines, by the FEA and by the Commerce Department escalates as this data is examined in more detail. The closer you look, the greater the discrepancy. Under these conditions there is no justification at all for use of API statistics to discuss and parameterize petroleum policy options.

If government and industry statistics disagree, the reasons for the discrepancy must be understood, and reliable, timely and entirely credible data collected by the government must be available to policy-makers. To rely on the industry for this information is irresponsible.

Over a year ago I asked that the API, the Department of Interior and the Department of Commerce undertake to reconcile the divergent sets of statistics published by each institution describing U.S. imports of crude oil and refined petroleum products and to provide me with a report analyzing the differences among these statistics. The purpose of this investigation was to determine which set of import figures "should be acepted by the Congress for the purpose of formulating public policy." My staff informs me that the FEA undertook to organize this investigation. However, no report has ever appeared.

Apparently, at least in the case of weekly statistics, you have concluded that no report is necessary. We are to use the oil industry's numbers. I think that a much more detailed explanation of this action than has yet appeared is called for. Therefore, I am asking that you provide me with

(1) your analysis of the relative accuracy, reliability and usefulness of the weekly petroleum statistics published by the FEA in the weekly Petroleum Situation Report and the Petroleum Import Reporting System Weekly Situation Report and by the API in their Weekly Statistical Bulletin;

(2) the reasons you plan to discontinue collection of data on a weekly basis including your estimates of the effect this decision will have on the formulation and evaluation of Federal policy;

(3) the results of your efforts to date to reconcile the petroleum import statistics reported by various Federal sources and the API; and

(4) your recommendations for improvement of, or consolidation of, the collection of petroleum statistics by the various Federal agencies now so engaged. The goal of this improvement and/or consolidation would be to provide the executive branch, the Congress, and the American people with timely, reliable and realistic data upon which to base energy policy decisions.

I assume that the analyses requested here would have been completed prior to arriving at your decision to discontinue weekly reporting of energy data. Therefore, I expect you will be able to respond promptly to this request.

Sincerely yours,

HENRY M. JACKSON,
Chairman.

Mr. GLENN. Mr. President, I rise in support of the bill introduced by the Senator from Wisconsin which it is my privilege to cosponsor.

Ultimately national polices are made on the basis of judgments. However, sound judgments require accurate and timely data. Presently inadequate and conflicting data exist in the energy field and are hampering national decisions. We are legislating in a fog of uncertainty. It is for this reason that I support the establishment of a National Energy Information Administration.

The proposed National Energy Information System is designed to provide credible data upon which national energy policies can be formulated. As this Body knows well, the myriad collections of material now assembled by many different agencies are not oriented to national decisionmaking, but are supportive of the individual needs of these organizations. The proposed agency, independent of any organizational bias, will coordinate, collect, analyze, and disseminate energy data to the public, State, and local governments and to Federal agencies. Only an agency of this type can end the vacillation, doubt, and confusion over energy statistics now impeding effective policy decisions.

I should also like to emphasize that the proposal will strip away the excessive duplication which now exists among Federal agencies, and is designed to minimize the multiple and cumbersome reporting requirements imposed upon business interests.

Current energy facts are not credible because we are dependent upon widely different sources lacking any uniform definitions. Further, there are areas in which no attempt is made to collect the relevant data. For example, stocks below 50,000 barrels annually held other than by refiners and major terminal operators are not included in yearly surveys. Such information would be important in the event of another embargo. In addition, this type of detailed information on State and regional matters will be increasingly necessary for coherent planning.

This bill submitted by Senator NELSON will provide for a uniform base of data which can be utilized by all sectors of our economy. Only action of this nature can curtail the indecision which exists in so many discussions of energy policy.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1865. A bill to amend sections 5, 6, 7, and 8 of the Intercoastal Shipping Act, 1933, to make public the financial reports of common carriers by water in interstate commerce and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend sections 5, 6, 7, and 8 of the Intercoastal Shipping Act, 1933, to make public the financial reports of common carriers by water in interstate commerce and for other purposes, and ask unanimous consent that the letter of transmittal and statement of purpose and need be printed in the RECORD with the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL MARITIME COMMISSION,
Washington, D.C., May 8, 1975.

Hon. NELSON ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There are submitted herewith four copies of a proposed bill, together with a statement of purpose and need for the draft bill, "To amend sections 5, 6, 7 and 8 of the Intercoastal Shipping Act, 1933, to make public the financial reports of common carriers by water in interstate commerce and for other purposes."

The need for and purpose of the proposed bill are set forth in the accompanying statement.

The Federal Maritime Commission urges enactment of the bill at the first session of the 94th Congress for the reasons set forth in the accompanying statement.

The Office of Management and Budget has advised that, from the standpoint of the Administration's program, there is no objection to the submission of this proposed legislation to the Congress.

Sincerely,

HELEN DELICH BENTLEY,
Chairman.

STATEMENT OF PURPOSE AND NEED FOR THE BILL TO AMEND INTERCOASTAL SHIPPING ACT, 1933, TO MAKE PUBLIC THE REPORTS OF DOMESTIC OFFSHORE OPERATORS

Every common carrier by water in the domestic offshore trade of the United States which is required by the Intercoastal Shipping Act, 1933, to file tariffs with the Federal Maritime Commission is also required by the Commission's General Order 5 to file an annual report within 120 days after the close of its fiscal year; each of these carriers is also required by General Order 11 to file with the Commission within 150 days of the close of its fiscal year a statement of rate base and income account for each domestic offshore trade served by the carrier. It is believed that the Intercoastal Shipping Act, 1933, should be amended to enable the Commission to make available to the public the information contained in these reports which is presently held confidential.

Both the Interstate Commerce Commission and the Civil Aeronautics Board have specific statutory authority to make available for public inspection the financial reports submitted by carriers subject to their respective jurisdictions. The Federal Maritime Commission should be similarly situated since it is often difficult to explain this lack of comparability in responding to inquiries from members of the public.

The annual report which is filed with the Federal Maritime Commission pursuant to General Order 5 may, depending on the operations and ownership of the carrier, also be filed with the Interstate Commerce Commission and/or the Maritime Administration. In these cases the data is submitted on the same form. If the carrier does not delete the FMC information on its submission to the ICC, the Federal Martime Commission is in the position of having to deny access to information which is publicly available at the ICC.

It is also believed that this information may be meaningful to protestants of rate increases who, without this information, are forced to make uninformed protests of rate increases or endorsements of rate decreases.

This bill would make possible the conduct of rate proceedings without the awkward imposition of confidentiality invoked under Rule 10(aa) of the Commission's Rules of Practice and Procedure. In some recent cases carriers have not even invoked confidentiality. Furthermore, the invocation of Rule 10(aa) is not binding on the Examiner or the Commission.

Finally, this bill would be consistent with the current trend toward making available to the public all information that the security of the nation permits. Such disclosure is in the spirit of the Public Information Act of 1966 and would materially assist the Administrative and Judicial processes and would be consistent with the authorities of the other transportation regulatory agencies, the Interstate Commerce Commission and the Civil Aeronautics Board. It is believed that the legislation will not involve any increase or decrease in appropriations.

S. 1865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 5, 6, 7, and 8 of the Intercoastal Shipping Act, 1933, be amended by being redesignated as sections 6, 7, 8 and 9 and adding new section 5 as follows:

"SEC. 5. The Commission is hereby authorized to require annual, periodical, or special reports from every common carrier by water in interstate commerce, as defined in section 1 of the Shipping Act, 1916 and to prescribe the manner and form in which such reports shall be made. Such annual reports shall give an account of the affairs of the carrier in such form and detail as may be described by the Commission.

The statistics, tables and figures contained in such annual or other reports, shall be preserved as public records in the custody of the Secretary of the Commission, and shall be received as *prima facie* evidence of what they purport to be for the purpose of investigations by the Commission and in all judicial proceedings; and copies of and extracts from any of said reports, made public records as aforesaid, certified by the Secretary, under the Commission's seal, shall be

UMI

received in evidence with like effect as the originals."

By Mr. MONTOYA (for himself and Mr. PASTORE):

S. 1867. A bill to provide that funds appropriated for newly enacted or extended programs shall remain available for an additional fiscal year if such programs are not promptly implemented by the administering department or agency. Referred to the Committee on Government Operations.

Mr. MONTOYA. Mr. President, today, on behalf of myself and the distinguished Senator from Rhode Island (Mr. PASTORE) I am introducing legislation designed to insure that Federal agencies provide a reasonable period for the development and preparation of grant and contract proposals. Specifically, this bill would require that 60 days elapse between the announcement of a request for proposals, the publication of rules and regulations for proposals and the closing date for receipt of proposal applications.

A secondary purpose of this bill is to require Federal agencies to move with reasonable speed to fully implement new laws. Section 2 of the bill provides that final rules or regulations for a new or newly amended program are to be issued within 4 months of the date of enactment of the controlling legislation.

The need for legislation of this kind is increasingly clear to all of us. I am sure that I am not the only Member who receives reports of instances in which a Federal agency publishes regulations or requests proposals for participation in a Federal program, and simultaneously announces a deadline for receipt of applications of 30 days or less. When a librarian or a school administrator or a hospital administrator or any constituent group contacts a Member of Congress about this kind of problem it is usually too late to take any effective action. If there is time to question the decisions which have been made, it requires letters, telephone calls, and sometimes even telegrams to busy people in the Federal agency concerned. Often there is what seems to be a good explanation on the part of the agency—good and reasonable from the standpoint of their workload or their time pressures relating to a fiscal year budget.

However, such short deadlines are never reasonable from the standpoint of the applicants, and they often contravene the intent of the Congress in the original law. When the Government undertakes to grant awards or contracts for a specific program I think we can assume that the intent of the Congress is to address a problem with the best possible program at the local level. Such awards are intended to be made competitively, with all applicants having an equal opportunity for preparation of a proposal, and with all applicants having sufficient time to prepare the best possible proposal. Anything less than 60 days for the preparation of a proposal to spend Federal money would seem to me to be inefficient and would almost guarantee that applications submitted would be less than the best.

As complaints to my office increased in number last year and this, I began to feel that there had to be a way to make the bureaucracy function in a more responsible manner without placing an undue burden on the agencies involved. The legislation I am introducing today is the result.

I would like to mention, for the record, several examples of the kind of deadline problem which this bill would alleviate. The examples chosen are at random, and are not intended to point a finger at any particular branch or department or agency. Every indication I have is that this problem is across the board, in all areas of Government grants and contracts.

Last year, in one case, librarians were asked to submit applications under title II of the Higher Education Act of 1965, through amended regulations in the December 26 Federal Register. The libraries involved in this program are on university campuses—and, of course, the schools were closed in December for the holidays. The University of New Mexico, for example, did not receive the Federal Register in this case until January 10. The deadline in this case was set for January 29. It was, of course, impossible for most librarians in universities across the Nation to prepare well thought-out proposals in the length of time allowed. In addition, for those in the Western States it is not at all uncommon to have the Federal Register arrive in the mail more than a week after publication in Washington. Thus, for applicants in Western States or Midwestern States, the 30-day deadline really comes down to a 15-day deadline or less.

In the case cited above I was able to request an extension of the deadline until February 28 through the kind cooperation of Commissioner Terrel Bell of the Office of Education.

Another example of the kind of problem which my bill would help to correct came to me from West Virginia University College of Business and Economics. Their concern was over a research contract which they wished to apply for at HUD. The request for proposal was published and sent to the university on May 7, and received by the university on May 12. The deadline set was May 30. This contract was for a $200,000 to $300,000 proposal. I think it is abundantly clear that even 23 days is too short a time in which to prepare a proposal to spend that much Federal taxpayer money.

A final example of the need for this legislation can be found in the time limits and deadlines set for many of the education programs under the education amendments of last year. The President signed the education bill in August of last year. It amended many ongoing programs and made some new programs available to schools throughout the Nation. The Bilingual Education Act, title VII, of the Elementary and Secondary Education Act was substantially amended. A new part J, bilingual vocational education, was added to the Vocational Education Act.

These changes, of course, required that new regulations be developed and disseminated to interested schools. However the regulations and rules were not published until March 12 of 1975 for title VII, and the original deadline set was for April 15. The regulations for part J were published at the same time, with a deadline of April 11. It should be pointed out that the Office of Education realized the difficulty this deadline would place on school districts, and conducted four regional meetings in March for the purpose of discussing the "proposed" rules and providing technical assistance to the schools. However, until the final rules are published and the applications forms received, it is not possible for school districts to properly or correctly develop plans and programs.

The Office of Education was persuaded, in the case of title VII, to extend the deadline to May 1, and they have been helpful in accommodating school districts wherever possible. Their delay in publishing their rules was a result of a long delay in HEW's legal interpretation of the new legislation.

Whatever the reason for the delay, however, the short deadlines in the examples cited above make it impossible for applicants to plan properly for the expenditure of Government money. A library, a school, a hospital, a small business, or even a State agency, is seldom prepared to put a grant application in the return mail following receipt of the Federal Register or other RFP. Those few who are prepared with "instant applications" are those who could almost be called "professional applicants"—those who have developed a high degree of grantsmanship over the years as a method of supporting themselves or their organizations. They are seldom the applicants who represent the target group which it is the intent of the Congress to reach with Government assistance.

Last year we enacted the Budget Control Act which requires the executive branch to spend appropriated funds or to notify the Congress of its intent not to do so. Congress, of course, then has the right to compel the expenditure of the funds for the purposes intended. It is my observation during this last year that a new administrative stalling technique is the delay in providing regulations and rules for grant or contract applications. By using this kind of delay the administration is able to completely subvert the intent of the Budget Control Act. If they fail to implement a new or newly amended program in a timely fashion, it is then possible to run out the clock on appropriated funds during a specific fiscal year. If few applicants apply, or if few applicants are able to submit well developed or well planned proposals, it is possible to testify that the program is not necessary or not being well responded to by the public. This is perhaps not the cause of these delays, but it is a possible loophole which I believe the Congress should examine.

My bill, by requiring the issuance of regulations within 4 months of enactment of law, and by mandating the carryover into the new fiscal year of funds appropriated for a program which the executive does not or will not implement in a timely fashion, guards against this new form of impoundment.

Mr. President, I ask unanimous consent that the full text of my bill be printed in the RECORD at this time.

I urge the support of my colleagues for this legislation which Senator PASTORE and I are introducing today.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1867

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whenever—

(1) a law is enacted which establishes or extends a program under which persons or governments are entitled, or may upon application become entitled, to participate in or receive benefits under the program, and

(2) funds are appropriated to carry out the program so established or extended for the first fiscal year of such program,

then, unless the applicable provisions of sections 2 and 3 are complied with, the funds so appropriated shall remain available for expenditure until the close of the fiscal year following such first fiscal year.

SEC. 2. Whenever a law described in paragraph (1) of the first section is enacted, if rules or regulations are to be prescribed to implement or otherwise carry out the program enacted or extended by such law, such rules or regulations shall be prescribed so as to become effective not later than 120 days after the date of the enactment of such law (or after the effective date of such law if it is effective at a date later than the date of its enactment).

SEC. 3. Whenever a law described in paragraph (1) of the first section is enacted, if applications are required in order to participate in, or receive benefits under, the program established or extended by such law, a period of not less than 60 days (beginning on the date on which applications are first accepted) shall be provided for making an application, unless such law specifically prescribes a shorter period. Announcement of the date on which applications will first be accepted shall be published in the Federal Register at least seven days before such date.

By Mr. MONTOYA:

S. 1868. A bill authorizing the Secretary of the Navy to sell certain types of aircraft no longer needed by the Navy to persons engaged in the business of controlling or extinguishing fires in national forests. Referred to the Committee on Armed Services.

Mr. MONTOYA. Mr. President, thousands of acres of valuable forest land are destroyed each year by fire, and millions of dollars are lost by the Federal, State, and local units of Government which bear the burden of putting those fires out. In these battles against the forest fires, one of the most useful tools presently available is the tanker aircraft which can penetrate the airspace directly above a burning area and drop a load of water or fire-retardant chemicals.

A number of aircraft are used in these operations—converted B–17's, DC–6's, and DC–7's for example. But two of the most useful of all aircraft for this work are the Navy P2V–5 and P2V–7. The P2V is a bomber. It is designed to endure the stress of combat—unlike the DC–6 and the DC–7, and is therefore extremely well suited for the close-to-the-ground flying and the quick maneuvering which firefighting flying requires. Pilots who specialize in this kind of work recognize the potential of the P2V as a firefighting aircraft and have been attempting to acquire those which become surplus to the Navy's needs.

Unfortunately, their efforts have been frustrated by a Navy regulation. Navy demilitarization manual DOD 4160.21–M prohibits the release of this type of aircraft to any individual or group for the reason that the airplane has an offensive capability—bomb bay doors—unless they first go through a process of demilitarization. Upon investment, I have learned that demilitarization means the scrapping of the airplane. The wings are removed and other actions taken which render it obviously unfit for any flying activity.

I understand that there exist in the country at the moment at least five surplus P2V's. Three of them are at Medford, Oreg., and two are at Chico, Calif. All are under the temporary jurisdiction of the Forest Service which is using them to conduct experiments concerning the tanking and gating of fire retardant. But all will shortly be returned to the Navy to be junked.

I think that would be an unforgiveable waste. Accordingly, I am today introducing legislation which would authorize the Secretary of the Navy to sell surplus P2V–5's and P2V–7's to persons under contract to the Forest Service who will use the planes primarily for firefighting purposes.

I appeal to the chairman of the Armed Services Committee to give this bill early consideration. With a little luck, we can prevent the destruction of these P2V's and instead put them to use fighting forest fires this summer. I ask unanimous consent that the text of my bill together with a letter I received from Arnold Kolb, president of Black Hills Aviation, Inc., a forest firefighting company be printed at this point in the RECORD.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

BLACK HILLS AVIATION, INC.,
Alamogordo, N. Mex., January 23, 1975.

HON. JOSEPH MONTOYA,
U.S. Senate, Dirksen Office Building, Washington, D.C.

DEAR SENATOR MONTOYA: As per my telephone conversations with members of your staff and our previous conversations I wish to confirm the need of Neptune P2V–5 and –7 aircraft for use in private industry for forest fire suppression. The U.S. Forest Service is attempting to phase out older World War II type aircraft and through some research and experimentation they are favoring this type of aircraft. There are three P2V–5's at Medford, Oreg., and two a Chico, California, that Forest Service has had under their jurisdiction but as soon as they finish experimenting with the tanking and gating of fire retardant tanks, I understand they will be returned to the Navy to be destroyed. I keep thinking there must be some avenue of hope for obtaining these aircraft so they can serve a need rather than let the Navy dispose of them. We have checked different ways and the Forest Service has tried to help us but with no success because of the complications involved if they are under the ownership of the U.S. Government, or the jurisdiction of the Forest Service and operated by private industry. The Forest Service is still contracting World War II aircraft because of the lack of something better to replace them. However, should they phase out the B–17's today my fleet would be reduced to less than half. I was able to obtain three P2V–7's from Canada this summer, and lost one when one of our pilots landed short of the runway at Wenatchee, Washington, causing it to crash and burn. I desperately need to buy something to replace this one at least, and hopefully can continue without reducing the operations at our Alamogordo base where we do the major part of the maintenance on these aircraft.

The Forest Service has encouraged me to write and I ask your advice and assistance in obtaining additional P2V aircraft as well as any suggestions as to what I should do to expedite a transaction.

Thanking you in advance, I remain,

Respectfully yours,

ARNOLD KOLB.

S. 1868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, or any rule or regulation to the contrary, the Secretary of the Navy is authorized to sell, at fair market value, any Neptune P2V–5 or P2V–7 aircraft no longer needed by the Navy to any person who (1) is purchasing such aircraft primarily for use in fighting forest fires, and (2) is under contract to the Forest Service, Department of Agriculture, to use aircraft in controlling or extinguishing fires in national forests.

SEC. 2. The Secretary of the Navy may impose such restrictions on the resale of any aircraft sold by him under authority of the first section of this Act as he deems necessary to protect the national interests of the United States.

By Mr. WILLIAMS:

S. 1869. A bill to amend the Defense Production Act of 1950 to provide for national stockpiles to protect the economic security of the United States. Referred to the Committee on Banking and Urban Affairs.

THE MATERIALS SECURITY ACT

Mr. WILLIAMS. Mr. President, I am deeply concerned about recent reports that our stockpile level of essential raw materials is too low. This situation can result in critical shortages that do severe damage to our economy.

We depend on imports for more than half of our supply of six basic raw materials: bauxite, chromium, manganese, tin, tungsten, and zinc. However, we maintain a stockpile based on the assumption that the United States can import from all countries except Communist countries and those involved in a conflict. The OPEC cartel makes it clear that this assumption may not be valid. I believe that the changing nature of the international commodities picture requires that we carefully review our stockpiling policy. One aspect of this review should encompass the possibility of stockpiling materials for economic as well as military purposes.

HISTORY OF U.S. STOCKPILING

The Joint Committee on Defense Production was established under section 712 of the Defense Production Act of 1950. The primary function of the committee is to monitor, study, and assess all programs authorized by the act, and to review the execution and administration of such programs. In addition, the committee is authorized to aid other congressional committees affected by the act, to

UMI

consult with Federal agencies administering programs being carried out under the act, and to report to the Congress the results of its various studies and activities. Annual reports have been issued continuously since 1951, and the 23d such report was issued on February 7, 1974.

Many of the powers granted by the Congress under the original 1950 act have long since been amended, extended, or terminated by various public laws passed from 1951 through 1974. Among major provisions which remain in effect are those which provide temporary power for the President to assure adequate supplies of strategic materials for defense purposes by establishing priorities for defense contracts and by allocating materials for defense purposes. The most recent legislation—Public Law 93–426—extended these provisions of the act until June 30, 1975. It also changed the method of financing the strategic materials stockpile from Treasury loans to direct congressional appropriations, and established a National Commission on Supplies and Shortages. Among the major functions of the new Commission is the responsibility for developing a comprehensive strategic and economic stockpiling and inventory policy to facilitate the availability of essential resources, and the responsibility for recommending legislative and administrative actions necessary to carry out such a policy. I believe that the most important provision in this legislation is the one relating to economic stockpiling.

PURPOSE OF STOCKPILING

Historically, the primary purpose of the national stockpile has been to assure the availability of sufficient strategic and critical materials to meet anticipated military and essential civilian needs during a time of emergency without dependence upon foreign sources of supply. This concept of stockpiling was expressed 50 years ago by U.S. military leaders as a result of experience gained in World War I. The concept gained further urgency in the 1930's because of the possible interruption of vital importants as a result of Japanese activity in Asia and the growing prospects for war in Europe. In response to these uncertainties, the Congress appropriated funds in 1937 to permit initial procurement of $3.5 million worth of strategic and critical materials, primarily tin, manganese, tungsten, optical glass, and manila fiber. The concept of strategic stockpiling was later formalized by passage of the Strategic and Critical Materials Stockpiling Act of 1946—Public Law 79–520. This act remains the Nation's basic stockpiling legislation. As subsequently modified it established the procedures for purchasing and disposal, funding, and providing assistance in developing sources of supply.

A dramatic shift in attitudes toward stockpiling took place on April 16, 1973, when President Nixon requested authority from Congress to dispose of approximately 90 percent of the strategic materials stockpile, then worth about $6.7 billion. Two basic changes were reflected in this proposal. First, the administration had determined that stockpiled supplies for a 1-year war were now sufficient, rather than for a 5-year, or even 3-year war as had been previously estimated. Second, and perhaps more important, the President maintained that disposal of excess stockpiled materials would serve a worthwhile economic purpose. It would help to check price increases which were contributing to inflation during a time of severe materials shortages. Since then, the concept of materials stockpiling for economic as well as for strategic military purposes has been increasingly raised. In particular, legislation was introduced into the last Congress by Congressman BENNETT—H.R. 13444—to permit application of the 1946 act to materials needed to prevent disruption of the national economy, specifically "when significant shortages of these materials also threaten to disrupt, or are disrupting, output and employment in domestic manufacturing or agriculture, or both." Also, the possibility of stockpiling materials for economic purposes was discussed during debate on the amendments to the Defense Production Act of 1950 last year.

RATIONALE FOR AN ECONOMIC STOCKPILE

Several reasons may be advanced for the need for incorporation of an economic rationale in a national stockpiling program. First, there are questions about whether maintaining a national stockpile solely for strategic, military purposes is still a reasonable policy. Presumed requirements for a strategic stockpile have changed greatly both because of the Nation's new economic posture and the modern nature of warfare. Originally, stockpile requirements were considered necessary to allow conduct of a 5-year war. This period was reduced to 3 years in 1958 and to 1 year in 1973. It may be argued that today, in the light of the world's increasing nuclear capacity, 12 minutes might be as realistic a time period as 12 months. The basis for this argument is, of course, that any conflict that succeeded in interrupting the flow of materials deemed vital to a nation's survival could soon escalate out of control. Stockpiling of materials for a need that may never arise, at a cumulative maintenance cost now estimated at over $600 million since the Nation's stockpiling program began, may represent a relatively poor use for the money invested. On the other hand, were such stockpiling to serve other useful purposes, the cost might appear more realistic.

Second, use of a materials stockpile could be expected, under proper circumstances, to moderate the often violent fluctuations in both cost and availability which characterize many basic industrial raw materials. Admittedly such stockpile usage is not consistent with past thinking. Indeed, safeguards have been built into past stockpile legislation to assure relative isolation of the stockpile from the domestic economy. One such safeguard forbids release of stockpiled materials except at the direction of the President during wartime or during a declared state of national emergency due to the threat of war. The only exceptions to this provision are sales made for reasons of technical obsolescence or deterioration of stockpiled materials. Another provision requires purchases for the stockpile to be made from supplies in excess of current industrial demand.

The advisability of isolating stockpiling from the domestic economy is less justifiable in the light of possible advantages removal of such restrictions might have upon the economy. For example, many basic industrial raw materials are subject to cyclical variations of supply and demand. A shortage of copper during the spring of last year drove wirebar prices on the London Metal Exchange as high as $1.38 per pound; in contrast, the current surplus of copper has driven prices down to about 55 cents per pound. Some producers, particularly those operating marginally efficient or deep-shaft mines, have been forced to close, and some major producers have reduced output significantly. As production falls and existing surpluses are consumed, a shortage can be expected to develop, especially as the economy recovers from the current recession, thereby driving prices higher. Marginal producers will again enter the market, creating a new surplus condition, again driving prices down, and the cycle can be expected to repeat itself. Similar cycles tend to exist for many other basic industrial commodities.

Private industry appears powerless to stop this kind of market behavior without help. Indeed, even the Intergovernmental Council of Copper Exporting Countries—CIPEC—formed to help maintain stability in the international copper market, appears unable to moderate this boom-or-bust syndrome. However, an effective stockpiling policy could do much to help stabilize availability and prices of such key industrial raw materials by buying in times of surplus and selling in times of peak demand. Such activity might help assure an adequate, consistent supply of materials at reasonably stable prices, thus eliminating jolts to the economy resulting from periodic shortages, inflationary prices, and producer operating losses. Such stockpiling has been shown to be effective in the past for food commodities. And it might even be extended to include stockpiling of secondary materials for recycling.

Third, existence of an economic stockpile would help to compensate for lack of domestic reserves of stockpiled materials. Past rapid exploitation of domestic reserves has exhausted primary deposits of some key industrial raw materials, leaving the Nation dependent upon imports from foreign producers of these materials. Domestic secondary and tertiary deposits are often uneconomical to mine. Even in cases where additional domestic reserves still exist, the maintenance of a standby capacity to accommodate periods of peak demand is expensive and could be impractical. An economic stockpile of such materials would greatly obviate the need for standby capacity. It would also help to replace depleted primary reserves with material available in even more accessible form.

Fourth, existence of an economic stockpile might make the Nation less dependent upon actions of international cartels formed by foreign materials producers. The effects of last year's oil embargo by the OPEC nations demonstrated the difficulties inherent in overdependence on foreign supplies of any vital material. Although similar action by producers of other materials may appear unlikely at this time, the possibility nevertheless exists. An economic stockpile would provide a buffer to lessen the Nation's vulnerability to such possible materials boycott threats.

CONSTRAINTS ON STOCKPILING FOR ECONOMIC SECURITY

As I mentioned earlier, stockpiling for economic purposes represents a sharp departure from previous stockpiling philosophy. We must make certain that an economic stockpile does not unduly interfere with the Nation's traditional free enterprise marketplace. We must also insure that an economic stockpile does not become a "dumping ground" for production in excess of any reasonably foreseeable demand. Finally, the initial cost of establishing a stockpile must be kept as low as possible. While all of these limits can be accommodated, they do demonstrate the need for careful monitoring of all aspects of materials stockpiling, whether for military or economic purposes.

INITIATIVES FOR INTERNATIONAL COOPERATION

The accumulation of adequate stockpiles is likely to be expensive, depending on the market for the particular material. It is conceivable that attempts by the United States to insulate itself from shortages or price manipulation will generate similar programs by other consuming nations. The resulting competition could encourage tremendous pressures for increased commodity prices.

I believe that it is clearly in the interests of the consuming countries to formulate common commodity policies. Perhaps the formation of joint stockpiles would spread the costs and eliminate the threat of nationalist competition in acquiring designated commodities.

In addition, the United States and all consuming countries should seek new arrangements with the producing nations. These should have agreed price limits for essential commodities as their objective. Perhaps an established floor and ceiling for prices could protect consumers against supply curtailment, and could also protect producers against sharp reductions in foreign demand.

There are great opportunities to resolve the different interests of the consuming and producing nations. Therefore, we should seek immediate agreements which will promote the economic security and welfare of producing and consuming nations alike.

CONCLUSION

There are several constructive initiatives that this Nation should take in its materials policy to further our economic security. We should develop programs to recycle resources, reduce domestic demand, and increase supplies. We should seek new international agreements on this issue. Nevertheless, the unilateral action of stockpiling for our economic security seems to be the most realistic approach we can take over the short term.

I believe that enlargement of the scope of our present stockpiling policy to include additional functions would be a logical extention of the current legislation. At least, I propose this as the logical point of departure in our evaluation of future materials policy.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Defense Production Act of 1950 is amended by adding at the end thereof the following unnumbered paragraph:

"It is also the policy of the Congress to protect the economic security of the United States and to avoid or mitigate the effects on the economy of the United States of future embargoes imposed by foreign sources of economically important materials by establishing national stockpiles of such materials."

By Mr. BAYH:

S. 1871. A bill to direct the Secretary of the Army, acting through the Corps of Engineers, to provide certain assistance to individuals whose lands are acquired by the Corps of Engineers in carrying out a project under its civil works program. Referred to the Committee on Public Works.

Mr. BAYH. Mr. President, I am today introducing legislation to assist individuals whose property is acquired by the Army Corps of Engineers in order to proceed with construction of civil works projects. This measure is intended to strengthen existing provisions of the law which, as a practical matter, leave individual sellers at a disadvantage when their land is acquired by the corps. These inequities came to light during two meetings I held in French Lick, Ind., with constituents whose land is being or has been purchased for the construction of the Patoka Lake in Orange, Crawford, and Dubois Counties, Ind.

Before describing the specific provisions of this measure, I should emphasize that it is intended to rectify the fundamental imbalance that results when an individual citizen is forced to negotiate with the Federal Government. Time, money, and expertise are all on the side of the Government, and procedures which appear on paper to protect the interest of individual citizens may prove to be inadequate in practice.

When the corps finds it necessary to purchase land for a civil works project, it is reasonable to expect that in some instances honorable men will differ over the value of a piece of property. In such cases, I believe that sellers are entitled to a system of price appeals that is fair, speedy, and not traumatic. So far as a significant number of Patoka Lake sellers are concerned, however, the present arrangement requiring condemnation and appeal through the courts meets none of these tests. And it is fair to assume their experience has been repeated in other cases.

This is unfortunate especially since sellers usually find it necessary to employ the services of an attorney in order to pursue their claim. This practical, rather than legal, requirement discourages some individuals from exercising their right of appeal. In cases where a price is successfully appealed, the attorney's fees often wipe out the increase in sales price.

The system does not appear to be speedy, primarily because of its complexity. And perhaps most important, the system is very traumatic. To a 75-year-old Hoosier who has never been inside a courtroom, the very word "condemnation" has a horrible connotation, and the thought of "going to court" is out of the question. Consequently, a number of unhappy sellers are too scared to do anything but grudgingly accept the offering price.

The measure I am now introducing directs the Secretary of the Army, upon petition from a seller, to establish a land acquisition review panel to review disputes over compensation for property and to recommend a solution to both sides. Each panel would be required to include representation from the private sector, and the members of such panels would service without compensation, other than reimbursement for certain expenses incurred in the performance of their duties.

During my investigation of the problems in the Patoka area, I discovered that certain landowners experienced unwarranted difficuty locating suitable replacement property. In certain cases, individuals were unable to quickly use the proceeds of their sale to the Government while skyrocketing inflation was sending land prices out of sight. Further complicating the matter, the list of available properties in a rural community is often short, and by the time some sellers entered the active real estate market, the only replacement properties available were inadequate.

If the corps is going to require individuals to sell their property, then I believe the corps must bear the responsibility for encouraging sellers to make intelligent, informed decisions in selecting a replacement. I believe it is the corps' job to take all reasonable steps to insure that the seller is getting the most out of the money he receives from the Federal Government.

This measure therefore authorizes the corps to provide timely advice and other assistance to individuals required to relocate because of a corps project and specifically requires the corps to provide a compilation of properties available for purchase, lease, or rent within the vicinity of each civil works project.

A number of landowners involved in the Patoka project said they were at a disadvantage when they attempted to object to the price offered for their property because the corps refused to provide an itemized breakdown of the fair market appraisal of the parcel. For example, if an individual owns a farm with several buildings on it, he faces an obvious obstacle in seeking a higher price if he cannot find out what the corps says each component is worth.

UMI

The measure I am introducing today, therefore, requires the corps to advise each landowner in writing that he has the right to request and receive an itemized listing of the offered fair market value, including a separate listing of the amount of that offering price attributable to each dwelling, building, structure, or other improvement on the property.

This is a time when a great many Americans seem to distrust their own Government. I would agree that sometimes those of us in Government tend to overlook the enormous administrative resources automatically available to the bureaucracies who implement programs affecting the lives of our citizens. I believe the changes provided by this legislation are necessary if landowners are to be placed on an equal footing with the Corps of Engineers when the construction of a civil works project requires the purchase of land.

Mr. President, I ask unanimous consent that the bill be printed in its entirety in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1871

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That as soon as practicable following the date of the enactment of this Act, but in no event later than ninety days thereafter, the Secretary of the Army, acting through the Corps of Engineers, shall establish and carry out a program to provide, in accordance with this Act, assistance to individuals owning lands or waters or interests therein which the Corps of Engineers has determined are necessary to be acquired by it in connection with the carrying out of its civil works program.

(b) Such program authorized by subsection (a) shall provide, among other things, for the written notification to each such owner of such land or water or interest therein so required to the effect that it is necessary for the United States to acquire such land, water or interests in connection with its civil works program. Such notification shall further include—

(1) information as to the right of any such owner to request and receive from the Corps of Engineers an itemized listing of the amount offered by the Corps of Engineers as compensation for the purchase of the property of such owner to be acquired, including a separate listing as to the amount of such compensation which is attributable to each dwelling, building, structure or other improvement thereon;

(2) information as to the right of such owner to petition the Secretary of the Army to establish a land acquisition review panel for the purpose of reviewing the amount offered by the Corps of Engineers as compensation for any such property to be acquired and the amount demanded by the owner as compensation for the selling of such property; and

(3) information as to such other assistance which the Corps of Engineers is authorized to make available to such owner to assist such owner in relocating following the acquisition by the Corps of Engineers of that owner's property or interests therein.

SEC. 2. (a) Such program authorized by the first section of this Act shall further provide for the establishment by the Secretary of the Army, from time to time, of land acquisition review panels to receive and consider petitions pursuant to subsection (b) (2) of the first section of this Act to make recommendations to the Secretary of the Army and to the petitioner with respect to the fair market value of the property to be acquired by the Corps of Engineers and covered by such petition. The findings and recommendations of any such panel shall not be binding on such owner or the United States. Each such panel so established shall include representation from the private sector. Individuals appointed to such panels shall serve without compensation as such, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the panel.

(b) Such program shall further provide for timely advice and other assistance to individuals required to relocate because of the acquisition of their property by the Corps of Engineers, including a compilation of properties available for purchase, lease, or rent within the vicinity of the project under the civil works program.

SEC. 3. Notwithstanding any other provision of law, the United States shall take no action to acquire by condemnation the property of any individual within the purview of this Act required by the Corps of Engineers for its civil works program prior to the expiration of a ninety day period following the date on which such individual first received an offer of purchase of such property by the Corps of Engineers, including notification as to the specific amount to be paid as compensation in connection with such offer.

SEC. 4. The Secretary of the Army is authorized to issue such regulations as may be necessary to carry out the provisions of this Act.

SEC. 5. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S. 1872. A bill to enlarge the boundary of the Cibola National Forest. Referred to the Committee on Interior and Insular Affairs.

Mr. MONTOYA. Mr. President, I am pleased to submit on behalf of myself and Senator DOMENICI a bill to enlarge the boundary of the Cibola National Forest. The proposed enlargement involves four tracts of land.

Last year a bill, H.R. 7188, was passed by the House which provided for the inclusion of three of the tracts within the Cibola boundary. I ask unanimous consent that there be printed at this point in my remarks these portions of House Report 93–988 which discuss each of the three tracts.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS

H.R. 7188, as amended by the Committee, would extend the boundary of the Cibola National Forest in New Mexico to include three distinct land areas. The first area contains 4,556 acres, all of which are owned by the United States. Except for 300 acres of open grassland, the area is forested. This area had National Forest status from 1912 until 1954. It was then transferred to the Department of the Army to become a part of the Fort Wingate Army Depot. The Army Corps of Engineers has no further need for this area, and has declared it excess to its needs. It is both practical and desirable to return the area to its former status as a part of the Cibola National Forest. It is suitable for National Forest purposes and can be efficiently administered. The area is bounded on the east by National Forest lands and on the west by Indian lands.

The second area contains 14,476 acres of which 9,760 acres are public domain, 1,280 acres are owned by the State of New Mexico, and 3,436 acres are privately owned. The public lands were acquired through Taylor Grazing Act exchanges with the understanding that they would, at some time, be included in the Cibola National Forest. This legislation accomplishes that objective. During the past ten years, the Forest Service has acquired 115,000 acres within National Forests in New Mexico through land exchanges under the Taylor Grazing Act.

The third area contains 520 acres and is owned by the City of Albuquerque. The City has sought extension of the Forest boundary to include this fragile area. The Committee agrees with this request since it would extend National Forest protection to this environmentally fragile area without impinging on the Forest Service management of the Cibola National Forest.

• • • • •

With regard to Area 3, the Committee decided to retain 520 acres of the proposed 867 acres in Area 3. The area is located in the Sandia Mountains on a relatively steep mountain slope facing the City of Albuquerque. The City has acquired through purchase, 480 acres of the 520 acres and is in the process of acquiring the remaining 40 acres. It is the Committee's understanding that negotiations on these 40 acres are nearing completion. The City purchased the lands from the owners in order to prevent commercial and/or residential development. The area provides a rather spectacular scenic background for the City. This is an environmentally sensitive area and the City of Albuquerque is seeking the extension of the National Forest boundary to include the area as a further protection for them.

The Committee disagreed with the reasoning of the Forest Service that the lands were of a low priority and of too high a cost for National Forest purposes. The City of Albuquerque neither expects nor desires the Forest Service to acquire the lands by purchase or exchange, nor does the legislation call for the Federal government to purchase the land. The argument that this would create another "private" inholding within a National Forest was felt to be weak since the 14,476 acres of land in Area 2 which the Forest Service wanted, contained 1,280 acres owned by the State of New Mexico, 3,436 acres owned by private individuals, and 9,760 acres of public domain lands. Furthermore, the Committee would point out that the option to purchase or exchange the lands would always lie with the Forest Service. If the lands were felt to be of low value and priority for National Forest purposes, then there would be no reason to purchase or exchange lands, but the environmentally sensitive area would still have the protection of being within the National Forest system.

Mr. MONTOYA. The fourth tract in the bill we introduce today contains 6,870 acres and is part of the Elena Gallegos grant. An almost identical tract of land was included in H.R. 7188 as it was introduced, but the House Interior Committee struck it out for two reasons: First, because "the Forest Service described the area as low priority for purchase," and second, because "acquiring the area through land exchange on an area this large was felt no longer likely to be available."

I disagree with both reasons. With regard to the priority, I can assure the Senate that the people of Albuquerque place a very high priority on acquiring this land. It is located at the foot of the Sandias, an inspiring fault-block mountain range which rises directly to the east of the city forming a spectacular backdrop for the city. The people of Albuquerque would consider the commercial development of these foothills to be a desecration and they place a very high priority on seeing that this not happen.

With regard to the possibility of a land exchange, the fact is that an exchange is being worked out now. McDonnel Douglas wishes to acquire an abandoned Air Force base in Tulsa and is willing to buy the Elena Gallegos grant from its present owners, the trustees of the Albuquerque Academy, in order to trade it for the Tulsa land. It is my understanding that this agreement is satisfactory to all concerned and that the land description is also satisfactory.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1872

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the exterior boundary of the Cibola National Forest in New Mexico be modified to include the following described lands:

1. A tract of land in townships 13 and 14 north, range 16 and 17 west, of the New Mexico principal meridian in New Mexico, beginning at a point from which the southwest corner of section 34, township 14 north, range 17 west, bears north 89 degrees 52 minutes west 1,717.32 feet; thence south 0 degrees 56 minutes east 1,307.46 feet to the southwest corner of the Fort Wingate Army Depot; thence south 89 degrees 45 minutes east 897.60 feet; thence south 89 degrees 57 minutes east 2,643.30 feet; thence north 89 degrees 48 minutes east 5,272.08 feet; thence north 89 degrees 51 minutes east 6,596.70 feet to the southeast corner of Fort Wingate Army Depot which bears north 89 degrees 51 minutes east 1,320.66 feet and south 1,328.58 feet from the northwest corner of section 6, township 13 north, range 16 west; thence north 0 degrees 42 minutes west 12,945.12 feet; then due west 15,175.51 feet to the west boundary of the Fort Wingate Army Depot; thence south 0 degrees 35 minutes west 2,598.32 feet; thence south 0 degrees 23 minutes west 5,195.52 feet; thence south 0 degrees 32 minutes west 3,872.88 feet to the point of beginning, containing an area of 4,556 acres, more or less. The southwest and southeast corners of Fort Wingate Army Depot mentioned in the above description are the same as was installed as of November 19, 1971, and mentioned in the Mann survey, United States Department of the Interior, Bureau of Land Management plat dated September 9, 1957.

2. Township 14 north, range 15 west, section 3, all lying south of Interstate 40; section 4, all lying south of Interstate 40; section 5, all; section 8, all; section 9, all; section 10, all lying south of Interstate 40; section 11, all lying south of Interstate 40; section 12, all lying south of Interstate 40; section 13, all lying south of Interstate 40; section 14, all; section 15, all; section 16, all; section 17, all; section 20, all; section 21, all; section 22, all; section 23, all; section 24, all; section 25, all; section 26, all; section 27, all; section 28, all; section 29, all; section 32, east half; section 33, all; section 34, all; section 35, all; section 36, all; containing 14,476.06 acres, acres, more or less.

3. Township 10 north, range 4 east, section 2, south half northeast quarter, southeast quarter; section 11, northeast quarter, north half southeast quarter, southeast quarter; containing 520 acres, more or less.

4. That portion of the Elena Gallegos grant lying east of a line described as beginning at the closing corner between sections 35 and 36 of township 11 north, range 4 east, on the south boundary of said grant and extending north 4,541 feet, thence east 4,541 feet thence north 4,726 feet, thence east 634 feet, thence north 3,379 feet, thence west 1,875 feet, thence north 2,693 feet, thence west 2,006 feet, thence north 4,092 feet to a point on the north boundary of said grant, thence easterly along the said grant boundary 1,452 feet to the 7½-mile corner on the north boundary of said grant, containing 6,870 acres more or less.

SEC. 2. Subject to valid existing rights, all lands owned by the United States in the areas described in section 1 of this Act are hereby added to the national forest, and shall be administered in accordance with the laws, rules, and regulations applicable thereto.

SEC. 3. For the purposes of section 6 of the Act of September 3, 1964 (78 Stat. 903), the boundary of the Cibola National Forest, as modified by section 1 of this Act, shall be treated as if it were the boundary of that forest on January 1, 1965.

By Mr. EAGLETON (for himself, Mr. MORGAN, and Mr. BUCKLEY):

S. 1873. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials. Referred to the Committee on Government Operations.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. EAGLETON. Mr. President, today I am introducing, along with Senators MORGAN and BUCKLEY, a bill to give locally elected school board officials a voice on the Advisory Commission on Intergovernmental Relations.

ACIR, established in 1959 to give the President and the Congress a source of expertise on federalism, tries to promote cooperation and coordination among Federal, State, and local levels of government and to recommend improvements in such areas as Government taxation and the administration of Government services. The Commission's 26 members include representatives of the U.S. Senate and House of Representatives, the Federal executive branch, Governors, State legislatures, cities, counties, and the general public.

Although public elementary and secondary education is a primary function of State and local government, commanding more tax dollars and employing more people than any other Government activity, ACIR has no representatives having direct responsibility for education activities. Nonetheless, ACIR has made recommendations on tax and spending issues that are central to the operations of the public schools. In my judgment, ACIR, as presently constituted, cannot effectively deal with the intergovernmental relationship aspect of the financial problems which currently beset our Nation's elementary and secondary school system.

The bill I am introducing today would simply expand the number of members of the Advisory Commission from 26 to 28 and provide that 2 members be appointed by the President from a panel of at least 4 elected school board officials submitted by the National School Boards Association.

The current members of the Commission are selected in a similar fashion. The President appoints three employees of the Federal executive branch and three private citizens; the Speaker of the House appoints three Members of the House of Representatives, and the President of the Senate appoints three Senators. The remaining members of the Commission are nominated by national organizations of Government officials and are appointed by the President. The four Governors are appointed from a list of eight submitted by the National Governors' Conference. The three State legislators are appointed from a list of six submitted by the Council of State Governments. The four mayors are appointed from a list submitted by the National League of Cities/U.S. Conference of Mayors, and the three county officials are appointed from a list submitted by the National Association of County Officials.

Thus, my bill is entirely consistent with present practice. The National School Boards Association is the only national organization representing school districts of all sizes. Nearly 90,000 members of local boards of education are members of the association, and they are responsible for the education of 95 percent of the Nation's public school children.

Let me emphasize that this proposal will not increase any funding. It requires no new appropriations. It would simply extend the same privileges to elected school officials that are now enjoyed by elected officials from virtually every other level of government and make the Advisory Commission on Intergovernmental Relations a more effective advisory body. And it will give locally elected school officials a voice in formulating the national policies which will ultimately affect their local school districts.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1873

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3(a) of the Act entitled "An Act to establish an Advisory Commission on Intergovernmental Relations" approved September 24, 1959 (42 U.S.C. 4271 et seq), is amended—

(1) by striking out "twenty-six members" in the matter preceding paragraph (1) and inserting in lieu thereof "twenty-eight members"; and

(2) by striking out "and" at the end of paragraph (6), by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and", and by inserting after paragraph (7) the following new paragraph:

"(8) Two appointed by the President from a panel of at least four elected school board officials submitted by the National School Boards Association."

(b) Section 3(b) of such Act is amended by adding at the end thereof the following new sentence: "Of the members appointed under

paragraph (8) of subsection (a) of this section not more than one shall be from any one political party and not more than one from any one State."

SEC. 2. (a) Section 4(c) of such Act is amended by striking out "and (7)" and inserting in lieu thereof "(7), and (8)".

(b) Section 4(e) of such Act is amended by striking out "Thirteen" and inserting in lieu thereof "Fourteen".

SEC. 3. Section 7(a) of such Act is amended by inserting "or of school boards" after "county governments".

By Mr. PERCY (for himself, Mr. MUSKIE, and Mr. RIBICOFF):

S. 1874. A bill to authorize appropriations for the period July 1, 1976, through September 30, 1976. Referred to the Committee on Government Operations.

AUTHORIZATION OF TRANSITION QUARTER APPROPRIATIONS

Mr. PERCY. Mr. President, today I am introducing, at the request of the President, a bill to implement certain provisions of the Congressional Budget and Impoundment Control Act of 1974, Public Law 93–344.

This bill authorizes the appropriation of funds during the transition quarter of July 1, 1976, to September 30, 1976. This authorization is necessary in order to implement the transition to the new Federal fiscal year commencing on October 1, 1976, mandated by Public Law 93–344.

As the Committee on Government Operations explained on page 61 of its report on the budget reform bill:

Early in its deliberations on S. 1541, the Committee determined that any meaningful reform in the congressional budget process required an expansion of the present timetable in which Congress acts on the Federal budget. Members of the Committee generally agreed that the present fiscal year—July 1 to June 30—provided an unrealistic and artificial framework for any proposed new congressional budget process. The Committee concluded that the most practical way to gain additional time was to change the dates of the fiscal year. Report No. 93–579, p. 61.

Title V of the Budget Act, therefore, changed the dates of the Federal fiscal year from July 1 through June 30 to October 1 through September 30, thereby allowing the Congress an additional 3 months in which to complete its complex budget deliberations. Further, to implement this innovation, it was provided that 1976 should serve as a transition year, the 3 months of July through September of that year to be a separate transition quarter subject to separate appropriation.

In accordance with section 502(a)(2) of the act, the President sent to the Congress a bill authorizing the appropriations necessary to carry on the functions of Government during the transition quarter. The bill was considered by the House Government Operations Committee's Subcommittee on Legislation and National Security, which reported it, H.R. 6692, on May 21. The Office of Management and Budget concurs with this bill as reported, and in order to expedite consideration of this bill, I am introducing it in similar form. I am very pleased that Senator MUSKIE, the distinguished chairman of the Budget Committee, is consponsoring this bill, as well as the distinguished chairman of the Government Operations Committee, Senator RIBICOFF.

The bill is specifically intended to cover programs previously authorized and funded through the appropriations process. The specific appropriation amounts necessary for the transition period are contained in part 7 of the 1976 budget, and reflect a continuation of 1976 program levels unchanged for the additional 3 months.

To eliminate any possible confusion as to the reach of this legislation, the House subcommittee added a proviso exempting from coverage any other law authorizing appropriations specifically for the 3-month transition period. Again, the thrust of the proviso is to limit this authorization to continuing authorizations.

Mr. President, this legislation is necessary to fulfill our responsibility to assure that Government continue in an orderly fashion during the transition to the new fiscal year. It does not authorize programs for the 3-month period that would not already have been authorized for the full 1976 fiscal year. It merely extends for a 3-month period authorizations previously enacted.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point, and that the President's letter and message be included in the RECORD immediately following.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are authorized to be appropriated for the period July 1, 1976, through September 30, 1976, such sums as may be necessary to conduct programs and activities for which funding was authorized on June 30, 1976:

Provided, That this Act shall not affect any other law authorizing appropriations for the period July 1, 1976, through September 30, 1976.

THE WHITE HOUSE,
Washington, D.C., February 20, 1975.

Hon. SPEAKER,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I am transmitting herewith draft legislation to authorize appropriations on a Government-wide basis for the period July 1, 1976 through September 30, 1976.

This bill is designed to aid the transition to the new Federal fiscal year period of October 1–September 30 which is scheduled to begin with fiscal year 1977 under P.L. 93–344, the Congressional Budget and Impoundment Control Act of 1974. It would carry out in large measure the requirement of Section 502(a)(2) of P.L. 93–344 that the President prepare and submit to the Congress "proposed legislation he considers appropriate with respect to changes in law necessary to provide authorizations of appropriations" for the three-month period of transition to the new fiscal year.

I believe the attached draft bill provides the most expeditious approach for easing the Government's transition to funding on the new fiscal year basis and enabling timely provision of funding for the transition quarter. I request that it be referred to the appropriate committee and urge its prompt enactment.

Sincerely,

GERALD R. FORD.

EXPLANATION OF BILL

The attached draft bill would, for the period July 1, 1976 through September 30, 1976, authorize appropriations of such sums as may be necessary to conduct projects and activities (not otherwise provided for in any other Act) for which funds have been requested for this period in the 1976 budget, as amended through June 30, 1976. This authorization is intended to cover previously authorized programs funded through the appropriations process, although special circumstances may warrant their inclusion in other authorization legislation in a few instances.

The specific appropriation amounts requested for the transition quarter are contained in the proposed language for each appropriation account in the 1976 budget. In general, they anticipate continuing the 1976 program levels unchanged for the additional 3 months. Summary budget data for the quarter are provided in Part 7 of the budget.

Any authorizations for new budget authority outside of appropriation acts which may be necessary for the transition quarter will be requested through other legislative proposals in a form consistent with the intent of section 401 of P.L. 93–344.

By Mr. BEALL:

S. 1875. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to add a requirement that the comprehensive State plan include provisions for the prevention of crimes against the elderly. Referred to the Committee on the Judiciary.

Mr. BEALL. Mr. President, I am sending to the desk legislation that would, if enacted, encourage the development of comprehensive programs to combat crimes against the elderly. This legislation would require the States to develop a plan for combating crimes against the elderly in order to be eligible for grants from the Law Enforcement Assistance Administration.

The National Crime Panel survey report which was issued in November 1974 stated that—

Throughout the United States during the first six months of 1973, crimes of violence and common theft, including attempts, accounted for approximately 18 million victimizations of persons age 12 and over, households, and businesses.

On April 1, 1975, the Washington Post reported that—

Serious crime in the United States rose 17 percent in 1974, the highest annual increase since the Federal Bureau of Investigation started collecting crime statistics 45 years ago . . .

These statistics are startling to every individual in this country and indeed they may reveal inadequacies in our present criminal justice system. But these statistics are particularly disconcerting to senior citizens who are less able to resist becoming victims of crime.

In addition, elderly persons, recognizing their vulnerability to personal attack, are more cautious and security conscious than other groups, and therefore, expose themselves less frequently to risk situations. Certainly, commonsense seems to tell us that since elderly people are less able to resist a criminal assault, they would be more attractive victims to a criminal or burglar.

The current data does not reveal how many senior citizens are actually exposed to a high crime-risk situation in a given period of time. As stated by the LEAA administrator in a presentation to the U.S. Senate Special Committee on Aging's Subcommittee on Housing for the Elderly on August 2, 1972:

A senior citizen who either locks himself in his apartment in fear of even venturing out into a once familiar and safe neighborhood or one who must take elaborate and unpleasant precautions whenever taking a short trip through an urban area does, in fact, reduce the chances of being victimized by crime.

A survey of various American cities shows a clearer picture of the crime threat confronting older persons. For example a survey by LEAA of victimization rates in Baltimore, Md., indicated that persons 50 years old and older had twice the victimization rate for robbery with injury than persons aged 20 to 24 years old.

Moreover, elderly persons were found to be victims of personal larceny at a rate of 19 per 1,000 as compared to a rate of 6 per 1,000 for 20-year-olds.

Many elderly people have the feeling that they must always remain at home in order to combat crime, or if they must go out, never to venture onto the city streets alone. The picture is a bleak one. Because they travel mostly by bus or subway, older people must wait for public transportation at designated points—and these points are well known to would-be assailants. Mailboxes in unguarded apartments and vestibules are the province of thieves who know when social security checks arrive.

Mr. President, in closing let me note that no segment of our population is more directly affected by crime or the fear of crime. Senior citizens are all too often the victims of crimes while millions of others change their lifestyles in an effort to avoid being victimized by street criminals. It is time for us to attack this problem by developing, on the State and local level, comprehensive plans to effectively combat crimes against the elderly.

Because of their greater vulnerability, I would not even rule out the possibility that some States may want to enact additional mandatory penalties for individuals convicted of attacking senior citizens. We have tried to reduce the use of handguns by similar additional penalties and the same strategy might well work as a shield to protect vulnerable senior citizens.

Mr. President, I ask unanimous consent that the text of S. 1875 be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1875

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth sentence of section 303(a) of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting before the period a comma and the following: "and the prevention of crimes against the elderly".

By Mr. HUMPHREY (for himself, Mr. TALMADGE, and Mr. DOLE):

S.J. Res. 88. A joint resolution to provide emergency authority to the Secretary of Agriculture to restore confidence in the U.S. grain inspection system, and for other purposes. Referred to the Committee on Agriculture and Forestry.

GRAIN SHIPPING SCANDAL MUST BE CLEANED UP WITHOUT DELAY

Mr. HUMPHREY. Mr. President, on May 21 I requested that the Committee on Agriculture and Forestry conduct a thorough investigation of the current scandal involving our grain exports. I have been shocked by the rash of disclosures of bribery and corruption in our grain export and inspection system.

The committee agreed to my request for full hearings and authorized the Subcommittee on Foreign Agricultural Policy, of which I am chairman, to conduct a thorough investigation and to issue subpenas wherever necessary.

Mr. President, America's credibility as the world's major grain exporter has been called into question. The scandal that has rocked our grain export inspection system comes at a very unfortunate time.

It comes at a time when farmers' production costs have soared to record highs.

It comes at a time when farmers are very uncertain as to what the market price for their product will be in the fall.

The Congress tried to give farmers some income protection by passing emergency farm legislation with higher target prices and loan levels. This bill was not a generous bill. It represented the bare minimum that the Congress felt the American grain and soybean producer needed in order to stay in business. It represented an attempt to provide farmers with a price that would almost cover their costs of production.

Unfortunately, when the Congress sent this bill to the President, he chose to listen to the totally incorrect cost estimates and the seriously misleading arguments of his Secretary of Agriculture. Because of the misinformation that the Secretary of Agriculture had circulated about the farm bill, H.R. 4296, the President vetoed the bill and the House of Representatives was unable to override this veto.

Thus, for the 1975 crop, the farmer is at the mercy of the uncertainties of weather and the certainty of spiraling production costs. He also is without any assurance of what price he will receive for his products.

Because the American grain farmer has come to rely very heavily on exports for his market price, it becomes particularly important that the world be absolutely certain of the integrity and quality of American grain and soybeans.

It is shocking, indeed, to read recent press disclosures of lack of world confidence in the quality of our grain exports. There are reports of bribery and corruption, of short weights, incorrect grades, and high percentages of foreign material in U.S. grain and soybean shipments. A pattern has developed, and it discredits American agricultural products.

Mr. President, the American farmer has a right to be fighting mad about this situation.

The corn, wheat, and soybeans that are produced on the American farms are of the finest quality in the world—when they leave the American farm. The farmer has a right to a full explanation and a full accounting of what happens to his grain from the time it leaves his farm to the time that it arrives in another country.

The American farmer has always had a rough deal in the marketplace.

He has always worked hard to produce his products, only to see the middleman reap the lion's share of the profit.

However, when the American farmer finds out that he is being taken by bribery, corruption, and adulteration of the product he worked so hard to produce, it is almost too much to bear.

When a terrible scandal like this occurs, the first question is how could such a thing happen? The second question is who is responsible?

Mr. President, we are beginning to discover how such a thing could have happened. It is sad that our system of grain inspection could have been twisted into such a situation.

However, as to who is responsible, I think we have to start squarely at the top. I have never been one for pinning the blame for widespread scandal on some lower level bureaucrat who has little authority or power to affect the situation.

I feel that we must hold accountable the one man who has both the authority and the responsibility to insure the quality of U.S. grain exports.

That man is Secretary of Agriculture Earl L. Butz.

Mr. President, the Congress made several changes in the U.S. Grain Standards Act in 1968. Perhaps the Congress did not do enough. Perhaps we should have given the Secretary more authority. However, after reviewing the act, I am satisfied that he had enough authority to have prevented the national scandal which now exists.

The U.S. Grain Standards Act provides for mandatory inspection of all graded grain that is shipped in export. Under the act, grain is defined to mean corn, wheat, rye, oats, barley, flaxseed, grain sorghum, soybeans, mixed grain, and any other food grains, feed grains and oilseeds for which standards are established under the act. It does not include rice.

In 1969, the U.S. Department of Agriculture devoted 182 man-years to the enforcement of the U.S. Grain Standards Act. In that year, we shipped 1.4 billion bushels of grains which were inspected under the act. These grains were worth $2.4 billion.

In 1974, the United States shipped 3.4 billion bushels of grain inspected under the U.S. Grain Standards Act. These shipments were worth $12.5 billion. Thus, volume of grain shipments increased by

UMI

two and one-half times in this 5-year period and the value of these grain shipments increased by over five times.

However, in 1974 the Federal man-years devoted to the enforcement of the U.S. Grain Standards Act had been decreased from 182 to 154.

So, while grain exports have been multiplying, the Department of Agriculture under Secretary Butz has been cutting back personnel and deemphasizing the inspection service.

Mr. President, I find this hard to understand. I find it equally hard to understand how Secretary Butz can go around the country singing the praises of agricultural exports and taking credit for this enormous increase, and at the same time allow the only system we have for guaranteeing the quality of U.S. grain exports to fall into disrepute.

Moreover, there is ample evidence that the situation which is now in the headlines is not a new phenomenon. It has been developing for years.

I have in my possession a memorandum by John A. Browning, a member of the U.S. corn and sorghum situation team which visited the United Kingdom and Western Europe from January 7 to January 23, 1969.

This report makes it very clear that in 1969 our customers in Europe were very unhappy about the quality of grain that they were receiving.

This report of customers receiving corn with a high degree of foreign material, with excessive moisture, and corn that was out of condition.

This report indicates in blunt language that in 1969 serious charges were made by European customers about bribery and fraudulent issuance of inspection certificates. Thus, our grain inspection system was seriously questioned by responsible foreign customers in 1969.

Six years ago, Mr. President. Six years ago!

I have been unable to find any constructive action that was taken as a result of these complaints.

Although I do intend to pursue a thorough investigation of the irregularities, the corruption, the bribery, and the other wrong doings that have occurred in our grain inspection system, I do not intend to make a political issue out of this matter.

I think that the American farmer and the American public have a right to know what has gone wrong in our grain export and inspection system. However, I do not intend to sensationalize this issue any more than it has already been sensationalized, because a political and sensational treatment of this issue by the Congress can only hurt the American farmer and our entire economy. I hope that all committees of the Congress will resist the temptation for easy headlines on this issue.

I intend to face up to the fact that our grain export system has already been discredited and our international reputation seriously jeopardized.

I intend to offer a constructive solution and to work with the Secretary of Agriculture to immediately strengthen and restore confidence in our grain exports.

That is why I am introducing today emergency legislation which will give the Secretary of Agriculture all the authority that he needs to immediately strengthen our system and to provide reassurance to our foreign customers.

As chairman of the Subcommittee on Foreign Agricultural Policy of the Committee on Agriculture and Forestry, I have scheduled hearings for June 19 to discuss:

First, the scandal that has occurred and the causes and reasons for this scandal, and

Second, my legislation and any other constructive suggestion that might be offered for strengthening our grain inspection system.

I will expect no less than the Secretary of Agriculture to testify at these hearings.

I can think of nothing more important at this crucial juncture to the future of American agriculture than the need to immediately clean up our grain inspection system and restore confidence in American agricultural products.

I believe that it is crucial that we take necessary corrective steps before the 1975 crop comes to harvest. We must assure our customers that their purchases of grain and soybeans will be of the highest quality.

In 1974, the United States exported over $22 billion of agricultural products. Our net favorable trade balance, in agricultural products was almost $12 billion. As it was, we had a trade deficit of $5.8 billion in 1974. Had it not been for the huge contribution made by agricultural exports, we would have had a devastating trade deficit of almost $18 billion.

Thus, I intend to proceed with a three-step approach to the current crisis of confidence in our current agricultural export system.

First, I am having the committee staff, with assistance from the General Accounting Office, do a preliminary investigation to pull together all the evidence now available as to what is wrong with our grain export system.

Second, I will push for immediate enactment of my emergency grain standards amendments so that the Secretary of Agriculture will have the authority and guidance he needs to immediately strengthen the grain export inspection system.

This emergency legislation will require the Secretary to report to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives every 60 days on the progress he is making in strengthening the grain inspection system.

Third, I am asking the committee staff and the General Accounting Office to pursue a long-term and thorough investigation to lay the groundwork for permanent legislation that will assure that the integrity of our grain exports will never again be jeopardized in this manner.

The emergency legislation that I am introducing today takes a two-fold approach:

First. It makes certain permanent changes in the law to protect Federal grain inspectors and to make bribery of an inspector a felony;

Second. It provides 1-year, emergency authority for the Secretary of Agriculture to take certain actions to strengthen the grain inspection system of the Department of Agriculture.

Specifically, the measure would:

First, amend the Federal Criminal Code to make it a Federal crime to kill, assault, intimidate, impede, or interfere with a Department of Agriculture employee engaged in the performance of his official duties; and

Second, make it a felony for both parties to a bribe to engage in bribery of grain inspection personnel.

For 1 year only, the joint resolution would:

First, authorize the Secretary to hire additional Federal inspection personnel with Commodity Credit Corporation funds;

Second, authorize the Secretary to collect fees to cover total costs of Federal inspections;

Third, authorize the Secretary to hire additional personnel to be stationed at foreign ports to inspect U.S. grain upon entry;

Fourth, authorize the Secretary to revoke the designation of an official inspection agency when, after a hearing, the Secretary determines that the agency has failed to comply with the Grain Standards Act;

Fifth, authorize the Secretary to temporarily suspend the designation of an official inspection agency, without hearing, whenever the Secretary deems such action to be in the best interest of the official inspection system;

Sixth, authorize the Secretary to revoke the designation of an official inspection agency owned, controlled, or operated by those engaged in merchandising grain or those who own or operate grain elevators or warehouses;

Seventh, authorize the Secretary to have Federal employees perform original inspection or reinspection on an interim basis;

Eighth, authorize the Secretary to require that all grain shipped in export be graded and that no clearance be given to any vessel unless the owner or shipper has a certificate of grade for the grain in the vessel;

Ninth, authorize the Secretary to issue regulations with regard to improved sampling equipment in export elevators and with regard to installation of electronic monitoring equipment in export elevators;

Tenth, authorize the Secretary to establish standards and procedures for loading export grain; and

Eleventh, require the Secretary to report to the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture every 60 days on steps to strengthen the grain inspection system.

Mr. President, the temporary emergency authorities which my measure provides are, indeed, broad. The Secretary will probably not wish to utilize all of these authorities.

Normally, I am not in favor of giving the executive branch of the Government this much discretion. But I feel that the emergency that now confronts us demands that we give the Secretary of Agriculture all possible authority to restore confidence in our system.

In the meantime, the Congress will have an opportunity to fully examine the situation and make considered judgments on a complete revision of the U.S. Grain Standards Act.

As I have stated, we will have hearings on this emergency legislation on June 19. I am hopeful that we will have a good, thorough report from the Secretary on his position on my bill by that time. The Secretary may wish additional authorities or he may feel that it would be impractical to implement some of the authorities on a 1-year basis. I shall welcome his views.

Hopefully, the Subcommittee on Foreign Agricultural Policy and the full committee will be able to take action to report an emergency bill sometime in July.

Mr. President, I hope that I can adequately sound an alarm without appearing unduly alarmist.

But I cannot overstress the critical nature of this situation—the potential threat to every American farmer and to the overall economy.

This Nation's shaky economy simply cannot afford to lose such an important source of foreign exchange. Our farmers cannot afford to lose that important source of income. And our consumers cannot afford the potential chaos in our food production system which could result from such a loss.

We are faced with a tight deadline. We must restore world confidence in our grain exports before the 1975 crop is harvested. I hope that the Congress and the administration will join me in beating that deadline.

Mr. President, I ask unanimous consent that the text of the Senate Joint Resolution which I am introducing today be included at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 88

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Emergency Grain Standards Amendments of 1975".

SEC. 2. Section 1114 of Title 18 of the United States Code, as amended, is hereby amended by (1) deleting the phrase "any employee of the Bureau of Animal Industry of the Department of Agriculture," and (2) inserting immediately after the phrase "or of the Department of Labor" the words ", or of the Department of Agriculture".

SEC. 3. The United States Grain Standards Act (82 Stat. 761–770; 7 U.S.C. 71, 74–79, 84–87 and 87a–87h) is amended by adding immediately after section 19 the following new section:

"SEC. 20. Any person, firm or corporation, or any agent or employee of any person, firm, or corporation who shall give, pay, or offer, directly or indirectly, to any official inspection personnel as defined by section 3(j) of this Act or to any officer or employee of the United States authorized to perform any of the duties prescribed by this Act, or by the rules and regulations of Secretary, any money or other thing of value, with intent to influence said official inspection personnel or officer or employee of the United States in the discharge of any duty provided for in this Act, or by rules and regulations of the Secretary, shall be deemed guilty of a felony, and, upon conviction thereof, shall be punished by a fine not less than five thousand dollars nor more than ten thousand dollars and by imprisonment not less than one year nor more than three years. Any official inspection personnel as defined by section 3(j) of this Act or any officer or employee of the United States authorized to perform any of the duties prescribed by this Act, or by the rules and regulations of the Secretary, who shall accept any money, gift, or other thing of value from any person, firm, or corporation, or officers, agents, or employees thereof, given with intent to influence his official action, shall be deemed guilty of a felony and shall, upon conviction thereof, be summarily discharged from office and shall be punished by a fine not less than one thousand dollars nor more than ten thousand dollars and by imprisonment not less than one year nor more than three years."

SEC. 4. Notwithstanding any other provision of law, the Secretary of Agriculture may, for a period of one year after the date of enactment of this Act, hire such additional personnel as he may deem necessary to properly implement the provisions of this Act and the United States Grain Standards Act. Any funds needed for the purposes of this Act and the United States Grain Standards Act shall be reimbursed from funds of the Commodity Credit Corporation. The Secretary may, under such regulations as he may prescribe, charge and collect reasonable fees to cover the estimated total cost to the Department of Agriculture incident to the performance of official inspection, except when the inspection is performed by employees of an official inspection agency or other licensed person. The fees authorized by this paragraph shall, as nearly as practicable and after taking into consideration any proceeds from the sale of samples, cover the costs of the Department of Agriculture incident to the performance of official inspection services in the United States and on United States grain in Canadian ports for which the fees are collected, including supervisory and administrative costs. Such fees, and the proceeds from the sale of samples obtained for purposes of official inspection which become the property of the United States, shall be deposited into the Commodity Credit Corporation and such funds shall be available without fiscal year limitation for the expenses of the Department of Agriculture incident to providing official inspection services.

SEC. 5. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized, for a period of one year after the date of enactment of this Act, to hire additional personnel to be stationed in foreign nations which are substantial importers of grain from the United States. These personnel shall inspect United States grain upon its entry into the importing nation to determine whether such grain is of the same kind, class, quality, and condition that it was certified to be upon official inspection in the United States.

SEC. 6. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized, for a period of one year after the date of enactment of this Act, to suspend or revoke the designation of an official inspection agency, whenever, after affording the agency an opportunity for a hearing, the Secretary determines that such agency has failed to comply with any of the provisions of the United States Grain Standards Act or regulations issued pursuant to such Act: *Provided*, That the Secretary may, without first affording the agency an opportunity for hearing, suspend any designation temporarily pending final determination, whenever the Secretary deems such action to be in the best interest of the official inspection system under the Act.

SEC. 7. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized, for a period of one year after the date of enactment of this Act, to revoke the designation of an official inspection agency that is owned, controlled, or operated by a board of trade or any other business entity whose owners, stockholders, officers, employees, or committee members own or operate a grain elevator or warehouse, or whose owners, stockholders, officers, employees, or committee members are currently engaged in the merchandising of grain.

SEC. 8. Notwithstanding any other provision of law, the Secretary of Agriculture may, for a period of one year after the date of enactment of this Act, authorize any competent employee of the Department of Agriculture to perform all or specified original inspection or reinspection functions involved in official inspection of grain in the United States: *Provided*, That the use of authorized Department employees to perform original inspection and reinspection functions involved in official inspection of grain in the United States will be on an interim basis, (i) pending designation of an official inspection agency, (ii) during any period of suspension of the designation of an official inspection agency under this Act, or (iii) whenever the Secretary determines that no official inspection is available to provide needed inspection services.

SEC. 9. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized, for a period of one year after the date of enactment of this Act, under such regulations as he may prescribe, to require (1) that all grain shipped from the United States to any place outside thereof be graded under standards effective under section 4 of the United States Grain Standards Act, and (ii) that no clearance shall be given to any vessel having on board grain as defined by section 3(g) of the United States Grain Standards Act for export to a foreign country until the owner or shipper of such grain has an official certificate showing the official grade designation of such grain as prescribed by regulations of the Secretary.

SEC. 10. Notwithstanding any other provision of law, the Secretary is authorized, for a period of one year after the date of enactment of this Act, to issue such regulations as he may deem necessary in regard to improved sampling equipment in export elevators, and installation of electrical monitoring equipment in export elevators.

SEC. 11. Notwithstanding any other provision of law, the Secretary is authorized, for a period of one year after the date of enactment of this Act, to establish standards and procedures for loading export grain to control the activities of elevator employees, longshoremen, grain trimmers, and others who participate in the loading of export grain.

SEC. 12. The Secretary shall submit a written report to the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture 60 days after enactment of this Act and every 60 days thereafter for a one-year period after enactment of this Act. The Secretary shall include in these reports (1) the steps being taken by the Secretary to implement this Act and improve the grain inspection system, (ii) any legislative recommendations the Secretary may have to strengthen the grain export system, and (iii) the current status of federal investigations of the grain export scandal.

UMI

Mr. DOLE. Mr. President, the measure that Senator HUMPHREY and I introduce today is needed to provide more strict penalties and emergency authorities to the Secretary of Agriculture to protect our export markets for wheat and other grains.

Recent reports in the press have caused some of our foreign buyers of our grain to be overly cautious to book future shipments. This legislation will go a long way to enabling the Secretary of Agriculture to correct that situation and reassure our customers that the grain they buy will be the good quality that they expected to receive when they made their purchase agreement. The authorities provided in this bill will tighten up any possible loose ends that may exist in the present grain inspection system.

Meanwhile, Mr. President, I want to emphasize that the Agriculture Committee staff is investigating this matter to evaluate the present grain inspection laws and if amendments are needed to update or improve the laws, we expect to introduce legislation later this year to fulfill that need. Meanwhile, I wish to thank the chairman of the Committee on Agriculture, Senator TALMADGE, for responding so promptly in cooperating with the request of myself and Senator HUMPHREY to obtain investigatory powers for the committee and in scheduling hearings on the matter for June 19.

I hope all my colleagues will support this measure because of the emergency need for prompt passage.

The success we have enjoyed in expanded export markets for our grain can be largely attributed to our reputation of delivering the quality grain desired by our foreign customer. In my 15 years in Congress I have a longstanding record of support for market development legislation and for legislation that assures continued shipment of high-quality grain. That is the objective of this emergency measure.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 287

At the request of Mr. BURDICK, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 287, to provide for the appointment of additional district court judges, and for other purposes.

S. 961

At the request of Mr. MAGNUSON, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 961, a bill to extend, pending international agreement, the fisheries management responsibility and authority of the United States over the fish in certain ocean areas in order to conserve and protect such fish from depletion, and for other purposes.

S. 1183

At the request of Mr. HARTKE, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 1183, a bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder.

S. 1359

At the request of Mr. MUSKIE, the Senator from Michigan (Mr. PHILIP A. HART) was added as a cosponsor of S. 1359, a bill to coordinate State and local government budget-related actions with Federal Government efforts to stimulate economic recovery by establishing a system of emergency support grants to State and local governments.

S. 1372

At the request of Mr. ROBERT C. BYRD, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1372, a bill to require that States having agreements under section 218 of the Social Security Act will continue to make social security payments and reports on a calendar-quarter basis.

S. 1496

At the request of Mr. DOMENICI, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1496, a bill to amend title XVIII of the Social Security Act to authorize expanded home health services under medicare.

S. 1406

At the request of Mr. MONTOYA, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of S. 1406, a bill to provide that veterans' pension and compensation will not be reduced as a result of certain increases in monthly social security benefits.

S. 1617

At the request of Mr. BENTSEN, the Senator from Florida (Mr. CHILES) and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 1617, a bill to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests.

S. 1795

At his own request, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 1795, a bill to amend the Employment Act of 1946 by providing for the development and adoption of a balanced economic growth plan, and for other purposes.

S. 1843

At the request of Mr. DOLE, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 1843, a bill to amend and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters.

SENATE RESOLUTION 31

At the request of Mr. SCHWEIKER, the Senator from Pennsylvania (Mr. HUGH SCOTT) was added as a cosponsor of Senate Resolution 31, a resolution designating January 22 as Ukrainian Independence Day.

SENATE JOINT RESOLUTION 81

At the request of Mr. MAGNUSON, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Joint Resolution 81, to regulate commerce by prohibiting importation into the United States of any fish or fish products by any foreign enterprise which engages in commercial whaling activities, and for other purposes.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. CURTIS, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of Senate Concurrent Resolution 29, expressing the sense of Congress regarding the annexation of the Baltic nations.

AMENDMENTS SUBMITTED FOR PRINTING

DEPARTMENT OF DEFENSE AUTHORIZATION ACT—S. 920

AMENDMENTS NOS. 514, 515, AND 516

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE submitted three amendments intended to be proposed by him to the bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

AMENDMENT NO. 517

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY (for himself and Mr. BROOKE) submitted an amendment intended to be proposed by them to the bill (S. 920), supra.

AMENDMENTS NOS. 518 AND 519

(Ordered to be printed and to lie on the table.)

Mr. CULVER submitted two amendments intended to be proposed by him to the bill (S. 920), supra.

AMENDMENTS NOS. 520 AND 521

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted two amendments intended to be proposed by him to the bill (S. 920), supra.

AMENDMENT NO. 522

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT. Mr. President, for myself, and the Senator from Arizona (Mr. GOLDWATER), I submit an amendment we intend to propose to amendment No. 488 to the Department of Defense Authorization Act, and I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 522

In lieu of the matter proposed by such amendment, insert the following new sections:

SEC. . Title 10, United States Code, is amended as follows:

(A) Sections 4342, 6954 and 9342 are each amended by striking out the word "sons" wherever it appears therein and inserting in place thereof in each instance the word "children".

(B) Section 6956(d) is amended by striking out the word "men" wherever it appears

therein and inserting in place thereof in each instance the word "members".

SEC. . The Congress hereby finds that the education and military training received at the Service academies is an invaluable asset to a commissioned officer of an armed force in his military career, and provides a unique training experience of the highest order in an all-military environment that cannot be duplicated at a civilian educational institution. The Congress further finds that there has been a significant increase in recent years in the numbers of women utilized in the armed forces and an expansion of their roles and responsibilities within the Services. It is the intent of the Congress that an academy experience should be made available to females, so that the outstanding military education provided only at the Service academies will be available to them.

SEC. . Notwithstanding any other law, a person shall not be ineligible for or denied admission to the United States Military Academy, the United States Naval Academy, or the United States Air Force Academy solely on account of sex. This policy shall be implemented as prescribed in the following section of this Act.

SEC. . The Secretary of Defense shall take such steps as are necessary and appropriate to insure that qualified females are appointed and admitted to the academy he designates, in such numbers as he may prescribe, no later than the class which enters such academy in July of 1976, and to the other academies described in the preceding section of this Act no later than the classes entering such academies in calendar year 1981. Any female admitted before calendar year 1981 to the academy initially designated shall be, if otherwise qualified, eligible to be commissioned in any one of the Services of her choice. The Secretary of Defense shall take steps immediately to identify the problems anticipated regarding the admission to and status of females at the academies, and to formulate and implement a plan for the orderly admission of females into all of the academies, such plan to be forwarded to the Armed Services Committees of the Senate and House of Representatives no later than December 31, 1975.

AMENDMENTS NOS. 523 AND 526

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT submitted two amendments intended to be proposed by him to amendment No. 488, to be proposed to the bill (S. 920), supra.

AMENDMENTS NOS. 524 AND 525

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT submitted two amendments intended to be proposed by him to the bill (S. 920), supra.

AMENDMENT NO. 527

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON. Mr. President, I submit an amendment which I intend to proposed to the bill (S. 920), the Defense Department Authorization Act, and I ask unanimous consent that a factsheet I have prepared on my AWACS amendment, as well as an addendum answering charges made by Senator CANNON in a June 2 floor speech be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACT SHEET

Eagleton amendment on the airborne warning and control system—AWACS.

1. Would the Eagleton Amendment require cancellation of the AWACS program?

No. Research and development funds would be unaffected. Procurement funds for 6 aircraft authorized in the FY–75 bill would be unaffected. The amendment would, however, hold up the expenditure of FY–76, FY–T procurement money until NATO contractual agreements are reached. If such agreements are not reached, the money authorized in the bill ($490.5 million) would revert back to the Treasury.

2. Would the amendment disrupt the AWACS production line?

The production of the 6 FY–75 aircraft would proceed until approximately November 1977. A decision on a NATO buy is now scheduled for July 1976. If NATO decides to buy, this timing would enable the line to continue (at a higher, more economical rate) without disruption.

3. Are not U.S. requirements separate from NATO's and aren't they great enough to warrant production of at least 6 more aircraft?

A program budget decision approved last December by Deputy Secretary Clements indicates that "10 aircraft would satisfy the non-NATO AWACS requirement" (this decision recommended termination of AWACS production until "U.S./NATO agreements on requirements, configuration and cost sharing are reached). A Library of Congress study of last year based on official Air Force reports, stated that the non-NATO requirement would be 5 aircraft.

Part of the confusion arises from the Air Force intention to purchase a number of AWACS for European use whether or not NATO decides to buy the system. Official DoD documents indicate that the Air Force wants to purchase at least 14 AWACS to cover NATO's central region.

The amendment would assure that NATO participates in the purchase of at least a matching numbers of AWACS. While reluctantly going along with the Air Force concept of less-than-full-NATO cost sharing, the amendment would not allow the United States to bear the full cost of the NATO AWACS fleet.

4. Does the amendment encourage NATO participation?

Yes it does, at least to the degree possible. If the amendment is not enacted, NATO, already skeptical because of the cost, would have little incentive to match U.S. participation since it already knows that the U.S. intends to purchase enough AWACS to provide coverage of the central region.

The amendment is, however, more designed to protect the American taxpayer from a faulty investment. NATO studies have raised as many questions about AWACS' vulnerability to jamming and physical attack as has the GAO. It would, therefore, not be realistic to count on a positive NATO decision under any circumstances.

5. Are the planes to be built with FY–76, FY–T funds capable of performing the European mission?

No. According to the program budget memorandum signed by Deputy Secretary Clements, 24 of the 31 AWACS to be produced over the next three years will be in the configuration appropriate for the defunct continental air defense mission.

That memo stated: "it appears inconsistent to plan to proceed under the current contract schedule for production of 24 CORE aircraft (the air defense model) in light of two specific requests by the Deputy Secretary to incorporate enhancements, and in light of congressional insistence on an AWACS that will be effective in a NATO tactical environment."

Serious questions have been raised by GAO and NATO as to whether AWACS will ever be capable of performing in Europe. Nonetheless, the Air Force now has three separate sets of recommendations for "enhancement" features to make it more capable. A conservative management approach would be to build these complex subsystems, test them, and then make a judgment as to AWACS' ultimate viability in Europe. The Eagleton Amendment would permit more time for this process while awaiting NATO decisions on requirements, configuration and cost sharing.

6. Didn't the House reject an anti-AWACS amendment?

Yes, but the House floor amendment sought to stop the program outright. More indicative of House sentiment was the move by the House Armed Services Committee to reduce the AWACS request from six to three. The Committee also stated that none of the procurement money can be spent until the Secretary of Defense certifies in writing that the Defense Department has demonstrated "the ability of the AWACS system against formidable jamming systems such as the EA–6B's in a realistic free play environment." This is hardly a strong endorsement of the AWACS program.

7. Have these recommended tests been conducted?

After a long debate over whether again to fly AWACS against the EA–6B, the Navy jamming plane which had been so successful previously, the test was reportedly conducted last week. Although the Air Force will undoubtedly claim a great success in private briefings, it should be noted that impartial GAO observers were not permitted and as of Monday (June 2) could not even obtain a copy of the test plan.

Considering the success the EA–6B had against AWACS when operating under severe Air Force-imposed constraints (described in an official Navy report), one would have to be skeptical about any claims of AWACS success this time, especially if the Navy plane is allowed to use "free play" tactics.

Nonetheless, GAO should be given an opportunity to examine the test plan and, importantly, the test results. Every test the Air Force has conducted on AWACS has been subsequently criticized by either OSD, GAO or NATO because it was designed primarily to show AWACS in the best light and did not simulate combat conditions.

An example of this test "rigging" can be seen in the plan for a test which took place on May 12. That plan, according to radar experts, had the following deficiencies: ground jammers were ideally placed to have minimal impact on AWACS. Attacking aircraft approached AWACS at the most unlikely and most exposed angles. Air jammers were intentionally weak. And ground and air jammer strobes were purposely set to enable AWACS to discriminate between them.

8. Wouldn't NATO be tempted to purchase a very small number of AWACS simply to gain the release of funds so that the USAF could pay the cost of covering the Central Region, where the greatest threat exists?

The amendment requires NATO to purchase at least 14 aircraft, which is the minimum requirement for coverage of the Central Region. The number 14 is not arbitrary; it is the Air Force's own requirement and is based on the need to provide coverage of three continuous (24-hour) orbits over the Central Region. Each orbit would require 5–6 aircraft, so the number 14 represents a minimum compromise for a 3-orbit area.

If you are confused, you have company. Nothing has been as elusive—for GAO, NATO, OSD, and probably the Air Force itself—than the quantity requirements for use of this system in Europe. This is due in part to the failure to define the NATO requirement. This failure is reflected in the following quotes taken from the minutes of a February 14, 1975 press conference on AWACS held by Dr. Malcolm Currie, DoD Director of R&D:

"Now the military people in NATO feel that it's extremely important . . . and they

are looking at various levels, the preferred one being as I recall 32 aircraft."

"Q: Are we definitely going to buy 31?

"A: I'm not saying that. I'm saying the definite thing in this whole equation is the first 15.

"Q: What would be the judgment factor to go on to the 31?

"A: The judgment factor there will be how many NATO will buy. . .

"Q: Suppose NATO doesn't buy, how big a factor will that be? If NATO doesn't buy it, is it your estimate that they will stop at 15?

"A: No, that's not my estimate. I just don't want to speculate on that.

"Q: How many planes are we talking about for NATO?

"A: A force in the 30's would be a reasonable one.

"Q: 15 NATO and 15 U.S.?

"A: No. NATO is talking about—the military requirement is for more than 30. Now how much of this will be able to be afforded (sic) is another matter.

"Q: Thirty-four plus 30?

"A: I think a total NATO buy of something like 20 is realistic."

The Eagleton Amendment would assure that these important requirements are set before the tax dollar is committed. It would also set a foundation for this discussion at the lowest official quantity requirement available for the Central Region. It would not, on the other hand, prohibit NATO from purchasing the 20 to 32 aircraft mentioned by Dr. Currie.

It should be noted that the Air Force is currently planning to purchase all the aircraft necessary for the Central Region. NATO then would purchase sufficient systems for the 3 or more orbits needed on the flanks. While this procedure is hardly beneficial to the American taxpayer, the amendment would not affect this Air Force plan, it would simply assure that NATO at least matches the American buy.

It is also worth pointing out that whatever quantity NATO decides to buy, the United States, as a NATO partner, will contribute approximately 25% of the cost plus all R&D expenditures. Looking at the amendment in this context, the minimum requirement of 14 gets lower and lower. Considering NATO studies on AWACS, however, it is highly unlikely that NATO would purchase even this small number. And if NATO decides AWACS won't do the job in Europe, the American taxpayer should not have to pay for an AWACS that won't work in combat.

ADDENDUM

Following are responses to a number of charges made by Senator Cannon in a June 2 floor speech on AWACS.

Senator Cannon stated that the tactical mission for AWACS was first recognized in 1966 by the Air Force.

If this is true, it took four years before the tactical mission was accepted at the Defense Department level as the secondary mission for AWACS. Defense Concept Paper 5 officially established the tactical command and control role as AWACS' secondary mission in February, 1970. It should be noted, however, that no great attention was paid to this mission until August, 1973, when Secretary Schlesinger assigned the tactical NATO role as the new primary mission.

Senator Cannon questions the credibility of the GAO technical assessment of the AWACS radar by again stating that GAO "made errors by factors of 100 to 1,000 in calculating the resistivity of the AWACS radar to ECM."

As was stated in our "Colleague" letter, the error was attributed to the fact that GAO used official AWACS specifications. The Ad Hoc Radar Panel indicated that the prototype radar was performing more efficiently than the specifications (it was also probably fine-tuned). Senator Cannon does not mention (1) that even with the 100 to 1,000 margin of error, the sophisticated jammer calculated by GAO would still black out AWACS and (2) the panel concluded that the Soviet Union could build a much cheaper jammer which would black out AWACS and it was not, therefore, necessary to analyze the GAO jammer in depth.

Senator Cannon contended that the argument that AWACS is vulnerable to physical attack is "specious at best."

Concern about AWACS' physical vulnerability has permeated Defense Department studies about AWACS and this is one of the areas of concern expressed in the NATO study made available to GAO.

Senator Cannon states that AWACS would not be saturated by the aircraft tracks it would encounter in the NATO Central Region and would have the capacity to handle this problem.

Following is a quote from the NATO study made available to GAO:

"The enhanced CORE configuration might handle the air situation in the flanks, but the expected traffic in the Central Region would certainly be beyond its capability."

Senator Cannon charges that a press release of May 28, 1975 from Senator Eagleton was in error because a test Senator Eagleton charged was "rigged" did not in fact take place on May 5, it took place on May 12 and 19.

The Eagleton press release stated that he had in his possession a plan for a test to be conducted on May 5, 1975. He based his criticism of the test on an analysis of the plan itself. In fact, the test was delayed one week because the House Armed Services Committee staff complained that the test plan was inadequate. After considerable internal debate, the Defense Department decided to use the Navy EA-6B against AWACS in a test that was conducted last week.

Senator Cannon states that Senator Eagleton has not released the names of his "radar experts."

If the names of these radar experts were released, they would be fired by their employers within minutes. Senator Eagleton will discuss the general question of dishonesty in the Air Force test program in his floor speech.

Senator Cannon states that the decision made by Deputy Secretary Clements to terminate AWACS production until NATO agreements are reached, was not "highlighted" in the Eagleton press release of May 28.

This is true. The reason the decision was reversed was because the White House ordered that approximately $3 billion be added to the defense budget just before its submission to Congress. AWACS and other systems benefitted from the windfall.

AMENDMENT NO. 528

(Ordered to be printed and to lie on the table.)

Mr. STEVENS submitted an amendment intended to be proposed by him to the bill (S. 920), supra.

AMENDMENT NO. 529

(Ordered to be printed and to lie on the table.)

Mr. WEICKER (for himself and Mr. CHILES) submitted an amendment intended to be proposed by them jointly to the bill (S. 920), supra.

AMENDMENT NO. 530

(Ordered to be printed and to lie on the table.)

Mr. GLENN submitted an amendment intended to be proposed by him to the bill (S. 920), supra.

AMENDMENT NO. 531

(Ordered to be printed and to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill (S. 920), supra.

AMENDMENT NO. 532

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill (S. 920), supra.

AMENDMENT NO. 533

(Ordered to be printed and to lie on the table.)

Mr. McGOVERN submitted an amendment intended to be proposed by him to the bill (S. 920), supra.

AMENDMENT NO. 534

(Ordered to be printed and to lie on the table.)

Mr. TOWER submitted an amendment intended to be proposed by him to the bill (S. 920), supra.

AMENDMENT NO. 535

(Ordered to be printed and to lie on the table.)

Mr. GRAVEL submitted an amendment intended to be proposed by him to the bill (S. 920), supra.

AMENDMENTS NOS. 536 THROUGH 541

(Ordered to be printed and to lie on the table.)

Mr. GRAVEL submitted six amendments intended to be proposed by him to the bill (S. 920), supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 490

At the request of Mr. ABOUREZK, the Senators from California (Mr. CRANSTON and Mr. TUNNEY) were added as cosponsors of amendment No. 490, intended to be proposed to the bill (S. 920), the Defense Department authorization bill.

AMENDMENT NO. 506

At the request of Mr. SYMINGTON, the Senator from California (Mr. TUNNEY) was added as a cosponsor of amendment No. 506, intended to be proposed to the bill (S. 929), the Department of Defense Authorization Act.

AMENDMENT NO. 511

At the request of Mr. BELLMON, the Senator from California (Mr. TUNNEY) was added as a cosponsor of amendment No. 511, intended to be proposed to the bill (S. 920), the Defense Department Authorization Act.

NOTICE OF HEARING

Mr. PHILIP A. HART. Mr. President, the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary and the Commerce Committee's Subcommittee for Consumers will hold joint hearings on S. 1136, the Antitrust Enforcement Authorization Act of 1975, introduced by myself and 44 cosponsors, and S. 449, the Antitrust Enforcement Act of 1975, introduced by the distinguished junior Senator from California (Mr. TUNNEY).

The hearings will be held June 10 and 11, 1975, beginning at 10 a.m. in room 2228, Dirksen Senate Office Building on June 10, and in room 4200, Dirksen Senate Office Building on June 11.

All persons who wish to testify or submit a statement for inclusion in the record should contact Pat Springer, room A517, Senate Office Building; telephone 224-7489.

NOTICE OF SUBCOMMITTEE MARKUP ON S. 598, THE ERDA AUTHORIZATION BILL

Mr. CHURCH. Mr. President, for the information of the Senate and the general public, the Subcommittee on Energy Research and Water Resources has scheduled a markup on the Energy Research and Development Administration authorization bill, S. 598, for Friday, June 6, at 10 a.m. The meeting will be held in room S-146, the Capitol.

NOTICE OF CHANGE IN TIME FOR SUBCOMMITTEE MARKUP

Mr. CHURCH. Mr. President, for the information of the Senate and the general public, the markup on the ERDA authorization bill scheduled before the Subcommittee on Energy Research and Water Resources for 2 p.m. on June 9, 1975, has been rescheduled for 1:30 p.m. on June 9, in room 3110 of the Dirksen Senate Office Building.

NOTICE OF HEARING POSTPONEMENT

Mr. HUMPHREY. Mr. President, the hearings of the Foreign Agricultural Policy Subcommittee scheduled for June 5, have been postponed until early July. As soon as possible, our subcommittee will set a date to explore the activities of the Foreign Agriculture Service which we intended to review at our June 5 hearing.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE PARKS AND RECREATION SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JOHNSTON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Parks and Recreation Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for June 20, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding two measures which are presently before the subcommittee. The measures are S. 759 and S. 1640, bills to provide for the establishment of the Santa Monica Mountains and Seashore Urban Recreation Area.

For further information regarding the hearings you may wish to contact Mr. James Beirne, counsel to the subcommittee, on extension 44971. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Parks and Recreation Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

James H. Henson, of Georgia, to be U.S. marshal for the northern district of Georgia for the term of 4 years, vice Bill C. Murray, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, June 11, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 12, 1975, at 10:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Richard L. Thornburgh, of Pennsylvania, to be an Assistant Attorney General, vice Henry E. Petersen, resigned (Criminal Division).

Any persons desiring to offer testimony in regard to this nomination, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full committee.

NOTICE OF CANCELLATION OF HEARINGS ON PROPOSALS TO ESTABLISH A UNIFORM LAW ON THE SUBJECT OF BANKRUPTCY

Mr. BURDICK. Mr. President, I wish to announce that the hearings of the Subcommittee on Improvements in Judicial Machinery on S. 235 and S. 236, two proposals to revise the bankruptcy laws of the United States previously noticed for June 10 and 11, 1975, have been canceled.

Future hearings on these proposals will be noticed.

HEARINGS ON COUNCIL ON INTERNATIONAL ECONOMIC POLICY

Mr. STEVENSON. Mr. President, on June 16 and 17 the International Finance Subcommittee of the Committee on Banking, Housing and Urban Affairs will hold hearings on S. 1262, a bill to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended, and for other purposes. Among the matters which will be considered are the International Economic Report of the President, the annual report of the Council on International Economic Policy, and executive branch organization for the development and implementation of international economic policy.

The hearings will start at 10 a.m. and be held in room 5302 on June 16, and on June 17 in a room to be announced at a later date. Interested persons should contact Stanley J. Marcuss, counsel to the subcommittee, at room 5302, Dirksen Senate Office Building, Washington, D.C. 20510, telephone 202-224-8813.

ADDITIONAL STATEMENTS

THE BURDEN OF FEDERAL ESTATE TAXES ON THE FARMER

Mr. ABOUREZK. Mr. President, I have received many letters from South Dakota farmers and ranchers who are very concerned by the tremendous burden of Federal estate taxes.

The problem is that when a family farm or ranch is passed on to the next generation, the unreasonably high estate taxes literally mean the confiscation of a major part of the value of the farming unit.

It is often said that the Federal estate taxes on the average farm are equivalent to the value of a quarter of land.

Unfortunately, the burden placed on the heir of a family farm is so great that it is entirely possible the person will not be able to make a go of it.

The most common example of this is the young farmer who inherits his parents' farming operation. His parents want the farm to stay in the family and not fall into the hands of corporate speculators or other nonfarm investors. In good faith, they will their land, buildings and machinery to the next generation. But the young farmer finds himself with a tax bill that oftentimes requires him to mortgage or sell part of the land. It is a sad fact that the tax burden can force the young person to go out of business.

In short, the current high level of Federal estate taxes on family-sized farms and ranches contributes to the decline of family agriculture in our country. And it adds to the problem of bringing young people into our most basic industry—the production of food.

Last January, I joined the distinguished Senator from Indiana, BIRCH BAYH, as a cosponsor of S. 277, the Family Farm Inheritance Act.

This bill would provide a special $200,000 exemption from Federal estate taxes for the value of a family farm willed to a family member. Senator BAYH carefully drafted the bill so that the benefits would be enjoyed only by bonafide family farmers, and it provides for the payment of all the taxes if the heir abandons the farm within 5 years.

I feel strongly that the Family Farm Inheritance Act should be an important part of a major tax reform effort in the Congress, and I urge my colleagues in the Senate to support this legislation in the interests of the small farmer and, ultimately, in the interests of the American consumer.

This week, I wrote to the distinguished chairmen of the Senate Finance Com-

UMI

mittee and the House Ways and Means Committee, Senator RUSSELL B. LONG and Representative AL ULLMAN, urging them to include this concept in tax reform legislation in 1975.

I ask unanimous consent that the text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 4, 1975.

DEAR MR. CHAIRMAN: I am writing to respectfully urge you to include the Family Farm Inheritance Act, S. 227, as part of the Committee's efforts for tax reform in 1975.

As you know, one of the reasons for the continued decline of family-sized farms and ranches is the high level of federal estate taxes.

When confronted with a high estate tax bill, the heirs to a family farm often have to either remortgage the farm or sell off part of the land in order to pay that bill. Unfortunately, the increased cost of a new mortgage or the loss of the land sold to pay the estate taxes turns the farm into a non-viable economic unit. The family farm or rancher then goes out of existence.

The Family Farm Inheritance Act would help solve this problem by providing a special $200,000 exemption from estate taxes for the value of a family farm willed to a family member. This bill is carefully written to limit its benefits to bonafide family farmers, and it provides for the repayment of all the taxes if the heir abandons the farm within five years.

I have received a large volume of mail from South Dakota farmers and ranchers who feel this kind of change in the federal estate tax law is of vital importance to the future of family agriculture.

Your support for this concept would be greatly appreciated by America's food producers.

With warmest personal regards,

Sincerely,

JAMES ABOUREZK,
U.S. Senate.

PRESIDENT FORD ADDRESSES THE GRADUATING CLASS AT U.S. MILITARY ACADEMY

Mr. HUGH SCOTT. Mr. President, for the information of my colleagues, I ask unanimous consent that the text of President Ford's remarks at the graduation exercises at West Point be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF REMARKS BY THE PRESIDENT

I am deeply honored to be here. The traditions of West Point run throughout our history. The long gray line has extended from here to the ends of the world. And now you accept that inheritance—carrying with you not only the traditions of West Point but the hopes of your countrymen.

For two centuries, the United States Army has stood for freedom, since this Academy's founding in 1802, West Point has provided leaders for that army. The purpose of the army and West Point today are one and the same—as they were at their historic foundings: to be ready at the Nation's call to carry out—with dedication and honor—the duty of defending the liberty of our land and our people.

The battle for freedom will take many forms in the years ahead. The will of America will always be tested. It is our job—yours and mine—to be prepared for those tests.

In recent weeks I have come to realize, as never before, how closely the free world watches the United States of America. Nations observe our example and leadership in meeting the tremendous challenges of maintaining the peace and the momentum of economic progress.

At the same time I have seen how much depends upon the skill and superior professionalism of those who serve the United States either in uniform or as civilian representatives of our country. The tremendous productivity of America's farms and factories, the sophistication of our technology and the durability of our political institutions all arouse the envy and admiration of friend and foe abroad.

But our one really essential resource is our people—our dedication to our national interest and national purpose.

You may have read or heard that our allies and other overseas friends have questioned the continuing resolve and unity of our government and our people and that I went to Europe to give them reassurance.

Fortunately, I did not find that degree of doubt among the leaders with whom I met requiring such extensive reassurance, nor would mere words be enough to convince these practical political leaders. What has impressed them and what will impress them are demonstrations of the essential unity of America in the pursuit of our national goals at home and abroad.

One such practical demonstration will be the fate of the 1976 defense budget which I proposed to the Congress. Because the United States is today at peace, there are some who want to cut back on defense spending and put these dollars into their own pet domestic projects. The hard fact is that we have consistently done this in recent years while our potential adversaries have consistently increased their military budgets.

In real terms, our defense spending has dropped to its lowest level since before the Korean conflict. It is my firm conviction that we cannot afford further erosion of our bedrock defense budget. And I will fight hard to prevent it.

I believe the American people want a national defense posture that is second to none, one that will maintain our qualitative superiority now and in the future; one that will be sufficient to ensure peace through the mutually-honored commitments we have with reliable allies and through the dedication of the highly-motivated and professional military establishment which you are about to enter as officers.

It is instructive to recall that this Academy was founded during the Jefferson Administration. Thomas Jefferson was consistently suspicious of large standing armies; ardent in his insistence on civilian authority over the military. Nevertheless, he was a champion of quality and educational excellence. President Jefferson knew that freedom's defense could not be entrusted to amateurs in a world of expansionist powers and opportunist pirates. Whatever price our poor and youthful republic had to pay for its full independence and the protection of its lawful interests, Jefferson and the Congresses of his day were willing to pay.

I believe the Americans of 1975 are just as willing to pay that price. That is why I continue to press for a comprehensive ten-year program to develop enough domestic energy to make the United States fully independent of foreign oil at externally fixed prices that threaten both our economic health and our national security.

This would be another convincing demonstration to our allies and to our adversaries that Americans have lost neither their nerve nor their national will.

All of the encouraging declarations of commitment to mutual defense and mutual progress which I heard at the NATO Summit Conference in Brussels last week will be meaningless unless the industrial democracies have assured sources of energy to power both their economic and military efforts, once again, the United States is looked to for leadership and example.

Of course energy independence is going to cost us something. Of course an adequate level of defense is going to cost us something. But the price of sacrifice is far less than the price of failure. Freedom is never free; but without freedom, nothing else has value.

No previous graduating class in the history of West Point will be called upon to fill so many different roles and to perform so many exacting missions as the Class of 1975.

Like those who preceded you, you must know military strategy, tactics and logistics. You must master the increasingly complex machinery of warfare. You must learn the lessons of leadership.

But today as never before you will need a sense of history, a grasp of economic principles, an appreciation of science, a mastery of geopolitics and diplomatic conventions. The Commander-in-Chief can state a policy and issue an order; but only disciplined and dedicated subordinates can successfully carry it out.

You must also understand that in the complexities of today's world, we must pursue complex policies. We must be at the same time both strong and conciliatory. While we must at all times maintain a defense second to none, we must also pursue better relations with our adversaries. Detente, to be effective, must be a two-way street, producing benefits for each side based on genuine efforts of both sides.

To combine the qualities of good citizen and good soldier, the ability to lead and the ability to obey leadership; to use your own intellectual powers and judgment to the fullest within the stern demands of discipline and duty; these are personal challenges worthy of the highest callings to which man aspires.

I know that you will meet them as have all the West Pointers who pledged themselves to duty, honor, and country.

As a young Congressman, I was one who urged one of your greatest graduates to return from Europe and campaign for election as President of the United States. I remember listening to General Eisenhower speak of the importance of those three words in his own distinguished career.

He kept them in the forefront of his thoughts during his years as President; it was his devotion to duty, honor and country that brought peace to the world, respect to America and progress for all our people during his eight years in the White House.

I thought of President Eisenhower often during my visit to Europe; how he led millions of Americans and allied forces to liberate Western Europe; how he returned to uniform, to organize and command the first NATO defensea while Europe rebuilt itself; and how he led diligently for peaceful and positive relationships with the Soviet Union and Eastern Europe throughout his Presidency. To all these great responsibilities he brought the totalities of leadership and dedication to duty for which you have been trained these past four years.

Not all of us will be called upon to make the great decisions that President Eisenhower made. But each of us will be called upon to make decisions upon which the welfare of our country may depend. I congratulate you as you enter upon that challenge and opportunity for service to the Army and to America.

Your career will exact high dues: Periodic dangers, separation from loved ones, moves so frequent that you may have trouble putting down roots anywhere. But it will also offer unique opportunities. It is unlikely that any of your civilian contemporaries of the classes of 1975 will so soon face the challenges which some of you may face within weeks. You will be charged with the upkeep and operation of technology more expensive and complex than some Americans will ever handle. More important, you will be responsible for the well-being of other Americans, sometimes in situations where your decisions mean the difference between life and death. Your apprenticeship with its basic education is ending; but you may be expected to use its lessons at any time. It is an enormous human test, but testing makes men as well as nations stronger and more confident.

Having met the test of World War II, Dwight D. Eisenhower said in 1946 that "We must not look upon strength as a sin: We must look upon it as a necessity—but only one of the contributions we are making to the development of a peaceful world."

As you know, last night I returned from a trip to Europe to strenghten the peace. It was most encouraging at the summit meeting of the North Atlantic Treaty nations to find a new sense of unity and a confidence in the United States. It was most inspiring to receive from His Holiness Pope Paul VI the admonition that right and justice must guide all our efforts. I am convinced our major alliances are strong and firm; I am convinced our allies' confidence in us is not misplaced. I am convinced our cause is just and right.

In Salzburg, I met with Egypt's President Sadat, to continue our exploration of new steps toward peace in the Middle East. That is the most serious international issue of our time. The United States is in a unique position to help promote a peaceful solution—and I assure you we will make that effort.

The American commitment to freedom since World War II—the sweep of a generation—has been so vast and enduring that it serves no purpose for me to recount it here. But it does serve a purpose to remind ourselves, our friends and our potential adversaries that Americans are still prepared to pay the price of freedom—that we will honor our commitments—that we will do our duty.

This is why I am here today at West Point. This is why you are here today. Let us renew together our Founding Fathers' pledge to our country, of our lives, our fortunes and our sacred honor. And let us always remember that freedom is never free.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I wish to discuss the argument of some opponents of the Genocide Convention that ratification of the convention will in some way diminish the right of Americans to their first amendment right to free speech. The assertion is false.

Freedom of speech means that every person is free to hold and to communicate his opinions on any matter whatsoever, to the public. Free speech does not mean, nor has it ever meant, that libel and slander are permitted, or that a person may endanger others by shouting "Fire" in a crowded theatre, that he may distribute pornography to children or make obscene phone calls, or that a person may incite others to riot, murder, or commit any other crime. The Genocide Convention does not create any new restriction on free speech. It is well within the limits I have described. It prohibits only one kind of speech: "Direct and public incitement to commit genocide." I emphasize that mere advocacy is not enough. Favoring genocide is not enough. Communicating one's opinion that genocide is good or proper is not enough. A person must actually incite others to commit genocide, and he must do so publicly, and directly, not by innuendo or veiled suggestion, before he can be found guilty of this particular crime. I challenge any opponent of ratification to demonstrate that the U.S. Supreme Court has ever said anything which would indicate that direct, public incitement to commit a crime is an activity protected by the first amendment.

The argument that the Genocide restricts the freedom of speech of Americans is false. It deserves to be rejected by every Member of this body. I urge the Senate to reject it by ratifying the convention as soon as possible.

HUMAN INVOLVEMENT

Mr. LAXALT. Mr. President, I make the following statement on behalf of myself and the Senator from Utah (Mr. GARN).

Mr. President, a few weeks ago the Capital City was rocked by outbreaks of violence during an all-day spring festival ironically labeled "Human Kindness Day." The fact that this unpleasantness took place was in itself shocking, but it was more disturbing to note, Mr. President, that bystanders witnessing many of these brutal beatings this day stood by without lifting a hand to protect the victims. This phenomena of "uninvolvement" has been commented on many times in recent years being labeled a modern malady to be excused because of the complex, difficult age we live in. To me, this is a poor apology and one I do not understand. It is difficult to accept sociological excuses for human callousness.

The bemoaning of the modern condition notwithstanding, Mr. President, Good Samaritans still do exist. This past May 26 in Las Vegas a man gave his life to help a policeman who was being assaulted. In an effort to aid a Nevada highway patrolman regain his service revolver from a motorist the patrolman had stopped for a routine check, Glenn Goss was shot to death by the officer's assailant—who was later found to be a fugitive in a kidnap case. Goss decided to become involved and here was one man who defied sociological categorization.

Mr. President, the people of Las Vegas are showing their appreciation for Goss by donating to the Lucille Goss Trust Fund begun by the Nevada Highway Patrol Association. The proceeds collected will go to Goss' widow Lucille and the five children she must now provide for alone. I am proud to note that all segments of the Las Vegas community, both business and private, as well as people from other parts of the State, have joined together to honor the memory of this exceptional man.

The sophisticated explanations of the concepts of "uninvolvement" have apparently not reached the Western States. Our values remain clear and people, like Glenn Goss, still act in the interest of their fellow men.

IOWA DATELINE: A VIEW FROM THE CORNFIELDS

Mr. CULVER. Mr. President, in the summer issue of Foreign Policy, which has just appeared, Prof. Wayne Moyer, of Grinnell College, contributes a provocative article, "Iowa Dateline: A View From the Cornfields." This is an exceedingly perceptive analysis of how our domestic and international agricultural policies have become parts of a seemless web. He points out clearly that the daily concerns of the farmer in Iowa or in any other agricultural State are a significant ingredient of our international food program. And he recounts the sharp and immediate effects on the farm of such actions as the Russian wheat deal and the sudden control on soybean exports. I warmly commend Professor Moyer's article which blends a sound professional understanding of farm issues with a personal knowledge of the Iowa farmer and farm operations. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IOWA DATELINE: A VIEW FROM THE CORNFIELDS

(By Wayne Moyer)

(The author is deeply indebted to L. Joseph Genereux for invaluable collaboration in the preparation of this article.)

GRINNELL, IOWA.—Shouldn't the food producer be included in a dialogue on food, famine, and foreign policy? My costs of production have risen almost 100 per cent in two years and I am concerned that someone, somewhere is going to make a political decision that will affect the price I receive for my products without realizing the cost of production.

Don Renaud, an Iowa dirt farmer, at a recent conference here, articulated the concerns of many other food producers throughout the state. From the vantage point of this great agricultural region it seems evident that recent foreign policy decisions on food have not taken into account the interests of the American farmer. As diplomatic and international trade considerations have come to the fore and as the locus of decision-making on food policy has shifted away from the U.S. Department of Agriculture, the farmer sees his interests lost in the shuffle and his livelihood jeopardized.[1]

The Iowa farmer is angry that he is placed at the mercy of foreign and domestic food policies. He is angrier still when these policies support narrow diplomatic and political objectives while failing to feed the needy. And with the anger go both the uncertainty about what policies the government will initiate in the coming months and a fear—stemming from a growing alienation from decision-makers in Washington—that the net effect of these policies will be to force his commodity prices down.

As planting time approached, with the winter snows rapidly melting, a grassroots movement, galvanized by anger, uncertainty, and fear, began. Its purpose was to cut back planted acreages in order to prevent overproduction and thus protect farm prices and income. There were calls to action from all parts of the state to reduce production by 10 to 20 per cent.[2] A mass "corn war" meeting was held recently at the Hilton Coliseum at Iowa State University. The mood of the farmers may be compared to that of the 1930s. And the movement, which appears to sidestep traditional farm organizations, has grown beyond the borders of Iowa, gaining support in Nebraska, Minnesota, Missouri, and Illinois.

If crops are successfully cut back, the amount of food available for export and aid will be limited, reducing the number of for-

Footnotes at end of article.

UMI

eign policy options and contributing to unnecessary starvation in the less-developed world.

DOING WELL WHILE DOING GOOD

The Iowa farmer sees himself playing a major role in satisfying world food needs, but is concerned about his own welfare. A young grain farmer, Gorden Haworth, finds himself caught between a desire to produce and the need to maintain his prices. "I like to produce good crops," he says. "I don't like to think of cutting back my corn crop this next year 20 per cent just so I will be in short supply." Huge Louden, an older local farmer, is emphatic: "We are not inhumanitarian people. We want to help the people of the world. . . . I know there is poverty in the world." The farmers' feeling is summarized by David Garst, sales manager for a seed corn company and a member of a prominent Iowa farm family: "I think the average American farmer is saying to himself as well as to others, 'I want to do well while doing good.'"

There is strong support here for unrestricted exports of farm products and the development of foreign markets.[2] Thus the farmer can both feel that he is helping to feed the world and be assured that he will have steady customers. His frustration is easily understandable when the government, for reasons he doesn't comprehend, restricts his exports. As Haworth observes, "It alarms me when . . . I have [soy]beans out in the field and by a stroke of a pen [the government] cuts off exports." Garst is also distressed: "I think it is ill-conceived. . . . We have been working for 10 years trying to get access to foreign markets, and to restrict the export of food just because somebody doesn't do what you want them to doesn't solve anything."

Iowa farmers have not been opposed to foreign food aid, which has made use of their surpluses and kept prices up, while appealing to their altruistic feelings. But they have become increasingly aware of the narrow political and diplomatic applications of the Food for Peace program (PL–480), through the efforts of Iowa congressmen and the extensive coverage given the matter in *The Des Moines Register*, the only major newspaper in the state.[4] Lauren Soth, editorial page editor, argues that "it is deplorable when we use food aid and tangle up food development programs with military aims." Haworth has become far more skeptical than before: "I encourage and enjoy keeping our food aid programs to the extent of keeping people fed . . . but not to the point where you use them for political gain, as in Vietnam." Garst now opposes food aid not because of its political uses, but because it discourages food production in the less-developed countries. "One of the things that is wrong with thinking of using food aid to help other people," says Garst, "is that you might fail miserably by doing so, because . . . the rest of the world must learn how to feed themselves and feed themselves better."

THE FOOD RESERVES CONTROVERSY

In Iowa, the issue of food reserves is far more controversial than either unrestricted food exports or food aid. Iowa farmers, like other farmers throughout the country, have always been suspicious of federally held reserves because of the fear that these reserves might be dumped on the market whenever prices started going up. Louden is among those most concerned. "We have been burdened with surplus stocks for years. . . . We farmers are delighted, happy, thrilled to think we have gotten out of this shackle. We do not want to live under the burden of the surplus . . . the government hold on our prices." The farmers recognize, however, that food reserves can be valuable, particularly those under international auspices, if assurances can be given that there will be no dumping to depress market prices. Weather variations, which can cause yields to differ markedly from year to year and the realization that the United States must deal in a world of state traders, have led Soth to conclude that "it's a necessary aim of economic development policy and foreign aid policy to establish food aid reserves; both national reserves in this country and, to the extent we can accomplish it along the lines proposed by the Rome World Food Conference, an international system of reserves."

Garst, reflecting the desire of the cattle industry for lower feed costs, concurs: "I'm a livestock man and I'm also for a reserve program. I don't know if you realize the cost of the short feed grain crop this year to the livestock producer. All people who owned cattle this year lost money." He also favors reserves because he thinks they will obviate the need for export restrictions. Renaud has a different perspective. "I'm in favor of international storage. The reason is I have taxes due the first of March. I have a payment due on the farm. I have payments to seed corn companies. They won't take [soy]beans or corn. I have got to give them money." Reserves give him the assurance that he can sell his crops. Thus we can see the relationship between the farmers' foreign policy attitudes and their self-interest.

Today's Iowa farmer is not the hayseed character in Oshkosh B'Gosh overalls smoking a corncob pipe that he is often assumed to be. Though he is still a family farmer who works his own land, he is also a businessman with more than $160,000 invested in his farm and cash flows each year which average almost $100,000.[5] He owns twice as much land as his father and is much better educated (with an average of 12.2 years of schooling in 1970 as compared to 8.9 years in 1950).[6] He has to, and does keep a close watch on commodity prices and on domestic decisions which can significantly affect his income.

Until recently, the Iowa farmer did not pay much attention to foreign policy decisions on food—largely because he didn't see their impact on his welfare. But now he is aware that foreign policy decisions are vital, because they can significantly affect his commodity prices. The dependence on farm exports is substantial and has increased markedly in recent years. In 1974, nearly 21.5 per cent of the national corn crop was exported along with a whopping 41.8 per cent of the soybean crop (see table, p. 184).

Without a doubt, U.S. government controls on these exports can change price levels enough to make the difference between prosperity and ruin. U.S. policies in the past have had a major impact on farmers in this area. For instance, the notorious Russian grain deal in 1972 set off a spiraling commodity price increase in which the price of corn rose from $1.09 per bushel in August 1972 to $2.65 per bushel in August 1973.[7] The soybean embargo in the summer of 1973 catalyzed a plummeting decline in soybean prices from $10.10 per bushel to $6.61 per bushel in one month.[8] And the export monitoring policy announced by President Ford in October 1974 was followed by a significant decline in corn and soybean prices.[9] "I saw the potential for my crops out in the field, that I had not yet harvested, drop for soybeans a dollar per bushel conservatively and for corn anywhere from 50 cents to one dollar," Haworth lamented. His concern is underscored by the fact that his soybean harvest exceeded 10,000 bushels and his corn crop more than 50,000 bushels.

U.S. CORN, SOYBEAN, AND TOTAL AGRICULTURAL EXPORTS

	Corn		Soybeans		Total agricultural exports dollar value (millions)
	Percent production exported	Dollar value (millions)	Percent production exported	Dollar value (millions)	
1965	16.7	730.5	29.6	598.0	6,096.8
1966	11.7	933.9	28.2	734.4	6,676.4
1967	13.0	735.5	27.3	780.0	7,771.3
1968	12.0	733.7	25.9	750.7	6,383.5
1969	13.0	627.8	38.2	784.8	5,825.6
1970	12.5	828.5	38.5	1,072.5	6,717.9
1971	14.1	777.6	35.4	1,274.5	7,753.3
1972	22.6	907.5	37.8	1,391.1	8,046.5
1963[1]	23.1	1,881.8	31.4	2,288.6	17,680.0
1974	21.5	3,761.3	41.8	3,557.0	22,026.0

[1] The U.S. Department of Agriculture changed its reporting period from fiscal year to calendar year in 1973. The period between June 30, 1972 and Jan. 1, 1973 is not reported here.

Source: U.S. Department of Agriculture, Agricultural Statistics 1970 and Agricultural Statistics 1974 (Washington, D.C.: Government Printing Office). Also U.S. Department of Agriculture, Foreign Agricultural Trade of the United States, February 1975 (Washington, D.C.: Government Printing Office).

The farmers are particularly apprehensive about foreign policy decisions this year because they see themselves caught in an unusually tight squeeze between high costs and uncertain revenue. The farmer's expenses have escalated, fueled by rampant inflation. His realized net income rose strikingly in 1972 and 1973, but fell off sharply in 1974.[10] There are fears that 1975 will bring disaster. Much land has been brought into production in recent years, largely as a result of high prices and the termination of the government's land withholding programs. Despite the potential for a large crop surplus in 1974, there was none, due to a combination of spring rains, summer drought, and early frost. If the weather is good in 1975 the danger of surplus looms greater than ever. Preliminary calculations predict a record national corn crop of 6,256 million bushels in 1975.[11] This should be enough to lower the market price of corn perilously near the estimated cost of production. It is no wonder that Ford's call for 100 per cent farm output is viewed with a jaundiced eye and that pressure has built up to force Congress into raising supports.

The Iowa farmer may not reflect the concerns of all U.S. food producers, but he plays an extremely important domestic and international role. In 1973, Iowa farmers produced 1,273 million bushels of corn, which represent more than 20 per cent of the nation's crop or about 10 per cent of world production. In the same year, Iowa farmers produced 223.5 million bushels of soybeans, or 15 per cent of all the soybeans grown in the United States, and about 10 per cent of the world's harvest.[12]

THE THREAT OF REDUCED PRODUCTION

In the short run, the threat of reduced production may not be as serious as it appears. Real apprehension exists, but most food producers will not reduce their planted acreage from last year. The Iowa farmer may be angry, but unlike his populist predecessors he will raise both "more corn and more hell." There are strong incentives for this; he has plowed a major investment into his land in recent years. To allow major fallowing would prove costly if there is even the slightest chance that a small profit per bushel will be made. Thus, while it is in the farmers' collective interest to reduce their production, it is in each farmer's individual interest to see his own land producing fully while his neighbors cut back. There appears to be a consensus among local farmers that the necessary organization for a massive cutback will not develop in time to significantly affect this year's production.

Land in production will probably not be decreased, but it will not be increased either.[13] There is much additional land in the United States which could be brought into production if sufficient incentive and confidence in the decision-makers existed—Willard Cochrane, an economist at the University of Minnesota, estimates 25–30 million acres or an 8–9 per cent increase. As things stand now, virtually none of the unused land in Iowa will be plowed and planted this year.

In the long run, the chances of maintaining production at current levels or increasing production are anything but assured. If the next couple of years prove to be financially disastrous, there is the possibility that grain farmers will organize to limit supplies. Failing this, few farmers will continue to plant marginal land that produces little or no financial return. Continued low and uncertain commodity prices may lead to a declining rate of farm investment, which means that yields will not be what they could. Bankruptcy is likely for many farmers. This would probably further decrease the total number of farms, making price fixing more possible, particularly if the farm land is bought up by the major grain corporation.[14]

If the Administration continues to use food as a diplomatic weapon with inconsistent policies which affect commodity prices but do not take the farmers into account, it is quite possible that the uncertainties and hardships thus introduced will inhibit food production. This will limit the future use of food in diplomacy, restrict export capabilities, and prevent the United States from paying its most effective role in dealing with the current world food crisis.

Can the interests of the farmer be reconciled with those of the nation in dealing with the world food crisis? It is clear that greater food production will help the nation. Not only will there be more food to export, thus alleviating the adverse U.S. balance-of-payments situation, but the United States will be better able, at home and abroad, to decrease starvation and the defects caused by protein deficiency. Soth calls food aid for certain areas (India and the Sahel) ". . . a better form of economic aid than anything else we could do. People are very hungry and can't work because of poor nutrition. I think we have the capacity to help get some of these countries off dead center." The farmer would also like to produce as much as possible. He will not do so if price and market uncertainties are reduced and he is assured of his survival. As Renaud says, "I enjoy producing food and I'm happiest when I produce a good crop of corn and [soy]beans. Just give me a little assurance that the food I produce will get to where it will do the most good . . . and some assurance I won't fall completely off the economic ladder."

The U.S. government can help ensure maximum food production by formulating and following a long-range policy on food which transcends political exigencies. Domestically, this should include higher price supports, adequate to protect the farmer from financial disaster and upon which he can count.[15] Such increased supports would not appreciably raise food prices for consumers, and would provide the farmer with incentives to increase his output by reducing the uncertainties. Internationally, a strong effort must be made to reduce trade barriers on food between the United States and other developed countries. A reduction of trade barriers will allow the American food producer's comparative advantage to operate effectively, thus helping to keep his prices up and to stimulate greater production. New national and international reserves must be created with guarantees against dumping.[16] These reserves will help fight the recurrent famines, such as that which has ravaged the Sahel region of Africa for the past several years. They also will help stabilize commodity prices by absorbing the surpluses during bumper years and making up crop deficits when harvests are lean. Food reserves may even obviate the need for future U.S. export restrictions by ensuring that adequate supplies are available to meet foreign needs without endangering domestic supply. Indeed, new reserves may become absolutely essential later this year to save the U.S. farmer from financial disaster brought on by overproduction and falling prices.

The Administration has an opportunity now—an opportunity it cannot afford to pass up. By taking into account the interests and concerns expressed by the farmer, it can help ensure that the United States will produce a major part of the annual food production increase needed each year to close the world food gap—at least until the less-developed countries can develop their own agricultural sectors—and at the same time protect the existence of the family farmer. The alternative, most likely, is U.S. food production at less than full capacity and the inability to alleviate international starvation. If the Administration cannot moderate the present uncertainty, anger, and fear of the Midwestern farmer, the prospects are not good for the solution of the long-term problems of food and foreign policy.

FOOTNOTES

[1] See Stephen S. Rosenfeld, "The Politics of Food," Foreign Policy 14, pp. 17–29, and Leslie H. Gelb and Anthony Lake, "Less Food, More Politics," Foreign Policy 17, pp. 176–189.

[2] The Des Moines Register, February 23, 1975, p. 17. See also Stephen S. Rosenfeld, "A Bumper Farm Crop: Diplomacy," The Washington Post, February 21, 1975.

[3] Some farmers who feed livestock are in favor of import quotas to curb the inflow of beef into the United States where beef prices have been low.

[4] See The Des Moines Register, January 30, February 5, and February 19, 1975.

[5] Official estimates of the U.S. Department of Agriculture, Statistical Reporting Service, Des Moines, Iowa.

[6] U.S. Department of Commerce, Census of the Population, Vol. 1, "Characteristics of the Population," part 17 (Iowa) (Washington, D.C.: Government Printing Office), 1960 and 1970.

[7] Monthly corn prices at Iowa marketing locations were as follows: $1.09 in August 1972; $1.10 in October 1972; $1.35 in December 1972; $1.26 in February 1973; $1.31 in April 1973; $1.93 in June 1973; $2.65 in August 1973. Figures from the official estimates of the U.S. Dept. of Agriculture, op. cit.

[8] The price of soybeans at Iowa marketing locations rose to $9.30 per bushel in August 1973 but fell back to $5.75 in September, $5.49 in October, and $5.10 in November, representing a sharp declining trend not normally to be expected. These figures are from the official estimates of the U.S. Department of Agriculture, op. cit.

[9] The price of corn in Iowa in October 1974 was $3.44 per bushel and fell steadily to $3.01 in January 1975. The soybean price drop was even more marked, plunging from $8.19 per bushel in October 1974 to $6.25 in January 1975. These trends do not represent normal seasonal declines. Figures from the official estimates of the U.S. Department of Agriculture, op. cit.

[10] Official estimates of the U.S. Department of Agriculture, op. cit.

[11] The Des Moines Register, February 22, 1975, p. 16.

[12] U.S. Department of Agriculture, Agricultural Statistics, 1974 (Washington, D.C.: Government Printing Office).

[13] Preliminary U.S. Department of Agriculture estimates as reported in The Des Moines Register, March 16, 1975, p. 8, indicate no significant cutback in farm production for 1975. Nationally, farmers intend to decrease corn acreage 3 per cent and increase soybean acreage 6 per cent from last year. In Iowa, the planned acreage in corn is 2 per cent less than the record planting last year. Soybean acres will be increased 1 per cent. Overall, the amount of land in production in Iowa will be insignificantly changed from 1974.

[14] Over the past 10 years there have been two trends in farm size and concentration. First is the increased incidence of farm transfers in the Corn Belt states, which result in new ownership. In 1965 there were 46.9 farm transfers per thousand farms. In 1975, in contrast, there are 60.4 farm transfers per thousand. Figures from the U.S. Department of Agriculture, Agricultural Statistics 1974 (Washington, D.C.: Government Printing Office). Second is the reduction in the number of farms over the same 10-year period and the rise in the average acreage per farm. These were 158,000 farms in Iowa in 1965 as compared to 137,000 farms in 1975, a reduction of 13.3 per cent. Meanwhile, the size of farms has increased 11.4 per cent from an average size of 219 acres per farm in 1965 to 250 acres per farm in 1975. Figures from Official Estimates: The U.S. Department of Agriculture Reporting Service for the State of Iowa.

[15] The emergency one-year farm bill, recently vetoed as too costly by President Ford, provided price supports for corn and soybeans considered inadequate by Iowa farmers. These supports, in any case, could not have been counted upon since they would only have been temporary stopgap measures which provided no assurances for the future.

[16] It is not a satisfactory solution to increase the reserves held in private hands (usually by the major grain companies). Private reserves will not be dumped as a result of political pressures, to be sure, but there is the greater danger that they contribute to the ability of the major grain companies to manipulate commodity prices for their own interests.

Footnotes at end of article.

THE PHILADELPHIA FLYERS

Mr. HUGH SCOTT. Mr. President, last week in Philadelphia, the City of Brotherly Love, another successful season for our famed hockey team, the Philadelphia Flyers, concluded with the Stanley Cup victory.

As an editorial in the Philadelphia Inquirer said last week:

It is no wonder that Philadelphia has gone mad over the Flyers. They are a credit to the sport as well as the city.

Indeed they are. I saw firsthand what this victory means to my hometown and I am delighted to join in the euphoria still going on in Philadelphia.

For two straight seasons the Flyers have demonstrated the techniques of playing hockey as hockey was intended to be played. Coach Fred Shero has installed the Philadelphia system masterfully in the attitudes and tactics of

this enthusiastic sport. The Christian Science Monitor said of Coach Shero's system:

From Montreal, Boston, New York and elsewhere the cry is basically the same; the Flyers must be doing something right, so if we can't beat them let's copy them.

If indeed imitation is the sincerest form of flattery, then Philadelphia can bask in the envy of all the members of the NHL.

I want to pass along my condolences to my distinguished colleagues from the Empire State. The Flyers' final contest with Buffalo for the Stanley Cup was magnificent and a thrill to all who watched with anticipation. I know my New York colleagues will join in congratulating the Philadelphia champions. The only consolation I can offer to Senator JAVITS and Senator BUCKLEY is to say that there is always next year—but then again, that is exactly what I said last year.

Mr. President, I ask unanimous consent that the above-mentioned editorials from the Philadelphia Inquirer and the Christian Science Monitor be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer, May 29, 1975]

HOW SWEET IT IS—AGAIN

The unforgettable thrill of the first time can never be recaptured. But doing it again has not diminished the delightful delirium of the Flyers and Philadelphia.

The second time around was perhaps even more ecstatic because of the long anticipation. Coach Fred Shero, remarkably cool and profoundly proficient, stated it well: "It was better this year than last. We snuck up on people last season. This year we had no element of surprise."

That's precisely the way it was. A year ago the Flyers were underdogs. This year it was different. The Flyers, from the beginning, were the team to beat. And they proved their championship caliber with a spectacularly impressive defense of the Stanley Cup against tough, determined opposition—in the regular season, in the tense semi-finals and in the finals.

The final game was a characteristic team victory. The Flyers are stars individually but it is in collective performance that they excel. Captain Bobby Clarke, an exceptional skater and playmaker in his own right, is the cohesive element in superb teamwork.

And, of course, there's Bernie. Where would the Flyers be without Bernie Parent? His goaltending in the 2-0 finale at Buffalo was one of the great performances in hockey history. He well earned the honor of becoming the first player ever to win the most valuable player award in Stanley Cup competition two years in a row.

It is no wonder that Philadelphia has gone mad over the Flyers. They are a credit to the sport as well as to the city. They are champions to be proud of. It is a joy to drink with them—again—from the cup of victory.

[From the Christian Science Monitor, June 2, 1975]

FLYERS HAVE A SYSTEM FOR WINNING THE CUP

(By Larry Eldridge)

The "Philadelphia system" is all the rage in hockey circles these days—especially now that the Flyers have just won their second straight Stanley Cup.

From Montreal, Boston, New York, and elsewhere the cry is basically the same: the Flyers must be doing something right, so if we can't beat them let's copy them.

It may not, however, be quite that simple.

The Philadelphia style of tight checking and textbook position play requires a great deal of discipline on the part of the individual, who must subordinate his own dreams of glory to the good of the team.

GAME PLAN

Somehow Coach Fred Shero has been able to instill this unselfish attitude in all of his players—even such onetime individualists as Rich MacLeish and Tom Bladon. But the recent history of many other teams indicates that it's a lot easier to talk about converting a bunch of goal-happy offensive specialists to such a style than it is to actually do it.

Then too there is another key ingredient of the "Philadelphia system" which none of the other 17 National Hockey League coaches can possibly copy: putting Bernie Parnet in the nets!

Shero can write famous quotations on his office wall, draw charts and diagrams, study films of the Russians' techniques, and talk about discipline 24 hours a day, but who is to say, really, how much of the Flyers' success stems from these things and how much from their super goaltender?

All the checking and positional play in the world isn't going to stop a hard-working opponent from getting chances now and then, and it's Parent's knack of making the big saves on those occasions which seems to simultaneously lift the Flyers and demoralize their foes.

That was the story all year as Bernie won his second straight Vezina trophy for fewest goals allowed, and it was the same thing in the playoffs as he recorded a record-tying four shutouts and became the first player ever named MVP two years in a row.

"One man beat us," said Buffalo sharpshooter Rick Martin after the Flyers had blanked the Sabres 2–0 Tuesday night to close out the best-of-seven finals, 4–2. And many of his teammates echoed similar sentiments.

Even the partisan Buffalo fans, after giving a long standing ovation to their fallen heroes, cheered the Flyers in sporting fashion and paid special tribute to Parent with the chant of "Bernie, Bernie" which he usually hears only in the Spectrum.

In the Philadelphia dressing room the Flyers also praised the architect of their victory, with Shero leading the way.

"Tonight, through the playoffs and the whole season, Bernie has proved he's the best goalie in the world," said the winning coach.

Another thing which would make any team's system look good is having a player like Bobby Clarke on the ice. The always hustling center wins key faceoffs, kills penalties, check tenaciously, and still winds up every year as one of the NHL's top scorers. Many observers feel that he, rather than Parent, is the No. 1 key to Philadelphia's success—and Shero himself has called Clarke "the most valuable player I've even seen in any sport."

Even two players like Clarke and Parent can't do it all, though, and the Flyers have indeed demonstrated a system which generates substantial offensive power while protecting their own goaltender from facing too many tough shots.

"Maybe some teams have too much of one thing," Shero says. "Too many scorers and not enough checkers. Balance is the most important thing on any team."

Shero makes it clear he isn't talking about Buffalo. In fact he would like to rebut all that pre-series speculation about the finals being a clash of systems matching his defense-oriented club against the freewheeling Sabres and their glamorous French Connection line.

"Actually they play like us except for that one line, which seems to have a license to do whatever it wants, and which is overrated anyway," he said early in the finals.

Many other observers came to the same conclusion about the basic similarity of the two teams as the series progressed. Thus the finals were not any offense-defense confrontation, but rather a strong argument for system hockey. And the main advantages the Philadelphia "system" had over that of Buffalo were a couple of guys named Clarke and Parent.

One other thing the Flyers had going for them was a rare situation which found them possessing not only the poise, experience, and confidence of defending champions but also the hunger and desire usually associated only with challengers. For a year the players had lived with the knowledge that in many eyes their 1974 victory had been some sort of lucky mistake, and that they were not bona fide champions. All one had to do was listen to them at this year's victory celebration to see how much that knowledge had hurt them and spurred them on to repeat.

"We had to prove that last year was no fluke," said Andre Dupont. "We're here for real now. And nobody's going to say any different."

TUNISIA CELEBRATES NATIONAL DAY—JUNE 1

Mr. HARTKE. Mr. President, I would like to call my colleagues' attention to the National Day of Tunisia that transpired while the Senate was in recess.

Tunisia celebrates June 1 as the day that the Tunisian Constitution was promulgated in 1959. This constitution was drafted after the monarchy had been abolished.

The President—Chief of State and head of government—is elected to a 5-year term and can be elected to only three consecutive terms. The President has full responsibility for determining national policy. The 101-member unicameral national assembly, elected concurrently with the President meets biannually.

The Tunisian economy is divided into three sectors: state, cooperative, and private. Economic development is state-planned and given highest priority in government policy. With the development of the oil industry, the gross national product will increase at a rapid rate. Incidentally, several American oil companies are assisting Tunisia in exploring the Bay of Tunis for offshore oil deposits.

Mr. President, may I take this opportunity to congratulate Tunisia for their sincere friendship and untiring efforts to secure a lasting peace in the Middle East, and to extend America's continued good wishes.

THE VICE PRESIDENT SPEAKS AT U.S. NAVAL ACADEMY GRADUATION EXERCISES

Mr. GOLDWATER. Mr. President, today the Vice President of the United States, NELSON A. ROCKEFELLER, delivered the graduation address to our midshipmen at the U.S. Naval Academy in Annapolis, Md. He stressed the importance of American strength and did so in a very forceful, clear manner. Coming at a time when the Senate is discussing whether or not this Nation will remain strong militarily or not, it comes at a most opportune time and I urge all of my colleagues to read this speech so that they might better understand just what our position is in this word today. I ask unanimous consent that this address be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF THE VICE PRESIDENT AT THE U.S. NAVAL ACADEMY GRADUATION EXERCISES

There is something that sets apart this graduation ceremony from those of your civilian classmates all across the Country. Your initial decision to come here to Annapolis, your decision to remain here through four demanding years, was a decision to link your destiny with the destiny of your Country.

You embark on your naval careers in what is, in one sense, the best of times and in another, the toughest of times. It is a good time in that the dissension and divisions that plagued the Country in the recent past can be put behind us. Our Nation can now begin anew with a revived sense of national purpose and a restored sense of national unity.

But it is a trying time for military men because of America's historic tendency to lower its guard during periods of relative stability and in the absence of visible threats to our national security. The need for your readiness, your vigilance and your sacrifice remain undiminished. Yet, under the circumstances, people are less likely to recognize that fact.

In short, we are in an era of detente which is well for the world, but which makes our understanding of the military role and our need for invincible strength infinitely more important. Detente offers great opportunities for maintaining peace in the world. I applaud the President and the Secretary of State as well as General Secretary Brezhnev and the Soviet leaders for pursuing this course which can benefit both our peoples.

I. DETENTE AND MILITARY STRENGTH

And so I would like to address my remarks today to the critical relationship between detente and our Nation's strength. An often unrecognized essential element in detente is the element of strength. This is something that the President and the Secretary of State understand full well. Detente can only be meaningful if we deal from strength, from a profound understanding of the realities of today's world and a clear sense of national purpose and determination. And we are highly fortunate, indeed, to have, at this moment in history, a President who has such deep faith and belief in America and absolute courage and determination—together with a Secretary of State who shares the President's understanding of America's role in the world today.

From the beginning of our history, we have had to learn and relearn the lesson that strength reduces the likelihood of war and that weakness is an irresistible temptation to aggressors. George Washington counseled the Country long ago that, "To be prepared for war is one of the most effectual means of preserving peace." That is even more true today. Yet, after the Revolution we did not even maintain a Navy. In the early 1790's an economy-minded Congress preferred paying ransom to building ships to protect American seamen.

We can be deeply grateful and proud that only recently when the new Communist government of Cambodia captured the United States merchant ship, the Mayaguez, we had a strong Navy; and we had a President who had the courage, when diplomatic efforts failed, to order decisive military action which resulted in the immediate release of the crew and the ship. Nevertheless, there are some today who would still return us to isolationism—to the Fortress America mentality that was fashionable right up to World War II.

Yes, we must continue to work and to hope that negotiations with the Soviet Union will eventually reduce the need for huge increases in defense spending. The Strategic Arms Limitation talks and the Mutual Balanced Force Reduction Negotiations offer such opportunities. But to disarm ourselves unilaterally, because of an impatience a frustration with the burden of bearing the cost of vigilance will not provide any incentive for our adversaries to disarm.

Disarmament must be worked out step by step, concession by concession, by all parties involved under satisfactory guarantees that all parties abide by the agreement. If anybody still believes that unpreparedness and good intentions stave off war, I urge them to reread the history leading up to World War II.

Our strength provides an incentive for potential adversaries to seek the alternative of a peaceful resolution when problems arise. And our strength leads them to think twice about the risk of pursuing global temptations.

II. DECLINING U.S. DEFENSE

Yet, the call is continually heard that we have to reorder our priorities—to spend more on urgent human needs and less on defense. I remain steadfast in my life-long commitment to government actions that seek a better life of greater opportunity for the American people. The fact is that during the past decade we have already reversed our priorities between domestic and defense expenditures. In terms of constant dollars, defense spending today is the lowest in 25 years.

In 1964, prior to the Vietnam build-up, less than one-third of Federal spending went for human resource programs—and half the budget went for national defense. During the past decade, that situation has been completely reversed. The budget submitted for Fiscal 1976 shows about one-quarter for defense and over half going for domestic social programs.

Now we find ourselves in a period of inflation and recession with a $60 billion deficit and unemployment at well over eight per cent. What is becoming increasingly clear is that our social progress, military strength and our ability to help build a more stable world all depends on rebuilding the vitality and economic strength of the United States. It is becoming increasingly clear that we must face up to the devastating vulnerability of our economy to another oil boycott and the possibility of similar action in relation to other raw materials at some later time.

III. GROWING STRENGTH OF THE SOVIETS

Yes, we recognize the peacemaking and peacekeeping potential of détente. But cold realism requires that we must not ignore the growing strength of potential adversaries in setting our own defenses both economic and military.

For example, let us examine openly and honestly where we stand with respect to the Soviets, first in terms of strategic weapons. During the 1962 Cuban missile crisis, the United States had a huge strategic advantage. By 1973, during the Middle East War, that extra margin of security had vanished. We no longer refer to American predominance in strategic weapons but, rather, to parity with the Soviets.

The Polaris submarines deployed during the Cuban crisis are no longer a uniquely American weapon. Our last missile submarine was launched nearly a decade ago. The Soviet Union is presently building a large fleet of modern ballistic missile firing submarines. And Soviet missile submarines now patrol the American coast.

The Soviet Union has more land-based missiles with larger warheads than we do and is now challenging our lead in sophisticated warheads. The Soviets are currently testing five types of missiles with a NIRV capability. U.S. bombers, built mostly in the 1950's, help make up for numerical inferiorities in other strategic categories. In short, the Soviets are now spending much more than we are in the strategic area.

Secondly, let us compare strength with the Soviet Union particularly in your area of concern—naval power. The growth of Soviet naval capability has been a most significant development during this decade. America's post World War II naval preeminence no longer goes unchallenged.

During the 1973 Middle East War, the nearly 100 Soviet ships in the Mediterranean clearly outnumbered our own. Our surface ships are down to 1939 levels. The Soviets now possess the ability to interdict the vital sealanes on which we depend to supply our allies and to obtain vital resources such as oil and other raw materials on which we are increasingly dependent.

The Soviet submarine force is three times the size of ours. Although we maintain a certain comparative advantage in submarine technology, that gap, too, is closing. Soviet submarines, surface ships, and their air force are equipped with a variety of missiles which present a real challenge.

We have maintained a clear edge in naval air power, which has proved its value repeatedly—for example, in crises in the Mediterranean in 1958, 1967 and 1973. However, the number of our carriers is decreasing, while the Soviets, on the other hand, have decided to make an investment in aircraft carriers. Let me quote how the Commander of the Soviet Navy evaluates their fleet, which he has so brilliantly developed and led for about the last 20 years. "The Soviet Navy," Admiral Gorshkov says, "has been converted in the full sense of the word into an offensive type of long-range armed force."

And finally, as for land and air forces, our Army is about half the size of the Soviet Army and ranks fourth in size in the world. While the Soviets increase the size of their forces, our Army and Air Force—which are indispensable to the defense of NATO, our allies and our own national security—are at their lowest levels since before the Korean War.

What we have lacked in in numbers in most areas of defense, we have made up for in the technological superiority of our equipment. We have allowed numerical deficiencies in strategic weapons and submarines, for example, partly because of a confidence in our ability to maintain technically superior systems. Such technological advantage, however, is not static. An increased investment in continuing research and the updating of our equipment is required.

While we are committed to pursuing the peaceful potentials of detente, we must remain aware that the Soviets are increasing their military presence throughout the world. This is a hard fact that we have to face. From Somalia to Singapore, from Guinea to Cuba there is evidence of an enlarged Soviet view of its interests. We are witnessing today a Soviet surge in every component of military power, from strategic through conventional forces and in research and development. And there is no indication at what levels they will be satisfied. The trend for Soviet forces is up. The trend for ours is static at best. At this rate, if we do not make the necessary investment, we might find ourselves on a path that could lead to unilateral disengagement from the world without compensating safeguards.

IV. RETAINING OUR STRENGTH AND LEADERSHIP

Thus, we approach our 200th Anniversary at a crossroads of critical choices relating to our own long-term national security and

UMI

freedom in the world. The basic values of individual freedom, respect for human dignity and equal opportunity which our Founding Fathers achieved at such great sacrifice could well be threatened now more than ever before. If we are to continue to lead in the cause of freedom and peace, we must be willing to make the sacrifice required to sustain our own security and meet our responsibilities in the world. This means that we must not only have the necessary economic and military strength and vitality, but a strong foreign intelligence service as well. And most importantly, we must make democracy felt as a dynamic force directed to the best interest and well being of people throughout the world.

V. HUMAN VALUES STILL PARAMOUNT

I have tremendous faith in the American people—in the capacity, the will and the determination of free people to make the necessary sacrifices. As I said when I took the Oath of Office as Vice President—there is nothing wrong with America that Americans can not right. And my confidence is strengthened by the calibre of Americans who continue to be drawn to the Nation's service.

The defense of human freedom depends in no small measure on men like you. The arms with which we defend this Country are, by themselves, only cold hardware. It is the human qualities of the people behind those arms which determine the quality of this Nation's defense.

Not long from this day will you be supervising undersea nuclear power plants; running complex combat systems on surface ships; flying sophisticated aircraft off the decks of carriers at sea; and leading troops in amphibious exercises.

Here at the Academy you have received the academic foundation to meet these challenges. But you have achieved much more. You brought the best American qualities to this academy—qualities that have been developed from raw ore into fine steel; courage—the coolness and judgment under fire that inspire confidence among your men; dedication—that devotion to a higher calling than self and the willingness to make the highest sacrifice, if necessary; determination—the staying power, the refusal to be defeated that separates winners from losers in battle as in life; integrity—the quality the American people seek and rightfully demand in their leaders. As it says in that inspiring verse you have sung so often: "Faith, courage, service true and honor over all."

Looking out over this Annapolis class today, I am—along with your families and friends—filled with pride. You enter your naval careers as America moves toward its third century. And you are the officers who will lead the U.S. Navy and the Marine Corps into the 21st Century. This should be a source of great pride to all of you. And it is a source of great confidence to all of us.

Out of this coming period of change, and challenge, I am confident that a better nation and a better world will emerge. And in moving toward that world, you will be in the vanguard. Good luck. Good sailing. And God bless you all.

THE INSTABILITY OF THE WORLD'S CLIMATE

Mr. HUMPHREY. Mr. President, I wish to call to the attention of my colleagues two informative New York Times articles by William Sullivan.

These May 21 and May 22 articles firmly delineate the changing character of our world climate and the dependence of the present global system of food production upon conditions which cannot be expected to remain as they now exist.

Having accepted as a fact the variability of weather trends, scientists are now engaged in a debate over the imminence of another spectacular ice age. The prevailing view is that the Earth's climate is already involved in a gradual cooling trend. This opinion is graphically illustrated by the reduction in the length of the growing season of Britain by 2 weeks since 1950.

Citing a National Academy of Sciences report, Sullivan points out that the weather of the first half of this century has been uncommonly warm. If, as the report indicates, "the global patterns of food production and population that have evolved are implicitly dependent upon the climate of the present century," must we not feel concern that this abnormal, albeit bounteous trend may change, ushering in a chaotic disruption of today's world food production system?

With this possibility as a backdrop, I feel that the fluctuating and fragile character of the world's climate should be recognized, and allocated a higher priority among the circles of scientific research and governmental attention.

Mr. President, I ask unanimous consent that these informative articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 21, 1975]

SCIENTISTS PONDER WHY WORLD'S CLIMATE IS CHANGING

(By Walter Sullivan)

The world's climate is changing. Of that scientists are firmly convinced. But in what direction and why are subjects of deepening debate.

There are specialists who say that a new ice age is on the way—the inevitable consequence of a natural cyclic process, or as a result of man-made pollution of the atmosphere. And there are those who say that such pollution may actually head off an ice age.

Sooner or later a major cooling of the climate is widely considered inevitable. Hints that it may already have begun are evident. The drop in mean temperatures since 1950 in the Northern Hemisphere has been sufficient, for example, to shorten Britain's growing season for crops by two weeks.

As noted in a recent report of the National Academy of Sciences, "The global patterns of food production and population that have evolved are implicitly dependent on the climate of the present century."

Vulnerability to climate change, it says, is "all the more serious when we recognize that our present climate is in fact highly abnormal, and that we may already be producing climatic changes as a result of our own activities."

The first half of this century has apparently been the warmest period since the "hot spell" between 5,000 and 7,000 years ago immediately following the last ice age. That the climate, at least in the Northern Hemisphere, has been getting cooler since about 1950, is well established—if one ignores the last two winters.

It had been forecast by some specialists that last winter would be exceptionally cold, but as all ice skaters know, it was unusually mild in the New York area. In Boston it was the warmest in 22 years and in Moscow it was the second warmest in 230 years.

A major problem in seeking to assess the trend is to distinguish year-to-year fluctuations from those spread over decades, centuries and thousands of years.

Lack of agreement as to the factors that control climate change makes it particularly difficult to assess current trends. Of major importance, therefore, is the debate as to the cause of such changes and the role of human activity in bringing them about. Among the major hypotheses are the following:

1. SOLAR ENERGY VARIATIONS

The amount of solar energy reaching the earth's surface at any one place and time of year varies because of changes in the earth's orbit and the tilt of its spin axis (The extent of that tilt determines the extent of season changes).

There are also slight variations in the amount of energy radiated by the sun. They follow the 11-year sunspot cycle and relate chiefly to solar ultraviolet radiation.

Dr. Walter Orr Roberts, former head of the National Center for Atmospheric Research in Boulder, Colo., believes he has found a correlation between this cycle and weather phenomena such as jetstream behavior and droughts in the high plains east of the Rocky Mountains.

The droughts he believes, tend to occur either in step with the 11-year cycle or with one of 20 to 22 years.

Such links are doubted by Dr. J. Murray Mitchell Jr., climatologist at the National Oceanic and Atmospheric Administration's Environmental Data Service. He sees no plausible explanation of how such slight variations in solar energy could affect the massive weather phenomena responsible for droughts and floods.

Tree-ring data from Nebraska and South Dakota, according to Dr. Mitchell, show that the pattern to which Dr. Roberts refers applies only to the last century.

Triggering of the ice ages by cyclic changes of the earth's spin axis and orbit was proposed as early as the nineteen twenties by a Yugoslav, Miutin Milankovitch. Because of tugging by the gravity of other planets, the orbit of the earth changes shape. Sometimes it is virtually circular. At other periods the earth's distance from the sun varies during each year by several million miles.

The tilt of the spin axis with respect to the earth's orbit around the sun varies from 22.0 to 24.5 degrees over a period of some 41,000 years. The aim of the axis with respect to the stars also rotates once every 26,000 years, causing precession of the equinoxes.

For many years the combined effects of these variations seemed too subtle to account for the ice ages, but recent discoveries have won converts for modernized versions of the Milankovitch thesis.

From the chemical composition of Pacific sediments, from studies of soil types in Central Europe and from fossil plankton that lived in the Caribbean it has been shown that in the last million years there have been considerably more ice ages than previously supposed.

According to the classic timetable, four great ice ages occurred. However, the new records of global climate show seven extraordinarily abrupt changes in the last million years. As noted in the academy report, they represent transition, in a few centuries, "from full glacial to full interglacial conditions."

Many scientists now consider it established that expansions of glaciers in the Southern Hemisphere coincided with the northern ice ages. Land areas, however, are meager in southern latitudes comparable to those that were heavily glaciated in the north.

Dr. George J. Kukla of Columbia University's Lamont-Doherty Geological Observatory has proposed a way in which small variations in solar energy falling on the middle lattitudes—as in the Milankovitch concept—could affect the climate.

It is the extent to which northern seas and land areas become covered with snow and ice in the fall. When such cover is extensive, as in the fall of 1971, the white surface reflects sunlight back into space and there is a reduction in heating of the atmosphere.

This prolongs the northern winter and cools the globe. In 1971, according to images from earth satellites, autumn snow and ice cover increased by 1.5 million square miles.

The following year was one of freak weather throughout much of the world.

The implication was that a change in solar input that was slight, but sufficient to increase autumn snow and ice cover substantially, could eventually lead to a major climate change.

From a reworking of the Milankovitch calculations Dr. Kukla has found that solar energy falling on the atmosphere in the autumn hit a minimum 17,000 years ago, at the height of the last ice age. It reached a maximum some 6,000 years ago, when the world became warmest since the last ice age.

While the theory is, as yet, far from being a full explanation for climate changes it suggests, he said, that a trend toward cooling will continue for the next 4,000 years even though, since 1973, autumn snow cover has diminished somewhat.

2. PENDULUM SWINGS

Some scientists believe that the ice ages are a product of cyclic phenomena affecting the flow of heat from the tropics to the polar regions through the sea and air.

Most of the solor energy that enters the oceans and drives the winds is received in the tropics and carried poleward. The polar regions radiate more energy into space than they receive from the sun, but ocean currents and winds bring in enough heat—or almost enough—to make up the deficit.

Until a few years ago some persons suspected that the presence or absence of pack ice covering the Arctic Ocean might play a key role in this delicately balanced process. An absence of pack ice, when ocean currents were carrying considerable heat into that ocean, would allow evaporation and the resulting moist winds would shed the snows of an ice age. Periodic freezing of the ocean would end the glaciation.

Recently, however, sediment samples extracted from the floor of the Arctic Ocean have shown that it was apparently never free of ice between the ice ages, even though before they began that ocean does appear to have been open.

Another proposal regarding built-in pendulum swings of climate is that of Dr. Reginald E. Newell, professor of meteorology at the Massachusetts Institute of Technology. He believes ice ages are initiated when energy losses at high latitudes exceed energy gains in the tropics—a state that may exist at present.

An ice age ends, in this concept, when enough of the ocean becomes ice covered to curtail the escape of heat being carried poleward by ocean currents. At the present stage of such a cycle, he said in a recent article, surface water in polar seas would be growing cooler, "in the slow process that will lead to the next ice age."

In a recent issue of the British journal Nature, Drs. Reid A. Bryson and E. W. Wahl of the Center for Climate Research at the University of Wisconsin cite records from nine North Atlantic weather ships indicating that from 1951 to the 1968-1972 period surface water temperaures dropped steadily.

The fall was comparable, they reported, to a return to the "Little Ice Age" that existed from 1430 to 1850. It was early in this period that pack ice apparently isolated the Norse colony in Greenland and led to its extinction. The temperature drop in the North Atlantic carried it one-sixth of the way to the level of a full-fledged ice age, according to Drs. Bryson and Wahl.

3. MAN-MADE INFLUENCE

There is general agreement that introducing large amounts of smoke particles or carbon dioxide into the atmosphere can alter climate. The same would be true of generating industrial heat comparable to a substantial fraction of solar energy falling on the earth. The debate centers on the precise roles of these effects and the levels of pollution that would cause serious changes.

Carbon dioxide in the air acts like glass in a greenhouse. It permits solar energy to reach the earth as visible light, but it impedes the escape of that energy into space in the form of heat radiation (at infrared wave lengths).

Dr. Mitchell has pointed out that a variety of factors determine the role of carbon dioxide on earth. For example, the extent to which that gas, introduced into the atmosphere by smokestacks and exhaust pipes, is absorbed by the oceans depends on the temperature of surface waters.

This, in turn, is affected by climate, leading to so-called feedback effects, more to this atmospheric dust than have volcanic eruptions.

However, it says, the present atmospheric load of man-made dust is perhaps only one fifth what was thrown into the stratosphere by the volcanic explosion of Krakatoa in 1883.

Until recently the idea that ice ages are initiated by intense volcanic activity was unpopular for lack of evidence for such activity. The hypothesis has gained more credence from the analysis of sediment cores extracted from the ocean floors by the drill ship Glomar Challenger.

According to University of Rhode Island scientists, ash was far more common in layers laid down in the last two million years than in the previous 18 million years. Plants consume carbon dioxide at rates that depend on temperature and the abundance of that gas in the air, complicating predictions of their role.

The observatory atop Mauna Loa, the great Hawaiian volcano, has recorded a steady rise in the annual mean level of carbon dioxide in the atmosphere, amounting to 4 percent between 1958 and 1972. That, however, was a period of global cooling—not the reverse, as one would expect from a greenhouse effect.

The Mauna Loa observatory has also recorded a steady rise in atmospheric turbidity—the extent to which particles overhead dim the brightness of the sun. The academy study finds that human activity over the last 120 years has contributed.

If worldwide energy consumption continues to increase at its present rates, catastrophic climate changes have been projected by M. I. Budyko, a leading Soviet specialist. He says that the critical level will probably be reached within a century.

This, he has written, will lead to "a complete destruction of polar ice covers." Not only would sea levels rise but, with the Arctic Ocean free of ice, the entire weather system of the Northern Hemisphere would be altered.

However, Dr. Mitchell has suggested, such a warming might be enough to counter a natural cycle of cooling and this might head off an ice age "quite inadvertently."

CAN THE TRUTH BE LEARNED?

More precise knowledge of the past is certain to aid in choosing between various explanations for long-term climate changes. The Greenland Ice Sheet Program, with American, Danish and Swiss participants, is drilling a series of holes into the crest of the Greenland ice in the hope, ultimately, of reconstructing a year-by-year record of climate for the last 100,000 years.

So far the ice has been penetrated 1,325 feet, extending the record back 1,420 years. The yearly layers can be counted, like tree rings, in terms of summer and winter variation in the relative abundance of two forms of oxygen (oxygen 16 and oxygen 18). Their ratio indicates temperature at the time when the snow fell to form that layer of the ice sheet.

The isotopes also reflect the long-term climate changes. A remarkable finding, reported in the May 1 issue of Nature, is that the trends in Greenland for the period 850 to 1700 A.D., closely match the British record for 1100 to 1950. California tree rings show a climate record similar to the one in Britain.

The implication is a lag of 250 years between climate variations in Greenland and those in regions east and west of the Atlantic.

If, in fact, the climatic cycles of Greenland precede those of Europe and North America by 250 years, a powerful means of prediction would be available. However, as noted in the Nature article, it is by no means certain that the effect is persistent.

The Academy of Sciences report notes that any assessment of climate trends is crippled by a lack of knowledge: "Not only are the basic scientific questions largely unanswered, but in many cases we do not yet know enough to pose the key questions."

The report, including a wide range of proposals for national and international programs of research, was prepared by the academy's Committee for the Global Atmospheric Research Program, headed by Dr. Verner E. Suomi of the University of Wisconsin.

[From the New York Times, May 22, 1975]

VAST ANTARCTIC ICE SHEET STUDIED FOR CLUES TO PERIODIC ICE AGES

(By Walter Sullivan)

The view that another ice age will probably come, sooner or later, predominates among scientists, but it is argued by some that the last ice age may not be entirely finished.

The massive ice sheet covering West Antarctica, they say, is unstable and bound to disintegrate or slip into the ocean, raising worldwide sea levels some 20 feet. This would submerge many coastal cities as well as much of the world's food-producing areas.

It has even been suggested by strategic analysts in Washington that some malevolent group might bring about such flooding through the use of nuclear explosions to dislodge the ice sheet. The sufferers would include all the major world powers.

The proposition that the West. Antarctic ice sheet may disintegrate arises in part from evidence that, between former ice ages, the seas rose some 20 feet higher than their level today.

The argument rests, as well, on the present status of that ice sheet and on evidence that a similar rapid disintegration—or slippage—cleared central Canada of ice some 8,000 years ago.

CONCEPT OF SLIPPAGES

The concept of massive slippages or "surges" of Antarctic ice was set forth as early as 1964 by A. T. Wilson of Victoria University in New Zealand. He saw in them an explanation for periodic ice ages. He noted that the Antarctic ice sheet is massive, covering an area larger than Europe and reaching thicknesses of three miles or more.

When such ice flows out over the seas that surround Antarctica it spreads out over the frictionless water to a uniform thickness of about 600 feet. Thus, if a substantial part of the Antarctic ice slipped into the sea, it would spread to cover a large part of the southern oceans.

The snowy surface of this ice would reflect so much solar energy back into space

UMI

that the entire atmosphere would be cooled, starting an ice age. The slippage would occur, according to the hypothesis, when the bottom layer of the ice blanketing the continent at the South Pole began to be melted by heat flowing up from within the earth, forming a lubricating slush.

A hole drilled through 7,200 feet of ice at Byrd Station has, in fact, revealed such a slushy layer. Furthermore radar probing by British scientists riding in American naval aircraft has shown numerous "lakes" beneath the ice.

That some group might use nuclear explosions to dislodge the ice sheet, or a large part of it, was discussed in the nineteen-sixties by strategic analysts, including Dr. Gordon J. F. MacDonald, then executive vice president of the Institute for Defense Analyses in Washington.

"The immediate effect of this vast quantity of ice surging into the water, if velocities of 100 meters per day are appropriate," Dr. MacDonald wrote, "would be to create massive tsunamis [tidal waves] that would completely wreck coastal regions even in the Northern Hemisphere." He is now on the faculty at Dartmouth College.

A year and a half ago, scientists at the Institute of Polar Studies of Ohio State University suggested that the ice covering West Antarctica might be unstable. West Antarctica is that part of the South Polar continent lying chiefly in the Western Hemisphere.

In contrast to East Antarctica, which is a vast continental land mass close to or above sea level, West Antarctica, without its ice, would largely be submerged with only a few islands rising above the sea.

The idea that its ice sheet may be unstable is based in part on evidence from elsewhere—including the Hudson Bay area—that an ice sheet resting on land below sea level can become dispersed into icebergs far more rapidly than previously believed.

HUDSON BAY SLIPPAGE

From age determinations of vegetable matter in glacial debris left by the last ice sheet in Canada it has been determined by Victor K. Prest and others of the Geological Survey of Canada that, in two centuries or less, some 8,200 years ago, the central Hudson Bay area was cleared of a mile-thick blanket of ice.

On a recent visit to this country Dr. Mikhail Grosswald, a prominent Soviet specialist on past glaciations, argued that once the center of Hudson Bay had been cleared, the ice sheet to its west slipped into the emptied region in a massive surge, followed by a similar slippage from the east.

Since so much of the land, under the ice of East Antarctica, is below sea level, concern has been expressed that a similar process might occur there. It is partly for this reason that an international study has been initiated into the manner in which that ice is discharging into the sea. It does so by way of an apron of floating ice—the Ross Ice Shelf—that covers the southern extremity of the Ross Sea.

It has been found that the Antarctic sheet in the past has been much thicker and has extended much farther out to sea than at present. Dr. Grosswald, in a colloquium at the American Geographical Society in this city, also cited the evidence elsewhere for higher sea levels between earlier ice ages.

From the scars left on islands surrounding the Barents Sea, north of Russia and Scandinavia, he has concluded that that sea once held a massive ice sheet that flowed out of it in all directions. Canadian scientists have recently reported evidence on the sea floor that a grounded ice sheet pushed far into the North Atlantic from Newfoundland.

Thus, it is argued by Dr. Grosswald and others, the amount of the world's water that was locked into ice sheets during the ice ages seems to have been considerably greater than previously supposed.

SENATOR HUGH SCOTT GAINS SPECIAL CONSTITUENT

Mr. HUGH SCOTT. Mr. President, I am very proud to report that I gained a special constituent during our recess. Tran Dung Kim gave birth to a daughter at the Fort Indiantown Gap Refugee Processing Center near Annville, Pa. The baby was given an American name, Jennifer.

What the future holds for Jennifer can only be speculated upon, but I am confident that our country will be richer for her presence.

In the years ahead, Jennifer will join with her fellow citizens in her school and community. She will know of her Vietnamese heritage, but she is and will continue to be an American.

Jennifer is one of the first children of our most recent immigrant group to be born here. Our country is so strong because of the many thousands of first generation Americans who have come before her and those who will come after her. From many cultures, America has forged one people, proud of each other, because each contributes to the American culture. Jennifer's generation will continue in that tradition.

The generosity of the American people enabled Jennifer to be born here. I trust that the traditional friendship of the American people will continue to embrace her and her Indochinese kinsmen in the months and years ahead.

Happy birthday, Jennifer.

YESTERDAY THE "MAYAGUEZ," TOMORROW A CANOE

Mr. HATHAWAY. Mr. President, Americans have always had the great gift of humor with which they have been able to weather all sorts of storms. Satire has long been an effective tool in criticizing the decisions and policies of the Government, the Congress, and all others whose judgments are public property.

Art Buchwald is clearly one of our contemporary masters of the art of satire. His wit, barbed as it may be at times, is pointed and direct, a result, I suspect, of his many years of experience in our Nation's Capital.

And while we chuckle with him as he shoots those barbs, he nonetheless raises important questions about the issues of the day. It is for the questions he raises, as well as for the humor of his presentation, that I ask unanimous consent that the following column: "Yesterday the *Mayaguez*, Tomorrow a Canoe," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YESTERDAY THE "MAYAGUEZ," TOMORROW A CANOE

(By Art Buchwald)

President Ford has had such a big win with the American people over the Mayaguez incident that he has become a new man—more assured, stronger and determined to show that the United States is not a paper tiger.

In fact he has gotten into the habit of calling Henry Kissinger on the telephone all the time.

"Any American ships been seized lately, Henry?"

"I told you a couple of hours ago, Mr. President, if any country grabbed one of our ships you would be the first to know about it."

"Sorry, Henry, I was chewing gum at the time. I wish the Laotians would try to board one of our vessels. I'd show them a thing or two."

"It's doubtful that any major power such as Laos is going to mess with us, Mr. President, after your strong and forthright action in the Mayaguez incident."

"They better not. If we show any weakness at all, every country in the world will think it can push us around. I sure wish Iceland would try to take one of our fishing vessels. I'd have the USS Enterprise there in no time."

"That you would, Mr. President, but it's all quiet now. Can I go back to work?"

"Henry, I was just thinking. Couldn't we have one of our ships sail close to Ecuador, maybe 10 or 15 miles out?"

"You mean in hopes that Ecuador might try to pull another Pueblo?"

"With this difference, Henry. We could have B–52s from Guam flying cover over it. One move toward that ship and we drop everything in our arsenal on Quito. I will not stand for piracy of U.S. ships on the high seas."

"Well said, Mr. President. But I believe we ought to let nature take its course. There is no sense provoking an incident. I'm sure you'll have another opportunity to dramatize the unity and strength of America under attack."

"Henry, even if someone grabs a canoe I want to hear about it."

"You will, Mr. President."

"I'd like to see Trinidad start something. We'll show them how we deal with a crisis. You don't think Trinidad would resort to piracy, do you, Henry?"

"We have no intelligence that they're thinking about it, Mr. President. But that doesn't say they wouldn't."

"Well, keep the 82d Airborne on alert just in case. And I'd like some cruisers sent to Monte Carlo. You never know when Prince Rainier thinks he can push us around."

"Consider it done, Mr. President."

"Are you sure Cuba doesn't have any Soviet missiles stationed there any more?"

"They were all pulled out in 1962, Mr. President."

"Darn."

"Look, Mr. President, I have to go back to work. I've got everyone on the lookout for any provocative act which we would have to respond to with measured force and military power. We're onto this thing."

"You know, Henry, after the Mayaguez incident I received thousands of telegrams in support of my action, including one from Ronald Reagan."

"You deserved it, Mr. President."

"I get standing ovations wherever I go."

"As well you might."

"The conservatives have stopped picking on me, and even the Democrats are looking at me with respect."

"It's a dream come true, Mr. President. But why are you so concerned to have another international incident?"

"You know how the American people are, Henry. Right now everyone is saying 'Good show, Jerry.' But if someone doesn't grab another one of our ships, they're all going to say, 'What have you done for us lately?'"

NEBRASKA OPINION ON THE "MAYAGUEZ" SEIZURE

Mr. HRUSKA. Mr. President, President Ford acted decisively and effectively when he took forceful action to save the U.S. vessel *Mayaguez* when it was taken by the Cambodian pirates.

Mr. Ford's actions were strongly backed by the people of my home State of Nebraska as evidenced by the poll recently conducted for the Omaha World-Herald. Seventy-eight percent of the Nebraskans interviewed said they approved of the President's use of force to free the *Mayaguez*. Mr. President, I ask unanimous consent that the result of the Nebraska poll be entered in the RECORD at the conclusion of my remarks.

Overwhelming support for the President also has been expressed by newspapers in Nebraska.

For example, on May 16 the World-Herald said:

Before the voices of retreat and surrender get fully into their campaign to portray the recapture of the Mayaguez as a rash adventure in jingoistic imperialism, a point needs to be made:

President Ford may have accomplished more with decisive action in the Mayaguez affair than just the rescue of the ship and its crew.

He may have given the rest of the world—and our adversaries in particular—hard evidence that the United States is not the paper tiger some have made it out to be in the wake of the Vietnam defeat.

The Grand Island Independent editorialized on May 17:

U.S. decisiveness in retaking the merchant ship Mayaguez cannot help but have a favorable impact, in the United States and elsewhere.

All of which gets us back to a basic premise. That is that while only Congressional approval should be required to involve us in a war, the President as commander-in-chief, working with the military, must have the freedom to take appropriate action when such incidents arise."

Mr. President, there were many outstanding newspaper articles and editorials printed in Nebraska about the *Mayaguez* incident: from the Grand Island Independent, Hastings Tribune, McCook Daily Gazette, Norfolk Daily News and others. So that my colleagues and others who desire a sampling of Nebraska opinion on this matter can read this material, I ask unanimous consent that articles on the *Mayaguez* be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald May 25, 1975]

SHIP RESCUE, TAKING REFUGEES SUPPORTED

(By David Tishendorf)

The U.S. handling of the Mayaguez incident has found strong support in the Nebraska Poll, while a majority of those interviewed also said they favor Nebraska taking in its share of Vietnam refuges.

Statewide, 78 per cent of those interviewed said they approved when asked the question:

"Do you approve or disapprove of this country's use of force to free the merchant ship Mayaguez?

Nine per cent said they disapproved and 13 per cent had no opinion.

When asked, "Do you favor or oppose seeing Nebraska accept its share of Vietnam refugees?" 54 per cent said they favor it, 36 were opposed and 10 per cent had no opinion.

The poll was taken exclusively for The World-Herald by Joe B. Williams. He interviewed 525 persons by phone in all sections of the state last Monday through Wednesday.

The handling of the Mayaguez incident found broad support among men, women and all age groups and in all areas of the state. In no case was approval less than 73 percent.

Support for Nebraska taking in Vietnam refugees also was widespread. Williams said differences in support among the various categories were not significant because of the relatively high number of persons who had no opinion.

Nebraska poll

[In percent]

Mayaguez action:	
Approve	78
Disapprove	9
No opinion	13
Viet refugees:	
Favor	54
Oppose	36
No opinion	10

Some typical comments from persons who supported the handling of the Mayaguez incident:

"I think it's the only way we could have ever gotten it back."

"It's about time they let these other countries know. They should have done the same with the Pueblo."

"The whole thing was done to show other countries we are still powerful."

"Had we sat back, other countries would think they could walk all over us."

Opposed:

"I think it could have been handled some other way, so we wouldn't have all those boys killed."

"I believe we took unnecessary risks in an attempt to assert our muscle power because of our exit from Vietnam."

Comments from persons who favor bringing Vietnam refugees to Nebraska:

"It's good to help people who can't help themselves."

"I believe people should help people regardless of race, creed or color, not just Vietnamese."

"We're a great nation and I believe we are wealthy enough to handle it, and Nebraska should do its share."

Opposed:

"I think there are too many of our people who need help to be bringing in those people."

"These darn men who went over there to fight should have fought and not messed around with the women over there and then expect us to take care of them."

Williams said the poll has a margin of error of 3 percentage points.

[From the Omaha World Herald, May 14, 1975]

INSULT TO INJURY

At this difficult point in its history one of the last things the United States needs is the humiliation and frustration of another Pueblo incident.

Such an incident may be in the making in the Gulf of Thailand, where the Communist regime in Cambodia has seized an American merchant vessel, the Mayaguez.

Under any circumstances, the seizure of an American vessel on the high seas by a foreign country would be ample cause for a firm response on the part of our government.

That the ship was taken by Cambodia made a firm response even more advisable. The United States has taken a beating at the hands of the Cambodian Communists and their allies in Vietnam. Seizing the Mayaguez added insult to injury.

Our government's initial response seemed to be an appropriate mix of firmness and restraint.

The President correctly identified the incident as an "act of piracy" and warned of "the most serious consequences" if the Cambodians didn't release the ship and its crew. Warships of the 7th Fleet were ordered to head for the Gulf of Thailand.

At the same time, the United States moved diplomatically to try to enlist Chinese help in freeing the ship. It was reported that U.S. officials believe Red China is the only major power with any degree of influence in Phnom Penh.

This blend of threat and diplomacy seems to us to be the right approach in the first hours of such a happening. But as time goes on and no results are seen, the mixture should be adjusted, with more toughness added.

If the vessel is not returned promptly, elements of the 7th Fleet could use air strikes and naval bombardment on Cambodian military targets to impress the Communists with the unwisdom of detaining the ship. Or a naval and Marine contingent could take the ship back forcibly.

These are a couple of the options that could and should be used if the Cambodians indicate they want to test U.S. resolve.

The United States has lost a great deal of credibility in Southeast Asia. A way to lose more is to fail to follow through on President Ford's warning of "most serious consequences."

[From the McCook Daily Gazette, May 14, 1975]

HRUSKA BACKS ACTION TO FREE "MAYAGUEZ"

WASHINGTON.—Sen. Roman Hruska and Rep. John Y. McCollister both suggested Tuesday that the United States should not wait long before taking military action to secure the release of a merchant ship seized Monday by the Cambodian government.

The Mayaguez was seized Monday by the Cambodians in what the U.S. said was international waters.

President Ford demanded immediate release of the ship and said "the most serious consequences" would result if it is detained.

Hruska, in his first comment on the action, said "we should pursue for a brief while diplomatic measures. But I do not see how if that ship is not turned loose, and soon, we can avoid sending our ships in there and recovering it.

"It's not only our honor that's at stake. If that little country can impose its act of piracy on us, then we are at the mercy of everybody."

McCollister, expected to seek the Senate seat of the retiring Hruska in 1976, said the seizure demonstrates that the U.S. is now in a period of world-wide testing.

"Until the people of the United States understand what their interest is and how dangerous the world has become for us," McCollister said, "it is going to be impossible to develop any kind of a coherent, consistent and unified foreign policy.

"As long as the United States sits by docile and doesn't react there is going to be an increasing number of these things."

[From the Omaha World-Herald, May 16, 1975]

WE NEEDED THAT

Before the voices of retreat and surrender get fully into their campaign to portray the recapture of the Mayaguez as a rash adventure in jingoistic imperialism, a point needs to be made:

President Ford may have accomplished more with decisive action in the Mayaguez affair than just the rescue of the ship and its crew.

He may have given the rest of the world—and our adversaries in particular—hard evidence that the United States is not the paper

UMI

tiger some have made it out to be in the wake of the Vietnam defeat.

There have been signals from other countries in the past few weeks indicating that America's will to use its strength in just causes is in doubt.

Our country cannot afford this. We cannot allow our allies to doubt our commitments, uncommitted nations to lean away from the United States, or hostile regimes to be tempted to dangerous ventures.

In 1968 the United States could afford to wait out the North Koreans rather than send the Marines to bring out the Pueblo. As humiliating as the affair was to many Americans, it was a provocation that could be endured because it did not cast serious doubt on U.S. resolve.

The seizure of the Mayaguez was different. It occurred at a time when the United States badly needed an opportunity to demonstrate that this is a country not to be trifled with.

This is not to suggest that opportunism was the main motivation of the President's firm response. Ford did what any President would be obliged to do in the circumstances.

However, it is realistic to presume that the President's decision to use force quickly was rooted partly in the need to re-establish a degree of respect for American strength and courage.

It will take more than the recapture of a merchantman from a minipower like Cambodia to fully restore America's credentials as a nation to be treated respectfully—but the implications of the successful military action surely will not be missed by the rest of the world.

[From the Norfolk Daily News, May 16, 1975]

EFFECTIVE RESPONSE

It is disappointing that the prompt, but not precipitate, action which proved to be successful in recapturing the freighter Mayaguez and its crewmen did not win unanimous approval among members of Congress. It was undertaken three days after the capture of the ship. A clear warning to Cambodia that the act was considered piracy calling for a firm response was provided, and the route of diplomacy was not ignored.

We believe the 40 crewmen owe their freedom, if not their lives, to the fact that an American President did not equivocate. Instead, the tactics which could result in the recapture of the ship and its crew were quickly developed and approved. A military force that has, throughout the Vietnam era, been critized for its ineffectiveness proved equal to the occasion.

Something was learned from the Pueblo incident, after all.

What is displeasing and bothersome for America's future is that it was not learned by important members of the Senate majority. Sen. Edward Kennedy's initial reaction was that "it appears the United States may have acted with undue haste." Sen. Henry Jackson: "I hope we are not going down the same road we followed in the Tonkin Gulf record of 1964. This is a time for cool heads, not a time to exercise the use of force . . ." Sen. Dick Clark of Iowa: "I think the call for more military activity is premature." And Sen. Mike Mansfield complained that he was notified only after the fact. Sen. McGovern's view of the administration's response fell just short of outright condemnation.

If history teaches anything at all, it is that seemingly minor acts of aggression must be dealt with promptly and with force sufficient to defeat them unless more and major ones are to be avoided. The seas, unlike land areas, are open to all—and that means "spy" ships, too, operating outside the territorial waters. The Mayaguez was apparently no spy ship, anyway.

Under the conditions which surrounded the ship's seizure, the President could not call on members of the Senate and House to sit as a sort of war cabinet, to be filled in on every detail and approve or disapprove the tactical decisions. The inherent power he has, and the active duty military forces at his disposal, are to be used in just such a situation.

Anyone can, and many will, claim that Cambodia would have released the ship and the crew eventually without the U.S. military action. Speculation is cheap, and such an assumption is impossible to refute. The act of seizure itself, however, suggested that the new Cambodian government is not among those subscribing to the niceties of international law.

If some of the members of the majority are to be criticized for their views on this subject, as we believe proper, others are not. Of those who supported Mr. Ford, Rep. Morris Udall, an opponent of the war in Southeast Asia, put it in best perspective: "The issue at stake is not the reckless introduction of American power into Southeast Asia, but whether the United States has the will to respond to an arrogant and blatantly illegal act of piracy." One ought to take the presidential candidacy of Mr. Udall more seriously than those who fail to perceive a need for decisiveness in such circumstances.

[From the Hastings Daily Tribue, May 21, 1975]

FORD PLAYED BY RULES WHEN HE ORDERED TROOPS TO RECOVER SHIP

President Nixon reacted sharply when Congress in November 1973 overrode his veto of legislation limiting the chief executive's power to commit U.S. forces abroad without congressional approval. Speaking through his press secretary, Ronald L. Ziegler, Nixon said the war-powers law "seriously undermines this nation's ability to act decisively and convincingly in times of international crisis."

The successful handling of the Mayaguez incident would seem to have proved Nixon wrong. President Ford notified congressional leaders of his decision to dispatch Marines and planes to recover the merchant vessel and its crew. There is some question whether simple notification satisfies the 1973 law's provision that the President, "in every possible instance, shall consult" with Congress before committing U.S. forces to hostilities.

The law also required the President to report in writing within 48 hours to the Speaker of the House and President Pro Tempore of the Senate on any commitment or substantial enlargement of U.S. combat forces abroad. Ford delivered his report well before deadline.

What the Mayaguez incident demonstrated above all else is that the President's war powers still reign supreme in a crisis, notwithstanding any law designed to curb them. The President, not Congres, remains the initial recipient of military intelligence on which decisions are based. In this instance the President decided, and most members of Congress agreed, that swift military action was necessary.

To a certain extent the Mayaguez incident resembled the Tonkin Gulf crisis of 1964. The Defense Department reported in early August of that year that North Vietnamese PT boats had attacked two U.S. destroyers, the Maddox and the C. Turner Joy, while they were on patrol in international waters about 30 miles off the coast of North Vietnam. Within days Congress adopted a resolution expressing its approval and support of "the determination of the President, as Commander-in-Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression."

When the resolution came before the Senate, Sen. Gaylord A. Nelson (D-Wis.) suggested an amendment supporting President Johnson's earlier declaration that the "the United States, seeking no extension of the military conflict, will respond to provocation in a manner that is 'limited and fitting.'" Sen. J. W. Fulbright (D–Ark.), floor manager of the resolution, refused to accept the amendment.

As American involvement in the Vietnam war deepened, Johnson repeatedly invoked the Tonkin Gulf resolution to justify his actions. Congress finally repealed the measure in 1970. But it was not until October 1973—months after the last U.S. combat troops had left Vietnam—that it approved legislation defining and limiting the President's power to commit American forces abroad.

Had Johnson's response to the Tonkin Gulf incident been "limited and fitting," the history of the Indochina war might have been far different. Even now, some critics question whether Ford reacted in a fitting way to the Mayaguez crisis. But the crucial difference is that Ford succeeded where Johnson ultimately failed. Ford's credibility, any President's most precious asset, remains very much intact.

[From the Grand Island Independent, May 16, 1975]

MANY ISLANDERS SUPPORT THE PRESIDENT IN CRISIS

(By Jeanne Adkins)

Sending in the Marines to get the U.S. Merchant ship Mayaguez was the kind of action Islanders interviewed Wednesday afternoon said they would take to retrieve it.

"Frankly, I think we should have kicked the heck out of them earlier," one man said of the action.

He was certainly not alone in his opinion on how the U.S. should handle the Cambodian seizure of the ship. The Independent made a number of random phone calls Wednesday to find out how local residents were reacting to the incident.

Everyone called approved of Pres. Gerald Ford's stand that America would not give the Cambodians anything in return for the return of the ship and the safety of its 40-member crew. They also were highly supportive of the stand later taken to go in and get the ship by force.

"I think the situation is dangerous," Walter Martens of 1609 W. Louise said. "I think there's going to be another war. We should have finished it in Korea or even World War II and if we had, this never would have happened."

"We ought to go get it," Bill Callies of 319 W. Koenig said. "If they won't give it back, we should stomp on them and make sure the rest of the world knows it. Personally, I'd probably lose my temper and level the whole joint."

Nettie Mosher of Grand Island doesn't think Cambodia should be allowed to get away with its action either. "I think they've got us in a corner now and I just don't think we should let them get away with it."

"I think it's a lousy deal," Tom Lueth of 2203 N. Huston, said. "We should take the number of troops it will take to get it back.

"We just shouldn't fool around," he continued. "We don't need another Pueblo (a ship seized by North Korea). I'm tired of feeding them and getting them strong so they can fight us. Regardless of the cost we should get the ship."

Pat Husen of 1104 W. John thinks the Cambodian action is "kind of rotten" and thinks the U.S. should definitely go in and do something about it.

"I think we should take a strong stand right away and not give in," Karen Wetzel of Grand Island said.

Norm Jensen of Grand Island thinks the situation is "touchy" but he certainly isn't pleased about what happened. Because of the explosive nature of the situation, Jensen said he wasn't certain he would send troops but he thinks every effort should be made to get the ship returned and if necessary "we should go and get it."

Peggy Bowen of 1008 W. Eighth, is afraid the Cambodian incident "could lead to something a lot more serious." She approves of the President's stand and feels the U.S. should get the ship by force if necessary.

Bobbie Hamit of Grand Island, also feels the U.S. should go get the ship and "not let them get away with it."

"We've been too passive for too long and I think we need to take a stronger stand in foreign policy and get back the face we've lost internationally," Glen Johnson of 2117 W. Charles, said.

[From the Grand Island Independent, May 17, 1975]

ON DECISIVE ACTION

U.S. decisiveness in retaking the merchant ship Mayaguez cannot help but have a favorable impact, in the United States and elsewhere.

There seems no doubt that most American citizens have been so turned-off by indecisiveness that they were willing to take any necessary action to retake the ship. At least, that is, as long as they could stand in the background and let someone else do the necessary fighting. Nevertheless, the success of the venture cannot help but boost sagging national spirits.

There seems no doubt, either, that some others overseas—friend and foe alike—will be taking notice of the quick and emphatic reaction, and in fact, such reactions were already being expressed Thursday. It will undoubtedly encourage some friends and deter some venturesome foes, particularly smaller powers who may have been led to believe they could pick away at will at the big guy down the block after he once beat a retreat.

We are fortunate, of course, that all the crew members were freed, along with the ship. Our action might have had unhappier results. The loss of two Marines, with 14 men still missing, is unfortunate, but it could have been much worse.

Hopefully, we won't be forced to repeat the performance for some time, and hopefully, we won't be encouraged to act like the Israelis and demand an eye for an eye every time our national pride is wounded, and use the big stick before we're done speaking softly. If U.S. lives are taken or endangered, however, it would automatically fall in a different category.

All of which gets us back to a basic premise. That is that while only Congressional approval should be required to involve us in a war, the President as commander-in-chief, working with the military, must have the freedom to take appropriate action when such incidents arise.

It's one thing for the Bella Abzugs and George McGoverns to criticize what we're doing; it's quite another to turn over to them and the rest of the Congress the decision-making powers in such incidents.

Imagine having 535 commanders-in-chief, which is what that would amount to.

[From the McCook Daily Gazette May 17, 1975]

PRESIDENT FORD'S POSITIVE ACTION WAS RIGHT COURSE

Next time some foreign power wants to test the United States of America's determination to protect what is its and its willingness to face up when necessary, that potential rivalry may be just a little more cautious thanks to the positive and quick action taken by President Ford in the SS Mayaguez episode.

America's taking of this merchant marine vessel when quick diplomatic avenues failed, is the first real positive and decisive action by our President since the tragedies of Agnew and Nixon catapulted him from the House of Representatives into the world's greatest leadership role.

It was the kind of positive tone America needs to demonstrate to the world that even though we acknowledged our mistakes in the South Vietnam involvement, that we are not weakened as a great nation.

Perhaps President Ford shone better here than in some other decision areas since he did not need the approval of a hostile Congress to move to protect American property and lives. He did, however, keep Congress advised as he moved to regain the lost ship and its crew.

The loss of lives resulting from the President's action is regretable but far greater numbers would likely have been the price had America been weak in this confrontation. Once the Communist nations of the world think the American people will not defend themselves, that is the time we face real war potential. If this nation had acted more positively when the Pueblo was seized, the SS Mayaguez might never been tested.

In light of Vietnam and the ship seizure by Cambodia, this nation needs to re-evaluate its defense positions. We need to determine just what is worth defending and what is not. We need to determine our capability to defend.

Once these determinations are made, they should be announced to the world. And, the world given notice that if forced to we, as a nation united, are able and willing to go all the way to win any future confrontations.

Vietnam was an extremely expensive lesson, but surely we learned without question that half measures only encourage the enemy . . . that any future involvements will be only all out concentrations to win.

SUPPORT FOR THE FUEL STAMP CONCEPT

Mr. HARTKE. Mr. President, in the 93d Congress and again in this Congress, I introduced a fuel stamp bill designed to alleviate the increasing financial burden upon lower and fixed income families created by the burgeoning costs of fuel for space heating and other domestic uses. Similar legislation already exists in the House, and a bill quite similar to my own in concept was introduced in this Chamber by Senator Moss. As yet, however, the Labor and Public Welfare Committee, to which it was referred, has taken no action nor has it scheduled any action.

I cannot speak to the experience of other Senators and Representatives, but my office has received many expressions of support for the idea from many individuals and groups, including major utility companies. I am still hopeful that the committee will resolve to act on this most important matter before a new winter season is upon us.

In the meantime, I ask unanimous consent to have printed in the RECORD an excerpt from a letter written by Mr. Walter A. Zitlau, president of the San Diego Gas and Electric Co., to the California Utilities Commission endorsing the idea of fuel stamps.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM A LETTER BY WALTER A. ZITLAU, PRESIDENT—SAN DIEGO GAS & ELECTRIC CO.—TO VERNON L. STURGEON, PRESIDENT, CALIFORNIA PUBLIC UTILITIES COMMISSION, APRIL 18, 1975

During a discussion with you and other members of the Commission we touched on a number of mutual problems, addressing them from both the philosophical point of view, and with an aim toward finding hard solutions to many of the perplexing problems. Since returning to my office I have frequently turned my thinking to those who are suffering most because of the runaway inflation and the impact which comes upon them through rapidly increasing utility rates.

Unfortunately, while the problem may be somewhat more acute in the San Diego area, it finds itself in every city, town, and rural community across the face of our nation. The suffering for those on welfare and on limited incomes is essentially the same wherever we turn.

This week, SDG&E had to file a rate relief application and a petition for interim relief in order to preserve the financial integrity of the Company and meet its obligations. That was my responsibility as the chief executive officer. I also recognize, however, that I have some additional responsibilities as one to whom society has given a modest degree of social leadership.

Specifically, I am distressed over the plight of the poor, the handicapped, the elderly trying to survive on small fixed incomes, and those persons who are the unfortunate victims of economic conditions causing them to become unemployed through no fault of their own. In fact, many of our shareholders rely upon their dividends to help maintain modest standards of living.

This plight is not entirely unfamiliar to any of us. Other members of the PUC, this Company's officials, elected officials at the federal, state, and local levels, and the media are all aware of the problem. It has been heard from literally thousands of persons within past months. A variety of consumer pressure groups also have been organized to help deal with the situation.

San Diego Gas & Electric Company and all its customers are facing, in my opinion, the most serious situation that has confronted us since the great depression of the 1930's. All forms of energy—electric, natural gas, or the gasoline at the service pumps—will be taking a larger share of the family budget. And the problem facing all of us—customers, utilities, regulators, and government—is how to share those costs so as to minimize this impact on those least able to bear them. It seems to me, however, that most of us have been focusing on what is a long-range problem, rather than on a serious situation that needs to be remedied immediately.

There is, however, the more *immediate* problem. Too many of the poor and the elderly living on small fixed incomes, and the unemployed *cannot* wait for the promise of a future solution. Consequently, I strongly believe that the State of California and the federal government should and *must* move immediately to alleviate the effect of rising energy prices as it affects the disadvantaged.

I favor some sort of a utility stamp program. Candidly, I don't know how such a program might be organized or administered. But if we can devise rationing and food stamp programs and other means of helping the disadvantaged as we have done in the past, such as in disaster areas following floods and tornadoes, then all that is stopping us now is a lack of will to take appropriate action. It is gross inhumanity to write-off those who are presently suffering while we work out long-term solutions. The simple facts is that the disadvantaged are being forced to deprive themselves now of other

UMI

basic essentials, because of the present energy price situation.

Who should pay for a utility stamp program? There are, I believe, sound arguments why the cost should be a burden of the entire national economy, in a form so that the cost is shared fairly by *all* sections of the country. As to what form this might take, I cannot say, for my area of expertise is not governmental or social welfare financing. However, the utility stamp program should strive to provide *immediate* help to the disadvantaged.

The concept of the utility stamp program undoubtedly has some faults from the standpoint of financing, administration, and creation of the necessary enabling legislation. But I do know that while those who are still gainfully employed may be able to make ends meet until policies can be developed. The poor and elderly with insufficient funds, and the unemployed *cannot* wait. They need help now!

I pledge my support for that program which will, with equity, meet the challenge at the earliest possible date.

PERSECUTION OF HUNGARIANS IN ROMANIA

Mr. THURMOND. Mr. President, between 1965 and 1968 several of my distinguished colleagues denounced on the floor of the Senate the restrictions placed on the human and civil rights of the Hungarians in Romania, who constitute about 2.5 million people, mostly in the Province of Transylvania.

A persistent pattern of denationalization continues, which was recognized by our State Department in a memorandum to Representative PATTEN and other House and Senate Members on September 19, 1967.

Since that date, I am informed that the educational opportunities for Hungarians in Romania are rapidly worsening. In grade schools, it is reported that it is still possible to attend Hungarian sections, but all entrance examinations in the high schools, vocational schools, and specialized secondary schools are given in Romanian. Except for the general high schools, there are hardly any vocational and specialized schools with Hungarian sections at all. On the higher education and university levels, except for two teachers' colleges and an academy of the performing arts, no Hungarian courses are even offered.

Furthermore, I understand that if a citizen of Hungarian ethnic background suceeds in attaining his doctor's degree or his engineering diploma, he is sent to purely Romanian areas to work. The use of the Hungarian language in public is frowned upon in the cities despite the large number of Hungarians living in them.

There is evidence that harassment of the churches of the Hungarian minority—Reformed Protestant and Catholic—continues, and lately even their sources of outside assistance from brother churches abroad have been cut off by ministerial regulations adopted in 1974.

Church records and art objects have now been confiscated to a large extent by the State, which cannot provide for their categorization due to a lack of qualified archivists familiar with Hungarian, Latin, and classical Greek. Thus, there is danger that the historical records about Hungarians in Transylvania, which, during the past millennium had belonged directly or indirectly to the Hungarian kingdom, will be essentially lost to researchers.

The President has submitted to the Senate a proclamation awarding Romania the status of a most-favored nation on import duties. The proclamation, now sponsored by a Senate resolution is at the present time before the Finance Committee. I feel this would be the ideal time for the administration to raise the issue of the apparent continued mistreatment of the Hungarian minority, and the denial of their civil rights guaranteed under articles 2, 17, 22, and 102 of the Constitution of the Socialist Republic of Romania, in order to achieve some alleviation of the present reported conditions.

FORMER SENATOR KENNETH B. KEATING

Mr. STENNIS. Mr. President, I rise to express my regret at the recent passing of former Senator Kenneth B. Keating, and to pay my respects to his memory.

Few men have served so well in so many categories of public life. He was in the House of Representatives for six terms, and served in this body for 6 years. He was a judge in the highest court of the State of New York, and he served the Nation as its Ambassador in India and in Israel. In addition, he served in World War I as a very young man, and returned to the Army in World War II to serve 3 years in the China-Burma-India Theater. He was a Brigadier General when he retired from the Army Reserve in 1948.

I remember with pleasure my service with Ken Keating in the Senate. He was easy to like, for it was his nature to be warm, friendly, and courteous. His humor was quick and contagious.

He could be very serious about serious matters. I remember well that in the summer of 1962, in a speech on this floor, he warned of the entry of Soviet missiles into Cuba, and that fall the Cuban missile crisis was announced by President Kennedy.

Kenneth Keating served his country well, in a long and varied career, and he served the people of New York with skill and dedication. May he rest in peace.

Mrs. Stennis joins with me in extending sympathy to his wife Mary and his daughter Judith.

THE PRESIDENT ADDRESSES WEST POINT GRADUATES

Mr. MATHIAS. Mr. President, today the Class of 1975 at West Point graduated and took the oath of allegiance as its members accepted commissions in the Army and other services. The corps of cadets participated in traditional ceremonies against the historic background of the Hudson Highlands.

The graduating class was particularly honored by the participation of the President of the United States in the graduation exercises. It was my privilege to attend as a member of the Board of Visitors of the Military Academy.

The President's speech to the graduates was not only an inspiration to them, but of wide general interest as it referred to the President's visit to Europe from which he returned late last night. I ask unanimous consent that the text of the President's speech at West Point be printed in the RECORD.

There being no objection, the text of the speech was ordered to be printed in the RECORD, as follows:

TEXT OF REMARKS BY THE PRESIDENT

I am deeply honored to be here. The traditions of West Point run throughout our history. The long gray line has extended from here to the ends of the world. And now you accept that inheritance—carrying with you not only the traditions of West Point but the hopes of your countrymen.

For two centuries, the United States Army has stood for freedom, since this Academy's founding in 1802, West Point has provided leaders for that army. The purpose of the army and West Point today are one and the same—as they were at their historic foundings: to be ready at the Nation's call to carry out—with dedication and honor—the duty of defending the liberty of our land and our people.

The battle for freedom will take many forms in the years ahead. The will of America will always be tested. It is our job—yours and mine—to be prepared for those tests.

In recent weeks I have come to realize, as never before, how closely the free world watches the United States of America. Nations observe our example and leadership in meeting the tremendous challenges of maintaining the peace and the momentum of economic progress.

At the same time I have seen how much depends upon the skill and superior professionalism of those who serve the United States either in uniform or as civilian representatives of our country. The tremendous productivity of America's farms and factories, the sophistication of our technology and the durability of our political institutions all arouse the envy and admiration of friend and foe abroad.

But our one really essential resource is our people—our dedication to our national interest and national purpose.

You may have read or heard that our allies and other overseas friends have questioned the continuing resolve and unity of our government and our people and that I went to Europe to give them reassurance.

Fortunately, I did not find that degree of doubt among the leaders with whom I met requiring such extensive reassurance, nor would mere words be enough to convince these practical political leaders. What has impressed them and what will impress them are demonstrations of the essential unity of America in the pursuit of our national goals at home and abroad.

One such practical demonstration will be the fate of the 1976 defense budget which I proposed to the Congress. Because the United States is today at peace, there are some who want to cut back on defense spending and put these dollars into their own pet domestic projects. The hard fact is that we have consistently done this in recent years while our potential adversaries have consistently increased their military budgets.

In real terms, our defense spending has dropped to its lowest level since before the Korean conflict. It is my firm conviction that we cannot afford further erosion of our bedrock defense budget. And I will fight hard to prevent it.

I believe the American people want a national defense posture that is second to none, one that will maintain our qualitative superiority now and in the future; one that will be sufficient to ensure peace through the mutually-honored commitments we have with reliable allies and through the dedication of the highly-motivated and professional military establishment which you are about to enter as officers.

It is instructive to recall that this Academy was founded during the Jefferson Administration. Thomas Jefferson was consistently suspicious of large standing armies; ardent in his insistence on civilian authority over the military. Nevertheless, he was a champion of quality and educational excellence. President Jefferson knew that freedom's defense could not be entrusted to amateurs in a world of expansionist powers and opportunist pirates. Whatever price our poor and youthful republic had to pay for its full independence and the protection of its lawful interests, Jefferson and the Congresses of his day were willing to pay.

I believe the Americans of 1975 are just as willing to pay that price. That is why I continue to press for a comprehensive ten-year program to develop enough domestic energy to make the United States fully independent of foreign oil at externally fixed prices that threaten both our economic health and our national security.

This would be another convincing demonstration to our allies and to our adversaries that Americans have lost neither their nerve nor their national will.

All of the encouraging declarations of commitment to mutual defense and mutual progress which I heard at the NATO Summit Conference in Brussels last week will be meaningless unless the industrial democracies have assured sources of energy to power both their economic and military efforts, once again, the United States is looked to for leadership and example.

Of course energy independence is going to cost us something. Of course an adequate level of defense is going to cost us something. But the price of sacrifice is far less than the price of failure. Freedom is never free; but without freedom, nothing else has value.

No previous graduating class in the history of West Point will be called upon to fill so many different roles and to perform so many exacting missions as the Class of 1975.

Like those who preceded you, you must know military strategy, tactics and logistics. You must master the increasingly complex machinery of warfare. You must learn the lessons of leadership.

But today as never before you will need a sense of history, a grasp of economic principles, an appreciation of science, a mastery of geopolitics and diplomatic conventions. The Commander-in-Chief can state a policy and issue an order; but only disciplined and dedicated subordinates can successfully carry it out.

You must also understand that in the complexities of today's world, we must pursue complex policies. We must be at the same time both strong and conciliatory. While we must at all times maintain a defense second to none, we must also pursue better relations with our adversaries. Detente, to be effective, must be a two-way street, producing benefits for each side based on genuine efforts of both sides.

To combine the qualities of good citizen and good soldier, the ability to lead and the ability to obey leadership; to use your own intellectual powers and judgment to the fullest within the stern demands of discipline and duty; these are personal challenges worthy of the highest callings to which man aspires.

I know that you will meet them as have all the West Pointers who pledged themselves to duty, honor, and country.

As a young Congressman, I was one who urged one of your greatest graduates to return from Europe and campaign for election as President of the United States. I remember listening to General Eisenhower speak of the importance of those three words in his own distinguished career.

He kept them in the forefront of his thoughts during his years as President; it was his devotion to duty, honor and country that brought peace to the world, respect to America and progress for all our people during his eight years in the White House.

I thought of President Eisenhower often during my visit to Europe; how he led millions of Americans and allied forces to liberate Western Europe; how he returned to uniform, to organize and command the first NATO defenses while Europe rebuilt itself; and how he led diligently for peaceful and positive relationships with the Soviet Union and Eastern Europe throughout his Presidency. To all these great responsibilities he brought the totalities of leadership and dedication to duty for which you have been trained these past four years.

Not all of us will be called upon to make the great decisions that President Eisenhower made. But each of us will be called upon to make decisions upon which the welfare of our country may depend. I congratulate you as you enter upon that challenge and opportunity for service to the Army and to America.

Your career will exact high dues: Periodic dangers, separation from loved ones, moves so frequent that you may have trouble putting down roots anywhere. But it will also offer unique opportunities. It is unlikely that any of your civilian contemporaries of the classes of 1975 will so soon face the challenge which some of you may face within weeks. You will be charged with the upkeep and operation of technology more expensive and complex than some Americans will ever handle. More important, you will be responsible for the well-being of other Americans, sometimes in situations where your decisions mean the difference between life and death. Your apprenticeship, with its basic education is ending; but you may be expected to use its lessons at any time. It is an enormous human test, but testing makes men as well as nations stronger and more confident.

Having met the test of World War II, Dwight D. Eisenhower said in 1946 that "We must not look upon strength as a sin: We must look upon it as a necessity—but only one of the contributions we are making to the development of a peaceful world."

As you know, last night I returned from a trip to Europe to strengthen the peace. It was most encouraging at the summit meeting of the North Atlantic Treaty Nations to find a new sense of unity and a confidence in the United States. It was most inspiring to receive from His Holiness Pope Paul VI the admonition that right and justice must guide all our efforts. I am convinced our major alliances are strong and firm; I am convinced our allies' confidence in us is not misplaced. I am convinced our cause is just and right.

In Salzburg, I met with Egypt's President Sadat, to continue our exploration of new steps toward peace in the Middle East. That is the most serious international issue of our time. The United States is in a unique position to help promote a peaceful solution—and I assure you we will make that effort.

The American commitment to freedom since World War II—the sweep of a generation—has been so vast and enduring that it serves no purpose for me to recount it here. But it does serve a purpose to remind ourselves, our friends and our potential adversaries that Americans are still prepared to pay the price of freedom—that we will honor our commitments—that we will do our duty.

This is why I am here today at West Point. This is why you are here today. Let us renew together our Founding Fathers' pledge to our country of our lives, our fortunes and our sacred honor. And let us always remember that freedom is never free.

LEWIS GOTTLIEB

Mr. LONG. Mr. President, one of Louisiana's finest citizens, Lewis Gottlieb of Baton Rouge, died last Saturday, depriving my State and the country of a dedicated civic leader and philanthropist.

It is men of the talent and intellectual caliber, such as Lewis Gottlieb, who are needed so much to move ahead this fine country of ours. Mr. Gottlieb never turned his back on the community, serving in so many ways. It is only fitting that during his lifetime that his work was recognized by others.

A native of Baton Rouge, Mr. Gottlieb received his law degree from Louisiana State University in 1916 and was continuing his education at Columbia University when our country went to war in 1917. He left to serve with distinction in the Naval Air Service.

Mr. Gottlieb returned to Baton Rouge and became active in the banking business and was one of the organizers of City National Bank in 1933. He became president in 1946, chairman of the board in 1957 and chairman emeritus in 1972. He held numerous positions with the Louisiana Bankers Association and was a director of the New Orleans branch of the Federal Reserve Bank of Atlanta for 3 years.

Mr. President, Lewis Gottlieb shared his talents with other in his outside civic and philanthropic efforts. He helped organize the United Givers Fund in Baton Rouge in 1952, received the Golden Deeds Award in 1960 for his service and that year also was one of five national recipients of the Louis D. Brandies Gold Medal Award for services to humanity. In 1963, he also won the local brotherhood award of the National Conference of Christians and Jews.

In education, Lewis Gottlieb also left his mark as a member of the LSU Board of Supervisors from 1939 until 1940 and from 1950 to 1958. His efforts to expand and improve the university earned him the distinguished Alumni Award from the LSU Alumni Federation in 1973.

However, I best remember Lewis Gottlieb from a discussion about the need many years ago to enhance the pride that Louisianians held for LSU. Along with others, I urged that LSU try to achieve renewed success in athletics so Louisianians who had not attended the university might identify more closely with it.

He understood, so Lewis Gottlieb attracted new coaching talent to LSU, including Paul Dietzel to head the football program. LSU won the national championship in 1958, creating a new legacy of athletic success and loyalty to the university and helping us broaden the scholastic base for the school as well.

Mr. President, Carolyn and I are deeply saddened by the death of a long-time friend. He was a devoted family man, a community leader and a businessman of the highest integrity. He will be missed

UMI

by all of us who knew him but remembered forever for the many services he rendered.

CURRENT U.S. POPULATIOIN

Mr. PACKWOOD. Mr. President, I wish to report that, according to current U.S. Census Bureau approximations, the total population of the United States as of June 1, 1975 is 213,801,180. In spite of widely publicized reductions in our fertility levels, this represents an increase of 1,587,905 since June 1 of last year. It also represents an increase of 85,905 since May 1 of this year, that is, in just the last month.

Over the year, therefore, we have added enough additional people to fill more than two cities the size of Cleveland. And in just one short month, we have added the equivalent of Miami Beach, Fla.

THE SOVIET UNION: YESTERDAY, TODAY, TOMORROW

Mr. BUCKLEY. Mr. President, a conference was recently held under the auspices of the Center for Advanced International Studies of the University of Miami led by the center's director, Ambassador Foy D. Kohler, former U.S. Ambassador to the Soviet Union. The conference assembled a most distinguished group of diplomats and journalists who served in the Soviet Union for many years in senior capacities. This group spans the spectrum of American political ideology, and yet their professional judgment on the subject of the Soviet Union reflects a remarkable degree of unanimity.

I ask unanimous consent that the summary of the results of this conference, "The Soviet Union: Yesterday, Today, Tomorrow," be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE SOVIET UNION: YESTERDAY, TODAY, TOMORROW—A COLLOQUY OF AMERICAN LONG TIMERS IN MOSCOW

(Edited by Foy D. Kohler and Mose L. Harvey)

(Participants: Frederick Barghoorn, Jacob Beam, Elbridge Durbrow, Mose Harvey, Loy Henderson, Robert Kelley, George Kennan, Foy Kohler, Earl Packer, John Scott, Henry Shapiro, and Thomas Whitney)

The participants in the conference covered a wide variety of issues. These ranged over such broad areas of inquiry as the ways in which the Soviet Union has and has not changed over the past fifty-eight years; considerations and factors which appear to account for Soviet behavior; the source and nature of Soviet expansionism; the nature and purposes of the Soviet military effort; the role of the Soviet concept of "the correlation of world forces"; the Soviet position on detente; the question of constraints on Soviet conduct; the prospects of the democratization of Soviet society through evolutionary processes; major problems confronting the leadership; succession possibilities, particularly with respect to the accession of a new generation of leaders; and where the Soviet Union appears to be heading over the next ten to fifteen years.

In considering these issues, a particular effort was made to see the Soviet Union within its total history, including its links with the Russian past, with the thought continually in mind of assessing what the meanings might be for the future. No specific proposition with respect to any issue was raised during the discussion for the purpose of determining group reaction. It was evident, however, that there was a considerable measure of agreement on many key points, but differences, often sharp, on others.

GROWTH IN SOVIET STRENGTH

The internal strength, the physical power and the influence on world affairs of the Soviet Union has increased tremendously over the past fifty-eight years. It has emerged as a highly industrialized superpower with full control of its territories and peoples. It maintains a very high degree of law and order. It leads all other countries in the production of coal, steel, cement and oil. It has become an urbanized society with a high level of literacy with a steady, albeit very modest, rise in standard of living. To be sure, Russia has always been a great power and would have remained one without the revolution. A projection of pre-revolutionary industrial figures suggest that a noncommunist regime would have attained a comparable measure of industrialization, and probably a far higher standard of popular well-being. But there has been a Soviet concentration on developing the industrial-technological base of national power that could hardly have been matched by any other sort of regime.

In addition to internal gains, the Soviet Union has greatly improved its external position especially since World War II. It is able to exert leadership over at least a dozen countries. It appears capable under present conditions of further steadily extending its power and influence, not only with respect to neighboring regions, but on a global scale. In all of this, Moscow has benefited greatly from changes in the outside world. When one looks at the pre-World War II situation, one is impressed by the difficulties posed to the USSR by the military strength of Germany and Japan at each end of its enormous territory. Now both have virtually disappeared as important military powers, a factor of decisive importance. In this connection, the significance of the Soviet position in Eastern Europe has been greatly underestimated. What is important is not the number of forces Moscow has there, but the fact that Soviet power is forward of the great gap Russia long faced to the West and now begins at a point only 60 miles from Hamburg.

NO CHANGE IN FUNDAMENTAL AIMS AND METHODS

While there have been modifications in domestic and foreign policy, these have not changed the oligarchic, authoritarian nature of the Soviet system, its expansionist urge, or its stated purpose of engaging in a relentless "struggle between systems" until one or the other triumphs on a world scale. These characteristics had marked the Soviet Union from the beginning of the Soviet regime. The Cold War actually dates from 1917 and continues today. The Decree on Peace, the first important document adopted by the Soviet regime, appealed not only to governments but, as is now sometimes forgotten, also to the workers of the warring powers to rise up and impose policies on their governments. In the early days of the Revolution, there was optimism about the automatic spread of revolution and a faith that it could be brought about by agitation and propaganda. But Lenin and after him Stalin realized that this would be insufficient. They sought consequently to concentrate on preserving their own rule and on building up the power of the Soviet Union as the avowed base of world revolution. The basic philosophy from early days was that the communist part of the world, because of its greater unity, purposefulness and cohesion, would have a growing advantage over the conflict-ridden capitalist part.

SOVIET EXPANSIONISM

Expansionism appears inherent in the Soviet system, as well as one of the strongest heritages from the Russian past. Basic to Soviet expansionism, as well as to its antecedents under the Czars, is the fact that Russia is a multinational state which breeds deep insecurity within the Kremlin with respect to neighboring countries, a situation which compounds itself as new acquisitions or spheres of control are obtained. Other important factors include a long-standing messianic complex which under communist rule had fed upon and utilized revolutionary doctrines; the need of the regime to justify its authoritarian minority rule by successes; a close interrelationship between totalitarianism, which was first developed and has been carried to its high point in the Soviet Union, and expansionist aspirations; a will for maximum power which is more or less common to the rulers of all great states and which must be particularly strong within any who succeed in rising to top levels in the Soviet hierarchy. Soviet expansionism cannot be expected to stop unless it is stopped by internal disintegration or outside forces.

THE ROLE OF IDEOLOGY

Whether the major impulses behind Soviet actions are nationalist or ideological elicited a variety of views and also the suggestion that this may be no more than a matter of semantics. A given action may be part of the world revolutionary movement or an expression of the nationalist ambition of the Russian state, very often a combination of both. It must be kept in mind that the Soviet Communist Party has always operated on two levels. It has responsibility for governing a modernized great state, with all the complexities that entails; it is a revolutionary party with self-assumed objectives to lead and support revolutions on a worldwide scale. Generally speaking, the Soviet state does not make sacrifices for the revolutionary movement; the movement is expected to subordinate its interests to the Soviet state. Nevertheless, the policies and conduct of the Soviet state have always been made to appear in consonance with the interests of the movement, and in actual practice the Soviet state has increasingly come to identify itself with the movement and to assume growing risks and costs in its name.

Meanwhile, concern over ideological questions and issues has considerably diminished in the Soviet Union. This "erosion of ideology" was linked by conference participants with emphasis on the growing materialism in the country, which may extend all the way to the top leaders. Those who were in the Soviet Union in the twenties and thirties contrasted the arguments about the nature of communism and the faith in the doctrine, especially on the part of youth, with current focus on mundane matters. One participant saw a contrast between Khrushchev and Brezhnev: whereas the former had decisively rejected private automobiles as a wasteful use of resources, the latter has decided to allow the Soviet people more private cars. There was no suggestion, however, that this is to come quickly. Indeed, while plans called for a steady rises in wages and standard of living, these increases are now as in the past to be modest. And, as was also pointed out, Soviet investment in heavy industry and the military continue to have top priority. Soviet leaders to some extent can also be seen as efficiency-minded technocrats. The vast majority of the present Politburo received training as engineers, even the "ideologist" Suslov, although one might question how thorough this engineering training was, as well as the extent to which it has shaped the thinking and outlook of the leaders who received it. The leadership is doubtless very much concerned with the modernization and strengthening of the economy. But the direction this is given does not conflict with but

furthers the long-time basic goal of building Soviet power.

Ideology, whatever real feelings about it are, continues to perform a number of important functions. Ever since the New Economic Policy in 1921, it has been repeatedly argued on the outside that the Soviets are not interested in world revolution and are only giving it lip service. Still the leaders justify their policies in the name of the revolution. Ideology is, in fact, the only source of the regime's legitimacy. As one participant put it, with so much blood on its hands, unless the Soviet leadership has the ideology to justify itself, it would represent no more than common criminals. The ideology is also necessary to justify the leadership's position as a self-appointed, all-knowing ruling elite. Finally, it was suggested, the lessened focus on ideology in the everyday life of the country is because it is now taken for granted as the internal element in the Soviet system.

Ideology has also served as an essential base for Soviet global aspirations. It is a requisite for Moscow's domination over captive communist states and its pretensions to leadership over the world revolutionary movement. It is treated as a principal source of Soviet appeal in the Third World and in this connection it serves a definite foreign policy purpose of the USSR. Finally, of course, ideological issues and postures are critical in the Soviet conflict with China. Loss of its leadership of the Marxist-Leninist, anti-Western, antiimperialist part of the world would be synonymous in the regime's eyes with the end of its own reason for being.

INFERIORITY VERSUS SUPERIORITY AS A DETERMINANT OF SOVIET BEHAVIOR

Given the importance of the Russian messianic complex both under the Soviets and the Czars, the question was raised whether this and other motivating factors underlying Soviet conduct came from a sense of inferiority or a sense of superiority. There was general agreement that it is difficult to distinguish whether any given behavior of men or nations reflects a feeling of superiority or an attempt to compensate for a feeling of inferiority. In the Russian case, it may well be a combination of both. Russians seem to have an extreme sensitivity which produces a sort of compulsion to continually compare themselves with the West. On the one hand, they feel that they are stronger and better than others. The Russian does not believe that there is any field of activity in which, if he were given the proper chance, he could not match and probably excel anyone in the world. They have always had the idea that they are somehow the leading people in the world, that they have a mission to improve mankind. Marxism-Leninism has become a substitute in this regard for comparable doctrines of the Orthodox Church under the Czars.

On the other hand, Russians feel that life has dealt badly with them, that fate has been unjust. Stalin's famous speech—the Japanese beat us, the French beat us, the Germans beat us, etc.—undoubtedly found great resonance among the Russian people (though when one looks at the expansion of the Russian empire, before and after the Revolution, one might ask who beat whom). The sense of inferiority, or perhaps better, inner insecurity may stem from the rulers' lack of confidence in their own people, their inability to trust them and to rule otherwise than by force and absolute authority. The closest Russia may ever have come to overcoming its feeling of inferiority may have been in the 1900–1914 period when it was culturally perhaps the most interesting place in the world. However, the rulers of Russia, whether Czars or communists, have always treated their people like children. Until this stops, Russians will continue to feel inferior, or at least different. When questioned about the attitude of the regime toward the people, Stalin intimated that it would allow freer travel, the study of the Bible as literature, and other such things when the Soviet Union achieved a standard of living comparable to that of the West. Khrushchev made a fetish of "overtaking and surpassing" the outside world, particularly the U.S. Be all this as it may, however, the Russians are still a people of great talent and strength and must be given their due.

OTHER DETERMINANTS OF SOVIET BEHAVIOR

Soviet conduct can also be analyzed from the point of view of the dynamics of totalitarianism, the Soviet Union being the first and longest-lived of twentieth century totalitarian states. There is an almost inevitable antagonism on the part of the leadership of any totalitarian country toward democratic countries. The existence of freedom of expression in any society is going to be a threat to any totalitarian system. The rulers know that ideas are as powerful as bullets. They have always had the conviction that they could handle their own people only by a severe despotism and by shutting out all impulses of freedom. For this reason the proximity of freedom to their own borders has always been highly unsettling to them and they have always wanted to push it further and further away because they view it as an infection which could undermine their rule. Another important factor is that the Soviet Union's rise to the rank of superpower has been sudden and involved a great deal of force and coercion. Stalin justified his whole repressive system and the terrible measures he employed toward the people, and his own associates for that matter, on the necessity of propelling the Soviet Union to the forefront if it were to survive. And Stalin's successors, although more subtle, have proceeded on essentially the same basis.

THE NATURE AND GOAL OF SOVIET MILITARY EFFORTS

The Soviet rulers, like Czarist rulers before them, seek maximum military power. They certainly aspire to military superiority as against the U.S. and will continue their efforts to achieve it indefinitely, as well as their efforts to attain superiority with respect to the economic-technological base on which military capabilities rest.

To the question of when Moscow will decide it has enough military power, the answer given was that the Russians will never feel that they have enough. Russian governments at all times have maintained forces in being far greater than anyone else could see any reason for. The Russians have a strong sense of national purpose and of needing to excel in all fields. Nothing ever really satisfies them. Parity must be viewed as only the opening card in a continuing game.

The Soviets are involved in what seems like unending efforts not just to achieve military superiority, but to go on and on. One might note their naval expansion, which Grechko suggested would cover all oceans. This in itself constitutes an endless frontier. They have long since achieved superiority in conventional ground forces, but they give no indication that they intend to slow down in this area. Nuclear weaponry to be sure adds a new and different dimension to the question of attaining military superiority to the point where one side can feel secure and the other side jeopardized. Nuclear weapons do not respond to the same expectations as other weapons. The issue is whether with nuclear weapons military power is still translatable into political power. It is an issue which requires a great deal of refinement. It is complicated by the fact that the Kremlin rulers want change and we want stability, and by the fact that Moscow appears to see the political utility for their nuclear capabilities differently than does the U.S. The name of the game from their standpoint would seem to be to place the other party in a position where he has to make the decision of whether to give ground in particular situations or to resort to a possibly fatal nuclear response.

The Cuban missile crisis gave special impetus to a Soviet decision to put themselves in a military position in the future where they would not have to back down. That crisis was the last and most humiliating of a series of situations—Iran, Greece, Turkey, the Berlin blockade, the Lebanon landings, the Berlin ultimatums, etc.—in which the USSR had blustered and threatened and then had to withdraw.

It can be prognosticated that the Soviet Union in coming years will give priority to further upgrading Soviet economic and military strength with the aim of achieving a position—as Brezhnev and Gromyko have made explicit—which will make it impossible to settle any matter on the globe without the Soviet Union, as they claim already to be the case in the Near East. This will also include the ability to do what the United States has long been able to do, intervene in situations far from home borders. This basically is the purpose of the Soviet naval buildup and the new "external role" being assigned the Soviet armed forces. Up to recently, the role of the armed forces was described as defense of the fatherland and the socialist community. While this change in definition of mission is little known, it was agreed that a change of this sort of extremely important.

In short, what the Soviet Union is seeking is a perceived overall military superiority whereby in the future it will be the United States rather than the Soviet Union that backs down in situations of conflict. Apparently the Soviet rulers want eventually to be so powerful that no one will be able to question them, so that they will be able to dictate or influence actions all over the world and effectively to veto any actions of others of which they do not approve.

THE CONCENTRATION ON THE INDUSTRIAL-TECHNOLOGICAL BASE OF MILITARY POWER

The drive for military superiority continues to be reflected in Soviet resource allocation. The Soviets have always given priority attention to the growth of military-oriented segments of their economy and this can be expected to go on indefinitely. In this connection, it was stressed by one conference participant that striving for military preponderance is one thing, its attainment another. The Soviets have to make choices among competing requirements. They have the problem of at least some improvements in the standard of living. They are hampered by the inefficiency of their economy. While they squeeze as much military expenditure out of their economy as we do, the smaller size of their GNP is a source of strain. On the other hand, the comparative costs of our own military establishment, as for example the pay scale required for our volunteer army, may well have the effect of pricing us out of the competition.

As one means of improving their own competitive position, the Soviets are seeking advantageous economic deals with Western Europe and the United States, wherever possible playing off one against the other. However, they remain essentially autarchic in outlook and will never accept interdependence with, let along dependence on, the outside world. On the contrary, they will try to achieve a situation in which foreign countries are dependent on good relations with them.

IMPORTANCE OF THE SOVIET CONCEPT OF THE "CORRELATION OF WORLD FORCES"

The Soviet leaders, while perceiving a greater role for military strength than most of their rivals, consider the military factor is but one, albeit the most important one, of a number of factors that enter into "the correlation of world forces" which is the ultimate determinant of who does what to

whom, the others being economic-technological progress and prospects; internal stability and cohesiveness; relations with allies and clients; external political, ideological and psychological clout; the national will to push forward, etc. This concept is continually emphasized in Soviet analyses and commentaries respecting the international situation, developments, and prospects. The Soviets insist, and apparently with increasing confidence because of the current difficulties of the U.S. and other Western states, that the correlation is acceleratingly shifting in favor of the USSR.

THE QUESTION OF CONSTRAINTS

Despite Soviet aspirations, and the substantial success Moscow has so far had in fufilling these, the Soviet Union is still subject to considerable problems and difficulties. It was emphasized that all great powers seek to maximize their power; but desire is one thing, attainment another. As is the case in other countries, the Soviet leaders cannot simply ignore immediate problems. However, they evidently do look far ahead in their planning which willy-nilly broadens their time perspective in a way not done in the West. In any case, the Soviet leaders' problems are formidable. Fifty-eight years after the Revolution, they have not been able to achieve for broad sections of their economy the technical progress needed to perform against constantly reiterated domestic commitments or to make themselves independent of Western technology. Labor productivity is particularly bothersome. Their agricultural system remains in poor shape. Twice they have had the humiliating experience of having to make large-scale imports of wheat from the West, and of course at the expense of the requirements of much needier underdeveloped countries.

Soviet leaders are particularly concerned with their youth, its apathy, cynicism and hedonism. There is also the fact that there is not a single country in Eastern Europe, except possibly Bulgaria, where they are not disliked. Along with their foreign policy successes have come a considerable number of failures. In their own sphere: China, Yugoslavia, Albania, reduced influence in North Korea, breaches of discipline among foreign communist parties. Outside: Iran, Turkey, Greece, early postwar setbacks in France and Italy, Japan. China is a problem of primary concern for Moscow. Its denigration of Soviet worthiness to lead the world revolutionary movement, its direct border threat, its rapprochment with the United States, the significant headway it has been making at Soviet expense in the Third World all greatly worry Moscow.

THE NATIONALITY PROBLEM

The nationality situation constitutes a special problem for Moscow and has a number of important ramifications. In its multinational makeup the Soviet state in effect is an anachronism. It is the only great empire of the 19th century which was not split into its constituent parts in response to the forces of nationalism. This is partly our doing since the United States, while otherwise championing self-determination during and after World War I, did not want to break up the empire of its Russian ally. The Soviet Union is going against a worldwide tide of nationalism and this is one of the reasons for the insecurity of the present group of Soviet rulers. The need to keep non-Russian nationalities under control is also a key factor limiting any diminution of central control in the Soviet Union or the development of a freer political system. Freedom for the Russians is impossible unless minority nationalities are allowed the same freedom. The problem promises to become more worrisome with time as the non-Russians increase more rapidly than the Russians. However, it is questionable that the problem will become acute unless some sort of catalyst is provided from abroad or at home, e.g., a protracted war with China might produce very dangerous repercussions among minority nationalities of the Soviet Union; the same might be true in case of steadily reduced agricultural production as a result of climatic changes.

Somewhat the same situation exists for Eastern Europe as for Moscow's domestic subjects. By means of its military power, the Soviets have succeeded in keeping Eastern Europe under control and handling German national urges. But given serious deteriorations in Soviet external or internal positions, the situation could change radically.

THE PROBLEM OF DISSENT

The role and significance of dissent were also extensively discussed. There was general agreement that overt dissent is a relatively new phenomenon in the USSR, but that it is unlikely to significantly change the nature of the regime, especially in the near future. For one thing, the dissenters are weak and badly splintered. For another, Soviet policy has become much more sophisticated about such matters. More often than not certain individuals are able to function for a long period, not because they have slipped the dragnet, but because the police are biding their time until contacts are traced. There are, however, certain similarities between current movements and those which marked later phases of the Czarist regime. On the other hand, it was pointed out that dissenters were not responsible for the fall of the Czarist state—that instead a group of exceptional circumstances were responsible, most notably the war and the ineptness of the ruling regime. It was precisely with this in mind that one Soviet dissenter, Andrei Amalrik, dismissed the potential of present-day dissenters and saw the break-up of the Soviet regime coming only in the wake of a disastrous war with China.

Various types of dissidents are discernible. One group wants to change the system from within by such measures as giving increased autonomy to factory managers. Another group might be called the democratic opposition. So many of these have now left that we now have a new democratic Russian emigration. Another type of opposition was also stressed, a very strong Great Russian nationalist opposition which works within the party. This opposition evidently favors a more assertive policy both toward the West and toward China.

PROSPECTS OF AN EVOLUTIONARY DEMOCRATIZATION PROCESS

No participant saw a significant possibility for a Western-type democratic evolution in the Soviet Union. Russian rulers have always believed that they must be despotic and the people kept rigidly in line. A democratic system in the Soviet Union, especially in view of the nationality question, would probably be chaotic and lead to turmoil, which would be resolved, most likely, by a military dictatorship. Stalin had reinforced the old predispositions to authoritarianism. Just as the Czarist regimes did, the Soviet regime sees freedom of expression as a threat and any toying with the idea of liberalization as subversive. How the current rulers feel about these matters was indicated by what they did in Czechoslovakia. But popular attitudes were also revealing: the Soviet people, except for a few intellectuals, had no sympathy for the Czechs, who were looked on as ungrateful troublemakers.

One participant suggested that it was a mistake to think in terms of popular democracy; he pointed to the much looser one-party system in Mexico as a possible model for any future Soviet evolution. He thought that any changes in the political system will come within the party rather than from what they consider the very dangerous concept of a loyal opposition. However, such changes in the party will meet strong resistance. The power of the apparatchiki can be seen in their ability to thwart the Liberman economic reform proposals which would have affected their vested interests in a much less vital way. Here again Czechoslovakia was also indicative: proposals that the Czech Communist Party permit open Central Committee discussions and elections by secret ballot of top party leaders were too much for the Soviet leadership to accept.

While all agreed that there has been no fundamental change in the nature of the Soviet system, there was a feeling that there has been a steady buildup of small changes which might ultimately be important. These changes have been gradual, almost imperceptible, hence often hard to identify, but should not be ignored. The emergence of dissent was viewed as one of these small changes. The evident increased attention to Soviet public opinion might be considered another, although this might be more a device to improve control than to be responsive. In the cultural sphere, when one compares the current scene with that of the early years of the Soviet regime, there has been retrogression. However, the question was raised about the consequence over the long run of forcing all creative cultural expression into dissidence or exile, particularly if dissenters living abroad are able to get their ideas into the country. The improvement in standards of living and the growth in literacy were other changes that might eventually be of real importance. It was argued that revolutions have been the products in the past of small but determined groups who seem out of touch. Others pointed out, however, that revolutions require even more a loss of will by the ruling elite which is certainly not visible in the Soviet Union. In any case, there may be value in the old Marxist formula about changes in quantity becoming changes in quality. Fifty to one hundred years was the perspective suggested with respect to a significant impact on the Soviet Union.

THE BASIC U.S. INTEREST IN SOVIET CHANGE

Whatever fascinations the possibilities of democracy in the Soviet Union might hold out, there was general agreement that the real issue for the U.S. is not the internal organization of the USSR, but its external behavior. Our emphasis on democratic evolution is linked to a more general U.S. concept that other societies should mold themselves in our image. The corollary of this has been to condemn others for not doing as we do; even if they pursued a foreign policy friendly to us. However, one can raise the question about whether we will get reasonable Soviet behavior unless they have a society and a political system with checks and balances, with restraints on the centralized government as it exists now in the Soviet Union.

SUSCEPTIBILITY TO OUTSIDE INFLUENCES

There was general agreement that the Soviet Union is now more susceptible to outside influences than previously, but that too much reliance should not be placed on this. External media are more important today than in the twenties when dissidents could secure publicity for their views domestically. Moreover, the predisposition needed to make external media useful does exist in the Soviet Union among scientists, economists, and other intellectuals. All intellectuals of any consequence listen to foreign broadcasting stations. The present regime pays somewhat more attention to foreign opinion than Stalin did. Thus with respect to its treatment of dissenters, it clearly gives some attention to the possible reaction of foreign communist parties and the impact on relations with other states. Experience with Soviet groups who travel in the United States indicates that few such visitors will henceforth believe their government's anti-U.S. propaganda. Accordingly, it is important to maintain broadcasting from the outside, exchange programs, and insistence in the European Security Conference context of emphasis on freedom of movement of people and of ideas. However, the extent of outside influence remains very small in scale, and it is always possible for the regime to virtually cut it off.

SUCCESSION POSSIBILITIES

This question was discussed not in terms of the specific leaders who might replace Brezhnev but in terms of the type of leaders who will replace the present generation and particularly what their attitudes toward the United States might be. It was generally agreed, however, that a "Brezhnev succession" will not produce significant repercussions or policy changes.

Attention was called to the extraordinary degree of stability of the current Soviet leadership. The current group is virtually the same that emerged after Khrushchev eliminated the so-called anti-party group in 1957. As a result, there may be considerable tension between this old group and younger leaders waiting in the wings to replace them.

It is at least a moot question whether the younger generation of leaders will be any better than its predecessors with respect to their attitudes toward the United States. The first generation of revolutionaries, with the exception of Stalin, had been well-educated men, with strong ties to Western culture. Even Stalin demonstrated some intellectual attainments. Among other things, this first generation of leaders appeared for the most part to look upon the U.S. with respect and some admiration. Stalin destroyed this generation, which has been replaced by a second and third generation of Soviet rulers who are more primitive types, but who nevertheless have continued to admire, and to envy for that matter, much about the United States. This may now be changing as a post-World War II generation takes over. The younger generation of intellectuals outside the party apparatus and at least some of the dissidents still seem to admire the United States. However, the next generation of political and military leaders may be less idealistic, more pragmatic, very nationalistic. To them, the United States may seem no different than any other great power with which the USSR has had to deal. Having moved from a position of inferiority to one of parity if not superiority, new Soviet regimes may well be more inclined toward chauvinism and hostility as against the U.S. and be more assertive in their probes for U.S. weaknesses.

THE SOVIET VIEW OF DETENTE

A particular question explored in connection with prospective changes of leaders in the Soviet Union was whether new leaders would be inclined to continue or abandon detente. The consensus appeared to be that Moscow had done very well under the detente relationship as it has so far been practiced and that any new group would almost certainly do their best to secure its continuation (but again as so far practiced).

Here it was emphasized, as it had been in a number of other instances in the discussions, that the Soviets see detente in an entirely different light than do most Americans. Americans tend to look upon detente in terms of cooperation, if not friendship, and of common interests in the efforts toward achieving international stability. The Soviets explicitly and categorically equate detente with the Soviet doctrine of peaceful coexistence which is designed and intended for no such ends but to obtain unilateral advantages for the USSR, that is, as a means to bind the West while leaving Soviet options open. The doctrine is not new; it can be traced back to Lenin, although he used a different term (i.e., "cohabitation") and was a prominent feature in the foreign policies both of Stalin and Khrushchev. At the moment, Moscow has been able through the doctrine to secure recognition of the *status quo* in Eastern Europe (without comparable pledges on Western Europe), to get recognition of parity with the United States, and to secure some important economic benefits at bargain rates. They insist that peaceful coexistence (detente) does not apply to their own activities in the Third World, but does stand against any U.S. attempt to "export counterrevolution." Henry Kissinger was cited, from a writing earlier in his career, to the effect that coexistence is a tactic, the best means to subvert the existing structure by means other than war, to overthrow the West at minimum risk.

A number of participants emphasized that it goes without saying that the Soviets want to impose their "peaceful coexistence" meaning on detente, but that this is no reason why the United States or the West need accept Soviet definitions. However, it was considered significant that for the first time the United States had agreed at the various summit meetings that have occurred from May, 1972, to inclusion of the Soviet term "peaceful coexistence" in official agreements with the Soviet Union. Secondly, because of their position as rulers of a "superpower" the Soviet leaders are in a stronger position than before to implement in practice their views on coexistence or detente. Finally, there seems to be little inclination on the part of the United States Government to educate its public on the differences between U.S. and Soviet views on detente-coexistence. As a result there is a tendency in the United States to delude ourselves into euphoria over detente. At the least, it was suggested, detente should be defined as limited state-to-state cooperation within an overall adversary relationship.

The origins of the present detente relationship were seen as significant for the interpretation later put on it in the United States. It was seen as linked with the electoral needs of President Nixon in 1972 as well as an expression of the American mood of withdrawal in connection with Vietnam. However, it was also pointed out that the Soviets connected it with a deeper process of U.S. decline, decay, or in Gromyko's words, impending chaos, which had given the United States no choice but to accept peaceful coexistence (detente).

A NEW ROUND OF PROBES

It was widely anticipated by participants that while the Soviet Union will continue to avoid military confrontations with the United States, it will step up its probes of U.S. will and intentions. The kind of things they can be expected to do has already been indicated by their supply of missiles to Egypt and their role in the 1973 Mideast War; the extraction in connection with the Cienfuegos affair of a more formal U.S. commitment not to attack Cuba; their resistance to U.S. efforts to secure an *ad hoc* stabilization in the Middle East; their encouragement of the use of oil and other material resources against industrialized states by Third World producers. The Middle East remains a target of obvious high priority. Moscow is probably already training Iranians and Iraqi Kurds to step in as favorable situations ripen in the countries concerned. Gunboat diplomacy in countries such as Sri Lanka is a possibility. Farther out scenarios may be in the offing. The pressure of increasing population on inadequate food supplies particularly in South Asia and Africa may lead to situations that Moscow will label as national liberation movements and confront us with collision course problems within the near future. However, it is unlikely that the Soviet Union will be able to orchestrate developments in the Third World in full accord with its own wishes. In a situation of nuclear stalemate, there is considerable likelihood of unwanted future conventional wars as well as the proliferation of nuclear weapons.

The overall situation of the U.S. both domestically and in its relations with its allies is clearly being watched with care and no little anticipation by Moscow. The Kremlin must be dizzy not so much with their own successes but with what circumstances have achieved for them in the way of Western disarray and crisis. In this connection, a main Soviet objective appears to be the Finlandization of Western Europe with a dissolution of ties with the U.S. and the establishment of ever closer ties with the USSR. The weakening of the NATO alliance is already evident. Developments in Portugal, Turkey, and Greece, and the trend for Italy and Spain would seem highly favorable to the Soviets, although there were some suggestions that Moscow feels that it will need to handle these unfolding situations very carefully. What the Soviets probably want in Western Europe is for the disorganization to continue but under such control that it will not lead to fascist reactions or U.S. military intervention.

The nature and degree of Soviet interest in takeovers by foreign communist parties in connection with current Western disarray were subjects of considerable debate. It was suggested that costs of a communist victory, say, in Italy would be too great and that Moscow would be apprehensive about communist victories or excessive disintegration which would jeopardize Soviet acquisition of economic benefits from the West. Moscow's experiences with Tito and Mao has dampened its banking on communist regimes not susceptible to its direct military control. Soviet reaction to current Western economic difficulties was therefore considered by some as likely to be relatively moderate. On the other hand, others felt that the Soviets are highly pleased with developments and trends in the West, are as a matter of fact smacking their lips. It was conceded that they might not want outright communist governments in additional countries because this might prove premature and perhaps counterproductive over the long term. The lessons of Chile seemed likely to exert weight: they confirmed both the need for care not to antagonize moderate strata and the need to prepare fully for a shift to more revolutionary tactics. At this stage the Soviets probably prefer anti-American regimes rather than outright Communist takeovers. But there should be no surprise about Soviet interest in communist movements abroad. It is not a sign of new Soviet approach, simply a given characteristic of the regime.

From the standpoint of basic Soviet strategy, it was emphasized that the Soviets continue to see the world in bipolar terms, with the United States and the USSR locked in an irrepressible struggle. Within this context, their strategy is that of a zero-sum game, where a U.S. setback is a gain for them. Some doubt was expressed that they necessarily gain from U.S. losses, since in certain instances the Chinese might pick up the pieces. The world has become more unpredictable, with the USSR no more able than the U.S. to anticipate assured control of events and developments. Global changes currently underway are raising new complexities for the Soviets that can become increasingly serious. Among the principal of these changes are the rise of new centers of economic power among the industrialized states; the growing economic-political power of natural resource producing countries and regions of the Third World; the likely early further proliferation of nuclear weapons; Moscow's inability to manage client states not subject to its direct control; and, perhaps above all else, the hostility and rivalry of the Peoples' Republic of China.

THE NEXT 10 TO 15 YEARS

None of the participants saw any basic change in the domestic structure of the Soviet Union in the years ahead.

Despite differences on the likely role of

ideology, it was generally agreed that, whether for traditionally nationalist or ideological reasons, current and successive Soviet leaderships will seek a continuing build-up of the military, economic and political might of the Soviet Union with the ultimate aim of making the USSR the number one power in the world.

Most participants believed the Soviet Union will attempt to take advantage of every opportunity to score at U.S. expense, to insist on parity with the U.S. while aiming for superiority over it in the military and economic-technological spheres, and generally to follow a bolder rather than a more restrained course in the international arena. Several participants argued along a different line. They believed that the Soviet Union would be inclined toward a period of quiet in its relationship with the West for at least an interim period.

Within the continued parameters of coexistence as it defines it, Moscow will seek to avoid military confrontations while pushing ahead by all means short of such confrontations. It was thought that its primary targets will for some time be the Middle East and the Finlandization of Western Europe, where self-induced developments are providing particularly exploitable opportunities. Again, however, there was strong dissent on the part of two participants who forsaw a much less activist approach by Moscow and particularly for Western Europe.

Moscow will have major problems of its own—China, its economy—but, as throughout the conference, it was emphasized that what the West, particularly the United States, does will be decisive for the future successes or failures in Soviet purposes.

The situation of the West which appears so pregnant with opportunities for Moscow is of Western, not Soviet, making. Whether these situations will be reversed or whether they will be translated into new Soviet successes will depend on what the Western nations do or do not do, and not on what the USSR wants or attempts. Above all else, U.S. strength and the will of the U.S. to use it wisely and well remain the crucial elements in gauging where the Soviet Union is headed.

APPENDIX A. BIOGRAPHIC SKETCHES OF PARTICIPANTS

Frederick C. Barghoorn (1911), served in the US Embassy Moscow, 1942-1947, with the Department of State in Germany, 1949-1951, in the Department of Political Science at Yale since 1947, Professor since 1957, consultant for various government agencies and the Ford Foundation, author of *The Soviet Image of the United States, Soviet Russian Nationalism, The Soviet Cultural Offensive, Soviet Foreign Propaganda, Politics in the USSR.*

Jacob L. Beam (1908), served in US Consulate Geneva, 1933-1934, US Embassy Berlin, 1934-1940, Headquarters US Forces in Germany, 1945-1947, Central European Division, Department of State (as Chief), 1948-1949, US Embassy Jakarta 1949-1951, US Embassy Moscow 1952-1953 (acting head), Deputy Director Policy Planning Staff, Department of State 1953-1956, Ambassador to Poland, US representative to US-PRC talks Warsaw, 1957-1961, Assistant Director, International Relations Bureau, Arms Control and Disarmament Agency, 1962-1966, US Ambassador to Czechoslovakia, 1966-1969, US Ambassador to the Soviet Union, 1969-1972.

Elbridge Durbrow (1903), served in US Embassy Warsaw, 1930, Bucharest, 1932, Moscow, 1934-1937, Consulate Naples, 1937-1938, US Embassy Rome 1940, Lisbon 1940, Rome 1941, Assistant Chief Eastern European Division, Department of State, 1942-1944, Chief, 1944-1946, Counselor of US Embassy Moscow, 1946-1948, faculty, National War College, 1948-1950, Chief, Division of Foreign Service Personnel, 1950-1952, Minister Counsellor, US Embassy Rome, 1952-1954, Deputy Chief of Mission, Consul General, Singapore, Malaya, 1955-1957, US Ambassador to Vietnam, 1957-1961, alternative US Representative North Atlantic Council, 1961-1967, Adviser to Commander, Air University, Maxwell AFB, 1967-1968, Director, Freedom Studies Center, Boston, Va. since 1971.

Mose L. Harvey (1910), research in and on USSR, 1939–1942, assistant professor, Emory University, 1933–1942, War Production Board, 1942–1946, Chief, Division of Research and Intelligence on USSR and Eastern Europe, Department of State, 1948–1955, Faculty, National War College, 1956–1957, member of Policy Planning Staff, Department of State, 1957, Deputy Chief of Mission, US Embassy Helsinki, 1957–1959, Deputy US Representative, International Atomic Energy Agency, 1959–1961, Senior Member, Policy Planning Council, Department of State, 1961–1964, Director, Center for Advanced International Studies, Professor of history, University of Miami since 1964, author of *Focus on the Soviet Challenge, East-West Trade and United States Policy* and other books.

Loy W. Henderson (1892), member of American Red Cross Commission to Western Russia and Baltic States, 1919–1920, with Division of Eastern European Affairs, Department of State, 1925–1926, 1930–1933, 1938–1941, Legation Riga, Kovno, Tallinn, 1927–1929, US Embassy Moscow, 1934–1938, Counsellor of Embassy and Charge, Moscow and Kuibyshev, 1942, Ambassador to Iraq, 1943–1945, Director, Near Eastern and African Affairs, Department of State, 1945–1948; Ambassador to India and Nepal, 1948–1951, Ambassador to Iran, 1951–1955, Deputy Undersecretary of State for Administration, 1955–1957, faculty, National War College, 1957–1960, Career Ambassador since 1956, Director, Center for Diplomacy and Foreign Policy, American University, 1961–1968.

Robert F. Kelley (1894), Assistant Military Attaché and Military Observer, Baltic States, 1920–1922, Vice Consul, Calcutta, 1923, Assistant Chief, Division of Eastern European Affairs, Department of State, 1925–1926, Chief of Division of Eastern European Affairs, 1926–1937, Counsellor, US Embassy Ankara, 1937–1945.

George F. Kennan (1904), served in Hamburg, 1927, Tallinn, 1928, Legation Riga, Kovno, Tallinn, 1929, Berlin, 1929–1930, Riga, 1931–1932, accompanied Ambassador Bullitt to Moscow, 1933–1934, in US Embassy Vienna, 1935, Moscow, 1935–1937, Prague, 1938–1939, Berlin, 1939–1951 Lisbon, 1942–1943; Counsellor, US delegation to European Advisory Commission, London, 1944–1945, Counsellor, US Embassy Moscow, 1945–1946, faculty, National War College, 1946, Director, Policy Planning Staff, Department of State, 1947–1948, Deputy Counsellor, chief long range adviser to Secretary of State, 1949–1950, US Ambassador to Soviet Union, 1952, Ambassador to Yugoslavia, 1961–1963; member of Institute for Advanced Study, Princeton since 1950, Professor since 1956, author of *American Diplomacy 1900–1950, Realities of American Foreign Policy, Russia Leaves the War, The Decision to Intervene, Russia, The Atom and the West, Russia and the West Under Lenin and Stalin, Memoirs* (2 vol.), *The Marquis de Custine and His Russia in 1839* and other books.

Foy D. Kohler (1908), served in Windsor, 1932, US Embassy Bucharest, 1933–1935, Belgrade, 1935, Athens, 1936–1941, Cairo, 1941, Department of State, 1941–1944, Division of Near Eastern Affairs, 1944–1945, with US Delegation to San Francisco Conference on UN, 1945, US Mission to Observe Greek Elections, 1945–1946, National War College, 1946, US Embassy Moscow, 1947–1948, Chief, International Broadcasting Division, Director, Voice of America Broadcasts, 1949–1952, Policy Planning Staff, Department of State, 1952, Counsellor of Embassy, Ankara, 1953–1956, detailed to ICA, 1956–1958, Deputy Assistant Secretary of State for European Affairs, 1958–1959, Assistant Secretary of State for European Affairs, 1958–1962, Ambassador to the Soviet Union, 1962–1966, Deputy Under Secretary of State for Political Affairs, 1966–1967, Professor, Center for Advanced International Studies, University of Miami since 1968, author of *Understanding the Russians: A Citizen's Primer.*

Earl L. Packer (1894), served in War Department, 1915–1917, American Embassy Petrograd, 1917, Assistant to Military Attaché in Russia, 1918–1919, Special Assistant, Department of State, 1920, Assistant Chief, Division of Russian Affairs, 1921, in Office of American Commission to Russian Provinces and Legation Riga, 1922–1924, Department of State, 1925–1927, Assistant Chief of Division of Eastern European Affairs, 1928–1936, Legation Riga, 1936–1939, Embassy Prague, 1940, Budapest, 1940, Consulate Dresden, 1941, Embassy Dublin, 1941, Ankara, 1942–1945, Consul General and Counsellor Rangoon, 1946–1947, Consul General Tunis, 1947–1950.

John Scott (1912), worked in the USSR, 1932–1937, journalist in Moscow, Paris, Balkans, Berlin, Near East and Japan, 1938–1941, correspondent and editor for *Time* and *Life* magazines, Assistant to the publisher of *Time*, 1952–1974, Vice President, Radio Liberty since 1974, author of *Behind the Urals*, and other books.

Henry Shapiro (1906), foreign correspondent for *New York Herald Tribune, London Morning Post, Reuters*, ABC for a number of years since 1933, Manager of United Press International office in Moscow, 1939–1973, visiting Professor at various universities, recipient of several journalism awards, currently at University of Wisconsin.

Thomas P. Whitney (1917), social science analyst, Office of Strategic Services, 1941–1944, Attaché, U.S. Embassy Moscow, 1944–1947, Associated Press correspondent in Moscow, 1947–1953, ZAP news analyst, 1953–1959, Chairman of the Board of Whitney Enterprises since 1966, author of *Has Russia Changed, Russia in My Life*, editor of several books including *Khrushchev Speaks*, translator of Solznenitsyn's *One Day in the Life of Ivan Denisovich, The First Circle, Gulag Archipelago* and several other books.

APPENDIX B. PRE-COLLOQUY QUESTIONS SENT TO PARTICIPANTS

1. Has the Soviet Union changed in any fundamental way in this past half century? If so, why? Have outside influences had any effect—trade, exchange programs, radio broadcasts? If not, why not? Is the underlying assumption of Western policy that democratic evolution can be promoted in the Soviet Union valid?

2. What events, in which the US was a prime actor, have been considered most significant in the USSR since World War II (e.g., Greece and Turkey, Berlin Blockade, Korea, Cuba, Vietnam, Man-on-Moon, etc.)? Why were these seen as eventful, how were they interpreted, by what Soviet groups, and what lessons (or actions) have been their consequence?

3. It is often said that Russian actions or reactions reflect a deep-seated inferiority complex vis-á-vis the West, and especially the United States. If this is so, in what areas do they feel inferior: culture, technology, economic strength, military power, strategic doctrine? Why do they have these feelings? How have they been manifested in specific cases? Can we exploit them?

4. To what extent have inferiority feelings been affected by growing Soviet military strength, world role, industrialization, urbanization, education? What kind of behavior might be expected from an increasingly self-confident USSR?

5. British Sovietologist Macintosh says that the transition to new leadership in the next two years will be smooth. It will rest on continuation of control, will need to promise greater benefits to elites, will need to promise continued strong support to military (as during the last 10 years) and will be able to depart from a point where "parity" with the US has been reached and the USSR has achieved the goal of becoming a dominant power in Europe. Would you argue these points? What would you expect the new leadership to do as a consequence?

6. What are the main current and near-term issues facing the US and the USSR as the world's "superpowers"? On which are the Soviet leaders likely to have different or opposing views, and how will this affect their actions? For example, with respect to: disarmament vs. arms race; oil and natural resources; "freedom of information"; law of the sea; the LDCs; the UN; China after Mao; Yugoslavia after Tito; Isreal and the Arabs; India.

7. For several years, Moscow has promoted a so-called "peace program" approved by the 24th CPSU Congress, featured by Treaties with the Federal Republic of Germany and "summitry" between the Presidents of the USA (and other Western leaders) and CPSU General Secretary Brezhnev, leading to what the Russians call "the Leninist policy of peaceful coexistence" and the West has labeled "detente." How would the Kremlin's "balance sheet" on detente look today, in terms of: the Soviet Union's global position; relations with Europe and Japan; conflict with China; situation in the Middle East? What new "peace" moves can be expected in strategic arms (SALT); forces in Europe (MBFR); political relations in Europe (CSCE); etc.?

8. Where is the Soviet Union headed? What do the Kremlin leaders want to achieve over the next 10–15 years? What are their priorities? What do they consider their major problems?

DR. WINTON—NEW AOA PRESIDENT

Mr. CHILES. Mr. President this is a time when we need responsible and dedicated leadership. It is true in government, true as well in the private sector.

I am pleased to offer congratulations to a constituent of mine on the occasion of his assuming the leadership of the American Optometric Association. Howard P. Winton, O.D., of Melbourne, Fla., is the new president of this professional group, representing some 20,000 optometrists across the Nation.

Dr. Winton is no stranger to leadership, in his profession or in his community. His career demonstrates concern and action on behalf of practicing optimum vision care. He has amassed a tremendous record of service at the local, State, and national levels.

The new American Optometric Association president has served as president and in other important capacities for the Indian River Optometric Association, Florida Optometric Society, Florida Optometric Association, Southern Council of Optometry, Southern College of Optometry, Optometric Progress Foundation, and Better Vision Institute. Attainment of the American Optometric Association presidency culminates years of work for the profession and for the Nation's vision care.

Florida optometrists have selected him as "the optometrist of the year," in recognition of all his contributions. He is also a member of the American Academy of Optometry.

On the community level, Dr. Winton has been a mainstay in the local chamber of commerce, Rotary chapter, American Legion, his church board. The Rotary chapter named him an outstanding rotarian for his work in the fundraising drive that founded the Crippled Children's Clinic in Melbourne.

Dr. Winton brings, along with his experience, a commitment to the highest-quality vision care for all citizens and to the continuing bettermen of his profession. I wish him and his association every success in the coming year.

REPUBLIC DAY IN SRI LANKA

Mr. MATHIAS. Mr. President, May 22 was celebrated as Republic Day in Sri Lanka, in commemoration of the adoption of a new constitution and attainment of independence. I am sure that all of us extend our very best wishes to the people of Sri Lanka at this time of celebration and throughout the year ahead. As one who has visited Sri Lanka and knows many of her people with affection, I particularly wanted to note this occasion and express my personal regards for the people of that historic land.

I ask unanimous consent that a statement issued by the Government of Sri Lanka outlining the development of the nation since the first Republic Day in 1972 be printed in the RECORD for review by my colleagues.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SRI LANKA—REPUBLIC DAY, MAY 22, 1975

On the 22nd of May 1972, the people of Sri Lanka adopted a new Constitution and inaugurated the Republic of Sri Lanka, thus bringing to fruition the independnce the country achieved in 1948. This year Sri Lanka observes the Third Anniversary of the occasion when Sri Lanka became a free, sovereign and independent Republic, in terms of the mandate which the United Front led by the world's first woman Prime Minister, Mrs. Sirimavo Bandaranaike, received from the people of Sri Lanka at the General Elections of May 1970.

Sri Lanka has maintained an enviable record among developing countries by retaining her democractic institutions intact. The tradition of parliamentary democracy is strongly entrenched in Sri Lanka and it is significant that governments have been changed in Sri Lanka several times by the peaceful exercise of the democratic ballot, the right to which is enjoyed by all Sri Lanka nationals over the age of 18. The success of the parliamentary democratic system arises largely from the political maturity of the people who have enjoyed adult universal franchise since 1931 and who, mainly as a result of a unique system of free education in Sri Lanka from Primary level through University, have a literacy rate of approximatey 85%—one of the highest in the world.

As a developing country the economic problems now facing Sri Lanka arises from the adverse trends in the terms of her trade and the acute foreign exchange situation. With a heavy dependence on tea, rubber and coconut exports to finance consumption imports and development needs Sri Lanka has been classified by the United Nations as being one of the Most Seriously Affected countries hit by the current commodity price inflation.

The Prime Minister has embarked on a crash food production programme identifying self-sufficiency in food as a high priority item in economic development. This campaign has received an encouraging response and mitigated the hardships of reduced availability of food arising from the world shortage of food and the high levels of prices.

In 1974 Sri Lanka's economy grew at 3.4% in real terms. One of the significant features of Sri Lanka's economy which has earned encomiums from foreign observers including the President of the World Bank, Mr. Robert McNamara, is the high degree of redistribution of income. Social justice is one of the primary objectives of the development strategy adopted in Sri Lanka and a recent World Bank report revealed that Sri Lanka's lowest 40% of the population recorded the highest growth rate of 8.3%, the next 40% recorded a growth rate of 6.3% and the highest 20% achieved a growth rate of 3.3%.

Despite the many economic problems Sri Lanka is faced with there is, therefore, confidence in the future based on the economic policies of self-reliance, encouragement of foreign investment, the flourishing tourist industry and the rapid expansion of Sri Lanka's exports in fields like precious stones and industry.

The Sri Lanka Government has an impressive record in foreign relations playing an active part in the affairs of the Asian region and at international levels. The policy of non-alignment which has steadfastly been pursued since the time of the late Prime Minister, Mr. S. W. R. D. Bandaranaike, involves the pursuit of an independent foreign policy and the maintenance of friendly and mutually beneficial relations with all States that respect Sri Lanka's sovereignty and independence.

Relations between Sri Lanka and the United States have been traditionally cordial and under the Premiership of Mrs. Sirimavo Bandaranaike the friendship between the two countries has been strengthened. In testimony before the Near East and South Asia Sub-Committee of the House Foreign Affairs Committee in September 1974, the Assistant Secretary of State, Mr. Alfred Atherton, referred to the U.S. attitude to Sri Lanka in the following terms: "We feel a special affinity to Sri Lanka in its efforts to achieve economic development while maintaining a vigorous democracy. We are heartened by our continuing friendly relations." It is Sri Lanka's intention to continue these friendly relations.

Sri Lanka continues to receive a substantial amount of aid from the USA and it was on April 25, 1975, that two agreements were signed—one for the sale of 100,000 tons of wheat flour and the other for the financing of the import of chemical fertilizer and the provision of technical services to the agricultural sector of Sri Lanka's economy. Trade between Sri Lanka and the U.S.A. amounted in 1974 to $59 million. In addition, a steady interchange goes on in the educational, cultural and scientific fields, the highlights of which have been the recently concluded agreement between the University of Maryland and the University of Sri Lanka for cooperation over a wide range of scientific and educational projects, and the survey of the fauna and flora of Sri Lanka conducted by the Smithsonian Institution.

In July 1973 when Sri Lanka and the U.S.A. commemorated a quarter century of diplomatic relations, the Prime Minister of Sri Lanka, Mrs. Sirimavo Bandaranaike, issued the following message:

Our two countries have many things in common, including a devotion to the parliamentary system of government and free elections. We for our part have been perhaps unique, for, pratically in the whole Asian region we have been the one country which has changed governments several times by peaceful and orderly democratic processes. We have valued greatly the contributions

UMI

made over the years not only by the Government of the United States, but also the people of the United States through various agencies, towards our general economic development and the raising of our standards of living. I am very happy to state that we still receive this goodwill and understanding and I have no doubt that this will be so in the future too. I am confident that the cordial and friendly relations that we have with the United States of America will be further strengthened in the years to come."

FREEDOM OF THE PRESS DAY—JUNE 7

Mr. CRANSTON. Mr. President, this Saturday, June 7, is Freedom of the Press Day. All Americans—not just those in the printed and broadcast media—have cause to give renewed thanks that we have a press that is not only free from government control, but that stands as a bulwark against government tyranny.

Years ago, I was a foreign correspondent in Nazi Germany and Fascist Italy.

I saw at first hand the terrible things that happen to a country when the people lose their freedom.

And one of the first freedoms that was taken away by Hitler and Mussolini was freedom of the press.

That freedom is, of course, guaranteed by the first amendment to our Constitution.

But it is almost constantly under direct and indirect attack.

And we must guard it as zealously in the future as we have in the past if we are to retain our democratic form of government.

The first amendment is not a piece of special interest legislation for the newspapers, radio, and television.

It is a governmental guarantee to a free people without which they could not remain free for long.

One of the fundamental services that a free press renders to a free people is to watchdog the various levels of government—the officials, the bureaucrats, who handle the people's money and who wield awesome powers over people's lives and freedoms.

If the press is to be worthy of its constitutional privileges, it must live up to its constitutional obligations.

The press—and that means broadcasting as well as printed media—must remain free, fearless and, yes, fearsome.

It must be the gadfly of the politician, always probing, questioning and doubting.

It should be skeptical of high office holders while others may be obsequious; critical where others are credulous.

A democratic press must be a reforming press, demanding constant improvement in the status quo and consistently high performance by its public officials.

The press must expose corruption and lawlessness in and out of government, in high places and in low.

It must shed the daylight of public exposure on every shaded or shady area of public life.

If this makes the politicians unhappy, so much the worse for the politicians—and so much the better for the public.

It is not the job of the press in a free society to say sweet things about people who wield power in government.

It is instead the basic duty of a Democratic press to direct its main criticism and comment at the people in power; the greater the power, the more urgent the issues at stake; and the more searchingly and incisively should the press do its probing.

Intelligent self-government requires this kind of vigorous, robust press.

For the people have a right to know—indeed, they have an imperative need to know—what is going on if they are to govern themselves wisely and well.

That is the basic wisdom our country's Founding Fathers bequeathed to us in the first amendment to our Constitution.

It is one of the many priceless gifts for which we should give thanks during our Bicentennial celebration.

It is ironic, therefore, that at the present moment—on the eve of our Bicentennial—the Judiciary Committee of the U.S. Senate is actively considering broadsweeping legislation that has powerful support that could boobytrap the first amendment and freedom of the press.

The proposed legislation is Senate bill No. 1, a long-overdue and generally acceptable revision of the Federal Criminal Code.

But hidden in the 753 pages and 4115 sections of this massive bill are a number of pernicious provisions.

Six of them in particular would make it more difficult—if not impossible—for the press to inform the public about what goes on in Government.

Under the guise of protecting national security, these sections of the revised code would bring down an iron curtain of executive secrecy on a host of governmental activities that should not be kept secret and that in no way threaten national security.

Information that should be made public in a free, democratic society could easily be hidden from public scrunity under this bill; any government employee who discloses such information—and any reporter who receives or prints it—is subject to felony prosecution.

This dangerous measure would shelter those who hide incompetence, cover up waste, bury corruption, or peddle improper influence.

Anyone inside or outside government who blew the whistle on them would become a criminal.

Section 1121 of this bill makes it a feloney for anyone to "communicate" national defense information to a foreign power or even to obtain such information, knowing that it may be communicated to a foreign power.

But the word communicate is broad enough to include stories about corruption or waste in government that some Federal employees leaked to the press.

And national defense information could include cost overruns on new weapons, negotiations for overseas bases, or foreign military aid—items that the press should be reporting in a free society.

Section 1112 makes it a crime for any person—who most likely would be a government employee—to communicate national defense information to an unauthorized person, and section 1123 makes it a crime for him to pass the information on to a third party.

Section 1333 makes it a Federal offense for anyone, including a reporter, to refuse to answer a question in an official proceeding after a Federal court or judge orders him to answer.

If this had been the law 3 years ago, the public probably never would have gotten the full story of Watergate.

A number of press disclosures by investigative reporters appear to have been based on interviews with people who participated in the coverup.

Thus if a reporter learned that the Army was spying on Members of Congress and told his editor about it, both would have been guilty of a crime.

Section 1124 makes it a crime for any present or former Federal employee to disclose any kind of classified information to an unauthorized person.

Section 1311 makes it a Federal offense to conceal the identity of someone who may have committed a crime.

Recent press revelations of improper CIA and FBI surveillance and other activities also seem to have been based on talks with people who themselves may have engaged in unlawful activities.

They probably never would have talked without a pledge of anonymity.

Mr. President, an editorial in the Sacramento, Calif., Bee calling attention to Freedom of the Press Day, perceptively notes that:

> The press will never be truly free so long as public officials can hide behind doors they themselves are allowed to close.
>
> It is your rights that are at stake.

The Bee editorial reminds its readers and all Americans:

> Free reporting and a free and informed citizenry are indispensable to each other.

I ask unanimous consent that the Sacramento Bee editorial of June 1, 1975, entitled "Fragile as a Butterfly," be printed in its entirety in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRAGILE AS A BUTTERFLY

The approach of Freedom of the Press Day on June 7 calls for a harsh facing of facts. The struggle to keep people informed to the best of our ability is far from won. Indeed, the press may never be home "safe."

U.S. Supreme Court Associate Justice Potter Stewart has noted that the Constitution guarantees that the press may be autonomous from government, publish what it knows and seek to learn what it can. But the Constitution establishes only the contest, not its outcome.

There is no constitutional guarantee that newspapers, broadcasters and magazines will succeed in abolishing secrecy and deception in government. There is no guarantee of right to access to material like the Pentagon Papers, for instance, or to openness from bureaucracy.

The success of gathering information depends on federal and state legislation and on judicial decree—as reporters for the Fresno Bee and Los Angeles Times found out. But even with enlightened legislators and judges, if the people do not care, freedom of the press crumbles like a butterfly under foot.

Some of the media has been accused at times of being unfair, abusive, arrogant, hypocritical, shoddy, lazy and inaccurate. But it hardly follows that a government-operated press, or a court-regulated one, or no press at all, is better than an imperfect one.

The media's scrutiny of government may be less organized than we'd like and less expert at times, but the alternative to a free press would be frightening.

Citizens here would be in the same situation as the people of Russia, South Korea and other oppressed nations where ruling powers always find a way to silence dissenters and those who would publish their remarks.

If this seems too far away, how about the New Jersey community college journalism teacher who was fired after her reporting class unearthed alleged corruption in the college administration?

She was reinstated recently, but the fact the firing ever occurred warns that intolerance to criticism lurks in the least likely places, where striving to preserve freedom should be most sacred.

Freedom of the Press Day, designated 22 years ago by the Inter-American Press Association, reminds us that the press will never be truly free so long as public officials can hide behind doors they themselves are allowed to close. It is your rights that are at stake. Free reporting and a free and informed citizenry are indispensable to each other.

THE POLITICS OF ENERGY

Mr. McCLURE. Mr. President, one of the most serious aspects of our energy crisis is that the majority of Americans do not believe it exists. It is unfortunate that the term "energy crisis" has become associated with oil embargoes and long lines at gasoline pumps. In fact, the energy crisis came into being before those two specific symptoms became evident.

The energy crisis has not disappeared. It has deepened. Our options have been reduced, and the cost of solutions has increased. The hope for painless solutions is extremely dim.

In our search for answers to the problems we face, it is necessary to understand the importance of politics. Almost all of our present energy problems—if not all—can be traced back to irrational, short-sighted, politically motivated decisions by the Congress and past administrations. In truth, the energy crisis was born during the 1960's, and came to the recognizable stage by the end of that decade. To attempt solutions without understanding the basics for our present predicament would be unproductive.

A recent speech, given by Mr. William R. Chandler before the Oil Heat Institute in Boise, Idaho, can serve as an excellent explanation for our politically inspired energy crisis. Bill Chandler's outstanding background and experience are brilliantly demonstrated by his analysis. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE POLITICS OF ENERGY

(By William R. Chandler)

Some of you may wonder why you are being exposed to the views of someone who is retired, and therefore no longer in the mainstream of the business world. If you have such a question in your minds, you are not alone. So have I! Perhaps it's because I wrote a few letters to editors attacking Jack Anderson or other journalists whom I felt were misleading the public about the energy crisis. Or it may be that Bob Nicholes was just scraping the bottom of the barrel—the 42-gallon barrel, that is. In any event, here I am, and here you are, my captive audience for the next 30 minutes or so, and those of you who are unaccustomed to daytime naps, or are too far from the exit to make an unobtrusive escape, have only Bob Nicholes to blame for your predicament.

The subject of my talk with you today—"The Politics of Energy" may seem rather mundane. I thought of a title with more sex appeal—"Snake Oil and Rock Oil", but I found out that another speaker in another city had already copyrighted that. I suspect that many of you may instinctively resent the intimate association of the words "Politics" and "Energy". You are all in the business of marketing heating oils, an important element of the energy business, and in this you have all been forced to accept a great deal of political and regulatory interference and control, which I'm sure you would rather do without. But there can be no doubt that the supply and use of energy in this country has now become irrevocably entwined with national politics, and that the amount, the cost, and the security of our energy supplies will in the future be governed far more by political than commercial considerations. Just as Congress began to design cars for Detroit five years ago, so it is now attempting, with all of its consummate wisdom and vast experience, to dictate and legislate just about every phase of the energy business. This is a fact of life which we must recognize, even if we are reluctant to accept it. So it becomes our responsibility to understand as best we can all of the complex and interrelated factors governing our energy future, and how that future might be influenced by political decisions. And it is also incumbent upon us, as citizens and businessmen concerned not only for the future of our businesses but also for the long term future welfare of our country, to consider how we might make our voices heard by those in Washington, D.C. who now have the energy bit in their teeth.

Are we faced with an energy crisis in the United States? According to the latest Harris poll, 76% of the people in this country don't think so. That's understandable. People may complain about the higher costs of fuel and utilities, but they no longer have to wait in line at the service stations. They read about full oil storage tanks, and this gives them comfort. They hear something about a balance of payments problem, but they've been hearing about that for years, and who really understands that anyhow? They may be aware that we must depend for much of our oil energy upon foreign oil producers, but then, they haven't cut off supplies to us recently, so why worry?

You and I know better. We know that our nation now faces a terrible threat to its future economic and national security, arising from our increasing dependence upon foreign sources for our energy lifeblood, and from the heavy drain upon our financial resources to pay for foreign oil, a threat unmatched in our history in its potential ugly consequences. And we know that, just as America cannot wait until it is in a war to shore up its national defenses, so we must not wait until we are prostrate for lack of energy to do something about our energy defenses. We know this, but we need to reassess why we have reached that conclusion. Let's take inventory of our energy situation, as it exists today, and where we must be 10 years from now when, according to the objectives of Project Independence, we must have achieved reasonable self-sufficiency in all of our energy needs.

Currently, the United States is consuming over 17 million barrels per day of petroleum, about 2% more than a year earlier. Of this, we now import about 6½ million barrels per day, or 38% of our needs. But in one year our domestic production of crude oil and natural gas liquids has declined by over 600,000 barrels a day, while imports of crude oil and refined products have increased by about a million barrels a day.

Last year we drilled 20% more wells than we did in 1973, and yet our proven, recoverable oil reserves declined by over a billion barrels, and our reserves now represent less than six years of our total consumption, or 11 years of our present domestic production rate.

Our crude oil production has been declining since 1970.

The world oil market is dominated by a handful of Middle East countries, which have over 70% of world reserves, and produce about 65% of world oil exports, excluding the Communist countries.

But this is only part of the story. When we speak of energy consumption in the United States, we must also take into account the contributions of natural gas, coal, nuclear power, and hydroelectric generating capacity. Our total energy consumption from all these sources, including oil, is now running at the crude oil equivalent of about 38 million barrels per day. What is happening to the alternative sources of energy to oil?

Coal production is still at the level of the 1940s.

Natural gas consumption has been exceeding new discoveries since 1968. Last year, natural gas production declined 6%, the first such decline in 16 years.

Nuclear power, a relatively recent source, has been making an increasing contribution, but still amounts to no more than 3% of our total energy supply. And in the last year the utility companies have deferred or cancelled about 110,000 megawatts of planned nuclear plant capacity, and another 90,000 megawatts of non-nuclear capacity, the equivalent of 200 Pioneer coal-red plants, largely because of inability to finance the new construction.

And as we have seen all too clearly here in Idaho, there is very little hope for further expansion of hydroelectric power, not only because there are only a limited number of suitable sites still available, but also because most of those are being blocked for environmental reasons.

And what of the future? Will our consumption of energy remain static, or will it increase, and at what rate? Historically, our consumption of energy has been growing at the rate of from 4% to 5% per year, and has paralleled the increase in our Gross National Product in constant dollars. We have a growing population, as a nation we are becoming more energy intensive in just about everything we do, and we must certainly assume that our economy is going to continue to grow. Either that, or our living standards and our position as a world power must decline.

Last year our use of energy declined by just under 2%, leading to the unrealistic conclusion in some circles tnat our use of energy had stabilized, and that the energy crisis really wasn't a crisis after all. But what happened to cause a small decline in energy use in 1974? Only an embargo by the Arab oil exporters during the first quarter with its attendant atmosphere of crisis, sharply higher prices for petroleum products, a relatively mild winter nationwide, lowering of thermostats by many householders, imposition of a 55 MPH national speed limit, and the most severe recession since the 1930s.

Obviously these restraints to increased energy consumption cannot be relied upon to offset growing demand in the future. We have no embargo, at least not now; people have become largely reconciled to the higher

UMI

prices; you can't trust the weatherman; and we'd like to climb out of the recession. And how much more are we going to lower our thermostats, or reduce our speed limits? Our energy consumption is going to increase; the only question is at what rate. Informed estimates vary from 2.5% to 3.7%, largely depending upon such imponderables as the level of acceptance by the American public of smaller automobiles, and upon the encouragement given to various conservation measures by the government, as well as to the acceptance by the public of a true conservation ethic. My own guess is that we will be most fortunate if we can limit future growth in demand to two-thirds of our historical growth rate, or about 3%.

An average 3% annual increase in energy use, compounded, means that by 1985 we shall be consuming the crude oil equivalent of about 53 million barrels per day in energy from all sources, 40% more than at present. And if we are to reduce our dependence upon foreign oil imports, the increase in our domestic energy supplies must be well in excess of 40%. Where is this additional energy going to come from?

If we are going to be realistic, we must assume that very little new energy is going to be supplied in the next decade from solar, hydrogen fusion or other sophisticated sources, the development of which must be pursued with all possible speed, but which in any event will not reach significant proportions for two or three decades. We are going to have to expand the supply from traditional sources. Estimates vary as to the relative contribution to be made from each of these sources by 1985, but I offer one scenario which is a distillation of various estimates which I have seen:

Natural gas production will have to increase about 15% to the oil equivalent of about 12½ million barrels per day.

Coal production will have to be doubled to the oil equivalent of about 12½ million barrels per day.

Nuclear power production will have to be increased eight-fold to the oil equivalent of about 8 million barrels per day.

Hydroelectric and geothermal power production will have to be nearly doubled to the oil equivalent of over 2 million barrels per day.

Domestic oil production will have to be increased over 40% to about 15 million barrels per day, leaving some 3 to 4 million barrels per day to be imported, a more manageable level from the standpoint of our balance of payments and security of supply. And to support this great increase in production, while at the same time replacing the domestically-produced oil we will consume during the next ten years, we must discover about 60 billion barrels of new oil reserves, nearly 40% of all the oil discovered in the United States since the beginning of the industry in 1859 until now. And this under circumstances where the continental land mass of the United States, excluding Alaska, has been so thoroughly explored that it must be concluded that very little "easy" oil remains to be found, and that our future reserves must come largely from our continental shelves and from Alaska, where drilling is vastly more expensive.

And because there can be no certainty that new discoveries of oil and natural gas will meet these projections, we must proceed simultaneously with the development of manufactured oil and gas by coal liquefaction and gasification, and with the development of our vast oil shale deposits.

The development of our energy resources at so rapid a pace is an immense and unprecedented challenge, which can be met only through the total commitment of our government, the public, and the energy industries, and only if we are willing to make the right decisions, difficult though they may be, to assure that every reasonable step is taken toward maximum energy conservation, that inhibitions to resource development are removed, and that the energy industries are given the tools to do the job. Before accepting that we must embark upon a program of this magnitude, perhaps we ought to ask ourselves again—what are the alternatives? One possibility would be to impose a gradual curtailment of imports, thereby forcing a shortage of energy which would have to be allocated throughout the country. Unless our domestic energy supplies grow at a rate well in excess of such curtailment, this would be a certain guarantee of economic stagnation, a deepening recession, and greater unemployment. Who would build a new house if a supply of heat and power could not be relied upon? Or a new factory? During the Arab oil embargo, which affected about 14% of U.S. oil consumption, the economic impact was a drop of nearly $20 billion in Gross National Product and a loss of 500,000 jobs.

The only other alternative would be to throw caution to the winds and make a deliberate decision to rely upon increasingly heavy oil imports. What would be the consequences to the United States? First of all, we would be placing ourselves completely in the hands of the OPEC countries as to the cost of imported oil. They managed a five-fold increase in their revenues within the past 18 months, from $2.00 per barrel to over $10.00 per barrel, and they got away with it. They claimed this massive increase in oil revenues was necessary to offset the inflation in the cost of goods imported by their countries, blandly ignoring the fact that since 1959 world export prices of manufactured goods have risen by not quite 100% while OPEC revenues per barrel of oil have increased over 1100%. Those who forecast that the current high level of OPEC prices will break because of the present heavy oversupply of productive capacity in the OPEC countries just don't understand the nature of the OPEC cartel.

The OPEC countries have everything to gain, and nothing to lose, by retaining their unified pricing policies, and they know it. We can take very little comfort from the fact that OPEC prices appear to have stabilized in the past five months or so. If the price of oil which costs less than 25 cents on the average to produce can be raised to $10 with impunity, what's wrong with $15 oil, or $20? The inflationary threats are obvious.

A second result would be a continuing dangerous increase in adverse balance of payments. Last year we spent about $25 billion on imported oil, triple the amount of just a year earlier, and our balance of payments racked up a deficit of over $10 billion. There would be a continued weakening of the U.S. $ in the world's financial markets, and a continuing loss of our monetary reserves.

But most serious of all, we would be placing our foreign policy and our economic and national security in the hands of the foreign oil producers. The more dependent upon foreign oil we become, the less freedom of action we will have in world affairs. We could not only be rendered impotent as a world power, but could ultimately find ourselves forced to accede to energy blackmail.

It must be obvious that there are no acceptable alternatives to a program of reasonable self-sufficiency in energy for the United States, to be reached at the earliest practicable date. But I must caution that no matter what we do we are in for several years at least of increasing reliance upon imported oil, and I would not be surprised to see imports rise to 50% of our oil needs before we begin to reverse the trend. Reversing the decline in oil and gas production will be a painful and time-consuming business, and to much time has already been lost. We are and will be in a dangerously vulnerable position for many years.

Faced with the facts that I have just reviewed, and with the absolute necessity of achieving national energy self reliance at the earliest possible date, what have our elected representatives been doing to assure the success of Project Independence? Without doubt, the Congress has been busy. I understand that over 500 bills dealing with energy in some respect have been placed before the Senate or House during the current session of Congress, nearly one for every member, but this cannot be construed as action. Rather, it is evidence of continuing dissension, of failure to come to grips with the all-encompassing nature of the energy crisis, of a piecemeal approach, of punitive actions against the oil industry, and of a catering to populist, environmentalist, vote-getting appeals. Most of these bills, if they ever found their way into law, would do no more than guarantee our increasing reliance upon imported oil. But how has the Congress been responding to the realities of the energy crisis?

Given a continuing decline in natural gas production and reserves, the result of 20 years of Federal regulation of the well-head prices of natural gas in interstate trade, with prices held unreasonably low so that consumption of gas was encouraged but investment in the search for it was discouraged, a reasonable man would assume that Congress would now be taking steps to deregulate natural gas prices, thereby encouraging the search for new reserves and discouraging wasteful misuse. President Ford's Administration has proposed such deregulation, but there is great opposition to it in Congress, because in the absence of regulation gas prices would rise.

Of course, this would encourage the search for more gas, but the Congress apparently prefers to listen to the complaints of constituents who would be affected rather than to base its judgments upon the long term interests of the nation. A price of $2 per thousand cubic feet for natural gas would equal present world crude oil prices in terms of relative energy content, and some intrastate gas—gas which is consumed in the state in which it is produced—is now up to $1.90. But many in the Congress now want to freeze regulated gas prices in the 40 to 75 cent range, and a Senator of Washington is pushing legislation which would bring intrastate gas also under Federal regulation. More regulation, not less! But less gas. More politics; less energy!

Given the need for a massive increase in coal production, a reasonable man would assume that Congress would at the very least not impose restraints on such production. But a strip-mining bill now approaching passage by both Houses will, according to strip-mining operators, seriously limit large-scale coal extraction operations in the northwestern plains. Under a literal interpretation of the bill, which requires that mined lands be returned to approximate original contours and condition, it seem inevitable that environmental lawsuits or Federal regulatory agencies will prevent much of the planned strip-mining.

Given our desperate need for oil from the Alaskan north slope, a reasonable man would assume that delays would not have been tolerated in the development and transportation of north slope oil. But the Aleyska pipeline was held up for more than four years by environmental considerations and lawsuits, until Congress finally acted last year.

Given the need to conserve energy, a reasonable man would assume that Congress would by now have enacted measures designed to encourage conservation. There are many possibilities; let me list just a few:

An automobile excise tax, and possibly an annual use tax, based on horsepower, engine displacement, vehicle weight, or certified fuel consumption.

A substantial added tax on energy consumption which is largely within the control of the individual, such as gasoline. Now before anyone gets excited about higher gasoline costs, may I point out that a price of 80 cents per gallon would merely return gasoline to its 1955 level relative to median family income.

Establishment of uniform national energy conservation standards for industrial and commercial buildings, and perhaps even for new residences, to include minimum insulation, amount of exposed window areas, sun shades, use of thermopane glass, and other energy-saving measures. Tax benefits for owners of residential or commercial buildings who make energy conservation improvements to existing properties could be a feature of such a program.

Some of these measures are under consideration in the Congress, but it is not clear just what will finally emerge in the form of legislation. With contemplated energy legislation fragmented among scores of Congressional committees and sub-committees, it seems likely that what will emerge will be a hodge podge of uncoordinated policies, and that there will be no comprehensive approach either to energy conservation or to increase of our energy supplies.

Given the urgent need to get on with the discovery and development of our offshore oil reserves, a reasonable man would assume that no impediments would be put in the way of Federal leasing of offshore areas at the maximum rate the industry can absorb. But numerous bills have been filed in the Senate and House, all proposing delays or restrictions on offshore leasing. The EPA wants a delay in leasing of outer continental shelf areas until states complete coastal zone plans to deal with the onshore impacts of offshore developments, a process which could take two years. Or perhaps the delay is to give the EPA time to read all the environmental impact statements which have already been filed. One for the Southern California offshore area runs to 2041 pages.

And other Senators are proposing that no leasing be undertaken until offshore areas have first been evaluated by a Federal exploration and drilling agency, a body which does not presently exist but which presumably by force of law can be blessed with instant expertise in the highly complex technology involved in offshore drilling. As an API official said recently: "the very nature of bureaucracy leads one to fear that, if government rather than the private sector were conducting exploration in East Texas in the 1930s, and Alaska in the late 1960s, these fields would not have been found. This is because all initial exploration in these areas proved unsuccessful, and a 'rational' bureaucracy would have stopped drilling as soon as the public—and the Congressional budget committees—became concerned about the agency's exploration budget. After all, the bureaucracy can't be accused of wasting public funds, if it doesn't continue drilling dry holes. And it can't be criticized for not finding oil or gas if its initial dry holes show there's none to be found". Can't you just picture a Federal exploration and drilling agency official being called up before a Congressional investigating committee to explain why he was drilling dry holes? More politics; less energy!

Given the need to expedite development of our oil shales, and of coal liquefaction and gasification, a reasonable man would assume that our government would be encouraging investment in these immensely capital intensive alternatives by assuring potential investors that their investments will have an opportunity to earn a satisfactory return once they come on stream. Faced with the threat of oil price roll-backs, continued oil price controls, depressed natural gas prices, and a possible break in imported oil prices, even though the latter is quite remote, investors are reluctant to commit the huge amounts of scarce capital that would be needed to develop commercial applications in these areas.

But about all that has happened is that one of the most active developers of the Colorado oil shales, the Rio Blanco Project, owned by Gulf Oil and Standard of Indiana, reports that it is being inundated by a host of unrealistic environmental requirements—including that of monitoring on a fixed schedule the water flow in a seasonally dry stream bed, surveys of mule deer herds where there are no deer, and use of an archeological specialist to make studies on fence post holes before they are dug!

Given the need to develop all of our energy resources, a reasonable man would assume that insignificant and frivolous environmental concerns would not be allowed to interfere with energy development. Yet a $100 million dam being constructed by the TVA in Tennessee, with $55 million of your tax money already spent, is now being threatened with cancellation because someone has discovered a rare species of three-inch long snail-eating fish whose habitat would be destroyed by the dam!

And speaking of the impact of environmental concerns upon energy development, consider the case of the catalytic converters which Detroit has found necessary to install on all cars beginning with the 1975 model year in order to meet what have now been conclusively demonstrated as unreasonably rigid emission standards established by the Congress. It has now been found that the catalytic converters produce sulfate emissions which turn into a sulfuric acid mist, again a health hazard. The EPA solution: require the oil companies to desulfurize all unleaded gas. Texaco estimates that this will cost the industry $7 to $10 billion, equivalent to a 4 to 5 cent price increase over an 8 to 10 year period. And every dollar spent in this manner is a dollar which otherwise would be spent in energy development programs. And so we pile mistake on mistake. More politics; less energy!

Since the United States is the world's largest oil importer, a number of Congressmen have become fascinated with the idea of creating a Federal Oil Purchasing Agency that would be the sole buyer of all of our imported oil, and a Senator has already introduced legislation to this effect. This would replace the present situation where scores of oil companies now deal with a dozen or so major producers to purchase the quantities and types of crude oil needed for their particular markets and refining processes. What a wonderful idea!

Of course, the Federal Oil Purchasing Agency would have to be staffed with people who know nothing about the oil business; otherwise there might be a conflict of interest. And can't you just visualize the oil ministers of the OPEC countries, bid invitations in hand, sitting down together to decide that they will submit a single sealed bid, and that the only question is whether to make the price $1 or $2 a barrel more than the current world market prices? I know of no better way to assure that the OPEC countries will continue to act in concert than to face them with a single U.S. oil purchasing entity.

As a recent Oil and Gas Journal editorial commented: "Putting the Government into the oil business is pure economic and political folly and a grave disservice to the nation. It is a 'solution' for which there is no problem, except the one it would create".

And a Senator of Illinois proposes to create a National Energy Supply Corporation to explore for and produce crude oil and gas, and possibly to refine and market petroleum products. Its purpose would be to provide a "yardstick" by which the public could judge the behavior of private oil companies. Presumably this is the same sort of yardstick by which the performance of the U.S. Post Office Department is used to judge that of United Parcel!

With all the uncertainties in our energy future, one fact stands out with absolute clarity. If we are to have any chance at all of becoming reasonably self-sufficient in energy by 1985, vast amounts of capital will have to be plowed into exploration, production and new facilities by the energy industries. It is estimated that the oil and gas industries alone will have to spend at least $300 billion in the next decade to find and develop the necessary reserves, and over $100 billion more in transportation, refining and marketing facilities. Another $400 billion must be invested by the electric utility industries. To meet petroleum industry financing needs, Chase Manhattan Bank has estimated that industry profits must increase at an average annual rate of 18%, and by 1985 must be about 6 times what they were in 1974.

Given these facts, a reasonable man would assume that the Congress and the Administration would be concerned about the ability of the energy industries to generate the necessary capital, and at the very least would not take actions designed to limit capital formation. But what has happened? For well over a year the air has been filled with Congressional allegations about the enormous, gross, excess, obscene, windfall profits of the oil industry, irresponsibly ignoring the fact that the substantial profit improvements of 1973 and 1974 were being compared with the very depressed profit year of 1972, that the increased profits were to a large extent the result of illusory one-shot inventory profits, that a weakening U.S. dollar enhanced the value of foreign currency earnings converted to dollars, that the greatest part of the increased profits came from overseas operations, where a temporarily strong market permitted earnings of 70 cents or more a barrel but which has since declined to little more than 20 cents, that capital expenditures—plowback into exploration, development and new facilities—greatly exceeded total profits, that oil is the only commodity on which price controls remain, and that the oil companies are unable to pass through their increased costs except the cost of crude, and that the return on investment in the domestic petroleum industry still remains below the average of all manufacturing industries. No better evidence need be offered that the profit bulge of the past two years was a temporary phenomenon than the fact that profits of the seven largest U.S. oil companies declined by an average of 25% in the first quarter 1975 compared with the same quarter a year ago.

The only definitive action which Congress has taken with respect to energy was to incorporate in the recent tax rebate legislation provisions repealing the oil depletion allowance for all major producers, while at the same time taking the first steps toward reducing or eliminating the foreign tax credit provisions for the oil industry, provisions which have been in our tax laws since 1918. Elimination of the depletion allowance, just at the time when the need for it was never more urgent, will increase 1975 oil industry taxes about $2.2 billion, and about $15 billion in the next five years. Reduction of the foreign tax credit provision subjects the multinational companies to unfair double taxation, makes them less able to compete in world markets against foreign companies who are not so taxed, thereby reducing their ability to earn needed foreign exchange and contribute to the U.S. balance of payments, and further reduces industry profits.

All of this money captured in heavier taxes on the oil industry means just that much less money available to invest in the development of our domestic oil resources. And with price controls continuing in effect, coupled with Congressional threats for further tightening or price roll-backs, there is little chance for the industry to recover this lost capital in the marketplace. Confronted with this dilemma, the oil companies have already been forced to cut back on capital spending plans. What a way to achieve energy self-

UMI

sufficiency! Failure of the Congress to recognize the relationship between investment and supply is an act of irresponsible self-destruction!

And the utility industries haven't a chance of generating their massive capital requirements, in the face of continuing depressed profits resulting from unwise over-regulation, drastically depressed stock prices, high debt to equity ratios, and inability to borrow at tolerable interest rates in capital markets already being deluged with Treasury borrowings needed to finance $70 to $100 billion annual budget deficits.

In recent months we have heard strong criticism of some of the major oil companies for proposing to make investments outside the petroleum industry, Mobil Oil for its purchase of a majority interest in Marcor, and Gulf for its efforts to purchase the Ringling Brothers circus. Perhaps Mobil might be forgiven if it doesn't see much future in the oil business. And I have it on good authority that Gulf's abortive attempt to buy a circus was simply so that it could have its own company clowns to counter those with whom it has to deal in Washington.

And so it goes. Instead of unfettering the tremendous management and technological resources of the private enterprise energy industries, instead of permitting development of the immense capital resources which are going to have to be plowed into energy development, instead of creating a favorable and stable investment climate to attract more investment capital, instead of relying on the mechanisms of our chosen economic system of competition private enterprise which has proved beyond any doubt its superiority over any other system in dealing with shortages, improving productivity and increasing living standards, instead of offering incentives to produce more energy, and incentives to save energy, our elected political representatives appear to be embarked upon a course of more Federal regulation, more interference, more red tape—more politics and less energy!

The decisions of government bureaucrats are to be substituted for those of literally thousands of competent and experienced executives in the energy industries. And you know what that means! As someone said recently, "If a Federal bureaucrat had been writing the 10 Commandments, a simple rock slab wouldn't have been nearly enough room. It would take half of Mount Rushmore just to jot down the preamble".

Lest I be misunderstood, let me hasten to add that we in Idaho are most fortunate in having as our representatives two Republican Congressmen and a Republican Senator who understand the energy facts which I have just given you, and who are doing their best to stem the tide of irresponsible legislation. But their's is a lonely role.

A few weeks ago I watched an interview of Treasury Secretary William Simon by two television commentators and a New York Times journalist on a Sunday morning "Face the Nation" program. Their questions to the Secretary, and their efforts to dispute his statements, revealed their abysmal ignorance of the fundamental forces which govern our economy—the relationship of excessive Federal spending or monetary growth to inflation, the need for greater capital formation to stimulate economic growth and greater productivity, and the necessity of using proven economic tools to achieve the goals of Project Independence—the tools of higher prices to reduce consumption and encourage development of additional energy resources. The Secretary was placed in the position of having to give the three interviewers a lesson in elementary economics in 30 minutes, obviously an impossible task.

And when we consider that the information and the basis for the forming of opinions available to the average American citizen is to a large extent that which is distilled and presented to the public by similar commentators and journalists, it is not difficult to understand why we seem to have had so much trouble and delay in getting on the right track in our efforts toward energy independence.

When our public opinion moulders in the media are for the most part economic illiterates, how can we expect that the public will have a better understanding of economic forces and our economic system? Or that they will be able to exercise discriminating judgment in their selection of those who are to represent them in government? Reflecting public attitudes, the Congress appears in no mood to take the kind of action our energy situation demands.

Congressional inaction, or counter-productive action, in the face of a grave national emergency, is inexcusable. It's a good thing that politicians are paid by the year. They'd starve to death on piecework.

I'm sure you have all heard the quotation of President Lincoln's fiscal policy. Whether Lincoln was actually the author is now being questioned by some historians, but if Lincoln was not the author, he should have been. Here it is:

You cannot prosper by discouraging thrift,
You cannot strengthen the weak by weakening the strong.
You cannot help the poor by destroying the rich.
You cannot establish sound security on borrowed money,
You cannot keep out of trouble by spending more than you earn,
You cannot build character and courage by taking away man's initiative and independence,
You cannot help men permanently by doing more for them than they can do for themselves.

And if Lincoln were alive today he might also add: "You cannot increase production by handcuffing the producers." And as he viewed the actions of our current Congress, he might ask us: "why have you allowed the debauchery of your political system so that it rewards politicians who deliver short term benefits at the expense of long term national interests?"

Recently, I encountered a quotation by James Freeman Clark, who said: "the difference between a politician and a statesman is that a politician thinks of the next election and a statesman thinks of the next generation". We desperately need more statesmen and fewer politicians in Washington. But for the most part it is politicians with whom we are going to have to work. If there is to be any hope at all of achieving the objectives of Project Independence, it is to the politicians that we must make our views heard, loudly and frequently, in the hope that we can somehow generate in them the wisdom, the courage, and the concern for the country's long term interests which are essential if we are to survive as a strong and economically healthy nation.

PROPOSED ARMS SALE

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have just received.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF THE DIRECTOR,
DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., June 2, 1975.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 75-26, concerning the Department of the Air Force's proposed Letter of Offer to Iran for a military communications network estimated to cost $62.8 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH.

TRANSMITTAL NO. 75-26

Notice of Proposed Issuance of Letter of Offer Pursuant to section 36(b) of the Foreign Military Sales Act, as amended.

a. Prospective Purchaser: Iran.
b. Total Estimated Value: $62.8 million.
c. Description of Articles and Services Offered: This proposed sale is an amendment to an on-going project originally established in May 1974, for development of a military communications network.
d. Military Department: Air Force.
e. Date Delivered to Congress: June 2, 1975.

ROBERT C. BYRD—OUR "IMPROBABLE CHIEF"

Mr. HARTKE. Mr. President, on May 12, the Wall Street Journal published an article by Arlen J. Large about our distinguished majority whip.

I am sure many of us saw and read that article with great interest, but for those who missed it, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMPROBABLE CHIEF: LONG A CONSERVATIVE, SENATOR BYRD OFTEN RUNS LIBERAL-LADEN SENATE—IF MANSFIELD SHOULD RETIRE, WEST VIRGINIAN IS LIKELY TO BE MAJORITY LEADER; CHANGE IN THE ISSUES HELPS

(By Arlen J. Large)

WASHINGTON.—The Senate was about to take one of its periodic vacations. Assistant Democratic Leader Robert Byrd of West Virginia bade his colleagues goodbye with a flair that showed he had been reading the dictionary again:

"Looking ahead, may I say that the leadership wishes all Senators a felicific respite from their lucubrations here. May Senators, after a reposeful holiday, return to these difficile tasks and renewed verve and revivescent strength."

Webster says anyone involved with "lucubrations" is engaged in "laborious study." That may not always fit the Senate as a whole, but it's Sen. Byrd all over. The man reads the dictionary, page by page, for the same reason he devours the Senate rulebook, to improve and improve and improve the cold efficiency with which he increasingly dominates the Senate.

"It isn't the use of big words so much as the precision of language that counts, and the excellence of grammar," says Mr. Byrd, puffing a cigar in his office at the end of a meandering Capitol corridor. "It seems to me that the American people ought to pride themselves on a better use of English. We're all rather slovenly, most of us are, in the use of our English. It's a beautiful language, and we ought to be more precise."

IN SENATE FOR 16 YEARS

Though he's one of the Senate's more precise speakers, Mr. Byrd still occasionally makes use of S-219, a room just off the Senate chamber. There, Senators can look over a transcript of what they've said during debate, and pretty up their remarks. But Sen. Byrd says he probably uses that room less now than when he came to the Senate 16 years ago after service in the U.S. House and the West Virginia legislature.

In his early Senate years, Robert Byrd established a record of conservatism—some even say racism—that made it seem most unlikely he'd ever become the leader of the Senate's mostly liberal Democrats. Yet as 72-year-old Mike Mansfield, the current Majority Leader, increasingly assumes the role of elder statesman, Sen. Byrd frequently finds himself as the man who runs the Senate. Mr. Mansfield hasn't given any indication of retiring to Montana at the end of his term next year, but if he does, Sen. Byrd is the clear front-runner for Majority Leader.

"I don't think Bob would have any problem," says one liberal Democratic Senator. "He'd become the Majority Leader." Some other liberals might back an opponent, but there isn't any clear rival and nobody is underestimating the West Virginian's strength.

NAACP LEADER UNHAPPY

The prospect bothers one outsider, Clarence Mitchell. As lobbyist for the National Association for the Advancement of Colored People, he has battled Sen. Byrd on many past civil rights barricades. "He'd have a tremendous number of backers, people who think he's good because he works so hard," Mr. Mitchell says. "But there is the question of whether he'd give the Democratic Party a good image or not." Mr. Mitchell says he hopes someone else runs if Sen. Mansfield should retire.

Meanwhile, Sen. Byrd is the model of respectful deference to the Majority Leader. When Mr. Mansfield chooses to take command, as he did at a critical point during the recent tax debate, Sen. Byrd loyally fades to the background.

But he stays there less and less. Even now, in his No. 2 spot, Sen. Byrd is at the center of a remarkable effort among Senate Democrats to function as a more cohesive legislative party. Senators traditionally have behaved as independent-minded prima donnas, compared with House members more accustomed to the party lash. But this year, more than in recent memory, Senate Democrats are aping their House colleagues in constant caucusing to set the party line for legislative voting. The prospect isn't promising for the Ford administration, which needs Democratic defections.

For example, when the Senate voted to scotch the President's power to raise the oil import tariff, only two Democrats balked. Southern Democrats who often team up with Republicans on questions of presidential authority—including James Eastland of Mississippi, John Sparkman of Alabama, John McClellan of Arkansas—voted with other Democrats.

MORE VOTING TOGETHER

Sen. Byrd says: "The old Southern bloc, so-called, that was so effective during the great civil rights debates really is not existent, certainly to the degree that it once was. In those years it coalesced with the Republicans in many situations, and that's no longer existent. So I think Democrats as a whole will be voting together more."

With the government divided between a Democratic Congress and a Republican executive, Mr. Byrd sees an obligation for the Senate majority "to develop programs as alternatives to those which we oppose." In this view, party functions in the Senate ought to go beyond assignment of members to committees and placement of desks in the chamber. The party, Sen. Byrd says, "does provide the mechanism by which organized thinking and organized action can be brought to bear on the problems that confront our people."

(More weeks must pass before it's known whether alternative Democratic caucus plans on energy and other matters will actually show up on any law books; except for rejecting Ford proposals, so far not much has come of all the caucusing.)

At age 57 the seldom-smiling Mr. Byrd has swept-back graying hair, a taste for somber clothes and a passion for orderly surroundings. The hubbub in the Senate chamber during close, dramatic roll-call votes used to vex him greatly, so he banished to the gallery the throngs of staff aides who habitually had rubbernecked from the floor. He regards the current Senate rules as an untidy mess, some of them unused entirely, some found in this law or that. A project he's looking forward to this year is to codify them into one orderly document.

COMFORTABLE WITH NEW ISSUES

It's the recent preoccupation of Congress with the economy and energy, rather than civil rights laws, that allows Sen. Byrd to move so comfortably in the Democratic mainstream. In the old days, he often voted with the Southern bloc he now thinks is fading, which was a faction of the party closed off from the mostly liberal national party leadership. Now he's a recognized part of that leadership, even being asked regularly by television interviewers about a possible presidential candidacy.

His answer is pure Byrd, calculating, precisely shaded to acknowledge his new status while not going overboard: "I'm not uninterested."

Nobody was asking presidential questions early in Mr. Byrd's Senate career. For a time he was chairman of the Appropriations Subcommittee handling funds for the mostly black District of Columbia. The lifestyles of welfare mothers and their supposed "paramours" grated on a work ethic acquired during the Senator's impoverished youth (he's unrelated to the famous Virginia dynasty that produced Sens. Harry Byrd Sr. and Jr.), and he regularly attacked "welfare cheats," Many Washingtonians detected a racial smack. That he was a long-ago member of the Kl Klux Klan didn't help.

Mr. Byrd voted against the 1964 Civil Rights Act, which was delayed for weeks by a Senate filibuster. He recalls being subjected to "arm-twisting torture and torment" by President Johnson, who telephoned to ask him to vote to end the filibuster. The President dangled a federal judgeship. He also offered to send him on an official trip overseas that would get "a lot of favorable publicity back home" while letting him miss the filibuster vote. Sen. Byrd stood fast.

CHANGE OF HEART

He now says he would vote for that bill if it came up again today—a change of heart shown by several of its original opponents. A similar switch is coming on the 1965 Voting Rights Act, which he opposed as unconstitutional. He voted against the act's extension in 1970 and as recently as two years ago said he still thought it unconstitutional. Now, however, he says he plans to vote for a further extension later this year.

In the early Nixon years Mr. Byrd often seemed a White House ally. He fervently denounced campus demonstrators. He helped head off a legislated pullout of U.S. troops from Cambodia in 1970. He voted for the Supreme Court nominations of Clement Haynsworth and Harrold Carswell, though most Democrats didn't. Richard Nixon's affinity with Sen. Byrd reached its peak in 1971, when the President temporarily put him on a list of possible nominees for the Supreme Court. (Mr. Byrd has a law degree from American University here, but he has never practiced.)

After the 1972 McGovern debacle, Sen. Byrd advised his party to "get rid of the pro-welfare, giveaway image, the pro-permissiveness image, the pro-busing image, the meat-ax cuts of defense funds and get back into the middle of the stream." But even then those issues were beginning to fade in Congress. Mr. Byrd found himself increasingly in tune with other Democrats in fighting Mr. Nixon's post-1972 assertion of budget powers. He led the opposition to the nomination of L. Patrick Gray as Federal Bureau of Investigation director, and as the Watergate fight sharpened, took a key role in protecting the special prosecutor's independence. The Senator has attacked President Ford harshly, criticizing his economic policies and energy plans and questioning his general ability to lead.

HE MADE IT ON HIS OWN

While outside circumstances have helped Mr. Byrd become more of a party regular in the liberal Senate, his inside climb to power had been almost wholly due to his own efforts.

Few paid attention in 1967 when Democrats elected him secretary of their caucus. It rarely met anyway, and the job was regarded as a clubby honorific. But it put Sen. Byrd in "the leadership," however tenously, and he surprised everyone by beginning to lead on the Senate floor.

Perhaps the most surprised was Sen. Edward Kennedy of Massachusetts, who then held the No. 2 job as Assistant Majority Leader, or Whip. Like Sen. Russell Long of Louisiana before him, Sen. Kennedy wore the Whip's toga instead of the Whip's working clothes. Sen. Byrd became known as the man who handled all the details of making the Senate function. He would patrol the floor, engineer agreements on the time to vote, keep bills from colliding.

In a headlined coup in 1971, Sen. Byrd defeated the world-famous Mr. Kennedy for the Whip's job. After the caucus vote the West Virginian popped with exhilaration as he described his nervy ambush to a ring of reporters. His prior vote count showed he had just enough support to win, provided he could cast the proxy of Sen. Richard Russell of Georgia, then on his deathbed at Walter Reed Hospital in Washington. If Sen. Russell had died before the meeting started, Sen. Byrd wouldn't have made the challenge at all. After the meeting began, an aide told him Sen. Russell was still alive, so he signaled a backer to nominate him for Whip. Sen. Russell died 4½ hours later.

The new Whip assured alarmed liberals that he would only be a "legislative technician," not an ideological salesman. As the months wore on, he continued his old task of managing procedural details.

ROLE IN FILIBUSTER FIGHT

Mr. Byrd still does all that, but this year especially he has taken on matters of more substance. For example, it was the majority Whip who became the tough floor captain of the recent successful drive to make it easier to end filibusters. It had started as a project of true-blue liberals, and Sen. Byrd originally thought it hopeless. But they quickly showed enough strength to force defenders of the old filibuster rule to resort to unseemly stalling to avoid a final vote.

"It was determined by the leadership that the Senate was deteriorating into a situation in which a very bad mood prevailed," Sen. Byrd recalls. "A bad image was being projected to the American people."

The original liberal managers went to the sidelines and Sen. Byrd came forward to do battle with Alabama's Democratic Sen. James Allen, the conservative master of the rulebook. Sen. Byrd moved to table everything Sen. Allen wanted to do, because that required an instant vote without any time-consuming argument. At one point he even

UMI

had to move to table the Lord's Prayer, and was backed up by an embarrassed Senate.

Now Mr. Byrd hopes the new rule, under which 60 Senators can stop a filibuster instead of the former 67 when everybody's present, will head off for years to come any attempt to silence debate by a simple majority, which some liberals have advocated. The effect of the rules change on actual legislation may be made dramatically evident tomorrow, when the Senate votes on ending debate on creation of a federal consumer-advocacy agency. Last year, under the old rules, the measure was killed by a filibuster.

And he acknowledged that the new rule, though disliked by hard-core conservatives, may be useful in the current climate. It will he predicts, allow passage of "legislation that's needed to deal with the recession, inflation, energy, unemployment and so on without being straitjacketed in talkathons."

An interviewer is well into his next question, but Mr. Byrd is worrying about his English again. "By the way," he interrupts, "that should be straitjacketed 'by' talkathons, instead of 'in' talkathons."

THE BALANCED GROWTH AND ECONOMIC PLANNING ACT OF 1975

Mr. WILLIAMS. Mr. President, I am pleased to join in sponsoring the historic and farsighted Balanced Growth and Economic Planning Act, S. 1795.

The importance of this bill is emphasized daily as the Congress seeks to facilitate recovery from the worst economic decline suffered in the United States since the 1930's. The combination of severe inflation and recession have disrupted the national economy and caused hardship for millions of Americans. In my home State of New Jersey, the unemployment rate rose to 11.6 percent in April and is likely to reach 12 percent later this year. On the national level, unemployment has reached the tragic level of 8.9 percent and exhibits few signs of abatement in the near future. Equally, the advance of the price level, while considerably less than last year, has continued at a disconcerting rate. The average weekly earnings in 1967 dollars within the manufacturing industries has eroded from a 1973 peak of $124.46 to the latest April figure of $115.51.

Congress has responded to the crises with decisive action designed to effectuate economic recovery. Last year, Congress passed the Budget Reform Act which provides for the formulation of a rational and orderly short term economic policy. As a member of the Senate Rules Committee, I was fortunate to be able to play a role in the development of this act which greatly improves congressional coordination and oversight over the Federal budget and is a major step toward improved fiscal responsibility. By passing the Tax Reduction Act, the biggest tax relief bill in history, this Congress has provided landmark relief for lower and middle income citizens and new incentives for corporate capital investment.

In addition, recent proposals for increases in unemployment benefits, extensions of the Public Service Employment program and the tax credit for new homes have gone far toward alleviating the plight of the unemployed and reviving the construction industry which has been particularly hard hit.

However, while Congress has agreed on short-term policy remedies to aid in recovery, we have an added responsibility to the public to develop economic policy in a rational and orderly way for the future as well as the present. The Balanced Growth and Economic Planning Act represents landmark legislation which would provide the American people with the vehicle with which to formulate long-term national economic goals, identify available and potential labor, capital, and national resources and enable the Federal Government to determine and rationalize its own impact on the national economy. The systematic and comprehensive formulation of national goals and policies would provide assistance to State and local governments and the private sector by permitting them to act with greater knowledge of the Nation's economic direction.

The Federal Government has lagged behind the private sector in terms of coordinated management and in the setting of long-term policy targets. Modern techniques of market analysis and resources allocation are employed by corporations, universities, foundations, many local units of government and others with limited resources in order to develop long-range economic goals.

As noted in the article "A Planned Economy in the United States?" by Jack Friedman, reproduced in the CONGRESSIONAL RECORD on May 21 (pages S8835–36), many of America's most distinguished businessmen, labor leaders, and economists see the Government's role in planning as that of helping the private and public sectors to anticipate problems, and to design long term programs of coordinated monetary, fiscal and spending policies.

Henry Ford II, chairman of the Ford Motor Co., has spoken out frequently in favor of planning and believes that the shortages of metals and other materials in 1973 and 1974 could have been anticipated if some form of planning had been in existence. George Meany, president of the American Federation of Labor and Congress of Industrial Organizations argues:

> We need long range economic planning and priorities to minimize unforeseen major developments.

He points out,

> The United States was not prepared for the urban crises of the 1960's which could have been foreseen by sensible long range economic planning in the 1950's.

Thirty years ago, as World War II was ending, a bipartisan majority adopted the Employment Act of 1946 which committed the U.S. Government to a continuing policy of promoting "maximum employment, production, and purchasing power." Congress in 1946 created the Council of Economic Advisors and the Joint Economic Committee in order to fulfill the eloquent goals set forth in the Employment Act. In the twilight period following the depression and World War II, the Congress and the President laid the groundwork for our current economic policies. Today, we are in the second worst economic crisis in the 20th century, and Congress again has the opportunity to create economic policymaking bodies for the future. Through the Balanced Growth and Economic Planning Act, which amends the Employment Act, Congress can reaffirm its responsibility to promote the goals of "maximum employment, production, and purchasing power" first proclaimed in 1946. As chairman of the Senate Committee on Labor and Public Welfare, I am convinced that the most important priority in this Nation today is to attain that objective.

HISPANIC GROUP CITES JESUIT

Mr. MONTOYA. Mr. President, friends of Father Joseph Thorning will be pleased to learn that the Padre of the Americas is the recipient of yet another award. Recently the Georgetown University chapter of the National Hispanic Honor Society conferred upon him the Order of Don Quixote.

Father Thorning has spent a lifetime in the study of the Iberian Peninsula and of Latin America, and this award is richly deserved. I ask unanimous consent to have printed in the RECORD a story relating to Father Thorning's award which appeared in the March 20 issue of the Catholic Standard.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HISPANIC GROUP TO CITE JESUIT

Father Joseph F. Thorning, S.J., will be honored this evening by the Georgetown University chapter of the National Hispanic Honor Society, which will confer on the noted Latin-American expert the Order of Don Quixote.

The award will be presented at a reception following the induction of 11 charter members, graduate and undergraduate, into the N.H.H.S. Lambda Beta chapter. The main goal of the Society is to honor outstanding students of the Spanish language, Spanish literature and culture.

Father Thorning, who at one time was an assistant professor at Georgetown and the acting dean of the Graduate School, is known as "El Padre de las Américas." For the past 30 years his expertise in Latin American affairs has been recognized by leaders of both parties of Congress who have invited him to preside over the special prayers at the annual Pan American Day Session.

The Jesuit educator, author and lecturer has received various honorary degrees and decorations, including awards from Spain, Portugal, Ecuador, Brazil, Haiti, Cuba, Colombia, Panama, Guatemala, Nicaragua and Peru. In addition to honorary degrees, Father Thorning holds a B.A. from Holy Cross, an A.M. from St. Louis University, a Ph.D. from Catholic University and an S.T.D. from Gregorian University He also has done advanced study at Oxford University and the Sorbonne.

PASSAGE OF THE HELLS CANYON NATIONAL RECREATION AREA LEGISLATION

Mr. CHURCH. Mr. President, those of us who have supported and worked for passage of the Hells Canyon National Recreation Area proposal are pleased to note that the Senate has, once again, favorably considered this legislation. After more than two decades of uncertainty, enactment of S. 322, the Hells Canyon NRA bill, will finally resolve the question of management for the deepest gorge on the North American Continent. Hopefully, the House of Representatives will see fit to enact similar legislation. In doing so the Congress can insure that the Hells Canyon area in Idaho and Oregon will be kept intact for the benefit of the people.

Reaching final Senate approval of this legislation has not been easy. But, then again, the enactment of meaningful laws is never an easy task. This bill has weathered the rough seas of compromise among varied and diverse groups interested in the fate of Hells Canyon and it has withstood the arduous test of public hearings and congressional scrutiny. Now, after long debate over the future use of the last free-flowing stretch of the mighty Snake River, we are one step closer toward settling this issue.

Last year, in testimony before the Senate Interior Committee, the Army Corps of Engineers, the Forest Service, the Environmental Protection Agency, the Department of Interior, and the Federal Energy Administration all recommended that the Middle Snake be included in the Wild and Scenic Rivers System.

With administration support for achieving the major objective of this bill, that is to keep the Middle Snake free-flowing, and action pending in the House of Representatives, prospects for passage this year are bright indeed.

There are those who have suggested that the Congress delay final action; but, we have been in a holding pattern long enough and it is time to land a decision for or against a Hells Canyon NRA.

Since 1954, the fate of this area has been in question. Hydroelectric interests have pressed for Federal Power Commission authorization to construct a dam on this stretch of the river. As a result of determined opposition by groups of concerned citizens throughout the Pacific Northwest, the Supreme Court of the United States ruled that the Federal Power Commission should reconsider an order issued by that agency in 1964 which licensed construction of the High Mountain Sheep Dam. Subsequent to that decision, I introduced, along with former Senator Len Jordan, a 10-year Middle Snake River moratorium bill. That proposal passed the Senate on two different occasions, but was never acted on by the House of Representatives. In February 1971, an administrative judge of the Federal Power Commission rendered an initial decision on this matter and recommended that an FPC moratorium be placed on construction of any project until September 11, 1975, in order to give Congress time to work out a management plan for the Hells Canyon region.

The threat looms large that the EPC will license construction of a high dam unless Congress acts. During public hearings in Lewiston, Idaho, and LeGrande, Oreg., the Senate Interior and Insular Affairs Committee was told that licensing another dam would not solve any long-term energy needs of the area. Unfortunately, those who have attempted to capitalize upon the energy crisis as justification for one more dam neglect to inform the public that the power producing potential of such a dam adds little toward meeting the energy growth predicted for the Pacific Northwest.

The mighty Snake River, it is true, is a working river. Before entering the middle reaches, the Snake River has already worked its way across the breadth of southern Idaho. Its waters irrigate the desert lands upon which Idaho's multimillion dollar agricultural economy is built; a burgeoning recreational industry is sustained through use of the river, and nearly all of our electricity is generated by its waters, or those of its tributaries.

To be unmindful of these important uses would be a gross dereliction of duty. That is why the cosponsors of this legislation paid particular heed to the needs of the upstream water users. With the assistance of counsel for the Idaho Water Users Association, who prepared the initial draft of the language protecting the rights of upstream users, this bill extends protection to upstream water rights as fully as it can be done in statutory form.

The language of section 6 of S. 322 clearly provides protection for the present and future uses of upstream water from any limitation, restriction, or conflict. This section reads as follows:

> (a) No provisions of this Act, nor any other provision of law, nor any guidelines, rules, or regulations issued thereunder, shall in any way limit, restrict, or conflict with present and future use of the waters of the Snake River and its tributaries upstream from the boundaries of the Hells Canyon National Recreational Area created hereby for beneficial uses, whether consumptive or nonconsumptive, now or hereafter existing, including, but not limited to, domestic, municipal, stockwater, irrigation, mining, power or industrial uses.
>
> (b) No flow requirements of any kind may be imposed on the waters of the Snake River below Hells Canyon Dam under the provisions of the Wild and Scenic Rivers Act (82 Stat. 960), of this Act, or any other guidelines, rules or regulations adopted pursuant thereto.

Will the protective language of section 6 withstand a confrontation between upstream water rights and the recreation purposes sought for the Middle Snake under provision of the Hells Canyon NRA bill? The answer must be "yes." The Forest Service which administers the national forest lands that bound both sides of the Middle Snake has already indicated that section 6 of the bill "protects the upstream water users from any claims that could arise as a result of the creation of the National Recreation Area and designation of the Snake River as a Wild and Scenic River."

In fact, I submit that the upstream water users are better off with the protective language in this bill than they are today, without the benefit of any such protective language in any other Federal law.

The questions of power potential and upstream water rights were addressed in a recent editorial of the Idaho Falls, Idaho, Post-Register. The analysis made is informative and timely, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Idaho Falls Post-Register, Apr. 20, 1975]

POWER POTENTIALS BESIDES HELLS CANYON

"What is needed is for better and fuller use to be made of the irrigation and power possibilities we already have (in Idaho), before a unique national wonder such as the remaining free-flowing stretch of our magnificent Snake River (at Hells Canyon) is forever ruined by power dams."

This was the cogent argument which a Nampa, Idaho, constituent of Cong. Steve Symms has made to his congressman and to Cong. George Hansen, both of whom are against the proposed Hells Canyon National Recreation area legislation.

The Nampa businessman, Harold C. Miles, called attention to the impressive possibilities for increasing power generation at the following existing dams by installation of additional generators:

American Falls, Anderson Ranch Dam, Arrowrock Reservoir, Little Camas Reservoir, Clover Creek Reservoir, Mackay Reservoir, Magic Reservoir, Mormon Reservoir, Roseworth Reservoir, Thorn Creek Reservoir, Blackfoot Reservoir, Island Park Reservoir, Palisades Reservoir, Twin Lakes and Ririe reservoirs. (The latter still under construction).

Minidoka Dam, he points out, can be increased for both storage and more power. Both Anderson Ranch Dam and Palisades Dam, he also notes, already have generator slots installed for such increased generation.

The Nampa businessman also calls attention to the fact that a low head dam with pump-up storage can be built in the vicinity of Coyote Butte in the Snake River between Swan Falls and Strike Dam. The Snake River plain aquifer could be utilized more, as well, because this underground water network is one of the largest on the continent.

"By increasing the storage capacity of Anderson Ranch Dam, sufficient water would be available for pump irrigation of Smith's prairie and the additional power could be supplied from the present un-used generating capacity at Anderson Ranch Dam. In addition, by raising little Camas and Mormon reservoirs, sufficient additional water would be available for pump irrigation of Camas prairie, with the power also available from Anderson Ranch Dam.

However, a feasibility report would have to be made before the final efficacy of Mr. Miles' contention on some of these projects could be completely substantiated. Raising dams can raise challenges, both geological and by humans, where storage sites are expanded. Moreover, it must be pointed out that such expansion mostly would be keyed to peaking power or season power situations. But, it also must be pointed out at the same time that the variances between regions on power use peaks—like Idaho Power Co. having a summer peak because of high pumping application as against Utah Power and Light Co.'s winter peak because of heating and industrial stress—does allow for power exchanges between systems.

The power grid undoubtedly is going to get more sophisticated in the future to allow for more efficient and wider use of seasonal energy "highs" and "lows." In fact, this is what utilities who are banging away for coal-fired plants don't like to talk about when they reject nuclear plants because of the impact of down-time with a huge nuclear plant. The grid is going to become a giant power-trading system in time, taking advantage of everything from time zone peaks to alternate daytime and seasonal lows and highs.

Furthermore, more than 8,000 megawatts of firm power is scheduled to be added on the Snake-Columbia system by 1984.

The valid point to be made is that we can do a lot more with our existing dams, whether just for peaking or firm power, before we move to pull the rug on a living, people-enjoying national wonder like Hells Canyon and its adjacent wilderness areas. Remember, once we dam it, it is gone. We can always keep the option open for a later dam if the national need makes it necessary.

The self-styled "compromise" by the Northwest Power Co., one in the consortium of utilities chafing to dam up the Mid-Snake, for the past 15 years, was no compromise at

all. The company proposed that it be allowed to build two dams on the Snake above the Salmon and Imnaha River mouths, which, the company contended would preserve most of the migratory fish runs and preserve the rest of the canyon in a free-flowing state. But it actually halves the genuinely free-flow preserve sought in the Hells Canyon Recreation area legislation, would allow new networks of roads, and would seriously detract from the naturalness of that spectacular gorge, the deepest on the continent. And, it is not just the canyon at stake but the superb wilderness and national forest areas adjacent to the gorge.

The only argument which should have validity is whether it would threaten water rights. Upper Snake River valley irrigation organizations have opposed the dam on this contention. But, it would appear that the language of the bill protects water rights as much as any possible structure of language could provide. It is really not an argument to say that someday, something else might happen and someone else might pose a threat. Following is the language in the Hells Canyon National Recreation Law on water right protection:

"No provision of the Wild and Scenic Rivers Act, nor any guidelines, rules or regulations issued hereunder, shall in any way limit, restrict or conflict with present and future use of the waters of the Snake River and its tributaries upstream from the boundaries of the Hells Canyon National Recreation Area created hereby, for beneficial uses, whether consumptive or non-consumptive, now or hereafter existing, including, but not limited to, domestic, municipal, stockwater, irrigation, mining, power or industrial uses.

"No flow requirement of any kind may be imposed on the waters of the Snake River below Hells Canyon Dam under the provisions of the Wild and Scenic Rivers Act, of this act, or any guidelines, rules, or regulations adopted pursuant thereto."

If that doesn't protect the upstream water rights, then those opposing the dam on this basis should be called upon to explain why it does not. To date, the arguments have been in the "never-never land" category. The possibility is much more real that a couple of high dams on the Snake could themselves threaten upstream water rights by the fill-and-control demands necessary for the dams themselves quite conceivably.

Congressmen Symms and Hansen oppose the Hells Canyon Dam because of a philosophy of attitude—not because of faults they can find in the legislation. These two rigidly conservative Congressmen have not been able to distinguish between public rights on public land and private industrial service-franchise rights. Symms, in fact, in his support of the Liberty amendment and the philosophical thrust of that movement, would be happy if public land were sold to the highest bidder.

The listenership of Congressmen Symms and Hansen is the drums of industry in almost any issue on our public lands. They confuse the free enterprise system in its normal base and its qualified-service, franchise-rights on public land. And neither have an appreciation for land-sustaining values. Idahoans cannot expect much from them, consequently, on vital land questions on federal lands.

As governors of Idaho, Washington and Oregon said in a joint statement this week:

"The proposal offered by Pacific Northwest Power Co. (on the Mid-Snake) is not a compromise at all, but a defeat of the major thrust of a Congressional resolution that would convert 101 miles of the river into a system of federal wilderness, recreation and scenic river areas."

The dichotomy between Idaho's U.S. senators and its U.S. congressmen will be apparent on other issues in time. Sens. McClure and Church favor the legislation and, were it not for the apparent support of the rest of Congress, the legislation would be in jeopardy. Cong. Symms' and Hansen's support of a moratorium on the Hells Canyon is a hollow a gesture as the Northwest Power Co.'s proposal. The Idaho congressmen just want to buy time for the power utilities to wait for a possible more favorable day. The Hells Canyon Dam has been studied to death . . . and there's no reason why the two Idaho congressmen don't know this.

In the meantime, how about a feasibility study, if one is not already in the Bureau of Reclamation files, on the potential for increasing electric generation in Idaho from existing dams?

Mr. CHURCH. Mr. President, our purpose has been to create a management plan for the Hells Canyon area. To be included are two wilderness areas, several study areas, and the designation of certain segments of the Snake and Rapid Rivers as recreation, scenic or wild. Except for the designation of the rivers, which the administration, itself, recommends in the case of the Snake, the management plan is similar in concept to that of the Sawtooth National Recreation Area bill, enacted in 1972.

Sponsors of this bill never intended the initial draft, which was submitted in July 1973, to be the final version. The Senate Interior and Insular Affairs Committee has made changes in which the sponsors concur. These changes were made at the behest of those who have testified and written, representing many different user groups—recreation, timber, agriculture and mining, to name a few.

I will not again review the provisions of the proposal which the Senate has passed. But I ask unanimous consent that the section-by-section analysis of S. 322, which appears in the Senate Interior and Insular Affairs Committee report on the bill, be printed in the RECORD at the end of my remarks.

Few portions of this country have received so much attention as the Hells Canyon area. This part of Idaho is richly endowed with a rugged grandeur unsurpassed anywhere. For this and future generations, the Hells Canyon NRA will be a magnificent place for all to visit and enjoy.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1(a) defines the purpose of the Act which is to preserve the Hells Canyon area, portions of the Snake River and Rapid River in Idaho, including certain tributaries and adjacent lands, by establishing a Hells Canyon National Recreation Area.

Section 1(b) describes the boundaries of the Hells Canyon National Recreation Area, including Hells Canyon Wilderness Areas, components to the Wild and Scenic Rivers System, and certain wilderness study areas, located in the State of Oregon.

The Committee intends by creation of a national recreation area to develop a specific form of management for the area involved. While certain portions of the Hells Canyon National Recreation Area are also included within the National Wilderness System and the Wild and Scenic Rivers System, this Act is not intended to set a precedent for inclusion of future areas into either the Wilderness System or the Wild and Scenic Rivers System. Special exceptions to the Wilderness Act and the Wild and Scenic Rivers Act have been made in this Act in order to structure a comprehensive management plan which includes wild, scenic, and recreational rivers, wilderness areas and recreation areas.

Section 2(a) establishes, by reference to an official map, the Hells Canyon Wilderness Areas which are designed as wilderness and thereby incorporated into the Wilderness System.

Section 2(b) requires that the wilderness areas, designated by this Act, shall be administered under provisions of this Act or the Wilderness Act, whichever is the more restrictive. Section 9(b) and section 11 of this Act apply to the wilderness areas designated herein and where appropriate are meant to be specific exceptions to the Wilderness Act.

The Secretary is also directed to make boundary revisions to the wilderness areas which border lands adjacent to and designated part of those segments of the Snake River incorporated into the Wild and Scenic Rivers System where such revision would be required by a boundary adjustment pursuant to subsection 3(b).

Section 3(a) amends the Wild and Scenic Rivers Act (83 Stat. 906) by adding to the Wild and Scenic Rivers System portions of the Snake River and the Rapid River.

The Rapid River, from the headwaters of the main fork to the present national forest boundary (20.3 river miles) and from the headwaters of the west fork to its confluence with the main stem of the Rapid River (10.5 river miles) is designated a wild river, The Snake River, from Hells Canyon Dam downstream to Pittsburgh Landing (32.4 river miles) is designated a wild river; from Pittsburgh Landing to Dough Creek (43.8 river miles) is designated a scenic river; and, from Dough Creek to Asotin, Washington (25.1 river miles) is designated a recreational river.

Section 3(b) provides that those segments of the Snake River and the Rapid River designated under this Act shall be administered under provisions of the Wild and Scenic Rivers Act. The Secretary is required to establish a corridor along the river segments involved.

The Committee by reiterating the corridor requirement expects that the Secretary will establish river corridors which generally do not include varying amounts of land groupings per river mile, causing irregular boundaries. This provision is necessitated due to the wilderness areas which abut the river on both sides.

The Secretary is not to undertake or permit to be undertaken any activity on public lands in the Rapid River drainage which would impair the water quality of those portions of the Rapid River designated as wild river. The Committee intends, therefore, that such activities as may take place in the drainage area shall be in consonance with the objectives sought by the Committee in maintaining the water quality of the Rapid River. The Rapid River Salmon Hatchery, located in the Rapid River drainage area, is meant to sustain the anadromous fishery in the Snake, Salmon and Clearwater drainages. The success of this hatchery is due, in large part, to the water quality of the Rapid River and associated watershed resources. The entire drainage area shall, thus, be managed to protect the water quality of this river. In developing management policies for this watershed, the Secretary should consider, as an example, the severe watershed degradation done in the adjoining Indian Creek drainage as a result of existing resource management practices. The Committee intends that such degradation should not occur in the Rapid River drainage which would thereby impair the water quality of the Rapid River itself.

The Secretary is authorized to make such minor boundary changes in the corridors of the rivers as he deems necessary to provide for such facilities and structures for public use as are permitted under the Wild and Scenic Rivers Act. By setting back the wilderness boundaries from the banks of the Snake River and establishing a corridor of land adjacent to the river which is included within the Wild and Scenic River designation, the Committee believes that the Secretary shall clearly be allowed to permit such permanent structures along the banks of the Snake River as he deems necessary to support public use.

Section 4(a) provides that the Federal Power Commission shall not license the construction of any dam or other work project within the national recreation area. However, such projects as are already constructed or under construction on the date of enactment of this Act and within the recreation area shall not be affected by provisions of this subsection.

Section 4(b) prohibits any department or agency of the United States from assisting in any way in the construction of any water resource facility within the recreation area which would have an adverse effect on the values for which the waters within the recreation area are to be protected. The Committee intends that the limitation on Federal government assistance shall apply only within the recreation area.

Section 5 deauthorizes Asotin Dam.

Section 6(a) provides that no provision of law shall limit, restrict or conflict with the present or future upstream water uses. The Committee intends, by this language, to protect and preserve the present and future rights of the water users upstream in the State of Idaho.

Section 6(b) prohibits the establishment of any minimum flow requirements through that portion of the Snake River included within the Wild and Scenic Rivers system.

Section 7(a) directs that the Secretary shall administer the recreation area for public outdoor recreation and in a manner compatible wth the following objectives:

(1) to maintain and protect the free-flowing nature of rivers within the recreation area,

(2) to conserve the scenic, wilderness, cultural, scientific and other values contributing to the public benefit.

(3) to preserve features and peculiarities believed to be biologically unique,

(4) to protect and maintain fish and wildlife habitat,

(5) to protect and interpret archeological and paleontologic sites,

(6) to preserve and restore certain historic sites associated with the economic and social history of the region,

(7) to manage, utilize and dispose of federally owned natural resources, including timber harvesting by selective cutting, mining and grazing and other such uses as are compatible with the Act. Where unusual situations exist, for example, in cases of fire, insect, disease, or wind damaged timber, clearcutting is permitted to be practiced where its use would mitigate the situation. This is intended to be the exception rather than the rule.

The provisions of this subsection shall be superseded in those areas of the recreation area otherwise provided for under sections 2 and 3 and 10 of this Act dealing with wilderness designation (section 2), wild, scenic and recreational river designation (section 3), and promulgation of regulations for certain activities within the recreation area (section 10).

Section 8(a) prescribes that within five years from the date of enactment of this Act the Secretary develop a comprehensive management plan for the recreation area.

Section 8(b) provides that in developing a comprehensive management plan as provided under subsection 8(a), the Secretary is directed to give special attention to the historic, archeological and paleontological resources of the area; to inventory such resources; and, where appropriate to recommend such areas for listing in the National Register of Historic Places. The Secretary's comprehensive plan is to include recommendations for future protection and controlled research use of all such resources.

Section 8(c) directs the Secretary, as part of his comprehensive planning process, to conduct a detailed study of the need for scenic roads and other means of transit into the recreation area. The Secretary is directed to give particular attention to the need for providing roads and other means of transit which would provide access to scenic views of and from the western rim of Hells Canyon. The Secretary is also required, in his study to consider the alternative of upgrading existing roads. The Committee intends that the Secretary, in conducting this study, shall engage advanced engineering consultation, within or without the Department of Agriculture. Furthermore, all alternative means of transit, including mass transit, and alternative locations of routes should be fully considered so that such recommendations will be in consonance with the overall purposes of the recreation area.

Section 8(d) directs the Secretary to review certain areas within the recreation area in Oregon for suitability or non-suitability as wilderness. Within five years the Secretary is to complete his review and the President is to inform the Congress of such recommendation. Further, the Secretary is required to conduct such review in accordance with section 3(d) of the Wilderness Act and shall give 60 days public notice of any hearing on such study areas. The Secretary is not precluded from recommending other areas within the recreation area for inclusion within the wilderness system.

The Committee intends that the studies called for in this subsection and the road and transportation study called for in section 8(c) shall be conducted in close coordination because much of the same terrain is involved in both studies. Direction to study roads and other access alternatives is not intended in any way to prejudice full study and consideration of wilderness along the rim of the canyon, but neither is the wilderness study requirement intended to in any way prejudice full study of roads and other access alternatives to and along the rim. Rather, it is the objective of these provisions to assure that the Secretary, the public and the Congress will be provided the fullest and most objective study of all alternatives, so that ultimate development and wilderness designation decisions may be arrived at on the basis of the most thorough and informed consideration.

Section 8(e) directs the Secretary in preparing the comprehensive management plan to provide full public participation and to consider the views of all interested public and private bodies. Such interested agencies, organizations and individuals could include, for example, the principal universities of the three states involved and the governmental and nongovernmental agencies and organizations concerned with historical ecological and land use studies. The Committee anticipates that the Secretary will fully consider the views and recommendations of these interested parties.

Section 8(f) provides that existing activities which are not incompatible with the purposes of the Act may continue during the development of the management plan which will consider allowing the use to continue. Specifically cited activities include: timber harvesting, mining, and grazing.

Section 9(a) provides that the Secretary is authorized to acquire lands or interests in land accomplish the purposes of this Act by donation, exchange or purchase from willing sellers with donated or appropriated funds.

Section 9(b) provides that the Secretary may acquire without the consent of the owner lands or interests in land only if two requirements are met. (1) The Secretary deems that all reasonable efforts to acquire such lands or interests in land by negotiation have failed; and (2) no more than 5 per centum of the total privately owned land within the recreation area shall have been acquired without the consent of the owner. Notwithstanding the 5 per centum limitation on land acquisition in the recreation area, the Secretary is authorized to acquire scenic easements in land without the consent of the owner. Furthermore, as provided in subsection 9(g) the 5 per centum limitation shall not apply to the acquisition of mineral interests. After regulations required by section 10 of this Act have been published, the Secretary may only acquire scenic easements in lands without the consent of the owner and then, only if such lands are being used, or are in imminent danger of being used, in a manner incompatible with such regulations. The Committee intends by provisions of this subsection to limit the power of the Secretary to acquire lands or interests therein without the consent of the owner. The acquisition of scenic easements is intended to be a principal method by which conformance to the overall purposes of this Act is to be achieved; that is why no limitation, like that placed on the acquisition of land or other interests therein, save mineral interests, is imposed in the case of scenic easements.

Section 9(c) provides that lands or interests in land owned by the States of Oregon or Washington or a political subdivision may be acquired only by donation. Such land or interests in land owned by the State of Idaho may be acquired only by donation or exchange. Provisions of the Idaho Admissions Act prohibit the State of Idaho from donating any State school section lands. The Committee recognizes the difficulty thus created for the State of Idaho in light of the fact that the Committee has adopted a policy of requiring a State to donate lands which are utilized for the same recreation purposes as that anticipated by the Federal government. However, it is still the policy of the Committee to retain the requirement of donation of State lands under such circumstances.

Section 9(d) defines "scenic easement" to mean the right to control the use of land to protect esthetic values but not to preclude farming or pastoral uses already existing.

Section 9(e) requires the Secretary to give prompt consideration to any offer made to sell private inholdings within the recreation area and to specifically consider any undue hardship to such property owner caused by an undue delay.

Section 9(f) provides that the Secretary may accept title to any non-Federal property in the recreation area and exchange for such property any federally owned property within the same State. Where values of such exchanged properties are not equal, such value may be equalized by the payment of cash from the party required to equalize the exchange.

Section 9(g) provides that the Secretary is authorized to acquire mineral interests in lands within the recreation area. Such acquired lands or mineral interest shall be withdrawn from further mineral entry.

Section 9(h) provides that lands under the jurisdiction of another agency may be transferred to the administrative jurisdiction of the Secretary.

Section 10(a) directs the Secretary to promulgate rules and regulations for the use and development of private lands within the recreation area. While regulations may differ from parcel to parcel, they shall be in furtherance of the purposes of this Act.

Section 10(b) directs the Secretary to promulgate standards and guidelines for the protection of historic, archaeological and paleontological resources in the recreation area as further defined in subsection 8(b) of this Act.

Section 10(c) directs the Secretary to promulgate such regulations as may be necessary to control the use of motorized and mechanical equipment for transportation over Federal lands within the recreation area. The Committee intends by this subsection to draw special attention to the need to take action to regulate the use of and protect the surface values of, the Federal lands in the recreation area, and thus directs that rules and regulations necessary to carry

UMI

out this subsection shall be promulgated and issued by the Secretary.

Section 10(d) directs the Secretary to promulgate rules and regulations to control the use of motorized and nonmotorized river craft. However, the Committee specifically recognizes that the use of such motorized craft as jet boats are a valid use and thereby allowed within the recreation area.

Section 10(e) directs the Secretary to formulate standards for the management, utilization and disposal of natural resources and for the continuation of such existing uses as are compatible with the purposes of this Act.

Section 11 provides that all Federal lands located within the recreation area are withdrawn from all forms of mineral location, entry and patent notwithstanding subsection 4(d)(2) of the Wilderness Act but subject to valid existing rights.

Section 12 directs the Secretary to permit hunting and fishing within the boundaries of the recreation area in accordance with applicable federal and state laws, except that he may designate zones where and establish periods when, no hunting or fishing shall be permitted for reasons of public safety, administration or public use and enjoyment. Except in an emergency the Secretary must first consult with appropriate State fish and game departments regarding regulations under this section. The Committee intends by the language of this subsection to assure that the States involved will continue present jurisdiction over hunting and fishing.

Section 13 provides that ranching, grazing, farming, timber harvesting, and the associated occupation of lands and homes shall be considered valid uses of the recreation area.

Section 14 clarifies that nothing in this Act shall diminish, enlarge or modify the civil and/or criminal jurisdiction of the States involved over lands within the recreation area.

Section 15 provides that the Secretary may cooperate with other governmental bodies in the development and operation of facilities and services in the area which are in furtherance of the purposes of this Act.

Section 16(a) authorizes to be appropriated the sum of not more than $10,000,000 for the acquisition of lands or interests in land within the recreation area.

Section 16(b) authorizes to be appropriated the sum of not more than $10,000,000 for the development of certain recreation facilities.

Section 16(c) authorizes to be appropriated the sum of not more than $1,500,000 for identification, development and protection of historical and archeological sites described in section 5 of this Act.

Section 17 provides where any provision of this Act may be declared invalid, such invalidation will not affect the validity of other provisions of this Act.

ILLINOISANS LOOK TO CONGRESS FOR LEADERSHIP

Mr. PERCY. Mr. President, last week during the Memorial Day recess I made another extensive tour of Illinois that covered the length of the State and included meetings with a broad cross section of my constituents. It was a most rewarding experience. I found this exchange of views between myself and my constituents especially valuable because of the depth of public concern about the state of the Nation and the ability of elected leaders to help solve our country's problems.

My Illinois tour covered the southern, central and northeastern portions of the State, beginning in downstate Lawrenceville and ending in Chicago. I talked with urban, suburban, and rural dwellers. I conducted meetings with officials of State and local government, business and labor leaders, farmers, and veterans. I held constituent "listen-ins," which are informal sessions where people can meet with me without an appointment to discuss any matter that concerns them.

One impression stands out from this week-long visit to Illinois—people are more uneasy today about the country than I can recall them being in my more than 8 years of service in the Senate. They feel that America is drifting without a firm grasp on the direction of public policy both at home and abroad. This mood runs deep in the public's mind. Certainly, there is ample evidence to explain the origins of this feeling. Inflation and recession have bred the worst economic conditions in America since the Great Depression. We have suffered some severe setbacks abroad.

But we are a strong and resilient nation, and I believe we will emerge from these troubled times with hope and confidence.

But what troubles me most is peoples' lack of faith in their elected leaders, especially Congress, to meet the challenges we face as a nation. As Members of Congress, we have a compelling responsibility to help restore the public's faith in their leaders.

One example of the public's lack of faith in Congress centers on the energy crisis. There is no doubt in my mind about the seriousness of our energy problem in America. We simply cannot afford to consume expensive energy at present rates without eventually reaching a day of reckoning that could be catastrophic. At the root of this problem is the high price of foreign oil, and the solution to the problem is mandatory conservation to reduce consumption. I believe the people will respond to policies that force conservation. But Congress has not asked them to respond. We have refused to bite the bullet and impose policies such as a direct higher automatic gasoline tax that would yield substantial conservation gains and at the same time help reduce our mounting deficit.

Appallingly enough, I found that people are even less concerned about the energy crisis today than they were only a few months ago. Because of congressional inaction on energy, they seem to doubt that we even have a serious energy problem. They have to pay more for gasoline and heating fuel than they did a few years ago, but they chalk it up to inflation without realizing the specific nature of the energy problem. They see no evidence to prove that America is in the midst of an energy crisis.

People continue to list the economy—inflation and recession—as their No. 1 personal concern. But they question the ability of Congress to help restore the country to economic health. They are deeply concerned about the size of the Federal budget deficits. People are looking to Congress for restraint in spending, and they do not like what they see. They consider huge Federal deficits that feed inflation as threats to their economic futures and the economic futures of their children. Unemployment and sluggish business activity also are serious worries. Here, again, they are not impressed with congressional action. Most do not believe that the tax rebates are large enough to make a difference in their economic situation.

Only farmers seemed relatively optimistic about the economy. They are looking forward to record crop yields this year, and if the export market is good, they can expect reasonably good returns on their investments. But most Illinois farmers were not impressed earlier this year when Congress passed emergency legislation to increase the target prices and loan rates for certain crops. This would have signaled a return to unwise policies of the past, and most farmers agreed with President Ford's decision to veto the bill.

In foreign relations, people also are looking to Congress for leadership. I found general agreement that our policies in Southeast Asia were a mistake. Now the public is anxious to see the results of the much-talked-about reassessment of American foreign policy. They are not ready to retreat behind our shores and ignore our allies abroad. But they want assurances from their leaders that our military and economic power will be expended more wisely than in the past.

I was encouraged to find that most Illinoisans believe that the search for a just and lasting peace in the Middle East should be a top national priority. They realize that to a great extent the economic and political security of the entire world depends on a peaceful solution of the Arab-Israeli conflict. And, again, they are looking to Congress for leadership in the effort to help forge a Mid-East peace that is fair and equitable for all parties in the conflict.

Congress is not the only target of public criticism. People see the Federal Government growing by leaps and bounds, but they are increasingly skeptical about the ability of the Government to produce. They see their tax dollars funding large Government departments that do not respond to their needs. They struggle with the red tape of bureaucracy that makes communication between individuals and Government agencies difficult and often impossible.

I returned from this trip to Illinois with a sense of urgency about our responsibility as national leaders. We simply must be more responsive and accountable to our constituents. Only through decisive action on such national problems as the economy and energy can we ever hope to build public trust and confidence in Congress. The people are looking for evidence that we can act in times of national need. I do not believe we can afford to waste another month, another week or another day before we show that we are willing and able to meet the challenge.

NICHOLAS ZAPPLE

Mr. MAGNUSON. Mr. President, I wish to announce today that Nicholas Zapple, who has been assisting the Senate Commerce Committee for 25 years and has been in Government service for 32 years, has applied for retirement as of June 30.

Mr. Zapple has been an invaluable staff member and has rendered very important service to the work of the Congress and the Nation. It would be difficult to replace his unique expert knowledge of the intricate field of broadcasting and telecommunications coupled with his intimate knowledge of the legislative process and the integrity of his service to the U.S. Senate.

GIOVANNI AGNELLI

Mr. PERCY. Mr. President, it has been forecast in the press for many months now that Italy is on the verge of bankruptcy. Having first visited Italy for an intensive period of 6 weeks in 1952 with a group of four other industrialists under the auspices of the Mutual Security Agency and through subsequent visits, I have learned firsthand the resilience of the Italian economy and its ability to respond to critical conditions.

At the time of my 1952 visit, one of my hosts was Professor Valetta, president of Fiat, now one of the largest automobile manufacturers in the world. Today, Italy is experiencing a remarkable resurgence and once again a major role is being played by the president of Fiat. Its current gifted president, Giovanni Agnelli, has far eclipsed anything that his worthy predecessor has done. "Johnny" Agnelli has taken over as president of the Italian Confederation of Industry; has brought new, young, vigorous leadership into the industrial life of Italy; has brought about better understanding between management and labor; and has inspired political leaders through his brilliance, intelligent creativity, and inspired leadership.

I ask unanimous consent that an article that appeared in the Sunday, May 25, Washington Post, by Bernard Kaplan be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ITALY LANDING ON ITS FEET ONCE MORE

(By Bernard Kaplan)

MILAN.—Italy, like the drunk on the high wire, invariably manages to land perilously, but on its feet. It is currently performing this feat again.

Six months ago, the Italians were headed for national bankruptcy. Foreign experts saw virtually no hope of a reprieve. As usually happens with this country, the outsiders turned out to be wrong.

Since the beginning of the year, the Italian rate of inflation has been cut by 40 per cent, the balance of payments has moved from heavy deficit into surplus and the government has repaid more than a billion dollars in foreign loans, belying earlier expectations by practically everyone that Italy was sure to default. The lira is again a respectable currency. Industrialists, labor leaders and even politicians have displayed a sense of discipline and an ability to deal with hard realities that supposedly were alien to the Italian temperament.

According to observers here, a key to the economic turnabout was a trail-blazing agreement reached between Fiat, the giant auto manufacturer, and the metal workers union last November. The accord enlisted the union's cooperation in planning short-time work to meet the worldwide recession in the car market. In exchange, the union—a unified body containing the main Communist, Socialist and Catholic currents in the Italian trade union movement—got a role in determining the company's marketing policy.

Considering Fiat's traditional position as the bellwether of Italian industry, the accord had a beneficial effect on the whole industrial relations scene here. It put a brake on what had been a prospect of a series of disastrous strikes. For Premier Aldo Moro's coalition government, it provided a big psychological uplift at just the right time, helping along the efforts of Moro and his chief economics minister, Emilio Colombo, to reduce inflation—then running at 25 per cent a year—and to create a more stable economic atmosphere.

"The unions and management have acquired a certain amount of trust in one another; there is a mutual credibility that didn't exist before," Fiat's chairman, Giovanni Agnelli, said in an interview. "This was the fruit of the economic crisis. If it proves long-lasting—and I sincerely believe it will—the crisis may even have been worthwhile. Certainly, we regard the unions as much more reasonable now. Doubtless, they would say the same about us."

Agnelli, who is also president of the Italian Confederation of Industry and probably the most influential figure on the economic scene here, described the present Italian outlook as incomparably more encouraging than a year ago. "In 1974, the country was losing a billion lira a month; we were hemorrhaging to death," he said. "A year ago, the Communists had what amounted to a lien on the government. That is gone now. There is enormous economic elasticity in Italy, as we are now in the process of proving."

None of this may sound like the same nation where more than a score of kidnappings for ransom have occurred this year, where urban crime is mounting disquietingly and where political unrest has been marked by bouts of terrorism and frequent street clashes between the far Left and neofascist Right. But Italians insist there is a vast difference between the surface chaos and inner reality of their society.

"If understatement is an English characteristic, ours is overstatement," an executive of the big Montedison Chemical Co. said. "Things in Italy never are as bad as they may seem."

In some respects, things are still bad enough. In spite of some bright spots, industrial expansion here is at a standstill and the gross national product is even expected to fall by 1 or 2 per cent in 1975. The figure for totally or partially unemployed remains at more than 1.2 million, higher than at any time since the Italian miracle erupted in the mid-1950s.

To some extent, of course, the turnabout in the country's financial posture is a result of the industrial slump. Recession has made it easier for Moro to trim imports and so improve the balance of payments. It also has helped to moderate wage demands.

But the government's own tight credit policies—despite a billion lira pumped directly into the economy in February and March—are blamed by the Left and also some businessmen for prolonging the recession, especially for discouraging capital investment, which Italy clearly will need to restore prosperity.

MORE SUPPORT FOR REFUGEE RESETTLEMENT

Mr. PERCY. Mr. President, I recently received a letter from 48 nongovernmental organizations—labor groups, church groups, ethnic societies, and humanitarian organizations—which provides heartening evidence that America's traditional generosity toward refugees seeking a haven from foreign calamities remains strong and undiluted.

I would like to join these organizations, the members of the American Immigration and Citizenship Conference, in their call for upholding this humanitarian tradition. These organizations, and the Conference as a whole, deserve to be commended for their concern.

I ask unanimous consent that their letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

The undersigned member agencies of the American Immigration and Citizenship Conference welcome Congressional leadership in behalf of assistance to Indochinese refugees here and urge the exercise of utmost compassion to meet the critical needs of this victimized group. We applaud President Ford's appeal that the doors be opened generously. Our nation's record to date give ample evidence that refugees who sought asylum here have enriched this country. In offering resettlement opportunities, the United States government, working in cooperation with the private sector, is meeting a moral responsibility in keeping with our humanitarian tradition. We respectfully call on you to uphold this record.

Amalgamated Clothing Workers of America, AFL–CIO.
American Baptist Home Mission Societies.
American Civil Liberties Union.
American Committee on Italian Migration.
American Council for Emigres in the Professions.
American Council for Judaism Philanthropic Fund.
American Council for Nationalities Service.
American Federation of Jews from Central Europe.
American Federation of Musicians.
American Fund for Czechoslovak Refugees.
American Jewish Committee.
American Jewish Joint Distribution Committee.
Anti-Defamation League of B'nai B'rith.
B'nai B'rith.
Board of Global Ministries of the United Methodist Church.
Catholic Relief Services, United States Catholic Conference.
Christian Church (Disciples of Christ).
Church of the Brethren World Ministries Commission.
Church World Service, National Council of Churches of Christ.
Dominican-American Civic Association.
Ethnic Heritage Affairs Institute, Inc.
General Conference of Seventh-day Adventists.
Holt Adoption Program.
Immigration Council of Southern California.
Industrial Union Department AFL–CIO.
International Institute of Rhode Island.
International Rescue Committee.
International Union of Electrical, Radio and Machine Workers, AFL–CIO.
Japanese American Citizens League.
Jewish War Veterans of the U.S.A.
Jewish United Fund of Metropolitan Chicago.
Labor Zionist Alliance.
Lutheran Immigration and Refugee Service.
National Chinese Welfare Council.
National Conference of Catholic Charities.
National Council of Jewish Women.
National Council of La Raza.
National Jewish Community Relations Advisory Council.
New York Association for New Americans.
Order of AHEPA.
Polish American Immigration and Relief Committee.
Tolstoy Foundation.
Travelers Aid-International Social Service of America.
Travelers Aid Society of Metropolitan Chicago/Immigrants' Service League.
United HIAS Service.
United Presbyterian Church in the U.S.A., Resettlement Services.
United States Catholic Conference, Migration and Refugee Services.
United Steelworkers of America.

UMI

SRI LANKA REPUBLIC DAY

Mr. PERCY. Mr. President, the people of Sri Lanka celebrated the third anniversary of their new Constitution on May 22, 1975. The event is one of symbolic importance, because Sri Lanka offers the heartening example of a developing nation that has raised the living standards of its poorest citizens and maintained its democratic institutions.

Since Sri Lanka gained its independense in 1948, there have been several changes of government through elections. An economy based on the export of tea, rubber, and coconut products has gradually been broadened by the development of other food crops and extractive and manufacturing industries. As a result of their unique system of free education—from the primary level through university—the people of Sri Lanka enjoy a literacy rate of 85 percent. They have had universal adult suffrage since 1931. And the poorest 40 percent of the population are gaining the most from the general upward trend in living standards. Mrs. Sirimavo Bandaranaike, who heads the government, was the first woman Prime Minister in the history of the world.

In spite of the adverse effects of the energy crisis on Sri Lanka's terms of trade, the economy grew by 3.4 percent in real terms in 1974. The country's current economic aims include a crash program to achieve self-sufficiency in food, encouragement of foreign investment and tourism, and the expansion of industry.

Relations between Sri Lanka and the United States have traditionally been friendly. Last month, bilateral agreements were signed for the sale of 100,000 tons of U.S. wheat flour to Sri Lanka and to provide technical aid and chemical fertilizers for the agricultural sector. Trade between Sri Lanka and the United States amounted to $59 million in 1974. Indicative of the expanding cultural ties between our two countries is the recent agreement linking the University of Maryland and the University of Sri Lanka in a wide range of educational and scientific projects.

SENATOR ROBERT C. BYRD ADDRESSES ILLINOIS GENERAL ASSEMBLY

Mr. PERCY. Mr. President, last week our distinguished colleague from West Virginia, Senator ROBERT C. BYRD, addressed a joint session of the Illinois General Assembly in Springfield. I had the pleasure of being present, and found his remarks to be most meaningful and thought-provoking.

Senator BYRD made a number of points in his address that were confirmed in my talks with Illinois residents during my travels throughout the State last week. People are deeply concerned about the direction of public policy. They are looking closely at their governments at all levels to examine policies that range from the expenditure of their tax dollars at home to the nature of American commitments abroad.

As Senator BYRD mentioned in his address, a major concern of Americans today is the size of government. They are wondering, he said, if all the activities of government are necessary, and they are rebelling against government intrusion into their lives and overregulation by government. They are rebelling against the redtape that makes communication between individual citizens and government agencies frustrating and discouraging. I found this to be a consistent complaint among my constituents.

Senator BYRD characterized our unique responsibility as legislators when he described the role of legislative bodies in relation to other branches of government. We must draw our strength directly from the consent of the people, Senator BYRD said, because it is our job to forge the laws and regulations that govern society. We have a deep responsibility, therefore, to assure that our actions are truly in the best interests of the people.

These are particularly challenging times for all legislators, whether they serve in municipal, State, or Federal government. The American people are looking for leadership. We have suffered some setbacks as a Nation—both at home and abroad—but we are strong and resilient. It remains only for America's leaders in all branches of government to show that they are worthy of the public's trust.

In closing his address, Senator BYRD challenged his listeners to do their part to help build confidence and hope in America:

> I have not the slightest doubt that the heart and the spirit of the people are still basically strong. You and I, as leaders as well as their servants, have the duty to do all within our power to rekindle the faith of our people in their leaders and in their government.

Senator BYRD's address carries an important message for every Member of the Senate and House. I ask unanimous consent that the text of Senator BYRD's address to the Illinois General Assembly be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY U.S. SENATOR ROBERT C. BYRD

I count it a special privilege to have been invited to address the members of the Illinois Legislature, and I would like to talk with you this morning as one legislator to another. The problems we face are in many ways, similar. The criticism we receive is probably very much the same. And the rewards of public service—the satisfaction we feel when we have done a good job—cannot be different whether in Washington or in Springfield.

Government in the United States today—in Washington, in the state capitals, and in the courthouses and the city halls—is under closer examination from the citizenry than it has ever before been in the 28 years that I have served in public life. And today, as never before, I am aware that more people know more about legislative proposals and actions than at any previous time in my experience.

I think this is true for two main reasons: What you and I do today more clearly affects the lives of more people than it has ever done before; and the instant-replay character and capability of present-day news media flashes the story of our words and actions with incredible swiftness to our friends and foes alike.

It is probable that, when that towering son of Illinois, Abraham Lincoln, was shot in a theater in the Nation's Capital, some people here in our country's heartland may not have heard the tragic news until days after the event. Contrast that with the assassination of another American President in Dallas, when the American people saw almost the whole terrible drama unfold in their own living rooms through television.

Most political news is, fortunately, not so traumatic—but today it is omni-present. The microphone and the camera, the tape recorder and the notebook, are waiting just outside the Chamber or the committee room, and by nightfall the folks back home know exactly what their elected representatives have said, and even how they looked when they said it.

I do not think this is necessarily bad; in fact, it may be all to the good. But, whatever the individual legislators' evaluation of the news coverage to which he is subjected—or which he may seek—the fact is that it has added a whole new dimension to American politics.

It may be argued that today politics is being over-reported. One may think of the vast amounts of television time given to such events as the Senate's Watergate Committee hearing, or the hearings on the nomination of Nelson Rockefeller to be Vice President, in which I participated as a member of the Senate Committee on Rules. I think, however, that it should also be said that television looks to its ratings, and newspapers and magazines to their circulation, and that the coverage would not be given if the public interest were not there.

This means to politicians that they may be more on the *spot* than they think they are in the *limelight*. Public exposure is a two-edged thing that can cut us down as quickly as it can build us up.

The public interest in the Congress of the United States, in the Legislature of the State of Illinois, and in all of our other highly-visible arms of government, stems from the fact that government at all levels is increasingly involved in almost every aspect of a citizen's daily life. We have come a long way, indeed, from Thomas Jefferson's famous dictum that *that* government is best which governs least. Rather than any contention that government is over-reported, I think it can be more persuasively argued that government is over-expanded and over-grown.

We are beginning the celebration of the 200th anniversary of the American Revolution in which our nation gained its independence. Perhaps we also ought to take note in some way of the bureaucratic revolution of recent years in which so much of America's traditional and cherished personal and business independence has been surrendered to agencies of government.

Almost one out of every five Americans now works for federal, state, or local governments. There are 14.3 million federal, state, and local employees—18.2 percent of total U.S. payrolls.

Viewed from another angle, the cost of the federal government's activities alone, if continued at the present rate, by the year 2000 could eat up 60 percent of our gross national product.

I am old enough to remember when horse-drawn wagons were still fairly common. Think for a moment of *people* instead of *horses* pulling a wagon, and let us try to visualize the situation we have created. Put the productive people in the harness, and the non-productive in the wagon to ride.

Today, the number of Americans riding in the wagon—those who receive government benefits in one form or another—is greater than those who are pulling the wagon. There are now 72.5 million riding and 71.5 million pulling. Some of those riding, of course, get off part of the time to help with the job up front. But the full-time load is getting heavier and heavier.

In the years since America's Great Depression of the 1930's it has come to be accepted government philosophy and policy that the poor, the disabled, and other unfortunate members of our society should be taken care of by society as a whole. That compassionate approach, in my view, is right and proper. Society has an obligation, I think, to help those who cannot help themselves.

But many government programs now go far beyond that humanitarian concept, and we will eventually place in jeopardy government's ability to do the necessary things if we continue to respond affirmatively to the increasing pleas that we do what in the final analysis may well be unnecessary.

So long as business and industrial growth and productivity kept well ahead of government's growth, the federal government and the states could safely embrace new programs and enter upon new areas of activity. Even if some programs proved impractical in the long run, not too much damage was done. But when the situation is as it is now, when it is no longer practical to continue raising taxes again and again to pay for more and more costly programs, then danger lies ahead.

That is one of the reasons that the people are looking more closely at government than ever before. They are questioning the use of their tax dollars. They are wondering if all of the activities that government is now engaged in are really essential to their well-being.

They are rebelling against over-regulation in their lives, and the proliferation of paper work and red tape. They are cynical about corruption, and abuse of power, and arrogance in office.

These things trouble me in Washington, and I am sure they trouble you in Springfield. Our jobs are probably not too different in this regard. We are legislators in a very difficult period in history. We are being weighed in the scales of public opinion, and we must not be found wanting.

The actions of a few in recent years have given politics an ugly image in much of public mind. It is more difficult now than ever before to get good men and women to stand for public office. All too many of our citizens are distrustful of politics and politicians. Each year, more and more citizens drop their political party affiliations to register as independents—if, indeed, they register at all. We should not forget that only 38 percent of the Americans eligible to vote bothered to go to the polls in 1974.

Politics is one of the most hazardous of all professions. Yet, there is probably no other profession in which a man can hope to be of more service to his fellowmen. It is a profession in which one can perhaps most easily lose his own reputation and even his own soul. It is a profession in which complete candor is perhaps the most difficult, if not impossible. It is a profession in which one must suffer the arrows of criticism—and often abuse—and the stones of misunderstanding. But courage and sacrifice, self-discipline and forbearance are the inseparable companions of honor. With all of the criticisms and disappointments and dangers and trials that beset it, politics is still one of the noblest professions that any man or woman can choose. And we who are politicians should keep this thought ever before us.

You and I bear a substantial and serious responsibility as politicians and as public servants with a high profile. The legislative process, whether it be here or in Washington, is ever in the public eye, as it should be. We have an opportunity to contribute in a unique way to a restoration of confidence in government through legislative restraint as well as legislative largesse.

Democratic self-government's most vital aspect is to be found in its legislative bodies. Other branches must carry out and interpret the laws and regulations that we make to govern society. We must draw our strength directly from the consent of the governed—the people.

I have not the slightest doubt that the heart and the spirit of the people are still basically strong. You and I, as their leaders as well as their servants, have the duty to do all within our power to rekindle the faith of our people in their leaders and in their governments.

Let those of us who are here today concerned with the dark and despairing problems of our times, be found always doing our duty.

PRESIDENT'S VETO OF THE EMERGENCY EMPLOYMENT APPROPRIATIONS ACT

Mr. WILLIAMS. Mr. President, I am deeply disturbed and disappointed by the failure of the House of Representatives to override the President's veto of H.R. 4481, the Emergency Employment Appropriations Act of 1975. That veto, Mr. President, is a cold and calculated move by the administration to impose its artificial ceiling on the Federal budget, notwithstanding the Nation's needs. Obviously, the administraiton intends to bludgeon the Congress into accepting its view of proper fiscal management, which it considers sacrosanct.

I, for one, Mr. President, do not intend to succumb to these strong-arm tactics. With such a vital issue at stake as this Nation's economic and social future, we must not allow ourselves to be misled into accepting the monetary rhetoric which has been characteristic of this administration. With the worst economic decline since the 1930's upon us, I can not allow my decisions about what is the best economic policy for the Nation to be guided by the fiscal gamesmanship of the administration.

I am hopeful, however, that we will not allow this veto to slow our need to move quickly in enacting legislation to bring us out of this recession and restore the country to full employment. In the same vein, I would hope the Appropriations Committee will reinstate these vital funds as quickly as possible.

I have a great deal of respect for the President's prerogatives in the administration of this country's policies. But I know that I speak for the welfare of the American people in this matter, and I am thankful that our constitutional system of government has provided for a means for solving differences between the executive and the legislative branches of the Government in an orderly and peaceful fashion. Were it not so, Mr. President, I would certainly fear for the future of our society. No society can long endure where the Government allows an economy to free-fall out of control and then refuses to provide the means for stimulating recovery.

I am reminded of an ancient proverb which states that "necessity speaks louder than the Gods themselves," and it certainly follows from that, that in this instance, necessity certainly speaks louder than the President.

H.R. 4481 was not born out of caprice or partistanship but the result of a deep and profound concern in the Congress for the millions of people who are presently without work because of the economic crisis which grips this Nation. And contrary to the vaguely optimistic projections af the administration's economic spokesmen, and the President himself, I do not see a quick or significant improvement in our current crisis. Even the administration's spokesmen admit that amid all of these purported signs of an economic recovery, unemployment has not yet reached the bottom. Now, I do not claim to be an economist, Mr. President. However, it does not require an economist to see that an economy which is supposedly on the road to recovery in my own Stae of New Jerment continues to rise, is not logical. I would suggest that the evidence of the "recovery" in my own State of New Jersey, where unemployment is 11.6 percent and expected to go higher, is sorely lacking.

New Jersey is not unique in its plight. There are very few locations in the country where unemployment is not exacting a heavy toll in lost wages, lost production, and individual human suffering. H.R. 4481 is designed to quickly alleviate some of the more egregious problems, and to provide the funds needed for a variety of Federal programs designed to assist local areas to meet the burden of rampant unemployment.

The funds contained in H.R. 4481 would have created an estimated 1 million jobs, either directly through new programs it would establish or through the maintenance of other existing programs and as a result of the economic stimulus which will result from these programs.

The key element here, Mr. President, is that H.R. 4481 contained funds designed directly for job-creating programs. For example, these funds would have been used for labor-intensive projects under the job opportunities program within the jurisdiction of the Department of Commerce. This would have resulted in the maintenance of approximately 50,000 jobs. Funds would have gone to the Small Business Administration to provide loans to stimulate another 188,000 jobs. Funds were also allocated to the Public Works and Economic Development Act which would have resulted in an additional 40,000 to 50,000 jobs. Money would have also been allocated under CETA to provide for 330,000 jobs. And the list goes on, Mr. President.

In addition to these jobs created primarily for adults, money was also appropriated to create 920,000 summer jobs for youth and about 250,000 part-time jobs for students attending college.

The beneficial effect of these 1 million jobs would have been immediately felt in the economy and would have reduced by approximately one-ninth the current unemployment rolls. H.R. 4481 was not, of course, designed to provide the full stimulus needed to achieve recovery, but would have eased the current burden to begin rebuilding confidence in the Government's ability to control the economy.

The President's successful veto of H.R. 4481 poses another significant factor which is bound to have an impact on our work this year. H.R. 4481 was neither designed as, nor was it intended to be, the sum total of the congressional response to the current economic crisis and unemployment problem. It was, however, the first step to establish a comprehensive economic and employment assistance program designed to stop the current recession and return the Nation to a

UMI

healthy economy and full employment. These efforts will involve legislation on public service jobs, public works, unemployment insurance reform, and other needed programs.

The House of Representatives has already passed a major counter-cyclical emergency public works measure designed to stimulate the economy through a major expansion of needed construction programs. The Senate Committee on Labor and Public Welfare, of which I am fortunate to serve as chairman, is currently completing its consideration of emergency counter-cyclical manpower programs to establish an expanded public service jobs program.

These efforts began in December with our adoption of an emergency public service jobs program under the jurisdiction of the Comprehensive Employment and Training Act—CETA. This first effort was designed to establish approximately 330,000 public service jobs to alleviate the rapidly rising unemployment.

Only part of this program has been effected because the administration did not request funding for the full program. The remainder of the funds to complete the hiring under this provision were part of H.R. 4481.

The Labor Committee is continuing to pursue this concept toward the adoption of more significant initiatives in this regard. We are currently reviewing proposals to create a greatly expanded public service jobs program which would provide jobs for more than 1 million unemployed workers. I expect that these proposals, which have received the strong endorsement of the labor movement, economists, and State and local governments, will provide another key component to congressional action on reducing unemployment and rebuilding the economy.

In the same vein, in cooperation with the Finance Committee, we will shortly report a bill to extend the emergency unemployment benefits program to provide assistance during this time of prolonged and intolerably high unemployment.

All of these programs are essential. And all of these programs will cost money. If the President's veto of this measure is any indication of his intention on these other legislative proposals designed to correct current economic disfunctions, we certainly have many long battles in front of us during this summer and we must stand ready to insist upon our programs.

H.R. 4481 was neither flamboyant nor extravagant. It contained Federal programs designed to put people back to work which is our most important and immediate goal.

On April 25, when I first addressed the Senate in support of H.R. 4481, I outlined the vital nature of many of its provisions. The Appropriations Committee, under its able Chairman (Mr. McCLELLAN) presented us, at that time, with a thorough and carefully developed emergency funding program for these areas. We adopted that measure by a vote of 53 to 14, and on May 16, adopted the conference report on this measure by a voice vote strongly endorsing the need for these programs.

H.R. 4481 contained $375 million for the job opportunities program. This amount, together with the $125 million already appropriated, would have provided a total of $500 million to accelerate needed public works programs whose purpose is to provide for immediate short-term employment opportunities while at the same time constructing facilities of lasting value to the community.

These funds can be quickly put to good use. The Secretary of Commerce has on hand 18,000 public works proposals from 43 Federal agencies. The funds allocated under H.R. 4481 would have provided funding for about 15 percent of the highest priority projects. Funds would have been allocated on a priority basis taking into account the labor-intensiveness of the projects, how quickly they can be initiated, and whether they can be completed within 12 months. These projects would have provided approximately 50,000 jobs immediately.

H.R. 4481 also contained funds for general economic development assistance under the Public Works and Economic Development Act. The funds for these projects would result in the construction of numerous needed public works projects designed to stimulate local economies through construction of such projects as industrial parks, sewer and water improvements, and harbor facility improvements.

The importance of these funds, as well as those funds allocated to the job opportunities program, is to not only provide for large numbers of jobs, but also to stimulate the construction industry. This industry, Mr. President, has been particularly hard-hit during this recession and is experiencing an unemployment rate between 20 to 25 percent in most localities. I know that in my own State of New Jersey, there are more than 30,000 construction workers out of work, representing an unemployment rate of 24.4 percent. The money provided by H.R. 4481 would have put many of these persons back to work. It also would have created a large number of follow-on jobs, thereby establishing a broad base for economic recovery. If our experience of the past in the public works area is determinative, every two construction jobs in public works projects result in five additional support and supply jobs. The significance of these provisions in H.R. 4481 should have, therefore, been very apparent to all.

One of the most important parts of the bill was the $502.3 million provided for an estimated 920,000 job opportunities for needy youth this summer. The importance of these funds was further underscored, Mr. President, by the fact that they were designed to be a direct form of emergency assistance not requiring the usual provision of matching funds from the localities receiving the aid. The availability of this summer youth money is absolutely critical. I am sure that I need not emphasize strongly enough the critical nature of unemployment among this Nation's youth. The unemployment rate for youth is running double and triple that of adult workers, and in the inner cities it is over 50 percent. In two recent New York Times articles, it was graphically pointed out that many of these youth have simply given up trying to find work and have permanently dropped out of the work force. Unless we can provide our young people with some hope for employment soon, we are creating, in effect, a generation of Americans who have never had an opportunity to work at a steady job, and whose future as self-supporting and productive citizens has been severely affected.

H.R. 4481 also contained $119 million in additional funds for the college work-study program. The importance of these programs cannot be emphasized strongly enough. During these economically troubled times, it is increasingly difficult for talented young people to attend institutions of higher learning because of the financial hardship confronting them or their families. Colleges themselves are in desperate need of funds and enrollments have slipped. It makes eminently good sense to me that this program should receive additional funding at this crucial time so that we do not allow our economic woes to jeopardize the educational attainment and development of this country's future leaders.

Another major provision of H.R. 4481 was the appropriation of $1.625 billion for emergency public service jobs. As I have already noted, this appropriation is a part of the amount which we authorized in December under the Emergency Employment Assistance Act of 1974. Although we authorized $2.5 billion to fund these jobs, the administration's initial budget for this program only asked for $875 million.

The amount contained in H.R. 4481 is designed to bring the emergency public service jobs program up to that level which we considered necessary last December, pursuant to a recommendation from the Labor and Public Welfare Committee. Conditions since that time have gotten worse, Mr. President, and these funds are already long overdue.

Given the essential nature of all these programs, I have carefully reviewed the President's veto message on H.R. 4481. I feel that the President did not give us valid reasons why he refused to accept the bill. In my opinion, the President appears not to have carefully examined the substantive provisions of the legislation and based his veto strictly upon the fact that it would authorize Federal spending in excess of his budget ceiling. This kind of an approach, Mr. President, is neither responsive to this country's needs during this time of crisis nor does it reflect the kind of flexibility and careful evaluation which will be needed to pull us out of the current recession.

The President has stated categorically that he will veto all spending legislation that exceeds the $60 billion Federal deficit ceiling which he announced as the absolute outside limit. Not only do I not agree with that approach as a means for testing the validity of pending legislation, but I also do not agree that the $60 billion deficit ceiling is either immutable or inflexible. I fully appreciate that $60 billion is neither a low ceiling nor an unreasonable one. However, given the problems of the economy, I also can not assume that it is the final word on where we must draw the line.

The Congress has already indicated that it does not accept the $60 billion ceiling as absolute. Pursuant to the Congressional Budget Act in Senate Concurrent Resolution 32, the Senate Budget Committee last month recommended outlays of $365 billion for fiscal year 1976, which would involve a budget deficit of $67.2 billion. We adopted this resolution on May 1, 1975. Subsequently, on May 14, 1975, we approved the conference report on House Concurrent Resolution 218, the first concurrent resolution on the Federal budget. This resolution authorizes outlays of $367 billion for fiscal year 1976 and anticipates a budget deficit of $68.8 billion.

While I supported the adoption of both Senate Concurrent Resolution 32, and the conference report on House Concurrent Resolution 218, my personal view, Mr. President, is that given the severity of the economic crisis, the amounts provided for in these budget resolutions may not be enough. Accordingly, at that time, I joined my colleagues, Senator MONDALE, and Senators HUMPHREY, JAVITS, and SCHWEIKER to attempt to add another $9 billion in emergency funds to the fiscal year 1976 budget to provide what I feel is the needed funding for economic recovery. While we were unsuccessful in this effort at that time, the need for these funds is still with us and we may have to reexamine this question again later this year.

In the short term, it may be necessary to allow the Federal deficit to rise over $70 billion in order to provide the needed stimulus to get the economy moving. If this becomes necessary, we must respond to this need, notwithstanding the administration's position to the contrary.

In his veto message, and in public statements on the subject, the President has stated that any expenditures in excess of the $60 billion would dramatically increase Federal borrowing in private financial markets. This increased Federal borrowing would then in turn place such a heavy demand on capital that it could deprive business firms of funds needed for modernization and expansion. This is the view reflected also in the narrow and restrictive monetary policy espoused by the administration's leading economic spokesmen like Federal Reserve Board Chairman Arthur Burns and the chairman of the Council of Economic Advisors, Alan Greenspan. These are the men advising the President and he has apparently accepted their advice.

Their word is not gospel, however. Many of the Nation's leading economists do not agree that the private money market will be disastrously affected by Federal deficit spending above the $60 billion figure proposed by the President.

In a recent survey of these leading economists by my esteemed colleague, Senator HUBERT HUMPHREY, chairman of the Joint Economic Committee, 20 out of 28 agreed that the private credit markets could handle Federal borrowing of $75 billion in fiscal year 1976 without seriously interfering with private credit demands. Of the remaining eight, three were uncertain of the possible effect and five felt that there could be an adverse effect. It is significant to note that of the five who dissented, they did so not on the basis that the credit market could not handle the level of borrowing, but rather, because of the fears of the economy that such a deficit would generate.

The economists who agreed with the viability of the $75 billion Federal deficit included some of the best economic thinkers in the Nation today—men such as Walter Heller, Otto Eckstein, and Allen H. Meltzer.

Similarly, in a statement before the Joint Economic Committee in April of this year, Mr. Andrew Brimmer, formerly a member of the Federal Reserve Board and currently on the faculty of the Harvard Graduate School of Business Administration, stated unequivocally that Federal borrowing of $75 billion would not adversely affect the private credit market. He noted that many of the decisions leading to the establishment of a $60 billion deficit ceiling were based upon the assumption that there would continue the strong demand for capital in the private sector experienced during the last few years.

This assumption is proving to be incorrect. Private demands for capital are quickly tapering off as business retrenches from its free-wheeling spending programs of the last few years. Business demand on capital markets may only amount to $72 billion this year, down $27 billion from the 1973 level. Similarly, the net increase in business loans for 1975 may come to only $12 billion this year compared to $34 billion in 1974. This represents a lessening of $22 billion in demand as business continues to work off inventories and adjust to more carefully controlled production levels.

These factors, Mr. President, mitigate against using the $60 billion deficit as the measure of the validity of Federal program outlays. We must, of course, maintain perspective and not exceed our limitations. On the other hand, the needs of the country must be measured in terms of human needs and not only their fiscal impact. Reducing unemployment, restoring consumer confidence, and returning money to the economy through increased spending and stronger demand will do more to stabilize and improve the economy than any artificial limit on the Federal budget.

Right now, the need for controlled, large-scale Federal spending is essential. Private stimulus is nonexistent. Production is down, and unemployment continues to rise and is expected to hover at close to 9 percent throughout the rest of this year. Until we can break the back of the unemployment problem, no amount of fiscal restraint will rejuvenate the economy. The major emphasis of the Federal Government's spending program should, therefore, be to provide the needed stimulus in labor-intensive areas, particularly where the ripple effect of such programs will result in increased employment in associated businesses.

The programs contained in H.R. 4481 were of such a nature. They were the first step in a series of efforts emanating from the Congress to establish meaningful programs to put people back to work, the ultimate cure for an economic slump. The President's veto of this measure does not adequately measure the effects of this stimulus and merely recites an inflexible administration stand on fiscal predetermination.

Mr. President, we cannot afford to allow these programs to die. The Congress has the ultimate responsibility to the people, and we report to them. The $60 billion deficit ceiling is "pie-in-the-sky" for the unemployed. Their need is jobs, and jobs is what we have to give them.

H.R. 4481 is now dead and we cannot dwell on past losses. But the programs it contained are still needed. The jobs these programs would have provided are still needed. And the persons who would have benefitted from the jobs are still without work and continue to look to the Congress for help. I would, therefore, urge again that we must provide the money which would have been available under H.R. 4481 and that a new bill to this effect must be readied immediately.

THE NUCLEAR POWER RACE

Mr. GLENN. Mr. President, I ask unanimous consent to have printed in the RECORD a column which appeared in the New York Times this morning by James Reston entitled "The Nuclear Power Race."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NUCLEAR POWER RACE

(By James Reston)

WASHINGTON, June 3.—The Ford Administration is disturbed by West Germany's decision to sell nuclear power reactors to Brazil and is pressing both sides to amend their agreement; but competition in the world nuclear power field is increasing, and the Administration is divided on how to deal with it.

The United States is still by far the largest exporter of nuclear power technology in the world and Westinghouse Electric built the first two nuclear facilities in Brazil, Angra-1, and Furnas; but West Germany, France and Canada are now challenging the American lead, and Japan and the Soviet Union are entering the field.

The division within the U.S. Government is over the terms of sale of nuclear reactors. The Arms Control and Disarmament Agency is alarmed by the spread of reactors that can be used to produce not only electric power but nuclear explosions.

Accordingly, it is insisting on more rigid controls and safeguards than some other countries, and the United States is beginning to lose contracts in the process. Washington, for example, approved a Westinghouse bid on the Brazil deal, but insisted on putting conditions on the contract which Brazil regarded as an infringement of its sovereign rights. As a result, the contract went to West Germany.

Other officials here, in State and other departments, argue that the Administration's strict policies are self-defeating, that they do not halt the spread of nuclear reactors but merely divert the business to other countries and actually lead to looser rather than firmer safeguards.

For example, the Soviet Union has just made a massive arms deal and nuclear reactor contract with Libya. Gulf General was negotiating with Libya for a nuclear powerplant, but was forbidden by the U.S. Government to complete the deal.

Those who are arguing at State for a more "realistic" policy believe that the U.S. is losing out to France in competition for nuclear reactors in Iran, and even suggest that a less cooperative U.S. attitude toward India is forcing her to rely more on the Soviet Union for nuclear technology.

The spread of nuclear technology to Latin America has merely heightened the anxiety of officials here and touched off an emotional debate in the Senate. Senator John O. Pastore, Democrat of Rhode Island, for example, urged President Ford to persuade West Germany to postpone the nuclear deal with Brazil until it could be discussed "at the highest level of international diplomacy."

The trouble is that the United States has been trying to get stricter international controls and safeguards over the shipment of nuclear fuel and reactors, without success, and the trade in this field mounts every year no matter what the U.S. does about it.

Brazil, for example, is rich in uranium but poor in coal and oil. It has a great deal of hydro-electric power far from its centers of population and is determined to develop nuclear power close to its cities.

It has not signed the nuclear nonproliferation treaty, and is at that stage of development of its vast country that it is more interested in the power than the U.S. strictures on political and technical safeguards.

So Washington has a dilemma. It understands Brazil's desire to develop nuclear technology but fears that Argentina and Venezuela and Bolivia, both now rich in oil, will want to follow Brazil's policy regardless of whether the nations can agree on international safeguards.

This same problem exists elsewhere in the world. Among the other countries that have shown increasing interest in nuclear power are Pakistan, following India's example, Indonesia, Taiwan, South Korea, Egypt, Saudi Arabia and, of course, Iran and Israel.

Some officials here believe the Administration is damaging the development of its own nuclear power and even weakening the chances of getting a reliable international nuclear treaty by spreading unreasonable fears of nuclear accidents and pollution.

There are now 55 nuclear power plants in operation in the United States, and 101 under construction, but fears of contamination from these plants are slowing the financing and construction of the nuclear power the Government says it needs to make the nation self-sufficient in energy.

What is hampering the U.S. policy in this field, both at home and abroad, is that the issues have not been resolved at the top of this Government, let alone in the international field.

As in the case of negotiating price deals in essential raw materials, one agency has one view of the problem and others quite different views, and in the absence of agreement, each country is going off on its own, buying wherever it can get the best short-term deal with the least restrictions.

This is only one of many fundamental domestic and foreign policies President Ford has not had time to resolve, but in the long run it could be more important to the peace, safety and development of the world than most issues lately in the headlines.

Mr. GLENN. Mr. President, the article perceptively analyzes the problem of nuclear weapons proliferation which may result from increased export of nuclear power producing technology around the world. Most significantly, it concludes with the observation that fundamental questions are involved which could in the long run be "more important, to the peace, safety, and development of the world than most issues lately in the headlines." It is quite fortunate that Mr. Reston has recognized this and has chosen to bring to the issue some of the attention it deserves.

It is also fortunate that the chairman of the Joint Committee on Atomic Energy, Senator PASTORE, and the chairman of the Senate Committee on Government Operations, Senator RIBICOFF, along with other distinguished Senators, including Senator SYMINGTON and Senator PERCY have focused their own personal concern on this truly awesome problem. Yesterday both of these distinguished chairmen called to the attention of this body the most worrisome recent developments in the spread of nuclear weapons potential. Chairman RIBICOFF revealed that nuclear machinery with a potential for weapons production is being exported by France to Pakistan, Taiwan, South Korea, and Argentina. Chairman PASTORE's remarks concentrated on the news media accounts of West Germany's exports to Brazil of large reactors, a fuel reprocessing plant and a uranium enrichment plant. It is my sincere hope that the combined force of their warnings will be felt not only by the American public but by all of those interested in peace throughout the world.

As the problem takes on new dimensions, it seems to me that we must recognize that the situation demands new approaches. The central problem with our traditional approach has been that the obligation for exporters of nuclear technology to impose, and for importers of such technology to adhere to, safeguards to protect against use of nuclear fuel for weapons purposes generally stems from the Nuclear Nonproliferation Treaty—the NPT. The number of nations which have signed the treaty is limited, and many of the exporters and importers of nuclear technology which we have been reading about recently are not signatories. Moreover those nations which are members may withdraw from the treaty on 3 months' notice whenever they consider it in their interest to do so. Finally, the safeguards associated with NPT membership, that is, safeguards imposed and monitored by the International Atomic Energy Agency, are inadequate to prevent diversion of nuclear materials for weapons purposes and to maintain physical security against terrorism.

It is of the utmost importance I believe that the Congress and the executive branch devote all possible effort to devising alternative approaches which would not be subject to these defects. Whatever we can develop along these lines certainly ought to include some of the following elements: First of all we must develop additional restrictions on "vertical proliferation," that is, an enhanced nuclear capability by the present "nuclear-have" nations. It is clear that the "have-not" nations are increasingly looking at limitations on United States and Russian atomic weaponry as a precondition for strict limitations on their own activities. Perhaps a start in the direction of complying with their demands might come from a basic alteration in the formula of the Vladivostok agreements. It seems to me it is long past time that we changed that formula to expand it from ICBM limitations to deliverable warhead limitations.

The Vladivostok agreement in my view does not significantly reduce the atomic threat to the world but merely invites technological developments to increase the number of atomic warheads that can be placed on each deployed booster. Changing the formula to provide more meaningful restrictions would certainly receive considerable support from the nonnuclear nations and no doubt would lessen the aversion of some of them to membership in the NPT.

Second, I strongly believe we need additional incentives for nations to join and remain in the NPT and to upgrade the safeguards they will accept with respect to nuclear power technology. One of the most deficient features of our existing control efforts is that they are based on prohibitions alone and fail to provide for adequate inducements to submit to such prohibitions. I can not help but think that we would be more successful if we provided for some form of "carrot approach" which would give nations an incentive to join the NPT and to accept stricter safeguards associated with NPT membership. For example, we know that new technologies to reprocess plutonium and enrich uranium will be developed in the future. If the IAEA were made a repository of such new technological information and membership in the NPT were required to obtain such information, a stronger case would exist for becoming a signatory. Additionally, nuclear powers might agree to subsidize internationalized R. & D. under the auspices of the IAEA and to make the fruits of that R. & D. available only to NPT nations. Other incentives might be found in the areas of "negative assurances" to member nations or in the providing of enrichment or reprocessing services for those needing them.

Finally, as we search for new initiatives in this area, we should think in terms of increased financial support to the International Atomic Energy Agency. Presently, the IAEA is grossly understaffed and underfunded. It has only about 50 safeguards inspectors to cover the nearly 40 nations that have research and power reactors subject to IAEA safeguards. Its total budget comes to only $30 million of which a mere $5 million goes to safeguards and inspection responsibilities. Yet U.S. contributions to the Agency have been minimal considering our multibillion dollar commitment to developing the commercial nuclear power industry. The Arms Control and Disarmament Agency has spent only $4 million since 1968 to help develop Agency safeguards. ERDA has spent only $300,000 in the current fiscal year and plans to spend no more than that in fiscal year 1976. As our appreciation of the dangers involved in this area grows, it is my sincere hope that our financial support for control measures will grow correspondingly.

These suggestions are not meant to be exhaustive but are intended to provoke the thought processes of my distinguished colleagues and others both in and out of government concerned with this problem. Nuclear hardware and technology is now available from so many sources that we must move quickly to establish meaningful control. To do otherwise and accept the obvious inadequacies of our present control system would be simply to lull ourselves and the rest of the world into a false sense of security. The dangers involved demand that we do more.

JOINT RESOLUTION OF THE MAINE LEGISLATURE IN SUPPORT OF H.R. 1753 AND H.R. 5035

Mr. MUSKIE. Mr. President, the Maine Legislature recently adopted a joint resolution in support of two bills concerning the transmittal to the States of Decennial Census data. On behalf of Senator HATHAWAY and myself, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION IN SUPPORT OF H.R. 1753 AND H.R. 5035 NOW PENDING IN THE UNITED STATES CONGRESS

We, your Memorialists, the House of Representatives and Senate of the State of Maine of the One Hundred and Seventh Legislative Session, now assembled, most respectfully present and petition the Congress of the United States as follows:

Whereas, there are presently before the Congress two bills, H.R. 1753 and H.R. 5035, concerning the transmittal to the states of Decennial Census data which is highly desirable for use for state and local legislative apportionment and for state districting; and

Whereas, it is vital for legislatures and other bodies to have access to prompt and usable census data if they are to accurately accomplish necessary legislative apportionment and state districting; and

Whereas, passage of H.R. 1753 and H.R. 5035 would materially aid in prompt state access to usable Decennial Census data; now, therefore, be it

Resolved: that We, your Memorialists, do hereby respectfully request and urge that the United States Congress this year enact into law legislation, substantially the same as H.R. 1753 and H.R. 5035, to aid in the transmittal of federal census data to the states; and be it further

Resolved: that a copy of this Resolution, duly authenticated by the Secretary of State, be transmitted by the Secretary of State to the Speaker of the House of Representatives and to the President of the Senate of the United States Congress and to each member of the Maine Congressional Delegation.

JOINT RESOLUTION OF THE MAINE LEGISLATURE

Mr. MUSKIE. Mr. President, the 107th Maine Legislature recently adopted a joint resolution memorializing Congress to prevent selective taxes from being imposed as a means of cutting the use of petroleum-based fuels. On behalf of Senator HATHAWAY and myself, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO PREVENT SELECTIVE TAXES FROM BEING IMPOSED AS A MEANS TO REDUCE CONSUMPTION OF PETROLEUM BASED FUELS

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session, now assembled, most respectfully present and petition the Congress of the United States, as follows:

Whereas, the citizens of Maine acknowledge there is a limited amount of petroleum based fuel left in the world; and

Whereas, the citizens of this State have been and are continuing to reduce their consumption of petroleum based fuels; and

Whereas, the imposition of a selective excise tax on noncommercial motorboat motors, snowmobiles and noncommercial aircraft as set forth in Section 323 of House Bill 5005, now before the United States Congress, will cause an undue hardship on said citizens of this State by causing certain selected citizens to pay an extra 20% in order to enjoy their sport; and

Whereas, this tax will cause an undue hardship on the State Government and the citizens of this State by depriving the State of revenue; now, therefore, be it

Resolved: That We, your Memorialists, do hereby respectfully request and urge the Congress of the United States to do all in its power to not impose selective taxes as proposed in House Bill 5005; and be it further

Resolved: That the Federal Congress be directed to actively seek alternate sources of fuel and that any program involving the use of petroleum based energy be established on a fair and equal basis; and be it further

Resolved: That a suitable copy of this Memorial, duly authenticated by the Secretary of State, be transmitted forthwith by the Secretary of State to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States and to each member of the Maine Congressional Delegation.

MAINE LEGISLATURE COMMENDS PRESIDENT FORD FOR HIS HANDLING IN SECURING THE RELEASE OF THE "MAYAGUEZ"

Mr. MUSKIE. Mr. President, the Maine Legislature recently passed a joint resolution commending President Ford for his actions in securing the release of the *Mayaguez* and her crew from the Cambodians. I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION TO COMMEND THE PRESIDENT OF THE UNITED STATES ON HIS VIGOROUS ACTIONS TO SECURE THE RELEASE OF THE "MAYAGUEZ" AND HER CREW FROM THE CAMBODIANS

Whereas, on Monday, May 12, 1975, a Cambodian gunboat fired at and seized the unarmed United States Merchant Ship *Mayaguez* some sixty miles off the coast of Cambodia; and

Whereas, reflecting the mood of the nation, President Ford demanded the ship and its crew be freed, a demand which was backed by a show of force indicating that the United States would not accept harassment of ships on international sea lanes; and

Whereas, on the third day following this act of piracy and the vigorous diplomatic and military response of the United States, the vessel and crew members were successfully rescued from the Cambodians; now, therefore, be it

Resolved: That We, the Members of the Senate and House of Representatives of the One Hundred and Seventh Legislature of the State of Maine, now assembled, take this opportunity to commend the efforts of the Honorable Gerald R. Ford, President of the United States and those in the service of our Federal Government who have successfully secured the safe return of the *Mayaguez* and her crew and hopefully demonstrated to the world that the United States will vigorously resist piracy of our ships on international sea lanes; and be it further

Resolved: That a copy of this resolution duly authenticated by the Secretary of State be transmitted forthwith by the Secretary of State to the President of the United States and to the Senators and Representatives in Congress from the State of Maine.

JOINT RESOLUTION OF THE MAINE LEGISLATURE SEEKING CHANGES IN REGULATIONS FOR TITLE XX, SOCIAL SERVICES ACT OF 1974

Mr. MUSKIE. Mr. President, the 107th Maine Legislature recently adopted a joint resolution seeking congressional action to change the proposed Federal regulations for title XX, of the Social Services Act Amendments of 1974. On behalf of myself and Senator HATHAWAY, I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO CHANGE THE PROPOSED FEDERAL REGULATIONS FOR TITLE XX, THE SOCIAL SERVICES ACT OF 1974

We, your Memorialists, the House of Representatives and the Senate of the State of Maine of the One Hundred and Seventh Legislative Session assembled, most respectfully present and petition the Congress of the United States, as follows:

Whereas, the United States Congress has passed the Social Services Act of 1974 and federal regulations have now been issued for Title XX of this Act; and

Whereas, Title XX affects many social services within this State; and

Whereas, the Human Service Council of Maine and the Maine Committee on Aging have reviewed the proposed regulations for Title XX; and

Whereas, many of these regulations have been found to be overly restrictive and overly bureaucratic and will increase the cost of administering these programs; and

Whereas, these regulations tends to override the intent of Congress in passing this Act, will contribute to a slowdown in the delivery of needed human services and furthermore, and run counter to efforts to simplify federal-state programs; now, therefore, be it

Resolved: That we, your Memorialists, do petition the Congress of the United States to prevail upon the United States Department of Health, Education and Welfare to revise and simplify the complicated regulations of Title XX that will prevent proper service to Maine's elderly and poor; and be it further

Resolved: That a copy of this resolution, duly authenticated by the Secretary of State, be transmitted by the Secretary of State to the Speaker of the House and to the President of the Senate of the Congress of the United States, to each Member of the Maine Congressional Delegation and to the Secretary of the Department of Health, Education and Welfare of the United States.

JOINT RESOLUTION OF THE MAINE LEGISLATURE CONCERNING AID TO VIETNAMESE REFUGEES

Mr. MUSKIE. Mr. President, the 107th Maine Legislature recently adopted a joint resolution memorializing Congress to provide sufficient financial aid to Vietnamese refugees, and offering the State of Maine's assistance in the resettlement effort. On behalf of Senator HATHAWAY and myself, I ask unanimous consent that this Joint Resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

UMI

JOINT RESOLUTION MEMORIALIZING THE PRESIDENT AND CONGRESS OF THE UNITED STATES TO AID AND ASSIST VIETNAMESE REFUGEES

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session assembled, most respectfully present and petition the President and Congress of the United States as follows:

Whereas, the Governor of this State, with whom We, your Memorialists concur, has offered to do all within the capacity of this State to assist in the resettlement of Vietnamese refugees; and

Whereas, it is in the best, most noble and strongest tradition of the American people to provide succor and shelter to those who, for whatever reason, are forced to flee their homeland; now, therefore, be it

Resolved: That We, your Memorialists, respectfully request that the United States Government live up to its most noble traditions by providing sufficient financial aid to resettle Vietnamese refugees in peace and dignity; and be it further

Resolved: That We, your Memorialists, request guidance as to how the State of Maine can best support the efforts of the United States Government in resettling Vietnamese refugees, knowing that our citizens will offer their time, their homes and other means, to assist these refugees in their time of need; and be it further

Resolved: That suitable copies of this resolution be prepared and transmitted forthwith by the Secretary of State to the Honorable Gerald R. Ford, President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the United States Congress and to each member of the Maine Congressional Delegation and to such organizations in this State as may be assembled to aid and assist in the resettlement of Vietnamese refugees.

TRIBUTE TO AMBASSADOR KENNETH KEATING

Mr. MUSKIE. Mr. President, America lost a dedicated public servant with the death of our former colleague, Kenneth Keating.

We both entered the Senate in the class of 1958, and in the 6 years we served together in this body, I grew to enjoy and appreciate his grace, his charm, and his humanity, as well as his style of speaking.

As a successful attorney in his native New York, Ken appropriately drew an assignment on the House Judiciary Committee, and in his last term was ranking Republican on the committee. In six terms in the House, he developed a reputation as a champion of civil rights and as an expert on immigration policy and a variety of other legislative areas, and this reputation grew in his 6 years in the Senate, both among his colleagues and the public at large.

Following his years in Congress, he continued to serve the people of New York as a member of that State's highest court. While nearing retirement from the bench, he was asked again to serve his country—first as Ambassador to India, and then as Ambassador to Israel.

As always, his personal style, his grace, and his friendly manner won countless friends for him and for his country.

He was a man of untiring enthusiasm, a man of vigor, and an active supporter of many causes and organizations. He served his country well, and wherever he served, he was well liked. He left many, many friends behind.

My wife Jane joins me in offering our sympathies to his widow and his daughter.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of S. 920, which the clerk will state.

The second assistant legislative clerk read as follows:

A bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

Mr. MANSFIELD. Mr. President, is there an amendment pending at this time?

The PRESIDING OFFICER. Only the committee amendment in the nature of a substitute.

Mr. MANSFIELD. The so-called ceiling amendment, then, on which there is a 2-hour limitation with a vote to occur not later than 12:30 p.m., is at present not pending?

The PRESIDING OFFICER. It has not yet been laid before the Senate.

Mr. MANSFIELD. Under the agreement, was not that amendment supposed to be the pending business at this time?

The PRESIDING OFFICER. There was a unanimous consent agreement that the Senate vote on it at 12:30.

Mr. MANSFIELD. And that there would be a 2-hour time limitation.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. Mr. President, I ask the Chair, then, to keep that in mind pending the arrival of the manager and others interested in this bill, so that the matter will be given proper recognition at the appropriate time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 506

Mr. CRANSTON. Mr. President, on behalf of Senators SYMINGTON, KENNEDY, MATHIAS, SCHWEIKER, HATHAWAY, myself, and others, I call up amendment No. 506 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes an amendment numbered 506.

Mr. CRANSTON's amendment (No. 506) is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . Notwithstanding any other provision of this Act, not more than $23,800,000,000 may be appropriated to or for the Department of Defense under authority of this Act for the fiscal year ending June 30, 1976, and not more than $5,000,000,000 may be appropriated to or for such department under authority of this Act for the period beginning July 1, 1976, and ending September 30, 1976. In no event may any amount be expended for any individual program in any amount in excess of the amount authorized for such program by this Act. Within thirty days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Speaker of the House and the President of the Senate a report setting forth how the Secretary of Defense proposes to apportion the reduction required under this section among the various procurement and other programs for which authorizations are provided in this Act.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. CRANSTON. Time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I rise as a proponent of a ceiling amendment to the military procurement authorization bill, S. 920, which I understand has been submitted to the desk.

This amendment of ours would trim $1.2 billion from the $25 billion in the bill as it now stands.

Its purpose—and it has no other purpose—is to achieve substantial savings for our Government; and to lessen significantly, in this time of peace, the burden of arms.

It is a reduction which can be achieved at no damage to any vital weapons program, at no reduction in defense manpower levels, at no limitation on the strong defense posture required to insure the security of our Nation.

Let us first consider the relationship of the procurement bill before us to the administration's national defense request for the fiscal year 1976.

The administration's request, including funds for the Department of Defense, foreign military assistance, atomic energy defense activities, and other military programs, totaled $107.7 billion—a figure which constitutes an almost 20-percent increase over the current fiscal year. That means a greater annual increase in defense spending than in any period since 1965–66, following the direct American entry into the Vietnam war.

Much of the increase in this year's defense request was slated for the less than

one-third of the defense budget which relates to procurement and research and development.

In this less than one-third component, the administration nevertheless asked for $29.9 billion—an increase of close to 40 percent over the current year.

In no other major category of defense spending, including the largest sector, operations and maintenance, did the administration ask for such a large increase in funding.

The Defense Department said that this increase in procurement was necessary to: First, compensate for inflation; second, cover cost growth and inflation in previously funded shipbuilding programs; and third, provide for significant real growth. It is a request the administration termed a "turnaround" budget.

In light of the administration's efforts to cut back on Federal spending in many other areas so as to improve our deteriorating economy, it is unfortunate that this same administration selected the fiscal year 1976 for increased defense spending; and this in a time of peace.

The Senate Armed Services Committee has already reduced this proposed increase by $4.8 billion, recommending passage of a $25 billion authorization as against the requested $29.9 billion.

This reduction by the committee, however, included a deletion of $1.3 billion in Vietnam funds, obviously no longer usable, as well as $902 million in cost-growth funds for Navy shipbuilding, which are not payable to the shipyards in fiscal 1976.

Nevertheless, even after these reductions, the amount approved by the Armed Services Committee would still allow a 20-percent increase over funds provided for fiscal year 1975. This increase would mean, in absolute terms as well as on a percentage basis, the largest annual increase since Congress first authorized both military procurement and research and development.

Mr. NUNN. Mr. President, will the Senator yield for a question on that point?

Mr. SYMINGTON. If the Senator will allow me to continue until I finish my statement, which is short, I will be glad to answer any questions.

Mr. NUNN. I thank the Senator.

Mr. SYMINGTON. Let us note at this point that this increase comes at the same time the administration is recommending cutbacks in such domestic programs as health research, agriculture, vocational education and impact aid, as well as ceilings on social security, food stamps and child nutrition.

Let us note further that this increase comes after the conclusion of heavy American involvement in the Vietnam war, when arms reductions—not increases—would be the normal expectation.

Now that this latest war is over, every American has the right, and we here in the Congress have the duty, to question any request for large new arms expenditures.

This 20-precent increase, provided in the committee bill, would materially reduce, if not eliminate, any savings for the end of our involvement in Vietnam should have entailed. And clearly such savings are needed to reduce our growing deficits.

In the view of most objective people, true national security requires a strong economy as well as a strong military establishment.

This proposed 20-percent increase in military procurement appears excessive at a time when, in order to maintain our solvency, substantial savings are required; at a time when our annual Federal deficit, already projected to be some $70 billion—that is the annual Federal deficit; it is apart from the Federal debt—constitutes the highest peacetime deficit in the history of our Nation.

Defense spending does create new jobs in certain industries, but studies show that the same amount of money would create far more jobs in the consumer market, with more beneficial results to the economy as a whole.

With unemployment now close to 10 percent, the highest since 1940, can we afford to ignore the fact that the dollar goes farther in the consumer economy?

The amendment now being offered would reduce the proposed 20-percent increase to a 14-percent increase, saving $1.2 billion of the taxpayers' money.

This amendment's proposed level of spending is in line with the administration's budget in other major defense sectors: example, the request in operations and maintenance is for but an increase of 16 percent over last year's basic appropriation.

During the 23 years I have been a member of the Senate Armed Services Committee, if reduced at all, the defense budget has been reduced on a program-by-program basis, and no doubt some of my colleagues will be introducing amendments on specific items in the bill.

But let us face it—we in Congress are somewhat limited in our ability to weigh the relative priority of various programs. I do not say this means we are necessarily parochial, but do believe we should recognize that the civilian and military experts in the Pentagon are more qualified to decide where any reduction should be made.

Our approach is the same any businessman would utilize when confronted with problems which affect the prosperity or/and solvency of his business. He would say to his management: "Our proposed budget for this year is x dollars; but because of the difficulties we face in this market and the present economic atmosphere, we must substantially reduce our expenditures."

Most of us have seen that policy put into effect in business many times.

Our amendment provides for a specific reduction of 4.8 percent, $1.2 billion, off the level of funding proposed by the bill.

Where the reduction would be taken would be decided by the Secretary of Defense, in conjunction with the Joint Chiefs of Staff. It would be the Pentagon's own decision as to priorities.

In effect, we would be saying to the Department: "You are the experts, so in the interest of a sound economy, also vital to any true security, take the reductions where you believe advisable."

Our amendment provides that the Secretary of Defense would submit to the Congress within 30 days of the bill's enactment a report setting forth how the reduction would be apportioned in the various programs encompassed by the act.

Again, in calling for this reduction in planned military spending, we are in no way denigrating the importance of an American military posture of adequate strength. On the contrary, the budget, even after this reduction, would maintain both the nuclear deterrent and adequate conventional forces.

Recent testimony before the Committee on Armed Services provided assurance that we have adequate strength; and also that the threat to our military security is no greater this year than last year.

The proposed reduction would not affect changes in the administration's request that have already been decided upon by the Senate Committee on Armed Services. Nor would it limit requested funding in such other military programs as operations and maintenance, and atomic energy defense activities.

It is time, however, as we see it, for the administration to begin to recognize that in the nuclear weapons age there is no excuse for maintaining unnecessarily high levels of arms and forces, sustained more by tradition and prenuclear-times thinking than by actual modern-day defense needs. The sooner our Government recognizes this, the greater the savings will be to our economy, at no sacrifice to our security.

During more than 30 years of involvement in defense activities in both the executive and legislative branches, I have come to believe that true national security embraces the following three component parts.

First, the ability to destroy any possible enemy who might attack us; and the certainty on our part that every country knows we have that ability.

In that connection, I repeat what perhaps our greatest elder statesman told me 9 years ago that the Soviets said, "There is nothing you can do to prevent us from destroying you and there is nothing we can do to prevent you from destroying us, regardless of who hits first, so why cannot we get together."

As a member of the Committee on Armed Services as well as chairman of the Military Applications Subcommittee of the Joint Committee on Atomic Energy, I say that that statement, to the best of my knowledge, is correct. Nevertheless, under various incentives and for various reasons, both countries have continued heavy arms increases to the point where, together, counting military aid, they probably have spent a trillion dollars combined.

The second of the three essential components to true national security, Mr. President, as I see it, is a sound economy with a sound dollar.

Third is the need for our people to maintain belief in our form of government—in other words, credibility.

As to the first of these three components of national security, clearly this Nation has the capacity to destroy any possible foe; and that capacity is well known by all countries. In this nuclear space age, that constitutes all the se-

UMI

curity possible; and in this component of true national security we are in excellent shape.

With respect to the second component of such security—a sound economy with a sound dollar—the news has not been good. In the first quarter of this year our gross national product declined a record of 11.3 percent. During this same quarter, business profits fell 22 percent.

The Federal deficit is reaching unprecedented heights; and never before in our history have we had record-high inflation along with record-high unemployment.

The heavy spending on various military adventures, primarily in Southeast Asia, has probably contributed more than any other single factor to this fiscal and monetary deterioration.

When contemplating these unfortunate developments, Mr. President, one cannot help recalling that the late President Eisenhower was among the first in these times to stress that economic disintegration could constitute a more immediate and fundamental threat to our security than any military attack.

President Eisenhower put much of our relative military and economic position in perspective when he observed many years ago that the leadership in other countries had calculated to use their military threat "to force upon America and the free world an unbearable security burden leading to economic disaster."

It is encouraging to note that at the recent NATO meeting in Brussels, President Ford himself took notice of the importance of such economic consideration when he spoke of a "new agenda" that focused on economic problems affecting long-term security as well as any potential military threat.

In regard to the third component of true national security, the confidence of the people in their government, no one would deny that over the past decade there has been some erosion of faith.

We in Congress should be instrumental in restoring that faith, as our treasure becomes increasingly limited, by weighing carefully the relative priorities incident to the use of that treasure.

The amendment we now propose to the military procurement bill would save the taxpayers of America $1.2 billion, at no expense to security; and therefore we would urge its approval by the Senate.

Mr. NUNN. Will the Senator yield for a question?

Mr. SYMINGTON. I am glad to yield to my friend from Georgia.

Mr. NUNN. I have just a couple of questions of my good friend from Missouri. First of all, the Senator from Georgia has a difficult time understanding why the presentation is starting off with the President's budget as a chart, because all of us know we have a new budget process and the Senate has already gone through a congressional budget resolution during which the President's figures have been totally and completely changed. As a matter of fact, in every category except defense and international affairs, the budget resolution of the Senate and the House has substantially increased the targets.

Mr. SYMINGTON. If the Senator will yield, I have not previously seen this chart. It is not part of my presentation.

Mr. NUNN. Perhaps I should direct this to the Senator from California.

Mr. SYMINGTON. I have the floor, and I would repeat, this chart does not pertain to my address.

Mr. NUNN. Then let me ask this question: The Senator alluded to the 20-percent increase between the expenditures of last year and the authorization of this year. I know the Senator has been here a long time and I know the Senator realizes that there is a marked difference between authorizations and outlays. Does the Senator realize that the 20-percent increase to which he refers is the difference between last year's outlay and this year's authorization and, therefore, the whole premise of his amendment is based on a comparison of apples and oranges rather than any accurate comparison of like items.

Mr. SYMINGTON. May I say to the Senator that it has not been my practice to compare apples and oranges. I have gone over this matter very carefully. We are reviewing the proposed authorization figure for fiscal year 1976. The acid test of authorizations, of course, lies in the Appropriations Committees of both Houses.

Mr. NUNN. The Senator has just verified my point. He is using last year's authorizations and this year's appropriations. If he does that he comes up with a distorted comparison. For example, take social security income protection—the authorization this year is going down $15 billion, but the outlays are going up tremendously.

If we follow that comparison another example of a distorted comparison could be highway transportation. Many times the authorization bill comes in with 3 or 4 years in authority, and then skips a year. If we are going to compare outlays and authorizations and still call this a great debate, we are just playing to the media. There is no valid comparison there whatsoever, and yet that is the whole premise of this ceiling amendment.

Mr. SYMINGTON. May I say to my good friend, the able Senator from Georgia, that we have taken the statistics that have been presented to the Senate by the Armed Services Committee on which he and I both serve.

And if there is any comparison of apples and oranges in our review of this bill, it is the same as contained in the Armed Services Committee report on this bill.

In particular, I would call attention to the chart next to page 2 of the committee report on authorizing appropriations for fiscal 1976 and the July to September transition period. This chart backs up our presentation.

Mr. NUNN. I do not believe the committee report referred to last year's appropriations. We referred to authorizations.

Mr. SYMINGTON. The report did refer to last year's appropriations.

I would also say that you cannot use a figure of authorization after there has been an appropriation that supersedes that figure.

It seems perfectly proper to me to compare this year's budget against last year's budget. The appropriations figure for fiscal year 1976 will of course come up later.

There has been no effort on our part, if I may say this to the Senator from Georgia, who is an excellent member, and who is interested in this debate and worked hard on this personnel matter, to be deceptive in our position. That would be below the dignity of the office, and I do not understand why he says that there is an effort, in effect, to deceive. We have not used figures that are different from the figures in the committee report.

Mr. NUNN. The Senator from Georgia never used the word "deceive." I just said we were comparing two factors that are not meaningfully comparable because the Senator knows that in an authorization bill the expenditures and outlays are spread over a considerable period of time. If we really want a comparison for debate, we have to compare authorizations to authorizations and outlays to outlays.

Mr. SYMINGTON. The official news release from our committee also used the figures that I am using, and prided itself in the percentage of its cut; so I do not see how the Senator can come onto the floor and not use the appropriations figure for fiscal year 1975, regardless of previous authorizations; because the appropriations figure is the figure that counts.

Mr. NUNN. If the Senator will just yield for 1 more minute, the national defense outlays for 1975 were $85.3 billion. In 1976, under the budget resolution which has passed the Senate and passed the House in conference committee, the Budget Committee told the Senate and the House they wanted the outlays not to exceed $90.7 billion.

There is a memorandum from the staff of the Budget Committee that says the committee authorization bill is consistent with this level of outlays. That represents a 6-percent increase over 1975, not 20 percent.

Following that same comparison, if you take all categories—other than national defense—the 1975 outlays were $228.1 billion. The 1976 outlays under the budget resolution—that we are going to hopefully abide by—are $276.3 billion. If you study this, there is an increase in every item except national defense. This represents an increase of $48.2 billion which is a 21-percent increase.

Let me summarize all that. In national defense outlays, we are seeing a 6 percent total increase if we abide by the Budget Resolution which this bill does. On the other hand, all other categories of expenditure go up 21 percent. So here we are talking about apples and apples rather than apples and oranges. I believe people ought to realize that this is the case.

I will not use any more of the Senator's time unless he is ready to respond.

Mr. SYMINGTON. I would also ask the Senator's consideration of the fact that we also used the figures provided by the Budget Committee on which I believe the Senator serves.

Mr. NUNN. Yes.

Mr. SYMINGTON. Allowing for 7.5 percent inflation, those figures showed more than $1 billion in "real" growth for the committee's procurement request.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. NUNN. I am not sure I understand the Senator's point on that. Is that defense he is talking about?

Mr. SYMINGTON. That is on military procurement, which is what I was presenting this morning.

Mr. NUNN. One final point: If you assume this ceiling amendment passes, and you consider not only Vietnam but the shipbuilding adjustment which is in this bill (which will not go to any new ships—all it will do is go back and pay for ships where there have been overruns) there would not be any real increase at all in terms of capability. There would be a net decrease of 1 percent in defense expenditures this year. That is the effect of the Senator's amendment if you take out the factors that need to be taken out to give an accurate measurement of real capability. I think all of us—and I know the Senator from Missouri certainly is one of the leaders in this—are looking for capability in defense, and that is the way we have to measure it, in capability.

Mr. SYMINGTON. Well, in due course I would discuss this question of real growth and shipbuilding in more depth.

At this time I yield to the Senator from California.

Mr. CRANSTON. I would like to try to clarify one question that the Senator from Georgia has raised. I refer the Senator from Georgia and the Senator from Missouri, and anyone else interested, to the chart opposite page 2 in the committee report. That chart shows in the first column on the left fiscal year 1975 program—current—a total of $21,587,000,000 plus. That is the current expenditure program for the area we are talking about. If you take off what we are proposing in this cut, we get down to $20.9 billion.

Now go to the fourth column, fiscal year 1976 recommended. The figure is $25,012,000,000. That represents what is proposed in the committee report to authorize to be appropriated. Of course, until we have appropriations we have to consider authorizations that recommend appropriations or make them possible. That would represent a 20-percent increase in what we would authorize to be appropriated in this bill over what was actually appropriated and is now being spent last year.

If we adopt the amendment offered by the Senator from Missouri and others we will knock off $1.3 billion down to $23.8 billion, and we would then have a 14-percent increase over what was spent last year, allowing a substantial amount for inflation and a further amount for growth. This compares to the original DOD request, and that is the reason for the chart, although it does not show it precisely, it shows a 35-percent increase requested by the President in the overall budget. That translates into 38 percent for this bill that was originally proposed for military procurement.

If you deduct Vietnam you get down to 36 percent. I congratulate the committee on getting down to 20 percent, but we still have to go further, in my opinion, if we have a sensible set of priorities.

Mr. SYMINGTON. We propose a 14-percent increase as against the 20-percent increase provided in the committee bill, despite the ending of the Vietnam war and the economic problems we have, and despite a reduction in many of our domestic programs.

Mr. CRANSTON. If the Senator's amendment is adopted we will get down to 14 percent.

Mr. SYMINGTON. That is correct.

Mr. NUNN. Does this mean, according to what the Senator says, that we are really cutting out the Appropriations Committee altogether?

Mr. CRANSTON. Of course not.

Mr. NUNN. The Senator is going from last year's appropriation to this year's authorization. This year's authorization spreads over a few years in time, so this is not but slightly over $8 billion in outlays in this bill?

Mr. SYMINGTON. Is the Senator saying that the Armed Services Committee deliberately authorizes a higher figure than they expect the Appropriations Committee to approve?

Mr. NUNN. The Senator is not saying that at all. The Senator is saying that if the Senator from Missouri will look at historical trends he will see the Appropriations Committee has jurisdiction over operations and maintenance of personnel. As the Senator well knows, having been a member of this committee for a long time, the Armed Services Committee total jurisdiction is about 70 percent of the budget, only if one projects the personnel costs times the authorized manpower level. If one does not do that, it gets down to about 30 percent of the budget.

Mr. SYMINGTON. I would also note that the bill before us, S. 920, does not include all procurement funds for the fiscal year 1976. We all know that $6.3 billion in procurement alone, not to mention R. & D. funding also in S. 920, is not subejct to the authorization of the bill before us, but is to be taken up with the Appropriations Committee.

Mr. NUNN. I agree. That is my point.

Mr. SYMINGTON. Then I think I will pass back to Senator Nunn his own apples-and-oranges analysis.

Mr. NUNN. The Senator has jurisdiction over the military construction bill, which is another category not included here. But the major point I make is that this 20-percent figure that is being handed out by the backers of this amendment, compares apples and oranges. The Senator is comparing last year's appropriation to this year's authorization. This is just simply not accurate nor the basis for any meaningful comparison.

Mr. SYMINGTON. What the Senator is saying. then, is that what has come out of the Armed Services Committee, and in the press, is not correct because we should not compare the appropriations of last year with the authorization of this year.

Mr. NUNN. The Senator will agree——

Mr. SYMINGTON. To me, that does not add up because, as far as the authorization figures of last year, they have been changed by the Appropriations Committee, and hence it could be a fictitious comparison.

Mr. NUNN. Does the Senator realize that defense is almost unique in the authorizations versus any other comparison?

If we are going to compare authorizations like this chart here does, then we are going to see in the case of income security, for instance——

Mr. SYMINGTON. I do not know about that chart. I have been on the Armed Services Committee a long time and I am an ex officio member of the Appropriations Committee, on which I have also been for a long time; so I do not quite understand what his point is about——

Mr. NUNN. I am just stating——

Mr. SYMINGTON (continuing). In criticizing the way we presented this.

Mr. NUNN. The point is that it is not a true and accurate picture for the Senate to look at.

Mr. SYMINGTON. Well, then what comes out of the committee is not true and accurate; and what comes out in the press is not true and accurate; and in the media is not true and accurate.

Mr. NUNN. The media has no analysis differing between authorizations and appropriations. If we are going to use that analogy let us take income security, for example.

We could tell the press, the media, and the people of this country that income security is going down $15 billion in authorizations.

Now, what would that mean?

Nothing. It would not mean anything unless we told them the expenditures under that will go up dramatically, but the revenue is going down.

So in every category of the national defense bill, authorization means a different thing.

I think we ought to be talking about——

Mr. SYMINGTON. Of course, if we used the authorization figure of last year, we would have to show even greater increases in the proposed bill than we are presenting today, because the Appropriations Committee reduced substantially the authorization request.

Mr. NUNN. Well, the Senator has the point opposite now because if the Appropriations Committee reduced the authorization bill last year and if the Senator is comparing this year's authorizations with last year's appropriations we have a larger gap.

Mr. SYMINGTON. It reduced the authorization request of last year, not increased it.

Mr. NUNN. That is right. That spreads the 20.

Mr. CRANSTON. Will the Senator yield?

Mr. SYMINGTON. I yield to the Senator from California.

Mr. CRANSTON. I urge the Senator to

UMI

have the Senator from Georgia charge his time to the other side, otherwise——

Mr. SYMINGTON. I will so ask; because the Senator from Georgia is very quick on his feet in these matters and, even though he has not been here too long, has demonstrated that he is a very able debater.

Mr. CRANSTON. Right.

Mr. SYMINGTON. I would rather have him present his complete answers instead of taking a particular point, which to me is out of context, and which belies the reports of his own committee, in trying to make that the major aspect of the case.

Mr. CRANSTON. I am concerned that he is not on the time of the——

Mr. NUNN. I thank the Senator from Missouri and the Senator from California for their generosity thus far.

The PRESIDING OFFICER (Mr. GLENN). Who yields time?

Mr. STENNIS. Mr. President, will the Senator from Missouri yield the floor?

Mr. SYMINGTON. I am glad to yield the floor to the distinguished Senator from Mississippi.

Mr. STENNIS. I thank the Senator.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I would propose to use only a few minutes now and get back into these figures.

But, Mr. President, in the beginning now, I think we ought to all realize fully the impact of the language of this amendment which provides that not more than $23.8 billion may be appropriated to or for the Department of Defense under the authority of this act.

Mr. President, that would be starting out with an absolute prohibition on the Appropriations Committee from appropriating anything above this $23.8 billion ceiling that the amendment would propose and put in the bill.

So assuming that it becomes part of the law, we would be authorizing considerably more than this ceiling and sending it all to the Appropriations Committee and saying, "Now, here is the bill and here is the limitation. The committee will have to act under this ceiling."

I attribute nothing but good motives to the amendment's proponents, but, Mr. President, the amendment is the equivalent, as I see it, of a legislative monstrosity—a legislative prohibition, or legislative limitation, or even an attack on our Appropriations Committee because it directs them to stay within that limit.

At the same time, it undertakes to authorize a great number of weapons here and the argument is, let the Joint Chiefs of Staff and the Secretary of Defense make the decisions as between weapons.

I hope that we never get to the point where Congress would try to limit one of its truly great and powerful committees, a committee that we hold responsible for the entire budget so far as appropriations are concerned and then turn around and abdicate totally—to a degree at least—the responsibility of choosing weapons to the Department of Defense or the Secretary of Defense and the Joint Chiefs.

Those actions just do not square with the responsibility that this Congress has. I believe if this point were fully understood this amendment would fail by a large vote.

Mr. President, this bill has been written by the committee, as I have already outlined. It is based on months and months of work and weeks and weeks and weeks of testimony, Senate testimony, and on 6 days of work around the large table writing up this bill.

I have never seen a more liberal exchange of views and registration of votes with reference to many key matters than was true this year. In the end the committee reduction was nearly $5 billion.

All this was a continuation of several years where our authorization committee has been going through the bill and making substantial reductions. Beginning with fiscal year 1969 and through fiscal year 1975, the Senate committee has recommended reductions totaling of $11.1 billion in military procurement and research and development alone.

We have been further instrumental in most of those years since we started authorizing the manpower. Manpower is not in this amendment in dollars, but it is in the bill.

We have recommended reductions in the uniformed military personnel of 335,000 men, and even though we have passed on the civilian ceilings for only 2 years, we have recommended cutting 67,000 civilians, for a total of 430,000 people in all.

So certainly the committee has been on duty going into these matters, not only from weaponry but from manpower, too. We have been making reasonable reductions, most of which have been sustained in this Chamber. The actions have been changed some in conference, but that is part of the conference process.

I want to emphasize, too, Mr. President, and I think this is the most salient fact in all of this amendment, that this committee bill comes within the figures of our own Congressional Budget Committees. That will be demonstrated here in the Chamber with facts and figures. I will yield to the Senator from Georgia on that point later.

I repeat, how could we have a better guideline? These are difficult decisions, but how could we have a better guideline than to be considering these matters along with our Congressional Budget Committee? I believe we can show where we have done just that.

I have one other point. Senators ought to understand for certain that this money is money which has to be provided now, although only 10 percent of this money will be actually spent in fiscal year 1976 for ships. Actual outlays for research and development runs higher, about 50 percent for that purpose, and the other programs are from 20 to 25 percent.

Out of this entire bill as we have it, only $8.3 billion of the $25 billion will be spent in outlays in fiscal year 1976 for procurement and R. & D. It has to be provided in advance because it takes years to build a ship or a submarine, a missile or an airplane, and many of the other things which go to make up the military hardware.

I will close now, Mr. President, by pointing out again that there will be a full chance to pass on the weaponry. Every weapon in the bill is in issue and before the Senate. To put a cap on this thing to start with is not only an undermining of what the committee has done before we get into a real debate on the bill, but it is a contradiction. This ceiling matter was not even raised in the committee. No amendment like this was offered.

All the committee members took part in writing the bill, but this matter was not offered in the form of an amendment. I do not personally criticize anyone for that, but the amendment goes to the soundness of the committee system. After a bill has been written up and presented, it seems to me, with great deference, to try to put a cap on it to start with is not only contrary to the concept of having a committee, but it is contrary to the concept of having an appropriations committee. The procedure proposed under this amendment, leaving all the rest for a decision by the Secretary of Defense and the Joint Chiefs of Staff, is unthinkable from a Congressional viewpoint.

I yield 10 minutes to the Senator from Georgia.

Mr. NUNN. Mr. President, we are going to spend a lot of time today in debate comparing the 1975 either appropriation or authorization, depending upon which side of the debate we are on, with 1976. I think what we need to do to put this matter in perspective is to go back and compare pre-1964 levels of expenditure and what actually was being purchased for that with the level of expenditures in this bill. There have been a lot of accusations that the Defense Department and really, I guess, the Armed Services Committee, too, are basing their defense priorities on the old cold war theory. I believe that allegation is totally erroneous. I believe we need to put some perspective on these priorities.

National priorities cannot be established in a vacuum. We need some perspective on where Defense has been and where we are now before we can decide on whether and where we should change. In other words, we need to start the evaluation from the correct baseline.

Historically, the United States prior to World War II did not maintain large standing forces in peacetime. We were not a world power and relied on the vast oceans to keep our borders secure. In the 1920's and 1930's, we kept about three-tenths of 1 percent of our total population under arms in peacetime—a total of 250,000 to 300,000 men.

After World War II, we entered the cold war period which lasted some 25 years. This period saw the United States as the clear leader of the free world and great tension between the United States and Russia. This tension was punctuated with actual confrontation as occurred in the Korean war, Berlin crisis, Cuban missile crisis, and the Vietnam war. The United States had nuclear superiority for much of this period and could rely on this superiority for its protection. During the parts of this period not marked by open hostilities, the United States kept some 2.6 million men under arms—about 1.4 percent of our total population.

Now we are entering the post-Vietnam period and a reevaluation of our military posture is in order. But that reevaluation must not be only a search for reduction in defense.

I am afraid that is the attitude taken by some.

We must also make sure we retain a defense posture that meets our needs. The United States has a history of cutting Defense too much after each war. We could afford that better in the past when we could rely on the oceans to protect us, when we were not so dependent on others for essential supplies such as oil and raw materials, when we were not the leader of the free world and more recently when we had nuclear superiority.

Even though the defense budget for fiscal year 1976 is large—over $100 billion—the defense capability it will buy—as measured by the men and weapons that make up real strength—is far below the pre-Vietnam cold war levels.

That is the major point. We are not keeping up in terms of our own capabilities in 1964.

We must not assume that we still have a cold war defense capability. We have less manpower, less ships, and less aircraft than prior to the Vietnam war, and at the same time we have seen nuclear superiority change to nuclear parity. The real question is what changes are prudent in light of what has already been reduced and in light of the uncertainties we face in a world that still has real military capability that could be used against us.

In regard to manpower, our military strength is down by 585,000 from the 1964 pre-Vietnam levels. That is a reduction of 22 percent. The strengths recommended for fiscal year 1976 by the committee total 2,082,000 and represent a burden of nine-tenths of 1 percent of our total population under arms. That burden is about half way between the pre-World War II burden of three-tenths of 1 percent and the cold war burden of 1.4 percent.

The number of Army divisions dropped from 16⅓ in 1964 to 13 in 1974. Army manpower strength in that same period dropped from 972,000 to 785,000. This is the lowest personnel strength of the Army since before the Korean war. In 1976 the Army proposes to construct 16 divisions, however, with no increase in manpower strengths. That means that the total number of men in the Army for each division will drop from 59,600 in 1964 to 48,700 in 1976, its lowest number of total men in the Army per division since 1950.

The number of Navy ships has dropped from 917 in 1964 to 490 in 1976. The number of aircraft carriers has dropped from 24 in 1964 to 13 in 1976; amphibious assault ships which carry the Marines have been reduced 53 percent from 133 to 63; other Navy warships have been reduced from 370 to 185. Although it is true that today's ships are more capable and more powerful than in the past, it is also true that the number of naval ships the United States owns is the lowest it has been since 1939 before World War II.

The number of Air Force aircraft has dropped from 16,049 in 1964 to 9,422 in 1976. This is a decline of 41 percent and represents the lowest number of aircraft in the force since 1950. Frontline aircraft have declined 50 percent since 1964. The Air Force strategic bomber squadrons have come down from 78 to 26 between fiscal year 1964 and fiscal year 1976. Fighter interceptor squadrons have been reduced from 40 to 6 in the same period. Air Force, Navy and Marine Corps tactical air wings have been reduced from 39 in fiscal year 1964 to 38.

Our overseas deployments are well below pre-Vietnam levels. In 1964 we had 719,000 military personnel stationed in foreign countries. Today we have about 480,000 stationed in foreign countries. That is a reduction of 239,000, or 33 percent. In the same 11 years, our European based forces have been reduced from roughly 400,000 to 300,000, while our forces in the Western Pacific and Southeast Asia have dropped from 243,000 in 1964 to 165,000 today.

I think anyone objectively looking at the above figures should realize that the levels of forces that the United States will have in 1976 are substantially below the levels we maintained during the 25 years of the cold war, and our overseas troop deployments have been reduced by one-third. However, we are also buying fewer weapons today than in the pre-Vietnam period. For example, the 1976 budget includes 271 fighter attack aircraft, compared with 583 in fiscal year 1965. That is 50 percent fewer aircraft being bought this year than pre-Vietnam. There are two nuclear attack submarines being bought in 1976 compared with six in fiscal year 1975. That is a 66-percent reduction in new submarine procurement. There are 138 new helicopters included in the fiscal year 1976 budget compared with 1,226 in fiscal year 1965. That is almost a 90-percent reduction. There are zero transport aircraft in the 1976 budget compared with 84 in fiscal year 1965—a 100-percent reduction.

We are spending a lot of money for defense but it is buying a lot less both in forces in being and in the modernization for the future improvement for those forces.

The overall DOD budget for fiscal year 1976 is less in real terms than the fiscal year 1964 pre-Vietnam budget. We would need $112 billion of 1976 dollars to buy the programs we had in 1964. So if we were talking about 1964 levels, it would require $112 billion this year, not the amount we are discussing here. The fiscal year 1976 budget, I am sure, will total about $100 billion after all congressional actions are completed—about 12 percent less. The fiscal year 1976 defense budget totals 5.8 percent of the gross national product compared to 8.3 percent in 1964. That is a 30-percent reduction in the dollar burden the American taxpayer is carrying for defense. Total defense employment—military, civilian, and contract—represents 4.8 percent of the work force, compared with 7.9 percent in fiscal year 1965—a 40-percent reduction of the manpower burden. The defense budget represents 16 percent of net public spending in fiscal year 1976 compared with 28 percent in fiscal year 1964. This is a 43-percent reduction in the share of total Federal, State, and local spending that is used for national defense. The defense budget in fiscal year 1976 is 25.7 percent of the overall Federal budget compared with 41.8 percent in fiscal year 1964. That is a 39-percent reduction in the share of the Federal budget that goes for national defense.

All of these figures show that there has been a real and substantial decline in our defense posture since 1964. In fact, all of these indicators of the size of the defense program and budget are the lowest since before the Korean war. We should all remember that immediately after World War II there was a massive demobilization of our entire Military Establishment. The Korean war in 1950 signaled a buildup of U.S. military strength that was retained for almost 25 years of the cold war. The fact that today's forces and budgets and burdens are the lowest since before the Korean war means that they are already substantially below the levels we have maintained throughout the cold war.

In conclusion, Mr. President, a reevaluation of our military posture is in order. When we entered the Vietnam war, there was no question as to America's overall military superiority. Today, I think we must truthfully admit that there now exists a close military balance between the United States and the Soviet Union. There remains, perhaps, a slight edge in our favor largely because of technology.

The Russians are not 10 feet tall or perhaps we should say, if the Russians are 10 feet tall—the Americans are 10 to 10½ feet tall. I must add, however, that the Soviets are growing much faster than the United States and the trends are disturbing.

However, we must not delude ourselves by thinking our force structure today has the same strength and capabilities as it did 10 years ago when compared to the Soviet Union. Those who would say our defense posture today is the same as it was during the cold war and prior to détente are badly mistaken.

The baseline force structure that we are reevaluating today is already substantially below the force structure we maintained for 25 years during the cold war. There has already been substantial change in the priority of defense spending as it relates to other national priorities.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from Maine.

Mr. MUSKIE. Mr. President, I ask unanimous consent that Sid Brown and Andrew Hamilton of the Budget Committee staff have the privilege of the floor during the consideration of this measure.

UMI

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, it seems to me that at this point in the debate on the first of the amendments to reduce S. 920, I have some responsibility as chairman of the Senate Budget Committee to try to undertake to identify the budget impact of S. 920 and the pending amendment.

This is the first major annual authorization bill to be considered by the Senate since we adopted the first concurrent resolution on the budget, and so S. 920 represents a test run.

It is not our function as a budget committee to tell the authorizing committees or the Appropriations Committee how to split up the pot, but we are concerned with keeping a running record of the spending decisions taken by Congress, so that we may evaluate their impact down the road on the budget ceiling.

The targets recommended in the statement of the managers for national defense are these: for budget authority, $100.7 billion, and outlays of $90.7 billion. S. 920 clearly represents a significant portion of those amounts.

While the Budget Control Act specifies that beginning next year the concurrent resolution set target totals for each functional category, the resolution will not instruct the authorizing and appropriating committees as to the allocation among individual bills of the amounts contained in a particular functional category. Thus, for example, in the national defense function, the concurrent resolution would not instruct the Armed Services Committee with regard to the amount which should have been included in the military procurement bill or the components of that bill. Nor would it tell the Appropriations Committee how much should be contained in the military construction appropriation, compared to the regular defense appropriation bill. The resolution simply would set an overall target for the national defense function, within which all of these spending decisions should be accommodated as we dispose of individual defense authorization and appropriation bills.

The Budget Act clearly intends that other standing committees decide which bills to propose for enactment within each functional category, as long as the sum of the spending provided in all these bills does not exceed the functional targets contained in the first resolution.

The budget resolution Congress adopted last month does not itself break down the aggregate Federal spending ceiling into individual spending priority targets. The statement of managers on the budget resolution does contain the spending priority targets upon which the aggregate spending figure contained in the resolution is based. Adherence to these individual spending targets will be necessary to stay within the overall spending ceiling the resolution contains.

The role of the Budget Committee is to assist committees and the full Senate in staying within those targets. We cannot state flatly that a particular bill is "within the resolution" or "outside the resolution," but we can advise as to the effects of a particular bill in the context of the overal legislative outlook for the function of which it is part. Where the passage of a bill or resolution, compared to other legislation which must be accommodated within the appropriate target, poses a threat to the targets contained in the first resolution, the Budget Commitee may be required to recommend opposition to it.

In this connection we must take account of the fact that the House recently approved H.R. 6674, a companion bill to S. 920 which authorizes approximately $1.5 billion more in budget authority and at least $300 million more in outlays than does S. 920. Adoption of the House totals would probably result in a breach of the national defense target, since it is unlikely that in the legislation remaining to be considered in the defense sector, additional cuts can be made to accommodate the higher levels contemplated for procurement in the House bill. Even if only half the difference between S. 920 and its House counterpart is authorized and appropriated, the total for military procurement would pose a serious threat to the budget targets which we recently recommended.

With regard to the national defense function, the first concurrent resolution on the budget assumed cuts from the President's request totaling $7 billion in budget authority and $3.3 billion in outlays. S. 920, as reported to the Senate, is in line with the assumptions of the Budget Committee regarding those elements of the defense program that are covered in this bill. S. 920, as reported, assumes cuts of $5 billion in budget authority and $1.8 billion in outlays from the President's request. For comparable items, the First Concurrent Resolution assumed cuts of $5 billion in budget authority, the same as S. 920, and $2 billion in outlays, which is close to the S. 920 mark. This comparison is based on the assumptions that were made by the Senate Budget Committee and the conference committee. The Senate ought to consider those when it is voting on this and other amendments.

It must be pointed out, however, that there is a strong likelihood of additional requirements in the national defense function over and above the President's request.

For example, the House of Representatives has voted to remove the 5-percent pay cap on DOD military and civilian pay. That involves $1.2 billion in budget authority and $1.2 billion in outlay.

Removal of the 5-percent cap on military retired pay would involve $600 million of budget authority and $600 million of outlay.

Third, if, as a Congress, we should fail to enact legislation to continue the sale of commodities from the strategic stockpile—and the effect of that would be to reduce receipts that are deducted from budget authority outlays—if we were to fail to enact that legislation, which the President has requested and has assumed in his budget, then the effect would be to add $400 million in budget authority and $400 million in outlays to the President's budget estimates.

Then, the final item is this:

The President proposed legislation to authorize petroleum sales from the Elk Hills Naval Petroleum Reserve. The effect of that, if we do not get the full impact in the 1976 fiscal year, would be to reduce receipts that are deducted from budget authority and outlays, the same way as the sale of commodities from the strategic stockpile. That legislation is pending in two committees, as I understand it. The form of the legislation, as it may finally pass is unclear, so the budget impact is unclear.

We think that, responsibly, we ought to consider the possibility of $200 million being added to both budget authority and outlays this year.

All of those items—four of them in total—total $2.4 billion in budget authority and $2.4 billion in outlays.

The details are as follows:

ADDITIONAL NATIONAL DEFENSE REQUIREMENTS (FISCAL YEAR 1976)

[In billions of dollars]

	Budget authority	Outlays
Removal of 5 percent cap on DOD military and civilian pay	1.2	1.2
Removal of 5 percent cap on military retired pay	.6	.6
Failure to enact legislation to continue the sale of commodities from the strategic stockpile (reduces receipts that are deducted from budget authority and outlays)	.4	.4
Delay in enactment of legislation to authorize petroleum sales from the Elk Hills naval petroleum reserve (reduces receipts that are deducted from budget authority and outlays)	.2	.2
Total	2.4	2.4

If these additional requirements materialize, the overall reduction in the national defense function that would be required to arrive at the First Concurrent Resolution target is $9.4 billion in budget authority and $5.7 billion in outlays.

As I have already mentioned, S. 920 as reported provides cuts of $5 billion in budget authority and $1.8 billion in outlays from the President's request. If the additional requirements I have described materialize, that leaves us with a need for further cuts of $4.4 billion in budget authority and $3.9 billion in outlays elsewhere in the defense program if we are to stay within the national defense targets accompaning the first concurrent resolution on the budget. As we consider S. 920, we must also consider the possibilities for arriving at these further cuts. Mr. President, I have prepared a list of possible additional cuts that might be considered by the Senate. I am not prejudging their cuts, but will simply try to itemize the areas where we will have to look for further cuts in the national defense function in areas other than those covered by S. 920. Cutting will not be easy and the following is only illustrative of the kinds of cuts we will have to consider. I will not list items that I believe are impossible to attain—such as holding the 5-percent cap on military retired pay and accelerating the sale of petroleum from the Elk Hills

Reserve. Here are some examples of the realistic options:

POSSIBILITIES FOR FURTHER REDUCTION IN THE NATIONAL DEFENSE FUNCTION (FISCAL YEAR 1976)

[In billions of dollars]

	Possible savings	
	Budget authority	Outlays
Retain the 5 percent cap on DOD military and civilian pay, as requested by the President	1.2	1.2
Enact legislation, as requested by the President, to continue the sale of commodities from the strategic stockpile	.4	.4
Defense appropriations bill—Cut below the President's request in several areas	4.3+	2.8+
Cut the operations and maintenance funds other than pay (funds for maintenance of real property, ship repairs and overhauls, office supplies, fuel, minor construction projects and other housekeeping items)	(1.5)	(1.1)
Reduce procurement other than that authorized in S. 920 (trucks, automobiles, other noncombat equipment)	(1.0)	(.2)
Financial adjustments such as:		
Transfer unobligated balances of prior year budget authority to fiscal year 1976	(.5)	(.2)
Increase receipts from sales of excess military equipment and foreign military sales (reduces budget authority and outlays)	(.5)	(.5)
Reduce stock fund cash balances as a result of reduced war reserve procuremer.t	(.5)	(.5)
Reductions in special pay allowances and travel funds for military personnel	(.3)	(.3)
Further cuts in personnel over and above those recommended by the President and S. 920 (fiscal year 1976 savings of $100 000 000 per 20 000 jobs)	7	7
Cut military construction authorization and appropriations (funds for new facilities at military bases)	.2	.1
Cut military assistance and foreign military sales	.7	.5
Cut out military assistance for Cambodia	(.4)	(.3)
Maintain fiscal year 1975 level for foreign military sales	(.3)	(.2)

These options add up to $6.8 billion in authority and $5 billion in outlays—plus whatever amounts might be saved from the unpriced options such as further personnel cuts.

These options, if we exercise them, give us enough latitude to cover the remaining cuts of $4.4 billion in authority and $3.9 billion in outlays if S. 920 is passed as reported.

As the Senate considers S. 920, I believe each Member must consider these or other possible cut options carefully, for we are certain to be faced with difficult choices later on if we are to stay within the first concurrent resolution target.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. STENNIS. Mr. President, I yield 2 extra minutes to the Senator.

Mr. MUSKIE. As I view these options, I come to this conclusion: it seems unlikely to me that the 5-percent cap on DOD military and civilian pay will be retained. I recognize that the conference report states that the totals are sufficient to permit removal of the pay cap if Congress so decides, but this means that most of the other options I have outlined have to be exercised.

So, to me, therefore, as one Senator, prudence dictates that I vote to cut S. 920 below the level reported. In addition, I intend, as an individual Senator, to vote for cuts in some of the weapons systems.

Because of the lack of specificity in the Symington amendment, I am concerned that the impact of that amendment may fall on shipbuilding, manpower, or other high priority programs.

I prefer, therefore, to focus whatever decisions I make to cut on more specific programs. So, I intend to vote against the Symington amendment for this reason, although I intend to vote for other specific cuts that are consistent with a sound defense policy.

May I say this to the distinguished Senator from Mississippi that as the Committee on the Budget considers these matters more thoroughly—and I think we will be establishing a task force on defense matters—in the coming months, we hope to be able to identify more specifically and selectively areas of low priority or waste.

Finally, Mr. President, we ought not to overlook the fact that the Committee on the Budget already has recommended and Congress approved in the first concurrent resolution substantial cuts in both budget authority and in outlays of the defense function.

Mr. STENNIS. Mr. President, if the Senator will yield for a question, as I understand the situation that exists now, this Senate bill, as presented to the Senate by the Committee on Armed Services, comes within the guidelines of the Senator's resolution of the new budget of the Committee on the Budget; is that correct?

Mr. MUSKIE. That is correct, if one puts aside the four other items that I have described.

Mr. STENNIS. These items, the Senator has mentioned, are about what Congress may do in the future. The Senator made the same assumption when he presented his figures in the committee. The Senator took facts as they were, rather than what they may be after the Congress has acted.

Mr. MUSKIE. In the committee we assumed nothing with respect to these four items. In the conference we assumed that pay caps could be lifted, but we did not consider, I do not think, the other two items.

Mr. STENNIS. The Senator took those facts as to those items as they were then.

Mr. MUSKIE. Yes, that is right.

Mr. STENNIS. That is what we are going to do here, if I may say so.

Mr. MUSKIE. The Senator is correct. There is no way for us to reach a decision, I take it, on those four items in connection with this pending bill.

Mr. STENNIS. I thank the Senator.

Mr. SYMINGTON and Mr. McCLELLAN addressed the Chair.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MUSKIE. I will yield the time if I have time.

The PRESIDING OFFICER. The time of the Senator from Maine, which consisted of 2 additional minutes, has expired.

Mr. STENNIS. Mr. President, does the Senator from Missouri wish to yield him a minute to ask questions?

Mr. SYMINGTON. I yielded some of my time to the Senator from Georgia (Mr. NUNN). If the Senator wants to yield his time he may.

Mr. KENNEDY. What is the time remaining?

Mr. STENNIS. Mr. President, I yield a couple minutes.

Mr. SYMINGTON. Mr. President, I would like a couple minutes.

Mr. STENNIS. I yield a few minutes.

The PRESIDING OFFICER. The Senator from Mississippi has 24 minutes remaining.

Mr. SYMINGTON. Did the Committee on the Budget get into the procurement questions in any detail which we are discussing today?

Mr. MUSKIE. No, we did not.

May I say to the Senator that we did not feel we ought to supersede the responsibilities of the authorizing committees in that kind of detail. So, as to S. 920 I think this is an appropriate debate that has been conducted, and the Senate now has to make those decisions.

I simply want to make sure that when the Senators vote on this they understand that down the road there appear to be four likely legislative decisions that are going to put pressure on the defense budget, and they ought to take those into account. If they do, that may well move them in the direction of the Senator's amendment. But I think those pressures ought to be understood so that we will not be asked the question down the line: "Senator, why did you not warn us that these were coming and what their budgetary effect might be?"

Mr. SYMINGTON. I thank the Senator, and I thank the Senator from Mississippi.

Mr. McCLELLAN and Mr. NUNN addressed the Chair.

Mr. NUNN. Mr. President, will the Senator yield me 2 minutes?

Mr. STENNIS. I will yield, and I have yielded, I believe, to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, will the Senator give me a minute?

Mr. STENNIS. I will yield 2 minutes.

Mr. McCLELLAN. I ask the author of the amendment what does he have in mind when he says here in the last paragraph:

> Within thirty days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Speaker of the House and the President of the Senate a report setting forth how the Secretary of Defense proposes to apportion the reduction required under this section among the various procurement and other programs for which authorizations are provided in this Act.

What does the Senator mean by that? What effect has that? What is the potentiality of it?

Mr. SYMINGTON. We would direct the Secretary of Defense to determine the specific items which would be subject to the $1.2 billion proposed reduction.

UMI

Mr. McCLELLAN. Are we lodging in him the power to spend this money any way he wants to?

Mr. SYMINGTON. I say to my friend, the able and distinguished Senator from Arkansas, that I would rather have the Secretary of Defense and the Joint Chiefs of Staff decide upon specific reductions, apart from what the committee has already recommended.

Mr. STENNIS. Mr. President, may we have quiet in the rear of the Chamber so we may hear the Senator from Missouri?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. Mr. President, I yield 2 additional minutes.

Mr. SYMINGTON. I would rather have them say "This is where we propose to make the reduction."

Mr. McCLELLAN. What we are doing, then, is abdicating responsibilities of the Congress to make appropriations. The Senator is saying they will determine how money will be spent.

Mr. SYMINGTON. This is only on authorization, and only on $1.2 billion of the $25 billion requested.

Mr. McCLELLAN. All right, but it is authorization, and if it is authorization, we cannot appropriate except where it is authorized. They will come in and say then that "No, we want so much of this money for this purpose and that purpose, and that becomes the authorization and not what the Congress says."

We are abdicating absolute responsibility of this Congress and delegating that power to the Secretary of Defense. That is not the way to operate in my judgment.

The items in this bill are specific authorizations, and if Congress wants to cut them, it has the opportunity to do it, it has the power to do it, and that power and final responsibility is in Congress and not in the Secretary of Defense.

Therefore, I just cannot understand this kind of an operation. In the authorization the Senator is going to let him say, "I do not know what becomes of it when he makes the report, whether it is final, whether it is binding, whether it is nothing, or what it means."

Mr. SYMINGTON. I appreciate what the Senator says. Of course, the authorization decision would be one thing, and the appropriations final decision another.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. Mr. President, maybe the proponents will want to yield some time now. I yield 1 minute.

Mr. McCLELLAN. What will he say will be the authorization?

Mr. SYMINGTON. The administration's requests have already been decided upon by the Committee on Armed Services through authorization. The proposed reduction of the committee would not change.

I have seen many occasions on which a parochial interest has been a final determinant on a particular weapons system. Inasmuch as we are getting into serious economic trouble, I hope we would set a ceiling on the amount of money we decide we can afford for national security. After making that decision, I hope we would recognize that, notwithstanding committee decisions on specific items, the Joint Chiefs of Staff and the Secretary of Defense are better judges as to where any specific additional cuts should be made than any individual Senator.

Mr. McCLELLAN. On the same argument, we might say that they are better judges of how much we need to spend and what to buy.

Mr. SYMINGTON. No. We have to have a true ceiling for national security.

Mr. STENNIS. Mr. President, I yield 1 minute to the Senator from Georgia.

Mr. NUNN. Mr. President, I commend the Senator from Maine for making a forthright statement on this bill. He has one of the toughest jobs in Congress, and he is performing that job with due diligence. He is reporting not only what the facts are but also what the facts may well be, based on every contingency that could come about. That is exactly what the budget process was designed to do. It takes a great deal of courage to do that, and the Senator is to be commended.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator has no time. The Senator from Missouri has time.

Mr. SYMINGTON. Mr. President, we have 25 minutes, and I yield the Senator 4 minutes.

Mr. KENNEDY. Mr. President, I am going to support the amendment of the Senator from Missouri, of which I am a cosponsor.

The PRESIDING OFFICER. The Chair interrupts the Senator to say that the Senator from Missouri has 20 minutes remaining.

Mr. KENNEDY. I yield myself 5 minutes under the unanimous-consent agreement that gives Senator CRANSTON and me 3 hours on the bill.

The PRESIDING OFFICER. The agreement is that the amendment will be voted on at 12:30. That agreement can be extended only by unanimous consent.

Mr. KENNEDY. Is there not a unanimous-consent agreement as to the time on each amendment, and that 3 additional hours on the bill will be granted Senator CRANSTON and myself, and that we are going to vote by 6 o'clock on Friday?

The PRESIDING OFFICER. The Senator is correct, but time cannot be extended on this amendment without unanimous consent.

Mr. KENNEDY. I understand that we are going to vote at 12:30, but can I not yield myself 5 minutes with that understanding?

The PRESIDING OFFICER. The Senator's time will have to come from someone else.

Mr. KENNEDY. Mr. President, will the Senator from Missouri yield me 5 minutes?

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. A parliamentary inquiry.

The PRESIDING OFFICER. On whose time?

Mr. STENNIS. Mr. President, I yield time for a brief parliamentary inquiry.

Mr. GOLDWATER. Mr. President, it was my understanding that that unanimous-consent agreement as to increased time on yesterday applied to yesterday, and I do not recall that it carried over into this debate.

The PRESIDING OFFICER. There is an agreement allotting 3 hours to the Senator from Massachusetts for general debate, but it cannot be used until 12:30, except by unanimous consent.

Mr. SYMINGTON. Mr. President, I yield to the Senator from Massachusetts such time as he requires.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I am a cosponsor of this amendment, and I hope that it will be adopted.

I know there are now voices abroad in the land that say, in the wake of what has happened in Southeast Asia, that this is no time for a cut in our military procurement policy, or for any kind of reduction below the requests that have been made by the administration. But I think it should be made abundantly clear to the American people that statements made in reference to an erosion of American will were not made by Members of the U.S. Senate. They were made by people in executive positions of our Government.

I think the real question is our will and determination in exercising our military authority to carry forward our commitments around the world. That is really the test. I, for one, am completely satisfied as to the strength of our Armed Forces in both the strategic area and the conventional area.

In spite of the fact that we are adding additional billions of dollars to the military forces of the United States, the test for us ultimately will come down to the question of national will—whether we will exercise it. That is the fundamental issue in the application of military force. So we are entirely free to review what is being requested of the American people, requested of the Senate, in this authorization bill.

I believe the amendment offered by the Senator from Missouri is entirely appropriate. It will insure the security and safety of our Nation.

I should like to ask the distinguished chairman of the committee a question, since we have been talking about various issues of authorizations and appropriations.

As I understand it, the effect of the amendment of the Senator from Missouri would still give us an authorization 14 percent higher than the appropriation of last year.

I direct the chairman's attention to the charts which have been referred to in the debate opposite page 2, which provide the total figure recommended by the committee. This is approximately 20 percent over what was appropriated last year. Does the chairman of the committee agree with that observation?

Mr. STENNIS. The way we figure this, the amendment would put it at 14 percent. But that does not take into account the shipbuilding matter that is in the bill, picking up the added costs. Also it would not take care of anything for inflation, which is a fact of life, as are the debts on the ships.

Mr. KENNEDY. It is my understanding of the Senator's answer that, with the acceptance of the amendment, and with the qualifications advanced by the chairman, there is still a 14-percent increase over last year.

Mr. NUNN. Mr. President——

Mr. KENNEDY. I am not going to yield on my time.

Mr. NUNN. We discussed this at length a few minutes ago.

Mr. KENNEDY. I listened to it. I am directing my question to the chairman.

Mr. STENNIS. As I understand it—and I will yield to the Senator from Georgia, too——

Mr. NUNN. I will be glad to answer.

Mr. STENNIS. The shipbuilding adjustment would bring it down to 9 percent, but it would still not allow anything for inflation; so if inflation is 9 percent, that takes out the 9 percent. In that way, there is no increase.

Mr. KENNEDY. I listened to the debate earlier. The fact remains that these figures were not supplied by either the Senator from Missouri or the Senator from California or myself. This chart is printed in the armed services pamphlet, and it is almost identical to the chart that was in last year, in comparison.

Perhaps there is a question of apples and oranges. If so, I must say that the Senator from Missouri, and those of us who cosponsored this amendment, are trying to relate the authorization requested by the Committee on Armed Services that to the appropriations of last year. We are looking at figures in documents for the last 2 years, supplied by the Armed Services Committee. These figures show that the effect of the Senator from Missouri's amendment would be a 14-percent increase.

We should understand that. We are talking about the percentage of increase in authorizations. Interesting as it might be to talk about what might be appropriated or expended or committed later in the year, what we are talking about now is using the age-old, traditional comparison, used here time and time again, between what was actually requested and authorized and what was appropriated.

Mr. SYMINGTON. Will the Senator yield?

Mr. KENNEDY. I just want to make sure that point is understood.

Mr. STENNIS. I repeat for emphasis that if we take out this ship item, which everyone agreed was something that had to be paid—if not, it would have to be taken out of shipbuilding for the future—that adjustment brings it down to 9 percent. Who can say what will be the rate of inflation? Certainly it is going to be something. So if it is 9 percent, that puts us even.

Mr. KENNEDY. The shipbuilding is in now.

Mr. STENNIS. Yes.

Mr. KENNEDY. It is in, so it does not make any sense to talk about taking it out.

I yield to the Senator from Missouri.

Mr. SYMINGTON. The committee reduced the requested funds in shipbuilding to pay off prior years' obligations which obviously had not been paid.

In addition, the committee deleted requested funds which are not payable in 1976; that is, payable in some future years.

If these figures are set aside from our consideration of real growth in this year's bill, we find substantial real growth of at least $1 billion in overall procurement. In other words, adding shipbuilding accounts, because of payouts for prior years and reductions for what is payable for this year, distorts the true picture in the increased procurement request this year.

Furthermore, I would say here, we spent a great many months on research and development, and on the question of tactical air we spent many weeks. But, to the best of my knowledge, on the question of shipbuilding and its costs, we spent less than a day. Yet nearly all of the discussion as to what should or should not be done here this morning is on the question of what we do with shipbuilding.

I hope we get into this problem deeper in the future, because I think the time has come when we have to decide, regardless of various people's preferences as to various weapons systems, to put a ceiling on the total amount that we spend for national security; because a sound economy and a sound dollar, in the long run, are just as important to national security as any weapons system.

Mr. KENNEDY. I thank the Senator. As I understand the committee request, no matter how one defines it, there is a 20 percent increase over the appropriation for last year. We have the responsibility to exercise judgment on authorizations, and we have an opportunity now to exercise it with the Senator's amendment.

Finally, I listened with some interest to the following question: If we accept the amendment of the Senator from Missouri, are we not really abdicating responsibility in this area, because we would then be leaving the responsibility to the Joint Chiefs and others in the Defense Department to bring about some kind of reduction? I think it is quite clear that the Joint Chiefs and others who have responsibility—following the acceptance of this amendment—would know our clear intention concerning the way those moneys should be spent.

The committee itself has gone into various items in great detail. We have seen, over the period of last year, a significant reduction in support supplies and an increase in personnel transferred to combat. I, for one, fully support the idea of the Senator from Missouri that we should provide for a reduction and say to the Joint Chiefs: "We recognize that you can exercise judgment in terms of national security interest." I know there are those who will say they exercise that judgment in the most painful way in terms of closing down bases in various States. They have closed them all down in Massachusetts, in any event, over a period of time. I think we have listened to those arguments in the past.

I personally believe that if the Pentagon had this kind of mandate, it would make judgments which are in the best interests of national security.

I welcome the opportunity to support this amendment. I think that with it, there will still be provided the cost-of-living increase plus an additional 4 percent. I think that we must balance defense against the other kinds of needs we are facing here at home—needs we have talked about during the last 3 days—where cutbacks in a great many programs have been tragic.

Quite frankly, Mr. President, I think elderly people in the innercity of Boston are more in danger from violence within that community than they are from the threats from abroad. When we see reductions in the Law Enforcement Assistance Act and many other programs, we are talking equally about national security.

I shall support the amendment. I think it is sound. It is responsible. It secures our national security interests and is also sensitive to other issues of equal importance. I reserve the remainder of my time and yield the floor.

Mr. THURMOND. Mr. President, I rise in opposition to the pending amendment, which would impose a ceiling of $23.8 billion on the amounts to be authorized.

I oppose any ceiling, because I believe that the imposition of a ceiling is simply the wrong way for Congress to fulfill its responsibilities in the national security area. This particular ceiling, moreover, is far too low. It would jeopardize our security and involve significant real reductions from the fiscal year 1975 level, which in itself represents a program that is far too low—the lowest, in fact, for 25 years.

The imposition of an overall dollar ceiling on this bill would involve an abdication by Congress of its responsibilities in the most critical areas of national security policy. The items covered in this bill—research programs, weapons to be developed and produced—comprise the very backbone of our defense efforts for the years ahead. In choosing the weapons to be developed, produced, and deployed, we are making decisions of the greatest strategic importance. We are delineating our capabilities, and our role in the world, for many years to come. Decisions in this area must be made by Congress. There is no alternative if Congress is to fulfill its responsibilities in the area of national security policy. There is simply no place for arbitrary ceilings or flat reductions, or for arbitrary program levels derived by adding some percentage to the amount for the preceding year. This ceiling approach, of course, has a simple appeal. It is tempting. It avoids a lot of difficult issues. It is wrong precisely because it avoids the real issues. To impose a ceiling would be tantamount to a congressional declaration of bankruptcy, a going-out-of-business in the national security field.

Let us consider some of the practical aspects of this matter. Suppose we impose this ceiling. We would then have to go to conference with the House, which rejected a ceiling figure—a much higher one. We could anticipate an interesting conference. Then we would transfer the

UMI

choice to the executive as to the specific cuts to be made. Back to Congress, then. Hearings and debate in both Chambers. Conference again. And somewhere, after all of that, Congress would then get around to appropriating and, hopefully, the executive would be able to carry out the program for fiscal year 1976—which begins next month.

In practice, there simply could not be time for the executive to develop alternative proposals, for Congress to consider them in an orderly way, to complete appropriation action, and to carry out the fiscal year 1976 program in an orderly manner. Something would have to give. And one of the things which would have to give would be any chance for orderly consideration by Congress of the executive's proposals for applying this $1.2 billion blanket cut. We would have a choice of rubberstamping these proposals, or delaying the legislative process indefinitely.

The ceiling approach, then, is simply unworkable in any way that would provide for Congress to fulfill its responsibilities in the national security field. It is wrong in principle. In addition, it would provide a cut from the fiscal year 1975 program in terms of real buying power.

Let us review the figures. The bill as reported would authorize $25 billion. Of that, though, $1.3 billion is necessary to meet funding shortages for ships approved by the Congress in fiscal year 1975 and prior years. This provides no new ships at all for fiscal year 1976. The amount in the bill for new fiscal year 1976 programs, then is $23.7 billion.

In fiscal year 1975, Congress authorized $21.9 billion. After appropriation action, we provided a program of $21.2 billion. These figures exclude Southeast Asia. Let us begin with the lowest figure, $21.2 billion appropriated for fiscal year 1975. Add $1.6 billion for inflation, at 7.5 percent. And add $900 million, necessary to fully fund the ships in the fiscal year 1975 program. The new program appropriated by the Congress for fiscal year 1975, then, is equivalent to $23.7 billion at fiscal year 1976 prices.

We provided, then, $23.7 billion for fiscal year 1975. We are proposing $23.7 billion in new programs for fiscal year 1976. If the optimistic inflation factor of 7.5 percent holds and some balances are found during the appropriations process, there could be, at the most, a $300 million growth. However, if those two factors do not prevail, there is no growth at all in this bill as it stands. If we adopt the proposed amendment, we will be imposing a reduction of $1.2 billion from the fiscal year 1975 level, side from Southeast Asia, which of course is zeroed out completely.

That fiscal year 1975 program represented the lowest defense program, in terms of real buying power, for 25 years. This amendment would impose a further cut of $1.2 billion from that level. This is completely out of line with our needs, and with the realities of the world today. The bill as reported would do no more than hold the line. This is the least we can do.

This ceiling approach is wrong in principle. It is unworkable in any way that would allow Congress to fulfill its responsibilities in the national security area. It would reduce our weapons programs to a new low, well below the levels we approved last year when inflation is taken into account. This amendment should be defeated.

There is no real growth in the fiscal year 1976 recommendation as contained in this bill. When we consider that the 1975 fiscal year shipbuilding program was underfunded, this figure, together with inflation for that year and the previous year, and together with inflation for the 1976 fiscal year, will just about take up the $4.1 billion difference which has been brought out here. The $4.1 billion is the difference between the fiscal year 1975 actual appropriation and the 1976 recommendation authorization as contained in the budget resolution. Therefore, there is $4.1 billion. But that will be absorbed, as I stated, by the shipbuilding program having been underfunded in previous years, and inflation at that time, and then the inflation of this year. So, really, there is no difference. In fact, when we consider those factors, the bill for this year probably would be as low as or lower than the appropriation was last year.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. THURMOND. I want to bring that point out, because I think it is important for the Senate to know that.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. THURMOND. I yield for just a half-minute, because my time is limited.

Mr. KENNEDY. I know this argument has been made, but why not use the same argument in terms of inflation for hospitals, schools, or any of the other kinds of services? We are not prepared to do that. The Senator is talking about inflation in terms of a particular shipbuilding program, and saying that the committee should not be charged with it. Yet we use the comparison in terms of many other programs—hospitals, schools, and all the rest—and there is no adjustment for inflation. Why do it solely in terms of this procurement?

Mr. THURMOND. Mr. President, in response to that question, I say we are now considering the defense bill. We are not considering hospital bills; we are talking about the defense bill.

While we are on that, I want to mention that under the budget resolution, the total Federal spending for 1976 is $367 billion. For 1975, it was $314 billion. So it is up $53 billion. But where is that going? Is that going to defense or nondefense? The Senator has mentioned nondefense items.

Of that $53 billion increase, only $5 billion goes to defense; 6 percent. The other $48 billion, which is 21 percent, goes to nondefense items. So it is clear that the increase in the 1976 budget is not in defense compared with nondefense. Six percent defense, 21 percent nondefense.

Now, Mr. President, in closing, I just want to say that there is no question in my mind—and I hope there is not in the minds of the Senate—that his authorization should be passed as has been requested. I think it has been clear, the figures are clear, and I think my statement on this matter explains it in detail. I will not take any more time.

Mr. STENNIS. I thank the Senator very much.

Mr. President, I yield to the Senator from Arkansas 3 minutes if he needs it.

Mr. McCLELLAN. Mr. President, I had not intended to take part in this debate, but when I got over here and saw this amendment with this provision in it about appropriating the responsibilities of Congress to make appropriations for specific items, delegating that power to the Secretary of Defense, with the language here I do not know what it means.

I wonder as to the Appropriations Committee when the Secretary of Defense reports back that he is going to spread this money this way or that, does that become the law that binds the Appropriations Committee? There is no provision in here as to what he has done with it after the report is made. They just report back how they are going to spend it if it is under the authorization. Does that bind the Appropriations Committee just as if it was written into the law where he makes the cuts?

I tell you this is loose legislating. This is not the way for Congress to meet its responsibilities. You may be for reducing; and, if so, offer an amendment to reduce the item in the bill. But this way it delegates the power to the Secretary of Defense to come back and make a report of how he is going to spread it around.

That provision is absolutely, in my judgment, if that is intended to bind the Appropriations Committee, that provision is unconstitutional. If it is not intended to do that, what is the purpose of it? If it is not intended to bind us, it does not say, "You will make a report for consideration by the Appropriations Committee." It just says that he makes a report of how he is going to distribute these authorizations.

Mr. President, this is—I do not know a word that describes it from the standpoint of responsible legislating. I do not care how much you want to cut, and there is a tendency to cut, and I am not against cutting. Without any requirement, I myself have led the fight to make cuts in the defense appropriations during the past 3 years. I have not gone to the extreme that some would want to go, but I say, Mr. President, that this is an abrogation of responsibility or it is legislating so that no one can understand what the intent of Congress is. This ought to be corrected before it is voted on.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, will the Senator from Missouri yield me 2 minutes?

The PRESIDING OFFICER. A question is being directed to the Senator from Missouri.

Mr. KENNEDY. Mr. President, will the Senator yield 2 minutes?

Mr. SYMINGTON. I yield to the able Senator from Massachusetts 2 minutes.

Before he speaks, I would say to my good friend from Arkansas that all we are discussing, is a proposed reduction of 4.8 percent of the bill's procurement budget, $1.2 million. Here the Secretary of Defense would have to report to us where he took this additional cut.

Mr. McCLELLAN. I have just one question: Does he intend that that becomes law, what he decides to do? Is it binding on anybody and, if so, on whom.

Mr. SYMINGTON. It is only binding on the 4.8 percent of the authorization.

Mr. McCLELLAN. It would be binding on those who do or those who do not; it should be equal.

Mr. SYMINGTON. It would be binding only on that amount apart from what the Senate Armed Services Committee has recommended for authorization.

Mr. KENNEDY. Mr. President, I would just like to direct this question to the chairman of the Budget Committee, because he made a statement before. I understand that the Budget Committee had recommended a 10.5-percent increase in defense expenditures. It is my understanding that, under the proposed authorization, it will be as high as 20 percent over last year.

Now, in listening to the Senator, if you do not have a cap on military pay—and, I must say, in terms of trying to look down the road it seems to me it would be extremely unlikely—would not the chances increase that we would exceed the budget recommendations?

Mr. MUSKIE. That was the purpose of my statement this morning. If the additional items which were not reflected in the budget materialize, a total of $2.4 billion in outlays and $2.4 billion in budget authority, and the indications are that they will, and the figure stated was the pay cap, both active duty pay and retired pay, if those materialize, this bill S. 920 ought to be cut, and the vote to cut ought to be cast by those who are going to support those decisions.

Mr. KENNEDY. The Senator has been here longer than I have, and he has watched the actions Congress when it comes to cutting pay increases. I ask what he thinks, as an individual Senator, of the possibility of holding the line on those items?

Mr. MUSKIE. I do not think there is any possibility. The House has voted to have the cap, and the Senate will follow suit, and we will have to find room for the $1.8 billion in the defense budget to accommodate that, and for that there must be some provision in this bill.

Mr. BUMPERS. Mr. President, would the Senator yield for just one question?

Mr. SYMINGTON. I would be glad to yield to the distinguished Senator from Arkansas.

Mr. BUMPERS. The Kennedy amendment reduces it by $203 million. Does that mean the ceiling is still $23.8 billion?

Mr. SYMINGTON. That is correct.

Mr. BUMPERS. In other words, the Pentagon actually picks up $203 million if both are adopted; is that correct?

Mr. SYMINGTON. That is correct.

Mr. President, I am glad we have had this discussion and debate, I predict it will be a forerunner of many other debates on this subject in the years to come, shedding light on how the defense structure is created, authorized, appropriated, and made into law by Congress.

Before closing for myself, I would like to read a report from the Library of Congress, just two paragraphs:

S. 920, if enacted in its present form, would, both in absolute terms and on a percentage basis, provide the largest increase over the previous year's funding for the same purposes since the Congress began to authorize both military procurement and research, development, test and evaluation (RDT&E). In its present form S. 920 contains $25.0 billion in procurement and RDT&E funding authorizations. This exceeds the total FY 1975 appropriations for the same categories ize both military procurement and research,

Both in current dollar terms and on a percentage basis, the present proposed authorization increase exceeds even the increase which occurred between FY 1965 and 1966, following the direct American entry into the Vietnam War. In terms of a percentage increase over FY 1975 funding for the same purposes, the rate of increase allowed in the present bill also exceeds both the rise in consumer prices and the Department of Defense's stated inflation indexes for procurement and RDT&E during FY 1975.

That is from the Library of Congress, a relatively objective group, I am sure, and I simply wanted to make it part of the record at this point in the debate.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, what time do I have available please?

The PRESIDING OFFICER. The Senator has 9 minutes.

Mr. STENNIS. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, the Armed Forces of the United States have become much more important in recent years with the advent of strategic nuclear party. Since both East and West wish to avoid a nuclear confrontation, usable military power is largely defined by conventional combat units, a fact not lost on policymakers around the world.

The Soviets, recognizing this situation, have in recent years invested staggering amounts to upgrade their conventional forces: 20 additional divisions, 400,000 more soldiers, superb new armored, electronic, and antiaircraft weapons systems. There is no question the United States has lost much of its earlier qualitative "edge" in weapons, as was quite evident in the 1973 Middle East war. During a period when our Army has been drastically reduced in size, the Soviet Army has reached formidable new heights of modernization and overall effectiveness.

This development has coincided with a marked deterioration in the general stability and order of world relationships. Under the impact of aggressive new political and economic forces, our era is marked by greater international turbulence and uncertainty than have been seen for a long time. Traditional U.S. allies are adopting a more regional and parochial view of security issues. The resolve and capability of the United States to protect its vital interests are being questioned.

Defense strategists have considered for some years that 30 Army divisions were needed to deter the Soviet threat in Europe and maintain credible flexibility elsewhere. Since plainly we cannot afford to maintain this level in peacetime, we must assume some element of risk—a risk which has grown substantially of late. The Army's move this year to reconfigure from 13 to 16 active divisions—with 8 more divisions in the National Guard—will improve our posture from one of unacceptable risk to one of prudent risk. I think all of us would agree the latter is highly preferable. In my view, it may even be too low.

Three new Active Army divisions would be added to the current 13 to create the proposed new 16 active division force. They will satisfy the requirement for additional readily available combat power, broaden the Army's recruiting base, and greatly enhance the affiliation of Army Reserve and National Guard units with the Active Army. The latter program has given a great lift already to the combat readiness and deployment capabilities of Army Reserve components.

An extremely attractive feature of this increase in Army combat power is that it is proposed within constant manpower and within roughly constant dollar levels. Through reconfiguration of existing resources and the shifting of additional responsibility to Reserve components, designated expenses are being held to a minimum. Overall, the new combat structure is one of the most cost-effective investments we could make in national security. Certainly it projects the improved "tooth-to-tail" ratio we in Congress have been asking of the Army.

Little as we may like it, external realities require that the United States improve its conventional military capability. The Army's 16 division plan is one of the best ways we can do this without incurring massive additional costs. I strongly endorse the Armed Services Committee's support of this initiative.

Mr. STENNIS. Mr. President, I thank the Senator from Louisiana.

Mr. GOLDWATER. Mr. President, will the Senator yield me 1 minute?

Mr. STENNIS. Yes; I yield 1 minute.

Mr. GOLDWATER. Mr. President, we have heard a lot about $4.1 billion. I would like to put the record straight. For fiscal year 1975 the real program was equivalent to $23.4 billion. Therefore, equivalent figures are fiscal year 1975 $23.4 billion, and fiscal year 1976 $23.7 billion.

The growth, if the $7.5-percent inflation factor is correct, is only $300 million, not $4.1 billion or 20 percent, as the proponents of the amendment will say.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Will the Senator yield?

Mr. STENNIS. Mr. President, what remaining time do I have?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. STENNIS. Seven?

The PRESIDING OFFICER. Yes.

Mr. STENNIS. I yield to the Senator from Rhode Island 3 minutes.

UMI

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PASTORE. Mr. President, what is happening here today brings me somewhat back to 1960 when one of our great Presidents, and his name was John Fitzgerald Kennedy, campaigned the length and breadth of this great Nation of ours and was elected in the missile gap.

He told the American people that the worst thing that we can do to jeopardize the safety of this great Nation was to begin to skimp and scamp when it came to what was necessary to insure that we would remain free.

Mr. President, in the last 10 or 15 years, many things have come to pass. There has been a tremendous evolution in the world, there has been a revolution in the world. I say that we better be careful about these meat-ax cuts, these across-the-board cuts, leaving it entirely up to the Defense Department to pick and choose where it shall make the cuts.

Usually, they do it where we like it the least because that is where they like it the best.

I have my own doubts about the B–1. I am looking at that very, very carefully, and when the time comes I shall exercise my judgment and my conviction in that respect.

But I say at this moment in our history, with the West Germans selling their fuel sites in atomic energy to Brazil, and with the rest of the countries in Latin America wanting the possibility and the capability of earning themselves this prestige of being a member of the nuclear club, I think we better be pretty careful what we do because we are already being told to get out of Athens and Greece, we have already been threatened by the Turks, told to give up our base by Spain, we are already being chucked out of the Azores.

I say to this country, where will we be unless we have that backup that John Kennedy had in October 1962, when he told Khrushchev, "Bring those atomic bombs here and I will destroy your boats."

The reason he was able to do it was that he was backed up with power, with power not to engage in a conflict, but to avoid one.

I remember only too well I said that in 1964 and I cannot change my mind in 1975. I say to Senators that we better look at this very closely, we better look at this very seriously, we better listen to a man like MUSKIE who has looked at this.

Yes, listen to Mr. KENNEDY as well, listen to everyone we want, but whatever we do, Mr. President, let us make sure that we do not bite our noses to spite our faces.

Yes, I know some cuts have to be made. But as to this idea that somebody has decided it has got to be $20 billion, or $15 billion, or $30 million, I say, Mr. President, this is a funny kind of a world today. I am telling everyone that those Russians are not relaxing, and the Red Chinese are not relaxing. Not only that, if we look around the world, here is Paris selling reactors all over the world.

We told our manufacturers to exercise some restraint, and they are exercising some restraint. But these are Americans. These are Americans. Every time we turn around we have a little bit of a humiliation, a little bit of embarrassment here and there.

It happened not too long ago. When a country like Cambodia can get cockey with the United States of America, I am saying that it is about time we looked at ourselves.

I say, Mr. President, I am going to vote against this meat-ax cut, but when the proper time comes and I feel a cut should be given, I will make it.

I thank the Senator.

Mr. STENNIS. I thank the Senator.

Mr. President, I will yield some time to the Senator from Georgia. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. NUNN. I believe about 1 minute will be enough.

Mr. STENNIS. I yield 2 minutes.

Mr. NUNN. Mr. President, I am delighted that the Senator from Rhode Island made those comments because we have spent most of the morning talking about budget procedures, accounting practices, comparing appropriations to authorizations, comparing apples to oranges, and he got right down to the meat of it, and that is how much muscle and capability does this Nation want.

When he made his reference to 1964, I was not here. I still would like to have it noticed in the Senate just what has happened since 1964.

We have a 585,000 reduction in manpower. We have reduced Army divisions. We have had the Navy ships go down by 427. We have had aircraft carriers go down by 11. We have had Air Force aircraft go down by 6,627. We have had Air Force frontline aircraft go down by 5,112.

Now, those are facts. They are not emotions, and they are not dreamed up by some accountant. That is where we stand today.

We do not have a cold war defense posture; we are struggling to maintain parity with the Soviet Union.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. STENNIS. Well, Mr. President, I think that this has been a very enlightening debate. I want to thank those that have cooperated as well as those who brought in the amendment.

I close the presentation here, Mr. President, by reference again to the fact that if we set a precedent by putting ceilings on our Appropriations Committee, and turn the matter of actual selection there over to the Secretary of Defense and the Defense Department, all they have to do is make choices and make reports back within 30 days, I believe we have seen the worst possible precedent. I say that with great feeling. It would be a legislative mistake.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

The Senator from Missouri has 2 minutes remaining.

Mr. SYMINGTON. Mr. President, in closing this debate, before I yield to the Senator from California, I would recall that on February 5, 1975, Secretary Schlesinger said before the Armed Services Committee:

> There are, in short, no immediate grounds for fears about bomber or missile gaps.
>
> . . . The naval forces of the Soviet Union and its allies are not generally superior to those of the United States and its allies, and that this should be perceived by well informed observers.

General Brown, Chairman of the Joint Chiefs, said on the same day: (regarding strategic forces.) We currently have adequate power in this country.

I do not like to see our power denigrated.

I yield to the able Senator from California.

Mr. CRANSTON. Mr. President, I just want to make one point in reply to the questions raised by the distinguished Senator from Arkansas in his capacity as chairman of the Appropriations Committee.

I participated in the drafting of this amendment with Senator SYMINGTON and Senator KENNEDY, and the statement that would come from the Secretary of Defense as to whether or not the cut would be apportioned was in no way to be intended as binding on the Appropriations Committee.

It simply states that the Secretary of Defense will indicate where he proposes to act. It is our understanding that there would be full flexibility within the specific authorizations for the Appropriations Committee to pin this down precisely where it feels it advisable to do so.

I just want that in the RECORD as to the implications.

Mr. MCCLELLAN. They were authorized to make the cuts. The bill so states.

Mr. CRANSTON. But as to where they go, it is proposing. It is not binding, as far as we understand it or intended it, on the committee.

Mr. MOSS. Mr. President, I welcome the opportunity provided by this debate on the Defense program and policies. Nothing is more fundamental to the responsibilities of the Senate than consideration of the defense of our Nation. Under our Constitution, the Government's responsibility for maintaining the Nation's security is shared by the President and the Congress. And from the beginning, Congress has exerted a strong influence in such matters.

This subject is timely and significant for several reasons. First, because of the size of the defense budget and its relationship to the total Federal budget. Second, because of the nature and importance of defense. Maintenance of national security is one of the major challenges facing America. The problems of security were relatively simple in earlier times. But today, with weapons that provide nations the capability of destroying each other, national security is a matter of concern to everyone—not just a few. It is important to have a better understanding of the defense program. The forum which is offered here will enable us to do just that. If there are to be differences among us, it is better that they be differences in judgments and not of the facts upon which the judgments are drawn.

It is the Congress who must set the fundamental priorities and validate or reject the underlying assumptions upon which defense legislation is written. However, our Nation's defense needs are not determined by what we would wish but by the international environment and threats posed by potential adversaries to our ability to defend our national and international interests. I would caution against precipitous action. Our national security is not something which has been erected heedlessly, or hastily. It is the product of years of study, experience, and the culmination of actions initiated a long time ago.

In considering this bill I could not help but reflect on the world situation and on the state of our economy at home. Accordingly, I attempted to develop some criteria which would be useful to me in analyzing this resolution. Stated in the simplest terms, I believe the Congress should provide for a national security program which would: Assure a U.S. defense posture that maintains a credible military balance consistent with the principles of deterrence and parity; retain a choice of options to respond to military threat contingencies; enable the United States to continue to play a strong role in NATO; maintain a position of strength for SALT or other negotiations; continue our technological excellence and leadership in R. & D.; lead to further improvement in the efficiency of DOD, and provide defense at a price that we can afford.

The world scene is not comforting. In the Middle East, in the absence of a settlement, we see an uneasy peace which could explode into war at any time. The situation in Portugal and the difficulties between Greece and Turkey have been cause for concern. Despite détente and the fact that we are engaged in SALT talks, the Soviet military strength remains strong and there are indications that it is gradually increasing. In Asia, our efforts in Cambodia and Vietnam have recently drawn to a close. Our activities in Laos have been rolled up hastily, and our forces in Thailand are being withdrawn. The Philippine Government has announced a review of the bilateral security arrangements which exist with the United States.

Instead of giving way to an acrimonious postmortem, we should refocus our national view toward the blunt realities facing us in the world today and on prudent measures to meet them. Since the fall of Vietnam and Cambodia, there has been much talk about what some perceive to be the demise of our position of strength in the world. Some see these reversals as adverse reflections on our own military might, as a question of our national will. Some assert that the United States is fast becoming a second-rate power in the world. I do not share that pessimistic appraisal.

However, we live in a dynamic world. Not many years ago, the United States enjoyed virtually a strategic monopoly vis-a-vis any potential adversary. That changed to a position of U.S. superiority and has evolved to the present status of relative parity which should be maintained if we do not wish to find ourselves in a position of inferiority.

There are some who say that major conflict is unthinkable today because of nuclear weapons. I agree it should be. But I submit that the causes of war are not limited to the state of military technology but are largely determined by the state of mind of human beings, the imperfect nature of mortal man. Abraham Lincoln reminds us that "human nature will not change." Despite our own previous isolationism and our desire for peace, we have been involved in 9 major wars and more than 100 campaigns and expeditions in the nearly 200 years of our existence. I am not asserting that wars are inevitable. But no one in America or in the world can be certain that our nation has seen the last of war. History teaches that former societies not attending to their own defense soon found that their neighbors did.

Some have grown tired of our responsibilities as a major world leader, and long to return to the days of yesteryear. Unfortunately, that is neither realistic nor possible. We can not take "time out," we must continue our search for peace while maintaining the armor of strength. Gen. Omar Bradley said:

> Peace can be lost by timid world leadership and by the premature abandonment of our armed strength. It can be lost when a nation's self-interest is permitted to smother its world role. . . . Above all, the easiest way to lose peace is to lose it by default, by retreating behind our walls to live in dangerous isolation.

Our national defense must be based on broad and continuing national interests in the ever-changing world environment. If we are to maintain national security, we must continue to recognize that freedom has a substantial price—the maintenance of a credible military balance with potential adversaries. If we are to give up that balance, we should do it consciously recognizing the full consequences on the type of society we enjoy here in America in association with other free states of the world.

This debate occurs on the eve of the 31st anniversary of the D-Day operation in Europe, June 6, 1944, which resulted in the liberation of millions of people that would not have been possible without the U.S. efforts. It is equally clear that the U.S. national defense posture has been a cornerstone of security in the world for the ensuing third of a century. I think the latter point is significant to our consideration today.

We should not be afraid to make necessary changes and progress should be welcomed. However, change for change sake should be avoided. Not all change is progress. This is not the time for a massive infusion of funds into defense which would be wasteful and is likely to be interpreted abroad as a kneejerk reaction of a nation that is not confident of its strength; nor is it the time for dismantling the structure or a radical change in policies which could create a great shock wave. It would be imprudent to act on national security in a way that would lend support to any illusions that we are retreating from the world. We cannot afford to signal a lack of resolve if hopes for mutual negotiated reductions in East and West arms levels are to be fulfilled.

Looking briefly at the domestic scene, there is need to arrest the economic slide, turn the economy around, and get the unemployed back to work. A few weeks ago, the Senate Budget Committee presented the first concurrent resolution which was subsequently approved by the Senate. In preparing the report, covering defense and other budget functions, the committee conducted extensive hearings and considered a multitude of requests and recommendations to develop priorities as a basis for determining target spending ceilings. In reality, all our budget needs are in competition. However, the committee concluded that the Federal budget for fiscal 1976 should provide:

> Funds for national security, education, health care, pensions, and other established programs which the people of the United States would need regardless of the state of the economy.

In other words, the committee said that national security is among these first priority needs to be fulfilled. Moreover, the budget resolution and the conference report included funds for all of these activities along with other programs designed to reduce unemployment, counter the effects of recession, and stimulate economic recovery.

We must resolve our domestic problems—for example, unemployment, inflation, and recession—and these problems are not automatically solved by an effective national security program. But without such a climate, how can we be assured of the opportunity to even work toward solution of such other problems. I do not believe we should expend resources beyond our real needs for whatever purpose. However, consistent with the Budget Committee's conclusion, I believe that the Nation can afford and must make the expenditures necessary to meet its security needs.

Now, turning to the bill before us. First, I want to express appreciation to the distinguished chairman and the members of the Armed Services Committee for the excellent report on the defense bill. It is obvious that the committee and its staff have worked long and hard in critically analyzing the subject matter and presenting the bill. Particularly welcome are the moves taken by the committee, charging the Department of Defense—DOD—to furnish several significant studies and reports to insure better availability of information for the Congress.

Considering this legislation against the criteria outlined, my reaction was favorable. Let me highlight just a few examples from the bill and accompanying report. It: First, maintains a "fundamental commitment to the principles of deterrence and to the maintenance of

UMI

a United States-U.S.S.R. strategic balance based upon parity; second, retains various options by continuing the Triad of strategic forces and strengthening our conventional forces; third, maintains a "strong, steady commitment" to NATO which is enhanced by the continued conversion of support units to combat units; fourth, provides for insuring "a continuing and vigorous technology base both in Government and in industry;" fifth, recommends strategic initiatives "consistent" with and "largely a continuation and natural outgrowth of the programs authorized" previously; and, sixth, maintains a position of strength for SALT negotiations—for example, it provides for procurement of 50 Minutemen III ICBM operational test missiles and continuation of the Minuteman force modernization program which improves insilo survivability. Keeping the production line open as a SALT option is particularly attractive.

On the other hand, the committee has recognized the need for DOD to improve its management to make better use of the resources which Congress has provided. For example, the report: First, reflects the need for DOD to make greater efforts "to determine what weapons are needed, . . . be more selective in its priorities and choices, and more effective" in managing its programs; second, urges DOD to "emphasize those weapons systems and technology programs which are critical to the future survival of the Nation;" third, highlights the need for the Secretary of Defense to provide more guidance to the services regarding "the inflation/escalation problem" in contracts. fourth, reduces the military and civilian strength a total of 41,300; fifth, approves a fourth B–1 bomber but deletes production/related funding; sixth, requires DOD to consider the desirability of developing an alternative bomber to meet a 1990 IOC; and, seventh, directs DOD to study alternative basing arrangements and force levels in the Pacific.

I support the committee's declared intention to keep "the pressure on" DOD to effect further improvements.

The committee recommends a total of $25.0 billion for this bill, a reduction of $4.8 billion from the administration's request. This is a sizeable cut. However, I believe the amount recommended—$25.0 billion—provides sufficient funds to meet all of the Nation's essential defense needs in the areas covered by this bill.

The Congress approved the budget resolution conference report on May 14. I think it is essential that we stay within the overall ceiling we have approved. Although not binding this year, the functional totals provide a useful guide to what the Nation can afford this year and what it cannot. Their adoption by the Senate would greatly facilitate budget control. S. 920 as reported is consistent with the conference report on comparable portions of the defense program.

If we were the artist, each of us might paint this bill a little differently. For example, it does not precisely square with my own views in every detail. But like the other bills which come before us, it is a product of the legislative process and reflects the give and take which is characteristic. In my view, however, the bill offers a reasonable balance and provides a responsible strategy for meeting the Nation's security needs as they are foreseen at this time.

This debate offers a valuable opportunity to identify issues and problems leading to decisions for improving defense, but it is useful to remember that national security is a continuous process. It was not built in 1 week. It cannot be recreated or changed drastically in 1 week, without seriously damaging our national security, forcing tremendous waste and inefficiencies, and triggering an avalanche of reaction which could convey the wrong signal and rupture the stability of the strategic balance.

This Nation is nearing the end of 200 years of mankind's most successful experiment in democratic government and personal freedom. Adequate security has been a requisite of this experience. To assure such opportunities for our future generations, in acting on this bill, let us keep the American ship of state moving forward on a secure and steady course.

MILITARY PROCUREMENT AND A SHORTAGE ECONOMY

Mr. PROXMIRE. Mr. President, we are living today in what economists have characterized as a "shortage economy." I would like to discuss the military procurement bill before us today in terms of this relatively new phenomenon of an economy of short supply.

Last year, three of our colleagues—the distinguished Senators from Washington, Kentucky, and Illinois (JACKSON, HUDDLESTON, and PERCY)—investigated the matter of shortages. Their work led to the publication of a report which indicated very clearly the impact of this economy of scarcity on major American industrial firms.

Among 258 of the Nation's largest manufacturers, 245 reported that they had experienced a short supply in at least one of the commodities essential to their business; 108 of the firms surveyed said they could not obtain enough petrochemicals; 106 had trouble purchasing steel; 94 reported difficulty in buying non petroleum chemicals; 74 had inadequate supplies of aluminum; and 62 said sources of copper were insufficient. These are only a few of the 64 commodities reported to be in short supply.

In a recent issue of Industry Week, the vice president for materials and services of Allegheny-Ludlum Steel Industries, Inc., told a reporter that he could not find a single purchasing agent who could remember "ever being through a more hectic shortage period than the last 2 years." He went on to say that it was not even as bad during World War II and the Korean war. The purchasing agent for Inland Steel recently lamented that "There isn't anything not in short supply."

Shortages, of course, have a ripple effect throughout the economy. Every one of us, I am sure, has been unable to get some items that we require as householders or we have been unable to get it when we needed it.

Shortages also have a cost. In fact, they have several costs. First, there is the obvious cost that a manufacturer or a consumer incurs when scarcities cause a rise in prices. Then there are the less obvious costs that result from delays, from contracts lost due to insufficient supplies of materials. These are the penalties of lateness. Ultimately, they are the penalties of shortages. What the cost of these shortages may be to our economy has not—I believe—been estimated. But I daresay that it is running into the billions of dollars annually, as markets shrink, goods are delayed or nonavailable, and business opportunities are missed.

Because of the ripple or cascade effect of shortages from one production tier to another and finally to consumers, shortages have to be viewed both as symptoms and as causes of a weak economy. Their effect is circular. And it is vicious in terms of its impact on the foundation of our economy. Shortages breed shortages and engender a spiral from which it can be very difficult to escape.

The causes for this abundant supply of shortages are numerous. Some—such as increasing world demand for resources and simultaneous exhaustion of these materials—are obvious causes. But they are not necessarily the most important. In fact, there is increasing evidence to suggest that the bleaker predictions of resource depletion in a very short time are unnecessarily pessimistic. World demand for certain minerals is sagging. Prices may fall, too, though typically prices never return to preshortage levels when the scarcities end. This is still another cost of shortages.

The other causes for shortages are far more controllable than rising world demand and lagging output. Fuel shortages have fostered shortages of other materials. High interest rates, low rates of return on investment, price controls, two devaluations of the dollar and unproductive allocations of resources are among the secondary causes of shortages.

For example, dollar devaluation has made certain American products and materials very attractive to foreign buyers, with the result that manufacturers find it more profitable to export their goods than to market them domestically. This has been true in the foundry industry—to cite one example—where there have been reports of foundries returning patterns to domestic customers, because they are filling overseas orders. This is good for the foundry owners and its helps us to achieve our occasional trade surpluses, but it is harmful to the manufacturers and finishers who require foundry products for their domestic business. This is an example which could be multiplied many times; it also applies to portions of the textile industry. It is a feature of a shortage economy.

There are a number of things which we can do to alleviate—if not eliminate—the problems of scarcity and so to help our economy get back on its feet in the shortest possible time. We can stimulate energy and vital resource production. We can try to bring interest rates down to encourage plant expansion and construction.

And there is something more that we can do this week—action that we can take on the procurement bill before us. We can trim the portion of materials and products that our own Government purchases down to the essential minimum.

There are a number of reasons for doing this. First, of all the categories of Government spending, military spending is the least beneficial in terms of creating more jobs, save only for spending on the space program. Second, military goods production diverts materials and resources from the more economically stimulating production of consumer goods. Moreover, military equipment production does not have the "ripple" effect of consumer production, because so much of the equipment stagnates in inventories and is not worn out and replaced as rapidly. Third, it cuts into the disposable income of our citizens by necessitating higher taxes. And, fourth, because of the preemptive or preferential procurement practices of the Defense Department, military purchases aggravate the costly conditions of shortage which exert a real drag on our efforts to achieve economic recovery.

Now, I am not suggesting that we undermine our vital national defense in order to provide more consumer goods production. That has never been my approach.

What I am suggesting is that a large proportion of the military procurement bill involves discretionary spending. That is, purchase of many of these items could be dropped or deferred without an adverse impact on our defense posture. Many of them are what military men themselves call "nice to have" items. They are not essential. They are luxuries and frills.

In a shortage economy, we must take special care to eliminate this nonessential or wasteful spending, which may show up as "gold-plating" on weapons systems, as cost-overruns from poorly managed development programs, or merely as the continuance of luxury spending in a climate of austerity. We must take special care to prevent one class of consumption from taking unnecessary precedence over another to the detriment of the economy as a whole. We must insure that scarce goods and material resources are allocated in the most equitable and economically productive manner.

To state the converse of this proposition—we must insure that the burdens of shortages and the effects of scarcity are distributed throughout all economic sectors—within the constraints of assuring an adequate national defense—so that no single sector is the victim of another.

The procurement bill reported out of committee would authorize just over $25 billion in procurement appropriations for fiscal year 1975, an increase of some $3.5 billion or more than 10 percent over last year's procurement appropriation of $21.5 billion. The reductions made in the Department of Defense request are far more apparent than real.

But these figures do not reflect actual Defense Department procurement in a given year. For example, military procurement in fiscal year 1974 amounted to $40 billion, as a result of the spending of funds appropriated earlier, even though the fiscal year 1974 appropriation was actually only about half of this amount or in the neighborhood of $20 billion.

This difference—a difference of 100 percent between actual appropriations and actual expenditures—represents the "front-end load" of military procurement. It is a factor which is not adequately taken into account in the making of our spending plans. We should realize that the actual impact of military procurement on the economy in fiscal year 1976 will be about double what the Congress authorizes or appropriates, because of this enormous concentration of accumulated advance procurement. And we should be conscious in reviewing the bill before us that we are already heavily committed to large, future expenditures for new hardware. One day soon the enormity of our future defense spending will come back to haunt us in the form of economic nightmares.

As we should have learned over the last decade, high military budgets pour fuel on the fires of inflation. Indeed, many economists believe the high DOD budgets in the 1960's were the single biggest cause of the inflationary pressures we have been feeling so sharply in the 1970's. On top of that, the Defense Department now asks us to give them increases to compensate for the inflation caused by earlier high military budgets. This is a vicious circle, indeed. And what will it portend for future inflation if this year we pass a military budget that is bigger than ever?

Some will quibble that in constant dollars, defense spending has decreased. But I would remind them that what we are being asked to spend is current dollars, not constant dollars. Constant dollars are merely a benchmark, a theoretical tool for measuring inflation, not a reality. The reality, I regret to say, is current inflated dollars caused, in large measure, by our past inflated military spending.

One of the hidden ways in which military spending aggravates shortages is the military priorities system, whereby defense contracts and orders automatically preempt any civilian orders. This is a necessary and useful system, if selectively employed only for urgent and essential programs.

But in recent years, it has been used by the Defense Department to get in line ahead of civilian consumers for such common items as mattresses, sheet music and musical instruments, plastic hammer handles, latex paint, and toilet paper. The direct relation of these items to the national defense is difficult to detect.

Nevertheless, the operation of our civilian economy is disrupted and materials shortages are intensified—without justification—by this wholesale, preemptive purchasing. The Defense Department admits that three-quarters of its procurement—or $30 billion worth in fiscal 1974—is done on a preemptive basis.

More importantly, this kind of procurement can conflict with other urgent national economic priorities. Naval requirements for oil field tubular goods and rolled steel plate, for example, are taking precedence over and causing shortages for the oil and shipbuilding industries, though we urgently need new commercial oil production and new tankers to alleviate the energy cost push.

Where there is no compelling peacetime need for preemptive procurement, this blanket approach to preferential buying imposes unacceptable costs on manufacturers and consumers in the form of delays, missed business opportunities, aggravated shortages, and increased inflation.

If we do not accept our responsibility for curbing nonessential military spending, if we do not make the effort to be discriminating and selective in authorizing funds for new or continuing weapons programs, if we do not attempt to eliminate waste and discretionary spending, we will be telling our fellow citizens that they must continue to live in a land of scarcity, while the Defense Department dwells in the land of plenty.

There are some who will object to this characterization of the Defense Department's situation, those who have taken at face value the Defense Department "wolf crying" that precedes every military authorization or appropriations bill. But—when we are maintaining a force of nearly 6,000 military music makers, when we are funding personal servants and staff cars and executive jets for military commanders, when we are allowing the Defense Department to make three-quarters of its $40 billion in purchases on a basis that preempts civilian requirements—then I submit our military money managers have not grasped the consequences of an era of shortages, a period when austerity should be our watchword.

I do not deny that, in certain areas, the Department of Defense has experienced some real funding shortfalls. But, if the Defense Department can continue to say that it is caught short, while wasting untold procurement dollars on purchases large and small, then some new and tighter fiscal management practices are clearly in order.

And one of the most effective ways I know of to teach a profligate son the lesson of thrift is to cut his allowance so that he will confine his spending to essentials.

We are all familiar with the management efforts of the Defense Department. They have given real leadership in this field both to business and to the Government. The annual Defense Department report contains a section solely on management problems and solutions, a commendable inclusion.

But the acid test of money management is results. And to date, I do not believe we can be satisfied that the management concepts developed by the Department of Defense have been applied extensively enough and rigorously enough to show adequate results. There are still too many resources dribbling through the cracks of the Defense Department procurement process.

I do not believe it is either possible or

UMI

proper for the Congress to dictate every management practice to the Defense Department. But I do think we can provide them real incentives to live up to their own management standards. And I think we can and need to reduce the share of resources that is being needlessly diverted from the strapped civilian economy to military production. The best way of doing this, of helping them to fine tune the procurement process, is to set meaningful limits on military procurement and to make the Defense Department squeeze the last penny out of every procurement dollar.

The bill before us does not do this. It increases military spending. So I call upon my colleagues to join me in supporting an amendment which will finally make the Department of Defense give us the best protection possible at an acceptable cost and wake up to the realities of a shortage economy.

Mr. BAYH. Mr. President, the amendment before us would put a ceiling of $23.8 billion on the authorization for military procurement in fiscal year 1976. This is $1.2 billion below the committee's recommendation and $4.8 billion below the budget request when Vietnam aid is not counted. I believe the amendment is wise policy and I will give it my support.

Mr. President, in considering defense authorizations, we are looking at only one aspect of national security. There are many other factors involved. The economic strength of a Nation is an essential element in true security. So too are the physical health of a country's people and, most importantly, the confidence and commitment of the people in and to the system of government. As Franklin Roosevelt pointed out:

> The core of our defense is the faith we have in the institutions we defend.

If our economy is in a shambles, Mr. President, if our people are not well, if they lose faith in our Government, our democracy will not have the moral strength necessary for true national security, regardless of how many soldiers we train or how many weapons we buy. Thus it is incumbent upon us as we examine this legislation to view it as only one of many elements of national security and to balance the resources we apportion for these military purposes against those available for the others. We must not spend foolishly in one area and jeopardize the additional human elements which are essential.

In this year's budget request, I think we do see an improper balancing of priorities. The request for defense is, in Secretary Schlesinger's words, a "turn around budget." It shows an increase of $15.7 billion for total obligational authority and will mark the beginning of a series of more expansionary defense budgets. By 1980, the Secretary projects we will be spending $148 billion on defense. Even in terms of real dollars this marks a sizeable increase over the next 5 years.

This bill is particularly important in that it establishes programs for the development and purchase of weapons systems which will continue for many years. This year's request for procurement is $28.6 billion, $7.7 billion over last year's appropriations, an increase of 36 percent.

In comparison, the administration's proposals for programs to meet our economic problems and provide for the well-being of our citizens are restrictive rather than expansionary. At a time when over 8 million people are unemployed, the President has opposed attempts by Congress to provide jobs for those who cannot find work. Only a few days ago he vetoed a bill which would have created jobs for 1½ million Americans. While allowing fully for the effects inflation has had on defense, President Ford has attempted to limit cost-of-living increases for social security recipients, who have been most victimized by inflation. He has advocated reductions in spending for food stamps, child nutrition programs, medical research, and law enforcement. In fact, the President opposed any funding for the juvenile delinquency prevention program at a time when crime rates are soaring and the bulk of serious offenders are juveniles.

Some have argued, Mr. President, that we have misinterpreted the President's defense budget and that the dramatic increase in spending will create new jobs and help ease our economic crisis. This is specious reasoning. Major studies have shown that defense spending is the least effective means of creating jobs. According to the Bureau of Labor Statistics $1 billion spent for VA health care will create 88,955 jobs. If $1 billion is spent on the National Institutes of Health or for manpower training, it will create 84,863 and 136,464 jobs respectively. That same amount spent for defense contracts will provide only 51,952 jobs. Further, a study recently published by the Public Interest Research Group in Michigan—PIGRIM—found that when spending on the military went up, spending in civilian categories decreased, with a consequent net loss of jobs. According to PIGRIM, the high level of military spending between 1968–72 cost the Nation 840,000 jobs each year. The annual loss in my own State of Indiana alone was 57,000 jobs.

On its face, Mr. President, the President's budget request clearly marks a misplacing of priorities. It appears the Ford administration has slipped into the trap of overemphasizing defense at the cost of undermining the other elements which contribute to national security. Only very urgent needs could justify such expansion of the defense sector, and I do not believe these exist.

Earlier this week we discussed at great length the foreign policy assumptions which provide the basis for defense planning. Though differing views were expressed, I think there was some consensus on several points. First, détente, while bringing some progress in arms control and providing some relaxations of tensions between the superpowers, has not marked the end of the adversary relationship between the United States and the Soviet Union. Similarly, the opening of doors to China, has not made us allies of the Chinese. There was also agreement that in view of recent setbacks it was important that we remain militarily strong and that we conduct a broad-ranging reassessment of our foreign commitments, emphasizing American resources and capabilities in the modern world.

Mr. President, I do not believe that these assumptions justify a significant increase in the size of our defense establishment. They mean, rather, that we must remain strong enough to make it perfectly clear to the Russians or Chinese that aggression against the United States or its allies will result in an appropriate response from this country which will be too heavy for our adversaries to bear.

In terms of nuclear weapons, we must have the capability to deliver nuclear destruction of such magnitude that the thought of nuclear attack against the United States is unthinkable for a potential enemy. In our triad system, of strategic bombers, ICBM's, and submarine-launched missiles, we now have that capability.

Secretary Schlesinger has argued that we must insure equivalency with the Soviet Union in strategic arms. Others support the notion of superiority. Still others argue for development of more sophisticated strategic arms to serve as bargaining chips in arms control negotiations. Mr. President, I believe these arguments are extravagant and dangerous.

While we must be always vigilant in assessing our own nuclear deterrent and maintain absolute confidence in our ability to deliver it, we need not respond to every Soviet move. When we already possess the absolute threat, very expensive and sophisticated modifications and nuances buy us nothing. Rather than pointing to Soviet advances and crying that the world will lose confidence in our strength—a self-fulfilling prophecy if there ever was one—let us strongly and publicly reaffirm the fantastic strength we do possess. And while we strive for arms control let us not encourage negotiations over new weapons systems which would never have existed had it not been for our desire to have just a few more chips at the bargaining table, and which could prove extremely dangerous if negotiations should fail.

Our conventional forces must remain strong and capable of holding against and repelling, as we concentrate our might, Soviet or Chinese conventional aggression against this country or its allies. I would hope, Mr. President, that our reassessment of our foreign policy will begin a thoroughly discussed movement toward meaningful and mutual commitments which will make it perfectly clear to the world that the United States will live up to its responsibilities and will bear the hardships of even prolonged conventional warfare. The lessons of recent events, should make it clear however, that there will no longer be an active practice of committing American troops to solve a nation's internal conflicts, which must in the end be determined by that nation itself. Further, Mr. President, the role of U.S. conventional forces in local disputes between neighboring countries should be limited to purely international operations, preferably under the auspices of the United Nations.

Unfortunately, Mr. President, the military procurement bill introduced for the

administration does not adhere to the principles I have discussed. In the strategic category, it calls for continued development of very accurate nuclear missiles, the counterforce, which will buy us little or nothing as an added deterrent and will cause increasingly large expenditures in the future and raise dangerous issues regarding first strike capabilities and nuclear proliferation. In addition the bill calls for continued funding of the B–1 bomber, a program which now bears a $20 billion price tag which can be effectively countered by improved enemy air defenses for a small fraction of its cost.

Conventional forces would be increased by the addition of three new army divisions at a probable cost of $2.5 billion per year, when the only meaningful change in our defense needs is resolve to use our conventional forces more realistically. And there is continued emphasis on highly sophisticated and very expensive weapons systems rather than on the production of less costly weapons which can be purchased in great quantities to provide our conventional forces with the effective firepower they need. As the distinguished Chairman of the Senate Armed Services noted in 1971:

> If we can afford a permanent force structure of only one-fifth as many fighter aircraft or tanks as our potential adversaries—because our systems are about five times more expensive than theirs—then a future crisis may find us at sharp numerical disadvantage.
>
> Unfortunately, this is the path the procurement bill would have us follow.

The tragedy, Mr. President, is that the request for increased spending is not justified by urgent circumstances and comes at a time when our economy is in the deepest and most prolonged recession since the Great Depression. The Armed Services Committee has made significant cuts in the administration's request for funds in this bill, and I wish to compliment its chairman and members. I believe, however, that we must cut even more funds if we are adequately to meet our responsibilities.

Several of us here in the Senate have prepared a list of areas which we believe could be reduced without weakening our defense posture. These include, among others, the counterforce programs, site defenses, AWACS, the B–1 bomber, and the SAM–D missile system. If reductions were made in these areas, there would be savings far in excess of the modest $1.2 billion called for in this ceiling amendment.

Clearly, Mr. President, a further reduction of the military spending authorized by this bill is required. This ceiling amendment will provide the military with 14 percent in growth from last year's authorization an amount which allows significant real growth beyond inflation. There is much room for the Department of Defense to absorb the reduction. I hope a majority of my colleagues will join with me in supporting and, indeed, passing this important amendment.

The PRESIDING OFFICER. All time has expired.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, what is the parliamentary question before the body?

The PRESIDING OFFICER. Amendment No. 506. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), and the Senator from Missouri (Mr. EAGLETON), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. MATHIAS), is necessarily absent.

The result was announced—yeas 36, nays 59, as follows:

[Rollcall Vote No. 195 Leg.]

YEAS—36

Abourezk	Hart, Philip A.	Metcalf
Bayh	Hartke	Mondale
Biden	Haskell	Nelson
Brooke	Hatfield	Pell
Burdick	Hathaway	Proxmire
Case	Humphrey	Ribicoff
Church	Javits	Schweiker
Clark	Kennedy	Stevenson
Cranston	Leahy	Symington
Culver	Mansfield	Tunney
Gravel	McGovern	Weicker
Hart, Gary W.	McIntyre	Williams

NAYS—59

Allen	Garn	Packwood
Baker	Glenn	Pastore
Bartlett	Goldwater	Pearson
Beall	Griffin	Percy
Bellmon	Hansen	Randolph
Bentsen	Helms	Roth
Brock	Hollings	Scott, Hugh
Buckley	Hruska	Scott, William L.
Bumpers	Huddleston	Sparkman
Byrd, Harry F., Jr.	Jackson	Stafford
Byrd, Robert C.	Johnston	Stennis
Cannon	Laxalt	Stevens
Chiles	Long	Stone
Curtis	Magnuson	Taft
Dole	McClellan	Talmadge
Domenici	McClure	Thurmond
Eastland	Montoya	Tower
Fannin	Morgan	Young
Fong	Moss	
Ford	Muskie	
	Nunn	

NOT VOTING—4

Eagleton	Mathias	McGee
Inouye		

So the amendment (No. 506) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1975—MESSAGE FROM THE HOUSE OF REPRESENTATIVES ON SENATE AMENDMENT 107

The PRESIDING OFFICER (Mr. LEAHY). Under the previous order, the Senate will now proceed to the consideration of the message from the House of Representatives on H.R. 5899, which the clerk will state.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 107 to the bill (H.R. 5899) entitled "An Act making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes", and concur therein with an amendment, as follows:

In lieu of the matter proposed in said amendment, insert:

RAIL TRANSPORTATION IMPROVEMENT AND EMPLOYMENT

For administrative expenses and preparation of plans to provide assistance to financially distressed railroads for repairing, rehabilitating, and improving railroad roadbeds and facilities, $5,000,000 to remain available until December 31, 1976: Provided, however, That these funds shall be available only upon the enactment of authorizing legislation.

Mr. MCCLELLAN. Mr. President, Members will recall that on the last day of the session prior to recess, the Senate rejected a motion to recede from its amendment to the supplemental appropriations bill to appropriate $700 million for rail transportation improvement and employment. That motion was rejected by a vote of 16 to 46. The amendment was then returned to the House and instead of accepting the Senate's amendment, the House provided $5 million for planning and administrative expenses in connection with rail improvement and employment. The $5 million was made contingent upon subsequent authorization just as the Senate had required in appropriating the $700 million.

It is my understanding that the junior Senator from Indiana (Mr. BAYH), chairman of the Appropriations Subcommittee on Transportation, and the senior Senator from New York (Mr. JAVITS) intend to offer an amendment to the House proposal which would increase the $5 million to $175 million of which $170 million would be available for rail improvement and employment, and $5 million would be for administrative expenses. I intend to support that amendment and urge my colleagues to do likewise.

As I noted during the earlier debate on this issue, this bill contains at least three instances wherein funds are appropriated subject to authorization. The House accepted two of these provisions and rejected a third, the one now pending before us.

It appears that the House is inconsistent and invoking a principle, that is not appropriating without authorization, at its convenience. I do not feel bound by any such principle under the attending circumstances and, therefore, urge my colleagues to support the Bayh/Javits proposal.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I shall yield immediately to the Senator from Indiana——

The PRESIDING OFFICER. The Senate will be in order.

Mr. JAVITS. I shall yield immediately

UMI

to the Senator from Indiana, who will make the motion to which I am about to refer, but I do have the time under the unanimous-consent agreement——

The PRESIDING OFFICER. The Senator has 15 minutes.

Mr. JAVITS. I yield myself 2 minutes, if that is satisfactory.

Mr. McCLELLAN. Mr. President, is this——

The PRESIDING OFFICER. The Senator from New York has the floor.

Mr. BAYH. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will suspend until order is restored. The Senator from New York has the floor.

Mr. YOUNG. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. JAVITS. I yield for a parliamentary inquiry.

Mr. YOUNG. How is the time divided? Who controls the time?

The PRESIDING OFFICER. There is a time limitation of 30 minutes, 15 minutes to the Senator from New York (Mr. JAVITS) and 15 minutes to the Senator from Arkansas (Mr. McCLELLAN), on the motion of the Senator from New York to concur in the House amendment with an amendment, and a limitation of 10 minutes on any amendment to that motion, or debatable motion or appeal in relation thereto.

Mr. YOUNG. That is an unusual situation, with both Senators controlling the time being on the same side of the issue.

Mr. JAVITS. Mr. President, I am more than willing to agree——

Mr. YOUNG. There will be no more unanimous-consent agreements in the future unless the minority has time.

Mr. JAVITS. Yes, of course, Mr. President, this has happened before. I had not the remotest notion, when the unanimous-consent agreement was entered into, that Senator McCLELLAN would be on the same side; I wish the Senator from North Dakota would understand that. As far as I knew, Senator McCLELLAN was going to pursue the same position he had before. I will gladly yield my 15 minutes to Senator YOUNG right now.

Mr. McCLELLAN. Mr. President, I will yield Senator YOUNG such time as he may require, out of the 15 minutes over here.

Mr. JAVITS. Mr. President, I think it would be more satisfactory to Senator YOUNG that I yield to him now the time that I have, with the request to Senator McCLELLAN to give me 2 minutes. I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. So, Mr. President, will the Senator from North Dakota yield me, as long as he says he does not need more than 5 minutes, 5 minutes for myself?

The PRESIDING OFFICER. The Chair understood that the Senator from New York was going to yield to the Senator from Indiana.

Mr. JAVITS. Yes. Well, I now have 5 minutes from Senator YOUNG, and I yield to the Senator from Indiana.

The PRESIDING OFFICER. The time is on the motion, which must be made before any time is yielded.

Mr. JAVITS. Mr. President, a parliamentary inquiry, so we get the situation clear.

The Senator from Arkansas (Mr. McCLELLAN) has 15 minutes, and I have 15 minutes.

Mr. President, I asked unanimous consent to yield the 15 minutes to the Senator from North Dakota (Mr. YOUNG). He, in turn, yielded me 5 minutes out of the 15 he has.

Is that the situation?

The PRESIDING OFFICER. The time will only start when the motion is actually made.

Mr. BAYH and Mr. JAVITS addressed the Chair.

Mr. JAVITS. Mr. President, I yield to the Senator from Indiana (Mr. BAYH) then for the purpose of making the motion.

Mr. BAYH. Mr. President, I think it might put us on record if I make the motion and then our colleagues will know what we are talking about here.

The PRESIDING OFFICER. It would be a lot easier to log the time.

Mr. BAYH. Mr. President, I move that the Senate concur in the amendment of the House of Representatives to the amendment of the Senate to the bill H.R. 5899 with the amendment that I send to the desk.

Mr. President, I send that amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Indiana (Mr. BAYH), for himself, and the Senator from New York (Mr. JAVITS), proposes an amendment to the amendment of the House to Senate Amendment No. 107 in lieu of the language inserted by the House, insert the following:

RAIL TRANSPORTATION AND EMPLOYMENT

For payment of financial assistance to assist railroads by providing funds for repairing, rehabilitating, and improving railroad roadbeds and facilities, $175,000,000 of which not to exceed $5,000,000 shall be available for administrative expenses of the Secretary to remain available until December 31, 1976: *Provided, however,* That these funds shall be available only upon enactment of authorizing legislation.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, the time has not expired yet.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. Mr. President, I will use 2 minutes then on the issue so that the Senate may understand.

What happened was that we received nothing out of the $700 million we ordered appropriated by the bill we passed with respect to the railroad roadbed issue.

When the matter came back here, the Senator from Arkansas (Mr. McCLELLAN), with the greatest not only sympathy but passion explained to us that he was deeply, even devastatingly disappointed, but that this was such an enormous bill, having so many difficult issues at stake, that notwithstanding the fact that the House of Representatives was unlikely to act on what we were going to do, he felt that we better take it as it was and then fight on another day when we would be in a better position. That was because the House of Representatives was going home. If we turned the conference report, or at least that particular item in disagreement down at that time, many Government departments might be in difficulty, et cetera.

I felt supported strongly by the Senator from Indiana (Mr. BAYH). The only reason I took the lead was I think he did not happen to be in the Chamber at that particular point. But it is his subcommittee of the Committee on Appropriations that dealt with this matter.

I felt at least the Senate ought to make a decision. The House of Representatives had made the decision to turn us down by a rollcall vote. I felt the Senate ought to make the decision that it would or would not run this risk that things would get bollixed up in the Federal Government during the recess.

We took the vote, and it was decisively in favor of standing fast.

I was tremendously proud of the Senate. I am sure the Senator from Indiana (Mr. BAYH) felt the same way.

No one could have sympathized with us more than the Senator from Arkansas (Mr. McCLELLAN), but he felt bound, having filed his conference report and feeling that all of these other appropriations were heavily at stake in respect of the matter.

Mr. President, the House of Representatives has now sent us back its proposal. I do not want to be disrespectful to our colleagues in the House of Representatives, but it is really nothing as far as we are concerned. It offers us absolutely nothing. It offers $5 million in planning funds when, and if, there is an authorization.

The House of Representatives has hardly shown any great disposition to give us an authorization and it is very unlikely that the fact that $5 million is in the balance is any great inducement for the House of Representatives to act.

So, Mr. President, after consulting with the Senator from Indiana (Mr. BAYH) and the Senator from Arkansas (Mr. McCLELLAN), the Senator from Indiana has made this motion for us both, which gives an amount of $175 million, which we feel ought to be acceptable if the House of Representatives is remotely reasonable, and I hope very much it will be, because it represents the start of money for this kind of a proposal, to at least give an opportunity to get into it and demonstrate that it really has ability and it is an appreciable enough sum of money to induce action in terms of the authorization.

I am very pleased to join with the Senator from Indiana in respect of this motion. I have asked for a rollcall because I think again that is the only way to express our strong feeling on this matter, and I am extremely hopeful that the Senator from Arkansas (Mr. McCLELLAN) may see fit under these circumstances to join with us.

I would like to apologize to the Senator from North Dakota (Mr. YOUNG) simply because I had no knowledge of the situation when the unanimous consent was entered into. It developed later, when I did know about it, that I would not be the proponent and the Senator from Arkansas, as he was before, the opponent. I am glad he so graciously accepted the time.

Mr. GRIFFIN. Mr. President, will the Senator yiled?

Mr. JAVITS. I yield.

Mr. GRIFFIN. I was going to ask now, in light of the understanding and expectation that half of the time will be under the control of the opposition to the amendment, if it would be all right now to ask unanimous consent that the remainder of the 15 minutes under the time of the Senator from New York now be transferred to the Senator from North Dakota.

Mr. JAVITS. It has been transferred and we have a unanimous consent.

Mr. GRIFFIN. That has been entered into?

The PRESIDING OFFICER. It has already been entered into.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH. Mr. President, I ask the Senator to yield me 5 minutes.

Mr. McCLELLAN. Mr. President, I want to get this time situation straightened out.

How much time has the Senator from North Dakota had allotted to him now?

The PRESIDING OFFICER. The Senator from North Dakota has 10 minutes remaining; the Senator from Arkansas has 15.

Mr. McCLELLAN. How much time has the Senator from North Dakota?

The PRESIDING OFFICER. Ten minutes.

Mr. McCLELLAN. All right.

Does the Senator from North Dakota want any more time?

Mr. YOUNG. I would just as soon wait.

Mr. McCLELLAN. I have 15.

Very well. I yield 5 minutes to the distinguished Senator from Indiana.

Mr. BAYH was recognized.

Mr. BAYH. Mr. President. I say to my colleagues that I appreciate the active interest of the Senator from New York in joining in this effort, and I say as chairman of the Subcommittee on Transportation of the Committee on Appropriations how grateful I have been to our colleague from New Jersey (Mr. CASE) and also to the chairman of the Committee on Appropriations (Mr. McCLELLAN), who has been actively involved in this issue.

There is also the Senator from West Virginia, and I see others who have been actively involved in this issue, which in my judgment goes much beyond the specific amendment which is before us.

We have been trying to do something together, on both sides of the aisle, to get this economy turned around. More than 8 million people are out of work. There are differing opinions about the mix that needs to be available to really get us started on a different plane.

We have passed a bill, which was sent down to the White House, that has been vetoed. So there is a little difference of opinion between the Hill and the White House.

But one of the concerns we have had is not only finding a way to employ people and let them make a living, thus stimulating the economy, but trying to find as much as we could a way to invest these moneys so that there was something there, there was a public benefit after the job had been performed.

I can think of no area where there is going to be a greater relationship between money used to put people to work and something maintained thereafter that is in the public good than the measure before us which would put people back to work to get these railroad tracks and roadbeds in shape.

We ought to have a major program to rehabilitate our railbeds. That, of course, was previously before the committee of the distinguished Senator and my distinguished colleague from Indiana (Mr. HARTKE) who has primary jurisdiction in his subcommittee. The measure, S. 1730, was introduced by the Senator from Indiana, and I was a cosponsor. It passed the Senate by a vote of 67 to 10. The House has yet to hold hearings on that measure.

But the issue before us right now is whether we are going to be able to have some money ready when the authorization legislation passes.

I must say, having sat there in conference with the Members of the House of Representatives, and then having them come back here with a $5 million planning fund, that is very close to an insult to the U.S. Senate. I do not want to get involved in bickering back and forth.

But let me suggest I hope the Senate will stand up and to a man, if possible, join in this effort to send this money back to these communities, to put these maintenance workers back to work to build these roadbeds and start taking the steps necessary to give us a decent rail system.

At the same time, incidentally, we are providing employment for between 30,000 and 50,000 maintenance workers who are now out of work. They can be immediately reemployed. This is not a make-work kind of thing, because everybody knows these railbeds are in deplorable condition. That is the issue. That is the issue right now.

I hope my colleagues will join us. I cannot think of a better way to invest our money right now, stimulate the economy, provide jobs, and build these railroads than the issue that is before us right now.

Mr. CASE. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. CASE. Mr. President, I express my appreciation to the chairman, to Senator McCLELLAN, and to Senator JAVITS; and I ask that my name be added as a cosponsor of this amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that the name of the distinguished Senator from New Jersey be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I thank the distinguished chairman for the great effort he has made in this regard.

Mr. RANDOLPH. Mr. President, if the Senator will yield, I ask unanimous consent that my name be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, does the Senator from North Dakota desire to speak?

Mr. YOUNG. I yield myself 4 minutes.

Mr. President, I dislike very much to take a position opposite to that of the distinguished chairman of our committee, Mr. McCLELLAN. We agree on almost everything.

My view on this matter is pretty much contained in a letter I received just a few minutes ago from James T. Lynn, Director of the Office of Management and Budget, which I will read:

JUNE 4, 1975.

Hon. MILTON R. YOUNG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR YOUNG: Today, the Senate is scheduled to vote once again on the Second Supplemental Appropriations Bill, 1975 (H.R. 5899). It is extremely important that appropriation action not be delayed further.

Because this bill has not been passed, payments for veterans educational benefits have exhausted. The first cycle of benefit checks were due to be processed by the Treasury on June 2. Since the Treasury was unable to issue the checks, some 46,800 veterans will miss payments due them this week.

If the bill is delayed further and is not enacted by June 6, an additional 250,000 veterans will not receive payments next week.

If a longer delay occurs, vital advances to several States for unemployment compensation payments will be jeopardized.

In our view, the Senate should not insist on inclusion of funds for Federal financial assistance to railroads. The House position that the authorization procedures should be followed has considerable merit. From the standpoint of achieving rail improvements, this, piecemeal approach is not desirable. The railroads indeed have substantial problems but solutions should be proposed and considered as pieces of a coherent and comprehensive approach. We should not act now in such a way that forecloses action on proposals that will be made within the next month to deal with the Northeast/Midwest rail problem.

I ask for your assistance in this important matter.

Similar letters are being sent to Senators Hugh Scott, John McClellan, and Mike Mansfield.

Sincerely yours,

JAMES T. LYNN,
Director.

Mr. President, the House has voted three time on this item. I can see no chance that they will change their positions. I believe they take a sound position. We should not start a multibillion dollar project without an authorization. We will just get the bill back again.

UMI

Mr. ALLEN. Mr. President, will the Senator yield me 4 minutes?

Mr. YOUNG. Can the Senator manage with 3 minutes?

Mr. ALLEN. Yes.

Mr. YOUNG. Mr. President, I yield 3 minutes to the distinguished Senator from Alabama.

Mr. ALLEN. Mr. President, the situation with regard to this amendment involves a great deal more than whether we are going to agree on the $175 million, to which we now have reduced this amendment, for the repair of roadbeds. It involves more than $14 billion that already has been appropriated and agreed to by both Houses, subject to agreement on this amendment. None of these programs can have the supplementary funds until this amendment is disposed of in some fashion.

During the recess, constituents asked me what had become of the $50 that had been voted for their social security and railroad retirement benefits. I told them that it is involved in the appropriations bill that is still hanging fire in the Senate.

We need to move this bill on out, if we are going to try to do something for the economy. This is a supplemental appropriation bill. This is a program that has not been authorized yet. I thought an appropriation bill was something to be added to something that had been appropriated. Nothing has been appropriated in this area.

The House on one occasion knocked the amendment out altogether and on the next occasion gave it $5 million. Obviously, they are not going to take $175 million. This is the last go-round on the Senate amendment. The conference committee it dead. There is no conference committee.

If the House does not take the $175 million, I do not think we should chuck it up to them and hold a gun to their head and say, "Take this and go back to conference."

When the time has expired, I am going to offer an amendment to reduce the suggested $175 million to $10 million, in the hope and belief that the House will take the $10 million figure, and this whole bill then can go to the President and this money can be put into the economy.

A great deal more is involved than just this appropriation for the repair of the roadbeds. We are subsidizing these railroads enough already.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield 2 minutes to the distinguished Senator from West Virginia (Mr. RANDOLPH).

The PRESIDING OFFICER (Mr. CULVER). The Senator from West Virginia is recognized for 2 minutes.

Mr. RANDOLPH. Mr. President, I listened very careful'y to the able Senator from Alabama—not only on this occasion, but as I always do. I think when he speaks of this fight, it is not a matter of further subsidization of the railroads, but rather a matter of providing a program for the rebuilding of the roadbeds of those rail systems throughout the country so that the energy supplies and other goods may be moved expeditiously over the tracks. The traveling public must also have confidence that the tracks are safe and their lives not imperiled by accidents.

So this fight goes beyond the so-called aid to the railroads, it goes to meeting the rail rehabilitation need which is very real.

I am deeply disappointed that the House once again has rejected an appropriation of $700 million for the rail rehabilitation and employment program. The $2 million offered by the House for planning and administrative expensive for any authorized rehabilitation program is wholly inadequate. Many railroads are in disrepair and the latest indications are that unemployment for May will exceed 9 percent. The program of rail rehabilitation and employment created in S. 1730 which passed the Senate on May 16, 1975, will do much to alleviate some of the hardships resulting from the deteriorated conditions of our rail network. The funds authorized would be used to hire unemployed workers and repair track.

I fully support the position taken by Senators BAYH and JAVITS as they offer an amendment to increase the appropriation to $175 million for the rail program. As I understand the amendment, the funds would be available for both grants and administrative expenses.

A spirit of compromise is required if this important supplemental appropriations measure is to reach the President in timely fashion. I believe the amendment offered will provide the best opportunity for compromise.

If this Nation is to have a meaningful national rail transportation network, we must recognize this need and enact the appropriate legislation at once.

The difference between the House and the Senate is very pronounced. I believe that the House has acted wrongly. I am not going to be sharply critical of what they have done, but they have failed to act as is necessary in order to meet this national problem.

Mr. BAYH. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield.

Mr. BAYH. I am certain that the Senator is aware that the Senate passed this measure and sent it to the House 10 days ago and asked them to consider it then. Instead of doing that, they could not even raise a quorum, and they went home for a 10-day recess. So I think it is rather clear where the responsibility for this delay rests.

We should pursue the matter, get it done with, but not back away. We should make the House come to grips with this issue.

Mr. RANDOLPH. The vote in the Senate was 77 to 7 in favor of S. 1730 and I believe this indicates the level of responsibility of the Senate.

Frankly, I feel that the action of the House cannot be agreed to in the Senate. I fully support the amendment increasing the appropriative $175 million. As to the $5 million, I wish the House would have provided nothing, because in my opinion they do not realize the urgency of the problem. Our response must be well reasoned, realistic, and it must be now.

Mr. President, I ask unanimous consent that my name be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, I appreciate the consideration of the Senator from Arkansas.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. McCLELLAN. Will 2 minutes be sufficient?.

Mr. YOUNG. Mr. President, I yield 2 minutes to the Senator.

Mr. BARTLETT. Mr. President, I complement the Senate for its stick-to-itiveness, and I hope that this will prevail again. Certainly, the Members of the Senate recognize that there is a problem here.

The Senator from Indiana talked about the economic problem, of which we are all aware. This will provide some help in this regard. Certainly, it makes sense to me that people can be employed here, in meaningful jobs that are needed, who otherwise would be employed on some kind of a make-work basis that would not nearly be as productive and not provide for the long-range situation.

I yield to the Senator from West Virginia.

Mr. RANDOLPH. Forty thousand persons would be employed at the outset if S. 1730 were enacted.

Mr. BARTLETT. Also, I think we must realize that the plight of the railroads is not going to be solved for some time, even though the administration and others have legislation, and there will be very important hearings coming up right away before the committee of the Senator from Indiana. This is going to take some time.

What worries me is how some of the near bankrupt railroads are going to survive. The Rock Island is a good case in point. It covers some 12 States and involves lots of employment. Half of its trackage goes "slow orders," which means it goes 10 miles per hour, and it is not a very meaningful form of transportation. This money will go into track, some of it, hopefully, for the Rock Island.

The Rock Island has a very interesting plan. They plan to buy some new trackage with some several million dollars—I think three as a starter—and with the employment that would be provided by this bill, they would start laying this trackage and replacing other trackage, which they would then renovate, and also use some salvage money to buy more trackage, which would eventually be laid. So there would be quite a program that would come out of this that would provide for the improvement of the trackage for the Rock Island that would enable someone, regardless of who ends up with the Rock Island road, to have improved rail trackage around this country.

I am very concerned that we have these near-bankrupt railroads survive. If this bill passes, it is going to provide a real shot in the arm to these railroads which are in dire need of a boost, an opportunity to have additional capital in small amounts that can enable us eventually to have a virile, strong, and sound rail system throughout the country.

Mr. McCLELLAN. Mr. President, I yield 2 minutes to the distinguished Senator from Indiana.

Mr. HARTKE. Mr. President, I am happy to support the amendment of my distinguished colleague from Indiana (Mr. BAYH) and others. This measure does at least three things. It does provide jobs, as the Senator from Indiana has indicated, jobs for people who need them.

Second, as the Senator from West Virginia (Mr. RANDOLPH) says, it provides safety not only for those using the railroads but those who are potentially endangered because of derailments caused by the present inefficiency trackage and rundown railbeds.

Third, it provides for long term investment in a transportation industry which is on the edge of crisis.

I think it is rather remarkable, unfortunately so, that we have had, for the first time in U.S. railroad industry, an overall loss for any one quarter for the operating of the railroads themselves. What we are doing is providing, as I said in the first place, jobs, safety, long term investment. I am confident that if this measure passes the Senate, we are going to see rapid adoption on the side of the House. That information, I think, is one which I hope will move rather speedily here.

Let me point out that as chairman of the Veterans' Affairs Committee, I share with the Senator from Alabama the concern many people have concerning the failure to take any action on the supplemental appropriations, because the Veterans' Administration has already announced that they are going to have to hold up the payments due in July unless something is done rather rapidly. But seeing the situation as I do at this moment, I urge that the Senate adopt the Bayh-Javits amendment and do it overwhelmingly, send it over to the House, and we will get on with the business of Congress.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Who yields time?

Mr. YOUNG. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator from North Dakota has 3 minutes time remaining.

Mr. YOUNG. I yield the remainder of my time to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I wish to ask a few questions of someone—the chairman or Senator HARTKE or somebody. There is $175 million which I understand is appropriated in this bill to help railroads? Is that right?

Mr. BAYH. It is my amendment. If the Senator would like, I shall be glad to respond.

That is accurate.

Mr. THURMOND. Which railroads?

Mr. BAYH. That determination will be made by the Secretary of Transportation pursuant to the authorization legislation S. 1730 which was introduced by the Senator from West Virginia (Mr. RANDOLPH) and maybe a dozen of us, in the committee of my distinguished colleague from Indiana and subsequently passed the Senate by a vote of 67 to 10. That still is a matter to be ironed out in conference with the House. The final determination, at least according to the legislation now available, which I think will finally be accepted, will be made by the Secretary of Transportation.

Mr. THURMOND. In other words, the Secretary of Transportation, in his judgment, can decide, "Here's a railroad, I will give that $25 million; here's another railroad, and I will not give that any, and I will give this one $50 million." In other words, it is entirely in his discretion?

Mr. BAYH. Pursuant to the criteria established in the bill. It is easy to oversimplify a piece of legislation. There are two things designed to be accomplished—one, to determine the need of the railroad in question, and, two, determine the ability to put people to work in a relatively short period of time. It is a combination of both of those factors that we are trying to deal with.

Mr. THURMOND. What about a successful railroad? Do they get any of this money?

Mr. BAYH. A railroad that is successful and that has laid off a significant number of maintenance workers is in the process of making itself less successful next year, and they are eligible for this assistance.

Mr. THURMOND. Suppose they are so successful that they have not laid off anybody? Are we going to discriminate against them and not give them any money and give money to railroads simply because they are unsuccessful and have laid people off?

Mr. BAYH. If they have not laid any people off, they would not be included. There are no railroads that I know of in America today that are in that position, even the successful ones—and that is the tragedy and the problem. We have those that are bankrupt that we have been propping up. But we have another group that has been making money, but, in an effort to tighten their belts this last year, they have laid off maintenance workers. Thus, the track is deteriorating, thus their slowdown orders are increasing, next year they are going to be making less money, and we are going to have more bankrupt railroads. It is a kind of thing that feeds on itself. I hope this legislation will arrest that kind of deterioration of railroad track and roadbeds that are now in good shape.

Mr. THURMOND. Are we next going to take over trucking companies that are unsuccessful?

Mr. BAYH. As I recall, this legislation is not designed to do that.

Mr. THURMOND. Are we going into some other industries that are not successful? In other words, where is this going to end? These are private railroads. This is private enterprise. If they cannot succeed, why not sell out to some railroad that can succeed and not be dependent on the Government for subsidy?

The PRESIDING OFFICER. The Senator's time has expired. There are 4 additional minutes remaining.

Mr. McCLELLAN. I have only 4 minutes left?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLELLAN. I will yield to each of these Senators a minute.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 1 additional minute.

Mr. THURMOND. Mr. President, I just want to say that this bill contains payments for veterans and many other important matters. Why hold up this bill on this railroad question? Why not introduce a separate bill and handle it individually on this question and not mix it in here with a lot of worthwhile things that deserve to be acted on now?

It seems to me that this is a very controversial subject. We are setting a precedent here that can haunt us in years to come. For every private enterprise that goes in the hole, are we going to come in and help them out? What is going to happen? I am very concerned about the precedents being set in matters of this kind.

Another thing, if Congress would not hamstring these railroads so, if we would take a lot of restrictions off them and stop featherbedding and other things, perhaps they could succeed.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 1 minute.

Mr. BAYH. I thank my colleague. I think most Members of the Senate realize this is really not precedent-setting at all. We have been involved in trying to bail out or subsidize certain bankrupt railroads for too long a period of time, and this is one of the few pieces of legislation that has come along to try to keep those railroads that are now making money and are not being subsidized, in business, and the reason we are doing this is directly related to the fact that we have 8½ million people out of work.

If we are going to have CETA jobs and other jobs, let us have a certain category of jobs to put people to work so that after the money is spent there will be something to show for it.

I think the railroad business certainly needs this, and I would say to my distinguished colleague from South Carolina who, I certainly know, is very conscientious about this, I would like to point out that the money contained in this bill, pursuant to the authorization considered by my colleague from Indiana and introduced by my colleague from West Virginia, has a lien provision so that this money will be really reclaimable by the United States if, indeed, these successful roads or the unsuccessful roads have to go through the process of reorganization. If we can get rid of the recession we would not have to worry about railroads or jobs for railroads.

The PRESIDING OFFCER. The time of the Senator has expired.

The Senator from Arkansas has 2 minutes remaining.

Mr. McCLELLAN. I understand there are 5 minutes on the amendment or 10 minutes on the amendment. What is the

UMI

time situation with respect to the amendment?

The PRESIDING OFFICER. There will be 10 minutes allowed on the amendment when it is offered, and it is not in order to state that the time has expired or been yielded back.

The Senator has 2 minutes remaining.

Mr. McCLELLAN. Mr. President, I yield myself 2 minutes or whatever there is left of this.

I want to make the statement that when this matter was up before, when I presented the conference report, I stated I felt that I was under obligation not to support the amendment at that time that was offered by the distinguished Senator from New York because I had signed the conference report, and I felt that I should stand by that and not support any amendment to it because I had moved that we accept the House provisions.

Mr. President, I now feel under no obligation. I think this item is important. We have got people out of work. We are creating so-called jobs to put them to work, public service jobs. These are jobs that produce, they are productive. They do something, they leave something. Some of the others leave nothing, and we know it.

Mr. RANDOLPH. That is correct.

Mr. McCLELLAN. I feel we ought to put some of this money we are spending in this period of time somewhere where there will be something to show for it. $175 million is not much waste, in my judgment, when you put it where it will save lives and also expedite commerce.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. ALLEN. Mr. President, I have an amendment at the desk and I ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative cleark read as follows:

The Senator from Alabama (Mr. ALLEN) proposes an amendment to amend the pending amendment by striking $175,000,000 and inserting in lieu thereof $10,000,000".

Mr. ALLEN. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Alabama has 10 minutes equally divided also.

Mr. ALLEN. To give the history of this bill and the present amendment, the House passed this bill at $11,400,000,000. The Senate added $4.5 billion to the House bill. Then the conference cut the amount down to where the conference agreement was a little over $3.5 billion more than the House bill.

Now the House has swallowed this $3 billion increase. It choked on this $700 million that the Senate added to the bill.

They dropped the Senate amendment, refused to concur in the Senate amendment, and then when the Senate insisted on its amendment it cut the $700 million requested down to $5 million.

I would move to concur in the House amendment, but that motion is not in order, and the next best thing is putting in an amendment that the House is sure to accept, raising their $5 million figure to $10 million.

Now, a whole lot more is involved. This is a good bill at the proper time and with proper authorization. This program has not even been authorized, which is always a condition precedent to the passage of an appropriation, and this is a supplemental appropriation bill. There had not been an original appropriation at all, and supplemental appropriations, as we all know, are supposed to be added to an existing appropriation that has proved inadequate.

The two Houses have approved over $14 billion in appropriations, but they cannot become effective until we agree on this.

Well, I would say the House can be just as stubborn as the Senate can. So the House has agreed to over $3 billion additional to their bill, and apparently they do not want to accept this $700 million or the amendment at $175 million.

Now, what things are being held up by the delay on this matter? This bill could have been passed 10 days ago if it had not been for this maneuver. What is involved here? Food stamp appropriation of almost $1 billion; VA payments; GI benefits; $50 that we passed here for social security and railroad retirement beneficiaries is being held up.

That was put in the tax bill in order to put something out into the economy right away.

Now, the conference committee is dead. It does not have any life, and if we send this thing back to the House with a gun at the head of the House saying, "Take this or we go back to conference," we do not know how long we are going to be delayed.

I feel that if this amendment is adopted, the House is sure to accept the amendment, and the entire $15 billion will go to the President for his signature, the money will go into the economy.

But we should not ask the House, after having accepted $3 billion that the Senate added to the bill, to choke on this additional $175 million.

I hope the amendment cutting the amount down to $10 million, which the House will accept, will be agreed to by the Senate.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

The Senator from Indiana is recognized for 5 minutes.

Mr. BAYH. I yield one-half minute to our distinguished chairman.

Mr. McCLELLAN. I just want to observe that of the increase of a little over $4 billion that the Senate added to this bill, $3.5 billion, in round numbers, of that were additional budget requests sent to us by the President that the House had no opportunity to consider, and they readily accepted it when we got to conference.

Part of the other $1 billion, $700 million was in this now which has been in controversy here. So we did not add a lot to it that the House did not want. They took it because it was an administration budget request.

Mr. BAYH. Mr. President, I might yield myself another 30 seconds or maybe a minute, to be honest about it, to elaborate on what our distinguished chairman said.

Anybody sitting in that conference and, of course, our distinguished colleague from Alabama had no opportunity to do that so there is no reason for him to understand that, and I am sure his assessment is made with the best of conscience but, as you know, we had $1 billion $884 million additional requested for food stamps—the Senator's concern about food stamps—and those requests were made by the President that only we considered and, of course, the House went along with it.

We are all concerned about the $50 social security check. That was not considered. That is another $1.7 billion that was not considered by the House. That was a new consideration made by the Senate. There was no opposition by the House, and I think we are more than meeting the House half way. I think it is important, more important than that we have total agreement on this bill right now, for the Senate to be allowed to stand up for what is right.

I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I simply wish to answer two points. One is that we are being the arbitrary ones, we should yield to the House.

Well, that was settled by a 3-to-1 vote here the day we went out. That was the easy time to take it. This is the time to stand up, if we are going to stand up, when going on a 10-day recess.

For all the arguments which were made for us to cave in now, why do it now when we can just walk across the hall in 5 minutes and settle things with the House.

Second, precisely, the Senate vote stated it so overwhelmingly, we were going to stand up like this and not be coerced because the House was going home, or because the House would get arbitrary and not go along with us, this is where we would have dug in and stood our ground.

Mr. President, the Senator from Alabama says:

Which is always a condition precedent to the passage of an appropriation that is an authorization.

Senator McCLELLAN pointed out three instances in this very appropriation bill which are not authorized, but which the House wanted, so they voted.

Now, there is one that we want and for that we are charged with hanging up the whole bill.

Finally, Mr. President, as Senator BAYH so properly said, $5 million was something of a bit of disrespect to this House; $10 million is double that and, on the other side, it does not do anything for those purposes, as Senator McCLELLAN so eloquently and properly pointed out.

I think the role of the Senate is clear, it has decided it is going to stand up to the situation. It should continue to do so. There is every reason for doing it now, even more than there was 10 days ago.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Indiana has 1 additional minute remaining.

Mr. BAYH. I yield back the remainder of my time.

Mr. ALLEN. I yield back the remainder of my time and I call for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays are ordered, the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. McGEE), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The result was announced—yeas 17, nays 80, as follows:

[Rollcall Vote No. 196 Leg.]

YEAS—17

Allen	Hansen	Scott, William L.
Byrd, Harry F., Jr.	Helms	Talmadge
Curtis	Hruska	Thurmond
Fannin	McClure	Young
Fong	Morgan	
Goldwater	Nunn	
	Proxmire	

NAYS—80

Abourezk	Glenn	Montoya
Baker	Gravel	Moss
Bartlett	Griffin	Muskie
Bayh	Hart, Gary W.	Nelson
Beall	Hart, Philip A.	Packwood
Bellmon	Hartke	Pastore
Bentsen	Haskell	Pearson
Biden	Hatfield	Pell
Brock	Hathaway	Percy
Brooks	Hollings	Randolph
Buckley	Huddleston	Ribicoff
Bumpers	Humphrey	Roth
Burdick	Jackson	Schweiker
Byrd, Robert C.	Javits	Scott, Hugh
Cannon	Johnston	Sparkman
Case	Kennedy	Stafford
Chiles	Laxalt	Stennis
Church	Leahy	Stevens
Clark	Long	Stevenson
Cranston	Magnuson	Stone
Culver	Mansfield	Symington
Dole	Mathias	Taft
Domenici	McClellan	Tower
Eagleton	McGovern	Tunney
Eastland	McIntyre	Weicker
Ford	Metcalf	Williams
Garn	Mondale	

NOT VOTING—2

Inouye	McGee

So Mr. ALLEN's amendment to the Bayh amendment was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ALLEN. Mr. President, I have another amendment at the desk, which I now call up.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes an amendment as follows:

On line 4 of the amendment of the Senator from Indiana (Mr. BAYH) strike "$175,000,000" and insert "$50,000,000."

The PRESIDING OFFICER. Who yields time? There are 5 minutes allotted to each side.

Mr. ALLEN. Mr. President, I yield myself such time as I may require within the limits of the time allotted to me.

Mr. President, I am glad that there is a large representation of the Senate present at this time, so that we can discuss this amendment.

The PRESIDING OFFICER. The Senate will be in order.

The Senator may proceed.

Mr. ALLEN. I am sure that Senators realize that the genesis of this amendment lies in the fact that the Senate added originally an appropriation of $700 million to the House bill, which had no such sum. The House of Representatives refused to concur in the Senate amendment, and it was agreed at the conference that the Senate would recede from its amendment, and that was signed by all 17 of the conferees on the part of the Senate.

The PRESIDING OFFICER. The Senator from Alabama will kindly suspend. The Senate will be in order. Senators are requested to discontinue their conversations, and the staff are advised likewise. The Senator from Alabama will suspend until order is restored.

The Senator may proceed.

Mr. ALLEN. So when the Senate refused to recede from its amendment and voted to insist on its amendments, the House of Representatives cut the $700 million down to $5 million and sent it back to the Senate.

It this were all that was involved, if we were just playing games with this particular appropriation, it might be one thing; but actually appropriations in excess of $14 billion are involved, because all of those appropriations have been agreed to by both Houses, leaving this one question remaining.

The conferees have been discharged, and if this amendment goes back at $175 million, when the House showed its position by setting the figure at $5 million instead of $700 million, and it is put together on a take-it-or-leave-it basis, and they do not take it, it might well again go to conference. All the while, these $14 billion in appropriations cannot be paid. Food stamps are involved, to the extent of almost $1 billion. GI benefits are involved; VA benefits and retirement payments are involved. Yet we are insisting here on a program that has never even been authorized by Congress; in a supplemental appropriation bill, we are seeking to force the House of Representatives to agree to our amendment.

I feel that my amendment would provide the best way to get the appropriation bill passed and get $14 billion into the economy. One thing that is being held up is this $50 payment that was provided in the tax bill to go to social security recipients and railroad retirement beneficiaries. That cannot be paid. I am sure that many Members of the Senate, during the recess, had their constituents ask them what had become of these appropriations, why they had not been paid.

Our haggling over this unauthorized program is what is causing that. The amendment the Senate just voted down was for $10 million. This amendment raises that amount to $50 million. I feel that the House of Representatives, in all likelihood, would accept the $50 million. I hope that figure will be agreed to, so that we can send the matter back to the House of Representatives, get agreement, and get this whole supplemental appropriation bill, involving $15 billion, activated.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. YOUNG. I would like to read just two paragraphs of a letter from James T. Lynn, the Director of the Office of Management and Budget, dated today:

Because this bill has not been passed, payments for veterans educational benefits have been exhausted. The first cycle of benefit checks were due to be processed by the Treasury on June 2. Since the Treasury was unable to issue the checks, some 46,800 veterans will miss payments due them this week.

If the bill is delayed further and is not enacted by June 6, an additional 250,000 veterans will not receive payments next week.

Mr. ALLEN. I thank the Senator.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired. The Senator from Arkansas is recognized for 5 minutes on the amendment.

Mr. McCLELLAN. Mr. President, this is an amendment to the amendment of the Senator from Indiana. He has control of the time.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. BAYH. Mr. President, I do not intend to take the whole 5 minutes myself; perhaps 1 minute.

The issues involved here are exactly the ones decided a moment ago, when 80 Members of the Senate voted to support the Senate position and 17 Members voted to support the House position.

The real question as to why this measure is not law now, why the veterans are not being paid, why those $50 checks are not going out, can be answered not by quoting the Senator from Indiana, but by quoting a distinguished Member of the House of Representatives, and ranking minority member of the House Appropriations Subcommittee on Transportation. Mr. CONTE said, when this measure was before the House 2 days ago, the following:

I want to remind my colleagues that now a new issue has been brought up before this House saying if we do not pass the bill, the veterans are going to go without benefits, and Federal employees will go without salaries. Yet I was up here the night before we recessed and said, Let's stay here and work and let's get this done, and the Members took a 10-day recess. They could not even get a quorum here that night, if the chairman will recall.

The Senate sent that bill back. It could have been decided. This measure could have been fully funded, with payments going out to the people, but the House could not make a quorum and could not decide whether to accept an accommodating position with the Senate or not.

When you look at the original position of the Senate being $700 million on this issue, I must say I think it is a fairly

UMI

good compromise for the House of Representatives. They are getting to accept the $175 million by the Senator from Indiana. I have reason to believe they are going to accept that, and I think it would be wrong for the Senate to back away from its original position on this matter, a position it has taken twice. The Senator from Arkansas, the Senator from New York, the Senator from Indiana, and others put this proposal on the emergency employment bill originally. We were persuaded to back away from that, somewhat reluctantly, but we said "Well, our time will come again."

Mr. President, I say our time is now. We should send this matter back over to the House of Representatives, and get those benefits to the retirees.

Mr. McCLELLAN. Mr. President, with this amendment the Senate is yielding 75 percent to the House of Representatives. How much more? Uusually we split things. We go down and split where there is a strong difference. With this amendment we yield 75 percent to the House of Representatives. Certainly the Senate is entitled to 25 percent of influence in legislation and in appropriations.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BAYH. I am glad to yield to the distinguished Senator from New York.

Mr. JAVITS. The point is whereas the figures of $10 million and $50 million are guessing, the figure of $175 million has substance. We are getting a figure which is within $25 million of the estimate of the Department of Transportation as to the opening requirement, in order to get this program underway. We had an estimate of $150 million. That does not mean they are for what we are doing but that is the best expert opinion we could get. Therefore, we have a figure which is based upon some solid foundation. We could guess all day.

The Senator from Alabama, and it is his privilege and I will fight to the end to sustain it, can give us one of 55, 60, 65, 70, 75, and 80. But the Senate understands that kind of situation, and I think we have pretty well determined what we are going to do and we ought to go ahead and do it.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a letter I received from Mr. James T. Lynn, Director of the Office of Management and Budget, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., June 4, 1975.

Hon. MICHAEL J. MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: Today, the Senate is scheduled to vote once again on the Second Supplemental Appropriation Bill, 1975 (H.R. 5899). It is extremely important that appropriation action not be delayed further.

Because this bill has not been passed, payments for veterans educational benefits have been exhausted. The first cycle of benefit checks were due to be processed by the Treasury on June 2. Since the Treasury was unable to issue the checks, some 46,800 veterans will miss payments due them this week.

If the bill is delayed further and is not enacted by June 6, an additional 250,000 veterans will not receive payments next week.

If a longer delay occurs, vital advances to several States for unemployment compensation payments will be jeopardized.

In our view, the Senate should not insist on inclusion of funds for federal financial assistance to railroads. The House position that the authorization procedures should be followed has considerable merit. From the standpoint of achieving rail improvements, this piecemeal approach is not desirable. The railroads indeed have substantial problems but solutions should be proposed and considered as pieces of a coherent and comprehensive approach. We should not act now in such a way that forecloses action on proposals that will be made within the next month to deal with the Northeast/Midwest rail problem.

I ask for your assistance in this important matter.

Similar letters are being sent to Senators Hugh Scott, John McClellan and Milton Young.

Sincerely yours,

JAMES T. LYNN,
Director.

Mr. WILLIAMS. Mr. President, I rise in support of the proposed substitute amendment. It is true that the original appropriation of $700 million represents an optimum figure for a program which is designed to have an appreciable impact on our unemployment situation and at the same time engage the unemployed in meaningful short term rail rehabilitation projects.

However, it has become apparent that the House does not intend to approve this $700 million appropriation prior to its approval of authorizing legislation.

This substitute amendment affords a way in which the interests of both the Senate and the House can be recognized. It will provide enough money to employ in the neighborhood of 10,000 unemployed on approved rail rehabilitation projects for a year. And it is apparent that many more unemployed could be engaged if the projected term of employment is initially less than 1 year, to be expanded when additional appropriations are approved.

Most importantly, if the House enacts authorizing legislation soon and the measure becomes law, these projects will be initiated this summer. As has been stated any number of times, it is critical that any program of rail rehabilitation must be initiated by late summer if it is going to have any meaningful impact. Weather conditions impose serious restrictions on the amount of track maintenance that can be accomplished.

This reduced sum of money will be sufficient to get the program off the ground immediately and at the same time put in motion the machinery for handling promptly and efficiently a much larger program on the order of magnitude contemplated when we in the Senate appropriated $700 million.

The reduced figure that is being offered today represents a reasonable accession to the wishes of the House. From all that I can gather, the House objection is to the amount of money appropriated in advance of consideration of the precise form of the authorizing legislation. It is not an objection to the program itself or its objectives. The commitment of $700 million would, in the view of the House Members, constitute an unacceptable restriction on their ability to determine the best program for accomplishing the objectives of reducing unemployment and improving track and facilities.

Viewing this objection then, as a matter of degree, it seems to me that by cutting more than $500 million off the figure opposed by the House, we have taken an extraordinary and proper step toward facilitating passage of this appropriation. At the same time, the level of funds remaining still provides the wherewithal for initiating the rail rehabilitation program at a significant level before the end of the ummer.

I urge support of the amendment.

Mr. McINTYRE. Vote.

Mr. ALLEN. Mr. President, I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on this rollcall vote be limited to 10 minutes.

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object, I feel that each Senator should have 15 minutes to get to the Chamber because from some parts of the Hill they cannot get here in 10 minutes. Even though I am here right now, I might be in a position where I would miss a rollcall. It has happened in the past, and therefore I object.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the vote, which is to occur immediately behind this vote, that will be a back-to-back vote and will be a 10-minute rollcall.

Mr. WILLIAM L. SCOTT. Mr. President, I further reserve the right to object, and I shall not object. I think there is a difference in back-to-back and other votes.

The PRESIDING OFFICER (Mr. CULVER). The time has expired. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

At this point Mr. STAFFORD assumed the chair.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE), and the Senator from Wyoming (Mr. McGEE) are necessarily absent.

The result was announced—yeas 14, nays 83, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—14

Allen	Goldwater	Scott, William L.
Byrd, Harry F., Jr.	Hansen	Talmadge
Curtis	Helms	Thurmond
Fannin	McClure	
Fong	Nunn	
	Proxmire	

NAYS—83

Abourezk	Gravel	Morgan
Baker	Griffin	Moss
Bartlett	Hart, Gary W.	Muskie
Bayh	Hart, Philip A.	Nelson
Beall	Hartke	Packwood
Bellmon	Haskell	Pastore
Bentsen	Hatfield	Pearson
Biden	Hathaway	Pell
Brock	Hollings	Percy
Brooke	Hruska	Randolph
Buckley	Huddleston	Ribicoff
Bumpers	Humphrey	Roth
Burdick	Jackson	Schweiker
Byrd, Robert C.	Javits	Scott, Hugh
Cannon	Johnston	Sparkman
Case	Kennedy	Stafford
Chiles	Laxalt	Stennis
Church	Leahy	Stevens
Clark	Long	Stevenson
Cranston	Magnuson	Stone
Culver	Mansfield	Symington
Dole	Mathias	Taft
Domenici	McClellan	Tower
Eagleton	McGovern	Tunney
Eastland	McIntyre	Weicker
Ford	Metcalf	Williams
Garn	Mondale	Young
Glenn	Montoya	

NOT VOTING—2

Inouye	McGee

So Mr. ALLEN's amendment was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MOSS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD obtained the floor.

Mr. MANSFIELD. Mr. President, I yield to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McINTYRE. Would it be in order to request that the Sergeant at Arms and those officials in the cloakrooms of the Republican and the Democratic Parties be instructed that as soon as we conclude the vote that is now coming up on the supplemental, we will return to consideration of S. 920, the military authorization bill, and that I will be presenting the counterforce amendment?

The PRESIDING OFFICER. It can be done by unanimous consent.

Mr. McINTYRE. I ask unanimous consent to so move.

The PRESIDING OFFICER. Is there objection?

Mr. HARRY F. BYRD, JR. Mr. President, reserving the right to object, what is the request?

Mr. McINTYRE. As an explanation, in view of the time constraints, I am going to abandon my original intention to ask for a live quorum; but I would like to get word out to the Members who are interested in S. 920 that I will present the counterforce amendment right away.

Mr. CRANSTON. In a closed session?

Mr. McINTYRE. In a closed session.

Mr. HARRY F. BYRD, JR. Mr. President, reserving the right to object, is the Senator making a motion for a closed session at this point?

Mr. MANSFIELD. Just the preliminaries.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from Indiana (Mr. BAYH) to concur in the House amendment with a Senate amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. McGEE), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I further announce that the Senator from Minnesota (Mr. HUMPHREY) is absent on official business.

I further announce that if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

The result was announced—yeas 78, nays 18, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—78

Abourezk	Gravel	Montoya
Baker	Griffin	Moss
Bartlett	Hart, Gary W.	Muskie
Bayh	Hart, Philip A.	Nelson
Beall	Hartke	Packwood
Bentsen	Haske'l	Pastore
Biden	Hatfield	Pearson
Brooke	Hathaway	Pell
Buckley	Hollings	Percy
Bumpers	Huddleston	Randolph
Burdick	Jackson	Ribicoff
Byrd, Robert C.	Javits	Roth
Cannon	Johnston	Schweiker
Case	Kennedy	Scott, Hugh
Chiles	Laxalt	Sparkman
Church	Leahy	Stafford
Clark	Long	Stennis
Cranston	Magnuson	Stevens
Culver	Mansfield	Stevenson
Dole	Mathias	Stone
Domenici	McClellan	Symington
Eagleton	McClure	Taft
Eastland	McGovern	Tower
Ford	McIntyre	Tunney
Garn	Metcalf	Weicker
Glenn	Mondale	Williams

NAYS—18

Allen	Fong	Proxmire
Bellmon	Goldwater	Scott, William L.
Brock	Hansen	Talmadge
Byrd, Harry F., Jr.	Helms	Thurmond
Curtis	Hruska	Young
Fannin	Morgan	
	Nunn	

NOT VOTING—3

Humphrey	Inouye	McGee

So Mr. BAYH's motion was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAYH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

The VICE PRESIDENT. Pursuant to the previous order, the Senate will now continue with the consideration of S. 920.

AMENDMENT 494

Mr. McINTYRE. Mr. President, I intend shortly to request the Senate meet in closed session to discuss some highly classified material relevant to amendment No. 494. I have an unclassified version of the remarks in closed session. Mr. President, I want now to call up amendment 494 which the distinguished Senator from Massachusetts (Mr. BROOKE) and I are offering for consideration by the Senate. I ask unanimous consent that the Senator from Oregon (Mr. HATFIELD) and the Senator from California (Mr. TUNNEY) be added as cosponsors of the amendment.

The VICE PRESIDENT. Without objection, it is so ordered.

The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The VICE PRESIDENT. Without objection, the amendment will be printed.

The amendment is as follows:

On page 17, line 24, strike out "$3,368,802,000" and insert in lieu thereof "$3,361,102,000".

On page 17, line 25, strike out "$3,707,840,000" and insert in lieu thereof "$3,650,840,000".

On page 18, between lines 3 and 4, insert a new section as follows:

"SEC. 202. None of the funds authorized to be appropriated by this Act, including funds authorized to be appropriated under title VII, may be used to conduct any research, development, testing, or evaluation in connection with—

"(1) improved guidance technology for the Minuteman III missile system;

"(2) the Mark 12A Reentry Vehicle;

"(3) Maneuverable Reentry Vehicle (MARV) precision guidance technology in the Advanced Ballistic Reentry System (ABRES);

"(4) the Large Advanced Ballistic Reentry Vehicle (LABRV) in the Advanced Ballistic Reentry System (ABRES); or

"(5) improved accuracy for the Fleet Ballistic Missile System.".

On page 24, lines 7 and 8, strike out $851,363,000" and insert in lieu thereof "$849,463,000".

On page 24, line 9, strike out $946,621,000" and insert in lieu thereof "$914,821,000".

Mr. McINTYRE. Mr. President, we assume in these debates on defense that any amendment that would deny a Pentagon request must be on the side of military softness. Mr. President this is not the case with this amendment.

This amendment is not based on sweetness and light. It is based on the most prudent, the most conservative, the most tough-minded military and diplomatic realism. Our case is based not on a university arms control seminar but on extensive hearings over the last 2 years by your Military Research and Development Subcommittee which has received in executive session the most expert Department of Defense testimony.

This amendment raises the gravest of questions concerning our national security. What is at stake here is no more or less than the survival of our people—our supreme national security which depends on our deterring nuclear war.

However complex the matter of strategic theory and technology may seem at first, the heart of this matter is simple. The question here is whether we should move the weight of our national policy from our traditional and proven policy of deterring nuclear war to drastic new doctrines and technologies designed to fight limited nuclear wars.

The question, therefore, is not whether we shall meet Soviet threat with strength or weaknesses. Our national security

UMI

depends on our meeting any Soviet challenge with the right kind of strength else we produce the exact opposite effect that we want and thereby make nuclear war more likely rather than less.

Let me outline the case: We contend these programs detract from our real national security in three different ways.

First they run counter to our critical military task of insuring the survivability of our deterrent. In fact, they will not help us meet projected Soviet threats of the future.

Second, they detract from our national security because they shift us from a policy of deterring nuclear war to doctrines and technologies designed to fight limited nuclear war.

Third, these programs run counter to our national security because they put a hair trigger on nuclear war and will draw Soviet fire by giving them an incentive to strike first in a period of crisis.

Let us look briefly at each of these contentions in turn.

First, these programs detract from our real national security because they run counter to our policy of mutual deterrence which has been the key to our nuclear peace over the years.

This policy means that our deterrent must survive any possible Soviet attack now or in the foreseeable future and then still be able to retaliate massively—flexibly—and certainly in this way the Soviets must know that their own national survival requires them to keep the nuclear peace. The critical task for our startegic arms research and development has been and continues to be to insure the survivability of our deterrent force.

Our technology in the past has produced superior capabilities at the heart of the survivability. Our MIRV's will overwhelm and thereby survive an ABM defense. The hardness of our missiles and their silos insure that they will survive a Soviet missile attack. The quietness of our submarines can elude and survive a Soviet attacker. Our bombers can penetrate and thereby survive dedicated air defense. These technologies together with the redundancy of our Triad and the size of each of its component forces insure, as Secretary Schlesinger has often stated, that the Soviets cannot achieve a preemptive first strike now or in the foreseeable future. Let us be proud of that, let us be secure in that knowledge.

Despite our confidence in the present and future survivability of our deterrent, your Military Research and Development Subcommittee inquired extensively this year into Soviet technology efforts that might at some future time—that might, say a decade from now, pose a threat to the survivability of our deterrent.

I am sure that today there will be displayed to the Senate some of the details of the remarkably intense and awesome activity by the Soviets in strategic research and development. Even though we are so far ahead of them in deploying MIRV's, the accuracy of our missiles, the invulnerability of our submarines, the massiveness of our bomber force, still the security of nuclear peace depends critically on there being no question in the Soviet's mind of our ability to survive and respond to any nuclear attack they may develop.

So my responsibility as chairman of the R. & D. Subcommittee leads me to believe that we must continue to show them that we will deny them any advantage. Even though the survivability of our deterrent is already secured for the practical future and even though that force will be dramatically increased in the 1980's through massive improvements in the force currently being deployed or developed, this Senator supports additional R. & D. efforts designed to insure the survivability of our force.

Although our Defense Department tells us that there is no conceivable Soviet threat that could endanger our current strategic submarines, this Senator supports the Trident which will ultimately compound the Soviet's antisubmarine warfare problems tenfold and will thereby insure the survivability of our massive sea-based retaliatory force through the rest of this century.

I also continue to support aggressive R. & D. programs such as the B–1 and air-launched cruise missile which will insure the future survivability and effectiveness of our bomber force.

A modern bomber force is—after all—a stable weapon—a weapon that will survive any attack, penetrate a dedicated air defense, and certainly retaliate in a variety of ways. Yet, it can not be construed as a first-strike threat by the Soviets because of its long flight time. I, therefore, vigorously opposed termination of the B–1 program that year and will again tomorrow.

The pending bill has a wealth of other R. & D. programs which I support and which will further enhance and insure the survivability and certain retaliation of our deterrent forces. For example, I support the Pave Pepper program which will enable us to double the number of MIRV'ed warheads on our Minuteman and thereby double the number of surviving retaliatory warheads per surviving American missile after any Soviet attack.

I support continued R. & D. on a strategic cruise missile program that we could deploy if pushed to the wall by the Soviets and which could, without doubt, insure our ability to retaliate with a whole new family of strategic weapons.

And I also have supported this year continued R. & D. on mobile missile systems, air and land mobile which would deny the Soviets any advantage even in the most extreme projected threat 10 or 20 years from now.

These programs represent the cream of our military technology. I have taken the time to list these programs and others which I support because they are designed to insure the survivability of our retaliatory forces and thereby deter a Soviet nuclear attack.

They will meet any Soviet challenge with strength—the right kind of strength which will show the Soviets that it is in their national interest to agree to a secure arms treaty. And strength which will deny them any military advantage if they do not agree to such a treaty.

And for the same reasons that I support this awesome range of efforts to protect the survivability of our deterrent for the rest of this century, I am opposing the five nuclear warfighting programs, because they will not add to that survivability but will, in fact, reduce it and thereby reduce our national security as well.

No matter how accurate or powerful our warheads may become through these programs, these new capabilities will in no way—will in no way—make them less vulnerable to a projected Soviet attack. More accurate, more powerful warheads will still be on the same missiles placed in the same silos with the same hardness, fixed in the same known place, vulnerable in the same ways to the same worst projection that you may hear detailed today.

So I ask the proponents of these programs to tell the Senate in what specific ways these new capabilities will protect our missiles from a Soviet attack.

Logically you can make a missile more survivable by defending it, which my subcommittee recommends that we prepare to do through advanced ABM technology; or we can make the silo harder which my subcommittee supports through the silo upgrade program; or we can deploy the missiles in some mobile form, land, air, or sea as my subcommittee is preparing us to do. These counterforce programs do none of these.

So, every time the Senate hears in the next few hours in this debate that the Russians are threatening our missiles we should ask ourselves how well and in what specific ways these warfighting programs will protect the missiles, how they will make them more survivable.

In fact, they will not, but the problem is worse than that. It is not only that these programs will not add to the survivability of our missiles, they actually would detract from it. In a period of crisis missiles with these new warfighting capabilities actually will draw fire from the Soviets. Precisely because the Soviets will know that our missiles can destroy their ICBM's in their silos in a half hour's flight time, they will have a motive for striking us first.

You will hear today that the Soviets are moving toward a counterforce capability of their own through deterrent combinations of yield, MIRV's, and accuracy. You will hear that the potential Soviet threat to our own ICBM's will be greater than ours to theirs in the mid-1980's, because of their advantage in missile throw weight. All of that is true. And I am as concerned as any Senator in this Chamber by these absurd and dangerous Soviet activities. But these warfighting programs proposed by the Pentagon will not meet that threat.

If we want to pursue hard-nosed diplomacy based on military strength to dissuade the Soviets from proposing these destabilizing developments of their own, we must show them that we will deny them any real military advantage. The way to do that is to show them that no matter what they may do, our R. & D. programs, designed to insure the survivability of our forces under any attack they may project, will deny them any such advantage.

In sum, the way to insure our national security, a way to preserve nuclear peace, the way to counter new Soviet threats, is through the right kind of military strength, programs designed to protect the survivability of our retaliatory forces against any Soviet effort. These counterforce programs do not.

But there is a second way in which these warfighting programs diminish our national security.

They represent a massive shift of the weight of our national strategic policy from deterring nuclear war to fighting a limited nuclear war.

My subcommittee has made a conscientious effort to understand the precise way in which these capabilities might be used. At the heart of the proponents' rationale for these programs is the assumption that somehow we can fight a limited nuclear war. This fallacy dances throughout the Department of Defense's case for these programs before my subcommittee.

For example sometimes they talk about a demonstration strike. Secretary of Air Force MacLucas talked about a hypothetical case in which the Soviets might fire a couple of nuclear weapons against a mountain in Alaska "to get our attention over something." Of course, such a strike would in no way take away from our current awesome strategic forces that would enable us to flexibly respond in a variety of ways. But the assumption is that such an attack is tolerable. He uses the term "relatively innocuous U.S. target." Well, there are no innocuous U.S. targets as far as this Senator is concerned.

Sometimes the Pentagon talks about a Soviet threat, 10 years from now to be sure, which would marry their throw weight with MIRV's and greater accuracy so that they would be able to take a minority of their force and destroy about a large portion of our missiles. The argument then goes, this small portion of our force would not be sufficient to respond "in kind" and would leave the Soviets with a net advantage, politically or diplomatically. Of course, such an attack would leave our sea-based missiles secure and most of our bombers which would have been on alert in a period of crisis also survive. But put that aside for a moment.

How many Americans would be killed in such a "limited" nuclear strike by the Soviets against our strategic forces? The Pentagon, itself, estimates 5 or 6 million, most other estimates are higher.

So what the Secretary of Defense is suggesting is that the President of the United States, having been told that 5 or 6 million Americans have been killed in a "limited attack," that he then "cool it and respond in kind." We were told the President, thereby, would save millions more of Americans by controlling the escalation of a nuclear war. We were told that the Soviets will not believe us if we tell them that in such circumstances the President would respond massively.

But I say today that if there is any doubt in the Soviet's mind that our American President would respond massively to an attack that would kill millions of Americans, let us now put that doubt asunder.

For all of us in the Senate who want to send a message of U.S. intent to be strong in the world, let us send an unambiguous message that we understand our real security interests. Let us send the Soviets a message they cannot misunderstand.

Let them now know that we will not tolerate a nuclear attack on our homeland, limited or otherwise.

Let us direct our policies to that end by denying programs that would confirm their doubts about our interests. There can be no winners of a limited nuclear war. There is no such thing as a limited nuclear war. And that is the heart of the matter.

There is an unreal air about such theories, there is a Dr. Strangelove quality about them. They smack of the rarified academic seminar. They reek of the unreality of the Rand Institute.

But in the real world in which we live and which the American people may die, I say let us bury the fallacy of limited nuclear war. Let us return to the sanity and real security of deterring war through the strongest possible survivability technology and the clearest possible military doctrine.

Finally, there is a third way in which these doctrines reduce our national security. They put a hair trigger on nuclear war. As I have already described, in a period of crisis, when an attack is most likely according to Secretary Schlesinger, the Soviets would have to consider a warfighting missile force with the capability that these programs would give them as a threat to their ICBM force. Let me point out that the Soviet's elite strategic rocket forces play a much more central and dominant role in their strategic armaments than our ICBM's do in ours. Our Triad is balanced; theirs is weighted to the land-based ICBM. A threat by our missile force against theirs is much more provocative and much more likely to draw fire out of fear that we might attack them first.

Only 4 years ago the Senate and Department of Defense agreed upon this. On this same Senate floor, overwhelming majorities led by the chairman of the Senate Armed Services Committee, supported by Department of Defense, opposed precisely these kinds of programs for precisely the kinds of reasons I outlined today. What has happened since to warrant such a drastic departure from proven policy? To be sure, the Soviets have intensified their activity in their missile development. But also we have had the ABM Treaty; we have had the Vladivostok agreement; we have rapidly deployed our own MIRV's at sea and on land; we have decided to deploy Trident; our B–1 program is maturing.

But neither the Soviet activity nor ours is to the point. We understood in 1971 here in the Senate that these programs would put a hair trigger on nuclear war. Neither the Soviet threat that these programs are supposed to counter or our own intense activity designed to insure the survivability of our forces have altered that basic strategic truth. Nevertheless, these programs would try to move us to the Wild West of the fast nuclear gun and all of the uncertainties and instabilities and risks therein.

Let me sum up. Our case is based in the most tough-minded military realism. These programs would diminish our national security by failing to meet the Soviet threat against our missiles. They would add nothing to the survivability of our retaliatory forces. They would dramatically shift the weight of our policy to limited nuclear warfighting that would tolerate millions of American deaths. And they would put a hair trigger on nuclear war.

In the name of our supreme national security, let us stop them.

Mr. BROOKE. Mr. President, our present focus on the so-called strategic initiatives is only the latest segment of a long-standing debate over the structuring of our strategic nuclear forces. Too often we lose sight of the continuity of this debate. This would not be disturbing except for the fact that present expressions of concern are too often thought of as unique in terms of time and place rather than as manifestations of deepseated apprehensions that many of us have had for years over the type of qualitative changes in our strategic forces now being advocated, indeed, implemented. And, it is the reasons for the continuity of those apprehensions rather than immediate or longer term budgetary concerns that should lead us to eschew the course of action dictated by the nature of the qualitative changes in our nuclear arsenal sought by the Defense Department.

My sensitivity to the direction that the "strategic initiatives" are taking us is particularly acute, because of the assurances I received from officials of the previous administration, including President Nixon, that the United States did not intend to seek an effective first-strike weapon system. In the words of former Secretary of Defense Melvin Laird:

> We have not developed, and are not seeking to develop a weapon system having, or which could reasonably be construed as having, a first-strike potential.

This commitment was made to me in November of 1970 and followed a similar statement of intent in 1969 by President Nixon.

Secretary Schlesinger's approach indicates a marked departure from the previous administration's position and represents an incipient movement toward achievement of an efficient "hard target" kill capability that could form the basic component of a first-strike capacity against the land-based ICBM's of the Soviet Union.

This "hard target" aspect of the Scheslinger approach is extremely disturbing. Equally alarming is the likelihood that the very nature of the "initiatives," including the likely marriage of dramatically improved accuracies with substantially increased yields on our land-based ICBM's, will set in motion processes both here and in the Soviet Union that will result in a substantial erosion of inhibitions regarding resort to nuclear weapons. I speak here both of the premium that is placed on launching

UMI

first in a crisis situation if an opponent has an effective silo-killing capacity and the supposed enhanced "rationality" of using nuclear weapons that are not so horrendous in their individual effects. I am also thinking of the uncritical acceptance of the concept that nuclear firebreaks can be established of sufficient efficacy to avoid rapid escalation to spasm responses in a nuclear war.

When all the surreal jargon of deterrence is cleared away; when all the esoteric scenarios are discounted, the basic issue at stake in this debate is whether the programs proposed by the Defense Department increase the possibility that the nuclear threshold will be lowered, thus lessening our own security and that of the world in general? It is my considered judgment that there is sufficient reason to believe that should we continue to pursue the course of action advocated by Secretary Schlesinger, the answer to that question will prove affirmative. For that reason I strongly oppose funding of the five programs identified for deletion in the McIntyre-Brooke amendment; namely, improved accuracy for Trident, improved guidance for Minuteman, continued development of the MK–12A reentry vehicle, development of MARV, and research and development on the large advanced ballistic reentry vehicle.

The weapon characteristics sought in these R. & D. programs, when viewed in the aggregate, clearly indicate that the prime objective of the "strategic initiatives" is to improve dramatically the U.S. ability to destroy enemy missile silos.

The accuracy improvements sought for the Trident missile would dramatically increase the antisilo capacity of our SLBM fleet. Presently, the relative inaccuracy of our existing SLBM's limits their utility to countervalue targeting; that is, cities, large industrial, and military complexes and so forth. Improved SLBM accuracy would alter this and make Trident an effective countersilo weapon.

The guidance improvements for Minuteman would have a similar impact on the hard-target capabilities of our land-based missiles. Even more disturbing, the continued development of the MK–12A reentry vehicle for Minuteman indicates to me a strong desire on the part of the Pentagon to achieve a marriage of greatly increased Minuteman accuracy with markedly increased yields resulting from this latter program. Such a marriage would provide the United States with a highly credible hard-target weapon system.

Finally, the development of the large advanced ballistic reentry vehicle, encompassing another marriage of high accuracy technology with yields substantially in excess of our present Minuteman levels, would give us a super-silo killer.

Proponents of these "initiatives" argue for them along several lines. First, they say that these changes are needed as part of an effort, in Secretary Schlesinger's words:

To insure now and for the future total deterrence across the entire spectrum of risk—strategic nuclear deterrence, so-called counterforce deterrence, conventional deterrence, and deterrence of undue economic/political pressures on the U.S. and our allies.

Implicit in this argument is the assumption that efforts to stabilize deterrence in one portion of the spectrum—"counterforce deterrence"—can be undertaken without having a destabilizing effect in another portion—strategic nuclear deterrence. The validity of this assumption is certainly not established. Indeed, logic points in the other direction. The ability to threaten an opponent's land-based ICBM's through an efficient hard-target kill capability will encourage that opponent, under crisis conditions, to launch those weapons he feels are in jeopardy. As a noted British strategist has written regarding the Schlesinger strategy:

It is that choice [to produce and deploy much more accurate strategic missiles] which is to be regretted and even feared since, if put into effect by the U.S., the Soviet Union or both, it can only reduce the stability of the strategic balance in any period of acute tension.

Especially at a moment of acute political anxiety, the existence of that capability, whatever the intention behind it, is bound to force a nervous adversary to consider whether he can afford not to strike first, lest he allow himself to be at least partially disarmed.

Thus, the attempt to effect a stabilization of "counterforce" deterrence through the "strategic initiatives" will have the unfortunate result of increasing pressures for resort to nuclear weapons in a major confrontation between the superpowers. This is the "hair-trigger" phenomenon referred to by the distinguished Senator from New Hampshire.

Second, proponents argue that "essential equivalence," that ambiguous criterion for determining strategic parity, requires that the United States seek a "hard-target" kill capability sufficient to offset any advantage the Soviets may achieve by exploiting their missile megatonnage superiority. There is a belief among certain U.S. analysts that Moscow could achieve some form of meaningful advantage vis-a-vis the United States, either in the form of raw military power or as a political/psychological lever to coerce the United States or its allies, by marrying a megatonnage advantage to improved accuracy capabilities. To counteract this possibility, it is argued, the United States must maintain its qualitative superiority in the "hard-target" kill area.

Proponents of this view use the "essential equivalence" argument with three general purposes in mind:

First. To indicate to the Soviet Union our resolve to do whatever is necessary to maintain equality of capability in the strategic field even though capability symmetry may not be sought;

Second. To demonstrate to allies and adversaries that we will not permit ourselves to be outpaced in any major category of nuclear weaponry;

Third. To justify the United States attaining a more efficient counterforce capability by matching the number of Soviet silos with an equal or greater number of deliverable warheads.

The first two of these purposes are openended and certainly do not indicate discriminatory measures to determine the preferability of any specific program as opposed to another in meeting the "equivalence" criterion. Indeed, the latter term is so lacking in conceptual and operational clarity as to allow one to justify almost any research and development program as necessary to achieving "essential equivalence."

Moreover, even if one accepts these first two purposes as valid, little confidence would exist that they could be attained through the "strategic initiatives" approach. Rather than dissuading the Soviets from their own strategic programs and convincing our allies of our willingness to maintain strategic parity, I believe these "initiatives" are more apt to stimulate Soviet attempts to exploit the technological advances that our own programs indicate as feasible. By our own emphasis on enhanced accuracy, we may optimize incentives for the Soviets to capitalize to the maximum extent on their megatonnage advantages by marrying that advantage to greatly improved accuracies, the course we are presently advocating as the logical one to follow. The cruel irony of this situation should be apparent to everyone.

The argument that "essential equivalence," encompassing an effective "hard-target" kill capability, is necessary to prohibit the Soviet Union from achieving nuclear superiority over the United States with a potential to convert that superiority into political leverage is a dubious one. No credible scenario has been suggested wherein some form of marginal nuclear superiority on the part of the Soviets could be used to extract political concessions either from the United States or its allies. The only conceivable situation where this might occur would be one in which the United States exhibited a complete lack of willingness to abide by alliance commitments. Such an unwillingness would not result from lack of improved accuracy and increased yield on our nuclear weapons but from a general breakdown in our national morale. No tinkering with the qualitative characteristics of our nuclear missiles could compensate for that and it is illusory to suggest otherwise. Our credibility as a counterweight to the Soviet Union is in no way dependent on the alterations in our strategic weapons sought by the Defense Department.

It is the use of the "essential equivalence" concept as a means to justify matching of Soviet missile silos with a theoretically efficient ratio of U.S. warheads to those silos that is most questionable. There is no inevitable relationship between our ability to maintain the parity in strategic capabilities necessary for strategic equilibrium and an enhanced ability to achieve efficient hard-target kill capabilities vis-a-vis Soviet land-based missile silos. Yet such a linkage is what the proponents of the "strategic initiatives" seek to establish as a means of justifying their approach. In doing so they underplay the enormous risks inherent in seeking such a capability, using the "equivalence" cliche to deflect attention from these risks.

Third, the Schlesinger approach is justified by some as a means of escaping from the basic "immorality" of our present emphasis on mutual assured destruction—MAD—as the basis for our deterrent strategy. The "immorality" of MAD, according to the critics, rests on the assumption that should deterrence fail, the only recourse would be resort to a nuclear barrage that would kill millions of civilians unnecessarily. To avoid this predicament of holding millions of civilians hostage to the nuclear deterrent relationship, supporters of the "strategic initiatives" argue that we should have the option to make selective controlled nuclear responses to provocations, nuclear and perhaps otherwise, that will avoid endangering major portions of an enemy's or our own civilian populations.

Dislike of the "civilian hostage" aspect of the MAD concept is not limited to advocates of the "strategic initiatives." Critics of the latter are also uneasy about the implications of MAD. No individual aware of the dangers of nuclear weapons can relish a condition wherein millions of civilians are presently prime targets of the nuclear weapons of the superpowers. Yet, distasteful as the present situation may be, this "balance of terror" has so far proved effective in forestalling a nuclear exchange. Any alteration in the present deterrent relationship, therefore, must clearly offer the hope of decreasing the possibility of a nuclear conflict wherein the lives of millions of civilians would be forfeited to be acceptable as an alternative to reliance on the mutual assured destruction requirement for deterrence stability.

I do not believe that the Department of Defense has made the case that the "strategic initiatives" approach holds out the promise of meeting this criterion. There is no reason to feel sanguine about an approach that supposedly reduces the possibility of widespread civilian casualties while at the same time increasing the chances that a nuclear conflict will occur. Given the unpredictability of such a conflict, the ease with which an opponent could counteract the purpose of the "strategic initiatives" by moving missile silos close to population centers, and the impossibility of insulating the civilian populace from the deadly residual effects of nuclear war, one must be skeptical that such an approach will significantly reduce the potential danger to the civilian population. I do not believe we are justified in accepting the heightened risk of a nuclear conflict when we can have little confidence that any such conflict can be adequately limited in scope or intensity.

Moreover, in evidence presented to the Congress, the Defense Department has made a convincing case that we already possess sufficient capabilities to make a limited nuclear response to an opponent's nuclear provocation. Thus, the "initiatives" are unnecessary for the approach advocated by DOD to move away from the "immorality" of MAD.

Fourth, it is also argued that an ability to wage limited nuclear war with highly accurate strategic nuclear weapons will enhance the credibility of our nuclear guarantee to our allies. Some feel that an ability to counter any Soviet provocations in a selective controlled manner, with highly accurate nuclear weapons lessening the dangers of collateral damage, will convince allies that our nuclear shield is still credible as an extended deterrent on the one hand and as a means for active defense if necessary on the other. According to "strategic initiatives" proponents, the Europeans' historical fear that their countries would be completely devastated by a nuclear exchange in Europe will be removed by U.S. possession of the capabilities now being sought by the Defense Department.

Secretary Schlesinger has stated that our European allies endorse his approach. I fear he mistakes their relative passivity to changes over which they have little control as enthusiasm for his views. I do not believe the latter is the case. My perception of European thinking on this matter is that its chief characteristic is widespread apathy. Europeans, to the extent they evidence concern over the credibility of the U.S. linkage, are far more inclined to point out that the problems facing the alliance are political in nature, and are only slightly affected, if at all, by the Defense Department's desire to tinker with the technical characteristics of our nuclear weapons. There is no compelling reason to believe that our credibility in the eyes of our allies will be enhanced by going forward with these programs. Instead, I greatly fear that the "strategic initiatives," if pursued to their logical end in deployment, will increase the likelihood of nuclear conflict. Once our European allies fully comprehend this, our credibility as a responsible ally will be diminished, not enhanced.

Finally, the strategic initiatives are justified by some as providing additional "bargaining chips" for the United States in the SALT discussions. The basic reasoning behind this view is that the Soviet Union will be influenced to adopt more reasonable attitudes in SALT when faced with the possibility of the United States mobilizing its superior technological capacity to widen the disparities between itself and the Soviet Union in the qualitative aspects of offensive missile systems.

The "bargaining chip" argument is unconvincing when scrutinized closely. Serious doubts exist that "bargaining chips" have played any significant positive role in efforts to achieve control of the strategic arms race. Aside from the ABM, no specific weapons program can be cited as an example of a "bargaining chip" that was eliminated or even significantly cut back as a result of the SALT negotiations. Even the ABM is questionable in this regard because technological difficulties rather than negotiated agreements appear to be the prime reason why extensive deployment of the ABM was abandoned by both superpowers.

Even if "bargaining chips" do have utility, the qualitative changes proposed for our nuclear weapons are particularly inappropirate for that purpose because of their imperviousness to "national verification techniques." There is simply no way for an opponent to verify that the other side is abiding by a commitment to foreswear accuracy and yield advances of the variety sought by the Defense Department unless onsite inspections are allowed. As the latter are unacceptable under present conditions, the decision to continue research and development on the "strategic initiatives" projects can only be viewed as a decision to deploy the improvements achieved. Therefore, it is erroneous to argue that ongoing R. & D. on these programs can be used as a means of altering Soviet bargaining postures in SALT. It is inconceivable to me that a prudent Soviet security planner, noting an ongoing U.S. R. & D. effort to increase substantially the accuracy and yield of its nuclear missiles, could do anything but assume eventual deployment of those improvements. He would be unlikely to accept U.S. protestations to the contrary as a sufficient reason to make concessions in SALT.

In summary, the "strategic initiatives" should be rejected because—

First. They hold no substantial promise of enhancing deterrence and, indeed, lessen the inhibitions on the use of nuclear weapons;

Second. They increase the premium for initiating a nuclear attack under crisis conditions by increasing the threat to land-based missile silos;

Third. They do nothing substantive to meet the legitimate criticisms of the MAD concept;

Fourth. They are superfluous regarding the need for sufficient options to avoid a choice between "surrender and nuclear suicide," the United States already possessing such options in its present arsenal; and

Fifth. They are irrelevant as "bargaining chips," because no prudent security planner could assume they had not been deployed once extensive R. & D. had occurred, regardless of protestations to the contrary.

Mr. President, while I reject Secretary Schlesinger's response to the challenge presented by the dynamic Soviet strategic program, I do not ignore the need to respond to that challenge in an effective and intelligent manner. We cannot ignore the possibility that Moscow has set forth on a course of action designed to achieve a capability similar to the one I believe should be eschewed by our Government. Our response to that possibility, rather than being one which results in both sides seeking efficient countersilo capabilities, thus leading to the "hair-trigger" condition, should concentrate instead on denying the Soviet Union an effective countersilo option regardless of the types of initiatives it undertakes. In essence, I am advocating a defensive posture, one in which the United States takes whatever steps necessary to protect the survivability of its deterrent systems rather than pursues the destabilizing course of threatening its opponent's deterrent forces.

The option of pursuing a defensive reaction to the Soviet challenge is available right now. One can identify programs in the DOD budget request that conform to the defensive criterion. The M–X program emphasizing land mobility for our ICBM's is one such pro-

UMI

gram. Accelerated development of stand-off missile capabilities is another. The Trident program as originally conceived is a third. And, there are more.

Until SALT or similar negotiations result in effective superpower agreements not only capping the arms race but also opening the way to substantive disarmament, we will have to take the steps necessary to guarantee the survivability of our nuclear forces and their credibility as a deterrent against undue pressures and provocations by our adversaries. The defensive approach advocated here, while perhaps a more costly proposition ultimately than the "strategic initiatives," is preferable to the latter that has within it the seeds of its and our own destruction—the lessening of inhibitions against resort to nuclear war as a policy option.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from New Hampshire yield for a question?

The VICE PRESIDENT. There are 4 hours for debate on this amendment.

Who yields time?

Mr. McINTYRE. On my time.

Mr. HARRY F. BYRD, JR. May I ask the Senator from New Hampshire as I understand it, he plans to move that the Senate go into executive session, which certainly is within the right of any Senator to do.

Under the time limitation, this amendment, however, has a time limitation, and the Senator from Virginia would like to speak in regard to the amendment, but he would like to speak in opposition and for the record. Under the prevailing parliamentary situation will the Senator from Virginia have an opportunity to do that if the Senate goes into executive session?

Mr. McINTYRE. Mr. President, I would have to make a parliamentary inquiry about the question posed by the Senator from Virginia. I do not know the answer.

Mr. HARRY F. BYRD, JR. Maybe I can propose a unanimous-consent request. I ask unanimous consent that the Senator from Virginia be permitted to speak for 15 minutes immediately after the closed session and immediately before the vote is taken. I would like to present my case in the open and for the record.

The VICE PRESIDENT. Is there objection?

Mr. STENNIS. Mr. President, reserving the right to object, I had not had this matter mentioned to me. I would be inclined, of course, to want to accommodate either of these gentlemen, of course, but I think if they are willing to argue it within the rules before we have this session, why, it would be nice for them to have a chance to do that. But maybe it would be better for them to try to do it later.

Mr. McINTYRE. Mr. President, I object, but I will withdraw my objection if I may have 5 minutes, after the Senator has his 15 minutes, to conclude and sum up the argument for the amendment.

Mr. HARRY F. BYRD, JR. Sure.

The VICE PRESIDENT. Is there objection?

Mr. JACKSON. Mr. President, reserving the right to object, I would like to ask unanimous-consent that my unclassified remarks may be made a part of the public record later. I do not want to detain the Senate for an open session after we go into closed, but I have some unclassified remarks to make in the closed session that I think the public should have a right to know similar, I think, to the Senator from New Hampshire.

Mr. STENNIS. Mr. President, reserving the right to object further——

Mr. JACKSON. I am not going to make an objection.

Mr. STENNIS. That would suit me if these three are the only ones who want to take up time before we have the closed session, why, it seems to me like, that would settle it.

Mr. JACKSON. My request is a little different. All I am suggesting is that rather than take up the time of the Senate in the open session I will make unclassified remarks in the classified session and, I think, the public should be entitled to have that.

The VICE PRESIDENT. The Senate can go into open session any time it wants to by majority vote during the course of the closed debate.

Mr. STENNIS. Mr. President, reserving the right to object, I know the Senator from New Hampshire has good cause, but I really do not fully understand the reason for having a closed session. But I think if we are going to have it, we ought to start it as soon as we reasonably can. So I would defer to the Senator from New Hampshire and the Senator from Virginia.

Mr. McINTYRE. Mr. President, will the Senator yield to me for a question? It is my understanding that the 15 minutes utilized by the distinguished Senator from Virginia will be charged to those who oppose the amendment; is that right?

Mr. STENNIS. That is right.

Mr. BROOKE. Mr. President, reserving the right to object, it seems to me we ought to have a time limitation on the closed session. We ought to have the closed session first and then open it up for open debate and just prior to or for the remaining time leading up to the vote.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BROOKE. Yes.

Mr. MANSFIELD. Of course, a certain amount of time, I believe 4 hours, has been set aside for the McIntyre amendment, but that time does not have to be used in executive session. At the end of 1 hour or 2 hours, if the Senate so desires, we can go back into open session and still have time for debate within that period up to 4 hours altogether, divided equally, of course.

Mr. BROOKE. Mr. President, my point is that we have a number of Senators who, immediately after the closed session, want to have an open session and then have a live quorum call and then a vote. We could get that out of the way now and then open it up.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a question? Would it be satisfactory for the Senator from New Hampshire and the Senator from Massachusetts for the Senate to go into closed session for 1 hour and then go into open session where those who want to speak in opposition may be heard?

Mr. GOLDWATER. Mr. President, reserving the right to object, and I will not object, I think the request made by the Senator from Massachusetts and the Senator from Virginia is a very proper request because we have been on this floor for 2 days listening to criticism of the Armed Services Committee because we cannot divulge secret material, and I think this subject matter we are going to discuss today has a great part of it that can be divulged and, I think, the American people should know about it, and that part which is secret we should treat as secret; that part that can become public information should become public information, and I would certainly support any request by the Senator from Virginia to arrange time for those of us who want to make comments in public to do so.

Mr. STENNIS. May we have quiet, Mr. President, to hear the leader?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the appropriate time, which will be shortly, the distinguished Senator from New Hampshire, to be seconded by the distinguished Senator from Massachusetts, make their motion to go into executive session, and at 3:30 the Senate return to open session.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. STENNIS. For the use of the remainder of the time——

Mr. MANSFIELD. And with the time equally divided.

The VICE PRESIDENT. Time to be equally divided.

Mr. JACKSON. Mr. President, I ask unanimous consent——

The VICE PRESIDENT. Who was yielding time?

Mr. STENNIS. I yield time to the Senator.

Mr. JACKSON. Mr. President, I ask unanimous consent that, in order to avoid repetitiveness, those parts of my remarks that are unclassified, which will be delivered in the closed session, I may be granted permission to have those remarks appear in the open record.

The VICE PRESIDENT. Without objection, it is so ordered.

The Senator from New Hampshire.

CLOSED SESSION

Mr. McINTYRE. Mr. President, in accordance with rule XXXV, I now move that the Senate go into a closed session.

Mr. BROOKE. Mr. President, I second the motion.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me before seconding?

The VICE PRESIDENT. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the closed session, which will immediately follow the seconding of the motion, in addition to the Secretary of the Senate, the Assistant Secretary of the Senate, the Legislative Clerk, the Journal Clerk, the Sergeant at Arms, and the Deputy Sergeant at Arms, all of whom are authorized under rule 36, except that current titles have been used where they have been changed, that the following personnel be authorized to be on the floor: The Parliamentarian, the Assistant Parliamentarian, the Assistant Legislative Clerk, the Administrative Assistant to the Sergeant at Arms, the secretaries to the majority and minority, and their assistants, the General Counsel and Associate General Counsels of the Democratic Policy Committee (Messrs. Ferris, Leach and Williams), the Administrative Assistants to the Minority Leader and the assistant minority leader (Messrs. Davis and Holland), the Official Reporters of Debates (Mr. Walker, Mr. Perry, Mr. Mohr, Mr. Firshein, Mr. Reynolds, Mrs. Ross, Mrs. Garro, Mr. Smonskey, and Mr. Timberlake).

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BROOKE. I second the motion.

The VICE PRESIDENT. The motion having been made and seconded that the Senate go into closed session, the Chair, pursuant to rule XXXV, directs the Sergeant at Arms to clear the galleries, close the doors of the Chamber, and exclude all officials of the Senate not sworn to secrecy.

(At 2:40 p.m., the doors of the Chamber were closed.)

LEGISLATIVE SESSION

At 4:18 p.m., the doors of the Chamber were opened, and the open session of the Senate was resumed.

Mr. STENNIS. Mr. President, I announce, out of the time in opposition, I yield 15 minutes to the Senator from Virginia, who has already been recognized, and then I will yield 15 minutes to the Senator from South Carolina.

The VICE PRESIDENT. The Senator from Virginia is recognized for 15 minutes.

NOMINATION OF STANLEY K. HATHAWAY—TIME LIMITATION AGREEMENT

Mr. MANSFIELD. Mr. President, if the Senator will yield me 1 minute while the doors are opening, I ask unanimous consent that when the Hathaway nomination is taken up, very likely early on Wednesday of next week, there be a time limitation of 3 hours, to be equally divided between the majority and minority leaders or their designees.

The VICE PRESIDENT. Is there objection?

Mr. WEICKER. Mr. President, reserving the right to object——

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senate will come to order. Is there objection to the request of the Senator from Montana?

Mr. WEICKER. Reserving the right to object, may I inquire of the distinguished majority leader as to how this ties in with the Wyman-Durkin matter which, as I understand it, is possibly going to be brought up in the beginning of next week.

Mr. MANSFIELD. We will come in as early as possible and try to get it out of the way. It would mix in a little bit with the New Hampshire matter, but we know of no other way to bring it to a head and perhaps fill the vacancy, which has existed for so long in the Committee on Interior and Insular Affairs.

Mr. WEICKER. Mr. President, reserving the right to object, in other words, in effect, this would produce a two-track situation, insofar as Wyman-Durkin and Hathaway at the same time.

Mr. MANSFIELD. This is the only instance that I know of, and only urgency of the situation makes it necessary, if the Senate agrees. If not, we can put it over until afterwards.

Mr. WEICKER. I wonder if the distinguished majority leader would renew his request and allow me a few minutes because I would like to consult.

Mr. MANSFIELD. Certainly.

Mr. President, I withdraw the request.

MILITARY PROCUREMENT AUTHORIZING ACT, 1976

The Senate continued with the consideration of the bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

Mr. HARRY F. BYRD, JR. Mr. President, may we have order?

Mr. STENNIS. Mr. President, may we have order?

Mr. MANSFIELD. Mr. President, will the Senator yield to me 1 minute?

Mr. HARRY F. BYRD, JR. I yield.

Mr. MANSFIELD. I will make another unanimous-consent request.

Mr. PASTORE. May we have order, please?

The VICE PRESIDENT. There will be order in the Chamber.

Mr. MANSFIELD. Mr. President, I ask unanimous consent, and I do so without having full knowledge of the facts as to how many people still want to keep on on the pending amendment, that the vote occur at 5 p.m.

Several Senators addressed the Chair.

The VICE PRESIDENT. Is there objection?

Mr. TAFT. Mr. President, I reserve the right to object.

Mr. HARRY F. BYRD, JR. Mr. President, on this bill?

Mr. TAFT. No. This amendment.

Mr. HARRY F. BYRD, JR. This amendment.

Mr. McINTYRE. The vote will be held at 5 o'clock.

Mr. STENNIS. Mr. President, I have promised 30 minutes' time. I will modify that.

Mr. JACKSON. Mr. President, will the Senator make it 5:30?

Mr. MANSFIELD. All right.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I am reluctant to agree to the unanimous consent on this particular point.

Mr. STENNIS. All right.

Mr. HARRY F. BYRD, JR. This is a very important amendment, one of the most important amendments this Senate has had.

Mr. MANSFIELD. Mr. President, I withdraw that unanimous-consent request also.

Mr. STENNIS. Mr. President, if I may have a point of order, it is impossible to carry on the business of the Senate with the noise and confusion that exists here now.

I just make that point of order.

The VICE PRESIDENT. Will the Senators please take their seats.

Mr. HARRY F. BYRD, JR. If the President of the Senate will get order, the Senator from Virginia will proceed

The VICE PRESIDENT. Everybody in his seat, please.

Mr. HARRY F. BYRD, JR. Mr. President, I shall be brief.

Mr. DOMENICI. Mr. President, I wonder if the Senator will yield.

Mr. HARRY F. BYRD, JR. I yield.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Mickey Barnett of my staff be accorded the privilege of the floor during the remainder of the day.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Senator from Virginia.

Mr. HARRY F. BYRD, JR., was recognized.

Mr. HARRY F. BYRD, JR. Mr. President, first I compliment the able Senator from New Hampshire, chairman of the Subcommittee on Research and Development.

The Senator from Virginia had the privilege of serving side by side with the Senator from New Hampshire on that subcommittee for a number of years, and the Senator from Virginia supported the Senator from New Hampshire in almost every recommendation made by that subcommittee.

The Senator from Virginia opposed the Defense Department and supported the Senator from New Hampshire when the Defense Department sought to accelerate the Trident program in a way that appeared to be completely impractical.

Although the Senator from Virginia and the Senator from New Hampshire did not prevail, the Defense Department subsequently reversed itself. I think that vindicates the position of the Senator from New Hampshire on that matter.

When we come to the pending amendment, Mr. President, we have an entirely different proposition.

What the pending amendment would

do would be to deny to the Defense Department funds to be used for research and development on improving the accuracy of our missile systems.

It seems to me that if we are going to have missiles, and in this nuclear age we must have missiles, if we are going to have them, then certainly we want to have the technological know-how to make those missiles accurate. There is no question of increasing our missile supply. The funds in question are for research and development, for technological advancement in the field of accuracy of existing missiles.

We know, Mr. President, that the Soviet Union has superiority in megatonnage and it has superiority in numbers of missiles. Do we want to throw away the opportunity for research and development to assure that our missiles will be as accurate as reasonably possible?

It just seems to me logical and sound to try to make our weapons systems as accurate as possible, whether they be rifles, or whether they be nuclear weapons, or other weapon systems that we may need.

I want to read into the record a statement by the Secretary of Defense in his discussion of the 1976 defense budget.

He says:

For example, the United States should seek to stay ahead in accuracy to offset the large and apparently growing Soviet advantage in throw-weight. I should stress in this latter connection that the Soviet Union has made more rapid strides in accuracy than is generally appreciated and has shown an intense interest in various applications of terminal guidance.

There is very little doubt, it seems to me, that the Soviet Union is doing what is logical for the Soviet Union to do, or for any country to do, which is to go ahead with research and development in the area of increasing the accuracy of its missiles. That is a reasonable assumption.

I cannot help but believe, Mr. President, that the philosophy behind this amendment—I do not question the motives at all—but the philosophy behind the amendment to deny improvement in accuracy technology is similar to the philosophy which prevailed in this Chamber, in the Halls of Congress, and in Washington, D.C., 10 years ago, 9 years ago, 8 years ago, 7 years ago. Namely, that the sophisticated way to fight a war in Southeast Asia was to fight a limited war in Vietnam. As a result of that sophisticated point of view the United States was bogged down in Vietnam for 10 long years and suffered 53,000 combat deaths and 303,000 Americans wounded.

Now, it is said that the sophisticated way to handle our missiles is not to make them too accurate. To increase missile accuracy, they say, would be provocative.

I do not buy that viewpoint, just as 10 years ago I did not buy the philosophy of a no-win war in Vietnam.

I think that we would be taking a very dangerous step were the Senate to adopt this amendment today and say to the world, say to our allies, say to the Soviet Union that we are not interested in increasing the accuracy of our systems. What we want to do is to deter war—and having technology to develop accurate missiles should be a deterrent provocative.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. McINTYRE. Would the Senator prefer that we say to the Soviet Union: "We are going ahead with our increased accuracies, we are going to take away from you the very deterrent that has kept a stable nuclear peace for years, we are going to be a direct threat to you."

Is that what the Senator would tell them?

Mr. HARRY F. BYRD, JR. I think what we would want to do, what certainly the Senator from Virginia would want to do, and I would think that most of the American people would want to do, is to carry on a technological program that will permit us to keep abreast in this nuclear field, and to take technological steps in the research and development stage to assure missile accuracy. It may well be required for the 1980's. We are looking ahead now to the 1980's. And we know the Russians are improving the accuracy of their weapons.

So I think the basic issue is this:

Do we or do we not want to improve the accuracy of our weapon systems?

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. SYMINGTON. Mr. President, I have listened to the Senator's remarks. The argument that was made in closed session obviously discounts the accuracy of the SLBM's—the 5,000 missile, much bigger than the Hiroshima warhead that we have on our submarines.

The argument was made in the discussion that if they attack us in a limited fashion, by only attacking our ICBM sources, we in turn should be able to attack them in a limited fashion by only attacking their ICBM sources.

The end of one of the largest ICBM installations—as large as any other—is on the outskirts of Kansas City. Why should a Senator from Missouri be willing to sacrifice Kansas City and hundreds of thousands of people in St. Louis, according to the experts, if the wind blew in normal fashion, in some kind of theoretical nuclear war? That is why I was so impressed with the remarks of the distinguished chairman of the Joint Atomic Energy Committee, when he talked about there being no such thing as a limited nuclear war.

Mr. HARRY F. BYRD, JR. I agree with the Senator from Rhode Island and the Senator from Missouri. I do not think there is any such thing as a limited nuclear war.

In fact, I do not think there is any such thing as a conventional limited war. If we have not learned that lesson yet, we have not learned anything from the 10 years in Vietnam. I do not believe in war, it seldom settles anything. But if we are to become involved in war, we should fight it to bring it to an early and successful conclusion.

And speaking of war, probably the only really justified one was the American Revolution.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. JACKSON. I ask the Senator this question: Do we have any reason to believe that the Russians have foreclosed the opportunity of going ahead and making their missiles more accurate? Is it not a fact that they have been making their missiles more accurate right along? Is that not a fact?

Mr. HARRY F. BYRD, JR. That is the best available evidence that the Defense Department has—that the Russians are making their missiles as accurate as they possibly can. It is the logical thing for them to do just as it is for the United States.

Mr. JACKSON. In the absence of a foolproof agreement with the Russians—and the pending amendment is a proposed unilateral move—does it make any sense for us to deny our Government unilaterally the opportunity to improve our own ICBM systems, which are limited both in size and numbers, in comparison with those of the Soviets?

The Senator was very active in the SALT I agreements. The Soviets get more delivery systems, delivery vehicles, under the SALT I agreement, and they have greater throw weight—we debated that at great length. Does it make any sense to turn around and say that we are going to deny ourselves even the opportunity to make more accurate the inferior number and size of our system? Is that not what this debate is all about?

Mr. HARRY F. BYRD, JR. That is what the debate is all about, as I see it. I think we would be very foolish to deny our Nation research in the field of weapon accuracy.

Mr. JACKSON. But especially to do it unilaterally.

Mr. HARRY F. BYRD, JR. And to do it without getting any concessions at all from Russia. As a matter of fact, in practically all the agreements that have been made with Russia, we have made unilateral concessions to them; we have received nothing in return.

Mr. JACKSON. During all the time I have been a Member of this body and Armed Services, I have never heard of a proposal to deny our Government the opportunity simply to use its scientific and technological talents to improve our capability for self-defense.

In this case, it is very simple—it is accuracy. We have been improving accuracy since gunpowder was discovered and the means to deliver it.

I want to see a mutual limitation. I want to see a mutual cutback in strategic forces. But should we throw away a source of leverage here? I think an agreement limiting accuracy would be very difficult to implement. We have been limiting numbers of weapons, because we can at least monitor that type of agreement. But we cannot monitor—we do not have the verification system, the inspection system—to know what is going on in the laboratories and in the minds of their top scientists and what they are thinking and what they are proposing. To deny ourselves the right vigorously to pursue research and development to counteract their quantitative advantage makes no sense.

Mr. HARRY F. BYRD, JR. I believe history shows that research on new weapons systems is vitally important if any country, whether it be the United States or any other country, is going to be in a position to defend itself.

Mr. JACKSON. Even if we get an agreement on numbers and size of launchers, what goes on inside of those devices cannot be verified properly by any known means other than onsite inspection; and the Soviets have made it clear over and over again that they will not now accept onsite inspection.

Mr. HARRY F. BYRD, JR. I believe the Senator from Washington has recommended that both the United States and the Soviet Union reduce the number of ICBM's that each country has. That is a step in the right direction, in my opinion.

Mr. JACKSON. Mutual reduction.

Mr. HARRY F. BYRD, JR. Mutual reduction.

Mr. JACKSON. On a basis of parity.

Mr. HARRY F. BYRD, JR. Reduce it to, say, 800, or whatever it might be; but both sides should reduce, not increase.

Mr. JACKSON. That is right. The Senator is correct.

I have gone a step further. I have suggested that we permit each side to identify 700 of the older delivery systems—the Soviets would have their choice—which they are not going to modernize. I think that is the direction in which we should be going. We should be reducing the threshold of violence on a mutual basis of parity.

Mr. HARRY F. BYRD, JR. But not make unilateral concessions.

Mr. JACKSON. That is right.

Mr. BUCKLEY. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. BUCKLEY. Mr. President, I agree completely with the thinking of the Senator from Virginia and the Senator from Washington. Our goal must be to reach a plateau and cut back. But is it not so that in order to induce the Soviets to do that, we must be able to match them qualitatively as well as quantitatively?

Mr. HARRY F. BYRD, JR. It is essential that we match them qualitatively; we have not matched them numerically.

The PRESIDING OFFICER (Mr. GARN). The time of the Senator from Virginia has expired.

Mr. BUCKLEY. Mr. President, will the distinguished chairman yield us 5 minutes?

Mr. STENNIS. I yield 2 minutes to the Senator from Virginia.

Mr. BUCKLEY. Is it not so that as the Soviets, in point of fact, are acquiring a counterforce capacity, or predictably will have that within 3 or 4 years, unless we do have a comparable capacity—at least, in terms of research—we will not be able to induce them to have this mutual cutback?

Mr. HARRY F. BYRD, JR. The Senator from New York is correct.

If the United States, speaking through Congress, wants to say to the Soviet Union, "We are going to throw away this advantage we have; we do not want any more technological knowledge, so you do not have to worry about that," what incentive is that going to be to the Soviet Union to reduce their missile operations?

While I regret to say it, the proposal of the Senator from New Hampshire is totally unsound.

Mr. McINTYRE and Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. McINTYRE. I yield myself 2 minutes.

Mr. President, the Senator from New York has just implied that it would be a matter of 3 or 4 years before the accuracy of the Soviet Union would be equal to ours. Let me set the record straight—our accuracy is 5 to 10 years ahead of anything the Soviet Union has.

I say this to my good friends here: No matter how accurate we make our missiles, it will not make them 1 ounce less vulnerable to Soviet attack. The name of the game is mobility. The name of the game is survivability.

Let's look at these scale models of the Soviet and American ICBM's.

Here is the SS–18; it is a whopper. Here is our Minuteman III—more efficient, in every sense of the word. This smaller missile has more counterforce than the SS–18 today, and even 10 years from now, we will continue to have greater counterforce capability, so long as you put the B–1 bomber in the picture.

Let us remember one thing that is very important: No matter how big the Soviets build a missile and no matter how much the Senator from Washington frightens you with that missile, the fact remains that the only way to really defend against it and not put ourselves in a nuclear crisis, in a nuclear hair-trigger situation, is to increase the missile's survivability.

And in this coming fiscal year budget, we have many programs to increase the survivability of our deterrent forces. We are on our way with the MX, the new mobile missile, which can be air-launched, or used in a land-based mobile system. We can also increase survivability by using what some call the shell game. This would entail building say three silos and moving the missile at various times so that the Soviet problem would be tripled.

The name of the game is mobility and survivability. It is not putting accuracy on our missiles that will put us into a hair trigger situation by threatening the Soviet Union.

Mr. BARTLETT. Will the Senator yield for a question?

Mr. BUCKLEY. Will the Senator yield?

The PRESIDING OFFICER. The 2 minutes of the Senator from New Hampshire have expired. Who yields time?

Mr. McINTYRE. I yield 1 more minute.

Mr. BARTLETT. There seems to be an inference in the argument not to pursue greater accuracy that, somehow, the Soviets will get a message and slow down their research and development program. Is this part of the Senator's argument?

Mr. McINTYRE. No, no. The Soviet Union today is trying to increase their accuracy, but not in quantum leaps such as these five programs advanced by the Pentagon. They are trying to change the shape of their nosecone. But we are doing these things, too. Even if we do not do anything on these counterforce programs, the software, the natural improvement that goes on year after year, will result in some increased accuracy.

I admit, as I said in my opening statement, that it is perfectly possible that the Soviet Union will try to continue to improve their accuracy. But it is no answer to improve our accuracy because then there we go, on and on and on, in a counterforce arms, race, until the bubble bursts.

Mr. BARTLETT. Is there any way in which the Soviet Union is restraining their research and development efforts, as this would be?

Mr. McINTYRE. The Soviet Union is moving ahead with research and development programs. They are making their mistakes like we make ours.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McINTYRE. One more minute.

I would not want to see the United States restrained. But we still have a technological lead that we are going to keep if we approve this 1976 budget as we brought it in here, minus some of these programs.

Mr. PASTORE. Will the Senator yield?

Mr. McINTYRE. I yield 1 minute to the Senator from Rhode Island.

Mr. PASTORE. I believe we are working ourselves into a misconception about this whole question of accuracy, as if our missiles were not accurate. The fact is that our missiles are more accurate than the Russian missiles. There is no question about that.

The point here is how much more money do we want to spend to become more accurate and whether or not that is important, whether or not that helps our deterrence and whether or not it is better to put our money in another basket? The trouble here is, we keep putting our money in the same old basket.

In other words, what I am being told is that we have so many scientists, so many researchers, that possibly, unless we give them this new job to do, they would not have any job to do, and for that reason, we ought to keep the organization intact. If that is the reason for spending the taxpayers' money, I am afraid that I cannot understand it.

The point here is that when we drop a megaton bomb, it does not make any difference whether we come 900 feet or 600 feet from the target, because the bomb that fell on Hiroshima was 17 kilotons and it destroyed the whole city. It did not make any difference.

If someone drops a 2-megaton bomb on this Capital Plaza, we will not find the White House. So why do we have to hit the White House? That is the question.

Here we are. We keep talking about more accurate, more accurate, more accurate. How accurate do we have to be to destroy a city?

Already, under our target system, we have about 5,000 dead cities that we can hit in Russia.

UMI

Mr. BUCKLEY. Will the Senator yield?

Mr. PASTORE. I yield.

The PRESIDING OFFICER. Who yields time? The time of the Senator from New Hampshire is up.

Mr. McINTYRE. I yield 5 minutes to the distinguished Senator from Vermont.

Mr. LEAHY. Mr. President, the Senator from New Hampshire and the Senator from Rhode Island have, I think in the last 2 minutes, hit the point.

Mr. PASTORE. We did not hit the target, but we hit the nail on the head.

Mr. LEAHY. They hit the nail on the head. When we talk about the power of the bomb we dropped on Hiroshima, we must remember that we presently possess more than 615,000 times the power we dropped on Hiroshima and that the nuclear nations of this world among them have the power to destroy every man, woman, and child on this planet—and do it 27 times. I agree with the Senators that to the person who gets destroyed by a nuclear weapon, it is not going to make an awful lot of difference whether the miss was by 600 feet or by 900 feet.

I am thoroughly convinced, Mr. President, that the Defense Department program to develop missiles to improve counterforce capability by giving them higher accuracy and much greater explosive power is a dangerous move in the wrong direction. I support the chairman of the R. & D. Subcommittee on which I have the privilege to serve in that regard.

I believe that the development of a first-strike capacity by either the Soviets or us, which could jeopardize the confidence of either nation in the survivability of its own retaliatory force following an all-out attack, would seriously undermine present nuclear stability. I think that instead of giving us greater safety, as argued here in the afternoon in closed and open session——

The PRESIDING OFFICER. Will the Senator withhold until we have order in the Senate and the galleries, please?

Mr. LEAHY. This counterforce strategy increases the likelihood that we will all be incinerated in a nuclear holocaust.

Mr. MANSFIELD. Will the Senator yield?

Mr. LEAHY. I yield to the distinguished majority leader.

Mr. MANSFIELD. Did the Senator say that the Soviet Union and the United States have enough atomic power to overwhelm each other 27 times?

Mr. LEAHY. To destroy every man, woman, and child on earth 27 times, not just in the Soviet Union and the United States.

Mr. MANSFIELD. In other words, we both want to be very sure that when we shoot off these weapons, if we ever do, that we will all be dead?

Mr. LEAHY. I think it would be very certain mutual destruction.

Mr. MANSFIELD. Why? Why?

Mr. LEAHY. I think that is the question we are asking here this afternoon. I really feel it is sheer madness to go on and on, as the Senator from New Hampshire indicated, and unnecessarily escalate by a quantum jump the nuclear arms race.

For myself, I have children who, in the normal course of events, will live the majority of their lives in the next century, and I question very much whether that next century will occur if we keep on this way. I want a strong United States. I want to maintain a strong deterrent power. We are strong. We are the strongest nation this world has ever seen, and we have an immensely strong deterrent power. We cannot continue to escalate and escalate. As the distinguished majority leader has asked, the question is "Why?"

Should the time come that we have reached that ultimate escalation, neither the majority leader nor I will be there to ask the question why, but it will not make any difference, because there is not going to be anybody there to answer either one of us, I say to the Senator.

Mr. GRAVEL. Will the Senator yield?

The PRESIDING OFFICER. Who yields time?

Mr. McINTYRE. Two more minutes to Senator LEAHY to yield to the Senator from Alaska.

Mr. LEAHY. I yield 1 minute to the Senator from Alaska, and I shall use 1 minute.

Mr. GRAVEL. With regard to the kill capacity of both nations, in 1970, the U.S.S.R. had 1,800 warheads, as opposed to the United States having 4,000. In 1971, U.S.S.R. had 2,100, we went to 4,600. In 1972, the U.S.S.R. had 2,200 to the United States's 5,700. In 1973, to the U.S.S.R.'s 2,200, the United States had 6,800. The U.S.S.R., in 1974, had 2,500 to the United States 7,650. In 1975, we have 8,500 warheads, as opposed to the Soviet Union's 2,800. When we work that out on a formula, we have the ability to destroy the Soviet Union, when we use the kill of cities, 50 cities destructive, we can destroy them 36 times, they can destroy us 11 times, and are we not happy that we are ahead?

Mr. LEAHY. Mr. President, for more than 30 years, we have lived under this threat of nuclear destruction. We are not going to change that, no matter what we vote today. We must maintain this country's nuclear posture strong enough to deter any nation from triggering a nuclear war. But we have no right, from the view of mankind, to increase the risks unless it is clear that such action is necessary for us to keep that posture. In my view, proceeding with the counterforce program would greatly and unnecessarily increase the risks.

Our development of a counterforce threat to the Soviet ICBM's can only look to them as an attempt by the United States to acquire a first-strike capability. It puts the Soviet Union in a position where it must take retaliatory measures to reduce the danger to its ICBM's from such a threat. Their best and surest response would be to put their ICBM's on hair-trigger alert so that they could be fired before our counterforce warheads would be able to reach their targets. Such a Soviet tactic would be extremely dangerous. It would increase tremendously the chance for an accidental nuclear launch. Soviet radar and their computers could make mistakes and inadvertently trigger a nuclear response. Also, any system operating on a short time fuse—ours or theirs—is much more susceptible to an accidental firing.

I, therefore, strongly support Senator McINTYRE's amendment to bring to a halt the development of these dangerous counterforce weapons which could mean the destruction of us all.

We are already far ahead of the Russians with our ability to destroy hard military targets. Going any further down this perilous path can only increase the risk of a disastrous nuclear conflict.

As Senators, we have a responsibility not only to the United States; we have a responsibility to all mankind in this matter.

I yield back to the Senator from New Hampshire.

Mr. GRAVEL. Mr. President, will the Senator from New Hampshire yield to me an additional 2 minutes if he has it available?

Mr. McINTYRE. I yield to the Chairman of the committee so that he may yield some time to this side.

Mr. STENNIS. The Senator from South Carolina has not been recognized. I yield the time to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to the pending amendment that would delete funds from the pending so-called ballistic missile improvement program portion of the bill with respect to certain items. This was defeated during our committee markup by a 10-to-4 vote.

BALLISTIC MISSILE IMPROVEMENTS

I would like to speak in support of our research and development efforts to enhance the capabilities of our strategic ballistic missiles through improvements in accuracy and re-entry systems.

As has been stated, the fundamental policy of our strategic forces is to deter a nuclear war. Fortunately, we have been successful in the past. The issue is: What strategic capabilities will be required now and in the future to insure our continued success?

I believe all of the ballistic improvement programs are important elements of our strategic posture.

First, our ballistic missile improvement programs are in response to Soviet actions; these are not unilateral U.S. initiatives. The Soviet Union has under way a substantial deployment of new ICBM's—each of significantly greater capability than its predecessor. This initial deployment will give the Soviets a limited capability to attack hard targets. Continued deployment of this new force, even within the terms of the Vladivostok Accord, will give the Soviets the capability to threaten the survivability of our Minuteman force. To continue to deter attacks resulting from the Soviet's initial deployments, as well as urge restraint in their continued ICBM deployments, we should plan to support the improvements in the Minuteman force and a vigorous R. & D. program in related areas.

Second, recent events have shown that unilateral U.S. actions toward restraint do not work. The administration has clearly indicated that if the Soviet Union would show restraint in their programs to deploy a substantial hard-target counterforce capability, as we have been restraining ourselves through smaller missiles and lower yield warheads, then we would likewise show continued restraint. We have explicitly avoided such actions for some years—as is evident in legislative testimony—but this has had no apparent impact upon Soviet programs.

Furthermore, the administration has attempted to negotiate limitations on each side's ability to destroy hardened targets, but the Soviets have been unresponsive to this initiative. I do not believe—as Soviet responses illustrate—that continued unilateral U.S. actions restraining such development will in any way stop Soviet developments or provide any Soviet incentive to negotiate limitations in this area.

Mr. President, may we have order?

The PRESIDING OFFICER. May we have order in the Senate so the Senator can be heard?

Mr. THURMOND. Third, these programs are useful under limited deployments to enhance the credibility and confidence of our deterrent. Our land-based Minuteman force provides us the flexibility and control necessary to respond to, and thereby deter, a wide range of attacks on U.S. military targets. Minuteman is our most reliable system for the response options. Improvements in our command and control systems and missile accuracy will enhance our credibility and confidence in our ability to carry out nuclear strikes, a capability which is essential to deterrence.

Fourth, we are not developing a disarming first-strike capability against the Soviet Union. And that is the point that those who propose this amendment I wish would listen to. These R. & D. programs for improvements in the ballistic missile force should in no way be construed as such. An R. & D. program alone does not provide any operational capability. It is the size of the deployed force which will determine the extent of our capabilities to attack hardened targets, and this level is clearly under the direct control of Congress. The Secretary of Defense has said that he prefers to see both sides avoid major hard-target counterforce capabilities. We should not concede to the Soviets a unilateral advantage in this important aspect of the strategic nuclear balance.

In summary, I believe that reductions in funding of our ballistic missile improvement programs would have the following adverse impacts in defense capability:

First. Degrade our deterrent posture by removing the most important element of ballistic missile capability and flexibility in limited exchanges—confidence in attack success,

Second. Ultimately give the Soviets a major unilateral advantage in hard-target and nuclear warfighting capability, thus detracting from the U.S. deterrent;

Third. Would virtually remove any incentives for the Soviets to show restraint in their deployments or to negotiate limitations in hard-target counterforce capability.

Now, Mr. President, what does this amendment say? The amendment of the distinguished Senator from New Hampshire and the distinguished Senator from Massachusetts says in section 202 that "none of the funds authorized to be appropriated by this act may be used to conduct any research, development, testing, or evaluation in connection with," and then it names these five programs.

Mr. President, I say what can be the objection to doing research and testing to make these weapons more accurate, to make them more effective?

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. THURMOND. I do not care to yield until I get through, and if I have any time, I will be glad to yield. My time is limited.

In other words, if a man buys a rifle to go out here and shoot game, he wants to get the most accurate rifle possible. If our Government is building a missile to hit a target, we certainly want to get the most accurate missile possible to hit that target.

What can be the objection? Why should anybody object to making our missiles more accurate? And that is all this does. This carries on research. This does not even develop the weapons. This merely does the research, the development and the testing.

(At this point Mr. BIDEN assumed the Chair.)

Mr. THURMOND. So the President then would have options, and then if he wants to use these improved weapons that have been researched, developed, and tested he has got them available. If he does not want to use them, and he wants to use the present weapons which are not as accurate, he can use those.

But, Mr. President, why would anybody not want to make America's weapons the most accurate that can be made? I just do not see myself why any of these five weapons here, the improved guidance technology for Minuteman III missile system—here the Defense Department wants to improve the guidance technology for this missile, this Minuteman III missile system.

They want it for the maneuverable reentry vehicle, precision guidance technology. They have got this maneuverable vehicle. Now they want to improve that guidance technology so that it will be accurate while it is maneuvering.

Then the large advanced ballistic reentry vehicle in the advanced ballistic reentry system.

Then, last, improved accuracy for the fleet ballistic missile system.

Can you go out here and explain to a man on the street and tell him that you do not see any use in improving the accuracy of the fleet ballistic missile system? Why, he will think you are crazy. If you are going to have a system at all, why not make it the most accurate possible?

Why not perfect it to the highest state we can perfect it?

Now, some say that will be provocative, that will bring on war, maybe cause the Soviets to attack.

Mr. President, I say it would have just the opposite effect. Why? Because if the Soviets know that our system is not accurate, will they not be more apt to attack than they will if they know our system is accurate and if they start something we can put it right on the target? It is just that plain.

Mr. President, I sincerely hope that the Senate will not adopt this amendment.

I want to say that the Soviets, as I said a few minutes ago, are engaged in a vigorous and costly program of strategic missile development right now for the new ICBM's. They are testing their SS–X–16, light, solid fuel missile; SS–17, medium, liquid fuel missile; SS–18, heavy liquid fuel missile; SS–19, medium, liquid fuel missile.

All four have post-boost "bus" systems and these systems are now under test.

The SS–19 has been tested successfully, and probably will be deployed with six RV's.

The SS–18—a very large missile like the SS–9—is being tested both with a single warhead and with MIRV's. The single RV version is called the MOD–1, and the MIRV'ed version is called the MOD–2.

This large SS–18 can carry as many as eight—and I want to say that is in one warhead—they can carry as many as eight warheads in this missile, each in the megaton yield range, and we are dealing in the kilotons, in the thousands, they are dealing in the millions.

Are we going to stand idly by while they are doing all this testing of all the big weapons, all these new weapons, and yet we do not want to even test, much less develop? Mr. President, again I say, it does not make sense.

Mr. President, I just want to say in closing that I cannot believe that the people of America approve of this Senate, this Congress, or this Government failing to develop America's weapons to their fullest so that they will be as accurate and efficient as they can be made.

It means our very survival since the Soviets have not abandoned their goal of spreading Communist aggression throughout the world. Why are they carrying on all this defense they are doing if they do not intend to keep spreading Communist aggression?

The only way we are going to be protected, the only way the people of America are going to be protected, is to build a strong defense system so that they know if they start something we can end it.

Mr. President, I hope that this Senate will not hesitate to kill this amendment which, in my judgment, is going to hamper the security and the national defense of the United States.

Mr. MOSS. Will the Senator yield?

Mr. STENNIS. I thank the Senator for his remarks.

Again, we do not have much time at this point, I yield to the Senator from Utah 3 minutes.

Mr. MOSS. Mr. President, I ask unanimous consent that Jim Bruce and Lou

UMI

Ashley of my staff may have privilege of the floor during the remainder of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I oppose the amendment introduced by Senator McINTYRE and Senator BROOKE, but I do believe they have addressed a very serious problem.

Mr. STENNIS. Mr. President, may we have a Senate that is in order?

Otherwise, I ask the Chair not to charge the Senator with this time.

The PRESIDING OFFICER (Mr. BIDEN). Will the Senator please take their seats, so that the Senator from Utah can be heard, and carry their conversations to the cloakroom?

Mr. MOSS. In my opinion, the error in their amendment is that it proposes radical surgery to do what a little preventive medicine can better accomplish.

I sympathize with their concern that creation of a counterforce would represent a fundamental shift in our strategic planning. The deterrence of mutually assured destruction has up to now been considered sufficient to prevent nuclear war between the superpowers. However, the administration envisions a scenario in which Russia would be tempted to annihilate a large portion of our retaliatory weapons, leaving our population relatively untouched but helpless in the face of a Russian reserve force of ICBM's.

And so the administration is seeking a limited counterforce—a host of new missiles secure enough to ride out a first-strike attack and capable of then knocking out reserve forces of hardened missile sites or other hard targets with minimum collateral damage to civilian populations. Counterforce is said to offer the President a broader range of discriminating and more credible responses to a nuclear threat.

The concern of the sponsors of the amendment and my concern as well is that a shift toward counterforce resembles a shift toward acquiring a first-strike capability against the Soviet Union. ICBM's having a sufficient accuracy and yield to have a high probability of kill against a hardened missile silo can serve equally well in a counterforce or in a first-strike force.

Let me hasten to say that my concern over the Soviet Union's perception of our strategic initiative does not stem from some fear that we may appear ungentlemanly. My concern is that the Soviet Union will attempt to counteract our move by building even more and better weapons. Certainly the Soviet Union could devote even more of their budget to weapons and then we will have to spend even more on our own defense budget. The upward direction of the spiraling arms race is well known.

Where the sponsors and I part is in the solution to this problem. Senator McINTYRE and Senator BROOKE would simply have us cease all work on counterforce technology. Such gratuitous self-restraint is not likely to be matched by our adversary.

Experience in the SALT talks has shown us that research alone is not overly threatening to the other side. What really matters is testing hardware in an operationally deployed system. For instance, in the current SALT talks on MIRV we have insisted on assuming that the Russians will deploy MIRV warheads on all their SS–18 missiles, because they have successfully tested a MIRV warhead on their SS–18 missile.

I believe that we can minimize the destabilizing impact of counterforce and still pursue the technology if we are very cautious about testing these new systems.

To be more specific, many have expressed concern over one program in particular among the proposed counterforce programs. That is MARV—the maneuverable reentry vehicle which constitutes one big step beyond MIRV. The other counterforce programs represent an evolutionary improvement in missile accuracy. MARV is a revolutionary improvement in accuracy to the extent that our smallest strategic missile warheads would be very effective against hard silos, in other words, excellent counterforce weapons or even first strike weapons.

If we test the MARV warhead on the Minuteman III, on Poseidon, or on any operational missile that is deployed in large numbers, the Russians have no guarantee that we are not deploying it on all those missiles. And they know that if we put MARV on Minuteman III alone, we will nearly have a first-strike capability against the Soviet Union.

A much more prudent approach would be to go ahead and develop the technology now to have it well in hand but to avoid testing it on an actual missile. Then, if necessary, we might test MARV on an old missile such as Minuteman I or perhaps on a new missile that we will not deploy in large numbers. But in no event should we use a missile that we plan to deploy in quantity or that is already deployed in quantity.

Having the technology in hand, it would take little time to equip our missiles with MARV should a serious strategic imbalance arise. I think we want to have that option available to us as an insurance against unexpected Soviet initiatives.

This option may well afford us some leverage at the SALT talks.

I assume that we will want to achieve a SALT limitation on MARV just as we have sought it on MIRV. One conclusion stands out in the history of our MIRV negotiations: If we are to get an agreement banning or limiting MARV, we must be extremely cautious about testing this new technology.

Fortunately, the fact is that MARV will not be tested in the coming year or in the transition period.

The administration is seeking research funds, and it does not plan to test MARV in the coming year. So we can proceed with the technology now.

Let me say that I am not at all sanguine toward any administration plans to deploy in the future even a small force of missiles equipped with MARV. Just the issue of testing concerns me and I think that issue must be faced by the Congress next year; but I see no reason to cut out all research now.

I am opposing this amendment because—

First. I believe we should continue to develop our technology to improve the accuracy and yield of our missiles.

Second. Having counterforce technology in hand, gives us the option of deploying it, should a serious strategic imbalance arise.

Third. MARV will not be tested in the next year.

Fourth. Consequently, there will be time for more consideration by the Congress of whether we want to conduct flight tests of MARV at all and how we can minimize the threatening implications of counterforce.

Mr. President, I have listened and I sympathize with the point of view of the Senator from New Hampshire and the Senator from Massachusetts. It is a difficult decision to make, but I do believe that the only prudent method for us to follow is to continue on with the technology, but be careful not to test it operationally because that is where the destabilizing impact would come that might upset our talks.

Mr. BROOKE. Will the Senator yield?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MOSS. I believe I have no more time.

Mr. McINTYRE. I will yield 1 minute on the matter if the Senator from Utah will respond.

Mr. BROOKE. I have the greatest respect for the Senator from Utah. Nevertheless, I am a little bit confused as to his reasoning. He said that we should go ahead with the R. & D. and yet we should do no testing.

The real nub of this issue is that the R. & D., by itself, will be provocative and destabilizing because prudent Soviet planners, once they perceive we are moving ahead with R. & D. on qualitative improvements that will give us an efficient and impressive countersilo capability, will have to assume we will deploy such a capability.

Thus, by R. & D. we will set in motion the processes that lead to an acceleration of the arms race and a lowering of the nuclear threshold.

The Soviet Union will have added incentive to improve their accuracy, yield combinations, and, more dangerously, to move toward a "launch on warning" triggering posture that will dramatically increase the risk of nuclear war. And, according to the logic I have heard here today, we should follow suit. What an unnecessary and costly error.

I hope the Senator from Utah understands my arguments because, as the Senator from New Hampshire said earlier, the name of the game is protecting the survivability of our deterrent, not threatening that of our adversary.

Mr. MOSS. Well, perhaps my difference with the Senator from Massachusetts is the arms race.

I think if we do not test them on operational systems, we do not provoke.

The PRESIDING OFFICER. The Senator's 1 minute has expired. Who yields time?

Mr. STENNIS. I am sorry I do not have more time to use.

I would like to yield 5 minutes to the Senator from South Carolina.

Mr. HOLLINGS. The distinguished Senator from Massachusetts brought me right to my point about this being provocative, being destabilizing.

What is destabilizing to this particular Senator is the very thought that the Senator from Massachusetts, as brilliant and capable as he is, or any Senator in this U.S. Senate, conceives the situation to be stabilized. That is what destabilizes me, individually.

I will never forget, Mr. President, when I went with the distinguished majority leader to the SALT I talks in Helsinki—and let me emphasize that I am not associating him with my remarks, because he has a totally different view from mine on this matter.

I wish I had been prepared to make comments this afternoon. I would have had my facts at hand and I would certainly have had all the names of that distinguished negotiating team. But they were pretty liberal, enlightened, and well-informed. They had Harold Brown, the president of California Tech, and former Secretary of the Air Force. They had Paul Nitze. And they had Ambassador Gerard Smith who was in charge of those talks. I remember one thing unanimously agreed on. We were talking then about bargaining chips, bargaining chips, bargaining chips. That is all I heard 4 years ago. I went nutty just listening to all the talk of bargaining chips.

The negotiators said not to ever vote on anything in the U.S. Senate by way of the defenses of our Nation and try thereby to provide a bargaining chip with the Soviets. They do not bargain. They have one aim and one goal and that is to be No. 1, to prevail. When you vote as a Senator, always vote for the best interests of your country, in this particular case, the best defenses of your Nation.

I have been trying to listen to my chairmate, the distinguished Senator from New Hampshire (Mr. McINTYRE).

They ask why make it more accurate? The scenario has been described in the light of that SALT I agreement or offensive weapons, which was a bad agreement. Now every Senator will agree it was bad. I voted against it. A schoolchild could look at the arithmetic of it and see how bad it was.

The Soviets got the advantage in not only the number of missiles but the throw weight. At that particular time, we were told that the technology, the accuracy of our missiles would help offset the disadvantages in number of missiles and throw weight.

Mr. BROOKE. Will the Senator yield?

Mr. HOLLINGS. I will not yield. I only have 5 minutes. I will yield at the end on the Senator's time.

When we get to this particular point on technology, there are some who want to take that away from us—the one advantage that we said we had when the Senate voted for that unequal, silly SALT I agreement on offensive weapons. That was the wrong thing to do. Go back home to Massachusetts, or South Carolina or anywhere else. The people know that was a dreadful agreement and a dreadful mistake.

So we got the scenario that accuracy replaces the number of throw weight and warheads. We now have the accuracy to target in on the remaining missiles. So if they do engage in a first strike and knock out our missiles on the land, with our particular missiles on the Polaris and Trident submarines, rather than have only the option of knocking out cities, we can go back to the siloed missiles. And the difference in hardened silos between 600 feet, 800 feet, and 1,000 feet is significant. It is important.

So, let us never vote in this particular body to cut back our technology and, as the Senator from Washington said, unilaterally stop thinking.

What about first-strike capability? We had the only strike capability when we had the bomb. It does not frighten me to have it. If there was such a thing we had it in Vietnam and we lost 56,000 men, to correct the figure, and suffered 303,000 casualties. So we have shown patience and forebearance. But on the other hand, let us get to that first-strike capability.

They say there is no such thing as a limited nuclear war. There is no such thing as a first-strike capability. My very heated fashion saying "What do you want to do, have a first-strike capability?"

There is no such thing. They can knock out every one of ours and we would still have the submarines. They cannot knock out all the submarines and everything at one time. In turn, we cannot knock out theirs. So we spend a 3-hour session talking about that which does not exist.

Yes, first nuclear. That is what Gen. Mike Davidson told this Senator. It has been written up in U.S. News & World Report.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. I yield 1 more minute.

Mr. HOLLINGS. He said in Heidelburg, and I went into a second briefing a year ago, that "We are on a 72-hour situation."

Then they call for balanced force reduction. There is no such thing as a balance. The only thing that balances is the tactical nuclear weapons. The general said 72 hours. I said "If all of those divisions come over the line, what are we going to do?" He said that we have these thousands of nuclear weapons and we can use them. He said we are in a trip-wire posture.

One Senator said it was news to him. He better subscribe to U.S. News & World Report.

There is no such thing as a first-strike capability. That is a fact, and we ought not run around like children saying do not develop, because we might destabilize. We are not stabilized and that, too, is fact.

The Soviets know what they are doing and we in this Senate better begin to act like we know what we are doing.

Mr. STENNIS. I yield to the Senator from Ohio.

Mr. MANSFIELD. Will the Senator yield one-half minute?

Mr. STENNIS. Yes.

Mr. MANSFIELD. Mr. President, how many more Senators wish to speak?

Mr. President, I ask unanimous consent that the vote on the pending amendment occur at the hour of 5:30.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Ohio is recognized for 5 minutes.

Mr. TAFT. Mr. President, we all hope that we will never have to use nuclear weapons.

May I have order in the Senate, Mr. President?

The PRESIDING OFFICER. There will be order in the Senate, please.

Mr. TAFT. That hope is best served by the deterrence effect of having all know that if we ever did have to use them, they would be accurate and effective. We should take notice that the Soviet Union is currently increasing its counterforce capability. They are doing so not so much with increased accuracy, as with increased throw-weight for bigger warheads; but the effect is approximately the same. One can make all sorts of abstract arguments about counterforce and deterrence theory, but the real question here is one of Soviet perceptions. The Soviets have a long history of respecting strength in their opponents, and of taking every advantage of opponents who show a lack of will and resolve.

What will be Moscow's perception of our strength and commitment if we refuse to match their development of a possible counterforce capability? I am sure that, had we been the first to develop such a capability, the Soviets would not have hesitated to respond.

We cannot afford to take a position which Moscow may perceive as weakness. History gives us no reason to think that the Soviets will respect such a position on our part, or that it will do anything but hinder our efforts to reach a just and equitable arrangement with them in arms control negotiations.

Let me note further that, in relation to a deterrence theory which some people advance, it ignores a very important point: specifically, that deterrence must be credible to work. If we are restricted to population center targeting, we face an increasing possibility of the Soviets striking at all or selected missile and bomber bases, and then saying to us, "we have not hit any of your population centers: do you want to be the one to start trading cities?"

Mr. BROOKE. Will the Senator yield?

Mr. TAFT. Not at this time. I only have 5 minutes.

Some argue that such a counterforce strike by the Soviet is not credible, because they could not destroy all our delivery systems. But this ignores the fact that, if the remaining systems were capable only of being population center targeted, we could not use them to retaliate without initiating a mutual destruction of population centers. The Soviets would then have destroyed enough of our strategic weapons to reduce us to a second-class power, with dire consequences to our interests throughout the world.

The addition of a counterforce and

UMI

other options would eliminate the possibility of this scenario. We would have the flexibility to respond to a Soviet counterforce strike by cutting down their strategic forces as they cut down ours, thus maintaining the overall balance of power. We would not be forced to choose between accepting the status of a second-class power, or initiating an exchange of cities.

Finally, I note that the arguments against a counterforce capability have been made only in relation to a scenario of a direct attack by the Soviets on the United States. But our defense problems extend beyond our own borders, and a counterforce capability may be necessary in situations other than a Soviet counterforce strike on the United States. For example, in the event of a Soviet attack on Europe, approximately 600 Soviet MRBM's and IRBM's, plus about 100 ICBM's, are targeted on our NATO allies. Of these, about 220—easily enough to wipe out European civilization—are in protected silos. It would greatly increase the deterrent ability of NATO if we had the ability to knock out these 220 missiles in their silos.

Another factor which we should consider in this relation, is the likely effect on nuclear proliferation. Many nations feel they are under our nuclear umbrella. Already the addition of India to the nuclear club is alarming. The failure of the United States to continue to improve its weapons would almost invite other powers to such proliferation from the point of view of defending themselves from increased Russian throw-weight and "MIRV'ing" of their weapons.

Finally, we should note that these items relate solely to advanced research and development, and not to procurement. I think it would be a great mistake for us to stop the advanced research in these areas. These programs will leave us options that will be open if the need should arise. If we refuse to do the R. & D. work, we will have closed off the options, and we would face a long delay in starting up on them again, if we suddenly required them.

Thus, our negotiating position vis-a-vis the U.S.S.R. and our security, for both the continental United States and our overseas interests, require these programs to increase the accuracy of our missiles. I hope my colleagues will agree with Secretary Schlesinger, Secretary Kissinger, and the committee that they should be authorized, and will support that position and defeat the amendment.

The Senator from Massachusetts, a few minutes ago, mentioned the matter of what the reaction of the Russians would be; what would the Russians do?

I will tell you one thing they would do which I think is very much to our advantage. One thing they would do is increase their defensive expenditures to build weapons to give them security against our weapons capability.

Mr. McINTYRE. Mr. President, I yield myself 2 minutes.

When my friend the Senator from South Carolina says there is no such thing as a first strike, I do not believe my good friend from South Carolina has done his homework, because if you take the type of accuracy the Department of Defense hopes to achieve with MARV terminal guidance, then I say, Mr. President, you have accuracy that means one RV can destroy one superhardened silo efficiently. That is a first strike, and that is what these programs will achieve.

In answer to the remarks of my good friend from Utah, the difficulty with the R. & D. argument is this: We simply cannot undertake research and development in these programs without letting the genie out of the bottle. You cannot put it back in, and any conservative war planner in the Soviet Union has got to, from that moment, assume we are going for these accuracies, that we are going for a first-strike capability.

Mr. President, I urge my colleagues to approve this amendment in the interests of national security.

I reserve the remainder of my time.

Mr. STENNIS. Mr. President, the Senator from New York wanted to be recognized. I want to save just a few minutes. How much time does the Senator from New York want?

I yield the Senator 2 minutes.

Mr. BUCKLEY. Mr. President, I just wanted the opportunity to address myself respectfully to two statements made by the Senator from New Hampshire and the Senator from Rhode Island when he spoke earlier.

When I said that within a few years' time the Soviets would have developed a counterforce capability, I did not suggest they would have achieved our current degree of accuracy. They do their weapons, they can be far less accurate and nevertheless eliminate our silos, half of our aircraft and our airfields, and our submarines in their home bases.

I would call the attention of the Senator to an article by Mr. Paul Nitze, who is certainly informed on this subject as a former negotiator of the SALT agreements, suggesting that this is precisely the capability they will have in but a very short period of time, and he has gone further in saying that if they succeed in being able to locate our submarines within 200 square miles of water, they can also eliminate our seaborne force as well.

We are talking about the fact that the Soviets are well on their way to achieving a counterforce capability. I think the amendment under debate would strip us of the capacity to achieve a comparable military capability that we need because of the small size of our warheads.

Secondly, the Senator from Rhode Island suggested, "Why do we need more and more accuracy, when we can do everything we want right now?"

The fact is that the whole argument is based on whether or not we wish to change our capability from one which can only go after cities to one that can go after protected weapons.

I thank my good friend from Mississippi for granting me the time.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield myself 1 minute at this point.

There is no doubt about the high and important ranking of this research and development program. The idea of staying in front with respect to technology and hoping for some agreement, is all wrapped up in this question, even though there is difference of opinion about it. This is highly important, and in the missile field, the stakes being what they are, the money at this stage is relatively small—$109 million for 5 of these programs. Five of them is all we are talking about, in this one amendment.

As I said before, the House has already had this same subject up week before last, and voted to keep it in the bill by a vote of 276 to 124. That is more than 2 to 1,

Last year, we voted on a similar matter and voted to keep it in the bill by a vote of 48 to 37.

I think it is really more important now than it was then. So if we mean what we say about this technology—and the necessity is for staying ahead—then we cannot afford to leave these projects out.

When I learned to shoot squirrels, I thought my rifle was out of fix, but my older brother said, "No, your aim is out of fix, and you have got to learn how to aim the rifle." I finally did, and I got to where I could hit the squirrels.

Mr. McINTYRE. I yield 1 minute to the Senator from Alaska.

Mr. GRAVEL. Mr. President, let me close off by saying I think the argument in opposition to the Senator from New Hampshire is based on the Senator's being afraid of going ahead with research. As I have stated very clearly, we are going ahead with a lot of research in a lot of areas; the B–1, the Trident—there is research on accuracy being worked on in those areas. What we are saying is that in this particular defensive weapon, it is not necessary to move forward, and it will be considered provocative if we do, so I see no reason to follow this kind of level on a force level within our Triad which is the No. 2 force level, not the No. 1 force level, because our No. 1 force level is at sea.

I think the effort to arrive at greater accuracy that is being developed here can be best characterized by saying we are taking our strategic weapons and turning them into tactical weapons.

That is really what is happening with this defense. I will venture to say that years down the road we will make the choice of using ICBM's as tactical weapons because they will be every bit as accurate as a tactical weapon.

So why station tactical weapons on line when you can turn around and use your ICBM's as tactical weapons?

That is really the provocative nature of this amendment.

Mr. JACKSON. Mr. President, I am opposed to this amendment because I believe that the United States must not relinquish its margin in strategic technology, the only means we have to compensate for the very considerable Soviet advantage in numbers of first line weapons and the throw weight of their strategic missile force. Our emerging strategic posture is based on the notion that our quantitative inferiority can be balanced by the high plane of our strategic technology—particularly by the high accuracy of our strategic missile force. A vote for this amendment would pull the rug out from under the strategic policy of the United States—and for what purpose? Is there any reason to believe that the Soviets are prepared to cut back on their rapid and unrelenting strategic buildup? Does anyone have any evidence that the Soviets will stop the deployment of strategic missiles that threaten our deterrent if we halt our own research and development?

The fact is, as the Senator from New Hampshire has himself observed, that there are disturbing indications that the Soviets are developing and deploying precisely those weapons that could be most effectively used to attack our deterrent. It would be dangerous in the extreme if we were, gratuitously and without any Soviet response, to permit a situation to develop in which the Soviets could launch a preemptive attack while we would be left with the single, and less and less credible option, of attacking Soviet cities in response.

The fact that we can develop the technology, provided we continue research and development, to impart extremely high accuracy to our strategic missiles means that we can do with fewer missiles than would otherwise be the case. If one warhead can do the work of two or three because it is more accurate, we can hold down the number of warheads necessary for our own defense. Since the SALT agreements impose severe quantitative limitations on us—and much less severe ones on the Soviets—technological improvement has become the only means by which we can maintain the strategic balance.

Mr. President, the report of the Committee on Armed Services is especially instructive on the subject of the program proposed for upgrading the quality of our strategic forces. Among the points made by the committee there is one that I wish to underline. As the committee has observed:

> Improving the accuracy of our strategic forces enables us to broaden the range of options available to the President and to minimize the collateral damage associated with a retaliatory strike in the event that deterrence fails.

Surely prudence requires that we build into our strategic forces as much capability for discrimination as possible. With improved accuracy it will be possible to avoid a situation in which needless civilian casualties would result from a limited nuclear exchange. We have an obligation to do everything we can to deter a nuclear war and to do all that is humanly possible to save innocent civilian lives in the event that deterrence should fail. One sometimes hears the argument that any increase in the capability to pinpoint military targets and avoid collateral damage will increase the likelihood that nuclear weapons will actually be used in a strategic nuclear war. I cannot agree.

A strategic nuclear war would be a catastrophe of such unimaginable dimensions that I cannot believe it would be regarded lightly because our missiles were more rather than less accurate. In my judgment the sort of miscalculation that could lead to a strategic conflict is far more likely to arise if our strategic forces cannot credibly be employed for deterrence purposes. Thus the committee concluded that:

> Given the growth and development of Soviet strategic forces, a deterrent posture based principally on the threat to retaliate against Soviet civilians, knowing that such a strike would almost certainly lead to the destruction of millions of American civilians, is less and less credible. Development of the technology required for a range of more discriminating—and more credible—responses is, in the judgment of the committee, simple prudence.

Finally, Mr. President, I would point out that what we are discussing here is research and development, not deployment. For us to terminate unilaterally research and development that we know to be underway in the Soviet Union would be most unwise. The results of an imprudent decision in the research and development area may not show up as an element in the strategic balance for many years—a decade or more in some cases. Until we are able to find ways to stabilize the strategic balance over the long term we must explore with great vigor all avenues leading to the improvement of our strategic technology.

COUNTERFORCE PROGRAMS

Mr. GOLDWATER. Mr. President, I wish to make the following observations on the counterforce programs:

FIRST POINT

These programs shift us from a policy of deterring nuclear war to one of limited nuclear war-fighting.

COUNTERPOINT

The Soviet Union has already begun what appears to be a very substantial deployment of new ICBM's—each of significantly greater capability than its predecessor. This initial deployment will give the Soviets a limited capability to attack hard targets like our Minuteman silos. Continued deployment of this new force, even within the terms of the Vladivostok accord, will give the Soviets the capability to threaten the survivability of the Minuteman force. The modest improvements we are proposing are designed to deter limited nuclear attacks and to urge Soviet restraint in their future ICBM deployments. While we prefer to see both sides avoid major counterforce capabilities, we do not propose to concede to the Soviets a unilateral advantage in this important aspect of the strategic nuclear balance. Such a concession would weaken our deterrent posture.

SECOND POINT

These programs detract from our real national security goal of increasing the survivability of our deterrent.

COUNTERPOINT

In light of the extensive new Soviet ICBM deployments, we believe it is necessary to develop and deploy modest improvements in our Minuteman force. The two improvements we are currently deploying, silo hardness upgrade and command data buffer, are designed to enhance the survivability and flexibility of this force. The silo upgrade program results in a sixfold increase in nominal silo hardness while command data buffer provides us with a rapid retargeting capability essential for optimum force flexibility. The programs we have under development, improved accuracy and higher yield RV's, are, on the other hand, intended to provide deployment options to counter Soviet initiatives in these areas. We estimate that sufficient numbers of Minuteman missiles would survive a Soviet attack on our silos to make the cost of these modest improvements worthwhile. Moreover, the accuracy and yield improvements will significantly increase the effectiveness of those missiles that do survive.

THIRD POINT

These programs put a hair-trigger on nuclear war.

COUNTERPOINT

We are seeking modest improvements in our ICBM force in order to improve our hard-target kill capability so as to have higher confidence of executing limited hard-target attacks. We are not seeking the capability to destroy the Soviet ICBM force. The ability to conduct limited nuclear strikes will enhance deterrence by providing a range of limited, preplanned response options to nuclear aggression which would bear some relation to the nature and level of less than allout attacks and which would have prospects for terminating hostilities before escalation to general war occurred. In order to deter limited Soviet attacks on hard U.S. targets, and to discourage Soviet deployment of a capability to successfully attack U.S. ICBM silos, we should continue to develop options to enhance our credibility and to improve our confidence in our ability to destroy hard targets. Without such a capability the Soviets could be tempted to attack a limited number of U.S. hard-targets, knowing that we did not have an appropriate response and that their assured destruction capability would deter any countervalue attack.

FOURTH POINT

These programs have no military justification.

COUNTERPOINT

Accuracy improvements would help reduce the collateral damage resulting from limited attacks by reducing the number of missiles required to achieve a high confidence that a given target or set of targets was destroyed. Accuracy improvements alone, however, are not sufficient to yield the high confidence we seek in our ability to carry out limited attack options. Because missile systems are never flight tested on operational trajectories, many uncertainties surround the accuracies of all inertial guidance systems. In order to compensate for these uncertainties in accuracy, we should continue to develop the option to increase the range of yields available in our nuclear warheads. These higher yield warheads would help overcome the uncertainty in accuracy and thereby increase the deterrent value of our forces.

FIFTH POINT

These programs are an unnecessary expense.

COUNTERPOINT

The Soviets could drastically improve their counterforce capability by unre-

UMI

strained deployment of their new ICBM's. Such a development would be destabilizing because it would bring into question our ability to respond to limited attacks in a controlled, selective, and deliberate fashion. By keeping these counterforce options available in R. & D. we hope to deter the Soviets from exploiting their large throw-weight advantage to develop a threat to the survivability of our land-based ICBM force. This approach is far less costly than deploying new systems capable of surviving a first-strike after the Soviets have already developed a significant counterforce capability. We seek stability at current force levels and capabilities, but without a demonstration of U.S. resolve, the Soviets will have no incentive to restrain their new ICBM deployments.

Mr. President, the passing of this amendment to curtail these strategic initiatives could have a grave effect on our future options to respond to a growing Soviet threat. For this reason, I would like to clarify exactly what these technology efforts are designed to accomplish.

As the Secretary of Defense has stated on numerous occasions, these initiatives only entail the technological development of the MK–12A, Minuteman guidance improvements, the large advanced ballistic reentry vehicle, RV, and maneuvering reentry vehicle, MARV. These developmental efforts will provide the baseline for maintaining—and possibly improving—our counterforce capability against hardened targets. As we discuss these topics, it is important to note that the Soviets are increasing the hardness of many of their strategic systems, such that we must improve the quality of our own systems just to maintain our limited current capability against these targets. These development programs are critically essential for providing the baseline for required future options.

I know that all of us will recognize that no U.S. President should be without viable options, now or in the future. Recent experience in the *Mayaguez* incident has made that abundantly clear to us. In this recent incident, the President had a number of options available to him; as a result of his choosing the proper one, the United States was able to recover the ship and its crew. What would have been the fate of this American crew if the President did not have the proper options available?

In a like manner, although we do not like to ever think of a limited nuclear exchange or of the fateful confrontation that would give rise to this situation, it is critical that the President have the proper options available to him if such a confrontation should come to pass. Secretary Schlesinger has carefully pointed out to us that the Soviets may be developing the capability to confront us with a limited, surgical counterforce attack against our hardened military forces in the 1980's. As they acquire this capability, it is imperative that we be ready and have the technology in hand to deploy a proper response should that be necessary. In short, Congress must authorize these developmental efforts now in order that we can maintain our technological lead and be in the position to respond properly in the future. The failure of the United States to take these modest and prudent steps to offset and counterbalance the Soviet initiatives can only lead to a deterioration of world stability and our own national security.

With regard to the first strike issue, I would like to reiterate that the United States does not have today, nor will we have in the foreseeable future, the capability to successfully destroy the Soviet's strategic systems. Authorizing these developmental efforts does not, I repeat, does not equate to the United States attaining a first strike capability, as some would have us believe. After the development of these systems, numerous steps must be taken by the DOD and the Congress before first strike consequences can rationally be considered. For instance, the Congress will have the opportunity to decide on the deployment of such systems and to limit the number of systems deployed, if approval is given. Even then, I contend that neither side will ever be able to develop a weapons delivery capability nor achieve the attack timing that is required to pose as a realistic, high confidence, disarming threat to all elements of the adversary's strategic forces.

Therefore, in order to assure that the United States will be in a position to make the proper strategic response in the future, I stress that these developmental programs are necessary to maintain our technological lead and fulfill a critical strategic need; they must be authorized and this amendment must be defeated.

Mr. STENNIS. Mr. President, Senate amendment 494, proposed by my distinguished colleague from New Hampshire (Mr. McINTYRE), and my distinguished colleague from Massachusetts (Mr. BROOKE), raises important questions bearing upon the strategic policy of this country. We are being asked by this amendment to strike from S. 920 $109.7 million in fiscal year 1976—plus $33.7 million in 197T—to eliminate five warhead improvement programs which would increase the accuracy and yield of our strategic missiles.

In recommending authorization of these five programs, the majority of the committee felt that improved accuracy and yield in U.S. strategic missiles would provide a hedge against future Soviet strategic arms development and broaden the range of strategic options available to the President. These programs would help the United States maintain a technological margin which is essential if the United States is to negotiate from a position of strength in the complex SALT deliberations. Finally, the committee was convinced that accuracy is a desirable and irresistible characteristic for any weapon—whether a rifle or a missile.

WHAT ARE THE PROGRAMS AT ISSUE?

The Defense Department has requested authorization for five R.D.T. & E. programs designed to increase the yield and improve the accuracy of our strategic ballistic missiles. These fiscal year 1976 strategic initiatives consist of $40.6 million for Minuteman guidance, $36.3 million for increased yield for the Minuteman Mark 12–A reentry vehicle, $21.3 million for terminal guidance of the maneuverable reentry vehicle, MARV, on the Trident missile, $7.7 million for improved accuracy generally on the Trident missile, and $3.8 million for increased yield on the large advanced ballistic reentry vehicle, LABRV. Together these programs amount to a $109.7 million request, about 1 percent of the total recommended by the Committee for Defense research and development in fiscal year 1976. The amount recommended for these programs in fiscal year 197T is $33.7 million. Last year $77 million was authorized and appropriated for the first three of these programs.

I want to stress that these are research and development programs—not procurement programs. There is no question of deploying these more accurate warheads now, only a question of whether our experts are to acquire the know-how for making these improvements in accuracy, and yield.

WHAT WOULD THESE PROGRAMS DO?

These five programs would attempt to provide the capability to improve the accuracy and yield of our existing strategic ballistic missiles. If successful, these programs could give us the potential capability to destroy certain military targets which we cannot now confidently destroy. They would provide the potential capability to destroy targets more efficiently, that is with fewer missiles and hence at lower cost. Moreover, these programs would allow us to reduce the unintended or collateral damage associated with a missile strike. In short, these programs would seek to maintain the effectiveness of our existing missiles consistent with the technological state of the art.

Of course, we are free, under the present SALT agreement, to conduct this research. I have not heard—and I do not believe any Senator has heard—that the Russians are unilaterally denying themselves any research which is feasible and permissible under the agreement.

WHAT WOULD THESE PROGRAMS NOT DO?

The five programs requested for improved accuracy and yield would not contribute to the development of any new weapons. Likewise these programs would not result in the development or deployment of greater numbers of weapons. In fact, these programs would not commit the United States to production or deployment of any kind. The programs are strictly for research and development. They are designed to insure a capability for greater accuracy and yield if and when greater accuracy and yield become necessary. Hopefully they will never have to be deployed.

Finally, it must be emphasized that these programs would in no way give the United States a first-strike capability. Even if these programs could give us the ultimate in accuracy and yield—which they cannot—even if these improvements were produced and deployed—which hopefully will not happen—they could not provide a U.S. ability to wipe out with a preemptive strike the Soviet Union's retaliatory force. The Soviets will still have submarine launched-missiles which would be invulnerable to any accuracy improvements in U.S. missiles.

The United States is dedicated to a policy of no-first-strike capability. I have always endorsed this policy and continue to do so. These programs, a mere $110 million for research and development, cannot reasonably be construed as giving the United States a first-strike capability.

WHAT IS THE URGENCY OF THESE PROGRAMS NOW?

The strategic balance is fragile and dynamic. Since the SALT I agreement in 1972 there have been substantial changes in strategic arms development.

Secretary Schlesinger has reported to the committee on the relentless momentum of the Soviet strategic weapons development. According to the Secretary:

We are now beginning to witness in the Soviet Union the largest initial deployment of improved strategic capabilities in the history of the nuclear competition.

The breadth and depth of the Soviet missile development is both surprising and disturbing. By their actions, the Soviets have made clear that research and development is in no way constrained by the SALT I accords and the preliminary agreement reached at Vladivostok.

It was this vigorous and accelerating Soviet advancement in strategic arms that generated a new impetus and urgency for the improved accuracy programs.

WHAT IS THE JUSTIFICATION FOR THE IMPROVED ACCURACY?

Mr. President, we have invested billions and billions of dollars in strategic ballistic missiles. These missiles are the foundation of our national security and the security of the free world. The Committee on Armed Services has long been dedicated to sustaining the technological excellence of these strategic missiles.

The question now arises whether we should seek to improve the accuracy of these strategic missiles. I know of no historical precedent where a nation deliberately blunted a weapon—whether it be a sword, a rifle, or a missile. Should the United States now deliberately and permanently cripple the capability of our strategic missiles? To me, Mr. President, it is only prudent to make strategic missiles as efficient as possible. It is only prudent to attempt to maximize the effectiveness of existing strategic missiles. It is only prudent to attempt to improve the accuracy of our strategic missiles.

More importantly, improving the accuracy of our strategic missiles can increase our strategic flexibility. It can provide additional options to the President in a nuclear contingency beyond the massive annihilation of Russian civilian populations.

Mr. President, no one likes to contemplate the possibility of nuclear war. We all hope it never occurs. But we must not be blind to the possibility of circumstances that could require something less than massive retaliation against Russian civilian populations. We should not deny ourselves the possibility of being efficient and selective in a nuclear strike. We should not refrain from developing the option to respond in kind against a missile attack upon our military forces.

Research and developmental for improved accuracy and yield is the most cost-effective method for providing the additional option of responding to an attack against the United States by striking the attacker's land-based strategic missiles. This additional flexibility can be obtained without resorting to building more and different weapons.

To be able to respond accurately and devastatingly to a spectrum of nuclear contingencies will not be destabilizing. On the contrary, it will enhance our fundamental policy of deterrence.

In addition to offering improved strategic flexibility, Mr. President, these programs for improved accuracy and yield represent an important hedge against existing as well as future Soviet programs. We know that the Soviet Union is moving ahead rapidly with its own programs to improve accuracy. We know that they enjoy critical advantages guaranteed by the SALT I agreement—approximately a 4-to-1 advantage in gross megatonnage and approximately a 3-to-2 advantage in numbers of missile launchers. And, although the Vladivostok agreement established the principle of essential equivalence in numbers, technology advancements are not confined by any ceiling. We do not know what other new developments the Soviets may presently be undertaking. In these circumstances, $110 million for research and development on improved accuracy is a modest cost to maintain our essential technological margin.

Finally, Mr. President, the committee was extremely sensitive to the importance of negotiating from a position of strength in SALT II. In reviewing SALT I, it was noted that favorable congressional action on the ABM program greatly strengthened the position of our negotiators. Similarly, by demonstrating our resolve never to allow the Soviet Union to gain strategic superiority, congressional approval of these programs for increased accuracy will provide a powerful incentive to the Soviet Union to reach an agreement in SALT II.

As Senators know, the strategic arms talks are continuing. We can hope that better and tighter arms control agreements—restraining both sides—will evolve from these talks. Until that time I believe our proper course is to follow those lines of research and development which appear to serve our best interests. Authorization of the five strategic programs for improved accuracy will present a real incentive to the Soviets for an arms agreement. These programs will provide an inexpensive but significant measure of bargaining leverage without increasing our nuclear arsenal. I believe that is the stabilizing course of action. From all indications, it is the course of action the Soviet Union is following.

May I make one other point?

We must remember that this technological superiority of which we are so proud, tends to evaporate very quickly. Think of the A-bomb and the H-bomb. If we are to retain a technological edge, we must keep working at it.

I think we must not, in the absence of a firm and binding agreement, tell our scientists that they cannot do what men have done for centuries—namely, improve the aim and striking power of their weapons.

In summary, Mr. President, these programs for improved accuracy are a modest proposal. They amount to only $110 million. These programs are a cautious proposal. In the face of the dramatic Soviet advancements in strategic capability, they are only for research and development. At the same time, these programs are an enlightened proposal. They will increase U.S. strategic flexibility, provide a hedge against future Soviet arms development, and create a significant inducement for an arms agreement at SALT II.

COUNTERFORCE

Mr. MONDALE. Mr. President, the administration's proposals to develop missiles capable of destroying Soviet strategic missiles—the so-called counterforce issue—reminds me of the great Senate ABM debate of 1968. The issue then was whether we should try to destroy Soviet missiles with antiballistic missiles. Ultimately the collective judgment of the Senate, as reflected in ratification of the ABM Treaty, was that destroying Soviet missiles in this way was both infeasible and would undermine the balance of terror which has insured the peace for more than two decades.

Now we have new proposals to develop capacities to kill Soviet missiles in a different way. This time, however, we are not even considering a capability that would wait until we were attacked by Soviet missiles. No, we want a capability to destroy Soviet missiles while they are still on the ground in the Soviet Union.

To develop this capability, the administration supports several different proposals:

A new Minuteman warhead, twice as powerful and far more accurate;

A new, large ballistic missile reentry vehicle;

A new precision-guided MARV or maneuvering reentry vehicle, and so forth.

In deciding whether to go ahead with these programs, it is extremely important to ask a very simple question. Why? What are they for? How will this strengthen the peace? How will this fundamental departure from three decades of American strategy increase the deterrent on which nuclear war has thus far been avoided? We must make no mistake. We are faced with fateful decisions in altering our capabilities toward a first strike posture and embracing the first strike doctrine that is used to justify these new weapons.

The Pentagon makes the argument that the Soviets are developing this capability and we must go forward with it too. Otherwise, somehow deterrence will be undermined—somehow the Soviets will believe that we would not retaliate for an attack upon the United States or upon our allies. The chain of logic that connects those two ideas frankly escapes me.

But there is another logic that is all

UMI

too clear. If we develop and deploy missiles which are capable of destroying Soviet missiles very efficiently—by that I mean where one American missile can kill two or three Soviet missiles—the real effect is to make our missiles a far more urgent target in a crisis. The Soviets will be put into a position where they will either have to use their missiles against us or potentially lose them. This use or lose pressure will only deepen any crisis with the Soviet Union.

Right now deterrence is based on the concept that our strategic deterrent forces—our bombers, our submarines, our ICBM's—are reasonably secure from attack. The same is true of the Soviet Union, though perhaps to a lesser extent. In a crisis both sides can be reasonably confident that the other side cannot destroy any major part of its deterrent.

Thus in 1973 during the Mideast war, when we put our ICBM forces on alert, the Soviets did not have to worry that we were about to attack and destroy their ICBM force. But if we go ahead with these programs, and deploy, for example, the Mark 12A warhead for Minuteman, that will no longer be the case. If, God forbid, there is a replay of 1973, the Soviets will suddenly be confronted with the possibility of losing their ICBM force. There will be powerful pressure to try to take out ours before they lose theirs. Instead of damping down a crisis, the existence of these counterforce capabilities on our side, and ultimately on the Soviet side, would only critically deepen any crisis. The premium will be on the side that shoots first.

As I understand the facts of the strategic balance at the present time, they are something like this: If we shoot all of our Minuteman force at the Soviet ICBM force, we can destroy more than half of it—not a very good trade. But once we deploy this new Minuteman warhead, the Mark 12A, and the accuracy improvements, it will be at least theoretically possible for us to use only about half of our ICBM force to destroy nearly all the present Soviet ICBM force. This is precisely the situation that will be most critical.

And of course the Soviets are not standing still. Already they are deploying weapons that can do the same to us. And these new missiles come in a new, hard silo that will, in effect, protect them from the Minuteman improvements wanted by the Pentagon. If we go ahead, the Soviets will have no choice but to go ahead with all their new missiles. And in doing so, they will erase our advantage, and worse, put our ICBM's in jeopardy. The net result of this new cycle of arms deployments is that it may be the Soviet Union that ends up with the real counterforce capability that the Pentagon thinks is so desirable.

Now this is the theory, and sometimes in the strategic weapons field it is difficult to separate theory and fantasy from reality. The real consequences of going ahead with these new warheads and accuracy improvements for Minuteman III may be more bizarre.

Secretary Schlesinger in his posture statement points out that the hard target kill capability of the Minuteman III is highly dependent upon accuracy, and even a small degradation in accuracy could greatly reduce its effectiveness in this role. But he tries to reassure us that this uncertainty about its accuracy should not negate its usefulness for our purposes, because Soviet planners would also be uncertain about the performance of the Minuteman—suggesting that they would have to assume the worst.

This is a truly peculiar argument. What I take it to mean is that we cannot be sure that our new counterforce weapons will really work, but the Soviets will not know and will have to assume they do. In other words, if we ever get into a deep crisis, we will not have the weapons we think we have. But the Soviets will have to assume we do, and, therefore, will still be tempted to shoot first. As far as I can see, that is a program for getting the worst of both worlds.

A second major purpose that's supposed to be fulfilled by these new counterforce weapons is to give the President more options; to give him greater capability for limited nuclear strikes. Now, no one is against flexibility and it is clear that we do not want to put our country in the position in which the only response to aggression is Armageddon.

But I think this concept of flexibility has been blown out of proportion. It has been elevated to a new national strategy that I think is both misleading and extremely dangerous. The concept of limited use is that in some situation we might have to use nuclear weapons, but we would only want to use a few of them. Now I am not too clear what that situation is, nor for that matter is the administration. But Secretary Schlesinger told me last year that such a limited use could not involve more than at most a half a dozen weapons without turning into a full scale attack.

The idea is that we might use a so-called small attack for some political or possibly military effect, and the Soviet Union would be deterred from retaliating—at least deterred from retaliating with the full weight of their strategic forces. That is the concept anyway.

Now the Pentagon argues that more accurate weapons, which just happen to have an increased capability to destroy Soviet ICBM's, are essential for this limited, flexible attack capability. They argue that it is imperative to reduce "collateral" or "side" damage that might be suffered in a limited attack. In other words, if we are going to attack an airfield or a dam or a steel mill, we want to keep to a minimum the unintended civilian casualties. Therefore, we want accuracy so we would not miss and because we do not want to have to use three weapons where one with sufficient accuracy would do.

This argument simply does not hold up to serious examination:

First, if you do not want to kill more people, you do not double the power of the warheads as with the Mark 12A. Second, these weapons are MIRV's—multiple warheads—so you have the problem of finding some place to put all the MIRV warheads anyway. Third, the difference in civilian casualties made by reducing the accuracy error from 1,400 feet, let us say, to 700 feet—approximately the distance between the Capitol to the New Senate Office Building—is meaningless. If you want to limit collateral damage, you do so by picking targets that do not have very many people around them. You do not try to carry out a surgical strike in a large metropolitan area. As John Kennedy found out during the Cuban missile crisis when he was urged to conduct surgical strikes on Soviet missile sites, there is no such thing.

In sum, being able to drop a weapon packing the power of millions of pounds of TNT a few hundred feet one way or the other is not going to be the determining factor in whether or not the Soviets respond to a selected nuclear attack by the United States.

And let us examine the question of the reaction of either side to such a limited strike. When I was in Moscow speaking with Premier Kosygin, we had a rather thorough discussion of this issue. He said to me:

> Imagine if one side should fire a few weapons at the other. What would the other side do? It would attack the nuclear forces of the side that fired first.

Mr. Kosygin went on to use that scenario and our limited strike strategy to justify the Soviet acquisition of counterforce capabilities.

Now as a justification, it is nonsense, because the new Soviet missiles were in the works long before we came up with this fancy new strategy of limited attacks. But it does show that even a small attack, particularly if it is aimed at missiles, will run enormous risks of a counterforce retaliation.

In my view, the concept of limited use of strategic weapons as an overall strategy is something that could only be conceived in the isolation of some think tank. The first reaction of any political leader to an attack by nuclear weapons is not going to be whether the weapons landed close to their targets or in a nearby housing complex. The first question is going to be, are they out of their minds?

And the response is unlikely to be some measured tit-for-tat reaction. I think we can extrapolate from the recent *Mayaguez* incident to show that in a much more grave crisis where the United States is actually under nuclear attack—limited or not—the Soviet Union had better not count on our being deterred from an all-out response. I cannot believe that the supporters of the administration can be arguing that we need a limited attack capability to respond to a Soviet limited attack capability. If we come under under a nuclear attack. I cannot believe the United States will react with kid gloves. And if that is our likely view, I do not see how we can pursue a strategy which counts upon the Soviet Union being deterred if we should attack them—no matter how limited the strike.

The final argument that we hear in favor of these counterforce systems is that the Soviets are going ahead with the same capabilities and we cannot unilaterally deny outselves this option. A few years ago we might have hoped that SALT could answer that question. But it is clear in light of the Vladivostok agreement, that SALT would not begin to touch this problem and may even aggravate it.

But we do not have to depend on diplomacy. We can reorient our own defense programs. The right response to increased Soviet counterforce is not more counterforce on our side. It is more survivability. I fully support the Pentagon's programs for more survivable strategic cruise missile forces. I support the MX program. I support the mobility studies. I am supporting the Trident submarine program. If we want to really avoid the dangers that come from counterforce on the Soviet side, we will invest our time and effort in making our forces able to survive a Soviet counterforce attack, through greater hardening, mobility, or greater diversification.

Preserving the option to go ahead with counterforce will add nothing to the survivability of our forces, nor to stability. In fact it will have the opposite effect of making our ICBM's an even more tempting target.

I believe these weapons systems must be opposed. They will give our military leaders a false sense of power. They will mislead the President to thinking he has options he does not really have. They will further stimulate the Soviet Union into deploying the same kinds of weapons. They will lead to a situation in which overall strategic stability will be undermined because both sides will fear an attack by the other. Yet ironically, the Soviets are likely to have this capability while we only think we have it.

With all due respect to Dr. Schlesinger, I believe it is time to plan our strategic forces on a far more sensible basis than all of this academic discussion of perceptions of parity and intentions, uncertainties, manipulating behavior, and appealing to rationality in the midst of a nuclear war. It is time that the Department of Defense stopped acting like the Department of Psychology. Psychology has never been the Pentagon's strongpoint.

No, I cannot support the argument that we must give this counterforce option to the President. I am aware of the power of the argument that the President must have his options preserved. But if there is one thing that America and this Congress should have learned over the last decade, in Vietnam, in Cambodia, even in Watergate, that is that there are some options the President should not have. A counterforce capability is one of them. I will therefore support Senator McIntyre's amendment.

M'INTYRE-BROOKE COUNTERFORCE AMENDMENT

Mr. HUMPHREY. Mr. President, I support this amendment. I believe that through these counterforce programs, the United States would be abandoning its successful policy of mutual deterrence for a much less satisfying and stable policy of nuclear warfighting.

I would remind my colleagues that we explicitly rejected this policy in 1971 and 1972. Senator STENNIS led the fight against counterforce programs then, stating that it was our national policy to avoid technologies that could be construed as leading toward a first strike capability.

By their own admission, DOD witnesses have confirmed the judgment that these programs are not militarily necessary. We currently have sufficient hardware to execute the Secretary of Defense's doctrine of flexible response. We can hit civilian targets, we can hit soft military targets, and we can hit hardened military targets.

DOD witnesses have confirmed that the purpose for these counterforce programs is diplomatic/political—to convince others that we have the will to meet our commitments and carry out our strategy. But, there are other, less destabilizing ways to convince people that we are a strong and capable nation.

Counterforce programs are destabilizing. By assuring the other side that we can effectively and efficientiy take out their deterrent—their ICBM's—we encourage the other side to adopt a hair-trigger launch-on-warning strategy in order to use its missiles before they are destroyed by our high accuracy, one-shot ICBM's and SLBM's.

By giving our SLBM's a hard-target kill capability, we undercut their deterrent capability and make them fair game for attack.

Counterforce programs will encourage a new arms race, that will be even more expensive than that which we have seen.

Counterforce programs undercut SALT and serious attempts at arms control. They belie the basis of SALT—mutual deterrence. They encourage the development of weapons systems which are extremely difficult, if not impossible, to control and limit with a high degree of confidence.

Counterforce programs offer no protection for our deterrent; they do nothing to protect them from Soviet attack. What will protect them and discourage the Soviet Union from developing counterforce programs are programs which will enhance the survivability of our deterrent. That is the direction in which we should move. As Senator McINTYRE has said:

> Our real choice is not between strength and weakness, but choosing a kind of strength that will meet the threat.

Mr. KENNEDY. Mr. President, I rise to join my colleagues in opposing the Defense Department request for funds to provide the United States with a limited counterforce capability against Soviet military targets. I believe that this effort is misguided, and potentially dangerous, for a number of reasons.

We should first recognize that these American programs would not give us a credible first-strike against the Soviet Union—that capability that both sides must foreswear if mutual assured destruction—mutual deterrence—is to be preserved. That is the cornerstone of our nuclear strategy and, hence, our security from nuclear war. It is the underpinning for détente, and for the process of strategic arms control. It is the reason that we have concluded limits on deployment of ABM systems, at both the 1972 and 1974 summits.

By the same token, new Soviet programs that could, if pursued, give the Soviet Union a high degree of confidence in destroying our land-based missiles in a first strike also would not undermine the basic elements of deterrence. Like the Soviet Union, we too have secure, second-strike forces—bombers and Poseidon missiles at sea—that would survive and still permit us to wreak unacceptable damage on the Soviet Union Neither our counterforce programs nor theirs would impair that assurance in a serious way.

However, there are still grave problems with counterforce programs on either side, for reasons that are essentially psychological. For much of deterrence rests on how each side views the intentions of the other; whatever the logic of deterrence, it is possible in a crisis to miscalculate. And in this case, a miscalculation could lead to a nuclear war that nobody wants—a nuclear war that could end life on this planet by mistake. Thus muddying the waters of deterrence, by however little, by whatever miscalculation, can itself be "destabilizing." We may not intend to achieve a first-strike capability by building these counterforce weapons. But can we be sure that the Soviet Union would see it that way? Can we account for their fears? We must also recognize the ease with which we find new fears everytime the Soviet Union embarks on a new program—like the SS–18. For purposes of preserving deterrence—preserving the climate needed for détente and arms control—we must also forbear from embarking on programs that could induce fears in the Soviet Union.

Counterforce programs, on either side, can also make it more difficult to get further agreements on arms control. These programs will make it more difficult to assess real capabilities on either side. As we have found at SALT, it is not enough for both sides to have confidence in mutual assured destruction for there to be real agreements.

Because of the nature of the bargaining process, it is also important to be sure that agreements benefit both sides, about equally. Like it or not, in practice this has led to counting of missiles, bombers, and other capabilities. Each new weapon—like MIRV's before this—complicates the process of counting, of understanding the effects of new agreements. We are already seeing difficulties in implementing the Vladivostok Agreement of November 1974, because of the problems involved in verifying MIRV deployments. How much more difficult it would be to verify arms control agreements once new imponderables were introduced on one side or the other? And we must also realize—as we have found with MIRV's—that completion of certain development programs, even without deployments, is seen by the opposite side as tantamount to deployment.

These psychological problems—these problems of assessing the true nature of the strategic balance for purposes of arms control—will exist even if it can be demonstrated that our counterforce programs are less menacing to Soviet land-based systems than the SS–18 and other Soviet programs could in time be to ours. Of course, this is a debatable point, since accuracy and maneuverability are more important in providing a "kill capability" against point targets than comparable increases in warhead yield—throw-weight.

We must understand, above all, that

UMI

our major objective is to defuse the arms race, to support those elements in both Soviet and American societies that want to put an end to the tyranny of nuclear weapons over mankind. Developing counterforce programs here merely plays into the hands of elements in the Soviet Union that want to defeat arms control, just as some Soviet programs have a like effect in this country.

It is sometimes argued that U.S. counterforce programs will help in controlling a nuclear war—and in bringing it to a halt—in the unlikely event that one should occur. Of course, minimizing damage in a nuclear war is a worthy objective, provided it does not make such a war more likely—although we have already concluded that trying to blunt a nuclear strike, by either side, would destroy deterrence itself.

Yet we already have considerable flexibility in our nuclear forces, and have had that flexibility for many years. We can strike first at military targets—especially with the massive overkill we have—before aiming primarily at civilian or industrial targets. There is no question of our having to launch a spasm attack—an all-out attack on cities and industry—in the first salvo of a nuclear war. The question is whether we should increase our capacity to strike at point targets, to the extent of having a significant capability to destroy a large part of the Soviet land-based missile force—with the dangers of misperception and miscalculation that I have listed above.

It is also important to realize that working to be able to control a nuclear war, if it increases instability by any amount, could increase tensions and actually make a nuclear war more likely. However small that risk is, I believe it is too great for us to take. We must do nothing that will erode the Soviet Union's confidence in deterrence, and we must insist that they adopt the same policy toward us.

There are also grave problems with the whole notion of fighting a limited, or controlled, nuclear war. We are told that "relatively few" people would die in such a war. But relatively few still means deaths in the millions or tens of millions. Is that a war we could contemplate with equanimity? Is that a war whose chances of happening we can risk increasing? I do not believe so.

We must realize that even attacks directed solely at missile silos would kill people living in the vicinity. This is especially true since the accuracies of missiles are expressed in probabilities—not certainties. If a large number of missiles are fired, then on average they may fall within the accuracies predicted for them. But as the number fired increases, so will the number that go astray. We are not dealing with single-weapon attacks, with the precision for each missile that characterized the Apollo space program, with its highly-control conditions for single missiles. And even then not all is predictable, as we found with Apollo-13.

Of course, statements relating to the number of casualties in a limited, counterforce nuclear war also ignore the deaths and maimings that would be caused downwind by nuclear fallout. In all, a limited nuclear war would still be a terrible thing.

Finally, it is argued by the Defense Department that the Soviet Union might try for a capability to attack our land-based missile systems with a high degree of confidence. In this circumstance, we are told, it might then launch a first-strike, then sit back and leave us with the responsibility of initiating an exchange of nuclear warheads against civilian targets.

I believe that these are fanciful worries. They ignore the tens of millions of civilian casualties even in an attack directed solely against Minuteman and Titan. They ignore the fears of nuclear war evidenced on both sides for so many years—any nuclear war—that have led both superpowers into the unprecedented process of strategic arms control. And they ignore the caution the Soviet Union must exercise, simply because it cannot calculate with any precision at all at what point the United States might respond to a Soviet nuclear attack with an all-out attack on Soviet cities.

To be sure, the Soviet Union is building some SS–18's. But we do not know how many it will deploy, and we tend to discount other possible explanations than an attempt to be able in time to destroy our land-based missiles—but not our airborne bombers and missiles based at sea. These possible explanations may include simply their ability to build large missiles, perhaps in order to offset our advantages in accuracy and numbers of warheads—where we now have a lead of nearly 8,500 to about 2,600. Or perhaps they are merely following the doctrine of "bargaining chips" so often advanced here in the United States.

In any event, there is no reason for the United States to try matching any Soviet program that could have some counterforce possibilities with similar programs of our own. That would simply confirm the Soviet Marshals in their support for the SS–18 and other programs. More important, along with Soviet programs carried far beyond where they are, today, our counterforce efforts would increase the chances of a return to a "launch on warning" doctrine on both sides. This is the doctrine that decisions to launch nuclear retaliation must be taken within minutes following the appearance of blips on a radar screen. Getting away from that "launch on warning" doctrine was one of the key objectives of building second-strike deterrent systems. And it was one of the major efforts required in order to reduce tensions, begin détente, and contemplate arms control negotiations. We must, therefore, do nothing that would carry us back toward the doctrine of "launch on warning." And we must insist that the Soviet Union exercise like forebearance. For both of us will lose if we do the opposite.

What we should be doing is going to the SALT talks and insisting that the Soviet Union join us in giving up a counterforce option against land-based missiles. And we must do this without first building—or even developing—so-called bargaining chips. Not only is there the problem that some systems, such as these, will be seen as deployable as soon as they are developed. Also we have found that bargaining chips tend not to be traded away, but rather form a new and higher level in the arms race.

Mr. President, I believe the arguments against proceeding with counterforce weapons are decisive. There is also a sense of deja vû about this debate. Many of us in the Senate will remember debates in the early 1960's, when counterforce was endlessly discussed. We and the administration concluded then that the dangers far outweigh the benefits. The decision then is still valid. It can and must be continued. Thus I call upon my colleagues to join me in voting against these counterforce programs, today.

Mr. BAYH. Mr. President, the amendment before us at this time is one of the most important we will consider during the debate on the military procurement bill. It would delete funding for a package of five research and development programs which would increase the accuracy and yield of American strategic and nuclear missiles in order to increase their capability to destroy Soviet land-based strategic missiles, a capability which has become known as counterforce.

I wish to commend my colleagues, Senator McINTYRE and Senator BROOKE, for their wisdom and leadership in bringing this very dangerous change in nuclear strategy to the attention of Congress and the public. They have performed a great service, and I will fully support their amendment.

Mr. President, the thrust of strategic policy for the last several years has been mutual deterrence. It has been agreed generally that the best way to insure against a nuclear war is to make certain that the superpowers know that each possesses the capability of delivering intolerable destruction upon the other in the event of nuclear conflict. Such deterrence was the basic premise for the SALT I accords, and was, until relatively recently, the central principle for American strategic policy. The concepts of a limited nuclear war and of a force capable of destroying an adversary's strategic deterrent were not accepted as reasonable alternatives. It is interesting to note in this regard, that in 1971, the Department of Defense gave full support to the Senate's successful effort to defeat an amendment offered by Senator BUCKLEY to begin counterforce development.

Recently, however, the Secretary of Defense, the Nixon and then Ford administrations have rejected this sound principle of mutual deterrence. The executive branch has now requested that we expend considerable resources for development of a nuclear counterforce.

The rationale which is voiced for the request is that the President should be given flexibility in his options for responding to nuclear attack. Rather than having a choice between nuclear holocaust and no action at all, it is argued, the President should have the choice of responding to a nuclear strike with extremely accurate nuclear weapons, presumably against missiles stored in hard silos, which would cause little collateral damage.

Mr. President, there are a number of things which are faulty in this reasoning, and I would like to take a moment to discuss some of the highlights.

First, there is absolutely no question that the United States with its triad of strategic bombers, ICBM's, and submarine-launched strategic missiles has the ability to destroy millions upon millions of Soviet citizens and to obliterate the Soviet industrial and economic base even after a full-scale Soviet attack. Nor is there question that American strategic missiles presently have sufficiently advanced guidance systems to destroy many point targets—radars, bridges, powerplants, and small factories, and some missile silos. The development of even more accurate nuclear weapons would serve only to reduce the marginal collateral damage created by existing missiles and increase the kill ratio in attacks against missile silos. Even then, Mr. President, it is clear that this new generation of nuclear weapons would not enable us to destroy the entire Soviet deterrent.

There is no contention that we could kill all or even most of Soviet land-based missiles, much less those launched by submarines. In reality, counterforce might enable us to reduce the Soviet strategic force to the extent that it could destroy the population in our coastal regions rather than throughout the country, but it is preposterous to argue that this in any way would lessen the effectiveness of the Soviet force as a deterrent and give our country some real advantage. The prospect of half our population being wiped out is every bit as intolerable as a threat to three-fourths of the American public.

What, then, would Mr. Schlesinger's counterforce buy us? The Secretary answers that without an American counterforce capability there will be temptation by the Soviets to launch a limited nuclear attack to test the American will to respond with massive force which most assuredly would end in the destruction of American civilization as well as that of the Soviets. The American ability to respond with limited force, he contends, would serve to dispel any such temptation.

I submit, Mr. President, that commonsense leads to exactly the opposite conclusion. Putting aside the fact that we do have reasonable flexibility in our response at present, it seems clear to me that the Soviets would be far more tempted to test Amercan will if they believed that the response would be a surgical strike, with no serious consequences, and that quick negotiation could then stop the threat of escalation. Only a madman would launch a strike to test the will of an adversary if he knew there was a probability, whether it be 90 or 30 percent, that his action would result in destruction of his nation.

Mr. President, the probability of American response exists and will continue to exist in the foreseeable future. We should not base our planning on the threat of a lunatic gaining control of Soviet nuclear weapons. If such a threat ever becomes a reality, we will see Armageddon, not limited war.

In short, Mr. President, counterforce would buy us nothing for our investment in the terms of deterrent and, at the same time, would increase the likelihood of nuclear war taking place. I discussed in the Secretary's will-testing scenario the greater temptation for Soviet leaders to launch a limited strike if they believed nuclear war was a livable alternative. There are other situations which raise even higher probabilities of nuclear exchange when one examines the relationship of the United States and Russia with lesser powers.

Let us hope that we never become involved in another Vietnam. But suppose we did. Let us also hypothesize that the President were given the option to use nuclear weapons against military targets with little or no collateral damage and with great savings in American lives. Can we be certain that he would resist the temptation to employ such force? Can we be certain the Soviets would restrain themselves under similar circumstances? The answer unfortunately is no, and the possibilities of response from a nuclear power having a stake in the outcome are not difficult to imagine.

Moreover, there are serious questions raised in regard to proliferation of nuclear weapons—in my opinion, the most critical arms issue facing today's world. Once the credibility of nuclear weapons being used against those who do not have them has increased, there will be additional impetus for such countries to acquire a nuclear capability for deterrence. We know only too well that many nations are now capable of producing such weapons, and it is a terrifying fact that as the number of countries possessing nuclear capabilities grows larger, so do the mathematical probabilities of nuclear war.

In addition to increasing the chances for nuclear war, by making such war thinkable, counterforce presents a further danger of appearing to represent a first strike capability to the Soviet Union. Though Secretary Schlesinger points out that the improved technologies we are discussing will not enable us to destroy the Soviet deterrent, we must presume that Soviet military planners engage in the same types of worst case analysis as American strategic planners. Given the fact that Soviet submarines are noisier and easier to locate than their American counterparts and given the fact that the United States is currently conducting a large, aggressive antisubmarine warfare program for tactical and strategical uses, Russian leaders might well see credible dangers to their land and sea-based strategic weapons if counterforce development is continued. In such instance, we could be certain that the Soviets would accelerate and expand their own development program, adding another leg to the wasteful arms race.

Furthermore, if the Soviets did perceive the threat of a first strike, a logical reaction would be to operate their own strategic systems on a tripwire basis to insure that the weapons were not destroyed on the land or in the water. Such a strategic posture would be extremely dangerous in the case of accident, attack by third parties, or in a crisis atmosphere.

It is ironic. Mr. President, that some supporters of counterforce have advanced the argument that the new technology would mark a humane step forward in the history of warfare. It has been seriously contended, by presumably reasonable men, that with the development of counterforce we can engage in nuclear wars without horror, that there will not be mass killing. As I said earlier, this is the type of reasoning which increases the chances of nuclear war, and I would like to add now that it represents an extremely unrealistic view.

Once we cross the nuclear threshold—no matter how accurate the weapons—we enter a world with which we have no modern experience. We will be employing systems that have not been tested and dealing with force that even when strictly limited is massive beyond imagination. What is more, we will be depending upon the rational response of men, our own as well as our adversary's.

We cannot be confident that the response of the Soviet Union to nuclear war would be predictable and proportionate. Nor can we be certain that our own actions would be reasoned. The unparalleled tensions which would be generated in such a situation and the need for split-second decisions might well lead to initiation of inappropriate measures. Even if the direction from the top remained sound, the possibilities for breakdowns in analysis of intelligence and command and control are phenomenal.

Mr. President, it has always been difficult to employ force as a scalpel to cleanly accomplish an objective. The rescue of the crew of the *Mayaguez* points this out quite clearly. Though we sympathized with the President as he determined to use force to prevent the ship and the crew from being taken to the mainland, and have nothing but the greatest respect for the brave servicemen who carried out the operation, it is clear that the tensions of the crisis produced breakdowns in intelligence and command and control which made it impossible to fine tune our moves. This was a purely conventional situation, Mr. President, and there was great confusion. As any combat veteran knows, this is not unusual. To think we could perform more precisely in a nuclear scenario is nothing more than self-delusion.

It is imperative, Mr. President, that we put an end to this counterforce program. In terms of dollars, such actions would save $142 million in the next 15 months with billions of dollars in savings in years ahead as the cost of deploying the new weapons came due. But, more importantly, by terminating counterforce we can begin to restore reason to our strategic planning. We must do all that is in our power to avoid nuclear war, Mr. President. We must restore the principle of mutual deterrence to the central position it deserves. We must not allow ourselves to become accustomed to the idea of living with nuclear conflict.

The PRESIDING OFFICER. All time of the Senator has expired.

Mr. McINTYRE. Mr. President, I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

Mr. STENNIS. Mr. President, what is the pending order in the Senate now?

UMI

Mr. MANSFIELD addressed the Chair.

The PRESIDING OFFICER. Amendment No. 494 of the Senator from New Hampshire is the pending business.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the assistant majority leader be recognized for not to exceed 1 minute to make some unanimous-consent requests.

The PRESIDING OFFICER. Without objection, it is so ordered.

IN SUPPORT OF SAM–D

Mr. ALLEN. Mr. President, in his report to the Congress for 1975, Secretary of Defense James R. Schlesinger stated flatly that the air defenses of a U.S. field Army are "considerably less" capable than those of the Soviets which feature highly mobile surface-to-air missiles and antiaircraft artillery designed to provide protection for fast-moving tank and mechanized infantry forces.

Recent battle history proves him right. In the 1973 Middle East conflict, for example, Egypt's combat troops were protected from the air by three Russian-built surface-to-air missile systems, which extracted a heavy toll of Israeli aircraft. Particularly effective as an air defense weapon was the highly transportable SA–6 which moves in two tracked vehicles and which is designed to provide uninterrupted protection for ground forces in a fluid situation. The Soviet SA–6 is effective even during the offense and can move with tank units in the advance.

By comparison, today's principal U.S. air defense weapon, Hawk, moves in several wheeled vehicles and requires considerably more time to set up and fire. Hawk is geared more for a static defense and would thus be considerably less effective in a fast-moving offense.

The Defense Secretary has also said that improved air defenses are necessary "to limit the opponent's effectiveness in attacking our critical assets and to counter the air attack in such a way as to permit our field Army forces to maneuver as required."

Adding further support to the thesis was a statement last October by Norman R. Augustine, Assistant Secretary of the Army for R. & D. who said:

> The United Arab Republic today has more SAM's along the Suez than the U.S. possesses throughout the world.

He said it "appears unlikely that the United States will enjoy a quantitative equipment superiority on the battlefield of the future," and added that future wars may be decided more on the existence of equipment, rather than on our ability to produce it.

In short, if we have not already got it when the next war starts, it will be too late to start building it.

The message from these Defense officials seems to be clear: we have inadequate air defenses now, and once the next war starts, it will be too late to start thinking about improving them. Furthermore, without an adequate defense against tactical aircraft, an army in the field, and its supporting air forces, cannot survive.

Where air defense systems do not grow in parallel with the threat of constantly improved tactical aircraft, ground forces become highly vulnerable.

Today's potential air threat to American ground forces consists of large numbers of high performance aircraft possessed by the Russians and their satellite states. The Warsaw Pact nations, for instance, maintain a tactical air force of some 5,300 planes, about a third of which are for ground attack. An additional 5,000 or more Russian planes have been provided to Arab states, Cuba, China, North Korea, and others in the Communist camp.

Thus the need for drastic advances in U.S. air defense becomes obvious.

To meet this threat, a triad of aircraft, surface-to-air missiles and antiaircraft weapons is sorely needed. Current low-altitude Army air defense systems consist primarily of the Vulcan system and Chaparral short-range missile, plus the man-portable Redeye surface-to-air missile. But the third element, the long-range surface-to-air missile, is still under development by the Army.

This system, which the Army calls SAM–D, is an all-weather air defense system employing phased array radar and designed to counter high-performance threat aircraft of the 1980's and beyond. Completely mobile and self-contained, SAM–D can detect, identify, engage, and destroy a large number of maneuvering, high-speed aircraft simultaneously. According to testimony by Dr. Malcolm R. Currie, Director of Defense Research and Engineering, deployment of SAM–D would reduce the Army's manpower needs for air defense by about 8,000, a significant savings in itself. He added that SAM–D would also reduce the annual operating cost by $100 million if it replaces the Improved Hawk and Nike Hercules systems.

Secretary Schlesinger directed a year ago that SAM–D system tests of 16 missiles with onboard guidance be given the highest schedule priority and that other program activities be slowed until the guidance concept is proved. Two of the "Proof of Principle" flights have now been conducted with complete success.

The Army Missile Command also is examining other guidance concepts to provide the SAM–D system with alternate and perhaps less costly hardware options.

The knowhow appears to be there, but we will never know unless Congress provides the necessary funds to complete research and development of the SAM–D. What is needed is our decision to keep R. & D. funds available. To cut this program now, in my judgment would be pennywise and pound foolish.

HATHAWAY NOMINATION: A UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that at such time as the nomination of Mr. Hathaway is called up and made the pending business before the Senate there be a time limitation for debate thereon of 3 hours to be equally divided between the distinguished majority leader and the distinguished minority leader, or their designees, and it is anticipated that that nomination will be made the order of business the first thing for next Wednesday.

Mr. JAVITS. Mr. President, is it Wednesday, did the Senator say?

Mr. ROBERT C. BYRD. Next week.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in adjournment until the hour of 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR TALMADGE ON TUESDAY, JUNE 10, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday, June 10, the Senator from Georgia (Mr. TALMADGE) be recognized for not to exceed 15 minutes, after the two leaders or their designees have been recognized under the standing order.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

The Senate continued with the consideration of the bill (S. 924) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the next four amendments which are listed under the consent agreement go over until tomorrow, that is, the Minuteman III, the site defense amendment, the B–1 bomber, and the AWACS.

Mr. STENNIS. Mr. President, reserving the right to object, what amendment does the Senator propose to take up, if any, this afternoon?

Mr. ROBERT C. BYRD. The next amendment, following those four, will be the SLCM amendment.

Mr. STENNIS. If that is all right with the Senator from Maine, that is agreeable to us.

The PRESIDING OFFICER. Is there objection?

Mr. CRANSTON. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the yeas and nays have been ordered on the amendment——

Mr. GOLDWATER. Mr. President, reserving the right to object——

The PRESIDING OFFICER. May we have order in the Senate, please.

Mr. GOLDWATER. Mr. President, I understand that some Members of the Senate will be going to the White House and then will be coming back. That is perfectly all right. I have nothing against the White House. I tried it myself once. It did not work.

But I do not see why the rest of us should sit around here for 2 hours, when we have perfectly good wives at home cooking perfectly good dinners. Why can we not put off this amendment, which is only a 1-hour limit, and do it tomorrow?

Mr. MANSFIELD. Because we may have others and because if the Senator takes a look at the list, he will find that we have about 20 listed and many other unlisted items up there, and we have agreed to a final vote at 6 on Friday. So it is a matter of speeding up while we have the chance. Otherwise, we are going to be in deeper trouble than we are.

Mr. GOLDWATER. Could we debate it this evening and vote on it tomorrow?

Mr. MANSFIELD. We could.

Mr. STENNIS. But we are going to take up something else.

Mr. MANSFIELD. We are going to take up other amendments, and we hope to stay in session until somewhere between 8 and 9 tonight to clear up as many of the amendments as possible.

Mr. GOLDWATER. I am not going to be a you-know-what and object, but I do not like it.

Mr. MANSFIELD. I do not like it either, but may I say to my good friend sometimes we are forced with circumstances over which we have little or no control.

Mr. STENNIS. Mr. President, if I may, although this is not in my request, I am agreeing to it. We are ready to go.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? Without objection, it is so ordered.

The yeas and nays have been ordered on the amendment of the Senator from New Hampshire (No. 494). The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), the Senator from Alabama (Mr. SPARKMAN), and the Senator from California (Mr. TUNNEY) are necessarily absent.

On this vote, the Senator from California (Mr. TUNNEY) is paired with the Senator from Alabama (Mr. SPARKMAN).

If present and voting, the Senator from California would vote yea and the Senator from Alabama would vote nay.

The result was announced—yeas 42, nays 52, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—42

Abourezk	Eagleton	Humphrey
Bayh	Ford	Javits
Biden	Gravel	Kennedy
Brock	Hart, Gary W.	Leahy
Brooke	Hart, Philip A.	Mansfield
Case	Hartke	Mathias
Church	Haskell	McGovern
Clark	Hatfield	McIntyre
Cranston	Hathaway	Metcalf
Culver	Huddleston	Mondale
Muskie	Pell	Stevenson
Nelson	Percy	Symington
Packwood	Randolph	Weicker
Pastore	Schweiker	Williams

NAYS—52

Allen	Fong	Moss
Baker	Garn	Nunn
Bartlett	Glenn	Pearson
Beall	Goldwater	Proxmire
Bellmon	Griffin	Ribicoff
Buckley	Hansen	Roth
Bumpers	Helms	Scott, Hugh
Burdick	Hollings	Scott, William L.
Byrd, Harry F., Jr.	Hruska	Stafford
Byrd, Robert C.	Jackson	Stennis
Cannon	Johnston	Stevens
Chiles	Laxalt	Stone
Curtis	Long	Taft
Dole	Magnuson	Talmadge
Domenici	McClellan	Thurmond
Eastland	McClure	Tower
Fannin	Montoya	Young
	Morgan	

NOT VOTING—5

Bentsen	McGee	Tunney
Inouye	Sparkman	

So Mr. MCINTYRE's amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. MANSFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. There will be order in the Senate, please.

The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, under the consent order reached a while ago, the amendments numbered (d), (e), (f), and (g) in the whip notice and labeled as follows: Minuteman III, site defense, B–1 bomber, and AWACS, will go over until tomorrow.

The next amendment in order under the time agreement would be the SLCM amendment. That would be followed by the AABNCP amendment.

AMENDMENT NO. 505

Mr. HATHAWAY. Mr. President, I call up my amendment No. 505.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Maine (Mr. HATHAWAY) proposed an amendment No. 505.

The amendment is as follows:

On page 17, line 24, strike out "$3,368,802,000" and insert in lieu thereof "$3,267,002,000".

On page 18, between lines 3 and 4, insert a new section as follows:

"SEC. 202. None of the funds authorized to be appropriated by this title may be used in connection with the Submarine Launch Cruise Missile (SLCM) program.".

On page 23, line 24, insert "(a)" immediately after "SEC. 702.".

On page 24, lines 7 and 8, strike out "$851,363,000" and insert in lieu thereof "$809,263,000".

On page 24, between lines 12 and 13, insert a new subsection as follows:

"(b) None of the funds authorized to be appropriated by subsection (a) of this section may be used in connection with the Submarine Launch Cruise Missile (SLCM) program.".

The PRESIDING OFFICER. The Senate will be in order, please.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that my staff member, Charles R. Peck, be accorded the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. I yield to the Senator from Oregon.

Mr. PACKWOOD. I ask unanimous consent that my legislative assistant, Sheila Crowley, be entitled to remain on the floor for the pendency of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that my legislative assistant, Mr. Ron Tamman, be accorded the privilege of the floor during consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HATHAWAY. I yield.

Mr. ROBERT C. BYRD. Mr. President, I am advised that at least 7 of the 10 amendments that were previously listed in the time agreement will not be called up. I, therefore, ask unanimous consent that after the Senate disposes of the AABNCP amendment, which follows the amendment now pending, the Senate proceed to consideration of the overall military and civilian manpower levels amendment; that that amendment be followed by the amendment providing for an increase from 13 to 16 divisions; that that be followed by the feed and forage amendment; and that that be followed by the shipbuilding overruns amendment.

Mr. GOLDWATER. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. GOLDWATER. Does he mean those are for tonight?

Mr. ROBERT C. BYRD. Not necessarily tonight, but it is the intention of the leadership to stay in tonight and complete work on as many as possible, hopefully to between 8 and 9 o'clock. As I understand, there are 31 amendments at the desk at this time, in addition to the amendments that we have listed in the agreement.

Mr. EAGLETON. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. EAGLETON. If that unanimous-consent request is agreed to, does that mean that all the amendments the Senator has enumerated will take precedence over those that were at the top of the list this morning, meaning the Kennedy amendment, AWACS, and so forth?

Mr. ROBERT C. BYRD. It would, but I am advised by Mr. CRANSTON that the amendments as I have listed them, through the amendment providing for an increase from 13 to 16 divisions, are ready to be called up this evening.

Mr. EAGLETON. And they will be disposed of this evening?

Mr. ROBERT C. BYRD. Hopefully.

Mr. STENNIS. Will the Senator yield on that point?

UMI

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. STENNIS. As I recall, on the amendment by the Senator from Wisconsin, which is marked "amendment (o), Shipbuilding Overruns," I understand that that amendment has not yet been written.

Mr. PROXMIRE. That amendment will not be ready tonight. It will be ready tonight, but not presented.

Mr. ROBERT C. BYRD. I listed it as No. 6 among the amendments that I enumerated.

Mr. STENNIS. After 6 o'clock, and that is a few minutes from now, all amendments have to be written, under the agreement.

Mr. PROXMIRE. It is written, but I am not prepared to present it.

Mr. STENNIS. By written amendments, that means they are to be filed at the desk. That is for the information of the Members.

Mr. PROXMIRE. That amendment was filed at noon.

Mr. ROBERT C. BYRD. Mr. President, let me amend my request. I ask unanimous consent that following action on the AABNCP amendment, the following amendments be called up in order as follows: The overall military and civilian manpower levels amendment, and if the amendment is filed at the desk by 6 o'clock today, the amendment to provide for an increase from 13 to 16 divisions will then follow.

Mr. EAGLETON. Is that the limit of the request, just those two amendments?

Mr. ROBERT C. BYRD. Yes.

Mr. PASTORE. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. PASTORE. I am not insisting on this, but I think it ought to be considered with some merit. We have been here since early this morning. It is 6 o'clock now. This is a very important bill. I realize there are amendments. Would it be possible to call up the amendments the Senator has specified with a limitation on debate and then, in the cool of the morning, tomorrow, we vote on them back to back? By that time, we will have read the RECORD, we will know more explicitly what they are all about. We will not be tired. We will not be downstairs having dinner while the debate is going on, we will be home with our families. We will come back rested and ready to go. I realize that may be making an unreasonable request at this time, but it is a convenient one.

Mr. ROBERT C. BYRD. Mr. President, we have 31 amendments at the desk, and there may be amendments to amendments offered, and there are four amendments that have been put over until tomorrow morning, the Minuteman III, the site defense, the B–1 bomber, the AWACS, and the total amount of time on those four amendments alone is 7 hours, and we have a final vote scheduled to occur at no later than 6 o'clock Friday. So I am afraid that if we are going to complete this action on this bill we had better go on tonight and work for awhile yet.

We are going to come in at 9 o'clock tomorrow morning, which has already been ordered.

Mr. STENNIS. Mr. President, if we could take up the Hathaway amendment here, say, with 30 minutes to the side and vote on that tonight and then take up another amendment for argument and not vote on it, what appeal does that have?

Mr. ROBERT C. BYRD. Of course, the Senator is the manager of the bill, and I certainly am not going to interpose any objection to his request.

Why do we not proceed with the next two which are scheduled and then, depending on the time, perhaps take up the third amendment which would be the overall military and civilian manpower level and maybe the vote on that can be put off.

Mr. STENNIS. I yield to the Senator from Maine who has a suggestion.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the time on the pending amendment be limited to 30 minutes, 15 minutes to each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object, I wonder if the distinguished majority whip will tell us whether he intends to make any other unanimous-consent requests involving other amendments. I have a concern, not about the ones he has mentioned so far, but about having an opportunity to present one side on some of the other amendments. Is this as far as he is going tonight?

Mr. ROBERT C. BYRD. Well, at the moment that is all I have in mind, I assure the Senator.

Mr. STENNIS. Mr. President, if the Senator will yield to the Senator from Maine again he might have another suggestion.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that upon the second amendment (No. 520) the same time limitation apply; that is, 30 minutes total, 15 minutes on each side.

Mr. JAVITS. How does the Senator describe it?

Mr. STENNIS. AABNCP.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STENNIS. That gives us two amendments then.

Mr. JAVITS. Mr. President, if the Senator will yield to me, I would be willing to ask unanimous consent on amendment No. 18 to reduce the time in half, that is, to give me a half-hour—that is the manpower amendment to be offered by me. If it is agreeable to Senator STENNIS, I will cut my time to 30 minutes, and 15 minutes to Senator STENNIS, and advise him that I will probably withdraw it, but I need a colloquy with Senator NUNN who is in charge of the Manpower Subcommittee.

Mr. STENNIS. What would that mean?

The PRESIDING OFFICER (Mr. STONE). To reduce the time on No. 18.

Mr. JAVITS. So that it gives 30 minutes to the moving party, who is myself, and 15 minutes to the Senator from Mississippi instead of the present hour and a quarter, 30 minutes to the Senator from Mississippi and 45 minutes to myself.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, has the request been granted that the amendment dealing with an overall military and civilian manpower level be called up following the disposition of the AABNCP amendment?

The PRESIDING OFFICER. Is there objection to that unanimous consent request, The Chair hears none, and it is so ordered.

AMENDMENT NO. 521

Mr. HATHAWAY. Mr. President, I ask unanimous consent that unprinted amendment No. 521 be substituted for amendment No. 505, the only reason for this being that the dollar figures in the original amendment were not quite correct. This is the only change.

The PRESIDING OFFICER. Without objection, it is so ordered.

The substitute amendment is as follows:

On page 17, line 24, strike out "$3,368,802,000" and insert in lieu thereof "$3,274,002,000."

On page 18, between lines 3 and 4, insert a new section as follows:

Sec. 202. None of the funds authorized to be appropriated by this title may be used in connection with the Submarine Launch Cruise Missile (SLCM) program.

On page 23, line 24, insert "(a)" immediately after "Sec. 702.".

On page 24, lines 7 and 8, strike out "$851,363,000" and insert in lieu thereof $814,263,000".

On page 24, between lines 12 and 13, insert a new subsection as follows:

(b) None of the funds authorized to be appropriated by subsection (a) of this section may be used in connection with the Submarine Launch Cruise Missile (SLCM) program.

The PRESIDING OFFICER. Is the substitute amendment at the desk?

Mr. STENNIS. Mr. President, we will have to have order to the extent that we can hear.

The PRESIDING OFFICER. The Senate will be in order. Those Senators wishing to conduct conversations will please retire to the cloakroom. Senators will take their seats. The Senators conversing will retire.

The Senator from Maine is recognized.

Mr. HATHAWAY. Mr. President, the reason I am offering this amendment is primarily because I cannot see the value of having the submarine launch cruise missile added to our warehouse of weapons system. In particular, it is a weapons system that all too easily could be taken as a provocation instead of a deterrent. It is extremely difficult to detect. I am talking precisely about the cruise missile to be installed in submarines. This device travels over a long range, at very low altitude and it cannot readily be picked up or identified as to its properties on radar. Thus, it may represent a threat to stability.

For the same reasoning expressed by the Senator from New Hampshire with respect to his earlier amendment, I would state with respect to this amendment that I think our posture is one of, first, maintaining a deterrent force while,

second, not indicating to the Soviet Union—or any other nations of the world—that we are at all inclined to take the offensive. For we are not an offensive threat to any other nation in the world, and our defense posture is just what defense always means: something we simply wish to maintain as a strong, protective, and deterrent force in the unlikely event we are attacked.

And I think that to go ahead with this missile would hurt us considerably with respect to our SALT talks and agreement.

I submit that for those two reasons—plus the desirability of cutting out $111 million from the proposed military authorization for this cruise missile—we have three very good reasons for not going ahead with this program.

I reserve the remainder of my time.

Mr. STENNIS. Mr. President, may I suggest that we have quiet, and may I suggest that the Chair suspend until we have quiet.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. McINTYRE. Mr. President, I yield myself 5 minutes.

The R. & D. Subcommittee took a long and careful look at this program, and I would be the first to admit, Mr. President, that we had some reservations. Nevertheless, I think we have to overcome these on the basis that we would like to see this program go forward further. We would like to see it continue in development.

Now, the sea-launched cruise missile offers a weapon complementary to our basic deterrent system. This weapon is sized to a submarine torpedo tube. It comes out of the tube. It is characterized by long range and a very low flight profile. I think it flies below 800 feet off the water or off the ground. Its long time of flight precludes its use as a first-strike weapon. This is not a first-strike weapon. Thus it is not destabilizing.

Its accuracy and long standoff launch range make it a suitable choice as a single weapon response. If deployed in a nuclear submarine the natural invulnerability of that platform allows a survivable strategic reserve force role.

Now, the subcommittee did delete $7 million from the original request for the tactical ship-to-ship variation. We thought that was premature. But we went along with the rest including the tactical variant missile development.

It is a highly survivable weapon. Its short range might be about 400 nautical miles, and its long range could be up to 1,300, so it takes on a tactical and a strategic role, although I would caution you, Mr. President, that the range really has nothing to do with whether it is tactical or strategic, but it would have that variation.

This weapon is not intended to replace our primary strategic deterrent system nor to create what some of us first felt was a fourth leg of the so-called triad.

It could pose a new and difficult challenge to Soviet defensive planning because of its detection resistance and platform adaptability. No funds for procurement or installation are included in this request; this is all R. & D. The requested funds are in support of the Validation Phase competitive prototyping, which will lead to the selection of airframe, engine and guidance contractors prior to the commencement of full scale development. It is important to complete promptly this Validation Phase, which proves the critical technology and demonstrates that this weapon will perform as intended.

A tactical variant of the strategic missile weapon is included in this development, mating the SLCM strategic airframe with components of existing tactical systems to provide a long-range, anti-ship weapon with good payload, suitable for employment in surface ships and submarines at standoff ranges comparable or superior to those of existing Soviet anti-ship missiles.

I would say to the distinguished Senator from Maine that he is not out of the ball park. He should watch this program pretty carefully.

As I told the Senator initially, we had some reservations at the R. & D. subcommittee level.

This program, Mr. President, is going to incur, in my opinion, a much higher burden of proof as it goes along in further development.

For a couple of things, it is going to cost a mint. I know nobody worries about that, but it is going to cost a mint.

There is some question of whether it really is going to fit into the overall pattern, but I would suggest that the Senator from Maine withdraw his amendment and bring it up next year. I think we ought to see what happens in this year.

Mr. GOLDWATER. Will the Senator yield?

Mr. McINTYRE. And I assure the Senator that we on the committee are going to be giving it a good look because we have so many ways to screen these now, it is unbelievable.

But my distinguished friend from Arizona would probably like to join me now.

Mr. GOLDWATER. Mr. President, I would join my chairman of the subcommittee in urging that this amendment be withdrawn.

We are getting a start on this weapon. It is a weapon that can be used in the SALT talks because it does replace, to some extent, some weaponry we might be forced to give up. As far as the radar capability, the lower a missile can fly, the less radar has a chance of catching it because of what we call sea clutter, and this missile flies at extremely low range, it can be very effective.

The Senator might remember the mishap off the coast of Israel when a ship was inadvertently sunk. This was not with a submersible launch cruise missile, but it was a cruise missile. A cruise missile, in my humble estimation, this family might become one of the most valuable that we have.

We are working very hard on it in the Air Force and this is a development that, as my chairman has said, is not very old and we have not gone very far with it. But we would like in our Subcommittee on Research and Development the chance of maybe another year to come up with proof, because the concept is really excellent.

I can say that it is a really defensible missile that the enemy would have a most difficult time detecting or intercepting.

I thank my chairman.

Mr. McINTYRE. I thank the Senator.

Mr. STENNIS. Will the Senator yield for a question?

As I understand it, the subcommittee now is completely unanimous on this matter?

Mr. McINTYRE. That is right.

Mr. STENNIS. For another year.

Mr. McINTYRE. As I have expressed, we had reservations, but they were overcome by the testimony of the project team. We went over on balance. We ought to let it go another year, but we intend to watch it closely because we do have some reservations.

Mr. STENNIS. This year the Senator does not commit one to anything like——

Mr. McINTYRE. Production, no.

Mr. STENNIS. Or anything near production, but just in the—I think the Senator is in the development now?

Mr. McINTYRE. Yes.

Mr. STENNIS. Well, anyway, what is the amount involved, if I may ask?

Mr. McINTYRE. My understanding is that the amount is in fiscal year 1976, $94.8 million.

The PRESIDING OFFICER (Mr. BROCK). The Senator's 5 minutes have expired.

Mr. McINTYRE. The transition period provides $37.1 million.

Mr. HUMPHREY. Will the Senator yield?

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. May I say——

The PRESIDING OFFICER. Who yields time?

Mr. HATHAWAY. I will yield to the Senator from Minnesota.

Mr. HUMPHREY. May I say, I think the Senator from New Hampshire has been extremely diligent in the effort to make hard decisions on the DOD's research and development request. He has made a very logical and persuasive argument for research and development on these missiles. As the Senator from Maine has indicated, there might be reason for hesitancy on this type of new development because of the potentially destabilizing effects that it might have. But I think on balance—and I am not an expert on this—that we should proceed with the R. & D. this year.

Why? Well, first, because it helps strengthen the U.S. Navy, which I happen to think is important in light of world conditions.

Second, I believe the point has been made that this is an initial effort. It should be watched very carefully. It should and can be carefully screened.

Of course, it is costly, but all research and development is costly. But, it is less costly, may I say, than failing to do what we ought to do would be.

So I would suggest to our wonderful, good friend from Maine, after all arguments have been made, that it might be well to follow the wisdom and the advice of the Senator from New Hamp-

UMI

shire and put the amendment aside and come back next year with it, after we have had time to examine the evidence, from the research and development effort and policy evaluations of this coming fiscal year.

Mr. McINTYRE. I want to add, I thank the Senator from Minnesota and the Senator from Maine, I assure everyone that we are going to take a hard look at this.

When we first saw it, we said, "What in the name of the Lord is this, another leg on the triad?"

We have the ICBM, the bomber, the Poseidon, now we have something else.

We think, although we are not sure, that this particular program has been defeated time and time again over in the halls of the Pentagon when it was in competition with other things.

So we are looking at it kind of askance.

If the Senator will allow another year, we will either be strong for it or we will be with the Senator.

Mr. HATHAWAY. Let me ask the Senator from New Hampshire a question. I have a great deal of respect for the Senator from New Hampshire as I think I have followed him in most of his recommendations with respect to the military procurement bill, both this year and in the past.

What year would be of help to the Senator in making his decision?

Or, are we talking about the technology of the system versus its concept?

Mr. McINTYRE. The concept primarily.

Mr. HATHAWAY. The concept bothers me more than the technology which may work out, or not. But the concept of having another low-flying missile which cannot be detected appears to me to be something we can do without.

Mr. McINTYRE. The Senator is absolutely right.

Mr. HATHAWAY. I do not know if after another year, having spent $137 million, I will find the mind of the subcommittee or the Senate changed with respect to the concept. That is what bothers me.

Mr. McINTYRE. It will not change the minds of the U.S. Navy, but I want the Senator to know we are no pushover on the subcommittee.

The concept bothered us.

I understand the technology, really, is almost in hand. We believe we can do it.

Mr. HATHAWAY. So how would the proposed research and development authorization help with regard to the concept?

Mr. McINTYRE. We have to look at the whole picture, at everything, including research and development.

I say to the distinguished generals, "We would be delighted to give all these helicopters, but the admiral was just in here, and he wants 32 new patrol frigates."

So we have to look at the whole package and then we can cut something down that should be cut down.

Mr. HATHAWAY. Let me ask a question with respect to the history of the projects that have undergone a commitment of $132 million for R. & D.

How many of them have been later knocked out?

Mr. McINTYRE. First of all, $132 million, in terms of research and development of a $10 billion budget, is not really that much in relative terms.

I say that with my tongue in my cheek.

I agree with my good friend from Maine, I know he has heard me say it, one can give me one brigadier general, two Congressmen, put them on an R. & D. program, and, man, we can rarely stop it. We try our best.

One can try his best. If the Senator will look at our report, if he will read the report I made—and I had a hard time making it—the Senator will see that I said to the Pentagon, "You have to take a hard look at these programs and cut them down."

I will say that we are with the Senator.

Mr. THURMOND. Mr. President, the SLCM could have significant implications on the strategic arms limitation talks in the following respects:

First. Can be readily adapted to existing, survivable platforms; provide a relatively cheap capability; suitable to provide a "surge" capability in times of crisis or hedge against unforeseen events. SLCM could contribute to the flexible response policy and to the strategic reserve.

Second. Witnesses before Congress have consistently denied allegations that the cruise missile is a SALT bargaining chip, but they have agreed that an active cruise missile program supports our position in SALT two.

Third. The record shows fundamental disagreement between the United States and the Soviets on which systems should be included in SALT. This disagreement came to a climax in the long discussions concerning U.S. forward-based tactical nuclear systems. The Soviet view has been simple and straightforward: all nuclear weapons deployed within range of the territory of the other side are "strategic" and must be taken into account in SALT.

Fourth. The United States, on the other hand, has attempted to distinguish between "central" and "noncentral" systems, but the Soviets have been unconvinced. Defined as "central strategic offensive systems"—which must be included in SALT agreements—were SLBM's, ICBM's, and heavy bombers. But this was a definition by example, unsupported by any rationale that would clearly categorize future systems.

Fifth. Although not redundant in capabilities, if SLCM's were included in SALT they would be considered along with the present TRIAD. Of particular significance if reductions are subsequently negotiated.

Sixth. Numbers of missiles and launchers are exceedingly difficult to verify as are missile characteristics—particularly range.

Seventh. A major breakthrough of Vladivostok was eliminating SLCM's from SALT two. Otherwise, might deny the United States a capability which U.S.S.R. now deploys—Soviet SSG, SSGN carry missiles which could have a strategic application.

In view of these facts, the amendment should be defeated.

Mr. HATHAWAY. Mr. President, I do not know if anyone else desires time. I yield back the remainder of my time, and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. STONE). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is all time yielded back?

Mr. McINTYRE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. McGEE), the Senator from South Dakota (Mr. McGOVERN), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Alabama (Mr. SPARKMAN), the Senator from California (Mr. TUNNEY), and the Senator from Texas (Mr. BENTSEN) are necessarily absent.

I further announce that, if present and voting, the Senator from California (Mr. TUNNEY), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Alabama (Mr. SPARKMAN) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The result was announced—yeas 16, nays 72, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—16

Abourezk	Hart, Philip A.	Mondale
Bayh	Hatfield	Moss
Church	Hathaway	Muskie
Clark	Javits	Ribicoff
Cranston	Mansfield	
Eagleton	Metcalf	

NAYS—72

Allen	Glenn	Nunn
Baker	Goldwater	Packwood
Bartlett	Gravel	Pearson
Beall	Griffin	Pell
Bellmon	Hansen	Percy
Biden	Hart, Gary W.	Proxmire
Brock	Hartke	Randolph
Buckley	Haskell	Roth
Bumpers	Helms	Schweiker
Burdick	Hollings	Scott, Hugh
Byrd, Harry F., Jr.	Huddleston	Scott, William L.
Byrd, Robert C.	Humphrey	Stafford
Cannon	Jackson	Stennis
Case	Johnston	Stevens
Chiles	Laxalt	Stevenson
Culver	Leahy	Stone
Curtis	Long	Symington
Dole	Magnuson	Taft
Domenici	Mathias	Talmadge
Eastland	McClellan	Thurmond
Fannin	McClure	Weicker
Fong	McIntyre	Williams
Ford	Montoya	Young
Garn	Morgan	

NOT VOTING—11

Bentsen	McGee	Sparkman
Brooke	McGovern	Tower
Inouye	Nelson	Tunney
Kennedy	Pastore	

So Mr. HATHAWAY's amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote whereby the amendment was rejected.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATHAWAY. Mr. President, I send an unprinted amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. HATHAWAY. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY's amendment is as follows:

On page 17, line 25, strike out "$3,707,840,000" and insert in lieu thereof "$3,665,640,000".

On page 18, between lines 3 and 4, insert a new section as follows:

Sec. 202. None of the funds authorized to be appropriated by this title may be used in connection with the Advanced Airborne Command Post program.

On page 23, line 24, insert "(a)" immediately after "Sec. 702.".

On page 24, line 9, strike out "$946,621,000" and insert in lieu thereof "$938,821,000".

On page 24, between lines 12 and 13, insert a new subsection as follows:

(b) None of the funds authorized to be appropriated by subsection (a) of this section may be used in connection with the Advanced Airborne Command Post program.

Mr. GRIFFIN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

The Senator from Maine may proceed.

Mr. HATHAWAY. For the information of Senators, the amendment I have just sent to the desk is the same as printed amendment No. 504, except that on page 24, line 9, the figure $946,613,200 should be $938,821,000.

The amendment, Mr. President, would cut out about $42 million proposed to be spent for continued R.D.T. & E. for airborne command posts.

I have for the authorization the same reservations which I had with the subject of the previous amendment.

I question why we are continuing an R. & D. program, when I understand we already have three such planes and plan to increase the airborne command posts which we already have to seven. I presume, too, that we are going to modernize the ones we have. Also, I am not sure if the airborne command posts are the best and safest places in which to keep our strategic people in command at the time of nuclear war.

I do not even know if it is realistic to think of having a new airborne command post, especially when we already have one. Perhaps we should be exploring other ways of protecting our leadership at a time such as that. I understand that there are other means of protection such as in the bunkers that have already been developed.

Perhaps we should be thinking instead of some third means of protection rather than spending more money simply to increase the airborne command post which we already have.

Therefore, I would like to ask the chairman of the committee what the reason was for increasing the airborne command posts.

Mr. STENNIS. If I may respond, in the Chamber we have the Senator from New Hampshire, who is familiar with this program, and we have the Senator from Nevada, who is very familiar with it from the standpoint of a pilot.

If the Senator would direct his questions to those Senators he will probably receive an answer.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. STENNIS. I will be happy to yield to the Senator from Arizona.

Mr. GOLDWATER. I did not see the Senator from Nevada in the Chamber. I will wait until the Senator from Nevada has concluded.

Mr. CANNON. Mr. President, the idea that this is a command post to protect the President of the United States just is not the fact. Sure, the President could be put in an underground bunker and protected to a reasonable degree, I suppose.

But the purpose of this advanced airborne command post program is to provide the President and the national command authority in the Strategic Air Command, with a modern and highly survivable command control system for our strategic bombers and Minutemen nuclear missiles and Polaris and Poseidon submarines.

We earlier considered a production plan or a plan for the production of three aircraft, which would be modified with the current state of the art, and then a follow-on of three additional aircraft.

Now we approved $101.3 million for three production aircraft, including modifications, and $124.9 million for one test aircraft and development effort on new equipment, and $19.5 million for military construction.

We went ahead with phase I of the program to get the three 747 aircraft and install them with current equipment from the DC–135 command post that had been used up to that time.

The second phase involved the procurement of the test aircraft and then development of the advanced command control and the communications equipment. This is basically the equipment development.

In this phase, the Air Force came in this year and requested $185.8 million for procurement of the three aircraft for this transition period, the second phase, Mr. President, and we denied that. There were some problems with the development program, and we denied the procurement of the three additional aircraft, but we did feel that the R.D.T. & E. funding should go ahead with $42.2 million and $6.8 million for fiscal year 1976 and for 197T.

That is the situation as it now stands.

We have already determined that the procurement of the second batch of three aircraft was premature. We have held that up. But we have approved the research and development funds for the advanced command control equipment. This is what this is related to, and this is not an airplane to fly the President around in and protect him. It is actually what it says. It is a command control post for our entire system.

I believe, Mr. President, that the program still should be approved. Certainly this research and development area should be approved on the equipment, and we will have another chance to look at the development program. That program is still under review, and the result of that program should be available in September of this year.

Mr. HATHAWAY. Let me get the record straight. How many planes are there going to be all together?

Mr. CANNON. There are three planes that have been procured now.

Mr. HATHAWAY. That is right, the 747's.

Mr. CANNON. Then there was a test airplane for a fourth one, and then a request was for three additional planes this year.

Mr. HATHAWAY. And the committee refused that.

Mr. CANNON. We held that up.

Mr. HATHAWAY. All this money is for the equipment of the present three planes?

Mr. CANNON. This would be the interim equipment and the advanced state of the art equipment for the command and control, which would eventually go into those three airplanes, that would be available if we go ahead with a further aircraft production program.

Mr. HATHAWAY. There is no money in here for further aircraft production programs, but there is money in here for future equipment; is that correct?

Mr. CANNON. There is no money in here for the aircraft production, no money at all for the aircraft production program.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. CANNON. Yes, I will yield.

Mr. STENNIS. The Senator already has the floor.

Mr. CANNON. I yield to the Senator from Arizona.

Mr. STENNIS. All right.

Mr. GOLDWATER. Mr. President, before I begin my comments on this amendment, I had a colloquy the other evening with the Senator from Arkansas (Mr. BUMPERS) about the need for a 24-division army, and I finally received a very good explanation of why the Army feels that this is needed.

I ask unanimous consent that it be printed at this point in my remarks.

If the Senator would like to read it. it will be at the desk. I would like to read it in the RECORD, but we do not have time. It is a very understandable and complete explanation of why.

I apologize for having taken so much time.

Mr. BUMPERS. I thank the Senator for providing the information, and I will read it momentarily.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UMI

SECRETARY OF THE ARMY,
Washington, D.C., June 4, 1975.

DEAR SENATOR GOLDWATER: I can appreciate the questions that have arisen concerning the defense strategies of our country, and requirements arising from them for certain Army force levels. Let me put these in context.

Between 10 and 15 years ago, U.S. planners enunciated a "2½ war" strategy as an objective that U.S. ground forces should be able to satisfy. It was drawn up at a time when the U.S. enjoyed nuclear superiority and was assuming major responsibilities for the defense of both Europe and Asia. Realistically however, actual Army forces over the last 15 years have never been able to execute this strategy. We had to form three new divisions and four separate brigades just to attain a "2 war" capability during Vietnam, and since then have been able to fight only about one major war. The "2½ war" strategy was a myth never attainable within given resources.

Recognizing this, we replaced this "2½ war" objective with a more realistic "1½ war" strategy. It is one which requires that principal Army resources be able to satisfy NATO requirements, and one minor contingency elsewhere. Let us recall that these minor contingencies occurred in World War II in such areas as Panama, Alaska, Greenland, Iran; and since then in Lebanon and the Dominican Republic. We must anticipate similar contingencies in the future as well.

What then is our capability to execute the "1½ war" strategy? In sum, it is marginal at best. General Abrams, whom I knew and respected deeply, told the Armed Services Committee before he died last year that the Army of 13 active divisions and 8 National Guard divisions was a "high risk" force. He called it a "no margin for error" force in the face of ominous Soviet force increases and increasingly unstable world conditions. The Joint Chiefs of Staff and the Secretary of Defense have concurred in that judgment.

We need a 24 division Army force to deter a NATO ground conflict and to cover a simultaneous contingency someplace else—that's it in a nutshell. The current Army force of 21 divisions simply does not have the size, flexibility or speed of deployment to accomplish our strategy

The driving requirement in all cases is the NATO/Warsaw Pact standoff, where 20 U.S. divisions is the minimum necessary to insure NATO a reasonable chance of fighting Pact forces to a standstill without recourse to nuclear weapons. There is still risk, but one judged prudent, that this would lead to a ground stalemate without losing most of NATO's land area or suffering catastrophic battle losses. Negotiators could then resolve the situation. Our strategists consider this unattractive to the Soviets. It deters them from an opportunistic land-grab, and prevents them from forcing "unequal" treaties on Western European nations.

In the event we have to meet such NATO requirement, our flexibility with the current 21 division force is virtually zero. Since the single division in Korea would not be available for rapid deployment, we would have no strategic reserve, and could not meet any of the collateral contingencies. But with the 24 division force we can reinforce as needed, can maintain a strategic reserve, and can handle a side contingency.

Finally we need the 24 Army division force to be able to get forces to Europe in time—something the current 21 Army divisions cannot do in the event of conflict. NATO forces and Warsaw Pact forces in Central Europe are not in balance, even when we consider the slightly smaller size of USSR and Pact divisions. Moreover, the Soviets can mobilize and move huge forces much more quickly against NATO than we can reinforce—throwing the balance heavily against us. After a very brief mobilization, the Soviet and its Warsaw Pact allies could deploy 86 divisions against only 46 NATO divisions, not counting 27 more Soviet divisions held in Central Reserve.

The 24 division Army can reinforce NATO in time to stall this juggernaut, because it will have increased active divisions (16 instead of 13), better forward basing (forward-based brigades of Stateside divisions), and much improved Reserve and National Guard deployment posture (through affiliation with active units). It has the muscle and responsiveness to do the job fast enough.

Let me conclude by saying that the stark realities of national security require lean, visible, and ready combat power. That is what the strategy calls for and that is what the Army is offering. The programmed force of 16 active Army and 8 Reserve Component divisions will satisfy that strategy at a level of prudent risk. An Army force of 13 active and 8 Reserve Component divisions will not.

Sincerely,

NORMAN R. AUGUSTINE,
Acting Secretary of the Army.

Mr. GOLDWATER. Mr. President, in order to save time I will have most of my remarks on this advanced command post printed in the RECORD. But I would just say to my colleagues that what this is is a modernization of a command post concept that the Strategic Air Command has had for many, many years. We have now five DC–135's, one of which is in the air 24 hours a day, and it is up there for the sole purpose of providing command over the strategic air and sea forces, particularly submersible forces, if anything should happen to the President of the United States or to the Commander of SAC.

I have flown twice on these missions and have assumed command, of course, in war gaming-type of experience. It is a very realistic experience to go through to be sitting up there and have to make up your mind whether or not, with the President having been destroyed, the Vice President not around and no Commander of SAC you would launch an attack on the enemy and if so, what kind. Now, the EC–135, which is a Boeing aircraft—and I must say one of the finest airplanes ever built—has just gotten old, it has gotten tired, and it has gotten too small for modern radar and modern equipment, and modern ECM equipment. So the 747 has been substituted. One has been sitting out at Andrews Air Force Base for quite some time, and a number of my colleagues have been out to see it; some have even flown in it. I believe in explaining this, that I can best do so by saying that a command post like this in the air is almost impossible to destroy because there is no way for the enemy to know at any precise time where that aircraft might be. They can make some guesses. They do not fly any prearranged patterns. They stay airborne 24 hours a day. Then another one goes up. There is always a very high-ranking member of the Strategic Air Command to make these decisions if the decisions become necessary.

So what we are doing here is to update the equipment that we are already using, and I have to admit that it is expensive. But the big expense is coming not from the airplane but from the electronic equipment. It seems that no matter how much we work on it, no mater how much we miniaturize it and solid state it, it gets more and more and more expensive. It is like new television sets. They never seem to come down.

So I sincerely hope that the Senate will not vote favorably on this amendment.

This is something we need. It is something that the Tactical Air Subcommittee, and the Research and Redevelopment Subcommittee are looking at constantly. I serve on two of those subcommittees, and I can assure the Senator from Maine that this will continue. I would suggest, if he has not already done so, that when the aircraft returns to Andrews, he avail himself of the opportunity either to go through it, if that is all that is available, or to take a flight.

Mr. President, the Secretary of Defense and the Chairman, Joint Chiefs of Staff have stated in their posture statements for fiscal year 1976 that deterrence is the basic national policy considered by the Department of Defense for the development and maintenance of the defensive posture of this Nation. To achieve credible deterrence, a triad of capabilities—strategic nuclear, theater nuclear, and nonnuclear forces interact to enhance deterrence over the spectrum of possible conflicts. Credible strategic nuclear deterrence depends on force effectiveness, survivable command elements, flexible operation, and secure communications. The range of these capabilities must be perceived by everyone to be equal to those of our strongest competitors in order for deterrence to be credible.

The AABNCP will provide a survivable platform for the National Command Authorities—NCA—and the SAC Commander in Chief—CINCSAC—to direct our strategic forces in the event of a nuclear conflict. The AABNCP will incorporate sophisticated command, control, and communications (C3) equipment so that the NCA can better assess an adversary's actions and intent and can, therefore, tailor a response to the level of provocation. These aircraft will give a positive image of U.S. resolve to respond to any level of nuclear attack. The first three production aircraft were funded in previous years.

The amendment to delete $42.2 million in fiscal year 1976 and $7.8 million in the transition year would deprive the Department of Defense of a vital element of its strategic nuclear deterrent force. The "central nerve system" to command and control our military forces wherever they may be deployed around the world is the advanced airborne command post.

Mr. STENNIS. Mr. President, several years ago, I was chairman of the Subcommittee on Military Construction. We had up the matter of a hole in the ground for a command post, and we turned it down, and it was abandoned. But this is something that really fills the need and is something to be proud of. I invite every Senator to go out to Andrews and go through the plane that is sitting there now.

The money in this bill is not for the plane. The 747 is just the instrument. The innards, the insides, the electronics, the technology, is what the money is for, and that is where the payoff is. When Senators see the arrangement in this large plane they will really see that the older one is outworn and not large enough and cannot accommodate the technology—all the things that go to make up this marvelous command post—in communication with every Polaris submarine, every missile base, everything we have around the world. It is an amazing situation. There is room for advisers, civilian and military, for the technicians who keep up with all these things such as intelligence that is coming in and being converted into memorandums for the men who are making the decisions.

The committee has been holding back on this. It is not running away and just giving them a lot of money. The technology is superior to anything else in the world, and it does cost money. I strongly urge that now that we are finally on the track here, let us not stop this program.

Mr. HATHAWAY. I ask the chairman this question: Is this going to be the only command post, or are we going to have alternate command posts on the ground or under the ground, if the planes are shot down?

Mr. STENNIS. There is an alternate command post that is in the West. I do not know how classified this is.

Mr. HATHAWAY. I do not care about the location.

Mr. STENNIS. I understand. SAC is directly involved. It is in that area. SAC will have these planes, too, for their special mission. It is the climax, I think, what we really need. It makes me feel a little good that we turned down the other one.

Mr. HATHAWAY. Can the Senator tell me what the total cost would be? It is $42.2 million this year for R. & D. alone.

Mr. STENNIS. I do not have in my mind the total cost, but we can get it.

Mr. CANNON. $42.2 million this year for R. & D. In the carryover budget for the 197T, it was $7.8 million, in that period. The R. & D. needs funding, and that is on the equipment. It is upgrading that equipment, the third or fourth generation.

Mr. HATHAWAY. It will be approximately $50 million all together?

Mr. CANNON. That is correct.

Mr. STENNIS. There will be more procurement than that, to fill out the full number. There was an item here for procurement that is not now in the bill, in the amount of $185 million. So I want to warn that when we get into it, it is going to cost. It is not the plane so much; it is the technology. When you have one, you have to have two, and then SAC has to have theirs. We have not decided how many we are going to let them have.

Mr. HATHAWAY. But there is no appropriation here for any additional aircraft?

Mr. STENNIS. No.

Mr. HATHAWAY. That was my understanding of the bill when it was brought to my attention, and it was for that reason that I offered the amendment.

Because of the explanation that no money will be authorized for additional aircraft but only sufficient funds to equip the present ones and plan for the future, and in view of our provision for some alternative command post underground, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. STENNIS. I think the Senator has made a very wise decision, and I thank him for his consideration of the problem.

AMENDMENT NO. 516

Mr. PROXMIRE. Mr. President, it is my understanding that under the unanimous-consent agreement, my amendment No. 516 will be called up next.

The PRESIDING OFFICER. The Senator is correct.

The amendment will be stated.

The legislatve clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an amendment numbered 516.

The amendment is as follows:

On page 20, between lines 10 and 11, insert the following:

(b) The end strength for civilian personnel prescribed in subsection (a) of this section for the fiscal year ending June 30, 1976, shall be reduced by 17,000. Such reduction shall be apportioned among the Army, Navy, Marine Corps, Air Force, and agencies of the Department of Defense in such manner as the Secretary of Defense shall prescribe.

On page 20, line 11, strike out "(b)" and insert in lieu thereof "(c)".

On page 21, line 6, strike out "(c)" and insert in lieu thereof "(d)".

On page 21, line 9, immediately after "section," insert "minus the reduction required by subsection (b) of this section,".

On page 21, line 12, strike out the period after "section" and insert in lieu thereof a comma and the following: "minus the reduction required by subsection (b) of this section,".

On page 26, between lines 16 and 17, insert the following:

(b) The end strength for civilian personnel prescribed in subsection (a) of this section for the period beginning July 1, 1976, and ending September 30, 1976, shall be reduced by 17,000. Such reduction shall be apportioned among the Army, Navy, Marine Corps, Air Force, and agencies of the Department of Defense in such manner as the Secretary of Defense shall prescribe.

On page 26, line 17, strike out "(b)" and insert in lieu thereof "(c)".

On page 27, line 12, strike out "(c)" and insert in lieu thereof "(d)".

On page 27, line 15, immediately after "section," insert "minus the reduction required by subsection (b) of this section,".

On page 27, line 18, strike out the period after "section" and insert in lieu thereof a comma and the following: "minus the reduction required by subsection (b) of this section,".

Mr. PROXMIRE. Mr. President, this amendment would reduce the authorized total number of civilians in the Department of Defense by 4 percent under the President's request and by 2 percent under the present bill.

Mr. President, I ask unanimous consent that the name of the distinguished Senator from Arizona (Mr. GOLDWATER) be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. A ceiling would be applied which would set the civilian total at 945,000. This is 40,000 lower than the request and 17,000 under the bill.

I want to emphasize very early that this amendment can be accomplished without one civil service employee being forced out of work—not one. The reduction can be handled within the normal attrition pattern of the Department of Defense.

During calendar year 1975, the Department of Defense had a monthly attrition rate among civilian employees of 19,251. During fiscal year 1976, the plan is to hire 133,000 new civilians or 11,083 a month to replace those leaving. Thus, simply by imposing a 1,400 reduction per month of the planned monthly accessions, the cutback can be carried out without the loss of one existing job. The Pentagon could transfer people within the Department, as is provided in this bill, but considering that there are over 950,000 civilians available, the talent search should not be too difficult.

The question to be considered is why should we reduce the number of civilians in the Department of Defense? Do we not need nearly a million civilians to keep our defense firm? Do we not need nearly a million civilians for a 2 million man Army? Is it not essential that we have a ratio of just over 1 civilian for every 2 military men in uniform? What will happen to civilian control if we cut back on civilians? Would not a 4-percent cutback in civilians be unfair when military personnel are only cut back 1 percent? Why take it out on the civilians?

Each of these questions deserves an answer and I will attempt to provide one.

HOW MANY CIVILIANS NOW?

First, what are the facts agreed on by all parties? How many civilians are there?

During fiscal year 1975 there was a total of 994,000—almost a million—direct hire civilians in the Department of Defense. This year's requested authorization is 985,000. The committee recommendation is 962,000. As defense spokesmen have pointed out on many occasions, the fiscal year 1976 request for direct hire is 50,000 below the fiscal year 1964 pre-Vietnam level and 302,000 below the Vietnam high point of fiscal year 1968. The committee recommends a further reduction of 23,000.

On the face of it this appears to be a reasonable cutback. Reasonable, that is until you start looking at how much the military manpower has been cut back compared to civilian manpower.

Since 1964, we have decreased the number of civilians by 50,000. But during the same time we decreased the number of men in uniform by 585,000. In other words we cut the military 12 times harder than the civilians—12 times.

Now in the interest of complete accuracy it must be noted that during this period there has been a civilianization program. We have been converting military jobs to civilians and that somewhat camouflages the reduction in civilians. So let us look at those figures.

Since 1964 we have civilianized 120,000 jobs. Therefore, the reduction in civilians is understated by that amount.

By adding the 120,000 to the 50,000 we get 170,000 civilian jobs that have been

UMI

reduced in theory since 1964. Once again compared to the reduction in military manpower over the same period it is painfully obvious that we have left the civilian bureaucracy relatively untouched. Even accounting for the civilianization program, the military men have been cut back by 415,000 more than the civilians or a rate of about 3½ times greater.

The Assistant Secretary of Defense for Manpower has testified that we have cut back the military manpower by 20 percent while the civilians have only been cut 5 percent.

This issue of civilianization must be looked at carefully. That is why I said in theory the civilians have been cut back by 170,000 instead of 50,000 due to the civilianization program. We must keep in mind that although these jobs have been transferred to the civilian sector, they represent employed manpower that bears with it a fiscal cost. It is not as if we got these positions for free.

CIVILIAN MANPOWER COSTS

So what are the costs of civilian manpower in the Department of Defense? In 1964, again the pre-Vietnam year, it cost $7.3 billion in outlays for the civil service payroll. As of this fiscal year, fiscal year 1976, that cost has mushroomed to $15.4 billion, more than twice as great. That is a jump of 111 percent which even outpaces the mandated increase in military manpower costs over the same period. And we must remember that Congress has made special provisions for military pay during this time so that there can be comparability with the civilian sector. Even under those conditions, the civil service payroll has exceeded that of the military payroll in percentage terms. Military personnel costs have gone from $13.5 to $27 billion since fiscal year 1964 while civilian payroll costs have risen from $7.3 to $15.4 billion. In fiscal year 1964 the civilian payroll was 14.4 percent of the entire defense budget. For fiscal year 1976 the percentage is 16.6 percent. Thus the real increase is 111 percent and even with a rapidly expanding defense budget, the percent devoted to civilian manpower is climbing as a proportion to the full budget.

CIVILIAN-MILITARY RATIOS

Another way of looking at the civilian costs mix is to examine the ratio of civilians and military members under pre-Vietnam conditions and the present time. The figures are quite obvious and I wish to thank the Noncommissioned Officers Association of the United States for pointing them out to me.

In fiscal year 1964, there were 2,685,000 men in uniform, not counting reserves. There were 1,035,000 civilians. Thus the military men accounted for 72.2 percent of the total manpower picture and the civilians supplied 27.8 percent. By fiscal year 1976, the military proportion had dropped to 68.1 percent and the civilian proportion rose to 31.9 percent.

The ratio of military members to civilians points out just how overloaded we are getting with the civilian side. In the President's request this year, the ratio is 1.85 military members for every civilian. The civilian figure just cited includes direct hire, indirect hire and student programs but not the 300,000 civilians employed under the nonappropriated fund category. When only using the direct hire figure, which corresponds to the ceiling in this bill, the ratio is 2.13 military per civilian.

How do these figures compare with prior years—are we getting more civilians per military or less?

The trend clearly is toward more civilians per military member. Using the statistics comparing all civilian employees, direct and indirect hire, with the active duty military personnel totals, the numbers show the Defense Department with a declining ratio. In 1964 there were 2.30 military per civilian. The situation improved through 1966 with a 2.44 ratio, dropping in 1967 to 2.37.

But then the slide began. The June 30, 1968 figure of 2.47 fell to 2.38 in 1969; 1970 brought a ratio of 2.36. The June 30, 1971 ratio of 2.22 dropped to 1.95 in 1972. And now in the fiscal year 1976 budget the ratio is 1.85. As the ratio gets lower each year, that means the number of civilians is growing as a proportion of military men. And that trend is now six years old and still getting worse.

Thus any way you look at it—prewar years, postwar years, ratios, total costs, actual numbers, including or not including the effects of civilianization, using direct hires or total civilian workforce, or any other technique—there are too many civilians in the Pentagon. It is just that simple: too many civilians.

MORE DEFENSE CIVILIANS THAN REST OF GOVERNMENT

How many civilians are enough? Well, with the exception of the Post Office, the Defense Department employs as many civilians as all the other Government agencies combined—all of them. HEW has 127,000, or less than one-seventh as many civilians as the Pentagon. The Veterans' Administration has 186,000. Treasury has 109,000. Transportation has 70,000. Justice has 50,000. The State Department has 23,000. Agriculture has 80,000. NASA has 24,000. Interior has 58,000. Commerce has 28,000 and HUD has 15,000. The Defense Department has 985,000 civilians in the fiscal year 1976 request and under the provisions of this bill they will be allowed 962,000 or even more after the conference with the House.

With the same number of civilians in the Defense Department as authorized in this bill we could completely staff the following agencies or departments of the Federal Government: Agriculture, Commerce, HEW, HUD, Interior, Justice, Labor, the State Department, Transportation, Treasury, ERDA, General Services Administration, Agency for International Development, Civil Service Commission, Federal Energy Administration, Nuclear Regulatory Commission, Panama Canal, Selective Service System, Small Business Administration, Tennessee Valley Authority, U.S. Information Agency, Veterans' Administration, and still have 60,000 left over to play with. I would have added more names, but I ran out of major Government agencies.

Mr. President, I ask unanimous consent that a page of the President's budget with these statistics be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 9.—FULL-TIME PERMANENT CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH

Agency	As of June 30 [1] 1974 actual	1975 estimate: In 1975 budget	1975 estimate: Current	1976 estimate
Agriculture	79,621	80,200	80,200	81,100
Commerce	28,549	29,100	28,700	28,600
Defense—military functions	973,778	995,900	960,800	953,300
Defense—civil functions	29,072	29,100	29,300	28,800
Health, Education, and Welfare	126,692	126,200	127,300	128,300
Housing and Urban Development	15,021	14,200	15,200	15,200
Interior [2]	56,558	56,100	57,900	58,800
Justice	48,188	51,000	49,900	50,800
Labor	12,788	13,000	13,600	13,700
State	22,644	23,400	23,200	23,300
Transportation	69,524	71,300	69,900	72,000
Treasury	104,391	111,400	109,000	112,500
Energy Research and Development Administration [2]	6,736	6,900	7,400	7,600
Environmental Protection Agency	9,144	9,200	9,200	9,300
General Services Administration	36,733	38,000	36,400	36,700
National Aeronautics and Space Administration	24,854	24,600	24,300	24,300
Veterans' Administration	174,515	181,800	186,200	195,700
Other:				
Agency for International Development	8,961	9,500	8,700	8,500
Civil Service Commission	6,190	6,300	6,400	6,700
Federal Energy Administration [2]	2,002	3,300	3,100	1,700
Nuclear Regulatory Commission [2]	1,538	1,900	2,100	2,300
Panama Canal	13,841	14,100	13,800	13,800
Selective Service System	2,333	2,200	2,200	1,700
Small Business Administration	3,957	4,300	4,200	4,200
Tennessee Valley Authority	14,001	14,400	14,100	15,100
U.S. Information Agency	8,829	9,100	9,000	9,000
Miscellaneous	35,844	36,600	38,600	39,600
Subtotal	1,916,304	1,963,100	1,930,700	1,942,600
Contingencies [3]		5,000		5,000
Subtotal	1,916,304	1,968,100	1,930,700	1,947,600
Postal Service	563,475	534,700	556,800	541,200
Total	2,479,779	2,502,800	2,487,500	2,488,800

[1] Excludes developmental positions under the worker-trainee opportunity program and certain disadvantaged youth programs.

[2] Adjusted for comparability purposes to reflect the change from the Atomic Energy Commission to the Energy Research and Development Administration and the Nuclear Regulatory Commission, both of which were activated Jan. 19, 1975. Positions were transferred from the Atomic Energy Commission and the Department of the Interior to staff these new agencies.

[3] Subject to later distribution.

GRADE CREEP

Mr. PROXMIRE. Mr. President, I have frequently spoken in this body about the military grade creep problem. We are top heavy with generals and admirals and middle level officers. Within the last year there has been some progress in correcting this imbalance, but not near enough.

Unfortunately grade creep has not been confined to the military members of the Department of Defense. There is continuing serious grade creep with the civilians there.

By fiscal year 1975, the number of supervisory GS–12's to 15's had almost doubled to 20 percent and the number of super grades had more than doubled to 0.17 percent. That is grade creep with a vengeance. A virtual doubling of the highest GS levels as a percentage of total work force in a 15-year period. At that rate, by the year 1990, almost half of the Pentagon's civilians will be supervising the other half on a one-for-one basis.

Mr. President, I ask unanimous consent that the civil service tables of employment for the Department of Defense in fiscal year 1959 and fiscal year 1975 be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF DEFENSE, FEDERAL CIVILIAN EMPLOYMENT AND PERCENTAGE AT EACH GENERAL SCHEDULE (GS) LEVEL

General schedule level	Federal GS employment fiscal year [1] 1959	Percent GS	Federal GS employment fiscal year [1] 1963	Percent GS	Federal GS employment fiscal year [1] 1967	Percent GS	Federal GS employment fiscal year [1] 1971	Percent GS	Federal GS positions fiscal year [2] 1975	Percent GS
GS-1	1,085	0.22	356	0.07	2,495	0.40	1,019	0.17	1,485	0.24
GS-2	19,076	3.83	9,971	1.93	30,728	4.94	9,531	1.56	10,419	1.70
GS-3	91,357	18.35	71,116	13.76	84,160	13.54	53,016	8.70	53,902	8.80
GS-4	92,782	18.63	91,551	17.71	93,541	15.06	86,999	14.27	85,068	13.88
GS-5	60,342	12.12	68,466	13.25	79,608	12.80	79,550	13.05	85,396	13.94
GS-6	23,120	4.64	27,523	5.33	29,853	4.80	37,695	6.18	35,661	5.82
GS-7	47,510	9.54	44,513	8.61	52,940	8.51	52,469	8.61	56,021	9.14
GS-8	8,843	1.78	7,012	1.36	6,947	1.12	12,600	2.07	12,161	1.98
GS-9	49,039	9.85	57,444	11.12	69,272	11.14	71,217	11.68	70,881	11.57
GS-10	6,443	1.29	5,549	1.07	5,347	.86	6,488	1.06	6,446	1.05
GS-11	41,110	8.26	54,658	10.56	66,421	10.68	74,524	12.22	72,460	11.83
GS-12	29,826	5.99	39,174	7.58	48,986	7.88	61,336	10.06	60,583	9.89
GS-13	16,949	3.40	23,548	4.56	32,460	5.22	40,039	6.57	39,615	6.47
GS-14	7,168	1.44	10,837	2.10	12,746	2.05	15,558	2.55	15,175	2.48
GS-15	2,958	.59	4,633	.90	5,323	.86	6,582	1.08	6,341	1.04
GS-16	189	.04	292	.06	689	.11	769	.13	845	.14
GS-17	83	.02	114	.02	144	.02	155	.03	149	.02
GS-18	34	.01	58	.01	52	.01	55	.01	72	.01
Total	497,914	100.00	516,815	100.00	621,712	100.00	609,602	100.00	612,680	100.00

[1] Federal general schedule civilian employment. Source: U.S. Civil Service Commission. Data available only through fiscal year 1972.

[2] Federal general schedule permanent positions fiscal year 1975 estimate. Source: U.S. Budget Appendix fiscal year 1975.

U.S. GENERAL SCHEDULE WORLDWIDE, FEDERAL CIVILIAN EMPLOYMENT AND PERCENTAGE AT EACH GENERAL SCHEDULE (GS) LEVEL

General schedule level	Federal GS employment fiscal year [1] 1959	Percent of GS	Federal GS employment fiscal year [1] 1963	Percent of GS	Federal GS employment fiscal year [1] 1967	Percent of GS	Federal GS employment fiscal year [1] 1971	Percent of GS	Federal GS positions fiscal year [2] 1975	Percent of GS
GS-1	3,418	0.35	1,355	0.13	4,039	0.32	3,008	0.23		
GS-2	45,087	4.65	29,152	2.69	56,498	4.52	1,722,155	1.71		
GS-3	173,521	17.89	148,271	13.68	157,986	12.62	107,711	8.29		
GS-4	162,571	16.76	176,517	16.29	181,367	14.49	179,392	13.82		
GS-5	109,593	11.30	129,923	11.99	154,662	12.36	163,888	12.62		
GS-6	46,769	4.82	55,262	5.10	59,377	4.75	82,057	6.32		
GS-7	90,630	9.34	97,940	9.04	109,044	8.71	114,149	8.79		
GS-8	24,813	2.56	22,788	2.10	17,661	1.41	25,929	2.00		
GS-9	99,662	10.28	120,716	11.14	134,165	10.72	139,577	10.75		
GS-10	14,111	1.45	14,560	1.34	15,623	1.25	19,356	1.50		
GS-11	79,472	8.19	106,143	9.80	128,699	10.28	144,790	11.15		
GS-12	58,099	5.99	80,959	7.47	101,536	8.11	126,636	9.75		
GS-13	37,151	3.83	56,635	5.23	75,090	6.00	96,987	7.47		
GS-14	16,274	1.68	27,454	2.53	34,455	2.75	44,772	3.45		
GS-15	7,257	.75	13,205	1.22	17,093	1.36	23,042	1.77		
GS-16	941	.10	1,742	.16	3,129	.25	3,450	.26		
GS-17	396	.04	697	.06	903	.07	1,020	.09		
GS-18	159	.02	313	.03	366	.03	385	.03		
Total	969,924	100.00	1,083,632	100.00	1,251,603	100.00	1,298,304	100.00		

[1] Federal general schedule civilian employment. Source: U.S. Civil Service Commission. Data available only through fiscal year 1972.

[2] Federal general schedule permanent positions fiscal year 1975 estimate. Source: U.S. Budget Appendix Fiscal Year 1975.

WHERE SAVINGS CAN BE MADE

Mr. PROXMIRE. Mr. President, where can these civilian savings be made in my amendment? The amendment does not direct specific cutbacks. The Defense Department has argued that it needs maximum flexibility in its civilian manpower structure and there are special provisions in the bill before us to grant them that flexibility. Therefore, in keeping with the ceiling approach instituted last year, my amendment would simply place a ceiling of 945,000 on Department of Defense civilian manpower direct hires for fiscal year 1976 and the transition period.

Nonetheless, where might the Pentagon look for savings in the civilian manpower area?

They could look at the 2,600 civilians involved in the budget category of support of other nations.

They might check out the 48,000 civilians hired as instructors or support personnel for training where the student/teacher ratio is 1.5 to 1. Colleges have a ratio of 15 to 1. The public high schools ratio is 19 to 1. But the Pentagon has 1½ to 1.

Reductions in headquarters civilians clearly are necessary. The Armed Services Committee in its report last year identified excess civilian headquarters support that should be reduced. In this year's testimony there was no indication that this had been done. The chairman of the Manpower Committee indicated that there were 72,000 such headquarters slots that should be reviewed.

There are over 2,000 civilians working for the bloated bureaucracies in the Office of the Secretary of Defense and the Joint Chiefs of Staff. Why do we need all these civilians in those functions?

There are over 73,000 civilians working outside the four services in other defense activities—the defense agencies. This is 50,000 higher than 1962, 35,000 higher than the pre-Vietnam year of fiscal year 1964.

I also suggest that reductions be made in the civilians staffs of the service secretaries. Within the past several months there have been suggestions that the entire concept of the services secretaries is redundant and unnecessary. While I do not share that observation, I do believe they can get along with a leaner staff.

I am sure, Mr. President, that the Pentagon is well equipped to find where these reductions can be made and at the same time improve the efficiency of

our Armed Forces. They have done well with the reductions in headquarters military personnel and by improving the teeth-to-tail ratio. There is no reason why they could not do the same with civilian personnel.

We have been tough on the military manpower levels—demanding more efficiency and less costs. It has paid off. It is time we turn our attention to the civilian sector and make equal demands for efficiency and reductions where possible. The 17,000 additional reduction mandated in this amendment would save the taxpayer between $170 and $255 million after the initial one-time transition expenses associated with any manpower reduction. This savings would be ongoing through every succeeding year that it is retained. It is computed on the basis of an average civilian savings of between $10,000 and $15,000 per man, which I think is a conservative estimate.

It can be accomplished without the loss of one presently employed civilian, and without stopping the current civilian recruitment program. It will allow the Pentagon maximum flexibility to transfer civilians within the Department of Defense as needed.

In view of the historical trend toward an overbloated civilian component, the declining ratio of military to civilian employees, the rising costs of the civil service payroll, the overstaffing in headquarters and support functions, and the need to economize within a defense budget of record proportions, this modest reduction in civilians, when coupled with the committee's recommendations, is prudent and farsighted.

Mr. President, I point out that we can do this without laying off one single person at the Department of Defense. The fact is that the Department of Defense is hiring 11,000 persons a month. If they cut that by 1,400 and let attrition operate, we could achieve what I am suggesting here. I think what I am suggesting is workable, practical, will save money, and I think will probably strengthen, rather than in any way weaken, our Defense Establishment.

Mr. STENNIS. Mr. President, I yield to the Senator from Georgia, who is chairman of our Manpower Committee. He and his associates and staff have been working on this very problem with the civilian and military since last fall. I yield him such time as he may need.

Mr. NUNN. Mr. President, I do not think I will need very much time, but I rise in opposition to this amendment.

The Subcommittee on Manpower has had a good many days of hearings on civilian employment. The Senator from Wisconsin has revealed some very interesting statistics and trends and actually, the Subcommittee on Manpower has been pursuing the same avenue rather vigorously. In fact, we cut 23,000 civilian personnel out of the bill this year.

In addition to those 23,000, the Department of Defense, in their budget presentation, cut over 9,000 civilian personnel from fiscal year 1975. So there has been a substantial reduction, this year, of 32,000. Last year there was another reduction by the committee of 44,000. In conference committee, that 44,000 was reduced to 32,000. If we take last year's conference committee report that went into law and if we take this year's committee cut of 23,000, and if we take the 9,000 being cut by DOD, there is a total cut of almost 64,000 civilian personnel in the last 2 years.

I think this is substantial, and I do believe if we go further than this at this time it has got to result in reductions in force and layoffs. There is a limit as to how much can be handled through attrition. We think we have reached that limit. It is not a precise thing that we can document, but we have the feeling, at least, that we have reached the limit that can be handled through attrition.

So I would say this 17,000 additional cut proposed by the Senator from Wisconsin would cause to some degree reductions and forced layoffs.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. NUNN. I yield.

Mr. PROXMIRE. Will the Senator tell us why we cannot handle this through attrition in view of the fact that the Pentagon is hiring, they expect to hire, 11,000 personnel a month? Why cannot this modest reduction of about 1,400 a month come out of those hires? Just cut the hires a bit.

Mr. NUNN. I agree the arithmetic works out that way. It just does not work out that way when you are talking about skills. You are laying off certain skills and hiring back other skills. For a lot of hire-backs they have now, the skills do not even exist. You can do it to a certain degree, but you cannot do it on a one-for-one basis.

Mr. PROXMIRE. I realize it is not easy, but, it seems to me, when you have 960,000 people to chose from you can find just about any skill you need.

Mr. NUNN. Well, you have got 140,000 attrition, and we are taking out 32,000 this year which we felt in our committee was about as far as you could go on attrition.

That 32,000 has got to come out of the 140,000, not the 900 and some odd thousand that the Senator is talking about.

Mr. PROXMIRE. As long as they are hiring additional civilians, however, and I presume the Senator does not dispute that——

Mr. NUNN. No, we are hiring additional civilians. We brought that out before.

Mr. PROXMIRE. If they are hiring 11,000 civilians a month it seems to me it is not a difficult management problem to reduce those hires and to find ways of shifting your personnel so that you could fill the slots you need with the appropriate skills.

Mr. GOLDWATER. Mr. President, will the Senator yield to me a few minutes?

Mr. PROXMIRE. Whenever the Senator from Georgia yields the floor then I would be happy to yield it to the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. The Senator from Georgia has the floor, if the Chair will indulge him another 20 seconds.

Mr. NUNN. The best information our subcommittee has—and we pursued this avenue and it seems like a reasonable avenue to pursue—is that out of 140,000 they are going to have to right now, without having any layoffs, shift the skills on 32,000 of those. In other words, they have 32,000 right now, with the committee report. Adding the 17,000 the Senator proposes would mean 50,000 and, according to the best information we can gather you simply cannot match the skills with that large a number. There is a certain amount you can handle through attrition, and certainly on an arithmetical basis you could handle all of them through attrition. You can handle 140,000 theoretically, but that does not work on a skill replacement basis, according to the information we have.

Now, I cannot tell the Senator truthfully where the line is. I do not know whether it is 32,100, 32,300, 35,000, but our best judgment is that when you go beyond, substantially beyond, the subcommittee recommendations, you are getting into layoffs, and I would hope that is not true.

If the Senator's amendment passes, I hope it can be worked out that way, but I do think I have an obligation to give the Senate the best information our subcommittee has.

I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I find myself in a rather unusual position.

Because of my great respect for the Senator from Georgia and, having worked with him on personnel problems, both civilian and military, I have to compliment him on what he and his subcommittee have done, and I am in complete agreement with what the full committee has done in eliminating the 23,000 jobs that we have done this year.

On the other hand, I find my good friend, Senator PROXMIRE, is very consistent. It is rather unusual to find consistency. As somebody once said, "Consistency is the hobgoblin of small minds." But, nevertheless, in this body it is refreshing because here is a Senator who not only talks about reducing expenses but will vote to do it.

I have been very vociferous in my discussions in the committee and elsewhere about where the Pentagon could save money, and the civilian personnel has been one of the targets of my affection particularly, I mention time and again, and it has probably changed to some extent now, when the Secretary of Defense last year admitted that he had 2,400 civilians in his office. I said, "How many did you use?" He said, "Let us start with 1,000."

But it is not that easy, as the Senator from Georgia has found out.

I get rather tired sitting here and sitting at home and listening to the man in uniform being blamed for all the trouble we have with the high rate of expenditure in this country, and I have maintained, time and time again, that it is not the man in uniform. The No. 1 problem in the Pentagon, in my opinion, is procurement, and our antiquated methods of procurement. I have discussed this with Senator PROXMIRE, and I think someday we will begin to attack that and, particularly, the number of civilians working there.

That is why I cosponsored this amendment. I think it has merit. If it does nothing else it will point up the need for further study in this field because, for the life of me, I cannot understand why this one agency of Government has such an overbalanced situation of civilians in relationship to the man in uniform, and the military man is the one who is supposed to be running that Pentagon building.

I think there are many corrections that can be made over there. I was happy when Senator PROXMIRE asked me if I could be consistent and cosponsor this amendment with him. I told him I did not think there was much chance of its passing, but it did give us an opportunity to point up our mutual interest in this problem, and to recognize, too, the difficulties that the Senator from Georgia has not only in making recommendations in this field but then in making recommendations as to just how it might be done, how it might be accomplished.

I remember discussing it with the Secretary of Defense. He said:

> There is no way under civil service that you can eliminate these jobs that I can see.

He said:

> Of course, I can transfer them to Point Barrow and they could refuse to go, and that would be grounds.

But that is a rather nebulous ground.

So I would hope that the Senate will take this amendment. I think it has merit, and I think the Senator from Wisconsin has done his usual remarkable job in research.

I am really amazed at his description when he describes the number of Pentagon civilians. I have not even counted them, but it must be the same as 10 other agencies and they still have 60,000 left over. I think that is something even the Senator from Georgia will be glad to have as weaponry for next year as we continue to try to bring some balance into being.

I would hope that the lesson the Senator from Wisconsin is constantly giving our colleagues would begin to wear in. I hear attacks made on the military on the floor and how much it is destroying our dollar and how much inflation is due to high military spending. And yet these same people will turn right around and vote for every billion-dollar increase that comes across the board, with the exception of my friend from Wisconsin.

So I admire his consistency, and I hope he will maintain it. I am happy to be a cosponsor of this amendment.

Mr. NUNN. I hope the Senator from Arizona will include the Senator from Georgia as one of those who votes against some of these billion-dollar increases.

Mr. GOLDWATER. I do, too. The objects of my attention are not noticeable by their attendance on the floor this evening. When I pointed this out to them before it usually wound up in some rather angry words.

Mr. NUNN. I thank the Senator from Arizona for his kind words, and I understand his position on this.

I was here yesterday when the Senator from Arizona made what I thought was a very thought-provoking statement about the necessity that U.S. policy separate Russia and China. If Russia and China ever got back together it would be a potent combination that would be very difficult to defeat. I feel a little bit like that when GOLDWATER and PROXMIRE get together here tonight, because that is a very difficult combination and a very potent force to take on.

Let me say there are a couple of things that the committee has done this year. Some of the points the Senator is making are valid points, but it is not as if we have not made a pretty big step in the direction that this amendment is aimed at.

First of all, we have a whole section on page 132 of the report, and the title is "Improvement Is Needed in Civilian Manpower Management."

One of the things we are asking for—I will not read the whole section—but we are asking the Secretary of Defense to develop overall workload indicators for each manpower category described in the manpower requirements report, which includes civilian personnel.

We are asking them to compare civilian personnel, workload indicators—and that is a synonym for productivity—with military productivity. We are asking them also to compare civilian work force with outside contractors.

I think that will be a very valid comparison when we get it.

Also we are asking the Secretary of Defense to take all reasonable steps to retain the most productive units and manpower when making personnel reductions and when going to base closings.

I believe we could provide very fundamental incentives to the whole civilian work force if they were to be put on notice that this work measurement and this productivity measurement were to be indicators when it came time to reduce forces in civilian personnel to also to close bases.

I think this would be an incentive system. I would not exempt all agencies of Government. This applies with equal force to all our civilian employees in Government.

So we are moving, I think, in a rather vigorous way in the subcommittee. We have made substantial reductions, not just across the board. We have not done it without a reason, but we have indicated, starting on page 133 of the committee report, exactly where we think the civilian work force can be reduced.

For instance, we are saying that the total civilians in command headquarters is too many. The Senator from Wisconsin (Mr. PROXMIRE) pointed that out a few minutes ago.

We are asking in this particular category that there be a 9,500 reduction in civilians.

In the reduction in training staffs and overhead, another category the Senator from Wisconsin referred to, have gone through this very carefully and we have asked there be a 5,500 reduction here.

In base operating support we have asked another 5,500 reduction.

Also we asked for a reduction in civilians in Thailand, based on the drawdown we anticipate there.

We have tried to establish, as a subcommittee, a pretty careful analysis of which service is doing the best job. We have taken the service that has done the best job and reduced it least, both in military and civilian manpower.

We think that we can provide incentive to the services when one service is doing a particularly good job.

The committee has moved pretty far along in this particular report, and unless particular efforts develop, I believe the 23,000 and 9,000 reduction is as much as we can prudently achieve without causing layoffs.

I do believe the Senate should take that into consideration when they vote on his amendment.

Mr. STENNIS. Mr. President, has the Senator from Georgia completed his remarks?

Mr. NUNN. For the time being.

I do not have anything else, if the Senator from Wisconsin wants to yield back his time.

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

Now, Members of the Senate, this all sounds good and I know the Senator has worked on this, he and his valuable staff, but our committee's recommendations, as the Senator from Georgia says, already reduced these figures by 23,000.

If we get that through conference, we will be doing mighty, mighty well. The reductions that have been made in the last few years, most all of them, have come through pounding, pounding in the conference on these very questions.

I think we are going to have our hands full, a full-time job, to get this 23,000. Based on my experience, however well it may sound, we are not going to be able to do all this with just attrition. It just does not work out that way, as the Senator from Georgia said:

> We have a systematic, planned, regular, year-round activity . . .

May we have quiet over there in that corner; I will just talk louder.

> year-round activity trying to count the men in uniform and the men out of the uniform—men and women—to see what reductions can be made in a systematic way and a sound way. Now, we are making some headway.

My opinion is that if we load the bill down now with this additional reduction, we are going to make it less likely in conference. That is the way it works. I think we would make it less likely that we get the 23,000 we are already carrying, sustained in conference.

There is another amendment to be considered involving these civilian strength levels. An amendment will be taken up soon to try to make a special category out of some of these civilians, set them up in a special category so they will not be touched by what this bill does.

Well, I am going to oppose that amendment, too. I do not have any favoritism, and I am not trying to protect anyone.

We are going to have at least one other amendment to further cut those in uniform. There is an amendment, which we may take up in a few minutes, to further cut those in military uniform.

And on and on and on, ad infinitum.

We are no better than anyone else in estimating this, but we do have a system that continues in operation. I believe that we have made recommendations, civilian and military, based on realities and on

UMI

facts and that gradually, from year to year, we are making headway.

I think it is better to leave the bill as it is.

We know that we have been trying to give people jobs. Now we come along and consider an amendment to take jobs away from them.

Well, I think all of them ought to work more than they do. That is my belief—I mean most all of them—and I do not say the Defense Department could not get along with fewer people, but I think, as a practical matter, we better leave it at 23,000 and I hope the Senate sees fit to do that.

I commend the Senator from Wisconsin because he is ever on the job, but I believe it is an overdose, and I hope we keep this at 23,000.

Mr. PROXMIRE. First, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 13 minutes remaining.

Mr. PROXMIRE. Mr. President, I yield 3 minutes to the Senator from Illinois.

Mr. PERCY. Mr. President, I intend to support this amendment. I think it would probably be the best way to insure that we do keep and hold in conference the 23,000 cut. I think it is really worth the effort.

This discussion and the colloquy take me back several years ago when I offered an amendment that was supported by Senator GOLDWATER and Senator STENNIS. It served its objective to just simply cut by 25 percent the cost of rotation of military personnel to permanent duty stations.

I think the Senator from Wisconsin remembers the extended discussion that we had.

It was maintained that it would be impractical, it would not work, and that it should not be done. But I was very gratified at the confidence of the distinguished Senators from Mississippi and Arizona, and their own experience which had paralleled mine in military service, that we changed too frequently and did not stay at a duty station long enough.

I am happy to report that I have monitored that amendment now every year since then. The accumulated savings are about a half billion dollars and morale went up, servicemen stayed longer in a duty station, they learned their job better, their families liked it, it became a very, very popular thing.

So many times we look at these figures on the status of the force and manpower and we think they cannot be changed. But I think this is a commendable effort to just make a modest change, when we consider we are talking about after one-time transition expenses of a quarter billion dollars. We are not talking about firing anyone. In industry, in cutting budgets I have many times found that when you did work with normal attrition and you just kind of held the line in there, it put in a sense of discipline that was not there before.

I think this is worthy of the effort. I believe we will be strengthening and supporting the efforts of the committee to cutback in other areas they have already put into the bill. I would support the amendment.

Mr. NUNN. Will the Senator from Illinois yield for a question?

Mr. PERCY. Yes.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. I yield an additional 2 minutes.

Mr. NUNN. I wonder if the Senator from Illinois would be willing to expand this concept to cover civilian personnel in HEW and other agencies as well as DOD?

Mr. PERCY. Not only that, but he would extend it also to the Congress. I have been concerned about some jobs that I see around here that I think we can probably do without.

Mr. NUNN. I agree with the Senator completely, but I will be interested when the HEW bill comes up to see about this consistency. I think there are soft spots in all parts of Government. I would venture to say that we have probably done more cutting in DOD than anywhere else, even among the civilians.

Mr. PERCY. I believe if my distinguished colleague will check back into the RECORD, he will find that the Senator from Illinois has supported civilian cuts in other agencies that have been offered. The one area where I have insisted we should not introduce and support such cuts is in the General Accounting Office, the Internal Revenue Service, and other areas where there is a revenue gaining measure by those personnel.

Mr. NUNN. I would agree with the Senator.

Mr. PERCY. I have always excluded those areas from cutbacks of this kind.

The Senator from Illinois has supported cuts before, and I do not feel that the DOD is sacrosanct and should be excluded from a relatively minor cut of this kind. I realize the distinguished Senator from Georgia, serving on the Government Operations Committee, does his homework extraordinarily well, a marvelous job, and has done a great service to the Senate by his colloquies in the last couple of days.

But in this particular case I believe this is worth a try. The Senator from Illinois thinks it will preserve the cuts which the Senator has put forth.

Mr. NUNN. The Senator from Illinois has been one of the leaders in the field of productivity and I have worked with him closely on that. I believe he is consistent.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. I yield 3 minutes to the Senator.

Mr. NUNN. When we get into this bureaucracy, it is easy to jump on the Department of Defense more than anyone else. I want to make sure that whatever we do, we try to be consistent. Whatever message goes out by reason of this vote and what this body does on civilians in the work force I think should be pointed not just toward the Department of Defense but really toward all of the Federal Government.

Mr. PROXMIRE. I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. STENNIS. I yield back the remainder of my time.

Mr. NUNN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from North Carolina (Mr. MORGAN), the Senator from Rhode Island (Mr. PASTORE), the Senator from Alabama (Mr. SPARKMAN), the Senator from California (Mr. TUNNEY), the Senator from Mississippi (Mr. EASTLAND), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. NELSON), and the Senator from Illinois (Mr. STEVENSON), are necessarily absent.

On this vote, the Senator from Rhode Island (Mr. PASTORE) is paired with the Senator from Alabama (Mr. SPARKMAN). If present and voting, the Senator from Rhode Island would vote "yea" and the Senator from Alabama would vote "nay."

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN), would vote "nay."

Mr. GRIFFIN: I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Nebraska (Mr. CURTIS), the Senator from Maryland (Mr. MATHIAS), the Senator from Ohio (Mr. TAFT), and the Senator from Texas (Mr. TOWER), are necessarily absent.

On this vote, the Senator from Maryland (Mr. MATHIAS) is paired with the Senator from Texas (Mr. TOWER).

If present and voting, the Senator from Maryland would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 42, nays 40, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—42

Allen	Dole	Mansfield
Bellmon	Eagleton	McClellan
Biden	Fannin	Metcalf
Brock	Garn	Muskie
Bumpers	Goldwater	Packwood
Burdick	Gravel	Pearson
Byrd, Harry F., Jr.	Griffin	Percy
Byrd, Robert C.	Hart, Gary W.	Proxmire
Cannon	Hart, Philip A.	Randolph
Case	Haskell	Ribicoff
Church	Hatfield	Roth
Clark	Hathaway	Symington
Cranston	Helms	Weicker
Culver	Hollings	
	Johnston	

NAYS—40

Abourezk	Huddleston	Pell
Baker	Humphrey	Schweiker
Bartlett	Jackson	Scott, Hugh
Bayh	Javits	Scott, William L.
Beall	Laxalt	Stafford
Buckley	Leahy	Stennis
Chiles	Long	Stevens
Domenici	Magnuson	Stone
Fong	McClure	Talmadge
Ford	McIntyre	Thurmond
Glenn	Mondale	Tunney
Hansen	Montoya	Williams
Hartke	Moss	Young
Hruska	Nunn	

NOT VOTING—17

Bentsen	Mathias	Sparkman
Brooke	McGee	Stevenson
Curtis	McGovern	Taft
Eastland	Morgan	Tower
Inouye	Nelson	Tunney
Kennedy	Pastore	

So Mr. PROXMIRE's amendment was agreed to.

LEGISLATIVE PROGRAM

Mr. GRIFFIN. Mr. President, I take the floor for the purpose of inquiring of the majority leadership as to what we might expect in the way of a program for the rest of the evening and, perhaps what we might expect tomorrow.

Mr. ROBERT C. BYRD. Mr. President, the next amendment, according to the agreement entered into, would be the amendment relating to an increase from 13 to 16 divisions. The Senator from Alaska (Mr. GRAVEL) is the author of the amendment.

Mr. STENNIS. Mr. President, if the Senator will yield to me, does not the amendment read 14 divisions?

Mr. ROBERT C. BYRD. I am reading from the whip notice, and on the whip notice I have 13. That was perhaps an error.

So it would be an increase from 14 to 16 divisions.

The Senator from Alaska (Mr. GRAVEL) has indicated he would be willing to reduce the time on that amendment to 40 minutes, to be divided equally. That is agreeable to the Senator from Georgia (Mr. NUNN), who will oppose the amendment.

So I make that request.

The PRESIDING OFFICER. (Mr. BUMPERS). Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I withdraw the request. I had, I thought, consulted with the Senators on both sides of the aisle.

The PRESIDING OFFICER. The request is agreed to.

Mr. ROBERT C. BYRD. No; I ask that the request be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, that would be the last vote today, may I say to the distinguished Republican whip. After that vote, the Senator from Nebraska (Mr. HRUSKA) is going to speak on the bill for a while, and then the Senate will come in tomorrow at 9 a.m., and continue with action on amendments.

Mr. GRIFFIN. I thank the distinguished Senator.

Mr. STENNIS. Mr. President, will the Senator yield on that point?

Mr. GRIFFIN. I yield to the Senator.

Mr. STENNIS. Does the Senator mean to say we will start consideration of the amendments to the bill in the morning at 9 a.m.?

Mr. ROBERT C. BYRD. There are no special orders for tomorrow, and if the distinguished manager of the bill——

Mr. STENNIS. That means then that the membership is advised now that there may be votes taken even before 9:45, or something like that?

Mr. ROBERT C. BYRD. Yes.

Mr. STENNIS. I emphasize that now.

Mr. ROBERT C. BYRD. If the Senators will allow me I will try to do that.

Mr. President, I renew my request that the time on the pending amendment be limited to 40 minutes, to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, reserving the right to object, I think it is a very important amendment. I think after the prolonged debate on this subject the other day, it is going to take quite a bit of explaining, and I just do not think it can be done in 40 minutes. I wish we could put it off until tomorrow.

I have a long letter from the Army explaining this, which, I think, when I read it, the Senators will understand it, but it is not a short letter.

Mr. STENNIS. Mr. President, will the Senator yield to me?

Mr. GOLDWATER. I am happy to.

Mr. STENNIS. Has the Senator read the amendment that is proposed? It says just not permitted to go beyond 14 divisions.

Mr. GOLDWATER. I read it.

Mr. STENNIS. I would think it would be easily defeated on the facts.

Mr. NUNN. We want 16 divisions.

Mr. GOLDWATER. The Army wants 24.

Mr. STENNIS. That is another matter, how many they are going to get.

Mr. GOLDWATER. That is what we are talking about.

Mr. STENNIS. We defeated an amendment making it 14.

Mr. GOLDWATER. We already have 14.

Mr. LONG. Mr. President, if the Senator will yield, might I suggest that the Senator would do a lot better explaining this while we have a great number of Senators in the Chamber in 20 minutes than he will to take an hour when we do not have anyone here.

Mr. GOLDWATER. Mr. President, I withdraw my objection. I am just getting hungry.

The PRESIDING OFFICER. Without objection the unanimous-consent request is agreed to.

Mr. WEICKER. Mr. President, I make inquiry of the distinguished Senator from West Virginia.

From the comments he made relative to the program for tomorrow, am I to understand there is no morning hour?

Mr. ROBERT C. BYRD. That is correct, unless the Senator would like to have an order for 15 minutes in the morning or if he would wish to have some morning business that can be arranged.

Mr. WEICKER. I would hope that there would be at least 15 minutes for transaction of morning business.

Mr. ROBERT C. BYRD. Very well. That will be arranged.

Several Senators addressed the Chair.

Mr. STENNIS. Mr. President, may we have quiet in the Chamber?

I believe this is the chance for us to get the issue quickly drawn.

Mr. GRAVEL was recognized.

Mr. GRAVEL. Mr. President, I call up my amendment No. 535, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes amendment No. 535.

The amendment is as follows:

At the appropriate place in the bill, insert a new section as follows:

SEC. —. None of the funds authorized to be appropriated by this or any other Act may be used for the purpose of carrying out any plan to increase the number of divisions for the active Army above fourteen until after September 30, 1976.

Mr. GRAVEL. Mr. President, if I may have the attention of Senators I think this will be very brief. The reading of the amendment explains the amendment.

The Army wants to increase the number of divisions above what it presently has, that is, to go to the number 16.

I do not know what has happened in the last 2 years as to why the Army wants to have more combat divisions. The way I read the newspapers, we have gotten out of Southeast Asia, and we are on a course of détente.

Mr. President, do we have order in the Chamber?

The PRESIDING OFFICER. Will the Senators please take their seats or retire in the cloakroom?

Mr. GRAVEL. Mr. President, they tell us that the reason why they want an increase in this force is that they want the possibility of beefing up Europe and beefing up Korea.

I think each Senator can make his own judgment as to whether or not we want to see a beefed-up force in Europe when we, the American taxpayers, are paying more for the defense of Europe than is the European taxpayer.

Mr. NUNN. Mr. President, will the Senator yield on that point for clarification?

Mr. GRAVEL. I will yield on the time of the Senator from Georgia. I will be happy to.

Mr. NUNN. This is on my time.

Nobody is talking about putting any more forces in Korea and Europe. Nobody is talking about that. The Army is not talking about that. The Department of Defense is not talking about that.

This is the first time I ever heard that, and I just want to clarify it. These forces would be in the United States. These forces are already in existence. These forces are being converted from inefficient assignments to combat assignments. They would remain here. They are not going to Korea or to Europe.

Mr. GRAVEL. I ask my colleague why would we want to have more combat troops in the United States of America. What has happened in this country that we now have to have more combat troops?

Mr. NUNN. I am not going to yield any more of my time at this point. If it is on the Senator's time I will answer the question.

Mr. GRAVEL. I will pose the question rhetorically, if anybody wants to answer it on their time.

Why is it heard that we have to have more combat troops in the United States of America today than we had last year—and I will yield in a moment—when we have a statement by the Secretary of Defense, Melvin Laird, on February 17, 1972, where he says:

UMI

The Army and Marine forces are sized and structured to be able to respond in concert with our allies during wide spectrum of conflict intensity ranging from a NATO confrontation with the Warsaw Pact to minor contingencies requiring perhaps a few brigades or battalions.

That was in 1972.

In 1974, Secretary Schlesinger felt that we had enough forces.

We have dropped one of the big contingencies for which we must be simultaneously prepared and have adopted in the jargon a one-half-year war strategy instead of two-and-a-half-year war strategy.

After we made that policy decision, we now have to have more combat troops, and we are told they are not for abroad but they are not for defending the people of the United States in the United States.

Mr. GOLDWATER. Mr. President, will the Senator from Georgia yield?

Mr. NUNN. I yield on my time to the Senator from Arizona.

Mr. GOLDWATER. Although I know the Senator from Georgia is the chairman of this subcommittee, I think this explanation I have received from the Secretary of the Army should be read at this point. It will not take very long.

Then the chairman can go on with his detailed explanation of just how this is coming about.

So, if the Senator from Alaska will yield, and it is on our time, I will be very happy to read this letter, which I think will explain to the Senators just what is going on.

Mr. GRAVEL. I will be happy to yield on the Senator's time.

Mr. GOLDWATER [reading]:

DEAR SENATOR GOLDWATER: I can appreciate the questions that have arisen concerning the defense strategies of our country, and requirements arising from them for certain Army force levels. Let me put these in context.

Between 10 and 15 years ago, U.S. planners enunciated a "2½ war" strategy as an objective that U.S. ground forces should be able to satisfy. It was drawn up at a time when the U.S. enjoyed nuclear superiority and was assuming major responsibilities for the defense of both Europe and Asia. Realistically however, actual Army forces over the last 15 years have never been able to execute this strategy. We had to form three new divisions and four separate brigades just to attain a "2 war" capability during Vietnam, and since then have been able to fight only about one major war. The "2½ war" strategy was a myth never attainable within given resources.

Recognizing this, we replaced this "2½ war" objective with a more realistic "1½ war" strategy. It is one which requires that principal Army resources be able to satisfy NATO requirements, and one minor contingency elsewhere. Let us recall that these minor contingencies occurred in World War II in such areas as Panama, Alaska, Greenland, Iran; and since then in Lebanon and the Dominican Republic. We must anticipate similar contingencies in the future as well.

What then is our capability to execute the "1½ war" strategy? In sum, it is marginal at best. General Abrams, whom I knew and respected deeply, told the Armed Services Committee before he died last year that the Army of 13 active divisions and 8 National Guard divisions was a "high risk" force. He called it a "no margin for error" force in the face of ominous Soviet force increases and increasingly unstable world conditions. The Joint Chiefs of Staff and the Secretary of Defense have concurred in that judgment.

We need a 24 division Army force to deter a NATO ground conflict and to cover a simultaneous contingency someplace else—that's it in a nutshell. The current Army force of 21 divisions simply does not have the size, flexibility or speed of deployment to accomplish our strategy.

The driving requirement in all cases is the NATO/Warsaw Pact standoff, where 20 U.S. divisions is the minimum necessary to insure NATO a reasonable chance of fighting Pact forces to a standstill without recourse to nuclear weapons. There is still risk, but one judged prudent, that this would lead to a ground stalemate without losing most of NATO's land area or suffering catastrophic battle losses. Negotiators could then resolve the situation. Our strategists consider this unattractive to the Soviets. It deters them from an opportunistic land-grab, and prevents them from forcing "unequal" treaties on Western European nations.

Mr. GRAVEL. Mr. President, will the Senator from Arizona repeat that? I did not understand it, and I think other Members of this body did not. Was he acknowledging, with respect to NATO, that these divisions would be used on the part of NATO?

Mr. GOLDWATER. I will read it:

The driving requirement in all cases is the NATO/Warsaw Pact standoff, where 20 U.S. divisions is the minimum necessary to insure NATO a reasonable chance of fighting Pact forces to a standstill without recourse to nuclear weapons.

Mr. GRAVEL. Does that language mean that with these divisions there is going to be less to go to Europe, as opposed to the statement of the Senator from Georgia, who said that was not the case?

Mr. GOLDWATER. Not necessarily.

Mr. GRAVEL. That option is open, so much open that they would mention it in the letter.

Mr. GOLDWATER. The driving requirement in all cases is the NATO/Warsaw Pact standoff. We are not committing these forces. This is the driving requirement; just as if we were engaged in war in Korea, we would need more than the strength we have over there. We do not have the force. This does not commit. It merely states the Secretary of the Army's opinion, which I am sure reflects the opinion of the Chairman of the Joint Chiefs of Staff as the minimum we would need.

Mr. GRAVEL. That is at variance with the views of the Senator from Georgia, who holds a different view, that they will not be used in Europe.

Mr. NUNN. The statement the Senator from Alaska made was that these forces are going to be sent to Korea or Europe. The Senator from Georgia made it very clear that they are not going to be sent to Korea or Europe. They will be in the United States. But all our troops in the United States are subject to being sent to Europe, in a NATO contingency. That is the kind of reserve force we have. So the Senator is confusing the issue completely. They will be for a NATO contingency, but they will not be stationed in Europe. The Senator was alluding to balance of payments and other things which had absolutely zero to do with this issue.

Mr. GOLDWATER. I call the attention of the Senator from Alaska to the statement earlier in the letter, where the Secretary recited the 10 to 15 year requirement for a two-and-a-half war possibility, and that has now been reduced to one-and-a-half war—not that we are having one-and-a-half wars or even one war. We have to plan.

I continue reading the letter:

In the event we have to meet such a NATO requirement, our flexibility with the current 21 division force is virtually zero. Since the single division in Korea would not be available for rapid deployment, we would have no strategic reserve, and could not meet any of the collateral contingencies. But with the 24 division force we *can* reinforce as needed, *can* maintain a strategic reserve, and *can* handle a side contingency.

Finally we need the 24 Army division force to be able to get forces to Europe *in time*—something the current 21 Army divisions cannot do in the event of conflict. NATO forces and Warsaw Pact forces in Central Europe are not in balance, even when we consider the slightly smaller size of USSR and Pact divisions. Moreover, the Soviets can mobilize and move huge forces much more quickly against NATO than we can reinforce—throwing the balance heavily against us. After a very brief mobilization, the Soviets and its Warsaw Pact allies could deploy 86 divisions against only 46 NATO divisions, not counting 27 more Soviet divisions held in Central Reserve.

The 24 division Army can reinforce NATO in time to stall this juggernaut, because it will have increased *active* divisions (16 instead of 13), better forward basing (forward-based brigades of Stateside divisions), and much improved Reserve and National Guard deployment posture (through affiliation with active units). It has the muscle and responsiveness to do the job *fast enough*.

Let me conclude by saying that the stark realities of national security require lean, visible, and ready combat power. That is what the strategy calls for and that is what the Army is offering. The programmed force of 16 active Army and 8 Reserve Component divisions will satisfy that strategy at a level of prudent risk. An Army force of 13 active and 8 Reserve Component divisions will not.

Sincerely,

NORMAN R. AUGUSTINE,
Acting Secretary of the Army.

The reason why I read this letter, I say to the chairman and my friend from Alaska, is that during a little debate the other night with the distinguished Senator from Arkansas and with Senator Kennedy and others during the day, the question kept popping up as to why 24 divisions. At that time, none of us on the committee felt that we should disclose what I have just read, because the Army and the Joint Chiefs have felt it to be rather highly classified—and I still think it is classified. But they have been willing to disclose it.

So this explains why the 24 divisions in the Army's and the Joint Chiefs' opinion—and why I believe the Senator from Georgia can back this up by demonstrating that we can achieve this with no new people.

Mr. NUNN. The Senator is correct.

Mr. President, at this point, I reserve the remainder of my time.

Mr. GRAVEL. Mr. President, first, with respect to the letter, it is interesting that the Joint Chiefs decide to declassify when it makes their argument. But I would be ashamed of the argument, because I think it is Maginot Line intellectual thought, and that was bankrupted in the Second World War.

When the military planners of this country talk about a 24-division force, they are talking about fighting the Second World War all over again. Believe me, there cannot be any sane human being in the world today who can understand or draw a scenario where we are going to bleed ourselves white with a Second World War type of conflict without going to nuclear capability.

It absolutely is ridiculous. So, to pay the cost of that idiocy is even more ridiculous.

I still pose the original question: Cite me one threat in the world today that warrants an increase in combat forces. That is the issue at hand. Telling me that the military people want 24 divisions or want 16 divisions, that is not logic enough. They would want 100,000 divisions if they could. That is more generals, more field grade officers, more of everything. They would love to have it. They would love to have a big juggernaut. But it does not make sense. We who are civilian planners, we who are to make the decisions here, have to differentiate between idiocy and logic.

It makes no sense at all in the face of successful détente, in the face of the end of our involvement in Southeast Asia, the fact that Thailand is telling us to get out, the fact that the Philippines tell us that they are going to reevaluate their policy and are going to be telling us to get out, the fact that in Korea, if we took a poll of the American people, they are not prepared to fight there. They have 42,000 people ready to get out there, where are we going to put those people? In the United States?

If I thought for a moment that we were going to put these people in the United States, I would vote for it, because the American people would not tolerate it for a minute. They would want to know why we have these people.

Mr. NUNN. Does the Senator understand that the Army is being reduced by 5,700 people and that there are actually less people in the U.S. Army now, or will be after we approve this bill, than there would be before? The Senator does not have to worry about finding spaces.

Mr. GRAVEL. I will not buy that one bit. They have played games with us all along. I cannot even get declassified a document that would show the idiocy of our NATO policy.

Mr. NUNN. If the Senator will read the bill, if he believes in the law—that is to say, if we are going to pass it—if they believe in the law, we have to have 5,700 less.

Mr. GRAVEL. I know we believe in the law, but I hope my colleague is not going to be persuaded or will not be disappointed when he finds out that the military does not——

Mr. NUNN. Where are they going to get the 5,700, unless it is taken out of the force structure, which this bill does? It takes 5,700 out of the Army force structure and they are talking support troops that are ready people and they are converting them to combat. They have beds, they eat, they sleep.

Mr. GRAVEL. To give an idea of how the game is played, the information that I have indicates that one of the divisions is going to be used in Europe. What they are going to do is take people from service groups, turn them over to combat, hire more civilians——

Mr. NUNN. The Senator is confusing two points completely. The European amendment was my amendment last year. It requires the Army to reduce 18,000 in support and allows a permissive add-back. They are complying with that amendment. That is separate and completely apart from their move to 16 divisions.

Mr. GRAVEL. Let me tell the Senator what the military has discovered. They have discovered manna in the Senator's amendment of last year. We were on their backs to cut all the flab. They may take a sergeant who is in a flabby support group and put him in a combat group, but believe me, he is still the same old flabby sergeant. We can take a general who has not done a tactical maneuver in 20 years and move him from the PX area and put him into the combat area, but he still knows no more about combat than he did 5 years ago. That is what we have given the military, a device to get around us.

Mr. NUNN. Is there anything in the Senator's amendment that cuts out the flab on that sergeant?

Mr. GRAVEL. The only thing we can do is not let him have any more.

Mr. CULVER. Will the Senator yield?

Mr. GRAVEL. I am happy to yield.

Mr. CULVER. It seems to me that if the Senator's objective is to reduce manpower, the amendment is deficient. What he is doing by limiting the Army to 14 divisions, is to force the Army back into its old ways. He is forcing the Army to have the same inefficient ratio of support to combat that Senator NUNN and others of us on the subcommittee have been working hard to break them out of.

In actual fact, the Army has been the one service that has been responsive to the congressional prompting to get a greater ratio of tooth to tail, and this amendment, I think, would be very counterproductive. It would set that effort back and it would contribute to greater inefficiency.

Mr. GRAVEL. Let me say I do not want to set the effort back. If we compare us to the Russians, they can field 28,000 people per area. The Chinese can do it for 16. And we have to have 60. So if we are going to cut out flab, why not just go and do it, then save us the money?

From 1946 to the Korean war in 1951, we had 1,500,000 people under arms. Why is it that we now have to bribe the military, through this device, to give them more combat troops so that they can keep the flab in there? Otherwise, if we kept pressuring them, they would have to get them out of the service. This is what I do not think the Senators see.

That is what the classic mistake is. They are going to keep their force levels right where they are by juggling people around when, in point of fact, we do not have a better fighting force. If they want to make a good fighting force, cut out the flab and at the same time, cause a greater effort to be made within the combat army.

Mr. GOLDWATER. Will the Senator yield?

Mr. GRAVEL. Has anybody answered the question I posed earlier? In today's world climate—maybe Senator CULVER can answer it or the Senator from Georgia or the Senator from Arizona. What has happened in the world that we need more combat troops?

Mr. GOLDWATER. Will the Senator yield?

Mr. GRAVEL. I shall yield if he can answer the question.

Mr. GOLDWATER. I will ask the Senator from Georgia to yield to me.

Mr. GRAVEL. I posed the question and I shall not yield unless somebody can answer the question: What has happened in the world that we need more combat troops?

Mr. GOLDWATER. Will the Senator yield for me to answer that?

Mr. GRAVEL. I am happy to yield.

Mr. GOLDWATER. I do not know what is happening here. If the Senator wants me to answer that question, I shall be glad to do it.

Two years ago, or a year ago, the Senate told the Committee on Armed Services "We want you to change the ratio of combat troops to service troops."

Let me finish.

Mr. GRAVEL. That is not answering the question I posed. I did not ask what happened in the Army. I know what happened in the Army. They want more people. I am asking what happened in the world that makes this country want more combat divisions?

Mr. GOLDWATER. That is easy. We are in more trouble than we have ever been in in our lives.

Mr. GRAVEL. What is the proof of it?

Mr. GOLDWATER. The Middle East, South Vietnam.

Mr. GRAVEL. Is the Senator prepared to send divisions into the Middle East?

Mr. GOLDWATER. We have Korea, we have them all over the world. Panama.

Mr. GRAVEL. Why talk about Korea, when South Korea has more troops than North Korea? Why do they need us there?

Mr. GOLDWATER. That is a determination that is up to the President, not up to this Senator. I am going to answer the question in a way that I think will satisfy a lot of the questions.

Mr. GRAVEL. I am sorry to say to my colleague that I refuse to yield more time unless my colleague is prepared to answer my question.

Mr. GOLDWATER. If the Senator cares to hear the answers, I know them.

Mr. GRAVEL. Let us ask the Senator from Georgia.

Mr. NUNN. When we had a drawdown at Vietnam, we went down to a level that we could not even afford to go down to. We went down to 13 divisions and we had something like 850,000 to 880,000 men. Now we have cut the personnel way down to 785,000 and they are going to 16 divisions. So the beginning point is that we went too low to begin with. We are below what we need to have to be able to fulfill the kind of combat capability, in a conventional sense, in NATO in the first 90 days. That is one example.

UMI

Mr. GRAVEL. Will my colleague explain that NATO?

Mr. NUNN. I will explain it perfectly, because the Senator is aware of the precarious position with tactical nuclear weapons, for one thing, over there. The more conventional force we have, the less chance there is that we are going to have to use tactical nuclear weapons.

Mr. GRAVEL. May I respond to that?

Mr. NUNN. On the Senator's own time. I will be glad to yield.

Mr. GRAVEL. Mr. President, how much time do I have, and how much time do my opponents have?

The PRESIDING OFFICER. There are 5 minutes remaining to the Senator from Alaska and 10 minutes to the Senator from Georgia.

Mr. GRAVEL. I will respond to it on my time.

My colleague makes the point that what we need are more troops so we will lower the threshold of nuclear capability in Europe.

Let me tell the Senator that we have no say over the nuclear threshold in Europe. Does the Senator know why? Because France has nuclear capability, and let me read to the Senator what Giscard d'Estaing said on the 24th of October 1974 about their nuclear capability:

> Well, first of all, there is our strategic nuclear force. Until now——

I am quoting from the statement of the President of France——

> it has, in fact, been presented as a deterrent force. But nobody has said in this hypothesis under what conditions this deterrent should be brought into play. As far as I am concerned, I can only speak for exercising my own mandate as President of the Republic. I believe that the French nuclear deterrent can be used only against powers which themselves are nuclear or against powers, a very unlikely hypothesis, I will admit. But all hypotheses must be taken into account which . . . threaten our own territory.

What the President of France is saying, albeit whatever the Senator wants to say, whatever the President of the United States wants to say, "that which threatens our territory." They do not even have to go to war. They will go ahead and use nuclear capability as he sees it.

So you can do all you want to on nuclear threshold, but there is going to be a nuclear war in Europe that is going to be started without our——

Mr. NUNN. Is the Senator aware of the fact that Russia would have to go across West Germany to go to France?

Mr. GRAVEL. Let me reread the language to the Senator.

Mr. NUNN. That is where you have a condition of——

Mr. CHILES. Mr. President, will the Senator yield for an explanation there? I do not speak French. Do the three dots translate into something? [Laughter.]

Mr. GRAVEL. No, it just means a separation.

I would be happy to yield to anybody else who has an intelligent question.

I still pose the question, of course, you can be voting on this, as to what is happening in the world that requires the United States of America to have more combat troops, whether they are stationed in the United States or elsewhere. What has happened domestically that requires more combat troops? What is the situation in Europe? Has it become graver than it has been? We have to take their word. We have more troops than even East Germany.

Mr. PHILIP A. HART. I ask this question because I am unsure of the premise. Am I correct that whether we adopt this amendment or not there is a limitation on the total manpower? Is that correct?

Mr. GRAVEL. Yes, there is.

Mr. PHILIP A. HART. Why does it not make more sense to make more of that manpower in the combat service and less in the support services?

Mr. GRAVEL. Well, of course, they can do that anyway, and that is where the hoax is. They can increase the amount of combat-effectiveness of our divisions.

Mr. PHILIP A. HART. Up to 14 or whatever it is.

Mr. GRAVEL. Up to 14. But those——

Mr. PHILIP A. HART. Why, if you have the manpower, does it not make sense at least to authorize them to go to a fuller allocation to combat personnel than noncombat? I thought we were always hung up over the fact that there were too many guys shining shoes and not enough carrying rifles.

Mr. GRAVEL. Well, first of all, the divisions they want are infantry divisions. It is a come-on because next year we are going to be hit with the cost of these divisions. An infantry division is used in the jungle type of warfare not in Europe. In Europe, the planners intend to use mechanized divisions. Those will cost us about $3 billion. So what they are doing there is a foot in the door. They found out, as I pointed out earlier, from the device last year when Congress was pressing them to become more efficient that they could not respond to that argument, so now they come back and say, "Oh, yes, now we buy your argument. Let us make our divisions more combat-ready."

Mr. NUNN. They started on this 4 years ago.

Mr. GRAVEL. With the price tag of making themselves more combat-ready. If they want to make themselves more efficient they can go ahead and do it. They can cut out the fiab and save the taxpayers that money.

Mr. PHILIP A. HART. I still do not know how.

Mr. GRAVEL. I suspect that next year's budget will show the Senator how because they will be in to equip those people with the tanks and the wherewithal, and also the budget will show the Senator how they have gone out and hired civilians. What they do is they put these in combat form and get the support to back it up afterwards.

The PRESIDING OFFICER. All time of the Senator has expired.

The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, I want to make a couple of brief points, and then I have three people to whom I want to yield.

First of all, what is happening here is these people are all nonsupport conversions. We have got a couple of other things that I think are very important; 12,500 of these new people they are putting into the new divisions are existing members of the National Guard and Reserves.

One of the pet peeves that Congress has had for a long time is that the military have not properly used the Reserves. In other words, they have been sitting there and we have been paying for them. But you can make a strong case that they have not been utilized as well as they should have been.

So the Defense Department has had a total force concept recently, but they have not implemented that as well as they should have.

For the first time the Army is coming to us and they are saying:

> We are going to have three new divisions, if you approve the total force level.

That is what we are talking about, approving the force level, and they want to go to those divisions. We do not have anything in the law about divisions, so they are saying:

> We are going to do that. We are going to form three new brigades in each division. Now, out of each one of those three we are going to have one National Guard or Army Reserve brigade to affiliate.

What this means is that for the first time we have a military service that is properly, or at least trying to properly, utilize the Reserves and the Guard. They are going to have an affiliated brigade out of every three. So this is, I think, a very good move to really change the rhetoric of the total force concept into reality.

Now, out of the other part of the 45,000, 7,000 already are in existing combat elements, so that gives you 22,500, and then in addition to that they are taking 25,500 people who are now in support functions and they are changing those into combat functions.

While we are doing that we are reducing the Army in civilian and military personnel. So what the Senator from Alaska said that they are going to go out and hire additional people, that is just not the fact, and he is confusing this situation completely with another situation in Europe that we have already corrected.

Just a couple of points about what would happen if we pass the amendment of the Senator from Alaska. First of all, he said, the Senator from Alaska has said, he has made the statement, that he wants to cut out the divisions. But what he has done is that he will have locked in these 25,500 people that the Army is now telling us they can convert into combat elements, they will have been locked into support, so he is locking in people to sit behind a desk who could be behind a rifle.

I do not think anybody would want that. That is completely contrary to what Congress has been trying to do in the last 8 to 10 years.

Another thing, the Senator from Alaska, in drafting his amendment did, did not leave any room for contingencies like we did in the War Powers Act. If you look at the amendment very carefully, you will see even if we had an all-out war in Europe and Korea and everywhere else at the same time, the President of the United States would be barred by this amendment until September 1976 from forming a new division. So we would be passing a law that would go tenfold further than the War Powers Act. So I think it would be very detrimental in affecting the efficiency of the combat forces in what the Army would like to do.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. NUNN. I have no more time to yield.

Mr. GRAVEL. What I want to know is what it will cost the taxpayers of this country in discovering what the Senator says is good for them.

Mr. NUNN. I yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, I have listened to the debate and I will only take a moment.

I agree with the position taken by the junior Senator from Georgia and by Senator CULVER and others along that line.

I really feel that a great deal of effort has been made, and especially within the Army, to follow the mandates of Congress over the past few years, and to follow the Nunn amendment of last year. We have the final say here in Congress as to the amount of manpower and the amount of materiel. Beyond that, I think the matter of the number of divisions should be left up to the Army.

I think it would be extremely detrimental to the flexibility that we are trying to build into our Army, to the tooth-to-tail nature of the Nunn amendment, to do otherwise. So I will oppose the amendment of the Senator from Alaska.

Mr. NUNN. I thank the Senator from Vermont. I yield to the Senator from South Carolina such time as he needs as I have remaining. The Senator from Arkansas would also like to make a statement, if he will save some time.

Mr. THURMOND. Mr. President, one of the most constructive programs ever proposed by the Department of Defense is the Army plan to increase available combat power by reconfiguring from a 13- to 16-division force. During this portion of the debate on conventional force planning, I would like to discuss why I believe a 16-division force is necessary.

The need for this initiative derives from fundamental events affecting our national security posture. Since it is less likely that nuclear power will be used in international confrontations during an era of nuclear parity, the balance of usable power has shifted to conventional forces. In this latter arena, the Soviets have mounted massive efforts to increase and improve their strength at a time when similar U.S. capabilities have been rapidly declining. Because of these developments, the balance of U.S. military power and the credibility of associated U.S. foreign policies and commitments are now questionable in the view of many world observers.

I need not emphasize that this trend has coincided with a remarkable rise in the level of international tensions and a deterioration of stability in recent years. We find American interests around the world challenged and in some cases threatened by an assortment of volatile new political forces, economic and resource power groupings, and military pressures. An unpleasant reality is that while U.S. interests remain global, those of our allies have become largely regional, as exemplified by events along NATO's southern flank.

Mr. President, little as we like to acknowledge it, these developments could result in military confrontations, both in and beyond the NATO context, exceeding present U.S. capabilities of effective response. We face the sobering prospect of being unable to control a major conflict without recourse to nuclear weapons or of being able to negotiate from a position of assured strength. In the fact of these more challenging realities, a level of 16 Army and 8 Guard divisions is the minimum needed to preserve fundamental U.S. interests at a degree of "prudent risk."

The Army has, therefore, embarked on an intense effort to increase combat power without an overall increase in strength. It is the view of the committee that the recommended reduction of 5,700 manpower spaces will not impact on the ability of the Army to accomplish the 16-division goal. However, creating the 16-division force without an increase in strength is made possible because headquarters and support units are being pared to the bone, marginally needed support assets are being converted to combat and great responsibilities are being given reserve components.

Mr. President, because this program stresses the redistribution of existing dollar and manpower assets, costs are minimal. The Army plans to shift about $381 million in fiscal year 1976 and a total of about $2.5 billion over 5 years from other valid requirements to reconfigure the force. This will raise the percentage of combat forces Army-wide from 45 to 53 percent and from 62 to 69 percent in U.S. Army Europe. The principal risk, a loss in the Army's combat staying power—particularly in the NATO theater—has been carefully weighed and judged acceptable. On balance, the 48 new combat battalions being formed are an extremely cost-effective investment.

I would like to stress that this program is in full consonance with recent guidance of Armed Services and Appropriations Committee reports to improve the combat posture of the Army.

Mr. President, I believe this program is one that should have our full support. It will provide a lean combat ready force with the optimum blend of strength, modernization and flexibility for immediate contingencies. It also adds significantly to our ability to protect our interests, as required, in the world. Both of these benefits can be achieved for a relatively modest cost.

Mr. President, I will take just about a minute and a half to bring out this point. I think the Army is to be commended for responding to the recommendations of the Armed Services Committee and the Senate to convert more troops from support to combat.

For instance, in the 13 divisions in 1975 support constituted 55 percent, combat constituted 45 percent.

The 16 divisions in 1976, support has gone down to 47 percent and combat has gone up to 53 percent. In other words, this 8 percent has been transferred from support to combat which we think is good.

In Europe, the combat forces there have been increased from 62 to 69 percent without any increase in manning, and we think that is good.

We think this amendment is uncalled for, that it would hurt the national security, and we hope this amendment will be defeated.

Several days ago, I placed in the CONGRESSIONAL RECORD a letter from the Chairman of the Joint Chiefs of Staff representing the sentiments of the Joint Chiefs of Staff strongly opposing an amendment of this kind and advocating the 16 divisions.

The 16 divisions will not cost any more except for some equipment just being absorbed by the Army over a 5-year period.

We think it is highly important that this amendment be defeated.

Mr. McCLELLAN. Mr. President, I just want to make one observation.

In my judgment, this is one of the most constructive actions that has been taken by the Defense Department, taken at the instance and encouragement of the Congress itself.

What we get out of this is more fighting capability, more potent military force, without increasing personnel. It is simply taking fat and converting it into muscle. That is what we are doing.

I think Secretary Calloway and Mr. Schlesinger are to be highly commended because I think this is one of the most constructive actions that has been taken. I think it ought to have the overwhelming support of this body and the Congress.

SEVERAL SENATORS. Vote! Vote! Vote!

The PRESIDING OFFICER (Mr. BUMPERS). Who yields time?

SEVERAL SENATORS. Vote! Vote!

Mr. NUNN. I yield to the Senator from Mississippi.

Mr. STENNIS. The Senator does not have to give me any time. Go ahead and finish.

The PRESIDING OFFICER. Is the Senator from Georgia yielding his time back?

Mr. NUNN. I yield all my time back.

Mr. STENNIS. No, no.

The PRESIDING OFFICER. The question is on the amendment——

Mr. STENNIS. Mr. President, just a moment, please.

This is an important matter. I went out of the room, and when I got back the time had been yielded.

I yield myself 3 minutes under the unanimous-consent agreement on this amendment. That is permitted.

This is a very important, highly important matter, as I said, and this amendment by all means, with all deference to its author, ought to be defeated.

But I think we ought to say more about just what it means. It will cost some more money.

There will be additional equipment and additional cost. That is certain to go with it. But if they are going on and use the manpower we allot them under this bill and build more of a bone and muscle army—and that is what they have been doing—then they will be worth a whole

lot more and I would not think 16 divisions would be too much.

This bill reduces the number to 779,300. A reduction of 5,700, I believe, as said.

I would not just make them an outright promise now to go to 16 divisions. I would say, keep working, make them earn it. They have done, as I say, this excellent job in converting over from the so-called headquarters to the active combat units.

It has taken years to get the plan started. The planning was started in the Armed Services Committee years ago. Now, let us not wreck the plan that the Army has joined in, doing such an excellent job, by just chopping the head off here at 14 divisions.

That would be a grave mistake, I think. But I would emphasize to them that all their manpower has to be approved by the Congress, the money has to be appropriated by the Congress, and we annually set those numbers and we will give such additional equipment for divisions, as in our discretion we may see fit, based on the bone and muscle units that they produce.

So I hope this amendment will be defeated.

Mr. GRAVEL. Will the Senator yield half a minute?

Mr. STENNIS. Yes, I think in fairness I should yield to the Senator from Alaska such time as I took. I yield him——

Mr. GRAVEL. Two minutes.

Mr. STENNIS. Two minutes, then.

Mr. GRAVEL. Let me just close by saying very simply, we have the military cutdown flat—just tell them to do it. I do not know why we have to bribe them with $3 billion.

Essentially, what is happening here is we have those civilians. The Secretary of Defense has no control over military. They say they will cut this flat.

It is good, I agree. Why can they not just plainly do it? Why have an increased combat capability?

Then I pose the next question. We know in our hearts in the last 3 years the threat in the world has decreased, not increased, for us and for us to go back to ask for an increase in conventional capability makes no sense at all.

The threat is not larger; it is less. Therefore, we do not need to spend this extra $3 billion or have this extra combat capability.

We should just tell the military, cut out the fat and trim it down, period.

I ask unanimous consent that a statement on this subject prepared by Edward L. King be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ANALYSIS OF DEPARTMENT OF DEFENSE REQUEST TO INCREASE THE ARMY TO 16 DIVISIONS

GENERAL BACKGROUND

Secretary Schlesinger has indicated that it is the judgment of the Department of Defense that in FY 1976 the Army should begin to return to the 16 active and 8 reserve division force level it maintained in 1964. He proposes to do this within a projected September 30, 1975, end-strength of 793,000. This end-strength would be adjusted down to 765,000 in later years.

The principal reason given by the Secretary for why the DoD needs 16 rather than 13 active-duty Army divisions is because previously the Department "basically went too far in reducing our active-duty ground forces." Also, the Defense Department contends that their plans for initial defense should depend primarily on the active forces because Guard and Reserve divisions could not be readied for combat in time. Additionally, the Secretary indicated that DoD current plans call for the maintenance of "two major strongpoints" in Central Europe and Korea, and that this requirement combined with the need "to provide a highly combat-ready force for initial defense" dictates a 16 division Army force augmented by 3 active-duty Marine divisions.

The Secretary of Defense has stated that within a total active Army strength of 793,000 (or 785,000) it is not possible to man 16 divisions as part of the standing Army because of the requirements of command, support and training. He proposes to draw on the Army Reserve for selected combat and support units to round out the active divisions. Secretary Schlesinger is on record as believing that Congress should endorse the goal of 16 Army divisions and join DoD in:

Offering the Army the incentive to convert spaces from support to combat by allowing them to retain the benefits of increased efficiencies in the form of increased combat power.

Maintaining active Army end-strength at the minimum level of 765,000.

Considering whether active Army strength should not be increased to reduce dependence on the Guard and Reserve for initial defense forces.

Succinctly stated the increased division plan is as follows:

(1) By the end of FY 1975: (a) Add the combat elements of a fourth brigade to the 2nd Armored Division (which is now being formed out of the costly experimental TRICAP division).

(b) Add a reduced-strength infantry division to the active force bringing the total number of Army divisions to 14.

(2) In FY 1976: (a) Add two more divisions (one infantry and one mechanized) raising the total strength to 16 active divisions.

(b) Continue to also maintain 3 separate infantry brigades (3,500 men each), 3 armored cavalry regiments (2,500 men each) and 1 air cavalry combat brigade (approximately 3,000 men).

DISCUSSION

In consideration of the DoD request for the costly addition of 3 new divisions several factors should be evaluated. For the purpose of discussion, I have listed some of the more salient points:

(1) On February 17, 1972, in his FY 1973 posture statement, Secretary of Defense Laird justified the reduction to a 13 division Army force level by saying, "the Army and Marine Forces are sized and structured to be able to respond in concert with our allies to a wide spectrum of conflict intensity ranging from a NATO confrontation with the Warsaw Pact to minor contingencies requiring perhaps only a few brigades or battalions." He went on to say, "we have concluded that 13 active Army divisions and 3 active Marine divisions is the minimum peacetime 'baseline' force necessary to support national objectives . . . structured in this way, our ground forces do provide a necessary flexibility."[1]

In February 1974 Secretary Schlesinger indicated that "we have dropped one of the big contingencies for which we must be simultaneously prepared and have adopted, in the jargon, a 1½ war strategy instead of the 2½ strategy of the 1960's . . . the change in strategic concept has accompanied the reduction in the baseline general purpose forces, the principal change was the reduction in the number of active Army divisions from 16⅔ in 1964 to 13 in 1973."[2] Mr. Schlesinger now says that this reduction that he supported in testimony in February 1974, "basically went too far in reducing our active-duty ground forces." The question could be asked why Mr. Schlesinger has had such an abrupt change of mind in 13 months, unless it is because he needs a rationale which will enable him to better defend his force end-strength and establish a case for possibly gaining some future increases in active-duty manpower.

But more importantly, if 16 divisions were adjudged by the DoD and JCS as adequate to deal with 2½ wars in 1964, why does it require 16 divisions in 1975 to deal with 1½ wars. What drastic changes have occurred in the foreign threats we face which make the 3 division increase necessary? Since 1964 overall U.S. national security objectives have been reduced, major treaty commitments have remained constant and worldwide military requirements have been reduced. During this same period, U.S. foreign policy objectives (which the military forces after all are maintained to support) have undergone the drastic change of detente and a consequent lessening of the threat of early armed confrontation with the Soviet Union or the Peoples Republic of China. In fact as a result of detente, the DoD statements of threat posed by the U.S.S.R. and the P.R.C. have been revised in FY 1975 to reflect a less urgent threat level.

Analysis of the FY 1975 and FY 1976 DoD Posture Statements do not show on the record, any substantive evidence of increased threats, treaty commitments, foreign policy objectives, military requirements or service mission changes that necessitate or justify the requested increase in Army divisions.

(2) In the absence of substantive outside foreign or military policy requirements that would justify the increase there remains the statement of Secretary Schlesinger that (a) Army divisions have been cut too far and (b) the need to let the Army form more divisions as an "incentive" to improve their poor combat-to-support ratio. Secretary Schlesinger in stating the argument that the number of divisions has been cut too far stresses the need for more ground combat forces for an initial defense of Europe. He indicates that the Supreme Commander Allied Powers Europe (SHAPE) has for years advocated the need for an increased number of U.S. conventional forces for an initial defense in Europe. Yet in 1970 the commander of the U.S. Army in Europe indicated that if he were required to reduce his force level he would recommend reducing combat units rather than support units.

There have been no indications of a change of mission for U.S. Army forces in Europe that would require the addition of 3 more backup divisions in the United States. And if the 3 divisions are intended to bolster U.S. capability to respond quickly with conventional divisions for an initial defense in Europe, why are two or the three divisions being formed as standard infantry divisions. Most military experts agree that the armored or mechanized infantry divisions are most appropriate for combat service in the initial stages of a fast-moving mobile defense of Europe and how does the Army propose to resupply these forces if they were moved quickly to Europe. There is not an adequate wartime supply line (LOC) available to even effectively supply the 4½ divisions we currently have in Europe.

Army infantry divisions are most suitable for fighting in the rugged terrain of Asia, Africa and Latin America, yet under the Nixon doctrine there is supposedly no plan to use U.S. ground forces in such areas. Why then does the Army need to form two more standard infantry divisions in addition to the three infantry divisions it currently has on active duty?

In addressing the argument that the Army must be offered an "incentive" to convert spaces from support to combat by allowing them to maintain costly higher end-strength levels raises the following considerations:

1. Is this not an abdication of the constitutional principle of civilian control of the military? The Secretary of Defense is in effect affirming that since he wants the Army to dedicate more of its costly manpower to combat duties he cannot direct them to do so with any reasonable expectation that they will comply, unless he offers them the bribe of not reducing the expensive end-strength. Past experience has shown that this type of civilian defense management by giving in to the parochial desires of the military services leads only to increase military demands. By his "management by incentive" Secretary Schlesinger is doing little to change this mistaken past policy of civilian defense leaders.

2. Why should the Army be rewarded by an incentive of maintaining an end-strength in which over 70% of the manpower is assigned to other than combat skill duties? The granting of this incentive to the Army is in effect rewarding it for having for years structured its Tables of Organization and Equipment (TO & E's) and consequently the Army forces, in such a professionally impractical way as to create the present situation in which over 55% of the Army is assigned to other than the major combat divisions. (See discussion of ratio of manpower to divisions below).

The Army has tacitly indicated it has around 45,000 personnel in command, administrative and logistical support assignments that are nonessential to the Army's main combat mission. Rather than assign these personnel to additional divisions, why not remove them from active duty. Annual savings of at least $144 million could be made by such an action. This would leave the Army with an end-strength of 737,000 military personnel. The full manning of 13 divisions only requires 210,000 of those military personnel, this still leaves 527,000 personnel to perform other command, administrative and logistical support jobs. This is adequate to man a leaner more combat mission oriented force—if the Army would only structure its TO & E's to form such an austere force.

3. In FY 1974 the ratio of active Army manpower to number of divisions was 61,800; in FY 1975 this ratio was 60,300. This high ratio of active duty manpower to divisions is about the same as it was after World War II and during Korea when Senator Robert Taft commented on Jan. 5, 1951, "there are certain principles which I think should be impressed on our Army officials. Is it necessary for this country to provide from 60 to 70 thousand men in uniform and half as many more civilians to put a division of 18,000 men in the field."

The only change since that time is in the size of the Army division; it is now 16,000 to 17,000 men. Yet with the smaller division the ratio of active Army manpower to division was 76,300 in FY 1970; 82,200 in FY 1971 and 65,200 in FY 1972.

The best indicator of the imbalances created by the Army's too plush Tables of Organization and Equipment, which under any division level assign such a small amount of Army manpower to divisional forces (in FY 1975 only 208,000 out of 785,000), is the fact that in FY 1976 the Soviet ratio of active ground forces manpower, to each deployed division will be about 23,900. The Chinese ratio will be 16,600.

Thus, if increased ground combat power is the Army's objective increasing the number of too fat and over-supported division on active duty is not the way to accomplish this goal. The division force equivalent (DFE) of an Army division has for many years been 48,000 men (16,000 in the combat division, 16,000 in the initial support increment (ISI), 16,000 in the sustaining support (SSI). Yet even within the combat division less than 50% of the personnel are assigned to combat duties.

If the Army needs more divisions and can make a justifiable case for them, the way to obtain them is to restructure the Army TO & E's so that such a high ratio of active Army manpower is no longer serving in other than the combat divisions. The addition of 3 divisions within the current end-strength is in effect maintaining the same out-of-balance combat productivity in the Army and removing any incentive to seriously examine and change the poor ratio of active duty manpower to divisions.

4. The Secretary of Defense has indicated that the 13-division figure was decided on by the Nixon Administration "on the assumption that our high-priority National Guard and Reserve divisions (however there are no Army Reserve combat divisions) would achieve sufficiently high standards of combat readiness so that we could deploy them almost as rapidly as our active Army divisions." But Mr. Schlesinger then says, "We have now concluded, however, that such heavy reliance on Guard and Reserve divisions for initial defense would be imprudent . . . it is worth remembering, in this connection, that it took a minimum of eleven months to ready these divisions for combat in World War II and Korea."

In contrast to these statements by the Secretary of Defense we have the testimony of the Chief of the Reserve components, Department of the Army appearing before the House Armed Services Committee on March 20, 1974, and speaking to the challenge of increased readiness for the reserve forces he said, "meeting the challenge is a matter of resolve. We fully intend to meet it, the key of course is readiness—ready for mobilization and ready to deploy to meet the Nation's needs . . . a dedicated recruiting effort coupled with appropriate enlistment incentives will do the job, training has improved and will continue in that direction . . . overall these factors spell increased readiness and capability to perform assigned missions."

Yet despite these optimistic predictions less than a year ago before the House Armed Services Committee and the funding Appropriation over $4 billion in funds for the Guard and Reserve, Mr. Schlesinger is now saying that the American people can't rely on the reserve ground forces for rapid availability for battle in time of national emergency. He proposes that they spend approximately an additional $3 billion in equipping the 3 new Army divisions, but at the same time he wants the taxpayer to pay $726 million more in FY 1976 for Guard and Reserve forces whose ground elements he contends are not sufficiently combat-ready to fight to defend the U.S. in the early days of a national emergency.

And also at the same time the Secretary is saying that the Reserve ground combat forces are not sufficiently combat-ready to be relied on, he is proposing to use Reserve combat units to round out the active divisions that he plans to use for initial emergency defense missions. It seems impossible that he can have it both ways.

5. The DoD has estimated the eventual total cost of equipping the 3 new divisions at roughly $2.5 to $3 billion. This raises the question of what has happened to the sets of division equipment that were left over at the end of the Vietnam War. At the peak of the Vietnam War in 1969, we had the equivalent of 19 Army divisions. Now 6 years later with 6 fewer divisions, we can't equip 3 divisions—and 2 of those are infantry divisions which require the least equipment of any type Army division. The 6 sets of divisional equipment has obviously been sold or given away to allies and the Guard and Reserves. But that doesn't explain why it hasn't been replaced in our war reserve stocks?

6. On page 130 of his 1976 Posture Statement, the Chairman of the Joint Chiefs of Staff indicates that "as support units [in Europe] are reduced, it will be necessary to hire local civilians to perform certain tasks previously done by military men." Thus the implementation of Section 302 of the 1975 Defense Authorization and Procurement Act will result in the Army transferring some 12,000 military personnel in Europe from support to combat duties, but then replacing most of these support personnel with Local Wage Rate (LWR) foreign national civilian employees. The result of this sleight-of-hand personnel policy in the words of General Brown will be "that Section 302 will cause an increase in the U.S. Army Europe budget." This increase for replacement local civilian employees is in addition to the increased costs inherent in transferring and equipping the support personnel transferred to the planned combat units. All of these additional and related costs should be considered before approving the formation of three new Army divisions.

SOME UNANSWERED QUESTIONS

Why does the Army need to return to 16 active Army divisions? In 1964 when the Army was at the 16 division level the Department of Defense planned on fighting 2½ wars. Now under the Nixon Doctrine the Department plans contingencies on the basis of 1½ wars. If we are now planning to fight one less war, why do we need 3 more Army divisions to do it?

What are the increased foreign military threats, changed treaty commitments, foreign policy objectives and military mission requirements that necessitate a 3 division increase in our active Army?

In recent testimony and statements the Secretary of Defense has indicated that we possibly could not count on our Guard and Reserve forces for use in reinforcing an initial conventional defense of Europe. For this reason he has stressed the need for the three division increase in the Army. Yet two of those divisions would be standard infantry divisions, which according to Army doctrine are not as suitable for combat in Europe as armored or mechanized divisions. What are the military and foreign policy requirements that have caused the requirement to form two additional infantry divisions? And is it planned later to convert these two infantry divisions to mechanized divisions at further expense to the taxpayer?

In FY 1976 the Army ratio of manpower to division will be about 60,000 to one. Why does it take such a large ratio of Army soldiers to field each of our combat divisions? And what is the ratio of Department of the Army civilians to each division?

The Department of Defense estimates that it will eventually cost nearly $3 billion to equip these 3 new Army divisions. Why should it require such a large expenditure for new equipment. What happened to the sets of divisional equipment that were left over after we deactivated the equivalent of 6 divisions at the end of our direct involvement in the Vietnam War? And, why does the Secretary of Defense indicate on page III–47 of his annual Defense Department Report for 1976 that one of the reasons we need to increase our tank production is because additional tanks are required for the 3 new divisions. It is my understanding that infantry and mechanized divisions have a relatively small number of assigned tanks.

Is the Army not in effect having to be offered the "incentive" of a constant end-strength in order to get it to improve the woefully low-combat-to-support ratio. Isn't this a form of bribery rather than appropriate civilian control of the military?

If the Army is in need of additional divisions, why were only approximately 235,000

[1] Page 81–86 Secretary of Defense Melvin Laird's Annual Defense Department Report, FY 1973.

[2] Page III–3 DoD Military Manpower Requirements Report For FY 1975.

soldiers out of an Army endstrength of 785,000 assigned to the combat division forces in 1974. And if there is a continuing need for more divisions, why will only about 250,000 soldiers out of an Army end-strength of 793,000 be assigned to the combat divisions in 1975?

The Chairman of the Joint Chiefs has indicated that the cost of U.S. Army Europe will probably increase. This increase is said to be probable because of the envisioned need to hire local German civilians to replace the military personnel being transferred from support units to jobs in the newly organized combat brigades being formed under the 3 division increase. These additional combat brigades are to beef-up the number of forces the U.S. voluntarily stations in West Germany in the absence of any specified treaty requirement. Why is it necessary to increase the number of combat forces the U.S. maintains in West Germany? What recent comparable increases in combat units have the French, British, Dutch, Belgium and Danish armed forces made to the NATO command? Why is it necessary to replace the U.S. support personnel with local civilian employees? Is it not possible to eliminate most of these support jobs being performed by military personnel being transferred to the new combat units because their support duties were previously evaluated as "nonessential"?

CONCLUSIONS AND RECOMMENDATIONS

Based on published public information, it is concluded that there has been no significant change in foreign conventional threats, treaty commitments, U.S. foreign policy objectives or Army mission requirements that would necessitate or justify a three division increase in the active Army. While it is considered desirable that the Army improve its poor combat-to-support ratio, it is considered that in view of the current disproportionate share of Army soldiers assigned to other than the combat divisions that additional Army divisions could be created from within a lower FY 1976 end-strength level.

There appears to be no valid reason to activate two additional Army infantry divisions for a NATO reinforcement role. Nor is there a justifiable need to have two additional infantry divisions for intervention in areas of Asia, Latin America or Africa where infantry divisions are most suited for modern combat operations.

It is also concluded that furnishing the Army an "incentive" to maintain an unnecessarily high FY 1976 end-strength level in relationship to active combat manpower assigned is in effect to encourage the Army to continue to structure its TO & E's in such an improper way as to continue the current out-of-balance Army combat and support forces. Furthermore, the DoD by encouraging such "incentives" is rewarding past unsatisfactory Army manpower utilization through a civilian leadership policy of management through incentive rather than directives which establish and promote civilian control of the military forces. Continuation of such weak civilian control over the military forces can only spell eventual disaster for our democratic society.

It is recommended that the Army not be authorized to form three additional divisions within the requested end-strength of 793,000. Rather it is recommended that active Army FY 1976 end-strength be reduced to 750,000 personnel by September 30, 1976. It is further recommended that no authorization be granted for the hire of additional local wage rate German civilians to replace U.S. Army Europe military personnel transferred from support to combat duty. All such support spaces should be eliminated at the time the military person is transferred to the newly formed combat units.

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. GRIFFIN. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. THURMOND. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Carolina (Mr. MORGAN), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Illinois (Mr. STEVENSON), the Senator from California (Mr. TUNNEY), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Idaho (Mr. CHURCH), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Maine (Mr. MUSKIE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), the Senator from Alabama (Mr. SPARKMAN), the Senator from North Carolina (Mr. MORGAN), and the Senator from Mississippi (Mr. EASTLAND) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Nebraska (Mr. CURTIS), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Ohio (Mr. TAFT), the Senator from Texas (Mr. TOWER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Texas (Mr. TOWER) would vote "nay."

The result was announced—yeas 2, nays 70, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—2

Cranston	Gravel	

NAYS—70

Allen	Fannin	Johnston
Bartlett	Fong	Laxalt
Bayh	Ford	Leahy
Beall	Garn	Long
Bellmon	Glenn	Magnuson
Biden	Goldwater	Mansfield
Brock	Griffin	McClellan
Buckley	Hansen	Metcalf
Bumpers	Hart, Gary W.	Mondale
Burdick	Hart, Philip A.	Montoya
Byrd, Harry F., Jr.	Hartke	Moss
	Haskell	Nunn
Byrd, Robert C.	Hatfield	Packwood
Cannon	Hathaway	Pell
Case	Helms	Percy
Chiles	Hollings	Proxmire
Clark	Hruska	Randolph
Culver	Huddleston	Ribicoff
Dole	Humphrey	Roth
Domenici	Jackson	Schweiker
Eagleton	Javits	Scott, Hugh
Scott, William L.	Stennis	Thurmond
Stafford	Stevens	Welcker
	Stone	Williams

NOT VOTING—27

Abourezk	Mathias	Pearson
Baker	McClure	Sparkman
Bentsen	McGee	Stevenson
Brooke	McGovern	Symington
Church	McIntyre	Taft
Curtis	Morgan	Talmadge
Eastland	Muskie	Tower
Inouye	Nelson	Tunney
Kennedy	Pastore	Young

So Mr. GRAVEL's amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAVEL. Mr. President, I think it is obvious to all that on this particular subject there is a lot of room for growth on our side of the issue.

Mr. President, I suggest the absence of a quorum.

Mr. HRUSKA. Mr. President, will the Senator withhold that?

Mr. GRAVEL. I withdraw it.

Mr. HRUSKA. Mr. President, these remarks are chargeable to debate on the bill.

Mr. President, along with several other Members of the Congress, I recently had the opportunity to participate in a fact-finding mission to Europe where we engaged in briefings and discussions on the state of our North Atlantic Treaty Organization, NATO, alliance.

President Ford was then in Europe where he attended the NATO Summit Conference, after which he met and conferred with various heads of state.

As we listen and participate in this general debate on our defense and foreign policy goals and more specifically on the merits of S. 920, it might be helpful to reflect upon the importance and place of the NATO alliance to the United States and the relationship that this military procurement bill has to that alliance.

A little more than 17 years ago, in a speech sponsored by the New Hampshire Council on World Affairs, the late John Foster Dulles sought to define what America's foreign policy ought to be. Although the passage of time has brought many changes both to the United States and to the world in general, Secretary Dulles's observations in New Hampshire are still very valid.

In that speech, Secretary Dulles stated—

There is nothing mysterious about the goals of the United States foreign policy. It seeks to defend and advance the interests of the United States.

He then went one to define those interests as follows:

(1) The life of our people and the physical safety of our homes. These would be endangered by war.

(2) The well being of our economy. This would be gravely impaired if hostile forces dictated the pattern of world trade.

(3) The integrity of the principles for which our Nation was founded. Our Nation is more than population, more than real estate. Our Nation represents ideals. These ideals are an integral part of America, to be defended and promoted by our foreign policy.

Mr. President, these words ring as true today as they did 17 years ago. Our foreign policy should be guided by self-interest. The American people have a right to expect, to demand, that the officials in Washington both elected and nonelected are guided by this basic principle.

The first interest which Secretary Dulles mentioned was that of defending our people and homeland from war. In order to maintain peace the United States relies upon collective defense treaties the most important of which is, of course, the NATO Treaty. These member countries, all acting out of self-interest, are bound together in this collective defense arrangement so that each is committed to go to the aid of the other in the event of an armed attack. The circumstances which give birth to this treaty are still in effect today. That is, the massive military power of the Soviet Union.

Although the words exchanged between our two countries are now softer and more conciliatory, although we have found areas of cooperation, the fact remains that from a military viewpoint the Soviet Union is just as great a threat to the NATO allies as she was when the treaty was first signed. Perhaps, from a military viewpoint, the only thing that has changed is the fact that the Soviet Union now represents a far greater threat to the American homeland then she did when NATO was founded.

I do not mention these things because I advocate a return to the cold war tensions that once existed between the United States and the Soviet Union but rather to point out that danger which caused the formation of NATO has not in reality diminished.

That alliance is beset by many grave problems. Greece and Turkey are embroiled in a dispute which threatens the very existence of NATO's southern flank. In Athens, we had the opportunity to meet with high officials of the Greek Government. During my discussions with these leaders, I was impressed with the grave seriousness of the Cyprus problem and how it could adversely affect NATO's ability to remain dominant in the eastern Mediterranean.

Should NATO's southern flank collapse, Italy engulfed in her great economic difficulties and with a strong Communist Party would become the first line of defense in the Mediterranean.

The problems with Portugal are well-known to the Members of this body. Only time will tell us whether that country bordering on the Atlantic Ocean remains true to her commitments or falls prey to the forces of communism. Should Portugal withdraw from NATO its loss would be a severe blow to the cause of freedom and the security of the free world.

Furthermore, Western Europe, as the United States, is struggling under various economic problems which if unresolved, could lead to social unrest and uncertain stability in the times ahead.

It is with these problems as a background that our NATO allies watched the collapse of South Vietnam. The tragic events in Southeast Asia gave rise to doubts in some quarters that the United States could be viewed as a reliable ally. To a certain degree, President Ford's firm handling of the *Mayaguez* incident has helped to allay some of these fears. There is still, however, an underlying concern that the United States may become increasingly isolationist.

This possibility is viewed with great alarm by those of us who have watched the growing military strength of the Soviet Union. For example, it is estimated that the Soviets have over 4 million men in their armed services. This is about twice the number of the United States. It is also estimated that they have a commanding lead in tanks and tank production, 4 to 1 and 5 to 1 respectively. In the artillery tubes they lead us 3 to 1 as well as 3 to 1 in heavy mortars.

In the vital field of seapower, the Soviets have made impressive gains. The Russian fleet has been transformed into a global force capable of dominating large areas of the world's seas. For a Europe, whose lifelines are the seas, this is a very ominous development. In the past, our European allies could count upon the U.S. Navy's clear superiority at sea. That superiority has now been challenged.

The Soviets also have an impressive arsenal of nuclear missiles. Some estimates indicate that their missiles which are capable of being equipped with MIRV's have three to six times the payload of our missiles. Such capability raises some doubts about our second strike capabilities. If the Soviets reach the point where they can achieve a reasonable expectation of destroying many of our nuclear weapons during a first strike, they may feel that our second strike ability or willingness to respond to such an attack can be questioned. The question being asked in light of these developments is why is the Soviet Union, with its clear superiority in land forces, seeking supremacy in nuclear strategic weapons and at sea?

In Vienna we had the opportunity to meet with Ambassador Stanley Resor, the former Secretary of the Army, and now the U.S. representative to the Mutual and Balanced Force Reduction Negotiations, and to receive an excellent briefing on the status of those negotiations. Additionally, we met the United Kingdom, Federal Republic of Germany and the Soviet Union's representatives.

In these meetings and briefings it was clearly demonstrated that the Warsaw Pack countries, of whose ground force the Soviet Union makes up 50 percent, have significant advantages in ground forces located in the proposed area of reductions.

The NATO allies have a ground force manpower of 770,000 along with 6,000 tanks in that same area.

Arrayed there against this is a Warsaw Pact ground force of 925,000 plus 15,500 tanks. Thus, despite the fact that NATO possesses substantial and well-equipped conventional forces in that territory the present Warsaw Pact advantage makes these ground forces the key to the problem of a military confrontation in Central Europe.

Again the question is asked what are the intentions of the Soviet Union and the Warsaw Pact allies.

While we may not have the answer to these questions, we certainly have the ability to respond to the challenges and concerns which they engender.

Senate passage of S. 920 without any cuts in the various authorizations would be a sure signal to both our allies and potential adversaries alike that the United States stands ready to honor its commitments and repel any attack upon our NATO allies. Many of the items contained in this bill are of prime importance if we are to remain militarily strong enough to honor those commitments. The B–1 bomber and the Trident weapon system, for example, are integral parts of the Triad system which is designed to operate worldwide. Since the potential danger points are worldwide—so must be our ability to respond. Any attempt to reduce the amount authorized by the committee for these vital programs should be rejected. On the European scene, of vital importance is airborne warning and control system, AWACS, for which the bill provides.

How tragic it would be if, at a time when Western Europe, Japan, the People's Republic of China, and other countries are recognizing this growing threat to their security, the United States were to foolishly allow the Soviet Union to become the greatest military power in the world.

In the second area of self-interest—that of the well being of our economy and the need to prevent world trade from falling under the domination of hostile forces, we see that the Soviet military might pose a potentially very serious problem. The Soviet Navy operating freely throughout the world can pose a danger to the world commerce. As their naval forces sail through the Indian Ocean, the Strait of Malacca, the eastern Mediterranean, and soon the Suez Canal, and other key bodies of water their ability to disrupt trade is immense.

If they choose to do so, and the United States was unable to respond, the damages would be long lasting for to a large extent it is our trade relations which help to keep the Free World together. Should this trading relationship be diminished or threatened by acts of the Soviet Union, many countries would undoubtedly be forced to consider a closer dependence upon the Soviet economic bloc. We have already witnessed the effect in Europe which the Arab oil embargo had upon the foreign policies of a number of our NATO allies. This lesson should not be lost.

Finally, there is the interest of maintaining the integrity of our principles. It is inconceivable that the United States could turn her back and allow the philosophy that communism represents to dominate not only Western Europe but Japan, Africa, Latin America, and other areas still free. To do so would be a betrayal of our heritage and the first step toward the loss of our own freedom.

This is not to say that the United States should try to regain her role as

UMI

the world's policeman. The teachings of Vietnam are too fresh in our minds to allow that to happen. It is vital, however, that we do not overreact to Vietnam and become isolationists, because to do so would be to ignore the simple fact that the survival of our ideals and our way of life are inaiterably linked to the survival of Western Europe and the free world.

Mr. President, it is with these thoughts in mind that I urge upon my colleagues Senate passage of S. 920 without any crippling cuts in our defense programs. This clear display of our intent to maintain a strong national defense would be a sure signal to our allies and to the Soviet Union that the United States stands ready to honor its commitments, and that we are aware that those commitments are in our own best interest.

Many of the items contained in S. 920 are of prime importance if we are to remain militarily strong enough to honor those commitments. The B–1 bomber and the Trident weapon system, for example, are integral parts of the Triad system which is designed to operate worldwide. As we have seen the potential danger is worldwide—so must be our ability to respond. Any attempt to reduce the amounts authorized by the committee for these and the other programs vital for our defense should be rejected.

Mr. CHILES. Mr. President, I want to first compliment my colleagues who took the time and effort to organize this 2-day debate on defense and foreign policy.

Against the backdrop of this year's military authorization bill, I believe it should be part of the Senate's role to look for a broad consensus on the issues—and to build on the long months of hard work and analysis brought to us by the distinguised chairman from Mississippi and the other members of the Armed Services Committee.

Rather than try to add my own thoughts on all the issues that have been discussed so far, I would like to make some brief comments to put floor actions like this in perspective. I want to comment on what, to me, has been a nagging problem for as many years as I have been in the Senate.

That problem, to put it simply, is what forms of control the Congress uses to participate in shaping our defense posture and defense budget.

I believe we need to move toward some different, more meaningful framework of congressional decisionmaking in defense.

Look at us this year—yesterday—debating important issues of defense strategy and foreign policy commitments.

Then take a look at where we are today—voting on B–1 bombers, AWACS aircraft, ceiling cut amendments.

Take a look at the military authorization bill and what do you see: Army, Navy, Air Force; research, development, test, and evaluation; procurement; aircraft, missiles, torpedoes, tracked vehicles.

Think about the comparison: What we talked about yesterday and Monday compared to what we are voting on today.

I am convinced—and I would like to suggest to all of you here in the Chamber now—that there's something missing.

And what is missing is a bridge between our decisions on policy and strategy and our decisions on the military budget.

How can you translate any broad conclusions on defense strategy and needed defense capabilities into budget decisions?

The answer is: Today, you try to find symbolic research or weapon system line-items. You pick out a B–1 or an AWACS.

But I am left with a kind of empty feeling. Nowhere do we have the opportunity to see the total resources going to defense missions—like strategic offense.

Whatever we conclude about détente, I think we are in a much better position, then, to vote on strategic budget totals: How much R.D.T. & E., how much procurement, how much operations and support, and how much in total.

Where are these figures? Right now they are scattered across authorizations for the military departments:

Scattered across research and procurement and manpower levels—scattered.

I do not pretend to be an expert on weapons and technology and doubt very many of us would claim to be, even though some of our staff members encourage us to be.

In general, we seem to be setting the Congress on a path of trying to confront all the separate decisions made by the whole Defense Establishment. This is one way to go, of course.

Unfortunately, such a head-on, shotgun approach further complicates congressional visibility so that the original objective—meaningful participation and intelligent controls—is further out of reach.

That is why I believe we need to start to build a functional mission framework for our defense decisions—to set weapons and activities in context.

And that is why I have been working to do just that.

When I served on the Congressional Procurement Commission, we issued a package of reforms to give Congress more meaningful controls over defense programs.

The findings were:

"Congress and its committees have become enmeshed at a detailed level of decisionmaking and review in attempting to fulfill their responsibilities. This disrupts programs, denies flexibility to those responsible for executing programs, and obscures Congress' priorities and the allocation of national resources."

The proposed solution: A top-down decision structure to give Congress an early and cohesive view of defense missions and budget priorities.

The top-down structure of budget decisions was mandated in legislation introduced in March 1973—S. 1414, 93d Congress—and incorporated as section 601(i) of the Budget Reform Act in June 1974. By law, the new budget structure will come into effect beginning with fiscal year 1979. OMB, GAO, and the executive agencies are now working to establish this new "mission-oriented" budget.

In the meantime, my Federal spending practices subcommittee has pushed to have the new framework take root in other areas. A budget restructuring exercise for HEW is now underway under the auspices of the Senate Appropriations Committee in advance of the legal requirements.

On the specific case of defense, the Senate Budget Committee this year agreed to adopt a mission planning approach to the defense budget.

The administration, meanwhile, has been working for 18 months to reach a unified position on the precise package of reforms on major systems acquisition. Final negotiations are now underway between the Defense Department and OMB's new office of Federal procurement policy, established by law just last year with directive authority in acquisition matters. Their position should be forthcoming next month in hearings which we began last Tuesday, May 20, with a case investigation of the Air Force and Navy air combat fighter programs.

The Sunday before our last recess, the Washington Post ran an editorial puzzling over the way the House treated this military authorization bill on the floor.

The editorial said:

Few of the decisions taken on the House floor appear to reflect either a serious weighing of the merits of these military programs as such or a particularly well thought-out conception, if any, of our overall defense requirements.

The enlargement of congressional authority that has taken place over the years has been deceptive and even self-defeating. It creates an illusion of more influence than it can or does actually provide.

What we need, the editorial suggested, was, "ideas about how Congress could sharpen and improve its capacity to exert real and reasonable influence over the military budget."

I believe we have such ideas and are putting them into effect.

I thank the colleagues who have helped take these first steps and hope more will.

Mr. President, I ask unanimous consent to have printed in the RECORD the Post editorial and excerpts from the Commission report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 25, 1975]

CONGRESS AND THE DEFENSE BUDGET

Everyone who is interested in the changing relationship of Congress and the executive branch is aware of the way in which Congress' authority has been enlarged over the last few years in the area of foreign policy. A much quieter, but equally important expansion of authority has occurred in the field of defense. Congress, which not so long ago pretty much confined itself to the use of a fairly generalized power to appropriate or withhold funds in any effort to influence Pentagon policy, has in recent years greatly enlarged and particularized its authorizing power. The result is that at least theoretically its members have much more say-so in matters ranging from appropriate military and civilian manpower levels to the advisability of going forward with specific weapons systems. This increased authority has partly caused and partly coincided with a growing interest on the part of many members in reducing the Pentagon budget and/or in asserting a new measure of congressional control over defense policy. But the thing isn't working very well.

Last week's House voting on the military procurement bill, in which the budget-cutters were roundly defeated, is an example. Our point is not that the outcome was some kind of a national disaster. On the contrary, we regard that result as a mixed bag. Some of the projects that escaped cuts did not, in our opinion, deserve to: the so-called AWACS tactical command and control aircraft, for example, and the program of testing certain missiles with a view to improving their ability to destroy an opponent's land-based missiles. Others, such as the B–1 bomber, probably deserved to go forward—but at a slower rate. And still other moves—principally the attempt to reduce overseas troops by 70,000—richly deserve to be defeated.

But the point is that few of the decisions taken on the House floor appear to reflect either a serious weighing of the merits of these military programs as such a particularly well thought-out conception, if any, of our overall defense requirements. Rather, by most accounts, what was decisive in defeating these moves to cut back various military programs was a combination of sentiments concerning both the need to send a signal of American resolve overseas in the wake of the Vietnam evacuation and the need to leave defense industry intact at a time of exceedingly high unemployment.

In fact you can make a pretty compelling case at the moment that each of these sentiments, in its way, serves the immediate national interest. But you really cannot make much of a case for them, or for the similar short-lived moods that have profoundly affected defense votes in the past, as a sound basis for taking decisions that may have serious long range effects on both the national defense and the national budget. For very often such votes represent a sort of point-of-no-return: an authorization to take steps that cannot easily be reversed and that all but guarantee that a particular weapons system—for better or for worse—will become part of our arsenal. And equally often the weapons system under consideration is particularly ill-suited for consideration on such a basis, being a system designed for a presumed defense need some 10 or 20 years hence.

There are several observations to be made about this congressional process. One is that with the exception of the anti-ABM campaign, attempts to limit or eliminate major weapons systems by means of floor flights in Congress have by and large been spectacularly unsuccessful. Another is that such pressures as are generated by these fights and the prospect of more to come have had their impact primarily on the relevant committees: it is in those committees that such trimming and redirecting of the Pentagon's requests as are likely to occur take place, and the result has been evident especially in Senator Stennis' increasingly critical approach to those requests in recent years. The third observation is that under the present system of congressional authorization for various military projects, the situation is not likely to change much in the future. For in a way, the enlargement of congressional authority that has taken place over the years has been deceptive and even self-defeating. It creates an illusion of more influence than it can or does actually provide.

The problem is that what Congress has acquired in this expansion of the authorization process is little more than a license to scrutinize certain Pentagon enterprises and not others and to do so in a piecemeal, ad hoc way. One unfortunate result has been that the debates have acquired a kind of reflexive, ritualistic character: more versus less, engage versus disengage, build versus dismantle. Some members seem to be against practically any weapons system up for consideration, and others to support whatever it may be. Few give evidence of having anything like a clear or plausible overall concept of what this country's defense needs are or what its military role abroad should be. Instead the arguments seem always to come down to a clash of generalities and of arcane technological data concerning the merits of specific programs as if they were unrelated to each other and to a larger strategy and more comprehensive program.

Rep. Les Aspin (D-Wis.), one of those who tried to cut the budget in the House last week, is among the legislators who have put forward some interesting ideas about how Congress could sharpen and improve its capacity to exert real and reasonable influence over the military budget, and we intend to return to these another day. But well before any changes of this kind occur in the format for congressional action, it seems to us that the members of Congress—especially those who would assert more control over policy—will themselves have to contrive and demonstrate an approach to this country's defense needs that is more persuasive than that which seems to amount to little more than a desire to cut back on whatever project is up for a vote. In the aftermath of Vietnam the current national rethinking of those defense and foreign policy premises we accepted for so long and with so little critical examination should offer the opportunity for those who have come to be known by the ambiguous name of "defense critics" to formulate such a positive program.

[Extract from report of the Commission on Government Procurement—Volume 2, December 1972]

PART C—ACQUISITION OF MAJOR SYSTEMS

DIRECTIONS FOR CHANGE

The Commission chose to take an integrated view of the acquisition process, covering all the basic steps from the initial statement of a need to the eventual use of a system. The report concentrates on the way the Government organizes policies and procedures to accomplish these basic steps. It also deals with the problems caused by the vested interests and motivations of the principal organizations in the roles they most often play in major system acquisition, including:

Contractors who are overoptimistic in their estimates of system cost, performance, and delivery date and who make contractual commitments according to those estimates in order to win program awards.

Agency components, like the military services, that reinforce contractor optimism to gain large-scale but premature program commitments in order to meet their obligations to provide modern operational capabilities and to preserve their stature and influence.

Agency heads who do not have effective means of control in discharging their responsibilities for coordinating components and programs in the face of severe bureaucratic pressures.

Congress and its committees which have become enmeshed at a detailed level of decisionmaking and review in attempting to fulfill their responsibilities. This disrupts programs, denies flexibility to those responsible for executing programs, and obscures Congress' view of related higher-order issues of national priorities and the allocation of national resources.

IMPROVING SYSTEM ACQUISITIONS

The need to improve major system acquisition has been made apparent by the succession of cost overruns, contract claims, contested awards, buy-ins, ball-outs, and defective systems that have drawn sharp criticism to one or more programs in recent years. The clutter of programs and problems has made it difficult to understand or grapple with the underlying causes of acquisition difficulties, some of which are subtly removed from the time and place that the symptoms appear.

This report concludes that the basic roadblock to improvements in system acquisition, is the fact that too many past attempts have symptomatic problems, such as those just enumerated, on an individual, piecemeal basis. Patchwork corrective action has become counterproductive, leading to more regulations to amend regulations, more people to check people, more procedures to correct procedures, and more organizations to correct organizational problems.

UNDERLYING PROBLEMS

Piecemeal improvements will only aggravate the underlying problem in system acquisition: *the lack of visibility over the key decisions that control the purpose and direction of system acquisition programs.* Without this visibility, these key decisions (and the information needed to make them) have been displaced from their proper organizational levels, both within Government and between Government and the private sector. The end results have been a diffusion of responsibilities that has made it difficult to control system acquisition programs.

Congress and agency heads have become so burdened with detail that they have not been effective in carrying out their respective responsibilities. Congress often cannot act as a credible and sensible check on an agency because acquisition programs provide no handles to enable Congress to interrelate the purpose of new systems and the dollars being spent on them with national policies and national needs. Instead, data is presented to Congress in "traditional" forms, inviting attention to already defined products and to annual budget increments that finance development and production. From many points of view, this information is useless as a basis for effective congressional review.

CONGRESSIONAL REVIEW OF NEEDS AND GOALS

Without a clear understanding of the needs and goals for new programs, Congress is unable to exercise effectively its responsibilities to review expenditures and the allocation of national resources. This failure is partly encouraged by the timing and format used to present system acquisition programs and by the kinds of questions in this format provokes. The wrong questions are asked early about research and development projects and, when the right ones are provoked by debate on a particular system, it is often too late for the answers to be relevant.

Current budgeting and review procedures expose the need and goals for a program to Congress at a time when a single system is proposed, with cost, schedule, and performance estimates often predicated on insufficient research and development efforts. At this stage, it is difficult to control costs because system characteristics are fixed within a narrow range. Thus, the cost to meet a mission need is largely determined by the cost of the new systems, not the worth of the new mission capability compared to other alternatives. This leaves Congress a futile choice: either pay the price for the system or let the need go essentially unsatisfied. Congressional ability to deal with agency

UMI

budgets and to provide meaningful guidelines to allocate limited national resources is seriously undermined.

Congress should have an early and comprehensive opportunity to debate and understand any agency's mission needs and goals for new acquisition efforts, and the opportunity to discuss the relationship of proposed mission capabilities to current national policy and the allocation of resources in accordance with national priorities. Understanding an agency's needs and program goals before discussing the system to meet the need should help reduce the delays in authorization and appropriation caused by extended investigation of all these issues when a system surfaces later for large-scale funding approval.

This does not imply that Congress should make defense strategy, define defense missions, or interpret for the military what their needs are and the best way to meet them; these are roles of the executive branch. Congress *should* have the opportunity to review agency programs in such a way that the programs can be clearly related to national policies, priorities, and the allocation of resources in order for Congress to exercise its legislative responsibilities and controls. This is preferable to having the consideration arise after a single system is well into development, when need and goals are already obscured by the technical merits and demerits of a particular system, and there is little room to control the cost of meeting national needs.

CONGRESSIONAL REVIEW OF SYSTEM EXPLORATION

Congress has difficulty overseeing the growing expenditures for agencies' R&D budgets; its intensified demands for information and justification leaves Congress burdened with detailed reviews that obscure the overall pattern.

Congress could better understand where R&D money is spent if it reviewed, authorized, and appropriated funds for exploring candidate systems according to mission. This should be done in conjunction with its review of agency missions and the needs and goals for new acquisition programs. This approach would segregate funds for (1) maintaining the technology base, (2) activities to explore alternative solutions to mission needs, and (3) the final development of systems chosen to meet needs. The second category would group together all development projects associated with candidate systems to meet each agency mission need. Congress would then have a more meaningful and convenient basis for reviewing expenditures and earlier awareness of the evolution of new systems.

Allocations of R&D money according to mission needs would help reduce the pressures to make premature commitments to a particular system in order to gain funding approval. With defense mission needs and goals reviewed yearly, and with a fixed-level funding constraint tied to finding solutions, the executive branch would have greater flexibility to explore alternative systems and cope with uncertain system candidates. The opportunity to question and review individual projects within these mission funds would remain whenever such scrutiny is needed but, at the same time, a more meaningful level of review and control would be available.

There is a growing awareness in Congress that it must deal more effectively with executive branch programs and equip itself more fully to do so. The primary intent of our recommendations on review of program needs, goals, and related funds is to sharpen the effectiveness of whatever congressional efforts are expected to review major system acquisition programs.

Mr. SPARKMAN. Mr. President, I regret that I shall not be able to be in the Senate when the amendment to strike from the bill funds for the site defense program is brought up.

I support the site defense program for which the administration requested $140 million. The House Armed Services Committee recommended $135 million and the Senate Armed Services Committee recommended $70 million. I feel very strongly that this program serves the best interest of our Nation, both from a national security and from a foreign relations standpoint.

I know that we are all hopeful that future negotiations will result in further agreements calling for a reduction in arms. Nevertheless, we must recognize that the world balance of strategic forces is a major factor in establishing our ability to deal with other countries in the pursuit of peace and open trade throughout the world. In recent years, we have reduced our real expenditures for strategic offensive and defensive forces while the Soviet Union has consistently increased theirs. The United States must remain in a strong military position in order to negotiate for these further arms limitation agreements. Unilateral reductions serve only to harden the line taken by those with whom we must negotiate.

To terminate or to further curtail the site defense program would mean more than simply a cut in one of the programs of the Defense Department. It would be a major shift in our strategic policy and would provide the Soviet Union with a clear signal that we are abandoning ballistic missile defense. It would add at least a decade to the lead time required to deploy a ballistic missile defense system of any type.

The Congress ordered a redirection of the program for fiscal year 1975 which eliminated the prototype demonstration effort. In its report this year, the Senate Armed Services Committee emphasized that this program will not be directed toward an ultimate prototype demonstration but is to be maintained at a sustaining level pending further developments in strategic weapons limitation negotiations with the Soviet Union. The committee requested the Secretary of Defense to undertake a study of the requirements for possible deployment of a ballistic missile defense system in the late 1980's as a hedge against termination or abrogation of the antiballistic missile treaty.

Mr. President, I feel very strongly that we should maintain this program at the sustaining level recommended by our committee. It may be that further changes in the program may be desirable once the Secretary of Defense has completed his study of the program and has reported to the Congress. However, I do not feel that we can afford to eliminate the work that is being done on ballistic missile defense at this time. I strongly urge my colleagues to vote against the amendment of the distinguished Senator from Alaska (Mr. GRAVEL).

Mr. McGOVERN. Mr. President, the Pentagon's joint strategic bomber study amounts to a blatantly stacked deck for the $20.6 billion B–1.

My staff has prepared an analysis of the Pentagon bomber study which demonstrates that all of the most critical Pentagon assumptions about bomber roles and missions are completely implausible. This study is an attempt to snow the Congress with a mountain of paper that means essentially nothing.

When this study was ordered, we had a right to expect that there would be some realistic analysis of what specific missions the manned bomber is supposed to carry out. That, after all, is what the issue is all about.

But instead of beginning with an appraisal of missions and targets, the joint bomber study simply assumed that we needed exactly those functions that have been designed into the B–1, including outlandish demands for the coverage of hard targets in the Soviet Union.

And when Senator McINTYRE called them on this failing, Pentagon spokesmen came back with the incredible response that it would have required too much computation to start with missions and work back to the right systems to carry them out.

That amounts to an assertion that we should be perfectly willing to gouge the taxpayer, but at all costs we must avoid overtaxing those precious Pentagon computers.

What is the presumed bomber mission? While precise targeting assumptions are classified, Brig. Gen. John Toomay testified that the supplements to the main study involved analyzing a set of 1,000, 1,500 and 2,000 weapons on target. Also on the public record, Deputy Defense Secretary Clements said those studies included a range of capabilities, at least two of which were substantially below the one used in the main study. And the hearing record is replete with references to hitting hardened military targets.

So we are talking about a bomber designed to invest vast numbers of weapons in defense suppression—the B–1 force could carry between 6,000 and 8,000 SRAM's—and still deliver 2,000 nuclear weapons, with pinpoint accuracy, on hardened military targets.

Nowhere do we see any justification for why we need that capability. For less ambitious purposes, other options would do just as well and cost dramatically less. Yet the bomber study just assumes the need.

Considering flight time alone—15 minutes for SLMB's, 30 minutes for ICBM's, and 8 hours even for the supersonic B–1—it is obvious that the one purpose for bombers is to provide backup insurance of our nuclear deterrent against the remote risk that the Soviet Union could find a way to counter those other two systems—and to do so with such high confidence that they might be tempted to risk a first strike.

But this backup role requires no hard target capability. Considering that there are only some 160 significant cities and industrial centers in the Soviet Union, it certainly does not require the ability to strike 2,000 or more targets.

In fact, the joint strategic bomber study is based not on a deterrent role for bombers, but on a ludicrous "war fighting" role which would have bombers ranging over a devastated Soviet landscape looking for any hardened missiles or command posts that might remain 7 or more hours after both countries were wiped out. It makes no sense at all, yet this is the basis upon which Congress is supposed to buy this gold-plated system.

As the staff study demonstrates, the joint strategic bomber study also rests the case for the B–1 on assumptions about prelaunch threats to bombers and Soviet bomber defenses which would be patently absurd for the Soviet Union to build.

We have been reducing our bomber defenses because, under the SALT I agreement, we have foregone a full ABM defense and, therefore, must remain vulnerable to missiles. The Soviet Union made the same agreement. Yet the joint bomber study assumes they will invest massively in new bomber defenses, even when the Pentagon is admitting that it would be foolish for us to do that ourselves.

In sum, the joint strategic bomber study is a disingenuous attempt to dupe the Congress and the country into believing that we need what the Air Force wants. The entire approach suggests that they know, and therefore have worked mightily to avoid, the honest conclusion that under any fair and realistic assessment the B–1 is an expensive, excessive dream machine that our security does not even remotely require.

I am convinced that either this year or next, the Congress will reject the B–1. We should do it now, before we waste any more money and before we waste any more time in designing a bomber within more practical cost and mission constraints.

Mr. President, I ask unanimous consent that the analysis I have described be printed at this point in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE JOINT STRATEGIC BOMBER STUDY—
A STACKED DECK FOR THE B–1

For more than a year the Office of the Secretary of Defense has been conducting a cost-effectiveness analysis of the B–1 bomber and other possible strategic air options. In response to an amendment by Senators McGovern and Brooke to the military procurement bill last year, Chairman Stennis of the Armed Services Committee wrote on June 10, 1974, to the Secretary of Defense and to the Comptroller General of the United States, setting forth specific alternatives to be included in the study and calling for a review by the General Accounting Office.

The original McGovern-Brooke amendment would have required that the study include an analysis not only of the various strategic bomber options, but of the underlying strategic assumptions and missions. That recommendation was not followed. As a result the Joint Strategic Bomber Study ignores completely the most critical issue Congress must address: Assuming the B–1 can do all of the things defined in the Study, the question is, do we need those capabilities? Are they worth $20.6 billion more to arm, operate and maintain an extensive bomber fleet over the first ten years?

Both the Joint Strategic Bomber Study and the GAO analysis are classified. Therefore, the following discussion is drawn entirely from unclassified descriptions which appear in the Armed Services Committee hearings and other public sources.

APPROACH OF THE JOINT STRATEGIC BOMBER STUDY

Far from analyzing roles and missions, the Study actually *begins* with the assumption that the United States wants to spend the full $20.6 billion development and procurement cost of the B–1, and that we have an unquestioned need to be able to carry out the missions and hit the targets assigned to it. It then measures equal cost forces—$20.6 billion forces—against those predetermined missions and forces.

Senator McIntyre described the grave deficiencies of this approach in a letter to Secretary Schlesinger on March 14 of this year:

"The Joint Strategic Bomber Study's most fundamental bias was its design and evaluation of alternative bomber forces on the basis of the cost of the B–1 rather than designing a precise military mission and comparing each alternative bomber force's capability to fulfill that mission.

"The Study assumed at this center that as a nation we wished to spend the cost of the B–1 force and that indeed we needed full range of its military capability. If the Study had defined the mission which our bombers should be expected to perform, and measured the efficiency of various alternatives in accomplishing that mission, such an evaluation may have led you to conclude that we may not have needed a follow-on to the present bomber force at all.

"This flawed logic is particularly apparent when the Study compares the various bomber forces in terms of the number of military targets that each can destroy. It did not demonstrate that we need such a capability. Bombers are inherently ill suited to attack well-defended, hardened missile silos, the most difficult military targets. Obviously, the long flight times of any bomber force would make it unlikely that Soviet missiles would remain in such silos. The destruction of political economic targets is the appropriate task of our bomber force and if that is defined in detail, your Study may well have been forced to conclude that the sophisticated capability of the B–1 with its high cost was a capacity that our national security did not require."—Page 5564, Part 10, Armed Services Committee hearings on S. 920

Considering that this is the central point of the entire debate, the Pentagon response—forwarded by Deputy Secretary W. P. Clements—was startling indeed. He said in part:

"This criticism addresses a real problem associated with the methodology of any detailed study of force effectiveness. . . . However, it is really only practical to enter the analysis with a postulated force and then determine its effectiveness, rather than work backwards from a desired effectiveness to a desired force level. Let me explain: To obtain a force capable of particular effectiveness requires an iterative procedure whereby a series of forces are developed and their effectiveness determined until convergence is reached on a desired effectiveness. Because of the massive computational workload required by this procedure, it was decided at the beginning of the study to compare forces on the basis of equal cost, rather than on the basis of equal effectiveness."—Page 5568, Part 10, hearings on S. 920

The statement goes on to say that the study gave them some "approximate" techniques for covering a range of effectiveness, which they then used to analyze "pure" forces (i.e., no mix of different aircraft), at various levels of target coverage, including "two substantially lower than in the basic study."

In other words, the study failed to consider at all the most critical question—how many of what kind of targets we need to be able to hit—simply because it required too much computation. On a $20.6 billion program, they didn't want to spend too much on computer time!

Comptroller General Elmer Staats wrote in his March 4 cover letter on the GAO analysis of the Joint Bomber Study that,

"Two important considerations influencing the results of analyses conducted by the OSD study team are the assumptions of the postulated threat confronting bombers and the desired level of destruction to inflict in a retaliatory strike."

In fact the Joint Bomber Study makes clear that the cost-effectiveness case for the B–1 rests entirely on three assumptions:

(1) A presumed American need, notwithstanding all other strategic systems, to kill some 2,000 Soviet hard targets with manned bombers,

(2) A very severe pre-launch threat from Russian SLBM's, which would require rapid take-off and flyout and a hardened aircraft,

(3) A very ambitious Soviet defense against bombers, including an Airborne Warning and Control System and look-down, shoot-down fighter interceptors.

The assumptions used in all three of those areas are implausible.

TARGET COVERAGE

The B–1 force would carry an extremely large payload—a total of some 38 million pounds in 244 aircraft, compared to about 21 million pounds in the 463 B–52 D, F, G, and H models and FB–111s that were in the force in mid-1974. Through 1990, since it would be an addition rather than a replacement for the later model B–52s and FB–111s, it would represent a dramatic expansion of from 21 million pounds to nearly 52 million pounds in the total payload of the U.S. strategic bomber force.

Like other strategic bombers the B–1 could carry a mix of gravity bombs and stand-off missiles. Each one could, for example, carry 24 nuclear-tipped SRAM missiles internally, plus—with fuel tradeoffs—another 8 outside. That comes to between 5,856 and 7,808 separately targetable weapons.

Some of those weapons would be used for defense suppression. But in a discussion of supplements to the Joint Bomber Study, Brigadier General John Toomay, military assistant to the Deputy Director in the Office of DOD Research and Engineering, told the Research and Development Subcommittee April 10 that—

". . . since we don't know what we will require to achieve deterrence in 1988, the time at which these exercises were projected, we did a set—1,000 weapons, 1,500 weapons, and 2,000 weapons on target." Page 5167 and 5168, Part 10, hearings on S. 920.

Deputy Secretary Clements' response to Senator McIntyre cited earlier pointed out:

"Accordingly, these techniques were incorporated into the supplemental analyses, which were then able to display for three different levels of effectiveness (*including two substantially lower than the basic study*), the relative cost effectiveness of various pure forces as a function of the postulated threat." (Emphasis added.) Page 5569, Part 10, hearings on S. 920.

It follows that the Joint Strategic Bomber Study began with a requirement to penetrate the much more hostile airspace which the Pentagon believes could prevail in the 1980's, to make massive investments of weapons in defense suppression, and to still deliver at least 2,000 weapons on target.

On what kind of targets? Major General Robert P. Lukeman, Air Force Assistant Chief of Staff for Studies and Analysis, explained to the Armed Services Committee on Research and Development that,

". . . the kind of accuracy built into the avionics system of the B–1, which gives it a CEP of about (deleted) is very important

UMI

to us for the attack of these very hard targets."

As Senator McIntyre's letter of March 14 suggested, the destruction of targets assigned for deterrence—soft political and economic targets such as population and industrial centers—is the only practical role for a bomber force. Bombers serve in a back-up capacity, to cover the exceedingly remote risk that the Soviet Union might find ways to counter both ICBMs and SLBMs, and to do so with such great confidence that they would be tempted to launch a first strike.

The limited "insurance" nature of the bomber role is obvious from the fact that while SLBMs have flight times of some 15 minutes, and ICBMs take only 30 minutes, even an advanced bomber like the B–1 would take some eight hours to fly to the Soviet Union. If it were used in conjuction with those systems, the war would be over before it arrived. Any war fighting role for the B–1, as opposed to deterrence, is patently ludicrous.

But by no stretch of the imagination does back-up deterrence require an ability to strike some 2,000 targets. Most Soviet population and industry is concentrated in some 160 major towns and cities. And none of those targets are hardened, requiring a close-in highly-accurate launch of gravity bombs or SRAMs.

Target coverages and missions obviously have a decisive bearing on what kind of a manned strategic aircraft the United States should buy. Under a more realistic definition of what bombers should be expected to do, there would be no need for such high accuracy or large numbers. Such options as a stretched FB–111, a stand-off cruise missile carrier, or an updated B–52 would become far more practical. But those options have been ruled out by the Joint Strategic Bomber Study because, as Pentagon managers have admitted, it began with target coverages and mission profiles and costs designed precisely to fit the B–1.

It also requires mention that the bomber is supposed to have a role in Secretary Schlesinger's so called "flexible response" doctrine, which would involve an ability to strike selected military targets. The Secretary's thesis is that in order to make a point or get our attention, the Soviet Union might launch a small nuclear strike against some remote point in the United States, or perhaps against our ICBMs or other military targets. He argues that the United States must be able to respond in kind. And he claims that if we cannot do that, we have no credible deterrent to small-scale nuclear war, for the Soviet Union cannot be expected to believe that we would respond with a society-destroying blow to such a limited provocation.

Since the Soviet Union has no significant strategic bomber force, a response "in kind" would more likely involve a very small ICBM retaliation, with appropriate communication to the Soviet Union of the limited nature of our retaliation. But in these circumstances the relatively slow flight of the manned bomber is seen as a virtue, since a bomber response would be more easily seen by the Soviet Union as a measured response.

But 2,000 weapons on hardened targets is no measured response. Existing bomber forces, including the FB–111, would be fully adequate for such purposes. In fact, no strategic bomber at all would be required. In last year's military procurement hearings, on April 25, 1974, Major General James R. Allen, Special Assistant to the Chief of Staff for B–1 matters, admitted that even tactical aircraft stationed in Europe could accomplish that purpose:

Senator McIntyre. General, can't our European based tactical fighter bombers, with nuclear missiles, provide the same strategic bomber capability for "high reliability" accuracy, low-yield, minimum collateral damage and a mode of attack which will allow the enemy to discern unmistakeably that he, is indeed facing only a limited response from the United States?

General Allen. Yes, sir; in a peripheral sense against targets within range of the theater forces, that is certainly true . . .

Mr. Fine. Adequate to convey a message of intent?

General Allen. Depending on the message that you are attempting to convey, yes sir.

This discussion ignores, of course, the question whether Secretary Schlesinger's limited nuclear war scenarios should be regarded with any seriousness. The understanding on both sides of the overwhelming force of nuclear weapons and the deadly danger of nuclear adventurism is likely to keep the nuclear threshold high regardless of the Secretary's attempt to lower it. But even if his thesis were accepted, it would not rescue the case for the B–1.

PRELAUNCH THREAT TO BOMBERS

The Soviet Union could not attack our bombers on the ground with ICBMs because the bombers would have ample warning for escape. They would have to use submarine launched missiles, which are less accurate (too inaccurate to strike hardened Minuteman silos) but which could be launched from fairly close in to U.S. shores, so they would have shorter flight times.

Of course the Soviet Union already has SLBMs and they are not considered a serious pre-launch threat to our existing bombers. What would be required is a flat trajectory SLBM which would have a shorter flight time.

Major General Robert P. Lukeman, Assistant Chief of Staff for Studies and Analysis, discussed the problem before the Research and Development Subcommittee on April 17:

". . . Instead of the minimum energy trajectory with a higher apogee, they would use a lower apogee using the energy to drive the missile through the air, through a denser atmosphere for a lower apogee, and more rapid time to target . . ." Page 5522, Part 10, hearings on S. 920.

In his prepared statement to the Committee on March 7, Dr. Malcom D. Currie, Director of Defense Research and Engineering, described how the bomber is supposed to defeat such a threat:

"For all (bomber) forces, survivability against an SLBM patterned attack depends most upon reaction time. Dispersed basing, threat levels, air vehicle hardness and speed are substantial but secondary considerations . . .

"Warning of submarine launched ballistic missiles (SLBMs) is provided by dual satellite coverage of most of the close in threat areas and backed up by short-range coastal radars. Complete and continuous coverage of probable Soviet launch areas continues to be our goal . . .

"Present SLBM-detecting coastal radars are obsolescent and have a low availability. These radars will be replaced by two phased array radars approved in last year's budget. The phased array radars, referred to as PAVE PAWS, will increase radar coverage of advanced threats and be capable of providing better attack characteristics information." Pages 2697, 2703, Part 6, hearings on S. 920.

There are several problems with the assumption of a Soviet scheme to hit our bombers on the ground.

One is that we already have aircraft that can defeat it—the FB–111. The Air Force doesn't think the FB–111 has enough range, even with stretched versions that have been proposed, the FB–111B and the FB–111H. That issue depends on the question of what target coverage policy and missions Congress approves. But on escaping from SLBM attack, Air Force Secretary John McLucas testified on April 17,

"Well, this airplane (the FB–111G) looked very good in terms of its survival during the prelaunch phase and the launch phase. The airplane is hard. The airplane can get off the ground quickly, and is small enough so that you can get a number of them off on a given base rather quickly." Page 5529, Part 10, Armed Services Committee hearings on S. 920

Another problem that has been raised is with the tankers upon which the B–1 would have to rely in order to complete its mission. The B–1 can get off in something like four minutes. But what if the Soviet Union decided to attack the tankers, which take roughly the same amount of time as the B–52? The Air Force responds that since we have some 600 tankers, we could afford to lose some, and that they can be located at dispersed bases to minimize the risk.

A related problem is the likelihood that the Soviet Union may well not bother to build a flat trajectory SLBM. The Bomber Study assumes that they will simply because it is feasible. But it is a dubious assumption. First, it is not all that simple a technology—it would require extensive testing. High accuracy with flat-trajectories would be extremely difficult to attain. Further, if they placed any significant priority on attacking U.S. bombers on the ground, it seems likely that they would have at least begun a program of this kind by now—particularly since it is theoretically possible to strike B–52s. But on February 25, the following exchange took place between Senator McIntyre and Lt. Colonel John C. Pettyjohn, chief of the Strategic Arms Limitations/Strategic Force Branch of the Defense Intelligence Agency:

Senator McIntyre. Are there any tests of SLBM's in a depressed trajectory? Have you seen any signs of that?

(Colloquy deleted.)

Colonel Pettyjohn. No, sir. Page 1742, Part 4, Armed Services Committee hearings on S. 920

In the same context, Mr. T. J. King, Director of the Strategic Forces Division, Office of the Assistant Secretary of Defense for Program Analysis and Evaluation, responded to questions about the alert status of existing bombers. None are on either airborne alert (in the air) or strip alert (ready to go at the ends of the runways):

Senator Leahy. How long are you talking about getting the bombers off the ground, from the time they see the rockets with their present capabilities?

Mr. King. (Deleted) minutes in an advanced alert posture. We don't stand that alert today because the threat isn't there—Page 1743, Part 4, Armed Services Committee hearings on S. 920.

Even if this advanced SLBM capability were developed by the Soviet Union, it is, of course, extremely unlikely that we would be presented with an "out of the blue" attack on bombers. It would, of course, be preposterous for them to consider such an attack if they did not also have ways to neutralize the other two legs of the U.S. TRIAD, the ICBMs and SLBMs. Beyond that, a period of high tension which could lead to attack would develop slowly enough to allow whatever bomber was in the force to be placed on airborne alert, a practice not followed on a day to day basis because of the high costs involved. And there is even some evidence that we could detect Soviet submarines positioning themselves for an attack, as suggested by the following exchange:

Senator McIntyre. Would not the B–52 fleet survive an SLBM attack considering that we would have ample warning if the Soviets began the relatively slow deployment of their SLBM submarines to launch sites and ranges?

Dr. Currie. That is an argument that has been made, and it is somewhat speculative.

Senator McIntyre. Do you agree or disagree with this statement: We have the ability to track Soviet submarines; they do not have the ability to track our submarines?

Dr. Currie. (Deleted).

Senator McIntyre. Who do we get in touch with, then?

Mr. Fine. Last year when the Navy presented their ASW (anti-submarine warfare) briefing to us they went into great detail as to their capabilities, (deleted). Now is what you have said in disagreement with that?

Dr. Currie. No, I think that is true. And everything is a matter of degree. The reason why I answered that question (deleted) is that it is not absolutely true.

* * * * * *

Mr. Smith. Dr. Currie, DIA testified before this subcommittee (deleted). If they began that, would that not be another signal to us (deleted).

Dr. Currie. Yes, I think so, (deleted).—Pages 2819 and 2820, Part 6, hearings on S. 920.

Finally, and most decisively, all of the concern about a Soviet SLBM neglects the significant impact of the SALT I treaty on this question. The agreement against ABMs amounts to an agreement that the Soviet Union will remain vulnerable to ICBMs, at least after they are airborne. That had two implications for bombers. First, as discussed later, it eliminated the requirement for a third force, i.e., bombers, which would not be vulnerable to an ABM. Second, and of direct relevance here, it narrows the prelaunch survivability issue. It is obvious that, short of total madness, the Soviet Union will not contemplate a first strike against the United States unless it can neutralize all three legs of the TRIAD. Assume, for a moment that they found a way to neutralize our SLBMs, forcing us to rely on the insurance bomber and ICBM forces. But under those circumstances, to assure that at least one of the remaining forces would get through, all that would be necessary would be a bomber that could launch within the 20 to 30 minute warning time provided by Soviet ICBMs. We do not want to go to a destabilizing launch on warning policy with our missiles. But an SLBM attack on the bomber force would give ample notice that an attack was underway and that we should launch our ICBMs. And all that is required for that warning purpose is an assurance that a Soviet ICBM attack could not knock out both our bombers and our missiles—which means bombers that can take off within 20 to 30 minutes, well within the capability of B–52s or any one of a number of other options.

For these reasons the SLBM threat to bombers which the Joint Bomber Study postulates—and the corresponding requirement for a bomber like the B–1 that could launch in four minutes—is not an important consideration.

SOVIET DEFENSES

The second major assumption of the Joint Strategic Bomber Study is a very ambitious Soviet defense against penetrating bombers.

It has been clear for many years that a manned bomber must penetrate at low altitudes to escape detection if it is to have much hope of reaching its targets. Both the FB–111 and the late model B–52s—the G and H models—have that capability. The need for it is the fundamental reason why the B–70 was scrapped, since it was designed to penetrate at very high altitudes where it would have been vulnerable to surface to air missiles. It is axiomatic that, once it is detected and a missiled has locked on, no manned bomber can fly fast enough to outrun a SAM.

The Joint Bomber Study postulates a heavy Soviet defense against bombers, involving an airborne warning and control system which would detect the bombers from above instead of relying on ground-based radars. It would also include fighter-interceptors with the capability to look down and shoot down.

Dr. Malcom Currie, director of Defense Research and Engineering, described the nature of the problem and the solution in his March 7 statement:

"Bomber penetrativity against advanced fighters (having look-down shoot-down capability) depends most on ECM effectiveness. Yet, because of the low altitude supersonic SRAM which can penetrate terminal SAMs and suppress fixed barrier SAMs and because of warning receivers which permit evading mobile SAMs, bomber effectiveness is not significantly affected by SAMs . . ."—Page 2697, Part 6, hearings on S. 920.

But what this suggests is that advanced capabilities of the B–1 over those of the B–52 really have no major bearing on the question of penetration. The B–1 is not supersonic at low altitudes, so it could not outrun supersonic interceptors. It has a smaller radar cross section and infra-red signature, but it is obviously far short of disappearing in those categories so the size of the signal probably makes no real difference. As Dr. Currie points out, what is really important is the nature of the electronic countermeasures available to the bomber. And in that category the same basic tools are available to both the B–1 and the B–52. There is no significant difference in their ability to avoid detection and fool defenses.

Further, if it cannot accomplish those tasks, no manned bomber will likely be able to penetrate—a point Dr. Currie also acknowledged in his March 7 testimony:

"The ECM suites for both the B–52 and the B–1 were shown to be effective, but the extreme sensitivity of the performance of the penetrating bomber to the quality of its ECM was manifest. This sensitivity is so crucial that continuous reevaluation of the ECM interactions are required over the long term. Furthermore, we believe viable alternatives to the penetrating bomber must be pursued. Our cruise missile programs . . . constitute such an alternative, and we are searching for others . . ." Page 2697, Part 6, hearings on S. 920.

So if the full postulated threat were to develop, the B–52 would likely have serious problems penetrating with target range. But the B–1 would have precisely the same problems. Again, the elaborate performance characteristics of the B–1 make no real difference.

There are alternatives, such as an air launched cruise missile—or air mobile ballistic missiles—which could be fired from beyond Soviet defenses. In theory low-flying cruise missiles could be intercepted by surface to air missiles. But, considering their relatively low cost and small size, they could also saturate defenses. Large jets built for this purpose could carry as many as 100 missiles if necessary.

But there is also the very real possibility that this assumption of the Joint Strategic Bomber Study is wrong.

Major General Robert P. Lukeman elaborated on the status of Soviet bomber defenses in his April 17 testimony:

"They have from (deleted) of these MOSS airborne warning and control aircraft, a converted CLEAT aircraft, which we call SUAWACS, or Soviet Union airborne warning and control system. That, of course, is far less capable than the U.S. AWACS. It cannot detect low-flying aircraft over land. If the Soviets pursue this technology on a priority basis, it is the judgment of the intelligence community that they would have an advanced AWACS with (deleted) . . .

"The Soviets as you know, are currently (deleted). The introduction of an AWACS similar to ours would, of course, correct those deficiencies, and we show here illustrative orbits for those kind of AWACS which could (deleted).

The Soviet strategic defense fighter interceptor force is expected, of course, to decline in numbers. However, there is a significant trend away from austere day fighters avionics and weaponry.

Most importantly, the Soviets could develop and deploy an interceptor equipped and armed to detect and attack low-flying aircraft. This so-called look-down shoot-down capability is, of course, possessed by our F–14 and F–15 fighters." Page 5524, Part 10, hearings on S. 920.

So the Soviet Union has no air defense system that would be effective against low flying bombers, whether it is the FB–111, the B–52, or the B–1. The threat postulated in the Joint Strategic Bomber Study is based entirely on our own technology, which suggests that they could build a heavy bomber defense if they wanted to.

But it would be an exceedingly foolish investment for precisely the same reasons that it has deemed a foolish investment on the part of the United States. As then Air Force Chief of Staff General George Brown testified to the Armed Services Committee on February 7, 1974:

"The U.S. agreed in the ABM treaty not to deploy a total defense against ICBMs. Thus, as has been testified by the Secretary of Defense, it was concluded that it was not logical to maintain a vast air defense against a bomber attack when we retain vulnerable to ICBM attack."

That point is so compelling that the Pentagon U.S. bomber defenses have been steadily declining and our own proposed Airborne Warning and Control System has been shifted entirely out of the strategic context, in an attempt to find some conventional war rationale.

When we must project far into the future to design strategic systems, there is some merit in projecting the threat on the basis of presumed technical capabilities rather than on changeable intentions. But there must be some limit to that approach. Surely it can be modified when, as in the case of the Soviet bomber defense assumed in the Joint Strategic Bomber Study, it requires an assumption of illogic and a taste for expensive futility on the part of the Soviet Union.

AMENDMENT NO. 539

Mr. ROBERT C. BYRD. Mr. President, at the request of the Senator from Alaska (Mr. Gravel), I call up his amendment No. 539, ask that it be stated by the clerk, and ask unanimous consent that no time on the amendment be charged tonight.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. Gravel) proposes an amendment numbered 539.

Mr. Gravel's amendment (No. 539) is as follows:

On page 24, line 13, insert "(a)" immediately after "Sec. 703.".

On page 24, between lines 20 and 21 insert the following:

(b) No funds authorized to be appropriated by this or any other Act may be used for the purpose of maintaining, after September 30, 1976, more than 1,897,100 active duty military personnel; and no funds authorized to be appropriated by this or any other Act may be used for the purpose of maintaining, after September 30, 1976, more than 285,000 military personnel permanently or temporarily assigned to duty outside the United States, its territories and possessions. Any reduction required to be made in the number of military personnel assigned to duty outside the United States, its territories and possessions as a result of the preceding sentence shall be made from military personnel assigned to duty in such areas of the world as the Secretary deems appropriate

and shall be made in as orderly manner as practicable.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

ORDER DESIGNATING PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, and that at the conclusion of routine morning business the Senate resume the consideration of the military procurement authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess awaiting the call of the Chair.

The motion was agreed to; and at 8:59 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 9:02 p.m., when called to order by the Presiding Officer (Mr. NUNN).

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

The Senate continued with the consideration of the bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendments to the military procurement authorization bill on tomorrow be called up in the following order:

The pending amendment at this time, and the first amendment tomorrow to be considered, is amendment No. 539 by the Senator from Alaska (Mr. GRAVEL).

After that amendment, the following amendments will follow in sequence as stated:

The Feed and Forage Act amendment; the amendment (No. 18) of the Senator from New York (Mr. JAVITS); the amendment (No. 282) of the Senator from Pennsylvania (Mr. SCHWEIKER), the advertising and recruitment; the amendment (No. 707) of the Senator from Ohio (Mr. TAFT), advanced hydrofoil craft; the amendment (No. 703) of the Senator from Ohio (Mr. TAFT), advanced ship development; amendment (No. 507) of the Senator from Kansas (Mr. DOLE), increase in Naval Reserve; the AWACS amendment; the site defense amendment; the B–1 bomber amendment; the amendment (No. 511) of the Senator from Oklahoma (Mr. BELLMON), to restore funds for the B–1; the Minuteman III; the shipbuilding overruns amendment; the amendment (No. 489) of the Senator from Indiana (Mr. HARTKE), industrially funded civilians in the DOD manpower ceilings; the amendment (No. 492) of the Senator from Washington (Mr. JACKSON) called the Israel amendment; the amendment (No. 491) of the Senator from Washington (Mr. JACKSON), the petroleum amendment; the amendment (No. 500) of the Senator from Wisconsin (Mr. PROXMIRE), dealing with enlisted aides; and the amendment (No. 513) of the Senator from New York (Mr. BUCKLEY) to restore funds to title II R. & D.

Other amendments will be called up, Mr. President, but as to their sequence I cannot state at this time.

The PRESIDING OFFICER. (Mr. NUNN). Is there objection? Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. BARTLETT. Are some of these amendments without agreed times?

Mr. ROBERT C. BYRD. No. There is time on each of the amendments. Some of them have specific time limits. Others will fall into the catchall category of amendments in connection with which there is a 1-hour time limitation on each amendment.

Mr. BARTLETT. I thank the Senator.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 9 o'clock tomorrow morning.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, at the conclusion of which the Senate will resume consideration of the military procurement authorization bill.

The first amendment to be considered will be Senator GRAVEL'S amendment No. 539, dealing with overall military manpower levels.

Upon disposition of the Gravel amendment, the following amendments will be called up in the order stated: the Feed and Forage Act amendment; the Javits amendment No. 18; the Schweiker amendment No. 282, advertising and recruitment; the Taft amendment No. 502, advanced hydrofoil craft; the Taft amendment No. 503, advanced ship development; the Dole amendment No. 507, increase in naval reserve; the AWACS amendment; the site defense amendment; the B–1 amendment; the Bellmon amendment No. 511, to restore funds for the B–1; the Minuteman III amendment; the ship building overruns amendment; the Hartke amendment No. 489, industrially funded civilians in the DOD manpower ceilings; the Jackson amendment No. 492, Israel amendment; the Jackson amendment No. 491, petroleum amendment; the Proxmire amendment No. 500, enlisted aides; and the Buckley amendment No. 513, to restore funds to title II, R. & D.

Other amendments will be called up, but I cannot state at this time the order of their callup. Suffice it to say that there will be several rollcall votes tomorrow, and the Senate probably will be in late, in an effort to complete action on the bill on Friday, in accordance with the agreement entered.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and at 9:06 p.m. the Senate adjourned until tomorrow, Thursday, June 5, 1975, at 9 a.m.

EXTENSIONS OF REMARKS

IOWA LEADS NATION IN GAS SAVINGS

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. GRASSLEY. Mr. Speaker, the question of energy conservation policy has placed the Congress and the President at loggerheads. I would like to ask my colleagues to come up from the depths of import quotas, licensing, duties, creating an Office of Petroleum Import Licensing and Purchasing, imposing a gasoline tax that could be as much as 23 cents a gallon, and other measures contained in the Energy Conservation and Conversion Act to reflect upon what Iowans have done on their own—without Federal direction or intervention—to cut petroleum consumption.

An article appearing in the May 29, 1975, edition of the Waterloo Courier, Waterloo, Iowa, speaks volumes as to what volunteerism and strict enforcement of the 55-mile-per-hour speed limit on interstate highways has accomplished. I encourage my colleagues to consider the merits of what people can do and what they have done on their own when asked:

IOWA LEADS NATION IN GAS SAVINGS

DES MOINES.—Iowans led the nation in gasoline conservation last year, according to the Federal Highway Administration (FHWA).

The agency's figures show that Iowa's 1974 gasoline consumption declined 9.5 per cent from the 1973 figure. The decline for all 50 states. Puerto Rico and the District of Columbia was 3.7 per cent.

Illinois' gasoline consumption last year dipped 4.9 per cent—also better than the U.S. average—while Wisconsin's consumption decreased 3 per cent, the FHWA said.

But highway officials say there are indications that gasoline use crept upward during the first months of 1975, although firm data won't be available for some time.

John Millhone, executive director of the Iowa Energy Policy Council, said that three factors may have been responsible for Iowa's 1974 gasoline conservation:

Fewer vehicles on roadways, particularly on Iowa's interstate highways.

Iowa's voluntary 55-mph national speed mandsted by Congress.

Tight enfortement of speed laws by the Iowa Highway Patrol and other law enforcement agencies.

"I think Iowa drivers have done a good job of slowing down, at least until recently," Millhone said. He also cited the state's decrease in highway fatalities and a drastic increase in the number of speeding citations issued statewide last year.

Energy and highway safety officials use FHWA statistics as indicators, rather than firm measurements, because different agencies use different systems to measure gasoline consumption.

The Federal Energy Administration (FEA), for example, listed Iowa's gasoline use at slightly more than 1.6 billion gallons last year—11.9 per cent below 1972 and 3.3 per cent below 1973.

Some agencies count gasoline as sold once it enters a state; others count it as sold when state revenue departments collect fuel taxes on the petroleum, according to an FHWA statistician.

The statistician also said long-range comparisons involving 1974 will be difficult for all states because Sunday service station closings, tight allocation of gasoline and other effects of the Arab oil embargo lingered well into 1974.

During this period, Iowans may have begun conservation measures before residents of other states, Millhone said.

Iowa Gov. Robert Ray declared a "state of energy conservation" on Nov. 9, 1973. That declaration ordered all state vehicles to reduce maximum speeds to 50 mph, and suggested that all Iowans do the same in their vehicles.

The federally mandated speed limit of 55 mph took effect in February 1974.

DR. KENNETH B. CLARK

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. RANGEL. Mr. Speaker, Dr. Kenneth B. Clark, the distinguished scholar, teacher, and civil rights leader is retiring from his position as a professor of psychology at the City University of New York. He is establishing a consulting firm dealing with problems of human relations, race relations and affirmative action programs.

Dr. Clark, founder of the Metropolitan Applied Research Center and a member of the New York State Board of Regents, has long been one of America's most respected leaders in the fight for equal educational opportunity. His new endeavor represents a reaffirmation of his lifelong concern for individuals rights.

I am please to include in the RECORD an article about Dr. Clark from the New York Times:

KENNETH CLARK RETIRING FROM C.C.N.Y.

(By Richard F. Shepard)

Dr. Kenneth B. Clark, who has helped prepare generations of City College students for their life's work, has retired from teaching after 35 years at the school and is himself starting a new career.

Dr. Clark, best known for his fight to achieve school integration, is a professor of psychology who will be turning 61 in July and is still too youthful to qualify for senior-citizen courtesies. He is giving up the classroom to go into business, with his son, as an executive consultant on human and race relations and affirmative action programs.

CIVIL RIGHTS ROLE

At the same time, Dr. Clark, whose good-humored, scholarly manner and preoccupation with the present and future forestalls any approach along the lines of "Good-by, Mr. Chips," has stepped down as president of the Metropolitan Applied Research Center (MARC) that he founded eight years ago.

He will remain a member of the New York State Board of Regents, indeed its only black member. He is staying, he observed with a chuckle, because his departure "would make too many people happy."

Dr. Clark's role as a teacher has been overshadowed, at least in public, by his activities on behalf of civil rights and school integration. His studies on segregation's harmful effects were noted in the historic 1954 Supreme Court decision ordering public-school desegregation.

Dr. Clark's early work in the field dates back to 1939, when he went to work as a research assistant for Dr. Gunnar Myrdal, the Swedish economist and author of the classic on race problems, "An American Dilemma." Dr. Clark's position has shown no signs of flagging through the years and he does not anticipate that it will be modified even in private practice.

He and the 75-year-old Dr. Myrdal conducted a joint seminar in the term just completed at City.

"I don't know about the students, but Myrdal and I had a wonderful time," Dr. Clark said. "He was at his best."

Dr. Clark, who has been teaching social psychology, is also at his best, or at any rate, his happiest when speaking about students and teaching. In an interview, he displayed an almost chilling objectivity in grading himself and his students on performance over the years, but the scholar's candor was softened by touches of humor, affection and respect for those he has taught.

He went to City College in 1940 to teach a summer session and returned as instructor in 1942 for the long run just ended. In 1960, he became one of the first blacks, perhaps the first to become a full professor at the City University.

I WASN'T CHANGING

"One of the factors in my decision to retire is that I found I wasn't changing," he said in an interview in his offices at MARC, 60 East 86th Street, where he sat behind his desk and fondled a gavel as he replied to a question about how the years had modified his classroom demeanor. "My teaching style is still the same."

"As a young teacher I perceived myself as a hard marker," he continued. "I became less severe as time went on. As I got older, I became more tolerant. Most students tend to function in accordance with the law of economy of effort. Don't do more than you have to."

"I didn't like alibi students or hustlers," he continued. "Fortunately, there weren't too many of those. But one of my most interesting learning experiences came some time ago when I went to teach at the University of California at Berkeley for a while.

"I said I was looking forward to it because there were not too many Asian-American students at C.C.N.Y. at that time. I went out with the idea that Asian-American students would be more profound and would stimulate me with Oriental ways of thinking.

"They were just like the students at City, with the same number of alibi students, too. It taught me that stereotypes, even positive ones, tend to fall. I had to travel 3,000 miles to learn that. And I'm a psychologist, too"

Although the years flow in such a way that it is difficult to plant boundary markers between student epochs, Dr. Clark clearly discerns generational differences.

"I've had some very exciting students at City," he said. "The thing that fascinated me was that my most exciting students seemed to be concentrated in the pre-McCarthy era.

"It's tantalizing, it worries me that the students who stand out, not intellectually but as total human beings, came from that time," he said. "I can see them in my mind, in the classrooms, asking questions in the nineteen-forties and fifties. There were the returned veterans, mature and probing.

"Not that they were all bright or superior to those who came later," he said. "But I didn't realize that the McCarthy period had as debilitating an effect on students as it did." If the years dominated by the late Senator Joseph R. McCarthy were pallid, the later years of student strife also do not move Dr. Clark.

"Perhaps the period of the nineteen-sixties is too early to evaluate," he went on. "To me, it didn't have that same quality of probing. The great revolution was pure fluff. But maybe I've changed. I think we're getting back to that early ferment now. I sense it.

PRAGMATIC AND PERSONAL

"The earlier City College I remember, the students were involved in demonstrations for larger social, political and economic goals. Now the students, as I understand them, are concerned about their own rights—open admissions, SEEK. They don't seem to be as broad as they were. There is minimum ideology, it's pragmatic and personal, perhaps with the exception of Vietnam."

"Even at the height of the student revolt I thought I detected more passivity," he said. "Such things as graduate record exams and other quantifying indicators—multiple choice questions and such—are relatively new.

"Before that you had different types of examinations. You had to think. Now you have to remember. This may have had an insidious effect. Perhaps there's more conformity."

Dr. Clark, who was in the middle of marking examination papers for his last classes, recently ended at City, read from a comment by a student.

"You came in and said, 'Good morning, let's get set to think,'" the student wrote, adding that this concept was a radically new one in his experience.

"I never responded to the relevance kick," Dr. Clark said. "When students questioned the books I assigned I'd tell them they didn't have to be in my class if they knew what books to read.

"I think I was pretty rigid as a teacher. I had the responsibility of determining how we go about understanding this area. It was difficult for me to learn and it would be for my students. I didn't have much tolerance for fads. I didn't believe something was good just because a student said it was good.

"On the other hand I have had some students in recent years who are going to think. Last year a student got onto a point and went

UMI

to the library, studied and we had knock-down drag-out arguments. It was wonderful. He got an A."

The psychology department had about 15 teachers when Dr. Clark came to City. Today, there are 47 full-time and 50 part-time teachers and psychology, as he says, is "the fad now."

"When I first came here, I knew every member of the department as colleagues and friends," Dr. Clark said, a bit sadly. "Now I just know those I knew then."

Putting his career at City behind him does not mean retirement. "You need another word," he said. "Retirement means passivity. I don't intend to change my pace."

SERVICE TO COMPANIES

In his new business, he and his 31-year old son, Hilton, will offer their services to private companies, government agencies, law firms, civil rights groups and to educational organizations outside of New York State, to avoid conflicts of interest because of his membership on the Regents board.

The firm name is Clark, Phipps, Clark and Harris.

"We wanted to call it Clark and Clark, but that name had already been spoken for in the incorporation records," he said. "So, Phipps is my wife's maiden name and Harris is my daughter's married name. I will be able to approach the same objectives I have always gone after, although in business you can't assume the advocacy in the same way you can as head of MARC. One of the things we can offer is an independent assessment by not being within an organization.

"Most people say they work in private business first and then move on to pro bono publico," Dr. Clark said. "As usual, I will invert things."

TVA CHAIRMAN WAGNER CALLS WINDFALL PROFITS BY COAL COMPANIES MAJOR FACTOR IN ELECTRIC POWER RATE INCREASES

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. EVINS of Tennessee. Mr. Speaker, Chairman A. J. Wagner of the Tennessee Valley Authority was sharply critical recently in a speech before the Tennessee Valley Public Power Association of the unconscionable windfall profits made by the big oil companies and which, Mr. Wagner says, are a major cause of escalating power rates.

In the TVA area, power rates have increased more than 120 percent in the past 8 years with rates being increased 12 times.

Wagner charged that coal producers are making $15 to $20 a ton in excess profits—and pointed out that the average cost of coal has increased 220 percent since 1970.

TVA buys 80 percent of its coal from companies owned by "Big Oil" or energy conglomerates.

Because of the interest of my colleagues and the American people in this most important subject, I place in the RECORD herewith an editorial from the Tennessee Valley Public Power Association News concerning Chairman Wagner's address.

The editorial follows:

COAL COMPANIES RAKE IN WINDFALL PROFITS

TVA Chairman Red Wagner had some strong straight talk in his important speech at the TVPPA annual meeting on April 16.

TVA and the distributors have been taking "unshirted hell" for rising electric rates, "while the real culprits"—the coal suppliers—"sheltered from criticism, rake in the windfall profits," Wagner charged.

It was the strongest statement about coal prices that the TVA Chairman has made. It said, in effect, that TVA and the local distribution system have been working to keep electric rates as low as possible—but that the coal suppliers were raising prices so fast, and so exorbitantly, that electric rates were going up.

Significant, too, was Wagner's revelation of what TVA believes it really costs to mine a ton of coal. For years the public has needed a "yardstick" to measure coal production costs, in order to determine whether coal prices were reasonable or unreasonable. It appears that TVA has developed such a yardstick—based on years of experience with the operation of TVA-owned coal fields. TVA has not mined the coal with its own personnel, but it has available a vast amount of data on production costs.

$7 TO $17 A TON

Said Wagner: Coal production costs vary widely from mine to mine. But in the region which produces the coal that TVA burns, it cost from about $7 to $17 per ton—and this factors in a healthy 20% return on investment! This suggests that even under the most difficult and most expensive conditions, it costs a maximum of $17 per ton to mine coal that TVA buys, including a 20% return on investment. Wagner said the variance in cost depends upon the thickness of the seam, whether deep or surface mined, and the difficulty of the mining conditions and reclamation requirements.

While Wagner did not use an average figure, it would appear that an average cost of coal production would be no more than $12 per ton, including profit.

Yet last fall TVA paid more than $30 a ton for coal, and some private power companies paid at least $55 per ton.

As Chairman Wagner stated, this "suggests pretty clearly that when prices were at their peak in last year's coal supply squeeze, some suppliers were able to rake off excess profits of up to $15 or $20 a ton."

"Excess profits," Wagner charged. "Profits in coal production are exorbitant," he said.

"EXCESS PROFITS" AND THE CONSUMER

When the coal suppliers are making "excess profits" of $15 to $20 a ton, what does this mean to the electricity user?

Wagner called a spade a spade. If coal prices stabilize at, say, $25 a ton, that would raise TVA's coal costs by more than half a billion dollars a year—"a half billion unjustiable dollars of excess profits" that the distributors and TVA "have to collect from householders, businessmen, and industries all over the Tennessee Valley, and turn it into the hands of a relatively few coal producers."

The municipal and rural cooperative power systems in the Valley, Wagner declared, are in the middle—and are being unfairly blamed for costs that "we cannot avoid, that we cannot absorb, and over which we have no control." He said it is time to point the finger at the source of the problem, the coal suppliers.

WHAT'S THE SOLUTION?

It is important that electric consumers in the Valley learn the story that Red Wagner unfolded. It is not fair for the Valley's consumer-owned electric systems to take "unshirted hell" for costs beyond their control, and beyond TVA's control.

But what can be done about "excess profits" and "exorbitant profits" of coal suppliers? Isn't this just the law of supply and demand operating? Aren't the coal suppliers just catching up after some rather lean years?

It is time to put energy sources into perspective. Coal is not just coal. Coal is electricity. And electricity is one of the essentials of modern life—a service without which our civilization would quickly come to a stop. The sale of electricity is under public control—either through the public's ownership of utilities, as in the Valley, or through public regulation, as in the case of profit-making private companies.

Electric utilities, then, are not allowed to make "exorbitant profits." This is because electric service is essential, and because a consumer can not shop around for suppliers of this service.

Coal supply seems to be limited. In spite of sharply rising prices for coal, the supply has not expanded. So the law of supply and demand does not seem to be working in this case. Demand is up, but supply is relatively stable.

The time may come—and it may come sooner, rather than later, if the coal suppliers do not exercise restraint—when coal supply will come under some form of public control, in order to protect the user of electricity from "excess profits."

Coal is electricity. The Nation cannot afford to have "excess profits" flow into "the hands of a relatively few coal producers" from the sale of a product that is so vital to human existence. Contrast the "exorbitant profits" of a few coal suppliers with the misery and suffering of electric consumers on fixed incomes, or very low incomes, who literally are not able to pay their electic bills. It does not make sense for a Nation to permit a few to make excessive profits while the many suffer.

Coal is electricity. It is time for the coal producers to exercise restraint in pricing their product, or they may find themselves facing public control.

SOUTHWEST VIRGINIA NEWSPAPER ENDORSES STRIP MINING BILL

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. HARRIS. Mr. Speaker, in recent weeks Members of Congress have been inundated with charges, true and false, regarding H.R. 25, the Surface Mining Control and Reclamation Act of 1975. A very thoughtful editorial supporting the bill appeared in the Roanoke Times, a newspaper in southwestern Virginia, which I would like to share with my colleagues. The city of Roanoke is not in the coal mining area of the State; however, its major industry—railroading—is a key means of transporting mined coal out of the mountains. I believe this editorial carefully and accurately allays many of the fears aroused by opponents of the bill.

The article follows:

OVERRIDE VETO, PROPAGANDA

Intensive lobbying by coal companies and utilities has taken a toll in Washington. The votes to override President Ford's veto of the strip mining control bill are in doubt. The Democratic leadership has put off a showdown until June 10.

In the meantime, perhaps some counter-lobbying can be done by backers of H.R. 25 to offset the scare tactics used by opponents. The bill, which has been through an extensive amending process in committees and in conference, is nowhere near the bugaboo some claim it to be.

H.R. 25 would not ban mining of steep slopes. It would set standards for such stripping, including a prohibition against placing debris on the downslope. Nor would all stripped lands have to be restored to their approximate original contour—this could be waived if the new, flatter terrain is to be put to higher, better use.

In all cases, however, performance standards would be stricter than most strip miners are used to. H.R. 25 aims at curbing the hasty, careless, destructive kind of mining that has reduced thousands of acres in Appalachia and elsewhere to wasteland, inadequately reclaimed if at all.

Yes, it will raise the price of coal—proper reclamation (including the paperwork) will cost more. And there will be surcharges on all mined coal, 35 cents a ton on the stripped mineral. But there is no prospect that coal will be priced out of the market—demand will continue strong—or that people will be thrown out of work en masse; if anything, more labor will be needed because of the reclamation requirements. And at this time of all times, the coal operators—who have been making respectable amounts of money—can afford to pay such added costs.

In any case, whatever rise this brings in coal prices, it will be nowhere near as sharp as the increase that resulted, carom-like, from the oil cartel's machinations of several months ago. It happens that coal prices are far down now—to something like $19 a ton from the panic peak of $60 or more—so it remains quite competitive as a fuel. Especially since the cartel contemplates another oil rate hike next fall.

H.R. 25 will not stop stripping, although it may slow down somewhat. If it also encourages greater development of non-strippable coal, that would be good. Most of America's vast coal deposits lie underground, and for the long term, the nation must rely on subsurface mining for that energy—a mining method that will, in the long run, also bring the greatest and most lasting dividends to coal country.

THE FREEDOM OF KNOWLEDGE—A VALUE UNDERSTOOD BY TRUMBULL, CONN.

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. SARASIN. Mr. Speaker, as we enter our Nation's Bicentennial year, we often think of the great leaders who founded our country, of the battles that were fought, of the patriotism that we identify as being the sum and substance of America.

One major ingredient to the proud and successful development of the United States of America, however, cannot be underestimated. That is knowledge. The wisdom of centuries, the sparkling new concepts of our Founding Fathers, and the ideas of all who succeeded them have been captured for the benefit of existing and future generations. This freedom of knowledge, for individuals of all walks of life, all nationalities, all races, creeds, and educational backgrounds, is available throughout our country because of one factor—our Nation's libraries.

Since 1698, when the first library of record was established, our people have worked long and hard to develop and expand our network of libraries. Communities, States, and the Nation as a whole have banded together to raise funds, to secure, among sources of information, books, documents, microfilms, and have succeeded in amassing the most comprehensive collection of data in the world, all for the benefit of the general citizenry.

The Congress has realized the importance of libraries and has offered assistance in the accumulation of materials and the construction of facilities. Most recently, the tremendous value of these institutions was acknowledged when we in the Congress enacted legislation calling for a White House Conference on Libraries and Information Services.

New information becomes available daily as our technological society races forward, and it is thus a constant, ongoing effort for our libraries to keep pace with developments. This becomes particularly difficult when times of economic hardship are upon us, such as they are today, because individual, municipal, and State resources are often stretched to the limit.

Some, however, overcome these financial obstacles because they realize the importance of adequate materials and facilities in which to house them. Sacrifices are made and efforts are doubled, all in order to reach the desired goal of greater access to information. One such town, which has been hurt by the economic recession but has risen above this problem, is Trumbull, Conn. Several years of work, individually and in concert with town leaders, will soon be formally recognized at the dedication of the new facility on June 8.

I would like to congratulate all who have worked so hard for this new library, and to thank them for providing the citizens of Trumbull with access to an American's most treasured right—the freedom of knowledge.

MARK HARRY SCHECTER

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. LONG of Maryland. Mr. Speaker, I am honored to share with my colleagues a report on the current exhibition of Mark Harry Schecter, who has brought international recognition to Baltimore County, as well as the United States. Mr. Schecter becomes the first American to have contemporary paintings exhibited in Red China in a quarter century. This international recognition of Mark Schecter's creativity follows his successful exhibition of 40 of his paintings at the first International Art Show, held at the Coliseum in New York City, where he received the "Honorable Mention" award.

A number of oil paintings by Baltimore County artist Mark Harry Schecter which in recent months have been exhibited in the American embassies in Chad, Belgium, Nepal, and Nato were chosen by American Ambassador George Bush to Red China and American Ambassador Shirley Temple Black to Ghana for exhibition in the Peking and Accra embassies during May, June, and July.

The selection of the Schecter paintings for the Peking showing marks the first presentation of contemporary American paintings in Red China in more than a quarter of a century.

"Art in American Embassies" is a U.S. State Department sponsored educational program designed to introduce the best of contemporary American painters to the people of the world. In addition to the Schecter art in the State Department project the works of Milton Avery, William James Glackens, Edward Hopper, Jack Levin, Robert Motherwell, Louis Michel Eilshemius and John Singer Sargent are included in the U.S. Art in Embassies program.

"Cafeteria," "Red Nude," "Geneva 1," "Sitting Woman," "Fran," "Lemon Yellow," "Pastel Orange," "Scene at Dawn," "Flowers of Spring," and "Ecstasy" are among the Schecter paintings being exhibited in embassies all over the world.

DÉTENTE WITH THE SOVIET UNION: ASSESSING THE BALANCE

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. BROOMFIELD. Mr. Speaker, in my capacity as ranking minority member of the Committee on International Relations, I have recently asked the committee chairman, the Honorable THOMAS MORGAN of Pennsylvania, to hold hearings on our policy of détente with the Soviet Union.

I would like to elaborate on my reasons for requesting these hearings and make it clear from the outset that I am not calling for an abandonment of détente or a precipitous return to the cold war. I do, however, maintain that détente has been less than a total success to date. I believe that we should begin now to assess the progress and the problems in our relations with the Soviet Union and attempt to determine the prospects for the future of détente.

Three years have now passed since leaders of the United States and the Soviet Union signed a communique in Moscow setting forth the guidelines of détente, a policy intended—in the words of the communique—

To remove the threat of war and to create conditions which promote the reduction of tensions in the world and the strengthening of universal security and international cooperation.

The objectives of détente are so inherently appealing, the rationale for the policy so convincing, and the memory of the cold war experience so menacing, that many Americans embraced the concept of improved relations with the Soviet Union despite lingering reservations about whether this policy could actually succeed. The United States has proved

UMI

willing, even anxious, to give détente a chance.

With 3 years of practical experience to draw upon, I believe the time has come for the United States to assess the balance sheet of détente. Is the policy working to the mutual advantage of the Soviet Union and the United States, or have the benefits been one-sided? Has détente actually led to a reduction of international tensions, or is it merely a facade of toasts and ballet performances masking continued rivalry between the United States and the Soviet Union?

Détente, despite its intrinsic appeal as an alternative to confrontation, must be judged as any other foreign policy initiative: Does it serve our national interests and the cause of international understanding?

It would be naive to expect any abrupt departure from traditional practice, such as détente, to succeed uniformly and consistently; to assume there will be no obstacles or setbacks as the United States and the Soviet Union begin to redefine their relationships.

Yet, despite a realistic appreciation of what is and is not possible in our relations with the Soviet Union, I am uneasy about the recent history of détente. Vietnam and Cambodia have fallen to Communist forces armed and abetted by our theoretical partners in mutual understanding.

Progress to date on some of the core issues of détente, such as SALT II and European security, has not been as rapid or encouraging as we might have hoped. The Soviet Union has balked at our concern for human rights and backed away from a trade agreement with the United States. Tensions are increasing on the Korean peninsula and the situation in Portugal—menaced by a Communist takeover—is a cause for concern. Our efforts to bring a just and lasting peace to the Middle East are encountering increasingly difficult obstacles and it remains to be seen whether the Soviet Union is prepared to be helpful in this critical area.

I am pleased to see the administration has promptly realized that détente, while highly desirable in the abstract, is not a bargain at any price; that a policy of accommodation with the Soviet Union cannot be a one-sided affair. I heartily concur with Secretary Kissinger's statement last month in St. Louis that Soviet readiness to exploit strategic opportunities and its expansion of military power around the world "constitutes a heavy mortgage on détente."

The America public today is demanding a hard, rational look at our policies and tactics abroad. If these policies including the keystone policy of détente, are to succeed, they must be communicated to the public; they must be understood; and they must merit support. We must talk out the issues, face up to problems where they exist, and work together to determine achievable objectives.

In calling for an evaluation of détente—a weighing of the successes and failures to date—I am not suggesting that the United States abandon its policy of seeking out areas of common concern with the Soviet Union and return to the rhetoric and categoric ideology of the cold war. I do, however, submit that we owe it to ourselves to take a hard, dispassionate look at the record of détente and determine what we and the Soviet Union hope to achieve from this policy in the future.

In its short history, the era of détente has amassed an impressive record of achievement; the Quadripartite Agreement on Berlin has removed that brave city as a flashpoint in East-West relations; we have made significant progress—although much remains to be done—on strategic arms limitations; we are involved in negotiations on European security; there is unprecedented contact among American and Soviet leaders. The world in the seventies is indisputably freer of overt East-West tension and the threat of global warfare than at any time since World War II.

Still, it is difficult to escape the impression that most of the achievements of détente occurred in the past. The recent record has been characterized by increasing frustration and an inability to block out areas of common concern in which we and the Soviet Union could work to mutual advantage. I hope that Secretary Kissinger's recent meeting with the Soviet Foreign Minister in Vienna will reverse this trend and give new impetus to détente.

A look at the historical record strongly suggests that détente was most effective when the United States and the Soviet Union, through a common appreciation of each other's strength and resolve, opted for a policy of accommodation over one of continued confrontation. If this policy is to succeed in the future, the symmetry in United States-Soviet relations must be preserved. A situation in which the Soviet Union perceives a diminution of U.S. power or resolve can only erode the prospects for future accommodation.

A confident, secure United States, firm in its commitments to other nations and capable of carrying out its responsibilities, is a prerequisite to the success of détente. This is not the time to let down our guard and encourage Soviet adventurism. We must appreciate that our continued ability to defend ourselves and our interests, the importance of our framework of alliances, are as vital today as they were a decade ago.

If, in pursuit of détente, the United States has an obligation to maintain a position of parity with the Soviet Union, it is self-evident that the Soviet Union has a concurrent obligation to make the policy work: the Soviets must be prepared to play by the rules of the game, to join in the search for areas of accommodation and the means to reduce—rather than to exploit—international tensions. The United States, which remains the most powerful and advanced nation in the world, is not prepared to accept one-sided détente. We expect and demand an attitude of reciprocity on the part of the Soviet Union. This fact must be clearly understood if we are to proceed, and succeed, with détente.

I remain convinced that détente—if it can be made to work—is the best possible approach to our relations with the Soviet Union. But détente cannot exist as a series of laudable concepts bearing no relation to reality. Nor, given the policy's recent lack of success, can it withstand another setback such as the experience in Southeast Asia. The time for détente to succeed is now. With Vietnam behind us, we are entering a period in which the principles of détente will be tested. We should know in short order whether we have a workable policy or whether we have been deluding ourselves.

The Middle East, an area of critical concern to the United States, the Soviet Union, and the world at large, will provide an important test for détente. To the extent that we can foster a cooperative working relationship with the Soviet Union in bringing a just and lasting peace to the region, we will strengthen the prospects for cooperation. If, on the other hand, the United States and the Soviet Union are unable to find areas of agreement in this potentially explosive area, one must begin to question the value of what is reputed to be increased understanding.

Recent developments in Congress have underscored the extent to which the United States remains committed to the continued existence of Israel within secure and recognized borders. It would be a grave miscalculation for any party to assume that what has transpired in Vietnam has in any way lessened our determination to stand by Israel and provide that heroic nation with the tools to defend itself. Détente, as projected to the Middle East, does not imply a process of bargaining with Israel's vital interests. It requires, instead, the best efforts of all parties to the dispute in working for a settlement that meets the legitimate requirements of both Israel and the Arab States. The Soviet Union serves as cochairman of the Geneva Conference; it provides significant support to several Arab countries; it has important influence in the area. How this influence is exercised in the coming months will help determine whether or not détente has a future.

The Middle East is not the only laboratory in which détente will soon be tested. In the aftermath of Vietnam, we must continue to monitor closely Soviet attitudes in various disarmament and security negotiations, particularly the SALT talks and the conference on European security. To what degree will responsibility and a desire for accommodation characterize Soviet policy toward the situation in Cyprus, in Portugal, in Korea, and Indonesia, and in international efforts to deal with the problems of global economic interdependence?

On a more personal basis, to what extent will the Soviet Union moderate its restrictive internal practices to permit a freer flow of information to Soviet citizens and more open communication between their people and ours? If détente is to be meaningful and lasting, surely greater people-to-people communication and understanding should be both a goal and a result of this policy.

Our past problems in implementing the true spirit of détente need not prejudice the prospects for future accommodation with the Soviet Union. They do, however, confront this policy with an urgent, immediate requirement for success: The "heavy mortgage" on détente, occasioned by Soviet readiness to exploit rather than reconcile regional conflicts, could promptly lead to foreclosure if the trend of the recent past is not reversed.

In calling for hearings on détente, I hope we can begin to determine whether this policy can truly serve the mutual interests of traditional adversaries. If it cannot, let us be prepared to examine alternative strategies for the future.

JOBS BILL VETO WRONG MOVE AT THE WRONG TIME

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Nashville Tennessean in a recent editorial points out that President Ford's veto of the emergency employment appropriations bill—the jobs bill—was ill-advised and ill-timed, coming as it did when the Nation is in its worst economic slump since the 1930's.

Because of the interest of my colleagues and the American people in this most important matter, I place the editorial in the RECORD herewith:

JOBS BILL VETO WRONG

President Ford has taken a political and social risk in vetoing a $5.3 billion package for job-producing projects across the country through next year.

In casting his veto, Mr. Ford wrote the Congress that the bill "is not an effective response to the unemployment problem. It would exacerbate both budgetary and economic pressures."

"Economic recovery is expected to be well underway by the end of 1975," said the President, adding that the influence of the measure would come too late to give impetus to the recovery.

But in the wake of the veto, the administration said that unemployment and the recession will be worse this year than it estimated earlier. In its mid-year review, it predicted unemployment will average 8.7% for the year. That is higher than its February prediction.

If the latter estimate is correct, it will mean that the jobless rate very probably will rise above 9% later this year. The April rate was 8.9%.

The jobs issue is going to be crucial for Mr. Ford next year and if unemployment does stay around 8.7% or 9% for this year, it means political problems for the President and social problems for the country.

The present recession is the worst since that of the 1930s. And in recessions, the income gap between the rich and the poor widens rapidly. When prolonged, recessions usually bring a rising crime rate.

Mr. Patrick V. Murphy, president of the Police Foundation, called high-unemployment slums a "modern day debtors prison" from which residents could not escape. Obviously the frustrations of the jobless are going to increase with time.

The Congress has recognized the potential problem and sought to create new jobs through increased spending for public service employment and conservation and construction projects.

But Mr. Ford's budget-first viewpoint takes this initiative away as being too costly for the nation to afford. Unless the veto is overridden, the ultimate cost may be a great deal higher than the impact of the budget.

FRANCIS CASTELLUCCI RETIRES AS PROBATE JUDGE IN MACOMB COUNTY, MICH.

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. O'HARA. Mr. Speaker, on July 1 of this year, the Honorable Francis A. Castellucci will retire as a probate judge in Macomb County, Mich., after 35 years of distinguished public service.

For the past 11 years, Judge Castellucci has headed the Juvenile Division of the Macomb County Probate Court, and prior to that he had served as a justice of the peace in Bruce Township and had presided over the justice court in the Macomb County Jail.

During his years on the bench, Judge Castellucci has been responsible for many progressive innovations in the judicial area—programs designed to build bridges between various segments of the community, to help young people who have gotten into trouble, and to help prevent young people from getting into trouble in the first place. These programs in the areas of education, substance abuse, group therapy, school truancy and therapy for parents—to name just a few—are solid accomplishments which have been recognized by the people of Macomb County.

Judge Castellucci has mobilized the resources of the county in pursuit of solutions to the problems of young people. One group, Youthscope, brings together educators, police, parents and the court; another group, the Positives, is composed of lawyers' wives and probation officers who work with young girls in the county youth home. The formation of these organizations demonstrates the depth of Judge Castellucci's compassion and his commitment to providing constructive help to young people.

It has been my personal privilege, Mr. Speaker, to count Judge Castellucci among my friends. I am sorry to see a man of his wisdom and sensitivity leave the bench, because we urgently need men of this caliber dispensing justice in our courts. I want to join with his many friends and admirers in thanking Judge Castellucci for his contribution to the cause of justice, for the help he has given countless young people, and the inspiration he has been to all who know him and who are acquainted with the work that he has done. This world needs more Judge Castellucci's, Mr. Speaker; I am proud that Macomb County has had its very own Judge Castellucci all these years.

A HUMANITARIAN EFFORT

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. HARRIS. Mr. Speaker, I would like to share with my colleagues an article that appeared in the Catholic Virginian regarding a "hunger meal" which resulted in $5,000 for Overseas Relief Services. It is a good example of a truly humanitarian effort of a group of concerned citizens.

The article follows:

ST. RITA PARISHIONERS EAT HUNGER MEAL, PLEDGE TO FAST

Rice with a few vegetables and tea without lemon or cream—or sugar, for that matter—isn't likely to be on any American nutritionists' recommended menu list, but parishioners of St. Rita's Church, Alexandria, made that their Ash Wednesday dinner so that others might not have to do with even less.

Two-year-olds to 72-year-olds gathered in the parish hall before the traditional church services marking the beginning of Lent to give witness to St. Rita's community to fast voluntarily once a week during the penitential season and give the money saved to Catholic Overseas Relief Services.

According to Father Thomas A. Casey, associate pastor, the parish received upwards of 250 commitments to the fast from pledges signed during Masses Sunday, Feb. 9, when Msgr. John Romaniello, a member of CRS and a veteran of 23 years work in China, was the homilist.

Christian Family Movement members Mary Hope Nugent, Mary Ellen Bayer, Mary Ann Murad, Liz Isacco and Connie Szostak, who prepared the "hunger banquet," made no claims that the meal was a culinary delight—just that it was inexpensive. A total of $5.30 for rice and tea and "maybe two dollars' worth of onions, celery and carrots taken from their family refrigerators made enough food for about 100 people.

"It's just a subsistence meal," they said. "It's what poor people eat."

After the pastor Father Francis L. Bradican led the blessing, "Bless us, O Lord, and this, thy rice," the people began to eat. Reactions ranged from "It wasn't too bad" to "it was a sacrifice" until they watched CRS movies on hunger in other countries and the effect of slow starvation on the minds and bodies of children.

A second survey of the diners brought comments such as "when I look at those movies, I felt I'd had too much to eat."

"I couldn't finish mine because I was watching the movie."

"I had a second helping, but when I saw those kids, I couldn't finish it."

Sister Marie Josephine SSI, minister of religious education, explained that the voluntary fasting program, which includes another "hunger banquet" on Wednesday of Holy Week, March 26, is part of an overall "Feed My Lambs" Lenten theme for the parish.

"Even though it is a resurrection message, we think it very fitting because of the bishops' appeal to Catholics to fast to provide for the hungry of the world," she said.

Money saved from the fasting program may be placed in the weekly collection basket in envelopes marked CRS or donated at the end of Lent, Father Casey stated. Grade school children are also making "Feed My Lambs" individual donation boxes for those who would find them more convenient, Sister Marie Josephine said.

UMI

UNITED STATES STEEL CORP. TESTIFIES ON IMPORTS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. GAYDOS. Mr. Speaker, I am herewith inserting into the RECORD a statement by R. Heath Larry, vice chairman of United States Steel Corp., given at his appearance before the U.S. International Trade Commission. The Commission visited Pittsburgh, Pa., last month to obtain information on what impact relaxed new trade concessions with foreign competitors would have on local economies and their working force. I trust my colleagues will find Mr. Larry's remarks both interesting and informative:

SUPPLEMENTAL MEMORANDUM BY R. HEATH LARRY, VICE CHAIRMAN, U.S. STEEL CORP.

Your Commission has been assigned the task of assessing the future importance of tariff cuts on all sectors of our economy. I should like to suggest that tariffs, per se—at their current low level—have little or no impact on the ebb and flow of world trade in steel. Concentration of attention upon them amounts to keeping one's eye on the wrong ball.

I would suggest instead that time and the broad governmental policies of individual nations of the world are more important considerations than tariffs. To explain this blunt, unresponsive statement, let me characterize the steel industry and its position in the world.

At this time in the world's development, whether we like it or not, virtually all nations have decided a growing industrial economy, which seems to be a common national objective, requires its own steel industry. Therefore, nation after nation has established, nurtured, and sponsored its own steel industry. The methods are as varied as the nations. Their objective is achieved by "rationalization," protecting home markets—with tariffs as only a small factor, providing low-cost financing, or any other means required. Once established, their steel industries become an instrument of achieving social, economic and political objectives—providing employment, contributing toward a favorable balance of trade, or providing an essential industrial raw material at a low cost for further industrialization and further increases in world trade for products made of steel such as automobiles, or ships.

Time must also be recognized as a critical element in world steel development because changes do not come rapidly. It takes from five to ten years to develop raw material sources, engineer, build, and begin to operate a reasonably sized steel-producing unit. Thus, decisions made today do not impact on the world steel supply/demand situation for a number of years, and, conversely, decisions made today not to install steel capacity impact themselves in terms of restricted supply many years in the future.

It is recognized steel is a capital-intensive industry. It does not take much time for a nation of the world to decide to sponsor and finance increases in its own domestic capacity. However, in a free market economy, it does take time for an individual firm to accumulate the capital required to support growth in steel capacity—or time to indicate to the financial markets of the world a stability of operations and earning capability to obtain the necessary capital to expand steel production to meet growing requirements.

In the United States, you have read public announcements by many individual companies indicating they have almost arrived at this desired position. However, all such announcements are couched in cautious terms which stress the "almost arrived" and emphasize the need for continuity in this earning power if they are to sustain the heavy financial burden of increasing capacity.

Time plays one more role in considering world steel affairs. Steel equipment and capacity are long lived. Once installed, it continues to operate for as much as half a century. Perhaps over time, this capacity will not provide earnings adequate to sustain its replacement and renovation. Yet it will operate. Certainly for an industry working in close harmony with governmental authorities such a concern is considerably less than in an industry which must earn its own way and draw on competitive capital markets of the world to sustain its operations and growth.

At this point in time, we are reminded once again steel production is cyclical. It will move with the ebb and flow of capital spending around the world. Today we are impressed with the fact that industrial economies of the free world are moving in concert after a 1973–74 boom of historic magnitude. World economies have slid into a common trough of industrial activity.

Our problem is simply this. In a downward swing of world industrial production, do we want our market to support foreign steel industry activity? Do we want it to alleviate their unemployment problem? Do we want it to improve their earning capability so they can afford to install capacity to provide steel to support the next surge of industrial growth in their economy? Do we want the United States steel consumer, during the next surge of industrial activity in the world, to be again at the mercy of exorbitantly high steel prices and restricted availability, just as was the case in late 1973 and '74?

Are we in such a period? If we are not in it, certainly all the evidence at hand suggests we are rapidly approaching a period in which we can anticipate a surge of foreign imports into this country at any price required to get the action. Today we hear of offers of foreign steel in the Midwest at $40 a ton below domestic price levels—this is the same steel being offered to American customers at as much as $150 above domestic price levels 12 months ago. The conservative British Economist, reviewing this situation in their February 22 issue, said "Steelmakers around the world have reacted to the sharp downturn in orders with equally sharp cuts in prices. . . . Many and wonderful are the boasts of steel buyers about how large a discount they have obtained and for how long. But it is clear, whether or not these boasts have been overdone in the past, that some steel firms are now taking business at dead-loss prices—and not just for spot orders."

The decline in world steel demand has impelled some major foreign steel producers to request emergency government action. In late March, Jacques Ferry, Chairman of the French Steel Federation, requested the ECSC to impose steel import quotas, describing the apparent crisis in the French steel industry as the worst since the war. Such positions are advanced by foreign producers whose capital requirements are met or underwritten by governments. In contrast, United States producers face the direct constraints of our own profit system on their capital formation and their ability to meet future steel requirements of our economy.

The problem is well recognized around the world. Much has been said about the need for international safeguards against predatory pricing and market disruptions in periods such as this. The various calls for action are directed toward the forthcoming GATT negotiations. One of the major objectives set for U.S. negotiators is achievement of adequate safeguards. I submit the element of time enters again. GATT negotiations will proceed for two to three years. The problem is now. Protracted negotiations, under the GATT agreement, can contribute to eventual stability in world trade.

However, they have no chance of successfully alleviating what appears to be the coming impact of foreign encroachment on the domestic market which, in turn, will restrict capital availability and the chance of domestic suppliers to provide the capacity needed by growing American steel consumers.

Of course, the new Trade Bill strengthens administrative enforcement of existing countervailing duty and antidumping legislation in the country. Once again, due to the level and product range of import penetration, however, the potential from such recourse is inadequate. It is too slow and too uncertain. Whatever help it provides tends to come after the fact. It does not, therefore, represent an acceptable solution to world steel sector policies which produce trade flows reflecting national steel sector investment, market and employment policies.

Major world steel producers clearly perceive the scope of the problem. This is evidenced in another quote from the same article referred to earlier in the February 22 Economist, which says, "The Americans would like to prove that the Japanese (and the Europeans, come to that) are dumping steel. But the difficulty of obtaining believable information about real selling prices in Japan, as against the very low official list prices, makes that almost impossible. In any case, by the time a dossier can be built up, the market will probably have boomed again and nobody will want to bother. It has also been suggested that the European Commission could step in and stop European steelmakers from 'aligning down' on Japanese prices. Under the complex EEC steel pricing rules, it is permissible for an EEC producer to cut its prices to compete with lower offers from a non-EEC producer. But this would be next to useless so far as steel producers are concerned, because it would not cut off the supply of Japanese steel, especially that already feverishly stockpiled in Europe."

Let there be no misunderstanding. World steel trade is not impacted to any significant extent by current tariff levels. The factors governing the ebb and flow of foreign steel into our economy are much deeper and more pervasive than this. It is time, not tariffs, which is important at this stage in assessing the true impact of world steel trade on our economy. The forthcoming months and quarters will decide whether the American steel consumer must rely for an increasing proportion of his supply on the erratic availability and a price set almost at the whim of the world steel market, or whether he can rely on a viable growing domestic steel supply.

TRIBUTE TO SUE ROSENTHAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. EILBERG. Mr. Speaker, one of the things an elected official must learn very quickly about the people he represents is who will do the work that has to be done and who will just talk.

In my district in northeast Philadelphia, Sue Davidoff Rosenthal is known as a person who not only cares about what happens to the people who live in her community, but as one who has worked effectively on their behalf.

I have known Sue Rosenthal for many years and have been able to work with her on many community health projects.

At the present time she is;

Chairman of the Northeast Citizens Health Committee,

A member of the board of directors of the Northeast Community Health Organization.

A member of the Citizens Board of Frankford Hospital,

A member of the Regional Comprehensive Health Planning Board; and

A cofounder and member of the board of directors of the Bridge at Fox Chase, a drug rehabilitation center.

For her work with these organizations and many other programs, the people of the community paid tribute to Sue Rosenthal at a dinner in her honor. It was not a fund raising affair; the gathering had no other purpose other than to honor her.

This type of recognition goes only to those people who truly deserve praise for their efforts and I am proud to be the Representative of a constituent such as Sue Davidoff Rosenthal.

IN RECOGNITION OF MAY AS BETTER SPEECH AND HEARING MONTH

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. BLANCHARD. Mr. Speaker, I bring to the attention of my colleagues that last month was Better Speech and Hearing Month. It is important for us to recognize the valuable work performed by speech pathologists, audiologists and other specialists who have made vital contributions in this field.

It may be difficult to believe, but more than 20 million Americans—10 percent of all children and adults in the United States—have speech, language or hearing impairments which can severely damage their ability to function.

One of the major problems faced by the communicatively handicapped is the lack of knowledge of where to turn for trained medical help. It should be noted that in the Detroit area alone there are many dedicated speech pathologists and audiologists who are available to help. Some of the services include clinics located at Beaumont Hospital in Royal Oak, St. Joseph Hospital in Pontiac, Children's Hospital, Henry Ford Hospital, Sinai Hospital, Mt. Carmel Hospital, Mary Grove Hospital in Detroit, and in many nearby counties. Help is also provided by the Oakland County Public Schools, Macomb County Public Schools and many nearby universities. In addition, consulting specialists are usually available free of charge, to all of the communicatively handicapped through 25 years of age.

Both the speech pathologist and the audiologist perform valuable services in diagnosing and treating individuals with speech, hearing and language problems. Their dedicated work and strides in research and treatment deserve to be recognized. I commend these hard-working individuals. Their work is vital. It is my hope that people in the community who need help will avail themselves of the services offered.

OIL COMPANIES PRESSURE DEALERS TO SELL MORE GASOLINE AND OIL

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. MIKVA. Mr. Speaker, I have just completed a survey of more than 300 retail filling station dealers in my district. The results indicate that while major oil companies are publicly preaching energy conservation, they are privately pressuring their retail dealers into increasing their sale of gas and oil-related products.

Mr. Speaker, while the rest of the country is trying to conserve energy, the oil companies are trying to lure us into consuming even more oil and gas so that they can increase their profits. Of the 130 filling station dealers who responded to by survey, 64 percent said they were being pressured to increase their sales by either oil company threats or incentives.

Of the 84 filling station dealers who reported being pressured to increase sales, the most common methods that were proposed to them by the oil companies were to expand hours—72, and lower prices—73. Many of the dealers complained that while they were being urged to lower prices and reduce profit margins, the oil companies maintained their same price per gallon, thus increasing their profits from each station which sold more gasoline.

Fifty-eight of the respondents said they were threatened with a variety of punishments if they did not implement the proposals to increase sales—such as loss of their leases—26, reduction in service from their parent oil company—15, and various other forms of noncooperation—17. Thirteen respondents said they were offered incentives to increase sales, such as cash rewards or trips or various other prizes.

I have forwarded the results of my survey to the Federal Energy Administration and have requested that it act immediately to prohibit such tactics by the oil companies. And if the FEA feels it does not have the authority to prohibit such counterproductive action by the oil companies, I will propose legislation which will give it the necessary authority.

The following questionnaire was sent to filling station dealers in my district. The total responses are indicated by the numbers in each question:

1. Have you been urged in any way to increase your sale of gasoline and/or other oil products? 84 yes. 46 no.

2. If yes, what specific means to increase sales were proposed?

72(a) extend hours.

73(b) lower price.

6(c) engage in raffles or games with prizes.

13(d) give gifts for certain purchases.

6(a) other ———.

3. If yes to number 1, what sanctions were mentioned or suggested for not increasing your sales?

26(a) loss of lease.

15(b) reduction in service from the parent company.

17(c) other ———.

4. If yes to number 1, what incentives have been offered for increased sales?

1(a) cash rewards.

6(b) non-cash gifts, specifically ———.

6(c) other ———.

Please feel free to add any additional comments you feel appropriate.

LOOK FOR THE GOOD SIGNS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. BOB WILSON. Mr. Speaker, much opinionizing has been done recently about what some view as deplorable conditions in the United States. Like Chicken Little, we are being told that the sky is falling. I do not believe that that is the case at all. We need to get off the negative track and be positive, because though we do have our problems, our future is actually pretty bright.

I think this positive attitude is well-stated by Richard G. Capen, senior vice president of Copley Newspapers, who believes in our country, our economy, and our future. I include his remarks in the RECORD so that our colleagues may have the benefit of his thinking:

LOOK FOR THE GOOD SIGNS

(By Richard G. Capen, Jr.)

Never before has there been so much doom and gloom as there is today. Never before have so many complained so much and been so confident of so little. We rehash our nation's problems and failures, leaving little time and energy to overcome them. We hang our heads in shame with a self-destruct button at our sides. We shake accusing fingers at each other, frantically seeking to pin the blame on the nearest scapegoat.

To a large extent we are becoming paralyzed by our own shortcomings, while obsessed with a seemingly endless desire to dwell on past mistakes.

By magnifying our shortcomings we have discouraged ourselves and disappointed others as well. Too many have been convinced that unless we succeed in everything, we have succeeded in nothing. Since when is America unable to withstand some hard knocks and occasional setbacks?

Well, I believe it's time to knock off such negativism and look for the good signs around us. I do not belittle the problems around us. But neither do I believe we have lost the will and determination to overcome them. America has faced inflation, recession, shortages and foreign affairs crises before. You name it. Ultimately we have resolved it in the long run—and we can do it again.

The first step, however, must be the rebuilding of national self-confidence, the restoring of a will and determination to succeed. We must first believe in ourselves and we must encourage others. This is an exciting time to be alive!

One of the most important good signs centers on our own refocus on the basic values of life.

UMI

The problems of recent months have forced us to analyze ourselves. What is my goal in life? What are my values? Can we afford what often has been a disposable society? Must we expect more of everything, all the time?

Affluence has drawn us away from family and friends. If nothing else, today's economic conditions are forcing many of us to stay home more and to find family ways of enjoying ourselves at less cost. What's wrong with that?

For many the current recession has generated a refreshing rebirth of family life. There is a return to a simpler life. High spending habits are dropping. Costly frills on the products we buy are being eliminated and throw-away living habits are fading. What's wrong with that?

On balance, the American family unit is surviving and prospering as never before. Church membership is up dramatically. There is a deep recommitment to religious faith.

There is a tendency to refer to the "Good Old Days"—which, during the first half of this century, were barely endurable for millions of Americans. We suffered two world wars, conflicts in Korea and Vietnam that seriously divided our nation, a great depression and seven major recessions.

In the early years of this century the divorce rate was rising fast. Women were told that they should know "their place" in life. The majority of American blacks lived in the South with no right to vote and little opportunity for education. Lynchings were not uncommon. Racial and labor strife was a persistent problem.

In 1933, with half the work force, 12 million Americans were unemployed—fully 25 percent of the work force. And, anyone out of work then was out of luck because there were no safeguards of unemployment insurance, food stamps and other such benefits to ease the financial strain. Somehow, people managed to do the best they could with what they had. In the perspective of the 1930s, the problems of the 1970s don't look quite so bad.

Let's turn to the economy. There are good signs here too.

Each month we beat ourselves over the head with unemployment statistics—one-tenth of one percent rise at a time. I do not belittle the hardships of unemployment. But we should realize the fact that 85 million Americans are employed today.

This past month the government announced that the unemployment rate was at a 34-year high. Overlooked and understated was the fact that total employment in America reached an all-time high.

Americans today are smarter, wiser, tougher, more tolerant and more flexible to change than ever before. Despite inflation, real family income has doubled in a generation. Fringe benefits have increased three-fold since 1960 and poverty levels have been cut in half.

Americans now work fewer hours in more interesting and less back-breaking jobs with longer vacations than ever before. Public opinion polls generally state that Americans are dissatisfied when it comes to the life around them, but when asked about their own lives and thier own jobs, they are overwhelmingly satisfied and pleased with their lot.

Let's look at other economic good signs—each has been announced in recent weeks:

The consumer confidence index has jumped 20 percent.

The drop in new housing starts has slowed.

Business inventories have dropped to the lowest percentage since 1948, thus clearing the decks for new production.

Mortgage money is easing up and interest rates are dropping.

In each of the past two months there have been record trade surpluses, indicating that our products are becoming more competitive abroad.

There has been a 12 percent gain in sales of non-durable goods.

Construction costs, according to a major construction company, will drop mid-year for the first time since 1958.

The Dow-Jones Industrial Average has increased more than 200 points since December.

Certain jobs continue to go begging despite unemployment trends and in some cities unemployment rates are considerably lower than the national average.

Consumers, bogged down so long in gloom, appear to be somewhat more spending minded.

Home building appears ready for a turn-around.

Food prices are leveling off.

There are record flows of money into savings accounts.

The dramatic shifts in our economy also have created unprecedented opportunities for some industries. Today oil drilling equipment manufacturers, food processors, maintenance equipment producers and repair firms are booming.

While Americans are perhaps less than excited about the $100–200 tax rebate, it is estimated that a substantial portion of the $8 billion refund will be used to pay bills, thus offering an immediate injection into our economy.

The rate of saving is another measure of confidence. There, too, is good news. Today people are saving nine percent of their after-tax income—the highest rate of savings in 29 years. And, there still appears to be enough cash left over to spark an unexpected vacation boom in many sections of our country.

The tendency to save for the future suggests that most Americans have not lost confidence in the economy or in the value of their money. In past periods of rampant inflation, individuals spent their money like it was going out of style. This is not happening today, suggesting that individual savings can set the stage for a business rebound when Americans feel the time to buy is right. And that time may be coming soon.

With our obsession for self-criticism we ignore the fact that far greater difficulties are being experienced abroad. In the past five years consumer prices have increased 51 percent in Great Britain, 45 percent in Italy, 43 percent in Switzerland and 31 percent in West Germany. Today it costs 31 percent more to live in Tokyo than in Washington, D.C.

We complain about sixty-cent-a-gallon gas but in Greece, gas costs $2.60 a gallon. In Great Britain mortgage costs currently run 15 percent. We belittle our own economic strength and yet our total national output remains twice as great as that of the Soviet Union, three times as large as Japan and four times greater than West Germany.

Let me turn briefly to a number of other national confidence builders. First, the Presidency. We know only too well what a beating this office has taken in the past two years. In this century alone, the Presidency has survived assassination, incapacity, depression, war, scandal, and in each case the transition was accomplished without tanks rumbling through the streets, bombs on the White House or coups on the Capitol steps.

This past August the presidential transition was accomplished smoothly with the strictest adherence to our Constitution. The truly remarkable thing about that transition was that none of us thought it was particularly remarkable at all.

I believe that President Ford is restoring respect for his office and I think most Americans share that viewpoint. He constantly receives high marks for honesty and integrity. Sure he has his problems but his open approach and willingness to listen to divergent viewpoints helps immeasurably.

Let's turn to the college campus. Today the atmosphere among students has changed significantly. Fraternity and sorority life has made a big come-back. There is a resurgent interest in religion. ROTC recruiters are welcomed on the campus. College students are buried in their books, working to establish an academic record that will impress a prospective employer.

There is a sense of purpose toward education with definite career goals in mind. At the same time, there is a feeling of decency among students—a far cry from the flaming campuses of the 1960s.

What about the energy crisis? We know that our energy shortages are not going to be resolved overnight, but do we really believe that with our scientific knowledge, ingenuity and technological capability that our scientists and engineers will not eventually step forward with practical solutions to ease our dilemma?

We are constantly finding new sources of energy. We have a tremendous coal resource and we have great nuclear energy capability. We may find practical ways to harness the tides. The French already are generating energy from that source. In fact, engineers have estimated that there may be 100,000 coves, bays or channels that would lend themselves to harvesting the tremendous power of tides.

Every second the sun produces more energy than man has used in the past five thousand years. We are likely to find better ways to harness that energy too. In the meantime, we will experience shortages and resulting changes in lifestyle. But we have already learned that that may not be a completely undesirable development.

Many of us complained about the 55 mile-an-hour speed limit. However, it not only has reduced oil consumption, but it has lowered highway deaths by more than 1,000 lives per month.

Let me turn to foreign affairs. There is no doubt that the world is going through dramatic change. Nevertheless, the United States—with its economic and technological base—still remains the largest single factor in foreign affairs.

As a new world order takes place, new diplomatic opportunities are created—opportunities we certainly will lose if we sit back and wring our hands.

Like it or not, we are a great economic and military power. No other nation in the free world can assume our role of leadership, though it will require demanding creativity and national unity in the weeks and months ahead.

As we soul-search for the lessons of Vietnam, we should not forget that there has not been an abundance of diplomatic initiative and creativity on the part of the Soviet Union. They, too, have their own rough edges with their allies and a periodic feeling of helplessness in dealing with problems beyond their control. In addition, they have a real technology gap with their economic growth continuing to fall behind that of the United States.

Other nations may delight in our own shortcomings, but immigrants continue to come here by the millions, fleeing from marching armies, loss of freedom and all other types of manmade devastation. They come here because they are convinced that in America there is hope for man and his family and for the future of his children. We must never forget what motivates them and how their example should motivate us.

My love of America does not blind me to the reality of our flaws and mistakes. But I am convinced that there is hope, providing we convince ourselves of that hope.

It took Thomas Edison 586 experimental failures to find the right filament for a light bulb. Winston Churchill's rare opportunity for leadership did not come until he was 66.

Admiral Robert Peary spent 23 years and seven failures in pursuit of his goal of reaching the North Pole.

The greatest delusion of all is that only talent counts in achieving excellence. In my opinion, confidence in what you are doing and persistence in what you are doing are equally important in the successful achievement of excellence.

As we look to the future we cannot bring about constructive change by preaching only gloom and doom. More than ever we need to create a climate of positivism. That effort must start at home. It must extend to our friends, to our associates and to our fellow citizens.

If you think the world is coming to an end, there is no way you can contribute to improving it. If you believe you will fail, you likely will.

I happen to have great confidence in America. I have confidence in our ability to succeed. And, I am encouraged by what I see as good signs for our future.

CHARLOTTE R. LUTINSKI: A DEDICATION TO VETERANS

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. McKINNEY. Mr. Speaker, congressional staff increases can never replace or improve upon the dedicated work done for us by volunteers. Time and effort donated by members of our home communities have proved indispensable in completing many of the complex projects undertaken to meet the diverse needs of constituents. Charlotte R. Lutinski, of Bridgeport, Conn., is an outstanding example of such a volunteer. Her aid has been invaluable to me in reaching out to the 69,000 veterans in Connecticut's Fourth District and informing them of the benefits available on both Federal and State levels.

For more than 10 years, Charlotte has spearheaded the efforts of the VFW auxiliary, Sgt. Thomas J. Nelson, Jr., Post 9427, as both district and local president. Because of her proven leadership and experience, I asked her 3 years ago to be the program director of my veterans outreach program.

As part of that effort to assist ex-servicemen in Fairfield County, we compiled lists and sent brochures to every veteran, outlining all Federal and State programs for veterans. Charlotte was tireless and effective in organizing the mailing list we used in this campaign.

She also assisted me in studying the possibility of constructing a veterans outpatient and convalescent hospital in our area. In addition, in 1974, Charlotte directed a successful program to inform World War I veterans of their eligibility for a $300 bonus from the State of Connecticut. She personally visited the homes of several elderly veterans who would otherwise have remained unaware of that beneficial program.

Clearly, Mr. Speaker, Charlotte R. Lutinski has been extraordinarily generous in service to her Government and her community. Without her dedication and that of her fellow volunteers, the task of informing and aiding the people of the Fourth District would be far more difficult. On behalf of thousands of veterans in southwestern Connecticut, I thank her for her work and add my own deep personal gratitude for all her help.

UNICEF AIDED VIETNAM FALL

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. McDONALD of Georgia. Mr. Speaker, as more and more proof rolls in spelling out the dominance of the Communist nations in the U.N. and its related organizations, the membership of the United States becomes less and less relevant. Certainly, the taxpayers of the United States could and should be relieved of the burden of supporting the world's largest floating cocktail party. In support of my contentions regarding this organization, I wish to call the attention of my colleagues to a recent article by the Detroit News columnist Robert D. Heinl on this subject. The following column appeared in the Greenville News on May 16, 1975:

UNICEF AIDED VIETNAM FALL

WASHINGTON.—Last fall, when you gave the kids trick-or-treat money for UNICEF or ordered UNICEF Christmas cards, did it occur that you, and behind you, the U.S. Government, were bankrolling the Communist takeover of South Vietnam?

Well, you were.

In programs purportedly established "to help children in Indochina," the United Nations Children's Emergency Fund gave just short of two-thirds of its collections to North Vietnamese or to the "Provisional Revolutionary Government of South Vietnam," sometimes confused with the Viet Cong.

The exact numbers, conceded by a UNICEF spokesman, run as follows:

UNICEF collected and disbursed a total of $13,649,433 for its Indochina children's programs. While smidges of this came from abroad, the overwhelming amount came out of the pockets of U.S. taxpayers.

Of this eight-figure sum, $8,975,587 went to Communist recipients: $6,313,130 directly to Hanoi and $1,975,587 more—via Haiphong and Hanoi, of course—to the Viet Cong or PRG, as they are now styling themselves in "Ho Chi Minh City."

While Communists were thus getting 61 per cent of UNICEF's largesse, our ally, South Vietnam, got only $5,360,707, or 39 per cent.

Unlike the South, where UNICEF and other United Nations benefactions could be monitored, gifts to the Communists who, of course, would permit no observers went unsupervised as to distribution.

In the explanation of its spokesman, "UNICEF has no way to make sure the supplies to the Communists got to children. They were dropped off at the airports and docks, and we assume they were used as we intended."

Begging the above rather large questions as to Communist reliability and disinterested solicitude toward the helpless—which UNICEF appears to have bought at 100 per cent with no discount—it is also interesting to see the kinds of supplies and equipment UNICEF felt were needed by the kids in Vietnam.

Deliveries to Haiphong, by Third World or Communist shipping, consisted primarily of trucks, bulldozers, heavy engineer oonstruction-equipment, and construction tools and materials—all, word of honor, earmarked solely to rebuild schools which, with hospitals, as is well known, constituted the main targets of the U.S. Air Force.

The Viet Cong, representing more of a field force, mainly got food, clothing, and lots of hospital supplies and hard-to-get drugs and medicines. Only for VC children, naturally, not battle casualties.

By contrast with their Communist opponents (whom UNICEF joined Russia in supplying precisely the materials most needed for support of continued warmaking), the good people of the U.N. saw to it that South Vietnam got only the softest possible goods, food and medicines.

In another statistical anomaly, while the Viet Cong have not since 1968 been credited with more than 15 percent, if that, of the population of South Vietnam, UNICEF gave the PRG 36 per cent of what it gave Saigon.

Besides the above direct contributions, which came from specific donors, the Communist cause received an invisible incentive from the whole body of U.S. taxpayers because UNICEF contributions are tax-deductible.

Depending on how well-off they were, those who gave to UNICEF received anywhere from 14 to 70 per cent back in tax-exemptions for charitable contributions.

Assuming that the UNICEF flame burns more brightly in elitist bosoms of well-heeled suburbia, it would be a fair assumption that the median tax bracket for contributors fell close to the 36 per cent level.

In other words, John Taxpayer, you unwittingly authorized Uncle Sam to pay out over $3 million in incentive-money to induce certain of your fellow citizens (also, to be fair, unwittingly) to put up well over $8 million to give aid and comfort to enemies of the United States in a shooting war.

A trick, you might say, on the American public; a treat for Ho Chi Minh.

ABOLISH METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, today I am introducing a bill which would abolish the Federal Metal and Nonmetallic Mine Safety Board of Review and transfer its functions and powers to the Secretary of the Interior.

This five-member board was created in 1966 to hear appeals from noncoal mine operators ordered to shutdown by the Mining Enforcement and Safety Administration as unsafe. Another process of appeal exists with the Office of Hearings and Appeals in the Interior Department, differing only in that the law provides for a court review only upon an appeal to the Review Board. In every other respect these two processes are identical.

Of the 1,998 closure orders last year, not one was appealed to the Federal Metal and Nonmetallic Mine Safety Board of Review. In fact, since 1972, only one mine closure has been appealed, and in this case, to the Secretary of the Interior, not the Review Board. Even more peculiar is the fact that in the 5 years of its existence, this Board has not yet heard one appeal of a mine closure.

UMI

The President has requested $60,000 in annual upkeep of the Federal Metal and Nonmetallic Mine Safety Board of Review in his budget for fiscal year 1976. In my opinion, this is another flagrant example of wasteful Government spending. Again the Congress has not exercised proper oversight of Government agencies to determine whether their continued existence is justified.

WE MUST TURN AGAIN TO WHAT AMERICA DOES BEST

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. PRESSLER. Mr. Speaker, as a Vietnam Army veteran, I have a particular interest in the direction our country will now take. What will the aftermath of Vietnam bring?

Mr. Speaker, our colleague, Congresswoman MILLICENT FENWICK, was one of the Members of this body who ventured to Vietnam this past spring at the request of the President. Upon her return she cooperated extensively with the press in an effort to share the impressions she gathered there with the American public. As we have all learned as a result of her tireless work on the House floor, Mrs. FENWICK has a commanding presence and speaks with a refreshing candor in these times of incessant posturing. I think we can all benefit from studying the following article which she authored and which appeared in the Washington Star on the evening of April 30, 1975. The depth of her thinking and the insightful overview of the situation she encountered in Vietnam are, to my thinking, quite edifying.

In the play Camelot, King Arthur said "We're all tiny drops in a vast ocean, but some of them sparkle." In the judgment of many of her colleagues, MILLICENT sparkles. Since coming to this body, she has received many social notices in the press. Overlooked frequently is the diligent committeework and floorwork she does. I am an unabashed admirer of hers—and I wish to insert this fine and thoughtful article she recently wrote. I believe it captures the essence of what our country must do in the post-Vietnam era.

The article follows:

FENWICK: "WE MUST TURN AGAIN TO WHAT AMERICA DOES BEST"

(By Representative MILLICENT FENWICK)

"After Vietnam"—it is impossible to say that we are really through with Vietnam and all it meant to the country. The President's fine speech in New Orleans put one phase of it behind us—the recriminations and the hurried, undignified efforts to assign the blame to one administration or individual or section of government or another.

There is plenty of responsibility to share—none can escape its portion—neither can we, who were simply members of the general public when all the decisions were being made, who knew only what the media reported to us.

Would any of these elected officials have decided as they did, had they not felt the weight of public opinion behind them, had they not been thinking of "losing China," of "being soft on Communism," of the forlorn realization that all the sacrifices of the second World War had only landed us with a Cold War, with true peace still far away?

It is impossible to deny the pressure of public opinion on Truman, Eisenhower, and Kennedy, although the revealed deceptions of the Tonkin Gulf resolution suggest an exploitation of the public more than they do a reaction to any pressure.

The time has inevitably come for some intellectual honesty, without unworthy efforts to find a scapegoat. In a democracy, one has to take into account all the elements. No one segment of society operates apart from the whole. We are all in this together, and that's the truth. The only question that remains is what do we do now?

A few things seem clear. We need a full discussion of what the vital interests of this country really are, as far as our world position is concerned. Perhaps it is true that it is impossible—or even dangerous—for those in policy-making positions to outline the areas of the world we think are essential to our own security. Certainly, it was said that Secretary of State Dean Acheson's failure to include Korea among the nations of special concern to us precipitated the attack of North Korea against the South. But it is equally certain that these things should be discussed.

We need to know what constitutes a vital part of our defense and security—what seas and straits and canals fall in that category which areas are essential and why? Is foreign trade beneficial to the factory workers of this country? How many jobs in this country depend on foreign trade—and if the number is considerable, what do we sensibly do to facilitate and encourage it? There are the questions that need to be aired in every high school, college and university, in every Chamber of Commerce and union hall, in every men's and women's club meeting. There is no use thinking that any policy which has no roots in a public consensus can be sustained in Congress or engineered by any administration.

I don't think we can live comfortably in any world which is completely Communist, with all communication and trade turned against us whenever the authorities choose. We must hope and work for a rule of law, where principles of justice and equity prevail. The United Nations needs to be reminded of this. If it is to be the path that leads to such a world, it will have to turn away from a selective system which too often seems to apply prejudice and emotion in place of justice and reason.

America is tired of double-speak-Orwell's "Newspeak"—by which "democracy" is used to describe an authoritarian regime, and even dignified intellectuals will approve military dictatorships and militarized 5-year-olds provided only that they support a left-leaning regime. And we are tired, too, of law-and-order advocates who are revealed as law-breakers of the most dangerous kind, public servants who serve special interests far more readily than they do the public.

The whole experience that is called Vietnam has brought America to a realization that character and common sense are the essential ingredients of anyone who pretends to speak for the public. We used to be ready to admire a certain shrewdness, a clever operator who could manipulate people and situations in such a way as to advance personal advantage or attain the acclaim available to the successful. It's not going to be that way any more.

The present nostalgia for President Harry S. Truman is part of this new point of view—that sturdy, unmistakable and deeply patriotic character. We are beginning to admire candour and honesty and a certain humility and when we do we will get such public servants, knowing that each one will inevitably have some of the failings that are part of all human nature, including our own.

We will accept, I believe, the fact that in the world we live in now we must have an adequate capacity for defense. Only the knowledge that we have such a base will give us all the sense of security that makes generosity of spirit possible. The strong can afford setbacks and even exploitation, when generous gestures are misused and taken advantage of. This is not a pleasant prospect, but we will never make a world in which law prevails and human beings are free under law if we do not press forward with all our energy towards a true concern for all people equally.

After Vietnam, with its sordid deceptions and foolish errors, with the terrible losses and all the pain, we must turn again to what America does best—speak for freedom and compassion across every barrier of dissent and distance. Self-respecting and firm in our resolve, once we have decided on our course, we must be prepared to sacrifice for goals that we have agreed upon.

But none of this will be possible if people feel they are being fooled, if the politicians and the press and all our great institutions do not stick to their declared purposes. How can we decide on matters of official conduct if the most respected writers praise one man for actions which are roundly condemned in another? Why do we continue to allow leaks from grand jury proceedings to be published in the press, when we know that a citizen comes before the jury without counsel, counting on the honor of the State and the jurors? The answer seems to be that we have forgotten the old virtues.

We started out in this country on a high plane, speaking of "man's inalienable rights," pledging "our lives, our fortunes and our sacred honor"; those were the last and most poignant words.

That we still have an appetite for them was proven by the public's reception of the proceedings of the Judiciary Committee. There we saw the variety of America, citizens from every corner of the country, rising almost unanimously (though with varied conclusions) to the grandeur and solemnity of the matter before them. Sticking to principle, when it was convenient and when it was not. Following the Constitution they had sworn to uphold. It was in a way a magnificent spectacle, restoring one's faith in our country and its institutions, confirming our belief that free men and women can act nobly and will, when the occasion demands.

In a way, it is a sad commentary that something we should have been able to take for granted aroused such universal acclaim. The chairman of the Judiciary Committee, Rep. Peter Rodino, received thousands of letters from cities and hamlets all over the United States, expressing the most touching gratitude for the way he handled the proceedings. It is a lesson for all of us. It gives great hope because, in the last analysis, after Vietnam and all the turmoil of these past years, it shows what we still admire. And what is admired is the measure of a people, as it is of a man.

UNITED STATES MUST BE MILITARILY SUPERIOR

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. ASHBROOK. Mr. Speaker, the only sane defense policy for the United States to follow is one of military superiority. On February 1, 1972, I made a speech entitled "How the United States Lost Military Superiority." I have not had to retract one statement that I made at that time.

As I stated then and repeat now: "The road to peace has never been through appeasement, unilateral disarmament, or negotiation from weakness. Among the great nations only the strong survive."

While we are still considered a strong nation—and may I say as an aside the actions of President Ford in the Cambodian seizure of an American ship were the right and just actions of a strong nation—the Soviet Union is quickly building up its power. The facts are plain to anyone who will look.

I have never changed my views. I am a hawk. I believe in military superiority. I do not speak of potential enemies as many do. We have real enemies in the Communist world.

Soviet strategic forces have been growing at a rapid rate for more than the past 10 years and this has continued since the SALT I agreements of May 1972. The United States has accepted numerical inferiority in ICBM's and SLBM's.

The Soviets in the last 2½ years have been developing four new missile systems and constantly have been testing new multiple warheads and MIRV's. The Soviet missiles that can be equipped with MIRV's have three to six times the payload of American missiles that can be similarly equipped.

If the Soviets replace their older missiles with the new missiles that they are developing and which is allowed under the SALT agreement, they will increase their throw weight by 100 percent. It is estimated that it would only take 300 of their new largest missile to threaten our total ICBM force of 1,054. The Soviets would have left more than 1,300 ICBMs with more than 5,000 warheads to use against other American targets.

From numerous reports, the Soviets are building new missile silos in excess of the number allowed in the SALT agreement. Also, they are testing a new radar system of a type used in ABM systems which is prohibited in the 1972 ABM Treaty. The Soviets are concealing missiles, which is also prohibited in the 1972 agreements, and are continuing the development of mobile ICBM's—the development of which the United States considers a violation of the spirit of the interim SALT agreement.

I do not know how much longer we as a Nation can afford to allow this country to slip further behind the Soviet Union. We need a stronger defense to protect our very liberty.

BROOKINGS STUDY SHOWS THE WASTEFULNESS OF GOVERNMENT REGULATIONS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. CRANE. Mr. Speaker, it has taken some time, but Americans seem finally to be coming to the realization that the regulatory agencies which we have been busy creating in the name of "the public interest" have, in fact, been harmful to the interests of most Americans.

The Interstate Commerce Commission, for example, each year permits the trucking industry to do what no unregulated private industry is permitted by law to do—set its own prices. Interstate rates are established by 148 "rate bureaus," which are regional associations of truckers. Any trucker who attempts to charge less finds himself in real trouble. John Snow of the Department of Transportation states:

> Truckers are in a situation that almost every industry would like to be in. They can sit down and veto the rates of their competitors.

The Brookings Institution has just issued a 393-page report entitled, "Promoting Competition in Regulated Markets." Prepared by nine economists and one attorney, this study is additional evidence of the need for serious regulatory reform.

With regard to the airline industry, the study concludes that the public would get "lower fares and more appropriate levels of service" if the Civil Aeronautics Board were to "relax substantially its control over fares and entry."

Discussing the Interstate Commerce Commission, economist Thomas Gale Moore of Michigan State University states that the costs of current regulations are "not only substantial but monumental." He concedes that some regulation may be necessary to 'appease" the railroad industry, but concludes that "a substantially unregulated industry could be a major improvement over the existing situation."

It is my own view that governmental interference in the workings of the free market almost inevitably produces the kinds of results we have seen. The real answer, in the long run, may not be "less" or "better" regulation but no regulation at all. Only by permitting the free market to work will the public interest truly be served.

I wish to share with my colleagues the report concerning the Brookings study which appeared in the Christian Science Monitor of May 20, 1975, and insert it into the RECORD at this time:

REGULATORY PANELS VERSUS THE CONSUMER

(By David T. Cook)

WASHINGTON.—Consumers would get better service at lower prices if government regulation of some major U.S. industries were radically altered or eliminated, a new Brookings Institution study says.

But prospects for substantial deregulation are "romote," the study concludes, adding that "partial deregulation is a more possible achievement" in some industries.

The report, "Promoting Competition in Regulated Markets," was released as Washington waits for President Ford to hold a meeting with the commissioners of federal regulatory agencies.

When Mr. Ford told a U.S. Chamber of Commerce convention last month that he would hold the regulatory meeting, he said current federal rule-making procedures "abound in contradictions and excesses."

RESPONSIVENESS TO CONSUMER

The regulatory summit's purpose is to encourage the agencies to have "a little more responsiveness to consumers and a little less responsiveness to those they regulate," comments George C. Eads, assistant director of the Council on Wage and Price Stability and a contributor to the Brookings study.

(The first of three administration proposals aimed at easing the regulation of transportation will be sent to Congress this week, it is reported. It will deal with the Interstate Commerce Commission which regulates the railroads.

(The rail bill, according to the New York Times, would allow railroads, in the first year, to increase or decrease rates up to 7 percent without the changes being subject to suspension by the ICC.)

The railroad, trucking, and airline industries are among those regulated areas of the economy the Brookings researchers examined for "the possibility and desirability of diminishing the scope of regulation."

While the study recommends substantial lessening or elimination of regulation in the airline, surface transportation, and banking industries, it found the case less compelling for deregulation of intercity telephone communications and ocean shipping firms.

KEY FINDINGS LISTED

The 393-page report, replete with detailed economic analysis, was prepared by nine economists and one attorney. Here, organized by industry, are some key study findings.

Airline industry. The public would get "lower fares and more appropriate levels of service" if the Civil Aeronautics Board (CAB) were to "relax substantially its control over fares and entry" into certain markets, according to research by economist George Eads.

At the present time the CAB must approve both the routes an airline flies and the fares it may charge on those routes.

Mr. Eads told reporters there could be some improvement in CAB regulatory performance because the agency "reads what the Hill is thinking and reads what the administration is thinking."

Truck and railroad industries. The costs of current Interstate Commerce Commission regulations are "not only substantial but monumental," says economist Thomas Gale Moore of Michigan State University. While he concedes some regulation may be necessary to "appease" the railroad industry, "a substantially unregulated industry could be a major improvement over the existing situation."

Electric utilities. In areas where two power companies compete for consumers' business, the rates charged are lower than where one firm has a monopoly, according to research by Walter J. Primeaux, Jr., a University of Illinois economist.

In cases where a local power company has a capacity of under 222 million kilowatt hours per year it would be best for consumers if regulation allowed more than one firm to sell power, the researcher says.

For the majority of the power industry where generating capacity is higher, monopoly organization should remain and even with the most thorough reorganization of the industry, regulation would still have a role, a separate part of the Brookings report says.

Intercity telephone service. Study editor Almarin Phillips told reporters there is "so much risk in changing, it probably would not be worth making" major regulatory changes.

Banks and savings institutions. While the study does not advocate total deregulation, substantial changes are supported. These include the elimination of interest ceilings on savings deposits and allowing interest to be paid on checking-account balances.

HEW OFFICE OF CONSUMER AFFAIRS STUDY SHOWS FEDERAL AGENCIES UNRESPONSIVE TO CITIZEN COMPLAINTS

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. EVANS of Indiana. Mr. Speaker, an article appeared in the June 2, 1975, issue of Capitol Hill Forum containing information which probably comes as no surprise to anyone.

The article concerns a study commissioned by the Office of Consumer Affairs in the Department of Health, Education, and Welfare to determine whether and how various Federal agencies respond to complaints from citizens.

The study found that in many cases, consumer complaints were handled poorly, if at all. The study also discovered that a cover letter from a Member of Congress accompanying a citizen complaint speeded up the process considerably.

I will confess that I do refer complaints from constituents to the Federal agencies. Often letters I receive begin, "I wrote to * * *, but have received no reply." And I will also admit that I receive replies from the agencies, although routinely it takes a month or more for it to arrive in my office.

It is an unfortunate and inequitable state of affairs when only a Member of Congress can sufficiently prod a Federal agency to respond to a legitimate citizen complaint. The citizen who writes directly to an agency deserves a full and timely response every bit as much as the citizen who writes to his or her Representative who in turn contacts the agency.

Mr. Speaker, in light of the probability of discussion in the near future on the proposed Agency for Consumer Advocacy, I am inserting the article mentioned above in the RECORD for the information of my colleagues:

AGENCIES UNRESPONSIVE TO CITIZEN COMPLAINTS

(By Alison Freeman)

The Office of Consumer Affairs, (OCA) of the Department of Health, Education and Welfare, under the direction of the Assistant to the President for Consumer Affairs Virginia Knauer, has received an interim report from a study it commissioned on the status of consumer complaint handling in federal agencies. The overall purpose of the study, being conducted by TARP, Inc., a management consultant firm of Washington, D.C., is to investigate existing federal and non-federal government programs for resolving consumer complaints, as well as programs conducted by business and voluntary groups, to determine the adequacy of these mechanisms and, if need be, to recommend alternatives for development of more uniform, more effective, integrated consumer-complaint-handling mechanisms.

The report, while interim in nature, is important from two perspectives. First, it indicates that complaints from consumers to the Washington bureaucracy are poorly handled by a number of agencies. Secondly, the results of the report raised serious questions regarding the ability and commitment of some agencies to conduct other consumer oriented activities. This second point is significant in light of the recent legislation to establish an Agency for Consumer Advocacy.

The word consumer is used to mean an individual who purchases or uses a product or service; organized groups and consumer advocates are not included in this classification. The study concentrated on the Federal establishment's responsiveness to individuals who are dissatisfied with the product or service.

The report just filed presents the findings of the first portion of the Federal Central Office phase of the contract, and describes and evaluates the central office complaint-handling systems of fifteen federal agencies. Future phases of the study will examine the complaint-handling systems of seven more federal agencies, following which, at the option of OCA, complaint-handling systems operating in federal agency regional offices, state and local governmental agencies, and the private sector will be reviewed.

The findings of the report must be viewed as tentative. There will be considerable amounts of data added in a final report on federal central office complaint handling which will be filed in November of 1975.

The study has collected information by conducting interviews with agency personnel, by reviewing agency documentation, and by sampling consumer complaints from the files of the respective agencies. It will collect additional information by conducting two surveys this summer. These are (1) a national probability sample of consumers, and (2) a sample of consumers whose complaints have been handled by the federal agencies under study. These surveys will be especially useful in providing data concerning the degree to which consumer complaints are successfully resolved and the role played by federal agency central offices in those resolutions.

The report presents three sets of interim findings: a description of how each agency's central office handles complaints, an evaluation of the general state of complaint handling in the federal establishment, and individual evaluations of the 15 agencies which were studied in the first phase. These included:

1. Civil Aeronautics Board
2. Consumer Product Safety Commission
3. Office of Consumer Affairs (Department of Health, Education and Welfare)
4. Department of Housing and Urban Development—Office of Housing Management; Office of Housing Production and Mortgage Credit; Office of Interstate Land Sales Registration
5. National Highway Traffic Safety Administration (Department of Transportation)
6. Federal Communications Commission—Broadcast Bureau; Cable Television Bureau; Common Carrier Bureau
7. Federal Energy Administration
8. Federal Trade Commission
9. Food and Drug Administration (Department of Health, Education and Welfare)—Office of Professional and Consumer Programs; Office of Legislative Services; Precedent and Advisory Communications Staff
10. Interstate Commerce Commission—Claims Branch, Section of Insurance; Household Goods Branch, Section of Motor Carriers; Passenger Service Branch, Section of Railroads
11. US Department of Agriculture—Agricultural Marketing Service; Animal and Plant Health Inspection Service; Economic Research service; Extension Service; Food and Nutrition Service
12. US Postal Service

Federal agencies given descriptive overviews during the first portion of the Federal Central Office phase of the contract are:

1. Environmental Protection Agency
2. Federal Power Commission
3. Securities and Exchange Commission

The information gathered to date has been analyzed using a systems analysis framework which suggests a number of functions which an agency complaint-handling system must have if it is to respond adequately to consumer complaints. The framework assumes that an agency should attempt both to solve the individual's problem and to incorporate complaint data as much as possible into overall agency policy making. Moreover, the evaluation procedure assumes that any complaint which a consumer sends to the government merits some form of response, if only an acknowledgement. It was felt that the response should be made within a reasonable period of time, specifically, under three weeks.

The study uncovered a number of significant structural weaknesses in the majority of the agencies examined. A preponderance of the organizations studied had inadequate mechanisms for assuring that complaints directed to the agency by the consumer were ever answered (called "internal follow-up.") It is interesting to note that all agencies had existing followup systems to assure response to congressional inquiries. In addition, the majority of agencies had no policy or adequate procedure for dealing with complaints received over the telephone. It was found that many agencies had no system for reporting number or types of complaints received. Complaint data was inadequately analyzed and information supplied by complainants was seldom transmitted to senior agency officials. Significantly, a number of agencies had no policy at all for handling complaints. In fact, several agencies either reported that they received no complaints from consumers or stated that they were not in the complaint handling business and therefore required no policy.

The report further uncovered a number of facts which did not pertain to structural evaluation, per se, but which are of substantial significance. A great many letters are written to the White House and are addressed to the President. These are usually sorted according to the nature of the problem and, subsequently, sent to the appropriate agency for direct response. The term for this correspondence is "White House bulk" mail, and an agency might receive as many as 300 letters a week forwarded from the White House. Although some of this mail is of the crank variety, much of it is written by citizens who have been mistreated or ignored by bureaucrats and who are thus turning to the White House as a final recourse. Most agencies consider this mail low priority, and two agencies applied the terms "garbage" and "junk" to it. Needless to say, these agencies expend little effort in responding to these letters.

No agency had conducted any special analysis of complaints from disadvantaged, low-income, or minority groups. Many agencies felt that only important communications from consumers warranted a reply of any kind. At the same time, these agencies had no established policy to determine the categories of mail which might or might not "deserve" a response.

Another serious problem lies in the inability of consumer complaints to affect agency policies. The rating chart demonstrates that many agencies have no procedure for compiling statistics on the number and types of complaints they receive. Nor do they analyze the complaint data even if they have it. Finally, very few agencies have any formal mechanism for acting on information and complaint data supplied by consumers. In the context of agency policy making this means that even if a consumer's individual problem is solved, little action is taken to see that similar oversights are avoided.

The report also suggested that the lack of consumer knowledge about whom to write to further complicates complaint handling. One recommendation made to improve the situation was that agencies communicate to the public the scope of their jurisdictions.

Second was that agencies should require businesses or service providers to notify the consumer at the point of purchase or service delivery, where to address any complaint to.

Individual agencies varied widely in the adequacy of their complaint-handling systems. Few agencies were all good or all bad. For example, on the 24 criteria used for evaluation, one agency received 13 excellent ratings and only one unsatisfactory, while another received seven excellent and seven unsatisfactory evaluations. At the other end of the scale, one agency rated excellent twice and unsatisfactory on 15 criteria. The five agencies with the highest ratings for complaint handling are in the Civil Aeronautics Board, the Consumer Products Safety Commission, the Interstate Commerce Commission, the Office of Consumer Affairs, and the Post Office. Those with the least adequate systems are the Department of Housing and Urban Development, The Office of Housing Production and Mortgage Credit, the Environmental Protection Agency, the Federal Energy Administration, and the Federal Power Commission.

There is a high correlation between the existence of a policy regarding complaint handling and the adequacy of an agency's system. All five agencies which have the highest ratings for system adequacy have satisfactory ratings on accountability, i.e., they have an explicitly designated policy for dealing with consumer complaints. Those agencies with the lowest ratings have no policy for dealing with general consumer expression. The Federal Power Commission has a policy relating to the handling of a few particular cases, but none which is comprehensive enough to address general complaints.

While the variation of the adequacy of the complaint-handling systems may be attributed, in part, to the level of commitment to the consumer's cause, much of the blame rests not with the agency heads but with the very members of Congress who constantly criticize the agencies for their unresponsiveness. The response which the researchers repeatedly received to questions of accountability within an agency was that "the agency is too busy doing what Congress has mandated us to do to utilize scarce resources responding to consumer complaints." The agencies feel there has been very little direction from Congress in the area of consumer responsiveness. Almost all agencies cite regulations or guidelines as their level of authority for such responses. Further, almost all agencies report that they have no statutory mandate to deal with complaints. This becomes especially true in the case of nonjurisdictional complaints.

Another facet of the role of Congress in complaint handling is the fact that the congressional approach to complaint handling (refer to an agency with a demand for instantaneous reply) is very dysfunctional to the solution of the overall problem. In all agencies, TARP found comprehensive systems to assure high quality response to complaints referred by congressmen. Several agencies devoted more of their resources to dealing with a limited number of executive pieces of mail, including congressional referrals, than to all other consumer mail, despite indications that the volume of general consumer mail is much higher. In other words, the consumer with a serious complaint who does not write to his Congressman, or to the agency head, receives a much lower priority and poorer service than the consumer with, perhaps, a minor problem who does write his Congressman. It is understood that this situation is a "fact of life," but the contrasts are very stark when viewed in detail.

While this study has not dealt with the issues surrounding the need for a consumer advocacy agency, and this interim report does not even consider the merits of centralized vs. decentralized complaint handling, the need for certain centralized functions has become obvious. These functions include the promulgation of definitions and standards for response time and quality, collection and interpretation of complaint statistics, development and transfer of complaint-handling technology, and monitoring and evaluation of the activities of individual agencies.

The Office of Consumer Affairs has been attempting to carry out these functions, but it faces a number of serious constraints. First, Executive Order 11583 gives OCA numerous mandates and responsibilities other than rendering assistance with complaint handling. These other duties stretch OCA's resources very thinly. Secondly, OCA has almost 30,000 of its own complaints to answer and/or refer. Therefore, OCA faces common problems with the other agencies: whether to handle complaints, or to perform the other responsibilities of its mandate, or to attempt to do both. Finally, given that some agencies perceive that they have no mandate from Congress to handle complaints, they take a dim view of OCA's looking over their shoulders or distributing unwanted advice.

Congress is in a position to solve all of the above problems. While the Phase II study report (which will be available in approximately January) will contain substantially more data on still more agencies than the present report, several issues have been raised by the initial report to which Congress should address itself at this point. First, it should either specify a mandate for each agency regarding complaint handling, or it should ask each agency to publish its procedures for complaint handling. Either of these approaches would both communicate congressional interest in the subject and force the agencies to address themselves to this matter.

Secondly, Congress should provide the resources necessary to coordinate the now fragmented Federal complaint handling system. Neither of these actions preempts any future decisions on an agency which performs a consumer advocacy function.

DR. REED LOOKS BACK

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. O'BRIEN. Mr. Speaker, this summer one of the outstanding educators in my district, Dr. Harold Reed, will retire.

Dr. Reed has served as president of Olivet Nazarene College in Kankakee County for a record 26 years. Under this administration the college has grown from a small, financially troubled institution to a prosperous, forward-moving academic center. He has helped to make Olivet Nazarene one of this country's leading Christian colleges where students receive both quality education and a solid grounding in morality and ethics.

Outside of the college, Dr. Reed has played an active role in his community. He has unfailingly given his time and efforts to assist local projects with organization and fundraising.

Now he is retiring but neither Olivet nor the community at large need to fear they are losing a friend. Dr. Reed and his wife, Maybelle, are planning to remain and make their home in the Kankakee area permanently. First they are taking a well-earned year off to travel and visit friends and relatives within the United States and abroad. In the coming years, Dr. Reed hopes to see Olivet continue to expand and improve even further under his successor.

I have no doubt that it will for he has laid an excellent foundation. In honor of his distinguished service, I am inserting in the RECORD today an interview with Dr. Reed that was published recently in the Kankakee Daily Journal:

DR. REED LOOKS BACK

(By Bill Sell)

Dr. Harold Reed's 26-year tenure as president of Olivet Nazarene College, a record among state educators, was an era of development for the Bourbonnais campus.

Dr. Reed's retirement on July 31 will mark the longest tenure of any college president in the state's history. Beyond this, his administration was a period when Olivet grew both in size and academic quality.

Sitting in his office at Burke Administration Building, Dr. Reed reflected on the events of the past quarter century at Olivet. He relaxed in an easy chair by a wall of book shelves that contained some of his favorite volumes.

"While I've been president of the college, during the summer months, I've tried to read a book a week," he said. "I can't quite keep up with it during the year. But I feel that the winds of intellectual thought have to blow through the mind of a college president or he'll go dead."

Each year Dr. Reed's reading list includes at least one significant book on each of the six major fields of study taught at Olivet. In addition, he reads biographies of individuals whose lives may contain messages that can be passed along to the student body.

He is also a student of contemporary theology and has written three books in the field.

Dr. Reed's retirement this summer will coincide with the scheduled completion of the Hugh C. Benner Library and Learning Resources Center on the Olivet campus. The center will expand the campus library's book capacity from 75,000 volumes to about 180,000 volumes.

The campus was much smaller and the college was having serious financial difficulties when Dr. Reed took the post of ONC president in 1949. Olivet was about $500,000 in debt and banks had cut off all credit.

The new president decided that several steps had to be taken to get the college moving again. In a short time he was able to borrow $30,000 from individuals against expected revenue, raise the full education budget in a limited period of time and raise sufficient funds to furnish the newly completed Williams Hall. In three years the college was operating in the black.

Before his arrival at Olivet, Dr. Reed had served as pastor of a Nazarene church in Junction City, Kan., and had gained a reputation for his ability to build a church with very little money. With only a few hundred dollars and a good deal of volunteer help, he and his congregation constructed a church during the depression. This was a major factor in his appointment as president of Bresee College at Hutchinson, Kan., a short time later.

After serving as president of Bresee for four years, Reed left to get his doctorate. He then served as vice president of Bethany Nazarene College for two years and as a clergyman for five years.

According to Reed, the first major academic accomplishment of his administration was full accreditation by the North Central Association of Colleges and Secondary Schools in the mid 1950s.

"I think the first real academic victory was to be fully accredited by the North Central Association in 1956. In order to do that I had to add personnel with doctorates to my staff, and I had to build the Memorial Li-

brary, which is now being incorporated into the new one," Reed said.

After accreditation was granted, enrollment began to grow.

In the decade that followed, the Ludwig Center student union and the Reed Hall of Science were built on campus. Reed feels that the construction of these two buildings kept the momentum of the college going during this period.

"It has seemed to me that we reach a plateau and then we have to have something that will give us a real push in order to go on from there," Reed commented. "The accreditation in 1956 was one of those big pushes and in 1966, the completion of those two buildings was another."

Dr. Reed hopes that the next "big push" for the college will be full accreditation of the Olivet master's degree program. He said this would make the college a "mature institution at the master's level" and give it the ability to add any master's program, providing staff and facilities are available.

Dr Reed said there are several things he would like to see happen at Olivet over the next 10 years. He would like to see a new college chapel built, as well as a fine arts and religion building. He also hopes for the development of a field house with a seating capacity of 10,000.

Reed would like Olivet to become a university in the next 10 years. He hopes the college will continue to be one of the nation's leading Christian colleges with a strong spiritual thrust, a strong academic program and regular chapel services.

The student has been the center of the college's programs during his administration, according to Reed.

"Our philosophy has been to serve the student," Reed said. "The student, in my estimation, has to be the center of your entire program."

Reed's philosophy of administration also includes a policy of only borrowing to build revenue producing facilities. Non-revenue producing facilities must have financing arranged in advance.

"Another philosophy I have is nothing succeeds like success," Reed said. "If a program is rolling, help to keep it rolling."

In addition to his work at Olivet, Reed was active in the development of Riverside Hospital. He worked in organizing the project and served on fund raising drives. Reed served on the board of directors of Riverside for the first 10 years the hospital was in operation.

Reed and his wife, Maybelle, have one son, Haldor, who is active in the film industry and has appeared in the film "The Doberman Gang." Haldor is involved in acting, directing and photography.

Dr. Reed has three brothers who have achieved prominence in their fields. Edwin Reed was formerly a captain in the Pasadena, Calif., fire department. Dr. George J. Reed is vice chairman and former chairman of the United States Board of Parole in Washington, D.C. J. Wesley Reed is judge of the superior court in Los Angeles County, Calif.

Reed and his wife have traveled extensively throughout the world, including trips to Europe, the Middle East and Southeast Asia. They make regular vacation trips to Florida, where Reed enjoys going deep-sea fishing.

The Reeds will be away from the Kankakee area for one year following his retirement, although they plan to make their home in the community. During the coming months the Reeds will spend time with their son in California and visit Hot Springs, Ark. The Olivet board of trustees has also made it possible for Reed and his wife to take a lengthy trip outside the United States.

The students, staff, trustees and alumni of the college have been very kind over the past 26 years, Reed said. He added that the trustees have given him strong support during his administration.

The local community has also been of great help, particularly during fund-raising drives, according to Reed.

"In drives for financing in the community there has been genuine enthusiasm on the part of those who have assisted us and on the part of those who have given," Reed said. "And to me, this is heartwarming."

THE GOOD, THE BAD, AND THE GUN

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. FRENZEL. Mr. Speaker, a recent editorial by William Raspberry in the Washington Post does a good job of pinpointing the dilemma we face in trying to effectively control the illicit use of guns in a free society. All of the proposals I have seen that try to deal with this problem get hung up on the horns of this dilemma. Either the proposals depend on voluntary compliance in which case the bad guys are the only ones left with guns or the programs are so strong that we gain effective gun control at the expense of a free society. In either case we fail to achieve our principal objective, namely a free society free from gun-toting criminals.

When someone comes up with an effective program that does not abrogate individual rights, it will have my vigorous support.

The Raspberry article which follows is worthwhile reading for people on both sides of the gun control issue:

[From the Washington Post, May 26, 1975]

THE GOOD, THE BAD, AND THE GUN

(By William Raspberry)

There must be some logical, reasonable, socially acceptable way to move from the gun-toting country in which an estimated 70 people a day are killed by bullets to a society in which there either are no guns designed to kill people, or at least in which such guns are only in the hands of those with a legitimate need for them.

There must be a way, but I don't know what it is. And after watching Sunday's 60 Minutes show on CBS–TV, I'm not much reassured that anybody else knows, either.

The 60 Minutes segment dealt with Jamaica's effort to reduce that island's gun-spawned slaughter by confiscating all illegally held handguns and bullets—which is to say practically all handguns and ammunition not owned by law enforcement agencies.

Jamaica's effort began with a short period during which weapons could be turned in without penalty. It is being followed by an all-out campaign that includes warrantless house-to-house searches of premises and person for contraband weapons and ammunition.

Persons found in possession of such contraband are subject to immediate jailing in special facilities that include lockups, courts and "rehabilitation" centers, where arrestees without previous criminal records can be reclaimed as useful citizens.

Jamaican authorities interviewed for the show said over and over again that there's hardly any other way to do it if one is serious about removing handguns as a social menace.

The Jamaican example speaks directly to the most difficult aspect of effective gun control: How do you get to the people who would use their guns illicitly, to rob or to kill?

Nearly every American proposal for gun registration, confiscation or control is based on the assumption that people will willingly turn in most of the illicit weapons. Of the remainder, some will be taken during normal police procedures. And the rest? Presumably they will be retained by the robbers and murderers until the malefactors are caught.

One way to look at this sort of result is to say that it is ineffectual against the most frightening aspect of gun proliferation. Another is to say that it disarms only the good guys, leaving the bad ones more firmly in control than ever.

The pro-gun people say it both ways, in addition to their rather transparent talk about "sports" uses for guns. But even if the distinction can be made between sports guns and anti-people guns, it's hard to come up with a law that is both acceptable and effectual.

Some legislative proposals have called for limiting the manufacture and importation of cheap handguns, the so-called Saturday Night Specials. That seems a useful thing to do, but it is hard to see much social benefit except in the very long run.

Some jurisdictions, including nearby Baltimore, have tried taking guns out of circulation by paying a bounty for them. Predictably, Baltimore found itself buying up a lot of cheap, rusty junk, most of it worth far less than the $50 a weapon the city was paying.

What all the proposals have in common is that they would take guns from only the law-abiding citizens. They might, after a long time, make it harder for the criminal-minded to acquire guns, since presumably there would be fewer guns and fewer sources for acquiring them.

But there are an awful lot of guns already out there, and they seem to change hands readily enough without the necessity of going through any process that would expose them to police confiscation. And since guns don't wear out, none of the legislative proposals is apt to make us feel much safer from criminals.

They would however, do one useful thing: They would reduce the likelihood of ordinary lawabiding people killing themselves and each other, during family quarrels, fits of depression, or accidents, including those that result from misguided attempts to subdue criminals.

These lives are, of course, well worth saving, and the legislative proposals may be worth enacting for that reason alone.

But gun control as a means of reducing armed crime is something else again. It's hard to see how that can be accomplished through any program that is largely voluntary. You have to *take* the guns from the criminals, and to do that you have to find them.

All of which seems to add up to something close to what the Jamaicans are trying: the warrantless raids, the summary jailings and other abridgements of rights we have come to take for granted.

It would be nice to live in a society that is both free and gunless, but I'm not sure you can get there from here.

POLITICAL ASSASSINATIONS—THE PLOT AGAINST CASTRO

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. SOLARZ. Mr. Speaker, in recent weeks there has been increasing attention focused on the involvement of officials of the U.S. Government in plotting and, in some instances, actually carrying out the assassination of political leaders of various foreign governments. Reportedly instigated in most cases by the Central Intelligence Agency, these killings or plots have been directed against a number of foreign politicians—such as Trujillo, Castro, and Diem—whose regimes were considered to be inimical to the primary interests of the United States. In a television documentary broadcast last weekend, convicted Watergate burglar Frank Sturgis admitted not only to having participated in a conspiracy to murder Fidel Castro but to actually conducting a dry run of the assassination in Cuba.

The New York Times' award-winning columnist Tom Wicker has written a very timely and thought-provoking article on the whole question of political assassinations, focusing on the plot against Prime Minister Castro and citing the statements of retired Maj. Gen. Edward Lansdale which not only implicate an American Attorney General but, possibly, a President as well.

Mr. Speaker, to the extent that the allegations in Mr. Wicker's column and others elsewhere in the written and electronic media are accurate, these ill-conceived murders and schemes certainly represent one of the most shabby and unconscionable actions taken or contemplated by the United States Government. It is an outrage that such untoward actions should even be contemplated, much less carried out. I firmly believe that the prevention of these activities in the future is far more important than the reputation of those who may have perpetrated them. I urge the select committee charged with reviewing this country's foreign and domestic intelligence activities to promptly and thoroughly investigate this whole sordid affair with a view toward taking whatever action is necessary in order to prevent such pernicious plots from even being considered again.

I insert herewith, for inclusion in the RECORD, Mr. Wicker's column of yesterday and commend it to our colleagues' attention:

[From the New York Times, June 3, 1975]

MURDER BY ANY OTHER NAME

(By Tom Wicker)

In 1960, John F. Kennedy was a Senator running for President. No one would suggest that, as such, or as the scion of a powerful family, or as the exemplar of a new political generation, he had the right to have anyone killed, for whatever apparently useful purpose. After Jan. 20, 1961, he was President of the United States. By virtue of that title, can he be said under any moral, religious or ethical view of life to have had some right not previously his to order a specific human life extinguished in what he believed to be the national interest?

This is not the pacifist question whether any killing or any war can ever be justified. It is a question of simple decency—whether outside the exigencies and brutalities of warfare any political personage has the right to order the death of any other human being for the political purposes of the person who gives the order.

It certainly has not been established beyond reasonable doubt that President Kennedy, or any person colored with his authority, ever gave such an order. Yet, the evidence mounts in obscene detail that the murder—a word for which "assassination" is only a euphemism—of Fidel Castro was a subject of frequent, pointed and practical discussion in the Kennedy Administration—sometimes by the President himself.

Maj. Gen. Edward G. Lansdale says, for example, that he was ordered by Robert Kennedy, acting under John Kennedy's authority, to prepare contingency plans to depose Mr. Castro, and that in the operational planning for that purpose, Mr. Castro's murder may have been "contemplated."

According to an undisputed report by Nicholas M. Horrock in The New York Times, General Lansdale's planning operations formed only one "track" of what was a "frantic" search by the C.I.A. after the Bay of Pigs fiasco for some means of eliminating Mr. Castro's leadership in Cuba.

The indisputable fact is that any reasonable person who plans or helps to plan the deposition of a political leader by clandestine means has to take into account the likelihood that the deposed political leader will be killed—as, for instance, Ngo Dinh Diem was killed after being ousted in a military coup in South Vietnam. General Lansdale, in fact, has conceded that he knew, in planning for the deposition of Mr. Castro, that "operationally down the pike something like this could emerge." Those who ordered the contingency planning could hardly have known less.

There is moreover, evidence too rich in detail to be lightly dismissed that the C.I.A. plotted with well-known members of the so-called Mafia to murder Mr. Castro—the C.I.A. for political purposes, the other gangsters in vengeance for the loss of Havana as a source of gambling profits. Richard Helms, the former C.I.A. director, has conceded that there may have been contemplation and discussion of assassination plots although he insisted none were authorized.

The Associated Press has reported that the Rockefeller Commission, which is investigating the C.I.A., has obtained the minutes of a high-level Kennedy Administration meeting in which the assassination of Mr. Castro was discussed. Nobody has denied that report, and former Secretary of Defense Robert McNamara tended to confirm that the commission has something when he said that he had told the commissioners that he did not recall any such meeting.

None of this smoke necessarily denotes fire. Still, why has no one who was responsible in that period responded with even a show of moral outrage? Why has no one fervently denied that the highest American Government leaders could even "contemplate" such a reprehensible idea as deliberate political murder? What did McGeorge Bundy, President Kennedy's assistant for national security and now the head of the Ford Foundation, mean when he told reporters that White House officials of his time discussed "how nice it would be if this or that leader" were not around?

On March 31, 1964, for another example, George Smathers, then the Senator from Florida and a close friend of John Kennedy, recounted in an oral history interview for the Kennedy Library (as reported in "Cold War and Counterrevolution: The Foreign Policy of John F. Kennedy," by Richard J. Walton, at pps. 47–48):

"We had further conversation of assassination of Fidel Castro, what would be the reaction, how would the people react, would the people be gratified. I'm sure he [John F. Kennedy] had his own ideas about it, but he was picking my brain. . . . As I recollect, he was just throwing out a great barrage of questions—he was certain it could be accomplished. . . .

"But the question was whether or not it would accomplish that which he wanted it to, whether or not the reaction throughout South America would be good or bad. And I talked with him about it and, frankly, at this particular time I felt, and I later on learned that he did, that I wasn't so much for the idea of assassination, particularly when it could be pinned on the United States."

Murder was not wrong; it was just ineffective—and by any other name would smell as rotten.

RETAIL DRUG PRICE COMPETITION

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. ROSENTHAL. Mr. Speaker, as a longtime advocate of retail price competition in the sale of prescription drugs, I welcome and applaud the proposal by the Federal Trade Commission to abolish laws and regulations in two-thirds of the States which forbid the advertising of retail prescription prices.

I am disappointed that the Congress has been so lax in this area, despite the prodding of myself, some 45 other Members who are cosponsoring legislation I have introduced to accomplish this goal, and millions of consumers who are fed up with paying excessive prices for medicine and with being denied the information they need to make purchasing decisions.

An end to State prohibitions on retail prescription drug price advertising can save consumers millions of dollars annually in overcharges that result from the lack of competition in that segment of the marketplace. Pharmacy for too long has acted as though consumers have no business knowing about price until presented with the bill. That is absurd.

Prescription drugs are the major consumer product on the market today for which there is no retail price competition. The lack of adequate price information often forces consumers to spend more than necessary for prescription drugs. This is a particular hardship for the poor, the elderly, and others on low and fixed incomes.

American consumers are forced to pay over $1 billion annually in unnecessary prescription costs because of prohibitions on retail drug price advertising as well as overprotective patent laws, exorbitant promotional expenditures by industry, and unreasonable markups.

These are among the findings of an 18-month study conducted by my staff in New York and Washington and published in 1973.

American consumers are spending some $7 billion annually in prescription drugs—about $33 for each man, woman, and child—and the evidence is strong that they are being overcharged, on the average, by at least 25 percent. One reason for this is that while there is a huge disparity in prices for identical prescriptions at different pharmacies in the same community, it is almost impossible to compare prices.

Surveys throughout the country have shown that pricing is grossly inconsistent. The latest example can be found in the FTC's investigation, which revealed that in the San Francisco area, for example, a high blood pressure remedy available only by prescription was being sold at 28 different prices ranging

UMI

from $2.50 to $11.75. My own study showed pricing to be inconsistent even among stores of the chain for the same prescription. The secretive and arbitrary nature of retail prescription pricing has resulted not only in a wide disparity of charges for identical drugs from store to store, but even in some instances from customer to customer at the same store.

Price advertising of drugs, extensively used on the wholesale level, is banned on the retail level in 33 States, including New York State. This double standard allows the drug retailer to benefit from manufacturers' vigorous price competition while he denies that same advantage to consumers.

To correct some of the glaring abuses uncovered by my study, I have introduced in the 94th Congress legislation to accomplish the following:

H.R. 996. An end to all prohibitions on retail prescription drug price advertising, and the mandatory posting of prices for the 100 most commonly prescribed drugs;

H.R. 998. Labeling and advertising of prescription drug by their established—generic—name and an end to all laws prohibiting generic substitution by pharmacists;

H.R. 1001. The open dating of all perishable prescription drugs, showing clearly on the dispensed product's label the date beyond which the potency is diminished or the chemical composition altered by age;

H.R. 1003. Compulsory licensing of new prescription drugs during the 17-year patent period.

The study also calls for the following measures to be taken:

The industry and appropriate governmental agencies should take steps to curtail irresponsible and deceptive drug advertising claims, especially as they relate to nonprescription, over-the-counter drugs.

All States and the District of Columbia should name consumer advocates to their pharmacy boards.

The pharmacy profession should remove voluntarily all barriers to adequate consumer information.

One chapter of the report gives consumers tips on how to get the best prescription buys; it also advises doctors and pharmacists on how to help the consumer make his medicine dollar go farther.

Pharmacists oppose drug price advertising, claiming they are performing a professional service not appropriate for price advertising and, further, that price advertising can lead to drug abuse.

Both arguments are rejected in the report. Pharmacists today compound only about 5 percent of the prescriptions they fill. Nearly all prescription drugs today are manufactured in correct dosage forms and many are even prepackaged according to the most commonly prescribed quantity. Moreover, the physician and not the pharmacist has the responsibility for determining the medicine to be prescribed and advising the patient on the use of it.

It taxes the boundaries of rationality to imply that informing consumers of prices could lead them down the path of drug abuse.

The lack of price information often forces consumers to spend more than necessary for essential products. This can be a particular hardship for the poor, the elderly, and others on low and fixed incomes.

We found that in cities like Philadelphia and Miami, where drug price advertising is legal, consumers can pay less for their prescriptions than where such advertising is prohibited.

In a survey of 24,000 Queens families I found: More than 95 percent of the 2,000 persons responding would like to see prescription prices advertised so they could compare costs more easily; convenience and price, not services, are the overwhelming considerations in choosing a pharmacy; most persons were apparently unaware they could save money by asking their doctors to prescribe medicine generically; nearly 80 percent said they have found from experience that the cost of filling identical prescriptions varies significantly from store to store.

We learned that a significant factor in keeping drug prices high is the patent and trademark protection they receive. When the 17-year protection of a patent ends, prices tend to drop dramatically.

This can be seen in the case of tetracycline, the most commonly prescribed generic antibiotic in the United States. Upjohn was selling its brand of tetracycline—Panmycin—to druggists for $14.94 per hundred capsules before its patent ended in 1966. Today that price is $3.94, a drop of 279 percent. Incidentally, that same drug is available generically—nontrademarked—for under $2 per hundred.

Drug industry profits are nearly double the rate of other U.S. manufacturing corporations. High profits are just one reason for high prices. Another is advertising; for each dollar the industry takes in from domestic sales, it spends 25 cents on advertising, promotion, and marketing; less than a penny on basic research, and only 3 cents on quality control.

One comes away from this study convinced that the drug industry is more interested in wealth than health, and that prompt action is needed to protect the consumer's economic well-being in the drug marketplace.

I am inserting in the RECORD today the introduction to my 1973 report on drug price competition and the chapter outlining the problem:

RX: RETAIL DRUG COMPETITION: A CONSUMER STUDY

(By Congressman BENJAMIN S. ROSENTHAL)

The economic concept that competition in the marketplace weeds out poor products and disreputable businessmen is largely a myth. Competition itself is stifled by economic concentration in many industries and the power of corporations to manipulate decision-making in the marketplace is enormous: advertising and mass media selling often rely on subtle deceptions and on imagery instead of substance, and many of today's products are too complex to be easily understood and evaluated by even the most sophisticated consumer.

Each of these forces is at work at all levels of the drug industry—one of the most powerful, influential and richest segments of the American economy. In fact, at a time of high unemployment and increasing health care costs for the American people, the drug industry is reaping astronomical profits. It is a unique industry whose products are in constant demand. It also may be the most closely controlled industry in the country. It is certainly over-protected, a situation that contributes strongly to its enormous profits.

The evidence is strong that the drug industry is more concerned with its own corporate economic health than with the American public's medical health. This is apparent in the priorities it sets for itself, spending hundreds of millions of dollars on advertising and promotion but only a fraction of that on research and quality control. Much of the research it does conduct is not aimed at finding new cures and treatments but at adapting existing drugs for competitive purposes.

Two major segments of the drug industry—the manufacturers and the retailers—may at times be on different sides of consumer issues, but neither is willing to subordinate its profit making in behalf of lower drug prices to consumers. As a general matter, they have opposed:

Permitting open price competition on retail prescription drugs,

Filling prescriptions with identical drugs that cost less than the heavily-advertised trademarked products,

Revealing to patients the shelf life of the drugs they are using, and

Halting monopolistic practices that keep prices high.

These are some of the topics covered in this report. It is the work of a summer task force of college students led by Joel Butnick and Georganna Daher. Assisting were Robert Arbeit, Barbara Joseph and Richard Slovak, summer interns working in my Queens, New York, congressional office, and Alan Cronheim, Susan Hands, Lynda Herr, Matthew Pinkus, Peter Rosenberg and Nick TeBordo, interns assigned to the Washington, D.C. office.

Their basic assignment was to examine prescription drug prices and study the question of drug price advertising (a practice largely prohibited throughout the country) and its potential importance to and effect on consumers. Since prescription drug price advertising is considered taboo by those who dominate the pharmacy profession, it is difficult to tell exactly what its impact on consumers would be, although there is evidence that in cities such as Miami and Philadelphia, where drug advertising is permitted, prices tend to be lower than in places where it is prohibited. Researchers surveyed more than 120 drug stores in Queens, New York, and in the Washington, D.C. metropolitan area during 1971 and 1972 to compare retail prescription prices under a variety of conditions. These findings also were compared with advertised prices, where the practice is permitted. Since no discussion of prescription drug price advertising can ignore other marketing and promotional practices, this study takes a close look at other aspects of the drug industry as well.

One comes away convinced that the consumer is the victim of single-minded concern for profit involving the entire drug consortium—and with the conviction that prompt action is needed to protect the consumer's economic well-being in the drug marketplace.

CHAPTER I.—THE PROBLEM

The American consumer spends up to $7 billion on prescription drugs every year—an annual bill of over $33 for each man, woman, and child.

There are several reasons for the high cost of drugs—the lack of open retail price competition, over-protective patent laws, needless and exhorbitant promotional expenditures, arbitrary pricing practices and unreasonable markups—but they all fall under one heading: Economic Profiteering.

It has become increasingly clear in the past few years that pharmaceutical manufacturers, whose profit rate is nearly double that of other U.S. manufacturers,[1] have victimized the consumer. Fiercely competitive, the drug manufacturers spend $1 billion or more annually touting their products to those who prescribe and dispense them. Joining in the battle to maintain high profits are the pharmaceutical organizations which expend enormous amounts of time, money and effort to prevent consumers from comparing the retail prices of prescription drugs. State pharmacy boards and supportive organizations, which formulate and vigorously enforce anti-advertising and anti-substitution laws, play the most significant role in keeping price information from the consumer.

Although they wrap themselves in the same cloak of piety which surrounds the medical profession, drug manufacturers and pharmacists more closely resemble business firms whose exclusive interest is profit. Excessive prices and monopolistic practices go hand in hand with the desire of most pharmacists to avoid retail price competition. Ultimately, this combination works a hardship on the sick and afflicted—all of us at one time or another.

There are signs that the drug industry itself is becoming aware of this situation. Major pharmaceutical firms have begun to stress their "low, generic prices," and a group of New York pharmacists recently expressed public alarm over the high price of drugs. Efforts at stabilization during the period of wage and price controls did nothing more than freeze prescription drug prices at unconscionable levels. During Phase III, prices are destined to go higher.

Retail price advertising—where it exists—reveals the immense disparity between prices for the identical drug and shows conclusively that where there is open price competition, the consumer pays less for the same product. Ironically, those drug products prescribed by the doctor and dispensed by the pharmacist are sold to them through the vigorous use of price advertising by drug manufacturers—a method relied on at the wholesale level but steadfastly opposed at the retail level.

The opposition to price advertising rests on self-serving, and, at best, fallacious reasoning. The widely publicized argument that pharmacists are professionals who, like doctors and lawyers, should not be compelled to advertise their prices, is specious. Unlike pharmacists, physicians and lawyers do not deal in a product. Only if the pharmacist performed an exclusive professional service as complex and individualized as that of a doctor or lawyer, might the analogy then be valid.

A one time pharmacists were viewed as physicians' associates, compounding drugs and advising patients. Today's pharmacist is a modern merchandiser, who dispenses everything from cosmetics to cigars. A physician who characterized the relationship between the doctor and the pharmacists as "remote and getting more so" recently stated: "In urban areas of the United States and Britain, few pharmacists know personally the physicians practicing in the area. In most cases the only contact is over the telephone and that is often through receptionists in the physician's office."[2]

Despite the claims and dreams of pharmaceutical organizations, the pharmacist does not perform a service requiring medical skill so much as he sells a mass-produced, fully compounded and often pre-packaged product. The pharmacist has no real control over the drugs which the doctor prescribes, but he is responsible for following the physician's directions as to drug type, brand (if prescribed), strength and dosage. Under law, he must also be certain that the drug is fresh (the date of potency loss is on the pharmacist's own package but he is not obligated to give that information to the consumer, nor does he usually volunteer it). Finally, he must accurately label the customer's prescription.

The responsibility for patient care is the obligation of the physician. In the words of a pharmacist, "It is the physician, not the pharmacist who writes the prescription. Instructing and counseling the patient is the obligation, duty, and responsibility of the physician, not the pharmacist."[3] Philadelphia pharmacist Edward Pastor states: "Drug interactions can be controlled only by the physician. A patient filling one prescription at Store A, a second at Store B and a third in another store or through daily interstate mail-orders can only be monitored by his physician." Pastor, who was largely responsible for overturning Pennsylvania's prohibition on prescription price advertising, also states: "By law, the pharmacist must fill the prescription as written. The penalty for not doing so in most states is loss of license." In view of these facts, he concludes that there is overwhelming evidence that no decrease in health care occurs with free price competition in the drug marketplace.

The effort to undermine the free enterprise system through prohibitions on retail price information has failed in a few places, most notably Massachusetts, Pennsylvania, Florida and Oregon, where it is presently legal to advertise retail prescription drug prices. It is the aim of this report to review the wide disparity in drug prices, to examine the role of the drug industry—at all levels—in certain aspects of advertising and competition and to report the results of surveys and questionnaires in this area.

[1] Drug manufacturers' average net profits after taxes are double the figure for all U.S. manufacturing corporations: in 1971 the return was 19.3% of net stock holders' equity compared to 9.7% for all U.S. manufacturing. *Prescription Drug Data Summary 1972*, Department of Health, Education, and Welfare, Social Security Administration, p. 24. "Despite the economic recession [of 1970] manufacturers of prescription and other professional [drug] products increased their profits by 12.1% over 1969. At the same time, taxes on this earning dropped 9.5%." Reported in *Drug Trade News*, September 20, 1971, pp. 1, 16.

[2] "Physician's Viewpoint" by Karl Neumann, M.D., *American Druggist*, July 12, 1971, p. 8.

[3] Letter from Edward Pastor, Philadelphia pharmacist.

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. EILBERG, Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD another installment of Mr. Levin's articles:

[From the Philadelphia Daily News, Jan. 30, 1975]

THE BLIZZARD KING

Among the more unusual expertise the Army will lose when it closes the Frankford Arsenal is that of Dave Askin, Blizzard King.

Inside building No. 230, Askin spends a good part of each day puffing a smelly pipe and running back and forth between snow storms and tropical floods.

A short, nervous man, Askin is a former civilian air-conditioning engineer who came to the arsenal in 1951. He spent six years developing one of the most extensive environmental labs in the country. He does not intend to move when his creation is transferred.

Visitors to his shop may find themselves sharing the place with a Sahara desert sandstorm or a thundershower—or both. His special weather rooms are large enough to hold an armored tank and can produce any weather condition on earth.

You don't find a lot of modesty in Askin's snow kingdom.

"This is the only lab like this in the country. Maybe the world. It's the best. I don't know how they could replace this equipment," he said as he prepared to whip up a high-altitude ice storm on the first floor.

SO . . . WHO'S GOING TO ROCK ISLAND?

In nearly three-dozen random interviews throughout the laboratories and workshops of the Frankford Arsenal, the People Paper couldn't find a single scientist, engineer or technician who planned to move to Rock Island with his mission.

These findings run directly counter to the claims of the Army, which have as many as 50 percent of the top scientists, engineers and technicians willingly moving with their missions when the Frankford facility is closed by July 1977.

Authorities in and outside the Army readily agreed that if substantial numbers of personnel do not move with the various projects at Frankford, then those projects will cease to exist, except on paper.

Typical of those interviewed at the arsenal, Bridge and Tacony Sts., are:

Dr. James Mikula, 48, a physicist specializing in spectroscopy, the study of the interaction of electromagnetic fields and matter.

"I have a daughter in Temple and another just graduated and looking at med school," said Mikula, who has worked at the arsenal 24 years and is an authority on lasers. "I can't move. I can't retire. I'm too young. I will have to go into teaching because there are no openings for the sort of work we do here in private industry."

Seymore Miller, 45, technical director of the Frankford Arsenal and one of the country's leading authorities in the field of small-arms munitions development and manufacture. He has been at the arsenal for 25 years.

I've touched base with 50 of our key people—the ones who are essential to their missions. Not one of them intends to move to Rock Island and neither do I. I have roots. I have children in college. Can you imagine retiring in Rock Island, Ill.? I can't.

Gordon Sigman, 38, engineer and 15-year veteran of arsenal service who is chief of the Infantry Artillery Combat Vehicle Fire Control Division.

"I have no desire to go to Rock Island. I came into this area years ago because this is the kind of area I wanted to live in. I have four children and a house and enough connections to get another position when the time comes."

Marvin Gonsberry, 49, an optical physicist.

UMI

After 25 years at the arsenal, he is one of the core members of the optical department, the only one of its type in the Department of Defense.

"I couldn't move. My roots are too deep here, no matter how attached I feel to my work. I have a house and parents here who are not going to live much longer. Three kids in school. I've spent years developing my field. I guess I'll go into retirement . . . I'm 10 percent short of full retirement. Maybe I'll work as a salesman to take up the slack. I know an awful lot of people here and they all feel the same as I do."

George Hurver, 56, with 33 years of government service, who heads the arsenal educational programs offering training in 34 technical fields. Nearly 3,000 East Coast students annually go through the arsenal school.

"When you analyze my program by numbers, needs or geographic location, a move out of this area is crazy. That's the only word for it, crazy. It will cost millions to move it as well as to start sending thousands of people from the East Coast halfway across the country to Rock Island to go to school. None of it makes one damned bit of sense."

Walter Gadomski, 39, and a 16-year veteran at the arsenal and now project director of the Automatic Cannon Technology Program.

"In just about every way you can look at it, I lose if I move to Rock Island. I lose money on my house, I lose a tremendous wealth of cultural activities for my family and I lose the heavy concentration of universities which are vital to me as an engineer. It's not that I'm totally against moving. I'd go to Miami say, but to the farmlands of Illinois? Never."

Bob Schlenner, 30, an engineer who has been eight years at the arsenal working in the field of small caliber ammunition.

"I've been to Rock Island where they want to send us. One word describes it—desolate. It doesn't have anything to offer to a person like me; not professionally or socially or culturally. There are 20 other young engineers in my branch. They all feel the same way. We'll take a pay cut, maybe, but we'll start again—in Philadelphia where we want to be."

[From the Philadelphia Daily News, Feb. 19, 1975]

OUR ARSENAL CRITICAL IN TANK CRISIS

(By Hoag Levins)

Closing Frankford Arsenal will disrupt Army tank production carrying a rare White House priority.

The arsenal is a critical link in building 1,800 M–60 tanks needed immediately by the Army. The M–60 is the Army's primary armored weapon.

The Pentagon was suddenly caught short of tanks after sending 1,000 of its M–60s to Israel following that country's disastrous losses in the 1973 Yom Kippur War.

Now, the Army is in such a hurry to resupply its tank forces here and abroad that many National Guard and Army Reserve units have been stripped of all available tanks.

In investigating the arsenal's role in the crash M–60 program—currently the Army's highest priority project—the Daily News found:

The arsenal is the only source of production for the highly complex "fire control" systems which provide the computerized "eyes, ears and brain" of a tank.

The arsenal—scheduled to begin closing down in less than six months—is so strapped with work on the five-year M–60 tank program that it has begun to hire two dozen new engineers and technicians.

Arsenal officials admit the technicians will have little time to train for their new jobs before their positions will be terminated and Frankford's part of the M–60 project is abandoned.

The planned transfer of Frankford's fire control program to Rock Island likely will result in the unit's destruction because few, if any, of the experts needed to run the program intend to transfer to Illinois, 1,000 miles away.

A top spokesman at the Army's Tank Automotive Command in Detroit—which receives tank components from hundreds of different sources and assembles finished tanks—said his office was "unaware" that Frankford Arsenal had anything to do with making tanks.

The M–60 is the Army's main battle tank—a massive, low-slung, $500,000 steel monster which can swiftly carry its 105mm cannon up the side of a mountain or down the slope of a sand dune. The olive drab tanks are diesel-powered, and the main armor weapon used by the American Army and its allies.

Tanks of the past were little more than mobile bomb shelters. However, the M–60 is crammed with highly sophisticated computers, electronics equipment and exotic optics. With these, it can see in the dark, measure vast distances with laser beams and instantly compute the effect of any conceivable variable on the shell it is about to fire.

Despite their ponderous 52 tons (the weight of 25 station wagons), the tanks can detect and maneuver away from enemy radar, laser beams, airplanes and other tanks much like lightfooted iron cats. As such, they are indispensable to Army units around the world.

Last year, the United States gave away 1,000 of the Army's M–60 tanks to Israel to make up for its losses in the most recent war with the Arabs. The Army already was short 800 tanks. Almost overnight, the Army found itself short 1,800 tanks of 10,007 tanks it feels it needs to equip active units here and in Europe.

Chrysler in Detroit is building 43 new M–60 tanks a month. President Ford has requested money from Congress to raise that to 103 a month, meanwhile giving the project a special White House priority work rating.

Frankford Arsenal is the only center for research, development and production for fire control systems in the Defense Department. "Fire control" is the military term for the complex system of computers, range finders, optical and electromechanical equipment which allows the four-man tank crew to see out of their tank and aim and fire its guns. Fire control is the eyes, ears and brain of a tank.

"The entire situation here at Frankford is a little unbelievable," explained one high arsenal official. "The pressure on us is heavier every day. A lot of people here privately feel like a pack of lemmings running full speed toward a cliff."

Currently, 1,344 of the 3,000 arsenal workers are involved in the overall fire control program, long one of the arsenal's main functions.

That fire control program is to be closed down and moved to Rock Island Arsenal in Illinois by June 1977.

In dozens of interviews among top scientists, engineers and technicians at Frankford, the Daily News was told that virtually none of them intend to move to Rock Island—destroying the core of "brains" which have organized and operated the complex fire control program here over the last two decades.

The move to Rock Island will disrupt or destroy the Army's fire control production capability, say sources interviewed.

Ironically, in July—the month that phase out begins at the arsenal—the Army intends to boost its tank production in Detroit from 43 to 65 vehicles a month. By 1977—the year Frankford and its fire control program will cease to exist—the Army hopes to meet President Ford's production goal of 103 tanks a month.

Maj. Chester McKeen, who heads the Army's tank program in Washington, continually has been unavailable for questions about the M–60 program. His office referred calls to the Army's Detroit Tank Automotive Command (TACOM), headed by Col. Donald Babers.

Babers declined to answer any questions about tank production or potential problems with the fire control systems from Frankford. He referred his caller to the public information office in Detroit who, he said, "knew everything there was to know" about the M–60 program.

Frank Gaal, head information officer for TACOM, which oversees a national network supplying component parts for the M–60, said TACOM was "unaware" that the Frankford Arsenal had anything to do with the M–60 program.

"We have an enormous number of prime sources for the various parts and systems of the M–60," said Gaal. "It's impossible to keep track of them. As far as we know, though, the Frankford arsenal does weapons work and doesn't have anything to do with the M–60."

Gaal, asked where TACOM gets its fire control components for the M–60's it assembles, said finding that answer would "take a good deal of research."

[From the Philadelphia Daily News, Feb. 19, 1975]

ARSENAL: "WE'RE HIRING, YET GETTING READY TO FIRE"

Hanging conspicuously from the "In" basket on the desk of Frankford Arsenal's Maj. Kenneth Horio is a noose.

Horio, who has been silent until now on the arsenal's closing, points out to visitors that the hand-tied rope ornament is "just a joke," but the noose symbolizes the situation in which the 12-year Army veteran finds himself.

Horio heads the arsenal's fire control program which produces the complex computerized systems for the M–60 tank.

Last month, Army Secretary Howard Callaway announced the M–60 program is the "Army's highest military priority."

Earlier this month, President Ford underscored its importance in his budget message to Congress. Ford asked for money to double tank production. At the same time, a rare "DX" priority rating was given to the M–60 projects at Frankford and other facilities across the country. Unlike most priority ratings from the Army or the Defense Department, a "DX" originates at the White House.

Sitting at his desk, Maj. Horio shakes his head, drums his fingers on the blotter and admits that Frankford's unique fire control program has a "curious status."

"We're involved in a program of the highest priority possible and at the same time we're involved in phasing ourselves out of existence," said Horio who heads the only program of its kind in the Defense Department.

We're hiring people to handle the heavy workload, yet we're getting ready to fire them," he said.

Over the past few months, as the M–60 became the Army's main focus, Horio has been host to dozens of the country's highest ranking military officers who come to see Frankford's fire control production projects—a critical link in the total M–60 program.

"No one mentions the closing," said Horio. "Everyone knows what is coming, but nobody wants to discuss it. It's like an unwritten rule—you never talk about the closing."

Al Ford, 53-year-old civilian administrator of the M–60 project and a 24-year Frankford veteran says:

"You're moving a highly complex technological operation 1,000 miles to the west. Your outside contractors with the special machines and trained people are still in Philadelphia.

"The employes who created and run your unique operation will not move to the new site at Rock Island. So you'll have no one to teach the new people. You know the area you're moving to doesn't have a pool of labor skills in the electronics, electro-mechanics or optics that you need.

"Someone is not looking at the total picture of all of this. We keep hearing that there will be 'no disruption' in the M–60 Fire Control program. That is impossible. No one with any common sense could believe that.

"The question," said Ford, "is how many years will it take to re-establish this thing in Rock Island with all the facts we know? The answer that has to be given to that question is, 'Who knows?'."

—HOAG LEVINS.

I WOULD LEAVE FRANKFORD ALONE

"If I were Gerald Ford," said Ray Hartzag, who was waving a small plastic tank in the air, "and I wanted to see tanks made on time, I'd leave Frankford Arsenal alone for about five years or so."

Hartzag made a final sweeping gesture with the plastic M–60 tank and brought it in for a landing on the surface of his desk—where it sits as a daily reminder of his company's financial lifeblood.

Hartzag is part-owner and manager of Rouff & Sons, Inc. at 1030 Rose Ave. in Runnemede, N.J. Rouff is one of 10 area firms involved in making some of the 24,000 separate parts which go into the M–60 Fire Control systems produced by Frankford Arsenal.

Like Rouff, most of those firms have been doing specialized arsenal work for a dozen years or more. They have machines and experienced employes to do jobs that can't be done in conventional machine shops.

"There is more than just production or money here," said Hartzag, whose company does $3-million a year in business—40 percent of which is arsenal Fire Control work.

"Right now, for instance, when we have an engineering problem or a technical difficulty to be straightened out, I jump in my car and run across the Tacony bridge for a nickel. Arsenal engineers do the same coming this way. No problem at all.

"So you move it to Rock Island . . . all the contractors who have been doing the work for years, who have the specially trained people, and who have the contracts are back here in Philadelphia. So suddenly you have a 1,000-mile gap. I think it is obvious that when you're working on this sort of precision work 1,000 miles can create quite a problem.

"I still have to consult with them as the work goes along, or changes, or runs into problems, so now I get on a plane and fly to Rock Island for a few days. Now I can't eat that cost. I have to pass it along in the price of future work.

"So who wins . . . it will cost more in the long run and it will take longer to get the work done."

WIDF PROPAGANDA TEAMS TOUR U.S. CITIES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. McDONALD of Georgia. Mr. Speaker, using the United Nations to make their entry, members of the Women's International Democratic Federation—WIDF—an international Communist front under the control of the Soviet Union, are touring 35 U.S. cities to spread the Soviet line on disarmament.

WIDF members from some 26 countries entered the United States to attend an International Women's Year—IWY—seminar, "Women of the World United for Peace: Disarmament and Its Social Consequences," held May 7–9 at the U.N.

The Communist Party, U.S.A.'s newspaper, Daily World, reported that this was "the first meeting at the U.N. of international delegates not connected with governmental organizations." The seminar was sponsored by WIDF, the Japanese Alliance of Peace Associations, and the U.S.-based Women's International League for Peace and Freedom—WILPF.

On the last day of the seminar, WILPF held its 60th anniversary celebration at the Church Center for the U.N. which was attended by many of the WIDF delegates, including WIDF Secretary General Fanny Edelman of Argentina.

On May 9, the last day of the seminar, seminar delegates announced a program for a series of miniseminars to be held across the United States. At the press conference it was stated that the tours were to be sponsored by "International Women's Year and ad hoc coalitions, the WYCA, the League of Women Voters groups and local peace organizations."

The WIDF/WILPF seminar had three main goals: to "strengthen peace and disarmament and struggle for prohibition of the production, testing, and stockpiling of nuclear weapons; to press for a people's world disarmament conference some time in 1976, and to call to nations to cut military budgets by 10 percent as an initial gesture."

Katherine Camp, international president of WILPF said of the purpose of the U.S. miniseminars:

We want disarmament to become a household word.

Among those present at the WIDF seminar were Frieda Brown, WIDF vice president, Australia; Fannie Edelman, WIDF secretary general, Argentina; Valentina Titova, WIDF secretary and member of the Soviet Women's Committee, U.S.S.R.; My Soon Shaath, General Union of Palestine Women, Egypt; Fatimah Ahmed of the guerrilla terrorist Popular Front for the Liberation of Oman; Ruth Lubitch, WIDF, Israel; Anna Maria Navarro, Federation of Cuban Women; Inessa Ivanova, Moscow Institute of World Economy and International Relations, U.S.S.R.; Valeria Troitskaya, U.S.S.R.; Sophia Tsimilli, Cyprus; and Mrs. Carmel Budiardjo, a British woman married to an imprisoned Indonesian who has returned to her homeland; and Le Ahn Tu, a South Vietnamese supporter of the Vietcong now working for the American Friends Service Committee.

WIDF teams have already held meetings in Bridgeport, Westport, and Stamford, Conn.

No doubt some of my colleagues are aware that the WIDF was founded in Paris in 1945 as a part of the Soviet Union's cold war apparat, ostensibly at the suggestion of the Communist-controlled French Women's League. Working intimately with the Soviet-controlled World Peace Council—WPC—which it helped organize, the WIDF has its headquarters in East Berlin.

The WIDF claims a membership of 40 million women in 100 countries, but it has a loose organizational structure which makes no definition of members and nonmembers.

WIDF's stated aims are stated in very general terms to attract a wide membership. Nevertheless, the practice of WIDF has been to support the international policies of the Soviet Union. As early as 1948, WIDF stated it intended to follow the lead of the Soviet Union, "the only country truly working for peace."

By implication then, WIDF accepts the Marxist-Leninist view that "true peace" will arrive only with the end of class warfare through the dictatorship of the proletariat.

As one analyst of WIDF wrote:

Few people are against the "coordination of the democratic women's leagues, international cooperation for peace, equal rights for women, equal wages for women, and general welfare and health of children."

Behind this facade, however, is the pursuit of the main objective—to aid communism and smooth its path. The main activity of the WIDF, therefore, is to support the policies of world communism by engaging in extensive propaganda, often in collaboration with the WPC. This is facilitated by publicizing the claim that exploitation, hunger, suppression and inferior living conditions exist only under capitalism and colonialism; therefore, women should object to the "warmongers" of the Western world.

It is also worthwhile noting that the International Women's Year—IWY—is also a creation of the Women's International Democratic Federation.

Paul F. Magnelia, in an article for the Yearbook of International Communist Affairs, 1974, noted:

The idea of the International Women's Year emerged at the WIDF's Bureau meeting in November 1971. A WIDF proposal was then submitted to the U.N. Commission on the Status of Women, and thereafter the U.N. Assembly officially proclaimed 1975 to be International Women's Year.

He then explained:

The WIDF anticipates that a special women's year will give it an opportunity to work closely with other organizations on the national, regional, and international level in the areas of social progress, women's right's and the defense of democracy, national independence and peace.

But in WIDF seminars and literature, peace, social progress, and the defense of democracy are to be found most especially in the Soviet Union and the Soviet bloc nations.

Despite ample documentation over the past three decades, and formal citations as an international Communist front, WIDF officials and members have been granted unrestricted visas by our State Department, in what appears to be flagrant violations of the law. One of the more recent instances has been the case of Mrs. Hortensia Allende, a WIDF vice president, who has been granted unrestricted visas to raise funds and to disseminate propaganda.

Perhaps my colleagues who have expressed their deep concern and shock at the violations of the law uncovered during the Watergate investigations will

UMI

join me in requesting the Attorney General to investigate this case also.

CONSERVATION OF OIL

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. LLOYD of California. Mr. Speaker, I would like to share with my colleagues in the House of Representatives the results of the questionnaire in my newsletter of April 1975, to my constituents in the 35th District in southern California.

Long before the thousands of questionnaires started pouring into my office with the results, I anticipated a definite show of opinion from residents of the Pomona and San Gabriel Valleys. I was not disappointed. They responded with well-formed opinions on the issues of the day, and I have and will continue to use their views to guide my actions in Congress.

My first question addressed the conservation of oil. Increasing gasoline taxes to accomplish this was favored by 24 percent; opposed by 71 percent with 4.2 percent undecided.

Gasoline rationing was favored by 50 percent; opposed by 44 percent and 5.8 percent were undecided.

Increasing import taxes on oil, an action recently taken by the President, was favored by 31.8 percent; opposed by 58 percent with 9.7 percent undecided.

Other suggestions as ways to conserve oil included more economical cars, development of alternate energy sources, and construction of mass rapid transit systems.

My second question was: "Do you favor some type of Federal regulation of oil companies?" The response was 73 percent in favor of Federal control over oil companies; 22 percent against it and 4.6 percent undecided.

The third question dealt with aid to Cambodia and South Vietnam. On whether aid should be both military and humanitarian, 31.8 percent were in favor; 62 percent were opposed; and 5.9 percent were undecided.

Military aid only was favored by 4.9 percent; opposed by 91 percent; and 3.5 percent were undecided.

Humanitarian aid only was favored by 77.4 percent; opposed by 19 percent; and 3.5 percent were undecided.

A complete cutoff of aid was favored by 58 percent; opposed by 35 percent; and 6.5 percent were undecided.

The economy remains the top issue in my 35th District and throughout the Nation, and my fourth question addressed itself to this important subject.

To stimulate the economy and reduce unemployment, income tax rebates were favored by 68 percent; opposed by 24.5 percent; and 6.9 percent were undecided.

Public service jobs were favored by 72 percent; opposed by 22 percent; and 6 percent were undecided.

Business tax credits were endorsed by 53 percent; opposed by 34.7 percent; and 11.9 percent were undecided.

I asked for other suggestions to aid the economy, and the responses were to reduce Government spending, reduce interest rates, reduce welfare fraud, and increase aid to senior citizens.

That was the extent of my questionnaire, and I think that my constituents have an excellent grasp of the problems facing this country. I would like to thank all of those who returned my questionnaire, as the views of my constituents are the most important factor in my actions in the Congress:

QUESTIONNAIRE

[In percent]

	Yes	No	Undecided
1. To conserve oil, do you most favor:			
(a) Increase gasoline taxes	24.0	71.0	4.2
(b) Gasoline rationing	50.0	44.0	5.8
(c) Import taxes on oil	31.8	58.0	9.7
(d) Other smaller car engines, alternate energy sources, mass transit.			
2. Do you favor some type of Federal regulation of oil companies	73.0	22.0	4.6
3. Should aid to Cambodia and South Vietnam be:			
(a) Military and humanitarian	31.8	62.0	5.9
(b) Military only	4.9	91.0	3.8
(c) Humanitarian only	77.4	19.0	3.5
(d) Cut off	58.0	35.0	6.5
4. To stimulate the economy and reduce unemployment, do you favor:			
(a) Income tax rebates	68.0	24.5	6.9
(b) Public service jobs	72.0	22.0	6.0
(c) Business tax credits	53.0	34.7	11.9
5. Other suggestions to help the economy: Reduce Government spending, reduce interest rates, reduce welfare fraud, increase aid to senior citizens.			

Note: Clip and mail to: Congressman Jim Lloyd, 222 Cannon Building, Washington, D.C. 20515.

APPOINTMENT VERSUS ELECTION OF JUDGES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. RANGEL. Mr. Speaker, philosophically speaking, our public officials should be those who are representative of the persons that they are to preside over so as to adequately reflect their views and beliefs. If we look at our local officials—city council members, school board members, mayors—such is the case in most cities; that is, they are elected by the people. Our next level of government, the State, bears the same picture—Governors and State legislators are also elected. And, of course, on the national level, we in the Congress, and the President are chosen by the electoral process. But one major component of this government's tripartite is denied this electoral selection process in most cities and States, while the Federal judges are seated solely by appointment.

Pro and con arguments in respect to the election versus appointment of judges have been with us nearly 200 years. Some States have amended their constitutions so as to reverse their system of judicial selection or to utilize a combination of both appointment and election. An article in the April issue of Judicature magazine, authored by the Honorable George W. Crockett, Jr., who is presiding judge of the recorder's court of the city of Detroit since 1966, gives this issue some foundation as he presents us with Michigan's experience in this area in addition to providing some of the consequences as seen from a black perspective. Herewith, Judge Crockett's article:

[From Judicature magazine, April 1975]

JUDICIAL SELECTION AND THE BLACK EXPERIENCE

(By George W. Crockett, Jr.)

The subject of judicial selection has long been contentious and controversial. While each of us loudly asserts his "objectivity and fairness" in developing his arguments for or against at-large election of judges, or for or against an appointive system, the truth is that our attitudes are determined largely by our individual perspectives and social objectives. Unfortunately, latent and patent biases are also part of the debate.

Among the criteria generally (and properly) applied to judicial candidates—in addition to the hope for at least a modicum of understanding of the law, a breath of compassion, a spark of originality—is the need for judges to represent a true cross-section of the population over which they are to preside. There are few, if any, who deny the importance of this qualification.

In this regard, our system of presidential appointment of Federal judges has been a distinct failure. Federal judges, whatever their other redeeming qualities or shortcomings, have historically been selected for reasons other than as "mirrors of their constituencies."

Of the approximately 700 Federal judges now in office, only 20 are black. And, significantly, each one of these black Federal judges is from a geographic area where the black voting potential is crucial; none is from the areas where the bulk of the black people reside. After 100 years of full citizenship, no southern black (one who resides south of Washington, D.C.) has ever been found "qualified" for nomination to a Federal judgeship. Atlanta, New Orleans, Houston and St. Louis with their increasing numbers of black voters and black attorneys would surely not be without black Federal judges

today if all Federal trial court judges were elected.

The proponents of the appointive method of judicial selection always refer to their various plans as "merit selection." The implication is that popular selection and election of judges is without merit, or does not produce judges of sufficient merit. Underlying the "merit" proposals is the further assumption that the people themselves—those who are to be judged—are not competent to choose those who are to sit in judgment upon them.

Members of the bar, the argument goes, have a superior appreciation of what constitutes a good judge. At most, some of the proponents of the appointive system concede, the ordinary citizen should be allowed to veto a candidate who has been appointed by the governor from a list prepared by a blue ribbon, lawyer-dominated committee. This, the "Missouri Plan", and its variations, allows the governor's appointee to serve a minimal period of time before he faces the electorate. By this time, the political cards are stacked because the appointee has no opposition. The electorate almost invariably will approve him rather than recommence the long tortuous process of selection, appointment, trial period and referendum. The so-called citizen-input becomes an empty promise impossible to fulfill.

Here in Michigan the change to an appointive system is vigorously advocated by the leadership of the Detroit Bar Association, the State Bar of Michigan, the Michigan League of Woman Voters and the major Detroit press. The change is just as determinedly opposed by the Wolverine (black) Bar Association, the leadership of the State Federation of Labor, the Michigan Judges Association, and by most judges and attorneys located outside the metropolitan areas.

Michigan has had a popularly elected judiciary ever since its first constitution in 1835. While that document provided for an appointed Supreme Court (consisting of four justices), it specified that all other judges in the state were to be "elected by the qualified electors." For 124 years—ever since the Constitution of 1850—all Michigan judges, including justices of the Supreme Court, have been "elected by the qualified electors."

The Missouri Plan and its variations have been hotly contested among Michigan lawyers since 1951 when the annual meeting of the Michigan State Bar refused even to put it to a referendum of the membership. It was debated in 1962–63 at the Michigan Constitutional Convention where the "leaders" of the bar tried to write the plan into the new state constitution. Again the proponents failed. The revival of agitation in recent years for merit selection of Michigan judges coincides with the comparatively large increase in the number of black judges in Michigan in recent years, and some see a direct connection between these two developments.

Unlike most states, Michigan has had a sizable contingent of competent black lawyers since the late 1920's. But as late as 1966 there were only eight black judges in Michigan, due to the fact that Michigan governors had the power to fill all interim judicial vacancies by appointment until the next general election. It wasn't until 1950 that a governor, G. Mennen Williams, demonstrated enough political guts to appoint our first black judge. Today the number of black judges in Michigan has increased to 21, and 16 of these are in the city of Detroit where black voters are in the majority.

Blacks in Detroit no longer depend upon gubernatorial courage to get fair judicial representation. "The shoe is on the other foot," one black political leader recently remarked, "and no one can expect to gain or retain judicial office in Detroit or in Wayne County without substantial black support."

A basic question, of course, is whether the quality of the judiciary is materially improved by making selection appointive rather than elective. The arguments pro and con are similar in many respects to those made in 1912–13 when the people adopted the 17th Amendment to the U.S. Constitution, abolished the appointment of United States senators by state legislatures and asserted their competency to select and elect their senators. It would be difficult today to support the proposition that our present popularly elected United States Senate is inferior in quality to the former legislatively appointed Senate.

The same general considerations that influence the selection of such public officers, as presidents, governors, mayors and members of legislative bodies, should also influence the selection of judges. The citizen selects and votes for candidates whom he believes more closely reflect his point of view and his personal philosophy with respect to the powers, duties and obligations associated with the particular public office. And this is true whether he is making the selection as a voter in the privacy of the polling place or secretly casting his ballot as a member of a blue ribbon screening or nominating committee or commission. In each case the choice will reflect as closely as possible the selector's own personal, social, economic and political judgment.

In like fashion, regardless of high-sounding protestations to the contrary, the person chosen is inclined to feel an affinity for those who selected him whether it be the electors at the poll or the selectors at a conference table. The simple question is whether his "instinctive" responses will lean more toward the "power structure" or toward the "man in the street."

The primary difference then between choice by electors and choice by a commission is the matter of constituency, accountability and control. A judge selected (nominated) from an open field and then elected by popular vote, has a broad constituency, is accountable directly to the voters, and control of the selection process is diffused among the thousands and tens of thousands who voted for him. He feels a sense of responsibility and gratitude to those who made him their judge. But selection by a committee or a commission concentrates that control in the hands of those interests directly represented on that committee or commission. Such commissions normally are top heavy with "status" representatives (i.e. corporation lawyers, big business executives, professional "liberals") with underrepresentation, if not complete exclusion, of blacks and other minorities. The result of their deliberations is a list of judicial nominees that mirrors a cross-section not of the community but of the economic, social, moral and political views of the commissioners.

This is what judicial selection by appointment is all about. Notwithstanding the claim that a better caliber of judge is obtained when nominees are selected by a committee or commission, the real issue is: who will the judge represent in his rulings particularly with respect to those sensitive areas where "the law" is whatever we judges decide "our community" wants the law to be? Judges have an enormous tool in the power of judicial discretion. It is this tool, after all, that allows the law to keep pace with change in society. It is this tool which, in the hands of one judge may be used to uphold an outmoded precedent but in the hands of another may be used to revise, reform and advance our law. It is this tool with which a defendant may find himself jailed or freed—depending upon which judge wields it.

Judicial discretion, after all, is what our system of common law is all about. Roscoe Pound put it, "Justice is an alloy of men and mechanism in which men count more than machinery."

The dual society—white and black—which continues after 300 years to plague American life, has conditioned black Americans to think and to react to public issues in much the same manner as persons who have inherited dual citizenship. To blacks, every public issue has its two-pronged aspect: how will it affect blacks? and how will it affect the people generally? The answer to both questions should be, but is not always, the same.

The answer to the first question will reflect the black experience; the answer to the second will reflect the white patina encrusted upon all blacks by three centuries of living in a dominant white society.

Black judges are sensitive to their dual personality and their dual reaction to the question of elective versus appointive judicial selection. Not only are we aware of this duality, but all candidates who face a sizable black voting potential must be aware of it. Blacks, like other minorities in the past, are now voting black with ever-increasing consistency in an effort to win that mirror representation for themselves in every branch and on every level of government that has been consistently denied them by the appointive method. This is why in Michigan any suggested change in our traditional practice of having all judges elected by the people themselves—and not selected by the governor upon the recommendation of some blue ribbon committee—has to take into account the reaction of the black electoral majority in populous Detroit. Every politically astute leader in Michigan knows that on any closely-contested statewide issue, this group casts the decisive vote. Black experience in Michigan argues against the appointive process and in favor of continuing the elective process for all judicial offices. The commission was reminded that blacks were not appointed to judicial vacancies in anything like representative numbers until the late 1960's when their voting potential reached the point where they could elect black judges of their own selection and were no longer dependent on appointments; and that this same voting potential spelled defeat for any proposed constitutional amendment that would deprive them now of their ability to have meaningful participation in the administration of justice on the highest levels.

The black experience in Michigan is not necessarily synonymous with the experience of blacks in other states. The increase in black participation in the judicial process has been greatest in those states and cities where judges are elected and where the black voting potential is significant. Roughly two-thirds of the nation's black judges—about 200 out of a total of 325—are located in eight jurisdictions (California, District of Columbia, Illinois, Michigan, New Jersey, New York, Ohio and Pennsylvania). All except the District of Columbia have popular election of judges, and all have a substantial black voting potential.

It is quite understandable, therefore, that while the black experience in geographic areas having large concentrations of black voters will favor the election of judges, blacks who live in predominantly white political enclaves and are dependent for their political advancement on white largesse are more likely to favor the appointive process of judicial selection.

Judicial selection, like jury selection, should endeavor to achieve and thereby reflect a true cross-section of the population over which the judges are to preside. A system like the Federal system that has not achieved this result in more than a hundred years of operation is hardly one to be emulated at either the state or local level. To those who insist on pursuing this change in our electoral tradition we ask: "Why now, when blacks have at last begun to achieve the political influence they so rightfully have earned?"

UMI

THE BLACK WOMAN IN POLITICS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. FRASER. Mr. Speaker, the number of black women in politics has increased from 131 in 1969 to 337 in 1973, an increase of 160 percent. These black women are providing an excellent and vital source of leadership in Congress and in elective and appointive offices in State and local governments.

On May 21, 1975, C. Delores Tucker, secretary of state, State of Pennsylvania, gave a speech at Radcliffe College in which she describes the black woman in politics and the obstacles she must overcome. For the information of my colleagues I ask that her remarks be inserted into the RECORD:

THE BLACK WOMAN IN POLITICS

I truly consider it an honor to have been asked to participate in this evening at the Schlesinger Library, an institution that certainly must be unique in its total dedication to the preservation of the story of the American woman and her long struggle for equality of opportunity.

This evening I hope to share with you some of my insights about the black woman's participation in politics. But to talk about the black woman in politics, we first need to discover the identity of the black woman herself and that is not a simple task for there are seven million black women of voting age in this country. We come in all shapes, sizes, all shades, all talents, all temperaments. We are welfare mothers and Congresswomen. Entertainers and educators. Rich and poor. Highly educated and barely literate.

We are the person who heads 58 per cent of this country's poor, black families.

We are the person who raises our children in crime-ridden neighborhoods. We send our children to schools so poor that at least half of them leave school so unskilled that they may never find employment during their entire adult lives.

We are the people whose death rate from cancer is 13 per cent higher than the death rate for white women.

We are the person who is at the bottom of the four major labor groups. A million of us work as domestics, without the benefits of social security, sick leave, vacation time, promotion or job security, averaging a yearly income of $2,072.

Even in my own State of Pennsylvania which has an excellent affirmative action program, eight times as many black men as women make over $11,000. Thirty times as many make over $15,000. The same situation prevails across the Nation.

The black woman is the person who faces all the barriers of bein black and all the barriers of being a woman. We must contend with the conflict of wanting and needing to achieve our own full development while being totally supportive of our men, whose suffering, exploitation and degradation we can never forget.

Yet whatever obstacles we face, whether they be racial, economic, social, or psychological, we face them with a strongly ingrained instinct to survive. For whatever our outward differences, there is at the heart of each of us a basic instinct to survive. A gritty determination to keep on keepin' on.

It is our inheritance from our mothers and our foremothers—women who earned the title of "the mules of the world" because they carried burdens that no one else, *no one else* would carry. It is our legacy from women who knew that they must build in their children a self-reliance so strong that the world could not break it. It is our gift from women who knew their sons and husbands would be beaten, perhaps not physically but then again perhaps so, and who would not pass through life without accumulating a wealth of spiritual scars.

Long before women's liberation became a household word, black woman knew that strength, not feigned delicacy, was the mark of a woman. Who can ever forget the words of Sojourner Truth, the crusader for women's rights, abolition and human justice, as she stood before a women's rights convention in 1851:

"That man over there says that a woman needs to be helped into carriages, and lifted over ditches, and to have the best place everywhere. Nobody ever helped me into carriages, or over mud puddles, or gives me a best place . . . and ain't I a woman? Look at me. Look at my arm! I have plowed and planted and gathered into barns and no man could head me . . . and ain't I a woman?"

Yes, Sojourner Truth was a woman. And who was more of a woman than Harriet Tubman, the Moses of our people, who led more than 300 slaves to freedom on the underground railroad and never lost a passenger.

Sojourner Truth and Harriet Tubman—the names of both are written large in our history. Yet millions of our finest black women will never be known by name. Most of our foremothers never gained recognition outside the families which they held together, patched and threadbare, but intact in love. Their names are lost to us, but we know they were there, for we would never have survived without them.

Many of us remember our mothers and grandmothers much as Alice Walker writes about her own mother:

"She made all the towels and sheets we used. She spent the summers canning vegetables and fruits. She spent the winter evenings making quilts enough to cover all our beds.

"During the working day, she labored beside—not behind—my father in the fields. The day began before sunup, and did not end until late at nights. There was never a moment for her to sit down, undisturbed, to unravel her own private thoughts; never a time free from interruption—by work or the noisy inquiries of her many children.

"Her quick, violent temper was on view only a few times a year, when she battled with the white landlord who had the misfortune to suggest that her children did not need to go to school."

And yet in spite of all—"... whatever rocky soil she landed on, she turned into a garden."

And today, because our foremothers planted and watered and weeded with such fierce concern, we are reaping the harvest of those gardens. Our fruits are an ever lengthening list of black woman mayors, judges, State legislators, school board presidents, doctors, lawers, educators, executives, authors, and composers.

Yet, even with this recent blossoming of black women, there are still relatively few of us who have blossomed in the political gardens. The presence of Yvonne Burke, Shirley Chisholm, Cardiss Collins, and Barbara Jordan in the United States Congress might seem to indicate power, but their great visibility stems largely from the media's recognition of their uniqueness. Among the 2,871 black elected officials in the country, black women make up the tiniest minority.

But we are making gains at a surprisingly steady rate. In 1973, 337 black women held office in this county. Like all statistics, that number can be made to seem either impressive or insignificant. Certainly, 337 elective offices is but a tiny fraction of 520 thousand elective positions available in this country. But viewed in terms of achievement within the black community, the number represents a 160 per cent increase over 1969, when only 131 black women held elective office.

And if you stop to consider that as recently as ten years ago the very act of voting was forbidden to many of us, then I think you will be able to make a more accurate appraisal of just how far we have come.

To adequately gauge the black woman's participation in politics it is necessary to look at more than her attainment of elective office.

One point to consider is that black women have a well-established tradition of being politicians in the best sense, without ever having held one elective office. There are communities all across this country in which black women are the prime community movers, organizing their friends and neighbors to bring influence to bear on those who do make policy.

Mississippi's Fannie Lou Hammer immediately comes to mind as an example of a black woman who certainly deserves the title "politician," although she holds no public office. Largely through the leadership she exerted on behalf of the Mississippi Freedom Democratic Party at the 1965 National Convention, the Democratic Party was led to take steps to broaden their delegate selection process.

Edith Barksdale-Sloan who heads the National Committee on Household Employment has probably been the single person most responsible for finally convincing Congress to include household workers under the coverage of the latest minimum wage law. Certainly, she has a wealth of political skills to her credit.

As an appointed official, I have learned that elective offices are not the only political offices worth attaining. For while it is necessary to persuade a large block of possibly unenlightened traditionalists to win an election, a woman needs only the support of one progressive thinker to be appointed to a public position. This is especially meaningful to black women who must overcome not only the obstacles of sexism, but the still prevalent possibilities of racism as well.

The duties of Pennsylvania's Secretary of State are defined by law, but I have made it my self-imposed duty to assume a high level of visibility among the women in the State to provide an example of what it is possible for women to attain, and to encourage women to build their own political careers. My position has also enabled me to ensure the implementation of a strong affirmative action program in the State and to bring about the development of the Governor's Commission on Women.

In the same respect, my positions as vice chairman of the Pennsylvania Democratic Committee and as a member of the Executive Board of Democratic National Committee have provided women with whom I come in contact a positive image of what a woman and a black can achieve in the traditionally whitemen only, back room arenas of politics.

I am optimistic about the black woman's future in politics. I believe that every year more and more black women are coming to the realization that politics influences every aspect of their lives and that they must take the responsibility to influence politics.

I don't think there'll be any stopping the black woman of the future.

I see her, rising tall and proud, in the young black women law students who turn up all over the country and who tell me that they plan to make the system responsive to the needs of their people.

I see her in the many women who are opening the doors to the political process, running for office and winning. And then going on to fulfill their obligations with distinction.

I see her in the many black women who are going back to school, so they can take their place in the work force as professionals rather than domestics. I see her in the black women who are starting their own businesses.

I see her in the black women who are raising their families with the same love and courage of their mothers, passing on to the next generation that instinct to survive against all odds.

I am confident that the black woman of the future will continue the work of her foremothers and turn her own patch of rocky soil into a beautiful, productive garden.

THE PROSPECT FOR JOBS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. HYDE. Mr. Speaker, Government regulations imposed upon business are usually designed to protect the interests of consumers, or employees, or both. But when the aggregate burden of governmental regulations is so onerous production is hampered, costs escalate, profits dwindle and the consuming public is the loser.

Many businessmen today are justifiably concerned as to whether the pyramiding burden of governmental regulations will be too great to bear.

In Illinois, this concern manifested itself on April 30 in a meeting of 1,700 persons, mostly representatives of large and small businesses throughout the State, at the Springfield Armory as a "Mayday Minus One Coalition." The assembly heard a 2-hour parade of witnesses relate and deplore the economic impact of excessive governmental regulations.

Mr. Speaker, we in the Congress would do well to heed their words. Under leave to extend my remarks in the RECORD, I include the text of the statements of Quentin M. Lambert, "Mayday Minus One Coalition" coordinator and director of Government affairs for the Illinois Manufacturers' Association; the statement of Charles Willsey, public affairs manager of General Electric in Illinois, and an open letter to the Illinois General Assembly from Orville V. Bergren, president of the Illinois Manufacturers' Association, read at the assembly. I earnestly hope my colleagues in Congress will read their important message.

The articles follow:

STATEMENT OF QUENTIN M. LAMBERT

Jobs—Yes! Handouts—No! Jobs—Yes! More Taxes—No! Welcome to Mayday Minus One. This is the first statewide assembly of a cross-section of the private sector—where the tax money comes from. We are here because we have a common purpose—to preserve the economic climate of Illinois and to promote fiscal responsibility in government.

Only twenty days ago, I stood in Senator John Graham's office and read to him a short statement that I had written at three a.m. that morning. I said to John that the only audience I might have for this statement on Mayday Minus One could well be the statue of Abraham Lincoln in front of the Capitol. But that I would give it if I had to stand alone on the Capitol lawn. He said: "You won't be alone. I'll be with you."

Twenty minutes later, we had 30 people who had joined. And, today, here you all are.

My name is Quentin M. Lambert. I was born and raised in Iroquois County. I live in Springfield. I am a lobbyist for a so-called "special interest" group—the Illinois Manufacturers' Association and its 5,500 member firms. I've been at it for the past ten years. I am proud of it. In fact, you might call me the "Saul Alinsky of the fat cats."

Well, I'd like to tell you something about the "fat cats." It is their invested capital that provides the jobs which have built Illinois into national prominence over the past 100 years. Now, fat cats are a highly select minority group. You might even say that fat cats are an endangered species. They won't like their lobbyist referring to them as fat cats.

That would not have bothered Saul Alinsky.

But the breed has certain idiosyncracies. They flock together. They nest together. And—cumulatively—they produce all the good things that today's radicals profess to scorn—like food, clothing, and shelter, and some of the luxuries of life. And they make them available to more people, at lower cost, than any other country in the world.

Fat cats are like house plants. They respond to sunny smiles and kind words—and a climate in which they can function. Beat 'em over the head, tax 'em to the point where they can't operate efficiently and at a profit and they might write a nasty letter or two to their legislators—or they might visit with them at a cocktail party and protest the present course of government.

The legislator, of course, he hears the roar of the multitude saying "We want circuses—not bread" and he must respond to this titanic clamor—even though the still small voice of his conscience and his own good sense tells him that he's violating his own principles and the code that he grew up with.

But all that is out the window now. We've rewritten the laws of economics. Newton's law of gravity has been repealed. Water—purified by EPA et al—is now running uphill. And where does this leave all the bewildered fat cats? They look aghast at the sizable staff and the astronomical man-hours of non-productive time which must be devoted to the multitudinous tasks laid on them by government edict and minority peer pressure—OSHA, EPA, corporate social conscience, and what not.

Their basic purpose in life is to function efficiently at a profit, edging out the competition. They do not believe 'profit' is a nasty word. They believe the history of the Plymouth Colony demonstrated that 'profit' is what makes the country go. Wistfully, they hope that the people would realize that a corporation is, basically, a group of people who have formed an enterprise for their common good. Not too unlike 'Common Cause.' Or the American Civil Liberties Union. Why apoligize for it?

But the harsh words, the general approbrium, the legislative disfavor, the economic drain. Like a slow poison. The fat cats study the growing situation. They consult with their computers. They confer. They seek alternatives. They explore cost-cutting methods, Eventually, an executive decision is made. Like the house plant lacking water, the factory structure withers as the maintenance program is reduced to a bare minimum. The phasing out process has begun.

Soon the paint on the structure is peeling. A non-essential operation is curtailed. The working staff is further reduced.

Eventually, the doors are closed. The structure is empty. And the local people start talking about the good old days when the Peekless Keyhole Company was operating full blast.

Where is the 'fat cat' of the Peekless Keyhole Company?

As the personification of the corporate entity, is he now operating in another state? Or in Japan? Or in Switzerland? Or in Germany? Or in Taiwan?

Or, is he, too, standing in line waiting for a benevolent and sympathetic government to dole out to him the goodies of life created by governmental edict?

Wake up, Illinois! Speak up! Before it's too late!

STATEMENT OF CHARLES WILLSEY

My name is Chuck Willsey; I'm Manager of Public Affairs for General Electric Operations in Illinois. General Electric is one of the ten largest employers in Illinois with manufacturing plants located in twelve cities in Illinois and sales and service centers located in 33 cities.

In 1973, our annual payroll in Illinois was close to $200 million. In 1974, it dropped below $180 million, and in 1975 we estimate it will decline more.

Like most multi-state corporations, our relocation and expansion plans must carefully review the business climates of the various states where we may consider expansion or contraction. The relative cost of doing business in each state is a major factor in determining our competitive success.

During the past two years, we have moved product lines and jobs out of Illinois in order to improve our competitive position. We have moved 350 jobs from our Illinois based Appliance Control Products to Carroll, Iowa; 600 Ballast Business jobs were moved to Madisonville, Kentucky; several photo lamp and photo flash product lines were moved from Illinois to Plymouth, Florida, and over all competitive and cost factors have resulted in our decision to close down our Audio Product Operations in Decatur and our TV Cabinet Plant in Rockford. These two closings represent a loss of 1800 jobs and an annual payroll of nearly $16 million. Whether or not we move other product lines into these facilities will depend upon the current trends in the Illinois business climate. Proposed legislation on Unemployment Compensation, Workmen's Compensation, Retirement Age Restrictions, Tax increases, and a host of proposed regulatory changes are not encouraging.

Some of the legislation and regulations proposed will severely challenge the continued economic viability of our Major Appliance and Hotpoint Operations in Cicero and Chicago. Over 4,000 jobs and a large payroll are at stake—and our facilities at Louisville, Kentucky, could easily absorb the entire operation. Other GE plants in Illinois have relocated several product lines in other states.

And lest anyone misunderstand me, these relocations and movements out of Illinois are reluctantly, sometimes even bitterly, taken; Illinois has much to offer industry, and plant closings are frustrating, painful, difficult and in terms of impact on human relationships, very sad experiences which we undertake only after all other alternatives are explored.

When I first arrived on this job over two years ago, I was determined not to be negative—I believed in cooperation, in positive advocacy and I believed Governor Walker when he said that business and government must end their adversary relationship. I am discouraged in my efforts, but I do not blame the Governor or the legislature for the breakdown in communication and cooperation. If we were to be honest with ourselves, we must concede that the Governor has made many overtures for cooperation, and too many of them have been rebuffed, or appeared to be rebuffed. As businessmen we do not articulate our needs in a positive way. In fact we don't speak up at all with the force and impact we could and should. This meeting is a good beginning.

Regardless of the causes of the strained relationship, it is evident that this state is now divided into two militant camps—the public sector supported by organized labor, special interest groups, and others, who benefit from the bread and circuses largesse; and the private sector supported

UMI

by economic and social principles which are eroding under a constant public sector onslaught. The issue is clearly drawn and the outcome in doubt. When legislation is debated and passed on the basis of who is paying what political debt; or which party or political faction can take credit for the win or loss, the merits of the bill and its impact on our society are given a very low priority. I for one am not optimistic. Your efforts today must be repeated again and again. Those of you who claim to be too busy putting out fires in your day to day business operations ignore the political inferno about to engulf you. If you spend more time on long range planning than on short range and continouus political planning of your business, you can forget about your long range plans! Your efforts and your voice are needed here in Springfield, in your legislative districts and in Washington—now, today and continuously.

AN OPEN LETTER TO THE ILLINOIS GENERAL ASSEMBLY ON THE SUBJECT OF JOBS IN THE STATE OF ILLINOIS

This letter is about jobs in Illinois—manufacturing jobs—which provide the backbone of the state's economy, including the state and local tax base. It has been approved by the Board of Directors of the Illinois Manufacturers' Association, representing more than 5,500 manufacturing companies and plants in Illinois.

The present unemployment in Illinois caused by the National economic recession presents a serious short-term problem, particularly for those unfortunate people who are personally affected by it. But there is a longer range manufacturing employment problem in Illinois that has ominous implications for the future of the economy of this state. Your actions as legislators can and will affect it.

MANUFACTURING JOBS LEAVING ILLINOIS

Illinois is losing jobs in manufacturing at a rate almost double that of national manufacturing job loss. According to the last Census of Manufacturers conducted by the U.S. Department of Commerce as of 1972, Illinois had 1,310,000 manufacturing employees, a drop of 6.2% compared to the previous Commerce Department census of manufacturers in 1967. This compares with a national reduction in manufacturing employees of 3.5% for the same 5-year period. Although there has been no more recent complete manufacturing census than 1972, every indication is that the trend in Illinois is continuing and even increasing, judging by sentiments reflected in our recent survey, discussed later.

Where are the jobs going? They are going to states that are aggressively seeking industry and providing a number of incentives and reasons to move. These are mostly southern states, where manufacturing employment has increased in percentage rates, ranging from 10% to 25%.

OTHER STATES COURTING INDUSTRY

But southern states are not alone in courting industry and job creation. Wisconsin last year amended its tax laws in several ways, to provide an estimated $135 million annual tax saving to industry, including removal of the sales tax from manufacturing machinery and equipment, and the personal property tax on inventories. Largely as a result of the improved business climate, a recent detailed survey revealed that 607 Wisconsin companies have invested, or plan to invest, $733 million in expansion programs, providing an estimated 15,700 new jobs. Bills to provide tax and other incentives for industry are now being considered by a number of other states which realize the importance of industrial growth.

Illinois is losing manufacturing jobs at a higher relative rate than any of its neighboring states. The 6.2% loss of manufacturing jobs in Illinois since 1967 compares with the following figures for our neighboring states: Indiana down 0.5%; Iowa up 1%; Minnesota down 0.1%; Nebraska up 10.1%; Michigan down 4.4%; Wisconsin down 4.4%; Missouri down 3.5%; Ohio down 4.5%.

Southern states have prospered in gaining manufacturing jobs during the same period of time. Some examples: Arkansas up 25.3%; Oklahoma up 20.4%; Kentucky up 16.5%; Alabama up 11.2%; North Carolina up 16.6%.

Several states with reputations among industry as being union-dominated, with high tax rates, liberal statutory-decreed employee benefits, and high employer costs, lost manufacturing jobs at a substantial rate. Among them: Connecticut down 15%; New York down 12.3%; Massachusetts down 14%.

Between 1967 and 1972, Illinois had a net loss of 195 industrial firms with 20 employees or more. There was a net loss of 87,000 jobs. The trend is continuing. Why are industrial companies and plants leaving Illinois?

We recently asked our member companies for their opinions. Some of their comments are quoted in the enclosure to this letter. You will find them interesting. The consensus assessment as to the reasons for this erosion of Illinois jobs include the following.

REASONS FOR ILLINOIS JOB LOSS

Illinois is increasingly a high-cost state for manufacturers, including high wage rates and alleged low productivity from union-dominated labor forces.

The tax burden is regarded as heavy compared to other states, particularly considering local real and personal property taxes. In Chicago, soaring real property taxes and the $3 per month per employee taxes on employers have increased some employers' taxes by 35% in the past year.

Illinois state government is increasingly being considered by employers as pro-union and anti-industry. The bills to provide huge increases in unemployment and workmen's compensation benefits, to prohibit hiring strike-breakers, to provide unemployment compensation for workers not working as a result of a labor dispute, and similar types of legislation demanded by organized labor will make it more costly and difficult for a manufacturer to stay in Illinois. Proposals for a change in the state constitution so as to permit huge increases in corporate income tax rates are taken seriously by industry, and compare starkly with tax incentives in other states for industry to expand and provide jobs.

State and local laws and regulations are making it more and more difficult and costly to operate a manufacturing enterprise in Illinois, even though they are all well intentioned. Environmental protection efforts in Illinois head the list of employer complaints in the regulatory field. Most multi-state employers feel that Illinois has excessively strict environmental standards, and that it has the most cumbersome and costly enforcement system, and the least cooperative attitude of any of the states.

ILLINOIS PROBLEMS TROUBLE MANUFACTURERS

The future for industry in Illinois is troubling. The large increases in the cost of state and local government are alarming. The huge $10.8 billion state budget proposed for FY '76, with its bilions in "buy now, pay later" general obligation bond authorizations, promises greater future taxes. The number of people on welfare in Illinois is now as great as the number of people working in industry, about 1,200,000 of each. Organized labor dominates the General Assembly. And no public official ever mentions the need for providing incentives for industry to stay and expand in Illinois.

Illinois has many natural attributes that have contributed to its rise as an industrial state: proximity of raw materials and markets, skilled labor, a variety of suppliers, and good transportation of a sea outlet. Nonetheless, facts are facts, and industrial jobs are leaving Illinois.

ATTITUDES TO INDUSTRY VITAL

Decisions quietly made to expand in other states are just as serious for the future of this state as published actions to close a plant and move elsewhere. Those important decisions are highly influenced by the attitude of governmental leaders toward industry. That attitude can be demonstrated by public statements, official acts or legislative votes. As of now, that attitude, or industry's perception of it, does not seem to be good in Illinois. If not anti-industry, it seeds at best to take industry for granted, fair game for more taxes, greater regulation, and greater employee benefits. Unless it changes, it is predictable that jobs will continue to leave Illinois.

JOBS MOST IMPORTANT TO WORKERS

As members of the General Assembly, you have a great responsibility. Many of you have strong political loyalties to organized labor. Rank and file workers can be served in no better way by you than to be assured of the security of their future jobs in Illinois and the possibility of job advancement. Nor can you better serve all of your constituents than to seek to assure, by your actions and votes, that the economic and governmental environment in Illinois will be one in which industry can thrive, and jobs protected and created.

THE GREAT DEPRESSION—PART 2

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. SYMMS. Mr. Speaker, yesterday, June 5, 1975, I read into the RECORD the first part of an article by the distinguished Austrian economist Dr. Hans Sennholz that appeared in the April 1975 issue of the Freeman published by the Foundation for Economic Education. The article is a discussion of the root causes of the Great Depression of the 1930's. I would like to continue now with the final portion of the article:

THE GREAT DEPRESSION—PART 2

(By Dr. Hans Sennholz)

THE NEW DEAL OF AND AAA

One of the great attributes of the private-property market system is its inherent ability to overcome almost any obstacle. Through price and cost readjustment managerial efficiency and labor productivity, new savings and investments, the market economy tends to regain its equilibrium and resume its service to consumers. It doubtless would have recovered in short order from the Hoover interventions had there been no further tampering.

However, when President Franklin Delano Roosevelt assumed the Presidency, he, too, fought the economy all the way. In his first 100 days, he swung hard at the profit order. Instead of clearing away the prosperity barriers erected by his predecessor, he built new ones of his own. He struck in every known way at the integrity of the U.S. dollar through quantitative increases and qualitative deterioration. He seized the people's gold holdings and subsequently devalued the dollar by 40 per cent.

With some third of industrial workers unemployed, President Roosevelt embarked upon sweeping industrial reorganization. He persuaded Congress to pass the National Industrial Recovery Act (NIRA), which set up the National Recovery Administration (NRA). Its purpose was to get business to regulate itself, ignoring the antitrust laws and developing fair codes of prices, wages, hours, and working conditions. The President's Re-employment Agreement called for a minimum wage of 40¢ an hour ($12 to $15 a week in smaller communities), a 35-hour work week for industrial workers and 40 hours for white collar workers, and a ban on all youth labor.

This was a naive attempt at "increasing purchasing power" by increasing payrolls. But, the immense increase in business costs through shorter hours and higher wage rates worked naturally as an *antirevival* measure. After passage of the Act, unemployment rose to nearly 13 million. The South, especially, suffered severely from the minimum wage provisions. The Act forced 500,000 Negroes out of work.

Nor did President Roosevelt ignore the disaster that had befallen American agriculture. He attacked the problem by passage of the Farm Relief and Inflation Act, popularly known as the First Agricultural Adjustment Act. The objective was to raise farm income by cutting the acreages planted or destroying the crops in the field, paying the farmers *not* to plant anything, and organizing marketing agreements to improve distribution. The program soon covered not only cotton, but also all basic cereal and meat production as well as principal cash crops. The expenses of the program were to be covered by a new "processing tax" levied on an already depressed industry.

NRA codes and AAA processing taxes came in July and August of 1933. Again, economic production which had flurried briefly before the deadlines, sharply turned downward. The Federal Reserve index dropped from 100 in July to 72 in November of 1933.

PUMP-PRIMING MEASURES

When the economic planners saw their plans go wrong, they simply prescribed additional doses of Federal pump priming. In his January 1934 Budget Message, Mr. Roosevelt promised expenditures of $10 billion while revenues were at $3 billion. Yet, the economy failed to revive; the business index rose to 86 in May of 1934, and then turned down again to 71 by September. Furthermore, the spending program caused a panic in the bond market which cast new doubts on American money and banking.

Revenue legislation in 1933 sharply raised income tax rates in the higher brackets and imposed a 5 per cent withholding tax on corporate dividends. Tax rates were raised again in 1934. Federal estate taxes were brought to the highest levels in the world. In 1935, Federal estate and income taxes were raised once more, although the additional revenue yield was insignificant. The rates seemed clearly aimed at the redistribution of wealth.

According to Benjamin Anderson, "the impact of all these multitudinous measures—industrial, agricultural, financial, monetary and other—upon a bewildered industrial and financial community was extraordinarily heavy. We must add the effect of continuing disquieting utterances by the President. He had castigated the bankers in his inaugural speech. He had made a slurring comparison of British and American bankers in a speech in the summer of 1934. . . . That private enterprise could survive and rally in the midst of so great a disorder is an amazing demonstration of the vitality of private enterprise."

Then came relief from unexpected quarters. The "nine old men" of the Supreme Court, by unanimous decision, outlawed NRA in 1935 and AAA in 1936. The Court maintained that the Federal legislative power had been unconstitutionally delegated and states' rights violated.

These two decisions removed some fearful handicaps under which the economy was laboring. NRA, in particular, was a nightmare with continuously changing rules and regulations by a host of government bureaus. Above all, voidance of the act immediately reduced labor costs and raised productivity as it permitted labor markets to readjust.

The death of AAA reduced the tax burden of agriculture and halted the shocking destruction of crops. Unemployment began to decline. In 1935 it dropped to 9.5 million, or 18.4 per cent of the labor force, and in 1936 to only 7.6 million, or 14.5 per cent.

A NEW DEAL FOR LABOR

The third phase of the Great Depression was thus drawing to a close. But there was little time to rejoice, for the scene was being set for another collapse in 1937 and a lingering depression that lasted until the day of Pearl Harbor. More than 10 million Americans were unemployed in 1938, and more than 9 million in 1939.

The relief granted by the Supreme Court was merely temporary. The Washington planners could not leave the economy alone; they had to earn the support of organized labor, which was vital for re-election.

The Wagner Act of July 5, 1935, earned the lasting gratitude of labor. This law revolutionized American labor relations. It took labor disputes out of the courts of law and brought them under a newly created Federal agency, the National Labor Relations Board, which became prosecutor, judge, and jury, all in one. Labor union sympathizers on the Board further perverted the law that already afforded legal immunities and privileges to labor unions. The U. S. thereby abandoned a great achievement of Western civilization, equality under the law.

The Wagner Act, or National Labor Relations Act, was passed in reaction to the Supreme Court's voidence of NRA and its labor codes. It aimed at crushing all employer resistance to labor unions. Anything an employer might do in self-defense became an "unfair labor practice" punishable by the Board. The law not only obliged employers to deal and bargain with the unions designated as the employees' representative; later Board decisions also made it unlawful to resist the demands of labor union leaders.

Following the election of 1936, the labor unions began to make ample use of their new powers. Through threats, boycotts, strikes, sizures of plants, and outright violence committed in legal sanctity, they forced millions of workers into membership. Consequently, labor productivity declined and wages were forced upward. Labor strife and disturbance ran wild. Ugly sitdown strikes idled hundreds of plants. In the ensuing months economic activity began to decline and unemployment again rose above the ten million mark.

But the Wagner Act was not the only source of crisis in 1937. President Roosevelt's shocking attempt at packing the Supreme Court, had it been successful, would have subordinated the Judiciary to the Executive. In the U.S. Congress the President's power was unchallenged. Heavy Democratic majorities in both houses, perplexed and frightened by the Great Depression, blindly followed their leader. But when the President strove to assume control over the Judiciary, the American nation rallied against him, and he lost his first political fight in the halls of Congress.

There was also his attempt at controlling the stock market through an ever-increasing number of regulations and investigations by the Securities and Exchange Commission. "Insider" trading was barred, high and inflexible margin requirements imposed and short selling restricted, mainly to prevent repetition of the 1929 stock market crash. Nevertheless the market fell nearly 50 per cent from August of 1937 to March of 1938. The American economy again underwent dreadful punishment.

OTHER TAXES AND CONTROLS

Yet other factors contributed to this new and fastest slump in U.S. history. The Undistributed Profits Tax of 1936 struck a heavy blow at profits retained for use in business. Not content with destroying the wealth of the rich through confiscatory income and estate taxation, the administration meant to force the distribution of corporate savings as dividends subject to the high income tax rates. Though the top rate finally imposed on undistributed profits was "only" 27 per cent, the new tax succeeded in diverting corporate savings from employment and production to dividend income.

Amidst the new stagnation and unemployment, the President and Congress adopted yet another dangerous piece of New Deal legislation: the Wages and Hours Act or Fair Labor Standards Act of 1938. The law raised minimum wages and reduced the work week in stages to 44, 42, and 40 hours. It provided for time-and-a-half pay for all work over 40 hours per week and regulated other labor conditions. Again, the Federal government thus reduced labor productivity and increased labor costs—ample grounds for further depression and unemployment.

Throughout this period, the Federal government, through its monetary arm, the Federal Reserve System, endeavored to reinflate the economy. Monetary expansion from 1934 to 1941 reached astonishing proportions. The monetary gold of Europe sought refuge from the gathering clouds of political upheaval, boosting American bank reserves to unaccustomed levels. Reserve balances rose from $2.9 billion in January of 1934, to $14.4 billion in January of 1941. And with this growth of member bank reserves, interest rates declined to fantastically low levels. Commercial paper often yielded less than 1 per cent, bankers' acceptances from ⅛ per cent to ¼ percent. Treasury bill rates fell to 1/10 of 1 per cent and Treasury bonds to some 2 per cent. Call loans were pegged at 1 per cent and prime customers' loans at 1½ per cent. The money market was flooded and interest rates could hardly go lower.

DEEP-ROOTED CAUSES

The American economy simply could not recover from these successive onslaughts by first the Republican and then the Democratic Administrations. Individual enterprise, the mainspring of unprecedented income and wealth, didn't have a chance.

The calamity of the Great Depression finally gave way to the holocaust of World War II. When more than 10 million able-bodied men had been drafted into the armed services, unemployment ceased to be an economic problem. And when the purchasing power of the dollar had been cut in half through vast budget deficits and currency inflation, American business managed to adjust to the oppressive costs of the Hoover-Roosevelt Deals. The radical inflation in fact reduced the real costs of labor and thus generated new employment in the postwar period.

Nothing would be more foolish than to single out the men who led us in those baleful years and condemn them for all the evil that befell us. The ultimate roots of the Great Depression were growing in the hearts and minds of the American people. It is true, they abhored the painful symptoms of the great dilemma. But the large majority favored and voted for the very policies that made the disaster inevitable: inflation and credit expansion, protective tariffs, labor laws that raised wages and farm laws that raised prices, ever higher taxes on the rich and distribution of their wealth. The seeds for the Great Depression were sown by scholars and teachers during the 1920's and earlier when social and economic ideologies that were hostile toward our traditional order of private property and individual enterprise conquered our colleges and universities. The professors of earlier years were as guilty as the political leaders of the 1930's.

Social and economic decline is facilitated by moral decay. Surely, the Great Depression would be inconceivable without the growth of covetousness and envy of great

UMI

personal wealth and income, the mounting desire for public assistance and favors. It would be inconceivable without an ominous decline of individual independence and self-reliance, and above all, the burning desire to be free from man's bondage and to be responsible to God alone.

Can it happen again? Inexorable economic law ascertains that it must happen again whenever we repeat the dreadful errors that generated the Great Depression.

SOUTH AFRICA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. McDONALD of Georgia. Mr. Speaker, my distinguished colleague, Mr. DIGGS, of Michigan, in his remarks of May 20, 1975, 15502, has noted his exception to my brief report on a recent Washington, D.C., meeting on the situation in South Africa in which a large number of persons with public records of activity in radical causes and organizations participated, as did a number of distinguished Washington area community and political leaders who are not known for such involvements.

Among the principal participants in this meeting on South Africa were persons with extensive records of activity on behalf of African Marxist groups engaged in "wars of national liberation," a representative of a Soviet-controlled guerrilla organization, the African National Congress, and several persons formerly or presently associated with Mr. DIGGS' staff.

The notations of previous radical activity of those persons so noted were taken from the Communist Party, U.S.A. newspaper, Daily World, various hearings of the former House Internal Security Committee, and similar sources.

If the public record of those involved is distressing, we should remember that it is the fault of those who made the record, not of those who merely report it.

My colleagues are, of course, aware that local and national leaders, including former Members of Congress, are the targets of a wide variety of lobbys and pressure groups, each claiming to promote some desirable goal.

But among the legitimate citizens' interest groups are some which act knowingly in the interest of totalitarian countries such as the Soviet Union. These groups push for policies which in the protracted struggle between totalitarianism and freedom favor the Communist bloc at the expense of the free world.

In the guise of promoting peace and civil liberties, the pro-Communists have two favorite ploys—calling for drastic cutbacks in the U.S. defense budget and for moves to persuade America to isolate various anti-Communist countries on the grounds that their standards of civil liberties do not match ours.

The groups in this country who act to advance the cause of the African National Congress—ANC—and the South West Africa People's Organization—SWAPO—knowingly or unknowingly are aiding Marxist guerrilla terrorists sponsored, supported and controlled by the Soviet Union.

Dr. Ben Magubane, a representative of the African National Congress, was listed on the circular as one of the principal "witnesses" before that so-called "community hearing" which was the subject of my original report.

The former House Committee on Internal Security, in a staff study entitled 'Terrorism," compiled the following facts on the African National Congress.

AFRICAN NATIONAL CONGRESS

The African National Congress (ANC), the oldest of the southern African revolutionary parties, was formed in South Africa in 1912. It was outlawed in 1960.

According to The African Communist for January–March 1963 (p. 8), Moses Kotane, former secretary-general of the South African Communist Party, has served as a member of the executive committee of the African National Congress. Other Communist Party functionaries including J. B. Marks and Albert Nzula have also served on the executive committee, according to The African Communist of July–September 1964 (p. 11).

In 1961 the Communist Party decided to lead the African National Congress into a campaign of terrorism. An official of the African National Congress, Nelson Mandela, was placed in charge of the terrorist organization called Umkonto We Sizwe (Spear of the Nation).

On July 11, 1963 the police raided a farm near Johannesburg and captured many of the leaders of the terrorist movement including some white and black communists. The finding of the judge president in the trial of the Umkonto We Sizwe terrorists was that the African National Congress was "communist dominated."

Subsequently, Abram Fischer, a white Communist Party member and member of a prominent Afrikaans family, was captured. He admitted during his trial in 1966 that the leaders of the terrorist movement had given assurances to the Communist Party that no action would be taken without prior consultation with the party. As a result Mandela was allowed to choose the leadership of the terrorist movement. As Fischer said, "The Congresses and the Communist Party did not wish to have their membership held liable for every act of sabotage * * *."

Despite the arrest of much of the terrorist leadership, the remnants of Umkonto We Sizwe continued to engage in terrorist activities and to coordinate with other African terrorist groups including ZAPU of Rhodesia, Frelimo of Mozambique, and the MPLA of Angola, according to The African Communist, Fourth Quarter, 1967 (pp. 5–8).

Sechaba, the official organ of the African National Congress of South Africa, and Zimbabwe Review, the official organ of the Zimbabwe African Peoples' Union (ZAPU) in Rhodesia, are both printed in English in East Germany.

The African Communist was originally published in England and still lists a London address. However, for a number of years it has been printed in East Germany.

The editor of The African Communist until his death on June 18, 1974, was Michael Harmel. A white member of the central committee of the South African Communist Party, Harmel had spent the last few years in Czechoslovakia as a member of the editorial board of World Marxist Review, the international communist theoretical organ. In order to maintain the pretense that the South African Communist Party was led by Blacks, Harmel used the pen names of Umlwell, Titshale, Terence Africanus and A. Lerumo.

The African Communist, a quarterly published "as a forum for Marxist-Leninist thought throughout our continent, by the South African Communist Party," in 1963 published a statement by the central committee of the South African Communist Party stating why acts of violence were necessary in South Africa. The party declared:

* * * the oppressed masses are turning to methods that are illegal and nonpeaceful. They are looking to illegal organizations like the African National Congress and the Communist Party for leadership and liberation. Violent outbreaks of one sort or another are becoming more and more common. Sometimes, as in the case of the operations of Umkonto We Sizwe, these outbreaks are purposeful, effective and carefully planned on a nation-wide level. * * *

The SACP proceeded to denounce the Poqo guerrillas sponsored by the Pan-Africanist Congress for their "uncontrolled and violent" outlook of "blind revenge on Whites."

The African Communist for July-September 1964 carries an account of the arrest of seven people involved with the ANC, the SACP and the Spear of the Nation in 1963. The magazine said that "The police found many confidential documents, including 'Operation Mayibuye,' the Umkonto We Sizwe draft plan for guerrilla warfare." A tenant of a farm, a member of the SACP, was arrested, the article continued. He had:

* * * documents in his handwriting indicating that he had been sent abroad on a mission to find whether arms could be obtained for the Umkonto soldiers.

* * * * * *

Among the documents discovered at Rivonia were manuscripts in the handwriting of Nelson Mandela, who had found refuge at the farm at one stage of his underground leadership. Next to Chief Lutuli, Mandela has become the best known and most popular of the Congress leaders. * * *

* * * * * *

* * * The leaders in the dock * * * disdained to repudiate * * * or to deny the part that some of them had played in Umkonto. * * * "I admit immediately," said Mandela, "that I was one of the persons who helped to form Umkonto We Sizwe, and that I played a prominent role in its affairs until I was arrested in August 1962."

* * * * * *

"I do not deny that I planned sabotage," said Mandela, "I did not plan it in a spirit of recklessness, nor because I have any love of violence. I planned it as a result of a calm and sober assessment of the political situation that had arisen * * *."

* * * * * *

* * * Mandela vigorously defended the A.N.C. policy of cooperation with the [Communist] Party in the common struggle for national liberation. Leading Communists * * * had served on the National Executive of the A.N.C. This was not surprising, he pointed out. The Party had for very many years fought side by side with the Congress: many Africans equated Communism with Freedom. * * *

Over the years the Soviets have used ANC and its leader, Oliver Tambo, to contact various emerging African revolutionary groups.

The staff study also noted:

Despite these threats, the South African "liberation forces" have been only minimally active during 1972 and 1973. Oliver Tambo explained this in an interview in the November 1973 issue of Muhammad Speaks, publication of the Nation of Islam (Black Muslims), a violently antiwhite organization whose members have been involved in violent conflicts with local police:

* * * one simply can't place South Africa in the same category as every other country and say, "There is fighting here, why isn't fighting there?" We know historically and have decided that the answer to the situation is armed struggle. That stage of actual fighting must be reached as part of the process of struggle. Its timing must fit the conditions that prevail.

While ANC is not yet, based on Tambo's statement, ready for armed struggle, one of their spokesmen, Tennyson Makiwane, has stated that ANC has "an operative link with the underground unions of the black workers." This remark takes on added significance when taken in context with the recent strikes in South Africa and the statement made in the July 1973 issue of the South African Communist Party magazine, Inkululeko, that "strikes are a potent force because they begin to instill fear into the capitalists; because they help to educate the workers about the true nature of the capitalist state."

The article stresses that the strikes must be seen in the context of the political and ideological struggles, and quotes Lenin who wrote, "Strikes are a school of war and not the war itself, strikes are only one means of struggle, one aspect of the working class movement." States the article, "The white ruling class will not surrender its control of the State without a violent struggle, therefore the continuation of the preparation for such a struggle is essential for victory. * * *"

The South-West Africa People's Organization—SWAPO—was founded in the late 1950's by Sam Nujoma. Its small guerrilla forces have operated in South-West Africa from bases in Angola and Zambia. SWAPO guerrillas have received military training and sabotage instruction in the Soviet Union, Algeria and Egypt.

While Nujoma originally claimed indifference to either capitalism or communism, SWAPO has been vigorously courted by the Soviet Union and its international front organizations. The staff study, "Terrorism," reported:

In November 1973, Romesh Chandra,* secretary-general of the World Peace Council, reported to the United Nations that "With regard to Namibia, the Congress extended its full support to the liberation struggle carried out under the banner of SWAPO and called on all governments and international organizations to send concrete material assistance to SWAPO, to enable it to effectively intensify the armed liberation struggle." (The World Peace Council is an international communist front formed at the end of the Second World Peace Congress in Warsaw in 1950 as part of the Soviet-sponsored campaign against NATO. Chandra's report to the UN related to action at the Council's most recent World Peace Congress held in Moscow October 25–31, 1973.)

Nujoma, while visiting Moscow at the end of February, reiterated that "armed struggle" is, in the opinion of SWAPO, necessary for the eventual victory of the people's revolution in South West Africa. At the same time, the World Peace Council, the Soviet Union's "peace front," called for escalation of the economic and political campaign against the South African Government.

A Tass report broadcast over Radio Moscow in English on March 5, stated that the WPC had "called for intensified struggle * * * on ending all political, economic and cultural ties with the racialist regime of the Republic of South Africa." Tass continued:

*Romesh Chandra was elected to the National Council of the Communist Party of India at its 9th Congress, Oct. 3–10, 1971. [Documents of the Ninth Congress of the Communist Party of India, published by Communist Party Publication, New Delhi, 1972, p. 414.]

As a result of stepped up national liberation movement and actions of international public against the regime of racial discrimination, the racialist regime of the Republic of South Africa found itself in isolation, stressed a statement of the World Council of Peace released here.

The World Council of Peace welcomes the unanimous decision on rejecting any dialogue with the racialist regime of South Africa which was taken recently in Addis Ababa by the 24th session of the Ministerial Council of the Organisation of African Unity, the statement stresses.

Equally disturbing as the Soviet Union's support for SWAPO and ANC terrorists was the announcement by SWAPO President Nujoma and Harry Stembe of the ANC in Moscow that the two groups had now forged links with the Palestine Liberation Organization terrorists. Nujoma said that—

As far as SWAPO is concerned, the struggle in Namibia (South West Africa) against the racist regime of South Africa is the same struggle as that one being waged by the Palestinians against Zionist usurpation of their lands.

And Stembe of ANC was quoted as saying:

The ANC has got very close relations with the PLO. In fact in the last 29th session of the United Nations assembly the delegation of the African National Congress of South Africa was working very closely with the delegation led by Yasir Arafat. We are having very close relations because we consider that we are facing the same enemy.

In light of the seriousness of the threat posed by international Marxist-Leninist terrorism—one band in Zaire even now still holding two American students and a Dutch citizen kidnapped in Tanzania—it would be an act of irresponsibility to distort a report on terrorist support activities by omitting the name or background of a participant.

The most desirable society is one in which each individual has the freedom to grow and develop to the full extent of his or her capability. South Africa should be commended for its new progressive policies of offering economic assistance to developing African nations, for opening itself to the dialog process, and for dropping many racially based restrictive regulations.

It would be more productive for Americans of conscience to encourage South Africans to continue these policies and expand them, rather than to do as the Soviet Union and its allies desire by condemning South Africa to total economic and political isolation.

Our Government's relationships with South Africa certainly are an appropriate subject for public debate. Let us, however, examine the issues with eyes unclouded by the propaganda and rhetoric of the Marxist-Leninist enemies of all peoples' freedom.

SOLZHENITSYN SPEAKS OUT—I

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. ASHBROOK. Mr. Speaker, the voice of Solzhenitsyn has been strong in its warnings to the West of the dangers of détente and in its analysis of both the tyranny of the Soviet Union and that tyranny's impact on the world. Much of his message has been antithetical to the liberal world view in general and to the liberal view of the Soviet Union in particular.

Even with this being the case, his message—because of its forcefulness, truthfulness, and timeliness—has gained a wide audience. One important press conference that Solzhenitsyn held in Sweden when he accepted his Nobel Prize has never had its full text published in the United States until very recently.

At this point I include in the RECORD part of Solzhenitsyn's press conference which appeared in the June 6, 1975 issue of National Review. I commend the following to the attention of my colleagues:

SOLZHENITSYN SPEAKS OUT

Well, hello, gentlemen. We have not seen each other for a long, long time. Actually, we have never seen each other . . . for a long time you avoided me, and then I avoided you. But today it is natural that we should get together and talk to our hearts' content.

You avoided me when I was in prison camp, when I lived in exile, when I was an unknown Ryazan schoolteacher; and yet that was when I did my main work. But as soon as *One Day in the Life of Ivan Denisovich* was published, the correspondents wanted to see me and talk to me. At that point, however, I began, resolutely and persistently, to avoid seeing correspondents. For nine years I stayed away from them completely, without giving a single interview, and I have not given many since then, either.

It is not just a figure of speech when I say that you avoided me for many years. I should like to say that in the Soviet Union today there are many people who could give extremely important interviews. But these people, who are still unknown, do not interest Western correspondents. Borodin, for instance, gave an interview not long ago to some Western correspondents (from Reuters, I think it was), but the agency said: "We don't need your interview. Who is he, anyway?" So they did not print it.

Then there was the case of Svetlana Shramko from Ryazan, about whom I wrote in the *New York Times*. Confined to a psychiatric hospital from combatting air pollution in Ryazan, she succeeded in deceiving her jailers by feigning humility and repentance. . . . She was released. She then went to Moscow and telephoned the *New York Times* correspondent. And he heard a cry from a throat being strangled. Since then she has dropped out of sight. We do not know where she is now being tormented or what they are doing to her, and we may not find out for a long time.

I should like to say that you may be missing the best opportunities, right now, for highly interesting interviews in the Soviet Union—more interesting, perhaps, than an interview with me. Now I will also explain why I avoided correspondents, even though many people understand this without being told. No sooner was *One Day in the Life of Ivan Denisovich* published than some agency put this question to me: "What can you say about the way in which Khrushchev got out of the Cuban crisis?" How could I, a Ryazan schoolteacher whom no one had heard of until that day, be expected to answer such a question off-the-cuff? . . . Well, of course I avoided answering this question, and many others like it thereafter.

I gave no interviews, although I had more than enough to say, because it would all have gone into the Western press merely to satisfy readers' curiosity. But at home, in the Soviet Union, it would have harmed me.

UMI

It would have interfered with my literary work and with the struggle which persecutions compelled me to wage.

It is strange that some Western correspondents to this day remain unaware of this situation. For instance, during the summer of the year when Nixon was in Moscow I listened to the Voice of America and heard the correspondents say: "We walked in the street and began asking ordinary Soviet citizens what they thought of Nixon's visit and of detente." I don't know what this is—naivete or cynicism? You can walk through the streets of Western cities asking ordinary people for their opinions, and they will reply. But when a Soviet person is approached in the street by a foreign correspondent and asked a question, he knows perfectly well that the KGB boys are close behind, and that, as soon as the correspondent disappears, they will grab him then and there if he did not answer properly. . . . All the correspondents want is to collect opinions, even though they realize that nobody gives them his opinions and that they are not getting the truth.

Of course, there are always people in the Soviet Union, so-called dissidents, who cross the line where they begin to speak openly. If you ask such people a question you will get a truthful reply. Just make sure that the person you are questioning has indeed crossed that forbidden line.

Q: What can you say about the fate of Raoul Wallenberg? Did you hear about him when you were in the camps?

A: No, I heard nothing of him when I was a prisoner, or for many years after that. This just shows how vast is the Gulag Archipelago, and how may hidden places it contains. There are many such secret places, where prisoners are isolated forever, where no word ever trickles out, so that no one will know about these people.

I happen to meet another Scandinavian who called himself Erik Arvid Andersen. When I tried to find out something about him here in Sweden, and to learn who his relatives are, I came across the Wallenberg story.

Yesterday I saw Wallenberg's mother. It was heartbreaking to see this old lady, who has been waiting for her son for 29 years. Please weigh and consider the full meaning of what I am saying—29 years! Wallenberg was arrested at almost the same time as I was. I served my entire sentence, both imprisonment and exile, was set free for a number of years, as you know from my published writings. . . . But this man has been in prison for 29 years and is still there today! Nor is he the only one like that in the Soviet Union. Many who were sentenced to 25 years at the end of the war are still in confinement. Some have been imprisoned since 1947 or since 1939, and their sentences are even extended.

A whole epoch has passed since that time. People whose arrest somewhere in Africa was written about by leaders of national movements have long since been freed, have become presidents of their countries, have been running their governments for decades, have left office or been overthrown. . . . Generation after generation has been written up in the press: so-and-so is in prison, so-and-so is being tormented. . . . They have all long since been liberated, but our people are still in prison.

Wallenberg's mother has information on who was in prison with her son, and when. I do not for a minute doubt the authenticity of her data. In the Gulag Archipelago, if a man said he was in prison with someone else, that is the truth. Fourteen witnesses are listed here, and it is evident that he has been kept in secret confinement, but occasionally someone or other saw him briefly and this is how the information seeped out.

But here is the difference: if a man is arrested in the West or in the Third World, it is open knowledge in what prison he is held and how he is being treated. We can even see him photographed behind the bars, this is often permitted. But Wallenberg is in a Soviet prison, so all we have is this kind of indirect testimony from people some of whom conceal their identity either because they are still in Eastern Europe or because they have relatives there. . . . And so, since they are all so well hidden in Russia, since prisoners are so well concealed and kept incommunicado, no one tries to free them; I have heard that your Prime Minister [Olof Palme] considers that there is too little information to justify spoiling relations with the Soviet Union on account of Wallenberg.

Here in Sweden I have been told of other cases—the disappearance of Swedish sailors and fishermen in the Baltic Sea during the immediate postwar period. They vanished silently, without a trace, apparently into the Soviet Union, and no one tries to defend them or to get them out.

Western governments as much as say: lock them up tight and keep them out of sight; we will liberate anyone who is not securely held, but if you have a good grip on their throats, go ahead and throttle them, we're not going to free them.

Now here is an amazing story. Wallenberg's mother is currently in correspondence with a certain Yefim Moshinsky, the former KGB captain who arrested Wallenberg. Now in Israel, he tells of what a nice man Wallenberg was, the man he was ordered to arrest. Ordered to arrest a Swedish diplomat! Well, all right. The State Security captain summoned him amicably from the Embassy, drove off with him in his car, then arrested him. Wallenberg was then sent from one Soviet secret prison to the next.

In order to avoid trouble over Wallenberg, Soviet authorities falsified the records as follows: a certificate was allegedly found at the Lubyanka prison in 1957 stating that he had died in 1947, and they tried to close the case in this fashion.

However, much of the information in the possession of Wallenberg's mother dates from later, and even very recent times . . . from fellow prisoners who said he was still alive in 1970. He is now 63 years old. We must hurry, hurry to have him released. What is needed for that is a powerful public opinion movement able to force your government and other governments to save this man. And here I think that Jewish world opinion could be very helpful. Here is why I say this: you probably know that Wallenberg, as an official of the Swedish embassy in Budapest, rescued Jews from death by getting them out to the West. According to the data, he saved over twenty thousand Jews in this manner, and I think that Jewish public opinion, which has been so effective in defending Jewish people in the Soviet Union imprisoned for one, three, or five years, could come out strongly for Wallenberg and save him.

Q: What is your attitude toward the activities of Amnesty International?

A: The organization is nobly conceived and supposedly impartial. However, precisely because of the total inequality existing between the East and the rest of the world in the number of prisoners and in the treatment accorded them, the equality which Amnesty International wishes to observe is an erroneous and illusory equality. . . . They want to offend nobody. Each group defends someone in the West, someone in the East, and someone in the Third World. But the initial conditions are so unequal that this equality is in fact an illusion. They know everything about those few Western or Third World prisoners, including their daily diet, whether or not the cells are lighted, and they have photographs taken of them behind bars. All of this is known. But of Eastern prisoners they know nothing, though they are a hundred times more numerous. What kind of equality is that, how can they be weighed in the same scales?

Yesterday I went to an Amnesty International exhibition. Many portraits of imprisoned Soviet dissenters seemed to be on display. But it turned out that these portraits were repeated, like a pattern. There were forty portraits on display, but they represented only five or six people. . . . We looked to see whose pictures they were. The majority were of people who had already served their sentences and been released: Marchenko, Ginzburg, Sinyavsky, Grigorenko. Because these names are already known, their photographs are available. But there are almost no photographs of those who are now in prison, who are now being throttled. So there is no equality here. The system of equality which Amnesty International seeks to carry out is in reality a cruel self-deception.

The world gets the impression that this is an organization which worries about everybody. But in practice it cannot do anything for our prisoners, as it knows almost nothing about them; its activities cover only a small fraction of them.

Q: In your opinion Western-style democracy is not suitable for Russia. Why not?

A: This, gentlemen, is a perfect example of how hastily and superficially the press oversimplifies people's views, including their published statements. Today, when we touch on serious questions, I would particularly like to request that, if you are not able to report accurately and fully, you should say nothing at all. In my "Letter to the Soviet Leaders," which was almost completely misunderstood in the West, I did not say that Western democracy is entirely unsuited to Russia. I made no such statement. I only said that in Russia, and I mean right now, we are not only not ready for it, but we are less ready than we were in 1917. Yet in 1917, when we were more ready, when we had had 12 years of parliamentary experience after all . . . in 1917 we were still so unprepared that this led to an exhausting civil war and to the rise of a totalitarian state.

After the upheavals our country has suffered, any evolution must be smooth, without the slaughter of tens of millions more of our people. Cyberneticist Mikhail Agursky writes that the transition, or future development in Russia in the direction of democracy, must proceed under conditions of strong authority, and he is right. If democracy is proclaimed all of a sudden; a destructive war will break out between nationality groups. This will wipe out democracy instantly, and millions will perish, but not for democracy; it would just be a war between nationalities.

I am not against democracy as such, and I am not against democracy in Russia, I am for good democracy. And I want to see us, in Russia, move toward it in a slow, smooth, and cautious manner.

Q: Do you believe in the possibility of any form of Communism at all?

A: As the West began to learn more about the true state of events in the Soviet Union, Westerners, particularly those close to Communist circles, created myths and legends to fit the picture. The first such legend took shape after the Twentieth Party Congress. Somehow, those who had acclaimed our executioners and applauded our humiliations had to save their positions. So they thought up the theory that Stalin had spoiled everything. He was said to have established false socialism. If only we had genuine socialism!

In the Soviet Union today a small group of old Bolsheviks is trying to defend this same view. Its spokesman is Roy Medvedev, a relatively young man whose father died in prison camp under that same Communism—no, under Stalin's false socialism. These people do not specify what genuine socialism should be, they only say that the other was bad and this would be good.

Roy Medvedev wrote a huge thick volume entitled *Let History Judge*, tracing the Stalinist period—well, basically, what happened in the Party and to the Bolsheviks. The kind of things you find in this volume, what astounding assertions! The Western press, sympathetic with his conclusions, refers to this book as a scholarly work. I can find no sign of science or scholarship in it. It is a narrowly partisan piece of political journalism.

Reviewing "A Letter to the Soviet Leaders" and trying to save the day for the Soviet Marxist Medvedev thought of this way out: in the USSR they need "a new socialist party, free from responsibility for the crimes of the past." That is, one party having already slaughtered sixty million people, its hands can no longer be washed clean, so let's form another one and start all over again. Roy Medvedev's "rebirth of Marxism" is about the same thing as if a journalist in Germany were to try to prove today that Hitler's theory was correct and only its execution unsuccessful. Rather than parrot words like "social democracy," words which are a joke in the Soviet Union, or suggest, as the Soviet papers do, "enlarging the prerogatives of local agencies," he should publicly and honestly answer this question: *in the Soviet Union now*, is it or is it not necessary to destroy the system of *falsehood*, which spins its web around the lives and souls of everyone in the Soviet Union?

But the Marxists cannot admit that our dreary propaganda is a lie.

Medvedev's book claims to be a work of "purified Marxism," but in 1,400 pages it presents the theory that everything would have gone well but for the evil character of Stalin, and because of the evil character of Stalin history went wrong.

This can be said by a non-Marxist author who attributes great significance to the role of personality. But if a Marxist says such a thing, he draws a line through his work from the beginning to the end.

Out of sympathy for his views, the Western leftist press calls Roy Medvedev a scholar and a historian, no less. For this book to be a scholarly work, it would have to be structured differently: the author would have to take the initial propositions of Lenin with which the October Revolution began. Let me remind you of the propositions Lenin started out with—they are the *Lessons of the Paris Commune*. Lenin says that the Paris Commune perished because it did not destroy its enemies en masse: that to win, the proletariat must annihilate its enemies on a mass scale.

Well, Lenin has many such propositions. That, furthermore, was the concrete Russian situation in 1917. Whoever wishes to prove that the Soviet system is not socialism but rather Stalinist false socialism must prove that, proceeding from Leninist principles and from the concrete situation of Russia in 1917, it would have been possible to build socialism *without* wholesale plundering of the peasantry, *without* subjugation of the working class, *without* introducing mass slavery, and *without* terror. Then I would take off my hat and bow to such a scientific study. But neither Roy Medvedev—nor any Communist theoretician in the world—can demonstrate that.

What is more—and I am afraid I am taking too much of your time—it is clear that all of the principal measures against the people were carried out by *Lenin*, and not by Stalin. Lenin never dropped violence and terror as fundamental methods of his program: 'Dictatorship is state power supported directly by violence." It was Lenin, not Stalin, who took the land away from the peasants in 1922. Lenin deceived the workers by not letting them manage the factories. Lenin set up the concentration camps and the Cheka's hangman courts. He used military force to subdue outlying regions and to suppress peasant uprisings; he *totally* destroyed the nobility, the clergy, and the merchant class; and he harnessed the trade unions to the service of the state. The whole high-pitched, atheistic campaign which, as Agursky has shown, was the pivotal point of collectivization was created by Lenin and Trotsky. Trotsky, too, gave Stalin some ideas: compulsory labor armies (the prototype of Gulag), superindustrialization and suppression of vital needs of the population, oppression of the peasantry as the main internal enemy, the "tightening of the screws" on the unions. The only thing that Stalin did on his own was to play havoc with his Party, which is the only thing they curse him for. But Stalin took this road precisely in order to carry out Lenin's testamentary commands.

The weak point in the argument of those who claim that Stalinism was false socialism is passed over in silence. The question is: right now, today, under the present leadership, what is it: true, or false, socialism?

But in recent years, as too much was being revealed about Lenin, I noticed a new theory, a new legend in the West. First they gave up Stalin and defended Lenin. Today it is difficult to defend Lenin, so they are giving him up and retreating to the next line of trenches, where they defend Marx. But if you read Marx attentively you will there find Leninist formulations and tactics already completely outlined, with repeated calls for terror, violence, and the forceful seizure of power. Marx: "Reforms are a sign of weakness." "The movement for reforms in England was an error." "Democracy is more terrible than monarchy or aristocracy." "Political freedom is false freedom, worse than the worst form of slavery." "Given universal suffrage, revolution hasn't got a chance."

Marx writes to Engels: "Looking in the future I see something for us [i.e., for Marx and Engels] that will smell strongly of high treason." And very often they write: "After coming to power—terror. It is necessary to execute, to repeat the year 1793." After the takeover "they will begin to regard us as monsters—but we don't give a damn."

Now what does 1793 mean? We don't stop to think about it now, because it was all so long ago. I can sum up in two sentences what Marx and Engels found so thrilling about 1793: Marat and his "Draft Declaration of the Rights of Man and of the Citizen": "Man has a right to appropriate to himself everything he needs for food, for his keep, and for happiness . . . Man has the right to snatch away from others not only what is surplus, but what is necessary . . . Man has the right to slaughter his neighbor, and to devour his trembling body." It is no accident that Lenin never ceased to be delighted by Marx and Engels right up to his death, nor mere chance that Marx and Engels were thrilled by the French Revolution. The French and October Revolutions have this profound similarity: they were both *ideological;* and they did not annihilate people haphazardly but on the ground of *ideology*.

Now, to answer the question that was put to me, I had to reply at length because we have to go very far back before Stalin. The book seven of us have just compiled, *From under the Rubble*, contains an article on socialism by Igor Shafarevich (who is still a member of the Soviet Academy of Sciences although he is also a member of the Human Rights Committee). This article examines the progress of socialist ideas and socialist states from Plato to Marcuse . . . Soon his book *Socialism* will come out in the West. There it will be possible to read all this in detail.

So, when they gave up Lenin or began to give him up, they created this myth that Lenin became the victim of the Russian tradition—as much as to say, Russia being what it is, things could not have turned out differently, but we will change all that. But no! The whole trouble lies in the *roots* of this doctrine; this doctrine could not bear other fruits than those it actually bore. . . .

Now here is a little additional question: How do I evaluate Roy Medvedev's critique of *Gulag Archipelago*? Roy Medvedev comes out with a short review, immediately translated into several languages, to get in ahead of the appearance of my book . . . and thereby to neutralize it. This is in the Soviet tradition: a book into which a lifetime or decades of work have been invested is commented upon by some journalist or other, who bats out an article in a couple of days and hits you over the head with a big club. Amazing that in the West this should be called a "dialogue"! A book has been written which contains the testimony of hundreds of people, which contains the work of an artist, and the journalistic reply is: "No, not like that, he doesn't quite understand, he has not yet grown sufficiently in stature to understand great ideas . . ."

Strictly speaking, Roy Medvedev came out against *Archipelago* (although he does say some things in its favor) essentially because he has to save Lenin and the Communist idea; he has to defend those same old Bolsheviks who went on helping the machine of oppression destroy others, right up to the very day when they themselves were unexpectedly arrested and imprisoned. He now calls them victims, the standard-bearers of public justice. But the question arises: if the victim helps the executioner up to the very last minute, giving him others to slaughter and holding the axe for him, to what extent is he a victim and to what extent an executioner? To this day, Medvedev praises the executioners: Peters, Latsis, Dzerzhinsky, Menzhinsky. He calls the shooting of one boy a "legend," whereas for years in our country people from the age of 12 on were lawfully shot, in accordance with the penal code. In Chapter II of Part 3 [of *Gulag*] I undertake a comprehensive investigation of the principles guiding the behavior of these "well-intentioned persons" in the camps, and I show that they *could not* have behaved otherwise, behaved more decently, and still have preserved their Marxist ideology. Medvedev does not even try to answer these irrefutable conclusions; he simply skirts them.

The term "dissident" or "dissenter" is used in the USSR with reference to those who express themselves outside of the official press. One must be careful in using this term, one might use it more accurately. In the precise sense of the word, Roy Medvedev does not belong to the dissidents in the USSR, he is not threatened personally by anyone, because by and large he is defending the regime in the best possible way—more cleverly and flexibly than the official press would be able to do.

HOLY CROSS GREEK ORTHODOX CHURCH

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. BROOMFIELD. Mr. Speaker, the members of the Holy Cross Greek Orthodox Church on Sunday afternoon, May 4, 1975, broke ground for their new church complex.

This youngest church of a venerable and ancient Christian tradition to be built in the Greater Detroit area in the last 35 years is characterized by the initiative and dedication of its members. Located in Farmington Hills, Mich., this

UMI

young and dynamic parish serves in excess of 250 communicants in the Southfield-Farmington Hills area.

Holy Cross Parish was founded in August of 1969 as a mission of the Greek Orthodox Archdiocese, but growth in membership and financial stability soon warranted its emergence as a self-dependent Orthodox community. The Reverend Father S. J. Anthony assumed duties as priest August 1, 1971, following more than 20 years as a Greek Orthodox priest in parishes in Pennsylvania, Massachusetts, Florida, and California.

In announcing architects to design the new church complex for Holy Cross, Peter E. Zervos of Southfield, chairman of the Building and Site Development Committee noted that—

The architectural challenge of this development lies in the nature of the Christian community we seek to build. Hopefully it will be a truly contemporary community in which the human dynamic is echoed by its environment. In the design of the church, we especially seek to have the long history and precious tradition of Greek Orthodoxy interpreted. Imitation of history in our day and age is no longer relevant, but its proper interpretation can signify the role which our ancient faith plays in the contemporary age.

Dr. Peter E. Georgeson of Franklin, Mich., president of the parish council, indicated that the dimensions of the proposed future development of the Holy Cross Greek Orthodox Church exceed anything undertaken by a Greek Orthodox community in the United States. "We cannot look outside the parish for the strength to grow," the dynamic young president of Holy Cross, said.

We rely on the intense involvement and commitment of our members. A seven-day week operation is only noteworthy when such activity meets the needs and absorbs the energies of the majority of members. This is the root and source of our success thus far.

It is with great pride and honor that I call this achievement of these Greek American friends to the attention of my colleagues. I know them as hard-working and dedicated people proud to be Americans, yet also proud of their Greek heritage. They are good citizens. I am proud to claim them as my friends. I am confident they will realize their goals for Holy Cross Greek Orthodox Church.

THE NEED FOR COORDINATION IN THE FEDERAL DRUG PROGRAM

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. SCHEUER. Mr. Speaker, few if any problems in America today are as pernicious as drug abuse. And the problem is getting worse. The current economic crisis and its consequences—massive unemployment and the resulting anxiety, frustration, and alienation—only serve to feed the problem. No one doubts the need for an overall comprehensive plan of attack. Yet the administration recommends that the Special Action Office for Drug Abuse Prevention in the Executive Office of the President be terminated on June 30 of this year.

Together with our Chairman PAUL ROGERS, I and other members of the Subcommittee on Health and the Environment are introducing a bill to amend the Drug Abuse and Treatment Act of 1972 in an effort to provide for the continuing operation of the Special Action Office set up by title II. Our bill will rename the office of Drug Abuse Policy, and trim down its function to that of coordination and policy development. If the administration wants to cut Federal expenditures, I can think of no better way than to make this office viable and effective. To prevent duplication and wasteful effort, we should preserve this mechanism to provide continuous oversight, and review over the existing and projected budgets and programs of the numerous Federal agencies involved in drug abuse treatment and prevention.

Presently, there are 16 agencies within the Federal Government which have mandates in the field of drug abuse treatment and prevention. There are five within HEW, the largest of which is the National Institute of Drug Abuse—NIDA; three within the Department of Justice, including the Bureau of Prisons, Law Enforcement Assistance Administration—LEAA, and the Drug Enforcement Administration—DEA; and finally, there are eight agencies spread throughout the rest of the executive, notably in the Department of Defense and the Veterans' Administration. Together, these agencies have a projected budget for fiscal year 1976 of over $443 million. It would be pennywise and pound foolish to abolish this office and thereby eliminate a central coordinating body which would both encourage research and provide the communication and general program design independent of any one agency's parochial interests. In addition, the Office of Drug Policy will have coordinating responsibilities over the various State and local drug programs operating throughout the country.

Hearings have been scheduled for early next week before the Health Subcommittee of Interstate and Foreign Commerce. I hope my colleagues will join the chairman and me in facilitating the quick passage of this bill.

SUSTAIN THE STRIP MINING VETO

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. BEVILL. Mr. Speaker, almost everyone agrees that this Nation should do everything possible to become self-sufficient in the production of energy, just as quickly as we can. To accomplish this, I submit that we must make greater use of our most abundant energy resource, coal.

I believe that H.R. 25 would restrict the production of coal and I feel the President acted wisely in vetoing the bill. I will vote to sustain that veto in the U.S. House of Representatives.

The May 21, 1975, edition of the Chicago Tribune carried a persuasive editorial in support of the President's position. I am placing this editorial in the CONGRESSIONAL RECORD and I respectfully urge all my colleagues to read it:

SUSTAIN THE STRIP MINING VETO

Balancing our growing need for energy against concern for the environment, President Ford has again vetoed legislation that would set federal standards for restoring strip mined coal fields. We urge that the United States House of Representatives sustain the veto.

The veto is not going to win Mr. Ford many friends among the conservationists, but it is a sound decision. What we need most now is to develop existing and new energy resources. We are too dependent upon foreign oil as it is, and the strip mine bill would make it difficult, if not impossible, to make use of our most abundant energy resource—coal.

Mr. Ford pointed out in Tuesday's veto message that the strip mine bill would throw about 36,000 people out of work, raise the cost of electricity to the consumer, increase our dependence on foreign oil, and reduce coal production when more output is needed. Moreover, the bill is ambiguous and contains cumbersome enforcement provisions.

Twenty-one states producing 90 per cent of the nation's coal already regulate strip mining and require restoration of strip mined land. The federal measure would be overkill.

Frank Zarb, federal energy administrator, estimates that the legislation would reduce coal production by between 40 million and 162 million tons a year, depending on interpretation of the ambiguous provisions. For every 50 million tons of coal not mined, the nation will have to substitute 215 million barrels of oil a year at a cost of $2.3 billion. Why should we pay foreign oil producers for energy which is available at home and at a much lower cost? Further, as the nation recovers from the recession, our energy demands will increase.

Since Congress seems less and less likely to enact a comprehensive energy bill this year, it is all the more important that the veto of the strip mining bill should be sustained.

OIL TAX

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, considerable congressional opposition greeted President Ford's decision to impose the second $1 tariff on each barrel of imported oil. In reflecting upon this action, I think it important to keep in mind the conditions which prompted the President's decision.

It is now nearly a year and half since the Arab oil embargo brought into sharp focus the energy crisis. It is 4 months since the President's announcement of his own energy program. We sorely need a comprehensive energy policy—one that discourages waste and encourages domestic production. Yet Congress has, thus far, shown itself unwilling to make the tough decisions that must be made if we are to make serious strides toward energy self-sufficiency.

The Sheboygan Press in a thoughtful editorial has placed in proper perspective the factors which led Mr. Ford to his announcement of last week. I commend this article to my colleagues:

OIL TAX

President Ford displayed his concern for energy consumption and his impatience with the Congress when he announced that he might add another $1 per barrel oil import tax.

His concern and impatience are both justified.

Federal Energy Administrator Frank G. Zarb insists the crisis today is worse than during the Arab oil embargo of 1973–74. He notes that domestic production is down, we currently import 38 percent of our petroleum needs, and that the percentage will rise to 40 per cent. "Another embargo, which we could have at any time, would be more crippling than the first," he recently told U.S. News and World Report. Speculating on the possibility of another embargo, Mr. Zarb said the Arab nations would not hesitate if they feel it necessary to achieve their goals in the Mideast.

The President's concern is that the shortages of past years have not impressed the consuming public. His contention is that a $1 per barrel increase in the form of an import tax would have at least a slight effect on the continually increasing demand. Estimates are that the tax would add one and a quarter cents to the cost of a gallon of gasoline.

Mr. Ford's impatience with Congress was explained by a White House spokesman who noted that Congress received a White House energy package in January. There is a lack of Congressional consensus on that legislation or any other programs generated within Congress. No progress has been made and prospects for it are slim.

The $1 tax admittedly would have its effects on economic recovery, as its opponents contend. It would also have its effects in slowing inflation. Under those circumstances, whatever recovery is made would be a genuine recovery made under the structures of realistic petroleum use as dictated by the price.

There is nothing magic about the $1 per barrel tax any more than there would be for a $2 or $3 tax. Economic analysts will forever argue about the relative impact of each. The fact is that Congress has done nothing and Mr. Ford would be justified in taking his own authorized action until it does.

A SALUTE TO THE REPUBLIC OF ITALY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. RODINO. Mr. Speaker, I would like to call my colleagues' attention to the 29th anniversary of the founding of the Italian Republic which Italians all over the world celebrated on June 2, 1975.

This is a very special day to people of Italian descent, for it was on June 2, 1946, that the Italian people rid themselves of the final vestiges of a Fascist regime and established the Italian Republic.

This Republican form of government withstood the bitter struggle of the Italian people to rebuild their devastated nation at the close of the Second World War and it stands today despite constant pressure from internal extremist groups and an economy never fully recovered from the ravages of World War II.

Even with the constant turmoil which has enveloped the Republic of Italy since its foundation, the Italian people have continued their long tradition of supplying the world with leadership in the fields of art, literature and music. From Michelangelo to Vittorio De Sica, from Benedetto Croce to Enrico Caruso, from Giuseppe Verde to Giuseppe Lampedusa, the rich cultural heritage of the Italian people has served as an example of man's highest achievements.

Mr. Speaker, I am proud of my own Italian heritage and it is with extreme personal pleasure that I salute the Italian Republic.

COMMON CAUSE SUPPORT VETO OVERRIDE ON H.R. 25

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. STEELMAN. Mr. Speaker, Common Cause has done a very good job in succinctly presenting the basic arguments for H.R. 25, the Surface Mining Control and Reclamation Act of 1975, in a letter I received June 4.

As the letter states:

The Congress did an excellent job in balancing our national interests in increased domestic coal production and reasonable environmental protection.

I commend the letter to my colleagues as just one more expression of broad public support for effective strip-mining control.

The text of the letter follows:

JUNE 4, 1975.

Hon. ALAN STEELMAN,
House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR REPRESENTATIVE STEELMAN: I am writing to inform you that Common Cause supports a Congressional override of President Ford's veto of the Surface Mining Control and Reclamation Act of 1975 (H.R. 25). In enacting this bill, Congress did an excellent job in balancing our national interests in increased domestic coal production and reasonable environmental protection.

The need for a comprehensive federal-state program to regulate coal strip mining is clear. The absence of such a program has allowed the coal industry to ravage over a million acres in Appalachia and other areas of the country and leave deep and permanent scars upon the national landscape.

Common Cause favors increased use of coal, our most abundant domestic energy source, as a means to limit our dependence on foreign energy sources. With tough health and environmental safeguards, coal can be mined safely and burned cleanly. The experience in Pennsylvania indicates that enactment of the strip mining control bill should increase coal production by ending industry uncertainty about the ground rules for strip mining.

Federal Energy Administrator Frank G. Zarb, in presenting the Administration case against the bill, claimed that the bill would increase consumer costs and unemployment. Common Cause does not agree.

Coal prices are not established on the basis of reclamation costs but by other factors, especially the price of foreign oil. The jobs created by the bill's reclamation requirements will result in a net gain in employment, according to former Secretary of the Interior Rogers C. B. Morton.

The Surface Mining Control and Reclamation Act of 1975 is the result of years of hard and thoughtful work by Congress. It is a moderate bill that strikes a careful balance between energy and environmental interests. Enactment of the bill will give citizens confidence that increased domestic coal production will not ravage our national landscape.

Sincerely,

DAVID COHEN,
President.

H.R. 6860

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. GREEN. Mr. Speaker, under section 532 of H.R. 6860, the proposed Energy Conservation and Conversion Act of 1975, the investment credit would be eliminated for electrical generating property fueled by petroleum or petroleum products—including natural gas. This amendment would apply to property placed in service after April 17, 1975, unless certain exceptions not pertinent here were applicable or unless the property were constructed or acquired pursuant to a contract which was, on that date and at all times thereafter, "binding on the taxpayer."

The effect of the requirement that the contract be binding on the taxpayer is to limit this exception to cases in which the user of the equipment claims the investment credit for it. However, the acquisition of electrical generating property and other capital equipment often is financed by leasing transactions in which the contract for the purchase or construction of that equipment is assigned to a financial institution or group of financial institutions and they then lease the equipment back to the contracting party. In such transactions, the investment credit frequently is taken by the financial institutions. The "binding contract" exception in section 532, as it now stands, would not allow them the credit for electrical generating property placed in service after April 17, 1975, even though there was a clear commitment to acquire the property on that date, because the contract for it technically was not in their names.

This problem has been dealt with in prior legislation restricting the scope of the investment credit by adding a special rule making the "binding contract" exception applicable to lease back transactions. Thus, section 604(b)(2) of Public Law 94–12, which limited the investment credit for drilling rigs to those used in the northern part of the Western Hemisphere, granted an exception for rigs constructed or acquired pursuant to a contract binding on the taxpayer on and

UMI

after April 1, 1974. But paragraph (3) of that section provided, as follows:

Certain lease-back transactions, etc. Where a person who is a party to a binding contract described in paragraph (2) transfers rights in such contract (or in the property to which such contract relates) to another person but a party to such contract retains a right to use the property under a lease with such other person, then to the extent of the transferred rights such other person shall, for purposes of paragraph (2), succeed to the position of the transferor with respect to such binding contract and such property. The preceding sentence shall apply, in any case in which the lessor does not make an election under section 48(d) of the Internal Revenue Code of 1954, only if a party to such contract retains a right to use the property under a long-term lease.

This language has been used in other statutes narrowing the scope of the investment credit and a similar rule should be considered to the provisions relating to the effective date of the amendment eliminating the investment credit for electrical generating property fueled by oil and gas and other petroleum products.

Accordingly, I may offer the aforementioned language as an amendment adding a new subparagraph 4 to section 532 (b) of H.R. 6860, the Energy Conservation and Conversion Act of 1975.

I shall do so only if I am convinced that such a proposal is in the interest of the general public by benefiting the consumers affected by such arrangements. This matter is technical and has been presented to me as an oversight as business was closing this day, the last day to serve this notice.

SHRINERS HOSPITAL FOR CRIPPLED CHILDREN CELEBRATES 50 YEARS OF SERVICE IN SPRINGFIELD, MASS.

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. BOLAND. Mr. Speaker, 1975 marks a great anniversary for one of the finest charitable institutions that I know. I am speaking of the 50th anniversary of the Shriners Hospital for Crippled Children in Springfield, Mass.

This remarkable hospital has been helping crippled children from New England, New York, and foreign countries learn to walk, create, and enjoy life in a way that they might have thought impossible. To date they have provided medical and therapeutic care to nearly 200,000 youngsters. Afflicted children and their parents in the Northeast have long looked to the Springfield Shriners Hospital for help and have always found an open door. This hospital, administered ably by Madeline H. Murphy, provides a much-needed facility for families unable to afford treatment. With the sponsorship of a Shriner, a child is given the care of the hospital's professional staff and receives the aid of the best equipment and techniques.

The Shriners themselves must be saluted for this half-century of unselfish service. Seventeen Shriner temples in the Northeast support the Springfield Shriners Hospital for Crippled Children. Since the hospital accepts no payment from parents or third parties and no money from the Government, these temples are to be commended for their fundraising efforts which make the work of this facility possible. Coordination of fundraising efforts provides many hours of work for the Shriners hospital board of governors and its chairman, Carl B. Martin. The famous Shriners' parades and circus provide fun for thousands of children and parents and the money goes to this worthy cause. The Shriners' effort is truly one in which everyone wins.

My hometown of Springfield is especially proud of the local Shriners Melha Temple which is closely connected with the children's hospital. The job they do of assisting a complex medical center is nothing short of amazing. Each member donates hundreds of hours a year to help these crippled children. The whole city of Springfield is very proud of its Melha Temple.

I recently had the honor of attending a celebration organized by Norman R. Vester, past potentate and general anniversary chairman, that marked the 50th anniversary of the Shriners hospital and to see some of the children they are helping. It was a moving sight to see some of the children thank the Shriners who have provided the hospital.

The hospital, the Shriners, and the children all add up to an affirmation of the best qualities in man. I congratulate the Shriners Hospital for Crippled Children on 50 fine years and wish them many more.

Mr. Speaker, at this point I would like to insert two articles into the RECORD. One is from a commendable supplement that the Springfield Republican assembled to note this anniversary and which outlines the history of this Shriners hospital. The other article, from the Spingfield Union, relates the story of the happy 50th anniversary celebration.

The articles follows:

CRIPPLED CHILDREN THANK SHRINERS FOR AID

(By Ann Doyle)

A white piece of cardboard dangled from the back of a red truck, decorated with motley-colored papier-mache flowers and toys.

In childish scrawl, 60 girls and boys who live in Springfield had signed their names. Printed in blue ink across the top was, "thank you shriners for everything."

It was a simple way of saying thanks to the Springfield Melha Temple Shriners who celebrated their 50th year of helping crippled children Sunday.

About 2500 shriners from New England and upstate New York participated in the anniversary parade which began at Van Sickle Junior High School on Carew Street and closed at the Shriners Hospital for Crippled Children.

Seated under tents on the lawn of the Carew Street home, the children and more than 800 spectators applauded as the decorated vehicle passed by driven by Parade Marshall Robert Nothacker, a past potentate.

Applause and cheers continued as an array of happy and sad clowns, highland dancers, drummers and horsemen paraded before the crowd.

The Oriental Shriners from Troy, N.Y., waved to the crowd as they strolled along dressed in red satin Arabic costumes.

According to Norman R. Vester, chairman of the anniversary celebration, two of the original 12 patients to stay at the Shriners Hospital also attended the 2 p.m. event.

John E. Brink of Chicopee Falls and Earl Barber of Miami, Fla., were among the spectators.

"It was definitely one of our most successful events," Vester said. "Everyone came out to show their enthusiasm and support which makes us feel great."

Vester said shriners from the 17 temples in the northeast which support the Springfield unit traveled Saturday and Sunday to participate.

The Springfield hospital accepts patients from New England, New York State and foreign countries.

The anniversary celebrations culminated Sunday night at a banquet attended by more than 1,000 persons at the Springfield Civic Center.

Among the guests were Springfield Mayor William C. Sullivan, U.S. Rep. Edward P. Boland, D-Springfield, and two national imperial shriner officers, Sir Peter Val Preda and Jacob Wingerter.

Toastmaster Carl B. Martin, Jr., chairman of the hospital's Board of Governors, greeted the crowd which also included doctors, nurses and other hospital personnel.

Boland congratulated the shriners for their work done in the past 50 years.

"Their work is familiar to everyone," Boland said. "It is a labor of love for them and they are appreciated by so many people."

Imperial Chief Rabban Val Preda told the crowd, "we as shriners have a special task and that is to dedicate ourselves to children who cannot care for themselves."

SHRINERS HOSPITAL: 50 YEARS OF CARING FOR CHILDREN

(By Neal Weinberg)

Several years ago, a girl who had severe paralysis and severe curvature of the spine from polio and who was totally unable to walk, was admitted to Shriners Hospital for Crippled Children in Springfield.

After multiple surgical procedures, bracing and physiotherapy, she was seen by Dr. James D. Fisher, current chief surgeon, and Dr. Garry DeN. Hough Jr., then chief surgeon, walking slowly and with a great deal of difficulty down the corridor on her way home from the hospital.

Hough turned to Fisher and said the girl was a perfect example of the idea that "everything is relative."

"Most people would look at her and say, 'What a pity.' You and I look at her and say, 'Isn't it wonderful, she's walking.' "

Today, the Shriners Hospital celebrates its 50th year of helping crippled children to walk.

During the past half century, the hospital that accepts no payment from parents or third parties and no money from the government, has cured or materially helped more than 15,000 patients.

All 22 Shriners Hospitals in North America are owned and operated by the Ancient Arabic Order, Nobles of the Mystic Shrine.

The 900,000 Shriners annually raise more than $30 million to operate the hospitals. The money comes from an annual assessment on the individual Shriners, from wills and bequests, from events like the North-South Shrine Football game, and from donations by non-Shriners.

The annual operating budget of the Springfield unit is more than $1 million.

Shriners Hospitals accept children of any race, color or creed who can not afford to pay and who can be materially helped by treatment.

The Springfield unit accepts patients from

New England, most of New York State and from foreign countries.

To be accepted a patient must be referred by a physician and must be sponsored by a Shriner.

But if a patient comes to an out-patient clinic at the hospital and if the condition meets medical requirements, the patient is given an application.

If the patient doesn't know a Shriner, the application can be mailed in and a Shriner from Springfield will sponsor the child, Dr. Fisher said.

The hospital is situated on a 6.5 acre site on the crest of a hill on Carew Street in Springfield. The land was donated by Springfield's Melha Temple. At dedication ceremonies for the hospital, the site was named, "The Hill of Smiles."

The hospital contains 60 beds, 30 in the boys ward and 30 in the girls ward. There is currently a waiting list of more than 100 children.

Each ward is fully equipped with modern facilities including a centralized nursing station and a large television set.

The southern Colonial style brick building has two floors, the lower of which has several ramps.

There is also a nurses building, administration section, kitchen, pharmacy, schoolroom, recreation room, out-patient area, physiotherapy room, operating room, brace shop, and other medical rooms.

An enclosed porch extends the full length of both wards, allowing patients to be pushed out into the sunshine on warm days, and has a large playground and tennis court in the rear.

Built for about $300,000, the hospital has undergone several major improvements over the years.

The feature that strikes a visitor to the Shriners Hospital is the smiles on the faces of the children, the laughter heard coming from different parts of the hospital and a general mood of brightness and hope.

The hospital treats both orthopedic problems like curvature of the spine and congenital malformations, and neurological diseases like cerebral palsy and muscular dystrophy, Fisher said.

There has been a vast change in the types of casea at the hospital over the past 50 years, he said.

When the hospital first opened, the number of orthopedic surgeons in the area was relatively small. Many of the cases handled by the Springfield unit were relatively uncomplicated ones such as clubfeet, congenital dislocation of the hips, and many cases of tuberculosis of the bone and poliomyelitis.

But tuberculosis of the bone and polio have been virtually wiped out.

And uncomplicated cases of clubfoot and dislocated hip are often treated by other surgeons.

"Consequently the patients admitted at the present time consist largely of those with birth defects with a severe degree of deformity and paralysis of one type or another, in addition to extremely difficult cases of clubfoot and dislocated hip that in all probability have had surgical procedures elsewhere before being referred to our institution," Fisher said.

When the hospital accepts patients it does so on the basis of setting a goal for the patient.

Sometimes a patient is admitted for simple surgery for ease of nursing care. In other cases, if a patient can't sit, the goal is to get the patient to sit. If the patient can't walk, the goal is to get the patient to walk. It's all relative, Fisher said.

The hospital performed more than 300 operations last year, but not all patients are operated on. Many receive only physiosophy treatments, he said.

Fisher is chief surgeon at the hospital. Dr. Leon M. Kruger and Garry DeN. Hough, III, are assistant chief surgeons.

There is a staff of seven orthopedic surgeons and a large number of consultant physicians in diverse areas and all serve on a voluntary basis.

The hospital has been recognized by the National Research Council in respect to its juvenile amputee clinic which is conducted twice a month.

About 80 children a week attend out-patient clinics scheduled for Wednesday and Thursday mornings.

Once a week there is also a scoliosis clinic and a myelodysplasa or open spine clinic is scheduled once a month.

In addition, part of the staff goes to northern Maine every June and to Utica, N.Y., every October, to save families from making the long trip to Springfield.

Fisher said the hospital has been "blessed" to have a group of men and women who give time from their busy practices to help in diagnosis, clinics and treatment.

The Shriners Hospital has a special meaning for those who are associated with it.

Fisher said, "The hospital has been my life. It is the most gratifying experience any physician could ask for."

WHY A JOBS BILL VETO IN A DEPRESSION?

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. CONYERS. Mr. Speaker, I am shocked by the failure of the House of Representatives this afternoon to demonstrate our resolve to act decisively in the face of the current economic depression and override President Ford's veto of the emergency jobs bill which we passed by a vote of 293 to 109 in this Chamber.

The present bill did not even scratch the surface of the unemployment crisis. It would have reached only a small proportion of the total number of people who stand in serious need of jobs, but at least it would have helped those people. Why isn't this administration, or just possibly this Congress, willing to give jobs to at least some of the people who need them? Where are the sensibilities of our leaders? If they are not concerned with people and their needs, then what are they concerned with?

What irony. Many of those who regularly extol the value of work and decry the large numbers of people receiving public assistance would now deny others their basic human right to work by defeating legislation which would give unemployed people jobs. They would apparently prefer to see people languish on welfare, starve, or steal than to have a chance for gainful employment.

The President's stated reason for vetoing the bill was that it would have created a budgetary imbalance and would have stimulated the economy too much at a time when it is expected to be showing significant improvement. Yet the United States has been experiencing an economic decline for more than the past year, with high unemployment and a real decrease in productivity. The country needs all the stimulus it can get; and given the present administration's forecast of intolerably high unemployment through the end of this decade, one must wonder what they consider an improved economy to be. Furthermore, the President did not express any concern for the budgetary imbalance when the House voted to give the Defense Department an additional $5 billion over the present authorization level for the procurement of new weapons systems, nor did he express concern over that portion of the deficit due to the large military increase.

I submit that this Congress must get its priorities straightened out. Its highest priority ought to be the people and their welfare, no abstract economic principles. The economy exists for the sake of the people, and not the people for the sake of economy. If the Congress is not willing or able to work for the people and give them what they need, then the people of this country are going to have to organize and give the Congress the direction it is so sadly lacking.

If we in the Congress are not able to pass a jobs bill in the midst of a depression, then of what use are we?

THE DEFENSE BUDGET

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. MOFFETT. Mr. Speaker, since the beginning of this session, concern has poured forth from every corner of this Chamber, from Democrat and Republican, from young and old, about the spiraling deficit, wasteful Government spending, and the legacy of inflation we are leaving to future generations.

And yet, when this body debated the recent weapons procurement authorization, very little was heard from those who fashion themselves as fiscal conservatives. They seemed unable to apply the same rigorous scrutiny to defense programs that they constantly urge for social security, health research, education, or public works programs. I am confident that such scrutiny would lead to the inescapable conclusion that a number of our defense programs are not only wasteful and unnecessary, but in fact counterproductive and crippling. The simple economic reality is that each dollar wasted on obsolete, superfluous weapons programs subtracts from the amount of money available for valid, worthwhile programs, military or otherwise.

So, aside from a reduction in our real military strength, the bloated defense budget represents a severe blow to the general economy. On purely economic terms, we must recognize the fact that defense spending is not at all a bargain in terms of economic stimulus. Studies have proven that military spending produces far less jobs than almost any other type of Federal spending. It is also much more inflationary than Government expenditure in general, since defense workers earn money for producing goods

which never enter the mainstream of the economy, and thus cannot be bought.

Many of my colleagues seemed to view the weapons procurement vote as a test of whether or not we will stand firm in the world. I suggest that it was indeed a test—a test of the consistency of those who have long urged cuts in wasteful Federal spending. It is inexcusable that this Congress felt it necessary to rubberstamp the weapons bill out of a feeling that we have to send a signal to the rest of the world.

What kind of a signal are we trying to send? And why are we not so concerned about the negative messages we are sending now? What kind of a signal do we send the rest of the world when they see that we are unable to put people to work solving our domestic problems? What kind of a message do we send forth about our national strength as we produce more and more college graduates for the unemployment lines? What kind of a signal do we send when the world learns that many of our senior citizens who have worked hard all their lives are now eating cat food to stay alive? What kind of impression do we create about our national resolve when we have citizens working 1 month out of every year just to pay their health bills? What kind of world image do we gain from our failure to develop adequate public transportation or housing?

One cannot blame the rest of the world for wondering if the only message we are capable of sending is one delivered through arms or the presence of our troops overseas. Our defense budget reflects tragically shallow and misguided assumptions about the role of America in the world. Many of the amendments aimed at trimming some of the fat out of our defense budget, all of which were defeated, were quite reasonable in terms of our national security, and vital in terms of our national economy. Had these measures passed, they would have asked the generals and admirals to tighten their belts like the rest of us. Such action would also have sent a signal to the rest of the world that our foreign policy will be based not only on the size of our defense budget but on good sense and humility as well.

GEORGE CHAMPION OF THE ECONOMIC DEVELOPMENT COUNCIL OF NEW YORK CITY SPEAKS TO THE "FORGOTTEN MAJORITY"

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. KEMP. Mr. Speaker, it is encouraging to those in the Congress who are active in the struggle to stop the erosion of economic freedom occasioned by the growth of Government intervention in the economic affairs of the people to learn of efforts being made by private citizens to attain the mutual objective of restoring that economic freedom.

I recently had an opportunity to read the timely remarks of Mr. George Champion, the chairman and chief executive officer of the Economic Development Council of New York City, on why a growing number of our Nation's largest cities, including New York City, now find themselves in severe financial straits. Increases in local tax burdens borne by both individuals and businesses for which most of those individuals work, departure from the cities of headquarters operations because of the high costs of doing business in those cities, the resulting departure of taxpaying residents and the then inevitable shift in ration between tax-generating residents and tax-consuming residents, and the unfortunate yielding of local governments to the demands of nearly every special interest group seeking to have a "greater cut of the pie" without realizing that the pie is often limited—these are among the major causes for these cities now facing virtual bankruptcy.

But, as Mr. Champion points out in his remarks of May 27 before the annual meeting of the Economic Development Council and the New York Chamber of Commerce and Industry, those specific points appear to have the same basic cause: A major change in public and governmental motivation. More specifically, we have drifted into an era of government by pressure group and special interests—well organized, mobilized, and vociferous. The only thing which has changed in recent years is the special groups to which governments are reacting. The general interest, the common good is still too often put to the side.

Mr. Champion has been at the forefront of helping people help themselves—resolving the problems of jobs, income, productivity, and economic mobility through reliance on the resources inherent in private initiative.

As a distinguished and successful man of finance, serving from 1961 to 1969 as chairman of the board of Chase Manhattan, he has taken the time to act upon—not just talk about—our real, human economic problems. For example, his efforts through the Economic Development Council of New York City have led to improved efficiency in the administration of New York City government, to innovative efforts to keep business and jobs in the New York City area, and to assist minorities with "how-to" information and opportunities for loans to sustain private and community efforts.

He has also raised vast sums for charitable purposes.

And, he is a true patriot, deeply committed to the principles which constituted the spirit of Philadelphia 200 years ago and which are as valid today as they were then.

Mr. Speaker, I think Mr. Champion's remarks are worthy of the attention of all my colleagues. We already have before us, as the National Legislature, with proposals to assist those cities bordering on bankruptcy. His remarks are, within that context, most timely:

THE FORGOTTEN MAJORITY

(By George Champion)

I am delighted by the opportunity to say a few words at this historic occasion of the Annual Meetings of the Economic Development Council and the Chamber of Commerce and Industry, which have both been dedicated to the causes of good citizenship in New York City. Each has made a very real contribution to a better New York and has developed particular skills which, in many ways, complement each other. Through the sharing of these skills, I am confident a more effective and useful contribution will be made in the years ahead by these splendid organizations.

One of the toughest jobs in America, it is widely agreed, is that of the Mayor of New York City. Particularly at this time, we must realize that Mayor Abraham D. Beame has inherited not only the usual problems but a mountainous accumulation of built-in increases in salaries, services, and programs that must somehow be brought under control.

New York's current fiscal crisis was years in the making and it will take years to resolve. But it can be resolved if we, as citizens, look closely into the causes of the crisis. It is vital, therefore, that we avoid recrimination and blame-fixing. We must understand Mayor Beame's problems and support his valiant efforts to deal with them on a practical and realistic basis.

In its fiscal manifestations, the dimensions of the crisis are clearly drawn. During the last ten fiscal years, the City's budget has tripled from $4.1 billion to $12.6 billion. Total local government labor costs have increased from $2.4 billion to $6.5 billion. And, failing to stay within its budgets, the City has increased its total indebtedness from $5.4 billion in fiscal 1969 to over $13.4 billion in 1975.

These trends have exerted a heavily adverse impact on the City's entire economy—particularly on employment in the private sector. Soaring governmental costs and taxes have discouraged business investment to such an extent that, since 1969, the City's economy has suffered a loss of more than 400,000 private sector jobs, bringing the total to less than 3 million for the first time in many years.

"Government by Pressure Group." Cutting through a number of contributing factors, we find that the root cause of the crisis can best be defined as a major change in public and governmental motivation. Somehow we have drifted into an era of "government by pressure group" in this city. Special interests—well organized, mobilized, and vociferous—make demands which government finds it hard to refuse.

These demands include everything from City government salaries, pensions, and fringe benefits to welfare, education (including higher education), health services, housing, and many other areas where public funds or subsidies give special favor to a limited number. Many programs begin at relatively modest cost, then mushroom into great and growing "built-in" budget increases. City pension costs (including Social Security) have risen from $380 million a year in fiscal 1967 to $1.2 billion in 1975. During the same period, the cost of higher education, spurred by community college expansion and "open enrollment," has increased from $181.6 million a year to $612.7 million.

In these and many other cases, the benefits have accrued to a comparatively small segment of the population but the costs have fallen upon all. In short, the concept of the "greatest good for the greatest number" is giving way to an attitude best paraphrased as: "Ask not what you can do for your city—ask what it can do for you." All in all, then, we are seeing omens which are far from favorable to the future of responsible self-government—in the cities and in the country as a whole.

Moreover, there is no longer anything "modest" about local government as a factor in the national economy. Some City departments and agencies have become "big businesses" with budgets of more than $2 billion a year. And local government itself is the nation's foremost "growth industry." Its cost rose from $13.4 billion to $127 billion between 1948 and 1973 and its total employment increased from 3 million to 8.5 million.

Reorganization and Efficiency in Government Operations. In helping the city in one vital area, the business community has already pioneered to a unique degree. EDC Task Forces, composed of managerial specialists "on loan" full-time from member companies, have demonstrated that business capabilities can be successfully applied to the reorganization and more efficient operation of major City departments and agencies.

Major gains—and budgetary savings—have been made by Task Forces in the City's huge Human Resources Administration, in the business administration of the Board of Education, and in the administration of justice in the courts of law. To help make education more effective in New York's "inner city" high schools, EDC's School Partnership Program has been carried forward from four demonstration high schools into a new School Self-Renewal Process now being tested in eight schools with a view to city-wide and eventual nation-wide application.

All told, some 104 person-years of executive time, valued at $2.6 million, have been contributed to the Task Force programs since 1969. Actual savings of $78 million a year have so far been recorded while potential additional savings are estimated at $676 million. This is a tremendous tribute to the public spirit and corporate good citizenship of the contributing companies. And it confirms my conviction that the overall efficiency of local government can be improved by at least 30 percent.

The Forgotten Majority—New Attitudes, New Ideas. It should be noted that "government by pressure group" involves a relatively small proporton of the city's population—yet, by the skillful use of pressure tactics, they exert a tremendous impact on the city's most vital decisions. This is one reason why New York so desperately needs new attitudes and new ideas, involving the great majority of its citizens in the decision-making process.

What, then, of the forgotten majority—those 3 million New Yorkers whose jobs in the private sector depend on the city's continued economic strength and stability? This has always been a great "city of opportunity"—a beacon to untold millions of people seeking only a chance to improve their lives by their own efforts. Now the foundations of opportunity and, indeed, employment are being eroded at a dismayingly rapid rate. And preliminary research indicates that about 70 percent of the 3 million live, as well as work, in New York.

Saying that "wealth comes only from production," William Graham Sumner long ago issued his unforgettable definition of "the forgotten man"—who, "delving away in patient industry, supporting his family, paying his taxes, casting his vote . . . is the only one for whom there is no provision in the great scramble and the big divide . . . He works, he votes, generally he prays—but he always pays . . . All the burdens fall on him—or on her, for the forgotten man is not seldom a woman."

Will New York's forgotten majority awaken in time to claim its own stake in the city and its future? The approaching Bicentennial reminds us that, all through our 200 years, we have seen swings of corrective action in times of crisis. And my confidence in our city, our country, and our people is such that I believe a civic reawakening—a return to the principles of citizen responsibility—may well be at hand.

It is from the private sector, after all, that the city's entire economy derives its vitality. All employment, private and public, depends in the last analysis on the taxes on which the city relies for most of its revenues. For this reason, I would expect the civic reawakening to include a good many of our city employees. Our Task Force experience has shown that the great majority of them are conscientious citizens—and they, too, have reason to be concerned for their jobs and the stability of their pension systems.

Yet there is divisive movement afoot to cast the blame for the fiscal crisis on the city's business and financial institutions. This reflects the old ideas and attitudes of certain pressure group leaders to whom the "goodness" of government and the "badness" of business are cardinal assumptions.

Let us take a good look at that question. In its lost of 400,000 private sector jobs since 1969, the city has seen a serious decline in the number of companies who make New York their headquarters. In a very real sense, such companies are being asked to pay a substantial penalty for providing jobs and opportunity for the city's people. Instead, there is a very good case for treating them as "guests" of the city—"paying guests" to be sure, but paying not more than they would be required to pay in other locations.

It is alleged that New York banks and corporations derive enormous profits from their operations in the city. This is simply not so. The ten major New York Clearing House banks operate nationally and internationally. Less than 20 percent of their business originates and a much smaller percentage of their profits are made in New York City. The top New York-based insurance companies write policies all over the country and the world—a very minor percentage of their premiums come from New York City. Our industrial "headquarters" companies must, of necessity, look for profit to their manufacturing and sales centers—outside New York.

The New York Stock Exchange generates employment for 70,000 persons directly and indirectly among its member firms, not to mention thousands more working in the trust departments of banks which are the transfer and registrar agencies. Investors outside New York provide the overwhelming proportion of its exchange business. Why should they pay a higher price for transactions in this city when stock exchanges are beckoning for their business in other cities throughout the country?

The banks have been criticized for not supporting the city through the purchase of its obligations. But it must be remembered that the total capitalization of the Clearing House banks is something under $8 billion. The total debt of the City is over $13 billion, of which about half is of a short-term nature. Were the bank to undertake purchase of any appreciable amount of this for their own account, the examining authorities would very properly be extremely critical. The size of the New York City debt has become so large and so much of it short term that it is not now within the capabilities of the banks to finance it. This can only be changed through the re-establishment of the confidence of the investing public in the financial integrity of New York City.

Will the Forgotten Majority Raise Its Voice? The forgotten majority has, until now, been a silent one. In most of the city's biggest decisions, the majority has almost no voice. Appropriations, fiscal policies, collective bargaining contracts, and other far-reaching issues are largely determined on the basis of expediency—"The wheel that squeaks the loudest gets the grease."

Certainly there has been a failure on the part of the city's leadership in all areas to see that the majority is properly informed. And we of the business community have not done our part in finding the facts, defining the issues, and bringing them to public attention. This is one of the obligations of business citizenship—especially in this time of crisis when the city's future and the very likelihood of so many of its people are in jeopardy.

In short, we must do everything we possibly can to help make the silent majority a vocal one. Since most of them live, as well as work, in New York, they may conceivably form study groups in offices, apartments and neighborhood blocks. Given the facts, they can support the Mayor in efforts to turn the fiscal tide, to set goals, and determine priorities in the use of funds for the best public purposes.

What, then, are the other ways in which the business community can put its shoulder to the wheel and help turn the city back on the road to economic and social progress? It is especially encouraging, I believe, to note the closer association of the Economic Development Council and the New York Chamber of Commerce and Industry. This lends new strength to unified business action on vital urban issues at a very critical time. Here are some of the actions which business can take.

We can, first of all, assure Mayor Beame and his associate officials that they will be strongly supported in every move they make to bring City expenditures into balance with the realities of the current fiscal crisis. However drastic some measures may seem, the Mayor, the City Council, and the Board of Estimate will take encouragement from the business community and an increasing proportion of the majority—no longer forgotten or silent.

We can offer continued and increased business Task Force assistance in the improved organization and management of the City's major departments and agencies. This principle has been taken out of the realm of theory and into the area of demonstrable fact. We should note, however, that the Task Force experience has revealed a great and urgent need for increased executive capability, experience, and leadership in the top echelons of the City's managerial structure.

We can go further and we can, if requested, find and recommend executive leaders who can do much, in a short time, to make New York a "model" of effective, responsive—and responsible—government.

Finally, we can help to bring the City and the public closer together in setting goals and determining priorities for New York's future as a revitalized "city of opportunity." This is not an "impossible dream." Every crisis contains the seeds of regeneration—and New York may well be ripe for a real turnaround in public and governmental attitudes.

Focal Point of National Policy. This is no time, to repeat, for recrimination and blame-fixing. Neither is it a time for cynicism and despair. It is, instead, a time for candid and hopeful reappraisal of the trends and policies which have made New York a focal point of national decision.

New York has, in fact, become a testing ground of opposing philosophies. The contest lies between a continuing drift toward blind dependence on government—the ultimate triumph of the pressure groups—and a resurgence of the spirit of responsible citizenship which, for 200 years, has made this country great and free.

The idea that increased expenditures, taxes, and debt will solve the problems of the cities has been tried and found wanting. Policies intended for the public good have seriously harmed the city and its people. The "spending" concept is now an old idea—and a tired one. It is time to give full rein to the really revolutionary idea that

UMI

Americans are fit to make their own choices in the management of their own affairs. New Yorkers—in meeting the basic issues of the crisis—will be making a true test of freedom in these Bicentennial times.

JIM LEBARON, A PAUL BUNYAN AMONG COLLECTORS, LEADS ACA

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. JOHNSON of California. Mr. Speaker, it is with a great deal of pleasure that I rise today to call to the attention of my colleagues that an old friend, O. J. (Jim) LeBaron of Yreka, Calif., will become the 37th president of the American Collectors Association when this global organization convenes its annual meeting at the end of this month in Sun Valley, Idaho.

The American Collectors Association is an international association, composed of more than 2,600 independent collection agencies, serving 11,000 communities throughout the United States and foreign countries. These agencies provide credit-related services for approximately 900,000 professional, retail, and wholesale credit grantors.

Jim LeBaron has been active in this industry for many years. He has received the California Association of Collectors' highest industry awards, the C. Hugh McCarty award for outstanding achievement in public service and civil responsibility, and the Richard J. Bullock award for dedicated service to the collection industry in the State of California. On the national level, he has received the highest award given by the American Collectors Association, the Paul Bunyan citation. He is one of 28 throughout the Nation who have received this honor during the entire history of the organization.

Furthermore, he has been awarded the status of "Certified Collector" by the International Fellowship of Certified Collectors. As such, he is one of a distinguished and exclusive group totaling only 94 people throughout the world.

When one considers this record of service, as well as his dedicated efforts on the American Collectors Association National Legislative Council, serving for 3 years as the council's chairman, you can appreciate the fact that not only have his colleagues in the industry honored him for his dedicated service to the industry and the association, but they also have selected a man who will contribute tremendously toward the continued success of this organization and the industry it represents.

I would also like to comment on the fact that Jim LeBaron is a community-minded citizen. He served for 8 years as councilman and mayor of his hometown of Yreka. He has been president of the Yreka Parent Teachers Association, he has headed the Lion's Club, he has chaired the Juvenile Justice Commission, and has been active in local elementary and high school sports programs. He was awarded the Citizen of the Year citation by the Yreka Chamber of Commerce.

Mr. Speaker, may I take this opportunity to extend to Jim LeBaron my heartiest congratulations and best wishes for every success in his new assignment. I am confident that he will serve the association with distinction during his tenure as the president.

COMMITMENT TO ISRAEL MUST REMAIN FIRM

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. BAUMAN. Mr. Speaker, in recent months we have seen a considerable deterioration in the international position of the United States, and a resultant questioning of the ability of the United States to fulfill our international commitments and protect our allies from aggression. The fall of Cambodia, the agony of South Vietnam, the consolidation of dictatorial control in Portugal—all these lead to an impression of U.S. impotence in the face of aggression and determination by our adversaries.

Despite these setbacks, the United States remains powerful, both militarily and politically. What we seem to lack is the will to take a firm stand and hold fast to it. Words alone are not enough. Clearly, if we are to restore our credibility in the world, we must begin to designate certain areas in the world in which our national interest is clear enough to renew a credible commitment, and begin acting in such a manner that doubts about the resolution of the United States will be dissipated.

One commitment which deserves renewal in no uncertain terms is the long-standing U.S. commitment to the continued existence and integrity of Israel. This commitment has been part of our foreign policy for many years, and it deserves to remain strong. A firm commitment to the integrity of Israel is the best hope for peace in the Middle East.

Following the collapse of Secretary Kissinger's last round of "shuttle diplomacy" in the Middle East, it became fashionable to wonder whether Israeli "intransigence" had contributed to the failure of the talks. This talk of "intransigence" is astounding in view of the fact that Israel was willing to make substantial concrete concessions, including the return of the Abu Rodeis oil fields, which supply half of Israel's energy, and considerable withdrawals in the Sinai—for which it asked only a "nonuse of force" declaration. Since then, Israel has voluntarily withdrawn its troops from some of these areas.

An unambiguous renewal of our attitude toward Israel is especially important for stability in that volatile part of the world. There can be little doubt that any impression of a weakened U.S. commitment to Israel would strengthen the hand of those elements in the Arab world which favor aggression against Israel. A clear and credible declaration that the United States will not tolerate any such aggression is the best deterrent against aggression.

Most observers agree that, with or without a U.S. commitment, the Israelis will not succumb to aggression. Any attack could lead to a fierce and bitter war, into which the United States might be drawn as an active participant. Our best insurance against such an attack is to issue a notice in advance that our commitment to Israel remains firm.

THE 1975 FINANCIAL DISCLOSURE OF TENO RONCALIO

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. RONCALIO. Mr. Speaker, it is my annual practice to publish in the CONGRESSIONAL RECORD a statement of income taxes paid for the previous year and a current financial statement.

My return for taxable year 1974 has been filed, and the following is a summary of key information for the "Individual Income Tax Return" of Teno and Cecelia Roncalio of 3024 Capitol Avenue, Cheyenne, Wyo.:

Gross income: $60,947.
Net taxable income: $22,019.
Income taxes paid: $7,147.
Percentage of gross income: 11.7.

Income:	
Wages	$42,500
Dividends	2,569
Interest	9,880
Other	5,998
Taxes paid:	
Real estate taxes paid	6,373
Home mortgage interest paid	15,600
Capital loss (maximum allowed)	1,000

My current financial statement as of June 3, 1975, is as follows:

ASSETS

Cash in banks		$123,209.41
Checking accounts		8,209.41
Certificates of deposit		115,000.00
Stocks and bonds		43,745.00
100 UP Corporation		7,800.00
400 First National Bank of Gillette		20,000.00
800 C. I. Mortgage Group		1,320.00
900 Portland General Electric		14,625.00
Life insurance, cash values		2,376.00
	face-value	
Prudential	$5,000.00	1,028.00
Prudential	5,000.00	551.00
Equitable	1,000.00	797.00
U.S. House of Representatives	45,000.00	none
Real estate		700,000.00
5 acres unimproved commercial property in McLean, Va., with home		600,000.00
Cheyenne, Wyo., home		60,000.00
Cheyenne Law Center, two commercial buildings (50-percent ownership)		40,000.00
Automobiles		$1,400.00
1965 Oldsmobile		600.00
1968 Volkswagen		600.00
Other assets:		
Two units, Jasmin Groves		00.00
5/8 interest in 23 miles gold claims, Snake River (title now in litigation)		1.00
Total assets		870,731.41

LIABILITIES

Notes payable to banks	88,482.00
First National Bank of Gillette	75,000.00
American National Bank, Cheyenne	13,482.00
Real estate mortgages	155,974.00
Mortgage on McLean acreage and home	133,000.00
Mortgage on Cheyenne Law Center (50-percent ownership)	22,974.00
Total liabilities	244,456.00
Net worth	626,275.41

CONSERVING OUR NATURAL HERITAGE

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. ZEFERETTI. Mr. Speaker, our country possesses more than its share of spectacular natural resources. However, in the course of history, much of that heritage has been destroyed, wasted, or fully exploited for other purposes. It is because so much has been despoiled, that it is imperative that we act to preserve as much as possible of what is left.

Several important measures have been introduced in the House to continue the expansion of conservation programs dealing with unique parts of our natural heritage. One of them would make the Sequoia Natural Game Refuge part of the Sequoia National Park. The other measure would enlarge Redwood National Park to preserve many more of the remaining redwood trees.

I believe it is vital to double the size of Redwood National Park in order to protect that portion already set aside. It is obvious that the activities of logging companies are harming the existing preserve. It is also evident that the Department of Interior does not have a commitment to pursue a policy of conservation in regard to this particular part of our heritage.

I feel that the redwoods and sequoias are unique and, therefore, more than worthy of congressional consideration in order to guarantee their preservation. It is not enough to merely pay lipservice to such a concept or merely set aside small preserves. Neither one of these ideas could possibly guarantee true preservation.

Therefore, it is my opinion that both measures, regarding the enlargement of the Sequoia and Redwood National Parks, must not be considered as unnecessary appendages to already passed legislation. Rather, they are critical completions of projects already well underway and must be treated as such. Even though my congressional district is geographically distant from the two parks, I feel that they are an integral part of my heritage, and the heritage of my constituents. The loss of so much of these irreplaceable treasures would be felt everywhere in the United States.

In addition, the support of the two bills will serve as a reminder to not only the many private lumbering concerns who have threatened the existence of the sequoias and redwoods in America, but also the Department of Interior, that their activities have not gone unnoticed by Congress. The bills will serve as a reminder that their activities have been responsible for legislative reaction.

Therefore, it is with pleasure and a sense of privilege that I join in the sponsorship of the bills to enlarge the Sequoia and Redwood National Parks.

GRADUATION AND COMMISSIONING CEREMONIES AT U.S. NAVAL ACADEMY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. HORTON. Mr. Speaker, it was my privilege this morning to attend the graduation and commissioning ceremonies at the U.S. Naval Academy at Annapolis, Md.

As one who has had a deep interest in the Naval Academy over many years, I can report with pride to my colleagues that the caliber, morale, and dedication of the brigade of midshipmen, and particularly of the graduating class of 1975 remains high. The mission of providing an excellent undergraduate education and a superb program of preparation for military leadership careers is being carried out in a fashion that fully justifies the faith Congress has placed in this institution.

An impressive and inspiring moment during this morning's ceremonies was provided by NELSON A. ROCKEFELLER, Vice President of the United States, who delivered the graduation address. Mr. ROCKEFELLER's address was a straightforward, incisive account of the challenges we face in maintaining peace in the world and freedom and opportunity for our citizens at home. With your permission, Mr. Speaker, I would like to insert the full text of the Vice President's address at this point in the RECORD, as a means of sharing its depth and meaning with every Member of Congress:

VICE PRESIDENT ADDRESSES U.S. NAVAL ACADEMY

There is something that sets apart this graduation ceremony from those of your civilian classmates all across the Country. Your initial decision to come here to Annapolis, your decision to remain here through four demanding years, was a decision to link your destiny with the destiny of your Country.

You embark on your naval careers in what is, in one sense, the best of times and in another, the toughest of times. It is a good time in that the dissension and divisions that plagued the Country in the recent past can be put behind us. Our Nation can now begin anew with a revised sense of national purpose and a restored sense of national unity.

But it is a trying time for military men because of America's historic tendency to lower its guard during periods of relative stability and in the absence of visible threats to our national security. The need for your readiness, your vigilance and your sacrifice remain undiminished. Yet, under the circumstances, people are less likely to recognize that fact.

In short, we are in an era of détente which is well for the world, but which makes our understanding of the military role and our need for invincible strength infinitely more important. Détente offers great opportunities for maintaining peace in the world. I applaud the President and the Secretary of State as well as General Secretary Brezhnev and the Soviet leaders for pursuing this course which can benefit both our peoples.

I. DETENTE AND MILITARY STRENGTH

And so I would like to address my remarks today to the critical relationship between detente and our Nation's strength. An often unrecognized essential element in detente is the element of strength. This is something that the President and the Secretary of State understand full well. Detente can only be meaningful if we deal from strength, from a profound understanding of the realities of today's world and a clear sense of national purpose and determination. And we are highly fortunate, indeed, to have, at this moment in history, a President who has such deep faith and belief in America and absolute courage and determination—together with a Secretary of State who shares the President's understanding of America's role in the world today.

From the beginning of our history, we have had to learn and relearn the lesson that strength reduces the likelihood of war and that weakness is an irresistible temptation to aggressors. George Washington counseled the Country long ago that, "To be prepared for war is one of the most effectual means of preserving peace." That is even more true today. Yet, after the Revolution we did not even maintain a Navy. In the early 1790's an economy-minded Congress preferred paying ransom to building ships to protect American seamen.

We can be deeply grateful and proud that only recently when the new Communist government of Cambodia captured the United States merchant ship, the Mayaguez, we had a strong Navy; and we had a President who had the courage, when diplomatic efforts failed, to order decisive military action which resulted in the immediate release of the crew and the ship. Nevertheless, there are some today who would still return us to isolationism—to the Fortress America mentality that was fashionable right up to World War II.

Yes, we must continue to work and to hope that negotiations with the Soviet Union will eventually reduce the need for huge increases in defense spending. The Strategic Arms Limitation talks and the Mutual Balanced Force Reduction Negotiations offer such opportunities. But to disarm ourselves unilaterally, because of an impatience, a frustration with the burden of bearing the cost of vigilance will not provide any incentive for our adversaries to disarm.

Disarmament must be worked out step by step, concession by concession, by all parties involved under satisfactory guarantees that all parties abide by the agreement. If anybody still believes that unpreparedness and good intentions stave off war, I urge them to

UMI

reread the history leading up to World War II.

Our strength provides an incentive for potential adversaries to seek the alternative of a peaceful resolution when problems arise. And our strength leads them to think twice about the risk of pursuing global temptations.

II. DECLINING U.S. DEFENSE

Yet, the call is continually heard that we have to reorder our priorities—to spend more on urgent human needs and less on defense. I remain steadfast in my life-long commitment to government actions that seek a better life of greater opportunity for the American people. The fact is that during the past decade we have already reversed our priorities between domestic and defense expenditures. In terms of constant dollars, defense spending today is the lowest in 25 years.

In 1964, prior to the Vietnam build-up, less than one-third of Federal spending went for human resource programs—and half the budget went for national defense. During the past decade, that situation has been completely reversed. The budget submitted for Fiscal 1976 shows about one-quarter for defense and over half going for domestic social programs.

Now we find ourselves in a period of inflation and recession with a $60 billion deficit and unemployment at well over eight per cent. What is becoming increasingly clear is that our social progress, military strength and our ability to help build a more stable world all depend on rebuilding the vitality and economic strength of the United States. It is becoming increasingly clear that we must face up to the devastating vulnerability of our economy to another oil boycott and the possibility of similar action in relation to other raw materials at some later time.

III. GROWING STRENGTH OF THE SOVIETS

Yes, we recognize the peacemaking and peacekeeping potential of detente. But cold realism requires that we must not ignore the growing strength of potential adversaries in setting our own defenses both economic and military.

For example, let us examine openly and honestly where we stand with respect to the Soviets, first in terms of strategic weapons. During the 1962 Cuban missile crisis, the United States had a huge strategic advantage By 1973, during the Middle East War, that extra margin of security had vanished. We no longer refer to American predominance in strategic weapons but, rather, to parity with the Soviets.

The Polaris submarines deployed during the Cuban crisis are no longer a uniquely American weapon. Our last missile submarine was launched nearly a decade ago. The Soviet Union is presently building a large fleet of modern ballistic missile firing submarines. And Soviet missile submarines now patrol the American coast.

The Soviet Union has more land-based missiles with larger warheads than we do and is now challenging our lead in sophisticated warheads. The Soviets are currently testing five types of missiles with a NIRV capability. U.S. bombers, built mostly in the 1950's, help make up for numerical inferiorties in other strategic categories. In short, the Soviets are now spending much more than we are in the strategic area.

Secondly, let us compare strength with the Soviet Union particularly in your area of concern—naval power. The growth of Soviet naval capability has been a most significant development during this decade. America's post World War II naval preeminence no longer goes unchallenged.

During the 1973 Middle East War, the nearly 100 Soviet ships in the Mediterranean clearly outnumbered our own. Our surface ships are down to 1939 levels. The Soviets now possess the ability to interdict the vital sealanes on which we depend to supply our allies and to obtain vital resources such as oil and other raw materials on which we are increasingly dependent.

The Soviet submarine force is three times the size of ours. Although we maintain a certain comparative advantage in submarine technology, that gap, too, is closing. Soviet submarines, surface ships and their air force are equipped with a variety of missiles which present a real challenge.

We have maintained a clear edge in naval air power, which has proved its value repeatedly—for example, in crises in the Mediterranean in 1958, 1967 and 1973. However, the number of our carriers is decreasing, while the Soviets, on the other hand, have decided to make an investment in aircraft carriers. Let me quote how the Commander of the Soviet Navy evaluates their fleet, which he has so brilliantly developed and led for about the last 20 years. "The Soviet Navy," Admiral Gorshkov says, "has been converted in the full sense of the word into an offensive type of long-range armed force."

And finally, as for land and air forces, our Army is about half the size of the Soviet Army and ranks fourth in size in the world. While the Soviets increase the size of their forces, our Army and Air Force—which are indispensable to the defense of NATO, our allies and our own national security—are at their lowest levels since before the Korean War.

What we have lacked in numbers in most areas of defense, we have made up for in the technological superiority of our equipment. We have allowed numerical deficiencies in strategic weapons and submarines, for example, partly because of a confidence in our ability to maintain technically superior systems. Such technological advantage, however, is not static. An increased investment in continuing research and the updating of our equipment is required.

While we are committed to pursuing the peaceful potentials of detente, we must remain aware that the Soviets are increasing their military presence throughout the world. This is a hard fact that we have to face. From Somalia to Singapore, from Guinea to Cuba there is evidence of an enlarged Soviet view of its interests. We are witnessing today a Soviet surge in every component of military power, from strategic through conventional forces and in research and development. And there is no indication at what levels they will be satisfied. The trend for Soviet forces is up. The trend for ours is static at best. At this rate, if we do not make the necessary investment, we might find ourselves on a path that could lead to unilateral disengagement from the world without compensating safeguards.

IV. RETAINING OUR STRENGTH AND LEADERSHIP

Thus, we approach our 200th Anniversary at a crossroads of critical choices relating to our own long-term national security and freedom in the world. The basic values of individual freedom, respect for human dignity and equal opportunity which our Founding Fathers achieved at such great sacrifice could well be threatened now more than ever before. If we are to continue to lead in the cause of freedom and peace, we must be willing to make the sacrifices require to sustain our own security and meet our responsibilities in the world. This means that we must not only have the necessary economic and military strength and vitality, but a strong foreign intelligence service as well. And most importantly, we must make democracy felt as a dynamic force directed to the best interest and well being of people throughout the world.

V. HUMAN VALUES STILL PARAMOUNT

I have tremendous faith in the American people—in the capacity, the will and the determination of free people to make the necessary sacrifices. As I said when I took the Oath of Office as Vice President—there is nothing wrong with America that Americans can not right. And my confidence is strengthened by the calibre of Americans who continue to be drawn to the Nation's service.

The defense of human freedom depend in no small measure on men like you. The arms with which we defend this country are, by themselves, only cold hardware. It is the human qualities of the people behind those arms which determine the quality of this Nation's defense.

Not long from this day you will be supervising undersea nuclear power plants; running complex combat systems on surface ships; flying sophisticated aircraft off the decks of carriers at sea; and leading troops in amphibious exercises.

Here at the Academy you have received the academic foundation to meet these challenges. But you have achieved much more. You brought the best American qualities to this academy—qualities that have been developed from raw ore into fine steel; courage—the coolness and judgment under fire that inspire confidence among your men; dedication—that devotion to a higher calling than self and the willingness to make the highest sacrifice, if necessary; determination—the staying power, the refusal to be defeated that separates winners from losers in battle as in life; integrity—the quality the American people seek and rightfully demand in their leaders. As it says in that inspiring verse you have sung so often: "Faith, courage, service true and honor over honor over all."

Looking out over this Annapolis class today, I am—along with your families and friends—filled with pride You enter your naval careers as America moves toward its third century. And you are the officers who will lead the U.S. Navy and the Marine Corps into the 21st Century. This should be a source of great pride to all of you. And it is a source of great confidence to all of us.

Out of this coming period of change, and challenge, I am confident that a better Nation and a better world will emerge. And in moving toward that world, you will be in the vanguard. Good luck. Good sailing. And God bless you all.

In my view, Mr. Speaker, the Vice President's point is clear and correct. We cannot assume that the level of peace in the world, or the level of freedom and economic opportunity at home will be perpetuated forever, regardless of our degree of vigilance. Détente must not be misunderstood to be a sleeping pill to lull us into complacence, rather it is a stimulant for us to pursue new opportunities for making peace permanent, with strength and vigilance an inseparable part of that peace.

While I had the opportunity this morning to greet many members of the Naval Academy class of 1975, I would like to take this opportunity to honor the 1975 class members of all three service academies. In particular, I would like to pay tribute to the following young men from the 34th Congressional District in the class of 1975, whom I had the privilege of appointing to service academies 4 years ago: Cleveland Cooper, U.S. Naval Academy, Howard J. Bush, U.S. Military Academy, Thomas E. Smura, U.S. Air Force Academy, and Randall R. Barrett, U.S. Air Force Academy.

These young men, and the hundreds of others who will be embarking upon careers as officers in the service of this Nation, deserve our praise, our support, and our gratitude for the dedication they have shown, and for the tasks they will undertake in our behalf.

EMERGENCY EMPLOYMENT BILL

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. JEFFORDS. Mr. Speaker, today we have heard expressed, in emotional terms, much concern about the need for jobs. I agree, in no uncertain terms, that jobs are desperately needed. At the same time, however, I feel many of my colleagues have overlooked an equally serious concern—for protection of the paychecks of working people.

H.R. 4481 contains many provisions which are, in my opinion, essential. At a time when public service employment opportunities are urgently needed, it was difficult to vote to sustain the President's veto of the emergency employment bill. It is very unfortunate that this legislation contains, in addition to new emergency employment opportunities and other vital features, a number of expensive projects which are unnecessary and which would fuel the fires of inflation.

I see the vote today as an important test of the campaign rhetoric of last fall. The themes of most congressional campaigns were accountability and fiscal responsibility. I am among the cosponsors of substitute legislation which would accomplish all of the worthy objectives of H.R. 4481, including funds for the benefit of older Americans, summer employment opportunities for young people, public service jobs, the WIN program, and a number of other important matters, such as college work-study.

Sadly, this essential bill has been used, as the Washington Star has stated, "to work the recession for all it's worth, in funding old pet projects and conceiving new ones."

The title of the bill reads: "An Act making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes." Unfortunately, the three words, "for other purposes," add up to about $3 billion in ill-conceived expenditures.

I know that Vermonters will be particularly distressed when they hear that three of the major subcommittees which created this bill did not even hold hearings. A series of phone calls around town to various Federal agencies provided the Appropriations Committee with the body of the bill.

Let me mention a few of the items in the bill which I feel are not needed. There is $100 million earmarked for Postal Service facilities which are unnecessary. Another $100 million is designated for various pet programs of the Army Corps of Engineers. There is $73 million for automobile purchases which we obviously do not need. A $500 million appropriation would go to the General Services Administration for new buildings, with no real direction for spending the money.

Some of these may possibly be good programs, but they are uncoordinated and there is no indication of how many jobs they would create. The pet projects were chosen without regard to whether they are located in areas of high unemployment.

Mr. Speaker, it seems to me that if we are to create jobs, we should make a point of creating them in the areas of the country where the jobs are most needed. This bill makes no such attempt. It is unreasonable and irresponsible for us to simply throw money into the wind and hope that it solves chronic unemployment problems.

The effect of much of this spending would be felt long after the economy begins its upswing, according to the best projections available: Coming too late to help along an economic recovery, it could lead only to further inflation later on. Let us not compound our economic problems.

The solution to our woes lies in a responsible program to combat chronic unemployment. I have joined many of my colleagues in sponsoring the substitute bill which extracts from H.R. 4481 all of the essential and well-thought-out provisions—including, as I have mentioned, summer youth employment, community service employment, public service jobs, college work study, and WIN. Our bill would fund all of these programs at the same levels recommended in H.R. 4481. All we are doing is taking away the fat and leaving the meat.

I have informed my constituents that I would vote to sustain this veto only under one condition: that the administration would provide assurances that it would support the substitute legislation, with all of the essential provisions. Even with all of my objections to the present bill, I have voted for it in the past, and would vote for it again if there were no other way to provide the public service employment which is so urgently needed.

Fortunately, we now have a viable alternative. I received personal assurances of administration support this morning, from Mr. O'Niell, the deputy director of the Office of Management and Budget.

As the New York Times said in an editorial:

If the President's veto is sustained—as it should be—it will be the duty of Congress to move quickly to adopt a substitute bill that would provide the essential funds for public service jobs, summer jobs for youth and part-time jobs for college students under the work-study program.

Let us get on with it.

OUR NATIONAL MAMMAL

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. WHITEHURST. Mr. Speaker, in recent weeks, I have heard from a number of people who are eager to see the wolf designated as our national mammal. At the suggestion of one of my correspondents, I am including some of the information which I have received at this point in the RECORD for the benefit of my colleagues:

PROPOSAL TO DESIGNATE THE WOLF AS THE NATIONAL MAMMAL OF THE UNITED STATES

(By Mark Hegedus)

Shrouded in ignorance and steeped in superstition, America's earliest settlers colonized the new world carrying with them many destructive and irrational prejudices. Today we no longer burn witches at the stake or fear falling off the edge of the earth, but we continue to remain ignorant and afraid of the wolf.

For hundreds of years Americans have mercilessly persecuted the wolf. With the possible exception of the mosquito, no other animal has been subjected to so many poisons, traps, hunters, bounties, and organized efforts at extermination. The wolf has been almost completely eradicated in the lower 48 states, except for a few small populations in Minnesota and Texas. Alaska remains as the last state in the union where the wolf exists in any significant numbers. However, even this sanctuary is threatened, as evidenced by the recent proposal of the Alaska Board of Fish and Game to gun down the animal from airplanes in selected game management areas. The proposal was cancelled, but will almost certainly reappear again this winter.

The time has come for Americans to take action to save the wolf before it no longer exists. This can only occur if we perceive and understand the animal intelligently. As long as we persist in identifying the wolf as a man-eating foe (there are no documented cases of non-rabid wolves attacking humans in North America), we will continue to passively accept its indiscriminate persecution. If we inform ourselves of the facts concerning the wolf, instead of creating false impressions of the animal—for example, Little Red Riding Hood and werewolf stories—we will not longer fear, but respect it.

A wolflike animal was probably the first creature to venture into man's earliest caves to share food and comfort him as a companion. The wolf's lifestyle is much like our own in that it is a pack animal, each member of the pack having a specific duty to perform. The wolf is a loyal parent and usually mates for life. The animal is not wanton. It preys upon sick and weak animals for food and thereby maintains a natural balance in other animal populations. The wolf is an intelligent, resourceful, and cunning creature, but it is no match for man. The animal cannot sniff out every trap man sets for it. It cannot outrun airplanes and snowmobiles bent on shooting it down.

Congress now has the opportunity to exercise leadership by creating and passing legislation directly intended to improve the wolf's image and at the same time provide a legal protective umbrella for its preservation. Such legislation could take the form of a designation of the wolf as the U.S. national mammal. This kind of designation would bring the wolf into the national limelight. Americans could identify with the wolf's courage, tenacity, and social behavior. Americans would have an opportunity to reflect upon the wolf's many positive aspects and adopt a protective attitude toward it. Declaring the wolf as the national mammal would also be an act of national contrition by recognizing that we have abused and maligned it unfairly.

The time has come for a new attitude toward the wolf. Congress can lead the nation into a new era of respect for this animal. If we view ourselves as civilized human beings, we ought to at once recognize the crassness of our irrational hatred and persecution of

UMI

this animal. Wolves cannot speak for themselves, only man can do that. He can insure their survival or destruction. National mammal designation for the wolf presents an opportunity for the Congress to express this nation's concern for our diminishing wildlife and at the same time impress upon Americans that other creatures' claim to existence is no less valid than our own.

[From the Washington Post, Mar. 24, 1975]

THE LAST SANCTUARY OF THE WOLF

(By Mark Hegedus)

The last sanctuary for the wolf in the United States is now in the hands of the Alaska state legislature. The lawmakers will be concerned with legislation dealing with Alaska's declining moose population. The Alaskan moose has only two significant predators, the wolf and man. Hunters, worried that they will lose the chance to gun down the moose, have exerted such pressure on state wildlife officials that they have turned on the wolf. The officials want to kill 80 per cent of Alaska's wolf population by shooting them from airplanes. (Helicopters were scratched for the proposed slaughter because the officials felt planes would be "more sporting.") The officials have no estimate of the state's wolf population. One state biologist said, "They'll just have to guess."

Concerned environmentalists have stopped the slaughter from taking place temporarily, but powerful lobbying groups, backed by the hunters, are pressing for legislation to legalize the aerial extermination.

Man has already succeeded in virtually wiping out the wolf in the lower 48 states. Now hunters want to add Alaska to the list.

The answer to the diminishing moose population in Alaska is simple. Take man, the hunter out of the delicate moose-wolf ecological relationship and let nature bring their populations back to normal. Ban the hunters from taking their bloody pleasure in killing this beautiful beast and deprive them of the added pleasure of slaughtering thousands of wolves to boot.

It will be a sad commentary on the state of man if the Alaska legislature bends to the will of the "killers" who took such pleasure in exterminating the passenger pigeon into extinction.

NORTH AMERICAN PREDATORY ANIMAL CENTER,
Doyle, Calif., May 26, 1975.

Congressman G. WILLIAM WHITEHURST,
Cannon House Office Building,
Washington, D.C.

DEAR MR. WHITEHURST: It has come to the attention of the North American Predatory Animal Center that Mrs. Mary Trindal and other concerned citizens desire to make the wolf our national mammal. NAPAC wholeheartedly endorses this mission and hopes you will give this matter your close attention. Your concern for our endangered wildlife is well known as well as your legislative actions in the past.

It is becoming more and more apparent that immediate action must be made so that our diminishing natural resources and wildlife can be preserved from the hungry needs of Americans. The wolf is an animal of the highest order whose social structure most closely resembles that of man. It seems appropriate that the wolf become our national mammal for the aforementioned reason as well as for the hope that it will bring a new awareness to Americans who are still plagued with severe misconceptions of not only the wolf, but all predators.

I would be very interested to know your thoughts on this matter.

Sincerely,

INGRID LUSTIG,
President.

A SENSELESS VETO AND A CONGRESSIONAL MISTAKE

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. ZEFERETTI. Mr. Speaker, today the Government admits that a minimum of 8.9 percent of the American work force is jobless. In a very few days, the Government will admit that that figure has risen significantly. Millions of people in this country have not been engaged in productive labor as we passed through a quasi-depression, the worst economic downturn since the Depression of the 1930's.

Distress is growing around the country as workers exhaust their unemployment benefits. Situations are coming to light, revealing the spread of extreme economic hardship throughout the Nation's population. Furthermore, we know that the situation is far worse than the figures indicate. For example, people who have exhausted their jobless benefits are often not listed as unemployed. People who are only marginally employed, for as little as 1 or 2 days a week, are included in the figures as those at work. The many unemployed workers who have given up the job search are not listed as unemployed nor are the millions of young people who have just graduated from high school and college.

Knowing that this situation was becoming cumulatively more serious, the Congress acted swiftly to alleviate the worst effects of the current unemployment problem. By passing the Emergency Employment Appropriations Act, they attempted to provide categories of work to appeal to the broadest possible spectrum of American workers. The $5.3 billion measure would have provided for 900,000 direct public service jobs. It also aimed at making available summer youth employment, small business loans, jobs for construction workers, older citizens, and college graduates, as well as positions in the conservation and environmental protection fields.

The House and Senate overwhelmingly passed this bill, and with minimal opposition. Yet, the President unconscionably vetoed the measure. As one of the vigorous supporters of the Emergency Employment Appropriations Act, I consider the veto absolutely inexcusable and heartless. It is reminiscent of the actions taken by President Herbert Hoover when he sat in the White House during the Great Depression while the country fell apart around him. As the Nation begged him to initiate public service employment projects, President Hoover denounced them as unwarranted expansions of Federal power. This was the same man who had the U.S. Army evict the Bonus Marchers, Veterans of World War I, from the Nation's Capital because they dared to seek alleviation of their economic plight.

Now, another President, confronted with a similar economic disaster, has turned his back not only upon those already out of work, but upon those who would have obtained gainful employment as a result of the passage of the bill he proceeded to veto. The veto has guaranteed that the economic situation will worsen. Only the Federal Government could have swiftly intervened with some significant assistance, at least enough to make a difference.

In addition, I am deeply saddened that the Congress saw fit, although by the narrowest of margins, to uphold the President's inexcusable veto. Every Member who supported the President certainly has substantial numbers of jobless people in his district, those who will pay the price of his veto. I believe that the Congress has made a serious error in acting in this manner.

THE 1975 FRANKENMUTH BAVARIAN FESTIVAL

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. TRAXLER. Mr. Speaker, I would like to inform you of an event in the lovely town of Frankenmuth, Mich. All too often many Americans forget their cultural heritage. The style of American life is so good only because of the hard work and strife of early Americans who settled here after leaving their faraway homes.

I am quite pleased that certain sections of the country attempt to retain this cultural heritage and sponsor annual tributes to the "old way" of life. One such community is Frankenmuth, Mich. The citizens of this beautiful small town will be celebrating their 19th annual Bavarian festival, June 8–14. Their German heritage is evident every day of their lives in their food, in the style of their businesses and in their general "gemuetlichkeit," or congeniality.

In 1845 a Bavarian Lutheran missionary felt that the best way to show the Chippewa Indians the value of religion was an active example, so he brought a small group of settlers who developed this forest area into the lovely farm and business community which it is today.

These settlers brought with them two important factors: a deep religious conviction and a spirit of hard work. Both of these traits characterize modern citizens of Frankenmuth. Their first goal following settlement was the construction of a new church. St. Lorenz Lutheran Church still stands today as a tribute to the past and maintaining religious hope for the future.

The businesses maintain a German flavor, even in their names. Frankenmuth Cheese Haus and Rupprecht's Sausage Haus provide some of the "old country" foods. The Bavarian Inn and Zehdner's both owned by the Zehdner family, specialize in excellent chicken dinners. A dinner at either of these two fine establishments alone is worth the trip to Frankenmuth.

The beauty of the Old World custom and charm is most evident at holiday oriented shops such as Bronner's Christmas Showrooms and their Tannenbaum Shop. They maintain the country's largest display of indoor and outdoor Christmas decorations. The designs are frequently shop originals, and the ornaments are made by skilled European and oriental craftsmen. They have the words "Merry Christmas" hand-lettered in 46 languages, so it is easy to see that Mr. Bronner, the owner of the shops, recognizes the heritage of all groups. These shops were honored in an article in Ford Times in December 1972, describing the beauty of the stores and the customers.

Mr. Bronner seems to disagree that there is a problem with youth today as in the article he was quoted as saying "Kids are our best customers. They seldom touch the ornaments. It is usually Mom or Dad who give them that extra squeeze."

If anyone knows Bavaria, they know that there is one commodity that can never be ignored: beer. Original Frankenmuth Beer has been produced for over 100 years by the Geyer Brothers Brewery. Carling established a brewery in the city in the early 1900's, and it is considered to be the most modern operating facility in the State. No one leaves Frankenmuth without having had at least one stein of beer.

Such an excellent mix of the old and the new allows these Americans to recognize that they owe much to their old heritage. The festival is a small attempt at the repayment of a debt for a wealth of culture. Music will blare loudly as the festival opens with a parade of several floats and bands from the surrounding United States and Canada. Music will continue with polka bands performing in the "Spas Platz" from noon 'til night. Barbecued chicken, bratwurst, and steins of beer will be elegantly served by the beautiful Bavarian "madchens." Exhibits of arts and crafts will be on display in the "Spas Platz" throughout the festival, and the children will be able to partake in several activities and enjoy with all others the "jungviehhof"—the small animal farm.

Mr. Speaker, this community continues to expand in the traditional way of all American towns. It is growing and planning for the future. It has preferred to live a quiet revolution rather than explode into recognition. It started as an experiment and it has achieved its goals in a wonderful and beautiful fashion. It finds the time to remember that its present greatness is due to the hard work of others in the past. The festival is unique and truly a treat not to be missed.

I would cordially extend an invitation to all my colleagues who may be in the vicinity to relive a great part of American heritage and experience "gemuetlichkeit" while attending the nationally known Frankenmuth Bavarian Festival.

A sign stands along the road just outside of the town bearing a message which is not limited to the printed word: "Willkommen to Frankenmuth."

HOUSE OF REPRESENTATIVES—*Thursday, June 5, 1975*

The House met at 12 o'clock noon.

Rabbi Barnett Hasden, Hadar Hatorah Rabbinical Seminary, Brooklyn, N.Y., offered the following prayer:

Almighty G-d, bestow Thy blessings and implore Thy divine guidance upon these representatives.

Vouchsafe unto them wisdom equal to their strength, courage equal to their responsibilities so our Nation may lead the world in the advancement and fulfillment of human welfare.

May ours be a land where none shall prey upon or exploit his fellow men, where bigotry and violence shall not be tolerated, where poverty be abolished, and all men live together as brothers.

Gracious Sovereign, bless, guide, and guard the President and Vice President of the United States, Speaker and leaders of this House, and all associated with them, who labor zealously for the welfare of our Nation.

Grant us peace in our hearts, peace with our G-d, and peace with our fellow men. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 5158. An act to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3109. An act to authorize appropriations for the saline water conversion program for fiscal year 1976.

The message also announced that the Senate agreed to the amendment of the House to the amendment of the Senate numbered 107 with an amendment to the bill. H.R. 5899, making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, in which concurrence of the House is requested.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 82. An act to repeal certain provisions of the Act entited "An act to provide for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, and for other purposes", approved September 21, 1965, and for other purposes;

S. 98. An act to establish the Klondike Gold Rush National Historical Park, and for other purposes;

S. 313. An act to authorize an exchange of lands for an entrance road at Guadalupe Mountains National Park, Tex., and for other purposes, and

S. 1839. An act to amend the Small Business Act and the Small Business Investment Act of 1958 to increase the authorization for certain small business loan and guarantee programs, and for other purposes.

FAILURE TO OVERRIDE VETO OF EMERGENCY EMPLOYMENT APPROPRIATIONS ACT SEEN AS DISAPPOINTING

(Mr. ADDABBO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADDABBO. Mr. Speaker, needless to say that the vote on the attempt to override the veto of President Ford on the Emergency Employment Appropriations Act yesterday was a deep disappointment.

Ten million people in this Nation are out of work. Our bill would have put 10 percent of that number into meaningful jobs and, at least in my view, would have provided a necessary stimulus to the private sector which would have brought employment to hundreds of thousands of other American workers.

I would hope that the leadership of the House would move promptly to return to the floor the bill as it stands or slightly revised. But while we wait for that bill to return for House action, there is an emergency measure which needs immediate attention.

The Emergency Employment Appropriations Act provided the money for summer jobs for teenagers. That program has proved its worth in many ways since its inception, and it is a vital program, particularly in large cities where without the program, teenagers find themselves with no hope of gainful employment, and too often, with nothing to do with themselves.

I would urge the leadership to swiftly get behind those who call for an immediate bill to provide summer job money. School will be out in most parts of the country in just a few weeks, and we should not delay another day in implementing this summer jobs program.

In my own city of New York, close to 100,000 youngsters are pinning their hopes on what this Congress does. For many of them, only the possibility of summer employment makes it possible for them to attend classes next September.

I would remind the House that there is no partisan political differences on summer jobs for youth. President Ford en-

UMI

dorses the concept as do almost all Members of the House. I call for prompt action to meet this national need.

REPORT ON ASSISTANCE TO SOUTH VIETNAMESE AND CAMBODIAN REFUGEES

(Mr. PASSMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASSMAN. Mr. Speaker, in keeping with my promise to the membership at the time the House approved $405 million to assist the South Vietnamese and Cambodian refugees, I am now ready to give the membership the first report.

As of this date, there have been 130,677 refugees interviewed for processing. Of the total number, 27,033 have now been released to sponsors; 50,740 are in the United States waiting to be released to sponsors. An additional 51,314 are still at overseas bases awaiting entry into the United States.

To date, the Government has obligated $62,350,000 out of the $405 million appropriated for this purpose.

Mr. Speaker, at an early date I shall give the membership an additional report.

FLORIDA GOVERNOR SIGNS MANDATORY SENTENCING BILL

(Mr. SIKES asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. SIKES. Mr. Speaker, in Florida, Gov. Reubin Askew signed into law on May 14 a bill setting a minimum mandatory 3-year prison sentence for major crimes if a firearm is used—the only thing, according to the bill's sponsor, "some of these maladjusts understand."

Many bills designed to achieve the same purpose have been introduced in Congress over the years. None have received more than casual consideration. It is obvious that mandatory sentences for crimes in which firearms are used will be an effective deterrent to crime and much preferable to the antigun bills designed to take weapons away from law-abiding, responsible citizens or to require registration and licensing. It is to be hoped that the example of the State of Florida will awaken new interest in national legislation of this nature.

The Florida Legislature prohibits judges from withholding adjudication of guilt if a jury finds the defendant guilty and from suspending sentence or putting the offender on probation.

The law (SB 55) takes effect July 1 and applies to persons convicted of robbery, rape, murder, assault, burglary, and other major felonies. It was the first major legislation to pass the current session of the Florida Legislature.

Governor Askew urged the legislature to set a mandatory sentence for violent crimes, but had reservations about the restrictions on judges' discretion. Nevertheless he signed the legislation.

Criminals will now know that, if they use a firearm to commit a crime, they will be sent to prison for at least 3 years—

Askew said:

This law is a positive step toward reducing violent crimes in Florida.

Senator Jim Gliss, Republican of Eustis, the bill's sponsor, said he believes the stiff minimum sentence will reduce violent crimes significantly.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS THE VOTE AGAINST JOBS IS A VOTE AGAINST THE PEOPLE

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, President Ford is making his economic program very clear: no to the farmers—no to the unemployed—no to everybody from youth to the elderly.

The White House went all out yesterday to beat the override on the emergency jobs bill. They pulled out all the stops. But it was a clear test of the differences between the two parties in this Congress. The result was that 92 percent of the Democrats voted for jobs and 87 percent of the Republicans voted against jobs.

What the Republicans won was a vote against the people. It was a vote for recession.

What it means is more suffering for those who have already suffered most, more billions for unemployment benefits, more welfare, more incentive for crime, more of all the other ills that go along with outrageous unemployment.

President Ford can make all the rosy predictions he wants about economic recovery next year. The fact is that unemployment shot up 65 percent since he took office 10 months ago. The rate is going to top 9 percent when the new figures come out tomorrow.

Nine million people are out of work, and all the administration does is announce that things might get better sometime. Maybe that is all President Ford can offer to the people of this country, but Congress has got to do a lot better than that.

We Democrats in this Congress have got to stand up for the people.

APPOINTMENT OF CONFEREES ON H.R. 4221, TO AMEND THE HIGHER EDUCATION ACT OF 1965, AS AMENDED, RELATIVE TO REALLOCATION OF WORK-STUDY FUNDS

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. PERKINS, O'HARA, BRADEMAS, BIAGGI, ANDREWS of North Dakota, BLOUIN, THOMPSON, MOTTL, HAWKINS, Mrs. CHISHOLM, Messrs. BENITEZ, SIMON, HALL, QUIE, ESHLEMAN, ERLENBORN, ESCH, BUCHANAN, and Mrs. SMITH of Nebraska.

A DEPRESSION, NOT A RECESSION

(Mr. HAYS of Ohio asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HAYS of Ohio. Mr. Speaker, I think the speech of the majority leader, the gentleman from Massachusetts (Mr. O'NEILL), hit right on target. I would just like to add an observation of my own. I keep reading these reports in the press from Secretary Simon, Mr. Zarb, the energy czar, and other Cabinet officers, about the recession has bottomed out, and things are going to pick up, and so on. I have to believe that they are doing a scissors and paste job from the newspapers of the era of 1929 through 1932 because in those days every time you picked up a paper some Cabinet officer was saying that things were going to get better, but the Republican administration at that time was doing things to make things worse.

The veto of the jobs bill is a good example. If we had 1 million more people working we would have 2 million more people paying taxes, because those extra million people working would create another million jobs in private industry. But, no, the vicious circle goes on, while at the same time you read the statements that these nincompoops put out about the recession has bottomed out, and in the same paper on the same page you can read a story about another industry laying off 20,000 people, another industry laying off 50,000 people, another industry closing down for 5 weeks, and so on.

If there is going to be any relief for the American people from this depression—not a recession, but a depression—it is going to have to come from the Democratic Party and from the Democrats in the Congress.

THE CORRECTNESS OF THE ADMINISTRATION'S POLICY

(Mr. RHODES asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, it has been with great interest that I have listened to the speech of the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL), and that of the gentleman from Ohio (Mr. HAYS).

The gentleman from Ohio mentioned 1929 through 1932 as the time when there was a depression. I hasten to remind the gentleman that the depression did not end in 1932 when the Democratic Party assumed power. In fact, it was still very much going on some 6 years later when rearmament for World War II began. In 1940, 14.6 percent of the civilian labor force was out of work. It was not until the following year—the first year of the Second World War—that unemployment dropped to 9.9 percent. So the record of the Democratic Party in curing depressions is not a very good one.

Insofar as the situation now is concerned, the Democrats have adopted a

worm's-eye view in looking at our economy. They are so busy looking at that hillock up ahead that they cannot see beyond what is there. They expect us to do the same thing.

I serve notice on them that we are not going to do that. Republicans are not going to look at the economy as the Democrats think it is, or as they might wish it is. We are going to look at the economy as it is and will be.

I think that the economic policies of the administration are sound. The administration has the only program in town for getting us out of the recession and at the same time to protect the economy from the ravages of inflation.

The main trouble with the reasoning of the Members on the other side of the aisle is that they have come to the conclusion that expenditure in the public sector is the do-all and the end-all, and it is not. We Republicans still believe we need to provide jobs for people in our factories, but not just public jobs. There must be more than jobs raking leaves. That is the chief difference between these two parties.

THE NEED FOR CONGRESSIONAL REVIEW OF REGULATIONS PUBLISHED IN THE FEDERAL REGISTER

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, in a time of rightful concern about the interests of the consumer we may well give thought to the burden imposed on nearly everybody through excessive regulation of all phases of business activity by Federal agencies.

These regulations are extensive and often contradictory as between agencies. They serve to restrict competition. They add to the cost of doing business and the added cost inevitably is passed on to the ultimate consumer. Many of the regulations promote rather than slow down inflation.

Fewer hobbling regulations could not only result in lower costs to consumers but also in the creation of additional jobs as lower prices attract more business.

As my colleagues know, it is most difficult to get rid of regulations once they are promulgated by a Federal agency. But we can at least take steps to halt their proliferation and permit new regulations to be put into effect only when they have been closely examined by congressional committees.

With that as my purpose, I have introduced a bill providing that prior to publication in the Federal Register all regulations shall be submitted to the appropriate committees of Congress. This submission shall take place not less than 30 days before publication of the regulations or before their circulation for public comment, whichever comes first.

Such prior study would result, I hope, in fewer and more carefully thought out regulations. I consider that a goal eagerly to be sought, and I solicit the support of my colleagues in advancing toward it. As President Ford has pointed out, government regulations in effect constitute a hidden tax on the American people.

ASTRONOMICAL INCREASE ASKED FOR IN TEMPORARY DEBT CEILING

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BURKE of Massachusetts. Mr. Speaker, in a very short time we will be called upon to vote an increase in the temporary debt ceiling up to new astronomical heights. The figure agreed upon by the House Committee on Ways and Means, over my strong opposition, is a request that the temporary increase be up to $616 billion. This is an all-record increase, requesting an increase in the debt ceiling over $85 billion.

Yet, during the testimony by the administration spokesman, they tell us not to be concerned about the social security trust fund that faces a $15 billion deficit in 1977. They told us, do not do anything about it until after the November election of 1976; everything will be hunky-dory until then.

Mr. Speaker, I would like to read a statement by one of the great members of the opposition party, former Representative Thomas Curtis, made on the floor of the House on June 18, 1964, in relation to a request to increase the debt ceiling:

It is perfectly logical for Republicans, of course, to resist the expenditure policies of this administration, as we tried to under the Kennedy administration. This is a basic issue for the people to decide; I wish my colleagues on the Democratic side of the aisle would face it forthrightly. Their economic philosophy is to spend and finance it through deficits. The President does not submit a balanced budget to the Congress and has no intention of submitting a balanced budget in the foreseeable future. What we Republicans are fighting for and what we regard as fiscal responsibility is balancing the budget.

Here they are, coming in here and looking for an $85 billion increase. They are going to have an alltime record deficit. We have to have some responsibility around here, not only on this side of the aisle, but on the other side of the aisle.

I label this bill, coming in here as a tweedledee, tweedledum bill.

I see my good friend, the gentleman from Arizona, the minority leader, over here. He was in the House here when he voted against raising the debt ceiling. The present occupant of the White House voted against raising the debt ceiling. In fact, there were years when there was not a vote on that side of the aisle to increase the debt ceiling. Those were the days when their party felt they were responsible. What has happened to the GOP? Why are they outspending the party of the opposition?

I say to the Members, this bill is coming in here next week, and we are going to separate the men from the boys.

DANNY McKEE'S LETTER TO THE EDITOR

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, yesterday's Washington Star carried a letter to the editor written by my page, Danny McKee. For the record, it was written on his own initiative, and on his own stationery. I did not even know it existed until the day before yesterday.

Never have I seen such a furor over a letter by an 18-year-old young man.

The letter was critical of the tax rebate legislation passed by Congress. I happen to agree with its sentiments.

But whether we agree or disagree, or whether we approve or disapprove of his discretion, Danny McKee did not give up his constitutional rights when he became a congressional page.

Since the letter was published, it is a fact that copies have been circulated by critical Members and congressional staff. It is also a fact that Danny was asked to leave his position on the House floor yesterday.

There were rumors that he was going to be dropped from the congressional payroll and might be denied graduation from Page School. I have confirmed with the gentleman from Pennsylvania (Mr. MORGAN) that these rumors are not true.

Furthermore, Danny is back on his job today.

In the heat of the furor, questions have been raised about checking Danny McKee's income tax, censoring future communications from pages, and about the very existence of the page system itself. In particular, there is concern for the future of Republican pages. I would hope that upon reflection better reason will prevail.

Danny McKee's letter was directed toward issues, not individuals. It was his constitutional right. I will vehemently oppose any actions to deny him his position or any other retaliatory actions taken against him in the future.

In words attributed to Voltaire:

I may disapprove of what you say, but I will defend to the death your right to say it.

DEFICIT FINANCING DRAINS PRIVATE MARKET

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, I was delighted to see my colleague, the gentleman from Massachusetts, a member of the Ways and Means Committee, talk about the problem of deficit financing. Some of us tried to address that issue when we had before us the budget target resolution for 1976. There were only 94 Members who voted for a balanced budget for 1976 and against deficit financing. There is no doubt about the fact that deficit financing by this Congress has drained the marketplace and made it impossible for the private market sector to provide jobs or restimulate the economy in a positive way. I could not be more happy that our colleague from Massachusetts, who knows that the social security fund faces a massive deficit, is willing to join with us in stopping deficit financing. Congress could stop the drain-

UMI

ing of the private market which is preventing people from having jobs in the private market sector by not forcing the Federal Treasury to be in the marketplace borrowing so much.

I would like to say to my colleague, the gentleman from Ohio, one of the reasons many of us sustained that veto is because we knew many of those jobs called for in yesterday's bill would not see the light of day for 2 or 3 years and that is why we opposed that measure. The process under that bill would take so long to get to the marketplace and actually provide those 900,000 jobs.

THE TIME TO DETERMINE THE DEBT LIMIT IS DURING CONSIDERATION OF LEGISLATIVE ACTIONS

(Mr. CEDERBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CEDERBERG. Mr. Speaker, the performance of the gentleman from Massachusetts (Mr. BURKE), for whom I have a high regard, has to be one of the most amazing statements of all time. The Democratic Party has controlled the Congress every year since 1932 except 4 years. There is not a way in the world any President or any administration can spend 5 cents that is not approved by the Congress of the United States.

The time to determine whether or not the debt limit has to be raised is during consideration of the legislative actions we take in the Congress. It is too late when the time comes to have a requirement to increase the debt limit.

I understand the matter is coming up next week. If I understand the numbers in this Congress correctly, the Democrats outnumber the Republicans by more than 2 to 1. If the Democrats want to go ahead and vote not to increase the debt limit they can go right ahead and do that, but they take the reponsibility for people not receiving their retirement checks, whether they be social security, railroad retirement, or civil service retirement. The Government cannot pay its bills when it exceeds the debt limit. It is just very basically that simple.

So the time to discuss these matters is not when we consider whether we should increase the debt limit but during consideration of the legislative actions we take. I have voted at times not to increase the debt limit. I do not like to increase the debt limit but when I have voted that way, my vote was a protest against some of the actions that are fiscally irresponsible, that have been going on around here for a long time.

APPOINTMENT OF CONFEREES ON S. 1542, MARITIME APPROPRIATION AUTHORIZATION FOR FISCAL YEAR 1976

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1542), to authorize appropriations for the fiscal year 1976 for certain maritime programs of the Department of Commerce, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri? The Chair hears none, and appoints the following conferees: Mrs. SULLIVAN and Messrs. ASHLEY, DOWNING of Virginia, DINGELL, ROGERS, RUPPE, and MCCLOSKEY.

CALL OF THE HOUSE

Mr. FREY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 264]

Abzug	Fisher	Mollohan
Adams	Gude	Nedzi
Alexander	Hawkins	O'Hara
Andrews, N.C.	Hébert	Rodino
Ashley	Horton	Shipley
Badillo	Jarman	Staggers
Burke, Calif.	Jenrette	Steed
Clausen, Don H.	Jones, Tenn.	Steiger, Ariz.
Conyers	Kemp	Thompson
Dellums	McCormack	Traxler
Diggs	McKinney	Udall
Drinan	Macdonald	Wilson, C. H.
Eckhardt	Mathis	Wilson, Tex.
Edwards, Calif.	Milford	Young, Ga.
	Mitchell, Md.	

The SPEAKER. On this rollcall 390 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON H.R. 4485, EMERGENCY HOUSING ACT OF 1975

Mr. REUSS. Mr. Speaker, I call up the conference report on the bill (H.R. 4485) to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I assume the chairman of the committee, the gentleman from Wisconsin, will give the membership a full explanation of the nongermane amendments that have been tacked onto this bill?

Mr. REUSS. Mr. Speaker, if the gentleman will yield, the gentleman from Maryland is exactly right. I intend to do so.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 22, 1975.)

Mr. REUSS (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Wisconsin (Mr. REUSS) for 30 minutes.

Mr. REUSS. Mr. Speaker, I will advise the Chair that the majority desires that the minority be accorded half of the time before us, and, therefore, from time to time the minority will seek recognition, and it is the intention of the majority that that wish be deferred to.

Mr. Speaker, I now yield myself 7 minutes.

Mr. Speaker, I am pleased to present to the House the conference report on H.R. 4485, the Emergency Housing Act of 1975.

Most of the conference report contains two programs which were initiated in the House. One would increase residential construction by providing homeownership opportunities for middle-income families, now priced out of the housing market, and the other would help homeowners who lost their jobs because of the recession to continue to make their mortgage payments. Both these programs were overwhelmingly approved by the House prior to the action of the Senate in approving substantially similar programs.

The remainder of the conference report contains eight miscellaneous amendments to existing laws taken, with substantial modifications, from the Senate bill.

I am happy to report that the Senate conferees receded on 35 items, while the House receded on only 16 items. I can assure you that the items accepted by the House conferees were regarded by a majority of the conferees as good provisions.

TITLE I—MIDDLE-INCOME HOUSING

This title would provide assistance for the purchase of approximately 400,000 one- and two-family units by middle-income families. This is a 1-year program designed to stimulate the construction of new units by broadening the home buying market and by encouraging families to purchase homes in the coming year rather than postponing their purchases because of the recession, through the provision of subsidies which reduce the cost of homeownership.

Three alternative types of subsidy would be available under the program, each meeting different family needs. First, a temporary subsidy to reduce mortgage interest costs to a 6 percent level. The full subsidy would be available for the first 3 years and then phased down by quarters over the next 3 years, so that by the seventh year no subsidies would be paid. The subsidy would also be terminated if the house is sold at any time. This approach, which provides the most substantial subsidy over the first few years of homeownership, would be particularly attractive to younger, upwardly mobile families.

The second type of subsidy involves the provision of home mortgages with an interest rate of 7 percent for the life of the mortgage. These mortgages would be purchased by HUD. Another method of providing 7 percent mortgages through one-shot payments to lenders was dropped in conference. While this approach offers less subsidy to a family over the first several years of homeownership, it would be attractive to families which were relatively stable with respect to income and location. The third subsidy type was taken from the Senate bill and is designed to assist families in meeting the downpayment on a home. This subsidy would be in the form of $1,000 grants to be applied toward a downpayment and would be useful to those families. Particularly younger families, who wished to buy now but could not put together enough money to meet the downpayment.

Families eligible for assistance would have incomes not in excess of 120 percent of the median income for the area. Median incomes have already been established by HUD for every county in the country for use under an existing program. The statute provides that in areas of low median incomes, the Secretary of HUD can increase the income limits to whatever levels will make the program achieve its objectives, and we certainly expect that the Secretary will exercise this option freely. This option is available under existing housing programs and has been used when necessary.

The conference report retains the House limits on the dollar values of homes purchased under the program—$38,000 and $42,000 in high-cost areas and $48,000 in the very high-cost areas of Alaska, Hawaii, and Guam. However, the House conferees did yield somewhat to the Senate by agreeing to an increase in the percentage of mortgage funds allocated to homes costing more than the basic $38,000 from 10 to 15 percent.

At least 80 percent of the amount of the mortgages assisted would have to cover newly constructed or substantially rehabilitated homes. The remaining 20 percent could involve older existing homes and new, unsold homes. The conferees agreed to reduce this category of homes from 30 to 20 percent of the total because of the enactment of the $2,000 tax credit and its availability to the inventory of new, unsold homes. In order to mesh the tax and housing proposals more completely the conference report defines newly constructed homes as houses started after March 26, the date before which homes must be started to qualify for the $2,000 credit.

The total cost of the program will range between $400 million and $1.4 billion, depending on the mix of subsidy approaches used, and the costs could be run out over a period of up to 7 years. The program is fully included within the recently adopted congressional budget resolution which estimates outlays of $300 million during fiscal year 1976.

Actually, this program will bring in more revenue to the Government than is spent, through increased tax revenues generated by construction activity and new jobs.

TITLE II—HOMEOWNERS' RELIEF

This title is almost identical to the bill passed by the House on April 14 by a vote of 321 to 21. It would provide to homeowners who lost their jobs or had their incomes substantially reduced because of the current recession repayable loans of up to $250 a month to help them to make their mortgage payments and thus save their homes. These payments could continue for up to 12 months, with one additional extension of up to 12 months permitted. These loans would be repaid with interest and could be repaid at the time the house is resold.

The program is structured to take advantage of the willingness and ability of many lending institutions to excuse temporary nonpayments or underpayments on a mortgage where there is a good reason for the default and a prospect of an eventual resumption of payments. Assistance under the program would be provided to the greatest extent practicable when normal lender forbearance had run its course and foreclosure would otherwise occur.

While the House-passed bill was not technically in conference, the conferees used its provisions as a guide and succeeded in persuading the Senate conferees to change five provisions to read identically to the House-passed bill. The House conferees accepted three provisions in the Senate bill which were not in the House bill which they felt improved the program: First, an extension of the program to owners of mobile homes, a provision urged by the gentleman from North Carolina (Mr. NEAL); second, more explicit statutory direction to Federal regulatory agencies to encourage forbearance by lending institutions; and third, a direction to Federal regulatory agencies to request regulated lenders to notify the agencies at least 30 days prior to the institution of any foreclosure action.

The authorization for this 1-year program would be $500 million, enough funds to assist approximately 300,000 homeowners. At the present time there is not a need for this much assistance, but with unemployment levels anticipated to continue at high levels over the next year, the need may exist very shortly. This authorization is fully accounted for in the congressional budget resolution.

TITLE III—MISCELLANEOUS AMENDMENTS

Almost all of the Senate input to the conference report is contained in eight miscellaneous amendments to existing laws, many of which were substantially modified in conference.

These miscellaneous amendments are:

First. An extension of the use of the remaining funds available under the Emergency Home Purchase Assistance Act of 1974 to conventionally financed multifamily housing. There is approximately $2 billion in mortgage purchase authority still available under this program, which expires on October 18, 1975. The availability of these funds at reasonable interest rates will stimulate the production of much-needed apartments—approximately 70,000. A House bill which would have accomplished the same objective was the subject of favorable testimony received by the committee from both industry and administration witnesses. The House conferees readily accepted this Senate amendment as a very useful complement to the middle-income homeownership provisions in stimulating construction activity.

Second. An extension of the section 312 rehabilitation loan program from August 22, 1975, to August 22, 1977, but with a reduction in the Senate authorization from $150 million a year to $35 million a year. At this time, the 312 program is a necessary supplement to the community development block grant program enacted last year because of legal and constitutional problems in many States in using block grants to make rehab loans and because of the inadequate amounts of block grant funds in many communities. I am advised that this amendment is fully consistent with the congressional budget resolution.

Third. An increase in the set-side of public housing funds available for use by public housing agencies from $150 million to $300 million. One-half of this set-aside can only be used under the conventional or turnkey programs and one-half can be used under the section 8 program enacted last year. These funds are set-aside from last year's authorization of $1.25 billion. The House conferees agreed with the Senate that a transfer of funds from section 9 to traditional public housing could speed up subsidized housing production and also provide assistance for areas of the country in which section 8 might prove to be inoperative or not fully operative.

Fourth. Extension of the authority of HUD to insure mortgages under the section 235 homeownership assistance program from July 1, 1976, to July 1, 1977. Funds from this program have been impounded for 2½ years and the GAO is currently engaged in litigation to secure release of the funds pursuant to the Impoundment Control Act of 1974. These impounded funds cannot be used after August 22, 1975, without being reapproved in an appropriation act, by virtue of a provision in last year's housing law. The Senate bill removed the August 22 expiration but the House conferees prevailed on this point on the ground that the Congress ought to take another look at the 235 program through the appropriations process before the impounded funds are used, particularly since substantial amounts are involved—approximately $270 million in contract authority. If the Congress does approve the continued funding of the 235 program, the part of the Senate amendment accepted by the House conferees would provide a sufficient period of time for the use of these funds.

Fifth. Extension by 7 months of the period during which purchasers of FHA-insured defective houses could file claims for compensation. Last year's housing law authorized compensation for purchasers of certain FHA homes if claims were filed within 1 year of en-

UMI

actment—by August 22, 1975. However, HUD delayed the implementation of the program for 7 months and this Senate amendment would thus carry out the original intent of the legislation to give every eligible homeowner a full year to file a claim.

Sixth. Requirement that old HUD commitments to provide public housing for members of Indian tribes not be met out of the $15 million set-aside of funds for housing for the Indians contained in last year's housing law.

Seventh. Authorization for HUD to approve changes in income limits and rent payments in State-financed projects receiving assistance under section 236 where HUD finds it necessary to help maintain the financial viability of the State agency.

Eighth. Extension by 6 months, from July 1, 1975, to January 1, 1976, of the effective date of certain sanctions against persons living in flood-prone communities which do not participate in the national flood insurance program. The conference report cuts a middle position between those wanting to postpone all inducements to communities to join the program—Senate bill—and those wanting to continue the inducements now in existing law. The conferees felt that existing law is too strong in penalizing innocent homeowners who now live in flood-prone areas who want to sell their homes during this period of transition toward full implementation of the program. They agreed therefore to a 6-month extension, with respect to such homeowners, of the prohibition on the making of federally related mortgage loans to finance the resale of existing homes in nonparticipating communities.

CONCLUSION

The House conferees succeeded in persuading the Senate conferees to recede on two titles of the Senate bill which would have created major permanent programs which had not been considered in the House, namely a permanent housing assistance program designed to make mortgage money available at below market interest rates during periods of low construction activity, and a proposal to establish national standards for energy efficiency in new residential and commercial buildings. These titles were deleted without prejudice and the committee expects to consider these and related proposals in the months ahead.

Mr. BROWN of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the conference report on H.R. 4485. What we have before us is a broad version of what was originally intended to be emergency legislation to provide homeownership opportunities for middle-income families. I would remind my colleagues that this legislation passed the House of Representatives in the middle of March as emergency legislation. Once again the Senate has added a string of amendments designed to satisfy what by now must be recognized as an insatiable desire for pet programs. A number of these programs have been before us before, and I believe the House has spoken its will on them, but the Senate continues to try to resurrect a number of them, despite our past actions. What may even be worse than the resurrection of the old is the advent of the new. I am referring to the Senate's new $1,000 giveaway for new homes to be added on to the list of goodies like the $2,000 tax credit for inventory homes. Make no mistake about it, the $1,000 is as good as cash despite the so-called requirement that it be applied toward the downpayment. Even if this money is applied toward a downpayment, it is just that much less the purchaser has to take out of his own funds, since there is no requirement that the purchaser needs the money; it is just like cash in hand.

Under this conference report the middle-income home purchaser, whether or not he would have bought a house anyway, would have a choice of a 6-percent interest rate mortgage which would begin being phased out after 3 years, a 7-percent mortgage on the life of the mortgage, or $1,000 in cash.

Coming from Michigan, I cannot help but wonder why the automobile manufacturers paid their own rebates when they could have followed this procedure, and let Uncle Sam carry the burden.

I see no necessity in discussing title I of the conference report, since my views are well known, and to reiterate them would only be to re-echo the debate on the original bill. However, I would propose that title I be retitled "the Federal Handouts Act for 400,000 lucky home buyers."

As for title II, which parallels H.R. 5393, I would only say that it is most unfortunate that this essential measure must be tied to a "turkey" as this bill has been so aptly called. It should be treated as separate legislation.

Upon defeat of the conference report, or sustaining of the veto assured to follow if it passes, we will urgently work on securing from the Senate a version of the foreclosure assistance bill which received such wide support in the House.

Having summarily passed over titles I and II, I would like to take some time and outline my objections to title III which, unlike title I and title II, were never discussed by the House.

First is a 2-year extension of the 312 rehab program which authorizes outlays of $100 million—$35 million per year plus an estimated $30 million in revolving funds. Regardless of the merits of the rehab program or any other categorical community development program, we cannot justify continuing them piecemeal in addition to the $3 billion community development bloc grant program which we authorized as their replacement.

The only reason the 312 program was kept as a parallel program for 1 year was because a number of communities alleged legal impediments with implementing such programs on their own. These were State statute or constitutional impediments.

Now the justification on legal grounds is being expanded in a blatant attempt to reinstate categorical programs duplicative of the bloc grant program. Certainly rehab is important.

This is evidenced by the fact that many communities have earmarked substantial portions of their community development bloc grants for this purpose. It would be grossly unfair to communities which have set-aside CD funds for rehab to allow a certain chosen few communities to receive Federal rehab funds for no other reason than grantsmanship.

To date HUD has received 1,051 applications under the CD program with approximately $150 million designated for rehab.

Let me ask the Members to compare that $150 million from the CD program with the $90 million appropriation of 1972 which was the highest ever passed.

By the time all applications are in, it is estimated that a total of $175 million will go for rehab in fiscal year 1975 alone. I again ask the Members, at the danger of being repetitive, to compare that with the highest level of $90 million in the past.

In addition, the conference report extends the discredited 235 program until July 1, 1977. It extends the period in which assistance may be requested from HUD to repair structural defects on FHA-insured houses; delays for up to 6 months the sanctions of the Flood Disaster Protection Act against the financing of the sale of previously occupied residential dwellings by federally supervised lenders; requires that prior commitments for Indian housing not be counted against the set-aside established in the Housing and Community Development Act of 1974.

Finally, the conference report would allow the New York Urban Development Corp. and other State or local housing agencies to admit higher income people to 236 projects and at the same time lower the rent requirements, thereby requiring a deeper Federal subsidy.

As the Members may have guessed, this last provision was specifically designed for the New York Urban Development Corp.

Mr. Speaker, I have said many times that this is misguided legislation. We risk putting into motion forces which will contribute to double-digit inflation as we climb out of this recession, while doing little to stimulate housing.

And, there is a serious question about the particular needs addressed by this legislation. New building permits for April have jumped 27 percent. This indicator led the composite index, and it highlights the fact that the bottom of the recession, I suggest, has been reached. While permits are still about 30 percent below a year ago, such news comes at a critical time in our overall economic decisionmaking process.

Other signs also point upward. During the first quarter of 1975 the mortgage banking industry closed more permanent mortgages and issued more commitments to builders and borrowers for permanent financing than a year earlier.

Single-family commitments were 40 percent above the fourth quarter of 1974 and almost one-third higher than a year ago. The volume equaled the first quarter of 1972, which was the banner year for housing.

Savings flows have continued at record rates and mortgage loans closed by savings and loan associations jumped one-third in April. The same was true for commitments.

New home sales also rose fairly sharply in March, before the effect of the $2,000 credit could be felt.

In this regard I should note that a survey recently conducted by the homebuilders shows that 23 percent of the inventory of responding builders was sold in the first 3 weeks after the tax credit became law, and that they expect to sell approximately 42 percent in the following 60 days.

Interest rates on conventional home mortgage loans have continued downward in April. There has been a decline of about one-half percent since December. These and other factors paint a rosier picture for housing in the period ahead.

We must be careful not to destroy that natural impetus. Much of this can be attributed to previously enacted Federal supports; and while it is true this does not represent the whole mortgage market, it does illustrate that housing is not a sector where we pass a law today and build a house tomorrow.

The market is recovering despite the natural tendency of those who are aware of this congressional proposal to put off home purchases until the Federal largess is available. But this tendency to wait will be severely aggravated if this legislation becomes law.

I do not need to tell the Members but it is safe to say that during the necessarily lengthy time which is required to issue regulations for these new programs no one earning less than 120 percent of median income who plans to buy a home for $38,000 to $48,000, depending on his location, will do so.

Let us help the housing industry recover, not hinder it. This conference report should be voted down.

Let me address myself to the points that probably are most persuasive in the conference report, and I refer to those dealing with interest rates, because by and large in talking about help to the housing industry this conference report addresses at best interest rates and that is all.

If we want to address the problem of home ownership for median-income families, we should face up to the fact that it is not just an interest rate problem alone. Let us take a look at the whole process. The cost of the home itself is a significant obstacle to most low-income families, and not just the interest rate. We find the median price for new homes in 1970 was $23,400, and in March of 1974 the figure was $38,300, almost a $15,000 jump in 4 years. This has nothing to do with the buyer's interest rate.

There have been increases in labor costs and material and land plus overhead, including the builder's profit, which have all added significantly to this problem.

During that period, the percentage of new homes for sale under $30,000 dropped from 72 percent to 42 percent, while the percentage of those under $20,000 has gone from 35 percent to near extinction—9 percent.

During virtually that same period—October 1969 to October 1974—the average labor rates climbed 54 percent for all trades—paced by a 63-percent jump for laborers, which accounts for over 50 percent of the labor costs on single-family construction. As we all know, material costs have climbed as well. However, here at least some relief has come, albeit of possibly short duration and only in some selected products such as lumber. Be that as it may, in just the last 2 years, the wholesale price index for housing products jumped almost 31 percent, from a level of 129.4 in January 1973 to 169.3 in January 1975.

Let me remind my colleagues that at the time we had the highest level of housing starts in this Nation, in the 1971–73 period when we had housing starts averaging on an annually adjusted basis of 2.2 million to 2.3 million, the effective interest rate was above 7.5 percent, between 7.59 and 7.64 percent, as I recall.

All I am asking my colleagues to do is put in perspective the significance of interest rates on the housing problem.

I think we should do something more. I think we should do something more to continue what is happening, a gain in the housing industry. What we should do is that which I suggested when this bill was previously before the House, and that is doubling the amount of money committed to the GNMA conventional tandem plan, fix the rate of interest so it does not get above 8 percent and will not fluctuate month to month as it does presently under the amendment offered by the gentleman from Wisconsin in the other body. I think it should be fixed at the lower of the FHA rate and 7.5 percent. Since I have said to the Members that our greatest number of housing starts began when we had interest rates in excess of 7.5 percent, fixing it at that rate for GNMA should provide us with the same kind of activity to the extent interest rates are relevant to such activity. We should extend that program to multifamily rental and condominium dwellings. They are not covered now in the GNMA program. The multifamily dwelling market is hard hit.

Let us do these things and we will accomplish the providing of a strong housing stimulus with a program that is in place and can have an effect now. In my judgment if we had done this originally and the Senate had accepted it, we would have gotten action before now instead of our belated arguing over this stupid conference report.

In addition to the GNMA program if this conference report is defeated, or if it is passed as it no doubt will be, after it is vetoed and the veto is sustained, I hope I will get some bipartisan support on that side of the aisle for a homeowners relief act that does not involve a direct outlay and administration by HUD. I will propose a program which uses the regulatory agencies and causes financial institutions to advance the sums of these payments to mortgagors and the institutions in turn will be advanced funds where needed by the regulatory agencies. This approach will not require a brand new administration, a brand new program, but will basically build upon what we have. If the conference report is defeated, or vetoed and the veto is sustained, I promise that legislation will be submitted and acted upon the very next day, if the leadership on that side of the aisle will permit us to work on it.

Members of the House, we have had too many confrontations in this Congress. How many times do we have to be hit over the head, as we were yesterday, to realize that the people of this Nation expect cooperation, not confrontation.

Now, if the majority cannot get the votes it needs to enact its programs and override vetoes, for God's sake, let us recognize there is a partnership and someone else may have ideas that should be considered. Whether we are discussing the energy bill, the jobs bill or this conference report, anyone viewing this Congress, I think, would have every right to assume that this Congress is not interested in an emergency energy program; this Congress, the majority in this Congress, is not interested in an emergency jobs program; the majority in this Congress is not interested in housing legislation; rather, it could be argued that it looks like the majority wants to continue the economic recession until 1976.

Mr. Speaker, I urge defeat of the conference report.

Mr. REUSS. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Speaker, I have served on the Housing Subcommittee for nearly two decades and I have had a hand in a good deal of housing legislation over this period of time, having served on many, many conferences.

This is the first conference report which I have found it impossible to sign. I cannot support the conference report, Mr. Speaker, because it is a loser. It is a loser because it will never see the light of day. If it is adopted by this body this afternoon, and by the other body, it faces a certain Presidential veto, a veto which to an equal certainty will be sustained.

I do not understand why we insist on serving up these veto pitches that come over the plate the size of a pumpkin. I do not understand the surprise, frustration, the little shrieks of anger when the President picks on these fat cripples and drives them out of the ball park. What on earth can we expect?

This conference report is a legislative cripple because it is loaded from stem to stern with extraneous nongermane provisions which give the President ample justification to veto the measure.

Something has gone wrong drastically since we passed overwhelmingly a middle-income emergency home building bill back in March. It had support on both sides of the aisle. We said that this was an emergency piece of legislation. We said that we wanted it acted upon, not in a package with other legislation, but on its own, so that we could send it to the President with some degree of confidence that it would become law.

What went wrong is that we come back from conference having adopted the Senate strategy, which as usual is to foist on the House and the President a fully decorated Christmas tree. What hap-

pened. Mr. Speaker, to our strategy? Why did the House conferees collapse? I have referred to this conference report as a turkey, and I was not trying to be unkind. I was trying to find the words to convey the certainty which I feel that this proposition will not fly.

We are, I think, good legislators when we put our minds to it. I suggest, Mr. Speaker, that we do just that. This conference report is doomed. If we have to play out the scene, let us do so, but for heaven's sake, as quickly as possible let us get to the task for which we were elected.

Mr. REUSS. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Speaker, I do not pose as an expert on housing legislation. I do not know all of the details on the housing programs that are contained in the bills and in the conference report now before the House. I do know that we have needed and waited a long time for housing legislation which can provide sound programs to stimulate housing construction. This important industry has been in the doldrums much too long.

I find that the whip advisory, which is available to all of us, explains the conference report quite well. It explains that the bill before us actually contains two important House-passed measures. I supported both when they were before the House. I have no reason to change my position.

I continue to have confidence in the distinguished committee leaders who have presented the conference report—the chairman of the committee, my good friend from Wisconsin (Mr. REUSS), and the chairman of the Housing Subcommittee, my good friend from Pennsylvania (Mr. BARRETT). Both are expert in this field.

I believe the conference report should be adopted. I think it is a good package for homeowners, a good package for the housing industry. We need a stimulus for both.

It is, of course, well known that in time of recession it historically has been the construction industry that has led the way back to recovery. This is a good time to begin work in the construction industry. I quote from the last paragraph in the Whip Advisory:

> The House leadership and the Banking, Currency and Housing Committee and subcommittee chairmen estimate that the conference report would stimulate construction and rehabilitation of 500,000 housing units over the next year, create 800,000 jobs, help 300,000 out of work homeowners avoid foreclosure. Certainly, these would be very laudable achievements.

Mr. Speaker, for many months, high construction costs and high interest rates have been the bane of the housing industry. Lack of starts of new construction have contributed to unemployment and to recession. People have simply been afraid to invest in housing. This bill can provide the incentives to start renewed interest in the purchase of homes. Importantly, it insures a 6-percent interest rate. Some are concerned that this is accomplished by a Federal subsidy. I know of no other way that interest rates are going to be brought within reach of the average person who wants to build a home. Some construction costs are down; building materials are down; contractors are eager for work. This is the other important consideration. I think the time is right to get legislation on the statute books which can help to insure new housing starts.

Mr. Speaker, I feel it would be a serious mistake to reject the proposal that the conferees have brought to the House. It is the one possible way to obtain helpful legislation now. I don't think we should wait longer, and I strongly recommend the adoption of the conference report.

Mr. BROWN of Michigan. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. Mr. Speaker, those of us who were here a few minutes ago could not help but realize the depth of feeling of my friend and colleague from Ohio (Mr. ASHLEY). I think this is rightfully true, because I believe that all of us—regardless of our sentiments, regardless of our feelings—are always subject to the question of political motivation. For me to come and tell the Members frankly, which I will in a few minutes, that we do have a veto bill here, the Members may take with a grain of salt. However, we heard the gentleman from Ohio say it. I repeat this simply because I wish to express to him publicly my admiration and respect, because I know how extremely difficult, indeed, it was for him to have to say the things that he felt needed to be said here in the well of this House this afternoon. Regrettably, he had to call this bill a turkey that will not fly. And I know he said "regrettably," and I do repeat that word because, through the ensuing 4 to 5 months since the convening of this Congress in January, the American people asked us to do our best to help the economy of this country. Specifically, the chairman of our committee rightfully came to the Subcommittee on Housing and asked for emergency homebuilding legislation. The Homebuilders Association came to Washington months and months ago. We came up with a bill that was compatible to the majority, I believe, certainly, of the House. It could have been passed into legislation months ago. But regrettably, I say to the Members of the House, we are here this afternoon on a bill that is absolutely going nowhere.

Let us put this housing situation—and for the benefit of the Members I appreciate the attention that the Members are giving to it—into its proper perspective. In reality, when you get into the question of subsidized housing and you are asking for 48 million Americans, who own their own home in this great land of ours, you are asking them to subsidize by their taxes 400,000 housing units. Some of these exist and some of them do not. Some say it will only generate 15 to 20 percent of the 400,000 units. You are asking these 48 million homeowners to give people in the 120 percent median income, people who are making $23,000 a year, to give them a choice, No. 1, of a $1,000 cash payment going in, or subsequent interest through the years down to 6 percent or permanent financing of 7 percent. As the gentleman from Michigan (Mr. BROWN) has said, the vast overwhelming housing production in this country came when interest rates were on an average of 7½ to 7¾ percent.

Mr. Speaker, I want to ask realistically, no matter how much you want to help the home industry—and there is a great dispute as to whether or not it is solely a question of interest rates, and many people think it is a degree of confidence in the general economy in the country that will make people buy homes—how many can stand up and say that they have had their constituents back home ask for 6 percent interest rates. I think that is totally unrealistic. The majority would be extremely happy to get interest rates back between 7 and 7½ percent.

As the gentleman from Michigan has said, we have here a clear question of overkill.

Through the subcommittee and through our full Committee on Banking and Currency last year, we produced a housing bill that had the full cooperation of both sides of the aisle, and we moved with momentous legislative work into a multibillion-dollar bill. The year before that we got carried away in our committee and we came up with a bill we could not even get through the Committee on Rules.

Mr. Speaker, we have come down to this point today where we are asking for these subsidies of the American people. Honestly and truthfully, if it was going to be such a bonanza, as some of us hope, for the building industry, I would have to reconsider my position today, but it is just clearly not there in the time framework this legislation provides for.

I could go into these points individually. I could go into the fact that once again in this legislation we are back to the section 235 program for another year, after all of the votes we have had on this floor on this particular subject.

So in conclusion, Mr. Speaker, before the Members vote I hope they will consider this twice. There is no doubt that this bill will be vetoed and we will be back in an embarrassing position again. This is not bipartisan politics, but this is just what we ran into yesterday. I am one of the Members of the House who firmly believes that whenever we run into these matters, whether or not it is through political action, whether or not it is a veto or the sustaining of a veto, it is the entire Congress that suffers in that regard.

So I sincerely hope that the Members will think twice in considering this legislation today. I hope the Members will allow us to go back into the committee and eliminate a few of the points necessary to overcome the stigma of this bill and let us get on with helping our constituents buy shelter at reasonable prices and with fairness to giver as well as the receiver.

Mr. REUSS. Mr. Speaker, I yield such time as he may consume to the very able and hardworking and beloved chairman of the Subcommittee on Housing and Community Development, the gentleman from Pennsylvania (Mr. BARRETT).

Mr. BARRETT. Mr. Speaker, I rise in strong support of the conference report to accompany H.R. 4485, the Emergency Housing Act of 1975. It is extremely important for the Congress to promptly pass this conference report if we are to assist in pulling the housings industry out of its most severe recession since the end of World War II. This bill, if enacted, will produce up to 400,000 additional new housing units for middle-income families and will provide from 800,000 to a million new jobs in the construction trades industry.

All of the Members are fully aware of the crisis that the housing sector of our economy is living through today. The middle-income families of this country have been priced out of the housing market by soaring inflation and record high interest rates charged on the extension of mortgage credit. The construction industry has a total national unemployment rate of over 20 percent and in many areas of the country, particularly in my State, the rate is over 30 percent. The failure of the Congress to quickly enact this piece of legislation and the President to approve it would evidence callous disregard for the millions of middle-income families who desire to own their own home and the hundreds of thousands of unemployed in the construction industry.

The conference on this bill was a very difficult one. The House, on March 20, passed the bill, H.R. 4485, which provided a number of subsidy mechanisms to assist middle-income families in purchasing a home. The Senate in passing its version of the bill approved not only the subsidy approach for middle-income families, but included a standby emergency housing program to be triggered into effect when housing starts fall below a certain level; a program to provide assistance to unemployed workers to keep them from losing their homes; a program to provide national thermal efficiency standards; and, a whole series of provisions which extended and amended existing laws relating to housing and community development. While a number of the provisions contained in the conference report today reflect the Senate proopsals, they have been modified.

The conference report before us today contains the basic provisions of the House-passed bill, H.R. 4485, to provide short-term 6 percent mortgage subsidy, 7 percent mortgage subsidy for the life of the mortgage, and the Senate added, $1,000 incentive to be used as a downpayment on a home purchase. The assistance would be available under this provision to families earning up to 120 percent of the area's median income. Being a temporary program, these provisions will terminate on June 30, 1976. It is a short-term emergency antirecession program whose goal is to provide homes and jobs.

Title II of the conference report provides for a loan program for homeowners who face foreclosure or loss of their homes because they cannot keep up with their mortgage payments due to involuntarily unemployment or underemployment. This title would authorize assistance of up to $250 per month for as much as 2 years at rates and terms set forth by the Secretary of HUD. The interest rate could not exceed 8 percent. While the percentage of delinquencies in mortgage payments of over 60 days has not reached a crisis proportion as yet, it is expected to go extremely high in the next few months because there is a lag in the time between the person's unemployment and when he is unable to meet his mortgage payments.

Title III of the conference report contains a number of miscellaneous amendments to existing law none of which were contained in the bill that passed the House. Of the 11 miscellaneous amendments proposed by the Senate the House conferees adopted 8 after making major modifications.

I will just touch upon a few of these provisions: There is 2-year extension of the section 312 rehabilitation loan program in order to assist those communities who were having difficulty, due to State and local constitutional problems, in using their community development block grant funds for rehabilitation loan purposes. The program is funded under this provision at a very low rate of $35 million each year for the next 2 fiscal years. This rehabilitation loan program has been extremely popular throughout the country and has done an excellent job in assisting many of our urban communities in preserving older residential structures and neighborhoods.

Another important provision contained in the miscellaneous title concerns the provision to provide additional set-aside public housing funds for conventional public housing. Since the section 8 public housing assistance program has been so slow in being implemented, the conferees felt additional funds should be made available to the conventional and turnkey public housing programs; these programs have proven themselves over the years to provide the needed housing for low-income families. To those who claim that this additional set-aside for coventional housing does not provide the administration with adequate funds for implementing the section 8 program, let us just look at the funds available in last year's Housing Act. We provided $1¼ billion in public housing authorization, the bulk of which was to be used for the section 8 housing assistance program. What we are doing in this provision is to make an additional $150 million available to local public housing agencies to use for conventional and turnkey public housing projects.

Mr. Speaker, the budgetary impact of this bill falls within the provisions of the recently passed joint budget resolution and complies with all provisions of the Budget and Impoundment Act.

Mr. Speaker, I urge my colleagues to approve this conference report by a wide margin to show the American public that Congress is earnest in its desire to stimulate the housing and related industries and to provide much-needed jobs for many of our people.

I include the following:

Housing starts: Total housing starts on an annual basis

1972	2,357,000
1973	2,045,000
1974	1,338,000
December 1974 (on an annual basis)	880,000
January 1975 (on an annual basis)	999,000
February 1975 (on an annual basis)	986,000
March 1975 (on an annual basis)	980,000

Mr. REUSS. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. REES).

Mr. REES. Mr. Speaker, reluctantly I rise to oppose the conference committee report because I think it is overkill in the area of 7 percent.

In the tax bill which we passed on March 26 we provided for a $2,000 credit for those individuals who purchased a new home. This bill passed before this day, and my feeling was that we should have scaled that bill down because of Senator LONG's amendment of the $2,000 credit, but we did not. They expanded it. They could choose either the downpayment system, they could go into a tandem plan to run their mortgage down to 7 percent, or they could go into a subsidized 6-percent mortgage, sliding up for approximately 5 years.

Therefore, we came in with this huge package in what was essentially a rather simple concept of allowing people in the middle-income brackets to purchase a home, and I think that a 7-percent program is a good program, and it would not cost the taxpayers anything because it would be financed by Government borrowings. The Government rate is now below 7 percent.

There is something else, too. Every bit of information I have heard is that the administration is going to veto this bill. If the administration is going to veto the bill, is it not possible to try to work out a bill that the administration will not veto? I think it is possible, and I have no idea why we are engaging in this game of "veto chicken." We come up with a bill that we know is going to be vetoed. The bill is vetoed. Then we try to override the veto, and then we go through the whole thing all over again.

Mr. Speaker, I think basically that we could come up with a simple bill. We could subsidize mortgages through a discount window that would not cost the taxpayers anything, and we would allow a person in the middle-income brackets to have a 7-percent mortgage when now such persons are paying 9, 9½, and 9¾ percent in my district.

Mr. Speaker, I really think this bill is overkill. I think it is excessive, and I ask for a "no" vote.

Mr. REUSS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. GONZALEZ).

UMI

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding.

I wish to record my support for this conference report and point out briefly that the sorry history clearly indicates that we are in dire need of some kind of housing program. Every subsidized program has been frozen. The only one that has been triggered off is the so-called community development program, section 8; and we have just been informed that there will be no new construction under section 8 at all.

Therefore, Mr. Speaker, I think we ought to support this conference report.

Mr. REUSS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, I am for this conference report.

Housing has been in a depression for years. The people in the middle- and low-income groups have been compelled to pay for three houses in order to get title to one house. That has been going on for a long time.

As to the cause, we all know what has caused it—higher and higher interest rates. We must stop it. We must begin to have bills that are the result of efforts such as those made here with this bill under the knowledgeable supervision of the gentleman from Wisconsin (Mr. REUSS), chairman of the Committee on Banking, Currency and Housing, and of the gentleman from Pennsylvania (Mr. BARRETT), who is chairman of the Subcommittee on Housing. They have worked long and hard to bring us a good bill. I congratulate them for the efforts they have made.

Mr. Speaker, I hope that in starting out to pass a number of good bills, which we expect to in the early future, that we will try to build these laws the way a farmer builds his fence.

A farmer builds his fence sufficiently high—horse-high, pig-tight, and bull-strong. That way he has no loopholes. That is what I hope we can do in our lawmaking during this session, so that we can have good laws without loopholes. I appreciate the efforts that have been put forth by the gentleman from Wisconsin (Mr. REUSS) and the gentleman from Pennsylvania (Mr. BARRETT) who have demonstrated their sincerity and honesty of purpose in housing. I hope that this conference report is adopted by a tremendous vote so, if necessary, we can override a veto.

Mr. BROWN of Michigan. Mr. Speaker, at this time I yield 4 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, H.R. 4485, the Emergency Housing Act of 1975, is designed to deal with a so-called emergency in the housing industry which has already been substantially alleviated as a result of massive Federal assistance in the form of $2,000 tax credits for home purchases, the GNMA "tandem plan" for conventional mortgages, and emergency employment and unemployment programs.

This bill now proposes to heap on top of these new pump-priming programs the following additional ones:

First. Emergency middle-income housing subsidies—up to $1.5 billion through July 1, 1976;

Second. Emergency mortgage relief payments—up to $500 million for up to 2 years; and

Third. Section 312 rehabilitation loan program—up to $100 million for 2 years.

The total cost of these programs may be as much as $2.1 billion. The $100 million funding for section 312 for two years would come on top of the money already available for this program under the Housing and Community Development Act of 1974. Money available for rehabilitation under this act, which was intended as a substitute for existing categorical programs, will amount to approximately $175 million during fiscal 1975. This figure in turn is nearly double the $90 million which represents the largest sum spent for this program in any previous year.

Regarding the two "emergency" programs, it is appropriate at this time to recall the following observation which I made in March in my additional views on the House version of H.R. 4485 (H. Rept. 94-64, pp. 35-6):

> H.R. 4485 is yet another example of the growing tendency on the part of Congress to enact ill-considered "emergency" legislation which is more likely to aggravate the country's present economic problems than to solve them. Moreover, this legislation is being proposed at a time when mortgage interest rates have already fallen substantially, savings flows into thrift institutions have resumed, and there are some signs that consumer confidence can be restored before long if inflation can be controlled for a sustained period. In short, there is every reason to believe that the "emergency" in housing will ease before this bill passes. If there should be a need for substantial additional assistance to housing during the coming months, that assistance can be provided more rapidly and more efficiently by expanding the use of the GNMA conventional "tandem plan," as the Minority substitute proposes to do.

My prediction that, "The emergency" in housing will ease before this bill passes" has already been borne out. According to the June 4, 1975, edition of Economic Briefs issued by the Federal Home Loan Bank Board:

> 1. The downward trend in interest rates on conventional home mortgage loans closed continued in early April. . . .
>
> 2. Savings flow to savings and loan associations continued in record volume in April (seasonally adjusted), as short-term market interest rates remained low and consumer savings high.
>
> 3. Private housing starts increased slightly . . . in March . . . building permit activity rose sharply.
>
> 4. New home sales rose fairly sharply in March.

This, of course, occurred even before the $2,000 tax credit had had a chance to take effect.

HUD Secretary Carla Hills, in a speech delivered on May 6, 1975, at the annual meeting of the National Forest Products Association, warned that this bill could actually harm prospects for economic recovery:

> The bill has a $2 billion price tag. Such massive spending threatens our economic recovery which is now beginning.
>
> Worse than that, it carries the promise of another inflationary cycle.
>
> Forcing Treasury borrowing above a tolerable level will deplete available capital and will drive up the cost of money to the point where the economy will again plummet downward. Leading the plunge—as always—will be housing.

As I said in March, "The best action Congress can take to provide relief from the inflation and high taxes which are pinching the middle-income citizen is to refrain from enacting new Federal spending programs which in turn require new Federal borrowing. Such measures are guaranteed to result in additional upward pressure on interest rates and to aggravate the very problem which this legislation is supposedly designed to solve."

I strongly urge my colleagues to vote against this conference report.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, we have heard the term "turkey" used so many times during discussion of this conference report. Could the gentleman from California enlighten us as to some of the things that the conference committee did to make the original turkey a bad turkey?

Mr. ROUSSELOT. Yes; I would be happy to do so again. First of all, there are several nongermane portions to this bill that we did not even have a chance to consider what their impact would be in the marketplace. These nongermane amendments were tacked on by the Senate, and this House never had a chance to really debate them or understand whether these provisions would really put people back to work or produce new housing.

My colleagues, the gentleman from California (Mr. REES) and the gentleman from Ohio (Mr. ASHLEY) have both discussed these bad provisions.

The gentleman from Ohio (Mr. ASHLEY) did come to this floor with what I considered a more reasonable bill in trying to help those who were in trouble with their mortgage payments. Yes, it is a portion of this bill. But I want to tell my colleagues, listen to two of your own colleagues on the other side of the aisle who know the housing business, understand it, and wish to see it move.

One of the things is the standard subsidization of the fixed 6-percent interest charge. By whom? By the people in the private marketplace, because the Treasury will have to go out and borrow that money which will help drive up interest rates even further. Please listen to our colleagues on that side of the aisle, the gentleman from Ohio (Mr. ASHLEY) and the gentleman from California (Mr. REES). They are right when they say this is a turkey.

In addition the Senate forces a refunding of outworn, disproven housing programs which just last year this Congress phased out. There are just too many bad features tacked on by the Senate for one body to swallow or readily understand.

Mr. REUSS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Speaker, I rise in strong support of this legislation. I commend the chairman of the committee particularly for accepting the Senate amendments.

Mr. REUSS. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I rise in support of the conference report.

The report contains three titles:

Title I: Emergency middle-income housing which passed the House by a vote of 259 to 106 and over which there is not much controversy.

Title II: Emergency mortgage relief payments which passed the House by a vote of 321 to 21 and over which there is not much controversy.

Title III: Miscellaneous—over which there is controversy.

Some opponents of the conference report claim that the House conferees "caved in" to the Senate.

Nothing could be further from the truth.

Let us look at the statement of the conference committee:

Page 15: The entire title III of the Senate bill—stricken.

Title I: On pages 11 and 12 in eight of the nine paragraphs the refrain is repeated eight times: "The conference report does not contain this Senate provision."

The issue before the House, therefore, focuses solely—solely—on title IV of the statement, p. 15—which is title III of the legislation on p. 8—entitled "Miscellaneous."

All of the items agreed to by the House conferees are merely extensions or modifications of existing programs previously passed by the House on a bipartisan basis:

Extension of home rehabilitation loan program—at a fraction of the Senate bill cost;

Transfer of existing funds to traditional public housing—at 50 percent of the Senate bill's figure;

Extension of existing Home Ownership Assistance without any new funds;

Provision that existing funds must be used for public housing for Indians;

Seven-month extension for assistance for owners of FHA owners of houses with serious structural defects;

Relaxation of income limits for certain State-financed housing projects; and

Six-month extension on flood insurance limited to existing dwellings.

It is theoretically possible that your conferees could have remained adamantly opposed to even these minor modifications and extensions of existing programs. But the Founding Fathers in our Constitution decreed that the United States should have a bicameral legislative branch.

In order to get congressional legislation passed your conferees believed, and my colleagues I think you should agree, that minor concessions were necessary, and good and advisable.

I say congressional legislation because I believe that the people's representatives in Congress, on a bipartisan basis, not Republican, not Democrat, but the Congress should tell the people what the Congress believes should be done about the need for housing and the need for employment in the construction industry.

If this congressionally enacted legislation should result in a Presidential veto I say so be it. The Congress will have expressed its intention to the American people. If we are unable to override a veto we will know from the veto message what the President himself, and not some minion purporting to speak for him, really objects to and we can act accordingly.

Therefore, Mr. Speaker, I urge the prompt adoption of the conference report.

Mr. BROWN of Michigan. Mr. Speaker, I yield myself such time as I may consume for the purpose of responding to the previous speaker. Under his philosophy apparently he would favor a return to all the categorical grant programs, although he was one of those who very strongly favored community development block grants. Of course, our objection is that this bill, this conference report, due to Senate action, not House action, does in effect renew or extend the very programs that this House overwhelmingly phased out and combined in the community development block grants. I totally concur with the gentleman that we ought to have a piece of legislation developed by the Congress. We do not develop a piece of legislation by the Congress by having a conference report developed which was never seen by the people on this side, the minority, who I trust are part of the Congress, until it was published in the RECORD.

I am sure all on that side can remember—although I am inclined to think some on that side do not even know how this conference report got to the floor of the House. We had a conference. I think we met for three sessions. We developed a conference report. The Senate prevailed, as the gentleman from Ohio (Mr. ASHLEY) said, and it was an intolerable conference report. We could not support it.

My feeling on the issue was pretty clear, but I thought that at least the conference report might have been submitted to me for signature or nonsignature. That was not done.

In any case, after this conference report was put together, the statement on the part of the managers of the House was drafted. I had a chance to see it.

It was never filed. That conference report was never filed. Then subsequently those who were proponents of that conference report finally decided maybe they ought to check with the Parliamentarian and see if some of the objections we raised were valid or not. They did that, and, lo and behold, what the gentleman from Ohio (Mr. ASHLEY) and I and others have been saying proved to be true, and so they realized they should not file that conference report. So somebody, somewhere, sometime, unbeknownst to anybody on this side of the aisle, so far as I know, got together, put their heads together and came up with a kind of ad hoc conference report. The conferees did not meet again. It was kind of sub rosa. I guess maybe now that is the way it is done on that side of the aisle, maybe they do everything in caucus. But in any case a new report was developed and that was filed.

Once again, of course, it was never submitted to this side of the aisle for signature or even for perusual before it was filed.

This may not violate the letter of the rules of the House. It may not violate the letter of the rules of the Senate. And it obviously cannot violate the rules of the conference because I guess there are none. But I suggest to the Members it violates the spirit of each.

I say to my colleagues in the House, I think it is essential, and if I am going to remain in this Congress it is absolutely necessary for me that this Congress start working as a Congress, that we recognize that the executive branch under our system of Government is entitled to a little say. It has to administer the laws. It has the constitutional right to veto legislation. I think it is absolutely essential therefore that we recognize that prerogative of the administration and that we recognize a litttle bit the participation, since we apparently do not have any prerogatives, of the minority and that we produce legislation that can be signed and that can be implemented and that can help the elements of our economy which are suffering the most today.

Mr. Speaker, I urge the Members to vote down the conference report.

I reserve the balance of my time.

Mr. REUSS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Speaker, I thank the chairman for yielding me this time.

I voted for this bill originally with very little enthusiasm because frankly I did not think it did much for my city. I think we have got a better bill before us now, a bill that does something for the cities around the country in the same situation as New York City.

We have an improved bill. I am not going to go into the details of it because I do not have time, but I do want to make some comments on what I have heard this afternoon about vetoes.

I do not understand why we should legislate here in an effort to come up with a bill that is going to satisfy the White House, and I do not understand at all the suggestion of my friend, the gentleman from Ohio (Mr. STANTON), that the Congress looks bad when we cannot override a veto. We failed by four votes of overriding a veto yesterday. What does that mean? It means that by a majority of almost 2 to 1 the Congress still approves a bill that was disapproved by the President. Sure, I would like to

UMI

have seen us override the veto. I am sorry we did not. But I do not consider the failure a disgrace and I do not certainly consider that it reflects adversely on the legislation.

So let us not sit here trying to figure out what will satisfy the White House. Let us consider what is right and pass the best housing bill we can come up with. If it gets vetoed we will go on from there, but let us do our best here now.

Mr. REUSS. Mr. Speaker, to conclude the debate, I yield the remaining time to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I urge all my colleagues to support this conference report. I appreciate the fact that after this legislation left this House, it was changed greatly. I also realize there is a wide division as to whether we should send singular pieces of legislation to the President or whether we should send them in package style.

In this instance, as the gentleman from New York said, he did not think the first bill was comprehensive enough as far as his city was concerned.

The people in the Senate felt the same way and they added other pieces of legislation to it, so it comes back as a package piece of legislation. I think overall it is a good piece of legislation.

The American middle-income holder needs relief more than he has ever needed it before. We have been talking about the veto of yesterday. We all know there are 9 million unemployed in America. We know that the figures coming out today or tomorrow are going to show there are over 9 percent unemployed. How do we break down that percentage of 9 million unemployed? Well, 40 percent of the 9 million are in industry, most of them related to the automobile industry. Another 40 percent are the tradesmen of America, the electrician, the plumber, the carpenter, the painter, all those connected with the building materials business of this country.

This is going to help stimulate the economy. This is going to help stimulate the economy and we should take legislation like this and put it on the desk of the President. Let the American public know that there are some people who are concerned with the plight of the Nation, with the economy the way it is and the fact that unemployment is increasing day by day.

I say to my fellow Members in this Congress, we need this legislation. Believe me, the time is going to come along here when there is going to be a change of heart on this side. The American public is not going to be satisfied with an unelected President of the United States and 141 diehard far-to-the-right individuals who want to continue to swim against the stream, as they have through the years.

Mr. BADILLO. Mr. Speaker, I am pleased to rise in support of H.R. 4485, the Emergency Housing Act of 1975.

When the House considered this legislation in March, I was concerned because the combined effect of the $38,000 ceiling on mortgages, the stipulation that only 10 percent of the funds appropriated be used for high-cost areas such as New York, and the restriction of coverage to single family dwellings or condominiums and cooperatives would have made the program meaningless for my constituents. I am pleased to note, however, that the distinguished chairman of the Committee on Banking, Currency and Housing, Mr. REUSS, has used his influence to bring about modifications which will make the program more responsive to housing needs existing in New York.

Although the $38,000 mortgage ceiling has not been raised, by extending coverage to conventional multifamily dwellings, the chances for participation in the program have been substantially increased for New York. Furthermore, by increasing the set-aside for high-cost areas to 15 percent, the funding outlook has been improved.

I am also pleased that $300 million has been reserved in the bill for conventional public housing. The termination of established programs and the long delay in the implementation of new section 8 projects has created considerable hardship for my constituents. The $300 million set-aside will permit some much-needed construction and will help alleviate the plight of my constituents.

Another favorable provision is the extension of the section 312 rehabilitation loan program. In these times of high interest rates, the low-interest loans made possible by this provision will be doubly welcome.

Mr. Speaker, I am very pleased to see these changes. They appear indicative of the committee's concern to find meaningful solutions to our housing problems. I welcome and applaud this concern.

Mr. BLANCHARD. Mr. Speaker, I cast my vote today in support of H.R. 4485, the Emergency Housing Act of 1975.

This bill is urgently needed in the 18th Congressional District of Michigan which I represent. It is a bill which will help middle-income families purchase homes, which will protect those unemployed from losing their homes through mortgage default, and which will help provide jobs in the depressed construction industry, which has an unemployment rate of 19.3 percent.

Let us hope that the painfully obvious need for the help which this bill provides will keep it from becoming another victim of the partisan politics we witnessed yesterday with H.R. 4481, the emergency employment appropriations bill.

The President's veto of H.R. 4481 was an insult and an outrage to the 9 million Americans who are out of work.

The tragic failure of Congress to override that veto yesterday only makes it clear that our Government cannot act to end the current economic depression as long as President Ford pursues a political course and ignores the wishes of the American people as expressed by their duly elected Representatives in Congress.

Mr. Speaker, we in Congress are doing our share to ease the hardships and burdens suffered by our constitutents. It is up to the President to set aside partisan politics and join with us to enact the legislation we all know is needed to revive our depressed economy.

Mrs. SULLIVAN. Mr. Speaker, I have served on the Subcommittee on Housing since it was formed in the Committee on Banking and Currency in 1955, and have actively participated in the work on every housing bill we have considered since that time. So I know how much time and effort and hard work go into such bills, and the problems faced by House conferees in bringing back a bill the House can support.

Hence, it is with great regret that I find I cannot in good conscience vote for the conference report on H.R. 4485. When the bill first came before the House on March 21, I explained why I opposed it in the form in which it came from the Committee on Banking, Currency and Housing. As it now comes to us from conference, loaded down with many additional provisions, it has not been improved. So I am going to have to vote against it again.

If this bill were to become law—and neither its proponents nor opponents seem to think there is much chance of that happening—we would be subsidizing a comparately few families in the upper levels of the so-called middle-income group, who can afford $38,000 to $42,000 homes, and we would be doing nothing for the great mass of average-income families most in need of mortgages at reasonable rates of interest on homes they can afford to buy.

What we need is a program to reach the family with an income of about $12,000 or so—the people who pay their own way and also pay the taxes to help take care of the poor. The average-income family would not benefit from H.R. 4485 but would, nevertheless, be helping through their taxes to pay the subsidies in this bill for families more affluent than they are. Fifteen percent of the homes subsidized for upper middle-income families in this bill would be built to sell at $42,000; the remainder would be built to sell at the $38,000 level.

How many average-income families could afford the monthly payments on such housing, even with a 6 percent or 7 percent mortgage? The subsidized mortgages would be for homes out of the reach of the bulk of American wage-earners.

When, as, and if he vetoes this bill—as both proponents and opponents of the legislation assume he will do—the President will be in a position to go on television and give another performance for the cameras in which Congress is again depicted as irresponsible. And, once again, Congress will not be able to override the veto. But this time, unlike the situation on the emergency jobs bill and other vetoes, Congress will not have the force of either economic justice or moral righteousness on its side.

For this bill subsidizes the wrong people.

NEED FOR A DIRECT FEDERAL MORTGAGE LOAN PROGRAM

What we need, and what I have been urging upon my colleagues in the Housing Subcommittee and the full committee for the past 6 years, is a program of direct Federal mortgage loans to creditworthy, average-income families—those now earning in the vicinity of about $12,000 a year—and providing the loans at rates no higher than 6½ percent a year. These are the people who most need and most deserve mortgage interest help in obtaining homes.

My bill for a Home Owners Mortgage Loan Corporation direct loan program, cosponsored these past 6 years by the chairman of the Subcommittee on Housing, Mr. BARRETT, is H.R. 1081 in this Congress. It was approved by the Housing Subcommittee in the 92d Congress as part of the omnibus housing bill which died in the Rules Committee in 1972. I have tried repeatedly since then to bring it before the House and I intend to keep trying until we can take it up on its merits.

It is not a subsidy program. The Government right now is paying less than 6½ percent for the money it borrows, and over the 30-year life of the mortgages H.R. 1081 would authorize, the Government would not only get back every cent lent out on such mortgages but make a profit besides.

The homes which the Home Owners Mortgage Loan Corporation would finance would be housing intended for average-income families, not those making 120 percent of median income as proposed in the bill now before us. Originally, I set a mortage ceiling in my bill of $24,000. Inflation has pushed that figure up to $30,000. For that kind of money, the average family—at 6½ percent interest—could afford a good home, and if there is a market for such homes, the builders would build them. Interest rates are the key to getting them built.

The direct loan program would operate only during those periods when mortgage money is not available in the commercial money markets at reasonable rates of interest. It is not intended as a replacement for private lending; rather, it would come into operation only when the private lenders are not able or willing to lend mortgage money at rates the average family can afford.

I urge the Members to obtain a copy of H.R. 1081 and read its provisions. When this bill now before us, H.R. 4485, founders on the shoals of yet another Presidential veto, and we have to start all over again on emergency housing legislation to help middle-income families, I hope the program I have proposed in H.R. 1081 will receive the attention it deserves.

EMERGENCY AID FOR UNEMPLOYED HOMEOWNERS

A very unfortunate thing about H.R. 4485 is that it now incorporates—in a conference bill that is not going anywhere—a desperately needed program to enable unemployed homeowners to avoid foreclosure during the present terrible recession. The House passed such legislation, the Emergency Homeowners Relief Act, on April 14, in a separate bill, H.R. 5398. The Senate committee reported a companion measure, S. 1457, on April 17, and both the House and Senate Emergency Homeowners Relief Act bills have been pending on the Senate Calendar since April 17. But in May the provisions of this legislation were added by the Senate to H.R. 4485, and both H.R. 5398 and S. 1457 were tabled. As a result, the unemployed who are in jeopardy of losing their homes must wait until the conference bill now before us passes both Houses, is vetoed, and eventually dies, before the Emergency Homeowners Relief Act is taken up separately in the Senate and acted on.

Yet, of all of the bills we set out to pass in the housing field at the start of the 94th Congress, the Emergency Homeowners Relief Act is undoubtedly the most pressing. This was one we said in January we would enact on an urgent priority basis. The urgency has been heightened since then, but the priorities seem to have become mixed up.

Mr. REUSS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. REUSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 253, nays 155, not voting 25, as follows:

[Roll No. 265]

YEAS—253

Abzug	Digga	Jones, Ala.
Adams	Dingell	Jones, N.C.
Addabbo	Downey	Jordan
Ambro	Downing	Karth
Anderson, Calif.	Drinan	Kastenmeier
Andrews, N.C.	Duncan, Oreg.	Kazen
Annunzio	Duncan, Tenn.	Keys
Aspin	Early	Koch
AuCoin	Eckhardt	Krebs
Badillo	Edgar	Krueger
Baldus	Edwards, Calif.	LaFalce
Barrett	Eilberg	Leggett
Baucus	Emery	Lehman
Beard, R.I.	Evans, Colo.	Lent
Bedell	Evans, Ind.	Levitas
Bennett	Evins, Tenn.	Lloyd, Calif.
Bergland	Fascell	Lloyd, Tenn.
Bevill	Fisher	Long, La.
Biaggi	Fithian	Lott
Bingham	Flood	McCormack
Blanchard	Florio	McFall
Blouin	Flowers	McHugh
Boggs	Ford, Mich.	McKay
Boland	Ford, Tenn.	Macdonald
Bolling	Fraser	Madden
Bonker	Fulton	Maguire
Brademas	Fuqua	Matsunaga
Breaux	Gaydos	Mazzoli
Breckinridge	Gilman	Meeds
Brodhead	Gonzalez	Melcher
Brooks	Goodling	Metcalfe
Brown, Calif.	Green	Meyner
Burke, Calif.	Gude	Mezvinsky
Burke, Fla.	Hall	Mikva
Burke, Mass.	Hammer-schmidt	Miller, Calif.
Burlison, Mo.	Hanley	Mineta
Burton, John	Hannaford	Minish
Burton, Phillip	Harkin	Mink
Carney	Harrington	Mitchell, Md.
Carr	Harris	Mitchell, N.Y.
Chappell	Harsha	Moakley
Chisholm	Hayes, Ind.	Moffett
Clay	Hays, Ohio	Moorhead, Pa.
Cochran	Hechler, W. Va.	Morgan
Collins, Ill.	Heckler, Mass.	Moss
Conte	Hefner	Mottl
Conyers	Helstoski	Murphy, Ill.
Corman	Hicks	Murphy, N.Y.
Cornell	Hightower	Murtha
Cotter	Holland	Myers, Pa.
D'Amours	Holtzman	Natcher
Daniels, N.J.	Horton	Neal
Danielson	Howard	Nedzi
Davis	Howe	Nichols
de la Garza	Hubbard	Nix
Delaney	Hughes	Nolan
Dellums	Jacobs	Nowak
Dent	Jeffords	Oberstar
Derrick	Johnson, Calif.	Obey
		O'Neill
Ottinger	Roybal	Thornton
Patman, Tex.	Russo	Traxler
Patten, N.J.	Ryan	Tsongas
Patterson, Calif.	St Germain	Udall
Pepper	Santini	Van Deerlin
Perkins	Sarbanes	Vander Veen
Peyser	Scheuer	Vanik
Pickle	Schroeder	Vigorito
Pike	Selberling	Walsh
Pressler	Sharp	Waxman
Preyer	Sikes	Whalen
Price	Simon	White
Pritchard	Sisk	Whitehurst
Rangel	Slack	Wilson, C. H.
Reuss	Solarz	Winn
Richmond	Spellman	Wirth
Riegle	Spence	Wolff
Rinaldo	Staggers	Wright
Risenhoover	Stark	Yatron
Roe	Steed	Young, Alaska
Rogers	Stokes	Young, Fla.
Roncalio	Stratton	Young, Tex.
Rooney	Studds	Zablocki
Rosenthal	Symington	Zeferetti
Rostenkowski	Taylor, N.C.	
	Thompson	

NAYS—155

Abdnor	Frey	Myers, Ind.
Anderson, Ill.	Giaimo	Passman
Andrews, N. Dak.	Gibbons	Pattison, N.Y.
Archer	Goldwater	Pettis
Armstrong	Gradison	Poage
Ashbrook	Grassley	Quie
Ashley	Guyer	Quillen
Bafalis	Hagedorn	Railsback
Bauman	Haley	Randall
Beard, Tenn.	Hamilton	Rees
Bell	Hansen	Regula
Biester	Hastings	Rhodes
Bowen	Heinz	Roberts
Brinkley	Henderson	Robinson
Broomfield	Hillis	Roush
Brown, Mich.	Hinshaw	Rousselot
Brown, Ohio	Holt	Runnels
Broyhill	Hungate	Ruppe
Buchanan	Hutchinson	Sarasin
Burgener	Hyde	Satterfield
Burleson, Tex.	Ichord	Schneebeli
Butler	Jarman	Schulze
Byron	Johnson, Colo.	Sebelius
Carter	Johnson, Pa.	Shriver
Casey	Jones, Okla.	Shuster
Cederberg	Kasten	Skubitz
Clancy	Kelly	Smith, Iowa
Clawson, Del	Kemp	Smith, Nebr.
Cleveland	Ketchum	Snyder
Cohen	Kindness	Stanton, J. William
Collins, Tex.	Lagomarsino	Stanton, James V.
Conable	Latta	Steelman
Coughlin	Litton	Steiger, Wis.
Crane	Long, Md.	Stephens
Daniel, Dan	Lujan	Stuckey
Daniel, R. W.	McClory	Sullivan
Derwinski	McCloskey	Symms
Devine	McCollister	Talcott
Dickinson	McDade	Taylor, Mo.
du Pont	McDonald	Teague
Edwards, Ala.	McEwen	Thone
English	Madigan	Treen
Erlenborn	Mahon	Vander Jagt
Esch	Martin	Waggonner
Eshleman	Michel	Wampler
Fenwick	Milford	Whitten
Findley	Miller, Ohio	Wiggins
Fish	Milla	Wilson, Bob
Flynt	Montgomery	Wydler
Foley	Moore	Wylie
Forsythe	Moorhead, Calif.	Yates
Fountain	Mosher	

NOT VOTING—25

Alexander	Jenrette	Rodino
Clausen, Don H.	Jones, Tenn.	Rose
Conlan	Landrum	Shipley
Dodd	McKinney	Steiger, Ariz.
Prenzel	Mann	Ullman
Ginn	Mathis	Weaver
Hawkins	Mollohan	Wilson, Tex.
Hébert	O'Brien	Young, Ga.
	O'Hara	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Rodino for, with Mr. Hébert against.
Mr. Shipley for, with Mr. Mathis against.
Mr. Hawkins for, with Mr. Ginn against.
Mr. Jones of Tennessee for, with Mr. Frenzel against.

UMI

Mr. Jenrette for, with Mr. Conlon against.
Mr. Rose for, with Mr. Steiger of Arizona against.
Mr. Mann for, with Mr. Landrum against.

Until further notice:

Mr. Dodd with Mr. Alexander.
Mr. Mollohan with Mr. Charles Wilson of Texas.
Mr. Young of Georgia with Mr. O'Hara.
Mr. Weaver with Mr. Ullman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON GOVERNMENT PROCUREMENT AND INTERNATIONAL TRADE OF COMMITTEE ON SMALL BUSINESS TO MEET DURING GENERAL DEBATE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the Subcommittee on Government Procurement and International Trade of the House Committee on Small Business may be permitted to meet this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. REUSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that it is the intention of the Committee on Rules to bring up three rules that are pending.

PROVIDING FOR CONSIDERATION OF H.R. 6799, FEDERAL RULES OF CRIMINAL PROCEDURE AMENDMENTS ACT

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 513 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 513

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 2(1)(6) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those Rules. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. No amendment shall be in order to the bill except amendments offered by direction of the Committee on the Judiciary or germane amendments printed in the CONGRESSIONAL RECORD at least two calendar days prior to the start of consideration of said bill for amendment, but said amendments shall not be subject to amendment except those offered by direction of the Committee on the Judiciary. It shall be in order to debate pending amendments or sections of the bill under the five-minute rule by the offering of pro forma amendments. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from New York (Mr. DELANEY) is recognized for 1 hour.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I now yield myself such time as I may consume.

Mr. Speaker, House Resolution 513 makes in order the consideration of H.R. 6799, the Federal Rules of Criminal Procedure Amendments Act of 1975. House Resolution 513 provides for a modified open rule with 2 hours of general debate.

House Resolution 513 provides that no amendment shall be in order to the bill except amendments offered by direction of the Committee on the Judiciary or germane amendments printed in the CONGRESSIONAL RECORD at least 2 calendar days prior to the start of consideration of the bill for amendment. Such amendments shall not be subject to amendment except those offered by direction of the Committee on the Judiciary. It shall be in order to debate pending amendments or sections of the bill under the 5-minute rule by the offering of pro forma amendments.

The purpose of H.R. 6799 is to make changes in the Federal rules of criminal procedure. H.R. 6799 provides that the proposed amendments promulgated by the Supreme Court on April 22, 1974, are approved except as otherwise provided in this legislation and shall take effect on August 1, 1975.

Mr. Speaker, I urge the adoption of House Resolution 513 in order that we may debate and discuss H.R. 6799.

All points of order are waived against the provisions of clause 2(1)(6) of rule XI—the 3-day rule—because the Committee on the Judiciary filed an amended report on cost estimate which was not available to Members until Wednesday, which means we could not bring up the rule until Monday, unless we adopt this waiver.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with the statements just made by the gentleman from New York (Mr. DELANEY). I want to say that I think this is the type of rule that we have to have with this type of a bill. This is a very important piece of legislation. It is a very complicated. It involves the criminal procedure in the Federal courts.

As has been indicated, this bill will come up for general debate only tomorrow, and then it will lay over for 6 days to give the membership an opportunity to examine the legislation and to have proposed amendments printed in the RECORD.

Mr. Speaker, to point out the importance of this legislation I would just like to say that, unless this House acts, the proposed changes will take effect automatically. So this House must act on this legislation if we want to have any input into the proposed changes.

There is one proposed change that I strenuously object to, and that is the change in existing rule 4, which provides that if a magistrate determines that probable cause exists, that a certain person committed a Federal crime, the magistrate shall issue a warrant for the person's arrest. Existing rule 9 provides that when a grand jury returns an indictment, or if on information supported by oath, states a certain person committed a Federal crime, the court shall issue a warrant for that person's arrest. In these cases, the U.S. attorney has the discretion to request that a summons, instead of a warrant, be issued for the defendant. The Supreme Court proposed and this bill provides that both rules be changed so that, upon a finding of probable cause or after—and I stress the word "after"—the return of an indictment or information, a summons, not a warrant, a summons for the appearance of the named defendant shall issue unless the U.S. attorney can present "good cause" for the issuance of a warrant of arrest.

Mr. Speaker, this House must act to prevent the Supreme Court's recommendations going into effect, because what this will mean is that a summons will be sent through the mail, and the criminal will have all kinds of notice when he gets that, so that if he chooses to leave the country he can do so. If he wants to flee to Mexico, if he wants to flee to Canada, he has all the time in the world to do so. Or if he wants to get rid of any evidence in the matter then he has ample opportunity to do so.

So, Mr. Speaker, during this 6-day layover that will start after the consideration of this bill under general debate I would hope that the American people would look into this matter, and ask themselves whether or not they want this kind of a change to take place.

Mr. Speaker, I support the rule, I support most of the changes, but I do not support the proposed changes to which I have alluded.

Mr. DELANEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 4925, HEALTH REVENUE SHARING AND HEALTH SERVICES ACT OF 1975

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 484 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 484

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4925) to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing and health services, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 4925, it shall be in order in the House to take from the Speaker's table the bill S. 66 and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof as one amendment in the nature of a substitute the texts of H.R. 4114 and H.R. 4115 as passed by the House on May 7, 1975, and the text of H.R. 4925 as passed by the House.

The SPEAKER. The gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 484 provides for consideration of H.R. 4925, which, as reported by our Committee on Interstate and Foreign Commerce, would revise and extend health revenue sharing and health services programs under the Public Health Service Act and related laws. The resolution provides an open rule with 1 hour of general debate, with the time being equally divided and controlled by the chairman of the committee and the ranking minority member.

After general debate, the bill would be read for amendment under the 5-minute rule by titles instead of by sections.

At the conclusion of the consideration of H.R. 4925 for amendment, the committee will rise and report the bill to the House with such amendments as may have been adopted, and the previous question will be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

After the passage of H.R. 4925, it will be in order in the House to take from the Speaker's table the bill, S. 66, and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof as one amendment in the nature of a substitute the texts of H.R. 4114 and H.R. 4115 as passed by this body on May 7, 1975, and the text of H.R. 4925 as passed by the House.

Mr. Speaker, by way of clarification, H.R. 4114 and H.R. 4115 are companion health bills previously passed by the House: H.R. 4114 is designed to make more attractive to doctors and dentists service in present medically underserved areas; and H.R. 4115 is the Nurse Training Act of 1975. S. 66, which the Senate passed on April 10, 1975, contains provisions similar to those found in H.R. 4114, H.R. 4115, and H.R. 4925.

Returning to H.R. 4925, the main thrust of this, the third of the triad of House health bills, is to provide authorization for such ongoing programs as health revenue sharing, family planning, community mental health centers, migrant health programs, and others. The bill would also extend for fiscal year 1976 the current program for rat control. For these existing programs, H.R. 4925 provides for fiscal year 1975 funding at levels equal to the fiscal year 1974 authorizations.

H.R. 4925 also provides for the establishment of such new programs as home health service agencies, mental health for the elderly, epilepsy, Huntington's disease, hemophilia, and rape prevention and control.

Mr. Speaker, historically, H.R. 4925 incorporates in large part the provisions of the conference report on the bill, H.R. 14214, 93d Congress, which was pocket vetoed by the President on December 23, 1974, after Congress had adjourned sine die. However, there is this important difference: The authorization levels of the current bill have been reduced in an effort to meet the President's objections to the vetoed 93d Congress measure. Thus, instead of the total authorization of $1.858 billion for all programs as proposed by the 93d Congress, H.R. 4925 would authorize $1.442 billion, or $416 million less than the vetoed bill provided.

Mr. Speaker, I urge the adoption of House Resolution 484 in order that H.R. 4925 may be considered.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been previously explained by the gentleman from Hawaii, House Resolution 484, the rule presently before us, provides for the House to resolve itself into the Committee of the Whole for consideration of H.R. 4925, which revises and extends the programs of health revenue sharing and health services. Under the terms of the rule the legislation may be generally debated for 1 hour and will be read for amendment under the 5-minute rule by titles instead of by sections.

The rule further provides that after the passage of H.R. 4925, it shall be in order to take the Senate bill S. 66 from the Speaker's table and to move to strike all after the enacting clause and insert in lieu thereof the texts of H.R. 4114 and H.R. 4115 as passed by the House on May 7, 1975, and the text of H.R. 4925 as passed by the House. The purpose of this request, of course, is to facilitate one Senate/House conference on all of this similar House-passed legislation, which the Senate has combined into S. 66.

I would remind my colleagues at this point that H.R. 4114 is the Public Health Service Act Extension and that H.R. 4115 is the Nurse Training Act of 1975.

Very briefly, the bill before us today, H.R. 4925, proposes to revise and extend the programs of health revenue sharing and health services. It continues, without change, authorities for block grants to States for fiscal 1976 and 1977 in the following amounts:

Health revenue sharing, $240 million;

Family planning, $378.5 million;

Community mental health centers, $217.5 million;

Rape prevention and control, $17 million;

Migrant health, $83 million; and

Community health centers, $460 million.

The communicable disease control program would be modified to include diseases borne by rodents at an authorization of $20 million for fiscal 1976, and the home health services and hemophilia programs would be authorized a total of $26 million for that same fiscal year.

H.R. 4925 is very similar to H.R. 14214, which was pocket vetoed by the President on December 23, 1974, after the 93d Congress had adjourned sine die. While this year's bill includes new programs adding $42 million to the total cost, there is an overall cost reduction of $416 million under last year's measure. It is my understanding that this was done to comply with the President's objections to the proposal which was pocket vetoed at the close of the last Congress.

Mr. Speaker, I feel very strongly that some of the programs called for in H.R. 4925 are definitely worthwhile. However, it is difficult for me to justify spending $1,442,000,000 on efforts that may be duplicated in other Federal programs, especially at a time when restraints on Government spending is the order of the day. I would urge, therefore, the passage of this rule so that we can further proceed to debate and amend H.R. 4925.

I would, therefore, urge the adoption of this rule, so that hopefully some amendments can be offered that would reduce some of the expenditures authorized in this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONGRESSIONAL REVIEW OF PRESIDENTIAL DECISIONS TO REMOVE EXISTING ALLOCATION AND PRICING CONTROLS OF PETROLEUM PRODUCTS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 351 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 351

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4035) to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocation Act of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be

UMI

equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN). Pending that, I yield myself such time as I may consume.

Mr. Speaker, this rule was reported out of the Committee on Rules about 2½ months ago by a voice vote. There was no great controversy over the rule at that time.

I am aware that the bill the rule makes in order seeks to deal with a part of the energy problem, which is inevitably controversial; but I am not aware of any great opposition to the adoption of the rule. Therefore, Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to express by opposition to H.R. 4035, and my deep concern that the Congress, in drawing up legislation to enable the country to cope with the energy crisis, is simply missing the point.

Any text book on elementary economics defines the function of price as a sort of signal. Price is an indication of the relationship between supply and demand at any given time.

Low prices are an indication of excess supply and insufficient demand; higher prices demonstrate lack of supply and increased demand.

So, rising prices are a sure sign to the producers of any given commodity that demand is outrunning supply, and that greater production is necessary. Prices are both a source of information and a source of incentive.

The message seems to be getting through. In recent months, energy prices have risen sufficiently to signal a lack of supply.

But the other function of the free market price has been impeded by legislative attempts to hold the price of oil within limits—arbitrary limits. As a result we've sent word to the Nation's oil producers that they are not producing enough, while refusing to provide the incentive to increase our oil reserves. And from the looks of this bill we are considering today, it seems some Members of the Congress are prepared to perpetuate that condition over the long term.

This bill proposes to allow the President to implement the first two increases of his 25-month plan for decontrolling oil prices. But I ask you to consider whether this has any meaning at all. In effect, we are allowing the President to remove controls to a limited degree which will have little appreciable impact on production. In short, we are calling for the worst of both worlds: higher prices and production increases that would be marginal at best.

The best that can be said about H.R. 4035 is that it recognizes the need for an incentive to keep old oil fields operating and to use secondary and tertiary oil recovery methods. That, I suppose, is some reason for satisfaction. But while it does this, it establishes a limit of a mere 50¢ per barrel.

Now aside from being an arbitrary figure, 50¢ is also meaningless in terms of production. There just is not that much incentive in 50¢ a barrel.

So, as a practical matter, in passing this bill, we would be doing nothing more than putting the lid on prices at an insignificantly higher level—screwing a cap on existing oil wells and shutting the Nation off from new sources of oil.

In effect, we are refusing to provide any incentive to increase our own production and the world's supply of oil to put pressure on world oil prices.

I also take exception to the extension of the Emergency Petroleum Allocation Act embodied in this bill. In continuing price controls and prolonging the allocation program, we are simply notifying the oil-producing nations that we have no intention of turning away from our dependence on their oil.

There is another aspect of this bill that alarms me—a provision that is symptomatic of an unfortunate attitude on the part of the Congress. I am talking about the whole review procedure.

In effect, we are tying the President's hands in dealing with the energy crisis. We are telling him not to make a move on behalf of the Nation until Congress has reviewed it, evaluated it, and passed judgment upon it. It seems to me that we are trying to force the executive branch of the Government into the position of an errand boy for the Congress.

Do something, we are saying, but before it goes into effect we want 15 days or 30 days to think it over. Of course, that attitude simply means more procrastination, more delay as the country continues to pay for ever-increasing amounts of foreign oil—more delay as our dependence upon insecure overseas supplies continues to deepen. This is just another instance of immobilizing public policy in order to mobilize votes at home.

Couple that with the detailed, exhaustive socioeconomic analyses that must be submitted with each proposal, and you have a formula calculated to kill increased energy production, cripple energy policy, and commit this country to the good will—or bad will—of the oil-producing nations.

Personally, I would rather rely on our own resources. But we will not do that with this kind of legislation which, as I said, misses the point. The point is production.

Mr. Speaker, I have no further requests for time on the rule.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DINGELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4035) to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocation Oct of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 4035, with Mr. CHARLES H. WILSON of California in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Michigan (Mr. DINGELL) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. BROWN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill has most modest—though critically important—objectives. First, it would provide a more efficient mechanism for congressional review of Presidential proposals to exempt petroleum from allocation or pricing controls. And second, the bill would extend certain expiring energy authorities on an interim basis until the end of this year to permit the Congress and the President the time necessary to work a comprehensive and thoughtful energy policy.

As my colleagues know, the President has announced to the Nation his intention to implement certain aspects of his energy program for which he claims to have administrative authority without waiting enactment of their legislative complements. The President's unilateral action to impose import fees on imported crude oil in the beginning of this session of Congress precipitated an unfortunate confrontation between the Congress and the executive and his most recent action to impose yet an additional dollar will undoubtedly generate additional confrontation, confusion, and public consternation.

But even of greater potential concern, the President now appears committed to a plan to lift domestic price ceilings on old crude oil. And this is to be done even in the absence of a windfall profits tax—an ingredient of the President's program which he identified as essential only a few months ago.

The President has informed the Nation that he will submit his decision to decontrol old crude oil to the Congress for review under the mechanism provided in the Allocation Act. The clear impression of that statement is that the

Congress and the President would share in the decisionmaking process and share coequal responsibility for the consequences of the policy. Yet that does not accurately reflect the reality of the situation.

It is true that the review mechanism under the Allocation Act provides the Congress with an opportunity to disapprove any proposed decontrol. But in order to effectively exercise this veto the Congress must act within the impossibly short period of 5 legislative days and must do so blindly without any statement or analysis of the potential impact of the Presidential decision. As my colleagues well know, existing committee and House procedural requirements would effectively bar the House from acting should it wish to disapprove a Presidential proposal within the stated period of time. For this reason, the bill before you proposes to expand the congressional review procedure from 5 to 15 days and would incorporate certain expediting procedures from the Reorganization Act to assure that the question of disapproval can be presented to the House within the 15-day period.

Moreover, the President would be required to submit a supporting analysis and justification of any proposed action to decontrol prices or to remove a product from the program. This analysis, which is not required under existing law, is believed to be essential to any reasoned review of the President's proposals. As you know, from the beginning, the President's energy program has generated considerable discussion of its economic and inflationary impacts. Great debate surrounds the various analyses which have been prepared. The importance of the controversy cannot be overstated because if the economic measure is wrong, the program will not accomplish its goals. And if the margin of error is considerable, wholely unintended effects would occur with dire consequences for our economy.

Let me illustrate the point. The President's initial proposal was to abruptly remove the price controls for old oil. Administration analyses show a $13 billion increase in direct costs of crude oil as a result. This figure assumes no secondary costs or ripple effects—which some economists estimate would be on a factor of 1.5 to 2. The Library of Congress Congressional Research Service places the price tag at a much higher figure.

The economic community has been virtually unanimous in advising against precipitious decontrol of old oil prices And indeed the President has now backed off from that approach and is speaking instead of a decontrol plan which would phase out price controls within a 2-year period. But what is the impact of this proposal?

To find out, the committee asked Chase Econometrics, Inc. to run the President's proposal through Chase's highly respected computer model of the U.S. economy.

I believe the Chase findings will be of considerable concern to every Member of this body. Let me briefly summarize. Chase finds that the proposals would add approximately 1½ percentage points to the Consumer Price Index by the fourth quarter of 1976. And by the third quarter of 1977 the proposal would have accounted for an increase of 1.7 percent in the rate of inflation. Specifically, the price of food is projected to increase during 1976 at a rate which is more than 1.2 percent faster than it would in the absence of decontrol. With respect to unemployment figures, the Chase model shows the President's decontrol proposal would result in an addition of 360,000 Americans to the unempolyment rolls by the fourth quarter of 1976. By the third quarter of 1977 this number would have reached 430,000 or approximately 1,000 additional unemployed Americans for each of the Nation's congressional districts. And lastly, Chase projects a reduced gross national product of $20 billion from that which had been projected for the third quarter of 1977. There can be little question that if these projections are correct, the President's most recent proposal bodes dire social and economic consequences.

It should be emphasized however that this legislation does not seek to pass judgment on the President's proposal at this time. I am merely making the point that it is critically important that the Congress have a firm understanding of the economic consequences of any policy to which it is being asked to accede.

Now let me comment on the proposals to extend certain expiring energy authorities. Let me emphasize that these are interim extensions—only until December 31, 1975. Our Subcommittee on Energy and Power has been working in almost continuous session to develop a comprehensive energy program. We completed our task in the week before the recess and will bring the product of our labors before the full committee for its consideration beginning tomorrow. In the interim, the House will most likely begin consideration of the Ways and Means Committee bill in the early part of next week. There exists a real prospect, therefore, that the House will complete action on both the Ways and Means Committee bill and our bill within the next few weeks. It is abundantly clear, however, that several additional weeks thereafter will be required to resolve our differences with the Senate and fashion final legislation.

Two important authorities under the Energy Supply and Environmental Coordination Act are scheduled to terminate on June 30, 1975, unless extended. The first of these is the authority to compel utilities that have the capacity to burn coal to switch off of petroleum and natural gas. The second relates to the Federal Energy Administration's authority to gather energy data. Clearly both of these are ongoing and needed programs that should not be permitted to terminate while more comprehensive legislation is being developed.

Also the Emergency Petroleum Allocation Act of 1973 is scheduled to expire on August 31, 1975. This act is the sole basis for current price controls on crude oil. A failure to extend it would result in abrupt end to the current mandatory allocation program and removal of all pricing controls. Certainly the Congress and the President can agree that this circumstance must be avoided.

It has been the administration's position that we cannot usefully consider what continuing allocation authority is necessary until we have before us the detail of the final agreed upon national energy program. The extension of the act from August 31, to December 31—an additional 4 months—is designed to provide a margin of safety to assure that the act will not terminate prematurely.

As I said at the outset, this legislation has modest objectives. It does not invite confrontation with the President althought he seems intent on having it. I for one believe the President's impatience with the Congress in its failure to produce instantaneous energy policy is ill founded. The Presidents program is itself the product of over 18 months of labor by a task force within the executive branch numbering over 150 professionals. The Congress has been at the job a much shorter time than that and its task is infinitely more complex for it must narrow and meld the diverse views and interests of 550 House and Senate Members. Accordingly, while the Congress must proceed with a sense of urgency, it is our responsibility to our constituents and to this Nation to reserve an opportunity for reasoned analysis and decisionmaking. That is the principle purpose of this bill and I respectfully urge my colleagues to stand up for the institutional integrity of this House and the Congress and affirmatively approve this legislation.

Mr. BROWN of Ohio. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, I rise to strongly oppose H.R. 4035. This bill, which makes certain extensive amendments to the Emergency Petroleum Allocation Act of 1973, is an untimely and unnecessary piece of legislation. Not only would this bill extend the Emergency Petroleum Allocation Act from August 31 to December 31 of this year, but also it would make it very difficult, if not impossible, for the President to take action to increase our domestic oil production.

The Emergency Petroleum Allocation Act became law during the period of the Arab oil embargo, and its provisions were designed to mitigate the severe impact on the U.S. economy of the oil shortage and the quadrupling of oil prices that took place in the fall and early winter of 1973. It was clearly intended to be a temporary measure.

An essential element of the Emergency Petroleum Allocation Act is price control. Another is allocation of presumably short supplies of crude oil and petroleum products. The act is predicated upon a system whereby significant administrative flexibility is granted to the executive by the Congress. For instance, the President has the authority to allocate petroleum and petroleum products among the various segments of society and to specify the prices at which such petroleum and products shall be sold. Pursuant to the mandate of the Emergency Petroleum Allocation Act, the Federal Energy Office—predecessor to the Federal Energy Administration—was delegated pricing authority which had previously reposed in the Cost of Living Council. FEO adopted the Cost of Living Council price levels which were then in effect. The price regulations, which had been issued in August of 1973 by the Cost of Living

UMI

Council, set a price ceiling of $4.25 on old oil. In November of 1973, the regulations were amended to add an additional dollar, bringing the price ceiling up to $5.25 on old oil.

Thus, the President has promulgated price regulations under which "old" oil, or oil produced in quantities less than 1972 production, is currently subject to a price ceiling of $5.25 per barrel, and "new" oil sells at the market price. Further, under the provisions of the act, the President has the authority to amend the regulations that he issues with respect to allocations and to price.

In enacting the Emergency Petroleum Allocation Act, Congress left itself a limited review authority whereby, if the President intends to remove price controls or allocation completely, he must submit a plan for decontrol to the Congress which can only take effect if neither House objects within 5 legislative days.

The President has indicated his intent to comply fully with these procedures of the Emergency Petroleum Allocation Act and to bring about a decontrol of old oil prices. Such decontrol was to have been submitted to the Congress in April, and was to have provided immediate and complete decontrol. Since that time the President has modified his plans to decontrol immediately, and on May 1, the Federal Energy Administration published in the Federal Register a proposed regulation which would decontrol gradually over 25 months. In the meantime the Energy and Power Subcommittee of the House Interstate and Foreign Commerce Committee has approved a decontrol plan which would extend over a 4-year period. This proposal is now before the full membership of the Commerce Committee for consideration.

H.R. 4035 changes the rules in the middle of the game. In addition to extending the Emergency Petroleum Allocation Act for another 4 months, the bill would impose a variety of new requirements as to findings the President has to make to accompany any submission to Congress, would extend the time for congressional review from 5 to 15 days, and would eliminate much of the present authority of the President to administratively modify allocation or price regulations. The bill is an untimely action to take away the flexibility the President has been given by Congress to deal with the questions of oil pricing, supply and allocation, and as such is a negative action at a time when strong, positive action on energy is needed. It would be ridiculous for the Members of this body, which has yet to develop major energy legislation, to vote for a bill which would significantly impair the ability of the executive to do what he can to respond to our Nation's urgent energy problems.

Gradual decontrol of crude oil prices is a critical aspect of the President's energy program. It is an essential element in the reduction of domestic energy consumption and the increase of domestic energy production. I feel it would be disastrous for us to pass H.R. 4035. In doing so Congress would be telling the President and the American people that although Congress has been unable to formulate a program of its own, it Congress—is going to do everything it can to prevent the President from implementing his.

Those who constantly asked the President to postpone his program while Congress worked its will should now be embarrassed by our actions of negativism and delay. H.R. 4035 is more of the same and an unnecessary confrontation at this time. It would be a mistake for Congress to continue to delay. We should instead be working with the President on positive legislation if we are to gain energy independence by 1985. To favor this bill is to favor indefinite continuation of the present system of controls on petroleum, the system which has caused such dislocation, administrative burdens, expenses and other problems for both producers and consumers of petroleum and petroleum products.

The economic impact of the decontrol of oil has been vastly overstated. Immediate decontrol of oil would result, at the maximum, of only 6 cents per gallon of gasoline; a 2-year plan would cut this in half so that the effect would be a 3 cent increase in the price per gallon per year; and a 4-year decontrol plan would reduce the impact to 1.5 cents per gallon per year. Additionally, and most importantly, this country needs to develop to the maximum extent our domestic sources of petroleum so as to reduce our dependence on foreign sources. The necessary increase in domestic production is not possible under current restrictive price controls, given the increased expenses and costs of exploration and development of oil.

This bill should be rejected by the membership. The President has been preparing to submit a decontrol plan under the current requirements of the Emergency Petroleum Allocation Act. Congress should await such a submission from the President and address the decontrol issue on its merits, not attempt to stifle such submission procedurally with a bill of this nature.

THE CASE FOR DECONTROL

1. DEPENDENCY ON FOREIGN OIL

Domestic production of oil in this country reached a peak in May of 1972 when 9.6 million barrels a day were produced. It has declined steadily since that time so that in February of this year, the last month for which figures are presently available, our domestic production was 8.5 million barrels per day. At the same time, our imports of crude and refined petroleum products have been growing significantly. In May of 1972, we imported 2.16 million barrels a day of crude oil. By February of 1975, this had almost doubled and we are importing 4.06 million barrels of crude oil per day. Our imports of refined petroleum products have been more level and have generally ranged between 2.2 and 3 million barrels a day during the last 3 years. At the same time, our domestic demand which decreased down to less than 16 million barrels a day for several months in 1974 has again started to run at about 17.2 or 17.5 million barrels a day during the end of 1974 and the first months of 1975. Table I below sets out in month by month detail these various figures. The obvious conclusion from these figures is that our dependency on foreign oil is increasing month by month. Even with level demand, our domestic production is becoming less and less capable of meeting the energy needs of our Nation.

I include the following:

TABLE I.—CRUDE OIL

	In thousands of barrels per day						In thousands of barrels per day						
	Crude input to refineries		Domestic production		Imports		Stocks [1] (in thousands of barrels)						
	BOM	FEA	BOM	FEA	BOM	FEA	BOM	FEA		BOM	FEA	BOM	FEA
1972:									August	[2] 12,635		[2] 9,169	
January	11,388		9,114		2,046		236,776		September	12,560		[2] 9,065	
February	11,356		9,336		2,081		238,882		October	12,758		[2] 9,224	
March	11,345		9,462		2,067		244,860		November	12,374		[2] 1,161	
April	11,184		9,513		2,004		253,492		December	12,150		[2] 9,063	
May	11,478		9,614		2,160		265,305		1974:				
June	11,841		9,522		2,085		257,601		January	11,491		8,907	
July	11,885		9,496		2,182		251,913		February	11,102		9,156	
August	11,915		9,483		2,112		244,333		March	11,355		8,950	
September	12,112		9,508		2,364		237,085		April	11,823		8,952	
October	11,871		9,482		2,516		239,949		May	12,333	12,777	8,903	
November	11,851		9,426		2,299		237,519		June	12,697	12,709	8,777	
December	12,113		9,335		2,667		232,803		July	12,811	12,905	8,754	8,698
1973:									August	12,644	12,731	8,682	8,717
January	12,190		9,179		2,732		224,056		September	12,124	12,253	8,621	8,622
February	12,187		[2] 9,395		2,873		221,893		October	12,286	12,430	8,568	8,651
March	12,201		[2] 9,272		3,162		230,696		November	12,332	12,402	8,596	8,458
April	12,208		[2] 9,292		3,049		235,383		December	12,519	12,671	8,352	8,471
May	12,281		[2] 9,262		3,215		244,777		1975:				
June	12,862		[2] 9,214		3,220		235,846		January	12,436		[2] 8,644	
July	12,750		[2] 9,217		3,501		230,750		February	12,144		[2] 8,489	

[1] See definitions.
[2] Revised data.
Preliminary data.

Sources: Bureau of Mines (BOM) and Federal Energy Administration (FEA) as indicated.

TOTAL REFINED PETROLEUM PRODUCTS

[In thousands of barrels per day]

	Domestic demand		Imports [1]	
	BOM	FEA	BOM	FEA
1972:				
January	16,735		2,721	
February	17,861		2,764	
March	16,870		2,730	
April	15,529		2,298	
May	14,801		2,208	
June	15,615		2,382	
July	14,821		2,215	
August	15,936		2,344	
September	15,489		2,342	
October	16,455		2,607	
November	17,610		2,653	
December	18,738		3,039	
1973:				
January	[2] 18,713		[2] 3,125	
February	[2] 19,094		[2] 3,635	
March	[2] 17,216		[2] 3,448	
April	[2] 15,921		[2] 2,545	
May	[2] 16,626		[2] 2,626	
June	[2] 16,481		[2] 2,670	
July	[2] 16,372		[2] 2,678	
August	[2] 17,499		[2] 2,999	
September	[2] 16,956		[2] 2,941	
October	[2] 17,202		[2] 2,894	
November	[2] 18,492		[2] 3,470	
December	[2] 17,538		[2] 3,164	
1974:				
January	17,270		2,973	
February	17,371		2,973	
March	16,045		2,753	
April	15,919		2,703	
May	15,720	15,740	2,580	2,454
June	16,176	16,191	2,493	2,218
July	16,301	15,853	2,397	2,140
August	16,546	15,803	2,434	2,281
September	15,994	16,318	2,225	2,180
October	17,025	17,121	2,340	2,361
November	17,214	17,129	2,704	2,581
December	17,997	17,588	2,781	2,638
1975:				
January	[2] 17,581			2,486
February	[2] 17,295			[2] 2,138

[1] See definitions.
[2] Revised data.
[3] Preliminary data.

Sources: Bureau of Mines (BOM) and Federal Energy Administration (FEA) as indicated.

2. PRICING

Under the present two-tier pricing system, domestic crude petroleum—defined as old oil or oil produced from fields at least 3 years old but at levels less than the 1972 production levels—is subject to a price ceiling of $5.25 per barrel. This oil currently represents two-thirds of our domestic production. New oil and oil produced from stripper wells sells at the market price as of January of $11.28 per barrel. The combined domestic price of these two types of oil is $7.70. Imported oil, on the other hand, has been selling at much higher prices. In January, imported oil was sold at $12.63 per barrel. The composite cost of all oil available in the United States as of January was $9.56. Table II shows the price per barrel for various types of oil in 1974. It is important to note that there has always been a substatial difference between domestic uncontrolled oil and imported oil. This difference amounted to as much as $3.11 in June of 1974 when domestic uncontrolled petroleum was selling at $9.95 per barrel and imported petroleum was selling at $13.06 per barrel. As the table shows, since February of 1974, the difference between the two prices has never been less than $1.35;

TABLE II.—CRUDE OIL, PERCENTAGE OF DOMESTIC PRODUCTION SOLD AT CONTROLLED AND UNCONTROLLED PRICES, 1974

	Controlled old oil	Uncontrolled new oil	Released	Stripper
January	60	17	10	13
February	62	15	10	13
March	60	16	11	13
April	60	16	11	13
May	62	15	10	13
June	63	15	9	13
July	64	15	9	12
August	66	14	8	12
September	67	13	8	12
October	66	14	8	12
November	67	13	8	12
December	66	14	8	12

Source: FEA.

DOMESTIC CRUDE PETROLEUM PRICES AT THE WELLHEAD

[Dollars per barrel]

	Old	New
1974:		
January	5.25	9.82
February	5.25	9.87
March	5.25	9.88
April	5.25	9.88
May	5.25	9.88
June	5.25	9.95
July	5.25	9.95
August	5.25	9.98
September	5.25	10.10
October	5.25	10.74
November	5.25	10.90
December	5.25	11.08

[1] Preliminary estimate.
Source: FEA.

REFINER ACQUISITION COST OF CRUDE PETROLEUM

[Dollars per barrel]

	Domestic	Imported	Composite
January	6.72	9.59	7.46
February	7.08	12.45	8.57
March	7.05	12.73	8.68
April	7.21	12.72	9.13
May	7.26	13.02	9.44
June	7.20	13.06	9.45
July	7.19	12.75	9.30
August	7.20	12.68	9.17
September	7.18	12.53	9.13
October	7.26	12.44	9.22
November	7.46	12.53	9.41
December	7.39	12.82	9.28
1975: January	[1] 7.70	[2] 12.63	[1] 9.56

[1] Preliminary data.
Source: FEA.

ESTIMATED LANDED COST OF IMPORTED CRUDE PETROLEUM FROM SELECTED COUNTRIES

[Dollars per barrel]

	Algeria	Canada	Indonesia	Iran	Nigeria	Saudi Arabia	United Arab Emirates	Venezuela
1973: December	(1)	6.32	6.42	6.37	8.54	5.49	(1)	6.70
1974:								
January	(1)	6.70	(1)	8.53	12.13	(1)	(1)	10.28
February	(1)	10.90	(1)	12.11	12.74	(1)	(1)	11.31
March	(1)	11.14	12.13	13.02	13.26	(1)	(1)	11.78
April	13.63	11.02	12.49	12.83	13.67	11.59	(1)	11.38
May	14.67	11.47	12.95	13.84	13.83	11.53	(1)	11.28
June	14.43	12.56	13.21	13.44	13.03	11.32	13.06	10.39
July	13.65	12.65	13.77	13.02	12.75	11.97	12.34	10.64
August	13.96	12.49	14.38	12.31	12.70	12.16	12.69	11.20
September	13.83	12.51	13.42	11.87	12.28	11.45	(1)	11.01
October	13.20	12.53	14.24	12.07	12.12	11.51	12.84	10.95
November	13.43	12.33	13.45	12.15	[2] 12.83	12.15	[2] 13.54	11.15
December	13.08	12.15	14.15	11.63	12.88	11.75	14.59	11.37

[1] Not available.
[2] Revised data.

Note: The refiner acquisition cost of imported crude petroleum is the average landed cost of imported crude petroleum to the refiner and represents the amount which may be passed on to the consumer. The estimated landed cost of imported crude petroleum from selected countries does not represent the total cost of all imported crude. Imported crude costs to the U.S. company-owned refineries in the Caribbean are not included in the landed cost, and costs of crude petroleum from countries which export only small amounts to the United States are also excluded.

Source: FEA.

3. U.S. PETROLEUM SUPPLIES ARE AVAILABLE

The most recent study by the U.S. Geological Survey shows that we still have substantial petroleum reserves that could be developed if the capital necessary for such development was available. Our cumulative production at the end of 1973 was 103 billion barrels which represented only 30 percent of the oil in existing fields. Present price structure make it impossible to recover more than 30 percent, on the average, of existing fields because of the high cost technology of enhanced recovery. Our measured reserves, according to the U.S. Geological Survey, amount to 34 billion barrels with another 30 billion in inferred reserves, that is, reserves in known fields not yet explored by drilling. Finally, the Survey indicates that our undiscovered domestic resources amount to anywhere from 50 to 127 billion barrels. Thus, it is clear that the United States has sufficient petroleum reserves to supply its immediate needs if such reserve capability could be brought into production.

Table III sets forth the results of the USGS:

UMI

TABLE III.—U.S. PETROLEUM AND NATURAL GAS RESOURCES

[Onshore and offshore to water depth of 200 meters]

	Cumulative production to Dec. 31, 1973	Reserves			Resources undiscovered [4] and recoverable 95 percent to 5 percent
		Measured [1] Dec. 31, 1974	Indicated [2] Dec. 31, 1973	Inferred [3]	
Crude oil (billions of barrels) [5]	103.76	34.25	4.92	30	50–127
Natural gas liquids (billions of barrels)	14.97	6.35		[6] 6	[6] 11–22
Natural gas (trillions of cubic feet)	456.12	237.1		180	322–655

[1] Explored deposits, recoverable under present economic conditions. Estimates are the proved reserves of the American Petroleum Institute.

[2] Explored deposits, recoverable if known fluid injection technology is applied. Estimates are from the American Petroleum Institute.

[3] Recoverable oil in known fields not yet explored by drilling.

[4] That portion of the resources base judged to be discoverable and recoverable within the limits of 95 percent (19 in 20 chance) and 5 percent (1 in 20 chance) probability. At greater extremes of probability limits the range of values would increase.

[5] Past production and estimates of reserves and resources reflect measured or estimated resources of about 32 percent of the oil in place. Some portion of the remaining oil in place is recoverable through enhanced recovery techniques.

[6] Estimates are derived from natural gas estimates by applying national NGL/gas ratios.

Source: U.S. Department of the Interior Geological Survey.

4. THE NEED FOR DECONTROL

With this combination of declining domestic production, increasing dependence on imports and price differences for old, new and imported oil, it is necessary that price controls come to an end. The only way in which our domestic production is going to increase to mitigate the movement toward greater and greater importation of foreign oil is if domestic producers obtain enough return so as to be able to find new sources of oil and apply enhanced recovery techniques to old fields. Stemming the decline of our domestic production will be expensive. The FEA has estimated that the use of chemical injection to get more oil out of old, declining fields can be as much as $4 additional cost per barrel. The cost per barrel in the Prudhoe Bay area of Alaska is estimated to be at least $8. The costs of offshore exploration and development are extremely high. A single platform in the Gulf of Alaska, where substantial amounts of oil appear to be available, is $80 million because of the unique technology required to explore and drill for oil in the adverse weather and geological conditions in that area.

Economist Robert Nathan has completed a study of oil pricing over the 1959–1974 period, a study which is believed to be the most comprehensive analysis of oil prices yet made. One of his basic conclusions is:

The "economic cost" of new domestic crude oil—the cost of finding, developing and producing oil plus the minimum return on the operator's capital necessary to sustain exploration—was $12.73 per barrel in 1974.

Because of the substantial capital investment that will be necessary for us to find and make available additional sources of oil, it is imperative that the $5.25 ceiling on old oil production be removed.

5. THE IMPACT OF DECONTROL

Gradual decontrol, such as that contemplated by the President or as recently approved in the Interstate and Foreign Commerce Committee's Energy and Power Subcommittee, would not have a significant economic impact on the consumer. Charles Schultze, formerly Director of OMB under President Johnson, and now with the Brookings Institution, has estimated that decontrol would result in an inflationary impact of 0.1 to 0.2 percent. Federal Energy Administration computations show that a 25-month decontrol plan would result in an increase of only 5.9 cents per gallon of product or 2.45 cents per gallon of product per year. If the decontrol schedule were stretched out over a 4-year period, the increase would be only, at the maximum, 1.7 cents per gallon of product per year.

These figures are based on the following computation.

Of the United States' total oil supply for consumption, 66 percent comes from domestic sources and 34 percent is imported from foreign nations. Based upon the Federal Energy Administration's latest figures—January of 1975—the average price of all foreign imported crude is $12.63, while the average price of all domestic oil, both "old" and "new," is $7.70. The $7.70 average price of domestic oil is broken down as follows: "Old" oil, which is controlled, sells at $5.25 and represents 60 percent of the total domestic supply; "new" oil, or uncontrolled domestic oil, has an average market price of $11.28 and represents 40 percent of the total domestic supply of crude. Therefore, the average price of domestic oil equals 40 percent of $11.28 plus 60 percent of $5.25, or $7.70—40 percent of $11.28 plus 60 percent of $5.25 equals $7.70. The average price of the blend of foreign and domestic oil is $9.56—34 percent of $12.63 plus 66 percent of $7.70 equals $9.56.

With decontrol, the foreign price remains $12.63, or whatever OPEC decides it will be, while the price of previously controlled domestic oil rises to the market price level of "new" domestic oil, or to $11.28. Now, the average price of the blend of foreign and domestic oil is $11.73—34 percent of $12.63 plus 66 percent of $11.28 equals $11.73. This equals an increase of $2.17—$11.73 minus $9.56 equals $2.17— per barrel of oil. If you divide this $2.17 per barrel increase by the number of gallons in a barrel, 42, the price increase per gallon of product is 5.1 cents. Under the proposed 12-percent decontrol plan of the Energy and Power Subcommittee bill—H.R. 7014—this increase would be stretched out over 4 years and would thus represent an increase of 1.3 cents per gallon per year.

With the $1 tariff added, the total per gallon increase in price would be 6 cents, or 1.5 cents per gallon per year. With a $2 tariff added, the total per gallon increase in price would be 6.7 cents per gallon, or 1.7 cents per gallon per year.

6. OIL COMPANY PROFITS

Oil company profits have in fact declined since 1974, and for many companies were down even from 1973 levels, as shown in table IV. The addition of the repeal of the oil depletion allowance will further reduce oil company profits, making it more and more difficult to generate the extensive amounts of capital that will be needed to develop costly new sources of domestic petroleum.

The table follows:

TABLE IV.—NET INCOME OF LEADING PETROLEUM COMPANIES, 1ST QUARTER TOTALS AND CHANGE FROM PRIOR QUARTER

[Dollar amounts in millions]

	1975			1974		
	Percent change 1973–75	Percent change 1974–75	Total	Percent change 1973–74	Total	1973 total
Amerada Hess	(24.9)	(44.7)	$27.6	36.0	$49.9	$36.7
Ashland	22.6	12.7	19.5	8.8	17.3	15.9
Clark						
Diamond Shamrock	132.4	33.7	25.8	73.9	19.3	11.1
Exxon	16.1	(11.4)	590.0	31.1	666.0	508.0
Gulf	18.3	(32.8)	195.0	75.8	290.0	165.0
Marathon	(19.4)	(47.1)	16.2	103.5	30.6	20.1
Mobil	19.9	(28.0)	186.2	66.0	258.6	155.8
Skelly	70.6	(13.7)	17.0	97.0	19.7	10.0
Standard Oil (Indiana)	20.8	(33.2)	146.2	81.0	219.0	121.0
Texaco	(32.4)	(66.0)	178.4	98.7	524.5	264.0
Union	4.7	(45.1)	40.1	90.6	73.0	38.3
Total	7.1	(33.8)	1,442.0	61.8	2,178.2	1,345.9

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I am happy to yield to the gentleman from California.

Mr. BELL. Mr. Chairman, will the gentleman from Ohio tell me if a field was available say, to produce 11 barrels a day or more average and getting for their oil $5.25 a barrel average and if some of those wells were gradually decreasing, would not the operator of that field be wiser to let the production drop or decrease to 9 barrels a day, because if they were to do that then they could get $10 or more a barrel?

And if you multiply that by all the fields of all oil covered by price control, it does not make any sense to me, to continue this control program.

Mr. BROWN of Ohio. The gentleman from California is quite correct; that is the pattern.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, I should like to answer the question that the gentleman just asked. What occurred between the Monday immediately preceding the recess period and this last Monday was the period for congressional veto, 5 legislative days, to reject the President's proposal on stripper wells. The President's proposal on stripper wells may be most tersely described as "once a stripper, always a stripper." That does not mean what the term might imply, but the situation is simply this: Just as the gentleman has said, at a time when one could get $11 for oil which was not subject to control, he would have been well advised to keep a stripper well under 10 barrels even if it could produce 20 because its 20-barrel production would be selling at $5.25 times 20, whereas 10 barrels of production would be $10 times 11. Obviously, it would be better to produce at the 10 barrels than at the 20.

But under the order that came out and the order which we did not reject, it is provided that if the well has produced for as much as a year at stripper level, then any amount of production above 10 barrels out of a well once a stripper will be free to go to the world price.

A 20-barrel well would have been kept below the 10-barrel level by any prudent person for something like a year because the price of $11 has existed for a considerable period of time. So I think that the question that has been raised has already been satisfied.

Mr. BELL. Would the gentleman yield further and allow me to pose this question in a little different way? Everybody knows that as a well declines its production, it is not likely to go up.

Mr. ECKHARDT. That is right.

Mr. BELL. It is more likely that it drops off, so it is very easy for a man in the oil business who has a lot of money involved and a lot of expenses at stake to allow a well to dribble down off from 15 down to 9.5 barrels per day, because he will get $10 a barrel for it rather than $5.

Let me pose a different question to the gentleman.

Mr. ECKHARDT. Let me answer that one for just one moment.

Mr. BELL. Let me pose a different question to the gentleman, and then he can answer both at the same time.

Mr. ECKHARDT. All right.

Mr. BELL. Supposing that one had production from a field before 1972, and he was producing at about 15 barrels a day per well, so that would bring him after 1972 in the area where he would be getting $5.25 a barrel for that oil; right? That well would dribble off and it would go down to 9.9 or 9.5 barrels a day of production, so he would then get in the $10 area. Supposing that he decided that the time had come to do secondary recovery, so he started to waterflood those wells to bring them up. The result would be he would go back to $5.25 a barrel for his oil. Is this correct?

Mr. ECKHARDT. No.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DINGELL. Mr. Chairman, I yield 2 additional minutes to the gentleman from Texas.

Mr. ECKHARDT. No. If one is in that situation and uses ordinary recovery processes and yet the well produces below 10 barrels for as much as a year, he could raise it to any level that he was able to do by secondary recovery, and he would be still within the uncontrolled price level. That is what happened due to the order that was issued a few weeks ago.

Mr. BELL. Do I understand the gentleman clearly——

Mr. ECKHARDT. I am sorry, but I cannot yield further. I only have 3 minutes in all.

Mr. BELL. I just want the gentleman to clarify this. It is very confusing.

The CHAIRMAN. Does the gentleman from Texas yield further to the gentleman from California?

Mr. ECKHARDT. Not at this time, Mr. Chairman.

The point that I should like to make is that the gentleman from Ohio is a man of such infinite wit and such persuasive qualities that I think sometimes he leads himself into error.

The issue here is not changing the rules of the game. What we are attempting to do is to keep the rules of the game in effect until December 31, so that during that period of time the committee on which the distinguished gentleman sits and on which I sit will be able to meet the question of pricing or of decontrol, and maybe to do so without a catastrophic removal of all authority of the FEA to deal with the questions on August 31.

What we are asking for here is in the nature of maintaining the status quo until a committee of the Congress may decide on the questions here involved. If we follow one course we may regulate price. I would urge that. If we follow another course we may gradually deregulate. This bill does not go to the question of what ultimate course we take. As the distinguished chairman of the subcommittee said, this bill is neutral in that respect. It merely maintains an opportunity to continue the power of regulation of price subject to all the deregulation processes of the Emergency Petroleum Allocation Act.

Mr. BROWN of Ohio. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Chairman, I rise in strong opposition to H.R. 4035. H.R. 4035 deals with the process whereby price controls on old crude oil may be removed. The bill amends the Emergency Petroleum Allocation Act to require that any amendment made by Presidential authority under the act which raises the present price ceiling on old crude oil that has the effect of raising such price by more than $0.50 must be submitted to Congress. Under current law, only amendments that completely remove the price ceiling would have to be so submitted. The bill also extends from 5 to 15 days the period of time that Congress has to consider such an amendment and adds certain extensive findings that the President would have to make to justify a price increase.

It is disturbing that the congressional leadership has chosen to bring this bill to the floor at this time. The President long ago submitted a comprehensive energy program to the Congress which consisted of a variety of measures to deal with energy problems. He has patiently awaited congressional action on producing some sort of meaningful energy program and has on several occasions delayed action that he could take administratively such as imposition of tariff duties or a program to decontrol old oil prices. Now, when he is prepared to take definite positive action to deal with our Nation's energy problem by decontrol of old oil, the Congress is asked to enact negative legislation to make it difficult for the President to do what he can under existing authorities. I suggest to you that it is not wise for a Congress, that has not acted itself on this problem, to deny to the President the limited authority he has to deal with the question of increasing domestic oil production.

The problem we are faced with today is that we are overly dependent upon foreign sources for the oil needed to fuel our economy and support our way of life. What is needed is a program designed to increase our domestic supplies and production so that our dependence on foreign sources is eliminated. But this bill does nothing to restore energy self-sufficiency. On the contrary, by extending EPAA, this bill would do the opposite—controls would continue and the additional incentive required to encourage increased domestic supplies is absent. Price decontrol would allow prices of petroleum and petroleum products to rise, thus stimulating secondary and tertiary recoveries. I have introduced legislation that would accomplish this over a 3½ year period.

The President has made clear his intent to comply with the procedures of the Emergency Petroleum Allocation Act that provides for 5-day review, and submit a much-needed decontrol plan. Now, the Congress, which set the 5-day period initially, wants to make it more difficult for the President to act by extending the period and requiring unnecessary and burdensome analyses and reports to be submitted to back up the program pro-

UMI

posal. Thus, this bill is an attempt to take away Presidential initiative and further postpone any positive action to deal with our Nation's severe energy problems.

To support this legislation, is to support the continuation of the present system of controls, which has proved inadequate to handle our vast energy problems, and delay action which would solve these problems. I urge my colleagues to join me in voting against this negative legislation. Let us get on with consideration of the energy bill now pending before the Interstate and Foreign Commerce Committee. This bill, which has been supported by a majority of the members of the Energy and Power Subcommittee, includes an "old oil" price decontrol feature similar to that which I have introduced. It would do this over a period of time so as to minimize the economic impact. The bill we consider today is the wrong approach.

Mr. DINGELL. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Committee on Interstate and Foreign Commerce, the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I would just like to say I am sure every Member of this Congress wants to be fair and wants to be right. I have heard it said we are taking away something from the Executive. Every Member in this House was elected by the people to represent the people of his district. It cannot be said we are taking something away from somebody when we are trying to protect the consumers of America. This is what this bill does. All this bill does really, the essence of the bill, is say that the representatives of the people will have the right to decide as to whether we will decontrol crude oil.

In writing the Emergency Petroleum Allocation Act we had to concur in a Senate amendment because we had nothing on our side, which limited the period during which Congress may review any decontrol proposal to 5 days. Under the parliamentary procedure in the House we cannot possibly do it in 5 days. In the committee we have to give 7 days notice before we can have a meeting, and we must afford 3 days to the minority to write their views. One day must elapse before our printed committee report can go to the Rules Committee and 24 hours before the rule can come before the House. All of this takes more than 5 days.

All the bill does is call upon the representatives of the people to act and carry out their responsibilities.

Now, this is only fair and it is only right that the representatives of the people have a right to speak as to what shall be done.

But we were elected to do the job and this is the only way we can do it—to extend the congressional review period from 5 to 15 days. We cannot act in 5 days. It is impossible. We say give us the time for the Congress to act. It is the only fair way to treat Congress, because as my colleagues have said if we let decontrol take effect, it will raise prices to the consumer from $13 to $25 billion a year. If it does that, the people in the Congress ought to have a say in it.

This argument respecting stripper wells is a blind, because if it has been a stripper well for 1 year, after that if they take secondary and tertiary methods of taking oil, it does not matter how much oil they produce. The well does not lose its stripper well exemption. That is the law now and we are not trying to change it.

I say that we need to change this from 5 to 15 days. That is the main provision of the bill.

Mr. Chairman, right is right and wrong is wrong. It is not taking something from the President, but taking it from the people, because the President has to come up for election sometime. Not to pass this, not to give the Congress a chance, would be completely wrong.

As the chairman of the subcommittee said, the unemployment would result if decontrol occurred and we would not have a chance to act. I do not think there is a Member of this Congress that wants to say Congress is not responsible. If there is a Member on this side that says, "Well, we want to give the authority to the President and not to the Congress," then we do not need a Congress. All we need then is the President to say what is right or wrong.

Mr. Chairman, we need this 15 days to make this decision. I have nothing further to say, except that the ones who want this bill are the consumers of America and most of industry wants it. I know that the oil industry does not want it and the executive branch does not want it, but the consumers do.

In my district gasoline prices have been raised twice in the last month. I go home every week and they say, "Why aren't you doing something about gasoline prices?" They are blaming the President now for letting the price rise and not the Congress.

We will bring an energy bill here, but we have to have something in the interim that will work.

Mr. BROWN of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. HEINZ).

Mr. HEINZ. Mr. Chairman, I am strongly against the frequently discussed instant decontrol of old oil. Such decontrol of old oil would be costly to the consumer and disastrous to our shaky economy, and I oppose it.

Nonetheless, Mr. Chairman, I am opposed to passage of H.R. 4035 at this time. There is no need for the bill and its enactment might very well bring to a complete halt any congressional action in shaping a forward-looking energy policy.

In the first instance, the President has as yet made no formal or official proposal to decontrol old oil. Were the President to do so and propose such decontrol I would strongly oppose such an act.

However, this is not the case.

The President has made no official proposal, as required by law, to the Congress. Without such a proposal, no decontrol in any degree is possible. In present circumstances, therefore, H.R. 4035 represents just one more example of congressional confrontation, overreaction and overkill.

An even more compelling reason to oppose H.R. 4035 at this time is that in my judgment its enactment will destroy the incentive for Congress to get on with the job of enacting a comprehensive energy bill. This is because H.R. 4035 unnecessarily extends the Emergency Petroleum Allocation Act from August 31 to December 31 of this year.

Such an extension will remove the immediate need for Congress to get down to the difficult choices we face on energy. While I concede that energy solutions are neither easy nor popular with certain special interests nor politically pleasant to contemplate, I nonetheless feel that this Congress must face the energy problem squarely. Congress must make the tough choices we need to insure the future of this country.

Procrastination on tough choices is part of human nature. I think this is part of the reason why the energy bill, although reported from my Energy and Power Subcommittee on May 13, has not as yet been considered by the full Commerce Committee. Today is June 5 and no meeting of the Commerce Committee is scheduled until next week. There is no reason for a month's delay, especially on a matter of such vital national interest. It is just such additional delays that H.R. 4035 invites. Its passage in its present form or at this time is therefore irresponsible.

Mr. Chairman, although I can foresee the need to extend the Allocation Act at a future time, hopefully in conjunction with a realistic energy program, I urge my colleagues to vote against the bill we consider today. The bill offers no solutions and its enactment will make real solutions more difficult to come by. It should be rejected.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado (Mr. WIRTH).

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the distinguished chairman of the committee.

Mr. STAGGERS. We need the President to work with Congress in foreign affairs the way Teddy Roosevelt or Harry S Truman did. We should be saying, "You are not going to bring America down to its knees." We should be using all peaceful means at our disposal to bring down the OPEC price.

Mr. HEINZ. Mr. Chairman, since the gentleman mentioned my name, will the gentleman from Colorado yield?

Mr. WIRTH. Mr. Chairman, I do not yield at this time.

Mr. Chairman, I remind the gentleman from Pennsylvania that while I agree with him that there is nothing free, he ought to realize that we cannot have our cake and eat it, too. We cannot say that we are going to disapprove a bad regulation by the President on old oil, and then let our authority run out.

We are in a situation where, when the 31st of August comes along, if we do not pass this and have in place a piece of legislation related to old oil pricing, the President has a free hand to deregulate oil, as so well described by the distinguished chairman of the committee and by the gentleman from Michigan (Mr. DINGELL).

It is also important to point out that, as suggested by the gentleman from

Ohio, we are not embarked upon a course of negativism or delay. We all know that we are in an extraordinarily difficult situation, and probably the most complicated economic and political issue today is energy.

We have had this and have known about it since the embargo, and neither the executive branch nor the Congress was able until the first of this year to come up with a program.

The President first sent word up to this body the first of the year. There are a great number of problems in his proposal, which we have all recognized. It is now our responsibility to come up with a congressional program that is comprehensive in nature and deals with the question of the price of old oil.

In the meantime, we have to continue current legislation, so we have rules to work by. At the heart of the issue are two very, very important reasons for us to pass this legislation. First and foremost, we cannot allow an energy program to have a very simple result of one solution: Raise our prices. Second, we have to assure a cooperative process, between the executive and the legislative branches, so we can arrive at an agreed upon process and program for energy.

This bill reaches to both of these reasons: It limits the President's ability to solve the energy crisis simply by raising price; and it gives us time to develop the process for arriving at the energy policy which this country needs.

Now, this committee—as the distinguished gentleman from Ohio well knows—is working very hard. We have an excellent and comprehensive bill before the full Committee on Interstate and Foreign Commerce now. It does not have the simplistic price answer proposed by the President. It does have the capacity for getting the needed coalescence between administrative and congressional views.

I urge the passage of H.R. 4035—not because I am an advocate for continued and prolonged controls, but because I do not believe that a simplistic pricing strategy will alone solve our energy problems, and because I believe that, given the appropriate time and context, we can and will come up with a strong, comprehensive, and thorough energy bill.

Mr. BROWN of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, being a member of the Committee on Ways and Means, and having had under consideration for almost 9 months an energy bill, and knowing at the same time the Committee on Interstate and Foreign Commerce has been dealing with the same subject, is certainly no excuse to pass this bill.

The President threw down the gauntlet in January of this year, and suggested in the strongest possible terms that the Congress deal with the energy problem. I would submit that here we stand, in June, with the Ways and Means Committee bill ready for hearing next Monday. The Ways and Means Committee bill is, I submit, a bill that creates shortages and then taxes those shortages—and from what I have heard, the Interstate and Foreign Commerce Committee bill is not much better.

In each case these bills seek to allocate a shortage, seek to create the shortages, seek to tax those shortages, but in no way encourage domestic production in any way, shape, or form.

As recently as 1973 this body, in its infinite wisdom, passed the allocation bill. In its infinite wisdom, it allowed us 5 days to negate an action of the President. In 1973, 5 days was plenty. Today, with our backs to the wall, we ask for 15. This bill has been laying, collecting dust, for 2 months. Why was it not brought up 2 months ago? It was granted a rule practically immediately. The only reason it was not brought up was that you did not think you needed it. And now the President has the party on the other side of the aisle with their backs to the wall, with no program whatsoever and none that has any real chance of passage.

Mr. Chairman, I would suggest that the Members read the article in the Star News shortly before we retired on our recent recess, when the distinguished majority leader of this House said:

> We can hardly get the Ways and Means bill out of the Rules Committee unless the Republicans vote it out to embarrass us.

Mr. BROWN of Ohio. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. MOORHEAD).

Mr. EMERY. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of California. I yield to the gentleman from Maine.

Mr. EMERY. I thank the gentleman for yielding.

Mr. Chairman, I would like to comment on H.R. 4035 and my decision to support this bill.

I am not in favor, at this time, of rapid decontrol of oil and natural gas. In these times of double digit inflation and record unemployment, we cannot afford to further push up the price of energy, a daily necessity to so many of our people.

In my own comprehensive energy package (H.R. 6310), introduced on April 22, 1975, I included a measure virtually identical to H.R. 4035. My feeling was, and has been since then, that the Congress ought to have the right to review oil price controls since any changes in this area could have a resounding effect on the economic well-being of our country.

May I emphasize that H.R. 4035 will not necessarily prevent the President from adjusting domestic oil prices, rather it gives our Congress a better opportunity to monitor pricing policy and reject changes that we may feel are not in the best interest of our Nation.

Mr. MOORHEAD of California, Mr. Chairman, I am strongly opposed to the enactment of H.R. 4035, a bill which would amend the Emergency Petroleum Allocation Act.

Under the provisions of this bill, the EPAA would be extended until December 31, 1975, and the 5-day congressional review period which is currently in force would be lengthened to a 15-day period.

Under the resolution, any proposed administrative action which would result in a crude oil price increase of 50 cents a barrel or more would have to be submitted to the Congress with extensive data and findings to justify such actions.

The Congress has been struggling over many years to find a solution to the energy problems of this country. In 1969 the then President of the United States asked the Congress to come up with a solid energy program. Since that time we have failed to do so, because it is a difficult decision and we have to bite some bullets. We have to make decisions that are painful to many of the people who elect us to office if we are really going to cure the problems that we have in getting enough energy to run this Nation in future years.

Mr. Chairman, there is no question but what the prices of oil and oil products are going to go up as long as there is a major shortage. We have only to read the newspapers in recent days to tell that the price of oil from the Arab countries is going to go up very dramatically in the next few months. The difference between the prices that we can charge here in this country and those prices that we are being asked to pay for the imported product is becoming greater and greater and the urgency for us to do something to develop a greater supply of oil in this country, a supply that we have control over ourselves, certainly becomes evident.

In the bills that have been proposed in Congress so far, both the proposal from the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce and the bill from the Committee on Ways and Means, there is absolutely nothing to encourage the development of more energy in this country except a proposal to gradually deregulate the price of oil, as contained in the bill from the Subcommittee on Energy and Power. This is opposed by a large number of members of that committee. It is doubtful that that bill will get through the House of Representatives.

The only positive action that is going forward and the only action that we can be assured of is the action of the President of the United States.

We are all concerned with jobs. The chairman of the committee has remarked that the rise in the price of oil could well affect our jobs, and I certainly will agree with him that it could. And I will tell the Members today that unless we allow the positive program proposed by the President to go forward, we may well find ourselves in a position where there is no oil and no products of this kind which we will need to run the factories of America.

Mr. Chairman, we cannot stand at this time to have another embargo. We cannot allow ourselves to get into a position where we need for national defense purposes greater amounts of oil than we now have. We must solve this problem ourselves. We must solve the problem of getting the necessary supplies that we need in this country under our own control, and the only way we can do it is through positive action.

I see nothing in the bills that are coming up that will give us that kind of relief, and until something further comes along I think it is the worst kind of action for us to take to tie the hands of the President of the United States, since he has at least given us a positive program,

UMI

even though that program may have faults.

Mr. BROWN of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Chairman, the question that is really before the House and the Congress today is whether we are really serious about doing our very best to solve our energy problem by development of our own domestic resources.

We must depend upon oil and gas for the next 15 to 25 years for the major source of our energy, whether we like it or not. 1973 marked the first year in our history when nuclear power exceeded the burning of wood in the production of energy in the United States of America, evidencing the fact that it will be a long, long time before we can develop adequate alternative sources. We must remove the governmental cloud of uncertainty that exists today domestically so that we can get to work to solve our domestic energy problems.

This bill is not neutral. It is negative as long as it continues this cloud of uncertainty.

What are the results of the elimination of the depletion allowance and this continued pall that hangs over our ability to develop domestic oil and gas resources?

Since February of this year we have witnessed a 30-percent layoff of geophysical crews working in this country. This is the leading edge of the development program for new oil and gas on which we desperately depend. In the months ahead the failure of the utilization of 100 percent, preferably 200 percent, of the available geophysical crews is going to be a failure to do what is essential in order to do the job domestically. In addition, in one company alone we have seen the cancellation of $100 million worth of orders for the construction of offshore drilling rigs. In the next 2 or 3 years we are not going to have the rigs to do the job so necessary in the OCS. In the Panhandle of Texas alone over 27 drilling rigs which were operating 24 hours a day are now stacked in disuse, and in southern Louisiana one oil and gas company alone has stacked half of its 50 rigs that had been working onshore in Louisiana.

Mr. Chairman, we should work to pass a constructive deregulation bill before this legislation expires on August 31. There is enough time if the Congress is really serious. If we do not, the Congress is responsible for creating a confrontation so that the President has only one alternative, and that is to veto this bill. That, to me, is not positive action on the part of this Congress. Merely to extend the legislation which retards and dislocates our energy effort is a further delay of a positive approach. It continues the two-tier pricing system.

The CHAIRMAN. The time of the gentleman from Texas (Mr. ARCHER) has expired.

Mr. BROWN of Ohio. Mr. Chairman, I yield 1 additional minute to the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Chairman, to resume what I was saying, it continues the two-tier pricing system which brings about higher prices to the consumer and retards, as I said, our domestic effort to increase supply.

In my opinion, the passage of this bill will do nothing but continue the congressional treading of water in the energy area as we float deeper and deeper in over our heads.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I will be happy to yield to the gentleman from New York.

Mr. OTTINGER. Can the gentleman explain to me why the oil companies have decreased their exploration and cut down the use of their rigs when they averaged better than a 100-percent profit increase in 1974, and they are still very substantially above their 1973 earnings level?

Mr. ARCHER. I would say to the gentleman that the industrywide average profit increase in 1974 was not 100 percent, but rather 41 percent, and that was compared to a relatively low base rate in 1973. In addition there has been a 29.3 percent decrease in profits in the first quarter of this year, reducing them below the 1973 level. Moreover, the rate of return on invested capital is considerably below that of many other manufacturing industries.

Also, the so-called profit increases that the gentleman is talking about last year were mostly inventory profits, which were a one-time nonrecurring item. The economics is just not there to cover the ever-increasing costs of exploring in the Gulf of Mexico and the Atlantic, which we have already delayed entirely too long. Since the beginning of 1973, these costs have increased as much as 200 percent.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. HAYS).

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. Yes, I yield to the gentleman from New York.

Mr. Chairman, I had not intended to enter this debate, but the gentleman from California (Mr. KETCHUM) motivated me to say a few words when he kept repeating over and over again that the President of the United States had the backs of the members of the Democratic Party up against the wall.

I will tell the gentleman from California (Mr. KETCHUM) whose backs are to the wall. The American people's backs, the consumers' backs are to the wall because the only thing that Mr. Simon knows that Mr. Zarb knows, and that the rest of the industry-oriented people down there know is up, up, up with the prices.

Do the Members want to know why we have a depression? It is because people cannot buy the things that are manufactured because they are too busy paying the ripoffs in their utility bills.

Let me tell the House something about the coal industry. The 10 major coal companies in the United States are as follows: One is independent; that is the tenth in size. One is owned by Kennecott Copper, and the other eight are owned by the oil companies.

When the Arab-instigated, American-oil-company-complied-in ripoff began, the oil companies also decided to extend the ripoff to their coal companies, and they raised the price of coal in my district, which did not cost them a nickel more to mine, from $6.50 a ton to $30 a ton. The power companies, with their passthrough arrangements, did so also. One company—and I do not mind mentioning names—the Ohio Power Co. that gets a great percentage of its coal from its own coal mine, raised the price of their own coal to their own company from $6.50 a ton to $30 a ton, and passed on the price through to the consumer.

All this bill does is maintain the status quo until hopefully we can work out something that is fair to everybody.

But if the gentleman says that the profits of the oil companies were made on a low base at a one-time-only, one-shot deal, then the gentleman really has not been reading their profit sheets recently because that is not the way it is.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWN of Ohio. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Chairman, I think we have to recognize the fact that we have in this country about 9 to 10 million barrels a day of oil production, and we have a shortfall, because our demand is really about 17 million barrels of oil a day, so we have a shortfall of roughly 7 million barrels of oil a day in production.

It seems to me that we should develop our oil production as rapidly as possible. I believe there is adequate oil in this country for us to be almost self-sufficient, so I think that we should use all of the means at our disposal to develop the production of oil. I think that is essential, and that that should be the desire of everybody because the shortage of oil is affecting our recession, is affecting the inflation, and is affecting our energy needs.

Therefore, Mr. Chairman, it seems to me to be a very logical thing that we should do everything possible to give an incentive to people to try and find and develop new oil.

Just a few minutes ago in asking the gentleman from Ohio some questions, I brought out the fact that right now oil production that is producing above stripper rates have an incentive to reduce production to the stripper rate because they can get $10 a barrel for it instead of $5.25 a barrel for it. So we need an incentive, that is the right way we want to go. I think there is another thing that is indicated to us, and that is that we are not really working toward developing our energy needs. We have to do something about this. I think we ought to employ all the incentives that we can. There is one area where we could give an incentive to where we could perhaps increase the development of secondary recovery, as an example. It has been said in the oil field lingo today, that we can develop oil through secondary recovery to close to about 10 to 20 billion barrels of recoverable oil. If that is true, then I am willing to back it, and I think

we ought to try to move in that direction. I oppose H.R. 4035.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. MAGUIRE).

Mr. MAGUIRE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I would just like to say in response to the remarks of the gentleman from California (Mr. BELL) who has talked about a shortage of gasoline, that the dealers whom I have talked to in the areas in which I have traveled say that the oil companies are trying to force them to sell oil and gasoline, and they are asking them to keep their stations open at all hours, so that they can sell more gasoline, because they do not have a place to store it.

We do not have a shortage today, but the oil companies want to keep on with this ripoff, as they are doing with their dealers, and when they start with them then surely they will do it with everybody else.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I would rather make my statement and yield at the conclusion of my statement.

Mr. Chairman, I want to start by associating myself with the excellent statement made a moment ago by my colleague, the gentleman from Ohio (Mr. HAYS).

In 1973 when the average price of all oil consumed in the United States was $3.40 a barrel, the oil companies were granted a $1 increase in the price of old oil up to $5.25. The Energy Division of the Cost of Living Council concluded in an issue paper at that time:

As no additional costs are involved and a ceiling increase in the price of crude would be based on other factors such as world market prices and the desire to increase domestic prices of products to deter demand, this is an arbitrary decision.

Now the President would like to decontrol the price completely, which means the price would rise for a barrel of oil to $12 or $13 or more. He cites the economic distortion caused by the present two-tier domestic pricing system. Yet he is willing to let this country's already hard-pressed consumer pick up what the Library of Congress estimates as a $36.4 billion annual tab. This derives from the combined impact of decontrol, $24.3 billion, and from Mr. Ford's $2 tariff surcharge, $12.1 billion. The President would allow a cartel of foreign governments to set the price for domestic energy supplies which we produce and consume in our own country.

This money, on top of the $42 billion paid by consumers in increased energy costs last year, will be redistributed from consumers to oil and gas companies, with another 2 to 3 percentage points tacked onto our inflation rate. Of that $36.4 billion, $32 billion will go to oil, coal, and gas producers as windfall profits, with $22.4 billion accruing to 20 companies.

Mr. Ford somehow feels that this $36.4 billion annual impact on consumers is preferable to the inconvenience to the FEA of administering a two-tiered domestic pricing system. The President also feels that raising prices to consumers even farther is an ideal way to reduce demand. He is, apparently, determined to raise prices right out of the reach of millions of Americans.

I believe we must conserve energy by making our consumption more efficient, not more and more expensive. It is totally unfair to make consumers pay more for food, clothing, heat, and transportation, while doing nothing significant to promote conservation through non-price strategies. Mr. Ford couches his arguments in terms of simplistic supply and demand curves that somehow overlook the fact that he is charting and graphing the necessities of life for 200 million Americans.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWN of Ohio. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Chairman, while reviewing this oil situation, it is well to keep in mind that these major oil companies which have been subject to severe criticism have gone more than the extra mile in drilling oil wells. They invested 33 percent more than their total net profits during the past 10 years. In other words, they did not distribute their profits. They have borrowed money to keep drilling. They reinvested it all. They have also invested 33 percent more than they made in order to keep drilling.

What we are talking about today is to give them an opportunity to keep expanding drilling. We saw them drop from 30,000 new completed oil wells in 1956 to only drilling 9,555 wells in 1973.

The solution, basically, is it goes back to this issue. How can we recover more oil secondaries? We are not only interested in finding new production, but we are interested in recovering the tremendous secondary availability. As all of us know, when we find new oil, basically we recover about 25 percent of it. Twenty-five percent of our oil is recovered when we first had it. To get that other 75 percent, it is much, much more expensive to go after it. We either have to use water injections or gas injections or some type of chemicals to produce it. We usually need to drill additional wells, so secondary recovery is very, very expensive. It is much better in this country for us to be paying $10 a barrel for secondary oil than it is to go and pay $11 or $12 to the Arabs for foreign oil. It is better for us to go out there and take oil sands like the Sprayberry out in west Texas. This sand is now just sitting there not being recovered but it could be recovered if we were paying $10 a barrel for it. It is also better to go down and drill new wells, even if they are more expensive to drill than the original wells were back 10 years ago.

Today in finding new production, we usually have to drill about 20 percent deeper. The wells are much deeper. We also have to drill under much more adverse conditions. We are drilling through rock; we are drilling through stone. The cost of drilling is much more than it ever was in the early days of this oil business.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DINGELL. I yield 2 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, when the Emergency Petroleum Allocation Act was passed in 1973 by this Congress, and I was a member of the committee at that time, I filed my objections to that program, and I think the positions are as true today as when I pointed them out to this body 2 years ago. As the Members know, this law is the source of the two-tier pricing system, the price control system. It is the source of the entitlement or the allocation, the buy or sell system, and it is the source of the lock-in of producers into old purchasers which has caused confusion and frustration and brought about unfairness to the producers of oil in this country.

Instead of going ahead and renewing this act for another 4 months approximately at a time when two committees are working sincerely and diligently to come up with a program of some kind of decontrol, it would seem it would be better not to extend this act and to let the committees and the Congress work their will.

Overall what we are doing is to extend this act through 1975. We are keeping in existence the price system. We have to ask ourselves: Is that the best? Is that the way to get new production.

I know there is apprehension in the minds of many that if we remove controls the price of oil might go to an unbearable high, and it may go up some, but all of us know it will level off much like prices have leveled off overall in the economic system.

The wage-price control system did not work. I submit to the Members this program has not worked. What the old law does basically is to promote sectionalism. It really pits the North and the East against the South and the southern producers. It brings great disadvantage to the middle section of the South and I will have more to say about that a little bit later when we read the rule for amendment.

Mr. BROWN of Ohio. Mr. Chairman, I yield one-half minute to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. I thank the gentleman for yielding.

I take this time only because my name was mentioned by the gentleman from Ohio. He quoted me quite correctly when he said I said the majority party had their backs to the wall and also he made a correct statement when he said the people of America have their backs to the wall.

The two-to-one majority, I submit, have not come up with a program and now they do not want to let the President use his.

Mr. BROWN of Ohio. Mr. Chairman, I think we ought to review the bidding for just a minute.

On January 15 in his state of the Union message, the President indicated his intent to take administrative action as follows: First to have import fees imposed under authority of the Trade Expansion Act of 1962 raised by $1 on February 1 and $1 on March 1 and $1 on April 1, and second, to decontrol old oil by April 1, 1975.

On February 1 the President did impose that first dollar on import fees, and Congress threatened a veto.

On February 4 the legislative package was submitted to Congress. By the end of February, the President agreed to postpone the second $1 for 60 days to give Congress time to act.

By the end of April, the second $1 was postponed for another 30 days to give Congress time to act before the recess on May 21.

On May 2 the decontrol plan was published in the Federal Register so as to give opportunity for review and comment. It was not submitted to the Congress.

On May 15 the President indicated his intentions to add or impose a second $1 on June 1 and submit a decontrol plan to Congress.

On June 1 the second $1 was imposed.

On June 5 we have the congressional response and that is to vote to extend the Allocation Act and to make more difficult the opportunity for the President to propose the deallocation.

Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts (Mr. CONTE).

Mr. DINGELL. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, I would like to voice my support for H.R. 4035, specifically because it is an important first step in the direction of greater congressional participation and approval of a rational and equitable energy policy. I emphasize "first step" because this bill provides the additional authority to act but does not, in and of itself, respond to the pressing need for an energy pricing policy. We must be careful to enact H.R. 4035 as a vehicle for action and not as an illusion of action.

My basic objection to the President's entire energy program is its reliance on the pricing mechanism to achieve energy conservation and reduction of our reliance on foreign imports. We face an extremely complex situation. Simply removing all price controls or helping OPEC raise the price of foreign oil is to reach in a kind of "knee-jerk" manner, ignoring the lack of substantive information so sorely needed in this situation and the devastating economic impact of such actions.

Recently I inserted into the RECORD a copy of a Library of Congress study I commissioned on the economic impact of the President's cumulative $2 tariff and his plan to decontrol old oil. The conclusion was frightening. With the $2 tariff in effect, the cost of decontrol will be $15.7 billion annually, once all price ceilings are totally removed. This figure, plus $12.1 billion as the result of the tariff on the price of oil, plus $4.8 billion from coal prices and $3.8 billion from natural gas prices rising competitively with oil prices, totals an annual cost of $36.4 billion. The White House is functioning as a taxpayer-financed oil lobby and is about to give the major energy companies the biggest bonanza in their history. Of the $36.4 billion, $32 billion will be returned to oil, gas, and coal producers in the form of windfall profits.

As a member of the Commerce Subcommittee on Energy and Power, I have listened to many witnesses testify on the energy pricing question. Often their views conflict; many of the witnesses admitted that their positions were based more on speculation than on any hard data. FEA and other decontrol advocates have failed to demonstrate that decontrol could result in substantive conservation or increased productive capacity. They have failed to produce evidence concerning reserve estimates, cost data or other vital information on which to base their conclusions. Yet the oil companies tell us that unless we decontrol, we may not get enough oil. This amounts to saying they will hold us hostage—and with FEA approval.

To even consider a policy which sets no price ceilings on new or decontrolled old oil would constitute a most irresponsible approach. Such a decision would mean a rapid escalation in oil prices, right up to the artificially and arbitrarily high levels established by the OPEC nations. What possible reason is there for allowing a foreign cartel to dictate not only the price of their oil, but of our own?

Free market arguments are irrelevant. We all know there is no free market in the petroleum industry. We simply cannot condone the setting of a price for a basic commodity, where that price is unrelated to the costs of production.

What we are being asked to do is operate in a vacuum, devoid of the necessary data on which to make our decision. The oil conglomerates have not seen fit to supply the public with adequate information, and FEA has been either unable or unwilling to force the issue.

We must make it clear that the energy industry, with the administration as its spokesman, cannot dictate national energy policy. Formation of a rational plan can only be accomplished through the input of all sectors of the economy, with emphasis on the consumer.

A better approach would be the setting of a firm price ceiling on "new" oil, with certain congressionally approved exemptions for harder-to-recover petroleum products. Many members of our subcommittee have discussed this approach and have agreed that an average price of $7.50 per barrel, with exemptions up to $8.50 a barrel, is a more than equitable price. According to the testimony we have received, it would be a fair incentive price, one which would encourage domestic exploration and simultaneously provide for a fair rate of return for the producer.

My area of the country, New England, is particularly vulnerable to economic repercussions resulting from a decontrol policy because of our dependence on oil as a source of energy. We have made efforts to conserve. Now we find our efforts are to be rewarded with still higher costs, if the President's program is not disapproved by this body. New England's need for oil has reached the point of inelasticity—we must continue to heat our homes and run our factories regardless of how much higher the price of oil goes. It is pointless to believe that higher costs will reduce consumption in our part of the country.

The New England Economic Research Office has computed the direct cost per consumer of the administration's plan to decontrol old oil: $94 per person annually in New England, as opposed to $71 per person nationally. There is no justification for such an outrageous imposition on my constituents' already dwindling finances.

Many of us are convinced that there are alternatives to price rationing, measures which can achieve an adequate level of conservation and which spread the burden of conservation among all energy users, including the industrial and commercial sectors. Innovative and creative leadership can develop an equitable and effective energy conservation program. But the price-hike mechanism is the least innovative and least effective method conceived thus far. In fact, it is one of the most anticonsumer proposals to receive such serious consideration in recent memory.

Extending the Emergency Petroleum Allocation Act and a lengthening of the time alloted for congressional disapproval of executive actions are important as a beginning. We must follow through with a rational pricing policy and stringent conservation measures which treats all sectors equitably and can achieve the necessary cutback in consumption.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. BRODHEAD).

Mr. BRODHEAD. Mr. Chairman, the allegation that we hear over and over again on the other side of the aisle is that we are not dancing to the President's tune, we are not doing what he says we should do and when he says we should do it. I am perfectly willing to plead guilty to that. He has had thousands and thousands of people to help him develop a program and the only thing he is preparing to do is to raise prices.

Mr. Chairman, I am willing to go to the American people on that issue and I can say that our party is willing to go to the country with that issue. The people are fed up with that program already. They want a program with imagination.

Mr. Chairman, we have been working diligently. We will have legislation passed, but we are not going to go along with the President's program to increase prices. If the other party or the President wants to run on the issue of increased prices, we will let them. I think it is our responsibility to devise a fairer and more workable program. That takes a lot of time.

We have made great progress in two or three different committees in doing that. I think this bill is much needed to give us the time and flexibility we need to continue that work. The position of the other party is merely to block the action of Congress, to keep the Congress from acting.

It was an oversight in the original legislation to only give us 5 days to act. It is not possible to act in 5 days. We need 15 days to act. That is why we must support this legislation so Congress can carry out its responsibility.

I think it is ironic, indeed, that the minority party which has spoken so often about the excesses of the White House and of the dangers of legislation by Executive fiat, is trying to permit this very thing. They want to put the President in a position of being able to ride roughshod over the will of the American people. They want to put the President in the position of being able to frustrate the desires of the American people as experienced through their elected Representatives.

Mr. Chairman, this is a good piece of legislation. I commend the chairman of the committee, the gentleman from West Virginia (Mr. STAGGERS), and the chairman of the subcommittee, the gentleman from Michigan (Mr. DINGELL) for bringing forth this bill. I urge support for it.

Mr. BEDELL. Mr. Chairman, I rise in suppport of Mr. JEFFORDS' amendment to H.R. 4035.

The primary objective of national energy policy is to reduce U.S. dependence on foreign sources of oil. The gravity and urgency of this problem cannot be minimized. Prompt and decisive action is required to resolve it.

The administration's approach to this problem is to cut American energy consumption by keeping prices high. The President has thus increased the tariff on oil imports by $2 a barrel, and he has announced his intention to decontrol the price of domestic oil, allowing it to rise to the level of imported oil. In addition, administration officials are attempting to secure an agreement among the oil consuming nations to negotiate with the oil producers for a "minimum common safeguard price" for international oil. This high price policy is designed to stimulate greater domestic energy production and to encourage domestic energy conservation measures. The President has proposed to implement each of these proposals by administrative action.

Let me make it clear at this point that, while I share the President's assessment of the importance of reducing U.S. reliance on oil imports, I do not believe that his high price formula for achieving this end is either wise or necessary. It ignores the impact which these higher prices will have on the American economy. This is a dangerous and significant omission. Higher and higher oil prices will only prolong the current recession and contribute to even greater inflation while further increasing the profits of the oil companies and diminishing the purchasing power of the American people.

In my view, rather than stoically accepting artificially high oil prices, and even working to enforce them, we should be implementing a program designed to force down the excessively high price of oil. Domestically, rather than raising prices through decontrol, we should enact legislation that would stimulate greater domestic exploration and research on and development of alternative sources of energy, and encourage energy conservation measures. On the international front, rather than attempting to negotiate any long-term commitments that would serve to institutionalize the present price of oil, we should be working to devise a policy that effectively addresses the root cause of our energy and economic problems—the oligopolistic forces that currently control international oil prices and supplies. It is only by taking concerted action to restore competition in the international oil market that we can hope to resolve our short range energy problems. Such actions would be much preferable to the highly disruptive and inflationary course proposed by the President.

Nevertheless, the basic issue at stake here today is not the merits of the President's energy philosophy or program. That will be decided at some other date. What is at stake here today is the nature of the Congress role in the formulation and implementation of national energy policy. H.R. 4035 would require congressional review of any proposed administrative action to decontrol petroleum prices and would provide a mechanism for congressional disapproval of such actions.

This is an important requirement, but it does not go far enough. This legislation should be expanded to provide for congressional review of executive agreements or actions which would sanction minimum floor prices for oil, foreign or domestic. The Congress must be given the opportunity to judge the wisdom of any artificial petroleum price level negotiated or imposed by the executive.

Our energy problems are real, and they are serious. The Congress must not abdicate its responsibilities in the energy field. Nor can it allow the executive branch to usurp its prerogatives through administrative action. It is imperative that the Congress and the administration work together to fashion a responsible national energy policy that will enable our country to gain control of its energy future. The Jeffords amendment to H.R. 4035 is consistent with and essential to that goal.

Mr. PICKLE. Mr. Chairman, on May 7, I inserted remarks in the RECORD pertaining to the FEA entitlement program and pointed out how it has not worked. I ask permission to have these same remarks reprinted today so that all may know that these controls only cause more misery and unfairness—and works great hardship on certain States, particularly those of the South like Alabama, Tennessee, Mississippi, North Carolina, and the Southwest.

These remarks are as follows:

FEA ENTITLEMENTS PROGRAM LETS THE RICH GET RICHER

Mr. PICKLE. Mr. Speaker, without much fanfare, I want the Members to have notice of some facts about petroleum costs in the New England area compared to the rest of the Nation.

First, I want to place in the record a list of five localities having the lowest posted price for gasoline on or about April 22, 1975. The posted price is the price paid for wholesale gasoline. These prices are not retail prices, or prices paid at the gasoline pump.

Following are the five lower posted price, for regular grade gasoline, exclusive of taxes, by city, on or about April 22, to wit:

"(1) Providence, R.I. (tie) 39.9 cents. Miami, Fla. (tie) 39.9 cents.

"(2) Springfield, Mass. 40.4 cents.

"(3) New Haven, Conn. 40.9 cents.

"(4) Boston, Mass. 41.4 cents.

"(5) Wichita, Kan. 42.0 cents."

Following are the cities posting the five highest prices on or about April 22, to wit:

"(1) Omaha, Neb. 47.9 cents.

"(2) Louisville, Ken. 46.0 cents.

"(3) Chicago, Ill. (tie) 45.9 cents. Minn.-St. Paul, Minn. (tie) 45.9 cents. Montgomery, Ala. (tie) 45.9 cents.

"(4) Birmingham, Ala. (tie) 45.7 cents. Phoenix, Ariz. (tie) 45.7 cents.

"(5) Boise, Idaho (tie) 45.5 cents. Los Angeles (tie) 45.5 cents."

Next, I want to place in the CONGRESSIONAL RECORD an excerpt of a research paper done by the George Washington University's Energy Policy Research Project. The paper is authored by Messrs. William A. Johnson, Samuel Van Vactor, and Frank R. Wyant. The paper is titled "The Regional Impact of the Entitlementa Program," and was released on April 23, 1975.

The following from this paper is very interesting:

"Even so, there are definite regional biases in the program. In the first place, retail gasoline prices could, in theory at least, increase for all states except one—Connecticut. There would, in other words, appear to be a slight gasoline "title implicit in the entitlements program. For the nation as a whole, gasoline prices could increase, on average, by about 0.2 cents per gallon. As a result, the entitlements program disadvantages certain sections of the country, such as the Rocky Mountain states, which have a relatively high per capita consumption of gasoline.

"One can only speculate why this tilt occurs. In the first place, despite some notable exceptions, the largest refiners tend to be net buyers of entitlements while the smaller refiners tend to be net sellers. The larger refiners also tend to produce higher gasoline fractions than the smaller refiners, primarily because they can afford the more expensive plant and equipment, such as catalytic crackers and alkylation units, which increase gasoline yields. Perhaps most important, during the first three months of the program certain product importers were allowed to sell entitlements. These benefits were restricted to importers of number two and residual fuel oil. The inclusion of these product importers would, very definitely, tilt the entitlements program against gasoline.

"There are other noticeable, even if small, regional shifts in the prices of gasoline resulting from the entitlements program. The most disadvantaged part of the country is the South. Alabama is most adversely affected, followed, in order, by Tennessee, Mississippi, and North Carolina. The Mid-West is also adversely affected by the program, while the part of the country that is least disadvantaged is, once again, the Northeast. The Northeast is also the area of the country with the lowest per capita consumption of gasoline.

"The total cost of gasoline to all American consumers could, in theory, increase by over $74 million for the first three months of the entitlements program. By far, the bulk of this increase in costs will be borne by states in the "Other Areas." Altogether, the added cost of gasoline for these states would be $68 million, or 92 percent of the total for the Nation.

"The results of the second approximation are generally consistent with the results of the first. Those areas of the country with the lowest per capita incomes are being forced to subsidize those areas with the

UMI

highest per capita incomes, Alabama, Tennessee, and Mississippi, the states that will pay the highest gasoline prices under the entitlements program, are the poorest states of the country. Connecticut, the one state in which gasoline prices should fall, has the highest per capita income of any state of the Union. The entitlements program, in other words, lends credibility to the old adage that the rich get richer and the poor get poorer."

Mr. ICHORD. Mr. Chairman, after visiting in my district with my constituents during the recent recess I am irrevocably prepared to vote for a discontinuance of further FEA regulation and returning to the free enterprise system as the best means of solving the oil crisis. I would point out to the Members that the oil crisis is essentially one involving a shortage of domestic production in its short-range aspects. If the free enterprise system has one deficiency it is that it tends to overproduce. Why can we not use a system which tends to overproduce in order to overcome a shortage?

Under no circumstances can I vote to continue the mess the oil industry is now in under the present two-tier pricing system and the allocation and entitlement programs.

When I was back in Missouri visiting with oil jobbers and filling service station operators last March, everyone was complaining about one oil company having an unfair competitive advantage in that its refineries had access to more "old oil" at $5.25 a barrel than other refineries. In an effort to remove the unfair advantage the Federal Energy Administration in the interim adopted the entitlement program which essentially required a redistribution of the cheaper old oil.

During the recess, I was swamped with complaints from filling station operators who now say that this program has caused their gasoline prices to rise so high that they cannot buy gasoline from their jobbers as cheap as their competitors, who apparently benefited from the entitlement program, are selling their gasoline at their pumps. The result is, Mr. Chairman, no filling station operator knows exactly where he may be tomorrow because no one knows what regulatory changes may be placed in operation tomorrow. All were in favor of getting the Government out of the pricing business altogether.

Mr. Chairman, during the recess I was repeatedly asked whether I favored the Ullman program or the Presidential program as a means of trying to solve the oil problem. In reply, I pointed out that a more proper question would be whether I favored the Presidential program, the Ullman program, or the 534 programs favored by the other 534 Members of Congress. I do not feel there is any need for this Congress to wrestle any longer with trying to adopt a program upon which a majority of the Members can unite behind. Mr. Chairman, there is no easy answer to this most difficult and complex problem. All of the alternatives involve a difficult choice and it takes some political courage, I submit, to return to the free enterprise system. I am now prepared to make that difficult choice and therefore will vote against H.R. 4035. This is the opportunity for the Members to choose the free enterprise system over the bureaucratic mess now prevailing. I urge the defeat of H.R. 4035.

Mr. DEVINE. Mr. Chairman, I rise to speak against passage of H.R. 4035, a bill which would extend the Emergency Petroleum Allocation Act this time to December 31, 1975, and further prevent the implementation of a positive energy program to deal with our Nation's severe energy problems. The bill would also amend the Allocation Act to require submission of any proposed exemptions of a petroleum product or any action allowing the price of crude oil to rise more than 50 cents per barrel, to Congress for a minimum of 15 days, during which time it could be disapproved by either House.

The administration has substantial objections to H.R. 4035. First and foremost, this legislation embodies a negative approach to the overall energy problem. While containing no provisions that address the declining domestic energy supply situation, this legislation would interfere with the President's ability to act decisively and positively in implementing a gradual, phased decontrol program, and would maintain the counterproductive system of controls. The bill fails to keep in perspective the long-term benefits of a decontrol program, which would, if carried out, increase incentives for increased domestic production and thus reduce our dependence on foreign oil. Second, the cutoff figure of a 50-cent increase in the price of old oil to encourage the type of domestic resource development is arbitrary and insufficient.

Finally, it is unnecessarily burdensome and unreasonable to require the executive to submit extensive analyses and findings in accompaniment of a proposed amendment resulting in a crude oil price increase of more than 50 cents per barrel.

A Congress that has continually asked the President to delay the implementation of his program, while still providing no alternative program, should not pass H.R. 4035 which would impair Presidential action and further delay the establishment of a positive energy program, that is so desperately needed. I urge you to reject this legislation.

Mr. DOMINICK V. DANIELS. Mr. Chairman, the establishment of a sound energy policy for the United States is one of the most pressing challenges facing this Congress. Because of the importance of energy to our national security and economic well-being, it is essential that the Congress fully exercise its responsibilities to the American people by taking an active and meaningful part in the development of our national energy strategy. The legislation we are considering here today, H.R. 4035, recognizes this congressional responsibility, and it is worthy of our full support. H.R. 4035 addresses a vital aspect of our energy strategy that directly affects every American consumer—the issue of decontrol of "old" oil. As my colleagues know, price controls are imposed on "old" oil, which is defined as production from a particular producing property at or below 1972 production levels. Comparisons are made with correspondingly—individual—1972 months to determine the controlled production level. Amounts produced monthly in excess of the 1972 base month are not subject to price controls. In addition, one barrel of controlled oil is released from controls for every "new" barrel produced from a given property. Controlled oil currently comprises about 66 percent of total domestic production, and averages about 5.5 million barrels per day.

During the past year, total crude oil production has declined by about 750,000 barrels per day. The Library of Congress has issued a report which indicates that only 133,000 barrels per day of this decline has been due to a fall off in old oil production. One would expect that the greater portion of the production decline would represent waning production from older wells. This is not the case; 517,000 barrels per day of the declining production has been new oil—supported by a marekt price of approximately $12 per barrel. This is, indeed, an interesting development when $12 prices cannot maintain new oil production while $5.25 controlled oil prices has managed to hold up production from old wells which was generally anticipated to drop.

The President proposes to decontrol old oil. If this crude oil rises to current market levels, the cost to fuel users will be $13.7 billion. This will be just the first increase to be anticipated by consumers, because coal and unregulated natural gas are sure to increase in price to maintain per barrel Btu equivalency. This equivalency translates into a 43 cents per thousand cubic feet for unregulated natural gas and a potential $10-plus increase for coal.

It is essential that we bear in mind the effect the decontrol of old oil will have on unregulated natural gas and coal, because it is far from trivial. With near-term intrastate natural gas sales anticipated to approach 11 trillion cubic feet, cost readjustments are sure to approach $3.3 billion. We can also anticipate the effect on prices of interstate natural gas if it, too, is deregulated. Present estimates indicate that deregulation of interstate natural gas will raise prices to approximately $1.75 per thousand cubic feet. The decontrol of old oil will drive these gas prices up to the $2.50 per thousand cubic feet range.

Like gas, coal prices will be escalated by higher fuel prices under decontrol. The Library of Congress has estimated that with 30 percent of the upward pressure on coal prices restrained by long-term contracts, the cost will still run out at close to $4.2 billion per year.

Adding the direct cost of crude decontrol and the coal and gas escalations, a total of $21.2 billion is reached. In a $1,500 billion GNP, $21.2 billion in price increases amounts to a 1.5-percent inflationary contribution. Concomitant ripple effects could raise this between 2.5 and 3 percent, which would fuel receding double-digit inflation.

It is estimated that old oil decontrol will result in 100,000 barrels per day in extra production in the first year. Given the complete decontrol figures already discussed, the incremental cost for this extra production will be approximately $600 per barrel. In 2 years, it is estimated that production gains will amount to 350,000 barrels per day. With this extra production worth $1.5 billion, the incremental costs drop to $180 per barrel. Thus, when costed on the basis of decontrol's full economic impact, the evoked incremental crude production appears extremely expensive.

Mr. Chairman, these compelling figures demand that Congress exercise its full responsibilities to the energy consumers of this Nation by reviewing the merits of any decontrol proposals advanced by the administration. We cannot have energy policy in this country set by executive fiat—especially since energy supply and energy prices affect the lives of all American citizens.

H.R. 4035 provides this Congress with the mechanism to review—and, if necessary, reject—administration decontrol programs that affect the price of oil, natural gas, and coal. This legislation deserves our full support as an indication to the American people that we do not intend to abdicate our responsibilities to them.

Mr. Chairman, I urge my colleagues to join with me in supporting this bill.

Mr. FRENZEL. Mr. Chairman, I intend to vote against H.R. 4035. It is simply another example of Congress negative attitude in energy policy. The only bill we have passed so far relating to energy is one to prevent the President from putting into effect an oil import tariff. Having failed to enact a positive policy, we are now going through the negative exercise of trying to deny the President his ability to deregulate oil prices.

I believe that deregulation has got to be a part of any national energy policy. It must be accompanied by a windfall profits tax with a "drill-out provision."

The situation has not changed since we first encountered the difficulties of the Arab embargo and the enormous price increases. We have to reduce our reliance on imports. We have to do so by mandated conservation programs, and just as importantly, we have to stimulate domestic production.

The President's program, as he himself has suggested on numerous occasions, is subject to negotiation and to responsible modification by the Congress. I think there are many ways that it can be modified and still serve our initial goals. However, the negative act of taking away an existing power of the President to help ameliorate our difficult energy problem is unworthy of this Congress, and I intend to vote against it.

Mr. BURKE of Massachusetts. Mr. Chairman, the measure which we have before us today, H.R. 4035, addresses itself to the very heart of responsible government. The purpose of this bill is quite clear. H.R. 4035 is designed to provide for more effective congressional review of Presidential decisions to remove existing allocation and pricing controls of petroleum products. We know that, under the Constitution, Congress is entrusted with the responsibility "To regulate commerce with foreign nations, and among the several States," and we clearly recognize that there is no commerce so central to the national welfare as that of our basic energy resources.

Yet, we now find ourselves in a situation whereby the Executive can institute swift and far-reaching authority to drastically alter this essential commerce, and whereby the Congress has but 5 days to respond. This is a situation which assaults our obligation to serve and represent our constituents in a responsible manner. Clearly, no agency or branch of the Federal Government could, within 5 days time, evaluate and act upon a Presidential fiat which would have the effect of more than doubling the price of 66 percent of all our domestically produced oil. It would be impossible to determine the impact which such action could have on national employment, transportation, industrial output, et cetera, in so short a time. To compound this predicament by failing to require that the President submit a full analysis of the expected impact of his actions only moves this process further into the absurd. As U.S. Representatives, we are expected to thoroughly evaluate all of the facts of any given issue and, based on the conclusions drawn from those facts, to act in the furtherance of the common welfare of our citizens. That is our sole responsibility. Sadly, our present circumstance denies us the full exercise of that obligation.

We have the opportunity today, through H.R. 4035, to correct this situation. This bill would extend to 15 days the congressional review procedure contained in the "Emergency Petroleum Allocation Act of 1973." The legislation before us now would permit either House the opportunity to disapprove any Presidential action which would cause the price of "old oil" to rise above its national average price of $5.25. Furthermore, it would specifically require the President to submit a supporting analysis in justification of any action undertaken by him to remove a product from the allocation program, or to decontrol its price. These provisions are vitally important if we are to have a coordinated national energy policy. As my colleagues in this Chamber well know, the House is actively engaged in the formulation of a comprehensive legislative package which deals with all aspects of our energy needs, and which will soon be ready for action by the whole House.

One of the basic premises of this legislation is that any deregulation of domestic oil and gas would have to be coupled with a windfall profits tax. This is essential to the protection of the American consumer. Yet, the administration proposes deregulation before any windfall profits tax can be enacted. This hardly promotes a coordinated or balanced approach toward resolving our energy problems. The legislation before us today would afford Congress the necessary time to consider this, and other aspects of the Administration's order, before taking final action.

Mr. Speaker, is the obligation of the Congress to regulate commerce in a manner responsible to our constituents. H.R. 4035 goes a long way toward enabling us to carry our that obligation, and I would hope that all of my colleagues will join me in supporting this bill.

Mr. ROYBAL. Mr. Chairman, I rise in support of H.R. 4035, a bill to establish more effective congressional review of the decontrol of petroleum prices.

The Emergency Petroleum Allocation Act of 1973 set the price of old oil at $5.25 per barrel. On January 15, 1975, the President, in his state of the Union message, proposed the deregulation of price controls on natural gas and old oil. Later, on April 30, he announced that he had directed the Federal Energy Administration to implement a program to phase out price controls on old oil over a 2-year period beginning on June 1, 1975. Under existing law, this action could not be taken without public hearings and the submission of a plan to Congress. Either House would then have 5 days to disapprove the plan.

The effect of the President's plan would be to add billions of dollars to oil company profits at the expense of the consumer. The decontrol of old oil would lead it to seek the price level of new oil, which is currently in excess of $11 per barrel. This increase would not only be passed on to the consumer directly, by higher prices at the gas pump, but also indirectly, through increases in the cost of electricity, food, clothing, and all other products which depend on oil either as an ingredient, or as a basis for transportation.

H.R. 4035 would extend the Emergency Petroleum Allocation Act an additional 4 months, from August 31 to December 31, 1975. Further, it would make the following changes in the act: First, expand the congressional review procedure from 5 to 15 days; second, require the President to submit a supporting analysis in justification of any proposed action to decontrol prices; and third, provide for congressional review of any Presidential attempt to permit the price of old oil to rise.

The question of the price of energy is crucial to the lifestyle that Americans will lead in the coming decade. The action of this administration indicates that it has not always been a friend of the consumer. Recently, the administration and the State Department have indicated their willingness to set a floor for foreign oil prices. Many economists feel that the floor is much too high, given the current glut of energy that now exists on the world markets. In light of this action, it is important that the Congress be consulted before the administration takes any action that will have irreparable consequences on the price structure of domestic oil. I, therefore, urge my colleagues to vote for passage of this bill.

The CHAIRMAN. All time has expired. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute now printed in the bill as an original bill for the purpose of amendment.

Mr. SYMMS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call and the quorum of the Committee of the Whole appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred three Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

At the time the quorum call was made, the Clerk was proceeding to read the committee amendment in the nature of a substitute.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CONGRESSIONAL REVIEW OF CERTAIN ADMINISTRATIVE ACTIONS UNDER THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

SECTION 1. (a) Section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h)(1)(A) Beginning on the date of enactment of this subsection, except as provided in subparagraph (B) of this subsection, except as provided in subparagraph (B) of this paragraph, no amendment to the regulation under subsection (a) which would have the effect of permitting an increase in the national average price of old crude oil above the January 1, 1975, base price may take effect except in accordance with the provisions of subsection (g)(2) of this section.

"(B) Subparagraph (A) of this paragraph does not apply to any amendment to the regulation under subsection (a) and such amendment may take effect without regard to the provisions of subsection (g)(2) of this section, if—

"(i) the purpose of such amendment is to take into account decline in field production or significant increases in the cost of production of crude oil resulting from the use of secondary or tertiary recovery methods, and

"(ii) such amendment would not permit increases in the price of old crude oil or any classification thereof so as to result in a national average price of old crude oil which exceeds by more than 50 cents per barrel the January 1, 1975, base price.

"(2) For purposes of subsection (g)(2) of this section, an amendment described in paragraph (1)(A) of this subsection and to which paragraph (1)(B) does not apply shall be considered on amendment described in subsection (g)(2)(A)(ii) of this section.

"(3) No amendment described in subparagraph (1)(A) which takes effect after January 1, 1975, and prior to the date of enactment of this subsection, may remain in effect for a period of longer than thirty days after such date of enactment and the President shall rescind any such amendment within such thirty-day period, unless such amendment is transmitted to the Congress within such thirty-day period for review under the provisions of subsection (g)(2) of this section, in which case such amendment may continue in effect unless disapproved under the provisions of subsection (g)(2).

"(4) For purposes of this section—

"(A) the term 'old crude oil' means old crude petroleum as defined pursuant to the regulation under subsection (a) in section 212.72 of title 10, Code of Federal Regulations (as in effect on January 1, 1975); and

"(B) the term 'January 1, 1975, base price' means the national average price of old crude oil as measured on January 1, 1975.".

(b) Section 4(g)(2) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(2)(A) Subject to the requirements of this paragraph, the President may prescribe an amendment to the regulation under subsection (a) exempting crude oil, residual fuel oil, or any refined petroleum product from the provisions of such regulation as such provisions pertain to either (i) the allocation of amounts of any such oil or product, or (ii) the specification of price or the manner for determining price of any such oil or product.

"(B) The President shall transmit (i) any amendment (bearing an identification number) to the regulation prescribed under subparagraph (A) of this paragraph, accompanied by a specific statement of the President's rationale for such amendment, and (ii) the matter described in subsection (i) of this section, to both Houses of Congress on the same day and to each House while it is in session. Such an amendment may apply only to one oil or one product with respect to either allocation or price and may provide for scheduled or phased implementation.

"(C)(i) Such an amendment shall take effect on the date or dates specified in such amendment, but not sooner than the end of the first period of fifteen calendar days of continuous session of Congress (within the meaning of section 906(b) of title 5, United States Code) after the date on which such amendment is transmitted to it; except that such an amendment shall not take effect if, between the date of transmittal and the end of such fifteen-day period, either House passes a resolution of that House, the matter after the resolving clause of which is as follows: 'That the ——— does not favor the amendment (numbered ———) to the regulation under subsection (a) of the Emergency Petroleum Allocation Act of 1973, transmitted to the Congress by the President on ———, 19—.', the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled.

"(ii) Section 908 and sections 910 through 913 of title 5, United States Code, shall apply resolution described in clause (i), and for purposes of the consideration of a resolution under this paragraph, the twenty calendar days specified in section 911 of title 5, United States Code, shall be shortened to five calendar days, any reference to a resolution under section 908 and sections 910 through 913 of title 5, United States Code, shall be deemed a reference to a resolution described in clause (i), and any reference to a reorganization plan shall be deemed a reference to an amendment to which this paragraph applies."

(c) Section 4 of the Emergency Petroleum Allocation Act of 1973 (as amended by subsections (a) and (b) of this section) is further amended by adding at the end thereof the following new subsection:

"(i)(1) The President shall support any proposed amendment to the regulation under subsection (a) which is transmitted to the Congress under subsection (g)(2) of this section with a finding that such amendment is consistent with the attainment of the objectives specified in subsection (b) and in the case of—

"(A) any proposed exemption of an oil or product pursuant to subsection (g)(2)(A)(i), with a finding that such oil or product is no longer in short supply and that exempting such oil or product will not have an adverse impact on the supply of any other oil or product subject to this Act, and

"(B) any proposed exemption of an oil or product pursuant to subsection (a)(2)(A)(ii), with a finding that competition and market forces are adequate to protect industrial and individual consumers from price gouging and to assure that prices of such oil or product will be just and reasonable.

"(2) In the case of an amendment described in subsection (g)(2)(A)(ii) of this subsection which would have the effect of permitting an increase in the price of old crude oil, the President shall, in addition, to the findings required under paragraph (1) of this subsection, support any such amendment with findings that—

"(A) such increase is a necessary factor in enabling producers to meet financial needs for sustained or increased domestic production of crude oil, and

"(B) such sustained or increased domestic production of crude oil would not otherwise occur but for such increase in price.

The President shall also report to the Congress at that time on the availability of materials and services necessary for domestic oil exploration and production of crude oil and give his assessment of the marginal increase in domestic production of crude oil, by year for the succeeding five-year period, which he projects as occurring as a result of such price increase.

"(3) Any amendment which the President transmits to the Congress under subsection (g)(2) of this section shall be accompanied—

"(A) by a statement of the President's views as to the potential economic impacts (if any) of such amendment which, where practicable, shall include his views as to—

"(i) the State and regional impacts of such amendment (including effects on governmental units),

"(ii) the effects of such amendment on the availability of consumer goods and services; the gross national product; competition; small business; and the supply and availability of energy resources for use as fuel or as feedstock for industry; and

"(iii) the effects on employment and consumer prices; and

"(B) in the case of an amendment described in subsection (g)(2)(A)(ii) of this section, by an analysis of the effects of such amendment on the rate of unemployment for the United States, and the consumer price index for the United States.

"(4) In any judicial review of any provision of the regulation under subsection (a), the reviewing court may not hold unlawful or set aside any such provision solely on the basis that a grounds for holding unlawful or setting aside agency action specified in subparagraph (A), (D), or (E) of section 706(2) of title 5, United States Code, applies with respect to one or more of the findings or views required to be made by the President under this subsection and submitted to the Congress pursuant to subsection (g)(2)(B) of this section.".

INTERIM EXTENSIONS OF EXPIRING ENERGY AUTHORITIES

SEC. 2. (a) Section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "August 31, 1975" whenever it appears and inserting in lieu thereof "December 31, 1975".

(b) Section 2(f)(1) of the Energy Supply and Environmental Coordination Act of 1974 is amended by striking out "June 30, 1975" and inserting in lieu thereof "December 31, 1975".

(c) Section 11(g)(2) of the Energy Supply and Environmental Coordination Act of 1974 is amended by striking out "June 30, 1975" whenever it appears and inserting in lieu thereof "December 31, 1975".

Mr. DINGELL (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the debate thus far today on the proposed legislation. H.R. 4035, really reflects the dilemma that we are in in this country. We are concerning ourselves with party positions rather then our energy needs. The country and its needs must come first.

In 1973 the Congress unwisely passed the petroleum allocation legislation. A number of us during the course of consideration of that legislation said then that only two things could happen if we passed that legislation: Those would be to disrupt the supply of energy and raise its price. Nothing else ever was possible except for supply to be disrupted and price to be increased.

The Congress then, in its lack of wisdom and in an attempt to mislead the people of this country, wrote broad language into the legislative proposal, saying that the President would, in administering the legislation, provide for equity in the distribution of product and price. There is no such thing as equity. Again in its lack of wisdom, the Congress provided a ceiling on the price of crude oil, as if energy was related only to crude oil.

I said then to the distinguished gentleman from West Virginia (Mr. STAGGERS), who was chairman of the committee, that if we were going to attempt to hold down the cost of energy in this country, we could not do it by simply providing a ceiling on the price of a barrel of crude oil, and that if we were going to be consistent with our stated desire to provide for equity as far as the quantity of product distributed was concerned and for equity as far as price was concerned, we ought to consider coal as well.

We could not consider coal, however. Whereas since this period of time we have had a ceiling on the price of old oil, we have had no ceiling on the price of coal.

My friends, the gentleman from Ohio, a minute ago was quite correct when he said that the price of coal has gone up more than the price of crude oil, and coal still is not regulated. Mr. Chairman, I am not taking a position for regulation. I am taking a position against regulation because the Government does not have the ability to regulate and distribute anything except confusion in this country.

There is no consensus in America today with regard to an energy policy. There is no consensus among the people, and there is no consensus in the Congress. There will not be a consensus tomorrow for the simple reason that every Member of this U.S. House of Representatives, including me, from my point of view, has one thing in mind and that is to look after some vested interest. My vested interest is the free enterprise system and a free market economy.

I am surprised that nobody has challenged me on that, but that is the exact truth. Everybody wants all the energy he can use at yesterday's prices, and it cannot happen. There is no such thing as getting all the energy we need at yesterday's prices.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Texas.

Mr. ECKHARDT. What is yesterday's energy price, $7.50, $8.75, $12, $13.50? What is yesterday's price?

Mr. WAGGONNER. What is the gentleman going to define as "yesterday?"

Mr. ECKHARDT. I would say that yesterday's price would be the price at the end of last year.

Mr. WAGGONNER. That was $5.25 on old oil.

Mr. ECKHARDT. It was about $7 average on domestic oil. Today it is $8.75.

Mr. WAGGONNER. Is the gentleman talking about the application of the entitlement program, which averages higher?

Mr. ECKHARDT. No. I am talking about the average price for the best domestic oil. It has gone up from $3.85 at the end of 1973 to over $7 at the beginning of this year, and it is now $8.75.

If we remove the controls it will soon be $16. What price does the gentleman mean?

Mr. WAGGONNER. We need a free market price if we are going to have a supply.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WAGGONNER was allowed to proceed for 5 additional minutes.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I am happy to yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, may I say to the gentleman in the well and also the gentleman from Texas that the price of crude oil in the United States, the free market price, usually runs anywhere between $1.50 to $3 below the world price. The blended price, that is, the price——

Mr. WAGGONNER. It is less than that now.

Mr. BROWN of Ohio. The latest figure I have indicated that it runs about $1.50 below the world price. The blended price, however, of the frozen priced oil is now running at $3.70, based on the latest figures, the January figures, from the FEA.

Mr. WAGGONNER. Mr. Chairman, my friends good economics tells me that one never should sell, if they mean to survive economically, any depletable resources for less than its replacement cost.

Some people say that the replacement price is just a lift price to get a barrel of oil from whatever depth it might be found to the top of the ground, but that is not the replacement price.

As you know, the U.S. Geological Survey a few weeks ago astounded the people of our country when they revealed that we did not have a 60-year supply of crude oil in reserve; we only had half that much, and then, later on, when they said we had that much in reserve, they said they were not talking about those reserves which have been discovered; they were talking about the reserves of that product which have been discovered and that which they think we have, but which we have not as yet found. That is what constitutes the reserves of this country.

The purpose of this legislation today is to do only one thing, and that is to delay the authority of the President hopefully to decontrol the price of oil and gas in this country.

I will tell the Members what I am willing to do; to those people who really are after doing something about energy prices, and who are worried about the cost of electricity, and that sort of thing, that if they want to amend the legislation to put a price control on all of the fuel which is used to generate electricity, beginning with coal, then we will talk about equity.

But as long as they are going to just single out oil and gas, then they are not talking about equity; they are talking about selfish, vested interests.

I am simply saying to the Members that they are mistreating as well Americans and the American economy when they require the sale of American crude oil which is short in reserve, at less than they are willing to pay for foreign oil.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding to me.

Is it not strange that many people who come from the coal areas are not willing to control the price of coal, but wish to control the prices of petroleum?

Maybe those people will offer an amendment to control coal because the price of coal has gone up also.

But, they do not want coal to be included in this act. The Members will find that many of the advocates of this bill are afraid to put a control on the price of coal because they know it will not work, and that it will also hurt the ability of many of our electric utilities to produce electricity at less cost. They simply want to focus on the one area in our economic system that has been successful in making a profit—and I do not see anything wrong in making a profit, because most of those profits are plowed back to increase production and become self-sufficient in our country. But aside from that, I do not think these advocates are really being consistent without controlling coal also. These advocates know that the bill would probably not pass with coal included.

Mr. BROWN of Ohio. Mr. Chairman will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Ohio .

Mr. BROWN of Ohio. I should like to read a quote from an economic study of oil pricing from 1959 to 1974, recently made, that reads as follows:

The "economic cost" of domestic crude oil—the cost of finding, developing, and producing oil plus the minimum return on the operator's capital necessary to sustain exploration—was $12.73 per barrel in 1974.

The author of that is Robert Nathan, the former AFL–CIO economist, who goes on to testify before the Senate Committee on the Interior:

If new oil prices were rolled back or if ceilings on new oil were set at levels below the economic cost, taking into account the cost

UMI

effects of the changes already made in percentage depletion, we could well again experience the situation that resulted in the precipitous decline in the discovery of oil reserves over the past 20 years.

If the decline in domestic discoveries is to be reversed for any extended period of time, the existence of appropriate economic incentives—absent for so many years—is a necessary prerequisite for more exploration.

The above conclusions have to do only with "new oil" and "stripper oil", which together account for some 17 percent of the total supply needed by the U.S. Rolling back this 17 percent would have a minimal effect on reducing consumer prices; it would have a severe and perhaps devastating effect on the capacity of U.S. producers to find and develop more domestic oil reserves.

We dare not get below that price or we will not have any oil producing in this country.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Connecticut.

Mr. MOFFETT. I thank the gentleman for yielding.

I have just a word for the gentleman from California. If, in fact, the Library of Congress and others are right about the impact of coal prices on decontrol and the President's tariff, the Library of Congress estimates $4.8 billion for coal prices rising with oil prices independently. If we are really concerned about coal prices, I think we would want to stop decontrol and try to allocate.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WAGGONNER was allowed to proceed for 2 additional minutes.)

Mr. WAGGONNER. The situation, Mr. Chairman, is this. In October 1973, when we were faced with an embargo, Members of this House said to their people, "This is a contrived proposition. There is no shortage of energy in this country."

The situation now is this: they do not want to admit that they were wrong then. We do have an energy problem in the short range and over the long haul, and we cannot get our minds together. We cannot get a consensus. The only thing is it is very much the same as when the President presented his program earlier this year. He would have been criticized if he had recommended nothing, but since he recommended something, we said, "Stand aside, Mr. President, we do not like what you propose. Would you give us 90 days or a little longer to see if we can do something better?"

We still have not come up with anything better. It is time to get on and let industry with deregulation, which can do something better, go find the energy this country needs and let it sell at the going price.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

I think the gentleman in the well is making a very important statement. I agreed with the gentleman's position when this was first considered in the Congress. Of course, time and experience have proven him to be correct. I wish to associate myself with his remarks and recognize that the Government's action on the broad authority that we in the Congress gave them has only acted to the adverse interests of the consumer and certainly to the free enterprise system in the interest of producing energy.

Mr. WAGGONNER. Our attitude here is, let us give the President the authority to administer the program and then criticize the way he does it, but let us just not let him do anything that might provide any more energy.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from California.

Mr. BELL. I thank the gentleman for yielding.

I think the gentleman made an excellent point when he brought up the fact that we do not want to raise the price of oil in this country, but we are willing to pay higher prices for Arab oil. That is the crux of the situation. We are afraid. We do not want to raise the price of oil in this country for the consumer, but we are willing to raise it to the consumer for Arab oil.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have heard very interesting words in the last few minutes, but not particularly relevant to the bill we have before us. Really all we are proposing here is an extension with a simple amendment to insure that any sudden action to decontrol would have to lie before this body or the other body for 15 days, 15 legislative days. In the meantime, we are going to be proceeding in the full Committee on Interstate and Foreign Commerce to mark up the energy bill which has been reported after very diligent work by the Energy Subcommittee.

I want to take this opportunity also to point out to those who are so quick to criticize this House, the Congress, and to state in strong terms what we are trying to duck, and how fine a job the Executive is doing, and that we are not trying to do anything; that the Executive is not doing a good job. Because 16 months ago—16, not 4 ripped off a calendar before a TV camera, but 16 months ago we directed the Federal Energy Administration to complete an independent inventory of the petroleum resources of this Nation and we have not received it and we are told that we will not receive it until September. I think everyone should bear in mind that they have a very large group of people available to undertake this task and it has been far too long delayed.

The reason we directed that the inventory be made is so that there would be available to the Congress some information regarding the reserves we depend upon from a source other than the petroleum industry itself. Let me assure every member of this committee there are no other figures available to any agency of our Government nor to this House itself than those from the industry. They are not available to the President.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, is the gentleman ignoring the monthly reports which are printed by the Federal Energy Administration and which the Interstate and Foreign Commerce Committee apparently felt were so justified that they printed them as a House document?

Mr. MOSS. The gentleman is not ignoring the report nor is the gentleman ignoring the gymnastics over at the Federal Power Commission. The gentleman from Ohio knows that the gentleman from California as chairman of the Subcommittee on Investigations and Oversight has been spending about as much time on energy matters as has the Committee on Energy, and the gentleman from California knows full well as does the gentleman from Ohio that underlying all of these figures used by all of these agencies are the basic figures of the petroleum industry. That is the only place we can go at the moment, and we are deluding ourselves if we try to reach any other conclusion because we cannot support any other conclusion. The fact that they sanctify those figures by giving them the designation as an official document of the Federal Energy Administration does not change the basic reliability of the information. As a matter of fact I would say in our subcommittee at the moment we are getting closer to developing some independent figures and doing it in a much lesser time than the Federal Energy Administration.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, in a section called basic data and definition of terms on page 8 there are figures on crude oil from two different sources, one from the industry and one from the Federal Energy Administration, and the figures from the Federal Energy Administration are different from those other ones.

Mr. MOSS. The gentleman has nicely made my point. The ones from the industry represent the direct ones from the industry and the ones from the Federal Energy Administration represent those figures as refined by the Federal Energy Administration and they do not contain any independently arrived at data.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I thank the gentleman for yielding and I associate myself with the gentleman from California.

The problem the gentleman has brought up with respect to the information is one we have coped with in the last several months. The dearth of reliable information in the energy area continues to appall most members of the subcommittee, and must be addressed by this Congress. It has caused confusion, delay, and added complexity to our already complicated task. And it is one that has helped to delay the movement of the energy bill through the Congress. Why, even the administration, with its many computers, economic and energy models, and heavily staffed officers cannot come up with reliable and timely information.

Fortunately, the committee has taken the time to attempt to assemble all the facts—or at least all of the facts that are available. This has taken time, for which we have been criticized, patience, which imbues most members of the committee, particularly our chairman, JOHN DINGELL, and analytic honesty, which appears to me, after 4 months in the Congress, is sometimes so lacking in this city. And I commend those who have worked under the constraints of such poor information.

On this issue we must do a lot better; we must develop better information about energy-reserves, prices, supply, commutation in the industry, conservation effects, costs of alternative sources, et cetera. We need better information in order to make better policy, to write better legislation, to forge better understanding—between both sides of the aisle, between Government and the private sector, and for all consumers—and most importantly, to help assure the citizens of this country about the many aspects of the energy problems which the Nation faces.

Consequently, today I submitted a new piece of legislation, proposing a National Energy Information Act. This will be printed in today's RECORD—I urge its consideration by all my colleagues and by all people concerned about energy.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OTTINGER. Mr. Chairman, I ask unanimous consent that the gentleman from California (Mr. Moss) be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. CONTE. Mr. Chairman, I reserve the right to object.

Mr. MOSS. Mr. Chairman, on that I yield the floor and the Chair may recognize another Member.

PREFERENTIAL MOTION OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CONTE moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. CONTE. Mr. Chairman, at the outset, I did not want to cut off the gentleman from California. I want to have a colloquy with him, about the difficulty I am having on getting the floor.

I have been sitting here since the beginning of the debate. For awhile I thought I was in the Soviet Union. When I asked the ranking minority Member permission to speak, I was asked whether I was going to speak for or against the bill and then I was given 10 seconds to speak.

Mr. DINGELL. Well, if the gentleman will yield, I had offered the gentleman 2 minutes, which was more than I was able to give our own Members.

Mr. CONTE. Thank God for good H. R. Gross, who taught us how to have equipment in our pockets to get the floor once in a while, to get time for these measures that are very important to our district.

Mr. Chairman, I rise in support of this bill, H.R. 4035, to provide closer congressional controls over the price of domestically produced oil and to extend the Emergency Petroleum Allocation Act.

As a Representative from New England, a region that is dependent on oil for 85 percent of its heat, power, and transportation, I see a special need for this legislation. No part of the country feels the impact of higher oil prices more than New England.

In our region, we use very little coal, not much natural gas, and only a small portion of our electricity is generated from atomic power. The economy of New England runs on oil. So every time the price of oil is raised, it becomes more expensive to do business in New England and our region becomes less competitive in the national marketplace.

In the past year and a half, following the sharp jump in world oil prices, the New England economy has been reeling. Prices and unemployment have increased faster than the national average. Our regional economy is in trouble; and to prevent further trouble, I urge the passage of this bill which is so important to New England.

First of all, H.R. 4035 provides Congress with a more workable procedure to control administrative attempts to lift price controls from domestically produced petroleum. I do not agree with the argument that the controls being imposed are overly burdensome upon the executive branch. They are reasonable, and compliance should not be unduly difficult. More importantly, these new procedures will insure that any proposal to decontrol oil prices will receive the fair consideration of the Congress within a reasonably short time.

Under the law presently in force, either House of Congress has only 5 days to pass a resolution of disapproval on oil price controls. Within these 5 days, the resolution must be drafted, introduced, referred to committee and subcommittee, then marked up and passed by subcommittee and full committee, referred to and approved by the Rules Committee, scheduled for floor action, and finally debated and passed by the body of Congress.

To accomplish that procedure within 5 days is an exercise in helter-skelter legislative gymnastics that does not allow sufficient time for careful analysis.

This bill now before the House would also extend the Allocation Act for another 4 months, through the end of the year. Extension of this act would mean the maintenance of Federal price controls over "old oil", which still comprises 60 percent of oil production in the United States.

The importance of extending the Allocation Act is demonstrated by a news article in Tuesday's Wall Street Journal. This story said that one of our large oil companies, American Petrofina, is once again running low on gasoline stocks and is delivering to its dealers only 80 percent of their base period volume.

This newsstory also indicates that our gasoline glut is quickly evaporating. National inventories of gasoline have dropped by more than 8 percent—down by 17.4 million barrels to 208.4 million barrels—in just 3 months.

Unfortunately, there seems to be evidence that another gasoline shortage is being manipulated by the major oil companies. American refineries are currently operating at about 80 percent of capacity. Obviously, production is being cut back to reduce the large surpluses of oil products throughout the Nation.

There is also evidence that the major oil companies will keep refinery operations curtailed until price controls are taken off. In this newsstory, a spokesman for American Petrofina is quoted as saying this: "Until prices are increased, it isn't likely that refinery—operations—will be raised significantly."

When the oil companies resort to this kind of blackmail against the American public, I see a continuing need for price controls on oil products and continuation of the Emergency Petroleum Allocation Act. I urge my colleagues to pass this bill.

I have heard several Members say that the oil companies need more money for investment.

After checking oil profits for the past 2 years, that statement amazes me.

In 1974, major oil companies made profits of $14 billion—up 40 percent from last year. Moreover, last year's—1973—profits were up 55 percent from 1972.

For the eight largest oil companies—which are being sued by the FTC on antitrust grounds—profits in 1974 were $10 billion, an increase of 115 percent in 2 years.

This figure of $10 billion represents 31 percent of the profits in 1974 of the 1,302 leading manufacturing companies in the United States.

How much more money do the oil barons need?

At this point in the RECORD I include the following article:

[From the Wall Street Journal, June 3, 1975]

AMERICAN PETROFINA IS ALLOCATING GASOLINE AT 80 PERCENT OF BASE PERIOD

In what could be a signal that gasoline supplies are beginning to get tight again, American Petrofina Inc. said it has begun allocating gasoline to its customers.

The refiner set the allocation at 80% of base-period volumes as established by the Federal Energy Administration. Even at the 80% allocation, an American Petrofina spokesman said, the company's customers will have as much or more gasoline available to them as they have bought in any month except April.

Nonetheless, the American Petrofina move is another indication of the fact that gasoline supplies have been shrinking rapidly nationwide as the summer driving surge gets under way.

National inventories of gasoline, for example, are down to 208.4 million barrels, according to the industry's latest count. That's 17.4 million barrels below the year-earlier count.

Moreover, demand for gasoline has been climbing in recent weeks above year-earlier consumption levels. Gasoline prices also have been rising. The nation's refineries, meanwhile, are operating at about 83% of capacity, on the average.

UMI

American Petrofina said that its four refineries aren't at maximum levels although they are operating at rates in excess of the industry's average. Currently, the spokesman said, American Petrofina's refineries are operating at percentage rates "in the upper 80s."

He said also that American Petrofina's refineries are scheduled to increase daily production by more than five percentage points this month. But he said that to supply the 80% gasoline allocation to American Petrofina customers the company will have to buy "a large amount" of gasoline on the open market to augment its own production.

American Petrofina's gasoline inventories were depleted in the past two months because of heavier-than-anticipated sales, the spokesman said. But he added: "Until prices are increased, it isn't likely that refinery (operations) will be raised significantly" beyond the increase of five percentage points planned for June.

The CHAIRMAN. Does the gentleman from Massachusetts desire to withdraw his preferential motion?

Mr. CONTE. Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I congratulate my friend from Massachusetts; I could not agree with him more. The oil companies have been making huge profit increases while decreasing domestic products.

We have grave differences in this body across party lines about what ought to be done about our energy situation, and I will address myself to some of those considerations later. But, that is not the purpose of this bill.

H.R. 4035 deals with preserving the prerogatives of Congress. That is a matter on which we ought to be able to get together. It will enable Congress to act, and act rationally with respect to our energy situation, rather than having the President dictate to Congress. We should preserve our congressional rights regardless of the political parties involved. I know that when there was a Democratic President in the White House, there were very frequent arguments made from the other side of the aisle, to curb executive excesses and the rights of Congress.

This legislation just gives Congress 15 days in which to act on a unilateral Presidential action to decontrol oil. Regardless of what we think of the President's energy actions, we should enable Congress to consider such important action.

I congratulate my subcommittee chairman, Mr. DINGELL, for having had the perspicacity to foresee the dangers in the existing allocation act, which only gave us 5 days to act, and introducing this legislation which will give us 15 days to act and extend the act until December.

On the substances of the matter, which is what has been principally debated here—as I say, I do not think it is directly relevant—but on the substance of the matter there is no question in my mind that we are not going to produce more oil by handing oil companies more money. All we are going to do is cost the consumer an outrageous increase in the price that he has to pay. We are going to bankrupt this economy. The only people who are going to benefit by it are—not the consumers through production of more oil—the people who will benefit are the oil companies which have already been enriched to the most fantastic extent conceivable.

Let us take a look at what has actually happened. We had some discussion of this during general debate when we talked about oil company profits of 1974 over 1973, and it was represented by some Members on the other side that those were just inventory profits, and that profits had gone down since then. Let me read to the Committee from the Wall Street Journal what the increases there have been in 1975 over 1973, conceding that the prices have gone down somewhat in 1975 from their huge jump of 1974.

Oil company profit increases, according to the Wall Street Journal Digest of Earnings, in 1975 over 1973 were as follows: Occidental Petroleum, 726.9 percent; Getty Oil, 83 percent; Continental Oil, 46 percent; Texaco, 32.4 percent. So it goes through all of the 10 major oil companies.

These are substantial increased prices, and yet what has happened to production? Production has gone down. The oil companies have pocketed the money and invested it in circuses. They have increased their salaries. The president of Exxon, who lives in my district, now gets $750,000 a year in salary. Trying to conceal the amount of profits they are making, the oil companies have increased every other expense, but they have not put that money into increased production. The oil companies astronomical profits have not resulted in more oil for this country. So raising the prices some more is not going to raise production either.

Let us give Congress the opportunity to act. That is the point. Let us extend the Allocation Act through December. Let the Congress work its will on the Commerce Committee bill, and that will produce the soundest results from the point of view of the balance of power between the Congress and the President and from the point of view of the country.

Mr. MAGUIRE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the President believes that the decontrol of domestic crude oil prices would stimulate domestic production, presumably through incentives for secondary and tertiary recovery from existing wells. There have been suggestions here today that decontrolled prices are required for this purpose.

The difficulty with this theory is that it does not conform with the facts. Nearly 40 percent of old oil production in this country is already the result of enhanced recovery techniques at the existing price of $5.25 per barrel. Most of this recovery is by means of waterflooding, which costs the companies less than $1 per incremental barrel. More sophisticated recovery methods have been estimated to cost under $2. The price of $5.25 a barrel is driving this oil out now, with a nice profit.

During the past year, total crude oil production has dropped by about 750,000 barrels per day. Out of that reduction of 750,000 barrels, only 17,900 barrels—let me repeat—only 17,900 barrels per day has been due to a decline in old oil production.

This represents a reduction of only 0.3 percent, as compared to an average decline rate of 12 percent for old oil fields during primary recovery. So it is apparent that $5.25 a barrel is sufficient to maintain enhanced recovery techniques of old oil production, in direct contradiction of industry predictions that old oil production would fall off for want of a sufficient profit.

The total price of a barrel of old oil is composed of three elements: The finding cost, which is what it costs to explore, lease, et cetera; second, the lift cost; and, third, pretax profit. This is what makes up the price of a barrel of old oil.

In 1970 the price of old oil in this country was approximately $3 a barrel. Of that, about $1 was finding cost, about $1 was lift cost, and about $1 was pretax profit. Today the finding cost, the historical cost, is the same because the investments were made long ago. It is still $1. The lift cost has gone up to about $1.50 because of inflation and other cost increases. The pretax profit, instead of being at a dollar per barrel is now about $2.75 per barrel at the existing $5.25 price.

President Ford and the Republican administration continue to promote emergency pricing policies that enrich the oil companies while burdening the consumer and devastating the American economy.

The OPEC price per barrel of oil is arbitrarily and artificially high now at $12 or so a barrel, and it will go higher, to a level four or five times what domestic oil cost just 2 years ago. In the fall, if current predictions hold, it will go higher to perhaps $15 or $16 as against the $3 price in 1970 and the $5.25 price of today, which already earns the oil companies $2.75 per barrel in pretax profit. An increase to $15 or $16 per barrel is what the President will give us if he gives us decontrol.

The administration's plan would allow OPEC producers to tell us what we will pay for our oil in addition to theirs. There is no hard evidence that such prices lead to either conservation or increased production. There is evidence that Mr. Ford's plan will be incredibly inflationary and recessionary, and produce unconscionable excess profits.

If we are looking for ways to insure ourselves petroleum supplies until we can bring alternative energy sources on line, let us get tough with conservation measures for everybody, not just high prices for consumers.

The American people have always demonstrated their willingness to make sacrifices in times of legitimate national need. But the oil companies and President Ford are not playing it straight. All we have to do is look at the figures to know that.

The President's policies are misguided, callous and unfair, and until this administration takes firm and farsighted steps to help make America's energy consumption more efficient, I will oppose any attempts to make energy four times more expensive than it was 4 years ago.

Mr. BROWN of Ohio. Mr. Chairman, willl the gentleman yield

Mr. MAGUIRE. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I listened to the gentleman's figures. He said the price was $3 in 1970 and then indicated how those costs have gone up. Then the gentleman indicated there was an average cost of $2 for secondary and tertiary recovery, and indicated that those average costs may exceed $5.

With the $5.25 frozen price, I think that should explain to the Members of the House why there is not much secondary and tertiary recovery. If a well is declining below its production rate of 1972 and if they cannot exceed that recovery rate and if the price is frozen at or below $5.25, they are not going to go into recovery. That is why we are not getting more secondary and tertiary oil recovery.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. MAGUIRE) has expired.

(By unanimous consent, Mr. MAGUIRE was allowed to proceed for 1 additional minute.)

Mr. MAGUIRE. I did not say that average costs may exceed $5. I said that 40 percent of our old oil is presently from enhanced recovery techniques at $5.25 per barrel. I said that pre-tax profits average $2.75 per barrel compared to $1 per barrel in 1970—and that allows for more expensive enhanced recovery techniques.

The answer is not to raise the price of every barrel of oil in this country to $14 or $15 or $16 by decontrolling the price of oil. That would mean that each additional barrel is costing something in the neighborhood of $200. That is outrageous, it is unnecessary, and we should not permit it.

Mr. BROWN of Ohio. Mr. Chairman, if the gentleman will yield further, the fact that 40 percent of our present oil recovery is through enhanced recovery does not say anything about the price, because some of that can be at the frozen price of $5.25. If the cost is $4 to the producers, they can make money, but if it costs $7 in order to effect secondary and tertiary recovery and the price is frozen at $5.25, that is not at all sufficient.

Mr. MAGUIRE. That is why Mr. ECKHARDT has developed a proposal for a declining production curve formula which allows some price flexibility for enhanced recovery of old oil, but the gentleman voted against that in committee.

Mr. BROWN of Ohio. Yes, that is $7, but we have to consider whether it is from Prudhoe Bay up in Alaska or——

Mr. MAGUIRE. Mr. Chairman, I will not yield any further.

We need responsible energy pricing legislation; we do not need $15 prices.

Mr. COLLINS of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have heard much general discussion but I have heard few definite figures here. Instead of talking in generalities, I think we should take a few minutes to talk in terms of specifics and actual figures in regard to the oil business.

Either we take this particular bill and vote it down today or we take the alternatives, which would be to put in gasoline rationing or to put a tax of 25 cents a gallon on each gallon of gasoline.

If you do not plan to put 25 cents added tax on each gallon of gasoline and if you do not plan on putting in gasoline rationing, you should vote "no" today, because that will be the answer.

We have talked a lot about profits in the oil business. I just picked up one financial statement; the Members can pick up any other statement they want, but I picked up Texaco's statement for the first quarter of 1975.

We heard the oil companies made a lot of money in 1974. They did make money on inventory profits. Let me tell the Members that Texaco in the first quarter made $178 million in 1975 compared to last year making $524 million. That means Texaco only earned one-third of what they did last year.

But we should not just take an isolated case. Let us take other actual figures.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. No, I will not. I have a time limit.

I want to get into more specifics here. Here is a specific figure, I wish to outline for my friend, the gentleman from New York. This is not a generality. This is based on the Petroleum Technology Journal of March 1975. They took the past 11 years and analyzed the petroleum industry, "What have you done with your profits?"

They added oil-company profits over 11 years, and they found they totaled $75 billion in profits. During this 11 years they had invested $102 billion in drilling and exploring and developing new oil and gas wells. I want to repeat that: They made $75 billion in profits, but they had invested $102 billion. That means they have invested 33 percent more than they made.

If the Members ask how, I will just show one example. I picked up Sun Oil Co.'s statement. Last year Sun Oil spent $834 million in capital expenditures. They had $377 million in profits. This is spending more than twice their profits.

Let us go back and talk about the number of wells completed because basically we need all kinds of figures, so let us take all U.S. oil wells completed. In 1956 there were 58,418. In 1973 there were 26,081. That means that they were drilling more oil in 1956 and they were finding more oil in 1956. If I can at this time, I want to add something about coal. I appreciate what the gentleman said a few moments ago about the fact that we have not given consideration to coal in placing coal under price control.

It is true that coal has been overlooked. It has been given a favored status, and has been getting a free ride on price.

Three years ago the metallurgical grade of coal was selling for $15. Today that coal is selling for over $100, and we have not said a thing about it. Another matter to consider in the oil business is the rig work and all costs on these old secondary gas and oil recoveries. The costs have gone up, up, up.

I took a special situation where we could actually trace a rig in Corpus Christi, Tex., from 1945. At that time the real cost of a work-over rig was $10.50 an hour. By 1956 it was $16.50 an hour. In 1974 it was $50 an hour. Now the notice is in Texas that it has gone to $55 an hour.

What I am saying is that we have taken an oil well with the service labor work on it. It has gone from $10 an hour to $55 an hour and this is the same well but it costs over five times as much.

I would like to sum up with one important thought. The oil companies operate on a business basis. They are operated for a profit, but they are primarily interested in producing more oil. Remember that we as a country, get much more out of oil companies than the stockholders do. The figures show that oil companies pay over 11 times as much in taxes as stockholders have gained by dividends. They pay income, property, severance, foreign, excise, franchise, tax per gallon, and many other taxes. Can the Members think of any other industry that has done that for America? The oil industry has produced 11 times more in taxes than they have distributed in dividends to stockholders.

Another thing to remember about oil and gas is that it is the only commodity in this country that I know of, where Americans pay more to foreigners for their goods than they do to Americans for the same product.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. Yes, I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I would just like to refer to some of the statistics. First, the oil business is a high-risk business. They do not go for dividends, they go for growth.

With respect to the Texaco profits specifically, there is no question that the gentleman is right. In 1975 Texaco got less profit than it did in comparison with its huge increase in profits in 1974. The actual figures show a drop of 66 percent in 1975 from 1974, according to their own representation, but Texaco profits had gone up in 1974 over 1973 by 98.7 percent, and those 1975 profit figures over 1973 still represent a 33.4 profit increase.

Mr. Chairman, let me ask the gentleman from Texas (Mr. COLLINS) one thing: Has he ever seen a poor oil man?

Mr. COLLINS of Texas. I do not own any oil stock at all, but the figures show that every time an oil stock goes up, the statistics go up. They show a geometric increase, but when it goes down, they show less. If he went from 50 to 150, one would say there was a 200-percent increase, but if it went down from 150 to 50 one would say there was only a 66-percent decline. And oil profits are way down in 1975.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I shall speak for about

UMI

1 minute, largely for the purpose of getting back to the structure of this bill.

This bill does absolutely nothing of importance but provide a 15-day window for a congressional veto, not a 5-day window, and extends the time of the Allocation Act from August 31 to December 31, 1975.

We have been talking about the price of oil and whether we should regulate it or not. That is precisely what the committee wants time to be permitted to consider. If we do not get that time, and if we do not get this bill, then the President can submit a deregulation amendment under the existing bill, and we would not have time to stop it.

The only purpose of this bill is to give us an opportunity to proceed. It does not deny the President the right to submit a provision deregulating prices and, providing it is not vetoed by either House in 15 days, it goes into effect.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman.

Mr. WIRTH. Mr. Chairman, it is very important that we keep in mind what the gentleman from Texas has just said. This bill does not deal with the specific price of a barrel of oil. All it does is provide to the Congress a 15-day period of time in which to act upon whatever proposals the President may send up, and extend until the first of the year the authority to do that.

It also has two other provisions, one to make sure the FEA will continue to gather data in the area of energy, and the other to continue the authority of the government for incentives toward coal conversion from oil and natural gas.

Provisions relating to the price of a barrel of oil are being considered by the Committee on Interstate and Foreign Commerce that hopefully will be coming before this Congress in the next couple of weeks.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I think we also want to keep in mind what the gentleman says but, in addition, that the bill makes it much more burdensome for the President to make any kind of a change in the price of oil.

Mr. ECKHARDT. Mr. Chairman, I want to present that position myself on my own time.

It requires the President to justify a deregulation provision by showing its economic effects. That is essentially all it does. If that is more burdensome, then it should be a burden a President is able to carry if he can justify such a change.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

I will now yield briefly to my colleague, the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I want to make clear that the description of the legislation previously stated did not include all that the legislation does, and I will not burden the Members with that description except to say that it makes it a great deal more burdensome on the President if he should decide to make any modifications in prices.

The present law allows for congressional review only if it is totally decontrolled.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman from Ohio for explaining the difference between this act and the original act of 1973. It is necessary to understand the differences between the bill that we passed some 16 months ago as emergency legislation, and in which the Congress gave the President certain substantial powers and this bill today. Now many of the Members are unhappy for having given up these powers, but let me say, regardless of that, they were wrong in delegating that kind of power in the first place.

I agree with the gentleman.

Mr. Chairman, I rise in opposition to this bill. I did not favor it when it came before this body in the first place as the so-called Emergency Petroleum Allocation Act. I think it was a bad bill then, and I think it is a bad bill made worse now. I think the best proof of that is to see what has happened in the real world of energy since its implementation.

If everybody will turn to page 33 of the committee report, there is a review there of all of the things that the so-called Emergency Petroleum Allocation Act was going to do for this country. If the Members will look through that list they will find that it has done very, very few of those things, if any, except to cause total confusion in the marketplace, create tremendous problems for this country, and increase prices for the consumer.

Let me just take one incident.

We were told that if we would pass this so-called Emergency Petroleum Allocation Act in 1973 by many of the same Members who are here today telling us we should extend it for 6 months, that it was going to solve the problem of not having enough supply of heating oil in New England.

Of course, it did not solve that problem. This agency then took that power and overallocated heating fuel for the East and underallocated gasoline for the rest of the Nation. So our people had to sit in gasoline lines for a long time because of what this agency did with the powers that we gave it. So it did exactly the opposite that we thought it was going to do. It created shortages in many areas for consumers.

Yes, it created an oversupply in heating oil, but it did not improve the price of heating oil. It did not lessen our dependence on foreign crude oil to produce that heating oil.

So what I am saying is, on the basis of what the advocates of the bill said it was going to do in 1973, exactly the opposite has happened in a substantial number of areas.

Mr. Chairman, I think the proof that we do not want this bill and that we should not be extending the powers of this agency is the fact that it has not worked for the benefit of people. I would be happy to terminate this act in August. I think we have kept the confusion going too long because it has done none of the things that the advocates and proponents of this bill said it was going to do. It has ruined the marketplace; it has created shortages; it has increased prices. The act has failed in its goals and objectives. It has not improved the energy supplies of this country.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I am pleased to yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

I think this body ought to know one of the things this great bill does that we want to extend is it takes money from an oil company that produces oil domestically and requires that company to give money to a company that is importing oil. If that is not the most idiotic thing, when we want to encourage domestic production. How in the world can we expect to encourage domestic production and discourage imports if we make companies that are in the production of oil domestically pay companies that are importing oil? It does not make any sense at all.

Mr. ROUSSELOT. The gentleman is perfectly correct, and that is only one of the dumb things that this bill does.

Let me say this. My colleagues on this side of the aisle have said over and over this is a great bill for the consumer. Bunk. Pure bunk. We have had 16 months of this act and what has it done for the consumer? It has ruined the marketplace, increased prices, and created shortages for all consumers.

Mr. Chairman, I oppose this bill. It is bad legislation, and I do not think we should continue this misery.

Mr. ASHBROOK. Mr. Chairman, over a year and a half has elapsed since the Arab oil embargo and the tremendous price increases by the oil producing nations. These two events have demonstrated that the United States must achieve energy independence. We cannot rely on foreign oil without endangering our national and economic security.

The Congress, however, has failed to meet this challenge. Rather than developing positive solutions to our energy problems, the Congress seems more interested in blocking the administration's energy program.

H.R. 4035 is just another example of the majority's failure to come to grips with the energy shortage. This bill will not produce one new drop of oil. It will not generate one new kilowatt of power. Instead, it will reduce the flexibility of the President in dealing effectively with the questions of oil supply, allocation, and pricing.

Mr. Chairman, further delay and obstruction is of no benefit to our Nation. We must draw a halt to congressional inaction on our vital energy needs.

We must think in terms of providing Americans with adequate energy supplies for the future. To do this we must encourage the development of our domestic energy resources. We must allow a profit incentive to develop our petroleum reserves.

It makes little sense to permanently freeze the price of old oil at $5.25 a barrel while the costs of materials and labor

soar. Artificially low prices are a disincentive to production. Extension of the price controls would be just a further disincentive to the development of our domestic reserves.

Higher prices, on the other hand, would encourage the use of secondary and tertiary recovery methods so that more energy would be available for all Americans. Higher prices would also provide the capital that is needed to explore and develop new oil and gas reserves. This is especially important to the small independents who drill about 80 percent of the wells in the United States.

It is time that the Congress gave some thought to considerations such as these. Further congressional obstructionism will not solve our energy problems. It will only make them worse.

Unfortunately, many in the Congress are willing to pay more for Arab oil but don't want to pay more for American oil. Like regulation of natural gas, liberals cling to the fiction that the Government can force the production of cheap natural gas. It just does not work that way. Liberals are impaled on their regulatory beliefs. Controls do not create supplies. Honesty compels any objective observer to say that the question is whether we will pay higher prices and have oil and gas or whether we will pay higher prices and not have oil and gas. Also in the latter situation, we will not achieve energy independence and we will achieve the undesired result of paying more to foreign suppliers of oil and gas.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that all debate on the committee amendment and all amendments thereto conclude at 5:15 o'clock, and that the last 5 minutes be reserved for me.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. PICKLE. I object. Mr. Chairman.

Mr. DINGELL. Mr. Chairman, I move that all debate on the committee amendment and all amendments thereto conclude at 5:15 o'clock, with the last 5 minutes reserved for me.

The CHAIRMAN. The Chair will state the gentleman cannot reserve time under his motion.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Texas.

Mr. PICKLE. I thank the gentleman for yielding.

I do want to make some remarks, and I have an amendment I may offer. I hope I can have some cooperation, and I hope the gentleman does not cut off the time.

Mr. DINGELL. Mr. Chairman, I move that all debate on the committee amendment and all amendments thereto conclude at 5:15 o'clock.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The motion is not debatable.

The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

The CHAIRMAN. Members standing at the time the motion was made will be recognized.

The Chair recognizes the gentleman from California (Mr. Moss).

(By unanimous consent, Mr. Moss yielded his time to Mr. DINGELL.)

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PICKLE).

(By unanimous consent, Mr. SYMMS, Mr. ASHBROOK, and Mr. BAUMAN yielded their time to Mr. PICKLE.)

PARLIAMENTARY INQUIRY

Mr. PICKLE. Mr. Chairman, I would ask a parliamentary inquiry of the Chair. At the conclusion of the time of 5:15, would it be in order to offer an amendment at that time to be debated?

The CHAIRMAN. The Chair understood that the motion closes debate on the committee amendment and all amendments thereto, all debate on the amendments, at 5:15, so the amendment could still be offered following that time, but not debated.

Mr. PICKLE. Mr. Chairman, in view of the great amount of time I do not have, let me say quickly that I am going to insert in the RECORD in the full House an article showing a study conducted at George Washington University pointing out the great inequities of the entitlement program. The study points out that the lower posted price of gasoline in such cities as Providence, R.I.; Springfield, Mass.; New Haven, Conn.; Boston, Mass., and Wichita, Kans., went all the way from 39 cents to 42 cents. The cities showing the highest posted gasoline prices were Omaha, Louisville, Chicago, Birmingham, and Boise, from 47 to 45 cents.

The study points out that the entitlement program works a great disadvantage on certain parts of the country, particularly the South. Alabama is adversely affected, followed by Tennessee, Mississippi, and North Carolina. The Midwest also is adversely affected by the program, while the part of the country the least disadvantaged is once again the Northeast.

These are the facts the study established. The study shows the inequities and the cruelties of the entitlement system and the buyer-seller system. We are kidding ourselves if we think we ought to prolong this agony.

Mr. Chairman, I have an amendment that I will offer if I do not get any more than a yeas-and-nays vote on it and I send to the desk the amendment which I offer at this time.

AMENDMENT OFFERED BY MR. PICKLE

Mr. PICKLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PICKLE: Page 14, line 8, strike out lines 8 through 11. Page 14, line 12, strike out "(b)" and insert in lieu thereof "Sec. 2(a)".

Page 14, line 16, strike out "(c)" and insert in lieu thereof "(b)".

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DINGELL. Mr. Chairman, I do not want to keep the gentleman from offering an amendment, but as I understood, the gentleman was not recognized for that purpose.

The CHAIRMAN. The Chair will state that it would be appropriate at this time.

Mr. PICKLE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. OTTINGER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk concluded reading the amendment.

Mr. PICKLE. Mr. Chairman, this amendment keeps the bill exactly as we have before us with this one exception: Instead of extending it from August to December 31, it allows the act to expire under the present law—that is, on August 31. So, it keeps the bill before us in its present form, but it does say that the Allocation Act will terminate on August 31. Members of the committee have said that all they want is to give the House a "5-day window" to look at any proposal the President makes instead of the 5 days under the present law. This right is preserved in this amendment. It preserves the 5-day requirement but says—let it run out on August 31, 1975.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, I wish to speak against the amendment.

The gentleman has tried to convince us to knock out the extension period. The extension period is absolutely necessary, because although the Committee is acting promptly, there is a possibility of a veto on any bill the Committee on Interstate and Foreign Commerce brings out. Therefore, we would be operating under the threat of a veto and with the prospect of a veto, unless we have the period of time requested.

Mr. PICKLE. Mr. Chairman, if the gentleman will yield, you yourself said a few minutes ago all you wanted was the 15-day "window," or right to review period.

Mr. ECKHARDT. We do not want to act under this kind of restraint.

Mr. Chairman, I do not yield further.

We do not want to act under this restraint when we come out with a bill from the Commerce Committee. The President could veto it and threaten us with complete control on August 31 unless we were willing to accept any provisions which he might demand.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PICKLE).

The question was taken; and on a division (demanded by Mr. PICKLE) there were—ayes 32, noes 27.

Mr. DINGELL. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will state that that point of order is not in order.

RECORDED VOTE

Mr. DINGELL. Mr. Chairman, I demand a recorded vote.

UMI

Mr. BOLLING. Mr. Chairman, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and ten Members are present, a quorum.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 163, noes 222, not voting 48, as follows:

[Roll No. 266]

AYES—163

Abdnor	Haley	Pettis
Andrews, N.C.	Hammer-schmidt	Pickle
Andrews, N. Dak.	Hansen	Poage
Archer	Hastings	Pressler
Armstrong	Hébert	Pritchard
Ashbrook	Heinz	Quie
Bafalis	Hightower	Quillen
Bauman	Hillis	Railsback
Beard, Tenn.	Hinshaw	Regula
Bevill	Holt	Rhodes
Boggs	Horton	Roberts
Bowen	Hutchinson	Robinson
Breaux	Hyde	Rousselot
Brinkley	Ichord	Runnels
Broomfield	Jarman	Ruppe
Brown, Mich.	Johnson, Colo.	Sarasin
Brown, Ohio	Johnson, Pa.	Satterfield
Buchanan	Jones, Ala.	Schneebeli
Burke, Fla.	Jones, Okla.	Schulze
Byron	Kasten	Sebelius
Carter	Kazen	Shipley
Casey	Kelly	Shriver
Cederberg	Kemp	Shuster
Clancy	Ketchum	Sikes
Clawson, Del	Kindness	Skubitz
Cochran	Krueger	Smith, Nebr.
Collins, Tex.	Lagomarsino	Snyder
Conable	Landrum	Spence
Crane	Latta	Stanton, J. William
Daniel, Dan	Long, La.	Steed
Daniel, R. W.	Long, Md.	Stee.man
de la Garza	Lott	Steiger, Wis.
Derwinski	Lujan	Stephens
Devine	McClory	Stuckey
Dickinson	McCloskey	Symms
Downing	McCollister	Talcott
Duncan, Tenn.	McDade	Taylor, Mo.
du Pont	McDonald	Teague
Edwards, Ala.	Madigan	Thone
English	Mahon	Thornton
Erlenborn	Martin	Treen
Esch	Michel	Vander Jagt
Eshleman	Milford	Waggonner
Findley	Miller, Ohio	Walsh
Flowers	Mills	Wampler
Flynt	Mitchell, N.Y.	White
Forsythe	Montgomery	Whitehurst
Frey	Moore	Whitten
Gibbons	Moorhead, Calif.	Wiggins
Goldwater	Myers, Ind.	Wilson, Bob
Gonzalez	Myers, Pa.	Winn
Goodling	Nichols	Young, Alaska
Gradison	O'Brien	Young, Fla.
Guyer	Passman	Young, Tex.
Hagedorn		

NOES—222

Adams	Burke, Calif.	Emery
Addabbo	Burke, Mass.	Evans, Colo.
Ambro	Burlison, Mo.	Evans, Ind.
Anderson, Calif.	Burton, John	Evins, Tenn.
Annunzio	Burton, Phillip	Fascell
Ashley	Carney	Fenwick
Aspin	Carr	Fish
AuCoin	Chisholm	Fisher
Badillo	Clay	Fithian
Baldus	Cleveland	Flood
Barrett	Cohen	Florio
Baucus	Conte	Foley
Beard, R.I.	Corman	Ford, Mich.
Bedell	Cornell	Ford, Tenn.
Bennett	Coughlin	Fountain
Bergland	D'Amours	Fraser
Biaggi	Daniels, N.J.	Gaydos
Biester	Davis	Giaimo
Bingham	Delaney	Gilman
Blanchard	Dellums	Grassley
Blouin	Derrick	Green
Boland	Dingell	Gude
Bolling	Dodd	Hall
Bonker	Downey	Hamilton
Brademas	Drinan	Hanley
Breckinridge	Early	Hannaford
Brodhead	Eckhardt	Harkin
Brooks	Edgar	Harrington
Brown, Calif.	Edwards, Calif.	Harris
	Ellberg	Harsha
Hayes, Ind.	Miller, Calif.	Rosenthal
Hays, Ohio	Mineta	Rostenkowski
Hechler, W. Va.	Minish	Roush
Heckler, Mass.	Mitchell, Md.	Roybal
Hefner	Moakley	Russo
Helstoski	Moffett	Ryan
Henderson	Moorhead, Pa.	St Germain
Hicks	Morgan	Santini
Holland	Moss	Sarbanes
Holtzman	Mottl	Scheuer
Howard	Murphy, Ill.	Seiberling
Howe	Murphy, N.Y.	Sharp
Hubbard	Murtha	Simon
Hughes	Natcher	Sisk
Hungate	Neal	Slack
Jacobs	Nedzi	Smith, Iowa
Jeffords	Nix	Solarz
Johnson, Calif.	Nolan	Spellman
Jones, N.C.	Nowak	Staggers
Jordan	Oberstar	Stanton, James V.
Karth	Obey	Stark
Kastenmeier	O'Hara	Studds
Keys	O'Neill	Sullivan
Koch	Ottinger	Taylor, N.C.
Krebs	Patten, N.J.	Thompson
Lehman	Patterson, Calif.	Traxler
Lent	Pattison, N.Y.	Tsongas
Levitas	Pepper	Ullman
Litton	Perkins	Van Deerlin
Lloyd, Calif.	Peyser	Vander Veen
Lloyd, Tenn.	Pike	Vanik
McCormack	Preyer	Vigorito
McFall	Price	Waxman
McHugh	Randall	Weaver
McKay	Rangel	Whalen
Macdonald	Rees	Wilson, C. H.
Madden	Reuss	Wirth
Maguire	Richmond	Wolff
Matsunaga	Riegle	Wright
Mazzoli	Rinaldo	Wydler
Meeds	Roe	Yates
Meicher	Rogers	Yatron
Meyner	Rooney	Zablocki
Mezvinsky	Rose	Zeferetti
Mikva		

NOT VOTING—48

Abzug	Digga	Mollohan
Alexander	Duncan, Oreg.	Mosher
Anderson, Ill.	Frenzel	Patman, Tex.
Bell	Fulton	Risenhoover
Broyhill	Fuqua	Rodino
Burgener	Ginn	Roncalio
Burleson, Tex.	Hawkins	Schroeder
Butler	Jenrette	Steiger, Ariz.
Chappell	Jones, Tenn.	Stokes
Clausen, Don H.	LaFalce	Stratton
Collins, Ill.	Leggett	Symington
Conlan	McEwen	Udall
Conyers	McKinney	Wilson, Tex.
Cotter	Mann	Wylie
Danielson	Mathis	Young, Ga.
Dent	Metcalfe	
	Mink	

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the motion of the gentleman from Michigan (Mr. DINGELL), all time expired at 5:15.

AMENDMENT OFFERED BY MR. JEFFORDS

Mr. JEFFORDS. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. JEFFORDS: On page 14, after line 19, add new sections 3 and 4 to read as follows:

SEC. 3. Section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h)(1) Beginning on the date of enactment of this subsection, no amendment to the regulation under subsection (a) which would have the effect of establishing a minimum price for crude oil, residual fuel oil, or any refined petroleum product may take effect except in accordance with the provisions of subsection (g)(2).

"(2) For purposes of subsection (g)(2), an amendment described in paragraph (1) of this subsection shall be considered as amendment described in subsection (g)(2) of this section.

"(3) No amendment described in paragraph (1) which takes effect after January 1, 1975, and prior to the date of enactment of this subsection, may remain in effect for a period of longer than ninety days after such date of enactment and the President shall rescind any such amendment within such ninety-day period, unless such amendment is transmitted to the Congress within such thirty-day period for review under the provisions of subsection (g)(2) of this section, in which case such amendment may continue in effect unless disapproved under the provisions of subsection (g)(2).".

SEC. 4. Section 4(g)(2) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(2) (A) Subject to the requirements of this paragraph, the President may prescribe an amendment to the regulation under subsection (a) exempting crude oil, residual fuel oil, or any refined petroleum product from the provisions of such regulation as such provisions pertain to either (i) the allocation of amounts of any such oil or product, or (ii) the specifications of price or the manner for determining price of any such oil or product.

"(B) The President shall transmit (i) any amendment (bearing an identification number) to the regulation prescribed under subparagraph (A) of this paragraph, accompanied by a specific statement of the President's rationale for such amendment, and (ii) the matter described in subparagraph (D) of this paragraph, to both Houses of Congress on the same day and to each House while it is in session. Such an amendment may apply only to one oil or one product with respect to either allocation or price and may provide for scheduled or phased implementation.

"(C)(i) Such amendment shall take effect on the date or dates specified in such amendment, but not sooner than the end of the first period of sixty calendar days of continuous session of Congress (within the meaning of section 906(b) of title 5, United States Code) after the date on which such amendment is transmitted to it; except that such an amendment shall not take effect if, between the date of transmittal and the end of such sixty-day period, either House passes a resolution of that House, the matter after the resolving clause of which is as follows: 'That the does not favor the amendment (numbered) under subsection (a) of the Emergency Petroleum Allocation Act of 1973, transmitted to the Congress by the President on , 19 ', the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled.

"(ii) Section 908 and sections 910 through 913 of title 5, United States Code, shall apply to any resolution described in clause (i), and for purposes of the consideration of a resolution under this paragraph, any reference to a resolution under section 908 and sections 910 through 913 of title 5, United States Code, shall be deemed a reference to a resolution, described in clause (i), and any reference to a reorganization plan shall be deemed a reference to an amendment to which this paragraph applies.

"(D) The President shall support any proposed amendment to the regulation under subsection (a) which is transmitted to the Congress under subsection (g)(2) and which has the effect of establishing a minimum price for crude oil, residual fuel oil, or any refined petroleum product with a report, which shall contain the following findings:

"(i) the need for the proposed amendment;

"(ii) the prices of imported and domestic crude oil and other fuels and forms of energy which are in fact anticipated to result from the proposed amendment; and

"(iii) the impact of the proposed amendment upon domestic production and consumption of crude oil and other fuels and forms of energy;".

SEC. 4. (a) It is the sense of the Congress that the President should not enter into any formal international agreement having the effect of establishing a price floor on crude oil, residual fuel oil, or any refined petroleum product until such time as the Congress grants him the authority to enter into it.

(b) Nothing in section 232(b) of the Trade Expansion Act of 1962 (19 U.S.C. 1862(b)), or in any other provision of law, shall be deemed to grant the President any authority to adjust (whether by imposing a tariff, import fee, quota, or otherwise) imports of crude oil, residual fuel oil, or any refined product if such adjustment has the effect of establishing a minimum price floor.

Mr. JEFFORDS (during the reading). Mr. Chairman, since the amendment has been printed in the RECORD, I ask that it be considered as read except for the final section, section 4.

Mr. DINGELL. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

The CHAIRMAN. The Clerk will report the rest of the amendment.

The Clerk concluded reading the amendment.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) has reserved a point of order on the amendment offered by the gentleman from Vermont (Mr. JEFFORDS).

Mr. BROWN of Ohio. Mr. Chairman, I too also wish to reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Ohio (Mr. BROWN) also reserves a point of order on the amendment.

Mr. JEFFORDS. Mr. Chairman, we are discussing here today who is going to control policy in the area of energy, the executive branch or Congress. The bill that we are faced with today has to do with congressional control of domestic policy. But certainly we all must agree that since the bill does only concern itself with price controls on the domestic scene, and since the precipitous cause of the bill which we have before us today was caused by the international situation, by the OPEC countries, that unless we take into consideration the control of the President's authority in the very essential area of import tariffs and international price floors that we cannot control the domestic scene. To thus proceed is to put the oil tank before the truck. It is the OPEC nations that are driving the prices up.

The oil import tariffs are stimulating OPEC price increases. Price floors will guarantee exhorbitant oil producer profits at the expense of our consumers. It is essential, therefore, that in order to bring the bill into a form that will give us meaningful control to establish a meaningful policy, that we contain in this bill the power to control policy on the international scene.

Much has been said about the free market system, and how it ought to be allowed to operate here, but we do not have a free market system. Rather, we have a pricing situation which is established by a monopoly, by the OPEC countries.

I know we have all been criticized for moving slowly, but it is equally essential that because we are talking about things which will result in additional costs of billions of dollars to the consumers, that we act responsibly.

This is particularly true when the administration is negotiating a price floor agreement with our partners in the International Energy Agency. My judgment is that this Congress will not support such a floor agreement—and I have received the support of over 60 bipartisan cosponsors for my bill calling for congressional oversight authority in this area; 4035 seems appropriate to me as the proper vehicle to attach this amendment since the companion measure passed by the Senate, S. 621, contains the combination of decontrol and floor review authority.

Thus our measure, as amended, would fit in naturally with the Senate version. It seems very important to me that we speak with a firm voice on this policy—that critical agreements like the IEA be subject to some form of congressional review—particularly when we consider that for every 10-cent increase in the price of a barrel of oil, the American consumers pay $620 million a year in excess costs, and this does not include sympathetic price hikes of other energy forms, such as coal and natural gas to oil price rises.

I am not suggesting the IEA agreement be made into a treaty, but I am suggesting that we need a more effective form of congressional review over executive foreign policy action before these actions lock us into a situation which is opposed to our interests or which we would be in a position of making the executive renege on an international agreement. We have had enough problems over our so-called "commitments" in Southeast Asia without damaging American credibility in the eyes of Europe over hastily made energy commitments which do not have the sanction of Congress.

The price floor scheme which has been conceived by the administration, in any case, is a curious one. I have not been able to locate anyone who really supports it. Our European partners had to be strongly coerced into even agreeing in principle to such a scheme last March. While the United States wanted $7–$8 per barrel, Europeans, who are far more dependent than we are on imported oil, seemed to argue that a price of about $5 was enough to return a fair profit and evoke sufficient domestic supplies. Other economic analyses I have seen also support the lower figure. I have not seen any convincing analysis supporting a figure of $7 or $8.

For example, the $5 price has been supported by a number of reputable analysts, including the National Petroleum Council, and the Brookings Institution economic papers, as well as statements by reputable persons such as the president of the IEA. Even the FEA data in its Project Independence report can be interpreted to support this level.

First, the publication by the National Petroleum Council entitled "U.S. Energy Outlook" in December 1972, before the embargo, set up various supply cases—based on 15 percent return on net fixed assets in which the worst case situation, that is the highest price projected, would amount to $3.65 per barrel in 1975. If you factor the inflation we have had, you arrive at a fair price of $4.67 on January 1, 1975. Second, A study in the prestigious Brookings papers on economic activity in 1974 calculates that the zero-monopoly price for full self-sufficiency by 1980 is less than $5. Third, Etienne Davignon, Chairman of the IEA, suggested in a news conference in February a price floor of $4.50 per barrel. Fourth, the data in the FEA Project Independence Report of 1974 shows that no more supplies would be evoked by an $11 per barrel price than would be evoked by a $4 per barrel price for U.S. offshore oil.

I would also point out that, in testimony of economists and oil companies before the Joint Economic Committee, it was made clear that for various reasons American industry does not support the scheme, and it was stated that there are no knowledgeable economists who support it either.

Furthermore, the Arabs are talking about further price rises, not dumping oil at $2 or $3 per barrel, So it seems to me that the focus should be on price reduction, not price support.

Thus, in offering this amendment, we intend to provide for prior congressional review of specific levels of any floor to be negotiated, and alert our partners in the IEA that the critical agreements being negotiated in that agency will be subject to close congressional scrutiny and approval.

Mr. Chairman, we raise these problems to demonstrate very clearly that before the country goes with such a scheme, it is important that Congress hold hearings and make responsible judgments on an issue of such major impact on our people.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I thank the gentleman from Vermont for yielding to me.

I would like to commend the gentleman from Vermont. I believe that he has offered a very beneficial amendment, but I must say that in H.R. 7014, which is the energy bill which has now worked itself out of the subcommittee and is now pending before the full Committee on Interstate and Foreign Commerce, that precisely the same thing will be done under that legislation that would be done under the amendment now offered by the gentleman from Vermont.

That bill will probably do as the excellent amendment the gentleman has offered would do regarding petroleum products.

I certainly commend the gentleman from Vermont. I agree with the gentleman. I believe his amendment has a great deal of merit. Nevertheless, I will have to insist on my point of order on the amendment but, even in doing so I still wish to commend the gentleman for his amendment.

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman from Michigan.

It is my understanding, Mr. Chairman, if I may ask this question, that a similar provision is also contained in the Senate

UMI

bill which is very similar to my amendment; is that correct?

Mr. DINGELL. I believe the gentleman from Vermont is correct on that point, yes.

Mr. JEFFORDS. I thank the gentleman.

Mr. Chairman, it is my intention at the proper time, although I realize that the gentleman from Michigan will raise a point of order, to propose to withdraw the amendment, if the gentleman does not.

Now, Mr. Chairman, I wish to yield the balance of my time to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I rise in support of Mr. JEFFORDS' amendment to H.R. 4035.

The issue at stake here today is the nature of the Congress role in the formulation and implementation of national energy policy. H.R. 4035 would require congressional review of any proposed executive action to decontrol petroleum prices and would provide a mechanism for congressional disapproval of such actions.

This is an important requirement, but it should go further. This legislation should be expanded to provide for congressional review of executive agreements or actions which would sanction minimum floor prices for oil, foreign and domestic. The Congress must be given the opportunity to judge the wisdom of any artificial petroleum price level negotiated or imposed by the Executive.

Our energy problems are real, and they are serious. The Congress must not abdicate its responsibilities in the energy field. It is imperative that the Congress and the administration work together to fashion a responsible national energy policy that will enable our country to gain control of its energy future. The Jeffords amendment is consistent with and essential to that goal.

Mr. JEFFORDS. In view of the comments of the chairman of the subcommittee, I ask unanimous consent at this time to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CHARLES H. WILSON of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 4035, to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocation Act of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities, pursuant to House Resolution 351, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT WITH INSTRUCTIONS OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Speaker, I offer a motion to recommit with instructions.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BROWN of Ohio. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BROWN of Ohio moves to recommit the bill H.R. 4035 to the Committee on Interstate and Foreign Commerce with instructions to return it forthwith with the following amendment

Page 12, line 15, strike out "otherwise" and insert in lieu thereof "be likely to".

The SPEAKER. Does the gentleman desire to be heard on his motion to recommit?

Mr. BROWN of Ohio. I do, Mr. Speaker.

Mr. Speaker, the instructions in the motion to recommit are essentially to correct a very burdensome provision in the legislation, and also so that I might have 5 minutes to discuss this piece of legislation which I find totally undesirable. What we are faced with, Mr. Chairman, is a Congress that cannot bring itself to enact major energy legislation, but which can bring itself to say, "If we cannot do anything, then the President should not be allowed to do anything either." That does not serve the Nation very well in this circumstance.

The fact of the matter is that, in this piece of legislation, we are being asked to extend the Emergency Petroleum Allocation Act which accomplishes some things that I do not think we want to accomplish. Let me tell the Members what has happened under this Emergency Petroleum Allocation Act.

Under the entitlements program in the Emergency Petroleum Allocation Act, energy producing companies, large and small, in the United States are literally punished for investment in trying to find oil in America. Under this program as much as $15 million can be taken from a company which produces domestic oil and given to a company which imports foreign oil.

Is that the kind of program we want to continue? I think not, given the threat we have of oil embargoes and the need for domestic oil production to protect against such embargoes.

Under the EPAA program we have had operating a two-tier price system which has resulted in an economic distortion among refiners. Inefficient refiners are assisted and the efficient refiners are penalized.

I do not think that is the kind of thing we want to continue.

Under this program we have seen the imports of foreign oil increase in this country while production of domestic oil has gone down.

Since the enactment, domestic production in the United States has declined by a half million barrels a day. Since the enactment, imports have increased from 2.8 million barrels a day to 4 million barrels a day. Is this the result of the Emergency Petroleum Allocation Act what we want continued? I think not.

The $5.25 limitation that exists under this program on the price of old oil is insufficient to encourage secondary or tertiary recovery. That is another problem result.

As a matter of fact, there are proposals floating around this Congress to try to put a cap on the price of oil so we could even terminate or discourage production out of Prudhoe Bay area in Alaska. I do not think we want to continue a program that would make that possible.

This program we established and are trying to extend here forces the refiners to sell to certain wholesalers and the refiners do not have a choice as to whom they do business with.

I do not think we want to continue that.

The fact of the matter is, the August 31 termination of the present legislation is the force that has kept this Congress moving to try to get energy legislation through the Congress.

I personally favor decontrol over the tax program that has been proposed by the Democratic majority of the Ways and Means Committee. That tax program would add 23 cents to the cost of a gallon of gasoline in taxes that would go to the U.S. Government which produces no oil. Decontrolling the price of oil would increase the cost of a gallon of gasoline from 5 cents to 8 cents and that increase would go to the people who actually produce oil in this country.

That is the direction in which we ought to be heading.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I thank the gentleman for yielding.

The position of the administration on this is very clear. There is a clear veto signal and to me it would be really a waste of time if the House were to do this. To me this is a bad bill anyway because once more we are legislating against more energy instead of legislating for more energy.

I hope the bill will be defeated.

Mr. BROWN of Ohio. Mr. Speaker, I hope the bill will be defeated and that this Congress will try to cooperate somewhat more with the President in an effort to produce more oil.

The SPEAKER. The gentleman from Michigan (Mr. DINGELL) is recognized for 5 minutes in opposition to the motion to recommit.

Mr. DINGELL. Mr. Speaker, I think the issue should be clarified for us.

First of all the motion to recommit offered by the gentleman from Ohio, my good friend, is an amendment which would reduce the amount of information which the President sends the Congress with regard to the effect of deregulation of or price increases in the price of crude oil and petroleum products. What the motion to recommit would really do would be to render worthless the requirement that the President send us information with regard to new production which would be stimulated by the price increase which he would be making.

The President would practically have to send us nothing in connection with his statements, except, "Well, I happen to think it will increase production of petroleum products."

The bill before us says the President has to send us some hard information with regard to what the results in terms of new petroleum production of his price increases are going to be.

Now, we have had a great deal of discussion about lethargy and a great deal of discussion and obfuscation today. The hard facts of the matter are that this is a good bill. This is a bill that says we are going to get more information on price increases and on petroleum production. We will have a better opportunity to consider the President's request to decontrol petroleum and other petroleum products.

It is a bill which gives us an additional 4 months in which to work out a rational energy policy.

It should be known that the Subcommittee on Energy has worked night and day on the legislation which we will bring to the full committee to consider next week and then to the floor.

The President has had 18 months to work out a comprehensive energy policy. We have only had 4 months. If we fail to pass the legislation which is before us, we may very well find that on midnight of the 31st day of August, the expiration of price control authorities, and the decontrol of old oil automatically will have sterilized our opportunity to bring forward properly considered legislation which will serve the public interest and which will provide phased decontrol.

It should not be said that we have been dilatory, because legislation is pending before the Commerce Committee and the Commerce Committee is going to move forward expeditiously to bring before the House phased decontrol of old oil subject to price control and subject also to a windfall profits tax.

I do not think it is too much to say that we are going to give the Congress room to consider this in a mature and relevant and rational fashion. To allow the White House or anybody else to say we should be denied that right is completely wrong.

Mr. MACDONALD of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Massachusetts.

Mr. MACDONALD of Massachusetts. Mr. Speaker, does the gentleman in the long run think we would be doing a favor to the administration to give them a little time to enact a better energy program, with a little more than 3 months experience, before he goes into the entire energy picture of the United States, with the resultant chaos that has occurred in the past?

Mr. DINGELL. I agree with the gentleman.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from Michigan. The gentleman has done an excellent job in working on a difficult question.

There is one thing I intended to ask the gentleman from Ohio when he yielded to me. That is, as I understand the entitlement provision, it has no place in any act that Congress ever passed, but it is something that the Republicans have brought up.

Mr. DINGELL. Nor is it anywhere in the bill before us today; the gentleman is correct.

Mr. ECKHARDT. I also recollect the gentleman from Ohio voted against the provision when we considered it previously.

Mr. WIRTH. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to my friend, the gentleman from Colorado.

Mr. WIRTH. Mr. Speaker, I also wish to associate myself with the remarks of the gentleman from Michigan, who has done a superior job with the subcommittee.

I think if we were to vote to recommit and agree with the gentleman from Ohio (Mr. BROWN), we would vote to give up our responsibility in Congress to come up with a solution to the very complicated energy problem.

Mr. DINGELL. And to have the information that the gentleman from Colorado thought we should have when the amendment was given us.

Mr. Speaker, in conclusion, may I add, Members have been confronted with a series of misstatements concerning this legislation. Do not let bald assertions obscure the essential reasonableness of this bill.

It has been argued that Members should oppose this bill because it does nothing constructive to solve the energy problems of this Nation. Surely that is not the only standard for considering legislation in the Congress. As I have stated, the House will complete action on both the Ways and Means Committee bill and the Commerce Committee bill most likely within the next 2 weeks. Those proposals offer constructive solutions to the energy difficulties which confront us. That we have yet to act on these proposals should not be an argument for self-imposed paralysis. Freezing us from taking any other action.

To those who have argued that the required findings are too burdensome, let me ask what they would substitute in their place. Is it too much to ask of the President that before acting to remove crude oil pricing controls. He at least tell the Congress that competition and market forces are adequate to protect industrial and individual consumers from price gouging and to assure that prices will be reasonable? Is it too much to ask the President to accompany his proposals with findings that any increase in price is necessary to sustain or increase domestic production of crude oil?

And to those who have argued that the supportive analyses requested in this legislation are too burdensome, let me ask them—do not you want to know what effects the proposed price increases will have on the rate of unemployment and the Consumer Price Index? Should not the President have a firm understanding and be able to inform the Congress of the potential economic impacts of proposals which promise to add many billions of dollars to the cost of basic energy supplies?

I suggest to you that this bill sets out only minimal requirements for meaningful participation by the Congress in oil pricing decisions. How can the President seriously tell the American people that he will submit his oil pricing decision to the Congress for review and at the same time object to the Congress extending the review period from 5 to 15 days? How can he fairly contest the right of the Congress to ask him to accompany any such proposal with a supporting analysis? I suggest that the President knows full well that the House and Senate can easily be frustrated and prevented from acting within the existing 5-day review period. I suggest that he recognizes that this bill would provide the Congress with a meaningful opportunity to review and to disapprove a proposal which the majority of Members found to be unwise and unjustified. This realization is the true source of opposition to this legislation.

I also suggest that the administration is less than candid in advancing arguments in opposition to the proposed interim extension of the Allocation Act. The President has himself called for a 2-year phaseout of controls. Most certainly the Allocation Act will have to be extended coterminous with that 2-year period. Yet administration spokesmen today have argued against a 4-month extension of the act. Clearly it is the President's intent to use the approaching termination of the Allocation Act as a lever for accomplishing his underlying pricing policy. It is, if you will, a gun at the head of the Congress. The President is saying "agree with me on a phased out decontrol or I will oppose any attempt to extend pricing controls beyond August 31." This is not good faith bargaining. This is not the type of cooperation and constructive partnership that the American people have the right to expect of their President and their Congress.

I implore my colleagues not to become a party to this attempt to confuse and obfiscate the real issues at hand. This legislation is designed to preserve the prerogatives of the Congress to check the hand of the executive. It thus furthers and more surely accomplishes the balance of power which is woven into the fabric of the Constitution. I ask my colleagues in the House to stand with the Congress on this matter and to put aside partisan impulse.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

UMI

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. BROWN of Ohio. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 230, nays 151, not voting 52, as follows:

[Roll No. 267]

YEAS—230

Adams	Flynt	Murphy, N.Y.
Addabbo	Foley	Murtha
Ambro	Ford, Mich.	Natcher
Anderson, Calif.	Ford, Tenn.	Neal
	Fountain	Nedzi
Andrews, N.C.	Fraser	Nix
Annunzio	Gaydos	Nolan
Ashley	Giaimo	Nowak
Aspin	Gilman	Oberstar
AuCoin	Gonzalez	Obey
Badillo	Green	O'Hara
Baldus	Hall	O'Neill
Barrett	Hamilton	Ottinger
Baucus	Hanley	Patten, N.J.
Beard, R.I.	Hannaford	Patterson, Calif.
Bedell	Harkin	
Bennett	Harrington	Pattison, N.Y.
Bergland	Harris	Perkins
Bevill	Harsha	Peyser
Biaggi	Hayes, Ind.	Pike
Biester	Hays, Ohio	Preyer
Bingham	Hechler, W. Va.	Price
Blanchard	Heckler, Mass.	Randall
Blouin	Hefner	Rangel
Boland	Heistoski	Rees
Bolling	Henderson	Reuss
Bonker	Hicks	Richmond
Brademas	Holland	Riegle
Breckinridge	Holtzman	Rinaldo
Brinkley	Howard	Roe
Brodhead	Howe	Rogers
Brooks	Hubbard	Rooney
Burke, Calif.	Hughes	Rose
Burke, Fla.	Hungate	Rosenthal
Burke, Mass.	Jacobs	Roush
Burlison, Mo.	Jeffords	Roybal
Burton, John	Johnson, Calif.	Russo
Burton, Phillip	Jones, Ala.	Ryan
Carney	Jones, N.C.	St Germain
Carr	Jordan	Santini
Chisholm	Karth	Sarbanes
Clay	Kastenmeier	Scheuer
Cleveland	Keys	Seiberling
Cohen	Koch	Sharp
Conte	Krebs	Simon
Corman	Lehman	Sisk
Cornell	Levitas	Smith, Iowa
D'Amours	Litton	Solarz
Daniels, N.J.	Lloyd, Calif.	Spellman
Davis	Lloyd, Tenn.	Staggers
Delaney	Long, Md.	Stanton, James V.
Dellums	McCormack	
Dent	McFall	Stark
Derrick	McHugh	Stephens
Diggs	McKay	Stokes
Dingell	Macdonald	Studds
Dodd	Madden	Sullivan
Downey	Maguire	Taylor, N.C.
Downing	Matsunaga	Thompson
Drinan	Mazzoli	Traxler
Duncan, Oreg.	Meeds	Tsongas
du Pont	Melcher	Ullman
Early	Meyner	Van Deerlin
Eckhardt	Mezvinsky	Vanik
Edgar	Mikva	Vigorito
Edwards, Calif.	Miller, Calif.	Walsh
Eilberg	Mineta	Waxman
Emery	Minish	Weaver
Evans, Colo.	Mink	Whalen
Evans, Ind.	Mitchell, Md.	Wilson, C. H.
Evins, Tenn.	Mitchell, N.Y.	Wirth
Fascell	Moakley	Wolff
Fenwick	Moffett	Wright
Fish	Moorhead, Pa.	Yates
Fisher	Morgan	Yatron
Fithian	Moss	Zablocki
Flood	Mottl	Zeferetti
Florio	Murphy, Ill.	

NAYS—151

Abdnor	Bauman	Brown, Mich.
Andrews, N. Dak.	Beard, Tenn.	Brown, Ohio
	Boggs	Buchanan
Archer	Bowen	Byron
Armstrong	Breaux	Carter
Ashbrook	Broomfield	Casey
Bafalis	Brown, Calif.	Cederberg
Clancy	Johnson, Colo.	Rhodes
Cochran	Johnson, Pa.	Roberts
Collins, Tex.	Jones, Okla.	Robinson
Conable	Kasten	Rousselot
Coughlin	Kazen	Runnels
Crane	Kelly	Ruppe
Daniel, Dan	Kemp	Sarasin
Daniel, R. W.	Ketchum	Satterfield
de la Garza	Kindness	Schneebeli
Derwinski	Krueger	Schulze
Devine	Lagomarsino	Sebelius
Dickinson	Landrum	Shipley
Duncan, Tenn.	Latta	Shriver
Edwards, Ala.	Lent	Shuster
English	Long, La.	Sikes
Erlenborn	Lott	Skubitz
Esch	Lujan	Slack
Eshleman	McClory	Smith, Nebr.
Findley	McCloskey	Snyder
Flowers	McCollister	Spence
Forsythe	McDade	Stanton, J. William
Frey	McDonald	
Gibbons	Madigan	Steed
Goldwater	Mahon	Steelman
Goodling	Martin	Steiger, Wis.
Gradison	Michel	Stuckey
Grassley	Milford	Symms
Guyer	Miller, Ohio	Talcott
Hagedorn	Mills	Taylor, Mo.
Haley	Montgomery	Teague
Hammer-schmidt	Moore	Thone
	Moorhead, Calif.	Thornton
Hansen		Treen
Hastings	Myers, Ind.	Vander Jagt
Hébert	Myers, Pa.	Waggonner
Heinz	O'Brien	Wampler
Hightower	Passman	White
Hillis	Pettis	Whitehurst
Hinshaw	Pickle	Wilson, Bob
Holt	Poage	Winn
Horton	Pressler	Wydler
Hutchinson	Pritchard	Young, Alaska
Hyde	Quie	Young, Fla.
Ichord	Railsback	Young, Tex.
Jarman	Regula	

NOT VOTING—52

Abzug	Fulton	Pepper
Alexander	Fuqua	Quillen
Anderson, Ill.	Ginn	Risenhoover
Bell	Gude	Rodino
Broyhill	Hawkins	Roncallo
Burgener	Jenrette	Rostenkowski
Burleson, Tex.	Jones, Tenn.	Schroeder
Butler	LaFalce	Steiger, Ariz.
Chappell	Leggett	Stratton
Clausen, Don H.	McEwen	Symington
	McKinney	Udall
Clawson, Del	Mann	Vander Veen
Collins, Ill.	Mathis	Whitten
Conlan	Metcalfe	Wiggins
Conyers	Mollohan	Wilson, Tex.
Cotter	Mosher	Wylie
Danielson	Nichols	Young, Ga.
Frenzel	Patman, Tex.	

So the bill was passed.

The Clerk announced the following pairs.

On this vote:

Mr. Rodino for, with Mr. Burleson of Texas against.

Mr. Cotter for, with Mr. Chappell, against.

Ms. Abzug for, with Mr. Charles Wilson of Texas against.

Mr. Stratton for, with Mr. Del Clawson against.

Mr. Symington for, with Mr. McKinney against.

Mr. Jenrette for, with Mr. Quillen against.

Mr. Jones of Tennessee for, with Mr. Frenzel against.

Mr. Leggett for, with Mr. Broyhill against.

Mr. Risenhoover for, with Mr. McEwen against.

Mr. Hawkins for, with Mr. Conlan against.

Mr. Nichols for, with Mr. Burgener against.

Mr. Roncallo for, with Mr. Steiger of Arizona against.

Mr. Rostenkowski for, with Mr. Wiggins against.

Mr. Pepper for, with Mr. Whitten against.

Mr. Mann for, with Mr. Anderson of Illinois against.

Mr. Gude for, with Mr. Bell against.

Mr. Young of Georgia for, with Mr. Butler against.

Until further notice:

Mr. Mollohan with Mr. Fulton.
Mr. Alexander with Mr. Fuqua.
Mrs. Collins of Illinois with Mr. Mathis.
Mr. Conyers with Mr. Patman.
Mr. Danielson with Mr. Metcalfe.
Mr. Ginn with Mr. Udall.
Mr. LaFalce with Mr. Vander Veen.
Mrs. Schroeder with Mr. Wylie.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities."

A motion to reconsider was laid on the table.

DR. ARTURO BOMOLAN DELA ROSA

Mr. EILBERG. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate bill (S. 1842) for the relief of Dr. Arturo Bomolan Dela Rosa, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1842

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Arturo Bomolan Dela Rosa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEALTH REVENUE SHARING AND HEALTH SERVICES ACT OF 1975

Mr. ROGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4925) to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing and health services, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. ROGERS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 4925, with Mr. STUDDS in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Florida (Mr. ROGERS) will be recognized for 30 minutes, and the gentleman from Kentucky (Mr. CARTER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us today is H.R. 4925, the Health Revenue Sharing and Health Services Act of 1975.

This is legislation which was originally written in the last Congress to extend expiring authorities for programs which provide health services. The bill was pocket vetoed by the President after adjournment in the last Congress and is, therefore, now brought again for your attention. Similar legislation, S. 66, has already passed the Senate.

H.R. 4925 would continue, without change, authorities for bloc grants to States for health services, and project grants for family planning, community mental health centers, migrant health programs, and community health centers for fiscal year 1975 at levels equal to those authorized for fiscal year 1974, extend these programs for fiscal years 1976 and 1977 with substantive modifications, and extend for fiscal year 1976, an existing program for the control of diseases borne by rodents. The reported bill would also authorize the establishment of new programs relating to home health services agencies, mental health of the elderly, epilepsy, Huntington's disease, and hemophilia. Existing programs revised and extended, by this legislation include:

Health revenue sharing: Revises and extends existing section 314(d) of the Public Health Service Act with a special authorization for establishing and maintaining programs for hypertension.

In connection with this revision I would like to explain that an annual report would be required from each State describing the services provided and their cost. Although the Secretary would be authorized to prescribe the program categories to be reported on, it is the intent of the committee that such categories be established through consultation with State officials and insofar as possible be consistent with the existing data systems of the States. Furthermore, not less than 70 percent of a State's allotment would be required to be spent in providing services at the community level. A number of States appropriate State funds to assist their subdivisions in providing public health services and where such State funds or a combination of State and Federal funds under this section are equal to at least 70 percent of the State's allotment of Federal funds, this requirement of the Federal law would be satisfied.

Family planning: Extends existing family planning programs and revises the authority by repealing the unused formula grant authority; by requiring that the family planning research authority, rather than general authorities of the PHS Act, be used for population research; by requiring annual updating of the 5-year plan for family planning services; and by including in the law additional specifications with regard to family planning projects, entities eligible to apply for grants, and the extent of Federal participation in grants awarded for family planning projects and programs.

Community mental health centers: Extends the Community Mental Health Centers Act and revises the act to provide a new definition of and requirements for community mental health centers in connection with CMHC's, I would like to note that, in their alcoholism programs, they should be encouraged to make active use of recovered alcoholics in treating current alcoholics since this has been shown to be effective where they are trained to give such treatment. The revised authority would also establish a national center for the prevention and control of rape within the National Institute of Mental Health to undertake a continuing study and investigation of rape, with authorizations of $17 million for fiscal years 1976 and 1977.

Migrant health: Amends section 310 of the PHS Act and amends the authority to define the nature, services, and operations of a migrant health center; establish a program of planning and development grants and grants for the costs of the operation of such centers; require the Secretary to establish a National Advisory Council on Migrant Health; and require the Secretary to undertake a study of migrant housing.

Community health centers: Repeals existing section 314(e) of the PHS Act under which community health centers—also called neighborhood health centers—are now supported and establishes a new section 330 which defines the nature, services, and operations of community health centers.

Rodent control: Amends section 317 of the PHS Act to expand communicable disease control programs to include diseases borne by rodents. Rodent control programs have been supported since 1969 under section 314(e) of the PHS Act, which is repealed by this legislation.

Authorizes demonstration grants for establishing and operating home health service agencies in areas in which such services are not now available and for the expansion of services provided by existing agencies. The bill would authorize demonstration grants for training professional and paraprofessional personnel in the provision of home health care.

Establish a temporary committee on mental health and illness of the elderly.

Establish a commission for the control of epilepsy.

Establish a commission for the control of Huntington's disease.

Authorize projects to establish comprehensive hemophilia diagnostic and treatment centers and to develop and expand, within existing facilities, blood-separation centers.

The total authorization of appropriations in this legislation for fiscal years 1976 and 1977 is $1.44 billion. This amount represents a substantial decrease from last year's figure, $1.82 billion, which has been done in response to the President's concern that the version which he vetoed at the end of the last Congress was excessively expensive. The total for 1976, $693 million can be compared with the amount authorized for the same program in 1973, $917 million, and 1974, $677 million. Thus, while these numbers are large, the members will recognize that they are really quite reasonable when compared to the amount of money which has already been authorized for these programs.

The programs in question are almost all in existence already and providing needed medical care to millions of our citizens. I do not think that I need to review the value of the community mental health centers program, the migrant health program, the neighborhood health centers program, or the others covered by this legislation. Each responds to specific needs within our society and each has been enthusiastically supported by all of the witnesses who have testified in front of our committee except for the administration. In the last Congress this legislation passed by a vote of 372 to 48. This indicates the extent of congressional support for these programs, and I urge that they again be overwhelmingly passed.

Mr. CARTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the bill, H.R. 4925, the Health Revenue Sharing Health Services Act of 1975.

Through this act, the Federal Government continues its support of basic health care in the Nation. This bill differs from that version passed by the 93d Congress and vetoed by the President. In an effort to compromise with the administration requests for authorization reductions, the committee has cut the total authorization figure from the $1,858,500 in H.R. 14214 to $1,442,000 in the new H.R. 4925.

Health programs of great significance are included in this measure. Among them are: the Health Revenue Sharing program which provides Federal funds to assist States in meeting the health needs of their citizens.

The continuation of the community mental health centers program is also included. The Committee has reviewed this program and has sought to reemphasize its desire to see the basic services provided through these projects supported strongly, while the growth of the administrative wing, often unchecked, should be held within reason.

Another important provision is the continuation of the Family Planning Act of 1970. Through this measure, 300 project grants supporting 3,600 clinics will be offering services to over 2 million women by the end of this fiscal year. This is an important program and certainly should be continued.

I want to take this opportunity to address myself to the question of abortion since there has been some concern expressed upon this family planning provision. There are no funds for abortion through title II of H.R. 4925. When the

UMI

original act was under consideration during the 90th Congress, the distinguished gentleman from Florida and I were requested by then-Speaker McCormack to omit any reference to funds for abortion in this act. I support the migrant health program and will offer an amendment to increase funding.

I firmly believe this measure should be passed by the House. It is a good bill which continues basic assistance for health services and health care delivery. We, the committee, have attempted to bring the authorization down to accommodate the administration. The programs in this bill are essential, and I urge its adoption.

Mr. ROGERS. Mr. Chairman, I yield such time has he may consume to the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Chairman, I rise in support of this legislation, and wish to indicate to the committee that at the appropriate time I will try to restore some of the funds to the neighborhood health centers.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan, Mr. Chairman, I rise in support of the legislation before us, H.R. 4925, the Health Revenue Sharing and Health Services Act of 1975.

This legislation provides the authority to extend and modify the programs for comprehensive public health services for fiscal years 1976 and 1977.

Speaking not only as one who is vitally concerned with our national health needs, but also as the chairman of the Subcommittee on Agricultural Labor, which has a very special interest in the needs of one group which will benefit significantly from this bill, the migrant and seasonal farmworkers, I urge my colleagues to support this legislation.

This legislation, a 2-year, $1.4 billion extension and modification of several major health programs, increases the national focus on the need to provide comprehensive services in health centers for migrant and seasonal farmworkers serving high impact programs by revising the legislative authority. It also substantially increases the authorization for programs to improve the healthfulness of the environment of migrant and seasonal farmworkers.

During my tenure as chairman of the Subcommittee on Agricultural Labor, I have witnessed firsthand the tragedy and suffering which results from the inadequate health care available to one of the hardest working and most underpaid segments of our labor force.

Anyone who is familiar with the plight of migrant and seasonal farmworkers is constantly aware of the drastic need for improved health services for these people, but this problem periodically becomes so severe that it receives national attention. Perhaps the most recent and dramatic example of this occurred just 2 years ago when a labor camp in Florida spawned a typhoid epidemic. Our subcommittee held extensive hearings in Florida and conducted investigations which enabled us to learn firsthand of the appalling living conditions families of migrant and seasonal farmworkers were forced to accept. I wish it were possible for each Member of this body to see what I saw there and to feel the revulsion and the shame I felt that one of the richest nations in the world would permit its citizens to live in such squalor while performing a function as basic and as necessary as planting and harvesting its crops.

This national focus on the typhoid epidemic resulted in greater emphasis on migrant camp sanitation through the migrant health program and in a program to train migrant project personnel to identify sanitation and environmental problems and to enable State agencies to assure high standards of sanitation.

But more must be done. I am pleased that this legislation reflects that need by modifying the migrant health program to make it more responsive to the profound health needs of the migrants and by authorizing more than twice the inadequate sum of $19 million requested by the administration for fiscal year 1976.

It requires that migrant health centers provide primary health services and supporting supplemental services, including preventive health services and adequate transportation to assure appropriate use of the centers.

In connection with my experience with the typhoid epidemic, I am pleased to report that this legislation requires migrant health centers to provide a broad spectrum of environmental health services relating to the detection and alleviation of unhealthful conditions associated with water supplies, sewage treatment, solid waste disposal, rodent and parasitic infestation, and sanitation in the fields and housing.

Further, this bill contains a mandate to the health centers to conduct infectious and parasitic disease screening and control and to attempt to prevent accidents including accidental pesticide exposure. The report language stresses that education of the workers in these areas is an important requirement of the centers.

This legislation recognizes the need for advice and studies at the Federal level by establishing a National Advisory Council on Migrant Health and by directing the Secretary of Health, Education, and Welfare to arrange for a comprehensive study of the quality of migrant housing available, the impact of housing deficiencies on workers' health, and the various governmental standards regulating such housing.

Again, Mr. Chairman, I urge my colleagues to support this bill which is so important for millions of Americans and especially vital for the hard-working migrant and seasonal farmworkers.

Mr. CARTER. Mr. Chairman, I have no further requests for time.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. NOLAN).

Mr. NOLAN. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, I have one question that I would like to ask of the distinguished gentleman from Florida (Mr. ROGERS) and that is: In the new language in the bill, is it clear that programs for natural family planning are eligible for funding under the provisions of this bill?

Mr. ROGERS. If the gentleman will yield, under the family planning provisions of this act that would be correct, funded programs would have to include natural family planning methods; the gentleman is entirely correct.

I might add that the gentlewoman from Louisiana (Mrs. BOGGS) was concerned about the same matter, and I assured the gentlewoman that it was covered.

Mr. NOLAN. Mr. Chairman, I thank the gentleman, and wish to compliment the gentleman from Florida (Mr. ROGERS) and the full committee for their work on this bill.

Mr. GONZALEZ. I thank the distinguished subcommittee chairman for yielding.

Mr. Chairman, I wish to say that I also support this legislation and respectfully submit to the House that we have two very distinguished gentlemen, able, competent, sensitive, and responsive, both in the person of the gentleman from Florida (Mr. ROGERS) and in the person of the gentleman from Kentucky (Mr. CARTER). We are all beholden to them, and I wish to make that very clear at this time.

At this time health care is one of the most basic and crucial issues in our country. There is a crying need just about everywhere for better delivery of health care services.

This bill cannot begin to meet the health needs that we have, but at least it extends what we have had the last few years, modifies some of the established programs, and also authorizes the establishment of new programs relating to home health services agencies, mental health of the elderly, epilepsy, Huntington's disease, and hemophilia.

One of the programs which is revised and extended by this program is the community mental health centers program.

The Bexar County Mental Health/Mental Retardation Center programs in San Antonio are doing, I feel, a commendable job—with the mentally retarded, with those with emotional and mental illnesses, and in rehabilitating alcoholics and drug addicts.

With the increasing chances of someone in everyone's family at one time or another being mentally ill and needing help, we cannot minimize the importance of such programs, and efforts within our communities.

Statistics on the chances of mental illness among the populace causes this truth to stare us in the face: community mental health centers are crucial to our society's survival.

This bill is necessary for the continuation of such programs in San Antonio, and I am sure for many other areas across the country.

An important section of the revised authority of this extension of the Community Mental Health Centers Act is the establishment of a National Center for the Prevention and Control of Rape within the National Institute of Mental Health. Rape is a crime which, unfortunately, continues to show up as a large statistic on crime reports. The problem of rape is only one aspect of all our national mental health problems, but hopefully this new center will enable us to somehow meet the challenge of what this crime is doing to our society and to its victims which are traumatized and whose lives are oftentimes wrecked by it.

Migrant health care is another important part of this bill.

During the harvest season there are literally hundreds of my constituents, who board up their homes and follow the crops from Texas to California and on up to the Northwest and over to Michigan.

Migrant health care centers are a necessary part of helping take care of those who harvest the crops in our great land.

Health revenue sharing, family planning, community health centers for health care other than mental, home health services agencies, and rodent control are also programs extended and revised by this bill.

I am glad to lend my support and assistance in the enactment of this legislation.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from California.

Mr. GOLDWATER. I thank the gentleman for yielding.

Will the gentleman perhaps elaborate and explain a portion of the bill which requires an accumulation of data and reports to the agency? Was there consideration for the protection of personal information, medical records, personal financial records, records of a personal nature, that this information would be kept in such a manner that those unauthorized would not have access to it, and that this information would not be transferred or be made available to those other than and outside of the program? Has this been taken into consideration? It was discussed, and is there anything in the bill?

Mr. ROGERS. Yes, it is required in the bill at various points that medical records be protected with confidentiality.

Mr. GOLDWATER. Is that written into it as a part of the law or as a part of the report?

Mr. ROGERS. It is in the law.

Mr. GOLDWATER. It is in the law?

Mr. ROGERS. It is in the law.

Mr. GOLDWATER. I thank the gentleman.

Mr. ROGERS. I thank the gentleman for his concern.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Illinois.

Mr. MICHEL. I thank the gentleman for yielding.

As I understand it, the bill authorizes $2,120,000,000 for 3 fiscal years; is that correct?

Mr. ROGERS. All we are doing for 1975 is extending the funding at the current level for 1974. It is all ongoing, and 1975 is practically over now, as the gentleman knows, so really the funding is for 1976 and 1977, 2 more years.

Mr. MICHEL. Two years?

Mr. ROGERS. Yes, and that amount is $1,442,000,000. We have cut the bill over $417 million, so that we have cut almost half of a billion dollars in trying to accede to the President's concern.

Mr. MICHEL. May I inquire as to how that figure squares with the budget control legislation which we passed a few weeks ago and the Congress reported? Is it all included?

Mr. ROGERS. Yes. It is included in the congressional budget figure.

Mr. MICHEL. This measure has some new programs?

Mr. ROGERS. The authorizations for new programs is very small. It is less than $40 million overall.

Mr. MICHEL. For example, mental health for the elderly, a categorized program. What is the difference between mental health for the elderly and mental health for the middle-aged?

Mr. ROGERS. There is a significant difference in the way they are treated, in mental health for the elderly and for children, for instance. Most of the added programs are studies. Many of these were added in the Senate when we went to conference, so I think the gentleman would be pleased at the way we handled these particular programs, and I think we can point that out to the gentleman.

Mr. MICHEL. But some of these programs were not the original ones that passed the House, however. They are incorporated now as a result of the conference action on the bill that was vetoed.

Mr. ROGERS. This is correct. The House has passed all of these before, but what we did was simply take the conference bill that we had agreed on and worked from that and reduced it and cut almost a half billion dollars out.

Mr. MICHEL. Is this item of rape prevention and control a project grant type of thing, or how does that program work?

Mr. ROGERS. It would create a small program consisting of a center at NIMH to study the problem.

Mr. MICHEL. Are there going to be some amendments, any committee amendments offered to this legislation?

Mr. ROGERS. There are. We have one committee amendment simply to give the family planning people a few more months to extend some time. The gentleman from Kentucky (Mr. CARTER) has an amendment, and the gentleman from New York (Mr. OTTINGER) has an amendment. I think Mr. BAUMAN has some discussion that we will cover.

Mr. MICHEL. Is it the gentleman's desire, then, that general debate be limited as much as possible and that we move on?

Mr. ROGERS. I think it would be well for us to proceed in that way.

Mr. MICHEL. If that is the proposed procedure I suggest we go ahead.

Mr. CARTER. Mr. Chairman, I have no further requests for time.

Mr. ROGERS. Mr. Chairman, I yield to the gentlewoman from Louisiana (Mrs. BOGGS) such time as she may consume.

Mrs. BOGGS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to take this opportunity to ask one question of the gentleman from Florida in hopes that he could clarify for me the intentions of this legislation. Section 204 of the bill amends the Public Health Service Act by indicating that family planning projects eligible for funding under title II should include those offering "a broad range of acceptable and effective family planning methods—including natural family planning methods."

Some women can only utilize natural family planning because of medical, moral or other considerations. Am I correct that one purpose of this language is to insure that the Department of HEW continues to develop programs which would provide the education and training needed by family planning program personnel which would enable them to understand not only the methods of natural family planning but also the type of outreach and patient communication program needed to reach users of these methods?

Mr. ROGERS. The gentlewoman is absolutely correct. It is the intent and clearly set forth in the law.

Mrs. BOGGS. Mr. Chairman, I thank the gentleman from Florida for his assistance in clarifying this matter. I cannot stress how important it is to include in family planning programs those information services on natural methods which would not compromise the moral convictions of the patients involved.

Again, I would like to urge this House to approve this vitally needed legislation.

Mr. ROGERS. I thank the gentlewoman from Louisiana.

Mr. JENRETTE. Mr. Chairman, the Health Revenue Sharing and Health Services Act is of particular importance to my district and my State. Community mental health centers and community health centers have more than proved their value Without such outpatient care, our already overloaded hospitals would be clogged and inefficient.

In the case of mental health clinics, I do not need to remind this body of the trend away from the custodial approach—particularly in those instances where there is not a severe problem.

In my largely rural district, each of the provisions of this bill represents a crucial need.

There is an urgent need for speedy action to assure that Federal funds for community mental health centers will continue for fiscal years 1975 and 1976. The crisis is occurring at the very time that such centers are experiencing an increasing demand on services as a result of the recession.

I have received numerous letters from constituents who are concerned that a lack of funding for the various health care provisions in this legislation would leave many persons in South Carolina without recourse.

I believe we have pared the fat out of this bill. Cutting it by $417 million to $1.44 billion should more than meet President Ford's objections in the pocket-vetoed bill already passed.

Family planning, another provision of this legislation, is something many rural residents of low-income families may avail themselves of in order to better fit their lifestyles and incomes to today's economic realities. Migrant health services is another feature that has been ne-

UMI

glected, not just in South Carolina, but throughout the South.

The bill would establish a Commission for the Control of Epilepsy, a Committee on Mental Health and Illness of the Elderly, and a Commission for the Control of Huntington's Disease. It would authorize the establishment of hemophilia centers and development of blood separation centers. These are all areas of importance sadly neglected in the past.

Mr. Speaker, it is time we set priorities in our spending and concentrated on such domestic matters of real and urgent concern.

Health revenue sharing is a concept that has shown it is a pragmatic and workable approach to a long-range solution to local health care needs, administered by the people who best know local problems.

I urge my colleagues to approve this worthwhile legislation.

Ms. ABZUG. Mr. Chairman, I understand that a colloquy concerning the use of funds authorized under this act for research on abortion methods may ensue after general debate.

As we all know, there are a number of contraceptives that are thought to operate by preventing fertilized eggs from implanting in the wall of the uterus. It is important that we make clear that nothing in this act can be construed to prevent research on these methods of family planning.

A few examples of the kind of family planning methods to which I am referring are in order. Intrauterine devices, or IUD's, are steel or polyethylene devices placed inside the uterine cavity. Although it is not entirely clear how the device works, evidence suggest that it initiates a local inflammatory reaction, causing white blood cells to attack the fertilized egg. As Dr. Philip Corfman, Director of the Center for Population Research of HEW, pointed out in testimony before the Subcommittee on Constitutional Amendments in the other body:

> We cannot know with certainty how IUD's work, but many scientists believe that they prevent implantation.

According to the National Center for Health Statistics, 1.6 million married women, and probably countless others, were using the IUD in 1973. Although widely used, the IUD is far from a safe method of contraception. Undesirable and dangerous side effects, such as septic abortion and perforation of the uterus, have been associated with the use of these devices. But women will continue to use the IUD, whether safe or unsafe, as long as the range of contraceptive devices is so limited. It is crucial that research designed to perfect these devices continue.

The morning-after pill, which most commonly consists of diethylstilbestrol or DES, is another contraceptive which is thought to act by preventing the implantation of the fertilized egg. This pill is used for emergency treatment, primarily in cases of rape and incest. As Senator KENNEDY pointed out in debate in the other body, as many as 18,000 pregnancies could result from rape in a single year. The need for a morning-after pill is clear.

Recently, controversy has developed over the use of DES as a morning-after pill, for studies have linked the drug to vaginal and cervical cancer in the daughters of some women who took the drug during pregnancy to prevent against miscarriage, a fairly common use of the drug in the 1950's and early 1960's. It is not yet clear if other undesirable side effects result from the use of this particular, morning-after pill. Again, research must continue on this important method of contraception so that women who are raped can be assured of a method by which they can avoid pregnancy.

It is also possible that some of the low dose hormonal contraceptives, or birth control pills, operate not only by preventing ovulation, but also by inhibition of the implantation of a fertilized egg. It is suspected that the close to 100% effectiveness of the pill is due to this secondary mode of action. Again, it must be made clear that nothing in this act restricts research on such methods of family planning.

Finally, research on new methods of contraception is necessary if we are to develop drugs and devices which are not only effective, but safe. These new contraceptives can be developed only if we allow the researchers in this field to pursue valuable scientific inquiry free of unnecessary and harmful restrictions. Nothing in this act should be construed to limit in any way this vital research.

The Center for Population Research in the National Institutes of Health, has been the major component in the Federal Government which conducts research on contraceptive methods. According to its director, Dr. Corfman, the Center conducts research both on the development of new contraceptive drugs and devices, and evaluates the safety and effectiveness of existing methods of contraception, such as the pill and the IUD. Additionally, the Center studies such matters as medical complications resulting from abortion, and the effect of abortion on subsequent pregnancies. It is of the greatest importance that this valuable and necessary research continue, and that nothing in this act be understood to restrict it in any way.

Mr. BADILLO. Mr. Chairman, I rise in support of H.R. 4925, the Health Revenue Sharing and Health Services Act of 1975. This legislation would provide needed authorization for the continued funding of major health programs designed to improve their effectiveness. In addition, the bill would establish a number of new programs to insure that health services are provided in areas which do not have adequate existing services or facilities.

I especially call attention to the committee's concern for low-income areas. This concern is reflected in the language of the committee report, which specifically states that "priority in services should be given to persons from low-income families."

An excellent example of the committee's concern for low-income people who suffer from critical shortages of health services, is its efforts to truly reach specific neighborhoods which are pockets of poverty. In the past, low-income districts in the midst of large cities have been prevented, by HEW regulation, from receiving urgently needed health services. The larger population area surrounding the inner city has always had a much higher physician-to-patient ratio than the disadvantaged area, and this had created a definitional barrier to designation of the poor neighborhood as medically underserved. This, in turn, has prevented inner-city districts such as the one I represent from benefiting from community health centers and other health services to the degree to which they are needed. It is my hope that this legislation will remedy that situation and insure that truly medically underserved will be so designated and served.

I note that under title VI, diseases borne by rodents and home health service programs are authorized only for fiscal 1976. I sincerely hope that these worthwhile programs will be continued, in light of the obvious need for aid in these areas in our cities and throughout the Nation. Studies indicating that home health care is often considerably less expensive than institutional care, and is preferred by patients, indicate that this is a method of treatment that may hold great promise for the future, particularly for home-bound elderly persons.

With respect to the authorization levels established by H.R. 4925, I would hope that the House will entertain amendments to increase them. The problems of health care that face our people daily have been compounded by the burdens of our Nation's economic situation, and I strongly urge my colleagues to fulfill the commitments made by this legislation by approving adequate funding levels for these vital health programs.

For example, it is my understanding that my distinguished colleague from New York (Mr. OTTINGER) will be offering an amendment, as a member of the committee, to increase the authorization level for Community Health Centers from $460 million for fiscal 1976 and 1977 to $520 million. This is a modest increase which would reflect the impact of inflation over last year's level. Community Health Centers have been most effective in providing health services, particularly among medically underserved populations. We know that the demands being made on Community Health Centers will increase and our recognition of those facts should be reflected in a corresponding increase in the level of authorization. I would also urge my colleagues to favorably consider any further amendments increasing authorization levels in recognition of the continuing critical health care shortage.

In these times of economic crisis, ever-increasing demands will be made for all types of public health services, whether they be mental health, family planning, or general health services. We must act now to insure that the basic health needs of our constituents do not go unnoticed.

Mrs. BURKE of California. Mr. Chairman, as a prime sponsor of the Rape Prevention and Control Act, I am pleased that the provisions of that legislation are included as title III of the Health Revenue Sharing and Health Services Act.

The incidence of forcible sexual assault has become more and more widespread over the past several decades. Forcible rape is the fastest growing crime of violence in the United States. At the same time, it is probably one of the most under-reported and least understood crimes in the country. According to the Uniform Crime Report released by the FBI, over 51,000 females were the victims of rape in 1973. This figure represents a 10-percent increase over 1972 and a shocking 62-percent increase over a 5-year period—1968–73. The increase may stem in part from improved reporting and a growing willingness on the part of victims to press charges despite the risks. But it must also undoubtedly reflect an increase in the incidence of rape in this country.

The reasons that rape victims either fail or choose not to report such a savage crime of personal invasion are numerous; some obvious, some less so. Aside from the personal embarrassment or trauma that the victim must suffer if she carries her case into the courts, there appears to be a growing sense of futility by the victim toward winning her case. Only 51 percent of the rapes reported in 1973 were cleared by arrest; of the adults arrested, 76 percent were prosecuted for this offense; of those cases prosecuted, 36 percent resulted in conviction. This means that forcible rape has a lower conviction rate than any other crime.

The skyrocketing incidence of reported rapes, the inadequacy of our current antiquated rape laws, the indignities often experienced by rape victims, and the low rate of rape convictions all point to the need for a national rape-prevention effort.

This legislation represents an attempt at the national level to encourage consideration of the general attitudes and assumptions about rape, its victims, and its perpetrators. The objective of the legislation, included as part D of the Community Mental Health Centers Act, is to establish the National Center for the Prevention and Control of Rape, which will undertake a national effort against the crime of rape and in support of the victim. The center, to be located within the National Institute of Mental Health, would be responsible for financing and conducting research and demonstration programs into the causes, consequences, prevention, treatment, and control of rape.

The center, with its repository of research and information on rape prevention and treatment, would be of considerable benefit to States and communities in developing more effective and more humane victim-oriented procedures for dealing with rape victims. Primary activity involving rape prevention, treatment and control would still be supported by State, local, and voluntary funding sources, but the Federal Government can and should encourage and support these activities by providing technical advice and financially supporting research and demonstration projects to discover new and more effective means of carrying out State and local programs. I would expect that any studies and investigations undertaken by the center would utilize the expertise of the various citizen groups throughout the country who have been involved in running rape crisis intervention programs and similar projects.

Under this act, an advisory committee will be appointed to advise, consult, and make recommendations on the implementation of the programs of the center. The intent of the legislation as originally introduced, and as stated in the committee report, is to appoint persons to this committee who are particularly qualified and recognized leaders in the area of rape prevention, treatment, and control. It is also specified in the legislation that a majority of the members of the committee must be women.

I would hope that promising new approaches to rape prevention, treatment, and control will be developed and put into effect as a result of the center's research and demonstration program as well as the other studies and investigations it will undertake. This legislation is only a first step in moving our Nation toward a more responsible, more humane system for dealing with rape victims and a more effective law for dealing with the perpetrators of this crime. By placing a higher priority on examining the causes and consequences of rape and seeking more effective methods of rehabilitation, we can move closer to discovering methods for preventing and controlling this heinous crime. Only then will women be able to have the security and peace of mind to move about as freely as men.

Mr. DODD. Mr. Chairman, I rise in support of H.R. 4925, the Health Revenue Sharing and Health Services Act of 1975.

This act provides for the continuation and expansion of many health programs, which provide health facilities to the poor and jobless, the elderly, and the migrant worker—those groups which traditionally have been unable to obtain an adequate quality of medical care and which have been hardest hit by inflation. H.R. 4925 also provides for the expansion of the community health centers, and it is this health program which I would like to bring to the attention of my colleagues today.

Community mental health centers have proven to be one of the best ways of providing effective health care. These centers provide for individualized and convenient health care for the purpose of integrating persons with mental problems into the communities in which they live.

In 1970, it was estimated that 10 percent of the U.S. population had some form of mental illness. Only one-seventh of these people received some form of treatment—either inpatient or outpatient health care, and it is interesting to note that the rate of mental illness is increasing in proportion to the population growth of the United States.

However, we should also take note of the fact that the number of mental patients who received institutionalized care peaked in 1955 and has since declined. In 1955, approximately 560,000 people received institutionalized mental health care, while in 1974, only 215,000 individuals were institutionalized for mental health treatment.

There are many reasons for this decline. Some areas quite frankly have failed to provide the necessary support for institutional facilities due to the increased cost of providing institutionalized mental health care. This cost has increased from $14.89 per patient in 1970 to $30.86 per patient in 1974. In addition, there has actually been a growing dissatisfaction with the benefits of institutional care. For these reasons, the community health centers which provide outpatient care have come to be utilized more and more. For instance, in 1974, 1,274,000 people were treated in federally funded mental health centers, in 1975, 1,482,000 were treated, and in 1976, 1,698,000 received treatment.

While they have been used more and more there are still many areas in the country which have a great need for mental health centers. In eastern Connecticut, which I represent, although there are plans being made for the creation of mental health centers, there are large areas which are in need of a community mental health center.

The Federal Government must assume the responsibility of providing for the funding of the local health services which the States and local jurisdictions cannot afford. In Connecticut, we are faced with a situation where 85 percent of the budget for the Department of Mental Health goes toward institutionalized care and only 15 percent for outpatient care. By not providing adequate facilities for mental health patients we are forcing people to seek institutionalized care and to remain in institutions. Our goal should be to help the mentally ill to be rehabilitated into the community.

I share the concern of my colleagues who want to hold Federal spending down. Our decisions in this session of Congress will not be easy ones; yet we have a clear responsibility to the people to insure that adequate health services are available. I believe community mental health centers provide essential health services in a way that has proven to be more economical than some other forms of care. Therefore, I urge my colleagues to support this important legislation. If we do not provide the care the mentally ill need, who will?

Mrs. BOGGS. Mr. Chairman, I would like to take this opportunity to commend the gentleman from Florida and the other members of the Subcommittee on Health and the Environment for their hard work and dedication. The Health Revenue Sharing and Health Services Act is truly an important step forward in the field of health care and I urge this House to pass it overwhelmingly.

One of the most important features of this legislation is the continuation of the direct formula grant program which would provide State health services across the Nation with almost $100 million in Federal funds. My own State, Louisiana, would receive approximately $1.4 million of the authorization.

Should the direct formula grant program be discontinued, the delivery of vital public health services to the people would be severely impaired. It has been suggested that, without these funds, Louisiana would have to reduce its public

health staff by 108 positions, two-thirds of which would be public health nurses and sanitarians. These would not be positions for individuals involved in new pilot or demonstration projects. I am talking about the very basic elements of public health: Nursing and sanitation programs which are essential for the control and prevention of communicable diseases.

Louisiana's public health services are delivered to the people through 64 parish centers and 42 branch offices. The minimum staff for a health unit is three persons—one nurse, one clerk, and one sanitarian. Take away the one sanitarian and you have diminished that staff and its services by one-third. But there is no way to measure or even to predict the increase in public health hazards that would result.

The safety of the food, milk, water, drugs, and cosmetics of the people of Louisiana depends upon the inspection and sampling services of the public health sanitarian. He is active in water and air pollution control. He supervises and inspects sewage disposal; controls garbage collection methods and waste disposal; inspects plumbing installations and drainage systems; investigates conditions and premises in the community; controls rodents and other pests; inspects jails; supervises industrial premises; inspects school buildings for proper heating, lighting, and ventilation, and for sanitary food handling facilities. He inspects hospitals and nursing homes and day care centers. Only last November, Assistant Surgeon General David J. Spencer commended a Louisiana sanitarian for an outstanding rabies investigation that probably saved human lives and certainly prevented the disease from spreading.

Sixty-one sanitarians, 60 of them field personnel, are salaried through formula grant funds. Louisiana cannot do without them.

Formula grant funds also pay the salaries of 15 public health nurses, many of them employed in the State's tuberculosis control program. Louisiana's eight regional chest clinics are our major case-finding and treatment centers for tuberculosis. Not only do they detect and treat tuberculosis, identify and evaluate contacts, test high-risk population groups, and provide physician-prescribed drugs to patients, but they also provide nutritional and medical social services to tuberculosis patients. Through the regional chest clinics, local clinics, and parish health units, we have reduced the rate of tuberculosis in Louisiana to the extent that one tuberculosis hospital has been closed, and two other major facilities have already reduced their patient census. To reduce the staff of the tuberculosis control program would be to invite resurgence of this disease.

Also involved are the salaries of employees in handicapped children's services, nutrition, engineering, occupational health, administration, and services to our chronically ill and aged population.

As you can readily conclude any reduction or elimination of these basic health services in the field of public health would be catastrophic for the people of Louisiana. I am sure that similar results would occur in every State of the Union.

Mr. FLORIO. Mr. Chairman, before us today we have a bill which provides us the opportunity to continue the assistance to the States for health services, including grants for community health and mental health centers, family planning, and migrant health programs.

The Health Revenue Sharing and Health Services Act of 1975 is a comprehensive, fiscally responsible piece of legislation which is essential for the continued and expanded health delivery in every State in the Nation.

Of particular interest to my State, the State of New Jersey, is the expansion of the communicable disease control programs to include diseases borne by rodents. The rodent control centers in New Jersey have made great strides in combating the rodent problem in our cities. For the benefit of my State, and of course every State, it is most necessary to continue this war on rodents, thus immensely contributing to the health and safety of our urban populations.

Of important significance also is the establishment of the National Center for the Prevention and Control of Rape. It is extremely encouraging to see the addition of this provision for it indicates that we are resolved to approach this most despicable of crimes on a unified, orderly, national basis. With the incidence of rape ever increasing, various independent organizations have contributed greatly to the knowledge of treatment of victims and preventive measures. I am most grateful to have this opportunity to organize and disseminate this knowledge on a national level so that all communities may benefit from the resources of this newly created center. Bear in mind that the number of victims alone does not nearly represent the true number of persons affected by this crime both physically and psychologically. Our response to this need for prevention and control of rape is before us today, and is desperately urgent.

I most strongly urge my colleagues to vote for successful passage of H.R. 4925 thereby assuring the citizens of this country that the Congress is truly responsive to their health needs and physical well being.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill by titles.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND EFFECTIVE DATE

SECTION 1. (a) This Act may be cited as the "Health Revenue Sharing and Health Services Act of 1975".

(b) Except as may otherwise be specifically provided, the amendments made by titles I, II, III, IV, V, and VI of this Act shall take effect July 1, 1975. The amendments made by such titles to the provisions of law amended by the titles are made to such provisions as amended by title VII of this Act.

TITLE I—HEALTH REVENUE SHARING

SEC. 101. This title may be cited as the "Special Health Revenue Sharing Act of 1975".

SEC. 102. Effective with respect to grants made under section 314(d) of the Public Health Service Act from appropriations under that section for fiscal years beginning after June 30, 1975, section 314(d) of the Public Health Service Act is amended to read as follows:

"Comprehensive Public Health Services

"(d)(1) From allotments made pursuant to paragraph (4), the Secretary shall make grants to State health and mental health authorities to assist in meeting the costs of providing comprehensive public health services.

"(2) No grant may be made under paragraph (1) to the State health or mental health authority of any State unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary may require, and shall contain or be supported by assurances satisfactory to the Secretary that—

"(A) the comprehensive public health services provided within the State will be provided in accordance with the State plan prepared in accordance with section 1524(c)(2) or the State plan approved under section 314(a), whichever is applicable;

"(B) funds received under grants under paragraph (1) and (i) be used to supplement and, to the extent practical, to increase the level of non-Federal funds that would otherwise be made available for the purposes for which thet grant funds are provided, and (ii) not be used to supplant such non-Federal funds;

"(C) the State health authority, and, with respect to mental health activities, the State mental health authority will—

"(i) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds received under grants under paragraph (1);

"(ii) from time to time, but not less often than annually, report to the Secretary (through a uniform national reporting system and by such categories as the Secretary may prescribe) a description of the comprehensive public health services provided in the State in the fiscal year for which the grant applied for is made and the amount of funds obligated in such fiscal year for the provision of each such category of services; and

"(iii) make such reports (in such form and containing such information as the Secretary may prescribe) as the Secretary may reasonably require, and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness of, and to verify, such reports;

"(D) the State mental health authority will—

"(i) establish and carry out a plan which—

"(I) is designed to eliminate inappropriate placement of persons with mental health problems in institutions, to insure the availability of appropriate noninstitutional services for such persons, and to improve the quality of care for those with mental health problems for whom institutional care is appropriate; and

"(II) shall include fair and equitable arrangements, as determined by the Secretary, to protect the interests of employees affected by actions taken pursuant to such plan, including arrangements designed (to the extent feasible as determined by the Secretary) to preserve employee rights and benefits and to provide appropriate training and retraining of such employees who are employed by the State or any of its political subdivisions;

"(ii) prescribe and provide for the enforcement of minimum standards for the maintenance and operation of mental health programs and facilities (including community mental health centers) with the State; and

"(iii) provide for assistance to courts and other public agencies and to appropriate private agencies to facilitate (I) screening by community mental health centers (or, if

there are no such centers, other appropriate entities) of residents of the State who are being considered for inpatient care in a mental health facility to determine if such care is necessary, and (II) provision of followup care by community mental health centers (or if there are no such centers, by other appropriate entities) for residents of the State who have been discharged from mental health facilities.

"(3) The Secretary shall review annually the activities undertaken by each State with an approved application to determine if the State complied with the assurances provided with the application. The Secretary may not approve an application submitted under paragraph (2) if the Secretary determines—

"(A) that the State for which the application was submitted did not comply with assurances provided with a prior application under paragraph (2), and

"(B) that he cannot be assured that the State will comply with the assurances provided with the application under consideration.

"(4) In each fiscal year the Secretary shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (1) among the States on the basis of the population and the financial need of the respective States. The populations of the States shall be determined on the basis of the latest figures for the population of the States available from the Department of Commerce.

"(5) The Secretary shall determine the amount of any grant under paragraph (1); but the amount of grants made in any fiscal year to the public and mental health authorities of any State may not exceed the amount of the State's allotment available for obligation in such fiscal year. Payments under such grants may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(6) In any fiscal year—

"(A) not less than 15 per centum of a State's allotment under paragraph (4) shall be made available only for grants under paragraph (1) to the State's mental health authority for the provision of mental health services; and

"(B) not less than—

"(i) 70 per centum of the amount of a State's allotment which is made available for grants to the mental health authority, and

"(ii) 70 per centum of the remainder of the State's allotment,

shall be available only for the provision services in communities of the State.

"(7)(A) For payments under grants under paragraph (1) there are authorized to be appropriated $100,000,000 for fiscal year 1976, and $110,000,000 for fiscal year 1977.

"(B) For payments under grants under paragraph (1) for establishing and maintaining programs, described in applications under paragraph (2), for the screening, detection, diagnosis, prevention, and referral for treatment of hypertension there are authorized to be appropriated $15,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977".

TITLE II—FAMILY PLANNING PROGRAMS

SEC. 201. This title may be cited as the "Family Planning and Population Research Act of 1975".

SEC. 202. (a) Section 1001(c) of the Public Health Service Act is amended (1) by striking out "and" after "1973;" and (2) by inserting after "1975" the following: "; $4,000,000 for fiscal year 1976; and $5,000,000 for fiscal year 1977".

(b) Section 1003(b) of such Act is amended (1) by striking out "and" after "1973;" and (2) by inserting after "1975" the following: "; $2,000,000 for fiscal year 1976; and $2,500,000 for fiscal year 1977".

(c) Section 1004 of such Act is amended to read as follows:

"RESEARCH

"SEC. 1004. (a) The Secretary may—

"(1) conduct, and

"(2) make grants to public or nonprofit private entities and enter into contracts with public or private entities and individuals for projects for,

research in the biomedical, contraceptive development, behavioral, and program implementation fields related to family planning and population.

"(b)(1) To carry out subsection (a) there are authorized to be appropriated $55,000,000 for fiscal year 1976, and $60,000,000 for fiscal year 1977.

"(2) No funds appropriated under any provision of this Act (other than this subsection) may be used to conduct or support the research described in subsection (a)."

(d) Section 1005(b) of such Act is amended (1) by striking out "and" after "1973;" and (2) by inserting after "1975" the following: "; $2,000,000 for fiscal year 1976; and $2,500,000 for fiscal year 1977".

SEC. 203. (a) Title X of such Act is amended by inserting after section 1008 the following new section:

"PLANS AND REPORTS

"SEC. 1009. (a) Not later than four months after the close of each fiscal year, the Secretary shall make a report to the Congress setting forth a plan to be carried out over the next five fiscal years for—

"(1) extension of family planning services to all persons desiring such services,

"(2) family planning and population research programs,

"(3) training of necessary manpower for the programs authorized by this title and other Federal laws for which the Secretary has responsibility and which pertain to family planning, and

"(4) carrying out the other purposes set forth in this title and the Family Planning Services and Population Research Act of 1970.

"(b) Such a plan shall, at a minimum, indicate on a phased basis—

"(1) the number of individuals to be served by family planning programs under this title and other Federal laws for which the Secretary has responsibility, the types of family planning and population growth information and educational materials to be developed under such laws and how they will be made available, the research goals to be reached under such laws, and the manpower to be trained under such laws;

"(2) an estimate of the costs and personnel requirements needed to meet the purposes of this title and other Federal laws for which the Secretary has responsibility and which pertain to family planning programs; and

"(3) the steps to be taken to maintain a systematic reporting system capable of yielding comprehensive data on which service figures and program evaluations for the Department of Health, Education, and Welfare shall be based.

"(c) Each report submitted under subsection (a) shall—

"(1) compare results achieved during the preceding fiscal year with the objectives established for such year under the plan contained in the previous such report;

"(2) indicate steps being taken to achieve the objectives during the fiscal years covered by the plan contained in such report and any revisions to plans in previous reports necessary to meet these objectives; and

"(3) make recommendations with respect to any additional legislative or administrative action necessary or desirable in carrying out the plan contained in such report."

(b) Section 5 of the Family Planning Services and Population Research Act of 1970 is repealed.

SEC. 204. (a) Section 1001(a) of the Public Health Service Act is amended by striking out "family planning projects" and inserting in lieu thereof "family planning projects which shall offer a broad range of acceptable and effective family planning methods (including natural family planning methods)".

(b) Section 1001(b) of such Act is amended by adding at the end thereof the following new sentence: "Local and regional entities shall be assured the right to apply for, and be direct recipients of, grants and contracts under this section, and the Secretary shall by regulation fully provide for and protect such right."

(c) Section 1006(a) of such Act is amended by adding at the end thereof the following new sentence: "The amount of any grant under any section of this title shall be determined by the Secretary; except that no grant under any such section for any program or project for a fiscal year beginning after June 30, 1975, may be made for less than 90 per centum of its cost (as determined under regulations of the Secretary) unless the grant is to be made for a program or project for which a grant was made (under the same section) for the fiscal year ending June 30, 1975, for less than 90 per centum of its costs (as so determined), in which case a grant under such section for that program or project for a fiscal year beginning after that date may be made for a percentage which shall not be less than the percentage of its costs for which the fiscal year 1975 grant was made.".

(d) The last sentence of section 1006(c) of such Act is amended by inserting immediately before the period the following: "so as to insure that economic status shall not be a deterrent to participation in the programs assisted under this title".

TITLE III—COMMUNITY MENTAL HEALTH CENTERS

SEC. 301. This title may be cited as the "Community Mental Health Centers Amendments of 1975".

SEC. 302. (a) The Congress finds that—

(1) community mental health care is the most effective and humane form of care for a majority of mentally ill individuals;

(2) the federally funded community mental health centers have had a major impact on the improvement of mental health care by—

(A) fostering coordination and cooperation between various agencies responsible for mental health care which in turn has resulted in a decrease in overlapping services and more efficient utilization of available resources,

(B) bringing comprehensive community mental health care to all in need within a specific geographic area regardless of ability to pay, and

(C) developing a system of care which insures continuity of care for all patients,

and thus are a national resource to which all Americans should enjoy access; and

(3) there is currently a shortage and maldistribution of quality community mental health care resources in the United States.

(b) The Congress further declares that Federal funds should continue to be made available for the purposes of initiating new and continuing existing community mental health centers and initiating new services within existing centers, and for the monitoring of the performance of all federally funded centers to insure their responsiveness to community needs and national goals relating to community mental health care.

SEC. 303. The Community Mental Health Centers Act is amended to read as follows:

"TITLE II—COMMUNITY MENTAL HEALTH CENTERS

"PART A—PLANNING AND OPERATIONS ASSISTANCE

"REQUIREMENTS FOR COMMUNITY MENTAL HEALTH CENTERS

"SEC. 301 (a) For purposes of this title (other than part B thereof), the term 'community mental health center' means a legal entity (1) through which comprehensive mental health services are provided—

"(A) principally to individuals residing in a defined geographic area (referred to in this title as a 'catchment area'),

"(B) within the limits of its capacity, to any individual residing or employed in such area regardless of his ability to pay for such services, his current or past health condition, or any other factor, and

"(C) in the manner prescribed by subsection (b), and (2) which is organized in the manner prescribed by subsections (c) and (d).

"(b)(1) The comprehensive mental health services which shall be provided through a community mental health center shall include—

"(A) inpatient services, outpatient services, day care and other partial hospitalization services, and emergency services;

"(B) a program of specialized services for the mental health of children, including a full range of diagnotic, treatment, liaison, and followup services (as prescribed by the Secretary);

"(C) a program of specialized services for the mental health of the elderly, including a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary);

"(D) consultation and education services which—

"(i) are for a wide range of individuals and entities involved with mental health services, including health professionals, schools, courts, State and local enforcement and correctional agencies, members of the clergy, public welfare agencies, health services delivery agencies, and other appropriate entities; and

"(ii) include a wide range of activities (other than the provision of direct clinical services) designed to (I) develop effective mental health programs in the center's catchment area, (II) promote the coordination of the provision of mental health services among various entities serving the center's catchment area, (III) increase the awareness of the residents of the center's catchment area of the nature of mental health problems and the types of mental health services available, and (IV) promote the prevention and control of rape and the proper treatment of the victims of rape;

"(E) assistance to courts and other public agencies in screening residents of the center's catchment area who are being considered for referral to a State mental health facility for inpatient treatment to determine if they should be so referred and provision, where appropriate, of treatment for such persons through the center as an alternative to inpatient treatment at such a facility;

"(F) provision of followup care for residents of its catchment area who have been discharged from a mental health facility;

"(G) a program of transitional half-way house services for mentally ill individuals who are residents of its catchment area and who have been discharged from a mental health facility or would without such services require inpatient care in such a facility; and

"(H) provision of each of the following service programs (other than a service program for which there is not sufficient need (as determined by the Secretary) in the center's catchment area, or the need for which in the center's catchment area the Secretary determines is currently being met):

"(i) A program for the prevention and treatment of alcoholism and alcohol abuse and for the rehabilitation of alcohol abusers and alcoholics.

"(ii) A program for the prevention and treatment of drug addiction and abuse and for the rehabilitation of drug addicts, drug abusers, and other persons with drug dependency problems.

"(2) The provision of comprehensive mental health services through a center shall be coordinated with the provision of services by other health and social service agencies (including State mental health facilities) in or serving residents of the center's catchment area to insure that persons needing or receiving services through the center have access to all such health and social services as they may require. The center's services (A) may be provided at the center or satellite centers through the staff of the center or through appropriate arrangements with health professionals and others in the center's catchment area, (B) shall be available and accessible to the residents of the area promptly, as appropriate, and in a manner which preserves human dignity and assures continuity and high quality care and which overcomes geographic, cultural, linguistic, and economic barriers to the receipt of services, and (C) when medically necessary, shall be available and accessible twenty-four hours a day and seven days a week.

"(c)(1)(A) The governing body of a community mental health center (other than a center described in subparagraph (B)) shall (i) be composed, where practicable, of individuals who reside in the center's catchment area and who, as a group, represent the residents of that area taking into consideration their employment, age, sex, and place of residence, and other demographic characteristics of the area, and (ii) meet at least once a month, establish general policies for the center (including a schedule of hours during which services will be provided), approve the center's annual budget, and approve the selection of a director for the center. At least one-half of the members of such body shall be individuals who are not providers of health care.

"(B) In the case of a community mental health center which before the date of enactment of the Community Mental Health Centers Amendments of 1975 was operated by a governmental agency and received a grant under section 220 (as in effect before such date), the requirements of subparagraph (A) shall not apply with respect to such center, but the governmental agency operating the center shall appoint a committee to advise it with respect to the operations of the center, which committee shall be composed of individuals who reside in the center's catchment area, who are representative of the residents of the area as to employment, age, sex, place of residence, and other demographic characteristics, and at least one-half of whom are not providers of health care.

"(2) For purposes of subparagraphs (A) and (B) of paragraph (1), the term 'provider of health care' means an individual—

"(A) who is a direct provider of health care (including a physician, dentist, nurse, podiatrist, or physician assistant) in that the individual's primary current activity is the provision of health care to individuals or the administration of facilities or institutions (including hospitals, long-term care facilities, outpatient facilities, and health maintenance organizations) in which such care is provided and, when required by State law, the individual has received professional training in the provision of such care or in such administration and is licensed or certified for such provision or administration; or

"(B) who is an indirect provider of health care in that the individual—

"(i) holds a fiduciary position with, or has a fiduciary interest in, any entity described in subclause (II) or (IV) of clause (ii);

"(ii) receives (either directly or through his spouse) more than one-tenth of his gross annual income from any one or combination of the following:

"(I) Fees or other compensation for research into or instruction in the provision of health care.

"(II) Entities engaged in the provision of health care or in such research or instruction.

"(III) Producing or supplying drugs or other articles for individuals or entities for use in the provision of or in research into or instruction in the provision of health care.

"(IV) Entities engaged in producing drugs or such other articles.

"(iii) is a member of the immediate family of an individual described in subparagraph (A) or in clause (i), (ii), or (iv) of subparagraph (B); or

"(iv) is engaged in issuing any policy or contract or individual or group health insurance or hospital or medical service benefits.

"(d) A center shall have established, in accordance with regulations prescribed by the Secretary, (1) an on-going quality assurance program (including utilization and peer review systems) respecting the center's services, (2) an integrated medical records system (including a drug use profile) which, in accordance with applicable Federal and State laws respecting confidentiality, is designed to provide access to all past and current information regarding the health status of each patient and to maintain safeguards to preserve confidentiality and to protect the rights of the patient, (3) a professional advisory board, which is composed of members of the center's professional staff, to advise the governing board in establishing policies governing medical and other services provided by such staff on behalf of the center, and (4) an identifiable administrative unit which shall be responsible for providing the consultation and education services described in subsection (b)(1)(D). The Secretary may waive the requirements of clause (4) with respect to any center if he determines that because of the size of such center or because of other relevant factors the establishment of the administrative unit described in such clause is not warranted.

"GRANTS FOR PLANNING COMMUNITY MENTAL HEALTH CENTER PROGRAMS

"SEC. 202. (a) The Secretary may make grants to public and nonprofit private entities to carry out projects to plan community mental health center programs. In connection wtih a project to plan a community mental health center program for an area the grant recipient shall (1) assess the needs of the area for mental health services, (2) design a community mental health center program for the area based on such assessment, (3) obtain within the area financial and professional assistance and support for the program, and (4) initiate and encourge continuing community involvement in the development and operation of the program. The amount of any grant under this subsection may not exceed $75,000.

"(b) A grant under subsection (a) for a project shall be made for its costs for the one-year period beginning on the first day of the month in which the grant is made; and, if a grant is made under such subsection for a project, no other grant may be made for such project under such subsection.

"(c) The Secretary shall give special consideration to applications submitted for grants under subsection (a) for projects for community mental health centers programs for areas designated by the Secretary as urban or rural poverty areas. No applications for a grant under subsection (a) may be approved unless the application is recommended for approval by the National Advisory Mental Health Council.

"(d) There are authorized to be appropriated for payments under grants under subsection (a) $3,750,000 for the fiscal year 1976, and $3,750,000 for the fiscal year 1977.

"GRANTS FOR INITIAL OPERATION

"SEC. 203. (a)(1) The Secretary may make grants to—

"(A) public and nonprofit private community mental health centers, and

"(B) any public or nonprofit private entity which—

"(i) is providing mental health services.

"(ii) meets the requirements of section 201 except that it is not providing all of the comprehensive mental health services described in subsection (b)(1) of such section, and

"(iii) has a plan satisfactory to the Secretary for the provision of all such services within two years after the date of the receipt of the first grant under this subsection,

to assist them in meeting their costs of operation (other than costs related to construction).

"(2) Grants under subsection (a) may only be made for a grantee's costs of operation during the first eight years after its establishment. In the case of a community mental health center or other entity which received a grant under section 220 (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975), such center or other entity shall, for purposes of grants under subsection (a), be considered as having been in operation for a number of years equal to the sum of the number of grants in the first series of grants it received under such section and the number of grants it has received under this subsection.

"(b)(1) Each grant under subsection (a) to a community mental health center or other entity shall be made for the costs of its operation for the one-year period beginning on the first day of the month in which such grant is made.

"(2) No community mental health center may receive more than eight grants under subsection (a). No entity described in subsection (a)(1)(B) may receive more than two grants under subsection (a). In determining the number of grants that a community mental health center has received under subsection (a), there shall be included any grants which the center received under such subsection as an entity described in paragraph (1)(B) of such subsection.

"(c) The amount of a grant for any year made under subsection (a) shall be the lesser of the amounts computed under paragraph (1) or (2) as follows:

"(1) An amount equal to the amount by which the grantee's projected costs of operation for that year exceed the total of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the grantee may reasonably be expected to collect in that year.

"(2)(A) Except as provided in subparagraph (B), an amount equal to the following percentages of the grantee's projected costs of operation: 80 per centum of such costs for the first year of its operation, 65 per centum of such costs for the second year of its operation, 35 per centum of such costs for the fourth year of its operation, 30 per centum of such costs for the fifth and sixth years of its operation, and 25 per centum of such costs for the seventh and eighth years of its operation.

"(B) In the case of a grantee providing services for persons in an area designated by the Secretary as an urban or rural poverty area, an amount equal to the following percentages of the grantee's projected costs of operation: 90 per centum of such costs for the first two years of its operation, 80 per centum of such costs for the third year of its operation, 70 per centum of such costs for the fourth year of its operation, 60 per centum of such costs for the fifth year of its operation, 50 per centum of such costs for the sixth year of its operation, 40 per centum of such costs for the seventh year of its operation, and 30 per centum of such costs for the eighth year of its operation.

In any year in which a grantee receives a grant under section 204 for consultation and education services, the costs of the grantee's operation for that year attributable to the provision of such services and its collections in that year for such services shall be disregarded in making a computation under paragraph (1) or (2) respecting a grant under subsection (a) for that year.

"(d)(1) There are authorized to be appropriated for payments under initial grants under subsection (a) $50,000,000 for fiscal year 1976, and $55,000,000 for fiscal year 1977.

"(2) For fiscal year 1977, and for each of the succeeding seven fiscal years, there are authorized to be appropriated such sums as may be necessary to make payments under continuation grants under subsection (a) to community mental health centers and other entities which first received an initial grant under this section for fiscal year 1976, or the next fiscal year and which are eligible for a grant under this section in a fiscal year for which sums are authorized to be appropriated under this paragraph.

"(e)(1) Any entity which has not received a grant under subsection (a), which received a grant under section 220, 242, 243, 251, 256, 264, or 271 of this title (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975) from appropriations under this title for a fiscal year ending before July 1, 1975, and which would be eligible for another grant under such section from an appropriation for a succeeding fiscal year if such section were not repealed by the Community Mental Health Centers Amendments of 1975 may, in lieu of receiving a grant under subsection (a) of this section, continue to receive a grant under each such repealed section under which it would be so eligible for another grant—

"(A) for the number of years and in the amount prescribed for the grant under each such repealed section, except that—

"(i) the entity may not receive under this subsection more than two grants under any such repealed section unless it meets the requirements of section 201, and

"(ii) the total amount received for any year (as determined under regulations of the Secretary) under the total of the grants made to the entity under this subsection may not exceed the amount by which the entity's projected costs of operation for that year exceed the total collections of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the entity may reasonably be expected to make in that year; and

"(B) in accordance with any other terms and conditions applicable to such grant.

In any year in which a grantee under this subsection receives a grant under section 204 for consultation and education services, the staffing costs of the grantee for that year which are attributable to the provision of such services and the grantee's collections in that year for such services shall be disregarded in applying subparagraph (A) and the provisions of the repealed section applicable to determining the amount of the grant the grantee may receive under this subsection for that year.

"(2) An entity which receives a grant the authority for which is provided by this subsection may not receive any grant under subsection (a).

"(3) There are authorized to be appropriated for fiscal year 1976, and for each of the next six fiscal years such sums as may be necessary to make grants in accordance with paragraph (1).

"(f) Unless otherwise specifically provided, a reference in this title to a grant under section 203 includes a grant under subsection (a) of this section and a grant the authority for which is provided by subsection (e) of this section.

"GRANTS FOR CONSULTATION AND EDUCATION SERVICES

"SEC. 204. (a)(1) The Secretary may make annual grants to any community mental health center for the costs of providing the consultation and education services described in section 201(b)(1)(D) if the center—

"(A) received from appropriations for a fiscal year ending before July 1, 1975, a staffing grant under section 220 of this title (as in effect before the date of enactment of the Community Mental Centers Amendments of 1975) and may not because of limitations respecting the period for which grants under that section may be made receive under section 203(e) an additional grant under such section 220; or

"(B) has received or is receiving a grant under section 203 and the number of years in which the center has been in operation (as determined in accordance with section 203(a)(2)) is not less than four (or is not less than two if the Secretary determines that the center will be unable to adequately provide the consultation and education services described in section 201(b)(1)(D) during the third or fourth years of its operation without a grant under this subsection).

"(2) The Secretary may also make annual grants to a public or non-profit private entity—

"(A) which has not received any grant under this title (other than a grant under this section as amended by the Community Mental Health Centers Amendments of 1975).

"(B) which meets the requirements of section 201 except, in the case of an entity which has not received a grant under this section, the requirement for the provision of consultation and education services described in section 201(b)(1)(D), and

"(C) the catchment area of which is not within (in whole or in part) the catchment area of a community mental health center, for the costs of providing such consultation and education services.

"(b) The amount of any grant made under subsection (a) shall be determined by the Secretary, but no such grant to a center may exceed the lesser of 100 per centum of such center's costs of providing such consultation and education services during the year for which the grant is made or—

"(1) in the case of each of the first two years for which a center receives such grant, the sum of (A) an amount equal to the product of $0.50 and the population of the center's catchment area, and (B) the lesser of (i) one-half the amount determined under clause (A), or (ii) one-half of the amount received by the center in such year from charges for the provision of such services;

"(2) in the case of the third year for which a center receives such a grant, the sum of (A) an amount equal to the product of $0.50 and the population of the center's catchment area, and (B) the lesser of (i) one-half the amount determined under clause (A) or (ii) one-fourth of the amount received by the center in such year from charges for the provision of such services; and

"(3)(A) except as provided in subparagraph (B), in the case of the fourth year and each subsequent year thereafter for which a center receives such a grant, the lesser of (i) the sum of (I) an amount equal to the product of $0.125 and the population of the center's catchment area, and (II) one-eighth of the amount received by the center

in such year from charges for the provision of such services, or (ii) $50,000; or

"(B) in the case of the fourth year and each subsequent year for which a center receives such a grant, the sum of (i) an amount equal to the product of $0.25 and the population of the center's catchment area, and (ii) the lesser of (I) the amount determined under clause (i) of this subparagraph, or (II) one-fourth of the amount received by the center in such year from charges for the provision for such services if the amount of the last grant received by the center under section 220 of this title (as in effect before the date of the enactment of the Community Mental Health Amendments of 1975) or section 203 of this title, as the case may be, was determined on the basis of the center providing services to persons in an area designated by the Secretary as an urban or rural poverty area.

For purposes of this subsection, the term 'center' includes an entity which receives a grant under subsection (a)(2).

"(c) There are authorized to be appropriated for payments under grants under this section $10,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977.

"CONVERSION GRANTS

"SEC. 205. (a) The Secretary may make not more than two grants to any public or nonprofit entity which—

"(1) has an approved application for a grant under section 203 or 211, and

"(2) can reasonably be expected to have an operating deficit, for the period for which a grant is or will be made under such application, which is greater than the amount of the grant the entity is receiving or will receive under such application.

for the entity's reasonable costs in providing mental health services which are described in section 201(b)(1) but which the entity did not provide before the date of the enactment of the Community Mental Health Centers Admendments of 1975.

"(b)(1) Each grant under subsection (a) to an entity shall be made for the same period as the period for which the grant under section 203 or 211 for which the entity had an approved application is or will be made.

"(2) The amount of any grant under subsection (a) to any entity shall be determined by the Secretary, but no such grant may exceed that part of the entity's projected operating deficit for the year for which the grant is made which is reasonably attributable to its costs of providing in such year the services with respect to which the grant is made. For purposes of this paragraph, the term 'projected operating deficit' means the excess of an entity's projected costs of operation (including the costs of operation related to the provision of services for which a grant may be made under subsection (a)) for a particular period over the total of the amount of State, local, and other funds (including funds under a grant under section 203, 204, or 211) received by the entity in that period and the fees, premiums, and third-party reimbursements which the entity may reasonably be expected to collect during that period.

"(c) there are authorized to be appropriated for payments under grants under subsection (a) $20,000,000 for fiscal year 1976, and $20,000,000 for fiscal year 1977.

"GENERAL PROVISIONS RESPECTING GRANTS UNDER THIS PART

"SEC. 206. (a)(1) No grant may be made under this part to any entity or community mental health center in any State unless a State plan for the provision of comprehensive mental health services within such State has been submitted to, and approved by, the Secretary under section 237.

"(b) No grant may be made under this part unless an application (meeting the requirements of subsection (c)) for such grant has been submitted to, and approved by, the Secretary.

"(c)(1) An application for a grant under this part shall be submitted in such form and manner as the Secretary shall prescribe and shall contain such information as the Secretary may require. Except as provided in paragraph (3), an application for a grant under section 2033, 204, or 205 shall contain or be supported by assurances satisfactory to the Secretary that—

"(A) the community mental health center for which the application is submitted will provide, in accordance with regulations of the Secretary (i) an overall plan and budget that meets the requirements of section 1661(z) of the Social Security Act, and (ii) an effective procedure for developing compiling, evaluating, and reporting to the Secretary statistics and other information (which the Secretary shall publish and disseminate on a periodic basis and which the center shall disclose at least annually to the general public) relating to (I) the cost of the center's operation, (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, (IV) the impact of its services upon the mental health of the residents of its catchment area, and (V) such other matters as the Secretary may require;

"(B) such community mental health center will, in consultation with the residents of its catchment area, review its program of services and the statistics and other information referred to in subparagraph (A) to assure that its services are responsive to the needs of the residents of the catchment area;

"(C) to the extent practicable, such community mental health center will enter into cooperative arrangements with health maintenance organizations services residents of the center's catchment area for the provision through the center of mental health services for the members of such organizations under which arrangements the charges to the health maintenance organizations for such services shall be not less than the actual costs to the center of providing such services;

"(D) in the case of a community mental health center serving a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and (ii) identified an individual on its staff who is fluent in both that language and English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences;

"(E) such community mental health center has (i) established a requirement that the health care of every patient must be under the supervision of a member of the professional staff, and (ii) provided for having a member of the professional staff available to furnish necessary mental health care in case of an emergency;

"(F) such community mental health center has provided appropriate methods and procedures for the dispensing and administering of drugs and biologicals;

"(G) in the case of an application for a grant under section 203 for a community mental health center which will provide services to persons in an area designated by the Secretary as an urban or rural poverty area, the applicant will use the additional grant funds it receives, because it will provide services to persons in such an area, to provide services to persons in such area who are unable to pay therefor;

"(H) such community mental health center will develop a plan for adequate financial support to be available, and will use its best efforts to insure that adequate financial support will be available to it from Federal sources (other than this part) and non-Federal sources (including, to the maximum extent feasible, reimbursement from the recipients of consultation and education services and screening services provided in accordance with sections 201(b)(1)(D) and 201(b)(1)(E)) so that the center will be able to continue to provide comprehensive mental health services when financial assistance provided under this part is reduced or terminated, as the case may be;

"(I) such community mental health center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(J) such community mental health center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(K) such community mental health center (i) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments which discounts are adjusted on the basis of the patient's ability to pay; (ii) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such approved schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (J) on the basis of the full amount of fees and payments for such services without application of any discount, and (iii) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph; and

"(L) such community mental health center will adopt and enforce a policy (i) under which fees for the provision of mental health services through the center will be paid to the center, and (ii) which prohibits health professional who provide such services to patients through the center from providing such services to such patients except through the center.

An application for a grant under section 203 shall also contain a long-range plan for the expansion of the program of the community mental health center for which the application is submitted for the purpose of meeting anticipated increases in demand by residents of the center's catchment area for the comprehensive mental health services described in section 201(b)(1). Such a plan shall include a description of planned growth in the programs of the center, estimates of increased costs arising from such growth, estimates of the portion of such increased costs to be paid from Federal funds, and anticipated sources of non-Federal funds to pay the portion of such increased costs not to be paid from Federal funds.

"(2) The Secretary may approve an application for a grant under section 203, 204, or 205 only if the application is recommended for approval by the National Advisory Mental Health Council, the application meets the requirements of paragraph (1), and, except as provided in paragraph (3), the Secretary—

"(A) determines that the facilities and equipment of the applicant under the application meet such requirements as the Secretary may prescribe;

"(B) determines that—

"(i) the application contains or is supported by satisfactory assurances that the comprehensive mental health services (in the case of an application for a grant under section 203 or 205) or the consultation and education services (in the case of an application for a grant under section 204) to be provided by the applicant will constitute an addition to, or a significant improvement in quality (as determined in accordance with criteria of the Secretary) of, services that would otherwise be provided in the catchment area of the applicant:

"(ii) the application contains or is supported by satisfactory assurance that Federal funds made available under section 203, 204, or 205, as the case may be, will (I) be used to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds, including third-party health insurance payments, that would in the absence of such Federal funds be made available for the applicant's comprehensive mental health services, and (II) in no event supplant such State, local, and other non-Federal funds;

"(iii) in the case of an applicant which received a grant from appropriations for the preceding fiscal year, during the year for which the grant was made the applicant met, in accordance with the section under which such grant was made, the requirements of section 201 and complied with the assurances which were contained in or supported the applicant's application for such grant; and

"(iv) in the case of an application for a grant the amount of which is or may be determined under section 203(c)(2)(B) or 204(b)(3)(B), or under a provision of a repealed section of this title referred to in section 203(e) which authorizes an increase in the ceiling on the amount of a grant to support services to persons in areas designated by the Secretary as urban or rural poverty areas, the application contains or is supported by assurances satisfactory to the Secretary that the services of the applicant will, to the extent feasible, be used by a significant number of persons residing in an area designated by the Secretary as an urban or rural poverty area and requiring such services.

"(3) In the case of an application—

"(A) for the first grant under section 203(a) for an entity described in section 203(a)(1)(B), or

"(B) for the first grant the authority for which is provided by section 203(e),

the Secretary may approve such application without regard to the assurances required by the second sentence of paragraph (1) of this subsection and without regard to the determinations required of the Secretary under paragraph (2) of this subsection if the application contains or is supported by assurances satisfactory to the Secretary that the applicant will undertake, during the period for which such first grant is to be made, such actions as may be necessary to enable the applicant, upon the expiration of such period, to make each of the assurances required by paragraph (1) and to enable the Secretary, upon the expiration of such period, to make each of the determinations required by paragraph (2).

"(4) In each fiscal year for which a community mental health center receives a grant under section 203, 204, or 205, such center shall obligate for a program of continuing evalution of the effectiveness of its programs in serving the needs of the residents of its catchment area and for a review of the quality of the services provided by the center not less than an amount equal to 2 per centum of the amount obligated by the center in the preceding fiscal year for its operating expenses.

"(5) The costs for which grants may be made under setcion 203(a), 204, or 205 shall be determined in the manner prescribed in regulations of the Secretary issued after consultation with the National Advisory Mental Health Council.

"(6) An application for a grant under section 203, 204, or 205—

"(A) may not be disapproved, and

"(B) may not be approved for an amount less than that authorized by such section,

solely on the ground that the applicant has not made reasonable efforts to secure payment under section 203(a), 204, or 205 shall assurances provided under subparagraphs (I), (J), and (K) of subsection (c)(1) unless the Secretary first informs such applicant of the respects in which he has not made such reasonable efforts and the manner in which his performance can be improved and gives the applicant a reasonable opportunity to respond. Applications disapproved, and applications approved for reduced amounts, on such grounds shall be referred to the National Advisory Mental Health Council for its review and recommendations respecting such approval or disapproval.

"(d) An application for a grant under this part which is submitted to the Secretary shall at the same time be submitted to the State mental health authority for the State in which the project or community mental health center for which the application is submitted is located. A State mental health authority which receives such an application under this subsection may review it and submit its comments to the Secretary within the forty-five-day period beginning on the date the application was received by it. The Secretary shall take action to require an applicant to revise his application or to approve or disapprove an application within the period beginning on the date the State mental health authority submits its comments or on the expiration of such forty-five-day period, whichever occurs first, and ending on the ninetieth day following the date the application was submitted to him.

"(e) Not more than 2 per centum of the total amount appropriated under sections 203, 204, and 205 for any fiscal year shall be used by the Secretary to provide directly through the Department technical assistance for program management and for training in program management to community mental health centers which received grants under such sections or to entities which received grants under section 220 of this title in a fiscal year beginning before the date of the enactment of the Community Mental Health Centers Amendments of 1975.

"(f) For purposes of subsections (b), (c), (d), and (e) of this section, the term 'community mental health center' includes an entity which applies for or has received a grant under section 203 or 204(a)(2).

"PART B—FINANCIAL DISTRESS GRANTS

"GRANT AUTHORITY

"SEC. 211. The Secretary may make grants for the operation of any community mental health center which—

"(1)(A) received a grant under section 220 of this title (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975) and, because of limitations in such section 220 respecting the period for which the center may receive grants under such section 220, is not eligible for further grants under that section for a fiscal year beginning after June 30, 1975; or

"(B) received a grant or grants under section 203(a) of this title and, because of limitations respecting the period for which grants under such section may be made, is not eligible for further grants under that section; and

"(2) demonstrates that without a grant under this section there will be a significant reduction in the types or quality of services provided or there will be an inability to provide the services described in section 201(b).

"GRANT REQUIREMENTS

"SEC. 212. (a) No grant may be made under section 211 to any community mental health center in any State unless a State plan for the provision of comprehensive mental health services within such State has been submitted to, and approved by, the Secretary under section 237. Any grant under section 211 may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the community mental health center agree (1) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of that center's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information, and (4) to use a grant received under section 211 to enable it to provide (within such period as the Secretary may prescribe) the comprehensive mental health services described in section 201(b) and to revise its organization to meet the requirements of sections 201(c) and 201(d).

"(b) An application for a grant under section 211 must contain or be supported by the assurances prescribed by subparagraphs (A), (B), (C), (D), (E), (F), (G), (I), (J), (K), and (L) of section 206(c)(1) and assurances satisfactory to the Secretary that the applicant will expend for its operation as a community mental health center, during the year for which such grant is sought, and amount of funds (other than funds for construction, as determined by the Secretary) from non-Federal sources which is at least as great as the average annual amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three years immediately preceding the year for which such grant is sought. The Secretary may not approve such an application unless it has been recommended for approval by the National Advisory Mental Health Council. The requirements of section 206(d) respecting opportunity for review of applications by State mental health authorities and time limitations on actions by the Secretary on applications shall apply with respect to applications submitted for grants under section 211.

"(c) Each grant under this section to a grantee shall be made for the projected costs of operation (except the costs of providing the consultation and education services described in section 201(b)(1)(D)) of such grantee for the one-year period beginning on the first day of the first month in which such grant is made. No community mental health center may receive more than three grants under section 211.

"(d) The amount of a grant for a community mental health center under section 211 for any year shall be the lesser of the amounts computed under paragraph (1) or (2) as follows:

"(1) An amount equal to the amount by which the center's projected costs of operation for that year exceed the total of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the center may reasonably be expected to collect in that year.

"(2) An amount equal to the product of—

"(A) 90 per centum of the percentage of costs—

"(1) which was the ceiling on the grant last made to the center in the first series of grants it received under section 220 of this title (as in effect before the date of the enactment of the Community Mental Health Centers Amendments of 1975), or

"(ii) prescribed by subsection (c)(2) of section 203 for computation of the last grant to the center under such section,

whichever grant was made last, and

"(B) the center's projected costs of operation in the year for which the grant is to be made under section 211.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 213. There are authorized to be appropriated $15,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977 for payments under grants under section 211.

"PART C—FACILITIES ASSISTANCE

"ASSISTANCE AUTHORITY

"SEC. 221. (a) From allotments made under section 227 the Secretary shall pay, in accordance with this part, the Federal share of projects for (1) the acquisition or remodeling, or both, of facilities for community mental health centers, (2) the leasing (for not more than twenty-five years) of facilities for such centers, (3) the construction of new facilities or expansion of existing facilities for community mental health centers if not less than 25 per centum of the residents of the centers' catchment areas are members of low-income groups (as determined under regulations prescribed by the Secretary), and (4) the initial equipment of a facility acquired, remodeled, leased, constructed, or expanded with financial assistance provided under payments under this part. Payments shall not be made for the construction of a new facility or the expansion of an existing one unless the Secretary determines that it is not feasible for the recipients to acquire or remodel an existing facility.

"(b)(1) For purposes of this part, the term 'Federal share' with respect to any project described in subsection (a) means the portion of the cost of such project to be paid by the Federal Government under this part.

"(2) The Federal share with respect to any project described in subsection (a) in a State shall be the amount determined by the State agency of the State, but, except as provided in paragraph (3), the Federal share for any such project may not exceed 66⅔ per centum of the costs of such project or the State's Federal percentage, whichever is the lower. Prior to the approval of the first such project in a State during any fiscal year, the State agency shall give the Secretary written notification of (A) the maximum Federal share, established pursuant to this paragraph, for such projects in such State which the Secretary approves during such fiscal year, and (B) the method for determining the specific Federal share to be paid with respect to any such project; and such maximum Federal share and such method of Federal share determination for such projects in such State during such fiscal year shall not be changed after the approval of the first such project in the State during such fiscal year.

"(3) In the case of any community mental health center which provides or will, upon completion of the project for which application has been made under this part, provide services for persons in an area designated by the Secretary as an urban or rural poverty area, the maximum Federal share determined under paragraph (2) may not exceed 90 per centum of the costs of the project.

"(4)(A) For purposes of paragraph (2), the Federal percentage for (i) Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be 66⅔ per centum, and (ii) any other State shall be 100 per centum less than percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the average per capita income of all the States.

"(B) The Federal percentages under clause (ii) of subparagraph (A) shall be promulgated by the Secretary, between October 1 and December 31 of each even-numbered year, on the basis of the average of the per capita incomes of each of the States subject to such Federal percentages and of all the States subject to such percentages for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such promulgation.

"APPROVAL OF PROJECTS

"SEC. 222. (a) For each project for a community mental health center facility pursuant to a State plan approved under section 237, there shall be submitted to the Secretary, through the State agency of the State, an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the project, the application may be filed by one or more of such agencies. Such application shall set forth—

"(1) a description of the site for such project;

"(2) plans and specifications therefor in accordance with the regulations prescribed by the Secretary under section 236;

"(3) except in the case of a leasing project, reasonable assurance that title to such site is or will be vested in one or more of the agencies filing the application or in a public or nonprofit private agency which is to operate the community mental health center;

"(4) reasonable assurance that adequate financial support will be available for the project and for its maintenance and operation when completed;

"(5) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a construction or remodeling project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c);

"(6) a certification by the State agency of the Federal share for the project; and

"(7) the assurances described in section 206(c)(2).

Each applicant shall be afforded an opportunity for a hearing before the State agency respecting its application. For purposes of paragraph (3), the term 'title' means a fee simple or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of acquisition, remodeling, construction, or expansion of a facility and its operation.

"(b) The Secretary shall approve an application submitted in accordance with subsection (a) if—

"(1) sufficient funds to pay the Federal share for the project for which the application was submitted are available from the allotment to the State;

"(2) the Secretary finds that the application meets the applicable requirements of subsection (a) and the community mental health center for which the application was submitted will meet the requirements of the State plan (under section 237) of the State in which the project is located; and

"(3) the Secretary finds that the application has been approved and recommended by the State agency and is entitled to priority over other projects within the State, as determined under the State plan.

No application shall be disapproved by the Secretary until he has afforded the State agency an opportunity for a hearing. The Secretary may not approve an application under this part for a project for a facility for a community mental health center or other entity which received a grant under section 220, 242, 243, 251, 256, 264, or 271 of this title (as in effect before the date of the enactment of the Community Mental Health Centers Amendments of 1975) from appropriations for a fiscal year ending before July 1, 1975, unless the Secretary determines that the application is for a project for a center or entity which upon completion of such project will be able to significantly expand its services and which demonstrates exceptional financial need for assistance under this part for such project. Amendment of any approved application shall be subject to approval in the same manner as an original application.

"PAYMENTS

"SEC. 223. (a)(1) Upon certification to the Secretary by the State agency, based upon inspection by it, that work has been performed upon a remodeling, construction, or expansion project, or purchases for such a project have been made, in accordance with the approved plans and specifications, and that payment of an installment is due to the applicant, such installment shall be paid to the State, from the applicable allotment of such State, except that (1) if the State is not authorized by law to make payments to the applicant, the payment shall be made directly to the applicant, (2) if the Secretary, after investigation or otherwise, has reason to believe that any act (or failure to act) has occurred requiring action pursuant to subsection (c) of this section, payment may, after he has given the State agency notice of opportunity for hearing pursuant to such section, be withheld in whole or in part, pending corrective action or action based on such hearing, and (3) the total payments with respect to such project may not exceed an amount equal to the Federal share of the cost of such project.

"(2) In case an amendment to an approved application is approved or the estimated cost of a remodeling, construction, or expansion project is revised upward any additional payment with respect thereto may be made from the applicable allotment of the State for the fiscal year in which such amendment or revision is approved.

"(b) Payments from a State allotment for acquisition and leasing projects shall be made in accordance with regulations which the Secretary shall promulgate.

"(c)(1) If the Secretary finds that—

"(A) a State agency is not substantially complying with the provisions required by section 237 to be in a State plan or with regulations issued under section 236;

"(B) any assurance required to be in an application filed under section 222 is not being carried out;

"(C) there is substantial failure to carry out plans and specifications approved by the Secretary under section 222; or

"(D) adequate State funds are not being provided annually for the direct administration of a State plan approved under section 237,

the Secretary may take the action authorized under paragraph (2) of this subsection if the finding was made after reasonable notice and opportunity for hearing to the involved State agency.

"(2) If the Secretary makes a finding described in paragraph (1), he may notify the involved State agency, which is the subject of the finding or which is connected with a project or State plan which is the subject of the finding, that—

"(A) no further payments will be made to the State from allotments under section 227; or

"(B) no further payments will be made from allotments under section 227 for any project or projects designated by the Secretary as being affected by the action or inaction referred to in subparagraph (A), (B), (C), or (D) of paragraph (1),

as the Secretary may determine to be appropriate under the circumstances; and, except with regard to any project for which the application has already been approved and which is not directly affected, further payments from such allotments may be withheld, in whole or in part, until there is no longer any failure to comply (or to carry out the assurance or plans and specifications or to provide adequate State funds, as the case may be) or, if such compliance (or other action) is impossible, until the State repays or arranges for the repayment of Federal moneys to which the recipient was not entitled.

"JUDICIAL REVIEW

"SEC. 224. If—

"(1) the Secretary refuses to approve an application for a project submitted under section 222, the State agency through which such application was submitted, or

"(2) any State is dissatisfied with the Secretary's action under section 223(c) or 237(c), such State,

may appeal to the United States court of appeals for the circuit in which such State agency or State is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but, until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of facts and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the Court, operate as a stay of the Secretary's action.

"RECOVERY

"SEC. 225. If any facility of a community mental health center acquired, remodeled, constructed, or expanded with funds provided under this part is, at any time within twenty years after the completion of such remodeling, construction, or expansion or after the date of its acquisition with such funds—

"(1) sold or transferred to any person or entity

(A) which is not qualified to file an application under section 222, or (B) which is not approved as a transferee by the State agency of the State in which such facility is located, or its successor; or

"(2) not used by a community mental health center in the provision of comprehensive mental health services, and the Secretary has not determined that there is good cause for termination of such use,

the United States shall be entitled to recover from either the transferor or the transferee in the case of a sale or transfer or from the owner in the case of termination of use an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the center is situated) of so much of such facility or center as constituted an approved project or projects, as the amount of the Federal participation bore to the acquisition, remodeling, construction, or expansion cost of such project or projects. Such right of recovery shall not constitute a lien upon such facility or center prior to judgment.

"NONDUPLICATION

"SEC. 226. No grant may be made under the Public Health Service Act for the remodeling, construction, or expansion of a facility for a community mental health center unless the Secretary determines that there are no funds available under this part for the remodeling, construction, or expansion of such facility.

"ALLOTMENTS TO STATES

SEC. 227. (a) In each fiscal year, the Secretary shall, in accordance with regulations, make allotments from the sums appropriated under section 228 to the States (with State plans approved under section 237) on the basis of (1) the population, (2) the extent of the need for community mental health centers, and (3) the financial need, of the respective States; except that no such allotment to any State, other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands, in any fiscal year may be less than $100,000. Sums so allotted to a State other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands, in a fiscal year and remaining unobligated at the end of such year shall remain available to such State for such purpose in the next fiscal year (and in such year only), in addition to the sums allotted for such State in such next fiscal year. Sums so allotted to the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands in a fiscal year and remaining unobligated at the end of such year shall remain available to such State for such purpose in the next two fiscal years (and in such years only), in addition to the sums allotted to such State for such purpose in each of such next two fiscal years.

"(b) The amount of an allotment under subsection (a) to a State in a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as he may fix, to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State in a fiscal year shall be deemed to be a part of its allotment under subsection (a) in such fiscal year.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 228. There are authorized to be appropriated $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977, for allotments under section 227.

"PART D—RAPE PREVENTION AND CONTROL

"RAPE PREVENTION AND CONTROL

"SEC. 231. (a) The Secretary shall establish within the National Institute of Mental Health an identifiable administrative unit to be known as the National Center for the Prevention and Control of Rape (hereinafter in this section referred to as the 'Center').

"(b)(1) The Secretary, acting through the Center, may, directly or by grant, carry out the following:

"(A) A continuing study of rape, including a study and investigation of—

"(i) the effectiveness of existing Federal, State, and local laws dealing with rape;

"(ii) the relationship, if any, between traditional legal and social attitudes toward sexual roles, the act of rape, and the formulation of laws dealing with rape;

"(iii) the treatment of the victims of rape by law enforcement agencies, hospitals or other medical institutions, prosecutors, and the courts;

"(iv) the causes of rape, identifying to the degree possible—

"(I) social conditions which encourage sexual attacks, and

"(II) the motives of offenders, and

"(v) the impact of rape on the victim and the family of the victim;

"(vi) sexual assaults in correctional institutions;

"(vii) the actual incidence of forcible rape as compared to the reported incidence of forcible rape and the reasons for any difference in such incidences; and

"(viii) the effectiveness of existing private and local and State government educational, counseling, and other programs designed to prevent and control rape.

"(B) The compilation, analysis, and publication of summaries of the continuing study conducted under subparagraph (A) and the research and demonstration projects conducted under subparagraph (E). The Secretary shall annually submit to the Congress a summary of such study and projects together with recommendations where appropriate.

"(C) The development and maintenance of an information clearinghouse with regard to—

"(i) the prevention and control of rape;

"(ii) the treatment and counseling of the victims of rape and their families; and

"(iii) the rehabilitation of offenders.

"(D) The compilation and publication of training materials for personnel who are engaged or intend to engage in programs designed to prevent and control rape.

"(E) Assistance to community mental health centers and other qualified public and nonprofit private entities in conducting research and demonstration projects concerning the prevention and control of rape, including projects (i) for the planning, developing, implementing, and evaluating of alternative methods used in the prevention and control of rape, the treatment and counseling of the victims of rape and their families, and the rehabilitation of offenders; (ii) for the application of such alternative methods; and (iii) for the promotion of community awareness of the specific locations in which, and the specific social and other conditions under which, sexual attacks are most likely to occur.

"(F) Assistance to community mental health centers in meeting the costs of providing consultation and education services respecting rape.

"(2) For purposes of this subsection, the term 'rape' includes statutory and attempted rape and any other criminal sexual assault (whether homosexual or heterosexual) which involves force or the threat of force.

"(c) The Secretary shall appoint an ad-

UMI

visory committee to advice, consult with, and make recommendations to him on the implementation of subsection (b). The Secretary shall appoint to such committee persons who are particularly qualified to assist in carrying out the functions of the committee. A majority of the members of the committee shall be women. Members of the advisory committee shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, for each day (including traveltime) they are engaged in the performance of their duties as members of the advisory committee and, while so serving away from their homes or regular places of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"(d) For the purpose of carrying out subsection (b), there are authorized to be appropriated $7,000,000 for fiscal year 1976, and $10,000,000 for fiscal year 1977.

"PART E—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 235. For purposes of this title—

"(1) The term 'State' includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

"(2) The term 'State agency' means the State mental health authority responsible for the mental health service part of a State's plan under section 314(d) of the Public Health Service Act.

"(3) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(4) The term 'National Advisory Mental Health Council' means the National Advisory Mental Health Council established under section 217 of the Public Health Service Act.

"REGULATIONS

"SEC. 236. Regulations issued by the Secretary for the administration of this title shall include provisions applicable uniformly to all the States which—

"(1) prescribe the general manner in which the State agency of a State shall determine the priority of projects for community mental health centers on the basis of the relative need of the different areas of the State for such centers and their services and require special consideration for projects on the basis of the extent to which a center to be assisted or established upon completion of a project (A) will, alone or in conjunction with other centers owned or operated by the applicant for the project or affiliated or associated with such applicant, provide comprehensive mental health services for residents of an area designed by the Secretary as an urban or rural poverty area, or (B) will be part of or closely associated with a general hospital;

"(2) prescribe general standards for facilities and equipment for centers of different classes and in different types of location; and

"(3) require that the State plan of a State submitted under section 237 provide for adequate community mental health centers for people residing in the State, and provide for adequate community mental health centers to furnish needed services for persons unable to pay therefor.

The National Advisory Mental Health Council shall be consulted by the Secretary before the issuance of regulations under this section.

"STATE PLAN

"SEC. 237. (a) A State plan for the provision of comprehensive mental health services within a State shall be comprised of the following two parts:

"(1) An administrative part containing provisions respecting the administration of the plan and related matters. Such part shall—

"(A) provide for the designation of a State advisory council to consult with the State agency in administering such plan, which council shall include (i) representatives of non-government organizations or groups, and of State agencies, concerned with the planning, operation, or use of community mental health centers or other mental health facilities, and (ii) representatives of consumers and providers of the services of such centers and facilities who are familiar with the need for such services;

"(B) provide that the State agency will make such reports in such form and containing such information as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

"(C) provide that the State agency will from time to time, but not less often than annually, review the State plan and submit to the Secretary appropriate modifications thereof which it considers necessary; and

"(D) include provisions, meeting such requirements as the Civil Service Commission may prescribe, relating to the establishment and maintenance of personnel standards on a merit basis.

"(2) A services and facilities part containing provisions respecting services to be offered within the State by community mental health centers and provisions respecting facilities for such centers. Such part shall—

"(A) be consistent with the mental health services part of the State's plan under section 314(d) of the Public Health Service Act;

"(B) set forth a program for community mental health centers within the State (i) which is based on a statewide inventory of existing facilities and a survey of need for the comprehensive mental health services described in section 201(b); (ii) which conforms with regulations prescribed by the Secretary under section 236; and (iii) which shall provide for adequate community mental health centers to furnish needed services for persons unable to pay therefor;

"(C) set forth the relative need, determined in accordance with the regulations prescribed under section 236, for the projects included in the program described in subparagraph (B), and, in the case of projects under part C, provide for the completion of such projects in the order of such relative need;

"(D) emphasize the provision of outpatient services by community mental health centers as a preferable alternative to inpatient hospital services; and

"(E) provide minimum standards (to be fixed in the discretion of the State) for the maintnance and operation of centers which receive Federal aid under this title and provide for enforcement of such standards with respect to projects approved by the Secretary under this title.

"(b) The State agency shall administer or supervise the administration of the State plan.

"(c) A State shall submit a State plan in such form and manner as the Secretary shall by regulation prescribe. The Secretary shall approve any State plan (and any modification thereof) which complies with the requirements of subsection (a). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"(d)(1) At the request of any State, a portion of any allotment or allotments of such State under section 227 for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the provisions of the State plan approved under this section which relate to projects under part C for facilities for community mental health centers; except that not more than 5 per centum of the total of the allotments of such State for any fiscal year, or $50,000, whichever is less, shall be available for such purpose. Amounts made available to any State under this paragraph from its allotment or allotments under section 227 for any fiscal year shall be available only for such expenditures (referred to in the preceding sentence) during such fiscal year or the following fiscal year. Payments of amounts due under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year for administration of the provisions of an approved State plan shall be paid on condition that there shall be expended from State sources for each year for administration of such provisions not less than the total amount expended for such purposes from such sources during the fiscal year ending June 30, 1968.

"CATCHMENT AREA REVIEW

"SEC. 238. Each State health planning and development agency designated for a State under section 1521 of the Public Health Service Act shall, in consultation with that State's mental health authority, periodically review the catchment areas of the community mental health centers located in that State to (1) insure that the sizes of such areas are such that the services to be provided through the centers (including their satellites) serving the areas are available and accessible to the residents of the areas promptly, as appropriate, (2) insure that the boundaries of such areas conform, to the extent practicable, with relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs, and (3) insure that the boundaries of such areas eliminate, to the extent possible, barriers to access to the services of the centers serving the areas, including barriers resulting from an area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation.

"STATE CONTROL OF OPERATIONS

"SEC. 239. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any community mental health center with respect to which any funds have been or may be expended under this title.

"RECORDS AND AUDIT

"SEC. 240. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the assistance received under this title.

"NONDUPLICATION

"SEC. 241. In determining the amount of any grant under part A, B, or C for the costs of any project there shall be excluded from such costs an amount equal to the sum of (1) the amount of any other Federal grant which the applicant for such grant has obtained, or is assured of obtaining, with respect to such project, and (2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

"DETERMINATION OF POVERTY AREA

"SEC. 242. For purposes of any determination by the Secretary under this title as to whether any urban or rural area is a poverty area, the Secretary may not determine that an area is an urban or rural poverty area unless—

"(1) such area contains one or more subareas which are characterized as subareas of poverty;

"(2) the population of such subarea of subareas constitutes a substantial portion of the population of such rural or urban area; and

"(3) the project, facility, or activity, in connection with which such determination is made, does, or (when completed or put into operation) will, serve the needs of the residents of such subarea or subareas.

"PROTECTION OF PERSONAL RIGHTS

"SEC. 243. In making grants under parts A and B, the Secretary shall take such steps as may be necessary to assure that no individual shall be made the subject of any research involving surgery which is carried out (in whole or in part) with funds under such grants unless such individual explicitly agrees to become a subject of such research.

"REIMBURSEMENT

"SEC. 244. The Secretary shall, to the extent permitted by law, work with States, private insurers, community mental health centers, and other appropriate entities to assure that community mental health centers shall be eligible for reimbursement for their mental health services to the same extent as general hospitals and other licensed providers.

"SHORT TITLE

"SEC. 245. This title may be cited as the 'Community Mental Health Centers Act'.".

REPORT

SEC. 304. (a) Not later than one year after the date of the enactment of this Act the Secretary of Health, Education, and Welfare shall make a report to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate setting forth a plan, to be carried out in a period of five years, for the extension of comprehensive mental health services through community mental health centers to persons in all areas in which there is a demonstrated need for such services. Such plan shall, at a minimum, indicate on a phased basis the number of persons to be served by such services and an estimate of the cost and personnel requirements needed to provide such services.

(b) Not later than eighteen months after the date of the enactment of this Act the Secretary of Health, Education, and Welfare shall submit to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a report setting forth (1) national standards for care provided by community mental health centers, and (2) criteria for evaluation of community mental health centers and the quality of the services provided by the centers.

CONFORMING AMENDMENTS

SEC. 305. (a) Section 401 of the Mental Retardation Facility and Community Mental Health Centers Construction Act of 1963 is amended—

(1) by striking out paragraph (c);

(2) by amending paragraph (d) to read as follows:

"(d) The terms 'nonprofit facility for persons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations."; and

(3) by—

(A) striking out "or part A of title II" in paragraph (h)(1),

(B) by striking out in paragraph (h)(2) "(A)" and "; (B) for any project under part A of title II may not exceed 66⅔ per centum of the costs of construction of such project or the State's Federal percentage, whichever is the lower", and

(C) by striking out "or under part A of title II" in paragraph (h)(3).

(b) Section 403 of such Act is amended—

(1) by striking out ", or section 204 in the case of a community mental health center," in subsection (a),

(2) by striking out "or section 206, as the case may be," in such subsection,

(3) by striking out "or 205" in subsection (b), and

(4) by striking out the second sentence of subsection (c)(1).

(c) Section 404 is amended by striking out "or 205", "or 204(b)", and "or 206".

(d) Seciton 405 is amended—

(1) by striking out "or 205" in paragraph (1)(A),

(2) by striking out "or section 204 (in case of a community mental health center)" in such paragraph,

(3) by striking out "or community mental health center, as the case may be," in paragraph (2),

(4) by striking out "or such center as a community mental health center" in such paragraph,

(5) by striking out "or center" each place it occurs in the matter following paragraph (2), and

(6) by striking out "or community mental health center" in such matter.

(e) Section 406 is amended by striking out "or community mental health center".

TITLE IV—MIGRANT HEALTH CENTERS

MIGRANT HEALTH CENTERS

SEC. 401. (a) Section 319 of the Public Health Service Act is amended to read as follows:

"MIGRANT HEALTH

"SEC. 319. (a) For purposes of this section:

"(1) The term 'migrant health center' means an entity which either through its staff and supporting resources or through contracts or cooperative arrangements with other public or private entities provides—

"(A) primary health services,

"(B) as may be appropriate for particular centers, supplemental health services necessary for the adequate support of primary health services,

"(C) referral to providers of supplemental health services and payment, as appropriate and feasible, for their provision of such services,

"(D) environmental health services, including, as may be appropriate for particular centers, the detection and alleviation of unhealthful conditions associated with water supply, sewage treatment, solid waste disposal, rodent and parasitic infestation, field sanitation, housing, and other environmental factors related to health,

"(E) as may be appropriate for particular centers, inflectious and parasitic disease screening and control,

"(F) as may be appropriate for particular centers, accident prevention programs, including prevention of excessive pesticide exposure, and

"(G) information on the availability and proper use of health services,

for migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, within the area it serves (referred to in this section as a 'catchment area').

"(2) The term 'migratory agricultural worker' means an individual whose principal employment is in agriculture on a seasonal basis, who has been so employed within the last twenty-four months, and who establishes for the purposes of such employment a temporary abode.

"(3) The term 'seasonal agricultural workers' means an individual whose principal employment is in agriculture on a seasonal basis and who is not a migratory agricultural worker.

"(4) The term 'agriculture' means farming in all its branches, including—

"(A) cultivation and tillage of the soil,

"(B) the production, cultivation, growing, and harvesting of any commodity grown on, in, or as an adjunct to or part of a commodity grown in or on, the land, and

"(C) any practice (including preparation and processing for markets and delivery to storage or to market or to carriers for transportation to market) performed by a farmer or on a farm incident to or in conjunction with an activity described in subparagraph (B).

"(5) The term 'high impact area' means a health service area or other area which has not less than six thousand migratory agricultural workers and seasonal agricultural workers residing within its boundaries for more than two months in any calendar year. In computing the number of workers residing in an area, there shall be included as workers the members of the families of such workers.

"(6) The term 'primary health services' means—

"(A) services of physicians and, where feasible, services of physicians' assistants and nurse clinicians;

"(B) diagnostic laboratory and radiologic services;

"(C) preventive health services(including children's eye and ear examinations to determine the need for vision and hearing correction, perinatal services, well child services, and family planning services);

"(D) emergency medical services;

"(E) transportation services as required for adequate patient care; and

"(F) preventive dental services.

"(7) The term "supplemental health services' means services which are not included as primary health services and which are—

"(A) hospital services;

"(B) home health services;

"(C) extended care facility services;

"(D) rehabilitative services (including physical therapy) and long-term physical medicine;

"(E) mental health services;

"(F) dental services;

"(G) vision services;

"(H) allied health services;

"(I) pharmaceutical services;

"(J) therapeutic radiologic services;

"(K) public health services (including nutrition education and social services);

"(L) health education services; and

"(M) services which promote and facilitate optimal use of primary health services and the services referred to in the preceding subparagraphs of this paragraph, including, if a substantial number of the individuals in the population served by a migrant health center are of limited English-speaking ability, the services of outreach workers fluent in the language spoken by a predominant number of such individuals.

"(b)(1) The Secretary shall assign to high impact areas and any other areas (where appropriate) priorities for the provision of assistance under this section to projects and programs in such areas. The highest priorities for such assistance shall be assigned to areas in which reside the greatest number of

UMI

migratory agricultural workers and the members of their families for the longest period of time.

"(2) No application for a grant under subsection (c) or (d) for a project in an area which has no migratory agricultural workers may be approved unless grants have been provided for all approved applications under such subsections for projects in areas with migratory agricultural workers.

"(c)(1)(A) The Secretary may, in accordance with the priorities assigned under subsections (b)(1), make grants to public and nonprofit private entities for projects to plan and develop migrant health centers which will serve migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, in high impact areas. A project for which a grant may be made under this subparagraph may include the cost of the acquisition and modernization of existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans) and the costs of providing training related to the management of migrant health center programs, and shall include—

"(i) an assessment of the need that the workers (and the members of the families of such workers) proposed to be served by the migrant health center for which the project is undertaken have for primary health services, supplemental health services, and environmental mental health services;

"(ii) the design of a migrant health center program for such workers and the members of their families, based on such assessment;

"(iii) efforts to secure, within the proposed catchment area of such center, financial and professional assistance and support for the project; and

"(iv) initiation and encouragement of continuing community involvement in the development and operation of the project.

"(B) The Secretary may make grants to or enter into contracts with public and nonprofit private entities for projects to plan and develop programs in areas in which no migrant health center exists and which are not high impact areas—

"(i) for the provision of emergency care to migratory agricultural workers, seasonal agricultural workers, and the members of families of such migratory and seasonal workers;

"(ii) for the provision of primary care (as defined in regulations of the Secretary) for such workers and the members of their families;

"(iii) for the development of arrangements with existing facilities to provide primary health services (not included as primary care as defined under regulations under clause (ii)) to such workers and the members of their families; or

"(iv) which otherwise improve the health of such workers and their families.

Any such program may include the acquisition and modernization of existing buildings and providing training related to the management of programs assisted under this subparagraph.

"(2) Not more than two grants may be made under paragraph (1)(A) for the same project, and if a grant or contract is made or entered into under paragraph (1)(B) for a project, no other grant or contract under that paragraph may be made or entered into for the project.

"(3) The amount of any grant made under paragraph (1) for any project shall be determined by the Secretary.

"(d)(1)(A) The Secretary may, in accordance with priorities assigned under subsection (b)(1), make grants for the costs of operation of public and nonprofit private migrant health centers in high impact areas.

"(B) The Secretary may, in accordance with priorities assigned under subsection (b)(1), make grants for the costs of the operation of public and nonprofit entities which intend to become migrant health centers, which provide health services in high impact areas to migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, but with respect to which he is unable to make each of the determinations required by subsection (f)(2). Not more than two grants may be made under this subparagraph for any entity.

"(C) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects for the operation of programs in areas in which no migrant health center exists and which are not high impact areas—

"(i) for the provision of emergency care to migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers;

"(ii) for the provision of primary care (as defined in regulations of the Secretary) for such workers and the members of their families;

"(iii) for the development of arrangements with existing facilities to provide primary health services (not included as primary care as defined under regulations under clause (ii)) to such workers and the members of their families; or

"(iv) which otherwise improve the health of such workers and the members of their families.

Any such program may include the acquisition and modernization of existing buildings and providing training related to the managemet of programs assisted under this subparagraph.

"(2) The costs for which a grant may be made under paragraph (1)(A) or (1)(B) may include the costs of acquiring and modernizing existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans); and the costs for which a grant or contract may be made under paragraph (1) may include the costs of providing training related to the provision of primary health services, supplemental health services, and environmental health services, and to the management of migrant health center programs.

"(3) The amount of any grant made under paragraph (1) shall be determined by the Secretary.

"(e) The Secretary may enter into contracts with public and private entities to—

"(1) assist the States in the implementation and enforcement of acceptable environmental health standards, including enforcement of standards for sanitation in migrant labor camps and applicable Federal and State pesticide control standards; and

"(2) conduct projects and studies to assist the several States and entities which have received grants or contracts under this section in the assessment of problems related to camp and field sanitation, pesticide hazards, and other environmental health hazards to which migratory agricultural workers, seasonal agricultural workers, and members of their families are exposed.

"(f)(1) No grant may be made under subsection (c) or (d) and no contract may be entered into under subsection (c)(1)(B), (d)(1)(C), or (e) unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe. An application for a grant or contract which will cover the costs of modernizing a building shall include, in addition to other information required by the Secretary—

"(A) a description of the site of the building,

"(B) plans and specifications for its modernization, and

"(C) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the modernization of the building will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a–276a–5, known as the Davis-Bacon Act).

The Secretary of Labor shall have with respect to the labor standards referred to in subparagraph (C) the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(2) The Secretary may not approve an application for a grant under subsection (d)(1)(A) unless the Secretary determines that the entity for which the application is submitted is a migrant health center (within the meaning of subsection (a)(1)) and that—

"(A) the primary health services of the center will be available and accessible in the center's catchment area promptly, as appropriate, and in a manner which assures continuity;

"(B) the center will have organizational arrangements, established in accordance with regulations of the Secretary, for (i) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, and (ii) maintaining the confidentiality of patient records;

"(C) the center will demonstrate its financial responsibility by the use of such accounting procedures and other requirements as may be prescribed by the Secretary;

"(D) the center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(E) the center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(F) the center (i) has prepared a schedule of fees or payments for the provisions of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay, (ii) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (E) on the basis of the full amount of fees and payments for such services without application of any discount, and (iii) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph;

"(G) the center has established a governing board which (i) is composed of individuals a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center, and (ii) establishes general policies for the center (including the selection of services to be provided by the center and a schedule of hours during which services will be provided), approves the center's annual budget, and approves the selection of a director for the center;

"(H) the center has developed, in accordance with regulations of the Secretary, (i) an overall plan and budget that meets the requirements of section 1861(z) of the Social Security Act, and (ii) an effective procedure for compiling and reporting to the Secretary such statistics and other information as the Secretary may require relating to (I) the costs of its operations, (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, and (IV) such other matters relating to operations of the applicant as the Secretary may, by regulation, require;

"(I) the center will review periodically its catchment area to (i) insure that the size of such area is such that the services to be provided through the center (including any satellite) are available and accessible to the migratory agricultural workers, season agricultural workers, and the members of the families of such migratory and seasonal workers, in the area promptly and as appropriate, (ii) insure that the boundaries of such area conform, to the extent practicable, to relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs, and (iii) insure that the boundaries of such area eliminate, to the extent possible, barriers to access to the services of the center, including barriers resulting from the area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation; and

"(J) in the case of a center which serves a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and (ii) identified an individual on its staff who is fluent in both that language and English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

"(3) In considering applications for grants and contracts under subsection (c) or (d)(1)(C), the Secretary shall give priority to applications submitted by community-based organizations which are representative of the populations to be served through the projects, programs, or centers to be assisted by such grants or contracts.

"(4) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(g) The Secretary may provide (either through the Department of Health, Education, and Welfare or by grant or contract, all necessary technical and other nonfinancial assistance (including fiscal and program management assistance and training in such management) to any migrant health center or to any public or private nonprofit entity to assist it in developing plans for, and in operating as, a migrant health center, and in meeting the requirements of subsection (f)(2).

"(h)(1) There are authorized to be appropriated for payments pursuant to grants and contracts under subsection (c)(1) $4,000,000 for fiscal year 1976, and $4,000,000 for fiscal year 1977. Of the funds appropriated under this paragraph for fiscal year 1976, not more than 30 per centum of such funds may be made available for grants and contracts under subsection (c)(1)(B), and of the funds appropriated under this paragraph for the next fiscal year, not more than 25 per centum of such funds may be made available for grants and contracts under such subsection.

"(2) There are authorized to be appropriated for payments pursuant to grants and contracts under subsection (d)(1) (othed than for payments under such grants and contracts for the provision of inpatient and outpatient hospital services) and for payments pursuant to contracts under subsection (e) $30,000,000 for fiscal year 1976, and $35,000,000 for fiscal year 1977. Of the funds appropriated under the first sentence for fiscal year 1976, there shall be made available for grants and contracts under subsection (d)(1)(C) an amount not exceeding the greater of 30 per centum of such funds or 90 per centum of the amount of grants made under this section for the preceding fiscal year for programs described in subsection (d)(1)(C). Of the funds appropriated under the first sentence for fiscal year 1977, there shall be made available for grants and contracts under subsection (d)(1)(C) an amount not exceeding the greater of 25 per centum of such funds or 90 per centum of the amount of grants made under this section for the preceding fiscal year for programs described in subsection (d)(1)(C) which received grants under this section for the fiscal year ending June 30, 1975. Of the funds appropriated under this paragraph for any fiscal year, not more than 10 per centum of such funds may be made available for contracts under subsection (e).

"(3) There are authorized to be appropriated for payments under grants and contracts under subsection (d)(1) for the provision of inpatient and outpatient hospital services $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977."

(b) Section 217 of the Public Health Service Act is amended by adding after the subsection (f) added by Public Law 93-248 the following new subsection:

"(g)(1) Not later than October 1, 1975, the Secretary shall appoint and organize a National Advisory Council on Migrant Health (hereinafter in this subsection referred to as the 'Council') which shall advise, consult with, and make recommendations to, the Secretary on matters concerning the organization, operation, selection, and funding of migrant health centers and other entities under grants and contracts under section 319.

"(2) The Council shall consist of fifteen members, at least twelve of whom shall be members of the governing boards of migrant health centers or other entities assisted under section 319. Of such twelve members who are members of such governing boards, at least nine shall be chosen from among those members of such governing boards who are being served by such centers or grantees and who are familiar with the delivery of health care to migratory agricultural workers and seasonal agricultural workers. The remaining three Council members shall be individuals qualified by training and experience in the medical sciences or in the administration of health programs.

"(3) Each member of the Council shall hold office for a term of four years, except that (A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of the members first taking office after the date of enactment of this subsection shall expire as follows: four shall expire four years after such date, four shall expire three years after such date, four shall expire two years after such date, and three shall expire one year after such date, as designated by the Secretary at the time of appointment.

"(4) Section 14(a) of the Federal Advisory Committee Act shall not apply to the Council.".

(c)(1) The Secretary of Health, Education, and Welfare (hereinafter in this subsection referred to as the "Secretary") shall conduct or arrange for the conduct of a study of—

(A) the quality of housing which is available to agricultural migratory workers in the United States during the period of their employment in seasonal agricultural activities while away from their permanent abodes;

(B) the effect on the health of such workers of deficiencies in their housing conditions during such period; and

(C) Federal, State, and local government standards respecting housing conditions for such workers during such period and the adequacy of the enforcement of such standards.

In conducting or arranging for the conduct of such study, the Secretary shall consult with the Secretary of Housing and Urban Development.

(2) Such study shall be completed and a report detailing the findings of the study and the recommendations of the Secretary for Federal action (including legislation) respecting such housing conditions shall be submitted to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate within eighteen months of the date of the enactment of the first Act making appropriations for such study.

TITLE V—COMMUNITY HEALTH CENTERS

COMMUNITY HEALTH CENTERS

SEC. 501. (a) Part C of title III of the Public Health Service Act is amended by adding after section 329 the following new section:

"COMMUNITY HEALTH CENTERS

"SEC. 330. (a) For purposes of this section, the term 'community health center' means an entity which either through its staff and supporting resources or through contracts or cooperative arrangements with other public or private entities provides—

"(1) primarily health services,

"(2) as may be appropriate for particular centers, supplemental health services necessary for the adequate support of primary health services,

"(3) referral to providers of supplemental health services and payment, as appropriate and feasible, for their provision of such services,

"(4) as may be appropriate for particular centers, environmental health services, and

"(5) information on the availability and proper use of health services, for all residents of the area it serves (referred to in this section as a 'catchment area').

"(b) For purposes of this section:

"(1) The term 'primary health services' means—

"(A) services of physicians and, where feasible, services of physicians' assistants and nurse clinicians;

"(B) diagnostic laboratory and radiologic services;

"(C) preventive health services (including children's eye and ear examinations to determine the need for vision and hearing correction, perinatal services, well child services, and family planning services);

"(D) emergency medical services;

"(E) transportation services as required for adequate patient care; and

"(F) preventive dental services.

"(2) The term 'supplemental health services' means services which are not included as primary health serivces and which are—

"(A) hospital services;

"(B) home health services;

"(C) extended care facility services;

"(D) rehabilitative services (including physical therapy) and long-term physical medicine;

"(E) mental health services;

"(F) dental services;

"(G) vision services;
"(H) allied health services;
"(I) pharmaceutical services;
"(J) therapeutic radiologic services;
"(K) public health services (including nutrition education and social services);
"(L) health education services; and
"(M) services which promote and facilitate optimal use of primary health services and the services referred to in the preceding subparagraphs of this paragraph, including, if a substantial number of the individuals in the population served by a community health center are of limited English-speaking ability, the services of outreach workers fluent in the language spoken by a predominant number of such individuals.

"(3) The term 'medically underserved population' means the population of an urban or rural area designated by the Secretary as an area with a shortage of personal health services or a population group designated by the Secretary as having a shortage of such services.

"(c)(1) The Secretary may make grants to public and nonprofit private entities for projects to plan and develop community health centers which will serve medically underserved populations. A project for which a grant may be made under this subsection may include the cost of the acquisition and modernization of existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans) and shall include—

"(A) an assessment of the need that the population proposed to be served by the community health center for which the project is undertaken has for primary health services, supplemental health services, and environmental health services;

"(B) the design of a community health center program for such population based on such assessment;

"(C) efforts to secure, within the proposed catchment area of such center, financial and professional assistance and support for the project; and

"(D) initiation and encouragement of continuing community involvement in the development and operation of the project.

"(2) Not more than two grants may be made under this subsection for the same project.

"(3) The amount of any grant made under this subsection for any project shall be determined by the Secretary.

"(d)(1)(A) The Secretary may make grants for the costs of operation of public and nonprofit private community health centers which serve medically underserved populations.

"(B) The Secretary may make grants for the costs of the operation of public and nonprofit private entities which provide health services to medically underserved populations but with respect to which he is unable to make each of the determinations required by subsection (e)(2).

"(2) The costs for which a grant may be made under paragraph (1) may include the costs of acquiring and modernizing existing buildings (including the costs of amortizing the principal of, and paying interest on, loans) and the costs of providing training related to the provision of primary health services, supplemental health services and environmental health services, and to the management of community health center programs.

"(3) Not more than two grants may be made under paragraph (1)(B) for the same entity.

"(4) The amount of any grant made under paragraph (1) shall be determined by the Secretary.

"(e)(1) No grant may be made under subsection (e) or (d) unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe. An application for a grant which will cover the costs of modernizing a building shall include, in addition to other information required by the Secretary—

"(A) a description of the site of the building

"(B) plans and specifications for its modernization, and

"(C) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the modernization of the building will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a–276a–5, known as the Davis-Bacon Act).

The Secretary of Labor shall have with respect to the labor standards referred to in subparagraph (C) the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176, 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(2) Except as provided in subsection (d)(1)(B), the Secretary may not approve an application for a grant under subsection (d) unless the Secretary determines that the entity for which the application is submitted is a community health center (within the meaning of subsection (a)) and that—

"(A) the primary health services of the center will be available and accessible in the center's catchment area promptly, as appropriate, and in a manner which assures continuity;

"(B) the center will have organization arrangements, established in accordance with regulations prescribed by the Secretary, for (i) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, and (ii) maintaining the confidentiality of patient records;

"(C) the center will demonstrate its financial responsibility by the use of such accounting procedures and other requirements as may be prescribed by the Secretary;

"(D) the center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(E) the center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(F) the center (i) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay, (ii) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (E) on the basis of the full amount of fees and payments for such services without application of any discount, and (iii) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph;

"(G) the center has established a governing board which (i) is composed of individuals a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center, and (ii) meets at least once a month, establishes general policies for the center (including the selection of services to be provided by the center and a schedule of hours during which services will be provided), approves the center's annual budget, and approves the selection of a director for the center;

"(H) the center has developed, in accordance with regulations of the Secretary, (i) an overall plan and budget that meets the requirements of section 1861(z) of the Social Security Act, and (ii) an effective procedure for compiling and reporting to the Secretary such statistics and other information as the Secretary may require relating to (I) the costs of its operations (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, and (IV) such other matters relating to operations of the applicant as the Secretary may, by regulation, require;

"(I) the center will review periodically its catchment area to (i) insure that the size of such area is such that the services to be provided through the center (including any satellite) are available and accessible to the residents of the area promptly and as appropriate, (ii) insure that the boundaries of such area conform, to the extent practicable, to relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs, and (iii) insure that the boundaries of such area eliminate, to the extent possible, barriers to access to the services of the center, including barriers resulting from the area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation; and

"(J) in the case of a center which serves a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individulas, and (ii) identified an individual on its staff who is fluent in both that language and in English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members wth respect to cultural sensitivities and bridging linguistic and cultural differences.

"(f) The Secretary may provide (either through the Department of Health, Education, and Welfare or by grant or contract) all necessary technical and other nonfinancial assistance (including fiscal and program management assistance and training in such management) to any public or private nonprofit entity to assist it in developing plans for, and in operating as, a community health center, and in meeting requirements of subsection (e)(2).

"(g)(1) There are authorized to be appropriated for payments pursuant to grants under subsection (c) $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977.

"(2) There are authorized to be appropriated for payments pursuant to grants under subsection (d) $215,000,000 for fiscal year 1976, and $235,000,000 for fiscal year 1977."

(b) Section 314(e) of the Public Health Service Act is repealed.

TITLE VI—MISCELLANEOUS

DISEASES BORNE BY RODENTS

SEC. 601. (a) Section 317(h)(1) of the Public Health Service Act is amended by striking out "and RH disease" and inserting in lieu thereof ", RH disease, and diseases borne by rodents".

(b) Section 317(d)(3) of such Act is amended by adding at the end thereof the following: "There is authorized to be appropriated for fiscal year 1976 $20,000,000 for grants under this section for communicable and other disease control programs for diseases borne by rodents.".

HOME HEALTH SERVICES

SEC. 602. (a)(1) For the purpose of demonstrating the establishment and initial operation of public and nonprofit private agencies (as defined in section 1861(o) of the Social Security Act) which will provide home health services (as defined in section 1861(m) of the Social Security Act) in areas in which such services are not otherwise available, the Secretary of Health, Education, and Welfare may, in accordance with the provisions of this section, make grants to meet the initial costs of establishing and operating such agencies and expanding the services available through existing agencies, and to meet the costs of compensating professional and paraprofessional personnel during the initial operation of such agencies or the expansion of services of existing agencies.

(2) In making grants under this subsection, the Secretary shall consider the relative needs of the several States for home health services and preference shall be given to areas within a State in which a high percentage of the population proposed to be served is composed of individuals who are elderly, medically indigent, or both.

(3) Applications for grants under this subsection shall be in such form and contain such information as the Secretary shall prescribe by regulation.

(4) Payment of grants under this subsection may be made in advance or by way of reimbursement or in installments as the Secretary may determine.

(5) There are authorized to be appropriated $8,000,000 for fiscal year 1976 for payments under grants under this subsection.

(b)(1) The Secretary of Health, Education, and Welfare may make grants to public and nonprofit private entities to assist them in demonstrating the training of professional and paraprofessional personnel to provide home health services (as defined in section 1861(m) of the Social Security Act).

(2) Applications for grants under this subsection shall be in such form and contain such information as the Secretary shall by regulations prescribe.

(3) Payment of grants under this section may be made in advance or by way of reimbursement, or in installments, as the Secretary shall determine.

(4) There is authorized to be appropriated $2,000,000 for fiscal year 1976 for payments under grants under this subsection.

COMMITTEE ON MENTAL HEALTH AND ILLNESS OF THE ELDERLY

SEC. 603. (a) The Secretary of Health, Education, and Welfare shall appoint a Committee on Mental Health and Illness of the Elderly (hereinafter in this section referred to as the "Committee") to make a study of and recommendations respecting—

(1) the future needs for mental health facilities, manpower, research, and training to meet the mental health care needs of elderly persons,

(2) the appropriate care of elderly persons who are in mental institutions or who have been discharged from such institutions, and

(3) proposals for implementing the recommendations of the 1971 White House Conference on Aging respecting the mental health of the elderly.

(b) Within one year from the date of enactment of this Act the Secretary shall report to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives the findings of the Committee under the study under subsection (a) and the Committee's recommendations under such subsection.

(c)(1) The Committee shall be composed of nine members appointed by the Secretary of Health, Education, and Welfare. The Committee shall include at least one member from each of the fields of psychology, psychiatry, social science, social work, and nursing. Each member of the Committee shall by training, experience, or attainments be exceptionally qualified to assist in carrying out the functions of the Committee.

(2) Members of the Committee shall receive compensation at a rate to be fixed by the Secretary, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule, for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Committee. While away from their homes or regular places of business in the performance of services for the Committee, members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(d) The Committee shall cease to exist thirty days after the submission of the report pursuant to subsection (b).

COMMISSION FOR CONTROL OF EPILEPSY

SEC. 604. (a) The Secretary of Health, Education, and Welfare shall establish a temporary commission to be known as the Commission for the Control of Epilepsy and Its Consequences (hereinafter referred to in this section as the "Commission").

(b) It shall be the duty of the Commission to—

(1) make a comprehensive study of the state of the art of medical and social management of the epilepsies in the United States;

(2) investigate and make recommendations concerning the proper roles of Federal and State governments and national and local public and private agencies in research, prevention, identification, treatment, and rehabilitation of persons with epilepsy;

(3) develop a comprehensive national plan for the control of epilepsy and its consequences based on the most thorough, complete, and accurate data and information available on the disorder; and

(4) transmit to the President and the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives, not later than one year after the date of enactment of this Act, a report detailing the findings and conclusions of the Commission, together with recommendations for legislation and appropriations, as it deems advisable.

(c)(1) The Commission shall be composed of nine members to be appointed by the Secretary of Health, Education, and Welfare. Such members shall be persons, including consumers of health services, who, by reason of experience or training in the medical, social, or educational aspects of the epilepsies, are especially qualified to serve on such Commission.

(2) The Secretary shall designate one of the members of the Commission to serve as Chairman and one to serve as Vice Chairman. Vacancies shall be filled in the same manner in which the original appointments were made. Any vacancy in the Commission shall not affect its powers.

(3) Any member of the Commission who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties on the Commission.

(4) Members of the Commission, other than those referred to in paragraph (3), shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, for each day (including traveltime) they are engaged in the performance of their duties and, while so serving away from their homes or regular places of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence in the same manner as is authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The Commission shall cease to exist thirty days after the submission of the final report required by subsection (b)(4).

COMMISSION FOR CONTROL OF HUNTINGTON'S DISEASE

SEC. 605. (a) The Secretary of Health, Education, and Welfare shall establish a temporary commission to be known as the Commission for the Control of Huntington's Disease and Its Consequences (hereinafter referred to in this section as the "Commission").

(b) It shall be the duty of the Commission to—

(1) make a comprehensive study of the state of the art of medical and social management of Huntington's disease in the United States;

(2) investigate and make recommendations concerning the proper roles of Federal and State governments and national and local public and private agencies in research, prevention, identification, treatment, and rehabilitation of persons with Huntington's disease;

(3) develop a comprehensive national plan for the control of Huntington's disease and its consequences based on the most thorough, complete, and accurate data and information available on the disorder; and

(4) transmit to the President and the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives, not later than one year after the date of enactment of this Act, a report detailing the findings and conclusions of the Commission, together with recommendations for legislation and appropriations, as it deems advisable.

(c)(1) The Commission shall be composed of nine members to be appointed by the Secretary of Health, Education, and Welfare. Such members shall be persons, including consumer of health services, who, by reason of experience or training in the medical, social, or educational aspects of Huntington's disease, are especially qualified to serve on such Commission.

(2) The Secretary shall designate one of the members of the Commission to serve as Chairman and one to serve as Vice Chairman. Vacancies shall be filled in the same manner in which the original appointments were made. Any vacancy in the Commission shall not affect its powers.

(3) Any member of the Commission who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties on the Commission.

(4) Members of the Commission, other than those referred to in paragraph (3), shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, for each day (including traveltime) they are engaged in the performance of their duties and, while so serving away from their homes or regular places of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence in the same manner as is

UMI

authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The Commission shall cease to exist thirty days after the submission of the final report required by subsection (b)(4).

HEMOPHILIA PROGRAMS

SEC. 606. Title XI of the Public Health Service Act is amended by adding after part C the following new part:

"PART D—HEMOPHILIA PROGRAMS

"TREATMENT CENTERS

"SEC. 1131. (a) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects for the establishment of comprehensive hemophilia diagnostic and treatment centers. A center established under this subsection shall provide—

"(1) access to the services of the center for all individuals suffering from hemophilia who reside within the geographic area served by the center;

"(2) programs for the training of professional and paraprofessional personnel in hemophilia research, diagnosis, and treatment;

"(3) a program for the diagnosis and treatment of individuals suffering from hemophilia who are being treated on an outpatient basis;

"(4) a program for association with providers of health care who are treating individuals suffering from hemophilia in areas not conveniently served directly by such center but who are more conveniently (as determined by the Secretary) served by it than by the next geographically closest center;

"(5) programs of social and vocational counseling for individuals suffering from the hemophilia; and

"(6) individualized written comprehensive care programs for each individual treated by or in association with such center.

"(b) No grant or contract may be made under subsection (a) unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) An application for a grant or contract under subsection (a) shall contain assurances satisfactory to the Secretary that the applicant will serve the maximum number of individuals that its available and potential resources will enable it to effectively serve.

"(d) In considering applications for grants and contracts under subsection (a) for projects to establish hemophilia diagnostic and treatment centers, the Secretary shall

"(1) take into account the number of persons to be served by the programs to be supported by such centers and the extent to which rapid and effective use will be made by such centers of funds under such grants and contracts, and

"(2) give priority to projects for centers which will operate in areas which the Secretary determines have the greatest number of persons in need of the services provided by such centers.

"(e) Contracts may be entered into under subsection (a) without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(f) There are authorized to be appropriated to make payments under grants and contracts under subsection (a) $3,000,000 for fiscal year 1976, and $4,000,000 for fiscal year 1977.

"BLOOD SEPARATION CENTERS

"SEC. 1132. (a) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects to develop and expand, within existing facilities, blood-separation centers to separate and make available for distribution blood components to providers of blood services and manufacturers of blood fractions. For purposes of this section—

"(1) the term 'blood components' means those constituents of whole blood which are used for therapy and which are obtained by physical separation processes which result in licensed products such as red blood cells, platelets, white blood cells, AHF-rich plasma, fresh-frozen plasma, cryoprecipitate, and single unit plasma for infusion; and

"(2) the term 'blood fractions' means those constituents of plasma which are used for therapy and which are obtained by licensed fractionation processes presently used in manufacturing which result in licensed products such as normal serum albumin, plasma, protein fraction, prothrombin complex, fibrinogen, AHF concentrate, immune serum globulin, and hyperimmune globulins.

"(b) In the event the Secretary finds that there is an insufficient supply of blood fractions available to meet the needs for treatment of persons suffering from hemophilia, and that public and other nonprofit private centers already engaged in the production of blood fractions could alleviate such insufficiency with assistance under this subsection, he may make grants not to exceed $500,000 to such centers for the purposes of alleviating the insufficiency.

"(c) No grant or contract may be made under subsection (a) or (b) unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe.

"(d) Contrast may be entered into under subsection (a) without regard to section 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(e) For the purpose of making payments under grants and contracts under subsections (a) and (b), there are authorized to be appropriated $4,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977."

TECHNICAL AMENDMENTS

SEC. 607. (a) Section 399c of the Public Health Service Act (added by Public Law 93-222) is redesignated as section 399A.

(b) The section 472 of the Public Health Service Act entitled "Peer Review of Grant Applications and Control Projects" is redesignated as section 475.

(c) The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act.

TITLE VII—EXTENSION OF CURRENT AUTHORITIES THROUGH FISCAL YEAR 1975

SEC. 701. (a) Section 314(d)(1) of the Public Health Service Act (relating to grants for comprehensive public health services) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(b)(1) The first sentence of section 314(e) of such Act (relating to project grants for health services development) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(2) The next to last sentence of such section is amended (A) by striking out "1974" and inserting "1975", and (B) by striking out "title I of the Health Programs Extension Act of 1973" and inserting in lieu thereof "title VII of the Health Revenue Sharing and Health Services Act of 1975".

(c) Section 319 of such Act (relating to migrant health) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(d) Section 1001(c), 1003(b), 1004(b), and 1005(b) of title X of such Act (relating to population research and family planning) are each amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(e)(1) Section 201 of the Community Mental Health Centers Act (relating to grants for construction) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(2) Section 207 of such Act is amended by striking out "1974" and inserting "1975".

(3) Section 221(b) of such Act is amended by striking out "1974" each place it occurs and inserting in lieu thereof "1975".

(4) Section 224(a) of such Act (relating to staffing grants) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(5)(A) Section 246 of such Act (relating to alcoholism programs) is amended by striking out "1974" and inserting in lieu thereof "1975".

(B) Section 247(d) of such Act is amended by striking out "and June 30, 1974" and inserting in lieu thereof "June 30, 1974, and June 30, 1975".

(6)(A) Section 252 of such Act (relating to drug abuse programs) is amended by striking out "1974" and inserting in lieu thereof "1975".

(B) Section 253(d) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(C) Section 256(e) of such Act is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(7) Section 261 of such Act (relating to authorizations for alcoholism and drug abuse programs) is amended (A) by striking out "for the fiscal year ending June 30, 1974" in subsection (a) and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975", and (B) by striking out "1974" in subsection (b) and inserting in lieu thereof "1975".

(8) Section 271(d) of such Act (relating to mental health of children) is amended (A) by striking out "for the fiscal year ending June 30, 1974" in paragraph (1) and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975", and (B) by striking out "1974" in paragraph (2) and inserting in lieu thereof "1975".

Mr. ROGERS (during the reading). Mr. Chairman, I ask unanimous consent that the bill in its entirety may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read the committee amendments, as follows:

Committee amendments: Page 2, strike out line 12 and all that follows down through and including line 13 on page 10 and insert in lieu thereof the following:

"COMPREHENSIVE PUBLIC HEALTH SERVICES

"(d)(1) From allotments made pursuant to paragraph (4), the Secretary shall make grants to State health and mental authorities to assist in meeting the costs of providing comprehensive public health services.

"(2) No grant may be made under paragraph (1) to the State health or mental authority of any State unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary may require, and shall contain or be supported by assurances satisfactory to the Secretary that—

"(A) the comprehensive public health services provided within the State will provide in accordance with the State plan prepared in accordance with section 1524(c)(2) or the State plan approved under section 314(a), whichever is applicable;

"(B) funds received under grants under paragraph (1) will (i) be used to supplement and, to the extent practical, to increase the level of non-Federal funds that would otherwise be made available for the purposes for which the grant funds are provided, and (ii) not be used to supplant such non-Federal funds;

"(C) the State health authority, and, with respect to mental health activities, the State mental health authority will—

"(i) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds received under grants under paragraph (1);

"(ii) from time to time, but not less often than annually, report to the Secretary (through a uniform national reporting system and by such categories as the Secretary may prescribe) a description of the comprehensive public health services provided in the State in the fiscal year for which the grant applied for is made and the amount of funds obligated in such fiscal year for the provision of each such category of services; and

"(iii) make such reports (in such form and containing such information as the Secretary may prescribe) as the Secretary may reasonably require, and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness of, and to verify, such reports;

"(D) the State mental health authority will—

"(i) establish and carry out a plan which—

"(I) is designed to eliminate in appropriate placement of persons with mental health problems in institutions, to insure the availability of appropriate noninstitutional services for such persons, and to improve the quality of care for those with mental health problems for whom institutional care is appropriate; and

"(II) shall include fair and equitable arrangements, as determined by the Secretary, to protect the interests of employees affected by actions taken pursuant to such plan, including arrangements designed (to the extent feasible as determined by the Secretary) to preserve employee rights and benefits and to provide appropriate training and retraining of such employees who are employed by the State or any of its political subdivisions;

"(ii) prescribe and provide for the enforcement of minimum standards for the maintenance and operation of mental health programs and facilities (including community mental health centers) with the State; and

"(iii) provide for assistance to courts and other public agencies and to appropriate private agencies to facilitate (I) screening by community mental health centers (or, if there are no such centers, other appropriate entities) of residents of the State who are being considered for inpatient care in a mental health facility to determine if such care is necessary, and (II) provision of followup care by community mental health centers (or, if there are no such centers, by other appropriate entities) for residents of the State who have been discharged from mental health facilities.

"(3) The Secretary shall review annually the activities undertaken by each State with an approved application to determine if the State complied with the assurances provided with the application. The Secretary may not approve an application submitted under paragraph (2) if the Secretary determines—

"(A) that the State for which the application was submitted did not comply with assurances provided with a prior application under paragraph (2), and

(B) that he cannot be assured that the State will comply with the assurances provided with the application under consideration.

"(4) In each fiscal year the Secretary shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (7) among the States on the basis of the population and the financial need of the respective States. The populations of the States shall be determined on the basis of the latest figures for the population of the States available from the Department of Commerce.

"(5) The Secretary shall determine the amount of any grant under paragraph (1); but the amount of grants made in any fiscal year to the public and mental health authorities of any State may not exceed the amount of the State's allotment available for obligation in such fiscal year. Payments under such grants may be made in advance or by way of reimbursement, and at such intervals and on such conditions as the Secretary finds necessary.

"(6) In any fiscal year—

"(A) not less than 15 per centum of a State's allotment under paragraph (4) shall be made available only for grants under paragraph (1) to the State's mental health authority for the provision of mental health services; and

"(B) not less than—

"(i) 70 per centum of the amount of a State's allotment which is made available for grants to the mental health authority, and

"(ii) 70 per centum of the remainder of the State's allotment,

shall be available only for the provision of services in communities of the State.

"(7)(A) For payments under grants under paragraph (1) there are authorized to be appropriated $100,000,000 for fiscal year 1976, and $110,000,000 for fiscal year 1977.

"(B) For payments under grants under paragraph (1) for establishing and maintaining programs, described in applications under paragraph (2), for the screening, detection, diagnosis, prevention, and referral for treatment of hypertension there are authorized to be appropriated $15,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977.".

Page 11, line 3, strike out "$50,000,000" and insert in lieu thereof "$55,000,000" and on line 14 strike out "$55,000,000" and insert in lieu thereof "$60,000,000".

Page 13, line 25, strike out "such" and insert in lieu thereof "the Public Health Service".

Page 32, strike out lines 6 and 9 and insert in lieu thereof "except, in the case of an entity which has not received a grant under this section, the requirement for the pro-".

Page 33, line 6, strike out "center" and insert in lieu thereof "center's".

Page 35, line 15, insert a single quotation mark immediately following "deficit".

Page 51, line 18, strike out "accordance" and insert in lieu thereof "accordance".

Page 56, strike out lines 23 and 24 and insert in lieu thereof "center or other entity which received a grant under section 220, 242, 243, 251, 256, 264, or 271 of this title (as in".

Page 64, line 21, insert quotation marks immediately before "PART".

Page 67, line 8, strike out "and" and insert before the period in line 9 the following: "; and (iii) for the promotion of community awareness of the specific locations in which, and the specific social and other conditions under which, sexual attacks are most likely to occur".

Page 70, line 19, insert a comma immediately after "plan".

Page 77, immediately following line 19, insert "REPORT".

Page 78, insert after line 16 the following:

CONFORMING AMENDMENTS

SEC. 305. (a) Section 401 of the Mental Retardation Facility and Community Mental Centers Construction Act of 1963 is amended—

(1) by striking out paragraph (c);

(2) by amending paragraph (d) to read as follows:

"(d) The terms 'nonprofit facility for persons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corportions or associations."; and

(3) by—

(A) striking out "or part A of title II" in paragraph (h)(1),

(B) by striking out in paragraph (h)(2) "(A)" and "; and (B) for any project under part A of title II may not exceed 66⅔ per centum of the costs of construction of such project or the State's Federal percentage, whichever is the lower", and

(C) by striking out "or under part A of title II" in paragraph (h)(3).

(b) Section 403 of such Act is amended—

(1) by striking out ", or section 204 in the case of a community mental health center," in subsection (a),

(2) by striking out "or section 206, as the case may be," in such subsection,

(3) by striking out "or 205" in subsection (b), and

(4) by striking out the second sentence of subsection (c)(1).

(c) Section 404 is amended by striking out "or 205," "or 204(b)", and "or 206".

(d) Section 405 is amended—

(1) by striking out "or 205" in paragraph (1)(A),

(2) by striking out "or section 204 (in case of a community mental health center)" in such paragraph,

(3) by striking out "or community mental health center, as the case may be," in paragraph (2),

(4) by striking out "or such center as a community mental health center" in such paragraph,

(5) by striking out "or center" each place it occurs in the matter following paragraph (2), and

(6) by striking out "or community mental health center" in such matter.

(e) Section 406 is amended by striking out "or community mental health center".

Page 84, beginning in line 12, strike out "in which not more than six thousand migratory agricultural workers and their families reside for more than two months—" and insert in lieu thereof "which are not high impact areas—".

Page 86, beginning in line 9, strike out "in which not more than six thousand migratory agricultural workers and their families reside for more than two months—" and insert in lieu thereof "which are not high impact areas—".

Page 90, line 2, strike out the semicolon and insert in lieu thereof a comma.

UMI

Page 25, line 17, strike out "subsection (f)" and insert in lieu thereof "the subsection (f) added by Public Law 93-248".

Page 122, line 14, insert "next to" immediately after "The".

Page 122, line 17, strike out "1975" and insert in lieu thereof "1973".

Mr. ROGERS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered en bloc, that we dispense with further reading of the committee amendments and that they be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. ROGERS

Mr. ROGERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS: Page 17, strike out "four months" in line 8 and insert in lieu thereof "seven months".

Mr. ROGERS. Mr. Chairman, all this amendment does is to change from 4 months to 7 months the time we give for the annual family planning report to be made. We think the necessary figures are unlikely to be gathered during the 4-month period. I ask that the amendment be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER: Page 117, line 6, strike "$215,000,000" and insert "$235,000,000".

Page 117, line 7, strike "$235,000,000" and insert "$280,000,000".

Mr. OTTINGER. Mr. Chairman, before offering this amendment, I want to congratulate my colleagues on the Subcommittee on Public Health and Environment, who, under the able guidance of my good friend, the gentleman from Florida (Mr. ROGERS), have developed a good and comprehensive piece of legislation. H.R. 4925 goes a long way toward making available medical care for millions of Americans who otherwise could not afford the prohibitive cost of such care.

The concern that I have with this bill relates to the requested funding level for community health centers under title V. While I recognize that the authorization called for represents an increase over the current funding level, the increase is less that the inflation rate. In the face of sharply increased demands on these health centers, all my amendment seeks to do is maintain the current level of funding adjusted for inflation.

Mr. Chairman, there are presently 157 neighborhood health centers in the country that provide comprehensive medical care to well over 200 million individuals, and a recent study has shown that centers in California, Texas, Tennessee, Georgia, and New York have shown as high an increase as 25 per centum in the utilization of their services. The study clearly shows that as unemployed individuals lose the ability to pay, they are turning toward these centers in increasing numbers.

To those Members of the House who have concern over the cost of the program, I would point out that in communities served by the community health centers, there has been a reduction of 34 percent in the number of hospital days per 1,000 residents. Since hospital costs are the most expensive part of medical care, a savings in hospital days results in substantial cost savings. In addition, health center care is one of the most cost-effective programs the Government has ever enacted. The average cost of health center care is $38 versus $250 for the same treatment in a hospital.

In relation to the quality of care provided by these centers I offer the following statistics: Recent studies have shown that due to health center care there has been a 28.4-percent decrease in infant mortality in Denver; there was a 50-percent reduction in hospital days for children in Rochester, N.Y., in 1973, and, in Baltimore in 1973, there was an 80-percent reduction in hospitalization for rheumatic fever.

These figures clearly state the quality of care offered by these centers, as well as substantial cost savings.

It is my firm belief that the sum requested in my amendment, $235 million in fiscal year 1976, and $280 million in fiscal year 1977, more realistically addresses the need of the Nation's 157 community health centers to operate in the face of a nationwide inflationary trend of 8.5 percent, as well as an unemployment rate of 8.9 percent.

Mr. Chairman, the community health centers program has proven to be one of the most useful and cost-effective programs the Federal Government has ever operated, and deserves our support.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am happy to yield to my friend and colleague from New York.

Mr. MURPHY of New York. Mr. Chairman, I rise in support of the amendment offered by my colleague of New York, the Honorable RICHARD OTTINGER. This amendment would increase the appropriations level for grants to community health centers under title V of this legislation from $460 million for fiscal year 1976 and 1975 to $515 million. I supported Mr. OTTINGER's amendment when he introduced it during the consideration of H.R. 4925 in the House Commerce Committee, and I urge my colleagues to support this amendment today on the floor. The appropriations recommended in this amendment are much more realistic to the needs of the community health centers, and much closer to the levels contained within H.R. 14214 which was pocket vetoed by the President in the 93d Congress and S. 66 already adopted in the Senate.

Neighborhood health centers were developed to provide ambulatory health care to medically underserved populations. The services provided by NHC's are intended to meet the general health needs of the population rather than being oriented toward specific diseases.

There are a total of 157 community health centers in the United States which offer services to a projected target population of approximately 5.2 million people. According to the Commerce Committee report on H.R. 4925, the total expenditure for these services will be $293.5 million in 1975; H.R. 4925 appropriates only $220 million to cover these needed services.

Clearly, the appropriations of H.R. 4925 do not address the needs of the community health centers. In the President's veto message accompanying H.R. 14214, the administration's concern with regard to Federal expenditures was strongly emphasized. For this reason the committee reduced the figures in the bill by $417 million while admitting that this reduction means that in some cases the increase in program funding is insufficient to even keep pace with current inflation rates. In New York it is estimated that as a result of the budgetary slashing, we would lose two to three centers, 650 jobs would be eliminated, and 100,000 persons would lose their primary means of health care.

The key to this growing problem can be traced to the rising unemployment which has beset this Nation. The 12,000 Americans who join the forces of the unemployed each month and who have lost their health benefits must turn to emergency rooms, outpatient departments and neighborhood health centers for necessary medical care. For these reasons alone the Congress must insure that a sufficient level of health care is available for every American. Health care is simply one area which we cannot cut out. I sincerely believe that we must adhere to our original beliefs and adopt the amendment now being considered which would return the appropriations in H.R. 4925 to figures which accurately reflect the growing health care needs of this Nation.

Mr. OTTINGER. Mr. Chairman, I thank the gentleman for joining me in this amendment. The gentleman has also joined me in the separate views we submitted to the committee report on this regislation. I highly value his participation.

Mr. Chairman, the Senate has passed parallel legislation providing for a good deal more—$260 million—than the committee has provided—$215 million for the fiscal year 1976—and that our amendment provides, which is $235 million for the fiscal year 1976. The Senate provides nothing for the fiscal year 1977, of course, but the committee provided $235 million. We provide $280 million.

The amounts involved are exceedingly small. In this multibillion-dollar authorization, we are talking about adding just $20 million in the next fiscal year and $45 million for the fiscal year 1977; but it will mean a great deal in terms of neighborhood health centers to operate, because they do operate on such an efficient basis.

Mr. Chairman, we have almost got our good subcommittee chairman to agree to this. It is only because of the agreement of his subcommittee and recognizing the President's past veto that he does not agree to it.

Mr. Chairman,, I think this does a tremendous amount of good for a very small amount of money. I hope the gentleman from Florida will change his mind and support the amendment.

Mr. SCHEUER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I want to express my admiration to the chairman of our subcommittee, the gentleman from Florida (Mr. ROGERS), and to the other members of the committee who have worked so diligently. I respect the strong feeling of the gentleman from Florida (Mr. ROGERS) that we ought to try to come in with a bill that the two Houses of the Congress can pass and that the President can sign. The gentleman from Florida worked with enormous patience and forbearance and with extraordinary skill, knowledge, and competence to achieve this end.

I support this bill, but I must express my reservations about the reduced funding in the bill. I must support the amendment of my colleague from New York (Mr. OTTINGER) to provide very modest additional funds for community health clinics.

In two neighborhoods which I represent, in the Howard Beach area of Queens and the Canarsie area of Brooklyn, we have areas of approximately 100,000 population which are, medically speaking, virtual barren wastelands where a community health center is urgently needed to serve the needs of the neighborhood. People from our neighborhood who could well be served by a simple out-patient facility at $25 or $30 a day at the most, now go to a major New York metropolitan hospital, Brookdale Hospital in Brooklyn where in order to get served at all, they are placed in the hospital by a doctor at a cost six or seven times what it would cost them to get served in the neighborhood on an outpatient, ambulatory basis.

We are necessarily providing 24-hour a day health care and hotel service out of the neighborhood because we do not have outpatient ambulatory community health services in the neighborhood. We must do something to get a handle on the escalating and exploding costs of medical care. We must devise a national health system that places people into the health service system at the lowest level of sophisticated medical health care needed, and consequently at the lowest dollar cost. Otherwise, there is absolutely no way we are going to be able to quantify, much less pay for, the cost of a national health care program.

Mr. Chairman, I must also express my regret that the appropriations for family planning, both operations and research, are as little as they are.

Reducing Federal funds for family planning services does not save the Government money—not even in the short run. Extensive studies have shown conclusively that every Government dollar spent on family planning in 1 year saves the Government $2 in the following year, in terms of reduced medicaid and welfare payments. This 2-to-1 benefit-to-cost ratio cannot be ignored, especially considering its immediate short-term savings to Government.

There are longer range costs to Government which effective family planning can obviate, including feeding, housing, educating, and providing medical care for the children of low-income women. Fiscal responsibility alone dictates that the Federal family planning effort be expanded—not reduced.

A key part of this effort is family planning research. When President Nixon, in July of 1969, stated the terms of the Federal family planning effort, he urged the Government to "take the lead in developing an expanded research effort" on all types of birth control methods. That "expanded effort" is today on the verge of collapse, according to at least one national expert in the field.

Dr. Robert C. Stepto, the obstetrics and gynecology director at Chicago's huge public health care center known as Cook County Hospital, recently testified before Labor-HEW Appropriations Subcommittee. He told the subcommittee that—

> Year after year, the Center for Population Research has operated under a budget ceiling which has made growth impossible. First-rate scientific work . . . has remained backlogged due to lack of dollars. New knowledge, derived as a result of Congressional emphasis back in 1970, is not being applied today in clinical work because of major cutbacks. Talented researchers, who several years ago were willing and able to undertake careers in this developing area, are looking elsewhere rather than risk a shortfall of funds and concomitant lack of status.

This deteriorating situation does not merely affect a few scientists who are having trouble getting grants. It directly affects the estimated 42 million American women of child-bearing age. Recent surveys tell us that 94 percent of all American couples now say that they already have used or do plan to use some form of birth control technology—in spite of the fact that every one of our current methods has serious limitations, both in terms of safety and effectiveness.

It has become increasingly obvious that our knowledge of the workings of the human body is painfully inadequate regarding fertility control. We have yet to develop an ideal human contraceptive—one which is convenient, which is inexpensive and available to large numbers of people, which is 100 percent safe and effective, which does not require counting or repetitive actions, and has no permanent effect on its users, such as vasectomies. Until that time, millions of Americans will continue to rely on inadequate methods which occasionally result in unfortunate side effects—not the least of which is an unwanted and often dangerous pregnancy.

I want to add a word of caution here. I think all of us would agree that abortion should not be encouraged as a primary method of family planning, but must be available of course, on a voluntary basis, when all other methods fail. Clearly, the best way to reduce the need for abortion is to develop that ideal method of birth control and to insure that it is made available to every person who wants to use it. That is what the population research and voluntary family planning program is all about. It deserves greater support from Congress and the administration than that contained in this bill.

Prior to the Supreme Court decisions, literally hundreds of thousands of women in this country received illegal abortions every year. Obviously, these women felt a need for abortion, and it is safe to assume that this need arose from their being pregnant when they did not want to be. Now that is a problem we can solve, and we can solve it in two ways.

First, we can improve and perfect our current birth control technology. I find it distressing that we have been able to put men on the moon, but have yet to create a contraceptive that is safe, effective, easy to use and widely available at a reasonable cost. This can be done—but it will not be done until we adequately fund our national research effort. Even when we have found such a contraceptive, we will have won only half the battle. The other half is in making that contraceptive available to every person in this country who wants it. Then—and only then—will we be able to reduce the need for abortion. Throughout history, as long as there have been unwanted pregnancies, there have been abortions.

I hope that when the bill we are considering today comes up for renewal, those of our colleagues who hold strongly anti-abortion convictions will be asking for more funds for family planning. All the moralizing in the world would not eliminate the need and the demand for abortion. But a universally available and 100 percent effective contraceptive may well do so.

In closing, Mr. Speaker, I want to commend and personally thank my friend and distinguished colleague, PAUL ROGERS, chairman of the Subcommittee on Health and the Environment, for the patience, diligence and understanding he has displayed throughout the consideration of this bill. It continues to be a personal pleasure to work with him.

Mr. ROGERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

First of all, may I say that I appreciate the very kind remarks of the gentleman from New York (Mr. SCHEUER), and I do share his concerns.

I also regretfully oppose the amendment offered by the gentleman from New York (Mr. OTTINGER) which is supported very strongly by the gentleman from New York (Mr. MURPHY). They are very sincere in trying to improve these programs.

Mr. Chairman, may I explain to the House the committee's position that in this program we have tried to continue the existing program, with some growth. As a matter of fact, we are now spending $210 million on the community health centers. In our bill, for 1976 we up that $10 million, to $220 million, and we go to $240 million for the next year. Not only do we have the actual program money of $215 million and $235 million, but we have $5 million for each year for planning in those areas.

Furthermore, I would like to point out

UMI

that the Department, HEW, has said all that is needed is $155 million and $220 million in the next year. So we are being, I think, realistic. We have not gone too far. We do want the President to sign this bill. We tried to be realistic in our cuts but not be hurtful to the programs.

Also, we had testimony, which is pretty interesting, that now we are getting some third party payments into these community health centers, which is funneling more money into them that they have not had, with medicaid, and they can recover some of those moneys.

Mr. Chairman, I do want to assure the gentleman from New York that the situation is not too bad. We will be looking at this in conference.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I thank the gentleman for yielding and I appreciate the gentleman's concern. The problem we have is very direct in Mount Vernon, in my own district. There has been an increase in unemployment, a huge increase in unemployment, a 25-percent increase. As they lose their health insurance and as they lose their jobs they are coming to these centers where they can get the health care and attention they need. I doubt that the President will make a decision to veto or not to veto this based on this amount of money.

Mr. ROGERS. The more we up it, the more difficult it will be to get his signature. I do understand the position of the gentleman.

I do oppose the amendment, and I would urge the House to stand by the committee decision. We think it is a just figure.

As I assured the gentleman from New York, of course, we will have to go to conference to look at the Senate figures.

Mr. CARTER. Mr. Chairman, I rise in opposition, very reluctant opposition, to the amendment. I think the money is needed in these areas. I cannot deny that. The money is needed in rural areas also. I do not think we have the funds. I think we might as well face it. I really do not want to oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. OTTINGER).

The question was taken; and on a division (demanded by Mr. OTTINGER) there were—ayes 13, noes 33.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. CARTER

Mr. CARTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARTER: Page 87, strike out line 11 and all that follows down through and including line 9 on page 104 and insert in lieu thereof the following:

"HEALTH SERVICES FOR DOMESTIC AGRICULTURAL MIGRANTS

"SEC. 319. (a) The Secretary may (1) make grants to public and other nonprofit entities for paying part of the cost of (A) establishing and operating family health service clinics for domestic agricultural migratory workers and their families, including training persons (including allied health professions personnel) to provide services in the establishment and operation of such clinics, and (B) special projects to improve and provide a continuity in health services for, and to improve the health conditions of, domestic agricultural migratory workers and their families, including necessary hospital care, and including training persons (including allied health professions personnel) to provide health services for, or to otherwise improve the health conditions of, such migratory workers and their families, and (2) encourage and cooperate in programs for the purpose of improving health services for or otherwise improving the health conditions of domestic agricultural migratory workers and their families. The Secretary may also provide health services to persons (and their families) who perform seasonal agricultural services similar to the services performed by domestic agricultural migratory workers if the Secretary finds that the provision of health services under this sentence will contribute to the improvement of the health conditions of such migratory workers and their families. For the purposes of assessing and meeting domestic migratory agricultural workers' health needs, developing necessary resources, and involving local citizens in the development and implementation of health care programs authorized by this subsection, the Secretary must be satisfied, upon the basis of evidence supplied by each applicant, that persons broadly representative of all elements of the population to be served and others in the community knowledgeable about such needs have been given an opportunity to participate in the development of such programs, and will be given an opportunity to participate in the implementation of such programs.

"(b) For the purpose of carrying out subsection (a), there are authorized to be appropriated $40,000,000 for fiscal year 1976, $30,000,000 for fiscal year 1977, and $45,000,000 for fiscal year 1978."

Mr. CARTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CARTER. Mr. Chairman, I support the migrant health program as strongly as anyone, and I certainly understand the need to provide services for these people. In fact, I am asking for an increased authorization for migrant health. I feel that present efforts to improve health conditions in this area should be continued and should be improved wherever possible.

I am concerned that present language in H.R. 4925 may limit the migrant health program by establishing a new program. I understand the intent of the language to offer coverage to nonmigratory seasonal workers. I feel there is no need to be more specific than the present provisions of the Public Health Service sections are at the present time.

Through language presently in title IV of this bill, we may be offering coverage, through migrant health centers, to individuals who already enjoy sufficient coverage. Non-migratory seasonal workers or local residents, however, live quite near the areas in which they work. They may include the high school student, the college student, the housewife, and others who choose to work part time in agriculture.

Mr. Chairman, I want to show the Members what the health program will do for them. For instance, for these seasonal workers, those people who just go out for a day, it will include hospital services, home health services, extended care facilities, rehabilitation facilities, dental health care, and other medical and health services, including pharmaceutical services, all for one special group of people.

I am for the migrant health services. In fact, my amendment increases authorization for that purpose. The total authorization under my amendment would be some $10 million more than in the present legislation for migrant health. It would do a great deal for these people, and I urge that this amendment be accepted.

Mr. Chairman, if we accept the legislation as it is today, we will be establishing a health service for a particular group or class of people. When we start to do that, when we engage in a program of national health insurance, it should apply to our country as a whole and not to only one group of people, not to just a segment of society in Florida or Louisiana, not just to a group of orange pickers or some segment of this nature; rather, it should be for all the people in our country.

Mr. Chairman, I strongly urge support for this amendment.

Mr. WAXMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the subcommittee and the full committee wish to change the existing law in a number of respects. This amendment would have us return to existing law.

First of all, the committee recommendation is to clarify a distinction which is in the law now between migrant workers and seasonal workers. This distinction is a very vague one. There is an ambiguity with respect to what health services are to be available to seasonal workers. We would remove that ambiguity and allow both to be treated through the health coverage provided for migrant workers.

The bill as amended, if this amendment were successful, would wipe out a number of important steps which the committee is proposing. Our bill, without this amendment, specifies which health services migrants are to get as a minimum. We attempt to assure the quality of the services rendered. We give the migrants a role in determining the policies of the programs that have been designed to serve them, and we require the Secretary to study to make recommendations to improve migrant housing.

Further, we authorize money to the States to enforce the housing and health codes to protect migrants from pesticides.

Mr. Chairman, if this amendment were passed, we would cut the authorization in 1976–77 by $21 million, an authorization, by the way, which the committee has already cut by $72 million from last year's version of the bill.

For these reasons, Mr. Chairman, I oppose the amendment by the distinguished Representative and urge that we back the committee's recommendation.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Kentucky.

Mr. CARTER. Do I understand the gentleman to say that I would cut the authorization for migrant health?

Mr. WAXMAN. I have just been informed that the gentleman has changed the amount of money in his amendment, so that statement was not correct on my part.

Mr. CARTER. That is correct. In fact, I have increased the authorization. My amendment would increase it.

Mr. WAXMAN. I would like, though, to add that we would do away with those programs that are now being provided for under this new version of the bill, that are not now covered under existing law; for example, specifying minimums, allowing the migrants to participate in the development of the programs, and requiring the Secretary to study and make recommendations for improving housing and health services.

Mr. CARTER. Mr. Chairman, if the gentleman will yield further, actually this goes to class legislation. It goes to groups of people in certain areas who do seasonal work and who many times are covered by their own insurance. What it would do for them, for seasonal workers, not migrant workers—and that is the title of this bill, migrant workers—it would give complete insurance from the cradle to the grave for all seasonal workers and their families and children.

When we do this, let us do this with a national health insurance act. I have felt that this would be the better way to proceed.

Mr. Chairman, I thank the gentleman for yielding.

Mr. WAXMAN. I thank the gentleman for his comments. I can only reiterate that we disagree on this matter.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment.

Mr. Chairman, this bill includes an effort to improve the quality of services to migrants and seasonal workers. It provides for quality controls over the kinds and the appropriateness of medical services available to them. It provides moneys, as my colleague, the gentleman from California (Mr. WAXMAN) said, for study of housing conditions in which they are forced to live, a study by the Secretary of HEW of the housing conditions that impinge very directly on their health.

Furthermore, it provides dollars for States to make sure that State and local housing and health codes are adhered to with respect to housing and health conditions.

Therefore, Mr. Chairman, I urge my colleagues to defeat this amendment.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as the chairman of the Agriculture and Labor Subcommittee of the Committee on Education and Labor, and as a member of that committee now for 10 years, I have spent some time studying the special problems of the farmworkers and their families, and the conditions under which they live.

For example, 2 years ago my committee held hearings in Florida. Some of the Members may remember that for the first time that anyone can remember since World War I we actually were frightened by the prospect of a runaway typhoid epidemic commencing in the Southeastern part of the United States with a group of people who, because of their living patterns, were in danger of being carriers throughout the migrant mainstream all the way from the South, through the middle of the United States, and up across the country.

We found typhoid carriers that had started from Florida, in New Jersey and in Michigan, and in other places. We managed to track a majority of the people who were ultimately determined to be carriers. There were over 170 people who were diagnosed as typhoid victims. Most of them were found at the time we finally located them, through the communicable disease center in Atlanta, Georgia, and the Center for Migrant Workers in the city of Little Rock, Ark., to be potential bombs for the people they were with.

The problem with the approach the gentleman from Kentucky (Mr. CARTER) takes, is that we have discovered that these people may or may not become identified as migrant workers. That depends a lot on, say, supposing that they have planned to be migrants this season, and the crop they were going to leave to go to for some reason is not going to be harvested because something happened to it. So people who thought they were going to be migrants were not migrants for that year.

In the State of Florida less than half of the so-called seasonal farm workers were able to find employment last year, and so we had more of them who became migrants who would have qualified under the gentleman's amendment. As I read it, what the gentleman is doing by drawing this finite kind of definition, is that he is appearing to be helping the migrants, but he is not doing anything for them that the law is not doing already, so he is not adding anything to the care that would be available to the pure migrant by his amendment, and seems to be trying to prevent some other people who might be on the same boat now with the migrants from getting the same attention.

The problem is that you cannot make that kind of a distinction because a seasonal farmworker is not a migrant, particularly in the area we saw where this typhoid outbreak took place near Homestead, Fla., where they all lived together in the same camp. Some of the migrants leave, some of them would leave, but for whatever reason decide not to this season, and next season they decide they will stay there and try to get work in Florida.

So we have all those kinds of situations that can obtain, and none of them may remain constant.

One of the things we are troubled about is that in this particular instance the local health authorities did not make the diagnosis, it was first made by the local people referring to the amount of children who were showing up who were first being diagnosed by the doctors as having abdominal pains usually associated with appendicitis, and then finally somebody was smart enough to realize that that was an awful lot of appendicitis to be appearing in one camp at one time, so it took some time before they got access to a reasonable medical diagnosis, to the point where finally they were exposed to a sufficient investigation of their health conditions, and examinations, to determine that what we had on our hands was a typhoid outbreak.

At that point the local officials in Florida became sufficiently alarmed to open the hospitals to the migrants, when in fact, as the doctor said, theoretically only a seasonal worker living in that camp, who did not intend to leave Florida as a migrant, should have qualified. Trying to draw the definition that the gentleman's amendment draws is totally unrealistic.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. Not at this point. It is totally unrealistic because it does not recognize the way and fact this labor force is made up. I think it is about time in this country for us to understand that agriculture as we know it is not going to survive if we do not preserve and protect the work force that agriculture needs to harvest its crops, and that is what this legislation is intended to do.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. JOHNSON of Colorado, and by unanimous consent, Mr. FORD of Michigan was allowed to proceed for 3 additional minutes.)

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

I would like to ask the gentleman, because I am aware of his expertise in this particular field and I have had occasion to respect his expertise in this field, it seems to me that the difference between his approach and the gentleman from Kentucky, Mr. CARTER's approach is that he is trying to take care of the people who are on the road and spend the funds for people who are on the road, and the gentleman is trying to take care of people who are both on the road and who for some reason this particular year are not on the road. Is that a correct summation?

Mr. FORD of Michigan. That is what it appears to do, except the problem is that the advantage of the committee proposal is that the committee proposal puts a strong priority on the use of resources for the true migrant, but it does not force one before he treats a child to find out whether his parents are in fact going to move or have moved.

Mr. JOHNSON of Colorado. Is the committee's version, though, going to result in a lessening of expenditures for people who are on the move?

Mr. FORD of Michigan. If I thought for one moment that it would, I would certainly not be supporting the committee, because I have spent several frus-

UMI

trating years trying to improve the condition of these people. I am willing to go along with the committee. I will say to the gentleman that we have every kind of organization that one can imagine monitoring and feeding the committee information about the condition of these people, and if there is that kind of abuse, we will be back here to change it.

Mr. JOHNSON of Colorado. If the gentleman will yield further, if the people who are stationary in Florida do not get on the road this year or next year, why are they not covered by medicaid or some other program rather than this migrant program?

Mr. FORD of Michigan. It is entirely possible that if they are, as the gentleman describes them, stationary, they are covered. But a migrant can get covered the same way if he will go in and lie and say, I live here in town and I do not intend to go looking for work up the road as the crops turn.

The problem is that a person today who considers himself stationary may hear tomorrow that they are picking up in Arkansas, and off he goes, and he becomes a migrant. These people are not registered migrants or something of the kind. We will find a family that, for whatever reason, decides to sit out a season and become one of these stationary families. Maybe a kid is getting ready to graduate or something of the kind, or part of the family stays there, or maybe there is an illness and one of them is in the hospital, so they leave some of the family behind to stay with that person in the hospital. But their condition and definition as a migrant versus a seasonal farmworker is not capable of the kind of finite sifting that the doctor's amendment would make necessary. What we are going to do is force these people to lie just to get medical care.

Mr. JOHNSON of Colorado. I thank the gentleman.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I should like to yield to my colleague, the good Doctor, the gentleman from Kentucky (Mr. CARTER) so he may have a chance to respond to my colleague, the gentleman from Michigan, who for some reason was not willing to relinquish time to him for a response.

Mr. CARTER. I thank the distinguished gentleman for yielding to me.

I want to remind the Chair and the House that the intent of this bill is migrant health centers for people who are migratory workers. Actually, we have the authorization for these people increased to $85 million, $40 million for one year and $45 million for the next; so we really want to help those who are migrants. But people who are in one position, for instance, high school youngsters, would be covered under this bill, or families who work just seasonally. Every one of them would be covered by this legislation.

Particularly—and I can think of it only in this way; and I do not say it disparagingly to my good friend, the gentleman from Florida—we know there are a lot of people there who pick oranges, and older people and others, and this would cover the whole group, whether they live where they are for a year—and they usually do—or for years. But it really is a complete cradle-to-the-grave health insurance program for the people of this area.

That is all well and good. But if we are going to do that, what is good for Florida is really good for Michigan, or it is good for Kentucky, or it is good for California. So my argument is if we are going to get complete coverage, let us make it for the United States and not just for one State of the Union or two States of the Union. Certainly I support the amendment and I thank my good friend for yielding.

Mr. ROUSSELOT. I thank my good friend for his comment.

Mr. ROGERS. Mr. Chairman, I rise just to conclude the debate, I hope. I think both sides have been fully explained. The committee has carefully gone into this. We do think it is appropriate the way the committee has approached it. I would urge the House to stand with the committee after the deliberation given by the committee and I would urge reluctantly, because of my good friend, the gentleman from Kentucky (Mr. CARTER), that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. CARTER).

The question was taken; and on a division (demanded by Mr. CARTER) there were—ayes 28, noes 28.

The CHAIRMAN. The Chair reluctantly votes "No."

Mr. CARTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

Mr. BAUMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to discuss a concern that I and a number of Members have had with a provision of this bill which appears on page 16 under "Research" in family planning, section 1004, which authorizes the Secretary of HEW to make grants for research into this area and refers on line 16 to "biomedical, contraceptive development, behavioral, and program implementation fields related to family planning and population."

An amendment which I have at the desk and which I have not offered at this point would add to this section the language:

"provided that nothing in this Act shall authorize the conduct of research, or making of grants or contracts therefor, which research has as its purpose or principal effect the development or modification of techniques of performing abortions."

Mr. Chairman, I feel that this amendment may be necessary because the original intent of Congress, when it drafted this legislation, which is now title X of the Public Health Services Act, has been obscured by actions of HEW especially in the area of family planning research.

The legislative history will prove my point. In 1970, when Congress first passed the Family Planning Services and Population Research Act, an amendment was added by my colleague from Michigan, Mr. DINGELL. That amendment, which is now public law, reads as follows:

Sec. 108. None of the funds appropriated under this title shall be used in programs where abortion is a method of family planning.

I think the intent of this is clear: the intent is to enforce a wall of separation between family planning and abortion, between contraception and the taking of life, between prevention of pregnancy and termination of pregnancy.

Mr. Chairman, I believe that the wisdom of that original intent has become clearer wtih every passing year. The issue of abortion has become a bitterly divisive one all across the country and even in this Chamber. But I think I can speak for many, when I say that it is still the intent of Congress that a program of providing family planning services to all women who want them but cannot afford them should be a program that is free and independent of the abortion argument. We do not want family planning to be entangled in the heated and emotional fight over the fundamental right to life.

Mr. Chairman, I am opposed to abortion. I know that many of my colleagues agree with me. Others disagree. But even those who disagree, even those who believe that abortion is a woman's right, hopefully can unite with me in saying that abortion is not a desirable method of family planning. I know of no one who wishes to see abortions proliferate in our society or be confused with popular methods of birth control. In this sense, I believe, we can all agree that abortion is not "the answer".

Now, in light of this congressional intent, let me return to the legislative history. A year after title X became law, the question arose of how the prohibition of abortion as a method of family planning would impact on federally funded research as provided for under section 1004 of this same title. That question, I am sorry to say, was resolved in a very ambiguous way. I cite at this point the conference report which accompanied the fiscal year 1972 HEW Appropriations Act—Public Law 92–80, 92d Congress. The conferees stated:

The Committee of Conference is agreed that in population research, the prohibition in Title X of abortion as a method of family planning should not be construed so as to prevent scientific research into the causes of abortion and its effects. (H.R. Rep. No. 92–461, 92d Congress, 1st session 8, 1971.)

Well, on the surface, this language is not bad. There are many promising lines of research which could be followed up within those guidelines. For instance, there could be investigation of the social factors which dispose women to seek abortions; there could be investigation of possible abortifacient side effects of drugs which are already on the market, and there could certainly be research into the harmful aftereffects of abortion on both the woman herself and on her subsequent pregnancies. My amendment would not eliminate any of these important and legitimate areas of investigation. But the fact is that HEW has not limited its research grants to such areas.

Mr. Chairman, I have reviewed records of grants and grant contracts which make it abundantly clear that HEW has sponsored research whose sole purpose

or principle effect was to invent new techniques of performing abortions. There can be no doubt that the Department has twisted its authority to study the "causes of abortion" into a license to subsidize the invention of new causes of abortion.

This, I submit, is plainly contrary to the intent of Congress. Hence it is the purpose of my amendment to reassert that original legislative intent.

Let me illustrate the kind of research that my amendment would terminate. I will cite just one example.

Between 1969 and 1972 the National Institutes of Health made four grants to researchers employed by the Upjohn Pharmaceutical Co. of Kalamazoo, Mich., Numbers HD–92208 and HD–12224. The purpose of these grants was to perfect a prostaglandin compound called prostin F2 alpha, whose purpose is to induce second trimester abortions. On November 26, 1973, the Food and Drug Administration approved prostin F2 alpha explicitly for "therapeutic abortion." I have in hand Upjohn Co. documents as well as articles from medical journals, both proving that the explicit purpose and principal effect of this drug is second trimester abortion.

Mr. Chairman, the second trimester is the 12th to the 24th week of pregnancy. There is no question of contraception here. There is no "gray area" here. This drug is an abortion agent pure and simple.

Now, let me repeat: this is not an isolated case. One need only look into the "Inventory of Federal Population Research"—page 66ff—under the heading, "Development of New Fertility Control Techniques," in order to find dozens of grants which are clearly intended to foster the development of abortive agents of one kind or another.

I believe that Federal funding for such research under section 1004 of title X must be terminated. I believe it must be terminated in compliance with the plain, natural sense of existing public law—section 1008. Most of all, I believe that such research must be terminated precisely in order to maintain that wall of separation between family planning and abortion which I mentioned before. I ask every Member of this House to consider in his or her own mind whether he believes in that separation. Do we not believe that abortion and family planning should be, and continue to be, two completely different things? Is it not, therefore, wrong to develop new means of abortion under the guise of developing new means of contraception? I think the answer is "yes" in both cases.

Now, I should like to ask the distinguished chairman of the Subcommittee on Public Health and Environment a question or two regarding this type of research which is to be funded under this section 1004, as I mentioned. The bill speaks of the "biomedical" and "contraceptive development" fields "related to family planning and population." Would I be correct in saying that the committee does not understand "family planning" to include abortion?

Mr. ROGERS. I am sorry, I could not hear the gentleman's question.

Mr. BAUMAN. The question pertains to section 1004 in the sense family planning is used there. Is it the committee's intention that this is to include abortion as a method of family planning?

Mr. ROGERS. No. It is specifically stated in the basic law, which is continued in this extension, that abortion is not an appropriate method of family planning. The gentleman is correct.

Mr. BAUMAN The gentleman is referring to section 1008 of the current statute, which contains a prohibition offered by the gentleman from Michigan (Mr. DINGELL) some years ago?

Mr. ROGERS. That is correct.

Mr. BAUMAN. The section reads:

None of the funds appropriated under this title shall be used in programs where abortion is a method of family planning.

Mr. ROGERS. That is correct.

Mr. BAUMAN. So I can conclude that in the kind of research we are discussing in section 1004 would not include research on abortion techniques?

Mr. ROGERS. As a method of family planning, that is correct.

Mr. BAUMAN. I would like to pursue that a little further. In 1971 the conference report which accompanied the HEW Appropriations Act made the statement:

The Committee of Conference is agreed that in population research, the prohibition in Title I of abortion as a method of family planning should not be construed so as to prevent scientific research into the causes of abortion and its effects.

I would like to inquire about the phrase "causes of abortion". I understand that this permits research into such areas as the causes of spontaneous abortion, the possible harmful effect of certain drugs on the fetus, the social factors that may dispose women to seek abortions, and so forth.

But I would like to be clear that this language does not allow the HEW to pursue research or grant contracts for research whose purpose or principal effect would be to develop new techniques for performing abortions. Would I be correct in assuming that this language does not allow such research?

Mr. ROGERS. As a method of family planning, I think that would be the correct phrase.

Mr. BAUMAN. But I am correct in the assumption?

Mr. ROGERS. That is correct, as a method of family planning.

Mr. BAUMAN. So there is a distinction between studying the causes of abortion and inventing new causes for abortion; would that be a fair distinction?

Mr. ROGERS. That is correct, research intended to develop new causes of abortion for use for family planning purposes would be inappropriate.

Mr. BAUMAN. In that case, I can rest assured that this section 1004 does not require the offering of my amendment, since the import of my amendment is already included in the law?

Mr. ROGERS. This is correct, as a method of family planning.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from New York.

Mr. MURPHY of New York. Does the gentleman consider that family planning and birth control are synonymous expressions? If the gentleman would respond to the question whether or not there is an inclusion or an exclusion in this language in the use of abortion as a method of birth control.

Mr. BAUMAN. The gentleman from Maryland would have to respond that family planning can include birth control, but in my understanding family planning is a much broader phrase including programs other than birth control.

My major concern is that this bill would authorize grants for abortion as a method of family planning or birth control which I believe is prohibited by the present section 1008 of the law.

Mr. ROGERS. If the gentleman will yield further, we have said in that respect there has been no abortion included in family planning under this legislation.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I should like to join my colleague from Maryland (Mr. BAUMAN) in thanking the distinguished chairman of the Subcommittee on Public Health and Envrionment for his clarification of the legislative intent in this important area of family planning research. I think the chairman has made an important statement of intent which should guide HEW.

I think it is beyond question that, if Federal funds are to be expended in the area of contraceptive development, then those funds should be spent for family planning techniques that are broadly acceptable to our people. Now if anything has become obvious in the last 2 years, Mr. Chairman, it is the fact that abortion is not broadly acceptable. It is bitterly divisive. Therefore, it is clearly in the interest of sound public policy to use Federal research funds to favor only those avenues of research which seem likely to lead to safe, morally acceptable techniques of contraception in the proper sense of the word. I believe that the clarification of intent we have heard today will achieve that purpose by requiring a cutoff of Federal funds from any avenue of research which is clearly leading not to contraception but to abortion in the accepted, medical sense of that term.

Now, obviously we cannot specify in advance which chemicals, drugs, agents, devices, and so forth are in fact abortive. That is not a legislative question but a scientific question. In my understanding, it will be the responsibility of the Secretary of HEW to determine the scientific evidence and to refuse funding to a specific project if and when the evidence becomes decisive that the drug or device or technique involved is in fact abortive. This is no different from the procedure we use in any area where legislation seeks to control drugs or other potentially harmful substances.

Moreover, I think there is a perfectly straightforward way the Secretary can arrive at this determination. New avenues of research are routinely discussed in the technical journals related to re-

productive biology and family planning care. I refer to such journals as Contraception, the IPPF Medical Bulletin, Child and Family Quarterly, Family Planning Perspectives, and many others. Research scientists who receive grants customarily notify their professional colleagues of what they are working on through the pages of these journals. Certainly the Secretary can refuse funding to any research whose purpose or principal effect or expected benefit is described in these sources as the modification or development of a technique of performing abortions or as the modification or development of an abortifacient drug or device. In this way, Mr. Chairman, we would not be dealing with an arbitrary bureaucratic judgment but with what the medical and scientific community itself says about the nature of its work.

I realize that there are many difficult, unresolved questions in this area of what is actually family planning and what is abortion. I realize that doctors use some medical terms in slightly differing senses, and that sometimes the mode of operation of a fertility control agent is unknown. Congress cannot solve these problems in advance. I hope the day will come soon when Congress will give us a new legal definition of the term "abortion" by passing a human life amendment that will put an end to the callous killing of innocent, unborn human beings. But today we are dealing only with the medical definition of abortion. I know that there has been some attempt to change or becloud the definition of this term even in scientific usage. Therefore, I should like to add this final comment.

Mr. Chairman, I believe that medical usage is and should be a scientific usage, fully in accord with the facts. Therefore, when I say that the Secretary of HEW is free to follow accepted medical usage in the interpretation of section 1004 of this act, that does not mean that he or anybody else is free to ignore scientific facts. I shall be watching this process very closely. If at any time, I discover evidence that Government agencies are altering medical terminology or inventing new terminology not in keeping with facts but solely to serve some deceptive, semantic purpose, to disguise abortion as contraception or vice versa, then I shall denounce such practices and seek legislative remedies against them. That is a "truth in labeling" issue, and I am sure that my colleagues will support me in that cause, especially since this kind of honesty and clarity is absolutely necessary if the fundamental distinction or wall of separation between family planning and abortion is to be preserved and the problem of abortion in our society is to be eliminated.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I want to thank the gentleman for raising this very important issue and thank the chairman of the subcommittee for his clarification.

Certainly those of us who are opposed to abortion are very much concerned about the full weight of the Federal Government coming down with a program of this kind to support abortion.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

(At the request of Mr. OBERSTAR, and by unanimous consent, Mr. BAUMAN was allowed to proceed for an additional 2 minutes.)

Mr. OBERSTAR. Mr. Chairman, I am concerned that the Federal Government might have a policy for the use of Federal funds to support abortion-related programs. I am very glad to have this clarification and assurance that these funds will not be used for abortion as a method of family planning.

Mr. DEVINE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I guess I am swimming upstream again against the tide, but for the purposes of making a record on this legislation, because it was vetoed last year, I think we ought to point out that when it passed the House last year there were only 12 votes against it and only 14 votes against the conference committee report. Nevertheless, I think we should make a record so that we will—if I may borrow an expression—make it perfectly clear what this legislation does and does not do.

Mr. Chairman, the bill before us today has had a checkered history up to this point and is undoubtedly in for more buffeting before the air clears. This is so in spite of the fact that several of the health programs included in the package have great merit which is recognized by everyone.

In the 93d Congress, the committee brought to the House a bill which could be called an omnibus bill in that it contained five separate health programs. They were ongoing programs and in general deserved the support of the Members. They were not, however, being merely extended for additional fiscal years. There were fundamental changes included in the new provisions. At that time, several Members, including me, objected to certain of the changes being made in the established program to bring health services to migrant workers. We also objected to the same kinds of provisions included in the community health centers title. Despite some misgivings voiced by other Members about including major programs in a single bill, it was passed.

The other body came forth with a bill which included four of the five programs in the House bill. Family planning had been omitted. But hung onto the bill were seven other programs, only one of which had been the subject of any hearings by the Health Subcommittee, and that one was a short hearing held when it was apparent that the Christmas tree was about to be decorated.

There were seven other programs without hearings. I think a Member should know that was a result, duplicate service is already provided through medicare and medicaid which authorized additional activity such as rape control, home health services, epilepsy, hemophilia, and established unneeded advisory committees and commissions—rape control and rat control.

Our conferees did not succeed in eliminating the additional programs and returned with a conference report including them all and with an additional $100 million on the price tag. I must say, to the credit of our conferees that they did manage to bring the total price tag down from the high of over $4 billion to somewhat under $2 billion. This package was approved although the Members of the House had no real opportunity to make judgments on the individual pieces of the bill and certainly no chance to make judgments on the add-on pieces. The bill was vetoed. It was too late for further consideration.

Now we have before us the 1975 model. It contains all of the elements of the conference version. There has still been no serious attempt to examine those extra pieces. The notice of hearing stated that because the matters had been subject to hearings in the 93d Congress, that only HEW would be heard. That statement could not have been true about six of the seven additional programs added in conference. The price tag was trimmed considerably, by bringing the total below $1.4 billion, but it still authorized over $40 million of those trimmings which had come from the conference.

Now I recognize that the subcommittee was faced with something of a dilemma. Knowing that it would eventually be faced with the necessity of returning to a conference in which the seven programs would be at issue, it wanted some kind of bargaining base. Its best approach, however, would have been to insist upon separating rather than consolidating.

As pointed out in the minority views, the additional programs which have been added to the original House bill are categorical programs which add little to the law administrative clutter and do very little to advance the fight against the particular diseases mentioned. Their main point is to give these diseases public visibility. That is not good legislation and we should resist it.

Now we are given to understand that the other body intends to include the nurse training program to this laundry list, and try to confer on the whole thing at one time. The House should not allow it to happen. It can never result in anything but bad compromises and undoubtedly another veto upon which you will also have to make a hard decision.

My argument as you can see is mainly against the way that this is being done and not against most of the programs on their merits. It is unfair to ask a Member to vote up or down on a long list of health programs, most of which he approved and some of which he cannot conscientiously support. He is tagged as being against everything in the bill because he believes that new commissions to look at specific diseases is wrong. It puts him in an untenable position. If he agrees with family planning, he should have the chance to vote for it. If he disagrees, he should have the chance to vote against it. But he should not be called upon to analyze a long, complicated bill to explain why he voted for or against a whole mish-mash of measures.

The Members might note that the committee report on this bill is 252 pages long. My Republican colleagues might further note that the Legislative Digest took 14 pages in an attempt to simplify the bill and still tell what is in it. Anyone who reads these documents must have had some serious misgivings about something contained in it. Should he then be forced, for reasons of parliamentary convenience, to say yea or nay to all of it?

It is presently my intention to move to recommit H.R. 4925 to the committee so that it can be dismantled and returned to the floor as separate programs. Only that way can we make reasoned judgments on each. Only that way can we force conferences on individual programs. Only that way can we justify a vote to sustain or override a veto if one of the programs does come back to us for that consideration. This take-it-or-leave-it approach to health legislation needs to be halted and this is the time and the place to do it.

Mr. HEINZ. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the legislation.

Mr. Chairman, today we are considering H.R. 4925, the Health Revenue Sharing and Health Services Act, a hallmark legislative proposal designed to prepare the American health care system for the advent of national health insurance.

This legislation is an omnibus health services package designed to extend and improve existing health programs which includes family planning, community mental health centers, community health centers, migrant health centers, grants to States for health services, and miscellaneous programs to combat mental illness among the elderly, epilepsy, hemophilia, and Huntington's disease.

I am proud that H.R. 4925 includes the major provisions of my bill, H.R. 501, to extend and strengthen the Community Mental Health Centers Act. The approval of the Health Revenue Sharing and Health Services Act, and its community mental health centers title, will assure that mental health facilities will be available when national health insurance is established and, more importantly, will focus on preventing mental illness and treating the patient within the community when illness occurs. This extension of the community mental health centers program will bring mental health care to individual communities with a people-oriented approach, and will cut redtape and avoid building or supporting unnecessary health facilities.

The legislation before us today will provide fully comprehensive and humane care, both preventive and remedial, with built-in cost and quality controls. The continuation of community mental health centers will prove a wise investment in a sound system of mental health care—an investment which will repay us well when national health care is a reality.

Mr. Chairman, the passage of the Health Revenue Sharing and Health Services Act, including its community mental health centers provisions, represents a vital commitment to the American people to bring community based mental health care to every American requiring it. This legislation deserves the support of my colleagues.

Mr. Chairman, I also rise in support of H.R. 4925, the Health Revenue Sharing and Health Services Act, because of its provisions concerning the prevention and control of rape.

The crime of rape, and the fear of rape, affect women of all ages, of all racial and economic backgrounds, in all parts of the country. Rape is the fastest growing, and possibly the least understood, crime of violence in the Nation. Some 51,000 rapes were reported in 1973, a 10-percent increase over the previous year, and a 62-percent increase over a 5-year period. And many crime experts believe that the thousands of rapes reported each year represent only the tip of an enormous iceberg, and that only one-quarter to one-tenth of rapes are actually reported.

For this reason, because rape and the fear of rape restrict the rights of women to move about freely in our society, I have proposed, and the Public Health and Environment Subcommittee has incorporated in the Health Revenue Sharing and Health Services Act, title II, part D, rape prevention and control.

The rape prevention and control provisions would create a National Center for the Prevention and Control of Rape in the National Institute of Mental Health. The purpose of this center, which will be authorized to receive $7 million in fiscal year 1976, and $10 million in fiscal year 1977, is to study: First, the effectiveness of existing rape laws; second, the relationship between rape and our social attitudes toward sex roles; third, current methods of treating rape victims; fourth, the reasons for the low incidence of reported rapes; and fifth, the effectiveness of existing rape programs. In addition, the bill would authorize grants to community mental health centers, existing rape crisis centers, and other nonprofit or public organizations to conduct research on rape, its victims, and its perpetrators, and to establish demonstration programs into rape's causes and prevention.

Mr. Chairman, the Health Services and Health Revenue Sharing Act, and its provision on rape prevention and control, are important to our public health, and to the personal freedom of women. I urge my colleagues to join me in supporting this vital legislation.

Mr. ROSE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to address a question, if I may, to the distinguished chairman of the subcommittee, the gentleman from Florida (Mr. ROGERS).

Mr. Chairman, I would like to refer back to the colloquy that took place between the distinguished chairman of the subcommittee and the gentleman from Maryland (Mr. BAUMAN), and I refer to the research section of this bill, which begins on page 16.

I would like to clarify the fact that when the term "abortion techniques as a method of family planning" is used, it does not include such birth control methods of family planning as intrauterine devices, the morning-after pill, or some low-dose hormonal birth control pills, all of which are thought to act, at least in part, by preventing the implantation of a fertilized egg.

Mr. ROGERS. Mr. Chairman, I think we have covered that in the colloquy with the gentleman from Maryland. Birth control is not covered and research on these types of things, as long as it is not intended for support of abortion as a method of family planning is currently being conducted. The wording of section 1008 does not in any way restrict the carrying out of that type of research.

Mr. ROSE. I thank the gentleman. And I understand that research on all of these methods is currently being conducted by HEW.

Mr. ROGERS. Yes.

Mr. ROSE. And that the wording in section 1008 does not in any way restrict the carrying out of this research?

Mr. ROGERS. That is correct.

Mr. ROSE. I thank the gentleman.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ROSE. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I rise in support of this legislation.

ods of family planning as intrauterine

Mr. Chairman, there is one minor section of this bill which deserves more attention than it has been receiving—that section which authorizes $10 million for demonstration programs for home health services. While the dollar figure amounts to only about 1.6 percent of the total amount authorized in H.R. 4925, I think this particular program has the potential to become one of the most beneficial and effective in the vast array of federally assisted projects.

There has been a tendency in the past several years away from institutionalization of the less fortunate among us, and this is healthy, both for the people being served and the economy. It does not take a financial genius to recognize that providing certain types of health care in the patients' home can cost much less than providing it to someone stretched out in a $100-a-day hospital bed.

The cost of paying for a visit to the doctor's office or a house-call pales in the light of the cost of being admitted to a hospital for tests which could be administered on an outpatient basis. Most insurance companies require that a policyholder be hospitalized overnight for the costs to be covered. Not only does this pass needless expense down to the people in the form of higher premiums, but it creates an artificial demand for hospital construction and hospital beds. It has also created a tendency for people to expect hospitalization, whether they need it or not. The hospitalization mentality must be dealt with, and dealt with promptly. Home health care is one obvious solution to skyrocketing medical costs. Let us carry the trend toward deinstitutionalization to its logical conclusion.

The medical profession will probably say it is logistically impossible to deliver health care to the home—there just are not enough hours in the day to visit the homes of all the people who require that type of attention. I submit, however, that much of this attention could be given by paramedics, nurse

UMI

practitioners, and visiting nurses. There is a vast, untapped resource in this Nation of young people who would like to serve in the health care profession, but are turned away by the nigh-impossible task of getting admitted to a medical school, or paying for it once they are admitted. If we had the facilities to train all the people who want to provide this type of service, home health care could become an efficient, relatively inexpensive method of taking care of a large portion of the Nation's health problems.

When you consider the potential for this demonstration program, $10 million spent now could save billions of dollars in the future. Let us give this idea the attention it deserves.

Mr. MICHEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to inquire of the chairman of the subcommittee if under the community mental health centers in this legislation, is the formula the same as we have traditionally known it under the Community Mental Health Centers Act, the 8 years of funding? Are those percentages the same as in the current law, or have those been revised?

Mr. ROGERS. If the gentleman will yield, they are essentially the same for the existing centers. We changed the program for any new centers to be built.

Mr. MICHEL. I raise a question in reference to page 33.

Let me inquire, on page 33, why, in that second paragraph, there is no provision for third-year funding. It goes from 80 percent the first year to 65 percent the second year to 35 percent the fourth year, and so on.

Mr. ROGERS. Yes. I am sorry. The gentleman is correct. It is a misprint, and I want to thank the gentleman for bringing this to our attention.

Mr. Chairman, it is a misprint, and we will offer an amendment to correct that. It should be 50 percent.

Mr. Chairman, I ask unanimous consent that the bill be amended as follows: On page 33, insert after the comma in line 8 the following: "50 per centum of such costs for the third year of its operation,".

And, Mr. Chairman, I wish to state again I am grateful to the gentleman for pointing that out to us.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. ROGERS

Mr. ROGERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS: Page 33, line 8, before the figure "35": "50 per centum of such costs for the third year of its operation,".

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. ROGERS).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. STUDDS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4925) to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing and health services, and for other purposes, pursuant to House Resolution 484, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DEVINE

Mr. DEVINE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DEVINE. I am in its present form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DEVINE moves to recommit the bill H.R. 4925 to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. CLANCY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 9, nays 352, not voting 72, as follows:

[Roll No. 268]

YEAS—9

Ashbrook	Devine	Rousselot
Collins, Tex.	Latta	Schneebeli
Crane	McDonald	Symms

NAYS—352

Abdnor	Bauman	Brooks
Adams	Beard, R.I.	Broomfield
Addabbo	Beard, Tenn.	Brown, Mich.
Ambro	Bedell	Brown, Ohio
Anderson, Calif.	Bennett	Buchanan
Andrews, N.C.	Bergland	Burke, Calif.
Andrews, N. Dak.	Bevill	Burke, Fla.
Annunzio	Biester	Burke, Mass.
Archer	Blanchard	Burlison, Mo.
Armstrong	Blouin	Burton, John
Ashley	Boggs	Burton, Phillip
Aspin	Boland	Byron
AuCoin	Bolling	Carney
Badillo	Bonker	Carr
Bafalis	Bowen	Carter
Baldus	Brademas	Cederberg
Barrett	Breaux	Chisholm
Baucus	Breckinridge	Clancy
	Brinkley	Clawson, Del
	Brodhead	Clay
Cleveland	Hyde	Poage
Cochran	Ichord	Pressler
Cohen	Jacobs	Preyer
Conable	Jarman	Price
Corman	Jeffords	Pritchard
Cornell	Johnson, Calif.	Quie
Coughlin	Johnson, Colo.	Railsback
D'Amours	Johnson, Pa.	Randall
Daniel, Dan	Jones, Ala.	Rangel
Daniel, R. W.	Jones, N.C.	Regula
Daniels, N.J.	Jones, Okla.	Reuss
Davis	Jordan	Rhodes
de la Garza	Karth	Richmond
Delaney	Kasten	Riegle
Dellums	Kastenmeier	Rinaldo
Derrick	Kazen	Roberts
Derwinski	Kelly	Robinson
Diggs	Kemp	Roe
Dingell	Ketchum	Rogers
Dodd	Keys	Rooney
Downey	Kindness	Rose
Downing	Koch	Rosenthal
Drinan	Krebs	Roush
Duncan, Oreg.	Lagomarsino	Roybal
Duncan, Tenn.	Landrum	Runnels
Early	Lehman	Ruppe
Eckhardt	Lent	Russo
Edgar	Levitas	Ryan
Edwards, Ala.	Litton	St Germain
Edwards, Calif.	Lloyd, Calif.	Santini
Eilberg	Lloyd, Tenn.	Sarasin
Emery	Long, La.	Satterfield
English	Long, Md.	Scheuer
Erlenborn	Lott	Schulze
Esch	Lujan	Sebelius
Eshleman	McClory	Seiberling
Evans, Colo.	McCloskey	Sharp
Evans, Ind.	McCollister	Shipley
Fascell	McCormack	Shriver
Fenwick	McDade	Shuster
Findley	McFall	Sikes
Fish	McHugh	Simon
Fisher	McKay	Skubitz
Fithian	Macdonald	Slack
Flood	Madden	Smith, Iowa
Florio	Madigan	Smith, Nebr.
Flowers	Maguire	Snyder
Flynt	Mahon	Solarz
Foley	Martin	Spellman
Ford, Mich.	Matsunaga	Spence
Ford, Tenn.	Mazzoli	Staggers
Forsythe	Meeds	Stanton, J. William
Fountain	Melcher	Stanton, James V.
Fraser	Meyner	Stark
Frey	Mezvinsky	Steed
Gaydos	Michel	Steelman
Giaimo	Mikva	Steiger, Wis.
Gibbons	Milford	Stephens
Gilman	Miller, Calif.	Stokes
Goldwater	Miller, Ohio	Stuckey
Gonzalez	Mineta	Studds
Goodling	Minish	Sullivan
Gradison	Mink	Talcott
Grassley	Mitchell, Md.	Taylor, Mo.
Green	Moakley	Taylor, N.C.
Gude	Moffett	Thompson
Guyer	Montgomery	Thone
Hagedorn	Moore	Thornton
Haley	Moorhead, Calif.	Traxler
Hall	Moorhead, Pa.	Treen
Hamilton	Morgan	Trongas
Hammer-schmidt	Moss	Ullman
Hanley	Mottl	Van Deerlin
Hannaford	Murphy, Ill.	Vander Jagt
Hansen	Murphy, N.Y.	Vanik
Harkin	Murtha	Vigorito
Harrington	Myers, Ind.	Waggonner
Harris	Myers, Pa.	Wampler
Hastings	Natcher	Waxman
Hayes, Ind.	Neal	Weaver
Hechler, W. Va.	Nedzi	Whalen
Heckler, Mass.	Nix	White
Hefner	Nolan	Whitehurst
Heinz	Nowak	Whitten
Helstoski	Oberstar	Wiggins
Henderson	Obey	Wilson, Bob
Hicks	O'Brien	Wilson, C. H.
Hightower	O'Hara	Winn
Hillis	O'Neill	Wirth
Hinshaw	Ottinger	Wolff
Holland	Patten, N.J.	Wydler
Holt	Patterson, Calif.	Yates
Horton	Pattison, N.Y.	Yatron
Howard	Perkins	Young, Alaska
Howe	Pettis	Young, Fla.
Hubbard	Peyser	Young, Tex.
Hughes	Pickle	Zablocki
Hungate	Pike	Zeferetti
Hutchinson		

NOT VOTING—72

Abzug	Bell	Brown, Calif.
Alexander	Biaggi	Brudhill
Anderson, Ill.	Bingham	Burgener
Burleson, Tex.	Hays, Ohio	Rees
Butler	Hébert	Risenhoover
Casey	Holtzman	Rodino
Chappell	Jenrette	Roncalio
Clausen, Don H.	Jones, Tenn.	Rostenkowski
Collins, Ill.	Krueger	Sarbanes
Conlan	LaFalce	Schroeder
Conte	Leggett	Sisk
Conyers	McEwen	Steiger, Ariz.
Cotter	McKinney	Stratton
Danielson	Mann	Symington
Dent	Mathis	Teague
Dickinson	Metcalfe	Udall
du Pont	Mills	Vander Veen
Evins, Tenn.	Mitchell, N.Y.	Walsh
Frenzel	Mollohan	Whitten
Fulton	Mosher	Wilson, Tex.
Fuqua	Nichols	Wright
Ginn	Passman	Wylie
Harsha	Patman, Tex.	Young, Ga.
Hawkins	Pepper	
	Quillen	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Rodino with Ms. Abzug.
Mr. Cotter with Mr. Burleson of Texas.
Mr. Stratton with Mr. Chappell.
Mr. Symington with Mr. Krueger.
Mr. Jenrette with Mr. Charles H. Wilson of Texas.
Mr. Jones of Tennessee with Mr. Metcalfe.
Mr. Risenhoover with Mr. Whitten.
Mr. Hawkins with Mr. LaFalce.
Mr. Nichols, with Mr. Conlan.
Mr. Rostenkowski with Mr. McKinney.
Mr. Mann, with Mr. Burgener.
Mr. Ginn with Mr. McEwen.
Mr. Leggett with Mr. Frenzel.
Mr. Pepper with Mr. Broyhill.
Mr. Young of Georgia with Ms. Holtzman.
Mr. Hébert with Mr. du Pont.
Mr. Brademas with Mr. Teague.
Mr. Bingham with Mr. Butler.
Mr. Biaggi with Mr. Dickinson.
Mr. Alexander with Mr. Mollohan.
Mr. Casey with Mr. Bell.
Mrs. Collins of Illinois with Mr. Wright.
Mr. Conyers with Mr. Danielson.
Mr. Dent with Mr. Don H. Clausen.
Mr. Evins of Tennessee with Mr. Passman.
Mr. Sarbanes with Mr. Conte.
Mr. Anderson of Illinois with Mr. Patman.
Mr. Brown of California with Mr. Roncalio.
Mr. Hays of Ohio with Mr. Sisk.
Mr. Fulton with Mr. Harsha.
Mr. Fuqua with Mr. Udall.
Mr. Mathis with Mr. Rees.
Mr. Vander Veen with Mr. Quillen.
Mrs. Schroeder with Mr. Steiger of Arizona.
Mr. Wylie with Mr. Walsh.
Mr. Mills with Mr. Mitchell of New York.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. It is too late, much too late.

Mr. ROGERS. Mr. Speaker, pursuant to House Resolution 484, I call up from the Speaker's table the Senate bill (S. 66) to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training and to revise and extend programs of health revenue sharing and health services, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. ROGERS

Mr. ROGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROGERS moves to strike out all after the enacting clause of S. 66, and insert in lieu thereof as one amendment in the nature of a substitute the texts of H.R. 4114 and H.R. 4115 as passed by the House on May 7, 1975, and the text of H.R. 4925 as passed by the House, as follows:

Except as may otherwise be specifically provided, the amendments made by titles I, II, III, IV, V, and VI of this Act shall take effect July 1, 1975. The amendments made by such titles to the provisions of law amended by the titles are made to such provisions as amended by title VII of this Act.

TITLE I—HEALTH REVENUE SHARING

SEC. 101. This title may be cited as the "Special Health Revenue Sharing Act of 1975".

SEC. 102. Effective with respect to grants made under section 314(d) of the Public Health Service Act from appropriations under that section for fiscal years beginning after June 30, 1975, section 314(d) of the Public Health Service Act is amended to read as follows:

"Comprehensive Public Health Services

"(d)(1) From allotments made pursuant to paragraph (4), the Secretary shall make grants to State health and mental health authorities to assist in meeting the costs of providing comprehensive public health services.

"(2) No grant may be made under paragraph (1) to the State health or mental health authority of any State unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary may require, and shall contain or be supported by assurances satisfactory to the Secretary that—

"(A) the comprehensive public health services provided within the State will be provided in accordance with the State plan prepared in accordance with section 1524(c)(2) or the State plan approved under section 314(a), whichever is applicable;

"(B) funds received under grants under paragraph (1) will (i) be used to supplement and, to the extent practical, to increase the level of non-Federal funds that would otherwise be made available for the purposes for which the grant funds are provided, and (ii) not be used to supplant such non-Federal funds;

"(C) the State health authority, and with respect to mental health activities, the State mental health authority will—

"(i) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds received under grants under paragraph (1);

"(ii) from time to time, but not less often than annually, report to the Secretary (through a uniform national reporting system and by such categories as the Secretary may prescribe) a description of the comprehensive public health services provided in the State in the fiscal year for which the grant applied for is made and the amount of funds obligated in such fiscal year for the provision of each such category of services; and

"(iii) make such reports (in such form and containing such information as the Secretary may prescribe) as the Secretary may reasonably require, and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness of, and to verify, such reports;

"(D) the State mental health authority will—

"(i) establish and carry out a plan which—

"(I) is designed to eliminate inappropriate placement of persons with mental health problems in institutions, to insure the availability of appropriate noninstitutional services for such persons, and to improve the quality of care for those with mental health problems for whom institutional care is appropriate; and

"(II) shall include fair and equitable arrangements, as determined by the Secretary, to protect the interests of employees affected by actions taken pursuant to such plan, including arrangements designed (to the extent feasible as determined by the Secretary) to preserve employee rights and benefits and to provide appropriate training and retraining of such employees who are employed by the State or any of its political subdivisions;

"(ii) prescribe and provide for the enforcement of minimum standards for the maintenance and operation of mental health programs and facilities (including community mental health centers) with the State; and

"(iii) provide for assistance to courts and other public agencies and to appropriate private agencies to facilitate (I) screening by community mental health centers (or, if there are no such centers, other appropriate entities) of residents of the State who are being considered for inpatient care in a mental health facility to determine if such care is necessary, and (II) provision of followup care by community mental health centers (or if there are no such centers, by other appropriate entities) for residents of the State who have been discharged from mental health facilities.

"(3) The Secretary shall review annually the activities undertaken by each State with an approved application to determine if the State complied with the assurances provided with the application. The Secretary may not approve an application submitted under paragraph (2) if the Secretary determines—

"(A) that the State for which the application was submitted did not comply with assurances provided with a prior application under paragraph (2), and

"(B) that he cannot be assured that the State will comply with the assurances provided with the application under consideration.

"(4) In each fiscal year the Secretary shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (7) among the States on the basis of the population and the financial need of the respective States. The populations of the States shall be determined on the basis of the latest figures for the population of the States available from the Department of Commerce.

"(5) The Secretary shall determine the amount of any grant under paragraph (1); but the amount of grants made in any fiscal year to the public and mental health authorities of any State may not exceed the amount of the State's allotment available for obligation in such fiscal year. Payments under such grants may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(6) In any fiscal year—

"(A) not less than 15 per centum of a State's allotment under paragraph (4) shall be made available only for grants under paragraph (1) to the State's mental health authority for the provision of mental health services; and

"(B) not less than—

"(i) 70 per centum of the amount of a State's allotment which is made available for grants to the mental health authority, and

"(ii) 70 per centum of the remainder of the State's allotment,

shall be available only for the provision services in communities of the State.

"(7) (A) For payments under grants under paragraph (1) there are authorized to be appropriated $100,000,000 for fiscal year 1976, and $110,000,000 for fiscal year 1977.

"(B) For payments under grants under paragraph (1) for establishing and maintaining programs, described in applications under paragraph (2), for the screening, detection, diagnosis, prevention, and referral for treatment of hypertension there are authorized to be appropriated $15,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977.".

TITLE II—FAMILY PLANNING PROGRAMS

SEC. 201. This title may be cited as the "Family Planning and Population Research Act of 1975".

SEC. 202. (a) Section 1001(c) of the Public Health Service Act is amended (1) by striking out "and" after "1973;" and (2) by inserting after "1975" the following: "; $110,000,000 for fiscal year 1976; and $120,000,000 for fiscal year 1977".

(b) Section 1003(b) of such Act is amended by striking out "and" and "1973;" and (2) by inserting after "1975" the following: "; $4,000,000 for fiscal year 1976; and $5,000,000 for fiscal year 1977".

(c) Section 1004 of such Act is amended to read as follows:

"RESEARCH

"SEC. 1004. (a) The Secretary may—

"(1) conduct, and

"(2) make grants to public or nonprofit private entities and enter into contracts with public or private entities and individuals for projects for,

research in the biomedical, contraceptive development, behavioral, and program implementation fields related to family planning and population.

"(b)(1) To carry out subsection (a) there are authorized to be appropriated $55,000,000 for fiscal year 1976, and $60,000,000 for fiscal year 1977.

"(2) No funds appropriated under any provision of this Act (other than this subsection) may be used to conduct or support the research described in subsection (a).".

(d) Section 1005(b) of such Act is amended (1) by striking out "and" after "1973:" and (2) by inserting after "1975" the following: "; $2,000,000 for fiscal year 1976; and $2,500,000 for fiscal year 1977".

SEC. 203. (a) Title X of such Act is amended by inserting after section 1008 the following new section:

"PLANS AND REPORTS

"SEC. 1009. (a) Not later than seven months after the close of each fiscal year, the Secretary shall make a report to the Congress setting forth a plan to be carried out over the next five fiscal years for—

"(1) extension of family planning services to all persons desiring such services,

"(2) family planning and population research programs,

"(3) training of necessary manpower for the programs authorized by this title and other Federal laws for which the Secretary has responsibility and which pertain to family planning, and

"(4) carrying out the other purposes set forth in this title and the Family Planning Services and Population Research Act of 1970.

"(b) Such a plan shall, at a minimum, indicate on a phased basis—

"(1) the number of individuals to be served by family planning programs under this title and other Federal laws for which the Secretary has responsibility, the types of family planning and population growth information and educational materials to be developed under such laws and how they will be made available, the research goals to be reached under such laws, and the manpower to be trained under such laws;

"(2) an estimate of the costs and personnel reqirements needed to meet the purposes of this title and other Federal laws for which the Secretary has responsibility and which pertain to family planning programs; and

"(3) the steps to be taken to maintain a systematic reporting system capable of yielding comprehensive data on which service figures and program evaluations for the Department of Health, Education, and Welfare shall be based.

"(c) Each report submitted under subsection (a) shall—

"(1) compare results achieved during the preceding fiscal year with the objectives established for such year under the plan contained in the previous such report;

"(2) indicate steps being taken to achieve the objectives during the fiscal years covered by the plan contained in such report and any revisions to plans in previous reports necessary to meet these objectives; and

"(3) make recommendations with respect to any additional legislative or administrative action necessary or desirable in carrying out the plan contained in such report."

(b) Section 5 of the Family Planning Services and Population Research Act of 1970 is repealed.

SEC. 204. (a) Section 1001(a) of the Public Health Service Act is amended by striking out "family planning projects" and inserting in lieu thereof "family planning projects which shall offer a broad range of acceptable and effective family planning methods (including natural family planning methods)".

(b) Section 1001(b) of such Act is amended by adding at the end thereof the following new sentence: "Local and regional entities shall be assured the right to apply for, and be direct recipients of, grants and contracts under this section, and the Secretary shall by regulation fully provide for and protect such right.".

(c) Section 1006(a) of such Act is amended by adding at the end thereof the following new sentence: "The amount of any grant under any section of this title shall be determined by the Secretary; except that no grant under any such section for any program or project for a fiscal year beginning after June 30, 1975, may be made for less than 90 per centum of its cost (as determined under regulations of the Secretary) unless the grant is to be made for a program or project for which a grant was made (under the same section) for the fiscal year ending June 30, 1975, for less than 90 per centum of its costs (as so determined), in which case a grant under such section for that program or project for a fiscal year beginning after that date may be made for a percentage which shall not be less than the percentage of its costs for which the fiscal year 1975 grant was made.".

(d) The last sentence of section 1006(c) of such Act is amended by inserting immediately before the period the following: "so as to insure that economic status shall not be a deterrent to participation in the programs assisted under this title".

TITLE III—COMMUNITY MENTAL HEALTH CENTERS

SEC. 301. This title may be cited as the "Community Mental Health Centers Amendments of 1975".

SEC. 302. (a) The Congress finds that—

(1) community mental health care is the most effective and humane form of care for a majority of mentally ill individuals;

(2) the federally funded community mental health centers have had a major impact on the improvement of mental health care by—

(A) fostering coordination and cooperation between various agencies responsible for mental health care which in turn has resulted in a decrease in overlapping services and more efficient utilization of available resources,

(B) bringing comprehensive community mental health care to all in need within a specific geographic area regardless of ability to pay, and

(C) developing a system of care which insures continuity of care for all patients,

and thus are a national resource to which all Americans should enjoy access; and

(3) there is currently a shortage and maldistribution of quality community mental health care resources in the United States.

(b) The Congress further declares that Federal funds should continue to be made available for the purposes of initiating new and continuing existing community mental health centers and initiating new services within existing centers, and for the monitoring of the performance of all federally funded centers to insure their responsiveness to community needs and national goals relating to community mental health care.

SEC. 303. The Community Mental Health Centers Act is amended to read as follows:

"TITLE II—COMMUNITY MENTAL HEALTH CENTERS

"PART A—PLANNING AND OPERATIONS ASSISTANCE

"REQUIREMENTS FOR COMMUNITY MENTAL HEALTH CENTERS

"SEC. 201. (a) For purposes of this title (other than part B thereof), the term 'community mental health center' means a legal entity (1) through which comprehensive mental health services are provided—

"(A) principally to individuals residing in a defined geographic area (referred to in this title as a 'catchment area'),

"(B) within the limits of its capacity, to any individual residing or employed in such area regardless of his ability to pay for such services, his current or past health condition, or any other factor, and

"(C) in the manner prescribed by subsection (b), and (2) which is organized in the manner prescribed by subsections (c) and (d).

"(b)(1) The comprehensive mental health services which shall be provided through a community mental health center shall include—

"(A) inpatient services, outpatient services, day care and other partial hospitalization services, and emergency services.

"(B) a program of specialized services for the mental health of children, including a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary);

"(C) a program of specialized services for the mental health of the elderly, including a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary);

"(D) consultation and education services which—

"(i) are for a wide range of individuals and entities involved with mental health services, including health professionals, schools, courts, State and local law enforcement and correctional agencies, members of the clergy, public welfare agencies, health services delivery agencies, and other appropriate entities; and

"(ii) include a wide range of activities (other than the provision of direct clinical services) designed to (I) develop effective mental health programs in the center's catchment area, (II) promote the coordination of the provision of mental health services among various entities serving the center's catchment area, (III) increase the awareness of the residents of the center's catchment area of the nature of mental health problems and the types of mental health services available, and (IV) promote the prevention and control of rape and the proper treatment of the victims of rape;

"(E) assistance to courts and other public agencies in screening residents of the center's catchment area who are being considered for referral to a State mental health facility for inpatient treatment to determine if they

should be so referred and provision, where appropriate, of treatment for such persons through the center as an alternative to inpatient treatment at such a facility;

"(F) provision of followup care for residents of its catchment area who have been discharged from a mental health facility;

"(G) a program of transitional half-way house services for mentally ill individuals who are residents of its catchment area and who have been discharged from a mental health facility or would without such services require inpatient care in such a facility; and

"(H) provision of each of the following service programs (other than a service program for which there is not sufficient need (as determined by the Secretary) in the center's catchment area, or the need for which in the center's catchment area the Secretary determines is currently being met):

"(1) A program for the prevention and treatment of alcoholism and alcohol abuse and for the rehabilitation of alcohol abusers and alcoholics.

"(ii) A program for the prevention and treatment of drug addiction and abuse and for the rehabilitation of drug addicts, drug abusers, and other persons with drug dependency problems.

"(2) The provision of comprehensive mental health services through a center shall be coordinated with the provision of services by other health and social service agencies (including State mental health facilities) in or serving residents of the center's catchment area to insure that persons needing or receiving services through the center have access to all such health and social services as they may require. The center's services (A) may be provided at the center or satellite centers through the staff of the center or through appropriate arrangements with health professionals and others in the center's catchment area, (B) shall be available and accessible to the residents of the area promptly, as appropriate, and in a manner which preserves human dignity and assures continuity and high quality care and which overcomes geographic, cultural, linguistic, and economic barriers to the receipt of services, and (C) when medically necessary, shall be available and accessible twenty-four hours a day and seven days a week.

"(c)(1)(A) The governing body of a community mental health center (other than a center described in subparagraph (B)) shall (i) be composed, where practicable, of individuals who reside in the center's catchment area and who, as a group, represent the residents of that area taking into consideration their employment, age, sex, and place of residence, and other demographic characteristics of the area, and (ii) meet at least once a month, establish general policies for the center (including a schedule of hours during which services will be provided), approve the center's annual budget, and approve the selection of a director for the center. At least one-half of the members of such body shall be individuals who are not providers of health care.

"(B) In the case of a community mental health center which before the date of enactment of the Community Mental Health Centers Amendments of 1975 was operated by a governmental agency and received a grant under section 220 (as in effect before such date), the requirements of subparagraph (A) shall not apply with respect to such center, but the governmental agency operating the center shall appoint a committee to advise it with respect to the operations of the center, which committee shall be composed of individuals who reside in the center's catchment area, who are representative of the residents of the area as to employment, age, sex, place of residence, and other demographic characteristics, and at least one-half of whom are not providers of health care.

"(2) For purposes of subparagraphs (A) and (B) of paragraph (1), the term 'provider of health care' means an individual—

"(A) who is a direct provider of health care (including a physician, dentist, nurse, podiatrist, or physician assistant) in that the individual's primary current activity is the provision of health care to individuals or the administration of facilities or institutions (including hospitals, long-term care facilities, outpatient facilities, and health maintenance organizations) in which such care is provided and, when required by State law, the individual has received professional training in the provision of such care or in such administration and is licensed or certified for such provision or administration; or

"(B) who is an indirect provider of health care in that the individual—

"(i) holds a fiduciary position with, or has a fiduciary interest in, any entity described in subclause (II) or (IV) of clause (ii);

"(ii) receives (either directly or through his spouse) more than one-tenth of his gross annual income from any one or combination of the following:

"(I) Fees or other compensation for research into or instruction in the provision of health care.

"(II) Entities engaged in the provision of health care or in such research or instruction.

"(III) Producing or supplying drugs or other articles for individuals or entities for use in the provision of or in research into or instruction in the provision of health care.

"(IV) Entities engaged in producing drugs or such other articles.

"(iii) is a member of the immediate family of an individual described in subparagraph (A) or in clause (i), (ii), or (iv) of subparagraph (B); or

"(iv) is engaged in issuing any policy or contract of individual or group health insurance or hospital or medical service benefits.

"(d) A center shall have established, in accordance with regulations prescribed by the Secretary, (1) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, (2) an integrated medical records system (including a drug use profile) which, in accordance with applicable Federal and State laws respecting confidentiality, is designed to provide access to all past and current information regarding the health status of each patient and to maintain safeguards to preserve confidentiality and to protect the rights of the patient, (3) a professional advisory board, which is composed of members of the center's professional staff, to advise the governing board in establishing policies governing medical and other services provided by such staff on behalf of the center, and (4) an identifiable administrative unit which shall be responsible for providing the consultation and education services described in subsection (b)(1)(D). The Secretary may waive the requirements of clause (4) with respect to any center if he determines that because of the size of such center or because of other relevant factors the establishment of the administrative unit described in such clause is not warranted.

"GRANTS FOR PLANNING COMMUNITY MENTAL HEALTH CENTER PROGRAMS

"SEC. 202. (a) The Secretary may make grants to public and nonprofit private entities to carry out projects to plan community mental health center programs. In connection with a project to plan a community mental health center program for an area the grant recipient shall (1) assess the needs of the area for mental health services, (2) design a community mental health center program for the area based on such assessment, (3) obtain within the area financial and professional assistance and support for the program, and (4) initiate and encourage continuing community involvement in the development and operation of the program. The amount of any grant under this subsection may not exceed $75,000.

"(b) A grant under subsection (a) for a project shall be made for its costs for the one-year period beginning on the first day of the month in which the grant is made; and, if a grant is made under such subsection for a project, no other grant may be made for such project under such subsection.

"(c) The Secretary shall give special consideration to applications submitted for grants under subsection (a) for projects for community mental health centers programs for areas designated by the Secretary as urban or rural poverty areas. No applications for a grant under subsection (a) may be approved unless the application is recommended for approval by the National Advisory Mental Health Council.

"(d) There are authorized to be appropriated for payments under grants under subsection (a) $3,750,000 for the fiscal year 1976, and $3,750,000 for the fiscal year 1977.

"GRANTS FOR INITIAL OPERATION

"SEC. 203. (a)(1) The Secretary may make grants to—

"(A) public and nonprofit private community mental health centers, and

"(B) any public or nonprofit private entity which—

"(i) is providing mental health services.

"(ii) meets the requirements of section 201 except that it is not providing all of the comprehensive mental health services described in subsection (b)(1) of such section, and

"(iii) has a plan satisfactory to the Secretary for the provision of all such services within two years after the date of the receipt of the first grant under this subsection,

to assist them in meeting their costs of operation (other than costs related to construction).

"(2) Grants under subsection (a) may only be made for a grantee's costs of operation during the first eight years after its establishment. In the case of a community mental health center or other entity which received a grant under section 220 (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975), such center or other entity shall, for purposes of grants under subsection (a), be considered as having been in operation for a number of years equal to the sum of the number of grants in the first series of grants it received under such section and the number of grants it has received under this subsection.

"(b)(1) Each grant under subsection (a) to a community mental health center or other entity shall be made for the costs of its operation for the one-year period beginning on the first day of the month in which such grant is made.

"(2) No community mental health center may receive more than eight grants under subsection (a). No entity described in subsection (a)(1)(B) may receive more than two grants under subsection (a). In determining the number of grants that a community mental health center has received under subsection (a), there shall be included any grants which the center received under such subsection as an entity described in paragraph (1)(B) of such subsection.

"(c) The amount of a grant for any year made under subsection (a) shall be the lesser of the amounts computed under paragraph (1) or (2) as follows:

"(1) An amount equal to the amount by which the grantee's projected costs of operation for that year exceed the total of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the grantee may reasonably be expected to collect in that year.

"(2)(A) Except as provided in subparagraph (B), an amount equal to the following percentages of the grantee's projected costs

UMI

of operation: 80 per centum of such costs for the first year of its operation, 65 per centum of such costs for the second year of its operation, 50 per centum of such costs for the third year of its operation, 35 per centum of such costs for the fourth year of its operation, 30 per centum of such costs for the fifth and sixth years of its operation, and 25 per centum of such costs for the seventh and eighth years of its operation.

"(B) In the case of a grantee providing services for persons in an area designated by the Secretary as an urban or rural poverty area, an amount equal to the following percentages of the grantee's projected costs of operation: 90 per centum of such costs for the first two years of its operation, 80 per centum of such costs for the third year of its operation, 70 per centum of such costs for the fourth year of its operation, 60 per centum of such costs for the fifth year of its operation, 50 per centum of such costs for the sixth year of its operation, 40 per centum of such costs for the seventh year of its operation, and 30 per centum of such costs for the eighth year of its operation.

In any year in which a grantee receives a grant under section 204 for consultation and education services, the costs of the grantee's operation for that year attributable to the provision of such services and its collections in that year for such services shall be disregarded in making a computation under paragraph (1) or (2) respecting a grant under subsection (a) for that year.

"(d)(1) There are authorized to be appropriated for payments under initial grants under subsection (a) $50,000,000 for fiscal year 1976, and $55,000,000 for fiscal year 1977.

"(2) For fiscal year 1977, and for each of the succeeding seven fiscal years, there are authorized to be appropriated such sums as may be necessary to make payments under continuation grants under subsection (a) to community mental health centers and other entities which first received an initial grant under this section for fiscal year 1976, or the next fiscal year and which are eligible for a grant under this section in a fiscal year for which sums are authorized to be appropriated under this paragraph.

"(e)(1) Any entity which has not received a grant under subsection (a), which received a grant under section 220, 242, 243, 251, 256, 264, or 271 of this title (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975) from appropriations under this title for a fiscal year ending before July 1, 1975, and which would be eligible for another grant under such section from an appropriation for a succeeding fiscal year if such section were not repealed by the Community Mental Health Centers Amendments of 1975 may, in lieu of receiving a grant under subsection (a) of this section, continue to receive a grant under each such repealed section under which it would be so eligible for another grant—

"(A) for the number of years and in the amount prescribed for the grant under each such repealed section, except that—

"(i) the entity may not receive under this subsection more than two grants under any such repealed section unless it meets the requirements of section 201, and

"(ii) the total amount received for any year (as determined under regulations of the Secretary) under the total of the grants made to the entity under this subsection may not exceed the amount by which the entity's projected costs of operation for that year exceed the total collections of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the entity may reasonably be expected to make in that year; and

"(B) in accordance with any other terms and conditions applicable to such grant.

In any year in which a grantee under this subsection receives a grant under section 204 for consultation and education services, the staffing costs of the grantee for that year which are attributable to the provision of such services and the grantee's collections in that year for such services shall be disregarded in applying subparagraph (A) and the provisions of the repealed section applicable to determining the amount of the grant the grantee may receive under this subsection for that year.

"(2) An entity which receives a grant the authority for which is provided by this subsection may not receive any grant under subsection (a).

"(3) There are authorized to be appropriated for fiscal year 1976, and for each of the next six fiscal years such sums as may be necessary to make grants in accordance with paragraph (1).

"(f) Unless otherwise specifically provided, a reference in this title to a grant under section 203 includes a grant under subsection (a) of this section and a grant the authority for which is provided by subsection (e) of this section.

"GRANTS FOR CONSULTATION AND EDUCATION SERVICES

"SEC. 204. (a)(1) The Secretary may make annual grants to any community mental health center for the costs of providing the consultation and education services described in section 201(b)(1)(D) if the center—

"(A) received from appropriations for a fiscal year ending before July 1, 1975, a staffing grant under section 220 of this title (as in effect before the date of enactment of the Community Mental Centers Amendments of 1975) and may not because of limitations respecting the period for which grants under that section may be made receive under section 203(e) an additional grant under such section 220; or

"(B) has received or is receiving a grant under section 203 and the number of years in which the center has been in operation (as determined in accordance with section 203(a)(2)) is not less than four (or is not less than two if the Secretary determines that the center will be unable to adequately provide the consultation and education services described in section 201(b)(1)(D) during the third or fourth years of its operation without a grant under this subsection).

"(2) The Secretary may also make annual grants to a public or non-profit private entity—

"(A) which has not received any grant under this title (other than a grant under this section as amended by the Community Mental Health Centers Amendments of 1975),

"(B) which meets the requirements of section 201 except, in the case of an entity which has not received a grant under this section, the requirement for the provision of consultation and education services described in section 201(b)(1)(D), and

"(C) the catchment area of which is not within (in whole or in part) the catchment area of a community mental health center,

for the costs of providing such consultation and education services.

"(b) The amount of any grant made under subsection (a) shall be determined by the Secretary, but no such grant to a center may exceed the lesser of 100 per centum of such center's costs of providing such consultation and education services during the year for which the grant is made or—

"(1) in the case of each of the first two years for which a center receives such grant, the sum of (A) an amount equal to the product of $0.50 and the population of the center's catchment area, and (B) the lesser of (i) one-half the amount determined under clause (A), or (ii) one-fourth of the amount received by the center in such year from charges for the provision of such services;

"(2) in the case of the third year for which a center receives such a grant, the sum of (A) an amount equal to the product of $0.50 and the population of the center's catchment area, and (B) the lesser of (i) one-half the amount determined under clause (A), or (ii) one-fourth of the amount received by the center in such year from charges for the provision of such services; and

"(3) (A) except as provided in subparagraph (B), in the case of the fourth year and each subsequent year thereafter for which a center receives such a grant, the lesser of (i) the sum of (I) an amount equal to the product of $0.125 and the population of the center's catchment area, and (II) one-eighth of the amount received by the center in such year from charges for the provision of such services, or (ii) $50,000; or

"(B) in the case of the fourth year and each subsequent year for which a center receives such a grant, the sum of (i) an amount equal to the product of $0.25 and the population of the center's catchment area, and (ii) the lesser of (I) the amount determined under clause (i) of this subparagraph, or (II) one-fourth of the amount received by the center in such year from charges for the provision for such services if the amount of the last grant received by the center under section 220 of this title (as in effect before the date of the enactment of the Community Mental Health Amendments of 1975) or section 203 of this title, as the case may be, was determined on the basis of the center providing services to persons in an area designated by the Secretary as an urban or rural poverty area.

For purposes of this subsection, the term 'center' includes an entity which receives a grant under subsection (a)(2).

"(c) There are authorized to be appropriated for payments under grants under this section $10,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977.

"CONVERSION GRANTS

"SEC. 205. (a) The Secretary may make not more than two grants to any public or non-profit entity which—

"(1) has an approved application for a grant under section 203 or 211; and

"(2) can reasonably be expected to have an operating deficit, for the period for which a grant is or will be made under such application, which is greater than the amount of the grant the entity is receiving or will receive under such application,

for the entity's reasonable costs in providing mental health services which are described in section 201(b)(1) but which the entity did not provide before the date of the enactment of the Community Mental Health Centers Amendments of 1975.

"(b)(1) Each grant under subsection (a) to an entity shall be made for the same period as the period for which the grant under section 203 or 211 for which the entity had an approved application is or will be made.

"(2) The amount of any grant under subsection (a) to any entity shall be determined by the Secretary, but no such grant may exceed that part of the entity's projected operating deficit for the year for which the grant is made which is reasonably attributable to its costs of providing in such year the services with respect to which the grant is made. For purposes of this paragraph, the term 'projected operating deficit' means the excess of an entity's projected costs of operation (including the costs of operation related to the provision of services for which a grant may be made under subsection (a)) for a particular period over the total of the amount of State, local, and other funds (including funds under a grant under section 203, 204, or 211) received by the entity in that period and the fees, premiums, and third-party reimbursements which the entity may reasonably be expected to collect during that period.

"(c) There are authorized to be appropriated for payments under grants under subsection (a) $20,000,000 for fiscal year 1976, and $20,000,000 for fiscal year 1977.

"GENERAL PROVISIONS RESPECTING GRANTS UNDER THIS PART

"SEC. 206. (a)(1) No grant may be made under this part to any entity or community mental health center in any State unless a State plan for the provision of comprehensive mental health services within such State has been submitted to, and approved by, the Secretary under section 237.

"(b) No grant may be made under this part unless an application (meeting the requirements of subsection (c)) for such grant has been submitted to, and approved by, the Secretary.

"(c)(1) An application for a grant under this part shall be submitted in such form and manner as the Secretary shall prescribe and shall contain such information as the Secretary may require. Except as provided in paragraph (3), an application for a grant under section 203, 204, or 205 shall contain or be supported by assurances satisfactory to the Secretary that—

"(A) the community mental health center for which the application is submitted will provide, in accordance with regulations of the Secretary (i) an overall plan and budget that meets the requirements of section 1861 (z) of the Social Security Act, and (ii) an effective procedure for developing, compiling, evaluating, and reporting to the Secretary statistics and other information (which the Secretary shall publish and disseminate on a periodic basis and which the center shall disclose at least annually to the general public) relating to (I) the cost of the center's operation, (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, (IV) the impact of its services upon the mental health of the residents of its catchment area, and (V) such other matters as the Secretary may require;

"(B) such community mental health center will, in consultation with the residents of its catchment area, review its program of services and the statistics and other information referred to in subparagraph (A) to assure that its services are responsive to the needs of the residents of the catchment area;

"(C) to the extent practicable, such community mental health center will enter into cooperative arrangements with health maintenance organizations serving residents of the center's catchment area for the provision through the center of mental health services for the members of such organizations under which arrangements the charges to the health maintenance organizations for such services shall be not less than the actual costs to the center of providing such services;

"(D) in the case of a community mental health center serving a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and (ii) identified an individual on its staff who is fluent in both that language and English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences;

"(E) such community mental health center has (i) established a requirement that the health care of every patient must be under the supervision of a member of the professional staff, and (ii) provided for having a member of the professional staff available to furnish necessary mental health care in case of an emergency;

"(F) such community mental health center has provided appropriate methods and procedures for the dispensing and administering of drugs and biologicals;

"(G) in the case of an application for a grant under section 203 for a community mental health center which will provide services to persons in an area designated by the Secretary as an urban or rural poverty area, the applicant will use the additional grant funds it receives, because it will provide services to persons in such an area, to provide services to persons in such area who are unable to pay therefor;

"(H) such community mental health center will develop a plan for adequate financial support to be available, and will use its best efforts to insure that adequate financial support will be available, to it from Federal sources (other than this part) and non-Federal sources (including, to the maximum extent feasible, reimbursement from the recipients of consultation and education services and screening services provided in accordance with sections 201(b)(1)(D) and 201(b)(1)(E)) so that the center will be able to continue to provide comprehensive mental health services when financial assistance provided under this part is reduced or terminated, as the case may be;

"(I) such community mental health center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(J) such community mental health center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(K) such community mental health center (i) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments which discounts are adjusted on the basis of the patient's ability to pay; (ii) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such approved schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (J) on the basis of the full amount of fees and payments for such services without application of any discount, and (iii) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph; and

"(L) such community mental health center will adopt and enforce a policy (i) under which fees for the provision of mental health services through the center will be paid to the center, and (ii) which prohibits health professionals who provide such services to patients through the center from providing such services to such patients except through the center.

An application for a grant under section 203 shall also contain a long-range plan for the expansion of the program of the community mental health center for which the application is submitted for the purpose of meeting anticipated increases in demand by residents of the center's catchment area for the comprehensive mental health services described in section 201(b)(1). Such a plan shall include a description of planned growth in the programs of the center, estimates of increased costs arising from such growth, estimates of the portion of such increased costs to be paid from Federal funds, and anticipated sources of non-Federal funds to pay the portion of such increased costs not to be paid from Federal funds.

"(2) The Secretary may approve an application for a grant under section 203, 204, or 205 only if the application is recommended for approval by the National Advisory Mental Health Council, the application meets the requirements of paragraph (1), and, except as provided in paragraph (3), the Secretary—

"(A) determines that the facilities and equipment of the applicant under the application meet such requirements as the Secretary may prescribe;

"(B) determines that—

"(i) the application contains or is supported by satisfactory assurances that the comprehensive mental health services (in the case of an application for a grant under section 203 or 205) or the consultation and education services (in the case of an application for a grant under section 204) to be provided by the applicant will constitute an addition to, or a significant improvement in quality (as determined in accordance with criteria of the Secretary) of, services that would otherwise be provided in the catchment area of the applicant;

"(ii) the application contains or is supported by satisfactory assurances that Federal funds made available under section 203, 204, or 205, as the case may be, will (I) be used to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds, including third-party health insurance payments, that would in the absence of such Federal funds be made available for the applicant's comprehensive mental health services, and (II) in no event supplant such State, local, and other non-Federal funds;

"(iii) in the case of an applicant which received a grant from appropriations for the preceding fiscal year, during the year for which the grant was made the applicant met, in accordance with the section under which such grant was made, the requirements of section 201 and complied with the assurances which were contained in or supported the applicant's application for such grant; and

"(iv) in the case of an application for a grant the amount of which is or may be determined under section 203(c)(2)(B) or 204(b)(3)(B) or under a provision of a repealed section of this title referred to in section 203(e) which authorizes an increase in the ceiling on the amount of a grant to support services to persons in areas designated by the Secretary as urban or rural poverty areas, the application contains or is supported by assurances satisfactory to the Secretary that the services of the applicant will, to the extent feasible, be used by a significant number of persons residing in an area designated by the Secretary as an urban or rural poverty area and requiring such services.

"(3) In the case of an application—

"(A) for the first grant under section 203(a)(1)(B) for an entity described in section 203(a)(1)(B), or

"(B) for the first grant the authority for which is provided by section 203(e),

the Secretary may approve such application without regard to the assurances required by the second sentence of paragraph (1) of this subsection and without regard to the determinations required of the Secretary under paragraph (2) of this subsection if the application contains or is supported by assurances satisfactory to the Secretary that the applicant will undertake, during the period

UMI

for which such first grant is to be made, such actions as may be necessary to enable the applicant, upon the expiration of such period, to make each of the assurances required by paragraph (1) and to enable the Secretary, upon the expiration of such period, to make each of the determinations required by paragraph (2).

"(4) In each fiscal year for which a community mental health center receives a grant under section 203, 204, or 205, such center shall obligate for a program of continuing evaluation of the effectiveness of its programs in serving the needs of the residents of its catchment area and for a review of the quality of the services provided by the center not less than an amount equal to 2 per centum of the amount obligated by the center in the preceding fiscal year for its operating expenses.

"(5) The costs for which grants may be made under section 203(a), 204, or 205 shall be determined in the manner prescribed in regulations of the Secretary issued after consultation with the National Advisory Mental Health Council.

"(6) An application for a grant under section 203, 204, or 205—

"(A) may not be disapproved, and

"(B) may not be approved for an amount less than that authorized by such section, solely on the ground that the applicant has not made reasonable efforts to secure payments or reimbursements in accordance with assurances provided under subparagraphs (I), (J), and (K) of subsection (c)(1) unless the Secretary first informs such applicant of the respects in which he has not made such reasonable efforts and the manner in which his performance can be improved and gives the applicant a reasonable opportunity to repsond. Applications disapproved, and applications approved for reduced amounts, on such grounds shall be referred to the National Advisory Mental Health Council for its review and recommendations respecting such approval or disapproval.

"(d) An application for a grant under this part which is submitted to the Secretary shall at the same time be submitted to the State mental health authority for the State in which the project or community mental health center for which the application is submitted is located. A State mental health authority which receives such an application under this subsection may review it and submit its comments to the Secretary within the forty-five-day period beginning on the date the application was received by it. The Secretary shall take action to require an applicant to revise his application or to approve or disapprove an application within the period beginning on the date the State mental health authority submits its comments or on the expiration of such forty-five-day period, whichever occurs first, and ending on the ninetieth day following the date the application was submitted to him.

"(e) Not more than 2 per centum of the total amount appropriated under sections 203, 204, and 205 for any fiscal year shall be used by the Secretary to provide directly through the Department technical assistance for program management and for training in program management to community mental health centers which received grants under such sections or to entities which received grants under section 220 of this title in a fiscal year beginning before the date of the enactment of the Community Mental Health Centers Amendments of 1975.

"(f) For purposes of subsections (b), (c), (d), and (e) of this section, the term 'community mental health center' includes an entity which applies for or has received a grant under section 203 or 204(a)(2).

"PART B—FINANCIAL DISTRESS GRANTS

"GRANT AUTHORITY

"SEC. 211. The Secretary may make grants for the operation of any community mental health center which—

"(1)(A) received a grant under section 220 of this title (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975) and, because of limitations in such section 220 respecting the period for which the center may receive grants under such section 220, is not eligible for further grants under that section for a fiscal year beginning after June 30, 1975; or

"(B) received a grant or grants under section 203(a) of this title and, because of limitations respecting the period for which grants under such section may be made, is not eligible for further grants under that section; and

"(2) demonstrates that without a grant under this section there will be a significant reduction in the types or quality of services provided or there will be an inability to provide the services described in section 201(b).

"GRANT REQUIREMENTS

"SEC. 212. (a) No grant may be made under section 211 to any community mental health center in any State unless a State plan for the provision of comprehensive mental health services within such State has been submitted to, and approved by, the Secretary under section 237. Any grant under section 211 may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the community mental health center agree (1) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of that center's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information, and (4) to use a grant received under section 211 to enable it to provide (within such period as the Secretary may prescribe) the comprehensive mental health services described in section 201(b) and to revise its organization to meet the requirements of sections 201(c) and 201(d).

"(b) An application for a grant under section 211 must contain or be supported by the assurances prescribed by subparagraphs (A), (B), (C), (D), (E), (F), (G), (I), (J), (K), and (L) of section 206(c)(1) and assurances satisfactory to the Secretary that the applicant will expend for its operation as a community mental health center, during the year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average annual amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three years immediately preceding the year for which such grant is sought. The Secretary may not approve such an application unless it has been recommended for approval by the National Advisory Mental Health Council. The requirements of section 206(d) respecting opportunity for review of applications by State mental health authorities and time limitations on actions by the Secretary on applications shall apply with respect to applications submitted for grants under section 211.

"(c) Each grant under this section to a grantee shall be made for the projected costs of operation (except the costs of providing the consultation and education services described in section 201(b)(1)(D)) of such grantee for the one-year period beginning on the first day of the first month in which such grant is made. No community mental health center may receive more than three grants under section 211.

"(d) The amount of a grant for a community mental health center under section 211 for any year shall be the lesser of the amounts computed under paragraph (1) or (2) as follows:

"(1) An amount equal to the amount by which the center's projected costs of operation for that year exceed the total of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the center may reasonably be expected to collect in that year.

"(2) An amount equal to the product of—

"(A) 90 per centum of the percentage of costs—

"(i) which was the ceiling on the grant last made to the center in the first series of grants it received under section 220 of this title (as in effect before the date of the enactment of the Community Mental Health Centers Amendments of 1975), or

"(ii) prescribed by subsection (c)(2) of section 203 for computation of the last grant to the center under such section,

whichever grant was made last, and

"(B) the center's projected costs of operation in the year for which the grant is to be made under section 211.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 213. There are authorized to be appropriated $15,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977 for payments under grants under section 211.

"PART C—FACILITIES ASSISTANCE

"ASSISTANCE AUTHORITY

"SEC. 221. (a) From allotments made under section 227 the Secretary shall pay, in *accordance* with this part, the Federal share of projects for (1) the acquisition or remodeling, or both, of facilities for community mental health centers, (2) the leasing (for not more than twenty-five years) of facilities for such centers, (3) the construction of new facilities or expansion of existing facilities for community mental health centers if not less than 25 per centum of the residents of the centers' catchment areas are members of low-income groups (as determined under regulations prescribed by the Secretary), and (4) the initial equipment of a facility acquired, remodeled, leased, constructed, or expanded with financial assistance provided under payments under this part. Payments shall not be made for the construction of a new facility or the expansion of an existing one unless the Secretary determines that it is not feasible for the recipient to acquire or remodel as existing facility.

"(b)(1) For purposes of this part, the term 'Federal share' with respect to any project described in subsection (a) means the portion of the cost of such project to be paid by the Federal Government under this part.

"(2) The Federal share with respect to any project described in subsection (a) in a State shall be the amount determined by the State agency of the State, but, except as provided in paragraph (3), the Federal share for any such project may not exceed 66⅔ per centum of the costs of such project or the State's Federal percentage, whichever is the lower. Prior to the approval of the first such project in a State during any fiscal year, the State agency shall give the Secretary written notification of (A) the maximum Federal share, established pursuant to this paragraph, for such projects in such State which the Secretary approves during such fiscal year, and (B) the method for determining the specific Federal share to be paid with respect to any such project; and such maximum Federal share and such method of Federal share determination for such projects in such State during such fiscal year shall not be changed after the approval of the first such project in the State during such fiscal year.

"(3) In the case of any community mental health center which provides or will, upon completion of the project for which application has been made under this part, provide services for persons in an area designated by the Secretary as an urban or rural poverty area, the maximum Federal share determined under paragraph (2) may not exceed 90 per centum of the costs of the project.

"(4)(A) For purposes of paragraph (2), the Federal percentage for (i) Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be 66⅔ per centum, and (ii) any other State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the average per capita income of all the States.

"(B) The Federal percentages under clause (ii) of subparagraph (A) shall be promulgated by the Secretary, between October 1 and December 31 of each even-numbered year, on the basis of the average of the per capita incomes of each of the States subject to such Federal percentages and of all the States subject to such percentages for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such promulgation.

"APPROVAL OF PROJECTS

"SEC. 222. (a) For each project for a community mental health center facility pursuant to a State plan approved under section 237, there shall be submitted to the Secretary, through the State agency of the State, an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the project, the application may be filed by one or more of such agencies. Such application shall set forth—

"(1) a description of the site for such project;

"(2) plans and specifications therefor in accordance with the regulations prescribed by the Secretary under section 236;

"(3) except in the case of a leasing project, reasonable assurance that title to such site is or will be vested in one or more of the agencies filing the application or in a public or nonprofit private agency which is to operate the community mental health center;

"(4) reasonable assurance that adequate financial support will be available for the project and for its maintenance and operation when completed;

"(5) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a construction or remodeling project will be paid wages at rates not less than those prevailing on simular construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a–5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c);

"(6) a certification by the State agency of the Federal share for the project; and

"(7) the assurances described in section 206(c)(2).

Each applicant shall be afforded an opportunity for a hearing before the State agency respecting its application. For purposes of paragraph (3), the term 'title' means a fee simple or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of acquisition, remodeling, construction, or expansion of a facility and its operation.

"(b) The Secretary shall approve an application submitted in accordance with subsection (a) if—

"(1) sufficient funds to pay the Federal share for the project for which the application was submitted are available from the allotment to the State;

"(2) the Secretary finds that the application meets the applicable requirements of subsection (a) and the community mental health center for which the application was submitted will meet the requirements of the State plan (under section 237) of the State in which the project is located; and

"(3) the Secretary finds that the application has been approved and recommended by the State agency and is entitled to priority over other projects within the State, as determined under the State plan.

No application shall be disapproved by the Secretary until he has afforded the State agency an opportunity for a hearing. The Secretary may not approve an application under this part for a project for a facility for a community mental health center or other entity which received a grant under section 220, 242, 243, 251, 256, 264, or 271 of this title (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975) from appropriations for a fiscal year ending before July 1, 1975, unless the Secretary determines that the application is for a project for a center or entity which upon completion of such project will be able to signficantly expand its services and which demonstrates exceptional financial need for assistance under this part for such project. Amendment of any approved application shall be subject to approval in the same manner as an original application.

"PAYMENTS

"SEC. 223. (a)(1) Upon certification to the Secretary by the State agency, based upon inspection by it, that work has been performed upon a remodeling, construction, or expansion project, or purchases for such a project have been made, in accordance with the approved plans and specifications, and that payment of an installment is due to the applicant, such installment shall be paid to the State, from the applicable allotment of such State, except that (1) if the State is not authorized by law to make payments to the applicant, the payment shall be made directly to the applicant, (2) if the Secretary, after investigation or otherwise, has reason to believe that any act (or failure to act) has occurred requiring action pursuant to subsection (c) of this section, payment may, after he has given the State agency notice of opportunity for hearing pursuant to such section be withheld in whole or in part, pending corrective action or action based on such hearing, and (3) the total payments with respect to such project may not exceed an amount equal to the Federal share of the cost of such project.

"(2) In case an amendment to an approved application is approved or the estimated cost of a remodeling, construction, or expansion project is revised upward any additional payment with respect thereto may be made from the applicable allotment of the State for the fiscal year in which such amendment or revision is approved.

"(b) Payments from a State allotment for acquisition and leasing projects shall be made in accordance with regulations which the Secretary shall promulgate.

"(c)(1) If the Secretary finds that—

"(A) a State agency is not substantially complying with the provisions required by section 237 to be in a State plan or with regulations issued under section 236;

"(B) any assurance required to be in an application filed under section 222 is not being carried out;

"(C) there is substantial failure to carry out plans and specifications approved by the Secretary under section 222; or

"(D) adequate State funds are not being provided annually for the direct administration of a State plan approved under section 237;

the Secretary may take the action authorized under paragraph (2) of this subsection if the finding was made after reasonable notice and opportunity for hearing to the involved State agency.

"(2) If the Secretary makes a finding described in paragraph (1), he may notify the involved State agency, which is the subject of the finding or which is connected with a project or State plan which is the subject of the finding, that—

"(A) no further payments will be made to the State from allotments under section 227; or

"(B) no further payments will be made from allotments under section 227 for any project or projects designated by the Secretary as being affected by the action or inaction referred to in subparagraph (A), (B), (C), or (D) of paragraph (1),

as the Secretary may determine to be appropriate under the circumstances; and, except with regard to any project for which the application has already been approved and which is not directly affected, further payments from such allotments may be withheld, in whole or in part, until there is no longer any failure to comply (or to carry out the assurance or plans and specifications or to provide adequate State funds, as the case may be) or, if such compliance (or other action) is impossible, until the State repays or arranges for the repayment of Federal moneys to which the recipient was not entitled.

"JUDICIAL REVIEW

"SEC. 224. If—

"(1) the Secretary refuses to approve an application for a project submitted under section 222, the State agency through which such application was submitted, or

"(2) any State is dissatisfied with the Secretary's action under section 223(c) or 237(c), such State,

may appeal to the United States court of appeals for the circuit in which such State agency or State is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but, until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of facts and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the Court, operate as a stay of the Secretary's action.

"RECOVERY

"SEC. 225. If any facility of a community mental health center acquired, remodeled, constructed, or expanded with funds provided under this part is, at any time within twenty years after the completion of such remodeling, construction, or expansion or after the date of its acquisition with such funds—

"(1) sold or transferred to any person or entity (A) which is not qualified to file an application under section 222, or (B) which is not approved as a transferee by the State

agency of the State in which such facility is located, or its successor; or

"(2) not used by a community mental health center in the provision of comprehensive mental health services, and the Secretary has not determined that there is good cause for termination of such use,

the United States shall be entitled to recover from either the transfer or the transferee in the case of a sale or transfer or from the owner in the case of termination of use an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the center is situated) of so much of such facility or center as constituted an approved project or projects, as the amount of the Federal participation bore to the acquisition, remodeling, construction, or expansion cost of such project or projects. Such right of recovery shall not constitute a lien upon such facility or center prior to judgment.

"NONDUPLICATION

"SEC. 226. No grant may be made under the Public Health Service Act for the remodeling, construction, or expansion of a facility for a community mental health center unless the Secretary determines that there are no funds available under this part for the remodeling, construction, or expansion of such facility.

"ALLOTMENTS TO STATES

"SEC. 227. (a) In each fiscal year, the Secretary shall, in accordance with regulations, make allotments from the sums appropriated under section 228 to the States (with State plans approved under section 237) on the basis of (1) the population, (2) the extent of the need for community mental health centers, and (3) the financial need, of the respective States; except that no such allotment to any State, other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands, in any fiscal year may be less than $100,000. Sums so allotted to a State other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands, in a fiscal year and remaining unobligated at the end of such year shall remain available to such State for such purpose in the next fiscal year (and in such year only), in addition to the sums allotted for such State in such next fiscal year. Sums so allotted to the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands in a fiscal year and remaining unobligated at the end of such year shall remain available to such State for such purpose in the next two fiscal years (and in such years only), in addition to the sums alloted to such State for such purpose in each of such next two fiscal years.

"(b) The amount of an allotment under subsection (a) to a State in a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as he may fix, to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the State whose proportionate amounts were not so reduced. Any amount so reallotted to a State in a fiscal year shall be deemed to be a part of its allotment under subsection (a) in such fiscal year.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 228. There are authorized to be appropriated $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977, for allotments under section 227.

"PART D—RAPE PREVENTION AND CONTROL

"RAPE PREVENTION AND CONTROL

"SEC. 231. (a) The Secretary shall establish within the National Institute of Mental Health an identifiable administrative unit to be known as the National Center for the Prevention and Control of Rape (hereinafter in this section referred to as the 'Center').

"(b)(1) The Secretary, acting through the Center, may, directly or by grant, carryout the following:

"(A) A continuing study of rape including a study and investigation of—

"(i) the effectiveness of existing Federal, State, and local laws dealing with rape;

"(ii) the relationship, if any, between traditional legal and social attitudes toward sexual roles, the act of rape, and the formulation of laws dealing with rape;

"(iii) the treatment of the victims of rape by law enforcement agencies, hospitals or other medical institutions, prosecutors, and courts;

"(iv) the causes of rape, identifying to the degree possible—

"(I) social conditions which encourage sexual attacks, and

"(II) the motives of offenders, and

"(v) the impact of rape on the victim and the family of the victim;

"(vi) sexual assaults in correctional institutions;

"(vii) the actual incidence of forcible rape as compared to the reported incidence of forcible rape and the reasons for any difference in such incidences; and

"(viii) the effectiveness of existing private and local and State government educational, counseling, and other programs designed to prevent and control rape.

"(B) The compilation, analysis, and publication of summaries of the continuing study conducted under subparagraph (A) and the research and demonstration projects conducted under subparagraph (E). The Secretary shall annually submit to the Congress a summary of such study and projects together with recommendations where appropriate.

"(C) The development and maintenance of an information clearinghouse with regard to—

"(i) the prevention and control of rape;

"(ii) the treatment and counseling of the victims of rape and their families; and

"(iii) the rehabilitation of offenders.

"(D) The compilation and publication of training materials for personnel who are engaged or intend to engage in programs designed to prevent and control rape.

"(E) Assistance to community mental health centers and other qualified public and nonprofit private entities in conducting research and demonstration projects concerning the prevention and control of rape, including projects (i) for the planning, developing, implementing, and evaluating of alternative methods used in the prevention and control of rape, the treatment and counseling of the victims of rape and their families, and the rehabilitation of offenders; (ii) for the application of such alternative methods; and (iii) for the promotion of community awareness of the specific locations in which, and the specific social and other conditions under which, sexual attacks are most likely to occur.

"(F) Assistance to community mental health centers in meeting the costs of providing consultation and education services respecting rape.

"(2) For purposes of this subsection, the term 'rape' includes statutory and attempted rape and any other criminal sexual assault (whether homosexual or heterosexual) which involves force or the threat of force.

"(c) The Secretary shall appoint an advisory committee to advise, consult with, and make recommendations to him on the implementation of subsection (b). The Secretary shall appoint to such committee persons who are particularly qualified to assist in carrying out the functions of the committee. A majority of the members of the committee shall be women. Members of the advisory committee shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, for each day (including traveltime) they are engaged in the performance of their duties as members of the advisory committee and, while so serving away from their homes or regular places of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"(d) For the purpose of carrying out subsection (b), there are authorized to be appropriated $7,000,000 for fiscal year 1976, and $10,000,000 for fiscal year 1977.

"PART E—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 235. For purposes of this title—

"(1) The term 'State' includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

"(2) The term 'State agency' means the State mental health authority responsible for the mental health service part of a State's plan under section 314(d) of the Public Health Service Act.

"(3) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(4) The term 'National Advisory Mental Health Council' means the National Advisory Mental Health Council established under section 217 of the Public Health Service Act.

"REGULATIONS

"SEC. 236. Regulations issued by the Secretary for the administration of this title shall include provisions applicable uniformly to all the States which—

"(1) prescribe the general manner in which the State agency of a State shall determine the priority of projects for community mental health centers on the basis of the relative need of the different areas of the State for such centers and their services and require special consideration for projects on the basis of the extent to which a center to be assisted or established upon completion of a project (A) will, alone or in conjunction with other centers owned or operated by the applicant for the project or affiliated or associated with such applicant, provide comprehensive mental health services for residents of an area designated by the Secretary as an urban or rural poverty area, or (B) will be part of or closely associated with a general hospital;

"(2) prescribe general standards for facilities and equipment for centers of different classes and in different types of location; and

"(3) require that the State plan of a State submitted under section 237 provide for adequate community mental health centers for people residing in the State, and provide for adequate community mental health centers to furnish needed services for persons unable to pay therefor.

The National Advisory Mental Health Council shall be consulted by the Secretary before the issuance of regulations under this section.

"STATE PLAN

"SEC. 237. (a) A State plan for the provision of comprehensive mental health services within a State shall be comprised of the following two parts:

"(1) An administrative part containing provisions respecting the administration of the plan and related matters. Such part shall—

"(A) provide for the designation of a State advisory council to consult with the State agency in administering such plan, which council shall include (i) representatives of non-government organizations or groups, and of State agencies, concerned with the planning, operation, or use of community mental health centers or other mental health facilities, and (ii) representatives of consumers and providers of the services of such centers and facilities who are familiar with the need for such services;

"(B) provide that the State agency will make such reports in such form and containing such information as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

"(C) provide that the State agency will from time to time, but not less often than annually, review the State plan and submit to the Secretary appropriate modifications thereof which it considers necessary; and

"(D) include provisions, meeting such requirements as the Civil Service Commission may prescribe, relating to the establishment and maintenance of personnel standards on a merit basis.

"(2) A services and facilities part containing provisions respecting services to be offered within the State by community mental health centers and provisions respecting facilities for such centers. Such part shall—

"(A) be consistent with the mental health services part of the State's plan under section 314(d) of the Public Health Service Act;

"(B) set forth a program for community mental health centers within the State (i) which is based on a statewide inventory of existing facilities and a survey of need for the comprehensive mental health services described in section 201(b); (ii) which conforms with regulations prescribed by the Secretary under section 236; and (iii) which shall provide for adequate community mental health centers to furnish needed services for persons unable to pay therefor;

"(C) set forth the relative need, determined in accordance with the regulations prescribed under section 236, for the projects included in the program described in subparagraph (B), and, in the case of projects under part C, provide for the completion of such projects in the order of such relative need;

"(D) emphasize the provision of outpatient services by community mental health centers as a preferable alternative to inpatient hospital services; and

"(E) provide minimum standards (to be fixed in the discretion of the State) for the maintenance and operation of centers which receive Federal aid under this title and provide for enforcement of such standards with respect to projects approved by the Secretary under this title.

"(b) The State agency shall administer or supervise the administration of the State plan.

"(c) A State shall submit a State plan in such form and manner as the Secretary shall by regulation prescribe. The Secretary shall approve any State plan (and any modification thereof) which complies with the requirements of subsection (a). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"(d)(1) At the request of any State, a portion of any allotment or allotments of such State under section 227 for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the provisions of the State plan approved under this section which relate to projects under part C for facilities for community mental health centers; except that not more than 5 per centum of the total of the allotments of such State for any fiscal year, or $50,000, whichever is less, shall be available for such purpose. Amounts made available to any State under this paragraph from its allotment or allotments under section 227 for any fiscal year shall be available only for such expenditures (referred to in the preceding sentence) during such fiscal year or the following fiscal year. Payments of amounts due under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount under paragraph (1) to any State for any fiscal year for administration of the provisions of an approved State plan shall be paid on condition that there shall be expended from State sources for each year for administration of such provisions not less than the total amount expended for such purposes from such sources during the fiscal year ending June 30, 1968.

"CATCHMENT AREA REVIEW

"SEC. 238. Each State health planning and development agency designated for a State under section 1521 of the Public Health Service Act shall, in consultation with that State's mental health authority, periodically review the catchment areas of the community mental health centers located in that State to (1) insure that the sizes of such areas are such that the services to be provided through the centers (including their satellites) serving the areas are available and accessible to the residents of the areas promptly, as appropriate, (2) insure that the boundaries of such areas conform, to the extent practicable, with relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs, and (3) insure that the boundaries of such areas eliminate, to the extent possible, barriers to access to the services of the centers serving the areas, including barriers resulting from an area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation.

"STATE CONTROL OF OPERATIONS

"SEC. 239. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any community mental health center with respect to which any funds have been or may be expended under this title.

"RECORDS AND AUDIT

"SEC. 240. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the assistance received under this title.

"NONDUPLICATION

"SEC. 241. In determining the amount of any grant under part A, B, or C for the costs of any project there shall be excluded from such costs an amount equal to the sum of (1) the amount of any other Federal grant which the applicant for such grant has obtained, or is assured of obtaining, with respect to such project, and (2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

"DETERMINATION OF POVERTY AREA

"SEC. 242. For purposes of any determination by the Secretary under this title as to whether any urban or rural area is a poverty area, the Secretary may not determine that an area is an urban or rural poverty area unless—

"(1) such area contains one or more subareas which are characterized as subareas of poverty;

"(2) the population of such subareas of subareas constitutes a substantial portion of the population of such rural or urban area; and

"(3) the project, facility, or activity, in connection with which such determination is made, does, or (when completed or put into operation) will, serve the needs of the residents of such subarea or subareas.

"PROTECTION OF PERSONAL RIGHTS

"SEC. 243. In making grants under parts A and B, the Secretary shall take such steps as may be necessary to assure that no individual shall be made the subject of any research involving surgery which is carried out (in whole or in part) with funds under such grants unless such individual explicitly agrees to become a subject of such research.

"REIMBURSEMENT

"SEC. 244. The Secretary shall, to the extent permitted by law, work with States, private insurers, community mental health centers, and other appropriate entities to assure that community mental health centers shall be eligible for reimbursement for their mental health services to the same extent as general hospitals and other licensed providers.

"SHORT TITLE

"SEC. 245. This title may be cited as the 'Community Mental Health Centers Act'."

REPORT

SEC. 304. (a) Not later than one year after the date of the enactment of this Act the Secretary of Health, Education, and Welfare shall make a report to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate setting forth a plan, to be carried out in a period of five years, for the extension of comprehensive mental health services through community mental health centers to persons in all areas in which there is a demonstrated need for such services. Such plan shall, at a minimum, indicate on a phased basis the number of persons to be served by such services and an estimate of the cost and personnel requirements needed to provide such services.

(b) Not later than eighteen months after the date of the enactment of this Act the Secretary of Health, Education, and Welfare shall submit to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a report setting forth (1) national standards for care provided by community mental health centers, and (2) criteria for evaluation of community mental health centers and the quality of the services provided by the centers.

CONFORMING AMENDMENTS

SEC. 305. (a) Section 401 of the Mental Retardation Facility and Community Mental Health Centers Construction Act of 1963 is amended—

(1) by striking out paragraph (c);

(2) by amending paragraph (d) to read as follows:

"(d) The terms 'nonprofit facility for per-

sons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations."; and

(3) by—

(A) striking out "or part A of title II" in paragraph (h)(1),

(B) by striking out in paragraph (h)(2) "(A)" and "; and (B) for any project under part A of title II may not exceed 66⅔ per centum of the costs of construction of such project or the State's Federal percentage, whichever is the lower", and

(C) by striking out "or under part A of title II" in paragraph (h)(3).

(b) Section 403 of such Act is amended—

(1) by striking out ", or section 204 in the case of a community mental health center," in subsection (a),

(2) by striking out "or section 206, as the case may be," in such subsection,

(3) by striking out "or 205" in subsection (b), and

(4) by striking out the second sentence of subsection (c)(1).

(c) Section 404 is amended by striking out "or 205", "or 204(b)", and "or 206".

(d) Section 405 is amended—

(1) by striking out "or 205" in paragraph (1)(A),

(2) by striking out "or section 204 (in case of a community mental health center)" in such paragraph,

(3) by striking out "or community mental health center, as the case may be," in paragraph (2),

(4) by striking out "or such center as a community mental health center" in such paragraph,

(5) by striking out "or center" each place it occurs in the matter following paragraph (2), and

(6) by striking out "or community mental health center" in such matter.

(e) Section 406 is amended by striking out "or community mental health center".

TITLE IV—MIGRANT HEALTH CENTERS

MIGRANT HEALTH CENTERS

SEC. 401. (a) Section 319 of the Public Health Service Act is amended to read as follows:

"MIGRANT HEALTH

"SEC. 319. (a) For purposes of this section:

"(1) The term 'migrant health center' means an entity which either through its staff and supporting resources or through contracts or cooperative arrangements with other public or private entities provides—

"(A) primary health services,

"(B) as may be appropriate for particular centers, supplemental health services necessary for the adequate support of primary health services,

"(C) referral to providers of supplemental health services and payment, as appropriate and feasible, for their provision of such services,

"(D) environmental health services, including, as may be appropriate for particular centers, the detection and alleviation of unhealthful conditions associated with water supply, sewage treatment, solid waste disposal, rodent and parasitic infestation, field sanitation, housing, and other environmental factors related to health,

"(E) as may be appropriate for particular centers, infectious and parasitic disease screening and control,

"(F) as may be appropriate for particular centers, accident prevention programs, including prevention of excessive pesticide exposure, and

"(G) information on the availability and proper use of health services,

for migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, within the area it serves (referred to in this section as a 'catchment area').

"(2) The term 'migratory agricultural worker' means an individual whose principal employment is in agriculture on a seasonal basis, who has been so employed within the last twenty-four months, and who establishes for the purposes of such employment a temporary abode.

"(3) The term 'seasonal agricultural workers' means an individual whose principal employment is in agriculture on a seasonal basis and who is not a migratory agricultural worker.

"(4) The term 'agriculture' means farming in all its branches, including—

"(A) cultivation and tillage of the soil,

"(B) the production, cultivation, growing, and harvesting of any commodity grown on, in, or as an adjunct to or part of a commodity grown in or on, the land, and

"(C) any practice (including preparation and processing for market and delivery to storage or to market or to carriers for transportation to market) performed by a farmer or on a farm incident to or in conjunction with an activity described in subparagraph (B).

"(5) The term 'high impact area' means a health service area or other area which has not less than six thousand migratory agricultural workers and seasonal agricultural workers residing within its boundaries for more than two months in any calendar year. In computing the number of workers residing in an area, there shall be included as workers the members of the families of such workers.

"(6) The term 'primary health services' means—

"(A) services of physicians and, where feasible, services of physicians' assistants and nurse clinicians;

"(B) diagnostic laboratory and radiologic services;

"(C) preventive health services (including children's eye and ear examinations to determine the need for vision and hearing correction, perinatal services, well child services, and family planning services);

"(D) emergency medical services;

"(E) transportation services as required for adequate patient care; and

"(F) preventive dental services.

"(7) The term 'supplemental health services' means services which are not included as primary health services and which are—

"(A) hospital services;

"(B) home health services;

"(C) extended care facility services;

"(D) rehabilitative services (including physical therapy) and long-term physical medicine;

"(E) mental health services;

"(F) dental services;

"(G) vision services;

"(H) allied health services;

"(I) pharmaceutical services;

"(J) therapeutic radiologic services;

"(K) public health services (including nutrition education and social services);

"(L) health education services; and

"(M) services which promote and facilitate optimal use of primary health services and the services referred to in the preceding subparagraphs of this paragraph, including, if a substantial number of the individuals in the population served by a migrant health center are of limited English-speaking ability, the services of outreach workers fluent in the language spoken by a predominant number of such individuals.

"(b)(1) The Secretary shall assign to high impact areas and any other areas (where appropriate) priorities for the provision of assistance under this section to projects and programs in such areas. The highest priorities of such assistance shall be assigned to areas in which reside the greatest number of migratory agricultural workers and the members of their families for the longest period of time.

"(2) No application for a grant under subsection (c) or (d) for a project in an area which has no migratory agricultural workers may be approved unless grants have been provided for all approved applications under such subsections for projects in areas with migratory agricultural workers.

"(c)(1)(A) The Secretary may, in accordance with the priorities assigned under subsection (b)(1), make grants to public and nonprofit private entities for projects to plan and develop migrant health centers which will serve migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, in high impact areas. A project for which a grant may be made under this subparagraph may include the cost of the acquisition and modernization of existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans) and the costs of providing training related to the management of migrant health center programs, and shall include—

"(i) an assessment of the need that the workers (and the members of the families of such workers) proposed to be served by the migrant health center for which the project is undertaken have for primary health services, supplemental health services, and environmental health services;

"(ii) the design of a migrant health center program for such workers and the members of their families, based on such assessment;

"(iii) efforts to secure, within the proposed catchment area of such center, financial and professional assistance and support for the project; and

"(iv) initiation and encouragement of continuing community involvement in the development and operation of the project.

"(B) The Secretary may make grants to or enter into contracts with public and nonprofit private entities for projects to plan and develop programs in areas in which no migrant health center exists and which are not high impact areas—

"(i) for the provision of emergency care to migratory agricultural workers, seasonal agricultural workers, and the members of families of such migratory and seasonal workers;

"(ii) for the provision of primary care (as defined in regulations of the Secretary) for such workers and the members of their families;

"(iii) for the development of arrangements with existing facilities to provide primary health services (not included as primary care as defined under regulations under clause (ii)) to such workers and the members of their families; or

"(iv) which otherwise improve the health of such workers and their families.

Any such program may include the acquisition and modernization of existing buildings and providing training related to the management of programs assisted under this subparagraph.

"(2) Not more than two grants may be made under paragraph (1)(A) for the same project, and if a grant or contract is made or entered into under paragraph (1)(B) for a project, no other grant or contract under that paragraph may be made or entered into for the project.

"(3) The amount of any grant made under paragraph (1) for any project shall be determined by the Secretary.

"(d)(1)(A) The Secretary may, in accordance with priorities assigned under subsection (b)(1), make grants for the costs of operation of public and nonprofit private migrant health centers in high impact areas.

"(B) The Secretary may, in accordance with priorities assigned under subsection (b)(1), make grants for the costs of the operation of public and nonprofit entities which intend to become migrant health centers, which provide health services in high impact areas to migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, but with respect to which he is unable to make each of the determinations required by subsection (f)(2). Not more than two grants may be made under this subparagraph for any entity.

"(C) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects for the operation of programs in areas in which no migrant health center exists and which are not high impact areas—

"(i) for the provision of emergency care to migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers;

"(ii) for the provision of primary care (as defined in regulations of the Secretary) for such workers and the members of their families;

"(iii) for the development of arrangements with existing facilities to provide primary health services (not included as primary care as defined under regulations under clause (ii)) to such workers and the members of their families; or

"(iv) which otherwise improve the health of such workers and the members of their families.

Any such program may include the acquisition and modernization of existing buildings and providing training related to the management of programs assisted under this subparagraph.

"(2) The costs for which a grant may be made under paragraph (1)(A) or (1)(B) may include the costs of acquiring and modernizing existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans); and the costs for which a grant or contract may be made under paragraph (1) may include the costs of providing training related to the provision of primary health services, supplemental health services, and environmental health services, and to the management of migrant health center programs.

"(3) The amount of any grant made under paragraph (1) shall be determined by the Secretary.

"(e) The Secretary may enter into contracts with public and private entities to—

"(1) assist the States in the implementation and enforcement of acceptable environmental health standards, including enforcement of standards for sanitation in migrant labor camps and applicable Federal and State pesticide control standards; and

"(2) conduct projects and studies to assist the several States and entities which have received grants or contracts under this section in the assessment of problems related to camp and field sanitation, pesticide hazards, and other environmental health hazards to which migratory agricultural workers, seasonal agricultural workers, and members of their families are exposed.

"(f)(1) No grant may be made under subsection (c) or (d) and no contract may be entered into under subsection (c)(1)(B), (d)(1)(C), or (e) unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe. An application for a grant or contract which will cover the costs of modernizing a building shall include, in addition to other information required by the Secretary—

"(A) a description of the site of the building,

"(B) plans and specifications for its modernization, and

"(C) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the modernization of the building will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act).

The Secretary of Labor shall have with respect to the labor standards referred to in subparagraph (C) the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(2) The Secretary may not approve an application for a grant under subsection (d)(1)(A) unless the Secretary determines that the entity for which the application is submitted is a migrant health center (within the meaning of subsection (a)(1)) and that—

"(A) the primary health services of the center will be available and accessible in the center's catchment area promptly, as appropriate, and in a manner which assures continuity;

"(B) the center will have organizational arrangements, established in accordance with regulations of the Secretary, for (i) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, and (ii) maintaining the confidentiality of patient records;

"(C) the center will demonstrate its financial responsibility by the use of such account procedures and other requirements as may be prescribed by the Secretary;

"(D) the center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(E) the center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(F) the center (i) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay, (ii) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (E) on the basis of the full amount of fees and payments for such services without application of any discount, and (iii) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph;

"(G) the center has established a governing board which (i) is composed of individuals a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center, and (ii) establishes general policies for the center (including the selection of services to be provided by the center and a schedule of hours during which services will be provided), approves the center's annual budget, and approves the selection of a director for the center.

"(H) the center has developed, in accordance with regulations of the Secretary, (i) an overall plan and budget that meets the requirements of section 1861(z) of the Social Security Act, and (ii) an effective procedure for compiling and reporting to the Secretary such statistics and other information as the Secretary may require relating to (I) the costs of its operations, (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, and (IV) such other matters relating to operations of the applicant as the Secretary may, by regulation, require;

"(I) the center will review periodically its catchment area to (i) insure that the size of such area is such that the services to be provided through the center (including any satellite) are available and accessible to the migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, in the area promptly and as appropriate, (ii) insure that the boundaries of such area conform, to the extent practicable, to relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs, and (iii) insure that the boundaries of such area eliminate, to the extent possible, barriers to access to the services of the center, including barriers resulting from the area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation; and

"(J) in the case of a center which serves a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and (ii) identified an individual on its staff who is fluent in both that language and English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

"(3) In considering applications for grants and contracts under subsection (c) or (d)(1)(C), the Secretary shall give priority to applications submitted by community-based organizations which are representative of the populations to be served through the projects, programs, or centers to be assisted by such grants or contracts.

"(4) Contracts may be entered into under this section without regard to section 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(g) The Secretary may provide (either through the Department of Health, Education, and Welfare or by grant or contract) all necessary technical and other nonfinancial assistance (including fiscal and program management assistance and training in such management) to any migrant health center or to any public or private nonprofit entity to assist it in developing plans for, and in operating as, a migrant health center, and in meeting the requirements of subsection (f)(2).

"(h)(1) There are authorized to be appropriated for payments pursuant to grants and contracts under subsection (c)(1) $4,000,000 for fiscal year 1976, and $4,000,000 for fiscal year 1977. Of the funds appropriated under this paragraph for fiscal year 1976, not more

than 30 per centum of such funds may be made available for grants and contracts under subsection (c)(1)(B), and of the funds appropriated under this paragraph for the next fiscal year, not more than 25 per centum of such funds may be made available for grants and contracts under such subsection.

"(2) There are authorized to be appropriated for payments pursuant to grants and contracts under subsection (d)(1) (other than for payments under such grants and contracts for the provision of inpatient and outpatient hospital services) and for payments pursuant to contracts under subsection (e) $30,000,000 for fiscal year 1976, and $35,000,000 for fiscal year 1977. Of the funds appropriated under the first sentence for fiscal year 1976, there shall be made available for grants and contracts under subsection (d)(1)(C) an amount not exceeding the greater of 30 per centum of such funds or 90 per centum of the amount of grants made under this section for the preceding fiscal year for programs described in subsection (d)(1)(C). Of the funds appropriated under the first sentence for fiscal year 1977, there shall be made available for grants and contracts under subsection (d)(1)(C) an amount not exceeding the greater of 25 per centum of such funds or 90 per centum of the amount of grants made under this section for the preceding fiscal year for programs described in subsection (d)(1)(C) which received grants under this section for the fiscal year ending June 30, 1975. Of the funds appropriated under this paragraph for any fiscal year, not more than 10 per centum of such funds may be made available for contracts under subsection (e).

"(3) There are authorized to be appropriated for payments under grants and contracts under subsection (d)(1) for the provision of inpatient and outpatient hospital services $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977."

(b) Section 217 of the Public Health Service Act is amended by adding after the subsection (f) added by Public Law 93-248 the following new subsection:

"(g)(1) Not later than October 1, 1975, the Secretary shall appoint and organize a National Advisory Council on Migrant Health (hereinafter in this subsection referred to as the 'Council') which shall advise, consult with, and make recommendations to, the Secretary on matters concerning the organization, operation, selection, and funding of migrant health centers and other entities under grants and contracts under section 319.

"(2) The Council shall consist of fifteen members, at least twelve of whom shall be members of the governing boards of migrant health centers or other entities assisted under section 319. Of such twelve members who are members of such governing boards, at least nine shall be chosen from among those members of such governing boards who are being served by such centers or grantees and who are familiar with the delivery of health care to migratory agricultural workers and seasonal agricultural workers. The remaining three Council members shall be individuals qualified by training and experience in the medical sciences or in the administration of health programs.

"(3) Each member of the Council shall hold office for a term of four years, except that (A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of the members first taking office after the date of enactment of this subsection shall expire as follows: four shall expire four years after such date, four shall expire three years after such date, four shall expire two years after such date, and three shall expire one year after such date, as designated by the Secretary at the time of appointment.

"(4) Section 14(a) of the Federal Advisory Committee Act shall not apply to the Council.".

(c)(1) The Secretary of Health, Education, and Welfare (hereinafter in this subsection referred to as the "Secretary") shall conduct or arrange for the conduct of a study of—

(A) the quality of housing which is available to agricultural migratory workers in the United States during the period of their employment in seasonal agricultural activities while away from their permanent abodes;

(B) the effect on the health of such workers of deficiencies in their housing conditions during such period; and

(C) Federal, State, and local government standards respecting housing conditions for such workers during such period and the adequacy of the enforcement of such standards.

In conducting or arranging for the conduct of such study, the Secretary shall consult with the Secretary of Housing and Urban Development.

(2) Such study shall be completed and a report detailing the findings of the study and the recommendations of the Secretary for Federal action (including legislation) respecting such housing conditions shall be submitted to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate within eighteen months of the date of the enactment of the first Act making appropriations for such study.

TITLE V—COMMUNITY HEALTH CENTERS

COMMUNITY HEALTH CENTERS

SEC. 501. (a) Part C of title III of the Public Health Service Act is amended by adding after section 329 the following new section:

"COMMUNITY HEALTH CENTERS

"SEC. 330. (a) For purposes of this section, the term 'community health center' means an entity which either through its staff and supporting resources or through contracts or cooperative arrangements with other public or private entities provides—

"(1) primarily health services,

"(2) as may be appropriate for particular centers, supplemental health services necessary for the adequate support of primary health services,

"(3) referral to providers of supplemental health services and payment, as appropriate and feasible, for their provision of such services,

"(4) as may be appropriate for particular centers, environmental health services, and

"(5) information on the availability and proper use of health services

for all residents of the area it serves (referred to in this section as a 'catchment area').

"(b) For purposes of this section:

"(1) The term 'primary health services' means—

"(A) services of physicians and, where feasible, services of physicians' assistants and nurse clinicians;

"(B) diagnostic laboratory and radiologic services;

"(C) preventive health services (including children's eye and ear examinations to determine the need for vision and hearing correction, perinatal services, well child services, and family planning services);

"(D) emergency medical services;

"(E) transportation services as required for adequate patient care; and

"(F) preventive dental services.

"(2) The term 'supplemental health services' means services which are not included as primary health services and which are—

"(A) hospital services;

"(B) home health services;

"(C) extended care facility services;

"(D) rehabilitative services (including physical therapy) and long-term physical medicine;

"(E) mental health services;

"(F) dental services;

"(G) vision services;

"(H) allied health services;

"(I) pharmaceutical services;

"(J) therapeutic radiologic services;

"(K) public health services (including nutrition education and social services);

"(L) health education services; and

"(M) services which promote and facilitate optimal use of primary health services and the services referred to in the preceding subparagraphs of this paragraph, including, if a substantial number of the individuals in the population served by a community health center are of limited English-speaking ability, the services of outreach workers fluent in the language spoken by a predominant number of such individuals.

"(3) The term 'medically underserved population' means the population of an urban or rural area designated by the Secretary as an area with a shortage of personal health services or a population group designated by the Secretary as having a shortage of such services.

"(c)(1) The Secretary may make grants to public and nonprofit private entities for projects to plan and develop community health centers which will serve medically underserved populations. A project for which a grant may be made under this subsection may include the cost of acquisition and modernization of existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans) and shall include—

"(A) an assessment of the need that the population proposed to be served by the community health center for which the project is undertaken has for primary health services, supplemental health services, and environmental health services;

"(B) the design of a community health center program for such population based on such assessment;

"(C) efforts to secure, within the proposed catchment area of such center, financial and professional assistance and support for the project; and

"(D) initiation and encouragement of continuing community involvement in the development and operation of the project.

"(2) not more than two grants may be made under this subsection for the same project.

"(3) The amount of any grant made under this subsection for any project shall be determined by the Secretary.

"(d)(1)(A) The Secretary may make grants for the costs of operation of public and nonprofit private community health centers which serve medically underserved populations.

"(B) The Secretary may make grants for the costs of the operation of public and nonprofit private entities which provide health services to medically underserved populations but with respect to which he is unable to make each of the determinations required by subsection (e)(2).

"(2) The costs for which a grant may be made under paragraph (1) may include the costs of acquiring and modernizing existing buildings (including the costs of amortizing the principal of, and paying interest on, loans) and the costs of providing training related to the provision of primary health services, supplemental health services and environmental health services, and to the management of community health center programs.

"(3) Not more than two grants may be made under paragraph (1)(B) for the same entity.

"(4) The amount of any grant made under paragraph (1) shall be determined by the Secretary.

"(e)(1) No grant may be made under subsection (e) or (d) unless an application therefor is submitted to, and approved by the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe. An application for a grant which will cover the costs of modernizing a building shall include, in addition to other information required by the Secretary—

"(A) a description of the site of the building,

"(B) plans and specifications for its modernization, and

"(C) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the modernization of the building will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act).

The Secretary of Labor shall have with respect to the labor standards referred to in subparagraph (C) the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176, 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(2) Except as provided in subsection (d)(1)(B), the Secretary may not approve an application for a grant under subsection (d) unless the Secretary determines that the entity for which the application is submitted is a community health center (within the meaning of subsection (a)) and that—

"(A) the primary health services of the center will be available and accessible in the center's catchment area promptly, as appropriate, and in a manner which assures continuity;

"(B) the center will have organizational arrangements, established in accordance with regulations prescribed by the Secretary, for (i) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, and (ii) maintaining the confidentiality of patient records;

"(C) the center will demonstrate its financial responsibility by the use of such accounting procedures and other requirements as may be prescribed by the Secretary;

"(D) the center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(E) the center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(F) the center (i) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts

are adjusted on the basis of the patient's ability to pay, (ii) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (E) on the basis of the full amount of fees and payments for such services without application of any discount, and (iii) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph;

"(G) the center has established a governing board which (i) is composed of individuals a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center, and (ii) meets at least once a month, establishes general policies for the center (including the selection of services to be provided by the center and a schedule of hours during which services will be provided), approve the center's annual budget, and approves the selection of a director for the center;

"(H) the center has developed, in accordance with regulations of the Secretary, (i) an overall plan and budget that meets the requirements of section 1861(z) of the Social Security Act, and (ii) an effective procedure for compiling and reporting to the Secretary such statistics and other information as the Secretary may require relating to (I) the costs of its operations, (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, and (IV) such other matters relating to operations of the applicant as the Secretary may, by regulation, require;

"(I) the center will review periodically its catchment area to (i) insure that the size of such area is such that the services to be provided through the center (including any satellite) are available and accessible to the residents of the area promptly and as appropriate, (ii) insure that the boundaries of such area conform, to the extent practicable, to relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs, and (iii) insure that the boundaries of such area eliminate, to the extent possible, barriers to access to the services of the center, including barriers resulting from the area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation; and

"(J) in the case of a center which serves a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and (ii) identified an individual on its staff who is fluent in both that language and in English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

"(f) The Secretary may provide (either through the Department of Health, Education, and Welfare or by grant or contract) all necessary technical and other nonfinancial assistance (including fiscal and program management assistance and training in such management) to any public or private nonprofit entity to assist it in developing plans for, and in operating as, a community health center, and in meeting requirements of subsection (e)(2).

"(g)(1) There are authorized to be appropriated for payments pursuant to grants under subsection (c) $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977.

"(2) There are authorized to be appropriated for payments pursuant to grants under subsection (d) $215,000,000 for fiscal year 1976, and $235,000,000 for fiscal year 1977."

(b) Section 314(e) of the Public Health Service Act is repealed.

TITLE VI—MISCELLANEOUS

DISEASES BORNE BY RODENTS

SEC. 601. (a) Section 317(h)(1) of the Public Health Service Act is amended by striking out "and RH disease" and inserting in lieu thereof ", RH disease, and diseases borne by rodents".

(b) Section 317(d)(3) of such Act is amended by adding at the end thereof the following: "There is authorized to be appropriated for fiscal year 1976 $20,000,000 for grants under this section for communicable and other disease control programs for diseases borne by rodents.".

HOME HEALTH SERVICES

SEC. 602. (a)(1) For the purpose of demonstrating the establishment and initial operation of public and nonprofit private agencies (as defined in section 1861(o) of the Social Security Act) which will provide home health services (as defined in section 1861(m) of the Social Security Act) in areas in which such services are not otherwise available, the Secretary of Health, Education, and Welfare may, in accordance with the provisions of this section, make grants to meet the initial costs of establishing and operating such agencies and expanding the services available through existing agencies, and to meet the costs of compensating professional and paraprofessional personnel during the initial operation of such agencies or the expansion of services of existing agencies.

(2) In making grants under this subsection, the Secretary shall consider the relative needs of the several States for home health services and preference shall be given to areas within a State in which a high percentage of the population proposd to be served is composed of individuals who are elderly, medically indigent, or both.

(3) Applications for grants under this subsection shall be in such form and contain such information as the Secretary shall prescribe by regulation.

(4) Payment of grants under this subsection may be made in advance or by way of reimbursement or in installments as the Secretary may determine.

(5) There are authorized to be appropriated $8,000,000 for fiscal year 1976 for payments under grants under this subsection.

(b)(1) The Secretary of Health, Education, and Welfare may make grants to public and nonprofit private entities to assist them in demonstrating the training of professional and paraprofessional personnel to provide home health services (as defined in section 1861(m) of the Social Security Act).

(2) Applications for grants under this subsection shall be in such form and contain such information as the Secretary shall by regulations prescribe.

(3) Payment of grants under this section may be made in advance or by way of reimbursement, or in installments, as the Secretary shall determine.

(4) There is authorized to be appropriated $2,000,000 for fiscal year 1976 for payments under grants under this subsection.

COMMITTEE ON MENTAL HEALTH AND ILLNESS OF THE ELDERLY

SEC. 603. (a) The Secretary of Health, Education, and Welfare shall appoint a Committee on Mental Health and Illness of the Elderly (hereinafter in this section referred to as the "Committee") to make a study of and recommendations respecting—

(1) the future needs for mental health facilities, manpower, research, and training to meet the mental health care needs of elderly persons,

UMI

(2) the appropriate care of elderly persons who are in mental institutions or who have been discharged from such institutions, and

(3) proposals for implementing the recommendations of the 1971 White House Conference on Aging respecting the mental health of the elderly.

(b) Within one year from the date of enactment of this Act the Secretary shall report to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives the findings of the Committee under the study under subsection (a) and the Committee's recommendations under such subsection.

(c)(1) The Committee shall be composed of nine members appointed by the Secretary of Health, Education, and Welfare. The Committee shall include at least one member from each of the fields of psychology, psychiatry, social science, social work, and nursing. Each member of the Committee shall by training, experience, or attainments be exceptionally qualified to assist in carrying out the functions of the Committee.

(2) Members of the Committee shall receive compensation at a ratio to be fixed by the Secretary, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule, for each day (including travel-time) during which they are enaged in the actual preformance of duties vested in the Committee. While away from their homes or regular places of business in the performance of services for the Committee, members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(d) The Committee shall cease to exist thirty days after the submission of the report pursuant to subsection (b).

COMMISSION FOR CONTROL OF EPILEPSY

SEC. 604. (a) The Secretary of Health, Education, and Welfare shall establish a temporary commission to be known as the Commission for the Control of Epilepsy and Its Consquences, hereinafter referred to in this section as the "Commission").

(b) It shall be the duty of the Commission to—

(1) make a comprehensive study of the state of the art of medical and social management of the epilepsies in the United States;

(2) investigate and make recommendations concerning the proper roles of Federal and State governments and national and local public and private agencies in research, prevention, identification, treatment, and rehabilitation of persons with epilepsy;

(3) develop a comprehensive national plan for the control of epilepsy and its consequences based on the most thorough, complete, and accurate data and information available on the disorder; and

(4) transmit to the President and the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives, not later than one year after the date of enactment of this Act, a report detailing the findings and conclusions of the Commission, together with recommendations for legislation and appropriations, as it deems advisable.

(c)(1) The Commission shall be composed of nine members to be appointed by the Secretary of Health, Education, and Welfare. Such members shall be persons, including consumers of health services, who, by reason of experience or training in the medical, social, or educational aspects of the epilepsies, are especially qualified to serve on such Commission.

(2) The Secretary shall designate one of the members of the Commission to serve as Chairman and one to serve as Vice Chairman. Vacancies shall be filled in the same manner in which the original appointments were made. Any vacancy in the Commission shall not affect its powers.

(3) Any member of the Commission who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties on the Commission.

(4) Members of the Commission, other than those referred to in paragraph (3), shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, for each day (including travel-time) they are engaged in the performance of their duties and, while so serving away from their homes or regular places of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence in the same manner as is authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The Commission shall cease to exist thirty days after the submission of the final report required by subsection (b)(4).

COMMISSION FOR CONTROL OF HUNTINGTON'S DISEASE

SEC. 605. (a) The Secretary of Health, Education, and Welfare shall establish a temporary commission to be known as the Commission for the Control of Huntington's Disease and Its Consequences (hereinafter referred to in this section as the "Commission").

(b) It shall be the duty of the Commission to—

(1) make a comprehensive study of the state of the art of medical and social management of Huntington's disease in the United States;

(2) investigate and make recommendations concerning the proper roles of Federal and State governments and national and local public and private agencies in research, prevention, identification, treatment, and rehabilitation of persons with Huntington's disease;

(3) develop a comprehensive national plan for the control of Huntington's disease and its consequences based on the most thorough, complete, and accurate data and information available on the disorder; and

(4) transmit to the President and the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives, not later than one year after the date of enactment of this Act, a report detailing the findings and conclusions of the Commission, together with recommendations for legislation and appropriations, as it deems advisable.

(c)(1) The Commission shall be composed of nine members to be appointed by the Secretary of Health, Education, and Welfare. Such members shall be persons, including consumer of health services, who, by reason of experience or training in the medical, social, or educational aspects of Huntington's disease, are especially qualified to serve on such Commission.

(2) The Secretary shall designate one of the members of the Commission to serve as Chairman and one to serve as Vice Chairman. Vacancies shall be filled in the same manner in which the original appointments were made. Any vacancy in the Commission shall not affect its powers.

(3) Any member of the Commission who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties on the Commission.

(4) Members of the Commission, other than those referred to in paragraph (3), shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, for each day (including travel-time) they are engaged in the performance of their duties and, while so serving away from their homes or regular places of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence in the same manner as is authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The Commission shall cease to exist thirty days after the submission of the final report required by subsection (b)(4).

HEMOPHILIA PROGRAMS

SEC. 606. Title XI of the Public Health Service Act is amended by adding after part C the following new part:

"PART D—HEMOPHILIA PROGRAMS

"TREATMENT CENTERS

"SEC. 1131. (a) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects for the establishment of comprehensive hemophilia diagnostic and treatment centers. A center established under this subsection shall provide—

"(1) access to the services of the center for all individuals suffering from hemophilia who reside within the geographic area served by the center;

"(2) programs for the training of professional and paraprofessional personnel in hemophilia research, diagnosis, and treatment;

"(3) a program for the diagnosis and treatment of individuals suffering from hemophilia who are being treated on an outpatient basis;

"(4) a program for association with providers of health care who are treating individuals suffering from hemophilia in areas not conveniently served directly by such center but who are more conveniently (as determined by the Secretary) served by it than by the next geographically closest center;

"(5) programs of social and vocational counseling for individuals suffering from the hemophilia; and

"(6) individualized written comprehensive care programs for each individual treated by or in association with such center.

"(b) No grant or contract may be made under subsection (a) unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) An application for a grant or contract under subsection (a) shall contain assurances satisfactory to the Secretary that the applicant will serve the maximum number of individuals that its available and potential resources will enable it to effectively serve.

"(d) In considering applications for grants and contracts under subsection (a) for projects to establish hemophilia diagnostic and treatment centers, the Secretary shall—

"(1) take into account the number of persons to be served by the programs to be supported by such centers and the extent to which rapid and effective use will be made by such centers of funds under such grants and contracts, and

"(2) give priority to projects for centers which will operate in areas which the Secretary determines have the greatest number of persons in need of the services provided by such centers.

"(e) Contracts may be entered into under

subsection (a) without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(f) There are authorized to be appropriated to make payments under grants and contracts under subsection (a) $3,000,000 for fiscal year 1976, and $4,000,000 for fiscal year 1977.

"BLOOD SEPARATION CENTERS

"SEC. 1132. (a) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects to develop and expand, within existing facilities, blood-separation centers to separate and make available for distribution blood components to providers of blood services and manufacturers of blood fractions. For purposes of this section—

"(1) the term 'blood components' means those constituents of whole blood which are used for therapy and which are obtained by physical separation processes which result in licensed products such as red blood cells, platelets, white blood cells, AHF-rich plasma, fresh-frozen plasma, cryoprecipitate, and single unit plasma for infusion; and

"(2) the term 'blood fractions' means those constituents of plasma which are used for therapy and which are obtained by licensed fractionation processes presently used in manufacturing which result in licensed products such as normal serum albumin, plasma, protein fraction, prothrombin complex, fibrinogen, AHF concentrate, immune serum globulin, and hyperimmune globulins.

"(b) In the event the Secretary finds that there is an insufficient supply of blood fractions available to meet the needs for treatment of persons suffering from hemophilia, and that public and other nonprofit private centers already engaged in the production of blood fractions could alleviate such insufficiency with assistance under this subsection, he may make grants not to exceed $500,000 to such centers for the purposes of alleviating the insufficiency.

"(c) No grant or contract may be made under subsection (a) or (b) unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe.

"(d) Contracts may be entered into under subsection (a) without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(e) For the purpose of making payments under grants and contracts under subsections (a) and (b), there are authorized to be appropriated $4,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977."

TECHNICAL AMENDMENTS

SEC. 607. (a) Section 399c of the Public Health Service Act (added by Public Law 93–222) is redesignated as section 399A.

(b) The section 472 of the Public Health Service Act entitled "Peer Review of Grant Applications and Control Projects" is redesignated as section 475.

(c) The amendments made by subsections (a) and (b) shal take effect on the date of the enactment of this Act.

TITLE VII—EXTENSION OF CURRENT AUTHORITIES THROUGH FISCAL YEAR 1975

SEC. 701. (a) Section 314(d)(1) of the Public Health Service Act (relating to grants for comprehensive public health services) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(b)(1) The first sentence of section 314(e) of such Act (relating to project grants for health services development) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(2) The next to last sentence of such section is amended (A) by striking out "1974" and inserting "1975", and (B) by striking out "title I of the Health Programs Extension Act of 1973" and inserting in lieu thereof "title VII of the Health Revenue Sharing and Health Services Act of 1975".

(c) Section 319 of such Act (relating to migrant health) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(d) Section 1001(c), 1003(b), 1004(b), and 1005(b) of title X of such Act (relating to population research and family planning) are each amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(e)(1) Section 201 of the Community Mental Health Centers Act (relating to grants for construction) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(2) Section 207 of such Act is amended by striking out "1974" and inserting "1975".

(3) Section 221(b) of such Act is amended by striking out "1974" each place it occurs and inserting in lieu thereof "1975".

(4) Section 224(a) of such Act (relating to staffing grants) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for fiscal years ending June 30, 1974, and June 30, 1975".

(5)(A) Section 246 of such Act (relating to alcoholism programs) is amended by striking out "1974" and inserting in lieu thereof "1975".

(B) Section 247(d) of such Act is amended by striking out "and June 30, 1974" and inserting in lieu thereof "June 30, 1974, and June 30, 1975".

(6)(A) Section 252 of such Act (relating to drug abuse programs) is amended by striking out "1974" and inserting in lieu thereof "1975".

(B) Section 253(d) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(C) Section 256(e) of such Act is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(7) Section 261 of such Act (relating to authorizations for alcoholism and drug abuse programs) is amended (A) by striking out "for the fiscal year ending June 30, 1974" in subsection (a) and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975", and (B) by striking out "1974" in subsection (b) and inserting in lieu thereof "1975".

(8) Section 271 (d) of such Act (relating to mental health of children) is amended (A) by striking out "for the fiscal year ending June 30, 1974" in paragraph (1) and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975", and (B) by striking out "1974" in paragraph (2) and inserting in lieu thereof "1975".

TITLE VIII—NATIONAL HEALTH SERVICE CORPS

EXTENSION OF CURRENT AUTHORITY THROUGH FISCAL YEAR 1975

SECTION 801. Section 329(h) of the Public Health Service Act is amended by striking out "and" after "1973," and by inserting before the period a comma and the following: "and $16,000,000 for the fiscal year ending June 30, 1975".

REVISION OF NATIONAL HEALTH SERVICE CORPS PROGRAM

SEC. 802. (a)(1) Part C of title III of the Public Health Service Act is amended by inserting immediately below the heading for such part the following:

"Subpart I—General Provisions".

(2) Sections 331 and 332 of part D of such title are redesignated as sections 338 and 339, respectively.

(b) Part C of title III of the Public Health Service Act is amended by striking out section 329 and inserting in lieu thereof the following:

"SUBPART II—NATIONAL HEALTH SERVICE CORPS PROGRAM

"NATIONAL HEALTH SERVICE CORPS

"SEC. 329. (a) There is established, within the Service, the National Health Service Corps (hereinafter in this subpart referred to as the 'Corps') which (1) shall consist of those officers of the Regular and Reserve Corps of the Service and such other personnel as the Secretary may designate, and (2) shall be utilized by the Secretary under this subpart to improve the delivery of health services to medically underserved populations.

"(b)(1) The Secretary shall conduct at medical and nursing schools and other schools of the health professions and at entities which train allied health personnel, recruiting programs for the Corps. Such programs shall include the wide dissemination of written information on the Corps and visits to such schools and entities by personnel of the Corps.

"(2) The Secretary may reimburse applicants for positions in the Corps for actual expenses incurred in traveling to and from their places of residence to an area in which they would be assigned for the purposes of evaluating such area with regard to being assigned in such area. The Secretary shall not reimburse an applicant for more than one such trip.

"(3) Commissioned officers and other personnel of the Corps assigned under section 331 to provide health services for medically underserved populations shall not be counted against any employment ceiling affecting the Department of Health, Education, and Welfare.

"(c)(1) The Secretary may, under regulations prescribed by him, adjust the monthly pay of each physician and dentist member of the Corps who is directly engaged in the delivery of health services to a medically underserved population as follows:

"(A) During the first thirty-six months in which such a member is so engaged in the delivery of health services, his monthly pay shall be increased by an amount (not to exceed $1,000) which when added to the member's monthly pay and allowance will provide a monthly income competitive with the average monthly income from a practice of an individual who is a member of the profession of the Corps member, who has equivalent training, and who has been in practice for a period equivalent to the period during which the Corps member has been in practice.

"(B) During the period beginning upon the expiration of the thirty-six months referred to in subparagraph (A) and ending with the month in which the member's monthly pay and allowances is equal to or exceeds the monthly income he received for the last of such thirty-six months, the member shall receive in addition to his monthly pay and allowances an amount which when added to such monthly pay and allowances equals the monthly income he received for such last month.

For purposes of subparagraphs (A) and (B), the term 'monthly pay' includes special pay received under chapter 5 of title 37 of the United States Code.

UMI

"(2) In the case of a member of the Corps who is directly engaged in the provision of health services to a medically underserved population in accordance with a service obligation incurred under the Public Health Service and National Health Service Corps Scholarship Training Program, the adjustment in pay authorized by paragraph (1) may be made for such a member only upon satisfactory completion of such service obligation and the first thirty-six months of his being so engaged in the delivery of health care shall, for purposes of paragraph (1)(A), be deemed to begin upon such satisfactory completion.

"DESIGNATION OF MEDICALLY UNDERSERVED POPULATIONS

"SEC. 330. (a) For purposes of this subpart—

"(1) the term 'medically underserved population' means (A) the population of an urban or rural area (which need not conform to the geographical boundaries of a political subdivision and which should be a rational area for the delivery of health services) which the Secretary determines has a critical health manpower shortage, or (B) a population group determined by the Secretary to have such a shortage; and

"(2) the term 'State' includes Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(b)(1) The Secretary shall designate the medically underserved populations in the States. In determining whether to designate a population as a medically underserved population, the Secretary shall take into account the following:

(A) The recommendations of each health systems agency designated under section 1515 for a health service area which includes all or any part of the area in which the population under consideration for designation resides.

"(B) If such area is within a health service area (or areas) for which no health systems agency has been designated, the recommendations of the State health planning and development agency designated under section 1521 for the State (or States) in which such area is located.

"(C) Ratios of available health manpower to the population under consideration for designation.

"(D) Indicators of the population's access to health services.

"(E) Indicators of the health status of the population.

"(F) Indicators of such population's need and demand for health services.

"(2) Any person may apply to the Secretary (in such manner as he may prescribe) for the designation (in accordance with the second sentence of paragraph (1) of a population as a medically underserved population.

"ASSIGNMENT OF CORPS PERSONNEL

"SEC. 331. (a)(1) The Secretary may assign personnel of the Corps to provide, under regulations prescribed by the Secretary, health services for a medically underserved population only if—

"(A) the State health agency of each State in which such population is located or the local public health agency or any other public or nonprofit private health entity serving such population makes application to the Secretary for such assignment, and

"(B)(i) the local government of the area in which such population resides certifies to the Secretary that such assignment of Corps personnel is needed for such population, and

"(ii) any State and district medical, osteopathic, or dental society for such area, or any other appropriate health society (as the case may be) for such area, makes such a certification to the Secretary.

"(2) The Secretary may not approve an application under paragraph (1)(A) for an assignment unless the applicant agrees to enter into an arrangement with the Secretary in accordance with subsection (b) and has afforded—

"(A) each health systems agency designated under section 1515 for a health service area which includes all or any part of the area in which the population for which the application is submitted resides, and

"(B) if there is a part of such area within a health service area for which no health systems agency has been designated, the State health planning and development agency of the State (designated under section 1521) in which such part is located.

an opportunity to review the application and submit its comments to the Secretary respecting the need for and proposed use of the Corps personnel requested in the application. In considering such an application, the Secretary shall take into consideration the need of the population for which the application was submitted for the health services which may be provided under this subpart; the willingness of the population and the appropriate governmental agencies or health entities serving it to assist and cooperate with the Corps in providing effective health services to the population; and recommendations from medical, osteopathic, dental, or other health societies or from medical personnel serving the population.

"(3) If with respect to any proposed assignment of Corps personnel for a medically underserved population the requirements of subparagraphs (A) and (B) of paragraph (1) are met except for the certification required by subparagraph (B)(ii) of such paragraph and if the Secretary finds from all the facts presented that such certification has clearly been arbitrarily and capriciously withheld, the Secretary may, after consultation with appropriate medical, osteopathic, dental, or other health societies, waive the application of the certification requirement to such proposed assignment.

"(b)(1) The Secretary shall require as a condition to the approval of an application under subsection (a) that the entity which submitted the application enter into an appropriate arrangement with the Secretary under which—

"(A) the entity shall be responsible for charging in accordance with paragraph (3) for health services provided by the Corps personnel to be assigned;

"(B) the entity shall take such action as may be reasonable for the collection of payments for such health services, including if a Federal agency, an agency of a State or local government, or other third party would be responsible for all or part of the cost of such health services if it had not been provided by Corps personnel under this subpart, the collection, on a fee-for-service or other basis, from such agency or third party the portion of such cost for which it would be so responsible (and in determining the amount of such cost which such agency or third party would be responsible, the health services provided by Corps personnel shall be considered as being provided by private practitioners); and

"(C) the entity shall pay to the United States as prescribed by the Secretary for each calendar quarter (or other period as may be specified in the arrangement) during which any Corps personnel are assigned to such entity the sum of—

"(i) the pay (including amounts paid in accordance with 329(c)) and allowances of such Corps personnel for the portion of such quarter (or other period) during which assigned to the entity;

"(ii) if such entity received a grant under section 332 for the assistance period (as defined in subsection (c)) for which such personnel are assigned, an amount which bears the same ratio to the amount of such grant as the number of days in such quarter (or other period) during which any Corps personnel were assigned to the entity bears to the number of days in the assistance period after such entity received such grant; and

"(iii) if during such quarter (or other period) any member of the Corps assigned to such entity is providing obligated service pursuant to an agreement under the Public Health and National Health Service Corps Scholarship Training Program, for each such member an amount which bears the same ratio to the amount paid under such Program to or on the behalf of such member as the number of days of obligated service provided by such member during such quarter (or other period) bears to the number of days in his period of obligated service under such Program.

The Secretary may waive in whole or in part the application of the requirement of subparagraph (C) to an entity if he determines that the entity is financially unable to meet such requirement or if he determines that compliance with such requirement would unduly limit the ability of the entity to maintain the quality of the services it provides.

"(2) The excess (if any) of the amount collected by an entity in accordance with paragraph (1)(B) over the amount paid to the United States in accordance with paragraph (1)(C) shall be used by the entity to expand or improve the provision of health services to the population for which the entity submitted an application under subsection (a) or to recruit and retain health manpower to provide health services for such population.

"(3) Any person who receives health services provided by Corps personnel under this subpart shall be charged for such services on a fee-for-service or other basis at a rate approved by the Secretary, pursuant to regulations, to recover the value of such services; except that if such person is determined under regulations of the Secretary to be unable to pay such charge, the Secretary shall provide for the furnishing of such services at a reduced rate or without charge.

"(4) Funds received by the Secretary under an arrangement entered into under paragraph (1) shall be deposited in the Treasury as miscellaneous receipts and shall be disregarded in determining the amounts of appropriations to be requested under section 335 and the amounts to be made available from appropriations made under such section to carry out this subpart.

"(c) Upon approval of an application submitted under subsection (a) for the assignment of Corps personnel to provide health services for a medically underserved population, the Secretary may approve the assignment of Corps personnel for such population during a period (hereinafter in this subpart referred to as the 'assistance period') which may not exceed four years from the date of the first assignment of Corps personnel for such population after the date of the approval of the application. No assignment of individual Corps personnel may be made for a period ending after the expiration of the applicable approved assistance period.

"(d) Upon expiration of an approved assistance period for a medically underserved population, no new assignment of Corps personnel may be made for such population unless an application is submitted in accordance with subsection (a) for such new assignment. The Secretary may not approve such an application unless—

"(1) the application and certification requirements of subsection (a) are met;

"(2) the Secretary has conducted an evaluation of the continued need for health manpower of the population for which the application is submitted, of the utilization of the manpower by such population, of the growth of the health care practice of the Corps personnel assigned for such population, and of community support for the assignment; and

"(3) the Secretary has determined that such population has made continued efforts to secure its own health manpower, that there has been sound fiscal management of the health care practice of the Corps personnel assigned for such population, including efficient collection of fee-for-service, third-party, and other funds available to such population, and that there has been appropriate and efficient utilization of such Corps personnel.

"(e) Corps personnel shall be assigned to provide health services for a medically underserved population on the basis of the extent of the population's need for health services and without regard to the ability of the members of the population to pay for health services.

"(f) In making an assignment of Corps personnel the Secretary shall seek to match characteristics of the assignee (and his spouse (if any)) and of the population to which such assignee may be assigned in order to increase the likelihood of the assignee remaining to serve the population upon completion of his assignment period. The Secretary shall, before the beginning of the last nine months of the assignment period of a member of the Corps, review such member's assignment and the situation in the area to which he was assigned for the purpose of determining the advisability of extending the period of such member's assignment.

"(g)(1) The Secretary shall (A) provide assistance to persons seeking assignment of Corps personnel under this section, and (B) conduct such information programs in areas in which such populations reside as may be necessary to inform the public and private health entities serving those areas of the assistance available to such populations by virtue of their designation under section 330 as medically underserved.

"(2) The Secretary shall provide technical assistance to all medically underserved populations to which are not assigned Corps personnel to assist in the recruitment of health manpower for such populations. The Secretary shall also give such populations current information respecting public and private programs under which they may receive assistance in securing health manpower for them.

"PROVISION OF HEALTH SERVICES BY CORPS PERSONNEL

"SEC. 332. (a) In providing health services for a medically underserved population under this subpart, Corps personnel shall utilize the techniques, facilities, and organizational forms most appropriate for the area in which the population resides and shall, to the maximum extent feasible, provide such services (1) to all members of the population regardless of their ability to pay for the services, and (2) in connection with (A) direct health services programs carried out by the Service; (B) any other direct health services program carried out in whole or in part with Federal financial assistance; or (C) any other health services activity which is in furtherance of the purposes of this subpart.

"(b)(1) Notwithstanding any other provision of law, the Secretary (A) may, to the extent feasible, make such arrangements as he determines necessary to enable Corps personnel in providing health services for a medically underserved population to utilize the health facilities of the area in which the population resides and if there are no health facilities in or serving such area, the Secretary may arrange to have Corps personnel provide health services in the nearest health facilities of the Service or the Secretary may lease or otherwise provide facilities in such area for the provision of health services, (B) may make such arrangements as he determines are necessary for the use of equipment and supplies of the Service and for the lease or acquisition of other equipment and supplies, and (C) may secure the temporary services of physicians, nurses, and allied health professionals.

"(2) If such an area is being served (as determined under regulations of the Secretary) by a hospital or other health care delivery facility of the Service, the Secretary shall, in addition to such other arrangements as the Secretary may make under paragraph (1), arrange for the utilization of such hospital or facility by Corps personnel in providing health services for the population, but only to the extent that such utilization will not impair the delivery of health services and treatment through such hospital or facility to persons who are entitled to health services and treatment through such hospital or facility.

"(c) The Secretary may make one grant to any applicant with an approved application under section 331 to assist it in meeting the costs of establishing medical practice management systems for Corps personnel, acquiring equipment for their use in providing health services, and establishing appropriate continuing education programs and opportunities for them. No grant may be made under this subsection unless an application therefor is submitted to, and approved by, the Secretary. The amount of any grant shall be determined by the Secretary, except that no grant may exceed more than $25,000.

"(d) Upon the expiration of the assignment of Corps personnel to provide health services for a medically underserved population, the Secretary may (notwithstanding any other provision of law) sell to the entity which submitted the last application approved under section 331 for the assignment of Corps personnel for such population equipment of the United States utilized by such personnel in providing health services. Sales made under this subsection shall be made for the fair market value of the equipment sold (as determined by the Secretary).

"REPORTS

"SEC. 333. The Secretary shall report to Congress no later than May 15 of each year—

"(1) the number and identity of all medically underserved populations in each of the States in the calendar year preceding the year in which the report is made and the number of medically underserved populations which the Secretary estimates will be designated under section 330 in the calendar year in which the report is made;

"(2) the number of applications filed under section 331 in such preceding calendar year for assignment of Corps personnel and the action taken on each such application;

"(3) the number and types of Corps personnel assigned in such preceding year to provide health services for medically underserved populations, the number and types of additional Corps personnel which the Secretary estimates will be assigned to provide such services in the calendar year in which the report is submitted, and the need (if any) for additional personnel for the Corps;

"(4) the recruitment efforts engaged in for the Corps in such preceding year, including the programs carried out under section 329(b)(1), and the number of qualified persons who applied for service in the Corps in each professional category;

"(5) the total number of patients seen and patient visits recorded during such preceding year in each area where Corps personnel were assigned;

"(6) the number of health personnel electing to remain, after termination of their service in the Corps, to provide health services to medically underserved populations, the number of such personnel who do not make such election, and their reasons for not making such election;

"(7) the results of evaluations made under section 331(d)(2), and determinations made under section 331(d)(3), during such preceding year; and

"(8) the total amount (A) charged during such preceding year for health services by Corps personnel, (B) collected in such year by entities in accordance with arrangements under section 331(b), and (C) paid to the Secretary in such year under such arrangements.

"NATIONAL ADVISORY COUNCIL

"SEC. 334. (a) There is established a council to be known as the National Advisory Council on the National Health Service Corps (hereinafter in this section referred to as the 'Council'). The Council shall be composed of fifteen members appointed by the Secretary as follows:

"(1) Four members shall be appointed from the general public to represent the consumers of health care, at least two of whom shall be members of a medically underserved population for which Corps personnel are providing health services under this subpart.

"(2) Three members shall be appointed from the medical, dental, and other health professions and health teaching professions.

"(3) One member shall be appointed from a State health planning and development agency designated under section 1521, one member shall be appointed from a Statewide Health Coordinating Council under section 1524, and one member shall be appointed from a health systems agency designated under section 1515.

"(4) Three members shall be appointed from the Service, at least two of whom shall be members of the Corps directly engaged in the provision of health services for a medically underserved population.

"(5) Two members shall be appointed from the National Council on Health Planning and Development (established under section 1503).

The Council shall consult with, advise, and make recommendations to, the Secretary with respect to his responsibilities in carrying out this subpart, and shall review and comment upon regulations promulgated by the Secretary under this section subpart.

"(b)(1) Members of the Council shall be appointed for a term of three years and shall not be removed, except for cause. Members may be reappointed to the Council.

"(2) Members of the Council (other than members who are officers or employees of the United States), while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive for each day (including travel-time) in which they are so serving the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule; and while so serving away from their homes or regular places of business all members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government Service employed intermittently.

"AUTHORIZATION OF APPROPRIATION

"SEC. 335. To carry out the purposes of this subpart, there is authorized to be appropriated $30,000,000 for fiscal year 1976.".

(c)(1) The amendments made by subsections (a) and (b) of this section shall take effect July 1, 1975.

(2)(A) Any area for which a designation under section 329(b) of the Public Health Service Act (as in effect on June 30, 1975) was in effect on such date and in which National Health Service Corps personnel were, on such date, providing, under an assignment made under such section (as so in effect), health care and services for persons residing in such area shall, effect July 1, 1975, be deemed under subpart II of part C of title III of such Act (as added by subsection

(b) of this section) to (1) be an area in which is located a medically underserved population (as defined by section 330 of such Act (as so added)), and (ii) be qualified under section 331 of such Act (as so added) for the assignment of Corps personnel unless, as determined under subparagraph (B) of this paragraph, the assistance period applicable to such area (within the meaning of such section 331) has expired.

(B) The assistance period (within the meaning of such section 331) applicable to an area described in subparagraph (A) of this paragraph shall be deemed to have begun on the date Corps personnel were first assigned to such area under section 329 of such Act (as in effect on June 30, 1975).

(C) In the case of any physician or dentist member of the Corps who was providing health care and services on June 30, 1975, under an assignment made under section 329(b) of such Act (as in effect on June 30, 1975), the number of the months during which such member provided such care and services before July 1, 1975, shall be counted in determining the application of the additional pay provisions of section 329(c) of such Act (as added by section (b) of this section) to such member.

(3) The amendment made by subsection (b) which changed the name of the Advisory Council established under section 329 of the Public Health Service Act (and placed the authority for the Advisory Council in section 334 of such Act) shall not be construed as requiring the establishment of a new Advisory Council under such section 334; and the amendment made by such subsection with respect to the composition of such Advisory Council shall apply with respect to appointments made to the Advisory Council after July 1, 1975, and the Secretary of Health, Education, and Welfare shall make appointments to the Advisory Council after such date in a manner which will bring about, at the earliest feasible time, the Advisory Council composition prescribed by the amendment.

REPORT AND STUDIES

SEC. 803. (a) The Secretary of Health, Education, and Welfare shall report to Congress (1) not later than October 1, 1975, the criteria used by him in designating medically underserved populations under section 330 of the Public Health Service Act, and (2) not later than January 1, 1976, the identity and number of medically underserved populations in each State meeting such criteria.

(b) The Secretary of Health, Education, and Welfare shall conduct or contract for studies of methods of assigning under section 331 of the Public Health Service Act (as added by section 802(b) of this title) National Health Service Corps personnel to medically underserved populations and of providing health care to such populations. Such studies shall be for the purpose of identifying (1) the characteristics of health manpower who are more likely to remain in practice in areas in which medically underserved populations are located, (2) the characteristics of areas which have been able to retain health manpower personnel, and (3) the appropriate conditions for assignment of nurse practitioners, physician's assistants, and expanded function dental auxiliaries in areas in which medically underserved populations are located.

CONFORMING AMENDMENT

SEC. 804. (a) Section 741(f)(1)(C) of the Public Health Service Act is amended by striking out all that follows after "in a State" and inserting in lieu thereof "in which is located a medically underserved population designated under section 330;".

(b) The amendment made by subsection (a) shall apply with respect to agreements entered into under section 741(f) of the Public Health Service Act after June 30, 1975.

TITLE IX—NURSE TRAINING

SHORT TITLE; REFERENCE TO ACT

SECTION 901. (a) This title may be cited as the "Nurse Training Act of 1975."

(b) Whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provisions, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

PART A—ONE-YEAR EXTENSION

EXTENSION OF EXISTING AUTHORITIES THROUGH FISCAL YEAR 1975

SEC. 902. (a) Section 801 (relating to construction grants) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(b) Section 806(1) (relating to capitation grants) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(c) Section 808 (relating to special project grants and contracts and financial distress grants) is amended by striking out "for the fiscal year ending June 30, 1974" each place it occurs and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(d) Section 809, relating to loan guarantees and interest subsidies is amended—

(1) by striking out "1974" in subsections (a) and (b) and inserting in lieu thereof "1975", and

(2) by striking out "in the fiscal year ending June 30, 1974" in subsection (e) and inserting in lieu thereof "in the fiscal year ending June 30, 1974, or in the next fiscal year".

(e) Section 810(d) (relating to start-up grants) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(f) Section 860 (relating to scholarships) is amended—

(1) by striking out "next two fiscal year" in subsection (b) and inserting in lieu thereof "next three fiscal years",

(2) by striking out "1975" in that subsection and inserting in lieu thereof "1976",

(3) by striking out "1974" in that subsection and inserting in lieu thereof "1975",

(4) by striking out "the next two fiscal years" in subsection (c)(1)(A) and inserting in lieu thereof "the next three fiscal years",

(5) by striking out "1974" in subsection (c)(1)(B) and inserting in lieu thereof "1975", and

(6) by striking out "1975" in that subsection and inserting in lieu thereof "1976".

(g) Section 868(b) (relating to recruitment programs) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

PART B—REVISION AND EXTENSION OF PROGRAMS THROUGH FISCAL YEAR 1978

SUBPART 1—EFFECTIVE DATE

EFFECTIVE DATE

SEC. 905. Except as may otherwise be specifically provided, the amendments made by this part shall take effect July 1, 1975. The amendments made by this part to provisions of title VIII of the Public Health Service Act (hereinafter in this part referred to as the "Act") are made to such provisions as amended by part A of this title.

SUBPART 2—CONSTRUCTION ASSISTANCE

EXTENSION OF GRANTS AND LOAN GUARANTEES AND INTEREST SUBSIDIES

SEC. 910. (a)(1) Section 801 is amended by striking out "and" after "1973,"; and by inserting before the period a comma and the following: "$20,000,000 for fiscal year 1976, $20,000,000 for fiscal year 1977, and $20,000,000 for fiscal year 1978".

(2) Effective with respect to grants for construction projects under part A of title VIII of the Act made from appropriations under section 801 of the Act, section 802(c)(1)(A) is amended (A) by inserting "(i)" after "proposed facilities" and (B) by inserting "(i)" after "proposed facilities", and (B) by inserting before the semi-colon ", or (ii) in expanding the capacity of the school to provide graduate training".

(b)(1)(A) Subsections (a) and (b) of section 809 are each amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1978".

(B)(i) The last sentence of subsection (a) of section 809 is amended (I) by striking out "(1)" and (II) by striking out all after "the project" and inserting in lieu thereof a period.

(ii) The amendment made by clause (i) shall apply with respect to loans guaranteed under subpart I of part A of title VIII of the Act after the date of the enactment of this Act.

(2) The second sentence of subsection (e) of such section is amended (A) by striking out "and" after "1973,", and (B) by inserting after "the next fiscal year" a comma and the following: "$1,000,000 in fiscal year 1976, $1,000,000 in fiscal year 1977, and $1,000,000 in fiscal year 1978".

(c)(1) Subsection (a) of section 809 is amended by inserting "or the Federal Financing Bank" and "non-Federal lenders".

(2) Subsection (b) of section 809 is amended by inserting "or the Federal Financing Bank" after "non-Federal lender".

TECHNICAL AMENDMENTS

SEC. 911. (a)(1) Title VIII is amended by inserting after the heading for part A the following:

"Subpart I—Construction Assistance"

(2) The heading for part A is amended by striking out "GRANTS" and in inserting in lieu thereof "ASSISTANCE".

(b) Section 809 is inserted after section 804 and is redesignated as section 805.

SUBPART 3—CAPITATION GRANTS

EXTENSION AND REVISION OF CAPITATION GRANTS

SEC. 915. (a) Section 806(a) is amended by striking out paragraph (1) and (2) and inserting in lieu thereof the following:

"(1) Each collegiate school of nursing shall receive $400 for each undergraduate full-time student enrolled in each of the last two years of such school in such year.

"(2) Each associate degree school of nursing shall receive (A) the product of $275 and one-half of the number of full-time students enrolled in the first year of such school in such year, and (B) $275 for each fulltime student enrolled in the last year of such school in such year.

"(3) Each diploma school of nursing shall receive $250 for each full-time student enrolled in such school in such year.".

(b) Subsections (c), (d), (e), and (f) of section 806 are repealed and the following new subsection is inserted after subsection (b):

"(c)(1) REQUIREMENTS FOR GRANTS.—The Secretary shall not make a grant under subsection (a) to any school of nursing in a fiscal year beginning after June 30, 1975, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary that—

"(A) the first-year enrollment of full-time students in the school in the school year beginning after the fiscal year in which the grant applied for is to be made will not be less than the first-year enrollment of such students in the school in the preceding school year; and

"(B) that the school will expend in carrying out its function as a school of nursing during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purposes (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought.

The requirement of subparagraph (A) shall be in addition to the requirements of section 802(b)(2)(D), where applicable.

"(2) The Secretary shall not make a grant under subsection (a) to any school of nursing in a fiscal year beginning after June 30, 1975, unless one of the following requirements is met:

"(A) The application for such grant shall contain or be supported by reasonable assurances satisfactory to the Secretary that for the school year beginning after the close of the fiscal year in which such grant is to be made and for each school year thereafter beginning in a fiscal year in which such a grant is made the first year enrollment of full-time students in such school will exceed the number of such students enrolled in the school year beginning during the fiscal year ending June 30, 1975—

"(i) by 10 per centum of such number if such number was not more than one hundred, or

"(ii) by 5 per centum of such number, or ten students, whichever is greater, if such number was more than one hundred.

"(B) The school has provided reasonable assurance satisfactory to the Secretary that it will carry out, in accordance with a plan submitted by the school to the Secretary and approved by him, one of the following programs in the school year beginning after the close of the fiscal year in which such grant is to be made and in each school year thereafter beginning in a fiscal year in which such a grant is made:

"(i) In the case of collegiate schools of nursing, a program for the training of nurse practitioners (as defined in section 822).

"(ii) A program under which students enrolled in a school of nursing will receive a significant portion of their clinical training in community health centers, long-term care facilities, and ambulatory care facilities geographically remote from the main site of the teaching facilities of the school.

"(iii) A program for the continuing education of nurses which meets needs identified by appropriate State, regional, or local health or educational entities (including health systems agencies).

"(iv) A program to identify, recruit, enroll, retain, and graduate individuals from disadvantaged backgrounds (as determined in accordance with criteria prescribed by the Secretary) under which program at least 10 per centum of each year's entering class (or ten students, whichever is greater) is comprised of such individuals.".

(c)(1) Section 806(1)(1) is amended by striking out "and" after "1973," and by inserting before "for grants" the following: "$50,000,000 for fiscal year 1976, $55,000,000 for fiscal year 1977, and $60,000,000 for fiscal year 1978".

(d) For fiscal year 1976, and for each of the next two fiscal years, there are authorized to be appropriated such sums as may be necessary to continue to make annual grants to schools of nursing under section 806(a) of the Act (as in effect on June 30, 1975) based on the number of enrollment bonus students (determined in accordance with subsections (c) and (d) of section 806 of the Act (as so in effect)) enrolled in such schools who were first-year students in such schools for school years beginning before June 30, 1975.

TECHNICAL AMENDMENTS

SEC. 916. (a) Subsections (g), (h), and (i) of section 806 are redesignated as subsections (d), (e), and (f) respectively.

(b) Subsection (b) of such section is amended by striking out "subsection (1)" and inserting in lieu thereof "subsection (f)".

(c) Title VIII is amended by inserting after section 805 (as so redesignated by section 102(b) of this Act) the following:

"SUBPART II—CAPITATION GRANTS"

EFFECTIVE DATE

SEC. 917. The amendments made by this subpart shall take effect with respect to grants made under section 806 (redesignated as section 810 by part C of this title) of the Act from appropriations under such section for fiscal years beginning after June 30, 1975.

SUBPART 4—FINANCIAL DISTRESS GRANTS

EXTENSION OF FINANCIAL DISTRESS GRANT PROGRAM

SEC. 921. Title VIII is amended by inserting after section 807 the following:

"SUBPART III—FINANCIAL DISTRESS GRANTS

"FINANCIAL DISTRESS GRANTS

"SEC. 815. (a) The Secretary may make grants to assist public or nonprofit private schools of nursing which are in serious financial straits to meet operational costs required to maintain quality educational programs or which have special need for financial assistance to meet accreditation requirements. Any such grant may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the school agree (1) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of that school's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, and (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information.

"(b)(1) No grant may be made under subsection (a) unless an application therefor is submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training.

"(2) An application for a grant under subsection (a) must contain or be supported by assurances satisfactory to the Secretary that the applicant will expend in carrying out its functions as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought. The Secretary may, after consultation with the National Advisory Council on Nurse Training, waive the requirement of the preceding sentence with respect to any school if he determines that the application of such requirement to such school would be inconsistent with the purposes of subsection (a).

"(c) For payments under grants under this section there are authorized to be appropriated $5,000,000 for fiscal year 1976, $5,000,000 for fiscal year 1977, and $5,000,000 for fiscal year 1978.".

TECHNICAL AMENDMENT

SEC. 922. Sections 805 and 808 (as in effect on June 30, 1975) are repealed.

SUBPART 5—SPECIAL PROJECT ASSISTANCE

SPECIAL PROJECT GRANTS AND CONTRACTS

SEC. 931. (a) Title VIII is amended by inserting after subpart III of part A (as added by section 921 of this title) the following:

"SUBPART IV—SPECIAL PROJECTS

"SPECIAL PROJECT GRANTS AND CONTRACTS

"SEC. 820. (a) The Secretary may make grants to public and nonprofit private schools of nursing and other public or nonprofit private entities, and enter into contracts with any public or private entity, to meet the costs of special projects to—

"(1) assist in—

"(A) mergers between hospital training programs or between hospital training programs and academic institutions, or,

"(B) other cooperative arrangements among hospitals and academic institutions, leading to the establishment of nurse training programs;

"(2)(A) plan, develop, or establish new nurse training programs or programs of research in nursing education, or

"(B) significantly improve curricula of schools of nursing (including curriculums of pediatric nursing and geriatric nursing) or modify existing programs of nursing education;

"(3) increase nursing education opportunities for individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary, by—

"(A) identifying, recruiting, and selecting such individuals,

"(B) facilitating the entry of such individuals into schools of nursing,

"(C) providing counseling or other services designed to assist such individuals to complete successfully their nursing education,

"(D) providing, for a period prior to the entry of such individuals into the regular course of education at a school of nursing, preliminary education designed to assist them to complete successfully such regular course of education,

"(E) paying such stipends (including allowances for travel and dependents) as the Secretary may determine for such individuals for any period of nursing education, and

"(F) publicizing, especially to licensed vocational or practical nurses, existing sources of financial aid available to persons enrolled in schools of nursing or who are undertaking training necessary to qualify them to enroll in such schools;

"(4) provide continuing education for nurses;

"(5) provide appropriate retraining opportunities for nurses who (after periods of professional inactivity) desire again actively to engage in the nursing profession;

"(6) help to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel (including nursing personnel who are bilingual) needed to meet the health needs of the Nation, including the need to increase the availability of personal health services and the need to promote preventive health care; or

"(7) provide training and education to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel.

"Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(b) The Secretary may, with the advice of the National Advisory Council on Nurse Training, provide assistance to the heads of other departments and agencies of the Government to encourage and assist in the utilization of medical facilities under their jurisdiction for nurse training programs.

UMI

"(c) No grant or contract may be made under this section unless an application therefor has been submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training. Such an application shall provide for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section.

"(d) For payments under grants and contracts under this section there are authorized to be appropriated $15,000,000 for fiscal year 1976, $15,000,000 for fiscal year 1977, and $15,000,000 for fiscal year 1978. Not less than 10 per centum of the funds appropriated under this subsection for any fiscal year shall be used for payment under grants and contracts to meet the costs of the special projects described in subsection (a)(3).

"ADVANCED NURSE TRAINING PROGRAMS

"SEC. 821. (a)(1) The Secretary may make grants to and enter into contracts with public and nonprofit private collegiate schools of nursing to meet the costs of projects to—

"(A) plan, develop, and operate,

"(B) significantly expand, or

"(C) maintain existing,

programs for the advanced training of professional nurses to teach in the various fields of nurse training, to serve in administrative or supervisory capacities, or to serve in other professional nursing specialties (including service as nurse clinicians) determined by the Secretary to require advanced training.

"(b) For payments under grants and contracts under this section there are authorized to be appropriated $15,000,000 for fiscal year 1975, $20,000,000 for fiscal year 1977, and $25,000,000 for fiscal year 1978.

"NURSE PRACTITIONER PROGRAMS

"SEC. 822. (a)(1) The Secretary may make grants to and enter into contracts with public or nonprofit private schools of nursing, medicine, and public health, public or nonprofit private hospitals, and other public or nonprofit private entities to meet the cost of projects to—

"(A) plan, develop, and operate,

"(B) significantly expand, or

"(C) maintain existing,

programs for the training of nurse practitioners.

"(2)(A) For purposes of this section, the term 'programs for the training of nurse practitioners' means educational programs for registered nurses (irrespective of the type of school of nursing in which the nurses received their training) which meet guidelines prescribed by the Secretary in accordance with subparagraph (B) and which have as their objective the education of nurses (including pediatric and geriatric nurses) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities, and other health care institutions.

"(B) After consultation with appropriate educational organizations and professional nursing and medical oragnizations, the Secretary shall prescribe guidelines for programs for the training of nurse practitioners. Such guidelines shall, as a minimum, require that such a program—

"(i) extend for at least one academic year and consist of—

"(I) supervised clinical practice, and

"(II) at least four months (in the aggregate) of classroom instruction,

directed toward preparing nurses to deliver primary health care; and

"(ii) have an enrollment of not less than eight students.

"(b) No grant may be made or contract entered into for a project to plan, develop, and operate a program for the training of nurse practitioners unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program will upon its development meet the guidelines which are in effect under subsection (a)(2)(B); and no grant may be made or contract entered into for a project to expand or maintain such a program unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program meets the guidelines which are in effect under such subsection.

"(c) The costs for which a grant or contract under this section may be made may include costs of preparation of faculty members in order to conform to the guidelines established under subsection (a)(2)(B).

"(d) For payments under grants and contracts under this section there are authorized to be appropriated $15,000,000 for fiscal year 1976, $20,000,000 for fiscal year 1977, and $25,000,000 for fiscal year 1978.".

(b) Sections 810 and 868 are repealed.

GUIDELINES FOR NURSE PRACTITIONER TRAINING PROGRAMS

SEC. 932. The Secretary of Health, Education, and Welfare shall within ninety days of the date of the enactment of this Act prescribe the guidelines for nurse practitioner programs specified in section 822(a) of the Act (as added by section 931 of this title).

SUBPART 6—ASSISTANCE TO NURSING STUDENTS

EXTENSION OF TRAINEESHIPS

SEC. 935. (a) Subsection (a) of section 821 (as in effect on June 30, 1975) is amended to read as follows:

"(a) There are authorized to be appropriated $15,000,000 for fiscal year 1976, $20,000,000 for fiscal year 1977, and $25,000,000 for fiscal year 1978, to cover the costs of traineeships for the training of professional nurses—

"(1) to teach in the various fields of nurse training (including practical nurse training),

"(2) to serve in administrative or supervisory capacities,

"(3) to serve as nurse practitioners, or

"(4) to serve in other professional nursing specialties determined by the Secretary to require advanced training.".

(b) Effective with respect to grants under section 821 of the Act from appropriations under such section for fiscal years beginning after June 30, 1975, subsection (b) of section 821 (as so in effect) is amended by adding at the end thereof the following: "In making grants for traineeships under this section, the Secretary shall give special consideration to applications for traineeship programs which conform to guidelines established by the Secretary under section 822(a)(2)(B).".

EXTENSION OF STUDENT LOAN PROGRAM

SEC. 936. (a) Section 822(b)(4) (as in effect on June 30, 1975) is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1978".

(b) Effective with respect to periods of training to be a nurse anesthetist undertaken on or after the date of the enactment of this Act, section 823(b)(2)(B) is amended by inserting "(or training to be a nurse anesthetist)" after "professional training in nursing".

(c) Section 824 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS FOR STUDENT LOAN FUNDS

"SEC. 824. There are authorized to be appropriated for allotments under section 825 to schools of nursing for Federal capital contributions to their student loan funds established under section 822, $25,000,000 for fiscal year 1976, $30,000,000 for fiscal year 1977, and $35,000,000 for fiscal year 1978. For fiscal year 1979, and for each of the next two succeeding fiscal years there are authorized to be appropriated such sums as may be necessary to enable students who have received a loan for any academic year ending before October 1, 1978, to continue or complete their education.".

(d) Section 826 is amended (1) by striking out "June 30, 1977" each place it occurs and inserting in lieu thereof "September 30, 1980", and (2) by striking out "September 30, 1977" in subsection (b) and inserting in lieu thereof "December 31, 1980".

(e)(1) Section 827 is repealed.

(2) The nurse training fund created within the Treasury by section 827(d)(1) of the Act shall remain available to the Secretary of Health, Education, and Welfare for the purpose of meeting his responsibilities respecting participations in obligations acquired under section 827 of the Act. The Secretary shall continue to deposit in such fund all amounts received by him as interest payments or repayments of principal on loans under such section 827. If at any time the Secretary determines the moneys in the funds exceed the present and any reasonable prospective further requirements of such fund, such excess may be transferred to the general fund of the Treasury.

(b) Effective with respect to grants under section 821 of the Act from appropriations under such section for fiscal years beginning after June 30, 1975, subsection (b) of section 821 (as so in effect) is amended by adding at the end thereof the following: "In making grants for traineeships under this section, the Secretary shall give special consideration to applications for traineeship programs which conform to guidelines established by the Secretary under section 822(a)(2)(B)."

EXTENSION OF STUDENT LOAN PROGRAM

SEC. 936. (a) Section 822(b)(4) (as in effect on June 30, 1975) is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1978".

(b) Effective with respect to periods of training to be a nurse anesthetist undertaken on or after the date of the enactment of this Act, section 823(b)(2)(B) is amended by inserting "(or training to be nurse anesthetist)" after "professional training in nursing".

(c) Section 824 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS FOR STUDENT LOAN FUNDS

"SEC. 824. There are authorized to be appropriated for allotments under section 825 to schools of nursing for Federal capital contributions to their student loan funds established under section 822, $25,000,000 for fiscal year 1976, and for each of the next three fiscal years" in subsection (b) and in subsection (c)(1)(A) inserting in lieu thereof "1976, and for each of the next two fiscal years";

(2) by striking out "June 30, 1976" in the second sentence of subsection (b) and in subsection (c)(1)(B) and inserting in lieu thereof "September 30, 1979" and

(3) by striking out "July 1, 1975" in the second sentence of subsection (b) and in subsection (c)(1)(B) and inserting in lieu thereof "October 1, 1978".

PART C—TECHNICAL AND CONFORMING AMENDMENTS

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 941. (a)(1) Section 802 is amended—

(A) by striking out "this part" each place it occurs and inserting in lieu thereof "this subpart";

(B) by striking out "subsection 806(e) of this Act" in subsection (b)(2) and inserting in lieu thereof "section 810(c)";

(C) by striking out paragraph (5) of subsection (b) and inserting in lieu thereof the following:

"(5) the application contains or is supported by adequate assurances that all laborers and mechanics employed by—contractors or subcontractors in the performance of work on a project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).";

(D) by striking out "section 841 (hereinafter in this part referred to as the 'Council')" in the first, sentence following paragraph (5) of subsection (b) and inserting in lieu thereof "section 851";

(E) by striking out the second sentence following such paragraph; and

(F) by striking out "above in paragraph (A)" in subsection (c)(1)(B) and inserting in lieu thereof "in subparagraph (A)".

(b)(1) Subsection (a) of section 803 is amended to read as follows:

"(a) The amount of any grant for a construction project under this subpart shall be such amount as the Secretary determines to be appropriate after obtaining the advice of the National Advisory Council on Nurse Training; except that—

"(1) in the case of a grant—

"(A) for a project for a new school;

"(B) for a project for new facilities for an existing school in cases where such facilities are of particular importance in providing a major expansion of training capacity, as determined in accordance with regulations, or

"(C) for a project for major remodeling or renovation of an existing facility where such project is required to meet an increase in student enrollment,

the amount of such grant may not exceed 75 per centum of the necessary cost of construction, as determined by the Secretary, of such project; and

"(2) in the case of a grant for any other project, the amount of such grant may not, except where the Secretary determines that unusual circumstances make a larger percentage (which may in no case exceed 75 per centum) necessary in order to effectuate the purposes of this subpart, exceed 67 per centum of the necessary cost of construction, as so determined, of the project with respect to which the grant is made.".

(2) Subsection (b) and (c) of section 803 are each amended by striking out "this part" and inserting in lieu thereof "this subpart".

(c) Section 804 is amended (1) by striking out "this part" and inserting in lieu thereof "this subpart", and (2) by redesignating paragraphs (a), (b), and (c) as paragraphs (1), (2), and (3), respectively.

(d) Section 805 (as redesignated by section 2911(b)) is amended by striking out "this part" each place it occurs and inserting in lieu thereof "this subpart".

(e) Section 806 is redesignated as section 810.

(f) Section 807 is redesignated as section 811 and is amended—

(1) by striking out "section 805, 806, or 810" in subsections (a) and (c) and inserting in lieu thereof "this subpart";

(2) by striking out "part" in subsection (b) and inserting in lieu thereof "subpart";

(3) by amending paragraph (1) of subsection (c) to read as follows:

"(1) is from a public or nonprofit private school of nursing;"; and

(4) by striking out "those sections" each place it occurs in paragraphs (2) and (3) of such subsection and inserting in lieu thereof "this subpart".

(g)(1) Title VIII is amended by inserting after the heading for part B the following:

"Subpart I—Traineeships".

(2) Section 821 (as so designated on the day before the date of the enactment of this Act) is redesignated as section 830.

(3) Title VIII is amended by inserting after section 830 (as so redesignated) the following:

"Subpart II—Student Loans".

(h) Sections 822, 823, 825, 826, 828, and 830 (as so designated on the day before the date of the enactment of this Act) are amended as follows:

(1) Sections 822(a), 823, 825, 826, and 828 are each amended by striking out "this part" each place it occurs and inserting in lieu thereof "this subpart".

(2) Sections 822(a), 823(b), 823(c), 825(b)(2), and 826(a)(1) are each amended by striking out "of Health, Education, and Welfare".

(3) Section 822(b)(2)(A) is amended by striking out "under this part" and inserting in lieu thereof "from allotments under section 838".

(4)(A) Section 825 is amended—

(i) by striking out "(whether as Federal capital contributions or as loans to schools under section 827)" in subsection (a); and

(ii) by striking out ", and for loans pursuant to section 827," in subsection (b)(1).

(B) Section 826(b) is amended by striking out "(other than so much of such fund as relates to payments from the revolving fund established by section 827(d))".

(C) Section 828 is amended by striking out "or loans."

(5) Section 830 is—

(A) transferred to section 823 and inserted after subsection (i) of such section; and

(B) is amended by striking out "Sec. 830.(a)" and inserting in lieu thereof "(j)".

(i)(1) Sections 822, 823, 824, 825, 826, 828, and 829 (as so designated on the day before the date of the enactment of this Act) are redesignated as sections 835, 836, 837, 838, 839, 840, and 841, respectively.

(2) Section 835 (as so redesignated) is amended (A) by striking out "829" each place it occurs and inserting in lieu thereof "841", and (B) by striking out "823" and inserting in lieu thereof "836".

(3) Section 837 (as so redesignated) is amended (A) by striking out "825" and inserting in lieu thereof "838", and (B) by striking out "822" and inserting in lieu thereof "835".

(4) Section 838 (as so redesignated) is amended by striking out "824" each place it occurs and inserting in lieu thereof "837".

(5) Section 839 (as so redesignated) is amended by striking out "822" each place it occurs and inserting in lieu thereof "835".

(6) Section 841 (as so redesignated) is amended (A) by striking out "822" and inserting in lieu thereof "835", and (B) by striking out "part D" and inserting in lieu thereof "subpart III of this part".

(j)(1) Part D of title VIII is inserted after subpart II of part B of such title; sections 860 and 861 are redesignated as sections 845 and 846, respectively; and the heading for such part is amended to read as follows:

"Subpart III—Scholarship Grants to Schools of Nursing".

(2) Section 845(a) (as so redesignated) is amended by striking out "this part" and inserting in lieu thereof "this section".

(3) Section 846 (as so redesignated) is amended (A) by striking out "this part" the first time it occurs and inserting in lieu thereof "section 845", and (B) by striking out "to the sums available to the school under this part for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums" and inserting in lieu thereof "to the student loan fund of the school established under an agreement under section 835. Funds transferred under this section to such a student loan fund shall be considered as part of the Federal capital contributions to such fund".

(4) Section 869 is repealed.

(k)(1) Sections 841, 842, 843, 844, and 845 (as so designated on the day before the date of the enactment of this Act) are redesignated as sections 851, 852, 853, 854, and 855, respectively.".

(2) Section 851 (as so redesignated) is amended (A) by striking out "part A of applications under section 805" in subsection (a)(2) and inserting in lieu thereof "subpart I of part A, of applications under section 805, and of applications under subpart III of part A"; (B) by striking out subsection (b); (C) by striking out "(a)(1)" and inserting in lieu thereof "(a)"; and (D) by striking out "(2)" and inserting in lieu thereof "(b)".

(3) Section 853 (as so redesignated) is amended—

(A) by striking out "part A" in paragraph (f) and inserting in lieu thereof "subpart I of part A";

(B) by striking out "806" in paragraph (f) and inserting in lieu thereof "810";

(C) by striking out "part B" each place it occurs in paragraph (f) and inserting in lieu thereof "section 835";

(D) by striking out "825" in paragraph (f) and inserting in lieu thereof "838";

(E) by redesignating paragraphs (a) through (j) as paragraphs (1) through (10) respectively;

(F) by redesignating clauses (1), (2), and (3) of paragraph (6) (as so redesignated) as clauses (A), (B), and (C), respectively;

(G) by redesignating subclauses (A) and (B) of such paragraph (6) as subclauses (i) and (ii), respectively; and

(H) by redesignating clauses (1) and (2) of paragraph (9) (as so redesignated), as clauses (A) and (B), respectively.

(4) Part C is amended by adding at the end thereof the following:

"DELEGATION

"SEC. 856. The Secretary may delegate the authority to administer any program authorized by this title to the administrator of a central or regional office or offices in the Department of Health, Education, and Welfare, except that the authority—

"(1) to review, and prepare comments on the merit of, any application for a grant or contract under any program authorized by this title for purposes of presenting such application to the National Advisory Council on Nurse Training, or

"(2) to make such a grant or enter into such a contract,

shall not be further delegated to any administrator of, or officer in, any regional office or offices in the Department.".

EFFECTIVE DATE

SEC. 942. The amendments made by section 941 shall take effect July 1, 1975. Except as otherwise specifically provided, the amendments made by section 941 to provisions of title VIII of the Act are made to such provisions as in effect July 1, 1975, and as amended by part B of this title.

PART D—MISCELLANEOUS

INFORMATION RESPECTING THE SUPPLY AND DISTRIBUTION OF AND REQUIREMENTS FOR NURSES

SEC. 951. (a)(1) Using procedures developed in accordance with paragraph (3), the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall determine on a continuing basis—

(A) the supply (both current and projected and within the United States and within each State) of registered nurses, licensed practical and vocational nurses, nurse's aides,

UMI

registered nurses with advanced training or graduate degrees, and nurse practitioners;

(B) the distribution, within the United States and within each State, of such nurses so as to determine (i) those areas of the United States which are oversupplied or undersupplied, or which have an adequate supply of such nurses in relation to the population of the area, and

(ii) the demand for the services which such nurses provide; and

(C) the current and future requirements for such nurses, nationally and within each State.

(2) The Secretary shall survey and gather data, on a continuing basis, on—

(A) the number and distribution of nurses, by type of employment and location of practice;

(B) the number of nurses who are practicing full time and those who are employed part time, within the United States and within each State;

(C) the average rates of compensation for nurses, by type of practice and location of practice;

(D) the activity status of the total number of registered nurses within the United States and within each State;

(E) the number of nurses with advanced training or graduate degrees in nursing, by specialty, including nurse practitioners, nurse clinicians, nurse researchers, nurse educators, and nurse supervisors and administrators; and

(F) the number of registered nurses entering the United States annually from other nations, by country of nurse training and by immigrant status.

(3) Within six months of the date of the enactment of this Act, the Secretary shall develop procedures for determining (on both a current and projected basis) the supply and distribution of and requirements for nurses within the United States and within each State.

(b) Not later than February 1, 1977, and February 1 of each succeeding year, the Secretary shall report to the Congress—

(1) his determinations under subsection (a)(1) and the data gathered under subsection (a)(2);

(2) an analysis of such determination and data; and

(3) recommendations for such legislation as the Secretary determines, based on such determinations and data, will achieve (A) an equitable distribution of nurses within the United States and within each State, and (B) adequate supplies of nurses within the United States and within each State.

(c) The Office of Management and Budget may review the Secretary's report under subsection (b) before its submission to the Congress, but the Office may not revise the report or delay its submission, and it may submit to the Congress its comments (and those of other departments or agencies of the Government) respecting such report.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to amend the Public Health Service Act and related health laws to revise and extend the health revenue sharing program, the family planning programs, the community mental health centers program, the program for migrant health centers and community health centers, the National Health Service Corps program, and the programs for assistance for nurse training, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4925) was laid on the table.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL MIDNIGHT, JUNE 7, TO FILE REPORT ON H.R. 5546, HEALTH MANPOWER ACT OF 1975

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce have until midnight, Saturday, June 7, 1975, to file its report on H.R. 5546, the Health Manpower Act of 1975.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERSONAL EXPLANATION

Mr. O'BRIEN. Mr. Speaker, at the time of the vote on the conference report on H.R. 4485, I was unavoidably detained, and did not reach the floor in time to cast my vote. If I had been here I would have voted "nay" on rollcall No. 265, and so state for the RECORD.

THE PRESIDENT'S DISASTROUS OIL POLICY

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, President Ford's decision to add still another dollar per barrel to the import duty on crude oil presents a serious danger to the American economy while at the same time offering little prospect of easing our energy problems.

The effects of the President's action demonstrate the total shortsightedness of the administration's approach to the Nation's economic problems.

According to a study just completed by the Library of Congress, and released by our able colleague, the gentleman from Connecticut (Mr. MOFFETT) the immediate cost to the American people of the President's new tariff will be $6.1 billion annually. When this amount is added to the $6.1 billion cost of the $1 previously added to the oil tariff by the President—last February—the direct increase in the burden on the economy imposed by the President's policy will amount to over $12 billion a year.

Moreover, the same Library of Congress study indicates that the "ripple effects" of the new Ford duties on oil could add still another $6 to $12 billion in indirect costs to American consumers and industry.

Mr. Speaker, the inflationary effects of this kind of huge price increase on an economy already severely burdened by soaring prices and a staggering rate of unemployment are obvious.

The American people will have to pay the bill for President Ford's oil tariffs in terms of still higher prices and still higher unemployment.

But, Mr. Speaker, if the President has his way there will be even greater burdens for the American people to bear. For the President seems determined to let the price of all petroleum products go still higher by taking all controls off the price of domestically produced oil.

Should this happen, the price of "old oil," currently $5.25 per barrel, would rise to the OPEC price of $13.50, a net increase, Mr. Speaker, of 157 percent in the price of nearly half the oil consumed in this country. This means another $16.5 billion per year in direct costs would be added to America's petroleum bill, with still another $8 billion in indirect costs resulting from the ancillary effect of decontrol on natural gas and coal prices.

The removal of controls, therefore, combined with the increase in costs resulting from the President's two raises in the oil tariff, amount to a staggering jump in our annual oil bill of $48 billion.

Moreover, Mr. Speaker, the increase in the cost of oil to the American people caused by President Ford's actions might well be magnified even further if the OPEC countries carry out their plan to raise the price of oil by another $2 per barrel next September—a possibility about which the President has been notably silent.

Mr. Speaker, the American economy cannot withstand increased costs of this magnitude without the most severe repercussions. And I think it is worth noting that this rationing by price scheme comes from the same administration which, in its previous incarnation, gave us the Russian wheat deal and phase III and which only 6 months ago was vigorously pressing for an increase in Federal income taxes.

Given this record, there is no reason to have any faith whatsoever in the President's assurances that we can somehow avoid the serious economic consequences I have suggested.

Indeed, Mr. Speaker, there is no reason to suppose that the President's plan, if put into effect, will have any constructive results at all. For if past experience is any guide, the sole immediate result of higher petroleum prices will be an increase in the price of everything derived from petroleum, including gasoline. But decreased consumption will not necessarily follow just as consumption of gasoline did not decrease during the first 7 months of 1974, when, despite the fact that the average price of gasoline at the pump rose by 9.3 cents, demand for gasoline increased by 20 percent.

Mr. Speaker, the President's oil policy—for it is not a rational "energy policy"—amounts to merely one more example of this administration's stubborn reliance on price mechanisms to solve the Nation's problems with the hard pressed consumer left to pay the bill.

The President's program does not take into account the massive adverse effects that his plan would have on both inflation and unemployment.

The President's policy is, in sum, both ill-conceived and dangerous and does not merit the approval of either the Congress or the people.

CAN THE STATES COPE WITH THE MEDICAL MALPRACTICE CRISIS?

The SPEAKER pro tempore (Mr. MCFALL). Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 5 minutes.

Mr. HASTINGS. Mr. Speaker, I do not think any of us need to be convinced of the seriousness of the medical malpractice problem. During the last 6 months, we have been bombarded through the media and by affected groups with information about the medical malpractice crisis. Medical malpractice insurers are refusing to write new policies in some States, insurance premiums and claims are increasing astronomically, and we are continuously made aware of the growing numbers of persons receiving medical injuries. Although information regarding the precise magnitude and character of the medical malpractice problem is sometimes spotty and incomplete, there is no question that the data is sufficient to support the fact that we do have a crisis on our hands.

Medical malpractice, as you all know, is distorting the costs and the delivery of health services. It is the fastest growing item of dollar cost in the medical care system today, and allegedly it has a strong influence on the physicians' methods of practice—often in a negative way—resulting in overdiagnosis and overtreatment. It is either the cause or the rationalization of billions of dollars of waste which we cannot afford.

We are now experiencing a strong reaction from the medical community. California doctors went on strike for a month, denying service to the public and causing widespread layoffs and reductions of workweeks of hospital staffs. New York City physicians are beginning a slowdown in protest to legislation recently enacted in that State. Also physicians in Virginia, Maryland, Texas, and other States are following suit.

In addition to the overall negative impact on the health care system, its effect on patients who are injured is of most concern. We know there are far more medical injuries than there are claims, although this gap is narrowing rapidly. Some estimates of medical injuries caused by negligence are as high as 600,000 a year. Claims take years, not months, to settle and in the end the patient gets far less than half of all premium dollars paid by providers for medical malpractice insurance.

Due primarily to the efforts of the medical profession, States have been very active in considering legislation to deal with this problem. According to the American Medical Association, over 200 bills pertaining to medical malpractice were introduced in State legislatures this year. These bills cover a wide range of issues, including the availability of medical malpractice insurance, the statutes of limitations for filing suits, limits on liability, the powers of medical licensing boards to deal with negligent physicians, the establishment of State insurance funds, and limits on contingency fees for plaintiff lawyers.

The State legislatures deserve considerable praise for their serious consideration of efforts to deal with the medical malpractice problem. A large number of States, in fact most of the States with the most serious problems, have passed legislation dealing with medical malpractice. States with an immediate crisis of availability of medical malpractice insurance, for example, authorized joint underwriting or State pools of insurers to assure the availability of insurance. Some appeared to go further than others in facing up to the problem. But despite these considerable efforts by the States, the results are not uniformly promising.

Most State legislation which was enacted, for example, did not deal with the matter of limiting contingency fees, although there is general agreement among experts that this needs to be done. This is true also of collateral benefits, structured payments as opposed to lump sum payments, and loss prevention or risk control programs. From the reports I have received from the States where crises existed and where legislation has passed, considerable doubt is expressed that the legislation will effectively reduce the number of claims, the size of awards, or the increases in their insurance premiums. Most medical societies appear to be planning to promote needed changes in future sessions of their respective State legislatures. They are calling for more fundamental reforms of the medical malpractice claims settlement process.

When I introduced the Medical Malpractice Claims Settlement Assistance Act on April 17 I spoke of the need for a strong State solution to the problems of medical malpractice. Both health care providers and medical malpractice insurers have been subject to State laws and regulations, and it appeared to many Members of Congress, the administration, and providers and insurers that State action was the most desirable course to take.

It is the relatively limited response of the States to a problem that is so enormous and growing so rapidly that forces me to the conclusion that the Federal Government must assume a more active role in solutions to medical malpractice. Congress must be mindful, too, of the impact that the medical malpractice is having on Federal programs such as medicare and medicaid, and the impact it could have on any national health insurance legislation that might be enacted.

In this case, Federal involvement will hopefully mean a solution arrived at with the participation of the States, insurers, providers, and other interested parties. Hopefully, the Federal mandate can be limited. But, if a comprehensive response is not forthcoming from the States, the Federal Government must assume ultimate responsibility for seeing to it that effective solutions, both public and private, are achieved in dealing with the medical malpractice crisis.

Mr. Speaker, I would like to emphasize to my colleagues that I make these remarks with my legislation, H.R. 6100, the Medical Malpractice Claims Settlement Assistance Act in mind. H.R. 6100 recognizes the primary role of the States in dealing with the medical malpractice situation. I believe it is a reasonable approach by which the Federal Government could act in concert with the States to deal effectively with the medical malpractice dilemma.

A summary of H.R. 6100 follows for the consideration of my colleagues:

BILL SUMMARY

The Medical Malpractice Claims Settlement Assistance Act would utilize a temporary program of voluntary reinsurance over the amount of $200,000 to assure the continued availability of coverage for those States who would qualify. The Secretary is authorized to conduct certain studies, collect certain data and information, and undertake pilot programs.

In order to qualify, States would have to establish programs of arbitration. Although all medical malpractice claims would be required to be arbitrated before seeking judicial recourse, the arbitration would be nonbinding, but the decision would be admissible as evidence in any court action.

Scheduling of attorney's contingent fees would be required that would reduce the percentage of fee as the size of the award increased.

The State would be required to limit the statute of limitation to 2 years from the time of an alleged medical malpractice occurrence for an adult. For minors less than 6 years of age, an action may be brought at any time until he reaches the age of 8.

States would be required to establish statewide patient grievance mechanisms so that consumers can register concerns relating to individual medical professionals. The statistical data on all such incidents must be reported quarterly to the Secretary of HEW.

States would be required to regulate the computation of demands, which requires that awards shall be reduced by payments for the same purpose from other sources such as insurance, or governmental employment, or service benefit programs.

They would be required to establish rules which would require that arbitration panels would, where appropriate, award periodic rather than lump-sum payments on behalf of injured patients.

All health care institutions and facilities that receive medicaid payments would be required to establish risk control programs to act as patient grievance mechanisms to directly intercede in actual or potential medical malpractice situations.

The program undertaken by individual institutions or groups of institutions, is intended to prevent medical malpractice injury incidents, alleviate patient grievances that could lead to a malpractice claim, and, where necessary, bring about equitable settlements in the early stages of such incidents.

In addition, education programs would be required for staffs and patients alike so that all will be aware of its existence and function. Statistical data on medical injury incidents must be maintained and reported quarterly to the Secretary of HEW.

LEGISLATION TO CONVEY LANDS TO VALLEY COUNTY, IDAHO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. SYMMS), is recognized for 5 minutes.

Mr. SYMMS. Mr. Speaker, I am introducing this afternoon legislation which directs the Secretary of the Interior to convey for fair market value certain lands to Valley County, Idaho.

UMI

Our Valley County Commissioners have been seeking to no avail for over a year now a tract of private land suitable for use as a sanitary landfill. No suitable lands are available for outright purchase. The ideal location could be obtained, but only in exchange for other lands. The purpose of my bill is to obtain land now in Federal ownership which may then be exchanged for the site desired by the county. I want to emphasize that this is not a "giveaway." The county is prepared and expecting to pay fair market value to the Government for this exchange. The impact on the local tax base is negligible.

Valley County, like many sparsely populated counties across this Nation, has been unable to comply to date with the relatively new Environmental Protection Agency regulations governing appropriate disposal of waste. Many communities in Valley County are forced to haul their waste long miles to larger surrounding townships. I am sure my colleagues can appreciate that the last thing in the world most of our Nation's towns need is more garbage from their neighbors.

I would appreciate the cooperation of my colleagues in acting quickly on what is a relatively minor matter, but of great importance to Valley County in my congressional district. These people have an opportunity here to solve their own community services problem, but they need a bit of assistance from this Congress to get things rolling.

GUN CONTROL—WE HAVE NEVER REALLY TRIED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, on March 11, I wrote to Rex D. Davis, Director of the Treasury Department's Bureau of Alcohol, Tobacco and Firearms concerning aspects of the administration of the Gun Control Act of 1968, as amended.

For some years, there has been interest by the administration and by some Members of Congress in repealing the recordkeeping requirements on the sale of .22-caliber ammunition. In 1968, when the Gun Control Act was passed following the assassination of Senator Robert Kennedy, it was required that ammunition sales be recorded. In 1969, Public Law 91–128 was passed modifying this recordkeeping provision by eliminating the requirement that shotgun ammunition and ammunition suitable for use only in rifles be recorded. However, the purchase of ammunition which is interchangeable between rifles and handguns, such as .22-caliber rimfire ammunition, must still be recorded.

It is felt by many that this recordkeeping of .22-caliber rimfire ammunition—the most popular caliber of sporting ammunition—is burdensome on the buyer and seller. The Treasury Department does not believe it is useful in their law enforcement efforts.

There is some evidence, however, that this recordkeeping requirement could be a useful tool—if the Department chooses to use it. For example, in early 1972, our colleague from New York, the Honorable JONATHAN BINGHAM, noted:

So far as I have been able to discover . . . there are no cases where, on the basis of an examination of sales records required to be kept by law, a felon or other dangerous individual (as defined by the law), was discovered to have received ammunition and an arrest and prosecution was made simply on that basis *before the felon had an opportunity to use that ammunition to commit a crime of violence*. (Emphasis in original) That, of course, is what should and must be done if the intent of Congress in enacting these laws is to be carried out, and if these laws are to be fully employed to protect the public.

To determine whether felons were buying ammunition illegally, members of Congressman BINGHAM'S staff visited a number of New York City area gun shops and picked 90 names from random of individuals who had purchased .22-caliber rimfire ammunition. This list was then checked by the FBI to determine which of the individuals had serious criminal records.

As our colleague reported:

Of the 90 names on the list the FBI found 23 with records of arrest or conviction—an astonishing 26%. Of these 23, eight individuals have been convicted of crimes punishable by a year or more in prison—three of them having committed crimes while armed. Two others appear to belong in this felony category, but cannot definitely be so listed without additional information . . . Two individuals, including one of the eight convicted felons, appear to be "unlawful users" of drugs. Records of the remaining twelve individuals show arrests without convictions, or arrests and convictions for relatively minor offenses.

It appears, Mr. Speaker, that with some initiative, these records could be useful. In 1973, over 12,000 Americans were killed by firearms. Approximately 25 percent of these deaths were caused by .22-caliber bullets. A .22-caliber bullet may be small, and it may be a popular hunting bullet, but on our city streets it can be deadly.

Following is the response of Director Davis to my questions regarding the use of the .22-caliber recordkeeping requirement. As before, the Department remains adamant in its opposition to the use of this provision.

Mr. Speaker, many oppose strong gun control laws because they say that they do not work. I doubt that we as a Nation have ever really tried to make the existing laws work. The Department is right—the .22-caliber program is useless because they decided not to use it.

There are other responses to my inquiries which reveal how little effort has been made to implement effectively the gun control laws.

For example, in response to question 11, the Bureau reported that in fiscal year 1974, they performed 27,483 new application inspections and 15,751 compliance inspections. In essence, this means that the Bureau is approving the start of more new firearms sales locations than the number of old locations it is able to review each year. In the Bureau's fiscal year 1975 appropriations hearings the Bureau noted that:

There are 150,735 licensed firearms and explosive dealers on our records. Ideally, we should be routinely reviewing their recordkeeping practices once over 3 years. Last year we made 17,269 such inspections representing less than 12 percent.

I am sure that you will understand that we do not need necessarily to visit each of these establishments every year, but many dealers in alcohol, firearms, and explosives have never been inspected and there is no way this task can be accomplished with the manpower available to us.

In fiscal year 1974, however, the number of inspections actually declined from 17,269 to 15,751. In fiscal year 1975, the number of compliance inspections is estimated to be 11,000 and in fiscal year 1976, if the budget request is approved, the number of inspections will be about 10,000.

As the Director's letter to me indicates, if the Bureau were to perform one compliance inspection per gun dealer per year, an extra 672 personnel would be required at a cost of an additional $11 million. It is entirely possible that this level of inspection is unnecessary—but it is increasingly obvious to me that one reason gun control has never worked in the United States is that all we have done is put words on paper—we have never vigorously enforced the existing laws and never really attempted to control the flow of firearms and ammunition in our society.

DEPARTMENT OF THE TREASURY,
Washington, D.C., April 25, 1975.

HON. CHARLES A. VANIK,
House of Representatives,
Washington, D.C.

DEAR MR. VANIK: This is in reply to your letter of March 11, 1975, concerning the recordkeeping requirements imposed by the Gun Control Act of 1968 on sales transactions involving .22 caliber ammunition, and the Bureau's compliance inspection program relating to licensed dealer activities. For ease of reference, your questions are restated and are followed by our comments.

1. What has the Bureau done to make this provision (recording .22 caliber ammunition) useful for reducing and controlling the illegal use of firearms and ammunition?

A. The Bureau requires no more information to be reported on sales of .22 caliber ammunition than is specified by statute. We find such requirements to be of little value in controlling the interstate flow of firearms and in the investigation and prosecution of criminal cases.

2. How often are the lists of ammunition purchases collected by the Bureau?

A. The records relating to ammunition transactions are required to be maintained on the licensed premises for a period of not less than 2 years following the date of sale. These records are the property of the licensed dealer and are not collected by the Bureau.

3. What is done with the lists?

A. The dealer records relating to .22 caliber ammunition transactions are checked during compliance inspections for accuracy, completeness, timely entries, etc. On occasion, they have been used in support of investigation of suspected criminal violations, but have never been of substantial value because of problems in identification and lack of control of such ammunition after it leaves the licensed premises.

4. If it is found that an ineligible individual was making ammunition purchases, what action would be taken?

A. If the problem relates to indiscriminate sales by a licensed dealer, the dealer would be apprised of the requirements of properly identifying purchasers. Revocation of the dealer's license and/or criminal prosecution may result for noncompliance with the provisions of the Gun Control Act of 1968. Depending on the severity of the violation, criminal charges may be brought against the ineligible purchaser.

5. Have any checks been made to determine how well ammunition sellers are complying with this law?

A. In Fiscal Year 1974, 15,751 compliance inspections were made. Records required under the Act, such as those relating to ammunition transactions, are routinely checked during these inspections.

6. What identification is required to determine whether a person purchasing ammunition is correctly identifying himself?

A. With respect to proper identification of purchasers of ammunition, we suggest to dealers that a driver's license or comparable ID be required. Identification which does not contain all the information required under the Act and which is easily obtainable, such as a social security card, is not sufficient.

7. Is any consideration being given to placing the .22 caliber ammunition registration information on computers to assist in the processing of this voluminous material?

A. No. The manpower effort and expense necessary to administer a computer storage and retrieval system for ammunition would not be justified by the results that may reasonably be expected through the use of such system.

8. Instead of abolishing the provision of law, can you make any recommendations on how it could be made more effective and to provide a tool to the Bureau to prevent illegal firearm purchases and use?

A. During the First Session of the 91st Congress, Public Law 91–128 was enacted, modifying the recordkeeping requirements on ammunition sales under the Gun Control Act of 1968. In effect, it repealed recordkeeping requirements with respect to sales of shotgun ammunition, ammunition suitable for use only in rifles generally available in commerce, or component parts therefor. Purchases of ammunition interchangeable between rifles and handguns, such as .22 caliber rimfire ammunition, continued to be subject to the recordkeeping requirements.

In reporting on the ammunition records amendment to H.R. 12829 (which became Public Law 91–128), the Treasury Department expressed the view that the records required of transactions in sporting-type ammunition, i.e., shotgun, rifle and .22 caliber rimfire ammunition, were of little value in law enforcement. We continue to adhere to this position on .22 caliber rimfire ammunition.

9. What exactly is reviewed and examined in these inspections?

A. We have enclosed a copy of our instructions to field personnel on procedures to be followed in making a compliance investigation. This sets out in detail what the agent or inspector is to do and what to look for.

10. In what ways do you feel these inspections lead to tighter controls over firearms and ammunition?

A. The purpose of a compliance inspection is to determine that a licensee has been complying with applicable laws and regulations as well as to instruct a licensee as to applicable legal requirements. These inspections are instrumental in implementing the provisions of Title I of the Gun Control Act of 1968 since they enable us to monitor the effectiveness of the Federal regulations imposed on the licensed firearms industry in administering the Act. In addition to revealing areas where tighter controls are warranted, it is the basis for evaluating and, as appropriate, eliminating procedures and requirements that are not reasonably necessary to implement and effectuate the provisions of the Act.

11. How many inspections were you able to make in 1974?

A. During Fiscal Year 1974, the Bureau performed 27,483 new application inspections and 15,751 compliance inspections.

12. How many additional agents would you need to provide yearly inspections?

A. We have estimated that to perform a compliance inspection of each licensee annually, it would require an additional 543 inspectors, 36 supervisors, and 96 clerical personnel, in Fiscal Year 1976.

13. What would be the additional cost of this manpower?

A. We estimate an additional $11,000,000.

If we can be of further help in any way, please let us know.

Sincerely yours,

REX D. DAVIS,
Director.

H.R. 7543—THE CAPITAL RECOVERY ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. WAGGONER) is recognized for 30 minutes.

Mr. WAGGONNER. Mr. Speaker, on June 3, I introduced H.R. 7543, the Capital Recovery Act of 1975. Joining me as an initial sponsor was my distinguished colleague on the Committee on Ways and Means, BILL ARCHER of Texas. This bill contains one approach to meeting the serious capital shortage problem facing our economy in the years ahead. As the Congress considers general tax reform, the capital recovery allowance system proposed by this bill should be given very serious attention as a constructive reform of our tax system.

One recently released study indicates that the steel industry alone will have to make capital investments averaging $5.5 billion a year over the next 10 years, more than three times the average annual outlays in 1968–73 to meet replacement, expansion, and environmental protection demands. This situation is not unique to the steel industry. Dramatic increases in capital expenditures will be required by industry in general over the next several years.

Discussion of capital shortage may appear inappropriate at a time when unemployment is high and many industries are operating at levels well below their normal capacity. Yet, capital shortages have played a major role in creating the current recession. Most of us recall the materials shortages in minerals, in primary metals, in paper, and in other industries in 1973 and early 1974. The resulting price escalations played a significant role in the resulting collapse of consumer buying and economic confidence. As economic recovery gets underway in the coming months, we will once again build toward the same industrial bottlenecks and shortages. These basic problems have not dissolved during recent months; they have merely been masked by the recession. The faster the pace of recovery, the sooner we will encounter these problems again.

To begin to work on these problems, we must reexamine our approach to capital formation in this economy, for it is the availability of capital which finally determines which investments can be made, how many new jobs can be created, and whether or not industrial capacity and modernization problems will be reduced.

As Treasury Secretary Simon put it recently—

Preservation of a strong system of private enterprise depends upon the maintenance of adequate profits and much greater emphasis upon capital investment.

Our legislation will increase capital investment directly by increasing the amount of cash flow available for reinvestment in productive enterprise. As Secretary Simon emphasized:

Increased productivity is the only way to increase our standard of living, and yet in recent years we in the United States have failed to meet the capital investment requirements that are necessary to support an expanding economy. We are rapidly expanding government payments to individuals—they have doubled in 10 years—but we are neglecting to provide adequate incentives for capital formation within the private sector.

Relative to the size of our economy, the level of capital investment in the United States since 1960 has been the lowest of any major industrialized country in the Free World. From that year through 1973, private investment here averaged about 17.5 percent a year of our GNP. By contrast, capital investments averaged 35 percent a year of the GNP in Japan, 26 percent in Germany, and 25 percent in France.

Treasury data also show that not only has the United States one of the lowest rates of capital investment among the Western nations, but also one of the poorest records in productivity gains. During the period 1960 through 1973, the average increase in productivity in the United States was only one-half of that recorded in France and West Germany and less than one-third of the amount in Japan. It is clear that low rates of capital investment mean low rates of productivity growth.

One factor which is of primary importance to capital formation is the cost recovery structure within the Internal Revenue Code. Cost recovery techniques determine how rapidly business can recapture and reinvest its capital. Historically, the United States has utilized the "useful life" concept as the underlying policy for our cost recovery system in the tax law. Under this system, taxpayers may deduct from gross income a percentage of the historical cost of business or income-producing assets, based on the estimated number of years over which the asset is expected to depreciate in usefulness as an income producer.

A number of modifications, including accelerated methods, the Class Life System and ADR, have increased somewhat the speed of overall cost recovery. But these are still based on an advance determination of a "useful life" for given asset classes. In addition, ADR is a very complicated system which many small businesses simply cannot utilize.

The fundamental problem with the useful life approach is its impracticality in the real world of inflation, changing technology, and intensified foreign competition. Even single-digit inflation has a very significant negative impact on the value of the recovered historical dollars. Recent double-digit rates are truly devastating. In the manufacturing industries the effect is particularly harsh because even under the ADR system depreciable lives are generally greater than 9 years. In effect, the existing system of

UMI

depreciation sanctions the erosion of our capital base.

Most other industrialized nations have moved away from the long write-off periods and toward a more rapid cost recovery system. Canada has recently instituted a 2-year write-off period for machinery and equipment which the Liberal government has now decided to make a permanent feature of their tax system. The United Kingdom allows a 100-percent write-off for machinery in the first year. Other industrialized countries employ different rapid recovery mechanisms. Even with the 10 percent investment tax credit, the United States ranks behind many of these competing countries.

One effect of our existing policy has been to force business to the credit markets to finance modernization and expansion, as well as Government mandated capital expenditures for environmental protection, health, safety, and so forth. Since 1960, the percentage of overall investments by nonfarm, nonfinancial corporations which were covered by internal funds dropped from over 80 percent to under 40 percent as more and more firms turned to external money and credit markets for funds. As evidenced by the credit crunch of 1973–74, and with the intense competition for funds from the deficit-ridden Federal Government, the sources obviously cannot be relied on for stable investment programs.

One way to ease this problem is to provide a simple, rapid cost recovery system as an alternative to depreciation. A significant increase in the rate of recovery would reduce, though not eliminate, the impact of inflation on recovered costs. In so doing, the system would increase the internal funds available for new investment in plant and equipment.

The system proposed in this bill would establish a 5-year recovery period for all productive machinery equipment and for pollution control facilities. A 10-year period would be applicable for industrial buildings. Based on these periods, the taxpayer could deduct up to the year's maximum capital recovery allowance, using accelerated methods for calculations. Unused allowances would be available in subsequent years. The taxpayer could begin to utilize such allowances as acquisition costs are incurred, and a full year's deduction would be allowed.

Detailed estimates of the estimated revenue impact and feedback effect of increased investment and employment have been made. They show that the program would be self-sustaining—that is, the revenue generated by increased economic activity would offset the direct revenue loss. However, the program could be implemented in stages to minimize the direct revenue impact if necessary. Economic analysis indicates the employment effect from implementing the system all at once in the capital goods and construction industries alone would be approximately 180,000 additional jobs in the first year rising to 290,000 new jobs in the third year.

This concept is relatively simple and would be much easier to administer compared to present depreciation practice with all its engineering evaluations, confusion over salvage value, et cetera. However, all existing methods of depreciation would still be available to business taxpayers.

In sum, the proposed capital recovery allowance system in H.R. 7543 would be a long-term reform measure to:

First. Offer an effective alternative to the "useful life" concept which is the basis for the existing depreciation system;

Second. Improve the climate for internal capital formation to finance necessary investment in capacity expansion and modernization, thereby creating new employment opportunities and tending to stabilize economic activity over the long term; and

Third. Make our cost recovery system more competitive relative to enterprise in other industrialized nations.

Inflation and unemployment are particularly pressing problems now, and the temptation to rely wholly on quick-fix economic policies is great. However, we believe we must begin to break the psychology of quick fixes and instant governmental responses to every change in national economic policy directed toward a long-term and more stable climate for productive investment.

We will urge the Committee on Ways and Means to consider this new capital recovery system as a major part of the tax reform bill to be ready for the House late this year.

I include the following:

BRIEF SUMMARY OF THE PROVISIONS OF H.R. 7543, THE CAPITAL RECOVERY ACT OF 1975

H.R. 7543 would create a new section of the Internal Revenue Code of 1954 as an alternative to the current concept of depreciation. The alternative would be a capital recovery allowance system. The system would be included in a new section 189, as this is where it would logically be placed in the sequence of depreciation and amortization sections presently in the Code. A brief explanation of the language contained in section 3 of the draft bill follows:

Subsection 189(a) is the general rule which would permit a capital recovery allowance deduction in lieu of the deduction for depreciation now provided under section 167. An election would be required, and the system would not be mandatory. The phrase "with respect to any section 189 property" is intended to allow the taxpayer to elect section 189 with respect to only part of its assets, if desirable. Once property is subject to the capital recovery allowance system, the taxpayer may not apply depreciation or amortization to that property, except with IRS consent.

Subsection 189(b) defines the type of property which would be eligible for the capital cost recovery deduction. Basically, this would include: (1) section 48(a)(1) property eligible for the investment credit; (2) industrial buildings and their structural components; and (3) pollution control equipment as it is defined in section 169.

Paragraph 189(b)(1) would make all tangible personal property eligible for capital recovery allowance treatment. While this is rather broad, it is difficulty to justify a narrower definition limited to property used in production. Arguably, machinery and equipment used in non-manufacturing applications should not be denied the benefits of rapid recovery.

Paragraph 189(b)(2) would permit capital recovery allowance deductions for all other tangible property (in effect, for real property) if such property is used in manufacturing, extracting, transportation, communications or public utility services. Industrial buildings and their structural components—which are ineligible for the investment credit—would qualify under this definition. Certain warehouses would also qualify. However, because of the restriction as to qualified usage, office and apartment buildings, hotels, resorts, etc., would not qualify. (Note: the section 48(a)(1) definition of investment credit property makes specific mention of elevators and escalators. This has been omitted here since such property would be included as being structural components of buildings.)

The final sentence of subsection 189(b) is intended to emphasize that the preceding sentence (which limits section 189 to property which would otherwise be subject to depreciation or amortization) would not prohibit the use of section 189 with respect to costs incurred in years prior to what would otherwise be the first year in which property could be subject to depreciation or amortization. (See subsection 189(d) below.)

Subsection 189(c) would establish the maximum allowed percentage of the property's basis which could be deducted in any particular year. To maintain a degree of consistency with other Code terminology, property subject to an election under section 189 would be divided into section 1245 property, pollution control property and section 1250 property. The schedules set forth the maximum percentage of the acquisition cost (see subsection (d)) which could be deducted in each year, beginning with the year in which the cost was incurred. The percentages have been calculated using the most beneficial combination of the double declining balance method and the sum-of-the-years-digits method. The taxpayer could deduct any amount from 0 to the maximum applicable percentage for that year. Any unused deductions would be carried forward indefinitely and could be deducted in any succeeding year in addition to the maximum amount set forth for that year. (see subsection 189(e).)

Subsection 189(d) defines the term "acquisition costs" to which the maximum applicable percentage would be applied. Under section 189, a capital recovery allowance deduction would be available with respect to any cost incurred or paid to acquire section 189 property. Such costs would be identical to costs which determine basis under section 1012. However, since capital recovery is the key to this system, deductions could begin in any year in which costs are incurred or paid, not the year in which assets are placed in service. It would be likely that many costs would be spread over a two or three year period, in which case the costs incurred or paid in a given year would be included in a vintage account for that year not compiled.

Subsection 189(e) would allow carryovers of unused deductions to succeeding taxable years. Such deductions would be allowed in addition to the maximum deductions set forth for that year.

Section 4 of the bill would amend section 46 to make it clear that the investment credit would be available for property with respect to which the taxpayer elects a section 189 deduction in the same manner as if conventional depreciation were used. This is intended to prevent confusion over the percentage of cost (100% versus 66.67%) to which the credit would be applied in the case of assets which currently use depreciable lives of seven years or longer but which could become subject to the five-year write-off period of section 189.

Section 5 would amend section 57 to prevent any deduction allowed under section 189 from being included as an item of tax preference under the minimum tax.

Section 6 would amend section 1016 to specifically include section 189 deductions as proper adjustments to the basis of the property.

Sections 7 through 10 would amend sections 1245 and 1250 to clarify them for purposes of their application to section 189 property.

Section 11 would make January 1, 1975, the effective date for the bill, and section 189 would apply only to costs incurred or paid on or after that date.

U.S. CANAL ZONE TERRITORY: NONVOTING DELEGATE IN THE CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, from my long experience in the observation and study of the problems of the Panama Canal, including appearances as a witness before committees of the Congress, it has become increasingly evident that the interests of the United States and its citizens in the Canal Zone have not been represented in the Congress as well as they could be.

At present, four other U.S. territorial possessions are represented in the Congress as follows:

Territory	Population	Land area (square miles)
Resident Commissioner (4-yr term):		
Puerto Rico	2,712,033	3,421
Delegates at large (2-yr terms):		
Washington, D.C.	756,510	61
Guam	84,996	209
Virgin Islands	62,468	132

The Canal Zone, with a land area of 362 square miles and population of 44,198—39,200 U.S. citizens—is not represented in the Congress, which since the opening of the Panama Canal has served as the legislature for the Zone and has enacted an extensive Canal Zone Code. Moreover, the Zone has a strategic importance greater than either Alaska or Hawaii, which for many years before statehood had delegates in the Congress.

Under existing laws the Canal Zone government is called upon to perform many of the functions of State, city, and county governments. The executive branch of that government is headed by a Presidentially appointed Governor of the Canal Zone, the judicial branch by a U.S. district judge, but its legislative, the Congress, has no permanent representative in it from the Zone. Thus many problems that require legislative supervision find the Congress without a continuously available delegate to assist in arriving at wisely reasoned decisions.

To remedy the situation thus presented, I have introduced H.R. 7425 to authorize the election of a delegate at large from the Canal Zone. Because of the importance of having such representation from the Canal Zone in the Congress, prompt action is urged.

The indicated measure follows:

H.R. 7425

A bill to provide that the United States Canal Zone shall be represented by a Delegate to the House of Representatives

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DELEGATE FROM THE CANAL ZONE

SECTION 1. The first section of the Act entitled "An Act to provide that the unincorporated territories of Guam and the Virgin Islands shall each be represented in Congress by a Delegate to the House of Representatives", approved April 10, 1972 (48 U.S.C. 1711), hereinafter in this Act referred to as the "Act", is amended by striking out "and the territory of the Virgin Islands" and inserting in lieu thereof the following: ", the territory of the Virgin Islands, and the Canal Zone".

ELECTION

SEC. 2. Section 2(a) of the Act (48 U.S.C. 1712(a)) is amended—

(1) in the first sentence thereof, by inserting "from Guam and the Delegate from the Virgin Islands" immediately after "The Delegate";

(2) by inserting immediately after the first sentence thereof the following new sentence: "The Delegate from the Canal Zone shall be elected by the citizens of the United States residing in the Canal Zone at a general election held in November 1976, pursuant to regulations established under section 4(b), and at a general election every second year thereafter."; and

(3) in the second sentence thereof, by striking out "The Delegate" and inserting in lieu thereof "Each Delegate".

ELIGIBILITY

SEC. 3. Section 3(c) of the Act (48 U.S.C. 1713(c)) is amended by inserting "or possession" immediately after "territory".

ELECTION PROCEDURE

SEC. 4. Section 4 of the Act (48 U.S.C. 1714) is amended—

(1) by inserting "(a)" immediately after "SEC. 4."; and

(2) by adding at the end thereof the following new subsection:

"(b) The Governor of the Canal Zone shall prescribe regulations for conducting general elections for the office of Delegate from the Canal Zone, and shall submit a copy of such regulations to each House of the Congress not later than January 1, 1976. Such regulations shall take effect on March 1, 1976, unless either House of the Congress passes a resolution before such date which specifically disapproves of all or part of such regulations.".

PRIVILEGES OF DELEGATE

SEC. 5. Section 5 of the Act (48 U.S.C. 1715) is amended—

(1) by striking out "and the Delegate from the Virgin Islands" and inserting in lieu thereof the following: ", the Delegate from the Virgin Islands, and the Delegate from the Canal Zone"; and

(2) by striking out "the Delegate from each territory" and inserting in lieu thereof the following: "each Delegate".

SPECIAL ELECTION

SEC. 6. The Governor of the Canal Zone shall conduct a special election for the office of Delegate from the Canal Zone not later than thirty days after the date of the enactment of this Act. Such Delegate shall be elected by the citizens of the United States residing in the Canal Zone on the date of such special election. The term of such delegate shall commence not later than ten days after the date of such special election, and shall end upon the commencement of the term of the person elected Delegate in the general election in 1976.

SEPARATION OF POWERS VIOLATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I should like to present for the consideration of this House serious evidence of systematic and repeated violations by the executive branch of the constitutional principle of separation of powers, specifically the power of Congress to regulate interstate and foreign commerce.

I will present today evidence of a clear pattern and practice of executive branch commitments on the British-French Concorde supersonic aircraft since 1971, including a letter from then-President Richard Nixon to the leaders of Britain and France, which has resulted in a situation today where the mandate of Congress as expressed in the National Environmental Policy Act and the Noise Control Act has been seriously undermined.

As I hope will become clear, actions by both the Nixon and Ford administrations in behalf of Concorde would appear to violate both the letter and the spirit of the Constitution, and of court cases testing the power of the executive branch to involve itself in agreements on interstate and foreign commerce.

I am not saying, of course, Mr. Speaker, that the executive branch has no role in these matters. What I am saying is that court cases and the Constitution itself clearly establish that the executive branch may not move in these areas so as to contravene procedures established by Congress.

This principle was most seriously enunciated when then-President Truman attempted to nationalize the steel mills in 1952 without first invoking the provisions of the Taft-Hartly Act. As many here will recall, the Supreme Court ruled that Mr. Truman acted unconstitutionally by moving in such a way as to ignore procedures established by Congress under its constitutional mandate to regulate interstate and foreign commerce.

In the matter before us today, the gist of the executive branch's involvement has been to formally advise, verbally and in writing, other Federal and State officials that such strong commitments have already been made on Concorde that severe diplomatic and foreign policy consequences could be expected if we now refuse to let Concorde land because of legitimate environmental fears.

Letters written this April by two key assistants of the Secretary of State to the Governors of New York and New Jersey, and to our former colleague, Ogden Reid, now commissioner of environmental conservation in Governor Carey's cabinet in Albany, would appear to be in clear violation of a 1973 court of appeals decision warning the executive branch that it cannot supersede the procedures mandated by Congress in the National Environmental Policy Act by invoking what the court called "foreign policy mystique" to justify ignoring the legal process.

These letters, the two key paragraphs of which are quoted in a news account I will present for the RECORD at the close of my statement, attempt to warn our friends in New York and New Jersey that serious foreign policy consequences could follow rejection of Concorde, as I noted a moment ago.

However, as our colleague from New York (Mr. AMBRO) discovered last week while taking a firsthand look at Concorde at the Paris Air Show, and brief-

UMI

ings by French officials have convinced him that France clearly appreciates the environmental dangers of Concorde, specifically the threat to the ozone layer so dramatically confirmed by the National Academy of Sciences. As a result, Mr. AMBRO tells me, State Department and National Security Council talk of dire foreign policy consequences is not justified.

Even if the fears were well-founded, however, the 1973 court of appeals case stands foresquare on our side in demanding that the executive branch stop this attempt at an end-run around the expressed will of Congress.

These April letters followed the FAA's January recommendation that Concorde be allowed to begin regular commercial service in 1976 out of New York's John F. Kennedy Airport, and the FAA-controlled Dulles International. But the letters were written more than a month prior to the legally required hearings on the proposal which theoretically were held to help the administration make up its mind on Concorde.

But now we know that the fears of diplomatic pressure I expressed at the FAA hearings and my worst fears that the public hearings process was an utter sham in itself now appear to have been completely justified because of the executive branch involvement.

We now know that this year's domestic involvement on Concorde was preceded by questionable international commitments by the Nixon and Ford administrations made at key points in the British-French decisionmaking process, obviously designed to strengthen the hands of pro-Concorde forces overseas.

The Nixon administration's involvement began shortly after Congress in its wisdom defeated an American SST because of environmental and economic factors in 1971. That year then-FAA Administrator John Shaffer conveyed official assurances to Britain and France that Concorde would be allowed to land at Dulles, Kennedy, and also Boston's Logan Airport.

The same day as Shaffer's completely unjustifiable commitments in behalf of New York and Boston, where both airports are controlled by public bodies in their home States, then-American Ambassador to France Arthur Watson presented official U.S. Government assurance that Concorde would gain landing rights in New York City.

It is extraordinary, Mr. Speaker, that the Nixon administration took it upon itself to speak in behalf of the people of New York State, who administer Kennedy Airport through the Port of New York Authority, and who have established noise level limits to protect themselves and which, to date, the FAA has steadfastly refused to apply to airports under its control.

In addition to the Nixon letters of January 1973, which I have already mentioned, Mr. Speaker, the most egregious case of direct executive branch involvement overseas came in July of 1974 when then-FAA Administrator Alexander Butterfield sent a telegram to the British manufacturer of Concorde just prior to crucial talks between Prime Minister Wilson and President D'Estaing on whether or not to cancel the project.

The Butterfield telegram, officially endorsing Concorde in the name of the FAA, was followed by a decision by Britain and France to continue the project, despite negative economic projections by their own aircraft industry. As can be noted in a highly revealing excerpt from testimony by a British expert on Concorde which I will present for the RECORD at the conclusion of my remarks, the Butterfield telegram somehow found its way into publications overseas, thus enabling us to see the truth on how our Government was going behind the back of Congress in the matter of SSTs.

I am sorry to say that the picture at home is still cloudy because of the refusal of the present administration to release the text of the Nixon letters, and the refusal of the White House to reveal to Congress the content of discussions between the President and Prime Minister Wilson a few weeks ago on Concorde.

However, thanks to sources at home and abroad, we are able today to piece together quite enough of the puzzle on Concorde to see a picture of executive branch attempts to present Congress and the American people with a fait-accompli on a foreign SST.

We already have disturbing testimony before a subcommittee of this House in March by Mr. Roger Strelow, EPA's assistant administrator for air and waste management, to the effect that the State Department and the National Security Council—that's right, the National Security Council—pressured EPA prior to the controversial "waiver" granted the first 16 Concordes by EPA.

Strelow has specifically stated, as the news story presented below shows, that National Security Council personnel and State Department representatives warned EPA that then-President Nixon had committed the U.S. on Concorde, and asked that no restrictions be placed on the controversial aircraft.

My legislation dealing with the question of all supersonic aircraft is slated for hearings this July before the Aviation Subcommittee of Public Works, and, as you know, has the cosponsorship of the unified New York Democratic delegation, as well as many distinguished colleagues across the aisle and across the Nation, who appreciate the threat to our environment and to our people, which, an operating fleet of SST's as presently designed clearly represents.

I have on many occasions in the past few months presented for the consideration of this House the facts and figures on Concorde, and would call your attention to a March 13 CONGRESSIONAL RECORD statement which presents detailed facts on Concorde's adverse characteristics. I would at this time only note that the National Academy of Sciences has confirmed the worst fears of concerned environmentalists, elected officials and private citizens on the dangers of SST's.

As a consequence, we face today not only a flouting of the Constitution and of the law, but also a flagrant disregard for the health and well-being of the people of the United States through the actions of the executive branch which I have mentioned above, and which will be detailed in my submissions for the record below.

I will close, Mr. Speaker, by noting that my distinguished colleagues, Mr. AMBRO of New York and Mr. DOWNEY of New York join with me in respectfully referring this matter to the Committees on Government Operations, and Commerce and Health, in hopes that through their oversight functions, we can clearly establish the primacy of Congress and our mandates as expressed in the National Environmental Policy and Noise Control Acts, and that a clear message will be sent to the executive branch on the necessity of their following the constitutional principle of separation of powers.

Thank you, Mr. Speaker. I now present for the RECORD a portion of the testimony of Mr. Richard Wiggs, of England, which details the involvement of executive branch officials in behalf of Concorde since 1971, and a newspaper story by Mr. Harry Pearson of Newsday, which brings us up to date on the attempts of the executive branch to pressure the EPA and the officials of New York State and New Jersey to ignore the adverse effects of the SST:

ATTITUDES OF SENIOR OFFICIALS OF THE FEDERAL AVIATION ADMINISTRATION AND OF THE CIVIL AERONAUTICS BOARD OF CONCORDE

(Statement by Mr. Richard Wiggs, Washington, D.C. April 14, 1975)

The attitudes of certain top FAA officials to Concorde over the years, and their published statements, are highly relevant both to the attitude to Concorde shown by the Draft EIS, and to the expectations of the Concorde-sponsors at the present time.

FAA enthusiasm for Concorde seems to have grown suddenly after the cancellation of the U.S. SST in March 1971. The following month Mr. John Shaffer, who had been appointed by Mr. Nixon as Administrator of the FAA, was in London, giving comprehensive assurances that Concorde would have no environmental problems in the U.S.

The Financial Times (24 April 1971) under the headline "Concorde will be allowed to operate in U.S.—air chief", reported that during his week in London Mr. Shaffer had "repeatedly expressed his confidence in Concorde operations in the U.S. . . . Mr. Shaffer's confidence comes when the British Government is clearly concerned about the U.S. attitude to the Concorde. . . ."

The Guardian (24 April 1971) under the headline "US 'unlikely to ban' the Concorde", reported:

"The Concorde supersonic airliner is not likely to be banned from the United States because of its take-off noise, the chief of the US Federal Aviation Administration, Mr. John Shaffer, said in London yesterday.

"If it was not allowed to land in New York 'it would be welcome in Washington and Boston'. But he thought that by the time the aircraft was ready to enter service, in 1974, opposition to it would have died down.

"The importance of Washington's Dulles Airport is not just its comparative convenience as a gateway to the United States. It is owned and operated by the FAA, whereas most American airports, including the J. F. Kennedy in New York, are locally owned. With Federal support, therefore, it would provide a powerful lever with which to prise other gateways open.

"Mr. Shaffer appeared quite confident yesterday that the decision by Congress to abandon the United States' own supersonic airliner, the Boeing 2707, would soon be reversed. The vote had been against spending the money, not against the SST in principle, he said. In his view, supersonic transport was 'as inevitable as tomorrow's sunrise'". (*The Guardian* 24 April 1971.)

Mr. Shaffer's views that by the time Concorde was ready for commercial operation, "in 1974" (sic), "opposition to it would have died down", and that the abandonment of the U.S. SST "would soon be reversed" may give some indication of the quality of his judgment in these matters. In 1971 Mr. Shaffer was much less well known in Britain than he has become since the DC–10 disaster at Paris and since the publicity given to his part in the affair of the cargo door, and his appearance on television being questioned about this. Even so, his comments on Concorde received very extensive publicity, and the Air Correspondent of *The Times* wrote (24 April 1971) that "his words give an added fillip to the future of the project".

This comment is very significant. The cancellation of the U.S. SST project a few weeks earlier had been greeted by the sillier sections of the British publicity media as "leaving the field wide open for Concorde", but the more perceptive had noted that it had the much more important effect of opening the way to exclusion of Concorde from the U.S.: having cancelled its own SST, partly to protect its citizens from the SST's environmental ill-effects, the U.S. might not look too favorably upon foreign SSTs with similar undesirable qualities.

In February 1971 the visit to London of New York Assemblyman Andrey Stein, who warned that if Concorde were excessively noisy it would experience difficulties at New York, had received much publicity in Britain and had caused much alarm in the Concorde camp. Mr. Tony Benn, who had been Minister in charge of Concorde, but was then in opposition (the U.K. having a Conservative government at the time) invited himself to a hearing at New York organised by Mr. Stein after his return to New York. Mr. Stein invited me to the hearing to oppose Mr. Benn. *The Times* (London) next day (26 February) headlined its report:

"Mr. Benn fails to win Concorde tussle at New York hearing".

In April there were two restrictive Bills before Congress, and also Bills before several State legislative assemblies, which would have the effect of excluding SSTs. The Airport Operators Council International, fearing a mass of environmental law-suits had issued a policy statement which commented:

"Any noise exposure in excess of that allowed for current generation jets . . . will be unacceptable to major traffic-generating communities".

At this time the Concorde production program was for 6 aircraft only. Unable to understand or to accept the implications of events in the U.S., the plane's makers and the labor unions were pressing the governments to authorise more.

Authorisation was given on 22 April for the building of 4 more Concordes and for the ordering of materials for a further 6. This was on the Thursday of Mr Shaffer's week in London during which he had "repeatedly expressed his confidence in Concorde operations in the U.S.". (*Financial Times*, above).

To its report of the authorisation of the additional Concordes, *The Times* (23 April 1971) added:

"United States officials have assured France that the Concorde will be allowed to land at New York. The assurance was given to M. Jacques Chaban-Delmas, the French Prime Minister, by Mr Arthur Watson, the American Ambassador, in reply to an inquiry ordered by President Pompidou, reliable sources said.

"The American assurance conflicts with efforts in Congress and the New York State legislature to set noise-level limits on supersonic landings that Concorde could not meet".

On 29 April I wrote in a letter to *The Times:*

"It would be interesting to know upon what basis the Ambassador and Mr Shaffer gave their assurances. . . . At Washington recently I was privileged to address a conference (opened by Senator Proxmire) of members of the legislative assemblies of States in which the new anti-SST Bills are being considered. . . . The fact should be clearly understood by the makers of Concorde, by the governments and taxpayers who are paying for it, and by the airlines who are potential customers, that this spate of legislation is in response to very insistent public demands that aircraft noise be reduced" (The letter was not published).

Two months later, at the Paris Air Show, Mr. Shaffer announced:

"The fact that the Soviet TU 144 is on exhibit and that the Concorde 001 has flown to Paris direct from a simulated transatlantic crossing from Toulouse to Dakar should make it abundantly clear that the age of the supersonic has arrived . . . no matter how fervently certain members of the United States Congress may wish it were not so". ("The Battle for Concorde", Costello and Hughes, Compton Press, 1971).

Obviously I can only give a very few examples of the attitude of senior FAA officials to Concorde, so I will jump to June 1973, when, again at Paris, the new Administrator of the FAA, Mr. Alexander Butterfield, said:

"Concorde is a beautiful aeroplane. The whole world compliments Aerospatiale and BAC. It is, in my view, the way to the future. There is no desire on the part of the U.S. Government to hamper commercial exchange. We are opposed to discriminatory legislation. There are no noise rules applicable to SSTs and there are no Federal regulations that prohibit Concorde from flying into the USA" (*Flight International* 7 June 1973, page 862).[1]

Three months later, in September 1973, the acting Operations Director of the FAA, Mr. William Flener, joined in the praise of Concorde. After the Concorde visit to Dallas-Fort Worth and Dulles, Mr. Flener said that he had heard of no complaints against Concorde "noise or otherwise. In everything we could determine, there was no problem". (*Flight International* 4 October 1973).

Mr. Robert Timm, chairman of the U.S. Civil Aeronautics Board, flew from Dallas to Dulles on the Concorde, and commented:

"I have no doubts in my mind that supersonic air transport has come to stay. I am sure that Concorde will go into service in the United States". (*Flight International* 4 October 1973).

"'It's like a natural step into the future', said Mr. Timm. 'I want this plane to be part of the fleet of the world and I don't want to give anyone the slightest comfort in thinking that maybe this was environmentally an incompatible airplane'". (Agency report in British press, late September 1973).

In July 1974 Mr. Alexander Butterfield sent a long telegram to Sir George Edwards, chairman of the British Aircraft Corporation. It said:

"On behalf of the Federal Aviation Administration I want to extend hearty and sincere congratulations on the recent visit to America of the Concorde. The round trip flights between Paris and Boston and the Mach 2 runs over the ocean between Boston and Miami represent an important milestone in gaining universal acceptance of intercontinental supersonic air travel. The entire endeavour seemed to have been executed with exceptional professionalism and care. From our standpoint the operation was an unqualified success. Please pass on our compliments and best wishes to all who participated". (*Flight International* 11 July 1974).

The telegram was received by the British press with such headlines as "Super Concorde wins over U.S. air chief" (Daily Express, 3 July 1974).

The Express report commenced:

"We love you, Concorde! That was the message from across the Atlantic yesterday. The massive boost for the superjet's reputation came in a telegram from the chief of American civil aviation. It praised the 1,400-mile-an-hour jet as an unqualified success. There is now little doubt that the Prime Minister, Mr. Wilson, and President Giscard D'Estaing will agree to carry on with the Concorde project during their Paris talks on July 19".

For, quite by chance no doubt, Mr. Butterfield's telegram to Sir George happened to arrive a few days before the British Prime Minister and the French President were to decide whether or not the project was to be cancelled (there was in fact little doubt that they would decide it should not), and whether or not three more Concordes should be built to avoid the running down of the production line. (For the record, their decisions were that the 16 being built should be completed, but no more should be started).

A message very different from Mr. Butterfield's had come across the Atlantic from New York and from Boston. First the New York authorities had refused to allow a Concorde visit unless the plane's sponsors could show in advance that it could meet their noise rules. Since this was impossible, attention was transferred to Boston, where the airport manager was known to be an SST-aficionado. The visit took place against very widespread opposition, and on the understanding that it did not open the way to commercial operation.

But the Butterfield telegram provided the Concorde makers and their friends with further support for their hope that in the event, in the U.S., the citizens' groups will be defeated and Concorde will be allowed in.

I am of course not completely familiar with the way you see these things in the U.S., but to me it seems that officials of administrative and regulatory bodies such as the FAA and the CAB have a duty to preserve some measure of independence and objectivity. I am not able to understand how people can be expected to produce objective decisions, decisions that are in the best interests of all parties concerned, including the public, when they have over a period of years been vigorously expressing extreme, if ill-informed, enthusiasm, both personally and on behalf of their agencies, for the object upon which they now have to express judgment.

More than this—these people have actively encouraged the Concorde-makers and the sponsoring Governments, with these assurances that operationally, as far as the U.S. was concerned, Concorde had no problems. Since the U.S. to a large extent sets the precedents in international aviation matters, this has led to the assumption that, somehow or other, Concorde will get by, not only in the U.S. but elsewhere. (Now, as we shall see, the problems are piling up at almost all of the proposed Concorde termini).

The Butterfield telegram and Mr. Shaffer's comments in 1971 were accepted by the pro-Concorde British press as being intended to "boost" Concorde by influencing crucial Anglo-French political decisions on the project.

At the same time, the promulgation of regulations relating to SST noise has persistently been delayed, with the result—and, one suspects, with the intention—both of further encouraging the Concorde-builders and of prevaricating until such time that the excuse could be made that here is a plane which is almost due to start commercial

[1] M. Butterfield's satisfaction, in 1973, that there were "no noise rules applicable to SSTs" should be seen in the context that in 1971 it was reported that Federal legislation relating to SSTs would be introduced in 1972.

UMI

operation, so we can't make difficulties for it now.[2]

I suggest that the FAA owes some explanation for its conduct, not only to the U.S. public, but also to those in the U.S. and France who have been striving to make known the economic disabilities and the environmental unacceptability of the plane itself and the fraudulent nature of the Concorde project.

Part of the explanation is presumably that the aviation world looks after its own. Another part was hinted at by Mr. Shaffer in 1971, and has been hinted at again recently by the EPA in its *Project Report—Aircraft Noise Certification Rule for Supersonic Aircraft—24 January 1975* (Ref. 15), page 5–11. It is the lingering fantasy of one day building an American SST—and the fact, explained in the *EPA Report*, that any U.S. action to regulate foreign SST's will finish off that fantasy.[3]

STATE DEPARTMENT AND SECURITY COUNCIL PRESS FOR SST LANDINGS IN UNITED STATES

(By Harry Pearson)

The State Department and the National Security Council have pressured federal and state regulatory agencies in an effort to insure regular flights of the British-French SST, the Concorde, into the U.S.

In pushing for the supersonic transport, the department and the security council have cited secret assurances from the Nixon administration to the governments of Britain and France that it would not rule out approval for the Concorde to land at American airports. The State Department has repeatedly told New York State officials that banning the Concorde from Kennedy Airport would be "contrary to the foreign-policy interests of the United States."

The pressure has been applied to those federal and state agencies now drafting regulations that would determine whether the Concorde will use American airports. The economic future of the British-French aircraft, which has cost the two governments more than a billion dollars to develop, depends on access to American airports.

If such approval is granted, by 1978 there would be 17 landings of the Concorde a day at Kennedy Airport, six at Anchorage, four at Miami, three at Los Angeles, two at Boston, and one at Dulles International in Virginia according to information submitted to federal agencies by British Aircraft, one of the plane's manufacturers. Critics of the plane say it should be banned from the United States because it is noisier than conventional aircraft and because pollution from regular flights would strip the protective layer of ozone from the atmosphere.

Pressures were applied in several areas:

Representatives of the National Security Council and the State Department met with officials of the federal Environmental Protection Agency in an effort to persuade EPA to propose noise regulations favorable to Concorde landings in the U.S. EPA's subsequent noise proposals, not yet law, were favorable to the Concorde, whose noise levels have caused considerable controversy.

Two key assistants to Secretary of State Henry Kissinger have written at least three letters to state officials in New York and New Jersey in an effort to keep the Concorde from being banned at Kennedy Airport. Interference in local affairs by the State Department is considered highly unusual, a State Department spokesman said. Similarly, EPA sources said the agency had never before had to deal with the National Security Council in considering questions of policy.

Two former administrators of the Federal Aviation Administration and the former American ambassador to France gave verbal assurances to the British and French that the plane would be allowed to land in the U.S. In fact, Richard Nixon himself wrote a letter to British and French leaders promising White House support for Concorde landings in the United States.

The reason for the promise, several high-level sources in the FAA and EPA theorize, is that the Ford administration wishes to revive development of an American SST, a project that would require federal funding. If the Concorde is allowed to land at U.S. airports, according to their theory, it would drain first-class fares from American carriers, thus forcing them to buy the $100 million British-French planes. Theoretically, that would increase pressure from airlines and the aerospace industry for an American plane to meet the foreign competition.

The FAA's now about six weeks away from its decision on whether to grant permission for daily Concorde landings at Kennedy and Dulles. The FAA's assessment of the plane's impact on the environment, which the agency was declared to be minimal, was found so difficient by the federal Council on Environmental Quality that a source close to the council says, "it appears to us that foreign-policy considerations had an undue effect on the FAA's thinking."

Roger Strelow, the No. 3 man in the EPA (he is assistant administrator for air and waste management), testified before a House subcommittee that his agency had been influenced by foreign-policy considerations in drafting a set of SST noise proposals that would allow the Concorde to land in the United States.

Strelow said: ". . . At the time we came on the scene, there had already been a fair amount of commitment, and, as I say, some degree of government assurance, at least executive branch assurances or statements, that would not absolutely preclude U.S. operations [of the Concorde]."

". . . It would have been much better had the issue of subsonic noise levels [generated by Concorde] been addressed far earlier than it has been," he added, "and the public could have made that decision at a point that the rules would have been clear to any, one who was considering investment [In an SST]. Certainly it is the case that the manufactures . . . have assumed that they would at least have some ability to operate in the U.S. and have certainly made claims that [such flights] were really vital to the success of their [Concorde construction] program."

Strelow, in an interview last week, said, "There were discussions preceding our [noise] proposal in which the foreign-affairs community made us aware of their concern. These discussions included people from the State Department and the National Security Council. They said, in effect, 'We don't feel we ought to impose any restrictions [on Concorde flights].' They wanted us to be aware there was some history of high-level assurance that they [the British and French] would be treated fairly.

"There was mention made by the guy from the National Security Council of a specific letter from Nixon to the heads of state in England and France. It can be construed as an assurance from Nixon to them that the plane would be allowed to land in this country. I don't believe I've ever seen the actual text itself, which said, in effect, you can be assured we will treat this airplane on a fair and equitable basis."

There is evidence that some sort of assurances were given to the British and French when both governments were having second thoughts about whether to continue subsidizing construction of the controversial airplane.

John Shaffer went to London to meet with British officials in April, 1971, while he was FAA administrator, just after Congress had rejected a Nixon administration attempt to use federal funds in building a U.S. SST. Shaffer told the British that the Concorde "is not likely to be banned from the U.S. because of its take-off noise."

Shaffer, who now runs his own trucking firm in Maryland, confirmed last week that he had indeed told the British that. At first, Shaffer, an advocate of the Concorde, said he made the remarks as a private citizen. Later in the interview, he said he had spoken as FAA administrator.

Alexander Butterfield, who succeeded Shaffer as FAA administrator under Nixon, said in a speech two years later at the International air show in Paris "There is no desire on the part of the U.S. government to hamper commercial exchange. We are opposed to discriminatory legislation. There are no noise rules applicable to SSTs, and there are no federal regulations that prohibit Concorde from flying into the U.S.A." In fact, no federal regulations of the Concorde's large noise and air-pollution levels were proposed until this year.

In January, 1973, Nixon wrote a letter to former British Prime Minister Edward Heath and the late French President Georges Pompidou saying he would do all he could to insure that the Concorde would not be discriminated against in America. Several U.S. government sources who said they have seen the letter said Nixon includes a disclaimer, noting that the executive branch could not set noise levels and other environmental standards. The Environmental Defense Fund, the public-interest law firm that specializes in environmental problems, requested a copy of the letter from the White House last month, citing the Freedom of Information law. The White House refused.

Two State Department officials, Roger F. Ingersoll, Kissinger's deputy administrator, and James Lowenstein, deputy assistant secretary for European affairs, have written to state officials in New York and New Jersey to keep the governor of either state from banning Concorde landings at Kennedy Airport. Lawyers for the Port Authority of New York and New Jersey, which operates the airport, say that either governor could stop the Concorde landings by vetoing any Port Authority decision to allow them.

The April 4 letter from the State Department's Lowenstein was addressed to Ogden Reid, New York's commissioner of environmental conservation and a critic of the Concorde. Lowenstein wrote:

"The Concorde project represents a very considerable investment of public funds in both sponsoring countries in a high technology undertaking that gives rise to intense interest for financial and prestige reasons. Consequently, the project is followed closely at the prime minister and presidential level in both London and Paris, and the denial of admission of the Concorde would be interpreted by the British and French governments as a blow to the aerospace industry in those countries.

"As you know, the sponsors of the Concorde are increasingly concerned that even though the aircraft may meet the current noise regulations in effect at Kennedy Airport, those regulations might be altered specifically to exclude it. Any discriminatory action against the Concorde by the operators of Kennedy Airport would adversely affect our relations with two important allies and be contrary to the foreign policy interests of the United States."

Governors Brendan Byrne and Hugh Carey received letters from Kissinger's deputy, Ingersoll, shortly afterward. A spokesman for Byrne would not disclose the contents, but said the letter "makes the point that a negative decision on the Concorde might have some effects on our exports of civil aircraft." Carey's office would not release the text of Ingersoll's letter.

EXPORT ADMINISTRATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MORGAN) is recognized for 5 minutes.

Mr. MORGAN. Mr. Speaker, I am introducing today, upon the request of the Secretary of Commerce, a bill to extend the Export Administration Act of 1969—Public Law 91–184. The current authorization expires on September 30, 1976. This bill would extend the act for an additional 3 years, until September 30, 1979.

Originally known as the Export Control Act of 1949, the statute was revised by Congress in 1969, at which time the title was changed to the Export Administration Act of 1969.

The purpose of the act is to provide the President with authority to regulate U.S. exports of goods and technology for certain specific purposes. Historically, the principal two purposes have been to further foreign policy goals and to restrict the exportation to unfriendly nations of items or knowledge which might endanger the national security. The third purpose of the act is to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of foreign demand. This has become an increasingly important objective in recent years with the advent of world scarcities of key commodities and rampant inflation.

Jurisdiction over export controls historically rested with the Committee on Banking and Currency. That jurisdiction was transferred to the Committee on International Relations by the Committee Reform Amendments of 1974. The rationale for that transfer of jurisdiction was the overriding foreign policy implications of export controls. As the Committee on International Relations has not considered this statute in the past, the proposed extension will be acted upon only after the most exhaustive review of the purposes and implementation of the Export Administration Act of 1969.

The text of the executive communication follows:

THE SECRETARY OF COMMERCE,
Washington, D.C.

HON. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Enclosed are six copies of a draft bill "To extend the Export Administration Act of 1969, as amended," together with a statement of purpose and need in support thereof.

This proposed legislation has been reviewed by the Department in the light of Executive Order No. 11821 and has been determined not to be a major proposal requiring evaluation and certification as to its inflationary impact.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress and further that enactment of this legislation would be in accord with the program of the President.

Sincerely,

(Signed) JOHN K. TABOR,
Acting Secretary of Commerce.

Enclosures.

H.R. 7665

A bill to extend the Export Administration Act of 1969, as amended

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the Export Administration Act of 1969 (P.L. 91–184, 50 USC App. 2401, et seq.), as amended, is further amended by striking out "September 30, 1976" in section 14, and inserting in lieu thereof "September 30, 1979."

EXTENSION OF THE EXPORT ADMINISTRATION ACT OF 1969, AS AMENDED

This legislation would extend until September 30, 1979 the authority granted by the Export Administration Act of 1969, as amended (50 U.S.C. App. § 2401 *et seq.*), which terminates by its terms on September 30, 1976.

The Export Administration Act of 1969, as amended, authorizes the President to regulate exports of U.S. goods and technology to the extent necessary (a) to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of foreign demand, (b) to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and (c) to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States. The Department of Commerce administers the Act pursuant to a delegation of authority from the President.

THREE BILLS CURING SOCIAL SECURITY INEQUITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, I am today introducing three bills which would change the present social security system.

The first measure would prohibit HEW from billing the States monthly for social security payments and would maintain the present quarterly remittance system. Under present social security law, States and localities which withhold social security taxes from employees' wages are required to submit these contributions to the Federal Government on a quarterly basis. HEW's proposal to change these quarterly payments to a monthly basis would cost the city of New York alone some $3.5 million in interest on the moneys it withholds annually and would prove equally burdensome to other municipalities throughout the country.

Federal revenue sharing moneys allotted to the city of New York are presently received on a quarterly basis. Aside from the loss of desperately needed interest revenues, New York City, in that it only receives quarterly payments from the Federal Government's revenue sharing program, would be unable to meet the requirements of the proposed monthly social security payments. Senator RIBICOFF, in his introduction of the same legislation in the Senate, indicated the detrimental effects of HEW's proposed changes for the localities of Connecticut. The proposed change would deprive municipalities and towns throughout the country of short-term income earned either from investing or receiving interest on the withheld social security moneys which are desperately needed.

In addition, HEW's proposed change would only create more red tape. It made no sense to add to the burdens which our State and local governmental units face. The added bureaucratic and bookkeeping costs would only deepen New York City's present financial plight as well as that of other cities throughout the Nation.

This bill safeguards our States and municipalities from such consequences. The legislation simply maintains the present quarterly remittance procedure and will not result in the loss of any money to the social security system. In order to save New York City from the loss of badly needed revenues and from senseless bureaucratic waste, I hope that Congress will approve the Ribicoff-Koch bill which would require social security contributions to be made on a calendar-quarterly basis rather than a monthly basis.

The second bill I have introduced is a measure to increase from $2,520 to $8,000 the amount of outside income permitted a social security recipient and to end the law's inequities penalizing an individual for earned income—wages—and not for dividends, interest, rent, and other outside income sources.

Under the present law a person under 72 receiving social security is permitted to draw an annual earned income of only up to $2,520 before benefits decrease. However, there is no limitation on the amount a person may receive from stock dividends, interest on saving, gifts from families of rent or food, and other sources of unearned income. Thus the present regulations discriminate only against the average social security recipient—those whose monthly benefits may be his or her primary source of income and to whom a part-time job might be the difference between bare subsistence and minimal standard of living. The injustice of such a system is obvious—to penalize those who most need help, those without family, friends, or savings to help themselves.

The $8,000 figure is a minimally acceptable amount for simple maintenance of an individual with today's high cost of living. Eight thousand dollars is not an exorbitant amount, but it can make the difference between misery and a minimal standard of dignity in life for many. Certainly if one earns less than that amount, he or she should be permitted outside income.

Finally, I have introduced legislation which would permit the elderly medicaid patient in a nursing home to keep at least $2 per day from his monthly social security benefits for incidental expenses. To

---

[2] In this context, the date of the Anglo-French *Application for Type Certificate* (Appendix B to the Draft EIS) should be noted: it is 1965.

[3] The pro-SST bias of the Environmental Protection Agency was commented upon by Mr. Charles R. Foster, Director of the Department of Transportation's Office of Noise abatement, in his letter (already referred to, Ref. 5 to Mr. Harvey Nozick, of the Office Abatement and Control, EPA, concerning the EPA's Draft for the *Project Report* (Ref. 15) referred to above. Mr Foster comments: "I believe . . . that your draft report is heavily biased in favor of the Concorde/TU–144, and does not present a complete picture of its noise problem. I recommend inclusion of my comments, as noted above, to offset that impression."

keep up with rising costs, the legislation also contains an automatic cost-of-living escalator.

Under the present social security system a patient in New York State entering a nursing home under the medicaid program must turn over to the State all of the proceeds of his social security check other than a meager $28 for incidentals. This $28 figure is grossly inadequate.

Even Mr. Scrooge would have blanched at requiring Bob Cratchit to have the equivalent of $1 a day for simple amenities. It is these incidentals which make life meaningful for the elderly medicaid patient confined to a nursing home. How can a patient be expected to enjoy even the smallest amenties of life of $1 a day in New York or anywhere else, when a box of stationery, a paperback, and cosmetics each costs more? Our elderly, who have already made their contribution to our society, should be able to live out their last years with some happiness. An elderly person who enters a nursing home has already, of necessity, given up his or her home and a great deal of his or her freedom. To make this confined life of the nursing home patient a little more bearable is not much to ask. The Congress has an obligation to be better than Mr. Scrooge.

SBA'S ABILITY TO MAKE DIRECT LOANS VANISHES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SMITH) is recognized for 10 minutes.

Mr. SMITH of Iowa. Mr. Speaker, as chairman of the Subcommittee on SBA and SBIC Legislation of the House Small Business Committee and as ranking member of the Appropriations Subcommittee on State, Justice, Commerce, and Judiciary, I have been closely involved in the activities of the Small Business Administration.

With the Presidential veto of the jobs bill, which included $200 million for direct small business loans as well as $10 million for loans to the handicapped, beginning on July 1, the SBA will be without sufficient funds to finance the direct small business loan program mandated by the Congress last August in Public Law 93–386 and reiterated again in the recent job bill.

A similar problem with respect to the direct small business loans as well as guaranteed loans is raised because of the figures for these programs contained in the President's budget for the Small Business Administration for 1976. No funds are requested for the direct loan program except for an item of $100 million for later transmittal depending upon the enactment of legislation which would raise the interest rates on such loans. The proposal contemplates increasing the interest rates from 6.75 to 9.75 percent, at a time when prime rates have plummeted from 12 to 7 percent. Such action appears to be unlikely. There are no funds contained in the budget for this program.

As a corollary, bank loans guaranteed by SBA is shown in the 1976 budget in the amount of $1.2 billion, but the current rate of activity appears to indicate that this is a conservative estimate. With greater liquidity on the part of the banks and the economic outlook at least promising for the near future, it appears that this figure should be substantially increased.

Congress has always lent a sympathetic ear to the plight of the small businessmen who suffer economic injury from various causes. The disaster loan program to small businesses suffering such economic injury is again in jeopardy. The President's budget for 1976, as with the direct small business loan program, includes only an item for later transmittal of $100 million, again dependent upon the enactment of legislation to increase rates on loans made to small business.

The usual continuing resolution provides temporary funding after July 1st at the budget request level or the level of the previous year, whichever is less. Since no funds are included in the budget for the direct loan program or the nonphysical disaster loan program and the rate of current guaranteed loan activity exceeds the average rate for fiscal year 1975, the usual continuing resolution will not provide satisfactory temporary funding either.

I am taking the opportunity of informing my colleagues in the House of the situation which faces this Nation's 9 million small businessmen who contribute to 55 percent of all employment in this country, almost half of our gross national product, and provide a living for 100 million Americans. It is my intention to take such steps as may be necessary to attempt to correct these problems.

AND THEY STOOD AND CHEERED

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, one thing the CONGRESSIONAL RECORD does not reflect is the sentiment and emotion expressed by Members of the House. As the Speaker announced that two-thirds had not voted in the majority and that the President's veto on the jobs bill was sustained, our Republican colleagues stood and cheered. I was sickened by the spectacle. How can one cheer the defeat of a bill which has been passed by a large majority of the people's Representatives to put 900,000 unemployed Americans back to work? With tens of thousands of young people roaming the streets in these summer months how could one possibly feel good about the rejection of legislation designed to put them to work? How could one cheer the defeat of a bill designed to take hundreds of thousands off welfare? How could one cheer the defeat of a measure which would have obviated the necessity for unemployment checks for hundreds of thousands of unemployed Americans? But they did. Our Republican colleagues stood and cheered. Mr. Speaker, the Republican party has put out a new film entitled "Republicans Are People, Too." After yesterday, I can readily understand why the film was not entitled "Republicans are Concerned People, Too."

THE STIRRING SPEECH OF CHARLES A. WHITEHEAD RECENTLY IN PANAMA CITY, FLA.

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, Panama City, Fla., has a great record of support for the members of the Armed Forces of the United States and their families. The Air Force, the Navy, the Marines, and the Coast Guard are represented in installations in Panama City and Bay County and the personnel of each are looked upon as an integral part of the Panama City-Bay County community. Every effort is made to help them realize they belong and they are wanted in the local communities.

Recently, following the dedication of the ocean simulation facility, a $12.5 million deep ocean simulator, at which Dr. Malcolm R. Currie, Director of Defense Research and Engineering, was the principal speaker, a dinner was given for the visiting officials and local military leaders by the military affairs committee of the chamber of commerce. The chairman of the military affairs committee and of the dinner was Mr. Charles A. Whitehead, a prominent local businessman and an active civic leader. His short speech at the opening of the dinner was one of the most impressive that I have heard. I requested a copy so that I might submit it for printing in the RECORD. I believe my colleagues will agree that his statement deserves this recognition.

The speech follows:

SPEECH OF CHARLES A. WHITEHEAD

As you know I have tried to keep speechmaking to a bare minimum during my tenure as chairman of military affairs. I would like to take about three minutes and ask you to go back in history with me.

I'm with an American Indian walking along the beautiful plains of the West. If you look to either side you can see the beautiful countryside as the deep blue sky rolls along. As the Indian kneels to this Earth to pray for his country a tear comes to his eye. I caused this to happen. I was there.

We speed forward in time, we are in Valley Forge. The ground is cold and covered with snow. The man you see seems to have a puzzled look, as though he might be asking himself, "Why am I here?", even as cold as it is, he falls to the ground to pray for his country . . . a tear comes to his eyes. Because of me this happens. I was there.

A little over a century ago. A man in blue, a man in grey, both fighting for his country's cause. Both men think they are right. No matter what the outcome, it's still their country. As the battle rages, a tear comes to their eyes. I was there.

There's a lonely, wounded doughboy lying in a rain soaked trench far from his country. Even as he is dying tears come to his eyes. Not tears of pain, but tears of love, love of his country. I was with him too.

A Marine is raising a flag on an island in the Pacific. He's not thinking of his life. He's thinking of his flag, his country's flag, but mainly of his country. There on his cheek is a tear of patriotism. I was also there.

A prison camp now, in North Vietnam, a brave soldier lies on his bed of grass, tired, wounded, lonely and scared. He's on the opposite side of the world from his country, but still has faith in her, and still prays for her and he still cries for her. I know. I was there.

A few days ago a wounded Navy pilot, lying on the deck of an American warship in the Gulf of Siam, his comment, "All thirty-nine and their ship are safe with their countrymen." The tear you see, is a tear of pride. I was also there.

Just today the National Anthem was being played. People stood, Placed their hand over their heart, looked to the heavens and closed their eyes as a tear flowed freely. Yes, I know. I was there.

Because of me all these things happened. For you see, I am Americanism!

COLORADO-BLM REACH WILDLIFE AGREEMENT THROUGH SIKES ACT

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am gratified to be advised by my good friend John S. Gottschalk, executive vice president of the International Association of Game, Fish and Conservation Commissioners, an able leader in his field, that a cooperative agreement has been signed between the Colorado Division of Wildlife and the Bureau of Land Management. This was accomplished under the provisions of the Sikes Act, which was reenacted and extended in the last Congress. My distinguished colleague, the Honorable JOHN DINGELL of Michigan, is a cosponsor of the bill.

The announcement of the agreement was carried in the Outdoor News Bulletin of the Wildlife Management Institute. It states:

COLORADO-BLM REACH WILDLIFE AGREEMENT

The Colorado Division of Wildlife and the Bureau of Land Management have reached an agreement to jointly plan and carry out wildlife conservation and habitat rehabilitation programs on the 8.5 million acres of national resource lands managed by BLM in Colorado, the Wildlife Management Institute reports.

In a joint statement, Jack R. Grieb, director of the Division of Wildlife and Dale R. Andrus, state director for BLM, said the agreement is the first between a state wildlife agency and the BLM since passage of the enabling legislation by Congress last year. That legislation is known as the Sikes Act.

The Act directs BLM to seek cooperative agreements with state fish and wildlife agencies to jointly manage habitat on the national resource lands. It authorizes BLM separate funding to carry out the directive. Conservationists are urging Congress to provide money for the much-needed effort this year.

Grieb and Andrus described the program as a "refreshing new opportunity for cooperative managment of wildlife habitat in Colorado." "When appropriately funded by Congress, wildlife in all states stands to benefit," Grieb said.

The agreement includes management for all fish and wildlife, not just game species. Energy development areas involving oil shale and coal are included. Endangered species will receive needed attention.

"Basically," Andrus said, "the Sikes Act accentuated something we've always known, that wildlife recognized no authority, and for its benefit, state and federal agencies must work together. What the Act does accomplish is to bridge that gap by providing guidelines within which we can work together for the mutual benefit of the land, and the wildlife the land supports."

U.S. TRADE POLICY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the U.S. Trade Commission conducted public hearings in Miami on May 5 and 6 to give representatives of local interests an opportunity to give their views on our future trade policy.

I was particularly struck by the remarks of Mr. T. Willard Fair, executive director of the Urban League of Greater Miami, Inc., and would like to share them with our colleagues and all who read this RECORD.

I include his statement at this point:

TESTIMONY OF T. WILLARD FAIR

Economists in this country are in total disagreement as to the proper path to follow in relieving our economic difficulties. However, there is virtually unanimous agreement about the vital role of productivity growth in the strengthening of the economy in the next decade.

Shocking statistics reveal that the United States once overwhelmingly superior to the other nations in productivity, is in danger of becoming a second rate industrial power unless economic output increases substantially. All facets of unemployment has reached pre-depression heights. In the manufacturing industry alone, unemployment is at 12.2%, of that figure 10% was cut from unskilled and semi-skilled workers. Here again the constituents of the Urban League, the poor and marginally poor are the first to feel the pains of poverty and unemployment.

Because the Trade Act of 1974 establishes the policies and procedures with respect to trading between the United States and foreign countries, the Urban League takes the position that the federal government must monitor and protect the citizen of the United States in monetary affairs before entering into trade agreements with other countries, even those just developing.

Ostensibly the Act sets its sights on achieving the maximum mutual benefits for both trading countries. In fact, the words, "mutually beneficial" appear frequently in the text of the bill. However, with the authority to enter into liberal trade agreements with foreign countries comes the added responsibility of the federal government to protect the nation's economic position both here and abroad. In our eagerness to open new avenues of trade with underdeveloped countries we must be careful as to avoid any concessions that could prove detrimental to our domestic economy.

In South Florida it is a question of protecting any further loss of jobs in such industries as the garment and electronics concerns against any flood of imports of these products that would glut the market and inevitably displace many more American workers.

In essence the Urban League believes that it is better and more beneficial for the United States to encourage developing countries to become more self sufficient and productive than continuing to appropriate millions of dollars in foreign assistance. In so doing, the United States would find ready markets for its materials and finished products that would assist these countries in attaining a level of economic stability without stifling their desire to be independently productive. It is a policy that could prove to be a healthy boost to our economy and helpful to our trading partners. But more important it would gainfully employ many American workers.

CLIFFORD J. DURR

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on May 12 at Wetumpka, Ala., where he has operated a farm since the mid-1960's, Clifford J. Durr, 76, former Federal Communications Commissioner passed away. Clifford Durr and I were in college together at the University of Alabama. I came then to appreciate the nobility of his character and the lofty principles which guided his life. He was a brilliant student, a kind and considerate gentleman, a campus leader, and my cherished friend. Our friendship continued after I came to the Senate in 1936 and Cliff and his lovely wife, Virginia, were living in Washington and my wife and they were closely associated. We worked together in many matters affecting the public interest in the Congress. The period of the best known service of Clifford Durr was when he was an able, courageous, farsighted member of the Federal Communications Commission where he, with singular dedication and farsightedness, held ever before the Commission and the country the public interest involved in the use by the media of the airways.

Clifford Durr left a legacy of character and competence and total devotion to the public interest. Clifford Durr was one of the finest and best men I have ever known. His friends esteemed him and loved him. All that great army—his friends—will ever cherish his friendship and honor his memory. Mr. Speaker, a distinguished American who has also made a great record in the service of the public interest and as a lawyer, a colleague on the Federal Communications Commission with Clifford Durr, and his long-time and dear friend, has prepared a tribute to Clifford Durr which tells the great story of some of the things Clifford J. Durr did and the man he was, Hon. Paul A. Porter. I include this tribute to Clifford J. Durr by Paul Porter in the body of the RECORD following my remarks.

Mr. Speaker, I also include an editorial in the Alabama Journal, as well as the obituary notice from that paper, published at Montgomery, Ala., on May 13 following Mr. Porter's tribute to Mr. Durr and following that in the body of the RECORD the obituary notice which appeared in the Washington Post of May 13. This seems fitting since when Clifford J. Durr retired from the Federal Communications Commission in 1948 I put a tribute to his great service on that Board in the CONGRESSIONAL RECORD.

The material follows:

CLIFFORD J. DURR

Born in Montgomery, Alabama, Clifford J. Durr was a Phi Beta Kappa graduate of the University of Alabama and its law school. He

UMI

received a degree in jurisprudence from Oxford University in 1922, where he was elected a Rhodes Scholar. After serving as a corporation lawyer for the Alabama Power Company in Birmingham during the 1920's and 1930's, Mr. Durr came to Washington in 1933 to enter government service as assistant general counsel for the Reconstruction Finance Corporation. Subsequently, he was general counsel, and later director, of the Defense Plant Corporation, an agency which attempted to place American industry on a wartime footing.

Mr. Durr served with the Federal Communications Commission from November, 1941 to June, 1948, when he declined reappointment by President Truman in protest against the latter's loyalty investigation program. After practicing law for a brief period in Washington, D.C., during which time he was elected president of the National Lawyers' Guild, he returned to Montgomery, where he practiced from 1952 to 1964. Although one periodical of the 1960's stated that no "big civil rights cases" came his way,[1] Durr was for a time the only lawyer in Montgomery who would take cases involving black citizens charged with civil rights violations. Durr, who was one of the attorneys representing Dr. Martin Luther King during the Montgomery bus boycott, arranged to have Rosa Parks released on bail in 1955 after she was charged with violating the city's bus segregation ordinance.

Even during his tenure at the FCC, Clifford Durr was hailed as the "leading exponent of the brand of liberalism and government control epitomized in the FCC's famed Blue Book."[2] In a speech given before the Convention of the National Lawyers' Guild in Chicago, Illinois, Durr stated:

"Radio frequencies are not private property. They are part of the public domain. They belong to the people as a whole. This is the basic premise of the Communications Act which governs the licensing and the operations of radio stations. . . . The Federal Communications Commission was created by Congress to safeguard the public's rights in its own radio frequencies and see to it that these frequencies are used in the public interest."[3]

In March of 1935, a new station-scrutiny policy of promise versus performance was initiated by the FCC and championed by Commissioner Durr: temporary renewals were issued to 77 stations, pending further study. In April of 1945, 18 stations out of 40 under review were granted regular renewals without strings. Six stations were placed on temporary licenses, and, in May of 1945, Commissioner Durr voted for further inquiry before final action would be taken on the six renewal applications in question.[4]

Broadcasting Magazine devoted two editorials to Durr's support of the new campaign to have stations deemphasize commercial operations.[5] Reaction to the campaign during this period of furor was mixed—and was often more negative than positive. When the Commission finally issued the report and sweeping critique entitled "The Public Service Responsibility of Broadcast Licensees"[6] on March 7, 1946, reaction was swift and strong. Robert K. Richards of *Broadcasting* labeled the report a "drumbeating disclosure which urges upon the public and the press its bounden duty to exercise the devil of commercialism from broadcasting . . . the issue involved did not seem to be the logic of some of the contentions, but the Commission's propriety in making them."[7]

Durr did not devote himself exclusively to support of the "Blue Book" alone. He fought consistently for freedom of the air, viewing "freedom always as the interest of the listener and insisting that radio make itself a medium for the conflict of ideas which he considered the essence of democratic process."[8] Durr was a frequent dissenter from Commission majority policies, and at times was bluntly critical of his colleagues' views. He consistently questioned what he considered excessive prices in station sales and pushed through the adoption of the "AVCO rule"—which provided that a station owner wishing to sell his property must advertise for bids and not make private deals.

According to *Broadcasting*, Durr's most "notable" dissent was from the FCC's approval of the transfer of Crosley Broadcasting Company to the Aviation Corporation in 1945 (In the Matter of Powell Crosley, Jr., Transferor, and The Aviation Corporation, Transferee, 11 F.C.C. 3, 8/2/45). In his dissent Durr stated:

"Efforts on the part of corporate holding companies to control newspapers have traditionally met with widespread public concern and disapproval. Certainly there is full justification for an equal, if not greater, public concern and disapproval over the acquisition of broadcasting facilities by similar business aggregations. We do not believe that 'the larger and more effective use of radio in the public interest' will be encouraged by giving such transfers the stamp of official approval (11 F.C.C. at 34).

An issue of *New Republic* for April 19, 1948 remarked that although many of Durr's fights ended in minority opinions, his dissents were respected "for their soundness even by the broadcasters and their counsel who have profited most from the majority decisions."[10]

Commissioner Durr was one of the strongest advocates of FM. He regularly voted for hearings on application for improvement of AM facilities, where the cost exceeded the investment in an FM station which would cover greater area than an improved AM operation. He also supported reservation of at least a few FM channels for veterans who were still in service when the Commission issued a large number of new licenses immediately after V–E Day.

Durr was a prolific speechmaker, as can be seen even by a review of the *New York Times Index* for the years 1943–1950. In an address given in Chicago during the fall of 1947, Durr touched on a controversy which ended by his colleagues repudiating his views. He accused the FBI of "passing around to federal agencies 'information' which they had not asked for and which was largely 'baseless gossip.' This was carried briefly in some newspapers . . . On November 18, Marquis Childs repeated Durr's charge in his nationally syndicated column and placed it in the context of the current wave of Red hysteria and growing disregard for the normal processes of law."[11] Director Hoover took action and wrote the FCC a "huffy" letter. Durr's colleagues, shocked, wrote Hoover a reply in which they disavowed the Commissioner and begged Hoover to maintain his "valuable" service.

Even previously, Durr had been in frequent "hot water" in Congress—a foreshadowing of events to come. In 1943, he clashed with Representative Eugene E. Cox, claiming the Georgian had a personal interest in his investigation of the FCC—an investigation which demanded detailed questionnaires from all Commissioners, touching on all phases of their activities. Cox later withdrew from the investigation. Durr had also refused to answer a House investigating committee questionnaire on his financial affairs[12]; early in his tenure at the FCC, he had actively defended two former Commission employees whom Congress sought to fire. Congress was subsequently overruled by the Supreme Court.

In 1947, Durr aroused criticism by a statement to the House Appropriations Subcommittee that he doubted the FCC could turn down an applicant on the grounds of Communism, unless it could be shown that the applicant advocated overthrow of the Government by force.[13] As early as December of 1947, commentators were speculating, "doubting" that Durr would be reappointed Commissioner.[14] In April of 1948, Durr announced his retirement from the FCC, citing "personal financial reasons" as the basis for his not accepting reappointment to office. Nevertheless, President Truman offered to reappoint Durr, in spite of the latter's sharp criticism of the President's loyalty review program.[15] On the day of Durr's refusal to accept another term as Commissioner, his resignation was inserted on the floor of the House of Representative John McDowell (R-Pa.):

"I think I am expressing the hope of 95% of the American people and of this House, that Commissioner Durr has left his resignation at the White House."[16]

Durr's criticism of Truman's loyalty program was far from meek. In April of 1949 he wrote a scathing article entitled "How to Measure Loyalty" for *The Nation*.[17] Even during the 1960's, commentators were still remarking on Durr's outepokenness:

"Durr's career in Washington came to an end when he boldly quoted the Constitution to Harry Truman, who was then setting up his Loyalty Review Board and creating a temper in the country that encouraged Sen. Joseph McCarthy to scramble for power across the reputations of his fellow citizens. He denounced McCarthyism even before the term was invented."[18]

Even reviews at the time of Durr's resignation recognized his crusading spirit. *Newsweek* for the week of July 19, 1948, covered a testimonial luncheon given in his honor, and stated:

"How ironic that the jubilation should follow upon the excommunication of 'the conscience.' Seldom during his term of office as a fighting Commissioner was there occasion for praise or appreciation or cooperation. . . . Few followed his leadership or stood behind him in the good fight. Few there were who appreciated his clarity of vision in safeguarding the use of radio for the public interest. Few assisted him in his courageous fight to retain the balance of power between the vast listening audience and the station operator. The lone dissenter stood virtually without adherents in his struggle to maintain a democratic radio."[19]

In 1966 Durr was publicly recognized as "the conscience" of the FCC when he received the Florence Lasker Civil Liberties Award given by the New York Civil Liberties Union.[20]

Clifford Durr, impervious to criticism, has built up a loyal following. In 1954, H. H. Wilson stated in a letter to the Nation:

"As a friend and former colleague of Clifford J. Durr, I know him to be one of the finest, most sensitive, and most courageous human beings I ever met. He was for many years a devoted, loyal, brilliant public servant of absolute integrity. He has consistently sacrificed personal gain because he believes in the United States and desires to serve the American people. He deserves, and richly deserves, the highest honors this society can award."[21]

In 1966, Durr was paid one of the highest tributes he received by Justice Hugo L. Black:

"Cliff is one of the best men I have ever known. All his life he has been the personification of gentleness, kindness and tolerance. His course in life has been marked by courage, not by expediency. He has never been afraid to advocate what he believed to be right or to oppose what he believed to be wrong. He has never compromised with what he believed to be evil and against the best interests of his country. As a public servant he fought valiantly for the public interest and not for what he thought was the best interest of Cliff Durr." . . .[22]

Justice Black continues, stating that President Truman spoke with him in an effort to persuade Durr to accept reappointment to the FCC in 1948:

"When I told the President that Cliff felt he should not accept reappointment because he was opposed to the loyalty program, the President said that made no difference. . . . He said that whatever his views, he knew Cliff was a man of sturdy honesty and courage, and for that reason alone he wanted him to continue serving as a member of the Communications Commission . . . I came out of this experience with the belief that there was something strikingly alike in the character of these two men—that both profoundly believed in plain, simple, homey honesty, and that neither could be swerved from doing that which he thought would best serve the public interest."[23]

As stated in the Nation,[24] Durr was never "orthodox, in Washington or in Alabama."

FOOTNOTES

[1] See *The Nation*, Vol. 202, p. 199, 2/21/66.
[2] *Broadcasting Magazine*, Vol. 34, No. 17, p. 21, 4/26/48.
[3] Clifford J. Durr, "Voice in Democracy", *Vital Speeches of the Day*, Vol. 14, p. 444, 5/1/48.
[4] *Broadcasting Magazine*, Vol. 28, No. 21, p. 36, 5/14/45.
[5] *Broadcasting Magazine*, "Burr, by Durr", Vol. 28, No. 17, p. 40, 4/16/45; "Concur in Burr by Durr", Vol. 28, No. 21, p. 42, 5/14/45.
[6] *Broadcasting Magazine*, Vol. 30, No. 10, pp. 71–74, 3/11/46.
[7] *Broadcasting Magazine*, Vol. 30, No. 10, p. 70, 3/11/46.
[8] *The Washington Post*, 5/13/75, p. C6.
[9] *Broadcasting Magazine*, Vol. 34, No. 17, p. 93, 4/26/48.
[10] S. Carson, "Inside the FCC," *New Republic*, Vol. 118, p. 26, 4/19/48.
[11] Jan Hasbrouck, "J. Edgar Hoover's Gossip Mill", *New Republic*, Vol. 117, p. 20, 12/15/47.
[12] *New York Times*, 4/24/43, 11:5.
[13] *Broadcasting Magazine*, Vol. 34, No. 17, p. 93, 4/26/48.
[14] Jan Hasbrouck, *supra*, p. 21.
[15] *Broadcasting Magazine*, Vol. 34, No. 17, p. 21, 4/26/48.
[16] *Broadcasting Magazine*, Vol. 34, No. 17, p. 93, 4/26/48.
[17] Clifford J. Durr, "How to Measure Loyalty", *The Nation*, Vol. 168, pp. 470–473, 4/23/49.
[18] "Conscience of a Lawyer", *The Nation*, Vol. 202, p. 199, 2/21/66.
[19] *Newsweek*, Vol. 32, 7/19/48, p. 49.
[20] See *The Nation*, Vol. 202, p. 199, 2/21/66.
[21] H. H. Wilson, Letter to *The Nation*, Vol. 178, p. 344, 4/17/54.
[22] Justice H. L. Black, Letter to *The Nation*, Vol. 202, p. 442, 4/18/66.
[23] *Ibid.*
[24] "Conscience of a Lawyer", *supra*, p. 200.

Footnotes at end of article.

[From the Alabama Journal, May 13, 1975]

CLIFF DURR

Ernest Hemingway had a Rolls Royce once, but he got rid of it because people kept kicking the tires and saying, "they don't make 'em like that anymore."

Well, shopworn as the old expression may be, these simple words are the only adequate description for the extraordinary Montgomery man who died yesterday. They don't make 'em like Cliff Durr anymore.

His services to his country in time of war and peace were so numerous that only books can adequately tell the story—and those are in preparation in more than one place in the country.

But essentially his life was guided by an almost religious faith in the workability of the United States Constitution and its guarantee of freedom of thought, expression, and association.

Cliff Durr was a Southerner and proud of it. He could say what was unpopular, but if the criticism of his region came from the outside, he regarded it as suspect. He said he had learned that "the degree of righteous indignation is directly proportionate to the distance from the source of the trouble."

He passed up opportunities to stay in Washington with one of the superlawyer firms to return instead to his native state. When people would ask him why he came back to the South, he would respond with a line from B'rer Rabbit in the Uncle Remus stories, "De briers, dey may scratch sometime, but it's my brierpatch."

Cliff Durr was especially popular with the British people, a mutual admiration which began during his days more than 50 years ago as a Rhodes Scholar at Oxford.

A couple of years back, one such visitor, a British student, asked what his political contribution had been. The acquaintance began to enumerate his service as a government administrator during the Depression and during World War II and as a commissioner of the Federal Communications Commission, where he almost single-handedly established the principle of educational television.

The visitor interrupted and said he was asking in more general terms.

"Well," the acquaintance replied, "he never held an elective office, if that's what you mean. But you could say that he was a man who had the courage to speak at a time when it was much safer to keep quiet. He loved the South and he kept Southern decency and integrity alive at a time when it seemed almost about to flicker out. He set a moral example for a whole generation of Southern leaders who were to follow him."

Hemingway also once wrote that the world will not tolerate the very good, the very gentle, or the very brave, but it will break them or kill them. Cliff Durr proved that Hemingway was wrong about that, because he was all three, and he never broke, but lived life with zest and good humor to the very end.

[From the Alabama Journal, May 13, 1975]

FUNERAL HELD HERE FOR CLIFFORD J. DURR

Graveside services for Clifford Judkins Durr were scheduled for 4 p.m. today in Greenwood Cemetery in Montgomery.

Durr, a former member of the Federal Communications Commission and prominent Southern lawyer, died Monday in a Wetumpka hospital following an illness of about one week. He was born in Montgomery, March 2, 1899.

His family operated a drug supply house which still bears the family name.

He attended the University of Alabama where, following a year's service in the Army at the close of World War I, he received his degree in 1919 along with a Phi Beta Kappa key.

Although Durr had planned to enter agriculture—he worked as a plowboy on the Smith-McQueen farm in Autauga County—he chose to pursue a legal career after he was elected a Rhodes Scholar to attend Oxford University. He received his degree in jurisprudence from the famed British university in 1922 and returned to his native state to practice law in Montgomery and Birmingham.

His first job in government came shortly after the election of President Roosevelt when he became assistant counsel of the Reconstruction Finance Corporation, a government agency set up to help get some 6,300 banks which had failed during the depression back into business.

With the onset of World War II, he was director of the Defense Plant Corporation, a government agency charged with converting American industry into war production. In 1941 he was appointed by President Roosevelt to a seven-year term on the Federal Communications Comission.

In that capacity, Durr fought to establish the principle of reserving broadcasting frequencies for public educational use. For this work, he later became known as "the father of educational television."

He was offered reappointment to the FCC in 1948 but declined because of disagreements with the Truman Administration over loyalty programs. After leaving government, he stayed in Washington briefly and represented controversial figures—among them the physicists Frank Oppenheimer and Dr. Edward U. Condon—in various investigations during the McCarthy period.

He saw the investigations of subversive activities in the late forties and early fifties as modern-day re-enactments of the Salem witch hunts of 300 years ago and as violations of First Amendment freedoms of expression and association.

As a guest speaker in a pulpit in Denver, he once wrote a Palm Sunday sermon in which he contended that Jesus was essentially a victim of free speech, having been put to death because his views questioned the established order of things.

"In this country," he once wrote, "we are dedicated to the principles of democracy. If the pattern of the future is to be a democratic pattern, it cannot be imposed from the top; it must be based upon the desires, beliefs and feelings of the people themselves. Democracy can function only in an atmosphere of full information and frank discussion."

He passed up opportunities to join some of Washington's prestigious law firms, and, after a back ailment which kept him a virtual invalid for two years, returned to Montgomery to practice law.

Here, controversy continued to swirl about his career because he was often the only lawyer in town who would take civil rights cases in the early days of that social resolution. It was Durr who made the arrangements to get the seamstress Rosa Parks out of jail when she was arrested for violating the city's bus segregation ordinances, thereby touching off the Montgomery bus boycott, which in turn touched off the whole civil rights legal battle.

Shortly before his death in 1972, former President Lyndon Johnson—who was a neighbor of Durr's as a young congressman in the 1940s—wrote Durr a personal letter saying, "a long, long time ago, you taught me so much, by precept and example, about the dignity and opportunity to which each is entitled regardless of color, birthplace, or ancestry, and all the other ways in which many have been ignored and disdained."

After his gradual retirement from an active law practice, he moved to a family farm near Wetumpka, where he lived in a house which he built himself and where he grew all of the family food in a garden.

He was married for 50 years to the former Virginia Foster, daughter of a prominent Alabama Presbyterian clergyman. Mrs. Durr was a sister-in-law of the Alabamian who sat on the U.S. Supreme Court for more than 30 years, Hugo L. Black. The Blacks and the Durrs were close personal friends and Durr shared the controversial jurist's absolutist views on freedom of expression and other civil liberties.

The Durrs had four daughters, Mrs. Walter A. Lyon of Harrisburg, Pa.; Mrs. F. Sheldon

UMI

Hackney of Princeton, N.J.; Mrs. Virginia D. Parker of Washington; and Mrs. Richard V. Colan of Birmingham. Mrs. Hackney's husband, who is a native of Birmingham, is scheduled to become president of Tulane University in New Orleans next month.

Durr is survived by two brothers and a sister, including James Durr, John W. Durr and Mrs. Lucy D. Dunn. James is a former president of Durr Drug Co., and both John and Mrs. Dunn are residents of Birmingham. Mrs. Dunn is the wife of a prominent contractor.

[From the Washington Post, May 13, 1975]

CLIFFORD DURR DIES; FCC COMMISSIONER

(By Jean R. Halley)

Clifford J. Durr, 76, a former Federal Communications Commissioner, died yesterday of a coronary thrombosis in Wetumpka, Ala., where he had operated a farm since the mid-1960s.

Dr. Durr, who was a lawyer, served as a member of the FCC from November 1941, until June, 1948, when he declined reappointment in protest against President Truman's loyalty investigation program.

During his tenure, he was an outspoken critic not only of the program but of the activities of the FBI, the House Un-American Activities Committee and the late Sen. Joseph McCarthy.

Mr. Durr decried what he described as federal government snooping and warned repeatedly against an atmosphere of fear in government employment.

He also was one of the severest critics of the radio industry but at the same time was one of its best friends.

He encouraged broadcasters to emancipate themselves from their advertisers. He fought consistently for freedom of the air—viewing freedom always as the interest of the listener and insisting that radio make itself a medium for the conflict of ideas which he considered the essence of democratic process.

Mr. Durr was one of the commissioners who advocated the "blue book" of broadcasting, the FCC's first attempt to define the term "public interest."

Born in Montgomery, Ala., Mr. Durr was a graduate of the University of Alabama and its law school.

He spent three years at Oxford University as a Rhodes scholar and also received a law degree there. During the late 1920s and early 1930s, he was a corporation lawyer for the Alabama Power Co. in Birmingham.

Mr. Durr came to Washington in 1933 to serve in the legal division of the Reconstruction Finance Corporation. Before his appointment to the FCC, he was general counsel and director of the Defense Plant Corporation and vice president and director of the Rubber Research Corporation.

After leaving the FCC, Mr. Durr practiced law for several years in Washington, serving during that period as president of the National Lawyers Guild.

He returned to Montgomery, where he practiced law from 1952 until 1964. He handled many civil rights and civil liberties cases and was one of the attorneys for the late Dr. Martin Luther King during the Montgomery bus boycott.

Dr. Durr was a lecturer and contributed to numerous professional journals and books. He held a number of awards, including the Lasker Civil Liberties award of the Civil Liberties Union.

He was a member of Phi Beta Kappa and a life member of the Institute of Education by Radio.

He is survived by his wife, Virginia Foster Durr, of the home; four daughters, Ann Lyon, of Camp Hill, Pa.; Lucy Hackney, of Princeton, N.J.; Virginia Parker, of Washington, and Lulah Colon, of Birmingham; a brother, John, and a sister Lucy Dunn, both of Birmingham; another brother, James of Montgomery, and nine grandchildren.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. FORSYTHE (at the request of Mr. MICHEL), for June 6, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KELLY) and to revise and extend their remarks and include extraneous matter:)

Mr. MOSHER, for 1 hour, on June 16.
Mr. HASTINGS, for 5 minutes, today.
Mr. SYMMS, for 5 minutes, today.
Mr. MICHEL, for 1 hour, on June 18.
Mr. ASHBROOK, for 5 minutes, today.

(The following Members (at the request of Mr. BONKER) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.
Mr. VANIK, for 5 minutes, today.
Mr. WAGGONNER, for 30 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. FORD of Michigan, for 5 minutes, today.
Mr. DODD, for 5 minutes, today.
Mr. WOLFF, for 5 minutes, today.
Mr. MURPHY of New York, for 5 minutes, today.
Mr. MORGAN, for 5 minutes, today.
Mr. KOCH, for 10 minutes, today.
Mr. SMITH of Iowa, for 10 minutes, today.
Ms. ABZUG, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROWN of Ohio to revise and extend his remarks and include extraneous and tabular matter during debate on H.R. 4035 this afternoon.

Mr. ASHBROOK, immediately following the remarks of Mr. ROUSSELOT during the 5-minute rule in the Committee of the Whole today, on H.R. 4035.

(The following Members (at the request of Mr. KELLY) and to include extraneous matter:)

Mr. SARASIN in two instances.
Mr. ASHBROOK.
Mr. WYDLER in two instances.
Mr. LAGOMARSINO.
Mr. GUYER.
Mr. HEINZ in three instances.
Mr. FORSYTHE.
Mr. CRANE.
Mr. SYMMS.
Mrs. HOLT.
Mr. DU PONT.
Mr. BOB WILSON.
Mr. O'BRIEN.
Mr. LOTT.
Mr. MCCLORY.
Mr. RUPPE.

(The following Members (at the request of Mr. BONKER) and to include extraneous material:)

Mr. EDGAR in two instances.
Mr. ROSENTHAL in 10 instances.
Mr. MCDONALD of Georgia in five instances.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. RUSSO.
Mr. MCFALL.
Mr. FORD of Michigan.
Mr. PICKLE in 10 instances.
Mr. STOKES.
Mr. MOFFETT in two instances.
Mr. ASPIN in 10 instances.
Mr. GAYDOS in two instances.
Mr. DODD.
Mrs. SPELLMAN.
Mrs. SCHROEDER.
Mr. WON PAT.
Mr. ANDREWS of North Carolina.
Mr. JENRETTE in two instances.
Mr. DENT in two instances.
Mr. BRINKLEY.
Mr. MILLER of California in two instances.
Mr. VANIK.
Mr. MOSS.
Mr. MADDEN.
Mr. MILFORD in two instances.
Mr. EARLY.
Mr. TEAGUE in two instances.
Mr. LEVITAS.
Mr. KOCH in 10 instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 82. An act to repeal certain provisions of the act entitled "An Act to provide for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, and for other purposes", approved September 21, 1965, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 98. An act to establish the Klondike Gold Rush National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 313. An act to authorize an exchange of lands for an entrance road at Guadalupe Mountains National Park, Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1839. An act to amend the Small Business Act and the Small Business Investment Act of 1958 to increase the authorization for certain small business loan and guarantee programs, and for other purposes; to the Committee on Small Business.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 5158. An act to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands.

ADJOURNMENT

Mr. BONKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 47 minutes p.m.), the House adjourned until Friday, June 6, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1173. A letter from the Secretary of Labor, transmitting the annual report for calendar year 1974 on his administration of the Welfare and Pension Plans Disclosure Act, pursuant to section 14(b) of the act; to the Committee on Education and Labor.

1174. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the national reading improvement program to provide more flexibility in the types of projects which can be funded, and for other purposes; to the Committee on Education and Labor.

1175. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a determination that it is in the security interests of the United States to authorize a supplementary contribution from security supporting assistance funds to the United Nations Force in Cyprus, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

1176. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Daniel Patrick Moynihan and his family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

1177. A letter from the Administrator, Federal Energy Administration, transmitting notice that the amendment of the stripper well lease exemption regulation proposed by the Federal Energy Administration has taken effect; to the Committee on Interstate and Foreign Commerce.

1178. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(1) of the Immigration and Nationality Act, aa amended, together with a list of the persons involved, pursuant to section 244(c) of the act [8 U.S.C. 1254(c)]; to the Committee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

1179. A letter from the Comptroller General of the United States, transmitting a report on the adult basic education program's progress in reducing illiteracy and improvements needed; jointly, to the Committees on Government Operations, and Education and Labor.

1180. A letter from the Comptroller General of the United States, transmitting a report describing savings in postal operations in rural America and suggestions for improving services (U.S. Postal Service); jointly, to the Committees on Government Operations, and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS of Ohio: Committee on International Relations. H.R. 7500. A bill to authorize appropriations for the Department of State, and for other purposes; with amendment (Rept. No. 94–264). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Dakota:

H.R. 7628. A bill to provide for the return to the former owners of certain former tribal lands acquired in connection with the Garrison Dam and Reservoir project; to the Committee on Interior and Insular Affairs.

By Mr. BEDELL (for himself, Mr. VIGORITO, Mrs. FENWICK, Mr. QUIE, and Mr. ENGLISH):

H.R. 7629. A bill to amend the Packers and Stockyards Act, 1921, to clarify the authority of the Secretary of Agriculture to require reasonable bonds from packers in connection with their livestock purchasing operations, and for other purposes; to the Committee on Agriculture.

By Mr. BEDELL (for himself, Mr. SOLARZ, Mr. DOWNEY of New York, Mr. PATTISON of New York, Mr. GILMAN, Mr. HARRINGTON, Mr. WIRTH, Mr. RICHMOND, and Mrs. MEYNER):

H.R. 7630. A bill to improve the reliability, safety, and energy efficiency of transportation by providing funds for repairing, rehabilitating, and improving railroad roadbeds and facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILLIP BURTON (for himself, Mr. ANDERSON of California, Mrs. BURKE of California, Mr. DELLUMS, Mr. DERWINSKI, Mr. DINGELL, Mr. DRINAN, Mr. EDWARDS of California, Mr. HARRINGTON, Mr. HAWKINS, Ms. HOLTZMAN, Mr. MADDEN, Mr. METCALFE, Mr. MOORHEAD of Pennsylvania, Mr. NEAL, Mr. NIX, Mr. PATTERSON of California, Mr. PATTISON of New York, Mr. REES, Mr. ROE, Mr. ROYBAL, Mr. SARBANES, Mr. SIMON, Mr. SOLARZ, and Mr. STARK):

H.R. 7631. A bill to amend the act of October 2, 1968, an act to establish a Redwood National Park in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PHILLIP BURTON (for himself, Mr. STUDDS, Mr. VAN DEERLIN, Mr. WAXMAN, Mr. WIRTH, Mr. YOUNG of Georgia, and Mr. ZEFERETTI):

H.R. 7632. A bill to amend the act of October 2, 1968, an act to establish a Redwood National Park in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. COCHRAN (for himself, Mr. KELLY, and Mr. LENT):

H.R. 7633. A bill to amend the Federal Water Pollution Control Act, as amended, to define the term "navigable waters" as it applies to Corps of Engineers responsibility and authority to regulate the discharge of dredged or fill material; to the Committee on Public Works and Transportation.

By Mr. CONABLE:

H.R. 7634. A bill to amend the Internal Revenue Code of 1954 to remove discriminatory limitations on, and thereby broaden the range of investment opportunities available to custodial accounts for employees of tax-exempt religious, charitable, educational, and so forth, organizations and public schools; to the Committee on Ways and Means.

By Mr. DODD (for himself, Mr. BEARD of Rhode Island, Mr. CARR, Mr. COTTER, Mr. FISH, Mr. GIAIMO, Mr. GILMAN, Mr. HARRINGTON, Mr. MCHUGH, Mr. MCKINNEY, Mr. MOFFETT, Mr. PATTISON of New York, Mr. ROE, Mr. SARASIN, Mr. SIMON, Mr. THOMPSON, Mr. TRAXLER, Mr. VANDER VEEN, and Mr. ZEFERETTI):

H.R. 7635. A bill to amend the Regional Rail Reorganization Act of 1973 with respect to the percentage of Federal subsidies for rail service continuation and to require the United States Railway Association to analyze certain railroad branch lines for inclusion in the final system plan; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself and Mr. WOLFF):

H.R. 7636. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. HALL:

H.R. 7637. A bill to amend the Federal Water Pollution Control Act, as amended, to define the term "navigable waters" as it applies to Corps of Engineers responsibility and authority to regulate the discharge of dredged or fill material; to the Committee on Public Works and Transportation.

By Mr. KOCH:

H.R. 7638. A bill to amend title XIX of the Social Security Act to establish a minimum amount which a medicaid patient in a nursing home who is entitled to social security benefits has a right to keep (from such benefits) for incidental expenses, and to prohibit any requirement that such a patient turn over any part of such amount to the State as a condition of his or her medicaid coverage; to the Committee on Interstate and Foreign Commerce.

H.R. 7639. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

H.R. 7640. A bill to amend title II of the Social Security Act to increase to $8,000 the amount of outside income which (subject to further increases under the automatic adjustment provisions) is permitted each year without deductions from benefits, and to provide that income of all types and from all sources shall be included in determining whether an individual's benefits are subject to such deductions; to the Committee on Ways and Means.

By Mr. PEYSER:

H.R. 7641. A bill to establish a Higher Education Reconstruction Finance Corporation, and for other purposes; to the Committee on Education and Labor.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 7642. A bill to amend chapter 5, title 37, United States Code, to extend the special pay provisions for veterinarians and optometrists; to the Committee on Armed Services.

By Mr. QUILLEN:

H.R. 7643. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; to the Committee on Ways and Means.

H.R. 7644. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. RICHMOND (for himself, Mrs. COLLINS of Illinois, Mrs. CHISHOLM, and Ms. BURKE of California):

H.R. 7645. A bill making a supplemental appropriation for the Department of Labor for the fiscal year ending June 30, 1975, to provide additional funds for youth summer

UMI

employment programs pursuant to the Comprehensive Employment and Training Act of 1973; to the Committee on Appropriations.

By Mr. ROUSH (for himself and Mr. TSONGAS):

H.R. 7646. A bill to amend part A of title XVIII of the Social Security Act to authorize payment for emergency inpatient hospital services furnished outside the United States, to a qualified individual whose principal residence is within the United States, without regard to where the emergency occurred; to the Committee on Ways and Means.

By Mr. SIMON:

H.R. 7647. A bill to amend title 39, United States Code, to prohibit any increase in second-class mail rates and certain fourth-class mail rates for a 5-year period; to the Committee on Post Office and Civil Service.

By Mrs. SPELLMAN:

H.R. 7648. A bill to authorize the voluntary withholding of State and District of Columbia income taxes, pursuant to agreements subject to review by the Committee on House Administration of the House of Representatives, in the case of certain legislative officers and employees; to the Comimttee on House Administration.

By Mr. STARK (for himself, Mr. EDGAR, Mr. BLANCHARD, Mrs. MEYNER, Mr. CARR, Ms. ABZUG, Mr. MANN, Mr. BEARD of Rhode Island, Mr. BADILLO, Mr. LEGGETT, Mr. LAGOMARSINO, Mr. MCKAY, Mr. MINETA, Mr. MARTIN of North Carolina, Mr. GILMAN, Mr. KREBS, Mr. SOLARZ, Mr. MURTHA, Mr. KETCHUM, Mr. SARBANES, Mr. WIRTH, Mr. SARASIN, Mr. LENT, and Mr. HOWE):

H.R. 7649. A bill to govern the disclosure of certain financial information by financial institutions to government agencies, to protect the constitutional rights of citizens of the United States, and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing disclosure of such information, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. SYMMS:

H.R. 7650. A bill to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho; to the Committee on Interior and Insular Affairs.

By Mr. TEAGUE:

H.R. 7651. A bill to amend title 38, United States Code, to further define the term "eligible veteran," for the purpose of job counseling, training and placement service for veterans with the public employment services; to the Committee on Veterans' Affairs.

By Mr. ASHLEY:

H.R. 7652. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. DE LA GARZA:

H.R. 7653. A bill to require the submission, prior to publication in the Federal Register, to the appropriate committees of the Congress, of all regulations proposed to be promulgated by Federal departments and agencies; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. BADILLO, Mr. BEARD of Rhode Island, Mrs. BURKE of California, Mr. CARR, Mrs. CHISHOLM, Mr. EDGAR, Mr. EDWARDS of California, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. GUDE, Mr. HAWKINS, Mr. HELSTOSKI, Mr. MITCHELL of Maryland, Mr. ROE, Mr. ROSENTHAL, Mr. SCHEUER, Mr. SEIBERLING, Mr. STARK, and Mr. STUDDS):

H.R. 7654. A bill to prescribe certain rules for Federal, State, and local agencies regulating electric rates; to the Committee on Interstate and Foreign Commerce.

By Mr. EMERY (for himself, Mr. COHEN, Mr. ANDREWS of North Dakota, Mr. MAZZOLI, Mr. PRITCHARD, and Mr. JENRETTE):

H.R. 7655. A bill to amend the Internal Revenue Code of 1954 to encourage the use of methanol as an alternative fuel for motor vehicles by allowing the rapid amortization of facilities producing methanol and by providing that fuels which are at least 10 percent methanol will not be subject to the Federal excise taxes; to the Committee on Ways and Means.

By Mr. FOLEY (for himself, Mr. POAGE, Mr. WAMPLER, Mr. SEBELIUS, Mr. ALEXANDER, Mr. BERGLAND, Mr. BOWEN, Mr. CEDERBERG, Mr. DE LA GARZA, Mr. HIGHTOWER, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Mr. LITTON, Mr. MAHON, Mr. PATMAN, Mr. RAILSBACK, Mr. SHRIVER, Mr. SKUBITZ, Mr. THONE, Mr. THORNTON, and Mr. TRAXLER):

H.R. 7656. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products; to the Committee on Agriculture.

By Mr. HANNAFORD (for himself, Mr. CARTER, Mr. DUNCAN of Tennessee, Mr. SYMINGTON, Mr. ADDABBO, Mr. AMBRO, Mr. ANDERSON of California, Mr. BAUCUS, Mr. BEDELL, Mr. BEVILL, Mr. BINGHAM, Mr. BRODHEAD, Mr. CARR, Mr. CARNEY, Mrs. CHISHOLM, Mr. COHEN, Mr. CONTE, Mr. CONYERS, Mr. CORMAN, Mr. CORNELL, Mr. DAVIS, Mr. DERRICK, Mr. DODD, Mr. DRINAN, and Mr. EDGAR):

H.R. 7657. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. HANNAFORD (for himself, Mr. CARTER, Mr. DUNCAN of Tennessee, Mr. SYMINGTON, Mr. BADILLO, Mr. FAUNTROY, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FULTON, Mr. GONZALEZ, Mr. HALL, Mr. HARKIN, Mr. HARRINGTON, Mr. HARRIS, Mr. HARSHA, Mr. HAYES of Indiana, Mr. HECHLER of West Virginia, Mr. HEFNER, Mr. HELSTOSKI, Mr. HICKS, Mr. HIGHTOWER, Mr. HOLLAND, Mr. HOWARD, and Mr. HOWE):

H.R. 7658. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. HANNAFORD (for himself, Mr. CARTER, Mr. DUNCAN of Tennessee, Mr. SYMINGTON, Mr. HUGHES, Mr. JONES of Tennessee, Mrs. KEYS, Mr. KINDNESS, Mr. KREBS, Mr. LAFALCE, Mr. LEVITAS, Mr. LLOYD of California, Mrs. LLOYD of Tennessee, Mr. LONG of Louisiana, Mr. MCHUGH, Mr. MCKINNEY, Mr. MANN, Mr. MATSUNAGA, Mr. MELCHER, Mrs. MEYNER, Mr. MILLER of California, Mr. MINETA, Mr. MOAKLEY, and Mr. MOTTL):

H.R. 7659. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. HANNAFORD (for himself, Mr. CARTER, Mr. DUNCAN of Tennessee, Mr. SYMINGTON, Mr. NEAL, Mr. NEDZI, Mr. NIX, Mr. PATTERSON of California, Mr. PATTISON of New York, Mr. REES, Mr. RISENHOOVER, Mr. RODINO, Mr. ROE, Mr. ROSE, Mr. ROSENTHAL, Mr. ROUSH, Mr. RUSSO, Mr. SARASIN, Mr. SHARP, Mr. SHIPLEY, Mr. SHRIVER, Mr. SIMON, Mr. SOLARZ, Mrs. SPELLMAN, and Mr. STEPHENS):

H.R. 7660. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

Mr. HANNAFORD (for himself, Mr. CARTER, Mr. DUNCAN of Tennessee, Mr. SYMINGTON, Mr. GILMAN, Mr. THONE, Mr. UDALL, Mr. VANDER VEEN, Mr. VIGORITO, Mr. WEAVER, Mr. WHITE, Mr. CHARLES WILSON of Texas, Mr. WIRTH, Mr. WOLFF, Mr. YOUNG of Florida, Mr. BEARD of Tennessee, Mr. BARRETT, Mr. PRESSLER, Mr. MCEWEN, Mr. RINALDO, Mr. O'NEILL, Mr. SLACK, Mr. BLOUIN, Mr. CLANCY and Mr. BREAUX):

H.R. 7661. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. HARRINGTON:

H.R. 7662. A bill to coordinate State and local government budget-related actions with Federal Government efforts to stimulate economic recovery by establishing a system of emergency support grants to State and local governments; to the Committee on Government Operations.

By Mr. LENT:

H.R. 7663. A bill to prohibit the sale of "Saturday night special" handguns in the United States; to the Committee on the Judiciary.

By Mr. MCCOLLISTER:

H.R. 7664. A bill to regulate interstate commerce to protect health and the environment from hazardous chemical substances; to the Committee on Interstate and Foreign Commerce.

By Mr. MORGAN (by request) (for himself and Mr. BROOMFIELD):

H.R. 7665. A bill to extend the Export Administration Act of 1969, as amended; to the Committee on International Relations.

By Mr. PATTERSON of California:

H.R. 7666. A bill to amend title II of the Social Security Act to increase to $4,600.00 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. SANTINI:

H.R. 7667. A bill to provide that medallions struck on the reactivated Carson City Dollar Press by the Nevada American Revolution Bicentennial Commission shall be national commemorative medals; to the Committee on Banking, Currency and Housing.

By Mr. WOLFF:

H.R. 7668. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 7669. A bill to amend the Federal Aviation Act of 1958 with respect to the definition of "air commerce" and "air transportation"; to the Committee on Public Works and Transportation.

By Mr. BIAGGI:

H.R. 7670. A bill to amend the Internal Revenue Code of 1954 to permit the full deduction of medical expenses incurred for the care of individuals of 65 years of age and over, without regard to the 3-percent and 1-percent floors; to the Committee on Ways and Means.

H.R. 7671. A bill to amend title XVIII of the Social Security Act to provide payment under the supplementary medical insurance program for additional optometrists' services and for eyeglasses; to the Committee on Ways and Means.

H.R. 7672. A bill to amend title II of the Social Security Act to increase to $750 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Mean.

H.R. 7673. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

H.R. 7674. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

H.R. 7675. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 7676. A bill to amend the Internal Revenue Code of 1954 to provide that the personal exemption allowed a taxpayer for a dependent shall be available without regard to the dependent's income in the case of a dependent who is over 65 (the same as in the case of a dependent who is a child under 19); to the Committee on Ways and Means.

By Mr. DENT:

H.R. 7677. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without any deduction from benefits thereunder; to the Committee on Ways and Means.

By Mr. HARRINGTON:

H.R. 7678. A bill to amend the Employment Act of 1946 by providing for the development and adoption of a balanced economic growth plan, and for other purposes; jointly to the Committees on Government Operations, and Rules.

By Mr. MURTHA:

H.R. 7679. A bill to amend the Federal Meat Inspection Act with respect to custom slaughtering; to the Committee on Agriculture.

By Mr. O'NEILL:

H.R. 7680. A bill to amend the Outer Continental Shelf Lands Act to authorize certain revenues from leases on the Outer Continental Shelf to be made available to assist coastal States to defray the impact of energy resource development and production of offshore facilities; to make available revenues for other states; and for other purposes; jointly to the Committees on Judiciary, Merchant Marine and Fisheries, and Government Operations.

By Mr. STAGGERS (by request):

H.R. 7681. A bill to amend the Interstate Commerce Act, as amended, to modernize and reform the regulation of railroads, to allow more flexibility in establishing rates, to provide adequate prior notice of the abandonment of rail lines, and to assist in the financing of rail transportation, to develop a rolling stock scheduling and control system, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEED:

H.R. 7682. A bill relating to the disposition of certain recreational demonstration project lands by the State of Oklahoma; to the Committee on Interior and Insular Affairs.

By Mr. WIRTH:

H.R. 7683. A bill to establish a National Energy Information Administration and a National Energy Information System, to authorize the Department of the Interior to undertake a survey of U.S. energy resources on the public lands and elsewhere, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Interior and Insular Affairs.

By Mr. BELL (for himself, Mr. DRINAN, Mr. COHEN, Mr. MCCORMACK, Mr. BURGENER, and Mr. WYDLER):

H.J. Res. 484. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on the products of all foreign enterprises engaged in commercial whaling; jointly to the Committees on Merchant Marine and Fisheries, and Ways and Means.

By Mr. ESHLEMAN:

H.J. Res. 485. Joint resolution proposing an amendment to the Constitution of the United States with respect to abortion; to the Committee on the Judiciary.

By Mr. MURPHY of New York (for himself, Mr. BIAGGI, Mr. DUNCAN of Oregon, Mr. HANNAFORD, Mr. LONG of Maryland, Mr. RICHMOND, Mr. CHARLES H. WILSON of California, and Mr. CHARLES WILSON of Texas):

H.J. Res. 486. Joint resolution to express the sense of Congress that the Secretary of Defense, in administering Public Law 94–11 which appropriates foreign assistance for fiscal year 1975, include in the $300 million foreign military credit sales appropriated to assist the State of Israel, F–15 fighter planes, electronic countermeasures, and other sophisticated weapons necessary to insure the continued viability of Israel; to the Committee on International Relations.

By Mr. REES:

H.J. Res. 487. Joint resolution to amend the Defense Production Act; to the Committee on Banking, Currency and Housing.

By Mr. RHODES (for himself, Mr. KETCHUM, Mr. DUNCAN of Tennessee, Mr. SYMMS, Mr. CONLAN, Mr. ALEXANDER, Mr. MITCHELL of New York, Mr. KINDNESS, Mrs. PETTIS, Mr. LENT, Mr. MOORE, Mr. JEFFORDS, Mrs. SPELLMAN, and Mr. MANN):

H.J. Res. 488. Joint resolution to designate the week commencing with the third Monday in February of each year as National Patriotism Week; to the Committee on Post Office and Civil Service.

By Mr. WON PAT:

H.J. Res. 489. Joint resolution to establish the Commission on the Political Status of Guam, to study and recommend changes in the Guam Organic Act and the political status of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DERWINSKI (for himself, Mr. ASPIN, Mr. BEARD of Tennessee, Mr. BELL, and Mr. FRENZEL):

H. Con. Res. 296. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on International Relations.

By Mr. RANGEL:

H. Con. Res. 297. Concurrent resolution relative to the elimination of illegal drug traffic from Turkey; to the Committee on International Relations.

By Mr. PRICE:

H. Res. 514. Resolution providing for the printing of additional copies of the House Report No. 94–199; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

170. By the SPEAKER: Memorial of the Legislature of the State of Washington, relative to communication between Federal and State legislative branches in the budget process; to the Committee on the Budget.

171. Also, memorial of the Legislature of the State of Washington, relative to the Deep River Post Office; to the Committee on Post Office and Civil Service.

172. Also, memorial of the Legislature of the State of Montana, relative to energy; jointly, to the Committees on Interstate and Foreign Commerce, Interior and Insular Affairs, and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GOLDWATER:

H.R. 7684. A bill for the relief of Leonard Diamond; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 7685. A bill for the relief of Mildred N. Crumley; to the Committee on the Judiciary.

By Mr. MCDADE:

H. Res. 515. Resolution to refer the bill (H.R. 7495) for relief of Arthur Wilkinson to the Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

145. The SPEAKER presented a petition of Edward J. Sumanas, Gaithersburg, Md., relative to the foreign policy of the United States regarding the annexation of the Baltic nations by the Soviet Union; to the Committee on International Relations.

SENATE—*Thursday, June 5, 1975*

The Senate met at 9 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, teach us again that "they that wait upon the Lord shall renew their strength." Renew us in the depths of our being that we may love and serve Thee with our whole heart and mind and strength. When days are long and work is hard, spare us from giving in too soon or giving up too easily. When nerves grow taut and emotions tense, bring to us the peace and poise of Thy presence. Thus may we persevere with wisdom and strength for that more perfect way which assures the Nation's welfare and promotes peace and justice in the world. Shepherd us through the problems and perils of this day and bring us to evening with peace and joy in our hearts.

Through Him who brought redemption and new life. Amen.

UMI

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, June 4, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

Mr. WEICKER. Mr. President, on behalf of the leadership on this side, I am constrained to object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that committees may meet until noon today and that there be no rollcall votes until noon today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 151, 152, 164, and 165.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SALINE WATER CONVERSION PROGRAM APPROPRIATIONS AUTHORIZATION, 1976

The ACTING PRESIDENT pro tempore laid before the Senate the bill (H.R. 3109) to authorize appropriations for the saline water conversion program for fiscal year 1976.

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Massachusetts (Mr. KENNEDY) I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, line 5, strike out "$3,850,-" and insert in lieu thereof "$4,100,-".

Mr. KENNEDY. Mr. President, this amendment of mine to the water desalinization authorization bill is to provide an additional $250,000 for completion of research on the freeze crystallization process of water purification. At a time when we are faced with increasing pressure to set aside environmental concerns in order to conserve energy, this technology offers an opportunity to maintain a clean environment with reduced energy costs.

Freeze crystallization has been developed as an advanced water desalinization process, but in recent years the process has been demonstrated as an effective and cost-saving method for industrial pollution control. The process does not require the pretreatment of feed water and freeze crystallization purifies water with less energy expenditure and greater energy recovery.

The additional funding which my amendment provides will allow the pilot facilities in North Carolina to continue their operation and allow Avco, the firm which developed the process, to further expand this technology to the solution of industrial waste problems. But more than that, it will assure the completion of this program which the Federal Government has invested almost $3 million in and gives us all new hope that the problems of industrial waste can be solved quickly, efficiently, and at a cost we can afford.

Mr. CHURCH. Mr. President, I am pleased with the interest shown by the Senator from Massachusetts (Mr. KENNEDY) in the desalination program and I would urge the acceptance by the Senate of his amendment to H.R. 3109, authorizing appropriations for the saline water conversion program for fiscal year 1976.

It is my understanding that it is the intent of the Senator that the increase in funding of $250,000 would be earmarked for continued research and development of freezing techniques for desalting sea water. I concur with his intent. This is an important area of research in desalting technology. And it is even more so in light of rising energy costs as this process promises to use less energy than other techniques.

The administration did not request funds for further examination of the freezing process for fiscal year 1976. However, the House included $150,000 in H.R. 3109, which would have allowed a minimal effort. The proposed increase of $250,000 will permit a sustained demonstration of the Wrightsville Beach, N.C., test facility thereby permitting the verification of reliability and potential energy savings. With the Senator's amendment, the total which would be authorized for the saline water conversion program for fiscal year 1976 would be $4,100,000.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

MOTOR VEHICLE INFORMATION AND COST SAVINGS ACT AMENDMENTS

The Senate proceeded to consider the bill (S. 1518) to amend the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.) to authorize additional appropriations, to establish fuel efficiency demonstration projects, to provide additional enforcement authority for the odometer antitampering provisions, and for other purposes, which had been reported from the Committee on Commerce with amendments, as follows:

On page 2, in line 9, strike out "for" and insert "from";

On page 2, in line 20, strike out "$3,000,000" and insert "$4,000,000";

On page 3, in line 2, strike out "1976" and insert "June 30, 1976";

On page 3, in line 3, strike out "1977" and insert "September 30, 1977.";

On page 3, in line 10, strike out "as provided for in sections 301, 302, 303, and 304";

On page 4, in line 20, strike out "and";

On page 4, in line 21, following "1977" insert the following:

"and $7,500,000 for the fiscal year ending September 30, 1978, to be used for the purpose of implementing section 311;"

On page 5, beginning with line 2, insert the following:

"SEC. 5. (a) Section 402 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1982) is amended by inserting the following new paragraphs immediately after 'As used in this title—' and redesignating the succeeding paragraphs accordingly:

"(1) The term 'dealer' means any person who has sold five or more motor vehicles in the past 12 months to purchasers who in good faith purchase such vehicles for purposes other than resale.

"(2) The term 'distributor' means any person who has sold five or more motor vehicles in the past 12 months for resale.".

On page 5, in line 14, strike out "Sec. 5. (a)" and insert "(b)";

On page 5, in line 14, strike out "the Motor Vehicle Information and Cost Savings" and insert the word "such";

On page 5, at the beginning of line 16, insert the word "further";

On page 8, in line 13, strike out "Whoever" and insert "(a)(1) Any dealer or distributor of motor vehicles or other person engaged in the motor vehicle repair business who";

On page 8, in line 8, after the word "such" insert "dealer, distributor, or person";

On page 8, in line 20, following the period, insert the following:

"A violation of any section shall constitute a separate offense with respect to each motor vehicle (or device, in the case of section 403) involved and each section violated, except that the maximum civil penalty shall not exceed $200,000 for any related series of violations.".

On page 9, at the beginning of line 5, insert the following:

"(2) Any civil penalty under this section may be compromised by the Secretary. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.".

On page 9, in line 13, after "(b)" insert "(1)";

On page 9, at the beginning of line 17, insert the following:

"(2) Any individual director, officer, or agent of a corporation who knowingly authorizes, orders, or performs any of the acts or practices constituting in whole or in part a violation of any section of this title shall be subject to penalties under this subsection without regard to any penalties to which that corporation may be subject under paragraph (b)(1).

On page 9, in line 25, strike out "$300,000" and insert "450,000";

On page 10, in line 1, strike out "$85,000" and insert "$100,000";

On page 10, in line 3, strike out "$360,000" and insert "$650,000";

On page 10, in line 4, strike out "June" and insert "September";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "Motor Vehicle Information and Cost Savings Act Amendments".

AMENDMENTS TO TITLE I

SEC. 2. (a) ANNUAL REPORT.—Section 112 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1922) is amended by striking the words "March 31" in the first sentence and by inserting in lieu thereof the words "July 1".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 111 of such Act (15 U.S.C. 1921) is amended to read as follows:

"There are authorized to be appropriated to carry out the provisions of this title $500,000 for the fiscal year ending June 30, 1976; $125,000 for the fiscal year transition period from July 1, 1976, through September 30, 1976; and $500,000 for the fiscal year ending September 30, 1977; such sums to remain available until expended.".

AMENDMENTS TO TITLE II

SEC. 3. (a) AUTHORIZATION OF APPROPRIATIONS.—Section 209 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1949) is amended to read as follows:

"There are hereby authorized to be appropriated to carry out the provisions of this title $2,000,000 for the fiscal year ending June 30, 1976; $650,000 for the fiscal year transition period from July 1, 1976, through September 30, 1976; and $4,000,000 for fiscal year ending September 30, 1977; such sums to remain available until expended.".

AMENDMENTS TO TITLE III

SEC. 4. (a) EXTENSION OF STATE PROGRAMS.—Subsection (b) of section 303 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1963(b)) is amended by deleting "June 30, 1976" in the second sentence and by inserting in lieu thereof "September 30, 1977.".

(b) Section 311 of such Act is amended to read as follows:

"FUEL EFFICIENCY

"SEC. 311. (a) The Secretary shall establish one, or more than one, new special motor vehicle diagnostic inspection demonstration project to assist in the research, rapid development, and evaluation of advanced inspection, analysis, and diagnostic equipment suitable for use by the States in high volume inspection facilities designed to assess the safety, noise, emissions, and fuel efficiency of motor vehicles. Such project shall perform the inspections of motor vehicles for the purpose of evaluating the conditions of parts, components, and repairs (1) required to comply with State and Federal safety, noise, and emissions standards and (2) in order to assist the vehicle owner in achieving the optimum fuel and maintenance economy.

"(b) The Secretary shall evaluate the existing diagnostic analysis and test equipment available for use in the small automotive repair establishments and report to the Congress within two years after enactment of this section, as to the scope of research and development required to make this equipment compatible with the most costly and complex State vehicle inspection and diagnostic equipment. The report shall assess the extent to which private industry can meet the needs of the small automotive repair shops for low-cost test equipment which can be developed to comply with the Federal safety, noise, and emissions performance standards promulgated by the Secretary, the Administrator of the Environmental Protection Agency, and by State or local regulatory agencies.

"(c) In complying with the provisions of this section the Secretary shall consult with the Administrator of the Environmental Protection Agency.".

(c) Section 321 of such Act is amended to read as follows:

"There are hereby authorized to be appropriated to carry out the provisions of this title $5,000,000 for the fiscal year ending June 30, 1976; $1,500,000 for the fiscal year transition period from July 1, 1976, through September 30, 1976; $7,500,000 for the fiscal year ending September 30, 1977; and $7,500,000 for the fiscal year ending September 30, 1978, to be used for the purpose of implementing section 311; such sums to remain available until expended.".

AMENDMENTS TO TITLE IV

SEC. 5. (a) Section 402 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1982) is amended by inserting the following new paragraphs immediately after "As used in this title—" and redesignating the succeeding paragraphs accordingly:

"(1) The term 'dealer' means any person who has sold five or more motor vehicles in the past 12 months to purchasers who in good faith purchase such vehicles for purposes other than resale.

"(2) The term 'distributor' means any person who has sold five or more motor vehicles in the past 12 months for resale.".

(b) Title IV of such Act (15 U.S.C. 1891 et seq.) is further amended by adding the following new sections:

"POWERS OF THE SECRETARY

"SEC. 414. (a)(1) For the purpose of carrying out the provisions of this title, the Secretary, or on the authorization of the Secretary, any officer or employee of the Department of Transportation may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, or such officer or employee, deems advisable.

"(2) In order to carry out the provisions of this title, the Secretary or his duly authorized agent shall at all reasonable times have access to, and for the purposes of examination the right to copy, any documentary evidence of any person having materials or information relevant to any function of the Secretray under this title.

"(3) The Secretary is authorized to require, by general or special orders, any person to file, in such form as the Secretary may prescribe, reports, or answers in writing to specific questions relating to any function of the Secretary under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe.

"(4) Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a subpena or order of the Secretary or such officer or employee issued under paragraph (1) or paragraph (3) of this subsection, issue an order requiring compliance herewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(5) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

"(b) All information reported to or otherwise obtained by the Secretary or his representative under this title, which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18 of the United States Code, shall be considered confidential for the purpose of that section, except that such information may be disclosed to other officers or employees concerned with carrying out this title or when relevant in any proceeding under this title. Nothing in this section shall authorize the withholding of information by the Secretary or any officer or employee under his control from the duly authorized committees of the Congress.

"(c) For purposes of enforcement of this title, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, may inspect a motor vehicle whenever such officer or employee has reason to believe that there has been a violation of a requirement imposed under this title. Each such inspection shall be conducted at reasonable times and in a reasonable manner and shall be commenced and completed with reasonable promptness.

"STATE ENFORCEMENT

"SEC. 415. (a) If any person, partnership, or corporation violates any provision of this title, then the Attorney General of the State in which such act or practice occurred, or his delegate, may commence a civil action for appropriate relief against such person, partnership, or corporation in any court of competent jurisdiction in such State.

"(b) The court, in an action under subsection (a) may restrain such violation or grant such relief as it finds necessary to redress injury which resulted as a consequence of the violation of a provision of this title.

"SANCTIONS

"SEC. 416. (a) (a)(1) Any dealer or distributor of motor vehicles or other person engaged in the motor vehicle repair business who violates any provisions of section 403 through 408 of this title, and the Secretary determines that a reasonable man would have known under the circumstances that the act or practice was dishonest or fraudulent, such dealer, distributor, or person may be assessed a civil penalty of not to exceed $10,000 for each violation. A violation of any section shall constitute a separate offense with respect to each motor vehicle (or device, in the case of section 403) involved and each section violated, except that the maximum civil penalty shall not exceed $200,000 for any related series of violations. Such penalty shall be assessed by the Secretary and collected in a civil action brought by the Attorney General or by the Secretary (with the concurrence of the Attorney General) by any of the Secretary's attorneys designated by the Secretary for such purpose.

"(2) Any civil penalty under this section may be compromised by the Secretary. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

"(b)(1) Any person who knowingly violates any provisions of sections 403 through 408 of this title shall be fined not more than $50,000 or be imprisoned not more than one year, or both.

"(2) Any individual director, officer, or agent of a corporation who knowingly authorizes, orders, or performs any of the acts or practices constituting in whole or in part a violation of any section of this title shall be subject to penalties under this subsection without regard to any penalties to which that corporation may be subject under paragraph (b)(1).

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 417. There are hereby authorized to be appropriated to carry out the provisions of this title $450,000 for the fiscal year ending June 30, 1976; $100,000 for the fiscal year transition period from July 1, 1976, through September 30, 1976; and $650,000 for the fiscal year ending September 30, 1977; such sums to remain available until expended.".

The amendments were agreed to.

The bill was ordered to be engrossed

UMI

for a third reading, was read the third time, and passed.

FLAT TOPS WILDERNESS, ROUTT AND WHITE RIVER NATIONAL FORESTS, COLO.

The Senate proceeded to consider the bill (S. 267) to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado, which had been reported from the Committee on Interior and Insular Affairs with amendments, as follows:

On page 1, in line 4, strike out "of September 3, 1964";

On page 1, in line 8, strike out "October 1973" and insert "May 1975"; and

On page 2, in line 4, strike out "thirty-seven thousand five hundred" and insert "thirty-five thousand two hundred and thirty";

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with subsection 3(b) of the Wilderness Act (78 Stat. 891), the area classified as the Flat Tops Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Flat Tops Wilderness—Proposed", dated May 1975, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the "Flat Tops Wilderness" within and as part of the Routt and White River National Forests, comprising an area of approximately two hundred and thirty-five thousand two hundred and thirty acres.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Flat Tops Wilderness with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such map and description may be made.

SEC. 3. The Flat Tops Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 4. The previous classification of the Flat Tops Primitive Area is hereby abolished.

EAGLES NEST WILDERNESS, ARAPAHO AND WHITE RIVER NATIONAL FORESTS, COLO.

The Senate proceeded to consider the bill (S. 268) to designate the Eagles Nest Wilderness, Arapaho, and White River National Forests, in the State of Colorado, which had been reported from the Committee on Interior and Insular Affairs with amendments, as follows:

On page 1, in line 8, strike out "October 1973" and insert "May 1975";

On page 2, in line 3, strike out "Forest" and insert "Forests";

On page 2, in line 5, strike out "three hundred and seventy four" and insert "eighty-four";

On page 2, beginning on line 23, insert a new section as follows:

"SEC. 4. Nothing in this Act or the Wilderness Act shall be construed as impairing the authority of the appropriate Secretary to permit, subject to such regulations as he deemed necessary to protect wilderness values, the construction, operation, and maintenance of a subsurface water tunnel in Federal land under the Eagles Nest Wilderness."

On page 3, in line 4, strike out "4." and insert "5.";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with subsection 3(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132(b)), the area classified as the Gore Range-Eagles Nest Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Eagles Nest Wilderness—Proposed", dated May 1975, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the "Eagles Nest Wilderness" within and as part of the Arapaho and White River National Forests comprising an area of approximately one hundred and twenty-eight thousand eighty-four acres.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Eagles Nest Wilderness with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such map and description may be made.

SEC. 3. The Eagles Nest Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 4. Nothing in this Act or the Wilderness Act shall be construed as impairing the authority of the appropriate Secretary to permit, subject to such regulations as he deems necessary to protect wilderness values, the construction, operation, and maintenance of a subsurface water tunnel in Federal land under the Eagles Nest Wilderness.

SEC. 5. The previous classification of the Gore Range-Eagles Nest Primitive Area is hereby abolished.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read:

A bill to designate the Eagles Nest Wilderness Arapho and White River National Forests, in the State of Colorado.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there representing the minority, desire to be heard?

Mr. DOMENICI. I do not seek recognition, Mr. President.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro temproe. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 5 minutes each.

SENATE RESOLUTION 173—SUBMISSION OF A RESOLUTION TO DISCHARGE THE COMMITTEE ON RULES AND ADMINISTRATION FROM FURTHER CONSIDERATION OF THE CREDENTIALS OF LOUIS C. WYMAN AND JOHN A. DURKIN

Mr. WEICKER. Mr. President, before submitting a resolution on the New Hampshire election, I should like to make several comments relative to it.

This is a resolution discharging the Committee on Rules and Administration from further consideration of the credentials of Louis Wyman and John Durkin. I submit it because the Senate should be apprised of the fact that the deliberations scheduled for next week in this body will not be determinative of the matter. Rather, it will be only one more step in the deliberations of determining a winner of that election. The matter then will go back to the Committee on Rules and Administration, where further time and effort will be expended.

To our disgrace—as with many other unfinished matters, I might add—this matter has been with us since the first of the year, and still has not been resolved. There is very pressing business before each one of us in this Chamber, and 99 percent of it demands the particular expertise that is lodged in this Chamber. Insofar as this matter is concerned, the expertise is lodged with the voters of New Hampshire. So the Wyman-Durkin matter should not consume our time. Rather, it should go to that forum, where it is best decided.

With that in mind, Mr. President, I now submit a resolution that will bring the Wyman-Durkin matter immediately before the Senate for its dispatch to New Hampshire, and ask unanimous consent for its immediate consideration.

Mr. MANSFIELD. Mr. President, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

The resolution will go over, under the rule.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the role.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that I might proceed for 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FORCED BUSING HAS BACKFIRED

Mr. ALLEN. Mr. President, for many years I have expressed my opposition to the use of forced mass busing of boys and girls for the purpose of attaining a racial balance in our schools. My argument has been that the millions of dollars spent on forced busing should be used in helping furnish all students better educational opportunities in neighborhood schools under a freedom of choice plan.

This week the National Observer, in its issue for the week ending June 7, 1975, published an article entitled "A Scholar Who Inspired It Says—Busing Backfired." A story about this article was published by the Washington Star-News in its Sunday, June 1, 1975, issue under the heading "Integration Proponent Calls Busing Failure." The Observer article is in the form of an interview with Prof. James S. Coleman whose so-called "Coleman Report" of 1966 is credited with providing much of the rationale for mass forced busing. Now Mr. Coleman, after studying the effects of integration, during the last 21 years, argues that forced busing is making schools more segregated than ever before.

Mr. President, I believe that this interview is an eye opener and a mind opener—or it should be a mind opener—and that it should be widely read and understood.

I ask unanimous consent that the two articles referred to be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 1, 1975]

INTEGRATION PROPONENT CALLS BUSING FAILURE

The author of an influential 1966 study on the impact of segregated schooling declared yesterday that court-ordered school integration is a failure outside the South and that public schools are becoming more segregated.

"I think the country would have been better off if the report had not led to" busing, James S. Coleman, a sociologist at the University of Chicago, commented in an interview in The National Observer for the week ending June 7.

He was the principal author of the government-sponsored Coleman Report, which indicated that blacks in integrated classrooms would perform better than those in wholly black classes, and is often cited by courts when they hand down desegregation orders.

Coleman said a new study he is preparing shows that "white flight" to the suburbs to avoid court-ordered school integration in the nation's 20 largest cities results in "a general resegregation in all regions of the country, now that desegregation activities in the South are pretty well complete."

"In the large cities, what I call induced integration, usually brought about as a result of court action, seems to be self-defeating," Coleman said.

Coleman, who surveyed 12,000 school districts, said even metropolitanwide court ordered integration would not work because whites, fearful of disorder would place their children in private schools.

Coleman blamed white racial prejudice, lack of discipline by inner city black students plus overreaching of judicial power for increasing school segregation.

"In other words, a large portion of the white flight has to do with the unresponsiveness of large school systems, with the whole question of order and discipline in the schools, and with an undifferentiated sense of fear of disorder."

[From the National Observer, June 7, 1975]

A SCHOLAR WHO INSPIRED IT SAYS, "BUSING BACKFIRED"

School busing for racial balance found its scientific rationale in the 1966 "Coleman Report," which found that black students did somewhat better in those schools that were already integrated. Its principal author was Professor James S. Coleman, who now says it was a mistake for the courts to base major social change on his Government-sponsored report. A sociologist at the University of Chicago, Coleman is now studying the effects of integration for the Urban Institute, a research organization based in Washington, D.C. In this interview with Staff Writer Mark R. Arnold, Coleman draws on his recent findings to argue that forced integration in large cities is reinforcing the racial isolation it was meant to overcome.

Mr. Coleman, I understand you have been involved in studying school racial patterns nationally. What are your findings?

Overall, there are two conflicting forces at work. First, there is a force toward school integation being provided by governmental bodies such as school boards, legislatures, and particularly the courts. Second, there is a force opposed to integration reflected in individual actions. This occurs as whites move from a district in which there is a high degree of integration to a district in which there is a low degree of integration.

What is the net effect of these two forces?

The net effect isn't entirely clear. The integrating actions generally come all at once if, for example, a court orders a district to overcome previous discimination by creating a more integated school system. It's only then that the segregating actions begin to take place. In some cities it seems to be an issue of how long before the segregating actions completely overcome the results of the integration, leading to a system that is more segregated than was the case before.

How many school districts have you examined? And how have you examined them?

Basically, what I've done is take the data collected by other people and analyze over a five year period (1968 to 1973) how the movement of whites out of a school system depends on changes in the proportion of blacks in the system. I've looked in detail at figures in the 20 largest school districts in the country, and the 50 next largest. Then, in general, I've looked at racial trends all the way down the line to the smallest districts, something like 12,000 districts in all.

Is this pattern the same for all school systems?

No. There is a distinction between large cities, by which I mean the 20 largest central-city school systems in the United States, and the others. In the large cities, what I call induced integration, usually brought about as a result of court action, seems to be self-defeating.

Because of white flight?

Because of white flight, either through whites moving to suburbs or putting their children in private schools.

What about cities other than these 20?

In cities smaller than the size of say, Indianapolis [population 1.1 million], desegregation does not seem to have the same consequences. There's some white flight from cities of all sizes, simply as a consequence of the proportion of blacks in the city. That is, the more blacks, the faster the white outmigration. But there doesn't seem to be an independent increase in white outmigration as a result of school desegregation except in the largest cities. The statistical evidence suggests that integration can work in the sense of maintaining a stable racial balance, in a small district and has a very difficult time working in a large district.

What do you think accounts for the difference between the largest and the other cities?

I'd have to speculate on that. I'd say it has to do with the degree of security that parents have about their children in the two situations. In large cities where the system often seems out of control, there's a much greater feeling of inability to have any impact on the schools, a feeling that schools cannot maintain order, and a feeling that the schools cannot protect the child. In other words, a large portion of the white flight has to do with the unresponsiveness of large school systems, with the whole question of order and discipline in the schools, and with an undifferentiated sense of fear of disorder.

Fear of disorder?

In the sense that disorder clearly comes from lower-class schools. For example, many observations of ghetto-school classrooms describe an enormous degree of disorder in those classrooms. It is very hard to blame any white parents, or any black parents for that matter, who would like to see their children out of that classroom, given the degree of disorder and the degree to which schools as they're presently constituted have failed to control lowerclass black children. So I think it's quite understandable for families not to want to send their children to schools where 90 percent of the time is spent not on instruction but on discipline.

Wait a minute. Let's step back for a minute. Isn't the argument for school integration that first it will increase black achievement and, second, it will promote racial harmony? Are you saying it's not doing either?

No, I'm not saying that. The theory is that children who themselves may be undisciplined, coming into classrooms that are highly disciplined would take on the characteristics of their classmates, and be governed by the norms of the classrooms. So that the middle-class values would come to govern the integrated classrooms. In that situation, both white and black children would learn. What sometimes happens, however, is that characteristics of the lower-class black classroom, namely a high degree of disorder, come to take over and constitute the values and characteristics of the classroom in the integrated school. It's very much a function of the proportion of lower-class pupils in the classroom.

How so?

The proportion that creates a basically antischool atmosphere differs from school to school. But you can see if 70 or 80 per cent of the children are undisciplined in their ordinary behavior pattern, then the values of the classroom are going to be undisciplined. If 70 to 80 per cent are disciplined, then you're all right, unless you have a situation in which white teachers are afraid to discipline lower-class black children, which sometimes happens too.

But when courts order desegregation—based on discriminatory pupil assignment patterns or whatever—they don't take into account what the likely effect will be in the classrooms, or the possibility that their order may cause white flight and resegregation.

Well, that's why I think that courts are the worst of all possible instruments for carrying out a very sensitive activity like integrating schools.

But that's, in effect, what we're doing in this country, isn't it?

That's in effect what we're doing, and I think it is exactly the wrong thing to do.

Is there more or less racial integration in the schools now than there was a few years ago? I think your latest studies use 1968 as a benchmark.

There's more integration now than in 1968. But that's primarily due to desegregation of schools in the South. In some regions of the country, there's slightly less racial integration than there was then, in the Middle

UMI

Atlantic states, for example: New York, Pennsylvania, New Jersey, Delaware.

And that's the result of resegregation?

Right.

What do you expect to happen in the future?

From now on, I suspect that we will see a general resegregation in all regions of the country, now that desegregation activities in the South are pretty well complete. The resegregation will take place primarily in the larger cities rather than in small towns. And a much higher proportion of black students are in school districts in large cities. School integration is just not stable where the proportion of blacks in the district is very large.

So the over-all effect, barring some dramatic turnaround in the trends, will be for increasing racial isolation in the public schools?

Yes.

Because blacks are concentrated in larger urban areas?

Right. The most important result of this research is that the desegregation actions of the courts in larger cities has been such as to speed that process by which central cities become black and whites flee to the suburbs.

If that's the trend, couldn't it be countered if the courts were to order metropolitan-wide desegregation?

I don't think so. I believe it's not entirely lower-class blacks that middle-class whites are fleeing. They are fleeing a school system that they see as too large, as unmanageable, as unresponsive, to find a smaller, more responsive system. If the system is made even larger, covering the whole metropolitan area, many parents will find ways to escape it, either by moving even farther out or by use of private schools. More generally, I would say that any solution must obtain the active co-operation of the middle-class families that are necessary to school integration. Otherwise, the higher a family's income, the more likely it is to flee from integration, as is now the case.

In light of your discouraging appraisal of the trends in integration, how do you view the situation in Boston?

Boston is a peculiar kind of metropolitan area, with a large proportion of the metropolitan area outside the central city, including most middle-class whites. The desegregation order was, of course, limited to Boston proper, which meant that it involved primarily lower-class communities with strong ethnic ties, whites and blacks. Now under those circumstances, with most of the higher-achieving middle-class schools in the suburbs, one could hardly expect integration to have beneficial effects on achievement.

But the courts acted, did they not, on a finding of official patterns of discrimination?

That's right. It found that the Boston school board had in the past acted to increase the segregation of blacks and whites. Following recent court decisions, the court said if any action of the school board increased segregation, then all segregation in the system, even that resulting from factors other than official action, must be eliminated. I think that's where the courts are wrong.

How so?

I think the courts Constitutionally should limit their actions to undoing the effects of official discrimination. But the very large proportion of school segregation by race and by social class is due to individual action, and I think courts overstep their bounds when they try to counterbalance those individual actions. They impose a system-wide remedy to correct what is legally a localized wrong. That's where I believe the mistake lies, for the same individual actions that led to the segregation initially will lead to it again. What is necessary is to remove the cause of that segregation, which I believe lies in two places: in racial prejudice on the part of many whites and in undisciplined and violent behavior on the part of some black children. Unfortunately, these two things reinforce each other.

Mr. Coleman, you were the senior author of the landmark 1966 study, undertaken for the U.S. Office of Education, which concluded among other things that achievement of disadvantaged black children would be improved by putting them in middle-class white classrooms. That study became the rationale for the massive busing programs we have had in the past decade. Do you feel a sense of remorse or guilt, some responsibility for what has happened in the past few years?

The report did imply that blacks in integrated classrooms would perform better than their counterparts in wholly black classrooms. But it was published before there was massive school desegregation so that it couldn't say what the results of massive busing would be. I think the mistake was in the functioning of the courts. I think the country would have been better off if the report had not led to that result [busing]. But again, I think the problem is not with the report but with the courts, which have used the expected benefit as a rationale for reorganizing school systems.

But the report gave them the rationale.

No, the evidence in my report is not relevant in any way to the question properly before the courts. That question is whether school systems have acted in a way that deprives students of their Constitutional rights. That's a legal question, not a question of achievement levels. I think the courts were wrong to consider the report in any way. It's appropriate for school boards to consider such evidence but not courts.

Why not?

Well, consider what would happened if the report had said that segregated classrooms improved pupil performance. Would the courts have been justified in ordering busing to create racial imbalance? Of course not. Courts are taking a very precarious path when they make research results about the achievement consequences of school integration a basis for reorganizing a school system. That's not their function, in my view.

What then do you think is the way to promote integration, assuming that you do consider it a desirable goal?

I think there has to be an incentive, either in Government money and assistance or in attractive programs. I recently learned of a school in Lawton, Okla., that is very stably balanced racially, and the reason is that it offers something the children can't get elsewhere. It's a school for the children of families where both parents work, and consequently it runs from before the work day begins, beginning with a breakfast, until after 5 in the afternoon. It provides an extra service that makes the parents overlook the fact that the student composition of the classroom is possibly what they might not consider ideal. What you need is positive inducements for families to keep their children in integrated schools. You can't create integration by court edict. In the larger cities, certainly, it's a very temporary matter. More generally, school desegregation is not the only way to promote social integration. Nor is it, I believe, the best way. For example, activities that encourage racial intermarriage could be much more effective in creating stable forces for social integration.

I'd like to sum up. Do you think it's time for a national reassessment of our policy?

I think it's time for a national reassessment of where our educational policies are leading us, yes. We have acted as if school desegregation were the first national priority. I don't think it is. If we ask ourselves what are the motives that underlie policies of school integration, I think we'll find it is to encourage social integration. If that is so, and I think it is among blacks and whites both, then we must ask ourselves whether the policies we follow are promoting it, and I think they are not. In many cases, they seem to be accelerating the very racial isolation we are trying to overcome.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. METCALF) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4485) to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources.

The message also announced that the House insists upon its amendment to the bill (S. 1542) to authorize appropriations for the fiscal year 1976 for certain maritime programs of the Department of Commerce, and for other purposes, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mrs. SULLIVAN, Mr. ASHLEY, Mr. DOWNING of Virginia, Mr. DINGELL, Mr. ROGERS, Mr. RUPPE, and Mr. MCCLOSKEY were appointed managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. PERKINS, Mr. O'HARA, Mr. BRADEMAS, Mr. BIAGGI, Mr. ANDREWS of North Carolina, Mr. BLOUIN, Mr. THOMPSON, Mr. MOTTL, Mr. HAWKINS, Mrs. CHISHOLM, Mr. BENITEZ, Mr. SIMON, Mr. HALL, Mr. QUIE, Mr. ESHLEMAN, Mr. ERLENBORN, Mr. ESCH, Mr. BUCHANAN, and Mrs. SMITH of Nebraska were appointed managers of the conference on the part of the House.

The message also announced that the House has passed the bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes, in which it requests the concurrence of the Senate.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the message on H.R. 6219 be laid before the Senate and be considered as having been read twice.

Mr. HUGH SCOTT. I object.

Mr. STENNIS addressed the Chair.

Mr. HUGH SCOTT. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, if the Senate will allow me, I understand that H.R. 6219 should have been read twice before objection is made.

Mr. HUGH SCOTT. I withdraw my objection.

Mr. MANSFIELD. I ask that it be read.

The PRESIDING OFFICER. Without objection, the bill will be considered as having been read twice.

Mr. HUGH SCOTT. Mr. President, I object to further proceedings on the bill.

The PRESIDING OFFICER. Objection having been made to further proceedings, the bill will go to the calendar.

Mr. ALLEN. Mr. President, reserving the right to object——

Mr. MANSFIELD. Mr. President, has the Chair ruled?

The PRESIDING OFFICER. The objection comes too late.

ENROLLED BILL SIGNED

At 7:15 p.m., a message from the House of Representatives delivered by Mr. Hackney announced that the Speaker has signed the enrolled bill (H.R. 5158) to provide an authorization for an ex tratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands.

The enrolled bill was subsequently signed by the President pro tempore.

At 7:46 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed without amendment the bill (S. 1842) for the relief of Dr. Arturo Bomolan Dela Rosa.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administration, National Aeronautics and Space Administration, transmitting, pursuant to law, a report on the proposed disposal of certain land at the NASA Ames Research Center, Moffet Field, California (with an accompanying report); to the Committee on Aeronautical and Space Sciences.

APPROVED LOAN TO BASIN ELECTRIC POWER COOPERATIVE, BISMARCK, N. DAK.

A letter from the Acting Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, approval of an insured loan in the amount of $10,624,000 to Basin Electric Power Cooperative, of Bismarck, North Dakota, to finance a portion of the increased cost of a previously financed 400 MW generating unit at Stanton, North Dakota; to the Committee on Appropriations.

REPORT ON LOAN, GUARANTEE, AND INSURANCE TRANSACTIONS SUPPORTED BY EXIMBANK

A letter from the President and Chairman, Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by Eximbank during April 1975 to Communist countries (as defined in section 620(f) of the Foreign Assistance Act of 1961, as amended); to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LOAN TO KOREAN ELECTRIC CO.

A letter from the President and Chairman, Export-Import Bank of the United States, reporting, pursuant to law, on proposed extension of direct credit and guarantee in connection with the export sale of goods and services for the construction of a nuclear power plant by the Korean Electric Co. (KECO); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS—STATE AND LOCAL "DOING BUSINESS" TAXES ON OUT-OF-STATE FINANCIAL DEPOSITORIES

A letter from the Chairman, Advisory Commission on Intergovernmental Relations, transmitting, pursuant to law, a report on State and local "doing business" taxes on out-of-State financial depositories, May 1975 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION TO AMEND THE ENDANGERED SPECIES ACT TO EXTEND THE APPROPRIATION AUTHORIZATION

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 15(B) of the Endangered Species Act of 1973 to extend the appropriation authorization (with accompanying papers); to the Committee on Commerce.

REPORT OF FINAL DETERMINATION IN THE SEMINOLE NATION AGAINST THE UNITED STATES

A letter from the Chairman, Indian Claims Commission, transmitting, pursuant to law, a report of final determination under Docket No. 204, The Seminole Nation, Plaintiff, v. The United States of America, Defendant (with accompanying paper); to the Committee on Appropriations.

NATIONAL POWER SURVEY ADVISORY COMMITTEE REPORT: THE FINANCIAL OUTLOOK FOR THE ELECTRIC POWER INDUSTRY

A letter from the Chairman, Federal Power Commission, transmitting, for the information of the Senate, a publication entitled "National Power Survey Advisory Committee Report: The Financial Outlook for the Electric Power Industry, December 1974" (with an accompanying report); to the Committee on Commerce.

REPORT OF THE NATIONAL RAILROAD PASSENGER COPORATION

A letter from the Vice President, Government and Public Affairs, National Railroad Passenger Corporation, transmitting, pursuant to law, a report on total itemized revenues and expenses; revenues and expenses of each train operated; and revenue and total expenses attributable to each railroad over which service is provided (with an accompanying report); to the Committee on Commerce.

REPORT ON THE CONCEPTS AND PRINCIPLES WHICH SHOULD UNDERLIE THE FORMULATION OF AN INTERNATIONAL COMMODITY CODE

A letter from the Chairman, United States International Trade Commission, transmitting, pursuant to law, a report on the concepts and principles which should underlie the formulation of an International Commodity Code (with an accompanying report); to the Committee on Finance.

FINAL REPORT ON U.S. PARTICIPATION IN EXPO '74

A letter from the Acting Secretary of Commerce, transmitting, pursuant to law, the final report on the United States participation in Expo '74—Spokane, Washington (with an accompanying report); to the Committee on Foreign Relations.

PROPOSED LEGISLATION TO AUTHORIZE CERTAIN OFFICERS AND EMPLOYEES OF THE DEPARTMENT OF STATE AND THE FOREIGN SERVICE TO CARRY FIREARMS FOR THE PURPOSE OF PROTECTING DESIGNATED INDIVIDUALS

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms for the purpose of protecting designated individuals (with accompanying papers); to the Committee on Foreign Relations.

PROPOSED FOREIGN SERVICE RETIREMENT AMENDMENTS OF 1975

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend Title VIII of the Foreign Service Act of 1946, as amended, relating to the Foreign Service Retirement and Disability System, and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF THE NATIONAL TRANSPORTATION SAFETY BOARD

A letter from the Chairman, National Transportation Safety Board, transmitting, pursuant to law, an annual report of the National Transportation Safety Board (with an accompanying report); to the Committee on the Judiciary.

REPORT ON THE BLACK LUNG PROGRAM

A letter from the Secretary of Labor, transmitting, pursuant to law, a report on the administration of the Black Lung program (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON SUPPLEMENTARY CENTERS AND SERVICES

A letter from the Chairman, National Advisory Council on Supplementary Centers and Services, transmitting, pursuant to law, the seventh annual report of the National Advisory Council on Supplementary Centers and Services (with an accompanying report); to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION TO CLARIFY THE STATUS OF NONAPPROPRIATED FUND PERSONNEL AT THE U.S. MERCHANT MARINE ACADEMY

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to clarify the status of nonappropriated fund personnel at the U.S. Merchant Marine Academy (with accompanying papers); to the Committee on Post Office and Civil Service.

PROPOSED LEGISLATION RELATING TO AGRICULTURE CENSUS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 142 of title 13, United States Code, entitled "Census" (with accompanying papers); to the Committee on Post Office and Civil Service.

PROPOSED LEGISLATION TO AMEND THE AGRICULTURAL ACT OF 1954

A letter from the Deputy Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 602 of the Agricultural Act of 1954 (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT OF LOAN TO WESTERN FARMERS ELECTRIC COOPERATIVE

A letter from the Administrator, Rural Electrification Administration, United States Department of Agriculture, transmitting, pursuant to law, information relating to a $5,097,000 insured loan and a commitment of a $10,383,000 loan guarantee to Western Farmers Electric Cooperative, of Anadarko, Oklahoma (with accompanying papers); to the Committee on Appropriations.

UMI

REPORT OF LOAN TO NORTHERN MICHIGAN ELECTRIC COOPERATIVE, INC.

A letter from the Acting Administrator, Rural Electrification Administration, United States Department of Agriculture, transmitting, pursuant to law, information relating to a $5,000,000 insured loan to Northern Michigan Electric Cooperative, Inc., Boyne City, Michigan (with accompanying papers); to the Committee on Appropriations.

REPORT OF DEFENSE CONTRACT AWARDS

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a listing of contract award dates for the period May 15 to August 15, 1975 (with accompanying papers); to the Committee on Armed Services.

PROPOSED CONSTRUCTION FOR THE AIR NATIONAL GUARD

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law, information on five construction projects proposed to be undertaken for the Air National Guard (with accompanying papers); to the Committee on Armed Services.

PROPOSED LEGISLATION TO MAKE CERTAIN TECHNICAL AMENDMENTS IN THE AVIATION CAREER INCENTIVE ACT

A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend the Aviation Career Incentive Act of 1974, P.L. 93-294, May 31, 1974, to make certain technical amendments for purposes of clarification, and for other purposes (with accompanying papers); to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to extend the special pay provisions for veterinarians and optometrists (with accompanying papers); to the Committee on Armed Services.

REPORT OF THE ASSISTANT SECRETARY OF DEFENSE

A letter from the Acting Assistant Secretary of Defense transmitting, pursuant to law, a report of Department of Defense Procurement from Small and Other Business Firms for June 1974—March 1975 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting, pursuant to law, a report on the Penn Central Transportation Company (with an accompanying report); to the Committee on Commerce.

REPORT OF THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

A letter from the Administrator of the National Highway Traffic Safety Administration transmitting, pursuant to law, a report of recent activities and decisions of the National Highway Traffic Safety Administration (with an accompanying report); to the Committee on Commerce.

REPORT OF THE SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury transmitting, pursuant to law, a report of a study on Treasury tax and loan accounts which the Treasury has just completed (with an accompanying report); to the Committee on Finance.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF THE DEPARTMENT OF THE TREASURY

A letter from the Fiscal Assistant Secretary of the Treasury transmitting, pursuant to law, a report on inventory of nonpurchased foreign currencies as of December 31, 1974 (with an accompanying report); to the Committee on Foreign Relations.

PROPOSED PLAN OF DISTRIBUTION OF JUDGMENT FUNDS

A letter from the Acting Secretary of the Interior transmitting, pursuant to law, a copy of a proposed plan for the use and distribution of the judgment funds awarded to the Suquamish Tribe of Indians in Docket 132 before the Indian Claims Commission (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF THE NATIONAL SAFETY COUNCIL

A letter from the President of the National Safety Council transmitting, pursuant to law, a report of the audit of the financial transactions of the National Safety Council for the year 1974 (with an accompanying report); to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE AIR FORCE

A letter from the General Counsel of the Department of the Air Force transmitting a draft of proposed legislation to provide for settlement under international agreements, of certain claims incident to the noncombat activities of the armed forces, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE DEPARTMENT OF AGRICULTURE

A letter from the Secretary of Agriculture transmitting a draft of proposed legislation to provide certain adjustments in the top-level policy staff of the Department of Agriculture (with accompanying papers); to the Committee on Post Office and Civil Service and the Committee on Agriculture and Forestry, jointly, by unanimous consent.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that a communication from the Department of Agriculture proposing legislation to provide certain adjustments in the top-level policy staff of the Department of Agriculture be referred jointly to the Committee on Post Office and Civil Service and the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Appropriations, with an amendment:

H.R. 6573. An act to rescind certain budget authority recommended in the message of the President of April 18, 1975 (H. Doc. 94-109), transmitted pursuant to the Impoundment Control Act of 1974 (together with the views of the Committee on the Budget) (Rept. No. 94-175).

By Mr. LONG, from the Committee on Finance, without amendment:

H.R. 6698. An act to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for U.S. citizens returned from abroad subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case (Rept. No. 94-176).

S. Res. 158. A resolution to clarify that the individual income tax rebate provided by the Tax Reduction Act of 1975, Public Law 94-12, is intended not to be subject to State income taxes (Rept. No. 94-177).

By Mr. LONG, from the Committee on Commerce, with amendments:

S. 1487. A bill to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes (Rept. No. 94-178).

By Mr. MAGNUSON, from the Committee on Commerce:

S. 1883. An original bill to conserve gasoline by directing the Secretary of Transportation to establish and enforce mandatory fuel economy performance standards for new automobiles and light-duty trucks, to establish a research and development program leading to advanced automobile prototypes, and for other purposes (together with additional views) (Rept. No. 94-179).

By Mr. CANNON, from the Committee on Rules and Administration:

S. Res. 176. An original resolution relating to the purchase of calendars (Rept. No. 94-180).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 165. A resolution authorizing supplemental expenditures by the Select Committee To Study Governmental Operations With Respect to Intelligence Agencies for an inquiry and investigation relating to intelligence activities carried out by or on behalf of the Federal Government (Rept. No. 94-181.)

S. Res. 169. A resolution authorizing additional expenditures by the Committee on Interior and Insular Affairs for routine purposes (Rept. No. 94-182).

H. Con. Res. 178. A concurrent resolution to authorize the printing of the hearing on amnesty (Rept. No. 94-183).

H. Con. Res. 177. A concurrent resolution providing for the printing as a House document a revised edition of the publication entitled "History of the United States House of Representatives" (Rept. No. 94-184).

By Mr. CANNON, from the Committee on Rules and Administration, with amendments:

S. Res. 80. A resolution authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve (Rept. No. 94-185).

S. Res. 137. A resolution authorizing the printing as a Senate document of the compilation "Majority and Minority Leaders of the Senate", prepared under the direction of the Secretary of the Senate by the Senate Parliamentarian (Rept. No. 94-186).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

Stanley K. Hathaway, of Wyoming, to be Secretary of the Interior. (Exec. Rept. No. 94-5).

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

REPORT ON THE OLD CATTLE TRAILS OF THE SOUTHWEST

Mr. JACKSON. Mr. President, in accordance with section 5(b) of the National Trails System Act—and pursuant to Public Law 90-453—I ask unanimous consent that a national scenic trail study on the "Old Cattle Trails of the Southwest" be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HARTKE (for himself and Mr. PEARSON) (by request):

S. 1876. A bill to amend the Interstate Commerce Act, as amended, to modernize and reform the regulation of railroads, to allow more flexibility in establishing rates, to provide adequate prior notice of the abandonment of rail lines, and to assist in the financing of rail transportation, to develop a rolling stock scheduling and control system, and for other purposes. Referred to the Committee on Commerce.

By Mr. HANSEN:

S. 1877. A bill to provide for the duty-free entry of binder twine and baler twine made of manmade fibers. Referred to the Committee on Finance.

By Mr. TOWER (for himself, Mr. BARTLETT, Mr. CURTIS, Mr. DOLE, and Mr. FANNIN):

S. 1878. A bill to amend the Federal Water Pollution Control Act, as amended, to define the term "navigable waters" as it applies to Corps of Engineers authority and responsibility to regulate the discharge of dredged or fill material. Referred to the Committee on Public Works.

By Mr. HARTKE (for himself and Mr. MAGNUSON):

S. 1879. A bill to regulate commerce and promote transportation by bicycle by establishing a program for the conversion of railroad rights-of-way that are sought to be abandoned, and for other purposes. Referred to the Committee on Commerce and the Committee on Interior and Insular Affairs, jointly, by unanimous consent.

By Mr. BAYH:

S. 1880. A bill to amend the Gun Control Act of 1968 and the Controlled Substances Act and other laws to strengthen existing law enforcement authority to curb violent crime. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1881. A bill to amend title 38 of the United States Code to provide for cost-of-living adjustments to disability compensation rates payable to veterans residing outside the contiguous United States. Referred to the Committee on Veterans' Affairs.

By Mr. INOUYE (for himself and Mr. PEARSON) (by request):

S. 1882. A bill to establish a national policy relating to conversion to the metric system in the United States. Referred to the Committee on Commerce.

By Mr. MAGNUSON, from the Committee on Commerce:

S. 1883. A bill to conserve gasoline by directing the Secretary of Transportation to establish and enforce mandatory fuel economy performance standards for new automobiles and light-duty trucks, to establish a research and development program leading to advanced automobile prototypes, and for other purposes. Placed on the Calendar.

By Mr. BENTSEN:

S. 1884. A bill making a supplemental appropriation for the Department of Labor for the fiscal year ending June 30, 1975, to provide additional funds for youth summer employment programs pursuant to the Comprehensive Employment and Training Act of 1973. Referred to the Committee on Appropriations.

By Mr. MOSS:

S. 1885. A bill for the relief of Mei Ngor Tse Leo. Referred to the Committee on the Judiciary.

By Mr. FORD:

S. 1886. A bill for the relief of Hyun Sook Byun. Referred to the Committee on the Judiciary.

By Mr. TUNNEY (for himself, Mr. ABOUREZK, Mr. BAYH, Mr. BURDICK, Mr. FONG, Mr. MATHIAS, Mr. HUGH SCOTT, and Mr. THURMOND):

S. 1887. A bill to protect the civilian employees of the executive branch of the United States Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy. Referred to the Committee on the Judiciary.

By Mr. MATHIAS (for himself, Mr. MANSFIELD, Mr. PHILIP A. HART, Mr. JAVITS, Mr. KENNEDY, Mr. NELSON, and Mr. PEARSON):

S. 1888. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. CLARK:

S. 1889. A bill to amend and improve the Agricultural Trade Development and Assistance Act of 1954. Referred to the Committee on Agriculture and Forestry.

By Mr. MATHIAS:

S. J. Res. 89. A joint resolution designating John Philip Sousa's "The Stars and Stripes Forever" as the national march of the United States. Referred to the Committee on the Judiciary.

By Mr. DOMENICI:

S. J. Res. 90. A joint resolution to authorize the President of the United States to designate "National Ski Week." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARTKE (for himself and Mr. PEARSON) (by request):

S. 1876. A bill to amend the Interstate Commerce Act, as amended, to modernize and reform the regulation of railroads, to allow more flexibility in establishing rates, to provide adequate prior notice of the abandonment of rail lines, and to assist in the financing of rail transportation, to develop a rolling stock scheduling and control system, and for other purposes. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, at the request of President Ford, I am introducing the Railroad Revitalization Act. This bill would amend the ratemaking authority of the Interstate Commerce Commission and State regulatory agencies, reduce the powers of railroad rate bureaus, prohibit discriminatory State taxation of common carriers, provide $2 billion in loan guarantees for the improvement of railroad facilities and equipment, amend section 5 of the Interstate Commerce Act to facilitate railroad mergers, authorize the establishment of a national rolling stock scheduling and control system, and amend the national transportation policy.

With the exception of those provisions which would amend the restrictions upon the Interstate Commerce Act, all these provisions have been before us in various forms for several Congresses. Some have been judged by past Congresses to be likely to have little or no effect upon the quality of transportation service in the country. Others have been adopted by one of the two Houses and opposed by previous administrations. In any case, it is clear that the bill provides no magic solutions to our transportation problems.

However, I believe that this is the Congress that will dispose of many of these issues. The Commerce Committee will therefore be considering this and other bills to amend the Interstate Commerce Act in the context of its review of the Nation's transportation system and our transportation regulatory agencies. Upon completion of that review, and solicitation of written comment upon this and the other bills before the committee, we will take such legislative action as appropriate.

By Mr. HANSEN:

S. 1877. A bill to provide for the duty-free entry of binder twine and baler twine made of manmade fibers. Referred to the Committee on Finance.

Mr. HANSEN. Mr. President, the beef and dairy producers of this country are currently caught in a terrible cost/price squeeze. This unfortunate fact has forced, and continues to force, thousands of beef and dairy producers out of business.

Certainly, it is a strange and sad situation when the Nation's food producers can no longer make a living and are forced out of business at a time when retail food prices are reaching an all-time high. A reduction in the number of food producers aggravates the problem of high retail food prices by reducing the amount of available food products.

Mr. President, this unfortunate situation has arisen because in recent years production costs have far exceeded the prices beef and dairy producers have received for their products. The legislation I offer today helps remedy this situation by reducing the cost of a product which is an important link in beef and dairy production—synthetic baler and binder twine.

Mr. President, the problem that beef and dairy producers face in this regard is because of the greatly increased demand for baler and binder twine, the price of this commodity has skyrocketed. My bill will help ease this situation by eliminating the import duty on synthetic baler and binder twine, thus reducing the price and increasing the supply of this much-needed product.

In fiscal 1974, hay was the fourth most important U.S. crop, with a total production of 127 million tons valued at $5.8 billion. Hay is an important crop, not only because of its dollar value, but be-

UMI

cause it is a basic feed used in the production of dairy and beef products, products which are an important part of the American diet.

About 90 percent of the U.S. hay crop is normally baled. Of this volume, about 80 percent is baled with twine for on-farm consumption. The remaining 20 percent—mostly commercial hay—is baled with wire.

The problem the American beef and dairy producer faces is that the price of the baler and binder twine has risen over 300 percent during the past year. This has occurred because, despite the rise in demand for baler and binder twine, total world supply has remained relatively unchanged.

The United States is the leading world market for baler and binder twine with an annual demand of approximately 300 million pounds. Over 90 percent of this requirement is made from natural fibers, with the remainder made from synthetic fibers. Of the 300 million pounds needed, about 250 million pounds is imported—235 million pounds of natural fiber, 15 million pounds of synthetic fiber. Of the 50 million pounds produced domestically, 35 million pounds are produced from imported natural fiber, and 15 million pounds are produced as synthetic twine.

There is no import duty on natural fiber baler twine. The import duty on synthetic fiber twine is 12½ cents per pound plus 15 percent ad valorem on imports from countries receiving most-favored-nation tariff treatment. This duty currently amounts to about 20 percent of the port-of-entry price and is so high that it greatly discourages imports of synthetic baler and binder twine.

Mr. President, if the supply of baler and binder twine in the United States is to increase to meet this Nation's increased demand, it will occur only by eliminating the present duty on synthetic baler and binder twine.

The United States cannot rely upon increased production of natural fiber twine to meet this critical need. With the exception of one domestic producer, all natural fiber baler and binder twine is imported. The one domestic producer must rely on imported natural fiber because the United States produces no natural twine fiber. Because it takes from 3 to 6 years, from planting to harvest, before natural twine fiber is ready for twine production, current U.S. requirements cannot be met by natural fiber twine.

Mr. President, the fact is that American beef and dairy producers cannot wait for 3 to 6 years for natural fiber twine. These producers have been told, for the last several years, that if they sit patiently and wait, increased amounts of natural fiber twine will be forthcoming. Well, there hasn't been any increased production despite the fact that the price of natural fiber twine has increased substantially.

Moreover, Mr. President, the beef and dairy producers of this country cannot rely on increased domestic production of synthetic fiber twine. Domestic producers of synthetic twine have long had a significant price advantage over foreign producers because of the approximate 20 percent import duty. Despite this advantage, domestic producers are unable to supply U.S. farmers and ranchers with sufficient quantities of baler and binder twine at reasonable prices.

Mr. President, to meet the current demand, the beef and dairy producers of this Nation must look for increased foreign supplies. The bill I introduce today will promote increased supplies. My bill will remove the duty on synthetic baler and binder twine. Elimination of this duty will assure adequate supplies and reduce the production costs for beef and dairy products. This will help lessen the tide of beef and dairy producers forced out of business, and provide the consumer with larger supplies of beef and dairy products at lower prices.

A similar bill has been introduced on this subject in the House by Congressman WILLIAM STEIGER and has 34 cosponsors. I am hopeful that this measure will receive prompt attention by the Senate.

Mr. President, I ask unanimous consent that my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1877

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part 2 of schedule 3 of the Tariff Schedules of the United States (19 U.S.C. 202) is amended by striking out items 316.60 and inserting in lieu thereof the following:

	Of manmade fibers:		
316.62	Binder twine and baler twine.	Free	Free.
316.64	Other	12.5¢ per lb. + 15% ad val.	45¢ per lb. + 65% ad val.

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

By Mr. TOWER (for himself, Mr. BARTLETT, Mr. CURTIS, Mr. DOLE, and Mr. FANNIN):

S. 1878. A bill to amend the Federal Water Pollution Control Act, as amended, to define the term "navigable waters" as it applies to Corps of Engineers authority and responsibility to regulate the discharge of dredged or fill material. Referred to the Committee on Public Works.

Mr. TOWER. Mr. President, I am today introducing an amendment to the Federal Water Pollution Control Act so that this body may consider a solution to a most difficult problem facing not only the farmers and outdoor enthusiasts of Texas, but across the Nation, a problem which is most recent in origin, but most devastating in its effect.

When this body originally considered legislation which eventually became the Federal Water Pollution Control Act, and when we enacted amending legislation to that act, emphasis was given to the traditional role which States play in planning and developing the use of their own land and water resources. Never was it envisioned that control over these resources should pass to the Federal Government, and in fact, the language of the act is quite to the contrary.

For years, the Army Corps of Engineers has contributed greatly to aid the States in that responsibility, strictly maintaining a presence in keeping with congressional intentions of what the corps role should be. That role was one of a limited nature, one which would not interfere in the rights and responsibilities of the States and of individuals to maintain, improve, protect, and plan for the use of water and land resources. There is no question but that Congress, historically, has reserved these rights and responsibilities to the States, and in cases where the States have chosen to leave open, to the individual.

But the judicial system has seen fit to change that legislative intention, to thwart that legislative will. In the recent district court decision of Natural Resources Defense Council against Callaway, the judicial branch said:

> No, Mr. Secretary of the Army, you must be mistaken in your interpretation of legislation concerning the Corps of Engineers. Congress could not have meant what it said. But we will tell you, instead, what Congress ought to have said.

That decision, Mr. President, which required the corps to adopt an interpretation of our legislation far in excess of what was intended, is judicial usurpation of the worst sort. That decision, Mr. President, if carried to conclusion, will expand the jurisdiction of the Corps of Engineers beyond anything possibly imagined by Congress.

In effect, it would give the corps authority over every lake, stream, river, wetland, and irrigation project in every State of the Union, effectively stripping the governments of the States of their ability to administer those resources which traditionally have been theirs to administer. What is more frightening, but no less threatening, is that the corps would assume control over the activities of a great portion of our Nation's farmers, who have been led to believe in individual rights and responsibilities for resource management, which would fast become a myth if the effects of this court decision are allowed to pass.

Mr. President, the impact of this decision—if we allow it to stand in its effects—goes beyond the impact on the States and the individual farmers of this country. The Corps of Engineers estimates that this decision will require more than 2,000 new employees, and an increase of $53 million in corps payroll. Now, I do not want it to appear that I am opposed to the creation of new jobs in our economy, but if we are to create new jobs, let it be as a result of our decision as legislators, not as the result of judicial fiat. And if new jobs are created, let us put those jobs in a sector of the economy where the impact will be most beneficial. crease of $53 million in corps payroll. with unneeded functionaries, performing a service no one wants.

And there is no question about who wants this change. Certainly the States do not welcome such intrusion. And the farmers who have been calling my office do not want it. The Texas Senate has passed a resolution opposing this disaster, and the principle executive officers of the Texas government have written in opposition to it. As a matter of fact, not even the Corps of Engineers wants to implement the decision of the district court.

For these reasons, I am introducing legislation which would negate the effect of that court decision. This is not a far-reaching, or terrifically complicated, piece of legislation. It does not seek to accomplish some grand design of government. My bill seeks only to return this very grave situation to its former proportions. The bill does one thing—it defines "navigable waters" in precisely the way the Corps of Engineers has defined that term for years, and under which definition the corps has carried out its work at the direction of Congress.

What this bill seeks to do is to provide legislative instructions to the district courts in the future concerning our intentions when we enacted the Federal Water Pollution Control Act. It is incredible to me that we should be forced to this much effort to make our intentions clear, when we, the corps, the Environmental Protection Agency, the States, the farmers, and everyone else except a district judge, was clear on those intentions. But since it appears that it must be done, this is the bill which will get the job done.

I am aware that other of my distinguished colleagues have introduced measures which address this and other varied problems in this general area. I have offered my cosponsorship to one of these, that of my friend, the Senator from Kansas (Mr. DOLE). Were I satisfied that action could be taken swifty to accomplish the necessary change which I propose here, it would not be necessary to introduce this bill. But I feel the situation is so urgent, that the problem is so enormous in its impact, and that the corrective action needed can be provided precisely by a more limited bill, that I propose this solution to my colleagues, and urge prompt action to remedy this regretful situation.

By Mr. HARTKE (for himself and Mr. MAGNUSON):

S. 1879. A bill to regulate commerce and promote transportation by bicycle by establishing a program for the conversion of railroad rights-of-way that are sought to be abandoned, and for other purposes. Referred to the Committee on Commerce and the Committee on Interior and Insular Affairs jointly, by unanimous consent.

CONVERSION OF ABANDONED RAILROAD RIGHTS-OF-WAY ACT

Mr. HARTKE. Mr. President, today I am introducing a small, simple measure that should go a long way toward increasing and enhancing the recreational facilities available to the people of this nation at a rather minimal cost. The bill, simply stated, increases the money available for the purchase of abandoned railroad rights-of-way for future public use as bicycle paths, hiking trails nature study facilities, and similar recreational areas.

The Federal Government has a number of programs which have in the past been used to aid in the purchase of rights-of-way, along with other kinds of land. This bill would increase the coordination among such programs and would make $25 million available specifically for the purchase and development of railroad rights-of-way. The bill would not cause the abandonment of any railroad rights-of-way, but it would make sure that, where appropriate, rights-of-way that have already been abandoned or are scheduled for abandonment could be utilized for future public use.

There are currently at least five public trails developed from railroad rights-of-way and at least one public trail that has been developed from a canal right-of-way—the C. & O. Canal towpath which begins at the edge of Washington, D.C. and runs to Cumberland, Md. Other trails are being planned now.

As anyone who has gone out and walked along the C. & O. Canal knows, public trails near cities are heavily used during all parts of the year. These trails are eminently suitable for popular activities ranging from hiking to picknicking to bicycling to jogging to, in the winter, cross-country skiing and snowshoeing. In the proper circumstances, these facilities can also be used by motorcyclists or horseback riders. Indeed, linear facilities are among the most heavily used of all public recreational areas.

Public trails are as expensive as they are popular and they go far in stretching the Nation's recreational dollar. The 32-mile Elroy Sparta trail, in Wisconsin, for example, was purchased from a railroad in 1965 at a cost of $12,000, a mere $357 per mile. The Illinois Prairie Pass, near Chicago, was acquired in 1965 at a cost of about $31,000 per mile, and a smaller right-of-way was purchased in California for around $22,000 per mile. In Seattle, Wash., a trail in the city itself along the waterfront of a large and beautiful lake, was purchased for only $120,000 per mile.

The development costs are similarly low. Experience has shown that a trail can be prepared for as little as $2,000 per mile. Sometimes, the State can utilize the cinder ballast left by the railroad and reduce the development costs even further. At the other end of the scale, a deluxe, first-class asphat trail can be developed for $60,000 or less per mile.

This proposed bill is introduced at a time when Americans are purchasing bicycles at about the rate of 10 million per year. Over half of these bicyclists are adults who use them extensively for recreation. Last year, more bicycles were sold than automobiles in the United States.

As more and more people begin using bicycles, the lack of separate bikeways is causing overcrowding and is increasing dramatically the number of accidents between cars and bicycles. A recent nationwide inventory by the Bureau of Outdoor Recreation, indicates that throughout the United States there are fewer than 3,000 miles of urban and suburban bikeways. While bikeway planning and development has increased in the past few years, the increase has not kept pace with the vast increase in the number of bicycles purchased and used.

Congress has been aware of this problem, and in section 206(c)(1)(E) of the Regional Rail Reorganization Act of 1973, the U.S. Railway Association was directed to look into the feasibility of future public use of railroad rights-of-way as public recreation facilities when such rights-of-way were abandoned. With the help of the Interior Department, 660 miles of track in the Northeast and Midwest were found to be potentially suitable for recreational purposes. At the same time, the Interstate Commerce Commission has been receptive to efforts aimed at insuring that future public use of abandoned rights-of-way is considered in a timely fashion.

The problem, as pointed out in the report called, "From Rails to Trails" put out by the Citizens Advisory Committee on Environmental Quality, is that there are not sufficient public funds available to take sufficient advantage of the opportunities offered by the increasing pace of abandonments. Since the present circumstances of many railroads raise the possibility of more abandonments in all parts of the country, it is now crucial that we have the resources for acquisition and development of rights-of-way in the appropriate cases.

The bill I am introducing would require the Secretary of Transportation to work with the Department of the Interior, the Interstate Commerce Commission, the U.S. Railway Association, other Federal groups, and State and local groups in identifying, in a coherent fashion, those railroad rights-of-way which have been or are to be abandoned and which are potentially suitable for public recreational use. That effort should help coordinate the activities of Federal and State and local groups in selecting out those facilities which would yield the greatest return.

The Secretary is further authorized to provide funds for ongoing Federal or State programs for the purpose of acquiring suitable rights-of-way. Such ongoing programs including the Land and Water Conservation Fund administered by the Bureau of Outdoor Recreation, the National Trail System, and similar public recreational programs. Many of these would, in turn, fund State programs. The Secretary would make direct grants himself only in the case that a proposed public use fell outside the boundaries of existing programs. The purpose is not to create a new bureaucracy, but to increase the funding of ongoing programs.

Finally, the bill would amend the Interstate Commerce Act to require that a carrier seeking to abandon a line provides the Interstate Commerce Commission with "satisfactory assurances" that it has cooperated with the Secretary of Transportation in studying the right-of-way for potential public recreational use.

This simple bill will yield benefits for years to come by dramatically increasing the recreational facilities available to all citizens of this country. This is not the kind of measure that will cause giant headlines or create or solve world crises. However, it is the kind of measure that can make a small, quiet improvement in the lives of millions of people by providing them with an opportunity for outdoor recreation they now do not have. For this reason, I urge your careful and prompt consideration of this measure.

Mr. President, I ask unanimous consent that the full text of the Conversion of Abandoned Railroad Right of Way Act

be reprinted in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1879

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Conversion of Abandoned Railroad Rights of Way Act".

DECLARATION OF POLICY

SEC. 2. (a) The Congress finds and declares that—

(1) Transportation by bicycle is being increasingly utilized by Americans to reduce energy consumption and for purposes of health and recreation. In the last few years, more bicycles were purchased than automobiles by consumers, a majority of them for adult use.

(2) Transportation by bicycle is limited by the lack of bicycle paths, although the success of such routes as the Cargill Long Park Trail in Texas, the Elroy-Sparta Trail in Wisconsin, the Burke-Gilman Trail in the State of Washington, the C&O Canal Towpath in the District of Columbia and Maryland have proven the feasibility and popularity of linear recreational areas.

(3) Additional such facilities can be acquired by conditioning the abandonment of all or any portion of a line of railroad on the conversion of such property into a right-of-way for transportation by bicycle and related recreational activity such as walking, picnicking, nature study, and cross-country skiing.

(b) It is therefore declared to be the purpose of Congress in this Act to amend the Interstate Commerce Act to include consideration of such conversion in a proposed abandonment and to direct the Secretary of Transportation to establish and maintain a program to coordinate the acquisition and development of such rights-of-way for use for transportation by bicycle.

ADVISORY COUNCIL

SEC. 3. The Secretary of Transportation, in consultation with the Department of the Interior, the Rail Services Planning Office of the Interstate Commerce Commission, the United States Railway Association, and the Environmental Protection Agency, and other appropriate Federal, State and regional transportation agencies, and other state and local authorities, shall identify those railroad rights-of-ways, or segments of rights-of-way, on which rail service has been permanently terminated and which are scheduled for terminations of service or likely terminations of service and which are potentially suitable for public recreational use including, but not limited to—

(1) inclusion in the National Trails System;

(2) utilization by a State, regional, or local entity for use as a State administered bikeway, walkway, or similar facility;

(3) creation of or addition to a Federal, state, or local National Monument, Historic site, park, wildlife refuge, greenbelt area or other public open-space facility.

INFORMATION AND FUNDING

SEC. 4. To ensure an accelerated program of conversion of rights-of-way, the Secretary of Transportation shall keep interested Federal, state, and local authorities, and private groups informed on a continuing basis of the information generate about rights-of way that have been abandoned or are scheduled for abandonment. The Secretary shall encourage information sharing about utilization of railroad rights-of-way, technologies affected by such utilization, and other appropriate information between interested groups within and without the government and shall seek voluntary cooperation between states, local governments, and private groups to enhance the value of the converted rights-of-way. The Secretary shall also provide assistance in creating conversion programs and implementing specific projects, in an expeditious manner. Such assistance shall include, but is not limited to—

(1) Providing funds for the Land and Water Conservation Fund (16 U.S.C. 460L), to be administered by the Bureau of Outdoor Recreation, in consultation with the Secretary of Transportation, for making grants to States to enable a State to plan, acquire, and develop recreational facilities on abandoned rights-of-way. Payments to States from the Land and Conservation Fund for projects authorized by this Act shall cover not more than 90 percent of the cost of planning, acquisition or development in any particular projects;

(2) Providing funds to the Secretary of the Interior for planning, acquisition, and/or development of rights-of-way included in the National Trails System under the National Trails System Act (16 U.S.C. 1241), or for the planning, acquisition, and/or development of rights-of-way to be included in or to be made into National Parks, National Recreation Areas, Wildlife Refuges or other national areas available for public recreation;

(3) Making grants to States for specific demonstration projects aimed at enhancing public utilization of such rights-of-way in a manner not contemplated by existing government programs. To be eligible for such a grant, a State will show why its proposal stands outside of existing sources of federal aid and shall evaluate the likely application of the proposal in generating information or experience of potential value for future programs; and

(4) Providing technical assistance to other federal agencies, to States, local agencies, and to provide groups for the purpose of enhancing conversion projects. To increase the available information and expertise, the Secretary of Transportation is authorized to contract for special studies or projects and otherwise collect, evaluate and dissiminate information dealing with utilization of such rights-of-way.

CONFORMING AMENDMENT

SEC. 5. Section 1(18) of the Interstate Commerce Act, as amended (49 U.S.C. 1(18)) is amended by inserting before the last sentence thereof the following new sentence: "The Commission shall not issue a certificate that the present or future public convenience and necessity permit of such abandonment, until the carrier by railroad which seeks such a certificate provides satisfactory assurances to the Commission that it has cooperated with the Secretary of Transportation pursuant to the Conversion of Abandoned Railroad Rights of Way Act.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 6. To carry out the provisions of this Act, there are authorized to be appropriated $25 million for the fiscal year ending June 30, 1976, and for the subsequent two fiscal years. Of the funds appropriated, the Secretary is to make three-fifths available for carrying out section 4(a).

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the bill introduced earlier by the Senator from Indiana (Mr. HARTKE) relating to the conversion of abandoned railway rights-of-way, be referred jointly to the Committee on Commerce and the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. BAYH:

S. 1880. A bill to amend the Gun Control Act of 1968 and the Controlled Substances Act and other laws to strengthen existing law enforcement authority to curb violent crime. Referred to the Committee on the Judiciary.

VIOLENT CRIME AND REPEAT OFFENDER CONTROL ACT OF 1975

Mr. BAYH. Mr. President, today I am introducing the Violent Crime and Repeat Offender Control Act of 1975. This legislation is designed to provide new and practical weapons to facilitate the Nation's effort to curb violent crime. The bill is reflective of my judgment that the time for talk and tired rhetoric whether it be of "law and order" or "domestic tranquility" has long since passed. The time for action is now.

We are all too familiar with the litany of violence reported daily by the press and media. A frightening and ever-increasing number of our citizens have personally been victims of violent criminal acts. It's shocking, indeed, to learn that a child born last year is more likely to be murdered than a World War II American soldier was likely to die in combat.

Recent polls reveal that half of our citizens are afraid to walk alone at night in their own neighborhoods and that nearly 20 percent do not feel safe in their homes at night whether in suburban or urban areas.

In our large cities crime was cited by citizens responding to a 1973 Gallup poll as their top concern, twice the percentage—22 percent—of the next most important problem.

There is good reason for such concern. According to FBI statistics since 1960 violent crime—murder, aggravated assault, forcible rape, and robbery—have increased 204 percent, from 286,000 violent crimes in 1960 to 869,470 in 1973.

Since 1968 murders have increased 42 percent from 13,720 to 19,510 in 1973.

Since 1968 aggravated assaults have increased 47 percent from 283,720 to 416,270 in 1973.

Since 1968 forcible rape have increased 62 percent from 31,410 to 51,000 in 1973.

Since 1968 robberies have increased 46 percent from 261,780 to 382,680 in 1973.

Although there was a reported decrease in all serious crime, which in addition to violent crime includes auto thefts, larceny-theft over $50, and burglary, in 1972 violent crime continued its ever-escalating trend, in fact during that much heralded election year murder was up 5 percent, aggravated assault was up 7 percent, and forcible rape was up 10 percent.

The number of juveniles arrested for serious and violent crimes increased 1,600 percent in the 20 years between 1952 and 1972. Today, youths between the ages of 10 and 17 make up 16 percent of our population, yet these same youths account for 45 percent of all persons arrested for serious crime.

Fifty-one percent of those arrested for property crimes and 23 percent for violent crimes have not yet reached their 18th birthday. That part of our population, which is under 22 years old, account for 61 percent of the total arrests; while those 25 and under account for a staggering 75 percent of the total number of people arrested annually for serious offenses. In New York City today, boys and girls 15 years old and under are committing one-third of all violent felonies.

The seriousness of the present situation was dramatically underscored in recent testimony at our subcommittee's inquiry into juvenile delinquency in our elementary and secondary schools. It was estimated at that hearing that vandalism in our schools is costing the American taxpayer over $590 million per year. Moreover, a survey of 757 school districts across the country conducted by the subcommittee staff, entitled "Our Nation's Schools—A Report Card: 'A' in School Violence and Vandalism," found that teachers and students are being murdered, assaulted, and robbed in the hallways, playgrounds, and classrooms of American schools at an ever-escalating rate. Between 1970 and 1973, for instance, 362 teachers were assaulted in Dayton, Ohio, schools. In the Kansas City school system over 250 teachers were attacked in that same period. Each year, in fact, approximately 70,000 teachers are physically assaulted in this country, ranging from the shooting death of an elementary school principal in Chicago by one of his pupils to the beating of a high school math teacher in Omaha.

These figures are indeed alarming, but what is perhaps more frightening is that the system of juvenile justice which we have devised to meet this problem has not only failed, but has, in many instances, succeeded only in making first offenders into hardened criminals. Recidivism among youthful offenders under 20 is the highest among all age groups and has been estimated, in testimony before our Juvenile Delinquency Subcommittee, at between 75 and 85 percent.

For more than 4 years as chairman of the subcommittee I have stressed these concerns, but more importantly the failure of the Federal Government to adequately respond to juvenile crime and to make the prevention of delinquency a Federal priority.

The Juvenile Justice and Delinquency Act—Public Law 93-415—is the product of these many years of work. It was developed and supported by bipartisan groups of citizens throughout the country and was sent to the President by strong bipartisan majorities in both Houses of Congress. It passed the Senate by a vote of 88 to 1 and the House of Representatives 329 to 20.

This act is designed to prevent young people from entering our failing juvenile justice system and to assist communities in developing more sensible and economic approaches for youngsters already in the juvenile justice system.

Each year an excessive number of juveniles are unnecessarily incarcerated in crowded juvenile or adult institutions simply because of the lack of a workable alternative. The need for such alternatives to provide an intermediate step between essentially ignoring a youth's problems or adopting a course which can only make them worse, is evident.

Past Federal efforts to provide alternatives have been inadequate and have not recognized that the best way to combat juvenile delinquency is to prevent it. The act is based on the age old proven conviction that an ounce of prevention is worth more than a pound of cure. The act represents a Federal commitment to provide leadership, coordination and a framework for using the Nation's resources to assist State and local agencies, both public and private to deal more effectively with juvenile crime and delinquency prevention.

Some youthful offenders must be removed from their communities for society's sake as well as their own. But the incarceration should be reserved for those youths who cannot be handled by other alternatives.

I believe the Juvenile Justice and Delinquency Prevention Act of 1974 represents a constructive and workable approach in a joint Federal, State, local—public and private—effort to prevent delinquency and reverse the alarming rise in juvenile crime.

The recent General Accounting Office report "How Federal Efforts To Coordinate Programs to Mitigate Juvenile Delinquency Proved Ineffective" which was presented to the subcommittee by Comptroller General Staats in April of this year concurs with my assessment when it concludes "Since juveniles account for almost half the arrests for serious crimes in the Nation, adequate funding of the Juvenile Justice and Delinquency Prevention Act of 1974 would appear to be essential in any strategy to reduce the Nation's crime."

Unfortunately, while the Ford administration professes to be shocked and concerned over the skyrocketing crime rate, it has responded with marked indifference to the Juvenile Justice and Delinquency Prevention Act. In fact our recent April hearing on the implementation of the act was in part an attempt to fathom the reasoning which underlies White House and Office of Management and Budget policy designed to stifle this major bipartisan congressional and citizens mandate tailored to address the soaring rate of juvenile crime and to prevent delinquency. What we learned was that these concerns are at best secondary in this administration.

We are obviously confronting a very serious situation and I for one am becoming increasingly frustrated with the enormous gap between the rhetoric and the reality of this administration's concern over rising crime. We cannot begin to solve the problems of crime in our neighborhoods, schools, businesses, streets and homes by gathering statistics and wringing our hands over the sad picture they present.

It is hard to predict what it will take to awaken the administration to their responsibility to the American people. Two years ago, in 1973, a violent crime was committed every 36 seconds. The recently released FBI report on trends in crime for 1974 presents an even grimmer picture. Serious crime in the United States rose 17 percent last year, the highest annual increase since the FBI began collecting crime data 45 years ago.

Violent crime generally increased 11 percent nationally, with a 16 percent increase in suburban areas and an even greater increase in areas with populations between 10,000 and 50,000.

In 1974 murder was up 5 percent nationally and 12 percent in suburban areas.

In 1974 rape was up 9 percent nationally, 12 percent in suburban areas and 16 percent in areas with populations 25,000 to 50,000. The Washington suburbs witnessed a 27.5 percent increase.

In 1974 aggravated assaults were up 9 percent nationally, 13 percent in suburban areas, 16 percent in areas with populations 25,000 to 50,000 and 19 percent in Washington suburbs.

In 1974 robbery was up 14 percent nationally, 22 percent in suburban areas, 25 percent in rural areas and 30 percent in cities 25,000 and under in population. Washington suburbs experienced a 26 percent increase. In Indianapolis robberies rose from 1352 in 1973 to 2343 in 1974.

Additionally, recent studies sponsored by the Law Enforcement Assistance Administration reveal that even these frightening rates of reported crimes are extremely conservative. They found that for rapes and robberies, the number actually experienced was about twice the number reported and for every aggravated assault reported five were actually committed.

The Violent Crime and Repeat Offender Control Act which I am introducing today addresses directly important aspects of violent crime. It includes the following provisions:

First. Limitations on the availability of small easily concealable handguns;

Second. Mandatory penalties for the commission of crimes involving firearms;

Third. Mandatory penalties for the illegal purchase of firearms by felons;

Fourth. Mandatory penalties for dealers or others who knowingly sell firearms to known felons;

Fifth. Reporting of gun thefts by licensees under the 1968 Gun Control Act;

Sixth. Mandatory penalties for the sale of firearms for illicit interstate purposes;

Seventh. Mandatory penalties for the manufacture, distribution or sale of heroin and morphine; and

Eighth. Establishing the robbery of a pharmacy for purposes of obtaining controlled dangerous drugs as a Federal offense; and

Ninth. The denial of favorable Youth Correction Act sentencing alternatives to persons convicted of violent crimes.

The President recently spoke about this concern regarding violent crime. He said he did not want to talk of law and order but of insuring domestic tranquility. I was immediately reminded of former President Nixon's March 1973 crime message which he closed by saying:

> The American people are a law-abiding people. They have faith in the law. It is now time for Government to justify that faith by insuring that the law works, that our system of criminal justice works, and that "domestic tranquility" is preserved.

One can quibble about whether it was "law and order" or "domestic tranquility" but what the former administration

UMI

did to ostensibly instill "faith that the law works" is unmistakenly clear.

The Nixon administration gave us justice wearing not a blindfold, but a patch over one eye and with a partisan thumb on the scales.

It gave us official lies about the war in Vietnam, official burglaries, and official but illegal wiretapping and surveillance.

It gave us a Vice President who cheated on his income taxes, an Attorney General who obstructed justice, and a President who chose to cover up what was wrong rather than face up to what was right.

This is the dismal legacy of Richard Nixon and John Mitchell.

It is true that if we take crime rates as an indication, we have not provided the domestic tranquillity of which the President reminded us the Constitution speaks. But tired rhetoric, hand wringing, and indifference which have marked this administration's position on crime to date serve not to alleviate our citizen's burdens but only to increase them deeper of concern.

A significant portion of the measure I introduce today is not new to the Senate. In fact many of its provisions have been approved by this body in earlier years, particularly the sections addressing the heroin trafficker and the continuing proliferation of crime handguns which are both cited by many law enforcement officials as intimately related to violent crime.

CRIME HANDGUNS

Title II of my new bill passed the Senate, as S. 2507, in August 1972, by a vote of 68 to 25. That measure was commonly referred to as the "Saturday night special" bill. It was supported by a strong bipartisan majority of 37 Democrats and 31 Republicans. I was especially gratified that the then Republican National Chairman, Senator ROBERT DOLE, the Senate Republican leader, Senator HUGH SCOTT, Senators BILL BROCK and JIM BUCKLEY along with Senator ROMAN HRUSKA and other ranking Republicans on the Judiciary Committee supported my approach. The following Senators voted for the measure:

Aiken, Allott, Anderson, Bayh, Beall, Bellmon, Boggs, Brock, Brooke, Buckley, Burdick, Byrd, Harry F., Jr., Byrd, Robert C., Case, Chiles, Cook, Cooper, Cotton, Cranston, Dole, Eagleton.

Edwards, Ervin, Fong, Fulbright, Griffin, Gurney, Harris, Hart, Hartke, Hatfield, Hollings, Hruska, Hughes, Humphrey, Inouye, Jackson, Javits, Jordan, N.C., Jordan, Idaho, Kennedy, Long, Magnuson, Mathias.

McGovern, McIntyre, Miller, Muskie, Nelson, Pastore, Pearson, Percy, Proxmire, Randolph, Ribicoff, Roth, Scott, Smith, Sparkman, Spong, Stevenson, Symington, Talmadge, Thurmond, Tunney, Williams, Young.

There is no simple or easy solution for stopping the increase in crime. Our criminal laws must be more strictly enforced. Those who violate them must be swiftly apprehended and dealt with fairly but expeditiously according to the law. Our penal system must be reformed to remedy its ineffectiveness which results in more than 70 percent of those who are imprisoned continuing a life of crime when they are released. We must give more attention to preventing the "first crime" by dealing more effectively with the underlying social problems on which crime breeds.

Title II, the Handgun Crime Control Act, however, represents an important step we can take. We can limit the sale of those weapons which are used by most criminals. These are not sporting weapons but handguns only good for shooting people.

Since 1963, the Subcommittee to Investigate Juvenile Delinquency has conducted extensive investigations on a broad range of proposed firearm legislation. Hearings conducted from 1963 to 1968 established that the availability of easily concealable, typically inexpensive handguns, having no legitimate sporting purposes, constituted a serious threat to law enforcement, to the public safety and welfare, and to the integrity of State firearms control laws.

Because the hearings had demonstrated that these crime guns, known as "bellyguns," "Saturday night specials," or "man-stoppers," came primarily—up to 80 percent—from foreign shores, Congress in 1968 restricted the importation of handguns, banning all those which were not "generally recognized as particularly suitable or readily adaptable to sporting purposes."

The congressional findings explaining and justifying these legislative restrictions could not have been more clearly set forth. Congress found that the large volume of relatively inexpensive pistols and revolvers imported into the United States in recent years, had contributed greatly to lawlessness and to the Nation's law enforcement problems.

While the Gun Control Act of 1968 prohibits the import of these crime guns, the domestic manufacture or domestic assemblage from imported parts, was not restricted. Such controls were thought unnecessary in 1968, but it soon became apparent that there was a major loophole in the act.

In 1969, in testimony before the subcommittee, then Associate Deputy Attorney General Donald G. Santarelli, regarding the 1968 ban on imports of these crime guns said that—

> The problem sought to be solved has not only resisted solution but has proliferated further. By embargoing all military surplus and firearms not generally suitable for sporting purposes * * * a new protected industry has been created in the United States.
>
> It is estimated that 700,000 of these guns will be manufactured here in 1969. It is further estimated that there will be approximately 1 million such handguns manufactured domestically in 1970. Thus, it is readily apparent that the problem caused by the Saturday Night Specials has not abated, but, in fact, has exacerbated.

Thus, congressional intent was effectively circumvented by enterprising firms in the United States that flooded the market with the very crime guns whose availability Congress had clearly intended to curtail by the 1968 ban on nonsporting imports. The extent of this circumvention cannot be overemphasized. The most recent available figures show that annual domestic production of these handguns has risen by almost 1,600 percent since 1968. As a consequence, the findings of the Congress in 1968 concerning the role of small, easily concealable, nonsporting handguns in crime remain valid today. Indeed, criminal use of these weapons is increasing.

By extending the import standards of the 1968 act to the sale or delivery by Federal licensees of domestically manufactured or assembled crime handguns, title II would close this gaping loophole and insure that circumvention of the crime handgun provisions of the 1968 act would no longer be possible.

This approach is aimed at the so-called "Saturday night special" and other similar handguns which, by venture of design, body construction, weight, and other criteria are not of use to legitimate sportsmen. These easy to conceal, usually inexpensive handguns are the favorites of murderers, armed robbers, and gun-wielding assailants who terrorize our communities. Let there be no mistake about it; we are talking about tens of thousands of murders and hundreds of thousands of assaults and robberies.

In 1973, 19,510 murders were committed in the United States, more than 10,000 were the victims of handguns. There is a handgun murder every 48 minutes; double the 1967 rate.

Law enforcement officers in ever-increasing numbers have been fatally victimized by criminals wielding handguns. Not surprisingly, most of these killings involved small, easy to conceal handguns. Already in the first quarter of 1975 40 police officers have been murdered by assailants with handguns. Since 1963, 95 percent of these officers were killed with firearms and 72 percent, or more than 650, were killed with handguns. Of course, these figures in no way reflect the innumerable injuries sustained by officers and other public officials, including firemen, as the result of shooting assaults.

Guns are not peculiar to the crime of murder. In 1973 more than 100,000 Americans were seriously assaulted by gun-wielding criminals.

According to special FBI surveys 63 percent of all armed robberies are committed with a firearm. Since 1963, murder by firearm has more than doubled, aggravated assault by firearm has more than quadrupled, and armed robbery has increased threefold.

The increases in crimes of violence involving guns far outstrip increases in crimes of violence in which other weapons are used. In fact studies have found that the handgun is five times more deadly than all other typical weapons used in assaults upon persons establishing beyond a doubt that a criminal's potential victim seldom escapes the fate of a bullet.

Those concerned about broad gun control measures which include licensing and registration or confiscation often do not realize that my approach is not focused on the millions of law-abiding citizens and sportsmen who own firearms, significantly less than 1 percent of whom use firearms in crime, but only on those small belly guns with no sporting purpose.

Some of these same critics also believe that since firearms are used in less than

4 percent of all serious crimes any effort directed at controlling the availability of firearms, if successful, would leave unfettered 96 percent of the crime. What this misleading view fails to consider is that firearms, especially handguns, are usually used in violent crime not property crime. Violent crime accounts for 10 percent of all serious crime. Thus, when put in proper perspective and it is understood that closer to 40 percent—not 4 percent—of all violent crime involves firearms the relevance of my effort to restrict the availability of crime guns is apparent. Additionally, my approach is strengthened by the finding of the National Advisory Commission on Criminal Justice Standards and Goals that while handguns constitute only one-fourth of all privately owned firearms—approximately 200 million—they are used in more than three-fourths of all criminal gun violence.

Implementation of this title's provisions would stop the flood of primarily inexpensive and deadly handguns which threaten the physical safety and well-being of all Americans.

Take, for example, the weapon used in the attack on Governor Wallace. This weapon could not have been imported into the United States under the terms of the law passed in 1968, primarily because it was an easily concealable, nonsporting handgun. My bill applies the same standards to domestically manufactured or domestically assembled handguns. These—importation—criteria were established by a Treasury Department Committee composed of specialists from the firearms industry, weapons research firms and military, and law enforcement officials. These experts found it necessary to include a wide variety of handgun characteristics in determining whether any given model is unsuitable for target shooting or hunting animals. The key characteristic is overall size, and therefore no handgun failing to meet certain minimum size standards can be accepted under the criteria. Various safety features are also required before a weapon is acceptable. Other characteristics are dealt with by means of a point system, in order to allow flexibility of design consistent with the sporting purposes standard. The point system takes into account the following characteristics:

First. Size: weapon size beyond the minimum requirements is counted.

Second. Frame construction: additional points are awarded if the weapon is investment cast or forged from steel or a suitable alloy. No points are awarded for use of the die casting process or the alloys typically used in Saturday night specials.

Third. Weight.

Fourth. Caliber: a greater number of points are awarded for weapons designed to be used with high-powered cartridges. This tends to insure that an approved model will be designed to withstand high chamber pressures.

Fifth. Safety features: points are awarded for various safety devices other than those which are absolute requirements.

Sixth. Miscellaneous equipment: under this heading, points are awarded for such sporting devices as click or drift adjustable target sights, target grip, and so forth.

The application of this test is designed to determine whether a handgun has a sporting purpose. A firearm such as an Olympic type pistol or target shooter designed for sport are clearly not covered by the measure's provisions.

These criteria, known as the factoring criteria for weapons, have been used for more than 5 years to determine eligibility of handguns for importation. Their effectiveness in limiting importation of assembled nonsporting crime handguns is clear. Prior to the passage of the Gun Control Act of 1968, annual importation of such handguns had been increasing rapidly. Since congressional action in 1968, handgun importations have been substantially lower than previous levels. Handgun imports in that year had risen to 1,155,368, but have been reduced to a level of 408,485 in 1974 and even lower levels in intervening years. Thus, since their enactment millions of crime handguns have not reached our shores because of the operation of these proven criteria.

The testimony of these statistics is borne out by the testimony of those charged with administering the import provisions of the 1968 act. At the 1971 hearings on Saturday night specials, Harold Serr, Director of the Alcohol, Tobacco and Firearms Division of the Internal Revenue Service from 1964 until his retirement on July 31, 1970, testified that the factoring criteria "effectively exclude from importation the types of handguns so often found in the possession of criminals and which the Congress wanted kept off the American market."

In the fall of 1971, 22 witnesses, representing law enforcement agencies, national commissions, the administration, sportsmen's associations, and private citizens, presented testimony on this title of my bill to the subcommittee. All of these witnesses agreed that the problem of small, easy to conceal handguns required action. Most of the witnesses felt that the passage of S. 2507 would be a step forward in the fight against violence and criminal misuse of these weapons.

Witnesses representing police departments and police organizations, understandably stressed the danger to police officers created by the widespread possession and use of "Saturday night specials." As Quinn Tamm, executive director of the 11,000 member International Association of Chiefs of Police explained, the ready accessibility of handguns "constitutes a threat, both to the citizen and more specifically to the police officer." The national legislative committee chairman of the 150,000 member Fraternal Order of Police, Jack Stonebraker, Jr., who is a police officer in Muncie, Ind., echoed this point, citing the words of the late J. Edgar Hoover:

> When a law enforcement officer dies at the hands of a killer, part of our system of law dies with him.

Mr. Stonebraker also illustrated the policeman's concern for the welfare of other citizens:

> I believe the Congress must act, must act, upon this amendment without delay, before the incidence of criminal misuse of these guns reaches astronomical proportions.

Chief Clarence Kelley of the Kansas City, Mo., Police Department, now the Director of the Federal Bureau of Investigation, echoed the view that these guns "have no possible other use than to kill or injure another human being." Similar views were presented by law enforcement representatives from New York City, Los Angeles, Detroit, Washington, D.C., and Cleveland, Ohio.

Clearly this title has the support of the Nation's law enforcement professionals, the police officers who face armed criminals on the streets of our Nation's cities. These people who know first-hand the "Saturday night special" problem, urged the passage of my bill to plug the loophole in the 1968 act and thereby curb the availability of these nonsporting handguns favored by most criminals.

Of course, the measure makes it absolutely clear that there would be certain exemptions from the prohibition on the sale and delivery of those handguns, including exemptions for law enforcement officers, governments, research organizations and licensed collectors. The title exempts sales and deliveries of handgun models actually required by officers, for example, plainclothespersons, for their own use in the course of their official duties. Further technical provisions facilitate sale and delivery to Government and law enforcement officers. These provisions were necessary to allow purchase of firearms for Goverment and law enforcement use from manufacturers in other States. Such exemptions are analogous to those already in the 1968 act.

Some who later supported my approach in 1972 would have replaced the detailed standards in my bill with a safety and reliability test. It is my view that this is not an appropriate standard for use in a law enforcement and crime prevention measure. The law enforcement witnesses who testified before the subcommittee did not appear greatly concerned about the safety of the "Saturday night special" as a problem for the user of the weapon. They were, understandably, more concerned about safety at the other end of the barrel. Of course, the safety of the legitimate user is of importance, and my bill takes this into account by requiring sound construction and certain safety features for sporting handguns. Safety and reliability tests alone, however, would not get the job done. Even if the safety and reliability test were supplemented with a barrel-length criteria, it would do little to restrict the availability of the crime guns which would be effectively curtailed by title II of my Handgun Crime Control Act. What should be emphasized are those aspects of a handgun which make it uniquely appealing to the criminals. Harold Serr put it quite succinctly:

> What [criminals] want are small, compact, lightweight weapons. They want weapons with no handgrips or sights to catch in a pocket. Concealability is the prime requisite.

It is for just this reason that every State in the Union has taken some sort of action to regulate concealed weapons,

UMI

rather than unreliable weapons. By definition, however, it is exceedingly difficult to enforce these important regulations dealing with the use of concealable weapons, and the continuing rise in the firearms crime rate demonstrates clearly that more has to be done. Additionally, to prevent further circumvention of congressional intent to curtail the availability of easily concelable handguns, my bill, similar to the National Firearms Act sawed-off shotgun provisions, prohibits sawing off the barrel of a handgun so as to produce a weapon which could not legally be sold.

Unfortunately, considerable misinformation has been spread, in some cases by honest misunderstanding and in others by deliberate distortion, regarding the scope of this title of my new bill. It does not propose any type of gun registration or licensing. Nor does it propose confiscation. I am aware that some are concerned that if it becomes law the next step will be confiscation of all firearms or national registration. To say that abolishing the sale of crime guns, which have no sporting purpose, will lead to the confiscation of legitimate weapons, makes about as much sense as saying that a law keeping dangerous cars off the highways will lead to the confiscation of all cars.

For a very simple reason this measure only affects handguns: most "street crimes" are committed by criminals with easily concealed handguns. This is why our target is those handguns which are worthless for the target shooter or hunter, but which are ideal for the criminal. We do not want to interfere with the rights of honest, law-abiding sportsmen, but rather to keep murderous instruments out of the hands of the criminal and insane. In addition, there is nothing in the bill which precludes law-abiding citizens from purchasing reliable handguns to protect their homes or businesses.

After my approach to fighting gun crime was accepted by the Senate, the House Judiciary Committee failed to act on this measure. There are signs this year however, which indicate that perhaps that body will be more favorably disposed to reasonable controls on crime guns in the future.

There are also signs that those with law enforcement responsibilities and expertise within the administration are supportive of new intitiatives to curb firearms crime and terrorism.

I am especially interested to learn more about the details of the Attorney General's proposals. For example, he indicated that the Department of Justice has been discussing the elimination of easily concealable handguns. I was surprised, however, that they determined no suitable definitions exist to implement this policy. This, of course, is precisely what my approach would accomplish.

I was gratified by David R. McDonald's, Assistant Secretary of Treasury for Enforcement, Operations and Tariff Affairs, testimony before the subcommittee in April this year in which he supported a modified criteria targeted at easily concealed handguns.

This is not the first time however, since 1968 that administration representatives expressed support for congressional efforts to curb the availability of nonsporting handguns. In fact, representatives of former Attorney General Mitchell in 1969 and 1971 in testimony before the subcommittee assured the Congress on both occasions that administration proposals would be forthcoming. These proposals, if indeed they ever existed, never saw the light of day. Thus, although I am encouraged by some recent remarks, I would be less than candid if I did not admit that earlier rhetoric and indifference about these important issues only confirmed the former Attorney General's enjoinder that it was more important to watch what is done than what is said. You do not stop armed assaults and armed robberies with tough talk and hollow promises.

The Attorney General has assured the subcommittee that he will be available to present their view after the soon-to-be delivered message on crime. I am looking forward to learning more precisely what position the administration supports on this vital issue.

I agree with the distinguished senior Republican on the House Judiciary Committee, Mr. ROBERT MCCLORY, who appropriately noted last week that "the executive branch apparently has not recognized the critical nature and extent of the problem of handgun violence in this society." Leadership on issues of national importance must emanate from the Oval Office, but unfortunately to date on these issues, it has been tragically silent.

Handguns are increasingly available. More were manufactured and sold in the last 4 years than the entire previous decade.

It is my intention by extending to domestic sales the criteria now used to prohibit imports to strictly limit the accessibility of crime handguns without, in any way, altering present Federal, State, or local regulations concerning rifles, shotguns, and quality handguns suitable for sporting purposes.

GUN RUNNING AND PENALTIES FOR GUN CRIMES

Title III of my bill addresses itself to several major problems relative to our failure to deal more effectively with the alarming levels of violent crime confronting all of our communities, suburban and rural as well as urban: Illicit gun traffic and criminals who use guns in the commission of crimes.

The first part of this title is identical to a measure that Senator TALMADGE and I sponsored which passed the Senate on April 3, 1973 by a vote of 81 to 12. It is specifically designed to make our streets safer by treating those who use firearms in the commission of crime as the serious and vicious violators they are by imposing the severe sentences such acts demand and such criminals deserve.

Under my bill felons who use firearms to rob, rape and otherwise terrorize our citizens or who unlawfully carry firearms while committing a felony which threatens life or property, are subjected in addition to the penalties already provided by law, a minimum sentence of 5 to 15 years for the first offense and 10 to 30 years for the second offense. The imposition of the additional sentence on the first offender would be left up to the trial judge; but if he failed to impose this additional sentence, he would have to state his reasons publicly. For the second offense, the judge would have no such discretion: upon conviction, a mandatory minimum sentence of 10 to 30 years would have to be imposed. These minimum sentences—which are of course, over and above the penalties which exist in present law—could not be suspended, nor could probation be granted.

The United States leads all other western countries in the use of firearms in connection with serious crimes. My earlier discussion of title II underscored the catastrophic levels to which handgun crimes in particular have risen and I believe that its provisions will make a significant contribution toward safer communities. Likewise, I also believe that penalties of the severity contained in title III are appropriate for those who use firearms in highly dangerous illegal activity.

This practical approach which focuses on the crime in which guns are used, was not considered by the House Judiciary Committee after it passed the Senate. I am hopeful that the House will follow the lead of this body on this most effective crime deterrent during the current Congress.

Title III also strengthens existing federal law to facilitate efforts to detect and prevent illicit commerce in firearms. The relationship between the illicit availability and street crime was clearly demonstrated at the subcommittee's April hearings on firearms violence.

Under the 1968 Gun Control Act persons who have been convicted of serious crimes cannot legally obtain or transport firearms. Each year, however, criminals in this country obtain thousands of firearms through illegal means and subsequently use many of these weapons to continue the commission of violent felonies.

A great number of these firearms are stolen from gun manufacturers, dealers, and collectors but the exact number or the circumstances of these thefts are not known. The Bureau of Alcohol, Tobacco, and Firearms estimates that approximately 5,000 handguns are stolen each year while being shipped between firearm manufacturers and dealers. An unknown additional number are stolen directly from manufacturers. A voluntary survey of 22,779 gun dealers in nine Midwestern States revealed that 5,919 firearms were stolen from their stores in 1974. One store owner in Illinois had over 100 firearms stolen in the survey period.

Although the Gun Control Act requires dealers, manufacturers, and collectors to maintain records of the receipt and disposition of firearms, the act does not presently contain any provision requiring them to report the theft of firearms to any Federal, State, or local law enforcement agency. Obviously this source of supply to the criminal must be closely monitored and analyzed in order that we may deprive violent criminals of the instruments of crime.

Accordingly, my bill amends the Gun Control Act to require manufacturers, dealers, and collectors to promptly and fully report to the Secretary of the Treasury all thefts of guns and the circumstances surrounding those thefts. It is only when we have the capability to precisely establish where, how, and when firearms are being stolen from manufacturers and dealers, that we can expect to be able to successfully close off this supply to criminals.

It is also apparent that some persons who purchase large amounts of firearms are subsequently selling them to felons and other individuals who are themselves prohibited from buying firearms under the Gun Control Act. One noteworthy and illustrative case found by subcommittee investigators concerned an individual in Philadelphia who purchased a total of 136 handguns from a federally licensed dealer over a 7-month period. This person would in turn resell the firearms out of his car trunk throughout the Philadelphia area. My bill would enable the Government to more easily monitor this type of gun traffic by requiring licensed firearm dealers to notify the Secretary of any multiple handgun purchase by a single individual over the course of 5 consecutive business days.

In addition to the theft of guns and the repurchase of guns through an intermediary, a significant number of felons obtain weapons directly from licensed firearm dealers. Although the Gun Control Act prohibits such transactions, Treasury Department officials testified before the subcommittee that a thorough review of 17 dealers' records in Greenville, S.C., over a 6-month period last year revealed that 73 persons who had successfully purchased firearms were in fact convicted felons. Some of the crimes committed by this group prior to the purchase of these weapons included murder, rape, assault, and armed robbery.

Except in three narrowly drawn circumstances, the Gun Control Act also specifically prohibits manufacturers and dealers from selling firearms to persons who do not reside in the same State as the manufacturers or dealers. It is evident, however, that despite this prohibition many firearms are in fact sold to persons who do not reside in the same State. For example, in a recent study it was established that out of the 840 handguns used in crimes in Detroit, Mich., and successfully traced to their source, 92 percent came from outside the State of Michigan. A similar study in New York City found that 77 percent of the traceable guns used in crimes came from outside of New York State.

An important element of the intent and purpose of the Gun Control Act is to keep firearms out of the hands of violent criminals such as these. Wholesale violations of this act cannot be taken lightly. My bill provides mandatory penalties for felons or those under indictment for a felony who receive, ship or transport firearms or ammunition in interstate commerce. It also applies the same mandatory penalties to any licensed importer, licensed manufacturer, licensed dealer or licensed collector who knowingly sells or otherwise disposes of a firearm or ammunition to a felon or a person under indictment for a felony. Moreover, any dealer who sells firearms to a person who the dealer knows or has reasonable cause to believe does not reside in the same State in which the dealer is doing business, would also be subject to mandatory penalties.

We must treat the illegal sale or purchase of these dangerous instruments of crime as serious offenses. The successful disarmament of the violent criminal is an absolute necessity for the reduction of crime and the fear of crime in America.

MANDATORY PENALTIES FOR OPIATE-NARCOTICS PUSHERS

Title IV of my bill is identical to a measure which passed the Senate in April 1973 by a vote of 81 to 12. It is aimed at another class of the most dangerous and despicable criminals: the nonaddict, adult high-level traffickers who are the backbone of illicit heroin trade and distribution in this country.

Since the passage of the Comprehensive Drug Abuse Prevention and Control Act—Public Law 91-513—in 1970, our subcommittee to investigate juvenile delinquency, which developed this measure, has monitored its implementation and sought to assure that the Federal agencies responsible for its enforcement acted appropriately to curb the illegal importation, manufacture, and distribution of controlled drugs. Among its provisions are those on the importation, manufacture, and distribution of opium for legitimate purposes and the illegal traffic and abuse of opium derivatives such as morphine, codeine and heroin.

Since 1970 we have monitored the implementation of the act and sought to assure that the Federal agencies responsible for its enforcement acted appropriately to curb the illegal importation, manufacture, distribution, possession and improper use of controlled drugs.

We have made considerable progress in the last several years. We have obtained a drastic, but necessary, 95-percent reduction in domestic amphetamine production. We have secured more appropriate control over our production and distribution of other drugs with high abuse potential, including the barbiturates and methaqualone. And to prevent illegal traffic and abuse of methadone we have obtained stricter controls over its storage and distribution. In short, these and similar important steps have effectively helped to reduce illicit traffic and clandestine manufacture of controlled drugs.

The subject of our most recent hearings on the effectiveness of the Nation's drug control laws—the opium poppy—is not of domestic origin, but its byproducts, or at least one of them—heroin—is certainly familiar to every American.

Indeed, we are all too familiar with the devastating effects of heroin on the individual addict, their families, and society at large. We know that heroin abuse has destructive physiological consequences, debilitating the health of the abuser and impairing an addict's ability to lead a normal productive life. The social consequences are equally devastating. In order to support a habit, the addict is driven to engage in criminal activities which threaten the safety and well-being of all our citizens. The costs in human and economic terms are enormous:

Billions of dollars are expended each year to protect our citizens from drug-related crime;

Billions of dollars of merchandise are stolen each year to support heroin habits;

Billions of dollars are invested annually in drug prevention, treatment, and rehabilitation programs;

Many innocent people are physically assaulted and even killed in the course of drug-related crime; and

Hundreds of thousands of otherwise productive lives are lost to the destructive and often endless cycle of heroin addiction.

We have learned—and through the course of these recent hearings are still learning—from bitter experience that there are no simple solutions to the epidemic of narcotic addiction nor to the ever-escalating levels of illegal narcotic traffic. There are no panaceas—no magic wands.

In fact, opium control presents especially difficult and complex considerations. The plant which spawns heroin to which our citizens succumb, likewise, issues drugs to ease the misery of the terminal cancer patient and ironically, provides us with the antagonist medication necessary to treat those suffering acute narcotic overdose. There is little doubt that the opium poppy is a double-edged sword life-threatening and life-saving.

We have made some progress in curbing narcotic traffic and addiction, but we must be forever vigilant that rhetoric about "the light at the end of the tunnel" or "turning the corner" on any problem not delude us into believing that we have actually accomplished our objectives.

According to June 1974 Drug Enforcement Administration—DEA—reports, drug deaths have increased substantially at the national level in the last two quarters of fiscal year 1974, with the major increases being made in the heroin/morphine and methadone categories. Geographically, heroin deaths have climbed in the Northeast, Central and Western sections of the United States.

Mexico is becoming a significant supplier of the heroin reaching United States markets for illicit distribution. DEA statistics show that in the year ending June 30, 1972, 8 percent of the heroin seized in the United States was Mexican. By June 30, 1973, the amount of seized heroin from Mexico had more than quadrupled and accounted for 37.2 percent of all heroin seized in the United States. Within the past few months DEA has informed the subcommittee that 65 percent of the heroin reaching the United States today comes from Mexican poppies.

Now, even White House officials, as they announce that all the indicators of heroin abuse are up again, are cautioning others about claiming victory in the

UMI

war against the poppy and heroin. In fact, Dr. Robert DuPont, Director of the White House Special Action Office on Drug Abuse Prevention, told the subcommittee that "we can no longer talk about having turned the corner on heroin anywhere."

Last week the President's Strategy Council on Drug Abuse reported that heroin addiction and other abuse lost Americans between $10 billion and $17 billion annually and that the biggest drain on the economy from drug abuse was in crimes committed to produce income supporting heroin addiction.

A recent report from the District of Columbia coroner's office revealed a decided increase in heroin fatalities. There were 12 such deaths in the last 5 months of calendar year 1974 following a 19-month period with fewer than 10 heroin deaths.

D.C. officials claim that this upswing is related to the availability of a better grade of heroin. In January 1973 the average heroin bought on the street was 1.8 percent pure, according to police reports. By December 1974 this had increased to 4.5 percent pure. During the same period the street price of heroin dropped from a high of $6.04 a packet in July 1973 to $3.34 in December of 1974.

More persons are seeking treatment for heroin addiction. In December, for example, all but 39 of Philadelphia's 4,173 patient treatment spaces were filled. A year ago clinics were operating at only 65 percent capacity. And according to DEA the estimate of narcotic abusers in 1974 rose to 775,000, the highest year on record. Clearly much remains to be done.

Through our investigation the subcommittee intends to develop a better understanding of the ramifications of the public policy developed by the Nixon administration to curb heroin traffic and abuse and whether or not the current administration has learned from their mistakes. What led to the ban on the Turkish poppy? What consideration, if any, was given to the domestic requirements for opium to meet legitimate medical and scientific needs? What is currently being done to prevent the resurgence of a new "French Connection" and to eliminate the "Mexican Connection" which now supplies two-thirds of the illegal heroin to the United States?

I am especially concerned about the possibility that the United States may not have access to sufficient opium to meet legitimate medical and scientific needs. As you know, opiate derivatives are currently the drug of choice in the treatment of many patients with severe and moderate levels of pain and frequently prescribed by physicians for other symptoms. Unfortunately, continuing demand for these drugs coincides with a worldwide shortage of increasing dimensions.

We are assessing the nature and extent of this shortage.

We are reviewing the circumstances which have nearly exhausted, in 1 year, the opium supply released from the national strategic stockpile last year ostensibly to supplement short-term needs through 1976.

We are examining the basis for the Attorney General's recent decision to exercise emergency authority under the 1970 Drug Act to permit the importation of poppy straw extract to supplement imports of crude opium.

And we are assessing the merits of proposals for a program of rationing bulk codeine so as to meet legitimate medical demand this year.

I am likewise extremely concerned that all necessary steps be taken to prevent the diversion and traffic in Turkish opium that has formerly contributed so heavily to the destruction of so many thousands of lives and was so intimately linked to the ever-escalating levels of violent crime.

The Turkish Government claims that it will prevent the new opium crop from getting into criminal channels. The resort to the poppy straw method of processing will help to assure the desired objective, but much more is necessary. To date slightly more than 300 agents are reportedly available to monitor 50,000 acres of poppies being cultivated in small plots. The jeeps necessary to reach remote areas as I understand it have not yet arrived. To get the job done will require a dedicated and committed effort by the Turkish Government.

I urge the President to monitor the harvesting and processing of the new crop very carefully, so that if necessary he can take appropriate action under the Foreign Assistance Act to suspend economic and military aid.

When drastic action was taken to rescue American seamen seized by Cambodia, the President stressed the importance of showing that the United States intends to remain strong. If and when the lives of thousands are threatened by diverted Turkish opium, I hope that the President is at least equally committed and willing to show the strength of the United States.

Already the Turkish decision to again cultivate the poppy has made some impact on the illicit market. In Seattle, for instance, the resumption reportedly prompted many distributors to release "stockpiled" Mexican heroin which had been withheld from the market in an attempt to force the price up. This surge in supply has led to more narcotic seizures in January of this year than in all of 1974 in that area. Similar reports are being received from around the Nation.

Whether the Turkish Government fails to hold to their commitments or not, we are again confronted with a horrendous heroin trafficking problem.

Title IV is designed to deal appropriately with persons who are an integral part of the criminal conduit for heroin. I have been very much concerned that our laws try to reform and as much as possible is done to provide rehabilitation, employment and treatment options. Because of these concerns juveniles and addicts have been excluded from this title's provision. But for others who sell heroin, I have no compassion. These criminals have shown themselves by their offenses to be beyond the normal hope we hold out for rehabilitation in our society. Moreover, these offenders are the cold calculating characters who can be deterred by the specter of sure, swift and severe punishment. The only solution for those who are not deterred and who commit these crimes is to put them away and to put them away for a long time. This is what my bill does.

There is no criminal element in this country which is more dangerous and despicable than those who are the purveyors of heroin to our young people. My bill is not aimed at addicts who are already hooked and who are trying to support their habits. For such people, laws already on the books and adequate treatment—together with the capture and imprisonment of big time dealers—offer the best hope. My target is those who have hooked others and not themselves.

Under this title persons convicted of manufacturing, distributing or dispensing heroin or morphine in amounts equal to or in excess of one-tenth of an ounce of pure narcotic would receive, on the first offense, a mandatory minimum sentence of 10 to 30 years. For second convictions, these pushers would get a mandatory life sentence. In neither case would the offender be eligible for probation, suspended sentence, or parole—except after serving 30 years of a life sentence. In both cases the mandatory minimum sentence would have to be imposed in addition to the sentence provided under existing law; and in both cases the additional sentence would have to be consecutive to, not concurrent with, the existing punishment.

One-tenth of an ounce of heroin or morphine may seem to be a tiny amount, Mr. President, but it is as deadly as it is small. It can be and is turned into a large number of bags of heroin on the street, and is worth a handsome sum. As a measure of the seriousness of the criminal conduct it is preferable to a 4-ounce mixture requirement proposed by some in the past. It best assures that we reach the high-level dealers who handle very pure and very valuable heroin and who might circumvent a 4-ounce mixture standard. This test also assures that we do not bring under these very severe penalties a person with a 4-ounce mixture which contains only traces of a narcotic. Under this approach the volume of the material sold or manufactured would not matter; the only question would be whether it contained the equivalent of one-tenth of an ounce of pure heroin or morphine.

The following table, prepared by subcommittee staff, illustrates graphically the amount of heroin involved in the application of my bill:

ESTIMATES OF HEROIN DOSAGE UNITS DERIVED FROM 1/10 OUNCE OF PURE HEROIN OR MORPHINE

Total units	Unit size (milligram bags)	Percent of heroin or morphine
a. 2,835	100	1
b. 1,417.5	100	2
c. 945	100	3
d. 708.7	100	4
e. 567	100	5
f. 472.5	100	6
g. 405	100	7
h. 354.3	100	8
i. 315	100	9
j. 283.5	100	10

Note: 1. 1 ounce=28.35 grm. or 28,350 mgms. 2. 1/10 ounce=2.835 grm. or 2,835 mgms.

Any nonaddict who manufactures, distributes or dispenses one-tenth of an ounce of heroin or morphine is, we can be confident, a high-level trafficker who is rationally and for profit pushing drugs. Such a person deserves no quarter.

The provisions of this title were also not acted upon by the House Judiciary Committee in the last Congress, but I am optimistic that the members of the other body will agree to the merit of this aspect of my bill.

One thing that we have established through our hearings earlier this year is that the White House was less than candid with Congress and the American people regarding their assessment of the importance of the Turkish ban on the cultivation of opium poppies in the effort to curb heroin traffic and addiction.

Former presidential assistants with special responsibilities in the area of drug control and abuse told the subcommittee that in October 1971 shortly after the Turkish Government announced the ban, that the plan was ill-conceived.

Dr. Jerome Jaffe, former Director of the White House Special Action Office, testified that he never believed that a ban on the growth of opium poppies would be effective in stopping the spread of heroin in the United States.

Mr. Walter Minnick, former Presidential aide, told the subcommittee, quite candidly, that:

> The Congress and the American people were led to believe that the ban was an indispensable part of getting on top of heroin addiction.

Throughout 1972 the White House produced release after release, heralding the Turkish ban as a major breakthrough in the fight against heroin addiction and as clear evidence that the battle was well on its way to being won. This "hoopla" about the ban stepped up markedly during the fall of that year.

Apparently the Nixon administration was more concerned in 1972 with the reelection campaign than they were about controlling poppy production and solving the heroin problem.

The record developed to date by the subcommittee leaves little doubt that the Nixon administration not only created a misimpression about the ban and the policy of eradication, but that it had little time, if any, to heed the caution and advice of medical experts and others who warned that such policies could have long-term damaging ramifications.

Even prior to former President Nixon's message to the Congress in June 1971, which set out the dual objectives of a ban on poppies and the development of synthetic alternatives to opiates, agencies experts in a confidential memorandum had alerted the White House to likely ramifications, including a shortage of opium for legitimate purposes.

Testimony presented to the subcommittee, however, revealed that White House advisers reportedly had decided that the poppy ban was "good politics" in that it would provide a high-profile, simple, ostensible answer to the crime problem with which herein addiction and traffic are so intimately associated.

Even in late 1972 and 1973 when the prospect of an opiate shortage was rapidly becoming a reality, the White House ignored warnings by the medical community and others that White House "poppy politics" was responsible for the shortage as well as for the failure to effectively focus on heroin traffic.

In a very short period of time Mexico had become the primary supplier of heroin to the United States and although the Turkey ban did cause a shortage of heroin it was, as General Accounting Office investigators told the subcommittee, limited to major cities in the East and "a temporary thing at best."

The heroin problem now is worse than it was before the ban.

The American people are sick and tired of being sold a bill of goods.

As a Member of Congress who has, likewise, relied on less than candid representations at the highest levels of the executive branch in recent years, I know we were sold a bill of goods in this instance.

We are interested in developing a full and complete understanding of these issues so that sound national policies in the area can be substituted for past mistakes.

We are also anxious to learn more about what happened to the 1971 national initiative to develop synthetic alternatives to opium, so that our medical community would no longer have to rely on the poppy to properly treat its patients and in turn would eliminate a major legitimate reason for growing the poppy.

We are, likewise, interested in developing a fuller understanding of the feasibility of cultivating poppies, particularly those with little or no abuse potential, including bracteatum to meet our legitimate medical needs as well as the plan approved by former President Nixon in December 1973, revealed at our earlier hearings, to grow opium poppy domestically.

We want to develop long-term policies which will protect the delicate balance between the need to curb illicit availability of drugs and the need to assure amounts adequate to meet legitimate needs.

I know my colleagues agree that this title of my bill is consistent with those objectives and they will support it.

PHARMACY CRIME AND VIOLENCE

During the course of the subcommittee's ongoing assessment of the effectiveness of the Nation's drug control laws we were startled by the increasing amount of criminal acts directed at pharmacies.

It appears that as a consequence of important steps taken in recent years to reduce illicit traffic and clandestine manufacture of controlled drugs, pushers and others are concentrating their attention on legitimate sources for such drugs, particularly pharmacies.

Subcommittee hearings on this topic more fully reported in our volume "Drug Abuse: The Pharmacist" revealed that 80 percent of all the thefts of controlled drugs from registrants were from pharmacies and that 89 percent of all drugs stolen from registrants were taken from pharmacies. Almost half of the total volume of drugs stolen are amphetamines and barbiturates. During fiscal year 1974, 6,320 such thefts were reported from pharmacies as contrasted with 4,333 for fiscal year 1973.

The preferred method of theft was night break-in, but armed robbery was second. In December 1974, DEA reported that 62 percent of the thefts involved the former and 38 percent involved the latter method of theft.

I am particularly concerned about escalating levels of violent crime—assault, robbery, and even murder—committed by criminals attempting to obtain controlled drugs. Witness after witness conveyed evidence of the necessity for action as well as support for a Federal effort to meet these problems.

Senator CHURCH, with whom I have worked closely on this title of the act and who sponsored a similar measure last Congress, caught the changing environs in which even our pharmacists are found to work when he noted,

> It is not uncommon now to learn of pharmacists wearing bullet-proof vests to work or hiring armed guards to police the premises.

My bill imposes a Federal penalty for the robbery or attempted robbery of a controlled substance from a pharmacy. It provides a maximum fine of $5,000 and/or 10 years imprisonment for persons acquiring drugs covered by the Controlled Substance Act from a pharmacy by force, violence, or intimidation. In addition it provides more severe penalties for persons who physically assault and/or kill persons while engaged in a robbery of a pharmacy.

This title was developed to meet the challenge of ever-changing and increasingly complex patterns of drug traffic and related crime. Druggists and pharmacists are dedicated professionals who with their fellow-workers dispense drugs which are vitally necessary to the maintenance of our citizens' health. These provisions provide additional sanctions to attempt to guarantee that they are unfettered from the burden of criminal acts.

The Department of Justice and the administration have in the past opposed passage of similar sanctions designed to protect pharmacies, in part because of the estimated additional cost of $4,800,000 for law enforcement personnel to carry out its provisions. I urge them to reconsider and this Congress to support this vitally necessary title of my bill.

REPEAT VIOLENT OFFENDERS

Under the Federal Youth Corrections Act, convicted defendants under 22 years of age, and in some cases under 26 years of age, are not sentenced to regular terms of imprisonment, but are entrusted to the custody of the Attorney General for special rehabilitative and treatment programs. The terms of confinement for persons sentenced under the special provisions of this act are considerably shorter than those persons sentenced under usual adult statutes. Moreover, as presently constituted even offenders who repeatedly commit violent crimes may take advantage of the special sentencing and treatment programs provided by the act.

UMI

Although many young people are successfully rehabilitated through the special sentencing provisions of Youth Corrections Act treatment, it should be obvious that the serious, habitual offender must be removed from our streets so that our citizens can live in security and safety in their homes and communities. Individuals who have repeatedly committed violent criminal acts have clearly demonstrated not only their contempt for the laws and members of our communities, but also their unwillingness to take advantage of, and learn from, the opportunities afforded them under the Youth Corrections Act. When 420 out of a total of 720 young offenders released under Youth Corrections Act provisions are charged with new crimes while still on parole, as was shown in a recent study, it is abundantly clear that we must take steps to limit the number of defendants who may qualify for special treatment under this act.

We must insure that the act serves as a valid instrument of rehabilitation and not as a loophole through which habitually violent offenders quickly return to our streets to resume their criminal activity.

Title V of the measure which I am introducing today would prohibit offenders who have previously been convicted of violent crimes from being sentenced under the special provisions of the act. These amendments to the Youth Corrections Act will insure that hardened, violent offenders will be sentenced to normal criminal penalties and will not be able to use the more lenient and shorter sentencing periods of the Youth Corrections Act as a form of "turnstile" incarceration which only serves as a brief interlude between repeated criminal activities.

Additionally, I intend to review other aspects of the Youth Corrections Act concept including problems concerning the lack of more specific criteria to assist sentencing judges in determining which offenders should qualify for treatment under the act and what factors should be considered in that decision. In the course of this subcommittee investigation I will be seeking the suggestions and advice of experts such as U.S. Court of Appeals Judge David Bazelon and District of Columbia Superior Court Chief Judge Harold Greene as well as others of their judiciary colleagues who have developed unique insight and familiarity with the strengths and weaknesses of the act.

The provisions of this title and the criteria we develop for initial application of the Youth Corrections Act will serve to assure that those who are serious threats to the community do not use the act as a shield against the community.

Mr. President, the Violent Crime and Repeat Offender Control Act of 1975 is designed to make life difficult for violent criminals. This bill, coupled with my Juvenile Justice and Delinquency Prevention Act, which the Congress overwhelmingly endorsed last year, provide the tools necessary to put the Federal Government in an effective leadership position in the fight against violent crime.

As I have noted, significant portions of the bill introduced today have been strongly supported by this body in past Congresses. I have been proud of the support of my colleagues for these endeavors and hope that the House will follow our lead this year.

I urge my colleagues to study the bill's provisions and solicit your advice and recommendations for improvements.

Many of our citizens are captives in their own homes. Criminals are their jailers and fear of violent crime the deterrent to their freedom of action. I believe that this measure will help to turn this situation around so that our citizens, free from the terror of violent crime, can more readily pursue the lives of liberty and happiness we all desire.

We must not deceive ourselves, however, into believing that harsh penalties will solve our problems. Even with those who can be deterred from criminal conduct, the enforcement of the law—the certainty of capture and of punishment—is more important than the length of punishment. But by making the penalties mandatory and severe for certain persistent and destructive criminals, we will be providing a solid law enforcement tool where such tools are badly needed. By keeping murderers' weapons out of the hands of criminals we will be helping to reduce crime and protect the rights of law-abiding citizens.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill, together with the bill, be printed at this point in the RECORD.

There being no objection, the analysis and bill were ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF THE VIOLENT CRIME AND REPEAT OFFENDER CONTROL ACT OF 1975

TITLE I—FINDINGS AND DECLARATION OF PURPOSE

Section 101. Findings: States the findings of Congress regarding small, usually inexpensive and non-sporting handguns as the favorite instrument of violent criminals and its intimate relationship to soaring rates of violent handgun crimes; finds that criminals who commit felonies with firearms and those who traffic in significant amounts of narcotics are public menaces; finds that pharmacies are not adequately protected against violent criminal acts under the Controlled Substances Act, and that repeat violent offenders require fair but firm sentencing.

Section 102. Purpose: Establishes the purpose of the Act to assist law enforcement officers to curb violent crime and facilitate the prosecution of violent offenders; to prohibit the sale of small, easily concealable, usually inexpensive, non-sporting handguns except to law enforcement officers, governments, and research organizations; to provide for the facilitation of prosecution of those involved in handgun theft or illicit handgun trafficking; to assure appropriate penalties for non-addict pushers of significant amounts of narcotics and criminals convicted of using firearms in the commission of illegal acts; to provide additional protection for pharmacies against an ever-increasing level of violence directed at obtaining controlled drugs; and, to eliminate favorable sentencing alternatives for persons previously convicted of violent crimes.

TITLE II—HANDGUN CRIME

Section 201. Title: This section contains a title cited as the "Handgun Crime Control Act".

Section 202. Amends section 921(a) of title 18, United States Code, to provide two new definitions:

Handgun: a firearm designed to be fired by the use of a single hand. Antique weapons are excluded, as they are excluded from the definition of a firearm in the Gun Control Act of 1968.

Handgun Model: refers to a handgun of a particular design, specification and designation. (e.g., "Chapter Arms .38 Special, 2-inch barrel, regular grips.")

Section 203. Sale and Delivery Ban: Amends section 922(b) of title 18, United States Code, by adding a new paragraph (6) outlawing the sale or delivery by licensed dealers, licensed importers, licensed manufacturers, and licensed collectors of any handgun model unless the Secretary of the Treasury has specifically approved the model according to standards set forth in Section 204 of this Act. The Standards in Section 204 are designed to exclude handguns which have no particular sporting purpose.

Exemptions. Sale and delivery to research organizations, governments, and law enforcement officers are exempted. Sale and delivery of curios and relics (defined as in the Gun Control Act) to licensed collectors and dealers are also exempted. Further technical provisions facilitate sale and delivery to governments and law enforcement officers. These exemptions are analogous to exemptions already in the Gun Control Act.

Section 204. Standards for Handguns. This section adds two new subsections, (n) and (o), to section 922 of title 18, United States Code.

Subsection 922(n): Requires that the Secretary not approve any handgun which fails to meet certain standards. These standards are basically identical to those which the Secretary of the Treasury established under section 925(d)(3) of the Gun Control Act of 1968, which banned the importation (but ignored the domestic production) of guns not "particularly suitable" for "sporting purposes." These criteria are precisely specified in paragraphs (1) and (2) of this subsection, providing an objective Congressional definition of the sporting purposes test for handgun sale and delivery. Foreign and domestic hadguns would be treated alike.

Subsection 922(o): Prohibits reduction of the external dimensions of a handgun already approved by the Secretary (for example, sawing off the barrel) so that the handgun could no longer be approved. This is analogous to the National Firearms Act's regulation of the making of sawed-off shotguns.

This section also establishes a review and appeal process for licensees who wish to submit a handgun for testing to determine if it qualifies for sale or distribution under the Act.

Section 205. Import Restrictions. This technical amendment to section 925(d)(3) of title 18, United States Code, substitutes the detailed criteria of section 922(n), above for the general language of the "sporting purposes" test for importation. This carries through the intent to provide an identical test to cover both foreign and domestic handguns.

Section 206. This section amends section 922(a)(3) to allow a person to receive in the state where that person resides one sporting rifle of sporting shotgun per year which has been imported into the United States. It also creates an exception to 922(a)(3) to allow the interstate transfer and transportation of sporting rifles and shotguns between lawful owners and members of the immediate family. This section also requires a person who is not a member of the armed forces and who imports a sporting rifle or sporting shotgun to be at least 21 years old.

Section 207. This section allows the voluntary transfer of non-sporting purpose handguns to law enforcement agencies and establishes reasonable compensation to the voluntary transferor.

Section 208. This section excludes from the record keeping requirements of 922(b)(5) and 923(g) any person who purchases only .22 caliber rimfire ammunition.

Section 209. This section creates an exception to the application of the provisions of this chapter to the transportation, shipment, receipt, or importation of any lawfully acquired firearm or ammunition to be used solely for testing purposes by a professional journal or sporting magazine.

Section 210. This section provides Federal penalties for any person committing murder or manslaughter, or attempting to commit murder or manslaughter on any State law enforcement officer, fireman or prison guard while that person is performing official duties.

Section 211. Authorizes the appropriation of such funds as may be necessary.

Section 212. This Act is to take effect immediately upon enactment except that sections 203 and 205 concerning the ban on sale of non-sporting handguns becomes effective sixty days after enactment.

TITLE III—MANDATORY PENALTIES FOR FIREARM CRIME AND TRAFFIC

Section 301. This section contains a title cited as the "Gun Running Control and Mandatory Penalties Act".

Section 302. This section provides for an additional penalty of 5 to 15 years imprisonment for any person convicted of commission of a felony while armed with a firearm. It also requires the court to state in writing its reasons for not imposing such additional penalty if it should choose not to impose them.

Any person convicted of this same offense twice, in addition to penalties for the underlying felony, receives a mandatory penalty of 10 to 30 years imprisonment which cannot run concurrently with any penalty assessed for the commission of the underlying felony.

Section 303. This section establishes a defendant charged with the use of a firearm in the commission of a felony as a dangerous special offender under section 3575 of Title 18.

Section 304. This section establishes mandatory penalties for any federally licensed importer, manufacturer, dealer or collector who sells or disposes of a firearm to a person who the licensee knows or has reasonable cause to believe is under indictment for a felony, or who has been convicted of a felony. Mandatory penalties are also established for a felon or a person under indictment for a felony who ships, transports or receives a firearms in interstate commerce. This subsection also provides mandatory penalties for a licensee who sells or delivers a firearm to a person who the licensee knows, or has reasonable cause to believe, does not reside in the State in which the licensee does business. The three exemptions to this violation currently contained in section 922(b)(3) are retained.

Section 305. This section amends the record keeping requirements of licensees to require them to promptly report to the Secretary any theft of firearms and the circumstances surrounding such theft. Licensees are also required to report any multiple disposition of firearms to an unlicensed person.

Section 306. This section expedites the trial dates of crimes involving use or posession of a firearm by granting such crimes priority on the court docket.

TITLE IV—MANDATORY PENALTIES FOR NARCOTICS TRAFFICKERS

Section 401. This section defines a public menace as one who is over 18 years of age, not an addict and has been convicted of illegally manufacturing, distributing or dispensing an amount equal to, or in excess of, one-tenth of an ounce of pure heroin or morphine. One found to be a public menace shall be sentenced, in addition to the applicable penalties under the Controlled Substances Act, to a mandatory penalty of 10 to 30 years imprisonment. A second public menace conviction requires a mandatory sentence of life imprisonment. Moreover, terms of imprisonment imposed under the public menace provisions may not run concurrently with any term of imprisonment imposed under the Controlled Substances Act.

TITLE V—ROBBERY OF PHARMACIES AND RELATED SECTIONS

Section 501. This section contains a title cited as the "Pharmacy Protection Act".

Section 502. This section amends the Controlled Substances Act to establish Federal penalties for the robbery or attempted robbery of controlled substances from a pharmacy.

Section 503. This section amends the table of contents of the Comprehensive Drug Abuse Prevention and Control Act of 1970 to reflect the addition of the Pharmacy Protection Act.

TITLE VI—SENTENCING FOR CRIMES OF VIOLENCE

Section 601. This section contains a title cited as the "Violent Offender Act".

Section 602. This section amends the Youth Correction Act to deny special sentencing treatment to offenders who had previously been convicted of arson, rape, robbery, kidnapping, murder, assault with a dangerous weapon or assault with intent to commit any of the above.

Section 603. This section amends section 4209 of Title 18, concerning offenders between the ages of 22 and 26, to reflect the changes set out in section 602.

S. 1880

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Violent Crime and Repeat Offender Control Act of 1975."

TITLE I—FINDINGS AND DECLARATION OF PURPOSE

FINDINGS

SEC. 101. The Congress hereby finds that—

(1) small, usually inexpensive, non-sporting handguns are the favorite of murderers, robbers and other violent criminals;

(2) the proliferation of domestically manufactured or domestically assembled small, usually inexpensive, non-sporting handguns circumvents the intent of Congress;

(3) increased illicit commerce in handguns is intimately related to soaring rates of violent handgun crime;

(4) criminals who commit felonies with firearms and those who traffic in significant amounts of narcotics are public menaces;

(5) pharmacies distributing controlled substances are not adequately protected against violent criminal acts under the Controlled Substances Act; and

(6) repeat violent offenders have demonstrated the necessity of protecting society by the application of fair but firm sentences.

PURPOSE

SEC. 102. It is the purpose of this Act—

(1) to assist law enforcement officials to more effectively curb violent crime and to facilitate the prosecution of violent offenders;

(2) to prohibit the sale of small easily concealable, usually inexpensive, non-sporting handguns except for law enforcement officers, governments, research organizations and licensed collectors;

(3) to provide additional means to facilitate the prosecution of those involved in the sale of handguns to felons and of those involved in handgun theft and illicit trafficking;

(4) to assure that convicted non-addict pushers of significant amounts of narcotics and criminals convicted of using firearms in the commission of illegal acts receive appropriate penalties;

(5) to provide additional protection for pharmacies and pharmacists against an ever-increasing level of violence directed at obtaining controlled drugs; and

(6) to eliminate favorable sentencing alternatives for those previously convicted of violent crimes.

TITLE II—HANDGUN CRIME

SEC. 201. This title may be cited as the "Handgun Crime Control Act."

SEC. 202. Section 921(a) of title 18 of the United States Code is amended by inserting after paragraph (20) the following:

"(21) The term 'handgun' means a firearm designed to be fired by the use of a single hand. The term also includes a combination of parts in the possession or under the control of a person from which a handgun can be assembled. The term does not include antique firearms.

"(22) The term 'handgun model' means a handgun of a particular design, specification, and designation."

SEC. 203. Section 922(b) of title 18 of the United States Code is amended by—

(a) striking out at the end of paragraph (4) thereof the word "and";

(b) striking out at the end of paragraph (5) thereof the period and inserting in lieu thereof a semicolon;

(c) adding after paragraph (5) thereof the following:

"(6) any handgun model unless such handgun model has been approved by the Secretary pursuant to section 922(n) of this title."; and

(d) deleting the final sentence, which begins with the words "Paragraph (4) of this", and inserting in lieu thereof the following:

"Paragraphs (4) and (6) of this subsection shall not apply to a sale or delivery to any research organization designated by the Secretary. Paragraph (6) of this subsection shall not apply to the sale or delivery of any firearm to the United States or any department or agency thereof, or to any State, department, agency, or political subdivision thereof, or any duly commissioned law enforcement officer of the United States or any department or agency thereof or of any State, department, agency or political subdivisions thereof (including but not limited to members of the Armed Forces and police officers) properly authorized to carry such firearms in his official capacity. Paragraph (6) of this subsection shall not apply to the sale or delivery by a licensed importer, licensed manufacturer, or licensed dealer to a licensed dealer of any firearm intended to be sold or delivered to any government or agency thereof or person entitled pursuant to this paragraph to have such firearms sold or delivered to him. Paragraph (6) of this subsection shall not apply to the sale or delivery to a licensed collector or licensed dealer of any firearm which is a curio or relic, as the Secretary shall by regulation define. Paragraph (6) of this subsection shall not apply to occasional, sporadic sales of single handguns by a licensed collector who is not a dealer, as defined by section 921(a) of this title."

SEC. 204. Section 922 of title 18 of the United States Code is amended by adding at the end thereof the following new subsections:

"(n) The Secretary shall not approve for sale or delivery by a licensed dealer, licensed importer, licensed manufacturer, or licensed collector any handgun model unless he has caused to be evaluated and tested represent-

ative samples of such handgun model and has found that:

"(1) in the case of a pistol, the handgun model:

"(A) has a positive manually operated safety device; and

"(B) has a combined length and height in excess of 10 inches with the height (right angle measurements to the barrel without the magazine or extension) being at least 4 inches and the length being at least 6 inches; and

"(C) attains a total of at least 75 points under the following criteria:

"(i) Overall length: one point for each one-fourth inch over 6 inches;

"(ii) Frame construction: (a) 15 points if investment cast steel or forged steel, (b) 20 points if investment cast HTS alloy or forged HTS alloy;

"(iii) Pistol weight: one point for each ounce, with the pistol unloaded and the magazine in place;

"(iv) Caliber: (a) zero points if the pistol accepts only .22 caliber short or .25 caliber automatic ammunition, (b) three points if the pistol accepts either .22 caliber long rifle ammunition or any ammunition within the range delimited by 7.65 millimeter and .380 caliber automatic, (c) 10 points if the pistol accepts 9 millimeter parabellum ammunition or over, (d) in the case of ammunition not falling within one of the classes listed above, such number of points not greater than ten (following the classification schedule above as nearly as is practicable) as the Secretary shall determine appropriate to the suitability for spending purposes or for personal protection of handgun models designed for such ammunition;

"(v) Safety features: (a) five points if the pistol has a locked breech mechanism, (b) five points if the pistol has a loaded chamber indicator, (c) three points if the pistol has a grip safety, (d) five points if the pistol has a magazine safety, (c) 10 points if the pistol has a firing pin block or lock; and

"(vi) Miscellaneous equipment: (a) two points if the pistol has an external hammer, (b) 10 points if the pistol has a double action firing mechanism, (c) five points if the pistol has a drift adjustable target sight, (d) 10 points if the pistol has a click adjustable target sight, (e) five points if the pistol has target grips, (f) two points if the pistol has a target trigger; and

"(2) in the case of a revolver, the handgun model:

"(A) has an overall frame length of four and one-half inches measured on a line parallel to the barrel; and

"(B) has a barrel length of at least three inches; and

"(C) has a safety device which, either (i) automatically in the case of a double action firing mechanism or (ii) by manual operation in the case of a single action firing mechanism, causes the hammer to retract to a point where the firing pin does not rest upon the primer of the cartridge. Once activated, such safety device must be capable of withstanding the impact of a weight, equal to the weight of the revolver, dropped a total of five times from a height of 36 inches above the rear of the hammer spur onto the rear of the hammer spur with the revolver resting in a position such that the line of the barrel is perpendicular to the plane of the horizon; and

"(D) attains a total of at least 45 points under the following criteria:

"(i) Barrel length: one-half point for each one-fourth inch that the barrel is longer than 4 inches;

"(ii) Frame construction: (a) 15 points if investment cast steel or forged steel, (b) 20 points if investment cast HTS alloy or forged HTS alloy;

"(iii) Revolver weight: one point for each ounce with the revolver unloaded;

"(iv) Caliber: (a) zero points if the revolver accepts only .22 caliber short or .25 caliber ACP, (b) three points if the revolver accepts .22 caliber long rifle or ammunition in the range between .30 caliber and .38 S&W, (c) four points if the revolver accepts .38 caliber special ammunition, (d) five points if the revolver accepts .357 magnum or over, (e) in the case of ammunition not falling within one of the classes listed above, such number of points not greater than five (following the classification schedule above as nearly as practicable) as the Secretary shall determine appropriate to the suitability for sporting purposes or for personal protection of handgun models designed for such ammunition; and

"(v) Miscellaneous equipment: (a) five points if the revolver has either drift or click adjustable target sights, (b) five points if the revolver has target grips, (c) five points if the revolver has a target hammer and a target trigger.

"(o) It shall be unlawful for any person to reduce the length of the barrel or the overall length of a handgun previously approved by the Secretary for sale and delivery if as a result of such modification the handgun no longer meets the standards for approval set forth in subsection (n) of this section.

"(p) The Secretary shall give written notification of the results of evaluation and testing conducted pursuant to subsection (n) of this section to the licensee submitting samples of a handgun model for such evaluation and testing. If any handgun model fails to meet the standards for approval, the Secretary's notification shall state specifically the reasons for such finding. Any such notification of approval or failure shall be published in the Federal Register. At least once each year the Secretary shall compile a list of all handgun models which are then approved for sale or delivery under subsection (n) of this section, which list shall be published in the Federal Register and furnished annually to each licensee under this chapter.

"(q) Any licensee submitting to the Secretary for testing a handgun model which is subsequently found not in compliance with relevant standards shall have ten days from receipt of notification of noncompliance within which to submit in writing specific objections to such finding and a request for retesting such model, together with justification therefor. Upon receipt of such a request the Secretary shall promptly arrange for retesting and thereafter notify the aggrieved party of the results, if he determines sufficient justification for retesting exists. Should he determine that retesting is not warranted, the Secretary shall promptly notify the aggrieved party as to such determination. In the event that upon retesting the Secretary's finding remains adverse, or that the Secretary finds retesting is not warranted, the aggrieved party may within sixty days after the date of the Secretary's notice of such finding file a petition in the United States district court in the district in which the aggrieved party has his principal place of business in order to obtain judicial review of such finding. Such review will be in accordance with the provisions of section 706 of title 5, United States Code."

SEC. 205. Section 925(d)(3) of title 18 of the United States Code is amended to read as follows:

"(3) is of a type that does not fall within the definition of a firearm as defined in section 5845(a) of the Internal Revenue Code of 1954; is not a surplus military firearm; and if a handgun, has been approved by the Secretary pursuant to section 922(n) of this title; or".

SEC. 206. (a) Section 921(a) of title 18, United States Code, as amended by section 202 of this title, is further amended by adding the following:

"(23) The term 'immediate family' means direct lineal descendants (including adopted children) and ascendants of the transferor.

"(24) The term 'sporting firearm' means a firearm which is generally recognized as particularly suitable for or readily adaptable to sporting purposes."

(b) Section 922(a)(3) of title 18, United States Code, is amended by redesignating clause "(C)" as clause "(E)", and by inserting after clause (B) the following new clauses: "(C) shall not apply to the importation into the United States of a sporting rifle or sporting shotgun in conformity with the provisions of section 925(d)(3): *Provided*, That not more than one sporting rifle and one sporting shotgun shall be imported by a person during any calendar year; (D) shall not apply to the transportation or receipt of a sporting rifle or sporting shotgun transferred by its lawful owner to a member of his immediate family;".

(c) Section 922(a)(5) of such title is amended by redesignating clause "(B)" as clause "(C)", and by inserting after clause (A) the following new clause: "(B) the transfer, transportation, or delivery of a sporting rifle or sporting shotgun by its lawful owner to a member of his immediate family.".

(d) Section 925(d)(3) of title 18, United States Code, as amended by section 205 of this title, is further amended by inserting immediately after "the Internal Revenue Code of 1954" a comman and the following: "and meets the definition of a sporting firearm as defined in this chapter, excluding surplus military firearms, except that in any case in which a person who is not a member of the United States Armed Forces and is not a licensed importer, manufacturer, dealer, or collector seeks to import a sporting rifle or sporting shotgun by mail order, such person must be at least twenty-one years of age;".

(e)(1) Section 926 of title 18, United States Code, is amended by adding at the end thereof the following new sentence: "The Secretary shall compile and maintain an importation list containing descriptions of rifles and shotguns which he determines to be recognized as particularly suitable for or readily adaptable to sporting purposes.".

(2) The caption of such section is amended to read as follows:

"§ 925. Rules and regulations: Importation list."

(3) Item 926 of the analysis of chapter 44 of such title is amended to read as follows:

"926. Rules and regulations: Importation list.".

SEC. 207. (a) Sections 926, 927, and 928 of title 18 of the United States Code, and all references thereto, are redesignated as sections 927, 928, and 929, respectively.

(b) Title 18 of the United States Code is amended by inserting after section 925 the following new section:

"§ 926. Compensation for reasonable value of handguns voluntarily transferred to law enforcement agencies

"(a) A person may at any time transfer to any Federal, State, or local law enforcement agency designated by the Secretary any handguns owned or possessed by such person.

"(b) In the case of transfer pursuant to subsection (a) of a handgun model which the Secretary has evaluated and tested pursuant to section 922(n) of this title and not approved for sale or delivery by a licensee under this chapter, the person transferring such handgun shall, upon proof that such handgun was lawfully acquired and lawfully owned by such person prior to enactment of the Handgun Crime Control Act, be entitled to receive from the United States a payment equal to the reasonable value of such handgun, such value to be determined as of the day before enactment of the Handgun Crime Control Act."

SEC. 208. Section 4182 of title 20 of the United States Code is amended by adding the following subsection (d):

"(d) RECORDS.—Notwithstanding the provisions of sections 922(b)(5) and 923(g) of title 18, United Statea Code, no person holding a Federal license under chapter 44 of title 18, United States Code, shall be required to record the name, address, or other information about the purchaser of .22-caliber rimfire ammunition."

SEC. 209. Section 925(a) of title 18, United States Code is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting immediately after paragraph (4) the following new paragraph:

"(5) The provisions of this chapter shall not apply with respect to the transportation, shipment, receipt, or importation of any lawfully acquired firearm or ammunition intended to be used solely for testing of any such firearm or ammunition for a professional journal or sporting magazine, pursuant to regulations issued by the Secretary of the Treasury. It shall be unlawful to use any such firearm for any purpose other than testing and evaluation."

SEC. 210. (a) Chapter 51 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 1116. Murder, manslaughter, or attempt to commit murder or manslaughter of State law enforcement officers, firemen, or prison guards

"(a) Whoever commits murder or manslaughter, or attempts to commit murder or manslaughter, or aids or abets another in the commission of such murder or manslaughter, or attempt to commit such murder or manslaughter, of any State law enforcement officer, fireman, or prison guard while such officer, fireman, or guard is performing official duties, or because of the official position of such officer, fireman, or guard, shall be punished as provided under section 1111, section 1112, or section 1113 of this title.

"(b) As used in this section, the term—

"(1) 'law enforcement officer' means any officer or employee of any State who is charged with the enforcement of any criminal laws of such State;

"(2) 'fireman' means any person serving as a member of a fire protective service organized and administered by a State or a volunteer fire protective service organized and administered under the laws of a State;

"(3) 'prison guard' means any officer or employee of any State who is charged with the custody or control in a penal or correctional institution of persons convicted of criminal violations; and

"(4) 'State' means any State of the United States, the Commonwealth of Puerto Rico, any political subdivision of any such State or Commonwealth, the District of Columbia, and any territory or possession of the United States.".

(b) The chapter analysis of such chapter is amended by adding immediately after item 1115 the following new item:

"1116. Murder, manslaughter, or attempt to commit murder or manslaughter of State law enforcement officers, firemen, or prison guards.".

SEC. 211. There are hereby authorized to be appropriated such sums as may be necessary to effect the purposes of this Act.

SEC. 212. The provisions of this Act shall take effect immediately upon enactment, except that sections 203 and 205 of this title shall take effect sixty days after the date of enactment.

TITLE III—MANDATORY PENALTIES FOR FIREARM CRIME AND TRAFFIC

SEC. 301. This title may be cited as the "Gun Running Control and Mandatory Penalties Act".

PENALTIES FOR FIREARM CRIME

SEC. 302. Subsection (c) of section 924 of title 18 of the United States Code is amended to read as follows:

"(c)(1) Whoever—

"(A) uses a firearm to commit any felony for which he may be prosecuted in a court of the United States, or

"(B) carries a firearm unlawfully during the commission of any felony which threatens life or property for which he may be prosecuted in a court of the United States, may, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than five years or more than fifteen years. In any case in which such additional sentence is not imposed, the court shall state in writing its reasons for so deciding. The imposition or execution of such additional sentence if imposed shall not be suspended nor probation granted.

"(2) Whoever, after having been convicted of any such felony while so using or unlawfully carrying a firearm as provided in paragraph (1) of this subsection and is again convicted of a second or subsequent offense involving the commission of a felony for which he may be prosecuted in a court of the United States while so using or unlawfully carrying a firearm as provided in paragraph (1) shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than ten or more than thirty years. The imposition or execution of such additional sentence shall not be suspended and probation shall not be granted.

"(3) In no case shall any additional term of imprisonment imposed pursuant to this subsection run concurrently with any term of imprisonment imposed for the commission of any such felony.

"(4) A conviction shown on direct or collateral review to be invalid, or for which the defendant has been pardoned on the ground of innocence shall be disregarded for purposes of paragraph (2) of this subsection."

SEC. 303. (a) Subsection (e) of section 3575 of title 18, United States Code, is amended (1) by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof a semicolon and the word "or", and (2) by adding immediately after paragraph (3) thereof the following new paragraph:

"(4) the defendant used a firearm (as defined in section 921(a)(3) of this title) to commit such felony, or unlawfully carried a firearm (as defined in section 921(a)(3) of this title) during the commission of such felony."

(b) Section 3575 of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) Nothing in this section shall be construed as amending, altering, modifying, or otherwise affecting the provisions of subsection (c) of section 924 of this title, or as affecting the applicability of such provisions to any defendant sentenced pursuant to this section."

SEC. 304. Section 924(a) of title 18 of the United States Code is amended to read as follows:

"(a) Whoever violates any provision of this chapter or knowingly makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under this chapter, or in applying for any license or exemption or relief from disability under the provisions of this chapter, shall be fined not more than $5,000, or imprisoned not more than five years, or both, and shall become eligible for parole as the Board of Parole shall determine. Provided that in the case of any: (a) person who violates section 922(g)(1) or section 922(h)(1) by shipping, transporting or receiving any firearms or ammunition in interstate or foreign commerce while that person is under indictment for, or has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year; (b) licensed importer, licensed manufacturer, licensed dealer or licensed collector who violates section 922(d)(1) by selling or otherwise disposing of any firearm or ammunition to any person knowing or having reasonable cause to believe that such person is under indictment for or has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year; and (c) licensed importer, licensed dealer or licensed collector who violates section 922(b)(3) by selling or delivering a firearm to any person not specifically exempted under subsections (A), (B) or (C) of that section who the licensee knows or has reasonable cause to believe does not reside in (or if the person is a corporation or other business entity, does not maintain a place of business in) the State in which the licensee's place of business is located; the court shall not suspend the sentence of such person or grant such person a probationary sentence.

SEC. 305. (a) Section 923(g) of title 18 of the United States Code is amended to read as follows:

"(g) Each licensed importer, licensed manufacturer, licensed dealer, and licensed collector shall maintain such records of importation, production, shipment, receipt, sale, or other disposition, of firearms and ammunition at such place, for such period, and in such form as the Secretary may by regulations prescribe. Such importers, manufacturers, dealers, and collectors shall make such records available for inspection at all reasonable times, and shall submit to the Secretary such reports and information with respect to such records and the contents thereof as he shall by regulations prescribe. Provided that each licensed importer, licensed manufacturer, licensed dealer and licensed collector shall promptly report to the Secretary any loss of firearms or ammunition when such licensee shall have reasonable cause to believe that such loss was a result of theft. Such report shall include the amount of firearms or ammunition lost and the circumstances under which such loss took place. Provided further that each licensee shall prepare a report of multiple sales or other disposition whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more handguns to an unlicensed person. Such report shall be forwarded to the Secretary at the close of business on the day the multiple sale or other disposition occurs. The Secretary may enter during business hours the premises (including places of storage) of any firearms or ammunition importer, manufacturer, dealer, or collector for the purpose of inspecting or examining (1) any records or documents required to be kept by such importer, manufacturer, dealer, or collector under the provisions of this chapter or regulations issued under this chapter, and (2) any firearms or ammunition kept or stored by such importer, manufacturer, dealer, or collector at such permises. Upon the request of any State or any political subdivision thereof, the Secretary may make available to such State or any political subdivision thereof, any information which he may obtain by reason of the provisions of this chapter with respect to the identification of persons within such State or political subdivision there-

UMI

of, who have purchased or received firearms or ammunition, together with a description of such firearms or ammunition."

(b) For purposes of this section the term "handgun" is defined in section 202 of title II in this Act.

SEC. 306. Section 924 of title 18 of the United States Code is amended by adding at the end thereof the following new subsection:

"(e) A trial of any crime involving use or possession of a firearm shall have priority on the calendar of any court of the United States. Upon receipt of the copy of such complaint, it shall be the duty of the presiding judge to assign the case for hearing at the earliest practicable date, and to cause the case to be in every way expedited."

TITLE IV—MANDATORY PENALTIES FOR NARCOTICS TRAFFICKERS

SEC. 401. The Controlled Substances Act, approved October 27, 1970 (84 Stat. 1242), is amended by adding immediately after section 405 thereof the following new section:

"PUBLIC MENACE

"SEC. 405A. (a) Notwithstanding any other provisions of this Act or of any other law, any person who violates section 401(a)(1) shall, if such person is a public menace, be sentenced, in addition to the punishment provided for such violation, to a term of imprisonment for not less than ten years or more than thirty years; except that if such person has previously been convicted of such a violation and sentenced as a public menace, such person shall be sentenced, in addition, to life imprisonment. The imposition or execution of any such additional sentence shall not be suspended, probation shall not be granted, and section 4202 and chapter 309 of title 18, United States Code, shall not be applicable; except that any person so sentenced to life imprisonment may be released on parole after serving not less than thirty years of his life sentence (but in no event shall any period of imprisonment served by him in connection with his punishment for such violation be included within or considered as a part of the thirty-year period which he is required to serve prior to his eligibility for consideration for parole). In no case shall any such additional term of imprisonment (including life imprisonment) imposed pursuant to this section run concurrently with any term of imprisonment imposed for such violation.

"(b) For purposes of this section, the term 'public menace' means any person, convicted on or after the effective date of this section of a violation of section 401(a)(1) of this Act by illegally manufacturing, distributing or dispensing, in an amount equal to or in excess of one-tenth (1/10) of an ounce of, or the equivalent of one-tenth (1/10) of an ounce of, pure heroin or morphine and who, at the time he committed such violation, was not an addict.

"(c) This section shall not be applicable to any person under eighteen years of age at the time the offense was committed: *Provided, however,* That the Attorney General may expressly direct, that any person over sixteen years of age and under eighteen years of age who is for the second or subsequent time convicted as an adult for violating this section by illegally manufacturing, distributing or dispensing, in an amount equal to or in excess of one-tenth (1/10) of an ounce of, or the equivalent of one-tenth (1/10) of an ounce of, pure heroin or morphine and who, at the time he committed such violation, was not an addict, be treated as if he were a first offender under the provisions of this section, and sentenced accordingly.

"(d) A conviction shown on direct or collateral review to be invalid, or for which the defendant has been pardoned on the ground of innocence shall be disregarded for purposes of this section."

TITLE V—ROBBERY OF PHARMACIES AND RELATED STORES

SEC. 501. his title may be cited as the "Pharmacy Protection Act".

SEC. 502. (a) The Controlled Substances Act is amended by adding immediately after section 405 (21 U.S.C. 845) the following new section:

ROBBERY OF A CONTROLLED SUBSTANCE FROM A REGISTERED PHARMACY AND RELATED CRIMES

"SEC. 405A. (a) Whoever, by force and violence, or by intimidation, takes, or attempts to take, from the person or presence of another, any material, compound, mixture, or preparation containing any quantity of a controlled substance set forth in a schedule of controlled substances under the Controlled Substances Act and belonging to, or in the care, custody, control, management, or possession of any pharmacist, shall be fined not more than $5,000 or imprisoned not more than ten years, or both.

"(b) As used in this section, the term—

"(1) 'pharmacist' means any person registered in accordance with the Controlled Substances Act for the purpose of engaging in commercial activities involving the dispensing of any controlled substance to an ultimate user pursuant to the lawful order of a practitioner;

"(2) 'dispensing' shall have the same meaning as that provided under section 102 (10) of the Controlled Substances Act;

"(3) 'practitioner' shall have the same meaning as that provided under section 102 (20) of the Controlled Substances Act;

"(4) 'controlled substance' shall have the same meaning as that provided under section 102(6) of the Controlled Substances Act.".

SEC. 503. The table of contents contained in the first section of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by inserting immediately after the item relating to section 405 the following new item:

"Sec. 405A. Robbery of a controlled substance from a registered pharmacy and related crimes.".

TITLE VI—SENTENCING FOR CRIMES OF VIOLENCE

SEC. 601. This title may be cited as the "Violent Offender Act".

SEC. 602. Section 5010 of title 18 of the United States Code—Federal Youth Correction Act—is amended by adding a new subsection (F):

"(F) If, prior to the offense for which the youth offender is presently being sentenced, the youth offender had been convicted of any of the following offenses:

Arson;
Rape;
Robbery;
Kidnaping;
Murder;
Assault with a dangerous weapon; or
Assault with intent to commit rape, robbery, kidnaping or murder.

then the court shall not sentence the youth offender under subsections (B) or (C) but may sentence the youth offender under any other applicable penalty provision."

SEC. 603. Section 4209 of title 18 of the United States Code is amended by adding at the end thereof the following:

"Except that if, prior to the offense for which the youth offender is presently being sentenced, the youth offender had been convicted of any of the following offenses:

Arson;
Rape;
Robbery;
Kidnaping;
Murder;
Assault with a dangerous weapon; or
Assault with intent to commit rape, robbery, kidnaping or murder.

then the court shall not sentence the youth offender under the Federal Youth Corrections Act but may sentence the youth offender under any other applicable penalty provision."

By Mr. INOUYE:

S. 1881. A bill to amend title 38 of the United States Code to provide for cost-of-living adjustments to disability compensation rates payable to veterans residing outside the contiguous United States. Referred to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, I am introducing today legislation designed to provide more adequately for those veterans residing in the high cost areas outside the mainland United States.

Just as civil service employees are given cost-of-living allowances in those high cost living areas, I am proposing a measure which allows cost-of-living adjustments in disability compensation rates for our deserving veterans.

Presently this cost-of-living allowance ranges from 7.5 to 25 percent in parts of Alaska. In Hawaii it is 12.5 percent. This is based on Civil Service Commission examination of the actual living costs in these areas as compared to Washington, D.C. As you know our Nation's Capital is not an inexpensive area in which to live nor are veterans' pensions overly generous. It is for this reason that I introduce remedial legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1881

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 11 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 362. Cost-of-living adjustments in disability compensation rates

"(a) The Administrator shall adjust from time to time the respective rates of disability compensation payable under subchapters II and IV of this chapter to veterans who reside in any area outside the contiguous United States in order to offset the difference between the cost of living in any such area and the cost of living in the District of Columbia, if such cost in the outside area is substantially higher. No statutory rate payable under either of such subchapters may be increased to an amount in excess of 125 per centum of such rate by reason of adjustments made under this section.

"(b) The Administrator shall by regulation prescribe the amounts of the adjustments made under subsection (a) and define the areas in which, and the conditions under which, such amounts will be paid."

(b) The analysis of such chapter 11 is amended by adding at the end thereof the following:

"362. Cost-of-living adjustments in disability compensation rates."

SEC. 2. This Act shall take effect on the first day of the second calendar month which begins after the date of its enactment.

By Mr. INOUYE (for himself and Mr. PEARSON) (by request):

S. 1882. A bill to establish a national policy relating to conversion to the metric system in the United States. Referred to the Committee on Congress.

Mr. INOUYE. Mr. President, I am introducing today with the distinguished senior Senator from Kansas (Mr. PEARSON) for appropriate reference a request bill, the Metric Conversion Act of 1975.

While the United States procrastinates on this decision, nations which previously adhered to other measurement systems have moved to convert to metric. The United States is now the only industrial nation which remains nonmetric.

This year Senator CLAIBORNE PELL, who has been the Congress leading metric expert and advocate, has again introduced a conversion bill, S. 100, which I cosponsored. In introducing this bill today, it is our intention to present this administration version for debate and discussion and not necessarily to supplant legislation which has already been introduced.

In 1972 the Senate passed a metric conversion bill which died with congressional adjournment. This year the prospects for conversion appear to be bright. Many of the criticisms leveled against previous bills have been studied and incorporated in the new legislation. The House has already held 6 days of hearings on this subject, and the Science, Research and Technology Subcommittee has recently marked up a bill.

The United States has become an increasingly metric nation. Many segments of industry have adopted metric units, and the changeover in major industries occurs with increasing frequency. Metric usage is taught in schools, in large part due to Senator PELL'S farsighted efforts. Conversion to metric system will have profound impact on everyone's daily life, but that impact need not have a traumatic effect if we begin planning now for an orderly transition.

Mr. President, in the weeks and months ahead, I would hope that this subject receives the attention of the public and the mass media. If the conversion is to occur, it should be done with adequate participation by the public.

I ask unanimous consent that the text of the bill and the statement of purpose and need be printed at this point in the RECORD.

There being no objection, the bill and statement were ordered to be printed in the RECORD, as follows:

S. 1882

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

SHORT TITLE

SECTION 1. This Act may be cited as the "Metric Conversion Act of 1975".

FINDINGS

SEC. 2. The Congress finds that—

(1) the use of the metric system of weights and measures in the United States was authorized by the Act of July 28, 1866 (14 Stat. 339); and

(2) the United States was one of the original signatories to the Convention of the Meter (20 Stat. 709), which established the General Conference of Weights and Measures, the International Committee of Weights and Measures, and the International Bureau of Weights and Measures; and

(3) the metric measurement standards recognized and developed by the International Bureau of Weights and Measures have been adopted as the fundamental measurement standards of the United States and the customary units of weights and measures used in the United States have been since 1893 based upon such metric measurement standards; and

(4) the Governments of Australia, Canada, United Kingdom, India, Japan, New Zealand, and the Republic of South Africa have determined to convert, are converting, or have converted to the use of the metric system in their respective jurisdictions; and

(5) the United States is the only industrially developed nation which has not established a national policy committing itself to and facilitating conversion to the metric system; and

(6) as a result of the study to determine the advantages and disadvantages of increased use of the metric system in the United States authorized by Public Law 90-472 (82 Stat. 693), the Secretary of Commerce has found that increased use of the metric system in the United States is inevitable; that maximum efficiency will result and minimum costs to effect the conversion will be incurred if it is accomplished through a coordinated national program carried out, in general, without Federal subsidies; that the goal for the conversion should be a Nation predominantly, although not exclusively, metric; that a central planning and coordinating body be established and assigned to plan and coordinate metric conversion activities in cooperation with all sectors of our society; and that immediate attention be given to education of the public and to effective United States participation in measurement-related international standards activities.

STATEMENT OF POLICY

SEC. 3. It is therefore declared that the policy of the United States shall be:

(1) to plan and coordinate the voluntary substitution of metric measurement units for customary measurement units in education, trade, commerce, and all other sectors of the economy of the United States, with a view to making metric units the predominant, although not exclusive, language of measurement, on a time scale for conversion appropriate to particular sectors as approved by the Congress on recommendation of the United States Metric Board pursuant to Section 11;

(2) to encourage voluntary participation of the members of each affected sector and group in the Nation in the activities of the Metric Board;

(3) to encourage efficiency and minimize overall costs to society;

(4) to assist in the development of a broad educational program to be carried out in the Nation's elementary and secondary schools and institutions of higher learning, as well as with the public at large, designed to enable all Americans to become familiar with the meaning and applicability of metric terms and measurements in daily life, in a manner consistent with the provisions of section 403 of P.L. 93-380, "The Education Amendments of 1974" (88 Stat. 546, 20 U.S.C. 1862), relating to metric education.

DEFINITIONS

SEC. 4. For the purposes of this Act—

(a) The term "metric system of measurement" means the International System of Units as established by the General Conference of Weights and Measures in 1960 and interpreted or modified for the United States by the Secretary of Commerce.

(b) The term "engineering standard" means a standard which prescribes a concise set of conditions and requirements to be satisfied by a material, product, process, procedure, convention or test method, and the physical, functional, performance and/or conformance characteristics thereof.

(c) The term "international standard or recommendation" means an engineering standard or recommendation formulated and promulgated by an international organization and recommended for adoption by individual nations as a national standard.

ESTABLISHMENT OF UNITED STATES METRIC BOARD

SEC. 5. There is hereby established a United States Metric Board (hereinafter referred to as the "Board") to implement the policy set out in this Act.

SEC. 6. The composition of the Board shall be as follows:

(a) A maximum of twenty-one persons appointed by the President, who shall serve at his pleasure and for such terms as he shall specify, who shall be broadly representative of the American society, including industry, labor, business and commerce, the consumer, education, State and local government, science and engineering. The President shall designate one of the members appointed by him to serve as Chairman and another to serve as Vice Chairman of the Board.

(b) Two members of the House of Representatives who shall not be members of the same political party, and who shall be appointed by the Speaker of the House of Representatives; and

(c) Two members of the Senate who shall not be members of the same political party, and who shall be appointed by the President of the Senate.

SEC. 7. No vacancy on the Board shall impair the right of the remaining members to exercise all the powers of the Board. A simple majority of the Board membership shall constitute a quorum for transaction of business.

SEC. 8. Unless otherwise provided by the Congress, the Board shall have no compulsory powers.

SEC. 9. The Board shall cease to exist when the Congress, by law, determines that its mission has been accomplished.

DUTIES OF THE BOARD

SEC. 10. It shall be the function of the Board to devise and carry out a broad program of planning, coordination, and public education, consistent with other national policy and interests, with the aim of implementing the policy set forth in this Act. In carrying out this program the Board shall:

(a) consult with and take into account the interests, views, and conversion costs of United States commerce and industry, including small business, science, engineering, labor, education, consumers, government agencies at the Federal, State and local level, nationally recognized standards developing and coordinating organizations, metric conversion planning and coordinating groups, and such other individuals or groups as are considered appropriate by the Board to the carrying out of the purposes of this section. The Board will take advantage of activities underway in the private sector so as not to establish, within its own organization and staff, provision for activities that would unnecessarily duplicate those being undertaken in the private sector.

(b) provide for appropriate procedures whereby various groups, under the auspices of the Board, may formulate and recommend to the Board specific programs for coordinating conversion in each industry and segment

thereof and for suggesting specific metric sizes, shapes, and other measurements for general use, consistent with the needs, interests and capabilities of manufacturers, large and small, suppliers, labor, consumers, educators, and other interested groups, and further consistent with the national interest.

(c) publicize, in an appropriate manner, proposed programs and provide an opportunity for interested groups or individuals to submit comments on such programs. At the request of interested parties, the Board, in its discretion, may hold hearings with regard to such programs. Comments provided by public review and hearings will be considered by the Board in consultation, when appropriate, with the sources of a program in making such revision of any program as, in the judgment of the Board, would be warranted.

(d) encourage activities of standardization organizations to develop or revise as rapidly as practicable engineering standards to a metric measurement basis and to take advantage of opportunities to promote rationalization or simplification of relationships, improvements of design, reductions of size variations, and increases in economy, plus any opportunities to promote the efficient use of energy and the conservation of natural resources.

(e) encourage the retention, in new metric language standards, of those United States engineering designs, practices, and conventions that are internationally acceptable or embody superior technology.

(f) consult and cooperate with foreign governments, and intergovernmental organizations, in collaboration with the Department of State, and, through appropriate member bodies, with private international organizations which are or become concerned with the encouragement and coordination of increased use of metric measurement units or engineering standards based on such units, or both; such consultation shall include efforts, where appropriate, to gain international recognition for metric standards proposed by the United States, and, during the United States conversion, to encourage retention of equivalent customary units, usually by way of dual dimensions, in international standards or recommendations.

(g) assist the public, through information and education programs, to become familiar with the meaning and applicability of metric terms and measures in daily life. Programs hereunder shall include:

(1) public information programs conducted by the Board through the use of newspapers, magazines, radio, television and other media, and through talks before appropriate citizens' groups and public organizations.

(2) counseling and consultation by the Secretary of Health, Education and Welfare, the Secretary of Labor, and the Director, National Science Foundation, with educational associations, labor education committees, apprentice training committees and other interested groups, so as to assure that the metric system of measurement is made a part of the curricula of the Nation's educational institutions and that teachers and other appropriate personnel are properly trained to teach the metric system of measurement.

(3) consultation by the Secretary of Commerce with the National Conference of Weights and Measures so as to assure that State and local weights and measures officials are appropriately involved in metric conversion activities and are thus assisted in their efforts to bring about timely amendments to weights and measures laws.

(4) Such other public information programs by any Federal agency in support of this Act which relate to the mission of the agency.

(h) collect, analyze, and publish information about the extent of usage of metric measurements; evaluate the costs and benefits of metric usage; and make efforts to minimize any adverse effects resulting from increasing metric usage.

(i) conduct research, publish the results of this research, and recommend in the program proposals submitted in accordance with Sec. 11(b) whatever action may be appropriate to deal with any unresolved problems associated with metric usage, including but not limited to the impact on workers (such as costs of tools and training) and on different occupations and industries, possible increased costs to consumers, the impact on the United States international trade position, the appropriateness of using Federal procurement to effect conversion to the metric system, the proper conversion or transition period in particular sectors, and effects on national defense.

(j) Submit annually a report of its activities to the President and to both Houses of Congress.

SEC. 11(a) To carry out the provisions of this Act the Board shall submit conversion programs approved by the Board to the President who shall within sixty days approve or disapprove the program. Upon approval, the President shall forward immediately the conversion program to both houses of Congress on the same day and to each House while it is in session. The Board shall implement such program after sixty legislative days following the date of delivery to the Congress.

(b) If any program is disapproved by the Congress or the President, a revised program shall be submitted by the Board within sixty days of such disapproval. Such revised program shall be subject to the procedures set forth in subsection (a).

AUTHORITY OF THE BOARD

SEC. 12. In carrying out its duties the Board is authorized to:

(a) establish an Executive Committee, and such other committees as it deems desirable;

(b) establish such committees and advisory panels as it deems necessary to work with the various sectors of the American economy and governmental agencies in the development and implementation of detailed conversion plans for those sectors; and reimburse as may be authorized by law the members of such committees.

(c) conduct hearings at such times and places as it deems appropriate.

(d) enter into contracts in accordance with the Federal Property and Administrative Services Act of 1949, as amended, with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties;

(e) delegate to the Executive Director such authority as it deems advisable;

(f) perform such other acts as may be necessary to carry out the duties prescribed by this Act.

SEC. 13. (a) The Board is hereby authorized to accept, hold, administer, and utilize gifts, donations, and bequests of property, both real and personal, and personal services, for the purpose of aiding or facilitating the work of the Board. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Board;

(b) For the purpose of Federal income, estate, and gift taxes, property accepted under subsection (a) of this section shall be considered as a gift or bequest to or for the use of the United States;

(c) Upon the request of the Board, the Secretary of the Treasury may invest and reinvest in securities of the United States any moneys contained in the fund herein authorized. Income accruing from such securities, and from any other property accepted to the credit of the fund authorized herein, shall be disbursed upon the order of the Board.

(d) Funds not expended by the Board at the time of its expiration shall revert to the Treasury of the United States.

COMPENSATION OF THE BOARD

SEC. 14. Members of the Board who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be entitled to receive compensation at a rate not to exceed the daily rate currently being paid grade 18 of the General Schedule under section 5332 of title 5, United States Code, including travel time, and, while so serving on the business of the Board away from their homes or regular places of business, they may be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service. Payments under this section shall not render members of the Board employees or officials of the United States for any purpose. Members of the Board who are in the employ of the United States shall be entitled to travel expenses when traveling on the business of the Board.

STAFF SERVICES

SEC. 15. (a) An Executive Director of the Board shall be appointed by the President. The Executive Director shall be responsible to the Board for carrying out the metric conversion program according to the provisions of this Act and the policies established by the Board.

(b) The Executive Director of the Board shall serve full time and be subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code. The annual salary of the Executive Director shall not exceed the rate currently being paid grade 18 of the General Schedule.

SEC. 16. (a) The Board is authorized to appoint and fix the compensation of such staff personnel as may be necessary to carry out the provisions of this Act in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code.

(b) The Board is authorized to employ experts and consultants or organizations thereof as authorized by section 3109 of title 5, United States Code, compensate individuals so employed at rates not in excess of the rate currently being paid grade 18 of the General Schedule under section 5332 of such title, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of said title 5 for persons in the Government service employed: *Provided*, however, that contracts for such temporary employment may be renewed annually.

SEC. 17. Financial and administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) and such other staff services as may be requested by the Board shall be provided the Board by the Secretary of Commerce, for which payment shall be made in advance, or by reimbursement, from funds of the Board in such amounts as may be agreed upon by the Chairman of the Board and the Secretary of Commerce. In performing these functions for the Board, the Secretary is authorized to obtain such information and assistance from other Federal agencies as may be necessary.

FUNDS FOR THE BOARD

SEC. 18. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. Appropriations to carry out the provisions of this Act may remain available for obligation and expenditure for such period or periods as may be specified in the Acts making such appropriations.

STATEMENT OF PURPOSE AND NEED

In view of the increased use of the metric system of measurement in international trade and its adoption by virtually every major nation in the world, the Congress, by Public Law 90-472 in 1968, directed the Secretary of Commerce to undertake a three-year study to determine the impact of the metric system on the United States. The Secretary's final report, submitted in July 1971, concluded that eventually the United States will join the rest of the world in the use of the metric system as the predominant common language of measurement. Since that time, both industry and education have greatly increased their use of the metric system, although their actions are occurring in an unplanned and uncoordinated manner.

Rather than continuing to drift to metric with no national guidance to help the sectors of our society coordinate their changeover moves, and harmonize our relationships abroad, a planned transition in which all sectors participate voluntarily is preferable. Such an approach would assist everyone in adjusting to the metric system more efficiently, more effectively, and more economically.

As a means of providing an effective changeover to the metric system, there is herewith proposed an Act that would establish a national policy for converting to the metric system in the United States. The bill, after describing previous United States involvement in metric system measurement activities, declares that the policy of this Nation shall be to plan and coordinate the substitution of the metric system of weights and measures in place of the current customary measurement units in education, trade, commerce, and all other sectors of the economy. It is the goal of the bill that metric units would become the predominant, although not exclusive, language of measurement, on a time scale for conversion appropriate to particular sectors. Another important part of this bill is to encourage the retention in new metric language standards of those U.S. engineering designs, practices, and conventions that are internationally accepted or embody superior technology. The bill also sets forth this country's intention to cooperate with foreign governments and private international organizations which are concerned with the encouragement and coordination of the increased use of metric measurement units or engineering standards based on such units. Finally, it would be the policy to conduct extensive information and educational programs through use of the public media so as to familiarize the public with the meaning and applicability of metric terms and measurements in their daily life. The Secretary of Health, Education, and Welfare, the Secretary of Labor, and the Director of the National Science Foundation are authorized to counsel and consult with educational associations and groups so as to assure that the metric system of measurement is made a part of the curricula of the Nation's educational institutions and that teachers and other personnel are properly trained to teach the metric system of measurement, consistent with the provisions of section 403, P.L. 93-380, "The Education Amendments of 1974" (88 Stat. 546, 20 U.S.C. 1862). The Secretary of Commerce is authorized to consult with the National Conference of Weights and Measures so as to assure that State and local weights and measures officials are appropriately involved in metric conversion activities and are thus assisted in their efforts to bring about timely amendments to weights and measures laws.

To carry out these policies, the bill would establish a United States Metric Board composed of not more than 21 distinguished private citizens appointed by the President and 4 members of the Congress selected by the Speaker of the House of Representatives and the President of the Senate. The Board would cease to exist when the Congress finds by law that its mission is accomplished.

A main function of this Board would be to provide for procedures whereby various groups will formulate and recommend to the Board programs for coordinating metric conversion in each industry and segment thereof. The bill would give no compulsory powers to the Board and the changeover proposed by the Board in its programs would be entirely voluntary.

In developing the programs, the Board would be required to consult with representatives of United States commerce and industry, including small business, science, engineering, labor, education, consumers, nationally recognized standards developing and coordinating organizations, government agencies at the Federal, State, and local level as well as, where appropriate, with foreign governments and public international organizations. Upon the approval of a conversion program by the Board it would be submitted to the President who must within sixty (60) days approve or disapprove it. Upon approval, the President would immediately submit the program to the Congress. The Board would implement the program within sixty (60) legislative days following submission to the Congress.

The bill makes provision for an Executive Director and a staff to assist the Board. In carrying out its duties, the Board would be authorized to enter into contracts, conduct hearings, establish committees and advisory panels, and perform such other acts as may be necessary to implement the functions prescribed by the bill. An annual report of its actitivies would be submitted by the Board to the President and the Congress.

The bill would authorize the appropriation of such sums as may be necessary to carry out its provisions. The appropriations would be available for obligation and expenditure for such periods as specified in the Acts making such appropriations.

It is estimated that expenditures in the first full year of operation would approximate two million dollars.

By Mr. BENTSEN:

S. 1884. A bill making a supplemental appropriation for the Department of Labor for the fiscal year ending June 30, 1975, to provide additional funds for youth summer employment programs pursuant to the Comprehensive Employment and Training Act of 1973. Referred to the Committee on Appropriations.

Mr. BENTSEN. Mr. President, yesterday the House sustained the President's veto of H.R. 4481, the Emergency Employment Appropriations Act. I was deeply disturbed by that veto and by the President's seeming insensitivity to the plight of the more than 8 million Americans who are now unemployed.

Prolonged unemployment is gnawing at the very fabric of this society. Today, some 12 to 13 million Americans are unemployed, working at part-time labor in lieu of the full-time jobs they seek, or so frustrated that they have given up their search for a job.

That unemployment translates into unpaid mortgages, unmet car payments, and untreated medical problems. It breeds frustration, hopelessness, and anger. And it means hardship and real suffering in household after household.

I am particularly concerned with the effects of high unemployment on our teenage sons and daughters. In April, 20.4 percent of America's youth aged 16 to 19 were unemployed. For black and other minority teenagers who for so long have experienced unconscionably high rates of unemployment, the figure was an appalling 40.2 percent. Both percentages will soar with the end of school several weeks from now

Employment for America's teenagers means much more than an alternative to unrest, vandalism, and violence. It means extra dollars for families who have trouble making ends meet in the best of times. It means a chance to continue an education when school reopens next September. And it means valuable experience and mastering of skills to enhance prospects for future career employment.

As a society, we have always valued the summer work experience. In recent years, we have developed programs which have offered millions of America's teenagers summer jobs. And in the vetoed H.R. 4481, the Congress provided funding for an additional 840,000 jobs for youth this summer.

This is the first week of June. Summer is here. And hundreds of thousands of teenagers are already looking for work. We must not let their search be in vain.

I am, therefore, today introducing legislation to fund the extra 840,000 jobs provided for in the Emergency Employment Assistance Act. The $458,050,000 is the same amount agreed to in the conference on H.R. 4481. It is an outlay provided for in the first concurrent budget resolution, and it is a proper and sound investment in the Nation's youth.

My hope is that the Congress will quickly act to provide this desperately needed funding. We must resolve anew to put fathers and mothers back to work, too, and we must win the understanding and cooperation of the administration to do it. My summer youth employment legislation obviously is only one step toward putting this Nation back to work, but for the hundreds of thousands of young Americans who will have jobs, it is absolutely essential.

I urge the Appropriations Committees of both Houses to act expeditiously in reporting legislation which can quickly be enacted. I am certain that their efforts will once again receive the overwhelming support of this body.

I ask that a copy of my bill be printed at the end of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That $458,050,000 is appropriated, out of any money in the Treasury not otherwise appropriated for the Department of Labor for the fiscal year ending June 30, 1975, and to remain available until September 30, 1975, to provide addi-

tional funds for youth summer employment programs pursuant to the Comprehensive Employment and Training Act of 1973 to enable eight hundred and forty thousand youths to obtain jobs.

By Mr. TUNNEY (for himself, Mr. ABOUREZK, Mr. BAYH, Mr. BURDICK, Mr. FONG, Mr. MATHIAS, Mr. HUGH SCOTT, and Mr. THURMOND):

S. 1887. A bill to protect the civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy. Referred to the Committee on the Judiciary.

Mr. TUNNEY. Mr. President, along with Senators ABOUREZK, BAYH, BURDICK, FONG, MATHIAS, HUGH SCOTT, and THURMOND, I introduce a bill to protect the constitutional rights of the civilian employees of the executive branch of the Federal Government and to prevent unwarranted governmental invasions of their privacy.

This bill, known as the Federal Employees Privacy Act, was initially introduced by Senator Ervin in 1966. It has been endorsed by every major Federal employee association and union, as well as by civil liberties groups, labor unions, and bar associations. It passed the Senate by large majorities on five separate occasions only to die in the House Post Office and Civil Service Committee. However, I am hopeful and confident that this year it will meet a different and friendlier fate.

The need for the legislation has increased with the passage of time. Many of the abuses which came to light during the Watergate investigation may never have taken place if this bill had been law. One of its principal provisions prohibits "any officer of any executive department or any executive agency of the U.S. Government" from requiring or requesting or even attempting to require or request that Federal employees participate in activities unrelated to the performance of their official duties. While it is doubtful that any one measure could have prevented all the wrongdoings associated with Watergate, the enactment of this bill which Senator Ervin so strongly advocated during the last 9 years of his tenure in the Senate would have at least provided Federal employees statutory protection against orders to conduct improper and illegal investigations of citizens active in politics.

One aim of the measure is to prohibit requirements that Federal employees and applicants for Government employment disclose their race, religion, or national origin, or submit to questioning about their religion, personal relationships, or sexual attitudes, through interviews, psychological tests, or polygraphs.

It would prohibit requirements that employees attend Government sponsored meetings and lectures or participate in outside activities unrelated to their work; support political candidates, or attend political meetings. It makes it illegal to coerce an employee to buy bonds or make charitable contributions. It prohibits requirements that he disclose his own personal assets, liabilities, or expenditures, or those of any member of his family, unless, in the case of certain specified employees, such items would tend to show a conflict of interest.

It provides a right to have a counsel or other person present if the employee wishes, at an interview which may lead to disciplinary proceedings. It accords the right to a civil action in a Federal court for violation or threatened violation of the act. Finally, it establishes a Board on Employees' Rights to receive and conduct hearings on complaints of violation of the act, and to determine and administer remedies and penalties.

The protection of the civil liberties and constitutional rights of Americans who work for Government or who apply to work for it has been a major concern of the Constitutional Rights Subcommittee since its inception and will continue to be under my chairmanship. Practices and policies which diminish the freedoms of any of us ultimately diminish the freedoms of all of us. The special leadership role which the Federal Government plays in the field of employment practices vis-a-vis State and local governments, as well as private business and industry, increases the need for enactment of this legislation.

Mr. President, I ask unanimous consent that the text of the Federal employees privacy bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. It shall be unlawful for any officer of any executive department or any executive agency of the United States Government, or for any person acting or purporting to act under his authority, to do any of the following things:

(a) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person seeking employment in the executive branch of the United States Government, to disclose his race, religion, or national origin, or the race, religion, or national origin of any of his forebears: *Provided, however,* That nothing contained in this subsection shall be construed to prohibit inquiry concerning the citizenship of any such employee or person if his citizenship is a statutory condition of his obtaining or retaining his employment: *Provided further,* That nothing contained in this subsection shall be construed to prohibit inquiry concerning the national origin or citizenship of any such employee or person or of his forebears, when such inquiry is deemed necessary or advisable to determine suitability for assignment to activities or undertakings related to the national security within the United States or to activate or undertakings of any nature outside the United States.

(b) To state or intimate, or to attempt to state or intimate, to any civilian employee of the United States serving in the department or agency that any notice will be taken of his attendance or lack of attendance at any assemblage, discussion, or lecture held or called by any officer of the executive branch of the United States Government, or by any person acting or purporting to act under his authority, or by any outside parties or organizations to advise, instruct, or indoctrinate any civilian employee of the United States serving in the department or agency in respect to any matter or subject other than the performance of official duties to which he is or may be assigned in the department or agency, or the development of skills, knowledge, or abilities which qualify him for the performance of such duties: *Provided, however,* That nothing contained in this subsection shall be construed to prohibit taking notice of the participation of a civilian employee in the activities of any professional group or association.

(c) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to participate in any way in any activities or undertakings unless such activities or undertakings are related to the performance of official duties to which he is or may be assigned in the department or agency, or to the development of skills, knowledge, or abilities which qualify him for the performance of such duties.

(d) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to make any report concerning any of his activities or undertakings unless such activities or undertakings are related to the performance of official duties to which he is or may be assigned in the department or agency, or to the development of skills, knowledge, or abilities which qualify him for the performance of such duties, or unless there is reason to believe that the civilian employee is engaged in outside activities or employment in conflict with his official duties.

(e) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person applying for employment as a civilian employee in the executive branch of the United States Government, to submit to any interrogation or examination or to take any psychological test which is designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters: *Provided, however,* That nothing contained in this subsection shall be construed to prevent a physician from eliciting such information or authorizing suchs tests in the diagnosis or treatment of any civilian employee or applicant where such physician deems such information necessary to enable him to determine whether or not such individual is suffering from mental illness: *Provided further, however,* That this determination shall be made in individual cases and not pursuant to general practice or regulation governing the examination of employees or applicants according to grade, agency, or duties: *Provided further, however,* That nothing contained in this subsection shall be construed to prohibit an officer of the department or agency from advising any civilian employee or applicant of a specific charge of sexual misconduct made against that person, and affording him an opportunity to refute the charge.

(f) To require or request, or attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person applying for employment as a civilian employee in the executive branch of the United States Government, to take an polygraph test designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

(g) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to support by personal endeavor or contribution of money or any other thing of value the nomination or the election of any person or group of persons to public office in the Government of the United States or of any State, district, Commonwealth, territory, or possession of the United States, or to attend any meeting held to promote or support the activities or undertakings of any political party of the United States or of any State, district, Commonwealth, territory, or possession of the United States.

(h) To coerce or attempt to coerce any civilian employee of the United States serving in the department or agency to invest his earnings in bonds or other obligations or securities issued by the United States or any of its departments or agencies, or to make donations to any institution or cause of any kind: *Provided, however,* That nothing contained in this subsection shall be construed to prohibit any officer of any executive department or any executive agency of the United States Government, or any person acting or purporting to act under his authority, from calling meetings and taking any action appropriate to afford any civilian employee of the United States the opportunity voluntarily to invest his earnings in bonds or other obligations or securities issued by the United States or any of its departments or agencies, or voluntarily to make donations to any institution or cause.

(i) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to disclose any items of his property, income, or other assets, source of income, or liabilities, or his personal or domestic expenditures or those of any member of his family or household: Provided, however, That this subsection shall not apply to any civilian employee who has authority to make any final determination with respect to the tax or other liability of any person, corporation, or other legal entity to the United States, or claims which require expenditure of moneys of the United States: *Provided further, however,* That nothing contained in this subsection shall prohibit the Department of the Treasury or any other executive department or agency of the United States Government from requiring any civilian employee of the United States to make such reports as may be necessary or appropriate for the determination of his liability for taxes, tariffs, custom duties, or other obligations imposed by law.

(j) To require or request, or to attempt to require or request, any civilian employee of the United States embraced within the terms of the proviso in subsection (i) to disclose any items of his property, income, or other assets, source of income, or liabilities, or his personal or domestic expenditures or those of any member of his family or household other than specific items tending to indicate a conflict of interest in respect to the performance of any of the official duties to which he is or may be assigned.

(k) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, who is under investigation for misconduct, to submit to interrogation which could lead to disciplinary action without the presence of counsel or other person of his choice, if he so requests: *Provided, however,* That a civilian employee of the United States serving in the Central Intelligence Agency or the National Security Agency may be accompanied only by a person of his choice who serves in the agency in which the employee serves, or by counsel who has been approved by the agency for access to the information involved.

(l) To discharge, discipline, demote, deny promotion to, relocate, reassign, or otherwise discriminate in regard to any term or condition of employment of, any civilian employee of the United States serving in the department or agency, or to threaten to commit any of such acts, by reason of the refusal or failure of such employee to submit to or comply with any requirement, request, or action made unlawful by this Act, or by reason of the exercise by such civilian employee of any right granted or secured by this Act.

SEC. 2. It shall be unlawful for any officer of the United States Civil Service Commission, or for any person acting or purporting to act under his authority, to do any of the following things:

(a) To require or request, or to attempt to require or request, any executive department or any executive agency of the United States Government, or any officer or employee serving in such department or agency, to violate any of the provisions of section 1 of this Act.

(b) To require or request, or to attempt to require or request, any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any civilian employee of the United States serving in any department or agency of the United States Government, to submit to any interrogation or examination or to take any psychological test which is designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters: *Provided, however,* That nothing contained in this subsection shall be construed to prevent a physician from eliciting such information or authorizing such tests in the diagnosis or treatment of any civilian employee or applicant where such physician deems such information necessary to enable him to determine whether or not such individual is suffering from mental illness: *Provided further, however,* That this determination shall be made in individual cases and not pursuant to general practice or regulation governing the examination of employees or applicants according to grade, agency, or duties: *Provided, further, however,* That nothing contained in this subsection shall be construed to prohibit an officer of the Civil Service Commission from advising any civilian employee or applicant on a specific charge of sexual misconduct made against that person, and affording him an opportunity to refute the charge.

(c) To require or request, or to attempt to require or request, any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any civilian employee of the United States serving in any department or agency of the United States Government, to take any polygraph test designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

SEC. 3. It shall be unlawful for any commissioned officer, as defined in section 101 of title 10, United States Code, or any member of the Armed Forces acting or purporting to act under his authority, to require or request, or to attempt to require or request, any civilian employee of the executive branch of the United States Government under his authority or subject to his supervision to perform any of the acts or submit to any of the requirements made unlawful by section 1 of this Act.

SEC. 4. Whenever any officer of any executive department or any executive agency of the United States Government, or any person acting or purporting to act under his authority, or any commissioned officer as defined in section 101 of title 10, United States Code, or any member of the Armed Forces acting or purporting to act under his authority, violates or threatens to violate any of the provisions of section 1, 2, or 3 of this Act, any civilian employee of the United States serving in any department or agency of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, affected or aggrieved by the violation or threatened violation, may bring a civil action in his own behalf or in behalf of himself and others similarly situated, against the offending officer or person in the United States district court for the district in which the violation occurs or is threatened, or the district in which the offending officer or person is found, or in the United States District Court for the District of Columbia, to prevent the threatened violation or to obtain redress against the consequences of the violation. The Attorney General shall defend all officers or persons sued under this section who acted pursuant to an order, regulation, or directive, or who, in his opinion, did not willfully violate the provisions of this Act. Such United States district court shall have jurisdiction to try and determine such civil action irrespective of the actuality or amount of pecuniary injury done or threatened, and without regard to whether the aggrieved party shall have exhausted any administrative remedies that may be provided by law, and to issue such restraining order, interlocutory injunction, permanent injunction, or mandatory injunction, or enter such other judgment or decree as may be necessary or appropriate to prevent the threatened violation, or to afford the plaintiff and others similarly situated complete relief against the consequences of the violation. With the written consent of any person affected or aggrieved by a violation or threatened violation of section 1, 2, or 3 of this Act, any employee organization may bring such action on behalf of such person, or may intervene in such action. For the purposes of this section, employee organizations shall be construed to include any brotherhood, council, federation, organization, union, or professional association made up in whole or in part of civilian employees of the United States and which has as one of its purposes dealing with departments, agencies, commissions, and independent agencies of the United States concerning the condition and terms of employment of such employees.

SEC. 5. (a) There is hereby established a Board on Employees' Rights (hereinafter referred to as the "Board"). The Board shall be composed of three members, appointed by the President, by and with the advice and consent of the Senate. The President shall designate one member as chairman. No more than two members of the Board may be of the same political party. No member of the Board shall be an officer or employee of the United States Government.

(b) The term of office of each member of the Board shall be five years, except that (1) of those members first appointed, one shall serve for five years, one for three years, and one for one year, respectively, from the date of enactment of this Act, and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which

his predecessor was appointed shall be appointed for the remainder of such term.

(c) Members of the Board shall be compensated at the rate of $75 a day for each day spent in the work of the Board, and shall be paid actual travel expenses and per diem in lieu of subsistence expenses when away from their usual places of residence, as authorized by section 5703 of title 5, United States Code.

(d) Two members shall constitute a quorum for the transaction of business.

(e) The Board may appoint and fix the compensation of such officers, attorneys, and employees, and make such expenditures, as may be necessary to carry out its functions.

(f) The Board shall make such rules and regulations as shall be necessary and proper to carry out its functions.

(g) The Board shall have the authority and duty to receive and investigate written complaints from or on behalf of any person claiming to be affected or aggrieved by any violation or threatened violation of this Act and to conduct a hearing on each such complaint. Within ten days after the receipt of any such complaint, the Board shall furnish notice of the time, place, and nature of the hearing thereon to all interested parties. The Board shall render its final decision with respect to any complaint within thirty days after the conclusion of its hearing thereon.

(h) Officers or representatives of any Federal employee organization in any degree concerned with employment of the category in which any alleged vioation of this Act occurred or is threatened shall be given an opportunity to participate in each hearing conducted under this section, through submission of written data, views, or arguments and in the discretion of the Board, with opportunity for oral presentation. Government employees called upon by any party or by any Federal employee organization to participate in any phase of any administrative or judicial proceeding under this section shall be free to do so without incurring travel cost or suffering loss in leave or pay; and all such employees shall be free from restraint, coercion, interference, intimidation, or reprisal in or because of their participation. Any periods of time spent by Government employees during such participation shall be held and considered to be Federal employment for all purposes.

(i) Insofar as consistent with the purposes of this section, the provisions of subchapter II of chapter 5 of title 5, United States Code, relating to the furnishing of notice and manner of conducting agency hearings, shall be applicable to hearings conducted by the Board under this section.

(j) If the Board shall determine after hearing that a violation of this Act has not occurred or is not threatened, the Board shall state its determination and notify all interested parties of such determination. Each such determination shall constitute a final decision of the Board for purposes of judicial review.

(k) If the Board shall determine that any violation of this Act has been committed or threatened by any civilian officer or employee of the United States, the Board shall immediately (1) issue and cause to be served on such officer or employee an order requiring such officer or employee to cease and desist from the unlawful act or practice which constitutes a violation, (2) endeavor to eliminate any such unlawful act or practice by informal methods of conference, conciliation, and persuasion, and (3) may—

(A) (i) in the case of the first offense by any civilian officer or employee of the United States, other than any officer appointed by the President, by and with the advice and consent of the Senate, issue an official reprimand against such officer or employee or order the suspension without pay of such officer or employee from the position or office held by him for a period of not to exceed fifteen days, (ii) in the case of a second or subsequent offense by any such officer or employee, order the suspension without pay of such officer or employee from the position or office held by him for a period of not to exceed thirty days or order the removal of such officer or employee from such position or office; and

(B) in the case of any offense by any officer appointed by the President, by and with the advice and consent of the Senate, transmit a report concerning such violation to the President and the Congress.

(l) If the Board shall determine that any violation of this Act has been committed or threatened by any officer of any of the Armed Forces of the United States, or any person purporting to act under authority conferred by such officer, the Board shall (1) submit a report thereon to the President, the Congress, and the Secretary of the military department concerned, (2) endeavor to eliminate any unlawful act or practice which constitutes such a violation by informal methods of conference, conciliation, and persuasion, and (3) refer its determination and the record in the case to any person authorized to convene general courts-martial under section 822 (article 22) of title 10, United States Code. Thereupon such person shall take immediate steps to dispose of the matter under chapter 47 of title 10, United States Code (Uniform Code of Military Justice).

(m) Any party aggrieved by any final determination or order of the Board may institute, in the district court of the United States for the judicial district wherein the violation or threatened violation of this Act occurred, or in the United States District Court for the District of Columbia, a civil action for the review of such determination or order. In any such action, the court shall have jurisdiction to (1) affirm, modify, or set aside any determination or order made by the Board which is under review, or (2) require the Board to make any determination or order which it is authorized to make under subsection (k), but which it has refused to make. The reviewing court shall set aside any finding, conclusion, determination, or order of the Board as to which complaint is made which is unsupported by substantial evidence on the record considered as a whole.

(n) The Board shall submit, not later than March 31 of each year, to the Senate and House of Representatives, respectively, a report on its activities under this section during the immediately preceding calendar year, including a statement concerning the nature of all complaints filed with it, its determinations and orders resulting from hearings thereon, and the names of all officers or employees of the United States with respect to whom any penalties have been imposed under this section.

(o) There are authorized to be appropriated sums necessary, not in excess of $100,000, to carry out the provisions of this section.

SEC. 6. Nothing contained in this Act shall be construed to prohibit an officer of the Central Intelligence Agency or of the National Security Agency from requesting any civilian employee or applicant to take a polygraph test, or to take a psychological test, designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters, or to provide a personal financial statement, if the Director of the Central Intelligence Agency or his designee or the Director of the National Security Agency or his designee makes a personal finding with regard to each individual to be so tested or examined that such test or information is required to protect the national security.

SEC. 7. No civilian employee of the United States serving in the Central Intelligence Agency or the National Security Agency, and no individual or organization acting in behalf of such employee, shall be permitted to invoke the provisions of sections 4 and 5 without first submitting a written complaint to the agency concerned about the threatened or actual violation of this Act and affording such agency one hundred and twenty days from the date of such complaint to prevent the threatened violation or to redress the actual violation: *Provided, however,* That nothing in this Act shall be construed to affect any existing authority of the Director of Central Intelligence under section 403(c), of title 50, United States Code, and any authorities available to the National Security Agency under section 833 of title 50, United States Code, to terminate the employment of any employee.

SEC. 8. Nothing in this Act shall be construed to affect in any way the authority of the Directors of the Central Intelligence Agency or the National Security Agency to protect or withhold information pursuant to statute or executive order. The personal certification by the Director of the agency that disclosure of any information is inconsistent with the provision of any statute or Executive order shall be conclusive and no such information shall be admissible in evidence in any interrogation under section 1(k) or in any civil action under section 4 or in any proceeding or civil action under section 5.

SEC. 9. This Act shall not be applicable to the Federal Bureau of Investigation.

SEC. 10. Nothing contained in sections 4 and 5 shall be construed to prevent establishment of department and agency grievance procedures to enforce this Act, but the existence of such procedures shall not preclude any applicant or employee from pursuing the remedies established by this Act or any other remedies provided by law: *Provided, however,* That if under the procedures established, the employee or applicant has obtained complete protection against threatened violations or complete redress for violations, such action may be pleaded in bar in the United States district court or in proceedings before the Board on Employee Rights: *And provided further,* That if an employee elects to seek a remedy under either section 4 or section 5, he waives his right to proceed by an independent action under the remaining section.

SEC. 11. If any provision of this Act or the application of any provision to any person or circumstance shall be held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected.

By Mr. MATHIAS (for himself, Mr. MANSFIELD, Mr. PHILIP A. HART, Mr. JAVITS, Mr. KENNEDY, Mr. NELSON, and Mr. PEARSON):

S. 1888. A bill to require in all cases court orders for the interception of communications by electric and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes. Referred to the Committee on the Judiciary.

BILL OF RIGHTS PROCEDURES ACT

Mr. MATHIAS. Mr. President, recent events have demonstrated to all Americans that our Government has at times transcended constitutional processes and involved itself in a variety of excesses in the area of surveillance. These include, but are by no means limited to: military intelligence activities at the 1968 Democratic National Convention, FBI surveillance of various civil rights leaders and of participants at the 1964 Democratic Convention, wiretapping by the White House "plumbers" unit, compilation of thousands of files at the CIA related to domestic security, and the maintenance of FBI files on Members of Congress. Most startling of all is the so-called Huston plan revealed in the course of the Senate Watergate investigations.

Governmental surveillance—the Federal invasion into areas of privacy reasonably expected by all citizens—has sown the seeds of a deep-seated malaise into American life. Watergate, CIA and FBI surveillance, the maintenance of files on congressional Members all are part of this problem. They have been accompanied by an onrush of technological advancement and growing powers of bureaucratic structures, all of which has created a kind of "future shock" sense that things are just moving too fast—have gotten beyond our control.

The malaise gripping an ever-increasing number of Americans in the apprehension and fear that those who register dissent, those who voice displeasure with governmental policy, are subject to unbridled scrutiny through pervasive governmental surveillance techniques. Actual surveillance in blatant disregard of constitutional safeguards has created the apprehension that there may be intrusions at any time upon one of our most cherished ideals, the right to privacy. But perhaps of greater consequence is the chilling effect that accompanies such surveillance. The mere threat of monitoring intimidates individuals, forces withdrawal from political activity, and impinges upon first amendment freedoms. It is by no means an overstatement to claim that unchecked governmental surveillance strikes at the very vitality of this Nation.

The fourth amendment provides:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Justice Brandeis emphasized the importance of the fourth amendment to the right of privacy in his 1928 Olmstead dissent:

> To protect (the right to be let alone), every unjustifiable intrusion by the government upon the privacy of the individual, whatever the means employed, must be deemed a violation of the fourth amendment.

The Supreme Court in *Katz* v. *U.S.*, 389 U.S. 347 (1967) held that the amendment's spirit now shields private speech from unreasonable surveillance. The decision implicitly recognizes that broad and unsuspected governmental incursions into conversational privacy which electronic surveillance entails necessitates the application of the fourth amendment safeguards.

While the fourth amendment speaks of "unreasonable searches and seizures," reasonableness has been determined on the basis of the commands of the warrant clause:

> It is not an inconvenience to be weighed somehow against the claims of policy efficiency. It is, or should be, an important working part of our machinery of government, operating as a matter of course to check the well-intentioned but mistakenly over-zealous executive officers who are a part of any system of law enforcement. *Coolidge* v. *New Hampshire*, 403 U.S. at 481.

More recently the High Court stated in *U.S.* v. *U.S. District Court*, 403 U.S. 297 (1972):

> The fourth amendment contemplates a prior judicial judgment, not the risk that executive discretion may be reasonably exercised. This judicial role accords with our basic constitutional doctrine that individual freedoms will best be preserved through a separation of powers and division of functions among the different branches and levels of government.

There are exceptions to the warrant requirement, but they are few and have been judicially delineated with extreme caution. The court in U.S. district court, supra., rejected the contention that there should be an exception to the warrant requirement in areas of domestic security; the inherent vagueness of the security concept, the necessarily broad and continuing nature of intelligence gathering, and the temptation to use such surveillance to oversee political dissent dictate that the requisites of the fourth amendment be adhered to even in such matters. And the court called upon the Congress to formulate the standards upon which judicial approval of national security surveillance may be rendered. That is what this legislation is designed to provide.

Mr. President, keeping in mind:

The paramount interest we all share in our rights to privacy;

The frightening revelations of the past 2 years;

The chilling effect that unchecked governmental surveillance necessarily breeds; and

Congress' constitutional responsibility to enact statutory guidelines to assure that the Bill of Rights remains secure from the assaults of arbitrary power;

I reintroduce today a bill which would strengthen the guarantees of privacy contained in the fourth amendment. I introduced an identical bill in the 93d Congress, S. 3440. The bill, entitled "The Bill of Rights Procedure Act of 1975," would require any Federal agent to obtain a court order before he or she may conduct any form of surveillance on a private citizen. Probable cause must be demonstrated before the court order could issue and the warrant must be specific in its particulars.

The term surveillance includes bugging, wiretapping, and all other forms of electronic eavesdropping, opening of mail, entering of dwellings, and the inspection or procurement of the records of telephone, bank, credit, medical, or other private transactions. A court order would be required in virtually every instance, the only exceptions being: The serving of an arrest warrant, the hot pursuit of a criminal, or when the consent of the individual has been obtained.

A penalty of up to $10,000 and/or a year imprisonment is provided for any governmental official, employee, or agent who willfully violates or causes the violation of the bill. The legislation requires that within 30 days after application for a court order, the applicant must file a report with the Administrative Office of the U.S. Courts and with the Committee on the Judiciary of the House and Senate. Followup reports on approved surveillance activities would also be required.

It is my firm belief that the discretionary authority in the area of governmental surveillance should not be lodged solely with the executive branch. Surveillance undertaken on any grounds including national security and foreign policy must conform with the requisites of constitutional processes.

The chief judge of the third circuit expressed his belief that there is no executive prerogative in the field of foreign affairs intelligence which may be beyond the reach of those checks and balances which in one way or another limits every other power of the central Government.

It is troubled times such as these that we are now facing that generates warnings and calls for action on the part of Congress. Congress has the responsibility and the power to enact the statutory guidelines necessary to assure that the Bill of Rights citadel constructed by our forefathers is not breached by the exercise of arbitrary power.

The substance of the Bill of Rights reflected the experience of the constitutional framers with governmental excesses; the legislation I introduce today reflects our recent experiences with executive excesses as well.

We have had clear and unmistakable warnings;

There must be provisions for vigorous oversight and full accountability of the activities of the U.S. Government in all areas of surveillance of American citizens; and

We must adhere to the belief upon which our form of government was founded.

Law, freedom, the pursuit of justice, and the exercise of arbitrary and unchecked power are necessary irreconcilable and in eternal conflict.

Mr. President, I am pleased to note today that a companion bill has been introduced in the House of Representatives by the Honorable CHARLES MOSHER of Ohio. That bill has 72 cosponsors and has been the subject of hearings before the Judiciary Committee of the House. This legislation has broad support and I am hopeful that it will receive prompt attention in the other body.

Mr. President, in the course of its deliberations, the House Judiciary Committee has indicated that it may make some changes in their bill. I am certainly amenable to any improvements. If, for instance, more specific standards for the issuance of subpenas were to be provided, I would think we would want to give careful consideration. My point is that I am wedded to the concept of this legislation, but not to specific language.

Mr. President, I ask unanimous con-

sent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1888

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bill of Rights Procedures Act of 1975".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress hereby finds and declares that—

(1) the rights of the people of the United States under the Constitution of the United States are endangered by interception of communications, other electronic surveillance, the entry of dwellings, opening mail, and the inspection of and procuring of the records of telephone, bank, credit, medical, or other business or private transactions of any individual when undertaken by officials, agents, or employees of the United States without a court order issued upon probable cause that a crime has been or is about to be committed, supported by oath or affirmation and particularly describing the place to be searched, and the persons or things to be seized.

(2) the constitutional duty of the Congress to make the laws and to provide for the common defense, and the constitutional duty of the President to execute the laws and to command the Armed Forces and other security forces according to rules and regulations made by the Congress, would not be impeded by requiring court orders for any interception of communications, other electronic surveillance, the entry of dwellings, opening mail, or the inspection of and procuring of the records of telephone, bank, credit, medical, or other business or private transactions of any individual;

(3) the constitutional duty of the Congress to make laws to protect the national security of the United States and the constitutional duty of the President to execute such laws should not limit the rights of individuals under the Constitution of the United States. Any interception of communications, other than electronic surveillance, the entry of dwellings, opening mail, or the inspection of and procuring of the records of telephone, bank, credit, medical, or other business or private transactions of any individual which is undertaken on any grounds, including but not limited to, national security or foreign policy, without a court order issued upon probable cause that a crime has been or is about to be committed, supported by oath or affirmation and particularly describing the place to be searched and the persons or things to be seized, constitutes "an unreasonable search and seizure" within the meaning of the fourth amendment to the Constitution of the United States.

(b) It is therefore the purpose of this Act to prohibit any interception of communications, other electronic surveillance, surreptitious entry, mail opening, or the inspection of and procuring of the record of telephone, bank, credit, medical or other business or private transaction of any individual without a court order issued upon probable cause that a crime has been or is about to be committed supported by oath or affirmation and particularly describing the place to be searched and the persons or things to be seized.

SEARCHES AND SEIZURES

SEC. 3. Section 2236 of title 18, United States Code, is amended to read as follows:

"§ 2236. Searches without warrant

"(a) Whoever, being an officer, agent, or employee of the United States or any department or agency thereof willfully—

"(1) searches any private dwelling used and occupied as a dwelling without a warrant directing such search or maliciously and without reasonable cause searches any other building or property with a search warrant;

"(2) procures or inspects the records of telephone calls bank, credit, medical or other business or private transactions of any individual without a search warrant or the consent of the individual;

"(3) opens and foreign or domestic mail not directed to him without a search warrant directing such opening or without the consent of the sender or addressee of such mail in violation of section 3623(d) of title 39; or

"(4) intercepts, endeavors to intercept, procures any other person to intercept any wire or oral communication except as authorized under chapter 119;

shall be fined not more than $10,000 or imprisoned not more than one year, or both.

"(b)(1) The provisions of section (a)(1) shall not apply to any person—

(A) serving a warrant of arrest;

(B) arresting or attempting to arrest a person comitting or atempting to commit an offense in his presence, or who has committed or is suspected on reasonable grounds of having committed a felony; or

"(C) making a search at the request or invitation or with the consent of the occupant of the premises.

"(2) For purposes of subsection (a) the terms 'wire communication', 'oral comunication', and 'intercept' shall have the same meaning as given to such terms under chapter 119."

INTERCEPTION OF WIRE OR ORAL COMMUNICATIONS

SEC. 4. (a) Section 2511(1) of such title 18 is amended by striking out "Except as otherwise specifically provided in this chapter" and inserting in lieu thereof "Except as specifically provided in this chapter, and except as specifically provided in chapter 109 in the case of any officer, agent or employee of the United States,".

(b) Sections 2511(3), 2511(7), 2518(d), and the last sentence of section 2520 of such title 18 are repealed.

REPORTING OF INTERCEPTED COMMUNICATIONS

SEC. 5. (a) Section 2519 of such title 18 is amended to read as follows:

"§ 2519. Reports concerning intercepted wire, oral, and other communications.

"(a) Within thirty days after the date of an order authorizing or approving the interception of a wire or oral communication (or each extension thereof) entered under section 2518, or the denial of an order approving an interception, the person seeking such order shall report to the Administrative Office of the United States Courts and to the Committees on the Judiciary of the Senate and House of Representatives—

"(1) the fact that an order or extension was applied for;

"(2) the kind of order or extension applied for;

"(3) the fact that the order or extension was granted as applied for, was modified, or was denied;

"(4) the period of interceptions authorized by the order, and the number and duration of any extensions of the order;

"(5) the names of all parties to the intercepted communications;

"(6) the offense specified in the order or application, or extension of an order;

"(7) the identity of the investigative or law enforcement officer and agency making the application and the person authorizing the application to be made;

"(8) a copy of the court order authorizing, approving, or denying such interception;

"(9) the nature of the facilities from which or the place where communications were intercepted.

"(b) Within 60 days after the date of an order authorizing or approving the interception of a wire or oral communication (or extension thereof) entered under section 2518, or the denial of an order approving an interception, the judge hearing the application for such order shall transmit to the Committees on the Judiciary of the Senate and House of Representatives a complete transcript of the proceedings.

"(c) Within 90 days after the date of an order authorizing or approving the interception of a wire or oral communication (or each extension thereof) entered under section 2518, and within 60 days after the termination of any such interception, the person authorized to make such interception shall report to the Administrative Office of the United States Courts and to the Committees on the Judiciary of the Senate and House of Representatives the disposition of all records (including any logs or summaries of any such interception) of any such interception and the identity of and action taken by all individuals who had access to any such interception."

(b)(1) Any information transmitted or submitted, pursuant to section 2519(a)(5) of title 18, United States Code (as added by subsection (a) of this section), to the Congress or to any standing, special, or select committee of either House of Congress or to any joint committee of the two Houses of Congress, shall be treated as a confidential communication and kept secret.

(2) Paragraph (1) of this subsection is enacted by the Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such shall be considered as a part of the rules of each House, respectively, or of that House to which it specifically applies, and such rule shall supersede other rules only to the extent that they are inconsistent therewith, and

(B) with full recognition of the constitutional right of either House to change such rule (so far as it relates to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

REPORTING AUTHORIZATIONS TO OPEN MAIL

SEC. 6. Chapter 205 of such title 18, is amended by adding at the end thereof the following new section:

"§ 3117. Reporting requirements in the case of warrants issued authorizing the opening of mail

"(a) Within 30 days after the date of issuance of a warrant to open any mail or the denial of such a warrant the person seeking such warrant shall report to the Administrative Office of the United States Courts and to the Committee on the Judiciary of the Senate and House of Representatives.

"(1) the fact that a warrant was applied for;

"(2) the fact that the warrant was issued as applied for, was modified, or was denied;

"(3) the offense specified in the warrant;

"(4) the identity of the investigative or law enforcement officer and the agency making the application and the person authorizing the application to be made;

"(5) the names of the sender and addressee of all mail opened pursuant to such warrant;

"(6) a copy of the approved warrant;

"(7) the nature of the facilities from which or the place where any such mail was opened; and

"(8) the disposition of all records (including any log, copy, or summary) of any such mail or the contents of such mail and the identity of and action taken by all individuals who had access to any such mail.

"(b) Within 60 days after the date of any warrant authorizing the opening of any mail, or the denial of any such warrant, the judge hearing the application for such warrant shall transmit to the Committee on the Judiciary of the Senate and House of Representatives a complete transcript of the proceeding."

TECHNICAL AMENDMENT

SEC. 7. The analysis of chapter 205 of such title 18 is amended by adding at the end thereof the following new item:

"3117. Reporting authorizations to open mail.".

By Mr. CLARK:

S. 1889. A bill to amend and improve the Agricultural Trade Development and Assistance Act of 1954. Referred to the Committee on Agriculture and Forestry.

A NEW APPROACH TO U.S. FOOD ASSISTANCE

Mr. CLARK. Mr. President, since the World Food Conference in Rome last November, there has been a great deal of debate about this country's commitment to the fight against world hunger. Because of the unparalleled productivity of the American farmer, the United States is one of the few nations in the world in a position to provide substantial help. But how much are we, as a nation, really willing to help? How should we go about it? These questions remain unanswered.

While many people are concerned about the U.S. role in combating hunger, there seems to be some feeling that the world's food problems have disappeared—perhaps because the famines of last summer and fall were relieved through emergency aid; much of it from the United States. But the problems and the dangers are chronic. They have not gone away. Experts say that some countries may face greater danger from starvation today than they did a year ago. About 400 million people around the world remain malnourished. Over the past year, the world's food reserves have narrowed while the world's population has grown by about 74 million.

This year's global harvest probably will be about 8 percent above last year's—essentially a return to normal. This forecast, however, is based on the assumption that the weather will be favorable for the rest of the year in all the major growing regions—an assumption made last year which turned out to be tragically wrong. With world reserves at an all-time low, bad weather that would have had little impact in past years could now cause serious food shortages. Of course, even if the weather is uniformly kind this year, most food experts agree that it will be impossible to meet the growing demand for food in succeeding years without greater commitments to agricultural development in the developing countries.

TWO PROBLEMS

In short, the two urgent problems discussed in Rome last November are still very much with us; feeding today's hungry and increasing food production in the underdeveloped countries. The legislation I am introducing today offers a new approach to these problems—in the form of a series of amendments to Public Law 480, the food for peace program, which has been the cornerstone of the U.S. food assistance program for more than 20 years.

Through two programs—title I, providing for concessional sales of agricultural commodities, and title II, providing for grants of commodities—Public Law 480 has tried to relieve hunger and promote agricultural development. Today, Public Law 480 is not doing either of these jobs well.

During fiscal 1974, approximately two-thirds of title I—or almost half of all commodities shipped under Public Law 480—went to two countries, Vietnam and Cambodia. The administration had planned to ship up to two-thirds of the entire program for this fiscal year to Southeast Asia, the Middle East, and other countries, such as Chile, with which it has a "special" relationship. The relationship was political—humanitarian considerations were secondary. Only congressional enactment of a 30-percent limitation on the political uses of food aid prevented this from happening.

Nor has Public Law 480 been effective in promoting agricultural development. In some countries, Public Law 480 commodities have even helped further local government policies which discouraged agricultural productivity. Tremendous annual fluctuations in the quantities of Public Law 480 commodities available to individual countries have hampered the long-term planning necessary for economic development. Over the last few years, food shipments have varied wildly—from a high of 18 million tons in 1966 to a low of 3.3 million tons in 1974.

In the next few months, Congress will consider a number of proposals as it reexamines and evaluates U.S. food assistance. I am offering this legislation as a contribution to that discussion.

FOOD FOR THE HUNGRY

The bill establishes a clear direction for the food for peace program: above all, food should go to hungry people.

Of course, it is not difficult to proclaim that the program should be primarily humanitarian—most people agree on that—but it is difficult to put the principle into practice. To do that, this bill establishes for the first time a minimum food assistance level—6 million tons. Four million tons are targeted for those countries designated by the U.N. as the most seriously affected by current world economic problems—the so-called "MSA countries." The other 2 million tons of the minimum are set aside for title II programs to be channeled primarily through voluntary agencies and the world food program.

The MSA nations need the 4 million tons as a minimum U.S. commitment. The international voluntary agencies and the world food program have always requested a U.S. commitment—the 2 million tons in this proposal allows for continuity of programing. Just a decade ago, the food for peace program was three times the size of this proposed 6 million ton minimum. The World Food Conference set a global target of 10 million tons of food aid, and a 6-million ton pledge would be a suitable contribution by the United States which exports about half of all grain in world trade. But in the past, the U.S. aid commitment has been relatively less than that of other major food donors.

No country receiving U.S. food assistance can plan to feed its people without some minimum assurances of food aid from year to year. The General Accounting Office recently recommended that the Public Law 480 program be amended to provide this continuity. The administration also has taken note of this fundamental problem and has suggested corrective legislation. Food assistance should be an established part of U.S. agricultural policy. Right now food aid is considered as an afterthought—a reflection of its origin 20 years ago as a way to distribute agricultural surpluses. Invariably, we have given food aid, but the uncertainty and delay from year to year have caused unnecessary hardship for recipient countries and their people. This 6 million ton guarantee would help eliminate that hardship.

The experience of the food for peace program has taught us that it is one thing to have a food aid program and quite another to insure that this food reaches those most in need. This legislation gives MSA nations priority in the distribution of any food aid above the established minimum commodity level. It also stipulates that at least 70 percent of any food assistance above the minimum commodity level must be sold or given to MSA nations, while the remaining 30 percent is available for countries without serious food problems.

Despite the priority it gives to the MSA nations, the bill is not inflexible. Some current title II, grant aid, recipients are not on the MSA list but would qualify for food aid on humanitarian grounds—Malawi, Mauritius, or Rwanda. This legislation would enable the President to ship title II food to such countries, either through voluntary agencies or the world food program or, directly, provided that the appropriate congressional committees did not disapprove such shipments.

DEVELOPMENT GRANTS

Food assistance, however enlightened or effective, cannot solve the world hunger problem. Only the development of agricultural potential in these threatened countries can do that. Title III of this legislation would establish a new kind of food aid program—agricultural development grants—designed to help the recipient nation in its efforts to feed its hungry, increase production, and improve distribution.

Title III is a grant program. It would give the United States authority to buy food on the domestic market and send it to those countries which demonstrate a special commitment to meeting the needs of their hungry and improving their own agricultural production. Some food may go directly into feeding programs established by the recipient nation. The remainder can be sold by that country but only as long as all of the

UMI

proceeds go to an agricultural development fund—to be used for anything from the purchase of seed and fertilizer to providing loans to small farmers.

It is generally recognized that the self-help measures of Public Law 480's title I concessional sales program have not succeeded in this area—"self-help" terms have simply been tacked on to sales agreements. A grant program—like the one in this bill—establishes a different legal and economic relationship between donor and recipient nations. There would be no agricultural development grants unless the recipient nation is actively working, or wants to work, on its problems of food production and distribution and the needs of its hungry.

In addition to these fundamental changes, this legislation includes a number of revisions in Public Law 480 which reflect current food needs and the need for humanitarian emphasis. A declaration from the World Food Conference is incorporated, and the law's policy aims are reordered. Combating hunger and encouraging agricultural development are given first priority—with foreign policy considerations given a secondary status. U.S. foreign policy is a legitimate objective of a food assistance program—the language of the bill recognizes this—but only when it does not conflict with the primary goal of the act, humanitarian assistance.

To strengthen the humanitarian aspect of Public Law 480, the bill instructs the Secretary of Agriculture to study the terms of loans granted for title I concessional sales, putting into operation a system based on "ability to pay." Those countries better off should pay higher rates on loans for food purchases than poorer nations.

The bill authorizes and encourages the President to seek an international agreement for a system of national food reserves—with firm safeguards for farmers against market price disruptions from such a system.

An international reserve system is the key to stabilizing the world's food supply and prices. Despite the Rome conference's call for the establishment of such a system, few firm steps have yet been taken. A major reason for the lack of progress has been the reluctance of the United States to exercise leadership in negotiating an international reserve system, although Secretary Kissinger's initiatives in this area have been encouraging.

The legislation also eliminates Public Law 480's so-called soft loans to private trade entities, a subsidy to private industry justified neither by export promotion nor agricultural development. These loans—little used in any case—are granted only when the risk to the particular company is lowest and the subsidy least needed. Furthermore, they give the United States no assurance of future imports by the recipient country.

The shipment of tobacco under titles II and III grant programs is prohibited. There is no justification for supplying this type of nonfood commodity under Public Law 480 grant programs, since it does nothing to alleviate the conditions of hunger and malnutrition these programs are designed to combat.

The cold war rhetoric of Public Law 480 is deleted. The references to Cuba and North Vietnam are out of place in the era of détente. Barring Public Law 480 agreements with Communist nations, or nations trading with North Vietnam, is both unrealistic and inconsistent in the light of U.S. commercial sales to the U.S.S.R., the People's Republic of China, and other Communist-dominated nations.

Finally, the bill requires the President to submit to Congress—along with his annual budget—a global assessment of food needs, specifying expected food deficits and planned food assistance, steps to encourage increased food assistance by other donors, and steps by food-deficit nations to increase production.

The Agricultural Trade Development and Assistance Act of 1954—Public Law 480—as originally drafted and amended is at the end of its useful life. There is a sense of the inevitable now—new food aid legislation will be written by the Congress in 1975. It only remains to be seen how strong our humanitarian commitment will be.

I ask unanimous consent that the full text of the bill and a summary of its provisions be printed in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 1889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Agricultural Assistance, Development, and Trade Act of 1975".

SEC. 2. Section 2 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701) is amended to read as follows:

"SEC. 2. The Congress hereby declares it to be the policy of the United States to implement to the fullest extent possible the resolutions adopted by the participants of the World Food Conference held in Rome in November 1974. Such resolutions proclaimed that 'Every man, woman, and child has the inalienable right to be free from hunger and malnutrition in order to develop fully . . .' and that '. . . . the eradication of hunger is a common objective of all the countries of the international community, especially of the developed countries . . .'. It is further declared to be the policy of the United States to use its abundant agricultural productivity to (1) combat hunger and malnutrition, (2) encourage economic development in the developing countries, with particular emphasis on assistance to those countries that are determined to improve their own agricultural production; (3) expand international trade and market development, and (4) promote U.S. foreign policy, where such promotion will not interfere with the preceding objectives."

SEC. 3. Title I of such Act is amended as follows:

(1) Section 102 is amended by striking out the colon preceding the first proviso and all that follows down to, but not including, the period at the end of such section.

(2) Section 103 is amended by—

(A) inserting in clause (c) "and of the recipient nation" immediately after "United States" and striking out "with friendly countries";

(B) striking out in clause (d) the colon preceding the proviso and all that follows down to, but not including, the period at the end of such clause;

(C) striking out clause (j);

(D) redesignating clauses (k), (l), (m), and (n) as clauses (j), (k), (l), and (m), respectively;

(E) redesignating clause (o) as clause (n) and inserting after the word "country" the following: "of those agricultural commodities which United States exporters offer at competitive prices"; and

(F) redesignating clauses (p) and (q) as clauses (o) and (p), respectively.

(3) Section 104 is amended by—

(A) striking out subsection (c);

(B) redesignating subsections (d), (e), (f), (g), (h), (i), (j), and (k) as subsections (c), (d), (e), (f), (g), (h), (i), and (j), respectively.

(4) Section 109(b) is amended by striking out "in agreements" after "Act," and all that follows down through diplomatic relations,".

SEC. 4. (a) Title III of such Act is amended by redesignating such title as title IV and by redesignating sections 301, 302, and 303 as sections 401, 402, and 403, respectively.

(b) Title IV of such Act is redesignated as title V and sections 401 through 411 are redesignated as sections 501 through 511, respectively.

SEC. 5. The Agricultural Trade Development and Assistance Act of 1954 is further amended by adding after title II a new title as follows:

"TITLE III

"SEC. 301. The President is authorized to furnish agricultural commodities on a grant basis to a food deficit country which is determined to initiate and carry out specified self-help measures planned to increase national nutritional levels, food production, and distributive capability of such country.

"SEC. 302. A grant of agricultural commodies to any country under this title is authorized when such country agrees as a condition of receipt to carry out specified self-help measures designed to get food to its hungry and to increase agricultural productivity.

"SEC. 303. (a) The proceeds from the sale of any commodities made available to any foreign country under this title (whenever such commodities are sold on the open market by such recipient country rather than distributed free) shall go directly into a fund for planning the agricultural development of the poor rural areas of such country and to enable the poor people of such country to participate actively in increasing the agricultural production of such country through small farm agriculture.

"(b) Money from the fund referred to in subsection (a) may be used to encourage efficient use of traditional techniques, assist small farmer organizations, provide adequate price incentives for agricultural production, improve marketing and storage systems, provide loan assistance on reasonable terms and conditions to small farmers, and promote any other efforts which might aid the small farmer in increasing productivity and distribution.

"(c) Money from the fund referred to in subsection (a) may be used to continue work on plans to meet the objectives outlined in subsection (b).

"SEC. 304. The President shall consult with the appropriate officials of each country receiving grants under this title at least once annually regarding the operation of the agricultural development grant program under this title to determine the progress being made by such country and to determine whether assistance under this title should continue. The President shall report to the Congress annually regarding the operation of the grant program under this title and

shall include in such report a list of the countries receiving assistance under this title, and the degree of success achieved and anticipated by such assistance in terms of the objectives referred to in section 301."

SEC. 6. Section 501 of such Act, as redesignated by section 4(b) of this Act, is amended to read as follows:

"SEC. 501. (a) In order to insure that the United States will have a reasonable base of agricultural stocks available to meet famine and other emergency conditions in foreign countries in any fiscal year, and to insure that the United States will have an available base of agricultural stocks from which countries designated by the United Nations as 'Most Seriously Affected' can import in any fiscal year, the President shall take such action as may be necessary, subject to the provisions of subsection (c), to insure that the United States has, at the beginning of each fiscal year (1) a quantity of commodities not less than 4 million tons to carry out the provisions of titles I and III; and (2) a quantity of commodities not less than 2 million tons to carry out the provisions of title II.

"(b)(1) The minimum quantities of agricultural commodities prescribed in subsection (a)(1) shall be available only to countries designated by the United Nations as 'most seriously affected.'

"(2) The agricultural commodities prescribed in subsection (a)(2) for title II shall be distributed through international voluntary agencies, the world food program, and when through government to government programs, shall be made available only to countries designated by the United Nations as 'most seriously affected,' unless (A) the President notifies the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate of his proposed action to make such commodities available to specified countries not designated by the United Nations as 'most seriously affected,' (B) provides such committees with justification for such proposed action, and (C) neither committee has disapproved such proposed action within 30 days after receipt of such notification.

"(3) Notwithstanding any other provision of this Act, not to exceed 30 per centum of any quantities of agricultural commodities available in any fiscal year in excess of the quantities prescribed in subsection (a)(1) shall be available for distribution to countries other than countries designated by the United Nations as 'most seriously affected.'

"(c) No commodity shall be available for disposition under this Act if such disposition would reduce the domestic supply of such commodity below that needed to meet domestic requirements and adequate carryover.

"(d) The President may waive the provisions of subsection (b) in the case of any foreign country not designated by the United Nations as 'most seriously affected.' country if he (1) determines that assistance should be furnished such country on the basis of humanitarian considerations, (2) notifies and provides justification for such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate, and (3) neither committee has disapproved such proposed action within 30 days after receipt of such notification; except that in instances of disaster requiring emergency relief he need not notify such committees in advance.

"(e) In determining the amount of sales made to any country not designated by the United Nations as a 'most seriously affected' country, there shall be included the quantity of all nonfood commodities as well as food commodities."

SEC. 7. Section 502 of such Act, as redesignated by section 4(b) of this Act, is amended to read as follows:

"SEC. 502. The term 'agricultural commodity' as used in this Act shall include any agricultural commodity produced in the United States or product thereof produced in the United States. Such terms shall not include alcoholic beverages, or in the case of titles II and III, tobacco or any product thereof.".

SEC. 8. Section 507 of such Act, as redesignated by section 4(b) of this Act, is amended by striking out in the third sentence of such section "the Acting Chairman of such Committee who shall preside" and inserting in lieu thereof "any member of such Committee. The Acting Chairman shall preside at all meetings of such Committee".

SEC. 9. Section 509 of such Act, as redesignated by section 4(b) of this Act, is amended to read as follows:

"SEC. 509. No programs of assistance under titles II and III and no agreements to finance sales under title I shall be entered into after December 31, 1985."

SEC. 10. Title V, as redesignated by section 4(b) of this Act, is further amended by striking out section 511 and inserting in lieu thereof the following:

"SEC. 511. The President shall report to the Congress at the time of his budget submission for each fiscal year a global assessment of food needs for that fiscal year, specifying expected food deficits and planned programing of food assistance, steps which are being taken to encourage other countries to increase their participation in food assistance or the financing of food assistance, and steps which are being taken by food-short countries toward elimination of their food shortages.

"SEC. 512. The President is authorized and encouraged to seek an international agreement for a system of national food reserves to meet food shortage emergencies and to provide insurance against unexpected shortfalls in food production, with the costs of such reserves to be equitably shared and farmers given firm safeguards against market price disruption from such a system.

"SEC. 513. Within 30 days after the end of each fiscal year the Secretary of Agriculture shall report to the Congress in writing the amount of any funds which were available for obligation under this Act during such fiscal year and which remained unobligated at the end of such fiscal year.

"SEC. 515. The Secretary of Agriculture is authorized and directed to carry out a comprehensive study on the desirability of a variable interest rate, initial payment rate, and maturity rate to finance purchases under the Agricultural Trade Development and Assistance Act of 1954. The Secretary shall submit the results of his study in a report to Congress not later than October 1, 1975, together with a recommended formula for the implementation of variable interest rates, initial payment rates, and maturity rates which would reflect the ability of purchasing countries to buy agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954. The Secretary shall include in such report such other comments and recommendations as he deems appropriate."

BASIC PROVISIONS OF THE INTERNATIONAL AGRICULTURAL ASSISTANCE DEVELOPMENT AND TRADE ACT

Establishes a minimum level of commodities to be shipped annually through the Food for Peace Program.

a. Sets 6 million tons as the minimum annual commitment.

A minimum level allows for continuity from year to year. The GAO, in a recent study of Title II Food for Peace programs, recommended that legislation be developed to provide continuity of programing, stating that this is essential for effective utilization and planning of supplies.

A minimum should also be set as insurance against times when grain supplies are short.

A 6-million-ton level reflects the fact that the U.S. exports most of the world's grain and should assume the greatest share of last fall's Rome World Food Conference 10-million-ton total annual world food assistance target.

A 6-million-ton U.S. level is only a third of our annual commitment a decade ago. U.S. foreign food assistance shipments for the last decade were as follows:

1965, 18 million tons.
1968–72, 9 million tons (annually).
1973, 7.5 million tons.
1974, 3.3 million tons.
1975, 5.5 million tons.

b. Requires that this minimum annual commitment should be divided as follows: (1) Four million tons should be made available—through either Title I sales or new Title III grants (see Provision 4)—directly to nations identified by the United Nations as most seriously affected by the current world economic crisis (MSAs). (2) Two million tons should be made available through Title II grants, which are distributed primarily by international voluntary agencies and the U.N. World Food Program.

Past experience with the Food for Peace Program has demonstrated that restrictions must be placed on the use of food assistance for political purposes. Congress made an initial step toward this end last December by requiring that at least 70 percent of Title I Food for Peace sales must go to needy nations, but this restriction is due to expire at the end of this fiscal year.

This legislation would create a permanent, broader restriction, which would provide needy nations with greater assurance of receiving the food supplies they require.

The United Nation's MSA list is felt to be the most reliable index available for determining which nations have the greatest need. The list includes nations with a serious balance of payments deficit, and reflects an analysis of per capita income, foreign exchange reserves, movement of reserves, exports, the relative movement of exports, and the importance of foreign trade on economic development.

2. Requires that 70 percent of any Title I and Title III program shipments made in excess of the minimum annual commitment amount must also be directed to MSA nations.

This further restriction is intended to further curb the use of Food for Peace shipments for political purposes and further strengthen the program's humanitarian emphasis.

3. Permits nations which are not included on the United Nations MSA list to be included in the minimum annual commitment and/or receive additional shipments earmarked for needy nations under exceptional circumstances.

Such waivers could be granted in cases where a serious food deficit existed in a non-MSA country not disapproved by the Agriculture Committee of the Senate and the House. Emergency disaster relief would need no approval.

4. Adds to the Food for Peace program a new title—Title III—which creates a new system of direct food grants to MSA nations. These grants would only be available to nations which "agree as a condition of receipt to carry out specified self-help measures designed to get food to (their) hungry and to increase agricultural production."

The purpose of these grants is to encourage meaningful self-help efforts to remedy long-term food deficit problems.

Food supplies made available through

UMI

these grants may go directly into feeding programs or may be sold on the open market by the recipient government in the same manner as supplies distributed under Title I of the program, but all proceeds of these grant sales must be placed in an agricultural development fund designed to aid the nation's individual farmers.

5. Authorizes the Secretary of Agriculture to restructure Food for Peace Title I loan rates so that nations with greater resources will have more stringent terms than less wealthy nations.

It is felt that these loan rates should more accurately reflect each nation's actual ability to pay.

6. Prohibits the shipment of tobacco under the Title II and Title III grant programs.

There is no justification for continuing to supply this kind of non-food commodity through Food for Peace grant programs, since it does nothing to alleviate the immediate problems these programs are designed to combat. The other major non-food commodity currently being shipped through Food for Peace programs—cotton—is felt to be a justifiable program element because it can help meet basic clothing needs.

By Mr. MATHIAS:

S.J. Res. 89. A joint resolution designating John Philip Sousa's "The Stars and Stripes Forever" as the national march of the United States. Referred to the Committee on the Judiciary.

"THE STARS AND STRIPES FOREVER" SHOULD BE OUR NATIONAL MARCH

Mr. MATHIAS. Mr. President, I send to the desk a joint resolution to designate "The Stars and Stripes Forever" by John Philip Sousa as our National March.

Throughout history, music has been an integral part of human civilization. The major events of our personal lives—weddings, funerals, commencements, religious observances, athletic events, ceremonial occasionals and so forth—are distinguished by musical accompaniment. Music sets the mood, heightens the senses, deepens the feelings, and highlights the significance of special moments, just as it helps to make a leisurely afternoon or evening more pleasant and relaxing.

With the approach of the Bicentennial commemoration, it is appropriate that we recognize the significance of music in the public ceremonies of America, not only during this year, but throughout our national history. Bicentennial events will be of an enormous variety, marking the importance of our national commitment to different individuals and groups that make up our Nation. Yet one event certain to occur in virtually every town and city throughout our country is a parade commemorating our day of national independence. It is appropriate therefore, that we, as a nation, recognize the contribution to such ceremonies which have been made by American composers of marching music.

In that spirit, Mr. President, members of the American Bandmasters Association, the Pennsylvania Bandmasters Association, and the American High School Bandmasters Association and others have suggested that we should pay tribute to all of our great composers by designating as our national march what they believe to be the most deserving work of the great composer, John Philip Sousa.

John Philip Sousa is selected for this honor for numerous reasons. Born in our Nation's capital, he remained a Washingtonian in spirt throughout his life. He was the son of immigrant parents. His musical genius was evident very early, and he enrolled in a conservatory in Washington at the age of 6. He enlisted in the U.S. Marine Band at the age of 13, and served for 5 years, until he left to pursue more formal study of music. He had sold his own musical compositions at the age of 18. In 1880, at the age of 26, he became the conductor of the U.S. Marine Band. He served as conductor for 12 years, during which he composed the official Marine March, "Semper Fidelis," as well as other famous marches, including the "Washington Post March," "The High School Cadets," "The Gladiator," "Hands Across the Sea," "King Cotton," and the "Liberty Bell." In 1890, Sousa edited for the Department of the Navy a work entitled "National, Patriotic and Typical Airs of All Lands."

Sousa served with distinction with three branches of our Armed Forces; as musical director of the VI Army Corps during the Spanish-American War, as conductor of the U.S. Marine Band and as Lieutenant in charge of Navy bands during World War I. He served in the latter position for nominal compensation, and raised millions of dollars for the Government's efforts on liberty loan drives. Sousa's contributions were recognized by his receipt of the Royal Victorian Order of Great Britain, the Golden Palms and Rosette of the French Academy, and the Cross of Artistic Merit of the Academy of Arts, Science and Literature of Hainault, Belgium. Sousa was elected to the Hall of Fame for Great Americans.

During his life, John Philip Sousa composed more than 100 marches, as well as a number of waltzes, overtures, suites, comic operas, and other musical compositions. He became to the march what Strauss was to the waltz or Beethoven to the classical symphony. His personal library of music was bequeathed to the University of Illinois. John Philip Sousa died in 1932 and was buried in Congressional Cemetery.

Mr. President, Sousa's distinction as a musical composer, band director, public leader, and patriotic citizen make it appropriate that we honor all American composers, and all musicians throughout the Nation, by designating his great work "The Stars and Stripes Forever" as our national march.

I am therefore pleased to introduce this resolution and commend it to the attention of my colleagues. I ask unanimous consent that the text of the measure be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 89

Whereas, through his many outstanding military airs and marches, John Philip Sousa has brought world-wide musical recognition to the United States of America;

Whereas Sousa's "The Stars and Stripes Forever" is universally known and is associated with our flag and our country more than any other military air or march; and

Whereas the United States of America has no official national march to be used to salute the appearance of high Federal and State Government officials, other than the President, on public occasions: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the musical composition by John Philip Sousa, known as "The Stars and Stripes Forever", is hereby designated the national march of the United States of America.

SEC. 2. For the purposes of this joint resolution, the term "The Stars and Stripes Forever" means a composition by John Philip Sousa consisting of the following words and music:

THE STARS AND STRIPES FOREVER

(Words and Music by John Philip Sousa)

1. Let martial note In triumph float, And liberty extend its mighty hand, A flag appears, 'Mid thun-d-rous cheers, The banner of the Western land. The emblem of the brave and true, Its folds protect no tyrant crew, The red and white and starry blue, Is Freedom's shield and hope.

CHORUS

Other nations may deem their flags the best And cheer them with fervid elation, But the flag of the North and South and West is the flag of flags, The flag of Freedom's nation. Hurrah for the flag of the free, May it wave as our standard forever, The gem of the land and the sea, The Banner of the Right. Let despots remember the day When our fathers with mighty endeavor, Proclaim'd as they march'd to the fray, That by their might, And by their right, It waves forever!

2. Let eagle shriek From lofty peak, The never ending watchword of our land. Let summer breeze Waft through the trees The echo of the chorus grand. Sing out for liberty, and light, Sing out for freedom and the right, Sing out for Union and its might, Oh, patriotic Sons!

CHORUS

Other nations may deem their flags the best And cheer them with fervid elation, But the flag of the North and South and West is the flag of flags, The flag of Freedom's nation. Hurrah for the flag of the free, May it wave as our standard forever, The gem of the land and the sea, The Banner of the Right. Let despots remember the day When our fathers with mighty endeavor, Proclaim'd as they march'd to the fray, That by their might, And by their right, It waves forever!

[Due to mechanical limitations, music referred to is not printed in the RECORD.]

[For the musical version referred to herein see clerk's copy on file in the Senate.]

By Mr. DOMENICI:

S.J. Res. 90. A joint resolution to authorize the President of the United States to designate "National Ski Week." Referred to the Committee on the Judiciary.

Mr. DOMENICI. Mr. President, I send to the desk for appropriate reference a joint resolution which would authorize the President of the United States to designate the week beginning on the first Saturday after the first Tuesday in January of every year as "National Ski Week."

Snow skiing is fast becoming one of America's most popular sports. It not only provides millions of Americans an exhilarating physical challenge but, it affords them the opportunity to enjoy the wonder and beauty of this great land. Skiing contributes to our vitality and well-being as a nation by helping many Americans to maintain a high standard of physical development.

The Departments of Agriculture and Interior are to be commended for the important role they are playing in developing alpine and cross-country skiing opportunities. Lands managed by these Departments represent an almost unlimited resource for people to pursue this invigorating sport. Approximately 200 alpine ski areas, including Taos Ski Valley and Santa Fe Ski Basin in New Mexico, currently exist under permits issued by the U.S. Forest Service enabling Americans to experience the thrill and excitement of downhill skiing.

Mr. President, House Joint Resolution 767 was passed in the 89th Congress. This measure authorized President Johnson to proclaim January 21, 1966 as National Ski Week. However, the authority was not extended to subsequent years. I believe it appropriate for the Congress to pass legislation designating a specific date as National Ski Week on an annual basis.

I hope the Congress will give this measure favorable consideration because passage would insure that the sport of snow skiing is subject to receiving appropriate commemorative status by both the Congress and the executive branch.

Mr. President, I ask unanimous consent that the resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S. J. RES. 90

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United Stataes is hereby authorized and requested annually to issue a proclamation designating the week beginning on the first Saturday after the first Tuesday in January of every year as "National Ski Week," in recognition of the economic, recreational and healthful aspects of the sport of skiing; and inviting the people of the United States to observe such week by participation in appropriate ceremonies and activities.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 89

At the request of Mr. MATHIAS, the Senator from Mississippi (Mr. EASTLAND), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Alaska (Mr. STEVENS), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of S. 89, a bill to provide that income from entertainment activities held in conjunction with a public fair conducted by an organization described in section 501(c), (3), and (5) shall not be unrelated trade or business income and shall not affect the tax exemption of the organization.

S. 123

At the request of Mr. INOUYE, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 123, a bill to amend the Social Security Act.

S. 109

At the request of Mr. INOUYE, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 109, a bill to amend chapter 55 of title 10, United States Code, to require the Armed Forces to continue to provide certain special educational services to handicapped dependents.

S. 371

At the request of Mr. WILLIAMS, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 371, a bill to provide for the striking of medals commemorating the contributions of individuals of various ethnic backgrounds who contributed to the founding of the United States of America.

S. 1119

At the request of Mr. NELSON, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1119, a bill to amend the Internal Revenue Code of 1954 to provide tax relief to small businesses.

S. 1149

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PELL), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 1149, a bill to provide for a national fuels and energy conservation policy, to establish a national energy conservation program, and for other purposes.

S. 1216

At the request of Mr. TALMADGE, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 1216, a bill to amend the Federal Water Pollution Control Act.

S. 1268

At the request of Mr. METCALF, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 1268, a bill to establish congressional policy direction for the administration and management of the National Wildlife Refuge System; to establish the "National Wildlife Refuge Service"; to provide authority for study, review and establishment of additional units of the National Wildlife Refuge System, and S. 1293, a bill to establish the Charles M. Russell National Wildlife Range; the Charles Sheldon National Wildlife Range; and the Kofa National Wildlife Refuge as part of the National Wildlife Refuge System, and for other purposes.

S. 1303

At the request of Mr. INOUYE, the Senators from Minnesota (Mr. MONDALE and Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Maryland (Mr. MATHIAS), the Senator from Utah (Mr. MOSS), the Senator from North Dakota (Mr. BURDICK), and the Senator from Indiana (Mr. HARTKE) were added as cosponsors of S. 1303, a bill to regulate the foreign commerce of the United States by providing means to assure full disclosure of significant foreign investment in the United States, and for other purposes.

S. 1465

At the request of Mr. BROCK, the Senator from Arkansas (Mr. BUMPERS) was added as a cosponsor of S. 1465, a bill to amend title XVIII of the Social Security Act so as to clarify the meaning of the term "outpatient physical therapy services" in so far as such term includes speech pathology services provided by certain persons.

S. 1479

At the request of Mr. WILLIAMS, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1479, a bill to protect the economic rights of labor in the building and construction industry.

S. 1619

At the request of Mr. KENNEDY, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Texas (Mr. BENTSEN) were added as cosponsors of S. 1619, a bill to extend and revise programs for sickle cell anemia.

S. 1664

At the request of Mr. KENNEDY, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 1664, a bill to amend the Lead-Based Paint Poisoning Prevention Act.

S. 1761

At the request of Mr. MATHIAS, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Michigan (Mr. GRIFFIN) were added as cosponsors of S. 1761, a bill to provide foreign assistance to Cyprus.

S. 1776

At the request of Mr. HUGH SCOTT, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 1776, the Valley Forge National Historical Park bill.

S. 1787

At the request of Mr. MAGNUSON, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 1787, a bill for the relief of Maria Lisa R. Manola and Rogena R. Manola.

S. 1817

At the request of Mr. SCHWEIKER, the Senator from Oregon (Mr. HATFIELD) and the Senator from Pennsylvania (Mr. HUGH SCOTT) were added as cosponsors of S. 1817, a bill to prohibit the appropriation and expenditure of unvouchered funds unless specifically authorized by law, and to provide for reports on and audits of authorized expenditures of unvouchered funds.

S. 1847

At the request of Mr. HUMPHREY, the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 1847, to authorize the 101st Airborne Division Association to erect a memorial in the District of Columbia or its environs.

SENATE JOINT RESOLUTION 4

At the request of Mr. INOUYE, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of Senate Joint Resolution 4, to designate Constitution Day.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. CURTIS, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of Senate Concur-

UMI

rent Resolution 29, expressing the sense of Congress regarding the annexation of the Baltic nations.

SENATE RESOLUTION 174—SUBMISSION OF A RESOLUTION RELATING TO THE AVAILABILITY OF LOANS FOR POWER SUPPLY BORROWERS

(Referred to the Committee on Agriculture and Forestry.)

REA'S PROPOSED LOAN POLICY SHOULD BE RESCINDED

Mr. McGOVERN. Mr. President, I submit for appropriate reference, a resolution which expresses the sense of the Senate that the Administrator of the Rural Electrification Administration should not institute a most controversial and unwise policy which would cause significant cost increases for many rural consumers.

On March 11, the Administrator published in the Federal Register a proposed supplement to REA Bulletin 20–6, which deals with loans for electric generation and transmission facilities. The supplement would, for all practical purposes, make generation and transmission facilities ineligible for insured REA loans.

The effect of taking away insured loans is contrary to the intent of the Congress and the proposed supplement to REA policy is contrary to law. Clearly, it would add another cost increase to already spiraling costs of production for many, if not most, of the more than 900 rural electric systems throughout the United States.

On April 10, 23 Members of this body participated in a colloquy which pointed out that the proposed policy was illegal and contrary to the intent of Congress, as well as unwise.

On April 30, the Subcommittee on Agricultural Credit and Rural Electrification, which I chair, of the Committee on Agriculture and Forestry, called Administrator Hamil and public witnesses to testify on the proposed new policy. The public witnesses, speaking for REA electric borrowers, were unanimously opposed to the policy.

At that hearing, I asked the Administrator to withdraw the proposed supplement.

It is my understanding that the Administrator heard several similar requests from Members of the Congress when he testified before the agricultural subcommittees of the Appropriations Committees of the Senate and the House.

Mr. President, the Administrator maintains that the proposed policy is legal, and he has submitted to my subcommittee and to the Subcommittee on Agriculture and Related Agencies, of the Senate Committee on Appropriations, a May 12 document from the USDA Office of General Counsel, which claims that the proposed policy is legal.

It is my understanding that the Subcommittee on Appropriations is no more pleased with the May 12 legal opinion than am I, and that the subcommittee will so indicate in its hearing record.

It is clear from legal analyses prepared by counsel for the REA borrowers and their organizations that the proposed REA action is contrary to law.

It is my belief that the Senate should add its clear voice to those who have urged the Administrator to withdraw this unwise and illegal proposal. My resolution would accomplish that purpose.

I ask unanimous consent, Mr. President, that the text of my resolution and an article from the May 23 "Rural Electric Newsletter," which analyzes the Senate Appropriations Subcommittee response to the REA legal position, be printed in the RECORD.

There being no objection, the resolution and article were ordered to be printed in the RECORD, as follows:

S. RES. 174

Resolution relating to the availability of insured loans from the Rural Electrification and Telephone Revolving Fund for power supply borrowers

Whereas sharp, sustained increases in the cost of electricity and other forms of energy have contributed substantially to inflationary and recessionary conditions in the United States; and

Whereas rural electric utilities, which are financed in large part by borrowing from the Rural Electrification Administration (REA), have experienced substantial cost increases and have increased rates for electric energy to consumers to meet increased costs; and

Whereas the Rural Electrification Act of 1936, as amended, established a program to make available Federal loans to utility systems to provide generation, transmission and distribution of electric energy at reasonable rates to rural consumers; and

Whereas the Congress of the United States, in enacting Public Law 93–32, provided for insured loans and loan guarantees for rural electric systems to meet their financing needs at costs which would be consistent with the objectives of the Rural Electrification Act: and

Whereas the Congress intended that loans made and guaranteed by the Administrator of REA under provisions of Public Law 93–32 be made without discrimination as to whether the borrower is engaged in generation, transmission, or distribution of electric energy; and

Whereas the Administrator of REA, in notice given in the Federal Register on March 11, 1975, proposed a supplement to REA Bulletin 20–6, entitled, "Loans for Generation and Transmission," which supplement would, in contravention of the letter and intent of Public Law 93–32, discriminate among classes of REA borrowers as to availability of insured loans, and which prevents power supply borrowers from applying for insured loans after March 11, 1975; and

Whereas the proposed supplement to REA Bulletin 20–6 contravenes the provisions of Section 307 of Public Law 93–32 which authorizes the Administrator to require qualified borrowers to seek loan guarantees but conditions such authority on "full use being made by the Administrator of the funds" available for insured loans; and

Whereas the Administrator of REA has not made full use of the funds available from the Rural Electrification and Telephone Revolving Fund for insured loans; and

Whereas the proposed supplement to REA Bulletin 20–6 would cause a significant increase in interest costs to power supply borrowers, which costs would cause an increase in retail rates for electric energy, contributing to the general inflation: Now, therefore, be it

Resolved, That it is the sense of the Senate that the proposed supplement to REA Bulletin 20–6 is contrary to law and the public interest, that said proposed supplement is inflationary, and that the Administrator of REA should immediately withdraw said proposed supplement.

SENATE BODY RECEIVES, DISAGREES WITH USDA'S LEGAL OPINION ON REA BULLETIN

Sen. Gale W. McGee's (D–Wyo.) Appropriations Subcommittee on Agriculture and Related Agencies has prepared a strong dissent to a USDA lawyer's opinion supporting a new REA policy which would deny G&T cooperatives funds under the low-interest insured loan program.

The proposed policy, announced in the *Federal Register* of March 12 by REA Administrator David Hamil, would have the effect of forcing the power supply systems to borrow under the guaranteed program on the open money market at interest rates estimated in excess of 8%. The insured loans have an interest rate of 5% except in special cases.

At several hearings held in the last few weeks before committees of both houses of Congress, USDA witnesses have been challenged on the legal basis for the proposed change in REA Bulletin 20–6 which would discriminate between distribution and generation and transmission systems.

On April 18, in an appearance before McGee's subcommittee, Hamil testified that the new policy had been considered by the Office of the General Counsel of USDA.

McGee asked Hamil to supply for the hearing record the legal opinion of the general counsel. Subsequently, it developed that the proposed supplement to Bulletin 20–6 was initialed by the general counsel's office but no opinion had been written. Such an opinion was written, dated May 12, and submitted to the subcommittee. In part, the opinion stated that it was usual practice of the Office of General Counsel to indicate legal sufficiency by simply initialing such documents prior to transmittal to congressional committees and the *Federal Register*.

The 2½-page opinion advised essentially that the REA administrator's issuance of "the proposed supplement would constitute a reasonable exercise of administrative discretion," an opinion not shared by NRECA or members of Congress expressing themselves at various hearings and on the floor during the past several weeks.

The general counsel's opinion will appear in the Senate subcommittee hearing record along with a lengthy footnote expressing the subcommittee's disagreement.

The subcommittee found the USDA legal opinion deficient in the following respects:

"It fails to recognize that, from every realistic and meaningful point of view, the proposed supplement does indeed constitute an administrative determination that REA will, after July 1, 1975, no longer approve 5% insured loans to power supply borrowers in any amount, or to distribution borrowers in any amount of $10-million. Contrary to what is stated in this legal opinion, the proposed supplement does 'preclude case by case consideration' of application for such loans.

"This prohibition on insured loans for GT purposes is virtually all-encompassing notwithstanding the exception stated for 5% GT loans 'where the administrator has determined the need for an insured loan in order to maintain loan security.' This is not the kind of loan purpose related to the promotion of rural electrification contemplated by Section 4 and Section 305 of the Rural Electrification Act. Heretofore applied criteria for generation and transmission loans, i.e., power shortage or reduced power costs, are altogether different in nature, and are

of the kind contemplated by these sections as promoting rural electrification. They cannot be equated with maintenance of loan security, which this legal opinion vaguely and completely without justification attempts to do in the first part of page two. Differences between distribution loans and generation and transmission loans provide no basis for the kind of different treatment which terminates the latter except where loan security would be jeopardized.

"The subject legal opinion of May 12 states—in the third paragraph on page one—the incomprehensible and unsupportable conclusion that the Section 305 'insured loan authority would be fully implemented' by the proposed supplement. The general determination not to make insured loans to power supply borrowers cannot be regarded as an implementation of such authority. It is simply, in substantial measure, a termination and frustration of such authority.

"Whatever discretion may be lodged in the administrator to approve particular loans, such discretion cannot under any interpretation extend to a sweeping and general determination that an entire class of act purposes is wholly ineligible for insured loans except where required to preserve security on prior loans.

"The sweeping and general determination to not approve insured loans for generation and transmission embodied in this proposal is made without any reference to the amount of funds which may be made available for fiscal 1976 and thereafter by the Congress for insured loans. The proposed prohibition would apply even though the funds so made available by Congress in subsequent years may exceed all the needs for distribution facilities and for generation and transmission by distribution borrowers below $10-million. The statement in the legal opinion that the supplement 'does not rest upon unreasonable assumptions of program levels' appears to mean that it does anticipate and rest upon certain assumptions of program levels. These may not correspond to the funds which Congress may make available for insured loans.

"The opinion claims authority under Section 305 of P.L. 93–32 for the administrator to determine program levels within the limits set by Congress. Whatever merits this position might have, it canot provide the basis of a general and sweeping exclusion of power supply borrowers from insured loans. Furthermore, the opinion completely disregards Section 307, which, as discussed more fully later, conditions the supplemental private financing program on the full use being made by the administrator of the funds made available by Congress for insured loans.

"The congressional acceptance of an administration commitment to a *minimum* insured electric loan program of $618-million a year certainly cannot constitute justification for a general determination by the administrator not to make insured generation and transmission loans at 5% and to hereby exclusively limit generation and transmission loans, for all practical purposes, to open market rate guaranteed loans.

"The administrator's authority under Section 306 to guarantee loans for power supply borrowers cannot be used, as the opinion seeks to do, especially in light of legislative history, to justify the proposed general exclusion from consideration of applications from such borrowers. It is not a reasonable exercise of whatever discretion is lodged in the administrator, to terminate, for all practical purposes, the insured loan program for generation and transmission. It is, on the contrary, a flouting of clearly expressed congressional intent.

"The legislative history of P.L. 93–32 which mandates equal treatment for both distribution and generation and transmission loans cannot be brushed aside, as this legal opinion seeks to do, by characterizing it as 'generalized.' This legislative history was specifically addressed to the administration's unsuccessful attempt to do precisely what this supplement now proposes to do—exclude generation and transmission borrowers from any 5% insured loan funds and limit them to higher market rates only. The House Committee on Agriculture was quite specific on this point. It reads in part as follows:

"'. . . the administrator would continue to have the authority . . . to make loans for generation and transmission on the same terms and conditions and at the same rates of interest as are applicable to loans for other purposes authorized by the Rural Electrification Act, and it is the intent of HR 5683 to provide such authority and discretion.'

"The legal opinion completely ignores Section 307 of the Rural Electrification Act which explicitly conditions the authority of the administrator to require borrower's recourse to non-REA financing sources upon ful use being made by the administrator of the funds made available hereunder for such insured loans under this title.' . . ."

SENATE RESOLUTION 175—SUBMISSION OF A RESOLUTION TO AMEND RULE XLIV OF THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. ROTH submitted the following resolution:

S. RES. 175

Resolved, That rule XLIV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"6. Notwithstanding the provisions of paragraph 2, whenever in any criminal case pending in any competent court in which a Member, officer, or employee of the Senate is a defendant, or in any proceeding before a grand jury of any competent court in which alleged criminal conduct of a Member, officer, or employee of the Senate is under investigation, a subpena is served upon the Comptroller General of the United States directing him to appear and produce any of the reports which were filed by that Member, officer, or employee in compliance with paragraph 1 and are in his custody, then the Comptroller General shall—

(a) unseal the envelope containing such report and have an authenticated copy made of such report, replace such report in such envelope and reseal it, and note on such envelope that it was opened pursuant to this paragraph in response to a subpena, a copy of which shall be attached to such envelope, and

(b) appear in response to such subpena and produce the authenticated copy so made. For purposes of this paragraph, the term 'competent court' means a court of the United States, a State, or the District of Columbia which has general jurisdiction to hear cases involving criminal offenses against the United States, such State, or the District of Columbia, as the case may be."

Mr. ROTH. Mr. President, 2 years ago, the Senate directed the Comptroller General not to comply with a subpena for the confidential financial statements of former Senator Gurney. This action, in my judgment, makes a mockery and a sham of the whole process of submitting financial disclosure statements. When a case involving alleged criminal wrongdoing by a Senator is before a State or Federal court, then certainly those records should be available to the court.

Today I am submitting a resolution which would require that such a subpena would be honored. My resolution would also require that the financial disclosure statements be provided to a grand jury investigating allegations of criminal misconduct by a Member of the Senate.

In my judgment, two important issues are involved—an issue of "legislative privilege" and an issue of financial privacy.

In the case of executive privilege, I shared former Senator Ervin's view that executive privilege could not be extended to cover material relating to activities of the President outside those activities he performed for a legal or constitutional purpose. For this reason, the Watergate tapes could not be protected by the so-called "Doctrine of Executive Privilege."

Similarly, there should be no legislative privilege protecting the financial statements of a Senator or Congressman from purview in connection with a case involving alleged criminal activity on the part of that Senator or Congressman. The constitutional provision permitting each House to "punish its Members for disorderly behavior" does not imply that these Members are exempt from prosecution in the courts or that their pertinent records cannot be subpenaed.

The purpose of requiring confidential financial statements from Members of Congress is to assure accountability while not invading the Members' right to financial privacy. Senate rule 44 requires from Senators far more information than other citizens must provide regarding their personal finances. In addition to their tax records, Senators must include a listing of any client fees or other compensation in excess of $1,000; business connections; interest in property of $10,000 or more; liabilities of 5,000 or more; and nonfamily gifts of $50 or more in value.

I also believe that Members of Congress, like other citizens, have a right to personal financial privacy and that this right should be preserved. Although I value very highly my right to privacy, last year I agreed to a request by a newspaper in my State to make a detailed public financial disclosure statement. I made the statement because in the atmosphere of Watergate, there was widespread disillusionment with governmental institutions and those occupying public positions. This year, in response to a similar request, I provided pertinent general information—that my income consisted only of my Senate salary and stock dividends, and that my stock holdings were sold early this year in order to buy a home in Rehoboth Beach. I have in the past supported legislation to disclose significant assets. But I have serious reservations as to whether public servants should be required to make public all financial information, including confidential tax returns.

In short, I believe that the Congress should once again carefully review its rules relating to financial disclosure. I personally believe that we should try to make the Ethics Committees genuinely effective and credible institutions rather than invade the privacy rights that

UMI

Members of Congress, like other Americans, should be able to enjoy. My resolution to require honoring certain subpenas is a means to that end. If Congress cannot discipline itself; if confidential financial disclosure statements are not effective, the Congress may have to require full public financial disclosure information. This step should be a last resort, because I think it would deter some people who set a high value on their privacy from entering public service and because it would constitute an exception to a very basic right of all law-abiding citizens—the right to financial privacy. A citizen forfeits this right only when there is good reason to believe he is involved in wrongdoing and his records are subpenaed in a duly legal manner.

SENATE RESOLUTION 176—ORIGINAL RESOLUTION REPORTED RELATING TO THE PURCHASE OF CALENDARS

(Placed on the Calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 176

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $20,800 for the purchase of 52,000 calendars. The calendars shall be distributed as prescribed by the committee.

SENATE CONCURRENT RESOLUTION 46—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO NONDISCRIMINATION ON THE BASIS OF SEX

(Referred to the Committee on Labor and Public Welfare.)

Mr. HELMS. Mr. President, as my colleagues are aware, during the second session of the 92d Congress, legislation was passed relating to nondiscrimination on the basis of sex in educational institutions receiving Federal financial assistance. This legislation is frequently referred to as title IX of the Education Amendments of 1972. It is codified in the United States Code as title 20, section 1681, et seq.

The primary active clause of the legislation provides as follows:

No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance . . .

The second section of title IX authorizes and directs each Federal department and agency empowered to extend Federal financial assistance to "any education program or activity" to effectuate the provisions of this law by issuing rules, regulations, or orders "which shall be consistent with the achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken."

On June 20, 1974, the Department of Health, Education, and Welfare published in the Federal Register proposed regulations implementing this legislation. Comments were solicited "from interested citizens" until October 15, 1974. HEW reported that it received "nearly 10,000 public comments" on the regulations. Indeed, during that period I received hundreds of such comments indicating the great public dissatisfaction with what HEW was attempting to do. Needless to say, I provided HEW with my own comments. Other Members of Congress did the same. Nonetheless, on June 4, HEW published the final regulations in the Federal Register. As published, they contain few substantive changes when compared with the tentative regulations that appeared on June 20, 1974. To be sure, a few alterations were made, college fraternities and sororities will now be permitted to remain single-sex organizations, rather than being required to admit members of the opposite sex as originally proposed. Additionally, HEW has decided that sex education classes do not now have to be taught on a coeducational basis, and the Department will not prescribe the content of textbooks. But, with such limited exceptions, the regulations as published for public comment almost a year ago remain the same.

These regulations, if allowed to stand, will radically alter the fundamental principles upon which many of our educational institutions are based—principles which have over many years motivated interested citizens to give unselfishly of their time and resources so that these schools could exist and provide the kind of wholesome educational environment that parents want for their children.

Additionally, they represent another example of the excesses of the bureaucracy of the executive branch. In drafting the regulations, HEW has acted inconsistently with the act and the intent of Congress. HEW has unquestionably engaged in the practice of making law, not implementing it. The bureaucracy is unelected and, therefore, not answerable to the people. To permit such a bureaucratic usurpation of the prerogatives of the Congress not only will facilitate the destruction of the delicate balance of power between the three branches of Government, but also the concept of representative democracy itself.

Specifically, the legislative enactment previously cited prohibits the exclusion from participation, first, of any person in the United States; second, on the basis of sex; third, under any "education program or activity"; fourth, receiving Federal financial assistance.

The prohibition pertains only to an "education program or activity." Obviously, the word "education" is intended to modify the words "program or activity." Therefore, the prohibition applies to programs and activities that are part of the education process.

Educational institutions sponsor many programs and activities for the benefit and convenience of their students. No one would disagree that, in the broadest sense, just about everything is in some respect educational. I have no doubt that simply spending some time on a college campus talking with students would be educational. Reading a newspaper or attending a motion picture are all, in the broadest sense, educational. Indeed, driving around the city of Washington is educational.

However, the statute does not say "any program or activity." It qualifies the term by prefacing it with the word "education." The obvious intent is that the general, ordinary meaning be given the word. In fact, established concepts of legal construction require that. Webster's New World Dictionary of the American Language, second college edition (1972) states that education involves "systematic study." It is the obvious intention of Congress that title IX only apply to programs and activities directly involving courses of instruction, and those programs and activities that are an integral part of the formal systematic process of receiving an education at a school.

Nonetheless, HEW, through overbroad interpretation inconsistent with the congressional enactment, has extended the meaning of the statute beyond all reason. The regulations are inconsistent with the enactment in that they apply to programs and activities not receiving Federal funds such as athletics and extracurricular activities generally they govern living facilities at a college, including curfews at dormitories, and they require mixed classes of boys and girls in all courses of instruction—except for sex education classes and certain physical education activities involving contact sports.

Additionally, the regulations are inconsistent with the enactment in that they declare pregnancy must be treated as a temporary disability such as a broken leg. Indeed, the regulations require that no student or teacher be excluded by a school "* * * from its education program or activity including any class or extracurricular activity, on the basis of such student's pregnancy, childbirth, false pregnancy, termination of pregnancy, or recovery therefrom * * *." Therefore, if these regulations are allowed to stand, a school will be legally required by the Federal Government to allow unwed, pregnant teachers to continue to mold the minds of young people.

Now, I have no wish to seem "holier than thou," or to deliver any sermons, but I do believe that the example of an unwed, pregnant schoolteacher is something less than what the vast majority of American parents want for their children's educational experience.

Additionally, it is required that in providing a medical, hospital, accident or life insurance benefit, service, policy or plan to any of its students, a school shall not discriminate on the basis of sex. It has been suggested that this provision requires such benefits and services to cover a student's pregnancy or abortion. The regulations specifically mention with favor a school's providing "family planning services" to students. Of course, they additionally provide that a school "shall not apply any rule concerning a student's actual or potential parental, family, or marital status which treats students differently on the basis of sex." Obviously, the draftsmen of the regulations envision a school providing single students with family planning services and at the taxpayers expense, no doubt.

While it was the obvious intent of the statute that it apply to those seeking an educational opportunity, the regulations cover the employees of educational institutions, whether they be maintenance personnel, administrative staff or teachers. Again, the regulations are inconsistent with the congressional enactment.

The language of the statute is clearly prospective in nature. But, the regulations require affirmative action to remedy the effects of supposed past discrimination.

Mr. President, the list goes on—page after page of arrogant bureaucratic rulemaking inconsistent with the congressional enactment. The language of the statute is clear enough. It conveys a plain meaning. The law obviously states that women shall not be excluded from an equal educational opportunity with men. It is that simple, and I do not believe that a Senator here is opposed to that. But, a great many people, including this Senator, are opposed to HEW regulating intercollegiate athletics, marital and family status, the content of classes and other excesses.

The advocates of these regulations within HEW freely admit that in preparing them they used the regulations and court decision pertaining to racial discrimination of an earlier era as their guide. And, when one inquires of them as to the legal foundation of certain regulations, they cite court decisions regarding racial discrimination. The rebuttal to their ridiculous assertion in this comparison is so plainly obvious that it pains me to state it, but it appears necessary—there simply is no correlation between the relationship of one race of people to another race of people, and the relationship between men and women. The evident folly of such a comparison would at times seem amusing if it were not another exploitation of minorities to achieve the purposes of arbitrary bureaucrats. Again, the regulations are inconsistent with the congressional enactment.

Mr. President, I will not belabor the matter further except to say that these regulations if allowed to stand will greatly disrupt the schools of my State and every other State. Once again, the Department of Health, Education, and Welfare has made a negative contribution to the well-being of the students of America. I ask unanimous consent that a letter from the Honorable James E. Holshouser, Governor of North Carolina, dated June 4, 1975, be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

RALEIGH, N.C.,
June 4, 1975.

Hon. JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR JESSE: I am advised that the President recently signed regulations promulgated by the Department of Health, Education, and Welfare implementing Title IX of the Education Amendments of 1972, pertaining to nondiscrimination on the basis of sex in educational institutions, and that they appear in the Federal Register today. Needless to say, I am aware of the deep concern that you expressed regarding these regulations months ago when they were in tentative form.

Of course, I am alarmed about the destructive effect that they will have upon quality education in North Carolina and throughout the nation. They unquestionably represent bureaucratic excess and are clearly inconsistent with the Congressional enactment which they purport to implement.

You and I, of course, both want to do everything we possibly can to provide the very best educational opportunity for the women of our State as well as the men. However, HEW's regulations go far beyond a reasonable course in furthering these objectives by embracing programs that receive no Federal or State financial assistance, such as athletic programs and the like. More importantly, however, they will greatly handicap the State of North Carolina in its ability to meet the real needs of the youth of our State.

From all information that I have received on this matter, I agree completely with your position that HEW has subverted the intent of Congress and gone beyond the scope of the legislation in developing these regulations.

I understand that you intend to immediately introduce a resolution in the Senate providing a Congressional disapproval of the regulations and requiring HEW to go back to the drawing board and rewrite them in a sensible manner. I want to extend my full support to your resolution, and I hope that all of the members of the North Carolina delegation in Washington will add their active support as well.

Please do not hesitate to call on me whenever I can be of assistance with this important matter.

Sincerely,

JAMES E. HOLSHOUSER, JR.

Mr. HELMS. Fortunately, the law provides a swift and effectual remedy for the radical contents of these regulations. Section 431 (d) and (e) of the General Education Provisions Act—codified as 20 United States Code, section 1232, et sequitor—provides that these regulations shall become effective not less than 45 days after their transmission to Congress "unless Congress shall, by concurrent resolution, find that the standard, rule, regulation, or requirement is inconsistent with the act from which it derives its authority and disapprove such standard, rule, regulation, or requirement." That, of course, is the resolution that I am submitting today, a concurrent resolution declaring that Congress find the regulations in their entirety to be inconsistent with the act, because they represent such a wide departure from the statute, and the nature of their conception is so erroneous that it would be far simpler to prepare another set of regulations than to attempt to satisfactorily revise these.

Mr. President, because of the 45-day time limitation involved, at the appropriate time I shall ask unanimous consent that the committee to which this resolution is referred be directed to report it promptly to the Senate. I have in mind that this be done not later than 20 days following the date of the transmission of such regulations to the President of the Senate—June 3, 1975, and that the computation of the aforementioned 20-day period be made in like manner with the computation of the aforementioned 45-day period as provided by the General Education Provisions Act previously cited.

Mr. President, I ask unanimous consent that a copy of my resolution be printed in the RECORD at the conclusion of my remarks.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 46

Resolved by the Senate (the House of Representatives concurring), That pursuant to the provisions of section 431(d) of the General Education Provisions Act, the Congress of the United States finds that the regulations of the Department of Health, Education, and Welfare relating to nondiscrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance (40 F. R. 21128) are inconsistent with the provisions of title IX of the Education Amendments of 1972 (20 U.S.C. 1681–1688), and disapproves such regulations which were transmitted to the Congress on June 3, 1975."

AMENDMENTS SUBMITTED FOR PRINTING

MILITARY CONSTRUCTION AUTHORIZATIONS—S. 1247

AMENDMENT NO. 542

(Ordered to be printed and to lie on the table.)

Mr. NUNN. Mr. President, on Monday, June 2, 1975, I submitted amendment No. 499 to S. 1247, the Military Construction bill. Since that time I have learned that the section number of the bill should more appropriately be numbered section 611 rather than section 901. In order to correct the section number, I am today resubmitting the amendment to accomplish the transfer of surplus Army land to Augusta College.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 480

At the request of Mr. JAVITS, the Senator from California (Mr. TUNNEY) was added as a cosponsor of amendment No. 480, intended to be proposed to the bill (S. 920), the Defense Department Authorization Act.

AMENDMENT NO. 516

At the request of Mr. PROXMIRE, the Senator from Delaware (Mr. ROTH) was added as a cosponsor of amendment No. 516 to the bill (S. 920), the Military Authorization Procurement bill.

ANNOUNCEMENT OF HEARINGS ON ARMS SALES

Mr. HUMPHREY. Mr. President, I wish to announce that the Subcommittee on Foreign Assistance of the Committee on Foreign Relations will hold hearings on U.S. arms sales policy on June 17 and June 18 in room 4221, Dirksen Senate Office Building beginning at 10 a.m. each day.

Congressional witnesses and an invited panel of experts in the arms sales field will be heard on June 17. Executive branch witnesses will be heard on June 18.

UMI

ANNOUNCEMENT OF HEARINGS ON FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

Mr. RIBICOFF. Mr. President, the Committee on Government Operations will hold hearings, June 11, on S. 1774, a bill which abolishes the Federal Metal and Nonmetallic Mine Safety Board of Review and transfers the functions and powers to the Secretary of the Interior.

The hearings will begin at 10 a.m. in room 224, Russell Senate Office Building.

CHANGE IN DATES FOR AFRICA SUBCOMMITTEE HEARINGS

Mr. CLARK. Mr. President, the hearings on Angola to be held by the Subcommittee on African Affairs of the Foreign Relations Committee have been rescheduled for the morning of June 16 and the afternoon of June 18, instead of the mornings of June 25 and 26.

NOTICE OF HEARING

Mr. PHILIP A. HART. Mr. President, the Subcommittee on Antitrust and Monopoly has rescheduled its June 5 and 6 hearings on S. 1284, the Antitrust Improvements Act of 1975, introduced by Senator HUGH SCOTT and myself.

The hearing will be held June 12, 1975, beginning at 9:30 a.m., in room 6202, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

THE CONSUMER PROTECTION AGENCY

Mr. HANSEN. Mr. President, the Wall Street Journal on May 22 editorialized about the magic spell the word "consumerism" casts in politics and government.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 22, 1975]

THE CONSUMER PROTECTION AGENCY

There still appears to be political magic in word "consumerism," judging from congressional eagerness to create a Consumer Protection Agency. Although a national survey recently conducted by Opinion Research Corp. revealed that a vast majority of Americans don't want a new consumer agency, the bill recently sailed through the Senate and is expected to have little opposition in the House. Even Congressmen who are known to be skeptical reluctantly voted for the agency, perhaps on the expectation of a presidential veto but also on the belief that it isn't very popular in Washington circles to be tagged anti-consumer.

How much the Consumer Protection Agency will really help the consumer is anybody's guess, and our own guess is very little. A strong underlying premise of the legislation is grounded in antipathy toward business. It isn't accidental that the bill's strongest advocates are also the principal spokesmen in favor of hamstringing business enterprise. Nor is it accidental that, in a clear sop to organized labor, labor-management relations were exempted from the bill even as sponsors were attesting to its impartiality.

Then there is the matter of timing, the fact that the bill is considered necessary when consumer skepticism and sophistication are at perhaps an alltime high. The notion of the gullible consumer, naked in the marketplace jungle and at the mercy of unscrupulous merchants and advertisers never had much validity and has even less today. Moreover, it's a measure of the lack of candor surrounding the bill that supporters claim the new agency, whose conception and birth are steeped in partisan politics, will act as an impartial advocate for the buying public.

If there is anything the U.S. could do without, it's another layer of federal bureaucracy. No matter how well intentioned this new agency, it will inevitably entangle business in endless red tape, delays and legal snares. And it is bound to raise the cost to consumers enormously, in the same way that existing regulatory agencies have added billions of dollars to consumer costs each year with unnecessary and inflationary regulations.

President Ford is well aware of the Consumer Protection Agency's shortcomings. In fact, he made some of these same arguments in asking that Senate action on the agency be deferred and existing regulatory agencies improved. But since he did not specifically threaten a veto, there is speculation that he may ultimately go along with the bill after it passes the House, especially since its initial cost will be only a piddling $20 milion or so.

But the agency's direct operating costs are the least objectionable of the bill's features. If Mr. Ford is serious about reducing the size and power of government, he should veto the bill promptly in language that leaves no doubt where he stands. With such leadership Congress might develop a little more backbone the next time around.

THE NATIONAL PETROLEUM AND NATURAL GAS CONSERVATION AND COAL SUBSTITUTION ACT OF 1975

Mr. HUDDLESTON. Mr. President, I want to express my strong support for S. 1777, the National Petroleum and Natural Gas Conservation and Coal Substitution Act of 1975, the distinguished chairmen of the Interior, Public Works, and Commerce Committees are to be highly commended for their initiatives in taking an important first step toward energy self-sufficiency by substituting coal for oil and gas as the country's main boiler fuel.

With the benefit of hindsight, we can see that the energy shortage of the 1970's is largely a result of energy shortsightedness in the 1950's and 1960's. The United States sits on over 500 years of coal reserves—coal represents over 80 percent of our energy resources. In contrast, we have less than 50 years of oil and gas. Yet, it is oil and gas on which we have become dangerously dependent.

Coal supplied only 17 percent of our energy needs in 1972, compared to 38 percent in 1950. In the same timespan, percentage dependence on petroleum increased from 39.8 percent to 45.7 percent and dependence on natural gas jumped from 18.2 percent to 32.1 percent. Even more dramatic is the increase in dependence on oil imports—from 12.6 percent of total supply in 1950 to 36.2 percent in 1972. But, the Arab oil embargo of 1973 and our continuing balance of payments problems have made it abundantly clear that this trend cannot continue.

For the short term at least, our options are severely limited. The breeder reactor and solar power hold great promise for the future, but not the immediate future. Oil shale, geothermal energy, hydroelectric power, and tar sands likely will contribute more to our energy mix, but not enough to replace significant amounts of imported fuels and permit the energy growth necessary for a healthy economy.

So, we are back to coal. It is plentiful, available, versatile, totally domestic, and under our control. It can displace 4 barrels of oil for each ton that is mined, or 2 barrels a ton for coal that in converted into synthetics.

In his 1975 state of the Union message, President Ford called for an increase in coal production from the present 600 million tons a year to 1.1 billion tons by 1985. The comprehensive congressional economic and energy program's recommendation was even higher—1.4 billion tons by 1985, or roughly double the estimated production for 1975. I have no doubt that these goals can be met—my own State of Kentucky has almost doubled its annual coal production between 1961 and 1973 and we are still expanding. But, I am equally sure that such expansion cannot be achieved on a national scale without a solid national commitment to increased coal utilization backed by tough enforcement provisions. With declining markets and uncertainty over Government regulations and energy policies, only 13 mines of greater than 2 million tons per year production were opened in the 10 years from 1960 to 1969. In contrast, to double production by 1985, the National Coal Association estimates that, on the average, one large new deep mine and one large new surface mine must be brought into production every month for 10 years at an investment cost of over $21 billion.

Substitution of coal for oil and gas in utility and in industrial boilers is a significant step toward a national commitment to coal, and national leadership appears essential to an ongoing program. Although 24 generating units at 11 electric powerplants voluntarily converted to coal during the Arab oil embargo, reconversions began shortly after the embargo was lifted and two-thirds of these units are back on oil.

Emergency legislation already is in effect. The Energy Supply and Environmental Coordination Act—ESECA—authorizes the Federal Energy Administration to order existing powerplants and other major fuel burning installations to burn coal rather than oil or natural gas, and to require new plants to be constructed with the capability to do so. But, the authorities under the act are limited—for example, new plants cannot be required to burn coal, they simply must have the capability to do so—and, these limited authorities expire at the end of this month. S. 1777 would extend and expand those authorities; it would provide penalties for noncompliance, and it would simplify the procedures for issuing conversion orders while continuing to assure that coal substitution is not accomplished at the expense of our environment. Under ESECA, FEA estimates they will be able to save 850,000 barrels of oil a day by 1985. With the expanded authorities in S. 1777, the oil savings from coal conversions could exceed 3 million barrels a day.

Obviously, a conversion to coal of this magnitude cannot be accomplished without resolving a multitude of related problems, and I congratulate the committee for convening hearings to examine the whole gamut of national policies affecting coal production, distribution, and end use and to review the potential availability of capital, manpower, and equipment. I would like to take this opportunity to voice briefly my opinions and concerns on a few of these matters.

Beyond the enormous capital requirements, there are numerous other restraints on production.

With 60 percent of coal resources in the Western States owned by the Federal Government, we need prompt action on legislation to amend the coal leasing program and resume production from these Federal lands.

We need to deal with shortages of two essentials—manpower and materials.

In 1973, fewer than 300 degrees were awarded in mine engineering, and one company sought to hire 70 of these graduates; 75 mining engineers had to be imported to fill industry needs, and 85 to 90 were imported in 1974. I am cosponsoring with Senator HUGH SCOTT a bill, S. 62, to help alleviate this problem by establishing coal research laboratories at five universities and provide up to 1,500 graduate fellowships a year in energy fields. I urge that it be considered and passed as soon as possible.

With regard to materials, backlogs of up to 5 or 6 years have been reported in orders for heavy mining equipment, and shortages have surfaced in roof bolts, amonium nitrate, rubber belting, bearings and mine shuttle cars. This problem can only be aggravated by increased production, and I strongly urge President Ford to use his authority under the Defense Production Act to insure sufficient supplies for scarce materials needed for energy development projects until longer term solutions can be developed.

And, we need to maintain and increase our research efforts for new mining methods—both underground and surface—and miner health and safety.

Expanded production will be useless if we cannot get the coal to market, and a doubling of production will seriously tax existing systems. Understandably, in considering coal's transportation needs, emphasis will fall heavily on the railroads; 67.1 percent of the coal produced in 1973 left the mines by rail, and the National Academy of Engineering estimates that if coal production doubles we will need some 60 new, 2-million-ton-per-year rail-barge systems in the East and an additional 70 3-million-ton-per-year systems in the West. That means 150,000 new gondola and hopper cars, each of 100 ton capacity, and 8,000 railroad locomotive units.

But, I would hasten to point out that while rail may be the primary mover of coal nationwide, there are regional exceptions and we cannot afford to neglect other transportation modes. In my own State of Kentucky, the largest coal-producing State in the country, there has been a dramatic shift away from the railroads as the primary mode of coal transport. In 1956, over 60 percent of coal produced in eastern Kentucky was transported to different markets by rail. By 1973 only about 32 percent of the region's coal was shipped by rail, and almost 68 percent was moved by truck, resulting in a rapid and substantial destruction and deterioration of much of the region's highway network. The trend is much the same in western Kentucky so that it is expected that by 1984 there will be from 5,254 to 6,268 trucks being utilized principally for coal hauling on Kentucky roads and highways compared to approximately 2,890 such trucks in 1973. In order to keep up our capacity to meet the coal industry's increasing transportation needs, the Kentucky Department of Transportation recommends a program that would fund a $938,000,000 capital investment program in the time period from 1975 to 1984, and a $26,000,000 a year maintenance program in addition to early and full funding to complete the Appalachian Development Highway System.

Clearly, the State cannot do this alone. Nor should it. As Kentucky is a major exporter of coal, and the No. 1 supplier to the Nation, I believe that the case for exceptional Federal aid to improve and maintain coal haul roads is essential from the standpoint of national energy self-sufficiency.

I would even urge the committee to consider the possibility of utilizing the Highway Trust Fund to meet urgent transportation needs as they relate to the production of new energy supplies. Energy self-sufficiency certainly is as important as a National Highway Transportation System.

There are serious restraints, too, on the utilization of coal—primarily environmental restraints. State air quality implementation plans could preclude the use of coal at the rate of nearly 200 million tons a year—almost 40 percent of 1974 usage—because of its sulfur content. The production of low sulfur coal is limited. In the East, where 87 percent of our coal is produced, only 8 percent can meet sulfur standards applicable to new plants. Sulfur dioxide removal devices are showing increasing promise. A system installed on Louisville Gas & Electric Co.'s Paddy's Run Station in 1973 has successfully been removing 90 percent of the sulfur dioxide. But, the widespread use of scrubbers is unlikely before the late 1970's or early 1980's. And, conversion of coal into gaseous or liquid fuels removes the sulfur. But, again, despite dramatic increases in Government and industry spending on research and development of gasification and liquefaction, commercial applications are unlikely before the 1980's.

While we cannot substantially abandon our hard-won environmental progress of the past and diminish our efforts for a cleaner environment in the future, neither can we abandon coal as an energy source in the pursuit of absolute environment purity. So, for the short term, we must decide whether to extend the compliance period for air quality standards which are not necessary to protect public health and safety. We must reexamine State implementation plans which establish standards more stringent than those in the Federal Clean Air Act. We must reconsider regional limitations, settle the "significant deterioration" issue, and decide whether or not to permit the use of intermittent controls—that is, tall stacks and, during periods of poor air quality, the burning of low-sulfur fuels and/or reductions in generation.

For the longer term, we must continue the Federal commitments to research and development of coal gasification and liquefaction at the level which we have been able to achieve only in the last 2 years, and encourage the States and private industry to participate in the effort.

Kentucky already has made a substantial commitment. The State legislature has authorized up to $50 million in State funds over the next 5 years for coal research; the State has entered into an agreement in principle with Texas Gas Transmission Corp. for establishment of a two-phase gasification plant in western Kentucky; we are actively pursing the possibilities of locating a commercial coal liquefaction plant in eastern Kentucky; we are also seeking a $237 million demonstration plant that will convert high sulfur coal into a clean synthetic fuel; and, the University of Kentucky has one of the most outstanding ongoing coal research programs in the country.

Large scale conversions to coal permit us to think in terms of unburdening our economy from balance of payments deficits, and ourselves from the uncertainties which accompany dependence on foreign energy sources. With a coordinated national coal policy and a solid national commitment to greater coal utilization, I feel certain that these conversions can be accomplished.

THE AGENCY FOR CONSUMER ADVOCACY

Mr. FANNIN. Mr. President, at a time when questions are being raised in many quarters concerning the wisdom and efficacy of Government regulation, the Senate has decided that what this country needs now more than ever is a new Federal regulatory body. I am referring to the recent passage of S. 200, a bill to establish a so-called consumer protection agency, or as it is euphemistically entitled, the Agency for Consumer Advocacy. In my opinion, the Senate's action was unwise, ill-advised, and badly timed.

Many observers of the Washington scene have noted that Federal agencies, rather than serving the public interest, have a way of becoming virtual servants of the industries and special interest groups they are supposed to regulate and control. In addition, the complex scheme of rules and regulations promulgated by Federal administrators has led to great inefficiency, confusion, cost and waste for the public who the rules and regulations were intended to protect.

It has become increasingly difficult for businessmen to conduct normal business operations or make routine decisions, without having to consult their attorneys, fill out and file many forms, keep extensive records, and hire additional personnel to take care of the extra paperwork—without, in fact, defending themselves for being successful or trying to make a profit just to stay in business.

UMI

As a result, the consumers find themselves paying higher prices for goods and services supplied by business. In some cases they cannot even purchase the product they need because Government regulation has made its manufacture or delivery too costly or too difficult.

It is impossible to measure accurately the effects that many arbitrary and capricious decisions of faceless bureaucrats have had on the taxpaying public. Most difficult, and most troubling of all, is the inestimable loss of personal freedom as a result of the expansion of Federal power and control in our daily lives.

For these and other reasons, many critics have concluded that what we need most of all is less Government regulation and fewer Federal agencies.

Mr. President, I have long been a staunch advocate of regulatory reform. I believe that a comprehensive examination and review of Government regulations, agencies, and of the Federal administrative process is long overdue.

Having observed the steady growth of big government and the corresponding decline of personal freedom in our Nation during two terms in the Senate, I cry: "Enough." We do not need a consumer protection agency. The best way to protect consumers is to eliminate or reform existing regulation, to abolish or deregulate the agencies we already have.

Mr. President, we do not need an additional layer of bureaucracy on top of the already burgeoning Federal bureaucracy. We do not need another Federal agency allegedly to represent the interests of consumers as a class, at the expense of the rest of us consumers. We do not need a new agency, however noble the purpoe, when the public opinion polls show that the American people are overwhelmingly opposed to establishing still another agency. From the mail I know that the good people of Arizona do not want a consumer protection agency. They want less Government regulation, control, and interference, not more.

That is why, Mr. President, I cast my vote against S. 200 and against ACA. I was voting for consumers and for their protection.

The majority of the Senate was wrong, in my opinion, in approving an Agency for Consumer Advocacy. I hope that the Members of the House of Representatives will show greater wisdom and reject the ACA. Failing that, I pray that the President will veto this legislation. He should veto S. 200 as a matter of principle, in my opinion.

Mr. President, I call the attention of my colleagues to an editorial which appeared in the May 29 edition of the Arizona Republic which discusses the consumer protection agency proposal. This article points out that the fate of the Agency for Consumer Advocacy may soon rest with the White House and finally with the Congress.

Recently I sent a note to the President urging him to veto S. 200 should it be approved by the House. I urge my colleagues in the Senate, whatever their personal disposition toward the principle of consumer protection, to support the President in that decision and vote to sustain that veto, if such is necessary. I hope, too, that those of you who feel strongly about this matter will also drop a line to the President to urge a veto. I make this plea for the several reasons I have given and for the reasons eloquently set forth in this editorial.

As the Republic states:

The President should veto the Consumer Protection Agency bill as a matter of principle. For the consumer's sake, business needs less regulation, not more.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Arizona Republic, May 29, 1975]

"PROTECTING" CONSUMERS

Although a recent poll by Opinion Research Corp. showed that a vast majority of Americans oppose the creation of a Consumer Protection Agency, the likelihood is they'll get one anyway.

They may believe they're perfectly capable of shopping wisely, but Congress knows better.

Congress knows we are a nation of sheep, looking for someone to shear us. It has, therefore, decided to save us from our gullibility.

The Senate already has passed a bill to establish a Consumer Protection Agency, and the House is certain to. President Ford has not yet indicated whether he will veto it, but, if the President does, the odds are that Congress will override him.

As envisaged by its sponsors, the Consumer Protection Agency would be a kind of watchdog over all the other government agencies. It would have the power to intervene before them in all proceedings that it thought might affect the interests of consumers.

With two exceptions:

One: It would have no say in the activities of the National Labor Relations Board, even though labor-management relations obviously have a direct effect on prices.

Two: It would have no say in any government actions that might affect farm prices.

The AFL–CIO insisted on the first; the farm lobby on the second.

With labor and the farmer beyond its purview, the Consumer Protection Agency obviously would become a business-baiting agency. What else would there be left for it?

It would entangle business in endless red tape and legal actions, resulting in costly delays.

In the end, the consumer would have to foot the bill. Designed to protect the consumer, the agency actually would cost him money.

As the President has pointed out, regulatory agencies always cost the consumer money. He has estimated the cost in the billions.

Ford has rightly been urging Congress to dismantle some of the agencies and cut some of the others down in size and scope as a means of reducing prices.

Even if Congress is certain to override him, he should veto the Consumer Protection Agency bill as a matter of principle.

For the consumer's sake, business needs less regulations, not more.

TITLE V REGIONAL ECONOMIC DEVELOPMENT COMMISSIONS

Mr. MANSFIELD. Mr. President, I want to say how delighted I was yesterday to see the extraordinarily enthusiastic response in testimony before the Public Works Committee regarding S. 1189 which I submitted with the cooperation of my distinguished fellow Senator from Montana (Mr. METCALF) and the senior Senator from Utah (Mr. Moss).

S. 1189 is designed, Mr. President, to bestow upon the seven title V Regional Development Commissions representing 31 States, generally the same authority and funding which has been so successfully enjoyed for the past 10 years by the Appalachian Regional Development Commission. It was the committee's intent, 10 years ago when Appalachia and the title V Commissions were organized, that when title V Commissions had been battle-tested and seen their plans refined, they should be recipients of authority and funding comparable to that of Appalachia.

Many of us in title V Commission States believe this is a fair and just approach to the problem of regional economic development since economic lassitude has not been the sole domain of Appalachia in recent years. We believe further that the title V Commissions have in a few years of operation, years I might add which provided them with scant financial support, have proven their effectiveness and deserve to be upgraded to a status equal to Appalachia.

This year seems to be the ideal to consider such an action, Mr. President, since renewal of Appalachia's authority has been passed by the House and is now before the Senate Public Works Committee.

I was gratified by the outpouring of support for S. 1189 as indicated by the committee's hearing yesterday. Unfortunately my duties in this Chamber prohibited me from testifying personally in behalf of S. 1189 but my statement was very ably introduced by my colleague and good friend from Montana (Mr. METCALF). I was also pleased to see supporting testimony from the Senator from Utah (Mr. Moss) and the Senator from Arkansas (Mr. BUMPERS) who testified so eloquently for himself and Senator MCCLELLAN.

The interest of our Nation's Governors in the title V Commissions apparently is evident from the correspondence I and my colleagues have received from statehouses throughout the country. The Governors of New Mexico, Wyoming, and Rhode Island felt so strongly about the need for S. 1189 that they sent emissaries to Washington to present positive and constructive statements in their behalf.

I am pleased to report that the Western Conference, a caucus of Senators and Representatives from 10 Western States intimately concerned with energy development in the context of our national shortage, also endorsed the measure unanimously. I might add that President Ford has advocated congressional action on energy matters and this bill provides such assistance.

These signs indicate to me, Mr. President, that the consensus leans quite strongly to my view that it is time to grant title V Commissions a semblance of parity with the Appalachian Commission. I know this view is supported by several members of the Public Works Committee and I most especially cite the Senators from New Mexico (Mr. MONTOYA and Mr. DOMENICI) who participated actively in the hearing yesterday and provided much wisdom and constructive thought.

I also wish to thank the chairman, my good friend from West Virginia (Mr. RANDOLPH) for his gracious and cooperative reception of our views. He is certainly as anxious as any of us to equal treatment accorded to all commissions in this time of widespread economic uncertainties, and I thank him for his willingness to work with us to help us achieve our economic objectives.

NEED FOR CONTINUOUS PRESENCE

Mr. HANSEN. Mr. President, the island of Diego Garcia in the middle of the Indian Ocean has the potential to become the keystone for providing a balance of naval power in that vast region of the world.

The April issue of the Marine Corps Gazette published an article by Capt. H. V. B. Kline entitled, "Diego Garcia and the Need for a Continuous American Presence in the Indian Ocean."

Mr. President, I ask unanimous consent that this excellent article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DIEGO GARCIA: AND THE NEED FOR A CONTINUOUS AMERICAN PRESENCE IN THE INDIAN OCEAN

(By Capt. Hibberd V. B. Kline III)

Department of Defense proposals to expand American facilities on the British administered Indian Ocean island of Diego Garcia have assumed increased importance since the October War of 1973 returned control of the Suez Canal to Egypt and made possible the re-opening of this international waterway. Once open, the Canal will shorten Soviet distances between Russian ports and the Indian Ocean from the present 11,000 miles (European ports) or 9,000 miles (Vladivostok) to 2,200 miles (Black Sea ports).

American supply lines for units operating in the Indian Ocean will continue to be 4,000 miles long from Subic Bay in the Philippines to the area of operations, unless an alternative base is developed in the Indian Ocean itself. As Adm. Zumwalt, then Chief of Naval Operations (CNO), stated before a congressional hearing recently, the present system of deployment in the Indian Ocean stretches American capabilities "to the absolute limit" and denies the Pacific Fleet "any capability to react to a simultaneous crisis in the Western Pacific from a logistics standpoint."

While the U.S. Navy is operating at the end of this long supply line, the Soviets presently have numerous facilities agreements with littoral States on the Indian Ocean including Somalia, the Democratic Republic of Yemen (Aden), and Iraq, and are seeking access to additional ports. Russian warships currently visit India, and Moscow is carrying favor with New Delhi through supplying arms and economic aid. The Russians are also clearing the port of Chittagong in Bangladesh which will undoubtlessly be placed at their disposal. It is reported that at present the Soviets have approximately thirty vessels in the Indian Ocean and in terms of "ship days" have a presence four times greater than that of the United States, though many of these Soviet vessels are fleet auxiliaries.

In 1972 the United Nations General Assembly, with the support of over 100 member States, declared the Indian Ocean a "Zone of Peace" in which naval rivalry was to be forbidden. Despite that idealistic declaration, this body of water is of such strategic importance that the major powers cannot disregard their interests in these seas. The Indian Ocean has become the major highway for a growing portion of the world trade in raw materials indispensable to industrialized society.

At the moment, oil dominates the trade of the area. Japan relies upon the Persian Gulf for over eighty per cent of its oil, while Western Europe obtains approximately two-thirds of its oil from this area. The Soviet Union is importing natural gas from Iran at a rate equal to that of Soviet exports of natural gas to Western Europe, and Iraq is receiving Russian oil drilling technology in return for Iraqi oil. Some experts predict that the Russians will experience major oil shortages in the early 1980's and thus have a vital interest in the oil fields of the Persian Gulf. Increased mineral wealth is being discovered in East Africa. These raw materials will be shipped from Indian Ocean ports. Not only the industrialized nations of the West and Japan, but the underdeveloped nations and Communist China are becoming increasingly dependent upon the raw materials of the Indian Ocean littoral.

In addition to its importance as a crossroads of trade, the Indian Ocean has gained considerable military importance from the development of submarine launched ballistic missiles. The vastness of the area allows for dispersion of missile-equipped submarines, while keeping them within range of both China's Singkiang Province with its nuclear facilities, and the military-industrial complexes of Soviet Central Asia. There have been Polaris submarines on station in these waters for several years, and the Soviets have at least ten nuclear submarines in this area either shadowing American vessels or carrying missiles programmed for Chinese targets.

The Indian Ocean is also a political crossroads ringed by less developed countries from Delagoa Bay in southern Africa to the Northwest Cape of Australia. As Hanson W. Baldwin, military editor for the N.Y. *Times*, points out "Men-of-war cruising in these exotic seas have a psychological and political effect, often disproportionate to their actual power (as Soviet ship visits have shown) on the far from stable lands of Africa, the Middle East and the Indian subcontinent." Because of their potential or realized wealth of resources, these countries are of major importance to the United States. Yet our policies toward them are uncoordinated and contradictory, while Soviet policies in the area seem more coherent and purposeful. On the northern littoral of the Indian Ocean, the Soviets appear to be following a coordinated plan to expand their influence. Iraq has become associated with COMECON, the East European counterpart of the Common Market, and, after nationalizing its oil industry, has based the exploitation of its oil wealth upon partnership with the Soviet Union. In Afghanistan the Soviets are supporting the new radical royal government and have constructed an all-weather road through that mountain kingdom to the Pakistani border. Here they are supporting the separatist movement of the Baluchistani who threaten to further dismember Pakistan. As noted earlier, Moscow has renewed military aid to India and is reopening Chittagong Harbor in Bangladesh.

In East Africa the Soviets are sponsoring guerrilla movements against Rhodesia, and the Portuguese colonies of Mozambique and Angola in an area stretching from the Indian Ocean to the Atlantic. Recently the Russians gave the unpredictable Gen. Amin of Uganda a massive supply of military equipment including tanks, armored personnel carriers, anti-aircraft weapons, trucks, and jet aircraft. These supplies appear likely to expand Soviet influence throughout East Africa. Shortly after receiving the arms, President Amin urged the Organization of African Unity to change its support of the guerrilla movements in southern Africa from talk to action. He asked rhetorically how a guerrilla could be expected to combat a South African Mirage jet; the answer, of course, is with a Soviet SA–7 ground-to-air missile. These weapons have already appeared in the hands of Rhodesian rebels. Around the shores of the Indian Ocean, the Soviets are competing with the Communist Chinese as well as the West for revolutionary leadership throughout Africa and the Middle East in such places as Tanzania and Oman. The Soviets are not likely to relinquish the great advantage they hold over their rivals in naval power simply because the United Nations voted the Indian Ocean a "Zone of Peace." It is unthinkable that in this situation the Soviets would forego the cheap, politically safe, and disproportionately effective influence that an active Indian squadron would give them, especially since Peking is presently incapable of competng with them in naval influence.

The present Soviet investment in the Indian Ocean littoral leaves no doubt that they will increase their naval forces in these waters following the reopening of the Suez Canal. They have made massive investments in Berbera, Um Qasr, Aden, Vishakhapatnam, Chittagong, and the Andaman Islands which they are not likely to abandon short of a Sadat-style eviction by the local governments.

Hanson Baldwin has commented that the Soviets have adopted a global maritime strategy. Today the Indian Ocean offers an excellent opportunity for the ultimate in such a strategy, Gunboat Diplomacy. In hearings before a sub-committee of the House of Representatives Committee on Foreign Affairs, Adm. Zumwalt stated that a permanent American naval presence in the Indian Ocean would not be aimed at a possible conventional or nuclear war with the Soviet fleet, but rather "to prevent more aggressive foreign policy initiatives by the Soviet Union . . . It's like the policeman on the beat."

Representative Lee H. Hamilton (D-Indiana), the sub-committee chairman, replied that the "policeman analogy sends chills up my spine," for it suggested intervention. Though Adm Zumwalt was quick to deny that American intervention was intended, it is well to remember that the situation in the littoral states of the Indian Ocean presents numerous opportunities for intervention by powers other than the United States. In fact, intervention has a long and continuous tradition in this area. Iran occupied three strategic islands in the mouth of the Persian Gulf in 1971, and is assuming the British role of assisting the Sultan of Muscat in his battle with Communist supported rebels in the province of Dhofar. (See *Oman and the Dhofar rebellion*, GAZETTE: February 1975.) Iraq intervened in the Jordanian conflict with the Palestinian Guerrillas in 1969 and more recently nibbled off some Kuwaiti territory near Um Qasr. Col Qaddafi of Libya is notorious for intervening personally in the affairs of neighboring states throughout the Arab world and has been accused of fomenting rebellion in Egypt. President Amin of Uganda, with his new Russian hardware, is certain to prove a continuing threat to the stability of East Africa, while the situation in Mozambique, in view of changes in Portuguese policy, is totally unpredictable at the present time.

Intervention is neither unlikely nor unusual in the Indian Ocean area and the unpresents a myriad of justifications to the Soviets for actively employing their fleet, in-

UMI

cluding its new naval infantry. As the Czech invasion proved, the Soviets are willing to intervene in the internal affairs of another state when they believe that such action furthers their national interest. They do not have an inflated regard for international public opinion at such times and act decisively, presenting the world with a *fait accompli* that is soon pushed from the center of international concern by the onrush of events in other areas of the world.

The Soviets would be able to refer to the precedents established by American action since World War II to justify an interventionist naval policy in the Indian Ocean. Russian naval forces could intervene in littoral states to protect their nationals or property, invoking the same justifications that the United States used in the Dominican Crisis and was prepared to use in the 1971 Indo-Pakistani War. On the precedent of Lebanon or Vietnam, Soviet forces could be landed to bolster a friendly government against rebellion, such as the Kurdish revolt in Iraq or the abortive coup in Uganda in March, 1974. A show of force off the coast of an hostile nation could affect its policies or, by simultaneously discouraging the government and encouraging local rebels, result in a change of government favorable to Soviet interests. Under color of "restoring peace" or facilitating a United Nations ceasefire, Soviet troops would be landed to bolster a sagging ally, as the Russians have threatened at least twice in the Middle East in 1956 and 1973. It is not impossible that the Soviet Navy would impose a "quarantine" on a littoral state, as the United States did in the Cuban Missile Crisis. Should a rebellion of *colons* take place in Mozambique, such Soviet action would probably be applauded by a majority of the nations represented in the General Assembly. Congressman Hamilton is correct; the thought of intervention in the Indian Ocean littoral is spine chilling.

The only viable counterweight to the increasing Soviet naval presence in the Indian Ocean is an equally potent American naval force. The Russians have already established or occupied a number of excellent ports from the Horn of Africa to the Persian Gulfand and are in process of extending their access to additional facilities as far as the Bay of Bengal. Thus the true supply lines of the Soviet Indian Ocean squadron will be far shorter than the 2,200 miles distance from the Black Sea to the area of operations that is often mentioned in the Diego Garcia debate.

There are no facilities comparable to Berbera, Aden, or Um Qasr available to the American fleet in the Indian Ocean, though American naval units do visit the French base of Djibouti and the Australian administered Cocos Islands. The Shah of Iran told an American television interviewer in March 1974, that he wished the Great Powers to stay out of the Persian Gulf and leave the peacekeeping role there to local states, in particular to Iran. Thus, it is unlikely that he would agree to the construction of a major American facility in his country.

Simonstown in South Africa is far removed from the Arabian Sea, the center of the oil trade. In any event, with the present South African social system, it would be impossible for the United States to base any units of the American fleet at Simonstown. The ANZUK Naval Base in Singapore might possibly serve as an American base through the ANZUK and SEATO treaties. Singapore's Prime Minister Lee has said publicly this year that the smaller nations of Southeast Asia must look to the big powers for defense. Yet it is unlikely that he would want to expand the relatively modest ANZUK facilities into a major American base. His island is overpopulated with a density of 9,000 people per square mile. He is striving to create a "Singaporian identity" among this two million people over seventy-five per cent of whom are Chinese and tend to look to Mao and not Lee for leadership. A large American presence would be likely to increase the present twelve per cent inflation rate and further crowd the small island, especially if home-porting were practiced, with adverse affects upon Lee's efforts at nation building. Any base east of the Straits of Malacca would not be significantly closer to the primary areas of operations in the Indian Ocean than is Subic Bay and would not warrant the political or economic costs of constructing a new facility. Thus, Diego Garcia seems the only viable site for construction of a forward base supporting a permanent American naval presence in the Indian Ocean.

As a piece of real estate Diego Garcia hardly seems worth the furor it is causing on the national and international political scenes. Located 1,000 miles from the toe of India and due south of Bombay, it is only thirteen miles long and between four and five miles wide. Its small natural anchorage could be expanded to an area of ten miles by seven miles with an average depth of eighty feet. A small American communications station currently exists on the island. The present debate concerns plans to extend the existing runway from a length of 8,000 feet to 12,000 feet so that it could handle P–3 anti-submarine aircraft and KC–135 refuelers, but not B–52's, which would require strengthening the load carrying capacity of the airfield. In addition the anchorage would be expanded and a naval fueling facility established to replace the present American reliance upon oilers operating from Subic Bay 4,000 miles to the east. The existing American communications station on the island is authorized under the 1966 Anglo-American agreement to share the British Indian Ocean Territories for defense purposes over a period of 50 years. Because Diego Garcia is isolated and practically unpopulated, it is an ideal location for a naval base. Political considerations aside, the island constitutes a perfect site that could become the "fulcrum of the Indian Ocean" as Malta was once of the Mediterranean.

International political opposition to the proposed American expansion of the Diego Garcia facilities, though forceful, is being overestimated in this country. India has been the most outspoken critic of an American naval presence in the Indian Ocean while at the same time providing the Soviet Navy with the use of port facilities at Vishakhapatnam on her East Coast and at Port Blair in the Andaman Islands. Indian protests appear to be motivated by a desire to prevent Great Power naval rivalry in an area that she hopes to dominate herself, and by the need to invoke an external threat to counter her massive internal social disintegration resulting from the pressures of overpopulation and a weak economic and social structure. Australia and New Zealand, under Labor governments, have opposed the plan, though the Australian Liberal Party "welcomes the U.S. decision to develop a naval and air base on the British Island of Diego Garcia. . . ." Pakistan, Iran, Singapore, and the Peoples Republic of China all encourage the project. The principal opponents of the proposal are motivated more by their own internal politics than by concern for preserving the U.N. sponsored "Zone of Peace" in the areas.

The three governments most adamant in their opposition are controlled by parties whose philosophies and concepts of a desirable world order diverge from those of the United States. The supporters of the American proposal, such as Iran and Communist China, would rather not see the two naval Super Powers maintain a presence in the area, but recognize the need for an American counterweight to the inevitable Soviet build-up in these seas. Internationally the United States is in no danger of irrevocably alienating a foreign government by expanding the present facilities on Diego Garcia.

The domestic opponents of an increased American presence in the Indian Ocean consist of those wounded in spirit by the American misadventure in Indochina. Congressman Hamilton of the House Foreign Affairs Committee stated that the thought of future American intervention overseas chilled his spine. Senator Mansfield, who annually calls for a major withdrawal of American troops from Europe, "has expressed concern over plans for the island." Adm. Gene LaRoque, USN (Ret.) who now heads the Center for Defense Information and is a rather persistent Pentagon critic, doubts that the Soviets will expand their Indian Ocean squadron or interfere with tankers leaving the Persian Gulf for Western ports. He also states that he does not under-estimate Soviet capabilities for adventurism in this area, but believes that the United States has sufficient naval strength, under its present system of sending task groups from the Atlantic or Pacific fleets on periodic visits to this area, to counter any Soviet escapades on the Indian Ocean littoral. The editors of the Washington Post have suggested that Soviet expansion into the Indian Ocean is merely a legitimate response to the stationing of American Polaris missile submarines in these waters. They submit that in the absence of further American naval activity in this area of the globe, the Soviets will not increase their naval presence. The Post believes that the policing of these seas should be left to the littoral powers such as Iran.

The critics of the proposed expansion of American facilities on Diego Garcia have not addressed all the potentials for Soviet naval influence discussed above. They have not explained why the Peoples Republic of China, no friend of an expansive American foreign policy, supports the Pentagon's proposal for this island. The suggestion that the Russian Navy is in these waters merely as a response to the presence of American Polaris submarines does not satisfactorily explain the numerous port agreements that the Soviets have acquired until they have a ring of friendly harbors from the Horn of Africa to the approaches to the Straits of Malacca. The domestic opponents of the proposed base expansion, like the present governments of Australia and New Zealand, base their opposition not upon a detached study of the realities of the international power balance, but upon their political philosophy that intends to reduce the American presence overseas to a point where America no longer has the capability to react decisively in world trouble spots and thus cannot become involved in another Vietnam. In the case of Diego Garcia, this doctrinaire response is incompatible with the facts of the case and the national interest as expressed by the Chief of Naval Operations, the American intelligence community, numerous foreign governments, and as evidenced by the activities of the Soviet Navy. By developing a permanent naval presence in the Indian Ocean, based upon a supply facility at Diego Garcia, the United States could decisively contribute to making these seas a Zone of Peace through neutralizing the influence of the Soviet Navy. This objective would be accomplished at a comparatively small cost to the American taxpayer and with a negligible risk of this country becoming involved in another Vietnam.

The final obstacle in the path of the proposed expansion of these facilities is the review of the American proposal announced by the new Labor Government of Great Britain. It is reported that such a project would anger the Arab oil producers upon which the United Kingdom relies for her oil supplies. This seems a doubtful proposition. Iran has expressed open support for the project. Saudi Arabia is unlikely to enjoy the prospect of Soviet naval units operating unopposed from Berbera, Aden and Um Qasr.

Both these nations have purchased large quantities of British military equipment to bolster their conservative governments, and should not oppose British action to provide a base for an American counter-balance in the growing Soviet naval presence in their area. The Labor Government has given strong support to the United States in the present Atlantic dispute and is threatening to withdraw from the Common Market unless its terms of participation in that organization are substantially altered. This situation provides Washington with an opportunity to bolster London's position *vis-a-vis* Europe and request an agreement on Diego Garcia in return. Finally, given the potential for Soviet sponsored interference with the now unprotected British interests East of Suez, it is in the interest of Her Majesty's Government to encourage an increased American presence in this area.

Should the proposal survive the domestic opposition and the British reappraisal, it would be most unwise to construct and operate the facility under the auspices of either the Central Treaty Organization (CENTO) or the Southeast Asian Treaty Organization (SEATO). As Henry Kissinger has observed, "CENTO and SEATO have grown moribund as instruments of collective action . . . they have become, in effect, unilateral American guarantees." CENTO was never a truly effective alliance thanks to the divisive impact of the Suez Crisis of 1956 upon its membership, and today seems to exist more out of habit than of mutual interests and advantage on the part of its member nations. Turkey has only marginal interests in the Indian Ocean and relies upon its NATO membership for national security. Great Britain effectively withdrew from East of Suez in 1971. Pakistan, while she has received thirty million dollars in military aid from her American CENTO ally since March 1973, is receiving substantial aid from her fellow Moslems in the Middle East and from the Peoples Republic of China. A French-built, Persian Gulf-financed Mirage aircraft factory is to be built in Pakistan, and China is assisting the Pakistanis to construct a surface-to-air missile plant. Pakistan is thus becoming increasingly dependent upon Communist China and the Arab states.

It is possible that American operations in the Indian Ocean could conflict with the interests of some of Pakistan's allies and cause the Pakistanis, through CENTO, to attempt to restrict or hamper American operations from Diego Garcia, should the base be established as a CENTO facility. Should something happen to the Shah of Iran, a new Iranian government might also oppose potential American activities from this base, at a time when the loss of Iran's stabilizing influence in the Persian Gulf-Arabian Sea area would require increased Western reliance upon this facility.

For similar reasons, it would be unwise to tie Diego Garcia to SEATO. Both Australia and New Zealand have expressed opposition to the expansion of American facilities on the island and, barring a change of government in these countries, might attempt to impede or restrict the construction and extent of operations from the island through their membership in SEATO. The Philippines, another SEATO member, is experiencing a period of instability, including the intense religious war between government forces and Moslem insurgents. While the situation continues, the many Moslem countries bordering the Indian Ocean cannot be expected to look with favor upon the extension of SEATO activities to their area. Thailand has just received a new government after a period of internal disorder and its long-term policies are uncertain. Placing the expanded facility under SEATO sponsorship would not add to its acceptability by the nations in the area, but could produce further divisive pressures within SEATO and cause resentment on the part of pro-Western Moslem littoral states whose sympathies are with the Moslem insurgents in the Philippines. There are no advantages to such a course of action, but there are several substantial drawbacks to such a plan.

Because Diego Garcia is an isolated and all but uninhabited island far from either CENTO or SEATO nations, there is no need to legitimize or excuse expansion of the facility under the auspices of either organization. The island fulfills the legitimate needs of the United States and the United Kingdom, who have the right to develop its facilities in their own national interests pursuant to their agreement of 1966. Soviet naval expansion in this unstable area of the globe, an area upon which the western industrialized nations will increasingly come to depend for many of the requisites of modern society, poses a real and present danger to western interests unless it is neutralized by a balancing American naval presence. Expansion of the present communications facility upon Diego Garcia into a substantial naval facility will provide a secure and economical base for such an American squadron. Both the domestic and foreign opponents of this proposal are arguing from a philosophical position that is not borne out by the realities of the situation in this strategic area of the world. It is to be hoped that the Congress and the Administration, in conjunction with the new British government, will proceed with the proposed expansion of the Anglo-American facilities on Diego Garcia so that it may serve as a base for an American squadron when the Suez Canal is again available to the Soviet Navy.

CALIFORNIA'S SENIOR CITIZENS AND THE HIGH COST OF LIVING

Mr. TUNNEY. Mr. President, several weeks ago, I conducted 2 days of hearings on behalf of the Senate Special Committee on Aging in San Francisco and Los Angeles. The immediate topic at hand was the impact of our spiraling cost of living on elderly social security recipients. The hearings continued the committee study of "Future Directions in Social Security," and touched on the adequacy of the social security system to meet the increased needs of senior citizens in this time of inflation.

I had suggested to Chairman FRANK CHURCH that the committee turn its attention to this subject in field hearings because I believe Congress must listen at the grassroots level if it is to fully understand what is happening to people during this strange and strained period of concomitant inflation and recession.

As I said in my opening remarks:

Too often, Committees only hear from the bureaucrats and agency heads, from the professional witnesses of special interests, and not enough from the people who are directly affected by legislation. Many of those we will hear from today could not possibly afford a trip to Washington, D.C., to share their experience with a Committee of Congress. They have no funds for airline tickets or hotels. They must budget down to nickels and pennies for food and rent and prescription medicine and bus transportation across town. But I believe that their testimony is essential if we are to understand the human dimensions of inflation and develop solutions for its control.

So, for the most part, the witnesses in each city were older persons talking from their own experience. I clearly expected to hear stories of hardship, but the magnitude was beyond all expectation. I heard from people who are paying more than one-half of their meager incomes for rent, and facing the prospect of new increases. More often than not, the apartments are little more than cold-water flats in the roughest neighborhoods, the neighborhoods in which prices seem to rise highest first. I heard from others who find that increased utility costs are taking the dollars they need for food or medicine, from others who have cut down sharply on food because they must pay their rent and utilities first, making do with what is left, and from persons who cannot get or cannot afford health care not covered by medicare or medi-Cal. For many, high transportation costs compound all other problems, locking them into their overpriced poverty-stricken neighborhoods.

All in all, the committee heard from more than 40 witnesses. In some cases, we heard from public officials who complemented the testimony of senior citizens. For example, Mr. Arnold Sternberg, director of the California Department of Housing and Community Development, provided statewide perspective on the housing crisis facing so many elderly and low-income people in cities and in less densely populated areas.

Leaders in the senior citizen community also gave eloquent testimony.

The Reverend Edward Peet, president of the California Legislative Committee for Older Californians, declared that the social security system is "a solid base of our daily bread, and we will not keep silent when voices are needed in its defense."

James Carbray, vice president of the National Council of Senior Citizens, urged enactment of a bill, which I have cosponsored, to place the Social Security Administration under an autonomous Federal commission.

Robert Forst, executive director of the National League of Senior Citizens, focused on health needs and said:

It is the senior citizen who must pay more and more for less and less.

Mary Voeller, chairman of the Committee on Social Security for the State Legislative Council of the National Retired Teachers Association/American Association of Retired Persons, warned that the supplemental security income program is failing to serve the needs of older persons, a service mandated by Congress.

Even more moving, driving one even harder to seek ameliorative legislation, was the testimony of individual senior citizens. An elderly, wheelchair-bound woman, living in a rural area, wheeled herself 2 miles to a store, bought her groceries, and collapsed on the way home. She was forced to take this journey because adequate mass transit did not and does not exist. Another woman pleaded

to find less expensive doctors, because her terminal illness, for which constant medical attention was needed, was not fully covered by either medicare or medicaid. Yet another senior citizen had not received a social security check in 4 months, and was relying on friends for sustenance. Her problem was compounded because she does not speak English. Last, we heard from an elderly woman who could not afford to feed herself and her cat. She told us that she would have her pet put to sleep. My Los Angeles office received almost 50 calls offering free cat food. It is unfortunate to think that we must reflect on whether this might be the dinner not for the cat, but for its owner.

I cannot summarize the major points made by many of the other witnesses, but suffice it to say that the anguish and indeed, anger, came through loud and clear. I am hopeful that the transcript of these hearings will provide Congress with the impetus to legislate strongly and wisely in behalf of those who still deserve to live with dignity. I, for one, have come away with a sense of duty, and intend to do my utmost to insure prompt passage of remedial Federal legislation.

To give some idea, Mr. President, of the magnitude of the issues covered at the hearings and the persons who discussed them, I ask unanimous consent to have printed in the RECORD the witness list for each hearing and newspaper articles which summarize key testimony.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WITNESS LIST

Opening statement, Senator John V. Tunney.

Panel one, the Reverend Edward Peet, President California Legislative Council for Older Americans; accompanied by: Mrs. Rose Ady, San Francisco, Mrs. Mary Moran, San Francisco.

Panel two, (Representing Electricity and Gas for People), Mrs. Laverna Canatela, San Francisco; Miss Edna Peralta, San Francisco; and Mr. Don Holler, Administrator, Bethany Center Senior Housing, San Francisco.

Panel three (Housing), Mr. Arnold Sternberg, Director, California State Department of Housing and Community Development; Mr. Morris Sharnoff, Oakland; and Mrs. Ada Ruth Rose, San Jose.

Panel four (Food), Mrs. Jean Mellor, San Francisco, President, North of Market Senior Organization; Mrs. Sofia Romero, accompanied by Graviela Cashion; Mr. Willie Sanders, Berkeley; Mr. Charles Dorr, Berkeley, President, Berkeley Senior Citizens Alliance.

Panel five (Health), Dr. Dennis L. Stone, Medical Director North of Market Senior Health Service, San Francisco; Mrs. Annie Chinn, San Francisco, accompanied by Miss Lila Kwan, Staff, Chinatown Self-Help for the Elderly; Mr. Howard Hauze, Berkeley; Mrs. Joy Lock, Colma, Member, San Francisco Council of Churches Retired Senior Volunteer Program (RSVP).

Panel six (Women and Employment), Isabel Van Frank, Berkeley, Eleanor Fait, El Dorado Hills, Tish Sommers, Berkeley, Coordinator, Task Force on Older Women National Organization for Women (NOW), Beatrice Schiffman, Regional Representative, National Council on the Aging, San Francisco.

Transportation, Mr. Adolph Hartman, Sacramento, Area Director, California Joint State Legislative Committee, National Retired Teachers Association/American Association of Retired Persons.

I. Opening statement, the Honorable John V. Tunney.

II. Welcome: Emma McFarlin, Special Assistant to Mayor Bradley; Samuel Kolb, Chairperson, Mayor's Council on Aging.

III. Panel one: James Carbray, (Whittier) Vice-President, National Council of Senior Citizens; Robet A. Forst, Executive Director, National League of Senior Citizens; Mary Voeller, (Redlands) Chairman, Social Security Committee, California State Joint Legislative Council, National Retired Teachers Association-American Association of Retired Persons.

IV. Panel Two: (Health).

The Honorable Edmund D. Edelman, Los Angeles County Supervisor; Juana Soria, (Los Angeles), Kaiser Gordon, (Los Angeles), Max Bay, M.D., (Beverly Hills).

V. Panel Three: (Housing).

Ben Wolf, President, Los Angeles City Federation of Senior Citizen Clubs, Maury Rosen, (Venice), Rose Marshall, Ph.D., (Los Angeles), Ethel Cherry, (Pasadena).

VI. Panel Four: (Food).

Anthony Lamb, (Ventura), Ruth Yenata, (Los Angeles) Chairwoman, Fight Inflation Together, Herbert Frederick, (Compton) Director, Hub City Buyers Club; State Board Member, National Caucus of Black Aged.

VII. Panel Five: (Transportation).

Nathan Maitlin, (Los Angeles) Chairman, Transportation Committee, Mayor's Council on Aging, Lily Briggs, (Lancaster), Eddie Moon, (Los Angeles), Larry Carisco, (Lakewood) President, Allied Senior Citizens Association.

VIII. Panel Six: (Social Security Project).

Celia Roth, (Culver City), James (Matt) M. Woods, Jr., (Los Angeles) District Manager, Social Security Administration.

[From the Los Angeles Herald Examiner, May 17, 1975]

EVEN DOG FOOD NOT CHEAP, ELDERLY SAY

Senior citizens here have told Sen. John Tunney, D-Calif., that "even dog food isn't cheap any more" and said the proposed 8 per cent boost in Social Security benefits is the bare minimum needed for survival.

"One and one-half million Social Security recipients get less than $100 a month and 25 per cent live below the poverty level," said James Carbray, vice president of the National Council of Senior Citizens. The 8 per cent boost becomes effective July 1.

His remarks came during special hearings of the Senate Committee on Aging at Patriotic Hall yesterday.

Tunney told those present that remarks made Thursday by Health, Education, and Welfare Secretary Caspar Weinberger that Congress must hold benefit increases to 5 per cent were an attempt to make older citizens the scapegoat for administration policies.

Many of the 22 witnesses testified that local senior citizens were forced to live in $50-a-month shacks and eat dog food and oatmeal sandwiches because of insufficient Social Security benefits.

"Inflation is literally killing senior citizens," said executive director Robert Forst of the National League of Senior Citizens.

"Many times members of Congress pat themselves on the back for voting a Social Security increase but in most cases these increases do not put one penny more in the hands of senior citizens," Forst added.

The committee hearings, also held Thursday in San Francisco, were an attempt to move them from the "isolated and insulated hearing rooms of the nation's capitol," Tunney said.

[From the San Francisco Chronicle, May 16, 1975]

OLD FOLKS' HORROR STORIES HERE

(By Jerry Carroll)

The terrible shame and pity of being old and poor—equally helpless before the avaricious landlord and the hoodlum on the street outside—were laid out in plain language here yesterday.

More than 20 witnesses spent more than three hours at City Hall testifying before U.S. Senator John V. Tunney, who presided over a session of the Senate's special committee on aging.

Whether feeble or vigorous, bowed by life's burdens or buoyant in the way of survivors, the witnesses had in common an eloquent denunciation of the cruel state of the elderly poor in the world's richest nation.

"I love America with every fiber of my being," cried Jean Mellor, 71, "but that doesn't stop me from saying there is a helluva lot wrong in this beautiful country."

Mrs. Mellor, a widow, lives in the Tenderloin along with an estimated 16,000 other oldsters who inhabit dreary hotels and apartment buildings. As she described it, the golden years there sound more like cruel and unusual punishment.

"We are a very oppressed, sad, lonely breed of creatures," Mrs. Mellor said. Social Security payments, despite their cost-of-living raises, have never been enough for a decent life, and inflation is hitting the elderly harder than any other class, she said.

"Today, it is almost absurd and obscene that men sitting in Washington should be expecting people to live on it to the end of their days," Mrs. Mellor said.

She painted vivid pictures of old people warming their canned food in pails of hot water, toasting their bread on radiators and "hobbling home" as fast as possible at 4:30 p.m., so they won't be about when twilight falls and the muggers emerge.

"Is that any way for a human being to have to live?" Mrs. Mellor demanded.

"No, no, no," Senator Tunney replied.

Mary Moran, 68, complained about the bureaucratic shuffle many old people get when they try to get help from government agencies. "The laws are a jungle of confusion," she said.

Tunney said he endorses the concept of a lifetime rate for gas and electricity raising the price to big users and lowering it for residential users. Yet he warned the more than 100 people who attended the session not to expect "some miraculous, quick-fix legislative solutions. But he said he was glad he listened.

"You cannot begin to get the feeling of agony and outrage senior citizens feel while you sit back in Washington," he said.

VALLEY FORGE PARK

Mr. HUGH SCOTT. Mr. President, on May 20, 1975, I introduced in the Bicentennial Congress S. 1776, a bill to establish the Valley Forge National Historical Park in the Commonwealth of Pennsylvania.

Valley Forge Park is our national symbol and deserves to be preserved as a national shrine.

I am pleased that Senator MANSFIELD shares my reverent appreciation for the spirit of Valley Forge and has joined in cosponsoring S. 1776.

Several articles on Valley Forge have appeared recently in the Washington Post. In the effort to muster support for the national designation of Valley Forge Park, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

VALLEY FORGE (I): THE SECOND CRUCIBLE

(By Colman McCarthy)

Naked and starving as they are, we cannot enough admire the uncomparable patience and fidelity of the soldiers.—George Washington at Valley Forge, 1778.

VALLEY FORGE, PA.—During the six months of misery that George Washington camped his dispirited and ragtag Continental Army here in the winter of 1777–78, the enemy was less the British forces in nearby Philadelphia than the forces of despair, disease and desertion among his own men. If the nation's birthplace was in Indepedence Hall in 1776, the first test to the infant democracy came here. The colonial forces had just suffered defeats in the local countryside of Brandywine and Germantown; they straggled to Valley Forge to try to wait out the winter. The British had taken Philadelphia and, either because their generals believed Washington's army would fold during the winter or because the pleasures and parties of Philadelphia were more a delight than warmaking, they did not choose to fight at Valley Forge.

Some 11,000 colonial soldiers encamped at the site in huts and shanties—if that—and about 3,000 died from illness, hunger and cold. Historians such as John Reed describe that winter at Valley Forge—from which the surviving soldiers, aided by the drilling of Gen. von Steuben and by the French Alliance, went on to victories at Monmouth and Yorktown—as the crucible of victory.

Now, two centuries later, and with the nation braced to celebrate the bicentennial Valley Forge is enduring a new crucible. The threats today are not the assaults of hard times and hard weather but of the quintessentially contemporary encroachments of commercial interests, land developers, speculators and the federal government. The second crucible of Valley Forge involves a war of ideas and values; the adversaries are local, state and federal politicians, judges, bureaucrats, park commissioners, historians, developers and citizens. At stake is both the integrity of the 2,255 acres of rolling meadow and woodland in the state park and a unique history that gives the nation a link to a spirit of courage that it needs to be reminded of today. The fate of Valley Forge has not only aroused the citizens of eastern Pennsylvania. The issue is quickly becoming a national one as well, engaging members of Congress and federal bureaucracies.

For years, those who cherished the beauty and historical specialness of Valley Forge were happy that, whatever other indignities were being inflicted upon surrounding areas by urban growth, at least no one had successfully made a land-grab for the sacred acreage itself. It was true that the army of progress had been emplacing its fortresses almost completely around the park: a housing development, a high rise apartment building, an ITT-Sheraton hotel, a shopping plaza ("the newest landmark in this exciting environment," its owners say), boutiques, an office building, gas stations and 15 acres of parking lot. However much this may be leading to a situation of total encirclement, the park itself has remained inviolate.

Now, those days of guarded virginity may be ending. Last Thursday, a Commonwealth court judge in Harrisburg ruled that the U.S. Veterans Administration may dig test holes in the park to determine the land's suitability for gravesites. The VA had cast its eye on some 500 acres of the park for a national military cemetery.

When a test crew came to dig in the park in mid-May, it was stopped by the Valley Forge Park Commission chairman Annamaria Malloy. Backed by her 13-member commission that had voted against the cemetery plan, she secured a temporary injunction against the testing. "The VA says all they want to do is dig and test to see if it's feasible," says Mrs. Malloy. "I don't want to know. I know already that we have a beautiful burial ground. We have revolutionary soldiers out there. I know it's a perfect burial ground. And I'm not about to let them come in with any 500 acres, because I now that with 4½ million veterans in this district—60 per cent of whom are 62 or over—that in 50 years this will be Valley Forge national cemetery, not state park."

Mrs. Malloy made that comment before the judge ruled against her. It is still not certain that the VA will choose Valley Forge, although with the court now on its side, the way appears clear. It has run tests at three other sites in Pennsylvania, after considering 12 locations. "Valley Forge is highly favored," said a VA official in Washington. In a report by an ad hoc committee of the State Veterans Commission, Valley Forge was given an overall rating of "excellent," while other locations were appraised with "good" and "fair."

The same report, issued in March, said that "no apparent objectionable factors would impair community acceptance" of the VA's taking over part of the park.

Such a scouting report may have been premature, Although the national Veterans of Foreign Wars, a strong and vocal group, would like to see headstones adorning the landscape, many in the community prefer to leave the land as it is. The local congressman, Rep. Richard T. Schulze, a freshman Republican, favors a national cemetery for both Pennsylvania and his district—but not in the park itself. A state legislator, John Stauffer, is also opposed, arguing that "to use Valley Forge park for a national cemetery would be very much like commissioning Andrew Wyeth to do a painting and to give him a Rembrandt for a canvas." A local citizens group, the Valley Forge Committee, has made the point that the park already is a cemetery; although only one grave is marked, it is believed that the bones of hundreds of Washington's men who died that famous winter were buried at one site or another in the meadows. Asked about the possibility of coming upon the bones of patriots, a VA official said: "We would hope we wouldn't do that, but I suppose when you start digging anything might happen."

Before taps are played over Valley Forge, either for newly interred vets or for the slain inviolability of the parkland, another complexity must be resolved. Efforts are now being made to transfer the park from the control of Pennsylvania to the federal Interior Department; legislation has been offered both in Washington and Harrisburg.

Although it is unlikely that the VA and Interior will go to war over Valley Forge, a skirmish of legalisms is possible. According to a federal statute, the VA must consult with the advisory council on historic preservation before going ahead; the park is a National Register site. Such a consultation may raise the fact that the park was intended to be preserved as a historical site, with its purpose being served already: a sanctuary to remind the nation that its origins were in courage and willpower.

What is needed is a modern von Steuben, the clearheaded Prussian who came into the disheveled camp and organized the troops. He listened to no excuses, nor did he begin his sentences with "but on the other hand." An army is an army, he believed. Today he would likely be shouting into the wind of Valley Forge, "a park is a park."

HARSH TIMES RETURN TO VALLEY FORGE (II)

(By Colman McCarthy)

VALLEY FORGE, Pa.—"Starve, dissolve or disperse . . . what then is to become of the army this winter?"

The question, dark and despairing, was asked by Gen. George Washington in the freezing months of 1777–1778 when his colonial forces camped here after suffering routs by the British. Two hundred years later, with many in America wanting to observe the Bicentennial in more meaningful ways than watching TV "specials" or walking through freedom trains, places such as Valley Forge provide historical richness that cannot be packaged or marketed. George Washington's question received an answer that is commonly known—the army persevered and went on to victory. But today another question hangs over the site: What is to become of what's left of Valley Forge?

The 2,255 acres of the state park—strikingly scenic grasslands and sloped forests that hold the original quarters of Washington, von Steuben and the nameless foot soldiers—are currently the object of a debate that involves local, state and federal politicians, as well as government agencies, citizens, historians and real estate developers.

Pennsylvania has always been plagued by the bitterness of land disputes—going back to the 1660s when William Penn had to outwit Lord Baltimore for certain tracts, and most recently in both the Charnia case and the Tocks Island dam project. But the struggles to control the Valley Forge parkland and bordering acres is not a local issue alone. It is national. The history of Valley Forge is everyone's, from the million visitors who appear annually (10 times that number are expected next year) to those who want to be reminded that this was not a battleground of bullets and warplay but a scene of spirit and courage.

The most pressing question involves ownership of the park. Pennsylvania set aside the land in 1893, with notions to expand it gradually. Not only did expansion never come, but two major roadways now go through the park, as well as the Pennsylvania turnpike next to it. Until recently, administration of the park had been left mostly to foresters, not historians, and shortsightedness and blundering were common. In January, Rep. Richard T. Schulze, the local congressman, proposed legislation that would transfer the park to the U.S. Interior Department.

In May, Sen. Hugh Scott introduced a similar bill—S. 1776—in the Senate. The advantage of the transfer, Scott said, is that "the park would have access to the expertise of numerous federal historic agencies and would be eligible for federal support and financing for restoration, historic programs and promotion." The state legislature has its own transfer bills, supported by Gov. Milton Schapp.

The political drums appear ready to roll in unison for the plan of federalizing the park. But at the local level other sounds are heard. The Valley Forge park commission has voted against the transfer. Charles H. Wolfinger, a board member, believes that "the state can do the job. We will lose local interest if the federal government comes in. I take a certain pride in what we've done. It's a popular cry—let Uncle Sam do it. But I think we have the talent. I'm not so optimistic that we'll get a lot more money. As a native of Pennsylvania, I think we can do the job."

In theory, Mr. Wolfinger may be right. But in practice something more than state pride may be needed. Past commissions (members are politically appointed) often acted as though all dangers left the area when the British marched north in 1778. A few

UMI

years ago, a handsome tract of about 25 acres bordering the park was available for $10,000. The developer himself, in a gesture that also may be toasted by historians, offered to sell the property to the state to be preserved, but officials turned it down. Today, at least 20 houses have gone up, creating what the current commission chairman, Annamaria Malloy calls "peripheral intrusion." Mrs. Malloy says of past commissions:

They viewed Valley Forge in its bucolic splendor without realizing what was happening to the regional development. The old commissions had a tendency to stand on the borders and look in. They didn't stand inside and look out . . . It never occurred to them that in the social order of things, aside from the historical significance of the park, they should look at this place and realize that this was an oasis in a fast-growing megalopolis.

One example of fast growth is the $25-million hotel-office-shopping-plaza-parking-lot complex facing the park's entrance. An ITT-Sheraton hotel of 15 stories dominates the view from that area of the park. Although the commission lacks zoning authority, its recommendations are influential. Mrs. Malloy, only three years in office, said she would never have approved the plaza if it had been her decision: "It aggravates my soul that these people (developers) come in with these glorious plans. Why? To capitalize on Valley Forge park . . . You go up in that hotel in one of the bedrooms and it's magnificent. You can charge a pretty penny over there for those rooms. But the state is maintaining the view, and the view has a great deal to do with the hotel."

For those outside, Sheraton would like to make the view even more spectacular—by perching a giant rotating "S" atop its building. The builder came to a recent commission meeting seeking a blessing for the big "S." Not getting it, he announced angrily he would see about putting up not merely a single letter but a whole sign measuring 1,000 square feet.

Seeing the Sheraton battle as already lost, with or without the crowning glory of the "S," many now struggle to save the last free vista—Chesterbrook, 865 acres of virgin land adjacent to the park. On this site, a real estate firm is planning to create a new town, with homes and offices for 10,000. The plans have been tied up in the courts for three years by a citizens group. One of the worries is water runoff from the proposed development into Valley Creek, which further down runs past Washington's headquarters; even without the development, a recent flood lifted the water so high that the cellar of the headquarters was inundated.

As if corporate threats from without are not enough, many see the greatest mockery inside the park—the Keene Manufacturing Company. In operation before the park's creation and never bought out, its chimneys belch fumes and its asbestos waste is piled in a hollow a few hundred yards between the park's memorial arch and the Washington chapel; a local newspaper recently ran pictures of the festering refuse—mingled with garbage and rubbish of unknown origin—and asked: "Is the park becoming Valley Forge Dump?"

While awaiting an answer, park officials must also worry about money. The commission asked for $1.3 million for next year, but the governor's office came back with only $628,000. "This is not enough to entertain America in 1976," said Mrs. Malloy. Rather than a slice of the money pie, the park appears to be getting only crumbs from the crust. In comparison, Independence Hall in nearby Philadelphia—a three block federal property, not 2,255 acres—receives more than double the Valley Forge budget and has three times the staff.

Court suits, money fights, rubbish dumps, urban encroachments, political wrangling, the threat of a VA cemetery—this is an odd way to treat a site originally settled by William Penn's pacifists and 100 years later made sacred by the heroism of Washington's tattered troops. Is it a question of too few people caring about the fate of the park? Is this, in fact, a valid commentary on American values on the eve of our Bicentennial? Or is it that too few know what is happening? If it is the latter, then a measure of hope exists. For it is hard to believe that the American public, once aware that Valley Forge is again a scene of trials and strains, would not rally to preserve the integrity of a relatively small memorial to a great moment in this nation's history.

PRESERVING VALLEY FORGE

Land disputes are all too common in the 1970s, but occasionally the value and significance of a tract is so great that much more than regional interests are involved. Valley Forge State Park in eastern Pennsylvania is such a case. Articles by Colman McCarthy on this page today and yesterday document that the preservation of this hallowed and historic 18th century treasure is threatened by economic, political and bureaucratic forces that have become all too familiar in the 20th century. It is true that the costs of progress must be paid. But the price is surely steep when what is demeaned is a site where the future of the nation was determined some 200 years ago by a small band of rugged patriots.

In the next few months, two critical choices must be made. The first involves the Veterans Administration's interest in Valley Forge as a cemetery site. No doubt exists that space is needed to solve what the VA calls "the gravesite availability problem." In 1973, when the VA took over 82 cemeteries from the Army, more than half were already closed to new burials; six of the VA's own 21 cemeteries were also filled. In coming to Pennsylvania—which will serve four additional states—the VA says it is now considering three other sites besides Valley Forge: Gouldsboro State Park near the Poconos, Ft. Necessity near Pittsburgh, and Allenwood, north of Harrisburg. The VA might have a case for taking over the 500 acres of Valley Forge that its eye is now on if that site was the only one. But it isn't.

At the moment, the VA is digging into Valley Forge for soil tests. Although it has the approval of the courts and a state agency to make the tests, the VA has already gone too far. The Valley Forge shrine is too sacred and too historically valued even to be mildly tampered with, let alone converted into a function for which it was never intended. Because suitable sites are available elsewhere in Pennsylvania, the VA should immediately select one of them and create the cemetery it needs.

The second dispute involves the possibility of transfering Valley Forge from state to federal control. The move to bring in the Interior Department's National Park Service is supported by legislation introduced recently in both the House and Senate, as well as bills in Pennsylvania. Although federal control does not guarantee an automatic end to the problems that have plagued Valley Forge in past years, the pressures of the approaching bicentennial can be eased by the additional funds and ideas that would be made available.

In addition, the presence of the Interior Department would make it easier for the park to acquire bordering land that is needed to prevent urban encroachments. The local commission now operating the park is performing well, despite the neglect it suffers from officials in Harrisburg; but an alliance with the Interior Department can give the local board a chance to be even more diligent in its efforts to preserve this shrine.

GROWING ATTACKS ON GOV. GEORGE C. WALLACE OF ALABAMA

Mr. ALLEN. Mr. President, the attacks on Gov. George C. Wallace of Alabama, growing in frequency and intensity, serve to show the respect and fear that his detractors among the media and the professional "politics as usual" politicians have for Governor Wallace's abilities and his rapidly escalating appeal to the people of the United States. They are out to get him and some party leaders even say that they would forsake their party if it chooses Governor Wallace as its standard bearer. What has become of the party loyalty heretofore demanded of officeholders who are members of that party?

Mr. President, in the Washington Post today appeared two articles bearing on this subject: A column by Evans and Novak entitled "The Drive To Get Wallace," and a column by Charles B. Teib, "Taking Wallace Out of Context." I ask unanimous consent that these articles be printed in the RECORD:

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE DRIVE TO GET WALLACE

(By Rowland Evans and Robert Novak)

Permission from frightened Sweden for Nazi troops to cross its territory in World War II has become intertwined with a ferocious but flawed campaign by mainstream Democrats to cut Gov. George C. Wallace of Alabama down to size.

The goal is to convince American voters that Wallace is not equipped to be President of the United States, and Exhibit A is Wallace's sensational March 3 interview with foreign journalists in Montgomery, Ala. Although Wallace's uninhibited criticism of Sweden in that interview accurately stated the historical facts, he has been accused of thinking neutral Sweden was a belligerent—of being a snopesian ignoramus.

Nor is that the only distortion. A reading of the transcript shows no Wallace departure on foreign policy from his rambling conversations with reporters over the years: blunt to the point of offensiveness, nationalistic to the point of jingoism, anti-Communist to the point of hysteria. But the analyses have painted a more sinister picture.

The reason for this is the Democratic Party's escalating Wallace dilemma. Party leaders have no airtight arguments to blunt Wallace's obvious appeal to the discontented. That led to the first contrivance: the aborted drive to repeal presidential primaries Wallace would likely win.

Wallace's interview with the foreign journalists, reported by The Washington Post of May 8, was therefore desperately needed ammunition. It fit the purposes of mainstream Democrats to foster the impression that Wallace had confused Sweden's World War II status. "Actually," The Post reported parenthetically, "Sweden steered a neutralist course during World War II while the Nazis invaded Norway and Denmark." Both liberal and conservative columnists chortled over his alleged redneck ignorance.

In fact, however, he had not erred. Unreported from the March 3 meeting was Wallace's accurate if ungrammatical statement to a Swedish journalist: "You wasn't occupied, but they (Nazi troops) marched through Sweden to get to Norway."

The distortions of Wallace's views on Germany and Japan were less flagrant. "I think we were fighting the wrong people, maybe in World War II," he said, but the transcript makes clear he was criticizing U.S. policy *before* the war that permitted the rise of Hitlerism and Japanese imperialism, not the American choice of sides after it started. It is also clear from the transcript that his remark to a Japanese journalist that "I wish we'd been on the same side in World War II" was banter.

Distorted or not, the surfacing of the interview gave heart to mainstream Democrats. Wallace, they hoped, had committed one of those senseless political gaffes that ruin presidential candidacies.

Indeed, the Wallace camp is explaining more than usual. Press secretary Billie Joe Camp quotes William Shirrer's "The Rise and Fall of the Third Reich" that Sweden provided "immense help to Germany" by permitting transit to Hitler's legions, first to Norway, later to Finland.

But Wallace himself is a stinging counterpuncher. Addressing the Louisiana legislature May 21, Wallace played to the discontented by accusing "the liberals in this country" of bringing on "the blunder of Vietnam . . . that not only cost all of these lives but $150 billion that has affected the inflationary spiral of every pensioner and every low income person."

Moreover, Wallace is mailing a letter denouncing the press for starting all the trouble: "The liberal press establishment is getting to the point where they distort anything that I have to say."

That is only the beginnoing. No longer perceiving Walace as a vulgar if fascinating curiosity, as they did in 1972, his enemies in both the Democratic Party and the press can be expected to assault his intelligence, character and competence with ever greater vehemence. But they should be correct on the fact his or Wallace's response in kind will strike home in the long bitter struggle for the allegiance of the discontented American.

TAKING WALLACE OUT OF CONTEXT

(By Charles B. Seib)

Did George Wallace get a fair shake in The Post's coverage of his views on world affairs early this month? Several readers think he didn't. I agree.

In early March, Wallace was interviewed in Alabama by a group of foreign journalists. What he said received no publicity at the time, but two months later a Post reporter obtained a transcript of the interview. And on May 8 The Post published a front page story headlined: "Wallace Raps World War II. Alliance/Preferred Japan." This story became the basis for much of the coverage of the interview in other publications and on the air.

The Post story began:

"Alabama Gov. George C. Wallace told a group of foreign journalists he wishes the United States had been allied with Japan during World War II instead of with Russia and China.

"'I think we were fighting the wrong people, maybe, in World War II,' said Wallace in one of the rare statements of any length he has made on foreign policy issues. 'In fact,' he told a Japanese journalist, 'I wish we had been on the same side in World War II.'"

The story then went on to other things Wallace said in the interview and did not return to the World War II alliance until near the end, about 25 paragraphs later.

My trouble with the story begins with that second paragraph. Any reasonable person would assume the quoted sentences were spoken consecutively. The "In fact" beginning the second sentence clearly made it a further development of the first. Together, they made a strong, declarative statement. But that is not the way it was.

The first quoted sentence came from Wallace's final comment of the interview. It appears on page 49 of the transcript. The second quoted sentence, beginning "In fact,'" came from page one of the transcript. Both sentences are out of context in The Post story.

The context of the first quoted sentence I will come to in a moment. The second is taken from an informal remark Wallace made to a Japanese correspondent before the interview began. He was talking about Alabama's coal sales to Japan and said: "We're glad to do business with you. In fact, I wish we'd been on the same side in World War II. Instead of being on the same side (words missing here) China and Russia."

Putting those widely separated sentences together, and in reverse order, was improper quote-juggling, in my opinion. Interestingly, the second quote was not put there by the reporter but by an editor who felt that something more was needed to support the statement in the first paragraph of the story. It could be argued—as that editor does—that the quote-juggling did no harm, since Wallace unquestionably made the statements and they were not contradictory. Nevertheless, he certainly didn't make them in that form.

But now let's look at the context of that first sentence—the one from the last page of the transcript. To do that it is necessary to quote the last two pages of the interview: "About foreign policy—I want to tell you something. I do not believe in Nazi-ism—just like maybe you don't believe in Wallaceism. But that was not the German people. The German people were mistreated after World War I. The Versailles Treaty that was imposed on them by France and Britain and the United States—and, mainly, France and Britain—was a treaty that brought Hitler to power. And if it hadn't been Hitler, his name would have been Jones—it would have been Schmidt—it'd have been somebody else because—ah, ah, it was only—it was only sure that nationalistic feeling of the German people would be aroused from the mistreatment they got.

"And so our foreign policy over the years made a mistake in allowing that to happen. We ought to have (words missing) after World War I like we did after World War II—magnanimous—(words missing) West German people that are friendly people, that are friendly people because they are great people. And the Japanese people in my judgment, were provoked to a certain extent by people, by interests in this country that helped to bring about Pearl Harbor. And what I'm saying is that our true foreign policy in those years ought to have been cultivating—the friendship of the Japanese and of the Germans instead of being antagonistic. So that today we have a good buffer in the East against the Soviet expansion plans, which might stabilize and be good in the final analysis for the Soviet Union and the United States in that—and Japan—in that we might come near having peace—than one country beginning to get maybe so superior in, say, nuclear strengthening.

"*I think we were fighting the wrong people, maybe, in World War II,*" and I say that with all due regard to the Soviet, ah, person here. What I'm saying is—we fought on your side, but I wish the Soviet Union, or government rather, had been contained somewhat. And I do think we helped build up enemies in Western Europe, and in Germany, and in Japan, that we ought to have been 50 years ago friendly to. And then there wouldn't have been any Hitler, and there wouldn't have been any Jewish tirade." (The words that became the first quoted sentence in The Post story are italicized.)

Now, no one would defend that rambling, almost unintelligible discourse as a sophisticated or cogent discussion of the events leading up to World War II. But it supplies Wallace's own justification for the flat statements stressed in The Post story and it deserved to be represented in the opening paragraphs of that story.

The material quoted above was covered near the end of the two-column-long story—too late, in my opinion. Also, in the last edition that day the story included two final paragraphs on a telephone interview with Wallace in which he expanded on his condemnation of the Versailles Treaty, saying it permitted Hitler, "the most despicable unjust criminal in the history of the world," to rise to power by using Jews as scapegoats for Germany's economic problems.

To sum up, I feel that The Post's story achieved impact at the expense of accuracy. I feel that the failure to present Wallace's startling statements about World War II in context gave the story a tilt—a subtle tilt, perhaps, but an important one in a report on the views of a man who aspires to the White House.

The story left the way open, in my opinion, for the less than careful reader and the reader who didn't read the story to the end to assume that Wallace wishes that when World War II began we had chosen to side with Hitler and Tojo.

The reporter who wrote the story and the editors who handled it disagree strongly with that opinion. While they concede that tying the two quotes together may have been unwise, they feel that the story conveyed in a fair and effective way what Wallace really thinks about World War II: that the United States should have been fighting the Communist nations instead of being allied with them. They do not feel that Wallace's justification for his view that we were fighting the "wrong people"—mismanagement of American foreign policy between the wars—demanded mention high up in the story.

Wallace did not protest The Post story; in fact his press aide told a Post reporter the governor was not upset by it. Wallace did, however, call a news conference the day of the story to say that the media had quoted him out of context and to again relate his remarks about the "wrong people" to the mistakes he said were made after World War I. He made similar comments in a speech here the next day. They were covered by The Post in a brief mention at the end of a story on page C-3.

Ironically, in reporting the Montgomery news conference United Press International pushed The Post's tilt into a decided lean. It said, incorrectly, that The Post quoted Wallace as saying in March: "I think we were fighting the wrong people, maybe, in World War II. Our true foreign policy in those years ought to have been cultivating the friendships of the Japanese and Germans instead of being antagonistic."

Thus by its own rearrangement of quotes, UPI has Wallace saying this country should have cultivated Germany during World War II.

Similarly, a few days later a Post columnist ridiculed Wallace for saying that Hitler was despicable but the United States was unnecessarily antagonistic to Germany, again distorting the time frame.

One doesn't have to be clairvoyant to predict that in the politics-charged months ahead Wallace is going to be quoted as saying that rather than fighting Hitler and Tojo we should have been on their side. And all the protests and corrective statements are not going to change that.

LANDON ENDORSES RAILROAD PLAN

Mr. PEARSON. Mr. President, I was interested to note that Alf M. Landon recently endorsed President Ford's rail transportation proposal. Mr. Landon de-

UMI

scribes the administration proposal as "the first comprehensive plan by a President to solve permanently the multitude of transportation problems affecting all Americans." Mr. Landon's analysis of the administration rail proposal is outlined in a recent AP wire story and I ask unanimous consent, Mr. President, that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LANDON LAUDS FORD'S RAILROAD PLAN

(By Lew Ferguson)

Alf M. Landon today hailed President Ford's proposal to restructure the nation's railroads as "the first comprehensive plan by a president to solve permanently the multitude of transportation problems affecting all Americans."

Landon also said Ford's plan meets the push for nationalization pending in one form or another in Congress as well as "the highly important energy factors involved."

He called it "the best alternative to nationalization and certainly better than the waste, reduced service and bureaucracy nationalization would mean."

Ford asked Congress Monday to sharply curtail government regulation of railroads to permit consolidation, and to guarantee up to $2 billion in loans to rebuild the country's deteriorating rail system.

In an interview, the 87-year-old Landon said some railroads are already in bankruptcy and others are threatened with bankruptcy, yet they are the cheapest form of transportation and "a mighty factor in conserving fuel energy."

"The only solution offered so far in Congress is nationalization," the 1936 Republican presidential nominee said. "The record the world over of nationalized railroads is one of spiraling public deficits with the taxpayers paying the bill."

Landon also called nationalization "politically ominous."

"Politically, think of the awesome increase of the power of the presidency, in the increase in bureaucracy which would be required to administer a nationalized railroad system," he said.

Landon said railroad consolidation "fits the energy problem."

"It is a well-established fact that no nationalized railroad anywhere in the world moves the large volumes of traffic at the low cost per ton that American railroads do," he said. "They can help conserve our precious fuel energy."

Landon said timing is crucial because the problem is critical, the railroads are more interested now in consolidation than ever before and the public has a vital interest.

He said the necessary adjustments in restructuring the U.S. rail system will not be easy.

"It will take a lot of time and effort on the part of both our government and the railroads before all the consolidation details can be worked out equitably in the public interest," he said.

Landon made public Thursday a letter he sent the President strongly supporting Ford's proposal.

"In a nutshell, it is a reversal of government policy for 100 years, of forcing competition by the railroads in the public interest, for a new, positive policy that their consolidation today in a few systems is in the interest of the investors, the employes and the public," Landon wrote.

RESTON, VA., COMMUTER BUS SERVICE

Mr. HARRY F. BYRD, JR. Mr. President, the call for action on the Nation's energy crisis is being heard from many sectors—the White House, the Halls of Congress, and from the people.

Citizens in the new town of Reston, Va., have been taking action in this regard for some time now.

Daily, 2,400 commuter citizens from this area travel to and from the District of Columbia in buses operated by their own voluntary community service organization, the Reston Commuter Bus, Inc.

This widespread use of bus transportation is a commendable contribution to much-needed energy savings, reduced pollution, and less pressure on northern Virginia's already overcrowded highway system.

I think, too, the fact that Reston Commuter Bus is a volunteer project should be emphasized. I have continually maintained that if the President and Congress would only provide the American public with the facts about the energy crisis, our citizens will voluntarily respond in a positive way as the Reston area residents have.

Today, however, the Reston bus service is faced with a critical problem. Since the Washington Metropolitan Area Transit Authority—Metro—took over the carrier from which Reston Commuter Bus chartered its buses, costs of operating this commuter service have risen almost 35 percent per year. These cost increases are approaching a level where Reston commuters may find it more economical to abandon bus transportation and return to using their personal automobiles.

Certainly, such a situation should not be encouraged.

The volunteer leadership of Reston Commuter Bus, in face of these crippling increases in charter costs from Metro, went into the free marketplace in search of viable alternatives. They have received a commitment from a private carrier, Colonial Transit, of Fredericksburg, Va., to provide charter buses to Reston Commuter Bus at competitive rates, which will allow continued commuter service at economically attractive fares for Reston area residents.

This week, the Washington Metropolitan Area Transit Commission is conducting public hearings on Colonial Transit's application to provide charter bus service for Reston Commuter Bus. I have submitted a statement to the Commission in behalf of this application to provide, at a reasonable cost, bus service desired by the residents of the Reston area.

Certainly government at all levels should encourage and support such citizens efforts to conserve energy and contribute to a better environment. Fairfax County, for example, has made available a temporary fare subsidy to encourage adequate Reston commuter bus rider volume while Colonial Transit's application is pending.

The Reston Home Owners Association, which represents all the property owners in the Reston community, has written the Washington Metropolitan Area Transit Commission indicating its strong support for Colonial Transit's application to serve Reston Commuter Bus.

I ask unanimous consent that the association's letter filed by its president, Francis C. Steinbauer, be printed in the RECORD, along with my letter to the Commission supporting Reston Commuter Bus' desire to contract with Colonial Transit.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

RESTON HOME OWNERS ASSOCIATION,
Reston, Va., May 5, 1975.

MR. HYMAN J. BLOND,
Executive Director, Washington Metropolitan Area Transit Commission, Washington, D.C.

DEAR MR. BLOND: The Reston community is currently facing a dilemma whose resolution will substantially affect its future.

Reston residents are and will continue to be dependent for much of their livelihoods, purchasing, and cultural activities upon transportation provided by chartered buses running to and from the District of Columbia. Increasing prices for that transportation threaten to make it economically unsound to continue chartering buses for Reston and the 2,400 commuters who now use them daily.

The Reston Commuter Bus, Incorporated, (R.C.B.), developed and operated as a volunteer community service organization, is making a major contribution to the metropolitan area by providing this transportation. The Reston Commuter Bus has received nationwide recognition as an effective citizen-sponsored transportation system. The service offered by R.C.B. helps make the continued development of the new town of Reston possible while reducing traffic congestion, conserving energy, and improving the environment.

R.C.B. is unique within the metropolitan bus system in that the buses carry consistently heavy loads and many of the normal administrative functions are handled by volunteers, such as ticket collection, handling of money, scheduling and passenger services. Fares, nevertheless, have risen at a rate of almost 35% per year since the service was taken over by the Washington Metropolitan Area Transit Authority (Metro). The charges being levied by Metro and the increase anticipated this year could result in the demise of the Reston Commuter Bus System.

The Board of Directors of the Reston Commuter Bus, Inc., after thorough research and careful consideration of many alternatives, has found it necessary to seek the services of a private carrier. The fares quoted by an experienced and qualified carrier are considerably lower than those charged by Metro. Because the private carrier would start at a lower price, any future fare increases will result in individual fares still low enough to warrant continued and expanded use of the R.C.B. system.

The Reston Home Owners Association, representing a community of 26,000 people, supports the position of R.C.B. and strongly urges you to approve the application of Colonial Transit, Inc., to take on the service now provided by Metro.

Sincerely yours,

FRANCIS C. STEINBAUER,
President, Board of Directors.

WASHINGTON, D.C.,
June 4, 1975.

MR. HYMAN J. BLOND,
Washington Metropolitan Area Transit Commission, Washington, D.C.

MY DEAR MR. BLOND: I am writing in support of Application #861 for authority to perform charter operations between Reston, Virginia and Washington, D.C.

I have been contacted by the leadership of the Reston Home Owners Association and Reston Commuter Bus, Inc., outlining the problem and seeking support for this application.

Faced with rising operating costs (following the Washington Metropolitan Transit Authority [Metro] takeover of the carrier serving Reston commuters) which threaten to dissipate commuter ridership, Reston Commuter Bus, a volunteer organization, sought alternatives to keep their viable commuter service in operation.

The applicant, Colonial Transit, of Fredericksburg, Virginia, offers competitive rates and an established record of operating experience.

The public, in this case, Reston area commuters, through their leaders, have sought this service and desire to contract with Colonial Transit.

This certainly seems reasonable, and I hope you will act favorably on this application, as I would not want to see government discriminate against such a display of volunteer citizen initiative.

Sincerely,

HARRY F. BYRD, JR.

SENATOR HATHAWAY'S ANNUAL QUESTIONNAIRE

Mr. HATHAWAY. Mr. President, the policy of asking constituents their positions on a variety of issues is not new, but it is an effective gage of public opinion. It has been my practice first as a Member of the House and subsequently as Senator, to give as many people as possible an opportunity to voice their opinions here in the Capitol.

I have just completed tabulating a questionnaire I sent to the residents of my home State, Maine, and there are a few questions and answers I would like to share with my colleagues.

The first is the question: "Do you feel the administration and Congress are responding adequately to today's problems?" A resounding 85.6 percent of those responding to the questionnaire said "No."

It could not be clearer, Mr. President, that that answer is adequate notice to the Congress, and to the administration, that further delay on solutions to our economic and energy problems will not be acceptable to the American people.

Another question which evoked a response that can best be termed provocative was "Do you think the oil industry should be nationalized?" to which 41.3 percent of those responding said "Yes."

Although that is not a majority, it is clear that a larger and larger segment of American citizens are no longer willing to tolerate what they believe to be outrageous profiteering on the part of the oil industry.

And finally, to the question "Should the owners of handguns be required to register them?" Fifty-nine percent of those responding said "Yes."

There were sections of the State which did answer that question in the negative, mostly rural in nature where arms are used for hunting and protection. But the overall response favored this control, which I for one intend to keep in mind when the Senate begins its deliberations on gun control legislation.

The people of Maine spoke on 12 questions, each one dealing with an issue with which this Chamber will be considering this session. I would like to share Maine's viewpoint with my colleagues, and ask unanimous consent to have printed in the RECORD the results of my annual questionnaire.

There being no objection, the questionnaire results were ordered to be printed in the RECORD, as follows:

SENATOR HATHAWAY'S QUESTIONNAIRE RESULTS

[In percent]

	Yes	No	No answer
1. Do you favor giving the President authority to impose wage and price controls?	47.3	51.0	1.7
2. Should the owners of handguns be required to register them?	59.0	39.9	1.1
3. Do you favor extending public financing of campaigns for elections to Federal offices now available to the Presidents to candidates for the Senate and House of Representatives?	49.5	48.3	2.3
4. Do you favor delay of environmental controls until 1980 on automobiles as a means to lower fuel consumption?	62.0	35.9	2.1
5. Do you favor delay of environmental controls until 1980 on industry as a means to lower fuel consumption?	56.9	40.9	2.2
6. Do you favor a mandatory petroleum conservation program?	59.2	38.9	1.9
If yes:			
(a) Higher gasoline/fuel tax?	22.9	37.0	
(b) Gasoline rationing?	50.3	22.3	
(c) Mandatory allocation with import quotas?	39.7	20.2	
(d) Odd-even gas purchase days?	23.3	26.4	
7. Do you think the oil industry should be nationalized?	41.3	56.1	2.4
8. Do you favor offshore exploration for oil along the New England coast?	76.4	21.8	1.8
9. Are you willing to pay higher prices and/or taxes to help solve the problems of air and weter pollution?	50.7	48.2	1.1
10. Do you favor a comprehensive federally-financed national health insurance program for everyone?	64.4	33.6	2.0
11. Do you favor continued trade relations with:			
(a) Soviet Union	74.1	24.1	1.8
(b) People's Republic of China	71.7	26.6	1.7
12. Do you feel the administration and Congress are responding adequately to today's problems?	13.3	85.6	1.1

AMENDMENT OF THE FAIR LABOR STANDARDS ACT

Mr. PACKWOOD. Mr. President, to underscore the importance of this issue to the people of Oregon, I wish today to bring to the attention of my colleagues the House joint memorial passed by the Oregon State Legislature urging amendment of the Fair Labor Standards Act to permit limited employment of children under 12 years of age to help harvest summer crops of strawberries and vegetables. I have addressed myself to the special needs of Oregon's farmers for harvest-time help, while bearing in mind the prime importance of assuring the safety and well-being of children. Today, however, I wish to present the memorial as passed by the Oregon Legislature. At this time I ask unanimous consent that the memorial be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

HOUSE JOINT MEMORIAL 9

To the Honorable Senate and House of Representatives of the United States of America, in Congress assembled:

We, your memorialists, the Fifty-eighth Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully submit as follows:

Whereas the 1974 amendment to the federal Fair Labor Standards Act prohibiting employment of children under 12 years of age has created a shortage in the labor force available for harvest of strawberries, cane berries and hand-harvested vegetables; and

Wheres the experiences of strawberry growers in June 1974, prior to and following the temporary injunction issued by the three-judge panel of the federal District Court on June 22, 1974, clearly indicate that employment of approximately 4,000 children 11 years of age and under following June 22 was a major factor in saving the 1974 crop; and

Whereas the harvest season for Oregon strawberries is for a relatively short period, approximately three weeks on an individual farm and less than a six-week time span for all communities depending on elevation within the state, the period of employment is not of sufficient duration to attract the large labor force (over 30,000 for the present acreage) required from outside the community or state; and

Whereas many growers report that in recent years, 30 percent of their work force has been children under 12 and that they harvest 20 percent of the crop; and

Whereas the economic competition of increasing imports of strawberries from Mexico (about 112 million pounds annually, which is 40 percent of the United States consumption) has resulted in a reduction of acreage in Oregon and has been a price-depressing factor which limits the growers' ability to increase harvest pay rates to levels that might attract additional workers; and

Whereas the strawberry industry contributes some $30 million annually to the Oregon economy of which one-third is paid to growers for the raw product and two-thirds for processing payrolls, containers, storage, transportation and other costs required in preparation of the product for consumers; and

Whereas the continuation of the prohibition of employment of children under 12 in agriculture will further reduce and may result in the discontinuation of strawberry production in Oregon; and

Whereas the loss of the strawberry industry will eliminate the major source of employment for children over as well as under 12 years of age and for many adults who wish to supplement other sources of income by utilizing this short season employment opportunity and will cause curtailment of related industry payrolls; and

Whereas Oregon laws provide authority to the state Wage and Hour Commission to regulate conditions under which children may be employed and we believe these conditions are adequate; now, therefore,

UMI

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) That congress enact an amendment to the Fair Labor Standards Act to permit children under 12 years of age to be employed in agriculture during summer months when school is not in session.

(2) Copies of this memorial shall be sent to the United States Secretary of Labor, the United States Secretary of Agriculture, members of the Senate Committee on Labor and Public Welfare, the House Committee on Education and Labor and members of the Oregon Congressional Delegation.

SUMMER JOBS FOR YOUTH IMPERILED BY PRESIDENT'S VETO

Mr. HUMPHREY. Mr. President, last Thursday, May 28, President Ford vetoed H.R. 4481, the Emergency Employment Appropriations Act. This bill included a $458 million appropriation for the summer youth jobs program which would provide 840,000, 9-week job opportunities for young men and women.

I deeply regret that this urgently required funding must continue to be delayed as a result of the failure of the House yesterday, by a narrow vote margin, to override the President's veto.

I strongly urge that Congress immediately pass a further Emergency Appropriations Act which will have the strong support of Members of both Houses. It is essential that such legislation again provide funding for the summer youth jobs program at least at the level previously agreed upon by House and Senate conferees.

In his veto message the President indicated that the congressional appropriation was excessive. However, he noted that the public sector and summer youth jobs were needed "as summer vacations are close at hand."

I find this action by the President of the United States completely inconsistent with what we all know is in the best interest of this Nation. It is obvious by this action that the administration is still giving priority attention to controlling inflation, which ignoring the truly urgent problems of reversing a major recession. Unemployment is the real issue of the day, and getting money into the economy and creating jobs is how we get out of this situation.

It is inconceivable to me to see the President last Thursday, in his veto message, blaming the Congress for causing increases in the anticipated deficit levels, and then to find in the Wall Street Journal on Monday that the administration has revised its estimated deficit upward, since its February estimates, based upon a correction of its own earlier miscalculations.

Delaying the funding of these urgently needed summer youth jobs funds can mean that nowhere near the full level of congressionally enacted assistance can be utilized this summer to meet the critical need of youth for jobs. Many young people will not be given the opportunity to have a full summer's employment and in many cases there will be no jobs at all.

The impact that the loss of these funds would have on the State of Minnesota would be tremendous. At a minimum, Minnesota would lose $4,013,550 and at least 7,391 jobs for our disadvantaged youth.

Mr. President, as an active supporter of these youth employment funds, an author of such youth programs as Job Corps, VISTA, and the Peace Corps, and from my experience during the Vice-Presidency as Chairman of the Council on Youth Opportunity, I cannot say enough about the need to get these funds out into the field as soon as possible.

This Nation is in the midst of the most serious unemployment since the Great Depression, with unemployment rates expected to reach 3.1 million among our disadvantaged youth. Present trends indicate the possibility of an unemployment rate of 50 percent or more among these youth during June to September this year.

The funds appropriated by Congress under H.R. 4481 for the summer youth employment program would have been distributed according to the formula under title I of the Comprehensive Employment and Training Act, adjusted to insure that no area receives less enrollment opportunities than were provided for the summer of 1974. Prime sponsors were not to be required to provide matching funds for any part of these supplemental summer youth employment funds. This appropriation was to provide for 9 weeks of summer employment with an average of 26 hours per week at the minimum wage of $2.10 per hour.

I urge my colleagues to send a message back to the President which clearly indicates the intention of this Congress to get our economy out of the current recession and to immediately provide urgently needed summer jobs for our young people.

One of my great concerns is the lateness with which we will be making this money available to the Department of Labor and the other administering and operating agencies who will be responsible for disbursing these funds and seeing that our young people get jobs. In a recent report published by Governor Anderson's Office on Minnesota's Summer Youth Employment Program in 1974, one of their major recommendations was that all Federal and State agencies supporting summer youth programs should announce all allocations no later than mid-April, and should make these funds available to program operators well before the program is scheduled to begin.

The recommendations of the Governor's Report on Minnesota's Summer Youth Employment are of great interest and can be most helpful. I commend the Governor's Manpower Office for its most effective work on this report.

Mr. President, I ask unanimous consent that these recommendations on the 1975 summer youth employment effort be printed in the RECORD.

There being no objection, the recommendations were ordered to be printed in the RECORD, as follows:

RECOMMENDATIONS FOR THE 1975 SUMMER YOUTH EMPLOYMENT EFFORT

The 1974 Governor's Report on Summer Youth Employment has been prepared for the use of all those concerned with finding summer jobs for youth, or with planning, operating or funding summer youth employment programs.

This chapter draws upon the material in the preceding chapters to propose a number of recommendations for improving the 1975 summer youth effort in Minnesota. These recommendations are directed to legislators, advisory board members, planners and those who are directly responsible for the operation of individual programs.

The chapter includes recommendations on each of the following: legislation and regulations; program allocations; coordination of summer youth effort; program recruitment and application; job development and placement; enrollee's work experience; program reporting, assessment and feedback.

A. LEGISLATION AND REGULATION

1. Employment was provided for 6,056 young people in Minnesota under the Governor's Youth Employment Program. The State Legislature had funded the program only for the 1973–74 Biennium. Population and unemployment statistics suggest that the need for subsidized summer jobs for youth will be even more acute this summer than last.

It is recommended that:

The Minnesota Legislature pass legislation and appropriate funds to create summer jobs for youth in Minnesota's next two summers;

This appropriation be adequate to serve at least the same number of young people served under the 1973–74 bill; and

The bill provides for coordination with other youth programs, particularly CETA-funded programs.

2. Under the CETA Summer Program, Federal regulations specifically define "disadvantaged" and limit the programs to serving that population. CETA prime sponsors have voiced dissatisfaction with this regulation.

It is recommended that:

Federal regulations for next summer's CETA Youth Program be modified or made more flexible to allow the definition of "disadvantaged" to encompass at least the handicapped, mentally retarded, school dropouts and delinquents. These have been noted by prime sponsors as other youth populations which would benefit from employment opportunities but which would have unusual difficulty finding jobs on the open market.

B. PROGRAM ALLOCATIONS

1. During the past two program years, both state and federal allocations for summer youth programs have often been decided upon in mid-May or later and been made available only a week or two before the program was to begin operation. This has left little time for program planning, recruitment and placement of applicants and development of job sites and supervisory agreements.

It is recommended that:

All federal and state agencies supporting summer youth programs should announce all allocations no later than mid-April, and should make these funds available to program operators well before the program is scheduled to begin.

2. For a number of years the funds allocated for summer youth employment have greatly exceeded those allocated for employment programs operating during the school year. It is recognized that it is highly desirable to provide nearly full time summer work for large numbers of young people in the 14-to-19 age group. It should also be recognized, however, that many young people, particularly disadvantaged young people, are acutely in need of a source of year-round income and of a year round job experience.

It is recommended that:

Increased state, federal and private-sector funds be made available to develop, subsidize and administer more part-time youth employment programs, particularly for disadvantaged youth, during the school year.

C. COORDINATION OF SUMMER YOUTH EFFORT

During 1974, at least ten separate youth programs were operating throughout the state of Minnesota. Governor Anderson, recognizing the need for coordinating these programs, initiated a statewide effort to coordinate and development of jobs for youth. Particular effort was made to improve coordination between the Governor's Youth Program and the CETA Summer Program. Significant coordination and information-sharing was achieved through the Summer Jobs Committee in the City of Minneapolis. Otherwise, there was little coordination between the youth programs.

The attempt to find summer jobs for youth in Minnesota should be regarded as an overall cooperative effort, not a collection of programs operating in relative isolation. Planning and information-sharing done on a statewide and area level rather than at a program level is necessary to improve coordination between programs.

1. *To improve program coordination through planning it is recommended that:*

Every region or prime sponsor area in the state should use CETA Planning Councils or should establish a special committee which is representative of, and which will work closely with, youth employment program operators, schools, and other youth-serving agencies.

These planning bodies or committees assume some of the following tasks and responsibilities—

Determine needs and problems relating to youth employment in that area;

Assemble information on all youth programs operating in area, and develop and distribute this information in a form usable by young people and those responsible for helping them find jobs;

Make recommendations for developing additional employment resources if necessary;

Develop procedures and recommendations to assure coordination and information-sharing among summer youth employment programs in the area;

Make recommendations for coordinating the summer employment effort with the in-school employment effort in the area, and for increasing employment opportunities for young people during the school year;

Review the area's overall summer youth employment effort at the end of the summer and make recommendations for its improvement; and

Complete a yearly review of all youth employment programs operating in the area.

This planning effort and the work of this committee and its staff should be year-long. Planning for the summer youth effort should be begun in March or early April and should not be considered completed until after the program's review in September or October.

2. *To improve coordination through information sharing it is recommended that:*

A summer youth employment "hotline" be established in each region or prime sponsor area of the State and that these be adequately staffed to:

Assemble information on all publicly-supported youth employment programs operating in the regions and provide by-phone or by-mail information on youth employment opportunities or programs operating statewide or that specific area of the state.

A directory of summer youth employment programs should be made available to area planning committees and to counselors and other persons responsible for assisting young people to find jobs. It is suggested that this Governor's Youth Report serve as such a directory for the coming year.

A short pamphlet or listing of Minnesota's summer youth employment programs should be prepared for distribution to young people through schools and community organizations, particularly in disadvantaged areas. This would provide some information on employment opportunities available and would make young people more aware of their options when applying for summer employment.

D. PROGRAM RECRUITMENT AND APPLICATION

1. Application procedures differed greatly among the 1974 summer programs. As a result, any young person who wished to apply for more than one program, or who was turned down by one and had to apply for another, was required to go through two application processes, usually at two different locations.

It is recommended that:

Regional or prime sponsor planning councils or youth program operators, in cooperation with MDES, develop uniform application procedures and forms which will enable young people to apply for several programs—or to indicate their preferences among several programs—by completing a single application form.

2. When reviewing the 1974 programs it was difficult to estimate the demand level for these programs. Most programs kept no record of the numbers of persons who applied for but were not accepted for particular programs. Indication of demand level is important when planning for future program expansion.

It is recommended that:

All organizations responsible for recruitment for youth employment programs maintain a count of, and if possible some demographic data on, the persons applying for but not accepted for their program.

3. Young people applying for summer jobs (and those responsible for helping them do so) are often given inadequate information on local work opportunities.

It is recommended that:

In addition to making use of the regional or area-wide information-sharing mechanisms proposed in an earlier recommendation, communities should make extensive use of schools, community agencies and local media (T.V., radio, newspapers) to publicize local information on summer youth employment programs. It is particularly important to increase this outreach in communities or neighborhoods having a high proportion of disadvantaged or minority youth.

E. JOB DEVELOPMENT AND PLACEMENT

1. There were a large number of applicants relative to available slots for the Youth Conservation Corps Program and the Summer Work Experience Program in Social Work, reviewed in an earlier section. These programs were specialized, offered creative jobs related to a particular interest area, and offered an educational component. A high demand for these programs was demonstrated.

It is recommended that:

Funding and facilities should be increased so that the two programs noted above can be expanded to hire more young people and more programs should be encouraged to develop a "job cluster" focus or to place groups of young people in jobs in particular areas (i.e. recreation, hospital work, library work) of their choice. Educational or career-exploration sessions relating to these work areas could then be provided. (In the Twin Cities, the Riverfront Development Project in which CETA and Governor's Youth Program participants from Minneapolis and St. Paul were involved, is attempting to do this.)

2. Manpower data demonstrated that the individual's attitude toward his job is better if the work is suited to his interests and aptitudes. Time constraints and lack of a variety of job sites has limited the consideration of participants' interest in a number of summer programs.

It is recommended that:

Some attempt should be made to determine a young person's interests, aptitudes and vocational goals before assigning an enrollee to any summer job lasting for more than a month;

If a young person is interested in a particular work area (i.e. landscaping, child care, etc.) in which program job slots do not currently exist, an effort should be made to develop a job in this area, or to refer the young person to a program which may have job slots in this area.

3. Several programs reviewed in an earlier section (Job Squad, Mini-Offices and National Alliance of Businessmen Programs) all utilized young people as job developers, or office managers, or in other responsible positions. Some CETA prime sponsors used older enrollees to work with younger ones through recreation programs or through some supervising of work teams. All of these demonstrated that young people can perform well in highly-responsible positions.

It is recommended that:

Those responsible for job development and placement give increasing emphasis to placing increased numbers of older enrollees (under proper supervision) in responsible public contact, management, and supervisory jobs.

F. ENROLLEES' WORK EXPERIENCE

1. One of the goals of all of the work experience programs reviewed here is to make these work experiences a positive introduction to the world of work. The quality of supervision and the young person's attitudes toward work are two of the most significant factors contributing to the success of the young person's first work experiences. Orientation of both supervisors and young people should thus be built into summer programs.

It is recommended that:

Program operators should provide an orientation for all work supervisors before the program begins. Session might include discussion of time and effort to be spent in supervision; reporting to program operator for payroll and attendance; procedures for dealing with young people with special problems; and support and help to be expected from the program operator.

Program operators should provide an orientation session for all enrollees before they start their summer job under the program. These sessions might include discussion of employer expectation regarding promptness, attendance, appropriate dress; what to expect from supervisor; who to contact if have problems with job or supervisor; and getting paid and recording hours worked.

Both these orientation sessions should be provided in group sessions or in individual sessions with members of the staff of the organization operating the program. Mailed orientation materials should be used only if it is impossible to conduct inperson sessions with supervisors and young people.

2. Opportunities for career and educational exploration should be part of any work experience program involving young people.

It is recommended that:

Minimum of three days of career-educational exploration should be built into every program in which most of the placements are for a month or more. These days should be utilized for field trips to local vocational schools, colleges and industries, and for seminars or small groups sessions on such topics as applying for a job or choosing a career.

Young people in placements longer than one month should be rotated among job slots or divisions in an organization whenever possible, to enable them to learn something about a variety of jobs and to get a more complete picture of the organization for which they are working.

3. Young people, particularly disadvantaged young people, may sometimes need support services to enable them to continue

UMI

with or make the best use of a summer work experience program.

It is recommended that:

At the time of a young person's application for or referral to a job, MDES staff should be able to provide information about or referral to counseling services, health services, transportation resources or other support services which might be needed by young persons in the program. Supervisors should also be aware of potential problems and should be encouraged to identify young people who may need such referrals.

G. PROGRAM REPORTING, ASSESSMENT AND FEEDBACK

1. Reporting was one of the weakest components of many of the youth programs operating in Minnesota last summer. In at least one program no count of hires or enrollees was kept or reported. In most others, only the most basic data, such as the number of participants was kept. Collection of data on participants, their characteristics, jobs in which they were placed, and program costs provides basic data for next year's planning as well as for comparisons between programs, and between program years within a single program.

It is recommended that:

Area planning committees or appropriate state agencies should establish basic reporting procedures and guidelines and advocate their use by all summer youth programs operating in the area or within the state.

2. Program assessment and feedback was minimal or lacking in over half of last summer's youth programs. Feedback should be secured from as many sources as possible, and should serve as the basis for recommendations to improve future year's programs.

It is recommended that:

Procedures for program assessment and feedback be part of the plan or program design for every summer youth program in Minnesota;

Work-site supervisors, program participants, and community agencies, as well as program operators, should participate in providing this feedback. It could be secured through post-program evaluation sessions, questionnaires or interview sessions.

PERSONAL STATEMENT OF SENATOR PHILIP A. HART

Mr. PHILIP A. HART. Mr. President, I would like to announce that I will not seek reelection.

This announcement will surprise few people, but because there has been some speculation about my reasons for reaching the decision, let me explain briefly.

At difficult moments, politicians have a tendency to fall back on tried and true sayings, but at least on some occasions, such sayings are right on target.

At this moment in my life, that is true of these words: "Eternal vigilance is the price of liberty."

Those words imply that frustrations will be encountered, and no one should enter politics who does not expect and is not willing to accept frustrations as part of the job.

Those words make clear the continuing effort which should be made by a person who would be elected to public office, and no one should run for office unless he believes that he will have the energy and stamina to be fully vigilant for the entire term sought.

And finally, those words emphasize that no person is irreplaceable, that no one institution is all important, and that the guard should be changed with some regularity.

When I complete this term I will be 64 and will have been a U.S. Senator for 18 years. By the end of still another term, I would be 70 years old and would have served 24 years.

It has not been an easy decision to make for I enjoy being a Senator and look forward to the remaining 18 months of my term. However, for any and all of the reasons suggested, the time has come to change at least this part of the guard.

This is not a farewell statement, for I hope to remain fully active after I leave the Senate—but not under the terms of a 6-year contract.

And more important, there is still much to be done in the next year and a half—from assuring completion of Sleeping Bear National Lakeshore to helping Michigan and Detroit cope with the recession; from extension of the Voting Rights Act to continuing my poorly attended lectures on the evils of economic concentration; from attempting to convince more people that all of us will be safer when we ban handguns to convincing people that amnesty for Vietnam war resisters is in keeping with our Nation's noble traditions of tolerance and forgiveness.

That is a full agenda.

Again, while this is not farewell, I thank those whose faith and patience enabled me to come to the Senate. And I am grateful—now especially—to those who have suggested I remain.

SAVINGS IN MILITARY CIVILIAN PERSONNEL

Mr. DOLE. Mr. President, yesterday I supported an amendment to the Military Procurement Authorization Act to reduce the civilian manpower ceiling for fiscal year 1976 and the transition period, by a total of 17,000. I am pleased the amendment passed.

I note that it has been estimated that the Department of Defense can accomplish this cutback without one civil servant being forced out of work. The reduction can be handled through the normal attrition process.

To allay the fears of some who believe that such a reduction could seriously impair the mission of the Defense Department, several promising areas where savings might exist were offered. Mr. President, I would like to offer one more. Not just a wishful thought but a well thought out and supported proposal to be considered by the DOD when it has to make its choices under the ceiling.

STAFFING OF MILITARY TELECOMMUNICATIONS CENTERS

The Department of Defense operates a telecommunications network to transmit digital messages all over the world. Excluding those operated by intelligence organizations, there are some 900 of these centers.

These centers are staffed with an estimated 20,000 military and civilian employees whose salaries and related costs exceed $200 million annually.

Mr. President, while military departments and subordinate commands have established criteria to determine staffing requirements, the office of the Secretary of Defense has not issued specific guidelines or instructions for staffing these telecommunication centers.

Since most land-based, nonmobile military telecommunications centers have routine operational functions like message handling, distribution, relay and traffic analysis, there are enough similarities to permit some sort of uniform staffing standard.

When the GAO recently applied such a standard to these centers, they found that there is a net overstaffing of about 2,170. The monetary impact of this overstaffing is about $21.7 million each year. It seems obvious that such costs and personnel could be applied more wisely in other areas of the defense mission. I understand the DOD is now recognizing this problem and has formed an ad hoc committee to study appropriate actions.

This seems pertinent, Mr. President, because of our commitment to reduce support forces in Europe and civilian personnel worldwide. Certainly the Congress should also be looking for such areas where programs like these could be more effective or more prudently administered.

EFFECTIVE CONGRESSIONAL OVERSIGHT

As my colleagues will remember, Mr. President, on May 13 I offered a resolution; Senate Resolution 152, to require the standing committees in the Senate to make a special effort to conduct oversight activities to review and evaluate existing programs within their jurisdiction. This process, I believe, should help us to determine whether there are more effective, efficient or economical procedures for achieving program objectives.

The resolution requires each committee to report to the Senate no later than December 31 of this year the results of their study. The results of their study will certainly add more information to the very important budget process when we consider the next fiscal year's level of expenditures.

Mr. President, I feel it is time that we begin to decide what our national priorities are and what objectives we are trying to meet. Why should any member of the Senate cast around looking for proof of his claim that there are targets of savings in the massive Government budget? The committees should be the foundation for such efforts. It is conceivable that when we were looking for areas to cut down the size of the civilian personnel pool in defense we might have stumbled across such a fertile area for savings such as the telecommunications centers. Conceivable, that is, if there was an active oversight activity looking in to these larger program areas.

Mr. President, I urge support for efforts to strengthen the Senate's hand in considering the very important choices we must make about our Government's programs. Facing huge deficits and very real budget constraints, can we expect any less from each other and our committees?

RURAL WOMEN

Mr. CLARK. Mr. President, in the past few years women have made great gains toward achieving equality in all areas of business and government. But in discussions of the improved status of women, one area seldom receives attention—the status of the millions of women on this Nation's farms.

Throughout the country, farm wives are becoming increasingly more active participants in the day-to-day operation of farms. For them, "equality" is not only a reality, but often a necessity. The increasing complexity and mechanization of farms has provided them the opportunity to play a larger role in performing farm work, as well as in making the hard business decisions that have become more and more a necessity in this business.

JoAnn Lublin, of the Wall Street Journal, recently visited one active farm wife—Donna Keppy, of Wilton, Iowa. In her account of the changing role of women on the farms, Ms. Lublin describes the daily activities of this active and busy woman. Besides performing the traditional roles of housekeeper and mother, Donna Keppy puts in a full day of farm work and also finds time to serve as State president of the women's auxiliary of the National Pork Producers Council.

Mr. President, I ask unanimous consent that the story from the Wall Street Journal of June 2, 1975, be printed in the RECORD.

There being no objection, the story was ordered to be printed in the RECORD, as follows:

THE RURAL WIFE: WHILE KEEPING HOUSE, DONNA KEPPY RANKS AS A PARTNER ON FARM; SHE PLOWS FAMILY'S FIELDS, TAKES 35 HOGS TO MARKET AND EXPANDS HER ROLE; "SLOW DAY" EXCEEDS 12 HOURS

(By Joann S. Lublin)

WILTON, IOWA.—The tractor's roar breaks the silence of the sunny Iowa day. Ignoring the din, the driver concentrates on plowing a muddy cornfield. Suddenly, the tractor becomes stuck in a quagmire of manure and mud. The driver shifts the throttle, raises the plow and twists the steering wheel about.

But the tires grind deeper. The stench is overwhelming. Finally, after lip-biting effort, Donna Keppy frees the tractor. "I knew that as long as we kept moving, we'd make it," she says.

The statement fairly sums up 37-year-old Mrs. Keppy, too. In her busy, expanded role as a modern farmer's wife, she helps her husband Allen run a prosperous hog and grain farm here. Mrs. Keppy is much more than a field hand, however. Though the roles of America's two million farm wives vary widely, Mrs. Keppy perhaps typifies a new breed. She's her husband's business partner, involved in nearly all aspects of their complex farming operation—from planting to harvesting their 235 acres and from breeding to marketing 2,000 hogs a year.

GROWING TREND

Some agricultural experts believe the long-term outlook for family farms like the Keppys' depends on whether more food producers have partners in marriage who are also partners in farming. Mrs. Keppy represents "the type of farm wife we're going to see more of in the future," says Keith Hefferman, a friend of the Keppys and director of agricultural promotion for the Iowa Development Commission. "That's the only way the family farm is going to make it."

The role of the contemporary farm wife is a far cry from that of a generation ago. Back then, homemaking, raising children, growing and canning produce and possibly feeding chickens consumed most of the farm wife's time. Heavy farm chores were "men's work," as were business decisions such as crop plantings, marketing or equipment purchases. And a farmer's wife who "kept the books" was more likely to handle family photograph albums than farm bookkeeping.

Today, "farm wives are working more with their husbands and at a more sophisticated level," says Calvin L. Beale, who directs population studies for the U.S. Department of Agriculture's Economic Research Service. A recent poll of 12,000 Successful Farming magazine readers confirmed this view; it found, for example, that three-fourths of the wives participate in farm business decisions.

RIPPLING EFFECTS

Effects of these changes are rippling throughout agribusiness. Farm-equipment makers say that wives' greater role in field work is one reason tractors are being made easier to operate and more comfortable, with such options as power-assisted clutches and air-conditioned, carpeted cabs. Many equipment dealers are setting up ladies' waiting lounges stocked with women's magazines. And some farm wives have become political activists, promoting agriculture and pushing, before legislators and television cameras, for what they consider fair crop prices. Last November, several regional groups formed American Agri-Women, the first nationwide coalition of farm women.

The widening horizons of farm wives reflect, in part, changes in agriculture generally. More and more family farms have reduced their hired hands and mechanize, and emerged as highly specialized businesses. As the number of such operations grows, more of the total food supply is being produced by large farms; in 1973, farms with $100,000 or more in annual sales accounted for nearly half of the nation's food and fiber marketings, up from only 17% in 1960.

Growing complexity and replacement of brute force with managerial talent are contributing to farmers' greater reliance on their wives. In turn, farm women have more time to help farm because modern household conveniences and smaller families have simplified "traditional" homemaking duties.

WHAT THE LIFE IS LIKE

A day in the life of Donna Keppy illustrates these changes. The clock radio clicks on at 5:15 a.m. in the Keppy's small white ranch house, where they have lived for three years. Previously, for 10 years they rented a 143-acre farm from Mr. Keppy's father. Both Allen's and Donna's parents and grandparents lived here in eastern Iowa, near where the family presently farms with only part-time assistance from Mr. Keppy's brother. The home is full of evidence of the Keppy's livelihood: posters of smiling hogs, piggy banks, "Pigs Are Beautiful" buttons and pig-shaped soap holders.

Mrs. Keppy dresses quickly for her chores: corduroy jeans, black rubber boots, gloves, a beat-up ski jacket and head scarf. By 6 a.m., she is working outside with her husband. She shovels manure and feeds, waters and checks the health of the animals in the farrowing house, an old barn where pigs are born and raised for six weeks.

Her duties as "sanitation supervisor," as she jokingly refers to herself, represent the most physically demanding of her chores. "Sooey!" Mrs. Keppy yells, slapping the puppy-sized pigs out of the way so she can pitch 30-pound forkfuls of manure-laden straw out of the barn.

Future projects are the Keppy's main topic at breakfast this brisk spring morning. The four Keppy daughters, aged seven to 15, serve the meal as Mrs. Keppy and her husband discuss selling hogs to cover feed-corn purchases and to meet payment on the farm. But hog prices are rising; so they mull taking out a loan rather than selling hogs at lower prices now.

They decide to sell just a few and hold the rest in the hope that hog prices climb further. (Weeks later, they find their timing was right; hog prices increased $5 a hundred pounds. "We paid back the 30-day note to the bank and made money at it," Mrs. Keppy says.)

Breakfast at the Keppys is a simple fare of cornbread, sausages and organge juice. Mrs. Keppy says she can't take time to fuss with meals. An exception is the noontime dinner, for which she usually bakes and prepares steak or a ham. It isn't unusual for supper to consist of frozen pizza. By contrast, her mother-in-law still cooks five complete meals a day for her farmer-husband. When Viola Keppy's seven sons were growing up, "my responsibilities were centered around the home," she recalls. "(Donna's) responsibilities are spread out more."

Breakfast is also when "Donna gets her assignments for the day," Mr. Keppy says. While he regards his wife as his business partner, he gives the work orders in their traditional household. "He's the boss," Mrs. Keppy concurs.

This doesn't diminish her importance, Mr. Keppy, a strapping 200-pounder, hastens to add. "Without Donna, I'd need an additional full-time man here," he observes. "The timeliness of having a wife in the house to take phone calls, or run a tractor or help load pigs is much more valuable than her trying to add $3 an hour to the family income with a regular job." In fact, when the Keppy daughters were infants, he found it cheaper to hire a babysitter than to replace his wife with a paid field hand.

By 7:30, the farm couple is back outside, inspecting the muddy fields. Mrs. Keppy expresses doubt that they're ready for plowing and concern that if the pace of field work doesn't pick up soon, planting will be delayed. "I agree that the fields don't look quite fit," he tells her. "But I think we should go ahead anyway.".

She plows nearly three hours. Her ruddy face and stocky, five-foot-eight-inch, 150-pound frame indicate that she has done her share of farm work since learning to drive a tractor at age 12. As she plows, pop tunes and the morning commodities report blare from the vehicle's radio.

The work seems monotonous and bone-wearying. Yet the dark-haired woman drives the vehicle with the careful attention of someone who loves the land. "I get satisfaction from turning over the old to start the new," she says.

It's now 10:30. Mrs. Keppy bathes and changes clothes because she must take 36 hogs to market. Mr. Keppy's brother has helped him tramp through mud to select and herd the squealing, 250-pound animals onto a hauler's truck. This messy job of "running the gate" is Mrs. Keppy's when she isn't plowing.

"You know, marketing is our bread and butter, the final end of the product," Mrs. Keppy observes as the truck pulls away. "It's good to know this group (of hogs) made it through without being sick." One year, a dysentery-like disease killed 20% of the Keppy's pigs.

She delivers the hogs to an Oscar Mayer & Co. meat packing plant close to Davenport, 25 miles away. At the plant, her friendly kidding with the weighing-office

UMI

workers suddenly ceases when the hogs prove overweight. That usually means they have too much fat. Lines crease her forehead. But because Keppy animals enjoy a reputation for having a high proportion of valuable lean meat, the packer pays her the full price. She leaves happy.

Since genetics and nutrition are key factors in maintaining livestock quality, Mrs. Keppy keeps informed of latest hog-breeding developments by reading industry publications. This know-how comes in handy each fall when the Keppys shop for a boar, which can cost $5,000 or more, as well as every few weeks when they choose certain young female hogs to breed rather than market.

A no-nonsense attitude characterizes Mrs. Keppy's approach to farming. She refuses to use the phone for idle social chats, and she gets angry at equipment dealers who lack needed parts. Dealers "aren't business-minded enough around here," she complains. "Our philosophy is that time is money and money makes money."

So, as the empty truck lumbers past grazing hogs, she wonders how farmers can succeed with such old-fashioned pasture feeding (the Keppys own a $62,000 automatic feed-grinding facility). "Their end product isn't much different from ours," she muses. "It's just not as efficient a way to get the hogs to market."

Mrs. Keppy knows what she's talking about. Their farm's annual hog sales exceed $140,000, and last year Mr. Keppy was named Iowa Pork All-American—meaning that he's regarded as one of the state's best hog farmers.

Following midday dinner, Mrs. Keppy returns to plowing and then harrowing. Her work ends at 6:30; more than 12 hours after it began. "It's been a slow day," the farm wife says, wearily climbing down from the tractor. Her fatigue and an aching back make her edgy with her daughters, who are playing softball after having finished their evening chores. "Tie those shoelaces right away!" she yells at seven-year-old Colleen. Without waiting to see if her daughter obeys, she turns and walks slowly into the house.

Even though field work wears her out, Mrs. Keppy's farm heritage has instilled in her a strong sense of purpose. "Farming is hard work, but it's got its rewards, and they're not all monetary," the usually soft-spoken woman says forcefully. "There's a lot of self-satisfaction, too."

Mrs. Keppy's work frequently continues through the evening. When the weather gets warmer and the ground dries, she plows until 9:30 at night. Otherwise, she may spend her evening working on farm records, preparing animal entry forms for state fairs or typing business letters.

In view of the modern efficiency of most of their farming, the Keppys are surprisingly ill-prepared for record keeping, Mrs. Keppy believes. Her "office" consists of a desk in the master bedroom and a file cabinet in the kitchen. To get peace and quiet while discussing grain prices on the telephone, which is located in the busy main hallway, she frequently steps inside the bathroom. Thus, one of her high priorities is a full-fledged office. "We need one if we're going to run this farm like a business," she says.

Last winter found Donna Keppy involved in yet another job: state president of the Porkettes, a women's auxiliary of the National Pork Producers Council. Her leadership has helped it evolve into a group of promotion-oriented "pork pushers," as she calls them. For example, along with other Porkettes and their husbands, the Keppys traveled to supermarkets in several states earlier this year, handing out pork recipes, chatting with shoppers about farmers' problems and appearing on television talk shows.

Her hectic, broadened and more public role as a farm wife developed without any assistance from the women's liberation movement, Mrs. Keppy says. She thinks feminists don't realize how difficult equality of the sexes can be. "You know, we say that a woman's libber never lived on a farm," she observes. "I do a man's job when I'm out there scooping manure or lifting 50-pound bales of hay in the summer." But then she adds with a smile: "Maybe we're the first generation of women's libbers."

NO END OF A LESSON: 2

Mr. BROCK. Mr. President, I recently read an excellent article in the Chattanooga, Tenn., Times by Anthony Lewis. It is entitled "No End of a Lesson: 2," and perhaps it is one of those articles which at some point in time will be classified as a sad commentary on our involvement in Vietnam. I ask unanimous consent that Mr. Lewis' article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO END OF A LESSON: 2

(By Anthony Lewis)

When we learned about the Thirty Years War in school, its origins seemed beyond understanding. To go on so long, to devastate the center of Europe for reasons of theology and dynasty—it was some 17th-century lunacy.

Now, toward the end of the 20th century, we are finishing a thirty years' war. That is how long the Vietnamese have been fighting. And for most of that war, and most of the incredible suffering that resulted, the United States was responsible. Will school children in the future be able to understand it? Can we understand ourselves? If we hope to avoid repeating what went wrong, we have to try.

An accident of history played a part at the beginning. President Roosevelt was determined not to let the French resume their colonial role in Indochina; but he was dead when the French, with our acquiesence, marched back in the summer of 1945. Ho Chi Minh declared Vietnam independent, using Jefferson's words. The French attacked his Saigon headquarters, but Ho escaped. In November, 1946, the French bombarded Haiphong, killing 6,000 people. The war was on.

On May 8, 1950, the U.S. government decided to help the French in their Indochina war. President Truman and Secretary of State Acheson were doubtless moved to that decision, in part, by the political attack they were undergoing for "losing" China to the Communists.

By 1954, the United States was paying 78 per cent of France's war budget. On May 8 of that year the French were defeated at Dien Bien Phu. When they decided to pull out, and Ho's government was established in Hanoi, the United States moved in to create and support a separate regime in Saigon. Our chosen instrument, highly touted by American diplomats and journalists, was a politician named Ngo Dinh Diem.

How easily it could all have been avoided, how often it could have been stopped: Those are the thoughts that assail us as we look back over the years of ignorance and lies and death.

Ignorance first, because it was the foundation of our folly. We knew virtually nothing about the Vietnamese, their culture or their history. Worse yet, we did not understand the simplest fact of their politics after 1945, which was the overwhelming appeal of nationalism, of anticolonialism. Ho and the Communists understood and assumed the leadership of the movement. We took the losing side.

On top of ignorance, presumption. We presumed to tell the South Vietnamese how to order their society. We sent over advisors to build an army and an economy and a government on the American model. And when the result was not American freedom and productivity but corruption and tiger cages, we tried not to notice.

And then, obsession. Whatever did not work, we doubled. More bombs, more defoliants—the means became madly disproportionate to ends that we would not reexamine. And the same in politics. For 20 years we struggled to maintain a rightwing, anti-Communist government in Saigon, preventing coalition, preventing compromise: preventing, as we now can see, a Vietnamese solution.

The lessons of it all will require books to list and years to explore. But a few are plain enough.

First, America does not have the answers to all the world's problems. We should not really be surprised to discover that our perspective is different from that of a peasant in Southeast Asia. Why should we think that American democracy and capitalism are what he wants? We have come, finally, to realize that Chinese communism meets China's needs, however little we would like it. We ought now to accept diversity in general—and to stop treating any society's choice of a different model as a provocation.

Second, means cannot be separated from ends; countries, like individuals, must be able to justify both. For a generation, American leaders lied to the public and Congress about Vietnam, telling themselves that it would work better that way. But unprincipled means corrupted our politics as they ravaged Indochina. In the end, correction came when our democratic process was able to function.

Third, pride exacts a terrible price. For years we refused to admit the failure of our disastrous enterprise in Indochina; our politicians and diplomats and generals were afraid of losing face, afraid of being blamed for defeat. But when President Ford said in New Orleans the other night that the war was over for Americans, what a feeling of relief there was—and that feeling would have come years ago if someone else had been willing to say: enough.

The American feeling now should be one of release, not despair. For if we understand what has happened in Vietnam, we shall know that it did not represent American ideals. We went wrong because we strayed from openness, realism, humanity. We can regain our ideals and our confidence. But understanding comes first.

FOOD PERIL CONTINUES

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of my colleagues two recent articles included in the New York Times entitled "Food Experts See Several Countries in Greater Peril of Hunger and Possible Starvation than Last Year," and "New Famine Takes Big Toll in Ethiopia." In addition, I would like to point out a speech which I delivered on June 3 before the World Future Society on the World Food Situation.

The two articles offer an important message: Although there has been some alleviation of the severe food shortage as was outlined last fall, the situation is still serious and for some countries, critical.

The conclusion which I would reach from these articles is that we should not be lulled into a false sense of security by glowing predictions of bumper harvests in 1975. We should remember that in 1974 there were also predictions of large harvests. A year later, we are again being optimistic, but starting the crop year with our food stocks at an even lower point than a year ago.

It is certainly clear that a number of countries face critical food shortages, and we need to continue the work and momentum begun as a part of the World Food Conference.

In my statement before the World Future Society, I outlined some of the important reasons for the present world food situation, and indicated the convergence of a number of very critical developments such as bad weather and the energy crisis. At the same time, I indicated that there is an agenda before us in terms of what was agreed upon at the World Food Conference to stimulate food production and, in particular, in the developing countries.

It is very clear to me that this issue needs to continue to receive a higher priority than has been the case in the past. As the world's major food surplus country, we need to provide leadership in making certain that interest and attention regarding this problem does not flag on the part of the United States, other nations, and the United Nations family.

Mr. President, I ask unanimous consent that these two articles and my statement before the World Future Society be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEW FAMINE TAKES BIG TOLL IN ETHIOPIA

NAIROBI, KENYA, June 4.—Drought in Ethiopia and Somalia has affected 800,000 people, and reports reaching here say the famine is feared to be even worse than that suffered in Ethiopia in 1973.

The area worst hit by lack of rain over the last eight months is in the Ogaden region, where the two countries share a border. Somalia has long claimed the area from Ethiopia.

In Somalia, some 300,000 people have been affected by the drought, and a vast relief and resettlement operation is under way. In Ethiopia, officials put the figure affected at about 500,000, with 70,000 living in 14 emergency relief camps.

People arriving here from Ethiopia say conditions in the two biggest camps, at Kebri Dehar and Gode, are appalling.

They describe people like skeletons and children in the last extremes of hunger. They say that three to seven deaths are being recorded every day in one hospital, with a total in the hundreds over the last two months.

"It appears they are not even counting the deaths happening outside the hospitals or camps," one witness said today.

"I was in Wallo during the drought there and I would say what's happening in the Ogaden is much worse," he said. In Wallo, by late 1973 there were well-run camps and I did not see so many people in such a terrible condition as I have seen in Ogaden.

"At Kebri Dehar there are 14,000 people in a camp with two nurses. It is just not equipped to cope with the situation."

Thousands died in the Wallo disaster and its handling helped atart the gradual erosion of the power of former Emperor Haile Selassie.

This time the relief campaign has been mounted before the death toll has become too serious. It is being carried out by the Ethiopian Government under its new military leadership, with help from international relief groups.

But the Ethiopian Commissioner for Relief and Rehabilitation, Shimelis Aduga, is quoted as saying the Ogaden situation is worse than anything previously experienced.

Across the disputed border, in Somalia, the Government has been mounting a huge relief operation for at least three months. Some 250,000 people have been placed in camps and fed.

Unofficial figures put the death toll in Somalia at 2,000 to 4,000.

The relief operation there is being run by the Government with help from international organizations. There also have been contributions from the United States, the Soviet Union, West Germany, Italy and some Arab countries.

FOOD EXPERTS SEE SEVERAL COUNTRIES IN GREATER PERIL OF HUNGER AND POSSIBLE STARVATION THAN LAST YEAR

(By Boyce Rensberger)

The world food crisis has not gone away.

Although the incipient famines of last summer and fall were relieved through a variety of short-term measures and public attention to the topic has faded in recent months, some agricultural experts say a number of countries may now be in greater peril of hunger, malnutrition and possible starvation than they were a year ago.

Although no major crop failures have been reported or forecast this year, the experts are fearful because the world's margin of food reserves has narrowed considerably over the last year.

They are also worried that the currently optimistic crop forecasts are fostering a sense of complacency that could lead to a slackening of long-range efforts to establish a global food reserve system and to improve agriculture in the poor countries.

The world's supply of reserve grain, which was already precariously low early last summer, is even smaller now. Much of it was used for famine relief last year and global crop shortfalls of about 66 million tons last year prevented any significant rebuilding of stocks.

POPULATION HAS RISEN

In the year since the early signs of last year's food shortages began to appear, the world's population has grown by about 74 million mouths. World Health Organization officials estimate that about 400 million people in various countries remain in a state of malnutrition.

According to a confidential evaluation of the food supply situation around the world, shortages now exist in Bangladesh, Yemen, Somalia, Tanzania, Rwanda, Burundi, Malawi and Mozambique and there is a danger of food shortage in Sri Lanka.

Earlier this year Kenya was listed as suffering a food shortage but the situation there is said to have improved.

Thus, a modest spell of bad weather that would have had little impact in past years could now precipitate a sizeable food shortage. If, as some climatogolists suspect, the world is experiencing a major shift in weather patterns, last year's disastrous weather could be repeated this summer.

So far, however, the early Food and Agriculture Organization forecasts are that this year's global harvest will be 8 per cent above last year's. Since 1974 was a poor year, most of the predicted improvement represents only a return to normal.

According to F.A.O. estimates, most of that increase will come from the United States and the Soviet Union while expectations are for declines in the crops of Western Europe, North Africa and the Near East. India's winter wheat crop, now being harvested, is expected to set a record high. The failure of this crop last year was a major factor in India's famine.

A CRUCIAL YEAR

Over all, the F.A.O. in its May 16 quarterly report, "Food Outlook," said "The food situation has improved in the last quarter, but the world still depends crucially on this year's crop outturn. Early prospects are favorable for wheat and coarse grains, but weather could still play havoc with spring-sown crops. The outlook is uncertain for rice."

The F.A.O. projections, which largely agree with those of the United States Department of Agriculture, are based on the assumption that weather for the rest of the growing season will be favorable in all major agricultural regions of the world.

That is the same assumption that was made last spring when the forecasts were also for good harvests. As it turned out, bad weather, chiefly drought, afflicted significant portions of North America, the Soviet Union and India.

Most observers credit last year's poor harvests and the World Food Conference in Rome with stimulating a new and needed interest in agricultural development.

EXPERTS ARE WORRIED

Even if this year's forecasts turn out to be accurate and harvests are good, many agricultural experts are worried because they say that one good crop year could erode the new sense of urgency about the need for long-range measures to improve food production in the food-deficit countries. They fear that a season of good crops could also sap momentum that has begun to build toward establishing an international system of grain reserves for famine prevention.

Most food experts agree that, even in the absence of outbreaks of hunger because of fluctuating weather, it will be impossible to meet the growing demand for food without strong political commitments to agriculture at the national level in the developing countries.

So long as these countries could turn to the United States and purchase cheap "surplus" food or receive it as direct aid, their domestic crop failures had little impact. Now that the United States and other major exporters are no longer able to supply much cheap food or free food, the food-deficit countries are said to be coming to recognize the need to upgrade their own farming methods.

"Despite all the nice, optimistic projections on crops, some of those crops haven't even been planted yet," said Dr. Dale Hathaway, an agricultural economist at the Ford Foundation and an advisor to the secretariat of last November's World Food Conference. We're right back where we were in '74 at about this time except that stocks are lower than ever."

Dr. Hathaway noted that the cope with last year's food shortages the Indian Government was forced to purchase about 7 million tons of grain at commercial rates. This used up a large portion of India's foreign exchange and has set back the country's development plans.

Should another major food shortage develop, Dr. Hathaway said India would be less able to cope with it than before.

Dr. Ralph Cummings Jr. of the Rockefeller Foundation, another agricultural economist, said he also is worried about growing complacency over the food situation.

"The thing that bothers me," he said, is that six months ago everyone was concerned. Now no one is and I don't see that the world is in any greatly different situation than it was."

According to a report by the Overseas Development Council, a private organization concerned with the problems of developing

UMI

countries, "The world in 1975 is more vulnerable to a major new grain shortfall than at any time since World War II."

Under present circumstances, the group said, "a shift in supply of only 1 or 2 per cent below or above effective market demand can mean either soaring prices and increased malnutrition, or plummeting prices and lower farm incomes."

When food prices drop sharply, many farmers cut back on their productivity because it becomes unprofitable to grow more than they need for themselves.

James P. Grant, president of the council, agrees with many other observers that the key to stabilizing food supply and prices is to establish a world food reserve system that can buy up grain in a good year (keeping the price from falling too far) and release it in a poor year (to rescue the hungry and keep prices from rising too far).

"In the absence of a system of reserves," Mr. Grant said, "the world food situation continues to be very precarious and probably will remain that way for some time."

Since the Rome food conference, few firm steps have been taken toward setting up a food reserve and many observers say that the chief stumbling block has been the reluctance of the United States, by far the world's leading producer of exportable grain, to assume a major share of the burden or to exercise any leadership toward creating such a system.

Many food experts say it would be a great tragedy if the optimistic crop forecasts were borne out with bumper crops and there were no food reserve system to acquire some of the excess production.

Last week Secretary of State Kissinger announced to the ministers meeting in Paris of the Organization for Economic Cooperation and Development that the United States was ready to discuss terms of a new world food reserve system and to hold "an important part" of the reserved grain.

That position is not regarded as significantly different from what Mr. Kissinger said in his address before the Food Conference last November. It did not address what is regarded as the critical, long standing stumbling block of whether the American share of reserved grain would be Government-held or in the hands of private grain traders.

Many food experts regard the position advocated by Secretary of Agriculture Butz—that the reserve be privately held—as lacking strong enough controls to assure the grain's availability in time of need.

Mr. Kissinger also told the Organization for Economic Cooperation and Development, a group of 24 Western countries, that the United States would contribute to a $1-billion agricultural development fund proposed by the oil exporting countries at the Rome food conference.

The fund is intended to generate funds that can be spent on long-range agricultural development in poor countries but after Mr. Kissinger's announcement, there was doubt that the American contribution, details of which were not disclosed, represented anything more than money already earmarked for similar purposes.

REMARKS BY SENATOR HUBERT H. HUMPHREY TO THE WORLD FUTURE SOCIETY, WASHINGTON, D.C., JUNE 3, 1975

No event has been more frightening to the world, nor casts a deeper shadow on prospects for the future, than "The World Food Problem." It is the more vexing in that it represents the undoing of an assurance we had come to rely on—that technology and science and economics had banished widespread hunger from the earth.

Now that sureness is being put to the test by a realization that hunger is today widespread, and that famine on a major scale is a real possibility.

And so we ask, "How could this happen? How is it that mankind, whose technology could send men to the moon, and whose advances in communications permit instant contact between people throughout the world, has not conquered this oldest of threats?

The answer is, of course, that in spite of all his advances, mankind is still a highly diverse species, and the resources of the earth, as well as the benefits of technology, are most unevenly divided.

To understand the present crisis, it might be well to go back only five or six years, to the end of the 1960s. That was a period of high optimism for those who were concerned with the balance between population and food supplies.

Grain stocks in the developed countries of the world were very high and even burdensome to American farmers.

Progress in agriculture among several of the heavily populated countries was indeed impressive. Several types of programs, including the introduction of newly-developed high yielding varieties of rice, corn and wheat (the "Green Revolution") had increased grain production in the developing countries 78 percent in the period 1948-52 to 1966-70.

The end of that period marked the highest point in per capita food production since World War II, at least. Stocks of grains were at an all-time high, and world prices had been relatively stable throughout the sixties.

Production in the developed nations—starting from a much higher base—increased 64 percent over the same period. And in spite of government programs designed to restrict production. The 1969-70 world carryover was more than 185 million tons of grains. A large proportion of those grains were held by a small number of countries, among them Canada and the United States.

There was confidence that food shortages in the developing world could be handled through a variety of food assistance programs, including the World Food Program and our Food for Peace program.

In each of the last five years of the sixties, combined food aid contributions by the developed nations averaged $1.2 billion. The United States—mostly through its Food for Peace program—accounted for more than 85 percent of those shipments.

Food for Peace, which I helped initiate, had begun in the mid-1950's, with the dual purpose of distributing large surpluses of grains accumulated through our price support programs, and of developing new export markets.

By the mid-1960's, food aid had come to be viewed as an integral part of the development process. P.L. 480 shipments were used to finance development projects, as well as to improve nutritional levels in the developing countries. The program also has continued, throughout its existence, to meet emergency assistance and refugee needs.

In spite of the optimism of the late 1960's, there was a lurking dread among close observers of the food situation. Although the promise of widespread adoption of high-yielding varieties of corn, rice and wheat fed the dream, there were some stark realities to be counted.

First, population growth in the poorest nations continued to put heavy pressure on some very impressive gains in food production. By 1970, food production in the developing countries was 26 percent more than in the early years of the sixties. Yet, a population increase of 30 percent allowed only about a 5 percent gain in per capita food supplies.

Second, there was widespread recognition by the end of the decade, that development plans in many of the neediest nations had neglected agricultural development in their zeal to move into the ranks of modern industrialized societies.

Third, improved economic situations in many countries had increased the incomes of large numbers of people in these countries, and this was quickly translated into demand for more and higher quality foods.

Overlaying all of these factors was the newfound realization, nurtured by modern communications, of what was possible in this world. And this provided the impetus for what we term "rising expectations."

All of these factors combined to temper in some observers the optimism that tended to blind others to the awful possibilities inherent in the man-food equation.

And so we moved into the decade of the seventies.

The first two years of the decade saw a continuation of increased production. Overall, world food production was 21 percent more in 1970, and 28 percent more in 1971, than it had been in the early 1960's. In the poorer, developing nations, adoption of new strains was largely responsible for an output of food that was a third more than ten years earlier.

Our present difficulty put in its first appearance in the 1972-73 crop year, when total world food production declined from the year earlier, by a modest 1.6 percent. That seemingly modest shortfall was to prove far more serious than its small size at first suggests.

What made it serious was the distribution of crop failures. It was, first of all, the first time since World War II that total world food production had declined.

But unusually poor harvests in the developing countries—particularly a 3 percent decline in South Asian countries—reduced gains in the developing world—the home of two-thirds of the world's 3.8 billion people—to zero.

One must keep in mind the fact that high birth rates in these poorer nations continue to add more than 70 million people to that number each year. Even more important, the situation was worsened by disastrous weather in Canada, Australia and the Soviet Union, which reduced production in the developed world as well.

To compensate for its short supplies, the Soviets, for the first time, made massive purchases from stocks held in the United States. Ordinarily a net grain exporter, the U.S.S.R. became the world's largest importer of grains in 1972-73, when its overseas purchases totalled 30 million tons.

Thus, the world's long-time cushion against shortages—U.S. grain stocks—were quickly drawn down to their lowest levels in 20 years. What looked like and was greeted by the Department of Agriculture as a bonanza year for agricultural trade, turned to ashes when its consequences were realized.

The result of the 1972 events was a sharp and painful rise in food prices. It disturbed and angered people in the affluent nations of the world—already beset by inflation. But in the poor and heavily populated developing countries, increased prices profoundly threatened the ability of people to obtain even a subsistence share of the smaller supply.

We went into the 1973-74 crop year in gathering gloom, as almost every month revealed new dimensions in our predicament. We knew there was little margin against the possibility of a second consecutive poor harvest. And we had become dangerously dependent on current production.

The effects of the reduced Peruvian anchovy catch continued to put pressure on supplies of feed grains, when the supply of that important protein was reduced.

The Arab boycott, in late 1973 and early 1974, triggered a price spiral for petroleum and chemical supplies. Fuel for farm equipment, chemicals for fertilizer and pesticides.

Transportation for farm commodities, all became short of supply and high-priced.

The world also came face to face with its worst fears as the calamity of the Sahel became clearer. In those countries lying south of the Sahara, a long drought affected millions of people, and the specter of famine began to take its toll. Our consciences were assaulted by reports of starving children and the dislocation and disintegration of whole societies.

We recognized a fundamental truth we had almost forgotten—that life on this planet is a fragile affair. We were brought face to face with a prophecy of doom we have been putting down since Thomas Malthus said it nearly 200 years ago in these words:

"Famine seems to be the last, the most dreadful resource of nature. The power of population is so superior to the power of the earth to provide subsistence . . . that premature death must in some shape or other visit the human race."

This set the circumstances on the condition of the balance between man and food finally brought the nations of the world together this past year in two critically important conferences.

The World Population Conference addressed probably the most intransigent problem facing mankind. It also highlighted the fact that future food supplies are not only the concern of agriculturalists.

Current population growth, like compound interest, is cumulative. At present rates of growth, world population will reach 5 billion by 1986 and 6 billion by 1995.

Worse, population growth in the developing world is two and a half times greater than in the industrialized countries. Thus, while the doubling time for world population is 35 years, in some of the heavily populated developing countries, it is only 18 years or less.

These increases will continue the precarious balance prevailing today, and a fractional change in either food production or population increase can mean starvation to millions.

While there are a few hopeful signs that family planning programs are making progress in some developing countries, the problem clearly needs a lot more effort.

More immediate to the food problem was the U.N. World Food Conference, which met in Rome in November, 1974. There, delegates from 130 countries, 47 United Nations agencies, and some 300 nongovernmental organizations met to tackle a wide range of problems. The work of the conference was organized around several agenda items to consider both national and international programs of action:

Measures for increasing food production in developing countries;

Improvement of the availability of food, and improved nutrition levels in all countries;

A "world food security" system, comprising better information systems to warn of impending shortages, more effective national and international stock policies, upgraded emergency relief and food aid programs;

Improvements in trade in agricultural products; and

Arrangements for follow-up action.

The Conference did not result in clear-cut agreement on some of the more pressing aspects of the food problem. Some of these—such as the provision of immediate food relief and the establishment of grain reserves—were left for subsequent negotiations.

But the Conference did arrive at agreement on a number of recommendations, which, if pursued, would substantially revitalize food production in the developing world.

The Conference adopted a Universal Declaration of the Eradication of Hunger and Malnutrition, which states, in general terms, the condition of world food supplies. It proclaims the right of every person to be free from hunger, the fundamental responsibility of governments to provide incentives to improve food production, and the need for international measures to assist agricultural development.

A group of resolutions dealing with agricultural development were adopted. These call on the developed nations to give increased financial and technical assistance to developing economies. Developing nations were seriously and vigorously urged to pursue programs and policies to improve food production. These included:

Improved rural conditions, including agrarian reform, promotion of cooperatives, education and production incentives;

An International Fertilizer Scheme to assist in providing additional fertilizer capacity;

Research, training, and extension services to farmers;

Improved soil protection and conservation, and an assessment of lands that can be brought into production; and,

The adoption of programs designed to stabilize production and trade in agricultural products.

In addition, the Conference recommended establishment of an International Fund for Agricultural Development to finance projects in developing countries.

A second group of resolutions relating to world food security included provisions for increased food aid, the undertaking of extensive research on food and nutrition, the establishment of a global information and early-warning system on food and agriculture, and the establishment of a global food reserve system. These were thorny problems, and the best that could be achieved at Rome was agreement to meet later to try to work out details.

With respect to food aid, both Canada and Australia—and later, the United States—agreed to increase their contributions. On the question of establishment of reserves, the matter was subsequently turned over to the International Wheat Council.

A third group of resolutions related to follow-up action including the establishment of a World Food Council ". . . to serve as a coordinating mechanism to provide over-all integrated and continuing attention for the successful coordination and follow-up of policies concerning food production, nutrition, food security, food trade and food aid, as well as other related matters, by all the agencies of the United Nations system . . ."

Other parts of the follow-up machinery include a Committee on World Food security, to monitor food supplies and demand, evaluate the world food situation, and make recommendations for action to assure adequate supplies. A Committee on Food Policies and Programs, to carry out the Conference goals with respect to food assistance, was to be reconstituted. Finally, arrangements were made to coordinate the fertilizer and investment programs.

In the U.S. Congress, a few actions and a number of proposals have already been made. Late last year, we revised our foreign aid legislation to focus more sharply on agricultural production, education, and population programs. We also directed that Food for Peace shipments be directed toward those countries where food needs are most critical.

Several other proposals, which I am supporting, would help implement the goals of the World Food Conference:

The development of an improved world agricultural reporting system;

Assistance in expanding the role of Land Grant-type institutions in developing countries;

Establishment of a domestic food reserves system;

Expansion of research in such necessary areas as improved seeds, tropical agriculture, nutrition, and weather; and

Providing for needed quantities of food for humanitarian purposes.

We have only started to address the food problem. It has only begun to receive the attention needed. Our dedication and determination will answer the question as to whether there will be enough food for millions to survive. We can and we must win that battle.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, today I would like to address myself to article 6 of the Genocide Convention. This article deals with the trial of those charged with the crime of genocide and contains a reference to an international tribunal which has been widely misunderstood by some opponents of ratification.

This article clearly states that trial for the crime of genocide shall be conducted in the place where the crime was committed. In this respect, the provision is the same as our own Constitution, which clearly provides that all criminal charges shall be tried in the State where the crime was committed. With respect to American citizens who are charged with genocide in other places, the current treaties regarding extradition will apply: there will be no change in this respect. Genocide is specifically not a political crime, according to article 7 of the treaty and before an American could be extradited to another country, he would have to go through the same procedures which protect all citizens in criminal cases.

There is an alternative method of trial mentioned in article 6: a trial by an international tribunal. Mr. President, this does not mean, and never has meant, that the World Court now has jurisdiction over American citizens, as some have charged. This provision says only that the nations may set up or designate a court, by some separate and independent treaty, to try people for genocide. The United States is in no way committed to the establishment of such a court, or to giving the World Court such jurisdiction. The United States can ratify this treaty, and decline to accept the jurisdiction of a court which some other nations may wish to set up. Article 6 clearly declares that such a court has jurisdiction only when the parties accept its jurisdiction.

I hope that this clarification allays the fears of those who thought that we would be doing more than we are by ratifying this treaty. Mr. President, I urge the Senate to reject the many false arguments against the convention, and to ratify this worthy treaty without delay.

PETROLEUM AND FOREIGN ECONOMIC POLICY

Mr. BROCK. Mr. President, among the numerous research organizations which have their headquarters in Washington, the International Economic Policy Association has a record of impressive achievements. One of its more recent studies, "The U.S. Balance of Payments From Crisis to Controversy," not only won professional acclaim but also pro-

UMI

vided useful support for me and some of my colleagues' work in the Senate. IEPA's latest analysis of "Petroleum and Foreign Economic Policy" deals with one of our most fundamental problems in a highly incisive manner, thus continuing the organization's respectable record. The paper was prepared with the active cooperation of IEPA's president, Dr. Timothy W. Stanley. Its specific policy recommendations are pertinent as well as significant and, while I do not subscribe to all of them, I believe they deserve the attention of my colleagues and their staffs.

Accordingly, I ask unanimous consent that "A Summary of Petroleum and Foreign Economic Policy" be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY: PETROLEUM AND FOREIGN ECONOMIC POLICY

This study is a follow-up to IEPA's 1974 interim report on "U.S. Natural Resource Requirements and Foreign Economic Policy." It deals with the global macroeconomic problems which followed the quadrupling of world oil prices, the Arab readiness to embargo oil in support of political objectives, and the new financial strength of OPEC. These developments have brought major changes in the world economic and political environment. They have already disrupted the domestic economies of the industrial countries and the developing world, intensifying recessions and forcing adjustments in future production and investment patterns. Moreover, the possibility of additional oil price hikes or embargoes remains a disturbing threat.

The oil-importing countries have been forced into an aggregate balance of payments deficit with the oil producers. The remedy will require successful international cooperation, for nationalistic solutions stemming from financial uncertainties would threaten further setbacks for world trade and commerce.

OPEC has emerged particularly strong: The members of that organization are expected to accumulate a financial surplus of at least $200–$300 billion by 1980, bringing with it the potential for great economic and political power. These developments and the principal sets of problems involved are analyzed in detail in the paper. The study concludes that the industrial countries should take immediate steps to adjust their economies to these radically changed world situations. In pursuit of the recommended objectives, the United States should:

Avoid hasty attempts to limit dependence on oil imports from OPEC which would delay domestic economic recovery, and encourage the orderly investment of OPEC funds to help expand the economy and improve our eventual ability to repay petrodollar debts.

Encourage domestic substitute energy sources and conservation measures by establishing a more predictable environment of petroleum prices, government programs, and ground rules for private investment activities.

Reduce dependence on imports of OPEC oil by administrative means, taking into full account the effects of oil shortages upon economic recovery and growth, as well as the possibilities of forcing down oil prices.

Strengthen the means to withstand future embargo action without domestic economic disruption.

Take the lead in international financial innovations which will aid global adjustment to protracted payments deficits with OPEC, and provide guidance for OPEC investments in the West.

Programs which would serve these purposes include:

Conservation measures aimed at specific areas of energy consumption rather than across-the-board levies and taxes which would disrupt domestic prices and production and retard recovery from the recession.

A domestic floor price for oil imports, to be maintained if necessary through a variable levy mechanism. Preferably, such a floor price would be applied on an international basis, reducing its effects on international trade competitiveness. If that arrangement is not achievable, the United States should adopt a landed duty-paid price for oil imports with compensatory border tax adjustments for manufactured goods in international trade. Creation of more predictable future price and availability patterns for OPEC oil in the United States will permit domestic investment in more costly alternative energy sources, as well as in conservation measures by energy-consuming industries.

An oil import quota system, incorporating secret bidding for oil import tickets to be granted to the lowest price source. Adjustment of quota levels would be made in accordance with the availability of domestic supplies and in conjunction with gradual domestic price decontrol for energy.

Creation of a stockpile and standby production system for petroleum, sufficient by 1980 to substitute for an import cutback of possibly 3 million barrels per day for a year. This program would make continued OPEC imports acceptable by providing an alternative to economic disruption in case of a future cutoff of supplies. It would include tapping the Naval Petroleum Reserves for the stockpile, and might permit specially arranged import purchases from major OPEC countries in exchange for U.S. Government securities.

Congressional ratification of the International Energy Agency emergency oil import allocation plan. The United States readiness to participate in future implementation of that program in case of a renewed oil embargo must be established if other signatories are to participate fully. Strong representations of this country's unwillingness to accept a future embargo without taking appropriate countermeasures should be made.

Action along the lines of the proposed IEA financial "solidarity" fund would help prevent oil-importing industrial countries from taking steps to balance their payments deficits at the expense of other trading partners. The availability of a lender of last resort would also help international financial stability.

American support for enlarged IMF and IBRD programs for petrodollar recycling, and the encouragement of OPEC loans to LDC's through the international lending institutions.

The study also suggests that the United States should consider a negotiated compromise with OPEC which would serve the long-run purposes of both the oil-producing and importing countries by providing a fixed range for oil prices. Despite the complexities, it is possible to conceive of a program which, for a prescribed period, would establish both minimum and maximum limits for OPEC revenues from oil sales, with supply and demand allowed to operate within the price and volume limits set by the floor and ceiling agreements. If an upper limit were negotiated between present OPEC prices and the landed price floor which consuming countries need to protect the development of alternative energy sources, there would be some relief for the consumers. They would, however, forgo the possibilities of a sharper drop in oil prices if the cartel cannot maintain its cohesion. For its part, OPEC would be accepting lower revenue limits in return for insurance against a major price break. Within such a trade-off, there might also be an indexation arrangement tied to future inflation in the OECD countries.

A basic element in such a bargain should be provision of special aid to the resource-poor developing countries. For example, the importing countries and OPEC could each set aside $1 for each barrel of oil sold under the plan. Half of the funds generated in this manner could be channeled to LDC's as bilateral and "tied" aid, and the other half given through international development agencies. At current levels of OPEC oil sales, aid from this source would amount to $20 billion annually, a prospect which should encourage third world support for the plan. "Recycling" of petro-dollars through the needy countries that are able to spend them currently on goods and services would also help the industrial countries. If it could be brought about, such a "détente" between the industrial countries and the developing world would ease some of the main uncertainties that are hampering world economic recovery; and it could lead to a period of renewed growth, reflecting greater confidence among investors, producers, and suppliers of basic raw materials such as petroleum.

AFRICA AND AMERICAN FOREIGN POLICY

Mr. HUMPHREY. Mr. President, we have all heard a great deal recently about "reassessments" of U.S. foreign policy. Our policy toward at least one area of the world, the continent of Africa, requires not only reassessment but substantial reform.

For years, the U.S. Government has ignored the problems of Africa, and our relations with the nations of that continent have of course suffered as a result. On too many important issues involving economic assistance, political freedom, and racial justice, our Government has refused to take a stand.

It is not too late, I believe, to build the friendship and cooperation which should characterize our relations with Africa—but we must start now. Recently, at the Northeast Regional Workshop on Trade and Investment in Africa and the Caribbean, convened in New York City by the Pan African Business Center, Senator HENRY M. JACKSON reviewed American policy toward Africa in a thoughtful and significant speech. In his remarks, Senator JACKSON called for a new relationship with Africa, based on increased understanding and cooperation.

Mr. President, I ask unanimous consent that the full text of Senator JACKSON's May 28 remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

AFRICA AND AMERICAN FOREIGN POLICY

(Address by Senator HENRY M. JACKSON)

Two hundred years ago, the people of the United States declared their independence from foreign rule, and set about to build a new nation in which they would control their own destiny. As we in the United States celebrate the Bicentennial of our own independence, the struggle for independence is still being carried on in Africa. The last major colonial empire, that of Portugal, is now being dissolved—no thanks to the United States, I regret to say. But in Rhodesia and in South Africa, white minorities still deny black majorities their rights. And all over that continent, young countries struggle with the economic and social problems that greet every nation which chooses the uncertainties of independence over the restrictive patterns of colonialism.

AMERICAN POLICY IN AFRICA—TIME FOR A CHANGE

Many leaders in the African struggle for independence have noted how much they were inspired by the experience of the United States in winning its independence and then in the difficult process of nation-building. The world's oldest democracy and its youngest ones should have made common cause in the fight against tyranny, and poverty, and disease.

Sadly, this has too seldom been the case. Too often, American policy towards Africa has been not to lend a hand in assistance, or to extend the hand of friendship, instead, all too often it has been to show the back of the hand in pushing aside African affairs. No area of the world has been assigned a lower priority by the United States Government in recent years than has Africa.

The results have not been surprising. Year after year, opportunities for greater friendship and cooperation have been lost—and both the peoples of Africa and the people of the United States have lost as a result.

This conference is especially important because it demonstrates that there is still time to make a new beginning—time to restore Africa to its rightful place in American foreign policy considerations, time to expand economic cooperation between the nations of Africa and the United States, and time to restore the friendship between America and Africa that marked the early days of decolonization.

AMERICA AND AFRICA: COMMON INTERESTS

For the major concerns of the nations of Africa should be our concerns here in the United States. We must, together, seek to foster economic and social development—to continue the struggle against hunger and disease and illiteracy. We must, together, seek to avoid great power rivalry or conflict on the African continent. We must, together, seek to expand trade between our continents on an equitable and, insofar as is possible, reciprocal basis. And we must, together, seek peaceful paths to social justice and political liberty in all of Africa.

In all of these steps, the advantages to the United States are at least as great as those which accrue to the nations of Africa. The new American approaches to Africa which all of us seek are not gestures of philanthropy; they are grounded in American principles and American self-interest.

The strategic importance of Africa, resulting from its location on vital air and sea routes, is clear. The mineral wealth of the continent is staggering, with 96 percent of the world's known reserves of chromite and roughly half its cobalt, gold and platinum. In January and February of this year, Nigeria was America's second largest supplier of crude oil, and provided one-fourth of all crude oil imports. Six billion dollars of United States investments are located in Africa—two-thirds in black African countries—and development needs suggest a potential several times that high. African requirements for capital goods and technology offer American industry a challenge and a great opportunity.

And there is a very great common interest between the United States and the States of Africa on the question of world oil prices. The impact of enormous oil price rises on the United States has been severe, but for many nations of Africa it has been catastrophic. For the price and availability of oil determine the price and availability of fertilizer, and there is a very direct relationship in many nations between the supply of fertilizer, and the supply of food. For the United States, high oil prices have contributed to a major recession; in parts of Africa, high oil prices have contributed to hunger and indeed starvation. So there is an important area of common interest here which the nations of Africa and the United States should pursue.

Finally, more than 12 percent of the population of the United States is of African origin. As the political power of American Blacks grows—and sitting here with Percy Sutton and Charley Rangel, I'd be the first to report that it is growing fast—American Blacks will demand a new policy towards Africa which reflects their concern and interest in its future.

And this is as it should be: American foreign policy should not be the creation of one individual or the product of one particular point of view.

It must reflect the concerns and aspirations of all Americans, and must reflect America's deep commitment to the principles of political and social justice on which our nation was founded.

A NEW AMERICAN POLICY

We have the opportunity—and the obligation—to demonstrate this commitment in Africa today.

In Rhodesia, the United States must pledge its full support of United Nations sanctions. I have always opposed the Byrd Amendment and have sought to have U.N. sanctions respected by this country—and I will continue to do so. America must commit itself to support the international efforts now underway for a peaceful transition from minority rule to participation by all in the election of a truly representative government.

In South Africa, the United States cannot be neutral in a struggle for racial justice and political liberty. We must give full support to the efforts now underway to bring about real changes in South African racial policies. These efforts have shown a sensible and moderate attitude towards the South African problem, but Africans will not—and America must not—accept words instead of deeds.

The message on this point is clear: Black Africa demands steady and significant progress towards the elimination of apartheid, and nothing less is acceptable.

We in America must support this stand. I have been especially critical of one disastrous recent move by the United States Government. In April, it was revealed that this country has shipped weapons-grade uranium to the Union of South Africa. As soon as I learned of this, I wrote to Robert Seamans, head of the Energy Research and Development Administration, to demand an explanation. As I told him in April, "I am deeply disturbed that a U.S. atoms-for-peace program could end up aiding the acquisition of nuclear weapons by South Africa." This was a foolhardy move by the United States, and one which can only threaten peace on the African continent.

This is a prime example of what the United States should *not* be doing in Africa. It was the wrong move, at the wrong time, in the wrong place. And meanwhile, many opportunities for a positive American role in South Africa are being lost. We are in a special position to help encourage the peaceful evolution away from apartheid.

For instance, many American investors in South Africa have allowed their personnel policies to become part and parcel of the apartheid system. This cooperation with racism must end, and a policy of "equal pay for equal work" for Blacks and Whites alike must replace it. Several American companies, acting on their own initiative, are pursuing non-discriminatory personnel policies in South Africa, and they have set an example. American business practices should help break down the barriers of apartheid—not prop them up.

And America must take a principled stand in support of international law on the question of Namibia. Withdrawal of South Africa must be our goal, so that the people of Namibia may determine for themselves the future of their land.

In Angola, in Mozambique, and in Guinea-Bissau, Portuguese rule is coming to an end. We in America should welcome these new nations to the international community. In fact, in less than one month—on June 25th—Mozambique will join the ranks of independent states, under the unified and progressive leadership of Frelimo.

To all of the new states, American policy must be to deplore intervention by any great power, directly or indirectly, in their internal political developments. At the same time, we must stand ready to offer generous assistance.

The most difficult period in any struggle for freedom—and ours in the United States was no exception—is usually the first years after independence is achieved. The political structure, the economy, foreign policy, staffing of government offices—all must be developed to new levels to meet the challenges of independence.

American interference in any of this must be avoided; but American technical help should be made available whenever requested. Trained technical personnel will be in short supply when the Portuguese leave, and U.S. assistance in setting up emergency training programs is an example of American help that might be very valuable to the recipients and might establish the base for friendly relations in the future.

CONCLUSION

We cannot, tonight, touch on all aspects of U.S. policy towards Africa. I have tried to address some of those which are now most pressing, and which offer the United States the most immediate opportunities.

President Johnson, who did so very much to advance the cause of racial justice in America, once spoke with visiting leaders from the Somali Republic of an old Muslim saying. It goes: "There are four things which can never be retrieved—the spoken word, the sped arrow, times past, and the neglected opportunity."

Let us resolve—we in the United States, Black and White, in government and out, and those of you from abroad—let us resolve to make a new beginning in American relations with Africa. Let us not neglect the opportunities before us. Let us seize them, and let us assure that friendship and cooperation will mark African-American relations in the years ahead.

A PUBLIC EXAMINATION OF THE RECORD OF GEORGE WALLACE

Mr. LEAHY. Mr. President, as all of us know, from time to time in our history there have been things that needed to be said that defied the common wisdom of the day. In most instances, this required an act of political courage, and we have been fortunate that throughout our history there have always been men and women willing to speak out and say what has to be said. Our distinguished colleague from New Hampshire, Senator THOMAS J. MCINTYRE, continued that tradition in a speech last Sunday before the congregation of Temple Beth Jacob in Concord, N.H.

In his address Senator MCINTYRE subjected the qualifications of Gov. George Wallace to the same intense public

UMI

scrutiny and the same probing questions that have traditionally been put to all Presidential candidates. In doing so, he not only castigated the Governor for his recent remarks questioning whether our Nation fought on the right side in World War II, but he scathingly reviewed the public record of his stewardship of the great State of Alabama.

Mr. President, we may be sure that in part because the sky did not collapse on Senator McINTYRE after his talk, there will be further intense public examinations of the record of George Wallace, of his political beliefs, and of his qualifications for the Democratic nomination for the Presidency in 1976. I am proud, indeed, that one of the first was made by a fellow New Englander, and I ask unanimous consent that his speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR THOMAS J. MCINTYRE

Mr. Chairman, Rabbi Taylor, Special Guests, and my very dear friends of Temple Beth Jacob:

I want you to know that in all my years in public life, I have never had such an encouraging response to a speech as I had in the aftermath of my appearance before the Boston Jewish Community Council early this year. This was the speech where I explained why I sought the resignation of the Chairman of the Joint Chiefs of Staff—General George Brown. As many of you know, I thought the General had slandered the Jewish community and that he had improperly intruded into foreign policy.

The General issued an apology, but he did not resign. When we met face to face at a Senate Armed Services Committee session on February 5th, I asked him why he hadn't resigned, and he said neither the President nor the Secretary of Defense had requested it.

But despite the fact that General Brown is still in office, I think the attempt was worth making. I have heard from people from coast to coast, border to border, gentile and Jew—and in that outpouring I found evidence that the heart of America is still good—that there remains in Americans an abiding appreciation of our values and traditions, and an eagerness to respond to that which appeals to the best that is in them.

I want America's heart to stay good.

And that's what I want to talk about today. Let me say at the outset that I intend to examine the subject in some detail, so I ask your forbearance if my remarks run into the period you had reserved for questions and answers. I hope you will find the message worth it.

We are beginning to celebrate our 200th year as a Nation, and surely it is none too soon to reflect upon just what it is we are celebrating. What is America? My friend, Senator Muskie, put it simply, but eloquently, the other day when he said: "We are a nation of refugees. For more than three centuries we offered a new start to people of all races and nationalities. They came to avoid conscription, to escape political, religious, or social persecution, to rebuild mortgaged lives. They came because America welcomed them. The Nation gathered strength and vitality from them. Our powerful economy and rich culture were built by them."

And so they were.

But those refugees built something else. They built a free society. They built it with the Declaration of Independence, the Constitution and the Bill of Rights. They built it as a monument to the goal of self-fulfillment, and they built it as a lasting reminder of the oppression they had fled. They built into the institutions of this free society the right to question, to dissent, to protest, because in our system no government policy was to be considered sacrosanct. And because the Founding Fathers understood human nature, they knew that the exercise of power could corrupt even good men. So they built checks and balances into the system—some explicit, some implied.

This Nation, then, is the product of those who loved freedom, feared tyranny, and who, because of their diversity, accepted and respected the concept of a pluralistic society.

Let me digress here to comment upon the Jewish contribution, for it began early on and continues to this day. The first book ever published in America, fittingly enough, was a Hebrew grammar, and William Bradford wrote part of his Thanksgiving Proclamation in Hebrew. And in all the ensuing years, it is doubtful that proportionately any group has given more to the economy and to the culture of America than the Jews.

But in my mind, you have made an even more important contribution, a contribution to the very spirit of America, for no other group has been more zealous in the pursuit of freedom, nor more determined to eliminate injustice and protect human dignity. Your historic dedication to learning and your respect for knowledge has made you champions of intellectual freedom. Your long history of being oppressed and persecuted has sensitized you to inhumanity wherever it exists.

And the deprivation of a mother land for so many generations has given you the deepest appreciation of the right and prerogatives of all who make up our pluralistic society. Historically we are linked, we Catholics and Jews, a linkage noted by former Supreme Court Justice Abe Fortas in a memorable speech half a decade ago.

"In the history of this Nation," he said, "as the Jews and Catholics began to climb up the economic, political and social ladder—to emerge from their status as poor immigrants, without social status, without rights, or means of power—they encountered the lash, the oppression of haters, the bigots and the envious, and of those little people who feared the competition of a vigorous, dedicated race and of their different ways of life."

Fortas recalled the Ku Klux Klan, Father Coughlin, Gerald L. K. Smith, Joseph P. Kamp, Merwin K. Mart, Upton Close and John Rankin, and the political hate-mongering of Joseph McCarthy. And then he said: "Times have changed. The battlefront has shifted—this Nation has marked the abatement of a virulent anti-semitism and anti-catholicism. And in the last ten or fifteen years—since history gave us the Warren Court and Presidents Kennedy and Johnson—this Nation has made giant strides toward recognizing the rights and entitlements of blacks, Mexican-Americans, Indians—and the abjectly poor of all races."

But even then—in 1969—Fortas saw some danger signs, some disturbing signals that America was approaching another cross-roads where one path continued upward toward further enlightenment and the other doubled back to the dark domain of the Know-Nothings.

It has taken six more years to reach that cross-roads, my friends. Six years of one shock upon another, disillusion after disillusion, frustration after frustration, anguish after anguish. A war, misbegotten from the outset, divided us as a people and ended as it was long ordained to end. An energy crisis brought us hard up against the fact that our resources were not limitless. Our economy came apart under the unprecedented onslaught of simultaneous inflation and recession. And the ugliest political scandal in our history sapped public confidence in our very system of politics and government.

And now—when reason cries out for the most painstaking, intelligent reassessment of foreign policy, of national resources, of potential remedies for our ailing economy, of positive ways to rebuild public confidence in our institutions and our system—the voice of the political primitive is heard once more across the land.

Earlier I said the heart of America is still good, that the American people are still eager to respond to that which appeals to the best in them. I believe that. But I also know that ours is a very young Nation, as nations go, and that there is still a strong streak of Frontier impatience in us that demands immediate explanations and solutions when things go wrong.

Make no mistake, my friends. In this situation, the primitives, the demagogues, are ready, willing and eager to provide simple answers, simple remedies and a bag full of scapegoats for every issue.

What went wrong in Vietnam? We made the military fight this war with one hand tied behind them, that's what went wrong Never mind the anguish over the legality or the morality of our involvement. Never mind our growing revulsion over what we were doing to that tiny country—and what we were doing to ourselves in the process. Never mind that we were defending a regime so oppressive and corrupt it couldn't win the support of its own people, much less defend itself without our help. Never mind all that. We should have gone back in there and bombed the enemy back to the Stone Age.

Why are we in an energy crisis? Simple. The environmentalists are to blame. And how do we get out of it? Just as simple. All-out exploitation of our dwindling reserves, suspension of all environmental protection standards, stomp on home rule and force refineries on communities that don't want them, ignore the risks and the cost-ineffectiveness of nuclear power and put a generating plant on every corner.

And how did we get into such an economic mess? Obvious. We spent too much on welfare free-loaders. And how do we get out of it? Easy. Cut aid to the old, the poor, the unemployed, the disabled, the handicapped and the dependent children, and spend like hell on new weapons.

Now it's tempting to scoff at these simplistic concepts and scorn those who advance them. But that's dangerous, because it flies in the face of some pretty harsh realities. After all, the Governor of New Hampshire was re-elected. And the leading newspaper publisher in our State says blacks are genetically inferior, spells Negro with a small "N", advocates an end to detente, resumption of the arms race, and saturation bombing as the answer to every international problem, and still holds on to a considerable following.

By themselves, the primitives are usually little more than a distracting nuisance. But under certain circumstances, their potential for winning and wielding power increases in quantum leaps.

Let me postulate a theory. Many of you recall Dwight Eisenhower's warning about the growth of the military-industrial complex, his appeal to us to be ever alert and to "compel the proper meshing of the huge industrial and military machinery of defense with our peaceful methods and goals, so that security and liberty may prosper together."

In the 12 years I have served on the Senate Armed Services Committee, I have learned to appreciate the diligence, loyalty, ability, courage and dedication of the American military, and I am determined to keep our security forces strong and effective. But I have also learned to appreciate what President Eisenhower said about the dangerous power of the military-industrial complex, for measured against the Pentagon lobby, my friends, the Jewish lobby—which so concerns General Brown—is an also-ran.

The misapplied power of the military-industrial complex is measured not only in gold-plating, cost overruns, and cosmetic weaponry, but in military influence upon the course of our intervention in Vietnam and Cambodia. For is there any question that it was the military that helped persuade consecutive Presidents to escalate that tragic venture, to keep the facts from the people and the Congress, to make self-deluding ends justify means of at least questionable legality?

I am not laying the blame wholly to the Pentagon. In some respects it is not the military's fault. They were brought into a dilemma that was basically political and asked for counsel which they provided in military terms. That should never have happened. The military society is *not* a political society. Indeed, necessity makes it a society not even reflective of American society. The military society is, by nature, a closed society. Almost by definition, it depends upon strict discipline, tight security, firm, if not unquestioning, support for policies and directives from higher authority in order to function as it was ordained to function.

The very nature of the military society predisposes it to resist untidy solutions, to seek conclusive results, to strip issues to their essential elements boil down options, and pursue quick resolutions. To their credit, most professional military men remain sensitive, however, to the essential character and the value of a free society, and they think and function in the mold of a General George C. Marshall or a General Eisenhower, rather than a general Patton or a General Walker. But I find a disturbing similarity between the mind-set of some other military professionals and the mind-set of the political primitives—the tendency to oversimplify, to see issues only in black and white, to react with precipitous dispatch, to condemn dissent, and to discourage any questioning of authority. And I say to you now that if the political primitives ever succeed in enlisting the open and active support of this element of the military, such an unholy alliance would make the military-industrial complex look benevolent in the comparison.

I pray that this will never happen. And it won't. If we in positions of leadership put our trust in the American people's inherently decent instincts and good sense.

In a recent Newsweek Magazine column, Meg Greenfield writes that too many Washington-based politicians look upon the people, quote—"out there" unquote—as having "the brains of a chicken, the moral sensibilities of a Visigoth point man, and, most frightening of all, the vote."

Because they feel this way, she says, they are afraid to be candid and truthful with the people for fear of offending their alleged benighted, know-nothing, self-concern . . . and losing their votes.

Ms. Greenfield then demolishes the myth about the primitivism of the people "out there" by recalling how willing the people were to accept détente with China and Russia, how perceptive they were about the deceits of Vietnam, and how offended they were by the moral shabbiness of Watergate.

For my own part, I have already told you how encouraged I was by the public response to my stand on General Brown. Yet I was virtually alone on this issue, a role I neither sought nor relished, and I was disturbed by the silence of many of the Presidential hopefuls. Frankly, I grew impatient waiting for them to speak out on the General Brown incident, and I am impatient again today. But this new impatience with their cautious silence involves a man and an issue of far greater consequence than the indiscretion of a General.

Let it be known here—now—and from this day on that Tom McIntyre finds the serious consideration of George Wallace for President of the United States incredible and appalling!

For my political party—the party of Franklin Roosevelt, Harry Truman, John F. Kennedy and Lyndon Johnson—to nominate a man whose battle cry was "Segregation Forever!" and who now publicly questions whether the United States fought on the right side in World War II would be the greatest betrayal of party principle in our political history.

And in my unsolicited opinion, any Democratic Presidential candidate who says he could live with George Wallace as his running mate will also have to live with the stain of that betrayal.

Don't misunderstand me. I do not underestimate George Wallace. He is shrewd. He is resourceful. He is determined. And he surely has physical courage.

Nor do I underestimate his appeal. Faced with so many troubles, so many frustrations, so many imponderables; disillusioned as they are with establishment politics and politicians, enough people find Wallace's maverick image attractive to put him second only to Ted Kennedy as the current choice for the Democratic nomination. But I say to you that George Wallace is a mirror trick. I say to you he is a mirage. I say to you he is shadow not substance. I say to you that the time has come to stop thinking of him as a political aberration and subject him to the same intense scrutiny and the same probing questions that we put to every Presidential candidate.

I don't think we have to psychoanalyze every menacing nuance we think we see in what Wallace says or does. I don't even think we have to belabor the racial issue, or the alleged Wallace "enemies list," or the oft-rumored state liquor and asphalt contract scandals in Alabama. All that has to be done is to turn the spotlight on the rest of George Wallace's public record.

Is he what he says he is?

If he's for the common man, why does his state have one of the most regressive tax systems in the country? Why did it take a Federal court order to get reform of an Alabama property tax system so biased in favor of the wealthy it was ruled unconstitutional?

If he's for the working man, why has he never proposed a minimum wage law to the State legislature? Why are Alabama unemployment benefits and workmen's compensation payments among the lowest in the country? Why do 24 percent of all Alabamans—double the national average—live below the poverty line? If he's the populist he says he is, why has he so neglected public education—the stepping stone for common people—that Alabama ranks fiftieth among all states in per pupil education spending?

If he's for law and order, why hasn't he been able to stop the rise in crime in his own state? Figures just compiled by the former chief of Police of Washington, D.C., show that from 1965 to 1974 the crime index for Montgomery, Alabama, increased 84 percent, while Washington's was increasing 61 percent. In 1974 alone, Montgomery crime went up 20 percent, compared with 7 percent for Washington. In 1973, violent crime was up 5 percent nationally, but it went up 13 percent in Alabama. And Alabama's overall crime increase for that year was 9 percent, three points higher than the national average.

If he's for the underprivileged and those truly in need of help, why, after seven years of his rule, did a Federal district court rule Alabama's mental health care "barbaric" and order 70 improvements to be made immediately? If he is, indeed, against government spending and budget deficits, why has Alabama's state debt gone up 180 percent since he first became Governor? If he is, indeed, fearless and frank on all issues, why in a recent interview couldn't a national reporter get him to commit himself on the pardoning of Nixon, on wage and price controls, on the oil depletion allowance, on the President's energy program, on the equal rights amendment for women, or on detente with China and Russia?

This tells me that George Wallace is a calculating politician who knows how to sidestep no-gain issues: But calculating as he is, George Wallace is still George Wallace, and the strange embers banked behind that mellow new facade sometimes flame up in spite of himself.

Not long ago, Wallace met with 25 foreign journalists. In that session, he reportedly said, "I think we were fighting the wrong people maybe, in World War II." Later he told a Japanese journalist, "I wish we had been on the same side in World War II."

He also said, "The German people were mistreated after World War I. The Versailles Treaty that was imposed on them . . . was a treaty that brought Hitler to power . . . and I do think we helped build up enemies in Western Europe and in Germany and Japan that we ought to have been 50 years ago friendly to. And then there wouldn't have been any Hitler, and there wouldn't have been any Jewish tirade."

I found those remarks bone-chilling. For however he tries to explain away what he said, he did, in fact, discredit our involvement in what may well have been the closest thing to a just war we've ever had—he implied that 405,000 Americans died in vain in that war because they fought on the wrong side—he said in effect that we should have attacked France, England and Nationalist China instead of Japan and Germany—and he excused the Nazi holocaust that exterminated six million Jews as the indirect fault of the Versailles Treaty.

My God! This man is running for the Presidency of the United States! And running with the enthusiastic support of the publisher of New Hampshire's largest newspaper. Maybe Mr. Loeb can explain those remarks to the Franco-Americans, the Jews and the old-line English Yankees in New Hampshire. Maybe he can explain them to the American Legion clubs and the Veterans of Foreign Wars. Maybe he can explain them to his old friends, the Nationalist Chinese. I would like to see him try.

Now I don't know whether George Wallace will enter the New Hampshire Presidential Primary or not. But whether he does nor doesn't, I think it is important to speak out now—in New Hampshire. And that's why I have said what I said today.

These are troubled and perilous days. This is a time for dispassionate reflection upon where we are, how we got where we are, and where we're going. This is a time for a gentling of the human spirit, a time to surface the finer instincts of the American people.

This is no time to double back to the dark domain of the Know-Nothings. This is no time to heed the primitives who address themselves to the worst of human emotions—suspicion, envy, hate, division and derision. This is no time to abandon liberty and succumb to tyranny sold under the false label of order and security. No group is more sensitive to this threat than you, for you have always stood for freedom, for civil liberties, for civil rights, for human dignity, for compassion, understanding and self-restraint by those in authority.

In my speech to the Boston Jewish Community Council I quoted a fellow Catholic,

UMI

Washington Star columnist, Frank Getlein, to salute that priceless contribution. "Those Jews," Getlin wrote with respect and affection, "are out to civilize the rest of us, to refine our taste, broaden our minds, raise our thoughts from getting and spending to humane values and enduring truths." Frank Getlein is right. So I say to you today, stand proud—and stand firm. America owes you much. America needs you now, for with the voice of the primitive thundering once more across our land, your civilizing influence can help keep us on reason's path to enlightenment.

EXPORT-IMPORT BANK FINANCING NOTIFICATION

Mr. PROXMIRE. Mr. President, I call to the attention of my colleagues a communication I have received from William J. Casey, Chairman of the Export-Import Bank, notifying me of a pending Eximbank loan and guarantee to assist the construction of a nuclear powerplant in South Korea by the Korean Electric Co.—KECO—a corporation controlled by the Korean Government. This is a resubmission of an earlier notice regarding the same proposal pursuant to section 2(b)(3) of the Export-Import Bank Act. That section requires the Bank to notify both Houses of Congress of any proposed loan, financial guarantee, or combination thereof in an amount of $60 million or more at least 25 days of continuous session of the Congress prior to the date of final approval. Upon expiration of this period, the Bank may give final approval to the transaction unless the Congress dictates otherwise.

In this case, the Bank proposes to extend a $131.6 million direct loan to KECO and $117 million in financial guarantees to private lenders to assist KECO's purchase of an estimated $292.4 million in U.S. goods and services for the construction and initial operation of a 600-megawatt nuclear powerplant. Exim's participation will thus cover 85 percent of the cost of the U.S. exports involved. When first submitted in February of this year, Exim would have covered approximately 70 percent of the cost of the U.S. exports with a $78.9 million loan and $105.2 million in financial. guarantees. The direct loan will bear interest at the rate of 8½ percent and mature at the end of a 15-year repayment term beginning March 20, 1981.

Mr. President, I ask unanimous consent that Chairman Casey's letter and the attached statement be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK OF THE UNITED STATES
Washington, D.C., May 30, 1975.

Hon. WILLIAM PROXMIRE,
Chairman, Senate Committee on Banking, Housing and Urban Affairs, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with section 2(b)(3) of the Export-Import Bank Act of 1945, I have reported to the President of the Senate and the Speaker of the House of Representatives on an application currently pending consideration by the Bank. I respectfully furnish herewith a copy of this statement for your consideration.

Sincerely,

WILLIAM J. CASEY.

EXPORT-IMPORT BANK OF THE UNITED STATES,
Washington, D.C.

Hon. NELSON A. ROCKEFELLER,
President of the Senate, Washington, D.C.

DEAR MR. PRESIDENT: Pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, Eximbank submitted a statement on February 26, 1975, notifying the U.S. Senate that Eximbank was prepared to extend a direct credit and guarantee in connection with the export sale of goods and services for the construction of a nuclear power plant by the Korean Electric Company (KECO). On March 12, 1975, Eximbank withdrew such notification pending submission by the President to the Congress of the report on the adequacy of laws and regulations providing safeguards against nuclear proliferation which is required by Section 14 of the Export Administration Act Amendments of 1974. This report was transmitted to Congress on May 6, 1975, and, accordingly, Eximbank is hereby submitting a new statement with respect to the transaction.

A. DESCRIPTION OF TRANSACTION

1. *Purpose*

Eximbank is prepared to extend a direct credit of $131,580,000 to KECO a public company which is the sole electric utility in the Republic of Korea, and to guarantee loans by private financial institutions to KECO in the amount of $116,960,000. The purpose of the Eximbank financing is to facilitate KECO's purchase from the United States of goods and services for the construction and initial operation of KoRi II, a 600 MW nuclear power plant to be located near Pusan on the southeast coast of the Republic of Korea. The power plant when completed will be incorporated into the transmission system of KECO. In August, 1969, Eximbank authorized a credit in the amount of $47,250,000 to finance 75 percent of the United States costs of KoRi I, a sister nuclear power plant to KoRi II. KoRi I is now under construction.

The equipment and material for KoRi II which is to be financed by Eximbank and the private financial institutions participating with Eximbank will be manufactured in the United States and the related services will be performed by United States firms. The estimated total cost for KoRi II is $730,000,000 of which $292,400,000 represents purchases of United States goods and services, including the initial fuel core having an estimated cost of approximately $35.2 million.

Exports of the equipment and the fuel will be made within the framework of a cooperation agreement on atomic energy entered into in 1972, and amended in 1974, by the United States and the Republic of Korea. Contracts for purchase of fuel by KECO have been concluded with the Energy Research and Development Administration. In addition, prior to export, licenses must be obtained from the Nuclear Regulatory Commission with respect to individual sales of equipment and fuel.

2. *Identity of the parties*

(a) Korea Electric Company:

KECO was incorporated in 1961 and is Korea's sole supplier of central station electric power. The majority of KECO's stock is owned by the Government of the Republic of Korea.

(b) Korean Exchange Bank:

The Korean Exchange Bank (KEB) will guarantee repayment of principal and interest by KECO to Eximbank and to the private financial institutions which are also guaranteed by Eximbank. KEB is wholly owned by the Republic of Korea and its guarantee is backed by the full faith and credit of the Republic.

3. *Nature and use of goods and services*

The principal goods to be exported from the United States for use in the construction and initial operation of KoRi II will consist of a nuclear steam supply system and components. In addition, United States firms will perform various related technical services in connection with the design, installation, and start-up operations of the nuclear power plant.

B. EXPLANATION OF EXIMBANK FINANCING

1. *Reasons*

The proposed extension of $131,580,000 in credits by Eximbank and the guarantee of $116,960,000 of private credit will result in the export of $292,400,000 of United States goods and services. This will result not only in a favorable impact on the United States balance of payments, but also in employment for substantial numbers of United States workers at a time when business activity in the United States is slackening. Additional benefits from the transaction include sizeable follow-on export earnings from sales of future nuclear fuel loads. Furthermore, over the next 5 years Korea has a program of 6 nuclear power plants involving potential purchase of $1,500,000,000. Finally, a Canadian reactor is being offered to the Koreans supported by official financing which we understand to be on substantially the terms Eximbank proposes to offer.

In view of the magnitude of the transaction, the extent of the private financing that will be available, and the Canadian competition, Eximbank's loan and guarantee appear to be necessary to effectuate this sale for United States manufacturers.

No adverse impact upon the United States economy will be caused by the export of these goods and services. Due to current slowdowns and cancellations of previously planned power facilities by United States public utilities, United States manufacturers particularly welcome the opportunity to export such goods and services at this time and ample supplies will remain available for use in United States markets.

Accordingly, Eximbank's participation in this major export implements the Congressional mandate to aid in financing and to facilitate United States exports.

2. *The financing plan*

The total cost of United States goods and services to be purchased by KECO is $292,400,000. Since Eximbank's original submission was made, the project has been reevaluated and the cost of the estimated U.S. purchases has increased from the original estimate of $263,000,000. KECO will make a 10 percent cash payment and the balance of the United States costs will be financed by Eximbank and private financial institutions as follows:

[Dollars in millions]

	Nuclear steam supply system	Initial fuel core	Total	Percentage of U.S. costs
Cash payment	$25.72	$3.52	$29.24	10
Eximbank credit	115.74	15.84	131.58	45
Private credits with Eximbank guarantee	102.88	14.08	116.96	40
Private credits without Eximbank guarantee	12.86	1.76	14.62	5
Total	257.20	35.20	292.40	100

The foregoing financing pattern has changed from Eximbank's original submission of 10–30–40–20 because after several months of effort, KECO has found that due to the large amount and the term of repayment required, at least 85% Eximbank participation is needed to enable the project to go forward.

(a) Eximbank Charges:

The Eximbank Credit will bear interest at the rate of 8.5% per annum, payable semi-annually. A commitment fee of ½% per annum will also be charged on the undisbursed portion of the Eximbank Credit. In addition, the private financial institutions being guaranteed by Eximbank will pay a guarantee fee to Eximbank of 1% per annum on the amounts they have disbursed to KECO.

(b) Repayment Terms:

The total financing of $231,480,000 for the purchase of the nuclear steam supply system will be repaid by KECO in 30 semi-annual installments beginning March 20, 1981 (which is six months after the estimated completion of the nuclear power plant). The Eximbank Credit of $115,740,000 will be repaid by KECO from the final 15 installments. The total financing of $31,680,000 for the purchase of the initial fuel core will be repaid by KECO in 10 semiannual installments beginning March 20, 1981, with Eximbank's Credit of $15,840,000 being repaid from the final 5 installments.

A 15-year repayment term is offered for the nuclear steam supply system in order to enable KECO to generate sufficient revenues to service the indebtedness to Eximbank and the private financial institutions. It is the policy and the marketing practice of United States nuclear power manufacturers and their competitors in other countries to offer 15-year repayment terms because the economics of a nuclear plant justify and require it. If only 10 or 12-year terms were offered, it would make it substantially more difficult to buy nuclear power plants and would seriously retard programs to replace oil consumption with nuclear power and thus help moderate the world price of oil.

Sincerely,

WILLIAM J. CASEY.

BLACK CONSUMER MARKET AFFECTS BUSINESS PROFITABILITY

Mr. HUMPHREY. Mr. President, on May 22, I had the honor of participating in the awards ceremony of the National Association of Market Developers in Atlanta, Ga.

The theme of their 1975 convention was "Socially Segmented Marketing and the Bottom Line."

The concept embodied in this theme broadens the scope of marketing planning to include a much greater focus on the black consumer market as well as its financial value to an organization. The concept emphasizes the necessity for an organization to be cognizant of the needs of those special consumer groups which make the difference between profit or loss on the bottom line of its financial statements.

Enterprises applying this concept will realize a higher share of the market and achieved higher profitability.

Several timely and thoughtful articles were included in the NAMD Convention magazine Emphasis. Mr. Chuck Smith, assistant to the vice president, special markets, Greyhound Corp., Phoenix, Ariz., alerted marketers to the fact that blacks will continue to work to achieve positive and meaningful change in their socioeconomic status and to be aware of the dynamic effects they in turn will generate from their businesses.

Mr. David McCall, a past president of the New York Urban League and one of the original directors of the New York Urban Coalition, argued that American business leaders will not value the country's pressing social problems without a built-in incentive; that is, the profit motive. Of the $1 billion a year American corporations give away, most contributions go into traditional channels—United Funds, hospital drives, et cetera, and it is contributed because it is "good for the company." There is a lesson here for American business as it relates to the minority community.

Mr. McCall suggested the following way to increase the effectiveness of business in solving pressing social ills: First, provide tax benefits for companies working in the public interest. Second, the Federal Government can let contracts in the social problem areas as is now done with regard to military procurement. Third, provide cash subsidies similar to those used by the Federal Government for our farmers and airlines. Fourth, make available loans, credit guarantees, and insurance, similar to those supporting housing loans. And, fifth, extend export credits, crop loans, and small business loans.

Businessmen have a reputation for their ability to solve problems affecting their production, distribution, and market systems. When social problems are recognized as having an adverse influence on business, hopefully the business community's initiative, leadership, and resources will be directed toward the eradication of our social ills.

Mr. President, the National Association of Market Developers, under the leadership of Tom Tipton, a highly talented man and close friend, is providing an important function in the American business community.

I was very impressed with their excellent publication Emphasis, which contained the articles from which I have quoted.

At a time when recession has placed our minority businesses in a dangerous position, I think the NAMD publication is of special interest.

Therefore, Mr. President, I ask unanimous consent that three particularly insightful articles—"Socially Segmented Marketing and the Bottom Line"; "Profit: Spur for Solving Social Ills"; and "Research Offers Encouraging Evidence That the Key to Development of Minority Enterprise Lies in Motivational Training,"—be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SOCIALLY, SEGMENTED MARKETING AND THE BOTTOM LINE

Socially, segmented marketing and the bottom line is a concept which broadens the scope of marketing planning to include the positioning of the black consumer market as well as its financial value to an organization. It focuses attention on building a business or reorganizing an organization centered around its major markets. Nationally speaking, 25,000,000 people is a major market. Further, the concept emphasizes the need for an organization to be ever-mindful of the needs of those consumer groups which make the difference between profit and loss on the bottom line of its financial statements.

This concept is paramount to the Black Market management group of various organizations. They have expressed concern about Corporate executives and public administrators awareness level on the important contribution that black consumers make to the profit picture and to their organization in a time when budgets are being slashed and employment rolls are being cut. Many organizations will cut into their profit picture very badly because their management teams will again underestimate the values of the black consumer market contribution to profit. As a result, these companies will fail to give many of their black managers, representatives, and agencies the necessary financial resources to maintain their companies existing share of the black market.

During these critical times in the economy, one of the more probable constraints on the profit flow into an organization is the resistance to rethinking of marketing segmentation by many executives. For many years, some executives have handled segmented marketing problems on their unchecked assumptions about the nature of black consumer motivations and behavior. Over a period of time the assumptions become facts; a distinction no longer is made between the known and the unknown. Some executives, blessed with a high degree of human sensitivity and keen perception, are excellent at handling the business artistry. But many are not. Regardless, there is no substitute for rethinking, planning and continuous marketing orientation.

In applying, "rethink" to the black consumer market, we observe a unique network of sophisticated groups who are profoundly influenced by the total forces of their environment where they pursue their personal achievements, live their lives, and satisfy their needs. Within the network of groups are subgroups where the individual has interpersonal relationships. This particular framework is the basis of the culture of some 25,000,000 plus people with a 50 billion dollar plus purchasing power.

As with most segmented markets in today's economy, the black market has been affected by unemployment and inflation. However, it is still a very viable and highly profitable market for those businesses willing to show a vested interest. On a dollar basis, which is arbitrary, because of the differences in spending power at different cost levels in various parts of the country, the black consumer purchases will make the difference between profitably surviving the country's economic crisis or business failure for many organizations today. A key for some businesses profit is maintaining their share of the Black Market. For others it is investing financial and black human resources to obtain a share of this important market segment.

In an article by R. Buzzell, B. Gale and R. Sulton it is pointed out that, under most circumstances, enterprises achieving a high share of the market are considerably more profitable than their smaller share rivals. This connection between market share and profitability has been recognized by corporate executives and consultants, and it is clearly demonstrated in the result of a project undertaken by the Marketing Science Institute on the profit impact of market strategy.

There is no doubt that market share and return on investment are strongly related. Granted, high rates of returns usually accompany high market share, but it is useful to explore the relationship further. Why is market share profitable? What are the observed differences between low and high share businesses? Does the notion vary from industry to industry? And what does the

UMI

profitability market-share relationship imply for strategy planning.

Data has revealed there are four important differences between high-share business and those who have smaller shares:

1. As market share rises, turnover on investments rises only somewhat, but profit margin on sales increases.

2. The biggest single difference in cost as related to market share is in the purchase-to-sales ratio.

3. As market share increases, there is some tendency for marketing cost, as a percentage of sales, to decline.

4. Market leaders develop unique competitive strategy and have higher prices for their higher quality products than do smaller share businesses.

The cost market is so strongly related to profitability, a basic strategy issued for top management is to establish market share objectives. These objectives have much to do with the rate of return that can reasonably be budgeted in the short and long run, as well as the capital requirement in the cash flow of the business.

What market share goals are feasible or desirable, obviously depend on many things, including the strength of a competitor, the resources available to support a strategy, and the willingness of management to forego present earnings for future results. At the risk of over simplification, we can classify market share strategy into three rather broad groups:

1. Building strategy is based on active efforts to increase market share by means of new product introduction, added marketing programs, etc.

2. Holding strategies are aimed at maintaining the existence of market share.

3. Harvesting strategies are designed to high short-term-earning and cash flow by permitting market share to decline.

Building strategies imply that in many cases, even a marginally acceptable rate of return can be earned only by obtaining some minimum, its strategic choices usually boil down to two: increase or withdraw. Holding strategies, by definition, are designed to preserve the status quo for established businesses in relatively mature markets, which is to say, for the majority of businesses in advanced economic-holding, it is undoubtedly the most common strategic goal with respect to market share. A key for businesses that are pursuing holding strategy is, to determine the most profitable way to maintain market positions? The answer depends on many things, including the cost of significant technological change and the strength and alertness of competition. Harvesting strategy as opposed to a share building strategy is one of harvesting, deliberately permitting share to fall so that higher short run earning and cash flow may be secured.

Whichever strategy top management decides upon, "rethink," planning, and continuous marketing orientation will play a major part in profit formulation. Inevitably, the question will be how an organization may become more responsive to the consumer needs. Some leading companies are emphasizing growth by gearing their organization structures to their market needs instead of their product or process capability says Mack Hannan, manager of a New York management consultant firm. Marketing centering a sales force is the first way. It requires the least up-front commitment and the least alteration in the basic structure of a business. In addition, it succeeds in establishing the central relationship that earmarks all forms of market centered organization: Contact between customers with many varying needs and a sales force that can prescribe the most beneficial system for those needs.

To combat the ills and problems of our sagging economy, organizations will have to make many adjustments. Again, it is very important that organizational management understand clearly the necessary adjustments in dealing with socially, segmented marketing and the bottom line of their financial statements. It is not a Panacea, but the black market continues to offer many opportunities for profit growth providing business managements are willing to "rethink," plan and continuously become segmented marketing oriented. During these times of economic upheaval, it is necessary to change relationships in the market place to produce growth patterns.

PROFIT: SPUR FOR SOLVING SOCIAL ILLS

(Written by D. McCall, reviewed by G. Burden)

FOREWORD

David McCall, President of a New York advertising agency, contends that the American Society suffers from the grant delusion that American business leaders can solve the country's pressing social problems without a built-in incentive. With such an incentive, he argues, businessmen would work on social problems in the same manner they work on other problems. Without the profit motive for businesses, society will have to resort to alternative solutions to our pressing social ills. Because of the many years he's spent in the field as a past president of the New York Urban League and as one of the original directors of the New York Urban Coalition, Mr. McCall possesses an insight foreign to most Americans particularly our government officials, foundations, and public servants.

Not only in this hypothesis (which is found in Harvard's Business Review) informative, well-written, and interesting; but unlike many business oriented hypothesis, it is also practical. Most Americans, he states, are suffering under "a crippling delusion." It will only be after the delusion is blasted that the false sense of extensive social progress will subside and the fact that we're going backward at an increasing pace will be realized. What is this crippling delusion?

The grand delusion—this crippling delusion is simply "the belief that our dreadful societal problems—whether racial, environmental, or social are going to be solved by the energetic efforts of American businessmen."

Surveys consistently show this to be true. Beginning in the 60's and even now, this belief has been expressed by prominent men in all walks of life—including Henry Ford, Whitney Young, Presidents Kennedy, Johnson, Nixon and Ford, Roy Innis, George Meany, Members of Congress and many others from our Social Service branches of government. As Mr. McCall expounds, left, right, and center the argument and belief remains the same:

If you could just unleash the problem-solving power of American business, new cities would be built.

If you could just touch the conscience of mighty corporate executives, the evils of racism would be erased.

If you could just get U.S. Steel to understand about the environment, nature, fresh and sweet, would bloom once more in our green countryside.

If you could just get the New York City commuters who control the destinies of the great companies to get off the train at 125th Street and take a walk through the ghetto and be touched by the experience, they would rebuild the cities.

If you could just get the drug companies to understand the medical plight of the urban poor, they would set up medical service for the people.

If you could just get the food companies to work on the problems of malnutrition, they would find a way to bring minimal food standards to a starving world.

These problems have been tackled by our big businesses. Heretofore, billions of dollars and innumerable hours of hard mental and physical labor have been spent toward their solutions. The question then arises Why has virtually nothing been accomplished? What has happened in the many cooperative business coalitions? What's wrong with the Legal Aid Society?

As McCall states there have been some jobs done and done well. Some money has been raised and loaned to minority businessmen. Some money has been given to street academies. Some effort has been made to find the key to low-income construction problems. Some help has been given to finding jobs for unemployed minority people. But the fact of the matter is that even now—8 years after the Watt's riot—the same pressing social problems" exist in equal, if not increased proportions.

Our system, never perfect, has deteriorated considerably since its original conceptualization to the point that it is embarrassing to the participating lawyers and downright frightening and frustrating to their clients. There is no criticism intended, however. In law, it appears, as in everything else, you get what you pay for. The newly graduated law school students are heading as they always did—to the law firm that offers the most money and the shiniest future. It has been reported that even some law firms, who have made commitments of free legal aid services have found it difficult to get their lawyers to fulfill these obligations? "Isn't it awful," asks McCall, "that lawyers are just like the rest of us? We had such hope for them."

Before discerning the cause for the overall failure of this business oriented solution, let's examine the roles of business. McCall, in his discussion, discusses what corporations are doing within their own organizations. Most of the $1 billion a year corporations give away as a part of their "corporate gross" contributions goes into traditional channels—United Funds, hospital drives, and so forth. Very little goes toward Urban Affairs. Of that amount, all too little is accompanied by an equal donation of time and thought to make sure the money is given to a useful program that actually touches human beings' lives. Specifically McCall found (as is oftentimes the case) that virtually all the money was used to maintain the staff of the charity and almost none of it for what was contemptuously referred to as program. But the evidence seems to be pretty conclusive that most companies give in accordance with what is good for the company. A Bethlehem Steel spokesman said "Our giving is always in response to a need that exists and is somehow related to our business interest."

Finally, McCall notes that tax benefits should be arranged to work in favor of companies that are working in the public interest. For example, the government could favor companies which at vast expenses do something about pollution and lower the boom on companies that will not move in this area.

In conclusion, McCall suggestions are not just practical, but realistic with fair considerations of all parties involved. It is true; Our social problems are grotesque and getting worse, not better. The governments at all levels, the foundations, the charities and the public servants are behaving in such a way that seems contrary to finding a successful solution to the continuous problem that face millions of American Citizens living in filth, disease, and despair. Why? Because they discourage and legislatively eliminate the possibility of any party or parties to make a profit. This seems abhorrent to me especially when I think about the fact that all involved would profit. Although the businesses would make some financial profit, the most important benefit would be made by the billions upon billions of Americans who would be helped by the services of Americans who would be helped by the services rendered. How much should it cost to help *unproductive, illiterate,* and *nonresponsive* citizens become *productive,* informed, participating, and financially contributing citizens of America? It may be that the American Society by not realizing, accepting, and encouraging the profit incentive is Biting Off Its Nose To Spite Its Face.

In conclusion, McCall says that we have 2 choices in solving our ever pressing social problems. We either change our present form of government to a socialist one as is the Russian government or we Retain the system we have and use it TRULY for the PUBLIC GOOD, not as a cover-up for inaction, delay, and non-performance. Which would you prefer? Let's all of us—who have faith in the capitalistic system begin to see the light shining as it should and begin to correct "this crippling delusion," this general misconception by effectively changing society's view on the profit-making motive as a means of solving our pressing social problems.

In this article, McCall offers a number of ways to increase the effectiveness of business in solving our pressing social ills. Some of which are already being tried on a small scale. First, the federal government could help by letting contracts in the social problem area, just as it now does in the area of military procurement. Think what kind of defense the clients of the Legal Aid Society would get if Davis, Polk, Wordwell, and other firms had a good meaty contract with the New York City government to provide expert legal counsel or lose the business.

Another method is cash subsidies which is now being used by the federal government in dealing with farmers and airlines. Loans, credit guarantees, and insurance of the kind that are now widely used in housing loans. Export credit, crop loans, and small business loans could be extended to a much broader area. Such a subsidy might very well be the difference between success and failure for a minority owned business in its formative years.

RESEARCH OFFERS ENCOURAGING EVIDENCE THAT THE KEY TO DEVELOPMENT OF MINORITY ENTERPRISE LIES IN MOTIVATIONAL TRAINING

Jeffrey T. Timmons, Assistant Professor of Management at Northeastern University, is a teacher of Organizational Behavior. He designs, develops, and conducts educational programs which involve the application of behavioral approaches to the new-venture creation process in poverty and non-poverty areas. In his article, "Black is beautiful—Is it Bountiful?", he illustrates how minority entrepreneurs may be encouraged and guided into more profitable business ventures through their participation in individually-motivating entrepreneurieal programs which integrate individual achievement goals and community consciousness.

The problem is efficient. "In our trillion dollar economy, gaps of relative poverty still remain—and therein lies much of the unrest and despair so prevalent in our urban and rural depressed areas." One of the fundamental characteristics of poverty is the lack of minority entrepreneurs; specifically, black entrepreneurs for this discussion. Consider as Mr. Timmons did in his article:

The statistic that only a few Black businesses in Manhattan employ large number of people is matched by the unfortunate fact that only an infinitesimal percentage of the national black community has developed the ability to organize capital and credit, and use them with marketing and production talent is such a way that wealth is achieved. The city of Newark, N.J., has approximately 400,000 people, of whom more than half are black. Of the 12,172 licensed businesses in the city, a little more than 10% are Black owned .... Of the 800,000 residents of Washington, D.C., Blacks are a majority of 63%. Yet, out of 11,755 businesses in our nation's capital, Blacks less than 13%.

Other studies are equally revealing. In 1968, there were only 45,000 Negro businesses, out of a total of some 5,000,000 businesses in the country. Even in predominately black Harlem, fewer than 20% of the businesses were owned and operated by nonwhites. Moreover, out of a total of 13,000 banks in the nation, by the end of June, 1970, there were 26 black-controlled banks. Sixteen of these banks have been organized since 1963.

Simply stated, then, blacks do not control a "piece of the action" commensurate with their numbers and their potential in our economic system. Although some imaginative and promising approaches have emerged, most current efforts emphasize the traditional approach of utilizing financial and technical assistance through loan and aid programs, or by training blacks to be better employees.

Such increased and upgraded employment is a desperate need, of course, but it may do little to meet a more fundamental long-term need: the creation of more black employers.

Moreover, insofar as present efforts delude us into believing that we can buy economic development and equality as easily as we can purchase interstate highways, they may in the long run be counterproductive.

The question discussed then is: How is it possible to encourage and facilitate Black capitalism in terms of more Black employers—not employees? The traditional concept of "profit motivation" has done little to change the dismal picture of few black entrepreneurs as is evidenced by the previous statistics. As a result of the Business Leadership Training Workshop, successfully conducted by McBer and Company for the Economic Development Administration of the U.S. Dept. of Commerce. There is New Hope for the Black entrepreneur. It's motivational training concept integrates the ideas of individual achievement attainment and community consciousness.

Specifically the Seminar was based on the following four major concepts concerning motivational and behavorial change:

1. The establishment of the relationships among motivation, behavior, and personal performance.

2. The assessment of the nature of each participant's achievement motivation and its appropriateness to his personal goals.

3. The opportunity for each participant to practice the approaches and skills characteristic of superior entrepreneurial performance.

4. The opportunity for each participant to set explicit personal goals, develop a plan for attaining those goals, and make a personal commitment to their achievement.

The approach emphasized trainee involvement and participation in case discussions, small-group work, role playing and business games; while presentations though used were not emphasized. Each participant was involved in analyzing his own motivation, discussing actual cases of new business development business expansion, participating in exercises and business simulations, and developing his own personal goals and plans of action. Subsequent to the conclusion of the course, a nine month follow up program was enacted. It was aimed at encouraging participants to review periodically their goal-oriented efforts.

The results Mr. Timmons found were these:

1. The entrepreneurial training did have a measurable impact in creating and accelerating business development and business expansion in the target communities.

2. The ET participants simulated new approaches to community development by activity and mobilizing previously dormant economic and business resources.

3. Not only were they more active in their business, but they were also more actively assuming leadership sales and taking initiative to solve community development problems.

4. In numerous instances the training affects participants by stimulating, building on or facilitating latent potential for entrepreneurial activity.

What Timmons concludes is that the catalyst for black capitalism is now available in some form of an entrepreneurial training program. For example, at the time the entrepreneurial development training seminar discussed took place in 1967 there were less than a handful of black trainers in the U.S. capable of conducting such a program.

However, since then, the basic concepts and approaches reported here have been accepted and refined to the point that today there are several dozen black trainers and numerous organizations with the capability to conduct similar programs.

More concentrated Black communities and Black entrepreneur development programs must begin, if the Black community is to survive. To date, this type of training program seems like the most feasible point answer for the entrepreneur.

MUNICIPAL CLERKS WEEK

Mr. INOUYE. Mr. President, the city council of the city of El Segundo, Calif., has recently passed a resolution in support of Senate Joint Resolution 45, which I have introduced to designate the second week in May as Municipal Clerks Week.

I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION No. 2623

A resolution of the City Council of the city of El Segundo, California, supporting Senate Joint Resolution No. 45 and House Joint Resolution No. 227, relative to designating the second week in May as "Municipal Clerks' Week"

Whereas, it is recognized that the City Clerk performs the highly valued functions of administering the procedures and keeping the records of the City; and

Whereas, it is further recognized that the City Clerk provides and maintains an organized source of knowledge about the community; and

Whereas, the City Clerk provides conscientious representation of the municipal government in the affairs of the community; and

Whereas, the City Clerk helps mold public opinion of local government through daily contact with the citizenry;

Now, therefore, the city council of the City of El Segundo, California, does hereby resolve, declare, find, determine and order as follows:

Section 1. That the City Council of the City of El Segundo does hereby support the national movement to recognize the importance of the position of City Clerk with the passage of joint congressional resolutions designating the second week in May as "Municipal Clerks' Week."

Section 2. That the City Council of the City of El Segundo does hereby encourage the Senate Committee on Judiciary and the House Post Office and Civil Service Committee to give Senate Joint Resolution No. 45

and House Joint Resolution No. 227 respectively, favorable hearings.

Section 3. That the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the original of same to be entered in the Book of Resolutions of said City of El Segundo, and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

KENNETH BARNARD KEATING

Mr. HUMPHREY. Mr. President, I want to join those who have spoken in tribute to our late beloved colleague Kenneth Keating, who died on May 5, 1975, at the age of 74.

It was my privilege to serve with Ken Keating in this Chamber fron January of 1959 until early 1965, when I took office as Vice President. Senator Keating's election to the New York State Court of Appeals in 1965 capped an impressive career in elective office. After serving in the Armed Forces during both World Wars, Ken Keating was elected to the U.S. House of Representatives, where he served six terms. In 1958 he was elected to the Senate.

This man loved public office. He brought to his career a generous spirit, a jovial manner, and a keen mind which won the respect and friendship of his colleagues and those he served so ably in both Houses of Congress.

Politically, Ken Keating was hard to peg—his positions defied categorization in the rigid liberal/conservative vocabulary of the modern political scientists. To be sure, we were on different sides of the political fence on some occasions. But I cannot let this opportunity pass without recalling his energetic, effective leadership in the development of the landmark civil rights legislation of the mid-1960's. That was a road we trod together.

Looking back to those days, I recall many moments of plain good fellowship and warm, supportive friendship. Ken was that kind of man. His spirit somehow lightened the chores; regardless of the size of our burdens, he was able to inject a cheerfulness and a warm pat on the back which served as reminders of the human side of life—even in the Congress.

And to his role as U.S. Ambassador—both to India and to Israel—Ambassador Keating brought this same warmth and good spirit.

He will be missed, by Republicans and Democrats alike. To those who did not know him, but in whose behalf he served in Washington and in foreign capitals, Ken Keating leaves a trust of able and dedicated service. To those of us who were fortunate to know him as a friend, he leaves the memory of a warm human being who loved life and the living of it. He was my colleague in public service. But more importantly, he was my friend. For this I am grateful. I shall miss him.

KYRAN McGRATH RETIRES AS DIRECTOR OF AMERICAN ASSOCIATION OF MUSEUMS

Mr. PELL. Mr. President, on May 30, Kyran McGrath retired as director of the American Association of Museums. I would like to take this opportunity to commend him on a job well done and wish him the best of luck in the future.

A former Senate employee—legislative aide to Paul Douglas of Illinois—Kyran took what was essentially a small organization without a real Washington presence and built it to its present status as a major facet in cultural activities. The association has become most active in the accreditation field and has been a vocal and able spokesman for eleemosynary institutions in dealing with the various tax matters that have so affected cultural institutions and charitable institutions.

Personally he has been a good friend and of invaluable assistance as we have worked on cultural legislation which will bring greater strength to the museums in both this country and abroad. While I regret his leaving, I know the strong base he has created will continue.

I wish him every personal success in the future.

HIGH UNEMPLOYMENT: THE HALLMARK OF WEAK RECOVERY

Mr. HUMPHREY. Mr. President, by the administration's latest estimate we face unemployment rates of 8.7 percent in 1975, 7.9 percent in 1976, 7.2 percent in 1977 and 6.5 percent in 1978. In my opinion, and I might say in the opinion of many expert observers, present policies will not produce even this much improvement in the unemployment situation over the next 3 years.

However, even if we are fortunate and we do achieve this pattern of relatively strong recovery, we still face 3 long, hard years during which unemployment will be at an emergency level.

The administration is doing absolutely nothing to cope with this unemployment. The President has vetoed the emergency employment bill which Congress recently passed. Funds and personnel for manpower programs have been cut back. Even funds for research into employment problems have been drastically cut back.

Frankly I have yet to hear one administration official stand up and say that they care about unemployment, that they think it is an important issue, that they have one iota of normal human compassion for the 75 million persons who will experience unemployment somewhere in their immediate families this year.

I have heard plenty of concern expressed about inflation. I, too, recognize inflation as a compelling problem. I am pleased to note the progress that has already been made against inflation. I was pleased to see the administration's new forecast which shows inflation coming down even faster than had previously been expected.

However, I do not believe an important contribution to further reducing inflation is made by vetoing bills which would provide summer employment for young people and other emergency programs to deal with economic distress. The notion that we can control inflation only by imposing a long period of high unemployment on millions and millions of our citizens is ridiculous, it is tragically misguided, and I for one do not intend to stand for it.

In an article which appeared in the Washington Post this morning, Hobart Rowen questions whether the U.S. economy will survive this much heralded economic recovery with unemployment rates averaging 8.7 percent in 1975 and 7.9 percent in 1976. As Rowen says—

> If the Administration's forecast proves to be right, the jobless rate a year after "recovery" starts would be hovering around 8 percent. That's higher than the worst rate at the depth of the 1958 recession.

As bad as these unemployment forecasts appear to be, the situation is likely to be much worse if the Federal Reserve follows a restrictive monetary policy. The Rowen articles points out that—

> (Arthur) Okun reminds us that experience shows the need for facilitating recovery by not only fiscal measures, but by monetary policy. Burns, in a real sense holds the key. . . .

I could not agree more with Mr. Rowen and Professor Okun. Testimony presented recently to the Joint Economic Committee by Prof. Albert Ando of the University of Pennsylvania, an eminent and respected economist in the field of monetary policy, suggests that a money supply growth in the range preferred by Arthur Burns will mean increasing unemployment throughout 1975 and 1976.

Professor Ando, using the MIT-University of Pennsylvania model, calculated unemployment rates which would result if the money supply increases 6 percent in the next year, which is well within the Fed's expressed targets of 5 to 7.5 percent money growth. Dr. Ando foresees, under these conditions, an unemployment rate rising steadily this year to 9 percent, and a continued rise during 1976 to 10.2 percent at the end of next year. If the Fed allows the money supply to expand only 5 percent, then unemployment will reach an incredible 10.5 percent by the end of 1976, according to Dr. Ando's calculations.

This situation is absolutely intolerable as far as I am concerned. Yesterday, the Joint Economic Committee received testimony from Secretary of the Treasury William Simon who again emphasized the go-slow, inflation-control-oriented economic religion espoused by this administration.

I was particularly distressed by the news coverage given to the Secretary's appearance yesterday. In this case, and in many other instances, the administration's task of selling its own program is made infinitely easier by the great amount of media attention given to the official executive branch position. In my opinion it is a disservice to the American public when the legitimate, contrasting views of other expert witnesses, congressional committees, and the like are not given a fair hearing in the press. We all have a responsibility to do a better job of giving all points of view a better hearing in the public forum.

Mr. President, I ask unanimous consent that the excellent column written by Hobart Rowen be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

SURVIVING THE ECONOMIC "RECOVERY"

(By Hobart Rowen)

There is ample evidence that the worst of the economic recession is nearly over. The actual bottom may have been touched a few weeks ago. This is shown by most of the statistical indicators covering sales. new orders and inventories.

At the same time, as the nation starts its upward climb, no one need become euphoric yet about the shape of the potential recovery.

It is clear, as all economists in and out of government acknowledge, that the "bottoming out" process that has gotten so much attention leaves the nation with the highest unemployment rates and the lowest factory operating rates since the end of World War II.

As a matter of fact, although the Ford administration's new economic projections last week were said to be modestly more optimistic than its first set last February, the unemployment assumptions were actusally quite gloomy.

Many questions have been raised about the validity of mathematical "model" forecasting of the kind used to produce these forecasts. Chief economic adviser Alan Greenspan has gone to great pains to say that considerable guesswork is involved.

The official forecast, according to Greenspan, calls for an average jobless rate of 8.7 per cent this year and 7.9 per cent next year, with a peak "modestly" above 9 per cent some time in the next few months, and an end-1976 rate well below current levels.

Using Greenspan's clues to the official forecast, and assuming a peak not much higher than 9.2 per cent this summer, one could construct the following theoretical pattern of unemployment rates by quarters for this year and next:

	1975	1976
January-March	8.3	8.3
April-June	9.1	8.0
July-September	9.0	7.8
October-December	8.6	7.5
Yearly average	8.7	7.9

By December, 1975, such a pattern would mean an unemployment rate of 8.3 per cent, almost a full point decline from the peak. Yet it would be higher than at the start of this year. And although the 1976 "direction" would be favorable for the Ford administration, the progress during the campaign would be almost imperceptible.

In fact, if the administration's forecast proves to be right, the jobless rate a year after "recovery" starts would be hovering around 8 per cent. That's higher than the worst rate at the depth of the 1958 recession.

Are such unemployment rates tolerable? Are they even likely?

Greenspan says flatly that his private opinion is that unemployment "is going to be a good deal lower than that. When this economy gets moving, we don't know how much momentum there is."

Federal Reserve Chairman Arthur Burns tends to agree that recovery will be snappier. He suggests that there are "natural forces" that will turn the economy around. That means, of course, that Burns will resist a considerably easier monetary policy to goose the economy along.

Democratic economist Arthur M. Okun, who might not be entirely happy with Burns' monetary policy, nonetheless has become more optimistic lately. In an outlook piece written for the American Security Bank of Washington, he says:

"Like a post-operative patient, (the economy) will not be ready to go back to full time work for quite a while. Nonetheless, with the surgery behind it, it can make rapid strides in regaining its strength."

Okun sees unemployment still close to 9 per cent at the end of the year, but expects the "normal recuperative forces" to produce a solid recovery—say, 9 percent in real GNP—from third quarter of 1975 to third quarter of 1976. That would be enough to slice the jobless rate 1.5 points from the peak.

But the mystery that underlies all of this thumb-sucking exercise is monetary policy. Okun reminds us that experience shows the need for facilitating recovery by not only fiscal measures, but by monetary policy. Burns, in a real sense, holds the key. A dedicated scanning of the horizon for "natural" forces, coupled with fears of a new inflationary boom, could guarantee a weak recovery.

CHILD AND FAMILY SERVICES HEARINGS

Mr. MONDALE. Mr. President, today we held joint hearings of the Senate Subcommittee on Children and Youth, the House Select Subcommittee on Education, and the Senate Subcommittee on Employment, Poverty, and Migratory Labor on the Child and Family Services Acts of 1975, S. 626 and H.R. 2966.

We were fortunate to have a highly impressive and respected group of witnesses at this hearing including: Dr. Donald Newman, president of Los Angeles' Unified School District's Board of Education, August W. Steinhilber, assistant executive director of the National School Boards Association, James A. Harris, president of the National Education Association, Albert Shanker, president of the American Federation of Teachers, and Ray Peterson, director of Federal relations of the Council of Chief State School Officers.

Because of the large number of requests our subcommittee have already received for copies of these statements, I ask unanimous consent that a copy of each statement be printed in the RECORD.

I urge my colleagues and members of the public to review carefully the testimony we received.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF COUNCIL OF CHIEF STATE SCHOOL OFFICERS ON SENATE BILL S. 626, HOUSE BILL H.R. 2966, THE CHILD AND FAMILY SERVICES ACT OF 1975

Mr. Chairman, the Council of Chief State School Officers, representing the superintendents and commissioners of education in all the states and extra-state jurisdictions, wishes to assist the Committee in its efforts to provide assistance to the states for early childhood and family services.

The Council of Chief State School Officers' policy statement of November 1974 recognizes that the quality of early childhood experiences in both home and school is of critical importance to the development of the child. Therefore, CCSSO strongly urges that preschool programs have an educational component and that state education agencies assume leadership positions in the planning of these programs.

Given the states' intent to extend services to young children not now currently served, and given the capability of state agencies to participate in this program, the bill is particularly timely because of the severe fiscal difficulties currently being experienced in many states. As the Committee is aware, states like Connecticut and New Jersey are facing deficits close to a half billion dollars. In Washington State, the fiscal problems in the Seattle area are of such magnitude as to threaten the continued operation of the public schools. In other states like Minnesota, forecast fiscal surplus is disappearing.

The concepts and operations provided for in the bill involve many unanswered questions. Some uncertainty exists among the professions and the public as to the appropriate settings and the most effective comprehensive service programs appropriate for very young children. The necessary governmental and administrative coordinating mechanisms are yet to be proven. Given these questions, the bill provides an appropriate range of alternative settings and programs. We support the multiple agency services concepts. The bill also provides, in our opinion, a reasonable level of funding, an appropriate planning year, and reasonable matching requirements. While we support the bill's emphasis on coordination of multiple services by units of general government, we do have substantial questions concerning the federal-state-local administrative mechanism, the sponsor-client governance arrangements, and the adequacy of the bill's provisions for supporting and strengthening educational agency contributions to the programs.

PRIME SPONSORSHIP

We agree with the testimony of Mrs. Edelman of the Washington Research Project Action Council, that another look at the role of the states is needed at this time. We, of course, cannot support provisions which regulate applications submitted by states for prime sponsorship to a second priority.

While few states currently have resources to initiate prekindergarten programs, I believe the evidence is clear that the governors and chief state school officers in many states are advocates for early childhood programs and wish to support this bill. It is also clear that governors and chief state school officers have in recent years instituted with state funds childrens' programs which your committee has advocated at the federal level such as assistance for the handicapped and the non-English speaking. The Congress would find that adequate participation by the states in this bill would stimulate similar growth of state support for early childhood and family services. The states are moving rapidly to develop more progressive revenue sources, and to use state funds to equalize opportunities for children. The prime sponsorship provisions in this bill would ignore these trends, and emphasize locally-based programs which those jurisdictions cannot support in the long run.

Sections 104(b)(c) should be rewritten and merged in order that the Secretary give first review to prime sponsorship plans submitted by states, and approve those state or local plans which will provide the highest quality of services to all areas in the state, reflect the most cost-beneficial cooperative efforts between jurisdictions and agencies in the state, and otherwise meet the requirements of the bill.

In addition, in Section 104(d), other prime sponsors, our position is that a specific first priority should be provided to applications from governmental agencies such as state or local education or other service agencies, and secondarily, to the other entities listed in that section. This would not limit the competition for quality sponsorship, but would ensure governmental agencies that their applications would receive first review. We would also question whether the Committee wants to depart from the concept of prime sponsorship by general units of government to the extent of listing entities whose primary interests and activities are economic and outside the realm of delivery of services to children: community development corporations, organizations of employers, employees, labor unions or manage-

ment organizations. These entities ought to be included in the listing of eligible applicants for project grants but not as possible prime sponsors.

We believe that, where a state or SEA is not an applicant, the governor's review of applications for other prime sponsorship within a state should be expanded to include a review by the state education agency of applications for prime sponsorship designation submitted by any local education agency within the state, in order that the Secretary may be assured that all educational resources in the state are available to assist LEA programs.

PROJECT APPLICATIONS

We support the bill's intent to assist a diversity of project contractors. This diversity is necessary to provide a range of services, in widely differing sites such as homes or places of employment, and flexible scheduling and staffing. However, we believe that some form of priority or preference should be assigned to project applications from state or local education agencies. No other public or private agency has equivalent facilities, staff, or management capacity in place in every community.

We would further propose that a specific first priority be granted to project applications from state or local governmental agencies proposing to utilize available space in existing public buildings or to employ licensed or certified professionals; this provision would make the best use of existing resources in a time of economic difficulties. It would also stretch the resources being provided in the bill without conflicting with any other provision of the bill.

CHILD AND FAMILY SERVICES PLANS

We are concerned that the bill not fund early childhood education programs which would be put into competition with such programs and services already offered in certain areas by state or local education agencies.

This conflict could occur particularly with reference to kindergarten programs for children at age five, but in certain areas prekindergarten programs offered by the public schools are also available. The intent of the bill is, we think, to expand rather than duplicate coverage. We would suggest therefore that in Section 106(c), a provision be added after subsection (1) to the effect that the Secretary shall not approve a plan to provide services which would duplicate services already being offered free to all children by state or local education agencies. This exception would not be unduly restrictive since several states do not have universal kindergartens, and very few jurisdictions provide free universal pre-kindergarten programs in the public schools at this time.

CHILD AND FAMILY SERVICE COUNCILS, AND PARENT POLICY COMMITTEES

In cases where state or local education agencies act as prime sponsors or project contractors, Child and Family Service Councils and Parent Policy Committees established by the bill pose certain problems. While we understand the Congress' desire to expand participation by consumers, especially parents, in the policy-making process, such councils and committees can become unworkable where lay policy boards are already legally constituted. We would like to see specific provisions added to the sections on councils and committees, to give sponsoring or contracting state or local education agencies with duly constituted lay boards guaranteed representation on the councils and committees.

There are pending questions that a board of education can legally delegate authority to other bodies as required in the bill. We would suggest, then, that in cases of SEA or LEA sponsorship or contracts, the councils and committees report through the education boards, with a right of appeal to the Secretary. The councils and committees are adequately protected by the Secretary's power to enforce their authority by withholding funds. The intent of this provision would not subvert the bill's intent with regard to the participation of parent and community members in policy-making for these programs; rather it is an attempt to bridge the governance gap which exists between such congressionally mandated committees and the unique lay board structure of public education in the United States.

SPECIAL GRANTS TO THE STATES, SECTION 108

We would urge that the funding for this section be increased to 10%, to adequately cover multiple agency services in the states. This section should also provide specifically for the training by the state of pre-school education program instructors (teachers of teachers), for the bill's educational programs. Emphasis on special training for school staff is critical because 1) existing training for pre-school programs is mediocre or nonexistent in education, and 2) a significant multiplier effect on numbers of trained personnel then becomes available through the inservice career development plans required in section 106(b)(11), carried out through multiple LEA's.

This section should also include grants for pilot and demonstration curricula in Education for Parenthood in secondary schools. As a long range program to improve early childhood care, nothing can succeed as well as young parents who are better informed on child development and effective child-care techniques.

LEADERSHIP BY THE U.S. OFFICE OF EDUCATION AND THE NATIONAL INSTITUTE OF EDUCATION

The bill makes no provision for participation by USOE or NIE. The bill should make provisions for an office of Early Childhood Education in USOE, to provide technical assistance to SEAs. Also, research and development in early education should be specifically funded in NIE.

STATEMENT OF JAMES A. HARRIS, PRESIDENT OF THE NATIONAL EDUCATION ASSOCIATION, ON H.R. 2966 AND S. 626, THE CHILD AND FAMILY SERVICES ACT OF 1975, BEFORE THE SENATE SUBCOMMITTEE ON CHILDREN AND YOUTH AND THE HOUSE SELECT SUBCOMMITTEE ON EDUCATION, JUNE 5, 1975

I am James A. Harris, President of the National Education Association of the United States. The NEA is an independent organization open to all professional educators. It has over 1,600,000 members employed in the public schools and is the largest organization of public employees in the nation. The NEA has an affiliate in every state and has over 9,000 local affiliates. When we include these organizations, the NEA speaks for a combined membership of some 2.3 million public employees.

First, we would like to commend these committees and particularly the two sponsors for their concern over the important area of early childhood development. We have carefully studied the bills and are in basic support of most provisions. We are particularly pleased with careful provisions which the sponsors have drawn regarding standards for child care programs, facilities in research, and standards for the training and retraining of personnel. With respect to such standards, we would urge that language be included which insures rigid and universal enforcement.

I want to make clear at this time that the statements I am making here and the general position of the Association are based on what are presently somewhat incomplete data. Not enough research has been or is being done in the area of child development, care, and early childhood education. What has been shown so far is that some children make substantial gains from early childhood programs, others show no progress, but no child has had a negative effect from early care. I am reflecting what we do know now, but I would hope that much more research will be conducted and disseminated, some of it under the auspices of Title III of this Act.

NEA believes that for the long range we as a nation must move toward provision of voluntary universal early childhood education and care. Given the economics and the mobility of our society, the increasing intelligence and educability of our young children, and the nature of our compulsory public school system, it makes perfectly good sense to pursue universal early childhood education, development, and care as an ultimate goal. Meanwhile, we view the model demonstration projects to be established under this legislation as an appropriate first step.

Within the context of moving toward universal early childhood programs, we advocate the provision of such programs working from kindergarten down to include younger children. At present, six states have no public kindergarten programs; of the 44 states which do have public kindergartens, none supports it to the extent that kindergarten is available full-time to all children. Thus the first priority must be to establish and fund full-time universal kindergarten and then work from there to provide full-time quality voluntary early childhood programs.

Obviously we recognize that education—from early childhood through post-graduate and adult training—is a function of the states. Yet surely in this day and age, after NDEA, ESEA, and other critical programs which have been with us for some time, no one would say that the federal government does not have a defined and proper role in education. We feel that this federal role can and should be extended into the area of early childhood. We believe that the federal government must stimulate and assist the states to provide quality early childhood education. We see this function as one of the results of the legislation now before you.

We also see the public school system as having a crucial role in providing early childhood education, especially the kinds of programs contemplated in H.R. 2966 and S. 626.

The public school system, one of the strongest, most visible, and most viable institutions in our society, currently has resources—personnel and physical plant—which are essentially universal and which can be easily converted and expanded for use in early childhood programs. In many cases both the personnel and the plant need refining to better equip them for work with younger children, but the basic structure exists and is sound. Additionally, the public school system is under the lawful and accepted control of duly elected officials.

Moreover, the public school system has demonstrated that it has the commitment and capability to bring together all the needed institutional systems—such as the health and welfare agencies and so forth—to carry out successful programs for young children within local communities. I refer, of course, to Head Start. When Head Start legislation was enacted by the Congress, it had a built-in bias against letting the schools run programs at the local level—it was possible, but difficult, for schools to be prime sponsors of Head Start programs. Yet, over the ten years of Head Start operations, schools have qualified as prime sponsors and have conducted many successful programs. At present, some 30 percent of Head Start programs are operated by the public schools. I think this fact tells us a great deal about the public school system's ability to administer good programs across local jurisdictional lines and using all appropriate local resources.

Thus, given the resources and the experiences of the public schools, there is every reason why the public schools should be designated as prime sponsors under the legislation now being considered.

It is perhaps important to make clear at this point a fact which may sometimes be overlooked. Prime sponsorship does not necessarily connote conducting programs; rather, it implies an administrative oversight function to see that the best possible program is carried out either by the public school or by a qualified governmental or private non-profit subcontractor.

We acknowledge that when the public schools are prime sponsors of early childhood development programs, certain new responsibilities and difficulties will be entailed. Child care and early childhood education programs are not a typical classroom experience. They present a different kind of challenge to the people who will be involved in carrying out their intent.

Realistically, there are some constraints which any formalized, extensive child care program will place on teachers and parents. The two groups are going to have to learn to get along and go along in seeking the best for the children. This will be difficult but not insurmountable. In making certain decisions, perhaps parents should control; in others, perhaps teachers should prevail. On balance we believe it can and must be worked out. Whatever legislation is enacted must encourage that balance.

NEA believes that the purpose of early childhood care and family services is to begin to prepare a child for life—not necessarily for education in the formal sense, but for life. Child care programs must provide an atmosphere in which the child may be exposed to experiences which he or she cannot or does not get in the home, and extend, strengthen, and augment those valuable experiences which the child may bring into the program. The programs and the experiences must begin to acclimate a child to the environment in an elemental physical sense—certainly we are not talking about teaching a 12-, 15-, or 24-month old child the three R's, but rather about those experiences that are appropriate to the developmental level of the child, social and emotional as well as intellectual.

Nor are we talking about custodial care. We agree that custodial care has a legitimate place and function. Those parents who wish custodial care for their children should be able to choose programs of this type. Unions, for example, should be able to negotiate for custodial facilities and personnel on job sites. We have absolutely no objection to this sort of care which does not pretend to have an education component. But H.R. 2966 and S. 626 do not treat custodial care, nor should they. What these bills address and what we support are early childhood education, a pretraining period, not mere babysitting.

Recent research has shown, for example, that a variety of approaches to teaching young children is both necessary and beneficial to later academic and life achievements. In fact, the works of such scholars as Burton White indicate that basic learning and coping styles may be established as early as the later months of the first year of life. Learning environments which recognize and capitalize upon the early cultural and life experiences of the child must therefore reflect the appropriate diversity. No one model of early childhood education or day care can hope to meet the endless varieties of needs which young children present. It is our hope that the models that have resulted in gains can be further developed and adapted for use at state and local levels. Basic concepts and principles of child development which acknowledge and support individual needs of learners demand the wide varieties of models that programs such as Head Start, Follow-Through, and others have exemplified. This is the kind of pretraining that NEA supports so that when a child leaves the early childhood education program and goes on to what is more formally considered to be school there is a carry-over component.

Within this context we reemphasize that we are speaking as professional educators for the best interests of the child. As public school teachers we have the training and the experience to recognize that many of the most important influences on a child and his or her formal learning ability emanate from the very early years. Also by virtue of training and experience we are probably better qualified to determine the shape of those influences than any other definable class.

I should point out here that we disagree with those who view early childhood education programs only as a vehicle for reemployment of out-of-work teachers, social workers, health professionals, and the like. We believe that only those who are qualified in early childhood education—not, for instance, an unemployed sixth grade teacher untrained in early childhood—should be entrusted with the important task of working with the very young.

In order to assure that qualified personnel are available for work in early childhood programs, we will insist that programs to train—and/or retrain—early childhood educators are established and funded. We believe that such training programs will attract into early childhood education motivated individuals, either new blood or experienced people needing training to enter a related field. We are pleased that H.R. 2966 includes Title IV to provide such training, both by the authorization of new programs and by amendment of existing legislation to permit and encourage training in early childhood education. Such training will determine the ultimate success of any early childhood education program. It is obvious that personnel who are going to lead children into a whole new learning experience must also have had their own perceptions changed to better conduct children in the educational process. This is the true purpose of training.

In order to provide quality programs for early childhood, a number of components must be present: education, health, nutrition, recreation, and special services. We feel that coordination of these comprehensive services among the various local agencies involved will result in the better development of the child's self-awareness, positive self-concept, and physical and intellectual growth and realization of full human potential. To facilitate this coordination, we support the establishment of an office of child and family services within HEW, and especially under the Office of the Assistant Secretary for Education. We recommend, however, that the authority of the Director of the office be expanded to include all relevant programs within HEW and other agencies.

At present—and almost unbelievably—there are some 75 programs of early childhood education operated at the federal level: aside from OCD, SRS, SSA, and of course OE in the Department of HEW, the Departments of Agriculture, Defense, HUD, and others all have some control over aspects of child development programs. In short, there are at least 17 Cabinet- or operating agency-level bureaucracies which have a finger in the pie of funding and operating early childhood education programs.

Surely this is ridiculous. It has been my unfortunate experience in contacts with the federal government that the various agencies do not deal realistically with each other. Programs or program components which are parceled among a number of departments or agencies either fall between the cracks altogether or are not approached as a gestalt—everybody rides some herd on a piece of the action, but nobody is in control. For this reason we feel strongly that the Assistant Secretary for Education must have statutory coordination responsibilities. Moreover, we recommend that the funds for all these programs be statutorily assigned to the Assistant Secretary for Education. It is our hope that this office will become the advocate within the federal government for child care programs, will improve the delivery systems, and will serve as an impetus for cooperation at the local level. A united voice for all children can be far more effective than fragmented echoes for some children. To achieve the goals set by this proposed legislation, the establishment of a coordinating council of all agencies at the federal level will hopefully bridge the gap between the agencies that provide child care services.

We support the provisions regulating the use of federal funds, which clearly outline the many different options a community may have in determining their child care services. We are supportive of all those mentioned, especially the emphasis given to training and retraining, preservice and inservice, for professional and other personnel including parents and volunteers.

We will continue to insist that funds committed for early childhood education programs represent the nation's commitment to our young children, and that early childhood education moneys not be used as an excuse to reduce federal funding for K–12 education programs. It must be clearly understood—by Congress, school boards, teachers, parents, and everyone else—that early childhood programs are a supplement to, not a substitute for, other education programs.

Another provision of H.R. 2966 and S. 626 which we totally support is the requirement for parent participation. The most important factor in any contemplated child care program is obviously the child. But the second most important factor is the parents' access to the control of the variety of care services that the legislation would make available. The proposed language that ensures a parent policy committee, membership on which is balanced among the various constituencies to be served, can act as a safeguard for the delivery of services as developed and planned by the people involved.

Stereotypes and barriers will have to be destroyed; new ideas and training of personnel will have to be tested and evaluated; innovation must become the watchword; and new relationships must be established among the parent, educator, and school board, a relationship not based on political view, but based rather on the ability of people to set goals for services to be carried out by vehicles of their choosing for the benefit of their children. Parents, teachers, and school boards will have to change their attitudes and operations. They must recognize that this legislation is not exclusively for the use of the system. It is for the use of the people, and it must be formed and constructed so as to have only the limits set by the degree of participation of the full community. This change will not come in an instant. It will have to be structured, planned, and executed carefully. This is why we support extensive preservice and inservice training programs for those involved in these programs, both professional and paraprofessional.

We also recognize that neither Congress nor the education community can produce, full grown out of the head of Zeus, a structured, universal, effective early childhood education program. This is not something which can be achieved simply in one stroke

UMI

of the pen. However, we are embarked on developing, especially as reflected in H.R. 2966 and S. 626, a sequenced plan which will do a great deal towards delivering to our young children the kinds of care and service that they need and deserve.

NEA RESOLUTION 74-16, CHILD CARE SERVICES

The National Education Association urges the enactment of federal legislation to assist states and local communities in providing child care services, including early child development programs, health services, public community centers for the retarded and seriously handicapped and family counseling. Such programs must provide for maximum involvement of educators and parents at the operational as well as the administrative level.

The Association should establish standards for child care facilities and certification standards for professional child care personnel and seek their adoption by state agencies.

ACTION OF NEA BOARD OF DIRECTORS, MAY 3, 1975

Resolved that the NEA activity seek and support federal legislation such as amending the Child and Family Services Act of 1975—the Mondale-Brademas Bill—to provide for universally available early childhood and day care services and parental training for high school students, offered by the public schools as the prime sponsors.

STATEMENT ON BEHALF OF NATIONAL SCHOOL BOARDS ASSOCIATION BY AUGUST W. STEINHILBER

Mr. Chairman, my name is August W. Steinhilber, and I am the Assistant Executive Director for Federal Relations of the National School Boards Association. I am accompanied today by Michael A. Resnick, Legislative Specialist for the Association.

The National School Boards Association is the only major education organization representing school board members—who are in some areas called school trustees. Throughout the nation, approximately 80,000 of these individuals are Association members. These people, in turn, are responsible for the education of more than 95 percent of all the nation's public school children.

Currently marking its thirty-sixth year of service, NSBA is a federation of state school boards associations, with direct local school board affiliates, constituted to strengthen local lay control of education and to work for the improvement of education. Most of these school board members are elected public officials. Accordingly, they are politically accountable to their constituents for both educational policy and fiscal management. As lay unsalaried individuals, school board members are in a rather unique position of being able to judge federal, state and local relationships, such as the "Child and Family Services Act," purely from the standpoint of public education, without consideration to their personal professional interest.

In this regard, the National School Boards Association adopted the following resolution at its annual convention last April:

"The National School Boards Association urges that Congress give increased attention to the matter of federal financial assistance to public schools for the encouragement of early childhood development programs. The NSBA further urges coordination of the educational component of all early childhood programs with the public schools. The NSBA feels that early childhood programs are basically educational in nature and, as such, grants under these programs should be made available to the school districts first."

Mr. Chairman, the National School Boards Association supports the overall objectives of the Child and Family Services bill—especially to the extent that it would provide preschool education, not just custodial services, for the children it covers. However, there are several points with regard to the delivery of such educational services which will require some modification if the program is to fit into the existing operations of local educational agencies. Although the bill also provides a full range of services in areas outside of education, with your permission, we would like to confine our remarks to our sphere of responsibility.

A. ROLE OF LOCAL EDUCATIONAL AGENCY IN DEVELOPMENT OF PLANTS

The bill makes funds available to the field through prime sponsors, which, for the most part, consist of states and general purpose units of local government. Although section 102(a) enables local educational agencies to also apply as prime sponsors, section 107 suggests that, generally, LEA's will receive federal funds as "project applicants"—either directly from the Secretary or indirectly from a prime sponsor. Given the responsibilities upon prime sponsors to coordinate services, we are not suggesting that the LEA role should be other than that of a project applicant in most cases. However, in light of both the importance which the education function bears to the overall purposes of the bill, and the need for the LEA to coordinate preschool services with its established activities, it is vital that local school systems be guaranteed an opportunity to participate during the policy formation process.

In this regard, neither the Child and Family Services Councils (which are established by local prime sponsors), or the local program councils (which are established by state prime sponsors), *requires* the membership of an LEA representative from the area to be served. Indeed, the only role envisioned for the LEA is provided by section 106(c)(1), which states that the educational agency shall have an opportunity to submit comments to the prime sponsor and to the Secretary. While such an opportunity to comment should be in the law, the LEA should also be involved in the dynamics of the Child and Family Services Council activities—especially since, under section 105(b)(3) such councils are responsible for approving Child and Family Service plans.

Perhaps the need for such participation could be made clearer by example. In the case of federal program administration, most of the school districts which would be involved in early childhood services are already running ESEA Title I programs and may soon be receiving programs for handicapped children under H.R. 7217. We do not believe that the full benefits of these programs will be realized unless every opportunity is given to the LEA to coordinate its grants and operations.

Finally, LEA participation on councils would seem consistent with one of the basic purposes of the bill, which is to design programs "to extend Child and Family Service gains (particularly parent participation) into kindergarten and early primary grades, *in cooperation with local educational agencies*" (section 102(b)(2)(I)).

B. PUBLIC SCHOOL PRIORITY

In designating the state and general purpose units of local governments as prime sponsors, the bill, in effect, is establishing a priority for these governmental bodies to oversee the program. Restated, H.R. 2966 correctly creates a presumption that governmental bodies are better equipped for meeting the general responsibilities of the program than are other agencies and institutions.

In contrast, the local educational agency is not given the same clear presumption over other organizations seeking to provide the educational component of the program. Given the fact that the public school systems will eventually be responsible for educating most of these children, there is a strong case of continuity creating such a presumption for the LEA. Furthermore, since the bill will definitely be serving children under six years of age, at least with respect to kindergarten and perhaps first grade children, the bill seems to be creating a nonpublic school voucher system—to which we are opposed. By way of compromise, if the bill gave LEA's the right of first refusal over the education component, any weakening of the kindergarten or first grade programs caused by federally funded non-public schools then would be an affirmative choice of the LEA.

Finally, in any instance in which the LEA is not operating the education program, we would urge that the bill require project plans to be approved by the local school system, either in addition to, or as a part of, the present policy committee process. To do so would service the needs of continuity and quality in the educational process and would also further the possibilities for cooperative arrangements and assistance from the public schools.

C. CHILD AND FAMILY SERVICE PLAN REQUIREMENTS

We note that one of the Child and Family Service Plan requirements is to "meet the needs of all children, to understand the history and cultural background of minority groups within the prime sponsorship area" (section 106(b)(8)(B)). In this regard we question the extent to which school systems would be able to provide—and the extent to which pre-school children would be able to comprehend—a history and cultural background of minority groups in the area. We are concerned that this provision raises unrealistic expectations. We also question the working "to meet the needs of all children." If this wording is intended to include school-age children who are not participating in the program, substantial funds would be required and serious community disquiet could arise as to school board responsibilities for curriculum development.

Perhaps the above-mentioned problems would be cured if the bill required only that plans "*address* the needs of children *participating* in the program" rather than requiring plans to "*meet* the needs of *all* children."

In addition, H.R. 2966 states that Child Development Plans must be operated so as not to deny employment to any person who fails to meet teacher certification standards and that there be a career development plan for professional training, education, and advancement on a career ladder (section 106(b)(10) and (11)). Although local school boards encourage all qualified persons to apply for employment in the program, this provision may create problems within the context of state law and existing teacher contracts. Furthermore, if the qualifications of two applicants are otherwise equal, the language prohibiting a denial of employment solely due to the lack of teacher certification appears to create a bias against those applicants who are certified.

D. DEVELOPMENT OF PROJECT APPLICATION

Since most of the LEA involvement in the program would be in the capacity of a project applicant, a few comments as to the requirements of same should be made.

Project applicants, like prime sponsors, must establish a public committee, which in this instance is called a "parent policy committee" (section 107(b)(2)). However, unlike Family and Child Services Councils, these committees have responsibilities for *approving* such additional pre-school activities as basic procedures, personnel, budgeting, location of centers and facilities, and the overall conduct and direction of the program. While these requirements, if limited to the context of early child development are attractive, we are concerned that within the context of operating an entire school system they invite administrative problems. Perhaps the intent of the additional requirements can be met if the LEA, as a project applicant, gave the assurance that guidelines for these operative facets be developed.

E. STANDARDS AND EVALUATION

Thus far, Mr. Chairman, our remarks have addressed Title I of the bill, which deals with the delivery of Child and Family Services Programs. Since many of the operative features of the other titles are outside of our immediate area, I will only touch upon them in brief.

With respect to Title II, which relates to standards and evaluation, we would urge, as a part of HEW's guideline promulgation process, that the bill require a reasonable period during which the public would have an opportunity to comment. Moreover, because of the priority objective to provide education services to pre-school children, as well as the effect which the provision of those services would have on the operation of LEA's, we urge that the bill require school board representation on both the Special Committee on Federal Standards for Child Care and the Special Committee for Developing a Uniform Code for Facilities.

F. CONSTRUCTION, RESEARCH, AND TRAINING OF PERSONNEL

Turning to Titles III and IV, we support the notion of providing federal grants for construction, research, and the training of personnel. At the same time, in terms of priorities, we believe that Title I program funds should be delivered to the field immediately. Therefore, we also support the approach taken by the bill to fund Titles II and III as separate line items—hence avoiding the dissipation of Title I funds to these other valuable but costly needs.

G. CONCEPT OF THE BILL

By way of general comment, two obvious questions which the design of the bill raises relate to the cost of funding and to the bureaucratic mechanism established.

Although the bill is costly, to the extent that it frees-up parents to return to the work force and can be used to employ parents, reduction in the welfare roles will be somewhat of an off-setting factor. In terms of the youngsters served, since children are affected most by the educational services received in their earliest years, this bill may be able to off-set additional remedial expenditures for them in latter years, and more importantly, improve their productivity as adults.

It could be argued that the bill would expand the federal bureaucracy and would add to the red tape at the local level, whereas a simple tax rebate or negative income tax to the parents involved would do neither. However, on balance, the institutional grant approach on H.R. 2966 does have the advantage of ensuring that those agencies which are best qualified to run programs will be given the first opportunity to do so and that a full range of service will be provided.

CONCLUSION

Mr. Chairman, the National School Boards Association is generally supportive of the Child and Family Services bill. We are concerned however, that 1) local educational agencies are not given the right of first refusal over the educational component of the service plan; 2) local educational agencies are not given an opportunity to have policy input into the education component of plans operated by non-LEA's of the area served; 3) local education agencies are not explicitly a part of the policy formation process regarding the development of such plans; and 4) local education agencies are not explicitly a part of the federal process for developing the various federal standards and code requirements. It is our view that the needs of the children are too great for there to be any opportunity to by-pass the involvement of the LEA.

Mr. Chairman, on behalf of the National School Boards Association, I wish to thank you for this opportunity to testify.

TESTIMONY BY DONALD D. NEWMAN, M.D.

BACKGROUND

The Los Angeles Unified School District serves a large metropolitan area encompassing over 710 square miles and includes within its boundaries numerous smaller cities in addition to the City of Los Angeles itself. In terms of ethnic composition the student population within the District is 27.8 Spanish-American surnamed, 24.7 Black, 5.1 Asian, and 41.9 White. Educational programs offered range from early childhood through adult years.

Today, my testimony focuses upon the early childhood education and child development programs operated by the District.

ASSESSMENT OF NEED

In the Los Angeles Unified School District, over 50,000 pupils enter kindergarten each year and there are approximately 100,000 children in the pre-kindergarten age bracket. A large percentage of the children entering kindergarten are not adequately prepared by experience or training to establish patterns of success in school and wholesome development of the child is precluded by a succession of early failures.

The district's long range plans are predicated on sustaining and enhancing the advantage gained by early-childhood enrichment programs. In order to bring together the resources of parents, schools and society in a meaningful and productive combination, the Los Angeles Unified School District has taken inventory of its applicable resources and has concluded that it has the potential for making even greater innovative contributions in the field of early childhood development.

The basis for this conclusion is an assessment of present programs, availability of requisite personnel, and other relevant resources. There is a limited number of preschool classes that have been in operation for a number of years funded under Title I ESEA, and others funded by the State, a Follow Through Program, a long-established parent-education program, a program for training high school students as paraprofessionals in preschool work as part of the career-education program, and a State Early Childhood Education Program for children in grades Kindergarten through third grade levels. As a result of these programs, there is a nucleus of qualified personnel including teachers, administrators, staff development and technical specialists and consultants, and a number of trained paraprofessionals. Beyond these programs and personnel, the district has 82 facilities presently operating Children's Centers serving over 8,000 children, approximately half of them at pre-kindergarten age level. We have a substantial body of instructional material in use as developed by our specialists and a significant amount of such material is becoming increasingly available from commercial suppliers. We also have the staff and background to provide appropriate progress evaluation and reporting systems.

The Los Angeles City Board of Education and the Superintendent of Schools recognize that the Los Angeles City Unified School District is in a unique position because of the combination of its magnitude of need and its existing capabilities with potential for further development in early childhood education. We are confident that the research of Regional Laboratories and other agencies, coupled with our experience in the field, give us potential to expand superior models of comprehensive early-childhood development programs.

LOS ANGELES UNIFIED SCHOOL DISTRICT'S EARLY CHILDHOOD EDUCATION AND CHILD DEVELOPMENT PROGRAMS

The commitment of our district to education and development in the early years is demonstrated by major continuing programs designed to meet the individual needs of young children. I refer to the following programs each of which I will describe in some detail:

Children's Centers (often referred to as day care centers, child care centers, or child development centers).

State Pre-school Program.

Title I ESEA Pre-kindergarten Program.

Follow Through Program.

Child Observation Classes—Parent Education.

Special Education Programs.

State Early Childhood Education Program.

Let me begin with the Children's Centers. As some of you may recall, the need for day care for children of working parents became acute immediately after the outbreak of World War II, when fathers of young children were drafted into the service of our country and the mothers needed to supplement their small monthly allotments. Jobs were available because of the critical need for a large labor force in the defense industries. To make it possible for mothers to take these jobs, the Lanham Act was passed by Congress to provide federal funds available to the states for the operation of day care or extended school services for children of mothers employed in essential industries. California accepted these federal funds for child care centers and enacted legislation stipulating that the State Superintendent of Public Instruction would establish standards for the centers. The first child care centers pursuant to the Lanham Act were opened in California in 1943.

With the expiration of the Lanham Act in 1946, Congress appropriated no additional funds to continue the operation of the centers. The California Legislature, however, did appropriate funds for the child care centers and specified that the centers were to be administered and operated by the governing boards of school districts.

For clarification, it should be pointed out that California's Children's Centers are defined as day care centers or child development centers operated by school districts.

The Los Angeles Unified School District elected to operate Children's Centers over 30 years ago under the Lanham Act which I have described. What began as a temporary service has become an integral part of the Los Angeles City Schools, with the added provision of an early childhood developmental and instructional program.

Our 82 Children's Centers, under the jurisdiction of the Los Angeles City Board of Education as well as the State Department of Education provide educational, nutritional, health, and social services for 8,000 pre-school and school-age children whose parents are employed, in school, or in training. The centers operate year-round, five days per week (Monday through Friday) from 6:00 a.m. to 6:00 p.m. Our facilities are located on or near school sites and are, therefore, very convenient for parents who may have both pre-school and school age youngsters. The elementary school provides the formal instructional program for the school-age children who attend the centers before and after school and during vacation periods. For these youngsters, the centers extend and enrich school experiences, provide opportunities for tutoring younger children, and offer personalized instructional activities.

Financial support for the centers is derived from Federal through State Title IV-A Social Security Act funds, State appropriations, parent fees and a permissive child development override tax.

All children attend the centers at the request of their parents. Youngsters from fam-

UMI

lies receiving public assistance or from other low income families are in the first priority for enrollment: Fees are paid on a sliding scale based on the number in the family and the income level. Current recipients of public assistance and others with very low income pay no fee.

There is no question that the welfare rolls in Los Angeles would increase by the thousands were it not for our Children's Center program which enables parents to work, attend school, or receive training. At the same time, their children are participating in an early childhood developmental program designed to assure continuity and success in school experiences.

Please take note that with our 82 Children's Centers, we have, by far, the largest number of child development centers operated by a local educational agency in the United States. Even so, with over 8,000 children enrolled in our centers we have at least as many on our waiting lists. Our projection through 1979 calls for increasing the number of centers by 19 to a total of 101 with an enrollment of 12,500. The availability and coordination of funding from federal, state, and local sources is essential.

Now let me describe the State Pre-school Program. In contrast to the Children's Center operation which is a full-day program, the State Pre-school Program is part-day operating Monday through Friday for 3 hours each day.

Forty classes of 15 children each are housed in the Children's Center buildings while school-age children enrolled in the centers are attending school. In addition to the teacher each class has an education aide, and a parent or community volunteer. This program serving 600 children is designed to provide opportunities for pre-school children, 3 years-9 months to 4 years-nine months of age, to attain physical, social, and intellectual development commensurate with their ability. The children come from economically disadvantaged families or families where a language other than English is spoken in the home.

The next program is also for pre-kindergarten children but receives funding from a federal source, Title I of the Elementary and Secondary Education Act of 1965.

ESEA, Title I Pre-kindergarten classes are operated by our district in Title I schools. There are 92 classes each with 15 pupils, a teacher, an education aide and a parent volunteer. As in the State Pre-school classes, children served are from economically disadvantaged families many of whom speak a language in the home other than English. Comprehensive educational, health, and nutritional services are provided for 1,380 children. Emphasis is placed upon parent participation and involvement.

Follow-Through is another of our early childhood education programs. It's purpose is to build upon the gains made by children who attended pre-school or Head Start classes. Federally funded by the Economic Opportunity Act and the Elementary and Secondary Education Act, it serves 3,500 children from low income families. The children are enrolled in kindergarten through the third grade in elementary schools. Follow Through is a research and development project utilizing three instructional models one of which is bi-lingual. Parent participation is a vital component of this program.

We feel there is an important linkage between early childhood education and parent education. Supporting this point of view are 4,200 adults and 6,300 pre-school children who participate in child observation and preparation for kindergarten classes respectively. Operating within our Career and Continuing Education Division these local District-funded classes provide parent and pre-school education three hours each week in 140 classes.

State and District funds provide Special Education for young children who are mentally or physically handicapped. In addition, we have begun the planning phase of a new project which will integrate handicapped children into Children's Centers. In-service training of professionals and paraprofessionals is now in progress.

California's State Early Childhood Education Program is the result of State Superintendent Wilson Riles' desire to restructure the public school system by convincing the State Legislature to make a long-range commitment of funds for the early grades—kindergarten through grade three. The Early Childhood Education Act of 1972 requires that parents, school staffs advisory councils, and communities be involved in planning, implementing, evaluating and modifying the program. Emphasis is upon continuous pupil progress through personalized instruction. In this school year, 89 of our elementary schools are participating serving nearly 30,000 children.

COORDINATION OF PROGRAMS AND SERVICES

Coordination of programs operating within the District as well as with other early childhood education programs operating under different auspices in the community is essential to avoid duplication of services and to address unmet needs.

Just a word about personnel . . . Teachers, paraprofessionals, education aides and volunteers work together in our early childhood education programs. With low child/adult ratios required to meet individual needs, the utilization of an instructional team promotes the career development concept and permits a cost effective operation. Pre-service and in-service training for all personnel must be a high priority.

FACILITIES

With the exception of our Children's Center Program, all of the early childhood education programs are located in school buildings. I will describe, therefore, the Children's Center construction program.

Since 1960 when the Legislature authorized the Children's Center Permissive Override Tax (Re-named Child Development Permissive Override Tax in 1972), the Los Angeles Unified School District has constructed 53 new or replacement facilities. These buildings are designed specifically for the operation of child development programs.

The District is presently engaged in an extensive building program to replace present facilities which do not meet Earthquake standards and to provide new facilities to meet the needs of parents who have in excess of 8,000 children on waiting lists for the existing centers.

Completion of the current building program will provide for 19 additional facilities over the next four years. Each building, exclusive of land purchase, if any, costs approximately $350,000.

PRIME SPONSORS

In conclusion, because of the commitment, experience, investments, and capability of providing early childhood education and child development services, the Los Angeles Unified School District anticipates becoming a prime sponsor pursuant to the passage of the Child and Family Services Act of 1975. Indeed, it would seem that our district is already operating well-established model programs and delivery systems which could be demonstrated and replicated throughout the country. It is my opinion that, in addition, because of the fiscal policies and accounting procedures of school districts that those districts who so desire would be ideal prime sponsors. Accountability for expenditures of federal funds would be assured.

Thank you for the opportunity to address this important committee on a topic of great interest and concern to the citizens of our country.

STATEMENT OF ALBERT SHANKER

I am Albert Shanker, President of the American Federation of Teachers, AFL–CIO, a union of teachers, paraprofessionals and other educational personnel. The AFT has more than 450,000 members in over 2,000 local unions throughout the country. We welcome this opportunity to present our position on what programs should be enacted for the children of our country before these two Subcommittees. We have followed the course of your hearings with great interest and are pleased to have this chance to speak on the major new initiatives for children that you are considering.

Numerous arguments have already been presented here as to why this country must expand facilities for the care of children. There are many compelling reasons which were spelled out in a resolution passed by the AFL–CIO in May of this year:

"The unmet need for child care is greater today than it has ever been because large and growing numbers of women have to work. They are being forced to leave their children without the care and attention they need. Other mothers, on public assistance, want jobs but cannot find adequate child care.

"The statistics clearly show the growing nature of the problem:

"From 1948 to 1973, the percentage of working mothers grew from 18 percent to 44 percent;

"26 million children (6 million under 6 years old) have working mothers;

"12 million children live in female-headed households where the median income is $6,195 if the mother works and $3,760 if she does not;

"5 million children live in single parent families where the parent is in the labor force and out of the home;

"During this time of massive and still rising unemployment and continuing inflation, the family's real dollar shrinks. As husbands become unemployed, wives seek to replace their income. But to work, they must find decent care for their children.

"More mothers are constantly entering the labor force and many more need and want work. But lack of adequate child care poses a major problem to all of them. In addition, millions of disadvantaged children, whose mothers are home, could benefit from child care services. There are 5 million children under 6 years of age in poor and near poor families, many of whom could benefit greatly from child care services."

In addition, there is increasing recognition of the importance of the early years to the total intellectual and social development of children.

In terms of the Child and Family Services Act, these facts lead us to the central question of how to best frame a program so as to maximize its impact for working women and single parents, for the total development of the child, for the professionals who work with children and for the social needs of the nation. We believe that the best way to do this is by administering such programs through the public education system.

We are aware that our position in support of the public schools as the presumed prime sponsor for child development programs represents a major departure from the established organization and substance of existing federal programs and a departure from the direction these committees took in passing the vetoed Comprehensive Child Development Act in 1971. We believe that at that time the use of the public school system as prime sponsor was not adequately considered, probably because even in 1971 it was not yet clear that the schools were available to administer a program that would serve even more children than they were already responsible for. The whole trend of declining enrollments in education has produced a situation where the school system can now begin to provide and coordinate needed services for children in the pre-kindergarten age group.

In fact, now is a time when our social policies should be trying to combine the interests of children, parents and the professionals already working in existing programs to develop a program that will meet the common needs of all. We believe that the approach outlined in S. 626 and H.R. 2966 does not represent the best way to do the job. By providing prime sponsorships for state and local governments, with opportunities for profit-makers, private non-profit, community action agencies and others to operate programs, the bill would guarantee a fragmentation of effort, duplication of services and would act as an inhibition to the creation of a strong active constituency able to secure the funding and public support so necessary for the success of such a program. We believe that putting responsibility in the schools is the best way to create a program that can grow. This is the case I intend to make here today.

First, the schools are available throughout the country. They exist in urban, suburban, small town and rural areas. By being universally available, the school system meets the first and one of the most important criteria that the AFT has for a child development program. Child development programs should be available to all children whose parents desire to utilize this service. It should not be restricted on the basis of means tests, sliding income scales, or other criteria that prevent the majority of our citizens from utilizing a highly desirable and crucial public service. Second, over the past few years, the school systems of our country have become adept at administering large, complicated federal programs. They already possess the expertise to move immediately to the implementation stage without creation of another layer of bureaucracy.

Another major criteria the AFT has is that the program should contribute to the intellectual development of young children. Within the last twenty years, the works of educators like Benjamin Bloom, J. McVicker Hunt, Jerome Bruner and Jean Piaget have pointed to the crucial importance of the early—what are now thought of as pre-school—years to the later intellectual potential of children. Their thinking tends to support the idea that the young child should be deliberately exposed to stimulating experiences rather than simply left on his own. The evidence on why the public schools would be better equipped to provide such stimulation includes the following:

1. It is well known that much of a child's development during the early years has to do with the social, emotional and physical growth that surrounds intellectual development. These areas are just as important to cognitive growth as those activities viewed more strictly as "academic." In view of this, comprehensive public school services having to do with diagnosis, guidance counseling, health (innoculation, etc.), special treatment referrals, bilingual education, handicapped education, and the services of dieticians would provide children with more services than the average nursery or day care center.

2. An Office of Child Development Report called *A Report on Longitudinal Evaluations of Preschool Projects: Is Early Intervention Effective?* which suggests that the gains of programs like Head Start are better maintained if there is a continuity of effort between such programs and supplementary, public, school-age programs like Follow Through. It would seem to make sense to administer both through public schools to gain maximum effect from a more comprehensive effort.

3. A report of the Institute for Development of Educational Activities (I/D/E/A) which catalogued all the possible kinds of activities that could take place in preschool and found that most programs which they looked at were heavily concentrated in a few of the more obvious: Blocks, naps, outdoor play, etc. (see Appendix). The I/D/E/A researchers also found significantly higher program quality in the public school kindergarten programs they observed and attributed the difference to the fact that these programs were part of the educational mainstream and not isolated as were many of the preschool programs.

There are other, less obvious, reasons why it makes sense to use the schools for these programs:

1. It would be more efficient to use existing underutilized resources than equip new ones.

2. The public schools would be more able to coordinate the diagnostic, counseling, dietetic and other services needed by young children than isolated day care centers. The schools are performing this function with respect to handicapped children and there is every reason to believe they can do it with young children as well. Some services, such as dental care, which are now provided in public schools could be provided to children earlier if early childhood programs were part of the public school system.

3. Qualified personnel: Through the licensing mechanisms already in place in every state and local education agency in the country, a program run through the schools could be sure of using the best available people for its operation. We have heard much about the lack of qualified people in early childhood education and how much lead time and training is needed to reach the fully operative stage. Part of the reason for the teacher shortage of the 1950's and 1960's was the ridiculously low pay that teachers received. With the advent of professional pay scales won through collective bargaining, more and more teachers began to look at their jobs as a lifetime profession. When teacher salaries became competitive with some of those paid in the private sector, many qualified teachers stayed with their jobs and the turnover in education became less of a problem. We wonder how many more qualified people would seek the jobs in these programs if they were available at professional salaries. It might turn out that the shortage is not as great as is currently anticipated and that a real program can be made operative. We do, however, agree that special skills are needed for very young children and we do advocate provision for training professionals both inservice and preservice.

PUBLIC CONTROL

In our view, one of the main reasons why new initiatives in child development should come under the jurisdiction of the public schools is that the schools are publicly administered and controlled. Because the schools are so often supported by separate and visible taxation, they must be accountable to parents and the public. And, because funding for the schools is so frequently dependent on voted bond issues or voted increases in property tax millage, the public education system is one of the most responsive institutions of government. Private profit-making entities in the day care business, on the other hand, are not subject to democratic policy-making, and their services are always geared to their *profit margins*. It is our position that the public schools should be the presumed prime sponsor of programs provided for under this bill except in those instances where the public school system is unwilling or unable to assume this responsibility. Our position in this issue is shared by virtually all of the education community and by the AFL–CIO. In May, a resolution adopted unanimously by the AFL–CIO Executive Council stated:

"In most communities, the school system would be the appropriate prime sponsor of the child care and early childhood development program, with the responsibility for planning programs, distributing funds and monitoring programs. Where the school system is unwilling or unable to undertake this responsibility in accordance with Federal standards, some other appropriate public or non-profit community organization should be eligible.

"Even where the public school systems are the prime sponsor, all of the services need not actually be offered in public school facilities. For instance, communities may want in-home child care, family and group day care homes for children who are too young or not ready for large school facilities as well as special services for the emotionally and physically handicapped which may be offered outside the educational system. We support the expansion of these diversified services by educational systems or by an alternative sponsor as they administer these programs.

"Only public and non-profit groups should be permitted to participate in the program. There is no legitimate role for profit-making entrepreneurs in child care programs. The sorry record of profit-making organizations in the provision of human services, especially in the nursing home, health care and education fields, has led the AFL–CIO to strongly oppose any involvement of profit-makers in human services programs. Profit-makers were excluded from providing day care under Head Start. They should continue to be excluded in any new early childhood and day care programs."

Clearly, the time has come to reverse direction. Although current efforts include many programs that meet high standards and provide quality care for the children served, they cannot take the place of a comprehensive program intended for all children. While we support continued funding for these programs, we believe it is time to examine some of the reasons for the sorry state of child development programs.

FAILURE AT IMPLEMENTATION AND FUNDING

Overlapping jurisdictions make it impossible to know exactly what is and is not being done, but a few dramatic examples should help to illustrate the problems inherent to multiple administrations:

1. The Early and Periodic Screening, Diagnosis and Treatment Program has screened only 10 percent of a possible 10 to 13 million children under 21 for possible physical defects. The purpose of the program was to provide children who are eligible for Medicaid with preventive health care. HEW has not been able to persuade the states to implement the program Congress authorized seven years ago.

2. The Supplemental Security Income Program is intended to provide monthly cash payments to disabled children. The payments vary according to a family's income and the nature of the disability. HEW now estimates that only 65,000 out of a possible 250,000 eligible children are now receiving these payments. Children receiving SSI are automatically eligible for Medicaid and would also be provided with vocational training. No effective outreach programs now exist to find these children.

3. Nine hundred million dollars appropriated for state social service programs went unspent during 1973. The 2.5 billion dollars allocated to social services through Title IV–A is the largest federal source of day care money. Only a little more than half the money was actually spent.

POOR QUALITY OF STAFF, PHYSICAL PLANT, HEALTH AND SAFETY, ETC.

The well-known study, "Windows on Day Care," published by the National Council of Jewish Women and "Early Schooling in the United States," a report of I/D/E/A are among the many studies which thoroughly document the poor conditions found in many day care establishment and the inadequate professional training received by most staffs.

UMI

Both these reports place the blame at the feet of the states which, for the most part have inadequate state licensing provisions and staff qualifications that are set very low. A state by state analysis of these provisions, which can be found in "Child Care Data and Materials," a report of the Senate Committee on Finance, shows that day care staff can range in qualification from such vague stipulations as "equipped for work required" in Idaho, Iowa and Kentucy to the prerequisite of a B.A. in Hawaii.

Although all but two states require that day care centers be licensed, many exempt federally operated or regulated centers. And, since the Federal Interagency Day Care Requirements defer to the states in the licensing of centers and staff, there is little to prevent endless buck-passing between the two levels of government when it comes to enforcement.

LACK OF ADHERENCE TO LICENSING STANDARDS INCLUDING CHILD/ADULT RATIOS

Because of fragmentation, surveys in this field are hard to come by. Yet a recent HEW audit of day care programs called The Review of Child Care Services Provided Under Title IV, Social Security Act gives enough information to indicate how wide the gap is between licensing demands and reality. Of 552 centers and private homes which provide day care in nine states, the audit found that 425 did not meet minimum health and safety requirements while over a third of the sample did not meet child/staff ratio requirements. Such figures are really quite shocking. It is surprising that they have not received more attention in the testimony before these committees.

INADEQUATE RESOURCES IN STAFF

All of the major studies I have referred to thus far support the observation that most day care and early childhood centers employ staffs at very low rates of pay. Low wage scales cannot hope to attract the best qualified people. In fact, as our members know, one of the reasons for the teacher shortage of the Fifties was the ridiculously low pay that teachers received. It took some hard battles and collective bargaining to make teaching a job anyone would view as a long-term profession. It also meant that teaching came to attract better qualified professionals. The same could come to be true in the day care field.

At this point, some would argue that all this information on poor quality care only proves that day care is bad for children and that the Federal government is wise not to involve itself.

Nothing could be further from the truth.

Women will go on working regardless of what actions are or are not taken by the Congress. The lack of access to quality child care will not eliminate the economic necessity of supporting a family. Rather, failure to provide quality child care to those who need it will simply force families to settle for custodial care or no care. And it will be the children who suffer. The problem will not go away by ignoring it. It is not a question of encouraging women to leave home. Rather, women working and leaving the home are facts which have existed. Their numbers continue to increase in spite of rising unemployment and in spite of decreases in family size.

America prides itself on being a child-loving society. In reality, we pay only lip-service to this ideal. A simple explanation of the status of children today painfully illustrates this fact:

America must bear the shame of lagging behind 14 other countries in the rate of infant mortality;

29 percent of all children in our inner cities do not see a doctor during a given year;

5 million children in the U.S. suffer from malnutrition;

Hundreds of thousands of handicapped children receive no services;

Thousands of retarded children are living in state "warehouses" under what has been rightly called "institutionalized child abuse";

Child abuse and neglect are widespread and growing problems among all social and economic groups;

Teenage alcoholism and drug abuse are growing problems;

1 out of 9 children will be in juvenile court before they reach the age of 18; and

Suicide is now the second leading cause of death for young Americans between ages 15 and 24;

And what leadership roles have Federal, state and local governments taken to help alleviate this growing crisis?

HEW is currently spending only about 14 percent of its total budget on children.

Children represent 40 percent of our population but receive only 10 percent out of every health service dollar.

Less than 1 percent of Revenue Sharing money has been spent by states and localities on children.

The costs of neglect are enormous. For the children, neglect means limited opportunities to develop, poor health and limited opportunities to lead a happy and fruitful life. For society, neglect means expensive compensatory social service and income assistance programs.

The end result of all this is that the nation goes on year after year spending excessive time, money and effort on the problems of juvenile delinquency and crime. We are looking in the wrong place for solutions to problems resulting from a generation of children growing up without proper supervision. The situation becomes a tragic absurdity when one compares the $4 billion a year cost to us taxpayers of treating juvenile delinquency to the $400 million public investment in preventive child care programs scattered about government agencies.

While this bill cannot bear the entire burden of our problems, it can begin to change the continuing record of non-accomplishment. It can encourage programs such as the one now operating in California through the public schools which offers programs for all children regardless of income. We fully realize that a program of this scope cannot be accomplished overnight, especially in times of such economic hardship and budget shortages, but we should remember that means tested programs available only to low and no income people have never evolved into universal, high quality, nondiscriminatory programs. Such programs have traditionally served poor people poorly and working people not at all. We should avoid the pitfalls of a poverty program and begin with a program open to all children that need the service. The time for these services is now and the institution to sponsor them is the schools.

We know that in a school system serving over 45 million students, there are instances of rigidity and failure, but we believe that critics have greatly distorted the state of education today. A resurgence of inservice and preservice reforms has occurred. Alternative schools, work-study and community-as-school programs, open education—all exist within the public schools. They do not exist everywhere because different children, different communities have different needs. Yet the fact is, where the public wants change and works for change, the schools have responded. Placement of comprehensive child development in the schools would necessarily increase parental involvement and contact, thus enhancing the school's position as a community center. One would think opponents of using the schools would welcome this opportunity to make the schools an even more integral part of our society. We believe that when the program does operate through the schools, they will.

HOW GOOD ARE PRESENT DAY-CARE CENTERS?

Impression of care [1]	Nonprofit centers by auspices														Proprietary centers	
	Head Start		Other public		Philanthropic		Part public part philanthropic		Hospital		Other		Total			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Superior	5	10.9	4	8.3	6	8.8	6	8.0	2	16.7	3	9.7	26	9.3	1	1.0
Good	15	32.6	15	31.2	23	33.8	21	28.0	4	33.3	1	3.2	79	28.2	15	14.5
Fair	22	47.8	26	54.2	30	44.1	44	58.7	4	33.3	17	54.8	143	51.1	36	35.0
Poor	4	8.7	3	6.3	9	13.3	4	5.3	2	16.7	10	32.3	32	11.4	51	49.5
Total	46	100.0	48	100.0	68	100.0	75	100.0	12	100.0	31	100.0	280	100.0	103	100.0
Inadequate information	1				11		4		1		7		24		24	

[1] Impression of care is based on review of such factors as adult-child ratios, size of groups, services reported to be available, salaries reported paid, information on training, parental participation, hours open, observations of council survey participants on educational program, space, equipment, and other relevant aspects of care.

Note: The previous table is taken from "Windows on Day Care," by Mary Dublin Keyserling, a report based on findings of the National Council of Jewish Women, 1972, p. 120. It shows the number and percent distribution of nonprofit and proprietary centers by impression of quality of care.

TABLE 5.1—FREQUENCY OF CURRICULAR AREAS AND ACTIVITIES

Curricular area or activity	Daily				Frequently				Occasionally			
	Total Sample	College laboratory centers	Montessori centers	Parents cooperative centers	Total Sample	College laboratory centers	Montessori centers	Parents cooperative centers	Total Sample	College laboratory centers	Montessori centers	Parents cooperative centers
Informal arithmetic	[1] 50.22	76.47	76.16	30	27.57	11.76	16.67	40	12.30	5.88	0	15
Formal arithmetic	17.26	23.52	45.83	0	10.09	11.76	12.50	0	7.06	17.64	8.33	5
Art	82.50	88.23	83.33	85	11.50	0	12.50	10	2.00	0	4.17	0
Foreign languages	8.95	0	16.66	0	4.96	11.76	29.16	0	9.93	17.64	12.50	5
Informal language	68.02	88.23	75.00	55	10.65	5.88	8.33	25	4.06	0	4.17	0
Formal language	20.60	35.29	45.83	0	10.55	11.76	20.83	10	5.02	0	0	15
Informal music	77.22	94.11	62.50	60	15.84	5.88	25.00	30	2.97	0	4.17	5
Formal music	19.58	23.52	29.16	15	18.07	5.88	25.00	10	7.52	23.52	12.50	15
Music instrument instruction	5.58	11.76	12.50	5	12.69	5.88	16.66	15	21.31	17.64	25.00	30
Informal reading readiness	62.18	82.35	91.66	45	15.91	5.88	0	15	5.47	0	0	15
Formal reading readiness	21.71	35.29	50.00	5	11.11	11.76	16.67	10	7.06	11.76	4.17	5
Reading	15.81	17.64	54.16	5	3.57	17.64	8.33	0	7.65	5.88	16.67	15
Informal science	56.99	76.47	62.50	45	26.25	23.52	20.83	25	14.13	0	12.50	20
Formal science	10.04	17.64	20.83	0	13.04	17.64	25.00	10	15.05	11.76	25.00	15
Informal social studies	36.86	58.82	50.00	30	27.25	29.41	29.16	25	16.15	11.76	8.33	15
Formal social studies	6.08	11.76	8.33	0	13.16	11.76	33.33	5	10.13	11.76	20.83	15
Blocks	81.30	88.23	62.50	70	9.08	5.88	0	20	2.52	0	8.33	5
Carpentry	20.00	47.05	25.00	25	21.00	35.29	8.33	45	21.50	5.88	16.67	20
Cooking	7.06	17.64	25.00	5	23.21	64.70	4.17	25	43.93	11.76	41.66	55
Dramatization and role playing	32.82	64.70	16.67	30	35.81	23.52	29.16	30	18.69	5.88	29.16	20
Organized group games	35.64	11.76	50.00	25	29.20	41.17	12.50	30	19.30	11.76	25.00	20
Informal rest	45.95	64.70	25.00	30	4.02	5.88	4.17	5	11.10	5.88	8.33	10
Naps	43.00	23.52	25.00	5	.50	0	0	0	2.00	5.88	0	0
Nature walks	4.51	5.88	8.34	5	44.71	70.58	33.33	15	39.18	11.76	41.66	70
Outdoor play	82.82	88.23	87.50	70	11.10	5.88	8.33	20	2.52	0	0	0
Rhythms	38.69	52.94	45.83	30	47.23	35.29	45.83	45	11.05	11.76	8.33	15
Story time	85.34	82.35	79.16	85	10.10	11.76	8.33	10	2.01	5.88	4.17	0
Trips	0	0.00	0	0	33.32	41.17	16.16	25	49.98	41.17	50.00	65

[1] Percent of directors who indicated that informal arithmetic occurred daily in their program. Source: "Early Schooling in the United States," an I/D/E/A report.

TABLE 1.—RESULTS OF HEALTH AND SAFETY REVIEW

Care type	Number examined	Number not meeting requirements
Day care centers	453	363
Family day care homes (includes care in the homes of relatives or friends)	[1] 50	21
In-home care	49	41
Total	552	425

[1] Excludes 55 facilities which were examined in Virginia but for which the records available did not disclose compliance with health and safety standards.

Source: "Review of Child Care Services Provided Under Title IV, Social Security Act," HEW Audit Agency, Office of the Assistant Secretary, Comptroller, p. 20.

TABLE 2.—RESULTS OF CHILD/STAFF RATIOS REVIEW

Care type	Number examined	Number not meeting requirements
Day care centers	453	185
Family day care homes (includes care in the homes of relatives or friends)	105	17
In-home care	49	41
Total	607	243

Source: "Review of Child Care Service Provided Under Titl/ IV, Social Security Act," HEW Audit Agency, Office of the Assistant Secretary, Comptroller, p. 23.

SUMMARY OF COMPLIANCE TO DAY CARE CENTER CHILDe STAFF RATIOS REQUIREMENTS IN VIRGINIA, MISSOURI, AND WASHINGTON

State and center	Age group	Required ratio: State	Required ratio: Federal [1]	Observed ratio
Virginia				
A	2–5	10:1	7:1	19:1
B	2–6	10:1	7:1	20:1
C	2–5	10:1	7:1	12:1
D	2–6	10:1	7:1	15:1
E	2–6	10:1	7:1	11:1
Missouri:				
A	3–6	10:1	7:1	12:1
B	2–5	10:1	7:1	15:1
C	3–5	10:1	7:1	17:1
D	3–5	10:1	7:1	19:1
E	3–5	10:1	7:1	25:1
Washington:				
A	4	10:1	7:1	16:1
B	3–5	10:1	7:1	14:1
C	4–5	10:1	7:1	16:1
D	5–6	10:1	7:1	15:1

[1] As previously indicated, FIDCR provides for child/staff ratios ranging from 5:1 to 10:1 depending upon the ages of the children—5:1 for 3- to-4-year-olds; 7:1 for 4- to-6-year-olds; and 10:1 for older children up to age 14. In case of overlapping age groups, we used the more liberal 7:1 ratio.

Source: "Review of Child Care Service Provided Under Title IV, Social Security Act," HEW Audit Agency, Office of the Assistant Secretary, Comptroller, p. 24

RESULTS OF THE HEW AUDIT AGENCY'S REVIEW OF COMPLIANCE WITH FEDERAL, STATE, AND LOCAL SERVICE REQUIREMENTS

States reviewed	Number of facilities reviewed	Number not meeting child/ staff ratios	Number not meeting health and safety requirements
Massachusetts	12	0	11
New Jersey	20	8	7
Virginia	75	20	[1] 17
Georgia	12	11	9
Michigan	(2)	(2)	(2)
Texas	6	3	5
Missouri	40	7	27
California	330	123	279
Washington	112	71	70
Total	607	243	425

[1] Records were not available to permit evaluation of health and safety compliance at 55 facilities.
[2] Compliance waived by SRS Regional Commissioner.

Source: "Review of Child Care Services Provided Under Title IV, Social Security Act," HEW Audit Agency, Office of the Assistant Secretary, Comptroller, p. 38.

THE MIDDLE EAST: RENEWED HOPE

Mr. McCLURE. Mr. President, when the peace negotiations that were underway earlier this year collapsed, I believe that we all shared a deep concern for the future of the Middle East. Events of the past few days, however, have renewed our hopes that a peaceful solution to this decades-old conflict may finally be nearing.

The reopening of the Suez Canal, matched by the generous and laudable Israeli pullback of tanks, artillery, and missiles, shows us that step-by-step negotiations can work, with increasingly significant responses to each new initiative for peace. President Sadat's words well express this forward progress, when he states that—

I think by the act of Israel today the momentum has started which opens the door to peace.

President Ford has shown his willingness and ability to help this effort continue forward, and I believe that his work of the past days and weeks should be applauded by this Senate and the American people. Nothing should be allowed to interfere with the movement that has begun, nor should the good will that has been created be marred by political rhetoric.

I am concerned that one of the key elements in this peace effort not be jeopardized. This is the role of the United States as a mediator. Whether we as Americans accept this role or not, in reality we are the only nation to which the parties to this dispute can turn as a "fair broker." History has cast us in this role and it is one which we are well equipped to serve. But, the administration will need the support of the Senate in the coming month. I urge that we provide that support.

The letter which was recently sent to President Ford by 76 Senators should be carefully examined, in light of this mediation role which the United States is being called upon to fulfill. It is possible, unfortunately, that some of the nations involved directly in the Middle East conflict will construe this letter to mean that we are not truly mediators, searching for peace and justice for all the parties involved.

There is, obviously, some differing of

UMI

opinion even among the signers of the letter. One signer stated explicitly that he did not accept as either defensible or justifiable the present occupation of Arab territories held by Israel since 1967. As that Senator stated:

It would be folly for Israel to assume that American support means approval of the existing boundaries in the Middle East. The present boundaries are not defensible; they are a virtual assurance of continued conflict. And the nonrecognition of Palestinian rights by Israel would be as dangerous to peace as Palestinian nonrecognition of Israel.

That Senator also has accurately described the necessary basis for peace:

Israel's right to exist as a permanent independent state must be recognized by both the Arabian governments and by the PLO or whichever group ultimately speaks for the Palistinians. But in return for that agreement of recognition, Israel must agree to return the occupied territories and must accept Palestinian self-determination, including the right to a political entity of their own.

Editorial comment in the Washington, D.C., press has accurately described some of the problems which could arise from misunderstanding of the content and purpose of that letter. As Tom Braden said in the Washington Post on June 3, 1975:

The Senatorial letter makes Kissinger nothing more than an errand boy and assures the Arab states that he is powerless to arrange a deal. It is conceivable that Israel's leaders have determined on further concessions and regarded the Senate letter only as a means to let Kissinger know who was boss. In that event the step-by-step approach may yet yield results. But unless this is so, the game is over. Kissinger might as well stay home. Under the terms the Senate has laid down, it could send one of its own pages to handle negotiations.

In addition, a Washington Post editorial of June 1, 1975, refers to the Senators' letter as "a very mischievous thing to do." The letter is further described as "a blunt one-sided letter," and refers to its sending at this time as "altogether too risky." Mr. President, I ask unanimous consent that this editorial from the Washington Post of June 1, 1975, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McCLURE. Mr. President, another editorial, from the Washington Star of May 26, 1975, makes reference to the letter as "ill-timed," and states that "the senatorial gesture is no help." This article includes an accurate description of my own concern with regard to this letter and to the possible misreading by other governments—by warning that "it could do harm by damaging Washington's credentials as a fair arbiter," and "it can undermine Arab confidence in the U.S. mediatory role." In summary, the Star editorial provides us, I believe, with the basic policy which the supporters of Israel's right to existence should pursue:

Israel's true interest is in a peaceful Middle East, and an even-handed American policy is the best tool for helping to bring this about.

Mr. President, I ask unanimous consent that this Washington Star editorial of May 26, 1975, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. McCLURE. In conclusion, I urge that the Senate support the President's efforts to exercise an evenhanded, fair role in the continuing peace negotiations in the Middle East. Not only will this result in the most advantageous position for both the Israelis and the Arabs, but it will satisfy our own national commitment to justice and fairplay. There will be only one loser in a Middle East peace settlement: The Soviet Union. The history of the Arab nations of the Middle East shows us that settlement of the Arab-Israeli conflict will remove the basis for Soviet influence in this region. With peace will come the opportunity to form an alliance with both Arabs and Israelis, to prevent Soviet domination of both the eastern Mediterranean and the critical gulf area. No nation welcomes Communist takeover, least of all nations with the strong religious and cultural foundations of the Arab world.

EXHIBIT 1

THE PRESIDENT'S MIDEAST "REASSESSMENT"

Just before Secretary Kissinger's last Mideast negotiating effort was broken off, an anxious President Ford sent Israeli Prime Minister Rabin a letter saying that, in the event Israel did not go along, the United States would "reassess" its policy of supporting Israel. Whether the letter provoked or merely confirmed the Israeli government's unanimous decision to stand firm is unclear. Either way, Mr. Ford was stuck with his threatened "reassessment." Created as a lever in a tight negotiating situation, it quickly took on a life of its own. Various Americans in and out of government saw it as a way to promote pressure on Israel, which was publicly taken to task for alleged inflexibility by Mr. Ford himself. Administration action on Israel's arms and aid requests conspicuously slowed. The Arabs gratefully seized on the reassessment to reinforce their own preferred strategy of weaning Washington away from support of Israel. This is presumably what Egyptian President Sadat will try to do in his meeting with Mr. Ford today.

The "reassessment" is not due to end until Mr. Ford has seen Israeli Prime Minister Rabin here on June 11–12 and has then had some time to come up with conclusions of his own. Already, however, it has had the effect on the domestic scene of eliciting a sharp and stout expression of support for Israel from 76 senators. Given Israel's continuing public appeal and political influence in this country, the letter was entirely predictable. Israel is no more prepared to abandon its "political weapon" than the Arabs are to abandon the "economic weapon" of oil and money. The letter reveals yet another instance, furthermore, where the administration was remiss in failing to give Congress a larger sense of participation in what was being billed as a fresh look at a vital aspect of American foreign policy.

Still, the senators' letter was a very mischievous thing to do. Congress will have its proper opportunity soon enough, in passing on the administration's aid and arms requests for Israel, to add its stamp to developing American policy. To jump in with a blunt one-sided letter at a moment when the administration was trying to position itself to deal with some subtlety with all of the parties is altogether too risky, particularly when the Congress has neither the constitutional responsibility nor the necessary information to practice diplomacy on its own. Dr. Kissinger has promised more than once, after all, as he did the other day, "that after we have made a decision [on how to proceed], we will discuss it at great length with the Senate and with the whole Congress."

Mr. Sadat will no doubt wish to discover for himself what effect the Senate letter has had on administration diplomacy. But the Egyptian policy of relying on the "isolation" of Israel is not faring so well, even apart from the Senate letter. The Common Market has just signed a pioneering trade agreement with Israel. France has warmed its bilateral ties. The Soviet Union is conducting semi-public pre-Geneva exchanges with Israeli diplomats. So is Yugoslavia. Some countries that earlier went along with the Arab plan to expel Israel from the U.N. system are having second thoughts. In short, Egypt has been given serious grounds to consider whether it might not serve its own interests better by renewing its search for another "step" with Israel.

We think this is the path American diplomacy should now resume. The possibilities cannot be said to have been exhausted in March when Egypt decided not to let Dr. Kissinger carry back Israel's latest position. The basic problem remains: how to convert tangible territory given back by Israel into intangible political movements offered by Egypt. The best way to get around this problem, we suspect, is to broaden the focus in several dimensions. An Egyptian agreement to extend the next interim arrangement for a longer time period might fill some part of the political gap, for instance. A bigger effort to involve Syria and Israel in future negotiations could also be useful. (Wisely, Syria has given itself a breathing spell and invited just such an initiative by renewing the U.N. peace force for six months, ending on Nov. 30.) Another possibility—and one we have advocated before in this space—is to get the parties to spell out more specifically, at least in principle, their negotiating goals, so that each government and its public would have a better idea of what the separate steps in a negotiation were proceeding toward. An example of how this might be done is set forth in an article by Henry Owen elsewhere on this page.

The Geneva conference, in which all the parties as well as the two great powers would gather to seek a comprehensive peace, is still in a preparatory stage. It may remain so indefinitely. Geneva is the safety net under the step-by-step talks suspended in March. But there is no safety net under Geneva. That is why even the Russians agree that it would be too risky to go to Geneva without a fair prospect or success—and there is no fair prospect yet. In fact, Geneva may not be reconvened at all except to ratify smaller sub-agreements reached step-by-step. On that process the common energies and hopes of all nations ought to fasten now.

EXHIBIT 2

SENATORS FOR ISRAEL

The pro-Israel letter to the President from 76 senators is important less for its specific content than for its possible effect on Middle East negotiations. With respect to the United States effort to promote a just and durable settlement between Israel and the Arab countries, the senatorial gesture is no help. On the contrary, it could do harm by damaging Washington's credentials as a fair arbiter and encouraging the more intransigent forces in Israel.

The letter's text is for the most part unexceptionable, asking that the administration "be responsive" to Israel's $2.5 billion aid request and backing, for the Jewish

state, "secure and recognized boundaries that are defensible." If defensibility is not given a hard-line Israeli interpretation to require large chunks of occupied Arab territory (and Senator McGovern, a signer, says it does not endorse Israeli occupation), the letter's principal function would seem to be to convey an unstated message. This is that Israel has overwhelming support on Capitol Hill, that the administration's reassessment of Mideast policy had better not produce any tilts away from Israel and that the possibility of reduced aid can be ruled out as a lever to obtain Israeli concessions toward a settlement. Representatives of the Israeli government helped to organize the expression of senatorial concern.

The letter was unneeded to prove the congressional power that can be marshaled by Israel and leaders of the American Jewish community. It was unneeded, also, to reinforce the administration's commitment to Israel's survival—in line with government policy since the Truman years—or to insure a level of aid sufficient to maintain a military balance in the Middle East.

But the further demonstration of Israeli political clout in this country is unfortunate, right now, because it can undermine Arab confidence in the United States' mediatory role. President Ford is to meet separately next month with both Egyptian President Sadat and Israeli Premier Rabin, and it would have helped, for the furtherance of negotiations, if the pro-Israel manifesto by three-quarters of the Senate were not in the immediate background.

Israel's true interest is in a peaceful Middle East, and an even-handed American policy is the best tool for helping to bring this about. The senators' ill-timed letter does not serve this purpose.

Those besides Percy who did not sign the letter include: James Abourezk (D-S.D.), Howard H. Baker Jr. (R-Tenn.); Dewey F. Bartlett (R-Okla.); Henry L. Bellmon (R-Okla.); Quentin N. Burdick (D-N.D.); Harry F. Byrd Jr. (Ind.-Va.); Carl T. Curtis (R-Neb.); James O. Eastland (D-Miss.); Paul J. Fannin (R-Ariz.); Robert P. Griffin (R-Mich.); Clifford P. Hansen (R-Wyo.); Mark O. Hatfield (R-Ore.); Jesse A. Helms (R-N.C.); Ernest F. Hollings (D-S.C.); J. Bennett Johnston Jr. (D-La.); Russell B. Long (D-La.); John L. McClellan (D-Ark.); James A. McClure (R-Ida.); Mike Mansfield (D-Mont.); William L. Scott (R-Va.); John J. Sparkman (D-Ala.); John C. Stennis (D-Miss.), and Milton R. Young (R.-N.D.).

COOPERATIVE EDUCATION I

Mr. HARTKE. Mr. President, I invite the attention of the Senate to excerpts from the proceedings of three conferences on "Cooperative Education: The Emerging Manpower Resource."

As similar conferences that were held in the previous fiscal year, the three convened in fiscal 1975 were jointly sponsored by the Bureau of Higher Education and the National Commission for Cooperative Education. They constitute a major effort to persuade employers of all sizes to provide job opportunities for students enrolled in work-study college cooperative education programs.

The three recent conferences were held in Indianapolis on November 13, 1974, which I had the privilege of addressing; Houston on February 6, 1975, and Los Angeles on May 14, 1975. All three conferences were cosponsored by many business and industrial corporations, trade associations, colleges, and universities.

College work-study cooperative education is a social invention that has met its time. It is the kind of innovation that President Ford has championed as a way to reinvigorate the work ethic among our young people, and it has been supported by the Congress, the Office of Education, and by distinguished educators as the means of welding a closer relationship between the campus world and the real world of work. The popularity of this mode of learning is exemplified by the fact that over 900 colleges offer cooperative programs in almost every discipline and by the very substantial increase in the number of students who seek enrollment in cooperative programs. Employers must surely find the hiring of cooperative education students desirable for there are now, according to the National Commission, about 15,000 companies employing them. As an early enthusiast of the concept, and as the author of the cooperative education amendment to the Higher Education Act of 1965, I am heartened by the increasing acceptance of this creative model of higher learning. The evidence is persuasive that it is good for the student, good for the college, good for the employer, and good for the Nation. The excerpts from the proceedings of the three conferences, I am confident, will confirm this assessment.

I ask unanimous consent to have the excerpts printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF JOHN R. BENBOW, PRESIDENT, THE INDIANA NATIONAL BANK, NOVEMBER 13, 1974

This institute is one of a series being held around the country to acquaint employers with the benefits that can be derived from participation in a cooperative education program. As you read the names of the distinguished companies from around the State that have contributed to today's program, keep in mind that they are participating because they believe that cooperative education has something to offer to businesses of all kinds.

I must confess a two-fold interest in this program, for I view it not only from the perspective of a businessman, but also as a member of the Indiana Commission for Higher Education. For those of you who may not be familiar with the Commission for Higher Education, let me just take a moment to comment on it. Although it has been in existence since 1971, I still find some who do not know of its work.

Created by the general assembly, twelve members are appointed from all over Indiana. Working with a small professional staff, the commission is charged with developing long-range plans for post-high school education; with reviewing and making recommendations to the general assembly on the legislative request budgets of all State educational institutions; and approving (or disapproving) the establishment of any new schools, colleges, or regional campuses or the offering of any new degree programs. It can be described as a coordinating body rather than a governing body.

Throughout its work, the commission seeks not only efficiency and avoidance of unnecessary duplication in the operation of our State universities and Indiana vocational and technical college, but it also encourages innovation in the way our educational services are offered. Certainly cooperative education falls in that category and offers some definite advantages to our Indiana institutions. Here I am talking about all of our post-secondary schools—public and private. Although the commission has coordinating and planning responsibilities only with the six public institutions, we are, of course, vitally interested in maintaining a healthy private sector.

Not only is higher education a very large "business" in Indiana (about ¼ of our State budget), the products of its institutions are vital to the economic welfare of the State. At a time when our national economy is suffering severe stresses and strains (and Indiana is not altogether spared), educating and training our young people—in a relevant way—must be one of our most important objectives. As an aside, I could point out that employment of more of our college students in cooperative plans would alleviate the problems associated with the concentration of college students seeking summer jobs.

In the last decade, we have heard the increasing cry for "relevance" in higher education. The combination of on-campus study with off-campus work in a student's chosen field is a most cogent response to this cry. This is what cooperative education offers. It allows students to experience productive work in paying jobs which bring them face to face with practical, day-to-day problems—the same kinds of problems they will face when they leave college and enter the "real world."

That experience can be priceless in terms of learning about human interactions and grasping some of the complexities of the customer/business relationship and the business/government relationship. The reinforcement of classroom theory with practical experience is an extension of the wisdom of an old Chinese proverb which says: "I hear, I forget. I see, I remember. I do, I understand."

If the benefits of such experience are priceless, the same cannot be said of higher education today. There is a price, an ever-increasing one, to attend college or vocational school. Here, again, cooperative education can help. The money students earn in these jobs may well make the difference between staying in school and dropping out.

Many of you can appreciate the interest in this point by the colleges and universities. They know that enrollments are expected to be lower in the coming years, for both the public and private sectors of post-secondary education, than they are today. Spreading their costs of operation over a declining number of students will tend to force up tuitions. But that in turn will discourage enrollments, unless the student has a way to pay the higher tuition.

Indiana is not the only State facing these problems. The enrollment trends are general. New York, as reported by the State education department in the New York Times last week, is predicting that ⅔ of the State's private colleges may go out of business by 1990 because demographic studies indicate the number of full time undergraduates will decline by as much as 23% below present levels. That means that 80 of their 120 private schools could go under. The competition for students will intensify.

You may well be asking at this juncture. "What's in it for me? I can understand why students would want to participate in a cooperative program, but why should my company get involved?"

The rest of today will be devoted to answering that question. But let me give you a few hints. A study just released this year, conducted by Arthur D. Little, Inc. for Northeastern University in Boston, outlined eleven specific company benefits experienced by six participating firms. The report analyzes programs at General Electric Company, Xerox Corporation, Pioneer Cooperative Bank, Liberty Mutual Insurance Companies, The Social Security Administration, and The Wellesley, Massachusetts, Public School System. Because cooperative programs are so flexible, employers structured their programs to take advantage of the benefits they found most important.

UMI

The report concludes with a list of common problems that a cooperative program can help solve. Ask yourself these questions:

Does my company need a dependable source of intelligent and ambitious talent? A Co-Op Program provides students who already have a background in their area. Effective utilization of their talents can reap large benefits.

Does my company need to use professional employees more economically? By pairing a student with a professional, some companies have utilized students to carry out less demanding and more routine job responsibilities, freeing the professional to concentrate on effective planning and management. In addition, some companies have been able to generate more release time for professionals through effective use of Co-Op students.

Does my company need a more effective and economical recruiting program? The Co-Op program enhances relations with college faculty and counselors, acquainting them with opportunities for their students with your company. In addition, each student who works for a company takes his impressions back to his fellow students, making them personally aware of your organization.

Many co-op students go on to become permanent employees. During their initial period with the company, they can be evaluated on the basis of their work performance, rather than by the more remote means of grade averages or recommendations. They have passed a "trial run."

Some companies have also found that a co-op program increases their access to minority groups and women. Both groups tend not to have had the exposure to business and industry which is helpful to gain successful employment. The cooperative programs provide a valuable avenue for recruitment.

Does your company need an easier and more economical way to improve the performance of newly-hired college graduates? A co-op program can help. Previous experience with the company cuts down on the need for formal orientation programs. Because of their familiarity with the company, the cooperative education student tends to have a lower attrition rate. Because of their headstart, they tend to advance faster.

In short, cooperative education programs tend to turn students "on"—they become more highly motivated because they find meaning in their studies. And perhaps their professors are equally turned on. These programs provide an excellent opportunity for improving the whole curriculum because the faculty will be in closer touch with "real" business and industry situations.

The students must also mature more rapidly with these programs, because they are put into the adult world with adult responsibilities.

The programs coming up today will examine several of these points in much greater detail.

Let me share with you some interesting data.

Daniel Yankelovich (president of the social research firm of same name) writing in the Worker and the Job, edited by Jerome M. Rosow, quotes from his own research:

"The research shows a slow but constant increase in the number of young people whose main motive in going to college is the practcial one of preparing themselves for a successful career in the society. In 1967, 55% announced that this was their chief goal in attending college. In 1969, the number had crept up to 57%, in 1970 to 60%, in 1971 to 61%, and in 1973 to 66%.

If we regard the campus as the stronghold of the counter-culture, then we would expect to find little respect for the work ethic. Yet, Yankelovich found in 1973 that 84% of the students interviewed subscribe to the belief that it was 'very important to do any job (one was doing) well'.

"Thus far (in these studies) we see a strong endorsement of conventional work values—the pursuit of an education for the sake of a career, a willingness to work hard, and the desire to do a good job."

(There are other interesting findings in the study, but it is not our purpose to pursue them here).

There are 180,000 students now involved in cooperative education across the country, working at 5,000 locations. Eight hundred colleges and universities are involved. I am told that twenty-one of those are in Indiana which either have a plan or are in the process of beginning one.

Those of us who are sponsoring this seminar hope that by the end of the day you will want to talk to one or more of these institutions. A cooperative education program can do more than solve some of your problems of the present. It can prepare professionals to solve the problems of the future.

REMARKS OF W. GEORGE PINNELL, EXECUTIVE VICE PRESIDENT, INDIANA UNIVERSITY

There are a great many ways to describe the program and what it means to students, employers, colleges and universities—not to mention its value to society as a whole. We all have heard phrases related to the program—"added value," which simply means a higher starting salary for those students in the program, as well as "yield per employment offer" which is short for how many young men and women are accepting job offers right now.

There is, however, one phrase that perhaps sums up one important aspect of the program better than any other. It is three words you will hear when walking past a cluster of students during a class break or spoken in a conference with a counselor. It moves young men from saddle shops to clothing shops and particularly to barber shops.

The words—"the real world."

Well, there *is* a real world and it is stern and unyielding in its economic dimension. Future shock can be right now for some students when they take that long step from *inside* to *outside*—and some of the responsibility for that rests with we educators.

Consequently, I must underscore the importance of cooperative education as *a bridge* to a very real world.

Let me speak one moment about cooperative education as it operates at Indiana University. We call it the Professional Practice Program and in it we have some fifty participating employers, ranging alphabetically from Abbott Laboratories through Cummins Engine Company and Marathon Oil Company to United States Steel Corporation.

As many of you know, Indiana University is a comprehensive educational system with eight affiliated campuses located through Indiana serving the diverse needs of just over 70,000 students. Cooperative education is not new at IU but only recently have we made a systemwide commitment to our Professional Practice Program.

What our students wanted, what employers with whom we talked wanted, and what the University wanted, was an innovative and practical addition to traditional classroom teaching methods by relating academic study to actual work situations within the career interest area of the student.

The basic guidelines were established with the decision to grant students substantial academic credit toward their baccalaureate degree. What we sought was a quality of interaction between the student and the employer analogous to the classroom.

And in this I think we have succeeded.

I jotted down five areas that make cooperative education for Indiana University such a worthwhile effort—

In many instances the cooperative student graduate is a superior person who will earn 10 percent more in starting salary.

In the classroom the co-op students can provide a dimension of recent business experience. Some instructors have discovered to their surprise that the cooperative student who is having a simultaneous chance to apply theory on the job will often have hard questions about that theory when it comes before the class.

The faculty enjoys the opportunities for closer relationships with the employers. In many instances, a continuous dialogue between the employer and the teacher thrives.

A Successful program is an unexcelled showcase for the University. We are able to put into the mainstream of economic life two of our most important products—our students and our faculty.

Finally, solid work experience to compliment a liberal education has added greatly to the stature of the student when it came time for employment after graduation.

Edward N. Cole, former president of General Motors, summed it up this way—

Cooperative education accomplishes several goals. It allows teacher and student to gather and contemplate the past as well as to create the future. It provides an atmosphere where students can flourish in the real world of competition and where they can participate actively and effectively in their educational experience.

Earning while learning not only enables students to pay a substantial part of their educational expenses, but it gives them a head start on their chosen careers.

Early entry in an occupation, incidentally, has an additional fringe benefit for the employee. In many businesses, the years as a co-op student are counted at retirement time. By working while earning an academic degree, students are oriented to the world of work. They have the opportunity to learn about the range of occupations open to them and the potentials and limitations of the field which interests them.

More importantly, they have the opportunity to change academic plans and prepare for a more informed choice in the event they decide their abilities are more suitable for a different career.

This flexibility is desirable and pays dividends because the coordination of work experience with the academic program motivates students, and helps them find greater meaning in their studies as they see the connection between the jobs and the things they learn in the classroom.

Let me make just a couple of final points. If you will pardon a personal reference—I have had the great privilege in my life to observe and participate in business in many ways—from the top of a box washing dishes in my dad's restaurant to the table in the board room. And never—never have I found any organization that was better than its people. I know that sounds trite but many of us forget once in a while and put our efforts and resources into equipment, buildings, advertising and other non-people items.

Indiana University has a big share of the nation's real wealth—70,000 young men and women who are getting ready to pick up where many of us leave off. If you believe in people, the Professional Practice Program offers a truly great opportunity to insure, at least in part, the future of your firm—and at bargain prices.

Do yourself and the business community a favor by giving some young person a better shot at the future.

REMARKS OF RICHARD R. HOLDEN, DIRECTOR, DIVISION OF TRAINING AND FACILITIES

Cooperative education has many definitions but all stress working together by colleges, students, and employers. What, then, is a Federal bureaucrat doing at a cooperative education conference?

My own interpretation of a bureaucrat can be illustrated by an adaptation of an old story which concerns a Hindu, a Moslem, and a bureaucrat. The three started on a cross-country walking tour and sought shelter at a farm house at the end of the first day. The farmer was pleased to oblige but was forced to put one of the three in the barn. The Hindu volunteered. However, he soon returned to the other two and said he couldn't stay in the barn because there was a cow in it. Whereupon the Moslem volunteered only to return shortly as there was a pig in the barn. Realizing the religious sensitivities involved the bureaucrat graciously went out to sleep in the barn. It wasn't long before there was a considerable racket at the bedroom door. Alarmed, the Moslem and Hindu rushed to open the door and found the cow and the pig.

But back to what I believe the bureaucrat's role is this morning. It is twofold—to explain the (1) Federal interest in cooperative education, and (2) to pass on some gleanings from our experience.

Although the first co-op program was established nearly 70 years ago, as recently as 1962, only some 60 institutions had programs serving about 28,000 students. This Fall 700 to 800 institutions are expected to provide cooperative education for approximately 180,000 students. We don't know what a reasonable goal is for cooperative education but can envision another 500 institutions trying cooperative education by 1980 with a possible 500,000 student participants.

Since 1970, the Office of Education has been administering on initially small, but now substantially enlarged program of grants to support cooperative education activities in institutions of higher education. Let me summarize briefly a few of the highlights. Slightly over $1.5 million was made available in 1970 and again in 1971 and in 1972 with less than 100 institutions funded each year. Then came the breakthrough. In 1973 the Administration requested and the Congress appropriated the full authorization of $10,750,000. The same full funding was provided last year and will be this year. If our experience of 1973 and 1974 holds true, we will receive some 650 requests for about $27 million and approve about 350 of these.

Within the $10,750,000 funding we make two types of grants—(1) $10 million for the planning, establishment, expansion, or carrying out of cooperative programs at eligible public and non-profit private institutions. Grants cannot be made for more than 3 years to any one institution, cannot exceed $75,000 in a year (the average is about $30,000), are for alternating periods of study and work by full-time students, and cannot be used as compensation for students. In the main, the funds cover the salaries and expenses of the program coordinator—the man who must convince a college faculty and you that cooperative education has exceptional merits.

(2) The second Federal effort is an investment of $750,000 a year in training and research activities of importance to cooperative education. Part of the cost of this conference comes from this fund. 1975 will be the third year for training and research funding which already has proven a wise decision by the Federal Government. Coordinators are being trained to fill the rapidly expanding need and more effective and efficient methods are being researched.

These Federal programs have gained the support of both the Congress and the Administration and I would estimate that this support will continue. In a nutshell, the Federal role is to aid in the expansion and improvement of cooperative education.

The Federal blessing in itself does not, of course, make a particular cooperative education program a good venture for you. There is no fact book on co-op which lists guaranteed benefits for employers. There is mounting evidence that it can be a very good thing.

As examples:

(1) Lower hiring and training costs with co-op students vs non-co-op students.

(2) Lower turnover of cooperative-trained employees.

(3) Base for more effective relationships with colleges.

(4) On the average, co-op trained employees are more productive and can better accept increasing responsibility, and

(5) A co-op student is more apt to settle earlier in a career in which he is both happy with and qualified in.

These and other reasons that you probably will learn of today should make you interested in cooperative education. You should also know that, on the other hand, there are responsibilities.

To the extent possible jobs should be meaningful to the academic careers of the students. Hopefully students will not be looked upon as temporary employees but as trainees for potential full-time employment. In addition, it is important that you support the program and have a continued and open communication with the college and the students.

Finally, I would suggest that you not accept a proposed program on only the good reputation of cooperative education and the college but carefully analyze the proposal. Questions you may wish to ask are:

(1) Is the college really committed? We feel that the college president must back the program if it is to be a success.

(2) Is there evidence that students will participate?

(3) What support has been given by the faculty? Some teachers just don't like cooperative education and it has slim chances without academic support.

(4) Can the college afford cooperative education? While not expensive, it does cost the college money in terms of support staff and course offerings.

(5) If there is a Federal grant, how will the program be funded at the end of the grant? As it takes up to 5 years to amortize the start-up costs of a program, other than Federal support may be necessary.

If you fully assess the program and really work with colleges and students, you'll become a believer in cooperative education. We are.

THE MOVE FOR DEREGULATION OF NATURAL GAS PRICES

Mr. ABOUREZK. Mr. President, we are about to experience a round of frantic pressure by oil and gas interests hoping to push the Congress into deregulation of natural gas prices. The occasion of this effort is the debate over S. 692, the Commerce Committee's response to the natural gas curtailment situation. This bill is apparently not popular with the oil interests yet it goes a long ways toward giving them just what they want—higher prices for regulated gas, deregulation for onshore independent producers, and the promise of exceptions to the ceiling and still higher prices in 5 years.

When people are suffering from the squeeze of high oil prices supported by the administration, and we are being threatened by FEA Director Zarb with total oil price decontrol, the Congress is being asked to add the burden of equivalent pricing for another fuel. States and public gas utilities have gone to court to fight gas curtailments in order to get their supplies at the current price—they cannot pay the price of alternate fuels—oil, in particular, and coal—which will rise with decontrol and gas price equivalency to $22 per ton, instead of the current $11. Neither industry nor consumers can afford this. We cannot substantially increase the price for natural gas without irreparable harm to the economy as a whole. The bill fails to recognize that the curtailment of gas deliveries began when the Republicans took control of the FPC, and the failure of regulation consists of the fact that the head of the FPC since 1970 believes in deregulation and has constantly encouraged the gas industry to expect higher prices. The following argument from a letter I received this week sets forth the reasons we need regulation in the public interest to end the gas "shortage"—not S. 692 or deregulation:

S. 692, if enacted, will not assure increased supplies of natural gas, but will, on the contrary, assure only increased prices. While the bill contains a great many constructive and innovative provisions—provisions which standing alone would merit serious consideration—the great vice of the proposed legislation lies in its pricing provision (§ 203 (g)), which authorizes the Federal Power Commission, free from any judicial review, to raise the price level for new gas to 75 cents per thousand cubic feet, some four times the ceiling in effect as recently as 1971; even higher prices would be allowed for much gas presently subject to regulation under the exemption and small producer provisions (§§ 203 (1) and 204). The bill thus essentially ratifies and extends the disastrous and bankrupt policy pursued these past six years by the Nassikas Commission that the way to solve a shortage is to increase the price. But that policy, whatever one may have thought of either its practicality when initially announced by the Commission or its legality under the Natural Gas Act as presently written, has been a demonstrated failure; the higher prices allowed by the Commission created a shortage where none had previously existed, and the higher prices allowed, the greater the resulting shortage.

Indeed, efforts to restrict the Commission to its statutory purpose through judicial review have been frustrated by a determined and ingenious Commission; no sooner is one high-priced Commission program set aside by the Courts than the Commission devices a new, higher-priced program, with the result that the oil companies collect ever-higher revenues, the consumer pays ever-higher prices, and the shortage—so profitable for the oil industry—continues to widen and deepen.*

While the much maligned existing statute is, in fact, a good deal better than it is generally given credit for being, given the com-

* Within the past year alone, the Courts have set aside at least six major pro-producer policies adopted by the Commission: *F.P.C. v. Texaco Inc.*, 417 U.S. 380 (June 10, 1974) (FPC attempt to exempt small producers from regulation set aside); *Moss v. F.P.C.*, 502 F. 2d 461 (Aug. 15, 1974) (FPC attempt to grant producers authority to abandon service in advance set aside); *Macdonald v. F.P.C.*, 505 F. 2d 355 (Sept. 19, 1974) (FPC attempt to permit rates for old gas 65% in excess of area ceilings without evidence of costs set aside); *Consumers Union v. F.P.C.*, 510 F. 2d 656 (Oct. 7, 1974) (FPC attempt to permit rates for new gas 73% in excess of area ceilings without evidence of costs set aside); *Public Service Commission v. F.P.C.*, 511 F. 2d 338 (Jan. 14, 1975) (FPC attempt to have pipelines, and through pipelines the consumers, provide venture capital to oil companies for exploration set aside); *Consumer Federation of America v. F.P.C.*, — F. 2d — (Mar. 13, 1975) (FPC attempt to exempt from regulation short-term sales up to 180 days set aside).

UMI

bination of a Commission that consistently and repeatedly ignores the consumer protective purpose of the present Act and the pervasive energy shortage—which has enabled some 10 or 15 multinational oil companies to enrich themselves while devastating the rest of the economy—legislation is surely appropriate. Unfortunately, S. 692 would serve only to worsen the problem rather than solve it, and by adding to inflationary pressures within our economy, work to the disadvantage of the vast majority of the American public.

A brief history of gas pricing will demonstrate why this is so. Prior to the advent of federation regulation in 1954, gas sold for slightly less than 10¢ per Mcf. During the Eisenhower era, from 1954 to 1961, both price and supply increased dramatically: the average interstate price increased from 9.5¢ per Mcf to 16.5¢ per Mcf, while the volumes sold in interstate commerce increased from 5 trillion cubic feet to 8 trillion cubic feet. During the Kennedy-Johnson era, from 1961 to 1969, prices were held relatively constant, increasing from 16.5¢ to 17.5¢ per Mcf, but again the volumes sold interstate increased dramatically, from 8 trillion cubic feet to 13.5 trillion cubic feet. The present Nixon-Ford era—during which the Federal Power Commission has been staffed by Commissioners none of whom believes in regulation—has witnessed the worst of all possible results: an unprecedented increase in price, from an average 17.5¢ per Mcf in July 1969 to a December 1974 average of 32.5¢, with the growth in interstate sales halted and indeed declining slightly after 1972. And under existing FPC policy, the average price will continue to rise sharply, since the FPC has recently raised the "new gas" price—which is, in fact, applicable to much old gas—from 20–26¢ per Mcf to 57¢ per Mcf (including all allowable adjustments).

Given this past history, it can no longer be rationally contended that higher prices will produce more gas. On the contrary, the industry has learned well that so long as the government's response to energy shortages is to allow ever higher prices, the industry's financial interest lies in maintaining the shortage. Various members of the oil industry have stated publicly that their sharply increased earnings in 1974 were the result of higher prices that more than offset *decreased* production, and that they expect continued high earnings in the future from higher prices *despite declining production* (see, e.g., Wall Street Journal, April 30, 1975, pp. 14, 25).

No one suggests that either the world energy supply or the world energy price is in any way related to operation of a free market: the price is fixed at five times its 1973 level and perhaps 100 times the cost of production by the OPEC cartel, and supply is artificially restricted by the cartel to maintain that price. Yet the Administration's policy of importing that cartel price as the standard for domestic prices has been a prime factor in both this nation's inflation and its recession, and while enormously lucrative for the international oil companies beyond their wildest dreams, it has been an unmitigated disaster for the rest of the economy. *Fortune's* latest listing of the 500 largest industrial corporations records the stark facts: of the seven most profitable industrial companies last year, *six* were oil companies, even after they revised their accounting methods to show reduced book profits, and one can only wonder to what extent these excessive profits have led directly to the creation of the multimillion dollar political slush funds now being reported by so many major oil companies.

In discharging its functions under the Natural Gas Act, the response of the FPC has been to ignore the Congressional mandate to assure consumers of reasonable prices in favor of the Administration policy of penalizing the consumer. The 57¢ new gas price promulgated last December by the FPC is virtually triple the new gas ceiling set by the Commission in 1969—an increase for a regulated commodity far exceeding the rise in the cost of living. The response of the proposed legislation would not only endorse fully, but would surpass, the FPC's unfortunate approach, in the hope that the industry can be induced by price incentives to increase production to meet the needs of the American economy. As noted, however, while the financial interest of the oil industry rests in maintaining the shortage (and thereby maintaining the OPEC prices for domestic production), the continuing viability of the rest of the American economy is seriously threatened by these inflated energy costs—the increased profits of the major oil companies have been at the expense of the auto industry and the housing industry and indeed of virtually every other industry. One of the great virtues of natural gas—two-thirds of which has historically been used by industry—has been its low cost; quadrupling its price (and the present bill would quadruple the 1970 price level) will drive many industries to the wall, particularly in the present situation where, as the auto industry's experience shows, higher product prices frequently mean lost sales.

The crux of the problem is that, at present, the decision to increase energy production rests in the hands of the 10 or 15 international oil companies, whose economic interest lies in restricting production. The Consumer Energy Bill, introduced in the last Congress, recognized this basic fact, and proposed a federal corporation to undertake oil and gas exploration, and similar bills, introduced this year, have proposed a national energy supply corporation. Whatever one may think, as a philosophical matter, about the federal government entering the oil business, the hard fact is that the present system is not working and shows no promise of working. Congress can raise the price of gas (or permit the Commission to raise it), but so long as the decision to increase energy production continues to rest with the international oil companies, the choice is simply whether we shall have a shortage at 25¢ per Mcf, or at 50¢ per Mcf, or at 75¢ per Mcf. Since higher prices will *not* solve the shortage, but *will* send another wholly avoidable inflationary and recessionary wave through the economy, S. 692 should be shelved, and serious work started on legislation to create a national energy supply corporation. In the meantime, immediate short-term relief could be obtained through Congressional investigation into withholding of supplies and stockpiling of drilling equipment by the major oil companies; similar investigations on a rather narrow scale by the Federal Power Commission have in fact produced additional supplies for the interstate market, and reports of stockpiling, which has prevented smaller producers from bringing discovered reserves to production, have become increasingly well documented, see Wall Street Journal, May 21, 1975, p. 38.

In 1969, natural gas was priced at 17.5¢ per Mcf and was in plentiful supply. Granted that there have been inflationary pressures on costs since 1969, there is no way that the American people—already deeply disturbed by sharply higher fuel and utility bills—can be reconciled to a quadrupling of gas prices by Congressional fiat in 1975 at a time when oil company profits are at an all time high.

CHILD AND FAMILY NEEDS

Mr. MONDALE. Mr. President, I call the attention of my colleagues to an article in the June 1, 1975, edition of The New York Times Magazine entitled, "The Children," by Ned O'Gorman. I believe that this poignant description of young lives too often doomed to suffering, disease, even death in our cities will be of particular interest to my distinguished colleagues. These children underscore the great need for comprehensive health care and family assistance services that can prevent their senseless tragedies and restore their rights to full, vibrant lives.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CHILDREN—WHO WILL SAVE THEM FROM UNHINGED FAMILIES, INERT AGENCIES, MEAN STREETS?

(By Ned O'Gorman)

In New York City, the children of the oppressed are under sentence of death. The very young, babies just born, are thrust from the beginning into a world learned in ways of slaughter. No time for saving them. The die is cast in the cradle. Death proceeds on its way to blight their bodies and their spirits. Hope, joy, wonder, all are mauled, wrecked and fated to end in the grave, whether that grave be the streets, jail or some well-tended cemetery.

I write of New York City, Harlem especially. I have worked there nearly 10 years in a nursery school I started in 1966. (I call it a liberation camp.)* I will write of children I know now and have known in the past. They came to us out of torments that would make stones weep. I write of what I have seen. I have added nothing. I have imagined nothing. I have seen poor white children in Kansas, Irish kids in Dublin and boys in Chile slipping as quickly as Harlem children into the abyss. The children I see each day are dying. I must ask myself what I can do to release them and their kin from the killers that have pursued and caught them. I am in Harlem, then, to save children from their guardians (blood kin or not), from the streets and the oppressors in all their masks. The law suffers from an overwhelming passivity in the face of this epidemic of child abuse and its attendant horrors. There are not enough investigators to probe into the lives of these children; and once the process is begun, the change sought in their lives takes months of tedious red tape to get underway and often simply peters out.

Families move, refuse to give the child up, suffer monetary change of heart, deposit him in the hands of respectable kin for a while and abort investigation. It is time now for agencies and individuals who hold themselves responsible for the lives of these battered, suffering children to study with vision—and science—the meaning and function of the family, to ask whether a family has the right to impose its destructive manners and style on the innocent and to find ways to bring change into these children's lives with curative intensity. The community, the state, the churches, the courts, the law, politicians, educators must say No! to those who cripple children. They must offer them a revolutionary purpose and stop the slaughter.

What we all must seek is a way to speak for the children of the oppressed, a way to become their surrogate will to live. We must seek, too, to tell the oppressed that they are oppressed and that unless they move to change their lives, the state in its work with these children will simply have to become a tyrant to be effective.

*The nursery school is privately supported. We get no Federal, city or state aid. We employ a staff of four, all of whom are from the community. We accept any child who comes to us, feeding each breakfast and lunch.

In three rooms of an apartment above a dry cleaner, Tommy lived with his mother, her friends and roaches. He was 2. Since his birth, he had been constantly sick. Lead poisoning had landed him in the hospital for a month. His skin was ashen. He slept all day, seldom ate and staggered into my school now and then, when I could persuade his mother to let him come or when she needed us to babysit. The spirit had gone limp in him and from his eyes shone a fabrication of life.

One morning, one of our workers told me his mother had sold him to a woman she met in a clinic. I bounded up to Tommy's flat and found him there with his mother and a strange couple. The woman had Tommy in her arms. His mother sat by the stove. I asked if she had sold him. She said no: She had given him to those people. How much, I asked, did you get? She said, "I did not sell him."

I went back to my school and asked the workers for more information. She was paid $300 for him, they told me. I phoned a friend in a child-care agency and asked what I ought to do. I phoned Tommy's mother's social worker (a lady assigned to her by the welfare department to keep tabs on her life) and asked her to come up to talk to all of us. My God, I thought, you simply cannot sell a child. The social worker investigated and made calls here and there, and by the end of the day some agreement had been reached that the prospective parents in the clinic and Tommy's mother would meet the next day with the Bureau of Child Welfare. They never did. Tommy, mother and couple vanished. I saw Tommy some months afterward with his natural mother. I asked her where he lived. She said in Brooklyn. I looked in Tommy's eyes. He was dead.

Recently, just some weeks ago, I heard that she had had another child and sold it on her first day home from the hospital.

Why did I have to go through such trouble to get little Tommy out of the clutches of his mother and those buyers? My effort to become Tommy's surrogate will was a failure. I had no power. I had no proof. The social worker seemed bland, bored and so fearful of hurting people's feelings that from the beginning I knew Tommy was going to be sold and there was nothing I could do about it.

Barbara was Billy's 3-month-old daughter. Billy was a desperado, a street bandit who shot dope, beat up old ladies, yet yearned more than anyone I have known in Harlem to be a good man.

He brought Barbara to the nursery directly after she came home from the hospital. He had her in a lovely carriage and he had gussied her up in a pink wool suit and a white cap. He adored her. Then, a day later, he came to tell me she was dead. She had gotten a cold, was taken to a doctor, was brought home, put to bed, and when they came to fetch her in the morning she was cold and stiff with no life in her. I went to the funeral. She was laid out in a tiny coffin in a pink dress with a cross clutched between her hands. Billy rose up at one moment during the service and knelt to kiss her.

He asked me to try to get some information for him about the cause of her death. I wrote to the coroner's office, but heard nothing. I called Senator Jacob Javits' office and got nowhere. Gradually, she was forgotten. The child died as if she had never lived. Was it crib death that took her or inaccurate medical information, or medical directions ineptly applied? Did the child die of exposure? (One child I knew did die in such a way, sleeping through the coldest winter night of 1974, near a window in which each pane of glass was broken.) Did the child die by foul means? Did someone in an act of despair simply smother her?

I ask these questions with considerable trepidation. I know that what I have reported, even though I have seen it all happen, will be criticized as being gloomy, as casting doubt on an entire community's ability to care for its children. I think that such a criticism is in part justified. I am gloomy. I do criticize the people of the community as much as I criticize—attack, I think—the law, the church, the government on every level, in their indifference to this slaughter of the innocent.

Carita loves Lennie, I do not know many mothers who can say, as she does, with such depth of feeling. "I love my son." She would willingly give him all that is good, but she is unhinged, wrecked—and a victim. Her past was filled with troubles. She drank and seemed to have little will to fend off men. Her apartment was a ravaged horror: roaches in the icebox, urine-soaked sheets in piles on the floor, broken glass everywhere.

Lennie, 9 years old, fragile, overwhelmingly lucid, wandered around, missing nothing, watching his mother destroy herself. His brother, brain damaged, a hulking 6-year-old child, overweight, stumbling, voiceless, lurched about the rooms. Once, he nearly drowned in a tub filled with filthy water. Twice, Carita set fire to her bed, and twice Lennie called the Fire Department. Agencies came and agencies went. Men with serious intentions appeared, judged what they saw as horrendous and did nothing. One fellow gave her a month to improve her lot, get to Alcoholics Anonymous and straighten up her flat, but I told him she never would be able to do it, and indeed she didn't. I said if Carita wanted to go to hell that was her business; it was our business to save Lennie. But everything was covered with a hushed kind of good manners. ("Carita's privacy must be protected," a good lady told me.) I knew it was going to be impossible to do anything.

It was as if I stood on board a ship and deliberated with the captain if we ought to throw a life jacket to a drowning child before we got his mother's permission. Lennie went on and on in that hell, until finally his mother moved to another apartment worse than the one she left and hauled her children along. Lennie hung on. I picked him up in the mornings to take him to school. His little body and spirit were large enough at that moment to store away the nightmares in some corner of his mind. In a week, though, he began to fly into rages, run away from school, sulk, make up tales, refuse to do class work and weep when I had to return him home. By then, Carita had a new gentleman caller. (One day, Lennie saw a stranger rape his mother.) Lennie spent the hours away from school on the stoop of his apartment house in the midst of one of the worst heroin quarters of the city. Finally, after months of hassling, he was made the ward of a good woman with a house on Staten Island. It took four years to get him there. Carita once said to me, "I love him so, but, Ned, I don't know what to do. Help me, Ned." I could not. No one could.

A few days ago, I discovered that Lennie must now leave his foster home. He will be sent to a therapeutic school in the country. The past has taken its vengeance on him. He is still a vibrant child, but the fabric within him is crumbling. The foster care he received was absurd from the beginning: His father whom he sees twice a year will not free him for adoption. His surrogate will to live has not been heard. Thus, the agencies and schools responsible for him will have to share the burden of Lennie's fate.

I had stood and watched Rachel and Henry for almost two years. Both of their parents were dead. They lived with their grandfather, an ancient gentleman, crippled with arthritis, who sat the day long in his urine-soaked pajamas. Eight-year-old Rachel and 6-year-old Henry grew into the filth as if they were nourished by it. I came as often as I could to get Henry into the light of day, while Rachel went to school. Henry's speech and gait were faulty. (Often, the first faculty that has been stricken in the children we meet in our school is their ability to speak. It is usually diagnosed as a speech defect, but most often I have found it to be simply the result of hearing bad English, listening to nothing but television and being spoken to hardly at all.)

Henry is crippled by a numb resignation. He had never experienced affection, meted out wisely, consistently. He did not know what to do with feeling. He sought life and comfort, and saw nothing but a ruined television set that flashed white, jagged lines across its surface, an oven reeking with old fat, a frying pan with 2-day-old chicken covered with roaches and his grandfather rotting away in his armchair. His world was an open grave. Agencies came, agencies went and nothing ever happened, until last year when Henry and his sister were taken away to a foster home. But what of the years, six of them, when he traveled back and forth along the street chained like a mongrel to his suffering?

Stella is 3 and nearly mute. There is nothing clinically wrong with her. She merely does not know yet how to talk. Her mother stands in the doorway of her apartment like a chained totem. Stella smiles a mute smile when I see her in the morning, jumps up a little and runs toward me. She looks at nothing, recognizes nothing. She has no notion of what to do with toys, blocks, crayons, scissors.

She loves to play with Link, a boy of 3, who, like Stella, has developed over the months, since he has been coming to my liberation camp, from a screaming, weeping mess into a beautiful little boy, stricken but fighting to know his world. Stella, mute; Link, awash with nerves and chaos. Link's mother, like Stella's, is a woman of intense unhappiness. Her life, her children, her flat, all are in a state of rigor mortis. Nothing changes from day to day; her eyes grow duller and duller; she never laughs, and the children take on her morbidity.

I do not doubt that the mothers I write about love their children. Yet it is a love that lacks patience, understanding, science. I love flowers. I do not think any sight in this world delights me more than a crocus. But the intensity of my love does not qualify me to become a curator at the Brooklyn Botanic Garden: I have not one whit of knowledge of how to prevent blight, how to stem a ravaging weed. Nor do I know the difference between a rare tropical plant and poison ivy. I have a brainless love of flowers, as Stella's mother and Link's have a brainless love for their children.

Stella is a victim, as a flower might be, and her future lies in her mother's power over her. It is absolute power.

Nate rules his household with irrespressible violence. His five children are all broken figures, products of their parents' tragic battles that rage day and night. The household reverberates with barrenness; broken furniture, a refrigerator that does not work and a berserk television set. Bennie, at 5, is so dirty that when I lift him onto my shoulders dirt flakes off his wrists and neck. None of the children can yet speak one clear sentence. (Their ages are 1 to 11.) Welfare evicted them from their flat. Now they are living in a hotel downtown until they are moved into a housing project. It will be the same there, one house of torment to another. The dirt will thicken on Bennie's neck and wrists, and in some way it will penetrate his spirit. One day, he will explode, do violence to himself, or to another, and the headlong plunge toward death will be over.

Daniel, now 19, came to my school when it first opened. He was 9 then. A year ago, I saw him in a doorway on 128th Street. I had remembered him as one of the loveliest kids on the block. He had a special kind of hilarity

about him, a clean, direct presence. But when I said hello he looked at me, eyes and body in an embattled, razor-sharp fury. I walked down the street and turned once toward him, and he heaved a Coke bottle at me. I ducked. He missed me by an inch. I've not seen him since.

I seek in my work the power of the surrogate will. Mute Stella, Lennie, Henry, Rachel, Link, Tommy and others I've known would have survived had some law imposed healing in time. (Am I saying these children are lost? I think I am.) The space that lies between a court's or an agency's awareness of a child's agony and the removal of that child from the locus of destruction is often the space in which the final sickness takes over with such intensity that no matter what happens later the game for that child is up.

I think often of Jeremiah, retarded from birth, but alive with that special gift of sagacity often given the stricken child. He lived with his mother for years in utter depravity. He was not fed; he observed every perversity and every form of violence. Dope, liquor, death rocked over him. Agencies came and agencies went—looked, were appalled but did nothing. One morning, he woke up and beside him, on his bed, was a dead junkie. Then, finally, he was borne off by his friends, his belly hard as a rock with malnutrition. Projectile vomiting shook him when he was given a bowl of warm cereal. In his eyes was the fixed stare of the blasted spirit. He is now in a foster home with a mother who loves him. But why did he have to suffer so long?

What can I suggest as solutions to the calamities mentioned here? Is it, first, perhaps a problem of literacy—not merely the ability to read and write but the ability to read one's own *place* in time? The ability to see what is happening around one's family, within the home, in the streets. I must find a way to teach the oppressed man and woman how to decipher the oppressing world so that they can wage war against it.

What I seek is a revolutionary literacy. Might not a massive effort by the state and city to invade the streets with 24-hour centers of healing be a beginning toward this new awareness of life? I think of storefronts where parents could get quick help in problems of nutrition, rashes, earaches, bruises, colds—all those debilitating crises that can, if never seen to, infect a child's growth; libraries and minischools where people could come to read, talk, draw, even watch television, where the oppressed could begin to come into contact with the bounty—not the debris—of the world. I think of all the space that goes to waste in Harlem: the All Saints Church on 129th Street, open for Sunday services, funerals and weddings, but shut tight most of the time; the All Saints school with two unused top floors; brownstones waiting to be rebuilt. I think of the block, how it could be such a force for change. If there were some folk on the block who could organize a kind of court where troubled parents could come and seek help, then perhaps the sense of alienation that Carita feels might burn into a sense of hope. But, in this land, such an act of communal ardor is hard to achieve. In China, where I visited in 1973, it has been achieved, but here in our community where everyone seems to know everyone's business, where not a sparrow which falls or a child who dies goes unrecorded in someone's memory, there is a vast silence, a reticence that allows things to proceed on their deadly course with hardly a sigh to note the carnage.

Would it be possible for the Rockefeller Foundation and the Ford Foundation together to build a community of healing in Harlem, with a staff of doctors, nutritionists, teachers, psychiatrists, ministers (if they were needed), lawyers, judges, scientists who would give their time to discovering ways of creating a revolutionary life? Such a place is not a romantic dream. I would like to offer Carita the choice of joining such a community with Lennie and his brother, and becoming so strong there and so filled with hope that the past and its woulds would be cured, the present would be teeming with joy and the future filled with promise. But such a community of healing must have behind it some clout so that, as I have mentioned before, if Carita refuses to go, it will be made clear to her that Lennie must—or he will be hauled off, now or later, young or old, in a cheap coffin, perfectly dressed, to a grave in an earth that nourished the evils that killed him.

TREATMENT OF HOUSE REPUBLICAN PAGE

Mr. GOLDWATER. Mr. President, well, what do you know—the world finally has learned how the Democrats treat an honest man or even the subject of honesty itself. Yesterday a Republican page in the House of Representatives had the courage to call the recently passed tax relief bill what it was and is and always will be "uncalled for and ineffective." All Daniel McKee did was speak the truth and whammo, he was fired. Mr. President, let that be a lesson to all: When dealing with the new breed Democrats never be honest, never speak your mind, never even think for yourself. It is plain dangerous if you want to continue in an employed status.

Mr. WEICKER. Amen.

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the RECORD an article from today's Washington Star.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAGE BANISHED FOR CRITICIZING CONGRESS—LETTER CALLED TAX REBATE A PRETENSE FOR VOTES

(By Betty James)

A page who criticized Congress in a letter to the editor of The Star was banished from the floor of the House of Representatives after the letter appeared yesterday.

The page, Daniel R. McKee of Lafayette Hill, Pa., criticized Congress for passing the tax rebate even though he got $100 back himself.

Mr. McKee, Republican page overseer for the House, said the rebate was "uncalled for and ineffective" and a "very good example of congressional action which was taken solely on the pretenses of getting votes and appealing to the people, rather than acting on a proposal that would get the country out of this economic standstill."

The letter was illustrated with a picture of McKee, 18, in front of the Capitol.

According to reliable reports, the chairman of the Democratic Patronage Committee, Rep. Thomas E. Morgan of Pennsylvania, who has jurisdiction over pages of both parties, became furious when he read the letter and wanted to fire McKee until he realized McKee would be leaving next week anyway. McKee graduates on Monday from the Capitol Page School.

McKee's sponsor, Rep. Lawrence Coughlin, R-Pa., strongly protested McKee's being barred from the floor and will take the case to the House floor today if McKee is barred again or any other retaliatory action is taken.

Mitchell A. Rosenfeld, Coughlin's administrative assistant, said Morgan assured Coughlin that McKee would stay on the payroll and graduate from the page school but gave no assurances regarding his future access to the House floor.

Coughlin believes that "a page doesn't give up his constitutional rights when he comes to Washington," the aide said.

David Smith, legislative assistant to Morgan, denied that Morgan was angry about the letter to the editor and said the congressman was "surprised that anyone would think he is so petty."

Smith said Morgan wasn't the ones who ordered that McKee be barred from the floor and didn't have any objection to McKee's being on the floor today.

McKee said Jack Russ, the chief Democratic page, asked him to stay off the floor yesterday. Russ replied to press inquiries with "no comment."

McKee said he was out in the morning and "came back to all these rumors that I was going to be fired and not be able to graduate."

McKee's letter reportedly angered some legislators on both sides of the aisle, but he isn't sorry he wrote it.

Why did he write a letter that was bound to ruffle congressional feathers?

"I was sort of upset that I got so much back," he said of the tax rebate.

In his letter, McKee wrote, "For the past nine months I have had the distinct honor of serving as a page in the House of Representatives. I have had the opportunity to see our Congress in action—or not in action, depending on how one looks at it. I was just wondering if our national leaders would like more than the $19 that I paid in income taxes from my earnings of last year."

McKee went on to say that he worked from Sept. 11 to the end of 1974 in the House and during that 3½-month period the federal government withheld $519 from his total earnings.

"My tax refund amounted to $400. This ordinarily would have meant that I paid $119 in federal income tax," he wrote.

"But what does the Congress do? They ram through an uncalled-for and ineffective rebate program that provided me with a $100 check.

"I would like to pose a question. How can our government, that would already have been operating at a deficit of over $40 billion, afford to have a rebate program that will up that figure by $22 billion, and allow me to pay only $19 in federal income tax?"

"This is a very good example of congressional action which was taken solely on the pretenses of getting votes and appealing to the people, rather than acting on a proposal that would get the country out of this economic standstill."

WATER POLLUTION CONTROL

Mr. MUSKIE. Mr. President, in 1972, the Congress comprehensively revised Federal water pollution control policy. The 1972 Clean Water Act established a minimum and uniform regulatory regime for the control of the discharge of effluents into the navigable waters of the United States.

Prior to the enactment of the 1972 amendments, Federal responsibility for water pollution control was limited to approval of State water quality standards and associated implementation plans for interstate streams. Interstate streams were defined administratively to include only a small portion of the Nation's surface waters. Few sources of pollution were actually subject to Federal abatement action. The result was an inadequate unsystematic water pollution program which was in no way responsive to the Nation's demand for clean water.

The only significant enforcement tool available to the Environmental Protection Agency was the little-known 1899 Refuse Act which barred the discharge of material into the Nation's navigable streams without a permit. The decision to use that statute, combined with the recognition of the inadequacy of the water quality standards approach to pollution control led the Congress to revise the basic national water pollution law.

The 1972 law prohibits any discharge into the Nations' navigable waters without a permit from the Environmental Protection Agency. The Environmental Protection Agency was given the authority to regulate all discharges into navigable waters except for the discharge of dredge or fill material which is regulated by the Secretary of the Army. Also, in 1972, the Congress broadened the traditional definition of navigable waters in recognition of the fact that pollutants migrated into the Nation's waters through water courses, swamps, creeks, and underground sources, many of which simply were not "navigable" in the traditional sense but the pollution impact was sufficient to merit regulation.

Thus, the term navigable waters was defined to mean "waters of the United States including the territorial seas." The Senate report on the 1972 act noted that—

> Water moves in hydrologic cycles . . . and therefore, reference to the control requirements must be made to the navigable waters, portions thereof, and their tributaries.

To complete the history on this issue, the 1972 act defines discharge of pollutant as "any addition of any pollutant to navigable waters to a point source"; and goes on the define point source as "any discernable, confined and discrete conveyance, including but not limited to any pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation, or vessel or other floating craft, from which pollutants are or may be discharged."

Thus, any discharge of any pollutant is subject to Federal regulation, if such discharge is from a point source into a navigable water, either by the Environmental Protection Agency—or a State—or the Corps of Engineers. The law did not authorize regulation of pollutants which migrate to the navigable waters from nonpoint sources. Pollutants which run from farmers fields, overflow from farmers stock ponds or otherwise enter the navigable waters from nonpoint sources are subject to State regulation and State regulation only.

Mr. President, I cite this extensive legislative history because of a controversy which has been provoked by a distorted and mischievous announcement of regulatory action by the U.S. Army Corps of Engineers relative to its responsibility to regulate the discharge of dredge or fill material into the navigable waters. The Corps, in what appears to be a deliberate attempt to distort Federal water pollution policy for purposes which I do not understand, publicly announced that a court decision which upheld the intent of Congress as regards the meaning of navigable waters would have the effect of placing thousands of farmers in violation of Federal law. Nothing could be further from the truth and the Corps knows it.

The Administrator of the Environmental Protection Agency, Russell Train, has castigated the Corps for what he describes as a "seriously inaccurate and misleading press release." I ask unanimous consent that Administrator Train's letter, as well as a Washington Post editorial be inserted in the RECORD at the end of my remarks. I also ask unanimous consent that a letter from me to Secretary of the Army Howard Callaway be printed in the RECORD as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. Mr. President, I have called on the Secretary of the Army to publicly retract the press release which has already caused so much concern and confusion regarding this important issue. I have asked that the Secretary's announcement of retraction be circulated to the media and placed in the Federal Register and I have asked the Secretary to investigate carefully to determine how and why this unfortunate event came to pass.

I only hope that this matter can now be ended and we can get on with the job of regulating the discharge of dredge or fill materials in such a manner as to protect both the Nation's wetlands and the quality of all of the Nation's waters.

EXHIBIT 1

WASHINGTON, D.C.,
May 16, 1975.

Lt. Gen. WILLIAM C. GRIBBLE, JR.,
Chief of Engineers,
Washington, D.C.

DEAR GENERAL GRIBBLE: It is becoming increasing apparent that the recently proposed regulations and guidelines published by the Corps of Engineers and EPA governing the implementation of section 404 of the Federal Water Pollution Control Act are being misunderstood by the public and by Congress. Most of this confusion and misunderstanding is directly attributable to the seriously inaccurate and misleading press release issued by the Corps at the time the regulations were published because of the extreme importance of section 404 as the primary mechanism to protect America's valuable wetland resources, I consider it imperative that the Corps of Engineers take steps to remedy these impressions.

We are particularly concerned that the false impression that farmers must obtain permits whenever they plow a field be corrected. Since this was clearly not contemplated by either the Corps or EPA and is not required by the statute, we fail to understand how such a statement could appear in this press release. As you are well aware, the primary concern of section 404 is to address situations where dredged or fill material is discharged into wetland areas. By no stretch of the imagination can the simple act of plowing be considered to fall within that category.

The Corps has also stated to the public that "millions of people may be presently violating the law." Obviously, there are some discharges of dredged or fill material presently occurring which are not regulated due to the Corps' present restrictive definition. Such discharges should and would be regulated under a broader approach. To say, however, that this number approaches millions is totally without basis.

The illustrations contained in the press release have led to EPA receiving numerous inquires about the types of activities covered by the program. The confusion about its applicability is apparent. For example, it has been suggested that section 404 applies to any area where there is a body of water which has the potential of flooding and that a rice farmer is violating the law if he puts any acreage into cultivation without a permit. Clearly this is not true. While there may be some rice growing operations which are located in wetland areas and which may involve the discharge of fill material for the building of dikes, it is unreasonable to assume that all rice operations fall within this category. Merely because an agricultural operation involves water does not mean that it is subject to section 404. As we indicated in our example to our guidelines, we believe that regulations can be developed which will provide effective administration of a permit program within the broader definition of "navigable waters", without involving the extreme and unwarranted extensions of federal jurisdiction mentioned in your letter.

Both EPA and the Corps have issued policy statements recognizing the need to protect wetland areas. It would be unfortunate indeed if, on the basis of these recent misconceptions, legislative changes were made to return the statutory definition of jurisdiction to traditional concepts of navigability. Such a change would leave vast areas of valuable wetlands without the protection of this regulatory mechanism and possibly subject them to uncontrolled development.

I strongly urge the Corps of Engineers to work with us in the development of our section 404 program within the spirit of the Federal Water Pollution Control Act and to take immediate action to correct the misunderstandings which your department's public statements have created.

Sincerely yours,

RUSSELL E. TRAIN.

WETLANDS AND THE CORPS OF ENGINEERS

Over the years, the Army Corps of Engineers has earned a reputation for its often high-handed disregard of the environment. From time to time, one citizens' group or another would try to stop the Corps when a given project was blatantly ill-conceived, but usually these groups were plowed under as easily as a tree stump by a Corps bulldozer. But then an awareness of the nation's fragile ecology began to spread, and the Corps was forced to adopt a measure of responsibility. It did so—however reluctantly. An indication of just how deep that reluctance has been is seen in a current campaign of the Corps in response to a court order for the engineers to expand their responsibilities under the Federal Water Pollution Act.

Following the March decision of a U.S. District Court judge in Washington—a decision intended to enlist the Corps to prevent developers and builders from destroying ecologically useful wetlands—the Corps responded by announcing that "federal permits may be required by the rancher who wants to enlarge his stock pond, or the farmer who wants to deepen an irrigation ditch or plow a field, or the mountaineer who wants to protect his land against steam erosion." Such a tactic—rousing farmers and others to think they may need the government's permission to plow a field, dig a ditch or whatever—may have been useful to the Corps in rallying the support of those who think they see a federal big brother behind every tree. Others, with better vision, immediately saw what the Corps was doing. Russell E. Train, director of the Environmental Protection Agency, said in a letter to the Corps that "confusion and misunderstanding" were spreading because of the "seriously inaccurate and misleading" presentation the Corps made following the court order.

A week before Mr. Train's letter, which asked the Corps to end its misleading cam-

paign, a number of environmental groups—including the Natural Resources Defense Council, one of the winning plaintiffs in the original suit, issued a statement alleging that "with the outrageous threat that they are going to strictly police the plowing of fields and construction of farm ponds across the nation, Corps officials are attempting to incite a uniformed backlash from citizens to help the Corps escape the environmental responsibilities Congress has given it.

It is doubtful that many farmers, ranchers or mountaineers are being persuaded by the Corps' presentation. More likely, they would prefer, that the engineers get on with the work that the courts, EPA and Congress are asking them to do, and which the Corps knows how to do well. According to the National Wildlife Federation, America has already lost 40 per cent—45 million acres—of its wetland resources. An effort is being made to hold the line at that figure. But unless the Corps of Engineers chooses to make a positive contribution, the destruction will go on. If there is any difference this time, it is that the courts, EPA and environmental groups will be watching closely to see that the Corps is held accountable.

JUNE 5, 1975.

Hon. HOWARD H. CALLAWAY,
Secretary of the Army,
The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: I am deeply concerned by the recent press release of the Corps of Engineers regarding options for the regulation of the discharge of dredge or fill materials into the nation's navigable waters. This press statement is mischievous and distorts an important issue. It demands public retraction.

I would hope you will announce such a retraction in the same manner and with the same vigor which obviously accompanied the original release. Also, I would hope you would investigate the source of the release to determine why it came about in the first place so that any necessary remedial action can be taken.

I am enclosing a copy of the statement which I made on this issue on the floor of the Senate today. I hope that you share my sense of urgency in responding to this issue.

Sincerely,

EDMUND S. MUSKIE,
Chairman, Subcommittee on Environmental Pollution.

AUTOMOBILE EMISSION STANDARDS

Mr. TUNNEY. Mr. President, in today's New York Times, an article appears on a study done by the National Academy of Sciences' National Research Council on the Environmental Protection Agency's proposal to relax automobile emission standards. I request unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RESEARCHERS BACK STRICT RULES ON ACID EXHAUSTS FOR 1978 CARS

(By Harold M. Schmeck, Jr.)

WASHINGTON, June 4.—There is no need for delay beyond 1978 in applying strict standards for automobile exhaust emissions, a report from a special committee of the National Research Council said today.

The delays had been sought by the auto industry and, earlier this year, by the Environmental Protection Agency. The agency then said that newly recognized problems with sulphuric acid emissions from catalyst-equipped cars warranted a delay of several years.

The report made public today said that a strict standard for sulphuric acid emissions could and should be set for 1978 model cars and that the existing Federal statutory standards for hydrocarbons and carbon monoxide gas for 1978 should go into effect as scheduled.

Attaining the statutory levels for hydrocarbons and carbon monoxide is both feasible and worthwhile, said the report.

"These levels can be achieved while steps are taken to insure against excessive emissions of sulfuric acid and acid sulfates," it said.

FUEL ECONOMY

The council's report said that these and other recommendations it had made could be achieved while improving automobile fuel economy. The report said that there was no evidence to justify relaxing standards for the federally regulated pollutants.

The report was less emphatic concerning another class of auto emission pollutants—the oxides of nitrogen. It said the members of the committee that had drafted the report had not all agreed as to whether the benefits of achieving the 1978 standards for nitrogen oxides were worth the cost.

In its recommendations the committee said that adherence to the statutory 1978 standards would discourage the development of new and better technologies that could be available only for limited production for the 1978 model year.

If the nitrogen oxide standard is kept, the report said, a "two-car strategy" should be adopted nationally. This would require that vehicles registered and used in areas that have severe pollution problems meet stricter standards than cars used in areas where the air is cleaner.

The report also called for study of the health effects of other, currently unregulated, pollutants from motor vehicles. The document said there was a need to develop emission standards and more effective controls for pollution sources, other than light-duty autos, that emit hydrocarbons, carbon monoxide and sulphuric acid.

AREAS OF CONCERN

"Of particular concern," it said, "are exhaust emissions from heavy-duty vehicles and motorcycles, evaporative emissions from vehicles and emissions from various stationary sources."

An E.P.A. spokesman said today that the agency welcomed the new information provided by the report and was willing to take a flexible attitude toward emission standards in the light of data and analyses that are becoming available.

A spokesman for Chrysler Motors Corporation said that the company had not seen the report, but that the standards proposed "would cause a significant fuel economy penalty and would put the national goal of a 40 to 50 per cent improvement in fuel economy by 1980 far beyond our reach."

DECLINE TO COMMENT

The Ford and General Motors auto corporations declined to comment, saying they had not yet studied the new report.

Hearings have been held this spring in the Senate on auto emission standards. A House subcommittee, which has also held hearings, is marking up a bill. Its chairman, Representative Paul Rogers, Democrat of Florida, predicted that the committee would finish its work in about two weeks. He said that the research council's report was encouraging in that it said the strict standards could and should be met.

The National Research Council is the operating arm of the National Academy of Science and the National Academy of Engineering, private organizations of leading scientists and engineers chartered to advise the Federal Government.

The Federal emission standards scheduled to go into effect in 1978 would require cars of that model year to emit less than one-third the amount of hydrocarbons permitted for 1975–76 model cars. The cut in emissions would be even greater for carbon monoxide.

For nitrogen oxides the 1978 limit would be about two thirds of the current permissible level. In California, emission limits have been more strict than the Federal standards both for current models and 1978 cars.

NATIONAL REMODELERS ASSOCIATION'S EFFORTS IN WASHINGTON

Mr. TAFT. Mr. President, I was pleased to learn that the National Remodelers Association and its legislative arm, ETHIC, will have representatives on the scene in Washington to work with Congress and the governmental agencies. I believe that the remodelers have important concerns for the Government to consider, that these concerns are often in the national interest as well as the interest of the industry, and that past legislation and Government action sometimes have suffered because the remodelers' voice has not been heard sufficiently.

Since coming to the Senate, and particularly in the 3 years I was a member of the Housing and Urban Affairs Subcommittee, I have argued at length that the Government has not been devoting sufficient attention and resources to the preservation and improvement of the existing housing stock. The high cost of new housing construction, urban land scarcities in many areas, and environmental and energy concerns all mitigate against the virtually total concentration on new production which has characterized our past Government housing policies. On the other hand, the preservation of our existing housing has needed esthetic benefits for declining areas, benefits to elderly citizens and others who would like to stay in the neighborhoods they have lived in for years, and economic benefits. Those benefits include the prolonging of an investment Americans have already made and in some cases, staving off the need for more massive urban renewal-type Government expenditures.

Although some of the legislation of this type which I proposed became law in the Housing and Community Development Act of 1974, many of the proposals have not become law. For example, my proposals to beef up both the section 312 subsidized housing rehabilitation loan program and the Federal Government's home improvement loan insurance programs have been watered down considerably in some instances and deleted from final legislation in others.

I would not try to attribute these results to one particular reason. However, while a member of the subcommittee, I could not help noticing that the interests of the housing production-oriented industry groups, such as the homebuilders and to a large extent the financial institutions, were extremely well articulated, while the interests of groups interested in housing preservation and home improvements were not. This was important and detrimental to the housing preservation cause, both from a political standpoint and because Congress staff experts had no good place they could readily turn for comprehensive information concerning the problems of housing improvement approaches and the likely effects of relevant legislation. I hope that the National Remodelers Association will be able to contribute to a change in that situation.

JOBS NOT VETOES

Mr. MOSS. Mr. President, the failure to override the President's veto of the emergency employment appropriations bill will prove catastrophic for millions of Americans. There are over 8 million workers now counted as unemployed. Another million are not counted because they have stopped looking for work out of despair and disappointment. The human suffering caused by this widespread unemployment is impossible to calculate. Yet President Ford saw fit to veto an emergency jobs bill that would have put about a million people back to work.

In a serious recession the responsibility of the Government goes further than merely providing unemployment insurance. The overriding responsibility of the Government should be to adopt policies that will revitalize the economy and put people back to work. That is exactly what the emergency employment appropriation would have done. This $5.3 billion bill was a unique blend of two approaches to the unemployment problem. First, the funding of programs such as public service jobs in which funds are used directly for the creation of jobs. Second, the funding of accelerated Federal construction, building, and purchase programs where funds would have been used to create jobs indirectly through construction contracts. This bill would have provided: Summer jobs for youths, jobs for older Americans, work-study grants for college students, jobs for youth in the Youth Conservation Corps, an increase in rural water and sewer grants, the improvement and modernization of existing veterans hospitals, reforestation and timber stand improvement, expansion and upgrading of facilities in national parks, increased assistance to small businesses, accelerated construction for public service facilities, and major repairs and renovations of existing Federal buildings. This employment bill was designed to provide productive employment opportunities for the unemployed, not make-work projects.

Many people in the State of Utah will suffer because of the President's veto of this bill. Although Utah's unemployment rate is still below the national average, unemployment appears to be gaining momentum. In the last year Utah's unemployment levels in the construction industry increased by 64 percent, in the manufacturing industry it increased by 72 percent and in the mining industry the unemployment level is up 500 percent over what it was a year ago. The State unemployment rate stands at 7.9 percent, the highest rate since 1941. What this means in the way of human frustration and suffering is made clear in a recent letter from a constituent:

> I have three sons who can't get jobs and they can't draw unemployment and they can't get any help from the State so they live from one house to another to eat. How long must this go on? They can't pay their rent. Where do we buy things when we can't even get a job and our landlord is wanting rent we don't have? Please think about this and see if you can't help us find jobs. We need work. We need to eat.

Mr. President, this is the suffering that lies below the unemployment statistics, and we must respond with jobs not with vetoes.

BUSINESS-FIXED INVESTMENT REVISED DOWNWARD; WHOLESALE PRICE INDEX SLOWS

Mr. HUMPHREY. Mr. President, the outlook for business capital spending is bleaker than ever, according to the official Government figures released today. On the other hand, the Department of Labor has just reported that inflationary forces seem to be abating somewhat, as measured by the latest Wholesale Price Index.

Dollars expended on new capital projects are now expected to be only 1.6 percent higher than they were in 1974, less than half the rise expected by businessmen earlier in the year. Even that earlier estimate involved a sharp cutback of over 8 percent in real spending on fixed capital in 1975. The newest survey suggests an even greater decline—about 10 percent.

Just yesterday, in testimony before the Joint Economic Committee, Secretary of the Treasury William Simon told us that we were in the process of turning the corner on the sharpest recession of the postwar period. Apparently he was not aware of the new capital spending plans of business as reported by the Commerce Department today. This information is certainly a bad sign for those looking toward a rapid recovery triggered by business expansion.

I also note from the new Commerce Department figures that the downward revision of business capital spending plans occurs mostly in the second half of this year, just the time the Treasury Secretary told us the economic recovery is to get strongly underway. And the downward revision occurred not only in manufacturing businesses but among nonmanufacturing firms as well.

All the experts who have examined this disastrous recession agree that a return of confidence is essential to a healthy recovery of the economy. But these most recent data suggest to me that businessmen are becoming even less confident, not more so.

Once more I reiterate that a recovery of confidence will come only when this administration adopts sufficiently stimulative economic policies—not the timid, half-hearted policies of those who are now advising the President.

The "crowding out" of private capital investment—if such there be—can now be seen as the result of inadequate policies now being implemented in the executive branch and at the Federal Reserve Board, and not the consequence of too large a volume of borrowing in the money market to accommodate Federal borrowing needs.

I am encouraged that the pace of inflation has slowed down. Compared to the annual rates of increase in excess of 30 percent last fall, the roughly 5 percent annual increase in wholesale prices is a tremendous improvement. Particularly encouraging on the price front is the general stability we have seen in industrial commodity prices in the last 3 months.

All signs point to the conclusion that the country is well on its way to controlling inflation. We should now get busy ending the worst economic slump since the depression by creating jobs.

This country cannot economically, socially, or morally afford to have 9 percent of its labor force unemployed. I cannot accept the Ford administration's lack of concern and compassion for the people who have no jobs.

AMERICAN ARTS AND HANDCRAFTS

Mr. MATHIAS. Mr. President, this spring has witnessed an abundance of crafts fairs throughout the Nation, and especially in the Washington area. The Frederick County Fairgrounds will be the scene of a crafts festival tomorrow through Sunday and has drawn national participation from arts and crafts workers. Aside from the valuable economic benefits derived from these fairs for the craftspersons themselves, these fairs display the wide variety of talent America possesses in this field. The Baltimore Sun this morning talks about a prize-winning decoy maker, Art Hutchins of Glen Burnie, Md., and the history of his involvement in wood carving. The Washington Star of May 17 reported another important component of the crafts scene. It highlights the work of Mrs. Joan Farrell who seeks out, promotes, and markets the works of authentic American craftspersons.

Last year I introduced an American handcrafts bill which would make certain that the tradition of arts and crafts production continues through the establishment of an Office of American Arts and Handcrafts. Such an office would provide displays of American arts and crafts, and provide marketing guidance to the thousands of craftspersons throughout America who would like to enter the commercial markets. I shall soon reintroduce this legislation and I ask unanimous consent that the above-mentioned articles, which address this subject, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, June 5, 1975]

ART HUTCHINS—A CARVER OF DECOYS

(By Lefty Kreh)

It was natural for Art (Hutch) Hutchins, of Glen Burnie, to become a fine carver of waterfowl decoys.

Just a year ago, Hutch and his family visited Chincoteague and he became fascinated with the handcarved decoys he saw on display.

He came home to try his hand at it, and a year later he has won several coveted awards and is well on his way to establishing himself as a fine carver in a field already crowded with aspiring artists.

What helped Hutch make the grade in such a short time was his long track record in woodworking.

UMI

"I always wanted to be a woodworker, and I started in the business when I was 12 in Pennsylvania, sweeping floors for a year without pay, just to be near the work," Hutch explained.

"The next year I was allowed to do a little work and got 10 cents an hour for it. I moved to Maryland after I married my wife, Sophie, and went to work for the railroad in their woodworking shop.

"Later, I worked for the Baird Seating Company, which specializes in making furniture for churches. I built many a pulpit for local churches.

"The [*Sunpapers*] wrote a story in 1962 about how I restored a mahogany pulpit originally used by Francis Asbury at the Mount Vernon Methodist Church. It's still in use today," he said modestly.

Such a background made woodcarving a natural and easy thing to turn to.

For many who carve waterfowl decoys, the highlight of their career is to display at the annual Salisbury Waterfowl Show. Hutch was invited to show his work.

That his efforts are of high quality was proven when he won the second-place prize for Decorative Species, a real plum for anyone interested in the art.

He displayed five carvings at the St. Marys County Fair last year, and won four awards for his pieces. He has won other awards, too.

Hutch is a quiet, gentle man, one who does not shout about his accomplishments. His present occupation is to build Danish furniture for a contractor outfitting Chase Manhattan Bank in New York. Much of the lovely furniture in his home is self-made.

He constructs most of his decoys from pine blocks. He cuts the head and body separately with a bandsaw, occasionally using a draw knife to help shape them. From this point he employs only a single woodcarver's knife to finish the decoys, although in some cases he will use a small burning tool to get feather detail.

Formerly, his daughter, Kathy Esposito, spent hours painting his decoys, but Hutch does everything now.

There is no question that Hutch improves with each carving. His earliest models, when compared to his present work, are crude. Yet, the instincts and skills of a superb cabinetmaker show through all his efforts.

This artistic man will certainly carve decoys in the years to come that will be treasured by those fortunate enough to own them.

[From the Washington Star, May 17, 1975]

CRAFT FAIR AS A STIMULANT TO GETTING INVOLVED

(By Mary Vaughan)

What's a fantastic family fun thing to do? It's go to a big, free crafts fair, get involved, take the kids, spend the day, peep over shoulders and ask how it's done. The pleasures of watching craftsmen and women at work, searching for a challenging hobby of your own, are countless.

"It's good for the craftsmen, it's good for the Mall, it's good for the people and the community," says Appalachiana shop owner Joan Farrell, who has joined with the Tennessee Arts Commission to present a huge crafts fair May 30–31 and June 1, at Bethesda's newest Georgetown Square shopping Mall.

From 50 to 60 craftsmen and women—mountain, rural and studio professionals—will come up from Tennessee to set up booths along the Mall's charming covered walkways and spill over into the Appalachiana and adjoining Recollections shops. Mrs. Farrell's honing the fair will snowball into an annual event.

Skilled doers will bring their pottery, weaving, ladder back chairs, swings, cornshuck dolls and flowers, split oak baskets, leather goods, patchwork, bells, candles, and jewelry. One worker will bring his chain-saw and demonstrate carving birds with it. Another will demonstrate making hunting and carving knives. Tennessee's historic, Readyville Mills will send a vast array of stoneground products: yellow and white cornmeal; white, whole wheat, soy, rye and buckwheat flour.

The role of the mall in the community long has disturbed Mrs. Farrell both as a businesswoman and as a parent. "I'm absolutely appalled when I realize the Mall, in fact, has replaced the old-time community center as a place for people to go, a place for kids to gather and so on. There's no organized activity.

"I really feel that what we have to do is work towards stimulation of important events going on here. What I'm hoping will come out of this fair is the establishment of an annual cultural art and craft event in Bethesda," she says. "As long as the Mall already is a gathering point, then the Mall should be able to return to the community what we take out of it in business. We should have interesting things happening here while de-emphasizing our involvement in it."

Mrs. Farrell has the unlimited support of the Mall's owner in her venture and the active backing of many of the other shop occupants, although some don't share her enthusiasm for the fair. The dissenters claim it will inconvenience regular customers in parking and getting through the crowds.

K & B Twin Theater's Paul Kershner backs the craft fair 100 percent. He's turning over one of his theaters for free documentary films related to Tennessee crafts and supplied by the Tennessee Arts Commission. They'll be shown continuously during the entire three days. The documentaries include a dulcimer maker, a sled maker, gandy dancers, a religious sect "They Shall Take Up Serpents," and many more selected by the Tennessee State Museum. In Kershner's other theater it will be business as usual, booking, "W W & the Dixie Dance Kings," starring Burt Reynolds and filmed in Nashville.

"We'll be open all the hours the fair goes on," says Kershner, "providing free use of our rest rooms and adding to our food concessions—cotton candy, hot dogs, and the old standbys candy, popcorn and softdrinks."

The Bethesda Chevy Chase Rescue Squad will set up on the parking lot providing a food concession while spillover parking can go to either of two high schools directly behind the Georgetown Square Mall, which is located at the corner of Old Georgetown Road and Democracy Boulevard.

Fair dates are Friday, May 30, noon to 9 p.m.; Saturday, May 31, 10 a.m. to 9 p.m., and Sunday, June 1, 10 a.m. to 6 p.m.

Crafts fair catalyst Joan Farrell started out as a producer of children's theater in New York. Traveling with her aviation lawyer husband in the South, she began to observe the many native craftsmen in regions she visited. An idea was formed and when the family moved to Washington she opened her first Appalachiana as an outlet for mountain artists patchwork from West Virginia. Now she obtains crafts from more than a dozen states from New Hampshire to Florida and west to Illinois. In five years she has expanded over and over concentrating now on general arts and crafts.

"We've doubled our size every year and recently opened a shop in Easton. I just promised my husband we won't expand any more."

THE RETIREMENT OF PROF. WARD MORTON

Mr. BUMPERS. Mr. President, it has been my good fortune for many years to be a friend of Prof. Ward M. Morton, a member of the political science department of Southern Illinois University at Carbondale, Ill., and a college professor for almost 50 years. I have greatly benefited from Professor Morton's instruction, advice, and counsel and believe that he exemplifies the best in the American academic world.

At Professor Morton's recent retirement banquet, he delivered himself of a speech containing a penetrating critique of bureaucratic puffery, a quality found in the academic world, but not, unfortunately, there alone.

Professor Morton's remarks were wise and amusing, and I, therefore, am taking the liberty of sharing them with other Senators and with the public. I ask unanimous consent that a copy of Professor Morton's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF PROF. WARD MORTON

It so happens that I have a few extemporaneous remarks I would like to make.

Because of a strong sense of obligation and gratitude to my many fine friends and associates, those assembled here tonight as well as those who could not attend, and particularly my colleagues in the Department of Political Science, I feel constrained to make the following generous bequest.

I do will and bequeath to said Department all the minutes, proceedings, and reports of all the committees on which I served: those wonderful bodies which keep minutes and waste hours. This includes all the numerous committee reports that I wrote or shared in writing which doubtless are to be found somewhere in the various files or wastebaskets of deans, vice presidents, coordinators and other assorted administrators too numerous to mention. These statesmanlike reports, comprising in all several large volumes, form an inexhaustible treasury of wit and wisdom touching upon all the problems of scholarly and academic life.

Also I do will and bequeath to my esteemed colleagues the various course prospectuses, course justifications, outlines, and bibliographies which I prepared for courses which the Department never secured permission to offer. To this may be added all the biennial budget projections to which I contributed, intended to justify the expenditure of money for urgent departmental needs that various administrators had already decided to spend on projects of their own In addition I include all the five and ten year plans, demanding hours of effort to forecast and justify programs never realized nor ever put into operation.

As a bonus I include all the innumerable questionnaires, statistical reports and job analyses which require faculty members to segment themselves into fantastic and illusory percentages for reporting primary, secondary, tertiary, etc., . . . duties and functions until the distracted faculty members are disposed to regard themselves as schizophrenic sextuplets. Nor should I omit all the innumerable research and project reports obviously designed by people who never did any research. All of these reports by now must amount to several hundreds of pages—at least five pages of reports, questionnaires, and statistical forms for every page of research completed—which seem designed primarily to bolster some administrator's paper empire.

Likewise I do will and bequeath to the Department all those hundreds of pages of discarded notes about subjects no longer relevant, not to mention whole courses wiped out by wars and revolutions. In addition I do will and bequeath to my colleagues all the endless number of curricula vitae remitted on demand to various offices so that by now

every office on the campus must have stored up at least a dozen copies. Here special mention must be made of the new "cradle-to-retirement" curriculum vitae prepared on a 24-hour deadline which simply repeat materials already in the administrator's files. All my numerous letters to various administrators explaining projects long since abandoned or protesting issues long since forgotten are here included. Nor should be forgotten all those materials sent up through channels—"that bourne from which no traveller e'er returns"—to which no reply was ever received.

In fact, it can now confidentially be revealed that as part of the new super-efficiency program all administrators are to be provided with paper shredders so that they can shred all faculty reports, forms, and questionnaires faster than faculty members can possibly fill them out.

By this means the reporting process can be indefinitely speeded up. Since it appears that we have now accepted the industrial "adversary model" for faculty-administration relations, I also will and bequeath to the Department my prize proposal to deal with this problem. All Deans and administrators should have weekly conferences with each other and each, to keep his files appropriately stuffed, should have six copies of these proceedings to study and report on to the next meeting of Deans and administrators. This is designed to keep administrators busy and happy and leave the faculty free for the more than full-time job of scholarship and teaching.

To my esteemed colleagues I will and bequeath all those curriculum designs and degree requirement programs, painstakingly worked out in committee and staff meetings, purporting to produce that mythical creature—even more mythical than the unicorn—a political scientist "well-grounded in every phase of the discipline." To the students I will and bequeath the irrepressible suspicion that this often means that the pet courses of particular faculty members should become required courses. Included in this part of my bequest are all those wonderful staff meetings which all too often make incomprehensible that which was clear enough at the outset. Nor should I fail to make special mention of all those lengthy and confusing speeches which always seem to begin: "I intend to make my remarks brief and clear . . ."

I do will and bequeath to all concerned the remembrance of those "bad old days" when lack of constant and inquisitorial reporting and absence of voluminous computer printouts made university life thoroughly inefficient, pleasant, and rewarding with room for creative learning and an expanding horizon of interests; when one could aspire to become a scholar instead of another expert. My bequest also extends to the "good new efficient days" and includes all those numerous pompous, lengthy, and incomprehensible memoranda, bulletins, and statements to the press issued by various vice presidents and other administrators. These bulletins, supposedly announcing important administrative policy, seem, all too often, to be issued for the purpose of concealing the fact that the administrator has nothing to say.

At other times these bulletins seem to have some sort of meaning hidden behind a barrage of high-sounding phrases. For those aspiring young administrators who feel that optimal, organizational, operational meaninglessness has already been achieved and that there is nothing left for them to aspire to, I will and bequeath the *Time Magazine*, "Baffle-Gab Thesaurus." This is a real breakthrough in administrational, methodological, conceptualization which will enable them to go right to the top of their chosen profession.

In order that my bequest not omit any important items I include all these inspiring meetings with various administrators, called for the ostensible purpose of getting "input" from the peasants, which invariably seem to result in an administrative monologue. These meetings seem always destined to end with the demand that lengthy, confusing, and useless forms and reports be turned in immediately. As a bonus I include here all those lengthy and confusing computer print-outs purporting to condense the answers to numerous, ill-considered and unnecessary questionnaires, course profile samples, student course ratings, student preferences and the like. Nor should my bequest omit all those items of equipment—fans, air conditioners, desk lamps, typewriters, and the like—which are declared to be non-existent when needed by the faculty, but miraculously appear in ample supply when needed by administrators for their own purposes.

To my friends from the Library I will and bequeath all those stacks and stacks of discarded book-order cards which we filled out in the good old days when book money came from funds left over from other projects. With the hope that these funds would be larger than they were we always filled out at least twice as many cards as were ever needed. Also I include all those bales and bales of used-book catalogues, with desirable items carefully marked, which have had to be discarded because of lack of funds for out of print books.

To the students in the Department of Political Science I will and bequeath all those stacks and bales of corrected examinations and term papers which I struggled through during my many years at SIU. To the students likewise I will and bequeath the volumes and volumes of painstakingly corrected rough drafts of theses and dissertations. I bequeath to them also all those thousands of letters of recommendation for forgotten students for jobs they never got. To the graduating students I will and bequeath the right to go out and educate themselves once they emerge from the maze of degree requirements and other academic impediments. "Rotten with learning, frozen with science," as the great French art critic Elie Faure put it, they will emerge like pupae from a chrysalis to try their wings in a real world of ever-changing essences. As Mommsen, the great German historian, said in his inaugural address as Rector of the University of Berlin: "The historian . . . cannot be educated; he has to educate himself."

In order to understand the last and most valuable item in my bequest it is necessary to tell a story. Once upon a time a young man who was drafted into the Army found himself very unhappy with military life. He set his mind to the consideration of various plans to get out of the Army. Finally, after he had been assigned the job of company messenger boy, he hit upon a scheme which held out some hope of success. He dreamed up an imaginary motorbike on which to deliver messages and run errands. Everywhere he went he rode his imaginary motorbike, chug chugging along in a most realistic way. He would stop in front of each barracks, put down the imaginary kick-stand, turn off the imaginary engine, deliver the mail, come out, start up the imaginary engine again and go put-putting off to his next stop.

After several weeks of riding his imaginary motorbike people began to take notice and to comment on his performance. Finally, he was called before a medical board and after a hearing was separated from the service. When he left the hearing he rode his imaginary motorbike back to his quarters and parked it in front of the barracks. He went in, gathered up his things, but after bidding goodbye to his buddies he turned and walked away, a "free civilian" once more. Some of his friends called his attention to the fact that he was forgetting his imaginary motorbike. He replied he would not need it any more. "But," he said, "it's a perfectly good motorbike and if any of you guys would like to use it, you're welcome to it."

Well, it can now be revealed that I have ridden an imaginary motorbike which has kept me chugging along happily through nearly 50 years of teaching. In fact, as a Junior in college, I began teaching Freshmen in an introductory course in American Government in 1927. This motorbike, which has served me well through all these years, has written on it in large letters Aristotle's famous motto: "The mind is a fire to be lighted, not a vessel to be filled." My imaginary motorbike is in good running condition and still has a lot of mileage left in it. If any of you guys or gals would like to use it you are welcome to it.

In token of my bequest I hand the Chairman a notarized copy of this document.

HELLS CANYON NATIONAL RECREATION AREA

Mr. HATFIELD. Mr. President, earlier this week the Senate approved legislation I am cosponsoring with Senators PACKWOOD, CHURCH and MCCLURE to protect the magnificent Hells Canyon area from dam construction. This is an issue which has been with us for many years now, and I hope that the House of Representatives will take similar action on legislation introduced by Congressman AL ULLMAN to save Hells Canyon.

An excellent editorial on this subject recently appeared in the Wallowa County Chieftain, of Enterprise, Oreg., which is located in the immediate vicinity of the proposed Hells Canyon National Recreation Area. I believe this editorial accurately portrays the issue, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wallowa County (Oreg.) Chieftain May 29, 1975]

ON WITH SNAKE LEGISLATION

Literally hundreds of opinions have been expressed regarding what to do with Hells Canyon—dam the Snake say some, preserve the entire area say others, and still others advocate compromises. This newspaper has taken a more middle of the road approach, a position between the so-called environmentalists and those in favor of damming the gorge for use as a power source.

Through all the bickering, lobbying and compromises it appears as if this session of Congress may be in a position to pass a bill to create a 662,000 acre Hells Canyon recreation area and in so doing ban all hydroelectric dam construction between Hells Canyon Dam and Lewiston.

Oregon Rep. Al Ullman, the sponsor of the initial bill to ban dams and create recreational areas along the Middle Snake, has organized two-thirds of the House National Parks and Recreation subcommittee and half of the House Interior Committee as co-sponsors.

Idaho Governor Cecil Andrus, speaking as a representative of the Oregon, Idaho and Washington governors, told the subcommittee, "We wish to have the Congress protect the Middle Snake River and Hells Canyon as is."

And John Sawhill, former Federal Energy administrator, compared the amount of energy generated by additional dams to "a very large coal-fired plant," not enough to warrant "destroying the beauty of one of the

major wild river areas, and one of the most spectacular gorges in north America."

There are those individuals who profess that the construction of new dams would not destroy the Snake. Others insist that the area's recreational potential would be enhanced with more dams by making the area more accessible to public uses. And still others emphasize the growing need for additional energy supplies.

Whatever our individual positions are on this issue two facts will always remain. However meticulously dams are constructed, it is certain Hells Canyon Gorge would be disrupted from its natural state. Secondly, and quite simply, nature took thousands of years to create this masterpiece. There will never be another Hells Canyon or Snake River.

It seems to this citizen that we should have learned from past experiences that dams are not always the answer. Certainly as a power source, they have supplied energy, but we have alternate sources which we could exploit without disrupting a one-in-a-billion phenomenon.

It's time that the utility lobbyists ease off and let's get on with declaring Hells Canyon and the Middle Snake River "off limits" to dams forever. More than two decades of Congressional "discussion" is enough.

MORE SUPPORT FOR S. 1838

Mr. McGOVERN. Mr. President, there is growing interest in South Dakota and I believe around the country in an affirmative and far-reaching solution to the Nation's transportation problems.

Central to these considerations must be a revitalization of our rail network and a balanced approach to the transportation needs of each area that is coordinated into a workable national system. We must be able to maximize the most cost and energy-efficient transportation modes that are economically feasible. I believe that my bill, S. 1838, the National Transportation Services Board Act of 1975, charts a course that we must take if we are to achieve a workable and realistic transportation system for our country.

A respected South Dakota newspaper, the Watertown Public Opinion, agrees that S. 1838 "merits careful examination." I ask unanimous consent that their editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

McGOVERN PROPOSAL DESERVES CAREFUL CONSIDERATION

Sen. George McGovern's National Transportation Board Services Act of 1975 might properly be labeled the National Railroad Survival Act. At first glance, at least, it appears to offer a coordinated plan to help get railroads back on the right financial track by lifting all track maintenance costs and to buy time for communities threatened with loss of their rail service.

The McGovern bill calls for a balanced national transportation system—one the South Dakota senator says can be second to none—by coordinating the allocation of public transportation funds among railroads, highways and airports in a manner to make certain that each state's transportation needs are fully met.

As to railroads, the proposal would federalize railbeds, tracks and signal systems and establish a system of credits for the value of property taken, reimbursing the railroads on a per ton mile traveled basis. The railroads would continue to operate their own lines.

The feature of particular interest to South Dakota is that all pending track abandonment applications would be nullified until the new system is operating under the act, then re-judge the applications in the light of the new experience and the outlook at that point.

This is a move which appears to have a lot going for it. The one major drawback will probably lie in an objection certain to be made—that federalization of track and roadbeds is a foot in the door to full federal ownership of the railroads ala Great Britain, and that if the rails succumb, why not, for example, the airlines . . . some of which now are in no better financial shape than some railroads. And if the apprehension is carried a step further, truck lines could be next, and so on.

The Farmers Union came swiftly to the cheering section for the McGovern bill, asserting among other things, "The McGovern rail bill would give us the opportunity to make abandonment decisions on the basis of the interests of society as a whole rather than on the purely economic interests of the railroad companies."

The concept of nationalization is anathema to many and rightfully so. But qualified, restricted takeover which includes remuneration and is intended only to cure a deep-seated affliction infecting an important segment of public transportation can no doubt be compellingly justified—in the case of the railroads, anyway.

Certainly, the McGovern bill merits careful examination and impartial assessment in terms of what it can do to help solve the problem. It could well be exactly what the long-suffering patient has needed.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If there is no further morning business, morning business is closed.

MILITARY PROCUREMENT AUTHORIZATION ACT 1976

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 920, which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to amendment No. 539 by the Senator from Alaska (Mr. GRAVEL).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be taken equally out of both sides.

The ACTING PRESIDENT pro tempore. Without objetcion, it is so ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I yield myself 5 minutes on the bill.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. STENNIS. Mr. President, I make this overall statement about today's work, as I see it. I have cleared this time and it is agreeable with the Senator from Alaska to make a statement not on the amendment.

Now, if we may have quiet, please, on the part of those that are here.

The ACTING PRESIDENT pro tempore. Will the Senate please be in order?

The Senator from Mississippi.

Mr. STENNIS. Mr. President, we had a very full, active, complete day yesterday. It has been generally agreed here, worked out, that the order of amendments today will be, first, No. 539 by the Senator from Alaska on the overall military manpower cut; then we will have a feed and forage amendment by Senator ABOUREZK; the Javits personnel amendment, which may be disposed of in a discussion, a colloquy; and then there is a matter here about advertising and recruitment. We may be able to work something out there and dispose of that with a colloquy.

The next amendment will be advanced hydrofoil craft in which Senator TAFT, a valuable member of our committee, wants to amend the Senate bill. He took up that amendment in committee. That will be followed by another matter the Senator from Ohio has relating to advanced ship development, wherein he wants to add an amendment. He also took up that amendment in committee.

Then, we have an amendment here to increase the number in the Naval Reserve, which would come next.

Relatively speaking, Mr. President, those could be classed as not major amendments, and I hope and believe that we can move along rather rapidly with those.

That would bring us to AWACS, on which the committee's position is challenged by the Senator from Missouri (Mr. EAGLETON). That is amendment No. 527 which will require some debate, to be followed by the site defense by the Senator from Alaska (Mr. GRAVEL), No. 540. That also will require some time.

Then, we will follow that with the B–1, according to the present arrangement, which I think is a good one. The B–1 amendment, by the Senator from South Dakota (Mr. MCGOVERN), would strike the funds.

Another B–1 amendment by the Senator from Oklahoma (Mr. BELLMON) to restore funds on the B–1, that the committee took out, I hope, can follow that.

That will bring us to the 50 additional Minuteman missiles, which is, of course, a major subject matter.

That will be some time well into the afternoon.

So I call these amendments to the attention now of the membership, the leadership, the press, and any others. We will have copies run off of this arrangement, and have those available for any Member that might wish.

I am not downgrading any of these amendments, they all have a certain importance, but I do think these first five are not of the overwhelming importance of some of the others.

Mr. President, how much time have I used on the floor this morning, please?

The ACTING PRESIDENT pro tempore. The Senator has used his 5 minutes on the bill.

Mr. STENNIS. Thank you very much, Mr. President.

AMENDMENT NO. 539

The ACTING PRESIDENT pro tempore. The question is on amendment No. 539, by the Senator from Alaska.

Who yields time?

Mr. GRAVEL. Mr. President, I allot myself as much time as I feel necessary.

Mr. President, I would like to call a modification on my amendment to the attention of the desk.

On page 2, line 3, I would like to have modified the number that is there, which is 1,897,100. I would like that number to be altered to 2,087,100.

The ACTING PRESIDENT pro tempore. Does the Senator from Alaska ask unanimous consent to so modify his amendment?

Mr. GRAVEL. We have not ordered the yeas and nays, to my knowledge. Have we?

The ACTING PRESIDENT pro tempore. The yeas and nays have not been ordered, but it was agreed that an amendment had to be submitted by 6 p.m. last night.

Is there objection to the request of the Senator from Alaska?

Mr. NUNN. Reserving the right to object, Mr. President, what was the request?

Mr. GRAVEL. The request is to change the size cut requested from 200,000 to 10,000. Obviously, in view of last night's vote, there is not a great disposition within the body to effect any sizable cuts. Therefore, I thought I would be reasonable and try to get closer to the will of the body.

Mr. NUNN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. STENNIS. Mr. President, if the Senator will yield, it is entirely all right for the Senator from Georgia to object. We will perhaps have these procedural points come up later on other amendments, so let us not consider this as a hard precedent.

Mr. NUNN. I will be glad to discuss it. If I understand it better, I might withdraw the objection. I am not certain what the Senator is trying to do.

Mr. GOLDWATER. Mr. President, reserving the right to object——

Mr. GRAVEL. Objection is already made.

Mr. GOLDWATER. I will make objections to any changes in any amendments.

The ACTING PRESIDENT pro tempore. Objection has been heard.

Mr. CRANSTON. Will the Senator yield?

Mr. GRAVEL. I yield.

Mr. CRANSTON. I would like to state that it was my intention and is my intention to vote against the amendment in the form in which the objections compel the amendment to remain. I have been one of those who believes we are overextended overseas and we are spending more on military personnel than necessary. Prior to the events accompanying the collapse in Vietnam and Cambodia, I was an advocate of a cut of at least 100,000 in overseas troops and in reducing our Armed Forces level by that amount. However, in the aftermath of Vietnam, Cambodia, *Mayaguez*, and other developments and reactions to them, I reluctantly came to the conclusion that it would be unwise at this particular time to make any such reduction because it might give others the mistaken signal that we are on the run and turning inward and becoming isolationists. We are not doing that. Those of us who advocate less extensive troop deployments in country after country after country, and who are working for reductions that we believe are totally consistent with national security in the military procurement budget and in our national defense posture generally, are not isolationists.

We simply have a different understanding of what is required for national defense, and perhaps some differing views from others in this body and elsewhere as to what is required, what is the totality of the American posture, including not only military strategies and capacities but our economic strength and our social strength that are part of what is required for adequate defense of our freedoms and our democracy.

On the other hand, I feel that a token cut along the lines of what the Senator wisely decided to seek is very much in order, and I would have supported that. I think it is unfortunate that the Senator is not given permission to modify his own amendment in a way that would bring it to what he now perceives as appropriate and what the Senate would, I think, take more seriously and give more support to. I would be delighted to support the Senator's modification and, therefore, in effect I support the position that he now takes.

Mr. NUNN. Will the Senator from Alaska mind explaining not just the figures but the net result of what his proposed modification would have been if there had not been objection?

Mr. GRAVEL. The modification would have been to cut foreign troops by 10,000 rather than 200,000. As stated by the Senator from California, and in my judgment as well, that is the best we could get out of the Senate, just a token cut. I do not think there is a serious desire to cut back on the military establishment within the Senate or within the Congress. I am hopeful that to demonstrate the peaceful intentions of this Nation we might have a few tokens. But obviously, even tokens are not in vogue this year.

Mr. NUNN. The Senator might be pleased to note that in the committee we cut 3,500 troops now in Thailand from the end strength, or at least we indicated that is where they should come from. We cut 18,000 troops out of the overall force structure. In addition, we cut 23,000 civilians out. In addition to that, by a two-vote margin last night, there were another 17,000 civilians cut out. If you add the 17 and the 23, you get 40,000 civilians that have been removed from the force structure by the Senate. You would have 18,000 military that have been removed. In addition to that, the Department of Defense, when they came over with the authorization bill this year, made a rather significant cut, we felt, in the overall structure.

So the Senator is not making a new beginning here. The beginning has already been made. I think anyone looking at our force structure over the last 3 or 4 years would say that America has reduced its force structure. There is no doubt about that. As a matter of fact—and I do not want to take too much of the Senator's time—on this particular point, since 1964, and this is pre-Vietnam, we have reduced our overseas strength by one-third, over 240,000 people since 1964. In addition to that, since that same period, we have taken a little more than a half million people out of the military. In addition to that, the overall military force structure now is at the lowest point since before the Korean war.

I just would like to know what the Senator's ultimate goal is. In other words, how much do we need to demonstrate to the world, and how far would the Senator go?

Mr. GRAVEL. I would go considerably further. But let me say that the intent of my amendment was to bring them home. There is nothing the committee has done, there is nothing DOD has done, to require the forces overseas to be brought home. The nature of my amendment is that these people will be brought home. So there is a distinct difference between what the committee has done and what my amendment does.

I do not think it is terribly much to ask to bring home 10,000 troops when Thailand is asking us to get out with our 25,000 troops. I think it is no solace at all to find that the committee, and the Senator can correct me, required that 2,500 or 3,500 come out of Thailand. We have no written, legal agreement with those people, and they have told us to get out. That means we have to move 23,000 troops out of there. The committee feels they have done a lot when they require that 3,500 come out.

Mr. NUNN. The point is we are not saying that only 3,500 come out of Thailand. What we are saying is that 3,500 is the support element required to maintain and support the troops now present in Thailand. The committee does not feel we should take all 23,000 now in Thailand out of the force structure. We can go into that. I made a long speech yesterday on priorities and where we stood since 1964. What we are saying is we are going to remove 3,500 from the force structure, but we are not going to weaken our overall military strength. What the Senator from Alasaka is saying is that all the personnel we are taking out of Thailand ought to be taken right

UMI

out of the force structure. The committee does not agree with that.

Mr. GOLDWATER. Will the Senator yield?

Mr. GRAVEL. I want to finish this presentation on Thailand.

I still do not believe the committee can claim any great accomplishment when the Government of Thailand has asked us to take all 23,000 out; and the best thing that the committee can come up with is a request for 3,500, saying that you are taking this away from support so you can still keep your combat arm there. The combat arm is made up of 9,000 air force personnel who have no mission. The only mission they had was to back up our involvement in Vietnam. We are no longer involved in Vietnam, so it seems ridiculous to continue keeping these people there when they do not have a mission.

Mr. NUNN. I was one of the first people to come up with that. I wrote a detailed report on the fact that we should not have troops in Thailand long before Vietnam fell. I still maintain that position.

The administration has already announced they are getting the troops out of Thailand. The Thai Government has already agreed to that. They are now negotiating how fast to get those troops out of Thailand. I do not know what the Senator is trying to do. He is apparently coming in and saying we are going to force them to do what they have already agreed upon. If the Senator is going to write a law requiring something that everyone already knows is going to happen, it is all right with me, but I do not see the point.

Mr. GRAVEL. It seems the Senator is going to exceed his own efforts in arguing against the amendment to cut 10,000, when he says the committee has already done a great deal by cutting 3,500.

Mr. NUNN. I am simply stating the facts of what we did. If the Senator wants to interpret that as saying we did a great deal, go ahead, but I did not say that.

Mr. GRAVEL. There is no mission for these troops in Thailand. Their mission was to back up our involvement in Vietnam. We are no longer involved in Vietnam; why can we not just retire those troops?

Mr. GOLDWATER. Mr. President, will the Senator yield at that point?

Mr. GRAVEL. I just pose that as a question to the Senator from Georgia. I shall be glad to yield to the Senator from Arizona.

Mr. GOLDWATER. For the Senator's information, either yesterday or today all B–52's are leaving our base at Utapao, which is near Sattahip in Thailand. That will bring home, in crews and support personnel, about 5,000. Left to clean up the base and secure the equipment will be about another 5,000. Two bases will be closed this week in Thailand, Utapao, and Udorn, leaving three. Those three are now occupied by what we would call support type people, who are putting the equipment together and getting it back to this country.

I might say that one of the bases remaining has probably the largest collection of the most sophisticated electronic equipment to be found any place on this Earth, and we cannot leave that to fall into the hands of the enemy. It has to be brought home.

I think I can tell the Senator from Alaska with a great degree of safety that within 6 months there will be no American troops left in Thailand. I have to admit that I am a little privileged on this, because every day my radio station at home talks to Thailand for 5 hours, and we get it rather straight from the horse's mouth. People are coming home very rapidly, and the 23,000 figure that we have on our sheets, after today, will be down to 17,000, and it will dwindle month after month until nothing is there.

Mr. GRAVEL. I commend the military, and I thank the Senator from Arizona for providing this body with that information. I feel that we should do it in all haste, because they have asked us to leave. We have no legal basis for being there, and at the same time there is no mission for the people to accomplish.

I might ask the Senator from Arizona, since we are bringing back these 23,000 people, and since their mission there was the support of South Vietnam, and we are no longer in South Vietnam, why can we not just retire those people from military service, and be able to cut our total force levels by 23,000?

Mr. GOLDWATER. Because the mission in Thailand was not just for the support of South Vietnam. The mission in Thailand was also to aid the Thais who were helping in Laos, who were helping to try to prevent the Red Chinese from building highways across Northern Laos and Thailand to the borders of Burma, which unfortunately they have done, leaving Burma now open to the marching troops of Red China whenever they want to move. So it is not true that the U.S. Air Forces—and with the exception of one base, they were all Air Force troops—were in Thailand for the protection of South Vietnam. They were there for the protection of Thailand and the aid of Thailand, mostly engaged, when we were doing it, in attacks on the supply routes that came down through Laos and parts of Cambodia into South Vietnam.

So that mission has long been over, but I will remind my friend from Alaska that, when a war ends, the troops do not come home that day. We were a long time getting our troops out of Japan, out of Okinawa, off of Saipan, Tinian, and all the islands we had to use for support bases. Such troop movements are not accomplished overnight.

To answer the question as to why can we not remove these B–52 crews from the inventory and in fact remove the B–52's from the inventory, they are part of the total makeup of the Strategic Air Force. They were not enlisted, they were not brought on duty, just for service in Thailand or service on Guam; they were already a part of the force structure, and they will remain a part of the force structure when they are brought back to the United States. To let them go at this time would be a mistake, in my opinion.

Mr. President, because we are talking about troop strengths, I ask unanimous consent that a paper indicating the approximate troop strength—it is not precise, but it shows the approximate troop strength—of the United States around the world be printed in the RECORD at this point.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE

U.S. military strength outside the United States as of December 31, 1974

Total outside the United States	511,000
U.S. territories and possessions	31,000
Foreign countries	480,000
Selected areas:	
Southeast Asia	23,000
Thailand	23,000
Western Pacific	142,000
Japan (including Okinawa prefecture)	52,000
Philippines	16,000
South Korea	42,000
Taiwan	5,000
Afloat	27,000
Other areas	46,000
Bermuda	1,000
Canada	2,000
Cuba	3,000
Guam	3,000
Panama Canal Zone	10,000
Puerto Rico	5,000
Afloat	7,000
Other	7,000
Western Europe and related areas	300,000
Belgium	2,000
Germany	211,000
Iceland	3,000
Italy	12,000
Greece	4,000
Morocco	1,000
Netherlands	2,000
Portugal	1,000
Spain	9,000
Turkey	7,000
United Kingdom	21,000
Afloat	26,000
Other	1,000

Less than 250:	Less than 1,000:
Antarctica.	Australia.
Bahamas.	Greenland.
Barbados.	Iran.
Brazil.	Midway Island.
Ethiopia.	
Johnston Islands.	
Leeward Islands.	
New Zealand.	
Norway.	
Saudia Arabia.	
South Vietnam.	

All others less than 100 U.S. military personnel.

Mr. GRAVEL. Mr. President, I still am a little baffled. I understand the extra mission which our troops may have had in Thailand, which unfortunately they were not very successful in, since the Senator admits that the road to Burma was built. But be that as it may, that mission has now expired, as the Senator admits.

I am not impatient that we bring home the 23,000 troops this afternoon and discharge them tomorrow morning. I am not that impatient. I would be glad to give until the end of the year to do that. I would be happy to modify my amendment to say "Let us cut out 23,000, and let the military do it by the end of the year." Would that be accommodating to the Senator from Arizona?

Mr. GOLDWATER. No, it would not, because the committee, through the subcommittee chairman, the Senator from Georgia, has given long and careful study to this matter. This is not something that has been handed to us by someone from downtown who has thought about it through a computer. This is something we have pondered over, worried over, and argued over. We have had suggestions made in the committee that went far past anything the Senator has suggested. We have had suggestions made that went just as far in the opposite way.

I merely remind my colleagues of the disaster that overtook the United States when we could not wait to get the boys home after World War II. We got them home overnight, almost, and then we were faced with Korea, because we had no troops any place and no equipment any place. I remember when, to get rid of the P–51's on Okinawa, they used to start the engines, reach into the cockpits, shove the throttle forward, and taxi them off into the ocean. That was stupid. I do not want to see my country go through another period of sheer stupidity by saying that because we fly the B–51 crews home from Utapao, we can stockpile them.

Mr. President, this is the most dangerous period this world has ever faced, despite what the Senator from Alaska may think. The world is fraught with danger.

The more the United States gives any further indication we are going to back off or isolate our country as we isolated our country during the 1930's, we are going to have more probing efforts by smaller countries, to find out how far we will go. We are faced with one of the gravest dangers of war in our history in Korea; and while the Senator may say South Korea has more troops, North Korea has Red China. Red China has one-third of the world's people, and they are a very, very effective fighting force which we really do not know much about, because they are peasants. They are peasants who fight in families, and they are dedicated—something we are not.

Mr. GRAVEL. If my colleague will permit me, I have heard the arguments often enough about isolationists. I am not in favor of turning inward; I would like to dispel that once and for all. I would be willing to propose an amendment to turn over a sizable portion of our Military Establishment to the United Nations as an international force. So far from it. I am not at all for turning inward.

I just realize that we are spending too much, and this is not giving us the best defense we could have for the dollars in question. I do not see why we should continue to pay for the waste, particularly when our defense establishment is designed like the Maginot line during the period of the First World War and the Second World War.

Mr. STONE. Mr. President, will the Senator yield?

Mr. GRAVEL. I am happy to yield to the Senator from Florida.

Mr. STONE. Has the Senator from Alaska noticed the votes in the General Assembly of the United Nations in the last few sessions in regard to their concern for the security of the United States or the foreign policy goals or votes or positions of the United States? Does the Senator think that it would enhance the security of the United States to turn over forces to a group that votes that way and feels that way about the United States.

Mr. GRAVEL. First, I do not know what votes the Senator is talking about. I do know of one vote, that I thought was pretty odd, with respect to security. That was the vote with respect to Diego Garcia.

Of course, we said we want to send our troops into Diego Garcia; we want to expand our Military Establishment there so we can get our forces into the Indian Ocean to show the flag to protect the allies.

Mr. STONE. Will the Senator yield?

Mr. GRAVEL. Let me finish.

It is interesting that the 92 nations that voted against our presence in Diego Garcia in the Indian Ocean are essentially all the people who live in that area. So, the people we say we are in the Indian Ocean to defend did not want us there. What other votes are there in the United Nations?

Mr. STONE. Let us take that one just a minute. Does the Senator from Alaska know of the arming of the Somalia base by the Soviet Union and the Somalia base in its worldwide naval exercise recently?

Mr. GRAVEL. I might say that I am not familiar with the details of the arming, but I am thoroughly familiar with the timing involved. That took place after we had our presence in the Indian Ocean.

Mr. STONE. Whether it was after or before——

Mr. GRAVEL. So what? Suppose they are arming Somalia. What does this mean to us?

Mr. STONE. It means that they have a presence in the Indian Ocean. It means that just as they used Cuba in that worldwide naval exercise they are using Somalia.

Mr. GRAVEL. Let them use it. What is the point of it? Let them arm Somalia to the teeth. Let them put all their S–18 missiles in Somalia. What threat is that to the Senator in Florida or to me in Alaska?

Mr. STONE. Does the Senator have a recollection of the willingness of the Soviet Union to use its great strength and its logistic position in the years since 1946? Will the Senator indulge the Senator from Florida for about 2 minutes while the Senator from Florida refreshes the recollection of the distinguished Senator from Alaska on the willingness of the Soviet Union to use its strength and its bases?

In Iran in 1946—and these are instances gathered for the Senator from Florida by the Library of Congress.

The ACTING PRESIDENT pro tempore. The time of the Senator from Alaska has expired.

Mr. GRAVEL. I was treating the time, Mr. President, just as if it were collective time. It would be up to the Senator from Georgia——

Mr. NUNN. Mr. President, has the time of the Senator from Alaska expired?

Mr. GRAVEL. Yes.

Mr. NUNN. I am glad to yield some time. How much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Georgia has 23 minutes remaining.

Mr. NUNN. And the time of the Senator from Alaska has expired.

Mr. GRAVEL. Completely expired.

Mr. NUNN. I yield the Senator from Alaska 10 minutes to continue the dialog and I will be glad to participate in it.

Mr. GRAVEL. I thank the Senator.

Mr. STONE. Mr. President, before taking a minute with this summary, which is a shorthand history of Soviet aggression, to further answer the question about Diego Garcia, if the people in the United Nations and particularly those from that area were averse to our being able to protect the peace in the situation in which the Soviets are continuing to arm the area, from their point of view, then that I think is a complete answer to the question and to the proposal of the Senator from Alaska to turn over all armed forces to the United Nations.

Mr. GRAVEL. No.

With respect to the Diego Garcia incident, let us recognize that we did it first. Then the Russians felt they had to show their flag after we showed the American flag, and all the people in that area of the world are saying fie on both your houses.

Mr. STONE. No, they are not saying that.

Mr. GRAVEL. They are saying who is really most aggressive. Obviously, our presence was there first.

Mr. STONE. The Senator from Alaska is not correct about that, and as far as being the most aggressive, I just want to take a minute or two.

In Iran in 1946, the Soviets intruded in connection with Azerbaijan.

In Berlin in 1947–48, there was the blockade.

In Hungary in 1956 there was the suppression of the people's revolt.

In Czechoslovakia in 1968, there was the Warsaw Pact invasion.

In Greece in 1946–48, there was aid to the civil war through Yugoslavia and Bulgaria.

In Korea in 1950 there was support of North Korean invasion, which was opposed by the United Nations and by, chiefly, the United States.

In the Mideast in 1973 there was support for the Arab war with Israel.

In 1960 through 1975 there was support for the North Vietnamese, the Viet Cong and the other forces in Vietnam.

There was also more limited finances and support for other insurrections, disputes and confrontations.

There was Soviet arms and finances on a limited level to Southern African revolts which included aid to Mozambique, FRELIMO in Mozambique, the MPLA in Angola, the ZAPU in Rhodesia, the SWAPO in Southwest Africa and the ANC in South Africa.

In 1955 there was the Arab-Israeli confrontation.

Mr. GRAVEL. I am prepared to have my colleague submit that for the RECORD, if I could pose one question.

UMI

Mr. STONE. All right.

Mr. GRAVEL. How many people did the Soviet Union lose in deaths of their own military forces, and how many deaths did they cause in all of these ventures of which the Senator speaks?

Mr. STONE. The Soviets were smart enough to use procurement, to use weapons, to use systems, to use sabotage, to use trained insurrectionists as opposed to Soviet citizens. They were smart enough to do that.

Mr. GRAVEL. How many American troops were killed in Vietnam, and how many deaths were caused in Southeast Asia by our peaceful intentions in that area?

Mr. STONE. To equate defense against aggression with aggression is a terrible mockery.

Mr. GRAVEL. No, it is not a mockery. It is a very sincere statement.

We went into that before. I could cite you a list, that I believe the Senator from Arizona got from the Library of Congress a couple years ago, a list of some 200 involvements of the United States Armed Forces around the world. At the time it was to demonstrate our flexibility and abilities.

So if the Senator wants to read a list as to what the Soviets have done and say that is the reason why we should arm ourselves to the teeth, then I think we could read a list of what we have done, and then we have the rationale for them to arm themselves to the teeth.

The problem we have in the world is not to continue the arms race; it is to find some rational device to deescalate it.

Mr. STONE. It is irregular, may I respectfully submit, to say that if the Soviets put a blockade on Berlin it is aggressive to defend those people in their freedom. That is irrational.

Mr. GRAVEL. I did not say that.

Mr. STONE. But that is the whole idea.

Mr. GRAVEL. No. that is not the whole idea. The whole idea is very simple. I do not see why we should be in the Indian Ocean, and I do not care who else is in the Indian Ocean. It does not affect my security, so I do not want to pay my tax dollars for that.

Mr. NUNN. Mr. President, will the Senator yield at that point?

Mr. GRAVEL. I am happy to yield to the Senator from Georgia.

Mr. NUNN. I think we ought to make clear that Diego Garcia, in spite of it being a very interesting subject, is not of this amendment, nor is it part of the bill we are talking about. That will be coming up on the military construction bill, and I am sure at that time the Senator from Alaska will have certainly his thoughts to present to the Senate.

But I think we all ought to put a little perspective on this whole matter.

We would think, based on some of the suggest that these gentlemen hold their the United States of America was building up its military force all over the world and that we are escalating and we are increasing our combat power, when that is just the opposite of what is taking place.

Mr. STENNIS. Mr. President, may I suggest that these gentlemen hold their conference somewhere else rather than between the membership and the Presiding Officer.

The ACTING PRESIDENT pro tempore. Will the Senate please be in order and clear the well.

The Senator from Georgia was recognized and yielded to the Senator from Alaska.

Mr. NUNN. Thank you, Mr. President.

The truth of it is since 1964 our Nation has undergone a tremendous reduction in its defense posture and pre-Vietnam war levels. We have reduced our manpower by 585,000 people since before the Vietnam war. We have reduced our overall troops abroad by something like 30 percent.

Mr. STONE. Mr. President, will the Senator yield?

What has the Soviet system done in that same period?

Mr. NUNN. The Soviet Union has gone from 3 million men to 4 million men under arms in that same period of time. They have gone in exactly the opposite direction.

We have less aircraft now than we did before 1964. We have substantially fewer ships, and our manpower level is down below the Korean war level.

Mr. STONE. What about the comparative investment compared to gross national product of the Soviet system and this investment?

Mr. NUNN. In this year, if the United States of America were going to go back and buy the same kind of defense posture we had in fiscal 1964, we would not be talking about an outlay of $94 billion. We would be talking in real terms about an outlay of $112 billion. We are substantially below the 1964 level in every category.

If we are compared to the Soviet Union, relatively speaking, we are not in nearly as good shape, vis-a-vis the Soviet Union, as we were in 1964. I am not saying that the Russians are 10 feet tall and we are 6 feet tall. I think if they are 10 feet tall, we may be 10½ feet tall, because we still have a technological advantage. But that advantage is eroding; and anyone who looks at any facts and any statistics and any analysis with objectivity will have to admit that the cutbacks the United States of America has made in its forces certainly have not been reciprocated by the Soviet Union.

They have gone in the opposite direction.

Mr. STONE. Is that not exactly the point?

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. NUNN. I do not have the floor.

Mr. GOLDWATER Mr. President, will the Senator yield, so that I may add to that?

Mr. GRAVEL. Let me respond to that with a few figures.

This is from the World Military Expenditures and Arms Trade, 1963 to 1973, by the U.S. Arms Control and Disarmament Agency. The growth milex for the Soviet Union during the period 1963 to 1973 was 1. The growth milex for the United States was 2.3. This means that we have an increasing amount of effort being placed into the military establishment on this milex definition.

Mr. NUNN. Does that include personnel costs?

Mr. GRAVEL. It includes personnel costs on both sides. I am sure they suffer from inflation, as we do.

Mr. NUNN. Does the Senator realize that 92 percent of the increased expenditures since 1964 in the American military has been personnel related, and much of that has come from the volunteer force and the move to try to prevent our having to draft young Americans?

Mr. GRAVEL. I was one of those waging the filibuster to wipe out the draft, and we succeeded; and we hoped at that time that we could bring down the number in our services.

Mr. NUNN. In this budget, we are now spending 53 cents of every dollar on personnel. The Soviet Union is spending about 29 cents of every dollar on personnel. When this is put into perspective, that they are spending 20 percent more money than we are, that only about 30 cents of every dollar they are spending is going to personnel, and we are spending 53 cents of every dollar on personnel, then it puts a terrible burden on the research and development and the procurement in the out years. So we have to look at these trends very seriously.

Mr. GRAVEL. We do not know that we are spending much more than they are. According to this Government document, we have a milex GNP, which is the amount of money spent on military appropriations with respect to the GNP; and the milex for the United States is 6.06, and for the Soviet Union we have an estimate of approximately 6 to 10.

Mr. NUNN. Can the Senator explain what "milex" means?

Mr. GRAVEL. It is the ratio, on a per capita basis, between the amount of money spent with respect to GNP and with respect to the military establishment.

Mr. NUNN. What document is that?

Mr. GRAVEL. This is the World Military Expenditures and Arms Trade, 1963 to 1973, and it is put out by the U.S. Arms Control and Disarmament Agency, Washington, D.C.

The ACTING PRESIDENT pro tempore. The 10 minutes of the Senator have expired.

Mr. GOLDWATER. Mr. President, will the Senator from Georgia yield to me for at least 2 minutes?

Mr. STENNIS. Mr. President, under the situation prevailing, the Senator from Mississippi has the floor.

Mr. GOLDWATER. I apologize to the chairman. I thought the Senator from Georgia had control of the time.

Mr. STENNIS. That is all right. How much time does the Senator desire?

Mr. GOLDWATER. Two minutes.

Mr. STENNIS. I yield the Senator 4 minutes.

Mr. GOLDWATER. Mr. President, the Senator from Florida has made a great addition to this argument, and I am very happy that he got his remarks in the RECORD.

To go a step further, the Soviet Union has at least 20 full sized divisions on the Red Chinese border, plus some 6,000 tanks, plus over 2,000 tactical aircraft.

Let us look elsewhere. At one time, the Soviets had 3,500 or more advisors in Egypt. Some of them were flying Mig aircraft.

At one time, the Soviets had over 3,000 people in Syria, and some of them were flying Mig aircraft.

The Soviets have been very cute about this whole thing since World War II. The Communist movement has taken over about one-third of the world, without many shots being fired. When our troops move, we do not move aggressively. We have given land to the people who live on it. We are not an aggressive Nation. Our troops have been used in defense of liberty and freedom, while the Soviets have used their own plus other troops, under their guidance, for the acquisition of property, the destruction of freedom, and the destruction of people's property around the world.

So for us to be arguing here today about whether we are going to reduce our forces is absolute, sheer folly. If I were the Soviets. I would be clapping my hands and clicking my heels, to think that the U.S. Senate would be talking about isolating the United States once again. I do not care how the Senator spells it out. What he is talking about is isolationism.

Mr. STONE. Mr. President, will the Senator yield for a question?

Mr. GOLDWATER. I am happy to yield.

Mr. STONE. Does the Senator know of a comparable effort going on right now in the Soviet Union to reduce force in the air area or in the ground area or in the missile area or in any conventional area, as is taking place in the Senate of the United States?

Mr. GOLDWATER. To the contrary. I will say this, although I know that I might be contradicted, I believe we are behind the Soviets in every category of military except experience in the air, and you can get experience in the air mighty fast.

Mr. STONE. Does the Senator recall that there was a risk when the Soviets attempted to introduce offensive missiles into Cuba and that that risk was met, at least in part, not only by our naval screen but also by our air screen?

Mr. GOLDWATER. This Senator is aware of that. This Senator was on duty in Florida at the time.

I will say this: If we had one more airplane on Florida, it would have sunk. [Laughter.] It was the power of the United States, displayed by the Navy, displayed by the Air Force—not only the U.S. Air Force but also the naval air force—that convinced Cuba it had better not start anything. Mind you, we did not just sit on Florida, there were flights over Cuba every minute, taking pictures.

Mr. STONE. Does the Senator think that if those airplanes and those naval units had been under the command of the vote of the United Nations General Assembly, we would have gotten those missiles out of Cuba?

Mr. GOLDWATER. I have no faith at all in the United Nations as a peacekeeping body.

Mr. STONE. Mr. President, our discussion of strategic policy should not conclude without mention of the defensive efforts and capabilities of the Soviet Union. In voting on this military procurement authorization bill, it is the obligation of this body to consider the trends reflected in the defense policy of the Soviet Union. I recently received a resolution on National Defense passed unanimously by the executive council of the AFL–CIO at its meeting on May 6, 1975. The members of the council state as follows:

The evident political weakness of American foreign policy in Southeast Asia, the Middle East, Portugal, and Western Europe is paralleled by an even more ominous trend: The vast growth in the military might of the Soviet Union and its allies and the relative decline in the defense capability of the democratic world, especially the United States.

In recent years Soviet military might has surged far beyond a mere defensive capability. The Soviet arms budget is growing by 5% a year, by conservative estimates. Since the first SALT agreements were signed, the Soviets have developed four new missile systems including new multiple warheads and multiple independently targeted re-entry vehicles (MIRVS). Their new missiles are far larger than ours and, if equipped with multiple warheads, could give them a vast strategic superiority. Aviation Week has regularly reported—and the Administration has not convincingly denied—that the Soviets are violating strategic agreements by building large numbers of new missile silos, by testing new ABM technology, by perfecting new means of missile concealment, and by developing mobile ICBMS.

In the conventional field, the Soviets now have 50% more men under arms than the U.S., not counting their enormous para-military forces. Together with their Warsaw Pact allies they have four times the number of tanks we have, three times the heavy artillery, and twice as many heavy mortars. The Middle East war of 1973 demonstrated that Soviet military technology—in anti-aircraft defense, in anti-tank and anti-aircraft missiles, and in other areas—is highly sophisticated. The Soviet navy now has as many surface combat ships as the U.S., and more than three times our submarine strength. Their ships are newer and faster, and have immense and sophisticated fire-power.

The United States, in contrast, appears to have begun a drift toward unilateral disarmament. Current defense spending constitutes the lowest percentage of our GNP since our demobilization after World War II. In constant dollars, our defense spending has steadily declined; yet the proportion of our defense budget that goes for manpower and other personnel benefits has risen substantially. Our allies and adversaries alike must now question our capability to effectively wage war—and only that capability, clearly perceived, can effectively deter war.

I share the concern of the AFL–CIO executive council. According to figures compiled by the U.S. Arms Control and Disarmament Agency, the Soviet Union, with gross national product a little more than half that of the United States, spent $7.5 billion more for defense than the United States in 1973. This is from World Military Expenditures and Arms Trade 1963–73, January 1975.

Secretary Schlesinger stated on January 22, 1975, that the Soviets have increased their real military expenditures, in terms of constant rubles, by 3 to 5 percent annually. He went on to state further:

Whatever the appeal of a reduced military posture stemming from detente, so frequently preached in this country, Soviet military expenditures—in detente as before—continue to rise. The Soviets continue to state quite categorically that peaceful coexistence is a consequence of the expansion of Soviet military power.

Today, according to the latest CIA dollar projections, which I believe to be understated if anything, the Soviet Union is outspending the United States on defense by 20%—25% if pensions are dropped out. In every meaningful category of defense expenditures the Soviets outspend the United States. Calculated in U.S. prices the USSR now outspends us by 25% in procurement, 20% in overall research and development, 20% in general purpose forces, and 60% in strategic nuclear offensive forces. Since 1960 the Soviet Union has expanded its military manpower from 3 million men to 4 million men under arms. It has increased its deployments in the Far East and in Eastern Europe. It is now embarking on a major and costly expansion of its strategic nuclear capabilities.

Central Intelligence Agency Director William Colby stated in a hearing before the Joint Economic Committe on April 12, 1974, that the defense share of the Soviet gross national product probably lies between 6 and 10 percent. Our most recent Pentagon figures show that estimated 1975 and 1976 defense expenditures were 5.9 percent of our GNP, a drop of from 9.2 percent in 1961 and 7.6 percent in 1971. These figures also show that the defense share of the total Federal budget has fallen from 47.6 percent in 1961 to 36.3 percent in 1971 to 26.9 percent for 1976. These figures are on a "unified basis."

The International Institute for Strategic Studies—London—states in its publication "The Military Balance 1974–75" that the estimated GNP for the United States in 1973 was $1,289.1 billion and our defense budget for 1974–75 was $85.8 billion. The estimated GNP of the Soviet Union in 1973 was 441 billion rubles and the estimated Soviet defense expenditures for 1974 were 23.8 billion rubles—approximately $96 billion.

One of the foremost commentaries on strategic capabilities, "Jane's Fighting Ships," gives its views of the preponderant Soviet policy, in its 1974–75 edition:

This thinking is sensibly in line with what appears to be the present-day Soviet policy of ensuring the security of the State by all means available. One of these is the possession of preponderant military forces, another the pursuit of detente, a necessary move to allay fears and to gain time. In such a pattern the increase in the Soviet Research and Development programme by well over half in the last five years makes logical sense—whereas in the West every penny for Defence has to be fought for, in the Soviets the battle appears to be more for allocation than provision. In this struggle the Navy has clearly won a very strong position and moved steadily to a position unknown fifteen years ago.

It further describes the Soviet naval capability in this manner:

The last year has seen the emergence of the first "Delta" class ballistic-missile submarine, and the acknowledgement of the "Delta II," a giant amongst big submarines, possibly carrying at least the accepted sixteen missiles of other submarines with this capability. These missiles, the SS–N–8, have a range of 4,200 nautical miles giving them a capability of covering the whole of North America and the rest of NATO without the parent submarine leaving the Norwegian Sea.

UMI

The Soviet Navy leads the world in seaborne missile armament, both strategic and tactical, both ship and submarine launched. Their shore-based air force is second to none, they have large mine-warfare forces and a considerable amphibious capability. Possible weaknesses, which are certainly being most actively examined, lie in their manpower and, consequently, technical maintenance, submarine silencing, anti-submarine operations, ship-borne aircraft and custom-built fleet supply ships, although this last is now being remedied. Thus the Soviets possess a navy with great strengths but certain important weaknesses. They have, nevertheless, proved themselves capable of continued and world-wide presence, with all the political value which comes from this.

The International Institute for Strategic Studies—London—gives a detailed analysis and comparison of military forces of both the United States and the Soviet Union in its publication "The Military Balance, 1974–75." It points out that under present Defense Department planning the United States will have at this time approximately 550 Minuteman 3 and 450 Minuteman 2 ICBM's. The Soviet Union is estimated to have 1,575 ICBM's now deployed. This is a figure 48 more than last year and 43 short of the ceiling imposed by the 1972 SALT interim agreement. Twelve new silos are likely to be operational soon bringing the Soviet ICBM total to 1,587. Four new ICBM systems are being developed, each with greater accuracy than those now deployed.

If three of the four new systems are fully deployed, the Soviet ICBM throw-weight would increase from the present 6 to 7 million pounds to 10 to 12 million pounds and would be able to deliver some 7,000 separately targeted warheads in the MT range. This compares with the present U.S. ICBM capability to deliver 2,000 separately targeted warheads with 1 to 2 million pounds throw-weight.

Our strategic submarine capability presently consists of approximately 22 Poseidon submarines and 9 submarines being converted to Poseidon by 1977. The new 24-tube Trident submarines are being built at a rate of 2 a year, with a total of 10 projected.

The Soviets, on the other hand, have 70 submarines and have increased their SLBM missiles to a total of 720, which is 92 more than a year ago. This past year they have launched two more Y-class and six more D-class boats. The D-class missiles have a range of 4,600 miles—the longest range of any operational SLBM. Only these two classes of submarines count against the SALT ceiling of 62 "modern" submarines.

At this point, I ask unanimous consent to have printed in the RECORD pages 3 through 10 of the International Institute for Strategic Studies—London—publication "The Military Balance, 1974–75," which gives in detail the comparative review of United States and Soviet offensive and defensive systems and general purpose forces.

Would the Soviets use their great military strength? I refer to a summary prepared for me by the Library of Congress, headed "Post-World War II Cases of U.S.S.R. Intervention or Action," and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE MILITARY BALANCE, 1974–75

THE UNITED STATES AND THE SOVIET UNION

Strategic weapons

At the summit conference in Moscow at the end of June 1974, the United States and the Soviet Union reached no new agreement to limit offensive missiles. Each is continuing the deployment of new and improved systems within the limits agreed in 1972, and the pace of research and development is unchecked.

Offensive systems

The United States will have deployed 529 *Minuteman 3* ICBM by the end of 1974, each with 3 MIRV, and is to procure a further 21 in the first half of 1975 to complete the programme of 550 *Minuteman 3* with up to 1,650 warheads. When this conversion is complete, the remainder of the force will consist of 450 *Minuteman 2*, each with 3 MIRV. The option to deploy a larger *Minuteman 3* force is left open. A programme to strengthen substantially the 1,000 *Minuteman* silos has been started (to be completed by 1978), and a new Command Data Buffer system is being installed to allow rapid retargeting.* At sea, 352 *Poseidon* SLBM, each with 10–14 MIRV, have been, or are about to be, deployed in 22 submarines; conversion of another 9 submarines to *Poseidon* will be complete by 1977, when only 10 *Polaris A–3* submarines will remain in service. Work has started on the *Trident 1* SLBM with a 4,600 mile range, designed to carry MARV warheads, capable of being installed on *Poseidon* submarines or in the new 24-tube *Trident* submarine.† The projected production rate of the *Trident* submarine is 2 a year, and the first is to be operational at the end of 1978. There are to be 10 in all, replacing the 10 *Polaris A–3* boats mentioned above and so remaining within the total of 41 submarines permitted under SALT. (The SALT Interim Offensive Agreement runs out in 1977. If, as present plans indicate, the 10 *Polaris* submarines are replaced with *Trident*, the United States would have 736 SLBM by the early 1980s—26 more than the SALT total permits, even after using the freedom allowed by the Interim Offensive Agreement to replace 54 *Titan 2* ICBM with new SLBM.) If and when such programmes are completed, the United States would have ICBM and SLBM carrying over 9,000 separately targetable warheads.

Though unconstrained by SALT, strategic bomber aircraft have been reduced (by 2 B–52 squadrons), but the B–1 supersonic bomber (which is to replace the B–52) is scheduled to make its first flight by early 1975. A decision on whether to procure a B–1 force of 241 is to be made in 1976.

There are a number of projects in earlier stages of development, the discontinuance of some of which is said to depend on the willingness of the Soviet Union to agree on mutual restraint. The accuracy of Minuteman 3 is to be improved, largely through testing and software (electronic) changes, and a higher-yield warhead is under study, as is terminal guidance for both Minuteman 3 and Poseidon. More distant programmers include a new, large-payload ICBM launched from existing silos and a new mobile missile, either ground- or air-launched (though the development of a mobile missile has been specifically made dependent on the Soviet Union embarking on such a course first). Development is also continuing of a new low-flying, strategic cruise missile which could be launched by aircraft, submarines or surface vessels. In addition, funds have been requested for the study of a smaller and less costly SSBN which might eventually replace the Polaris/Poseidon fleet.

The Soviet Union is also undertaking important developments in strategic offensive systems. On land, 1,575 ICBM are now deployed (48 more than last year and 43 short of the ceiling imposed by the 1972 SALT Interim Agreement), and the remaining 12 new silos are likely to be operational soon, bringing the ICBM total to 1,587. Development has continued of four new ICBM: the SS–X–18, a large liquid-fuelled missile in the SS–9 class (it could fit into slightly modified SS–9 silos); the SS–X–17 and the SS–X–19, two liquid-fuelled missiles with three to five times the throw-weight of the SS–11; and the SS–X–16, a solid-fuelled missile in the SS–13 class, which may have fixed and mobile versions. The 25 large silos started in 1970 are thought likely to be operational by mid-1975 with SS–X–18 missiles, which would then bring the Soviet "heavy" ICBM total to the 313 permitted by the Interim Agreement. All four of the new ICBM have greater accuracy than those now deployed. The SS–X–18 has been tested with a single large RV and with 5–8 MIRV in the MT range. The SS–X–17 and SS–X–19 appear to be alternative replacements for the SS–11, with the latter seen as the most likely choice. The first has been tested with a single MT-range RV and with 4 MIRV, the second only with 4–6 MIRV. If three of the four new systems are fully deployed, the Soviet ICBM throw-weight would increase from the present 6–7 million pounds to 10–12 million pounds and would be able to deliver some 7,000 separately-targeted warheads in the MT range. (This compares with the present United States ICBM capability to deliver 2,000 separately-targeted warheads with 1–2 million pounds throw-weight.)

At sea, the Soviet Union has increased its SLBM to 720 (in 70 submarines), 92 more than a year ago. Two more Y-class boats have been launched, each with 16 SS–N–6 (1,500–1,750 mile range), making 33. Six more D-class have also been launched, making 9, each with 12 SS–N–8 with a range of 4,600 miles—the longest range of any operational SLBM. Only these two classes of submarine count against the SALT ceiling of 62 'modern' submarines. If the building rate is 6–8 per year, as has been estimated, the figure of 62 'modern' boats could be reached by around mid-1977. The current number of missiles in these and older nuclear-powered boats is 660, compared with the ceiling of 950 'modern' SLBM (this ceiling assumes that SLBM replace older ICBM; if not, the SLBM ceiling is 740). Since 18 or 19 D-class boats (each with at least 12 missiles) are under construction or have been launched, and there are 33 Y-class (each with 16), a combined total of at least 744 'modern' SLBM seems intended, thus exceeding the lower ceiling figure of 740. Newer D-class submarines being built may carry more than 12 missiles. A new version of the SS–N–8, with MRV, has been tested, probably to be carried by Y-class submarines. In addition, a 400-mile range submarine-launched missile, the SS–N–13, which may be ballistic, is undergoing tests and may be deployed in 1975.

The first squadron of the new Soviet bomber, *Backfire*, may enter service in 1974/1975, with a range and refueling capacity that could give it an intercontinental role.

Defensive Systems

Though the 1974 Moscow summit conference produced no new offensive missile limits, it did produce agreement to limit ABM to a single deployment area for each superpower (those which now exist) instead of two. The United States will thus not proceed

*For a discussion of the flexible targeting doctrine, see *Strategic Surveys 1973* (London: IISS, 1974), pp. 56–60.

†MARV: manoeuvrable re-entry vehicles (i.e., which can be manoeuvred during the terminal phase of their flight).

with the deployment of ABM around Washington nor the Soviet Union with the site for ICBM defense. The *Safeguard* ABM defence for the *Minuteman* force at Grand Forks becomes operational in mid-1975, and research is continuing on improving ballistic missile interceptors and radars. The Soviet Union has not added to the 64 ABM launchers deployed in the Moscow area, but has conducted flight tests of new interceptors. As far as early warning systems are concerned, the United States is continuing work on the Over-the-Horizon Backscatter (OTH–B) radar, and funds have been requested for new SLBM warning radars. The Soviet Union is also developing an OTH radar system. While the United States has reduced numbers of interceptor aircraft and SAM units, the Soviet Union has brought the advanced interceptor aircraft MiG–25 *Foxbat* widely into service.

General-purpose Forces

The numbers in the United States armed forces have fallen by some 78,900 to 2,174,000 while those of the Soviet Union are 100,000 higher at 3,525,000.

Each is improving its conventional weapon systems. The United States has committed funds to a fourth nuclear-powered aircraft carrier; 30 new DD–963 GM destroyers are to be delivered by the end of 1978; and five nuclear-powered frigates are under construction. Twenty-seven nuclear-powered attack submarines have been funded (to add to the 61 now in service), as have new anti-ship missiles. A new main battle tank, the XM–1, is being developed, the procurement of anti-tank missiles accelerated, and new air defence missiles are planned. The F–15 air superiority fighter is to become operational in 1976, and much work is going into defense-suppression weapons, electronic countermeasures and remotely piloted vehicles, prompted in part by lessons of the Arab-Israeli war. The Soviet Union is building a second S/VTOL aircraft carrier and has deployed new *Kara*-class cruisers, with three separate missile systems, and *Krivak*-class destroyers. A new fighter-bomber is under development (*Fencer A*, designed for ground attack), and others, such as the MiG–23 and Su–20, are in service. A new tank is in production. The two super-powers are thus modernizing their general-purpose forces across the whole range, matching the development in strategic systems.

THE UNITED STATES

Population: 213,460,000.
Military service: voluntary.
Total armed forces: 2,174,000 (40,500 women).
Estimated GNP 1973: $1,289.1 billion.
Defence budget 1974–75: $85,600 million.[1]
Strategic Nuclear Forces: [2]
Offensive:
(A) *Navy:* 656 SLBM in 41 submarines. 22 SSBN, each with 16 *Poseidon*, 19 SSBN, each with 16 *Polaris* A3.
(B) *Strategic Air Command: ICBM:* 1054; 21 *Minuteman 1*, 450 *Minuteman 2*, 529 *Minuteman 3*, 54 *Titan 2*.
Aircraft: Bombers: 503.[4] 66 FB–111A in 4 sqns, 180 B–52G in 12 sqns, 75 B–52H in 5 sqns, 120 B–52D in 8 sqns: with SRAM.
22 B–52F in 1 sqn (training).
Tankers: 615 KC–135 in 38 sqns.
Aircraft in active storage or reserve include 40 B–52D/F/G/H and 130 KC–135.
SRAM—Short Range Attack Missile (1,140 to be operational by mid-1975).

[1] Expected Outlay, Fiscal Year 1975. New Obligational Authority, $92,899 million; Total Obligational Authority, $92,579 million.
[2] Manpower is included in Army, Navy and Air Force totals.
[3] Missile and aircraft characteristics are given in Table 1 on pp. 73–7.
[4] Two B–52 sqn equivalents and 1 tanker sqn are rotated for duty in South-East Asia.

Strategic Reconnaissance: 10 SR–71A in 1 sqn; RC/EC–135, DC–130, U–2.
Defensive: North American Air Defence Command (NORAD), HQ at Colorado Springs, is a joint American-Canadian organization. US forces under NORAD are Aerospace Defence Command (ADC).
ABM: Safeguard system with 30 *Spartan* and 70 *Sprint* ABM in 1 site to be complete by mid-1975.
Aircraft (excluding Canadian):
Interceptors: 532. (i) Regular: 7 sqns with F–106A (to be 6), (ii) Air National Guard 6 F–101B sqns: 10 F–102A sqns: 4 F–106A sqns (to be 6 sqns F–101, 2 sqns F–102, 6 sqns F–106 by mid-1975).
AEW aircraft: 3 sqns with EC–121 (being reduced).
SAM: 261, 21 *Nike-Hercules* batteries (to be withdrawn by mid-1975).
Warning Systems:
(i) *Satellite-based early warning system:* three early warning satellites, one on station over the Eastern Hemisphere, two over the Western; surveillance and warning system to detect launchings from SLBM, ICBM and Fractional Orbital Bombardment Systems (FOBS).
(ii) *Space Detection and Tracking System* (SPADATS): USAF *Spacetrack* (7 sites), USN *SPASUR* and civilian agencies: Space Defense Centre at NORAD HQ. Satellite tracking, identification and cataloguing control.
(iii) *Over-the-Horizon, Forward Scatter* (OTH): 440L radar system with 9 sites: capable of detecting, but not tracking, ICBM very early in flight.
(iv) *Ballistic Missile Early Warning System* (BMEWS): 3 stations, in Alaska, Greenland and England: detection and tracking radars with an ICBM and IRBM capability.
(v) *Distant Early Warning* (DEW) *Line:* 31 stations, roughly along the 70 N parallel.
(vi) *Pinetree Line:* 23 stations in central Canada.
(vii) *474N:* SLBM detection and warning net of 4 stations on the East, 1 on the Gulf and 3 on the West coasts of the United States.
(viii) *Back-Up Interceptor Control* (BUIC): system for air defence command and control (all stations except one now semi-active).
(ix) *Semi-Automatic Ground Environment* (SAGE) system for co-ordinating all surveillance and tracking of objects in North Amercian airspace; 6 locations; combined with BUIC.
(x) *Ground radar stations:* some 55 stations manned by Air National Guard; augmented by the Federal Aviation Administration stations. Nine joint use stations now in service.
Army: 782,000 (13,700 women).
3 armoured divisions.
1 armoured cavalry division.
4 mechanized infantry divisions.
3 infantry divisions.
1 airmobile division.
1 airborne division.
3 armoured cavalry regiments.
1 brigade in Berlin.
1 school brigade.
2 special mission brigades in Alaska and Panama.
20 *Honest John, Pershing, Sergeant* and *Lance* SSM battalions (*Lance* is being introduced to replace *Honest John* and *Sergeant*).
M–48, M–60 and M–60A1/A3 and A2 (*Shillelagh*) hed tks; M–41, M–551 *Sheridan* lt tks with *Shillelagh* ATGW; M–557, M–114, M–113 APC; M–107 175mm SP guns; M–108 105mm, M–109 155mm and M–110 203mm SP how; M–56 90mm SP ATk guns; *TOW* and some Dragon ATGW; *Chaparral/Vulcan* 20 mm AA msl/gun system; *Redeye* and *Hawk* SAM.
Army Aviation; about 10,000 hel and 1,000 fixed-wing ac.
Deployment:
Continental United States:
(i) Strategic Reserve: 1 armd cav div; 1 inf div; 1 airmobile div; 1 AB div; 1 inf bde.
(ii) To reinforce 7th Army in Europe: 1 armd div;* 1 mech div (less 1 bde);† 1 mech div;* 1 armd cav regt.
Europe:
(i) Germany: 7th Army: 2 corps, incl 2 armd divs, 2 mech inf divs, 1 mech inf bde plus 2 armd cav regts; 190,000; 2,100 medium tanks.‡
(ii) West Berlin: HQ elements and 1 inf bde of 4,400 men.
(iii) Italy: Task force of HQ elements and 1 *Sergeant* SSM bn.
Pacific
(i) South Korea: 1 inf div; 26,000.
(ii) Hawaii: 1 inf div (less 1 bde).
Reserves: Authorized strength 658,000, actual strength 610,000.
(i) Army National Guard: authorized 400,000, actual 383,000; capable some time after mobilization of manning 2 armd, 1 mech and 5 inf divs, 18 indep bdes (3 armd, 7 mech and 8 inf) and 3 armd car regts, plus reinforcements and support units to fill regular formations.
(ii) Army Reserves: authorized 258,000, actual 227,000; in 12 trg divs and 3 indep trg bdes; 48,000 a year undergo short active duty tours.
Marine Corps: 196,000 (1,100 women).
3 divs (each of 18,000 men).
2 SAM bns with *HAWK*.
M–48 and M–103A2 med tks; LVTP–7 APC; 175mm guns; 105 mm SP how; 105mm and 155mm how; M–50 SP multiple 106mm RCL; 36 *HAWK* SAM. (428 M–60A1 med tks. 100 *TOW* on order.)
3 Air Wings: 550 combat aircraft.
12 fighter sqns of F–48/J with *Sparrow* and *Sidewinder* AAM.
10 attack sqns (5 each of 60 A–4E/F/M and 60 A–6A).
3 close-support sqns with 36 AV–8A *Harrier*.
3 recce sqns with RF–4B/C and 23 EA–6A.
3 observation sqns with OV–10A and AH–1J.
3 assault tpt/tanker sqns with 46 KC–130F.
6 heavy hel sqns with CH–53D.
9 med assault hel sqns with CH–46A.
Deployment:
(i) *Continental United States:* 2 divs/air wings.
(ii) *Pacific Area:* 1 div/air wing.
Reserves: Authorized strength 45,000, actual strength 34,700.
1 div and 1 air wing: 4 fighter sqns, 1 with F–4B, 3 with F–8J; 5 attack sqns with A–4C/E/L; 1 recce sqn with RF–8; 1 observation sqn with OV–10A and AH–1G; 1 tpt sqn with KC–130; 9 hel sqns (2 hy with CH–35, 6 med with CH–46, 1 lt with UH–1E, AH–1G); 1 SAM bn with *HAWK*.
Navy: 551,000 (10,000 women); 177 major combat surface ships, 73 attack submarines.
Submarines, attack: 61 nuclear, 12 diesel.
Aircraft carriers: 15.
1 nuclear-powered (USS *Enterprise*, 76,000 tons); a second will be commissioned in 1974–75.
8 *Forrestal/Kitty Hawk*-class (60,000 tons).
3 *Midway*-class (52,000 tons).
3 *Hancock*-class (33,000 tons; 1 training).
The larger carriers have a normal complement of 80–90 aircraft, the smaller ones 70–80. These are organized as an air wing of 2 fighter sqns with F–4 (F–8 in the *Hancock*-class), 2 attack sqns with A–4 or A–7; RA–5C or RF–8 recce; 1 sqn each of S–2E and SH–3A/D/G/H hel (ASW); EKA–3B tankers.

*These divisions have equipment stockpiled in West Germany.
† This division has two dual-based brigades with heavy equipment stored in West Germany.
‡This figure includes those stockpiled for the dual-based and Strategic Reserve divisions.

UMI

Other surface ships:
1 cruiser (nuclear) with SAM and *ASROC*.
3 cruisers with SAM and ASROC.
1 gun cruiser.
2 light cruisers with SAM (1 more in 1974).
3 frigates (nuclear with SAM and *ASROC* (1 more in 194–75).
28 frigates with SAM and *ASROC*.
29 destroyers with SAM and *ASROC*.
32 gun/ASW/radar picket destroyers, some with SAM and *ASROC*.
6 destroyer escorts with SSM, SAM and *ASROC*.
58 gun/radar picket escorts.
16 patrol gunbats, 2 with SSM.
65 amphibious warfare ships.
9 MCM ships (plus numerous small craft).
156 logistics and operations support ships.
Missiles incl *Standard SSM/SAM, Tartar, Talos, Terrier, Sea Sparrow SAM, ASROC* and *SUBROC* ASW.

Aircraft: about 1,900 combat aircraft.
28 fighter sqns with F–14A, F–4, F–8.
42 attack sqns with A–4, A–6, A–7.
10 recce sqns with RA–5C, RF–8.
24 maritime patrol sqns with 240 P–3A/B/C.
19 ASW sqns, 10 with S–2E, 9 with SH–3A/G/H hel (5 sqns with S–3 to be in service 1974–75.
5 helicopter sqns with UH–1/2, AH–1J, RH–53D.
33 other sqns with C–1, C–2, C–9B, C–54, C–130, 35 EA–6B and 48 E–2B/C.

Deployment (average strengths of major combat ships: some ships in the Mediterranean and Western Pacific are selectively based overseas, the remainder are rotated from the US):

Second Fleet (Atlantic): 4 carriers, 67 surface combatants, 1 amphibious ready group.*
Third Fleet (Eastern Pacific): 6 carriers, 56 surface combatants.
Sixth Fleet (Mediterranean): 2 carriers, 17 surface combatants, 2 amphibious ready groups.*
Seventh Fleet (Western Pacific): 3 carriers, 25 surface combatants, 2 amphibious ready groups.*
Middle East Force (Persian Gulf): 1 amphibious ship, 2 surface combatants.

Reserves: Authorized strength 129,000, actual strength 119,000; 3,000 a year undergo short active duty tours. Ships in commission with the Reserve include 37 destroyers and 26 MCM ships.

Aircraft: 2 carrier attack wings: 3 A–7, 3 A–4E/L attack sqns; 1 F–4B, 3 F–8J fighter sqns, 2 recce sqns (RF–8G); 2 KA–3 tanker sqns; 2 AEW sqns with E–1B.
2 ASW groups: 6 sqns with S–2; 4 hel sqns with SH–3; 2 A–4 fighter sqns; 2 E–1B sqns.
12 MR sqns; 4 with P–3A, 8 with SPB–2H.
4 tpt sqns with C–118.

Ships in reserve:† 11 submarines, 6 aircraft carriers, 4 battleships, 12 heavy cruisers, 4 SAM light cruisers, 70 destroyers, 2 frigates, 78 destroyer escorts (all classes), 8 rocket ships, 74 amphibious warfare ships, 82 MCM ships/craft, 75 logistics support ships.

Air Force: 645,000 (15,700 women); about 5,000 combat aircraft.
69 fighter/attack sqns with F–4, F–105, F–111 and A–7D.
13 tactical recce sqns with RF–4C, EB–66.
8 special purpose sqns with A–1E, A–37, F–105G, F–4C, O–2, OV–10, C–123, C–130, AC–130, UH–1, CH–3.
1 tactical drone sqn.
17 tactical airlift sqns with 325 C–130E.
17 hy tpt sqns, 4 with 79 C–5A, 13 with 275 C–141.

3 medical tpt, weather recce and SAR sqns with C–9, HC–130 and HH–53.

Deployment:

Continental United States (incl Alaska and Iceland):

(i) Tactical Air Command: 88,000; 37 fighter sqns. 9th and 12th Air Forces.
(ii) Military Airlift Command (MAC): 58,000. 21st and 22nd Air Forces.

Europe, US Air Force, Europe (USAFE): 47,000. 3rd Air Force (Britain), 16th Air Force (Spain), 17th Air Force (West Germany), and a logistics group in Turkey.

21 fighter sqns (plus 4 in the US on call) with 396 F–4C/D/E and 72 F–111E.

5 tactical recce sqns with 66 RF–84C.

Pacific, Pacific Air Forces (PACAF): 48,600; 11 fighter sqns.

5th Air Force (Japan, Korea, Okinawa), 7th Air Force (Thailand), 13th Air Force (Philippines, Taiwan, Thailand).

Reserves:

(i) Air National Guard: Authorized strength 92,000, actual 92,500; about 650 combat aircraft. 20 interceptor sqns (under ADC, see p. 5); 29 fighter sqns (17 with F–100C/D, 4 with F–105B/D, 1 with F–104, 1 with F–4C, 3 with A–7, 2 with A–37B, 1 with B–57); 7 recce sqns (4 with RF–101, 3 with RF–4C); 2 strategic tpt sqns with C–124C; 12 tactical tpt sqns (10 with C–130A/B/E, 1 with C–123J, 1 with C–7); 9 tanker sqns with KC–97L; 1 electronic warfare gp with EC–121 (ADC); 3 special operations gps with C–119/U10 and 5 tactical air support gps with O–2A.

(ii) Air Force Reserve: Authorized strength 56,000, actual strength 46,000; about 420 combat aircraft. 3 fighter sqns with F–105D; 4 attack sqns with A–37; 22 tactical tpt sqns (16 with C–130A/B/E, 4 with C–123K, 2 with C–7); 1 electronic warfare sqn with EC–121; 1 special operations sqn with CH–53E; 4 SAR gps, 2 with HC–130, 2 with HH–1H. 18 Reserve Associate sqns (personnel only).

(iii) Civil Reserve Air Fleet: 246 commercial long-range ac, incl 153 suitable for cargo.

THE SOVIET UNION

Population: 252,530,000.
Military service: Army and Air Force, 2 years; Navy and Border Guards, 2–3 years.
Total armed forces: 3,525,000.
Estimated GNP 1973: 441 billion roubles.[1]
Estimated defence expenditure 1974: 23.8 billion roubles (approximately $96 billion).[2]
Strategic Nuclear Forces: [3]
Offensive:

(A) *Navy:* 720 SLBM in 70 submarines.
9 SSBN (D-class), each with 12 SS–N–8 missiles.
33 SSBN (Y-class), each with 16 SS–N–6 missiles.
8 SSBN (H-class) each with 3 SS–N–5 missiles.
11 diesel submarines (G-1-class), each with 3 SS-N-5 *Serb* missiles.[4]
9 diesel (G-1-class) each with 3 SS-N-4 *Sark* missiles.[4]

(B) *Strategic Rocket Forces (SRF)*; 350,000.[5]
ICBM: 1,575.
209 SS–7 *Saddler* and SS–8 *Sasin*.
288 SS–9 *Scarp*.
1,018 SS–11 (including about 100 IRBM/MRBM).
60 SS–13 *Savage*.
IRBM and *MRBM:* about 600.
100 SS–5 *Skeam* IRBM.
500 SS–4 *Scandal* MRBM.

The majority are sited near the western border of the USSR, the remainder east of the Urals.

(C) *Air Force.*
Long Range Air Force (LRAF); 840 combat aircraft.[6]
Long range bombers: 140.
100 Tu–95 *Bear* and 40 Mya–4 *Bison*.
Tankers: 50 Mya–4 *Bison*.
Medium range bombers: 700.
500 Tu–16 *Badger* and 200 Tu–22 *Blinder*.
Defensive:
Air Defence Forces (*PVO-Strany*) 500,000: early-warning and control system, fighter-interceptor squadrons and SAM units.[7]
Aircraft: about 2,650.
Interceptors: include about 650 MIG–17 and MIG–19, 750 Su–9, 1,250 Yak–28P *Firebar*. Tu–28P *Fiddler*, Su–11, Su–15 *Flagon A* and MIG–25 *Foxbat*.
Anti-ballistic Missiles (ABM):
64 *Galosh* long-range missile launchers are deployed in four sites around Moscow, each with *Try Add* engagement radars (another radar of this type is under construction). Target acquisition and tracking is by a phased-array *Dog House* radar, and early warning is given by phased-array *Hen House* radar on the Soviet borders. The range of *Galosh* is believed to be over 200 miles, and its warheads are nuclear, presumably in the megaton range.
SAM: 9,800 launchers at about 1,650 sites.
SA–2 *Guideline:* about 4,500; *Fan Song* radar; high-explosive warhead; slant range (launcher to target) about 25 miles: effective between 1,000 and 80,000 feet.
SA–3 *Goa:* Two-stage, low-level missile; slant range about 15 miles.
SA–4 *Ganef:* Twin-mounted (on tracked carrier), air-transportable, long-range missile with solid fuel boosters and ram-jet sustainer.
SA–5 *Griffon:* Two-stage, boosted high-level missile; slant range about 50 miles, with a limited capability against missiles.
SA–6 *Gainful:* Triple-mounted (on tracked carrier), low-level missile; slant range about 17 miles.
Army: 1,800,000:* 110 mechanized divisions, 50 tank divisions, 7 airborne divisions.
SSM: (nuclear capable): about 1,000 launchers (units are organic to formations), including:
(1) *FROG*–1–7, range 10–45 miles.
(2) *Scud A*, range 50 miles.
(3) *Scud B*, range 185 miles.
(4) *Scaleboard*, range 500 miles.
SAM: SA–2, SA–4, SA–6 and SA–7 *Grail* (manportable or vehicle mounted).
Tanks:
JS 2/3, T–10, T–10M hy, T–62 and T–54/55 med, PT–76 amphibious recce; lt tks (most Soviet tanks are equipped for amphibious crossing by deep wading).
AFV: BTR–50P, –60, –152; BMP APC: BRDM scout car, and BMD airborne AFV.
Artillery:
100mm, 122mm, 130mm, 152mm and 203mm field and SP guns and how; 122mm multiple RL; 140mm RL; ASU–57 and ASU–85 SP and 85mm and 100mm ATk guns; *Sagger, Snapper, Swatter* ATGW.
Anti-Aircraft Artillery:
14.5mm, 23mm, 57mm towed guns and ZSU–57–2 57bb twin-barrelled and ZSU–23–4 23mm four-barrelled tracked SP guns; 85 mm, 100mm and 130mm guns.

DEPLOYMENT AND STRENGTH:

Central and Eastern Europe: 31 divs: 20 divs (10 tank) in East Germany; 2 tank divs in Poland; 4 divs (2 tanks) in Hungary; and 5 divs (2 tanks) in Czechoslavakia; 9,025 medium tanks.
European USSR: 63 divs (about 22 tank).
Central USSR: 23 divs (3 tank).
Sino-Soviet border: 45 divs, incl 2 in Mongolia (about 8 tank).

Soviet divisions have three degrees of combat readiness: Category 1, between three-quarters and full strength, with complete equipment; Category 2, between half and three-quarters strength, with complete fighting vehicles; Category 3, about one-third strength, possibly with complete fighting vehicles (though some may be obsolescent). The 31 divs in Eastern Europe are Category 1, as are a small number of those in the European USSR and the Far East and a few in the Southern USSR. The remaining divisions in European USSR, Southern USSR and the Far East are probably evenly divided between Categories 2 and 3. The divisions in Central USSR are likely to be in Category 3. At full strength, tk divs have 325 med tks; mech divs 255.

Outside the Warsaw Pact area:

Afghanistan 150, Algeria 600, Cuba 1,000 Egypt 500, Iraq 600, North Vietnam 1,000, Somali Republic 1,000, Syria 2–3,000, People's Democratic Republic of South Yemen 200.

Navy: 475,000 (incl Naval Air Force, 75,000; Naval Infantry, 17,000, and Coast Artillery and Rocket Troops, 10,000); 221 major surface combat ships, 245 attack and cruise missile submarines, 70 nuclear, 175 diesel.

Submarines:
Attack: 30 nuclear (10 N–, 15 V–, 3 E-I–, 1 U-1 A class): 140 diesel (50 F–, 10 R–, 20 Z–, 59 W–, 1 T-class).
Cruise missile: 40 nuclear (1 P–, 10 C–, 29 E-class); 25 diesel (15 J–, 10 W-class), with SS-N-3 and SS-N-7.
Coastal: 10 diesel (5 B–, 5 Q-class).
Surface ships:
2 *Moskva*-class ASW helicopter cruisers, each with 2 twin SAM and about 20 Ka-25 hel.
3 *Kara*-class ASW cruisers with SSM and SAM.
4 *Kresta*-class ASW cruisers with SSM and SAM.
6 *Kresta* II-class ASW cruisers with SSM and SAM.
4 *Kynda*-class cruisers with SSM and SAM.
13 *Sverdlov*-class cruisers (3 with SAM, 2 with hel), and 1 older cruiser.
6 *Krivak*-class destroyers with SSM and SAM.
6 *Kanin*-class ASW destroyers with SAM.
3 *Krupny*-class destroyers with SSM.
19 *Kashin*-class ASW destroyer with SAM.
8 modified *Kotlin*-class destroyers with SAM.
36 *Kotlin*- and *Skory*-class destroyers.
110 other ocean-going escorts.
8 *Nanuchka*-class coastal escorts with SSM and SAM.
150 submarine chasers.
130 *Osa* and *Komar*-class FPB with *Styx* SSM.
300 patrol and torpedo boats.
260 minesweepers (125 coastal).
100 amphibious ships.
100 landing craft.
25 hydrofoils.
(1 40,000-ton *Kuril*-class aircraft carrier, apparently designed to operate with a combined total of perhaps 25 S/VTOL ac and 36 hel, may be in service in late 1975. A second is building.)

In addition to the above there are 50 intelligence collection vessels (AGI) and a number of trawlers used for electronic intelligence.

A proportion of the destroyers and smaller vessels may not be fully manned.

Naval air force: about 715 combat aircraft.
(Most shore-based near the north-west and Black Sea coasts, organized generally into 3 regiments of 3 sqns each at each base.)
280 Tu–16 *Badger* with one *Kipper* or two *Kelt* ASM.
55 Tu–22 *Blinder* strike and reconnaissance ac.
20 Il–28 *Beagle* torpedo-equipped light bombers.
50 Tu–95 *Bear* long-range naval reconnaissance ac.
150 Tu–16 *Badger* reconnaissance and tanker ac.
100 Be–2 *Mail* ASW amphibians.
60 Il–38 *May* ASW aircraft.
270 Mi–4 and Ka–25 ASW helicopters.
200 miscellaneous transports.

Naval infantry (Marines).

Organized in brigades and assigned to fleets. Equipped with standard infantry weapons, T–54/55 med tks, PT–76 lt tks and BTR–60P/PB APC.

Coastal artillery and rocket troops:

Heavy coastal guns and SS–N–3 *Shaddock* SSM to protect approaches to naval bases and major ports. Coasts are covered by a coast watch radar and visual reporting system.

Deployment (average strengths only):
Northern Fleet: 160 submarines, about 80 of them nuclear; 56 major surface combat ships.
Baltic Fleet: 30 submarines, 50 major surface combat ships.
Black Sea Fleet: 20 submarines, 60 major surface combat ships.
Pacific Fleet: 100 submarines, about 40 of them nuclear; 55 major surface combat ships.

Air Force: 400,000; about 5,350 combat aircraft.*
Long Range Air Force (see p. 8).
Tactical Air Force: about 4,500 aircraft, incl Yak–28, Il–28, 800 MiG–17, 500 Su–7, 300 MiG–23 *Flogger*, more than 1,350 MiG–21; Su–20, improved *Fitter B, Fencer A*.
Air Transport Force: about 1,700 aircraft; 870 Il–14, An–8, An–24, some 800 An–12 and Il–18 med tpts and 30 An–22 hy tpts.
2,500 hel (about 500 Mi–1, Mi–2; Mi–4, 1,000 Mi–6, Mi–8, Mi–10; Mi–12 and Mi–24).

Deployment:

About half the Tactical Air Force is oriented towards Western Europe and a quarter towards China. Some 1,250 aircraft are actually deployed in Eastern Europe. There is a Tu–22 sqn in Iraq.

Reserves: about 3,000,000 (500,000 with recent training earmarked for divisional reinforcements).

Para-Military Forces: 310,000.

180,000 KGB border troops; 130,000 MVD security troops. The border troops are equipped with tks, AFV, ac and ships; MVD have tks and AFV. There is a part-time military training organization (DOSAAF) which takes part in such recreational activities as athletics, shooting and parachuting. It assists in pre-military training given in schools, colleges and workers' centres to those of 15 and over. The membership is perhaps 9 million but the number of effectives is likely to be much smaller.

POST-WORLD WAR II CASES OF U.S.S.R. INTERVENTION OR ACTION

Direct Uses of Soviet Troops:
Iran, 1946, Attempt to create autonomous Azerbaijan.
Berlin, 1947–48, Blockade.
Hungary, 1956, Suppress revolt.
Czechoslovakia, 1968, Warsaw Pact invasion.

Indirect Soviet support of military conflicts:
Greece, 1946–48, Aid to Greek Communist civil war through Yugoslavia and Bulgaria.
Korea, 1950, Support of North Korean invasion.
Mideast, 1973, Support for Arab war with Israel.
Viet-nam, 1960–75, Support for North Vietnam and Viet Cong.

Soviet support for national liberation wars, insurrections, other military confrontations:
Soviet arms and finances on a limited level to Southern African revolts include aid to:
FRELIMO, Mozambique.
MPLA, Angola.
ZAPU, Rhodesia.
SWAPO, Southwest Africa.
ANC, South Africa.
Arab-Israeli confrontation, 1955 on.
PLO vs Israel, 1968, Through Syria, Iraq, Algeria, and other Arab states.
Eritreans vs Ethiopia, 1970, Through Arab states.
Cyprus, 1960, Greek side supported.
Sultanate of Oman, 1970, Dhufar Liberation Movement, by U.S.S.R. and PRC, through PDR of Yemen.
Kurds vs Iraq, 1950s, Direct support, possibly through Iran, Turkey.
Iran, 1951–54, The Tudeh Party opposition.
Sudan, 1960s, Support of Govt. against south in civil war, severely curtailed after 1971 communist coup attempt.
Cuba, 1960s, Support for Castro revolution after its takeover of government.
China, 1946, Aid in communist Manchuria campaign.
Laos, 1960–75, Aid to North Viet-nam and Pathet Lao.
Malaya, 1962–65, Arms for Indonesian "confrontation," subversion and guerrilla infiltration.
East Pakistan, 1971, Arms for Indian invasion.
Congo, 1960–61, Support for P. Lumumba and followers.
Somalia, 1972, Support for Govt. irredentist claims.

Mr. STONE. Mr. President, I bring this material to the attention of the Senate for only one purpose. I believe it is imperative to recognize the military posture of the Soviet Union in relation to our own posture. We are embarking on a series of votes which will determine the extent and degree of our military strength. In deciding the direction that we pursue, we should not neglect the directions which the Soviets are pursuing. No matter what their intentions may be, we are still faced with the reality that the Soviets are moving fully ahead in their research and development and their weapons procurement programs. The percentage of the Soviet GNP being spent on arms is rising—ours is falling.

Unfortunately, we do not live in a Camelot. World history, since the end of World War II, shows that the Soviets have constantly maintained a policy of military intervention or a strong show of military force in situations throughout the world. From the situation which made necessary the Berlin airlift, to the Hungarian invasion, to the Cuban missile crisis, to the immense supplying of armaments to Arab States in the Middle East, the pattern is clear.

The Soviets respect the position of strength and react accordingly when they feel that they can succeed through a rattling of their military force. The So-

---

*Amphibious ready groups are 3–5 amphibious ships with a Marine battalion embarked. Only 1 in the Mediterranean and 2 in the Pacific are regularly constituted; one is occasionally formed for the Caribbean.

† Many older vessels are to be scrapped and the Reserve Fleet reduced substantially during 1974–75.

[1] See the Readers' Notes on pp. vi–vii for the method of estimating GNP and the problems of conversion to dollars. The 1973 official exchange rate was $1=$0.72 roubles. An American study gave $1=0.59 as a suitable 1970 GNP conversion rate, compared with the then ruling official exchange rate of $1=0.9.

[2] This dollar estimate is only a valuation of the Soviet defence effort at US prices measured in dollars. The method of arriving at the figure is described in *The Military Balance 1973–1974*, pp. 8–9.

[3] Characteristics of nuclear delivery vehicles and notes on numbers and types under construction and test are given in Table I on pp. 73–7.

[4] These 60 launchers are not considered strategic missiles under the terms of the Strategic Arms Limitation (Interim) Agreement.

[5] The SRF, a separate service, have their own manpower.

[6] About 75 percent is based in the European USSR, with most of the remainder in the Far East; in addition there are staging and dispersal points in the Arctic.

[7] The Air Defence Forces are a separate service with their own manpower.

*Excluding Air Defense Forces.

*Excluding Air Defence Forces (*PVO-Strany*).

UMI

viets respect strong United States military capability.

While I am not about to suggest that large sums of money cannot be trimmed from the budget of the Department of Defense, I feel that this trimming of the fact should occur in areas which do not affect our research and development and weapons procurement programs.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. GRAVEL. Mr. President, how much time remains?

The ACTING PRESIDENT pro tempore. The Senator from Mississippi has 7 minutes remaining.

Mr. STENNIS. Mr. President, I yield to the Senator from South Carolina.

Mr. GRAVEL. Mr. President, will the Senator from Mississippi save me 2 minutes at the end, to wrap up my statement?

Mr. STENNIS. Yes. I have only 7 minutes. I yield 5 minutes to the Senator from South Carolina and 2 minutes to the Senator from Alaska.

Mr. GRAVEL. I thank the Senator.

Mr. THURMOND. Mr. President, setting aside the implications of the proposed ceiling on overall U.S. military manpower, amendment No. 539 would place a ceiling on deployments of U.S. military forces outside the United States of 285,000 by the end of September 1976—roughly a 200,000 man reduction from our current strength overseas. This extraordinary proposal seems to ignore that the Senate last year gave serious consideration to mandated reductions in overseas U.S. military manpower of 100,000—the Mansfield amendment—and rejected that proposal for a reduction of only half the size now being put forward. The Senate rejected the 100,000-man reduction because closer analysis revealed the devastating effect it would have on our position in Europe and Asia, and the corrosive effect on our credibility as a global power.

A reduction of 200,000 men overseas in a single fiscal year would be an act of isolationism pure and simple! The President has just returned from a trip to Europe during which he assured NATO of the U.S. intention to retain current forces in Europe. In the face of mandated reductions of 200,000 this solemn pledge would have to be abandoned unless we were prepared to return virtually all other U.S. forces and personnel from the rest of the world, including MAAGS, MILGP's and Attaches.

In Asia, the consequences could be catastrophic, particularly given the unstable situation in Korea in the aftermath of the fall of Vietnam. An act of precipitate abandonment in Korea, such as this amendment would produce, could very easily be the catalyst for another Korean war. And the implications hardly stop there. The lynchpin of our Asian strategy for 2 decades has been our security relationship with Japan and our force presence in Japan and Korea.

Under this amendment we would probably be compelled to eliminate both these deployments totally and leave the Japanese to their own devices in the Western Pacific. Their response cannot be predicted with any certainty, but a major rearmament would not be unlikely with all the destabilizing consequences that could have for relations with China, the Soviet Union, and the smaller countries of Asia. In eliminating our air and naval positions in the Philippines we would also be foregoing any possibility of protecting the vital sea lanes of communication through the Straits of Malacca and across the Indian Ocean.

In Europe the shock waves from this kind of action could destroy the very basis of mutual confidence on which the strength of the NATO Alliance has rested—irrespective of whether the preponderance of the reductions actually came out of Europe, as they surely would not. The inescapable conclusion for all thoughtful European statesmen would be that the United States had returned to an era of rigorous isolationism in which it would eschew not only its global responsibilities but also its capacity to protect its own international interests.

In the Middle East, we would surely destroy any serious possibility of a U.S.-mediated peace agreement between the Arabs and Israel. In the face of such a sweeping retreat from the world, Israeli confidence in the United States and itself would be shaken severely, and Arab incentive to take our negotiating initiatives seriously would evaporate. Our leverage in dealing with the oil-producing states on a more sensible pricing and supply system would likewise be vitiated.

Depending on whether this amendment required us to significantly reduce our naval presence overseas, we might see the emergence in short order of an international maritime situation in which we were not only at the mercy of the Soviet Union, but were also subject to the whim of a variety of medium-sized countries in the various oceans of the world.

Mr. President, I am convinced that at this time in history, it would be a great mistake to reduce further our military establishment. We have already reduced the military personnel in the Committee on Armed Services, and I believe we have gone as far as it would be safe to go.

The Defense Department feels that we should not have made any cut. They claim that they considered all these matters very carefully and only requested what they felt they had to have.

They said they knew the pressures on the budget today, and when they made their requests they made them as low as they thought was safe.

However, we did reduce those. We reduced the military manpower by 1 percent. I certainly hope it will not be reduced any further, and I hope this amendment will be defeated.

Mr. STENNIS. Mr. President, I yield myself 1 minute to say this: Nothing in this bill has been gone over more thoroughly, in my opinion, and no more sound judgment rendered than on this personnel question. It is a highly important matter. It is one on which you cannot afford to make a mistake, and I think that fine headway has been made in making some reasonable reductions.

We should be able to sustain these in conference, as a whole, because they are well thought out and planned. There are reasons for each reduction that the committee has requested and the Senate approves.

I think it would be a great mistake to adopt the Senator's amendment. I know it would be a disastrous thing in conference. I do not ordinarily say that, but I do not think there is any doubt about it that it would be a disastrous situation to go to conference with the Senator's amendment.

I am glad to yield to the Senator from Alaska if no one else wants time.

Yes, the Senator from Georgia, he may handle the rest of the time.

(At this point Mr. STONE assumed the Chair.)

The PRESIDING OFFICER. There are 4 minutes remaining to the Senator from Mississippi.

Mr. NUNN. The Senator may take 2 and I will take 2.

Mr. GRAVEL. Very well.

Just in wrapping up, let me say this: the committee has effected a reduction. The reduction I am hoping to effect is a 10,000 reduction, which is a larger reduction than the committee effected. I view my efforts as a token reduction. I had requested earlier unanimous consent to modify my amendment, and that was objected to. I am not sure by whom it was objected to, but would there now be objection from the Senator from Arizona (Mr. GOLDWATER) with respect to a modification of this amendment to cut troops back by 10,000 rather than 200,000?

Mr. GOLDWATER. There would be objection.

The PRESIDING OFFICER. Objection is heard.

Mr. GRAVEL. In the face of that, I obviously will not make that request.

Mr. President, I think the issue that faces us right now in this body—which certainly is not of a mind to effect any troop cuts at all—is the feeling that if we do cut back it will show weakness around the world and be a destabilizing influence to ourselves and our allies.

This is a very tragic perception. I think it is not only a perception of this body, I think it may well be a perception of the American people. It is a very tragic perception, which itself was forced by a tragic misunderstanding. I think it should be understood that it was the Congress of the United States, not the President, which caused our withdrawal from Southeast Asia, from Vietnam.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. GRAVEL. May I have half a minute?

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. NUNN. I yield a half minute.

Mr. GRAVEL. Just to complete my statement, Mr. President.

We did not cut and run. We made a calculated decision to get out of South Vietnam when we realized we should not be there. Obviously that should not clear our judgment with respect to the need for defense around the world.

The Senator stated the Russians were all-powerful. They are not. We can destroy them many, many times over. This gives us the ability to cut back in less efficient areas and that, essentially, is what I am trying to do. As the Senator from Georgia so ably stated, the most expensive part of the establishment is the personnel part. That is the easiest part to cut.

Mr. STENNIS. I yield the Senator from Georgia an additional minute on the bill if he wants to take an additional minute.

Mr. NUNN. I will try to summarize very briefly.

Mr. President, the Gravel amendment would cut 195,000 of our 480,000 personnel stationed in foreign countries. That is a 40-percent reduction. It would be the grand American retreat parade after the Vietnam debacle. If we brought home every last man stationed ashore west of Alaska, Guam, and Hawaii, we would still have to cut 60,000 or about 20 percent of our troops in Europe. The logistics alone of getting one-third of a million troops and their dependents home in a year's time would be enormous.

Since 1964 we have gradually cut our overseas strength by one-third—over 240,000. We no longer have a cold-war defense posture or a cold-war overseas deployment.

Withdrawal of 200,000 troops from overseas would clearly wreck NATO, demoralize Japan, and force the United States into an isolationalized and sieged posture. MBFR, SALT, as well as energy and economic negotiations would come to an end after the world viewed the United States retreating into itself.

Senator Gravel's amendment would also demobilize 200,000 military personnel—10 percent of our total strength. This would bring our military strength down to the levels just after World War II. As we know the post-World War II demobilization 1946–47 went too far and led to the Soviet pressures in Greece, Berlin, in Europe generally and finally in Korea.

It was only 3 years after the World War II demobilization that the United States had to remobilize to fight the Korean war and meet the needs of the Berlin airlift. There is no reason for us to go back to that posture today; and, it would be foolhearty. As a practical matter, a 200,000 cut in 15 months would essentially eliminate all our conventional combat capability for that period. In order to demobilize that many men in that short a time our Armed Forces could do nothing else except process people for discharge, transport them back to their hometowns and either junk their equipment or put it into mothballs. This would mean a massive laying up of ships, aircraft, tanks, trucks and so forth.

If this 200,000 cut was taken across the board, in each service, it would mean a 75,000 cut in Army reducing the Army strength to 700,000 and demobilizing four or five divisions. It would mean a 50,000 cut in the Navy and a reduction of perhaps 40 or 50 ships from the 490 planned. The number of Navy ships is already down to the levels of 1939 before World War II. It would mean a reduction of 55,000 Air Force personnel and probably 10 wings of various kinds of aircraft. Finally, it would mean a cut of 20,000 marines and the attendant loss of that ready combat capability which has been performing so well in recent months.

These massive conventional force reductions would make the United States totally reliant in the short run on its nuclear weapons.

This is something I have said probably a hundred times this week, but we must realize there is a direct correlation between our conventional posture and the nuclear threshold. If we weaken our conventional posture to the point that the President of the United States has no option, then we will have no real choice except either capitulating to the Soviet Union or using nuclear weapons, and the capitulation or the destruction of America is not a very sound choice.

Mr. GRAVEL. Mr. President, will the Senator from Mississippi yield for a colloquy? We are going to vote at 12 o'clock, I understand.

Mr. STENNIS. I am glad to yield as much time to the Senator from Alaska, extra time, as I yielded to the Senator from Georgia. Two minutes, is that right? We have to move along to the other parts of the bill.

I will yield 2 minutes to the Senator from Alaska on his amendment.

Mr. GRAVEL. I wish to pose a question to the Senator from Georgia, who raised the question of nuclear threshold, which is a very valid and important consideration with respect to Europe.

I want to say that I find it difficult, as I pointed out yesterday, in view of how the actions of France would wipe out the possibility of a threshold. But there is another thing that concerns our own tactics, and that is very simply that we have in place nuclear devices to blow the passes if there is any type of military activity.

Now, the first thing that our people have orders to do if they start moving across the border is to push the button. So the first act of defense on the part of any American commander in Europe is going to be to use nuclear devices.

I do not understand the threshold argument when we all know that that is going to be the first action.

Mr. NUNN. I think the Senator made a good point about France. I do not come to quite the conclusion, catastrophic conclusion, that the Senator from Alaska does, but I am not comfortable with the position of France in NATO, and I have worked very diligently in the last 2 years to bring that point up.

So far as pre-positioning ADM's, that has not taken place. We have no permission from any country in Europe to pre-position ADM's.

The Senator's advice on that point is not correct. We have ADM's, but we have not pre-positioned them, and there is no immediate plan that the Senator from Georgia knows anything about to pre-position ADM's.

Mr. GRAVEL. Is the Senator from Georgia telling me that in all the key strategic passes that could bring about the invasion of Western Germany that we have no pre-positioned nuclear devices?

IMPLICATIONS OF REDUCING AND DEMOBILIZING FORCES OVERSEAS BY 200,000

Mr. GOLDWATER. Mr. President, I rise to oppose the amendment to reduce our Armed Forces by the proposed action of bringing almost half of our overseas servicemen home and discharging them. Not only would be endangering the free world, but we are also bringing 200,000 American men and women home to a poor job market.

The most fundamental global challenges to our national security today and for the forseeable future will come from the Soviet Union. For general purpose force planning, this means that we must continue to give priority to Europe since this is the area in which we both have the most at stake and to which the Soviets always give highest priority. Thus, in addressing reductions in U.S. overseas deployments, our first priority goal would have to be to absorb any such reductions with the least adverse impact on the balance in Europe.

The reductions suggested in this amendment would have significant adverse effects upon both our own security interests and those of our allies all over the world. A unilateral U.S. reduction in Europe would be highly inadvisable. But we are prepared to reduce forces in Europe in the context of a negotiated mutual reduction with the East. Unilateral U.S. reductions now would destroy the mutual and balanced force reduction—MBFR—negotiations by eliminating the East's incentive to negotiate.

We and our NATO Allies would no longer be in a position to secure reciprocal reductions from the East through MBFR. Unilateral withdrawals would also deal a severe blow to alliance unity by giving both our Allies and the Warsaw Pact reason to doubt the reality of our commitment to Western European defense.

Therefore, the reduction of 200,000 would have to be taken in Europe, in Asia, in the Western Pacific and every important area of the world. As of December 31, 1974, the primary U.S. deployments overseas, exclusive of troops afloat, were as follows:

[In thousands]

Western Pacific	138
Japan	52
South Korea	42
Philippines	16
Thailand	23
Europe	274
Germany	211
Other areas	39

To achieve a 200,000-man reduction we would have no choice but to significantly reduce our presence in Europe, Japan, Korea, and the Philippines to mention a few areas of the world which are vitally important to U.S. security and interest. This would require crippling the NATO bulwark and removing the Army's 2d Infantry Division from Korea. If this division were eliminated from the force structure, the only remaining Army division in the Pacific available for contingencies would be the 25th Division in Hawaii.

A reduction of this dramatic magnitude—could undermine the balance of

UMI

power in the world. It would threaten the stability of strategically important Western Europe, the Korean peninsula and Asia would be an invitation to increasing hostility and possible conflict. Such dramatic reductions would be a flat repudiation of the assurances that President Ford has given NATO, Japan and Korea that he would maintain our current level of forces as a necessary contribution to the stability and security of our allies.

A precipitous and unplanned reduction of this kind would seriously weaken our leverage with both China and the U.S.S.R. in Asia, the U.S.S.R. in Europe, and could set in motion a severe erosion of our security with our NATO Allies and Japan which have been the linchpins of security for over 25 years. It could very well contribute to an already dangerous trend toward proliferation of nuclear weapons. Moreover, the fact that we chose to accept this dramatic force reduction would be small comfort to the free world since they would see the action as a manifestation of isolationism in the United States. In that context it would erase the incentive for the Soviet Union to negotiate seriously on arms control.

A review of the record of our past efforts is important. In calendar year 1974, we reduced U.S. personnel in foreign countries—excluding forces afloat—by 17,000 men. Further reductions in Thailand and elsewhere are planned for 1975 as a part of DOD's efforts to streamline our force structure for greater efficiency, and tailor our force deployments to meet current U.S. security requirements.

A mandated reduction of 200,000 personnel overseas would have catastrophic consequences for U.S. security interests. Such a reduction would represent 41.6 percent of our troops presence overseas as of December 31, 1974, exclusive of troops afloat. The security problems involved may be illustrated by discussing the implementation of such a withdrawal. If we withdrew 100,000 troops from Asia and the Western Pacific from our current force presence in this area it would require that we withdraw all our military personnel from Thailand, the Philippines, and Taiwan, plus some 45,000 to 50,000 from both Japan and Korea.

The Japanese would be profoundly shocked by any such cut in our presence. Moreover, the United States would have no ground force presence at all left in Northeast Asia and no airbases or naval facilities in the Philippines or Southeast Asia. It is hard to see what advantage we would reap from such a destruction of our Asian security posture or what contribution it would make to peace and stability in the world.

In addition, we would take 100,000 troops out of Western Europe. Our current strength in Western Europe and related areas, exclusive of troops afloat, is 274,000, the great majority of which are in the West Germany. Such a mandate could necessitate, for example, the elimination of our entire force presence in Western Europe outside the Federal Republic of Germany, plus reducing our contingents in Federal Republic of Germany. In so doing, we would, by our own actions, seriously destabilize the balance in Europe between the forces of NATO and the Warsaw Pact, and we would deal a severe blow to the NATO Alliance by causing both our allies and the Eastern bloc to believe that we had drastically downgraded our security commitment to Western Europe. Finally such an action would destroy any chance for mutual and balanced force reduction—MBFR.

As for demobilization of these withdrawn forces, that would compound the negative consequences of redeployment. Ordinarily, if commitments are maintained but forward deployments reduced, we would make a corresponding improvement and expansion of our reinforcement capabilities. If the forces returned to the United States are demobilized, as this amendment presupposes, improvements in reinforcement capability become impossible.

If we approve this amendment, we have forsaken the security and freedom of the United States, the free world, and the way of life we enjoy today.

The PRESIDING OFFICER. The additional time allotted has expired.

The question is on agreeing to the amendment of the Senator from Alaska.

Mr. STENNIS. Mr. President, I beg the Chair's pardon. I did not understand the Chair's remarks.

The PRESIDING OFFICER. The Chair is calling for the question on the amendment. The additional time allotted has expired.

The question is on agreeing to the amendment of the Senator from Alaska. [Putting the question.]

The amendment of the Senator from Alaska was rejected.

Mr. STENNIS. I will yield to the Senator from Kentucky, but we do have a situation with respect to the Senator from South Dakota.

Mr. FORD. I just want to make a unanimous-consent request.

Mr. STENNIS. I yield 1 minute to the Senator from Kentucky.

Mr. FORD. Mr. President, I ask unanimous consent that Jane Mathias of my staff be allowed the privileges of the floor during debate on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 490

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I call up amendment No. 490.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . (a) Section 3732 of the Revised Statutes (41 U.S.C. 11) is amended by—

(1) striking out in subsection (a) the following: ", except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters, or transportation, which, however, shall not exceed the necessities of the current year";

(2) striking out the subsection designation "(a)" at the beginning of such section; and

(3) striking out subsection (b) of such section.

(b) The first proviso contained in the paragraph entitled "MEDICAL AND HOSPITAL DEPARTMENT", under the heading "MEDICAL DEPARTMENT", in the Act entitled "An Act making appropriations for the support of the Army for the fiscal year ending June thirtieth, nineteen hundred and seven", approved June 12, 1906 (34 Stat. 240), is amended by striking out the following: ", except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters, transportation, or medical and hospital supplies, which, however, shall not exceed the necessities of the current year".

Mr. ABOUREZK. Mr. President, how much time is there on each amendment?

The PRESIDING OFFICER. On this amendment, there is 1 hour, 30 minutes to a side.

Mr. ABOUREZK. Mr. President, this amendment will close a 19th-cenutry back-door spending loophole. It will bridge a century and a half between two stages of congressional budget reform.

The first stage dates back to 1820, when Congress acted to limit the way in which the Executive spent public funds. The legislation prohibited the Secretaries of State, Treasury, War, or the Navy from entering into contracts "except under a law authorizing the same, or under an appropriation adequate to its fulfillment." Recognizing that Congress was a part-time institution then, and, more importantly, allowing for the delays inherent in travel and communication, Congress included language excepting "contracts for the subsistence and clothing of the Army and the Navy." The purpose of the exemption, as the Supreme Court later put it, was so that the Army and Navy could "be fed, and clothed, and cared for at all times and places, and especially when in distant service."

Three decades later, Congress was again exercising its power of the purse to proscribe Executive spending authority—this time so as to limit the transfers of funds from one appropriation account to another. Again, an exemption was made "for the subsistence of the Army, for forage, for the medical and hospital departments, and for the quartermaster's department." Another decade later, these restrictions on the power of the Executive to transfer funds from one year to another and from one account to another were being further clarified, and the traditional exemption for feed and forage was included as part of an 1861 law—Revised Statute 3732:

No contract or purchase shall hereafter be made, unless the same be authorized by law or be under an appropriation adequate to its fulfillment, except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters, or transportation, which, however, shall not exceed the necessities of the current year.

With the addition of "medical and hospital supplies" in 1906, and the provision of a reporting requirement in 1966, that language stands today as the law.

Now, more than a century later, with a Congress in session almost year round, and with instant communication, the

feed and forage exemption is no longer needed. As part of the current budget reform process, we should end the exemption and close that ancient, and no-longer-needed back-door spending route.

The authority in the Feed and Forage Act is unnecessary. Not only are conditions far different than in the 19th century when it originated, but there are alternatives now available to cover contingencies that might occur. One of the original purposes of this provision was to provide for occasions when Congress was late in appropriating for the Armed Forces. But we now take care of that by use of a continuing resolution.

Furthermore, should the appropriations provided prove inadequate, the Antideficiency Act allows for the apportionment of funds on a deficiency basis—whenever that action is required in "emergencies involving the safety of human life, the protection of property." Moreover, the Defense Department is provided with specific contingency funds for "emergencies and extraordinary expenses," and it has great flexibility to reprogram funds and transfer them—more flexibility than it had in the 19th century when line-item control by Congress was far more prevalent.

If this deficiency authority is unnecessary the question arises, "Why does the Defense Department want to retain it? One can only speculate. It may be the traditional desire of an agency to hold on to whatever authority it has on the assumption that it "might turn out to be handy some time." This authority can be used to frustrate the intent of Congress. And that is one of the best reasons I can think of for repealing it.

I might say, Mr. President, that this is not idle speculation on my part. In 1972, Secretary Laird told the Appropriations Committee that if Congress did not provide funding because of its opposition to the Vietnam war, the feed and forage law would "permit us to operate." A year later, Secretary Richardson told the same committee that if Congress denied a request for funds to continue bombing in Cambodia:

We will consider that we have the authority to do it anyway . . . We could invoke section 3732 authority. (Revised Statute 3732.)

The only period for which we have anything close to complete information (and there are some gaps in the information we do have) is for the most recent 10-year period. During this period, the feed and forage authority was utilized by the Defense Department in 4 of the 10 fiscal years. Let me summarize the record.

In fiscal year 1966, the Secretary authorized deficiencies to be incurred under the authority of Revised Statute 3732 totaling more than $352 million in some seven appropriations accounts. The actual obligations made under his authorizations totaled $277 million that year. The explanation subsequently provided for this usage of the feed and forage authority was "Southeast Asia."

In fiscal year 1968, the Secretary authorized deficiencies totaling $2.517 billion in 12 accounts. Actual obligations that year totaled $1,137 million. The explanation was the late enactment of the Supplemental Appropriations Act, not signed into law until July 9.

In fiscal year 1969, the Secretary authorized deficiencies totaling more than $1.786 billion in 13 accounts, though only $3.6 million was actually obligated. Again,the explanation was the late enactment of a supplemental appropriations bill, which became law on July 22.

I might pause to note, Mr. President, that supplemental appropriations for defense did not become law until July in fiscal year 1970 and in fiscal year 1973 as well, though no use of the feed and forage back-door authority was reported for either of those years. I might also point out that the fiscal year 1968 and fiscal year 1969 supplemental bills each included major funding for military operations in Vietnam—$3.7 billion in 1968 and $1.3 billion in 1969.

Finally, the most recent use of the feed and forage backdoor was in fiscal year 1972, when the Secretary authorized deficiencies up to $311 million in five accounts. Obligations under these totaled more than $233 million. And the explanation was once again "Southeast Asia."

In short, by its own admission, the Defense Department used the feed and forage provision to bypass the congressional appropriations process for more than a half-billion dollars worth of military operations in Southeast Asia.

This record does not support the contention that the feed and forage provision is used only in extremes. Over the total period, less than a third of the deficiencies authorized by the Secretary were actually utilized; and for fiscal year 1969, only two-tenths of 1 percent of the deficiencies okayed by the Secretary proved to be necessary.

Mr. President, this is an appropriate time to end the feed and forage backdoor spending authority. The President's budget request this year presents us with the bills still remaining from its prior use—to the tune of some $163.2 million bills. But we can prevent similar ones from being run up in the future.

It is an appropriate time in another and more significant way. Last year we enacted the Congressional Budget Act and this year we are beginning its implementation. Next year it will be in full operation. This new process puts some real limits on those of us in Congress. It says no to future backdoor funding arrangements and it requires us to face up to the implications of our budgetary actions. We should apply the same standard to the Defense Department. We should require that they operate within an adequate appropriations process and let us provide them the flexibility we believe they need by our action, but not through their action.

I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I yield myself 1 minute.

I commend the Senator for his interest in this subject. I think it well that he has looked into it, and I feel that it should be further looked into and further considered. I would favor that we take this amendment, have a further staff study done, and see what we can do with it in conference.

Mr. GOLDWATER. Will the Senator yield?

Mr. ABOUREZK. Did I understand the Senator to say that he was going to accept the amendment?

Mr. STENNIS. Yes. I am speaking for myself. We will see what the others say.

Mr. GOLDWATER. I compliment the chairman on his observation on this amendment. I think it is a very worthwhile amendment. In fact, I think the Senator would have a rather enjoyable and interesting time going through the rather antiquated military law that we still operate under. If I recall correctly, when I first came to the Senate, my transportation was paid on the quartermaster mileage charge from Albuquerque, N. Mex., adding what was the new distance from Albuquerque to Phoenix. That has since been changed because it was only 10 cents a mile, which was not good unless you were traveling by mule. I commend the Senator for this. I had forgotten all about this provision of law. I am sure in conference we can prevail. It makes sense.

The PRESIDING OFFICER. Is all time yielded back?

Mr. STENNIS. I would like to hear from the Sentor from South Carolina.

Mr. THURMOND. Mr. President, this amendment would repeal a significant portion of the law which provides authority to incur deficiencies for certain limited purposes, clothing, subsistence, forage, fuel, quarters, transportation, or medical and hospital supplies, needed for the current fiscal year. It does not provide authority to purchase, for example, ammunition or military equipment. It provides authority to provide essential troop support and only when funds are exhausted.

The Defense Department prefers to retain this provision for the reason that if they got into an emergency, they could fall back on this.

I believe the Senator from South Dakota has made a good case for his position. However, the Defense Department does prefer to retain this provision and they have reasons for it, which appear to be sound.

I am willing to accept the amendment and take it to conference where it can be discussed more fully and given the consideration that it deserves.

Mr. President, I ask unanimous consent for the position of the Defense Department to follow these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EFFECT OF AMENDMENT ON DEPARTMENT OF DEFENSE

The Amendment would eliminate an important but limited authority available to the DoD to incur deficiencies in the absence of funds in order to provide the necessities of the current fiscal year. This authority is available to provide the basic logistics support needed to maintain military forces as specified in R.S. 3732. The Amendment would modify R.S. 3732 by deleting that portion of it underlined below:

(a) No contract or purchase on behalf of the United States shall be made, unless the same is authorized by law or is under an appropriation adequate to its fulfillment, except in the Department of the Army, Navy, and Air Force, for clothing, subsistence, for-

age, fuel, quarters, transportation, or medical and hospital supplies, which, however, shall not exceed the necessities of the current year.

(b) The Secretary of Defense shall immediately advise the Congress of the exercise of the authority granted in subsection (a) of this section, and shall report quarterly on the estimated obligations incurred pursuant to the authority granted in subsection (a) of this section.

DEPARTMENT OF DEFENSE POSITION

The DoD opposes enactment of the Amendment.

R.S. 3732 provides an important authority to the Department of Defense, which has been sparingly used. Although limited in its scope and availability it permits the Department of Defense to incur deficiencies when funds are not available to provide basic support to the military forces. Its retention is important in the national interests in the event of unforeseen events, such as its use in connection with the Berlin Airlift in FY 1962. It also assures the ability to provide basic support to military members whose reliance on such support, as for example subsistence and medical care, creates a unique relationship to the Federal Government. R.S. 3732 has been used in FY 1968 and FY 1969 to provide such support as the result of late enactment of supplemental appropriations. In all R.S. 3732 has been used in only five years since World War II.

R.S. 3732 is limited in a number of important respects. It is only available for the enumerated items of clothing, subsistence, forage, fuel, quarters and transportation, which are essentially items which must be provided to support the military members of the armed forces. It can only be used for the necessities of the current fiscal year. It is only available where appropriations are exhausted.

R.S. 3732 does not provide authority to pay military members. It does not provide authority to purchase, for example, ammunition or military equipment. Thus R.S. 3732 does not provide broad authority to continue the full scope of DOD activities; it provides authority to provide essential troop support and only when funds are exhausted.

To assure the authority to provide such support in the event of unforeseen circumstances or when funds may be otherwise exhausted the DOD urges retention of this authority.

Mr. MATHIAS. Mr. President, last year at this time when Senator ABOUREZK's amendment to repeal the Feed and Forage Act was on the floor, I discussed with the distinguished Senator from Arkansas (Mr. MCCLELLAN) and the distinguished Senator from Mississippi (Mr. STENNIS), as well as the distinguished Senator from South Dakota (Mr. ABOUREZK), my concern for the continuation of this authority in the statutes. I said that while I would then vote for repeal, I believed that the better approach was to consider this statute in the broader context of the review of all emergency and similar legislation then being completed by the Special Committee on National Emergencies and Delegated Emergency Powers. I asked that a vote be put over until our committee concluded its work. The Senator from Mississippi also agreed to consider the matter and the amendment was put aside.

The special committee has now made its recommendations and proposed the National Emergencies Act. This act was recently favorably reported, with amendments, by the House Judiciary Committee and should be before the Senate by the end of the summer. We did not choose to include in our bill a repeal of the Feed and Forage Act or other legislation not expressly triggered by a Presidential proclamation of a state of national emergency. However, in our report we drew special attention to the Feed and Forage Act as one of the more flagrant examples of unnecessary powers being delegated by Congress to the executive branch. Our September 24, 1974, report cites examples of the kinds of extraordinary discretionary powers delegated to the President and says this about the subject of Mr. ABOUREZK's amendment:

> During the war in Southeast Asia and during the Berlin airlift on several other occasions, the Department of Defense used a little known law of more than 100 years' vintage. The Feed and Forage Act of 1861, 41 USC 11, to fund certain military activities not previously authorized by the Congress. The original intent of the Feed and Forage Act was to enable the United States cavalry posted on the Western frontier to requisition feed for its horses and other supplies when Congress was out of session and thus unable to provide the necessary funds. This law was kept on the books and was used for deficiency spending for food, medicines, clothing and other similar supplies when Congress was not in session. In recent years this law has been used to spend funds not authorized by the express will of the Congress even when in session.

The special committee believed laws of this kind should be repealed but thought that the so-called delegated powers, of which the Feed and Forage Act is one example, should be dealt with one by one. Today we have such an opportunity.

It has not been possible for the standing committees—Armed Services or Appropriations—to hold hearings on this matter as seemed promising last year but that should not be determinative. The question is clear enough: are there sufficient protections to insure that our Armed Forces will always be provided with support or do we need standby authority for the President to expend funds without congressional approval during emergency conditions?

The question would not concern me were we talking about a measure to insure the normal operation of the military; if, for example, we were talking about shoes or bales of hay as was the case a hundred years ago. But, of course, we are not. Nor would I be concerned if the Congress had foolproof means to control Executive commitments by other means. But we do not. The truth is that we are talking about the crucial question of controlling policy by controlling the purse strings. In the past this statute has been used to finance the war in Vietnam without explicit congressional permission. That authority remains today.

Former Secretary of Defense Laird made clear in an exchange with Senator PROXMIRE during the 93d Congress that the administration considered the Feed and Forage Act sufficient authority to continue the war in Vietnam without congressional authority. In fact the act was so used. And despite passage of the War Powers Act it is entirely possible that this statute could be used in another Berlin airlift-type operation contrary to the will of Congress.

The question, therefore, in my mind is, What good reason is there to continue this extraordinary power? We have taken so many important steps in the last 2 years toward a redress of the constitutional balance of powers, particularly in the area of foreign military commitments, that this next step seems fitting and timely. No claim can be made that the Congress does not provide for the welfare of its fighting men. As the *Mayaguez* incident illustrates, the President has sufficient authority to act to protect American lives in times of emergency. And as the Gulf of Tonkin resolution illustrates, regrettably, the Congress can act quickly when necessary. Moreover, the War Powers Act contains clear exceptions to the necessity for full concurrence from the Congress in cases of genuine and imminent threat to the national security.

It seems clear to me that what we are dealing with is not a necessary standby authority because none is needed. Instead, we see here an example of an ancient law, necessary in its time, which has become not obsolete but potent and dangerous. I urge adoption of the amendment as one more important step toward strengthening the role of the Senate in the execution of foreign policy.

Mr. CHURCH. Mr. President, the Senate today has another opportunity to regain from the executive branch some of the constitutional power of the purse which it has given away piecemeal fashion for far too long. The authority of the Feed and Forage Act, passed in 1861, has been expanded far beyond its original purpose of feeding men and horses on the distant frontier to the point where former Secretary of Defense Laird could claim authority to finance the war in Southeast Asia without appropriations from Congress. It is time to put an end to this kind of government by executive fiat.

I say this, Mr. President, based on more than 2 years experience investigating presidential emergency powers as cochairman of the Special Committee on National Emergencies and Delegated Emergency Powers. Our committee discovered that not only is the United States still operating under four states of national emergency, dating back as far as 1933, but that 470 separate authorities exist giving the President virtual dictatorial powers should he wish to invoke them under the emergency cloak. In addition, our committee catalogued other statutes which, while not explicitly designated as emergency in nature and not requiring a declaration of national emergency for their utilization, nonetheless were originally intended for limited emergency purposes, but never repealed. In many cases, the original legislative intent has been exceeded and ancient authorities have been used for purposes never foreseen. The Feed and Forage Act is one of these authorities.

The differences between political practices in 1861 and today have been cited frequently enough to deserve only summary mention here: Congress is no longer in short session, extensive transfer authority exists to cover emergencies which might arise and the Congress regularly passes continuing resolutions to insure that the executive branch has constant authority to spend to meet its needs. None of these conditions prevailed in 1861.

But, of course, defenders of the authority will contend that it is still necessary to allow the Secretary of Defense to spend funds for personnel, support, and transportation, because unforeseen emergencies will arise and we would not want military personnel to go without. While appealing, the argument is really a call for executive government without respect for Congress.

Do we really believe that the Congress will not support its Armed Forces in their basic needs? It has not happened in modern history. Do we really believe that the present authorities—in which the Department of Defense can "transfer" up to $750 million and "reprogram" up to $2 billion—is not sufficient to meet emergencies? Such an argument anticipates that the President could spend up to $2 billion to meet an emergency but still needs additional authority to act without congressional approval. We should have learned our lesson from Vietnam, where the President in fact used the Feed and Forage Act to spend over a half billion for personnel support and maintenance of aircraft in Vietnam without congressional approval. It was this experience which led Senator PROXMIRE to ask Secretary Laird if it was not true that Congress, in order to reclaim its control over military spending, would have to repeal this particular bill. The Secretary answered, "That is correct." And, of course, once a contractual obligation is outstanding, there is little the Congress can do.

One need not raise the specter of unconstitutional, Presidential war to caution against the continuation of this authority. In this day and age, there is little reason to allow even normal process of government to be conducted in so abnormal a way, by process so contrary to the checks and balances envisioned in the Constitution. Could it be argued that the President should have extraordinary authority to pay firefighters or compensate victims of floods or even to meet the normal Government payrolls in the unlikely event that appropriations were late or insufficient? What is evident here is that this authority might be used to countenance extraordinary involvements precisely in the area where it is most dangerous: In foreign lands. After working so hard to regain congressional authority through the Case-Church amendment and the War Powers Act, it is appropriate that the Congress take another step toward redressing the constitutional balance by repealing the Feed and Forage Act.

In debate on this subject last year, it was remarked that the authority was utilized only five times since World War II and thus need not be regarded as a serious departure from normal processes

That statement deserves further comment. As far as we know, the authority of section 3732 of the Revised Statutes (41 U.S.C. 11) was used in only 5 years out of the last 30. However, in those 5 years—1962, 1966, 1967, 1968, and 1972—the Secretary authorized 36 separate deficiencies totalling approximately $5 billion and actually utilized funds on 13 occasions for a total of nearly $1.7 billion. Moreover, there is some evidence that this record is incomplete, based as it is on a 1972 report by the Assistant Secretary of Defense to the Library of Congress. In addition, this report only covers the years after 1966 in the case of the Navy, 1960 in the case of the Army and 1954 in the case of the Air Force. We do not know how frequently the authority was used prior to those years.

Naturally, it has also been argued that this question should be taken up in the normal committee process rather than by amendment. Last year Senator MATHIAS, as cochairman of the Special Committee on National Emergencies, expressed his concern over the continuation of this authority. It was his intention, as well as my own, to consider action by our committee with regard to the Feed and Forage Act. In the end, we decided to confine our recommendations only to those statutes expressly triggered by a Presidential proclamation of emergency, not with so-called delegated authorities such as this one. Nonetheless, both Senator MATHIAS and I believe this authority should be repealed and have satisfied ourselves that sufficient research has been completed to understand the intent and effect of the law and allow us to recommend repeal.

While expected consideration of the act by the Armed Services Committee was the reason Senator ABOUREZK withdrew a similar amendment last year, it has not been possible for that committee to consider the matter. We are, in any event, faced with a basic question of political philosophy about which Senators should be competent to decide today, whether this is the hour to take another step toward reclaiming for the Congress the power of the purse strings. I would suggest that it is.

I ask unanimous consent, Mr. President, that there be entered in the RECORD at this point two documents which bear on the debate, first, that portion of a report of the Special Committee on Termination of the National Emergency entitled "Emergency Powers Statutes" and issued November 19, 1973, in which the Feed and Forage Act of 1861 is discussed. Second, I ask that there be entered in the RECORD the letter from the Director of the Legislative Reference Service requesting details of expenditures under this act and the reply, dated September 21, 1972, from Assistant Secretary of Defense Robert C. Moot.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE FEED AND FORAGE ACT OF 1861

In 1972, the then Defense Secretary, Melvin Laird, said that this statute could be used to assure the expenditure of funds in Southeast Asia, for use by U.S. forces, despite congressional prohibitions. When questioned by Senator William Proxmire during hearings on the foreign assistance appropriation act for fiscal 1973, Secretary Laird replied:

"If there is not any action by the Senate at all on even a continuing resolution, then the only legislation which would permit us to operate would be the deficiency authorization legislation—which was passed at the time of the Civil War—which gives to the Department of Defense and to the Commander in Chief, the President of the United States, the authority to obligate on a deficiency basis for the subsistence of our military personnel and for other requirements needed to support those military people."

Enacted in 1861 at the time of the Civil War, it is known as the "feed and forage" law. The provisions of the law provide that purchases by the military can be made "for clothing, subsistence, forage, fuel, quarters, transportation or medical and hospital supplies" without the approval of Congress that is customarily required.

Former Secretary of Defense Melvin Laird asserted that the statute would permit the President to ignore Congress' prohibition of funds for the war in Indochina; and to continue spending, on a deficiency basis, for the continued use of U.S. forces. Secretary Laird went on to assert that only additional positive action by Congress—in this case, the repeal of this specific deficiency authorization—would be required to halt expenditures for the involvement of U.S. forces in hostilities in Asia.

A study of the legislative history of this act affirms that use of the "feed and forage" authority as legal justification—for continuing the use of U.S. forces against the will of Congress—was unwarranted. In fact, as the legislative history of the law demonstrates, the "feed and forage" provision was part of a long congressional campaign to tighten congressional control over unauthorized executive branch expenditures. However, in 1861, one exception to strict controls over contracting authority was allowed to the War Department for this particular class of military supplies. The reason for this exception involved certain administrative shortcomings which, during the Civil War period, made legislative approval for item-by-item military purchasea impractical, untimely or even impossible.

To illustrate: Congress, during this period, met in "short" sessions with lengthy periods of adjournment during which unforeseen and necessary appropriations could not be authorized. And, even when the Congress was in session, normal delays in the legislative process itself occasionally hampered the War Department in procuring necessary supplies. With troops posted throughout the West—many days ride from Washington—it was evident that delays resulting from congressional delays could have resulted in the collapse of security on the frontier. In order to protect Americans troops from supply shortages caused by unavoidable delays, Congress extended to the President discretionary "feed and forage" authority. It was clearly intended as a stop-gap funding device.

Subsequently, Congress has enacted a host of stop-gap funding devices to deal with similar military purchasing problems. An example is the use of continuing resolutions which now cover Defense Department appropriations in the event a military appropriation bill is delayed. Moreover, Congress is no longer a "part-time" legislative body, and the "short session" has disappeared. The Congress is, for all practical purposes, always available to grant necessary military funding authority. Also, there exists a transfer authority which allows the Defense Department

UMI

$600 million to supplement its programs as needed—unless specifically prohibited.

It is quite evident that the original conditions giving rise to the "feed and forage" authority have long since disappeared. But 41 U.S.C. 11 with its broad statutory language remains. Its recent history is somewhat similar to that of section 5(b) of Trading With the Enemy Act in which the original intention of the legislation has been twisted to justify purposes other than those for which they were enacted.

WASHINGTON, D.C.,
August 3, 1972.

Hon. ROBERT C. MOOT,
Assistant Secretary of Defense (Comptroller), Department of Defense, The Pentagon, Washington, D.C.

DEAR MR. MOOT: We are presently conducting a study on the "feed and forage" law which permits the Department of Defense to make certain contracts and purchases in advance of congressional authorization or appropriation (41 USC 11).

To complete this study for a Senator, we need information regarding the use of this authority. We are familiar with the data recently placed in the Senate hearings on the 1973 foreign assistance appropriation bill. What we need is greater detail: (1) the use of the deficiency authority from 1940 to the present, (2) dollar amounts for each usage, and (3) the programs in which the deficiencies were incurred. For the latter we would want greater detail than simply the appropriation accounts.

We trust that this material can be assembled as soon as possible. When it is available, please forward it to Dr. Louis Fisher, Government and General Research Division, Congressional Research Service, The Library of Congress, Washington, D.C. 20540. If you have any questions, you may contact Dr. Fisher at 426-5821. We appreciate your cooperation in this matter.

Sincerely,

LESTER S. JAYSON,
Director.

WASHINGTON, D.C.,
September 21, 1972.

Dr. LOUIS FISHER,
Government and General Research Division, Congressional Research Service, The Library of Congress, Washington, D.C.

DEAR DR. FISHER: The enclosed report is furnished in response to your request for information concerning Department of Defense use of the authority of Section 3732, Revised Statutes (41 USC 11).

Records of these data are not available prior to the years annotated on the enclosure.

Sincerely,

ROBERT C. MOOT,
Assistant Secretary of Defense.

USE OF THE AUTHORITY OF SEC. 3732, REVISED STATUTES (41 U.S.C. 11)

Fiscal year	Appropriation	Amount authorized (thousands)	Amount used (thousands)	Ultimate method of financing (thousands)	Program in which the deficiencies were incurred and reason for use
	DEPARTMENT OF THE ARMY[1]				
1962	Operation and maintenance, Army	$54,044	$54,044	DOD Appropriation Act, 1966, Public Law 89-213.	Funds were required to cover deficiencies in transportation, fuel medical and hospital supplies, clothing, and maintenance.
1966	Military personnel, Army	28,000	0		
1966	Operation and maintenance, Army	139,600	138,602	142,165 restoration authorized (Public Law 91-171).	Funds were required to cover deficiencies in transportation, fuel, medical and hospital supplies, and maintenance.
1967	Operation and maintenance, Army	7,433	0		
1968	Military personnel, Army	93,400	0		
1968	Operation and maintenance, Army	1,269,100	1,134,834	Transfer from emergency fund, Public Law 90-392 (2d supplement, 1968).	Funds were required to cover deficiencies in transportation, fuel, medical and hospital supplies, clothing, and maintenance of aircraft.
1968	Operation and maintenance, Army National Guard.	1,800	1,828	Transfer from emergency fund, Public Law 90-392 (2d supplemental, 1968).	Funds were required to cover deficiencies in transportation, fuel, medical and hospital supplies, clothing, and maintenance of aircraft.
1969	Military personnel, Army	410,000	0		
1969	National Guard personnel, Army	16,400	0		
1969	Operation and maintenance, Army	13,000	0		
1969	Operation and maintenance, Army National Guard.	181,300	0		
1972	Operation and maintenance, Army	75,800	[2] 75,800	Undetermined	To cover transportation in connection with increased activities in Southeast Asia.
	DEPARTMENT OF THE NAVY[3]				
1966	Military personnel, Navy	28,400	23,600	Recoveries of prior year obligations	Funds were required to cover deficiencies in subsistence of enlisted personnel, PCS travel costs, and clothing allowance for enlisted personnel.
1966	Military personnel, Marine Corps	19,000	1,700	do	Funds were required to cover deficiencies in subsistence, PCS travel costs, and clothing.
1966	Operation and maintenance, Navy	83,700	66,000	DOD Appropriations Act, 1970 Public Law 91-171 and U.S.C. 701-708 (transfer of $65,963,088.16 from O. & M., N "M" account to O. & M., N fiscal year 1966 account).	Funds were required to cover deficiencies in ship activities and overhaul, fuel, and transportation of things.
1966	Operation and maintenance, Marine Corps	7,900	6,800	Recovery of prior year obligations	Funds were required to cover deficiencies in depot supply maintenance, training and operation, and transportation of things.
1968	Operation and maintenance, Navy	338,700	0		
1968	Operation and maintenance, Marine Corps	46,600	0		
1968	Military personnel, Navy	142,800	0		
1968	Military personnel, Marine Corps	31,900	0		
1968	Reserve personnel, Navy	5,900	0		
1969	Military personnel, Navy	220,200	0		
1969	Military personnel, Marine Corps	61,500	0		
1969	Reserve personnel, Marine Corps	6,400	0		
1969	Operation and maintenance, Navy	20,000	0		
1969	Operation and maintenance, Marine Corps	28,900	3,600	Recovery of prior year obligations	Funds were required to cover deficiencies in the cost of transportation of things.
1972	Military personnel, Navy	2,800	0		
1972	Operation and maintenance, Navy	91,100	[4] 78,300	Undetermined	
	DEPARTMENT OF THE AIR FORCE[4]				
1966	Military personnel, Air Force	45,180	40,323	Administrative cancellation	Funds were required to cover deficiency in subsistence of enlisted personnel and PCS travel costs.
1968	Military personnel, Air Force	72,700	0		
1968	Operation and maintenance, Air Force	528,100	0		
1969	Military personnel, Air Force	413,600	0		
1969	Operation and Maintenance, Air Force	398,500	0		
1969	Operation and maintenance, Air National Guard.	15,700	0		
1972	Operation and maintenance, Air Force	85,000	[4] 70,155	Undetermined	To cover minimum essential costs for increased operations in Southeast Asia for fuel, supplies, maintenance, transportation, special air missions, temporary duty travel and other personnel support.
			1,695,586		
	DEFENSE SUPPLY AGENCY				
1968	Operation and maintenance, defense agencies.	15,900	0		

[1] Data prior to 1960 are not available.
[2] Preliminary June 30, 1972.
[3] Data prior to 1966 are not available.
[4] Data prior to 1954 are not available.

Mr. STENNIS. Mr. President, I am willing to yield back the remainder of my time.

Mr. ABOUREZK. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ABOUREZK. I move to reconsider the vote by which the amendment was agreed to.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. I thank the Senator from South Dakota very much.

Mr. President, the next order of business, according to the list that I have, is the Javits personnel amendment No. 480. I have asked that the Senator be called.

The next amendment is listed as advertising in recruiting by the Senator from Pennsylvania (Mr. SCHWEIKER), who has sent word that he will not call up that amendment. I believe we can strike it from the list with that understanding.

The next amendment after the Javits amendment will be the advanced hydrofoil craft and the advanced ship development, two amendments by the Senator from Ohio (Mr. TAFT). I have notified Mr. TAFT that we were almost to the point for considering his amendments. It will be necessary for the Senator from Georgia to be here with reference to the Javits amendment.

Mr. GOLDWATER. Will the Senator yield?

Mr. STENNIS. I yield.

Mr. GOLDWATER. I would hope that we could ask the Sergeant at Arms to assist us in getting these Members here. I hope we can clear up the Javits amendment, which should not take too long, and get right on to the Taft amendment, which I think is a very important amendment as it affects the Navy, and which will take some time. I do not want to see us get on the hydrofoil amendment, the B-1 amendment and the AWACS amendment with people gone from this body. I do know that our distinguished majority whip is being honored today at lunch and I wish that I could be there with him, but I think it more important to stay here.

I would hope we can get the Members here who have these smaller amendments so we can consider them.

Mr. STENNIS. I just announced that I have called them, but I have no way of bringing them. They have to come themselves. I am sure they will be here shortly and we will move forward as rapidly as we can.

Mr. President, with the time to be charged to no one for a partial quorum call, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 480

Mr. JAVITS. Mr. President, I call up my amendment No. 480 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes amendment numbered 480.

The amendment is as follows:

Add a new section at the end of the bill:

Six months after the enactment of this Act, the Secretary of Defense shall submit to the Congress a report, together with requests for legislation wherever appropriate, setting forth the measures he proposes to take to increase and improve manpower utilization and to reduce, if possible, manpower costs in the Department of Defense to include recommendations on the following:

1. How significantly to improve:

(a) the ratio of enlisted men to officers in the Armed Forces; and

(b) the extent of the reduction of the number and size of headquarters and headquarters staffs serving in the Armed Forces throughout the world and thereby to increase combat strength, and interservice training, in common facilities and with common equipment, of trainees in all branches of the Armed Forces.

2. How peacetime expansion of the combat arms of any of the services could be accomplished without increasing the number of military personnel in such services, or to give adequate reasons why any exception should be made;

3. Review the experience with the performance of functions, such as facility maintenance, kitchen duties, and personal services to officers of high rank, when performed by civilian contractors hired at extra expense, instead of by members of the Armed Forces;

4. Review the experience with the payment of bonuses to enlistees selecting to serve in the combat areas of the Armed Forces or to others in the armed services;

5. Review means to increase the length of service of enlistees in the Armed Forces and the desirability of an enlistment bonus to those enlisting for an appreciably longer period of time;

6. Review the costs of advertising and other publicity for recruitment of enlistees into the Armed Forces; and

7. Reduce the number and expense of dependents of members of the Armed Forces allowed at the expense of the Department of Defense to accompany members of the Armed Forces while serving overseas.

Mr. JAVITS. Mr. President, I yield myself 15 minutes.

Mr. President, I believe that the objectives sought by my amendment do not necessarily require passage of the amendment. I have so notified Senator STENNIS and Senator NUNN. Bearing in mind the very extensive study which Senator NUNN has given to this subject, I thought that he and I in a short time might develop in a colloquy the basic facts and information which I think are desirable which my amendment was intended to adduce, and also to perhaps come to some conclusions between us as to what further should be done about this particular matter.

I have a central theme, Mr. President, which I would like to lay before the Senate in this matter. That is that we went for a voluntary army. That was a considered national decision, with which I did not agree, but, nonetheless, that was our decision. I voted the other way. I believe, however, that the subject cannot and should not be closed. We should constantly review what is the result of the action which we took and the desirability of that action, realizing, of course, that we are dealing with matters of the most important national security and also the lives of our individual young men in this country, giving it an added note of seriousness.

Mr. President, the difficulties which it seems to me have arisen are aside from factors of morale. That is something which I have been concerned about and others have been concerned about as to an army which, in a sense, we pay for in this country or which introduces a different attitude toward service in the Armed Forces than has been the great, tremendously successful tradition in our country of the citizens' army.

I use the word "army" only because it is a popular term, but this covers all of the Armed Forces. So that is the first question, their composition, and the general feeling with which the country looks at that army and the way in which the men and women in that army undertake their service.

Second, and also of very great importance, is the cost, which seems to be escalating, going to extremely high figures in proportion to the aggregate expenditure on the military budget. On March 2, 1975, I received a letter from the Assistant Secretary of Defense for Manpower and Reserve Affairs, William K. Brehm, dated March 19, which analyzes the composition of our Armed Forces. It was written in response to an editorial in the New York Times which preceded that. I ask unanimous consent that the editorial, my letter to the Secretary, and the letter in reply by the Assistant Secretary of Defense be printed in the RECORD.

There being no objection, the letters and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 5, 1975]

VOLUNTARY ARMY

Recruiting for the volunteer Army, in difficulty a year ago, has improved in recent months. But this trend, two years after the effective end of the draft, conceals more than it reveals.

Recession and high unemployment rates, not any sudden turn for the better in long-term prospects, are primarily responsible for the Army recruiters achieving 105.3 per cent of their goal last October, as against 88.7 per cent a year earlier.

Quadrupling the pay of recruits, bringing their compensation to civilian levels or better, did not succeed in attracting enough enlistees before the recession—especially for the ground combat arms, where an extraordinary bonus was needed to avoid huge shortfalls. The cost to the country is indicated by the fact that the percentage of the defense budget going into pay and other manpower costs has risen from 42 per cent in 1964 to 55 per cent today, doubling that of the Soviet Union.

What will happen when the recession recedes and full employment returns is a question the Administration and both parties in Congress would prefer to ignore right now. But it can be regarded as certain that pressure to raise pay still further and to cut more deeply into force strength will increase.

Even less discussed is the rapid drift toward a heavily black Army officered predominantly by whites. In a population 11 per cent black, the proportion of blacks in the Army as a whole has risen by almost

half since 1971 to a current level of 20 per cent, and even these figures understate the real problem.

Less publicized statistics, analyzed by two Chicago sociologists, indicate that among those enlisting in the Army for the first time the percentage of blacks reached 37 per cent last year. The re-enlistment rate among first-term Army men rose to 52 per cent for blacks compared with 35 per cent for whites. And one-third of those who signed up for the $2,500 bonus for enlistment in the ground combat arms—artillery, infantry and armor—were black. The end result can be a force so largely made up of blacks as to destroy the integration aim.

Meanwhile, the myth that Army service can help by training deprived blacks for civilian jobs is little borne out by the facts. Usable civilian skills are least likely to be acquired in the ground combat forces, where most blacks are, while they are under-represented in the technical and support services, a vastly better training ground.

An early study by Congress of the financial, security and racial dangers involved in a continuing attempt to maintain a mass Army by voluntary recruiting appears essential.

COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., February 12, 1975.

Hon. JAMES R. SCHLESINGER,
Secretary of Defense,
Washington, D.C.

DEAR MR. SECRETARY: For several years I have been deeply concerned about the fiscal and societal implications of the "All Volunteer Army". My concerns in this regard are twofold. First, as you know, personnel costs for the Armed Forces as submitted by the President in his budget request to the Congress for fiscal year 1976 amount to $49.2 billion, or 53% of the total Defense budget request. At a time when the Defense establishment is hard-pressed by inflation and other factors to secure adequate funding for a prudent level of procurement of weapons and when, on the other hand, there is mounting pressure in the Congress and the public to reduce Defense spending, is the "All Volunteer Army" too expensive for the Nation?

Second, I have always questioned the concept of the "All Volunteer Army" on the grounds that it tends to become, more than it should, a "mercenary" army in which the country has induced so many among the minorities and the disadvantaged to do its fighting. I am concerned by the statistics reported in a New York Times editorial of February 5 (copy enclosed): in a population that is 11% black, one-third of those who signed up last year for the $2,500 bonus for enlistment in the ground combat arms were black. My concern is that the make-up of the Armed Forces should be representative of our society at large and that the combat responsibility should be a citizens' responsibility.

In view of these considerations, I would appreciate receiving a report from the Department of Defense concerning the following:

1. Including the cost of "comparability", what is the dollar cost of the "All Volunteer Army"?

2. What measures would be required if personnel costs were to return in stages to the percentage of personnel costs (43%) of the Defense budget in 1964 (i.e., the last pre-Vietnam buildup year when the draft was in existence)?

3. Would you comment on the allegation that under the "All Volunteer Army" the number and nature of personnel in the Armed Forces is determined by the ability to pay for them, rather than the defense needs of the Nation.

4. What would be the effect of a return to the draft on the readiness and the ability of the Armed Forces to perform their assigned missions?

Thank you for your attention to this important matter.

With best regards,
Sincerely,

JACOB K. JAVITS.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 19, 1975.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: The Secretary of Defense has asked me to reply to your letter of February 12 concerning the cost of and representation within the volunteer force.

It is true, as you have noted, that Defense manpower costs represent about 53% of the FY 1976 Defense Budget Request. Of course, this figure includes the pay of both civilian and military personnel, as well as military retired pay. Thus, as you study the situation it may be helpful for you to know also that:

1. Military personnel costs represent 29.1% of the FY 1976 Budget, compared to 26.6% in FY 1964.

2. Civilian personnel costs and military retired pay represent 24.0% of the FY 1976 Budget, compared to 16.8% in FY 1964.

You mentioned also that a New York Times editorial noted that "one-third of those who signed up for the $2,500 bonus for enlistment in the ground combat arms were black." This is not a correct statement. The facts are as follows:

1. In FY 1974, 22% of those who signed up for the Army combat arms bonus—which requires a 4-year enlistment—were black.

2. In FY 1974, 20% of those who enlisted in the Army combat arms for less than four years—and thus did not qualify for the bonus—were black.

3. Of all of those enlisting in the Army combat arms in FY 1974, 21% were black. (Bonus enlistees accounted for 39% of the total.) Since blacks represented about 27% of all Army enlistments in FY 1974, it appears that blacks are not heavily concentrated in the combat arms as the Times editorial suggests.

The Times editorial also notes that the reenlistment rate is far higher for blacks than for whites. This is true, but it is misleading when one is analyzing the racial composition of the Armed Services. The relevant statistic is retention rate, not reenlistment rate. The reenlistment rate is the number of reenlistees divided by the number of individuals eligible for reenlistment. Retention rate, on the other hand, is the number of reenlistees divided by the total group, not just those eligible for reenlistment; thus retention rate is the truer measure of continuation. Table I provides reenlistment rate and retention rate statistics for FY 1974 and the first half of FY 1975.

TABLE 1.—ARMY 1ST-TERM CONTINUATION INDICATORS

[In percent]

	Fiscal year 1974				Fiscal year 1975 (July–December)			
	Reenlistment rate		Retention rate		Reenlistment rate		Retention rate	
	Black	Nonblack	Black	Nonblack	Black	Nonblack	Black	Nonblack
Army 1st term continuation indicators	50.4	30.5	18.3	14.2	57.7	31.7	23.5	17.2

It should also be noted that during the first eight months of FY 1975, the percentage of new Army enlistees who were black was 24%, which compares to a figure of 27% for the same period in FY 1974. I am enclosing a report on representativeness which provides further information on this subject.

The following responds to the four questions in your letter.

1. Including the cost of "comparability", what is the dollar cost of the "All Volunteer Army"?

The incremental cost of the volunteer force is best estimated by examining the effect that a return to the draft would have on manpower program costs and payroll costs. The table below estimates the program cost changes that would occur with a return to the draft:

TABLE 2

	Amount (millions)		Amount (millions)
Program costs which would increase:		Program costs would decrease:	
Training costs to accommodate higher turnover	110	Recruiting/advertising	305
		Bonuses/special pays	100
Selective service budget	75	Special all-volunteer force initiatives (primarily civilianization of MP)	105
Total	185		510

Note: Net annual savings: 325.

The possible effects on payroll costs are more difficult to estimate. As I noted earlier, a large portion of our manpower costs cover civilian pay and military retirement. Neither of these would be affected materially by a return to the draft. Table 3 shows the breakout in absolute terms:

TABLE 3.—DOD MANPOWER COSTS BY MAJOR CATEGORY—FISCAL YEAR 1976

	Outlays		
	Amount (billions)	Percent of budget	Percent of manpower costs
DOD budget	92.8	100	
Manpower costs:			
Military personnel costs[1]	27.0	29.1	54.9
Civil service payroll	15.4	16.6	31.3
Military retired pay	6.9	7.4	14.0
Total personnel costs	49.2	53.0	100.0

[1] Includes family housing.

The extent to which "Military Personnel Costs" would be reduced by a return to the draft would depend on two judgments which would probably have to be made by Congress. The first is the degree to which the pay of first-termers (i.e., draftees) would be reduced; the second is whether or not the principle of pay comparability for careerists—established by the Congress in 1967 (three years before the President proposed the All-Volunteer Force)—would be turned aside.

Table 4 shows for illustration purposes the effect of reducing first-term compensation levels, using the fiscal year 1976 budget as a point of departure:

TABLE 4.—HYPOTHETICAL PERSONNEL COST ALTERNATIVES REDUCED PAY FOR JUNIOR ENLISTED PERSONNEL

[Costs in billions of dollars]

	Fiscal year 1976 budget (percent)	Effect of reducing pay to junior enlisted personnel to: Federal minimum wage: Reduction	Federal minimum wage: New budget (percent)	Federal poverty level: Reduction	Federal poverty level: New budget (percent)
Military personnel costs	27.0	1.3	25.7	2.8	24.2
Total manpower outlays	29.2	1.3	47.9	2.8	46.4
Total defense outlays	92.8	1.3	91.5	2.8	90.0
Percent manpower	53.0	----	52.4	----	51.6

As shown above, if junior enlisted personnel compensation were reduced to the Federal minimum wage, the budget reduction would be $1.3 billion. If their pay level were reduced to the poverty level ($2,520/year) the budget reduction would be $2.8 billion. Even the extreme poverty level case would not bring manpower costs below 50% of the Defense budget.

As noted earlier, the issue of whether or not the pay military careerists should be reduced would have to be resolved by the Congress.

2. What measures would be required if personnel costs were to return in stages to the percentage of personnel costs (43%) of the Defense budget in 1964 (i.e, the last pre-Vietnam buildup year when the draft was in existence)?

To reduce manpower costs to 43% of total defense outlay through reductions in Military Personnel Costs would mean cutting those costs from $27 billion to $17.7 billion, a reduction of $9.3 billion or 34%. This would require either a massive cut in military strength, which would certainly unbalance the Defense programs; or a substantial cut in military pay, which would introduce unacceptable inequities in pay between military and civilian employees in DoD.

3. Would you comment on the allegation that under the "All Volunteer Army" the number and nature of personnel in the Armed Forces is determined by the ability to pay for them, rather than the defense needs of the Nation.

Without doubt, the higher cost of Defense manpower has had some influence on the sizing of our military forces. We do not wish to reduce our active military strength below the 2.1 million level proposed for end FY 1976. At the same time, in FY 1976 our manpower costs (military and civilian) will represent about 3.1% of the Gross National Product, compared to 3.6% in FY 1964. This suggests that the nation should be able to support its Defense manpower needs. One should keep in mind also that the relationship between Defense manpower costs and the total Defense Budget compares favorably with counterpart relationship in private industry.

4. What would be the effect of a return to the draft on the readiness and the ability of the Armed Forces to perform their assigned mission?

A return to the draft would increase the number of short-termers in the military services. This would increase turnover, and hence the proportion of active duty time spent in training status. This, in turn, reduces efficiency as well as experience levels and flexibility in assignment of personnel. The net result of the increased turbulence in combat units would be reduced readiness. We recently moved to eliminate two-years enlistment terms in all Services, beginning in FY 1976. We estimate that this will reduce accession needs in FY 1978 by about 35,000 enlistments; and, further, that this, in turn, will reduce by over 100,000 the number of permanent change-of-station moves that would otherwise be required during that same time period. From this point of view, a return to the draft would be counterproductive.

I sincerely hope this reply satisfactorily answers the questions you have raised.

Respectfully,

WILLIAM K. BREHM.

Mr. JAVITS. In the editorial, the Times made the point that there was a very grave imbalance between the number of blacks and the number of non-blacks in our Armed Forces, attributable to the fact that this was now pretty much on a money basis. That gave me considerable cause for thought, and I think should give considerable cause for thought to every American, especially on the financial side, as the costs of military personnel in the Armed Forces budget run to about 54 percent of the aggregate manpower costs, and the aggregate manpower costs are about 53 percent of the aggregate budget. When we feel that our military budget is getting out of sight, it is heavily attributable to these personnel costs.

In the analysis of the department—and I am sure that that analysis, with rising expenditures, would be even greater at this particular moment, but let us take it as it is—it calculates the net annual saving if we went to a draft, selective service instead of a Volunteer Army, as in the order of magnitude of $300 million or more—not an inconsiderable figure. when you add it to all the other morale factors.

It is for that reason that my amendment—and here I would like to have the attentiton of the Senator from Georgia, who was very kind in saying that he would cooperate in elucidating these facts. I say to him, as a relatively new Member, that the Members of this body realize the great service which any of us can be to the Senate if we really equip ourselves in particular specialties, and how helpful it is, considering the enormous range of work we have, if a Senator is reliable and highly informed on a particular subject.

So I am very pleased to compliment my friend from Georgia on his well-deserved reputation for really briefing himself thoroughly on these affairs. I would like to, if I could, go over the details of my amendment with him, in order to spread upon the record the facts and figures between us, to see what, if anything, needs to be done.

I understand, I might say to my colleague, on the first item, that is, the ratio of enlisted men to officers, that there is pending and under consideration an administration bill called the Defense Officer Procurement Management Act, a very extensive and complex bill which proposes to deal with that problem, and that the Armed Services Committee is really digging into it. Is that correct?

Mr. NUNN. That is correct. Let me say to the Senator from New York that he has put his finger on one of the most important areas of the Government, that is, the personnel area of the defense budget. I certainly concur in all his statements thus far, and I also have had and continue to have severe reservations about an All-Volunteer Force. As the Senator from New York has expressed, the defense officer personnel management system bill is something that is being considered. The Department of Defense has put a great deal of pressure on Congress, on both Houses, in this area. The Defense Department submitted, late last year, a defense officer personnel management system legislative proposal. This legislative proposal includes two officer grades distribution systems. Before I became chairman of the Subcommittee on Manpower, the committee had already undertaken a thorough analysis of that DOD proposal.

This is one of the most complex areas of personnel management, and the legislative proposal itself is 156 pages long. The present status of it is that the consultants were directed to make a report, the report has been received by the committee, and we are going to have hearings on the legislative proposal either in late June or in July. I would say the hearings would take at least 7 to 10 days, so we are going to have to find a period of time during which the subcommittee members can participate.

The House has started hearings on this matter, and in addition to going into this from just the grade structure involved in this particular bill, we are going to go into the entire grade structure. I cannot promise the Senator when we will get out either this legislation or some modified form of it, but I hope it

will be during this calendar year, so that the Senate can address the issue this year.

Mr. JAVITS. I thank the Senator very much. The next item was the reduction of the number and size of headquarters and headquarters staffs throughout the world. I understand the committee has recommended a 4-percent reduction in headquarters and headquarters staffs over and above what has already been done. Is that correct?

Mr. NUNN. That is correct. And I might add that there has probably been more work done by the services in this area than in any other area. They have not reached what I would call an efficient and effective point yet, although they have made tremendous progress, particularly in the Army and to a lesser extent in the other services.

Part of the 18,000 reduction in personnel in the military is coming from that source, and the same can be said as to the civilian ranks. We also are taking some civilians out of headquarters; and I think perhaps the record will show that the civilian problem now is perhaps more severe than the military problem in command headquarters.

Mr. JAVITS. The next item refers to the peacetime expansion of the combat arms. The Senate considered that issue last night, and I voted with the committee, because I think that is a uniquely military responsibility, the size of the structure we ought to have. So I will not even worry the Senator with that.

Mr. NUNN. I might say, in addition to what we were talking about last night, the Army has moved faster in this area than the other services. They are actually going from 14 to 16 divisions. The Air Force has considered this, also, and they are talking about moving from 22 to 26 wings in the future, though the committee has not approved that.

The Navy is also beginning to move, but not nearly as much as the Army or the Air Force up to this time.

Mr. JAVITS. I thank the Senator. The next item relates to base support. A great deal is being done on this issue of base support on service to high-ranking officers, KP, and so on. Would the Senator care to make any statement on that?

Mr. NUNN. There was an amendment last night that was agreed to by two votes. Senator PROXMIRE and Senator GOLDWATER offered an amendment which would reduce the civilians by 17,000, in addition to the 23,000 reduction made by the committee.

Now, that wil go a long way toward tightening further what the committee has already started in this base operating support area and what the committee has done this year. We have taken in our report each one of the services and we have reduced them in base operating support depending on efficiency and effectiveness of that particular service in trying to cut down on base operating support. In other words, we are trying to provide an incentive system here so that the services that do the best job in cutting out this fat will not be severely reduced and those who do the correspondingly poorer job will be reduced. So we have, I think, moved in this direction and in addition to that, the Defense Manpower Commission, that I am sure the Senator from New York is familiar with, is studying intensely this area and trying to develop criteria by which DOD can assess the pros and cons of really contracting services rather than having in-house personnel perform those services.

Mr. JAVITS. May I say to my colleague, I interpreted last night's further reduction in civilian personnel and I think others did as well, as rather going counter to our desire to civilianize much of the base support. I did not quite understand what he had to say about the amendment adopted last night.

Mr. NUNN. The Senator from Georgia did not support the amendment last night because I felt and said so in the Chamber that it could cause severe layoffs. The effort to civilianize is taking place. But I will have to say frankly, even though the Senator from Georgia did not support that amendment, that even if you take the civilization in effect, that has occurred already and will occur and if you look at the civilian reductions in the last 10 years and compare that to military reductions or, if you will, at civilian reductions and compare that to the contracting reductions, the civilians have been reduced a lot less. So the Senator from Georgia did not support that amendment. I felt that in the 23,000 the committee had cut we had analyzed each category and we felt that that was the right way to proceed. We had done it very carefully. I did not support it. But it did pass. My comment was that this certainly is going to tighten up in the future all of these areas in terms of civilian personnel and their use. Whether that tightening up will go too far or not is a question that the Senator from Georgia will ask. I also have a question about whether it is going to cause layoffs in a period of already very high unemployment.

But, nevertheless, that did pass and if we are forgetting the unemployment problem for a minute and forgetting possibly going too far in that direction all at one time, there is no doubt about the fact that this amendment is going to further tighten, if it were to prevail in conference, the effectiveness in these areas.

Mr. JAVITS. I thank my colleague.

The next item relates to a matter which is very critical, as I see it, and that is bonuses to enlistees. I mean that really gets to be a mercenary army. The question I ask the Senator is twofold:

One, what are the representations, if the Senator could answer this, being made by recruiters to enlistees? We note with great interest that the only time you get a $2,500 bonus in the combat army is if you enlist for 4 years. Therefore, the youngster who comes into the recruiting office has to be very accurately informed. That is point one.

Point two—and this is not covered by the letter that I have from the Department—what does this amount to? How many is it attracting into the armed services and is that practice under careful scrutiny by the Committee on Armed Services so that it may not in itself involve us in some excess or overt mercenary which certainly is characteristic of it?

Mr. NUNN. The Senator from Georgia is not a very good spokesman for the committee on this particular point. The Senator from Georgia does not believe in these enlisted bonuses. The Senator from Georgia is dubious about the volunteer force and has the same apprehension about paying for military combat that the Senator from New York does.

I will say that the idea behind the bonuses, given all of those reservations I have personally about it, is to get a longer term of service and to get people in combat so the bonuses are designed, first, to get people to stay in for a longer period of time, and second, to get people in the combat activities.

I cannot give the Senator a detailed analysis of it now, but I have the impression that, particularly with the unemployment problem we have had for the last year and a half and the recession, they are not having to use bonuses to the extent that they did at the very outset of the Volunteer Force effort. It may be that the Senator from Arizona and the Senator from Mississippi in the Chamber would like to comment more from a committee point of view, because the Senator from Georgia, on this particular area, shares the very apprehensions the Senator from New York has expressed.

The PRESIDING OFFICER. The 15 minutes the Senator allowed himself has expired.

Mr. NUNN. I yield myself another 15 minutes. May I turn to the Senator from Mississippi?

Mr. STENNIS. I yield to the Senator from Arizona and yield to him such time as he may need.

Mr. GOLDWATER. I commend the Senator from New York for introducing this amendment, although I can assure him that by carefully studying this paper, that paper, and other papers, which takes time, most of this information can be gathered. I hope that as a result of the discussion being held on the amendment today, starting with next year the Committee on Armed Services would be able to prepare a report for all Senators and for all interested people answering the questions that had been put by the Senator fom New York.

Looking at these specifically, the Senator from Georgia has answered well these, I believe answered them in the same language as the committee chairman and other members of the committee would use.

May I wait until the discusstion is ended?

Mr. JAVITS. If the Senator will excuse me, the Senator from Arkansas (Mr. MCCLELLAN) had a most urgent request.

Mr. GOLDWATER. It is perfectly all right. The Senator is used to that.

Mr. MCCLELLAN. I am sorry.

Mr. GOLDWATER. That is all right.

Mr. JAVITS. I think I did hear the Senator. That is that the committee purpose is to fully develop the particular matters which are raised here.

Mr. GOLDWATER. I went so far as to say that, and I believe that the Senator from Georgia concurs with me in this, that the committee, beginning next year, will be able to prepare a report for use by all Senators and anybody interested answering the questions that he has raised.

I have a particular interest in this because my last assignment as a reservist was as Deputy Chief of Staff of Personnel for the Air Force, and I can recognize many of the questions that the Senator from New York raises, with his experience in the Army, as questions really that have not been answered down through the years.

The bonus question is one that I never concurred in, but I do believe in the Volunteer Army, and I have great faith that it will work out.

Right now, with the economy in the situation that it is in—and this is unfortunate we have to put it this way—we are getting increased enlistment.

The Pentagon mentioned the ratio of blacks. I am not sure of the exact ratio. Maybe the Senator from Georgia is, but I believe that the ratio of blacks in our Armed Forces is above or just about the ratio of blacks to our entire population.

I can say that all of the academies have increased black attendance. The Air Force training bases have increased black attendance and increased graduates.

We are having more blacks promoted to star rank than ever before.

In my contacts with both enlisted men and officers, with rare exceptions, the blacks and the whites are getting along better than they ever have before.

I cannot answer the question as to the exact ratio, but I do want to compliment the Senator from New York, and I can assure him that from this Senator's standpoint we will work toward the presentation of such a report that would encompass the answer to all of these questions and probably some more, because I have a very great interest in the answer to some of these questions, too.

I am very glad that my friend brought it up.

Mr. JAVITS. I thank my colleague.

I ask the Senator from Mississippi, as he manages the bill, that this may be useful to us in the very terms that the Senator from Arizona (Mr. GOLDWATER) mentioned, that is, impressing the Department with what we want really looked into. If he will be good enough to adopt the answers of the Senator from Georgia (Mr. NUNN) and the Senator from Arizona (Mr. GOLDWATER) as the answers of the manager of the bill, that is the basis for its legislative history.

Mr. STENNIS. Mr. President, although I did not hear all that was said on the subject, I believe I am generally in accord with what has been said.

I heard the reference to the percentage of blacks, and I believe that in the Army particularly there is a higher percentage of blacks than in the population.

Mr. JAVITS. About twice as much, I gather.

Mr. STENNIS. Perhaps the average in all the services is the average for the Nation.

With respect to the bonus matter which the Senator mentioned, the enlistment bonus was instituted partly on an experimental basis for the volunteer forces concept, to give it impetus, to give it a start, and to provide a sustaining base. But it also was going to be under scrutiny. I hope that comment at least partly answers the concern of the Senator from New York about this matter.

Everyone is not agreed on it—as to the advisability of it in the first place, and as to the amount in the second place. But it has been helpful in sustaining our manpower and in getting talented people.

Mr. JAVITS. I am a ranking member of a committee, and I understand that the problem is to fix the attention of the Senator's committee on the matter, so that, like Frankenstein, it just does not go on and on and on. If it is under active scrutiny, that is all I ask.

Mr. STENNIS. The Senator can be assured of our attention and our future action in this field.

Mr. JAVITS. I have another matter in mind. I ask this of Senator NUNN, Senator STENNIS, or Senator GOLDWATER. With respect to costs of advertising and other publicity for recruitment, does that bear a reasonable relation to results on a performance standard? Also, I refer to the matter, again under review, of the number and the cost of dependents of members of the Armed Forces accompanying them overseas.

Can Senator NUNN give me some information on that?

Mr. NUNN. Mr. President, the Senator has identified again a fundamental item with respect to the volunteer force. The recruiting is up dramatically since the volunteer force came into effect.

Overall, I would estimate that it is about $1,000 per recruit, in advertising. The advertising, of course, has not been as intensive in recent months—again, unfortunately, because of the economy and the fact that they have not needed to advertise as much. But advertising is continuing, and I would think that in the years ahead it would be a continuing part of the cost of maintaining the volunteer force and making it work.

The Defense Manpower Commission is studying this point. Also, we have received considerable testimony on this subject in our committee. But I cannot point to any dramatic breakthroughs of any kind of reduction in recruiting costs that are likely to occur in this area. I think it is part of the ongoing cost of the volunteer force.

Mr. JAVITS. Again, may we in the Senate count on the fact that the Armed Services Committee is very alert to the problems and is giving close legislative oversight to those problems as well?

Mr. NUNN. The Senator is entirely correct in that assumption.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. GOLDWATER. Mr. President, the Senator has gotten into one area which is very interesting, one that should be followed, and that is the use of advertising by the entire Government.

My son, who serves in the House of Representatives, did a study on this matter a number of years ago. While it has not been followed through to my knowledge, he made some very amazing discoveries. I think that the Senator from New York, in his position on subcommittees and committees that could affect this matter, could bring about a thorough study.

For example, it is my understanding that in the Pentagon are nine different films on how to brush your teeth. There are films out of the Department of the Interior and the Department of Agriculture and other departments that, to me, are useless and wasteful of money.

So I can assure the Senator that we will continue to follow this. I have a grave question in my mind about the amount of money spent on advertising for the military.

As to the question that the Senator asked the Senator from Georgia, with respect to the cost of having dependents go overseas, I believe this is a cost that we must bear as long as the country is not at war.

We must keep in mind that if a man—a young man or middle aged—is asked to leave his family, to go overseas for 2, 3, or perhaps 4 years, there is also the possibility of the disruption of the family. While this, in itself, would have no direct bearing on cost to the military, it does have a direct bearing on morale and a direct bearing on cost to the family and cost to the community.

While it is an expensive item, I would hate to see us deny dependents access to their husbands, or vice versa, in the proper zones. There are some zones, of course, where we cannot allow dependents to go.

On a morale basis, and just a basis of common respect for the union of two people in a family, this is one instance in which we should overlook the expense.

Mr. JAVITS. I thoroughly agree with my colleague.

One of the advantages of asking questions is that that is an answer, too. In other words, if we undertake an expense which is legitimate and justifiable, then the people who are the beneficiaries should know that we have considered it and we are all for it. I thoroughly agree with my colleague.

Mr. NUNN. I should like to make one point on that.

The Senator from Arizona made a very telling point on the problem of trying to assign people with no dependents. I have looked into this matter; the subcommittee has looked into it; Chairman STENNIS has looked into it in past years. A couple of things are taking place on an experimental basis.

The amendment I proposed last year, which was adopted in committee, adopted by the Senate, and adopted by Congress, required an 18,000 reduction in support troops in Europe but permitted the Secretary of Defense to add back 18,000 combat troops. They have reached the halfway point in that, in terms of time.

UMI

It was spread over 2 fiscal years. All the services combined—mainly the Army—have reduced 6,000 personnel in supply areas in Europe. The Army is going to reduce it by 12,000 total in support.

The Army is going to rotate two brigades to Europe for a period of 1 year, in an experiment, without dependents. They are going to determine if, by rotating the units more often, they can have less dependents. The verdict certainly is not in on that. It is just beginning. I think we all realize that you have cost with dependents. The tradeoff, if you do away with dependents, is that you have to rotate the unit more often, and that is expensive.

We are looking into it. It is really an experiment that is beginning to take place. We will probably have the best analysis, particularly in Europe, we have ever had, in about 2 years.

Mr. JAVITS. Mr. President, I am grateful to Senator GOLDWATER, Senator NUNN, and Senator STENNIS for this colloquy, which I think is very illuminating and very helpful and gives clear lines for the committee's oversight role. I shall follow up on these matters, and I am much encouraged by the alertness which the committee has shown in these matters.

If I may have the attention of the Senator from Mississippi, I have a question that particularly the distinguished Senator can answer.

Last year, we had quite an imbroglio about the nonadmissibility of certain junior officers to certain institutions of higher education because those institutions had disestablished their ROTC. It will be recalled that the Senate adopted an amendment to inhibit that practice, which was admitted by the Department, that it failed in conference, and that the strong feeling was that it failed because the then chairman of the Armed Services Committee in the House was very strongly entrenched upon this question.

In the colloquy which ensued at the time the conference report was adopted, it was clear that the Department was really in a position to determine what it would or would not do on this subject whether or not the amendment was adopted, and I just wondered whether the Senator from Mississippi could tell us what has since developed on this matter as at the time, I recall, that many junior officers themselves felt very deeply deprived in respect of being unable to attend those institutions.

Mr. STENNIS. Well, Mr. President, I cannot add anything definite that I can say has happened since then. We tried very hard to get the Senator's amendment adopted. It is a rather delicate situation, and I think it is one of those things that time has passed by. We ought to be looking at it from the individual's standpoint, that he and a service agree on where he should go. I think that ought to be told.

Mr. JAVITS. Mr. President, I will endeavor to find out where it stands.

May I then submit those findings, whatever they may be, to the chairman?

Mr. STENNIS. Yes; that would be very acceptable and very much welcomed, too. But it is a delicate matter. There is no final balance to it that could be assured, I do not think.

Mr. JAVITS. Let me see where it stands now.

I yield to the Senator from Arizona.

Mr. GOLDWATER. A year has passed, and I have to tell the Senator I was one of those who opposed the admission of any officers of any rank to any school that had done away with ROTC.

I have changed my mind. I have a feeling, although I have not checked it, that under legislation I introduced last year, which would allow each service to send 25 men to law school, that some of those schools are being attended by officers. But I think it is a good point the Senator has raised. He has won one convert.

Mr. JAVITS. A very important one, I might say.

Mr. GOLDWATER. I would not say important but, being a product of ROTC, I did not like to see it get kicked around. But I recovered from the kick.

Mr. JAVITS. The Senator will remember that I said the same thing.

Mr. GOLDWATER. That is right.

Mr. JAVITS. And that I quoted Justice Frankfurter as saying that often the people or institutions we deal with to do justice under the Constitution are very unpleasant, but that, nonetheless, we have to do it.

I thank my colleague very much for his observation, and I shall follow through on this matter.

Mr. THURMOND. Mr. President, the proposed amendment would require the Secretary of Defense to submit a report on matters which have already been covered in considerable depth during committee hearings on the subject bill. As such, the report would be largely redundant. At the same time that we are encouraging DOD to trim overhead and staff, we are asking for more and more reports which must be prepared by the very same staffs we want to see reduced.

During the course of the hearings on this bill the Defense witnesses have amply described their efforts to improve manpower utilization and to reduce manpower costs. They have described their progress and further plans to decrease the officer to enlisted ratio and particularly to reduce the numbers of senior field grade officers. They have described their ongoing program to reduce headquarters which will result in the savings of over 25,000 spaces by end of fiscal year 1976.

We are all well aware of the Army's plan to increase from 13 to 16 active divisions by end fiscal year 1976 with no increase in active strength. The Air Force has also testified on their efforts to man 26 active tactical fighter wings with no increase in active strength.

Our colleagues in the House, in their report on the fiscal year 1976 Authorization Act, have already directed DOD to undertake a study on the relative cost of contract versus in-house manpower.

We have received a great deal of testimony on the use of enlistment bonuses and the cost of recruitment advertisement. With respect to increasing enlistee service, the Department is doing away with the 2-year enlistment.

Finally in an attempt to reduce overseas dependent costs, the Army is testing the concept of deploying brigades to Europe on a rotational basis without dependents. It seems to me that all these actions show that the DOD is taking very positive steps to improve manpower utilization and reduce manpower costs. It does not seem that yet an additional study and reporting requirement is needed. In fact, it would be redundant. It should be noted that the Congress has already chartered the Defense Manpower Commission to examine many of these same areas.

In summary, Mr. President, in view of the very positive action already taken by the Department in these areas and the wealth of information provided during the course of the hearings, I see no need for an additional reporting requirement.

Mr. JAVITS. Mr. President, I withdraw my amendment and yield back the remainder of my time.

Mr. STENNIS. Mr. President, we thank the Senator from New York for his interest, his contribution and his colloquy.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. STENNIS. Mr. President, that brings us to the Taft amendments.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. STENNIS. Amendment No. 502.

AMENDMENT NO. 503

Mr. TAFT. Mr. President, it will be my preference——

Mr. STENNIS. Mr. President, may we have quiet so that the Senator may be heard.

The PRESIDING OFFICER. The Senate will be in order.

Mr. TAFT. It would be my preference to bring up amendment No. 503 first, and I ask unanimous consent that it be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I call up my amendment 503 and ask the clerk to report.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, line 24, strike out $3,368,802,000" and insert in lieu thereof "$3,376,602,000, of which amount $7,800,000 shall be available only for the Advanced Ship Development program".

On page 24, lines 7 and 8, strike out "$851,363,000" and insert in lieu thereof "$855,963,000, of which amount $4,600,000 shall be available only for the Advanced Ship Development program".

Mr. TAFT. Mr. President, I have called up my amendment No. 503 to add $7.8 million in fiscal year 1976 and $4.6 million in fiscal year 197T to the category, "Ship development, advanced."

Mr. President, if we are to have a modern, effective navy, one of the most important requirements is for adequate research and development. And, in turn, one of the most important areas of research and development is advanced ship designs.

If our Navy is to be modern, the designs of its ships must be modern. If we cut out funding needed to design modern ships, we condemn ourselves to reproducing outdated designs. To me, there is nothing less cost/effective than cutting out a few million dollars needed to design modern, effective ships, and then spending hundreds of millions of dollars to build ships of obsolescent design.

The reductions recommended by the committee would, unfortunately, have a negative impact on a number of design programs. The committee voted to reduce the $27,758,000 requested for fiscal year 1976 by $7,800,000, and the $10,755,000 requested for 197T by $4,600,000. My amendment would restore full, advanced ship development funding for 1976 and 197T.

The need for restoring these funds becomes apparent if we examine the specific programs which are effected.

The committee cut would, first of all, reduce funds for the CV/CVN program—that is, a program to explore new aircraft carrier designs—by $4.5 million. This would effectively force the Navy to build any future carriers to the design of the *Nimitz*-class carrier we have now. Unfortunately, I am not certain that Soviet developments, in terms of their anti-carrier capability, do not make the *Nimitz*-class a questionable choice. In any case, I do not think we want to eliminate the option of looking at new designs. Yet that is what the committee's action would do.

The committee also cut funds for advanced design work on the nuclear strike cruiser CS/CGN. This is a followon design to our current DLGN'S—one of which was cut by the committee, with my concurrence, precisely because it is an obsolescent design. Our new nuclear-powered carriers will need nuclear powered escorts; I find it hard to understand the committee's reasoning in cutting the current escort, yet also cutting the funds to design a new one. I thus have moved to restore the funds for the work on the new design.

The third item affected—in this case dramatically—by the committee's reductions is the design work for a mine countermeasure ship. The committee action zeroed the funds for this ship. Unfortunately, mine warfare is an area where the United States is very weak—weaker than many of our European allies—and the Soviet Union is very strong. The first Nation ever to use mines was Russia, in the Crimean War; today, the Soviets put great emphasis on mine warfare—all their newest ships are equipped for minelaying.

There are grave questions about the U.S. capability to undertake a major wartime minesweeping operation in shallow water; it is, however, certain that we cannot sweep mines moored in deep water. The Navy has no equipment for that purpose, and does not even claim such a capability. That is the purpose of the mine countermeasures ship, for which the committee has cut the funds: to be a ship capable of sweeping deep water mines. I for one cannot justify our permitting the Soviets to have the capability to mine critical deep water areas, and us deliberately choosing not to be able to sweep those mines. Accordingly, this amendment would restore $1.5 million for the advanced design work on the mine countermeasures ship.

Another area in which the Soviets are doing extensive work—in which they are well ahead of us—is oceanography. Oceanography is a very important science for many reasons, not least of which is that the sea is increasingly needed as a source of food and minerals. Oceanography is also important militarily. The submarine—on which much of the Soviet naval capability is based—needs to know of depths, of currents, and of thermal layers in which it can hide. The anti-submarine forces need the same knowledge. Unfortunately, today, given Soviet superiority in oceanography, the captain of a Soviet submarine is more likely to have that knowledge than is the captain of an American destroyer.

The committee's action reduces to zero the funds for advanced design work on a new type of oceanography ship. This amendment restores that funding, $900,000.

The recent incident at Tang Island showed dramatically the need for a modern amphibious capability for our marines. Despite this clear-cut need, the committee's action reduced to zero the funds for design work on a whole new family of assault amphibious hovercraft. These would have a tremendous advantage over current landing craft: they would not have to stop at the beach. They could go right up onto the beach. Current landing craft have a speed of about 10 knots; these could travel at 50 knots, thus cutting to one-fifth the time the marines in the landing craft must sit helpless absorbing enemy fire. These two capabilities would save the lives of many marines.

Let me note that our marines have always done a magnificent job. Their rescue of our ship and its crew from the Cambodians once again showed to the world the tremendous job these men do. But they absorb very little of the defense budget, about ¼ percent. They do so much with so little, that we sometimes seem to ask them to do everything with nothing. When we zero the funds for this advanced ship design work, I think we are doing just that. Personally, I do not think it is fair treatment of our marines. This amendment would restore full funds—$700,000—for this work—a small amount, I think, for something that could save the lives of many marines.

The last area affected by the committee's reduction is one of the most critical, if our future Navy is not to be qualitatively inferior to the Soviet fleet. This is the category of conceptual/feasibility studies. Again here, the committee reduced the funds to zero.

It is in these conceptual/feasibility studies that the Navy explores new ideas for future ships. Sometimes these ideas are aimed at meeting Soviet threats. Sometimes they are aimed at funding less expensive ways of achieving our needs. For example, the money removed by the committee would have gone for, among other things, funding a merchant ship design which could be modified for use as a fleet tug, for a submarine rescue ship, and for a salvage ship. Do we want to cut out that project, which is designed to save the taxpayers' money? My amendment would provide a total of $3.6 million for conceptual/feasibility studies for fiscal year 1976 and 7T.

In summation, I believe these advanced ship design programs are vital for the future of our fleet. They are needed if we are to have a modern fleet. They are needed if we are to use the taxpayers' money to the best advantage. The funds for these programs are an investment, a very cost/effective investment, in the future of our Navy. I know of no better or necessary investment this country can make. I hope my colleagues will agree with me in this, and support restoring these funds.

I would like to point out that the Soviets in the building of their modern Navy have not, in any sense, really copied ours. Their new ships are ships of new concept and capabilities. We seem to continue to drag along on the same pattern.

I would far rather we cut back on some hardware we are buying today in the old pattern, if we could really restore the fullest capability the Navy could possibly have for effectively studying new concepts and studying and reexamining old concepts in this matter of ship design.

I think this amendment is—while it is not a great deal of money we are talking about—to me, very significant and really may well have a tremendous impact upon the future capabilities of our Navy.

The PRESIDING OFFICER (Mr. CLARK). The Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I yield myself 6 minutes.

Mr. President, I must oppose this amendment now being advanced by the distinguished Senator from Ohio. It is doubly difficult to oppose any amendment he offers because he serves with me on the subcommittee on R. & D. Nevertheless, the proposed amendment will now restore some $7.8 million in fiscal 1976 and $4.6 million in the transitional year for advanced ship development in the Navy R. & D. program.

Mr. President, I would like to emphasize that this requirement was debated at length during the committee deliberations on our executive markup of this bill and the committee sustained the subcommittee's recommendation to delete these funds.

The committee action should in no way be interpreted as being inconsistent with the concern that the Soviet Navy is being improved. In fact, the committee recommendation provides $20 million in fiscal year 1976 which is 20 percent above the fiscal year 1975 level and 50 percent higher than fiscal year 1974. The committee recommends $6.2 million for 197T.

UMI

These funds will provide for advanced studies, conceptual studies, trade-off studies, and preliminary design on such major ships as a strike cruiser, a large nuclear carrier, a nuclear attack submarine, and a number of support ships.

I will not go into the specific reasons for the committee action on each ship in the program, since they all fall into the same category. The requests for authorization of funds are premature. Stated simply, the Navy and the Department of Defense have not yet agreed upon the composition of our future fleet. And until they do, the committee has no basis for considering and supporting the need for these advanced ship development funds which the amendment seeks to restore.

Let me cite several specific examples to illustrate why the committee recommended that these funds should be denied.

According to the Navy, the nuclear powered aircraft carrier design, which the committee reduced from $6 million to $2.5 million, is needed to support the ship construction program for fiscal year 1980 and beyond. However, the Secretary of Defense has not approved this program for fiscal year 1980, and the committee allowed $2.5 million to continue definition of ship characteristics pending the Secretary's decision and subsequent congressional consideration of the recommendations.

The Navy proposed $2.3 million in fiscal year 1976 for a new category—a line item—called "Conceptual/Feasibility Studies of Ships in Extended Planning Annex for Early to Mid-1980's." This is clearly a contingency proposal and cannot be justified to the satisfaction of the committee, let alone the subcommittee.

The committee considers that there are more specific requirements for money than the Nation can afford without allowing the establishment of separate slush funds to cover contingencies.

In summary, Mr. President, I agree that we must maintain a modern fleet adequate to protect our sea lines of communication, and to meet the Soviet challenge on the high seas. However, until the Navy and the Department of Defense present the Congress with a long-range plan for ship development and construction, there is no basis for authorizing additional money for purposes which have not been approved and justified by the Department of Defense. To do otherwise would be irresponsible.

I urge my colleagues to join with me and the committee in defeating the proposed amendment.

Mr. TAFT. Mr. President, I yield myself 3 minutes.

Mr. President, the distinguished Senator from New Hampshire has said that the reason we should not give funds for this advanced design study work is that the Navy is not agreed as yet on what type of fleet we are moving toward, or ought to be moving toward.

To me, that is precisely the reason why we should give these funds. These funds are basically earmarked for studying new concepts and new designs.

Until we know what kind of ship we can develop, study the concepts in which that ship is going to be used, it is impossible to zero in on exactly what kind of fleet we are going to have.

It is a matter of putting the cart before the horse, it seems to me, to say that we have to decide on the type of ship we are going to have before we fund the advanced design and study work on them. It seems to me, the argument simply proves itself.

With regard to the CBNX and the position of the Navy on this, and this is an official Navy statement which I would like to read from. The fact that it is in the budget, to me, is clear indication it is approved by DOD.

Let me just read this language with regard to the CBNX:

> The CBNX program carries continuing conceptual design even with 6.3 million in funds to insure that future carrier design alternatives are adequately investigated, changes in weaponry, threats——

And let me interrupt there. The threat that currently exists—that I have already mentioned in the debate—of the cruise missile to our carriers is an immense one. The Soviets have already deployed at sea a sufficient number of cruise missiles to launch 100 cruise missiles against each of our carriers.

So, this is one of the kinds of threats we are talking about.

It is one of the reasons why I hope we will, in looking at carrier design, examine and question whether the future use of carriers in the same way we use them today is feasible. In other words, as a major fleet unit. It may well be that smaller carriers, it may well be that the development of new types of aircraft that are able to take off vertically and land vertically without the present lack of operating capability that seems to come with that in the carrier class of aircraft that we presently have, should all be studied and studied thoroughly. The purpose of these funds that we are talking about for the CVNX is to make that study and get the information and see where we are going with it.

Going on with the Navy statement:

> Changes in weaponry, threats, national objectives and basic technology are examined and accounted for in conceptual design efforts to meet future requirements. A reduction of these funds would limit conceptual design effort to merely updating systems on current design. This would preclude adequate investigation of future designs for nuclear carriers other than updated Nimitz class carriers.

In other words, we are freezing ourselves to the present concept of nuclear carriers if we do not have these funds. We will have to do it sometime. The sooner we get around to reexamining this the better off we are going to be and the more secure I think we are going to feel. I think this is basically what the issue is.

I cannot understand. As I say, I voted to cut back on some of the hardware we are currently ordering for the Navy, and I would be delighted to continue to examine whether or not the programs we already have underway are cost effective. Many of the costs have gone up tremendously. Many of the ships, it seems to me, we are currently building are not adequate to meet the kind of threat they will have to meet from the Soviet naval capacity, particularly in the area of cruise missiles. We do not have a single cruise missile at sea now. We are working on systems and hopefully we will get the systems that will be effective. But we are lagging way behind in the weaponry and way behind in the design and conceptual efforts. The purpose of this amendment is to try to correct that situation.

I think the committee, while there was a reasonably close vote on these issues, perhaps did not understand this or was mistaken in their conclusion. I feel compelled to point that out.

Mr. President, I want to ask for the yeas and nays on this amendment.

Mr. STENNIS. Will the Senator yield?

Mr. THURMOND. Will the Senator yield me 3 minutes?

Mr. TAFT. Yes. I yield to the Senator from South Carolina first.

Mr. THURMOND. Mr. President, I rise in support of the amendment of the distinguished Senator from Ohio.

Mr. President, for each ship in the Navy shipbuilding program there is a period of time prior to the award of a contract to a shipbuilder during which certain ship design work is required. This design work is divided into phases called conceptual studies, preliminary, and contract design. The R. & D. program entitled advanced ship development provides funding for the advanced conceptual study and preliminary design phases of this total effort. Each year, the Navy identifies those ship programs for which conceptual studies and preliminary designs are required, estimates design costs for each and submits the total as its budget request. It is important to note that because conceptual studies and preliminary designs precede by as much as 3 to 4 years the contract award date for a particular ship, there is not necessarily a direct correlation between the ships identified in this program element and ships in the SCN request for that year.

In the fiscal year 1976 and 197T budget request, the Navy included funds for the conceptual studies and preliminary designs of a new nuclear carrier proposed for fiscal year 1980, the preliminary design work on fiscal year 1977 and fiscal year 1978 Aegis ships, design work on a fiscal year 1978 attack submarine, a derivative of the SSN 688 class, and the advanced studies and preliminary designs of several auxiliaries, amphibious and mine force ships which are intended primarily as replacements for aging ships in the fleet inventory. In addition to the funds for this routine design work, a small portion of the budget was earmarked for advanced ship studies intended to explore new approaches in ship design. It has been generally agreed in OSD and the Navy that such studies are not only necessary but mandatory if we ever hope to capitalize on the potential payoffs of such concepts as standardization, automation and reduced manning, modularity and reduced maintenance.

Mr. President, the funding request for this element has been to cut the request from approximately $28 million to $20 million. This action will preclude the accomplishment of any advanced studies in the conceptual and preliminary design work for auxiliaries and amphibious ships and will reduce the amount available for the carrier, submarine, and Aegis ship work.

Mr. President, I am convinced that we ought to strengthen our Navy and do it as soon as possible. I suggested in an address at the commissioning of a ship in Norfolk, Va., some time ago, that one of the greatest things America could do would be to expedite its ship program. Not only do we need the ships, because the Soviets are now building the greatest navy in the world—they now have more combatant ships than the United States—but this would provide work for people during this period of so-called recession in which people need work. But even if the work were not needed by people, in my judgment, with the Soviets planning a worldwide navy, a navy on every ocean in the world, in all the waters of the world, we are going to make a mistake if we do not go ahead and not only build as many as the Soviets, but more.

Our security on this continent is dependent largely upon oceans. If we have a powerful Navy, it will be of tremendous benefit to this country. I hope that the Senate will see fit to adopt this important amendment by the able and distinguished Senator from Ohio.

Mr. TAFT. I thank the Senator from South Carolina for his remarks. They are certainly welcome.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. TAFT. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Do I understand there is an agreement that no vote will take place until 12 o'clock?

The PRESIDING OFFICER. The Senator is correct.

Mr. TAFT. Mr. President, under those circumstances, I am ready to yield back the remainder of my time on amendment No. 503 and proceed to discuss 502.

Mr. McINTYRE. Mr. President, I yield myself 3 minutes.

Mr. President, the overall request for the Navy here was for $27.8 million, and the critical analysis and study by the subcommittee indicated that a cut of $7.8 million was warranted, and that was sustained in the full committee.

I would like to point out to my good friend from Ohio that the full committee gave special recognition to supporting a strong Navy research and development program by reducing the Navy less than any other service. The Navy was cut only 2.9 percent in the R. & D. field, compared with 7.6 percent for the Army and 5 percent for the Air Force.

Regarding the attack carrier which my good friend from Ohio has mentioned, a request of $6 million was reduced to $2.5 million, and that represents nearly half of the recommended cut.

Currently, in matters of this type, such as conceptual studies and plans for the future, we find that a very short lead time is necessary, 6 to 8 months is all that is needed to bring a study to fruition, and then they can move on, after approval, to contract definitions so it can be put out to contractors for bids.

In the case of the carrier, the Navy is currently looking at three ship sizes. One of those sizes is a continuation of the present *Nimitz* class carrier. These are to follow on from the previous carrier class known as the *Forrestal* class. So if the Navy should pick—and we are now talking about replacing 12 carriers of the future—if the Navy should pick the *Nimitz* class, this $2.5 million is all that is needed to complete their studies and go to contract definition. However, the Navy could pick one of the other two carriers. There is dispute within the Navy over what a nuclear carrier should be, and many of us are really concerned over the question of whether the nuclear carrier should be kept in our fleet. In fact, even though much is made of the Soviet Navy, I think the Soviets have only one nuclear carrier at the present time, the *Moscow* class carrier, so apparently they do not seem to be as enthusiastic over carriers as we. But nevertheless, with the global commitments we have, the carrier is a very useful base.

So if the decision is made by the Navy to go to a different size of carrier for the future, then I think Congress would want to take a good look at that decision, because this would be a departure from the *Nimitz* and the *Forrestal*, and we in the committee would want to know a great deal more about the Navy's plans.

The Navy has not come down on what they want, so in the interim I see no reason for furnishing them with money for a slush fund.

Mr. TAFT. Mr. President, the Senator has just made a statement that I certainly agree with. That is that if the Navy decides to go to a different type of carrier, I think the subcommittee and the committee, and I think probably the entire Congress, would want to have another look at it. But what are we going to look at?

The Senator has agreed that with the funds we have here, all they can do is go ahead with the *Nimitz* class carrier study. We are cutting off the funds for them to provide us with a study so that we could make an intelligent decision. The Senator is cutting out the funds for that purpose.

Mr. McINTYRE. No matter what choice they make, we have left $2.5 million in the bill.

Mr. TAFT. $2.5 million, which the Senator himself has said will enable the Navy only to go ahead with studies with regard to new concepts with regard to the *Nimitz* class carrier. It does not leave open the other options which the Senator himself has said he wants to have.

As to the delay involved, the Navy has indicated that every one of these cuts will result in a 1-year delay in developing whatever we may want to develop in the way of new ship designs and contents. I do not think anyone can deny that if they do not have the money, they cannot go ahead with the studies, and next year we will be back here, 1 year later, facing up to the problem that ought to be faced up to now.

Mr. McINTYRE. What the Senator is saying is that with the new type carrier, we in Congress will want to take a good look at it?

Mr. TAFT. That we cannot without a conceptual study, and we are cutting off the money for such a study.

Mr. McINTYRE. I am informed by the staff that the Navy has enough funds to make this decision. The recommendation has already been made to the Chief of Naval Operations and the Chief has to make a decision. Then it will be given to our committee, and approved or disapproved.

Mr. TAFT. The Navy's statement that I have is directly contrary to the statement the Senator has. I do not know which Navy we are talking to; but certainly all the people in the Navy I have talked to, from the Secretary on down, concur in the statement I just made, that there will be a 1-year delay in conceptual studies as a result of the cuts here, unless there can be a transfer of funds from somewhere else. If there can be a transfer of funds from somewhere else, we should do it. We should make the transfer right here in this bill.

Mr. President, I am ready to yield back the remainder of my time.

Mr. McINTYRE. Does the Senator from Mississippi wish to make a statement?

Mr. STENNIS. Mr. President, I yield myself 1 minute.

This is one of about 600 so-called line items in this research and development part of the bill, into which the Senator from New Hampshire and his subcommittee have delved very deeply and come up with these specific recommendations. This is not a matter of the committee opposing studies or plans, or anything of that kind, for ships for the future. It is just the judgment of the committee that this money is not necessary now, that these are matters that go over into the 1980's, and that as of now the Navy is lacking in a decision as to just what types of ships they plan to move into.

Now we are building some large ones and some small ones, and it appears there is a repetition of expenditures if this money is provided now. That is the main reason that we left it out. We are not fighting the idea, nor the Navy.

I am told that this $7.8 million is already in the House bill, which will throw the matter into conference for reexamination and weighing of the situation: In conference we really go into matters, particularly matters of this kind, and are able to reweigh them, rather than always fight to the death for a certain position, whatever it may be.

With that understanding, we will support this if it comes back from confer-

UMI

ence, reexamined and reweighed. Let the House staff and our staff as well as the conferees study on it. Under those conditions, I believe it is a matter that should be left out of our bill.

I yield the floor.

Mr. TAFT. Mr. President, I yield myself another 2 minutes.

Some question has been raised, and I have found some further information, here that might be helpful to the Senate.

For instance, with regard to the submarine model rescue ship, for which I think there is great need, this is the reaction of the Navy to the cut on that item:

If funds are not provided, the Navy would be forced to forgo this type of longer range conceptual design work. It was intended that this design work support the planning which is directly related to the Navy's Surface Warfare Plan. In this plan, the Navy documents its longer range planning objectives, specifically the needs in the ten years beyond the Five Year Defense program for shipbuilding.

Generally, on the entire area of these funds, the Navy again says:

Failure to provide advanced ship development funds in fiscal year 1976 will cause a slip of approximaltey one year in the delivery of the FY 80 carrier to the fleet. Failure to provide ship development engineering funds in FY 76 would delay by approximately one year introduction of the FY 78 carrier into the fleet.

Let us not make any mistake about it; if we leave out these funds, the designs will not take place this year, and the conceptual studies will not take place this year.

It will set us back 1 year in updating the Navy in a way I think we all feel it needs to be updated. I am reassured somewhat by the chairman's statement that the House bill contains these funds and it will be reexamined in conference.

I suppose that the committee probably will, as it generally has been supported here in the Chamber, when we got to the yeas and nays vote support it. While from a legislative point of view I realize perhaps we would be better not even to go to the yea-and-nay vote, but I think it is so important to point this out to the American people and to point it out to the Senators that I think we ought to stick to the yea and nay vote, and I am going to do so.

I am not going to withdraw the amendment. I am going to put it to a vote, even though the vote may go heavily the other way. I hope if that happens that the conference will not feel that it is a dead issue.

I hope that with those Senators who agree with my position—and there were quite a number on the committee, and the distinguished minority ranking member on the committee has expressed his opinions on it—we will be able to keep this item in because I think it is vital to the national security of the United States in coming years.

Mr. President, I yield back the remainder of my time.

Mr. McINTYRE. Mr. President, I yield myself 1 minute. I say to the Senator from Ohio in our subcommittee that we have never heard anything else when we make a cut for some good reason that we feel is justified. It does not matter whether it is the Army, Navy, Marine Corps, or Air Force. We always get that reply back: "Well, this is going to delay, this is going to delay the whole thing."

So that type of argument is one that should not be relied on.

The argument here is they do not know where they are going, and, we do not see why we should provide a slush fund for them to play around with until they know where they are going; then we will give them some real dough.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I do not care to belabor this matter.

I made clear we are not wanting to cripple the Navy in their planning and all, and I especially appreciate the attention here the Senator from Ohio has given to this and other naval matters.

He made a fine speech here the other day that I called to the attention of every Senator as having lasting value with reference to our naval program.

I do not feel any urgency for this money just at this time. After all, Mr. President, our committee was criticized years ago for our failure to go into these research and development matters. Now, when we really are getting it in with tooth, tongs, and nippers there is some resentment in the Pentagon about us even going into it. There is some here and there. But we are sticking to our guns, and we think it is our duty to come back here with a full report to the Senate, and this happens to be a part of that report for this year.

We are not personally denying these funds. We are not proposing to just be dead set against them. It is solely a question of timing.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. I yield back the remainder of my time.

Mr. STENNIS. Yes. We yield back the time, Mr. President.

The PRESIDING OFFICER. All time has been yielded back. The yeas and nays have been ordered.

Mr. STENNIS. Mr. President, may I make a parliamentary inquiry? Is it not true there has been an agreement and understanding there will be no rollcall vote until 12:30?

The PRESIDING OFFICER. No. Until 12 o'clock.

Mr. STENNIS. I thought it was set for 12:30. It is the way I understood it.

The PRESIDING OFFICER. 12 o'clock.

Mr. STONE. Let us vote.

Mr. STENNIS. I think we ought to call a quorum at least, Mr. President. It really is not 12 yet.

AMENDMENT NO. 502

Mr. TAFT. Mr. President, if it is agreeable to the chairman, I am glad to ask unanimous consent to proceed to discuss my amendment No. 502.

Mr. STENNIS. I think that is an excellent suggestion. The Senator has another amendment. We can lay this in abeyance for the time being.

The PRESIDING OFFICER. The Chair hears no objection.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. TAFT) proposes amendment No. 502.

The amendment is as follows:

On page 17, line 24, strike out "$3,368,802,000" and insert in lieu thereof "$3,371,702,000 of which amount $2,900,000 shall be available only for the Advanced Hydrofoil Craft program".

On page 24, lines 7 and 8, strike out "$851,363,000" and insert in lieu thereof "$852,293,000, of which amount $930,000 shall be available only for the Advanced Hydrofoil Craft program".

Mr. TAFT. Mr. President, I have called up my amendment (No. 502) to add $2.9 million in fiscal year 1976 and $930,000 in 197T to the advanced hydrofoil program.

Mr. President, if we are to meet the highly innovative and technologically advanced challenge offered us by the Soviet Navy, we must also be innovative and technologically advanced. We must develop new ships with capabilities that surpass those of Soviet ships.

One of the most important of such capabilities is speed. In almost any naval engagement, the party with the highest speed has the initiative; his is the choice of whether to fight or to run.

In turn, one of the most promising developments in ship speed is the hydrofoil. The hydrofoil—a sort of wing in the water—gives a ship very high speed—we can already talk in terms of 60 or more knots—and, at the same time, much better stability in rough water.

The purpose of the advanced hydrofoil program is to design a hydrofoil ship of about 1,200 tons—a ship large enough to be used, for example, as an antisubmarine ship. It is an R. & D. program; no procurement money has been requested. The Navy simply wants to have the capability of building such a ship—although, may I add, I think if the R. & D. program is successful, it is the sort of ship we should produce.

The DOD requested $7,075,000 in fiscal year 1976 for this program, and $2,398,000 in 197T. In terms of the benefits a ship of this type could give us, that is a very small amount of money. Nonetheless, over my objections, the committee cut that to $4,175,000 in fiscal year 1976 and $1,468,000 in 197T. The committee's action constitutes a refusal to continue the program, since last year it received funding of $6,075,000. If the committee action stands, it will set back the entire program a full year. Personnel will have to be dismissed, and the design effort for the 1,200-ton ship will be halted.

I think the $2.9 million in 1976 and $930,000 in 197T I have moved to restore, which will bring the funding up to the requested level is a small amount to pay for the continuation of a program that could pay such major dividends. A 60-knot destroyer—which is what this ship could be—would be a new and effective counter to the Soviet submarine fleet. I hope my colleagues will join me in sustaining the advanced hydrofoil program, in recognition of its importance in our attempt to answer the Soviet challenge.

The argument that will be made on the other side with regard to this is that we have a 200-ton hydrofoil ship presently in construction in connection with our NATO allies.

This ship is a patrol craft, far smaller, not related to the same needs at all from the point of view of its application in naval warfare.

There have been, admittedly, some difficulties in the production of this ship. The difficulties, however, relate not to the design, not to engineering, but rather to the fabrication of the ship.

As far as we know now, the type of ship that we are talking about in the advanced hydrofoil will not necessarily use the same material, at all, which is aluminum, which the smaller hydrofoil we are presently having trouble with uses.

The money is not, in this case, to go into the production of a ship anyway or into the problems related to its production that have created some problems with the smaller ships. It is to go ahead with the design, the engineering, the production, and the advanced studies that are necessary in order to find out the feasibility of such a ship and have it moving ahead.

If we cut back the funds again, we are going to delay the time in which we will have the capability of producing such a ship.

I think it is a mistake, and I have indicated so to the committee and tried to get the committee to change its mind upon it.

I yield the floor.

At this point Mr. ALLEN assumed the Chair.

Mr. McINTYRE. Mr. President, I rise to oppose this amendment to restore funds to the pending bill to start development of an advanced hydrofoil ship, and again I must say that I share along with the members of the committee and most of the Senate the concern over improvements in the Soviet Navy. But this is no reason, no reason at all, to waste the taxpayers' money.

The Subcommittee on R. & D. reviewed this program, reviewed the details of it and determined that the request for funds was premature. The recommendation to delete the $3.8 million requested for fiscal 1976 and the transitional year was sustained by the full Committee on Armed Services.

One basic lesson we have learned—and you learn it early in the research and development game—is that R. & D. is progressive and takes time. In many ways, it is like a baby who crawls before he or she learns to walk.

Today, the U.S. Navy is struggling to develop a 225-ton missile-carrying patrol hydrofoil for U.S. and for NATO forces. It is called the NATO PHM. This craft has encountered major technical problems which have delayed this program, and the cost of these ships is now estimated to be double what was originally estimated. They were talking about $25 million a couple of years ago, and now it looks like $50 million.

The one development prototype that has been built has been out of the water for repairs for some time. The House Appropriations Committee has put a "hold" on the money authorized and appropriated back in 1975 to build the first four production ships. The Senate Armed Services Committee deleted the funds requested in fiscal 1976 for two additional ships. That was in the procurement section of the proposed budget.

In the face of what I consider—and the members of the subcommittee and a majority of the members of the full committee consider—a chaotic situation, it is clear to the subcommittee and the committee that the Navy is in no position to start a more complex, more sophisticated, and more costly hydrofoil in the 1,100 ton class, four times the size of the one they now have, the 225-ton craft with which they are having difficulty.

Again, spending money without a clear and definite purpose is not the answer to Soviet progress. In my opinion, the blank check approach can be neither justified nor afforded.

Mr. President, we on the subcommittee take some pride in the fact that years ago a very important advance program known as SES—surface effect ship—came to the attention of the subcommittee. I mention this ship because its history parallels the story of the development of the PHM. The SES is a ship that we hope will be able to travel at speeds between 65 and 75 knots over a sea state of 6—and the sea state 6 means waves of about 15 feet in height. We hope to be able to put a 200-ton ship through the water at that speed in that kind of rough going.

The Navy started out with a 100-ton competition in this surface effect ship. Both competitors were having their problems and their troubles. The Navy came in and requested funds for design of a larger ship, 1,000 to 2,000 tons, and we have repeatedly denied these funds.

I think that today the fact that the SES R. & D. advanced study and work and operations are still underway, still with the hope of measured success, has been due to the fact that we have put the brakes on the Navy's great desire to rush forward, many times when they cannot even succeed at the lower level of 100 tons.

So, here, with the patrol hydrofoil, the 225-ton craft is in chaos, and they want all this money to start designing the larger ship. For that reason, I ask my colleagues to join me in supporting the committee recommendation by voting against the proposed amendment.

Mr. TAFT. Mr. President, I yield myself 3 minutes.

I concur with the distinguished chairman of the subcommittee with regard to the surface effect ship. I shared his feelings and the feelings of most of the committee, and I hope it will be transferred to the Navy. I do not think the surface effect ship is fast enough. They did not request enough funds to go ahead with it. The surface effect ship is not really a substitute for the hydrofoil. The sea-keeping potential of the hydrofoil is greater than that of the surface effect ship. The surface effect ship is far more adapted to operations in limited sea areas. The hydrofoil, on the other hand, is a full seagoing ship, a ship of potentially great speed.

Talking about the PHM, the 200-ton ship and the 1,200-ton ship, and comparing them is like comparing apples and oranges. We are not dealing with the same type of class or the same basic function. The PHM is like a motor torpedo boat, for fast strikes around coastal areas. The advanced 1,200-ton ship would be a full seagoing ship, with great antisubmarine warfare capabilities.

Let us talk about this. Today we are faced with a patrol frigate that is in design and building, with a maximum speed of 28 knots. The maximum speed of Russian submarines today, underwater, is over 30 knots, so they can simply run away from some of the antisubmarine ships we are relying on to take care of them in any conflict in which we might engage. The need, therefore, to develop a ship with the kind of speed we have here is a pressing one and an early one.

It is said that we should get the other one underway and make sure it is working before we try the bigger one. It is not the same thing; we are not talking about the same type of craft. Some of the principles are the same. The principles of hydrofoil are well understood. Even the Chinese have a military hydrofoil craft operating, as do many other nations, and we are far behind.

This would give us a chance to leapfrog some of the developments that have occurred in this area by having a larger, better, and faster type craft of this kind, with immense potentiality.

I think it is a great mistake, simply because we have had problems in fabrication of a smaller ship of this type, to cut back on the funds that would make it come to fruition.

Mr. President, I am ready to yield back the remainder of my time, if the Senator from New Hampshire is willing to do so and if no one else wishes to speak.

Mr. McINTYRE. Mr. President, I am ready to yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment is yielded back.

Under the unanimous-consent agreement, amendment No. 503, on which all time has been yielded back, was to be laid aside in order that amendment No. 502 might be discussed. Now that all time has been yielded back on amendment No. 502, the question would revert on agreeing to amendment No. 503, by Mr. TAFT. The yeas and nays have been ordered on the amendment. The votes will be back to back.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. The Chair may be under the misapprehension that the yeas and nays have been ordered on amendment No. 502.

The PRESIDING OFFICER. They have not been ordered on amendment No. 502. They have been ordered on amendment No. 503. That is the first vote.

UMI

The clerk will call the roll.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes today prior to the hour of 2:45 p.m., and all rollcall votes that are ordered in the meantime just be backed up and, at the hour of 2:45, begin running in the sequence ordered.

The PRESIDING OFFICER. Is there objection to the request that there be no rollcall votes prior to 2:45 this afternoon?

Hearing no objection, it is so ordered.

Under the previous order, the distinguished Senator from Kansas (Mr. DOLE) is to be recognized to call up amendment No. 507.

AMENDMENT NO. 507

Mr. DOLE. Mr. President, I ask that amendment No. 507 be called up.

The PRESIDING OFFICER. The clerk will please state amendment No. 507.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes amendment No. 507.

The amendment is as follows:

On page 18, line 21, strike out "92,000" and insert in lieu thereof "112,000;".

On page 25, line 4, strike out "92,000;" and insert in lieu thereof "112,000;".

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, may we have order?

Mr. President, very simply this authorizes an increase in the Naval Reserve from 92,000 to 112,000, which is, I might say, the same figure contained in the House bill.

25 PERCENT NAVY RESERVE REDUCED

In recent years, whenever there is unusual budgetary pressure, the Navy's leadership, apparently with the blessing of the Department of Defense, has consistently whacked away at the authorization and appropriations of the Navy Reserve.

If allowed to prevail the strength of the Navy Reserve will have been reduced from 129,000 in fiscal 1973 to 92,000 in 1976—a reduction of more than 25 percent in 3 years. Past budgets have eroded support for the Naval Reserve to subminimal levels of capability.

MOBILIZATION REQUIREMENTS UNCERTAIN

In the last 5 years, the Department of Navy and the Department of Defense have "reorganized" and "studied" the Naval Reserve to the point of demoralization for those most closely involved with Reserve programs throughout the country. Each succeeding "study" brought a new round of structural changes and heightened confusion among dedicated naval reservists. Mobilization requirements of the Naval Reserve, once clear and concise, became murky and uncertain.

In response to a letter I wrote to Secretary Schlesinger in February 1975, the Secretary of the Navy assured me that the Department of Defense is committed to the "total force policy which has as one of its principles maximum utilization of the potential in the Reserve Forces."

I do not view scuttling 25 percent of the Naval Reserve Forces in 3 years as "maximum utilization of the potential of Reserve Forces," the actions of the Navy Department and the Department of Defense simply do not match their fine phrases of support.

SOVIETS CHALLENGE U.S. CONTROL OF SEAS

It should not be necessary to remind either the Department of Defense or my distinguished colleagues in the Senate that the Soviet Union is mounting a deadly serious challenge to this country for control of the seas. Their ships are new; their manpower is disciplined, well trained and backed up by adequate reserves.

The Soviet challenge comes at a point when our regular Navy forces are approaching record low levels for the post-World War II period.

In consideration of the critical importance to our national security for control of the seas, I submit this amendment to stabilize Navy Reserve manpower at current authorized levels.

CONFORMS WITH HOUSE ACTION

This amendment would put the Senate in conformity with action already taken by the House to stabilize Naval Reserve manpower at its current 112,000 authorized level.

This Congress went on record several years ago to rely primarily upon the Guard and Reserve forces at a time of national emergency and we, therefore, created what was termed the zero draft environment.

The Selected Reserve of the Navy for 1975 was established by Congress at a strength of 117,000, although funds were appropriated for only 111,000.

Members of this Congress have reminded officials of the Department of the Navy they would update their mobilization requirements so as to determine the realistic minimum strength for the Selected Navy Reserve. I am pleased to hear that action along these lines has taken place.

In the meantime, this Congress should declare a moratorium on reductions in Selected Navy Reserve pending completion of the Navy Department studies to determine the realistic mobilization requirements of various contingencies in a zero draft environment. These studies should then be reviewed by the Armed Services Committee of Congress to insure against an irretrievable and unnecessary loss of trained men and women.

The leadership of this Nation, and particularly Congress, should carefully heed the lessons of history. We cannot afford to be without trained and ready Reserve components of the armed services. The failure to provide this Nation with ready callable Guard and Reserve forces could cause a disaster for this Nation.

A large part of the proposed cut in Naval Reserve manpower involves deep slashes in the Seabee Reserve.

During the Vietnamese war, part of the Seabee Reserve was called to active duty and performed admirably in Vietnam. The individual members of Seabee Reserve units provide their own tools and require very little additional hardware.

In Kansas, the Seabee Reserve has been a genuine community asset. As part of their training, they have constructed park facilities for many cities, built camp buildings for Boy Scouts, Girl Scouts, 4-H groups and recreation programs. They carry their own weight.

Mr. President, in the House report on this bill, it stated:

In the Navy Reserve, the Administration request was 93,972 in fiscal year 1976 and 92,000 in the transition period. Last year, the Congress authorized a strength of 117,000 for this component and it is currently holding an average slightly below 110,000. The rationale for this sizable reduction was that at the time the Budget was prepared more than a year ago, mobilization requirements in the Navy Reserve were not clearly delineated thus making expendable paid drill personnel with no clear mission. Further, this reduction was to include 9 Seabees (construction) battalions, or more than half the current force of Seabees. The evidence received by the Committee indicated that an in-depth study of mobilization requirements in the Navy Reserve is near completion and establishes hard requirements for approximately 112,000 personnel, if the entire 17 Reserve construction battalions are retained. The Committee considered the 112,000 number to more appropriately represent current requirements and would avoid the precipitate loss of trained personnel by accepting the Administration request without regard to the evolving evidence, which had been unavailable at the time of Budget preparation. The Committee is also most anxious to prevent the loss of any Seebee battalions which have proven their worth most convincingly in Vietnam, as well as in invaluable assistance during domestic disasters. Any effort to reduce these forces would be intemperate and would encounter stiff resistance within this Committee.

That is the report of the House Armed Services Committee.

I would say that for the fiscal year 1976, if the Senate version is sustained, there will be a reduction in the Naval Reserve of some 21.3 percent, a reduction in Air Force Reserve of 4.7 percent, a reduction in the Army Reserve of 5.8 percent. With the adoption of my amendment the reduction of the Naval Reserve would still be in the neighborhood of 4.3 percent. Clearly, the Naval Reserve is bearing a disproportionate share of the cuts and has in past years as well.

Mr. President, I think that, in essence, indicates the need for the amendment. My proposal would provide for equitable reductions.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield myself such time as I may use.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, the parliamentary situation here is that there has been agreement not to have any rollcall votes until 2:45. Does the Senator from Kansas desire a rollcall vote?

Mr. DOLE. Well, I would be hopeful that the distinguished Senator from Mississippi might accept the amendment.

Mr. STENNIS. Very well. I will proceed.

Mr. President, the Senator from Georgia (Mr. NUNN) has looked at this matter for our committee. Others are interested, but he primarily looked at it, and he cannot be in the Chamber just now, but I expect him very shortly, if we could have a quorum call.

I think the Senator has made his argument here, and we ought not to go to something else, we ought to continue on this. If I may suggest the absence of a quorum, chargeable equally to each side, and if we do not find Senator NUNN, we will do something else about it.

Mr. DOLE. I might say to the distinguished Senator if we could expedite the business of this bill, I would be happy to set this amendment aside if someone else is ready for an amendment.

Mr. STENNIS. I appreciate that. Let us try to stay with it for the time being, Mr. President.

I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection?

Mr. GOLDWATER. Mr. President, I can offer a little argument.

Mr. STENNIS. Mr. President, I withdraw my request for a quorum call and I yield to the Senator from Arizona.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from Arizona (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. President, the Dole amendment would increase the Naval Reserve strength to 112,000. Our bill, the Senate bill, recommends 92,000.

Naval Reserve strengths have been as follows: 1973 there were 129,000—that is the average strength; and in 1974 there were 119,231, that is average; in 1975, the average was 117,000; in 1976, 92,000, which would be the end strength in the bill.

Now, if the Dole amendment is accepted, it would mean only a 5,000 reduction rather than a 25,000 reduction.

The House for fiscal year 1976 approved an average strength of 112,000, which is the same as the Dole amendment or the Dole figure.

For an explanation of average end strength, I would suggest that my colleagues look at page 127 of our report. But reading from an extract on the fiscal year 1976 House report on the Naval Reserve, I quote:

In the Navy Reserve, the Administration request was 93,972 in fiscal year 1976 and 92,000 in the transition period. Last year, the Congress authorized a strength of 117,000 for this component and it is currently holding an average slightly below 110,000. The rationale for this sizable reduction was that at the time the Budget was prepared more than a year ago, mobilization requirements in the Navy Reserve were not clearly delineated thus making expendable paid drill personnel with no clear mission.

Further, this reduction was to include 9 Seabee (construction) battalions, or more than half the current force of Seabees. The evidence received by the Committee indicated that an in-depth study of mobilization requirements in the Navy Reserve is near completion and establishes hard requirements for approximately 112,000 personnel, if the entire 17 Reserve construction battalions are retained. The Committee considered the 112,000 number to more appropriately represent current requirements and would avoid the precipitate loss of trained personnel by accepting the Administration request without regard to the evolving evidence, which had been unavailable at the time of Budget preparation. The Committee is also most anxious to prevent the loss of any Seabee battalions which have proven their worth most convincingly in Vietnam, as well as in invaluable assistance during domestic disasters. Any effort to reduce these forces would be intemperate and would encounter stiff resistance within this Committee. The Committee does not want to frustrate necessary realinements in this or any of the Reserve components, however such realinements should reflect long range requirements rather than short-run economies.

Mr. President, that is very much the position of the committee. I can understand the interest of the Senator from Kansas to increase the strength, but I think we are faced with one fact—we are really talking about two things.

The committee does not want to diminish the strength of the Seabees, but in view of the fact that the ships of the fleet will be lower at the end of this year than they were in 1939, and with the possibility of receiving additional ships of the line in the near future being somewhat remote because of the attitude of the Congress, and although the language I read was the House committee language and it appears, in effect, to support the Dole amendment, our position has to be that there is no use for additional reservists.

We have no equipment on which they could serve. We, frankly, do not have much equipment on which they could train.

I have been one of the strong backers of the Naval Reserve because, having been a reservist off and on for 37 years of my life, I have always said the Navy did the best job with reserves of any military component. But we are faced today with no real mission other than the Seabee mission for naval reservists over and above the figure that appears in our bill, 92,000.

So to just increase it to 112,000, while it does not sound like a lot and probably is not as far as money goes, I think it could be accomplished by careful selection without hurting the Seabee, in view again of the one factor that causes me to take exception to the Dole amendment, we are running out of ships. We do not have anything to put men on.

Someday, maybe, we will get the antimilitary, the appeasement, the isolationist forces in the Congress, to recognize that the Navy is really approaching an all-time low. A low that will be very dangerous to the United States in its role as world leader.

At the same time, we are watching the Soviets do something that they have been trying to do since the early days of the Czars, namely, build a fleet that will be meaningful on the high seas. The fact that she just recently completed a worldwide ship maneuver, or you might say war games, with 220 surface ships, not to mention submarines, indicates the weakness that we approach.

I would like to support the Dole amendment, but I do not think it is fair to a reservist, really, to tell him that, yes, we are going to keep him but we cannot give him any training, we cannot give him an assignment that means anything because we really do not have any ships to put him on.

In fact, the total strength of the Navy reflects that, to some extent.

The pre-Korea strength of the Navy, exclusive of the Marines, was 382,000. It went to 824,000 as a pre-Korea peak. It dropped to 667,000 pre-Vietnam. Then it went to 765,000 in peak Vietnam. This year the actual Navy strength will be 529,000 with fewer ships in the line than the Navy has had at any time since 1939.

I would hope before it is too late that the antimilitary forces in this country, the isolationist forces in this country and in this Congress, will recognize that we no longer can be a fortress America, that these great big oceans we once could hide behind are not great big oceans any more. One was crossed the other day in 1 hour and 52 minutes, and the enemy has the same ability.

I am merely reciting my opinion of the Dole amendment. It does not reflect the completeness with which the Senator from Georgia will discuss it when he comes to the floor, but I will be very happy to answer any questions that the Senator from Kansas might have.

Mr. DOLE. Well, if the Senator will yield, I recognize there has been unusual budgetary pressure, the legislation leadership, apparently with the approval of the Department of Defense, has been whacking down authorization of the appropriation of the Navy Reserve. As the Senator indicated, it has gone from 129,000 in 1973 to a projected 92,000 in 1976.

The Senator from Kansas would state that this is only an authorization, but we understand that when the study is finally completed, the hard facts will show the 112,000 figure is about right. This, of course, the House has in their bill.

I assume when the bill goes to conference the authorization will come out about 102,000, somewhat higher than the Senate, somewhat lower than the House.

But the Senator from Arizona indicates they had a good Naval Reserve program. And I read some House testimony indicating some Members of Congress on the other side indicated it was the worst Reserve program. It just seems to me we are quite critical of the Navy for apparently caving in to budgetary pressure and Defense Department pressure in whacking away at their Reserves.

As I said earlier, they are taking a cut in fiscal 1976 of 21.3 percent as compared to the Army of 5.8 percent and the Air Force of 4.7 percent.

We do not have any Navy National Guard, but we do have an Air Force National Guard and an Army National Guard, which have actually been increased in the past 3 years. So it seems to me a smaller reduction in the Navy Reserve would be entirely appropriate.

The Seabees do not require ships, and a reduction of about 6,000 would be in the Seabee category. In addition, of course, the Naval Air Reserve, and others, where ships are not needed. So this Senator

UMI

would wonder if the argument of the Senator from Arizona about a lack of ships is entirely valid.

As the Senator from Arizona knows, Kansas is not a great naval State. But I am concerned, as he is, about the manpower. We are not talking about military hardware, something that can be built in a matter of months. We are talking about manpower, which takes year after year of training to learn technical skills and to learn to function as a unit.

So it just seems to this Senator that we are talking about very little in cost, but we are talking about a great deal in potential and a great deal of capacity and capability that we are, in effect, letting go down the drain.

Mr. GOLDWATER. Well, I have nothing to do with it, of course. I think the Senator has made a good argument.

I do not like to see Reserve Forces cut. "We do not have the equipment" is the attitude. There is no equipment on which to train these men or to keep them current.

We are running out of aircraft carriers. I can argue with any Member of either House who wants to say that the Navy Reserve program has not been a good one. It has been a very fine one. I know when carriers have been available in San Diego, naval aviators from the Southwest and California have been able to stay current by being allowed to acquire time on the carriers. I do not think we are talking about that kind of Naval Reservist. I think we are talking about the Seabee type, the man who has to acquire some experience on a ship to keep himself oriented to the point that he would be valuable on M day.

The Army used to be in that fix. They never allowed reservists to use any modern equipment. That has changed. Although it has not changed as completely as I would like to see it changed, nevertheless it has changed.

The Air Force Reserve or the Air Force National Guard are a little different picture because we do have a lot of old aircraft that can be flown by the guard and the Reserve. We are also entering into a period, hopefully, when the air guard and Air Reserve Forces will take over more and more of the domestic mission of the Military Airlift Command.

The position of our committee was based entirely on the position of the Navy, and their position is based on the fact that they just do not have the equipment.

I do not think that is going to change with this present Congress. I have been deploring the fact that our Navy has been on the low side for years and years and we cannot get the action needed to build up the ships of the line.

Mr. President, that is all I have to say on the subject. I am sorry that the Senator from Georgia is not here.

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

Mr. President, I am advised that the Senator from Georgia is on his way to the floor. We had reached this amendment earlier than expected. He is one of our group especially well versed.

I will just say this, Mr. President: Of course, everyone is for the Reserves. We are spending well over $4 billion a year, Mr. President, for all of our Reserves. That is the Army, the Navy, the Marine Corps—Mr. President, may we have order?

That is for all of the Reserves, including the National Guard, and that includes, I believe, some of the finest military men we have in these Reserves. They are talented, they are leaders, they are trained in the military sciences. They have a love for the military. They are leaders in their community, almost all of them, and are to be greatly encouraged. But at the same time, there has to be a limit. I believe we ought to have the will to use them more in assignments and bring them into our structured forces.

For instance, yesterday we were talking about the 16 divisions—and I want the attention of the Senator from Kansas on this—we were talking about the division level of the Army and letting it go to 16 divisions. I very strongly make the point that we ought to use some of our Reserve units in those divisions as planned. That shows how I feel, that they ought to be a part of our real structured forces.

The Navy Reserve needs for now have been recommended by the Department of Defense. As I understand the facts, it is all that they really can use at this time. If they can modify that to where they can make useful missions for all, that would be another question.

Mr. President, if the Senator from Georgia is ready, I would like to yield such time to him as he desires. I thank the Senator for being here on such short notice.

Mr. NUNN. I thank the Senator from Mississippi.

Mr. President, I rise to oppose this amendment. The Subcommittee on Manpower went into this matter in considerable detail. There is a tremendous amount of interest in this particular amendment and I recognize that.

We went into this form the point of view of getting witnesses to come forward, those who oppose the Department of Defense recommendations. The authorization last year was 120,000 but they never got to full strength, so this represents coming from somewhat less than 120,000 down to 92,000.

We went into this in considerable detail. The Department of Defense feels very strongly about this particular matter. They have tried, under the urging and prodding of Congress, both the House and the Senate, to make a better utilization of their reserves. They have been working on this for some time. They submitted a considerable amount of testimony as to why they did not need this number of naval reserve people.

The Senator from Georgia happens to be of the belief that the Department of Defense and the Navy have not utilized the Naval Reserve nearly as well as they should have. But we are in this position: it would be almost incredible that we would take a Department of Defense recommendation to cut down to 92,000 and add back when they say they do not need them and they do not have a mission.

I do not know whether the Senator from Kansas has a mission in mind or not. But every bit of testimony we received before the committee, even from those who opposed the Department of Defense move, could not give us a mission. They could not tell us what in wartime these Reserve Forces would do based on any likely scenario.

Our position was not one of wanting in any way to damage the Reserve strength, particularly the Naval Reserve. We felt that if and when the Navy makes up its mind it is going to really utilize the total force concept and thereby utilize the Reserve forces in an efficient way, giving them missions, then the committee would certainly be wide open to considering an addition to the Reserve.

The Senator from Georgia is a real believer in Reserve forces. I know the Senator from Mississippi is also, and I believe the Senator from Arizona has spoken on this. But we cannot justify to this body, to the Congress, and to the taxpayers why we should add back 20,000 when nobody can give us a mission. That is the key to it. We are not saying that the units involved are not effective, efficient, good personnel and are not doing their job. But the question is: What is their job? Nobody can tell us. Under those circumstances, we just believe that this amendment is not in the best interest of national security and certainly not in the best interest of the taxpayer.

I would like to add that I do believe the Navy could do a much, much better job of managing its Reserve forces. I do not think the Navy has done a good job. I think if the Navy makes up its mind that it is going to give its Reserve forces a real mission, then this subcommittee would certainly be wide open to suggestions in this regard.

I do not say that any service has done a remarkable job in the utilization of the Reserves. I think there has been more rhetoric in the total force concept than reality. But some of the services have moved farther than others.

The Air Force, under the considerable urging of the committee, is making better use of Air National Guard and Air Reserves in the strategic airlift. They are beginning to give them missions.

The Army under this new 16-division concept which the Senate last night overwhelmingly approved, by rejecting by a vote of 70 to 2 the amendment that would have impeded that move, is moving, too, with a vigorous program of better utilization of the Reserves. They are taking a Reserve brigade and adding that to two new brigades to form a division, using one Reserve brigade from the National Guard or other Reserve forces in each new division. This is not only an innovative move, but it is probably the best example of combining the Reserve strength to active duty strength so that we have a better overall total force concept.

Therefore, I would oppose the amendment. I did not hear all the arguments the Senator from Mississippi and the Senator from Arizona made, but I think the summary is, it is opposed simply because the Department of Defense states rather vigorously there is no role for these people at this time.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. NUNN. I am glad to yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I ask the distinguished Senator from Georgia, as a member of the Subcommittee on Manpower and its ranking Republican member, if somehow we could not encourage the military to make further use of the Reserves. I think that the distinguished Senator desires for this to be done.

I have had Reserve officers talk with me about this matter and express concern that there were some cuts to be made with regard to the Reserves that are located in Virginia. Just a few days ago some officers talked with me about that.

I share the thoughts expressed by the Senator that if they do not have a mission, if the military does not have something for them to do, it does not seem reasonable for us to force some numbers upon them. But yet I would think that in hearings in the future before the subcommittee we might make further encouragement of the use of Reserves. I think it would be less expensive if they actually are active and participating, and are combat-ready.

I have heard talk to the effect that on weekends the Reserve officers and Reserve personnel are not preparing for combat, that they may be wasting their time. I hope that is not true, but if it is, it seems to me that we, with our legislative oversight responsibility, ought to take the matter up, to encourage the proper use of Reserves to a greater extent, whether or not this amendment of the Senator from Kansas is agreed to by the Senate. I wonder if the distinguished Senator from Georgia might comment briefly on that.

Mr. NUNN. Yes; I would endorse all of those statements by my friend and colleague from Virginia. The Senator from Virginia has done an excellent job on the subcommittee. He has pointed out on many occasions to the witnesses his desire to make a better utilization of Reserve Forces. I would agree with that.

I would point out to the Senator from Virginia that in the full committee report, which was the proposed language from the subcommittee, we do exactly what I think the Senator from Virginia has been working toward. We are beginning to express, at least, to the military our particular feelings in this regard. I read from the committee report, on page 128, some of the language which I think is right on the Senator from Virginia's point:

> The committee feels that there is a need for increased integration of reserve units with active duty forces, particularly in the Naval Reserve. In light of this, the committee requests that the Secretary of Defense study the possibilities for increased integration of reserve with active units by assignment of specific missions to the Reserve Components within the existing reserve strengths. The study should investigate the following:
>
> (1) Missions in each Service which could be transferred to a Selected Reserve component. As a target, sufficient missions should be considered so that 20,000 active duty personnel spaces could be transferred to the Selected Reserves.
>
> That is our target. We have asked them to look at it, not in small numbers but in rather large blocks.
>
> (2) Various methods—for example, hybrid units, associated units and any other alternative methods—by which Reserve Components could be better integrated with active units which could improve reserve readiness.
>
> This study should be submitted to the committee not later than January 15, 1976.

I might add one other point. As far as the Navy is concerned, the Navy has had a real constraint in terms of numbers of ships and their overall material capability, because they have been reducing inventory and now have a very low number of ships. In fairness to the Navy, I think this has probably complicated the utilization of Reserves, and yet at the same time it does not justify the committee keeping 20-odd-thousand people in the force structure and housing them at taxpayer expense, when all the testimony is that they do not have a mission.

So the Senator from Georgia hopes the services will be just as dedicated to giving the Reserves the material support they must have and the kind of missions they must have, for us to be able to justify the Reserve strength. If they do that, they will find, I am sure, the full committee, and I know the subcommittee, very receptive to increasing the strength of the Reserves. I know the Senator from Virginia would agree with that.

Mr. President, I do not have any other comments on this particular amendment, so I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I have listened carefully to the arguments of the distinguished Senator from Georgia and those of the distinguished Senator from Arizona and the distinguished Senator from Mississippi. As I have indicated, this is merely an authorization. I think the Navy Reserve strength now is in the neighborhood of 110,000 or 111,000. I have looked over the testimony on the House side. It is my understanding that the testimony has not been completed, and when it is completed it will show hard facts which would support a Reserve of somewhere between 106,000 and 112,000.

But it is my view that the arguments have been stated and restated; it is just a question of whether or not we wish to further reduce the strength of the Naval Reserve. I would again repeat and underscore that this would mean a cut in the Naval Reserve of 21.3 percent, as compared to a cut of 5.8 percent in the Army Reserve, and 4.7 percent in the Air Force Reserve, and would again call attention to the fact that both the Air Force and the Army have National Guard units, and those have only been cut very slightly, if at all, for fiscal year 1976.

So it is the strong belief of the Senator from Kansas that the Navy is getting the short end of the stick. Insofar as the mission is concerned, it depends on the study. And I understand about 6,000 of the reduction would come there, reducing the Seabee battalions from 17 to 8, which in view of both the civil and military services they can provide seems especially counterproductive.

Having stated the facts, I do not see any reason for belaboring it further, and I am ready to vote on the amendment.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. DOLE. First, I yield the Senator from South Carolina 3 minutes.

Mr. NUNN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NUNN. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not been ordered.

Mr. NUNN. Does the Senator from Kansas intend to request the yeas and nays?

Mr. DOLE. I am not certain at this point.

First I yield 3 minutes to the Senator from South Carolina.

Mr. EAGLETON. Mr. President, will the Senator yield for 30 seconds, so that I may ask for the yeas and nays on the next amendment?

Mr. THURMOND. I yield.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays on the AWACS amendment.

The PRESIDING OFFICER. Has the unanimous consent been given that yeas and nays are ordered at this time?

Mr. EAGLETON. I ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. EAGLETON. I thank the Senator from South Carolina.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. I believe the Senator from Kansas yielded to the Senator from South Carolina.

Mr. THURMOND was recognized.

Mr. STENNIS. May we have quiet, Mr. President?

The PRESIDING OFFICER. Let us have order.

Mr. THURMOND. Mr. President, this Congress, several years ago, went on record to require primary reliance on the Guard and Reserve forces in time of national emergency. We thereafter created what has been termed a zero draft environment.

The Selected Reserve of the Navy for fiscal year 1975, was established by Congress at a strength of 117,000 although funds were appropriated for only 111,900.

Members of this Congress have reminded officials of the Department of the Navy that they would update their mobilization requirements so as to determine the realistic minimum strength for the Selected Naval Reserve. I am pleased to hear that action along these lines is taking place.

In the meantime, this Congress should declare a moratorium on reductions in the Selected Naval Reserve pending completion of the Navy Department's studies

UMI

to determine the realistic mobilization requirements for various contingencies in a zero draft environment. These studies should then be reviewed by the Armed Services Committee of the Congress to insure against an irretrievable unnecessary loss of trained men and women. The leadership of this Nation, and particularly this Congress, should carefully heed the lessons of history. We cannot afford to be without trained and ready Reserve components of the Armed Forces, including specifically the Selected Naval Reserve. Failure to provide this Nation with ready, recallable Reserve and Guard forces is to court diaster.

Mr. President, as I understand the distinguished Senator from Kansas is asking that the number of the Reserve be fixed as the same as the House of Representatives has done in its bill.

Mr. DOLE. That is correct.

Mr. THURMOND The House has already passed that. To me it sounds reasonable.

Twenty thousand would be the number added, would it not?

Mr. DOLE. Yes, the number would be 20,000; and if we accept the 92,000, we are cutting it about 21 percent in 1 fiscal year.

Mr. THURMOND. The Committee on Armed Services cut it to 92,000.

Mr. DOLE. Yes, the Senator is correct.

Mr. THURMOND. The House has passed 117,000.

Mr. DOLE. The House finally agreed on a figure of 112,000.

Mr. THURMOND. Excuse me. 112,000.

Mr. DOLE. Yes.

Mr. THURMOND. So 8 and 12 are 20, which makes an increase of 20,000 he is trying to get here.

Mr. President, the point has been made that the Navy has no duties for these people. That is the very point. We want the active Navy to find a place for these reservists. They have been putting off for years and years doing that. It has taken Congress to bring about a lot of things. We would not have a nuclear Navy today had it not been for Congress. It was Congress that went forward on this, not the Defense Department.

I could go into many other things where the Department of Defense has not gone forward. If we are going to depend on our Reserve forces, and that is the policy, then we have got to have the men and have them trained, equipped and ready. The longer we put it off, then the worse the situation is going to get.

If we pass this amendment the Navy then will have to go to work and find places for these people because they are needed. They are needed to back up the regular establishment.

Mr. President, I hope this amendment will be adopted by the Senate.

Mr. NUNN. If I may comment on the remarks of the Senator from South Carolina for a brief moment, I think the Senator is entirely correct in saying that Congress needs to push the military services to better utilize their Reserves.

As the Senator will recall, last year I proposed an amendment which would deny, and did deny, the Air Force 10,000 additional active duty personnel and required them to find a way to utilize and perform the strategic airlift crew ratio increase with Reserve personnel. There was a large hew and cry about that, and they said it never could be done.

They came back about 8 months later and did it, and it is going to save about $150 million a year on a recurring basis. Yet, the Air Force is getting the job done. They are getting the same job done, which the Senator from Georgia agreed with, that crew ratio needed increasing, but they are doing it with Reserve personnel.

We need to do this with the Navy. I think the time we should serve notice on the Navy is right now. I do not agree with the Senator on putting this amendment in. But the Navy has now come before our subcommittee and they have said that they are going to increase ships from 500 to 600 over a period of years. This is going to require a lot more personnel.

I would like the Navy to understand that the subcommittee and the committee, I believe, are going to look very carefully at this personnel to determine if the Navy is planning on utilizing their reserve or where they are going to come forth and ask for additional active duty people to fill all of these new ship roles.

So I agree with the Senator in what he is saying, but I do not agree that the way to accomplish that purpose is to put reserves back in that the Department of Defense says they cannot use.

The way to accomplish that purpose that the Senator has in mind is when the Navy comes forth next year and if they ask for increased personnel, I want to ask them very specifically: "What have you done about the recommendations in the committee report? What have you done about utilizing the 92,000 reserves that you have?"

That is the way that you get at the problem. I do not think you get at the problem by adding back people that everyone admits, including the proponents, that there is no mission for.

Mr. DOLE. Mr. President, I yield back my time.

Mr. STENNIS. Mr. President, may I yield myself just 2 minutes on this matter?

I quoted the cost of the reserve program a few minutes ago as above $4 billion per year. That $4 billion is just going to personnel and does not include procurement. So that additional point would run the bill up very close, if not above, $5 billion.

That certainly shows that Congress favors the reserve program. But it has been my experience that you do not get more reserves used by merely increasing the numbers and appropriating the money to cover it. That does not make the Navy or the Army or any of the rest of them use the reserves more because we have tried that over and over.

The Senator from Georgia uses the right word—mission. They must have a mission and we would go all out for more men once this mission comes.

Now if we put in more Naval Reserve and take the money to pay for it out of regular Navy's money, then you will hear from the Navy. They will not recommend as many Reserves as they now favor. But if you put the Reserves in and put in new money to support them, it goes on and on. That is the way I see it.

So I think in order to force them to use not too many but really use these Reserves is to bring it down to the doorstep that if you do not we are going to take the money away from them and mark it for the Reserves.

So I am glad you brought this up but I think under the circumstances the amendment ought to be defeated.

Mr. STEVENS. Mr. President, a dangerous trend is underway in the United States—a proposed cutback of our Naval Reserve Forces at a time when we are reducing our active duty personnel to the lowest level since before the Korean conflict.

We in Congress have been advised that Reservists were to be incorporated into a total force concept. They were to be used to plug the holes developed from the depletion of active duty forces in an effort to meet initial threat situations. Reservists were to be provided modern equipment and trained with active duty forces to a point where they would be capable of performing satisfactorily on short notice. Now, without the draft, and our active duty forces lowered in number, our Reservists must be able to meet the challenge of being ready in the event of crisis—they must be strong.

The strength and readiness of the Naval Reserve at the time of the Reserve Revitalization Act of 1967 was so outstanding that Congress modeled that legislation along Naval Reserve lines and established by law Selected Reserve Forces in each of the services.

Today Reserve Forces of the Air Force and Army are involved with their active duty counterparts in exercises and practice military operations. The increase involvement of Reservists in our Nation's defense is imperative as more dependence is placed on reserve components to provide direct combat arms and maintenance support in the event of a conflict. Now, therefore, is not the time to further reduce our force readiness by reducing our Naval Reserve capability.

The Naval Reservists are men and women who have served their country well. Many are veterans of the Korean and Vietnam conflicts. Correspondence I have received indicates a strong desire on the part of these individuals to continue serving their country as a part of the total force concept in the Naval Reserves. If the Naval Reserve level is not maintained at 112,000, many of these dedicated men and women will be unable to participate in Reserve programs. Many Reserve units from various States will be disbanded.

As a traditional maritime nation, the United States has lived by and fought for the freedom of the seas. If we continue to reduce our level of military strength, then we must face the fact that the readiness we require simply cannot be met.

Therefore, I urge my colleagues to retain a strong Naval Reserve Force and maintain the military protection our country needs by supporting Senator DOLE's amendment to S. 920.

Mr. DOLE. Mr. President, I yield back the remainder of my time.

Mr. STENNIS. All right.

The PRESIDING OFFICER. Does the Senator from Mississippi yield back the remainder of the time?

Mr. STENNIS. We yield back the remainder of our time.

The PRESIDING OFFICER. All time has been yielded back. The amendment will be temporarily laid aside.

Mr. DOLE. Mr. President, the yeas and nays have not been ordered on the amendment.

Mr. STENNIS. That is right.

Mr. DOLE. Mr. President, I am willing to accept a voice vote. I think we will be here late enough tonight without having another rollcall vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment, if the yeas and nays are not requested.

Mr. STENNIS. Mr. President, so few Members are in the Chamber——

Mr. DOLE. Mr. President, I ask unanimous consent that we dispose of this amendment by a voice vote, following the two rollcall votes.

The PRESIDING OFFICER. The Senator could make that request.

Mr. DOLE. I make that request. More Members will be in the Chamber at that time.

The PRESIDING OFFICER. Is there objection to the request?

Mr. STENNIS. I do not object to voting now. We cannot have a rollcall vote now.

Mr. DOLE. I was going to make it a voice vote immediately after the rollcall vote.

Mr. NUNN. If we get many more Members in the Chamber, the Senator from Georgia will want a rollcall vote. It depends on which Members are here.

Mr. DOLE. The Senator from Kansas just checked and decided not to have a voice vote.

The PRESIDING OFFICER. Is there objection to the request that the amendment be voted on by voice vote following the rollcall votes on the other amendments?

Mr. STENNIS. Mr. President, without wanting to object, if we are going to have to go back into it again, suppose we reserve the right to both sides as to a voice vote or a standing vote or a rollcall vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment at this time, unless unanimous consent is given in a different fashion. The question is on agreeing to the amendment.

Mr. DOLE. The Senator from Kansas asked unanimous consent that we set aside further disposition of this amendment.

The PRESIDING OFFICER. But objection has been raised.

Mr. NUNN. Mr. President, reserving the right to object, if we are going to have a voice vote, we should have a voice vote now. If we are going to have a rollcall vote, the Senator from Georgia intends to ask for the yeas and nays. I do not see that it makes much sense to wait for a voice vote until two rollcall votes take place.

Mr. DOLE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The amendment will be laid aside temporarily. It will be voted on following votes on amendment No. 503 and amendment No. 502.

AMENDMENT NO. 527

At this time, in accordance with the previous order, the Chair recognizes the distinguished Senator from Missouri (Mr. EAGLETON) for the purpose of calling up amendment No. 527, the AWACS amendment, on which the yeas and nays have been ordered.

Mr. STENNIS. Mr. President, will the Senator yield me 1 minute, on my time?

Mr. EAGLETON. I yield to the distinguished Senator.

Mr. STENNIS. Mr. President, I make this statement for the information of the Senate.

This amendment concerns AWACS. It is an important item, and it will require some discussion. We do not know just how long. No one wants to delay. My judgment is that the discussion might be completed before 2:45 p.m., and there is an agreement not to vote until 2:45; so in case the debate is concluded before the time to vote, I ask unanimous consent that immediately preceding the rollcall vote on this matter, each side have 5 minutes to sum up as it sees fit. I have cleared this with the Senator from Missouri.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

The Chair hears none, and it is so ordered.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield to the distinguished Senator from Nevada.

Mr. CANNON. Mr. President, I ask unanimous consent that Charles Cromwell, a member of the staff, be permitted the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I ask unanimous consent that Bryan Atwell have the privilege of the floor during the debate and vote on the AWACS amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment of the Senator from Missouri will be stated.

Mr. EAGLETON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. —. None of the funds authorized to be appropriated by this Act may be expended for procurement in connection with the Airborne Warning and Control System unless and until the North Atlantic Treaty Organization has contracted with the United States or the manufacturer of such system, as the case may be, for the purpose of a number of Airborne Warning and Control System aircraft at least equal to the number required to provide coverage of the North Atlantic Treaty Organization central region of Europe, but in no event less than 14 such aircraft.

Mr. EAGLETON. Mr. President, it is my feeling that an individual Senator can only inadequately scrutinize the bill before us in its entirety—that the overwhelming complexity of the issues limits the contribution of any one person.

It has been my policy to concentrate my efforts on a particular system I consider to be of questionable utility. In this way I can hopefully make a credible contribution to this congressional decision-making process.

For 3 years I have followed the airborne warning and control system program. AWACS came to my attention in 1972 because it was being justified as an air defense system to be deployed in the continental United States against the possibility of a Russian bomber attack. By 1972 it seemed obvious that the Soviet Union had no interest in developing a strategic bomber force. Besides, the United States was already vulnerable to a missile attack and, with the signing of the ABM Treaty, that vulnerability became official policy. An enormous expenditure for a 60-plus force of AWACS aircraft seemed particularly wasteful.

Secretary of Defense James Schlesinger soon saw the futility of continuing expensive air defense systems and, to his considerable credit, he effectively ended this particular justification for AWACS But the Air Force by now had a vested interest in the program. A momentum had built up that apparently could not be reversed—so instead it was rechanneled. The Air Force resurrected an old secondary justification and AWACS had a new mission: tactical command and control in Europe.

But the transformation from a continental air defense system to a European tactical scenario was not an easy one to make. In defending against a bomber attack, AWACS had only to spot and track large, slow-moving aircraft. Soviet bombers had only a limited jamming capability and they posed no physical threat to AWACS.

In Europe, however, AWACS would face thousands of fast, darting fighter aircraft—the Warsaw Pact alone has over 3,000 fighters. In addition, AWACS would confront powerful ground-based jammers, especially when performing its designated primary mission—looking into enemy territory. Even operating over friendly territory, a variety of airborne jammers could black out AWACS and make it even more vulnerable to physial attacks than it would be normally.

Clearly, if AWACS were to work at all in Europe, an entirely new, more complex system was required. A GAO report of March 1974 emphasized this point and recommended a more conservative management approach to avoid costly retrofits. GAO also formally raised the

UMI

jamming problem for the first time by presenting calculations showing that a certain type of ground-based jammer would completely take away AWACS' offensive mission—low-level surveillance over enemy territory.

At the recommendation of the Senate Armed Services Committee, the Defense Department appointed a panel of radar experts to examine the GAO allegation. The fiscal year 1975 money for AWACS was held up pending a certification by the Secretary of Defense that AWACS could perform its mission.

That certification was forthcoming last February. It was not exactly a dishonest or illegal decision, although it did require a considerable leap of faith. Just before it was made the Air Force managed to change AWACS' mission to conform to the radar panel's technical conclusion. No longer was the offensive mission primary, now "early warning" and "air defense" because the priority roles—and AWACS was moved back over friendly territory. The Secretary of Defense then based his certification on the following, carefully crafted panel statement:

If the offensive mission is secondary to the defensive mission, and if our recommended programs are implemented in the near future, the panel concludes that the vulnerability of AWACS to ECM (jamming) is a secondary consideration with regard to acquisition and deployment of this system in Europe.

I emphasize once again, Mr. President, that the words in this report were very carefully chosen. I count three major qualifications in that statement. I could think of no more tentative basis for certifying the workability of a $4 billion weapons system.

So AWACS was given a new mission last winter. Understand now that this is mission No. 3 in the life experience of AWACS. And GAO brought out a new report at about the same time. The report of February 20, 1975, begins by making a rather practical point:

If (AWACS) cannot . . . effectively perform an "offensive" mission—looking into enemy territory—the qeustion becomes one of high cost and limited untility.

Limited utility indeed, and at a cost of $118 million per plane—the most expensive airplane in the history of man, $118 million per plane.

GAO also raised serious questions about AWACS' ability to perform its new European air defense mission and observed: "AWACS capability in a high density operational environment has not yet been demonstrated."

GAO was not alone in asking questions about AWACS. The NATO technical headquarters issued two reports on the system that posed as many difficult issues as had the GAO. NATO wanted to know whether there might not be a better way to spend $4 billion. And its report recommended further studies on AWACS vulnerability and survivability.

Mr. President, with this history in mind, I would like to turn to a more disturbing aspect of this program. I will begin by acknowledging the tremendous pressures within the Air Force and industry to gain congressional approval for AWACS. These pressures, however, cannot excuse the institutional dishonesty which has characterized the effort to sell AWACS to Congress.

This dishonesty has shown up time and time again—in the presentation of technical data, in the drawing up of test plans, in efforts to cover up by using the classification system and in the actual conduct and reporting of tests. I do not make these charges lightly or without foundation.

Let me first read part of a letter from a high-ranking Air Force officer who has worked on the AWACS program. This dedicated officer had access to the original report prepared by the radar panel, also known, after its chairman, as the Smith panel. I have eliminated references to places and organizations to protect this career officer, but this is what he had to say:

I hope the record will include the entirety of Dr. Smith's report on AWACS ECM vulnerability to which Secretary Schlesinger selectively referred in his recent posture statement. The Smith panel's assessment . . . provides, in about 30 pages, pithy remarks on the possible and likely sensitivity of AWACS to electronic warfare; the supportive tone of Schlesinger's selections could very well misrepresent the full report. In this vein, one of the briefings presented (to Dr. Smith) suggested that a form of possible jamming against AWACS would be enormously (*ergo* prohibitively) expensive to the Soviets. The TAC Commander may pursue this line, though the briefer's estimates are at variance with the Smith report and do not account for other, possibly more effective or available jamming techniques.

The officer went on to refer to projected battle scenarios the Air Force presented to the Smith panel and commented:

It is important to note that Air Force modeling often excludes mathematically or politically inconvenient variable . . . In fact, the Smith panel rejected an Air Force scenario used for electronic environment calculations because of its unrealistic assumptions . . .

Mr. President, the Smith report was used as a basis for the Secretary of Defense's certification that AWACS can perform its combat mission. Yet, as we can see from this obviously well-acquainted Air Force observer, it was crafted to read the way the Defense Department wanted it to read.

Fortunately, the man who wrote this letter is a conscientious officer who understands that he is serving his country, not just the Air Force. Let me read his concluding remarks. They represent, in my opinion, the highest standard that can be set for our military officers. They may also reflect the disturbing reality of today's Defense Establishment:

Sadly enough, holding military feet to the fire seems to be the most reliable way to insure critical intelligence and integrity within the defense establishment, without which the United States simply could not survive. I see this integrity as the primary object of this correspondence, particularly since the escalating costs of national defense can drain the nation's physical and psychic energies.

Mr. President, the misrepresentation which has characterized the AWACS program has permeated the involvement of private industry as well.

Last year, for example, my office received calls from a Boeing engineer who was working on AWACS. The man was disturbed because Boeing was keeping two sets of test data, one real and the other fake. The fake data was being given to the Air Force. The test in question involved the internal data rate of the tracking system. The computer was apparently operating much too slowly to meet the Air Force requirements.

I would have said nothing about his undocumented allegation had I not received the exact same complaint from an employee of the Mitre Corp. this week. According to this person, his company had manipulated tests to show that AWACS was meeting the internal data rate requirement. To use his words, Mitre was "making it easy on AWACS," so that it could pass its tests.

Last month I received a test plan which was designed to satisfy Chairman PRICE of the House Armed Services Committee, who expressed concern in a letter to the Defense Department that AWACS might be easily jammed in Europe. Officials who had reviewed the plan said that it too was rigged to assure that AWACS would pass the test. For example, ground jammers were ideally placed to have only minimal impact. Attacking aircraft approached at the most exposed angles. Air jammers were made intentionally weak. And ground and air jammer strobes were purposely set to enable AWACS to discriminate between them.

Mr. President, I realize that when a system such as AWACS comes under attack, the bureaucracy tightens its hold and seeks to project only the good side. This, I presume, must be anticipated. But to the extent that dishonesty becomes institutionalized, the whole process suffers. That is what causes Watergates. And in the case of a weapons system such as AWACS, lives could be lost in a combat situation because of it.

Tests cannot be meaningful if they are devised more to influence Congress than to simulate the conditions of the real world.

In this regard, I am not the only Member of Congress to question the Air Force's test program for AWACS. The House Armed Services Committee said in its report on this bill:

As a result of the discussion (on AWACS) and expressed dissatisfaction of the test program to date, the Committee voted to reduce the procurement account by fifty per cent . . .

The House Committee also held the release of procurement funds until tests are devised to "demonstrate the ability of the AWACS system against formidable jamming systems."

The GAO also stated in its report of February 20 of this year that Air Force tests "did not demonstrate the survivability, resistivity to ECM—jamming—and effectiveness in an environment representative of Central Europe." The criticisms of the Air Force test program are seemingly never ending.

Mr. President, with that background, I would like to move on now to a description of the legislation I propose today. My amendment is patterned after an official "program budget decision"—and those are words of art—approved on December 4, 1974 by Deputy Secretary of Defense William Clements.

This decision, and my amendment, call for a suspension of any further AWACS production until the North Atlantic Treaty Organization contracts to purchase AWACS. In the words of the December 4 decision approved by Mr. Clements, AWACS production would be suspended until "United States/NATO agreements on requirements, configuration and cost sharing" are reached.

Unfortunately, this decision Secretary Clements made was reversed just prior to the submission of the President's budget. It apparently fell victim to Air Force and contractor pressure, as well as to a surplus of defense money to be spent to boost the economy.

My amendment will accomplish two primary objectives: First, it is an insurance policy for the American taxpayer. If NATO decides that AWACS will not work in Europe because of jamming, physical vulnerability or insufficient tracking capacity, or whatever, NATO will veto the system and $490.5 million in procurement money contained in this bill will revert back to the Treasury.

Second, if NATO agrees with the Air Force that AWACS is a viable system, then the amendment provides an incentive for NATO to share the costs of the system.

In this regard, it should be noted that the Air Force fully intends to purchase a number of AWACS aircraft for the central NATO region, whether or not the alliance buys the system. If this amendment is not enacted, NATO nations already disturbed by the cost of AWACS will simply sit back and let the United States provide coverage of the most important NATO region. Therefore, my amendment would require the other NATO nations to at least purchase a matching number of aircraft for use in the other NATO regions.

As Dr. Malcolm Currie, the Defense Department's Director of Research and Development, observed on March 12 in testimony on AWACS before the House Armed Services Committee:

The quantitative military requirements of the United States and the remaining NATO nations are inextricably entwined.

My amendment would simply embody that principle in law.

Mr. President, I want to emphasize that my amendment would not cancel the AWACS program outright. If AWACS were to die as a result of this amendment, it would collapse of its own weight. In addition, the amendment does not touch the research money for AWACS in this bill. nor does it affect the six planes authorized last year. The production line for these planes will continue into 1977 and will not be affected if NATO makes its decision in July 1976 as planned.

Of course, if NATO decides against AWACS, and I fully believe it will, no further production will be authorized beyond the 10 aircraft already approved.

These include four prototypes and the six production models from the fiscal year 1975 bill. According to Secretary Clements' decision memorandum:

These 10 aircraft would satisfy the non-NATO AWACS requirement.

Finally, Mr. President, this body should understand that there is not yet a tactical version of AWACS. Three sets of what the Air Force calls enhancement features have yet to be added to the old strategic air defense model. Air Force enhancements will not be ready until 1978. Dr. Smith's antijamming systems—to make the plane a little less susceptible to airborne jamming—have not yet been determined feasible nor operationally defined and NATO has criticized AWACS' lack of tracking capacity.

It is obvious that the Air Force has pushed ahead leaving even the most elemental managerial logic in the wind. As the original Clements decision on this program so strongly argued:

It appears inconsistent to plan to proceed under the current contract schedule . . . in light of two specific requests by the Deputy Secretary to incorporate enhancements, and in light of congressional insistence on an AWACS that will be effective in a NATO tactical environment.

Mr. President, the newspapers say that this is not the year to eliminate waste in the defense budget. I hope the newspapers are wrong. I think it is time to stop thinking about phony images and start thinking about what is in the interest of the Nation. In my opinion, Mr. President, AWACS serves no useful or necessary role in our Nation's defense.

Mr. President, I ask unanimous consent that the senior Senator from California (Mr. CRANSTON) be added as a cosponsor to my amendment No. 527 to the defense authorization bill (S. 920).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the following items concerning the AWACS program appear at this point in the RECORD:

First, a sanitized version of a classified GAO report dated February 20, 1974; and

Second, a number of newspaper articles about the AWACS program.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AIRBORNE WARNING AND CONTROL SYSTEM: FACTORS IMPACTING ON A PRODUCTION DECISION

(By the Comptroller General of the United States)

ABBREVIATIONS AND ACRONYMS

AFSATCOM, Air Force Satellite Communication.
AFTEC, Air Force Test and Evaluation Center.
AIL, Airborne Instrumentation Laboratory.
AWACS, Airborne Warning and Control System.
CFE, Contractor Furnished Equipment.
CFAR, Constant False Alarm Rate.
CPIF, Cost Plus Incentive Fee.
CRC, Combat Reporting Center.
db, Decibel.
DSARC, Defense Systems Acquisition Review Council.
DT&E, Development Test and Evaluation.
ECM, Electronic Countermeasures.
ERP, Effective Radiated Power.
FEBA, Forward Edge of the Battle Area.
FOC, Full Operational Capability.
GAO, General Accounting Office.
GFE, Government Furnished Equipment.
IOC, Interim Operational Capability.
KW, Kilowatt.
MHz, Megahertz.
MW, Megawatt.
NATO, North Atlantic Treaty Organization.
OBTM&M, On-Board Test Monitor and Maintenance.
ODDR&E, Office of the Director of Defense Research and Engineering.
ODDPA&E, Office of the Director of Defense Program Analaysis and Evaluation.
POM, Program Objective Memorandum.
SAR, Selected Acquisition Report.
SDS, Self Defense System.
SHAPE, Supreme Headquarters Allied Powers Europe.
SID, System Integration Demonstration.
SIFF, Special Identification Friend or Foe.
SIGINT, Signal Intelligence.
TDMA, Time Division Multiple Access—a secure data link.

DIGEST

Why the review was made

In March 1974, the General Accounting Office (GAO) reported to Senator Eagleton and to the Armed Services and Appropriation Committees of both houses of Congress that if the Airborne Warning and Control System (AWACS) could fully perform the missions then outlined by the Air Force, it would greatly enhance the Air Force's ability to manage combat air operations. GAO, however, was of the opinion that justification for the planned near-future production of the AWACS was questionable because operational capabilities had not been demonstrated. As a result of concern expressed by Senator Eagleton and the Committees, GAO looked into the test program and studies made during 1974 to ascertain whether uncertainties and technological risk had been reduced to a point where production might be warranted.

Background

The original requirement for AWACS stated that AWACS would have strategic and tactical roles—with the priority mission being strategic defense of the United States against a bomber attack. In August 1973, the Secretary of Defense, in recognition of the limited probability of an enemy bomber attack on the United States, reduced the strategic air defense mission and transferred AWACS from the strategic to the tactical forces. GAO expressed concern about the tactical mission of AWACS, centered on the possible limited effectiveness [deleted] of AWACS in managing air operations in Europe, particularly in the presence of electronic countermeasures (ECM) that could significantly reduce AWACS' utility [deleted] GAO pointed out that little or no operational testing would be performed prior to the planned production decision.

Findings

In GAO's opinion the justification for immediate production of the AWACS is still questionable. Since it is planned that AWACS would be heavily involved in any war in Europe, and both qualitative and quantitative requirements are based on such use, its effectiveness in this role should be proven before production is started. (See P. 11 and P. 12)

In summary, GAO found that:

Overall, the test program conducted in 1974, while achieving certain planned objectives, did not demonstrate the survivability, resistivity to ECM, and effectiveness of AWACS in an environment representative of Central Europe.

UMI

The System Integration Demonstration (SID) conducted during 1974 demonstrated a technical capability rather than AWACS' operational capability. These tests demonstrated most of the performance required by the SID program, but the demonstrations took place under closely controlled conditions required for technical testing. Additional missions were flown to generate operational data for use in evaluating operational capability.

In independent limited, initial operational tests, the Air Force Test and Evaluation Center (AFTEC) concluded that AWACS could operate in a dense ECM environment and would be practically invulnerable to the fighter threat. The tests in GAO's opinion, did not simulate ECM or survivability threats to AWACS representative of those which could be encountered in Europe. (See P. 13 and P. 15)

The results of an Air Force study of AWACS survivability and effectiveness published in April 1974 showed that [deleted] AWACS could be degraded by ground based jammers.

GAO's review of the study also indicated that initial AWACS configurations would provide only a marginal contribution to the defense of Europe and that equipment improvements were necessary to improve its effectiveness. [Deleted.] (See P. 17 & 18) On the other hand the Air Force believes that special equipment to be added at a later date will improve AWACS effectiveness.

An independent panel formed to study the susceptibility of AWACS to jamming verbally informed GAO in December 1974 that [deleted] AWACS cannot perform the greater part of its offensive mission if available ground based jammers [deleted] are used, or if postulated airborne jammers are used. [Deleted.] They suggested that equipment modifications should be considered to increase ECM resistivity. The Department of Defense has not made a copy of the written report available to GAO. (See P. 22 & P. 23)

A NATO study conducted to look into the contribution of AWACS to Air Defense in the central region of Europe concluded that, while AWACS could enhance NATO air defense by providing warning and raid definition, a number of topics require more detailed investigation. It pointed out that future studies should address a comparison of the values of investing the cost of an AWACS in alternative ways and AWACS vulnerability and survivability. (See P. 25)

The total estimated AWACS program cost (including retrofit cost of $265 million) at January 1975 is over $4.0 billion for a unit cost of about $119 million. (See P. 26)

Conclusions

GAO believes that AWACS has the potential for improving the [deleted] ability of the Air Force to manage tactical air operations. In GAO's opinion, however, its capability in a high density operational environment has not yet been demonstrated. Such demonstration is critical because of the high cost and because quantitative and qualitative program requirements are being determined based on AWACS' use in such an environment.

GAO believes that, a conservative management approach should be followed and that the viability of the AWACS system be well established before production is authorized. Although the Air Force structured its test program to concentrate on areas of high technological risk GAO still believes that it has not demonstrated operational effectiveness and suitability for each AWACS mission need.

Agency comments

Officials of the Office of the Secretary of Defense (OSD) and the Air Force have advised GAO that they do not agree with the conclusions reached in this report. In general, they believe that sufficient testing has been accomplished to demonstrate the operational potential of AWACS. (See P. 30)

Agency actions and unresolved issues

The Defense System Acquisition Review Council (DSARC) considered the AWACS program on December 20, 1974 to determine if the program should enter production. As of mid February 1975, the Secretary of Defense had not publicly announced a decision.

Matters for consideration by the Congress

We believe that the appropriate congressional committees should carefully consider the status of this program in connection with the FY 1976 budget requests.

The assessment of degree of risk involved in concurrent development and production of highly complex systems is largely subjective. This report illustrates that there are conflicting assessments of the problems and the ultimate utility of AWACS—both within and outside the Department of Defense. We believe that when there are differences of opinion, the long term benefits to both cost and performance are enhanced by further testing and development prior to production.

Another critical issue to be considered is whether the estimates of the independent consultants and the Air Force study results lead to the conclusion that AWACS is evolving into a "defensive" system—to warn of enemy aircraft over friendly territory. If it cannot also effectively perform an "offensive" mission—looking into enemy territory—the question becomes one of high cost and limited utility.

In fiscal year 1975 the Congress reduced the planned Air Force procurement from 12 to 6 aircraft. In addition, Congress stipulated that no procurement funds were to be used until the Secretary of Defense advised the Congress that AWACS would be effective in an environment representative of Central Europe. This certification was made in February 1975.

In the fiscal year 1976 budget, the Air Force requested funds for continued research and development as well as AWACS production. In evaluating this request, Congress should consider the following:

1. Whether testing to date has demonstrated the operational capabilities needed [deleted] for use in Central Europe.

2. Whether survivability without dedicated combat support systems is possible if an enemy's intent is to destroy AWACS [deleted]. Effectiveness, when survivability is threatened, is uncertain.

3. Whether the configuration of the complex European tactical AWACS has been fully defined and validated.

4. Validated design and performance of the early ("Core") configuration is three years hence, long after the planned production decision and after 34 systems are under contract.

5. Whether the resistivity of AWACS to ECM has been established.

6. Whether costs, and effectiveness, of alternatives to defend Europe have been studied.

7. Whether SHAPE Technical Center paper on AWACS Air Defense, to be distributed to NATO Nations, shows that more information is needed before an AWACS decision can be made. NATO participation in the AWACS program is uncertain until a NATO commitment to buy AWACS is obtained.

We also believe the committees should consider obtaining direct testimony from the panel of independent consultants in order to clearly establish the significance of their findings.

CHAPTER 1: INTRODUCTION

The Air Force has stated that AWACS is being designed primarily for warning, surveillance, and control, and is intended to be a key element in the field commander's integrated air control system. In this context, it can operate as a self-contained, autonomous control system. It is to be mounted in and on a version of the 707-320B jet transport built by the Boeing Company. The primary feature of this system is a radar with a look-down capability. The look-down capability has been a long sought feature but has always had the inherent problem of picking out targets from the radar reflections generated by objects on the ground—the so called ground clutter. The AWACS development program has now progressed to the point where the Air Force believes, and tests seem to have confirmed, that a workable look-down radar can be produced.

In September 1973 the Defense Systems Acquisition Review Council (DSARC) recommended approval of Air Force planning for production of the first 12 aircraft and outlined a series of studies and tests to be available before December 1974 when DOD planned to decide whether to exercise or delay the production option. However, final approval for production was withheld until December 1974.

The DSARC review of the AWACS program resulted in a conclusion that there was a high operational potential for a deployed tactical AWACS, but that in order to achieve the full capabilities for command, control and communications [deleted] the Air Force should study the need for additional equipment such as:

Special identification friend or foe.
A secure data link.
Maritime surface surveillance capability.
Signal intelligence equipment.
Air Force satellite communications.
Systems to include flares and chaff.
Increased command and control capability.

Significant Events—1974

In a March 1974 report (B-163058) to Senator Eagleton and in testimony before the Tactical Air Subcommittee, Senate Armed Services Committee, we stated that:

The AWACS configuration for Europe had yet to be defined and validated.

A tactical AWACS may be quite vulnerable to [deleted] enemy electronic countermeasures (ECM),

The extent to which tests planned for calendar year 1974 could be revised to provide data on AWACS functioning in Central Europe was uncertain, particularly as they relate to ECM and survivability.

The production decision was planned for December 1974, over 2 years before completion of development testing without an apparent urgent need to expedite production, and

There were a number of uncertainties as to the cost and effectiveness of a tactical AWACS in Europe.

As a result of the issues raised, the Senate Armed Services Committee report of May 29, 1974 recommended that the Secretary of Defense appoint a group of disinterested radar and ECM technical experts to look into the vulnerability of the system to jamming. The Committee also requested that the Secretary of Defense certify that the AWACS will be cost-effective and will meet the mission needs and requirements of the Department of Defense, particularly when operating in a NATO tactical environment.

The House Armed Services Committee report of May 10, 1974 stated its reluctance to authorize the full Air Force request until the development program was further along and the additional equipment required for the tactical role had been tested to prove its effectiveness.

In August 1974, the Office of the Secretary of Defense appointed a panel of radar and ECM experts to advise the Secretary of Defense on the vulnerability of AWACS to jamming (radar and data links). The panel's tentative conclusions are included in Chapter 6.

Coming Events

Based on the AWACS approved program the significant milestones accomplished or scheduled through 1975 are:

Completion of system integration demonstration, December 1974.

Production decision (DSARC III), December 1974.

Rollout of first development aircraft, January 1975.

Delivery of first development test radar, August 1975.

Begin initial system testing, September 1975.

Begin avionics tests, October 1975.

Other significant milestones beyond 1975 are:

First production aircraft delivered, November 1976.

Initial system testing complete, November 1977.

Development test complete, March 1978.

Interim Operational Capability (IOC), September 1977.

Full Operational Capability (FOC), November 1979.

Development of all improvement items complete, FY 1979.

CHAPTER 2: AWACS MISSIONS

Requirements for an AWACS for both Tactical Air Command (TAC) and Aerospace Defense Command (ADC) war formalized in June 1963. However, emphasis was on the strategic mission where AWACS would be used in an air defense role in the United States. In 1973 the Secretary of Defense reduced emphasis on the threat of a bomber attack on the United States and he stated in March 1974 that, "the air defense system structured primarily for peacetime surveillance would not require an AWACS force. However, a mobile air defense force which could be deployed quickly as a "package" would still be extremely useful in support of our general purpose ground and air forces overseas."

The current mission for AWACS, as stated by the Air Force, is to provide worldwide responsiveness by the employment of its capabilities for all altitude surveillance, warning and aircraft control in a variety of tactical, strategic and special mission applications. AWACS would also have a wartime CONUS defense mission in the proposed Joint Surveillance System. The operational employment concept is that AWACS will provide a command and control capability that includes early warning/surveillance, coordination, direction, supervision, monitoring, and evaluation of air operations.

The planned employment of AWACS in a high intensity NATO/WARSAW Pact conflict, as stated in an October 1974 Air Force memorandum, was to extend and augment surface based control systems. Additionally, AWACS would:

Be used for rapid replacement of surface control centers where battle losses may occur,

Provide a key link in control and management of forces operating beyond the effective capability of surface systems,

Support both defensive and offensive operations,

Provide improved low level radar coverage, deep look surveillance, enemy threat warnings and intentions, and control,

Provide instructions to defensive and offensive forces, including employment of fighters and surface-to-air missile systems operating in a defensive role.

Interface with U.S. Control and Reporting Centers and with various multi-national control elements.

NATO procurement

An Air Force memorandum of October 7, 1974, indicated that a total of 34 [deleted] AWACS are planned for deployment to Western Europe and the Iceland area in the event of war. [Deleted.] The Air Force plans to have [deleted] aircraft in Central Europe and in Iceland. The Department of Defense expects NATO to purchase the [deleted] additional AWACS for use in Northern and Southern Europe. NATO studies however, are not complete and NATO has not affirmed either a need for AWACS or a specific quantity that might be purchased.

In March 1974, the Secretary of Defense told Congress that defense planners have been convinced for some time that future demands on our surveillance, warning and control capabilities in support of tactical air operations, particularly in the context of a European conflict, will be quite severe. He also said that this conviction was reinforced by the complexities of the surveillance, warning and control function in both the Southeast Asia and the Middle East conflicts.

At the same time he said that because of the potential effectiveness of AWACS in the tactical role, as well as its inherent flexibility and mobility, DOD proposed to continue AWACS engineering development and procure the first 12 aircraft in FY 1975. The final production decision was to be made in December 1974, and was to be based on the successful completion of system integration demonstration flight tests, laboratory simulation testing, computer program development and studies of additional command, control and communications equipment needed to support the tactical mission.

As indicated in the following chapters of this report, we believe there are still many serious questions relating directly to the capability of AWACS to perform its mission. These questions are raised by the Air Forces' own study (see chapter 4) by independent consultants retained by the Department of Defense (see chapter 6) and by NATO (see chapter 7).

CHAPTER 3: AWACS TEST PROGRAM

After a review of the program in November 1973, the Deputy Secretary of Defense directed the Air Force to expand its test program to demonstrate AWACS performance prior to December 1974. The revised Air Force test program encompassed the originally scheduled system integration demonstration and limited operational testing to comply with the instructions of the Deputy Secretary of Defense. Outlined below are summaries of the test results and our evaluations.

System integration demonstration—SID—tests

Early system demonstration tests were designed to observe performance of system components under closely controlled target conditions. For example, in order to ascertain radar accuracy and calibration, target aircraft were required to maintain accurate heading, altitude, and airspeed. In tests using multiple aircraft, aircraft had to maintain a specified separation and airspeed differential. The tests were not intended to demonstrate full operational capability. However, during the initial operational test and evaluation phase of the program several penetrating aircraft were allowed to operate on occasion, in an autonomous manner.

The SID tests were divided into three phases. Phase I addressed target acquisition and tracking, identification friend or foe (IFF), navigation, and data link communications. Phase II covered radar accuracy and resolution, identification of tracks by flight plan, and Electronic Countermeasures (ECM). Phase III tests were concerned with controlling interceptors, on-board test maintenance and monitor functions, and transfer of operational data from one aircraft to another [deleted].

We are of the opinion that the systems demonstration tests were relatively successful and confirmed initial engineering estimates of capability. There were some test results, however, that qualify the performance demonstrated. These are outlined below.

(1) In 13 track continuity tests at altitudes of 13,000 to 15,000 feet the results show successes and failures. This seemingly [deleted].

(2) Airborne location of Ground based repeater jammer was not demonstrated because the SID radar did not have the necessary equipment.

(3) The height accuracy tests did not use F-4 targets as contained in the test plan. Air Force officials stated that the F-4 was not available and they used a B-52 instead. While some allowance was made for the difference in size, we believe that increasing the aircraft size did not permit a realistic measure of height accuracy of smaller targets (F-4s) at low altitude. Further, the demonstration did not include height accuracy measurements of targets that rapidly ascend or descend.

(4) Two other planned performances not successfully demonstrated include the On-Board Test Monitor and Maintenance equipment and the inertial navigation subsystem. There were false reports on unfailed equipment due to faulty test points in the equipment being monitored. The Air Force has stated that these faulty conditions have been corrected. In seven flights the inertial navigation system had 2 in-flight alignment failures and in 2 other flights in-flight alignment errors showed a 19 and 10 mile terminal error. The 19 mile error is under investigation by the Air Force to identify corrective action.

Initial operational tests

The Air Force Test and Evaluation Center (AFTEC) conducted an initial operational test and evaluation during 1974 and concluded that AWACS has the potential for enhancing combat operations of all services. However, problems deficiencies were noted, as follows:

Some tracking problems will require improvements in the final AWACS computer programs. [Deleted] affected mission performance.

Design deficiency in the self defense electronics system. [Deleted] affected mission performance.

AFTEC concluded that AWACS can survive a direct attack by enemy fighter aircraft, can operate in a dense ECM [deleted] and could enhance Army and Navy operations.

We believe that such conclusions are premature since the AFTEC tests did not simulate electronic counter measures or survivability threats that AWACS would face operating in a European environment. The tests used available off-the-shelf ECM equipment—equipment not representative of the current U.S. or Soviet [deleted] equipment capability. Nor was the AWACS tested in a realistic scenario that would approximate the wartime conditions in Europe particularly for the offensive mission where AWACS would face ground based jammers [deleted].

In Appendix IV we have outlined specific tests we believe should have been—or should be—conducted to improve the confidence in the test conclusions regarding operational suitability.

UMI

More detailed comments on our review of the electronic countermeasures threat, some ECM tests conducted and not conducted by the Air Force, interoperability and electromagnetic compatibility tests are contained in Appendix V.

Summary

In our opinion, the AWACS test program demonstrated the integration of the basic (core) AWACS design and engineering. We believe that prior to making a production decision (1) the Air Force must demonstrate that AWACS will be operationally effective and suitable for each mission need and (2) special steps be taken to insure that AWACS' operational testing is representative of the environment (e.g., large numbers of aircraft and dense ECM) that could be encountered in Central Europe.

CHAPTER 4: SABER SCAN—TACTICAL II

In response to questions raised by the Office of the Secretary of Defense, the Air Force completed a study of AWACS surveillance and control capabilities, susceptibility to electronic countermeasures, and survivability in a European air defense environment.

The study titled "Saber Scan II" issued in April 1974, concluded that (1) AWACS surveillance capability is unlikely to be "saturated", (2) AWACS can overcome both airborne and ground-based radar jammers, and (3) AWACS—through a combination of maneuver tactics, self-defense subsystems, friendly surface-to-air missile systems, and friendly interceptors—would be highly survivable in a NATO/Warsaw Pact conflict.

The study however, did not address AWACS in its postulated role of controlling airspace over enemy territory (the offensive mission).

We do not believe the Air Force's study was either comprehensive enough or sufficiently objective to answer the questions raised by the Office of the Secretary of Defense. Also, the SABER SCAN II study did not update the obsolete cost-effectiveness comparisons made in the SABER SCAN I study, so it should not be relied upon by those seeking to justify AWACS procurement. Some details of Saber Scan II and comments follow.

Saturation of tracking capability

The SABER SCAN II postulated raids easily require more than the track capability of a single AWACS aircraft to follow both friendly and enemy aircraft. Tracking capacity is the limiting factor in determining AWACS' contribution to air defense intercepts. Further, the study did not explicitly consider support aircraft, helicopters, commercial/private aircraft, and false targets that could be produced by deception jammers and decoys.

Thus, it would take more than a few AWACS aircraft to track and to control intercepts against the number of targets that would be encountered.

Jamming

The study examined two kinds of possible enemy jammers. To counter the jamming threat AWACS could withdraw or descend below the line of sight to the enemy jammers. However, AWACS could lose low altitude surveillance over enemy territory and possibly over a portion of the forward edge of the battle area. Thus, the relatively low cost jammers could [deleted].

SABAR SCAN II also examined the effects of airborne jammers which could deny AWACS the range between it and the jamming aircraft beyond about [deleted] nautical miles or could produce false targets on the AWACS radar. The Air Force discussed counter techniques, none of which has ever been demonstrated to be effective against a mass raid when many airborne jammers are operating simultaneously.

Survivability

The Saber Scan II study did not consider this situation. It assumed AWACS attackers would not jam the AWACS aircraft, but would concentrate on Air Force interceptor and anti-aircraft missiles.

AWACS contribution

We believe that the air defense contribution calculated for AWACS was marginal. The initial AWACS was determined in the study to decrease the number of bombs delivered over friendly targets. Without AWACS, existing defenses reduced bombs on target to [deleted] percent of those originally targeted and with AWACS to [deleted] percent, only a decrease of [deleted] percent of the *bombs originally targeted.* [Deleted.] The study did not address the question of whether the reduction of bombs originally targeted economically justified AWACS instead of the same expenditure for passive (e.g., hardened shelters/camouflage) or active defense.

CHAPTER 5: PHYSICAL VULNERABILITY

The survivability of AWACS in a European conflict is a critical issue which involves many factors including: (1) the mission; (2) AWACS system characteristics that can be exploited by AWACS attackers to reach their weapons release point; (3) Warsaw Pact perception of AWACS' threat, and the price they would pay to destroy AWACS.

Studies completed in 1973 (Saber Scan I) and 1974 (Saber Scan II) attempted to show that AWACS could be expected to survive in the European environment if [deleted].

In GAO's opinion, these studies did not resolve the critical AWACS issue—survivability in Europe in a high-density threat environment. Other investigations, including the OSD/SAM–D study and a May 1974 NATO study, conclude that AWACS [deleted]. We believe close control over dedicated interceptors in a jamming environment is essential to AWACS survivability in Europe. The Air Force believes that a [deleted].

We had expected that the special panel assembled by DOD to study and report on AWACS' susceptibility to electronic countermeasures would address AWACS' survivability in the presence of ECM. However, the Director, Defense Research and Engineering instructed the panel not to address that question.

Thus, the critical issue of AWACS' vulnerability has not been resolved. Listed below are the collective factors we believe threaten AWACS' survivability in Europe, and which should be considered before the issue can be resolved:

The total aircraft (friendly and enemy) tracks to be handled during hostilities,

Infra-red, anti-radiation, and radar homing missiles that could be used against AWACS by Warsaw Pact forces and,

Soviet knowledge and technology in electronic warfare (EW) and specific EW tactics and ECM techniques against AWACS.

Whether the Soviet planners would: (1) determine AWACS to be a threat to their offensive plans or at least consider it a high value target—there is no reason to believe otherwise; (2) decide to build jammers of the required capability—they have the knowledge and technology; and (3) arm AWACS attackers with the necessary weapons—they have a wide selection; is uncertain. But, if they do, it is questionable if AWACS could survive long enough to have any significant operational utility in a European environment.

CHAPTER 6—INDEPENDENT PANEL OF CONSULTANTS

In response to a suggestion by the Senate Armed Services Committee, the Deputy Director of Defense Research and Engineering appointed a panel of independent consultants to look into the susceptibility of the AWACS to enemy jamming. We were advised by the Chairman of the group that it had concluded that existing Soviet jammers could degrade the effectiveness of the AWACS radar. [Deleted.] Some details of the panel's findings follow:

Ground based jammers are in the Soviet inventory. These jammers are mobile, cheap, (i.e., 100 jammers cost $10M) and if used, could be effective against AWACS. The jamming effectiveness would be reduced if AWACS descended or retreated below the jammers horizon but when AWACS descends it is denied low altitude target information behind the jammer line. The panel also believes that currently available U.S. counter strike weapons [deleted].

The panel has also concluded that effective airborne jammers built with current technology could be placed on larger aircraft (Soviet CUB type) [deleted] if the Soviet planners believe it to be necessary. Essentially, the panel confirmed that [deleted]. Further, [deleted].

The experts concluded that (1) the AWACS radar represents a technical accomplishment in that it has inherent electronic countermeasure resistivity, (2) is susceptible to jamming both from the ground and in the air and (3) it must be upgraded for operation in Central Europe.

On January 10, 1975, the panel told DDR&E that, "if the offensive mission is secondary to the defensive mission and if our recommended programs are implemented in the near future, the panel concludes that the vulnerability of AWACS to ECM is a secondary consideration with regard to acquisition and deployment of this system in Europe."

In our opinion, this statement by the consultants indicates serious reservations on their part regarding the capability of AWACS in the so-called offensive role—central of airspace over enemy territory [deleted].

The Air Force believes that use of electronic countermeasures by WARSAW Pact forces can be countered by available AWACS tactics, e.g., descending below radar horizon and employment of equipment and weapons for locating and destroying both ground and airborne jammers. Should the WARSAW Pact attempt to destroy the AWACS, AWACS can fall back and/or descend [deleted]. As required, AWACS could be defended by friendly SAMS and fighters. In addition to the above options, AWACS will have its self-defense system for further protection.

CHAPTER 7: NATO CONSIDERATIONS

As a result of offers by the U.S. to make AWACS available to NATO the Supreme Headquarters, Allied Powers, Europe (SHAPE) Technical Center, Operations Research Division, prepared a working paper on the "Contribution of AWACS to Air Defense in the Central Region." The preliminary draft of that study distributed to NATO Nations in May 1974 indicated that:

[Deleted.]

CHAPTER 8: AWACS COST

In the fiscal year 1975 budget, the number of AWACS planned for procurement was reduced from 42 to 34 in more complex configurations. The fiscal year 1975 budget reflected the total program cost estimate for the 34 aircraft—$2.476 billion—about $72.8 million per aircraft. However, this estimate did not include costs to reconfigure initial versions to the more sophisticated models envisioned for the future.

At January 1975 total program cost including all future improvement items was estimated to be $4,040.7 million for 34 aircraft—$118.8 million per aircraft. The anticipated funding profile is shown below.

[In millions of dollars]

	Fiscal year—								
	1974 and prior	1975	1976 [1]	1977	1978	1979	1980	1981	Total
R.D.T. & E.	668.4	210.0	253.7	123.8	140.3	80.4	10	0	1,486.6
Procurement	7.6	407.5	520.5	380.1	534.0	439.4	0	0	2,289.1
Retrofit	0	0	0	0	40.0	60.0	90	75	265.0
Total	676.0	617.5	774.2	503.9	714.3	579.8	100	75	4,040.7

[1] Includes funding through September 1976 to allow for the transition to new fiscal year period.

The changes in the cost estimates through September 1974, are as follows:

[Dollar amounts in millions]

	Development estimate, June 1971	Current estimate, June 1973	Current estimate, June 1974	Current estimate, September 1974	January 1975
Funds:					
R.D.T & E.	$876.5	$1,117.0	$1,275.0	$1,396.3	$1,486.6
Procurement	1,785.1	1,268.0	1,380.4	1,642.1	2,554.1
Program cost	2,661.6	2,385.0	2,655.4	3,038.4	4,040.7
Quantity	42	42	34	34	34
Program unit cost	$63.4	$56.8	$78.1	$89.4	$118.8
Other costs		8.8	30.3	17.8	

Estimate changes through June 1973

In the period ended June 30, 1973, the Air Force reduced the program cost estimate by $276 million as a result of the DSARC recomendations. Details of the $276 million cost reduction through June 1973 are included in Appendix I.

Estimate changes through June 1974

In the year ended June 30, 1974, the planned quantity was reduced by 8 (from 42 to 34) and the program cost estimate was increased by $270 million. Major items relating to this increase in costs include cost of improvement items, extension of production program and test program, and escalation.

The details of cost variance for the year ended June 30, 1974, are in Appendix II.

Estimated changes subsequent to June 1974

In the September 1974 SAR, the AWACS cost estimate was increased again by $383 million as a result of the Deputy Secretary of Defense's direction of August 13, 1974 and for contract negotiations resulting from earlier direction. Details of this increase are in Appendix III.

Contract data

In July 1970, Boeing was awarded a three stage contract for the AWACS program. Part IA, on a cost plus incentive fee (CPIF) basis, for the radar demonstration was successfully completed by December 1972 at a price of $166.5 million.

Part IB, also on a CPIF basis, is for design, development, test and evaluation. The target price was $927.3 million at contract award but the Government's current completion price estimate was $1043.2 million. The increase reflects instructions by the Deputy Secretary of Defense to include additional capabilities.

The major effort continuing is the fabrication of three operationally configured aircraft to be used for operational test and evaluation. The first flights of these aircraft are scheduled for October 1975 and January 1976.

Part IC-Procurement was planned to start after December 1974. Originally, this phase included two options so structured as to permit USAF to buy a minimum of 12 to a maximum of 50 systems in each option. Congress, however appropriated funds to procure only 6 aircraft in FY 1975.

The Air Force is renegotiating the contract with Boeing for this and for the production stretchout due to the Deputy Secretary's direction to reflect the current program with deliveries of one aircraft every other month throughout the entire production program.

CHAPTER 9: CONCLUSIONS

We believe that the AWACS program has the potential for improving the capability of the Air Force to manage tactical air operations. However, in GAO's opinion its capability in a high density operational environment has not yet been demonstrated. Such demonstration is critical because of the high cost and because quantitative and qualitative requirements are being determined based on use in such an environment.

Our previous reservations concerning the advisability of production have been reinforced by subsequent events—the independent consultant's validation of the threat of enemy jammers, the fact that the SABER SCAN II study showed AWACS could make only a marginal contribution to the defense of Western Europe; and a NATO study expressing a need for additional investigations of survivability, vulnerability, and the value of investing the cost of AWACS in alternative ways.

Agency comments

Department of Defense officials believe that: (1) the AWACS test program conducted thus far has achieved the test objectives and provided a basis for judgments on survivability, resistivity to ECM, and effectiveness in a Central European environment; (2) the survivability against physical attack by "enemy fighters" at a realistic force level has been adequately demonstrated in initial operational testing and evaluation with the SID aircraft; and (3) the resistivity of AWACS to ECM has been established and examinations of the ECM threat have been made with laboratory equipment to test effectiveness against postulated threat levels.

In essence, it is the opinion of DOD management officials that the existing operational and test data provides an adequate basis for concluding that AWACS can effectively perform its mission in the most demanding environment and, therefore, that there is little risk in authorizing production at this time.

Matters for consideration

We believe that the appropriate congressional committees should carefully consider the status of this program in connection with the FY 1976 budget requests.

The assessment of degree of risk involved in concurrent development and production of highly complex systems is largely subjective. This report illustrates that there are conflicting assessments of the problems and the ultimate utility of AWACS—both within and outside the Department of Defense. We believe that when there are differences of opinion, the long term benefits to both cost and performance are enhanced by further testing and development prior to production.

Another critical issue to be considered is whether the estimates of the independent consultants and the Air Force study results lead to the conclusion that AWACS is evolving into a "defensive" system—to warn of enemy aircraft over friendly territory. If it cannot also effectively perform an "offensive" mission—looking into enemy territory—the question becomes one of high cost and limited utility.

In fiscal year 1975 the Congress appropriated $210 million for development and $405 million for procurement of 6 AWACS. The Air Force has requested $219 million for development and $550 million for procurement of 12 AWACS. In addition to decreasing the planned procurement by 6 aircraft, Congress stipulated that none of the procurement funds were to be used until the Secretary of Defense advised the Congress on AWACS usefulness in an environment representative of Central Europe. This certification was made in February 1975.

In the fiscal year 1976 budget, the Air Force requested $254 million for research and development and $520 million for production of six aircraft and long lead for the continued AWACS production. In [deleted] evaluating any request, Congress may wish to consider the points summarized related to the operation of a tactical AWACS in Europe.

Whether testing to date has demonstrated the operational capabilities needed [deleted] for use in Central Europe.

Whether survivability without dedicated combat support systems is possible if an enemy's intent is to destroy [deleted] AWACS. [Deleted.] Effectiveness, when survivability is threatened, is uncertain.

Whether the configuration of the complex European tactical AWACS has been fully defined and validated.

Validated design and performance of the early ("Core") configuration is three years hence, long after the planned production decision and after 34 systems are under contract.

Whether the resistivity of AWACS to ECM has been established.

Whether costs, and effectiveness, of alternatives to defend Europe have been studied.

UMI

Whether SHAPE Technical Center paper on AWACS Air Defense, to be distributed to NATO Nations, shows that more information is needed before an AWACS decision can be made. NATO participation in the AWACS program is uncertain until a NATO commitment to buy AWACS is obtained.

We believe the committees should also consider obtaining direct testimony from the panel of independent consultants in order to clearly establish the significance of their findings.

COST VARIANCE ANALYSIS—JUNE 1972 VERSUS JUNE 1972

[In millions of dollars]

Cost Category	Development	Procurement	Total
Engineering change:			
Delete TF-34 engines as CFE	−29.1	−145.4	−174.5
Add TF-33 engines as GFE	+.7	+57.3	+58.0
Add communication equipment as GFE	+2.7	+22.6	+25.3
Other adjustments	+14.3	−15.9	−1.6
Support change:			
Defer training and ground equipment to Production	−59.9	+64.5	+4.6
Reduce initial spares	0	−9.30	−93.0
Other adjustments	+1.0	0	+1.0
Schedule change:			
Reduce test aircraft by 2	−60.8	+65.3	+4.5
Rephase test schedule	+30.0		+30.0
Other adjustments	−7.8	+7.9	+0.1
Unpredictable change: Congressional direction to funds test aircraft with development funds	+395.1	−395.1	0
Estimate change: Reduce risk/ECO assessment	−46.3	−83.1	−127.4
Contract performance incentive: Adjust for awards to date	−1.3		−1.3
Contract cost underrun	−2.0		−2.0
Net change	+236.6	−513.1	−276.3

APPENDIX II

COST VARIANCE ANALYSIS—JUNE 1974 VERSUS JUNE 1973

[In millions of dollars]

Cost category	Development	Procurement	Total
Quantity change: Reduce quantity by 8	0	−172.3	−172.3
Engineering change:			
Add enhancement capabilities (self-defense, SIFF, TDMA, command and control, etc.)	+58.1	+98.0	+156.1
Other adjustments	+1.2		+1.2
Support change:			
Increase initial spares	0	+4.2	+4.2
Delete static test option	−13.4		−13.4
Other adjustments	+6.6	0	+6.6
Schedule change:			
Extend production program to accommodate production rate of 1 per month	0	+46.2	+46.2
Extend test program for configuration enhancements	+45.0	0	+45.0
Cost to negotiate block III		+10.0	+10.0
Estimating change: Estimate refinements	+8.0	0	+8.0
Economic change: Increase estimate for escalation	+52.5	+126.3	+178.8
Net change	158.0	112.4	270.4

APPENDIX III

COST VARIANCE ANALYSIS—SEPTEMBER 1974 VERSUS JUNE 1974

[In millions of dollars]

Cost category	Development	Procurement	Total
Engineering change:			
Deputy Secretary's direction of Aug. 13, 1974:			
Maritime capability	+26.0	+7.0	+33.0
Maritime studies	+.4	0	+.4
European demonstration	+3.5	0	+3.5
Refinement of ECP allowance	+16.9	+36.1	+53.0
Estimating change:			
Reestimate of program enhancements	+99.9	+4.4	+104.3
Reduce core program overhead costs due to increased scope	−15.2	0	−15.2
Reestimate of total program due to extraordinary price fluctuations	0	108.3	+108.3
Reestimate of support requirements	−5.1	0	−5.1
Revise cost of GFE:			
Engines	0	19.2	+19.2
Other	0	1.5	+1.5
Schedule change: Stretchout deliveries to 1 per month	0	+69.4	+69.4
Support change:			
Initial spares	0	+14.3	+14.3
Peculiar support equipment	0	+1.5	+1.5
Unpredictable change:			
Transfer to "seek bus" program	−5.1	0	−5.1
Transfer between work breakdown structure elements			
Peculiar support equipment	0	−39.1	−39.1
Air vehicles	0	+39.1	+39.1
Net change	121.3	261.7	383.0

APPENDIX IV: OUTLINE OF RECOMMENDED TESTS

More confident information could have been gathered if these tests were on the agenda.

(1) Since SID tests showed that the [deleted]. Using at [deleted] ground jammers [deleted] determine the reductions in detection threshold for four quiet F–5 targets weaving with respect to each other through the width of the jammer strobes. The F–5 target is specified to simulate a MIG–21.

(2) Conduct the above test using airborne escort and standoff jammers at the appropriate altitude that maximizes their capability, assessing airborne jammers effectiveness when AWACS uses earth's masking to avoid the effects of ground jammers.

(3) Repeating the above conditions increase the jammer separation [deleted] and determine automatic and manual tracking capability in the presence of jamming.

(4) Stack F–5 targets separated 2,000 feet in altitude, flying the same inbound heading to AWACS, varying altitude at 5,000 ft/min., and ascending and descending within 10,000 feet (e.g. 500 to 15,000 ft.). Assess capability of AWACS to determine aircraft altitude and complete successful intercepts.

(5) Since estimates of AWACS performance cannot be based on European demonstration flights, conduct a demonstration using F–5s at low altitude (e.g. below 500 ft. above the ground) in high clutter terrain representative of Central Europe. Instruct F–5s to maneuver (e.g. simulate WARSAW Pact forces avoiding ground systems) to determine the capability of AWACS to track and conduct manual and automatic intercepts.

Prior knowledge of aircraft flight path should not be available to AWACS MPC operators.

(6) Conduct a test to demonstrate AWACS capability against a [deleted] jammer similar to the jammer postulated by the independent panel of consultants (AWACS Ad Hoc ECM Panel). Although this specific jammer does not exist today, special steps should be taken to obtain a similar type from Navy resources or modify the

(7) Since [deleted] cannot be used in the presence of multiple jammers, conduct a test to determine burnthrough range for a self screening airborne jammer.

(8) Measure operation of AWACS in Eastern United States (New York) using uncooperative targets to count the number of targets missed. This can be accomplished by a comparison with Federal Aviation Agency flight plans.

ELECTRONIC COUNTERMEASURE TESTING

ECM threat

The intelligence community prepared a document which defined the Warsaw Pact ground and airborne ECM expected threat through 1985. In our opinion, when the Air Force planned their test program they did not consider the implications of the total threat document. The AWACS threat document "Air Threat to Overseas Land Areas", dated March 11, 1974, indicates that (1) jamming power values could vary by more than a factor of from the values shown, and (2) the bandwidths are illustrative only, [deleted].

Ground based threat

The ground based threat was originally interpreted by the Air Force to be [deleted] KW across the tuning bandwidth of [deleted] for a power density of [deleted] However, the threat document indicates that the [deleted] and, therefore, a power density (ERP) of [deleted] could be representative

of the threat. Such a threat would produce noise power levels [deleted] times higher than the Air Force had attempted to test. We made these observations known to the Ad Hoc panel. Subsequently, the panel requested the Air Force conduct higher power ground based jammer tests. As a result the Air Force conducted a high power ground jammer test using presently available and improvised ECM equipments.

Airborne ECM tests

During one test an EA–6B airborne noise jammer was flown parallel to AWACS and, at a distance of [deleted] nautical miles, the EA–6B essentially [deleted].

The synthetic target generator (ground simulation) showed that detections should be made at an average of [deleted] n.mi. from AWACS. Figure I shows that in the area of interest (direction of jammer) degrees [deleted].

We believe that it is possible to build a jammer approximately 100 times more powerful than the EA–6B that would produce the same effect when operating [deleted] nautical miles from AWACS. [Deleted.] A jammer of this capability was postulated by the Ad Hoc panel as being within the state-of-the-art.

Whether the Soviet planners would decide to build jammers of the above described capability is uncertain but, if they do, it is evident that [deleted].

A scenario used by the Air Force to demonstrate ECM resistivity is shown at Figure II, wherein the EA–6B aircraft are separated by nautical miles. The EA–6B jammer power output at a distance of [deleted] n.mi. only creates a [deleted].

In this case, the Air Force demonstrated what was expected of the radar in the presence of widely spaced [deleted] degrees stand-off jammers [deleted].

Another scenario used by the Air Force to demonstrate ECM resistivity against escort jamming is at Figure II which shows two and three EA–6B jammer aircraft escorting an AWACS attacker. The Air Force concluded from the demonstration that: (1) [deleted]

We believe that the Air Force demonstration is not a sufficient basis for concluding that AWACS is resistive to ECM. Particularly if the conclusion relates to AWACS' resistivity against large numbers of postulated Soviet escort and stand-off jammers.

Ground based ECM tests

The Air Force conducted the ground based noise jammer test on November 8, 1974, at Eglin Air Force Base. In that test the effective radiated power of the jammer was designed and measured to be approximately [deleted]. The Air Force reported that AWACS detection was [deleted]. The results reported by the Air Force concur with our extrapolation and discussion concerning Figure I, and show that AWACS [deleted].

Whether the Soviets would decide to build such a jammer is not certain but, if they did, AWACS' utility in the direction of the jammer would [deleted].

ECM not demonstrated

Concern over the vulnerability of AWACS in a [deleted].

From the above it is apparent that [deleted].

The Air Force demonstrated AWACS operation against a [delted].

Special AWACS (SID) demonstrations

In addition to the originally planned SID tests a variety of flight tests were conducted to investigate special issues—electromagnetic compatibility (EMC) with other systems and interoperability with Army and Navy systems.

EMC

The Navy AEGIS weapons systems includes an S-Band radar, the AN/SPY–1. A test was conducted in August 1974 to measure the extent of interference to AWACS. The Air Force reported that:

[Deleted].

The preferred mode is that in which the [deleted].

The EMC between the AWACS and NIKE radar system was demonstrated by flying the AWACS in close proximity to both a single and a 3 NIKE LOPAR radar environment. These tests demonstrated that the two systems can operate together; however, in order to minimize degradation of either system, a separation in operating frequencies must be maintained.

The Air Force reported:

[Deleted.]

Interoperability Navy NTDS and Army HAWK

Interoperability tests were designed to demonstrate that AWACS could provide surveillance and tracking data to Navy tactical data system (NTDS) and Army HAWK systems. The Air Force reported:

Interoperability between AWACS and NTDS was demonstrated and AWACS could supply information which could be effectively used by the Navy.

AWACS radar and tracking performance supplied HAWK with [deleted].

We believe the Air Force demonstrated interoperability with the Navy NTDS and the Army HAWK systems. [Deleted.] However, this is the first step in a long developmental effort for an all service secure communications system. The secure system is called Time Division Multiple Access (TDMA) which will be in development through FY 1979 at an estimated development cost of $85 million. After TDMA is developed for AWACS, compatible equipment for each ground station and each interceptor aircraft (U.S. and NATO) are required for transfer of information.

The markings on this page (the last page of this document) represent the overall security classification assigned to this document. By itself, this page is unclassified.

[From the New York Times, Jan. 7, 1975]

PENTAGON PUSHES FOR A RADAR PLANE CAPABLE OF DIRECTING AIR BATTLES

(By John W. Finney)

WASHINGTON, Jan. 6.—Defense Secretary James R. Schlesinger is seeking some way to justify to Congress the construction of a squadron of airborne radar command posts that would be the most expensive planes ever built by the Air Force.

In Pentagon circles there is little doubt that Mr. Schlesinger and the Air Force want to build the plane, which is known as Airborne Warning and Control System, or AWACS. The difficulty comes in working out a required certification to Congress, and in particular to Senator Thomas F. Eagleton, Democrat of Missouri, that technically the plane would be able to perform its mission of directing an air battle over a European front.

For the last two years, Senator Eagleton has been waging a one-man war against the AWACS program, which involves the construction of 34 aircraft at a total cost of nearly $4-billion. He has not succeeded in completely stopping the program, but he has maneuvered Mr. Schlesinger and the Air Force into a corner from which they are trying to find a way out.

Basically, the AWACS is a Boeing 707 transport loaded with computers and radar and communications equipment. The latest Pentagon estimate is that each plane, including the considerable research and development effort, would cost $109-million, making it more expensive than the C–5A transport or the B–1 supersonic bomber than the Air Force wants to build.

In a way, the AWACS has been a plane in search of a mission ever since it was conceived several years ago when the Boeing Company was in serious financial difficulty on its transport program. To some in the Pentagon, the plane was flippantly known as "B.B.O.," for "Boeing bail out."

Originally, AWACS was intended primarily to provide a defense against Soviet strategic bombers trying to attack the United States. That mission was dropped after the United States in 1972 signed the anti-ballistic missile treaty with the Soviet Union. Since under the treaty the United States abandoned defenses against strategic missiles, it was decided that it did not make much sense to continue a defense against strategic bombers.

AIR FORCE CONCEPT

The AWACS then was shifted to a tactical mission, particularly in the European theater. The Air Force concept, which grew partly out of its experiences in Vietnam, was that the plane, flying to the rear of the battlefield, could detect the movement of enemy planes deep within Soviet territory and direct allied planes to the attack.

Air Force generals talk enthusiastically about how AWACS could "revolutionize the air battle" over Europe and, less openly, about how it could be used in another Vietnam-type war. But Senator Eagleton has protested that the plane would be of limited usefulness in Europe because, he contends, its radar equipment could be easily jammed by the Soviet Union.

The Senator's contention was supported in a 1973 report by the General Accounting Office, which found that the plane's radar would be highly vulnerable to relatively inexpensive electronic countermeasures by the Soviet Union. The Air Force disputed this conclusion, contending that the plane's radar system would be most difficult to jam.

Senator Eagleton's protests have resulted in several Congressional restrictions on the program, which the Defense Department is trying to undo.

Congress last year provided $475-million to build the first six AWACS planes—instead of the 12 requested by the Air Force. And Congress, at Senator Eagleton's suggestion, added the unusual provision that none of the funds could be spent until the Secretary of Defense certified in writing to Congress that the plane would be cost-effective—that is, it could not be nullified inexpensively by the Soviet Union—and would be able to perform its mission, particularly when operating in a tactical role in Europe.

The Senate Armed Services Committee also directed that the Pentagon establish a panel of independent experts to examine the jamming issue. The panel, headed by Dr. Harold Smith, a physicist at University of California, recently submitted its report, and the Defense Department is trying to draft the required certification to Congress that the plane will work.

PANEL BACKED EAGLETON

The Pentagon's exception was that the independent panel would support the Air Force's technical conclusions. Instead, according to military experts who have studied the report, the panel, in large measure, supported the objections of Senator Eagleton and the General Accounting Office.

The panel, according to these sources, found that the Soviet Union, with relatively inexpensive, available ground-based equipment, could jam the panel's radar when the plane was trying to carry out its priority tactical mission of directing aircraft over enemy territory.

The Air Force has now come up with another mission for the plane. Operating farther to the rear, it would provide an air defense warning against Soviet planes trying to attack European targets. The panel reportedly found that, with some technical improvements, the plane could probably perform this mission, although it would still be vulnerable to jamming by Soviet planes.

UMI

A PROBLEM OF WORDING

In view of the panel's report, the Defense Department faces considerable difficulty in wording the certification, which reportedly has gone through several drafts in Mr. Schlesinger's office.

One alternative would be to certify that the plane could operate in a NATO tactical environment in such roles as air defense. But Senator Eagleton recently wrote Mr. Schlesinger emphasizing that legislative history clearly shows that the Defense Department has to demonstrate that the plane can "perform the primary tactical mission—control of friendly aircraft over enemy territory in Europe."

Senator Eagleton does not believe that the Defense Department can show that the AWACS can perform that mission, and if it tries, he is prepared to challenge Mr. Schlesinger's thus far untarnished credibility on Capitol Hill.

[From The New York Times, Feb. 23, 1975]

G.A.O. CHALLENGES $111-MILLION PLANE—REPORT AIDS CRITICS OF AIR FORCE BATTLE SYSTEM

(By John W. Finney)

WASHINGTON, Feb. 22.—The General Accounting Office has challenged a conclusion by the Defense Department that a proposed airborne command post could function effectively in directing an air battle over Europe.

With the G.A.O. report—a summary of which was made public today by Senator Thomas F. Eagleton, Democrat of Missouri—the lines were drawn for a Congressional battle over whether the Defense Department should proceed with the construction of the most expensive plane ever proposed by the Air Force.

The plane, known as AWACS for Airborne Warning and Control System, would cost at least $111-million each, with the Air Force planning to build 34. Basically the plane is a Boeing 707 transport loaded with radar, computers and communications equipment. The concept is that the plane would be able to track the movement of enemy craft and direct Air Force planes to attack.

Congress last year authorized $617-million for the production of the first six AWACS planes, and the Defense Department this year has requested $690-million for procurement of another six planes.

As a result of a critical G.A.O. report last year, however, Congress stipulated that the Air Force could not begin construction of the planes until the Secretary of Defense certified that AWACS would be "cost effective"—in other words that it could not be inexpensively jammed by the Soviet Union—and that it would "meet the mission needs and requirements of the Department of Defense," particularly for operations in the European theater.

HEARINGS PLANNED NEXT MONTH

Secretary of Defense James R. Schlesinger provided the required certification to Congress earlier this week with the hope that it would clear the way for a production contract with Boeing. Before the contract is signed, however, both the Senate Armed Services Subcommittee on Tactical Air Power and the House Armed Services Committee are now insisting that there be further Congressional hearings.

In the hearings planned for next month, the AWACS critics, such as Senator Eagleton, will place considerable reliance upon the G.A.O. report, which was drafted by engineers and analysts who had previously worked for the Pentagon.

The Defense Department argument is that the AWACS, with its ability to maintain radar surveillance over thousands of square miles, would greatly enhance the effectiveness of the tactical air forces of the United States and its allies in Europe. The controversy has focused on whether the plane's radar could be jammed by the Soviet Union and whether the plane would be vulnerable to Soviet interceptors.

The G.A.O. report concluded that it still had not been demonstrated in Air Force tests that the plane could survive an air war over Europe and that its radars could overcome jamming by relatively inexpensive Soviet electronic devices. Without such a demonstration, the report argued that the Air Force should not commit itself to what amounts to a $4-billion program.

SWITCH IN MISSION

The report also noted that there seemed to be a significant change in the planned mission for the plane. Originally the Air Force suggested that the plane would have an "offensive" mission of directing the air battle over enemy territory. This would mean the plane would have to be relatively close to enemy territory, and thus more subject to jamming of its radars.

More recently, the Defense Department has been emphasizing a "defense" mission, directing the air defenses over friendly territory. In that role, the plane would be less vulnerable to jamming.

The G.A.O. report said that if the plane cannot also perform effectively an "offensive" mission, serious questions arise because of the plane's "high cost and limited utility." On the basis of Air Force studies, the report concluded that AWACS could make only a "marginal" contribution in the air defense role over Europe.

In a statement accompanying the report, Senator Eagleton complained that the Air Force had "abused the security classification system in order to keep certain critical portions of the G.A.O. report from the American public."

Some words and phrases in the report, he said, were classified and deleted "simply because they indicate that AWACS is not an effective system."

"The Air Force's attempts to cover up AWACS' deficiencies makes the G.A.O. report read like the transcripts of the White House tapes," the Senator said.

[From the Washington Post, Feb. 23, 1975]

SECOND REPORT SCORES U.S. RADAR PLANE PLAN

(By Michael Getler)

The General Accounting Office, for the second year in a row, has issued a critical report on the Air Force plan to build a $3.7 billion fleet of 31 radar-packed aircraft to keep watch over future battlefields.

The planes, known as the Airborne Warning and Control System (AWACS), would be the most expensive aircraft in history, and they have been a source of controversy in Congress for many years.

The development of experimental versions of the plane has moved ahead during the period.

But the appearance of the new GAO report comes at a critical time, as Congress must decide whether to approve production of the system, which the Air Force regards as vital and which critics argue is not worth the cost and can easily be countered by an enemy.

The report by GAO, the investigative agency of Congress, is classified. But yesterday the chief AWACS critic in Congress, Sen. Thomas F. Eagleton (D-Mo.), described the new assessment as "highly critical."

He also claimed that the "GAO has arrived at conclusions which directly contradict those reached last week by the Secretary of Defense in making his certification" to Congress that the planes were needed, could not be easily countered by an enemy and should be built.

Sources on the Senate Armed Services Committee who have also seen the new GAO report confirm that "It is just as critical" as the one issued last March.

The AWACS planes basically are modified versions of Boeing 707 jetliners with a huge radar mounted on top and lots of computers and communications equipment inside.

The idea is that these planes would operate at high altitudes behind U.S. or NATO lines in Europe, for example, and use the 200-mile-plus range radar to look into enemy territory.

The radar is supposed to be able to spot incoming enemy planes and provide at least a few minutes warning of attack to Western air forces. It is also meant to guide U.S. and NATO fighter-bombers and interceptors in warding off enemy attackers and in making strikes into enemy territory.

If all 31 planes are built, they will cost an estimated $111 million each, including development and the cost of the three other experimental versions already flying. If 15 planes are built, which the Pentagon says is the minimum U.S. requirement—with NATO perhaps buying the rest—then the cost would rise to $180 million to $200 million apiece.

In defending the need for the planes last week, the Pentagon's chief scientist, Malcolm Currie, argued that the cost of AWACS was irrelevant because its existence would help safeguard billions of dollars worth of other warplanes, plus provide valuable warning time to field commanders.

Doubts about the project, however, have grown steadily.

Five years ago, the Air Force wanted the planes to defend this country against Soviet bomber attack. As that threat lessened, the primary mission changed to a tactical role over a European battlefield. More recently, the Air Force has put less emphasis on AWACS' ability to control U.S. jets over enemy territory, a mission which would require it to get close to the front lines where, critics argue, enemy electronic jamming equipment could easily black out the AWACS radar.

Instead, the Air Force is now emphasizing the planes' early warning role and their ability to control an air battle over NATO territory.

Similarly, though the missions have changed, the number of planes remains at 31, a phenomenon that has caused some skepticism even in the Pentagon.

Defense Secretary James R. Schlesinger, while supporting the project, is known to have an open mind as to whether more than 15 planes are needed.

The biggest single issue, however, revolves around AWACS' possible vulnerability to relatively cheap enemy jamming equipment.

Aside from Eagleton, Sen. Howard W. Cannon (D-Nev.), chairman of the Senate Tactical Airpower Subcommittee, and Rep. Melvin Price (D-Ill.), chairman of the House Armed Services Committee, both asked Schlesinger last week to delay awarding a production contract.

These requests came after Schlesinger, responding to a congressional demand made last year, submitted the results of an independent panel's evaluation of the jamming problem, along with his own certification that the plane was cost-effective.

The panel concluded that even an attempt to jam AWACS would constitute "early warning." But it said only if AWACS concentrated on its defensive role rather than trying to control strikes into enemy territory, and only if more protective equipment is added, will the jamming problem be a "secondary consideration."

Commenting on the independent panel's review of the situation, GAO said, "In our opinion, this statement by the consultants indicates serious reservations on their part. . . ."

"It seems incredible to me," Eagleton charged, "that the same information available to both parties could be construed as favorable to AWACS production by the Secretary of Defense and as demonstrating that production is not warranted by the GAO."

[From the Washington Star, May 28, 1975]

WARNING ON AWACS PLANE IGNORED

(By Vernon A. Guidry Jr.)

Despite instructions from the deputy secretary of defense, the Air Force has failed to plan for early improvements in the controversial AWACS aircraft for better performance in the sophisticated electronic warfare that could be expected over Europe.

Defense Department documents also show that Deputy Secretary William Clements on Dec. 4 decided to suspend production of AWACS only to be reversed within the department 20 days later.

The documents, entitled "Program/Budget Decisions," were released yesterday by Sen. Thomas Eagleton, D-Mo., chief congressional critics of AWACS which is an acronym for airborne warning and control system.

The plane is the most expensive in the U.S. inventory, costing about $118 million. It is a sophisticated computer-loaded aircraft based on the Boeing 707. Its primary mission now is to detect the onset of an air attack on NATO and direct the response of allied warplanes.

According to the documents, Clements decided to stop production of AWACS at 10 planes this fiscal year which "would satisfy the non-NATO AWACS requirements."

No money would be requested for fiscal 1976 production. "Resumption of AWACS production would be dependent on U.S.-NATO agreements on requirements, configuration and cost-sharing," the document read.

It was that decision which was reversed. The Pentagon eventually asked Congress for money to buy six of the planes next fiscal year. The House adopted its armed services committee's recommendation that money for three planes be approved. The Senate Armed Services Committee has authorized $520 million next fiscal year for all six.

The question of improvements goes to the heart of the controversy over the airplane: its ability to survive jamming aimed at its radar.

Congressional critics maintain that the expensive AWACS can be rendered at least partially ineffective by less expensive jamming techniques.

Eagleton has also accused the Air Force of bias and misrepresentation.

"At every step along the line the Air Force has fixed its test program, not to find out whether AWACS will work in the real world but to influence Congress," he charged yesterday.

The Dec. 4 Pentagon "budget decision" says that despite two memoranda from Clements directing the Air Force to "actively pursue" a specific group of "enhancements," the service continued a program that would lead to production of 24 out of a proposed 31 AWACS planes that lacked a bloc of specific improvements.

The document went on to say that "it appears inconsistent to plan to proceed under the current contract schedule for production of 24 . . . aircraft in light of two requests by (Clements) to incorporate enhancements, and in light of a congressional insistence on an AWACS that will be effective in a NATO tactical environment.

The document estimated that to refit these first 24 planes with the enhancement item would cost more than $200 million.

Since that document was written, a special committee put together to examine AWACS effectiveness recommended further improvements.

Eagleton said yesterday that he plans to offer an amendment following Clements' decision in that it would suspend production until NATO agrees to buy the system. NATO nations currently have the AWACS program under study.

The Defense Department had no immediate response to release of the documents.

Public statements by defense officials have strongly supported AWACS earlier this year. Dr. Malcolm R. Currie, director of research and development for the department, told a news conference that his personal view is "that the existence of AWACS in the NATO environment is one of the few most important capabilities in the whole history of the alliance, not only for deterring conflict but for controlling that conflict if it should ever occur."

Currie said then that the system's capability for looking into enemy territory and supplying early warning "is priceless. I don't know how to put any cost effectiveness value on that application."

The AWACS was originally intended as a continental United States defensive system against the Russian bomber threat. As that threat dwindled, the role of the system was switched to the tactical NATO role.

[From the Washington Post, May 25, 1975]

CONGRESS AND THE DEFENSE BUDGET

Everyone who is interested in the changing relationship of Congress and the executive branch is aware of the way in which Congress' authority has been enlarged over the last few years in the area of foreign policy. A much quieter, but equally important expansion of authority has occurred in the field of defense. Congress, which not so long ago pretty much confined itself to the use of a fairly generalized power to appropriate or withhold funds in any effort to influence Pentagon policy, has in recent years greatly enlarged and particularized its authorizing power. The result is that at least theoretically its members have much more say-so in matters ranging from appropriate military and civilian manpower levels to the advisability of going forward with specific weapons systems. This increased authority has partly caused and partly coincided with a growing interest on the part of many members in reducing the Pentagon budget and/or in asserting a new measure of congressional control over defense policy. But the thing isn't working very well.

Last week's House voting on the military procurement bill, in which the budget-cutters were roundly defeated, is an example. Our point is not that the outcome was some kind of a national disaster. On the contrary, we regard that result as a mixed bag. Some of the projects that escaped cuts did not, in our opinion, deserve to: the so-called AWACS tactical command and control aircraft, for example, and the program of testing certain missiles with a view to improving their ability to destroy an opponent's land-based missiles. Others, such as the B-1 bomber, probably deserved to go forward—but at a slower rate. And still other moves—principally the attempt to reduce overseas troops by 70,000—richly deserve to be defeated.

But the point is that few of the decisions taken on the House floor appear to reflect either a serious weighing of the merits of these military programs as such or a particularly well thought-out conception, if any, of our overall defense requirements. Rather, by most accounts, what was decisive in defeating these moves to cut back various military programs was a combination of sentiments concerning both the need to send a signal of American resolve overseas in the wake of the Vietnam evacuation and the need to leave defense industry intact at a time of exceedingly high unemployment.

In fact you can make a pretty compelling case at the moment that each of these sentiments, in its way, serves the immediate national interest. But you really cannot make much of a case for them, or for the similar short-lived moods that have profoundly affected defense votes in the past, as a sound basis for taking decisions that may have serious long range effects on both the national defense and the national budget. For very often such votes represent a sort of point-of-no-return: an authorization to take steps that cannot easily be reversed and that all but guarantee that a particular weapons system—for better or for worse—will become part of our arsenal. And equally often the weapons system under consideration is particularly ill-suited for consideration on such a basis, being a system designed for a presumed defense need some 10 or 20 years hence.

There are several observations to be made about this congressional process. One is that with the exception of the anti-ABM campaign, attempts to limit or eliminate major weapons systems by means of floor fights in Congress have by and large been spectacularly unsuccessful. Another is that such pressures as are generated by these fights and the prospect of more to come have had their impact primarily on the relevant committees: it is in those committees that such trimming and redirecting of the Pentagon's requests as are likely to occur take place, and the result has been evident especially in Senator Stennis' increasingly critical approach to those requests in recent years. The third observation is that under the present system of congressional authorization for various military projects, the situation is not likely to change much in the future. For in a way, the enlargement of congressional authority that has taken place over the years has been deceptive and even self-defeating. It creates an illusion of more influence than it can or does actually provide.

The problem is that what Congress has acquired in this expansion of the authorization process is little more than a license to scrutinize certain Pentagon enterprises and not others and to do so in a piecemeal, ad hoc way. One unfortunate result has been that the debates have acquired a kind of reflexive, ritualistic character: more versus less, engage versus disengage, build versus dismantle. Some members seem to be against practically any weapons system up for consideration, and others to support whatever it may be. Few give evidence of having anything like a clear or plausible overall concept of what this country's defense needs are or what its military role abroad should be. Instead the arguments seem always to come down to a clash of generalities and of arcane technological data concerning the merits of specific programs as if they were unrelated to each othor and to a larger strategy and more comprehensive program.

Rep. Les Aspin (D-Wis.), one of those who tried to cut the budget in the House last week, is among the legislators who have put forward some interesting ideas about how Congress could sharpen and improve its capacity to exert real and reasonable influence over the military budget, and we intend to return to these another day. But well before any changes of this kind occur in the format for congressional action, it seems to us that the members of Congress—especially those who would assert more control over policy—will themselves have to contrive and demonstrate an approach to this country's defense needs that is more persuasive than that which seems to amount to little more than a desire to cut back on whatever project is up for a vote. In the aftermath of Vietnam the current national rethinking of those defense and foreign policy premises we

UMI

accepted for so long and with so little critical examination should offer the opportunity for those who have come to be known by the ambiguous name of "defense critics" to formulate such a positive program.

Mr. EAGLETON. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. CANNON. Mr. President, I oppose the amendment of the junior Senator from Missouri (Mr. EAGLETON) which would deny production of additional AWACS planes for the United States until NATO decides to buy the AWACS.

I believe that the amendment is poorly conceived and illogical if its intent is to persuade the NATO nations to buy their share of a NATO-wide AWACS force. The amendment would hinder, rather than help, our efforts to persuade NATO to buy the plane for use in their areas of combat.

AMENDMENT WOULD STOP AWACS PRODUCTION

The first point that has to be recognized is that the amendment, if adopted, would cause a break in the AWACS production line. Production would be stopped for some interim, an unknown period of time while the NATO countries would go through their own decisionmaking process. Let us look at the present NATO decisionmaking schedule.

NATO DECISION SCHEDULE

Mr. President, the first step was taken in April 1975, 2 months ago, at the Conference of National Armament Directors the NATO countries discussed the AWACS and other radar warning and control aircraft that could perform the mission. At that meeting, the AWACS was selected as the NATO candidate airplane over the U.S. Navy's carrier-based E–2C radar warning plane and over the British Nimrod, in its proposed radar warning version. Thus the first step was taken toward a NATO procurement decision, as the AWACS was selected as the candidate aircraft.

The next step was in May 1975, last month, at the NATO ministerials meeting, attended by Secretary Schlesinger and the other NATO Ministers of Defense. A NATO project office was established for the NATO AWACS program, and contract definitions are expected to be approved starting in July 1975 for a 10-month Boeing contract definition phase and a 5-month ground interface phase. These contracts will give the NATO countries all of the detailed cost, schedule, and configuration information that are required to support a procurement decision.

The next steps that would be expected, if the process flows smoothly, would be for a possible approval of long lead funding for NATO AWACS airplanes at the December 1975, ministerial meeting, with a June 1976 ministerial approval of the full NATO program to follow.

Thus under the most optimistic circumstances, a contract for a NATO AWACS program could not be entered into until 1 year from now. And this assumes, of course, that the NATO nations will band together without any further delays and decide to put their money where the current plans indicate they will.

Now the important, and serious, effect of this amendment would be to cause a minimum 1-year gap in the AWACS production line, and this very possibly could be a 2-year gap, if the bureaucratic processes in NATO are anywhere near as ponderous and cumbersome as our own. Here is why I make that statement:

The fiscal year 1975 procurement of six AWACS planes is on contract and these aircraft are in the initial stages of production. These airplanes have a long production lead time—it is 40 months for the airplane itself and it is about 24 months for the avionics systems. The fiscal year 1975 planes will not be delivered to the Air Force until starting at the end of 1976 and running through late in 1977, about September.

Now let us look at the production schedule for the six planes in the fiscal year 1976 budget, the ones that are the subject of this amendment. Long lead funds contained in the fiscal year 1975 budget, for the fiscal year 1976 program, were released in August of 1974. This long lead funding will carry the production of these six planes up through June 1975, the end of this month, 3 weeks from now. The continuing resolution would be used to continue long lead efforts until December 1975, when a full production contract will be signed. Then the actual deliveries will commerce about November 1977 and will continue through about November 1978.

But the vital point that I have to emphasize is that all production work will stop on the fiscal year 1976 planes at the end of this month and a production line gap will start at that point in time. True, the gap will not show up until the number 6 AWACS—the last of the fiscal year 1975 buy—is delivered in October 1977, but there will be a gap from that point on until production of AWACS is started again.

AWACS has a long gestation period—40 months—but if that production line is not carried out for that whole time, there will be nothing to deliver at the end.

Referring back to the NATO decisionmaking schedule I discussed previously, it is obvious that the production line that stops at the end of June 1975 could not restart again until June 1976 at the earliest, so we will have a minimum of a 1-year gap in the production line if this amendment is accepted. If the NATO ministers do not make up their minds by next June, then obviously there will be a corresponding stretchout in the gap.

Now let us examine the really salient point, the cost to the U.S. taxpayer to shut down the AWACS production line and then restart it later, as proposed by the Senator from Missouri.

The cost of a 1-year delay is estimated by the Air Force—and these are the latest figures which I received yesterday so they are changed slightly from my earlier estimate—the cost of a 1-year delay would be $470 million, and the cost of a 2-year delay would be $705 million.

The causes of this cost are a loss of Government furnished equipment assets, the requirement for the prime contractor to renegotiate all of his subcontractors, the manufacturing plant shutdown and startup costs, sustaining engineering for the AWACS airplane, learning curve loss, and then finally increased inflation costs on continuing production of the program at a later point in time.

So in round numbers, the effect of the Senator's amendment, if accepted, will be to increase the cost of the AWACS program to the U.S. Air Force and the American taxpayer by from one-half to three-fourths of a billion dollars, and I wonder if that was what the Senator really intended when he introduced his proposal.

Let us look at some other effects of shutting down the AWACS production line.

First, it would not force NATO to buy AWACS and indeed it might deter them, because there would be no ongoing production line.

Second, it would inhibit other foreign sales possibilities, such as to Iran, which I understand is very interested, because they would be looking at a closed production line.

Finally, let us consider what would happen if NATO does not buy the AWACS. The United States would have 9 planes not 10 in the Senator stated, an insufficient force level. Dr. Currie, D.D.R. & E., testified that the United States needs at least 15 AWACS for non-NATO needs, and the committee supports that position. The fiscal year 1976 buy will provide the 15-plane level. In addition our share of a NATO program should run on the order of 6 to 9 planes, which is why the committee position is that we need 21 to 24 AWACS planes total. In other words, that is including our part of the NATO program.

Therefore, production of AWACS should continue in fiscal year 1976 without gaping the line, and this will allow the year needed for NATO to make a decision while looking at an ongoing production line.

Mr. President, I outlined in detail the reasons and the capability of this airplane in answer to some of the Senator's objections to it in the remarks that I made several days ago. He has raised one point today about the PED issued by Secretary Clements. In that regard, I would like to read into the RECORD a letter from Secretary Clements, as his position has been grossly misstated.

This is a letter dated June 3, 1975, to the Honorable JOHN C. STENNIS, chairman of the Senate Armed Services Committee:

WASHINGTON, D.C., *June 3, 1975.*

HON. JOHN C. STENNIS,
Chairman, Senate Armed Services Committee, Russell Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I have been advised of Senator Eagleton's intentions to offer an amendment to the Defense Authorization Bill which would suspend further production of the Airborne Warning and Control System (AWACS). Senator Eagleton states that such an amendment is ". . . patterned after a DOD program budget decision calling for a termination of AWACS production with resumption to be dependent on US/NATO agreements or requirements, configuration, and cost sharing" which was approved by me on December 4, 1974 and was reversed prior to the submission of the President's budget to Congress.

The Pentagon's Program Budget Decision (PBD) process, conducted prior to definitization of the budget, is an internal mechanism used to test the strength of the Military Departments' specific program requests against other equally important DOD programs. This iterative process is necessary where the total claims on the budget exceed the levels established for the DOD budget.

The first round of the PBD—including the decision—is always considered preliminary or tentative until such time as the Service reclamas are received and reviewed. During the time period between preparation of the first PBD and the second PBD, the functional elements within the Office of the Secretary of Defense and Services present arguments for and against various alternatives suggested. The PBD process serves as a management device but is often misunderstood by outside agencies not involved in the process.

Mr. President, I might add that is clearly the case here:

In the case of the AWACS program, the Defense Systems Acquisition Review Council (DSARC) was scheduled to convene on December 20, 1974. The DSARC is the primary forum where major program management issues, plans, and objectives are resolved. It was logical that the final PBD decision would not be made until after the recommendations of the DSARC had been reviewed. Additionally, the DSARC had not received the preliminary report of the Ad Hoc Panel on the Vulnerability of the AWACS Radar to Enemy Jamming at the time the first and preliminary PBD (December 4, 1974) had been prepared. Dr. Smith's Ad Hoc ECM report was briefed to the DSARC members before they convened on December 20, 1974. The final PBD, approved by me on December 24, 1974, took into careful consideration the Service reclama and all of the factors that were related to the NATO AWACS program.

I may interpolate, Mr. President, that included Dr. Smith's report which Senator EAGLETON has referred to, including the complete study on the so-called vulnerability of AWACS to jamming:

I consider the PBD 183 RC of December 24, 1974 a properly coordinated decision reflecting the total U.S. and NATO interests in this important program.

The DoD has advised the Senate earlier of our views on the matter during the Tactical Airpower Subcommittee (Senate Armed Services Committee) hearing on March 6, 1975. Senator Eagleton participated as a guest and upon conclusion of the meeting stated his intentions to introduce questions for record. The questions subsequently received included one about the PBD reversal issue. Our DoD reply—which appears in the official transcript of the hearing—advised Senator Eagleton that if the preliminary PBD (December 4, 1974) had prevailed, it would have deferred production of the AWACS until U.S./NATO agreements were reached, causing a complete break in the AWACS production line, and a prohibitive increase in the AWACS production costs. Such an increase in cost may have prohibited any sale of the AWACS in NATO.

I would appreciate your support of our request for six AWACS aircraft in FY 76 which will permit attainment of an urgently needed, cost-effective, interim U.S. AWACS force and will permit maintenance of a production base for any follow-on U.S. and NATO procurements.

Mr. President, I submit that that is the correct position of the Department of Defense. It is the correct position of Secretary Clements on the PBD, and obviously the one that Senator EAGLETON continually refers to was simply a working paper and was never the final PBD on the matter.

I strongly urge that the amendment should be rejected, and I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I am glad to yield 10 minutes to the Senator from Utah.

Mr. GARN. Mr. President, I appreciate the opportunity to speak in opposition to the amendment of the Senator from Missouri.

I have had the opportunity to personally fly on an AWACS airplane. I was very disappointed, on that particular flight, that although the Air Force invited many Senators and many Representatives to participate in actually seeing a demonstration of the capabilities of AWACS, I was the only Senator, as far as I know, who took advantage of that opportunity, and I think only one or two Representatives did. I suppose, since I have been here, this has been one of my criticisms of the mechanisms of the Senate, that obviously we get very involved, and certainly I can understand why many would not have the time to do that. However, I think we sometimes become too dependent upon the research of staff and on letters from various people in coming to our decisions on very important issues.

Most of what I have heard today seems to have been gathered from other people, without a great deal of first-hand experience. I do not know whether the distinguished Senator from Missouri or any member of his staff have taken it upon themselves to take advantage of those opportunities to see AWACS operate personally. If they had, it might give them some different insight into how it works.

I also speak from a background of some 18 years as a military pilot, with over 10,000 hours of flying experience, who has spent a great deal of time looking through radarscopes. I do not pretend to be an expert, but I have had some experience in this area. And I want the Senate to know that I have never been so impressed with the capabilities of a radar system as I was with that AWACS demonstration flight, after 18 years of looking at jamming in various parts of this world, flying patrol missions off China in the late 1950's, experience in jamming by Chinese radars at that time, and seeing the difficulties that ensued, after all those years of experience, to see a radar system that was able to do what this one did, to have 500 targets on the scope at one time, to be able to identify any of them as to their course and speed and their altitude, and to be at an elevation of 35,000 to 40,000 feet, so that the line of sight was not limited by the curvature of the Earth, giving them a good deal more range than any Earth-bound radar could possibly have, to have the capabilities of identifying high-flying aircraft as well as very low-level aircraft coming in below the parameters of most Earth-stationed radars, also to be able to track surface ships on the ocean at the same time they were tracking all of the other airborne targets, and to run an actual mission of having an attack on the east coast of the United States by jet fighter bombers and running an intercept problem while experiencing jamming.

Again, I am not relying on other people. With some expertise and background, I saw these things happening. I asked questions. I watched the actual radarscopes. There was no way they could give me false test data, because I was not relying on anyone to tell me anything; I was watching it myself, and seeing the results of those tests. I also saw the tapes run on these radarscopes from their missions in Europe, and I would find it very difficult to believe that anyone could falsify those tapes showing those actual missions run in Europe.

So I think this is a very fine defensive system. We hear a great deal of criticism, every time a defense appropriation bill comes up, about offensive weapons systems, but usually little criticism of a defensive system which is designed to give us the capability of identifying foreign systems, give us the ability to protect ourselves, and do the same thing for our NATO allies in Europe.

It would seem to me that those who are so antimilitary in this country would be in favor of defensive measures, allowing us to be able to identify these aircraft through this very sophisticated and accurate radar.

I am totally in support of continuing development of AWACS as a very fine system, the most sophisticated and accurate radar system that I have been involved with in my experience.

We hear a great deal about the cost, $118 million. I think that is a little deceptive, when we talk about $118 million per airplane. It is a standard 707 plane that carries a great deal of sophisticated equipment, of radars and computers, in order to allow the particular system to operate.

We have some very expensive radar systems on the Earth. We have some other sophisticated equipment, such as computers, around this building. Because we put equipment on an aircraft and relate it to other aircraft as being expensive in cost, I repeat, is unfair. It is a standard 707, modified to carry the radome and this expensive equipment. That is where the cost is, in the computers and the radar system. Because we are putting it in the aircraft, that is not a cost of the aircraft, and certainly is not fair in comparing it with others.

But I certainly am in favor of this system. I wish more Senators and Representatives would take the opportunity to view the systems themselves, rather than rely on opinions and data prepared by staff and by other people. So I certainly most vigorously oppose the amendment to slow down or stop the AWACS system.

Mr. STENNIS. Mr. President, I take 1 minute to commend the Senator for a very able presentation of a very practical

UMI

problem, based on his actual experience in this plane which has become such a remarkable instrumentality in our technology. I wish more Senators could have heard him, and perhaps during the debate on this matter there will be such an opportunity.

Mr. GOLDWATER. Mr. President, will the Senator yield me 5 minutes?

Mr. STENNIS. I yield the Senator whatever time he wants.

Mr. GOLDWATER. Mr. President, I rise, first, to urge the defeat of this amendment as it has been defeated before; and I wish, in opening my remarks, to compliment our colleague from Utah, who has had many, many years experience in the air, particularly many years' experience with radar. I know the type of equipment that he has been flying, and I know that to fly it successfully, one has to literally live by the radarscope.

Mr. President, as I say, this same argument has come up before. The distinguished Senator from Missouri, who has introduced this amendment, was, I believe, the only man opposed to this authorization who came to the hearings, and I compliment him on it.

I had hoped that the hearings would convince him of the need for this aircraft, but obviously we were not that effective. So we will try again.

Mr. President, I was very impressed with what the Senator from Utah said about radar, because this seems to me to be the fundamental objective of those who say blatantly that it will not work.

I was at the hearings when questions were asked about radar. Here again I get into the General Accounting Office, one of my favorite targets. They are an accounting office. I have yet to hear them identify one person who is expert in the field of radar.

On that particular day of testimony, if my memory serves me correctly, the expert was a retired Air Force colonel.

Let us say that he had trained in the Air Force. Let us say that he had had the experience with the radar screens that we have all had. I do not say that that makes him an expert any more than it makes the Senator from Utah or the Senator from Arizona experts.

It rather pains me to keep hearing the GAO quoted as being an expert in the fields of munitions, strategy, and tactics.

We put that outfit to work to audit, to get two and two to come out four, not to tell us whether the rifling on a gun is right, or the radar on an aircraft is right, or whether uniforms we wear are right.

I keep recalling this incident a few years ago when somebody who was then opposed to the F–15 came up with a GAO study that the F–4 was faster. I wrote the GAO, facetiously, and asked the name of their test pilot. They had to admit they did not have a test pilot. They had taken a report of the Navy's, that was quite old, which said that if slats were put on the forward edge of the wings of the F–4 it might compare with the F–15 in speed in certain maneuvers.

I do not know what the devil they know about these things. Someday I think we ought to introduce a bill that will require the GAO, if they are going to be resorted to by the Senate, to hire experts so that when they are quoted in the Chamber, we can say, "Well, that comes from a learned source."

I have to say that the opposition from the GAO on radar does not say any more, or any less, than any man, who knows a little bit about radar, could observe.

Let us look at this system. Why do we need it? It will correct a serious low-level surveillance deficiency in existing ground radar systems.

For those colleagues, who do not understand radar, radar as yet is a line of sight proposition. It can see only what the eyes can see if the eyes could be extended to some extent or rather large extents. We are perfecting, slowly, over the horizon radar, curve of the Earth radar; but it is a long way off.

So to protect our ground forces and our naval forces against incoming aircraft, whether they be low or high, we rely on radar.

If the aircraft is coming in high ground radar can pick it up. If it is coming in low, which any sensible enemy will be doing, we do not pick it up until they are so close in that interception would be impossible.

We have had to move to the skies to give us better battlefield definition, better battlefield understanding, so that we can better allocate our forces and allocate our decisions.

I was glad that the Senator from Utah brought out the extreme accuracy of these radars, which as he has said pictures 500 targets at one time.

I would like the attention of my friend from Utah. Could I have the attention of my friend from Utah for just a moment?

I am sure he was impressed with the ability of this radar system not to just picture a river and what could be a bridge but to be able to count the number of pairs in the bridge, the number of arches, and, by quick surveillance, the size of the bridge.

Mr. GARN. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. GARN. I will comment that I was tremendously impressed with the ability of the selectivity of the radar to distinguish certain targets, to remove others with the flip of computer buttons which we were never able to do before, as you know. With simply ground clutter you could not make these very definitive decisions on what things were.

Mr. GOLDWATER. The Senator is so correct.

Mr. GARN. At this low altitude you can cut out the clutter, you can cut out the false targets from ground, and from mountains, and you can do the things that the distinguished Senator from Arizona is talking about, that makes them very definite decisions, by distinguishing targets.

Mr. GOLDWATER. Let me emphasize that this is not a weapons system. This system does not shoot back. If you want to call it a weapons system because it is in the military inventory, all right, we will call it that. But it is an advanced warning control center. That is all it is. It enables the battlefield surveillance officer, the sector commander, whatever his title might be, to say: "Yes, there is a bridge. We can define the bridge, and we know the tonnage it will take to destroy the bridge." We immediately direct the artillery or the tactical aircraft to take off with necessary weapons and direct them to that bridge. We cannot do that today.

But the most important thing is that with this high altitude radar we can pick up the incoming enemy aircraft without ground clutter, which is something radar has not been able to do before.

Mr. GARN. Mr. President, will the Senator yield for another question?

Mr. GOLDWATER. Yes.

Mr. GARN: I also call attention that with all of the publicity we have heard lately about the FAA and control of domestic airlines, small aircraft in this country, that we also in our domestic system do not have this kind of sophistication and, certainly, from the development of AWACS, the spin-off in this program will help us in the civilian aviation field in identifying targets and preventing midair crashes, and things of that nature.

Mr. GOLDWATER. I am glad the Senator mentioned that because I happen to have that as one of the items I was going to mention in favor of this type of surveillance.

To get on with it, it will aid in the badly needed integration of scattered command and control elements of allied air forces in central Europe.

If we had no other value to put to AWACS than this, this would be worth over $118 million a plane, by one thousand times, because the inability in most cases to coordinate the command of the different elements of different nations, has been one of the hindering efforts or was one of the hindering efforts in World War II.

This aircraft or tool could surveil the battlefields of central Europe. It might take three to go into the eastern parts of Europe.

But it would give one man or his staff the ability to integrate by making the decision up there from what he sees, not from what he thinks is out there, but from what he sees.

It will aid in identifying proper qualitative and quantitative responses to enemy aggressive initiatives, and this ties in with what I have been saying. This is something we have not had the ability to do before, unless we have had photoreconnaissance or high altitude or medium altitude reconnaissance by aircraft that could radio back or carry back the information that there is an x force at AB, and we estimate the force to be of this strength. We cannot tell you much about the surrounding terrain, the approaches or any of their defenses.

AWACS can give the answer, and the answer can be used immediately by the man on the ground who has to put the troops together and the artillery together and the air forces together to get the job done.

It will provide insurance against premature escalation.

I mentioned yesterday in the course of debate that escalation is the secret of successful warfare. It was one of the first components mentioned by Klauswitz, and it has been carried on by the Chinese experts in war—escalation. You do not throw the whole ball of wax at the first shot; you use a little bit and if you have to use more you have it.

But how many times in war have we literally shot the whole wad when a little one would have done the trick?

This is where AWACS will be very valuable. It will enable that commander on the ground with the information sent to him from up here or the commander in the air, if he is airborne, to make those decisions.

In spite of what we hear, and what I have been reading in papers in opposition to the AWACS, it is more resistant to electronic countermeasures than any existing operational radar system.

Being one who has spent many years of his life in electronics, particularly in electronic countermeasures, I know there is no way of building a radar that can completely eliminate electronic countermeasures. You can clutter up the blip on a radarscreen no matter how perfect that radarscreen is made, but this radar will work around any blip that is put on there, any ECM that is put on there. It is so wide in its scope, it is so wide in its approach, so powerful, that even if it picks up an enemy plane that is trying to make an attack—and it can be picked up a long way off, even with ECM—we know what he is and can still work around him.

So, Mr. President, I urge that this amendment be defeated, as we defeated it last year.

This system is needed. Contrary to what might be said on this floor, NATO is seriously considering these aircraft. In fact, there was an article in our finest aviation magazine "Aviation Week," a few issues ago which in effect said NATO is going to buy it. My friends in the NATO structure tell me that, while they have not definitely made up their minds, they are leaning strongly toward it. It is the only thing that has been built like it. It is the one thing we need in the European theater that will enable us to work actively and effectively against the threat over there.

Mr. President, I may have more to say later, but that is all I have at this time.

I ask unanimous consent to have printed in the RECORD some articles in connection with this matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Aviation Week & Space Technology, May 5, 1975]

AWACS MEET HEAVY TRAFFIC CHALLENGE

(By Philip J. Klass)

WASHINGTON.—USAF/Boeing Airborne Warning and Control System testbed E–3A recently demonstrated its ability to detect and display approximately 600 civil and military aircraft on its consoles, including heavy airline traffic in the northeast U.S., despite two airborne jammers.

The demonstration here for congressional staff members and press followed the E–3A's recent return from similar demonstrations for several hundred officials and officers in West Europe (W&ST, Apr. 14, p. 12).

During the 2-hr. mission off the mid-Atlantic coast, the Westinghouse radar and associated IBM computers showed their ability to track a McDonnell Douglas F–4 making a simulated attack despite interference from two Martin Marietta EB–57 jamming aircraft.

During the flight, more than 200 civil and military aircraft with radar transponders were in view of the radar and their transponder codes could be called out and displayed at the option of the operators.

The AWACS also showed its ability to track an F–4 flying at 500 ft. altitude, while simultaneously displaying and tracking ships along the coast in the newly added maritime mode of operation, which uses short pulses for improved resolution.

Following the live demonstration, video tapes of some of the recent European missions were played through the AWACS display console so those on board could see some of the exercises performed during the Apr. 3–25 visit.

Beyond showing the self-contained capabilities of the E–3A to detect and track targets and to direct forces against enemy targets, the European tests demonstrated the ability of the AWACS system to tie-in directly with surface forces, ranging from ground-based and ship-board air defense networks to Hawk anti-aircraft batteries. This has been termed "interoperability."

During demonstrations in the Mediterranean area, the E–3A flew a roughly northwest-southeast track, centered around Naples. The USS Wainwright, a gulded-missile frigate located west of Naples, served as the target of a simulated attack made by four Navy/LTV Aerospace A–7Es during one of the missions.

The four A–7Es, launched from the USS Forrestal, came in very low over Sicily, then separated laterally to simulate four attacks as they headed east toward the Wainwright.

During one exercise, the AWACS radar tracks of the four attackers were transmitted to the Wainwright by a new experimental time-division multiple-access data link, for display in the ship's Combat Information Center. The same information also was transmitted from the Wainwright to the Forrestal via Navy Tactical Data Information System and displayed in the carrier's CIC.

Navy officers on the Wainwright and the Forrestal thus had the same radar display available to them as if they had been flying in the E–3A, according to Brig. Gen. Lawrence Skantze, AWACS system program office director.

"On the second day we ran this exercise," Skantze said, "our data link malfunctioned for about 20 min. so the Wainwright requested that we take over and vector their two F–4J aircraft to try to intercept the four attacking aircraft."

Each of two USAF officers in the E–3A was assigned to direct one of the F–4J interceptors. Initially the two interceptors were vectored against the two attackers on the inside of the four parallel attack tracks, using intercept paths computed by the IBM-built computers.

Then the two interceptors were "swung around to hit the outside tracks," according to Gen. Skantze. "We made all four intercepts in about 5 min., over a distance of 20 mi. along the attackers' paths."

During demonstrations conducted from Ramstein AB, West Germany, similar missions were flown against important military ground targets. Flying over central Germany, the Hazeltine-built consoles displayed aircraft movements over East Germany, Poland and Czechoslovakia, including practice military intercepts.

AWACS radar displays were sent by TDMA data link to a number of NATO Air Defense Ground Environment (NADGE) control centers in West Germany, Norway and Italy, as well as to the French air defense system. Display of radar targets also was transmitted to USAF's 407–L tactical air defense system in Germany.

During several of the demonstrations in West Germany, military vehicles equipped with special radar transponders were deployed as if they represented the line of battle. The transponders were interrogated by the AWACS radar, their locations were displayed on the aircraft consoles and were then connected by lines drawn by the computer to show the battle line

Gen. Skantze pointed out that by selection of the transponder code, each unit could transmit military status reports, such as "need ammunition" or "about to advance," which could be instantaneously relayed by data link from AWACS to command headquarters.

During another exercise in West Germany, the interoperability of AWACS with ground anti-aircraft defenses was demonstrated. Normally, an Army Raytheon Hawk surface-to-air missile battery must use a surveillance radar to detect approaching aircraft, which can alert an attacker to the presence and location of the SAM site.

The E–3A can detect such enemy aircraft, compute and display their approach path, speed and altitude, and transmit this by data link to SAM sites. This was demonstrated using low-flying F–4 "attackers" with the AWACS situation display being transmitted to the ground by data link and being retransmitted to a Hawk site near Wurzburg.

During demonstrations in the North Sea, off the east coast of Britain, USAF/General Dynamics F–111s, flying south from Scotland at an altitude of 500 ft.—except when weather forced them higher—made a simulated attack on the industrial Midlands.

Against this threat, the AWACS crew vectored a McDonnell Douglas F–15, in Europe for other purposes, to intercept the F–111s. Maj. James White, who functioned as the weapons control officer, said that the "look-down" capability of the Hughes Aircraft radar in the F–15, which enables the pilot to spot low-flying targets, "greatly simplifies the intercept problem."

"Unlike an older interceptor such as the F–4, where you have to bring him alongside the target, turn him in trail and send him down in altitude, with the F–15 you just need to designate his target and he can then proceed on his own."

During other missions, to demonstrate the new maritime capabilities of AWACS, two Royal Navy Hawker Siddeley Buccaneer aircraft were directed by the E–3A crew to make simulated attacks on a Royal Navy frigate. The directions were so precise the two aircraft "passed directly over the ship," according to Gen. Skantze.

Royal Air Force F–4Ms also were used to perform intercepts against F–111s, flying at 500 ft. above the ocean, during other demonstrations. The AWACS radar displays were transmitted by data link to the British ground radar network center and also to a NADGE site in West Germany.

During the 22 days the E–3A testbed was in Europe, it conducted more than 100 hr. of demonstration flights, averaging nearly 5 hr. per mission.

As part of the recent demonstration here, USAF disclosed that the AWACS radar and computer can be operated in five different modes simultaneously, with one mode being used in certain azimuth sectors and other modes in other sectors.

24 AZIMUTH SECTORS

There are 24 azimuth sectors, each 15-deg. in width, in which any desired mode of operation, or some combinations of modes, can be selected. For example, in one azimuth sector the radar can be operated in the pulse-Doppler mode to detect and track low-flying aircraft to the line-of-sight horizon, with conventional pulsed-radar operation beyond this range.

UMI

In another azimuth sector, the Westinghouse radar can be operated in a passive mode, to search for self-radiating targets, such as jammers. In still another azimuth sector, the radar may be set to provide short-pulse high-resolution operation against maritime targets as well as operating in pulse-Doppler mode for airborne targets.

POSITION FIX DEMONSTRATED

During the Washington demonstration, the crew showed how the E–3A can obtain a position fix on an airborne jamming aircraft, to direct an interceptor against it. The presence of an airborne jammer generates a line, called a "strobe," which initially shows only the relative bearing to the jammer.

The IBM computer, using software developed by Boeing, attempts to estimate the range to the jammer based on its signal strength as a first approximation. But this is not sufficient for the E–3A to direct defensive interceptors.

The E–3A then maneuvers into a flat turn which enables the Westinghouse radar, operating in a passive mode in the azimuth sector in which jamming is experienced, to obtain a series of bearing fixes on the jammer. After several minutes, when the computer has obtained a moderately good fix, it so indicates to the operator and computes the required intercept path for the aircraft designated to attack the jammer.

INTERESTING TARGET

WASHINGTON.—During the recent videotape replay of one of the USAF/Boeing Airborne Warning and Control System demonstration missions over central Germany, the display console showed a target in central Poland moving at a speed of 1,400 kt. at an altitude of 67,000 ft., according to an Air Force spokesman. He did not speculate as to the type of aircraft.

PRODUCTION AGREEMENT

WASHINGTON.—Boeing Aerospace Co. last week received a $247.6-million supplemental production agreement covering the first six production Airborne Warning and Control System E–3A aircraft. Delivery of the first aircraft is scheduled for November, 1976 (AW&ST Apr. 7, p. 14).

[From Aviation Week, Apr. 14, 1975]

AWACS TESTED IN NATO ROLE

(By Herbert J. Coleman)

RAF-MILDENHALL, ENGLAND.—Testbed Boeing E–3A airborne early warning and control system (AWACS) aircraft last week began an intensive program of demonstrations over North Atlantic Treaty Organization sea and land environments, using a McDonnell Douglas F–15 fighter in the attack mode, along with other NATO aircraft and warships.

The aircraft, based here at U.S. Third Air Force headquarters and military airlift command base for the first demonstration stage, also was tied into the United Kingdom ground environment linesman-mediator military and civil radar network, via a downlink radar and communications unit flown to Britain by a Lockheed C–130 cargo aircraft.

The downlink unit was taken to Royal Air Force's radar command center at West Drayton, near London Heathrow Airport, where it was demonstrated that AWACS radar contacts of small naval vessels in the North Sea could be linked adequately to West Drayton for inspection and evaluation by combat commanders.

The C–130 and other cargo aircraft were joined in the NATO demonstration by a Boeing 727 jet transport chartered from Lufthansa to carry relief crews and contractor personnel. About 80 tons of ground equipment, including spares, is involved in the demonstration, which will close at Brussels, Apr. 21–24.

At Brussels, the AWACS, Serial 11408, will be on static display for officials of NATO, and tape playbacks of various demonstration exercises over the North Sea, the European land mass and the Mediterranean will be shown.

In Germany, where the AWACS will operate from Ramstein AFB, headquarters of U.S. Air Forces-Europe (USAFE), the aircraft will again be tied to ground, sea and NATO air forces via time division multiple access (TDMA) data link. This also will speed communications with the U.S. Sixth Fleet and other NATO naval vessels during a series of sorties over the Mediterranean along NATO's southern flank.

AWACS also will be linked to the Hawk surface-to-air missile batteries at Wurzburg, Germany. It is the second deployment of an AWACS testbed to Europe since April, 1973, when long-range surveillance radars were demonstrated in an European environment. Since then, the testbed has been equipped with other major elements of the system, including advanced communications, data processing, navigation, display and identification friend or foe.

At Mildenhall, the aircraft made two 6 hr. flights daily, mainly to show the system to officials of the Ministry of Defense, its airborne early warning experts and rader experts from the Royal Radar Establishment at Malvern. In 30 hrs. of flying, there were no maintenance holdups, either in the aircraft or in avionics systems.

Britain is following the AWACS concept closely, in view of its present reliance on an aged fleet of Avro Shackleton and Fairey Gannet AEW aircraft. Proposals have been made to the Ministry of Defense operational requirements committee for a buy of at least six AWACS aircraft for operational use over the United Kingdom and also for integration with NATO under the new UK–NATO command structure.

No decision on AWACS procurement has been made, and none is foreseen in the near future, considering recent cutbacks in British defense spending and research and development activities. Britain also is interested in evaluation of the Grumman E–2C tracker for medium altitude AEW work, but again, no decision is imminent.

All demonstration flights here were accompanied by Maj. Gen. Jesse M. Allen deputy chief of staff for operations and intelligence (USAFE), and Brig. Gen. Lawrence Skantze, project director, airborne warning control systems, Electronic Systems Div. of Air Force Systems Command.

Allen insisted that the F–15 was not a planned part of the NATO demonstration, but since at least one aircraft was in England, and later would be in Germany, apparently for demonstrations to the Royal Air Force and the German air force, it was used to demonstrate its supersonic capabilities in look-down radar and down-shoot modes at both high and low altitudes.

The F–15 made a number of attacks on AWACS, probably simulating Soviet MiG–25 tactics, both singly and in cooperation with an airborne attacking force of RAF F–4M and USAF F–4D strike aircraft, General Dynamics F–111 fighters from Upper Heyford base in England as target aircraft.

Allen also said the F–15 provided valuable data to AWACS for passing inputs on the TDMA (downlink) net to West Drayton for combat evaluation by air, ground and sea commanders. The F–15 was used in both high and low modes, and other aircraft, including Hawker Siddeley Buccaneers, operated as low as 500 ft. and were clearly painted by AWACS controllers.

Considerable AWACS flight time was spent over the North Sea to demonstrate the TDMA link with Royal Navy and other NATO ships and to show contact capability in high clutter areas. At this time of the year, North Sea wave conditions are so bad that on one day, only destroyers could put to sea, and even then were shown clearly on AWACS multipurpose consoles.

Gen. Skantze pointed out the TDMA is a new development to NATO and this was the first time an accurate real time slot could be transmitted for ground commanders. AWACS also would use TDMA in work with the NATO air defense ground environment system (NADGE), the radar chain stretching from Norway to Turkey that has been criticized for its weakness in air defense surveillance of low-level attacks.

Skantze said AWACS could fill the NADGE low-level gap, and this would be a primary mission in the Mediterranean demonstrations.

Neither general confirmed this, but AWACS has taken on a new significance since NATO's southern flank fell into disarray with the dispute between Greece and Turkey, both of which maintain NADGE sites and currently are evaluating future relationships with the North Atlantic alliance.

Skantze told AVIATION WEEK & SPACE TECHNOLOGY that a NATO system of AWACS orbits in war and peace situations had been worked out, to provide 200 naut. mi. over-the-horizon coverage in the difficult European terrain.

Allen said that a NATO requirement for full coverage over the horizon could be fulfilled by 30 to 36 AWACS aircraft. Skantze said the price on a purchase based on a production run of at least 3C aircraft would be $60 million each.

He also said the price would be based on a complete production AWACS, with at least nine multi-purpose consoles to monitor the Westinghouse radar system, but that plans were still to be worked out for options on future AWACS models with higher degrees of automation and self defense systems.

Allen said jamming aircraft were used on the North Sea and land mass demonstrations missions and that AWACS had no systems. NATO officials have expressed some concern about survivability of AWACS in a combat situation, but Skantze said the demonstration is designed to show that it has a high degree of survivability against missiles and supersonic aircraft, partly because it will be as much as 200 naut. mi. behind the action.

Any high-speed platform, either missile or aircraft, Skantze said, would have to cross ground and air lines protected by ground missiles and interceptors before reaching AWACS.

Skantze also said the Westinghouse brassboard system on the AWACS tested now has data processing, a long-range identification friend or foe system, advanced communications links and onboard monitoring equipment.

In the NATO context, Allen said disposition of AWACS aircraft to meet the planned orbital coverage over alliance countries in Europe has not been worked out.

This aspect of airborne electronic warfare will be discussed May 29–30 when the NATO Conference of Armament Directors meets in Brussels at the same time as NATO foreign ministers. An airborne early warning committee from Supreme Headquarters Allied Powers Europe (SHAPE) also is closely involved in evaluation of the current demonstration tour, which ends Apr. 25 when the testbed AWACS returns to the U.S.

[From Aviation Week, Apr. 28, 1975]

NATO GROUP TO EXPLORE AWACS FEASIBILITY, COSTS

(By Herbert J. Coleman)

BRUSSELS.—International Project Office to explore feasibility and costs of the Boeing E–3A airborne warning and control system (AWACS) will be established shortly by the North Atlantic Treaty Organization, headquartered in Brussels.

Decision was made by NATO alliance armament directors here last week, after an extensive briefing by an AWACS team headed by Malcolm R. Currie, director of defense research and engineering for the U.S. Dept. of Defense.

The armament directors and other NATO officials also had a close look at the AWACS itself in Brussels, where it went on display after a European demonstration that took it over sea and land areas from Norway to the Mediterranean.

All missions included location and tracking of aircraft ranging from the McDonnell Douglas F–15 at very high altitudes to small army reconnaissance aircraft at low levels.

Currie said the NATO decision followed reports by a high-level alliance group established last fall to explore the airborne early warning requirement. It also considered inputs from a special NATO sub-group, which reported on what is considered one of NATO's more serious weaknesses, low-level aircraft detection. During the AWACS tour, low-level detection inputs were fed into the NATO air defense ground environment (NADGE) system, to show how the airborne system could fill that gap in NADGE capabilities.

Currie said the final result of the evaluation was to endorse the concept of the E–3A and its capabilities in a number of internal avionic configurations on the grounds of technical superiority. He also said that the NATO Conference of Armament Directors (CNAD) reaffirmed the sense of urgency in defining the warning and control requirement.

At the session at NATO headquarters, CNAD agreed to:

Establish the AWACS International Project Office as a provisional body that will report to NATO defense ministers by next December. Aim is to receive a firm NATO decision on AWACS operational and force requirements by June, 1976.

Endorse the project office proposal without making any commitment. Funding will be based on provision of $2.5 million for airborne equipment used in feasibility studies, and another $500,000 for ground equipment. Currie emphasized that the CNAD delegates agreed to "collectively support the funded studies to define a contract for possible acquisition of a force of AWACS aircraft."

Studies will be based on a NATO buy ranging from 12 to 36 aircraft. NATO military authorities are now working on operational requirements for use of such a system over land and sea.

Project office proposal will be presented to NATO defense ministers in Brussels on May 22; and no funds will be provided pending that session. Decision on appointment of a project director has not yet been made, but the director probably will be a British defense official. He will head a work force of about 17.

Currie also said that CNAD was told that unit price of the AWACS system would range from $45 million to $65 million, depending on parameters selected by users, eventual production rate and the total buy.

The feasibility study also will be concerned with European co-production of AWACS through industrial participation in avionics, airframe and engines, and ground equipment.

Currie said he was pleased by the strong support of France in supporting the AWACS proposal and said that country will contribute both financing and manpower to the International Project Office. He added that a number of CNAD delegates, supporting AWACS concepts, had questioned the wisdom of increasing NATO firepower without knowing where to direct it.

NATO also is looking at AWACS in the context of standardization and alliance interdependence on arms in jointly managed programs in which countries could build on and often improve developments of other nations.

Currie said the European tour had been highly successful from a technical standpoint of detection and evaluation in high clutter conditions over land and sea masses, adding: "We've been talking about AWACS as an abstraction to most people, and now they can actually see what we have been getting at in watching demonstration scenarios that included vectoring NATO fighters against simulated opposing aircraft."

All missions were taped and were being shown last week to NATO officials and officers of the major military commands. Currie also briefed CNAD on AWACS' ability to withstand enemy jamming, status of the test program and evaluated the progress made to date.

He said priority is now being given to defining the NATO requirement in the light of AWACS capabilities, in line with a variety of avionics parameters that will eventually be offered. The proposal aimed at June, 1976, then will be submitted for national decisions.

The major task will be to have enough refined cost data by the end of this year to be able to present alliance members with a firm fixed price at the June, 1976, meeting. Costs will be a function of any NATO and U. S. buys.

[From Defense Space Business Daily, Apr. 25, 1975]

SOVIET MILITARY EXPANSION CITED BY EUROPEANS

The chairman of the NATO Military Committee, Adm. Sir Peter Hill-Norton, has warned that the Soviets "are increasing their land, sea and air forces to an extent far exceeding anything that could remotely be justified simply for defense."

His assertion was supported by British Defense Secretary Roy Mason, who warned against ignoring the "existing threat . . . posed by the growing military strength of the Warsaw Pact."

He asserted that the Soviet Union "has achieved rough parity with the United States in strategic weapons," and is spending more on defense. At the same time, he said, the Warsaw Pact "has long had a numerical superiority over NATO in manpower and weapons, together with a high degree of standardization and inter-operatability. And increasing Soviet efforts to modernize and reequip the forces of the Warsaw Pact are steadily eroding the advantages of quality which NATO previously enjoyed."

Mr. GARY W. HART. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. GARY W. HART. At the outset of his remarks, the Senator from Arizona observed that the distinguished Senator from Missouri was the only Member who attended the hearings to vote against AWACS. I should like the RECORD to show that the Senator from Colorado attended those hearings and voted against AWACS in the subcommittee and the full committee.

Mr. GOLDWATER. The Senator from Colorado is in a little different fix. The Senator from Missouri is not on our committee. The Senator from Colorado is on our committee, and he did vote against it, as did others. I think there were two or three other votes. I would expect the Senator to be there. He had an excellent attendance record, and I am not surprised that he voted against it. We are fortunate that the Senator from Missouri does not have a vote on that committee, because that would have made two against it in the committee.

Mr. EAGLETON. Mr. President, I yield such time as he may desire to the Senator from Vermont (Mr. LEAHY).

Mr. LEAHY. I thank the Senator.

Mr. President, in the Committee on Armed Services, I voted against all funds for AWACS. I do not serve on the subcommittee which handled this matter, although I read the material they presented and spent a great deal of time going over the arguments on both sides of the question. Following that, I joined several other Senators on the committee in voting against the whole system.

The distinguished Senator from Missouri (Mr. EAGLETON) has submitted an amendment which would not go as far as my vote went in the full committee. However, it goes somewhat to the point raised by the distinguished Senator from Arizona. It would hold back and suspend all funding for production until an agreement is reached within NATO for the purchase of this system. I believe that makes a great deal of sense.

We are speaking about an airplane which, as the Senator from Missouri has indicated, is the most expensive airplane ever conceived in this or any other country. Speaking from a more parochial point of view, the price of three of these planes is equal to the total of all revenues collected by State and local governments combined in my State, the State of Vermont. Three of these planes would be equal to the amount of money paid by all Vermonters—all taxpayers, all Vermont business people, all property owners in the State—to the State and local governments in 1 year's time.

I must admit that while that might be a parochial view, it does put the matter into a context that we folks from the country can understand.

If we are going to develop this program for NATO, I would like to know how much the NATO countries are going to spend on it. As the Senate knows and as the Armed Services Committee knows, I am a strong supporter of our continuing commitment to NATO. I have taken the position that, this year especially, we should reaffirm that strong commitment to NATO. At the same time, however, maintaining the commitment does not mean that we should be picking up the whole tab ourselves, or even a disproportionally large share of it. In this case, we should have some indication that they are going to pick up some of the cost of this enormously expensive aircraft.

Before we start producing it ourselves, we should know whether NATO has considered the fact that it is a highly vulnerable system. If we are talking about a $118 million plane sitting out there, we have to take into consideration the possibility that it can be shot down by a $50,000 missile or jammed by inexpensive electronics equipment.

It also raises another point in my mind. I agree completely with the Senator from Arizona that this is an extremely so-

UMI

phisticated piece of equipment and that we have developed some things in radar that were not even conceived of before. But I am very concerned that we often find ourselves going into production on an item simply because the item is technologically possible. A great deal of money is spent on research and development, much of it very worthwhile; but just because we show that a particular weapons system is feasible does not mean that we must go ahead and produce it. Many things are technically feasible, but can be produced only at enormous cost.

The Senator from Missouri has not suggested that we cut out research and development money on this. He has suggested that we hold back production or preproduction until we know whether we are going to be able to sell this to NATO, or whether we are going to wind up with a lot of sophisticated, vulnerable, and expensive equipment on our hands at a time when this country has severe economic problems and has many other areas where it can better spend this money.

Mr. President, I think we should have some assurances that, if we are going to go ahead with a $4 billion-plus system intended primarily for NATO command and control, the NATO countries are going to contribute a healthy share of the tab.

As I have stated time and time again on the floor of the Senate and in committee hearings, we must maintain a strong commitment to NATO, but not to the extent of supplying and producing $118 million airplanes to defend countries which may not even be willing to share the cost.

The Senator from Missouri knows that I have great reservations about the system itself. Therefore, I support his amendment which does not cut out the system, but only makes our production decision contingent on a NATO decision to share the expense.

I yield back the remainder of my time to the Senator from Missouri.

Mr. EAGLETON. I thank my distinguished colleague from Vermont. I think he has made several excellent and cogent points. I especially enjoyed and appreciated his frame of reference that three AWACS at $118 million per copy would be the equivalent of all taxes collected and paid in the State of Vermont.

Mr. GARN. Mr. President, will the Senator from Missouri yield for a question?

Mr. EAGLETON. In 1 minute, and then I will be glad to.

We can go a step further. I point out to the distinguished Senator from Vermont that if he analyzes the full buy of AWACS, they want to buy 34, that is roughly $4 billion. The full buy would be enough money to make even New York City solvent. That is the incredibly large amount of money we are talking about here.

The National City Bank cannot make New York City solvent or will not; Secretary Simon cannot make New York City solvent or will not. The President will not make New York City solvent. But if we got rid of AWACS, we would have $4 billion we could give to the tormented mayor of New York. So maybe if we put these things in proper perspective we would do better for ourselves.

I am pleased to yield to the distinguished Senator from Utah for a question.

Mr. GARN. I wanted to ask a question of the Senator from Missouri. He has made constant reference to $118 million per airplane. Maybe my friend from Vermont was not here when I made my statement. Is it not a fact that the plane is a standard 707, which is not the most expensive plane?

Mr. EAGLETON. A 707 with $118 million worth of electronic junk on it.

Mr. GARN. That is the point I want to make. We are carrying very sophisticated computer equipment. If you took a standard airplane and carried a load of dirt, it is not worth very much. But if you are carrying a load of gold, it is very expensive. There should not be the impression left here that we are buying an $118 million airplane. We are carrying on the airplane some very expensive equipment.

Mr. EAGLETON. I am willing to amend my amendment, to modify it, to achieve a common ground. I will support the purchase of 35 707's, but without the equipment that the Senator from Utah wants to put on it. That will make a good compromise. I am willing to pay for 34 707's. They cannot do us much harm, and it would be no sillier than what the Pentagon does anyway. But let us do away with the equipment.

I think the Senator from Washington wants the floor.

Mr. CANNON. Mr. President, will the Senator yield for a question?

Mr. EAGLETON. Yes.

Mr. CANNON. The Senator pointed out that the 34 AWACS the Pentagon said they need would cost $4 billion, and he said this would make New York solvent.

I am wondering if he has figured out, if we were to use the $10 billion that is programed for the F–15 that is made in Missouri, that would make New York solvent, California solvent, and several other States. I wonder if he has considered that. The F–15 is about a $10 billion program, so that is 2½ times what the 34 AWACS aircraft would cost. I might say that the committee has turned down that 34 request and said that the maximum needed, including our share of a NATO program would be a figure of from 21 to 24.

Mr. EAGLETON. And I fully support the committee's judgment on that. I think the 34 was an extravagant figure, and I am very pleased that the distinguished chairman put the meat axe to it.

Mr. CANNON. The Senator would not suggest that we hold up the $10 billion for the F–15 in order to——

Mr. EAGLETON. No. As the chairman pointed out, he being the chairman of the subcommittee, the F–15 is one of the best fighter planes he has ever flown—and I emphasize the word fighter—I know he is an admirer of it.

What I had been trying to do with the distinguished chairman was to educate him on the F–14, which is another Air Force turkey.

Mr. CANNON. No; I am sorry, the Senator seems to be confused about a number of his facts, including the fact that the Air Force does not have the F–14.

Mr. EAGLETON. The Navy has the F–14. It is within the bosom of the Pentagon. Air Force or Navy, it is still there, and it is still a turkey.

I presume the Senator from Nevada will yield time—maybe the Senator from Washington is going to support my amendment.

Mr. CANNON. Yes; I yield 4 minutes to the Senator from Washington.

Mr. EAGLETON. I will give him 8 minutes if he will support my amendment. (Laughter)

Mr. JACKSON. Mr. President, first I want to commend the senior Senator from Nevada, the chairman of the Subcommittee on Tactical Airpower, for the extensive hearings that he has held in connection with AWACS, and on the other matters that came before the subcommittee as well. He has, as usual, gone about it in a highly professional way, and so I rise to support his recommendations.

I wish to discuss some facts and issues that pertain to the fiscal year 1976 request for funding for AWACS, the Airborne Warning and Control System, for the Air Force. At the present time, the Air Force has essentially no capability to aid their fighters and attack bombers in their support functions from an airborne platform. They must rely entirely on ground-based radars to detect aircraft over land areas.

When AWACS enters the active inventory, it will provide a significant breakthrough in radar capability. For the first time ever, a radar system will be airborne that can look down and pick out planes flying at low altitudes, all the way down to ground level. In the past, the older conventional radars would lose the low-flyers in "ground clutter"—the radar returns from hills, valleys, and natural terrain features. Due to an advance in the state of the art in radar technology, the AWACS will be able to look through this clutter that blinds ordinary radars and can spot any moving targets.

The potential of this new technology was recognized as long ago as 1963 when the Air Force issued a Specific Operational Requirement—SOR—for this type of plane, to be used by both the Tactical Air Command and the Air Defense Command. This was followed by a Required Operational Capability—ROC—the more precise definition of the capabilities to be included in the plane—in 1965. This ROC also specified a plane to be used by both TAC and ADC.

Mr. President, I have stated these historical aspects because there is some confusion over whether AWACS was intended for the tactical mission. As the documents indicate, it always has been intended for both uses, control of tactical fighters and bombers, and also warning against enemy strategic bomber raids. The reason is simple. The radar does not know whether it is looking at a bomber or a fighter. All it sees is an airplane flying. The electronics do not distinguish the mission of the plane it sees.

The great advantage that accrues from an airborne radar is that a much better overall effectiveness is gained from the combat units that are controlled effectively by the AWACS. The ability to locate the enemy precisely has many benefits. It allows for conservation of existing forces. The fighters that would engage these hostile aircraft can be launched only when needed rather than having to maintain airborne loiter orbits while trying to search out the enemy. Another advantage is that the AWACS can pass its information down to ground sites via data links. This permits the theater commander to obtain the same bird's eye view of a tactical war that AWACS provides within the airplane. It also allows surface to air defense missile sites to remain off-the-air—lying in wait for incoming enemy aircraft—using the AWACS radar as if it was their own to tract the hostile aircraft. The SAM site can then turn on only long enough to down the attacker and can then go back to a silent posture.

These are but three examples of how AWACS will increase the effectiveness of our combat forces. But I think they serve to show how this capability will provide a synergism that enhances our combat weapon's capability.

When the Armed Services Committee examined this program this year, we received the total procurement plan as well as the technical status of the research and development. We also considered the status of a possible NATO procurement.

The committee decided that the Air Force program objective should be reduced from 34 planes to a level of 21 to 24 planes. We believe that this force should be sufficient to provide the U.S. share of the NATO force and provide a minimum additional contingency pool of planes for other areas. The cost of this program would be on the order of $3 billion to $3.2 billion—down from the originally projected $4 billion.

The committee encourages the efforts being made by the Defense Department to persuade the NATO nations to buy their share of the AWACS fleet needed in that area.

Mr. President, the AWACS program is going well, despite the counterclaims by its critics. The production is underway on the first six, authorized last year. We are considering the request for the next six of what would be a 3-to-4-year procurement plan. The Armed Services Committee has arrived at what I believe to be a reasonable, rational, and affordable AWACS program, and I fully support this second increment of production in the fiscal year 1976 budget.

Mr. EAGLETON. Mr. President, does the Senator from South Carolina wish the floor? I presume the Senator from Nevada—I will yield to the distinguished Senator from South Carolina. How much time would he like to have?

Mr. THURMOND. I appreciate the Senator's kindness.

Mr. EAGLETON. How much time would the Senator like?

Mr. THURMOND. About 8 minutes.

Mr. EAGLETON. I yield 8 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to this amendment. I wish to commend the able Senator from Nevada and also the able Senator from Utah for their fine contribution in this matter.

Mr. President, the proposal to restrict use of AWACS fiscal year 1976 procurement funds until NATO agrees to procure at least 14 AWACS will lead to a costly break in AWACS production for our own forces. Before we take such a serious step, it is time to examine this program's record of accomplishment.

First, it is a classic example of "fly before buy." It was divided into phases, and the transition between phases has been authorized only after demonstration through very thorough testing against preestablished milestones. Over 1,500 flight test hours have been flown in the flight test program already. No other aircraft developed has flown so many test hours prior to a production decision.

The first phase of our development program, called Brassboard, was completed over 4 months ahead of schedule and under cost. Brassboard was capped by a highly successful European demonstration in April 1973.

During this demonstration, AWACS demonstrated for our NATO allies its unique capability to augment existing low level coverage and its ability to tie together, through data links, the fragmented command and control elements in Central Europe. In fact, following the demonstration, NATO got down to business and began to seriously consider this program. During a second European demonstration in April 1974, over 1,000 people either flew on or attended ground demonstration of the system. This interest was no doubt one of the key factors in the recommendation of the Council of Ministers by Conference of National Armaments Directors that a NATO AWACS project office be established and that a contract definition effort commence. This effort is well underway, but a NATO agreement to procure at least 14 AWACS cannot be expected by December 1975 when the Air Force needs to start long lead funding of the fiscal year 1976 AWACS aircraft.

Second, the program has clearly demonstrated that it has no equal in the ability to withstand the effects of jamming. A group of disinterested technical experts spent 4 months examining AWACS vulnerability to jamming. They concocted jamming threats which were quite severe and which were far beyond the capability of any potential aggressor nation. The group also required tests to be conducted against extremely high-powered ground jammers. Taking all of the information from studies and the actual test data the group concluded that AWACS is highly jam resistant.

Third, numerous tests have been conducted which clearly demonstrate the capability of this system to perform in the tactical role as well as many other roles. These tests should have put to rest the claims by some that AWACS is a system without a mission. AWACS has participated in a tac exercise in North Carolina where such diverse tactical missions as air-to-air combat, control of air-to-ground strikes, air drop in simulated battle zones, in flight refueling, search and rescue, and relay of tracks to command centers. It has participated in continental air defense exercises where it demonstrated the ability to intercept high-performance aircraft. It has demonstrated a capability to interface with both Army and Navy command and control systems. It has demonstrated an ability to survive direct threats from diverse simulated hostile aircraft. A test was designed by the radar and ECM panel of experts to measure antenna patterns. Incidentally, these tests showed that GAO calculations with regard to jamming effects were off by a factor of a thousand.

These are just a few tests which demonstrate the versatility of the system. Now by some twist of logic some say this is a system without a mission, when in fact the sytem has clearly demonstrated a capability to perform many missions. But remember, these same people cried last year that the system could be easily jammed. What will the argument be next year?

Mr. President, this program has been one of the most successful programs in the Department of Defense. Production of the first six has already commenced. Now is the time to procure enough of these systems to economically provide a viable force for the United States. This will not be possible if the proposed restriction is made part of our bill. This system has been tested enough and it is time for us to proceed.

Mr. President, in closing I want to say that I have had the opportunity of viewing an AWACS, of going inside it, inspecting it, examining it, and I had a briefing on it. I was very much impressed with everything I was told on that occasion and what I saw. From the research that has been done since then, from the tests that have been made since then, I am convinced that AWACS can do the job.

Mr. President, I hope this amendment will be defeated.

Mr. JACKSON. Mr. President, I ask unanimous consent that Mr. Charles Horner of my committee staff be granted privilege of the floor in connection with the pending procurement bill.

The PRESIDING OFFICER (Mr. LAXALT). Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. STENNIS. Mr. President, may I inquire how much time the opposition to the amendment has?

The PRESIDING OFFICER. The Senator has 22 minutes.

Mr. STENNIS. I thank the Chair.

Mr. EAGLETON. Mr. President, in conformity with the previous unanimous-consent request, I put forward a further unanimous-consent request that 5 minutes of my time be reserved immediately prior to the vote on AWACS, and 5 minutes of the time of the distinguished Senator from Nevada be reserved immediately prior to the vote on AWACS.

Mr. STENNIS. Make that 8 minutes.

Mr. EAGLETON. I will amend that,

UMI

make it 8 minutes of my time, 8 minutes of the time of the distinguished Senator from Nevada, immediately prior to the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, to wrap up, as it were, this section of debate on AWACS, I would like to respond to points raised by the opposition—the three main points mentioned by the distinguished Senator from Nevada, and the points raised by the Senator from Utah (Mr. GARN) and the Senator from Arizona (Mr. GOLDWATER).

First as to the question on the production line the Senator from Nevada discussed at some length.

With regard thereto, let me state that, according to an Air Force document labeled WA-75-2, dated March 31, 1975, the last of six planes authorized in fiscal 1975—the ones we have already authorized—will be rolled out of Boeing in April of 1977, which is almost 2 years from now, and will be delivered to the Air Force in October of 1977.

It should be noted that the last enhanced model of the 10 already authorized will not be ready for delivery to the Air Force until March 1980.

I would add, the dates used in the memorandum are really optimistic dates. As I stated earlier in the debate, some enhancement features have not yet been identified.

Finally, referring to the production line, Dr. Currie in his testimony before the Committee on Armed Services stated that NATO was expected to make a decision on AWACS "sometime after November of 1975"—this year.

Senator CANNON has indicated NATO is planning to make a decision in July 1976.

Well, even if they were to delay somewhat beyond this date, the AWACS production line would not be disrupted because, I repeat, the six planes authorized last year are not to be rolled out of the Boeing Co. until April 1977.

Mr. President, this amendment, as it is drafted, is a very strong, indeed a compelling, inducement for NATO to get off the dime. It is an inducement for NATO to make its decision earlier.

If NATO decides to buy AWACS, all well and good. They order it and then AWACS go forward, and we go forward with our AWACS. That is the way the amendment is phrased.

The distinguished Senator from Arizona (Mr. GOLDWATER) quoted the magazine Aviation Week, which said that NATO was about to buy AWACS. I say, in a somewhat sarcastic vein, hallelujah.

If they are confident that NATO is going to buy it, then this amendment of mine does not trouble them one bit. AWACS goes forward with NATO buying 14, or its fair share, and we buy our fair share.

A minor point now that was raised by the distinguished Senator from Nevada (Mr. CANNON). He said there are really only nine AWACS authorized, not 10. He refers to three of the four production models and the six we authorized last year. There is some dispute about that 10th one. It is a sister of AWACS. It is a kissing kin of AWACS, an air frame without the radar. It is part of the family. It has the same family problem.

Finally the Senator from Nevada mentioned the PBD process, and he thought that I had in some way distorted what Deputy Secretary Clements had to say on December 4, 1974.

I ask unanimous consent, Mr. President, that the full PBD memo of Deputy Secretary Clements, dated December 4, be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

PROGRAM BUDGET DECISION

Number 183.
Subject: E-3A (AWACS) Aircraft.
DOD component: Air Force.
Description: This PBD addresses the Air Force request for R.D.T. & E. and Procurement funds for the AWACS aircraft, including associated initial spares.

[Dollar amounts in millions]

	Total obligational authority							
	Fiscal year 1975		Fiscal year 1976		Transition		Fiscal year 1977	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Service estimate:								
R.D.T. & E.		$202.0		$185.1		$53.1		$111.6
APAF	6	407.5	12	606.7	3	158.3	10	451.7
Alternative No. 1:								
R.D.T. & E.		202.0		274.6		56.6		126.4
APAF		51.9					12	720.0
Alternative No. 2:								
R.D.T. & E.		202.0		274.6		56.6		126.4
APAF	6	365.5						
Alternative No. 3:								
R.D.T. & E.		202.0		274.6		56.6		126.4
APAF	4	407.5	6	305.0			12	540.0

Evaluation. The approved AWACS program anticipated incorporation of "enhancements" in FY 1976 and outyear aircraft to provide an effective weapon system in the more intense tactical warfare operations such as Central Europe. Review of the Air Force program plan indicates that (1) the cost of enhancements will be higher than previously estimated, and (2) production incorporation of enhancements cannot be accomplished until the 25th aircraft (out of 31) because of R&D initiatives were made in FY 1974/75. It is therefore necessary to examine alternatives to proceeding under the terms permitted by the existing contract.

Alternative No. 1 defers production until enhancements have completed R&D and can be incorporated into all aircraft (starting in FY 1977). R&D funds for FY 1976/77 are increased by $107.8M to adequately finance development of enhancements but $213.5 for retrofit is deleted. FY 1975 production funds already obligated are applied to the FY 1977 production order.

Alternative No. 2 procures 6 CORE-configured aircraft in FY 1975 and terminates production. The 4 R&D-procured aircraft would be modified to be operationally useful. These 10 aircraft would satisfy the non-NATO AWACS requirement. Resumption of AWACS production would be dependent on U.S./NATO agreements on requirements, configuration and cost sharing.

Alternative No. 3 provides a minimum FY 1975/76 quantity to preserve the industrial base for the program in anticipation of either using these aircraft in the non-NATO scenario or retrofitting them later with enhancements. FY 1977 and outyears would include only aircraft with enhancements.

Outyear Impact. Alternative No. 1 will increase FY 1978 by 12 aircraft and $605.0M and FY 1979 by 7 aircraft and $385.0M Alternative No. 3 will increase FY 1978 by 9 aircraft and $378.0M.

Alternative No. 1. Approve E-3A (AWACS) production, including enhancements, in FY 77 at $720.0M for 12 aircraft. Retain $51.9M in FY 1975 for long leadtime items. Approve RDT&E increases of $89.5M in FY 76; $3.5M in TRANSITION; $14.8M in FY 77.

Alternative No. 2. Approve 6 CORE-configured aircraft at $365.5M in FY 75. Defer further production until U.S./NATO agreements are reached. Approve RDT&E increases of $89.5 in FY 76; $3.5M in TRANSITION; $14.8M in FY 77.

Alternative No. 3. Approve $407.5M in FY 75 and $305.0M in FY 76 for 10 CORE-configuration aircraft. Approve $540.0M in FY 77 for 12 aircraft with enhancements. Approve RDT&E increases of $89.5M in FY 76; $3.5M in TRANSITION; and $14.8M in FY 77.

Decision: The Deputy Secretary approved alternative 2. December 4, 1974.

DETAIL OF EVALUATION

CURRENT AIR FORCE PLAN FOR THE AWACS PRODUCTION PROGRAM

	Fiscal year—							
	1974 and prior	1975	1976	197T	1977	1978	1979	Total
Quantity		6	12	3	10			31
Weapon system	7.6	370.7	536.8	125.5	417.0			1,457.6
Initial spares		36.8	69.9	32.8	34.7	10.3		184.5
Enhancement retrofit				3.0	39.1	121.8	49.6	213.5
Total	7.6	407.5	606.7	161.3	490.8	132.1	49.6	1,855.6
R. & D. (information only)	(668.2)	(202.0)	(185.1)	(56.6)	(126.4)	(49.7)	(10.6)	(1,298.6)

Despite two DepSecDef memorandums which directed that the Air Force actively pursue a more capable configuration than the CORE (or baseline aircraft) and plan production incorporation in FY 1976 and subsequent years of a specified group of "enhancements", the service has continued on a contractual and program path which will lead to production of 24 of the 31 aircraft with a CORE configuration. The service indicates that a significant increase (about $89 million) is required in the FY 1976 R&D funds if the enhancements are to be developed at all, and even then only the last 7 aircraft will be so equipped. Air Force estimates that retrofit costs for enhancement items in the first 24 aircraft will total over $200 million. Through November 1974, $7.6 million in FY 1974 funds and $44.3 million in FY 1975 funds have been obligated on the first group of production aircraft. These long lead funds were required in order to protect the current contract production schedule and are in advance of the production DSARC III scheduled for December 1974. The FY 1975 Senate Armed Services Committee's Report approved this funding approach while stating that "The Committee also insists on a certification from the Secretary of Defense that the AWACS will be cost-effective and will meet mission needs and requirements of the DOD particularly when operating in a NATO tactical environment. This certification is to be provided *before* the AWACS production contract is signed."

The study group which the SASC recommended to examine the AWACS issues is due to report in early December 1974 in time for the DSARC and SecDef certification. Therefore, this PBD does not have the benefit of their recommendations. While the USAF is requesting FY 1976 funding to initiate RDT&E on the "enhancements" that can be incorporated in aircraft deliveries made in FY 1976, it appears inconsistent to plan to proceed under the current contract schedule for production of 24 CORE aircraft in light of two specific requests by DepSecDef to incorporate enhancements, and in light of a Congressional insistence on an AWACS that will be effective in a NATO tactical environment. The entire discussion above is predicated upon a validated requirement for 34 aircraft in the U.S. force structure. If NATO decides to procure a dedicated force for European defense, the 34 aircraft U.S. force structure should be adjusted.

PROGRAM/BUDGET DECISION—RECLAMA

Number 183RC.
DOD component: Air Force.
Subject: E-3A (AWACS) Aircraft.
Description: This PBD addresses the service request for restoration of funds for the E-3A aircraft program.

[Dollar amounts in millions]

	Obligational authority							
	Fiscal year 1975		Fiscal year 1976		Transition		Fiscal year 1977	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Original service estimate	6	$407.5	12	$606.7	3	$158.3	10	$451.7
Tentative approval in PBD	6	365.5						
Service proposal in reclama	6	407.5	12	603.2	3	149.0	10	371.9
Reconsideration alternative	6	407.5	6	490.5		30.0	6	380.1
Change to tentative estimate approved		+42.0	+6	+490.5		+30.0	+6	+380.1

Evaluation: On the basis of the SecDef decision in the major issue review to reinstate an AWACS production program in FY 1976/TRANSITION/FY 1977, the reconsideration alternative makes the necessary adjustments in the APAF appropriation.

Outyear Impact: FY 1978: +6 aircraft at +$534.0 million; FY 1979: +7 aircraft at +$439.4 million.

Reconsideration Alternative: Approve an AWACS procurement program of $407.5 million in FY 1975, $490.5 million in FY 1976, $30.0 million in FY 197T and $380.1 million in FY 1977.

Mr. EAGLETON. I will quote one sentence of this rather long, single-spaced statement or memo. It says this in the middle of the first page:

Alternative 2 (the approved choice) . . . terminates production. Resumption of AWACS production would be dependent on U.S.-NATO agreements on requirements, configuration and cost sharing.

What that says in very direct and understandable English is that further production of AWACS by the United States, by the Boeing Co. out in Seattle, Wash., the home State of the distinguished junior Senator from Washington (Mr. JACKSON), will not go forward unless NATO agrees to buy AWACS. That is what Clements signed on December 4, 1974, not terribly long ago. All I am doing is taking what Clements signed on that date and making it my amendment. I do not think that is misrepresenting Mr. Clements at all. This is his language. I did not invent it; he did.

With respect to Senator GARN of Utah, who has flown on AWACS, Mr. President, many people have flown on AWACS. The Air Force will take the Boy Scout troop of "Pucky Huttle," Arkansas, on AWACS.

Mr. GARN. Has the Senator from Missouri flown on it?

Mr. EAGLETON. I will get to that point.

It has a slogan, "I am AWACS, Fly me." National Airlines may use it on the New York-Miami run. It is a lovely plane. I have seen pictures of it. They flew my staff man all over the Chesapeake Bay and they gave him a box lunch. He had a nice day.

They have a lot of radars and the radars look down. It is very sophisticated. I do not deny some of the statements of the Senator from Utah, but the only trouble with it, Mr. President, is that it does not work. When it does work, it is easily jammed. That is why it has had so many missions, as pointed out earlier in this debate.

The first mission was strategic defense against oncoming Russian bombers. They did not have any bombers so that one had to go by the board. Number 2 was to have a look-down capability over the Warsaw Pact countries. Unfortunately, $118 million worth of radar and sophisticated computers could be easily jammed by cheap and inexpensive ground-based Warsaw Pact radars. So that mission had to go out the window.

There is nothing to be gained by riding on AWACS and flying around in the clouds, if it can be easily defeated, as it can be. What you see in the radars and what you see the computers do is rather meaningless.

I think the AWACS in some respects, Mr. President, is similar to the ABM. You may remember that very volatile and troublesome debate a few years ago. The ABM was a very sophisticated thing. The mockups looked lovely. The only trouble is the radars on the ABM were extremely vulnerable. They were extremely capable of being knocked out. AWACS is in the same boat. Its radars can be so easily jammed as to make the system worthless. In due course we now are disabusing ourselves of the ABM at a horrendous cost—billions that we wasted in the Dakotas and Montana—and we are traveling down the same road now with respect to AWACS.

UMI

The Senator from Utah made a reference to the people who are antimilitary and who would like to sock it to the military.

I quoted at great length from the letter of the Air Force officer who was working on the AWACS program. I dare say he is not antimilitary. He is part of it. But his conscience was such that he had to write to say what a rather atrocious program this is.

Like that officer, I am not antimilitary. But I am very antiwaste.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EAGLETON. Will the Senator from Mississippi yield me 3 minutes on the bill?

Mr. STENNIS. Yes, under the circumstances. I yield the Senator 3 minutes on the bill.

Mr. EAGLETON. I thank the Senator.

The PRESIDING OFFICER. This is on the bill?

Mr. STENNIS. On the bill.

Mr. EAGLETON. Mr. President, it just so happens I have about reached the end of my string at this particular part of the debate. I will have further blasphemous and contentious things to say about AWACS in the time allotted immediately prior to the vote. I thank the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, I am glad to yield to the Senator from Florida. How much time have I left?

The PRESIDING OFFICER. The Senator has 22 minutes on the amendment including the 8 minutes in reserve.

Mr. STENNIS. I yield the Senator 9 minutes.

Mr. STONE. I thank the Senator.

Mr. President, the Senator from Missouri asserts that the AWACS look-down radar is subject to jamming. He says the only thing wrong with it is that it does not work. It looks down, but it does not work and it is subject to jamming.

Mr. EAGLETON. It works when it is not jammed, but when it is jammed it does not work.

Mr. STONE. The Senator from Missouri says it works when it is not jammed, but it is jammed a lot. When the Senator says that, he is paraphrasing the early report of the GAO. The General Accounting Office made that assertion. The only problem with echoing the GAO is that after the GAO raised the question, the question was answered, the question was resolved. The analysis was made by a board which was called the ECM Panel, made up of top civilian technical experts, none of whom was connected with the Air Force or the AWACS program. These experts found that the GAO had made errors by a factor of 100 to 1,000 in their calculations on the effects of jamming on the AWACS radar; that the radar was highly resistant to jamming; that it could counter the current jamming threat, and that future improvements in enemy jamming technology could be offset by relatively minor changes to the AWACS radar system. The Secretary issued his required certification in February of 1975.

The Tactical Air Power Subcommittee reviewed this certification in March with a hearing that included Dr. Malcolm Currie plus the chairman of the ECM panel, the Commander of the Tactical Air Command and GAO witnesses. At the hearing, the GAO agreed to accept the technical conclusions of the ECM panel, although major differences in opinion remained regarding the operational aspects of the AWACS flying in a high intensity NATO war environment.

May I say that the answer to technical objections is not to desist in research. The answer to technical objections is to continue technical research. The only alternative to a good look-down radar in a high-flying AWACS is a bad look-up radar in an ostrich. The only thing we need to worry about in the NATO situation and in many other situations is that we will be slipped up on from the blind side. The ability to learn early what movements, what maneuvers, what mobilizations are taking place is a critical bit of knowledge.

Mr. EAGLETON. Will the Senator yield for a brief question?

Mr. STONE. Yes.

Mr. EAGLETON. Is the Senator aware that my amendment does not cancel AWACS or does not stop the program? It merely says that since this is being justified for a NATO mission, if NATO wants to participate in buying the system, fine, let them buy them and we will buy them, too. But we are not going to buy the whole ball park.

Mr. STONE. NATO cannot buy the AWACS if the AWACS program is so cut down that production and, therefore, the savings of continued production are not made available.

Mr. EAGLETON. This amendment does not cut down production. It says production continues if NATO wants to buy some.

Mr. STONE. That is a big "if". But the fact is that the mission requirement is asked for at the 30-some odd units, and what the committee is recommending is the 20-some odd units over a period of time. That the program for AWACS, as it is recommended by the committee, is recommended for U.S. defense missions.

For example, living in a State 90 miles away from a previously aggressive, if not currently aggressive, Castro Communist regime, living and growing up in an area which has had not one but several landings on our airfields without ever being detected by radar—in fact, at one point the President's plane landed without being detected by radar—the Senator from Florida is of the opinion that it is better to know.

With this type of vigilance equipment, we would know. We have not only the problem of NATO, I say, but the problem of the Cuban situation, which at least once in the past has been a haven for offensive missiles, and which still houses capabilities of forward base operations. That is one situation.

Let me also point out that had the AWACS capability been available, assuming we wanted to make it available in the Middle East situation, or assuming we might want to make it available in the Middle East situation, the beginnings of mobilization could be detected, and that would stop the type of hair-trigger action that has taken place when mobilization creeps up on these border towns and has the opportunity to strike first.

In short, without using up the remainder of the time allotted, I think it is far better for the U.S. Defense Establishment to have the capability of fully monitoring what is going on than to be lulled into a false sense of security without that type of equipment.

I think it would be a disaster to cut down on the ability to find out what the other side might be doing, and I urge the Senate to defeat this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, the situation, as I understand it now, is that the opposition to the amendment has 13 minutes remaining. Taking 8 of that away leaves 5. Mr. President, I yield myself 2 minutes, and if there is no other request except for the 8 minutes, we can yield the remainder back.

For the information of the Senate, this will conclude the debate, for the time being, on AWACS, and we will have two rollcall votes on other amendments, one by the Senator from Ohio (Mr. Taft) on ship development, the other by the Senator from Kansas (Mr. Dole) on increasing the Naval Reserve. Then we will have 8 minutes on each side on AWACS by way of summary, and then we will vote on that.

After that vote, we will go into the Gravel site defense amendment, for which there has been allotted an hour and a half, to be equally divided.

Mr. President, the AWACS matter has been pending a long time. AWACS started out as a proposal in connection with bomber defense, as a bomber defense weapon.

The bomber defense matter did not develop. I have never urged it on that basis. So far as my support of it is concerned, it is based solely on the value about which we have already heard from these men who have had actual experience flying in the aircraft, not once but many times, and the men are highly qualified pilots in their own right. They claim it is a defensive weapon altogether, that it is an amazing development, that over 500 targets at one time can be carried on its radar, reaching over almost the entire area, as I understand it, of Western Europe, and maybe over the eastern part of Europe and beyond.

All these years we have maintained some very expensive systems. It cost a great deal to maintain them. By comparison this AWACS is certainly not high priced at all, considering the lines that we had in former years serving in part the same purpose.

The expensive part of this AWACS, each one costing around $118 million is not the plane. The cost of the plane is more or less incidental. The cost is in this expensive but highly valuable radar instrumentation.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Again, this is an instance where the money is run up because of this modern radar technology and all that goes with it. We are confident that we have the finest in the world. And there is no way to have that without it costing some money. I am glad that we can get along on the amount that these things do cost. Everyone wants to make a contribution to economy, all Senators do, but if we wait for that we may be too late. I do not favor waiting any longer.

I am glad to yield, except for the 8 minutes to each side, unless someone else wishes to speak.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield the Senator 1 minute.

AWACS AND THE NATO

Mr. MAGNUSON. Mr. President, I suppose the basic question is, "Does NATO really need the AWAC systems and how do we go about judging this need."

Well, first of all, we have to consider what NATO thinks about the system itself. By considering, and I mean actively considering the problems of NATO defense, NATO has been holding a continual series of meetings on the subject of defense improvements since early 1972.

When NATO built the NATO air defense ground environment known as NADGE, in the late 1960's, they were aware of some of the deficiencies of such a system, but at that time the technology was not there to make up for those deficiencies. It was not until the system known as AWACS became available that the NATO nations felt that maybe they had a solution to their dilemma. So in 1972, they began a series of meetings which concluded that their air defense system was deficient with respect to the detection and tracking of low level targets in the NATO environment.

Now, gentlemen, NATO is a very independent body. Yes, the United States does belong to NATO and our opinions are listened to. However, there are 14 other nations and they do not always react to our wishes. They have the same money, employment, and inflation problems as we have, and therefore they are not inclined to spend their time and substance needlessly. They have simultaneously considered other systems besides AWACS. Indeed, there were possibilities of another type of system made by the United States, an English system, and a French system, but for various reasons, either that the capabilities of these other systems did not match the NATO mission, or that the system existed only on paper, they finally decided to concentrate on our U.S. AWACS.

The selection of the U.S. AWACS, was followed closely by the opening of a NATO Systems Program Office in Belgium during May of this year. This office is to pursue the investigation of AWACS as a NATO system and will spend over $3 million of their own money to further determine what should be the characteristics of a NATO AWACS and a price that should be paid for such a system.

In the area of technical qualications of AWACS for NATO usage, many military people from most of the NATO nations have participated in and have used the technical facilities of the SHAPE Technical Centre in The Netherlands to thoroughly investigate the technical characteristics of the system as it applies to the European environment. The technical and military people of NATO have worried, like a dog worries a bone, the problems of AWACS susceptibility to jamming, AWACS vulnerablity, et cetera. But I think it is fair to conclude that they now are convinced of its ability in these fields and, so far, they have been more than satisfied. True, they have not ordered the AWACS as yet and will not until their studies are completed. These studies are concentrating on two of their biggest concerns: First, what exact configuration is best suited for their purpose; and second, what is going to be the price?

They can see the advantages of a highly mobile all-seeing system, such as AWACS, which is not bound to a permanent location and can react quickly to any threat and many forces within NATO still remember the fallacy of the "Maginot line" whose multibillion-dollar approach to ground defense was circumvented by highly mobile Panzer Divisions during the early days of World War II.

The advantages of the AWACS to NATO have, by NATO's own admission, been proven. The results of a NATO fleet of AWACS as they affect the defense of Europe I'm afraid will have to have to be left to the historians.

Discussions about the use of the AWACS in NATO usually concludes with "we know we need the AWACS in NATO but how many do we need?"

I am not really prepared to answer that question. NATO is continuing to study the size of the force required and there is in this system, as in many others, a "critical mass." That is to say, NATO will require so many systems for so many countries of the NATO Family. As you know, certain changes in thinking in Greece and Turkey can affect this "critical mass" or number of systems required. NATO does, however—all things being equal—need enough of these AWACS to cover the whole of Europe from the Turkish border to the north of Norway.

Their present ground environment now has some 17 high-powered ground based radars and many small radars doing this job. Although AWACS, because of its surveillance range and mobility, can watch over more territory than the conventional radar, more than just a few will be needed. Several areas of patrol are required. While there is one AWACS airborne others will be required on ground alert. Preliminary indications are that 20 to 36 AWACS will be required.

There is another point, gentlemen. We have an obligation to NATO. The stronger NATO is, the less we will have to draw upon ourselves to meet our own obligation. If NATO procures AWACS, that is literally almost as good as if somebody gave us the same amount of AWACS free.

Let me approach this business of NATO buying AWACS another way. Up to a certain size of the NATO AWACS fleet—which as I have stated before, has not been determined as yet—every AWACS procured by NATO means one less than we are required to buy to protect our European flank.

A substantial buy NATO then leaves us in the position of providing our own Air Force with only the number of AWACS required to perform other defensive or strategic missions.

I have looked at the problems faced by NATO and by ourselves in this business of warning and control and find that the problems faced by the NATO countries relative to the defensive posturing of their resources is far more complicated than our own.

My belief that NATO requires the AWACS has been more than justified by the recent actions of NATO relative to this system. Therefore, I urge the Senate to reject the pending agreement.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. STENNIS. How much time does the Senator require?

Mr. GOLDWATER. Three minutes.

Mr. STENNIS. I yield the Senator 3 minutes, if we have that much time.

The PRESIDING OFFICER. If the Senator is going to reserve the 8 minutes, it will have to come off the time on the bill.

Mr. STENNIS. Very well. I yield the Senator 3 minutes on the bill.

Mr. GOLDWATER. Mr. President, I am opposed to the pending amendment that would suspend production of AWACS until NATO agrees to buy the system. Personally, I hope we can work out some arrangement when NATO can buy AWACS but, I consider the Air Force requirement for AWACS completely independent of any NATO decision. For that reason, the procurement of AWACS should continue but, in any case, we must not create a situation that could cause an unnecessary break in production.

I point out again that there is no relevancy between the Air Force required operational capability for AWACS and any buy of AWACS by the NATO alliance. Our committee report points out that a total of 21 to 24 AWACS aircraft should provide the Air Force with an acceptable quantity of planes to operate with U.S. forces in their potential areas of direct conflict. Whereas the Air Force stated objective is 34, the committee feels a lesser number of aircraft can meet the requirement. The final procurement objective is still open to negotiation and, in any case, does not need to be decided for some time yet. However, we do need to get on with the procurement of the second block of six aircraft.

My distinguished colleague from Missouri has been opposed to AWACS for some time now. Because of his concern the Tactical Air Power Subcommittee held a special hearing this year to examine the charges against AWACS by GAO that it was easily jammed, was too vulnerable, and that its radar could be saturated. We had the Air Force, GAO, and Dr. Smith, who headed a special ECM panel, appointed to make an independent assessment of AWACS, testify. Senator Eagleton also attended this hearing.

The end result was the committee accepted the certification of the Secretary of Defense that AWACS could perform

its mission and released its hold on the fiscal year 1975 production funds.

Let me add here that no system in this technological age can be certified as 100-percent perfect. These are value judgments we received from a number of independent experts. To be very frank, they could be overstating their case but I do not think so. Nevertheless, I invite each Senator who may oppose AWACS for technical reasons to examine the hearing testimony and then make up his own mind. I would add one final point here and that is GAO agreed to accept the technical conclusions of the ECM panel which has to be a favorable recommendation for AWACS.

In spite of all the testing and evaluation that has been conducted, and in spite of the wide range of favorable recommendations for AWACS, there is still opposition. Since an objection on technical grounds can no longer be legitimately raised, some other reason must be found. That, to me, is the real essence of this amendment.

Of course, one might ask, in a related way, whether production of the F-16 should be delayed until NATO agrees to buy 300 of these aircraft. Here again, if NATO does buy the F-16 it will lower the program unit price for the Air Force, and I would applaud that. However, if NATO does not buy the F-16, that does not affect the requirement the Air Force has for that fighter. I contend the same logic applies to AWACS and NATO. The Air Force requirement is independent of a NATO buy.

Consequently, I urge that once again we defeat the pending amendment.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. GOLDWATER. I am happy to yield.

Mr. TOWER. Does it occur to the Senator from Arizona that if we adopt the amendment of the Senator from Missouri we might cause NATO to lose interest by virtue of our action in adopting the amendment of the Senator from Missouri?

In other words, we could act in a negative way on AWACS to the extent that our NATO allies would lose interest in it.

Mr. GOLDWATER. The Senator is absolutely correct.

NATO has now narrowed the field to two aircraft and, according to my information from my friends in NATO, AWACS is way out in front of any other aircraft. But as the Senator suggests——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. STENNIS. Mr. President, I yield an additional minute.

Mr. GOLDWATER. If we take the approach of the Senator from Missouri (Mr. EAGLETON), then every weapon that we make will be subjected to the approval of NATO. NATO, to me, is secondary. We need controlled ships. I do not care whether NATO wants it or not.

Mr. TOWER. I thank the Senator.

Mr. DOLE. Mr. President, there has been a great deal of controversy, largely borne of misinformation, concerning the AWACS, the program to provide an airborne warning and control system for the Air Force. I want to address myself to two major and significant inaccuracies about AWACS in these remarks.

First, is the so-called mission issue. The distinguished Senator from Missouri has stated that AWACS originally was "intended for continental U.S. air defense against a Russian bomber threat that never materialized, it then was shifted by the Air Force to an offensive tactical mission in Europe." This same charge has been made before. But the record of the hearings of the TAC Air Subcommittee last year—page 4236—shows that the original AWACS operational requirement, dating back to 1963, called for a plane for use by the Tactical Air Command for the mission of tactical aircraft control and also by the Air Defense Command for defense against enemy bombers. It should be obvious even to the layman that once you develop an airborne radar that can pick out a low-flying airplane, from the ground clutter that hides the plane from conventional radars, then it does not matter one bit to that radar whether the plane it is tracking is a tactical fighter or a strategic bomber. The Air Force recognized in 1963, and continues to do so today, that the AWACS is a flexible system, and it can perform in either role as national circumstances dictate at the moment.

In looking back over old files on the AWACS system, I came across an article from Missiles and Rockets magazine, written by Michael Getler, who now is with the Washington Post, and entitled "Air Force Optimistic About AWACS." This article is dated January 10, 1966.

Quoting from the article, in describing the AWACS system's concept, it said:

> Its primary mission will be to provide a rapid air battle management capability in support of both Tactical Air Command (TAC) and Air Defense Command (ADC) operations. The system in effect will provide early warning, command, and control functions for TAC and ADC.

So the dual mission was stated in 1963 in the Air Force operational requirement, it was publicized as such in January 1966, in that article, and it has not changed since, contrary to the impression held by the Senator from Missouri.

Mr. President, I ask unanimous consent that the full text of the article be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit I.)

Mr. DOLE. Mr. President, now a second major misconception about AWACS relates to the budget decision paper signed by Deputy Secretary Clements on December 4, 1974, which deleted AWACS production in fiscal year 1975—the budget which we are considering this week—and which contains funds to buy six AWACS airplanes. The misconception has nothing to do with the fact that Secretary Clements signed the document, because he did so, but with the context within which this action is placed.

Mr. President, the question of whether we should proceed with the production of AWACS should surely be decided on the merits of the case. We should not get too entrenched with the bureaucracy of the Pentagon when arriving at this decision. But inasmuch as the Senator from Missouri has raised some issues centered around the decisionmaking process in the Pentagon, I feel that some facts should be brought out for the sake of perspective.

It is true that on December 4, 1974, the Deputy Secretary of Defense approved "alternative 2"—an alternative that had been described in a program budget decision—PBD—on the AWACS program. Again, as has been stated, alternative 2 deleted the procurement of AWACS in fiscal year 1976. The program budget decision simply raised the issue; but raising the issue did not make it a "DOD decision." As a result of the issue being raised in the PBD, a directive was sent to the Secretary of the Air Force that said in part:

> The Secretary of Defense has approved an alternative in the program budget (PBD) which acknowledges a possible break in AWACS production.

Further, this directive to the Secretary of the Air Force said that the matter of AWACS production would be addressed and a decision made in the latter part of December.

While there may be some confusion about the decision process in the Pentagon, it is quite clear that the DSARC is the forum for making major decisions on such matters as productions of AWACS. The DSARC was held 2 weeks later in December after the report of the independent panel of ECM experts was received. Dr. Currie, the Director of Defense Research and Engineering, provided a statement to the Tactical Air Power Subcommittee of the Senate Armed Services Committee on AWACS in March of this year. He stated that the result of the DSARC was a decision that—

> The "CORE" AWACS was judged to be adequate for the present time-frame, but, as in any weapons system program, we deliberately examined possible changes in the configuration to stay ahead of the enemy.

He also stated that:

> After reviewing a recent study which analyzed the immediate benefits which could be derived in Europe when different configurations of the AWACS were introduced, we became equally convinced that the block I "CORE" AWACS would provide a significant improvement to the existing air defense net in NATO Europe. We also concluded that an investment in AWACS will provide a much greater impact on the outcome of a European conflict than an equal investment in other capabilities.

Further, Secretary Schlesinger certified in letter of February 14, 1975, that the "CORE" AWACS would meet the mission needs and requirements of the Department of Defense.

In summary, the program budget decision on AWACS raised the issue as to the production of AWACS in fiscal year 1976. This matter was addressed in the Defense Systems Acquistion Review Council on AWACS in the latter part of December. The decision was made to proceed with production. This was reflected in the statement by Dr. Currie and in the certification by Dr. Schlesinger. For my colleague to focus on the tentative program budget decision rather than the final recommendation greatly obscures what actually transpired.

Again, I feel that this matter should be decided on the merits of the case. Apparently, the NATO countries share this feeling as evidenced by their enthusiastic reception of the plane when it was over there this spring. We should not let this be obscured by a partial and misleading account of the inner workings of the Pentagon. There is no question but that AWACS production should continue on schedule this year. I fully support the committee position that the AWACS budget request be approved and the amendment should be defeated.

EXHIBIT I

AIR FORCE OPTIMISTIC ABOUT AWACS

(By Michael Getler)

Improvements in airborne radar technology, particularly the ability to detect and track airborne targets over land, have brought about new optimism within the Air Force for successful development and operation of the Airborne Warning and Control Systems (AWACS).

Air Force project officers told MISSILES AND ROCKETS that on the basis of continuing technology studies and surveys, "we now feel we have sufficient technology in hand to meet our needs." They expect to be able to write detailed specifications for the AWACS radar, which has been the pacing item, and move the entire system into the contract definition phase (CDP) in the "later part of FY 1967."

The project to develop an airborne platform from which high-performance targets could be detected at long ranges and in the presence of severe ground clutter got started in FY '65, but was reoriented in FY '66 by the Secretary of Defense. At that point, studies indicated "that the attainment of the hoped-for performance is very unlikely."

In FY '66 the AWACS project was reduced to a $3-million effort. However, because of the basic importance of the problems of overland radar detection, that portion of the project was given an additional $8 million to proceed separately as an advanced technology program.

Air Force spokesmen stress that the program still remains a two-pronged effort, one being development of AWACS as an operating system and the other a long-term radar technology project expected to continue for more than 10 years, independent of the future of AWACS.

System's concept—As presently conceived, the AWACS equipment will be carried aboard one of the three aircraft types now under study. Its primary mission will be to provide a rapid air-battle management capability in support of both Tactical Air Command (TAC) and Air Defense Command (ADC) operations. The system, in effect, will provide early warning, command, and control functions for TAC or ADC, primarily in remote areas where there are little or no existing ground environment facilities. The system would allow airborne control of both TAC and ADC aircraft and ADC missile defense forces.

AWACS is designed to function against "the primary threat" confronting both commands, but the Air Force will not comment upon AWACSs capability vis-a-vis missile detection.

The system is not now intended to operate in support of the Strategic Air Command nor to serve in any primary reconnaissance role.

Last June, three major airframe manufacturers—Boeing, Douglas, and Lockheed—each received Air Force contracts to make "non-competitive" surveys of the technology available for use in AWACS and the adaptation of that equipment into aircraft produced by each manufacturer. The three aircraft under study include the Boeing 707/320B, the Douglas DC-8F, and the Lockheed/Air Force C-141. Results of these surveys are scheduled to be presented to the Air Force Jan. 15.

From this exercise, the Air Force hopes to gather detailed data on equipment and configuration options available, cost estimates and reliability data.

Between this date and late in FY '67, the Air Force hopes to have resolved engineering and equipment integration problems posed by aircraft installation, and to be in a position to write specifications on the radar before commencement of CDP.

Existing equipment stressed—Design of AWACS is proceeding based on use of already available equipment and technology, even in the electronics area. There is no intent to go into further advanced or exploratory development. Air Force sources say radar technology now being considered represents an improvement over both the Air Force APS-95 and Navy APS-96 systems, which have been developed and operated in the past three years.

The aircraft motion-compensation techniques and the signal processing, which is the key to clutter rejection, are both said to be outgrowths of these two earlier radars combined with inputs from other agencies (M/R, May 10, p. 35). Officers say that both rotatable and fixed-array antenna systems will be considered.

AWACS will also carry a general-purpose digital computer, of which the Air Force says several are available to meet the requirements. Analog-to-digital conversion equipment will be used for sensor-derived data.

The AWACS development effort is proceeding under the designation "49AM" and will retain this throughout the development effort. Aeronautical Systems Div. will be the "lead" division in the effort, supported by Electronic Systems Div.

Navy support lacking—While the Air Force now feels it is "in a better position this year" to support development of AWACS, the Navy, which has been wrestling with the problems of high-clutter-environment detection for an even longer period, is still not sure that the technology has advanced far enough to commit to production new versions of early warning aircraft.

Navy suspicion of the radar state of the art has been the primary factor in the past in putting off a decision to build a so-called overland version of the E2A carrier-based warning and control aircraft (M/R, March 29, p. 111).

Navy sources told M/R that in their opinion there still had been "no solid demonstration of this capability."

However, Navy project officers also report that they are encouraged by progress made to date in the APS-111 program, a unilateral, Navy follow-on effort to the APS-96. This radar operates at the same frequencies as the earlier system and uses the same type of mechanically rotatable antenna array, but has improved signal processing capabilities.

The APS-111 project involves Grumman, as B2A prime, General Electric for the electronics, and Dalmo Victor Co. for the antenna. Navy officers say a major assessment of the APS-111 project will be made this May to determine its capabilities and its readiness for engineering development.

Although the APS-111 program reportedly looks encouraging thus far, Navy officers stress that while both the Air Force and Navy have an interest in clutter-rejection techniques, the Air Force problem is more closely identified with direct, overland observation. The APS-111 is said to encompass goals for "better overwater and near-land operation," with "some overland capability."

Mr. STENNIS. Mr. President, all time, except the 8 minutes that were reserved for each side, as I understand it, is now yielded back on the AWACS amendment.

Mr. President, I yield myself 1 minute, and I call to the attention of the leadership that we now have two amendments here that have been debated, one by the Senator from Ohio (Mr. TAFT), and the other by the Senator from Kansas (Mr. DOLE).

I will yield 1 minute to each side to make a little summary statement on each of those before we actually start voting. Then we will have also completed the debate on AWACS, except for 8 minutes on each side which was reserved for summary of the facts, arguments, and the points pro and con, as to AWACS.

I have tried to notify the Senator from Ohio (Mr. TAFT) to be here for 1 minute sum up if he wishes.

Mr. President, I suggest the absence of a quorum for the time being, with the hope it will not be expected to go all the way. We will get the Senator from Ohio here.

Mr. TOWER. Mr. President, I ask unanimous consent that the time consumed by the quorum call be charged equally to each side.

Mr. STENNIS. I thank the Senator.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the second amendment which will be a back-up vote there be a time limitation of 10 minutes on the rollcall.

The PRESIDING OFFICER. Without objection, it is so ordered.

(At this point, the Senate received a message from the House of Representatives on H.R. 6219, an act to amend the Voting Rights Act of 1965. The proceedings in connection therewith are printed earlier in today's RECORD under Messages From the House.)

Mr. STENNIS. Mr. President, as I understand, that brings us back now to amendment No. 503 by the Senator from Ohio (Mr. TAFT). Debate has been had on both sides, with 1 minute reserved by each side and waived, and the time yielded back. The yeas and nays have already been ordered.

I believe that a rollcall is in order as soon as the Chair obtains order in the Senate.

Mr. BUMPERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. How much time remains before the first vote is going to be taken? I understood a moment ago that it was a minute.

Mr. STENNIS. A point of order, Mr. President. The time has arrived for the vote on amendment No. 503, offered by the distinguished Senator from Ohio (Mr.

UMI

TAFT). The yeas and nays have been ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 503, offered by the distinguished Senator from Ohio. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. MCGEE), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. SPARKMAN), would vote "nay."

The result was announced—yeas 31, nays 64, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—31

Allen	Hruska	Stevenson
Bartlett	Humphrey	Stone
Beall	Javits	Taft
Brock	Magnuson	Thurmond
Buckley	Mathias	Tower
Curtis	McClure	Weicker
Dole	Pastore	Williams
Domenici	Pell	Young
Fannin	Scott, Hugh	
Fong	Scott, William L.	
Goldwater	Stevens	
Griffin		

NAYS—64

Abourezk	Glenn	Metcalf
Baker	Gravel	Mondale
Bayh	Hansen	Montoya
Bellmon	Hart, Gary W.	Morgan
Biden	Hart, Philip A.	Moss
Brooke	Hartke	Muskie
Bumpers	Haskell	Nelson
Burdick	Hatfield	Nunn
Byrd, Harry F., Jr.	Hathaway	Packwood
Byrd, Robert C.	Helms	Pearson
Cannon	Hollings	Percy
Case	Inouye	Proxmire
Chiles	Jackson	Randolph
Church	Johnston	Ribicoff
Clark	Kennedy	Roth
Cranston	Laxalt	Schweiker
Culver	Leahy	Stafford
Eagleton	Long	Stennis
Eastland	Mansfield	Symington
Ford	McClellan	Talmadge
Garn	McGovern	Tunney
	McIntyre	

NOT VOTING—4

Bentsen	McGee	Sparkman
Huddleston		

So Mr. TAFT'S amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote whereby the amendment was rejected.

Mr. MOSS. I move to lay it on the table.

The motion to table was agreed to.

AMENDMENT NO. 502

Mr. STENNIS. Mr. President, there is another amendment by the Senator from Ohio, No. 502. Debate has been concluded, unless each side wants to yield 1 minute to bring it to the attention of the body. As I understand, we can vote on it with a voice vote.

Mr. TAFT. That is my understanding unless somebody wishes a rollcall vote. I do not see any point in discussing it further. We thoroughly discussed it this morning, I felt.

Mr. STENNIS. It was passed on by the committee but not approved by a majority of the committee.

Does the Senator want a voice vote?

Mr. TAFT. Yes.

Mr. STENNIS. Mr. President, the measure is ready for a vote and there are no yeas and nays requested.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 502 of the Senator from Ohio. [Putting the question.]

Amendment No. 502 was rejected.

Mr. STENNIS. Mr. President, continuing with the bill, we have next for disposition amendment No. 507 by the Senator from Kansas (Mr. DOLE). The amendment calls for an increase in the Naval Reserve. That has been debated here by Mr. DOLE and those who support him, and it is opposed by the committee.

The Senator from Kansas may want recognition.

Mr. DOLE. Mr. President, the yeas and nays have been ordered, and I ask unanimous consent that the order for the yeas and nays be withdrawn, be vacated.

The PRESIDING OFFICER. Is there any objection to the vacating of the yeas and nays? The Chair hears none, and it is so ordered.

Mr. DOLE. Mr. President, all time has been yielded back, and I think if we could have 30 seconds apiece, all the Senator from Kansas seeks to do is to raise the Reserve figure to the House figure of 112,000 from 92,000. That is simply all it is. The committee is opposed to that, and they have made very lengthy but—I do not believe—convincing arguments about the 112,000. [Laughter.] All of you who have Naval Reserves in your State will be interested in this amendment.

Mr. STENNIS. All right. I yield to the Senator from Georgia.

Mr. NUNN. Very briefly, the committee accepted the recommendation of the Department of Defense to cut the Naval Reserve to 92,000.

The committee has held hearings. We had both proponents and opponents, and both of them, under cross examination, admit that there is no mission at this point in history for the people who have been cut out. So what the Senator from Kansas' proposal would do would be to add back 20,000 people that the Department of Defense testified they do not need and, at this point, do not want.

The Senator from Georgia believes we should strengthen the Naval Reserve in every possible way. But I do not think the way to do it is to put people in the military bill that the Department of Defense and the Navy say they do not have a mission for at this point.

SEVERAL SENATORS. Vote.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 507 of the Senator from Kansas. (Putting the question.)

Amendment No. 507 was rejected.

Mr. STENNIS. Mr. President, did the Chair rule which way the vote went?

The PRESIDING OFFICER. The Chair's ruling is that the noes have it and the amendment is rejected.

Mr. STENNIS. Mr. President, the next item now, and the debate has been completed on this item, except for 8 minutes for each side, is an amendment concerning AWACS offered by the Senator from Missouri who has 8 minutes, and the committee has 8 minutes.

Mr. EAGLETON. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. May we have order in the Chamber so the Senator from Missouri may be heard.

Mr. EAGLETON. Mr. President, this will conclude the debate on AWACS, the air warning and control system.

Mr. President, I have been following the evolution of AWACS for 3 years now dating back to 1972, and in each year AWACS has had a different mission. It has had as many as three missions, Mr. President, that it was designed to fulfill. No. 1, back a few years ago, in 1972.

Mr. NELSON. Mr. President, will the Senator use his microphone.

Mr. EAGLETON. My microphone is broken, I am sorry.

Mr. NELSON. Then use the next one.

Mr. METCALF. Use Senator MUSKIE's.

Mr. EAGLETON. No, I do not wish to disturb him. [Laughter.]

Back in 1972 or 1973 the mission of AWACS was a strategic one to guard against onrushing Russian bombers that were supposed to be a threat to attack the United States. The Secretary of Defense, Mr. Schlesinger, very commendably found this mission to be illusory at best, and it was canceled.

So they then had to find a new mission for AWACS. Bear in mind that with the military, you never cancel a program. The mission changes. You keep the program going, but you find a new mission for it.

So its second mission was a tactical mission to look down over Warsaw Pact terrain and to command and control an air battle with Warsaw Pact aircraft. They tried that one out for a while and, unfortunately, it did not work because ground-based jammers in the Warsaw Pact countries would very easily blind out the eyes of the radar.

So very recently they shifted to the third mission. Now the plane will fly over friendly NATO countries and provide air defense.

There are a whole series of recent tests, Mr. President, on AWACS. The question of testing has been alluded to, and I have some quotes from a recent series of tests that have been done by the Navy in "free-play exercises" against the Navy's EA–6B. These tests were made on May 22 of this year. We cannot have it more recently than that.

I ask unanimous consent that these quotes from the executive summary of these tests conducted by the Navy, using the Navy's EA–6B, be printed in the RECORD at this point.

There being no objection, the tests were ordered to be printed in the RECORD, as follows:

RECENT TESTS

In a limited free play environment each of the EA–6B aircraft were able to electronically identify the SID AWACS at ranges of 200 nautical miles or more and subsequently closed to within 3 to 8 miles of SID AWACS.

The EA–6B's were effective in screening the aggressor aircraft and denying the AWACS/F–15 radar information on the composition of the raids.

Observations. (This is from a briefing chart accompanying the Executive Summary):

The EA–6B's provided effective screening of aircraft flying in their close proximity.

The EA–6B's were able to detect AWACS at a range of at least 200 miles.

The EA–6B's using their direction-finding capabilities, were able to close to the AWACS location.

Mr. EAGLETON. What these quotes mean, Mr. President, is that the EA–6B detected AWACS 200 miles out, was never tracked by AWACS and got to within AWACS "dead range" while never being detected. The F–106's being escorted were completely screened and would have shot AWACS down even though AWACS had F–15 protection.

Mr. President, of very recent origin I find this item most intriguing: the Hughes Aircraft Co. of Arlington, Va., has sent a letter apparently to every Member of the Senate, dated June 5, 1975. Hughes Aircraft is a company owned by Howard Hughes, and it addresses each Senator and says how terrible it would be if AWACS were discontinued, that this modest program of $490.5 million, just this year's bill, ought to go forward; that it is a wonderful aircraft.

I can think of no corporation from whom I would rather have a ringing endorsement as to the quality of an aircraft than the Hughes Aircraft Corp., because these are the people who designed the "Spruce Goose." That was back in the 1940's, in 1947, at a cost of $24 million. That was a lot of money. Those were good dollars back then.

The Hughes Aircraft Co. created the "Spruce Goose." It was made out of balsa wood or something. They flew it once and then put it in a garage where it has remained for 27 or 28 years. I think it is now being dismembered, and a hunk of it is going to the Smithsonian, a part of it is going to the St. Louis Botanical Garden, and it is being dismembered and being sent out around the country. So the Hughes Corp. that gave mankind the "Spruce Goose" now wants to give mankind the AWACS, and I think their judgment is equally faulty.

I want to make this clear, Mr. President, and then I am going to wrap this up: The amendment we have offered does not cancel AWACS. We could have gone that route. We gave consideration to it, but we thought that there was a better way of determining the efficacy of AWACS; that is, we would say that since this plane is designed now for a NATO mission, if our NATO partners were willing to buy AWACS we would, too. This is the decision made by Secretary Clements and reversed.

Our amendment says if NATO decides that all systems are "go" with respect to AWACS, we will go along with it and we will buy some also.

The Senator from Arizona (Mr. GOLDWATER) in an earlier debate says it is his information that NATO is going to buy AWACS. All well and good. If they want to buy it, we will suffer along with it. But I will make a little wager with my good friend from Arizona: that they will never buy AWACS. And why won't they, Mr. President? It costs $118 million per plane; $118 million today, I guess, is about the equivalent of $24 million for the "Spruce Goose" back in 1947. A buy of 34 planes is the total buy that is anticipated, and that is close to $4 billion for 34 aircraft.

It is incredible, Mr. President. This plane serves no useful military purpose. Its two previous missions have been canceled. It now is on its last legs trying to adapt to its final mission, and I think the best that can be said about it is that we give this a decent burial, and that we have our NATO partners as honorary pallbearers when we carry AWACS off to the grave. I hope my colleagues will support this amendment and save the taxpayers $4 billion.

Mr. STENNIS. Mr. President, I yield 3 minutes to the Senator from Utah (Mr. GARN).

Mr. GARN. Mr. President, I rise in opposition to this amendment. I took the opportunity because of the debate on AWACS, hearing both sides of the argument, and wanting to find out for myself, therefore, I went on an AWACS ride.

Mr. STENNIS. May we have quiet, Mr. President, this is a highly important matter.

The PRESIDING OFFICER. The Senator may proceed.

Mr. GARN. I have seen an actual mission take place.

For those Senators who do not know, I have been a military pilot for 18 years and that has given me the opportunity to work with a great deal of radar for a long, long time and I have never seen radar with this kind of capability.

I was absolutely amazed and staggered by what they were able to do with this radar system and the computer system that goes with it in the identification of aircraft.

I watched an actual mission of an attack on the east coast of the United States. I saw the clutter put into it, I saw how it was removed, how they were able to identify the speed, the course, and the altitude of these aircraft, particularly in low-level aircraft where they do not have the line-of-sight distance with conventional ground based radar as well as picking up surface ships.

It will also have application in the future. A great deal has been said about our lack of proper radar as far as the FAA and control of the conventional civilian aircraft in our system. This is far more sophisticated and accurate than anything now in our civilian aviation. So there will be a spinoff in these costs and this technology into the private sector.

I suggest the Senate keep this in the program. It is a vital necessity, in my opinion, to the defense of our country. It is a defensive system. It cannot fire a missile, it is simply a very sophisticated detailed radar system, and in my 18 years of working with radar I have seen nothing to compare it with.

I urge the Senate to defeat this amendment.

Mr. STENNIS. Mr. President, I yield 1 minute to the Senator from Florida (Mr. STONE).

Mr. STONE. Mr. President, the argument supporting this amendment, that this radar system is mostly jammable, is not correct, and an impartial study held it was not correct.

The radar is mobile and to call in an airplane rather than a vigilant system is to try to cloud the issue.

It seems to me, to the Senator from Florida, that if we blind ourselves, we have to take the consequences. The more eyes we have to spot what is happening in an early situation, the safer we, our allies, and the whole world will be.

There is no question but there will be a spinoff; not only will this radar operate from airplanes the day will come when it will operate from satellites, and it will have a civilian spinoff as well as military.

The Senator from Florida urges defeat of this amendment.

Mr. STENNIS. Mr. President, I yield 4 minutes to the Senator from Nevada.

Mr. CANNON. Mr. President, I thank the Senator for yielding to me.

EFFECTS OF THE AMENDMENT

Mr. President, first let me say that the Eagleton amendment on AWACS would withhold production funds for six planes in fiscal year 1976 on the basis that no more planes should be built until NATO decides to buy AWACS.

Now, the earliest schedule for the NATO decision is July 1976. That means we would have at least a year's break in the production line if we waited until that time. If longer, it would be a year, plus whatever longer amount of time, because the authorization is only 4 weeks away now. The money we have already approved as long-lead in fiscal year 1975 is only 4 weeks away from expiration at the present time.

The production of the first 6 planes for the United States was authorized in fiscal year 1975 and we need, the committee said, from 21 to 24 planes. This is irrespective of what NATO does, these are needed for the United States.

The Senator from Missouri has used the figure of 34. That was an early figure that the Air Force requested, but the committee has acted against that. We have no intention of approving that figure, but we have made the determination that the need is somewhere between 21 and 24, which includes the planes we need for our own purposes in NATO, not for supplying our NATO allies, and that is the issue of this so-called NATO buy.

We need these 21 to 24 aircraft, whether NATO does or does not buy them.

MOCK-COMBAT EXERCISE

The Senator from Missouri made reference to a mock-combat attack on AWACS. He is dead wrong on the facts that he presented here. There were three EA–6B's and six F–106's and they made three separate raids on the AWACS. The AWACS detected each raid, and used only two F–15's—from the Senator's own State of Missouri two F–15's—to intercept the three raids.

A radar lock-on was obtained each time. Each raid could have been shot down by the very capable F–15's from the

UMI

Senator's home State which were used as the attacking—or the defending aircraft in that instance.

STATUS OF AWACS

Now, where are we cost-wise?

At the present time, if we are to complete the R. & D. and buy six planes, which is according to Senator EAGLETON's proposal, we would have in this program $1.9 billion.

Now, it costs, to buy additional planes beyond that, $72 million apiece.

So, if we go to a 21-plane program, the lower of what the committee says could be needed, the total cost for a 21-plane program, if we do not have any break in the production time, would be $3.1 billion.

So, for $1.2 billion additional, over and above what we will have in this program, if we stop now, we would be able to get this 21-plane program.

On the other hand, the added cost, if we break the production line, would be from a half billion dollars to three-quarters of a billion dollars.

That is where we stand moneywise, and I say the Senator's proposal is pennywise and pound foolish.

The NATO decision does not impact on our requirements. We have that requirement irrespective of what NATO does.

I urge my colleagues to approve the production go-ahead and defeat the Eagleton amendment at this time.

PRODUCTION LEADTIME

As I explained earlier, there is a 40-month leadtime on this aircraft and the break in the production line is right now. If we approve this Eagleton amendment now, we would have a break starting 40 months from next month.

I thank the Senator for yielding.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, if we have more time, we yield it back.

Mr. EAGLETON. I yield back my time.

Mr. STENNIS. The yeas and nays have been ordered, Mr. President.

The PRESIDING OFFICER. All time has been yielded back. The question is on the Eagleton amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. MCGEE), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. SPARKMAN) would vote "no."

The result was announced—yeas 38, nays 58, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—38

Abourezk	Hart, Philip A.	Muskie
Bayh	Hartke	Nelson
Biden	Haskell	Packwood
Brooke	Hatfield	Pell
Bumpers	Hathaway	Percy
Burdick	Humphrey	Proxmire
Case	Javits	Roth
Clark	Kennedy	Schweiker
Cranston	Leahy	Stevenson
Culver	Mansfield	Symington
Eagleton	McGovern	Tunney
Gravel	Mondale	Williams
Hart, Gary W.	Moss	

NAYS—58

Allen	Ford	Montoya
Baker	Garn	Morgan
Bartlett	Glenn	Nunn
Beall	Goldwater	Pastore
Bellmon	Griffin	Pearson
Bentsen	Hansen	Randolph
Brock	Helms	Ribicoff
Buckley	Hollings	Scott, Hugh
Byrd, Harry F., Jr.	Hruska	Scott, William L.
Byrd, Robert C.	Inouye	Stafford
Cannon	Jackson	Stennis
Chiles	Johnston	Stevens
Church	Laxalt	Stone
Curtis	Long	Taft
Dole	Magnuson	Talmadge
Domenici	Mathias	Thurmond
Eastland	McClellan	Tower
Fannin	McClure	Weicker
Fong	McIntyre	Young
	Metcalf	

NOT VOTING—3

Huddleston	McGee	Sparkman

So Mr. EAGLETON's amendment (No. 527) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

LEGISLATIVE PROGRAM

Mr. HUGH SCOTT. Mr. President, I ask the distinguished majority leader to yield so that I may inquire what the schedule is for the rest of the day, for tomorrow, and for Saturday, and if he has any plans for violating the Sabbath.

Mr. MANSFIELD. Mr. President, I am delighted that the distinguished Republican leader mentioned the word Saturday, because there is a possibility that we will be in Saturday, if we are not able to finish with the bill before us by to-around 9 o'clock tonight, or later. We have, if my addition is correct, 31 amendments still to consider, some of them with rather long time limitations. It is anticipated that we will be in until around 9 o'clock tonight, or later. We will come in at 9 tomorrow, and I would hope in the meantime that it would be possible for those Senators who have amendments—31 of them—to consider a reduction in the time allocation, so that we could speed up the proceedings and in that way make it more possible to complete consideration of the pending business tomorrow night.

If, however, we do not finish the bill tomorrow night, we will be in Saturday, because we have some important legislation, which will likely take a good deal of time. So I hope the Senate will bear with the joint leadership in what we have just said. As far as Sunday is concerned, I plan to go to church on Sunday.

Mr. HUGH SCOTT. I thank the distinguished majority leader. If I may just finish my observation, we used to be served by the B. & O. Railroad, which is notable for its lack of terminal facilities. I hope that will not be said about ourselves or our policies.

Mr. MANSFIELD. I am sure it will not be. I would like to plead with all Senators who have amendments, where at all possible, that they make their choice for a voice vote rather than a rollcall vote, because if you multiply 31 by 15 minutes, it will take the larger part of a day.

I think up to this time we have had too many rollcall votes altogether—they number about 207 or 208 this year—and it appears to me that the Senate may be getting rollcall happy.

Mr. HUGH SCOTT. We had too many rollcall votes last year, the year before, and so on. If Senators will restrain themselves, we will record them in the CONGRESSIONAL RECORD as having a desire for a rollcall vote and having deferred; and then they will get the same publicity as before.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF S. 920

Mr. ROBERT C. BYRD. Mr. President I ask unanimous consent that immediately after the two leaders are recognized tomorrow, the Senate resume consideration of the military authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

The Senate continued with the consideration of the bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes and other weapons and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

The PRESIDING OFFICER (Mr. HATFIELD). Under the previous order, the Senator from Alaska (Mr. GRAVEL) is recognized to offer an amendment.

Mr. STENNIS. Mr. President, will the Senator from Alaska yield to me for 1 minute on my time?

Mr. GRAVEL. I yield.

Mr. STENNIS. Mr. President, just an announcement.

The next amendment that we have is the site defense amendment, by the Senator from Alaska, to take that item out of the bill.

The next amendment would be by the Senator from South Dakota (Mr. MCGOVERN), to take everything for the B-1 out of the bill. There is another amendment on the same subject to restore all the funds, by the Senator from Oklahoma, the committee having taken out some of the funds.

The next amendment would be the Minuteman. The Senator from Massachusetts (Mr. KENNEDY) has submitted that amendment.

Scheduled debate on those is what you might call a little long, but I do not believe additional amendments will take so long, unless they develop to be sticky because they are new matter, involving new material. The first amendment I mentioned, I recall, has a time limitation of an hour and a half, to be equally divided.

The McGovern amendment on the B-1, has a 2-hour limit, equally divided. The Bellmon amendment, the other one on the B-1, 1-hour equally divided.

The Minuteman, an hour and a half, to be equally divided.

I yield, if I may, for the Senator from Washington (Mr. JACKSON) for a unanimous-consent request.

Mr. JACKSON. Mr. President, I ask unanimous consent that the name of the Senator from California (Mr. TUNNEY) be added as a cosponsor of amendments 491 and 492 to the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I thank the Senator from Alaska for yielding to me. The time I used is chargeable to me.

Mr. BARTLETT. Mr. President, will the Senator from Alaska yield for a unanimous-consent request?

Mr. GRAVEL. I yield to the Senator from Oklahoma.

Mr. BARTLETT. I ask unanimous consent that Fred Lewis and David Russell of my staff be accorded the privilege of the floor during the further consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a member of the committee staff, Mr. Peoples, be accorded the privilege of the floor during the remainder of the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 540

Mr. GRAVEL. Mr. President, I call up my amendment No. 540, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) offers an amendment numbered 540.

Mr. GRAVEL's amendment (No. 540) is as follows:

On page 17, line 22, strike out "$2,016,593,000" and insert in lieu thereof "$1,946,593,000".

On page 24, line 6, strike out "$491,214,000" and insert in lieu there "$472,214,000".

At the appropriate place in the bill insert a new section as follows:

"SEC. . None of the funds authorized to be appropriated by this Act may be used for the purpose of carrying out any part of the Site Defense program for which funds were requested in the budget for the Department of Defense for fiscal year 1976 and the three-month period ending September 30, 1976.".

Mr. GRAVEL. Mr. President, I will take just a moment to explain the amendment. It is not a very complicated amendment; I think it is one that might enjoy some degree of support in this body.

Mr. President, the reason I am optimistic this might receive a favorable disposition is because a lot of military people themselves recognize this is a real turkey, and it should not be funded.

What it is, essentially, is a system designed to protect the Minuteman force, consisting of a state of the art, phased array radar, a third generation commercial data processor, related software, and a modified Safeguard interceptor missile called Sprint II.

The amount of money involved would be $70 million. We do not touch the moneys going for advanced R. & D., not at all. We do not touch any missile site moneys at Kwajalein. We just go right to the radar and computer systems.

Then, in addition to the $70 million for fiscal year 1976, we cut out the $19 million for the transition between fiscal years 1976 and 1977.

Mr. President, the ABM site that we have negotiated as part of SALT I. SALT I allowed two ABM sites; we then realized that we could gain a little bit more, and it was agreed between the Soviets and ourselves that we would only implement one ABM site.

If you recall, back in 1971 and 1972, and even in 1969, in discussions with respect to ABM, the argument was made that we needed it as a bargaining chit. That is really what we did use it for. We did not go on with its full development. We finally reduced it down to one site.

Next year the Safeguard ABM site is essentially going to be put on the shelf in order to save money, as it has accomplished all the purposes it was designed to, as a psychological bargaining chit. Even the military recognized they did not want to go on and spend any more money other than to keep it in an inactive status.

Ironically enough, site defense is really the son of ABM. The original ABM, which is obsolete a year from now, is going to be put on the shelf. We are going to spend another $89 million to add a greater sophistication for something that is going to be placed on the shelf.

The only rationale that people have for spending this kind of money is as a hedge against the abrogation of the ABM treaty.

I do not understand why anybody could think the Soviets would want to abrogate the ABM treaty, when they know they have given up something obsolete, and we know they have given up something obsolete. Yet we race ahead with the arms race feeling we placated both our populations.

Were we really sincere in abating the arms race? Of course not. Because we move forward in the arms race. But psychologically we placated the people of our country, saying, "Well, we have done something significant in putting aside the ABM's" So, now we are going to spend $89 million, because we might have the additional stupidity to resuscitate the ABM and again make it viable.

Of course, what would happen if there were an abrogation of the treaty? We would not go to this device, which would cost about $15 billion; we would go to new and more sophisticated systems of offense rather than defense.

So, I ask my colleagues to not vote for this obvious boondoggle. It is only going to be waste on top of waste.

Mr. MCINTYRE. Mr. President, will the Senator yield?

Mr. GRAVEL. I am happy to yield to my colleague.

Mr. MCINTYRE. Mr. President, I am happy to join the distinguished Senator from Alaska. He is absolutely correct.

As chairman of the Subcommittee on Research and Development, I have been watching this program for quite a number of years. Last year it took everything we could do to prevent the military from going to what we would call a demonstration project. Their plan was to call it site defense, but it was really Safeguard No. 2, and they went down to Kwajalein and put it all together down there to see how it worked out.

A majority of the R. & D. Subcommittee recommended to the full committee that the program be terminated, that it was an extravagance that we no longer needed.

But in executive session $70 million was put back in, and that is where it stands. It is this $70 million that I understand the Senator from Alaska would like to delete.

Mr. President, the Senators should realize that we do have an ongoing program called advanced ballistic missile technology. We are funding this with $105 million this year.

This program is one that will tell us what the Russians are up to. We can tell from our technology here.

This is looking to the Safeguard, if we have to go to it, of the 1980's. As the Senator from Alaska has said, the site defense program is basically a Safeguard II and if we ever put it together there would be nothing we could do with it because of the ABM Treaty.

Thus, we have the $105 million in advance work on ballistic missiles and $76 million being spent down at Kwajalein Island to make sure we get a test bed there. There is other work, too—my colleagues should know that we have here a program that is looking at Sprint II, that is looking at new computer works, new software, and new phased array radar.

I believe the Senator from Alaska referred to the fact that at Grand Forks is a Safeguard I that we are studying to see if we can learn something more about these things. But it is absolutely useless, and it cost the taxpayers of America $6 billion.

We gained the ABM Treaty from that, but it was at a pretty big price.

Mr. GRAVEL. Is it not a fact that next year that Safeguard system is going to be put on the shelf?

Mr. MCINTYRE. Put in mothballs.

Mr. GRAVEL. Put in mothballs.

UMI

Mr. McINTYRE. Absolutely. It will be put in mothballs and be no part of our defensive setup.

If they go on with the site defense, this is the best our R. & D. Subcommittee can do. We still detect the determination on the part of the Army, because there is an Army program to go to a demonstration program on it. If we go that far, that is $600 million. I ask my colleagues, for what? What are we going to do with it?

As the Senator from Alaska said, the argument of the Army is it is a hedge in case the ABM Treaty is abrogated.

This is a pure, unadulterated extravagance. It was the considered judgment of the majority of the R. & D. Subcommittee who looked at this and watched it, that this is a program to terminate.

I thank the Senator very much.

Mr. GRAVEL. I thank the Senator.

Mr. President, I reserve the remainder of my time.

Mr. PASTORE. Mr. President, will the Senator yield to me.

Mr. GRAVEL. I am happy to yield.

Mr. PASTORE. Mr. President, in the beginning I was a very strong advocate of the ABM. As a matter of fact, I engaged myself in the debate at the time. I remember only too vividly that I was invited down to the Cabinet room, and we were talked to by Mr. Packard, who at the time was an assistant to the Secretary of Defense.

The plan at that time was for 12 installations in order to give us an umbrella of protection against a surprise attack.

Everybody knows that one ABM is not going to solve any problems. As a matter of fact, when we sat down and talked with the Russians, the Senators will remember the agreement was that because they had one around Moscow—I think they had 62 missiles around Moscow—and then, of course, the serious question came up: "All right. We will need one at Moscow and you keep your one down there in the Dakotas."

So that would give us another one. "You can build one around Washington."

We never got around to that. Everybody know that we were never going to build one around Washington.

So, the result was they met only recently in Vladivostok, and agreed that they would abandon this second one. So, we just need one.

I tell the Senators very frankly, it is just there as a symbol. It is a symbol. It is really no protection at all.

If we had a surprise attack, what is that going to do for us, just that one? It is going to do nothing. It is just a practice site.

Unless we are going to carry the whole program through by having 12, I say we might as well forget it.

I say, frankly, I am the one who stood up here and said that I will not sustain or support a meat axe cut, but when it comes to a specific program that I feel that we can save the taxpayer's money, I am going to vote to eliminate that program or cut it down.

I am telling the Senators very frankly this is a beautiful place to start.

Mr. GRAVEL. I thank our colleague.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 36 minutes remaining.

Mr. STENNIS. Mr. President, I yield to the Senator from Washington such time as he may wish to use.

Mr. JACKSON. Mr. President, I shall be very brief. I hope we can arrange not to use all the time.

Mr. STENNIS. Mr. President, may we give the Senator attention?

The PRESIDING OFFICER. The Senate will be in order.

Mr. JACKSON. Mr. President, once again, we are talking about technology and whether or not we are going to maintain technological competence in an area in which the Soviets have been extremely active—the details of which we could discuss properly only in a closed session.

I would point out that the committee has cut in half the funds requested for the site defense program, reflecting a clear desire to keep the program going while economizing to the maximum extent.

Some of us feel very strongly that there is a need to do only such research and development and—I emphasize this—some engineering development as is necessary to maintain the expertise essential to a realistic ballistic missile defense program.

Again, Mr. President, I emphasize that the important element in any defense or national security undertaking is maintaining an ongoing technological scientific and engineering base.

The danger of a pure R. & D. only program is that we end up with a lot of scientific knowledge and very little expertise on the development side. Personnel and skills are quite different, obviously.

In a sense, we support the current site defense program in order to retain the pool of human talent necessary, now and in the future, to be in a position to move from R. & D. into deployment in a timely fashion.

We all know that our lead in ABM's was crucial to the conclusion of the ABM treaty, and probably to getting an agreement on offensive weapons as well, in 1972.

The point I want to make now, as directly as I can, is that the breadth of the Soviet research and development program in the ABM area suggests that they are determined to match us in technology. This is the key point that needs to be made.

One cannot very well argue that because we have reached an agreement on one site, that ends the whole issue of the possibility of a termination of that treaty, which either country can do under stipulated conditions. It means that we must be in a position to have the ongoing technology to deal with the problem of an abrogation should it arise in the future.

Therefore, I say that this is a poor moment for us to put ourselves out of business in this area. That is the question we have to face; because without the necessary engineering work, all the accumulated scientific information, all the research that has been put together, will not have any meaning, unless there is some engineering development.

I must say that if we are going to adopt the amendment, we are going to encourage the Soviets to regard the ABM treaty as one that they could sacrifice at some point in the future. That is what is at stake.

The total amount requested was $140 million. We cut it in two—to $70 million—to maintain this ongoing technology that we need in this strategic area.

I can only say in very general terms, in an open session, that the Soviets have an extremely active and, in fact, a real in-depth program in this area. Detailed information is available to the Members of this body—of course, on a classified basis. But I want to emphasize that we have every reason to believe that, despite the treaty, they have not abandoned the exploitation of new areas of opportunity for a strategic defense system against missiles.

In light of the evidence we have before us, I think the prudent thing to do is simply to maintain our knowledge and our state of the art.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JACKSON. I am happy to yield.

Mr. McCLELLAN. What the Senator is saying is that we should maintain a kind of pilot program in this field?

Mr. JACKSON. Yes. That is what I am saying.

Mr. McCLELLAN. That is what it amounts to.

Mr. JACKSON. That is right.

To be specific, I say to the Senator that we know from extremely good and hard intelligence that they have a very active program, which I mentioned. We know that they are spending 2 to 3 times the amount we are spending in this area.

That indicates something—that, obviously, they are not abandoning this area, despite the treaty.

To me, it is just a matter of simple prudence that we have a bare bones program, or a pilot program, as the Senator from Arkansas has mentioned, so that we do not get caught in a technological void at the crucial moment.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. JACKSON. I yield.

Mr. McCLELLAN. Does this mean that if we do not pursue—actively, at least, even though we may do it slowly—the technology in this particular field, we could reach a situation in which we would find that the Soviet Union has made great advances, and then we would have to undertake a program to catch up?

Mr. JACKSON. A crash program.

Mr. McCLELLAN. A crash program.

Mr. JACKSON. A very wasteful program.

Mr. McCLELLAN. I agree with those who say that just having one site protected is wholly inadequate. It will not amount to anything so far as protecting or defending the country is concerned.

Mr. JACKSON. The Senator is correct.

Mr. McCLELLAN. So we are not actually doing anything here that immediately contributes to defense. As I understand it, I would resolve it as being simply a precautionary expenditure, so that we will not be caught in some future contingency situation in which we will be at a complete disadvantage and probably not have the time to catch up and get on an equal basis with our potential foe.

Mr. JACKSON. The Senator is correct. What we are doing here is maintaining a prudent option that we can exercise in the event that the Soviets should decide to abrogate—and bear in mind, the treaty can be terminated on, I believe, 6 months' notice.

Mr. McCLELLAN. As I understand the Senator, he has reason to believe that, notwithstanding the treaty, the Soviets are continuing vast experimentation and development in this field?

Mr. JACKSON. The Senator is absolutely correct. The evidence is undisputed. We have had, in closed session, extensive testimony on this particular question. The Soviets are following a course of conduct that clearly indicates that, despite a treaty which limits an antiballistic missile defense, the facts are that the Soviets have been carrying on a most active and vigorous and expanding testing program.

For example, I am referring now to ballistic missile defense interceptor flights in 1974. They had many, many more than the United States has had. Just in the year 1974 alone, they have had more interceptor flights than the United States has had in any year since 1963. Of course, the previous years were, in our case and theirs, too, before the treaty.

The whole course of conduct that we have to recognize here, realistically, is that the Soviets are carrying on a vigorous program in the R. & D. area which is just as vigorous as it would be if there were no treaty on antiballistic missiles.

Mr. McCLELLAN. Would the Senator say that the information that the Senator has on the activities of the Soviet Union indicate that they are in violation of the treaty?

Mr. JACKSON. I want to be careful in choosing my words. I cannot say that they have been in technical violation of the treaty, but I can say that some serious question has arisen regarding that particular treaty.

Mr. McCLELLAN. Would the Senator say this, then. Granting that the Soviets are not violating the treaty, they are pursuing, under the treaty, the very limit of experimentation and development that it is possible for them to do, and that it is far greater than we are doing? Is that what the Senator is saying?

Mr. JACKSON. The Senator is correct. In terms of expenditures of resources, theirs is 2 to 3 times ours and they are certainly more active in this area than the United States.

Mr. McCLELLAN. As I understand it, then, there is nothing in the treaty that precludes either our Government or the Government of the Soviet Union from spending whatever they wish to spend in the development of the technology and the efficiency and quality of one site where the system is deployed. Is that correct?

Mr. JACKSON. All the research and development and engineering work can go forward.

I want to point something out. The one area where they skirt being in violation of the treaty is with respect to a prohibition in the treaty that one cannot test a surface-to-air missile "in an ABM mode." I think there is some serious question of whether or not there may have been a violation.

These are matters of a very sensitive nature that the standing consultative commission has been looking at.

Mr. McCLELLAN. Let me ask the Senator just one more question. I consider him highly competent in this field, as far as it is possible for anyone to be competent under the handicap of not being sure of what is being done by the other power. How great a risk does the Senator think we might run if we do not pursue this and develop at least, as far as we can, the advancing of technology in the construction of or in the experimentation and development of one site? In other words, how great is the risk?

We have to take some risk. We cannot meet every risk.

Mr. JACKSON. That is correct. I think the answer that I should give to a very good question that the Senator has posed is this: I think the failure of the United States to provide for a prudent effort—and $70 million, I think, is certainly minimal—could create a situation in which the temptation on the part of the Soviets on short notice to terminate the treaty would be great. That is the danger. That would be highly destabilizing.

Mr. McCLELLAN. What the Senator is saying is that we must keep in mind that in dealing with the Soviet Union, we must recognize the probability—and the high probability—that any time she sees an advantage, she will take advantage of it? I am just talking factually. I do not care whether this is on the record or off. We are dealing with a government we have difficulty putting complete faith and credit in as to their obligations.

Mr. JACKSON. The Senator is correct. Let me cite a specific instance.

We had a nuclear test moratorium agreement with the Russians. One of the first things that President Kennedy tried to do in 1961 was to see if we could get that program extended. May I refresh the recollections of my colleagues with this observation? Without warning, in, I believe, September of 1961, the Soviets terminated the moratorium with the detonation of a 25-megaton weapon, a huge test. Without warning, on the same day they announced the ending of the moratorium, they tested this huge weapon in the Arctic.

I point that out to you because here is a specific precedent, a situation which existed when President Kennedy came to office in January of 1961. I had a number of talks with him and this was on his mind, to get an extension, to have some permanence in this, which eventually, we were able to do. I supported a nuclear test ban treaty, approved in 1963.

I think the real danger here is the instability, the temptation that would come to the Soviets if they felt that we had abdicated our competence in this area. That would be destabilizing because I think all of us want to bring about the kind of situation in which we can have a cutback—I have supported every move in this regard—of strategic systems, both defensive and offensive.

We debated yesterday the issue of technology. It is important because when we had the SALT I treaty up, the main argument—and I shall, at an appropriate time, read into the record statement made by those who disagreed with my motion, which was adopted, that SALT II should be on the basis of parity, the main argument that was made then is that we do not have to have as many strategic systems as the Soviets have because we bridge that deficit by superior technology.

Mr. McCLELLAN. Senator, one more thought: we have often heard the expression "cautious optimism." I wonder if we should not regard our relations in these fields of military power and development, and so forth—if we should not at least proceed with cautious faith in a lot of the surface agreements that exist?

Mr. JACKSON. I think prudence dictates that one must be in a position in the event of a breach of a written agreement—and you always have to assume that possibility—prudence dictates that one should be in a position to be able to protect oneself in the event of that breach.

I believe that one of the means by which we can do that is to have that ongoing technological competence to be available to us.

Mr. McCLELLAN. I thank the Senator. I am glad to have his thoughts on this. I am looking forward to where we can reduce these expenditures without incurring an unacceptable risk.

Mr. JACKSON. We have cut this in two, as the Senator knows.

Mr. McCLELLAN. I am trying to rationalize about that, and I just do not want us to make the mistake of incurring unacceptable risks, that is all. I want to save money. I would like to vote to strike this out because in some areas we are going to have to cut. We are going to have to set priorities on some of these things, as I see it, and it is really a question of whether this is of such importance that we dare not neglect it.

Mr. JACKSON. I think the end here is to try in time to get an agreement with the Soviets that can result in a substantial reduction of defense expenditures both in the Soviet Union and in the United States.

When the 1972 SALT agreement was up, I advocated a mutual reduction on both sides, Mr. President, a mutual reduction of strategic arms, and I still advocate that. Both sides have more than they need; and I have taken a second step: I suggested in connection with SALT II that both the United States and the Soviets identify 700 delivery systems that they would agree not to modernize or replace. And, in due time, by negotiation, the 700 on each side would be eliminated. So you would have a reduction of 700 of the 2,400 delivery systems permitted by the Vladivostok agreement—from 2,400 to 1,700.

I think that is what we are talking about, because if we are really and truly going to save money in the defense

UMI

budget, following rules of prudence, it can only come in the end by a mutual reduction of forces in which both sides are treated with parity and with equality.

Mr. STENNIS. Mr. President, the Senator has certainly made a remarkable statement. I want to ask one additional question on the point raised by the Senator from Washington who covered the matter so well.

Should we terminate this site defense? Should we terminate it now? Would it not take 10, 12, or more years to really get back in business and get on our way should evidence show that we had to or that we should?

Mr. JACKSON. May I respond?

Mr. STENNIS. Yes, that is the question.

Mr. JACKSON. I think you lose your ability to convert technology into a system if you need it, period. I think that is the heart of it. I think the Senator from Mississippi and the Senator from Arkansas have raised the key question.

Mr. STENNIS. Once lost it would take years, would it not, at least to regain?

Mr. JACKSON. It will not only take years but the cost would be enormous. You would pay the usual price that you pay for a crash program, and I think that is not in our own interests and, in the meantime, you have created a highly destabilizing situation which we are all trying to avoid.

Mr. STENNIS. In this case is it not true that the committee, after looking into it with some division and thought—we divided this money and put this in by a vote of 10 to 4, if the Senator remembers——

Mr. JACKSON. That is correct.

Mr. STENNIS. There was agreement more or less around the table on that.

Mr. JACKSON. Yes.

May I say the proponents of the R. & D. effort suggested that $70 million cut, and we felt that we could do that. In fairness, I think four were opposed to any funding in this area, and they felt that the entire $140 million should be eliminated.

Mr. BUCKLEY. Mr. President, will the Senator yield?

Mr. STENNIS. May we ask with respect to the time remaining here. Mr. President, may I inquire of the time remaining? I have some promises out here in reference to speeches.

I thank the Senator very much. That was an amazing statement. The Senator covered it.

The PRESIDING OFFICER. The Senator from Mississippi has 16 minutes remaining. The Senator from Alaska has 26.

Mr. GRAVEL. Mr. President, perhaps we could discuss our side of the argument and then transfer it again.

Mr. STENNIS. Then I will yield to the Senator from New York and the Senator from Alabama who has a question.

Mr. GRAVEL. I would like to address myself to the point the Senator from Mississippi and the Senator from Washington were making concerning the delay that would occur. There is no question, I am prepared to stipulate, that we probably lose 10 years if we do not go ahead with it now. The question is, have we lost anything in that 10 years? Because if you decide that there was an abrogation of the treaty, if you did need it, it would be useless when you needed it.

If I could have the attention of my colleagues, what would we be defending with our site defense? We would be defending our ICBM's, our fixed Minuteman system. That is what we would be defending.

I want to quote from the record of the committee. On page 106—I do not understand how the members of the Armed Services Committee can come forward here and make this argument when on page 106—it shows that the committee cut out money for fixed ICBM's because they recognized they are going to be obsolete. So now why does the committee want to continue spending this money? I quote from page 106, where it says:

> The remaining reduction of $1.1 million for Advanced ICBM Technology reflects determination that studies will not be conducted for a new fixed base ICBM because of its questionable survivability.

Well, that is an admission in the committee's own document that the fixed ICBM in the 1980's is not going to be worth a darn. So why now spend some money to defend what is admitted is going to be useless?

When my colleague from Washington says we have got to stay right with the Russians on technology, I would point out this is a commercial computer. This is a third generation commercial computer. You can draft all the people you want to—they will teach you how to operate it. You do not need some new sophisticated outreach. So I would hope my colleague from Washington would refocus his thinking when he is talking about this great outreach.

The other facet of this is a phased array radar. We have got all kinds of expertise in the military on this. So the argument we have got to stand right with this because this is new stuff—this is old stuff. They have cut it back down to bare bones and they are just buying it off the commercial shelf. So if you get some IBM or ITT operator, who can do it for you, you can draft them into service. You do not have to give us an argument that this is some sophisticated new outreach program.

Now, the other argument is made that we have got to stay abreast of the Soviet Union on technology. The logic of that is difficult to comprehend because it means if they do stupid things, we have to go and reach the same threshold of stupidity; otherwise we live in fear.

Now, this question was asked in the subcommittee hearings by the Senator from New Hampshire held on March 19, and it was a staff member, Mr. Lind, who posed the question to General Marshall. General Marshall is the person in charge of the program for the Department of the Army in this area.

The question was fundamental. I think it responds adequately to the argument made by the Senator from Washington.

> Mr. LIND. In relation to continued Soviet ballistic missile defense research and development, we have noted a strong tendency in the past within the Soviet defense establishment for bureaucratic interests to force the continuation of unpromising or doctrinally meaningless R. & D. programs. Could the Soviet ballistic missile defense program be, at least partially, a case in point?
>
> General MARSHALL. I think the answer would have to be possibly yes.

He goes ahead for the balance of his answer trying to cover his tracks after he has had to make that admission.

It is very simple.

Of course, that was the trap we fell into on the ABM. We started one and cast it aside realizing it was ineffective. The Russians, realizing we did this, picked up the Moscow system. We saw that and we then had to build an ABM system.

So it was a stupid decision, canceled, picked up a stupid decision on the other side, we saw that, we went ahead, reexamined the stupid decision we made before, and finally decided we would both negotiate away both obsolete systems.

Mr. HUMPHREY. $10 billion, minimum.

Mr. GRAVEL. $10 billion.

If this program is permitted to go ahead, it is $89 million more, and we have already spent $410 million. But in point of fact, if what the Senator from Washington says is true, then we are going to have to spend $15 billion, because if they do abrogate it, the only alternative is to go out and go hog wild on this and spend $15 billion.

Why would we want to spend this kind of money to protect an ICBM fixed site when our military planners tell us it is obsolete, when they can turn around and have mobile ICBM's for about $20 billion?

I do not understand the reasoning. As the Senator from New Hampshire said, this is extravagance beyond anyone's imagination.

We have alternate systems of defense which are more cost-effective, so we will turn around under some logically convoluted reasoning and say because they are doing it we have to do it; if they are idiots we have to be idiots.

Let me just plead with the Senator from Washington that if we have an opportunity to recognize that it is a mistake, let us just cast it aside and go our own way. That is a sound defense posture. Not one tied to a supposed enemy who may be a very foolish person with respect to choosing his priorities.

Mr. JACKSON. May I ask the Senator what alternate systems of defense he has in mind?

Mr. GRAVEL. Mobile.

Mr. JACKSON. Mobile what? Defense?

Mr. GRAVEL. Mobile rockets, the MX system, mobile ground forces.

Mr. JACKSON. That is an offensive system.

Do we have a mobile ICBM program?

Mr. GRAVEL. They are telling us in the report, the Senator's committee knows full well we are going to build one. So what they want to do is build a costly alternative. They are going "huckley buck" to build what is obsolete.

Mr. JACKSON. May I say to the Senator that the Soviets have tested a mobile ICBM known as the SS–16. We are doing research in this area. We have not got any mobile ICBM's.

As the Senator knows in the SALT I agreement, we unilaterally proposed not to build a mobile ICBM, while the Soviets disregarded our position and went on to develop the SS–16.

May I just say that the Senator from Washington wants to see this program cut back in the deployment area by agreement to the maximum extent possible.

I led the fight in the Armed Services Committee to cut out the funds for an ABM around Washington, D.C., because I thought it was totally ineffective.

Now, that happens to be the record.

Mr. GRAVEL. Then why would we want to defend the one at Grand Forks with this system if the one around Washington was ineffective? Why does the Senator want to defend that one?

Mr. JACKSON. I will give a simple, straightforward answer. It is obvious on its face that if one missile gets through an ABM system defending a city, we have lost the city, but when we are defending a hard-point with many missiles, some of those missiles will survive.

That is the difference, and it is the very argument I used in opposing an ICBM around Washington.

I just wanted to point out and remind my colleagues, we have to use some prudence in this area, and I think the ABM treaty was extremely helpful because it resulted in the saving of a total program that could have cost many billions.

Mr. GRAVEL. I am glad my colleague recognizes that.

Mr. JACKSON. I said so at the time.

Mr. GRAVEL. Why did we not go ahead with the program to begin with?

All they had was the Galosh system, so we had to go and do it, too.

Mr. JACKSON. We would never have had a treaty if we had not begun to deploy an ABM.

Mr. GRAVEL. What did we get in a treaty? We agreed we would stop spending some of our money if they did, on two obsolete systems? What on God's Earth did we gain out of the treaty?

Mr. JACKSON. I think the treaty was a good treaty. I supported it vigorously in the Senate.

Mr. GRAVEL. Did it stop the arms race?

Mr. JACKSON. Well, we are not going to stop arms competition with a single stroke.

Mr. GRAVEL. Did it accelerate the arms race?

Mr. JACKSON. One simple move.

Well, SALT I agreement. Now, we are talking about two different things.

Mr. GRAVEL. No, the ABM was not SALT I.

Mr. JACKSON. The ABM treaty limited ABM deployment to very low levels.

On the other hand, as I argued on the floor of the Senate 3 years ago, the interim agreement was an invitation to an increase in strategic expenditures and I predicted at the time it would cost billions. The Soviets have expanded enormously in this field, tens of billions of dollars.

Mr. GRAVEL. Well, we have expanded more enormously than they have.

Mr. JACKSON. That is sheer nonsense.

Mr. GRAVEL. It surely is not, because in 1972 the U.S.S.R. had 2,200 warheads, the United States of America had 5,700 warheads. Today the Soviet Union has 2,800 and we have 8,500, and if that is not a greater expansion on our part than theirs, then I do not know how one reads these figures.

Mr. JACKSON. Let me ask the Senator——

Mr. GRAVEL. And these are DOD figures.

Mr. JACKSON. Let me ask the Senator a specific question. What is the——

Mr. GRAVEL. Dispute these figures?

Mr. JACKSON. Warheads do not tell the whole story.

Mr. GRAVEL. They tell all the story. That is your kill capability. If you put in a bunch of obsolete missiles—and my colleague is able to do this—then we can talk about their delivery system.

Mr. JACKSON. I want to see what the Senator from Alaska knows about their ICBM's.

Mr. GRAVEL. I am asking what the Senator from Washington knows about these figures. Are they accurate or not accurate?

Mr. JACKSON. Not entirely. Let me ask the question about what the Soviets——

Mr. GRAVEL. I will be happy to answer the question——

Mr. JACKSON. There is no question that we have more warheads.

Mr. GRAVEL. Then there is an admission from my colleague. I will answer the Senator's question. Will the Senator stipulate we are ahead in this regard?

Mr. JACKSON. I never stipulate to nonsense.

Mr. GRAVEL. Why is this nonsense? I will be happy to respond to my colleague's colloquy, if he will face up to mine. I have made a statement that we have 8,500 warheads in this country. The Soviet Union has 2,800. Can my colleague either question the figures or stipulate to their accuracy, one of the two?

Mr. JACKSON. I do not know how many warheads we have in this country. It would be classified.

Mr. GRAVEL. Is the Senator telling me I am revealing classified information?

Mr. JACKSON. If the Senator indicates the number of warheads——

Mr. GRAVEL. That is what I am doing, and the DOD figures are not classified. If the Senator is hiding under classification, tell the world, but face up to these figures one way or the other.

Mr. JACKSON. Let me ask the Senator, how many SS–11's do the Soviets have? I will ask the Senator that question.

Mr. GRAVEL. What is the point of the SS–11's? They only have 2,800 they can deliver. That is all they have. I do not care if they have SS–16's, SS–11's, SS–24's, and SS–66's. What counts is all they have is 2,800 and we have 8,500. After they get through the 2,800, they throw stones. After we get through 8,500 we throw stones. But we have a pretty good margin.

Mr. JACKSON. Are they adding warheads to their system?

Mr. GRAVEL. Of course they are. Does the Senator think we are not? According to this record, if the Senator is going to make that point, I would say from 1972 to now we have added them at an accelerated rate beyond their rate, so who is the greater violator? I have heard the logic and attitude here that they are the aggressors. Well, just look at these figures. I would say that based on these, we are the aggressors.

Mr. JACKSON. Who has the greatest potential to add warheads? The Senator understands numbers and throw weight. Who has the greatest potential?

Mr. GRAVEL. Who would have the ability?

Mr. JACKSON. No. Who has the greatest potential?

Mr. GRAVEL. I would say we are equal.

Mr. JACKSON. Will the Senator explain that?

Mr. GRAVEL. I would be happy to.

Mr. JACKSON. I would be very interested.

Mr. GRAVEL. It is for the simple reason that under the agreement there is a loophole where you can manufacture all the warheads you want and shove them back into the delivery vehicles you have. So it is unlimited. Anyone who uses the convoluted reasoning that because they have extra throw weight they can throw more at us misses the point. As long as we can fill up the bellies, we can keep throwing through the same tube. That is my response to my colleague.

Mr. JACKSON. What have the Soviets been able to do to increase the throw weight of the SS–11?

Mr. GRAVEL. I can respond to that by saying that the Soviets were peculiar——

Mr. JACKSON. Does the Senator know what the SS–11 is?

Mr. GRAVEL. Yes.

Mr. JACKSON. What is it?

Mr. GRAVEL. We are not going through an examination here.

Mr. JACKSON. We are in a debate.

Mr. GRAVEL. Right, and if the Senator will let me explain——

Mr. JACKSON. Tell me about the SS–11—how many they have, their size, and what is the follow-on system to the SS–11.

Mr. GRAVEL. First off, I will put these figures into the RECORD.

It is all in there.

Mr. JACKSON. Will the Senator tell me in his words? I do not have any notes.

Mr. GRAVEL. I will tell the Senator in my own words. With respect to the throw weight argument, the reasons why the Soviets have more throw weight than we have is because they have a greater paranoia. But we are beginning to match that paranoia, because we have more missile warheads. So when they got locked into a throw weight situation with the MIRV capability that they will develop over the next decade, technically, from that point of view, they can throw

UMI

more MIRV vehicles at us because they have larger delivery vehicles. As I pointed out to my colleague, the loophole in SALT I is that we are restricted to tubes, so that you can keep running the MIRV warheads into the tubes and, of course, there is no limit as to what you have.

Mr. JACKSON. Will the Senator answer the question? How many SS–11's do they have and what is the SS–11?

Mr. GRAVEL. An SS–11 is an ICBM. I do not have the figures at the tip of my tongue. I can dig it out for the Senator.

On his time, I will take the time and dig it out for the Senator. Does the Senator want to wait?

Mr. JACKSON. Tell me what it is.

Mr. GRAVEL. No. We will just wait. I will dig it out and dig it out on the Senator's time. I will dig it out for him.

Mr. JACKSON. Is the Senator aware of what the follow-on—

Mr. GRAVEL. I have it right here. I found it.

Mr. JACKSON. I am not using notes.

Mr. GRAVEL. I need the notes because I am not on the Armed Services Committee and I am trying the best I can as a citizen to save a few bucks for the people of this country who are being put upon.

On the SS–11, they have 970. Is that an acceptable figure or am I revealing anything classified?

Mr. JACKSON. There is nothing classified about it.

Mr. GRAVEL. They have 970. They have a one megaton capacity. Is that correct?

Mr. JACKSON. No, that is not correct.

Mr. GRAVEL. What capacity do they have?

Mr. JACKSON. The follow-on system, as the Senator knows, is the SS–17 and 19, and the follow-on throw weight which they have developed under the SALT I agreement is three times what they had when they had the SS–11. That is what this debate is all about.

Mr. GRAVEL. What is the point my colleague is making?

Mr. JACKSON. My point is that the Senator said it makes no difference about the delivery systems because each side can just crank in as many warheads as they want. The number of warheads that you can deploy is related to two things: The number of delivery systems and their size or throw weights. It is that simple. Under the SALT agreement, the Soviets have an enormous advantage. As a result, since they have expanded all of their programs they have a tremendous future advantage. We have not expanded the throw weight capability of our missiles, whereas the Soviets——

Mr. GRAVEL. Where is the advantage? I do not see the advantage.

Mr. JACKSON. Under the treaty under that agreement, they are able to increase the throw weight by some threefold. That is the result when they deploy SS–17 and 19 as replacements for the SS–11.

Mr. GRAVEL. If my colleague would permit, will my colleague agree to this: If you have an airplane, which is a delivery system, you can turn around and shoot the missile from the system, land it, load it up again and shoot it again, is there a limitation on that? Is there a limitation on what I just said in the SALT agreement? Is there a limitation for the plane landing, loading it up again and taking it over, shooting it, landing, and loading up again? Or your submarines. Unload your submarines, your Poseidons or Tridents, load them up and shoot them and load them up again?

Mr. JACKSON. No, there is no prohibition on reloading, but we do not have any missiles to reload. That is the point.

Mr. GRAVEL. What is the 8,500? If we do not have any missiles to reload, what is the 8,500 that we have and the Soviets have 2,800? What are those, if they are not missiles?

Mr. JACKSON. They are warheads.

Mr. GRAVEL. What are we going to load in the Poseidon?

Mr. JACKSON. The Senator is confusing two things. I am trying to help him. I do not know if it is possible, but I will try.

Mr. GRAVEL. I do not think it is possible.

Mr. JACKSON. I agree, but I will try. Let me try. Let me point out that missiles deliver warheads. The limitation in SALT I was on missle launchers, not on warheads. The agreement that was entered into in 1972 as it now stands, provides the Soviets, first, with more delivery systems or missiles, number one, and, because those missiles or delivery systems are bigger than with ours, they can, in the future—I will get to the Senator's favorite subject—deploy more warheads. But please do not confuse warheads with missiles. It is the missile that makes possible the delivery of the warhead.

Mr. GRAVEL. Could I ask my colleague again? I tried to explain what would happen and the Senator came back with a more detailed explanation. Let me hit it again. If we have an airplane that can carry a missile and it shoots the missile, then the plane can land and load on another missile and shoot it. Is there a limitation on the amount of warheads it can pick up, or bombs?

Mr. JACKSON. Do you mean under the interim agreement?

Mr. GRAVEL. Yes.

Mr. JACKSON. The answer is no.

Mr. GRAVEL. The point I am making is we are so far ahead of the Soviet Union that we are not in the same ball park by the year 2000.

Mr. JACKSON. That is nonsense.

Mr. GRAVEL. Why is it nonsense?

Mr. JACKSON. Because we are ahead of them now. We may not be in the future.

Mr. GRAVEL. We are ahead of them now?

Mr. JACKSON. Sure.

Mr. GRAVEL. Good.

Mr. JACKSON. But we are talking about research and development.

Mr. GRAVEL. This is the first time I have ever heard my colleague say we are ahead of them now.

I think that should be noted for the record, that the Senator from Washington is saying we are ahead of the Soviet Union now.

But what is going to happen when we come out with our Trident system, which is a good defensive device, coming from the State of Washington? Tell me.

Mr. JACKSON. Senator, the Trident——

Mr. GRAVEL. Are we going to stay ahead?

Mr. JACKSON. The Trident is not built in the State of Washington. It is built in New England. Let us not confuse that.

Mr. GRAVEL. Are we going to stay ahead when we have the Trident?

Mr. JACKSON. When I say we are ahead now, let us make it very clear what we are debating is where we will be in 1980. When I say we are ahead today, it does not mean we will be ahead tomorrow, unless we take those prudent steps necessary to provide for the future. I hope and pray we can get a reduction in strategic forces. That is what we are working for.

Mr. GRAVEL. Why would my colleague, then, cut out the money for the further research on the ICBM? The Senator has acknowledged that we have until the mid-1980's, and the Senator said we are going to be dealing with mobile craft by then, whether air mobile or land mobile. Dr. Currie's testimony before the Senator's committee states it is more cost-effective to go mobile than to deal with the fixed ICBM; but yet the Senator wants to spend another $89 million to defend a dog which is obsolete. Why? To show that we fear the technological forces of the Soviet Union, when all we are talking about is commercial computers you buy right off the shelf?

Mr. JACKSON. Yesterday the Senator did not want to make our missiles accurate, even if they are mobile; and today he wants to stop defensive technology.

I hope that as a result of our efforts we are going to be able to get an agreement that will make possible a cutback in these forces. That is the key thing. It is a cutback that we want to achieve. And all we are trying to say is, we want an ongoing technology here that is prudent and sensible, and we are asking for $70 million. We cut it in half, and I leave it to the commonsense of the Senate to decide whether or not that is the sensible course to follow.

Mr. GRAVEL. Mr. President, in wrapping the matter up, I would like to just go over the points of the arguments as to why the Senate should not vote for this extravagant fixture.

One is that the present Minuteman force as now defended could not be successfully attacked before 1983. Sufficient missiles would survive to deter the Soviets from attempting a first strike without even considering the availability of the B–52 and Polaris/Poseidon fleets.

Second: A site defense system to defend a fixed base Minuteman would not be needed beyond 1983 if we develop and deploy a mobile ICBM—M–X—which would begin to replace Minuteman. M–X is under development and $40.1 million requested for fiscal year 1976 is recommended for approval.

Third: If the ABM treaty remains in effect site defense could be deployed at only a single Minuteman site and would not protect enough missiles at one site to justify a $5 billion investment.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. GRAVEL. Just let me finish.

Mr. JACKSON. Yes; the Senator has been very courteous. Go ahead.

Mr. GRAVEL. Fourth: If the ABM treaty was broken, it would cost up to $15 billion to develop, deploy and operate site defense at the 4 to 5 Minuteman sites needed to protect sufficient missiles to be a credible deterrent. Dr. Currie has testified that the M–X could be a more cost effective choice.

Fifth: If the ABM treaty was broken the $15 billion needed for site defense could be better used to buy more offensive systems such as the B–1 or Trident or M–X.

That, to my mind, wraps up the whole argument.

Mr. JACKSON. May I ask the Senator one last question? I take it the Senator will support the development of the M–X, the mobile system, and the deployment of it?

Mr. GRAVEL. I would support it if we had some degree of prioritization with respect to the Defense budget, but, unfortunately——

Mr. JACKSON. Well, the Senator is arguing for the M–X as an argument against site defense, so I want to know whether he is supporting it.

Mr. GRAVEL. Yes. I think the people should understand that I do not wish to be typecast as against defense. I favor a good defense. I am for the military. The only problem is, I favor us not wasting money on what is not a good defense. I say that destroys a good defense, because what are we defending in this country? Our economic and social system, and in order to continue the defense systems we have been a party to for the last 30 years, we have eroded the substance of our social and economic systems. The reason we have inflation, balance-of-payments problems, and all these difficulties today is because of the military-industrial complex we have built ourselves into on the basis of fear.

I see a situation where we negotiate SALT I, and all it does is increase the arms race and institutionalize the arms race. There is no abatement to the situation. We arrive at a point that a person who sits in my position says, "What can we get?" I offered a humble amendment yesterday not to increase the number of divisions, to make this country not look too bellicose, too aggressive. We all saw what happened.

I ask my colleagues, why are we increasing the number of combat divisions, when what we are doing in the world is leading toward greater peace? As to our action in Southeast Asia, it looks as though we had good reason to have a less bellicose posture. But what happens on an amendment I offer to prohibit an increase in the number of divisions? We get two votes.

Mr. JACKSON. One vote for each division.

Mr. GRAVEL. That is right; it has got to be humorous because it is so tragic. You get to a situation where, when we try to strike out an element of the defense budget, we poor devils on the losing side have a little bitty hammer, and face a steel door. We hammer away at it, but all we do is make little notches in the steel. We walk away in frustration with our heads in our hands.

We have not won anything in this colloquy. The only thing we have won is to start again the debate in this Nation which was abated in 1969 and 1970 with Watergate and the South Vietnam situation. We have now started, with this debate on this procurement bill, the beginning of a new colloquy which will go on for years. You may have gotten us this time, but we have you on the public record making statements that will have to be adhered to.

I was visited yesterday by the military, asking me not to call up my amendment on the divisions. When I told them I had to do it in all conscience, they said, "Look out, because you will be hit on all sides." I had no idea how hard I would be hit. They not only had the hawks, but they got the doves too. We were hit by everything. We were hit with a blibbet. I will not go into the definition of a blibbet, but that is what we were hit by.

I will tell you why they did not want us to go public: because they are going to have to dot the i's hereafter. As the Senator from Georgia said, these people probably will not go to Europe; they are stuck with them. They may have the divisions, but they will have them right here in the United States. When they try to move them out, I will assure you right here that they will meet us at the pass, and we will be holding you accountable for what you have said.

Mr. JACKSON. If the Senator will yield, I want to find out exactly how he stands on the M–X, because it is his cost-effective alternative to site defense. Do I understand that he supports the M–X?

Mr. GRAVEL. Yes, though I can tell my colleague many times on this floor I have voted against them. I will tell the Senator now I am going to vote against this whole bill when we have finished.

Mr. JACKSON. Yes, I understand, but——

Mr. GRAVEL. It will include the M–X and some other things: Trident, and I am for Trident. I think it is the best defense we have. But when we cannot even get these intelligent amendments passed, we are caught in the position of striking at any target in sight, to try to make the colloquy to the American people.

If we could get some decent amendments passed, like this one, which cuts out a boondoggle, then, for heaven's sake, of course we would vote for Trident. There would be more votes than would be needed.

I would support it, because I do not want to see this country weak.

I am prepared to say that I think we are a better country than the Soviet Union; I am prepared to say that I think we are maturer than they are—and that does not say very much, unfortunately.

Mr. JACKSON. I thank the Senator. The Senator has a good sense of humor.

Mr. GRAVEL. I thank my colleague. I think in this colloquy we went not far afield from the subject. We just broadened the parameter to where it really lies—the total difficulties of the arms race, which has not abated. It gets worse and worse.

I said it earlier in one of the debates, and I will say it again. We have the ability to destroy the Soviet Union 36 times. They can destroy us 11 times.

Is there ever going to be an end?

When we talk of the things we should do, when is enough going to be enough?

We can destroy every human being on this earth—the United States of America alone, with our megatonnage—we can destroy them 15 times. We can kill every human being on Earth 15 times. The Soviet Union can probably do it twice.

Why on God's Earth do we need this kill capability? Is it not enough to be able to kill our enemy once, twice, three times?

When we begin to make this argument to the average American citizen, he is going to begin to realize that he is paying for a lot of superfluous capability, which is not necessary.

The defense criteria should be sufficiency. What it is now is unlimited. Whatever fear will buy, go use fear and buy it.

I hope someday we could get down to the point of logic and say that we should have a defense based upon sufficiency, which is rational, rather than on fear, which is irrational.

What our colleague says is what we are going to go out and buy more locks and more devices which are to lock up and protect an obsolete system.

This is irrational, and it is a tragedy.

I hope the Senate will vote against any further expenditure in this regard and support this very humble amendment to ridiculous extravagance.

Mr. STENNIS. Mr. President, I yield 4 minutes to the Senator from New York.

Mr. BUCKLEY. Mr. President, I thank the Senator from Mississippi.

I will acknowledge, Mr. President, that I do harbor some fears. I harbor some fears that we may, by relaxing on the development of our ABM technology, tempt the Soviets into an act of rashness that is the sort of act that has plunged us into two wars in this century.

We must keep in mind that our treaty may break down. We must keep in mind that the Soviet Union is pushing at least to the limits what is allowed under the SALT I accords, and there are those who believe they are going beyond the limits of what are allowed.

As I am not privy to classified material, I can only quote the literature in the intelligence community which states that they are beginning to come very close to testing their radars and configurations that could be linked up to thousands of high-altitude rockets and SA–5's that could be converted to ABM capacity.

Any number of things could happen that would result in a collapse of our high expectations in our talks to limit the arms race, to limit strategic weapons.

It seems to me that we cannot blind ourselves to these real possible risks, and it seems to me that the $70 million we are speaking of here is the most prudent insurance we can possibly pay to protect ourselves against this contingency.

What is more, we are not talking about multiplying our ability to kill, but are talking about precisely the ability to protect ourselves from weapons that could be directed at us.

Furthermore, we cannot deny ourselves. We cannot pretend that we know what the ultimate capability of the ABM system might be. We will only find out by

UMI

spending that modest amount of money that has been requested here to push back the frontiers of our knowledge.

There are those who believe that in time we could achieve the capacity to protect our civilian population and our cities.

In this regard, I believe that the ultimate ban on ABM's is an immoral posture to be in. But I am not going to argue that point.

I would urge our colleagues to consider now that the Soviets have a record of breaking agreements, and they are pushing ahead in this precise technology.

We do have a history in this country, when one power perceives itself to being in a commanding position, that power will sometimes do rash things; but the trouble is we do not want to pay the price.

So, I urge our colleagues to vote against the Gravel amendment, to vote for a continued extension of American supremacy in the technology so that if the worst happens we will be in a position, without undue delay, to make use of what we have learned and quickly deploy missiles that will protect us, not missiles that will destroy others.

Mr. GRAVEL. Mr. President, will my colleague yield for a brief question?

Mr. BUCKLEY. I am glad to.

Mr. GRAVEL. This is on the computer system. It is a commercial computer that one can buy——

The PRESIDING OFFICER. The Senator's 4 minutes have expired. Who yields time?

Mr. STENNIS. Mr. President, I yield 4 minutes to the Senator from Alabama.

Mr. ALLEN. Mr. President, I thank the distinguished chairman for yielding to me at this time.

Mr. President, I strongly support an active ballistic missile defense system research and development program at being necessary for the future defense of the United States. Site Defense is a modest program, by budgetary standards, but it is of utmost importance to our national security.

It is a research and development program aimed at insuring that if a retaliatory capability were ever needed, America would be able to deploy a system to defend its presently undefended Minuteman ballistic missile force.

Security is dependent on high technology. It requires research and development at least as sophisticated as an enemy's—conducted years prior to actual deployment. Department of Defense officials have testified on many occasions that an ABM system could be developed, produced, and deployed in 4 to 6 years—provided that we continue to maintain an adequate R. & D. program. Previous reductions in site defense funding eliminate the possibility that an active defense could be deployed before the early 1980's. Further significant reductions would extend this time to a decade or more. In spite of these undisputed facts, in recent years we have reduced our strategic forces expenditures while the Soviets have increased theirs.

This bill made a cut of 50 percent in the authorization for the site defense, cutting it down from, I believe the figure of the House of Representatives was of $140 million to the Senate version of $70 million.

Mr. President, I have discussed military priorities on several occasions with Secretary of Defense Schlesinger. He told me a few days ago that he regards funding for the site defense program as a must. He also told me the National Security Council considers site defense important in our strategic arms limitation talks with the Soviets.

Simply to abdicate our lead in ABM research and development, I submit, would encourage Soviet exploitation of our weakness. The high level of Soviet ABM activity clearly demonstrates a conviction on their part that the ABM treaty does not negate ABM system development, and that there may be a future requirement for an effective ABM system.

It is the primary hope of our SALT negotiators that a new agreement with the Soviets will lead to a stabilization of the power balance—that is, biunt each side's incentive to seek strategic advantage. Site defense costs a great deal less than offensive systems do, and would be stabilizing.

Finally, it is an accepted fact that the United States' critical research and development task for strategic arms is to insure the survivability of our deterrent. In accordance with the direction of Congress last year, the site defense program was reoriented from one of prototype demonstration to one of research and development. Its purpose is to retain the ability to go into production if forced to do so by the action of any other nation. In short, it helps insure the survivability of our deterrent.

Mr. President, I submit we would be gambling with our present and future security if we fail to fund an active program of such modest size, but of such great importance.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, the proponents of this amendment seem to be basing their case on three major points in recommending we kill the site defense program. I would like to address each of these points and indicate where I think each is wrong.

First, it is asserted that the Army is still pursuing a program to demonstrate a prototype system to defend our Minuteman force, contrary to congressional direction last year.

I am personally aware of the extensive efforts the Army made to explain the many changes in the program, including reducing the fiscal year 1976 funding request from over $200 to $140 million and eliminating missile tests. If the changes were not adequate or satisfactory, then those members and staff personnel that participated in those discussions are part of the problem. The Army, in extensive testimony before the committees, explained in detail how the new program met the requirements of the Congress. That testimony is available for all to read.

Mr. President, second is the assertion that by continuing the site defense program we are not keeping our agreements made in the ABM treaty. That assertion just is not valid as explained in this letter from the Department of State, which I will read:

DEAR SENATOR THURMOND: In reply to your telegram of May 5 requesting the Secretary's view on the Site Defense research program, the Secretary has asked me to convey the following:

1. The Department of State has an interest in a strong ABM research and development program. It is an important part of the US strategic force posture and contributes to a credible US claim of strategic equivalence.

2. The United States should continue to demonstrate to the Soviet Union our *willingness and ability to work vigorously in research and development programs*. We should not leave the Soviet Union with the impression that we are unwilling or unable to exploit our technological and scientific advantages in the strategic field.

3. Finally, the Department of State believes that an active ABM R&D program enhances the viability of the ABM Treaty.

Sincerely yours,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

Mr. President, in addition, we should be aware that the White House has amplified the essentiality of site defense by a separate paper. I ask unanimous consent that this paper be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Furthermore, the recent highly classified hearing to concerned Members of Congress, which my distinguished colleague from Washington (Mr. JACKSON) chaired, verify that the Soviets have indeed increased—not decreased—their research and development of ABM systems and have already demonstrated the very rapid emplacement of an ABM radar as modern as ours. We will not have a new radar for at least another 18 months or so, even if we provided all the funds the Army has requested. With the $70 million recommended by the committee, we will seriously delay even this modestly competitive program. I do not know what the Russian objective might be, but they certainly do not believe the ABM treaty is a basis for stopping ABM R. & D. I can speculate that a rapidly deployable Soviet ABM defense might be sufficient to prevent serious damage from any retaliatory strike.

The third point with which I disagree is that our future ICBM's will be mobile and air launched. Dr. Currie, the Director of Defense Research and Engineering, who is the one individual in the country most competent to evaluate the relative merits of site defense and mobile ICBM's, has testified that site defense of fixed ICBM's "might by all odds be the most economical." Therefore, I, for one, do not believe that we should take the position that we prefer a $20 billion mobile offense system in lieu of a $10 billion defense system. For a relative low expenditure we should not preclude ourselves from the defensive option. But, let me reiterate. The primary reason to continue this program is the importance of having the latest ABM technology in hand. Mr. President, I believe we would be ill-advised to terminate the site defense program and urge that the amendment be rejected.

It should be rejected because site defense termination would:

First. Concede ABM superiority to the Soviets.

Second. Destroy incentives for Soviet adherence to the treaty.

Third. Encourage Soviet development of an effective ABM defense against retaliatory strike.

Fourth. Abandon the only potential defense against a massive Soviet missile and ABM buildup.

Fifth. Delay U.S. defense of ICBM's for 10 years.

Sixth. Result in $100 million annual BMD R. & D. only for sake of technology—not focused on a military need.

Mr. President, I hope the amendment will be defeated.

EXHIBIT 1

THE SITE DEFENSE PROGRAM

Background: The SASC R&D subcommittee has recommended that the Site Defense program be terminated, leaving the Advanced Technology Program as our sole R&D effort on ballistic missile defense.

We recommend that Congress approve the Site Defense program, which is our only ballistic missile defense R&D effort with a systems technology orientation involving the difficult process of integrating interceptors, radar, and software. (Our other R&D effort—the Advanced Technology Program—is focused solely on component technology.) The Soviets are less likely to deploy ABM systems beyond the limits of the ABM Treaty—either covertly or in abrogation of the Treaty—if the U.S. remains ahead in the ABM systems technology.

During his briefing to Congressional leaders on the SALT ONE agreements, Dr. Kissinger stated that the Administration advocated these agreements not on the basis of trusting the Soviet Union but on the basis of the enlightened self-interests of both sides. Specifically, we should maintain a posture such that it will always be in the Soviet interest to abide by the agreements rather than to abrogate them. Further, Dr. Kissinger emphasized the need to "push research and development and the production capacity to remain in a fully protected strategic posture should follow-on agreements prove unattainable." With respect to ballistic missile defense, this can only be completely accomplished in a system development program such as Site Defense.

There are basically two ways to offset rapid deployment of Soviet ABM systems beyond the Treaty limits. One way is to counter Soviet ABM capability by increasing our deployment of MIRVs and penetration aids. However, to have confidence in the ability of our MIRVs and penetration aids to defeat ABM systems, we need to be fully aware of all possible ballistic missile defense techniques. The only way to know all about ballistic missile defenses is to have an active, aggressive ballistic missile defense program which includes operational system testing.

The other way to offset expanded ABM deployments by the Soviets is to degrade Soviet offensive capability as much as they degrade ours by responding with ABM deployments of our own. The Site Defense program gives us the potential for deploying our own ABM systems in a reasonable period of time. Without the Site Defense program, it would take us about a decade to respond in kind with defenses of our own.

Thus, the Site Defense program gives us the technological base to either counter or respond to a Soviet ABM breakout; therefore, the program reduces the incentive to the Soviets to break out from the Treaty limits in the first place.

Finally, the ABM Treaty protocol signed in July 1974 should not be construed as reducing the requirement for a strong U.S. ballistic missile defense program. The protocol only limits ABM deployment; it does not restrict development and testing of the Site Defense system.

Mr. GRAVEL. Mr. President, I ask unanimous consent to have printed in the RECORD a presentation entitled "The United States-Soviet Arms Race, SALT, and Nuclear Proliferation," by Stefan H. Leader and Barry R. Schneider of the Center for Defense Information, for delivery at the Conference on Nuclear Proliferation and Near-Nuclear Countries, Clark University, Worcester, Mass., on March 13, 1975.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE UNITED STATES-SOVIET ARMS RACE, SALT, AND NUCLEAR PROLIFERATION

(By Stefan H. Leader and Barry R. Schneider)

INTRODUCTION

There seems to be growing recognition in the United States that Americans and Russians are not the only ones who pay close attention to the pace and scope of the U.S./Soviet strategic arms race. Secretary of Defense Schlesinger has belabored the importance of third country perceptions of the current state of the U.S./Soviet strategic weapons balance. His concern is not misplaced, though we think he overestimates the importance of relatively small differences in highly esoteric measures of strategic power. Third countries do pay close attention to the U.S./Soviet arms race because the U.S./Soviet competition in strategic and conventional weapons sets the pace for the development of military technology world-wide. The U.S./Soviet weapons race is the cutting edge of advanced military technology and military thinking. Because we and the Soviets are watched closely, what we do influences military policy in many countries. But, precisely what impact do we have? How do we influence military developments in other countries?

In this paper we would like to explore these and related questions. The paper is divided into two parts. In part one, we would like to explore the state of U.S./USSR strategic balance and the impact of the SALT negotiations and agreements on that balance. We shall deal with three sets of questions:

1. What is the state of the U.S./USSR strategic arms race? Who leads? Who lags? How do you measure strategic power?

2. How does the U.S. doctrine of "Essential equivalence" affect the quest for a SALT formula for strategic parity acceptable to both the U.S. and USSR?

3. What impact has SALT had upon U.S./USSR nuclear weapons proliferation? SALT I? The July 1974 Moscow Agreements? The Vladivostok accords?

Part I is devoted to the subject of what we call "vertical nuclear proliferation" and its control (i.e., U.S. and Soviet proliferation of nuclear weapons and SALT).

In the second section we explore the impact of the U.S./Soviet competition in both numbers of weapons (vertical proliferation) and quality of weapons and delivery systems on nuclear aspirants (the impact of U.S./Soviet vertical proliferation on Nth country "horizontal" nuclear proliferation). In particular we look at three correlates of the U.S./Soviet weapons race and political competition—the diffusion of nuclear expertise and technological know-how, the spread of advanced military technology in the form of nuclear capable delivery systems, i.e., advanced aircraft and missiles, and increased opportunities for nuclear theft. We shall examine several questions here.

1. What is the relationship between the pace and scope of U.S./Soviet strategic arms race on the availability of nuclear expertise and technology world-wide?

2. What is the relationship between the superpower arms competition and the spread of nuclear capable delivery systems to possible nuclear powers?

3. What is the relationship between the dispersion of U.S. and USSR nuclear weapons and the chance of nuclear proliferation through theft and seizure?

Our objective in the pages that follow is not so much to prove causal relationships as it is to suggest some fruitful lines of inquiry for future research and to explore some troublesome policy questions.

Vertical and horizontal nuclear proliferation

Since the Non-Proliferation Treaty was signed five years ago there has been a significant increase in numbers of nuclear weapons held by the United States and the Soviet Union. Twice as many U.S. and Soviet strategic weapons exist in 1975 as existed in 1970 when the SALT talks began and NPT was about to be signed. The United States has roughly 30,000 nuclear weapons as of March, 1975. 8,000 of those are strategic nuclear weapons, 22,000 are tactical nuclear weapons. The Soviet Union has some 2,500 strategic nuclear weapons and an undetermined number of tactical nuclear weapons, perhaps as many as 6,000.[1]

PART I—VERTICAL PROLIFERATION—THE UNITED STATES-SOVIET COMPETITION

United States front-runner in the strategic weapons race

Since the U.S.-Soviet rivalry began in 1945, the Soviet Union has placed a distant second in the strategic weapons race. The U.S. was the first to produce and deploy practically every kind of modern strategic weapons including the atomic bomb, the hydrogen bomb, international strategic bombers, carrier-based nuclear capable aircraft, ballistic missile submarines, ABM missiles, solid propellent ICBMs, and MIRVed missile systems. Indeed the pace of U.S. weapons production, deployment and retirement has been so rapid compared to Soviet efforts, that the U.S. has already scrapped more post-WWII bombers and missiles than the Soviets have built since 1946. Today the U.S. possesses over three times as many strategic nuclear weapons as the Soviet Union.

Over the next five years, the U.S. lead in strategic weapons capabilities will become even more pronounced. The present 8500 U.S. strategic nuclear weapons arsenal could reach 11,800 by 1980 and 21,000 by 1985 as systems under development—Trident submarines with MIRVed missiles, the B-1 supersonic strategic bomber and the continued MIRVing of U.S. land and sea-launched missiles—are introducced.

Most of these new U.S. strategic weapons will be more accurate than present forces giving them a significantly increased hard target (e.g., missile silo) killing capability. U.S. research and development efforts will also make possible a terminally guided maneuverable re-entry vehicle (MARV) with a remarkable increase in both accuracy and penetration capabilities.

U.S. MARVs will be found on such missiles as Minuteman IV and Trident II. Equally significant is the development of the strategic cruise missile. These will fly at very low altitudes and present serious defense problems. Relatively cheap to build, they can be fired from torpedo tubes of submarines, bomb racks of bombers, and decks of Navy surface ships. This proliferation of new weapons, and the ability to hide them in a number of places, will make verification of most arms control agreements extremely difficult.

The great difference between U.S. and Soviet strategic programs is the wide spectrum of weapon systems and technologies that the U.S. can develop and deploy. The Soviets, in contrast to the U.S., tend to stay

Footnotes at end of article.

with older systems longer unless some new technological advancement makes it worthwhile to open up production lines for a long run. The Soviets tend to find the most political prestige in its large number of land based missiles. Yet land based missiles through the late 1970's and 1980's will probably become the most vulnerable component of a country's strategic forces.

Meanwhile, the U.S. had ended deployment of fixed land based missiles and is moving toward sea based missiles, new supersonic bombers, and probably to mobile ICBMs. Stepping to its own drummer, the Soviet Union is just embarking on deployment of a new family of fixed land based missiles. The Soviet commitment to such increasingly outmoded ICBMs can, in the next decade, consign the USSR to their familiar role of the 1950's and 1960's as a distant strategic second best to the United States. Measuring Strategic Equivalence or Parity.

For each of the past few years, the release of the annual report of the Secretary of Defense and the budget of the Department of Defense has provoked debate on the Pentagon's request for funds for strategic weapons and on the comparative strategic nuclear power of the U.S. and the Soviet Union. The Secretary of Defense has argued the importance of "essential equivalence" in strategic forces of "perceived equality", pointed to new Soviet initiatives and called for corresponding American initiatives to keep pace. Critics have argued that the U.S. already has a more than ample strategic deterrent and that more weapons are simply not needed. At the heart of the debate is the issue of how best to measure equivalence given the basic dissimilarities between U.S. and Soviet strategic forces.

It is assumed that both the United States and Soviet governments want to have at least comparable strategic forces so that neither is put at a disadvantage in a dispute, crisis, or conflict. Both governments, no doubt, would like to deal from military superiority. Neither can accept marked inferiority. But how is the strategic balance to be measured?

Six measures of strategic power

At least six different measures of strategic power have been used at one time or another in the recent strategic debate and this makes comparisons difficult. Any comprehensive assessment of the current strategic balance between the U.S. and the Soviet Union requires multiple measures since no one variable by itself is sufficient to describe all dimensions of the U.S.-Soviet balance. This is also a standard approach to social science measurement problems.

1. Numbers of Launchers

This is perhaps the oldest, most well known measure of strategic power and also the one incorporated in both SALT I and Vladviostok agreements. It is also the least significant in and of itself. The Soviets have a slight edge by this measure. The count for the U.S. and the Soviet Union projected to mid-1975 is summarized in Table I.

TABLE I.—STRATEGIC WEAPON LAUNCHERS

Type	Number	Type	Number
UNITED STATES		SOVIET UNION	
ICBM:		ICBM:	
Minuteman II	450	SS–7	190
Minuteman III	550	SS–8	19
Titan II	54	SS–9/18	288
		SS–11/19	1,030
		SS–13	60
SLBM:		SLBM:	
Polaris	208	SSN–5	24
Poseidon	448	SSN–6	544
		SSN–8	132
Bombers:		Bombers:	
B–52 G. & H	524	Bear	100
FB–111	73	Backfire B	60
Total	2,208	Total	2,447

2. Force Loadings

A second measure of strategic power is what the Pentagon euphemistically calls "force loadings". These are independently targetable warheads (MIRV's) or nuclear weapons. The significance of this measure of strategic power was given a boost by Secretary of State, Henry Kissinger's recent statement that "one is hit by warheads, not launchers".[3] Mr. Kissinger's statement seems to have prompted General George Brown, Chairman of the Joint Chief of Staff, to acknowledge in his FY 1976 Posture Statement that "the number of strategic warheads and bombs is a very significant measure of the balance".[3] John Newhouse, Counselor of the Arms Control and Disarmament Agency, pointed out in a recent speech that "It is difficult to overstate the importance of this kind of advantage; missile warheads—the actual weapons—not missile launchers—the means of delivery—represent the more critical measure of overall strategic power." [4]

TABLE II.—*Force loadings—Nuclear weapons*
(Mid 1975)

United States	8,500
Soviet Union	2,800

The U.S., as is apparent from the table, has almost a three-to-one advantage in nuclear weapons. This is a function of the fact that by mid-1975 the U.S. will have 832 launchers equipped with MIRV warheads while the Soviets are expected by the most optimistic projections to have only a few MIRV warhead missiles deployed.[5]

3. Accuracy

This is one of the most significant measures of the capability of strategic forces available. As John Newhouse put it in a recent speech, "Although we have fewer ICBM's ours are more accurate; and accuracy is a more dominant quality than yield." [6] The standard measure of accuracy is CEP or circular error probability. CEP is defined as the size of the circle in which 50% of your warheads land. The ability of a missile to destroy a hard target depends on several factors, some of which we have already discussed, such as numbers of warheads, yield, reliability, and most important of all, accuracy. "The better the accuracy, that is, the smaller the CEP, the larger will be the K (the lethality of the warhead to a hard target) and therefore the probability that the warhead can destroy the silo." [7] More precisely, hard target kill capability is proportional to the square of accuracy (doubling accuracy increases counterforce capability fourfold); directly proportional to the numbers of warheads (double the number of warheads doubles the counterforce capability); and proportional to the ⅔ power of yield (an increase in megatonnage by a factor of eight will increase counterforce capability only four times).[8]

The significance of all this is that hard target kill capability is more sensitive to the numbers of warheads in a country's arsenal and to their accuracy than to their size or yield. This has been reaffirmed many times by U.S. defense officials. Admiral Moorer pointed out in 1971 that ". . . accuracy is much more important than weapon yield." [9] In 1974 Secretary of Defense Richardson made the same point. "Although our warheads are relatively small in terms of megatonnage, with respect to target destruction numbers of warheads and accuracy are much more sensitive measures of destructive power than weight." [10] U.S. advantages in these areas give the U.S. a significant edge in counterforce capability and in strategic power.

Footnotes at end of article.

TABLE III.—ACCURACY*

Missile	Re-entry vehicle accuracy (CEP) nautical miles	Missile	Re-entry vehicle accuracy (CEP) nautical miles [1]
UNITED STATES		SOVIET UNION	
Minuteman III	0.2	SS–9	
Minuteman II	.3	SS–11, SS–13	(1)
Titan	.5	SS–N–6	(1)
Poseidon	.3	SS–N–8	(1–2)
Polaris	.5	SS–7, SS–8	(1–2)
			(1–5)

[1] Figures in parentheses are estimates.

4. Throw Weight

One of the more recent measures of strategic power and the most controversial is throw weight or more commonly, payload. Some have argued that it "is the most useful verifiable measure of relative missile capability. . . ." [11] We will have more to say about this below. Throw weight is defined as the weight of that part of a missile above the last boost stage and representative loadings of aircraft.[12] All things being equal, a missile with larger throw weight will be able to carry more and larger yield MIRV warheads. This is the basis for the Pentagon's argument about the danger of the U.S. being overtaken in numbers of nuclear weapons by 1979 and endangered by a Soviet counterforce attack. Generally, Soviet missiles carry larger payloads than U.S. missiles. According to JCS Chairman Brown, their missiles currently have an advantage of two to one in payload.[13] Overall, the throw weights of U.S. and Soviet strategic forces are about even. Nevertheless, Secretary of Defense Schlesinger is concerned that if the Soviets are able to marry accurate MIRV warheads to their larger missiles the Soviet force will be able to cover a larger number of targets, including military ones, improve pre-launch survivability and improve hard target kill capability.[14] The Secretary of Defense sees the danger that with this capability the Soviets would have the ability to launch limited counterforce attacks against U.S. land-based missiles. He has argued that without comparable capability, the U.S., in the event of such an attack, would be faced with a choice of surrender to Soviet blackmail or suicide by attacking Soviet cities.

Several comments on throw weight and the Pentagon's scenarios are in order. First, the notion that the Soviets would risk a surprise nuclear attack on our land-based missiles, leaving our formidable (4500 nuclear weapons) sea based nuclear forces untouched, makes little or no sense. As Jeremy Stone has recently pointed out:

"Our sea-based forces could respond against any Soviet targets they wish, issuing a counter ultimatum—that full scale attacks on U.S. cities would result in a full scale attack on Soviet cities.

"Soviet attacks on our land-based forces would inevitably cause widespread fallout and many millions of casualties. No Soviet planner could assume that we would carefully and restrainedly calculate after that. Nor could he be sure that we could distinguish his attack from an all-out attack. Nor could he be sure that we could restrain our sea based forces with suitable communications once the crisis began or our airborne bombers."

"The entire scenario", Dr. Stone goes on to say, "is bizarre enormous risks for no point." [15]

A second objection concerns the significance of the Soviet throw weight advantage. As we pointed out above, all other things being equal, a missile with a larger throw weight will be able to carry more and larger warheads. As is usually the case, all other things are not equal. We know from what has been seen of Soviet space technology that Soviet electronics are more primitive than American: that the Soviets still rely heavily on vacuum tubes, are far behind the U.S. in miniaturized solid state circuitry and in computers and mini-computers.[16] CIA director William Colby pointed out in testimony last year that the technological gap between the Soviets and the U.S. "is an across-the-board one from ICBM systems to electric razors . . ." [17] In short, the Soviets get less punch to the pound of throw weight (lower "throw weight productivity") than does the U.S.[18]

On the other hand, U.S. and Soviet yield-to-weight ratios—the ratio of explosive yield in kilotons to throw weight in pounds are roughly comparable.[19]

There is a third and final point that needs to be made with regard to throw weight. It has been acknowledged by Pentagon officials that by MIRVing their ICBM's the Soviets will reduce their yield-to-weight ratios. In testimony before the Senate Appropriations Committee in 1974, General Harold Collins, Air Force Assistant Deputy Chief of Staff for Research and Development, pointed out that MIRVed Soviet missiles can carry only a fraction of the explosive payload that they could with single warheads. This degradation of yield-to-weight ratios is due to the added propulsion, hardware, and electronics components needed to deliver separate warheads on their targets.[20] All of this raises fundamental and as yet unanswered questions about the significance of throw weight as a measure of strategic power.

Footnotes at end of article.

5. Megatonnage and equivalent metatonnage

Still another measure of the state of the U.S./USSR strategic nuclear balance is explosive power measured in megaton equivalents (i.e., millions-of-tons-of-TNT equivalents). In sheer explosive power the Soviet Union maintains an edge because the warheads on their ICBM's and the explosive yields in some of their nuclear bombs are much greater than that found in their U.S. counterparts. Note below the megatonnage of both superpowers expressed in World War II and Hiroshima equivalents.*

*The United States from 1941 to 1945 dropped just over 2,000,000 tons of TNT on Germany and Japan—2 megatons (MT). This is therefore our measure of a World War II equivalent. The United States bomb dropped on Hiroshima in 1945 has been calibrated at 13 kilotons of explosive power. Therefore 1 Hiroshima equivalent is 0.013 MT.

UNITED STATES/U.S.S.R. NUCLEAR KILLING POWER

[Raw megatonnage]

	World War II equivalents (2 megatons each)	Hiroshima equivalents (0.013 megatons each)
United States:		
ICBMs	791	121,692
SLBMs	168	25,846
Bombers	1,445	222,231
Total	2,404	369,769
Soviet Union:		
ICBMs	3,948	607,308
SLBMs	318	48,923
Bombers	405	62,307
Total	4,671	718,538

These raw megatonnage figures are, however, somewhat misleading since beyond a certain point, larger bombs do proportionately less damage than smaller weapons. Moreover, beyond a certain yield, no more explosive yield is needed to destroy a given target. A better measure of explosive power is "Equivalent Megatonnage" (EMT). This EMT is the basic ability of a warhead to destroy a target and is estimated to be proportional to the two-thirds power of its megatonnage if the yield is less than one megaton, and the square root of the megatonnage if the yield is over one megaton.[21]

Several smaller nuclear weapons can accomplish the same destruction as one very large weapon. Five one-megaton explosives can inflict damage equivalent to one twenty-five megaton explosive; four one-megaton bombs equal one sixteen-megaton bomb, and so on. By this measure (EMT) the U.S. and USSR arsenals contain roughly the same explosive target killing power. See diagram I below.

Using 1974 strategic nuclear weapon figures, the U.S. "triad" of strategic bombers, ballistic-missile submarines, and ICBMs carried 4456 EMT whereas the Soviet Union's strategic launchers were capable of hurling an EMT of 3847. Thus in equivalent megatonnage, the U.S. maintains a slight, if insignificant advantage.* Note the breakdown of megatonnage (MT) and equivalent megatonnage (EMT) by U.S. and USSR delivery systems excluding the newly-deployed Soviet SS–16, 17, 18, or 19 series which are only now being moved beyond the testing phase.

*Based on unpublished research at the Center for Defense Information, Washington, D.C.

Type	Number	Warheads each	Estimated raw megatonnage per warhead	Total raw megatonnage	Total equivalent megatonnage
UNITED STATES MEGATONNAGE, 1974					
Sea-based strategic missiles:					
Polaris A–2	96	1	0.8	76.8	83.8
Polaris A–3	176	3	.2	105.6	180.6
Poseidon C–3	384	10	.4	153.6	45.0
Total				336.0	308.0
Inter-continental ballistic missiles:					
Titan 2	54	1	10.0	540.0	170.0
Minuteman 1	100	1	1.0	100.0	100.0
Minuteman 2	500	1	1.5	750.0	610.0
Minuteman 3	400	3	0.16	192.0	26.0
Total				1,582.0	906.0
Long-range bombers (and ASM):					
852 A/F	146	4	1.0	584.0	584.0
852 G/H	274	4	1.0	1,096.0	1,096.0
FB 111	76	2	1.0	152.0	152.0
SRAM	1,140	1	0.2	228.0	392.0
Houndog [1]	510	1	4.0	2,040.0	1,020.0
Total				4,100.0	3,242.0
Summary:					
SLBM's				336.0	308.0
ICBM's				1,582.0	906.0
Long range bombers				4,100.0	3,242.0
Total				6,018.0	4,456.0

Type	Number	Warheads each	Estimated raw megatonnage per warhead	Total raw megatonnage	Total equivalent megatonnage
SOVIET STRATEGIC MEGATONNAGE					
Sea-launched ballistic missiles:					
SS–N–6	528	1	1.0	528	528
SS–N–8	108	1	1.0	108	108
Total	636			636	636
Intercontinental ballistic missiles:					
SS–7	139	1	5.0	695	307
SS–8	70	1	5.0	350	158
SS–9	288	1	20.0	5,760	1,282
SS–11 Mod 1	970	1	1.0	970	970
SS–13	60	1	1.0	60	60
SS–11 Mod 3	40	[2] 3	.5	60	76
Total				7,895	2,853
Long-range bombers:					
TU20 "Bear"	90	1	5.0	450	199
Mya 4 "Bison"	36	2	5.0	360	159
Total				810	358
Summary (total):					
SLBM's				636	636
ICBM's				7,895	2,853
Long Range bombers				810	358
Total				9,341	3,847

[1] To be phased out in fiscal year 1975.

[2] MRV.

6. Reliability

Overall weapon reliability is a composite of several individual variables, including missiles available, communications reliability, launch reliability, boost reliability, re-entry vehicle separation reliability, penetration reliability and detonation reliability. Figures on most of these components are hard to arrive at from the public literature though some evidence is available. For example, availability of U.S. strategic forces has been estimated at about 95% compared to about 75% for the Soviets. (All of these estimates unless otherwise noted are based on unpublished research at the Center for Defense Information) Overall, however, U.S. and Soviet missile reliability are roughly the same. The overall reliability of Minuteman II and III is between 75% and 80%. This can be compared to estimated reliability of Soviet SS–9 of about 75% and for SS–11 of about 70%. These two missiles comprise the bulk of Soviet ICBM's. The Navy hope to achieve reliability of about 80% for its Poseidon missiles by 1977.[22] By comparison, Soviet sea based missiles are thought to have somewhat lower reliability—about 65% for the SS–N–6 and 70% for the SS–N–7 and 8.

Footnotes at end of article.

If one had to attempt to reach a composite judgement about relative U.S. and Soviet strategic strength from the foregoing analysis the conclusion is inescapable that the U.S. currently has a marked edge.

The U.S. maintains three times more strategic weapons than the Soviet Union. Its missiles are more accurate. The U.S. also has a better hard-target kill capability than the Soviet Union.

The Soviet Force, on the other hand, contains more delivery vehicles than the U.S. and Soviet missiles enjoy a throw weight advantage over U.S. missiles. This throw weight advantage might in several years permit the Soviets to reach approximate equality with the U.S. in numbers of warheads assuming they master MIRV technology and deploy large numbers of MIRVed missiles.

At the same time, however, it is also clear that this U.S. edge is of little significance politically. As Secretary of Defense Schlesinger pointed out recently," . . . we have a good second strike deterrent, but so does the Soviet Union. Although the two forces differ in a number of respects no one doubts they are in approximate balance." [24] The point is not that they are in precise balance in terms of every variable by which one measures strategic power but that they are in balance in terms of their political effect—each force deters the other.

Changing of U.S. military doctrine complicates SALT negotiations

The difficulty in arriving at mutually agreeable SALT formulas for equating strategic striking forces has been exacerbated by a recent U.S. shift in strategic doctrine from yesterday's "assured destruction" to today's "essential equivalence" as prescribed by Secretary of Defense, James R. Schlesinger.

In the 1960's the United States adopted a strategic deterrent doctrine which then-Secretary of Defense McNamara called "assured destruction." McNamara argued that you could deter any rational Soviet government from launching a military attack on the U.S. by maintaining a strategic force capable of (1) riding out a surprise attack and (2) then inflicting "unacceptable" damage on the aggressor. Of course, the potential aggressor would be deterred only if he knew the U.S. had this capacity and the will to use it if attacked. McNamara's operational definition of "unacceptable" damage was damage equivalent to destruction to half the rival's industry and a quarter of his population.

One of the advantages of "assured destruction" doctrine was that the strategy could be implemented by a finite, limited number of strategic nuclear weapons. Calculations done in the Department of Defense indicate that 400 one-megaton nuclear weapons delivered upon the USSR would inflict 50 to 100 million deaths and would destroy 60% of Soviet industry. Beyond 400 such nuclear weapons there is a rapid falloff in the amount of further damage that can be visited upon the USSR with additional nuclear weapons.[24] The Soviet Union had an arsenal this numerous by 1962 (although not in a second strike). The U.S. had 400 nuclear weapons as early as 1948. Weapons built beyond that number can be considered superfluous additions to U.S. and Soviet "overkill" capabilities.

Now in 1975, the Pentagon is advancing a new modification of the doctrine of assured destruction. Secretary of Defense James R. Schlesinger states that an additional essential element to deterrence is that no perceived assymetries in levels or capabilities of forces—conventional or nuclear—exist between the United States and the Soviet Union. This, he calls the doctrine of "essential equivalence". Clearly, this new doctrine can be the rationalization for thousands of new U.S. weapons. Schlesinger's new doctrine, unlike McNamara's "assured destruction doctrine", would have the U.S. match or exceed the Soviets in every strategic category (weapons, launchers, throw weights, etc.) so as not to allow any perceived gap to develop between the two forces unfavorable to the United States. The result of this U.S. doctrinal shift is likely to be a continued nuclear weapons buildup despite the fact that both the U.S. and USSR have far more weapons than they now need to destroy each other even if attacked first by the other.

To the critics who point out that both the U.S. and the Soviets have produced strategic nuclear weapons beyond any rational use, Schlesinger argues that Soviet perceptions of U.S. strength are perhaps as important as real U.S. strength. The Secretary of Defense argues that decision-makers base their policies on perceptions of strengths and weakness, whether they exist or not. Hence, he wants the U.S. to maintain forces that are perceived as equal or superior in every facet to Soviet forces. This implies that the U.S. will match the USSR in arms building, even when those extra weapons outnumber the available targets in the Soviet Union and have passed far beyond the point of diminishing returns in U.S. capability to destroy Soviet industry, forces, or population.

"Essential Equivalence" as stated by Schlesinger does not give the Soviet political or military leaders much credit for understanding the awesome destructive power of even a few hundred nuclear weapons. Yet the Soviet leaders for years have given speeches about the awesome capabilities of their own nuclear arsenal which until the last five years numbered no more than a few hundred warheads and bombs.

Is it reasonable that the U.S. needs more strategic nuclear warheads than it now possesses in order to convince the Soviet leaders that we can inflict unacceptable damage upon them even if they strike first? Is it not clear that they understand the incredible dimensions of such weapons? Labeling our front-running or "matching" strategy in the strategic arms race as "essential equivalence" masks the points that the only equivalence that is "essential" to U. S. (or Soviet) security is the capacity to inflict terrible and unacceptable retaliatory damage upon any aggressor country. That is a capacity that both sides possess and have possessed for over a decade. Building weapons beyond what is needed to inflict "unacceptable damage" is a wasteful expenditure of funds.

Moving from a strategic doctrine of "assured destruction" to "essential equivalence" thus is a setback for those who speak for arms restraint, and a victory for those who see more weapons as a means to greater security. Advocates of the "assured destruction" theory of deterrence argue for relatively small numbers of U.S. nuclear weapons. Apologists for "essential equivalence" can only promise us increased strategic weapons building—unless the U.S. is ahead or even in every category of strategic weapons measurement.

SALT—Arms catalyst or arms restrainer?

SALT has produced mixed arms control results. It has succeeded in both restraining some arms competition but has failed to halt the strategic arms race overall. Indeed it has acted to merely rechannel it and, in some degree, it has served as a catalyst for further arms production and deployment.

SALT I signed in May 1972 was a reasonable arms control agreement which froze ICBM launcher numbers, SLBM launch tube numbers, ballistic missile submarine numbers, and the number of ABM missiles per site as well as the number of ABM sites. The agreement had the virtue of freezing arms building at levels then current and of halting the quantitative arms race in these categories of strategic weaponry. Unfortunately, the agreement left unfrozen the permitted numbers of nuclear warheads on each side—perhaps the most important measure of strategic striking power. Also two significant loopholes were left in the agreement—strategic long range bombers and forward-based nuclear systems were left out of the agreement. Thus, a significant portion of the nuclear delivery systems were left unregulated and no pact regulated the qualitative arms race whereby new, more efficient, and modern generations of strategic weapons continue to replace older systems (e.g., ICBMs and SLBMs and MIRV).

Nevertheless, the Salt I Treaty was a useful step forward in stabilizing the arms race. The ABM Treaty and the freeze on offensive missiles lessened the chances of either the U.S. or USSR being able to launch a preemptive nuclear strike without being destroyed in return. The accords thus tended to make nuclear war less likely although it did nothing to discourage the continued "modernization" of strategic forces. SALT I was a limited victory for those who sought to slow (vertical) nuclear proliferation by the Soviet and U.S. governments.

The 1974 agreements—Arms control in reverse?

The SALT I agreements have been followed by two more summit agreements between the U.S. and USSR in the summer and winter of 1974. The Nixon-Brezhnev agreement at Moscow in July accomplished little of substance. It established a threshold of 150 kilotons, which underground test explosions were not to exceed. This was meaningless since less than a half dozen such tests had occurred in the previous five years, and fewer still were scheduled in the projected future. The July 1974 summit also reduced the number of sites where ABMs would be permitted to one instead of two.

This was a constructive arms control step although it was far from certain that it prohibited anything either government planned to do as both had completed only one ABM site at the time.

These agreements, and the later November 1974 Vladivostok accords reached between President Ford and General Secretary Brezhnev, have led some analysts to suggest that the SALT negotiations have backfired on those interested in limiting strategic weapons. In their view, SALT has recently been perverted from its initial goals of arresting the U.S./USSR strategic arms race to the point where strategic arms control negotiations have virtually become a part of the weapons acquisition process.

Bargaining chip approach accelerates arms race

SALT has spurred arms competition in three ways. First, the armed services have gained an argument in the annual budget battles that helps convince skeptics to fund new weapons. This is the "bargaining chip" approach to SALT. The Pentagon has argued that we should continue to fund strategic weapons systems like the B-1 bomber, the Trident submarine, and should continue MIRVing U.S. strategic missiles—all in order to strengthen our bargaining position with the Soviets. It is not unreasonable to believe that similar arguments are being presented inside the Kremlin by representatives of the Soviet military services. Jack Ruina has put the problem very well:

"Finding a suitable bargaining chip is a fundamental problem. It is hard to think of an arms program that simultaneously is good enough to worry an opponent and bad enough for the military to be willing to give it up in negotiations." [25]

Unfortunately, the previous pattern of arms control agreements offers few precedents for cutting back weapons that have already been produced. Arms control pacts like the Outer Space Treaty, the Seabeds Treaty, and the Biological Convention of 1972 all prohibited the production of certain weapons of the future. Only in the ABM Treaty of 1972 has an existing weapon system been actually cut back once deployment had begun. In no other case have arms control agreements resulted in disarmament. "Bargaining Chip" weaponry, once in place, remains in place, and serves to induce the other side into further military expenditures to keep pace with the new development.

Acceleration to beat SALT deadlines

Second, the Strategic Arms Limitation Talks have spurred further weapons production on the part of the armed services to get coveted new weapons into production as soon as possible to avoid their prohibition via future arms control agreements. This holds true for nuclear weapons testing as well. Soon after the July, 1974 Threshold Test Ban treaty was signed, the AEC asked for $56 million more to accelerate the testing of nuclear weapons before the cutoff occurred 21 months later. Congress granted $22 million of this request. Each service is anxious to get its own new weapons under the wire before the negotiators can limit them.

SALT limits as magnets

Third, SALT agreements like the November, 1974 Vladivostok Agreement allow strategic weapons numbers higher than exist in current inventories of strategic weaponry. These high limits on MIRVs and strategic delivery vehicles may serve as "lures", rather than as limits, to further arms production. Pentagon spokesmen argue that since the Soviets will build to such limits, the U.S. must also. The Soviet military, no doubt, argue in the same manner.

Thus, "SALT has been rubbed into the wounds" of arms control advocates. It has given rise to the "bargaining chip" rationale for arms production. It has spurred the military services to press for weapons in order to get them before they are prohibited. Finally, the SALT limits, higher than existing inventories of strategic weapons, serve as goals to be fulfilled lest the Soviets gain an advantage.

THE YEARS OF SALT—UNITED STATES/SOVIET NUCLEAR WEAPONS RACE, STRATEGIC NUCLEAR WEAPONS

[DOD figures]

Years	1970	1971	1972	1973	1974	1975
U.S.S.R.	1,800	2,100	2,200	2,200	2,500	2,800
United States	4,000	4,600	5,700	6,800	7,650	8,500

The Ford-Brezhnev SALT II Agreement at Vladivostok in late November, 1974 was advertised by the parties as the long-awaited "cap on the strategic arms race". In this Vladivostok agreement both the United States and Soviet Union agreed to limit until 1985:

1. The number of their strategic bombers and missile launchers (either sea or land based) to 2400 for each country.
2. The number of multiple independently-targeted re-entry vehicles (MIRV), either sea or land based, to 1320 for each country.

Vladivostok virtues

Defenders of the Valdivostok Agreement argue that it helps maintain the atmosphere of detente in U.S.-Soviet relations and keeps the momentum of SALT going in a positive direction. Secretary of State Kissinger has argued that the new ten year pact relieved unfavorable time pressures and the now-or-never quality that the SALT negotiations had taken on in 1974. The new limits established at Valdivostok can be used as base points for further lower negotiated limits and as a basis for planning by defense analysts. A great deal of uncertainty about the future is removed for both the military planner and the arms control negotiator.

While the U.S. agreed to include strategic bombers as a concession to the USSR, it can be plausibly argued that the Soviets have given up more than the United States in this particular agreement. The omission of U.S. forward based systems, even though they constitute a substantial nuclear force in Europe, Asia, and on aircraft carriers, was a significant concession in view of the threat that these weapons pose to the Soviet Union. The Valdivostok accords, by stipulating numerical equality in MIRVed missiles and launchers, helped to channel the U.S.-Soviet strategic arms race in a direction where U.S. military advantages are pronounced. The Soviets will no longer be able to compensate for their technological inferiority by having more missiles. It is likely that the U.S. will continue to enjoy an advantage in weapons technology for some time to come and the USSR may have committed itself to a more or less permanent handicap.

However, the Soviet leadership may be realistic about the dubious political utility of nuclear weapons and the significance of nuclear "gaps". It is clear that they believe that forward momentum in overall relations with the U.S. is more important than putting military considerations above all else.

Lastly, defenders of the Vladivostok SALT accord point out that it "caps" the arms race at some finite point and acts to channel and restrict weapons production at lower future levels than might have been the case with no limits at all.

Vladivostok vices

Despite all the cited advantages for the Vladivostok Pact this "cap on the arms race" may well turn out to be a "dunce cap". The limits are so permissive of new weapons deployment that the Vladivostok Agreement may be seen more as a license to continue the strategic arms race for another ten years, than as an agreement which favors arms restraint.

It is useful to review what President Ford and General Secretary Brezhnev did not accomplish at Vladivostok in order to put their agreement into proper prospective. First, the accord imposed no direct limit on the number of nuclear weapons allowed each side. This perhaps is the most serious defect in the accord. The MIRV limit of 1320 limits no current weapon or warhead deployment plans of the U.S. Prior to the November 1974 summit, the U.S. had nearly completed 80% of its program to MIRV 550 ICBMs and 496 Poseidon SLBMs. The Vladivostok pact now permits and encourages the MIRVing of 274 additional missiles beyond the 1046 planned. The result will be a proliferation of far more nuclear weapons in the U.S. arsenal than were initially planned.

Indeed, President Ford tells us that "we do have an obligation to step up to that ceiling" (2400 strategic delivery vehicles, 1320 MIRVed missiles), and he promises us that "the budget that I recommend will keep our strategic forces either up to or aimed at that objective." [26] The MIRV limits obviously do not cut into Soviet plans as the first operational Soviet MIRVed missile had yet to be deployed at the time of the agreement. MIRVing 1320 may be the work of a decade for the Soviets.

A second failure of the Vladivostok agreement is that it cuts back no current U.S. arms program and imposes no substantial reduction in any Soviet weapons program. Indeed, it will probably increase, not reduce, military spending in both countries.

A third major flaw in SALT II was that no truly inhibiting limits were placed upon the qualitative arms race. MIRV limits were set so high as to constitute no limits at all in the next three to five years. No limits whatsoever were placed on the number of MIRVed warheads a missile may carry. No restrictions were placed on spending for improvements in accuracy; none on the creation of mobile ICBMs, or ASW technology, or on MARV—the logical extension of MIRV technology. This is a major loophole that begs for plugging in future negotiations.

Finally, there is no indication that the agreement channels the strategic competition and relationship in ways that enhance the national security of either the United States or the Soviet Union. The strategic world permitted by Vladivostok until 1985 looks as threatening as that promised in the absence of an agreement, perhaps more so. We are likely to see greater numbers of weapons, all producing no discernible gain in security.

What the Vladivostok Agreement does may be as harmful as what it does not do. First, it acts to undo the 1972 U.S.-Soviet Interim Agreement which froze ICBMs and SLBMs at 1972 levels then deployed or under construction. Vladivostok permits any number of ICBMs and SLBMs up to a combined total of 2400 strategic launchers. The U.S. was limited to a maximum of 1710 strategic missiles in 1972; the Soviet Union, 2358. Vladivostok enables the military on both sides to argue for building to the agreed high limits because the rival will be.

The Ford-Brezhnev agreement at Vladivostok, if not followed by further far more restrictive arms control agreements, permits and encourages the building and deployment of as many as three to four times as many deliverable strategic nuclear weapons in each superpower's arsenal in the next ten years. Mid-1975 figures place combined U.S./USSR strategic weapons totals at 11,300 (8500, U.S.; 2800 USSR). Under the Vladivostok Agreement, 29,000 Soviet and American strategic nuclear weapons might well be deployed by 1985 or before.* In addition, the U.S. and Soviets have currently in their arsenals an estimated total of 28,000 tactical nuclear weapons.**

PART II—THE SUPERPOWERS AND NUCLEAR SPREAD

Having examined and assessed the status, pace and direction of the superpowers nuclear arms race, the question remains: what is the impact of the superpower's arms race on the nuclear aspirants? How have U.S./USSR vertical proliferation affected horizontal Nth country proliferation?

Footnotes at end of article.

* This assumes production of the new U.S. Trident, B–1, and MIRV to the 2400 launcher and 1320 MIRV limits allowed by Vladivostok. This also assumes Soviet MIRVing and deployment of new family of ICBMs. It is conservative in that it allows for no other new strategic qualitative innovations which might well occur. The conservative projection is then that U.S. nuclear weapons will grow in number from 7650 in mid-1974 to 21,000 by 1985. Soviet weapons, conservatively estimated, will grow to just under 8000. A worst case estimate of Soviet growth assuming many new military technology innovations would place Soviet totals at 14,500.

** The U.S. is estimated to have in 1975 22,000 tactical nuclear weapons. Estimates of Soviet tactical nuclear weapons are less precise. They are estimated to have about 3500 tactical nuclear weapons in Europe and perhaps another 2500 or more elsewhere in the USSR.

Footnotes at end of article.

We will argue that in at least three ways continued Soviet-U.S. nuclear weapons competition has increased the possibilities for membership in the nuclear club.

First, U.S./USSR nuclear weapons building sets a bad example for the rest of the world. Secondly, the same forces that help spur the nuclear arms race also help spur the diffusion of nuclear-related military technologies throughout the world through the sharing by the superpowers of "non-military" nuclear technology and by the transfer of nuclear capable delivery systems to many countries. Finally, the basing of nuclear weapons worldwide, increases the chances for theft and seizure.

The narrowing-widening gap

In terms of numbers of nuclear weapons held by the superpowers the gap between the superpowers and other members of the nuclear club, and between the superpowers and nuclear aspirants has obviously widened. On the other hand, the gap has narrowed somewhat in terms of access to nuclear technology and access to advanced nuclear capable delivery systems.

The U.S./Soviet strategic arms race is the cutting edge of world military technology. The U.S. and the Soviet Union, but especially the U.S. have almost always been first to develop new military technologies. We have set a fast pace that others have tried to follow. As we and the Soviets have pushed out the frontiers of military technology we have also helped diffuse older technologies to more and more countries. As a result, "the . . . technological potential for destructive weapons has grown and grown, and spread, country by country, throughout the world." [27]

Elementary nuclear knowledge and techniques necessary to build a simple atomic bomb—has become more and more widespread. Increasing numbers of nations have developed nuclear reactors for producing electric power and for purposes of research. In the process, many nations have begun the process of developing indigenous scientific talent and technological skills necessary to build nuclear weapons. At last count, forty-four countries were operating nuclear reactors. Many observers have expressed concern that weapons grade plutonium might be produced by these reactors and diverted to the production of nuclear weapons. At least as significant, however, is the use of these nuclear research and power facilities to develop the scientific knowledge and technological skills that are necessary to build nuclear weapons. The International Atomic Energy Agency can devise safeguards to protect against the former but it cannot protect against the latter. Indeed, the central objective of these facilities is precisely the development of just such a pool of indigenous scientific and technological talent.

Dr. Fred Iklé, Director of the Arms Control and Disarmament Agency, commented on this problem in a recent speech. He has pointed out that for the first decade of the nuclear era the U.S. tried hard to keep nuclear technology secret. "Until 1954," he says, "we followed a very strict policy of trying to prevent other nations from acquiring our nuclear know-how and materials, but in 1954 we turned around almost 180 degrees: we initiated a major program, under the name "Atoms for Peace", deliberately designed to share nuclear technology." "The trouble is," he continues, "that some of the technology for peaceful uses can, with a sufficient effort, provide the building blocks for the technology to manufacture nuclear bombs."* [28]

* Spch National Security Industrial Association, Jan. 15, 1975 p. 4

Footnotes at end of article.

Current U.S. policy is to share peaceful nuclear technology. Articles IV and V of the Nonproliferation Treaty pledge the U.S. to cooperate with other countries in the sharing of technology and equipment for the development of peaceful uses of nuclear energy, and Secretary of State Kissinger recently reiterated that it is still U.S. policy to share and exchange this technology with other countries.[29]

The U.S. alone has exported research and/or power reactors to thirty-six countries. In addition, the U.S. has provided nuclear technical assistance to forty-three countries, and twenty-six countries have been given grants for the purchase of nuclear reactors. The Atomic Energy Commission has been active in exchanging technical information on nuclear science with numerous other countries. The International Atomic Energy Agency in 1973 sponsored nuclear research projects in fourteen countries and the amount of money available through the IAEA for technical assistance in nuclear science more than doubled from $3.2 million in 1969 to $7.5 million in 1974.[30] Over time these activities begin to have a significant impact. In testimony before the House Appropriations Committee it was pointed out by the Agency for International Development that "the technology involved in civilian power reactors is only marginally related to that needed in research and development to produce nuclear weapons." [31] In the same hearings, however, it was acknowledged that "There is no assurance however, that some foreign scientists who have visited or been assigned to AEC laboratories on non-military projects or who have received unclassified AEC publications have not applied basic nuclear knowledge they have gained to some aspect of a weapons program.[32] This process has been going on for several years and has disseminated nuclear expertise widely.

Not long ago, the AEC conducted a secret study to determine whether two physicists with PhD's and fresh out of graduate school could design an atomic bomb using unclassified, public literature, assuming they could obtain the necessary nuclear materials. In *six months* the physicists had succeeded in designing an atomic bomb and in predicting its yield within ten percent of what it would have been if detonated.[33] They were subsequently hired by the AEC and now work at the Los Alamos Laboratory. In 1974 the AEC put together a study group to examine the question of nuclear theft. The group concluded that "There is widespread and increasing dissemination of precise and accurate instructions on how to make a nuclear weapon in your basement . . . there is also a slow but continuing movement of personnel into and out of the areas of weapons design and manufacture . . ."

"We believe," they concluded, that, "these factors necessitate an immediate and far-reaching change in the way we conduct our safeguards program." [34]

More recently a twenty year old MIT undergraduate was given the assignment of designing a nuclear bomb in his spare time, again using only publicly available reference works. A nuclear scientist on the staff of the Swedish Ministry of Defense and several colleagues examined the resulting design and concluded that there was "a fair chance" that it would explode. The bomb, which required about 200 hours to design and would weigh between 500 and 1000 pounds, was built from parts easily available from commercial suppliers (with the exception of the plutonium) and might cost between $10,000 and $30,000.[35] A bomb this size could be carried by virtually any modern military jet. These examples demonstrate quite clearly that the technology necessary to build nuclear bombs is no longer held by a few scientists in a few countries. It has become widely disseminated and accessible to virtually anyone with a modest amount of technical information and expertise.

Supplying nth countries with delivery vehicles

A second trend is the increasing availability and diffusion of nuclear-capable delivery systems to nuclear aspirants. It has become increasingly obvious in recent years that the resources and technology necessary to develop and build reliable nuclear-capable delivery systems—primarily missiles and advanced jet aircraft—with their sophisticated electronics, are far more demanding than that necessary to develop and build nuclear weapons. The extensive trade in conventional arms in recent years has made available to nuclear aspirants in increasing numbers, the advanced missiles and aircraft necessary to carry nuclear weapons. Credible delivery systems are an essential ingredient necessary for turning a test nuclear explosion into a meaningful military threat.

Both the U.S. and the Soviets have transferred to both allies and clients large number of nuclear capable delivery systems. Literally thousands of nuclear capable aircraft, ships and guided missiles have been given or sold to foreign countries as part of the grant military assistance programs of the U.S. and the military assistance programs of the Soviet Union.

U.S. NUCLEAR CAPABLE GUIDED MISSILES, GIVEN AND SOLD TO FOREIGN GOVERNMENTS, 1950–73

Name	Assistance	Sales	Total
Surface-to-surface:			
Corporal	113		113
Jupiter	63		63
Pershing		133	133
Sergeant	38	195	233
Honest John	3,566	2,688	6,254
Subsurface-to-surface: Polaris (A-3)		102	102
Air-to-surface:			
Bullpup	3,768	1,603	5,371
Walleye		104	104
Surface-to-air:			
Nike	3,460	1,766	5,226
Terrier	114	172	286
Total missiles	11,122	6,763	17,885

[1] 1950–72.

U.S. NUCLEAR CAPABLE AIRCRAFT AND SHIPS GIVEN AND SOLD TO FOREIGN GOVERNMENTS, 1950–73

	Millitary assistance	Sales	Total
Aircraft:			
Antisubmarine	160	52	212
Attack	178	581	759
Bombers	113		113
Fighters	7,767	1,509	9,276
Patrol	186	102	288
Total aircraft	8,404	2,244	10,648
Ships:			
Aircraft carriers	3	2	5
Cruisers		6	6
Cargo ships	4		4
Destroyers	38	62	100
Destroyer escorts	62	23	85
Submarines	24	33	57
Subrescue	1	1	2
Subtender	1	1	2
Total nuclear capable ships	133	128	261

Since 1950 the U.S. alone has transferred nearly 18,000 nuclear capable guided missiles of all types, ground-to-air, ground-to-ground, and air-to-ground, to foreign countries. During the same period the U.S. has transferred about 8400 nuclear capable aircraft of all types to foreign countries. U.S. supplied nuclear capable missiles are currently deployed by Spain, Taiwan and the Republic of Korea as well as NATO countries. Both Taiwan and South Korea are believed to be interested in developing nuclear weapons and have in operation, or under construction, nuclear reactors capable of producing militarily significant quantities of plutonium.[36]

Soviet nuclear-capable missiles are deployed by Warsaw Pact countries as well as Egypt, Syria, Iraq, North Korea, and Cuba. Massive U.S. and Soviet expenditures in recent years on highly sophisticated delivery systems have obscured the fact that nuclear weapons can be delivered with far simpler, less sophisticated weapons than the ICBMs and SLBMs in the U.S. and Soviet arsenals. The only nuclear weapons used in war were delivered by aircraft that even the most underdeveloped country would not consider worth buying today. Many nuclear aspirants could acquire a credible nuclear deterrent against one or more of the current nuclear powers with a relatively small number of F–4 Phantom fighter-bombers or comparable aircraft equipped with nuclear weapons. It is worth nothing in this connection that the U.S.'s so-called "fourth strategic force", forward based in Europe, Asia and on aircraft carriers, consists of precisely these kinds of delivery systems—fighter-bombers such as the F–4s, F–8s, F–14s, F–111s, A–4s, A–6s and A–7s as well as relatively short range surface-to-surface missiles such as the Lance, Pershing, Sergeant, and Honest John.

Superpower nuclear spread—Theft and seizure dangers

The dispersion of U.S. and USSR nuclear weapons across the world has led to the danger that either terrorist organizations or "Allies" of the superpowers might steal or seize U.S. or Soviet nuclear weapons. This might well prove easier to accomplish than the production of a nuclear weapon.

Nuclear spread to terrorists

The risk of war with the Soviet Union has long been regarded as the primary threat to the security of the United States. In hopes of averting such a catastrophe, thousands of man-years have been spent by analysts exploring how such a war is likely to erupt.

The research and contingency plans designed to control escalation of crises and limited wars, to prevent accidental war or unauthorized attacks, and to deter a surprise attack, may be ignoring a likelier danger to U.S. national security—the nuclear terrorist.

A half-dozen terrorists with a home-made or hijacked nuclear weapon could cause thousands of deaths in a city like New York. Yet thousands of nuclear weapons are deployed by the United States, Soviet, French, and British forces in many different locations, some with questionable security precautions. If a terrorist group stole and detonated one "small" 10 kiloton nuclear weapon in New York City, the explosion could cause nearly 100,000 deaths—more than all the U.S. battle deaths incurred together in the Vietnamese and Korean Wars.

One of the hundreds of U.S. tactical nuclear bombs in the one metagon range, if exploded on Manhattan Island, would inflict casualties exceeding the combined totals of the war dead from the American Revolution, the War of 1812, the Mexican War, the U.S. Civil War, the Spanish-American War, the First World War, World War II, the Korean War, and the Vietnam War. Nearly one-and-a-half million people would perish in such an event.

More than 50 major terrorist groups are reported to exist worldwide. Urban guerrilla activities, Olympic murders, airplane hijackings, terror bombings, and airport massacres are all well known.

How safe are nuclear weapons from theft by terrorist groups? Not very, according to the few indicators available in this highly classified area. U.S. Army Special Forces exercises have shown that nuclear weapons storage areas can be penetrated successfully without detection, despite guards, fences, and sensors. Their example could obviously be followed by a daring and well-organized terrorist organization.

The United States, its allies, and the Soviet Union have now deployed thousands of tactical nuclear weapons across the world, each in an effort to bolster its own national security. In doing so, these governments have made their societies more vulnerable to the nuclear terrorists, and increase the chances of nuclear proliferation in this form.

Nuclear spread to allies

More than half of all U.S. nuclear weapons are stationed abroad or on the high seas. Countries where U.S. nuclear weapons are reportedly stationed include: Federal Republic of Germany, United Kingdom, Netherlands, Belgium, Italy, Iceland, Greece, Turkey, Spain, Portugal, Philippines, and Republic of Korea.

Once the U.S. deploys nuclear weapons to an allied country, we put in jeopardy our control of those weapons if that nation ever becomes unfriendly to the United States. Allied seizures of U.S. weapons could result in the United States having to fight its way into an allied country in order to rescue its own weapons.

This scenario takes on more plausibility in the light of the recent Greek and Turkish fighting on Cyprus. Both Greece and Turkey are host countries for U.S. tactical nuclear weapons and U.S. security forces were put on maximum alert guarding the weapons compounds during the short war between these two NATO allies.

Too many of the allied host countries that permit U.S. nuclear bases are dictatorships with oppressive regimes that spark dissent. Franco of Spain and Chung Hee Park of Korea are vintage example of the genre. Some allies who permit U.S. nuclear weapons already have domestic insurrections on their hands. The Philippines and the United Kingdom are current examples. In Greece and Portugal recent coups d'etat have changed the complexion of the ruling groups. In countries plagued by civil wars and coups, U.S. tactical nuclear bases may not be safe from our "allies." During internal political disruptions in allied countries, U.S. bases might find themselves caught in the middle of a firefight. One side or the other might find it advantageous or even necessary, to seize U.S. tactical nuclear weapons to gain the upper hand in the local struggle. Nor can we discount the possibility that allies such as the Republic of Korea might seize U.S. weapons in order to defend themselves from—or possibly to attack—their antagonists.

FOOTNOTES

[1] Barry R. Schneider, (ed.) "30,000 U.S. Nuclear Weapons", *The Defense Monitor*, Vol. 4, No. 2, February 1975, p. 1.

[2] News Conference, April 26, 1974.

[3] General George Brown, *U.S. Military Posture for FY 1976*, p. 37.

[4] Speech, U.C.L.A. Westwood, Ca., January 29, 1975, p. 8.

[5] James R. Schlesinger, *Annual Defense Department Report*, FY 76 and FY 76T, p. II–12.

[6] Newhouse, op. cit., p. 8.

[7] SIPRI, *Offensive Missiles*, Stockholm Paper 5, Uppsalla, 1974, p. 16.

[8] Rep. Robert Leggett, "Two Legs Do Not a Centipede Make," *Armed Forces Journal*, February 1975, p. 30, *Offensive Missiles*, pp. 14–21. Also Hearings, *Nuclear Weapons and Foreign Policy*, Committee on Foreign Relations, U.S. Senate, 1974, p. 170.

[9] Admiral Thomas Moorer, testimony, Senate Armed Services Committee, Hearings on FY 1972 Defense Department Authorization, Part I, p. 19.

[10] Secretary of Defense Elliot Richardson, testimony, House Armed Services Committee, FY 74 Department of Defense Authorization, Part I, p. 482.

[11] Paul Nitze, *Aviation Week and Space Technology*, February 24, 1975, p. 66.

[12] General George Brown, *op. cit.*, p. 37.

[13] *Ibid.*

[14] James R. Schlesinger, *op. cit.*, p. II–14.

[15] *F.A.S. Public Interest Report*, February 1974, p. 8.

[16] See *Aviation Week and Space Technology*, October 7, 1974, pp. 12–14, January 27, 1975, p. 61, February 3, 1973, p. 19, also SIPRI, *Offensive Missiles*, Stockholm Paper 5, Uppsala 1974, pp. 24n, 25n, also Dr. Malcolm Currie, *Department of Defense Program of R.D.T. and E.*, Report for FY 1976, p. II–17.

[17] Congress, U.S., Joint Economic Committee, *Hearings on Allocation of Resources in the Soviet Union and China*, April 12, 1974, p. 16.

[18] Edgar Ulsamer, "The Soviet Drive for Aerospace Superiority", *Air Force Magazine*, March, 1975, p. 46.

[19] *Ibid.*, p. 46.

[20] Hearings on Department of Defense appropriations, FY 75, Part 4, p. 704.

[21] David Packard, Testimony, June 1, 1971, Senate Foreign Relations Committee, *Arms Control Implications of Current Defense Budget* (FY 72), June, July 1971, p. 179.

[22] Hearings, Department of Defense Authorization, House Armed Services Committee, Part IV, p. 3992.

[23] Schlesinger FY 76, *DOD Annual Report*, p. I–16.

[24] Alain Enthoven and Wayne Smith, *How Much Is Enough*, New York Harper and Row, 1974, pp. 207–210.

[25] "SALT in a MAD World", *New York Times Magazine*, June 30, 1974, p. 42.

[26] *New York Times*, December 3, 1974, p. 28.

[27] Dr. Fred Ikle, Director U.S. Arms Control and Disarmament Agency, speech before National Security Industrial Association, January 15, 1975, p. 4.

[28] *Ibid.*, p. 4.

[29] Congress, U.S., Subcommittee on Foreign Operations, Committee on Appropriations, Foreign Assistance and Related Agencies, Appropriations, FY 1975, Hearings, p. 59.

[30] International Atomic Energy Agency, *Annual Report*, Austria, July 1974, p. 9.

[31] Hearings, *Foreign Assistance and Related Agencies Appropriations* FY 1975, Subcommittee on Foreign Operations, House Appropriations Committee, p. 325.

[32] *Ibid.*, p. 691.

[33] Paul Levinthal, "Plutonium for Peace Maybe", *New York Times*, July 14, 1974; *Washington Post*, May 26, 1974, p. 1.

[34] *Washington Post*, May 26, 1974, p. 1; *Congressional Record*, Senate, April 30, 1974, p. 6622.

[35] *New York Times*, February 27, 1975.

[36] Hearings, Foreign Assistance and Related Agencies, Appropriations, FY 1975, p. 1383.

Mr. STENNIS. Mr. President, if any time remains, I am glad to yield it back.

Mr. HUMPHREY. Mr. President, will the Senator yield for the purpose of my asking a question of the distinguished Senator from New Hampshire, who is the chairman of the R. & D. Committee?

Mr. GRAVEL. I am glad to yield.

Mr. HUMPHREY. Mr. President, I have listened to this most interesting and provocative and exhilarating debate. There is a good deal of heat and occasionally some light, and I would just like to remove some of the conditions of smog

and fog and smoke, if I could, to get at what the argument is all about.

I understand that the R. & D. subcommittee did not support additional funding for the so-called site defense ABM technology. Is that correct?

Mr. McINTYRE. That is correct. The request for $140 million at the subcommittee level was denied, and at the full committee, in executive session, $70 million was restored.

The amendment of the distinguished Senator from Alaska seeks to restore it to the subcommittee position of termination.

Mr. HUMPHREY. Do I correctly understand that in the defense procurement bill are substantial funds for continuing a program of advanced ABM technology that looks into the 1980's—sort of a new generation of technology. Is that correct?

Mr. McINTYRE. In the R. & D.

Mr. HUMPHREY. In the R. & D.

Mr. McINTYRE. In the R. & D. of the budget is a program that we call ABMDA, which is advanced ballistic missile defense technology. It is here that the technology is developed on advanced interceptors, advanced radars, target discrimination, picturing the course of the vehicle coming in under certain atmospheric conditions. It is here that we have the technology to know what the Soviets are up to. This is advanced technology. It looks to an ABM system that, hopefully, if we ever had to put it to work, would be able to defeat the incoming ballistic missiles.

The PRESIDING OFFICER. The time of the Senator from Alaska has expired. The Senator from Mississippi has 1 minute remaining.

Mr. HUMPHREY. I thank the Senator for really solid information.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield back the remainder of my time.

Mr. GRAVEL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 540) of the Senator from Alaska. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TUNNEY (after having voted in the affirmative). Mr. President, on this vote I have a live pair with the Senator from Alabama (Mr. SPARKMAN). I have already voted "aye." If he were present and voting he would vote "nay." Therefore, I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Missouri (Mr. EAGLETON), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. McGEE), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) would vote "yea."

The vote was announced—yeas 39, nays 54—as follows:

[Rollcall Vote No. 205 Leg.]

YEAS—39

Abourezk	Hartke	Metcalf
Biden	Haskell	Mondale
Brooke	Hatfield	Muskie
Bumpers	Hathaway	Nelson
Case	Humphrey	Pastore
Church	Javits	Pell
Clark	Johnston	Proxmire
Cranston	Kennedy	Randolph
Culver	Leahy	Ribicoff
Glenn	Mansfield	Schweiker
Gravel	Mathias	Stevenson
Hart, Gary W.	McGovern	Symington
Hart, Philip A.	McIntyre	Williams

NAYS—54

Allen	Fong	Nunn
Baker	Ford	Packwood
Bartlett	Garn	Pearson
Beall	Goldwater	Percy
Bellmon	Griffin	Roth
Bentsen	Hansen	Scott, Hugh
Brock	Helms	Scott, William L.
Buckley	Hollings	Stafford
Burdick	Hruska	Stennis
Byrd, Harry F., Jr.	Inouye	Stevens
Byrd, Robert C.	Laxalt	Stone
Cannon	Long	Taft
Chiles	Magnuson	Talmadge
Curtis	McClellan	Thurmond
Dole	McClure	Tower
Domenici	Montoya	Weicker
Eastland	Morgan	Young
Fannin	Moss	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Tunney, for.

NOT VOTING—6

Bayh	Huddleston	Sparkman
Eagleton	McGee	

So Mr. GRAVEL's amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senate will come to order. I am going to ask for order in the Chamber. Will everybody who is conversing kindly remove himself from the Senate floor. Would those Senators conversing kindly remove themselves from the Senate floor.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for not to exceed 5 minutes without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. The next amendment to be called up is on the B–1 bomber on which there is a 2-hour limitation; and that will be followed by the Minuteman III amendment on which there is a time limitation of 1½ hours.

After those two amendments are disposed of, there are between 23 and 28 other amendments. The deadline for final passage is 6 p.m. tomorrow.

I take this time to see if we can possibly get the time reduced on each of the remaining amendments. Would it be possible to cut the time on the B–1 bomber amendment, which is 2 hours, could that be reduced to 40 minutes to be equally divided between the two sides.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. GOLDWATER. Inasmuch as I probably will have the burden of carrying the B–1 argument on this side, I have made my arguments, and I do not think we are going to change one vote. I see no reason why we cannot limit this to 40 minutes, none at all.

I would leave it to the judgment of my chairman, Senator STENNIS, however.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. PASTORE. I want to compliment the majority whip. I mean, after all, we did have several days of open debate, general debate and, as the Senator from Arizona well said, this is an old chestnut. I mean we have talked about this time and time again and minds are made up, and I do not see how it cannot be explained in 20 minutes on both sides.

I would hope there would be cooperation. After all, there are so many amendments. Mathematically, if you figure it out, I do not see how you are going to end at 6 o'clock tomorrow and, as the majority leader said, if we do not finish tomorrow we are going to come in here Saturday. You have got to make up your minds, you either want to talk yourselves to death or pass the legislation or defeat it, and that is about the size of it.

Mr. McGOVERN. Mr. President, reserving the right to object, and I will not object, I do think the case against this weapon system is so clear and so convincing that we should be able to convince the Senators in 20 minutes and if I can be assured of at least half of the time, I cannot imagine taking more than that length of time to make the case.

Mr. PASTORE. Will the Senator yield?

Mr. McGOVERN. Yes.

Mr. PASTORE. May I say to the Senator, if he cannot prove his case in 20 minutes, he cannot prove it at all.

The PRESIDING OFFICER. Is there objection?

Mr. STENNIS. Mr. President, reserving the right to object, may I ask the Senator from Arizona with reference to the time he wants?

Mr. GOLDWATER. I can go from 0 to 10 minutes.

Mr. STENNIS. Or 5 hours?

Mr. GLENN. I need 10 or 12 minutes.

Mr. GOLDWATER. I do not even need that, I have said everything about the B–1 that I can say.

Mr. STENNIS. The Senator does not want that, is that right?

Mr. GOLDWATER. Oh, I would like a little.

[Laughter.]

Mr. STENNIS. Now, Mr. President, just a moment. There are a good number of Senators that have talked to me about wanting to speak on this. We will make it as short as we can, but we have made mighty good headway today and yesterday.

May I ask the Senator from California, he has some time he has talked to me about.

Mr. CRANSTON. Three or 4 minutes is all I need.

Mr. STENNIS. All right.

Mr. BARTLETT. Will the Senator yield?

I would like to ask the Senator from Mississippi if I could have 5 minutes.

Mr. STENNIS. All right.

Based on what I get here, I think reduce it to, say, 35 minutes a side.

These men want to speak on this matter.

Mr. McGOVERN. Thirty-five minutes a side?

Mr. STENNIS. Yes.

Mr. ROBERT C. BYRD. Mr. President, that is 70 minutes and time is fast running.

Mr. McGOVERN. Mr. President, it seems to me the Senator's request is reasonable. We are debating the most expensive weapons system ever proposed in the history of the world.

Mr. ROBERT C. BYRD. Very well. Could we make it an hour equally divided? May I ask the chairman and the Senator from South Dakota, could we make it an hour equally divided?

Mr. STENNIS. I suppose so.

Mr. GOLDWATER. If the Senator will yield, in order to expedite I will put my material in the RECORD.

Mr. STENNIS. Thirty minutes each side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, on the Minuteman III amendment, there is a 1½-hour time limitation, could we reduce that one?

Mr. CRANSTON. Yes, if the Senator would yield, 40 minutes would be adequate; 20 minutes to a side.

Mr. ROBERT C. BYRD. Fourty minutes, equally divided?

Mr. TUNNEY. Are we asking for a unanimous-consent request of 40 minutes to a side?

Mr. ROBERT C. BYRD. On the Minuteman III, we have 1½ hours, now we are seeking to cut the time down.

Mr. TUNNEY. I thought we were talking about the B–1.

Mr. STENNIS. Mr. President, reserving the right to object, we have made a lot of headway here today. There have been some of these other amendments that have been settled here and have not been announced yet because they are not in final form. I think there is plenty of chance for us to finish tomorrow, a splendid chance, if we dispose of these two larger items tonight and come in early tomorrow. I do not know, we cannot tell, but——

Mr. ROBERT C. BYRD. Mr. President, my concern—may we have order?

My concern is not so much that——

The PRESIDING OFFICER. Will the Senator suspend until I get order in the Chamber?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Those Senators conversing kindly remove themselves from the Senate Chamber.

The Senator may proceed.

Mr. ROBERT C. BYRD. My concern is not that we finish tomorrow so much. I think we can do that. We are making good progress, and I compliment the chairman of the committee. But Senators would like to be able to get out of here at a reasonable hour tonight and also at a reasonable hour tomorrow, and it is my hope that instead of having it at 6 o'clock tomorrow, we could finish this bill by 3 o'clock tomorrow.

If the votes are here, it seems to me there is nothing to be gained by prolonging the debate.

I am simply trying to come at this time and get a reasonable time for debate.

Mr. STENNIS. I understand the Senator's position. The trouble is, he has not been promising these men time and I have, and that is the difference between us.

Mr. ROBERT C. BYRD. I know that I have not promised them anything. I have been to the Senator a number of times and tried to privately discuss this matter with him and I am now trying to discuss it with all Senators.

Mr. STENNIS. Well, we have made splendid progress here.

Mr. ROBERT C. BYRD. I ask the Senator from Mississippi, how about 1 hour here on the Minuteman III? Senator CRANSTON said 40 minutes would be sufficient, equally divided.

Mr. STENNIS. Cut it down to 1 hour, that is all right, we will yield back what we do not use.

Mr. ROBERT C. BYRD. One hour, equally divided, the Minuteman III.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there is 1 hour on each of the remaining amendments. I wonder if we could reduce that time. I would ask there be a time limitation of 20 minutes on the amendment by Mr. GLENN to be equally divided. I understand from Senator GLENN that is sufficient time for him, would that be agreeable?

Mr. STENNIS. My recollection is that we agreed on that point.

Mr. GLENN. Yes.

Mr. STENNIS. On the Glenn amendment.

Mr. GLENN. Will the Senator yield? I just gave that time to the distinguished Senator from West Virginia for lack of any better time. If it has been agreed to, we can make that a voice vote. I do not care.

Mr. ROBERT C. BYRD. Ten minutes equally divided on the amendment by Senator GLENN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. And a voice vote.

Mr. HUGH SCOTT. Will the Senator yield?

Would this not be a seemly moment to inquire whether other Senators with amendments among these 20 or more would consider either withdrawal of their amendments or a voice vote on them? Do we have such a mood in the Senate at the present time?

Mr. NUNN. Mr. President, on I believe four amendments that Senator BARTLETT—is Senator BARTLETT in the Chamber?

Mr. BARTLETT. Yes.

Mr. NUNN. I do not know the numbers, and on the amendment regarding women in academies that Mr. HATHAWAY proposed, those five amendments we believe we have made some progress on and worked out. I think we could take all five of those and have a 10-minute time limitation provided it be done tomorrow morning.

Mr. STENNIS. Mr. President, reserving the right to object, I have not even seen that amendment. I certainly think I ought to look it over to agree on it. It has been conferred on, but I would like to see it.

Mr. ROBERT C. BYRD. Mr. President, if I have the floor, I yield to the Senator from California who may be able to enlighten us on whether or not certain Senators would be willing not to call up their amendments.

Mr. CRANSTON. Well——

The PRESIDING OFFICER. The Chair would remind the Senator from West Virginia he asked for 5 minutes; it will be necessary to ask for more time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 2 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. If the Senator would ask for the following unanimous-consent agreement, so it can be clear—15 and 16 by Senator JACKSON, 30 minutes equally divided on each.

Mr. ROBERT C. BYRD. All right.

Mr. CRANSTON. Fourteen by Senator HARTKE, 40 minutes equally divided, No. 489.

Mr. ROBERT C. BYRD. How much?

Mr. CRANSTON. Forty minutes, equally divided.

Mr. ROBERT C. BYRD. All right.

Mr. CRANSTON. On Senator PROXMIRE's amendment No. 500, 10 minutes, in which he is simply going to make a statement.

Mr. ROBERT C. BYRD. Ten minutes equally divided?

Mr. CRANSTON. Yes; and then a voice vote.

On No. 514——

Mr. STENNIS. Mr. President, may we wait, just hold that?

The PRESIDING OFFICER. Did the Senator make that a unanimous-consent request?

Mr. ROBERT C. BYRD. No; not yet.

Mr. CRANSTON. The Senator from West Virginia will do so after I talk with everyone.

On the Proxmire amendment No. 514, 10 minutes.

Senator CULVER's 518, 15 minutes.

Mr. THURMOND. Total?

Mr. CRANSTON. Total?

Senator CULVER's 519, 15 minutes.

Perhaps I should not speak for Senator WEICKER, Senator DOMENICI, and Senator TOWER—yes, Senator WEICKER's 529, 20 minutes, equally divided; Senator DOMENICI's 531, 20 minutes equally divided; and Senator TOWER's 534, 20 minutes equally divided.

Mr. PROXMIRE. Will the Senator yield? On 514 I would appreciate it if I could have 10 minutes. I do not expect to press it to a vote, so the opposition should not take any time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on the following amendments——

UMI

Mr. STEVENS. If the Senator will yield, I have 528. May I have 5 minutes and a voice vote?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent with respect to the following amendments that the time for debate thereon be limited as follows, with the time to be equally divided and controlled in accordance with the usual form: On each of the two amendments by Mr. CULVER, there be a time limitation of 15 minutes to be equally divided.

Mr. STENNIS. Just hold it a minute. Understand, these amendments were all filed by 6 o'clock last night. I was here until after 9 o'clock. I was back here this morning before 9 a.m. and I have been here all the time, except for about 10 minutes to eat lunch. I have not even seen many of these amendments. I do not think it is very courteous to be in such an all-fired rush here of trying to force agreements. There is one here who wants to put $1 billion in the bill for research.

Mr. ROBERT C. BYRD. Mr. President, I withdraw my request on both of those amendments.

I ask unanimous consent that with respect to the amendment by Mr. WEICKER there be a 20-minute time limitation to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that on the amendment by Mr. DOMENICI there be a 20-minute time limitation to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Just a moment. What is the number?

Mr. ROBERT C. BYRD. It is No. 531.

Mr. STENNIS. I have not looked at it and I have not had a chance to consult staff about it.

Mr. ROBERT C. BYRD. I withdraw that request.

Mr. President, I ask unanimous consent that on the amendment by Mr. TOWER, No. 534, there be a time limitation of 20 minutes to be equally divided and controlled in accordance with the usual form.

Mr. STENNIS. Reserving the right to object, if I understand that one correctly, that proposes a revision of pay for all military men on retirement, some kind of a revision. There is an automatic increase based on the cost of living and if they retire they get that. If they do not retire, they do not get it. I have told the Secretary of the Army that I could not support the amendment. Other agencies of Government are involved.

Mr. FONG. Will the Senator yield? There will be 2,800,000 civilians involved in this. If we give it to the military, we will have to give it to the civilians. I think this is a very, very bad amendment. We would have to take this together with the pay of Members of Congress and with the $36,000 ceiling that we have imposed upon GS–18, 17, and 16. This is a very big amendment and will cost a lot of money.

Mr. TOWER. If the Senator will yield, it will actually cost $10 million. Lord knows how much it might save in terms of retention rates. The fact of the matter is you are encouraging early retirement by paying people more who retire early than people who spend time in the service.

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for another 3 minutes. We are making some headway.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, can we pass that amendment? There is no way to agree now in the small time for debates on such a far-reaching matter.

Mr. ROBERT C. BYRD. May I say to the distinguished chairman he has control of the time for debate on this bill and he can yield additional time on any of the amendments from his time on the bill, if he wishes to.

Mr. STENNIS. That is very good to remember, but I think it misleads others to say 10 minutes to the side and then take 40 to 50 minutes on a side.

Mr. ROBERT C. BYRD. As the Senator knows, I would not want to mislead anyone. I withdraw that request.

Mr. CRANSTON. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. CRANSTON. Two more shortenings are possible. On Senator GRAVEL's No. 537, 30 minutes equally divided would be acceptable to the Senator, and on No. 438, 1 hour equally divided.

Mr. ROBERT C. BYRD. We already have an hour on that.

Mr. GRAVEL. Make that 536 rather than 538; 537 would be 15 minutes per side.

Mr. GOLDWATER. Will the Senator yield on that?

Mr. ROBERT C. BYRD. Yes.

Mr. GOLDWATER. Again, I do not believe this is an amendment. This is a request for reports. It is not an amendment to the bill. It is merely a request for reports.

Mr. ROBERT C. BYRD. Could the Senator do with less time?

Mr. GRAVEL. I would be happy to.

Mr. STENNIS. It is a rather involved matter, gentlemen. It concerns nuclear weapons. Maybe with a chance to look at it we could reach an agreement, but it is not just an ordinary matter at all.

Mr. ROBERT C. BYRD. Mr. President, I will make four more requests and then I will not impose on the time of the Senator further. I ask unanimous consent that on the Hartke amendment No. 489 there be a 40-minute time limitation to be equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. STENNIS. Reserving the right to object, Mr. President, on that amendment it sets up a special category of civilian employees and provides that that group will not be subject to the general law that requires this committee to set the ceiling on the civilian employees. Certainly, that will require some study by the staff, by me and by others who are interested in it, who have a responsibility. We had a whole debate on civilian employees the other day and now this amendment proposes to lift out a special class and not let this limitation apply, to leave it all up to the Department of Defense.

If we are going to do that, we ought to repeal the whole thing. That amendment would require some debate just to understand it.

Mr. ROBERT C. BYRD. Can we agree to a 40-minute time limitation?

Mr. STENNIS. No, I respectfully decline to agree to such a short time on that this evening. I might be able to by morning.

Mr. ROBERT C. BYRD. All right.

On the Jackson amendment, No. 492, I ask unanimous consent that there be a 30-minute time limitation.

Mr. STENNIS. What is the subject matter of that one?

Mr. ROBERT C. BYRD. That is the Israel amendment.

Mr. GOLDWATER. What does it do?

Mr. STENNIS. That is a matter for aid to Israel. That is clearly a matter of foreign military sales. It is clearly with the Foreign Relations Committee. I do not know what would be the disposition of the Senate or the members of the Foreign Relations Committee about it. I am not in favor of putting it on this bill, but I imagine it will bring forth some debate.

Mr. ROBERT C. BYRD. The amendment will be called up, I understand.

Does the Senator object to the time limitation?

Mr. STENNIS. Yes, I object. I will put it this way: I have not had time to prepare on that amendment. Therefore, I cannot agree to the limitation.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a 30-minute time limitation on the Jackson amendment No. 491.

Mr. STENNIS. I will agree to 20 minutes for each side on that. It is a very far-reaching amendment. It is clearly within the jurisdiction of the Committee on the Judiciary, I am advised.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be 40 minutes time limitation on that agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. On the amendment (No. 500) by Mr. PROXMIRE, it is indicated, I believe by Mr. PROXMIRE, that he would be willing to make that 20 minutes, equally divided.

Mr. PROXMIRE. No. 500 is the military service amendment, and I think we have worked out an agreement acceptable to both sides that we can do that with 10 minutes.

Mr. ROBERT C. BYRD. Ten minutes equally divided? Is that all right, may I ask?

Mr. PROXMIRE. It should be.

Mr. STENNIS. All right; I agree to it. It has been worked out on that basis.

Mr. ROBERT C. BYRD. Ten minutes equally divided. All right, Mr. President, I thank the distinguished chairman.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. CRANSTON. There is one more, KENNEDY's amendment No. 532. It would be acceptable to him to make that 30 minutes, equally divided.

Mr. STENNIS. 532?

Mr. THURMOND. Which number is that?

Mr. CRANSTON. No. 532, restructuring the Armed Forces student-instructor ratio.

Mr. ROBERT C. BYRD. Is that all right?

Mr. GOLDWATER. Mr. President, reserving the right to object, this is a subject we have gotten into in the Armed Services Committee, and I do not think we can agree to that. It touches a very little known field. I know the ratio between instructor and students in the armed services seems out of balance when you consider the relationship in the normal school, but we are not talking about normal instruction. I do not feel that the amendment should even be before the Senate.

Mr. STENNIS. I beg the Senator's pardon; my attention was diverted by another Senator. What amendment were the Senators referring to?

Mr. THURMOND. Kennedy 532.

Mr. STENNIS. Yes. That might become a very involved subject matter. I would ask the Senator from Georgia to handle that, and he is out temporarily. I would like to pass that, to see what his idea is.

Mr. ROBERT C. BYRD. Very well.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. BARTLETT. I referred to the wrong number before. I would be glad, on amendment 524, which has to do with ram-jet propulsion, to accept 10 minutes on a side.

Mr. GOLDWATER. No, No. 524 is women in the academies.

Mr. BARTLETT. No, it is the R. & D. fund.

Mr. STENNIS. R. & D. fund for what?

Mr. BARTLETT. Ram-jet propulsion.

Mr. STENNIS. I have not heard of it. I would have to ask the Senator from New Hampshire to look at it.

Mr. ROBERT C. BYRD. Very well. Mr. President, I have no further requests at this time, and I thank all the Senators.

Mr. DOMENICI. Mr. President, I think on the Domenici amendment we have reached an accord to accept 10 minutes to a side.

Mr. ROBERT C. BYRD. Very well. Would the chairman of the committee be agreeable to that?

Mr. STENNIS. Yes, that is agreeable.

Mr. ROBERT C. BYRD. Twenty minutes on the Domenici amendment, to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Are there further unanimous consent requests? If not, who yields time?

Mr. STENNIS. Mr. President, lest any impression go out from this colloquy that any of us have been neglecting all these amendments or doing anything except move the bill along, I want to repeat, for those who have just come in, that these amendments all piled in here yesterday afternoon. We have not stopped for a minute here all day, and we worked late last night, so that frankly I cannot understand the incessant pressure here to force agreement for a few minutes' time without even a chance to look at the amendments. But we will cooperate, and we certainly want to move this thing along.

AMENDMENT NO. 533

Mr. McGOVERN. Mr. President, I call up my amendment, No. 533 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Dakota (Mr. McGOVERN) proposes an amendment numbered 533.

Mr. McGOVERN's amendment (No. 533) is as follows:

On page 17 line 25, strike out "$3,707,840,000" and insert in lieu thereof "$3,110,640,000".

On page 24, line 9, strike out "$946,621,000" and insert in lieu thereof "$817,621,000".

On page 18, between lines 3 and 4, insert the following:

"SEC. 202. (a) None of the funds authorized by this or any other Act may be obligated or expended for the purpose of continuing any research, development, test, evaluation, or procurement in connection with the B–1 bomber aircraft program.

"(b) There are authorized to be appropriated such sums as may be necessary to terminate, at the earliest practicable date, all contractual obligations of the United States in connection with such program.

"(c) The Secretary of the Air Force is authorized to conduct a study of reasonable and effective national defense alternatives to the B–1 bomber aircraft program and to submit the results of such study to the Congress together with such recommendations as he deems appropriate.".

Mr. McGOVERN. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the amendment: the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Illinois (Mr. STEVENSON), and the Senator from Idaho (Mr. CHURCH).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I yield myself such time as I may consume.

This amendment would halt any further expenditures on the B–1 bomber. The B–1 is the most expensive weapons system that is contained in the bill now before us, and indeed it is the most expensive weapons system ever proposed by the Pentagon or by any other defense department anywhere in the world, in all history.

The Air Force is proposing, under this project, to build 244 B–1 bombers at a cost of somewhere between $84 million and $100 million apiece; and that brings the procurement cost to something over $20 billion, which is a staggering figure. But that is actually a minor part of the eventual cost of this project, when one figures in the maintenance, the arming, the refueling vehicles, and other equipment and backup support that will be needed during the operational life of this plane.

That total cost has been estimated at somewhere from $70 billion up to as high as $92 billion; but what is more to the point, Mr. President, is that this incredibly costly new bomber will add little or nothing to the nuclear deterrence of the United States.

Our deterrence system is based on the so-called triad system. There was a time when the bomber was the first line of our deterrence, some 20 years ago. That is no longer the case. The first line of deterrence is the submarine-launched missiles, which now include some 656 submarine-launched ballistic missiles. I think all Senators would agree that from all the evidence we now have, that system is virtually invulnerable to attack.

But just on the possibility that there is a technological breakthrough on the other side, we have a second line of nuclear deterrence. Suppose something were to happen that we cannot now foresee, and a potential enemy develops the capability of neutralizing our submarine missile fleet. We then come to the second most important aspect of our nuclear deterrence, which are the land-based missiles, some 1,054 intercontinental ballistic missiles, and half of that number, Mr. President, have multiple warheads that can be targeted on independent targets.

The third line of our deterrence is the bomber. In the almost impossible development of a situation where both our submarines and our more than 1,000 intercontinental ballistic missiles were to be knocked out, then the theory is that the bomber would still be there to destroy a potential enemy.

I think we need, Mr. President, at the very outset of this discussion, to consider the kind of striking power that we are talking about. In the projected inventory of nuclear weapons of over 12,000 that we expect to achieve by 1980, a few years hence, the difference between the mission load of our present B–52's and the proposed B–1 becomes insignificant.

Let me point out, Mr. President, that our existing bombers, even if we did not put another bomber into production, are capable of dropping on enemy targets some 220,000 Hiroshima equivalents.

In other words, the bomb that incinerated the city of Hiroshima some 30 years ago we can now multiply some 220,000 times with our existing bomber fleet and remember this is the third line of our nuclear deterrence.

When we add in the submarine-launched missiles and the land-based missiles, which are capable of reaching their targets within 15 to 30 minutes' time, we now have the equivalent of 369,000 Hiroshima equivalents. Even if we did not build another warhead, Mr. President, with the existing triad system of submarine-launched missiles, inter-

UMI

continental missiles and missiles that have warheads that we can deliver with our existing bombers, we have some 8,500 warheads right now as of the middle of last year which is enough to drop 42 city-destroying nuclear warheads on each city in the Soviet Union of over 100,000.

Mr. President, that is overkill with a vengeance.

In view of the limited time that we have agreed on, Mr. President, I want to touch just very quickly on the highlights of the argument for knocking out this incredibly costly new bomber. The manned bomber with flight times of 8 hours, and that cuts about 3 hours off the B–52, it still plays only a marginal back-up strategic role that would come into play in the event of a massive failure of all of the rest of our missile systems, in which we have invested such enormous amounts of money. In the exceedingly remote event that those other missile systems were destroyed, much less elaborate aircraft could accomplish the essential deterrent missions, in other words, the ability to destroy major population and industrial centers in the Soviet Union.

The B–1's ability to penetrate Soviet defenses does not really differ significantly from that of the late model B–52's and the FB–111's that we already have in operation. It is sometimes argued, Mr. President, that those airplanes are obsolete. That is simply untrue. Those airplanes have been updated, they have been equipped with new capabilities, that has led the Air Force to admit that our late model B–52's and F–111's, some 300 strong, will be operational until at least 1990. In other words, we have a bomber threat that is clearly superior to anything the Soviet Union or any combination of nations could put in the air, even if we do not build another bomber.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. McGOVERN. Yes. I yield to the Senator.

Mr. PROXMIRE. As I understand it, what the Senator is telling the Senate is for $20.6 billion, that is the present estimate of the cost of this new program, we would have a new supersonic bomber, that would be the least effective part of our triad deterrent, inasmuch as the submarine missiles can be delivered in 15 minutes, the land-based missiles within 30 minutes, and it would take eight hours for the new B–1 bomber, even though it is a supersonic plane to deliver its missiles; is that correct?

Mr. McGOVERN. The Senator is correct. I have not stressed this point yet, but in view of the Senator's interrogation and remembering that he was the Senator that led the fight against the SST, on the grounds partly of the environmental damage that it would do, the destruction of the ozone, that is so important to the health and well-being of humans all around the world, the same environmental factors that concerned the Senator about the SST would be operating with the B–1. But that argument we can set aside for the moment.

Mr. PROXMIRE. Yes. I would not put as much stress on that, by any means, as I would on the fact, as the Senator has pointed out so well, we now have bombers the FB–111s and B–52s that will do the job almost as well, that is, instead of taking 8 hours they will take about 12 hours, is that right?

Mr. McGOVERN. About 11 hours.

Mr. PROXMIRE. 11 or 12 hours. What this has done, $21 billion, the most expensive system we have, would provide that kind of relatively very minor back-up when, if there is one area where this country has the capability of destroying the Soviet Union over and over and over and over and over again, it is in this strategic area. So that what we would provide, at a colossal cost, a great burden to the taxpayer, very inflationary over the years, would be a system that would give us just a little marginal advantage in an area where we have what seems to be, to most of us, if anything, a surfeit of power.

Mr. McGOVERN. The Senator is quite right. I think to get some appreciation of the superiority that we enjoy, even in bombers over the Soviet Union, we need to take a look at what they have and what is projected; whereas, we would have 300 late model B–52's and F–111's, all of them jet bombers, all of them equipped with the latest devices.

Mr. PROXMIRE. We have that without this amendment.

Mr. McGOVERN. We have that without this amendment.

When you look at what the Soviets have, they have a bomber——

Mr. PROXMIRE. I should say—beg pardon—we have this without the provision in the bill. If the amendment passes, we will still have this advantage.

Mr. McGOVERN. If this amendment passes, stopping any further work on the B–1 bomber we will have operational into 1990, 15 years hence, some 300 latest model B–52's which the Air Force readily says will be operational. We used to refer to the B–1 as a follow-on bomber. It is not a follow-on bomber. It is an add-on. It is 244 new bombers to be added on to the 300 we already have.

By comparison, let us look at the Soviet bomber levels. They currently have 100 propeller-driven heavy bombers. We went out of propellers, as the Senator knows, 20 years ago. But they have 100 propeller-driven bombers and then 60 jet bombers. The small Soviet bomber threat is reflected in the fact that we just about dismantled our antibomber defenses in this country, and I do not understand really at a time when we have arguments about keeping parity with the Soviet Union or making sure we are number one, at a time when we already have them outnumbered several to one on existing bomber levels, why we would even be debating an expenditure of over 20 billions of dollars for our third level of deterrence. We do not need it.

Mr. President, the B–1's ability to penetrate Soviet defenses does not differ in any fundamental way from that of the late model B–52's and the FB–111. Beyond this, existing B–52's and FB–111's, as I have said, can operate at least through 1990, another 15 years.

So, Mr. President, one of the points that Senators ought to keep in mind is that we have a 15-year margin of existing bomber strength. We do not have to make this production decision now on the proposed B–1, and we ought to use that cushion of time to see what happens in the strategic arms limitation talks. Before we invest another three-quarters of a billion dollars in development on this bomber, which the bill before us proposes, and perhaps twice that amount next year, let us see what progress we make on the strategic limitation of arms. It may very well be that in subsequent discussions with the Soviets we will get some agreement on the limitation of nuclear weapons that would include bombers.

Given that fluid situation, and at a time when we claim that our official policy toward the Soviet Union is not war, but détente, why do we not give that process a chance to operate and see if some arrangement can be worked out that will make it unnecessary to go into these enormous expenditures?

Beyond that, we ought to look at the possibility of alternative ways of reaching Soviet targets. For example, a much less expensive system would be a stand-off bomber, the cruise missile which does not expose our crews to the enemy fire.

I have looked at the Defense Department study of available alternatives to the B–1 bomber, which I believe was made at the request of Senator BROOKE and myself last year. Mr. President, very frankly, this study is a fraud, because it begins with the wrong question. It begins with the assumption that we are going to spend $20 billion on a bomber that can penetrate Soviet airspace and that has practically all the characteristics of a B–1; and then, surprisingly enough, it concludes that the B–1 is the best way to carry out that mission.

The question is, do we need that mission? Do we need a bomber capable of penetrating Soviet airspace at supersonic speeds, disrupting the environment, to say nothing of disrupting the economy of the United States?

Because of the cost and risk, manned strategic bombers can have a sustained role in conventional war except against targets such as those in Vietnam. What I mean by that, Mr. President, is that from any kind of cost-effective standpoint, it just makes no sense to send a $100 million bomber out to be shot down by a $50,000 missile; and that is what happened to us during the Christmas bombing of North Vietnam.

We lost 15 B–52's in 11 days. In other words, at the same loss rate, 15 B–1's would have been a loss of $1.25 billion worth of airplanes destroyed by missiles costing about $50,000 apiece. There is no guarantee that the B–1 is any less vulnerable to missile fire of that kind.

So about the only place where it would be feasible to use these bombers would be against a country that had no missile defense. Mr. President, I suggest that that is morally incomprehensible—that we would build a bomber of this devastating power to drop bombs against a country so primitive that it had no missile defense; yet, we could not afford to use these bombers against a country

sophisticated enough to fight back with surface-to-air missiles.

Mr. President, I think a case could be made almost on that ground alone: That this country, rich as it is, simply cannot afford to send a $100 million bomber out to take on a $50,000 missile. We could win the war and go broke in that kind of process, particularly since we already have bombers that the Air Force, itself, admits are perfectly capable of carrying out that mission until at least 1990, some 15 years hence.

Finally, if the B–1 is not going to be built—and I do not think this bomber ever will be built, I say to my friend from Arizona, in spite of his eloquent arguments for it; I believe that by the time we get to the production decision late in 1976, at a point when we will have spent then approximately $4.5 billion, the decision will then be made to put those four prototypes in a museum some place, just as we did the RS–70, and it will be the most expensive museum piece ever devised.

There are no technological breakthroughs associated with the B–1. There is nothing we are going to get out of building these four prototypes except to demonstrate further what I am trying to demonstrate here tonight, that we are wasting money in investing in such an enormously complicated system.

I have enough faith in the Pentagon—although their record of expenditures is not that good—to believe that when they are actually confronted with a decision whereby they have to decide yes or no on going ahead on a bomber system at a cost of $100 million apiece, they are going to look around for some alternative to beef up our deterrent capability.

So for all those reasons, Mr. President, I am very hopeful, that the Senate will go on record tonight and save $750 million on this unnecessary new bomber in the coming fiscal year. That will set the stage eventually for us to save something over $20 billion on procurement costs and eventual backup costs that will carry this system to some $70 billion, at the very least.

We simply cannot afford this system. It adds nothing to our security, at a time when we already have a clear overkill capability. I hope this common sense amendment will be adopted.

Mr. President, I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I will be as brief as I can.

We have been through this argument year after year after year. Nothing new has been injected into it.

I am reminded of the bomber debates of the late 1930's, which are almost precisely the same: We are spending too much money. It took us years to get the B–17 and the B–24, which my very good friend from South Dakota flew in World War II. He has made comments about the kiloton bombing of Japan. I can say to him that the Strategic Air Command can prove that fire bombing which had been planned of Japan with conventional fire bombs would have resulted in three or four times the deaths that resulted from the kiloton bomb.

I merely remind my colleagues that when we start talking about expense, back in 1939 or 1940, when we were talking about the B–24 and the B–17, we had a national debt of about $3 billion; employable people were about 40 million, and today we have almost 90 million. You could buy a good steak dinner for $1.25. If you wanted to cook it yourself, you could get a T-bone steak for 45 cents. Coffee was 10 cents a cup. Our salaries were $10,000 a year, and now they are $42,500, and I would not swear that we are doing four and a half times as much good for the country.

I remind the Senator from South Dakota that the bombs he dropped in World War II cost from $200 to $400 apiece, and our modern "smart" bombs cost over $8,000 apiece. So when we are talking about increased costs, everything has gone up.

Mr. President, yesterday, the distinguished Senator from South Dakota placed in the RECORD an analysis of the Department of Defense Joint Strategic Bomber Study—or JSBS—which purported to support his opposition to the continued development of the B–1 strategic bomber. I thought there was a major omission from the Senator's remarks on the Joint Strategic Bomber Study. On June 10, 1974, the chairman of the Committee on Armed Services asked the General Accounting Office to assess the validity of the Joint Strategic Bomber Study. The final results of that assessment were provided to the chairman in a letter from Mr. Staats, the Comptroller General, on March 4, 1975. In GAO's assessment, after referring to their earlier reservations reported to the Secretary of Defense on September 4, 1974, and noting that additional analyses had been performed by the Office of the Secretary of Defense to satisfy those reservations, Mr. Staats stated:

> We are of the opinion that the study results now provide the bases for more informed consideration of the strategic bomber question by the Congress.

Now, why did the GAO believe that the Joint Strategic Bomber Study was enlightening, while the staff study done for the Senator from South Dakota refers to it as a "stacked deck"?

I believe that careful examination of the analyses will show how badly the critique missed the mark.

First of all, the critique fails to understand the purpose of the study. Its purpose was to examine alternatives to the B–1—indeed, some of those alternatives were specified by the Committee on Armed Services. Those alternatives included a stretched FB–111, a reengined B–52, and a large wide-bodied commercial transport derivative armed with a large number of stand-off air launched cruise missiles—ALCM's. The study did precisely that. And the results were clear. The B–1 force was found to be the most cost-effective of the seven alternative forces examined in the study.

The critique alleges that the mission of the strategic bomber force was not considered.

Yet all of us here know that the mission of the bomber force is to contribute to strategic deterrence as a member of the triad. The bomber force is a hedge against failure of the missile legs of the triad. We are confident in the current capabilities of our missile forces. But there are uncertainties which affect overconfidence about future missile performance—prelaunch survival, missile reliability, and the reliability of missile command and control in a future crisis. The bomber force hedges against those uncertainties.

Second, the bomber force complicates enemy attack planning—virtually to the point of impossibility. They cannot attack it without attacking our sovereign soil—and there is no attack scheme under which they could destroy both bombers and ICBM's before they are launched.

Third, bombers add to the stability of our strategic deterrent posture. They do not pose a disarming first strike potential, due to their increased warning and longer times of flight.

Fourth, bombers provide a means for visible show of resolve. The alert rate can be adjusted up or down—or they can be placed on airborne alert. Unlike the silo-based or hidden ballistic missile, bombers can visibly signify our resolve—or intent—without being committed to combat.

Fifth, the bomber force is a flexible, multipurpose system. It can be used across a wide spectrum of combat situations—nuclear or conventional, strategic, or tactical, due to its unique manned character. Such flexibility is essential as an element of the total triad.

Last, the bomber is cost-effective due to its large and highly effective payload. Moreover, it gives us highly advantageous cost leverage. It costs the Soviets much more to defend against bombers than it costs us to procure and operate them.

Now—how do we express the mission and tasks of the bomber force, so that we can measure its effectiveness? We do this by assessing it in three dimensions: First, its ability to survive during the launch phase when under attack; second, its ability to penetrate through defenses to its targets; third, its ability to extract target value from the hostile target system which it is designed to hold at risk.

That—once again—was precisely what the joint strategic bomber study did. The task of the bomber force was represented by the targets programed for attack. Given the concurrent targeting responsibilities of our ICBM and submarine missile forces, only about 25 percent of the total political, industrial, and military target system in the strategic data base was used. The critique suggests that the B–1 was required to—as he puts it—range against thousands of hardened targets—including large numbers of empty hard missile silos. That is not correct. Over two-thirds of the targets used in the study were not in the hard or super-hard category. They did not include vast numbers of missile silos—only that relatively small number which are

UMI

expected to be reloadable. The targets included a broad range of political and industrial targets as well as military installations—both offensive and defensive.

The critique referred to a bomber force which could carry 6,000 to 8,000 SRAM's, and still deliver 2,000 other weapons on hardened targets. I do not know what bomber force or targets were being referred to. The joint strategic bomber study examined bomber alert forces—those in their normal peacetime deterrent posture. As distinct from 6,000 to 8,000 SRAM's, the baseline force was loaded with about 1,000 SRAM's (126 B–1's with 8 SRAM's each, average). The 2,000 targets referred to were not those over and above the ones hit by SRAM's. The entire force of B–1's and B–52's placed a total of 2,000 weapons on targets—including SRAM's, air-launched cruise missiles, and gravity bombs. And—as the study report makes clear—only about a third of those were against hard or superhard targets. Far from being an excessive weight of effort, that attack destroyed something less than 50 percent of the military value of the bomber target system.

The critque also referred to the Soviet offensive and defensive threat used in the study as unrealistic. Yet, that threat was not "invented" by the study group. It was furnished by the Office of the Assistant Secretary of Defense for Intelligence, based on data from the Central Intelligence Agency and the Defense Intelligence Agency. The number of submarines threatening bomber bases was consistent with what the Soviets are allowed under the SALT I and Vladivostok agreements.

The PRESIDING OFFICER (Mr. JOHNSTON). The Senator's 10 minutes have expired.

Mr. STENNIS. I yield the Senator another minute.

Mr. GOLDWATER. I do not want to take another Senator's time.

Mr. STENNIS. I yield him 2 more minutes.

Mr. McGOVERN. Will the Senator yield for a moment on the point he was making on the bomber study? I can give him part of my 10 minutes, if necessary.

Mr. GOLDWATER. On the Senator's own time, yes.

Mr. McGOVERN. As I understand it, testifying for the Defense Department, Brigadier General Toomay said that the study that they had made of the B–1 mission was based on the assumption that they needed to lay 2,000 weapons on enemy targets. In commenting on that, the General Accounting Office did say what the Senator read here a while ago, that "We are of the opinion that the study results now provide the basis for more informed consideration." What the Senator left out were these observations. With his understanding, I wish to read these lines into the RECORD and then ask him to comment on them. This is from the GAO report:

> Should a lesser number of targets be chosen, something less than 2,000, a lower level of destruction be accepted, or, if it is felt that a lesser threat will confront the bomber, then other bomber forces may be viable options.

Then the GAO had this to say:

> The real questions which then must be addressed by Congress are, first, how much risk can the Nation afford in planning the structure of our strategic forces; and second, do we need a manned bomber?

"The latter point," said the GAO, "was not addressed in any way by the OSD study team, nor did they assess the deterrent value of the alternatives."

In other words, they simply took a certain level of destruction, some 2,000 warheads, and assumed that they had to be made by a configuration roughly along the lines of the B–1 and assumed the B–1 was the best way to do it. It seems to me that begs the study and begs the answer. That is the point I was trying to make to the Senator.

Beyond that, if he could enlighten us, I would like to know what is the justification for a bomber that is capable of laying some 2,000 weapons to the Soviet Union? When we consider that they have 160 cities and industrial targets that we consider strategic, what is the reason for a capability of some 2,000 warheads on enemy targets?

Mr. GOLDWATER. Well, first, let me say that I have absolutely no faith in the GAO's ability to assess strategic and tactical problems. I think they are completely out of their field, just as the Joint Chiefs of Staff would be out of their field if they attempted to assess accounting problems, which the GAO was set up to solve or help.

To answer the Senator's questions, if they use 21,000 weapons on targets, if they use the 2,000 targets, they will only hit 50 percent of the military targets that are now programed. If the Senator wants to get into that field of the programing of targets, then that is something that we cannot discuss here because I do not know anything about it. That comes out of the Department of Defense. I do not believe that GAO has any access to that material. It is probably the most highly classified material that we possess in this country.

To finish the answer, and it is on the Senator's time, because I have a little more time to go on my own—if the situation changes and as GAO, if we can believe them, says that we need a lesser bomber force, then I suggest that we might use the FB–111's that are based in Europe. But the FB–111 would never be an intercontinental bomber, even with refueling capabilities. It is not designed for that purpose.

Mr. McGOVERN. The Senator would readily agree that the late-model B–52's would be capable of carrying on this misssion at least until 1990, would be not?

Mr. GOLDWATER. No, I will not agree to that. Frankly, I do not think anyone in his right mind would even get into a B–52 in 1990. Talk about museum pieces; that is where that should be. It is 22 years old now. It is beginning to have skin, or metal, fatigue. To reengine these bombers would be an impossibility. The type engines that I have heard discussed by GAO would make this weapon the greatest vacuum cleaner that ever rolled down a runway.

We have the biggest engines now on it that we can provide and they are out of production and we are busy rebuilding them as fast as we can. I do not believe there will be any B–52's left flyable after the next 8 to 10 years.

Mr. McGOVERN. I do not believe the Senator can have it both ways. He cannot say he does not take the judgment of the GAO and then refer to the Air Force and then, when I cite Air Force testimony indicating that the late model B–52's will be operational until 1990, say he does not accept that, either.

Mr. GOLDWATER. I do not accept that. I will tell you the truth; most of the Air Force does not. If we do not have another war, if we never fly another B–52, I might agree they might be flying in 1985 or even 1990. But this will be an airplane which, by the time the Senator is speaking, will be 35 years old. And there is not a flyable B–24 left in the world. The Senator flew them in World War II, and that is about 30, 35 years ago. Airplanes do not last forever.

Mr. McGOVERN. Some of the late model B–52's, as the Senator knows, were built as recently as 1962. They have got low airtime on them. They have been constantly modernized and updated, and I am sure the Senator will agree they are clearly superior to anything the Soviets have in the air, both in quantity and in quality even if we do not build another bomber.

I thank the Senator for yielding.

Mr. GOLDWATER. I might agree they are superior at this time, but I will not agree that the Bison is not a comparable bomber. I will not agree that the Badger, a medium-range bomber they were supposed to have destroyed when we mothballed our B–47 fleet, will not enter the United States and drop bombs.

So when the Senator offers the suggestion that we have a bomber fleet twice the size of theirs, I do not buy it. They have a bomber fleet equal to ours.

I would like to finish this because we have other people anxious to get on with it.

Mr. STENNIS. Mr. President, I yield the Senator 2 additional minutes.

Mr. GOLDWATER. I have 1½ pages left, and I will read fast.

The depressed trajectories used are feasible—we have tested such trajectories ourselves. The Soviet defenses used are those projected in existing intelligence documents.

The critique dismisses as unreasonable the intelligence projections for Soviet upgrading of their homeland defenses against bombers—simply because we have not made major increases in U.S. air defenses in the past 5 years or so. But in our case, the choice has resulted from our belief that the Soviet bomber threat is not primary. On the other hand, the Soviets perceive our bomber force as a primary threat to their security. They have traditionally outspent us for bomber defense. They have more people in their air defense forces—about 600,000—than we have in our entire Air Force. This bill recommends 582,000. They have a limited capability AWACS flying now, and operate over 4,000 ground radars, 2,600 interceptors, and 9,600 SAMS. During the past 20 years, they have spent

three times more than the United States on air defenses. They will probably continue to do so.

There are other errors in the critique. For example, it refers to the alleged "large growth" in payload represented by the B–1 force. To do so, 34 more B–1's than will be in our operational—UE or unit equippage—force with theoretical maximum weight carriage capability are loaded. The answer is 38 million pounds. That—due probably to bad arithmetic—is 10 million pounds more than physically possible. More important, that is not the way one can feasibly load the force. For example, the B–1's in the joint strategic bomber study carried only about 5½ million pounds of payload, versus the 38 million referred to.

In summary, the B–1 is probably the most carefully thought-out—and beyond doubt the most extensively studied—system in the history of military weaponry. In his letter to us of June 4, 1975, the Senator from South Dakota agrees that there is a plausible case for a follow-on strategic aircraft. There can be no reasonable doubt that the B–1 is that aircraft. It will provide those essential characteristics vital to the continued maintenance of the bomber leg of the Triad—with its flexibility, cost-effectiveness, and proven deterrent potential.

I might say, because I have read the critique carefully, and I hope my remarks will indicate that, but I would really like to know who are the critics who are mentioned, their names and their backgrounds. I would like someday to find out who is engineering this opposition to this military bill on which experts—not including myself—have spent hour after hour after hour. I would like to someday understand who is backing that opposition.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GOLDWATER. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. I yield 7 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 7 minutes.

Mr. TUNNEY. Mr. President, a few days ago I returned from a meeting in Belgium of Parliamentarians and government representatives from all of the North Atlantic Treaty Organization countries, and I was strongly impressed at our meetings by the serious concern that the allies have about the strength of our commitments to the defense of the alliance.

These European statesmen repeatedly approached me and asked me what the mood of Congress was with respect to defense spending, with respect to the defense of the alliance, and I made it very clear that I thought the United States considered the NATO Alliance a prerequisite to our national defense, and that we would come to the assistance of our NATO allies in the event of an attack.

They, the European Parliamentarians, cited the fact that since 1971 the percentage of the American gross national product devoted to defense has declined. Actually it has declined from 7.7 to 6.6 percent, while American defense expenditures as a total of Federal outlays have dropped from more than 40 percent 10 years ago to less than 26 percent today.

Mr. President, I have been a supporter of many of these cuts, and I have consistently voted to trim fat from the defense budget and eliminate programs that could not be justified by any rational balancing of national priorities. But I have become convinced that there is a point of diminishing returns, a point where indiscriminate cuts begin to seriously damage our credibility vis-a-vis our friends and our foes.

I share the concern of many Americans about the world's mounting stockpile of military weapons, and I would prefer that our tax dollars be spent for domestic purposes on social and economic needs.

But I cannot help but feel that we need a strong defense, and I think that the B–1 bomber is a very important element in our national defense.

If you just take a look at Soviet expenditures, particularly for strategic forces, they have grown dramatically in the past decade, and this growth has continued unabated since the SALT agreements of May 1972. In the 2½ years since SALT I, the Soviets have begun development on four new missile systems, and have tested new multiple warheads and MIRV's. As a result, they now threaten to overcome the American technological lead and reentry vehicle advantage. Moreover, the Soviets have started production of a new bomber, the Backfire, with a refueling capability and other characteristics that give it a potential for offsetting our current advantage in manned bombers.

In times of international tension in the Middle East, Southeast Asia, and elsewhere around the world, I do not feel that the United States can afford complacence. It is more important than ever before in the face of the events of recent months that the United States demonstrate its willingness to support its commitments around the world, especially NATO, and bolstering its defenses at home.

I firmly believe that the B–1 manned strategic bomber is a system that warrants our support. The B–1 is designed to serve as a replacement for our aging fleet of B–52's into the last decade of the 20th century, and would complement the other two elements of our strategic triad, the land-based Minuteman missile and the submarine-launched missiles Polaris and Poseidon.

The B–1 is a vital element in our deterrence for several reasons: First, I believe the Triad concept remains valid. Its purpose is to preserve peace by insuring the survivability of our deterrence. The Triad concept holds that the possibility of a successful first-strike effectively eliminating all three elements of our retaliatory capability at the same time-bomber, missiles, and submarines—is highly unlikely, thus deterring a first-strike strategy.

While the survivability of land- and sea-based missiles seems assured for the present, recent Soviet advances in counterforce capability and in antisubmarine warfare bring their survivability 10 or 20 years in the future into question. The Soviets' antiwarfare capability is being continually updated, both, qualitatively and quantitatively. At the same time, the Soviets have introduced several new generations of ICBM's, many with a counterforce capability which, combined with Soviet MIRV technology, pose a clear threat to our landbased Minuteman.

The B–1, on the other hand, presents a unique potential for first-strike deterrence. It can be alerted and airborne at the first sign of an attack and can be kept aloft on alert for up to 24 hours. Because of its quick and short takeoff capability, the B–1 can be dispersed on warning, making counterforce targeting extremely difficult. Thus, the B–1 is virtually immune to a first strike designed to knock out our retaliatory capability.

Second, beyond the viability of the Triad concept, bombers are an important and versatile weapons system in their own right. In crisis situations they can be alerted, dispersed to various bases and even flown on the periphery of a potential enemy country to demonstrate American determination.

I just cannot help but remember during the Cuban missile crisis, I was on the base as a member of SAC at March Air Force Base in California. I remember driving to the base in the morning and seeing the bombers taking off. None of us who were approaching the base at the time had any idea of the reason.

They left and they rendezvoused over the North Pole and it became very clear when the President addressed the Nation a few hours later what the reason was—there was a serious threat to our country as a result of the introduction of Soviet missiles into Cuba.

I cannot help but have the feeling that the fact that our strategic bombers with their nuclear weapons were flying on the periphery of the Soviet Union made a tremendous psychological impact upon Nikita Khrushchev and other leaders in the Kremlin—far greater than could have been obtained if the President, on the hotline, had said that he had his finger approaching the button of a missile.

I think we kid ourselves if we believe the same psychological advantages between nations would have obtained if we had not had manned strategic bombers. I think that this is a very important factor when we consider what our deterrent capability should be.

The very fact that the bomber can take off, can move over the North Pole, can be on the periphery of the Soviet Union, can be refueled in that mode, it has the capability of a quick strike if there should be any attempt to make a strike against the United States is very important.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. Mr. President, I yield the Senator an additional minute.

Mr. TUNNEY. I will wind up in a minute.

I feel this is the important point, that the bombers are capable of being recalled after they are aloft and our ballis-

UMI

tic missiles once committed cannot be recalled and the effect of a mistake would be disastrous.

They need not be expanded to be effective, which gives them a tremendous advantage over both sea and land-launched ballistic missiles.

In addition, bombers are recallable and retargetable after launch. Once ballistic missiles have been committed, there is no recall. The effects of a mistake could be disastrous. The B–1 could, however, be recalled or retargeted in such a situation. In an age where split-second decisions may be called for, such versatility is invaluable. In the event of a mistake, versatility may well make the difference between survival and total destruction.

Finally, the B–1 represents the most cost-effective alternative to other strategic options. The B–1 is not a Dr. Strangelove Doomsday machine. It is the product of almost 18 years of experience in manned jet bombers. It is the result of thousands of hours of exhausting tests. It is the end result of billions of dollars of research into metallurgical composition, aerodynamics, electronic countermeasures, defense needs, and strategic planning. The B–1 is not an exaggerated B–52, it is a significant breakthrough in large supersonic aircraft technology, designed to provide the best penetrability possible taking into consideration advances in Soviet anti-aircraft technology.

Exhaustive cost-benefit studies of the B–1 and alternative systems have been carried out by industry, the Department of Defense, and the General Accounting Office. No study has pointed to more viable alternatives—strategically or from a cost standpoint. In contrast, studies have shown that modified B–52's cannot perform the roles and missions assigned to B–1. Modification of the B–52 fleet would cost more than half the price of procuring new B–1's—as much as $40 million per plane. Furthermore, the B–52 would suffer in its ability to penetrate Soviet air defenses because of its large radar cross section—20 times larger than the B–1. The B–52 was designed in the 1940's and first came into service in 1955. It simply cannot meet the strategic requirements of the next 40 years. The FB–111, on the other hand—even if structured—has neither the range nor the payload of the B–1. More importantly, size limitations would severely restrict the electronic countermeasures which could be employed by the FB–111. Anyone familiar with Soviet air defense today and potential breakthroughs in the coming decades realizes the importance of electronic countermeasures.

The advantages of the B–1 are obvious. It is the first large aircraft designed specifically to operate with high survivability in a nuclear environment—evidenced by its quick reaction, rapid acceleration, and structural hardness. It carries twice the payload of the B–52 over the same intercontinental distances, yet is only two-thirds the size and has one-twentieth the radar cross section. It has both a high-altitude supersonic and low-altitude near supersonic capability. It requires less runway than the B–52, and considerably less fuel.

Finally, the B–1 will cost one-third less than the current fleet of B–52's when figured in constant dollars. It is true that B–1 costs have escalated over the life of the program and that it will indeed be an expensive weapons system. But in relative terms, it is one of the most cost-effective and well-managed large development programs to date. Of the current estimated total cost of $20.6 billion, inflationary price increases account for over $9.6 billion. When these costs are isolated, the total cost increase has been only 11 percent over the life of the contract. That is less than 2.5 percent per year.

In short, Mr. President, we have often heard that the B–1 is cost-ineffective, that it is unnecessary, that it is obsolete, that its development has been mismanaged. But there is no study undertaken by any official organization which bears out these claims. Let us put the debate on this issue in perspective. The real question is whether the B–1 bomber, which has proven its effectiveness, is vital to the preservation of our deterrent credibility and our national security. I believe it is. I also believe that both America's allies and her potential adversaries will be watching the outcome of this debate closely.

If the U.S. Senate fails to demonstrate today that our commitments abroad will continue to be founded upon a modern, efficient retaliatory capability, I am certain that the doubts of both allies and adversaries will increase.

This bill would not lock us into a production decision on this program. The procurement elements in both fiscal year 1976 and fiscal year 1977 were, in fact, eliminated in order that procurement should be more closely aligned to the production decision which will come in November of 1976. The total request for this program has already been reduced from $948.5 to $726.2 million. I think this was a mistake, and I have cosponsored an amendment with Senator BELLMON to restore these funds. But even if the Senate should decide to accept those reductions, we must not completely close out our options on the B–1 by eliminating all money for the program. The B–1 is the first aircraft authorized under the fly-before-you-buy concept. I think we should give it a chance to demonstrate its effectiveness as a weapons system under that policy. Therefore, I strongly urge my colleagues to support full funding for this essential addition to our Nation's deterrent capability.

Therefore, I very much oppose the amendment that is offered by my distinguished friend from South Dakota, a man for whom I have great respect, but I just cannot help but feel in this particular weapons system he is dead wrong.

Mr. McINTYRE. Mr. President, it is my pleasure to join with my very good friend and committee chairman, the distinguished junior Senator from Mississippi, in opposing the pending amendment designed to terminate the B–1 program.

This is one of the several major weapon system developments that the R. & D. subcommittee and the full committee have spent an inordinate amount of time every year studying.

As my good friend, Senator MCGOVERN, knows, this committee has worked closely with him to insure that this program is closely monitored on a continuing basis. In fact, as we had agreed last year, the committee requested the Secretary of Defense, with General Accounting Office participation, to conduct a detailed study of the need for the B–1, including various other alternative programs. The results of these studies by DOD and the report by GAO were not completely satisfactory and the committee has recognized this in its report on the pending bill.

The committee has deferred the decision to authorize the start of production of the B–1 and has deleted $222.3 million of the $948.5 million requested. I consider that this action is a major step toward satisfying the concern of my good friend from South Dakota. I also consider it to be a sound and responsible expression of the responsibility that the Senate has for overseeing all defense programs.

The committee has expressed its reservations with a qualified approval of only the development program. The report language covering this is important and I would like to read it at this time, quoting from page 15 of the committee report:

> Because the B–1 is at the beginning of its flight test program and is yet to demonstrate that it is technically sound and will not encounter additional major problems and significant cost increases, the committee considers it prudent to proceed with the program in the following manner.
>
> (a) Approval of the fourth prototype.
>
> (b) Delay production funding until fiscal year 1977 to coincide with the planned production decision in November 1976.
>
> (c) Deletion of production and production related funding from both the Procurement and R.D.T. & E. requests for fiscal years 1976 and 197T. The committee intends that none of the funds recommended to be authorized for the B–1 aircraft will be used for production of the B–1 aircraft, but will be for fourth prototype and continue support of the three prototype program.
>
> (d) Accomplishment of a full year of flight testing and further development, which would provide the confidence needed to consider authorizing funds for procurement in fiscal year 1977.
>
> (e) Resolution of any remaining major issues relating to the need for the B–1 vs. other alternatives.
>
> (f) Consideration by the Department of Defense of the desirability of developing an alternative bomber to meet a 1990 IOC date, incorporating the lessons learned from the B–1, from the latest technology, and from an updated forecast of the future threat. Despite the large investment already made in the B–1, this could be a more cost effective solution.

I share Senator MCGOVERN's concern about the need for the B–1, Mr. President. But I am convinced that we do not yet have enough information to decide this issue one way or the other. Under these circumstances prudence dictates that we should hedge our bets for another year before we make the final decision.

I believe in the basic concept of the Triad of deterrence. Whether it is the B–1 or another manned aircraft, this part of the Triad is the most stabilizing

insofar as the delicate balance between ourselves and the Soviets is concerned. A manned strategic aircraft is not a first-strike weapon.

I want to assure my colleagues from South Dakota that the R. & D. subcommittee will dedicate itself this year to investigating all aspects of the program with the objective of providing the Senate next year with a complete report to support its recommendations for the future of the B–1 program.

Mr. President, I ask my colleague to join with me and Senator STENNIS in defeating the proposed amendment.

Mr. THURMOND. Mr. President, I rise in opposition to the pending amendment that would terminate the B–1 program.

What is involved here is our national security for a period stretching 30 years into an uncertain and possibly dangerous future.

We have been advised repeatedly by our finest military leaders and strategists that the future survival of the United States and its allies is critically dependent upon a mixed force bombers and missiles—land based and sea based. Each element of that mixed force must contribute to the deterrence of conflict.

During the past 15 years, we have concentrated on upgrading the missile elements of that force. We have come a long way since the early Atlas, the heavy-duty Titan, to the Minuteman I, II, and III. And at sea, Poseidon is a quantum jump in capability over the Polaris. But what about the bomber force? Though they carry over 50 percent of our retaliatory strike capability, B–52 bombers are the oldest element of mixed strategic forces. The average B–52 will be 20 years old before we can deploy the first operation wing of B–1's.

Those individuals who want to move to a "missile only" deterrent force by rejecting a replacement for the B–52 appear oblivious to the deterrent role of the bomber and especially its versatility during times of extreme crisis and tension.

I believe our leaders need not only the force represented by the Triad but, the flexibility of the Triad. The manned bomber is the only Triad system that can provide that kind of flexibility.

An ICBM or SLBM, though alert ready, remains unseen and, therefore, unable to demonstrate national resolve as can the appearance of a strategic bomber on the periphery of an enemy's radar scope. The missile gives the President only one choice; he can either order a launch or capitulate. That is not a very attractive option and especially in today's environment of ever-increasing nuclear proliferation.

The B–1 development must be continued and moved to production in order to complement and eventually replace the aging B–52 force. With each passing year the B–52 becomes less and less capable of meeting its assigned mission. We must not allow the Triad to deteriorate to the point it would include an obsolescent and ineffective bomber.

Mr. President, the B–1 will assure that our strategic Triad remains a viable Triad and I urge the amendment be defeated.

Mr. STENNIS. Mr. President, I yield to the Senator from Ohio.

Mr. GLENN. I thank the chairman.

Mr. President, I rise to speak to an area of the B–1 that I believe has not been given adequate attention.

When we look into it, when we hear most about the B–1, it is in the nuclear delivery capability with emphasis on the Triad as a means of the possibilities even to deliver nuclear weapons.

I think in that particular emphasis on the Triad, perhaps we lose sight of one of the major benefits of this particular aircraft. I would not care if we had just a "dyad," if there is such a thing, because I think in that area we already have a rather fantastic overkill capability with our ICBM's with our submarine capabilities, which adds to that, and the ability to have somewhere between 20 and 25 nuclear weapons on every visible target in Russia that really means anything, the prime targets, that is.

So in that area of nuclear weaponry that the addition of the B–1 gives us, to me that is not of as much concern as another capacity the airplane has.

I think we still need a conventional bomber and regardless of the time periods mentioned today, I think most of the people that assess the life capability of our current B–52's and their lifetime expectancy would agree that it would probably be considerably less than the 1990's to the year 2000, or in that area.

Assuming we need a conventional delivery system for conventional weapons, we come back to considering the B–1 in that area and what it can do.

I see it as a most valuable weapon that can fill a very, very vital role in the conventional warfare I think will be the probability, if we ever get back into a real war situation again.

Our standoff nuclear capability we have is not going downhill. Neither is the Russians. I do not think we are liable to get into that type nuclear exchange where we need an aircraft to deliver that type weapon system.

I do think if we get into a warfare situation in the future, it will more likely be a conventional warfare with conventional bombs and the B–1 does carry something double the payload of the B–52.

I was very concerned that in trying to get information on the payloads for the B–1 we seemed to be able to get very little information. In discussing this with Senator STENNIS, chairman of the Armed Services Committee, he finally talked to the Secretary of Defense.

I would like to read Mr. Schlesinger's letter and will submit this for the RECORD, also.

It states:

> DEAR MR. CHAIRMAN: This letter is in response to your request for information on the conventional weapons capability of the B–1. As we discussed this morning, the aircraft has the inherent capability for carriage of very large conventional payloads, and in the long run it is our intent to take advantage of this significant combat capability. The B–1 will have the structural capacity and hard points for conventional weapons and we have, as a part of our current test program, a demonstration of the release of the Mark 82 conventional bomb from the weapons bay. However, in view of the very rapid advances being made in conventional weapons technology, we believe that it would be premature to design and procure racks, pylons, and electronics for today's weapons. Also, we see no urgency for doing so at this time, in view of the B–1 not becoming operational until the early 80's and the very substantial B–52 capability that currently exists.
>
> Sincerely,
>
> JAMES R. SCHLESINGER.

We have another paper here which I will submit for the RECORD, entitled "B–1 Conventional Weapons Capability" and it goes into a few more details, but what it summarizes is that we are providing very much increased conventional weapon capability with this B–1 than we would otherwise have in the time period it is designed to be employed.

So what we have here, to my way of thinking, is a very valuable weapon for conventional warfare that I think is the more likely type warfare of the future.

We get sort of a free item on the side of having an additional nuclear delivery capability that I think is good to have, but is not, to my way of thinking, the prime reason for this aircraft.

I think the Senator from South Dakota in speaking of the 15 B–52's lost during the Christmas period in Vietnam, perhaps himself described the best reason why we need the B–1 in any future conflict, because with its speed, altitude, range, lower radar profile, it becomes a much more viable weapons system in the future than the B–52's or FB–111's, or any other aircraft we have now.

So I think this can be a very valuable additional item in our arsenal for the future for conventional warfare. I think it could be bought just on that basis alone with its tremendously increased capability and crew survivability probability, which I find a very important item.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from the Secretary of Defense and the additional information sheet.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> THE SECRETARY OF DEFENSE,
> *Washington, D.C., June 3, 1975.*
>
> Hon. JOHN C. STENNIS,
> *Chairman, Senate Armed Services Committee, U.S. Senate.*
>
> DEAR MR. CHAIRMAN: This letter is in response to your request for information on the conventional weapons capability of the B–1. As we discussed this morning, the aircraft has the inherent capability for carriage of very large conventional payloads, and in the long run it is our intent to take advantage of this significant combat capability. The B–1 will have the structural capacity and hard points for conventional weapons and we have, as a part of our current test program, a demonstration of the release of the Mark 82 conventional bomb from the weapons bay. However, in view of the very rapid advances being made in conventional weapons technology, we believe that it would be premature to design and procure racks,

UMI

pylons, and electronics for today's weapons. Also, we see no urgency for doing so at this time, in view of the B–1 not becoming operational until the early 80's and the very substantial B–52 capability that currently exists.

Sincerely,

JAMES R. SCHLESINGER.

B–1 CONVENTIONAL WEAPONS CAPABILITY

The B–1 was designed with the inherent capability for carriage of very large conventional payloads and it is clearly our intent to take advantage of this significant combat capability. Structurally, the aircraft can carry 75,000 pounds of conventional weapons in its three internal weapons bays and some 40,000 pounds externally on hard points. In terms of MK–82 bombs, the B–1 can carry ½ more weapons than the B–52D.

In addition to the structural capacity, including external hard points, for carriage of conventional weapons, the B–1 design will have the necessary electrical power, controls, displays, and environmental control system. Basic aircraft design incorporates an electronic multiplex system which is highly adaptable to the addition of this and other capabilities with a minimum of added wiring. We also have designed and fabricated a bomb rack for the MK–82 weapon to be used in the internal weapons bays and intend to make 28 weapons drops from various positions within the weapons bays to demonstrate our delivery capability.

The Air Force intends to develop a new, high density munition for use in the 1980's. In view of this, and the B–1 Initial Operational Capability date of late 1981, it was felt that design and test of a complete conventional capability using current inventory weapons would be premature. The Air Force has therefore deferred development of racks, pylons, and individual electronic control units which are dependent on the type of weapon until such time as this new weapon is further defined.

We have included funds in our program cost estimate to complete the drop tests of the MK–82 bomb. The cost of developing a capability to employ this weapon from the internal bays is about $5–$6 million. Each set of equipment for the employment of conventional weapons is estimated to cost about $200,000. While not specifically identified in our budget, adequate margin (unclaimed savings) exist within the program cost estimate for this purpose.

To summarize, the structure, space, power, controls and displays to employ conventional munitions from the B–1 are being developed now; however, some additional development work will be required for the racks, pylons and electronic control units, which are dependent on the type of weapon.

Mr. SYMINGTON. Will the Senator yield?

Mr. GLENN. Yes.

Mr. JACKSON. Would the Senator yield for a unanimous-consent request?

Mr. SYMINGTON. Yes, indeed.

Mr. JACKSON. Mr. President, I ask unanimous consent that Dorothy Fosdick and Richard Perle of my staff be granted the privilege of the floor on the pending matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri.

Mr. SYMINGTON. May I ask the able Senator, what is the total program cost of the B–1?

Mr. GLENN. I do not have figures available here on that. The Senator from South Dakota gave those figures awhile ago. I believe he has up-to-date figures.

Mr. McGOVERN. The total cost, as I understand it, for 244 B–1's would be in excess of $20 billion.

Mr. SYMINGTON. The figure I got from the Secretary of Defense was $84 million apiece.

Mr. McGOVERN. That is correct.

Mr. SYMINGTON. And Brookings Institution came out with some kind of a study, I understand, which is considerably higher. What I would ask would be the total program cost, which would involve dividing into the number of planes the research and development cost. Is that included, does the Senator know?

Mr. McGOVERN. It is included.

Mr. SYMINGTON. What is the total research and development cost to date?

Mr. McGOVERN. We have already expended $2.1 billion in research and development.

Mr. SYMINGTON. And what is estimated to be the total research and development cost?

Mr. McGOVERN. $3.9 billion.

Mr. SYMINGTON. That would be $4 billion that would have to be cut into the number of planes, built; am I correct?

Mr. McGOVERN. That is correct. And then above and beyond that there is something in excess of $16 billion for procurement cost even at the lowest estimate. As the Senator has said, some people who have studied this project very carefully point out that when you are simply dealing with research and development procurement, you leave out the major cost, which is the backup support for this bomber—the maintenance, the supply vehicles, the armament. Over a 10-year operating period you are talking about a figure of some $70 billion.

Mr. SYMINGTON. If the Senator will yield further——

Mr. GLENN. I do not know whose time we are operating on now. I believe my 10 minutes have probably expired.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. I will yield a couple of minutes on the bill to the Senator from Missouri.

Mr. SYMINGTON. I thank the Chairman.

What is the total estimated program cost, eliminating operation and maintenance but including R. & D., the total program cost to the planes?

Mr. McGOVERN. $26 billion for a fleet of 244 planes. As the Senator said, that comes out to roughly $84 million per airplane. It is that enormous cost which makes me question the argument by the Senator from Ohio.

Mr. SYMINGTON. If I could just ask my questions, does that figure of $84 million, which has gone from 24 to 50 to 65 to 83 to 84, include research and development?

Mr. McGOVERN. Yes, it does.

Mr. SYMINGTON. I thank the Senator.

The PRESIDING OFFICER. The Senator from South Dakota has 2 minutes remaining on the amendment.

Mr. STENNIS. Mr. President, I yield 4 minutes to the Senator from Oklahoma on the bill.

Mr. BARTLETT. Mr. President, this amendment, if it would be adopted, would be saying that we do not want a manned new generation strategic bomber. I think we ought to look at the fact that we will be outnumbered in any war we would anticipate with the Russians. In NATO, from the figures I have been given, it has generally been 3 to 1 with us on the short side.

This bill that we are passing, as reported out by the committee, has a force limitation total of 2,081,000 for June 1976. This compares with 1,801,000 troop strength for June of 1941, 6 months before Pearl Harbor. So we are getting down to a very low troop strength. I do not think we can ignore the fact that numbers in warfare are very important. The Russians have over 4 million—I believe it is 4.2 million—the Chinese have over 3 million, and we have approximately 2 million in our services. So we must emphasize the need for new generation equipment, new generation airplanes.

The committee, in reporting out this bill, is already letting slide the XM–1 tank, and the B–1 is letting slide part of the equipment for the fourth prototype as far as preproduction is concerned. I believe we can see that we are gambling with whether or not we are going to have available to our Air Force a new generation strategic bomber.

I think it is rather impressive that in 1945, in the largest bombing attack on Berlin, there were 1,841 planes involved—691 fighters, 826 B–17's and B–24's numbering 324, with 3,148 tons of bombs, with 12,191 crew members.

The B–1, with a load of 37.5 tons of ordnance, could deliver more destructive power if this were nuclear weapons than the 1,150 bombers did in World War II. It can do it at high subsonic speeds, low to the ground, or it can drop its bombs at very high altitudes at supersonic speeds rather than 160 knots.

So we are dealing with a new generation weapon.

The Senator from Missouri was just talking about cost. I believe he is comparing apples and oranges. I have here from Colonel Strong, of the Air Force, a statement that shows that the flyaway costs for 1970 were $30 million for the B–1; for 1975, $42.5 million; and in 1981, $57.8 million. But when the Senator was giving a lot of figures to show increases, he was talking first about flyaway costs—I think he used the figure of 24 or 28—but according to the Air Force in 1970, the flyaway cost of one B–1 was $30 million, and for 1981 the flyaway cost is $57.8 million.

If we want to compare apples and apples on the unit program, which has cranked into it the mistakes, the delays, the costs and inflation, then we compare $45.2 million for 1970, $63.6 million for 1975, and $84.1 million for 1981.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BARTLETT. Will the Senator yield 1 more minute?

Mr. STENNIS. I yield 1 minute on the bill.

Mr. BARTLETT. Mr. President, I ask unanimous consent that this letter from Colonel Armstrong be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, D.C., May 12, 1975.

Mr. GEORGE H. FOSTER,
Professional Staff Member,
Committee on Armed Services,
U.S. Senate.

DEAR MR. FOSTER: Reference your inquiry concerning B–1 unit costs. The figures which you passed to us are as follows:

	1970	1975	1981
Flyaway	29.5	42.0	59.0
Unit procurement	34.3	49.6	69.6
Unit program	42.5	65.4	84.3

The above figures are quite similar to our current estimates which follow:

	1970	1975	1981
Flyaway	30.0	42.5	57.8
Unit procurement	34.3	49.6	69.6
Unit program	45.2	63.6	84.1

With regard to your request for numbers of B–52, B–58, and F–111 aircraft involved in initial testing, this information will be prepared by the Air Staff.

Sincerely,

DONALD C. ARMSTRONG, Jr.,
Colonel, USAF, Chief, Congressional Investigations Division.

Mr. BARTLETT. I would like to point out that in real growth, in other words, the mistakes, the change orders, the increase in cost amounts to only 12 percent, whereas on the other hand the $84.1 million represents a figure that I think is reasonable in view of the fact that we are dealing with an up-to-date modern weapon.

There have been comparisons made that the F–111 and the B–1 are somewhat identical. I believe this is a rather far-fetched comparison. In so very many of the necessary attributes the B–1 is far superior. It is important that we have a very superior strategic bomber that can deliver the bomb load required and do it at great distances without refueling.

We should not ask our fighting men to fight a 1980's war with 1950's weapons.

The PRESIDING OFFICER. The Senator from South Dakota has 2 minutes remaining.

Mr. STENNIS. Mr. President, I yield to the Senator from California.

Mr. CRANSTON. Mr. President, there will no doubt be those within and without the Chamber who think that I oppose this particular amendment because it relates in part to jobs in California and to contracts in California. I would like to point out that I have not supported all amendments that have been proposed to reduce the defense budget during this debate nor at other times on this floor. Specifically, during the consideration of this bill, I have opposed the sea-launched cruise missile program which relates to some jobs in California and in that respect I have heard from Californians.

I am about to offer, with Senator KENNEDY, the Minuteman III amendment to prevent adding 50 Minuteman missiles which we do not need, although some parts of them would be built in California. Perhaps more significantly, and more related to defense matters, I played a key role and cast a key vote against the SST, when there were many Californians who felt that their jobs depended on that program.

I believe very deeply in the triad triple deterrent approach to the survival of the United States in this time of nuclear terror and anarchy in which we live in this world, when our survivability depends upon convincing any foe that we retain a second-strike capacity in the event that we suffer a first strike. That second-strike capacity depends upon three different ways of coming back with the second strike: The ICBM's in their silos, the SLBM's in the submarines, and the manned bomber—to simply insure survival in an incredibly dangerous time in the history of the human race.

Of these three parts of the Triad, only the manned bomber provides an immediately visible signal of our intention to a potential aggressor in a time of tension, before we actually strike at that aggressor. ICBM's and SLBM's would have to be fired to be visible, and then they go on to their targets, with no opportunity to abort their destructive mission, even though we may learn after they have been fired that a mistake or miscalculation has caused us to fire without good reason for doing so.

Bombers, of course, being manned, provide alternatives even after they have taken off toward their target. The manned bomber provides very great flexibility. Alert levels can be raised and lowered. Additional planes can be put on ground alert. Portions of the bomber force can be airborne, and even started off toward the heart of an enemy. After that, options are open to manned bombers other than the final, fatal nuclear strike.

All this allows time for adversaries to reassess positions and to replace irrational behavior with reason. Not so with ICBM's and SLBM's. This flexibility might well enable us to avoid nuclear war.

I have grave concerns about the degree of force used in the *Mayaguez* incident; but without the flexibility our diverse systems gave us, we might well have used even more destructive force.

Let me read from a column Joseph Kraft wrote shortly following the *Mayaguez* incident:

> (The) first (lesson to be learned from *Mayaguez*) is the utility of having a wide range of military options available to a President. When initial word came of the seizure of the *Mayaguez*, there was a push inside the National Security Council to punish Cambodia by B–52 bombing.
>
> Defense Secretary James Schlesinger and the uniformed military in the Pentagon wanted nothing to do with such undiscriminating punishment. They were against tit-for-tat and other diplomatic games. They drove hard for the more limited and sharply targeted operation that was, in fact, ordered.
>
> They thus gave the lie to the argument that all military forces ought to be cut because the Pentagon will inevitably use whatever is available. On the contrary, it seems clear that if the limited amphibious operation had not been available, President Ford would have felt obliged to go for the brutal, and probably useless, bombing.

The same flexibility is given to us in far more desperate potential circumstances with the manned bomber.

Mr. STENNIS. Mr. President, I think the Senator from South Dakota wishes to be recognized.

Mr. McGOVERN. Mr. President, I yield 1 minute to the Senator from Arkansas. I do not have more time, or I would yield him more.

Mr. BUMPERS. Mr. President, I have listened intently to the debate here, and find it very enlightening and helpful. Not being a member of the Armed Services Committee, of course, some of us are at a distinct disadvantage in understanding the technical aspects of the argument.

I want to make certain that the United States remains the most powerful Nation on Earth, and I am trying to vote on all amendments as objectively as I know how.

I am confident there are alternatives to the prodigious cost of the B–1. Second, I am convinced that the whole concept of strategic bombing, as a result of Vietnam, is in question.

Finally, there are two threats to the Nation. One is military and one is economic; and the cost of this program, if the President's energy program does not do it first, could be the very tilt that caused the disintegration of this Nation and all the cherished institutions in it.

I thank the Senator for yielding me 1 minute.

The PRESIDING OFFICER. The Senator from South Dakota has 1 minute remaining.

Mr. STENNIS. Mr. President, I would like to yield the Senator 2 minutes on the bill, so as to make it 3 minutes in all.

Mr. McGOVERN. I thank the Senator.

Mr. President, just to summarize the case against proceeding on the B–1 bomber.

First, from testimony by top people in the Air Force and the Department of Defense, we know we have a bomber fleet that is clearly superior to anything the Soviet Union has at the present time. In intercontinental bombers, we have them outnumbered 498 to 160. That is without building one additional bomber.

We have the testimony of the Air Force that the late model B–52's and F–111's are operational until 1990, 15 years hence. There is no reason for haste on this matter. There is no reason to invest another three-quarters of a billion dollars this year.

I am as confident as one can be of anything in this uncertain era that we are never going to build this bomber. If we proceed as we are now, we are going to invest another $1.5 or $2 billion in it, and 2 years hence end up deciding we cannot afford the kind of expenditures involved.

We are talking about a bomber system that, on procurement and research alone, will cost us in excess of $20 billion. We are talking about airplanes that, as far as their mission is concerned, are little better than the bombers we already have—bombers that will cost nearly $100 million apiece, but which can be knocked out of the sky by missiles costing some $50,000.

I have listened to the arguments of my two distinguished colleagues from California, for whom I have great admiration and who usually make sense on these

UMI

matters, telling us that the bomber is more of a deterrent because the Soviets can see it, that they cannot see those missiles we have on the ground, but they can see the bombers when they are flying.

Mr. President, that assumes a naiveté on the part of the Soviets that I cannot extend to anyone. Surely even the most ignorant Soviet planner knows that a missile on a submarine or a missile on the American continent that is capable of hitting targets in the Soviet Union within 15 or 30 minutes is a deterrent. They do not have to be able to examine the missile to know that it is there. As a matter of fact, their capacity to see the bomber and to demonstrate a capacity to shoot it down, which they were able to do with their allies in North Vietnam, demonstrates why our land-based and sea-based missiles are the first line of deterrence.

Mr. MONDALE. Mr. President, I intend today to vote against the amendment to completely eliminate the B–1 bomber program and I would like to state my reasons—particularly in the light of our discussion yesterday of counterforce and the need to maintain a secure American strategic posture.

I am voting for the B–1 because I believe that the thrust of our strategic programs should be in the direction of survivability and flexibility. Despite many of its drawbacks in performance and cost, the B–1 at least moves in the right direction.

Manned aircraft such as the B–1 are far more survivable than any fixed, land-based ICBM can be. They can be launched on warning and recalled. A missile cannot. They can be dispersed and moved about. Our current ICBM's cannot. Considering that we are planning forces for the year 2000 manned strategic bombers offer a far more survivable mode for basing our strategic deterrent.

Manned bombers are also more flexible. The ICBM programs currently proposed by the administration, when all the malarkey is washed away, have only one mission, attacking Soviet ICBM's. Manned bombers, on the other hand, are capable of a wide variety of strategic missions—including even counterforce. But they can carry out those missions without the risk of looking like we are going for a first strike. If you want accuracy and the capability for a limited attack, the manned bomber is the right weapon for the job.

It may be that yesterday many in this Chamber felt that they had to vote for counterforce to show the Soviets that we intend to remain strong. There is nothing wrong with that motivation, and in fact, that is one reason I am supporting the B–1 and opposing this amendment. In addition to the other reasons I have just cited, I do not believe we should cancel a major strategic program at this time.

But I hope my colleagues who voted for counterforce yesterday will come to appreciate that there is a critical difference between supporting a strong, survivable defense posture and going forward with reckless programs based on some far out and provocative theories of limited nuclear war.

In my view, the new manned bomber is in the first category and the counterforce programs fall in the latter.

Having said this, I want to register my concern over the poor performance of the B–1 program so far—in particular its cost. My vote at this stage is not because I favor procuring the B–1, and even less procuring 240 of them at the cost of $20 billion. It is my fervent hope that the Pentagon and the Air Force will continue to search for lower cost alternatives to the B–1. We should make an extremely careful assessment of the cost of this weapons system before any decision is made to buy it.

My vote is for continued development of a new manned bomber and it is made for the purpose of emphasizing the importance of a survivable, not a provocative, strategic posture. I would only wish that the Air Force and the Pentagon showed as much imagination and determination in developing a new, economical strategic manned bomber to strengthen our deterrent as they have in pursuing counterforce programs which will inevitably undermine our overall security.

Mr. HRUSKA. Mr. President, one of the most important defense-related questions which this body has considered in quite a long time is the question of whether we should go ahead with the full production of the B–1 bomber.

Recent Air Force estimates indicate that the total cost for the 244 bombers scheduled for production will exceed $20 billion with each plane costing about $84 million. Given the huge projected cost of this program, it is understandable that some might initially question the wisdom of the program. A close examination of the B–1 issue, however, will show that despite the considerable expense involved the B–1 bomber is an absolute necessity if the security of this country and that of our allies is to be safeguarded.

Our country's defenses are based upon the so-called Triad system. This is a three-pronged defense system consisting of intercontinental ballistic missiles, submarine launched ballistic missiles, and the manned bomber. Under the Triad system, should our country come under a first-strike nuclear attack at least one of these three components would be able to inflict a massive nuclear retaliation upon the aggressor.

Of course, any potential aggressor is well aware of this fact. Thus Triad with its independent and yet complimentary components serve to deter such potential aggression as the guarantee of a swift and terrible U.S. response makes nuclear aggression self-destructive and, therefore, an unacceptable course of action.

It is essential to remember, however, that Triad is a carefully conceived system which is based upon three and not two nuclear delivery systems. Should Triad be reduced to two systems the temptation to attempt to knock out those systems with a first-strike may increase to the point where a potential aggressor feels that the odds have shifted significantly enough in his favor. Therefore, a first-strike against the United States occurs with the belief that we will not have enough of a response left after such an attack to assure the destruction of the aggressor's homeland.

Even if, after such attack, the United States had sufficient capability left to destroy our attacker, that would be a small consolation to the millions of Americans who died because that attacker succumbed to the temptation of aggression.

Thus Triad is seen as an offense system of last resort but also it is primarily a defense system designed to prevent a nuclear attack. It is important that we do not lose sight of this key fact.

The B–1 bomber is designed to be one-third of the Triad system. As such, it is to replace the B–52. There can be little doubt that the B–52 needs replacement. Although a fine aircraft, the models currently in use by the Air Force date from 1958 and 1960. Their average age is 15 years and the extensive use during the Vietnam war has required many modifications.

When we enter the decade of the 1980's these bombers will be 20 years old. The technology which produced them would be 20 to 30 years old. The defense technology which they would face would be much newer. Their ability to successfully carry out whatever missions assigned would have to be seriously questioned.

Therefore, the issue to be addressed is, does the United States need a manned bomber and if so is there an alternative to the B–1?

The first part of this question has already been addressed. To my earlier remarks I would add the observation that a manned bomber is totally unlike a missile. A manned bomber can be launched, directed, redirected, used or recalled. It is thus capable of signaling a national intent whereas a missile can only be fired or not fired. These added options give U.S. Presidents alternative courses of action in wars where the greatest danger to man's collective existence may come from a superpower lacking in such alternatives. As I have said before, this is a point which some Senators in this Chamber ought to consider very carefully.

The second part of the issue is whether there is an acceptable alternative to the B–1 as this country's manned bomber. In order to answer this question one must consider three phases of operations. The launch, the flight to the target area, and the penetration to the actual target.

The Department of Defense recently completed a "joint strategic bomber study." That study examined not only the B–1 bomber but also these alternatives: a stretched FB–111—fighter-bomber; a re-engined B–52; and a standoff cruise missile launching aircraft which would be similar to the Boeing 747.

The study found that the FB–111 "stretched" alternative would not have the space in which to carry sufficient fuel or weapons to give it adequate target coverage. Furthermore, its small airframe means it cannot carry the necessary equipment to successfully penetrate enemy air defenses expected to be in operation in the 1980's. Moreover, the study found this alternative to be the least cost-effective alternative.

A re-engined B–52 would perform well in the range-payload phase of operations. Serious problems arise, however, in the launch and penetration phases. Even with improvements, which by the way it is estimated would cost over 50 percent of the amount needed to procure new B–1's, this aircraft would not be as effective as the B–1 in essential areas. It would be slower. It would have a larger radar cross section. It would not have the aircraft hardness to nuclear effects. All of these factors, and there are more, make this a poor alternative to the B–1.

The air-launched cruise missiles concept was also found to be less effective than the B–1 in both the launch and penetration to the target. These aircraft would be slower and more vulnerable to nuclear effects. Since there would be fewer of these aircraft than B–1's, the chance of this system being eliminated by long-range interceptors is far greater. Also another point to consider is that the air-launched cruise missiles, ALCM, would probably incur heavy losses by targets protected by low-altitude surface-to-air missiles. Unlike a bomber, the ALCM's cannot attack the surface-to-air missile, SAM, with short-range attack missiles. Nor can they use warning receivers to evade mobile SAM's as can a bomber.

The study found that a force of primarily B–1's will place about two times as many weapons on target as will an equal cost, all stand-off cruise missile force. Additionally, it is easier to defense against the ALCM's.

None of this is to say that FB–111 or the ALCM's system would not be good systems if used to compliment the B–1. The point is, however, that the B–1 is the only system which can be integrated into Triad and perform its mission with a high probability of success.

Certainly the cost will be high, but in our troubled world the cost of freedom is high.

Mr. GOLDWATER. Mr. President, there is no question that we have a segment of our media and press who are antimilitary and who would like to isolate America once again. This, of course, is their right as it is the right of any member of this body or any other American, but all that I ask is that this whole procedure go forward on a basis of honesty.

Recently at a meeting of the General Electric Board of Directors in Boston, 75 protestors picketed the session with various signs which again is their right, but when those people have produced a slide show which dishonestly, and I repeat dishonestly represents the B–1 and the company which makes his weapon, then I must protest. We all remember the CBS spectacular, "The Selling of the Pentagon," and we have in mind the current prize winning movie, "Hearts and Minds," both filled with half truths, outright errors, distortions, and misrepresentations.

Mr. Claude Witze, senior editor of Air Force magazine has put this into proper perspective and it reflects the view of this Senator completely, so I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AIRPOWER IN THE NEWS

(By Claude Witze)

STOP THE B–1, DISHONESTLY

WASHINGTON, D.C., May 7.—"G.E. Defends Its Weapons Business," says a headline on the financial page of the New York *Times* of April 24. The defense, according to the *Times* report from the company's annual meeting at a Boston hotel, was necessitated by seventy-five protestors who picketed the four-hour session of about 700 shareholders. They carried signs: "Power Over Millions, Decisions by a Few," and "Jobs for Peace, Not for War."

One of the leaders, according to the *Times*, was David Gagne of the Unitarian-Universalist Association. He demanded that GE Chairman Reginald H. Jones tell when the company would "draw the line" on weapons production. The answer was that GE will stop when Congress decides weapons are not necessary for national security.

Mr. Gagne, who appears to be a stockholder, nominated Natalie Shiras, a first-year student at the Harvard Divinity School, for a seat on the board of directors. She received 11,241 votes out of more than 150,000,000 that were cast. Most of them, the *Times* says, were cast by proxy before Miss Shiras' nomination.

The newspaper says many of the demonstrators represented the American Friends Service Committee (AFSC) and Clergy and Laity Concerned. These two organizations are the moving powers behind NARMIC, which is an acronym for National Action/Research on the Military Industrial Complex. Their current activist campaign is called "The Super-Sonic (sic) Swing-Wing Swindle," subtitled, "The Story of the B–1 Bomber." This is a slide show, provided with documentation and a script. There are 140 slides, and the presentation runs about a half hour. AFSC says you can order a copy of your own for $50 from: Stop the B–1 Bomber, National Peace Conversion Campaign, 160 North 15th St., Philadelphia, Pa. 19102.

So far, there has been no report that this effort is the product of a lobby, financed, in the main, by tax-exempt contributions. We do have at hand a letter from Clergy and Laity Concerned, denouncing the B–1 project and appealing for contributions for a fight against it in Congress. The letter is signed by Don Luce, Director of CALC and he says he needs $100,000 for the campaign. He adds this postcript:

"Your contribution to CALC will help us STOP THE B–1 BOMBER. CALC is working with the National Council of Churches on this program. If tax-deductibility enables you to make a larger gift, your check may be made payable to the NCC."

AIR FORCE Magazine has found that CALC is not registered with the Clerk of the House of Representatives as a lobby. Nor is it listed as a tax-exempt organization. The NCC is tax-exempt and, as such, is proscribed from carrying on propaganda or influencing legislation as a "substantial part" of its activity. On Capitol Hill, the CALC appeal has raised a few eyebrows, which is easy to do so soon after Watergate and its disclosures of how money can be "laundered."

The $50 slide show of AFSC and CALC had its premiere on April 15, income tax day. The sponsors say it was exhibited in nearly a hundred cities across the country. In Washington, the show was sponsored by our busiest spokesman for unilateral disarmament, the Center for Defense Information, whose director is Rear Adm. Gene LaRocque, USN (Ret.). The Admiral's financing is reported to come from the Fund for Peace, the Field Foundation, and individuals, including Stewart Mott, the automotive heir sometimes called an "activist philanthropist."

It was in quarters owned by Mr. Mott at 122 Maryland Ave., across the street from the Supreme Court, that Admiral LaRocque gathered an audience of about twenty-five for the unveiling of "The Super-Sonic Swing-Wing Swindle," as produced by NARMIC. The script gives credits, incidentally, to Debby Frazer for the words, Leon Carlin and another cartoonist whose name is not revealed, for the illustrations and graphs, and to Phil Stanford, once on the staff of Rep. Les Aspin of Wisconsin, for "timely information." One Jamie Lewenton of CALC also contributed some of the research, writing, and documentation. There is no evidence of any input from recognized authorities on airpower or bombers.

The technique used in this show is one familiar to fans of Peter Davis, producer of the CBS 1971 spectacular, "The Selling of the Pentagon," and the current prize-winning movie, "Hearts and Minds." The text is replete with half-truths, outright errors, distortions, and misinterpretation. Wide use is made of the Davis approach of placing text and slides in juxtaposition when there is no relation between them. Examples are easy to find.

The opening picture is of an F–111 assembly line, followed by a shot of the B–1 bomber. The script says America continues to arm, despite peace, and the B–1 is "one of many lavish new weapons being developed." This is followed by two slides of a slum in Philadelphia, and the author says it is "plagued with problems . . . poor housing . . . old and dilapidated schools, few places for recreation." Then there is a photo of the unemployed. After a pause, the script says, "This slide show is a production of 'Stop the B–1 Bomber; National Peace Conversion Campaign.' The campaign questions why our government spends vast sums of our tax money on the military, while the needs of communities like Kensington [the slum pictured] are ignored." There is no mention, anywhere in the show, of the weaponry programs of any other nation or of the vast increase in US budgeting for social programs during the past few years.

The show's major effort is spent in attacks on Rockwell International, General Electric, and Boeing—the major contractors in the B–1 program. One slide, for example, shows these firms on a chart. The script says, "They are among the largest corporations in the country" and goes on to report that "the average profit on a sample of large military contracts was fifty-six percent." According to the 1974 report of the Rockwell firm, their after-tax profit, as a percentage of sales, for aircraft operations was 1.4 percent. The corporate total profit was 2.95 percent after taxes.

Another slide purports to show the Rockwell company's bomber history. The script tries to prove that the firm, formerly North American, always has bombers on the line. It says Rockwell "has been in the bomber business since World War II. As they finish one plane, they begin another—what's known as the follow-on system. They built the B–25 (slide) . . . followed by the B–45 (slide) . . . the B–70 (slide)." Well, the B–25 is a real oldie, the plane used by Jimmy Doolittle in his 1942 Tokyo raid. North American built only 143 B–45s between 1948 and 1951. They have not had a bomber in production since. As all airmen know, there have been six postwar strategic bombers—three built by the Convair Division of General Dynamics

and three by the Boeing Co. Rockwell's role as a bomber-builder has been minor.

There is a portrayal of a sad executive on one slide. The text says: "Many companies depend on huge military profits to stay alive. In 1970, Rockwell Chairman Willard Rockwell said, 'We knew that as a company we had just one more chance—the B–1.'" Rockwell's reference here was to the future of military aircraft contracts only. Last year the B–1 represented, to Rockwell International, a sale of $250 million out of corporate sales of $4.4 billion. The corporation would stay alive without the B–1.

At another point, showing a picture of the B–1, the text accuses the industry, specifically Rockwell, of ensuring profits by constantly promoting "new and more costly weapons." The implication is that the B–1 is a Rockwell invention. This ignores the formative years of the concept, which go back to 1961, when the Air Force conducted a study called SLAB (for Subsonic Low Altitude Bomber). This was followed by ERSA (Extended Range Strategic Aircraft) and LAMP (Low Altitude Manned Penetrator). Then there was AMP (Advanced Manned Penetrator) and AMPSS (Advanced Manned Penetrating Strategic Systems). Only then were Rockwell and others invited to take part in a newer AMSA (Advanced Manned Strategic Aircraft) study that led to the B–1. Industry was not asked to bid on the bomber itself until December 1969. It is a long chapter in history not known to experts of NARMIC.

One of the more disgraceful intervals in the slide show is devoted to a vicious attack on David Packard, former Deputy Secretary of Defense. He is pictured, and the script tells us he knows the game of musical chairs in business and government. This is illustrated with a cartoon of a man shedding his civilian clothes for a uniform. Then: "David Packard . . . knows this game. He made a personal fortune as a founder of Hewlett-Packard, a military electronics firm. He was also a director of General Dynamics, the nation's largest military company. In 1969, he was made Deputy Secretary of Defense . . . From inside the Pentagon, Packard fought hard for the B–1. . ."

There were more words to distort the role played by David Packard, but no suggestion that he made a contribution to his country and did it at huge personal financial sacrifice.

This subject was discussed at length with Admiral LaRocque, a week after the performance at his office. The Admiral told AIR FORCE Magazine that he personally is in favor of the military-industrial complex and believes it is essential to our defense. He believes it must work under stern government controls, as it does. On the subject of David Packard, the Admiral agreed that his administration had been good for the Pentagon, that he made genuine contributions to management there, and that the personal sacrifice was immense.

Then, how did he justify his sponsorship of the NARMIC slide show that portrays David Packard as an industrial scoundrel, bleeding the taxpayer? Admiral LaRocque's answer was that he agreed to sponsor the performance without ever having seen the presentation. "I saw it for the first time when you did, here on April 15," he said. He indicated he was surprised with much of the content and, specifically, did not agree at all with the evaluation of David Packard as portrayed by the Admiral's young friends from Philadelphia.

At the showing, Admiral LaRocque argued that he is in favor of a strong defense for the US, but considers the present establishment far too expensive. He calls the B–1 bomber the No. 1 target for elimination from this year's budget proposals. His Center for Defense Information is circulating literature, and campaigning, to this end.

In an interview, the Admiral contended that information given out by the military services is sometimes incorrect, more frequently misinterpreted. He is frankly in favor of unilateral disarmament and is associated in his work with others who favor it, including, in addition to Stewart Mott, Dr. Jeremy Stone, Dr. Jerome Wiesner, Richard A. Falk, former Sen. Joseph Clark, Richard Barnet, and Seymour Melman. Some are listed as consultants to the Center. The Admiral says the United States should step out and disarm first, and in that way show its "leadership."

The activities of the antidefense lobby are more evident this year than they have been in the past, but there are few signs they have important impact. Much of the energy previously devoted to opposing US war policy in Vietnam now is looking for new outlets, and finding them.

An excellent example of this is the previously mentioned motion picture called "Hearts and Minds," put together by Peter Davis. In early April, the movie empire gave the film an Academy Award as the year's best feature-length documentary. Like the CBS show, "The Selling of the Pentagon," "Hearts and Minds" is a skillful running together of unrelated film clips, designed to portray our country as silly, racist, brutal, and childish.

One of the worst examples in the film involves Gen. William Westmoreland now retired Army Chief of Staff, who once commanded our land forces in Vietnam. In "Hearts and Minds," there is a sequence of a multiple funeral. The families of the deceased display something close to hysteria at the graveside; one old lady, almost crazed by grief, tries to climb into a grave. For the next shot, Davis uses a clip of General Westmoreland, on a hillside in South Carolina, saying "The Oriental doesn't put the same high price on life as does the Westerner. Life is cheap in the Orient. As the philosophy of the Orient expresses it, life is not important."

The juxtaposition, of course, makes the General sound heartless. In the Washington theater where this reporter saw the film, a woman in the audience screamed "Murderer!" as the General faded from the screen.

In a telephone interview with Air Force Magazine, General Westmoreland said he was interviewed by the movie crew, and Mr. Davis, for two hours. "Hearts and Minds" includes less than two minutes of the footage that resulted. General Westmoreland says that much of what he put on the film was about his experiences in combat in that part of the world. He had talked about the callousness of commanders in the East, their practice of cruelty, the 1968 massacre in Hué, and such deviations as the practice of immolation and the Japanese resort to the kamikaze.

It was in this sense that he made his remarks about the value of life in the Orient. Peter Davis used the clip next to a picture of a family funeral.

At the Academy Awards festival in Hollywood on April 8, the prize was accepted by an associate of Davis, a man named Bert Schneider. He read to the audience a wire of congratulations he had received from representatives of the Communist regime in Hanoi. "Please transmit to all our friends in America our recognition of all that they have done on behalf of peace," it said.

The form of intellectual and factual dishonesty perfected by Peter Davis, first for TV and now the movies, is moving on. You can expect to see more of it even in slide shows about bombers, and, who knows, maybe at the GE annual meeting.

Mr. DOMENICI. Mr. President, I have listened to several colloquies on the issue of the B–1 bomber. The issue as I see it is to either continue use of the B–52 or whether or not the B–1 is the type of manned bomber we need. The B–52's are some 30 years old and no one really knows how long into the 1980's they will remain viable.

The B–1 program began in 1970 after many years of research. Even with the program already 5 years old, we will not have the first B–1 into the inventory until around 1980 and a few more years before there are enough to make an impact. I believe this Nation needs a strategic supersonic bomber, like the B–1, designed to assist in providing nuclear deterrence through the maintenance of the capacity to deliver heavy nuclear attacks on enemy targets over long ranges through a hostile environment.

The Senate Armed Services Committee has done an admirable job of weighing the future need for preparedness of the United States versus the current financial restraints. It is my inclination to support the committee's recommendation on this matter. They determined that the Nation could afford to cut $152 million in budget authority from the administration's request and still provide for our future security needs. I am persuaded that it is imperative that our Nation develop a new long-range bomber as a deterrent to any possible enemies.

Mr. TAFT. Mr. President, there are few issues before us which appear more complex than that of the B–1 bomber. I would like to suggest, however, that the issue boils down to two basic questions: Do we need a manned bomber? And, if we do, is the B–1 the right plane for the job?

As to the first question, do we need a manned bomber, we must remember that a manned bomber is one of the three basic components of our Triad of deterrence forces. In my view, we must be extremely cautious about tampering with the heretofore successful structure of our deterrence force. It would be a rash man who would suggest experimenting in this area, who would abandon the structure which has proven successful, simply because it has worked. There are areas where we, as Senators, have a responsibility to see that there are no resources committed beyond the bare minimum needed to do the job, but this is not such an area. Strategic deterrence is not the place to cut to the bone, to make fine calculations of just how much is enough. Far better that we should have some surplus capability, even at a high dollar price, than that we should cut too finely and pay the infinite cost of a failure of deterrence. In this area, the wise man walks carefully and with reverence for that which has succeeded.

If we are to be properly cautious in the deterrence area, we must continue to maintain our proven Triad structure. One of the three basic elements of the Triad is a manned bomber. Without an effective, modern, strategic bomber, you do not have a Triad—you have abandoned our successful deterrence force structure, and have decided to experiment with deterrence.

Thus, to me, there is only one prudent answer to the question, do we need a manned bomber? Yes.

We then must address the second question: Is the B–1 the best plane for the job? We can best answer that question by examining the alternatives.

Four basic alternatives to the B–1 have been suggested: Retaining the B–52 indefinitely, the FB–111, a cruise missile carrier, and a new advanced strategic bomber with a 1990 IOC. Each alternative should be examined carefully.

The B–52 is, quite simply, an old airplane. It is old in design: It is slow, and it is easy to see on a radar screen. It is slow to get off the ground in the face of an incoming attack. It is slow in its run over hostile territory. Its design simply is not suited to the 1980's and 1990's—it is, after all, an airplane from the 1950's.

The B–52 is also physically old. It was built in the 1950's and that means by 1990 it will be between 30 and 40 years old. It will, before then, simply be worn out.

In short, the B–52 is no more suitable for the 1990 timeframe of the B–1 than a B–17 would be suitable today.

What about the FB–111? We have examined a possible new, enlarged version of this airplane for the strategic bomber role of the future. Unfortunately, even an enlarged version is just too small to do the job. It was designed as a fighter-bomber, and it is sized for that. It cannot carry the fuel or the weapons needed to be effective in a strategic role. Most importantly, it is too small to carry the electronic equipment necessary to penetrate Soviet air defenses.

Because of this inherent and unavoidable restriction on the FB–111—its size—both DOD and the GAO have concluded that it simply is not competitive, in cost/effectiveness, with the B–1.

The third alternative, a cruise missile carrier, also has one fundamental, unavoidable problem: It is not a bomber at all. It is simply a different type of missile launcher. It has no capability—being merely a converted transport or civilian airliner—to penetrate a hostile state's airspace. Because it is just a missile-launching platform, it can have only one tactic: fly near a hostile state and launch its missiles. This tactical inflexibility makes it very easy to counter: Long-range interceptors, such as the MIG–25 the Soviets already have in service, could deal with it relatively easily.

The fourth alternative, a new design of strategic bomber designed to enter service around 1990, is not an alternative bomber: It is merely putting off the question of a manned bomber. It is, in simple terms, a copout on the part of Congress, a desire to put off the decision for a future Congress to deal with. I do not see how we could responsibly decide that we are unable to decide, which is what this proposal really amounts to.

Thus, it is clear that none of the alternatives are really alternatives: None offer a different strategic bomber. If we are going to have a bomber, it must be the B–1. There is, in fact, no alternative.

I thus support the B–1 program. The decision on the B–1 is really a decision of whether or not to maintain our deterrence Triad. As I said before, the Triad has worked; and it is a bold man who wishes to experiment with the deterrence on which our lives depend, by abandoning our successful Triad structure.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McINTYRE (when his name was called). Mr. President on this vote, I have a pair with the Senator from Kentucky (Mr. HUDDLESTON). If I were permitted to vote I would vote "nay." If he were present and voting, he would vote "yea." I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. McGEE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Alabama (Mr. ALLEN), the Senator from Missouri (Mr. EAGLETON), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

On this vote, the Senator from Delaware (Mr. BIDEN) is paired with the Senator from Alabama (Mr. SPARKMAN). If present and voting, the Senator from Delaware would vote "yea" and the Senator from Alabama would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. SCHWEIKER) is necessarily absent.

The result was announced—yeas 32, nays 57, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—32

Abourezk	Hartke	Metcalf
Brooke	Haskell	Nelson
Bumpers	Hatfield	Packwood
Burdick	Hathaway	Pastore
Case	Humphrey	Pell
Church	Javits	Proxmire
Clark	Kennedy	Randolph
Culver	Leahy	Ribicoff
Gravel	Mansfield	Stevenson
Hart, Gary W.	Mathias	Williams
Hart, Philip A.	McGovern	

NAYS—57

Baker	Garn	Nunn
Bartlett	Glenn	Pearson
Beall	Goldwater	Percy
Bellmon	Griffin	Roth
Bentsen	Hansen	Scott, Hugh
Brock	Helms	Scott, William L.
Buckley	Hollings	Stafford
Byrd, Harry F., Jr.	Hruska	Stennis
Byrd, Robert C.	Inouye	Stevens
Cannon	Jackson	Stone
Chiles	Johnston	Symington
Cranston	Laxalt	Taft
Curtis	Long	Talmadge
Dole	Magnuson	Thurmond
Domenici	McClellan	Tower
Eastland	McClure	Tunney
Fannin	Mondale	Weicker
Fong	Montoya	Young
Ford	Morgan	
	Moss	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

McIntyre, against.

NOT VOTING—9

Allen	Eagleton	Muskie
Bayh	Huddleston	Schweiker
Biden	McGee	Sparkman

So Mr. McGOVERN's amendment (No. 533) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MOSS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY obtained the floor.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. KENNEDY. Mr. President, I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, having cleared this request with the distinguished author of the amendment and the distinguished chairman, I ask unanimous consent that time on this amendment be limited 40 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 496

Mr. KENNEDY. Mr. President, I call up amendment No. 496, which I offer on behalf of myself and the Senator from California (Mr. CRANSTON).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY, for himself and Mr. CRANSTON, proposes amendment No. 496.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, line 1, strike out "$1,718,100,000" and all that follows down through the period in line 2, and insert in lieu thereof "$1,515,000,000.".

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

Mr. PASTORE. Mr. President, the Senators have not taken their seats.

The PRESIDING OFFICER. Senators will please take their seats.

Mr. KENNEDY. Mr. President, this is an amendment to delete from the military procurement bill the $203.1 million requested for the purchase of an additional 50 Minuteman III missiles.

These missiles, according to defense witnesses before the Senate Armed Services Committee, would be used to provide test vehicles between 1984 and 1988.

We already have 550 Minuteman III missiles being deployed and expected to be in place by next month. We have purchased another 154 Minuteman III missiles. We have tested 52. Another 17 remain as spares, and 85 remain available for testing between now and 1984.

In this year of budget restrictions, it seems totally unnecessary to expend $203.1 million for the procurement of missiles which are not needed for our actual deterrent forces, which are not needed as backup missiles and which are not needed even for testing until after 1984.

It should be emphasized that follow-

UMI

ing the Vladivostok accords, we restated our intent not to deploy more than the 550 MIRV'ed Minuteman III's.

Mr. President, I ask unanimous consent to have printed in the RECORD the statement of the Secretary of Defense, Mr. Schlesinger, on that point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Our current program calls for the termination of Minuteman deployment at the level of 450 Minuteman II and 550 Minuteman II missiles.

Mr. KENNEDY. Mr. President, now we are apparently seeing the first stage of an unnecessary preparation to build up to the levels permitted by Vladivostok—even while they are excess to our security needs.

The Department of Defense argues that they want to maintain an open production line and that these additional 50 Minuteman missiles will permit that to occur. They view this as a hedge against the breakdown of SALT II negotiations. But it is a $203 million hedge that is unnecessary and of little actual use in a bargaining context.

Clearly, the Soviet Union understands that a breakdown of talks will give further strength to those advocating a massive first strike force for the United States. Whether this particular production line is halted, we still have an additional 102 Minuteman missiles which could be deployed in the event of an emergency, and during the time that a production line could be restarted, if that were determined desirable. This might well be the wrong production line to restart, in any case. That is, if the talks break down, we still would have that number which could be deployed immediately, while we were reopening a production line.

However, under the Defense Department's argument, there is no end to the continual purchase of new Minuteman III's.

There always will be arms control negotiations underway. They would always argue that the line should be kept open and more tax dollars poured in and more missiles pumped out, and held in a warehouse.

But a decision to keep buying more missiles without regard to the assured and invulnerable deterrent which we now possess makes little sense.

It clearly makes little sense to increase the level of spending on the single most vulnerable component of our deterrent—our land based forces.

I want to mention that point. That is the part which is the most vulnerable and we are going to be adding to it under this program. This vulnerability has been acknowledged by the committee itself. On page 18 of the committee report, the Secretary is directed to conduct a study concerning site defense—the highly questionable "son of ABM" that is still being pushed by Pentagon planners.

However, the committee goes on to say:

Basic to this study is the need to examine the future usefulness of the fixed base Minuteman force, and whether now is the time to consider seriously the phasing out of this force beginning in the mid-1980's.

The Committee on Armed Services is doing a study to consider phasing out the program by the mid-1980's. Even under the existing program, they will have sufficient missiles to test until 1984. Still they are talking about an additional 50 Minutemen in this procurement legislation. That is the target of our amendment.

Surely if the committee is concerned about the utility and vulnerability of the system, it makes little sense to spend an additional $203 million for 50 Minuteman III missiles which are not needed until late in the 1980's for testing purposes. Let us not continue spending money on a system that is highly vulnerable, for a purpose that is highly questionable.

It is interesting to note that each year, we are told that the 550 missiles are all that will be deployed and that the last buy would be fiscal year 1974. Each year, they say they want an option to continue producing for 1 more year. And each year, hundreds of millions of dollars continue being spent.

Secretary Richardson, testifying in 1973 said the option only was for fiscal year 1974 because "the cost of maintaining the option through fiscal year 1975 would be very high."

But those funds were requested again last year and they were approved. Now they are here again, asking for another $200 million. It is a never-ending process.

If we look at our strategic forces, we see a survivable force and a sufficient force. It makes no sense to continually buy more because the Air Force wants to stockpile more missiles.

We have nearly 8,500 U.S. strategic nuclear weapons on our land-based ICBM force, our 41 U.S. ballistic missile submarines and our nearly 500 SAC bombers. In addition we have some 22,000 additional tactical nuclear weapons around the world stockpiled in the United States, in Asia, Europe and aboard our U.S. Navy combat ships.

The Secretary of Defense has acknowledged that our deterrent is currently invulnerable and that it provides us with the capacity to assuredly destroy the Soviet Union under virtually any conditions.

With this level of forces, it seems apparent there is little justification for expending $203.1 million to buy 50 extra Minuteman missiles which cannot be deployed, and which are not needed until beyond 1984.

The testimony during the Senate Armed Services Committee hearings on this matter is particularly clear.

The Air Force Deputy Chief of Research and Development, Lt. Gen. William J. Evans, was asked whether, in addition to the 550 Minuteman III missiles scheduled to be deployed by July of this year, there were additional missiles sufficient for testing purposes through 1984—without purchasing 50 additional missiles.

The question was:

You stated that the current number that you have approved would provide you test assets through 1984?

General EVANS. That is correct.

With the budget restrictions that propose cutbacks in health research, in education for the handicapped, in nutrition for the elderly and impose caps on social security costs of living increases, surely these $203.1 million can be better expended in other areas.

Mr. President, I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I yield myself 2 minutes at this time.

Members of the Senate, I do not think anyone ever knows when we have exactly enough of these different types of weapons. It is not an exactitude proposition. I think we all know that. So far as the production line is concerned and the technology and the continuity of the operations and techniques, we had better not just stop all we have—in production.

The production line that would be involved here is the only one, the only land-based missile production line that we have in operation now that could produce this MIRV'ed missile.

That is a very significant point, because we all know that at this stage, the MIRV question is right up front and the MIRV'ed missile is a front runner.

I do not think there is any doubt, either, about the situation as to the forthcoming SALT talks. I know that the President does not have any doubt about the situation—that there should be an activity, a continuing one.

I am glad now to yield 5 minutes for the time being to the Senator from Utah. If he wants or needs more time, I shall yield it to him.

Mr. MOSS. I thank the Senator from Mississippi for yielding to me. I do want to make a statement about this particular amendment and about the 50 Minutemen missiles that are involved.

Of course, we all hope that the SALT talks will go on in the second phase to a point where we can finally get a ceiling on MIRV-type missiles. Until that time, we must proceed keeping ourselves in readiness. Otherwise, we have no chance of succeeding in the SALT talks.

As the Senator from Mississippi pointed out, the Minuteman is our basic long-range strategic missile to defend the United States. We are talking about keeping that force in being

Now, the 50 missiles here involved are not to be deployed beyond our limit of 1,054, but these would be to replace missiles that are fired periodically for testing purposes and some of them would be tested themselves.

The Soviet Union, at this time, has three production lines where they are producing MIRV-type missiles. If we should close down our line, we would not have any at all. If we build these 50 missiles, we will keep our one line in service.

As the Senator from Massachusetts pointed out, the amount here involved is $200 million. That is what we are talking about. But the thing that I would like to

call to the attention of the Senate is that if we shut down our line and then we want to reactivate it, it is going to cost us $250 million to $300 million just to do that. Consequently, it does not make good sense to close it down now before we have any assurance of the final outcome of the current SALT talks—while the Soviets still have three MIRV missile production lines open. We may be thrust into a situation later where we would want to open up the production line.

Again let me point out that closing and reopening costs alone are a total of $250 million to $300 million.

We certainly hope to rely on Minuteman III through the end of the 1980's. It makes sense to me to go ahead and produce all the extra replacement and test missiles we will need through the life of the system while the assembly line is still going. That way we would not have to pay to close down and reopen the assembly line later and then pay again to shut it down.

It is conceivable that if a SALT agreement on MIRV's is reached in the near future, and depending on the ceiling it sets, we may not have to build all 50 of these missiles; we may not have to spend all of these funds. But until we reach that point where we know, I think it would be folly to shut down the line.

Mr. President, we should provide whatever leverage that can be made available to our negotiators to show that the United States is not going to unilaterally close out its options to further deploy MIRV'ed missiles if the Soviet Union stalls these negotiations long enough. Keeping our assembly line intact should provide some incentive to the Soviet Union to reach a final agreement on this new SALT accord as soon as possible.

So, Mr. President, I oppose the amendment, first because I do not think we should terminate the assembly line while our current SALT negotiators are striving for an agreement on MIRV. We ought to keep our options open.

Second, we will need most of these missiles for replacement, anyway. We can buy them now while the assembly line is still rolling, or we can pay an additional $250 to $300 million later for the luxury of opening and closing the assembly line to procure what we need later.

One thing I would like to add is, if the assembly line is closed down and the skilled technicians and personnel that operate it are dispersed, it is not a thing that can be put back together with a snap of the fingers in a week or even a month. It would take as much as 12 to 42 months, depending on the timing of the closedown, to get the line going again once it has been closed and the technicians dispersed. Once that happens we would have to reassemble and retrain the technicians we need.

Therefore, while I would like as much as anyone to save $200 million in this budget if we could, I think this is the wrong place to look for it, and I think it would be folly to close the line at this time. Therefore, I think we should defeat the amendment that is before us and I hope that my colleagues would agree with me.

Mr. GOLDWATER. Will the Senator yield me 2 minutes?

Mr. STENNIS. Yes, I yield now 2 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I rise in opposition to this amendment and make a few points against the Kennedy amendment.

Minuteman III is the only U.S. strategic weapon in production. It is vital to the SALT negotiations. There is no follow-on system immediately available. The M–X will not be available until the mid-1980's. Meanwhile, the Soviets are building new ICBM's.

Missiles are needed for testing, which is a second point. The Air Force needs to test during the life of the system. Minuteman III will be with us a long time, but we already have a shortage of Minuteman II test missiles.

I shall add to what my friend from Utah said that once production is stopped, it will never start again. So I urge my colleagues to reject the Kennedy amendment. I do not like to see us unilaterally stop producing our only ICBM while our potential enemy is not only building one but several and MIRV'ing his missiles and increasing their yield.

In spite of the figures that we have heard bandied about on the floor, I believe that we are at a missile disadvantage with the Soviets, and Minuteman III is the only counter we have to the growing Soviet force. So I urge the defeat of this amendment.

Mr. PERCY. Mr. President, will the distinguished Senator yield for a question?

Mr. STENNIS. I yield 2 additional minutes, if the Senator wishes, for that.

Mr. PERCY. The distinguished Senator from Arizona mentioned that continuation of production of Minuteman III is essential for our SALT talks, and I think we all certainly agree that those are extraordinarily important talks. We do not in any way want to cut our negotiating position, and I happen to know firsthand that Secretary Kissinger feels very strongly about this.

I wonder if either the distinguished Senator from Arizona or the manager of the bill or someone else who is on the floor could expand on what sort of a signal it would provide to the Soviet Union if we unilaterally took this action and stopped production, and what effect it would have, adverse effect, in his judgment it would have, on the SALT negotiations; how would it be to the detriment of the U.S. position if we took this action?

Mr. GOLDWATER. Well, the Senator from Illinois has asked his usual perceptive question, and I will do my best to answer it.

The Minuteman system is the only viable system we have. We do have some Saturns in the ground, but they have been in the ground so long that there is some doubt about their launchability, and I would feel that the Soviets would not regard the Saturns as any threat at all. So we are left with Minuteman, the Minuteman missile, as the only missile we have, except the Poseidon and the coming Trident.

If we discontinued the manufacture of the only missile we have that is land-launched, I think the Soviets would undoubtedly take this to mean that we have given up, that we recognize their superiority, and that they would feel fine, no more need of SALT talks.

So we have to—it is like a poker player, he does not bluff unless he has got something to bluff with, and we are playing poker with some pretty sharp poker players and we had better have something to back up what we are calling, and I happen to know Secretary Kissinger and the President feel very strongly about the retention of this missile.

Mr. STENNIS. Mr. President, I would just take 1 minute. I yield myself 1 minute.

Mr. President, we are right up to the nub of the thing. This, perhaps, due to the SALT talks is the most sensitive thing in the bill.

The House has already approved these missiles, and if the Senate should vote here tonight to take these missiles out of the bill I do not have any doubt but what that would be exploited by the Soviets to the very limit against us, against our negotiators, our representatives, the President of the United States, and everyone else. I do not have a bit of doubt about that.

We are hoping for something that can come out of those talks this year. But this would be a unilateral action, very expensive to our position, and it would be exploited to the very limit.

Now, we have put strings around this matter. I wrote Mr. Schlesinger as late as May—we finished marking this bill up May 10, I think—and here is a letter of May 8 saying that. "We are renewing our request for this matter," and that it was urgent, and he considered it highly important. We put it in, but we put strings on it. It could not be used or transferred or handled in any way for any other purpose. There is some chance that this money will not have to be used, all of it, if something favorable comes out of SALT.

So the money is tied down in that way. I trust now that in a moment of forgetfulness we will not take the step here that has such bad possibilities.

I yield the floor, Mr. President.

Mr. CRANSTON. Mr. President, will the Senator yield a few minutes?

Mr. KENNEDY. Yes, I yield.

Mr. CRANSTON. I would just like to point out, as Senator KENNEDY has pointed out, that the Pentagon each year says that it is the last time they intend to ask for money for more of the Minuteman. These are simply to give us 50 additional missiles, not for deployment. The Soviet Union will not be concerned about them, presumably. They are for testing, which is not intended to happen until somewhere between 1984 and 1988.

Why we have to burden this budget with this additional sum, when that is the purpose, escapes my understanding.

Let me also point out that the Soviet Union will, perhaps, feel that we are rather unwise in investing this large a sum in what is increasingly recognized as the most vulnerable of the three parts of the Triad. The submarines are, I presume, deemed the least vulnerable; the manned bomber is next and, finally, you come to the missiles in their silos which are increasingly vulnerable. Now that we have embarked on counterforce by action taken last year and reaffirmed by the action of yesterday, the expectations, I am sure, are that the Soviet Union will be moving to counterforce and, therefore, we will be abandoning our missiles in their silos, moving them out, making them mobile, moving them around the country so they will not be as vulnerable as if they were in their silos. So we are now investing, if we proceed with this, in some missiles which will serve no purpose by 1984.

Mr. KENNEDY. Mr. President, I think the only additional point that I would add to the very excellent arguments that were presented by my colleague from California are two. First, the vulnerability of the Minuteman missiles is a matter which is of rather deep concern as well to the members of the Armed Services Committee in terms of the development of our strategic force.

As I mentioned in my opening comments they, in their report, indicate that they are going to do a study of whether now is the time to consider seriously phasing out this force beginning in the mid-1980's.

So, on the one hand, they are doing a study which could bring a phaseout of the whole program by the mid-1980's.

Under the existing procurement bill they have enough testing devices to go to 1984, and the additional 50 would only add test capacity from 1984 to 1988. So the Armed Services Committee shares many of the concerns that a number of the rest of us have.

Finally, Mr. President, in talking about the SALT agreements, that figure of 550 has been put forward by the Secretary of Defense as our intention under the Vladivostok agreement in terms of the mix between land missiles, and our MIRV'ed SLBM Force.

So that is relatively fixed. It was reaffirmed, as recently as only a few months ago by the Secretary of Defense, so it would take a rather dramatic change in the whole strategic situation for this to be supplemented. Some 112 additional missiles are already available at the present time to be deployed, prior to 1984 if they were deemed necessary.

But the fact remains, Mr. President: Look at what we are giving to our SALT negotiators to deal with after Geneva. We now have counterforce. Listening to the debate over the past few days, we are told we have to have counterforce because we need that for our SALT negotiators.

We now have also funds for MX. In questioning the statements of the Senator from Arizona, there is money in here for MX which the Air Force views as its follow-up program, to Minuteman.

We also have the submarine launch cruise missiles research money in this particular bill. We also have the funds for MARV's in this bill.

It seems to me we are sending our negotiators there with about as big a trunk of bargaining chips as we could possibly talk about in strategic weaponry.

We have already voted on most of those and I do not know of additional amendments that would reach those particular weapon systems.

So our negotiators are going to have all the bargaining chips one could possibly imagine.

It seems to me that this amendment makes sense from a strategic point of view in that this is the wrong system to expand. It makes sense in that we are going to still have the ability to test into 1984.

As I mentioned here in the questioning of General Evans, in response at page 3935:

And here is Mr. Lynch:

> You state that the current number you have approved would provide your tests through 1984?

General Evans:

> That is correct.

Through 1984, and we do not, obviously, touch any of the existing weapons. It is only beyond 1984, 9 years from now that we are talking about.

This is a $200 million program.

We think for all of these reasons that it ought to be accepted.

Mr. BENTSEN. Will the Senator from Massachusetts yield for a question?

Would these missiles be constructed in the year 1976 or 1977, how much lead time are we talking about here?

Mr. KENNEDY. Constructed in fiscal year 1976. It is five a month, a level of five a month in 1976.

Mr. BENTSEN. That means, in effect, they would be stored for about 7 years, anticipate——

Mr. KENNEDY. Nine years. They would not be used until the last ones.

Mr. BENTSEN. I thank the Senator very much.

Mr. KENNEDY. Mr. President, I am prepared, if the Senator wants to yield back the time.

Mr. STENNIS. Well, Mr. President, I want to yield 5 minutes to the Senator from Washington.

Mr. JACKSON. Three minutes.

Mr. President, I think the main issue here is whether we keep open or close the only production line we have for strategic missiles.

I think the second point that needs to be made——

Mr. TOWER. Will the Senator yield for a moment?

Mr. JACKSON. Yes.

Mr. TOWER. On the matter of the F–111, the committee voted to close the production line, or in effect, to close the production line with the F–111, because we voted to follow on with the B–1. There was no follow-on to the B–52 in the event that we failed to approve the B–1.

Mr. JACKSON. Well, I voted——

Mr. TOWER. We took that step.

I think what the Senator is suggesting is that there is no follow-on to the Minuteman III, therefore, the production line should not be closed.

Mr. JACKSON. That is right, and I voted to keep the F–111B line open, as the Senator, I am sure, is aware.

Mr. TOWER. Yes, I am aware. I was trying to underscore the Senator's point.

Mr. JACKSON. Right.

Mr. TOWER. We should have a follow-on system before we close the production line.

Mr. JACKSON. I appreciate the Senator's comment.

The second point I want to make is that——

Mr. KENNEDY. Will the Senator yield on my time just on the question of the follow-on?

Mr. JACKSON. Surely.

Mr. KENNEDY. Did I understand the exchange between the Senator from Texas and the Senator from Washington that there was not a follow-on to this Minuteman III?

Mr. JACKSON. That is basically correct. They are looking at, of course, an enlarged ICBM, but as far as a whole new system is concerned, Minuteman III represents the only basic operational system that is available.

Now, there are obviously futuristic plans for follow-ons in the strategic missile area, but we have no prototype models available as is the case in connection with the B–1 bomber.

Mr. KENNEDY. In the terms of the hearings, on page 3956, when the question was asked about the possibilities of follow-on, I am just reading a narrow section on this, the latter part of the paragraph; and I will put the whole thing in the RECORD, Senator THURMOND's prepared question, this was the Air Force response:

> ". . . Based on these three factors and others, plus the long lead time to develop and deploy a new ICBM, present planning calls for a new ICBM, the MX, to enter Full Scale Development in 1978.

Mr. JACKSON. Excuse me. The point I think that should be made is that in connection with the F–111B we had the prototypes of the follow-on for the F–111B, namely, the B–1, which was voted on and which was discussed earlier.

This is not the case in connection with the follow-on to Minuteman missile. It is only in the R. & D. phase. But in connection with the B–1, they are turning out—I think it is four—four prototypes, and I think that is the basic difference.

But, Mr. President, the central issue here is SALT. SALT has encountered considerable difficulty. The Soviets are taking an intransigent position on verification of MIRV missiles. They have refused to agree to the verification formula that Secretary Kissinger has said is absolutely essential to the conclusion of an agreement, namely, that all missiles tested with MIRV'ed warheads will be counted against the 1320 ceiling reached at Vladivostok.

In this connection, I think it is premature, in my judgment, in light of this difficulty, to assume that we will, in fact, have a SALT agreement by this fall. Thus we must keep the production line open as a crucial hedge, Mr. President, against continuing Soviet intransigence on the verification issue and on the other issues where they have been equally compromising.

Moreover, the leverage obtained, I think is crucial to getting an agreement. If the Soviets know we cannot increase our force even if there is no agreement, they can press us to make further compromises on vital issues.

Finally, if we close the line and then reopen it, the reopening would cost $300 million, more than the cost of procuring the 50 missiles under discussion.

Moreover, it would take some 42 months, and that is a long time, some 42 months, hardly the way to impress SALT negotiating partners at a time when we are at a crucial stage.

For those reasons that I have indicated here, I think, again, prudence calls for the retention of the funds for the 50 Minuteman missiles.

Mr. KENNEDY. Mr. President, the point remains if the SALT agreements are not successful, we still have 112 Minuteman missiles that will be available to be deployed immediately. We will still have those which can be deployed virtually overnight. They are in the warehouse at the present time.

Going back to 1972, Mr. President, when Senator Allen Ellender was questioning General Glasser, Chairman Ellender said,

> The request for $11 billion for advance procurement to support the plan to buy the missile for fiscal 1974, as I read the data sheet, will complete the missile production program. Am I correct about this?
>
> GENERAL GLASSER. Yes, that is correct.

That happened to be on February 18, 1972. They were planning to end in fiscal year 1974. Then when the first SALT agreements, did not correct MIRV's we kept it open but we still stayed steady in 550 to be deployed.

Then Elliot Richardson as Secretary of Defense, testified in 1973 they were going to close it down in fiscal year 1974. Then we were having another negotiation with the Soviet Union so they kept it open again. Now we are giving our negotiators who are going to Geneva all of these other weapons: bargaining chips which I have just mentioned here in terms of the counterforce, the MARV, the submarine launched cruise missile and the research on the MX.

It just seems to me that to trot out the same argument that the Russians are going to be formidable adversaries across the bargaining table and, therefore, we have to add one more chip to it makes no gain at all. At the very time when the Armed Services Committee is doing a study because of their own concerns about the vulnerability of this element of our strategic arsenal, it seems to me to be a highly questionable proposal.

Mr. HUMPHREY. Is there a current inventory of 550 deployed Minuteman III?

Mr. KENNEDY. The Senator is correct.

Mr. HUMPHREY. And 153 stockpiled?

Mr. KENNEDY. There are 112 in warehouses. The Senator is quite correct. There were 154 Minuteman III purchased in procurement funds beyond the 550 and we have used 52 of those tested, with 17 considered spares and 85 that remain available for testing. Another 10 also remain which were purchased with R. & D. funds.

Mr. HUMPHREY. And 200-and-some million dollars is involved.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. I yield myself 2 minutes on the bill.

The Senator is correct. What we have, effectively, is sufficient testing systems to bring us to 1984. That is 9 years from now. What we are talking about is beyond that.

Mr. TOWER. How does the Senator from Massachusetts yield himself time on the bill. Mr. President?

MINUTEMAN MISSILES IN 1976?

Mr. THURMOND. Mr. President, the proposal that we delete procurement of 50 Minuteman III missiles in fiscal year 1976 is unwise. The Minuteman III is the only U.S. strategic weapon system in production today and to close the production line while SALT negotiations are underway may well prove to be fatal to those very negotiations. It is essential that the Minuteman III production continue as long as negotiations are in process.

In the past, we have always had a follow-on system ready to go before phasing out production of any strategic missile. Today, such is not the case. Our next generation missile, known as M–X, is not even scheduled for engineering development in fiscal year 1976 or 1977 and could not possibly be deployed in any numbers until the mid-1980's. Meanwhile, the Soviets are developing, and will probably deploy, four totally new ICBM's. Do we respond to that threat by unilaterally closing down our Minuteman III production line? I suggest that would be an imprudent course of action to follow.

But there are other reasons, besides the international political implications to continue Minuteman III production.

The Air Force has testified that these missiles are needed for testing throughout most of the 1980's. While that may seem like a long time to some of us, who is to say how long Minuteman III will be in the inventory? Part of the Minuteman force could still be with us well into the 1990's and without continued test flights to verify the system, we are unable to tell how reliable—or unreliable—the Minuteman force is. Air Force advises it is now experiencing a shortage of test missiles for Minuteman II—the last missile phased out of production. I suggest we not make the same mistake with Minuteman III. Once the production line is shut down it is unlikely any more Minuteman III's would ever be built.

Mr. President, I urge the pending amendment be rejected. Now is not the time to unilaterally stop production of our most capable ICBM. Minuteman III is the only effective counter the United States has at the moment to a highly capable, rapidly improving Soviet strategic missile force.

The PRESIDING OFFICER. Under the agreement, the Senator from Massachusetts has time on the bill.

Mr. KENNEDY. Mr. President, I am prepared to vote.

Mr. President, may we have the yeas and nays?

Mr. STENNIS. I yield back the remainder of my time.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senate will be in order so that the roll may be called. The clerk will suspend. The Senate will be in order so that we can complete this roll.

The legislative clerk resumed the call of the roll.

The PRESIDING OFFICER. Will the Senators who have voted take their seats so that those Senators wishing to record their vote may do so? The Senate will be in order.

The legislative clerk resumed and concluded the call of the roll.

Mr. HATFIELD (when his name was called). Mr. President, on this vote, I have a pair with the Senator from Ohio (Mr. TAFT). If he were present and voting, he would vote "nay." If I were voting, I would vote "yea." Therefore, I withhold my vote.

Mr. METCALF (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Alabama (Mr. ALLEN). If he were present and voting, he would vote "nay." Having already voted "yea," I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Missouri (Mr. EAGLETON), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from New York (Mr. MCGEE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Alabama (Mr. ALLEN), the Senator from Louisiana (Mr. LONG), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE) and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. SCHWEICKER), the Senator from Ohio (Mr. TAFT) and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The result was announced—yeas 27, nays 56, as follows:

[Rollcall Vote No. 207 Leg.]

YEAS—27

Abourezk	Gravel	Leahy
Bentsen	Hart, Gary W.	Mansfield
Brooke	Hart, Philip A.	Mathias
Burdick	Hartke	Mondale
Case	Haskell	Nelson
Church	Hathaway	Pell
Clark	Humphrey	Proxmire
Cranston	Javits	Stevenson
Culver	Kennedy	Williams

NAYS—56

Baker	Buckley	Cannon
Bartlett	Bumpers	Chiles
Beall	Byrd,	Curtis
Bellmon	Harry F., Jr.	Dole
Brock	Byrd, Robert C.	Domenici

Eastland	Laxalt	Roth
Fannin	Magnuson	Scott, Hugh
Fong	McClellan	Scott,
Ford	McClure	William L.
Garn	McIntyre	Stafford
Glenn	Montoya	Stennis
Goldwater	Morgan	Stevens
Griffin	Moss	Stone
Hansen	Nunn	Talmadge
Helms	Packwood	Thurmond
Hollings	Pastore	Tower
Hruska	Pearson	Tunney
Inouye	Percy	Young
Jackson	Randolph	
Johnston	Ribicoff	

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Hatfield, for.
Metcalf, for.

NOT VOTING—14

Allen	Long	Sparkman
Bayh	McGee	Symington
Biden	McGovern	Taft
Eagleton	Muskie	Weicker
Huddleston	Schweiker	

So Mr. KENNEDY'S amendment (No. 496) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MOSS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by the Senator from New York (Mr. BUCKLEY) next be in order.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 513

Mr. BUCKLEY. Mr. President, I call up my amendment No. 513 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. BUCKLEY) for himself and the Senator from Idaho (Mr. MCCLURE) proposed amendment numbered 513.

The amendment is as follows:

On page 17, line 22, strike out "$2,016,593,000" and insert in lieu thereof "$2,399,770,000".

On page 17, line 24, strike out "$3,368,188,000" and insert in lieu thereof "$3,817,206,800".

On page 17, line 25, strike out "$3,903,200,000" and insert in lieu thereof "$4,293,520,000".

On page 18, line 1, strike out "$597,800,000" and insert in lieu thereof "$656,580,000".

On page 18, line 2, strike out "$28,500,000" and insert in lieu thereof "$31,350,000".

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. STENNIS. Mr. President, will the Senate be in order, please?

The PRESIDING OFFICER. Will the Senators take their seats?

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senators will take their seats. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I have talked with several Senators who have amendments which they intend to call up, and I have also talked to the distinguished Chairman of the committee (Mr. STENNIS).

I rise at this time to inquire as to how many Senators have amendments that they would be willing to call up and dispose of on a voice vote? Could we have a show of hands?

Mr. STENNIS. Mr. President, reserving the right to object, I am not familiar with all these amendments. So, I reserve the right to ask for a rollcall after the amendment is called up and at least the title read.

Mr. ROBERT C. BYRD. Mr. President, the following Senators have indicated, as the authors of the amendments, they would be willing to call up the amendments, dispose of the amendments on a voice vote:

The Senators from Oklahoma (Mr. BARTLETT), from New Mexico (Mr. DOMENICI), from Wisconsin (Mr. PROXMIRE), from Ohio (Mr. GLENN), and from Alaska (Mr. STEVENS).

The Senator from New York (Mr. BUCKLEY) has indicated that he would be willing to dispose of his amendment on a voice vote provided Senators will stay in the Chamber for 5 minutes and listen to his argument. Otherwise, he will ask for a rollcall vote.

Mr. President, I ask unanimous consent that, after the Buckley amendment is disposed of, amendment No. 500 by the Senator from Wisconsin (Mr. PROXMIRE) be the next amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the disposition of the Proxmire amendment, the next amendment be the amendment No. 530 by the Senator from Ohio (Mr. GLENN).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that then the amendment No. 531 by the Senator from New Mexico (Mr. DOMENICI) be the amendment called up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That the amendment to be then called up be the amendment No. 528 of the Senator from Alaska (Mr. STEVENS).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That the next amendment to be called up be the amendment No. 529 of the Senator from Connecticut (Mr. WEICKER).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. As I understand it, the authors of these amendments have indicated a willingness to dispose of the amendments by voice vote. Of course, any Senator has the right to ask for a yea and nay vote, and the chairman may or may not want to ask for a yea and nay vote, but we will assure the chairman of this: if the yea and nay vote is desired by him on any of these amendments, we would attempt to put that rollcall vote over until tomorrow.

Mr. PASTORE. Good. I was going to ask that question.

Mr. STENNIS. All right. That is a good suggestion.

Mr. JACKSON. What if the mover of the amendment asks for it?

Mr. MANSFIELD. They indicated they would not.

Mr. PASTORE. Mr. President, if the Senator will yield, I think it is clear what the majority whip suggested. In other words, we are going to have voice votes, and if there is any rollcall vote it will go over until tomorrow under any circumstances?

Is that correct?

Mr. ROBERT C. BYRD. That is exactly correct.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I thank my colleagues for the courtesy. The 5 minutes start running as of this minute.

I have introduced this amendment which would increase the funds for research and development by 10 percent above the administration request. I have done so because I was so struck by the unanimity of the testimony of the various witnesses we had before the Committee on the Budget as to the absolute necessity for this country to stop the attrition on research and development in the military field and begin to increase it at a stated rate.

These witnesses include people such as Dr. Sidney Brill of Stanford and Rear Adm. Gene LaRoque, who was there testifying for very substantial cuts in the budgetary request by DOD, and I am talking in the realm of $5 billion to $10 billion. But these gentlemen agreed that the heart and soul of our military effort, the basis of American military security and superiority depends on our ability to maintain the high degree of sophistication that we have thus far relied upon to keep us ahead of the Soviets despite dramatically greater expenditures on military matters.

Over the past few years we have had a net decrease to the point where in our inconstant dollars we are now spending less than we have at any time in 10 years' time. By the same token, as of today the Soviet Union is spending approximately $3 billion to $4 billion more in military research and development than we are in the United States.

One of the things that we have to understand is that there is no way of anticipating especially in the far-out fields where research will suddenly create a breakthrough that will enable us to get greater efficiency, greater effectiveness or equally important, if not more important, anticipate what it is the Soviets might come up with.

We have already, in the October war of 1973, seen the fact the Soviets are beginning to be able to deploy and provide their client states with a number of battlefield electronic weapons, artillery, and others of a sophistication, that we simply cannot match.

Given the fact that we command far fewer numbers of manpower, given the fact that we must be able to transport our arms and our forces over oceans, it is totally important that this country maintain unquestioned superiority.

I was advised, on asking questions of the various witnesses before the Committee on the Budget, that we should set as our goal for the next several years a real increase of 10 percent per annum. Anything more than that could not be digested, but anything less than that would provide us with significantly less than we need for our security.

I suggest that the $900 million or $1 billion that is represented by my amendment probably represents the best spent money we could possibly spend if we are looking toward the ability of the United States to defend its interest and security in the years 1980, 1982, 1985, and 1990.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. GOLDWATER. Mr. President, I remind my colleagues that what applies in the case of my good friend, who I call "High Noon," Mr. BUCKLEY, will not apply in my case. Any Senators who want to get up and go, can.

I commend the Senator from New York for saying what he has said. The whole future of our country, not just militarily, but the whole future of our country, in economics, in the way we live, in acquiring the money to provide for the increasing benefits we are tending to give, must come from technology. We are entering the age of technology, just as we entered the industrial age back in the 1870's and 1880's.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. BUCKLEY. I yield the Senator the remainder of my time.

Mr. GOLDWATER. When we sit here and realize that this is the only subcommittee in this body that dedicates itself to research and development—it is chaired by that splendid man, Senator MCINTYRE, and it has as good a staff as anyone will find on this Hill—and when we realize that what we have been talking about here for 1 week in research and development represents about 15 percent of the total research and development money that is expended by the Pentagon, I think the Senate should take a long, hard look at what we need. I do not think that one subcommittee, with all the ability and genius it has, can do this job. I believe that the leadership of the Senate should consider seriously either the establishment of a science committee or the establishment of a committee which does nothing but research and development and provides incentive for a continuation of research and development in the private sector.

I thank the Senator from New York for his thoughts and his expression.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from New Hampshire.

Mr. MCINTYRE. I thank the distinguished Senator from Mississippi.

Mr. President, I am opposed to this amendment, and I have a few random thoughts in opposition to the thrust of this amendment.

First, I point out that the Department of Defense request for research and development, across the board, is $10,181,388,000. The amendment suggested by the junior Senator from New York would increase it over that request, by some $1,017,039,000.

Congress has the responsibility for determining the needs and the specific use of the various requests made in the military R. & D. accounts. Our committee, to the extent possible, looks out for such things as slippages in scheduling, for duplication, for what we consider unrealistic scheduling, for oversophistication or gold-plating.

This year, we spent more than 100 hours in cross-examination and testimony, with some 30 sessions, beginning in late January and concluding recently, in the month of May. We had before us all the top level witnesses and program experts in the research and development field.

It is true, as the Senator from Arizona suggests, that we have about 3,000 different projects and about 500 line items, so it is quite a task.

When we had the Director of Defense Research and Engineering, Dr. Currie, before us, he testified that the requests that were made were adequate.

What basis does the Senator from New York have to add $1 billion to the request of the top man in military R. & D., Dr. Currie?

Mr. BUCKLEY. Mr. President, will the Senator yield?

Mr. MCINTYRE. I am sure the Senator from New York rejected the across-the-board reduction amendment that was offered by the Senator from Missouri (Mr. SYMINGTON). The same logic applies in the case of an amendment of a meat-ax cut, one might say, as with the logic of an add-on. In both cases, the thrust of the logic, at least, is arbitrary.

Every reduction recommended by the committee was based on solid evidence; and in committee—not only at the subcommittee level but also at the full committee level—we thought they were completely justified. Based on facts, there is no good reason to restore even a nickel.

Let me illustrate for the Senate that today there have been two attempts to restore funds, without success. If the amendment of the Senator from New York is adopted, we have no specific direction or identification as to how the $1.5 billion that he wants to add would be applied. That is the amount by which it exceeds the recommendations of the committee. Where? What items?

So I ask the Senator from New York by what logic or formula he arrived at this neat 10-percent add-on so precisely. What was the logic?

Mr. BUCKLEY. I will be delighted to do so, Mr. President.

I invite the attention of the distinguished Senator from New Hampshire to the 1976 1st Concurrent Resolution, the budget hearings, page 885, in which I posed the following question to Dr. Currie, who was just cited by the distinguished Senator from New Hampshire. We were referring to the need for greater exploratory basic research. The question follows:

If you did take this 3 to 4 to 5 year perspective you are speaking of, Dr. Currie, what kind of an increase do you think we need in order to be able to devote sufficient resources to basic research and to exploring new concepts so that we can have sufficient intermediary and long-term options available to us? And we are referring to an increase over the budgetary request by the administration.

I would like to take the roughly half, 40 to 50 percent, of the R. & D. that is devoted to creation of options and increase it deliberately and in a planned way in 5 years. My guess would be that a 10-percent increase in research per year above inflation would provide that capability, and the rest of the R.D.T. & E. is then devoted to those programs that one selects out from those options for full-scale development and possible deployment.

In other words, the 10 percent is not a figure that I grabbed out of the air but, rather, a figure volunteered by Dr. Currie.

I then proceeded to ask Admiral L'Rocque and the others who were present among the series of witnesses—many of them critical of the high levels of spending requested by the Department of Defense—and each concurred in this judgment of the value of long-term research.

With respect to where this extra $1 billion would be funneled, I suggest that that is up to the Appropriations Committee.

Mr. MCINTYRE. I suggest to the distinguished Senator from New York that if he asked the same question of the Secretary of Defense, we probably would have a budget double the request that is before us today.

In 7 years of reviewing the R. & D. requests, we find that DOD is not short of funds but many times makes the wrong judgments—for example, the Cheyenne helicopter, the Main battle tank, Project Mallard, the heavy lift helicopter. This aggregate represents billions of dollars of our constituent's money down the drain.

I will read from the committee report, in conclusion, so that the Senator will understand that we on the R. & D. Subcommittee recognize the 6.1, the 6.2, the research and exploratory development, as these areas of vital importance:

The committee recognizes the vital importance of maintaining a strong and responsive military technology base. The reductions recommended are consistent with this principle since they primarily affect specific weapon systems and major programs while having relatively minor impact on the critical areas of research, exploratory development, and other technology areas.

Mr. President, I yield back the remainder of my time.

Mr. BUCKLEY. Mr. President, I yield 1 minute to the distinguished Senator from Texas.

Mr. TOWER. Mr. President, I just want to point out—I know that I am detaining the Senate—that the fact that many of our research projects have been failures, such as the Cheyenne and many others, does not mean that we should abandon research altogether. I am sure that the Soviets have had some failures in the research they have done—perhaps more failures than we. They have spent more money than we, and that is why

UMI

we are behind them in terms of some research. We have to research and experiment before we find out whether a system will work or a concept can be implemented.

I regard that as an insidious argument.

Mr. BUCKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the arguments in support of my amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONSIDERATION ON BUCKLEY-MCCLURE AMENDMENT TO S. 920 (AMENDMENT No. 513)

1. The Buckley Amendment increases by 10 percent, the amount of funds for military research, development, test, and evaluation requested by the President.

	Administration request	Committee recommendation	Buckley amendmen
Army	$2,181,700,000	$2,016,593,000	$2,399,770,000
Navy	3,470,188,000	3,368,802,000	3,817,206,800
Air Force	3,903,200,000	3,707,840,000	4,293,520,000
Defense agencies	597,800,000	565,700,000	656,580,000
Test and evaluation	28,500,000	28,500,000	31,350,000

2. An increase in military R&D is supported by both critics and supporters of the DoD. In testimony before the Senate Budget Committee, Dr. Sidney Drell of Stanford University and Rear Admiral Gene L'Rocque, both of whom were advocating deep cuts in overall DoD expenditures, supported the proposition that DoD research should be increased substantially over the next few years to "reverse the trend" in underinvestment in military R&D. Dr. Malcolm Currie, Director of Defense Research and Engineering, recommended that such expenditure be increased ten percent annually above inflation for the next five years.

3. The U.S. is making less of an effort in military research and development now than it made a decade ago. This is particularly evident in the field of exploratory development, now approximately 1.75 billion dollars, which is 40 percent lower in terms of constant dollars than was devoted to the subject ten years ago.

4. Moreover, limited funding such as we have experienced in the past several years in military R&D has contributed to a reduction in the ability of the U.S. to put modern military equipment in the hands of the troops on a timely basis. The lead-times for the deployment of modern weapons is increasing because the pace of development cannot be accelerated within current budgets.

5. The Soviet Union is spending approximately $3–4 billion more in military R&D than is the United States. This means that it is able to investigate a far larger number of "risky" projects than is the United States, enhancing the possibility that the Soviet Union may achieve important technological break-throughs in such areas as high powered lasers, missile propulsion, electronic warfare, and other areas of military R&D.

6. One of the hard lessons of the 1973 Middle East War is the fact that if we begin to fall behind in military R&D, we can expect technological surprises on the battlefield. The ability of the Soviet Union to narrow or erase the lead in such fields as conventional artillery, field anti-aircraft defenses, and electronic warfare, almost turned the balance against Israel in that conflict, a nation almost entirely dependent on U.S. equipment. A similar fate could await U.S. forces in some future conflict if we permit our R&D effort to continue to erode.

7. Adequate investment in military research and development provides a valuable hedge against major events such as a technological breakthrough by an opponent or abrogation of an arms control agreement by the Soviets on short notice.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. STENNIS. This amendment, if defeated, would add a billion dollars to this bill with 5 minutes' debate on each side. I think we would certainly have to have a rollcall vote to settle a matter of this kind.

Mr. MANSFIELD. Why not put it to a voice vote first? That was the agreement reached.

Mr. STENNIS. I understand that if we put it to a vote and lose, we are out.

Mr. MANSFIELD. Then there could still be a rollcall vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

AMENDMENT NO. 500

Mr. PROXMIRE. Mr. President, I call up amendment 500, dealing with the subject of military servants.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an amendment No. 500.

The amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

"SEC. . Notwithstanding any other provision of law, no enlisted member of the Armed Forces of the United States may be assigned to duty or otherwise detailed to duty as an enlisted aide, public quarters steward, airman aide, cook specialist, or food service technician on the personal staff of any officer of the Army, Navy, Marine Corps, Air Force, or Coast Guard (when operating as a service of the Navy)."

The PRESIDING OFFICER. There is a limitation of 10 minutes on this amendment.

Mr. PROXMIRE. I think 10 minutes is ample, because this matter has been discussed in this body for 3 consecutive years and I think most Members are familiar with the subject matter.

The amendment would prohibit the use of full-time personal servants by our highest ranking generals and admirals. At the present time there are 500 servants authorized under the terms of the fiscal year 1975 defense appropriations bill. The cost is well over $5 million a year.

On three separate occasions this body has voted to drastically reduce the military servant program. In 1973 we instituted a 218 ceiling by a vote of 78 to 4. In 1974 during the debate on the fiscal year 1975 military authorization procurement bill, again we voted a ceiling of 218, this time by a 74 to 4 margin. And finally on the fiscal year 1975 defense appropriations bill we again accepted the 218 ceiling principle.

Why were three votes necessary? Because in the conference each time, the Members from the other body and representatives of the Department of Defense fought long and hard for their military servants and a higher compromise was struck. That compromise now stands at 500. This is considerably lower than the 1,722 we started out with in 1972 but far higher than the Senate has voted on three occasions.

Now I have again discussed this matter with the very able chairman of the Manpower Committee (Mr. NUNN). I have also discussed it with the chairman of the committee (Mr. STENNIS). It was my original intent to have a vote on ending the program entirely. In recognition of the lateness of the hour and since this is a relatively small item dollarwise, I am submitting a substitute to my amendment which is essentially the same as those voted on the past 2 years. This is something which I understand is agreeable to the manager of the bill. It puts a ceiling on the number of servants by allowing not more than two per full general, or admiral, one per lieutenant general or vice admiral and one additional per member of the Joint Chiefs. This totals about 204, I believe. Of course this would only apply to those officers living in public quarters, as the military regulations now stipulate.

I believe the chairman of the committee has expressed an interest in accepting this substitute amendment and I will gladly give back my time if this is the case.

The Defense Department has been told clearly that this program is onerous and should be cut back drastically. We have given them 3 years to do it on their own. We have been more than generous with our warnings and patience. They have declined to respond in any appropriate way, so there is no other choice but to legislate the end of this racial discriminating, wasteful program of servitude.

A few points should be kept in mind.

First, these 500 soldiers are servants. They are assigned full time to one man, one general or admiral. They clean his house, answer his phone, cut his grass, wash his dishes, chauffeur his car, do his laundry, polish his shoes, run his errands, bartend at his private parties, cook food for his guests and family, and clean his clothes. In short, they provide the services of a chauffeur, butler, and maid. Every one of these activities is documented in great detail. They are called enlisted aides but they are servants.

Second, the GAO found that 17 percent of the men working in these positions were assigned rather than volunteers.

Third, the Navy and Marine Corps servant programs are horrible examples of racial prejudice. A full 100 percent of the Navy's servants are Filipinos; 77 percent of the Marine Corps servants are black; 40 percent of the Air Force servants are black. Three years ago the Navy told me they would do better and not a servant program based on race. But during the same period, their reliance on Filipinos has increased from 98 percent to 100 percent.

Fourth, the Joint Chiefs now have five servants each. Five servants—over $50,000 in manpower tied up by each Chief of Staff for his personal needs. How many servants does the Secretary of Defense have? None. How many servants do the civilian service Secretaries have? None. Do generals and admirals have more responsibilities than the Secretary of Defense? Why do they need servants when the civilians do not?

Fifth, the Pentagon says they need servants to help keep up the old houses the generals and admirals live in. Take a drive down admirals or generals row in any of the local bases around Washington such as Fort McNair or Fort Myer. Those are the homes our unfortunate generals and admirals have to live in. Probably worth over $100,000 each, by any standards. What do they pay for these houses? Nothing. If they live in public quarters, they pay no rent. If they live off base, they get a housing allotment. Either way, housing is provided for them. The civilians in the Pentagon have to go out and rent their own homes at considerable cost here in Washington. They get no free public quarters. They get no housing allowance. And they get no military servants.

Sixth, those generals and admirals who have lost servants in the last few years are being compensated for that loss through a special fund placed in this year's budget totaling $1.1 million to reprovide the luxuries they once had. I call this the Pentagon pamper fund. Since this is a manpower matter, I will not offer an amendment to strike this fund on this bill. But I will do so on the defense appropriations bill.

I regret having to bring this subject up year after year. But the Pentagon would like nothing more than to wait us out—to wait until we have lost interest so they can continue using servants without public attention. We cannot let this happen.

Mr. President, I ask unanimous consent that a list of all generals and admirals with military servants and their place of residence be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ALABAMA

Ellis, Vincent A., Commanding General, US Army, Missile Command, Redstone Arsenal, Ala. (1).

Maddox, William J., Jr., Commanding General, US Army, Aviation Center, Ft. Rucker, Ala. (1).

Rogers, Felix M., Comdr., Air University, Maxwell AFB (2).

ALASKA

Hill, James E., Comdr. in Chief, Alaskan Comd., Elmendorf AFB (1).

Gamble, Jack K., Comdr., Alaskan Air Comd., Elmendorf AFB (1).

Latham, Willard, Commanding General, US Army, Infantry Brigade, Alaska (1).

ARIZONA

Albright, Jack A., Commanding General, US Army Communications Command, Fort Huachuca, Ariz. (1).

CALIFORNIA

Adams, Ronald T., Jr., Comdr., AF Inspection & Safety Center, Norton AFB (1).

Baldwin, Robert B., Comdr., Naval AF, US Pacific Fleet, San Diego (2).

Bradley, Omar N., General of the Army, Beverly Hills, Cal. (4).

Carmody, Martin D., Commandant 12th Naval District, San Francisco (1).

Fegan, Joseph C., Commanding General, USMC Recruit Depot, San Diego, Calif (1).

Gilkeson, Fillmore B., Commandant 11th Naval District, San Diego (1).

Gonge, John F., Comdr., 22 AF, Military Airlift Comd., Travis AFB (1).

McLaughlin, George W., Comdr., Sacramento ALC, AF Logistics Comd., McClellan AFB (1).

Pitts, William F., Comdr., 15 AF, SAC, March AFB (2).

Salzer, Robert S., Comdr., Naval Surface Force, US Pac. Fleet, San Diego (2).

Schoning, William M., Comdr., 1 Strategic Aerosp. Div., SAC, Vandenberg AFB (1).

Roberts, Elvy B., Commanding General, 6th USA, Presidio of San Francisco (2).

Ross, Marion C., Commanding General, USA Training Center, Fort Ord (1).

COLORADO

Baker, Royal N., Vice Comdr, Aerospace Defense Comd, Ent AFB (1).

Allen, James R., Supt. USAF Academy (2).

Clay, Lucius D., Jr., C-in-Chief, NORAD/CONAD, Ent AFB (2).

Pattillo, Charles C., Comdr., Lowry TTC, Lowry AFB (1).

Vessey, John W., Jr., Commanding General, 4th Infantry, Fort Carson (1).

Wier, James A., Commanding General, Fitzsimons AMC, Denver (1).

DISTRICT OF COLUMBIA

Cushman, Robert E., Commandant USMC (5).

Anderson, Earl E., Assistant Commandant, USMC (3).

Robinson, Wallace H., Jr., Director, Defense Supply Agency (2).

Beckington, Herbert L., Deputy Chief for Plans & Operations, HQ, USMC (2).

McLaughlin, John N., Chief of Staff, HQ, USMC.

Holloway, James L., III, Chief of Naval Operations (5).

Kidd, Isaac C., Jr., Chief of Naval Material (3).

Begley, Worth H., Chief of Naval Personnel (2).

Talley, George C., Jr., Deputy Chief of Naval Operations (2).

Long, Robert L. J., Deputy Chief of Naval Operations (2).

Houser, William D., Deputy Chief of Naval Operations (2).

Price, Arthur H., Jr., Deputy Chief of Naval Operations (2).

Moran, William J., Office of Chief of Naval Operations (2).

Finneran, John G., Deputy Ass't Secretary of Defense (2).

Bayne, Marmaduke G., Commandant, Nat'l War College (2).

Custis, Donald L., Surgeon General of the Navy (2).

Hayward, Thomas B., Director, Navy Program Planning (2).

Murphy, Daniel J., Director, Antisub Warfare and Ocean Surveillance Programs (2).

Weschler, Thomas R., Director, Logistics J–4, Joint Chiefs (2).

Perry, Oliver H., Jr., Chairman, Inter-American Defense Board (2).

Tidd, Emmitt H., Commander, Naval Recruiting Command (2).

Rectanus, Earl F., Dep. Ass't Secretary of Defense (2).

Flanagan, William R., Chief of Legislative Affairs (1).

Carnahan, Ralph H., Commandant, Naval District of Wash. (1).

Inman, Bobby R., Director of Naval Intelligence (1).

Kerwin, Walter T., Jr., Vice Chief of Staff, USA (3).

Weyand, Frederick C., Chief of Staff, USA (5).

Cowles, Donald H., Dep. Chief of Staff/Operations, USA (2).

Deane, John R., Jr., Chief, R&D and Acquisition, USA (2).

Elder, John H., Jr., Director, Plans and Policy, Joint Chiefs (2).

Foster, Ralph L., Director of the Army Staff (2).

Graham, Daniel O., Director, DIA (2).

Gribble, William C., Jr., Chief of Engineers, USA (2).

Kornet, Fred, Jr., Dep. Chief of Staff/Logistics (2).

Kjellstrom, John A., Comptroller of the Army (2).

Maples, Herron N., Inspector General, USA (2).

Moore, Harold G., Dep. Chief of Staff/Personnel, USA (2).

Rowny, Edward L., Representative for SALT, Joint Chiefs (2).

Taylor, Richard R., Surgeon General, USA (2).

Walter, Vernon A., Dep. Director, CIA (2).

Wilson, Samuel V., Dep. to Director, CIA (2).

Woolwine, Walter J., Commandant, Industrial College of the Armed Forces, Fort McNair (2).

Aaron, Harold R., Ass't. Chief of Staff for Intelligence, USA (1).

Beatty, George S., Jr., Director, Inter-American Defense College, Fort McNair (1).

Bernstein, Robert, Commanding General, Walter Reed Hospital (1).

Delmar, Henry R., Comdr., Military Traffic Management (1).

Lee, James M., Legislative Liaison, Office of the Secretary, USA (1).

Brown, George S., Chairman, Joint Chiefs (5).

Jones, David C., Chief of Staff, USAF (r).

Ellis, Richard H., Vice Chief of Staff, USAF (3).

Boswell, Marion L., Asst. Vice Chief of Staff, USAF (1).

DeLuca, Joseph R., Comptroller of the Air Force (2).

Evans, William J., DCS/R & D, USAF (2).

Fish, Howard M., Dir., Defense Security Assistance Agency (2).

Hill, James A., DCS/Programs & Resources, USAF (2).

Johnson, Warren D., Dir., Defense Nuclear Agency (2).

Nunn, Donald G., The Inspector General, USAF (2).

Patterson, Robert A., Surgeon General of the Air Force (2).

Pauly, John W., Ass't. to Chairman, JCS, (2).

Roberts, John W., DCS/Personnel, USAF (2).

Sitton, Ray B., Director of Operations, JCS (2).

Snavely, William W., DCS/ Systems Logistics, USAF (1).

Tighe, Eugene F., Jr., Dep. Director, DIA (2).

Chapman, Kenneth R., Asst. DCS/R & D, USAF (1).

Cole, Ray M., Ass't. DCS/Personnel, USAF (1).

Lewis, Homer I., Chief of AF Reserve, USAF (1).

Loving, George G., Jr., JCS representative for MBFR (1).

McGough, Edward A., III, Dep. Cmdt., Industrial College of the Armed Forces, Fort McNair (1).

Moore, Otis C., Dir./Operations, DCS, USAF (1).

Reilly, Maurice R., Comdr., HQ Comd., USAF (1).

Slay, Alton D., DCS/R & D, USAF (1).

Steel, Maxwell W., Jr., Dep. Surgeon General, USAF (1).

Tallman, Kenneth L., Dir./Personnel Plans, DCS, USAF (1).

FLORIDA

Ernest C. Hardin, Jr., Dep. Comdr. in Chief, US Readiness Comd., MacDill AFB (2).

Henry B. Kucheman, Jr., Comdr. Armament Development and Test Center, AF Systems Comd., Eglin AFB (1).

John J. Hennessey, Comdr. in Chief, US Readiness Comd., MacDill AFB (3).

UMI

James B. Wilson, Chief of Naval Education & Training Research (2).

GEORGIA

Bernard W. Rogers, Commanding General, US Army Forces Command, Ft. McPherson (3).

Donn R. Pepke, Deputy Commanding General, US Army Forces Command, Ft. McPherson (2).

Charles Myer, Commanding General, US Army Signal Center & Ft. Gordon, US Army Signal School, Ft. Gordon (1).

Thomas M. Tarpley, Commanding General, US Army Infantry Center & Commandant, Infantry School, Ft. Benning (1).

Thomas M. Tarpley, Commanding General, US Army Infantry Ctr. & Commandant, Infantry School, Ft. Benning (1).

Ralph T. Holland, Comd, Warner Robins Air Logistics Ctr., AF Logistics Comd, Robins AFB (1).

HAWAII

Louis L. Wilson, Jr., Comdr in Chief, Pacific Air Forces, Hickam AFB (3).

Marshall, Winton W., Vice Comdr in Chief, Pacific Air Forces, Hickam AFB (2).

William G. Moore, Jr., Chief of Staff, Pacific Comd, Pearl Harbor (2).

Donnelly P. Bolton, Commanding Gen., US Army, Support Command, Hawaii (1).

William A. Boyson, Comd. Gen., Tripler Army Med Center, Hawaii (1).

Harry Brooks, Jr., Comd. Gen., 25th Infantry Div., Hawaii (1).

Harry W. Brooks, Jr., Commd. Gen., 25th Infantry Div. (1).

John R. Guthrie, Dep. Chief of Staff, Pacific Commd (1).

Gayler Noel, A. M., Commd in Chief, Pacific Pearl Harbor.

Maurice F. Weisner, Commdr in Chief, US Pacific Fleet, Pearl Harbor (3).

William St. George, Dep. & Chief of Staff to Commander, US Pacific Fleet, Pearl Harbor (2).

James H. Doyle, Jr., Commander, Third Fleet, Pearl Harbor (2).

Richard A. Paddock, Commandant, 14th Naval District, Pearl Harbor (1).

ILLINOIS

Warren H. O'Neil, Commandant 9th Naval Dist., Great Lakes (1).

William B. Fulton, Commanding Gen. U.S. Army Armaments Command, Rock Island, ILL (1).

Paul K. Carlton, Comdr. Military Airlift Comd., Scott AFB (3).

James Daniel Jr., Vice Cmdr. Military Airlift Comd., Scott AFB (2).

Leavitt Lloyd R., Jr., Comdr. Chanute Technical Training, Air Training Comd., Chanute AFT (1).

INDIANA

Eugene P. Forrester, Commanding Gen., U.S. Army Admin. Ctr., Ft. Benjamin Harrison IN (1).

KANSAS

John H. Cushman, Comd. Gen., U.S. Army, Combined Arms Ctr., Commandant U.S. Ar.

Marvin D. Fuller, Commanding Gen. 1st Inf. Div., Ft. Riley (1).

KENTUCKY

John W. Mecnery, Commd. Gen. 101st Airborne Div., Ft. Campbell, Ft. Campbell.

Donn A. Starry, Commd. Gen. U.S. Army Armor Ctr. & Commandant, U.S. Army Armor, Ft. Knox (1).

LOUISIANA

Pierre N. Charbonnet, Cf. of Naval Res. New Orleans (2).

George L. Cassell, Commandant 8th Naval Dist., New Orleans (1).

Richard Hoban, Comdr 8 AF Strategic Air Comd., Barksdale, AFB (2).

Robert Haldane, Comd. Gen. U.S. Army Training Ctr., Ft. Polk (1).

MARYLAND

James Kalergis, Commanding Gen. 1st US Army, Ft. George Meade, Md (2).

Charles P. Brown, Commd. Gen US Army Test & Eval Commd, Aberdeen Proving Grounds (1).

Samuel C. Phillips, Comdr AF Systems Comd., Andrews AFB (3).

Lew Allen, Jr., Dir. Nat'l Security Agcy., Ft. Meade (2).

John Allen, Jr., Dir. Nat'l Security Agcy., Ft. Meade (2).

John B. Hudson, Vice Comdr AF systems Comd., Andrews AFB (2).

William P. Mack, Superintendent US Naval Academy, Annapolis (3).

MASSACHUSETTS

Roy D. Snyder, Jr., Commandant 1st Naval Dist. Boston (1).

Wilbur L. Creech, Comdr Electronic Systems Div. AF., Systems Cond., Hansom Field (1).

MICHIGAN

Joseph E. Pieklik, Commanding Gen. US Army, Tank Automotive Command, Warren (1).

MISSOURI

Donald Werbeck, Comdr AF Communications Serv., Richards Gebaur AFB (1).

MISSISSIPPI

Bryan M. Shotts, Comdr Keesler Technical Training Ctr., Air Training Comd., Keesler AFB (1).

NEBRASKA

Dougherty, Russell E., Comdr. in Chief, Strategic Air Comd., Offutt AFB (3).

Keck, James M., Vice Comdr. in Chief, Strategic Air Comd., Offutt AFB (2).

Kaufman, Robert Y., Deputy Director, Joint Strategic Target Planning Staff, Offutt AFB (2).

NEVADA

Blood, Gordon F., Comdr., USAF Tactical Fighter, Weapons Center, Tactical Air Comd., Nellis AFB (1).

NEW JERSEY

Kearney, Lester T., Jr., Comdr., 21 AF Military Airlift Comd., McGuire AFB (1).

Foster, Hugh F., Jr., Commanding Gen., U.S. Army Electronics Comd., Ft. Monmouth, N.J. (1).

Greer, Thomas U., Commanding Gen., U.S. Army Training Center and Ft. Dix, Ft. Dix, N.J. (1)

NEW MEXICO

Dreisesyern, Abraham J., Comdr, AF Contract Mgt. Div., AF Systems Comd., Kirtland AFB (1).

Morgan, Thomas W., Comdr., AF Special Weapons Center, Kirtland AFB (1).

NEW YORK

Berry, Sidney B., Superintendent, U.S. Military Academy, West Point, N.Y. (3).

Robinson, Ray A., Jr., Comdr., 21 NORAD/CONAD Rgn., Hancock Field (1).

Moorer, Joseph P., Vice Chairman, U.S. Delegation, UN Military Staff Committee, New York (3).

NORTH CAROLINA

Seitz, Richard J., Commanding Gen., XVIII Airborne Corps and Ft. Bragg, Ft. Bragg, N.C. (2).

Tackaberry, Thomas H., Commanding Gen., 82nd Airborne Div., Ft. Bragg, Ft. Bragg, N.C. (1)

Spanjer, Ralph, Commanding Gen., 2d Marine Air Wing, Cherry Pt., N.C. (1).

Haynes, Fred E., Jr., Commanding Gen., Marine Corps Base, Camp Lejeune, N.C. (1).

Brown, Leslie E., Commanding Gen., Marine Corps, Air Station, Cherry Pt., N.C. (1).

Joslyn, William G., Commanding Gen., 2nd Marine Div., Camp Lejeune, N.C. (1).

OHIO

McBride, William V., Comdr., AF Logistics Comd., Wright-Patterson AFB (3).

O'Connor, Edmund F., Vice Comdr, AF Logistic Comd., Wright-Patterson AFB (2).

Stewart, James T., Comdr., Aeronautical Systems Div., AF Systems Comd., Wright-Patterson AFB (2).

OKLAHOMA

Ott, David E., Commanding Gen., US Army Field Artillery Center and Commandant, US Army Field Artillery School, Ft. Sill, Oklahoma (1).

Randolph, James G., Comdr, Oklahoma City Air Logistics Center, Tinker AFB (1).

PENNSYLVANIA

Smith, DeWitt C., Jr., Commandant, US Army War College, Carlisle Barracks, Pa. (2).

Jones, James R., Commanding Gen., Marine Corps Supply Activity, Phila, Pa. (1).

Coleman, Joseph L., Commandant Fourth Naval District, Phila. Pa. (1).

RHODE ISLAND

LeBourgeois, Julian J., President, Naval War College, Newport, R.I. (3).

SOUTH CAROLINA

Burke, Julian T., Jr., Commandant, Sixth Naval District, Charleston, S.C. (1).

Hughes, James D., Comdr. 9 AF, Tactical Air Comd., Bergstrom AFB (2).

Caldwell, William B., III, Commanding Gen., US Army Training Center, and Ft. Jackson, Ft. Jackson, S.C. (1).

Barrow, Robert H., Commanding Gen., Marine Corps Recruit Depot, Parris Island, S.C. (1).

TEXAS

Rattan, Donald V., Acting Commanding Gen., 5th US Army, Fort Sam Houston, Tex. (2).

Burdett, Allen M., Jr., Commanding Gen., III Corps & Ft. Hood, Ft. Hood, Tex. (2).

Fair, Robert L., Commanding Gen., 2d Armored Div., Ft. Hood, Tex. (1).

Levan, C. J., Commanding Gen., U.S. Army Air Defense Center and Commandant, US Army Air Defense School, Ft. Bliss, Tex. (1).

Neel, Spurgeon H., Jr., Commanding Gen., US Army Health Services Command, Ft. Sam Houston, Tex. (1).

Shoemaker, Robert M., Commanding Gen., 1st Cavalry Div., Ft. Hood, Tex. (1).

Carson, Charles W., Jr., Comdr, 12 AF, Tactical Air Comd, Bergstrom AFB (1).

McKee, George H., Comdr, Air Training Comd, Randolph AFB (2).

Flynn, John P., Comdr, AF Military Training Center, Lackland AFB (1).

Kelly, John R., Jr., Comdr, San Antonio Air Logistics Center, Kelly AFB (1).

Maloy, Robert W., Vice Comdr, Air Training Com, Randolph AFB (1).

Petit, Robert L., Comdr, Sheppard Technical Training Center, Sheppard AFB (1).

Smith, Howard P., Jr., Comdr, USAF Security Service, Kelly AFB (1).

VIRGINIA

Dixon, Robert J., Comdr., Tactoca; Aor Comd., Langley AFB (3).

Halls, Robert I., Vice Comdr., Tactical Air Comd., Langley AFB (2).

Murphy, James S., Comdr., 20 NORAD/CONAD, Ft. Lee AFB (1).

Cousins, Ralph W., C-in-C, Atlantic Fleet, Norfolk (3).

Michaelis, Frederick H., Comdr., Naval Air Force, US Atlantic Fleet, Norfolk (2).

Adamson, Robert E., Jr., Comdr., Naval Surface Force, Norfolk (2).

Turner, Stansfield, C-in-C, US Atlantic Fleet, Norfolk (2).

Downey, Denis-James J., Chief of Staff, Supreme Allied Comdr., Atlantic Fleet, Norfolk (2).

Williams, Joe., Jr., Comdr. Sub. Force, US Atlantic Fleet (2).

Rumble, Richard E., Comdt., 5th Naval District, Norfolk (1).

Depuy, William E., Com. Gen., USA Training & Doctrine, Fort Monroe, (2).

Miley, Henry A., Jr., Com. Gen., USA Materiel Command, Alexandria (3).

Talbott, Orwin C., USA Training & Doctrine, Fort Monroe (1).

Vaughan, Woodrow W., USA Materiel Comd., Alexandria (2).

Fuson, Jack C., USA Transport Center, Ft. Eustis (1).

Godding, George A., USA Security Agency, Arlington Hall Station, Arlington (1).

Parfitt, Harold R., Comdt., USA Engineer School (1).

Fris, Edward S., USMC Development & Educ. Comd. (2).

Nichols, Robt. L., Fleet Marine Forces/Atlantic, Norfolk (2).

WASHINGTON

Henion, John Q., Com. Gen. 9th Infantry, Ft. Lewis, Wash. (1).

Zech, L. W., Jr., Comdt. 13th Naval Dist., Seattle (1).

Young, James A., Comdr. 25 NORAD/CONAD, McChord AFB (1).

BAHREIN

Hanks, Robert J., Commander, Middle East, Force, State of Bahrein (1).

BELGIUM

Weinel, John P., U.S. Representative, Military Committee, North, Atlantic Treaty, Organization, Brussels (3).

Haig, Alexander M., Jr., Supreme Allied Commander, Europe & Commander in Chief, US European Command (4).

Kissinger, Harold A., Deputy Director General, North Atlantic Treaty, Organization Integrated, Communications System Management, Agency, Belgium (2).

Cantlay, George G., Deputy US Military, Representative, North Atlantic, Treaty Organization Military, Committee, Belgium (1).

Seith, Louis T., Chief of Staff, SHAPE, Shape, Belgium (3).

Shaefer, Richard F., Dep Chairman, NATO, Military Committee, Brussels (2).

BRAZIL

Hanson, Carl T., Chief, Navy Section, U.S. Military Group, Brazil, Rio De Janeiro (1).

Kendall, Maurice W., Chairman Army Member, US Delegation, Joint Brazil-US Military Commission Commander, US Military Group, Brazil (1).

CANAL ZONE

Breedlove, James M., Comdr, USAF Southern Comd, Albrook AFB (1).

Blount, Robert H., Commander, U.S. Naval Forces, Southern Command; Commandant FIFTEENTH Naval District, Fort Amador (1).

Rosson, William B., Commander in Chief, US Southern Command, Quarry Heights, Canal Zone (2).

Richardson, William R., Commanding General, 193d Infantry Brigade, Fort Amador, Canal Zone (1).

GERMANY

Eade, George J., Dep Comdr in Chief, US European Comd, Vaihingen (3).

Vogt, John W., Jr., Comdr in Chief, USAFE and Comdr, Allied Air Forces, Central Europe, Ramstein AB (3).

Poe, Bryce II, Vice Comdr in Chief USAFE Ramstein AB (2).

Bellis, Benjamin N., Comdr, 17 AF, USAFE, Sembach AB (1).

Davison, Michael S., Commander in Chief, US Army Europe Seventh Army (3).

Almquist, Elmer H., Jr., Deputy Commander in Chief, US Army Europe/Seventh Army (2).

Blanchard, George S., Commanding General, VII Corps, U.S. Army Europe (2).

Desobry, William R., Commanding General, V Corps, US Army Europe (2).

Knowlton, William A., Chief of Staff, US European Command (2).

Burton, Jonathan R., Commanding General, 3d Armored Division, U.S. Army Europe (1).

Fitzpatrick, Thomas E., Jr., Commanding General, 32d Army, Air Defense Command, US Army Europe (1).

Heiser, Rolland V., Commanding General, 1st, Armored Division, US Army Europe (1).

Kraft, William R., Jr., Chief of Staff, US Army Europe and Seventh Army (1).

McDonough, Joseph C., Commanding General, 8th Infantry Division, US Army Europe (1).

Meyer, Edward C., Commanding General, 3d Infantry Division, U.S. Army Europe (1).

Sweeney, Arthur H., Jr., Commanding General, U.S. Army Materiel Management Agency, Europe (1).

Wagstaff, Jack G., Chief, Military Assistance, Advisory Group, Germany (1).

Nutting, Wallace H., Commanding General, 1st Infantry Division (Forward), US Army Europe (1).

Nance, James W., Deputy Chief of Staff, Commander in Chief, U.S. European Command, Vaihingen (1).

Templeman, James M., Commanding General, 1st Support Brigade, U.S. Army Europe (1).

Timmerberg, Paul M., Commanding General, 15th Military Police Brigade and Provost Marshal, U.S. Army Europe and Seventh Army (1).

GREECE

Burke, William A., Chief, Joint U.S. Military Advisory Group, Greece (1).

ICELAND

Rich, Harold G., Commander, Iceland Defense Force, Keflavik (1).

IRAN

Brett, Devol, Chf, Military Assistance Advisory Group, Iran, Teheran (1).

ITALY

Wilson, Joseph G., Comdr, Allied AF Southern Europe, Naples, (2).

Cragg, Ernest T., Chief of Staff, Allied AF Southern Europe, Naples (1).

Johnson, George M., Jr., Chief, Military Assistance Advisory Group, Italy, Rome (1).

Norton, John, Chief of Staff, Allied Forces Southern Europe, Italy (2).

Vinson, Wilbur H., Jr., Commanding General, U.S. Army Southern European Task Force, Italy (1).

Johnston, Means, Jr., Commander in Chief, Allied Forces Southern Europe, Naples (3).

Turner, Frederick C., Commander, Sixth Fleet, Gaeta (2).

JAPAN

Galligan, Walter T., Comdr, U.S. Forces, Japan and Comdr 5 AF, Pacific Air Forces, Yokota AB (1).

Dolvin, Welborn G., Commanding General, IX Corps/U.S. Army, Japan (1).

Steele, George P., II, Commander, Seventh Fleet, Yokosuka (2).

Spreer, Paul H., Commander, U.S. Naval Forces, Japan, Yokosuka (1).

KOREA

Murphy, John R., Chief of Staff US Forces, Korea and Chief of Staff UN Comd Korea, Yongsan (0).

Morgan, Henry S., Commander, U.S. Naval Forces, Korea, Seoul (1).

Stilwell, Richard G., Commanding General, Eighth US Army, Korea/Commander in Chief, United Nations Command/Commander, US Forces Korea (1).

Flanagan, Edward M., Jr., Deputy Commanding General, Eighth US Army, Korea (1).

MARIANAS ISLANDS

Morrison, George S., Commander, U.S. Naval Forces, Marianas, Guam (1).

NETHERLANDS

Pattillo, Cuthbert A., DCS/Ops and Intel, Allied Forces Central Europe, Brunssum (1).

NORWAY

Young, Kendall S., Air Deputy, AF North, Oslo (1).

OKINAWA

David, Bert A., Commanding General, US Army, Garrison, Okinawa (1).

PHILIPPINES

Shelton, Doniphan B., Commander, Naval Base, Subic, Subic Bay (1).

PORTUGAL

Corley, Frank W., Jr., Chief, Military Assistance Advisory Group, Portugal, and Commander Iberian, Atlantic Commander Lisbon (1).

PUERTO RICO

Ramage, James D., Commander, Caribbean, Sea Frontier/Commandant, Tenth Naval District, Roosevelt Roads (1).

SPAIN

Lemos, William E., Chief, Joint U.S. Military, Group/Assistance Advisory Group, Spain, Madrid (1).

Robertson, Edwin W. II, Vice Comdr, 16 AF, USAFE, Torrejon AB (1).

TAIWAN

Nash, Slade, Chf, Military Assistance Advisory Group, Republic of China, Taipei (1).

Snyder, Edwin K., Commander, U.S. Taiwan Defense Command, Taipei (2).

THAILAND

Hixon, Robert C., Commander, US Military, Assistance Command Thailand & Chief, Joint US Military (1).

Burns, John J., Comdr, 7 AF, Pacific Air Forces, Nakhon Phanom Aprt (1).

TURKEY

Moats, Sanford K., Comdr 6 Allied Tactical Air, Force, Izmir (2).

Elliot, Frank W., Jr., Comdr, The US Logistics Group, USAFE, Ankara (1).

Zais, Melvin, Commanding General, Allied Land Forces Southeastern Europe, Turkey (3).

Hollis, Harris W., US Representative, Permanent Military Deputies Group, Central Treaty Organization, Turkey (2).

Hamilton, Colin C., Jr., Chief of Staff, Combined Mil Planning Staff, Central Treaty Organization, Ankara (1).

Galloway, James V., Chief, Joint US Military Mission for Aid to Turkey (1).

UNITED KINGDOM

Rosencrans, Evan W., Comdr, 3 AF, USAF Europe, Mildenhall, England (1).

Shear, Harold E., Commander in Chief, U.S. Naval Forces, Europe, London, (3).

Longino, James C., Jr., US Defense Attache, US Naval Attache and US Naval Attache for Air, U.K., London (1).

Mr. PROXMIRE. I think this modification is acceptable and I send the modification to the desk. I ask unanimous consent that the amendment be modified.

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, the amendment will be so modified.

The clerk will state the modification.

The assistant legislative clerk proceeded to read the modification.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modification is as follows:

UMI

At the appropriate place in the bill insert a new section as follows:

SEC. . Notwithstanding any other provision of law, no enlisted member of the Armed Forces of the United States may be assigned to duty or otherwise detailed to duty as an enlisted aide, public quarters steward, airman, aide, cook specialist, or food service technician on the staff of any officer of the Army, Navy, Marine Corps, Air Force, or Coast Guard (when operating as a service of the Navy) except as follows:

General, not more than 2.
Admiral, not more than 2.
Lieutenant General, not more than 1.
Vice Admiral, not more than 1.

In addition to the number authorized above, the Chairman of the Joint Chiefs of Staff, each of the chiefs of staff of the Armed Forces, and the Commandant of the Marine Corps are authorized 1 additional such aide, steward, specialist, or technician each.

This section shall not apply to Generals of the Army or Admirals of the Fleet.

Mr. STENNIS. Mr. President, I yield to the Senator from Georgia such time as he may wish.

Mr. NUNN. Mr. President, I have discussed this amendment with the distinguished Senator from Wisconsin. I would like to ask the Senator one question. We have discussed this, but I think it ought to be clear for the RECORD.

Does this amendment exclude General of the Army or Fleet Admiral?

Mr. PROXMIRE. Yes; it does. That is the intent.

Mr. NUNN. So General of the Army or Fleet Admiral are not included under the provisions of this amendment?

Mr. PROXMIRE. They would not be included under the provisions of this amendment.

Mr. NUNN. Mr. President, I have talked to the Senator on this. The Senate has expressed its will on this amendment on at least three occasions. This is the same amendment that was accepted by the committee last year and taken to conference. I, therefore, would agree with the Senator on the amendment. I believe he has discussed it also with the chairman of the committee.

The PRESIDING OFFICER. Is all time yielded back?

Mr. STENNIS. Mr. President, I am willing to take this to the conference and do the very best with it that I can. But I want everyone to remember that often it is a very formidable situation we make there. They have a rule of the House conferees that amendments that are not germane under these rules would not be germane for the conference. I think this would be clearly germane, but these are matters where we have to do the best we can. For my part, that is what I promise to do.

I think the Senator from Wisconsin knows that in this field, it is a very difficult situation.

Mr. PROXMIRE. May I say just one more word, Mr. President? I am confident that the chairman of the Committee on Armed Services will do what he has always done—his very, very best to try to prevail for the Senate position. I am delighted that he has been willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

AMENDMENT NO. 530

Mr. GLENN. Mr. President, I ask unanimous consent that a minor clarifying modification and some changes worked out in cooperation with the chairman be permitted to be made in amendment 530 as it was originally printed. I will send that to the desk.

The PRESIDING OFFICER. Without objection, the amendment will be so modified. The clerk will state the amendment as modified.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. GLENN) proposes an amendment No. 530, as modified.

The amendment, as modified, is as follows:

On page 34, line 15, strike "Within" and substitute in lieu thereof "Subject to the limitations of subsection (c) of this section, and within".

On page 35, line 7, strike the quotation marks and the final period.

On page 35, between lines 7 and 8, insert the following new subsection:

(c) In any case in which funds are expended under the authority of subsections (a) and (b) of this section, the Secretary of Defense shall, within 60 days after the expenditure of such funds, and in the case of continuing expenditures, every 60 days thereafter, submit a report to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives specifying the amounts, purposes, and relevant details of such expenditures.

Mr. GLENN. Mr. President, in the back of the bill on page 34, if the Senators present would turn to that page, please, there is a section there, paragraph 140, that deals with emergencies and extraordinary expenses. When I inquired into the amounts that were involved in this, instead of being minor amounts, which I thought might be the case in the original reading of that section, it turns out that there are some $18 million involved in the funds in that section.

That section provides that the Secretary of Defense may use those funds any way he sees fit for emergency or extraordinary expenses which are defined, when we got into it in more detail, as official representation funds as one classification; as confidential military purposes funds. Then another category of "other expenses."

This covers a host of things, including the necessity for official hosting at bases in the first category of official representation funds. In the second category, confidential military purposes funds, these could be used for intelligence operations and things such as that.

In the "other expenses" category, which is the third category, there are covered such things as military worldwide drug programs, and so on.

I am not trying to cut out these funds in any way, shape, or form, but the way the bill is written now, there is no accounting for how these funds are used whatsoever, in any way. My amendment proposes that the Secretary of Defense, after having expended these funds, be required to report in 60 days to the appropriate committees in Congress what the funds are used for. In other words, a report will be made so we will have some idea of where this $18 million was spent.

I think it is only reasonable that we do this. We are all concerned about moneys being used, unauthorized and unreported, and getting us into trouble in some way, shape, or form in intelligence activities. This would mean that these are reported back, fund use is reported back to this body and our counterpart at the other end of the Capitol so we can keep tab on what is going on. That is all this will provide, recording of these funds, and it has been agreed to by the chairman.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, this is an attempt by the Senator from Ohio to add a provision that would call for this report. It sounds very reasonable.

Under the same conditions as I mentioned before, we will just do the best we can in conference on matters of this kind and bring back all or as much as we can of this amendment. I am making that clear because sometimes we have a great number of amendments.

So I would be glad to recommend that we accept the Senator's amendment.

Mr. THURMOND. Mr. President, will the distinguished Senator yield?

Mr. GLENN. Certainly.

Mr. THURMOND. As I understand, the distinguished Senator from Ohio is not attempting to change the amount at all but is simply asking that the Secretary report on how he spent the funds.

Mr. GLENN. That is absolutely correct. There are no changes.

Mr. THURMOND. Merely accounting as to how the money was spent.

Mr. GLENN. And no change in amount, no change in purpose in any way, just reporting back how the money was spent so that we have some knowledge of it.

Mr. THURMOND. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio. (Putting the question.)

The amendment (No. 530) was agreed to.

AMENDMENT NO. 531

Mr. DOMENICI. Mr. President, I believe my amendment is next under the unanimous-consent request.

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. I have a printed amendment No. 531 at the desk.

The PRESIDING OFFICER. The clerk will report. On this there is a time limit of 10 minutes to each side.

The assistant legislative clerk proceeded to read the amendment.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page , line , insert the following:

"SEC. . (a) The Secretary of Defense is authorized and directed to carry out a comprehensive study and investigation to determine the desirability and feasibility of excluding all military and civilian personnel whose claims are reimbursed by non-Department of Defense sources from statutory manpower end strength ceilings. In carrying out such study and investigation the Secretary shall consider all the advantages and disadvantages of such an exclusion and shall give special consideration to (1) the increased efficiency in manpower management to be expected from such an exclusion, and (2) the economies that might be expected to result from such an exclusion.

(b) The Secretary of Defense shall submit to the President and Congress a detailed report of such study and investigation not later than December 31, 1975. The Secretary shall include in such report a detailed explanation of the facts and information which serves as the basis for any conclusions stated therein, and shall also include in such report such recommendations for legislative action as he deems appropriate.

Mr. DOMENICI. Mr. President, I ran into a rather peculiar problem where the ceilings, the personnel ceilings, on the Air Force in particular are causing a rather strange kind of problem, and I really did not know how to solve it, and I am not sure my amendment does, but I would like to share the concern I have with the distinguished chairman of the committee and, particularly, the chairman of the Subcommittee on Personnel.

Basically we found in my State that we would have a specialized Air Force unit that might have some very scientific-type airplanes they were doing some high-altitude testing with that had a direct application to the Air Force's work. But, at the same time, they could be used with the same personnel by one of our scientific laboratories. In this instance the laboratory might be the Los Alamos Scientific Laboratory.

That laboratory is not part of the Air Force, but the Air Force over the years increased the capacity to do work, and then would contract with the laboratory to have to use their military airplanes and military personnel and civilians who were part of the military to do some very significant scientific work for a nonmilitary agency.

I ran into another one where even the new agency ERDA, which will soon be doing the Joint Committee's work, was doing some balloon-testing work of a very significant scientific nature, and they were doing it through a military unit that had the equipment and personnel and were using the basic facility and manpower partially for the military and then would contract out with ERDA.

I know of only these two examples but, as I have inquired about it, I am quite sure that EPA will soon have some of those kinds of joint ventures. I am sure that other agencies have that kind of contract approach.

The problem is this: the military will come along and say, "Since you put a ceiling on us, we really do not want that extra 50 military and 100 civilians as part of our ceiling. We can do our job with a reduced force."

In one instance they will even move the airplanes somewhere else to do just their own, and it will leave another governmental agency that has the money, that is going to do the work, and it would charge them with going out and doing one of two things: Hiring an independent contractor who will build up this new capacity or they will develop the capacity to do it themselves.

I see a very significant chance of a waste, of the development of duplicative capacity where the military already have it, maybe with 10 percent additional they could do it for the other Federal agency. It just seems to me we ought to have some way to exempt some proportionate amount of those kinds of either civilians or military over the ceiling so that they might have an incentive to continue those kinds of contracts where, in fact, it was economically sound and in the best interests of the Government to let this other agency contract with them so as to increase the military capacity and not necessarily cause a new kind of competency to be developed either in the private sector or by the governmental agency.

I have no knowledge of whether this is 2,000 men, 5,000 men, 200, nor do I really know whether my amendment, which asks that this be studied in depth for potential exemption and that the Secretary report as to the economics and the feasibility of this, I do not know whether that will solve the problem. But it appeared to me that we ought to bring it out, we ought to discuss it, and find some way to get the Secretary to analyze at least those very sophisticated scientific kinds of endeavors where it has been a joint venture and where it is all for the Government anyway, and the military are doing it, but are going to cut back because they are reducing personnel, thus leaving the nonmilitary agency to find another way to do it.

I discussed this not only with the chairman of the full committee but the distinguished Senator from Georgia. I am concerned about it because I think eventually it is going to cost more money doing it the way the military are doing it.

I also think there is great opportunity for duplication of effort, for duplication of acquisition of vehicles, perhaps airplanes and equipment. I would really like the Secretary of Defense to give us some analysis of how we might solve the problem within the ceiling approach.

I think the ceiling approach on personnel is inherently vested with this kind of problem, but I would like to see us make some serious effort to get it analyzed and to try to solve it, at least in some very sophisticated and technical areas.

Mr. NUNN. Mr. President, will the chairman yield?

Mr. STENNIS. Yes; I yield the time over to the Senator.

Mr. NUNN. I would like to thank my colleague from New Mexico for bringing this point up. I think it is an important point. I think it is one of the inherent probable disadvantages of a ceiling approach.

On the other hand, the committee and Congress must have some overall feel for the total civilian and military personnel. They have a way of getting—military personnel have a way of getting—involved in a lot of other things other than military functions. Some of them are very good, some of them are very questionable, so we feel we ought to retain overall control by setting a ceiling for each year.

One of the things about fully reimbursable military people, certainly their salary is reimbursed in these cases, but you have other costs associated with military people like training, like base support, like PX's, like medical and fringe benefits, and also retirement benefits, so this reimbursable sometimes really does not cover what it costs the taxpayer to keep one person in the military by the time you include all that.

There are also a lot of different categories. In fact, I simply do not think I can give the Senator all the categories, such as foreign military sales, which is one; the FAA and others have military people who are on loan there on a reimbursable basis.

What I would suggest to the Senator, if the Senator would agree to this, is rather than having a detailed, sweeping study of the whole problem, let us point out to the Secretary of Defense in a letter, which I will be glad to sign with the Senator, giving the particular problems involved, and asking his attention to it. Then we may also have hearings at some point and get into this overall problem.

We have asked for so many studies of the Secretary of Defense in our own subcommittee, and we have asked for so many studies in this bill—and I am sure the House has others—that what I would prefer to do is to handle it this way, and I believe that we can get probably a more complete reply and a more prompt reply to the Senator's particular problem than we would by writing it into law.

Mr. DOMENICI. I thank my distinguished friend from Georgia. And, as I indicated, quite frankly, I do not want a sweeping, involved study, but I saw no other way to present the issue.

I would hope that the chairman of the full committee and the Senator, as chairman of the Subcommittee on Personnel, would help in this area because I believe they could zero it down to some very sophisticated kinds of endeavors and perhaps give us some approach to where we would end up really saving the Government money and end up without the problems I have discussed in my remarks about my amendment.

With the assurance of the Senator from Georgia, I believe the chairman of the full committee has concurred in this approach, and I thank him for it. I will withdraw my amendment and we will proceed along the lines of trying to get the same information from the secretary without directing this kind of study which may be extensive and comprehensive and extremely broad-based.

Mr. THURMOND. Will the Senator yield?

Mr. DOMENICI. I am delighted to yield to the Senator.

Mr. THURMOND. I want to commend the Senator for offering this amendment and it appears to have merit in it. The Defense Department does not oppose it.

However, I see that the Senator from Georgia has offered an alternative course which would seem to be preferable under the circumstances and I think in the end it might be more beneficial. I am glad the Senator decided to accept it and withdraw it.

Mr. NUNN. I thank the Senator from South Carolina for his comment, also

UMI

thank the Senator from New Mexico for his understanding and approach to the problem in this particular fashion.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment is withdrawn.

AMENDMENT NO. 528

The PRESIDING OFFICER. The Senator from Alaska is recognized under the previous order to offer his amendment.

Mr. STEVENS. Mr. President, I would like to call up my amendment and ask it be modified so as to be a new section at the end of the bill.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment will be so modified.

The clerk will state the amendment.

Mr. STEVENS. It is a very simple amendment and I will put my statement in the RECORD.

The PRESIDING OFFICER. The Senator will suspend. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an amendment No. 528, as modified.

The amendment is as follows:

At the appropriate place in the bill insert the following: "That, notwithstanding any provision of section 2004 of title 10, United States Code, an officer in any pay grade who was in a missing status (as defined in section 551(2) of title 37, United States Code) after August 4, 1964, and before May 8, 1975, may be selected for detail for legal training under that section 2004 on other than a competitive basis and, if selected for that training, is not counted in computing, for the purpose of subsection (a) of that section 2004, the number of officers who may commence that training in any single fiscal year. The period of time during which an officer was in that missing status may be disregarded in computing, for the purpose of determining eligibility under that section 2004, the period he has served on active duty.".

Mr. STEVENS. Mr. President, on June 4, I submitted an amendment which would afford military officers who were POW's during the Vietnam conflict the opportunity to participate in the federally funded law school program.

I support the concept of Senator ALLEN's previous proposal; however, I would like to broaden its application to cover any officer in any pay grade who was a POW after August 1964 and prior to May 8, 1975. My substitute amendment waives not only the years of service limitation, but also the grade limitation, and places these officers outside of the competition for the 25 spaces per service authorized under present law.

What I am proposing is neither a major exception nor a long-term exception. I am informed that only about 10 former POW's have expressed an interest in joining this program. Regrettably, they have all been denied participation due to the restrictions of the current law. This exception will apply only over the next few years. The cost to the Government will be nominal, approximately $2,000 per year per student, or a total cost of only $6,000 per student for the 3-year law school program.

The sum is small indeed when compared to the years many of these men spent in the POW camps in the hands of the Vietcong. Many were pilots who now because of the injuries they sustained cannot physically qualify for flight status. They can no longer participate in the work for which they were trained.

I respectfully urge the Senate to approve this effort to try and provide another profession for these deserving men.

The concept of this amendment, Mr. President, is to permit these military officers who were POW's during the Vietnam conflict to participate in the federally funded law school program. Under existing law, there is a limitation of 25 spaces per service. The effect of this amendment would be to permit these former POW's to participate in the program without regard to the limitation of 25 spaces per service.

I am informed that there are only about 10 former POW's who expressed an interest in joining this program. Regrettably they have been denied due to the construction in the current law to provide only 25 spaces per service.

I discussed this amendment with the Senator from Alabama (Mr. ALLEN) who has a prior bill that passed in a similar vein. This is slightly broader than his and I suggested also to Senator GOLDWATER, author of the original bill, these officers' participation in the program. They found it acceptable.

They can no longer qualify because of their injuries for flight status and we seek an exception to permit them to participate in the law school program without regard to the limitation under existing law.

I hope the Senator from Mississippi will accept this very simple amendment.

Mr. STENNIS. Mr. President, did the Senator from Alaska mention this to Senator Thurmond?

Mr. STEVENS. Yes, I did mention it to the Senator.

Mr. THURMOND. Mr. President, the Senator from South Carolina has no objection to the amendment and I think it is fair and just and would approve it.

Mr. STENNIS. All right, Mr. President, I feel the same way.

The PRESIDING OFFICER (Mr. FORD). Do the Senators yield back their time?

Mr. STENNIS. Yes.

Mr. STEVENS. Yes.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Alaska.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. PROXMIRE be recognized to call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 501

Mr. PROXMIRE. Mr. President, I call up my amendment No. 501.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an amendment No. 501.

The amendment is as follows:

At the appropriate place in the bill insert the following new section:

SEC. . (a)(1) Whoever, having been an officer or employee of the Department of Defense or of the Armed Forces (as defined in section 2101 of title 5, United States Code) including a special Government employee of such department or of the Armed Forces, after his employment has ceased, knowingly receives or agrees to receive compensation, directly or indirectly, for any services rendered or to be rendered by himself or another, in connection with any activity or employment caused, created, or substantially supported or subsidized by any contract, grant, or procurement authorization, the granting, awarding, or administering of which he participated in personally and substantially as an officer or employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, while so employed, or

(2) Whoever, having been so employed, and having so participated in any contract, grant, or procurement authorization, the total value of which exceeds $10,000, knowingly receives or agrees to receive compensation directly or indirectly, at any time prior to two years after the termination of such participation, for any service rendered or to be rendered within two years after the termination of such participation either by himself or another, from any person other than such department or the Armed Forces who has a substantial interest in the contract, grant, or procurement authorization shall be fined not more than $10,000 or imprisoned not more than two years, or both.

(b) For purposes of this section the term "special Government employee" means an officer or employee of the Department of Defense or of the Armed Forces (as defined in section 2101 of title 5, United States Code), who is retained, designated, appointed, or employed to perform, with or without compensation, for not to exceed one hundred and thirty days during any period of three hundred and sixty-five consecutive days, temporary duties either on a full-time or intermittent basis. Notwithstanding sections 502, 2105, and 5534 of title 5, United States Code, a Reserve officer of the Armed Forces, or an officer of the National Guard of the United States, unless otherwise an officer or employee of the United States, shall be classified as a special Government employee while on active duty solely for training. A Reserve officer of the Armed Forces or an officer of the National Guard of the United States who is voluntarily serving a period of extended active duty in excess of one hundred and thirty days shall be classified as an officer of the United States within the meaning of this section. A Reserve officer of the Armed Forces or an officer of the National Guard of the United States who is serving on active duty involuntarily shall be classified as a special Government employee. The terms "officer or employee" and "special Government employee" as used in this section shall not include enlisted members of the Armed Forces.

(c) The provisions of this section shall become effective ninety days after the date of enactment.

Mr. PROXMIRE. Mr. President, I rise to offer an amendment to this year's military procurement bill that would set limits on military and civilian employees of the Department of Defense seeking or accepting certain employment after their tenure in the Government.

I offer the amendment for the purpose of significantly strengthening existing statutes designed to prevent conflict of interest situations between employes of the Department of Defense and the defense industry. I believe that these statutes are too weak and too ambiguous to adequately protect the best interests of the taxpayers.

Conflict of interest, Mr. President, is a situation, not a crime. And the introduction of this amendment is not meant to question the integrity of DOD personnel. However, conflict of interest is a situation that provides at least the potential for bad management, inefficiency and influence peddling—all at the expense of the taxpayer. And, while this potential exists throughout the Government, it exists nowhere more than within the Department of Defense.

A most recent and most creditable study by the Council on Economic Priorities documents a pattern of personnel flow from the DOD to the defense industry that strongly suggests existing limitations to prevent conflict of interest are unworkable, inoperable, or both.

The study, entitled "Military Maneuvers," claims that fully 27 percent of DOD employees who have left Government to work in the defense industry currently are working in conflict situations.

In its survey of department personnel who transferred to industry, the council found, for example:

A former DOD contract auditor or contract adjustment official working for a company formerly in his jurisdiction. These Government officials determine whether private contractors will get more money for cost increases or less money for failure to meet Government contract specifications.

A former official responsible for evaluating contractor performance, such as a plant representative or a contract administrator, was working for a company he formerly evaluated.

A former DOD systems project director was working for the producer of that system.

A former high official with management responsibility for planning systems development or for making decisions about procurement needs was working for a company producing those same systems.

A retired military officer appeared to be violating criminal laws prohibiting selling to the DOD.

Specific examples include the case of Air Force General Otto J. Glasser, deputy chief of staff for research and development. In May, 1973, Glasser told the House Defense Appropriations Committee that an Air Force decision to ease test standards for the new F–100 jet engine would result in the payment of "a few tens of millions of dollars" more to upgrade the engine. However, he assured the committee that the engine was fine, and added, "technically I have no concern whatever with this engine." Six months later, Glasser had retired from the Air Force and was named president of the international division of General Dynamics, which would use that same engine for its then most promising project, the F–16 lightweight fighter.

The Council on Economic Priorities, while noting that the problem is not individuals but a structure that allows for potential abuse, provided in its study the names of several persons involved in DOD-military industry employment interchanges from July, 1968, to June, 1973.

Without accusing any of these individuals of wrongdoing, and solely for the purpose of providing specific examples in order to make clear the potential for abuse, this is what the council found:

Lieutenant Colonel Richard Auger, the former commander of the Burlington Army Ammunition Plant, responsible for maintaining surveillance of contractor performance, accepted employment a week after his retirement in January 1970 with Chamberlain Manufacturing Company, the operator of that arsenal.

Nearly every major systems contractor has hired former DOD plant representatives who immediately before their retirement had been in the position of evaluating the performance of their present employers. At least two Air Force Boeing plant representatives, Major Roy Boyd and Colonel Albert Lehner, accepted employment with that company. Major James Drumgool, former Air Force G.E. plant representative and Lieutenant Colonel John Rigling, former Syracuse Defense Contract Administration Service director, were hired by G.E. Lockheed hired Edward Currie and Commander Richard Allen, two former Navy Lockheed plant representatives. McDonnell Douglas hired two Navy McDonnell Douglas plant representatives, Captain John Kane and Lieutenant Commander Harold Simpson, and also hired Major John Bennet, a former Air Force officer who had served as chief of the Defense Contract Administration Service office at its St. Louis plant. Grumman hired one former Navy Grumman plant representative, Commander William Burgess. Rockwell International hired Captain Donald Walton, a Navy plant representative from the Columbus, Ohio, plant. Hughes Aircraft hired Robert Lucas, who had served as chief of the Air Force plant representative's office at a Hughes plant. Westinghouse hired Lieutenant Commander Edgar Lewis, a Navy plant representative who had served as project manager for Westinghouse's controversial and costly Mk48 torpedo project. Philco Ford hired Major Ronald Wright, a Marine Corps officer who had served as technical representative from the Naval Electronics Laboratory on a Philco project.

General Howell Estes, the former commander of the Military Airlift Command, upon his retirement was appointed Executive Vice President of World Airways, a major military charter flier.

Colonel Rob Greenley, a former Air Force program director for Remotely Piloted Vehicles (RVPs), a major new development effort, accepted employment upon retirement with Lear Siegler and Northrop, two of the companies most active in RPV development.

Rockwell International, prime contractor for the B–1 Bomber, hired Lieutenant Colonel Henry Gaynor, chief of the Air Force B–1 Configuration Identification Division upon his retirement. It also hired two former officials of the Air Force Contract Management Division. One, Colonel Thomas McGuire, had been Comptroller—prime financial overseer—of the Los Angeles office, and the other, Colonel Robert Mitchell, had been Special Assistant to the Division Commander for Minuteman management. His special duties had involved administration of Minuteman guidance and control system development. Rockwell's Autonetics Division, post-retirement employer of Colonel Mitchell, is the producer of Minuteman guidance and control systems.

Colonel Joseph Smith, who served as chief of the Production Requirements Division of the Defense Communications Planning Group, development agency for the controversial "automated battlefield," was hired upon his retirement by Honeywell, a major automated battlefield contractor.

Air Force Colonel Robert Gruetzmacher, who commanded the Aerospace Defense Command DEW Line Office, directed operation of the DHEW Line, and monitored performance of the operating contractor, ITT Arctic Services, was hired by ITT upon his retirement from the Air Force.

Air Force Brigadier General McLean Elliott, who had served as Assistant Director of Defense Research and Engineering with responsibility for budget planning and programming for DOD test ranges, was hired several weeks before his retirement by Kenton Hawaii (a subsidiary of LTV), operator of one of the major missile test ranges.

Boeing, prime contractor for the Airborne Warning and Control System (AWACS), hired Colonel William Jones, former AWACS project director of engineering, upon his retirement from the Air Force.

Rockwell International hired Brigadier General Robert Meyer, who had held two positions in which he could affect Rockwell operations. The first was the position of Air Force Director of Procurement Policy. Subsequently, he served as Director of Aircraft Missiles in the Office of the Assistant Secretary of Defense for Installation and Logistics. His duties in this job included monitoring the production status of Army, Navy and Air Force aircraft and missile programs and recommending action where appropriate. The B–1, a Rockwell project, is potentially the largest aircraft procurement project ever.

Raytheon, prime contractor for the Hawk anti-aircraft missile, hired Colonel Harry Buzzett, Hawk program manager, upon his retirement from the Air Force. It also hired Lieutenant Colonel Eugene Naegele, former research and development coordinator in the Air Defense and Missiles Division of the Army Chief of Research and Development.

Gould, ultimate winner of a competition with Westinghouse to build the Mk48 torpedo, hired Navy Captain Charles Almy, who had served as Director of the Naval Ordnance Systems Command Torpedo Division and Mk48 Torpedo project officer.

General Electric, a producer of antisubmarine warfare (ASW) systems, hired two Navy captains on the same day who had worked in management positions in the Navy's antisubmarine warfare development structure. One, Thomas Auger, had been Director of the Submarine Systems Engineering Group and Director of the Advanced Submarine Systems Division in the ASW Systems Project Office, procurement agency for ASW systems. The other, Charles Helme, had served as Director of Technical Appraisals and Requirements in the Office of ASW Programs.

The TACFIRE artillery fire direction system, a complex computer system, has been one of the most widely criticized defense systems in the past few years because of the apparent inability of Litton, its contractor, to control costs or build a system that works. Litton hired Lieutenant Colonel John Harte, former Deputy Director of the TACFIRE system and Major Francis O'Leary, a former TACFIRE deputy who had been responsible for translating Army requirements into technical language.

These situations, and no doubt many others like them, exist today. Any while there may not be wrongdoing involved in any of them, the potential is clear and the opportunity is apparently growing.

Since 1969, when I submitted an amendment requiring high-ranking DOD personnel transferring from Government to the defense industry to file employ-

UMI

ment records, about 2,000 individuals have done so. But all of those who make the jump to industry do not register despite criminal penalties for failure to register. The Council on Economic Priorities estimates that as many as half of all transferees simply ignore the registration requirement. There is no agency charged with enforcing the requirement, and there has never been a prosecution for failure to comply with it.

In addition, an original section of the amendment that would have required a job analysis in order to make potential conflicts visible was dropped. The result is that we have no accurate totals of transferees nor a meaningful picture of possible conflict situations.

I do not suggest that all DOD personnel who make the move to the defense industry—whether they register or not—are working in conflict-of-interest situations. But I do suggest that the DOD has a high and growing rate of transfer to industry and, because of the advanced technology and large sums of money involved in defense operations, is more susceptible to conflict situations than any other department in the Government.

In the 3-year period from 1971 to 1974 alone, military contract expenditures have increased by nearly $5 billion. These expenditures continue to escalate at alarming rates, with many single projects showing substantial cost overruns and new systems costing as much as 10 times systems they were intended to replace.

Contracts, projects, and systems that cost the taxpayer billions of dollars each year must be watched closely and completely if we are to insure that those sums are not being wasted or mismanaged. Likewise, the individuals most responsible for these projects and for directing the flow of tax dollars to pay for them must also be watched to insure that temptations to further a current career or find a new one through favoritism and at the taxpayers' expense are reduced to a minimum.

At present, and particularly in light of the current economic recession, these temptations are real and obvious. This is especially true for those military and civilian personnel of the DOD who are placed by procurement procedures in the positions of awarding or administrating giant Government contracts to industry.

Again, I wish to stress that the integrity of these employees is not the issue Rather, the issue is a documented employment pattern that shows that the possibility for misuse of tax dollars in defense procurement not only exists, but grows each year as transfers increase.

In the procurement area, department officials quite obviously can affect decisions beneficial to private contractors without violating any law. They can favor certain contractors over others, write terms agreeable to certain contractors, overlook production delays, accept cost overruns and generally misuse public moneys.

After retirement from the department—which in the case of military officers occurs at a relatively early age, the average being 47—these same officials can cash in their past favors for plush jobs in industry. Once in industry, they can use their knowledge of department procedures as well as their relationships with active duty personnel for the purpose of benefiting their new employer. When situations like this occur, tax dollars are misused to subsidize an individual's second career and the national security itself is undermined while that individual allows mismanagement and costly delays for his own sake.

Conflict of interest is an area in which we have had no hard solutions for too long. It seems that conflict potentials continue to grow while we continue to grasp for a handle on the problem. The laws we have now are not to the point. They are insufficient and generally unenforced.

For example, existing statutes designed to regulate conflict prohibit all Federal employees, including those of the DOD, for a period of 1 year after leaving the Government, from acting as attorney or agent for an industry in matters within that person's "official responsibility" while with the Government. If the employee was "personally and substantially" involved with such matters, the ban is lifelong against acting as attorney or agent. But there are no current restrictions for persons who go into industry, taking jobs related to their work for the Government, in a capacity other than that of a lawyer, a lobbyist, a salesman, or a company representative. Clearly, individuals could work in conflict situations without necessarily being an attorney or an agent.

There are two other laws that prohibit retired military officers from selling materials to the DOD. Neither of these laws apply to civilian personnel. The first is a lifetime ban forbidding sales to the branch of service from which the officer retired. But it carries no express criminal penalties, and the only case ever to reach a courtroom, in 1961, was dismissed. This is the same law that the Fitzhugh Commission—presidentially appointed to study DOD procedures—called "incongruous and useless." The other law, a civil one, provides for a 3-year cooling off period during which retired military officers may not sell material to any agency of the DOD. Violation can lead to forfeiture of retirement pay. But again, one need not be a salesman to be working in a conflict situation.

If existing statutes were stronger laws, better written and more vigorously enforced, there would be less need for concern about conflict of interest. But, regretably, they are not enforced. And, more importantly, as I mentioned, they miss the point.

In all cases, the statutes seeking to regulate conflict of interest possiblities deal with prohibitions and restrictions that apply after retirement or resignation from the Government. There is nothing that deals with the possibility of a conflict occurring while the retiree was still on active duty. The possibility of a self-serving Government employee seeking and/or securing post-Government work directly related to, if not caused by, his procurement or contract responsibilities in Government is overlooked.

There is nothing to prevent a procurement official from influencing the successful negotiation of a military contract then leaving the Government to direct the program established by that contract. There is nothing to prevent contracting officials who are nearing retirement from passing out favors, whether they were solicited or not, to prospective new employers. As the law is now written, only jobs as attorneys or agents are suspect. But, in fact, any position a procurement official takes with a contractor could be viewed as a payoff in that the conflict could have occured or existed prior to leaving the Department.

My amendment seeks to limit the possibility of conflicts and payoffs by setting more precise restrictions on military and civilian post-Government employment. The proposed statute would provide needed insurance against blatant conflicts and yet, at the same time, not interfere with the necessary flow of personnel between Government and industry.

The first part of the amendment prohibits any DOD employee from taking an industry job created by the successful acquisition of a DOD contract with which he was involved. To put it simply, a department official cannot create his own job in industry then leave the Government to take it. This section of the amendment is aimed at stopping the most obvious and costly example of conflict of interest. But, it also is broad enough to allow normal interplay between the DOD and the defense industry in that it is specific to jobs funded by the contract.

The second part of the amendment puts a 2-year period between the time a DOD employee leaves Government and the time when he may take a job with the beneficiary of a DOD contract that he was involved with. The involvement must be personal and substantial, and it must be a contract of more than $10,000. The intent of this section is to discourage favor bargaining before it starts, and to temper its effects if it already has taken place.

I believe this amendment to be a reasonable approach to a dangerous and growing problem. It, of course, would not cure all the ills that conflict of interest cause. But, it is a step in the direction of more efficient and more honest government, and maybe a beginning to an end of military waste created by conflict situations.

Mr. President, as long as DOD officials have the opportunity to capitalize on relationships with industry officials, national interests will take a back seat to personal ambitions.

As long as Department employees can be rewarded for favored treament to Government contractors, public moneys will be misspent to buy personal gains.

And as long as industry is forgiven its delays in executing military contracts and forgiven production shortcomings so that DOD employes will have jobs to run to, efficiency will be subverted and our national defense posture endangered.

The Council on Economic Priorities' report, which outlines possible conflict situations, is alarming. To allow these situations to continue unchecked would amount to a betrayal of our responsibility as lawmakers to insure that tax dollars are being used for national defense rather than future jobs for public servants.

Mr. President, my amendment is aimed at meeting that responsibility.

Now, this is a complicated situation and it would involve criminal penalties for violators and after discussing this with the chairman of the committee and with Senator THURMOND, the ranking member, I have concluded that under the circumstances, while they recognize the merits in the amendment, if the chairman of the committee would be willing to hold hearings on this matter, I would be willing to withdraw the amendment with that understanding because it is the kind of thing I think should be pursued.

We have statistics to indicate this has become a much more serious problem in recent years and if I had more time I would go into them in detail.

Mr. STENNIS. Mr. President, I think the Senator from Wisconsin has correctly described the problem. It impresses me that it is a difficult matter. It could hardly be adjusted on the floor of the Senate. We would have to have hearings and staff work. It touches on a very difficult area and I think perhaps we should and can bring forth the remedy.

I would like to see that we would have hearings on the problem and questions raised at this time.

Mr. THURMOND. Mr. President, I would concur with the statement made by the distinguished chairman of the committee. I do feel it is a matter that is important and should be looked into.

Mr. STENNIS. I commend the distinguished Senator from Wisconsin for bringing up this amendment, but I think it is much better to handle it in the way he has agreed it would be.

Mr. TOWER. Will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. TOWER. Another thing occurs to me, and that is, what about staff members of the Senate committees, let us say the Banking Committee on which the distinguished Senator from Wisconsin is chairman? What about staff of the Banking Committee going to work for a financial institution? Certainly it leaves the staff of the Banking Committee—would that not be a similar situation?

Mr. PROXMIRE. It very well might be.

Mr. THURMOND. It might be.

Mr. PROXMIRE. I think it is an interesting suggestion.

Mr. TOWER. A pretty big can of worms.

Mr. PROXMIRE. There is another reason why I think we should have hearings. I think in all fairness, no question about it, it could be a very serious conflict of interest. Nevertheless, there are so many billions and billions of dollars involved in this defense procurement operation, and, as I say, I do have documentation here of a conflict of interest in some detail.

Mr. TOWER. But there are billions of dollars involved in various financial institutions of this country where Banking, Housing, and Urban Affairs Committee members leave to go to a financial institution, or the securities industry, or even into the housing industry, in some way it would occur to me when you think of the vast amount of money represented by those institutions——

Mr. PROXMIRE. Well, the Senator, of course, is right.

May I say to the Senator that this, as originally drafted as a bill, would have covered all agencies of the Government and the legislative as well as the executive branch, but because this is a military procurement bill, we limited the particular amendment to this area.

But I think the Senator is right.

Mr. TOWER. Looking into other people's houses, we better look into our own as well.

Mr. PROXMIRE. I thank the Senator.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The Senator from West Virginia.

AMENDMENT NO. 489

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. HARTKE, I call up his amendment No. 489, and ask that it be stated and made the pending amendment for tomorrow.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Indiana (Mr. HARTKE) for himself and Mr. BAYH, proposes an amendment to Title 5.

The amendment is as follows:

Title V is amended as follows:

(a) Section 501(a) is amended—

(1) by striking on page 20, line 5, "329,000" and inserting in lieu thereof "254,105";

(2) by striking on page 20, line 7, "310,300" and inserting in lieu thereof "144,562";

(3) by striking on page 20, line 8, "251,300" and inserting in lieu thereof "208,610"; and

(4) by striking on page 20, line 10, "71,400" and inserting in lieu thereof "69,595".

(b) Section 501(b) is amended by inserting immediately after "excluding" on page 20, line 17, the following: "civilian personnel engaged in industrially funded activities, and excluding".

Mr. GOLDWATER. Mr. President, the Department of Defense and the Air Force plan to enhance Air Force tactical fighter/attack combat capability by bringing the current 26 organizationally structured wings up to full combat strength. This 26 tactical fighter wing structure and the associated command and control mechanism provides an immediately ready force to respond to crises anywhere in the world. Nominally each of these fighter wings would be equipped with 72 UE aircraft. However, the current force is underequipped and the Air Force plans to gradually increase the unit strength within the 26 wings to bring them to full combat capability by 1981.

I am told there is no direct correlation between the planned increases in Army combat divisions and the Air Force tactical air forces. As we all know, Army divisions and tactical fighter/attack wings comprise the prime combat elements of our land-based combat general purpose forces for nonnuclear deterrence and defense. As Secretary Schlesinger pointed out in his report to the Congress, determining the requirements for nonnuclear deterrence is even more complex than for strategic nuclear forces.

However, the defense objectives that are defined in national security policy are then translated into defense policy and planning guidance by the Secretary of Defense with advice from the Joint Chiefs of Staff. In that guidance, the defense of Europe is given first priority, after defense of the United States. The guidance requires that our forces be able to mount a strong initial and sustained conventional defense in Europe—the most demanding as well as single most important planning contingency. Moreover, our forces must be prepared to cope with a simultaneous minor contingency elsewhere. This is sometimes referred to as the "one and one-half strategy." It is the best judgment of the JCS that the minimum number of tactical wings required for these contingencies is 26. Let me stress here that there is no way the 26-wing minimum requirement can be "proved." It is a military judgment that I am willing to accept.

However, as I implied, even this 26 active fighter wing level is below the desired level recommended by the Joint Chiefs of Staff to meet the national strategy at a prudent level of risk. However, considering current fiscal realities, the 26-wing level represents the best balance between combat capability and resource availability that the Air Force, the JCS, and the Department of Defense can achieve.

The Air Force fighter force is designed and structured to achieve specified objectives in the face of the current and projected threat. However, we must remember that potential adversaries are improving both the quality and quantity of their forces. They are currently numerically superior to the combined NATO tactical air forces.

Additionally, their force posture is becoming more offensively oriented. They are developing and deploying improved aircraft and munitions more closely attuned to that posture. The Soviets now routinely deploy their latest and most sophisticated weaponry as evidenced by the 1973 Mideast conflict. Aircraft such as the variable geometry wing Flogger, the long-range Fencer and Fitter attack fighters, the mach 3 Foxbat, and the newer models of the Fishbed—Mig 21J, K, and L—are characteristic of the quallitative improvements in their forces. Many of these Soviet forces are forward deployed in Warsaw Pact countries. Thus the United States is required to maintain a sizable portion of its forces deployed and immediately available to the needs of the theater commander.

Warsaw Pact ground forces, which already possess perhaps the most modern and formidable armor capability in the world, are also increasing in numbers and improving in capabilities, thus pre-

UMI

senting an even greater challenge to our ground attack capability.

In essence, tactical air power complements ground forces. In the mix of ground forces and tactical air elements comprising general purpose forces for combined arms combat, we emphasize tactical air more heavily than do our potential adversaries.

With the increasing emphasis on conventional forces I am glad the Department of Defense has finally decided to reverse the reductions of the past few years in the Air Force combat strengths and permit some growth in order to signify our intent to maintain a credible capability to meet our many commitments.

In the active component, the Air Force plans to gradually achieve a fully equipped 26-wing posture by the early 1980's and while remaining within a 590,000 Air Force manpower level. This "more fire power for the same manpower" is not unlike Army's plan to expand to 16 divisions.

The increased numbers of A–10, F–15, and F–16 fighter aircraft from fiscal year 1976 to fiscal year 1981 will require approximately 22,000 additional personnel. Reductions in Active Force F–4 aircraft, transfer of A–7's to the Reserve forces, phaseout of F–105 aircraft, and minor adjustments in F–111's between fiscal year 1976 and fiscal year 1981 will result in the freeing up of about 17,000 military spaces that can be applied against the 22,000 requirement. Also, the F–15 and F–16 require less maintenance manhours per flying hour and less manpower will be required here. Thus, the Air Force can then add combat aircraft and fully equip the 26-wing force with a net increase of only about 5,000 people. However, some adjustment will obviously be required as this program progresses if the 7,600 manpower reduction recommended by the committee is sustained.

The planned mix of USAF tactical fighters in the 26 wing force will emphasize aircraft specifically designed to perform best in a certain role or mission. This also results in significant cost savings compared to costs required to procure, operate, and maintain a force composed entirely of multipurpose aircraft. For example, the F–15 and F–16 need not be equipped to perform all-weather or night ground attack to the degree of the F–111, and the A–10 need not have the attack radar of the F–15, F–16, F–4, or F–111. The savings in initial investment and life cycle costs can then be devoted to increasing the total number of aircraft and enhancing force modernization, flexibility, and combat capability.

The addition of the A–10 will offer a significant improvement in antiarmor capability. Because of rising manpower costs and the difficulty of going beyond programed DOD manpower levels, the A–10's contribution to tactical airpower becomes a potentially efficient way of providing additional firepower.

The mix of forward deployed F–15's and F–16's, will insure the retention of the U.S. qualitative advantage and partially offset the Soviet/Warsaw Pact quantitative advantage regarding air superiority capabilities. These two advanced fighters with their inherent capability to perform in the air-to-ground attack role, if required, will provide a highly effective air superiority capability as well as a significant degree of flexibility to the theater commanders.

In summary, the Air Force plans to fully equip 26 active and 10 reserve wings in the early 1980's, while remaining within the projected manpower and fiscal levels. Specifically, the Air Force intends to increase the quality, quantity, and readiness of active fighter forces complemented by improved Reserve component forces, remain within the 590,000 Active Air Force manpower level and meet the fiscal guidance levels projected for the Air Force by OSD.

Still, the combat capability of these general purpose forces will remain short of what the JCS says is required but, nonetheless, they will significantly enhance our capabilities in the tactical arena.

It is a program that should be supported.

Mr. President, during the course of the debate on military procurement authorization this week we have heard a lot about technology and how important that has become, not only to the American military, but the entire American way of life.

Mr. Edgar Ulsamer, senior editor of Air Force magazine has written a very interesting paper on "Technological Initiative," and because there are many Members of this body who do not have the occasion that we of the Armed Services Committee do to be exposed to this subject, I think it will make interesting reading, so I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TECHNOLOGICAL INITIATIVE: A PRICELESS ASSET

(By Edgar Ulsamer)

The Defense Department's $104.7 billion FY '76 budget request includes about $10.2 billion to "maintain for our nation, now and for the future, one of its priceless assets—technological initiative."

The latter figure is the aggregate of what the Defense Department and the individual services propose to spend on the full-scale development of new weapon systems as well as on what Dr. Malcolm R. Currie, Director of Defense Research and Engineering, calls the "creation of new technology options."

The latter category, he points out, represents the cutting edge of military technology and is essential to permit "those who follow us to shape their own destinies based on conditions that will exist in their own times."

About forty percent of DoD's proposed research, development, test, and evaluation (RDT&E) budget is earmarked for the creation of such options. Dr. Currie told Air Force Magazine that under DoD's five-year budget forecast, funds requested for new technology are to go up by about ten percent annually—in real as opposed to inflated dollars—over the next five years in order to "revitalize that crucial part of our technological effort."

He has found strong congressional interest in reversing the decline of defense-related basic and exploratory research that "has decreased forty percent over the last decade." Because of the significantly greater Soviet level of effort in defense-related technology that "seeks to wrest the initiative from us," there is increasing awareness that "national survival" is at stake, he added.

Compounding the gravity of a shrinking U.S. technology base, in the view of DoD leaders, is that "in today's environment we must look to technological advantage to compensate for the limitations on the number of modern weapons that we can afford to buy and operate or that we are allowed by treaty agreement."

UNITED STATES VERSUS SOVIET APPROACH

The U.S. approach to defense R&D, in Dr. Currie's view, is essentially a search for "quantum jumps. We seek to push back frontiers of technology, attain substantially higher plateaus of capability, and find revolutionary solutions. We foster a competitive environment that stresses innovation and is receptive to new technology and keyed for rapid change.

"By contrast, the Soviet approach could be broadly characterized as 'constructive incrementalism.' Soviet R&D institutions and the requirements-generation process that underlies them have in the past been committed essentially to step improvements of existing systems and components. When incrementalism is the dominant deployment strategy, risks are fewer and the personal cost of failure less."

Even though the Soviets seem to prefer a policy of low-risk evolution, they have "learned that a reactive policy in military technology is not enough to give them military superiority. We now see them working hard to change the technology balance by trying to gain the initiative in man areas of military R&D."

Many aspects of the USSR's military R&D program are obscure, but "we know its management is highly centralized, its priorities are the highest in the Soviet economy, and its guidance and control come directly from the Politburo—about half of whose members have technical backgrounds," according to Dr. Currie.

The Politburo's strong support of the Soviet science and technology effort is backed by a strong resolution of the Communist Party's Central Committee, which states that "the development of Soviet science has specific significance [at this time] when the scientific-technological revolution has become the most important area in the competition of the two opposed world systems."

The execution of R&D policy is assigned to the Council of Ministers, seventy-five percent of whom have technical backgrounds, according to DoD intelligence. Military R&D, Dr. Currie explained, is carried out by a large system of research institutes and design bureaus managed by at least eight ministries of defense industry.

"The innocuous names of some of the ministries—such as General Machine Building, Medium Machine Building, or Shipbuilding—belie their actual management roles. More than eighty-five percent of their research institutes deal with the natural sciences and engineering," Dr. Currie said.

In narrow areas of technology, DoD believes, the Soviets can "mount sizable efforts and accelerate their rates of technical advance. In several areas they are ahead of us. Overall, however, the Soviet system seems to discourage real innovation and, despite what we perceive as large-scale development efforts, they frequently fall short of what we accomplish with far less direct effort."

On balance, "I believe that the American 'new technical plateau' approach to defense R&D is superior to an approach dominated by conservative incrementalism. Our approach is an expression of our national character. We should understand it and not denigrate it. It has provided us—so far—with the broad technological initiative," Dr. Currie said.

SOVIET STRATEGIC TECHNOLOGY

During the past decade, the United States developed and deployed five strategic missile systems, counting the SRAM air-to-ground missile. During the same period, the Soviets produced fourteen new offensive strategic missile systems. According to DoD reckoning, the pace of Soviet research and development of strategic systems during the past three years "is more than double" the rate of the preceding seven years. "The Soviet Union shows every sign of continuing to concentrate a major portion of its military RDT&E on strategic weapons, both offensive and defensive," according to Dr. Currie.

Emphasizing that there are gaps and unknowns in this country's understanding of Soviet technological programs and intent, he added that "our concern for these enigmas is profound. Can the Soviets develop some exotic technology for application to actual weapon systems, and, if so, will our own technological resources be adequate to counter or offset them?

"These enigmas in toto may represent a significant percentage of the Soviet military RDT&E budget. Furthermore, many of them have an apparent or possible relationship to vital mission areas of our forces. Some enigmas appear to be related to strategic missiles; others may be oriented toward new approaches to ballistic-missile defense; and some may be directed against our fleet of ballistic-missile submarines."

The strong and accelerating Soviet technology efforts in ASW make it "impossible to predict when a significant threat to the survivability of our SSBNs will arise. There are simply no reliable indicators we can use," in Dr. Currie's view.

The US Navy's new Trident submarines, with their long-range missiles and reduced detectability, are one answer to the ASW challenge. The other is continued reliance on the strategic Triad.

There is increased recognition among US defense planners that while the vulnerability of silo-based ICBMs may increase as Soviet missile throw weight and accuracy improve, it will never be total. The central reason is that the long flight time of attacking ICBMs and the timing constraints associated with massive nuclear attacks make complete surprise impossible.

Also, since Soviet gains in throw weight and accuracy can be reasonably well measured, the degree of vulnerability can be calculated and counterbalancing measures taken. Conversely, while the US SLBM force is considered highly survivable, a technological breakthrough by the Soviets—perhaps unknown to the US—could categorically jeopardize the US sea-based deterrent.

The potential for advances in ASW, of course, is not confined to the Soviet Union. As Dr. Currie pointed out, the Defense Advanced Research Projects Agency (ARPA, an element of DDR&E), in conjunction with the US Navy, demonstrated recently that present capabilities can be improved "greatly" and that "further significant gains" can be made.

ARPA's Director, Dr. George H. Heilmeier, told a congressional subcommittee that "we are initiating a major new thrust to explore the limits of detection and localization of submarines. This work is an outgrowth of ARPA efforts on acoustic array signal processing technology. This program, called Seaguard, will explore the physical limits of acoustic propagation of submarine-generated noise in the ocean . . . using the giant ILLIAC IV computer previously developed by ARPA. Our goals in this initiative are to dramatically improve the technology of detection and localization of submarines." Sorting out the noise signature of submarines from the ocean's natural noise clutter requires enormous computer capabilities.

A pivotal question arising from the strategic arms limits arrived at by the 1974 Vladivostok understanding is how to best allocate the 1,320-MIRV ceiling to ICBMs and SLBMs. Within that limit, "should we develop improved capability for Trident where survivability is better than ICBMs, but equivalent accuracy is more difficult to attain? Or should we develop an improved ICBM with greater throw weight for fixed silo and/or mobile applications, and reduce MIRVs in other systems? The Secretary [of Defense] and everybody else is looking at these questions right now. We have a study going on to find out what represents the optimal mix and what will give us the best return on our investment," Dr. Currie told AIR FORCE Magazine.

IMPROVING TRIAD

Whatever the outcome of the current analyses, there is the pervasive requirement for "flexible strategic deterrence in the years ahead. As a result, we are going ahead with initiatives for options to improve the accuracy and yield of our strategic systems," Dr. Currie said.

So far as SLBMs are concerned, he said, DoD has slowed efforts to improve accuracy "in recognition of the very difficult problem of choosing the most appropriate solutions." The Trident I missile, also referred to as the C–4, according to Dr. Currie, "hopefully will have the same accuracy as the Poseidon missile. Going from a large of about 2,000 miles to about 4,000 degrades accuracy but we expect to offset this by improved guidance. We have made no provisions for radical guidance improvements—such as terminal guidance—so far as Trident I is concerned."

Trident I is to be deployed on a new class of SSBNs bearing the same name, as well as retrofitted into thirty-one currently operational Poseidon submarines. The new missile's increased range is expected to extend the SSBNs' operating range fourfold and it's possible to base the boats in US ports without reducing time on patrol. In fact, shorter intervals in port will increase alert rates.

For the moment, DoD does not plan on providing Trident I with maneuvering reentry vehicles (MARV), but is keeping open that technological option if "we see the extensive Soviet R&D effort on ABM technology being transformed into operational hardware."

(The Defense Department explores MARV technology for two reasons. They can follow an erratic flight path to evade interceptor missiles. Or they can use their manuevering capability to increase accuracy. In part, this can be achieved by flying steep reentry angles to minimize the so-called displacement error—as opposed to shallow angles which magnify it.)

The follow-on to the C–4 SLBM, called Triden II, Dr. Currie told AIR FORCE Magazine, "at present is not yet clearly defined. An intensive study on this subject has recently been initiated." Both the MK 12A and the LABRV, or large ballistic reentry vehicle, are among the warheads under consideration for Trident II, he said. MK 12A is a high-yield warhead for Minuteman III currently in engineering development.

LABRV has yet greater yield with "enough desirable attributes to make it a candidate RV for Trident II or MX," according to Dr. Currie. The Air Force, as the executive agency of the triservice ABRES (advanced ballistic reentry systems) program, expects to demonstrate that the warhead, designed by the Energy Research and Development Administration, can be packaged into a reentry vehicle of acceptable size and performance.

THE MX QUESTION

Of the options open to the United States under the SALT I Interim accord and last year's Vladivostok agreement, "accuracy seems the most broadly applicable, and is receiving the most attention" as a means for offsetting the widening Soviet lead in ballistic missile throw weight, according to Dr. Currie.

"Accuracy is the crucial tool needed for executing limited options; it allows high probability of kill while minimizing collateral damage . . . and has an exponential effect on the destructiveness of a weapon against a hard target. But high accuracy is much more difficult to attain with SLBMs than with ICBMs. One should not oversimplify and assume that the accuracy levels of Minuteman apply to Trident," Dr. Currie said.

This factor and the "lower yield available for existing and near-term SLBMs make it advisable to proceed at a more deliberate pace in examining the spectrum of possible technological options to improve SLBM accuracy," he pointed out.

Conversely, the "initial counter" to gains in Soviet offensive strategic capability must be the continued improvement of Minuteman's accuracy, yield, and silo hardening initiated last year. Better ICBM accuracy is also important, Dr. Currie told this reporter, because accuracy levels assumed in the past may have been too high.

Work in this regard includes modification of RV designs to allow for the effects of environmental conditions in the target area based on newly acquired knowledge, and research on geodetic and gravitational factors that "contribute significantly to the total CEP of ballistic missiles," he said. New instruments and techniques are being used—including sophisticated satellite radar altimetry and satellite-to-satellite tracking—to "refine our knowledge of the shape of the earth and the local anomalies of the gravitational field."

Two events in 1974 affect USAF's MX advanced ICBM program, Dr. Currie told this reporter: "The fact that the Vladivostok agreement put an upper cap on the number of central launch systems and MIRV weapons, coupled with DoD's goal to seek mutual restraints on strategic nuclear forces. If the Soviets show restraint in SALT II [currently in progress] and in the tempo of their development and deployment efforts, we will reciprocate within the framework of perceived equivalence."

The pace of the MX program has also been "significantly reduced as a result of our judgment concerning the time-scale of the threat to land-based ICBMs and the overall constraint in fiscal resources." The Minuteman force, as presently constituted, is now believed to remain survivable beyond the mid-1980s rather than the early 1980s as though earlier.

Concurrent with slowing down MX development, the Defense Department also shifted the program's focus more toward increased throw weight and away from an initial capability for mobile basing.

"While existing silos may become vulnerable in the future, the attractive features of least cost, good accuracy, excellent command and control, and least operation and maintenance cost may make it advisable to plan for initial basing in these silos with subsequent rebasing to a mobile mode if required by threat evolution. This more lengthy time-scale will also allow us to address the more difficult problems associated with mobile basing," Dr. Currie said.

MX is in a "very fluid state." It is reasonably certain that, if implemented, MX "would be somewhat larger than Minuteman to lessen the throw weight imbalance. But, as currently envisioned, MX would give us far less throw weight than needed to fully offset what would be available to the Soviets if they opt for massive deployment of the SS–19s and SS–18s."

UMI

While it is technically possible to build an advanced ICBM weighing more than 150,000 pounds and suitable for existing silos as well as air launch, there is "also the chance that we might build something smaller, depending on propellant efficiencies, staging, expected deployment dates, and the risks we are willing to run," he said. The synergistic effect of advanced technology in nozzle technology, materials, staging, propellants, and other elements makes it possible to design MX "with several times the throw weight of Minuteman," according to Dr. Currie.

Sophisticated guidance options for MX as well as Trident II are being explored by the USAF-managed ABRES program. These techniques include terminal-guidance approaches used for precision-guided tactical weapons.

"We are carefully sorting out—initially by analysis, later by component development and test, and finally by flight-test demonstrations—which technical approaches are most promising. At the moment, the ones that appear competitive are TERCOM, an altimeter-profile matching scheme that has already been flight-tested; MICRAD, a microwave radiometer approach; RADAG, a radar cross-section correlation technique; and several laser and optical approaches," as well as tie-ins with the future Satellite Global Positioning System, according to Dr. Currie.

THE AIR-LAUNCHED CRUISE MISSILE

Terminal guidance, especially TERCOM, is being pioneered and refined as a central part of the Navy and USAF cruise-missile programs. An "all-up" flight-test of the prototype cruise missile (ALCM, for "air launched" in case of USAF, and SLCM, for "sea launched" in the Navy version) is scheduled for late 1976, Dr. Currie told this reporter. The two advanced development programs share such common components as engines, guidance, and warhead. The Air Force plans to delay engineering development of ALCM until after successful completion of next year's flight-test.

"If it turns out that TERCOM won't work—we are quite confident that it will—then we would have to develop one of the other guidance options. This would stretch out the program and delay the missile's operational availability considerably," Dr. Currie said.

In the view of the Defense Department and the Air Force, an air-launched cruise missile "may be required to complement the pure penetrating bomber in advanced-threat environments, particularly SAMs, but the extent of the need depends on how the threat evolves."

The first generation of ALCM, Dr. Currie said, most likely "will be subsonic because the present state of technology makes this more cost-effective. For the generation after that we probably will have to consider the addition of at least a supersonic dash capability. We are exploring technologies that show promise for supersonic low- as well as high-altitude flight in connection with cruise missiles."

The Defense Department's range of technology work in the strategic area, in Dr. Currie's view, is designed to do double duty: to preserve essential equivalence with the impressive Soviet momentum, and "to encourage the Soviets to negotiate future arms limitations by convincing them of the futility of attempting to surpass us." Neither of these objectives seems attainable unless the U.S. succeeds in safeguarding what Dr. Currie calls this nation's priceless, albeit, "ephemeral asset, the technological initiative."

REMARKS OF SENATOR MANSFIELD BEFORE THE SENATE DEMOCRATIC CONFERENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement I made this morning before the Senate Democratic conference be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR MIKE MANSFIELD (D., MONTANA) BEFORE THE SENATE DEMOCRATIC CONFERENCE

This meeting has been called to consider several matters pertaining to the internal operations of the Senate. The leadership would appreciate, for its guidance, a general discussion of these questions by the conference.

First, I turn to the handling of energy legislation. Let me say, at the outset, that I disagree with the President on his substantive approach to this problem. Raising taxes on imported oil as the administration has done can only act to hasten the dwindling of our remaining domestic petroleum resources and add to the price of gasoline, fuel oil for home heating, and countless other petroleum products. It does little, if anything, in the way of conservation of this essential resource. The administration's approach, moreover, amounts to rationing by price increases—particularly with regard to essentials such as gasoline and home heating oil—and the burdens fall heaviest on those least able financially to sustain them. There are other ways to deal with petroleum shortages and international petroleum blackmail, as the ad hoc committee of this conference headed by Senator PASTORE has made clear in its report. There are ways in which the burdens would be borne more equitably by all Americans and the higher premiums would be paid by those who waste this critical raw material.

Much as I disagree with the administration's substantive approach, however, I must say in all candor that the President has cooperated with the Congress. He has not been arrogant or high-handed in his handling of the problem. He was willing to and he did postpone putting into effect the second increase in the import duty on petroleum in order to give Congress an opportunity to legislate alternatives. But, what has been forthcoming from the Congress? Plenty of words but where is the legislative action? Where are the alternatives to the President's approach?

I want to say that the Senator from Rhode Island and his ad hoc committee of the conference have sought by every means available to break the congressional log jam on this issue. That is what the leadership asked and they tried—they tried very hard to do so. They devised reasonable alternatives to the administration's approach of price increases on petroleum products. Their approach was based largely on enforced conservation. Yet, their efforts to convert these alternatives into legislation are still wandering in the thickets of the congressional committee structure and along the pathways which connect the two Houses. The House has its own problems in that connection. Insofar as the Senate is concerned, much as I am reluctant to say it, the problem is in good part the result of the scattering of jurisdiction among many committees and subcommittees and their staffs with regard to this central economic issue. In this connection, I am advised that some claim of jurisdiction on the new Energy Research and Development Administration is made by 33 congressional committees and 65 subcommittees. In the scant half-year that ERTA has been in existence, its representatives have already had to appear before six full committees and 27 subcommittees of 13 different committees. To be sure, many of these committees and subcommittees are on the House side. To be sure, too, there are probably dozens upon dozens of executive agencies and subagencies—far more than in the Congress—which have a hand in the energy pot. Our concern in the first instance, however, must be with the Senate's situation. We can and must answer for the Senate's approach. At least here in this body we can attempt to set our own jurisdictional and procedural house in order.

It is the leadership's thought that the energy problem will be with us for a long time. It is not solely a matter of dwindling petroleum resources or even of petroleum blackmail. The problem is a multisided and interrelated problem. It has as much to do with rising demand and the development and use of all potential energy resources as it has to do with current availabilities of petroleum. However, it is approached, the way in which the energy issue is confronted and resolved is likely to remain the key to maintaining a healthy and productive economy in this Nation for the foreseeable future.

In the circumstances, the leadership would like to have the conference address its attention to the desirability of creating a new committee, with legislative powers, to handle all energy-related matters. I should note that the Senate minority leader has already indicated an interest in this approach and the Senator from Kentucky (Mr. FORD) and many others have done the same.

To be sure, it will be difficult to delineate a new jurisdiction of this kind. But it should also be recognized, as the conference will recognize, I am sure, that the people of the Nation have the right to be served by the Senate as a whole in this critical matter and that it is the responsibility of this conference and the Senate as a whole to determine the internal organizational structure which will best fulfill that purpose.

This, then, is one question on which the leadership would appreciate the views of the Members. We would like, in particular, to determine if the conference wishes this matter pursued further with the minority leadership and the Rules Committee.

On a second matter, just before the Memorial Day recess, the leadership met for luncheon with a group of new Democratic Senators of the last two classes. Their views were solicited on the range of difficulties and ambiguities which they have perceived in the conduct of Senate business and in the operations of their offices.

The meeting was, as the leadership and the Members present wished it to be, vigorously outspoken. These Members and, I am sure, others of the two classes had many criticisms of the primitive and essentially, haphazard consideration which is given to their basic operational needs in such matters as staffing, office space, pay, and allowances and so forth.

These Members have found it, for various reasons of procedure and inadequate administrative support, at times, virtually impossible to function in the capacity for which they were elected. While they were speaking of personal experiences, they were in a sense, addressing themselves to a larger question. That question involves the quaint way—to describe it most sympathetically—in which the Senate as a whole treats its overall administrative needs in the light of the immense and everincreasing demands which are being made on this body.

We skimp on stationery and supplies, and office equipment without noting how this false economy may compel the employment of more office help and prevent reasonable communication with large constituencies. We are operating, it would seem, in the last quarter of the 20th century with office space, facilities, equipment, techniques, and personnel rosters which are more in line with the circumstances of the first quarter. We shortchange the office of Senator in many ways and, hence, shortchange the constituencies which have sent Senators here to do their business and to maintain the Senate as an institution able to sustain the people's confidence and trust. Why? For purposes of economy or for fear of criticism, sometimes thoughtless and sometimes well taken?

In the discussion with the newer Members various questions arose having to do with support, personnel, quarters, excessive committee and subcommittee meetings, pay and allowances of Members, equipment, automation, management-techniques and practices and so forth.

It was recognized that any effort by the Senate itself to deal with these problems is subject to a high degree of subjectivity and public misunderstanding. For that reason, a proposal initially advanced by Senator CULVER and concurred in by other Members present seemed to the leadership to warrant the full consideration of the conference. The suggestion was that a blue ribbon commission be appointed by the leadership which would consist of persons of unimpeachable reputation, presently outside of Government, to examine fully, objectively, and on a comparative basis with other Government offices and private organizations into the range of perquisites, services, and support on which the effective functioning of the Senate is dependent.

The commission would make such recommendations on office facilities, staffing, and what not as it believed necessary to the effective contemporary operations of this body. The leadership was most impressed by this proposal and would like to pursue it with the minority leadership but, first, would like whatever comments may be forthcoming from the conference.

Finally, I would like to read to the conference a letter signed by several Members of both parties. It deals with the manner in which the Senate schedules its business and votes on issues.

[Letter omitted.]

The meeting is now open and the leadership would appreciate it if the discussion would proceed in the following order:

First, on the question of a single Committee on Energy.

Second, on the proposal for a blue ribbon commission on internal Senate procedures and support services.

Third, on the proposal for changes in the method of scheduling business and voting.

ORDER FOR CONSIDERATION OF H.R. 6698 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees are recognized in their standing order tomorrow, the Senate proceed to the consideration of H.R. 6698, relating to public assistance programs.

This has been cleared, I understand, on both sides of the aisle. Mr. LONG will be on the floor tomorrow to handle this measure. I would ask that the measure not be passed until Mr. LONG has had an opportunity to offer an amendment to it.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR LONG TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. LONG be recognized for not to exceed 15 minutes after the two leaders or their designees have been recognized under the standing order tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO RESUME CONSIDERATION OF S. 920 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of H.R. 6698 tomorrow morning, or within not to exceed 30 minutes after the two leaders or their designees have been recognized under the standing order, the Senate resume consideration of the military authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HELMS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow morning, and prior to the recognition of Mr. LONG, Mr. HELMS be recognized for not to exceed 10 minutes.

The PRESIDING OFFICER. Is that prior to the bill H.R. 6698 being called up?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the Hartke amendment (No. 489) there be a time limitation of 40 minutes, to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the Hartke amendment, the following amendments be called up in the order stated and that a time limitation on each be as indicated:

Amendment No. 488 by Mr. HATHAWAY, 20 minutes.

Amendment No. 518 by Mr. CULVER, 15 minutes.

Amendment No. 532 by Mr. KENNEDY, 30 minutes.

Amendment No. 534, by Mr. TOWER, 1 hour.

Amendment No. 491 by Mr. JACKSON, 40 minutes.

Amendment No. 492 by Mr. JACKSON, 1 hour.

Amendment No. 517 by Mr. HUMPHREY, 1 hour.

Amendment No. 514 by Mr. PROXMIRE, 20 minutes.

Amendment No. 515 by Mr. PROXMIRE, 40 minutes.

Amendment No. 537 by Mr. GRAVEL, 20 minutes.

Amendment No. 536 by Mr. GRAVEL, 1 hour.

Amendment No. 529 by Mr. WEICKER, 20 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. GRIFFIN. Mr. President, reserving the right to object, I wish to inquire of the distinguished majority whip if these several agreements relating to time limitations do not supersede or change the previous agreement that the vote on passage will occur at 6 o'clock p.m. tomorrow?

Mr. ROBERT C. BYRD. The distinguished Senator has raised a good question. I ask unanimous consent that the vote on passage of the bill tomorrow occur no later than 6 o'clock p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I believe that time has been fixed already.

The PRESIDING OFFICER. The Senator is correct.

Mr. THURMOND. And would remain, unless changed, and that would require unanimous consent, I believe.

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. The Senator is correct, but I thought it well, for the RECORD, just to nail it down again.

ORDER FOR NO ROLLCALL VOTES PRIOR TO 12 NOON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, in order that committees may meet tomorrow until noon, I ask unanimous consent that no rollcall votes occur prior to the hour of 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR BACKED-UP ROLLCALL VOTES TO BE LIMITED TO 10 MINUTES IN LENGTH

Mr. ROBERT C. BYRD. Mr. President, I have not cleared this request, but I ask unanimous consent that all backed-up votes tomorrow be limited to 10 minutes on each rollcall.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DESIGNATING SEQUENCE OF ROLLCALL VOTES TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent that all rollcall votes ordered tomorrow prior to the hour of 12 noon occur beginning at the hour of 12 noon in the sequence ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR GARY W. HART ON MONDAY, JUNE 9

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Colorado (Mr. GARY W. HART) be recognized for not to exceed 15 minutes on Monday, June 9, after the two leaders or their designees have been recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR CLARK ON TUESDAY, JUNE 10

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday, June 10, the Senator from Iowa (Mr. CLARK) be recognized for not to exceed 15 minutes, after the order which I believe has already been entered for the recognition of Senator TALMADGE on that date.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR GLENN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the Senator from Louisiana (Mr. LONG) has been recognized for the purpose of calling up H.R. 6698, and that measure has been disposed of, the Senator from Ohio (Mr. GLENN) be recognized for not to exceed 10 minutes, just prior to the resumption of the consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I shall now state the program for tomorrow.

The Senate will convene at 9 a.m.

After the two leaders or their designees have been recognized under the standing order, the Senator from North Carolina (Mr. HELMS) will be recognized for not to exceed 10 minutes, after which the Senator from Louisiana (Mr. LONG) will be recognized for not to exceed 15 minutes for the purpose of calling up H.R. 6698, and upon the disposition of that measure and following the conclusion of Mr. LONG's remarks, the Senator from Ohio (Mr. GLENN) will be recognized for not to exceed 10 minutes, after which the Senate will resume the consideration of the unfinished business, the military procurement authorization bill.

The pending question at that time will be on agreeing to the amendment (No. 489) by Mr. HARTKE, on which there is a time limitation of 40 minutes. On the disposition of that amendment, if a rollcall vote is requested, that rollcall vote will not occur until the hour of 12 noon.

After the Hartke amendment, the Senate will proceed to the consideration of amendment No. 488 by Mr. HATHAWAY. That amendment has a 20-minute time limitation.

The Senate will then take up amendment No. 518 by Mr. CULVER, with a 15-minute time limitation thereon.

Amendment No. 532 by Mr. KENNEDY will then be called up, and there is a time limitation of 30 minutes on that amendment.

Mr. TOWER will then call up his amendment No. 534. There is a time limitation of 1 hour thereon.

Mr. JACKSON's amendment No. 491, on petroleum, will then be called up, and there is a time limitation of 40 minutes on that amendment.

Mr. JACKSON's amendment No. 492, the Israel amendment, will then be called up, and there is a time limitation of 1 hour on that amendment.

Mr. HUMPHREY's amendment No. 517 will then be called up, with a time limitation on that amendment of 1 hour.

Mr. PROXMIRE's amendment No. 514 will then be taken up, with a time limitation of 20 minutes, to be followed by Mr. PROXMIRE's amendment No. 515, with a time limitation of 40 minutes.

Subsequent thereto, Mr. GRAVEL will call up his amendment No. 537, with a time limitation thereon of 20 minutes, after which Mr. GRAVEL will call up his amendment No. 536, with a time limitation of 1 hour.

Mr. WEICKER will then call up his amendment No. 529, with a time limitation thereon of 20 minutes.

Mr. President, that completes the list of such amendments as I am aware of. Under the agreement previously entered, the final vote will occur on the passage of the bill no later than 6 o'clock p.m.; and it would certainly be my hope that the Senate could complete action earlier than 6 o'clock p.m. I believe that if Senators will attempt, tomorrow, to restrain themselves in calling for rollcall votes, thus allowing the Senate to act by voice votes, which are just as effective as rollcall votes, we can save a considerable amount of time.

Perhaps the Senators can yield back some of the time on some of the amendments tomorrow and save additional time.

According to my count, there were 13 amendments listed. If there were a rollcall on each of those amendments, that would be 130 minutes. That is 10 minutes per rollcall, which is better than we usually do. That would require 2 hours and 10 minutes just for rollcall votes, if a rollcall vote is requested on each of the amendments.

So, with a little luck and a good bit of restraint, the Senate ought to be able to finish its work before 6 p.m. tomorrow, but I would keep my fingers crossed.

Mr. President, I want to be sure that the agreement with respect to H.R. 6698 is clearly understood. After the Senator from North Carolina (Mr. HELMS) is recognized tomorrow, the Senator from Louisiana (Mr. LONG) is to be recognized for not to exceed 15 minutes, and under the order previously entered that measure will come up, and it would be anticipated that the Senator from Louisiana (Mr. LONG) would be in the Chamber by that time; but in any event the bill is not to pass until the Senator from Louisiana has had an opportunity to call up an amendment to that measure.

The PRESIDING OFFICER. That statement is correct.

Mr. ROBERT C. BYRD. Yes.

I also want to be sure that I am correct in stating that the time limitation on that measure is 30 minutes.

The PRESIDING OFFICER. It is 30 minutes after the two leaders, and with the 10 minutes that will make it close.

Mr. ROBERT C. BYRD. The Chair is correct, and I thank the Chair.

Mr. President, the time on H.R. 6698 I think will take less than 5 minutes, but I ask unanimous consent that there be no more than 30 minutes on that bill, including the time on the amendment thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask that the time on that measure be equally divided between the Senator from Louisiana (Mr. LONG) and the distinguished minority leader, or his designee—I do not anticipate any problem—and that the time on the amendment come out of the 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the Senator from Ohio (Mr. GLENN) will be recognized, and then upon the completion of his order the Senate will resume consideration of the unfinished business. Is that not correct?

The PRESIDING OFFICER. That is correct.

As to the order of the Senator from Ohio and with the time schedule of the Senator from West Virginia, the Chair is not a mathematician, but it comes to exactly 8 hours with 2 hours plus for rollcalls. That puts it an hour and 10 minutes over the 6 p.m. time schedule. So I hope the restraint is here tomorrow that the Senator desires.

Mr. ROBERT C. BYRD. I thank the Chair for his supporting statement.

Mr. President, let me think for a second, if the Chair will indulge me.

The PRESIDING OFFICER. The Chair will be delighted to indulge the Senator from West Virginia. His night has been spoiled anyhow.

Mr. ROBERT C. BYRD. Mr. President, was there a period for the transaction of routine morning business today?

The PRESIDING OFFICER. There was not.

Mr. ROBERT C. BYRD. There was not?

The PRESIDING OFFICER. Today there was, yes.

Mr. ROBERT C. BYRD. There was. Very well.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and at 9:55 p.m., the Senate adjourned until tomorrow, Friday, June 6, 1975, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 5, 1975:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

William J. Kendrick, of Maryland, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1979, vice Luther Holcomb, term expired.

IN THE AIR FORCE

The following officer to be placed on the Retired List in the grade indicated under the provisions of Section 8962, Title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Edmund F. O'Connor, 018-14-4088FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officer for reappointment to the active list of the Regular Army and Army of the United States with grade as indicated, from the Temporary Disability Retired List, under the provisions of title 10, United States Code, section 1211:

To be major general, Regular Army and Major general, Army of the United States

Frederick William Boye, Jr., 224-52-3849.

IN THE MARINE CORPS

In accordance with the provisions of title 10, U.S. Code, Section 5232, Maj. Gens. Robert H. Barrow and Leslie E. Brown, U.S. Marine Corps, having been designated for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade of lieutenant general while so serving.

EXTENSIONS OF REMARKS

CORETTA SCOTT KING KEYNOTE SPEAKER AT PHILLIS WHEATLEY ASSOCIATION SPRING LUNCHEON IN CLEVELAND

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. STOKES. Mr. Speaker, on June 7, 1975, Mrs. Coretta Scott King, the widow of the late Reverend Doctor Martin Luther King, Jr., will be the keynote speaker at the Phillis Wheatley Association's spring luncheon at the Cleveland Plaza Hotel. Our city is honored to receive this most distinguished guest, and I take this occasion to express the gratitude of the entire community that this remarkable woman has chosen to grace us with her presence.

I am proud of my personal association with Mrs. King, and pleased to pay tribute to her many outstanding accomplishments. As a member of the board of trustees of the Martin Luther King, Jr. Center for Social Change, I have had the privilege of joining Mrs. King, the president of that organization, in various activities and projects across the Nation in furtherance of the great goals to which her late revered husband aspired. It was my privilege to enjoy the personal friendship of Dr. Martin Luther King, Jr., a man who I consider a great leader as well as one of the finest human beings I have ever known. His dream of brotherhood and equality lives on in the dedicated efforts of his courageous wife, who has won the admiration of the international community for her own commitment to humanity.

Mrs. King's appearance in Cleveland will be the highlight of the year for the Phillis Wheatley Association, an organization which enjoys a well-deserved reputation in our town for projects like this one which benefit the entire community.

I call on my colleagues to join me in paying tribute to Mrs. Coretta Scott King and wishing her a very pleasant visit to Cleveland. In order that my colleagues will be familiar with her accomplishments I call their attention to her remarkable VITA:

VITA: CORETTA SCOTT KING (MRS. MARTIN LUTHER KING, JR.)

President—The Martin Luther King, Jr. Center for Social Change.

Office address—671 Beckwith Street SW., Atlanta, Georgia 30314.

Office telephone number—404/524-1956.

Place of birth—Marion, Alabama.

Marital and family status—Mrs. King was married to the Reverend Doctor Martin Luther King, Jr., on June 18, 1953. Dr. King was assassinated April 4, 1968, in Memphis, Tennessee. There are four children by the marriage: Yolanda Denise (b. November 17, 1955); Martin Luther III (b. October 23, 1957); Dexter Scott (b. January 30, 1961); and Bernice Albertine (b. March 28, 1963).

Education—Lincoln High School, Marion, Alabama; B.A., Antioch College, Yellow Springs, Ohio—combined major in music and education; Mus. B. New England Conservatory of Music, Boston, Massachusetts—major in voice.

Profession—Organization president; concert singer; freedom concert singer; lecturer; author.

During the summer of 1967, Mrs. King called together a few of her husband's associates to discuss a library project for housing Dr. King's papers. After the assassination of Dr. King in 1968, this group was augmented with members of Dr. King's family and other associates to establish The Martin Luther King, Jr. Memorial Center. Mrs. King was elected president of The Center and continues to serve in that office. In 1972, The Center was officially renamed The Martin Luther King, Jr. Center for Social Change. The Boards of Directors and Trustees of The Center are charged with the responsibilities of planning and implementing ongoing programs, fund-raising, and building an appropriate site from which The Center's programs will be constructed. Since 1968, The Center has operated from a temporary location which has archives, a reading room, exhibition area and administrative offices. However, land has been acquired on which The Center will be constructed (ground was broken on January 15, 1975 for the first phase of construction), Dr. King's Birth Home has been restored and opened to the public; and Information Facility has been opened.

Music background.—Mrs. King began the study of voice and music at Lincoln High School in Marion, Alabama, and continued it at Antioch College, where she also added the study of violin. She sang with the choruses of both institutions and in their musical productions. While attending the New England Conservatory of Music, she was a member of the Conservatory Chorus which performed annually with the famed Boston Symphony; she sang regularly with the Old South Church Choir, and premiered the song cycle, "Motivos de Son," by Cuban composer, the late Amadeo Roldan at the New England Conservatory.

Lecturer—During Dr. King's lifetime, Mrs. King occasionally substituted for him as speaker and at the same time frequently appeared in her own right before church, civic, college, fraternal and peace groups, throughout the United States, both as a speaker and as a concert artist. Since Dr. King's assassination in 1968, Mrs. King has lectured from major platforms in America and abroad including: Parliament House, New Delhi, India; Women's University, Bombay, India; Boston, Brandeis, Harvard and Yale Universities; also St. Paul's Cathedral and Central Hall (Westminster Abbey) London, England; Bethune-Cookman, and Morehouse Colleges.

Freedom concerts.—Mrs. King developed and performs the Freedom Concert as her own contribution to the Civil Rights Movement. The Freedom Concert combines prose and poetry narration with music in order to present the history of the Movement. In December of 1956, in a concert at Manhattan Center celebrating the first anniversary of the Montgomery Bus Protest, Mrs. King put some material about Montgomery, Alagama into the last section of her concert combining narration with song. This was so well received that Mrs. King began experimenting with the combination, and the first official Freedom Concert was performed at Town Hall (New York City) in November, 1964. This was a benefit for the Southern Christian Leadership Conference and the

UMI

Chaney-Goodman-Schwerner Foundation in memory of the three slain civil rights workers killed in Mississippi during 1964. Since the assassination of Dr. King. Mrs. King has revised the Freedom Concert which she premiered in Amsterdam, Holland, during a 1970 European tour. Proceeds from the Concert have been donated to the Southern Christian Leadership Conference and The Martin Luther King, Jr. Center for Social Change. Subsequent performances of the revised concert have been given in Cincinnati, Ohio and Newark, New Jersey.

Author—Mrs. King has written articles for Good Housekeeping, 1964 and 1968; New Lady; the National Catholic Reporter; McCall's; Roto; The Church Woman; The Upper Room; Theology Today. She contributed the chapter, "Can Atlanta Become a Mentally Healthy Community?" to the book Exploring Mental Health Perameters; she also contributed a chapter to a book about Sen. Robert F. Kennedy and she wrote liner notes for the Robert F. Kennedy Memorial Album, as well as the forewords to two books by Martin Luther King, Jr., Trumpet of Conscience, published posthumously, and the memorial edition of Where Do We Go From Here: Choas or Community?

Mrs. King's book, My Life With Martin Luther King, Jr. (Holt, Rinehart and Winston, 1969) was a major publishing event. It was serialized in Life Magazine and the major newspapers of this country; selected by the Book-of-the-Month Club; and included in the 1969 Fall edition of Reader's Digest. Condensed Books. The book has been published in 12 foreign languages. It has been best seller in Germany, Holland, Sweden and Finland, and was number-one on the British best seller list for a number of weeks. In October, 1970, it was also issued in a paperback edition (Avon Books). Excerpts from My Life With Martin Luther King, Jr. read by Mrs. King were released on a three album recording (Caedmon Records) March, 1972.

Recognitions and Awards (Selected).

1957—National Council of Negro Women—Annual Brotherhood Award.

1962—National Association of Colored Women's Clubs—Distinguished Achievement Award; similar award was presented by the same organization in 1973.

1962—Delegate, Seventeen Nation Disarmament Conference, Women Strike For Peace, Geneva, Switzerland.

1968—Society for the Family of May—Award for Excellence in the Field of Human Relations.

1968—Premio San Valentine Committee, Verona, Italy—Universal Love Award; first non-Italian to receive it.

1968—Wateler Peace Prize.

1969—International Overseas Service Foundation—The Pacem in Terris Award—"For Outstanding contribution to world peace and free thought.

1969—World Organization of Diplomatic Press—Academie Diplomatique de la Paix."

1971—The Martin Luther King Memorial Medal—City College of New York.

1971—International Viareggio Award, "Il Premio Viareggio" for the work, My Life With Martin Luther King, Jr.

Honorary degrees: (Partial listing):

Doctor of Humane Letters, Boston University, 1969.

Doctor of Human Letters (Honoris Causa) Marymount-Manhattan College, 1969.

Doctor of Humanities, Brandeis University, 1969.

Doctor of Humanities, Wilberforce University, 1970.

Doctor of Humanities (Honoris Causa) Bethune-Cookman College, 1970.

Doctor of Humane Letters, Morehouse College, 1970.

Doctor of Humanities (Honoris Causa) Princeton University, 1970.

Doctor of Music, New England Conservatory of Music, 1971.

Doctor of Laws, Bates College, 1971.

Memberships and Offices (partial listing):

The Martin Luther King, Jr. Foundation, President.

The Martin Luther King, Jr. Center for Social Change, President.

National Committee for Full Employment, Co-Chairperson.

National Union of Hospital and Health Care Employees District 1199 (formerly local 1199).

National Health Insurance Committee, Executive Board Member.

Southern Rural Action, Inc.

Southern Christian Leadership Conference—Member, Board of Directors.

Robert F. Kennedy Memorial Center, Member, Board of Trustees.

Alpha Kappa Alpha Sorority, Inc., Honorary Member.

Links, Inc.

National Council of Negro Women.

Women's International League for Peace and Freedom.

Board of Trustees, Ebenezer Baptist Church.

National Association for the Advancement of Colored People.

Biographical and Features (Partial Listing):

Who's Who in America; Who's Who Among American Women; The Author's and Writer's Who's Who; Two Thousand Women of Achievement; subject of cover stories in Jet 91958, 1964, 1970; New Lady 1966; Life 1968, 1969; Ebony 1959, 1970; countless newspaper interviews—both in the United States and abroad; countless television and radio interviews and guest appearances in both the United States and abroad. Among these have been "Today", "Face the Nation," "Mike Douglas Show, "David Frost Show," "Dick Cavett Show," "60 Minutes," "The Ed Sullivan Show," "Tonight Show," NBC's "Monitor," "AM America," "CBS Morning News." Ebony: "The 100 Most Influential Black Americans." 1971 (year of its inception), 1972, "Ladies Home Journal: "America's 75 Most Important Women, January 1971.

Special Note—Mrs. King had a key role in working with Ely Landau on the production of the documentary film, "King: A Filmed Record—Montgomery to Memphis." She also worked with The Martin Luther King, Jr. Foundation on its productions of: "Legacy of a Dream" a film and "King: The Man and His Meaning," a filmstrip.

Travel—Mrs. King's travels have been extensive in America, Europe, Asia, South America, Africa, Mexico, The Carribbeans, and the Holy Land. In 1957, she accompanied her husband to Ghana as guest of the Government for the Independence Celebration. In December of 1964, she accompanied her husband to Oslo where he was presented the Nobel Peace Prize. In 1968, at the invitation of the Jamaican Government, she accepted the Marcus Garvey Award of International Understanding, presented posthumously to her husband. In 1969, she accepted, in New Delhi, India, the Nehru Award for International Understanding presented posthumously to her husband; and in 1970, she made an extensive European tour in connection with the foreign publications of her book, My Life With Martin Luther King, Jr.

Precedents:

1968—June 12, first woman to deliver Class Day Address at Harvard University in Cambridge, Massachusetts.

1969—March 16, first woman to preach at a Statutory Service, St. Paul's Cathedral, London, England.

EXCERPT FROM PAUL HARVEY NEWS

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. JACOBS. Mr. Speaker, Paul Harvey was right:

EXCERPT FROM PAUL HARVEY NEWS, FEBRUARY 17, 1968

Americans, we are going to get out of Vietnam.

About that—there is no question.

To that—we all agree.

We Americans are going to get out of Vietnam—eventually.

So the only questions we must consider today are how and when—And how many die first.

You and I have recently been led to believe that wars should be fought gently, without even the hope of victory.

I never could subscribe to that kind of a pulled-punches war and now—because others can't or won't—object to it—I am compelled to. Recent months I have cared less and less whether we drive it or park it in Vietnam. I have insisted that we should do one or the other. And because it is now obvious neither this Administration nor the next one will do the one—

Today we are going to consider the case for "the other"—The case for parking it—for disengaging ourselves—for getting out—for coming home.

This is an election year. In a Republic, we are supposed to be deciding crucial, controversial issues.

But not candidate from either major political party is offering an alternative to our present no-win policy in Vietnam.

Some of us with an opportunity to counsel and an obligation to counsel wisely have been wrestling with an agonizing reappraisal of Uncle Sam's unbecoming posture in Asia.

Every wishy-washy Washington utterance is predicated on fear. Fear of world opinion, fear of Russian intervention, fear of Red China—fear that if we take the stopper out of the bottle—Laos, Cambodia, Thailand, Philippines, Australia will somehow be overwhelmed by communism.

Let's be realistic. Communism has not been able even to "overwhelm" Africa. In one after another of the African nations, communism is being booted out.

There is much fierce nationalism in the emerging nations which will resist communism altogether as vigorously as it has resisted western colonialism.

The communists will not be able to hold that humpty-dumpty hemisphere in their grasp any more than the British could or the French did . . . or the United States.

Understand we could have and perhaps should have klobbered North Vietnam when the line were clearly defined. Then, as General LeMay recommended we might have "bombed them back to the stone age" in a matter of hours.

Now, however, that the enemy is in and around and among us to such an extent that we are presently having to bomb our own cities. . . .

A nuclear holocaust could only—no pun intended—make ashes of us all. Now we are forced to consider alternatives.

Americans, ours is the only nation in the world which has ever purposely fought a no-win war.

When Hungary rebelled—Russia waded in and wiped out the rebels in nine bloody days.

We called them "barbarians", but their war cost 3,000 lives. The war in Vietnam has already cost 300,000 lives.

The French were beaten and thrown out of Africa and Indo-China.

The British gave up and got out of Asia and the Far East.

But we, neither beaten nor victorious, are presently engaged in our second pulled-punches war—where the announced objective is a stalemate on the fifty yard line.

Our state department's strange willingness to commit more and more of our sons and our guns and our funds all over the world—but not fight all-out to win—

There could not be a better design for the gradual destruction of the United States if the Peking Communists were themselves blueprinting our destruction.

Our professional military men in Korea and since have been thrust situations which are unbecoming, embarrassing, degrading. The idea that we can bomb secondary targets—but must spare primary targets—is inexcusable, indefensible and un-American.

Yet, absurd as this posture is, in a Presidential election year I hear nobody offering the voters a real, honest-to-Uncle Sam alternative.

The alternatives to our present pussy-footing are all out—or get out. And nobody seems to want to recommend either.

I know something of the fear which the politicians face. I've faced some of it myself recent weeks.

When I began to document the case for withdrawal I received white feathers in the mail.

Further, it is uncomfortable and embarrassing to find myself in bed with some peace-at-any-price people whom I do not respect.

But most personally hurtful is the fact that there are many sincere American patriots left over from an earlier era who still pledge their allegiance, "My Country, may she always be right, but—right or wrong—my country!"

They would blindly follow a blind leader if he carried our flag. And I love those people. I amire and respect them. I'm proud for a lifetime to have been one of them.

But after an agonizing reappraisal I am convinced that being either hawk or dove is preferable to the chicken-policy which presently sends American sons into worthless jungles to fight today's war with lesser weapons than the last one.

No, My Country is right in so many ways that she is worth fighting for. But in this no-win war my country is wrong—and it's time somebody says so.

The question is not "whether" we will get out of Vietnam; of course we will, eventually.

Either we will bomb our way out and have to rebuild the nation. . . . Or we will force a compromise cease-fire and have to continue to occupy the country as in Korea. . . .

Or we will, like the British and French, become totally exhausted and get thrown out. . . .

Or there is one other alternative: We can quit this war and come home now.

Let's consider the increasingly convincing case for coming home now.

The government we left behind in Korea is a military dictatorship.

How is this better than a communist military dictatorship? Is it really worth the lives of American sons and further devaluation of the American dollar in order to provide the Vietnamese with a military dictatorship? Nations, aborning, cannot be spared the pain of labor. We outsiders can pace the waiting room floor and bite our nails and pray—but democracy must "deliver" itself, when the time is right. When the time is right!

Maybe the time is not yet right.

Realistically, we must consider the mathematics of this kind of intervention. America's six percent of the world's mothers can-not possibly produce enough boy babies to police the planet. Presently, remember, we have commitments with forty other nations almost identical to the agreement which got us involved in this untenable situation in Vietnam.

Russia and Red China could prefer nothing more than for the United States to continue to debilitate and bankrupt itself in a multiplicity of stalemate wars.

And the effect of these winless wars is devastating on our own people. The hypocrisy of opposing communism in Vietnam and tolerating it 90 miles from Florida is diluting traditional American allegiance, demoralizing our young.

We're told, "We have to fight them over there or we'll have to fight them over here."

They are over here—and we are not fighting them . . . over here! And other nations see comparable hypocrisy in our eagerness to tame the world's jungles when we can't even make our own streets safe. The idea of pulling out is not without precedent. We "pulled out" of the Bay of Pigs. The French "pulled out" after DienBienPhu. And both they and we survived.

And those who fear Moscow rule of all Asia might note that neither Moscow nor Peking has been able to "rule" even little Castro.

I am aware that American politicians are unanimously unwilling to recommend withdrawal. They are fearful President Johnson might pull a rabbit out of the hat between now and November.

Yet without some alternative to present policy on this most vital issue, there is no point in another election.

To those who fear a strategic retreat would cost us "face", let's remember that the United States has had no "face" in Asia in twenty years. And the places where we have meddled most we have the least "face."

On the contrary, think about this—for us to withdraw now could be sold to the world as a magnanimously noble, humanitarian gesture. Here this great and powerful United States—having the awesome weapons which could cremate all our adversaries—declines to do so. Instead we will allow Asiatics to choose their own form of government. Some say the result would be a bloodbath. The Vietnamese are now getting a bloodbath.

Meanwhile we would continue to keep any powers which menace us at arms length with our weapons of decision.

Some protest that to leave Vietnam would mean thirty thousand American sons have died for nothing.

On the contrary, if their sacrifice has been the finger-down-the-throat which has triggered the final regurgitation in our nation. Then it will be they who, at long last, taught us to mind our own business. And so saved countless lives.

John Quincy Adams said it: "America does not go abroad in search of monsters to destroy. She is the champion and vindicator only of her own people."

Again, remember, eventually we will withdraw from trying to feed, finance, fortify, protect and police the whole planet. Eventually we will have no choice.

Every nation in history which has overextended itself has eventually gone broke and been forced to pull back, just to survive.

Why wait for that? Why not now revert to leading the world—by example—as we once did.

Instead of waiting until we are bankrupt, let us revert to self-concern . . . on purpose. Before we are drained of our blood and our sweat and our tears and our gold.

Why not, instead, husband our resources—make ourselves what we once were—strong and solvent—an oasis of arts and sciences and physical well-being.

So honorable, so admirable, so desirable . . . that the world will then, again, have something better than a red star to steer by.

REMARKS BY THE HONORABLE JOHN W. WYDLER ON THE REENACTMENT OF REVENUE SHARING

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. WYDLER. Mr. Speaker, H.R. 6558, the State and Local Fiscal Assistance Act of 1975, known as general revenue sharing, was introduced in April of this year and referred to the Government Operations Committee. Later this month, my distinguished colleague from New York, Mr. HORTON, and I will be reintroducing the same bill with cosponsors.

Because of the great interest in revenue sharing, I would like to provide a section-by-section analysis of the bill for the RECORD so that our colleagues and other interested parties may develop a better understanding of the proposal.

The analysis is attached:

STATE AND LOCAL FISCAL ASSISTANCE ACT AMENDMENTS OF 1975

SECTION 1

The amount of a recipient government's revenue sharing allocation is determined by the data factors of that government relative to the data factors of all other competing governments. In the process of improving the data, it is sometimes necessary to make data corrections after the final allocation of funds, and after the period during which the vast majority of data corrections have been processed. Each data correction of this type, absent a special procedure, would result in retroactive changes to the allocations and payments of many governments which had expended the funds or had come to rely on those allocations and payments for budgetary purposes.

To mitigate the inequity arising from this unfortunate but inevitable circumstance, 31 CFR 51.25(a) has been promulgated. It establishes an Obligated Adjustment Reserve that is funded by administratively holding in reserve a small percentage (.005) of the revenue sharing funds appropriated for each entitlement period from which adjustments can be made to alleviate hardships caused by prior misallocations. The amount of revenue sharing funds held in reserve and the decision to make adjustment payments is determined at the discretion of the Secretary, as the equity of the situation requires.

The creation of the Reserve Fund has proved necessary for the orderly administration of the General Revenue Sharing program due to the complexity of the allocation process. The proposed amendment to section 102 of the Act is recommended in the first section of the bill to clarify the authority of the Secretary to make adjustments in this manner.

SECTION 2

Section 105(b)(1) of the present Act provides for the periodic appropriation of funds from the general fund of the Treasury to the State and Local Government Fiscal Assistance Trust Fund. Funding under this section is provided through December 31, 1976, with an increase of $150 million each full fiscal year with the exception of early periods and the last period of six months. That six-month period also provides for a step increase of $150 million.

Clause (1) of section 2 of the bill provides

UMI

for a continuation of the General Revenue Sharing program for 5¾ additional years, concluding with the fiscal year beginning October 1, 1981. This recommendation strikes a reasonable balance between the need of recipient governments for fiscal stability and the legitimate desire of the Federal Executive and the Congress to review the law in the light of future national economic concerns. Thus, the total amount to be distributed under the 5¾-year renewal program is $39.85 billion, which includes $75 million moved forward from the final six months of the current program. The original Act provided for a $150 million increase for the six-month entitlement period which was to end the GRS program. Since the program is to be extended, the legislation seeks to continue linear $150 million annual stairstep increases in funding level.

The amendment also creates a three-month appropriation period beginning July 1, 1976, and ending September 30, 1976, to provide for the transition to the new October 1 Federal fiscal year. The entitlement period beginning July 1, 1976, combines this quarter with the following fiscal year so that the entitlement period would end on September 30, 1977.

When the revenue sharing allocation of Alaska or Hawaii is determined by the three-factor allocation formula, it becomes eligible for the noncontiguous State adjustment. Pursuant to section 106(c) of the Act, an adjustment may be made to the basic allocation of these States in which civilian employees of the U.S. Government receive an allowance under 5 U.S.C. section 5941. Section 105(b)(2) appropriates the funds used to make this adjustment.

Clause (2) of section 2 of the bill would amend section 105(b)(2) by extending this appropriation at the existing rate of $4,780,000 per year. Further, this amendment, like that of clause (1) of section 2 above, would result in two appropriation periods being combined under the new fifteen-month entitlement period proposed for section 141(b). This will allow for the transition to the new Federal fiscal year and at the same time identify all the appropriations being proposed for this section, including the transition quarter.

Clause (3) of section 2 of the bill would amend section 105 of the Act to add subsections (d) and (e). The new subsection (d) provides that the funds appropriated for the extension of the General Revenue Sharing program are exempt from the appropriation procedures of section 401(a) and (b) of the Congressional Budget Act of 1974 (P.L. 93-344). This Act specifically provides that any extension of the General Revenue Sharing program is eligible for this exemption. The appropriation of funds at the outset for the extension of the General Revenue Sharing program is vitally important to recipient governments to assist them in planning for their service programs, capital improvement programs, and financial policies without being subject to the inherent delays and uncertainties of the annual appropriation process.

The new subsection (e) provides that the Secretary of the Treasury shall submit a report, with recommendations concerning the extension of the Act, to the Congress two years before the expiration of funding under this bill. A requirement to review the renewal of the General Revenue Sharing program two years in advance of its expiration would remove much of the uncertainty for State and local governments regarding availability of future funds and would provide the Congress adequate time to review the program.

SECTION 3

Section 107(b)(5) of the Act provides a special rule to measure State assistance to local governments during the six-month-long entitlement period (July 1, 1976-December 31, 1976). This provision is no longer needed in view of the fact that this legislation would replace the six-month entitlement period with a new longer entitlement period. Accordingly, it is proposed that section 107(b) be amended to delete paragraph (5). In situations in which either the recipient government's fiscal years does not coincide with an entitlement period or where an entitlment period is greater than or less than a full year, the Office of Revenue Sharing has provided by regulation (31 CFR 51.26) that the point of reference for measuring a State's assistance to local governments will be that State's fiscal year.

SECTION 4

Section 4(a) amends section 108(b)(4) of the Act to treat an entitlement waiver by an Indian tribe or Alaskan native village in the same was as waivers by other eligible governments.

Section 108(b)(4) of the present Act provides that if the governing body of an Indian tribe or Alaskan native village waives its entitlement, then the amount of the entitlement shall be distributed according to the rules relating to distribution within county areas. The waiver by an Indian tribe or Alaskan native village is therefore handled differently than a waiver by a unit of local government pursuant to section 108(b)(6)(D). In the case of a waiver by a unit of local government, the entitlement waived becomes a part of the entitlement of the county government of the county area in which the waiving unit is located. In the case of Indian tribes and Alaskan native villages, section 108(b)(4) requires the amount of the entitlement waived by those units to pass to all the other local units of government in the applicable county area.

The required treatment of waived entitlements by Indian tribes causes a significant burden of recomputation, the net effect of which is to increase the entitlement of numerous units of local government by relatively insignificant amounts. In many instances, the cost to the Office of Revenue Sharing of making the required adjustment to entitlements initiated by waiver by an Indian tribe exceeds the amount of the entitlement waived. We believe that entitlements waived by an Indian tribe or Alaskan native village should be treated the same as a waiver by any other unit of local government, and the amount waived should be added to the county government entitlement. Section 4(a) of the bill would accomplish that purpose.

Section 4(b) of the bill provides that begining with the entitlement period that begins on July 1, 1976, the present maximum limitation on the amount of revenue sharing entitlements be raised. In order to insure that some communities would not receive extremely high or low allocations, the maximum and minimum limitations on the revenue sharing allocations to county areas and units of local government were imposed upon the revenue sharing formula. Under the current law, the maximum limitation for any county area or local government in a State is 145 percent of the per capita allocation to all local governments in the State.

The effect of this 145 percent maximum is as follows: after the entitlements of local governments within a State are computed according to the formula, any jurisdiction which is entitled to receive more than 145 percent of the average per capita allocation to all local governments in that State has its allocation reduced to the 145 percent level. The funds taken from these jurisdictions, which are generally characterized by low-income population and high levels of tax effort, are then redistributed according to the formula to the remaining jurisdictions within the State which are not so constrained and which would otherwise receive smaller amounts.

To reduce the impact on local governments which have been receiving additional funds that are redistributed because of the operation of the 145 percent constraint upon other jurisdictions within their State, the maximum allocation constraint would be raised gradually, in five steps, by an increase of 6 percentage points per entitlement period until a new maximum constraint level of 175 percent is reached. The purpose of raising the maximum per capita allocation constraint to 175 percent is to allow low personal income and high tax effort to be more fully reflected in the operation of the basic formula.

Due to the responsiveness of the revenue sharing formulas to changes in data—the allocation of revenue sharing funds is based on annually changing data elements such as adjusted taxes, and on periodically updated data elements such as per capital income and population—the effect of this proposed change will vary in any entitlement period and from State to State. As a result of the gradual phase-in, and as a result of the stairstep increases in the total amount being distributed each entitlement period, however, the potential losses to almost all jurisdictions in any given year should be fully offset so that they will not suffer an actual decrease in their revenue sharing payments as a consequence of this change.

Increasing the maximum constraint as proposed will, as a general rule, cause increased revenue sharing funds to be received by the 4,000 places that have been constrained in the past. These places include both major cities and smaller jurisdictions. Approximately 23,000 places would no longer receive additional redistributed funds from the constrained places, but the amount involved for any given place is relatively small. Had the 175 percent constraint limitation been *fully* implemented in FY 1974, these 23,000 places would have received an average of $3,000 less than they were actually paid in FY 1974, which is an average 2.2 percent less than they actually received.

Section 108(c) of the Act enables State governments, by enactment of a State law, to adopt an alternative formula for the distribution of revenue sharing allocations among the county areas and among the municipalities located therein. Section 4(c) of the bill amends section 108(c)(1)(C) for the sole purpose of reflecting the extension of the General Revenue Sharing appropriations until September 30, 1982.

SECTION 5

Section 109(a)(5) of the present Act states that, except as provided in the regulations, the determination of allocations and entitlements for any entitlement period shall be made as of the first day of the third month immediately preceding the beginning of each period. Further, section 109(a)(7) provides for uniformity of data and states the general rule that the data shall be the most recently available data. These provisions are effective and permit the orderly computation of entitlements before the beginning of each period so that States and local governments may be advised, for planning purposes and for purposes of informing their citizens, well before payments are made. In section 109(c)(2)(B) the definition of the general tax effort for States defines the most recent reporting year as the one taken into account by the Bureau of the Census prior to the *close* of that entitlement period. This definition appears to conflict with the definition for all other data items and appears to conflict with the earlier section providing for uniformity of data and for computation of

entitlements three months before the beginning of an entitlement period.

Were this non-conforming definition to be given precedence, it would necessitate substitution of these data during an entitlement period while payments were being made, and would result in changing the entitlements for all 38,000 recipient governments during the middle of the payment year.

Section 5 of the bill would eliminate this non-confroming language by amending section 109(c)(2)(B) by deleting the word "close" in the phrase "made before the close of each period", and inserting in lieu thereof the word "beginning". Thus, the phrase would read, "made before the beginning of such period". In this way, data from which the general tax effort factor is computed, and which is published by the Department of Commerce by October of each year, would be used for the computation of the entitlement period beginning in the following year, and no tax effort adjustments to the general universe of recipients would be necessary.

SECTION 6

Section 121(a) of the Act requires States and units of local government to submit a report to the Secretary of the Treasury at the close of each entitlement period setting forth the amounts and purposes for which funds received during such period have been spent or obligated. The purpose of this section is to keep the Secretary and the public abreast of how recipient governments are spending their General Revenue Sharing funds.

Attempts to measure the various effects General Revenue Sharing funds have had on recipient governments from the Actual Use Reports submitted to date have met with only limited success. Section 6(a) of the bill is intended to give the Secretary more discretion to determine the form and content of the reports submitted under section 121(a) of the Act. This additional authority to regulate the substantive content of the Actual Use Reports will be used to require recipient governments to report financial and use information in a fashion that is more meaningful to the general public, to the Congress, and to the Executive Branch.

Section 121(b) of the Act requires States and units of local government expecting to receive revenue sharing funds for any entitlement period to submit a report to the Secretary of the Treasury setting forth the amounts and purposes for which they plan to spend or obligate the funds during such period. The so-called Planned Use Report is intended to be used to inform the Secretary and the public as to how recipient governments plan to expend their General Revenue Sharing funds.

Section 6(b) of the bill is intended to serve the same function for the Planned Use Reports as section 6(a) serves for the Actual Use Reports. In each case, we believe the effectiveness of the reports could be significantly enhanced if the Secretary were allowed more administrative discretion to determine their content. The present requirement that the Planned Use Report set forth the amounts and purposes for which the recipient government plans to spend or obligate the funds does provide beneficial information. However, section 6(b) would make it possible for the reports to provide data that is more useful to local citizens and the Federal Government.

Section 121(c) of the Act requires each recipient government to publish a copy of each report which it submits to the Office of Revenue Sharing in a newspaper which is published within the State and has general circulation within the geographical area of that government. Based on our administrative experience, this section should be modified. The Office of Revenue Sharing has received a large number of complaints, particularly from small units of government, regarding the relatively high cost of publication. Some small governments receiving less than $1,000 have had to spend $100 or more for publication due to a variety of local circumstances. In other instances, the unavailability of a newspaper circulating generally within the geographical area of a county has been called to our attention. In still other cases, we have been advised that there are more effective ways to get the information contained in the report to the citizens of the community.

Section 6(c) of the bill would amend section 121(c) to authorize the Secretary to establish alternative procedures where it is determined that the requirement of publication in a newspaper is unreasonably expensive in relation to the amount of revenue sharing funds involved, or, where the Secretary finds that in terms of public understanding, there are better methods to get the information before the residents of the community.

SECTION 2

Section 122(a) of the Act provides that no person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with revenue sharing funds. The statutory authority of the Secretary of the Treasury to enforce the above nondiscrimination provision is set forth in section 122(b) of the Act. It presently states that upon a determination by the Secretary that a recipient has failed to comply with subsection 122(a), and after notification to the Governor of the State (or, in the case of a unit of local government, the Governor of the State in which such unit is located) and after failure to secure voluntary compliance within a reasonable period of time, the Secretary may either: refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; exercise the powers and functions provided by Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); or take such other action as may be provided by law.

Title VI of the Civil Rights Act of 1964 prohibits discrimination in the use of Federal financial assistance by way of grant, loan, or contract (42 U.S.C. 2000d-1). In order to receive such assistance, generally the State or local government must file an application satisfying the requirements of the particular program. Revenue sharing payments are based on a statutory entitlement for which States and units of local government are automatically eligible pursuant to section 102 of the Act. The Secretary has no discretion to approve or disapprove in advance payments to any participating recipient government after certain minimal statutory requirements are met.

Recognizing the unique aspects of revenue sharing entitlements, section 7 of the bill is intended to express clearly in the Act certain authority of the Secretary in applying the nondiscrimination provisions of section 122. This is accomplished by stating explicitly that the Secretary has authority to withhold all or a portion of entitlement funds due a State or unit of local government, to terminate one or more payments of entitlement funds, and to require repayment of entitlement funds previously expended in a program or activity found to have been in violation of subsection (a). The changes in section 122 will further enhance the Secretary's ability to ensure that entitlement funds are no' utilized in a discriminatory manner.

SECTION 8

Broad public participation in State and local decision making as to how revenue sharing funds are to be expended is an essential ingredient of General Revenue Sharing. For this reason, section 121(c) requires that the news media be notified when the Planned Use and Actual Use Reports are published in a local newspaper. By regulation, recipient governments must also make those reports available to the general public. Additionally, to encourage citizen involvement, section 123(a)(4) of the Act requires recipient governments to provide for the expenditure of revenue sharing funds only in accordance with the laws and appropriation procedures which are applicable to the expenditure of their own revenues.

Clause (1) of section 8 of the bill would further strengthen the general public's role in the General Revenue Sharing process. It amends section 123(a)(5) of the Act to the extent that in order to qualify for revenue sharing funds, a State or unit of local government must establish to the satisfaction of the Secretary of the Treasury that it will provide the residents under its jurisdiction with an opportunity to give their recommendations and views on how the revenue sharing funds should be spent. This opportunity for public involvement may be provided either in a public hearing or, where appropriate, by other means prescribed in regulations to be issued by the Secretary of the Treasury. This amendment would serve to ensure that all recipient governments, regardless of whether they have State or local public participation requirements, will include the public in the decision-making process on the expenditure of revenue sharing funds.

Section 123(a)(8) of the Act provides that Indian tribes and Alaskan native villages must spend their revenue sharing funds for the benefit of members of the tribe or village residing in the county area from which its revenue sharing entitlement originates. This provision affects Indian reservations which are located in more than one county, thus resulting in the tribe receiving separate revenue sharing allocations from each county area.

Clause (2) of section 8 proposes to eliminate this provision for two reasons. First, it is very difficult for the Indian government to administer since it demands that an analysis be made of each proposed revenue sharing expenditure to ensure that the proper percentage of residents in the applicable counties will benefit in proportion to the percentage of revenue sharing funds generated from each county. Second, this requirement frustrates reservation-wide planning by limiting the capacity of the tribal government to concentrate its revenue sharing expenditures in areas which have the highest priority.

SECTION 9

Section 141 of the Act defines the entitlement periods which govern the distribution of funds to recipient governments. Section 9 of the bill would revise the last entitlement period (July 1, 1976, to December 31, 1976) by extending it to September 30, 1977. This fifteen-month entitlement period would provide for the transition to the new Federal fiscal year and would combine the appropriations of subparagraph (G) and proposed subparagraph (H) of section 105(b)(1). Also, section 141 would be amended to extend the General Revenue Sharing program until September 30, 1982.

EQUAL CREDIT OPPORTUNITY

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. DODD. Mr. Speaker, I am pleased the House took action earlier this week

UMI

on H.R. 6516 to amend the Equal Credit Opportunity Act by prohibiting discrimination by creditors on the basis of race, color, religion, national origin or age. This legislation was originally passed in the closing hours of the 93d Congress to prohibit discrimination in credit opportunities on the basis of sex and marital status. By expanding this coverage today to include race, color, religion, national origin or age we do much to curtail discrimination within the credit industry. However, once again we are forgetting a sizable minority of Americans—the mentally and physically disabled.

I recently introduced H.R. 7061, legislation that would prohibit discrimination against the disabled in housing and employment by amending the Civil Rights Acts of 1964 and 1968. No longer could a mentally or physically disabled individual be denied employment solely on the basis of his or her disability, nor would a disabled individual who could afford housing be restricted from where he or she wishes to live solely on the basis of a disability. To prohibit discrimination in housing yet to allow discrimination to continue in credit, which provides funds for purchasing a house, would defeat the purpose of the legislation.

Therefore, I feel very strongly that this same type of protection should be expanded to protect the mentally and physically disabled from discrimination in credit or finance. If a disabled individual can meet the requirements set forth by the creditor or lender he should not be denied a loan. This is a new area of legislation and I would urge the committee to investigate the problem.

The mentally and physically disabled do not ask that special qualifications or quotas be established for them to obtain loans. Instead there is simply the need to insure that no person will be denied credit on the basis of a mental or physical disability.

Mr. Speaker, H.R. 6516 was considered by the House under the suspension of the rules, and therefore an amendment to prevent discrimination in granting credit to a person with a mental or physical disability is not in order. Congress could not, therefore, deal with discrimination against the disabled in this legislation, but I again urge the Committee on Banking and Currency to take action in this area.

REDEMPTION OF MUTUAL FUND SHARES

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. MOSS. Mr. Speaker, the Investment Company Act of 1940 allows mutual funds to redeem their shares in kind, that is, by distributing assets rather than paying cash for shares being redeemed. This procedure, however, poses certain problems. If a fund shareholder seeks to redeem his shares and the mutual fund tenders portfolio securities in response to this redemption request, possible inequities may occur. If the securities tendered by the mutual fund are given too high a value, the redeeming shareholder is likely to be hurt, and if they are valued too low, the existing shareholders of the fund are likely to be hurt.

On the other hand, mutual funds need to have the right to redeem in kind in appropriate circumstances. If they were required to redeem only in cash, and were confronted with a large volume of requests for redemption, not only might they be compelled to sell securities under unfavorable market conditions, but also they might respond by selling all of their liquid and easily valued securities to meet redemptions, leaving their remaining stockholders with a portfolio of illiquid securities of questionable value. This could well be unfair to shareholders who do not promptly request redemption.

To deal with this situation I introduced, on May 22, 1975, a bill amending section 22 of the Investment Company Act of 1940 to give to the Securities and Exchange Commission authority to promulgate rules to insure that "in kind" redemptions are made in a manner or on a basis which does not unfairly discriminate against the holder of the mutual fund shares to be redeemed or the other shareholders of the fund.

FEDERAL GRANTS TO LOCAL GOVERNMENTS SHOULD STOP

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. TEAGUE. Mr. Speaker, I would like to call to the attention of this distinguished body a resolution drafted by the Commissioner's Court of Dallas County, Tex., that urges the Congress to suspend appropriations for Federal grants or aids to local governments until the Nation's budget is balanced.

This resolution is a magnificent statesman like approach to our present economic problems. I want to commend the Dallas County Commissioners Court and I feel that many of my colleagues will join with me in this commendation.

The resolution follows:

RESOLUTION—STATE OF TEXAS, COUNTY OF DALLAS

Be it remembered at a regular meeting of Commissioners' Court of Dallas County, Texas, held on the 27th day of May, 1975, on motion made by Jim Jackson, Commissioner of District No. 1, and seconded by Roy Orr, Commissioner of District No. 4, the following order was adopted:

Whereas, the Commissioners' Court of Dallas County is cognizant of the fact that the Government of the United States of America will operate with a deficit for the 1975 fiscal year in excess of 68 billion dollars, and

Whereas, we believe all government entities should operate on a balanced budget

Now, therefore be it resolved that the Commissioners' Court of Dallas County, Texas, formally takes the position of urging the United States Congress not to support legislation or appropriations for continuing federal grants and aids for local governments until such time as the United States has a projected balanced budget.

Done in open court this the 27th day of May, 1975.

OBJECTION TO THE PRESIDENT'S ENERGY PROGRAM

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. MOFFETT. Mr. Speaker, my basic objection to the President's energy program is its reliance on the pricing mechanism to achieve conservation and reduction of our reliance on foreign imports. Simply removing all price controls or helping OPEC raise the price of foreign oil is to react in a "knee-jerk" manner, ignoring the devastating economic impact of such actions.

Recently I inserted into the RECORD a copy of a Library of Congress study I commissioned on the impact of the President's cumulative $2 tariff and his plan to decontrol "old" oil. The conclusion was frightening. Once all price ceilings are removed, the cost of decontrol will be $15.7 billion annually. This figure, plus $12.1 billion resulting from the $2 tariff on foreign oil, plus $4.8 billion from coal and $3.8 billion from natural gas as their prices rise competetively with oil prices, totals an annual cost of $36.4 billion. The White House is functioning as a taxpayer financed oil lobby and is about to give the oil companies the biggest bonanza in their history. Of the $36.4 billion, $32 billion will be returned to oil, gas, and coal producers in the form of windfall profits.

As a member of the Commerce Subcommittee on Energy and Power, I have listened to many witnesses testify on the energy pricing question. Often their views conflict; many witnesses admitted that their positions were based more on speculation than on hard data. FEA and other decontrol advocates have simply failed to show that decontrol will increase either conservation or production. Yet the oil companies tell us that unless we decontrol, we may not get enough oil. This amounts to saying they will hold us hostage—and with FEA approval.

To even consider a policy which sets no ceilings on "new" or decontrolled "old" oil prices constitutes a most irresponsible approach. Such a policy means a rapid escalation of oil prices, right up to the artificially and arbitrarily high levels established by the OPEC nations. What possible reason is there for allowing a foreign cartel to dictate not only the price of their oil, but of our own?

My area of the country, New England, is particularly vulnerable to the economic repercussions of a decontrol policy because of its dependence on oil as an energy source. It is also particularly vulnerable to the economic repercussions of a high tariff policy because of its dependence on foreign countries for much of that oil. We have made efforts to conserve, but the President's program will reward these efforts with still higher

costs. New England's need for oil is now inelastic—higher costs will not reduce consumption there. We must continue to heat our homes and run our factories regardless of how much higher the price of oil goes.

The New England Economic Research Office has computed the direct cost per consumer of the administration's plan to decontrol old oil: $94 per person annually in New England, as opposed to $71 per person nationally. There is no justification for such an outrageous imposition on my constituents' already dwindling finances.

We must make it clear that the energy industry, with the administration as its spokesman, cannot dictate national energy policy. Formation of a rational plan can only be accomplished through the input of all sectors of the economy, with emphasis on the consumer.

A better approach would be the setting of a firm price ceiling on "new" oil, with certain congressionally approved exemptions for harder-to-recover petroleum products. Many members of our subcommittee have discussed this approach and have agreed that an average price of $7.50 per barrel, with exceptions up to $8.50 per barrel, is a more than equitable price. According to testimony we have received, this price would encourage domestic exploration and provide a fair rate of return for the producer.

Many of us are convinced that there are alternatives to price rationing, measures which can achieve an adequate level of conservation and which can spread the burden of conservation among all energy users, including industry and commerce. Innovative and creative leadership can develop an equitable and effective energy conservation program. But the price-hike mechanism is the least effective and the least innovative method conceived thus far. In fact, it is one of the most anticonsumer proposals to receive serious consideration in recent memory.

TWENTY-FIVE YEARS OF SERVICE TO GOD AND MAN

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. SARASIN. Mr. Speaker, I recently had the privilege of participating in a silver jubilee dinner honoring Rev. John P. Blanchfield of Waterbury, Conn., one of the most exemplary and dedicated men in his community.

Reverend Blanchfield, a Connecticut native who received his higher education at Catholic University right here in Washington, was ordained to the priesthood 25 years ago, on May 25, 1950, in Hartford, Conn.

He served as assistant pastor of St. Rita's Parish, Hamden, Conn., from 1950 to 1955, and of St. Mary's Parish, Newington, from 1955 to 1956. He studied at Fairfield University, where he was awarded a master's degree in education in 1957, followed by 2 years as assistant pastor at St. James' Parish in Manchester, Conn., from 1957 to 1959.

In August 1959, he was named to serve as principal of Sacred Heart High School in Waterbury, a post he has held with distinction ever since. During this period he has won the respect, admiration, and affection of his students, his colleagues and the community as a whole.

As a group, there are probably no more important people in the country than those to whom we entrust the education of our children, for in their hands is the real future of the Nation. If all were as dedicated, inspiring, competent, and compassionate as Reverend Blanchfield, we could all rest assured that the future was in good hands.

BILL TO AMEND EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. DENT. Mr. Speaker, I wish to advise my colleagues that the distinguished ranking minority member of the Subcommittee on Labor Standards, JOHN N. ERLENBORN has joined with me in sponsoring H.R. 7597, a bill to amend the Employee Retirement Income Security Act of 1974. This bill addresses the most pressing problems presented to our subcommittee in the course of our recent oversight hearings. Both of us intend to push for early consideration of this measure in our committee, to further strengthen and clarify the provisions of ERISA.

The provisions of this amendment are in the main technical in nature, but certain of them—principally those in sections 3 and 4—are designed to further refine the intent of ERISA. Section 3 contains a series of changes to the peripheral fiduciary requirements of ERISA. There are no changes contemplated to the fundamental fiduciary standards contained in section 404 of ERISA—the requirements of prudence and undivided loyalty to the plan and its participants. The change proposed in section 405 of ERISA makes it clear that liability will be imposed on any fiduciary only to the extent he has undertaken to perform an act or function and failed to perform in a prudent fashion. This change will eliminate those provisions that could be construed to impute to a fiduciary liability for the misdeeds of another solely on account of their fiduciary status. Of course participation in the misconduct of another will continue to subject a fiduciary to possible liability under the appropriate provisions of section 404 of ERISA.

Similarly the absolute bar on all transactions or relationships between a plan and a party in interest contained in section 406 of ERISA are removed by these amendments. In the course of our hearings it became apparent that the relative advantages of prohibiting these transactions and relationships were more than outweighed by the dislocation and disruption they create. All of these transactions will have to be reported annually and will continue to be subject to the prudence requirements of section 404. Because of the broad definition of party in interest contained in the act, the numbers of innocent normal transactions falling within the scope of the prohibition are astronomical. Serious questions as to the administrative feasibility of these prohibitions and the necessity for this sort of "overkill" were presented to the subcommittee. It is our position that the prudence requirement of section 404 coupled with expanded disclosure will be more than adequate to protect plans from any possible abuse.

Finally our amendment addresses the serious problems being encountered by employers sponsoring pension plans subject to the termination insurance program of ERISA. Under that program such employers now have become liable, to a limit of 30 percent of their net worth, for the unfunded insured past service liabilities of their pension plans on termination. We propose to require the Pension Benefit Guaranty Corporation to immediately offer a reinsurance program to such employers to allow them an opportunity to avoid undue impairment of their asset position.

I would urge a careful reading of the provisions of H.R. 7597 that follow:

H.R. 7597

A bill to amend the Employee Retirement Income Security Act of 1974

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Part 1 of Title I of the Employee Retirement Income Security Act of 1974 is amended by;

(a) Striking section 103(d)(6) and inserting in lieu thereof the following:

"(6) The present value of all the plan's liabilities for nonforfeitable pension benefits, and the actuarial assumptions used in these computations."

(b) Striking the first sentence of section 104(a)(2)(A) and inserting in lieu thereof the following: "With respect to reports required to be filed with the Secretary under this part, he shall by regulation prescribe simplified reports for any pension plan which covers less than 100 participants."

(c) Striking section 109 in its entirety, and inserting in lieu thereof the following:

"SEC. 109. The Secretary of Labor is directed to obtain copies of the documents described in section 6104(a)(1)(B) and 6103(g) of the Internal Revenue Code of 1954."

SEC. 2. Part 3 of Title I of the Employee Retirement Income Security Act of 1974 is amended by:

(a) Striking section 302(b)(2)(B)(v) and inserting in lieu thereof the following:

"(v) separately, with respect to each plan year, the net loss (if any) resulting from changes in actuarial assumptions (including actuarial methods) used under the plan, over a period of 30 plan years,"

(b) Striking section 302(b)(2)(D) and inserting in lieu thereof the following:

"(D) the amount necessary to amortize in equal annual installments (until fully amortized) over a period of 30 plan years any amount credited to the funding standard account under paragraph (3)(D)."

(c) Striking section 302(b)(3)(B)(iii) and inserting in lieu thereof the following:

"(iii) separately, with respect to each plan year, the net gain (if any) resulting from changes in actuarial assumptions (including actuarial methods) used under the plan, over a period of 30 plan years."

SEC. 3. Part 4 of Title I of the Employee

UMI

Retirement Income Security Act of 1974 is amended by:

(a) Adding at the end of 403(b) the following new paragraph:

"(6) to a plan which the Secretary exempts and which he determines is a plan which has no assets at the end of any plan year and which plan does not accumulate assets from year to year."

(b) Striking section 405 and inserting in lieu thereof the following:

"LIABILITY FOR BREACH BY CO-FIDUCIARY

"SEC. 405. (a) except as otherwise provided in subsection (c) and in section 403 (a) (1) and (2), if the assets of a plan are held by two or more trustees—

"(1) each shall use reasonable care to prevent a co-trustee from committing a breach; and

"(2) they shall jointly manage and control the assets of the plan, except that nothing in this subsection shall preclude any agreement, authorized by the trust instrument, allocating specific responsibilities, obligations, or duties among trustees, in which event a trustee to whom certain responsibilities, obligations, or duties have not been allocated shall not be liable by reason of this paragraph (2) either individually or as a trustee for any loss resulting to the plan arising from the acts or omissions on the part of another trustee to whom such responsibilities, obligations, or duties have been allocated.

"(b)(1) The instrument under which a plan is maintained may expressly provide for procedures (A) for allocating fiduciary responsibilities (other than trustee responsibilities) among named fiduciaries and (B) for named fiduciaries to designate persons other than named fiduciaries to carry out fiduciary responsibilities (other than trustee responsibilities) under the plan.

"(2) If a plan expressly provides for a procedure described in paragraph (1), and pursuant to such procedure any fiduciary responsibility of a named fiduciary is allocated to any person, or a person is designated to carry out any such responsibility, then such named fiduciary shall not be liable for an act or omission of such person in carrying out such responsibility except to the extent that—

"(A) the named fiduciary violated section 404(a)(1)—

"(i) with respect to such allocation or designation,

"(ii) with respect to the establishment or implementation of the procedure under paragraph (1), or

"(iii) in continuing the allocation or designation.

"(3) For purposes of this subsection, the term 'trustee responsibility' means any responsibility provided in the plan's trust instrument (if any) to manage or control the assets of the plan other than a power under the trust instrument of a named fiduciary to appoint an investment manager in accordance with section 402(c)(3).

"(c) If an investment manager or managers have been appointed under section 402(c)(3), no trustee shall be liable for the acts or omissions of such investment manager or managers, or be under an obligation to invest or otherwise manage any asset of the plan which is subject to the management of such investment manager."

(c) striking section 406 and inserting in lieu thereof the following:

"PROHIBITED TRANSACTIONS

"SEC. 406. (a) No fiduciary who has authority or discretion to control or manage the assets of a plan shall permit the plan to acquire or hold any employer security or employer real property if he knows or should know that acquiring or holding such security or real property violates section 407(a).

"(b) A fiduciary in exercising his authority, control or discretion with respect to a plan shall not—

"(1) deal with assets of the plan in his own interest or for his own account,

"(2) act in any transaction involving the plan on behalf of a party whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries, or

"(3) recieve any consideration for his own personal account from any party dealing with such plan in connection with a transaction involving the assets of the plan."

(d) striking the reference to section 406 (a) where it appears in section 408(a) and inserting in lieu thereof the following: "section 406"

(e) striking from section 408(a) the following sentence: "Action under this subsection may be taken only after consultation and coordination with the Secretary of the Treasury."

(f) striking the last two sentences of section 408(a) and inserting in lieu thereof the following: "Before granting an exemption under this subsection from section 406 or 407(a), the Secretary shall publish notice in the Federal Register of the pendency of the exemption, shall require that adequate notice be given to interested persons, shall afford interested persons an opportunity for a hearing and shall make a determination on the record with respect to the findings required by paragraphs (1), (2), and (3) of this subsection."

(g) striking section 408(c)(2) and inserting in lieu thereof the following:

"(2) receiving any reasonable compensation for services rendered, or for the reimbursement of expenses properly and actually incurred, in the performance of his duties with the plan; or"

(h) striking section 411(a)(1) and (2) and inserting in lieu thereof the following: "as a fiduciary with any employee benefit plan."

SEC. 4. Title IV of the Employee Retirement Income Security Act of 1974 is amended by;

(a) striking the world "shall" in the third sentence of section 4023(a) and inserting in lieu thereof "may".

(b) adding at the end of section 4023 the following:

"(g) In carrying out its duty under this section to insure any employer as required under subsection (a), the Corporation shall make such insurance available for such employers on or before September 1, 1975."

(c) adding the following new section:

"VOLUNTARY CURTAILMENT OF PLAN

"SEC. 4049. Notwithstanding any other provision of this title, a pension plan insured under this part may be amended so that accrued benefits do not accumulate after the date of the amendment. Such amendment shall not by itself by sufficient to cause a termination of such plan or to invoke employer liability except where the plan has not complied with section 302 in the plan year in which the amendment is made or in any subsequent year.

QUESTIONNAIRE RESULTS

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. WYDLER. Mr. Speaker, my constituents in the fabulous Fifth Congressional District have spoken, just as they have during my past 13 years in the House of Representatives.

From the district's South Shore communities to the inland areas, a key insight has been provided because thousands upon thousands of residents, all with varying political affiliations, have again responded to my annual questionnaire.

This form of communications dates to my first year in the House and is in addition to periodic activity reports I provide to district residents. In the case of the questionnaire, I ask for my constituents views on important national and international issues and when the results are in, I have a true test of the prevailing opinions on these great issues.

The results are now tabulated and the process has again proven that the people want very much to be represented and do care about Government. The views they share on each questionnaire form emphasize this fact and I am currently answering the many special comments and requests that have been received with many of the returns.

Every resident of the fabulous Fifth Congressional District will receive a copy of the questionnaire results in their homes. As for myself, I consider the results a true feeling of my district and one that will be used in the development of my stands on key issues.

MY REACTIONS

The questionnaire contained a total of 12 questions on key issues, with 3 answer choices available—yes, no, or undecided. A section for overall comments was also provided. The most positive response was to a question concerning the President's proposal for a windfall profits tax on oil producers. Just over 83 percent of those responding said they favored the proposal. The second highest response came when almost 75 percent of those responding said they felt strong Presidential direction in foreign affairs is essential, while over 72 percent voted strongly in favor of a defense budget which would keep the Nation the strongest in the world. More than 70 percent want the revenue-sharing program continued. As ranking Republican on the House committee in charge of this legislation, I intend to follow my district's advice and work hard to extend this program.

Several of the questions related directly to the energy crisis and the economy, which are of great concern to district residents. While over 75 percent said they were against an additional excise tax on gasoline as an energy crisis measure, over 68 percent said they favored oil drilling off the Atlantic coast and 67 percent supported a reduction of auto pollution standards as a temporary energy crisis measure. The closest results were obtained from a question relating to wage and price controls, when 46.53 percent of those responding said they favored a resumption of the measure and 43.53 percent, or a difference of just 3 percent, were opposed and 9.94 percent were undecided.

The tax debates which are being provided to Americans met with favor from the residents of my district. In response to my question, "Do you intend to spend the proposed income tax rebate at once?" 46.9 percent of those responding said they would, while 35.31 percent provided a negative response.

The complete results of my 1975 questionnaire are as follows:

RESULTS OF THE ANNUAL "FABULOUS 5TH" QUESTIONNAIRE OF THE 5TH CONGRESSIONAL DISTRICT, NASSAU COUNTY, N.Y.

[In percent]

	Yes	No	Undecided
1. Tax rebate: Do you intend to spend the proposed income tax rebate at once?	46.91	35.31	17.78
2. Off-shore oil drilling: Do you favor oil drilling off the Atlantic coast?	68.37	23.02	8.61
3. Revenue sharing: Do you favor a continuation of the revenue sharing program?	70.25	11.54	18.21
4. Defense spending: Do you favor a defense budget which will keep us the strongest Nation in the world?	72.35	17.24	10.41
5. Auto pollution standards: Would you support reduction of auto pollution standards as a temporary meesure during the energy crisis?	67.21	27.31	5.48
6. Wage and price controls: Do you favor resumption of a wage and price control?	46.53	43.53	9.94
7. Consumer Protection Agency: Do you favor the creation of an independent Federal Consumer Protection Agency?	65.13	26.91	7.96
8. Food for the world: Do you favor increased U.S. food contributions to starving nations if it meant each American would have to consume less food?	45.73	42.19	12.08
9. Gas tax: Do you favor an additional excise tax on gasoline as an energy crisis measure?	18.58	75.92	5.50
10. Windfall profits tax: Do you favor President Ford's proposal for a windfall profits tax on oil producers to prevent them from profiting unduly?	83.18	11.24	5.58
11. Military allied aid: Do you think we should send military aid to nations fighting Communist aggression without our becoming directly involved?	50.39	35.77	13.84
12. Foreign affairs: Do you feel that strong Presidential direction in foreign affairs is essential?	74.71	15.64	9.65

H.R. 3000—AN AMENDMENT TO THE HATCH ACT

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mrs. SPELLMAN. Mr. Speaker, recently the Subcommittee on Employee Political Rights and Intergovernmental Programs held public hearings on H.R. 3000, an amendment to the Hatch Act, in my own Fifth Congressional District of Maryland. I would like to share with my colleagues the remarks of Mr. Charles J. White, of 7100 Nimitz Drive, North Forestville, Md. Mr. White is a systems analyst with over 27 years' service with the Federal Government, and his interesting testimony was most helpful and informative to the members of the subcommittee.

His statement follows:

TO SPEAK AS AN INDIVIDUAL CITIZEN IN SUPPORT OF H.R. 3000

Name: Charles J. White.

Residence: 7100 Nimitz Drive, North Forestville, Prince George's County, Maryland 20028, 5th Congressional District.

Purpose: To speak, as an individual (a citizen), in support of HR 3000 and especially that portion dealing with participation in partisan political campaigns. I wish to present my supporting statement by relating personal experiences.

Experiences:

1. A few years ago my brother-in-law campaigned, as a democrat, for and was successful in being elected to the Indiana state legislature. I sure would have liked to have been a part of his campaign. I enjoy campaigning; however, the Hatch Act precludes much of the activity I enjoy because I am a government employee. During non-partisan type elections in my community, I work for the issues and the people that I believe in. I get active in the campaign, the planning sessions, the distribution of literature, the personal contacts, the rallies and working outside the voting place on election day. I am allowed to do these things under the partial exemption provisions of the Hatch Act. However, the same Hatch Act precluded any such activity on behalf of my brother-in-law during his democratic campaign in Indiana.

2. Also, a few years ago my brother campaigned for, as a democrat, a county office in the state of Indiana and lost by just a few votes. I sure would have liked to have taken 2 weeks annual leave and participated in his campaign, I believe that my help could have turned the election to his favor. However, the Hatch Act precluded my participation.

3. The past year, 1974, a democratic candidate for Congress in my district was successful by a small margin. I would have liked to have been a part of that campaign because I believed that person to be the better person to represent my district and help was needed. I was not looking for favors as a payoff for my participation; just better representation. However, the Hatch Act precluded my active participation.

4. Also, this past year (1974) my wife campaigned, as a democrat, for and was elected to a high county office. I would have loved to have been a part of that campaign. I would have loved to have shared the experiences and the success. Her campaign could have been a family affair. However, the Hatch Act precluded my active participation. As a government employee, I was not allowed to put signs up in my neighbors yards on behalf of my wife. I was not allowed to hand out brochures on her behalf at the shopping centers. I was not allowed to knock on doors on behalf of my wife. In fact, it became extremely difficult at my place of employment and at civic meetings, when someone questioned me about the forthcoming election, to remain silent on behalf of my wife as a candidate.

Summary:

What I've just related are personal experiences wherein the Hatch Act has been unkind to my situations. The alternative, of course, is to leave Federal employment if I'm so hung-up on campaigning during partisan elections. However, I'm not in a position to throw away 27 years. Some will say that my experiences are unique and the exception. I don't know; however, I do know that many of my friends and neighbors who are government employees have indicated their personal desire to be allowed to do many of the things listed in Section 7324c of this bill. I'm certain that their desires, like mine, are governed by civic responsibility rather than desires for personal gains or special treatment. Therefore, I strongly support H.R. 3935 because it removes barriers for those who want the barriers removed, that is; it legally provides the individual an option to participate or to not participate and accordingly allows Federal civilian employees the same opportunity as non-government citizens to fully participate in our system of government.

SURFACE MINING CONTROL

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. UDALL. Mr. Speaker, part of the administration's justification for vetoing the Surface Mining Control and Reclamation Act of 1975—H.R. 25—is there will be a deleterious impact on coal production and employment if strengthened and uniform environmental standards are imposed on surface mining. In supporting this claim, the variation in coal production both before and after legislation at the State level for several States is cited. What the administration has not stated though, is that the decreases of coal production in the various States were concomitant with decreases in coal production in most States and at the national level. Thus State production trends followed national patterns thus reflecting the national market for coal and fluctuations are not due to changes in State law. The experience in Pennsylvania is one of the States cited by the administration as the basis for their veto support.

However, the experience in Pennsylvania with respect to coal production and employment subsequent to enactment and implementation of strengthened State laws flatly contradicts the administration's contention. Pennsylvania's experience is summarized in the following letter from State Representative Laudadio and State Senator Dwyer who are the cochairmen of the Joint Legislative Air and Water Pollution Control and Conservation Committee, Pennsylvania State Legislature.

The letter follows:

JOINT LEGISLATIVE AIR AND WATER POLLUTION CONTROL AND CONSERVATION COMMITTEE,

Harrisburg, May 28, 1975.

Hon. MORRIS K. UDALL,
House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR CONGRESSMAN UDALL: There are several points which we think should be brought to your attention before the over-ride vote on the Federal Strip Mining Bill now pending before Congress.

Grave reports abound regarding the impact this bill will have on production of coal, employment and the price of electricity. Pennsylvania's experience with a tough surface mining law (strict law passed in 1963 and strengthened further in 1971) does not lend support to these arguments. In fact, the reverse is true.

For the ten preceding years prior to the passage of Pennsylvania's 1963 Surface Mining Act, average yearly coal production using surface mining methods was 20.7 million tons. For the ten-year period after passage of the Act, average production was 24.2 million tons. That represents an increase of 17% during a period when coal was less than economically competitive with other basic fuels. During this same period (the entire 20-year span), employment gradually declined; however this was due, by the indus-

UMI

try's own admission, primarily to general economic conditions, newly applied technology, and modernization of equipment by the coal industry.

After passage of the 1971 amendments to Pennsylvania's All Surface Mining Act, which placed additional requirements on the coal industry, employment in the bituminous industry increased by almost 20%, from 5,192 (1973) to 6,416 (1974). Furthermore, production increased from 29.3 million to 36 million tons during the same period.

In sum, Pennsylvania's experience graphically illustrates that increased coal production and employment have occurred simultaneously with stringent reclamation requirements imposed by our law and regulations.

The net effect of not requiring similar practices in other States, may well be to impose an economic disadvantage on the production of Pennsylvania coal.

Thank you in advance for your kind consideration.

Respectfully,

JOHN F. LAUDADIO, Sr.,
Chairman.

R. BUDD DWYER,
Vice Chairman.

PHARMACIES AND PHARMACISTS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. ROSENTHAL. Mr. Speaker, the pharmacy profession is effectively dominated by the owners of independent drug stores and the pharmacists who work there. They are a potent lobbying power in the Nation's statehouses and in the Congress.

It is that power that is responsible for keeping consumers of at least two-thirds of the States in the dark about prescription drug prices. This is because they have succeeded in enacting and enforcing laws and regulations forbidding retail drug price advertising in those States. In the remaining States, where such advertising is ostensibly permitted, the industry has brought sufficient pressure to make it virtually nonexistant.

This problem is discussed in depth in my report on Retail Prescription Drug Price Competition. I am inserting in the RECORD at this point the section of that report dealing with pharmacies and pharmacists:

PHARMACIES AND PHARMACISTS

The final link in the prescription drug supply chain to the public is the retail pharmacy and the pharmacist. The most common is the independent, neighborhood drug store, which outnumbers chain stores nationally by better than seven to one.[1] Sizes and types of pharmacies vary widely. It is rare to find one that is solely in the business of dispensing drugs. Most more closely resemble a general store, selling a broad variety of products unrelated to health and medicine. The pharmacy today without a lunch counter, garden supply display, auto parts center and clothing department is more the exception than the rule, especially in the case of chain pharmacies, where prescription drugs constitute about 11% of the sales volume.[2]

The role of the prescription counter in the drug store's overall profit picture depends on a number of different factors. Drugs are traditionally high markup items and are counted on to supply a significant portion of a retailer's profits. The type of store (independent, chain, discount), the location (inner city, suburbs, medical arts building), proximity to competition, type of operation (discount, drugs only) and services offered (home delivery, 24-hour operation, credit) are all variable factors in the determination of the prices of the store's products. Since most non-prescription drug products are advertised, the consumer has a chance to stop comparatively; but in the case of prescription drug products, the pharmacist has a relatively free hand in charging whatever fee he wishes.

It has been stated that drug products are a rather unique commodity because they are usually purchased with some degree of urgency. However, consumers should not be blind to the fact that they can get a better buy with a little comparison shopping. Most druggists will quote prices for a prescription before it is filled (they are required to do so in New York); a very few will even quote prices on the phone.

Consumers in 1971 had 2.2 billion prescriptions filled. Just over 31% were for hospital inpatients. The remainder were accounted for as follows: independent commercial pharmacy 42.7%, chain pharmacy 6.9%, other retail outlets (department stores, supermarkets, etc.) 6.8%, hospitals (outpatient pharmacies) 7.7% and dispensing physicians 4.8%.[3]

HEW estimated the number of resident pharmacists in the country in 1971 at 129,287. The vast majority worked in community pharmacies (45,889 owner/partners and 60,505 employees for a total of 106,394), 11,840 were in hospital pharmacies, 6,307 in teaching and government and 4,745 in manufacturing and wholesaling.[4]

DRUG SUBSTITUTION

In nearly every state, the pharmacist is forbidden to fill a prescription with anything other than the exact branded item specified by the physician. The HEW Task Force reports:

"Substitution of a drug or brand of drug different from that prescribed by the physician is specifically prohibited in the pharmacy laws or rules and regulations of 47 states, but there are no written rules against it in the District of Columbia, Alaska, Missouri or Vermont. In the District and Vermont, however, the license of a pharmacist may be revoked for substitution, on the grounds that it is unethical conduct."[5]

Maryland enacted a law in 1972 that permits the pharmacist to susbstitute a generic equivalent for the brand stated on the prescription unless the prescribing physician specifically prohibits it. The law, which took effect in early 1973, requires the pharmacist to notify the practitioner in writing within 48 hours of the product substituted. The pharmacist is required also to pass on any savings to the consumer.

Substitution already exists widely in practice, if not in law. It is not uncommon for a pharmacist, when presented with a prescription for a drug he does not have in stock, to call the prescribing doctor and ask for a substitution or suggest to the doctor that he be allowed to use a drug already on hand.

Substitution is presently prohibited where the doctor prescribes a specific brand; however, when he writes the prescription generically, the pharmacist is free to use (i.e. substitute) any manufacturer's generic equivalent. This situation offers a mixed blessing. On the one hand, there is an opportunity to save the consumer some money. However, there also is potential for abuse because the pharmacist with a generic prescription is in a position to dispense the item on his shelf with the largest profit margin, usually a brand-name equivalent.

Generic prescribing, on the other hand, permits the druggist to carry a smaller inventory, thus reducing his expenditures and, theoretically, permitting him to pass some savings on to the consumer. However, it has been shown that a pharmacy usually purchases those products with the highest turnover. These tend to be the higher priced brand name drugs more frequently prescribed by physicians than lower cost products of equal quality but less well-known because not as much money and effort has been spent promoting them.

Another factor in the issue of substitution is the method a pharmacist uses to set his retail prices. A few are beginning to use a flat dispensing fee in place of the usual percentage markup. The two systems differ primarily in terms of philosophy. The flat fee is meant to level off the costs between higher and lower priced drugs.

The pharmacist will add the fee, based on what he considers his expenses in filling the prescription, to his cost for the drugs he dispenses instead of pricing them by percentage markup from the wholesale cost. The HEW Task Force reports:

"There is some fear that the use of dispensing fee will greatly increase the total costs to long-term users of low-cost medications, who under the markup system would normally receive prescriptions below actual dispensing costs. . . . These patients may be properly served in appropriately selected cases if physicians can be induced to prescribe in larger quantities; this the patient would pay one dispensing fee for a medication which would last several months, instead of several fees for smaller quantities of the medication prescribed a number of times."[6]

The use of the dispensing fee is not without pitfalls for the consumer when the pharmacist has the option of substituting drugs. If his markup is based on a percentage of the product's wholesale cost, he could be inclined to use the higher cost, and therefore, higher profit item. But if he charges a fixed fee, regardless of the wholesale price, he might be more likely to stock lower-cost items since he would be making the same profit but have less capital tied up in stock.

Repeal of anti-substitution restrictions, a movement gaining popularity among some pharmacists and the public, would necessarily have to be tied to some method of protecting consumers against abuses in order to be fully effective. For example, a pharmacist may fill a generally written prescription with a brand name drug for several reasons:

1. He does not have the drug in its generic form. (One Washington, D.C. chain store druggist reported that when he is out of the generic but does have the brand version, he will ask the patient if he approves, and then charge the generic price.)
2. He prefers to dispense the drug of a manufacturer in whom he has confidence.
3. He is seeking a greater profit.

Pharmacists and physicians are sharply divided on the issue of substitution, as they are on the issue of drug price advertising. Most druggists would prefer that the prohibitions be lifted, giving them discretion over the manufacturer of a drug product when the prescription calls for a multi-source item. Doctors, on the other hand, vigorously oppose this as a usurpation of their role in specifying the exact medication they want for a patient. As in the case of price advertising, lines are drawn between pharmaceutical companies and organizations, such as the National Pharmaceutical Council (NPC), and independent retailers and laymen. The NPC, composed of the 25 largest pharmaceutical manufacturers, actively opposes drug substitutions as "destructive to pharmacy" and 'deceitful to physicians."[7]

Footnotes at end of article.

The group is further dedicated to the use of brand name products only, claiming that they are the safest and most effective drugs.

Although NPC's concern for the medical care of the American public is their stated goal, their alignment with that segment of the pharmaceutical and medical profession which constantly opposes consumer-oriented programs casts serious doubt on their motives.

BRAND VERSUS GENERIC PRESCRIBING AND ADVERTISING

Closely related to the issue of substitution and an integral factor in the price of prescriptions is the question of brand vs. generic superiority. The development of a brand name occurs when the larger drug houses register a trademark name for the new drugs they develop. The same practice is followed when they begin to market a drug developed by another company but for which the original 17-year patent has expired. Smaller manufacturers will, most often, market their products by the generic name.[8]

Since these small companies do not undertake the expensive tasks of researching, developing and advertising new drugs, the prices at which they sell their products are generally lower.

Most of the uncertainties about generic drugs center around their equivalency in both quality and therapeutic effect. Brand name advocates contend that their drugs are of higher quality and are subject to more quality tests and controls. There is no convincing evidence to show that they do the job any better.

It is often difficult to tell who made a drug, despite the name of the manufacturer on the product. This is because one producer frequently provides a large number of firms with the same drug, which is then marketed under a variety of brand and generic names.

Doctors today often find it difficult to assess the quality of drugs available because experience with a given drug is usually limited.

Evidence of this problem, according to Dr. Henry E. Simmons, director of FDA's Bureau of Drugs, "is the fact that some professionals will prescribe the highest-price product when the same product is being offered at a substantial savings by equally large or experienced firms." Further evidence, he added, is that doctors often are unaware that their patients are "paying a higher price for a brand name drug when the same drug manufacturer offers the same drug at a lower price generically.

"Some seem to mistakenly think that 'big manufacturer' or 'brand name' is good, while 'smaller manufacturer' or 'generic name' is of necessity bad. *This impression is just not borne out by the facts today.*" [Emphasis added][9]

From a pharmacological perspective, the inert ingredients which go into the finished product may or may not effect the performance of the drug (although they are not supposed to). According to the brand name advocates, the inactive ingredients in a drug compound do make a difference. Dr. Alfred Gilman, a pharmacologist, remarked in 1967 in a letter to Senator Russell B. Long, chairman of the Senate Finance Committee, that he was "appalled by statements which implied that cheaper marketed generic drugs are equivalent merely because of chemical analysis."

This argument may be shown to be tenuous in the face of contradictory testimony from experts who believe that the factors of dissolution and release of medication are of little consequence in the performance of a drug.

William Apple, executive director of the American Pharmaceutical Association, stated in testimony before the Senate Finance Committee in 1967: "Authorities in the medical and pharmaceutical sciences seem generally agreed that the likelihood is remote that a drug product meeting established standards under federal drug laws will not perform clinically as expected."

It is not the purpose of this report to make scientific judgments regarding the question of generic vs. brand superiority. Suffice it to say that the Food and Drug Administration does recognize as safe and effective generic drugs which comply with its minimum standards, and the Defense Department and Veterans' Administration purchase their drugs by generic name.

Usually a physician will prescribe a drug with which he is most familiar and in which he has confidence. It is generally true, however, that the typical clinician has very little first-hand knowledge of the performance weaknesses and strengths of generic versus brand name formulations. What second-hand knowledge he has is probably derived from information furnished through "detail men" from large drug houses. "Prescribing physicians are still exposed far too often to drug promotional ads designed primarily to promote sales rather than to provide the physician with the full facts necessary for the rational selection and use of druga," reported the Committee on Government Operations' Intergovernmental Relations Subcommittee.[10] It further stated: "While blatant misrepresentations and omissions have become less frequent, they have often been replaced by more subtle attempts to convey misleading messages."

"Prescription drugs occupy an unusual position in the marketplace because such drugs are ordinarily selected by the physician who prescribes them rather than the person who purchases or uses them" the report concluded. "Consequently, the prescription drug promotion effort is directed to the physician rather than the consumer."[11]

As a general rule, very few doctors prescribe generically, even though patients could often save a considerable amount of money if prescriptions were written that way. According to a spokesman for the National Association of Chain Drug Stores, "The first place where the consumer should receive prescription price information is in the physician's office. The physician should be responsible for informing his patient of the general price range and generic names of the drugs he has prescribed."

Through their concentrated advertising to physicians and pharmacists, pharmaceutical manufacturers have successfully implanted the notion that brand name means quality. Although the trend in recent years has been toward an increasing number of generically-written prescriptions, an estimated 90% of prescriptions written today specify a trademarked drug product.

With a growing number of major drug manufacturers marketing their own so-called generic lines, it is interesting to note the position of the Pharmaceutical Manufacturers Asssociation, as stated by its President, C. Joseph Stetler: "We do not claim that the existence of a trademarked name gives assurance of superior quality, nor do we contend that a drug product which happens to be sold under the official name of its active ingredient is automatically suspected of poor quality. Since the majority of such generically labeled products are made by PMA firms, it is obvious that we would not take such a position." In response to a question concerning the rising competition between generic drug houses and brand manufacturers, he answered, "We do not contend that there is a considerable difference among manufacturers in the degree of skill and devotion to consistent built-in quality, and we do contend that prescribers and dispensers should have knowledge of and confidence in the sources of the drugs they choose. As for the new kind of competition involved in the emergence of branded generics, if the question means an intensification of price competition, this would be a change only of degree, because we have had price competition all along."[12]

Pharmacists express mixed feelings about the generic drug controversy. None appear opposed to dispensing generic drugs, although most are more familiar with the brand name products. This is largely due to the fact that small drug manufacturers do not indulge in large advertising and promotion campaigns.

Advocates of generic prescribing contend it could save hundreds of millions of dollars annualy in prescription costs for the elderly alone and millions more for the rest of the population. Critics counter that only 20–25% of all the prescription drugs on the market would be affected because the rest are under patents and not available generically. This is borne out to some extent by the HEW Task Force on Prescription Drugs, which discovered that of the 409 drugs dispensed most often to the elderly in 1969, lower-priced generic equivalents were available for only 67.[13]

DRUG COSTS

The burden of high prescription drug costs falls most heavily on the elderly and others on fixed incomes. Although only about 10% of the population is 65 or older, this group accounts for 25% of all retail prescription drug expenditures.[14] In 1971 these expenditures totaled $1.2 billion. The average per capita expenditure on drugs by the elderly was $52.49, nearly triple the cost for persons under 65 ($18.12 per capita).[15]

The HEW Task Force on Prescription Drugs found that generic prescribing for 67 of the drugs most frequently dispensed for the elderly could have reduced the acquisition cost—the wholesale cost to the retailer—from nearly $74.9 million to $33.4 million, representing a potential savings of $41.5 million or 55.3% at the wholesale level. The savings to consumers would depend on the markup established by the pharmacist.[16]

If the retail markup were set so that the pharmacist would receive the same gross profit on generic prescriptions, the total retail price for those drugs would drop from $150 million to $108 million, a savings to elderly consumers of $41.5 million or 27.7% on the 63 drug products most frequently dispensed and available generically.[17] (See Appendix 12 for a generic vs. brand price comparison of 63 of those drugs.)

The American population as a whole spent $4.4 billion on prescription drugs ($20.89 per capita) at retail outlets, according to HEW; *Product Management* magazine put the figure at $5 billion for 1971. Just a decade earlier, Americans spent only $2.2 billion ($12.05 per capita) on prescription drugs and in 1950 the figure was $1 billion ($6.74 each).[18]

In an attempt to facilitate generic prescribing and dispensing, Massachusetts adopted a Formulary Act in 1970 which requires that all prescriptions written for brand name drugs include the generic name as well, if available.[19] If the prescription fails to list the generic equivalent, it becomes an illegal prescription, one which technically should not be filled by a pharmacist. Under this act, physicians may prescribe formulary drugs by generic name only or by brand name and generic name. If a doctor insists on a particular brand name drug, he can include on the prescription the phrase, "no substitutes" or "brand only" or add the name of the manufacturer.

Dr. Richard Burach, chairman of the Massachusetts Drug Formulary Commission urges physicians not to use this alternate mechanism indiscriminately. . . . It is the responsibility of the physician to be certain that a clinical impression that he may have of the superiority of any brand name drug over its

Footnotes at end of article.

UMI

generic counterpart is substantiated by factual, clinical evidence that is current and authoritative."[20]

Some physicians, especially those in group practices, are beginning to use prescription blanks that call for generic filling unless specified otherwise. Group Health Association (GHA) of Washington, D.C., uses prescription blanks which permit the physician to check a box specifying: "Dispense any manufacturer's product of same established name" or "Dispense specified brand only."

The action taken in Massachusetts and by GHA is exemplary and is a move in a positive direction to help consumers know more about their drug costs. Although drug substitution by itself is no panacea it can result in significant dollar savings for consumers.

FOOTNOTES

[1] *Prescription Drug Data Summary, 1971*, U.S. Department of Health, Education and Welfare, Washington, D.C., 1971, pp. 29–30.

[2] *American Druggist*, May 29, 1972, p. 17.

[3] *Prescription Drug Data Summary, 1972*, Department of HEW, Washington, D.C., Table IV–2, p. 27.

[4] *Ibid.*, Table IV–1, p. 26.

[5] *The Drug Makers and the Drug Distributors*, HEW, December 1968, p. 80.

[6] *Ibid.*, p. 67.

[7] *This is NPC*, pamphlet published by National Pharmaceutical Council, Inc., Washington, D.C.

[8] Also known as the United States Adopted Name (USAN) because it is officially adopted by the Secretary of Health, Education and Welfare on the advice of the USAN Council, a coordinating group composed of representatives from the American Medical Association, the U.S. Pharmacopeia, the American Pharmaceutical Association, as publisher of the National Formulary, and the Food and Drug Administration.

[9] *American Druggist*, November 27, 1972, pp. 24–25.

[10] Report of Committee on Government Operations, Intergovernmental Relations Subcommittee. "Regulation of Rx Drug Advertising," December 10, 1970, p. 16.

[11] *Ibid.*, p. 2.

[12] *Drug Trade News*, Vol. 47, No. 15, July 24, 1972. Medical Econ. Co., Oradell, New Jersey.

[13] *The Drug Users*, Task Force on Prescription Drugs, Background Papers, Health, Education, and Welfare, October 1, 1968, pp. 81–82.

[14] *Final Report*, HEW Task Force on Prescription Drugs, p. 1.

[15] *Prescription Drug Data Summary 1972*, Department of HEW, Social Security Administration Office of Research and Statistics, pp. 6–7.

[16] *The Drug Users*, op. cit., p. 36.

[17] *Ibid.*, p. 83.

[18] *Prescription Drug Data Summary 1971*, op. cit., pp. 4–5.

[19] Massachusetts General Laws Annotated, Chapter 17, Section 13, and Chapter 112 Section 12D; Chapter 717 Massachusetts Statutes 1970.

[20] "Drug Substitution Approved by AMA," Article in *Drug Trade News*, July 12, 1971, p. 2.

BOEING-VERTOL PREPARED FOR THE CHALLENGES OF PEACE

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. EDGAR. Mr. Speaker, the Boeing-Vertol Co. in my congressional district has been among the Nation's leaders in producing helicopters. These helicopters have performed admirably under combat conditions and have met the challenges asked of them. At this time, Boeing is proposing to use the same brains that engineered these helicopters for solving our mass transportation problems.

Specifically, Boeing has invested heavily in building streetcars, a commodity which has not been produced in this country since 1952. I see this management decision by Boeing as an important indication of a trend toward more sensitivity to our problems here at home. It is encouraging to me that Boeing has taken the lead in this area, and I hope other companies in similar circumstances will be motivated to invest in peace instead of war. For too many years we have stressed external defense such as bombs and bullets. It is time we stop neglecting our "internal defense" of housing, education, medical care, and transportation.

Mr. Speaker, at this point, I wish to insert in the RECORD an editorial of the Philadelphia Inquirer on the efforts of the Boeing Co.:

[From the Philadelphia Inquirer, May 31, 1975]

BOEING COULD SET THE PACE TO REVIVE TRANSIT INDUSTRY

With national unemployment at its highest level since the Great Depression of the 1930s, and with soaring energy costs focusing new attention on the need to expand mass transit, it might be assumed that the Delaware River Port Authority would have no trouble acquiring 44 new cars for the Lindenwold High Speed Line with delivery to begin in 1977.

But it is having trouble, and therein lies a story of mixed-up transportation priorities in America. A nation that can produce 10 million automobiles a year has permitted its transit manufacturing industry to dwindle during prolonged disuse.

The General Electric Company's rail car division in Erie has notified the Port Authority that it couldn't start delivery before late 1978 at the earliest. It is working on a big stack of orders—including two from SEPTA totaling 214 railroad commuter cars.

Indeed, the outlook for the Port Authority is so bleak that it is even considering going abroad to fill transit car needs. That should not be necessary. Relying on foreign transit companies for cars and parts surely can be avoided—considering this country's underutilized industrial capacity and large pool of job-seekers.

In the heyday of street cars the Brill Company in Philadelphia was a leader in the field, but ceased production decades ago. So did the American Car and Foundry Company, another major producer of transit vehicles for many years. The St. Louis Car Company, which built some of the early silverliners still operating on Philadelphia area commuter rail lines, dropped out of the field for lack of orders. The Budd Company in Philadelphia, another major producer of silverliners for this area, still makes railroad cars pulled by locomotives—but not self-propelled cars.

Companies still in the transit business are much sought after. Pullman Standard in Illinois is producing subway cars for New York. The Rohr Company, with plants in California and Georgia, is supplying cars for Bay Area Rapid Transit in San Francisco and for the Washington subway system now under construction.

All of which may spell opportunity for the Boeing Company in suburban Delaware County. At the height of the Vietnam War Boeing was Delaware County's largest employes, building helicopters in two plants with a total of 13,000 workers. Now one plant is closed and employment at the other is down to about 5,000.

But Boeing has made the switch from swords to plowshares—or, more accurately, from helicopters to transit vehicles. The remaining plant has assembly lines for both. Hundreds of additional workers are to be hired in months ahead for transit car assembly.

Two Boeing prototypes of new transit cars adaptable for both subway and surface use, developed with a federal subsidy, were tested in the Broad Street Subway recently and are being given similar demonstration runs in other cities. Boeing has just turned out the first trolley car built in the United States in 23 years. It is gearing up a versatile production capacity for trolley, subway and high-speed line cars. It has transit car orders totaling 175 from Boston and 100 from San Francisco, and is negotiating to build 200 for Chicago.

The City of Philadelphia, which owns the SEPTA-operated Broad Street Subway, is planning to buy 100 new subway cars. SEPTA is in the market for new trolley cars. Potential advantages of a joint order with the Port Authority should not be overlooked.

Engineering and tooling expenses to set up an assembly line for only 44 transit cars would make the unit cost quite high. It could be lowered with a larger order.

It is remarkable that auto manufacturers have not led the way with innovative shifts in production capacity to mass transit, but Boeing has made a successful transition and we wish it well in what should be a growth industry.

SOLZHENITSYN SPEAKS OUT—II

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. ASHBROOK. Mr. Speaker, Alexandr Solzhenitsyn has spoken some of the harsh truths about the Soviet Union and socialism that need to be heard in what remains of the free world.

In a press conference that has received little attention in the United States, Solzhenitsyn has stated—

There can be no moral form of socialism . . . ethical principles not only are not inherent in socialism, but are opposed to it.

On the Soviet Union, he states—

The Soviet regime is part of the order of totalitarian ideological systems . . . These systems annihilate people in vast numbers, and they destroy our souls as well. They aim at the subjugation of the soul as well as of the body.

Due to the importance of Solzhenitsyn's comments and the lack of exposure that these particular comments have received in the West, I include in the RECORD the second half of Solzhenitsyn's press conference in Stockholm:

[From the National Review, June 6, 1975]

SOLZHENITSYN PRESS CONFERENCE—SECOND HALF

Q: What role can Western radio broadcasts in Russian play in aiding dissenters? How, in word and deed, can one help victims of Soviet persecution? What opposition forces exist in the USSR and what are their chances of changing the system in the near future?

A: In the Soviet Union we find great support in every word that is broadcast from the West in Russian, and in every item that appears in the Western press. The problem is the need for more information, for, I repeat, we cannot even find out about the majority of the victims of oppression. Sometimes their names are known, but the correspondents get tired of them and begin to forget. Ogurtsov, for example, was thrown into a psychiatric hospital after eight years' imprisonment, but everyone got tired of talking about him, and the whole world knows that he is being destroyed. Some of the Ukrainians—Karavansky, Shukhevych, Sverstyuk, and many others—have been imprisoned for close to 25 years. Now Osipov has been arrested for trying to publish a legal magazine that does not oppose the government. His friend Borodin immediately gave an interview on the subject of these persecutions but the news agency was not interested.

There is a dangerous tendency to cover up problems of life and death inside the Soviet Union by overplaying the emigration issue. Emigration will go on; the Soviets will even expel people by force. As a consequence of this, Russian culture is in the process of emigrating. My friend Shafarevich spoke about this at his press conference in Moscow last November. This was done in an attempt to stop the Russian cultural exodus, since genuine Russian cultural development can only take place at home, on Russian soil. Those who leave may try to participate in it, may make their contribution, but the true fate of Russian culture will nonetheless be decided in our homeland.

I think that the Soviet authorities will not rid themselves of dissidents by means of compulsory emigration, and they will not solve this problem in a way that is to their advantage. And as to how the social situation in the Soviet Union can be changed, there are, of course, various opinions. I consider the most promising possibility to be a moral revolution, which I have spoken about.

Here a correspondent has an objection: "This method is not understood in the West." In my opinion, the age of violent revolutions has come to an end throughout the world. Physically violent revolutions have never solved any problems; they only confused the situation and made it worse. Therefore I regard a moral revolution as a solution, not only for the East, but for the West as well. I cannot say anything concrete as to just how to apply this concept to the West, but in "Not to Live a Lie" I have applied it to my own country. And I think that if this method is propagated it will kill ideology in the Soviet Union and thereby change the whole situation.

Some Italian journalists have asked about the book by my first wife, Reshetovskaya, which was published in Italy. I have read the book in Russian, and I can say that it is simply not about me. It is about some person whom the KGB has dreamed up in my stead. This book is part of the campaign against me that was begun after the publication of the *Archipelago*, somehow to belittle it, to lessen the significance of the *Archipelago*. But it is surprising how little the KGB has achieved toward this end. They got a school friend to testify against me, and I know that they are working others over to do the same thing. But they have been unsuccessful. For two years they have been pressuring Razhas Janos to make statements against me, but without any luck. I mention his name so that it will be known, just in case. He is a very nice and kind young Hungarian (not so young any more) who was a fellow prisoner in the Special Camp; I write about him in the third volume of the *Archipelago*. He lives in the depths of the Hungarian provinces, where they are trying to pressure him into providing some kind of evidence against me. They first sent my former wife to him, then a representative of APN (the Agit-Prop Administration) and the KGB, and finally the local customs people were put to work on him. Well, he has still not made any statement.

We can imagine the tough spot in which such solitary fools find themselves, when they could ease their situation by giving the necessary evidence to the KGB—and yet they don't.

Q: Do you plan to live in the West permantly?

A: No, I do not. I live in constant awareness of my desire to return to Russia, and I know that I will go back. Here we have a constant feeling of nostalgia, of not belonging, and we are conscious of the violence that has been done to us. Even my little boys are beginning to understand this in their young minds.

Q: What do you consider to be your greatest accomplishment since you came to the West?

A: I consider my main accomplishment to have been my success in working and writing despite interference from all the people who wanted to see me or correspond with me. When I was in the Soviet Union I was in great danger, and only my close friends came to see me. Here they come out of plain curiosity, not writing or dropping in, but just hanging around out in the street. In practice, this is how things are in my family: we have no time to open all the correspondence and sort it out, to see who is writing and about what. Even if I stopped all other work, I couldn't handle all the mail.

Not to speak of books! At first they sent me books by the hundreds, then by the dozens. And a letter along with each book. Books in all sorts of foreign languages. I only read in two languages. If I began to read all those books I would drown—there's a huge, huge mountain of them in my house, spread all over the place.

Q: Why do you isolate yourself in Zurich? Why do you keep the door shut, why don't you answer the bell or the telephone?

A: . . . Self-defense. If I want to remain a writer I can not devote my life to socializing and correspondence. When I first came here I was even approached by agents provocateurs from the KGB. But the majority were honest people, on their way through town or coming especially to see me, to chat for an hour with me. Whoever felt like it came barging in—all except the people of Zurich, who respect my privacy. I work 14 hours a day, which leaves me no time for conversation or letter-writing. In the evening I prepare what I will need in the morning. I read what I have to read. And there is not time, physically, for anything else.

Q: You have uttered severe criticism of the Soviet system. What do you find in it that is positive?

A: Really, in the situation I was in, and for anyone in his own situation, one first notices and is troubled by the shortcomings of the social system. I would make a distinction between the system and the society. Look, I would liken this to a fraction, with the system on top, pressing down on the society. It is hard for me to say anything positive about the system. If the system gives anything to its citizens, then that is only because it would be ashamed not to. We have so-called free public education and free public health service, but all that is so very bureaucratic, so cramped and of such poor quality, because the people who work in these systems are so poorly paid. Yes, public health is free, but it is set up so that from the Kremlin on down every organization, every one, all the petty Party chiefs . . . all try to separate their medicine, to be treated in special fashion. And every person who has a chance to be treated privately will try to get private treatment, since the help he gets from the public health service is of the worst quality. Not because the doctors are bad, but because they lack facilities. They must take nine patients an hour, sometimes for minor operations or serious examinations. But that is how it has to be under that system, as the system is directed against the individual. It is directed at cutting down all that is finest and highest in humanity, in the human being. But here, since I came to the West, it is interesting what I have noticed . . . I have observed this: in our society the relationships between people—this may surprise you—are warmer, more sincere, more unselfish than here . . . I think this is partly because everyone in the West is free to arrange his own life. And, with the decline of religious principles on which Western society was founded, this leads to intensified activity by each person on his own behalf. Western man is placed in a troubling environment. . . . In their tense struggle and competition people sometimes busy themselves too much with material matters, think too much about their narrow interests rather than about everybody, about society. . . .

There exists a general superficial politeness, a high courtesy, but underneath that courtesy there is often, though not always, a marked dryness. But in our society the situation is like this. You can't strike. You can't get a pay raise, even if you smash your head against the wall. Man's role in his own life is small. There are fewer opportunities by far, and there is not this apprehension that if you are less active you will miss out on something. Somehow life goes on over your head, and you can even shut yourself off from it halfway. And this creates a space of time and soul for other kinds of nonmaterial concerns.

Q: How do you feel about translators?

A: That is one of my main concerns in the West. Some of the translations of my books are terrible; sometimes no good translators are available, or the translator is underpaid. . . . In the USSR, creative freedom is crushed to the point where all of the better writers have gone into transiating. This translation work, furthermore, is well paid. That is why there are no better translations in the world than those made from Western languages into the languages of the Soviet Union. Here, however, the publisher looks for the cheapest translator. And who works for less money? He who is less good. Even a good translator is paid so little that he must work fast in order to live. For this reason books written in a poor or average style lose almost nothing in translation. But books that are written in an original and difficult style lose everything. I am now trying to protect the interests of the translators, by seeing to it that those who translate my works are better remunerated.

Q: To judge by statements in your writings, you adhere to a socialist world view?

A: That is wrong. If you analyze carefully what I have written you will see that I have no socialist philosophy. It stands to reason that in the Soviet Union I had to be careful and express myself as indirectly as possible. But as the years passed and my books appeared here, the Western press and Western critics were eager to see me as a socialist, to save the socialist idea. . . . There can be no moral form of socialism. As Academecian Shafarevich clearly shows in his studies, ethical principles not only are not inherent in socialism, but are opposed to it.

Q: On occasion you have defended Czarist Russia. Do you consider that regime to have been superior to the Soviet system?

A: In *The Gulag Archipelago* I made several comparisons between those two regimes, those two state systems, and in the third volume this comparison will be continued. The two systems are not comparable, as they represent two different orders. The Czarist regime belonged to the order of authoritarian systems which existed in all countries for many centuries. But the Soviet regime is part of the order of totalitarian ideological systems which have risen in the twentieth century, bringing unheard-of pressure and fear to bear on the individual. These systems annihilate people in vast numbers, and they destroy our souls as well. They aim at the

UMI

subjugation of the soul as well as of the body.

Q: What are your ideas on a religious renewal of the contemporary world, East and West?

A: I insist that the problems of the West are not political. They are psychological and moral. When dissatisfaction with government is expressed, it should be understood not in terms of political failure but in terms of weakened religious and ethical foundations of modern society. Such economic problems as inflation—not as it existed after the civil war in Russia or after the First World War in Germany, when hunger was the issue, but inflation in the midst of plenty—are not economic problems but rather psychological and moral. I am convinced that the only salvation for the East, and also for the West, which is also in a dangerous situation, lies in a moral and religious rebirth.

I should mention that I disagree with my good friend Heinrich Böll on many specific questions having to do with the contemporary situation. And on this point our views differ completely.

Q: In his letter on the occasion of the 26th anniversary of the Declaration of the Rights of Man, Andrei Sakharov mentions the ethical aspects of your struggle. May this be regarded as indicating a rapprochement between his views and yours?

A: Andrei Dmitriyevich Sakharov and I have much in common. I did not reply to his objections to my arguments, as I was waiting for *From Under the Rubble* to appear with the basic questions set forth on a much higher level than was possible for me to do in my "Letter to the Soviet Leaders." In *Kontinent* (No. 2) I have answered Sakharov's critique. In fact, I have expressed the hope that our views will gradually come closer together.

Q: Mr. Solzhenitsyn, are you a Christian?

A: Well, I think that question is even clearer from my books than the one asked here about a socialist world view.

THE NEED FOR A RATIONAL FOREIGN POLICY

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mrs. SCHROEDER. Mr. Speaker, I would like to insert a recent editorial from the Denver Rocky Mountain Journal which examines our irrational foreign policy.

The editorial follows:

THE NEED FOR A RATIONAL FOREIGN POLICY

(By Daniel F. Lynch)

There is a serious possibility that the United States of America has gone raving mad:

Consider the following:

Since shortly after the Castro revolution of 1959, we have imposed a boycott on Cuban products. We did not simply boycott Cuba ourselves, but through the Organization of American States, we attempted a general assault on Cuban exports with the avowed aim of destroying the Cuban economy and with it, hopefully, the Castro government. That policy is certainly economic handball.

Last Sunday, James Schlesinger, the Secretary of Defense, repeated earlier Kissinger and Ford warnings that if the Arabs initiate a new embargo on oil shipments to the United States and Europe, we may fashion a military solution. In other words, we can embargo when we will, boycott when we feel it is in our interest to punish any regime we choose, but if we are the victim of similar tactics, we will fight.

Consider also:

We destroyed the delicate internal balance of Cambodian neutralism when we invaded the North Vietnamese supply depots inside the Cambodian border. We helped dump the neutralist premier and bring an American puppet, Lon Nol, to power. In so doing, we started a real civil war in Cambodia—a war which resulted in the eventual capture of Cambodia by the Communists and in which, published reports indicate, ten per cent of the entire Cambodian population—men, women, and children—died. That is what we did to Cambodia.

The Cambodian Communists seized an American merchant vessel off Cambodian islands which was said to be in international waters. We reacted with a raid on Cambodian islands, the destruction of sundry gun boats and bombing attacks on the Cambodian mainland. We did this not only to rescue the crew and the ship, but mainly to demonstrate to the world that we are tough and resolute characters who will stop at nothing to redress an insult. To save the crew of 39 we lost 16 American fighting men and may have left as many as 13 behind. This adventure is hailed as the greatest victory since World War II and earns the President the sustained applause of the student body of the University of Pennsylvania and the virtually unanimous admiration of the pundits.

If sanity is balance, there is no balance here.

Our total defeat in Viet Nam seems to have unhinged our minds.

The President tells us we must forgo recriminations and that this is no time for a foreign policy debate. Yet our policy is in shambles, our troops lie exposed in Korea in an increasingly tense time defending an indefensible government of repression in the South and facing a fanatical, repressive and adventurous clique of Red hawks in the North.

Without a foreign policy debate, the defense secretary promises war to the Arabs, massive retaliation for the North Koreans and smugly celebrates our "victory" over the Cambodians.

If we are permitted a simple observation on the Viet Nam folly, it might be well to note this salient fact: a political leadership, even a legitimate and resoundingly elected leadership, cannot commit a people to wars they do not understand against their will.

We urgently need a foreign policy debate.

We also urgently need to conduct that debate in an atmosphere of reason, reflection and calm.

Otherwise, some nut with transient power will stain us before history as the greatest butchers of the twentieth century, a distinction for which there are already too many crazy contenders.

WILL ENGLAND REMAIN FREE?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. CRANE. Mr. Speaker, the current situation in England is more perilous than many in our own country are aware. The British economy, after many years of the implementation of a welfare state philosophy, is bankrupt. Its production is low, the all-powerful and far left-wing labor unions are in virtual control, and within the ruling Labour Party itself is a faction which fully intends to take England out of the Western alliance.

The Intelligence Digest, published in England, declares in its June 1, 1975, edition that—

Moscow is confident that political life in Britain has already moved a long distance in that direction and that a "progressive coalition" will soon be "consolidated" . . . Moscow is talking of the growing need and perhaps early inevitability of a socio-political transformation as the only means out of the mess. The speculation and prediction therefore is of a coalition in Britain of the "Socialists" within the Labour Party and avowed Communists—the long awaited unity of true left-wing forces and the final ejection of pseudo-left wingers together with all "reactionary forces."

Great Britain has permitted Communist-led labor unions to exert powerful control over large sectors of the economy. Its welfare-state philosophy has caused it to adopt the policy of taxing business and industry and redistributing wealth across the population spectrum of the country. One result is that the capital necessary for industrial expansion has been eliminated. Stagnation has rapidly ensued. Unfortunately, many in our own country view the virtual collapse of England not as a warning of what welfare-statism will produce here, but as a prophecy and a vision of what they desire.

In a recent commentary on CBS, Eric Sevareid discusses the British situation:

Their emphasis is on sharing wealth over producing wealth, on equality over liberty. The end of this is almost certainly the loss of the wealth and, less certainly, the loss of the liberties. It is no small matter that the regime is trying to force all British journalists, editors included, into one monopoly union, sure to be dominated by what we call the radical chic and what they call the trendy left.

Mr. Sevareid concludes that—

The powerful Communist influence in trade union leadership is no longer disputed. What do they want? Not a Communist Britain in the foreseeable future, much more likely a chronically weak, dispirited Britain, able to play no effective role in the world of the alliance. That would suit very nicely the long-range strategies of the Soviet Union.

Whatever else the Department of State may think about détente, it is to be hoped that it is under no illusions that détente involves a lessening of the Soviet effort to destroy the Western World from within. It is being very successful in this undertaking. Portugal provides one example. England, unfortunately, is on its way to providing another.

I wish to share with my colleagues the commentary of Eric Sevareid which was heard on CBS on May 6, 1975, and insert the text in the RECORD at this time:

[From CBS Evening News with Roger Mudd]

COMMENTARY

ROGER MUDD. Rapid and drastic political change is now most noticeable in Southeast Asia, but it's also occurring in western Europe and in Britain, which is the subject of Eric Sevareid's commentary.

ERIC SEVAREID. The President will go to Brussels this month to tell the Atlantic allies that America's word is still its bond. He will also touch down in Spain, scene of a coming political transition. He will not visit Portugal, trying to find a new footing after a generation of authoritarian rule. And he will not visit Britain, our closest ally, always regarded as the strongest and most reliable. But it's a serious question whether it can be so regarded any longer.

It is not merely that her military strength is ebbing and her economic strength weakening but that Britain is drifting slowly toward a condition of ungovernability. It is now a debatable question whether Parliament or the great trade unions are calling the political tune. The country, as one English writer puts it, is sleep-walking into a social revolution, one its majority clearly does not want but does not know how to stop. As a rough analogy, Wilson's government is at the stage of Allende's Chilean government when a minority tried to force a profound transformation of society upon the majority—not that the backlash in Britain need be militaristic, but some kind of backlash is building up, with no certain policy and no certain leader.

In the last year, the cost of living rose some twenty-one-percent but average wages by thirty-two-percent, and worker productivity steadily falls, as does business investment. The city of London is financially broke. Property taxes rose by seventy-five-percent in two years. Thousands of middle-class people move out of the city every year, like New York. Unemployment, Britain's special nightmare, rises steadily, and great corporations are insolvent, one after another.

Behind all this are the doctrinaire socialists, the true believers, for whom the picture in their heads is more real than the reality around them. One of the troubles with Marx was that he lived before Freud; human psychology was not his strong suit. The socialists persist in thinking that a worker in a nationalized factory will feel he owns it and will joyously work the harder. The opposite happens, for everybody's property is nobody's property and is so treated.

Their emphasis is on sharing wealth over producing wealth, on equality over liberty. The end of this is almost certainly the loss of the wealth and, less certainly, the loss of the liberties. It is no small matter that the regime is trying to force all British journalists, editors included, into one monopoly union, sure to be dominated by what we call the radical chic and what they call the trendy left.

The powerful Communist influence in trade union leadership is no longer disputed. What do they want? Not a Communist Britain in the foreseeable future, much more likely a chronically weak, dispirited Britain, able to play no effective role in the world or the alliance. That would suit very nicely the long-range strategies of the Soviet Union.

BICENTENNIAL PARADE OF AMERICAN MUSIC—IV

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. BRINKLEY. Mr. Speaker, last evening a truly memorable program of music was presented in the Concert Hall of the John F. Kennedy Center for the Performing Arts. This was the great State of Georgia's—the fourth State to ratify the Constitution on January 2, 1788—evening for the Bicentennial Parade of American Music. This outstanding program was coordinated by my good friend and fellow Columbusite, Dr. Katherine H. Mahan, musicologist, professor of American music at Columbus College and southeastern regional vice chairman for American music of National Federation of Music Clubs. The performers, who made this a most successful evening, included the Fife and Drum Corps of the Georgia State University ROTC Department; Georgia String Academy Cello Choir; Columbus College Faculty Trio; and the Georgia State University Brass Ensemble.

I wish to share with my colleagues the program that was presented as well as a few details concerning some of these most talented Georgians.

[Program]

THE BICENTENNIAL PARADE OF AMERICAN MUSIC

IV. GEORGIA

Georgia: The Fourth State to Ratify the Constitution, January 2, 1788.

Wednesday afternoon, June 4, 1975 at 5:30

(The Kennedy Center Concert Hall is made available through a grant from Exxon.)

Traditional: Georgia Grenadiers, the World Turned Upside Down, Roslyn Castle, God Save Great Washington.—Fife and Drum Corps, Georgia State University ROTC Department, Dennis Walters, *Drum Major*.

Edwin Gerschefski: 200 Years: (1) Minuet for Loyalists; (2) Lullaby for Orphans.

Wallingford Riegger: Introduction and Fugue.—Georgia String Academy Cello Choir, Martha Gerschefski, Peggy Neuen, *Directors*.

Wallingford Riegger: Piano Trio No. 1 in B minor; Allegro moderato; Larghetto mistorioso; Allegro.—Columbus College Faculty Trio: Dr. Andrew Galos, *Violin*; Rexford Whiddon, *Piano*; Marcia Riley, *Cello*.

Charles Knox: Music for Brass Quintet; Allegro; Moderato; Allegro.—Christopher Horton, *Trumpet*; Wallace Hamburg, *Trumpet*; Hal Louvorn, *Horn*; Robert Scarr, *Trombone*; Jerome Koeltz, *Tuba*; The Georgia State University Brass Ensemble, William H. Hill, *Conductor*.

Coordinator for Georgia Bicentennial Program: Dr. Katherine H. Mahan, musicologist, professor of American Music at Columbus College, Southeastern regional vice-chairman for American Music of National Federation of Music Clubs.

EDWIN GERSCHEFSKI, who headed the Department of Music at the University of Georgia from 1960–1972, became a professor with research in musical composition in 1972 and has been very active in Georgia's musical life. His long and distinguished career has included numerous offices in educational organizations, as well as with composition and recording institutions, the latest being Regional Chairman of the National Association of Schools of Music and a member of the Board of Directors. He has taught in New York City, Spartanburg, S.C., in North Carolina and New Mexico, conducted symposia on contemporary composition, and written or been the subject of numerous articles, radio and television programs. More than two dozen awards, grants, scholarships and other honors include several from England: recipient of the Gold Medal of the Arnold Bax Society, 1963, Video tape recording of his *Border Raid* accepted by Her Royal Majesty, Queen Elizabeth, 1966. He received a citation for "distinguished service to the art and profession of music" from the Alumni Association of the School of Music, Yale University, in 1968, and was cited by Governor Carter in 1973 for his career as noted composer and performer. Mr. Gerschefski's compositions, in most instrumental forms and for voice and chorus, have been published by eight firms. He has also written film scores and made many recordings for various companies, among them several *Evenings with Gerschefski* for Mark recordings of Atlanta or Rite Record Productions of Cincinnati. The piece for cellos was written for the Bicentennial and for his daughter.

WALLINGFORD RIEGGER, one of America's most original and pioneering composers, was born in Albany, Georgia, April 29, 1885, and died in 1961. After study at home, he moved to New York, studying at the Academy of Musical Art with Percy Goetschius (theory) and Alwin Schroeder (cello); then lived in Berlin, studying and conducting. After his return to America, he taught in several noted institutions and composed extensively. For many years he was not recognized as the advanced exponent of electronic music and of original styles, using many pseudonymns for certain works. He began to receive recognition in 1948, when his Third Symphony was the choice of the New York Music Critics Circle, and from then on occupied a highly respected place in American composition, and as Georgia's outstanding composer. His conducting, teaching, and performance as cellist rested on a thorough foundation in music theory, evident from his earliest days, when the *Piano Trio* played today won the Paderewski Prize (1922). Written before his involvement with atonal music, the Trio is replete with lush harmonies. Riegger composed extensively for chamber music combinations and for the dance, scored for various instrumental ensembles.

Dr. CHARLES KNOX was born in Atlanta, Georgia and has been Head of Theory and Composition at Georgia State University in Atlanta since 1964. His graduate and undergraduate studies were at Indiana University in Bloomington. He has written numerous works, primarily for chorus and for winds. This will be the first Washington, D.C. performance of his Quintet for Brass Quintet.

The CELLO CHOIR from the Georgia String Academy in Atlanta consists of 18 cellos, a segment of the student body which also includes personnel for a full symphony orchestra. Peggy Neuen, conductor, and Martha Gerschefski, cellist, are co-directors, Ms. Neuen is proficient both in viola and voice, and has conducted and taught at several noted institutions, including the Atlanta School system. She now conducts the Academy Orchestra. Ms. Gerschefski is one of five children of Edwin Gerschefski, and has studied and performed since early childhood. She was the first woman selected by Leopold Stokowski for his American Symphony Orchestra, where she played assistant principal cellist for two years. She then studied in Paris and on full scholarship at the Accademia Musicale Chigiana in Siena. She has been the recipient of a Martha Baird Rockefeller grant and the Brevard Music Center Distinguished Alumni Award, and has concertized in this country as well as Europe.

The COLUMBUS COLLEGE FACULTY TRIO has worked as an ensemble for four years and toured extensively in the South. All the members are graduates of New York schools: Dr. Andrew Galos, violin, of Columbia University; Rexford Whiddon, piano, of Eastman School of Music; Marcia Riley, cello, of the Juilliard School.

The GEORGIA STATE UNIVERSITY BRASS ENSEMBLE was organized in 1958 by William Hill and has provided the leading stimulus in the Southeastern United States for the performance and composition of music for brass instruments. The Ensemble is well known to music educators and composers throughout the country. Activities of the Ensemble include a State Department tour of Asia; performances at several national music conventions; guest performances at the first annual Brass Symposium at Yale University; and the Annual Symposium of Contemporary Music for Brass at Georgia State University, now in its twelfth year. (Almost 400 new works for brass have been

UMI

presented at the Symposia; a substantial portion of these works has been composed specifically for this event.)

INTRODUCTION OF GUAM CONSTITUTION LEGISLATION

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. WON PAT. Mr. Speaker, today I have the great privilege of introducing legislation whose goal is the establishment of a new political order for the people of Guam and for related purposes.

The joint resolution I herewith present to the Congress for consideration calls for the creation of a Commission on the Political Status of Guam to review the relationship between the Federal Government and the people of Guam with the view toward recommending to the Congress the most appropriate status for the territory. This Commission, to be comprised of elected officials of both the Federal and Guam government, would be vested with the responsibility of making recommendations for changes in the Guam Organic Act and of reviewing alternative statuses for the territory.

The people of Guam have repeatedly demonstrated their pride and devotion to the United States. In turn, the United States has expressed its faith and confidence in the people of Guam by the enactment of the Guam Organic Act and the subsequent passage of a Guam-elected Governor bill and legislation providing for an elected delegate from Guam to the House of Representatives.

Now, on the 25th anniversary of the Guam Organic Act, which provided for the establishment of a territorial civil government and conferred American citizenship on the people of Guam, it is proper that Guam's progress and experience in home rule be strengthened by the granting of additional local autonomy.

A seven-member panel envisioned under this resolution is to be composed of the chairman of the House Subcommittee on Territories and one member appointed by each of the following: the Speaker of the House, the President of the Senate, and the chairman of the Senate Interior Committee. Additional representatives shall each be appointed by the President of the United States, the Governor of Guam, and the Speaker of the Guam Legislature.

Since the enactment of the Guam Organic Act 25 years ago in 1960, it has been amended from time to time and while these changes authorized by the Congress have often proved to be of enormous consequence to the territory, there remain a number of unresolved problems. Many provisions of the original act were designed to provide Federal oversight, but these are now irrelevant and cumbersome. In light of our demonstrated capabilities for self-government, I believe that congressional approval of legislation to rectify this situation is long overdue, and the resolution I have introduced today provides the appropriate mechanism whereby Congress may formally recognize Guam's political maturity and thus grant the people of Guam the local self-determination which is so much a part of our American tradition. Guamanians, like their fellow Americans on the mainland, are realistic enough to aspire for a status which they can realistically support. And the enactment of this resolution, Mr. Speaker, will in no way be construed as a desire on the part of the people of Guam for a status other than local home rule.

Guam's political status with the United States is a matter of great concern to my constituents and me. At present, Guam is an organized but unincorporated American territory. Thus, we are united by virtue of treaty, friendship, common interests, and citizenship, but denied membership in the American body politic. That the people of Guam desire even closer ties with this great country can never be questioned. Our loyalty, sacrifices, and steadfast support of U.S. interests in the Pacific speak for themselves.

Immense vagaries exist, however, in official U.S. attitudes toward its territories. The inconsistencies and often a lack of well-defined policy about territorial matters have led to numerous complications on the legal front and frustration on the local level. What we clearly need in 1975 is an end to these practices and the establishment of a clear-cut status for Guam.

In this regard, I called in 1972 for Guam to give its consideration to a commonwealth status with the United States. I continue to believe that commonwealth status is the most acceptable alternative for Guam. It is one that will also improve and strengthen our ties with the Federal Government.

Finally, I anticipate that a Federal Territorial Relations Act for Guam will also resolve a number of longstanding inequities in existing laws which now exclude the territory. As Guam's congressional delegate and in my previous role as the island's Washington representative, the amendment of existing or proposed legislation so as to provide for inclusion of the territory has been my principal duty. The job remains far from complete, however. All too often, Guam and its sister territories are simply left out of measures because no sound policy on such matters exists.

The American people are preparing to celebrate the 200th anniversary of their founding charter. It is only fitting that a new chapter in our great democratic tradition be written to include the residents of Guam. During my years of service in Washington, I have come to respect and cherish the dedication of the Congress to our democratic principles of government. We on Guam ask only that we be provided the opportunity to share equally in these principles. It is a right we have earned. And it is a right which we as Americans deserve. I trust that my colleagues in the Congress will concur and act with reasonable speed to grant the people of Guam their inherent political rights as Americans and to resolve the longstanding problem of Federal-territorial relationships.

The resolution follows:

H.J. RES. 489

Joint resolution to establish the Commission on the Political Status of Guam, to study and recommend changes in the Guam Organic Act and the political status of Guam, and for other purposes

Whereas August 1, 1975, will mark the 25th anniversary of the Organic Act of Guam (Public Law 81-630), which conferred United States citizenship on the people of Guam; and

Whereas the people of Guam have repeatedly demonstrated their pride and devotion to the United States, during World War II, and more recently in Vietnam, where Guamanians suffered more casualties on a per capita basis than any other community in the United States; and

Whereas Guam became an American Territory when it was ceded to the United States pursuant to the terms of the Treaty of Paris of December 19, 1898, which provided in Article IX that the political status of Guam shall be determined by the Congress of the United States; and

Whereas during the last 25 years since the enactment of the Organic Act the people of Guam and their elected officials have gained a high degree of sophistication and maturity regarding the American system of Government, as evidenced by the establishment by the U.S. Congress of an elected Governorship and the elected position of Delegate to the House of Representatives; and

Whereas it is now timely and fitting that Congress, in commemoration of the 25th anniversary of the Organic Act, recognize the achievements, loyalty, and aspirations of the Americans of Guam, by according them the right to draft their own political charter, such charter to be consistent with the provisions of the U.S. Constitution.

Now, therefore, be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled; That there is hereby created a Commission on the Political Status of Guam, which is directed to conduct a complete evaluation of the Organic Act of Guam (P.L. 81-630), study and report on any possible changes in that Act which should be made in order to achieve a more relevant Federal Territorial Relations Act for Guam, and report to Congress what political status would be most appropriate for Guam.

SEC. 2. The Commission shall be composed of seven members, one of whom shall be elected Chairman by the Commission membership. The Commission membership shall consist of the Chairman of the Subcommittee on Territories of the House of Representatives and one member appointed by each of the following: the Speaker of the House of Representatives, the President of the Senate, the Chairman of the Senate Interior and Insular Affairs Committee, the President of the United States, the Governor of Guam, and the Speaker of the Guam Legislature.

SEC. 3. The Commission may hold hearings anywhere in the United States or the Territory of Guam it deems appropriate. By subpoena, under written signature of the Chairman, it may require the attendance and testimony of witnesses, and the production of any papers, documents, letters, memoranda, books, or other written materials it deems necessary.

SEC. 4. The Commission may spend any funds it deems necessary to accomplish the purposes of this Act.

UMI

RESOLUTION CHART

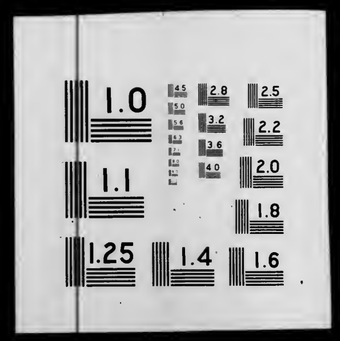

100 MILLIMETERS

INSTRUCTIONS Resolution is expressed in terms of the lines per millimeter recorded by a particular film under specified conditions. Numerals in chart indicate the number of lines per millimeter in adjacent "T-shaped" groupings.

In microfilming, it is necessary to determine the reduction ratio and multiply the number of lines in the chart by this value to find the number of lines recorded by the film. As an aid in determining the reduction ratio, the line above is 100 millimeters in length. Measuring this line in the film image and dividing the length into 100 gives the reduction ratio. Example: the line is 20 mm. long in the film image, and 100/20 = 5.

Examine "T-shaped" line groupings in the film with microscope, and note the number adjacent to finest lines recorded sharply and distinctly. Multiply this number by the reduction factor to obtain resolving power in lines per millimeter. Example: 7.9 group of lines is clearly recorded while lines in the 10.0 group are not distinctly separated. Reduction ratio is 5, and 7.9 x 5 = 39.5 lines per millimeter recorded satisfactorily. 10.0 x 5 = 50 lines per millimeter which are not recorded satisfactorily. Under the particular conditions, maximum resolution is between 39.5 and 50 lines per millimeter.

Resolution, as measured on the film, is a test of the entire photographic system, including lens, exposure, processing, and other factors. These rarely utilize maximum resolution of the film. Vibrations during exposure, lack of critical focus, and exposures yielding very dense negatives are to be avoided.

VOL 121

MICROFILMED – 1977

PART 14

UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS
FIRST SESSION

VOLUME 121—PART 14

JUNE 6, 1975 TO JUNE 13, 1975

(PAGES 17481 TO 18944)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1975

UMI

UMI

J
I.
R
V.121
Pt. 14

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Friday, June 6, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Trust in Him at all times, ye people; pour out your heart before Him; God is a refuge for us.—Psalms 62: 8.

O Lord, our Heavenly Father, who hast brought us to the beginning of another day. Grant that this day we fall into no sin; but that all our doings may be ordered by Thee to do that which is righteous in Thy sight.

Bless our land with honorable industry, sound learning, and vital religion. Save us from discord, violence, and confusion, from pride and prejudice, and from every evil way. Fashion us into one people living together with goodwill in every heart, understanding in every mind and an eagerness to help one another in every life. May peace abide within our borders and without in our world; to the glory of Thy holy name and the good of our human family. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 177. Concurrent resolution providing for the printing as a House document a revised edition of the publication entitled "History of the U.S. House of Representatives"; and

H. Con. Res. 178. Concurrent resolution to authorize the printing of the hearing on amnesty.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 4005. An act to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the program authorized by the act; and

H.R. 6698. An act to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for U.S. citizens returned from abroad, subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 267. An act to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado;

S. 268. An act to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado; and

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.) to authorize additional appropriations to establish fuel efficiency demonstration projects, to provide additional enforcement authority for the odometer antitampering provisions, and for other purposes.

COSTS TO CONSUMER OF WESTERN STRIP MINING MINIMAL—14 CENTS PER MONTH

(Mr. MELCHER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, what is the cost of the strip mine bill to electric consumers? That is a valid question. Here is the answer: 14½ cents per month for the average home getting electricity from a utility company using western coal.

There are three costs in the bill. The first and obvious costs are the incidental costs that go with meeting the requirements of regulations in the bill in the form of developing a reclamation plan, making soil tests, and so forth, before strip mining commences. These are overhead costs that cannot be avoided.

The second cost is 35 cents per ton, half of which stays in the area where the mining is done to meet the social impacts such as needs for schools, hospitals, roads, and so forth. Those costs are inescapable and would have to be borne by taxpayers under any circumstances. The other 17½ cents goes to reclaim abandoned strip-mined lands, and is a proper investment that will pay off as the land gets back into production.

The third cost is the actual cost of reclamation itself and that varies. In my State of Montana, as well as our neighboring States of Wyoming and North Dakota, the typical coal seam is 40 feet thick. The cost of reclamation is pennies per ton because there are over 50,000 tons of coal per acre; 4 cents a ton provides over $2,000 per acre and current reclamation costs are running less than that.

What does all this mean in terms of cost added to a consumer's monthly electric bill?

The average price of coal nationally is running about $18 a ton. In our country, it is much less—around $5 a ton on recent contracts for coal which has a Btu content running from 7,000 to 10,000 per pound. Every 10-cent-per-ton increase in the cost of coal of this type translates into a cost of .00006 cent per kilowatt hour. We are talking about an increase in the cost of western coal of about 40 cents per ton. That will mean that utility companies using this coal to generate electricity will pay an additional .00024 cent per kilowatt hour. An average home uses 600 kilowatt hours of electricity per month and therefore it means an increase in the average homeowner's bill of 14½ cents per month. That is a bargain. All of us have an obligation to protect the land and pay the real costs of strip mining, which includes restoration of the land.

MORE ECONOMIC EXTORTION FROM OPEC

(Mr. VANIK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VANIK. Mr. Speaker, today I was shocked to hear about rumblings among the OPEC nations to increase imported oil prices by $4 per barrel. They contend they need this increase to keep their oil revenues in pace with the worldwide rate of inflation.

The arbitrary 400-percent-price increase of last year is the prime cause of today's depression and inflation. Another price escalation will plunge our battered economies into another prolonged cycle of recession, depression, and inflation.

The leaders of the OPEC nations must become aware of their reckless folly. As lights dim out and automobiles disappear in America and the rest of the free world, the dark shadow of economic misery and despair will certainly creep across the Persian Gulf.

ANNOUNCING NEW YORK HEARINGS TO CONSIDER MEDICAL MALPRACTICE

(Mr. ROGERS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

UMI

Mr. ROGERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Health and the Environment of the Interstate and Foreign Commerce Committee will inaugurate its consideration of the medical malpractice issue with a hearing to be held at the Federal building in New York City on Monday, June 16, 1975, beginning at 9:30 a.m. We will be receiving testimony from representatives of State government, private practitioners, high risk specialists, the legal profession, insurance companies, and consumer representatives. Following the New York hearing, we plan to schedule further hearings in California and Miami, Fla.

Following these hearings, the subcommittee will conduct hearings in Washington on possible solutions to the malpractice crisis which is having a serious effect on the quality of health care in the United States today, and will pay particular attention to the proposal of the gentleman from New York (Mr. HASTINGS), H.R. 6100.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 269]

Abzug	Diggs	Kazen
Addabbo	Dingell	Kelly
Alexander	Dodd	Koch
Anderson, Ill.	Downing	Krueger
Andrews, N.C.	Duncan, Tenn.	LaFalce
Andrews, N. Dak.	Early	Landrum
	Eilberg	Latta
Ashbrook	English	Leggett
Ashley	Esch	Lehman
Badillo	Eshleman	Lent
Barrett	Evans, Colo.	Long, Md.
Bell	Evans, Ind.	Lujan
Biaggi	Fish	McClory
Bingham	Fithian	McCollister
Blanchard	Ford, Mich.	McDonald
Boggs	Forsythe	McEwen
Breaux	Fountain	McKay
Breckinridge	Frenzel	McKinney
Brooks	Frey	Macdonald
Brown, Calif.	Fulton	Maguire
Broyhill	Fuqua	Mann
Burgener	Gaydos	Martin
Burleson, Tex.	Gilman	Mathis
Butler	Ginn	Metcalfe
Byron	Goldwater	Michel
Carney	Gradison	Mikva
Casey	Gude	Miller, Calif.
Cederberg	Hanley	Mills
Chappell	Hansen	Minish
Chisholm	Harkin	Mitchell, Md.
Clancy	Harrington	Mitchell, N.Y.
Clausen, Don H.	Harsha	Mollohan
	Hawkins	Montgomery
Cleveland	Hays, Ohio	Morgan
Collins, Ill.	Hébert	Mosher
Collins, Tex.	Heckler, Mass.	Mottl
Conable	Heinz	Murphy, Ill.
Conlan	Helstoski	Murphy, N.Y.
Conte	Henderson	Nichols
Conyers	Hillis	Nix
Cotter	Holtzman	Nowak
Daniel, Dan	Howard	O'Neill
Daniels, N.J.	Hubbard	Passman
Danielson	Hughes	Patten, N.J.
de la Garza	Jarman	Patterson, Calif.
Dellums	Jenrette	
Dent	Jones, Okla.	Pepper
Derrick	Jones, Tenn.	Pike
Devine	Karth	Poage
Dickinson	Kastenmeier	Pressler
Price	Sebelius	Teague
Quillen	Shuster	Thompson
Railsback	Simon	Traxler
Randall	Sisk	Udall
Regula	Skubitz	Vander Veen
Richmond	Slack	Vigorito
Risenhoover	Solarz	Walsh
Rodino	Staggers	Whitehurst
Roe	Stanton, James V.	Whitten
Roncallo	Stark	Wilson, Bob
Rose	Steelman	Wilson, C. H.
Rostenkowski	Steiger, Ariz.	Wilson, Tex.
Roybal	Stokes	Wolff
Runnels	Stratton	Wydler
Russo	Stuckey	Wylie
Satterfield	Studds	Yatron
Scheuer	Sullivan	Young, Ga.
Schneebeli	Symington	Zeferetti
Schroeder		

The SPEAKER. On this rollcall 231 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished acting majority leader, the gentleman from California (Mr. McFALL), if the gentleman is in a position to inform the House as to the program for the balance of this week and for next week.

Mr. McFALL. Mr. Speaker, if the distinguished minority leader will yield for that purpose, I will be happy to respond to his inquiry.

Mr. Speaker, there is no further legislative business for today except for the general debate on the bill, which will be called up momentarily, on which the gentleman from Missouri (Mr. HUNGATE), is the manager.

ADJOURNMENT OVER TO MONDAY, JUNE 9, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent to go over until Monday.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

Mr. McFALL. The program for the House of Representatives for next week is as follows:

Monday is District Day, and there are no bills.

There will be H.R. 6860, Energy Conservation and Conversion Act, with an open rule and 4 hours of debate; general debate only; and

S. 818, U.N. peacekeeping forces, with an open rule and 1 hour of debate.

For Tuesday and Wednesday there will be:

H.R. 25, Surface Mining Control and Reclamation Act, the vote on the veto override; and

H.R. 6860, Energy Conservation and Conversion Act, votes on amendments and the bill.

On Thursday and for the balance of the week we have the Flag Day ceremonies, which are traditional, and then:

H.R. 7545, temporary debt limitation increase, subject to a rule being granted; and

H.R. 6799, rules of criminal procedure amendments, which we are taking up right after this announcement, and we will have votes on amendments to the bill.

Of course, conference reports may be brought up at any time, and any further program will be announced later.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I also ask unanimous consent that the business in order on Wednesday of next week be dispensed with under the Calendar Wednesday rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RHODES. Mr. Speaker, may I inquire of the distinguished acting majority leader if it is likely that the supplemental appropriation bill might be brought up sometime early next week? I am sure the gentleman is aware, as I am, that there are many items in that appropriation bill which are needed in order to keep from causing great inconvenience to some veterans and other persons in the country who are waiting for their checks.

Mr. McFALL. If the gentleman will yield, it is hoped that it will be ready to be brought up on Monday. The chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON), is working on that now. It is my belief that it will be ready for presentation to the House on Monday.

Mr. RHODES. I thank the gentleman.

CIVILIAN CONSERVATION ACT OF 1975

(Mr. DUNCAN of Oregon asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN of Oregon. Mr. Speaker, on Wednesday, the Emergency Employment Appropriations Act of 1975 breathed its last on the floor of this House.

All Members agree that we must take action to relieve unemployment. Many of us believe that additional and major capital investment in the natural resources of this country, its recreational facilities, its rangelands, its timberlands, and its water resources are long overdue.

In the hope of attacking both problems at once at the propitious time, I am introducing today the Civilian Conservation Act of 1975, modeled after what most consider, in retrospect, to have been one of the best of the agencies created in the thirties to fight unemployment and depression. It is a bill which should enjoy the support of the rural areas where most of the resources needing work are located. It should enjoy the support of the urban areas where most of those needing employment are located.

While this bill is not the only answer to our problem, it is an important part of that answer. It will produce jobs and leave behind lasting productive benefits.

I hope it will receive the prompt and favorable consideration of the Congress.

Mr. Speaker, I would also like to take this opportunity to introduce to the House my mother, who is here today. She is a very young woman of 85 summers. I am very proud that she could be with us here today and only wish my father, who left us just a short time ago, could have been here with us, also.

FEDERAL RULES OF CRIMINAL PROCEDURE AMENDMENTS ACT

Mr. HUNGATE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those Rules.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6799, with Mr. VAN DEERLIN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Missouri (Mr. HUNGATE) will be recognized for 1 hour and the gentleman from California (Mr. WIGGINS) will be recognized for 1 hour.

The Chair recognizes the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I rise in support of H.R. 6799, the Federal Rules of Criminal Procedure Amendments Act. This bill represents the efforts and work not only of the members of the Judiciary Committee but also of many able and distinguished judges and law professors. I believe it merits the full support of the House.

Mr. Chairman, on a recent Sunday afternoon I listened to the soap box orators in Hyde Park, complete with crowds of hecklers ready to challenge anything. One voice cried out: "Is there justice in our land?" And the speaker replied: "Certainly. Anyone with money may buy it."

One objective of the bill we consider today is to make justice more certain and more complete for all our citizens, regardless of their economic condition, race, creed, color, sex, age, or geographic location.

The Federal rules of criminal procedure, as their name implies, are rules that govern the procedure to be followed in Federal criminal cases. They apply to pretrial, trial, and posttrial procedure. They can be amended through the Rules Enabling Acts—in this instance, sections 3771 and 3772 of title 18, United States Code.

Sections 3771 and 3772 of title 18 give the Supreme Court the power to prescribe "rules of pleading, practice, and procedure" from time to time. These rules, or amendments to rules, must be reported to Congress no later than May 1 of any given year and do not take effect until at least 90 days after they have been so reported to Congress.

In practice, the Supreme Court itself does not sit down and draft the rules and amendments. The initial work is done by the Judicial Conference of the United States. The Judicial Conference is presided over by the Chief Justice of the United States and is composed of the following members—in addition to the Chief Justice:

The chief judge of each judicial circuit; the chief judge of the court of claims; the chief judge of the court of customs and patent appeals; and a district judge from each judicial circuit who is selected by the circuit and district judges of that judicial circuit. Since the Judicial Conference meets only annually, it must operate through committees.

The Judicial Conference has established a Standing Committee on Rules of Practice and Procedure and an Advisory Committee on Criminal Rules. The membership of these committees includes not only distinguished and able Federal circuit and district judges, but also outstanding and learned lawyers and law professors.

The members of the Standing Committee are: Senior District Judge Roszel C. Thomsen of Baltimore, Md., who is the chairman; Circuit Judge Carl McGowan of Washington, D.C.; District Judge Charles W. Joiner of Detroit, Mich.; District Judge Frank W. Wilson of Chattanooga, Tenn.; Prof. Charles Alan Wright of the University of Texas Law School; Prof. Frank J. Remington of the University of Wisconsin Law School; Richard E. Kyle, Esq., of St. Paul, Minn.; Bernard E. Segal, Esq., of Philadelphia, Pa.; and Francis N. Marshall, Esq., of San Francisco, Calif.

The members of the Advisory Committe are: Senior Circuit Judge J. Edward Lumbard of New York; Circuit Judge William H. Webster of St. Louis, Mo.; Chester Bedell, Esq., of Jacksonville, Fla.; former Associate Justice R. Ammi Cutler of Cambridge, Mass.; Terence F. MacCarthy, Esq., of Chicago, Ill.; District Judge Wade H. McCree, Jr.; of Detroit, Mich.; District Judge Leland C. Nielsen of San Diego, Calif.; Circuit Judge Roger Robb of Washington, D.C.; District Judge Russell E. Smith of Missoula, Mont.; Prof. James Vorenberg of Harvard University Law School; Associate Justice Joseph Weintraub of Orange, N.J.; and William B. West III, Esq., of Dallas, Tex. The reporter, or special consultant, to the Advisory Committee is Prof. Wayne LaFave of the University of Illinois Law School. In addition, the Assistant Attorney General in charge of the Justice Department's Criminal Division is a full member of the committee.

I recite these names at some length, Mr. Chairman, so that the Members may see that virtually every section of the United States and the Federal district court system is represented.

The procedure followed in the Judicial Conference is this. The advisory committee studies the criminal rules and prepares a draft of amendments that it forward to the standing committee. The standing committee reviews the draft and may ask the advisory committee to reconsider part or all of the draft. The standing committee may also make changes in the draft. The standing committee then forwards the draft to the Judicial Conference, which has the final say over what will be forwarded to the Supreme Court. The Supreme Court then considers the draft, together with the explanatory statements prepared by the advisory committee and the recommendations of the Judicial Conference.

The Supreme Court is free to make whatever changes it orders. The point is simply that a lot of very able lawyers, law professors and judges consider the amendments to the Federal rules of criminal procedure before they are ever promulgated. A lot of time and effort goes into their preparation. Some of the amendments embraced by this bill are the product of almost 5 years of effort. This means that while we in Congress should not accept anything blindly, we should accord a healthy respect to any amendments so promulgated by the Supreme Court.

In short, if we go along with the committee and the court, if we find ourselves in error, we would be in excellent company. Whenever we substitute our judgment for theirs, then we find ourselves standing alone with regard to the responsibility for the end result of these rules.

On April 22, 1974, the Supreme Court promulgated certain amendments to the Federal rules of criminal procedure and reported these amendments to Congress. It is this action of April 22, 1974, that has brought us to this point today. The amendments offered would make changes in 10 rules and create 3 new rules of criminal procedure. The Supreme Court's order provided that they were to take effect on August 1, 1974.

Public Law 93-361 postponed the effective date of these amendments until August 1 of this year. The purpose of this legislation, as explained in House report No. 93-1144, was to give Congress adequate time to study all these proposed amendments and we have had some 15 months in which to accomplish that objective.

H.R. 6799 is the product of that study and consideration by the Committee on the Judiciary. Our Subcommittee on Criminal Justice held several days hearings on the proposed amendments and, in addition, received numerous written comments on them. Testimony and comments were received from judges, from prosecutors and defenders—such as the Justice Department, the National Legal Aid and Defender Association, and the National Association of Criminal Defense Lawyers; from bar groups—such as the ABA's Criminal Justice Section and the Standing Committee on Criminal Law and Procedure of the State Bar of California; and from Civil Libertarian and public interest groups—such as the American Civil Liberties Union and the Center for Law and Social Policy.

After the hearings were completed,

the Criminal Justice Subcommittee went through the proposed amendments one by one and drafted H.R. 6799. The full Committee on the Judiciary next considered this bill for an additional 2 days of markup, making further changes. H.R. 6799 was reported out on May 20, 1975.

The goal of the Criminal Justice Subcommittee and the Judiciary Committee was to make as few changes as possible in the amendments proposed by the Supreme Court, except those we found necessary. The committees of the Judicial Conference, the Judicial Conference itself and the Supreme Court, had all carefully gone over and considered the amendments. We should not idly tinker with their work.

At the same time, I suggest there is a philosophic question and constitutional responsibility here. As one of the three branches of our Government, as the only one to which no one is admitted save by election of the people, should not the House of Representatives have some input and inprint on the law of arrest, plea negotiation and plea bargaining, defenses of alibi and mental condition, and the extent to which discovery of evidence and witnesses is available to the Government and the defendant in a criminal case?

I submit this responsibility cannot be disregarded or dealt with summarily. I commend consideration of these proposed rules to the earnest attention of the House.

In this vein, I commend the gentleman from California (Mr. WIGGINS), the ranking minority member on the subcommittee, for his efforts on this bill. There is no keener legal mind in this body and whether we agree or disagree, these problems will be better dealt with because of the searching analysis he has given them.

The colleague of the gentleman from California on the minority side of the subcommittee, the gentleman from Illinois (Mr. HYDE) has been equally faithful and diligent in meeting his legislative responsibilities toward this legislation. Indeed, the State of Illinois has a substantial input here because the gentleman from Illinois (Mr. RUSSO) is a majority member of the committee and has unfailingly brought us the benefits of his experience and views.

Equally valuable are the contributions of the gentleman from Arkansas (Mr. THORNTON), since he has served as attorney general of that great State and was an architect of its criminal law revision. His practical ideas are much appreciated.

Other seasoned veterans of the subcommittee are the gentleman from South Carolina (Mr. MANN), and the gentlewoman from New York (Ms. HOLTZMAN). While the gentleman from South Carolina (Mr. MANN) never thrusts himself forward, if anyone is seeking the answer to a difficult problem, it is a good idea to ask him. His counsel is sound.

The gentlewoman from New York (Ms. HOLTZMAN) works tirelessly, accepts nothing just because it seems to sound good, tests all syllogisms in the crucible of reason, and has few, if any, peers in the Congress when it comes to drafting legislation.

Throughout our efforts to examine the rules and to act under the pressure of a deadline, we have enjoyed the understanding and support of both Chairman RODINO and the full committee's ranking Republican, the gentleman from Michigan (Mr. HUTCHINSON).

Mr. Chairman, let me turn to the bill and what it does in the various areas covered by the amendments. I cannot treat each of the areas in depth, so I will limit my discussion to those areas that have proven most controversial.

Arrest: Rules 4 and 9 of the Federal rules of criminal procedure deal with arrests. Rule 4 is concerned with a situation where a criminal complaint has been filed and the magistrate has determined that there is probable cause to believe that a crime has been committed and that the person named in the complaint has committed it. Rule 9 deals with the situation where an indictment has been returned by the grand jury or a criminal information has been filed by the prosecutor.

Present rules 4 and 9 permit the prosecutor to decide whether a summons or an arrest warrant shall issue. The Supreme Court proposal would require the magistrate rather than the prosecutor to issue a summons, unless the prosecutor can show good reason why a warrant should be issued. A good reason would be that the defendant will flee and become a fugitive if served with a summons. I think the exact language is "valid reason" in the Supreme Court's version. It was amended in our subcommittee to suggest "good cause" as the phrase with which lawyers are more commonly familiar.

The thrust of the change in rules 4 and 9, therefore, is to take the discretion to incarcerate someone from the prosecutor—a party protagonist, if you will—and place it in the magistrate as one who is neutral. H.R. 6799 approves of and adopts this change because the decision to take someone into custody is a very important decision with very far-reaching consequences. That decision, it seemed to the majority of the committee, should be made by a neutral officer.

Most, if not all, of the objections to this change are based upon the belief that the Federal judiciary cannot be trusted with this discretion. For example, it is alleged that increased fugitivity—that means more fugitives—will occur. It is alleged that judicial officers issue summonses when they should be issuing warrants. This, I believe, should not happen any more than it does now when prosecutors may make decisions as to whether or not to issue a warrant or a summons.

The members of the Federal judiciary are honorable men and women. As Shakespeare says, "So are we all." They are devoted to their duty and will exercise sound judgment in serving the public interest, unlike the judicial officer described by our colleague, the gentleman from Indiana (Mr. JACOBS) and his father, who served before him, who told about the gentleman who was making a trip, a doctor, through rural Indiana. His car broke down on a country road. He went to a farmhouse and asked if he could stay all night. The farmer said that would be all right, and put him up on the couch.

He had been asleep for about an hour when the farmer came down and said that his wife was expecting a baby and that she was about to deliver and could the doctor help. The doctor got up, and it was a difficult delivery. He was up most of the night, and finally got back to bed at 4:00 in the morning.

At 5:30 he had breakfast. As he left, he asked the farmer what he owed him. The farmer said, "$75."

He said, "I never heard of such a thing. My services are worth more than that."

The farmer says, "I will take you to court."

So they went to court and presented the case, and the judge says, "You owe him $75."

The doctor was very angry, but took out his wallet and took out $75 and he said, "Here is your money."

The farmer says, "I don't want any money."

The doctor says, "You won the case."

The farmer says, "I just wanted to show you what a durn fool we have got for a judge."

I do not think that situation prevails in the Federal courts, and I think we have to have confidence in their discretion, judgment, and ability. It seems to me that they are the neutral parties between the prosecutor and the defendant.

The Supreme Court on notice of alibi: This is another significant section. The Supreme Court proposed rule 12.1 to deal with situations where the defendant wants to raise the defense of alibi. This provision, the Court suggested, was defendant-triggered. The defendant had to notify the prosecutor of his intention to rely upon the defense of alibi, and the prosecutor then had to advise the defendant of the specific time, date and place at which the offense occurred, as well as provide him with a list of witnesses on whom the Government intended to rely to establish his presence at the scene of the crime. The defendant then was to give the prosecutor a list of witnesses on whom he intended to rely to establish his alibi.

H.R. 6799 would change the rule to be prosecutor-triggered. If the prosecutor wants to know whether the defendant will rely on an alibi defense, he must tell the defendant the specific time, place and date of the alleged offense and ask him whether he will raise the alibi defense.

The defendant must then notify the prosecutor of his intention to rely upon an alibi, state where he claims to have been, and provide a list of alibi witnesses.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUNGATE. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, the prosecutor must then give the defendant a list of witnesses who place the defendant at the scene of the crime and of those who will be called to rebut the defendant's alibi witnesses.

The reason for the change is simple. The purpose for a notice-of-alibi provision is to prevent the prosecutor from being surprised at trial. When a surprise alibi defense is raised, the prosecutor may get a continuance in the trial in order to investigate. This would result in needless delays; or if no delays would be granted, the prosecutor must proceed at a disadvantage. The purpose here is to avoid prosecution surprise. It seems appropriate to let the prosecutor trigger the procedure. If the prosecutor is worried about being surprised, he can utilize the rule.

Discovery. Rule 16 of the Federal rules of criminal procedure enables a party to obtain before trial—the legal term used is "discover"—certain items that may be used at trial. The controversy about this rule has concerned Government witness lists and the protective order provision.

Under present law, the prosecutor must give the defendant a list of his witnesses only in capital cases, and then only 3 days in advance of trial. The defendant never needs to turn over a list of his witnesses. The rule as proposed by the Supreme Court provides for both the prosecutor and the defendant to turn over a list of witnesses in every case, capital or noncapital. In every case, the list must be turned over if requested by the adverse party. This may be as much as 2 months before trial.

H.R. 6799 accepts as a general principle that the rules should promote greater pre-trial discovery by the parties. As the Judicial Conference's Advisory Committee has stated:

> Broader discovery by both the defense and the prosecution will contribute to the fair and efficient administration of criminal justice by aiding in informed plea negotiation, by minimizing the undesirable effect of surprise at trial, and by otherwise contributing to an accurate determination of the issue of guilt or innocence.

Therefore H.R. 6799 accepts the principle that witness lists are discoverable.

Permitting the defendant to discover the identity of the Government's witnesses was severely criticized on the ground that the result would be intimidation of Government witnesses. The committee recognizes this problem and is concerned about it. Intimidation of witnesses, however, does not arise in every Federal criminal cases or even in a majority of them. Rather, it occurs in a small percentage of cases, most notably in those involving organized criminal activity or major narcotics transactions.

Consequently, the committee fashioned a provision that would require the disclosure of Government witnesses in the usual case, but would permit protective measures to be taken in those cases where there is a threat to the safety of a witness.

H.R. 6799 provides that the defendant may request a list of Government witnesses. The prosecutor, however, need not turn over this list until 3 days before trial, as we are already doing in capital cases. If the prosecutor fears for the safety of a particular witness, he can ask the court for permission not to disclose that witness' identity until that witness is called to the stand. He may do this ex parte, that is without the defendant's presence. Thus the prosecutor can effectively protect the identity of the witness from disclosure and thereby protect the witness.

The majority of the committee thought that this provision provided ample means for the safety of a witness.

I am certain that the members of the Federal judiciary can be relied upon to exercise their discretion under this provision soundly and in the best interests of the witness and the public. This has been the experience in the southern district of California, which has experimented for several years with a discovery procedure that calls upon the prosecutor to give the defendant a list of his witnesses. The prosecutor for that district has commented: "We have not had any untowards results by following this program, having in mind that the courts will, and have, excused us from discovery where the circumstances warrant."

The protective order provision has been criticized by some because it permits an ex parte proceeding. The protective order provision does not require that the proceeding be ex parte, but gives the judge the discretion to decide whether that is appropriate. It is essential in some instances that the proceedings be ex parte. This is most clearly illustrated by the example of a prosecutor seeking to conceal the identity of the Government witness. If the defendant is present during the proceedings and learns of the witness' identity, any protective order obtained would be a nullity.

Pleas: Rule 1 of the Federal rules of criminal procedure deals with pleas. The Supreme Court's proposed amendment added provisions to it to regulate plea negotiating, or "plea bargaining" as it is often called. This provision proved to be controversial with some Federal judges, who read the provisions to mean that they had to allow plea negotiating and plea agreements even if they did not want to.

Mr. HOLLAND. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I will be glad to yield to the gentleman.

Mr. HOLLAND. Mr. Chairman, I thank the gentleman for yielding.

In reference to intimidation of Government witnesses and protective orders, did the committee, in considering these changes in rule 16, consider anything in reference to intimidation of defense witnesses?

Mr. HUNGATE. The defendant is able to get a protective order. He must apply for it in the discretion of the court.

Mr. HOLLAND. As a practicing attorney, who has dealt with this rule extensively, as a practical matter I have found that there was nothing practical in the way of protecting defense witnesses from intimidation.

As a matter of fact, I had a defense witness who was killed while waiting to go to trial or while testifying on my behalf at one point. It is a matter that concerns me very much, and I am interested in whether the committee focused its entire attention on protecting Government witnesses or if it ever got around to protective orders for defense witnesses, because, as a matter of fact, I have found in the Federal criminal procedures applicable in our courts that there is no such protection for such witnesses.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. HUNGATE) has expired.

Mr. HUNGATE. Mr. Chairman, I yield myself an additional 10 minutes.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Chairman, has the gentleman completed his statement?

Mr. HOLLAND. I am extremely interested in the third-party provision which I mentioned also.

Mr. HUNGATE. Mr. Chairman, I would like to yield to the gentleman from California (Mr. WIGGINS) after first stating that, as I recall, there was discussion of the problems that might arise in cases where a defendant needed to protect his witnesses. We were aware that we need to look at this matter both ways.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman from California.

Mr. WIGGINS. Mr. Chairman, I am happy to comment as well on the problems of protecting defendant's witnesses as well as the witnesses of the prosecution.

As has been pointed out, the protective order language in rule 16 extends to the defendant and his witnesses as well as to the prosecution. The gentleman should be aware as well that expanded deposition rights available under rule 15 are available to the defendant to perpetuate testimony if there is some suspicion that a witness may be unduly put upon by oppressive action on the part of the Government.

In the case that the gentleman cited, for example, I take it there would be no reason at all to expect that that witness would be killed, but if there was a reason to expect it, the defendant's rights would be protected.

Mr. HOLLAND. Mr. Chairman, will the gentleman yield further on that point?

Mr. HUNGATE. I yield to the gentleman from South Carolina.

Mr. HOLLAND. Mr. Chairman, there was indication in a pretrial proceeding that a third party in a certain organization in the State of Georgia was going to be implicated by some of my witness' testimony. Every protection was given to the Government witnesses, and no protection was given to the defendant's witnesses who expected to testify.

I wish to point out that I am not quarreling with the committee's actions, but I am inquiring whether the committee considered such possibilities, and are they covered in this legislation.

Mr. HUNGATE. Mr. Chairman, let me refer to the report.

On sufficient showing, the court may deny, restrict, or make such other order as is appropriate. Upon request by the party, the court will permit a party to make a showing, and every order appropriate on either side may be entered to protect a witness. They may put him in protective custody; they may move him. It might be that the protected witness would be imprisoned or they would have him removed.

To answer the gentleman's question, the gentlewoman from New York (Ms. HOLTZMAN), who is a member of the committee, as well as the gentleman from Illinois (Mr. RUSSO), raised the question when they looked at this from the Government's side. They are not looking at it from only one side, and it may very well be that the defendant would need protection from some of these provisions.

Mr. HOLLAND. Mr. Chairman, I ask this question because I want to get it in the RECORD and easily available to attorneys in the future, to attorneys who may have this problem, as to what the intent of this committee and this House would be in this legislation.

The gentleman mentioned the 3-day requirement wherein the information sought in discovery proceedings had to be provided by the Government to the defense and by the defense to the Government no less than 3 days before the commencement of the trial, as I understand it.

Mr. HUNGATE. As is now the case in the matter of capital cases.

Mr. HOLLAND. Would this enlarge it to other types of cases?

Mr. HUNGATE. This would make it available in all types of cases, yes.

Mr. HOLLAND. Mr. Chairman, may I ask this: In the event the Government or the defense failed to comply with the requirements of this rule, what would be the sanctions?

Mr. HUNGATE. Mr. Chairman, they could be precluded from offering evidence, as I recall it. That is one sanction; it is not the only one permitted by rule 16(d)(2).

Mr. HOLLAND. Mr. Chairman, I must confess that I did not attend the hearings on this.

Mr. HUNGATE. Mr. Chairman, if I may go on further in colloquy with the gentleman, I would like to emphasize here that the gentleman from California (Mr. WIGGINS) plans, as I understand it, to offer an amendment perhaps to this section.

Do I misstate the situation?

Mr. WIGGINS. Mr. Chairman, if the gentleman will yield, I will state that it is my intention to offer amendments to rule 4 and rule 9, if that is the subject matter under discussion. There will also be an amendment to rule 16.

Mr. HUNGATE. And also rule 16?

Mr. WIGGINS. Yes. The gentleman from Illinois (Mr. HYDE) will be the author of that amendment, but there will be an amendment offered.

Mr. HUNGATE. Mr. Chairman, I do not want to misstate some other Member's amendment, but as I understand it, there will be an amendment offered that leaves the thrust of the law as it is in the practice.

The gentleman is familiar with that practice. This bill would tend to extend the right of discovery to defendants so they would get these Government witnesses 3 days before trial in all cases, as they now do in capital cases.

What I want to emphasize to the gentleman is that we are not in a position to turn down anybody's experience. We welcome it; and because of the technical nature of this legislation, which the gentleman will recognize, I am sure the amending process is somewhat different, but amendments will be in order that are germane and are placed in the RECORD today or Monday or Tuesday.

In my opinion, I would encourage the gentleman to examine this; and if he finds that it is not, in his opinion, adequate to provide equal protection for defendants and their witnesses under these circumstances, I would suggest that he propose such an amendment.

Mr. HOLLAND. If the gentleman will yield further, I thank him. However, I have one further narrow point.

Mr. HUNGATE. Yes.

Mr. HOLLAND. The practice—and I bring this up as an example—of the Federal Bureau of Investigation, for instance, of conveniently discovering evidence on the eve of the commencement of the trial is really widespread across this land. Did this come before the committee in their deliberations on this legislation?

Mr. HUNGATE. If I understand the gentleman's question, it is whether the FBI's convenient discovery of evidence has come before the committee?

Mr. HOLLAND. Maybe I can narrow it down from my own experience. I had a rather large criminal trial at one time in the U.S. District Court in South Carolina that was scheduled to commence on a Monday morning at 10 a.m. for the selection of the jury.

The district attorney's office had been most cooperative in providing under the rules whatever information he had. However, in the course of the trial it developed that the Federal Bureau of Investigation on Sunday afternoon had gone out and discovered evidence they knew about for months, and they brought it into the case. They came into court with it and presented this evidence as just discovered. The defendant, not having had an opportunity to examine it, objected, and the court ruled that the FBI and the district attorney operate under a great deal of pressure, and therefore he could go along with it because of practical considerations.

All I want to point out is that it is a very damaging procedure, and I think it flies in the face of the rules.

Has the committee considered that and attempted to erect some defense against it?

Mr. HUNGATE. We have considered the problem, and I think it is somewhat dealt with in rule 16(d)(2), which says that if at any time during the course of the proceedings it is brought to the attention of the court that the party has failed to comply with the rule, the party will be subject to making the disclosure, et cetera.

The problem the gentleman raises still goes back to the judge, and I do not know that we can change human nature here. The nature of the discussion we have had has touched on these problems.

I would bottom our position on the experience and the studies back through these committees by the distinguished personnel, whose reports I have placed in the RECORD, showing their work on some of these issues over a period of 5 years.

I think we would have to say that in considering the recommendations of Federal judges from all the circuit courts, and those of law professors, lawyers, and past presidents of the ABA and all these other organizations, we hope that these rules were drafted as a distillation of their thought and experience.

Mr. HOLLAND. If the gentleman will yield further, in this instance the decision made rested on the sound discretion of the trial judge, and I would have had to accuse one of abuse of discretion. That is exactly what one would need to do in order to appeal this type of ruling.

I am wondering whether the committee did not lay some groundwork to remove this so-called discretion and get into some hard rules on this matter.

Mr. HUNGATE. I think we tried to define some rules that we think will be most effective. That is about all I can say to the gentleman. I do not know how else I can say it.

That is the position we are in. We cannot eliminate human nature.

Mr. HOLLAND. I have all due respect for the courts. I am admitted to all of the courts from the magistrate courts to the Supreme Court.

What is so difficult about telling the court that if the Government or the defense has not provided something for 3 days prior to the commencement of the trial, either the trial will be put off or the evidence will be excluded, and not leave it to the discretion of the judge?

Mr. HUNGATE. They might do that, or, in their discretion, they might dismiss it, which might be more effective in an appropriate case.

We found it difficult, however, to draw hard-and-fast lines.

Once again, the purpose of discussing this now and not voting immediately but taking amendments today, Monday, and Tuesday is so that we can get the benefit of technical experience such as this and give it thoughtful consideration.

Mr. HOLLAND. Mr. Chairman, I thank the gentleman.

Mr. HUNGATE. Mr. Chairman, I thank the gentleman from South Carolina for his help. I wish the gentleman had applied to serve on the committee.

Mr. HOLLAND. Just put me on the committee, and I will be glad to serve.

Mr. HUNGATE. We can use that sort of help.

Mr. HOLLAND. Again I thank the gentleman.

Mr. HUNGATE. Mr. Chairman, I would like to continue on with the plea negotiations, which is sometimes called the national pastime of "plea bargaining." Courts do not have to permit plea negotiations if they do not want to.

Rule 11(e) requires that the existence of the plea agreement be disclosed at the time the defendant enters his plea of guilty, or nolo contendere.

The CHAIRMAN. The Chair wishes to announce that the gentleman from Missouri (Mr. HUNGATE) has 35 minutes remaining.

Mr. HUNGATE. Mr. Chairman, I yield myself another 5 minutes.

Mr. Chairman, the plea agreement does not require the judge to take plea bargaining, and he may say so. The judge can state "There shall be no plea agreements in my courtroom." However, if he does accept them, and to the extent that he permits them, then rule 11(e) sets up procedures and safeguards.

Mr. Chairman, rule 11(e) requires that the existence of the plea agreement be disclosed at the time the defendant enters his plea of guilty, or nolo contendere. The judge must then tell the defendant whether or not he will accept the plea agreement. If he rejects the plea agreement, then the defendant must be given an opportunity to withdraw his plea of guilty or nolo.

The rule proposed by the Supreme Court required that the plea agreement be disclosed in open court. It also required that the judge announce in open court that he was rejecting it. The committee modified this provision so that under some circumstances the plea agreement could be disclosed or rejected in camera, that is, in the judge's chambers. This would enable the court to avoid the publicity that might prejudice a fair trial in case the agreement was rejected and the case went on for trial.

The plea agreement does not obligate any judge to allow these plea agreements in his courtroom.

The amendment in the committee on plea bargaining was such that the court must accept the agreement reached between the prosecution and the defendant. This again is one of the issues on which I would anticipate amendments being offered perhaps to restore the original rule. I would hope the Members will study and consider the merits on this matter.

Mr. Chairman, in conclusion I believe that this bill merits the support of the Members as a fair and equitable balancing of competing claims and demands.

The bill is neither pro-prosecution nor pro-defendant. I urge that the Members give it their support, and to recall also, at the same time, that if it is not passed, if congressional action is not completed before August 1, this year, then we will get the rules as originally proposed by the Court, with no congressional input.

Mr. Chairman, I reserve the balance of my time.

Ms. HOLTZMAN. Mr. Chairman, while I have some misgivings about the Amendments to the Rules of Criminal Procedure (H.R. 6799), I support the bill that has been reported. Under the able leadership of its chairman, Representative HUNGATE, the Subcommittee on Criminal Justice conducted extensive hearings and held several markup sessions. The bill, I believe, constitutes a significant improvement over the present Rules of Criminal Procedure and over the rules proposed by the Judicial Conference of the United States.

IMPROVEMENTS

I would like to comment on a few of the provisions which markedly improve the present rules.

Rules 4 and 9 deal with warrant and arrest procedures when a criminal complaint is filed or an indictment returned. Under present practice, the judge or magistrate must automatically issue an arrest warrant, if the prosecution requests it. He must do so even if the facts to not warrant it. Thus, a summons, rather than an arrest warrant, may be issued only if the prosecution requests it.

Under the proposed rules 4 and 9, the judge—not the prosecutor—will have discretion as to whether a summons or an arrest warrant should be issued in a particular case. Of course, the judge will make his determination largely on the basis of information presented by the prosecutor.

Opponents of the proposed rule argue that the judge and magistrate cannot be trusted to decide if an arrest warrant is needed. That is without merit. Judges are empowered with substantial discretion over releasing defendants on bail, sentencing, disclosure of evidence, and the like.

In my opinion, Federal judges and magistrates may be entrusted to administer this rule responsibly and to issue an arrest warrant if a defendant has a history of violence, or if he is likely to flee the jurisdiction or to destroy relevant evidence. The judge or magistrate is at least as capable of understanding when an arrest warrant should appropriately issue as the prosecutor. And the judge or magistrate has the additional advantage of being a neutral party.

Another significant improvement is rule 16(a)(1)(E) which requires the prosecutor to turn over the names of its witnesses to the defendant 3 days before trial, at the defendant's request. Currently no such discovery is permitted except in capital cases.

The general broadening of discovery provided by rule 16 is an important advance. It will enable both parties to prepare better for the trial; it will avoid surprise for both sides and the consequent necessity for long postponements in the trial.

In addition, rule 16 as proposed may facilitate the disposition of cases. If a defendant learns, as a result of the discovery procedure, that the Government has a substantial case against him, he may be more likely to plead guilty rather than going through a lengthy trial. If the Government learns from its discovery that the defendant has a substantial defense, it may decide to drop charges against him.

The provision for disclosure before trial of names of Government witnesses is particularly important. The defendant has not had the opportunity for discovery that the prosecution has had. The defendant does not have the power to call a grand jury, to subpena witnesses, or to utilize the FBI's investigatory apparatus. Without the names of Government witnesses, the defendant may have no notion of how the Government plans to make out its case against him, and he cannot prepare his defense.

Rule 16(a)(1)(E) will not result in "fishing expeditions," because the prosecution need turn over only the names of those witnesses that it intends to use at trial—information, in other words, that the defendant would eventually learn anyway.

Those who oppose the rule providing for disclosure of Government witnesses raise the specter that Government witnesses may be intimidated by certain defendants, particularly in organized crime cases. I believe this "specter" is misleading.

First, the Government can always ask for a protective order against disclosure where there is a likelihood of harm to a witness. The courts can be relied on to respond appropriately when there is a valid reason. Second, where there is danger of intimidation of witnesses, the Government can, as it always has done, put a witness in protective custody or otherwise conceal a witness. Finally, those cases in which intimidation of witnesses is expected to occur—namely, organized crime cases—constitute a small minority of all Federal criminal cases. If necessary, special rules for organized crime cases can be fashioned. But, if we allow those shall number of cases to inhibit discovery in the vast majority of Federal criminal cases, we will surely be guilty of letting the tail wag the dog.

I urge my colleagues to support proposed rules 4, 9 and 16(a)(1)(E), as reported. They will improve the efficiency and fairness of our criminal justice system.

At the same time, however, I am concerned about other provisions which are serious flaws in this bill.

OBJECTIONS TO PARTICULAR RULES

I believe the most serious flaw is the sanctioning of secret, ex parte proceedings in rule 16(d)(1). The proposed rule—which modifies past practice—permits a party to obtain a "protective order"—to prevent disclosure of certain evidence before trial—without notifying the other party and without allowing the opposing party to hear arguments for the protective order or to argue against the protective order.

The argument advanced for such secret hearings is baseless. It is claimed that permitting the presence of the opposing party or his counsel will reveal the material to be protected. This is simply not the case. Protective order motions—regarding, for example, conversations between husband and wife, and lawyer and client—are made routinely and are decided without disclosing confidential material.

There is no reason offered—and clearly there is none—for permitting no notice to be given to the other party of the request for such a protective order.

We ought not to encourage judicial secrecy and one-sided hearings in our Federal courts—particularly in a criminal trial where loss of liberty is at stake.

A second troublesome provision is contained in proposed rule 16(a)(1)(A). This rule permits a defendant to obtain before trial all his written statements which the Government possesses. But it does not allow him to obtain all of his oral statements—not even those oral statements which the Government intends to use at trial. He can only obtain such statements if they were made to known Government agents. There is no justification for this limitation. The defendant should be able to obtain the substance of any statement he made if the Government intends to use it at trial.

The proponents of this proposed rule argue that disclosure of oral statements

which are made, for example, to a secret Government agent or to a Government informer could create dangers by revealing the identity of such agent or informer. This argument is spurious, since the Government intends to reveal the statement—and, thus, the identity—at trial. If there is a legitimate need to conceal the identity of an informer until the trial begins, the Government can obtain a protective order.

There are other flaws in the bill. Under rule 12.1, discovery of a defendant's alibi witness is mandatory—it is triggered by the prosecution's request. This is contrary to the general discovery provisions contained in the bill.

Rule 32(c)(3)(A) unfairly restricts the defendant's right to see his presentence report whenever material in the report is obtained upon a promise of confidentiality. Probation officers may routinely request information about a defendant from his neighbors, or associates, upon a promise of confidentiality—even when such a promise is unnecessary.

Thus, much of the material in a presentence report may be based on petty jealousies and vindictiveness, but the defendant may not have an opportunity to rebut that information because he is not allowed to see it. The rule should be changed.

Finally, rule 11(e)(6) allows the Government to use evidence that the defendant pleaded guilty, and later withdrew that plea, as the basis of a perjury proceeding against the defendant. It can lead to the anomally of having an innocent defendant tried and convicted for previously claiming he was guilty. While I have grave reservations about the desirability of plea bargaining, if it is permitted then the defendant should not be penalized for participating in it.

Although I recognize the deadline confronting us, I regret that the subcommittee did not take the opportunity to explore fully the general question of plea bargaining and the procedure involved in compiling presentence reports. I would hope these questions would be addressed, some time in the future.

Mr. RODINO. Mr. Chairman, I rise in support of H.R. 6799, a bill to amend the Federal Rules of Criminal Procedure in certain respects.

These amendments were initiated by the Judicial Conference of the United States, pursuant to its authority under the Rules Enabling Act. On April 22, 1974, the Supreme Court promulgated the Judicial Conference amendments, which were to take effect on August 1, 1974. Public Law 93–361 deferred the effective date of these amendments until August 1, 1975, in order to give Congress adequate time to consider them. If no legislation is enacted into law, the amendments as originally promulgated will take effect next August 1. Time is thus clearly of the essence in the legislative process.

The Judicial Conference has worked for years on some of these proposed changes, and the Judiciary Committee's work on these same issues spans parts of two Congresses. The committee has heard and considered testimony from all parts of the legal community, including the Department of Justice, the American Bar Association's Criminal Justice Section, the National Legal Aid and Defender Association, the National Association of Criminal Defense Lawyers, the American Civil Liberties Union, and the Judicial Conference itself. The Subcommittee on Criminal Justice held several days of hearings and six markup sessions in the course of development of the rules. The full Committee on the Judiciary considered this bill during two separate markup sessions, making some amendments to the subcommittee's work.

I heartily commend the able subcommittee chairman, Mr. HUNGATE, his colleagues on the subcommittee, and the subcommittee staff for their diligent work and the well-drafted and balanced product they have given us.

A great many of the proposed amendments from the Judicial Conference were accepted overwhelmingly, with minor language refinements in some instances. A few, however, have generated some controversy, and I would like to address two of the major areas of controversy today.

Rules 4 and 9 deal with who will determine whether a defendant is to be arrested or issued a summons. In the past the discretion whether to proceed by summons or arrest warrant has rested solely with the U.S. attorney, and the priority has generally been given to the arrest warrant rather than the summons. The Judicial Conference disagreed with this practice and proposed amendments to 4 and 9 which would give priority in ordinary cases to the issuance of the summons over the arrest warrant and would repose the discretion to make that decision in a magistrate rather than the U.S. attorney. The Judicial Conference believed that, since the judicial officer has the power to determine whether probable cause exists to take a suspect into custody, the same official should determine whether to use a summons or arrest warrant. Such decisions are more appropriately made by a neutral magistrate than by a prosecutorial advocate.

Reasons for issuing an arrest warrant as well as facts constituting probable cause can be shown the judicial officer ex parte. Law enforcement has not been unduly handicapped by the requirement that the judicial officer find probable cause. There is no reason to expect that a judicial officer cannot be entrusted with the responsibility for deciding whether reason exists to take the citizen into immediate custody.

Some have argued that this change will increase danger to the community by leaving violent criminals at large. The argument is specious. There is no real doubt in anybody's mind that a suspect for a bank robbery, a rape, or a person who has a high probability of flight is going to be arrested under these rules or any other rules.

The Judicial Conference explicitly set out the reasons for giving priority to the summons over the arrest warrant, and the committee concurred in those reasons. The Judicial Conference stated:

> Priority is given to the summons on the theory that a taking of physical custody of a defendant should not be presumed to be a necessary incident to the commencement of criminal proceedings against him. This theory is reflected in several recent law reform undertakings which include recommendations similar to the proposed amendment to Rule 4. See ABA Standards Relating to Pretrial Release 3.3 (Approved Draft, 1968) (Summons to be used in lieu of arrest warrant except when need for custody); National Conference of Commissioners on Uniform State Laws, Uniform Rules of Criminal Procedure, rule 221(c) (Approved Draft, 1974) (arrest warrant may be used in lieu of summons only in specified circumstances); National Advisory Commission on Criminal Justice Standards and Goals, Courts Standard 4.2 (1973) (preference for summons except when need for custody present).

The committee's acceptance of these amendments to rules 4 and 9 also takes into account the practical reality that the overwhelming majority of defendants are released before trial under some form of bail pursuant to the Bail Reform Act of 1966. The proposed amendments to rules 4 and 9 bring into harmony Federal laws concerning pretrial apprehension and release. Just as with bail, the initial decision as to whether a defendant should be arrested or summoned to appear in court is best left with a neutral and detached magistrate rather than a prosecutor.

The other area of great concern is rule 16, more specifically 16(a)(1)(E). This rule would for the first time explicitly allow the defendant to discover the names and addresses of prosecution witnesses. The concern most frequently expressed by those who testified before or communicated with the Subcommittee on Criminal Justice was that the disclosure of the identity of witnesses prior to trial will expose those witnesses to danger from persons who would wish to make the witnesses unavailable or to influence them to change their testimony.

The Committee on the Judiciary is not unmindful of this concern, nor was the Judicial Conference in promulgating this rule. But both groups were nonetheless of the view that the proposed amendment is justified, for disclosure of the names and addresses of Government witnesses is often critical to defense counsel's efforts to investigate his client's case or otherwise to provide effective representation. It has not been established that risk to Government witnesses is so common as to justify a general rule against disclosure. Indeed, nearly half of the States have provided by rule or statute for disclosure to the defendant of the witnesses to be called against him.

Moreover, fear for the safety of Government witnesses is addressed by the rules themselves.

Subdivision (d)(1) gives the court the authority to allow the prosecutor not to disclose the identity of a witness in an appropriate case. There can be no doubt that the need to protect a witness from warm is an appropriate case.

I commend the proposed amendments to the House as a real step forward in the administration of criminal justice. They will help bring fairness and candor to the criminal process. Yet they are carefully balanced to avoid giving undue advantage to either side.

On the whole, I believe that the Supreme Court's amendments are an improvement over present practice. The subcommittee made further improvements in numerous areas, and I believe H.R. 6799 is superior in general to the Supreme Court's version.

Mr. WIGGINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in general support of the provisions of H.R. 6799, a bill to approve amendments proposed by the Judicial Conference of the United States in the Federal Rules of Criminal Procedure with certain amendments.

The Subcommittee on Criminal Justice carefully considered the proposed amendments. They are the product of the Judicial Conference which considered the issues involved for many years. An integral part of that lengthy consideration was the solicitation of the views of the Department of Justice, the American Bar Association, and other interested institutions and groups. The subcommittee gave great weight to these proposals. We have concluded that the Judicial Conference amendments are, for the most part, constructive and will improve on existing procedures.

The Subcommittee on Criminal Justice and the full Judiciary Committee have made certain amendments to the Judicial Conference amendments. I believe that this work has improved and strengthened them.

However, I would like to express strong opposition to a proposal of the Judicial Conference to amend rule 4: Warrant or summons upon complaint, and rule 9, warrant or summons upon indictment or information. The Judiciary Committee agreed with the Judicial Conference amendment to these rules and, by a vote of 16 to 15, defeated an amendment to return rules 4 and 9 to their existing form.

Under existing rule 4, after a U.S. magistrate determines there is probable cause to believe that a Federal crime has been committed and that a certain individual committed it, he issues a warrant for that individual's arrest. Existing rule 9 provides that, after the return of a grand jury indictment or the presentation of an information supported by oath, the court receiving these papers issues a bench warrant for the named defendants. In both of these situations, the U.S. attorney has the discretion to request that a summons rather than a warrant be issued.

The Judicial Conference proposes that the U.S. magistrate or judge should decide how to bring defendants into the criminal justice system. The proposed new rules provide that a summons will issue unless the attorney for the Government can state "good cause" why a warrant should issue. The presumption is that the summons is the preferred method of bringing in defendants.

The Judicial Conference cites as the rationale for this novel proposition an article in the Columbia Law Review entitled "Bench Warrants Upon the Prosecutor's Demand: A View From the Bench," by Federal District Court Judge Marvin E. Frankel. Judge Frankel objects to the power of a U.S. attorney under the existing rules to cause the issuance of a bench warrant and refuse to inform the court why he, the U.S. attorney, is not exercising his discretion to request a summons. The thrust of Judge Frankel's argument is that such a procedure is unseemly. The judge's thesis is summarized as follows:

> In principle, and on the basis of my own experience on the job, I would say that the prosecutor's representation of a valid reason for an arrest warrant will almost invariably be the end of the matter. A request thus justified should probably be granted without further exploration on or off the record. While this reduces the subject to modest proportions, it does not render it meaningless or unimportant. Like the rest of us, a government attorney, required to give reasons, may be expected to screen his own requests and withhold those for which he has no good reason.

The solution to what the judge perceives as a "modest" point seems unobjectionable. We all fully support the principle that an individual should not be taken into custody without good reason.

However, this proposal in the form now contained in these proposed amendments to the Federal Rules of Criminal Procedure, will cause several serious problems with the efficient administration of criminal justice. The amendments also contain a serious drafting deficiency.

Neither Judge Frankel, the Judicial Conference, or the majority of the Judiciary Committee have defined, or considered the definition of, the vague phrase "good cause." Apparently Judge Frankel would issue a warrant in virtually every case in which the prosecutor could state a valid reason of any kind for it. Would other judges and magistrates share this view? Because the legislation contains no definition of the term, each judge or U.S. magistrate will have to define it for himself. It is possible, and indeed likely, that this proposal would be unevenly applied from district to district and from judge to judge.

The U.S. attorney is the chief law enforcement officer within his district. It is his responsibility to enforce the criminal laws. It is his responsibility to see that defendants are apprehended, appear at criminal proceedings, and are otherwise processed through the criminal justice system. It is now his responsibility to decide which is the best course to insure that defendants appear when they are required to appear and, because the ultimate responsibility on this point now rests with the Department of Justice, its opinion of these proposed amendments must be given careful consideration and great weight.

The Department of Justice strongly objects to these amendments and has urged the Judiciary Committee to retain rules 4 and 9 in their existing form. This opposition is based on the informed opinion that a significant increase in the use of summonses in lieu of arrest warrants will: First, result in substantially increased fugitivity among defendants charged with serious Federal crimes; second, result in the destruction of evidence by defendants, the fabrication of alibis and the secreting of such contraband as firearms and narcotics which certain individuals commonly have on their person; third, generate an increase in warrantless arrest; and fourth, lead to substantial delays in the administration of criminal justice.

At this time I will not reiterate the arguments and evidence offered by the Department of Justice to support each of these four objectionable results which will flow from the adoption of the proposed amendments to rules 4 and 9. I will say that I believe these points to be well taken and that each in itself should give sufficient reason to defeat the amendments. However, a full recitation in support of these points is made in the supplemental views which are a part of the committee report.

I would like to explain a fifth unjust and undesirable circumstance which will certainly result from the adoption of the proposed amendments.

Currently in the District of Columbia more than 20 percent of all individuals charged with felonies become fugitives. This unacceptable situation is referred to by the U.S. attorney for the District of Columbia as a "fugitive crisis." This fugitive crisis exists under current routine procedures by which defendants are arrested, booked, photographed, fingerprinted, and then released on bail.

There is absolutely no doubt that an increased use of summonses will increase the number of fugitives. A summons is nothing more than a notice in the mail that you are charged with a serious Federal crime. To make the anticipated problem even worse, defendants who have never been arrested before will have the opportunity to flee before the police have their pictures or fingerprints. Of course, these defendants will be exceptionally difficult to apprehend.

Many fugitives eventually are apprehended or voluntarily return to face the charges against them. When an individual who is charged with a crime remains a fugitive for several years and then reappears, a special problem is created. Any practicing lawyer knows the difficulty of presenting a "stale" case. While the original indictment will still be pending, the trial of the charge will be difficult to carry out.

Government witnesses will have moved, died, or, at the very best, suffered faded memories of the crime. Under the existing practice, such a reappearing fugitive can be prosecuted for the offense of "bail jumping," because the majority of fugitives have been released on bail. By fleeing, they have violated section 3150 of title 18 of the United States Code. Such a charge is relatively easy to prove and carries a penalty of 5 years in prison, a $5,000 fine, or both. Therefore, although the defendant might never be tried for the crime he committed, justice will be done. If the proposed amendments to rules 4 and 9 are adopted, there will be a new large category of "fugitives from summonses." Because these individuals have never been released on bail, they can never be prosecuted for bail jumping. There is no Federal statute which proscribes failure to appear in response to a summons. These individuals will not answer for the original charge against them, and will not answer for fleeing to avoid prosecution.

In summary, I would urge support for an amendment which I will offer at the proper time to reject the proposed amendments to rules 4 and 9, and to return these rules to existing law. While there is little to be gained from these amendments, there can be no argument that there is a great deal to lose.

Mr. Chairman, I should like to have the attention of the chairman of the subcommittee, my friend, the gentleman from Missouri (Mr. HUNGATE), to inquire with respect to several matters.

Now that the gentleman is on his feet, I want to pay my personal respect for the scholarly lawyer-like way in which he has chaired our subcommittee. It has been a personal pleasure for me to work with the gentleman in connection with this important legislation.

Mr. HUNGATE. Mr. Chairman, if the gentleman will yield, I thank the gentleman for his customary generosity.

Mr. WIGGINS. Mr. Chairman, with the amenities to one side, I first want to direct attention to rule 12 and particularly to the discussion of rule 12 contained on page 8 of the committee report. While the gentleman is locating that rule, rule 12 deals with motions.

The last subdivision of rule 12 deals with the problems of the status of the defendant, if a motion challenging the indictment is granted.

Let me state the issue for the gentleman, as well as for all the subcommittee members. Let us suppose that a defendant is taken into custody. Thereupon the defendant, through his counsel, makes a timely motion attacking the validity of the indictment, perhaps to quash it, perhaps to dismiss it for valid reasons.

Let us further suppose that the court grants the motion. What is the status of the defendant at that time?

The question is, Can he remain held, notwithstanding the fact that the indictment has been dismissed?

Now, in discussing the problem on page 8 of the committee report, about the last sentence of the subtitle called Committee Action, it makes the following statement:

> In order to continue the defendant in custody, the court must not only determine that there is probable cause, but it must also determine, in effect, that there is good cause to have the defendant arrested.

I call these last few words to the gentleman's attention because I am not certain that the language of the committee report accurately states the law. It is my understanding that the concept of good cause in this connection only goes to the issue of whether or not a warrant or a summons will issue to bring the defendant involved before the court.

At the time of an adverse ruling contemplated in rule 12, the only issue before the Court is probable cause and not good cause. Will the gentleman comment upon that?

Mr. HUNGATE. Mr. Chairman, if the gentleman will yield, I will say that as I am sure he recalls, this is a section to which our colleague, the gentlewoman from New York (Ms. HOLTZMAN) particularly directed our attention. We made only the minor amendment to which the gentleman alludes, changing "shall" to "may," with the idea that we could correct the interpretation through language in the report, and that is the point to which this is directed.

We discussed at length whether a defendant should be kept on after they found the indictment or information to be defective, or whether he can be released, or should there be an automatic time in which he would have to be released unless something new is found. The language preceding states that the defendant should not automatically be continued in custody when such a motion is filed.

In going on, there is good cause to have the defendant arrested, as well as probable cause. As I recall the committee discussion, it revolved around the problem that one might be dismissed for highly technical grounds and there would really be no reason, much, to let a man run away. It might be dismissed for very substantive grounds.

Mr. WIGGINS. I agree with much of what the subcommittee chairman says, but I do take exception to the words "good cause" in the committee report because it introduces an irrelevant consideration. The proper consideration is probable cause only, and not good cause.

I will not belabor the point; I do not think it is all that important, but in terms of legal workmanship I am a little bit puzzled by the use of the term "good cause."

Mr. HUNGATE. If the gentleman will yield further so that I can share the blame, we checked this language specifically throughout most of the committee's counsel and they thought, at least in his opinion—which is not necessarily final—they thought it might cover good ground.

Mr. WIGGINS. Mr. Chairman, I want to move on to rule 16, which deals with discovery and inspection of statements, documents and the like. A portion of rule 16 covers the problem of what information is not subject to discovery under the rule.

Generally, the work product of an attorney is insulated from discovery. That is, the internal memoranda and the like that is in an attorney's file, unrelated to statements of witnesses and other matters properly subject to discovery, are protected from discovery under rule 16. When we received this matter, the Supreme Court recommended the use of the words to describe the material which is protected as, "reports, memoranda or other internal Government documents."

Those words are generally said to characterize the "work product" rule. We amended this in committee to add new language instead of that which I have just read. The new language is, "The mental impressions, conclusions, opinions or legal theories of the defendant."

Now, Mr. Chairman, it was my recollection during the consideration of this amendment that it was deemed to be technical in nature, not intended to change the work product rule, but to describe it more explicitly; and that it was not our intention either to enlarge or narrow the work product rule.

Mr. HUNGATE. I think the gentleman states the situation precisely accurately, and what language changes we made were in order to make them conform to the Federal Rules of Civil Procedure, to avoid confusion.

Mr. WIGGINS. I agree with that statement. The only reason I raise the question now is that the author of the amendment, the gentlewoman from New York (Ms. HOLTZMAN), in her views in the committee report, indicates that the amendment which we adopted would have the effect of narrowing the work product rule. I do not believe I share that view by our colleague, and I wonder if the chairman agreed with me rather than our friend, the gentlewoman from New York.

Mr. HUNGATE. The gentleman places my hand between the bark and the tree. I would say that my understanding of what the committee did was that we were seeking to clarify the work product rule to bring its language into conformity with the Federal Rules of Civil Procedure. I am not that much of a scholar to know whether we narrowed it or widened it. I think we made it clearer.

Mr. WIGGINS. I certainly recall no discussion where the subcommittee consciously intended to narrow the work product rule. I believe the chairman shares that view.

One final observation, Mr. Chairman. I want to refer now to rule 29.1, which is discussed on page 32 of the committee report.

As the chairman is locating that rule, I will say to the Members that 29.1 is a very short rule covering the subject of a closing argument.

I will read it to the Members. It is a very brief rule. It says:

> After the closing of evidence the prosecution shall open the argument. The defense shall be permitted to reply. The prosecution shall then be permitted to reply in rebuttal.

That is the normal procedure, and we are all familiar with that.

However, the committee report, on page 17, makes the following statement, which I find troubling. The committee report says:

> The committee is of the view that the prosecutor, when he waives his initial closing argument, also waives his rebuttal.

It is true that we discussed this matter, Mr. Chairman, and I believe that we had the views of a distinguished judge on the subject, whose name escapes me.

Mr. HUNGATE. If the gentleman will yield, it was Judge Lumbard, I believe.

Mr. WIGGINS. Yes, of course. Judge Lumbard, of New York, of the Second Circuit, indicated that if he were running the court and if a prosecutor waived opening argument, I believe he said, "he would waive his closing argument, as well."

But I do not think the sweeping statement that the prosecutor waives rebuttal was our intention. The whole purpose was not to permit the prosecutor to sandbag the defendant by letting the defendant take his best shot, and then coming in with essentially the prosecutor's best shot as the final closing argument.

Rebuttal is, of course, to rebut only those statements contained in the defense argument, and it is my understanding that the prosecutor, even if he waives opening, is still entitled to close, but that his closing comments must be confined to rebuttal argument only. That is to say, if, for some reason or another, the defendant waived his reply argument, then no argument would occur at all because there is nothing to rebut at that point.

I will ask the subcommittee chairman if he agrees with my interpretation.

Mr. HUNGATE. Mr. Chairman, if the gentleman will yield, I think he states the minimal change I understood to be made by this rule change, although I think we may be in some slight disagreement on this, in that I would understand the situation to be intended to be in this rule that the prosecutor, who waives opening argument, and then the defendant goes on and the prosecutor comes back, that he might, by waiving opening argument, be found to have waived the right to argue.

I would certainly agree, as I say, with the minimal thrust the gentleman from California makes, that we are in agreement; I think that he certainly could not go beyond rebutting what the defendant said. And my concern would be that I can see a defendant with the right kind of case saying, "Good morning, ladies and gentlemen. How are you?" and retire. And at the same time, in another case, a defendant may need to make a final statement, and that is going to open it wide open for the prosecutor.

In the great State of New Jersey they have a practice where the prosecutor gets the last bite all the time, and he lets the defendant go forward, and then he comes back and rakes him over. We are seeking in this rule to give a little more balance.

Mr. WIGGINS. That was my interpretation. But I was concerned about the unequivocal language in the committee report that the prosecutor waives his rebuttal if he in fact waives his opening argument, and I do not believe the subcommittee intended that.

Mr. HUNGATE. If the gentleman will yield momentarily, the gentleman understands my argument—whether he accepts my argument or not—that you could, by waiving, and where the defendant needed to make an extensive statement, then the prosecutor would get all of the benefits of just standing back and hitting him with a sandbag.

Mr. WIGGINS. Well, of course, Mr. Chairman, I am not denying the fact that the defendant, most importantly, has a right to rebut the statements made by the prosecutor in his opening argument.

Mr. Chairman, I reserve the balance of my time.

Mr. HUNGATE. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. DRINAN).

Mr. DRINAN. Mr. Chairman, I thank the distinguished chairman of the subcommittee for yielding this time to me.

First, I wish to commend the gentleman and the ranking minority member and all the members of the subcommittee for the extraordinary amount of work they have done on this matter.

I would like to raise with the distinguished chairman of the subcommittee a question that has been bothering me. This is in connection with rule 32(c)(3)(A). That is with respect to a defendant's right to see his presentence report.

In connection with another action of the Committee on the Judiciary recently, I had cause and reason to do a good deal of work in connection with parole. We said that a prisoner in a Federal penitentiary has an inherent right under this statute to see all of the documents on which some parole decision will be based. There is an exception in rule 32(c)(3)(A) which states that the defendant or his representative may ordinarily see everything that is in the presentence file except that he may not see material that contains a diagnostic opinion. With that I have no difficulty.

But then it states that he cannot have access to the presentence report if it contains sources of information obtained upon a promise of confidentiality.

It seems to me in the area of presentencing that many individuals would say, "I will give material to the probation officials or to the court, but on a confidential basis."

I wonder whether or not this provision could be modified because a judge ought to be able to give out the information without violating a promise of confidentiality.

Mr. Chairman, I wonder if the distinguished chairman of the subcommittee would wish to reply to that.

Mr. HUNGATE. Mr. Chairman, if the gentleman will yield, I will state that we had one very specific and concrete example of this in that connection, aside from diagnostic opinions, about which we do not disagree.

This gentleman had a presentence report, but in that report was information from his wife that "He absolutely beats the tar out of me every Tuesday." That would have been very disruptive to the marriage, of course. That was the question, as to whether to have made that available to him, although it was not a diagnostic report, but she was given a promise of confidentiality.

Mr. DRINAN. Mr. Chairman, I think that is protected by another section of the statute—and with that I have no difficulty—namely, that the accused can be denied any other information which, if disclosed, might result in harm, physical or otherwise, to the defendant or other persons.

I am wondering about sources of information obtained from third parties outside of the family upon a promise of confidentiality and whether or not a particular person accused of crime might suffer in connection with his failure or inability to see these and as a result be prejudiced with regard to the sentencing.

Mr. HUNGATE. Mr. Chairman, if the gentleman will yield further, my cobwebbed recollection is that the issue of informers got in here somehow, perhaps particularly relating to the narcotics traffic, and that relates to either Government informers or other informers, and it was thought that to reveal the names might be very damaging.

Let me add that only the source of information is concealed, not the information itself. The defendant, the person who is up for sentencing, would have access to the information, but it would only be the source, and that would be perhaps to protect the life of the source or an arm of the Government.

Mr. DRINAN. Mr. Chairman, if the gentleman will respond further. I am glad to have that clarification. It does say, "sources of information."

But I am wondering whether or not some words should be added to make certain that the defendant does have the right to the information but not to the identity of the confidential source.

Mr. HUNGATE. Mr. Chairman, briefly on that point, if the gentleman will yield further, we did not get these rules from Mt. Sinai, and we recognize that Members will possibly disagree with them.

The only thing I would say to the gentleman on that question is that we are not anxious to have a catalog of amendments, but in those cases where Members might feel strongly about certain matters, any amendments which are put in Monday or Tuesday would be open to consideration, and with the caution and caveat that Wednesday is too late.

Mr. DRINAN. Mr. Chairman, I thank the gentleman.

In all candor and humility, I think it might be somewhat presumptuous for some Member outside the subcommittee to suggest that something had been overlooked or suggest it had not been proposed by learned counsel on that committee and its members.

Mr. Chairman, I wonder if the distinguished chairman of the subcommittee would comment on another point.

I know all of us are very troubled by plea bargaining every time there is an attempt to regulate or to make certain that the individual is not harmed, and I can understand the thrust of rule 11(e)(6).

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. DRINAN) has expired.

Mr. HUNGATE. Mr. Chairman, I yield an additional 5 minutes to the gentleman from Massachusetts (Mr. DRINAN).

Mr. DRINAN. Mr. Chairman, I thank the gentleman. In that rule it is stated that if a person pleads guilty, then that guilty plea or a statement made in connection with it, if it does contain perjury, may be the basis for criminal prosecution at a subsequent time. To repeat, I see the thrust of the penalty, but I am wondering whether that might be unfair to some persons accused of crime who do plead guilty if, for example, they plead guilty and it turns out later on that this plea of guilty was overturned because it was coerced. Then the prosecution could turn around and prosecute this individual and convict him because in his guilty plea he stated things that were untrue.

Mr. HUNGATE. The gentleman again puts a hard question. As to coercion, we debated this and discussed it at length in the subcommittee. The problem is in balancing the court's desire to have all the information made available and not to penalize the defendant if he has then rejected the plea bargaining, the plea negotiations; but at the same time it was thought that the integrity of the court

process would demand that if some of the facts, as they were then related, were untrue, then they would at least be subject to prosecution for perjury or for making false statements or misstatements in court.

Let me add one footnote to that: I suppose that if we had coercion, if we had a real, proved coercion, then even the statements made in court would be tainted; and the whole matter should then be set aside and the person should not be prosecuted for perjury in that case where he made the statement because he was under coercion.

Mr. DRINAN. It would be a case where there was not the requisite mens rea.

Mr. HUNGATE. I cannot even pronounce that expression. But that is it.

In that case I will ask the minority if they are in agreement with me on that. I think that was our understanding, that if we have a genuine case of coercion in plea bargaining and he then makes statements in court, I think it would be a case in which he was also making those statements under coercive circumstances, and it would seem that the perjury prosecution would not lie.

Mr. Chairman, I yield to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding.

My recollection of the discussion is that any statement which is coerced, of course, would be vitiated and not usable in order to be punishable for perjury or to be used in an adversary trial against the utterer of the statement. It would have to be intentional, and to make a statement under oath in court, for whatever reason, if it is intentional, then the person ought to be responsible for what he or she has said; but if there is coercion in connection with it, it would be vitiated and, it would seem to me, not subject to any prosecution for perjury or usable against him in another proceeding.

Mr. DRINAN. Mr. Chairman, if the gentleman will yield further, might I suggest that that particular point be incorporated in the report on this bill because I think it is this relevant section that is not entirely clear on that basis.

One of the last points, Mr. Chairman, which bothers me a bit is rule 16(d)(1); namely, the possibility that a secret ex parte hearing can be held without notifying the other party, in order to obtain something, a protective order, whose existence should, in my judgment, at least, be disclosed.

I wonder whether the gentleman would want to clarify any of the problems that some people might have with that. It does seem, on the face of it, to promote or encourage an ex parte, secret proceeding unbeknownst to the other party. I think that some provision could and should be made so that the adverse party would at least know whether an order has, in fact, been requested.

Mr. HUNGATE. If the gentleman will yield, yes, we have changed that; the committee changed subdivision (d)(1) dealing with protective orders. As proposed by the Supreme Court, it required the court to conduct an ex parte proceeding whenever a party so requested. The committee changed that mandatory language to permissive language so that a court "may," not "must" conduct an ex parte proceeding when the party so requests.

Our colleague, the gentlewoman from New York (Ms. HOLTZMAN) is still very much concerned about that, as to any ex parte proceeding, especially in a criminal proceeding; but the court, a majority of the committee found, would still have two decisions to make under the rule as amended by the committee.

The first is whether or not it should permit the proceeding to be ex parte. Then, even if it does permit the proceeding to be ex parte, then it still has to determine whether the relief sought should be granted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUNGATE. Mr. Chairman, I yield 1 additional minute to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, I thank the gentleman for the additional minute, and I just want to use the time to congratulate the gentleman from Missouri once again, the chairman of the subcommittee, and all of the members of the subcommittee, for an extraordinary work and for an extraordinarily well-done work.

Mr. HUNGATE. Mr. Chairman, I thank the gentleman.

Mr. WIGGINS. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, I am taking this time in order to expand a bit on the discussion that took place earlier relative to rule 11(e)(6) so that the Members of the House will understand that there is still some controversy with respect to this rule.

Mr. Chairman, rule 11(E)(6) deals with the inadmissability of statements made by the defendant in connection with a plea of guilty. The rule adopted by our subcommittee indicated that such statements can be used against the defendant only in connection with a perjury prosecution if made under oath in the presence of counsel.

Mr. Chairman, let me state a fact situation, so that the Members will understand what the consequences of this rule may be.

A defendant enters a plea of guilty to an offense. The judge is charged with certain responsibilities to determine that the plea is voluntary, and that the defendant fully understands the consequences of such a plea of guilty. The court must inform the defendant, among other things, of the rights he is waiving, but it is also the responsibility of the court to determine that there is a factual basis for the plea of guilty; in other words, that the defendant did in fact commit the offense.

Let us suppose that a defendant seeks to plead guilty to the offense of robbery. He is before the court with his counsel standing at his side, and the court seeks to determine the factual basis for the pleas of guilty, and he asks the defendant, "Mr. Jones, did you in fact rob the bank?" And Mr. Jones said, "Yes."

The court asks, "Did you in fact enter the bank with a gun with the intent of holding up a teller and taking money from the bank?"

Mr. Jones says, "Yes."

The court asks, "Did you take money from the bank?" Mr. Jones says, "Yes."

A whole series of admissions are extracted from the defendant by the judge himself in court with the defendant's counsel standing next to him.

Now let us suppose, Mr. Chairman, that for reasons which may appear——

The CHAIRMAN. The time of the gentleman has expired.

Mr. WIGGINS. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, let us suppose that the defendant seeks to vacate his plea of guilty, and go to trial on the issues. Let us suppose for good cause the plea is set aside. Now we have a trial on these very issues, and the defendant takes the stand in his own behalf even, let us say, before the very same judge.

The defendant says, "No, I wasn't in the bank; I was in Florida that day. I had nothing to do with this offense."

Notwithstanding the fact that earlier in a different proceeding, perhaps in the very same courtroom, the defendant told a different story.

Now, Mr. Chairman, the question is whether or not the prosecutor can make use of the contradictory statements made earlier in connection with the plea of guilty.

The adoption of this rule will preclude the prosecutor from impeaching the credability of the defendant by his prior inconsistent statements, and literally his confession in open court. The sole remedy of the prosector is to institute a separate criminal proceeding for perjury even though the defendant may escape punishment for the offense charged in the indictment.

Mr. Chairman, I only call that fact situation to the attention of the Members so that they will understand the full consequences of the adoption of the rule as proposed by the subcommittee. It is contrary to rule 410 of the Rules of Evidence in civil proceedings. It is a change in those rules. If any Member is inclined to offer amendments, he will have plenty of time to do so.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Missouri.

Mr. HUNGATE. I thank the gentleman for yielding.

I am not up on the numbers, but is not 410 the section that is held in abeyance until August 1?

Mr. WIGGINS. It is held in abeyance, Mr. Chairman, but only in the sense, it is my recollection—and the gentleman has 410 in front of him—that inconsistent statements made in connection with a guilty plea may be used to impeach, but that it recognizes that the Federal Rules of Criminal Procedure may amend the rule. We have chosen to amend it, indeed, by changing it substantively.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUNGATE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, if the gentleman from California will continue the same dialog generally, my recollection is this matter was discussed in conference on the evidence. It was a matter of compromise between the House and Senate, and the House conferees would not agree. I think we may have won that point, I thought we did on 410, but because of procedural construction of the other body, they could not strike that section but had to write it in the way it is written, which, after writing the rule they had, they said, "This rule shall not take effect until August 1, 1975." I interpolate to say that we knew we had this deadline on the criminal rules facing us on that date.

They continue to say "this rule shall be superseded by any amendment of the Federal rules of criminal procedure which is inconsistent with this rule which takes effect after the date of the enactment of the act establishing these Federal rules of evidence."

So I would suggest to the body that I thought we had won the House war on that one in the conference with the other body but for procedural reasons, as well as the Congress ending December 16 or 18, they could not go back and take that out, so we left it in until August 1.

I take nothing from the gentleman's arguments, and they are feelings shared by others, I am sure, but I am just saying the question remaining for decision here can be determined in this bill.

Mr. Chairman, I have no further requests for time.

Mr. WIGGINS. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I want to take this opportunity to express my appreciation for the excellent fashion in which the chairman of this subcommittee, the gentleman from Missouri (Mr. HUNGATE) conducted with humor and with decisiveness and keen intelligence our hearings on this very complicated, important issue.

The gentleman from California, the ranking minority Member (Mr. WIGGINS), has also been most helpful to both majority and minority Members, and I have learned a great deal from listening to him.

I think we ought not to forget Tom Hutchinson, Mike Blommer, and Bob Brown, the counsel to our subcommittee, who labored long, hard, and effectively, and Mr. Douglas Bellis of the Legislative Counsel, whose assistance was invaluable in coming up with the work product that we have.

Mr. Chairman, I support H.R. 6799 to approve with amendments certain amendments to the Federal Rules of Criminal Procedure which have been proposed by the Judicial Conference of the United States. However, my support is qualified, and I am going to strongly urge that several amendments be made to H.R. 6799 when it is open for amendment.

The most important of these amendments involve Rule 16. "Discovery and Inspection." The word "discovery" in a lawsuit describes the process by which the parties exchange certain relevant information before the trial of the case. Under existing rules in criminal cases, the material subject to discovery is limited to statements by the defendant and certain classes of physical evidence.

The rights of discovery are currently subject to the test of relevancy and materiality as determined by the court. The Judicial Conference amendments that we are considering today greatly expand the rights of discovery in both parties to a criminal lawsuit, take the court out of the discovery process, and weaken the tests of relevancy and materiality.

However, the most objectionable feature of this expanded discovery rule is the Judicial Conference proposal that the prosecution be required to furnish to the defendant upon request the names and addresses of all the witnesses the prosecution intends to call to testify in the case in chief against that defendant.

If the defendant makes such a request upon the Government, the defendant is required to furnish to the Government a similar list. The Judicial Conference proposed that this information be exchanged shortly after the indictment of the defendant.

The Subcommittee on Criminal Justice modified the proposal of the Judicial Conference to provide that the lists of the names and addresses of witnesses be exchanged 3 days in advance of the date set for the trial of the case.

While the subcommittee's amendment seems to make an extremely bad situation slightly better, the improvement, in my opinion, is illusory. Criminal cases are subject to frequent continuances and, indeed, are rarely scheduled for trial 3 days in advance. The result of the Judicial Conference proposal, even with the restriction of the committee amendment, would be that defendants charged with serious Federal crimes would know the identities of their accusers before their cases come to trial.

There is nothing to prevent the defendant's counsel getting this information, getting a continuance, which may be a trial date 3 months in the future. Then the 3-day restriction becomes meaningless.

The Judicial Conference states that such a new rule is enlightened, progressive and will help defendants prepare to defend themselves.

The Department of Justice and virtually every U.S. attorney bitterly oppose this new rule. They rest their objection on three basic points. This new rule will: First, exacerbate the existing serious problem of the intimidation, murder and subornation of perjury of witnesses in many Federal cases; second, add to the growing problem of unwillingness of witnesses and victims of crimes to come forward to law enforcement authorities; and third, promote fabricated defenses and other disreputable trial tactics by unscrupulous defendants.

Under the existing rules, the U.S. attorney is not required to make public the names of witnesses at a criminal trial until they are called to testify. In many cases, the identity of witnesses and other relevant information is revealed to a defendant by a prosecutor in an effort to convince him of the strength of the Government's case and induce him to plead guilty. However, if the defendant is a member of organized crime, is a professional criminal, is charged with a crime of violence, or is otherwise believed to be dangerous, the prosecutor protects witnesses by keeping them anonymous. Such a power must remain in the prosecutor.

In testimony before the subcommittee, the Chief of the Criminal Division of the Department of Justice stated:

> The Department of Justice *cannot overstate its opposition* to the provisions of Rule 16 which would require the government to disclose to the defendant the names and addresses of potential government witnesses . . . The consequences of such a Rule are both *dangerous and frightening* in that government witnesses and their families will be even more exposed than they are now to threats, pressures, and physical harm.

The U.S. district attorney for the western district of Pennsylvania has stated:

> It is as if the proponents of that Rule had never heard of the murder of key witnesses in organized crime cases with which many of us are regrettably familiar.

The U.S. attorney for the southern district of Texas has stated that this change in the rule:

> . . . will generate substantial problems of obstruction of justice, tampering, intimidating and even assassinating of government witnesses. It will tend to foster the ever-growing problem of no one wanting to become involved.

The U.S. attorney for the western district of Pennsylvania has stated:

> It is as if the proponents of that Rule had never heard of the murder of key witnesses in organized crime cases with which many of us are regrettably familiar.

The U.S. attorney for the southern district of New York stated:

> The narcotic and Mafia type of case may be the main problem area here but we have many white collar cases in which witnesses are intimidated and perjury is suborned . . . Just yesterday a cooperating defendant in a number of our most important cases was driven to commit suicide by the pressure put upon him by a defendant who had learned of his cooperation. Changes in testimony are easier to produce than suicides.

The U.S. attorney from Minnesota has stated:

> It is not fair to the citizen witness to place him in such jeopardy as disclosure of his identity will accomplish. In the area of drug societies, organized crime, ghetto crime, prostitution rings and even sometimes in certain neighborhoods respect for the criminal outweighs that for those who cooperate with the law. This will double the burden. It is tough enough to get witnesses in our society. Any prosecutor will tell you how difficult it is to get people to become involved.

The U.S. attorney for the southern district of Florida stated that:

> This is the most frightening change from the present Rule.

The U.S. attorney for the middle district of Tennessee states:

> The most dangerous proposal is the requirement we furnish the names and addresses of government witnesses upon demand. The criminal element should give an 'Oscar' to the fellow who suggested that.

Obviously they did not contemplate witnesses in protective custody. This is an invitation to bribery and obstruction of justice.

The U.S. attorney for the district of Kansas states:

Regarding Rule 16(E)—opposed disclosure of identity of government witnesses. Disclosure invites harassment, intimidation, or elimination of government witnesses. Witnesses may be more reluctant to cooperate if disclosure allowed. Encourages manufacturing of defenses.

The U.S. attorney for the northern district of Alabama:

We object to this requirement wholeheartedly, emphatically, and without reservation.

The U.S. attorney for the District of Columbia states:

We would only note that the final language of the subsection as it is written represents a virtual concession by the authors of the Rule elevating the importance of a defendant's opportunity to obtain disclosure of the identity of witnesses over the need to protect the same . . . and a remarkable conclusion that the physical safety of victims of crime must assume second priority to the unnecessary expansion of pretrial discovery.

The U.S. attorney for the northern district of Illinois states:

Of all the proposed amendments this amendment is the most problematic. It opens an avenue for witness intimidation and subornation of perjury. From the list of witnesses, it is a small matter for a defendant to construct for himself the whole of the government's case prior to trial.

The Subcommittee on Criminal Justice received testimony from a panel of U.S. attorneys who stated that there is a growing climate of fear on the part of citizens to become involved in the criminal justice system as witnesses. The record of the subcommittee contains a report prepared expressly for the Superior Court for the District of Columbia Institute Conference by the Institute for Law and Social Research. That study included a special field survey of witnesses in Federal criminal cases. These witnesses were asked what were their "complaints and suggestions" regarding the criminal justice system. More than 34 percent of those witnesses surveyed stated that they feared reprisal from the defendant they had testified against.

In summary, I would state that the existing Rules of Procedure regarding discovery give rise to no evidence of abuse or of miscarriage of justice which requires the adoption of this new and controversial rule regarding the furnishing of witness lists.

Therefore, I would urge that all of us support an amendment to strike out subparagraph (a) (1) (E) of rule 16 which would have the effect of continuing existing law.

Mr. Chairman, in the United States serious crime escalated 17 percent last year—if we continue to weaken the Federal Rules of Criminal Procedure, especially in the area of protecting witnesses—we are throwing roadblocks in the path of those whose duty it is to protect society, and we will have failed in our responsibility to stem the tidal wave of criminality that is engulfing our Nation.

Excessive—I repeat, excessive concern for the rights of the accused, causes the rights of society to become submerged and obliterated.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WIGGINS. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. HYDE. Mr. Chairman, I just would remind the House of Justice Cardoza's quote, that a criminal trial ought not to be an exploration of whether the constable blundered, but whether a defendant is guilty or innocent.

I think the single most effective thing we in Congress can do is to formulate rules of procedure that expedite the swift and sure prosecution of criminal cases within a framework of due process that does not, by its operation, subordinate the right of society to defend itself from the barbarians that roam our streets.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Chairman, I thank the gentleman for yielding.

I wonder if the gentleman would comment on the exception to rule 16, which as I read it permits the prosecution to get permission from the court in order to disclose the name of a witness, if the prosecution feels there will be danger to a witness if his identity is revealed.

In the concurring opinions in which the gentleman has concurred in the report and in his comments here, I am not certain I heard him refer to that particular exception.

Mr. HYDE. Yes. As a matter of fact, I will say to the gentleman from Massachusetts (Mr. DRINAN), I will quote from page 14 of the report:

Much of the prosecutorial criticism of requiring the prosecution to give a list of its witneses to the defendant reflects an unwillingness to trust judges to exercise sound judgment in the public interest. Prosecutors have stated that they frequently will open their files to defendants in order to induce pleas.

Prosecutors are willing to determine on their own when they can do this without jeopardizing the safety of witneses. There is no reason why a judicial officer cannot exercise the same discretion in the public interest.

Well, I disagree completely. The witness wants to know whether he is going to be protected and the prosecuting attorney has to be able to say, "Yes, with assurance, you will be protected." But under the proposed rule 16 we have to say, "It is up to a Federal judge who may or may not feel as I do about protecting your identity."

I am unwilling to take away from the prosecuting attorney the right to say to a witness, "Your identity will be protected."

If this rule is adopted, his identity must be given up 3 days before a trial, at least unless the judge agrees with the prosecutor that the identity of the witness must be protected. It takes away all power of assuring the witness that he will be protected. That is the vice here.

Mr. DRINAN. If the gentleman will yield further, I would think the rule does guarantee that right.

One can raise a question as to the trustworthiness of Federal judges, as the gentleman has; but nevertheless, the rule states, as I read it, that it does give to the prosecution the right to get permission from the court not to disclose the names of witnesses to anyone. If, in fact, the prosecution fails to do this, it would endanger the life and safety of the witness.

Mr. HYDE. That is what I am opposed to. Under the existing rule the prosecutor does not have to go ask the Federal judge if a defendant may immunize from discovery the identity of a witness.

Now it is up to the prosecutor, but if this rule becomes operative, I submit that the prosecutor can no longer assure the witness, in fact, he will be protected. He has to say it is up to the judge.

As we know, judges are no different than Congressmen or citizens. We have good, bad, indifferent, excellent, and superb.

I have great respect for the Federal bench; but I hate to see a Federal prosecutor lose the power to assure a witness of these rights. Witnesses are tough enough to come by.

Mr. HUNGATE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I rise merely to ask a question of the distinguished subcommittee chairman, the gentleman from Missouri (Mr. HUNGATE). The reason I put it in the form of a question is because I realize fully that the subject matter under discussion is procedural, but I am intensely interested in knowing if the subcommittee or the full committee is doing anything about title 18, the question of immunity, the question of plea bargaining.

I think this is where we really have a present and clear need to do something.

Mr. HUNGATE. Mr. Chairman, if the gentleman will yield for a reply, I would say first to the gentleman that the other body has gone very extensively into this area over a period of some 3 years, and has had several volumes of hearings. The House, in the meantime, has worked primarily on the rules of evidence and procedural matters.

Once that is disposed of, we would hope—say around Labor Day—to get into hearings on this title 18. Both bills, S. 1 introduced by Senator MCCLELLAN, Senator HRUSKA, and others, and an identical bill in the House introduced by the gentleman from California (Mr. WIGGINS), and H.R. 333, introduced by Mr. EDWARDS of California, Mr. KASTENMEIER, and others, based on the Brown report which deals with the problems of immunity and indeed all the problems in the criminal law, one might say, and the committee has had briefings already on the subject and has done extensive study on the proposed form of the Official Secrets Act.

We would contemplate hearings shortly after Labor Day.

Mr. GONZALEZ. I thank the gentleman, and I am glad and gratified to hear that there is an effort going forward into this. Approximately 5 years ago, the former chairman of the Committee on the Judiciary, the gentleman from New York, Mr. Cellar, had assured me very definitely that this was going to be done. I have been very much concerned since some of the proceedings involving the famous—or infamous—Sharp case of Texas and some of the other things that have happened nationally surrounding this question of immunity and plea bargaining and the like were concerned, so I thank the distinguished gentleman. That answers my question.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from California.

Mr. WIGGINS. The Chairman stated the situation correctly. I would like to direct the attention of the gentleman to rule 11(e) with respect to plea bargaining, which the gentleman may review prior to further consideration of the bill.

Mr. GONZALEZ. I thank the gentleman.

Mr. WIGGINS. Mr. Chairman, I have no further requests for time.

Mr. HUNGATE. Mr. Chairman, I have no further requests for time.

Mr. WIGGINS. Mr. Chairman, I yield the balance of my time.

Mr. HUNGATE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VAN DEERLIN, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules, had come to no resolution thereon.

GENERAL LEAVE

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 6799.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

NAVIGABLE WATERS PROCEDURES AND GUIDELINES FOR DISPOSAL OF DREDGE OR FILL MATERIAL

(Mrs. FENWICK asked and was given permission to address the House for 1 minute, to revise and extend her remarks and include extraneous matter.)

Mrs. FENWICK. Mr. Speaker, the enactment of the Federal Water Pollution Control Act Amendments of 1972 have provided a mandate which begins to lay forth goals for the improvement of our water quality on a nationwide basis.

In my home State of New Jersey we are plagued with river systems which have served the public and industry to that point where they are now severely polluted.

The Passaic River, whose headwaters are found in my district in Mendham Township and flown into the Great Swamp which is under the protection of the Department of the Interior quickly feels the impact of the encroachment of man as it meanders into the most densely populated parts of New Jersey over the falls in Paterson and exists into Newark Bay and Upper New York Harbor. At this juncture the uniquely small river is one of the most polluted in the United States. In that regard it is critical that the above mentioned guidelines part of section 404 the permit program of the 1972 amendments be such that they provide maximum protection to all the waters in the United States. As such I have reviewed the May 6, 1975, Federal Register and hereby recommend the adoption of alternative 1 which would expand the jurisdiction of the Corps of Engineers into the inland waterways to the headwaters and all tributaries of the navigable waters of the United States for regulation of the disposal of dredge and fill materials in marshes and wetlands. This particular aspect of Public Law 92–500 serves many purposes with regard to water resource management.

The stringent enforcement by the Corps of Engineers of limiting fill in marshes and wetlands will certainly maintain within these valuable natural areas an ability to purify our waterways. At the same time, they will continue to function as retainers of flood waters which is a spinoff benefit under section 404 of Public Law 92–500.

While I served in the New Jersey Assembly, I was successful in having enacted into law the Flood Plain Act of 1972. This statute to some degree parallels the procedures and guidelines which have been published, and I heartily recommend to the Corps of Engineers and my colleagues in the Congress that we expeditiously provide the endorsement of alternative 1 so that all the waters of the United States are protected from the problems associated with the disposal of dredge and fill materials.

EXTENSION OF CLOSE UP PROGRAM

The SPEAKER. Under a previous order of the House, the gentleman from Minnesota (Mr. QUIE) is recognized for 10 minutes.

Mr. QUIE. Mr. Speaker, as a longtime supporter of the Ellender fellowship program and its implementation through the Close Up Foundation, I am happy to join my distinguished chairman and my colleagues from Louisiana in extending the life of this worthwhile program. I do this based upon the opportunity I have had during the last 5 years to personally observe the program in action and to evaluate the benefits its has provided for the almost 20,000 students and teachers who have participated.

Almost 5 years ago, I joined Senator Ellender as an original member of the Close Up board of advisers. I shared with him his belief that meaningful education for our young people in civics is of vital importance to this country. In my many encounters with the young beneficiaries of this program over the last 5 years, I have been continually impressed with the Close Up approach to bringing young people more in touch with the system. The week in Washington has a way of making the dull and dry subjects in their civics books come alive. My sessions with Close Up students have always been lively and very often I have learned as much from the students as I hope they have learned from me. They bring to Members a genuine desire to learn. They are eager to shed their preconceived notions about politicians and politics, if only given a chance to observe for themselves.

Not too long ago, I was conducting a hearing when a number of Close Up students entered the hearing room to observe the processes that were taking place. The testimony was on the school lunch program, a subject of great importance to them. Knowing who the students were, I decided to invite them to give their point of view on the subject, an offer which they were eager to accept. The discussion that followed was most interesting and added to my understanding of the problems associated with the existing program. I learned afterward that this incident helped many other Close Up students develop confidence in the way the system operates.

The educational value of the program, in my opinion, has been proved time and time again. However, I believe that the educational value of the week in Washington is only a part of the total value of the program. Because the classes or programs are organized around cities and metropolitan regions, each session or class includes a cross section of young people from a single geographic area. The program is thus able to involve entire metropolitan and rural areas, multiplying benefits for teachers, parents, and business leaders as well as for those students who participate. This enables the entire spectrum of students and teachers from the same general area to get to know each other as well as the government they are studying so that when they return home they have an opportunity to establish a continuing network of communication and followup activities.

This has been especially true in my own area. During the last 4 years more than 1,200 students and teachers have participated from Minneapolis/St. Paul and surrounding areas of Minnesota.

With the help of the local business community, students, and teachers were able to organize several followup activities which gave participants and their classmates an opportunity to apply the insights they gained in Washington to State and local government. Through several followup activities, students observed the State legislature, entered local political parties, and staged their own mock political caucus. Many students ended up interning in the State capitol and running for local party offices. It is this kind of meaningful involvement which is essential to the principles of our democracy and which seem to be developed by the "community approach" to government. They learn that Washington is only the "tip of the iceberg" and that involvement and good government really does start at home.

As a legislator who shares with so

many of his colleagues and constituents the importance of cost effectiveness in education, I am particularly pleased with the multiplier effect of the Close Up program. Let me illustrate by providing a brief overview of the program's growth since its inception.

The Close Up program was operational and successful before it encompassed the Allen J. Ellender fellowship program. Utilizing an innovative city-community approach, the concept of working to multiply participation became firmly established as a fundamental part of Close Up's philosophy. Since the inception of the Allen J. Ellender fellowship program in 1972, the growth factor through the multiplier effect has been dramatic and impressive. Since 1972, for example, the Federal Government through the Close Up Foundation has provided slightly more than 4,400 Ellender fellowships to low-income students and teachers for participation in the Close Up program. During this same period of time using the Ellender fellowships as an integral part of its program, the foundation has been able to generate almost 13,000 additional participants.

In other words, the Foundation has not been content to merely award Ellender fellowships but has taken Federal moneys and multiplied them in dramatic fashion to create considerably more involvement in and understanding of government. Translated into dollar amounts this means that the $1,500,000 provided by the Federal Government over the last 3 years has helped to generate more than 4 million additional dollars for the same meaningful purpose. These additional dollars have come from small merchants, large businesses, national and local associations, philanthropic organizations, service clubs, unions, boards of education and individual families and provide whole communities with an opportunity to work together to create more involvement in our system of government.

Earlier this year the President of the United States expressed this very theme on involvement to hundreds of Close Up students and teachers assembled at the White House. Many were Allen J. Ellender fellowship recipients and all were given an encouraging and inspirational message. I would like to quote a part of the President's remarks to these young people and their teachers:

I am convinced as I look into your faces, know of your record, that all of you have the creativity, the imagination, the dedication, and the desire for involvement to make this country an even better place in which to live—your participation in Close Up is your answer. The right answer is to get "close up," be involved at the local, the state, and the Federal level. And if you do, you will be happier. You will feel that you are making a contribution to your government, to your country.

And our country today, as we face the problems both at home and abroad, needs your involvement, your dedication, your wisdom, your creativity.

We have a great country and the problems we have can and will be solved. But as I look at this great group of young people, I am encouraged and I know that your enthusiasm can be infectious.

Those remarks need no embellishment. They express how many of us feel about this concept and this program.

A number of letters from participants in the Close Up program elaborate on this idea. I include some of the letters I have received expressing the reactions of students and teachers who have been a part of Close Up in the RECORD. Also included are a TV editorial on the program and a letter received by the Close Up staff from a White Bear Lake, Minn., student.

The material follows:

THE ARCHBISHOP WILLIAM O. BRADY HIGH SCHOOL,
West St. Paul, Minn., March 4, 1975.

Hon. ALBERT H. QUIE,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR SIR: Several weeks ago I was fortunate to be able to attend "Close Up" in Washington, D.C. I was amazed at the excellent program presented to the students and teachers from the Twin Cities. Just being in the nation's capital was a thrill, but being able to meet and converse with the Minnesota Congressional Delegation proved an enlightening and informative opportunity.

Also, seeing both the House and Senate in action meant much to these young adults who will be the newest voters in 1976. If it wasn't for Congressional leaders like you who realize the importance of educating our young people, "Close-Up" would never be the force it is today. Thank you for your support of this live-in workshop in government.

Sincerely,

Sister JANE FISCHER.

ELGIN-MILLVILLE COMMUNITY SCHOOLS,
Elgin, Minn., February 10, 1975.

Hon. ALBERT H. QUIE,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

SIR: Ten of my students and I recently returned from Washington, D.C., where we participated in the Close Up program.

This was the third year our school has participated in the Close Up program, and I am convinced that Close Up does an outstanding job in educating its participants in how our federal system of government functions.

I am pleased that you have shown an interest in the program and request that you support legislation which will assist Close Up in its funding efforts.

In anticipation of your support of the Close Up program I wish to extend my sincere appreciation.

Respectfully yours,

DONALD H. KUSCHEL,
Instructor, Social Studies.

NEWTON CENTRE, MASS.,
April 29, 1975.

DEAR CONGRESSMAN QUIE: I am a junior at Mt. Alvernia High School in Newton Centre, Massachusetts. This year I was fortunate enough to represent my school and participate in the Close-Up program. This was a very valuable experience.

I left Newton with the basic political functions in my mind, but returned from Washington with a greater understanding and a broader scope of the governmental process. I was intrigued at seeing the national government in action, and viewing first-hand men such as yourself at work.

I would also like to thank you as a member of Congress for appropriating funds for the benefit of Close-Up. I hope that in the future you will continue this support so that students such as myself may become more aware of our Democratic system and our United States government of which we all should be proud to belong to.

Sincerely yours,

MARY SHEILA O'NIEL.

COVENTRY HIGH SCHOOL,
Akron, Ohio, April 25, 1975.

Hon. ALBERT H. QUIE,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR SIR: I am writing in regard to the bill that is before Congress to keep the Close-Up program going.

I have just returned from a week in Washington, D.C. on the Close-Up program and it was really a meaningful experience for me. I know so much more about the government after spending a week listening to the conservatives and liberals, the Democrats and Republicans. Reading about these conflicting views is fine, but the impact of hearing and talking with people who espouse these ideas is profound, particularly for a young person.

I was never very interested in the government before, but now it seems much more real. I feel other young people should have the opportunity to experience what I have.

Yours sincerely,

DONNA WILKINSON.

RICHMOND HEIGHTS BOARD OF EDUCATION,
Richmond Heights, Ohio, April 30, 1975.

Hon. ALBERT H. QUIE,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN QUIE: I was a teacher/coordinator on the Cleveland III, Close Up Program during the period March 16 through March 22, 1975. I would like to thank you for supporting the "Close Up" Program and making this great trip possible. It afforded a very rare and wonderful experience for me and the five students that participated with me. The interaction with Congressmen and Senators was excellent. My students felt they really counted by being able to ask questions and receive some very candid answers in many cases. The chance to observe committee meetings in action was of particular interest to me.

Programs of this nature deserve your support and that of all concerned Americans. These efforts will help turn youth on the political system and encourage their participation.

Sincerely,

WILLIAM E. ORBAN.

CEDAR SPRINGS PUBLIC SCHOOLS,
Cedar Springs, Mich., April 28, 1975.

Hon. ALBERT H. QUIE,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN QUIE: It was a real privilege for me to join over 450 high school students from the Grand Rapids, Michigan, area to visit Washington, D.C. This was possible through an organization called CLOSE-UP. Many students were recipients of the Allen J. Ellender Fellowship grants.

In my 20 years of education as teacher and administrator I have never witnessed a better planned and executed program for students as was recently experienced with CLOSE-UP. Students had the experience of meeting, hearing, discussing, and sharing ideas concerning our Government with people such as President Ford, Senator Hart, Judge Sirica, News Correspondents and many other officials. This first hand encounter made a lasting impression on all participants.

Because of your concern and interest in fine programs such as CLOSE-UP, our students will in fact become more involved and effective at all stages of Government.

Thank you for any part you do have and can have in the lives of our young people.

Sincerely,

ROYCE F. MCCARTY,
Superintendent.

MOUNT SAINT CHARLES,
Woonsocket, R.I., March 25, 1975.

Hon. ALBERT H. QUIE,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR SIR: We recently had the unique and rewarding experience of participating in Project Close Up in Washington, D.C., and thought you ought to know about it.

The program is an intensive, week long course in the workings of the American government using Washington as the classroom. Through the program we had a chance to meet and question our Rhode Island congressional delegation, speakers from all three branches of government, representatives of the media, lobbyists, and foreign policy experts. Each days activities were followed up by informative workshops sessions with the Project Close Up staff to review and evaluate what we had learned that day. In addition to this, the program enabled us to meet and befriend other members of the Rhode Island community, to express ourselves outside of a formal, structured, graded classroom situation, and to understand how policy decisions are made in reality, and not from a textbook.

In conclusion, we would like you to know that Project Close Up is extremely important to us and we believe that this valuable and stimulating educational experience must be continued so young people can again have confidence in their political system. We would appreciate your bending every effort in any way you can to see that others may participate in Propect Close Up.

Sincerely,

KATHRYN GAGNE

[KGO–TV Editorial, San Francisco, Calif., Apr. 30, 1975]

SEEK THE LIGHT

The Bay Area, for all of its natural beauty, has developed somewhat of an ugly reputation for political negativism and extremism. So called liberatora demand perfection of our institutions and react violently when they discover imperfections. Our recent political misfortunes are carefully nursed along to promote mistrust of government, voter apathy, and cynicism among the young. One could easily get the impression that we are being programmed to curse the darkness rather than to promote the light.

But there are positive glimmers abroad in the land. Close Up, a Washington, D.C. based political education program, is offering an opportunity for 400 Bay Area high school students to travel to Washington and participate in a unique, week-long educational program of politics and government. The week in May includes intensive seminars and workshops with senators, congressmen, Supreme Court speakers, lobbyists, newsmen, White House representatives, and agency speakers.

The Close Up Foundation provides a limited number of fellowships to students of moderate family income. Most students have been able to participate by raising funds from local businesses or by paying their own costs. You high school students who are interested in having the nation's capital as a classroom should contact your high school principal or social studies chairman right away for more information.

Ignorance is usually the basis of ill will, prejudice, and negativism. Close Up is an opportunity for some students to lessen that dreadful condition. Believe me—the Bay Area needs such knowledge.

WHITE BEAR LAKE, MINN.,
April 14, 1975.

DEAR MARGIE, ADAM, and CLOSE-UP STAFF: Reflecting on my week with CloseUp, January 12–19, I can truthfully say it was one of the best weeks in my life. Every minute was packed with excitement, fun, and learning, all in one. For me, the trip gave a sense of independence and an opportunity to do something I have always wanted to do; see and meet Washington D.C. first hand and not as a tourist.

Next year I graduate from Mariner High School. It is almost time to decide on what lies ahead in life for me. CloseUp was a very large factor in my decision. I was going to enter the fields of physics and space science. Before I left on CloseUp, I was really questioning these fields. Now I have performed a complete turn about, without CloseUp, I may not have done it until too late. I am planning with confidence, when I graduate to enter into the fields of economics and international relation-law. After this I will go in to get my law degree. My greatest hope would be someday to come back to Washington as a politician.

At school I have started to become very active in the running of Mariner High School. Presently, I have a proposal before some of the school decision making bodies, to have a student representative on the School Board of Education for our school district. Within a month this proposal will go to the school board for a vote, hopefully. A couple of weeks ago I was selected to go to Girls-State. This involves a week of governmental studies. One student is picked from the junior class of each high school in the state, up to a maximum of 450 students. I believe CloseUp helped in my selection because that gave me previous government studies experience.

CloseUp week was great and I wish it could have lasted longer. I am still caught up in the mystery and history of Washington D.C. To think that I actually was in the same Capitol, White House, Supreme Court Building, City, etc. where some of our greatest Congressman and forefathers lived. History now has a true meaning for me. I would greatly like to come back next year but I doubt if I will be able to with college on the way. Thanks for a fantastic week, it could not have been so great if CloseUp did not have such an enthusiastic staff. A special thanks to Adam, my group leader, for his course on powers of the presidency, which has given insight for some of the courses I am presently involved with. Keep up the great work.

JEANNE HILPISCH,
First Year Participant.

PRESIDENT FORD IS SETTING A RECORD FOR INACCURACIES IN VETO MESSAGES

The SPEAKER. Under a previous order of the House, the gentleman from Montana (Mr. MELCHER) is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, President Ford's veto messages are setting some sort of record for misstatements of fact.

The President was supplied misleading material for his No. 1 veto of the animal health bill, which I sponsored.

He recently used a $1.8 billion cost figure in relation to the farm bill, apparently unaware that over $1.3 billion of the supposed cost was not cost at all, but commodity loans which are repaid with interest.

And he has now submitted a veto message on the strip mining bill which is based, among other misrepresentations, on inaccurate information about loss of production of coal.

The House will vote Tuesday on overriding the strip mine bill veto, and I think every Member should be aware that the President's estimates of lost coal production were, to my knowledge, and to the knowledge of one of his experts at the Geological Survey, ill founded and inaccurate.

One of the backup documents on lost coal production was a list of nine western mines which would have to close down, causing a loss of 66 million tons annual production, because of the alluvial valley floor provision of the strip mining bill.

One of the experts the administration sent to our Interior Committee hearing to support the accuracy of the veto message was Mr. R. F. Hadley of the Geological Survey, who is stationed at Denver, Colo., and is familiar with some western mines.

During my examination of Mr. Hadley in regard to the list of mines on alluvial valley floors where production would be lost, this exchange occurred:

Mr. MELCHER. Mr. Hadley, tell us in your own words, whether or not the Navajo Mine near Farmington, New Mexico, is on the alluvial valley floor?

Mr. HADLEY. To my knowledge, it is not.

Mr. MELCHER. You do know the mine?

Mr. HADLEY. I have been there, yes.

Mr. MELCHER. Thank you. Now the next one that you seem to have some knowledge about is the Westmoreland Mine at Sarpy Creek in Montana. Tell us in your own words, is it or is it not on the alluvial valley floor?

Mr. HADLEY. To the best of my knowledge, it is not.

Mr. MELCHER. You have been on the location?

Mr. HADLEY. Yes.

Mr. MELCHER. The Decker Mine at Decker, Montana?

Mr. HADLEY. It is not on the alluvial valley floor.

Mr. Hadley did not have personal knowledge of other mines, but the fact is that of 21 Western mines on the administration's list, only 9 had sizable production and only 2 of those 9—which could move in an orderly way to undeveloped rangelands—were on alluvial valley floors.

There are other gaping holes in the strip mine veto message.

The subcommittee is preparing a summary of errors which will be available before we vote on overriding the veto.

The misrepresentations of fact behind this veto message indicate to me that the President desperately needs to shake up his staff, or to drive the special interest group purveyors of manufactured, self-serving, misinformation out from between him and the sources of reliable facts which are available to him.

We cannot afford to have a President of the United States exercising the veto power, and vetoing legislation of great national importance, on patently false "facts," whatever their origin.

In support of my interpretation of the Hadley testimony as proof that the veto message misstates the consequences of the strip mining bill in terms of production losses, I am including in the RECORD an excerpt from the New York Times account of the Interior Subcommittee hearing which appeared June 4, and an

editorial from the Washington Post citing the incident.

I am also including in the RECORD an Associated Press story from the Los Angeles Times of June 5 in which one of the authorities cited to sustain the administration's job loss figures repudiates the misuse of his research and disagrees "that there are going to be any job losses."

Personally, I cannot recall any other such flagrant instances of erroneous, sloppy and unworthy documentation of a Presidential veto message. The material follows:

[Excerpt from the New York Times, June 4, 1975]

Cast in doubt, for example, were Administration contentions that a provision of the vetoed bill that would protect vital subterranean river courses in strippable coal deposits in the Far West could, by itself, cause a 66-million-ton-a-year loss in annual tonnage during the first year the measure became law.

This estimate—40 per cent of the Administration's total forecast of a 162-million-ton-a-year loss—was successfully shaken during questioning of Interior Department geologists by Representative John Melcher, Democrat of Montana.

Mr. Melcher drew from the technicians a concession that a number of nine large, Western strip mines listed by the Interior Department as likely to be curtailed or closed by the bill's hydrological provisions would not, in fact, be affected.

[From the Washington Post, June 6, 1975]

QUESTIONS AND ANSWERS ON STRIP MINING

Not all the President's men appeared before a joint congressional hearing on strip mining this past Tuesday. But with Frank Zarb of the FEA and Secretary of Commerce Rogers Morton leading a small brigade of experts, they were, in Mr. Zarb's words, "three rows deep." Despite the gathering of technical advisers flanking them—armed with charts, the traditional weaponry of federal agencies—either Mr. Zarb nor Mr. Morton were persuasive in defending the recent White House veto of the strip mine bill. The administration had been summoned to appear at the hearing because many in the House and Senate were either skeptical or disbelieving of the information Mr. Ford presented on May 20 as the basis for his veto. The bill, which would impose modest federal standards on the oil and coal companies engaged in strip mining, was recently saved from defeat when its floor manager, Rep. Morris Udall (D-Ariz.), postponed an effort to override the veto because he did not think he had the votes.

The credibility of the administration's arguments against the bill was severely strained by the questioning of Rep. John Melcher (D-Mont.). He documented the case that most of the nine Western strip mines said by the Interior Department to be in alluvial valley floors were not in such locations at all. The department said previously that those mines would likely be adversely affected if the bill was passed, and coal production losses—mentioned ominously by Mr. Ford in his veto message—would occur. Pressed by Rep. Melcher, in whose state several of the mines exist, Interior Department geologists conceded the errors. After drawing the obvious conclusion, that "the administration's information is highly inaccurate and false," Rep. Melcher asked how Mr. Ford can develop a coal policy when his own departments cannot "assemble the hard facts" on which to create policy?

Many other questioners—Rep. Patsy Mink (D-Hawaii), Rep. Philip E. Ruppe (R-Mich.), Sen. Floyd Haskell (D-Colo.), Rep. Alan W. Steelman (R-Texas), Sen. Dale Bumpers (D-Ark), among others—were left unsatisfied by administration answers on one aspect or another—jobs, utility bills, production rates.

What is troubling about the administration's weak defense is that its positions have been debated repeatedly over the past four years and always the House and Senate, in overwhelming votes, have approved strip mine legislation anyway. Even then, concession after concession has been made to the White House, so much so that the current bill is now opposed by some because it is too weak or merely cosmetic. The President raised the bleak prospect that thousands of jobs would be lost, that production rates would drop and that utility bills would rise if he signed the bill. To put it in those terms is to suggest that supporters of the bill are recklessly unconcerned about jobs, production and prices, a charge that doesn't hold up when it is leveled against the bipartisan and overwhelming support the bill has received in four House and Senate votes in the past year.

The vote to override has been rescheduled for next week. In spite of Congress' inability to override other presidential vetoes, including the jobs bill on Wednesday, and despite intense lobbying by oil, strip mining and utility companies, the case for overriding is strong. If anything, the administration's poor showing at Tuesday's hearings made it even stronger.

JOB LOSS FIGURES DISPUTED: FORD ACCUSED OF MINE DATA MISUSE

WASHINGTON.—A University of West Virginia professor of economics Wednesday said that the Ford Administration misrepresented the facts when citing his research to support its claim that the vetoed strip-mining bill could cost 36,000 jobs.

The bill would have little effect on employment in the coal fields, said the professor, William H. Miernyk, head of the university's Regional Research Institute at Morgantown, W. Va.

In a telephone interview, Miernyk said that the Administration misused his figures and took them out of context in an effort to demonstrate that the bill would throw thousands of miners and those in related industries out of work.

"I would disagree that there are going to be any job losses," Miernyk said. "I wish people would use these numbers properly. I hope the record can be set straight."

Frank G. Zarb, federal energy administrator, testifying Tuesday before a House panel, reiterated assertions that the bill could result in up to 19,700 miners and 15,760 others in mine-dependent industries losing their jobs.

In material that Zarb and other Administration officials submitted to document the claims, Miernyk's research was cited.

But Miernyk said the Administration confused and misread two studies he had done: a 1971 study of the effect on West Virginia's economy of abolishing strip mining and a 1967 study on the relationship between direct and indirect unemployment resulting from strip-mine closings.

"The numbers on the one study relate only to West Virginia and not the nation," Miernyk said. And, he said, the study concluded that there would be a net increase in employment—a conclusion he noted that the Administration declined to mention when citing his research.

The increases would come about as more deep mines opened to take up the production slacks as strip mines closed down, he said.

"Deep mining is more labor intensive than strip mining, it requires more miners per ton. But in any case, this study relates only to West Virginia and would only apply if strip mining were completely abolished which this bill doesn't do," he said.

The other Miernyk study used by the Administration determined that for every 10 miners put out of work, eight more persons in related industries would lose their jobs. Thus, total unemployment in the coal fields could be figured by multiplying the number of miners out of work by a factor of 1.8.

"I wouldn't quarrel with the appropriate use of that 1.8 multiplier," Miernyk said. But he claimed that the Administration used it improperly selecting an arbitrary figure for direct unemployment and then multiplying it by 1.8.

"Since there will be zero unemployment, they should have multiplied zero by 1.8," he said, "which comes out zero."

Zarb's office had no immediate comment on Miernyk's claim.

PERSONAL ANNOUNCEMENT

The SPEAKER. Under a previous order of the House, the gentleman from Tennessee (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Tennessee. Mr. Speaker, I rise today to make it clear that I am not a cosponsor of legislation known as the Credit Union Financial Institutions Act Amendments of 1975. My name appears on the face of H.R. 7474 through staff error.

The work done on this bill by my distinguished colleague from Rhode Island, Chairman FERNAND ST GERMAIN, and the members of the Subcommittee on Financial Institutions Supervision, Regulation, and Insurance is commendable. However, at this point I wish to be able to take more time to review this complex legislation carefully. Accordingly, I do not wish to be considered a cosponsor of H.R. 7474.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Messrs. BREAUX, MOTTL, DE LA GARZA, and HUGHES (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. FOUNTAIN (at the request of Mr. O'NEILL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. JOHNSON of Colorado) to revise and extend their remarks and include extraneous material:)

Mr. QUIE for 10 minutes, today.

(The following Members (at the request of Mr. HOLLAND) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. MELCHER, for 5 minutes, today.

Mr. FORD of Tennessee, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. JOHNSON of Colorado) and to include extraneous matter:)

Mr. CRANE in five instances.

Mr. FORSYTHE.

Mr. MYERS of Indiana.

Mr. HAGEDORN.

Mr. ARMSTRONG.

(The following Members (at the request of Mr. HOLLAND) and to include extraneous matter:)

Mr. HARRINGTON in 10 instances.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. SOLARZ in three instances.

Mr. PHILLIP BURTON.

Mr. BRODHEAD.

Mr. GREEN.

Mrs. MINK in three instances.

Mr. LEHMAN in two instances.

Mr. ROSENTHAL in two instances.

Mr. CORMAN.

Mr. MCCORMACK in two instances.

Mr. FORD of Michigan.

Mr. JOHN L. BURTON.

Mr. MCDONALD of Georgia in three instances.

Mr. EILBERG.

Mr. BURKE of Massachusetts.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 267. An act to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado; to the Committee on Interior and Insular Affairs.

S. 268. An act to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado; to the Committee on Interior and Insular Affairs.

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.) to authorize additional appropriations to establish fuel efficiency demonstration projects, to provide additional enforcement authority for the odometer antitampering provisions, and for other purposes; to the Committee on Interstate and Foreign Commerce.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1842. An act for the relief of Dr. Arturo Bomolon Dela Rosa.

ADJOURNMENT

Mr. HOLLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 7 minutes p.m.), under its previous order the House adjourned until Monday, June 9, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1181. A letter from the President of the United States, transmitting a draft of proposed legislation to provide for the participation of the United States in the Financial Support Fund (H. Doc. 94–178); to the Committee on Banking, Currency and Housing and ordered to be printed.

1182. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on the export expansion facility program for the quarter ended March 31, 1975, pursuant to Public Law 90–390; to the Committee on Banking, Currency and Housing.

1183. A letter from the Assistant Secretary of State for Congressional Relations, transmitting copies of Presidential Determination No. 75–19, waiving the provisions of section 3(b) of the Foreign Military Sales Act, as amended, as they relate to sales, credits, or guaranties to a foreign country; to the Committee on International Relations.

1184. A letter from the Administrator, Environmental Protection Agency, transmitting a report on the implementation of sections 3–7 of the Energy Supply and Environmental Coordination Act of 1974, pursuant to section 9 of the act; to the Committee on Interstate and Foreign Commerce.

1185. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on a small boat harbor at Cairo, Ill., requested by a resolution of the Committee on Public Works, House of Representatives, adopted April 14, 1964; to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 7545. A bill to increase the temporary debt limitation (Rept. No. 94–265). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONABLE:

H.R. 7686. A bill to provide for the deregulation of domestic crude oil prices and to impose an excise tax in connection therewith; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ARCHER:

H.R. 7687. A bill to amend the Internal Revenue Code of 1954 to limit the extension of the statute of limitations, in the case of an election by a taxpayer, to postpone a determination under the hobby loss rules, to the hobby loss issue alone and not to unrelated items on the taxpayer's return; to the Committee on Ways and Means.

By Mr. PHILLIP BURTON (for himself, Mr. BENITEZ, Mr. DE LUGO, Mr. KASTENMEIER, Mr. KETCHUM, Mr. LAGOMARSINO, Mr. MEEDS, Mr. MILLER of California, Mrs. MINK, Mrs. PETTIS, Mr. RUPPE, Mr. STEPHENS, Mr. TAYLOR of North Carolina, Mr. VIGORITO, and Mr. WON PAT):

H.R. 7688. A bill to amend section 2 of the act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

By Mr. DEL CLAWSON:

H.R. 7689. A bill to establish a method whereby the Congress (acting in accordance with specified procedures) may prevent the adoption by the executive branch of rules or regulations which are contrary to law or inconsistent with congressional intent or which go beyond the mandate of the legislation which they are designed to implement; jointly to the Committees on the Judiciary, and Rules.

By Mr. COCHRAN (for himself, Mr. LITTON, and Mr. RUPPE):

H.R. 7690. A bill to amend the Federal Water Pollution Control Act, as amended, to define the term "navigable waters" as it applies to Corps of Engineers responsibility and authority to regulate the discharge of dredged or fill material; to the Community on Public Works and Transportation.

By Mr. DIGGS (for himself, Mr. MAZZOLI, Mr. STUCKEY, Mr. GUDE, Mr. MCKINNEY, and Mr. FAUNTROY) (by request):

H.R. 7691. A bill to amend the National Capital Transportation Act of 1969 to authorize an additional appropriation of $211 million for the Washington Metropolitan area transit system; to the Committee on the District of Columbia.

By Mr. DUNCAN of Oregon (for himself, Mr. JOHNSON of California, Mr. ULLMAN, Mr. WEAVER, and Mr. AU COIN):

H.R. 7692. A bill to establish a Conservation Corps in the Departments of Agriculture and Interior, and for other purposes; to the Committee on Education and Labor.

By Mr. HAMMERSCHMIDT:

H.R. 7693. A bill to direct the Secretary of Defense to continue to operate and maintain the commissary stores of the agencies of the Department of Defense; to the Committee on Armed Services.

By Mr. HANNAFORD (for himself, Mr. CARTER, Mr. DUNCAN of Tennessee, Mr. SYMINGTON, Mr. YATRON, Mr. FINDLEY, Mr. DANIELSON, Mr. WINN, Mr. REUSS, Mr. EDWARDS of Alabama, Mr. FISHER, Mr. HANSEN, Mr. PERKINS, Mr. ROONEY, Mr. COUGHLIN, Mr. ZEFERETTI, Mr. WAMPLER, Mr. BALDUS, and Mr. BLANCHARD):

H.R. 7694. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. CONYERS, Mr. DELLUMS, Mr. EDWARDS of California, Mr. FASCELL, Mr. FORD of Tennessee, Mr. HEFNER, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. JENRETTE, Mr. KREBS, Ms. MEYNER, Mr. MITCHELL of Maryland, Mr. OTTINGER, Mr. PEPPER, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SIMON, Mr. SOLARZ, Mr. STRATTON, Mr. CHARLES WILSON of Texas, and Mr. ZEFERETTI):

H.R. 7695. A bill to amend the Food Stamp Act of 1964 to assure that recipients of assistance under that act will not have the amount of such assistance reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Agriculture.

By Mr. HARRINGTON (for himself, Mr. CONYERS, Mr. DELLUMS, Mr. EDWARDS of California, Mr. FASCELL, Mr. FORD of Tennessee, Mr. HEFNER, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. JENRETTE, Mr. KREBS, Mr. LAFALCE, Ms. MEYNER, Mr. MITCHELL of Maryland, Mr. OTTINGER, Mr. PEPPER, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SIMON, Mr. SOLARZ, Mr. STRATTON, Mr. CHARLES WILSON of Texas, and Mr. ZEFERETTI):

H.R. 7696. A bill to amend title XVI of the Social Security Act to assure that recipients of supplemental security income benefits will not have the amount of such benefits reduced, or entitlement thereto discontinued,

because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. CONYERS, Mr. DELLUMS, Mr. EDWARDS of California, Mr. FASCELL, Mr. FORD of Tennessee, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. JENRETTE, Mr. KREBS, Ms. MEYNER, Mr. MITCHELL of Maryland, Mr. OTTINGER, Mr. PEPPER, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SIMON, Mr. SOLARZ, Mr. STRATTON, Mr. CHARLES WILSON of Texas, and Mr. ZEFERETTI):

H.R. 7697. A bill to insure that recipients of aid or assistance under the aid to families with dependent children, child welfare services, and medicaid programs, and participants in the Head Start, Follow Through, and Foster Grandparent programs, will not have the amount of such aid or assistance reduced, or entitlement to such aid, assistance, or participation discontinued, because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. MICHEL (for himself, Mr. DERWINSKI, Mr. ABDNOR, Mr. QUILLEN, Mrs. FENWICK, Mr. KINDNESS, Mr. HASTINGS, Mr. MILLER of Ohio, Mr. FREY, Mr. BUTLER, and Mr. PRESSLER):

H.R. 7698. A bill making emergency employment appropriations for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations.

By Mr. MITCHELL of New York:

H.R. 7699. A bill to authorize the States to carry out certain functions of the Secretary of the Army and the Chief of Engineers on intrastate waters; to the Committee on Public Works and Transportation.

By MOAKLEY (for himself, Mr. DRINAN, Mr. LEGGETT, Mr. MITCHELL of Maryland, and Mrs. SCHROEDER):

H.R. 7700. A bill to improve public understanding of the role of financial institutions in home and commercial real property financing; to the Committee on Banking, Currency and Housing.

By Mr. PEYSER (for himself, Ms. ABZUG, Mr. BEARD of Rhode Island, Mr. BENITEZ, Mr. BLANCHARD, Mr. BRODHEAD, Ms. COLLINS of Illinois, Mr. DOWNEY of New York, Mr. EILBERG, Mr. FORD of Tennessee, Mr. FOAD of Michigan, Mr. FRASER, Mr. HARRINGTON, and Mrs. HECKLER of Massachusetts):

H.R. 7701. A bill to provide emergency financial assistance to assure that there are adequate levels of police and fire personnel to provide for the public safety of citizens residing in areas which have been forced, due to severe financial hardship, to lay off public safety officers; to the Committee on Education and Labor.

By Mr. PEYSER (for himself, Mr. HELSTOSKI, Mr. MURPHY of New York, Mr. NOWAK, Mr. OTTINGER, Mr. PEPPER, Mr. RICHMOND, Mr. RISENHOOVER, Mr. RODINO, Mr. ROE, Mr. ROSENTHAL, Mr. SCHEUER, Mrs. SPELLMAN, Mr. WOLFF, Mr. WON PAT, and Mr. ZEFERETTI):

H.R. 7702. A bill to provide emergency financial assistance to assure that there are adequate levels of police and fire personnel to provide for the public safety of citizens residing in areas which have been forced, due to severe financial hardship, to lay off public safety officers; to the Committee on Education and Labor.

By Mr. BELL (for himself, Mr. BEARD of Rhode Island, Mr. SCHEUER, Mr. HICKS, Mr. BYRON, and Mr. RONCALIO):

H.J. Res. 490. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on tthe products of all foreign enterprises engaged in commercial whaling; jointly to the Committees on Merchant Marine and Fisheries, and Ways and Means.

By Mr. QUIE (for himself, Mr. PERKINS, Mr. HÉBERT, Mrs. BOGGS, and Mr. TREEN):

H.J. Res. 491. Joint resolution to extend support under the joint resolution providing for Allen J. Ellender Fellowships to disadvantaged secondary school students, and for other purposes; to the Committee on Education and Labor.

By Mr. CRANE (for himself, Mr. GOLDWATER, Mr. BURLESON of Texas, Mr. KEMP, Mr. MCEWEN, Mr. SIKES, Mr. SATTERFIELD, Mr. MITCHELL of New York, Mr. VANDER JAGT, Mr. CONLAN, Mr. WHITEHURST, Mr. KINDNESS, Mr. SYMMS, Mr. BEDELL, Mr. MCDONALD of Georgia, Mr. SARASIN, Mrs. HOLT, Mr. SEBELIUS, Mr. HANSEN, Mr. TREEN, Mr. BURGENER, and Mr. HYDE):

H. Con. Res. 298. Concurrent resolution expressing the sense of the Congress that a special postage stamp be issued commemorating 200 years of free enterprise in the United States; to the Committee on Post Office and Civil Service.

By Mr. GREEN:

H. Con. Res. 299. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on International Relations.

H. Con. Res. 300. Concurrent resolution requesting release of two Ukrainian intellectuals; to the Committee on International Relations.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of May 6, 1975, page 13129:

H.R. 5500. March 25, 1975. Judiciary. Declares a certain individual the natural-born alien son of citizens of the United States for purposes of the Immigration and Nationality Act.

H.R. 5501. March 25, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 5502. March 25, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 5503. March 25, 1975. Judiciary. Authorizes classification of a certain individual as an adopted child for purposes of the Immigration and Nationality Act.

H.R. 5504. March 26, 1975. Government Operations. Directs the Secretary of the Treasury to pay annually to the State in which a county is located which has elected to be paid by the Federal Government, an amount equal to the State, county, and local real property taxes on public lands within such county, which have been assessed by the Administrator of the General Services Administration. Excludes Indian lands held in trust by the Federal Government from consideration as taxable public lands.

H.R. 5505. March 26, 1975. Rules. Creates a select committee of the House of Representatives to investigate and study the potential for exploration and development of the Outer Continental Shelf and the potential impact of actual but unreported natural gas and petroleum reserves on present patterns of supply, distribution shortages, and prices.

H.R. 5506. March 26, 1975. Agriculture. Amends the Consolidated Farm and Rural Development act to allow the Secretary of Agriculture to designate any areas in the United States, Puerto Rico, and the Virgin Islands as an emergency area for the purposes of granting or insuring loans to farming, ranching, or oyster producing operations which were substantially affected by a natural disaster, and for which there is not sufficient credit available elsewhere.

H.R. 5507. March 26, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from 36 months to 45 months.

H.R. 5508. March 26, 1975. Public Works and Transportation. Designates a Federal building in Green Bay, Wisconsin as the John W. Byrnes Federal Building.

H.R. 5509. March 26, 1975. Ways and Means. Amends the Tariff Schedules of the United States to classify as duty free watches manufactured in insular possessions of the United States if foreign materials do not exceed 70 percent of the total value of such watches.

H.R. 5510. March 26, 1975. Appropriations. Directs payment of oil import license fees collected by the Administrator of the Federal Energy Administration for imports into Puerto Rico and into the customs territory of the United States from the Virgin Islands to the governments of Puerto Rico and the Virgin Islands.

H.R. 5511. March 26, 1975. Merchant Marine and Fisheries. Amends the Fish and Wildlife Act of 1956 to require that certain appointees to positions of responsibility in the Fish and Wildlife Service have a background of experience and education in the area of fisheries and wildlife management.

H.R. 5512. March 26, 1975. Merchant Marine and Fisheries. Amends the National Wildlife Refuge System Administration Act of 1966 to revise provisions relating to the authority of the Secretary of the Interior and the Fish and Wildlife Service with regard to the disposal of lands within the system.

H.R. 5513. March 26, 1975. Post Office and Civil Service. Authorizes reduced second-class postal rates for certain State conservation publications.

H.R. 5514. March 26, 1975. International Relations. Amends the Foreign Assistance Act of 1961 to prohibit military assistance to South Vietnam after June 30, 1975, unless the President determines that a temporary extension of such assistance, for not more than 120 days after such date, would facilitate a peaceful solution to the Vietnam conflict. Limits the amount of assistance during such extension to one-third of the appropriations for such purpose during fiscal year 1975.

H.R. 5515. March 26, 1975. Ways and Means; Interstate and Foreign Commerce. Revises the criteria and method for designating Professional Standards Review areas and organizations under the Social Security Act. Extends review to institutions operated by the Public Health Service and Veterans' Administration. Revises the reporting duties of local organizations and the functions of Statewide and National Professional Standards Review Councils. Circumscribes the use which may be made of data acquired by any Professional Standards Review Organization.

H.R. 5516. March 26, 1975. Judiciary; Standards of Official Conduct. Requires candidates for Federal office, Members of the Congress, and certain officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions.

H.R. 5517. March 26, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to provide for the establishment of specialized treatment centers to provide assistance to individuals seeking medical services to enable them to bear children and to undertake clinical research and training in advanced diagnostic and treatment methods relating to problems respecting human fertility and sterility and the human reproduction process.

H.R. 5518. March 26, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants and enter into contracts with public and nonprofit private entities for the purpose of promoting research in fertility and sterility in humans and the human reproductive process.

H.R. 5519. March 26, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to direct each federally related health care facility to conduct a medical testing program for infants born in the facility or brought to it for health care.

H.R. 5520. March 26, 1975. Ways and Means. Amends the Social Security Act to require that Old-Age, Survivors, and Disability Insurance benefits be paid on a prorated basis for the month during which a beneficiary dies.

H.R. 5521.—March 26, 1975. Education and Labor. Establishes an Agricultural Labor Relations Board to determine the unit appropriate for collective bargaining, to provide for hearings, to determine whether a question of representation exists, and to direct an election and certify the results thereof. Enumerates a list of various unfair labor practices for agricultural employers and for agricultural labor organizations or their agents. Grants the district courts jurisdiction to enjoin any unfair labor practices upon petition from the Board or its representatives.

H.R. 5522.—March 26, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to administer and enforce all of the provisions of the International Convention for the Conservation of Atlantic Tunas.

H.R. 5523.—March 26, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the Interior to establish training, research, and development programs in order to improve enforcement of fish and wildlife laws. Authorizes certain acts by the Secretary of Interior to enforce specified wildlife conservation statutes, including the Fish and Wildlife Act of 1956, the Migratory Bird Conservation Act, the Migratory Bird Treaty Act, and National Wildlife Refuge System Administration Act of 1966.

H.R. 5524.—March 26, 1975. Banking, Currency and Housing. Establishes a Presidentially-appointed Price Restraint Board to issue standards and guidelines for non-inflationary price adjustments.

Authorizes the Board (1) to require prenotification of price increases; (2) to delay proposed price increases; (3) to disapprove proposed price increases; and (4) to roll back excessive prices with respect to companies in industries designed as concentrated industries in accordance with guidelines established by the Act.

H.R. 5525.—March 26, 1975. Banking, Currency and Housing. Establishes a Presidentially-appointed Price Restraint Board to issue standards and guidelines for non-inflationary price adjustments.

Authorizes the Board (1) to require prenotification of price increases; (2) to delay proposed price increases; (3) to disapprove proposed price increases; and (4) to roll back excessive prices with respect to companies in industries designed as concentrated industries in accordance with guidelines established by this Act.

H.R. 5526. March 26, 1975. Banking, Currency and Housing. Establishes a Presidentially-appointed Price Restraint Board to issue standards and guidelines for non-inflationary price adjustments.

Authorizes the Board (1) to require prenotification of price increases; (2) to delay proposed price increases; (3) to disapprove proposed price increases; and (4) to roll back excessive prices with respect to companies in industries designated as concentrated industries in accordance with guidelines established by this Act.

H.R. 5527. March 26, 1975. International Relations. Requires the Director of the United States Information Agency to make available to the Administrator of the American Revolution Bicentennial Administration certain films for the purpose of distribution for public viewing in conjunction with the commemoration of the American Revolution Bicentennial.

H.R. 5528. March 26, 1975. Ways and Means; Interstate and Foreign Commerce. Revises the criteria and method for designating Professional Standards Review areas and organizations under the Social Security Act. Extends review to institutions operated by the Public Health Service and Veterans' Administration. Revises the reporting duties of local organizations and the functions of Statewide and National Professional Standards Review Councils. Circumscribes the use which may be made of data acquired by any Professional Standards Review Organization.

H.R. 5529. March 26, 1975. Banking, Currency and Housing. Repeals the provisions of the Flood Disaster Protection Act of 1973 which require communities and individuals in flood prone areas to participate in the national flood insurance program in order to be eligible for Federal financial assistance.

H.R. 5530. March 26, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 to make the Director of the National Institute for Occupational Safety and Health directly responsible to the Assistant Secretary for Health of the Department of Health, Education, and Welfare.

H.R. 5531. March 26, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 to make the Director of the National Institute for Occupational Safety and Health directly responsible to the Assistant Secretary for Health of the Department of Health, Education, and Welfare.

H.R. 5532. March 26, 1975. Banking, Currency and Housing. Prohibits any lender from making a federally related mortgage loan which has an adjustable interest rate or an adjustable period of repayment.

H.R. 5533. March 26, 1975. Banking, Currency and Housing. Requires the Comptroller General to annually audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, all Federal Reserve Banks and their branches.

H.R. 5534. March 26, 1975. Education and Labor. Authorizes the Secretary of Agriculture to establish and administer a summer farm job program for eligible youth.

H.R. 5535. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 5536. March 26, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to provide for reimbursement and advanced construction for certain publicly owned treatment works.

H.R. 5537. March 26, 1975. Interstate and Foreign Commerce. Amends the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, and to raise the contribution base.

H.R. 5538. March 26, 1975. Judiciary. Amends the Gun Control Act of 1968 to increase the penalties for the use of a firearm to commit certain felonies.

H.R. 5539. March 26, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 5540. March 26, 1975. Interstate and Foreign Commerce. Requires all consumer appliances, under the Fair Packaging and Labeling Act, to be labeled with accurate information specifying the identity of the appliance and its manufacturer or distributor, the average energy consumption of such appliance, and the average or projected useful life of such appliance.

H.R. 5541. March 26, 1975. Small Business. Permits the head of any executive agency to terminate any fixed-price contract between that agency and a small business concern pursuant to an application by such small business concern for contract termination.

H.R. 5542. March 26, 1975. House Administration. Establishes an American Folklife Center in the Library of Congress.

H.R. 5543. March 26, 1975. House Administration. Establishes an American Folklife Center in the Library of Congress.

H.R. 5544. March 26, 1975. Interior and Insular Affairs; International Relations. Requires that all timber harvested from Federal land west of the 100th meridian be processed in the United States. Places export restrictions on such timber.

H.R. 5545. March 26, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to appoint and organize separate classification panels of experts to review and classify medical devices intended for human use into appropriate categories based on the safety and effectiveness of such devices. Authorizes the Secretary to establish performance standards to assure effectiveness and to eliminate unreasonable risk of injury. Requires the registration of all manufacturers of such medical devices.

H.R. 5546. March 26, 1975. Interstate and Foreign Commerce. Revises the Public Health Service Act to extend the appropriations that the Secretary of Health, Education, and Welfare may make to assist in the construction of teaching facilities for health personnel, to assist students from disadvantaged backgrounds, and to contribute to the student loan funds of health professions schools. Allows an adjustment in pay to members of the National Health Service Corps serving in medically underserved areas. Extends appropriations for grants for health professions schools, for special project grants, and for training programs for allied health personnel. Directs the Secretary to establish a medical residency training program accrediting agency.

H.R. 5547. March 26, 1975. Interstate and Foreign Commerce. Requires State plans for medical assistance (medicaid) under the Social Security Act to include provisions for the inspection of long-term care facilities to assure compliance with sanitation, environmental protection, patient care, medical care, dietary and fire safety standards. Directs the States to establish an ombudsman system to consider complaints and reports concerning the operation of long-term care facilities and to establish accreditation standards.

H.R. 5548. March 26, 1975. Government Operations. Establishes a Cabinet Committee for Asian American Affairs to help assure that Federal and other programs are providing the assistance needed by Asian Americans. Creates an Advisory Council on Asian Americans to implement the recommendations of the Committee and to investigate such areas of possible discrimination against Asian Americans as the Committee may specify.

H.R. 5549. March 26, 1975. Veterans' Affairs. Extends the maximum period of veteran's eligibility for educational benefits from 36 months to 45 months.

H.R. 5550. March 26, 1975. Interstate and Foreign Commerce. Amends the Natural Gas Act to exempt certain sales of natural gas from regulation by the Federal Power Commission.

H.R. 5551. March 26, 1975. Post Office and Civil Service. Amends the Voting Rights Act of 1965 to make the Attorney General's decisions on the merits of complaints alleging voting discriminaton reviewable by the District Court for the District of Columbia. Imposes penalties for the failure of State officials to submit required voting standards to the Attorney General. Authorizes the court to grant attorney's fees to the prevailing party in actions brought by an individual to secure rights guaranteed under this Act. Requires the Director of the Census to conduct a survey to compile registration and voting statistics in designated States.

H.R. 5552. March 26, 1975. Judiciary. Amends the Voting Rights Act of 1965 by prohibiting certain States and political subdivisions from reinstituting voting eligibility tests for an additional ten years.

Stipulates that no citizen shall be denied the right to vote in any election because of his failure to comply with any test or device.

Makes the prohibitions and enforcement procedures of such Act applicable to those States and political subdivisions which have a voting age population of which at least 5 percent are members of a single language minority. Requires bilingual ballots and other voting information in such jurisdictions.

H.R. 5553. March 26, 1975. Ways and Means. Establishes a variable import duty fee, under the Agricultural Marketing Agreement Act of 1937, to be levied upon all milk of dairy cattle, or products of such milk, which may be entered or withdrawn from warehouse for consumption.

H.R. 5554. March 26, 1975. Appropriations. Directs payment of oil import license fees collected by the Administrator of the Federal Energy Administration for imports into Puerto Rico and into the customs territory of the United States from the Virgin Islands to the governments of Puerto Rico and the Virgin Islands.

H.R. 5555. March 26, 1975. Education and Labor. Transfers to the Secretary of Labor all functions of the Secretary of the Interior under the Federal Coal Mine Health and Safety Act of 1969 and the Federal Metal and Nonmetallic Mine Safety Act. Establishes a Mines and Mineral Health and Safety Administration under the Assistant Secretary of Labor for Occupational Safety and Health within the Department of Labor.

Authorizes the National Institute for Occupational Safety and Health to study and develop mine safety and health standards. Revises enforcement procedures under the Federal Coal Mine Health and Safety Act of 1969 and the Federal Metal and Nonmetallic Mine Safety Act.

H.R. 5556. March 26, 1975. Interstate and Foreign Commerce. Amends the Emergency Petroleum Allocation Act of 1973 to exempt from mandatory allocation regulations the first sale of the share of a State or local government in crude oil produced from the leasing of State or locally-owned lands.

H.R. 5557. March 26, 1975. Science and Technology. Directs the Energy Research and Development Administration to develop ground propulsion systems designed to reduce current levels of energy consumption.

Amends the National Aeronautics and Space Act to provide additional scientific expertise in the development of ground propulsion systems.

H.R. 5558. March 26, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from 36 months to 45 months.

H.R. 5559. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from a foreign corporation's gross income earnings derived from payments by a common carrier for the use on a temporary basis of railroad rolling stock owned by a corporation of a foreign country which grants an equivalent exemption to corporations organized in the United States.

H.R. 5560. March 26, 1975. Post Office and Civil Service. Declares that Federal employees who are Japanese-Americans who were placed in internment camps during World War II shall be credited with the time they spent in such camps for Civil Service retirement purposes.

H.R. 5561. March 26, 1975. Judiciary. Amends the Gun Control Act of 1968 to increase the pensities for the use of a firearm to commit certain felonies.

H.R. 5562. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income limited amounts paid by the taxpayer during the taxable year on behalf of his qualified dependents for expenses at an institution of higher education.

H.R. 5563. March 26, 1975. Ways and Means. Designates certain lands in the Lake Woodruff National Wildlife Refuge in Florida as wilderness, to be administered by the Secretary of the Interior. Withdraws such lands from disposition under all mineral leasing laws.

H.R. 5564. March 26, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by authorizing administrative and judicial review of administrative determinations of the amount of benefits paid under the Medicare supplementary medical insurance program. Revises the amount of money which must be in controversy before a claimant is entitled to administrative or judicial review under the Act.

H.R. 5565. March 26, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to carry out a national aquaculture development program. Defines aquaculture as the culture and husbandry of aquatic organisms.

H.R. 5566. March 26, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act by extending eligibility to individuals with 40 quarters of coverage regardless of when they were earned.

H.R. 5567. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income certain amounts received by a volunteer fireman for serving as a member of a firefighting or rescue unit.

H.R. 5568. March 26, 1975. Interior and Insular Affairs. Designates certain lands in California as the Snow Mountain Wilderness area, to be administered by the Secretary of Agriculture.

H.R. 5569. March 26, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 5570. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to require the Secretary of the Treasury to report to the Joint Committee on Internal Revenue Taxation the specific criteria and procedures used to audit returns and to report certain information regarding audits completed in the previous twelve months.

H.R. 5571. March 26, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 5572. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to remove the requirement that the winners of a state-conducted sweepstakes must be determined by the results of a horse race for their winnings to be excluded from the tax on wagers. Allows the vending machine sale of state-conducted sweepstakes' tickets. Excludes from gross income any gain resulting from lottery conducted by an agency of a State acting under authority of a State law.

H.R. 5573. March 26, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from 36 months to 45 months. Removes the time limitation for use of such benefits.

H.R. 5574. March 26, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to acquire and maintain the Goddard Rocket Launching Site in Massachusetts.

H.R. 5575. March 26, 1975. Judiciary. Stipulates the duties that a Federal District Court Judge may assign to a United States magistrate.

H.R. 5576. March 26, 1975. Judiciary. Amends the Miller Act to require that contractors for public buildings and works post payment bonds in an amount sufficient to protect all persons supplying labor in connection with such contract.

H.R. 5577. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to designate money paid to or collected from employee stock-ownership plans as deductible from taxable income.

H.R. 5578. March 26, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to authorize the Federal Communications Commission to grant licenses and license renewals for 5-year terms.

Revises the Act to allow certain appeals from orders or decisions of the Commission to be brought in the United States court of appeals for the circuit in which the broadcast facility is, or is proposed to be located.

Requires the Commission to examine its broadcast license renewal process to determine how the process can be simplified.

H.R. 5579. March 26, 1975. Public Works and Transportation. Amends the Federal-Aid Highway Act of 1973 to authorize the financing of parkways from the Highway Trust Fund. Specifies that parkways so funded shall be managed solely for passenger car travel, scenic and recreational use.

H.R. 5580. March 26, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method for allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 5581. March 26, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method for allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 5582. March 26, 1975. Post Office and Civil Service. Requires that labor disputes within the United States Postal Service between supervisory organizations and the Service be submitted to an arbitration board.

H.R. 5583. March 26, 1975. Interior and Insular Affairs. Designates a segment of the Red River in Kentucky as a potential addition to the Wild and Scenic Rivers System.

H.R. 5584. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 5585. March 26, 1975. Ways and Means. Amends the Trade Act of 1974 to remove Western Hemisphere countries from the class of countries excluded from the generalized system of preferences established by the Act because of participation in action with an arrangement of foreign countries which has the effect of withholding supplies of vital commodity resources from international trade or of raising the price of such commodities to an unreasonable level.

H.R. 5586. March 26, 1975. Post Office and Civil Service. Requires the heads of executive agencies to provide Congress and recognized employee organizations with advance notice of planned organizational changes which would appreciably affect the level of Federal civilian employment.

H.R. 5587. March 26, 1975. Education and Labor. Amends the Older Americans Act by establishing in any State real property tax relief programs by the Secretary of Health, Education, and Welfare for qualifying persons age 65 or older.

H.R. 5588. March 26, 1975. Interior and Insular Affairs. Declares a moratorium on the sale of leases under the Outer Continental Shelf Lands Act pending Congressional determination of procedures for the orderly development of the Outer Continental Shelf.

H.R. 5589. March 26, 1975. Interior and Insular Affairs. Directs the Secretary of Agriculture to study the Snow Mountain Area in California for suitability for preservation as wilderness.

H.R. 5590. March 26, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked soft drink products.

H.R. 5591. March 26, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 5592. March 26, 1975. Armed Services. Establishes three types of military discharges: (1) honorable discharges; (2) general discharge; and (3) discharge by court martial. Entitles persons receiving a general discharge to an administrative review of that discharge. Directs the Secretary of Defense to prescribe regulations governing such administrative reviews.

H.R. 5593. March 26, 1975. Judiciary. Amends the Immigration and Nationality Act to grant alien children adopted by unmarried United States citizens the same immigrant status as alien children adopted by the married United States citizens.

H.R. 5594. March 26, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct, under the Internal Revenue Code as a charitable contribution, an amount specified for each pint donated.

H.R. 5595. March 26, 1975. Interstate and Foreign Commerce. Amends the Emergency Petroleum Allocation Act to allow the President to exempt certain sales of petroleum products from mandatory allocation regulation. Establishes a phased removal of price controls on domestic petroleum.

H.R. 5596. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

Amends the estate tax provisions of the Internal Revenue Code to allow a limited deduction from the gross estate of the value of the decedent's interest in a family farming operation which passes to an individual related to him or his apouse.

H.R. 5597. March 26, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 5598. March 26, 1975. Interstate and Foreign Commerce. Amends the Federal Power Act to terminate the transmission of electric energy across State boundaries where such State has enacted a law or regulation prohibiting the production of electric or atomic energy in such State.

H.R. 5599. March 26, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from 36 months to 45 months.

H.R. 5600. March 26, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to repeal the equal-opportunity requirement for candidates for President and Vice-President. Allows certain regularly scheduled programs to be exempt from the equal-opportunity requirements.

Requires broadcasting stations which have granted the President broadcasting time to allow equal opportunity for broadcast to the spokesman of the other major political party under certain circumstances.

H.R. 5601. March 26, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to State educational agencies and institutions of higher learning for teacher training, pilot and demonstration projects and comprehensive school programs in the area of health education and health problems.

H.R. 5602. March 26, 1975. Agriculture. Authorizes the Secretary of Agriculture to cooperate with the several States for the purpose of encouraging and assisting them in carrying out programs of animal health research at eligible institutions. Authorizes the Secretary to allocate any funds appropriated by Congress for such animal research programs.

H.R. 5603. March 26, 1975. Agriculture. Authorizes the Secretary of Agriculture to cooperate with the several States for the purpose of encouraging and assisting them in carrying out programs of animal health research at eligible institutions. Authorizes the Secretary to allocate any funds appropriated by Congress for such animal research programs.

H.R. 5604. March 26, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain Federal lands.

Directs the Secretary of the Interior to explore for oil and gas on Naval Petroleum Reserve Numbered 4.

H.R. 5605—March 26, 1975. Judiciary. Creates a Federal system for determination of ownership and rights of compensation for inventions of employed persons. Allows employers to claim exclusive patent rights to certain inventions and for mediation of disputes between employers and employees.

H.R. 5606. March 26, 1975. Interstate and Foreign Commerce. Amends the Emergency Jobs and Unemployment Assistance Act of 1974 to authorize a health insurance benefits program for unemployed individuals, if they would have had such benefits from their prior employer, for their dependent spouse, and for their dependent children. Directs the Secretary of Labor to enter into contracts with insurance carriers who will provide such insurance benefits.

H.R. 5607. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to impose an excise tax on automobiles based on the rate at which such automobiles consume fuel.

Allows a credit against the income tax for the purchase of every new automobile for use within the United States, based on the rate at which automobile consumes fuel.

H.R. 5608. March 26, 1975. Merchant Marine and Fisheries. Extends for an additional seven years the period in which appropriations are authorized for the acquisition of wetlands. Increases the maximum amount of such appropriation authorization.

H.R. 5609. March 26, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 5610. March 26, 1975. Education and Labor. Amends the Education Amendments of 1974 to delay and extend the effective dates of various programs under the Act. Revises the entitlement criteria to be used by the Commissioner of Education if sufficient sums are not appropriated by Congress to pay in full the amounts all local education units are entitled to receive. Sets forth a formula for determining the amount local educational agencies are entitled to for programs for handicapped children.

H.R. 5611. March 26, 1975. Post Office and Civil Service. Makes election day a national holiday.

H.R. 5612. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to increase the Federal estate tax exemption.

H.R. 5613. March 26, 1975. Judiciary; Standards of Official Conduct.

Requires lobbyists to: (1) register with the Federal Election Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities.

Requires certain officials of the executive branch to record their communications with lobbyists.

Repeals the Federal Regulation of Lobbying Act.

H.R. 5614. March 26, 1975. Merchant Marine and Fisheries.

Directs the Secretary of Commerce to promulgate regulations governing fishing in the fisheries zone and the high seas. Directs the Secretary of State to negotiate agreements with certain foreign states to abide by the regulations.

Establishes the Atlantic States Fisheries Advisory Council, the Gulf States Fisheries Advisory Council and the Pacific States Fisheries Advisory Council. Directs the councils to evaluate the regulations and submit recommendations to the Secretaries of Commerce and State.

H.R. 5615. March 26, 1975. Post Office and Civil Service.

Redesignates Veterans' Day as November 11.

H.R. 5616. March 26, 1975. Ways and Means; Interstate and Foreign Commerce.

Revises the conditions and limitations applicable to home health services and nursing home care under the Medicare and Medicaid programs of the Social Security Act.

Establishes a Home Health Patient Ombudsman in the Department of Health, Education, and Welfare.

Increases the amount of Federal funds which may be made available to public housing agencies for congregate housing under the United States Housing Act.

H.R. 5617. March 26, 1975. Banking, Currency and Housing.

Amends the Bank Holding Company Act, the Federal Reserve Act, the National Bank Act, the Banking Act, the Bank Protection Act, the Fair Credit Reporting Act, and the Truth-in-Lending Act to regulate through the Secretary of the Treasury foreign banks establishing, operating, or controlling banks, branches, and agencies in the United States.

H.R. 5618. March 26, 1975. Banking, Currency and Housing. Regulates certain interest-bearing deposit accounts under the Banking Act, the Federal Reserve Act, the Federal Deposit Insurance Act, the Federal Home Loan Bank Act, and the National Housing Act. Specifies reserve, credit, and investment regulations under the Federal Reserve Act, the Home Owner's Loan Act, and the Federal Home Loan Bank Act. Regulates the functions of Federal thrift institutions under the Home Owner's Loan Act and the National Housing Act. Amends the Federal Credit Union Act to expand the functions of such institutions. Establishes the National Credit Union Administration Discount Fund to meet liquidity problems of credit unions.

H.R. 5619. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to revise the tax treatment of banks and other financial institutions. Allows a tax credit in an amount equal to the allowable percentage of the interest received or accrued by the taxpayer from a qualifying residential mortgage loan.

H.R. 5620. March 26, 1975. Public Works and Transportation. Establishes limitations on appropriations for the construction of mint buildings through July 1, 1983.

UMI

H.R. 5621. March 26, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Valley Forge National Historical Park in Pennsylvania.

H.R. 5622. March 26, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to develop land use plans for the natural resource lands administered through the Bureau of Land Management, except the Outer Continental Shelf.

Establishes criteria for the conveyance and acquisition of natural resource lands. Authorizes development of a plan for the future management of lands designated as California desert area.

Authorizes the Secretary of the Interior to grant rights-of-way through natural resource lands for transportation or other facilities in the public interest. Repeals existing law relating to the disposal of natural resource lands.

H.R. 5623. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from record keeping requirements the licensed ammunition importers, manufactures, or dealers of .22 caliber ammunition.

H.R. 5624. March 26, 1975. Public Works and Transportation. Changes the name of a Federal office building in South Carolina to the Strom Thurmond Federal Building.

H.R. 5625. March 26, 1975. Interstate and Foreign Commerce. Entitles certain individuals who were awarded an annuity under the Railroad Retirement Act of 1937 to an annuity under the Railroad Retirement Act of 1974.

H.R. 5626. March 26, 1975. Banking, Currency and Housing. Amends the Bank Holding Company Act of 1956 to make it applicable to alien individuals.

H.R. 5627. March 26, 1975. Judiciary; Standards of Official Conduct. Creates a Federal Lobbying Disclosure Commission.

Requires Lobbyists to (1) register with the Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities. Repeals the Federal Regulation Lobbying Act.

H.R. 5628. March 26, 1975. Judiciary. Amends the Federal Criminal Code to allow the admission of evidence obtained in violation of the fourth amendment of the Constitution when there is an adequate legal remedy available to any person aggrieved by reason of such violation.

H.R. 5629. March 26, 1975. Ways and Means. Amends the Tariff Schedules of the United States to allow duty-free entry of binder twine and baler twine of manmade fibers.

H.R. 5630. March 26, 1975. Merchant Marine and Fisheries. Amends the Federal Boat Safety Act of 1971 to increase the Federal share of the costs for State boat safety programs.

H.R. 5631. March 26, 1975. Interior and Insular Affairs. Increases the appropriation authorization for operation of the volunteer program of the National Park Service.

H.R. 5632. March 26, 1975. Interstate and Foreign Commerce. Revises the scope of and procedures for prelitigation civil investigative demands pursuant to the Antitrust Civil Process Act.

Revises the penalties for failure to file certain reports and documents under the Federal Trade Commission Act.

Amends the Clayton Act by (1) authorizing State Attorneys General to bring certain civil antitrust action; (2) requiring persons to notify the Federal Trade Commission and Justice Department of certain contemplated mergers; (3) revising certain rules concerning expedited trials and the evidentiary use of pleas of nolo contendere; and (4) authorizes sanctions against parties failing to comply with certain court orders on the grounds that compliance would violate foreign law.

H.R. 5633. March 26, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to make grants to assist States in the development and administration of land use programs. Establishes requirements and procedures for State eligibility for such grants and defines necessary elements of State land use programs.

Directs Federal public land management agencies to develop and revise land use plans. Includes provisions for public participation where Federal activities have a significant impact on State and local land use.

H.R. 5634. March 26, 1975. Agriculture. Authorizes the Secretary of Agriculture to include in cooperative agreements between the Forest Service and public or private agencies, organizations, institutions, and persons, arrangements for reimbursement by the Forest Service for the performance of work for the benefit of programs and activities of the Forest Service.

H.R. 5635. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to authorize the inspection of Federal tax returns by any comomn tax auditing agent appointed by two or more States, under the Common Tax Audit Act. Authorizes any State to designate the tax authorities of another State, or association of States, to conduct a tax audit of any taxpayer or business subject to the tax jurisdiction of one or more of the designating States, for the purpose of obtaining information to determine whether or not any State has jurisdiction to impose a tax liability on such taxpayer or business.

H.R. 5636. March 26, 1975. Ways and Means. Amends the Emergency Unemployment Compensation Act of 1974 to extend emergency unemployment compensation to certain individuals declared ineligible for State compensation prior to the existence of an extended benefit period in such State.

H.R. 5637. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for volunteer services performed by an individual in a Veterans' Administration hospital.

H.R. 5638. March 26, 1975. Judiciary. Makes applicable to individuals convicted for the first time of using a firearm in the commission of a felony, the rules for suspended or probationary sentences and for minimum sentences now applicable to second and subsequent convictions.

H.R. 5639. March 26, 1975. Post Office and Civil Service. Amends the Postal Revenue and Federal Salary Act of 1967 by abolishing the Commission on Executive, Legislative, and Judicial Salaries.

H.R. 5640. March 26, 1975. Ways and Means. Amends the Internal Revenue Code to increase the exemption for certain small issues of industrial bonds, determined by certain conditions.

H.R. 5641. March 26, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors, and Disability Insurance benefits.

H.R. 5642. March 26, 1975. District of Columbia. Amends the District of Columbia Governmental Reorganization Act by repealing those provisions concerning the establishment of the National Capital Service Area.

H.R. 5643. March 26, 1975. House Administration. Revises the Supplemental Appropriations Act of 1972 to repeal the authority of the Committee on House Administration to adjust allowances by order of the Committee for Members, standing committees, leadership offices and officers of the House.

H.R. 5644. March 26, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expenses.

H.R. 5645. March 26, 1975. Post Office and Civil Service. Amends the Federal Salary Act of 1967 by making certain recommendations of the President regarding salary levels for certain Federal employees effective within a certain time period unless the Congress adopts a resolution disapproving all or part of such recommendations. Specifies procedures for adopting such a resolution.

H.R. 5646. March 26, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials. Establishes within the Office of Education a Council on the Conservation and Nonuse of Energy-Materials to advise the Secretary on the administration of this Act.

H.R. 5647. March 26, 1975. Judiciary. Confers jurisdiction on the United States District Court for the Southern District of California to hear, determine, and render judgment on certain claims against the United States for damages as result of a quarantine imposed by the Department of Agriculture.

H.R. 5648. March 26, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 5649. March 26, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 5650. March 26, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 5651. March 26, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for loss of personal property.

H.R. 5652. March 26, 1975. Judiciary. Directs the Secretary of the Treasury to pay to a certain individual certain benefits under the Uniformed Services Contingency Option Act.

H.R. 5653. March 26, 1975. Judiciary. Directs the Secretary of the Treasury to pay out of the War Claims Fund to a certain individual the amount certified by the Foreign Claims Settlement Commission to constitute a valid claim for damage due to certain military operations conducted in World War II.

H.R. 5654. March 26, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to certain individuals in full settlement of such individuals' claims against the United States for a loss incurred to such persons as owners of a corporation whose products were recalled by the Food and Drug Administration.

H.R. 5655. March 26, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 5656. April 7, 1975. Ways and Means. Amends the Social Security Act as it relates to Aid to Families with Dependent Children by (1) revising eligibility requirements for grants; (2) revising the procedure for adjusting the amount of grants; (3) authorizing Federal financial participation in the investigation and prosecution of fraud conducted by State agencies; (4) requiring States to provide evidentiary hearings; and (5) imposing criminal sanctions for misuse of grants by recipients.

H.R. 5657. April 7, 1975. Ways and Means. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government. Amends various other provisions of the Social Security Act and the Public Health Services Act.

H.R. 5658. April 7, 1975. Judiciary. Declares that no Federal court shall have jurisdiction over any case arising out of a State law relating to abortion.

H.R. 5659. April 7, 1975. International Relations; Rules. Amends the Foreign Military Sales Act by setting forth a revised procedure for Congressional approval of foreign military sales proposed by the President.

H.R. 5660. April 7, 1975. International Relations. Amends the Mutual Security Act to require submission of certain reports by the President to the Congress prior to the issuance of a license for the export of certain arms, ammunition, or implements of war. Requires Congressional approval of the issuance of such licenses, except in emergency situations.

H.R. 5661. April 7, 1975. Rules. Amends the Impoundment Control Act of 1974 by requiring the President to transmit a special message to Congress before rescinding or reserving any part of any budget authority. Declares that no such rescission shall become effective until Congress has acted on a bill effecting such rescission.

H.R. 5662. April 7, 1975. Judiciary. Imposes penalties for the robbery or attempted robbery of any narcotic drug from any pharmacy. Stipulates minimum sentences to be imposed when a person attempting such a robbery carries or discharges a firearm or kills any person.

H.R. 5663. April 7, 1975. Interstate and Foreign Commerce. Prohibits cancellation of franchises by distributors and refiners of motor fuel without cause and without prior notice.

H.R. 5664. April 7, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a certain amount of the adjusted gross practice income of a physician, dentist, or optometrist who practices in a physician shortage area.

Requires the Secretary of Health, Education, and Welfare to certify each year the physician shortage areas in each State.

H.R. 5665. April 7, 1975. Post Office and Civil Service. Requires that labor disputes within the United States Postal Service between supervisory organizations and the Service be submitted to an arbitration board.

H.R. 5666. April 7, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 5667. April 7, 1975. Judiciary. Allows the filing of a claim for relief by a certain individual, relating to such individual's removal from employment with the United States Army, notwithstanding any statute of limitations of such claims.

H.R. 5668. April 7, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 5669. April 7, 1975. Judiciary. Declares a certain individual eligible for naturalization under the Immigration and Nationality Act.

H.R. 5670. April 8, 1975. Ways and Means; Interstate and Foreign Commerce. Prohibits the importation of petroleum or petroleum products into the United States unless the Federal Energy Administrator has first reviewed, and not disapproved, the contract covering such importation. Directs the Administrator to purchase and sell imported petroleum and petroleum products upon a determination that such purchasing and selling will promote the securing of adequate supplies of petroleum and petroleum products at reasonable and stable prices.

H.R. 5671. April 8, 1975. Government Operations. Establishes a Cabinet Committee for Asian American Affairs to help assure that Federal and other programs are providing the assistance needed by Asian Americans. Creates an Advisory Council on Asian Americans to implement the recommendations of the Committee and to investigate such areas of possible discrimination against Asian Americans as the Committee may specify.

H.R. 5672. April 8, 1975. Judiciary. Increases the penalties for use of a firearm in the commission of a felony.

H.R. 5673. April 8, 1975. Post Office and Civil Service. Redesignates Veterans Day as November 11.

H.R. 5674. April 8, 1975. Ways and Means. Conditions the eligibility of any alien for aid to families with dependent children, supplemental security income benefits, or medicaid benefits under the Social Security Act, or aid or assistance under any other Federal or federally funded State or local welfare program upon continuous residence in the United States for at least 36 months.

H.R. 5675. April 8, 1975. Small Business. Amends the Small Business Act to make small business establishments primarily engaged in the production of cow's milk eligible for loans to assist in meeting the requirements imposed by the Federal Water Pollution Control Act.

H.R. 5676. April 8, 1975. Ways and Means. Prohibits the importation of pate de foie gras made from the liver of ducks or geese which have been force-fed by mechanical means.

H.R. 5677. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to define the term "agricultural" with respect to the exemption from the tax on corporations.

H.R. 5678. April 8, 1975. Agriculture. Amends the Food Stamp Act of 1964 by making individuals who are engaged in a labor strike ineligible for food coupons.

H.R. 5679. April 8, 1975. Armed Services. Revises the special pay structure for medical officers of the Armed Forces and Public Health Service on active duty.

H.R. 5680. April 8, 1975. Government Operations. Amends the State and Local Fiscal Assistance Act of 1972 to provide that, with respect to entitlement periods beginning after July 1, 1975, the adjusted taxes of any unit of local government shall not exclude that portion of compulsory contributions exacted for public purposes which is properly allocable to expenses for education.

H.R. 5681. April 8, 1975. Education and Labor. Authorizes the Secretary of Labor to grant, under certain circumstances, a limited waiver of the child labor provisions of the Fair Labor Standards Act of 1938 to employers desiring to hire children for the purpose of harvesting crops.

H.R. 5682. April 8, 1975. Merchant Marine and Fisheries. Revises the boundaries of the Tinicum National Environmental Center in Pennsylvania.

H.R. 5683. April 8, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of a certain quantity of asbestos chrysotile from the national stockpile and the supplemental stockpile.

H.R. 5684. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred in connection with the adoption of a child by the taxpayer.

H.R. 5685. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred in connection with the adoption of a child by the taxpayer.

H.R. 5686. April 8, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay service pensions to certain World War I veterans, their widows, and their children.

H.R. 5687. April 8, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 5688. April 8, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 5689. April 8, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prohibit the television broadcasting of programs portraying nudity, obscenity, or explicit sexual activity.

H.R. 5690. April 8, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method for allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 5691. April 8, 1975. Armed Services. Authorizes the Secretary of the Navy to extract petroleum from Naval Petroleum Reserve Numbered 1 in order to reduce the dependence of the military departments on commercial petroleum. Authorizes the Secretary to acquire certain transmission facilities for the transportation of such petroleum.

H.R. 5692. April 8, 1975. International Relations. Amends the Foreign Service Buildings Act, 1926; (1) to appropriate to the Secretary of State funds for acquisitions of sites and buildings and major alterations of buildings in foreign countries for fiscal year 1977 and (2) to appropriate funds for related purposes for fiscal years 1976 and 1977.

H.R. 5693. April 8, 1975. Post Office and Civil Service. Allows a postal employee to be represented in a grievance action by agent other than the elected and recognized bargaining representative.

H.R. 5694. April 8, 1975. Interior and Insular Affairs. Grants the consent and approval of Congress to the California-Nevada Interstate Compact.

H.R. 5695. April 8, 1975. Agriculture. Directs the Secretary of Agriculture to establish under the Agricultural Adjustment Act of 1938 a national acreage allotment for rice to maintain adequate supplies and to prevent excessive carryover stocks. Imposes an established price for rice under the Agricultural Act of 1949.

H.R. 5696. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to exempt any operating foundation which is organizd and operated primarily as a library, museum, or other similar educational institution furnishing facilities or services directly to the public from the excise tax on the net investment income of a private foundation.

H.R. 5697. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 5698. April 8, 1975. Atomic Energy. Amends the Atomic Energy Community Act of 1955 to authorize community assistance payments to Anderson County and Roane County in Tennessee by the Administrator of the Energy Research and Development Administration.

H.R. 5699. April 8, 1975. Banking, Currency and Housing. Establishes a Presidentially-appointed Price Restraint Board to issue standards and guidelines for noninflationary price adjustments.

Authorizes the Board (1) to require prenotification of price increases; (2) to delay proposed price increases; (3) to disapprove proposed price increases; and (4) to roll back excessive prices with respect to companies in industries designated as concentrated industries in accordance with guidelines established by this Act.

H.R. 5700. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to require a repayment of a certain amount of the Federal excise tax paid on gasoline used in taxicabs.

H.R. 5701. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to increase the Federal estate tax exemption.

H.R. 5702. April 8, 1975. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to authorize the Commissioner of Education to make grants to the States for educational programs at public and private nonprofit schools.

H.R. 5703. April 8, 1975. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to authorize the Commissioner of Education to make grants to the States for educational programs at public and private nonprofit schools.

H.R. 5704. April 8, 1975. Agriculture. Pro-

hibits the Secretary of Agriculture, when promulgating rules, orders, and regulations under the Agricultural Marketing Act of 1946, from making any change in the grade designations or specifications for grades in the standards for slaughter cattle or carcass beef which has the effect of raising the grade of any cattle or carcass beef.

H.R. 5705. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to increase the Federal estate tax exemption.

H.R. 5706. April 8, 1975. Interstate and Foreign Commerce; Science and Technology. Amends the Clean Air Act to require the Administrator of the Environmental Protection Agency, with the assistance of other agencies, to determine the effect on public health and the environment of the discharge of chlorofluoromethane into the ambient air.

Prohibits, subject to such determination, the introduction into commerce of any aerosol spray container which discharges chlorofluoromethane into the ambient air.

H.R. 5707. April 8, 1975. Government Operations. Establishes the Department of Peace (1) to develop policies and programs to foster peace; (2) to coordinate activities in the United States Government affecting peace; (3) to cooperate with other governments in related research and planning; (4) to encourage cultural exchange programs; and (5) to encourage private institutions and groups to work for the peaceful resolution of international conflict.

Establishes the International Peace Academy to prepare citizens for positions promoting international peace and understanding.

Creates the Joint Congressional Committee on Peace and International Cooperation to oversee peace programs.

H.R. 5708. April 8, 1975. Banking, Currency and Housing. Authorizes the Secretary of the Treasury to strike three medals commemorating the bicentennials of the United States Army, the United States Navy and the United States Marine Corps.

H.R. 5709. April 8, 1975. Merchant Marine and Fisheries. Extends the provisions of the Offshore Shrimp Fisheries Act of 1973 until September 30, 1977.

H.R. 5710. April 8, 1975. Merchant Marine and Fisheries. Authorizes appropriations for regulation of ocean dumping and monitoring and research programs for fiscal year 1976, under the Marine Protection, Research, and Sanctuaries Act of 1972.

H.R. 5711. April 8, 1975. Banking, Currency and Housing. Amends the Gold Clause Act of 1935 to repeal the withdrawal of consent to sue the United States in proceedings involving gold, silver, or currency of the United States.

H.R. 5712. April 8, 1975. Interstate and Foreign Commerce. Prohibits the United States Consumer Product Safety Commission from making a ruling or order that restricts the manufacture or sale of firearms, firearm ammunition, or components of firearm ammunition, including blackpowder or gunpowder.

H.R. 5713. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income limited amounts received as interest on any deposit or withdrawable account in a bank or certain other savings institutions.

H.R. 5714. April 8, 1975. Interior and Insular Affairs. Amends the Organic Act of Guam by specifying procedures for the settlement of claims arising out of acquisition of property in Guam by the United States.

H.R. 5715. April 8, 1975. International Relations. Authorizes additional appropriations for humanitarian assistance for South Vietnam and Cambodia, such funds to be distributed under the auspices of the United Nations.

H.R. 5716. April 8, 1975. Ways and Means. Revises the eligibility requirements for disability insurance benefits applicable to the blind under the Social Security Act.

H.R. 5717. April 8 1975. International Relations. Authorizes additional appropriations for humanitarian assistance for South Vietnam and Cambodia, such funds to be distributed under the auspices of the United Nations.

H.R. 5718. April 8, 1975. Armed Services. Prohibits discrimination against applicants to the service academies on the basis of sex, race, color or religious beliefs.

H.R. 5719. April 8, 1975. Interstate and Foreign Commerce. Establishes, within the Department of Health, Education, and Welfare, an Office of Population Affairs and an Administration on Reproductive Research and Family Planning to administer family planning services and promulgate research on human reproduction and population change.

H.R. 5720. April 8, 1975. Interstate and Foreign Commerce. Establishes, within the Department of Health, Education, and Welfare, an Office of Population Affairs and an Administration on Reproductive Research and Family planning to administer family planning services and promulgate research on human reproduction and population change. Excludes abortion as a means of family planning.

H.R. 5721. April 8, 1975. House Administration. Amends the Federal Election Campaign Act of 1971 to authorize the Secretary of the Treasury to make grants to the States to carry out programs to encourage voter registration, education, and participation, and to improve voting administration.

Prohibits the Federal Government from maintaining a centralized voter registration list.

H.R. 5722. April 8, 1975. Science and Technology. Declares it to be a national policy to convert to the metric system in the United States. Establishes a National Metric Conversion Board to coordinate the voluntary conversion to the metric system over a period of ten years.

H.R. 5723. April 8, 1975. Public Works and Transportation. Revise the White River Basin plan to authorize the construction of trout production measures, including a fish hatchery, at Beaver Dam and Reservoir in Arkansas.

H.R. 5724. April 8, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 5725. April 8, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 5726. April 8, 1975. Judiciary. Creates as an independent establishment in the Department of Justice a United States Parole Commission to consist of a national office and 5 regional offices. Establishes standards for the granting of parole to Federal prisoners.

H.R. 5727. April 8, 1975. Judiciary. Creates as an independent establishment in the Department of Justice a United States Parole Commission to consist of a national office and 5 regional offices. Establishes standards for the granting of parole to Federal prisoners.

H.R. 5728. April 8, 1975. Government Operations. Establishes an Agency for Economic and Natural Resources Planning in the executive branch of the Federal Government. Directs the agency to study and report to the Congress and the President on the status, goals and economic impacts relating to current and projected resources development.

Transfers to the Agency all long-range planning functions for natural resources which reside in existing Federal agencies and departments.

H.R. 5729. April 8, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from canceling franchises without cause and without prior notice.

H.R. 5730. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income any gain resulting from a lottery conducted by an agency of a State acting under authority of State law.

H.R. 5731. April 8, 1975. International Relations. Authorizes additional humanitarian assistance, under the auspices of the United Nations, to all people in need in South Vietnam and Cambodia.

H.R. 5732. April 8, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 5733. April 8, 1975. Government Operations. Prohibits Federal agencies from purchasing, hiring, leasing, operating or maintaining limousines, and from employing chauffeurs to operate such limousines, except for certain designated Federal officers.

H.R. 5734. April 8, 1975. Judiciary. Makes the use or carrying of a firearm during the commission of a felony a Federal crime and imposes penalties for such actions.

H.R. 5735. April 8, 1975. House Administration. Establishes a Voter Registration Administration within the General Accounting office for the purpose of establishing and administering a voter registration program.

H.R. 5736. April 8, 1975. Ways and Means. Amends the Internal Revenue Code to correlate an automobile manufacturer's qualified investment credit with the product efficiency percentage of such automobile manufacturer. Directs the Administrator of the Environmental Protection Agency to test and determine the fuel consumption rate of passenger automobiles. Defines an automobile manufacturer's product efficiency percentage as the percentage of the total number of passenger automobiles sold by such manufacturer which have fuel consumption rates of 20 miles per gallon or more.

H.R. 5737. April 8, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants thorugh the Economic Development Administration for local public works projects.

H.R. 5738. April 8, 1975. Armed Services. Prohibits the production or procurement by any agency of the United States of any delivery system designed to disseminate any binary-type chemical warfare agent.

H.R. 5739. April 8, 1975. Agriculture. Prohibits the Secretary of Agriculture, when promulgating rules, orders, and regulations under the Agricultural Marketing Act of 1946, from making any change in the grade designations or specifications for grades in the standards for slaughter cattle or carcass beef which has the effect of raising the grade of any cattle or carcass beef.

H.R. 5740. April 8, 1975. Post Office and Civil Service. Redesignates Veterans Day as November 11.

H.R. 5741. April 8, 1975. Interstate and Foreign Commerce. Directs the President to exercise authority granted to him under the Emergency Petroleum Allocation Act of 1973 in order to equalize the ceiling price throughout the United States at which residual fuel oil is sold or exchanged, consistent with reasonable variations in such prices.

H.R. 5742. April 8, 1975. Ways and Means; Education and Labor. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to establish procedures for expediting benefit payments, hearings on eligibility, and final determinations of eligibility for Old-Age, Survivors, and Disability Insurance, Supplemental Security Income, and Medicare benefits. Limits the amount by which a monthly insurance benefit may be reduced to compensate for an overpayment.

Amends the Federal Coal Mine Health and Safety Act of 1969 by directing the Secretary of Health, Education, and Welfare to establish procedures for expediting benefit payments, hearings on eligibility, and final determinations of eligibility for black lung benefits.

H.R. 5743. April 8, 1975. Ways and Means; Education and Labor. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to establish procedures for expediting benefit payments, hearings on eligibility, and final determinations of eligibility for Old-Age, Survivors, and Disability Insurance, Supplemental Security Income, and Medicare benefits. Limits the amount by which a monthly insurance benefit may be reduced to compensate for an overpayment.

Amends the Federal Coal Mine Health and Safety Act of 1969 by directing the Secretary of Health, Education, and Welfare to establish procedures for expediting benefit payments, hearings on eligibility, and final determinations of eligibility for black lung benefits.

H.R. 5744. April 7, 1975. Education and Labor; Interstate and Foreign Commerce. Increases appropriations for the implementation of the Comprehensive Employment and Training Act of 1973.

Directs the Secretary of Transportation to make grants to common carriers for the wages of persons employed in the maintenance and improvement of rights-of-way and structures of railroads.

H.R. 5745. April 8, 1975. Education and Labor. Amends the Age Discrimination in Employment Act to make its prohibitions apply to all individuals over age forty.

H.R. 5746. April 8, 1974. Interior and Insular Affairs; Rules. Directs the Secretary of the Interior to prescribe regulations to provide for the production of oil and gas from certain Federal lands by private persons under contract with the United States.

Directs the Secretary of the Interior to establish criteria for marketing and allocation of oil and gas produced from deposits on public lands.

H.R. 5747. April 8, 1975. Post Office and Civil Service. Increases the Presidential travel appropriation. Revises Presidential authority in the areas of employment of personnel and procurement of services for the President and Vice-President. Authorizes necessary funds for personnel and services to enable the Domestic Council to provide requested assistance to the President.

H.R. 5748. April 8, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to stipulate that States and localities have the right to adopt and enforce marine sanitation device standards which are more restrictive than Federal standards.

H.R. 5749. April 8, 1975. Banking, Currency and Housing. Authorizes the Director of the Community Services Administration to make grants to States for programs to assist low-income households in the purchase and installation of home insulation equipment.

H.R. 5750. April 8, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 5751. April 8, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 5752. April 8, 1975. Judiciary. Deems certain individuals to have been married for at least two years for purposes of Armed Forces survivors annuities.

H.R. 5753. April 8, 1975. Judiciary. Declares a certain individual an eligible beneficiary under the Retired Serviceman's Family Protection Plan.

H.R. 5754. April 8, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 5755. April 8, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 5756. April 9, 1975. Agriculture. Empowers the Secretary of Agriculture, under the Agriculture Adjustment Act of 1938, to authorize the transfer of the peanut acreage allotments for any farm in a county where, because of a natural disaster, a portion of the farm peanut acreage allotments cannot be timely planted or replanted, to another farm in the county or in an adjoining county in the same or adjoining State on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of peanuts and will share in the proceeds thereof.

H.R. 5757. April 9, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method for allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 5758. April 9, 1975. Education and Labor. Specifies, under the Fair Labor Standards Act of 1938, the method of calculating overtime compensation for public employees engaged in public utility functions and other functions operated on a continuous basis.

H.R. 5759. April 9, 1975. Agriculture. Limits a broker's liability to the Federal Government to the amount of the commission received as a result of the sale of any agricultural commodity when that commodity serves as security for any loan made, insured, or guaranteed under a program administered by the Farmers Home Administration, if the broker does not have any ownership interest in the commodity at the time of or after the sale.

H.R. 5760. April 9, 1975. Merchant Marine and Fisheries. Amends the Fish and Wildlife Act of 1965 to authorize the Secretary of Commerce to make low-interest loans, whose maturity is not to exceed ten years, to areas of the commercial fishing industry facing imminent economic disaster.

H.R. 5761. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a credit against the income tax for the amount of any disaster evacuation expenses paid by the taxpayer during the taxable year.

H.R. 5762. April 9, 1975. Ways and Means. Amends the Tariff Schedules of the United States to impose quantitative limitations on the importation of shrimp into the United States during calendar years 1975 and 1976, and to impose a duty on imported shrimp.

H.R. 5763. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to allow, as a limited credit against the income tax, the amount of any disaster preparation expenses paid by the taxpayer during the taxable year.

H.R. 5764. April 9, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to extend compliance dates for certain motor vehicle emission standards until model year 1982. Authorizes studies with respect to the feasibility of standards for subsequent model years.

H.R. 5765. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to allow an itemized deduction to individuals for a voluntary public service work contribution to a qualified recipient organization.

H.R. 5766. April 9, 1975. Ways and Means. Continues for 3 years the suspension of duty on certain istle.

H.R. 5767. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction for charitable contributions to be taken when computing adjusted gross income.

H.R. 5768. April 9, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to establish a national cemetery at Calverton, New York.

H.R. 5769. April 9, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 5770. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 5771. April 9, 1975. Ways and Means. Amends the Social Security Act to prohibit termination of widow's, widower's or parent's insurance benefits if the recipient remarries.

H.R. 5772. April 9, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 5773. April 9, 1975. Education and Labor. Amends the Older Americans Act by establishing in any State real property tax relief programs by the Secretary of Health, Education and Welfare for qualifying persons 65 or older.

H.R. 5774. April 9, 1975. Post Office and Civil Service. Permits Postal Service employees to transfer to any position in the executive branch for which they are qualified.

Directs the courts to receive return mail receipts as prima facie evidence of delivery.

H.R. 5775. April 9, 1975. Government Operations. Authorizes a 15 percent increase in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 5776. April 9, 1975. Banking, Currency and Housing. Establishes a Presidentially-appointed Price Restraint Board to issue standards and guidelines for noninflationary price adjustments.

Authorizes the Board (1) to require prenotification of price increases; (2) to delay proposed price increases; (3) to disapprove proposed price increases; and (4) to roll back excessive prices with respect to companies in industries designated as concentrated industries in accordance with guidelines established by this Act.

H.R. 5777. April 9, 1975. Interstate and Foreign Commerce. Establishes the Interstate Railroad System. Authorizes the Secretary of Transportation to acquire, rehabilitate, maintain, and modernize the rail lines through the Interstate Railroad Administration. Directs the Secretary to require minimum maintenance standards for rail lines. Provides Federal assistance to States for rehabilitation of rail lines.

H.R. 5778. April 9, 1975. Interior and Insular Affairs. Declares that all right, title, and interest in certain lands presently administered by the Secretary of the Interior for the benefit of certain Indian tribes, shall be held by the United States in trust for each such tribe.

H.R. 5779. April 9, 1975. Interstate and Foreign Commerce. Prohibits the United States Consumer Product Safety Commission from making a ruling or order that restricts the manufacture or sale of firearms, firearm ammunition, or components of firearm ammunition, including blackpowder or gunpowder.

H.R. 5780. April 9, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of a contract or agreemnt (1) for the manufacture, distribution or sale of a trademarked soft drink product or (2) for the distribution or sale of a trademarked private label food product.

H.R. 5781. April 9, 1975. Interstate and Foreign Commerce. Prohibits the United States Consumer Product Safety Commission from making any ruling that restricts the manufacture or sale of firearms or firearm ammunition.

H.R. 5782. April 9, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to make a loan of $100,000,000 to the Chicago, Rock Island, and Pacific Railroad Company to assist reorga-

nization proceedings and to continue operations.

H.R. 5783. April 9, 1975. Government Operations. Amends the Employment Act of 1946 by requiring the consideration and reporting of the stability of the general price level by the President, the Council of Economic Advisors, and the Joint Economic Committee, in addition to other economic indicators.

H.R. 5784. April 9, 1975. Interstate and Foreign Commerce. Requires that motor vehicles acquired for use by the Federal Government during and after 1980 model year achieve a significant percentage increase in fuel consumption efficiency over 1975 models.

Amends the Automobile Information Disclosure Act to require disclosure of fuel efficiency rates on information labels of automobiles offered for sale. Amends the Clean Air Act and the National Traffic and Motor Vehicle Safety Act to extend certain effective dates for standards under such provision.

Amends the Motor Vehicle Information and Cost Savings Act to require additional information in certain reports and to extend certain effective dates for regulations.

H.R. 5785. April 9, 1975. Agriculture: Ways and Means. Amends the Social Security Act by authorizing the Secretary of Health, Education, and Welfare to formulate and administer a food allowance program for the elderly.

H.R. 5786. April 9, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 5787. April 9, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from three to four years. Revises the conditions for approval of application for licensing or license renewal.

H.R. 5788. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the Federal wagering tax, lotteries conducted by an agency of a State.

H.R. 5789. April 9, 1975. Judiciary. Eliminates the antitrust exemption for certain resale price maintenance (fair Trade) agreements under the Sherman Act and the Federal Trade Commission Act.

H.R. 5790. April 9, 1975. Interior and Insular Affairs. Amends the Land and Water Conservation Fund Act of 1965 to allow conversion of outdoor recreation property to enclosed or indoor property in the case of extreme weather conditions.

H.R. 5791. April 9, 1975. Armed Services. Authorizes the Secretary of the armed force concerned to prescribe the hours of duty for National Guard technicians and to fix the rates of basic compensation for National Guard technicians assigned to perform operational duties at air defense sites.

H.R. 5792. April 9, 1975. Government Operations. Directs the Administrator of General Services to assist Federal agencies with respect to records creation, maintenance, use, and disposition. Directs the Administrator to make inspections and formulate rules regarding Federal records.

Establishes a Records Review Board to review orders issued by the Administrator.

Grants the Administrator custody and control over the National Archives Building and its contents.

H.R. 5793. April 9, 1975. Post Office and Civil Service. Requires the recomputation of a Federal officers and employees retirement annuity subsequent to the death of an individual named as having an insurable interest when the retirement annuity had been reduced in order to provide a survivor annuity for such individual.

H.R. 5794. April 9, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to convey to certain persons all mineral interests of the United States in certain land in California.

H.R. 5795. April 9, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 5796. April 9, 1975. Science and Technology. Requires that all Federal agencies submit to the appropriate Congressional Committees a prospectus concerning any proposed research grants with a value greater than $25,000 at least 30 days prior to the commitment of Federal funds.

H.R. 5797. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 5798. April 9, 1975. House Administration. Authorizes the regents of the Smithsonian Institution to prepare plans for museum support facilities for the care and study of the National collections. Requires such support facilities to be located on federally owned land within the metropolitan area of Washington, D.C. Authorizes any Federal agency to transfer land under its jurisdiction to the Smithsonian Institution, without reimbursement.

H.R. 5799. April 9, 1975. House Administration. Reserves a site in the District of Columbia for the future public uses of the Smithsonian Institution.

H.R. 5800. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to permit a private corporation to hold 50 percent of the voting stock of a qualified public utility, if such stock was received by gift, devise, or bequest from other than a disqualified person, without incurring liability for the excess business holdings tax.

H.R. 5801. April 9, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to enter into contracts and make grants for the establishment and operation of voluntary Tay-Sachs disease screening, counseling, and information services.

H.R. 5802. April 9, 1975. Post Office and Civil Service. Redesignates Veterans' Day as November 11.

H.R. 5803. April 9, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to make grants to States, upon approval of their applications, to assist them in establishing, expanding, or improving veterans cemeteries owned by the State; to pay an amount equal to one-half of the cost of interment for each eligible person and the cost of perpetual care maintenance; and to pay the cost of transportation of a deceased veteran's body for burial in a national cemetery.

H.R. 5804. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to create the World Peace Tax Fund, and a Board of Trustees to administer the Fund and to make grants for research and other projects aimed at achieving world peace.

Permits persons conscientiously opposed to participation in war to designate his or her income, gift, or estate taxes to be paid into the Fund.

H.R. 5805. April 9, 1975. Post Office and Civil Service. Limits the allowable aggregate percentage increase in any Federal pay rate for the period January 1, 1975 through June 30, 1976.

H.R. 5806. April 9, 1975. International Relations. Authorizes additional humanitarian assistance, under the auspices of the United Nations, to all people in need in South Vietnam and Cambodia.

H.R. 5807. April 9, 1975. Judiciary. Prohibits the transportation of contraband cigarettes in interstate commerce. Defines contraband cigarettes as a quantity in excess of twenty thousand cigarettes bearing no evidence of the payment of applicable State cigarette taxes.

H.R. 5808. April 9, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation, handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at, promotion of, or supply of, animal fighting ventures.

Sets forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 5809. April 9, 1975. Interstate and Foreign Commerce. Establishes the Office of Rural Health within the Department of Health, Education, and Welfare to award grants, and to make contracts, loans, and loan guarantees for projects to examine existing models of rural health care delivery and to assist in the study, planning, development, experimentation, and demonstration of rural health care delivery models.

H.R. 5810. April 9, 1975. International Relations. Amends the Foreign Service Buildings Act, 1926; (1) to appropriate to the Secretary of State funds for acquisitions of sites and buildings and major alterations of buildings in foreign countries for fiscal year 1977 and (2) to appropriate funds for related purposes for fiscal years 1978 and 1977.

H.R. 5811. April 9, 1975. Judiciary. Confers United States citizenship on certain Vietnamese children fathered by United States citizens. Requires the Department of State to expedite the adoption of such children.

H.R. 5812. April 9, 1975. Agriculture. Amends the Federal Insecticide, Fungicide, and Rodenticide Act to require the Administration of the Environmental Protection Agency to issue a written warning to any registrant, commercial applicator, dealer, retailer, or other distributor who violates such Act before assessing a civil penalty for any continued violations.

H.R. 5813. April 9, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of certain potential water resource developments in order to improve electrical power generation affecting the Western United States.

H.R. 5814. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction for charitable contributions to an organization which has, since May 26, 1969, continuously operated and maintained facilities for the long-term care, comfort, maintenance, or education of resident permanently and totally disabled persons, elderly persons, or needy widows or children.

H.R. 5815. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to exclude certain fraternal beneficiary societies, orders, or associations or domestic fraternal beneficiary societies, orders, or associations from the definition of the term "private foundation."

H.R. 5816. April 9, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by authorizing the Administrator of the Small Business Administration to render onsite consultation and advice to certain small business employers to assist such employers in complying with the health and safety standards of the Act.

H.R. 5817. April 9, 1975. Ways and means. Amends the Internal Revenue Code to impose an excise tax on every passenger automobile sold by the manufacturer whose fuel consumption falls below a stipulated fuel economy standard.

Directs the Secretary of Transportation to establish test procedures for determining the fuel consumption rate for each new automobile subject to this Act.

H.R. 5818. April 9, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 5819. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to require the Secretary of the Treasury to report to the Joint Committee on Internal Revenue Taxation the specific criteria and procedures used to audit returns and to report certain information regarding audits completed in the previous twelve months.

H.R. 5820. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to require the Secretary of the Treasury to report to the Joint Committee on Internal Revenue Taxation the specific criteria and procedures used to audit returns and to report certain information regarding audits completed in the previous twelve months.

H.R. 5821. April 9, 1975. Ways and Means. Amends the Medicare provisions of the Social Security Act by authorizing payment for emergency inpatient hospital services furnished anywhere outside the United States.

H.R. 5822. April 9, 1975. Ways and Means. Amends the Internal Revenue Code to allow the deduction from gross income of adoption fees as a medical expense.

H.R. 5823. April 9, 1975. Interior and Insular Affairs. Designates certain lands in the National Park System as wilderness.

H.R. 5824. April 9, 1975. Veterans' Affairs. Extends the maximum period of veterans' widows', and orphans' eligibility for educational assistance from thirty-six to forty-five months.

H.R. 5825. April 9, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 5826. April 9, 1975. International Relations. Requires the President to transmit all executive agreements to the Senate. Stipulates that such agreements shall not take effect unless approved by the Senate within 60 days of transmittal.

H.R. 5827. April 9, 1975. Agriculture. Amends the Packers and Stockyards Act to authorize the Secretary of Agriculture to seek an injunction restraining any market agency, packer, or dealer from purchasing livestock, meat, or poultry products if such person is unable to pay, is insolvent, or is unable to furnish the required bond. Grants priority in an insolvency proceeding to any debts owing for the purchase of livestock or poultry. Authorizes the Secretary to issue an order granting or denying reparations when any person registers a complaint of violation of the Packers and Stockyards Act.

H.R. 5828. April 9, 1975. Armed Services. Authorizes the Secretary of Defense to budget funds specifically for the Civil Air Patrol. Specifies purposes for which expenditures from the Civil Air Patrol budget may be made by the Secretary of the Air Force.

H.R. 5829. April 9, 1975. Judiciary. Relieves a certain individual of all liability to the United States for charges arising from treatment of such individual's mother in specified United States Air Force hospitals.

H.R. 5830. April 9, 1975. Judiciary. Directs the Secretary of the Treasury to pay out of the War Claims Funds a specified amount to certain individuals in settlement of their claims against the United States.

H.R. 5831. April 9, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 5832. April 9, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain corporation in full settlement of such corporation's claims against the United States arising out of certain orders issued by the Federal Communications Commission.

H.R. 5833. April 10, 1975. Science and Technology. Directs the Administrator of the Energy Research and Development Administration to initiate and carry out a research, development, and demonstration program designed to achieve the commercial utilization of magnetohydrodynamic energy in the United States by mid-1980's.

H.R. 5834. April 10, 1975. International Relations. Permits control-free export of United States agricultural commodities or products by foreign countries, agencies, or companies under certain circumstances. Empowers the Secretary of Commerce with the cooperation of the Secretary of Agriculture, to approve and regulate such export.

H.R. 5835. April 10, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 5836. April 10, 1975. Agriculture. Amends the Consolidated Farm and Rural Development Act to authorize loans to farming, ranching, or oyster producing operations after a natural disaster strikes such operation.

H.R. 5837. April 10, 1975. Ways and Means. Amends the estate tax provisions of the Internal Revenue Code to allow a limited deduction from the gross estate of the value of the decedents' interest in a family farming operation which passes to an individual related to him or his spouse.

H.R. 5838. April 10, 1975. Ways and Means. Extends the temporary eligibility of supplemental security income recipients for food stamps for an additional twelve months.

H.R. 5839. April 10, 1975. Interstate and Foreign Commerce. Establishes the National Center for Health Education and Promotion, within the Department of Health, Education, and Welfare to conduct, support, encourage and disseminate the results of research in health education, health promotion, and preventive medicine. Authorizes the establishment of a private non-profit organization to be known as the Institution for Health Education and Promotion to facilitate the development of a health education and promotion strategy for the Nation.

H.R. 5840. April 10, 1975. Post Office and Civil Service. Prohibits employees of executive agencies from requesting or receiving from Federal officials or employees anything of value for political purposes.

Permits employees of Federal executive agencies or the District of Columbia government to participate in political management or in political campaigns.

H.R. 5841. April 10, 1975. Public Works and Transportation. Permits the sale of State lottery tickets on Interstate Highway System rights-of-way at publicly owned and controlled rest and recreation areas.

H.R. 5842. April 10, 1975. Ways and Means. Amends the Internal Revenue Code to allow individuals a deduction for expenses paid for repairs or improvementa of such individual's principal place of residence. Allows a taxpayer to amortize expenditures for an addition to the taxpayer's principal residence.

H.R. 5843. April 10, 1975. Ways and Means. Amends the Internal Revenue Code to allow individuals a deduction for expenses paid for repairs or improvement of such individual's principal place of residence. Allows a taxpayer to amortize expenditures for an addition to the taxpayer's principal residence.

H.R. 5844. April 10, 1975. Interstate and Foreign Commerce. Amends the Internal Revenue Code to impose a tax upon certain passenger automobiles based on their horsepower rating.

Amends the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the manufacture of passenger motor vehicles which do not comply with certain limitations with respect to weight, fuel economy, and horsepower.

H.R. 5845. April 10, 1975. Ways and Means. Amends the Internal Revenue Code to revise the amount of a contribution of certain ordinary and capital gain property which may be deducted from gross income, where the contribution is made by a corporation to an organization exempt from the income tax.

H.R. 5846. April 10, 1975. Veterans' Affairs. Excludes certain Social Security payments in determining annual income for purposes of paying non-service-connected disability pensions to veterans.

H.R. 5847. April 10, 1975. Armed Services. Authorizes the Secretary of Defense, after consulting with the Secretary of Health, Education, and Welfare, to contract with health maintenance organizations for the provisions of health services to eligible beneficiaries.

H.R. 5848. April 10, 1975. Armed Services. Authorizes the provision of all necessary dental care to spouses and children of members of Armed Forces on active duty.

H.R. 5849. April 10, 1975. Ways and Means. Amends the Internal Revenue Code to allow a tax credit to employers for qualified employment expenses with respect to hiring the hard-core unemployed. Directs the Secretary of Labor to prescribe and publish standards for the issuance of blue cards, or a similar identifying document, to each person who is a member of the hard-core unemployed.

H.R. 5850. April 10, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of a potential water resource development in the Mora County Basin in New Mexico.

H.R. 5851. April 10, 1975. Education and Labor. Amends the Comprehensive Employment and Training Act of 1973 to revise the eligibility criteria for units of local government to become "prime sponsors" for purposes of the Act.

H.R. 5852. April 10, 1975. International Relations. Makes it unlawful for the President, any military officer, enlisted man, conscript, or civilian employee of the United States to order the use of force or to use force to the intentional bodily harm or destruction of property of any person located within another nation which has adopted this legislation.

H.R. 5853. April 10, 1975. Post Office and Civil Service. Declares that letters sent to Members of Congress shall be carried in the mails at no cost to the sender.

H.R. 5854. April 10, 1975. Judiciary. Amends the Voting Rights Act of 1965 by increasing to twenty years the time period during which a declaratory judgment that no voting test or device has been used to abridge the right to vote on account of race or color may not issue in a case brought by a State or local political subdivision.

Stipulates that no citizen shall be denied, because of his failure to comply with any test or device, the right to vote in any Federal, State, or local election.

H.R. 5855. April 10, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit a deduction from gross income of expenses for the advertising of alcoholic beverages.

H.R. 5856. April 10, 1975. Ways and Means. Revises the administration of Old-Age, Survivors, and Disability Insurance, Medicare, and Supplemental Security Income under the Social Security Act. Transfers the responsibility for administering these programs and the health standards provisions of the Federal Coal Mine Health and Safety Act from the Department of Health, Education, and Welfare to a newly established Social Security Administration.

H.R. 5857. April 10, 1975. Ways and Means. Amends the Social Security Act by lowering the age of entitlement to Old-Age, Survivors, and Disability Insurance benefits under certain circumstances.

H.R. 5858. April 10, 1975. Post Office and Civil Service. Entities employees of the Bureau of Indian Affairs or the Indian Health Service to an annuity if such employee is separated from the service after completing 20 years of service before December 31, 1985,

is not otherwise entitled to full retirement benefits, and is not an Indian entitled to a preference in personnel actions.

H.R. 5859. April 10, 1975. Public Works and Transportation. Changes the name of the Cheney Reservoir in Kansas to the Shoeppel-Rees Lake.

H.R. 5860. April 10, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 5861. April 10, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence.

H.R. 5862. April 10, 1975. Ways and Means. Requires the acceptance of a law enforcement officer's bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 5863. April 10, 1975. Banking, Currency and Housing. Amends the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions.

H.R. 5864. April 10, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 5865. April 10, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 5866. April 10, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits, Federal-State public assistance, veterans' pensions and dependency and indemnity compensation for parents of deceased veterans.

H.R. 5867. April 10, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction personal exemption, and depreciation deduction and the rate of interest payable on certain obligations of the United States.

H.R. 5868. April 10, 1975. Ways and Means. Amends the Social Security Act to allow a surviving spouse to authorize direct payment of the insured's lump-sum death payment to a funeral home for burial expense.

H.R. 5869. April 10, 1975. House Administration. Makes it unlawful, in determining whether any individual is qualified under State law to vote in any Federal election, to require the disclosure of marital status by individuals of one sex if the same disclosure is not required of individuals of the opposite sex.

H.R. 5870. April 10, 1975. Interstate and Foreign Commerce. Directs the President to strictly enforce provisions of the Emergency Petroleum Allocation Act of 1973 relating to pricing of oil and petroleum products. Requires the Federal Trade Commission to monitor and investigate all actions taken by the President to enforce pricing regulations.

H.R. 5871. April 10, 1975. Interstate and Foreign Commerce. Directs the President to exercise authority to strictly enforce the provision of the Emergency Petroleum Allocation Act of 1973 relating to pricing of oil and petroleum products. Authorizes the Federal Trade Commission to monitor and investigate all actions taken by the President to enforce pricing regulations.

H.R. 5872. April 10, 1975. Rules. Amends the Impoundment Control Act of 1974 by requiring the President to transmit a special message to Congress before rescinding or reserving any part of any budget authority. Declares that no such rescission shall become effective until Congress has acted on a bill effecting such rescission.

H.R. 5873. April 10, 1975. Armed Services; International Relations. Amends the National Security Act of 1947 to require the Central Intelligence Agency to keep Congress informed on a regular basis concerning information gathered which relates to national security and foreign relations. Imposes penalties for a violation of the provisions of the National Security Act which state that the Agency shall have no police, subpena, law-enforcement powers or internal security functions. Imposes penalties for an employee of the Agency to willfully mislead the Congress or to fail to respond fully and completely to a request of Congress.

H.R. 5874. April 10, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 5875. April 10, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize a health insurance benefits program for unemployed individuals, if they would have had such benefits from their prior employer, for their dependent spouse, and for their dependent children. Directs the Secretary of Health, Education, and Welfare to enter into contracts with carriers who will provide such insurance benefits.

H.R. 5876. April 10, 1975. International Relations. Authorizes additional appropriations for humanitarian assistance for South Vietnam and Cambodia, such funds to be distributed under the auspices of the United Nations.

H.R. 5877. April 10, 1975. Judiciary; Standards of Official Conduct. Requires candidates for Federal office. Members of the Congress, and certain officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions.

H.R. 5878. April 10, 1975. Ways and Means. Amends the International Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 5879. April 10, 1975. Ways and Means. Directs the Secretary of Health, Education, and Welfare to develop a system for issuing Old-Age, Survivors and Disability Insurance benefit checks and Supplemental Security Income benefit checks on a staggered or cyclical basis throughout the month.

H.R. 5880. April 10, 1975. Post Office and Civil Service. Designates November 11 of each year as "Armistice Day."

H.R. 5881. April 10, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to stipulate that nothing in that Act is intended to require or provide for the establishment of standards more stringent than primary and secondary ambient air quality standards. Requires that State clean air implementation plans provide for the granting of variances upon application from certain sources, provided that certain determinations are made after a public hearing.

H.R. 5882. April 10, 1975. Government Operations. Prohibits Federal agencies from purchasing, hiring, leasing, operating or maintaining limousines, and from employing chauffeurs to operate such limousines, except for certain designated Federal officers.

H.R. 5883. April 10, 1975. Government Operations. Prohibits Federal agencies from purchasing, hiring, leasing, operating or maintaining limousines, and from employing chauffeurs to operate such limousines, except for certain designated Federal officers.

H.R. 5884. April 10, 1975. International Relations. Authorizes appropriations to carry out the International Economic Policy Act of 1972. Sets forth certain personnel regulations with respect to composition and compensation of staff personnel of the Council on International Economic Policy.

H.R. 5885. April 10, 1975. Ways and Means. Amends the Federal-State Extended Unemployment Compensation Act to increase the amount of weekly benefits under the extended and the emergency unemployment compensation programs.

Removes restrictions on the number of weeks of unemployment compensation under the emergency unemployment compensation program.

H.R. 5886. April 10, 1975. Post Office and Civil Service. Revises regulations regarding creditable service for service retirement purposes with respect to National Guard technicians.

H.R. 5887. April 10, 1975. Interstate and Foreign Commerce. Prohibits or restricts the ownership or control by foreign interests of certain issuers of securities, corporations, real estate, or natural resources deemed to be vital to the economic security and national defense of the United States. Establishes the National Foreign Investment Control Commission to supervise and regulate foreign investments in domestic interests.

H.R. 5888. April 10, 1975. Rules. Creates a Congressional Joint Committee on Foreign Investment Control in the United States to study the manner in which the National Foreign Investment Control Commission established by the "Foreign Investment Control Act of 1975" fulfills its functions.

H.R. 5889. April 10, 1975. Judiciary. Amends the Gun Control Act of 1968 to increase the penalties for the use of a firearm to commit certain felonies.

H.R. 5890. April 10, 1975. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 to authorize financial assistance to a railroad which is in reorganization under the Bankruptcy Act.

H.R. 5891. April 10, 1975. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 to authorize financial assistance to a railroad which is in reorganization under the Bankruptcy Act.

H.R. 5892. April 10, 1975. Interstate and Foreign Commerce. Amends the Controlled Substances Act to make it a Federal crime to steal a controlled substance from the place of business or professional practice of a person who is registered by the Attorney General to manufacture, distribute, or dispense a controlled substance.

H.R. 5893. April 10, 1975. Interior and Insular Affairs. Designates certain lands in the National Wildlife Refuge Systems as wilderness, to be administered by the Secretary of the Interior. Designates certain national forest lands as wilderness, to be administered by the Secretary of Agriculture.

H.R. 5894. April 10, 1975. Armed Services. Directs the Secretary of Defense to continue to operate and maintain the commissary stores of the agencies of the Department of Defense.

H.R. 5895. April 10, 1975. Veterans' Affairs. Extends the maximum period of eligibility for veterans' educational benefits from 36 to 45 months. Entitles veterans to 2½ months of educational benefits for each month of service on active duty.

H.R. 5896. April 10, 1975. Veterans' Affairs. Extends the maximum period of eligibility for veterans' educational benefits from 36 to 45 months. Entitles veterans to 2½ months of educational benefits for each month of service on active duty.

H.R. 5897. April 10, 1975. Ways and Means. Amends the Trade Act of 1974 to authorize the President to designate certain countries eligible for the tariff preferences extended to developing countries when such designation is in the national economic interest. Prohibits the extension of such preference to any country which withholds vital resources from international trade.

H.R. 5898. April 10, 1975. Agriculture. Directs the Secretary of Agriculture to issue orders applicable to persons engaged in the production, processing or marketing of cattle, such orders to provide for or regulate (1) advertising, sales promotion, and consumer education with respect to the use of beef; (2) research on the marketing and distribution of beef; (3) the inspection of the books and records of producers, processors, and marketers of beef; and (4) the establishment of a Beef Board to administer such orders.

H.R. 5899. April 10, 1975. Makes supplemental appropriations for fiscal year 1975 for various agencies, departments and other entities of the legislative, executive and judicial branches of the Federal Government.

H.R. 5900. April 10, 1975. Education and Labor. Stipulates that certain strikes at the site of a construction project are not prohibited as an unfair labor practice under the National Labor Relations Act.

H.R. 5901. April 10, 1975. Appropriates specified sums for the Education Division and related education entities.

H.R. 5902. April 10, 1975. Veterans' Affairs. Entitles eligible veterans of World War I to an automobile assistance and adaptive equipment allowance.

H.R. 5903. April 10, 1975. Veterans' Affairs. Increases the rates of disability compensation for disabled veterans, and the rates of dependency and indemnity compensation for their survivors, that shall be paid by the Administrator of Veterans' Affairs.

H.R. 5904. April 10, 1975. Judiciary. Imposes penalties for the robbery or burglary of any narcotic drug from any pharmacy, doctor's office or warehouse and for putting human life in jeopardy or killing any person while committing or attempting to commit such crimes.

H.R. 5905. April 10, 1975. Judiciary. Declares a certain individual the natural born alien daughter of citizens of the United States for purposes of the Immigration and Nationality Act.

H.R. 5906. April 10, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 5907. April 10, 1975. Judiciary. Authorizes a certain individual to file a claim under the International Claims Settlement Act.

H.R. 5908. April 10, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for expenses incurred in connection with an Armed Forces transfer.

H.R. 5909. April 10, 1975. Judiciary. Confers jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment on the claims of certain individuals against the United States with respect to the deaths of their husbands in a certain air crash.

H.R. 5910. April 14, 1975. Agriculture. Directs the Secretary of Agriculture to issue orders applicable to persons engaged in the production, processing or marketing of cattle, such orders to provide for or regulate (1) advertising, sales promotion, and consumer education with respect to the use of beef; (2) research on the marketing and distribution of beef; (3) the inspection of the books and records of producers, processors, and marketers of beef; and (4) the establishment of a Beef Board to administer such orders.

H.R. 5911. April 14, 1975. Rules. Amends the Congressional Budget Act to require that every public bill or resolution introduced in either House of Congress contain an estimate of the average cost for each taxpaying family if the bill or resolution were enacted into law. Requires the Director of the Congressional Budget Office to keep tabulations on the average cost to each taxpaying family of the bills passed during each session and directs that the tabulations be printed in the Congressional Record.

H.R. 5912. April 14, 1975. Judiciary. Amends the Immigration and Nationality Act to make it a deportable offense for an alien to obtain and collect unemployment, welfare or other federally provided benefits.

H.R. 5913. April 14, 1975. International Relations. Amends the Export Administration Act of 1969 to prohibit certain actions by United States exporters which support restrictive trade practices or boycotts imposed against countries friendly to the United States by other foreign countries.

H.R. 5914. April 14, 1975. Ways and Means. Amends the Internal Revenue Code to make certain technical and conforming amendments with respect to the shipment of distilled spirits from Puerto Rico or the Virgin Islands to the United States.

H.R. 5915. April 14, 1975. Merchant Marine and Fisheries. Amends the National Environmental Policy Act of 1969 to require the preparation of certain supplemental environmental impact statements with respect to exploration and development of Federal oil and gas leases on the Outer Continental Shelf.

H.R. 5916. April 14, 1975. Merchant Marine and Fisheries; Interior and Insular Affairs. Amends the Coastal Zone Management Act to authorize assistance to affected coastal States for the development of coastal zone management plans relating to the impact of offshore energy facilities on such States. Prohibits Federal authorization of the development of offshore energy facilities prior to approval of State coastal zone management plans. Establishes an Affected Coastal States Fund to assist States in designation of suitable or unsuitable on-shore sites for facilities related to coastal zone development.

H.R. 5917. April 14, 1975. Judiciary; Merchant Marine and Fisheries; Interior and Insular Affairs; Science and Technology. Amends the Outer Continental Shelf Lands Act to establish strict liability for damages caused by oil spills. Authorizes the Secretary of the Interior to distribute revenues collected from the leasing of Outer Continental Shelf lands to affected States. Establishes an Outer Continental Shelf Research Fund to expand and develop data and technology relating to oil and gas resources and the marine environment on the Outer Continental Shelf.

H.R. 5918. April 14, 1975. International Relations. Amends the Foreign Assistance Act of 1961 to authorize the resumption of military assistance to Turkey conditioned upon observation of the Cyprus cease-fire.

H.R. 5919. April 14, 1975. Armed Services. Authorizes the Secretary of the Navy to explore and fully develop the capacity of Naval Petroleum Reserves Numbered 1, 2, and 3. Establishes a special fund of revenues collected from sale of such petroleum reserves in order to further exploration and development of naval petroleum and oil shale reserves.

Directs the Secretary of the Navy to study the feasibility of creating a national strategic petroleum reserve.

H.R. 5920. April 14, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 5921. April 14, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified breweries.

H.R. 5922. April 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the excise tax automobile bus chassis or automobile bus bodies which are to be used predominantly by the purchaser in public passenger transportation service.

H.R. 5923. April 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits under the Social Security Act in the case of individuals who are 55 years of age or older.

H.R. 5924. April 14, 1975. Judiciary. Makes any period of time spent by a civilian as a prisoner-of-war creditable service for the purpose of establishing entitlement to Social Security, Railroad Retirement, and Civil Service Retirement benefits, and for the purpose of computing Armed Forces retired pay.

H.R. 5925. April 14, 1975. Education and Labor. Amends the Comprehensive Employment and Training Act of 1973 to revise the eligibility criteria for units of local government to become "prime sponsors" for purposes of the Act.

H.R. 5926. April 14, 1975. Veterans' Affairs. Revises the annual income determinants and the annual rate of pensions for veterans, their widows, and their children. Authorizes cost-of-living increments at the same rate as the percentage of increase certified in the Federal Register by the Secretary of Health, Education, and Welfare for social security recipients.

H.R. 5927. April 14, 1975. Public Works and Transportation. Decreases permissible vehicle weights on highways receiving Federal funds.

H.R. 5928. April 14, 1975. Interstate and Foreign Commerce. Creates the National Power Grid Corporation to operate a national power grid system to supply electric power through regional bulk power supply corporations. Authorizes research and development in the area of electric power generation and transmission, with priority given to environmental protection and land use research.

Transfers certain existing Federal power facilities to the national grid system. Defines rights, powers, and duties of national and regional corporations and employees.

Requires compliance with environmental standards.

H.R. 5929. April 14, 1975. Armed Services. Authorizes additional military assistance to South Vietnam.

H.R. 5930. April 14, 1975. Ways and Means. Amends the Internal Revenue Code to require each health insurance carrier offering employment-based health insurance plans to extend coverage to former employees who are presently entitled to State or Federal unemployment compensation, as a condition of the deductibility, for Federal income tax purposes, of any premium taxes paid by such carrier to any State, or as a condition of such carrier's treatment as a nonprofit organization. Imposes a temporary tax on group health insurance premiums and appropriates such revenue to the Federal Emergency Health Insurance Trust Fund to reimburse carriers for extending benefits to the unemployed.

H.R. 5931. April 14, 1975. Judiciary; Standards of Official Conduct. Requires lobbyists to: (1) register with the Federal Election Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities.

Requires certain officials of the executive branch to record their communications with lobbyists.

Repeals the Federal Regulation of Lobbying Act.

H.R. 5932. April 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish a regional national park in each State not now containing a national park.

Directs the National Park Service to administer, protect, and develop each park. Authorizes the Secretary of Transportation to establish demonstration mass transportations systems in at least three park sites.

H.R. 5933. April 14, 1975. Ways and Means.

Amends the Social Security Act to include hearing and eye examinations, hearing aids, eyeglass lenses, and dentures among the items and services covered under the supplementary medical insurance program of Medicare.

H.R. 5934. April 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make grants for the establishment and operation of home health services and for the purpose of initiating, developing, and maintaining programs for the training of professional and paraprofessional personnel to provide home health services.

H.R. 5935. April 14, 1975. Interstate and Foreign Comemrce. Revises the conditions and limitations applicable to home health services under the Medicare program of the Social Security Act.

H.R. 5936. April 14, 1975. Ways and Means. Amends the Social Security Act to authorize payment to married couples of Old-Age, Survivors and Disability Insurance benefits which have been computed on the basis of their combined earnings record.

H.R. 5937. April 14, 1975. Education and Labor. Establishes the Special Commission on Rural Poverty and Guadelupe-Hildalgo Land Rights to report to the Congress with respect to rights granted under the Treaty of Guadelupe-Hildalgo and means to protect such rights.

Amends the Economic Opportunity Act to authorize the Secretary of Health, Education, and Welfare to fund certain demonstration projects for Mexican-American community land grant development.

H.R. 5938. April 14, 1975. Judiciary. Exempts the medical and hospital expenss incurred as the result of a certain automobile accident from the applicability of a specified statutory provision relating to third party tort claims.

H.R. 5939. April 15, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 5940. April 15, 1975. Banking, Currency and Housing. Amends the Renegotiation Act of 1951 by revising the procedures for determining excessive profits. Stipulates the term of office for members of the Renegotiation Board. Repeals the exemptions for durable productive equipment and standard commercial articles and services contracts. Repeals the permissive exemption for contracts performed outside the United States.

H.R. 5941. April 15, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by (1) requiring publication and consideration of the financial impact of proposed safety standards; (2) making the use of certain protective equipment, controls or procedures optional under certain circumstances; (3) authorizing the expedited promulgation of emergency safety standards; (4) prohibiting the issuance of a citation or imposition of a penalty for violating safety standards under certain circumstances; and (5) authorizing onsite consultation with certain employers to aid them in complying with safety and health standards.

H.R. 5942. April 15, 1975. Post Office and Civil Service. Requires the Secretary of Commerce to periodically compile current data on total population for each State, county, and unit of local government in periods between the taking of the decennial census. Requires the use of such data in the administration of any Federal law in which population is used to determine the amount of benefit received by State, county, and units of local government.

H.R. 5943. April 15, 1975. Armed Services. Revises the method of computing Armed Forces retired and retainer pay for certain individuals to reflect current active duty pay rates.

H.R. 5944. April 15, 1975. Armed Services. Directs the Secretary of Defense to continue to operate and maintain the commissary stores of the agencies of the Department of Defense.

H.R. 5945. April 15, 1975. Interstate and Foreign Commerce. Amends the Uniform Time Act of 1966 to stipulate that daylight saving time shall begin on the last Sunday in May and end on the first Sunday after Labor Day.

H.R. 5946. April 15, 1975. Merchant Marine and Fisheries. Amends the National Wildlife Refuge System Administration Act of 1966 to revise provisions relating to the authority of the Secretary of the Interior and the Fish and Wildlife Service with regard to the disposal of lands within the system.

H.R. 5947. April 15, 1975. Merchant Marine and Fisheries. Amends the National Wildlife Refuge System Administration Act of 1966 to revise provisions relating to the authority of the Secretary of the Interior and the Fish and Wildlife Service with regard to the disposal of lands within the system.

H.R. 5948. April 15, 1975. Ways and Means; Interstate and Foreign Commerce. Prohibits the importation of petroleum or petroleum products into the United States unless the Federal Energy Administrator has first reviewed, and not disapproved, the contract covering such importation. Directs the Administrator to purchase and sell imported petroleum and petroleum products upon a determination that such purchasing and selling will promote the securing of adequate supplies of petroleum and petroleum products at reasonable and stable prices.

H.R. 5949. April 15, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method for allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 5950. April 15, 1975. Ways and Means. Revises the administration of Old-Age, Survivors, and Disability Insurance, Medicare, and Supplemental Security Income under the Social Security Act. Transfers the responsibility for administering these programs and the health standards provisions of the Federal Coal Mine Health and Safety Act from the Department of Health, Education, and Welfare to a newly established Social Security Administration.

H.R. 5951. April 15, 1975. Post Office and Civil Service. Increases the amount of the deduction from pay for retirement purposes and the amount of retirement benefits payable to referees in bankruptcy. Stipulates that a referee in bankruptcy who is 70 years of age and has 5 years of service will be automatically retired.

H.R. 5952. April 15, 1975. Interior and Insular Affairs. Amends the Water Resources Planning Act to revise the membership of the Water Resources Council.

H.R. 5953. April 15, 1975. International Relations Declares that no debt owned to the United States by any foreign country may be settled in an amount less than the full value of the debt except by concurrent resolution of the Congress.

H.R. 5954. April 15, 1975. Post Office and Civil Service. Declares that Federal employees who are Japanese-Americans who were placed in internment camps during World War II shall be credited with the time they spent in such camps for civil service retirement purposes.

H.R. 5955. April 15, 1975. Ways and Means. Amends the Social Security Act by entitling certain Child's Insurance beneficiaries to receive benefits until they reach the age of 24.

H.R. 5956. April 15, 1975. Ways and Means. Includes the services of registered nurses under Medicare supplementary medical insurance and Medicaid coverage of the Social Security Act.

H.R. 5957. April 15, 1975. Ways and Means. Includes the services of registered nurses under Medicare supplementary medical insurance and Medicaid coverage of the Social Security Act.

H.R. 5958. April 15, 1975. Interior and Insular Affairs. Designates a segment of the Housatonic River in Connecticut for inclusion in the Wild and Scenic Rivers System.

H.R. 5959. April 15, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited tax credit for qualified solar heating expenditures paid by the taxpayer for any building. Allows a limited tax credit for qualified insulation expenditures paid by the taxpayer for his principal residence.

H.R. 5960. April 15, 1975. International Relations. Stipulates that no law should be construed as limiting the availability of funds for humanitarian evacuation by the Armed Forces in Indochina, if ordered by the President.

H.R. 5961. April 15, 1975. International Relations. Amends the Foreign Assistance Act of 1961 to authorize additional economic assistance for South Vietnam. Makes available economic and humanitarian assistance for Indochina free of certain limitations.

H.R. 5962. April 15, 1975. Ways and Means. Establishes the Commission on Tax Revision for the purpose of studying and investigating the Internal Revenue Code of 1954 and all other Federal laws relating to taxation and revenue with respect to their administration and their effect on the Nation's economy.

H.R. 5963. April 15, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to make grants to States to enable them to establish and maintain veterans' cemeteries. Authorizes the Administrator to pay a portion of the cost of burial and perpetual care maintenance for eligible persons buried in a State veterans' cemetery. Allows the Administrator to pay the cost of transportation of a deceased veteran's body for burial in a national cemetery if such veteran died as a result of a service-connected disability or was in receipt of disability compensation.

H.R. 5964. April 15, 1975. Interstate and Foreign Commerce. Directs the Secretary of Commerce to maintain records containing the identity of any foreign investors who acquire significant control of a United States business concern. Establishes the Foreign Investment Review Administration in the Department of Commerce through which the Secretary shall carry out this Act.

H.R. 5965. April 15, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act by extending disability to individuals with 40 quarters of coverage regardless of when they were earned.

H.R. 5966. April 15, 1975. Education and Labor. Stipulates that certain strikes at the site of a construction project are not prohibited as an unfair labor practice under the National Labor Relations Act.

H.R. 5967. April 15, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 5968. April 15, 1975. Post Office and Civil Service. Entitles employees of the Bureau of Indian Affairs or the Indian Health Service to an annuity if such employee is separated from the service, after completing 20 years of service before December 31, 1985, is not otherwise entitled to full retirement benefits, and is not an Indian entitled to a preference in personnel actions.

H.R. 5969. April 15, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

Redefines earned income for the purpose of determining eligibility for Supplemental Security Income benefits.

H.R. 5970. April 15, 1975. Ways and Means. Amends the Internal Revenue Code to require each health insurance carrier offering employment-based health insurance plans to extend coverage to former employees, who are presently entitled to State or Federal unemployment compensation, as a condition of the deductibility, for Federal income tax purposes, of any premium taxes paid by such carrier to any State, or as a condition of such carrier's treatment as a nonprofit organization. Imposes a temporary tax on group health insurance premiums and appropriates such revenue to the Federal Emergency Health Insurance Trust Fund to reimburse carriers for extending benefits to the unemployed.

H.R. 5971. April 15, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Services Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and research in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefor within the Public Health Service.

H.R. 5972. April 15, 1975. Agriculture. Amends the Federal Environmental Pesticide Control Act of 1972 to allow Federal certification of private applicators of pesticides by the signing of a self-certification form by the applicant.

H.R. 5973. April 15, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to extend Federal reimbursement for advanced construction to those publicly owned treatment works on which construction was initiated between July 1, 1972 and October 18, 1972.

H.R. 5974. April 15, 1975. Ways and Means. Amends the Medicare provisions of the Social Security Act by authorizing payment for emergency inpatient hospital services furnished anywhere outside the United States.

H.R. 5975. April 15, 1975. Ways and Means. Amends the Social Security Act by allowing services performed by ministers to constitute employment for the purposes of Old-Age, Survivors, and Disability Insurance.

Amends the Internal Revenue Code of 1954 by allowing ministers and employing organizations to elect to treat the services performed by ministers as employment.

H.R. 5976. April 15, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act from being considered income for the purpose of determining an individual's eligibility for veterans pensions or dependency and indemnity compensation for parents of deceased veterans.

H.R. 5977. April 15, 1975. Interstate and Foreign Commerce. Amends the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, and to raise the contribution base.

H.R. 5978. April 15, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Emergency Petroleum Allocation Act of 1973 to make the Federal Energy Administration the exclusive agent of the United States in the purchase of crude oil and refined petroleum products for importation into the United States. Authorizes the sale of such petroleum products to qualified buyers in the United States with attention to be focused on encouragement of competition and maximum utilization of refinery capacity of the domestic petroleum industry.

H.R. 5979. April 15, 1975. Veterans' Affairs. Establishes a per annum full-pay scale for the Chief Medical Director, the Deputy Chief Medical Director, and the Associate Deputy Chief Medical Director of the Department of Medicine and Surgery of the Veterans' Administration. Revises the pay scale for physicians, dentists and nurses in the Department of Medicine and Surgery and establishes a program allowing six months leave with pay for study in his or her specialty.

H.R. 5980. April 15, 1975. Appropriations. Authorizes appropriations, under the Housing and Community Development Act of 1974, for (1) new communities; (2) areawide housing and community development programs; (3) certain territories of the United States; (4) innovative community development projects; (5) needs caused by federally recognized disasters; and (6) funding inequities arising under the Housing and Urban Development Act.

H.R. 5981. April 15, 1975. Banking, Currency and Housing. Authorizes additional appropriations for fiscal year 1975 for grants to certain units of general local government under the Housing and Community Development Act of 1974.

H.R. 5982. April 15, 1975. Agriculture; Small Business. Revises the conditions under which the Small Business Administration may extend loans pursuant to the Small Business Act.

Limits the amount of meat packer-owned or controlled livestock which may be slaughtered by such meat packer in any one week in any one location. Stipulates that this Act shall be considered an antitrust law for the purposes of the Clayton Act and the Federal Trade Commission Act.

H.R. 5983. April 15, 1975. Interstate and Foreign Commerce. Amends the Railroad Retirement Act of 1974 to provide for the financial interchange of the Railroad Retirement account with certain funds under the Social Security system on a monthly basis.

H.R. 5984. April 15, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 5985. April 15, 1975. Interstate and Foreign Commerce. Directs the President to exercise authority granted to him under the Emergency Petroleum Allocation Act of 1973 in order to equalize the ceiling price throughout the United States at which residual fuel oil is sold or exchanged, consistent with reasonable variations in such prices

H.R. 5986. April 15, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 5987. April 15, 1975. Judiciary. Amends the Immigration and Nationality Act to make it unlawful for persons to knowingly employ or refer for employment aliens who have not been lawfully admitted to the United States for permanent residence.

Directs that the Immigration and Naturalization Service shall increase its staff.

H.R. 5988. April 15, 1975. Education and Labor. Amends the General Education Provisions Act to establish priorities on which the National Institute of Education shall concentrate its resources. Authorizes the Director of the Institute to establish research fellowships in the Institute. Increases and extends the appropriations for the Institute.

H.R. 5989. April 15, 1975. Education and Labor. Directs the Commissioner of Education to pay 100 percent of the entitlement due to local educational agencies because of the acquisition by the United States of real property prior to paying other entitlements in the event that sufficient funds are not appropriated by Congress to pay all entitlements in full.

H.R. 5990. April 15, 1975. Interstate and Foreign Commerce; Ways and Means. Amends the Public Health Service Act to appropriate funds for student aid, for construction grants, and for comprehensive ambulatory health care centers. Creates a health Policy Board to assist the President's yearly appraisal of health care systems, which shall be transmitted to Congress. Amends the Internal Revenue Code to create a minimum standard health care benefits deduction, to allow employers a deduction for qualified employee health care plans, and to increase the deduction for qualified individual health care plans. Amends the Social Security Act to authorize grants for qualified State health care plans that insure needy individuals.

H.R. 5991. April 15, 1975. Banking, Currency and Housing. Amends the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions.

H.R. 5992. April 15, 1975. Banking, Currency and Housing. Amends the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions.

H.R. 5993. April 15, 1975. Banking, Currency and Housing. Amends the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions.

H.R. 5994. April 15, 1975. Interstate and Foreign Commerce. Makes it a violation of the Federal Trade Commission Act for any retailer to increase the price of a consumer commodity after the retailer has marked the price on that item.

Authorizes the Federal Trade Commission to issue a cease and desist order and to order the restitution of moneys received by a retailer in violation of this Act.

H.R. 5995. April 15, 1975. Interstate and Foreign Commerce. Makes it a violation of the Federal Trade Commission Act for any retailer to increase the price of a consumer commodity after the retailer has marked the price on that item.

Authorizes the Federal Trade Commission to issue a cease and desist order and to order the restitution of moneys received by a retailer in violation of this Act.

H.R. 5996. April 15, 1975. Ways and Means. Amends the Medicare provisions of the Social Security Act by authorizing payment for emergency inpatient hospital services furnished anywhere outside the United States, under certain circumstances.

H.R. 5997. April 15, 1975. International Relations. Amends the Export Administration Act of 1969 to declare that restrictive trade practices against foreign countries friendly to the United States by other foreign countries are against national policy. Prohibits certain participation of American exporters in such discrimination under the Export Administration Act of 1969. Authorizes (1) civil penalties, (2) administrative action by the Secretary of Commerce, and (3) complaint procedures through the Equal Employment Opportunity Commission under the Civil Rights Act of 1964 for such discrimination.

H.R. 5998. April 15, 1975. Post Office and Civil Service. Requires an employee of the Federal government or the District of Columbia to execute an affidavit that such employee will support and defend the Constitution of the United States. Repeals other provisions of law, including portions of the Subversive Activities Control Act of 1950, requiring loyalty oaths and disclosure of membership in certain political organizations, and prohibiting members of certain political organizations from seeking or accepting employment by the Federal government.

H.R. 5999. April 15, 1975. Rules. Amends the Impoundment Control Act of 1974 by requiring the President to transmit a special message to Congress before rescinding or reserving any part of any budget authority. Declares that no such rescission shall become effective until Congress has acted on a bill effecting such rescission.

H.R. 6000. April 15, 1975. Armed Services. Allows the Secretary of each military department to program space for inpatient and outpatient care in facilities of the uniformed services in communities having a large concentration of retired members without regard to the availability of civilian community facilities.

H.R. 6001. April 15, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors, and Disability Insurance benefits.

H.R. 6002. April 15, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.'

H.R. 6003. April 15, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 6004. April 15, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 6005. April 15, 1975. Judiciary. Creates an additional judicial district in the State of Alabama.

H.R. 6006. April 15, 1975. Judiciary. Revises the procedures and standard for conferring immunity upon grand jury witnesses.

Requires a district court to notify a grand jury of its rights and duties.

Authorizes independent grand jury inquiries and permits a court to extend the term of a grand jury.

Sets forth rights of grand jury witnesses.

H.R. 6007. April 15, 1975. Post Office and Civil Service. Directs the Postal Service to issue a special postage stamp in honor of the approximately six million Jews killed by Nazi Germany during World War II.

H.R. 6008. April 15, 1975. Post Office and Civil Service. Requires that labor disputes within the United States Postal Service by supervisory organizations and the Service be submitted to an arbitration board.

H.R. 6009. April 15, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to engage in feasibility studies of the Boulder Canyon project modification in Arizona and Nevada.

H.R. 6010. April 15, 1975. Government Operations. Amends the Freedom of Information Act to stipulate that Federal employees who disclose information which is required by law to be disclosed by agencies may not be subject on account of such disclosure to discipline through dismissal, demotion, transfer, or other adverse personnel action.

H.R. 6011. April 15, 1975. Interstate and Foreign Commerce; Ways and Means; Government Operations; Science and Technology. Amends the Internal Revenue Code of 1954 to give preferential status to users of recycled or rerefined oil. Encourages use of recycled oil in Federal procurement activities.

Authorizes the Administrator of the Environmental Protection Agency to make grants for implementation and operation of State waste oil management plans.

Directs the Administrator of Energy Research and Development to conduct a program to improve the performance and marketability of recycled oil.

H.R. 6012. April 15, 1975. Interstate and Foreign Commerce; Ways and Means; Government Operations: Science and Technology. Amends the Internal Revenue Code of 1954 to give preferential status to users of recycled or rerefined oil. Encourages use of recycled oil in Federal procurement activities.

Authorizes the Administrator of the Environmental Protection Agency to make grants for implementation and operation of State waste oil management plans.

Directs the Administrator of Energy Research and Development to conduct a program to improve the performance and marketability of recycled oil.

H.R. 6013. April 15, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 6014. April 15, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6015. April 15, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6016. April 15, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6017. April 16, 1975. Merchant Marine and Fisheries; Interior and Insular Affairs. Authorizes the Secretary of the Interior to issue licenses for the development of hard mineral resources of the deep seabed. Provides for the establishment of environmental criteria under which a license shall be issued.

H.R. 6018. April 16, 1975. Public Works and Transportation. Amends the Urban Mass Transportation Act to require that no urban mass transportation project be approved by the Secretary of Transportation unless the project applicant will provide free transportation service to the elderly and handicapped during nonpeak hours.

H.R. 6019. April 16, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act from income for the purpose of determining an individual's eligibility for any Federal or federally funded State program.

H.R. 6020. April 16, 1975. Judiciary. Prohibits former Federal employees who participated in a Federal contract formulation from being employed, for two years, by anyone who has a direct interest in the contract.

H.R. 6021. April 16, 1975. Judiciary. Prohibits former Federal employees who participated in a Federal contract formulation from being employed, for two years, by anyone who has a direct interest in the contract.

H.R. 6022. April 16, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Medicare provisions of the Social Security Act by (1) revising the items covered under the supplementary medical insurance program; (2) making certain residents of Canada and Mexico eligible to participate; and (3) revising the conditions under which a physician may receive payments after a patient's death.

Directs the Health Insurance Benefits Advisory Council to conduct a study of the hospital insurance and supplementary medical programs under Medicare.

H.R. 6023. April 16, 1975. Banking and Currency and Housing. Amends the Federal Reserve Act to limit the terms of members of the Federal Reserve Board to 4 years. Alters the composition of the Board with respect to representation of various interest groups and political parties.

H.R. 6024. April 16, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited exemption for an individual, or a married couple, who has attained 65 years of age, for annuities, pensions, or retirement benefits received during a taxable year.

H.R. 6025. April 16, 1975. Education and Labor. Amends the Higher Education Act of 1965 to repeal the provisions making the payment of basic educational opportunities grants contingent on the level of appropriations for other grant programs.

H.R. 6026. April 16, 1975. Government Operations. Requires that meetings of Federal agencies be open to the public except as stipulated in this Act. Requires that edited transcripts of all meetings be made available to the public. Prohibits ex parte communications during on-the-record agency meetings.

H.R. 6027. April 16, 1975. Government Operations. Requires that meetings of Federal agencies be open to the public except as stipulated in this Act. Requires that edited transcripts of all meetings be made available to the public. Prohibits ex parte communications during on-the-record agency meetings.

H.R. 6028. April 16, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 6029. April 16, 1975. Judiciary. Limits the antitrust exemption for labor, horticultural and agricultural organizations under the Clayton Act.

H.R. 6030. April 16, 1975. Science and Technology. Establishes under the Secretary of Commerce the United States Metric Conversion Coordinating Committee to implement the recommendations of the United States metric study.

Directs Federal agencies to convert to the international metric system as soon as possible.

Declares the international metric system to be the sole official system of weights and measures in the United States for trade and commerce as of 1986.

H.R. 6031. April 16, 1975. Science and Technology. Establishes a program of electric vehicle research and development in the Energy Research and Development Administration. Authorizes the introduction of electric vehicles into fleets used by Federal agencies.

H.R. 6032. April 16, 1975. Merchant Marine and Fisheries. Amends the National Environmental Policy Act of 1969 to authorize judicial review of environmental impact findings made by Federal agencies in the United States circuit courts of appeals.

H.R. 6033. April 16, 1975. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to authorize the Secretary of Health, Education, and Welfare to grant financial assistance for the establishment and operation of a National Center for Asian Studies.

H.R. 6034. April 16, 1975. Small Business. Authorizes the Comptroller General to grant temporary relief to certain small business concerns which are in default on contracts with the United States.

H.R. 6035. April 16, 1975. Judiciary. Imposes penalties for the robbery or attempted robbery of any controlled substance from any pharmacy.

H.R. 6036. April 16, 1975. Agriculture. Prohibits the Secretary of Agriculture, when promulgating rules, orders, and regulations under the Agricultural Marketing Act of 1946, from making any change in the grade designations or specifications for grades in the standards for slaughter cattle or carcass beef which has the effect of raising the grade of any cattle or carcass beef.

H.R. 6037. April 16, 1975. Judiciary. Authorizes payment of a full annuity to the Director and Deputy Director of the Administrative Office of the United States Courts and the Director of the Federal Judicial Center whenever the age plus service of such individuals equals or exceeds eighty years.

H.R. 6038. April 16, 1975. Judiciary. Revises certain standards of precedence of Federal district judges and chief judges.

H.R. 6039. April 16, 1975. Judiciary. Authorizes juries of six persons for civil cases in Federal courts.

H.R. 6040. April 16, 1975. Judiciary. Authorizes the appointment of one additional Federal district judge for the Eastern District of Kentucky.

H.R. 6041. April 16, 1975. Judiciary. Authorizes the appointment of various administrative staff personnel for the United States Court of Claims, Customs Court, and Court of Customs and Patent Appeals.

H.R. 6042. April 16, 1975. Judiciary. Enlarges the trial jurisdiction of United States magistrates over misdemeanor cases to include minor offenses for which the maximum fine is $5000.

Redefines the term "juvenile delinquency" to exclude petty offenses committed by juveniles.

Permits a magistrate to place a defendant on probation prior to trial for up to eighteen months.

H.R. 6043. April 16, 1975. Judiciary. Imposes civil penalties on employers who discharge or threaten to discharge an employee because of such employee's Federal jury service.

H.R. 6044. April 16, 1975. Judiciary. Authorizes the Attorney General to appoint officials to investigate and report upon charges that a member of the bar of a Federal court has engaged in unethical conduct and is subject to disciplinary action.

Directs each United Statea attorney to institute formal disciplinary proceedings against such members upon the request of a court or judge of the United States. Permits a Federal court or chief judge to appoint a special prosecutor for such purposes.

H.R. 6045. April 16, 1975. Judiciary. Amends the Federal criminal code to allow the setting aside of convictions in certain cases.

H.R. 6046. April 16, 1975. Judiciary. Authorizes the appointment of legal assistants in the courts of appeals of the United States.

H.R. 6047. April 16, 1975. Judiciary. Establishes the position of transcriber of official court reporter's transcripts in the United States district courts.

H.R. 6048. April 16, 1975. Judiciary. Revises regulations relating to fees, travel allowances, and subsistence allowances for individuals who serve on grand or petit juries in Federal district courts.

H.R. 6049. April 16, 1975. Judiciary. Removes the limitation on the maximum daily rate that can be paid for consultant services in the Community Relations Service.

H.R. 6050. April 16, 1975. Judiciary. Amends the jury Selection and Service Act of 1968 to permit convicted felons to serve on Federal juries if their civil rights have been restored by any means whatever.

H.R. 6051. April 16, 1975. Judiciary. Defines the terms "publicly draw" and "juror summons" for purposes of the juror selection and summoning provisions of the Jury Selection and Service Act.

H.R. 6052. April 16, 1975. Agriculture. Increases the amount authorized to be appropriated for the forestry incentive program under the Agricultural Act of 1970.

H.R. 6053. April 16, 1975. Agriculture. Increases the size of the tract which may be affected by the forestry incentive program under the Agricultural Act of 1970.

H.R. 6054. April 16, 1975. Merchant Marine and Fisheries. Amends the Environmental Quality Improvement Act of 1970 to authorize additional appropriations for the Office of Environmental Quality and the Council on Environmental Quality.

H.R. 6055. April 16, 1975. Interstate and Foreign Commerce. Requires State plans for medical assistance (Medicaid) under the Social Security Act to include provisions for the inspection of long-term care facilities to assure compliance with sanitation, environmental protection, patient care, medical care, dietary and fire safety standards. Directs the States to establish an ombudsman system to consider complaints and reports concerning the operation of long-term care facilities and to establish accreditation standards.

H.R. 6056. April 16, 1975. Judiciary. Increases the penalties for use of a firearm in the commission of a felony. Allows the United States to obtain appellate review of suspended or probationary sentences given in the case of a first conviction for a felony with the use of a gun.

H.R. 6057. April 16, 1975. Ways and Means. Amends the Internal Revenue Code to decrease the reduction of the deduction allowed for charitable contributions of a copyright, a literary, musical, or artistic composition, a letter or memorandum, or similar property to an eligible charitable organization.

H.R. 6058. April 16, 1975. Armed Services. Revises the method of computing Armed Forces retired and retainer pay to reflect current active duty pay rates.

H.R. 6059. April 16, 1975. Ways and Means. Amends the Internal Revenue Code to deem as an overpayment any tax paid for parts and accessories sold on or in connection with the first retail sale of a light-duty truck.

H.R. 6060. April 16, 1975. Ways and Means. Amends the Social Security Act by giving the States the option to deny or grant aid to families with dependent children when the father of a dependent child is receiving unemployment compensation.

H.R. 6061. April 16, 1975. Ways and Means; Interstate and Foreign Commerce. Requires skilled nursing and intermediate care facilities participating in Medicare and Medicaid programs under the Social Security Act to publish a statement of the rights and responsibilities of their patients.

H.R. 6062. April 16, 1975. Post Office and Civil Service. Requires that labor disputes within the United States Postal Service between supervisory organizations and the Service be submitted to an arbitration board.

H.R. 6063. April 16, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income the discharge of disaster relief loans by the United States under the Disaster Relief Act of 1970.

H.R. 6064. April 16, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of a contract or agreement (1) for the manufacture, distribution or sale of a trade-marked soft drink product or (2) for the distribution or sale of a trademarked private label food product.

H.R. 6065. April 16, 1975. Agriculture. Revises the eligibility requirements for food coupons under the Food Stamp Act of 1964 to exclude certain students who receive one-half of their income from an individual who is not eligible for food coupons.

H.R. 6066. April 16, 1975. Judiciary. Eliminates the antitrust exemption for certain resale price maintenance (fair trade) agreements under the Sherman Act and the Federal Trade Commission Act.

H.R. 6067. April 16, 1975. Armed Services. Designates the medal of honor award for military heroism as the "Congressional Medal of Honor."

H.R. 6068. April 16, 1975. Judiciary. Establishes a National Gas User Protection Office in the Department of Justice to represent industrial consumers of natural gas in proceedings before the Federal Power Commission with respect to any plan for the curtailment of natural gas supplies.

H.R. 6069. April 16, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction for State and local public utility taxes.

H.R. 6070. April 16, 1975. Veterans' Affairs. Extends the maximum period of veterans' or their dependents' eligibility for educational benefits from thirty-six months to forty-five months.

H.R. 6071. April 16, 1975. Atomic Energy. Directs the Nuclear Regulatory Commission to cease the granting of licenses or construction authorizations for certain nuclear power plants pending the outcome of a comprehensive study by the Office of Technology Assessment. Requires a five-year independent study of the nuclear fuel cycle by the Office of Technology Assessment with final reports and recommendations to be made to the Congress.

H.R. 6072. April 16, 1975. Public Works and Transportation. Authorizes the Secretary of the Army to delegate certain functions to the States with respect to the location and plans for structures or modifications in or on certain navigable waters.

H.R. 6073. April 16, 1975. Judiciary. Establishes a within-grade salary increase plan for secretaries to Federal circuit and district judges and sets guidelines for the salaries to be paid such secretaries.

H.R. 6074. April 16, 1975. Banking, Currency and Housing. Amends the Federal Credit Union Act with regard to assets, loans, membership, management, including officers and directors, and required reserves. Reorganizes the National Credit Union Administration and establishes two Presidentially-appointed, Senate-confirmed Boards, the National Credit Union Administration Board, to manage the Administration, and the National Credit Union Administration Advisory Board. Creates the National Credit Union Central Liquidity Facility to maintain the liquidity of credit unions, and to provide for the orderly transfer of funds between and among credit unions and other financial institutions.

H.R. 6075. April 16, 1975. Interstate and Foreign Commerce. Prohibits the United States Consumer Product Safety Commission from making any ruling that restricts the manufacture or sale of firearms or firearm ammunition.

H.R. 6076. April 16, 1975. Agriculture. Directs the Secretary of Agriculture to issue orders applicable to handlers of freestone peaches. Authorizes the Secretary to issue orders authorizing the collection of assessments from producers of freestone peaches, and authorizes the use of such funds to provide research and consumer education with respect to freestone peaches.

H.R. 6077. April 16, 1975. Science and Technology. Establishes a National Metric Conversion Board to develop a program to accomplish conversion to the metric system in the United States.

H.R. 6078. April 16, 1975. Banking, Currency and Housing. Establishes a National Center for Productivity as an independent agency of the executive branch to promote improvements in national productivity, work life, and output quality.

Abolishes the National Commission on Productivity and Work Quality and transfers all of its functions to the National Center for Productivity established by this Act.

H.R. 6079. April 16, 1975. House Administration. Amends the Federal Campaign Act of 1971 by establishing within the Federal Election Commission a Voter Registration Bureau to render assistance to States for the purpose of improving their voter registration programs.

H.R. 6080. April 16, 1975. House Administration. Stipulates that corporations and labor organizations which make unlawful political contributions shall be fined in an amount equal to the amount of such contributions.

H.R. 6081. April 16, 1975. House Administration. Stipulates that corporations and labor organizations which make unlawful political contributions shall be fined in an amount equal to the amount of such contributions.

H.R. 6082. April 16, 1975. Atomic Energy. Prohibits the transfer of nuclear materials to countries which have not ratified the Treaty for Non-Proliferation of Nuclear Weapons, with certain exceptions.

H.R. 6083. April 16, 1975. Ways and Means. Amends the Tariff Schedules of the United States to extend the period during which certain dyeing and tanning materials may be imported free of duty.

H.R. 6084. April 16, 1975. Agriculture; Merchant Marine and Fisheries. Authorizes additional financial assistance for consumer education and market development programs relating to United States fisheries.

H.R. 6085. April 16, 1975. Judiciary. Sets forth hearing and appeal procedures for resolving claims and disputes relating to Government contracts awarded by executive agencies. Establishes a Small Claims Board of Contract Appeals to hear contractor appeals when the amount in controversy is equal to or less than $25,000.

H.R. 6086. April 16, 1975. Banking, Currency and Housing. Prohibits the Federal Home Loan Bank Board from permitting savings and loan associations to offer loans secured by improved real estate with variable interest rates.

H.R. 6087. April 16, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to furnish outpatient dental services and treatment where a veteran has been granted hospital care, and outpatient care is reasonably necessary to complete treatment incident to such hospital care.

H.R. 6088. April 16, 1975. Veterans' Affairs. Establishes a per annum full-pay scale for the Chief Medical Director, the Deputy Chief Medical Director, and the Associate Deputy Chief Medical Director of the Department of Medicine and Surgery to the Veterans' Administration. Revises the pay scale for physicians, dentists and nurses in the Department of Medicine and Surgery and establishes a program allowing six months leave with pay to study in his or her specialty.

H.R. 6089. April 16, 1975.—Interior and Insular Affairs; Merchant Marine and Fisheries. Designates certain lands and waters in Alaska as units of the National Wildlife Refuge System, the National Park System, the National Wild and Scenic Rivers System, and the National Forest System. Directs the Secretary of the Interior to study the feasibility of designating certain lands in Alaska as wilderness.

H.R. 6090. April 16, 1975. Merchant Marine and Fisheries. Amends the Coastal Zone Management Act of 1972 to authorize financial assistance to coastal States to assess impacts associated with the development of Federal energy resources in the Outer Continental Shelf area. Authorizes grants to noncoastal States to ameliorate adverse environmental, social, and economic impacts associated with such development of Federal energy resources.

H.R. 6091. April 16, 1975. Merchant Marine and Fisheries. Revises the Ports and Waterways Safety Act of 1972 to require that bulk cargo vessels subject to the Act be equipped with pollution control equipment and that certain United States oil tankers be equipped with a segregated ballast capacity which includes a double bottom.

H.R. 6092. April 16, 1975. Post Office and Civil Service. Authorizes reduced secondclass postal rates for certain State conservation publications.

H.R. 6093. April 16, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6094. April 16, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6095. April 16, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6096. April 17, 1975. International Relations. Stipulates that certain prohibitions against military activities in Indochina shall not be applicable to the availability of funds for the Armed Forces to assist and carry out humanitarian evacuation. Authorizes the appropriations of funds for such evacuations.

H.R. 6097. April 17, 1975. Interstate and Foreign Commerce; Science and Technology. Amends the Clean Air Act to require the Administrator of the Environmental Protection Agency, with the assistance of other agencies, to determine the effect on public health and the environment of the discharge of chlorofluoromethane into the ambient air.

Prohibits, subject to such determination, the introduction into commerce of any aerosol spray container which discharges chlorofluoromethane into the ambient air.

H.R. 6098. April 17, 1975. Public Works and Transportation. Amends the Public Buildings Act of 1959 to require the Administrator of General Services to consult with local governments with respect to the potential effects of construction of Federal buildings and to require the Postmaster General to engage in such consultation with respect to the construction of postal facilities.

H.R. 6099. April 17, 1975. Interstate and Foreign Commerce; Science and Technology. Directs the Administrator of the Environmental Protection Agency, with the assistance of other agencies, to determine the effects on public health and the environment of the discharge of chlorofluoromethane into the ambient air.

Prohibits, subject to such determination, the introduction into commerce of any aerosol spray container which discharges chlorofluoromethane into the ambient air. Establishes criteria for the licensing of manufacturers and importers of chlorofluoromethane.

H.R. 6100. April 17, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to provide a medical malpractice reinsurance program to insurance companies and other insurers. Requires a State to have an effective program for arbitration of medical malpractice claims before Federal reinsurance will be available. Requires civil actions for damages on account of alleged malpractice to first be submitted to State arbitration.

H.R. 6101. April 17, 1975. Agriculture. Amends the Consolidated Farm and Rural Development Act to authorize loans to farming, ranching, or oyster producing operations after a natural disaster strikes such operations.

H.R. 6102. April 17, 1975. Merchant Marine and Fisheries. Permits a two-watch system for certain licensed officers and crew members on tugs and barges engaged in voyages of less than one thousand eight hundred miles.

H.R. 6103. April 17, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction. Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 6104. April 17, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of a contract for the distribution or sale of trademarked private label food products.

H.R. 6105. April 17, 1975. Veterans' Affairs. Establishes a program for mortgage protection life insurance for veterans unable to acquire commercial life insurance because of service-connected disabilities.

H.R. 6106. April 17, 1975. Atomic Energy. Directs the Energy Research and Development Administration to enter into a cooperative arrangement with Utah to assist in the disposal of certain uranium mill tailings.

H.R. 6107. April 17, 1975. Interstate and Foreign Commerce. Prohibits the Consumer Product Safety Commission from regulating with respect to tobacco and tobacco products and sales of firearms and ammunition.

H.R. 6108. April 17, 1975. Interstate and Foreign Commerce. Amends the Controlled Substances Act to make the possession of specified amounts of marihuana for private use and the distribution, transfer or sale of marihuana, lawfully possessed, to any person for private use if such distribution, transfer or sale is not for profit, an offense for which a person may be subject to a civil fine of not more than $100.

H.R. 6109. April 17, 1975. Public Works and Transportation. Directs the Chief of Engineers to supervise the diversion of water from Lake Michigan into the Illinois Waterway, within prescribed limitations as to the rate of such diversion.

H.R. 6110. April 17, 1975. Judiciary; Rules. Declares that certain rules proposed by Federal agencies shall take effect only if, after a certain period of time, either House of Congress does not pass a resolution disapproving such proposed rule. Establishes procedures for exercising Congressional disapproval of such proposed rules.

H.R. 6111. April 17, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors, and Disability Insurance benefits.

H.R. 6112. April 17, 1975. Public Works and Transportation. Establishes Community Airport Noise Impact Boards to exercise local control over airport noise problems. Requires that a Noise Exposure Forecast Study by the management of major airports be submitted to certain political subdivisions, the Environmental Protection Agency, the Federal Aviation Administration, the Civil Aeronautics Board, and State environmental protection agencies.

H.R. 6113. April 17, 1975. Banking, Currency and Housing. Amends the United States Housing Act of 1937 to increase the minimum amount of the annual contributions to public housing agencies to be made by the Secretary of Housing and Urban Development.

H.R. 6114. April 17, 1975. Armed Services. Authorizes payment of an award for a suggestion, invention or scientific achievement to members and former members of the Armed Forces who are not on active duty provided the basis of the award was made when the member or former member was on active duty.

H.R. 6115. April 17, 1975. Post Office and Civil Service. Amends the Postal Reorganization Act of 1970 by revising regulations relating to appropriations authorization, postal rates, Postal Service contracts, personnel policies, and the organization of the Postal Rate Commission and the Board of Governors.

H.R. 6116. April 17, 1975. Interstate and Foreign Commerce. Amends the Emergency Petroleum Allocation Act of 1973 to exempt State-owned crude oil from mandatory allocation regulations.

H.R. 6117. April 17, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs to establish a national cemetery in Broward County or Dade County in the State of Florida.

H.R. 6118. April 17, 1975. Ways and Means. Amends the Tariff Schedules of the United States to alter the formula determining the quantity of certain meats which may be imported.

H.R. 6119. April 17, 1975. Ways and Means. Amends the Social Security Act to prohibit termination of wife's, widow's, widower's, mother's or parent's insurance benefits, or child's insurance benefits in the case of recipients who are under a disability, if the recipient marries or remarries.

H.R. 6120. April 17, 1975. Small Business. Increases the amount of capital allocated to the Small Business Administration lease and surety bond guarantees fund under the Small Business Investment Act of 1958. Authorizes the Small Business Administration to guarantee payments due under qualified contracts for pollution control facilities.

H.R. 6121. April 17, 1975. Ways and Means. Amends the Social Security Act to allow the computation of Social Security benefits and taxes on the basis of total wages and self-employment income.

Amends the Internal Revenue Code to allow the computation of Social Security taxes on the basis of total wages and self-employment income. Revises the rates of taxation for Social Security purposes which are applicable to employers, employees, and self-employed individuals.

H.R. 6122. April 17, 1975. Banking, Currency and Housing. Requires that all multifamily housing facilities for the elderly be equipped with emergency electrical power generating equipment as a condition for receiving Federal financial assistance.

Directs the Secretary of Housing and Urban Development to require the installation of such emergency generating equipment in multifamily housing for the elderly now covered by outstanding mortgages which involve Federal assistance, and to encourage the owners of all other such housing to install such emergency equipment. Authorizes the Secretary to make and to insure loans to pay the cost of such emergency equipment.

H.R. 6123. April 17, 1975. Banking, Currency and Housing. Authorizes the Federal Deposit Insurance Corporation to terminate the insurance of any bank which fails to pay the Federal funds interest rate on all tax and loan accounts maintained at such bank.

H.R. 6124. April 17, 1975. Ways and Means. Amends the Tariff Schedules of the United States to extend for an additional 2 years the temporary suspension on duties on certain classification of silk yarn.

H.R. 6125. April 17, 1975. Ways and Means. Amends the Tariff Schedules of the United States to suspend temporarily the duty on wood particle board.

H.R. 6126. April 17, 1975. Science and Technology. Authorizes the Administrator of the National Aeronautics and Space Administration to establish a research and development program on the nature of serious short-term weather phenomena and to develop improved methods of forecasting and monitoring of such phenomena.

H.R. 6127. April 17, 1975. Interstate and Foreign Commerce. Directs the President to exercise authority granted to him under the Emergency Petroleum Allocation Act of 1973 in order to equalize the ceiling price throughout the United States at which residual fuel oil is sold or exchanged, consistent with reasonable variations in such prices.

H.R. 6128. April 17, 1975. Banking, Currency and Housing. Requires banks, savings and loan associations, and insured credit unions to disclose, upon request and in all advertising, certain information on the computation and payment of the earnings on savings deposits.

Directs the Board of Goverors of the Federal Reserve System to prescribe regulations to enforce the provisions of this Act.

H.R. 6129. April 17, 1975. Education and Labor; Veterans' Affairs. Creates, within the Department of Labor, a separate agency known as the Veterans' Employment Service which shall be headed by the Assistant Secretary of Labor for Veterans' Employment.

H.R. 6130. April 17, 1975. Interior and Insular Affairs; Rules. Amends the Outer Continental Sheif Lands Act to establish a procedure for Congressional disapproval of offshore oil and gas leases issued by the Secretary of the Interior.

H.R. 6131. April 17, 1975. Agriculture. Directs the Commodity Futures Trading Commission to establish and maintain a program designed to regulate the activities of brokers who engaged in forward contracting for agricultural crops by requiring the registration of such brokers with the Commission.

H.R. 6132. April 17, 1975. Interior and Insular Affairs. Authorizes the issuance of bonds and other obligations by the Virgin Islands and any municipality thereof for any public purpose.

H.R. 6133. April 17, 1975. Agriculture. Authorizes the Secretary of Agriculture, under the Packers and Stockyards Act of 1921, to require insolvent packers to cease and desist from operating and to grant or deny reparations to complainants who are charged with violations under such Act.

H.R. 6134. April 17, 1975. Agriculture. Transfers all functions of the Secretary of Agriculture under the Food Stamp Act of 1964 to the Secretary of Health, Education, and Welfare.

H.R. 6135. April 17, 1975. Ways and Means. Amends the Internal Revenue Code to allow a taxpayer to deduct the full amount of an uninsured casualty loss without decreasing such deduction in case of any reimbursement anticipated by reason of the cancellation of certain Federal loans, and without including the amount of such anticipated reimbursement in income.

H.R. 6136. April 17, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of a trademark licensing agreement for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 6137. April 17, 1975. Education and Labor. Repeals the Davis-Bacon Act.

H.R. 6138. April 17, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the William Jennings Bryan Birthplace National Historic Site in Illinois.

H.R. 6139. April 17, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to require disclosure of annual operating costs of major energy-consuming products by manufacturers and importers of such products.

H.R. 6140. April 17, 1975. Public Works and Transportation. Permits certain signs and notices along federal highways right-of-way relating to information about travel-oriented services and facilities.

H.R. 6141. April 17, 1975. Post Office and Civil Service. Revises the eligibility requirements for a civil service survivor annuity to include individuals who married certain annuitants subsequent to their retirement.

H.R. 6142. April 17, 1975. Education and Labor. Directs the Commissioner of Education to pay 100 percent of the entitlement due to local educational agencies because of the acquisition by the United States of real property prior to paying other entitlements in the event that sufficient funds are not appropriated by Congress to pay all entitlements in full.

H.R. 6143. April 17, 1975. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 (1) to require the United States Railway Association to analyze the costs and benefits of including certain railroad branch lines in the final rail system plan when the Association is requested to do so by a State; (2) to increase the Federal share of rail service continuation subsidies; and (3) to extend the authorization of appropriations for such subsidies for an additional three years.

H.R. 6144. April 17, 1975. Interstate and Foreign Commerce. Amends the Comprehensive Employment and Training Act of 1973 to establish an emergency program of public employment to improve the nation's rail transportation system.

H.R. 6145. April 17, 1975. House Administration. Amends the Federal Election Campaign Act of 1971 to authorize the Secretary of the Treasury to make grants to the States to carry out programs to encourage voter registration, education, and participation, and to improve voting administration.

Prohibits the Federal Government from maintaining a centralized voter registration list.

H.R. 6146. April 17, 1975. House Administration. Authorizes appropriations for the Federal Election Commission for fiscal year 1976.

H.R. 6147. April 17, 1975. Ways and Means. Extends for three years the period during which specified dyeing and tanning materials may be imported free of duty.

H.R. 6148. April 17, 1975. Armed Services. Revises the special pay structure for medical officers of the Armed Forces and Public Health Service on active duty.

H.R. 6149. April 17, 1975. Agriculture. Directs the Secretary of Agriculture to establish and maintain a program whereby the Department of Agriculture collects, prepares, makes available, and distributes information regarding the establishment and operation of farmers' markets.

H.R. 6150. April 17, 1975. Judiciary. Revises the circumstances under which a three-judge Federal district court may be convened. Revises the powers and jurisdiction of United States magistrates.

Increases the salaries of Federal justices, judges, and magistrates.

Prohibits employers from discharging, intimidating, or coercing employees by reason of employee jury service.

H.R. 6151. April 17, 1975. Public Works and Transportation. Authorizes appropriations for services to the nonperforming arts functions of the John F. Kennedy Center for fiscal year 1976 and for the transition period ending September 30, 1976.

H.R. 6152. April 17, 1975. Public Works and Transportation. Directs the Federal Aviation Agency to prescribe the same noise control standards for supersonic aircraft as are applicable to other aircraft.

Prohibits the operation of commercial aircraft which are not in compliance with such standards.

H.R. 6153. April 17, 1975. Agriculture. Establishes a Food Research Advisory Committee within the Department of Agriculture to oversee agricultural research activity.

Directs the Secretary of Agriculture to convene annual International Conferences on Food Research and Development.

H.R. 6154. April 17, 1975. Science and Technology. Establishes a United States Metric Board to devise and carry out a program of planning, coordination, and public education with respect to making the metric system the predominant although not exclusive language of measurement in the United States.

H.R. 6155. April 17, 1975. Interstate and Foreign Commerce. Imposes penalties, under the Horse Protection Act of 1970, on any person who interferes with an individual performing official duties under the Act.

H.R. 6156. April 17, 1975. Judiciary. Deems certain individuals to have been married for the two-year period prior to the death of one spouse for purposes of civil service survivor annuities.

H.R. 6157. April 17, 1975. Judiciary. Specifies the tax treatment of cetrain individuals under the Internal Revenue Code.

H.R. 6158. April 18, 1975. Science and Technology. Directs the Energy Research and Development Administration to develop ground propulsion systems designed to reduce current levels of energy consumption.

Amends the National Aeronautics and Space Act to provide additional scientific expertise in the development of ground propulsion systems.

H.R. 6159. April 18, 1975. Science and Technology. Directs the Energy Research and Development Administration to develop ground propulsion systems designed to reduce current levels of energy consumption.

Amends the National Aeronautics and Space Act to provide additional scientific expertise in the development of ground propulsion systems.

H.R. 6160. April 18, 1975. Small Business. Amends the Small Business Act to make small business establishments primarily engaged in the production of cow's milk eligible for loans to assist in meeting the requirements imposed by the Federal Water Pollution Control Act.

H.R. 6161. April 18, 1975. International Relations. Stipulates that certain prohibitions against military activities in Indochina shall not be applicable to the availability of funds for the Armed Forces to assist and carry out humanitarian evacuation.

Authorizes the appropriation of funds for such evacuation.

H.R. 6162. April 18, 1975. House Administration. Prohibits all persons, other than individuals, from making any political contributions to candidates for Federal office, or to any political committee for use in any election for Federal office. Prohibits individuals from making such contributions in excess of an aggregate of $1,000.

H.R. 6163. April 18, 1975. Interstate and Foreign Commerce. Amends the Federal Energy Administration Act of 1974 to direct the Federal Energy Administrator to prohibit certain practices involving pricing of energy supplies sold to consumers which allow per unit rates to vary inversely with total consumption.

H.R. 6164. April 18, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition, fees, and expenses for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 6165. April 18, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 6166. April 18, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to establish a program of neighborhood conservation grants to encourage the preservation of older neighborhoods. Amends the National Housing Act to provide mortgage insurance in order to upgrade the quality of housing in designated neighborhood conservation areas.

H.R. 6167. April 18, 1975. Education and Labor. Transfers to the Secretary of Labor all functions of the Secretary of the Interior under the Federal Coal Mine Health and Safety Act of 1969 and the Federal Metal and Nonmetallic Mine Safety Act. Establishes a Mines and Mineral Health and Safety Administration under the Assistant Secretary of Labor for Occupational Safety and Health within the Department of Labor. Authorizes the National Institute for Occupational Safety and Health to study and develop mine safety and health standards. Revises enforcement procedures under the Federal Coal Mine Health and Safety Act of 1969 and the Federal Metal and Nonmetallic Mine Safety Act.

H.R. 6168. April 18, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 6169. April 18, 1975. Interstate and Foreign Commerce. Prohibits the United States Consumer Product Safety Commission from making any ruling that restricts the manufacture or sale of firearms or firearm ammunition.

H.R. 6170. April 18, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 6171. April 18, 1975. Government Operations. Expands the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials.

H.R. 6172. April 18, 1975. Interior and Insular Affairs. Authorizes appropriations from the Land and Water Conservation Fund for the purchase of additional lands for national forest purposes in Minnesota.

H.R. 6173. April 18, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer to deduct as an expense during the taxable year expenditures for the purpose of making any facility owned or leased by the taxpayer for use in connection with his trade or business more usable by handicapped and elderly individuals.

H.R. 6174. April 18, 1975. Judiciary. Confers United States citizenship on certain Vietnamese children fathered by United States citizens. Requires the Department of State to expedite the adoption of such children.

H.R. 6175. April 18, 1975. Judiciary. Confers United States citizenship on certain Vietnamese children fathered by United States citizens. Requires the Department of State to expedite the adoption of such children.

H.R. 6176. April 18, 1975. Ways and Means. Amends the Internal Revenue Code to allow two employers of the same employee to agree, upon proper notice to the Secretary of the Treasury, to allocate their respective tax liabilities for old-age, survivors, disability, and hospitalization insurance provided for such employee.

H.R. 6177. April 18, 1975. Science and Technology. Establishes the United States Metric Monitoring and Assistance Board to devise and recommend planning, coordination, and assistance, and public education with respect to the conversion of the United States to the metric system of measurement.

H.R. 6178. April 21, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 6179. April 21, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 6180. April 21, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to prohibit the denial of air transportation to any individual solely on the basis of such individual's physical handicap.

H.R. 6181. April 21, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors, and Disability Insurance benefits.

H.R. 6182. April 21, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to offer reinsurance to any insurer or pool against liability for damages arising from medical malpractice. Directs the Secretary to conduct a comprehensive study of the problems that arise from medical malpractice litigation.

H.R. 6183. April 21, 1975. Judiciary. Amends the Bankruptcy Act (1) to extend the term of office of a full-time referee in bankruptcy from six years to twelve years, and (2) to provide for a six-year term for part-time referees.

Establishes mandatory retirement criteria for referees in bankruptcy.

H.R. 6184. April 21, 1975. Judiciary. Amends the Bankruptcy Act to fix the salaries of referees in bankruptcy.

H.R. 6185. April 21, 1975. Judiciary. Amends the Bankruptcy Act to increase the maximum compensation allowable to receivers and trustees.

H.R. 6186. April 21, 1975. Judiciary. Increases the authorized appropriations for the United States Commission on Civil Rights.

H.R. 6187. April 21, 1975. Judiciary. Amends the Bankruptcy Act (1) to abolish the referees' salary and expense fund; (2) to provide that fees and charges collected by the clerk of a court of bankruptcy in bankruptcy proceedings be paid into the general fund of the Treasury of the United States; (3) to provide that salaries and expenses of referees be paid from the general fund of the Treasury; (4) and to eliminate the statutory criteria presently required to be considered by the Judicial Conference in fixing salaries of full-time referees.

H.R. 6188. April 21, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of a trademark licensing agreement for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 6189. April 21, 1975. International Relations. Authorizes the President to make grants to land-grant universities to enable them to offer assistance to land-grant type universities in agriculturally developing nations. Establishes an International Land-Grant University Advisory Board to assist the President in carrying out the purposes of this Act.

H.R. 6190. April 21, 1975. Veterans' Affairs. Extends the maximum period of eligibility for veterans' educational benefits from 36 to 45 months. Entitles veterans to 2½ months of educational benefits for each month of service on active duty.

H.R. 6191. April 21, 1975. Ways and Means; Interstate and Foreign Commerce. Prohibits the importation of petroleum into the United States after October 1, 1975, except in accordance with this Act. Directs the Administrator of the Federal Energy Administration to regulate petroleum importation and the allocation of imported petroleum among domestic refiners.

H.R. 6192. April 21, 1975. International Relations. Prohibits further military assistance to the Government of South Vietnam.

H.R. 6193. April 21, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to make a loan of $100,000,000 to the Chicago, Rock Island, and Pacific Railroad Company.

H.R. 6194. April 21, 1975. Public Works and Transportation. Modifies the flood protection project on the Minnesota River at Mankato and North Mankato in Minnesota to provide that certain changes to highway bridges be accomplished wholly at Federal expense.

H.R. 6195. April 21, 1975. Post Office and Civil Service. Eliminates the requirement of apportionment of appointments in the departmental service in the District of Columbia among the States, territories, possessions, and the District of Columbia on the basis of population as determined by the census.

H.R. 6196. April 21, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 6197. April 21, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 6198. April 21, 1975. Science and Technology. Establishes a program of electric vehicle research and development in the Energy Research and Development Administration. Authorizes the introduction of electric vehicles into fleets used by Federal agencies.

H.R. 6199. April 21, 1975. Post Office and Civil Service. Revises regulations regarding creditable service for civil service retirement purposes with respect to National Guard techniques.

H.R. 6200. April 21, 1975. Banking, Currency and Housing. Establishes a Presidentially-appointed Price Restraint Board to

issue standards and guidelines for nonInflationary price adjustments.

Authorizes the Board (1) to require prenotification of price increases: (2) to delay proposed price increases; (3) to disapprove proposed price increases; and (4) to roll back excessive prices with respect to companies in industries designated as concentrated industries in accordance with guidelines established by this Act.

H.R. 6201. April 21, 1975. Judiciary. Repeals the Gun Control Act of 1968. Reenacts the Federal Firearms Act. Makes the use of a firearm to commit a felony a Federal crime.

H.R. 6202. April 21, 1975. International Relations. Declares that no debt owed to the United States by any foreign country may be settled in an amount less than the full value of the debt except by concurrent resolution of the Congress.

H.R. 6203. April 21, 1975. International Relations. Authorizes appropriations for humanitarian assistance to South Vietnam and Cambodia, such assistance to be provided under the auspices of the United Nations. Directs the President to report to Congress on the provision of such assistance.

H.R. 6204. April 21, 1975. Small Business. Amends the Small Business Act by authorizing the Small Business Administration to make loans to small businesses which have suffered economic injury as the result of the disruption of operations and services of public utilities.

H.R. 6205. April 21, 1975. Banking, Currency and Housing. Directs the Comptroller General to audit annually the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and all Federal Reserve banks and their branches.

H.R. 6206. April 21, 1975. Ways and Means; Interstate and Foreign Commerce. Exempts, temporarily, certain rural hospitals from the professional standards review, utilization review, and utilization control requirements imposed by the Social Security Act on hospitals participating in the Medicare, Medicaid, and Maternal and Child Health Services programs.

Directs the Secretary of Health, Education, and Welfare to study alternative methods of utilization review and utilization control for rural hospitals.

H.R. 6207. April 21, 1975. Judiciary. Permits a recalcitrant grand jury witness to be represented by counsel prior to being confined. Permits a defendant to challenge the array of grand jurors on the ground that the grand jury doesn't represent a cross section of the community from which it was drawn.

Excuses grand jury witnesses from testifying if a court makes specified findings. Revises regulations regarding the conferring of immunity upon grand jury witnesses.

H.R. 6208. April 21, 1975. Appropriations. Makes a supplemental appropriation to the Department of Labor for youth summer employment programs pursuant to the Comprehensive Employment and Training Act of 1973.

H.R. 6209. April 21, 1975. Banking, Currency and Housing. Prohibits the Federal Home and Loan Bank Board from permitting Federal savings and loan associations to offer loans secured by one to four homes or dwellings with variable interest rates until Congress authorizes such rates.

H.R. 6210. April 21, 1975. Education and Labor. Authorizes the Commissioner of Education to make education grants to students who were enrolled in an academic degree program on January 1, 1975 and who are citizens of Vietnam or Cambodia as determined by the Secretary of State.

H.R. 6211. April 21, 1975. Public Works and Transportation. Eliminates the adoption of laws prescribing the use of safety helmets by motorcyclists as a requirement for the implementation of highway safety programs.

H.R. 6212. April 21, 1975. Agriculture. Requires, under the Federal Meat Inspection Act, that imported meat and meat food products made in whole or in part of imported meat must be labeled "imported" or "imported in part" at all stages of distribution until reaching the ultimate consumer.

H.R. 6213. April 12, 1975. Judiciary. Grants newsmen the privilege of nondisclosure of information or sources of information except in specified circumstances. Makes the order of a Federal or State Court granting, modifying or refusing a claim of privilege subject to judicial review.

H.R. 6214. April 21, 1975. Armed Services. Directs the Secretary of Defense to continue to operate and maintain the commissary stores of the agencies of the Department of Defense.

H.R. 6215. April 21, 1975. Ways and Means. Amends the Tariff Schedules of the United States to suspend for 2 years the duty on vanadium pentoxide (anhydride).

H.R. 6216. April 21, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain fishing company in full settlement of such company's claims against the United States due to the action of the Secretary of Interior in placing all commercial whales on the endangered species list.

H.R. 6217. April 21, 1975. Judiciary. Deems a certain individual the stepchild of a specified member of the Armed Forces for purposes of various allowances and benefits for dependents and survivors of members of the uniformed services.

H.R. 6218. April 22, 1975. Amends the Outer Continental Shelf Lands Act to revise procedures for bidding and leasing of oil and gas deposits to conform to plans prepared by the Secretary of the Interior.

Directs the Secretary of the Interior to prepare and maintain a leasing program for oil and gas development on the Outer Continental Shelf. Directs the Secretary of the Department in which the Coast Guard is operating to develop safety regulations for Outer Continental Shelf operations.

H.R. 6219. April 22, 1975. Judiciary. Amends the Voting Rights Act of 1965 by prohibiting certain States and political subdivisions from reinstituting voting eligibility tests for an additional ten years.

Stipulates that no citizen shall be denied the right to vote in any election because of his failure to comply with any test or device.

Makes the prohibitions and enforcement procedures of such Act applicable to those States and political subdivisions which have a voting age population of which at least 5 percent are members of a single language minority. Requires bilingual ballot, and other voting information in such jurisdictions.

H.R. 6220. April 22, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to increase the per annum salary rate of any physician, dentist, or nurse employed on a full-time basis by the Department of Medicine and Surgery of the Veterans' Administration. Establishes a program in such Department allowing leave with pay to each qualified physician, dentist, or nurse for study in his or her specialty.

H.R. 6221. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred in connection with the adoption of a child by the taxpayer.

H.R. 6222. April 22, 1975. Ways and Means; Interstate and Foreign Commerce. Requires every employer to offer qualified health care insurance to his employees and their families. Establishes a program of Federal participation to provide qualified health care insurance to nonemployed and self-employed individuals and their families. Requires the Secretary of Health, Education, and Welfare to pay the full premium for continuation of qualified health care insurance for individuals receiving State or Federal unemployment benefits.

H.R. 6223. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to exempt aircraft used primarily for agricultural operation from the tax imposed on the use of civil aircraft.

Provides for the refund of the tax on gasoline where fuel has been used for farming purposes in an aircraft and by an aerial applicator who was the ultimate purchaser thereof, and the owner, tenant, or operator of the farm has waived the rights to any payment, credit, or refund on such fuel.

H.R. 6224. April 22, 1975. Post Office and Civil Service. Requires the Secretary of Commerce to periodically compile current data on total population for each State, county, and unit of local government in periods between the taking of the decennial census. Requires the use of such data in the administration of any Federal law in which population is used to determine the amount of benefit received by State, county and units of local government.

H.R. 6225. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to revise the provisions allowing the depreciation of expenditures for improvements to coastal wetlands and the provisions allowing a deduction for the amortization of expenditures for the rehabilitation of certified historic structures.

H.R. 6226. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 6227. April 22, 1975. Post Office and Civil Service. Stipulates that an Executive agency employee under investigation for misconduct shall not be required to answer any questions unless advised of the fact that he is under investigation, the nature of the alleged misconduct, and his right to counsel during questioning.

H.R. 6228. April 22, 1975. Judiciary. Grants to professional disseminators of information the privilege, under certain circumstances, to decline to give evidence concerning the source or contents of information obtained during the course of professional activities.

H.R. 6229. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to deny the deduction of any expenditure of any oil company for advertising not directly related to the sale of products or services.

H.R. 6230. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to deny the deduction of any expenditure of any oil company for advertising not directly related to the sale of products or services.

H.R. 6231. April 22, 1975. Education and Labor. Amends the Education Amendments of 1974 to delay and extend the effective dates of various programs under the Act. Revises the entitlement criteria to be used by the Commissioner of Education if sufficient sums are not appropriated by Congress to pay in full the amounts all local educational units are entitled to receive. Sets forth a formula for determining the amount local educational agencies are entitled to receive for programs for handicapped children.

H.R. 6232. April 22, 1975. Post Office and Civil Service. Requires the heads of executive agencies to provide Congress and recognized employee organizations with advance notice of planned organizational changes which would appreciably affect the level of Federal civilian employment.

H.R. 6233. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to revise the amount of a contribution of certain ordinary and capital gain property which may be deducted from gross income, where the contribution is made by a corporation to an organization exempt from the income tax.

H.R. 6234. April 22, 1975. Post Office and Civil Service. Exempts from the overtime compensation provisions of the Fair Labor Standards Act of 1968 rates of compensation for rural letter carriers which are established

under a collective bargaining agreement with the Postal Service.

H.R. 6235. April 22, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6236. April 22, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of certain potential water resource developments in Washington.

H.R. 6237. April 22, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of certain potential water resource developments in Washington.

H.R. 6238. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to extend the option to deduct the expenses of intangible drilling and development associated resources.

H.R. 6239. April 22, 1975. Armed Services. Entitles optometry, podiatry and veterinary officers on active duty in the Army, Navy, Air Force and Public Health Service to special pay on the same basis as medical and dental officers. Revises the special pay structure for such officers.

H.R. 6240. April 22, 1975. Banking, Currency and Housing. Directs the Secretary of Housing and Urban Development and the Secretary of Agriculture to provide assistance under existing Federal housing programs for the purpose of assisting in the production of the three million new dwelling units for low-income individuals.

Amends the National Housing Act, the United States Housing Act of 1937, the Housing Act of 1959, and the Housing Act of 1949 to authorize the appropriations of funds necessary to provide the assistance mandated by this Act.

H.R. 6241. April 22, 1975. Banking, Currency and Housing. Authorizes the President to accept participation for the United States in the African Development Fund.

H.R. 6242. April 22, 1975. Judiciary. Increases the penalties for the use of a firearm to commit any felony or the unlawful carrying of a firearm during the commission of a felony.

H.R. 6243. April 22, 1975. Merchant Marine and Fisheries. Stipulates that the method of linkage between any tug and any barge in an articulated tug-barge system will not be deemed to establish the weight of the tug for inspection purposes.

H.R. 6244. April 22, 1975. Ways and Means; Interstate and Foreign Commerce. Requires every employer to offer qualified health care insurance to his employees and their families. Establishes a program of Federal participation to provide qualified health care insurance to nonemployed and self-employed individuals and their families. Requires the Secretary of Health, Education, and Welfare to pay the full premium for continuation of qualified health care insurance for individuals receiving State or Federal unemployment benefits.

H.R. 6245. April 22, 1975. Post Office and Civil Service. Prohibits franked mailings by Members of the Congress and certain officers of the United States, other than mailings related to the closing of their official business, after such Members or officers have left office. Stipulates that mailings related to the closing of official business may be sent as franked mail only during the 90-day period immediately following the date on which the office is left.

H.R. 6246. April 22, 1975. Post Office and Civil Service. Prohibits franked mailings by Members of the Congress and certain officers of the United States, other than mailings related to the closing of their official business, after such Members or officers have left office. Stipulates that mailings related to the closing of official business may be sent as franked mail only during the 90-day period immediately following the date on which the office is left.

H.R. 6247. April 22, 1975. Post Office and Civil Service. Amends the Postal Organization Act of 1970 by revising regulations relating to appropriations authorization, postal rates, Postal Service contracts, personnel Rate Commission and the Board of Governors.

H.R. 6248. April 22, 1975. Education and Labor. Stipulates that certain strikes at the site of a construction project are not prohibited as an unfair labor practice under the National Labor Relations Act.

H.R. 6249. April 22, 1975. Interstate and Foreign Commerce. Includes hair dyes under the provisions of the Federal Food, Drug, and Cosmetic Act which regulate cosmetics.

H.R. 6250. April 22, 1975. Post Office and Civil Service. Authorizes any officer or employee of the United States to elect to waive the receipt of any portion of compensation to which he is entitled.

H.R. 6251. April 22, 1975. Education and Labor. Revises the system and programs for Federal assistance to States for vocational education. Repeals the Vocational Education Act of 1963, the Vocational Education Amendments of 1968 and Part F, Training and Development Programs for Vocational Education Personnel of the Education Professions Development Act, effective July 1, 1975.

Requires that each State designate or establish a State board or agency whose responsibility shall include the development of policy with respect to vocational education programs.

H.R. 6252. April 22, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 6253. April 22, 1975. Ways and Means. Amends the Tariff Schedules of the United States to redefine mixed animal feeds to include those containing soy beans.

H.R. 6254. April 22, 1975. Ways and Means. Amends the Tariff Schedules of the United States to suspend for 2 years the duty on fluorspar.

H.R. 6255. April 22, 1975. Merchant Marine and Fisheries. Amends the Coastal Zone Management Act of 1972 to establish a Coastal Impact Fund to assist States affected by the development of energy resources in the coastal zone. Authorizes assistance for interstate coordination and planning, and coastal research to support coastal zone management programs.

H.R. 6256. April 22, 1975. Judiciary; Merchant Marine and Fisheries; Interior and Insular Affairs; Science and Technology. Revises the Outer Continental Shelf Lands Act to establish a policy for the development and management of oil and natural gas on the Outer Continental Shelf designed to protect the marine and coastal environment.

Directs the Secretary of the Interior to establish a comprehensive exploratory program to develop potential oil and gas leases. Directs the National Oceanic and Atmospheric Administration to assume lead responsibility in preparation of environmental impact statements.

Revises bidding and lease administration procedures.

Authorizes the Secretary of Transportation to report on pipeline safety and operation on Federal lands and the Outer Continental Shelf.

H.R. 6257. April 22, 1975. Post Office and Civil Service. Permits a surviving Federal annuitant to elect within one year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivors annuity upon the annuitants death.

H.R. 6258. April 22, 1975. Interstate and Foreign Commerce; Ways and Means. Amends the Public Health Service Act to appropriate funds for student aid, for construction grants, and for comprehensive ambulatory health care centers. Creates a Health Policy Board to assist the President's yearly appraisal of health care systems, which shall be transmitted to Congress. Amends the Internal Revenue Code to create a minimum standard health care benefits deduction, to allow employers a deduction for qualified employee health care plans, and to increase the deduction for qualified individual health care plans. Amends the Social Security Act, to authorize grants for qualified State health care plans that insure needy individuals.

H.R. 6259. April 22, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified breweries.

H.R. 6260. April 22, 1975. Post Office and Civil Service. Designates Election Day a national holiday.

H.R. 6261. April 22, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to make grants to States, upon approval of their applications, to assist them in establishing, expanding, or improving veterans cemeteries owned by the State; to pay an amount equal to one-half of the cost of interment for each eligible person and the cost of transportation of a deceased veteran's body for burial in a national cemetery.

H.R. 6262. April 22, 1975. Public Works and Transportation. Directs the Chief of Engineers to remove a barricade erected in the Salthouse Branch Recreation Area in Virginia.

H.R. 6263. April 22, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method for allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 6264. April 22, 1975. Science and Technology. Establishes the metric system as the sole system of weights and measures in the United States effective 10 years after the date of enactment of this Act.

Requires the President to assure that all executive departments and agencies convert to the metric system as soon as possible after enactment of this Act.

Requires the Commissioner of Education to develop and carry out a program of public education relating to conversion to the metric system. Authorizes the Secretary of Commerce to make grants to individuals to defray certain expenses incurred as a result of conversion to the metric system.

H.R. 6265. April 22, 1975. International Relations. Prohibits further military assistance to the Government of South Vietnam.

H.R. 6266. April 22, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from cancelling franchises without cause and without prior notice.

H.R. 6267. April 22, 1975. Ways and Means. Amends the Tariff Schedules of the United States to suspend until June 30, 1978, the duties on magnesium and magnesium alloys.

H.R. 6268. April 22, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to undertake feasibility studies for certain hydroelectric power projects in Alaska. Authorizes planning for construction of direct current lines from Alaskan sources to the transmission system of the Bonneville Power Administration.

H.R. 6269. April 22, 1975. Agriculture. Directs the Secretary of the Treasury to make payments to each State for a five-year period for nutritional programs established and administered by the States. Repeals the Food Stamp Act of 1964 effective upon the commencement of payments to the States under this Act.

H.R. 6270. April 22, 1975. Interstate and Foreign Commerce. Requires processors of

any food, drug, device, or cosmetic to develop and maintain recall and removal systems adequate to enable effective removal from the market of any article which fails to comply with the requirements of the Federal Food, Drug, and Cosmetic Act. Authorizes the Secretary of Health, Education, and Welfare to issue recall or removal orders or to notify the public where it is determined that there is a sufficient risk to the public health and the measures taken by the processor are inadequate to remedy the problem.

H.R. 6271. April 22, 1975. Judiciary; Standards of Official Conduct. Requires Federal employees to file with the Office of the Federal Register a statement with respect to certain gifts made or received by such employees. Directs the Office of the Federal Register to compile and publish annually such statements.

H.R. 6272. April 22, 1975. Ways and Means; Interstate and Foreign Commerce. Revises the conditions and limitations applicable to home health services and nursing home care under the Medicare and Medicaid programs of the Social Security Act. Establishes a Home Health Patient Ombudsman in the Department of Health, Education, and Welfare. Increases the amount of Federal funds which may be made available to public housing agencies for congregate housing under the United States Housing Act.

H.R. 6273. April 22, 1975. Ways and Means; Interstate and Foreign Commerce. Revises the conditions and limitations applicable to home health services and nursing home care under the Medicare and Medicaid programs of the Social Security Act.

Establishes a Home Health Patient Ombudsman in the Department of Health, Education, and Welfare.

Establishes procedures whereby the Secretary of the Treasury may collect debts owed by individuals to a State for certain medical assistance benefits.

Increases the amount of Federal funds which may be made available to public housing agencies for congregate housing under the United States Act.

H.R. 6274. April 22, 1975. Interior and Insular Affairs. Directs the President to appoint a Governor for American Samoa.

H.R. 6275. April 22, 1975. Merchant Marine and Fisheries. Amends the Commercial Fisheries Research and Development Act of 1964 to declare the Trust Territory of the Pacific Islands eligible to participate in certain Federal fisheries programs.

H.R. 6276. April 22, 1975. Banking, Currency and Housing. Amends the National Housing Act to transfer the responsibility for setting income limitations and rent income ratios from the Secretary of Housing and Urban Development to those State and local agencies which enter into agreements with the Secretary to make interest reduction payments on mortgages on low-income rental housing projects which mortgages are insured by the Secretary.

H.R. 6277. April 22, 1975. Ways and Means. Amends the Tariff Schedules of the United States to suspend the duty on typewriter parts for three years.

H.R. 6278. April 22, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to establish national thermal efficiency standards for newly constructed residential and commercial buildings. Requires incorporation of such standards in State and local building codes as a prerequisite to approval of Federal assistance for construction of new buildings.

H.R. 6279. April 22, 1975. House Administration. Establishes within the legislative branch of the Federal Government an Office of General Counsel to render legal opinions and advice to the Congress, and to represent the Congress, or any Member or committee thereof, in legal proceedings in which the validity of an official action is placed into issue.

H.R. 6280. April 22, 1975. Agriculture. Amends the Consolidated Farm and Rural Development Act to direct the Secretary of Agriculture to give preference in granting farm purchase and improvement loans to nonowner-operators of a farm or to owner-operators who do not rely on the farm for their principal source of income. Authorizes the Secretary to make or insure loans to such nonowner-operators and sets limits for the amount of such loans. Stipulates explicit repayment terms for nonowner-operators of farms who receive loans under the Act.

H.R. 6281. April 22, 1975. Agriculture. Amends the Consolidated Farm and Rural Development Act to direct the Secretary of Agriculture to give preference in granting farm purchase and improvement loans to nonowner-operators of a farm or to owner-operators of farms who receive loans under the Act.

H.R. 6282. April 22, 1975. Merchant Marine and Fisheries. Authorizes appropriations for regulation of ocean dumping for fiscal years 1976 and 1977, under the Marine Protection, Research, and Sanctuaries Act of 1972.

H.R. 6283. April 22, 1975. Ways and Means; Interstate and Foreign Commerce. Replaces Medicare with a comprehensive national health care program under the Social Security Act. Extends eligibility to all residents of the United States. Establishes an independent social security administration to administer this and Old-Age, Survivors, and Disability Insurance and Supplemental Security Income programs under the Social Security Act, and the health standards provisions of the Federal Coal Mine Health and Safety Act of 1969.

Amends the Internal Revenue Code to impose a tax on income for purposes of the national health care program. Allows a credit against the income tax for health care taxes paid.

H.R. 6284. April 22, 1975. Ways and Means. Revises wage reporting procedures by employers for income tax withholding and Old-Age, Survivors, and Disability Insurance purposes. Revises the method of computing quarters of coverage and determining insured status under the Social Security Act.

H.R. 6285. April 22, 1975. Judiciary. Directs the Secretary of the Treasury to pay to specified persons an amount equal to the amount paid by such persons to the United States for certain lands in New Mexico pursuant to a decision of the Bureau of Land Management.

H.R. 6286. April 22, 1975. Judiciary. Extends the term of a certain United States Letters Patent.

H.R. 6287. April 22, 1975. District of Columbia. Incorporates the Daughters of Union Veterans of the Civil War.

H.R. 6288. April 23, 1975. Judiciary. Prohibits the destruction, burning, or damaging of the property of an employer, or other person near any place where work or business of the employer or owner is carried on. Redefines the term "extortion" to include actual or threatened force or violence used to induce consent in the course of a legitimate labor dispute.

H.R. 6289. April 23, 1975. Education and Labor. Repeals the Davis-Bacon Act.

H.R. 6290. April 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the corporate surtax exemption.

H.R. 6291. April 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the investment credit and the additional first-year depreciation allowance, and to revise the inventory adjustment for certain small businesses.

H.R. 6292. April 23, 1975. Ways and Means. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program. Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government. Amends various other provisions of the Social Security Act and the Public Health Services Act.

H.R. 6293. April 23, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to offer reinsurance to any insurer or pool against liability for damages arising from medical malpractice. Directs the Secretary to conduct a comprehensive study of the problems that arise from medical malpractice litigation. Establishes national standards for arbitration of medical malpractice claims under State arbitration programs. Authorizes civil actions in States participating in the reinsurance program, only after there has been an arbitration of the claim.

H.R. 6294. April 23, 1975. Ways and Means. Requires States which have entered into agreements with the Secretary of Health, Education, and Welfare for coverage of State and local employees under the Social Security Act to make payments and reports to the Secretary of the Treasury on a calendar-quarter basis.

H.R. 6295. April 23, 1975. Government Operations. Requires that meetings of Federal agencies be open to the public except as stipluated in this Act. Requires that edited transcripts of all meetings be made available to the public. Prohibits ex parte communications during on-the-record agency meetings.

H.R. 6296. April 23, 1975. Judiciary. Authorizes the United States to pay attorney's fees and other costs to the defendant in Federal criminal cases when the court determines that such payments are in the interest of justice.

H.R. 6297. April 23, 1975. Public Works and Transportation. Directs the Chief of Engineers to supervise the diversion of water from Lake Michigan into the Illinois Waterway, within prescribed limitations as to the rate of such diversion.

H.R. 6298. April 23, 1975. Public Works and Transportation. Directs the Chief of Engineers to supervise the diversion of water from Lake Michigan into the Illinois Waterway, within prescribed limitations as to the rate of such diversion.

H.R. 6299. April 23, 1975. Public Works and Transportation. Directs the Chief of Engineers to supervise the diversion of water from Lake Michigan into the Illinois Waterway, within prescribed limitations as to the rate of such diversion.

H.R. 6300. April 23, 1975. Education and Labor. Authorizes the Secretary of Agriculture to establish and administer a summer farm job program for eligible youth.

H.R. 6301. April 23, 1974. Ways and Means. Amends the Social Security Act to require that Old-Age, Survivors, and Disability Insurance benefits be paid on prorated basis for the month during which a beneficiary dies.

H.R. 6302. April 23, 1975. Judiciary. Establishes a United States Amnesty Commission (1) to review applications for amnesty from prosecution for violation of laws concerning draft registration, military induction, desertion, and refusal of duty; and (2) to make recommendations to the President concerning the disposition of such applications for amnesty.

H.R. 6303. April 23, 1975. Post Office and Civil Service. Redesignates November 11 as Veterans Day.

H.R. 6304—April 23, 1975. Ways and Means. Amends the Internal Revenue Code by repealing the provision authorizing a deduction for employment-related expenses and by directing the Secretary of the Treasury to authorize deductions for expenses for household and dependent care services necessary for gainful employment to be claimed as an adjustment to gross income on the optional return Form 1040A.

H.R. 6305. April 23, 1975. Ways and Means. Amends the Social Security Act by (1) removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits; (2) revising certain eligibility requirements for Old-Age, Survivors and Disability Insurance benefits; and (3) authorizing direct payment to the provider of services to Medicare supplementary medical insurance beneficiaries under certain circumstances.

Amends the Social Security Act and the Internal Revenue Code to allow individuals 65 years of age or older to elect to exempt wages and self-employment income from social security taxation.

H.R. 6306. April 23, 1975. Ways and Means. Amends the estate tax provisions of the Internal Revenue Code to allow a limited deduction from the gross estate of the value of the decedent's interest in a family farming operation which passes to an individual related to him or his spouse.

H.R. 6307. April 23, 1975. Veterans' Affairs. Excludes any monthly benefits payable under certain sections of the Social Security Act and any annuity and pension payments under the Railroad Retirement Act of 1937 for the purposes of computing the income of any person for the purpose of determining eligibility for certain pension under the Veterans' Pension Act of 1959.

H.R. 6308. April 23, 1975. Post Office and Civil Service. Prohibits, with certain exceptions, employees of executive agencies from requesting or receiving from Federal officials or employees anything of value for political purposes.

Permits employees of Federal executive agencies or the District of Columbia government to participate in political management or in political campaigns.

H.R. 6309. April 23, 1975. Ways and Means. Allows the States an additional three years to begin repayment of outstanding advances made to their unemployment compensation accounts by the Federal government.

H.R. 6310. April 23, 1975. Ways and Means; Interstate and Foreign Commerce. Establishes limitations on the dollar amount of United States petroleum imports. Extends certain energy emergency and petroleum allocation authority until August 31, 1976.

Amends the Emergency Petroleum Allocation Act of 1973 to require Congressional review of regulations resulting in an increase in crude oil prices. Directs the President to equalize fuel oil prices to the maximum extent possible. Authorizes additional review of Presidential actions under such Act by Congress.

Imposes a windfall profits tax on domestic crude oil. Imposes a tax on automobiles based on fuel economy. Delays imposition of certain motor vehicle emission standards under the Clean Air Act.

H.R. 6311. April 23, 1975. International Relations. Prohibits further military assistance to the Government of South Vietnam.

H.R. 6312. April 23, 1975. Education and Labor. Amends the Older Americans Act of 1965 to direct the Secretary of Health, Education, and Welfare to reimburse States for payments made by the States to elderly citizens in accordance with real property tax relief programs which meet criteria established by this Act.

H.R. 6313. April 23, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 6314. April 23, 1975. Ways and Means. Amends the Tariff Schedules of the United States to permit duty-free entry of binder twine and baler twine made of man-made fibers.

H.R. 6315. April 23, 1975. Science and Technology. Establishes a program of electric vehicle research and development in the Energy Research and Development Administration. Authorizes the introduction of electric vehicles into fleets used by Federal agencies.

H.R. 6316. April 23, 1975. Banking, Currency and Housing. Repeals the provisions of the Flood Disaster Protection Act of 1973 which require communities and individuals in flood prone areas to participate in the national flood insurance program in order to be eligible for Federal financial assistance.

H.R. 6317. April 23, 1975. Merchant Marine and Fisheries. Revises existing laws relating to the management of the National Wildlife Refuge System. Establishes a Bureau of National Wildlife Refuges in the Department of the Interior.

Establishes a system of classification of component units within the National Wildlife Refuge System. Designates certain lands in Alaska for inclusion in the system as national wildlife refuges or wildlands.

H.R. 6318. April 23, 1975. Judiciary. Permits the use of Spanish in proceedings before the United States District Court for Puerto Rico.

Prohibits any person from being disqualified for jury service in Puerto Rico solely because such person cannot speak, read, write or understand the English language.

H.R. 6319. April 23, 1975. Judiciary. Requires Federal district court criers to perform such duties as may be assigned in the office of the clerk of the court, when so authorized by the Judicial Conference of the United States.

H.R. 6320. April 23, 1975. Post Office and Civil Service. Redesignates November 11 as Veterans Day.

H.R. 6321. April 23, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to extend hospital, domiciliary, and medical services to any person who served in any armed forces of the Government of Canada during World War I or World War II; who has resided in the United States for ten years or more; and who is not entitled to payment for equivalent care and service under the Canadian War Veterans Allowance Act.

H.R. 6322. April 23, 1975. Veterans' Affairs. Extends appropriations for programs of exchange of medical information between the Veterans' Administration and the medical community.

H.R. 6323. April 23, 1975. Veterans' Affairs. Shifts preference for selection for training in Regional Medical Education Centers to career personnel of the Veterans' Administration.

H.R. 6324. April 23, 1975. Public Works and Transportation. Directs the Secretary of Transportation to enter into such arrangements as may be necessary to carry out a demonstration project in Georgia for the relocation of railroad lines for the purpose of eliminating highway railroad grade crossings.

H.R. 6325. April 23, 1975. Post Office and Civil Service. Prohibits the Postal Service from requiring the delivery of mail to single-family residential dwellings through the use of cluster mailboxes or curbside mailboxes unless the local government having jurisdiction over the area in which such dwellings are located approves the use of such mailboxes.

H.R. 6326. April 23, 1975. Agriculture. Directs the Secretary of Agriculture to establish under the Agricultural Adjustment Act of 1938 a national acreage allotment for rice to maintain adequate supplies and to prevent excessive carryover stocks. Imposes an established price for rice under the Agricultural Act of 1949.

H.R. 6327. April 23, 1975. Public Works and Transportation. Amends the hurricane-flood protection project at Freeport, Texas and vicinity to direct the Secretary of the Army to plan the construction of additional systems to remedy interior drainage problems associated with the project. Authorizes additional changes to other aspects of the project as the Secretary deems necessary.

H.R. 6328. April 23, 1975. Judiciary. Eliminates the antitrust exemption for certain resale price maintenance (fair trade) agreements under the Sherman Act and Federal Trade Commission Act.

H.R. 6329. April 23, 1975. Atomic Energy. Directs the Office of Technology Assessment to conduct a comprehensive study of the nuclear fuel cycle.

H.R. 6330. April 23, 1975. Interstate and Foreign Commerce. Declares a portion of the Delaware River in Burlington County, New Jersey, to be nonnavigable.

H.R. 6331. April 23, 1975. Post Office and Civil Service. Redesignates November 11 as Veterans Day.

H.R. 6332. April 23, 1975. Agriculture. Revises the definitions of "rural" and "rural area" under the Consolidated Farm and Rural Development Act with respect to loans and grants for community medical facilities.

H.R. 6333. April 23, 1975. Ways and Means. Authorizes a 15 percent increase in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 6334. April 23, 1975. International Relations. Appropriates funds for the Peace Corps. Directs the transfer of funds from ACTION to the Peace Corps with respect to past readjustment allowance funds. Prohibits discrimination on account of sex in the enrollment of volunteers under the Peace Corps Act.

H.R. 6335. April 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the Federal estate tax exemption.

H.R. 6336. April 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited exemption for wine produced for personal use.

H.R. 6337. April 23, 1975. Armed Services. Directs the Secretary of Defense to continue to operate and maintain the commissary stores of the agencies of the Department of Defense.

H.R. 6338. April 23, 1975. Government Operations. Establishes in law the Presidential Clemency Board. Directs that certain jurisdiction, functions or responsibilities with respect to draft evaders and military deserters be transferred from the Departments of Justice, Defense and Transportation to the Clemency Board.

Stipulates the duties of the Board and the rights of applicants for executive clemency.

Directs that the Board shall submit its final recommendations not later than December 31, 1976, at which time it shall cease to exist and its functions shall be assumed by the Department of Justice.

H.R. 6339. April 23, 1975. Small Business. Amends the Small Business Investment Act of 1958 by authorizing the Small Business Administration to guarantee a surety against loss up to $5,000,000 in the case of bonds required for bidding on contracts let by an agency of the United States.

H.R. 6340. April 23, 1975. Armed Services. Authorizes the Secretary of Defense to budget funds specifically for the Civil Air Patrol. Specifies purposes for which expenditures from the Civil Air Patrol budget may be made by the Secretary of the Air Force.

H.R. 6341. April 23, 1975. Judiciary. Makes it a Federal crime for an individual to move or travel in interstate or foreign commerce to avoid compliance with a support order directing periodic payments to or for the support of his/her spouse, former spouse or child.

H.R. 6342. April 23, 1975. Ways and Means. Amends the Internal Revenue Code to repeal the manufacturers excise tax on tires, inner tubes, and tread rubber.

H.R. 6343. April 23, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements (1) for the manufacture, distribution and sale of a trademarked soft drink product or (2) for the distribution or sale of a trademarked private label food product.

H.R. 6344. April 23, 1975. Interior and Insular Affairs. Designates certain lands in the Siskiyou National Forest for addition to the Kalmiopsis Wilderness in Oregon, to be administered by the Secretary of Agriculture.

H.R. 6345. April 23, 1975. Interior and Insular Affairs. Designates certain lands in the Willamette National Forest in Oregon as part of the Three Sisters Wilderness.

Withdraws federally owned lands in the Three Sisters Wilderness from disposition under all laws relating to mineral leasing.

H.R. 6346. April 23, 1975. Agriculture. Extends appropriations under the Rural Development Act of 1972.

H.R. 6347. April 23, 1975. Agriculture. Sets the level of price support for tobacco, under the Agricultural Act of 1949, at 70 percent of the partity price, if marketing quotas are in effect. Excludes from price-support eligibility any tobacco marketed in excess of 110 percent of the acreage poundage or poundage farm marketing quotas, if in effect, under the Agricultural Adjustment Act of 1938.

H.R. 6348. April 23, 1975. Judiciary. Declares certain individuals immediate relatives for purposes of the Immigration and Nationality Act.

H.R. 6349. April 24, 1975. Public Works and Transportation. Requires the capital cities of the 48 contiguous States to be connected by the Interstate System and authorizes the construction of an additional 200 miles of highway to complete such connection.

H.R. 6350. April 24, 1975. Post Office and Civil Service. Authorizes Federal agencies to establish a temporary flexible scheduling program for employees. Stipulates that such flexible scheduling shall be reviewed by the Civil Service Commission and shall become permanent unless disapproved by either House of Congress.

H.R. 6351. April 24, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to guarantee obligations for financing rail acquisitions and improvements, and to develop a national rolling stock management system. Declares it unlawful to assess discriminatory property taxes against transportation property. Amends the Interstate Commerce Act (1) to establish minimum compensatory rates; (2) to develop revenue level standards and interim rate adjustments; and (3) to establish new rates for capital investments for innovative services.

Requires the President to include proposed appropriations for the Interstate Commerce Commission in his budget without revision.

Defines considerations for rail abandonment and protection of those unemployed by such action.

H.R. 6352. April 24, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction to qualified individuals for the expense of operating a motor vehicle to transport a child to a public school for elementary or secondary education.

H.R. 6353. April 24, 1975. Agriculture. Directs the Secretary of Agriculture to compensate any State in an amount equal to one-half of the amount paid by the State as an indemnity payment to an owner of livestock or livestock products condemned by the State for reasons of public health.

H.R. 6354. April 24, 1975. Science and Technology. Amends the Motor Vehicle Information and Cost Savings Act to establish a research and development program designed to insure the development of a prototype automobile which is a personal use vehicle propelled by fuel and which is energy efficient, safe, damage resistant and environmentally sound.

H.R. 6355. April 24, 1975. Merchant Marine and Fisheries. Amends the National Wildlife Refuge System Administration Act of 1966 to revise provisions relating to the authority of the Secretary of the Interior and the Fish and Wildlife Service with regard to the disposal of lands within the system.

H.R. 6356. April 24, 1975. Judiciary. Eliminates the antitrust exemption for certain resale price maintenance (fair trade) agreements under the Sherman Act and the Federal Trade Commission Act.

H.R. 6357. April 24, 1975. Interstate and Foreign Commerce. Revises the labeling and notification requirements for the packaging or serving at a public eating place of colored margarine and colored oleomargarine under the Federal Food, Drug, and Cosmetic Act.

H.R. 6358. April 24, 1975. International Relations. Requires that all executive agreements be approved by the Senate before they become effective.

H.R. 6359. April 24, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified breweries.

H.R. 6360. April 24, 1975. District of Columbia. Amends the National Capital Transportation Act of 1969 to decrease from 50 to 25 percent the proportion of matching funds required from local governments. Limits to a specific amount Federal contributions for the Adopted Regional System.

Authorizes the Secretary of Transportation to make contributions to the Transit Authority sufficient to pay the debt service on Federal share bonds issued to finance the Adopted Regional System. Increases appropriations under the National Capital Transportation Act of 1969 and other improvement and maintenance programs of the District of Columbia.

H.R. 6361. April 24, 1975. House Administration. Authorizes appropriations for the Federal Election Commission for fiscal year 1976. Makes technical and conforming amendments to the Federal Election Campaign Act of 1971.

H.R. 6362. April 24, 1975. Judiciary; Standards of Official Conduct. Requires candidates for Federal office, Members of the Congress, and certain officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions.

H.R. 6363. April 24, 1975. Agriculture. Amends the Forest Pest Control Act to stipulate that any sums appropriated for fiscal year 1975 are to remain available until expended.

H.R. 6364. April 24, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 6365. April 24, 1975. Education and Labor. Amends the Comprehensive Employment and Training Act of 1973 to revise the eligibility criteria for units of local government to become "prime sponsors" for purposes of the act.

H.R. 6366. April 24, 1975. Education and Labor. Amends the Comprehensive Employment and Training Act of 1973 to revise the eligibility criteria for units of local government to become "prime sponsors" for purposes of the act.

H.R. 6367. April 24, 1975. Post Office and Civil Service. Prohibits the Postal Service from requiring the installation of mailboxes at the curb line of residential property in any locality if the governing authority of such locality prohibits such installation.

H.R. 6368. April 24, 1975. Education and Labor. Repeals provisions of the National Labor Relations Act and the Railway Labor Act which authorize employers to make agreements with labor organizations to require employee membership in such organization as a condition of employment.

H.R. 6369. April 24, 1975. Banking, Currency and Housing. Amends the Housing and Community Development Act of 1974 to authorize the Secretary of Housing and Urban Development to make and to contract to make grants to any State housing finance or State development agency for the purpose of financing a portion of the development costs of public housing for families of low, moderate, and middle income.

H.R. 6370. April 24, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to submit any changes in the ratings of reductions in earning capacity due to service-connected disabilities to the Congress which shall have ninety days to disapprove the change or readjustment.

H.R. 6371. April 24, 1975. Interstate and Foreign Commerce. Bans the introduction of diethylstilbestrol (DES) into animal food or product, or its introduction into interstate commerce for use as a postcoital contraceptive.

H.R. 6372. April 24, 1975. Agriculture. Amends the Agricultural Fair Practices Act of 1967 with respect to the administrative procedures to be followed by the Secretary of Agriculture in administering the Act.

H.R. 6373. April 24, 1975. Ways and Means. Amends the Internal Revenue Code to allow deductions with respect to the amortization of rehabilitation expenditures for historic structures, with respect to the depreciation of expenditures in substantially rehabilitating other property, and with respect to charitable contributions of partial interests in property for conservation purposes.

H.R. 6374. April 24, 1975. Interstate and Foreign Commerce. Sets forth regulations, under the Regional Rail Reorganization Act of 1973, with respect to light density lines which are not designated by the United States Railway Association for operation in the final system plan. Increases appropriations for the Rail Services Planning Office and the United States Railway Association. Directs the Secretary of Transportation to provide grants to assist States with the cost of establishment and implementation of certain required State rail plans. Increases appropriations with respect to rail service continuation subsidies.

H.R. 6375. April 24, 1975. Interstate and Foreign Commerce; Public Works and Transportation. Prohibits the use of certain factors by the Secretary of the Army, the Chief of Engineers, or any other officer or employee of the United States in determining the navigability of certain waters within a single State.

H.R. 6376. April 24, 1975. Interstate and Foreign Commerce. Amends the Emergency Daylight Saving Time Energy Conservation Act of 1973 to extend the effective period of such Act.

H.R. 6377. April 24, 1975. Interstate and Foreign Commerce; Ways and Means; Government Operations; Science and Technology. Amends the Internal Revenue Code of 1954 to give preferential status to users of recycled or rerefined oil. Encourages use of recycled oil in Federal procurement activities. Authorizes the Administrator of the Environmental Protection Agency to make grants for implementation and operation of State waste oil management plans. Directs the Administrator of Energy Research and Development to conduct a program to improve the performance and marketability of recycled oil.

H.R. 6378. April 24, 1975. Judiciary; Merchant Marine and Fisheries; Government Operations. Requires that certain revenues from leases on the Outer Continental Shelf be made available to coastal States. Amends the Outer Continental Shelf Lands Act to establish a Coastal States Fund for payments

to coastal states adversely affected by development of Federal energy resources on the Outer Continental Shelf.

H.R. 6379. April 24, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 6380. April 24, 1975. Banking, Currency and Housing. Directs the Comptroller General to audit annually the Federal Reserve Board, and the Federal Reserve banks to ascertain that administrative funds are properly accounted for.

H.R. 6381. March 24, 1975. Judiciary. Authorizes necessary appropriations to be used at the discretion of the President for the assistance of refugees who fled to the United States from Vietnam and Cambodia. Authorizes assistance to State and local public agencies serving such refugees.

H.R. 6382. April 24, 1975. International Relations. Amends the Foreign Assistance Act of 1961 and various administrative regulations to regularize United States relations with Cuba.

H.R. 6383. April 24, 1975. Post Office and Civil Service. Requires Federal agencies, with certain exceptions, to employ a certain percentage of individuals on a part-time career basis for each grade.

H.R. 6384. April 24, 1975. Veterans' Affairs. Sets forth the amount of reimbursement which the Administrator of Veterans' Affairs shall pay to the States for furnishing domiciliary, hospital, or nursing home care to eligible veterans who receive such care in State facilities.

H.R. 6385. April 24, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from cancelling franchises without cause and without prior notice.

H.R. 6386. April 24, 1975. Education and Labor. Limits cost-of-living increases to compensation payable to Federal employees on account of death or disability to five percent for the period begining January 1, 1975 and ending June 30, 1976.

H.R. 6387. April 24, 1975. Agriculture. Extends appropriations for the Federal Insecticide, Fungicide, and Rodenticide Act.

H.R. 6388. April 24, 1975. International Relations. Declares that no debt owed to the United States by any foreign country may be settled in an amount less than the full value of the debt except by concurrent resolution of the Congress.

H.R. 6389. April 24, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-Age, Survivor's, and Disability Insurance benefits.

H.R. 6390. April 24, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit the inspection of income tax returns by the Department of Agriculture and to allow the Secretary of the Treasury to furnish the Department of Agriculture with certain statistical information with respect to farming operations.

H.R. 6391. April 24, 1975. Interior and Insular Affairs. Amends the National Trails System Act to authorize a joint feasibility study by the Secretarys of Interior, Agriculture, and Transportation, for the establishment of certain bicycle trails.

H.R. 6392. April 24, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 6393. April 28, 1975. Veterans' Affairs. Extends hospital and medical care to certain persons who served, during World War I or World War II in foreign armed forces that were allies of the United States.

H.R. 6394. April 28, 1975. Atomic Energy. Directs the Nuclear Regulatory Commission to prohibit the licensing of certain activities involving plutonium until expressly authorized by Congress. Authorizes a comprehensive study of potential dangers to public health and safety resulting from the recycling of plutonium.

H.R. 6395. April 28, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to promulgate standards and formulate an inspection program for skilled nursing homes and intermediate and long-term care facilities participating in the Medicaid program. Sets forth guarantees and rights of patients in such facilities.

H.R. 6396. April 28, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to acquire the Rhode Island Veterans' Cemetery as a part of the National Cemetery System.

H.R. 6397. April 28, 1975. House Administration. Amends the National Portrait Gallery Act by redefining the term "portraiture."

H.R. 6398. April 28, 1975. Education and Labor. Repeals provisions of the National Labor Relations Act and the Railway Labor Act which authorize employers to make agreements with labor organizations to require employee membership in such organization as a condition of employment.

H.R. 6399. April 28, 1975. Judiciary. Amends the Sherman Act by declaring unlawful any agreement between a labor organization and an employer whereby such employer agrees to boycott any product which is distributed in interstate or foreign commerce.

H.R. 6400. April 28, 1975. Post Office and Civil Service. Grants to Federal employees the right to form, join, or assist a labor organization or to refrain from such activity without fear of penalty or reprisal.

H.R. 6401. April 28, 1975. Post Office and Civil Service. Repeals specified provisions of law prohibiting the private carriage of letters.

H.R. 6402. April 28, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 6403. April 28, 1975. Agriculture. Specifies the authority of the Secretary of Agriculture to act in concert with State authorities or authorities from certain foreign nations to eradicate, suppress, control, and prevent or retard the spread of plant pests.

H.R. 6404. April 28, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 6405. April 28, 1975. Science and Technology; Government Operations. Creates in the Executive Office of the President a Council of Advisers on Science and Technology to advise the President and Congress on the continued implementation of the national science policy set forth in this Act.

Establishes in the executive branch a Department of Research and Technology Operations and an independent agency, the Science and Technology Information and Utilization Corporation to further the purposes of this Act. Transfers various governmental agencies to the administrative control of the newly created agencies.

H.R. 6406. April 28, 1975. Banking, Currency and Housing. Amends the Truth in Lending Act (1) to provide that any creditor who acts in good faith in accordance with an advisory opinion rendered by an agency which exercises regulatory or supervisory authority with respect to creditors shall be presumed to be in compliance with that provision of the Act with respect to which the opinion was rendered, and (2) to require that any request for an advisory opinion by a creditor be made public by the agency requested in order to permit interested parties an opportunity to comment on such request.

H.R. 6407. April 28, 1975. Agriculture. Revises the Agriculture Marketing Act of 1946 with respect to the inspection and certification provisions of products in interstate commerce.

H.R. 6408. April 28, 1975. Government Operations. Authorizes the Secretary of the Treasury to make emergency support grants for economic recovery to the States and to local governments.

H.R. 6409. April 28, 1975. Government Operations. Directs the Comptroller General to audit annually the Federal Reserve Board, Federal Reserve banks and their branches, the Internal Revenue Service, the Comptroller of the Currency and the Office of Alien Property.

H.R. 6410. April 28, 1975. Government Operations. Amends the Surplus Property Act of 1944 to allow the Administrator of General Services to convey or dispose of to any State, political subdivision, municipality, or public district, without monetary consideration to the United States, surplus real or personal property which is essential, suitable, or desirable for the development, improvement, operation, maintenance, or use of a public port.

H.R. 6411. April 28, 1975. Public Works and Transportation. Authorizes the Secretary of the Interior to study the feasibility of certain potential water resource developments for the minidoka powerplant rehabilitation and enlargement project in Idaho.

H.R. 6412. April 28, 1975. Judiciary. Authorizes the United States to pay attorney's fees and other costs to the defendant in Federal criminal cases when the court determines that such payments are in the interest of justice.

H.R. 6413. April 28, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act.

H.R. 6414. April 28, 1975. Ways and Means. Revises the eligibility requirements for disability insurance benefits applicable to the blind under the Social Security Act.

H.R. 6415. April 28, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials. Establishes within the Office of Education a Council on the Conservation and Nonuse of Energy-Materials to advise the Secretary on the administration of this Act.

H.R. 6416. April 28, 1975. Government Operations. Authorizes the Secretary of the Treasury to make emergency support grants for economic recovery to the States and to local governments.

H.R. 6417. April 28, 1975. Agriculture. Amends the Food Stamp Act of 1964 to require (1) broader dissemination of information concerning the food stamp program; and (2) State agencies to expedite the certification process. Authorizes the Secretary of Agriculture to pay to each State agency 50 percent of its administrative costs.

H.R. 6418. April 28, 1975. Agriculture. Amends the Food Stamp Act of 1964 to require (1) broader dissemination of information concerning the food stamp program; and (2) State agencies to expedite the certification process. Authorizes the Secretary of Agriculture to pay to each State agency 50 percent of its administrative costs.

H.R. 6419. April 28, 1975. Judiciary. Increases the penalties for the use of a firearm to commit any felony or the unlawful carrying of a firearm during the commission of a felony.

H.R. 6420. April 28, 1975. Judiciary. Makes additional immigrant visas available for immigrants from certain foreign countries.

H.R. 6421. April 28, 1975. Education and Labor. Directs the Secretary of Labor to establish a pilot program to provide guaranteed employment opportunities in selected counties of the United States. Authorizes Federal reimbursement to businesses and State or local governments for a specified share of each eligible employee's wages.

H.R. 6422. April 28, 1975. Appropriations. Makes an appropriation for grants to units of general local governments except urban counties as provided for by the Housing and Community Development Act of 1974.

H.R. 6423. April 28, 1975. Appropriations. Makes an appropriation for grants to units of general local governments except urban counties as provided for by the Housing and Community Development Act of 1974.

H.R. 6424. April 28, 1975. Banking, Currency and Housing. Amends the Housing and Community Development Act of 1974 to authorize additional appropriations for fiscal year 1975 for the purpose of making grants to units of general local governments except urban counties.

H.R. 6425. April 28, 1975. Banking, Currency and Housing. Amends the Housing and Community Development Act of 1974 to authorize additional appropriations for fiscal year 1975 for the purpose of making grants to units of general local governments except urban counties.

H.R. 6426. April 28, 1975. Government Operations. Directs the Administrator of General Services to assist Federal agencies with respect to records creation, maintenance, use, and disposition. Directs the Administrator to make inspections and formulate rules regarding Federal records.

Establishes a Records Review Board to review orders issued by the Administrator.

Grants the Administrator custody and control over the National Archives Building and its contents.

H.R. 6427. April 28, 1975. House Administration. Amends the National Portrait Gallery Act by redefining the term "portraiture".

H.R. 6428. April 28, 1975. Judiciary. Amends the Migration and Refugee Assistance Act of 1962 to make refugees from South Vietnam and Cambodia eligible for the assistance provided by the Act.

H.R. 6429. April 28, 1975. Ways and Means. Amends the Internal Revenue Code to include condominium owners, homeowners' associations, and cooperative housing corporations within the list of tax exempt organizations.

H.R. 6430. April 28, 1975. Ways and Means. Amends the Internal Revenue Code to create an allowance for basic living expenses.

Amends the Social Security Act with respect to the supplemental security income program and to require supplemental payments by States for certain families with dependent children.

Repeals the Food Stamp Act of 1964.

H.R. 6431. April 28, 1975. International Relations. Amends the Export Administration Act of 1969 to prohibit certain actions by United States exporters which support restrictive trade practices or boycotts imposed against countries friendly to the United States by other foreign countries.

H.R. 6432. April 28, 1975. Ways and Means. Amends the Internal Revenue Code to exclude the first $5,000 of retirement income from gross income.

H.R. 6433. April 28, 1975. Government Operations. Requires that meetings of Federal agencies be open to the public except as stipulated in this Act. Requires that edited transcripts of all meetings be made available to the public. Prohibits ex parte communications during on-the-record agency meetings.

H.R. 6434. April 28, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 6435. April 28, 1975. House Administration. Amends the National Portrait Gallery Act by redefining the term "portraiture".

H.R. 6436. April 28, 1975. Banking, Currency and Housing. Amends the United States Housing Act of 1937 to increase the minimum amount of the annual contributions to public housing agencies to be made by the Secretary of Housing and Urban Development.

H.R. 6437. April 28, 1975. Interstate and Foreign Commerce. Creates the National Power Grid Corporation to operate a national power grid system to supply electric power through regional bulk power supply corporations. Authorizes research and development in the area of electric power generation and transmission, with priority given to environmental protection and land use research.

Transfers certain existing Federal power facilities to the national grid system. Defines rights, powers, and duties of national and regional corporations and employees. Requires compliance with environmental standards.

H.R. 6438. April 28, 1975. Post Office and Civil Service. Requires that labor disputes within the United States Postal Service between supervisory organizations and the Service be submitted to an arbitration board.

H.R. 6439. April 28, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to pay an additional educational assistance allowance in an amount representing the cost of a veteran's tuition in excess of $432, such payment not to exceed $700 for an ordinary school year.

H.R. 6440. April 28, 1975. Ways and Means. Amends the Internal Revenue Code of 1954 to allow a deduction for the transportation costs to and from work of a handicapped person. Permits an additional exemption for income tax purposes for a taxpayer or spouse who is disabled.

H.R. 6441. April 28, 1975. Interstate and Foreign Commerce. Repeals those provisions of the Federal Trade Commission Act which relate to resale price maintenance (fair trade) contracts and agreements.

H.R. 6442. April 28, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of a trademark licensing agreement for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 6443. April 28, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6444. April 28, 1975. Judiciary. Declares a certain individual the natural-born alien son of citizens of the United States for purposes of the Immigration and Nationality Act.

H.R. 6445. April 28, 1975. International Relations. Authorizes a certain retired officer of the Commissioned Corps of the United States Public Health Service to accept employment with the Canadian Department of Agriculture without affecting his entitlement to retired pay.

H.R. 6446. April 28, 1975. Judiciary. Directs the Federal Communications Commission to renew the station licenses for the operation of certain radio stations in Pennsylvania.

H.R. 6447. April 29, 1975. Ways and Means. Amends the Internal Revenue Code to increase the corporate surtax exemption.

H.R. 6448. April 29, 1975. Ways and Means. Amends the Internal Revenue Code to increase the investment credit and the additional first-year depreciation allowance, and to revise the inventory adjustment for certain small businesses.

H.R. 6449. April 29, 1975. Ways and Means. Amends the Internal Revenue Code to make the requirement that mutual savings banks maintain reserves to cover losses on loans applicable to national mortgage associations.

H.R. 6450. April 29, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 6451. April 29, 1975. Ways and Means. Amends the Social Security Act by extending until June 30, 1976 the temporary assistance program for United States citizens returned from abroad.

H.R. 6452. April 29, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of a trademark licensing agreement for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 6453. April 29, 1975. International Relations. Prohibits assistance under the Agricultural Trade Development and Assistance Act to any country which the President determines is not making reasonable and productive self-help efforts to stabilize population growth, and thereby reducing the need for assistance under the Act.

H.R. 6454. April 29, 1975. International Relations. Declares that no debt owed to the United States by any foreign country may be settled in amount less than the full value of the debt except by concurrent resolution of the Congress.

H.R. 6455. April 29, 1975. International Relations. Declares that no debt owed to the United States by any foreign country may be settled in an amount less than the full value of the debt except by concurrent resolution of the Congress.

H.R. 6456. April 29, 1975. Interior and Insular Affairs. Authorizes additional appropriations for land acquisition for the establishment of the Fire Island National Seashore in New York. Authorizes the Secretary of the Interior to petition for injunctive relief concerning activities inconsistent with the protection and development of the Fire Island National Seashore.

H.R. 6457. April 29, 1975. Ways and Means. Amends the Internal Revenue Code to increase the excise tax on cigarettes, and to establish in the Treasury of the United States, the National Cancer Research Fund to be partially funded by the increased revenues generated by this Act.

H.R. 6458. April 29, 1975. International Relations. Authorizes the President to make grants to land-grant universities to enable them to offer assistance to land-grant type universities in agriculturally developing nations.

Establishes an International Land-Grant University Advisory Board to assist the President in carrying out the purposes of this Act.

H.R. 6459. April 29, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to authorize the Secretary of Transportation to make financial assistance available to qualified applicants for the purpose of providing employment for unemployed or underemployed persons in jobs maintaining or rebuilding railroad rights-of-way, during times of high unemployment.

H.R. 6460. April 29, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited tax credit for a voluntary service contribution by an individual to a qualified organization for the physically handicapped or the mentally ill.

H.R. 6461. April 29, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by establishing a Public Broadcasting Fund to be administered by the

Secretary of the Treasury. Authorizes the Secretary to disburse amounts from the Fund to the Corporation for Public Broadcasting according to stipulated procedures. Sets forth regulations for the Corporation's disbursement of such funds to noncommercial educational broadcast stations.

H.R. 6462. April 29, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to extend compliance dates for certain motor vehicle emission standards until model year 1982. Authorizes studies with respect to the feasibility of standards for subsequent model years.

H.R. 6463. April 29, 1975. Small Business. Directs the Small Business Association to assume or suspend, for a temporary period, repayment of loans made pursuant to the Small Business Act to certain business concerns.

H.R. 6464. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by eliminating the requirement that a hospital or extended care facility have a utilization review plan in effect in order to participate in the Medicare, Medicaid, Maternal and Child Health, and Crippled Children's Services programs.

H.R. 6465. April 29, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to States and certain gateway cities for the purpose of providing programs in education, job training, counseling and orientation for the benefit of immigrants.

Authorizes travel grants to new immigrants and their families to enable them to accept employment in a distant State.

H.R. 6466. April 29, 1975. Ways and Means. Amends the Social Security Act to include services provided by intermediate care facilities among those covered under medicare.

H.R. 6467. April 29, 1975. Ways and Means. Amends the Internal Revenue Code to allow the deduction of nursing home expenses paid by a taxpayer for an individual who would otherwise be a dependent of such taxpayer.

H.R. 6468. April 29, 1975. Ways and Means. Directs the Secretary of Health, Education, and Welfare to develop an alternative reimbursement formula which will allow payment to certain participating hospitals which provide long-term care under the Medicare program of the Social Security Act.

H.R. 6469. April 29, 1975. Ways and Means. Amends the Social Security Act by authorizing payment of supplemental security income benefits to residents of certain nonmedical shelter care facilities.

H.R. 6470. April 29, 1975. Ways and Means. Amends the Social Security Act by requiring skilled nursing facilities participating in the Medicare program to retain a physician who visits each patient at least once every 30 days.

H.R. 6471. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act to require skilled nursing facilities participating in the Medicare program to employ at least one registered professional nurse twenty-four hours per day, seven days per week.

H.R. 6472. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act to require skilled nursing facilities participating in the medicare program to use only registered professional nurses or licensed practical nurses to administer or distribute medications.

H.R. 6473. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by requiring skilled nursing homes participating in the Medicare and Medicaid programs to retain a medical director.

H.R. 6474. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by requiring skilled nursing facilities participating in the Medicare program to have a minimum ratio of nursing personnel to patients and supervisory nurses to total nurses.

H.R. 6475. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by requiring skilled nursing facilities participating in the Medicare program to provide medically related social services.

H.R. 6476. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by requiring skilled nursing facilities participating in the Medicare program to conclude a contract with each patient upon admission, such contract to cover the rights and duties of the patient and the facility.

H.R. 6477. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by requiring skilled nursing facilities participating in the Medicare program to comply with relevant provisions of the 1973 edition of the Life Safety Code of the National Fire Protection Association.

H.R. 6478. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by requiring skilled nursing facilities participating in the Medicare program to post certain information in an area accessible to patients, employees and visitors.

H.R. 6479. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by requiring skilled nursing facilities participating in the Medicare program to adopt procedures for the prevention and reporting of epidemic diseases and accidents.

H.R. 6480. April 29, 1975. Interstate and Foreign Commerce. Amends the Medicaid provisions of the Social Security Act by (1) requiring State legislative and executive ratification of the State's plan; (2) requiring each State to make copies of its plan available to the public; (3) directing the Secretary of Health, Education, and Welfare to review and rate State plans annually; and (4) authorizing recipients to sue a State for specific performance of a State plan.

H.R. 6481. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to establish a rating system for nursing homes participating in the Medicare and Medicaid programs.

H.R. 6482. April 29, 1975. Interstate and Foreign Commerce. Amends the Social Security Act to make Federal payments to a State under its Medicaid plan conditional upon such State's establishing an ombudsman program to investigate and hold hearings concerning nursing home complaints.

H.R. 6483. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by establishing the office of Inspector General for Health Administration within the Department of Health, Education, and Welfare. Directs the Inspector General to review, investigate and audit the Medicare, Medicaid, and other health care programs established by the Social Security Act. Authorizes the Inspector General to suspend any administrative regulation, practice or procedure if such action will promote efficiency, economy, or achievement of the objectives of the health care programs.

H.R. 6484. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Make it a misdemeanor to offer or receive consideration for the referral of patients, clients or customers eligible for Medicare or Medicaid benefits under the Social Security Act.

H.R. 6485. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by requiring skilled nursing facilities participating in the medicare program to keep accurate records of patients' accounts, moneys, and valuables and to take certain measures to safeguard patients' money and valuables.

H.R. 6486. April 29, 1975. Interstate and Foreign Commerce. Makes it a misdemeanor under the Social Security Act to solicit or accept any consideration over and above the rates established by the States as a precondition of admitting a Medicaid patient to a long-term care facility.

H.R. 6487. April 29, 1975. Interstate and Foreign Commerce. Amends the Social Security Act to make reimbursement to a State for the cost of training personnel to inspect long-term care facilities participating in the Medicaid program conditional upon approval of such training program by the Secretary of Health, Education, and Welfare.

H.R. 6488. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to include a summary of the penalties for giving misinformation on the forms for payment for services under Medicare and Medicaid submitted by nursing homes.

H.R. 6489. April 29, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to pay to a State 100 percent of the sums expended by such State in developing new methods for enforcing nursing home standards under its Medicaid plan.

H.R. 6490. April 29, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to pay to a State 100 percent of sums expended by such State for auditing skilled nursing and intermediate care facilities participating in Federal programs.

H.R. 6491. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to inspect, State inspection and enforcement programs regarding facilities participating in Medicare and Medicaid.

H.R. 6492. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by authorizing Medicare and Medicaid beneficiaries to sue any facility participating in the Medicare and Medicaid programs for specific performance of its provided agreement.

H.R. 6493. April 29, 1975. Interstate and Foreign Commerce. Amends the Social Security Act to allow a State to incorporate financial incentives for good care in its formula for computing payments to skilled nursing and intermediate care facilities under such State's Medicaid plan.

H.R. 6494. April 29, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by (1) revising the method of determining a skilled nursing facility's eligibility for reimbursement and the method of computing payments and over payments to skilled nursing and intermediate care facilities under the Medicaid program; (2) requiring skilled nursing facilities to disclose the identity of persons with whom it does business; (3) further regulating business dealings between a skilled nursing facility and its owners; and (4) conditioning payment for certain services provided to a patient under the Medicare and Medicaid programs upon such patient's meeting certain criteria of need for such services.

H.R. 6495. April 29, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Services Act, to make loans to nonprofit organizations, churches, and church associations to meet all or a part of the cost of construction or rehabilitation of a nursing home which will be owned and operated by such church, organization, or association.

H.R. 6496. April 29, 1975. Interstate and Foreign Commerce. Authorizes the secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants for the planning, development, construction, and rehabilitation of nursing homes in black and minority communities.

H.R. 6497. April 29, 1975. Banking, Currency and Housing; Interstate and Foreign Commerce. Amends the National Housing Act to authorize the Secretary of Housing and Urban Development to make interest reduction payments to assist nursing homes in repair and renovation in order to comply with Federal standards.

H.R. 6498. April 29, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants and enter into contracts with appropriate colleges and universities for the purpose of developing graduate programs for nurses in geriatrics and gerentology.

H.R. 6499. April 29, 1975. Education and Labor. Makes it an unfair labor practice under the National Labor Relations Act for an employer to discharge or otherwise discriminate against an employee because such employee testifies before an Congressional committee or any Federal agency.

H.J. Res. 200. February 5, 1975. Post Office and Civil Service. Requests the President to designate May 13 of each year as "American Business Day."

H.J. Res. 201. February 6, 1975. Creates a Joint Congressional Committee on Classified Information (1) to study the practices used to classify information in the interests of common defense and security; (2) to investigate suspected uses of classification procedures for purposes contrary to the public welfare; and (3) to initiate action to correct any misuse of classification procedures.

H.J. Res. 202. February 6, 1975. Interior and Insular Affairs. Authorizes the Secretary of the the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 203. February 6, 1975. Post Office and Civil Service. Requests the President to designate the week of May 12, 1975, as "National Historic Preservation Week".

H.J. Res. 204. February 6, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 205. February 6, 1975. Post Office and Civil Service. Authorizes the President to proclaim May 20, 1975, as "Mecklenburg Declaration Independence Day."

H.J. Res. 206. February 10, 1975. Judiciary. Proposes an amendment to the Constitution specifying that the President and Vice President be chosen by electors selected by the voters of each State. Set forth the procedure to be used in selecting a President and Vice President.

H.J. Res. 207. February 10, 1975. Post Office and Civil Service. Authorizes the President to designate September 8 of each year as "National Cancer Day."

H.J. Res. 208. February 13, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 209. February 13, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day".

H.J. Res. 210. February 18, 1975. Makes supplemental appropriations for the current fiscal year for (1) salaries of employees of the House Office of the Sergeant at Arms; (2) furniture for the House of Representatives; (3) general expenses for the Capitol Police; (4) contingent expenses for the Architect of the Capitol; (5) the House Office Building Commission; and (6) interim operating expenses of the Federal Railroad Administration.

H.J. Res. 211. February 19, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 212. February 19, 1975. Judiciary. Directs the Commission on Civil Rights to study certain aspects of the local, State, and Federal criminal justice systems as they affect women.

H.J. Res. 213. February 19, 1975. Judiciary. Directs the Commission on Civil Rights to study certain aspects of the local, State, and Federal criminal justice systems as they affect women.

H.J. Res. 214. February 19, 1975. Judiciary. Proposes an amendment to the Constitution which (1) prohibits treaties from denying or abridging rights of United States citizens; and (2) prohibits treaties from granting to any foreign power control, supervision, or adjudication of rights of United States citizens.

H.J. Res. 215. February 19, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 216. February 19, 1975. Judiciary. Proposes an amendment to the Constitution to require certain attendance by Senators and Representatives at congressional sessions.

H.J. Res. 217. February 19, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 218. February 19, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 219. February 19, 1975. Appropriations. Grants continuing appropriations to certain programs of foreign assistance until March 31, 1975, and to certain domestic Federal agencies and programs until June 30, 1975.

H.J. Res. 220. February 19, 1975. Interior and Insular Affairs. Creates Kalaupapa National Park on Molokai, Hawaii.

H.J. Res. 221. February 19, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at all stages of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 222. February 19, 1975. Post Office and Civil Service. Requests the President to designate May 13 of each year as "American Business Day".

H.J. Res. 223. February 19, 1975. Post Office and Civil Service. Recommends that people assemble in their counties and towns on the bicentennial. Suggests that a sketch of the history of said county or town be delivered on that occasion and a copy be filed in the county clerk's office and the Library of Congress.

H.J. Res. 224. February 19, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 225. February 19, 1975. Post Office and Civil Service Designates November 11 as "Veterans Day".

H.J. Res. 226. February 19, 1975. Post Office and Civil Service. Requests the President to designate October 13th of each year as "Animal Welfare Day".

H.J. Res. 227. February 19, 1975. Post Office and Civil Service. Requests the President to designate the 2nd week in May of each year as "Municipal Clerks' Week."

H.J. Res. 228. February 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 229. February 20, 1975. Post Office and Civil Service. Designates the 3d week of September of each year as "National Medical Assistants Week".

H.J. Res. 230. February 20, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day".

H.J. Res. 231. February 20, 1975. Post Office and Civil Service. Authorizes the President to designate the week beginning on the last Monday in October of each year as "National Magic Week".

H.J. Res. 232. February 20, 1975. Judiciary. Proposes an amendment to the Constitution limiting the pardoning power of the President with respect to those who held the office of President or Vice President.

H.J. Res. 233. February 20, 1975. Post Office and Civil Service. Authorizes the President to desingnate the 4th Saturday of each September "National Hunting and Fishing Day".

H.J. Res. 234. February 20, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Fishing and Hunting Day".

H.J. Res. 235. February 20, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day".

H.J. Res. 236. February 20, 1975. Post Office and Civil Service. Authorizes the President to designate the 29th of May of each year as "John Fitzgerald Kennedy Memorial Day".

H.J. Res. 237. February 21, 1975. Post Office and Civil Service. Requests the President to designate May 25 to May 31, 1975, as "National American Institute of Banking Week".

H.J. Res. 238. February 24, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 239. February 24, 1975. Post Office and Civil Service. Designates the first Saturday in April of each year as "National Brotherhood Day".

H.J. Res. 240. February 24, 1975. Post Office and Civil Service. Authorizes the President to proclaim February of each year "American History Month".

H.J. Res. 241. February 25, 1975. Post Office and Civil Service. Authorizes the President to designate the second calendar week in March, 1975, as "National Employ the Older Worker Week".

H.J. Res. 242. February 25, 1975. Post Office and Civil Service. Requests the President to designate the week of May 12, 1975, as "National Historic Preservation Week".

H.J. Res. 243. February 25, 1975. Post Office and Civil Service. Require Congressional approval of increases in postal rates.

H.J. Res. 244. February 25, 1975. Judiciary. Designates the square dance as the national folk dance of the United States.

H.J. Res. 245. February 25, 1975. Post Office and Civil Service. Authorizes the President to proclaim April 22 of each year "Queen Isabella Day".

H.J. Res. 246. February 25, 1975. Judiciary. Proposes an amendment to the Constitution to guarantee the right to life from the moment of fertilization.

H.J. Res. 247. February 25, 1975. Post Office and Civil Service. Authorizes the President to designate the first week in May of each year as "Be Kind to Animals Week".

H.J. Res. 248. February 25, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at all stages of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother and requires every reasonable effort be made to preserve the life of her unborn child.

H.J. Res. 249. February 26, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day".

H.J. Res. 250. February 26, 1975. Post Office and Civil Service. Requests the President to designate the 4th week in April of each year as "Police Officers Wives Association Week".

H.J. Res. 251. February 26, 1975. Judiciary. Proposes an amendment to the Constitution which authorizes the President or the Speaker

of the House to determine a surtax rate to be applied to the income tax at times when estimates of Federal expenditures exceed estimates of Federal receipts.

H.J. Res. 252. February 26, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 253. February 27, 1975. Judiciary. Proposes an amendment to the Constitution to permit Congress or the States to impose the death penalty in certain cases.

H.J. Res. 254. February 27, 1975. Judiciary. Restores citizenship posthumously to General Robert E. Lee.

H.J. Res. 255. February 27, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 256. February 27, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day".

H.J. Res. 257. February 27, 1975. Judiciary. Designates "The Stars and Stripes Forever" as the national march.

H.J. Res. 258. February 27, 1975. Post Office and Civil Service. Designates March 21, 1975, as "Earth Day".

H.J. Res. 259. February 27, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at all stages of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 260. February 27, 1975. Post Office and Civil Service. Requests the President to designate January as "National Polka Month".

H.J. Res. 261. February 27, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 262. February 27, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day" and May 30 of each year as "Memorial Day".

H.J. Res. 263. February 27, 1975. Post Office and Civil Service. Requests the President to designate the second week in April of each year as "National Medical Laboratory Week".

H.J. Res. 264. March 3, 1975. Post Office and Civil Service. Designates October 9 of each year as "Leif Erickson Day".

H.J. Res. 265. March 3, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 266. March 4, 1975. Post Office and Civil Service. Designates 1975 as "Key Club International Fiftieth Anniversary Year".

H.J. Res. 267. March 4, 1975. Post Office and Civil Service. Authorizes the President to proclaim February of each year "American History Month".

H.J. Res. 268. March 4, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 269. March 4, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 270. March 4, 1975. Post Office and Civil Service. Designates March 21, 1975 as "Earth Day".

H.J. Res. 271. March 4, 1975. Judiciary. Proposes an amendment to the Constitution which authorizes the President or the Speaker of the House to determine a surtax rate to be applied to the income tax at times when estimates of Federal expenditures exceed estimates of Federal receipts.

H.J. Res. 272. March 4, 1975. Judiciary. Proposes an amendment to the Constitution changing the date of elections of the President, Vice President, Senators, and Representatives to May 15.

H.J. Res. 273. March 4, 1975. Post Office and Civil Service. Designates February 9 to 15, 1975, "National Vocational Education Week".

H.J. Res. 274. March 4, 1975. Post Office and Civil Service. Designates turquoise as the national gemstone of the United States.

H.R. Res. 275. March 4, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 276. March 4, 1975. Post Office and Civil Service. Requests the President to proclaim October 1975 as "Hobby Month".

H.J. Res. 277. March 5, 1975. Post Office and Civil Service. Designates March 28–April 3, 1976, as "National Sunday School Week".

H.J. Res. 278. March 5, 1975. Post Office and Civil Service. Authorizes the President to declare the 1st Sunday in April of each year as "National Foster Parents Day."

H.J. Res. 279. March 5, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at all stages of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent death of a pregnant mother.

H.J. Res. 280. March 5, 1975. Judiciary. Proposes an amendment to the Constitution requiring representation of the District of Columbia in Congress.

H.J. Res. 281. March 5, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 282. March 5, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 283. March 5, 1975. Post Office and Civil Service. Designates the week beginning March 9, 1975, as "National Girl Scout Week".

H.J. Res. 284. March 5, 1975. Foreign Affairs; Interior and Insular Affairs. Directs the Secretary of State and the Secretary of the Interior, through the Bureau of Reclamation (1) to study the feasibility of acquiring riparian rights from the Republic of Mexico to water of the Gulf of Mexico for irrigation purposes, and (2) to acquire a permit for a desalinization plant within the territorial limits of the Republic of Mexico.

H.J. Res. 285. March 5, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day".

H.J. Res. 286. March 6, 1975. Post Office and Civil Service. Designates August 26 as "Women's Equality Day".

H.J. Res. 287. March 6, 1975. Post Office and Civil Service. Designates August 26 as "Women's Equality Day".

H.J. Res. 288. March 6, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice-President of the United States.

H.J. Res. 289. March 6, 1975. Interior and Insular Affairs. Authorizes the Secretary of Interior to designate the site of the Battle of Savannah of 1779 as the "Savannah Battlefield National Memorial".

H.J. Res. 290. March 6, 1975. Foreign Affairs. Grants a letter of marque to certain fishing vessels of Massachusetts.

H.J. Res. 291. March 6, 1975. Ways and Means. Establishes a National Commission on Social Security to study the programs of the Social Security Act. Specifies that such study shall include (1) the status of financing funds; (2) the benefits, qualifications, effectiveness, and inequities of the programs; (3) the impact on other medical, insurance, employment and assistance programs, both public and private; and (4) recommend alternatives to the present system.

H.J. Res. 292. March 6, 1975. Post Office and Civil Service. Authorizes the President to designate the first week in May of each year as "Be kind to Animals Week".

H.J. Res. 293. March 10, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 294. March 10, 1975. Post Office and Civil Service. Designates the song "America the Beautiful" the "Bicentennial Hymn for 1976".

H.J. Res. 295. March 10, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 296. March 10, 1975. Foreign Affairs. Authorizes the President to invite the States and foreign ministers to participate in the International Petroleum Exposition.

H.J. Res. 297. March 10, 1975. Government Operations. Requests the President to call a White House Conference on Women in 1976 to recognize the contributions of women and to recommend goals for improvement of the status of women.

H.J. Res. 298. March 10, 1975. Banking, Currency and Housing. Directs the Board of Directors of the Export-Import Bank to defer financing of a nuclear reactor sale to South Korea pending Congressional review.

H.J. Res. 299. March 10, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 300. March 10, 1975. Post Office and Civil Service. Directs the United States Postal Service to issue a postage stamp commemorating the Jews and others who suffered under Nazi rule.

H.J. Res. 301. March 11, 1975. Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 302. March 11, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 303. March 11, 1975. Judiciary. Proposes an amendment to the Constitution to allow prayer and religious instruction in public places, including schools.

H.J. Res. 304. March 11, 1975. Post Office and Civil Service. Designates April 17, 1975, as "National Food Day."

H.J. Res. 305. March 11, 1975. Post Office and Civil Service. Designates April 17, 1975, as "National Food Day".

H.J. Res. 306. March 11, 1975. Post Office and Civil Service. Authorizes the President to designate September 6 of each year as "National Cancer Day."

H.J. Res. 307. March 12, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 308. March 12, 1975. Post Office and Civil Service. Designates November 11 of each year as "Armistice Day."

H.J. Res. 309. March 12, 1975. Post Office and Civil Service. Requests the President to designate April 6, 1975 a day of observance of the 30th anniversary of the liberation of Buchenwald concentartion camp survivors.

H.J. Res. 310. March 12, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 311. March 12, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 312. March 12, 1975. Post Office and Civil Service. Requests the President

designate the second week in April of each year as "National Medical Laboratory Week."

H.J. Res. 313. March 12, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day."

H.J. Res. 314. March 12, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day."

H.J. Res. 315. March 12, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day." Declares as a legal holiday Election Day, the first Tuesday after the first Monday in November, 1976, and every second year thereafter.

H.J. Res. 316. March 13, 1975. Post Office and Civil Service. Requests the President to designate May 1975, as "National Car Care Month."

H.J. Res. 317. March 13, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 318. March 13, 1975. Judiciary. Proposes an amendment to the Constitution which authorizes the President or the Speaker of the House to determine a surtax rate to be applied to the income tax at times when estimates of Federal expenditures exceed estimates of Federal receipts.

H.J. Res. 319. March 13, 1975. Judiciary. Proposes an amendment to the Constitution which authorizes the President or the Speaker of the House to determine a surtax rate to be applied to the income tax at times when estimates of Federal receipts.

H.J. Res. 320. March 13, 1975. Post Office and Civil Service. Requests the President to designate January as "National Polka Month."

H.J. Res. 321. March 13, 1975. Judiciary. Revises rules and customs pertaining to the display and use of the United States flag.

H.J. Res. 322. March 13, 1975. Judiciary. Directs the President to declare Aleksandr I. Solzhenitsyn an honorary citizen of the United States.

H.J. Res. 323. March 14, 1975. Rules. Creates a select joint committee of Congress to investigate methods to simplify Federal income tax return forms.

H.J. Res. 324. March 14, 1975. Foreign Affairs. Urges the President to direct the United States representative to the United Nations to call upon that body to request full respect for the civil rights of the people of Northern Ireland and to request an election be held in Ireland to determine the question of unification of North and South. Discontinues military aid to the United Kingdom which is related to activities in Northern Ireland and is not related to North Atlantic Treaty Organization commitments.

H.J. Res. 325. March 14, 1975. Judiciary. Proposes an amendment to the Constitution to require a run-off election between the two pairs of persons receiving the highest number of votes in a Presidential and Vice Presidential election when no pair of candidates receives more than 40 percent of the electoral votes.

H.J. Res. 326. March 14, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 327. March 14, 1975. Post Office and Civil Service. Requests the President to designate the second Sunday in June of each year as "National Pet Memorial Day."

H.J. Res. 328. March 17, 1975. Post Office and Civil Service. Designates April 24, 1975 as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 329. March 17, 1975. Post Office and Civil Service. Designates March 21, 1975, as "Earth Day" to draw attention to the need of education concerning environmental problems, and to renew the commitment of each American to improve and protect the environment.

H.J. Res. 330. March 18, 1975. Post Office and Civil Service. Designates May 30 as Memorial Day.

H.J. Res. 331. March 18, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J. Res. 332. March 18, 1975. Judiciary. Proposes an amendment to the Constitution to allow prayer and religious instruction in public places, including schools.

H.J. Res. 333. March 19, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 334. March 19, 1975. Judiciary. Proposes an amendment to the Constitution granting parents and local school boards the right to determine which public school children in that district will attend.

H.J. Res. 335. March 19, 1975. Agriculture. Extends the effective date of certain provisions of the Commodity Futures Trading Commission Act of 1974 relating to commodity merchants, training advisors, pool operators, and the jurisdiction of the Commission.

H.J. Res. 336. March 19, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 337. March 19, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 338. March 19, 1975. Judiciary. Proposes an amendment to the Constitution with respect to the force and effect of treaties and executive agreements.

H.J. Res. 339. March 20, 1975. Merchant Marine and Fisheries. Authorizes (1) the establishment of the Tule Elk National Wildlife Refuge and (2) the establishment of a Federal-State management program for the conservation, protection, and enhancement of the tule elk and other species. Deems the tule elk to be a species threatened with extinction, for purposes of the Land and Water Conservation Fund Act of 1965.

H.J. Res. 340. March 20, 1975. Post Office and Civil Service. Requests the President to designate the week of May 12, 1975, as "National Historic Preservation Week."

H.J. Res. 341. March 20, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J. Res. 342. March 20, 1975. Post Office and Civil Service. Designates the week beginning on the last Sunday in April of each year as "Beta Sigma Phi Week."

H.J. Res. 343. March 20, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend a particular school.

H.J. Res. 344. March 20, 1975. Merchant Marine and Fisheries. Authorizes (1) the establishment of the Tule Elk National Wildlife Refuge and (2) the establishment of a Federal-State management program for the conservation, protection, and enhancement of the tule elk and other species. Deems the tule elk to be a species threatened with extinction, for purposes of the Land and Water Conservation Fund Act of 1965.

H.J. Res. 345. March 20, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 346. March 21, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 347. March 21, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 348. March 21, 1975. House Administration. Designates the American Marigold as the national floral emblem of the United States.

H.J. Res. 349. March 21, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 350. March 21, 1975. Judiciary. Proposes an amendment to the Constitution limiting the pardoning power of the President with respect to those who held the office of President or Vice-President.

H.J. Res. 351. March 21, 1975. Post Office and Civil Service. Requests the President to designate the last schoolday in April of each year as "National Pledge Allegiance to Our Flag Day."

H.J. Res. 352. March 21, 1975. Post Office and Civil Service. Requests the President to designate June 8, through June 15, 1975, as "National Wheelchair Athletes' Week."

H.J. Res. 353. March 21, 1975. House Administration. Authorizes the reappointment of a certain citizen to the Board of Regents of the Smithsonian Institution.

H.J. Res. 354. House Administration. Authorizes the reappointment of a certain citizen to the Board of Regents of the Smithsonian Institution.

H.J. Res. 355. March 21, 1975. Judiciary. Proposes an amendment to the Constitution to require Presidential and Vice Presidential elections in case of a vacancy in both offices or in case the Vice President succeeding to the Presidency was chosen under the 25th amendment to the Constitution.

H.J. Res. 356. March 24, 1975. Interstate and Foreign Commerce. Prohibits the President or his representative from entering into any international minimum pricing agreements for petroleum without Congressional approval.

H.J. Res. 357. March 24, 1975. Judiciary. Proposes an amendment to the Constitution limiting appropriations to the amount of revenues, except during a national emergency.

H.J. Res. 358. March 25, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 359. March 25, 1975. Post Office and Civil Service. Designates November 11, as "Veterans Day."

H.J. Res. 360. March 25, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J. Res. 361. March 26, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 362. March 26, 1975. Merchant Marine and Fisheries. Authorizes (1) the establishment of the Tule Elk National Wildlife Refuge and (2) the establishment of a Federal-State management program for the conservation, protection, and enhancement of tule elk and other species. Deems the tule elk to be a species threatened with extinction, for purposes of the Land and Water Conservation Fund Act of 1965.

H.J. Res. 363. March 26, 1975. Post Office and Civil Service. Requests the President to designate April 6, 1975, a day of observance

of the 30th anniversary of the liberation of Buchenwald concentration camp survivors.

H.J. Res. 364. March 26, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 365. March 26, 1975. Post Office and Civil Service. Designates October 9 of each year as "Leif Erikson Day."

H.J. Res. 366. March 26, 1975. Interstate and Foreign Commerce. Prohibits the President or his representative from entering into any international minimum pricing agreements for petroleum without Congressional approval.

H.J. Res. 367. March 26, 1975. Post Office and Civil Service. Requests the President to designate April 6, 1975 a day of observance of the 30th anniversary of the liberation of Buchenwald concentration camp survivors.

H.J. Res. 368. March 26, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer or meditation in public buildings.

H.J. Res. 369. March 26, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 370. March 26, 1975. Post Office and Civil Service. Designates the week beginning April 7, 1975, as "National Drafting Week."

H.J. Res. 371. March 26, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day."

H.J. Res. 372. March 26, 1975. Post Office and Civil Service. Requests the President to designate April 6, 1975 a day of observance of the 30th anniversary of the liberation of Buchenwald concentration camp survivors.

H.J. Res. 373. March 26, 1975. Post Office and Civil Service. Requests the President to designate September 18 of each year as "National Jogging Day."

H.J. Res. 374. March 26, 1975. Post Office and Civil Service. Requests the President to designate October of each year as "National Fish and Seafood Month."

H.J. Res. 375. April 7, 1975. Appropriations. Makes additional appropriations for readjustment benefits for the Veterans' Administration for fiscal year 1975.

H. Con. Res. 111. February 6, 1975. Foreign Affairs. Declares it the sense of Congress that: (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 112. February 10, 1975. Foreign Affairs. Declares it the sense of Congress that the United States should introduce a United Resolution calling on the Democratic Republic of Vietnam to honor the Paris Agreement of January 27, 1973.

H. Con. Res. 113. February 10, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 114. February 10, 1975. Atomic Energy. Expresses Congressional approval of the proposed amendment to the 1955 Agreement for Cooperation between the United States and Israel submitted by the Atomic Energy Commission on January 14, 1975.

H. Con. Res. 115. February 10, 1975. Atomic Energy. Expresses Congressional approval of the proposed distribution of additional amounts of special nuclear material to the International Atomic Energy Agency, as submitted by the Atomic Energy Commission on January 8, 1975, pursuant to the Atomic Energy Act.

H. Con. Res. 116. February 10, 1975. Atomic Energy. Expresses Congressional approval of the proposed distribution of additional amounts of special nuclear material to the European Energy Community, as submitted by the Atomic Energy Commission on January 8, 1975, pursuant to the Atomic Energy Act.

H. Con. Res. 117. February 13, 1975. House Administration. Authorizes the printing of certain hearings and panels of the House Select Committee on Committees as a House document.

H. Con. Res. 118. February 13, 1975. Foreign Affairs. Declares it the sense of Congress that: (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 119. February 13, 1975. Foreign Affairs. Declares it the sense of Congress that: (1) the United States delegation to the United Nations raise the question of forced incorporation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 120. February 13, 1975. Post Office and Civil Service. Commends the members of the Chamber of Commerce of Frankenmuth, Michigan for offering a $100 cash rebate to persons purchasing a new car or truck within Frankenmuth.

H. Con. Res. 121. February 18, 1975. Judiciary. Declares it the sense of the Congress that the American Baseball League compensate the District of Columbia Armory Board for any loss in revenues resulting from the removal of the Washington Senators franchise from the District.

H. Con. Res. 122. February 18, 1975. Foreign Affairs. Declares it the sense of Congress that: (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 123. February 18, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 124. February 19, 1975. Banking, Currency and Housing. Directs the Board of Governors of the Federal Reserve, and the Federal Open Market (1) to increase the money supply, and (2) to maintain growth of the money supply commensurate with the economy's long-run potential to increase production.

H. Con. Res. 125. February 19, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 126. February 19, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 127. February 19, 1975. Judiciary. Declares it the sense of the Congress that patents which could result in energy savings be forwarded to the House Interior Committee for study. Declares that if such patent is put into use, the holder shall be reimbursed in full.

H. Con. Res. 128. February 19, 1975. Armed Services. Requests the establishment of a Presidential task force on the missing in action and their families (1) to achieve a full accounting, and (2) to make recommendations on Federal policies concerning the missing in action of the Vietnam conflict.

H. Con. Res. 129. February 19, 1975. Interstate and Foreign Commerce. Urges telephone and hearing aid industries to utilize technology to improve telephone communication for those with hearing loss.

H. Con. Res. 130. February 19, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 131. February 19, 1975. Merchant Marine and Fisheries. Declares it the sense of Congress that (1) high seas netting of salmon should be recognized as destructive; (2) that the Congress support measures to prevent this practice; and (3) that the Secretary of State secure a worldwide ban on such method of fishing.

H. Con. Res. 132. February 19, 1975. Foreign Affairs. Declares it the sense of Congress that: (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 133. February 20, 1975. Banking, Currency and Housing. Directs the Federal Reserve Board to conduct monetary policy in the first half of 1975 so as to lower long-term interest rates.

H. Con. Res. 134. February 20, 1975. Education and Labor. Declares it the sense of the Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social and personal potential through the free use of the manmade environment.

H. Con. Res. 135. February 20, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 136. February 20, 1975. Foreign Affairs. Expresses Congressional endorsement of the World Food Conference of 1976. Commends Iowa State University of Science and Technology for hosting this event.

H. Con. Res. 137. February 20, 1975. Post Office and Civil Service. Declares it Congressional policy that functions of the Federal government should be carried out through employment of its own personnel rather than through contracts with the private sector.

H. Con. Res. 138. February 20, 1975. Judiciary. Declares it the sense of Congress that (1) thanks and appreciation be expressed to Mr. Frank Wills, and (2) every effort be made to assist him in obtaining gainful employment.

H. Con. Res. 139. February 20, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 140. February 20, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 141. February 20, 1975. Foreign Affairs. Declares it the sense of Congress that the President (1) continue American nonrecognition of the absorption of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) should raise in the United Nations the question of forced incorporation of those nations.

H. Con. Res. 142. February 21, 1975. Armed Services. Declares that providing payroll support for commissary stores operated by agents of the Department of Defense is appropriate.

Expresses Congressional disapproval of the elimination of this practice, proposed by the President in the budget for the coming fiscal year.

H. Con. Res. 143. February 24, 1975. House Administration. Directs the printing of 5,000 copies of the committee hearing, "Nomination of Nelson A. Rockefeller to be Vice President of the United States," 93rd Congress, for the House Judiciary Committee.

H. Con. Res. 144. February 24, 1975. Post Office and Civil Service. Requests the President to designate the 4th Saturday in March of each year as "National Bake and Take Day."

H. Con. Res. 145. February 25, 1975. House Administration. Authorizes the printing of 7,500 additional copies of "A Compilation of Federal Education Laws," a publication of the House Committee on Education and Labor and the Senate Committee on Labor and Public Welfare.

H. Con. Res. 146. February 25, 1975. House Administration. Directs that "The History and Operation of the House Majority Whip Organization (94th Congress)" shall be printed as a House document. Requires the printing of 10,000 additional copies for the use of the House majority whip.

H. Con. Res. 147. February 25, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 148. February 25, 1975. Interstate and Foreign Commerce. Sets forth criteria for the recommendation of abandonment of any rail service by the United States Railway Association pursuant to reorganization of bankrupt railroads under the Regional Rail Reorganization Act of 1973.

H. Con. Res. 149. February 25, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 150. February 25, 1975. Foreign Affairs. Declares it the sense of Congress that the United States, through the Department of the Treasury, shall require the repayment of longstanding debts of a delinquent nature by foreign countries.

H. Con. Res. 151. February 25, 1975. Interstate and Foreign Commerce. Declares it the sense of Congress that the United States adopt "911" as the nationwide, uniform emergency telephone number.

H. Con. Res. 152. February 25, 1975. Interstate and Foreign Commerce. Declares it the sense of Congress that the United States adopt "911" as the nationwide, uniform emergency telephone number.

H. Con. Res. 153. February 26, 1975. Foreign Affairs. Directs the President to call an Arms Limitation Conference on the Middle East. Requires the President to withhold economic concessions to arms supplier nations until an agreement is reached regarding the reduction of arms shipments.

H. Con. Res. 154. February 26, 1975. Foreign Affairs. Declares it the sense of Congress that the United States, through the Department of the Treasury, shall require the repayment of longstanding debts of a delinquent nature by foreign countries.

H. Con. Res. 155. February 26, 1975. Judiciary. Declares it the sense of Congress that (1) thanks and appreciation be expressed to Mr. Frank Wills, and (2) every effort be made to assist him in obtaining gainful employment.

H. Con. Res. 156. February 27, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 157. February 27, 1975. Foreign Affairs. Declares it the sense of Congress that the Holy Crown of Saint Stephen remain in the United States at this time.

H. Con. Res. 158. February 27, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 159. February 27, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 160. February 27, 1975. Post Office and Civil Service. Requests the President to designate November 19, 1975 as "National Phi Theta Kappa Day".

H. Con. Res. 161. March 4, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 162. March 4, 1975. Merchant Marine and Fisheries. Declares it the sense of Congress that (1) the high seas netting of salmon is destructive, and (2) the Congress and the Secretary of State should take measures to eradicate it.

H. Con. Res. 163. March 4, 1975. Rules. Declares that each House of Congress has a constitutional right to change its rules.

Requires that each public bill or joint resolution reported by a committee be accompanied by a statement indicating the impact of such bill on cases in Federal courts.

Incorporates this resolution into the rules of the respective Houses of Congress.

H. Con. Res. 164. March 6, 1975. Post Office and Civil Service. Designates June 6 as "Liberation Day".

H. Con. Res. 165. March 6, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 166. March 6, 1975. Armed Services. Declares that providing payroll support for commissary stores operated by agents of the Department of Defense is appropriate.

Expresses Congressional disapproval of the elimination of this practice, proposed by the President in the budget for the coming fiscal year.

H. Con. Res. 167. March 6, 1975. Interstate and Foreign Commerce. Urges telephone and hearing aid industries to utilize technology to improve telephone communication for those with hearing loss.

H. Con. Res. 168. March 6, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 169. March 10, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 170. March 10, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 171. March 10, 1975. Post Office and Civil Service. Expresses Congressional recognition of the aopropriateness and purposes of the Pacific 21 Exhibition and Festival of 1976. Requests the President to invite the States and foreign nations to participate.

H. Con. Res. 172. March 10, 1975. Post Office and Civil Service. Requests the President to designate March 26, 1976, as "National Day of Concern for Political Prisoners in the Soviet Union".

H. Con. Res. 173. March 11, 1975. Foreign Affairs. Declares it the sense of Congress that the President should convene the heads of appropriate Federal agencies and departments to formulate a program to counteract Arab discrimination against American businesses with Jewish personnel or which do business with Israel.

H. Con. Res. 174. March 11, 1975. Foreign Affairs. Declares it the sense of Congress that the President should convene the heads of appropriate Federal agencies and departments to formulate a program to counteract Arab discrimination against American businesses with Jewish personnel or which do business with Israel.

H. Con. Res. 175. March 11, 1975. Foreign Affairs. Declares it the sense of Congress that the President should convene the heads of appropriate Federal agencies and departments to formulate a program to counteract Arab discrimination against American businesses with Jewish personnel or which do business with Israel.

H. Con. Res. 176. March 11, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 177. March 11, 1975. House Administration. Directs the printing and binding a revised edition of "History of the United States House of Representatives". Authorizes the printing of 45,000 additional copies of this publication for the House of Representatives.

H. Con. Res. 178. March 12, 1975. House Administration. Directs the printing of 1,500 copies of the committee hearing, "Amnesty", 93rd Congress, for the House Committee on the Judiciary.

H. Con. Res. 179. March 13, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 180. March 13, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Securtiy Conference should not agree to the annexation of Estonia, Lativa, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 181. March 17, 1975. Foreign Affairs. Prohibits supplemental military appropriations to South Vietnam or Combodia during the 1975 fiscal year. Requires a firm schedule be set for ending military, financial assistance to these nations by the United States.

Requires the United States to adhere to the agreement ending the war in Vietnam. Urges other signatories to reduce military, financial aid to South Vietnam and Cambodia. Urges new negotiations to resolve the current conflict, account for United States personnel, and create a lasting peace.

H. Con. Res. 182. March 17, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 183. March 17, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 184. March 17, 1975. Foreign Affairs. Calls for action by the United States to effect a regional conservation treaty for the protection of northern hemisphere pinnipeds.

H. Con. Res. 185. March 18, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 186. March 19, 1975. Interna-

tional Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 187. March 20, 1975. Armed Services. Expresses the approval of Congress of the establishment of the naval and maritime museum in Charleston, South Carolina, by that State.

H. Con. Res. 188. March 20, 1975. Armed Services. Requests the establishment of a Presidential task force on the missing in action and their families (1) to achieve a full accounting, and (2) to make recommendations on Federal policies concerning the missing in action of the Vietnam conflict.

H. Con. Res. 189. March 21, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 190. March 21, 1975. International Relations. Urges the President to request the Soviet Union to release Valentyn Moroz and Leonid Plyushch from prison and allow them to emigrate.

H. Con. Res. 191. March 24, 1975. International Relations. Prohibits supplemental military appropriations to South Vietnam or Cambodia, during the 1975 fiscal year. Requires a firm schedule be set for ending military, financial assistance to these nations by the United States.

Requires the United States to adhere to the agreement ending the war in Vietnam. Urges other signatories to reduce military, financial aid to South Vietnam and Cambodia. Urges new negotiations to resolve the current conflict, account for United States personnel, and create a lasting peace.

H. Con. Res. 192. March 24, 1975. International Relations. Declares it the sense of Congress that the President seek peace in the Middle East based on certain defined principles and that the United States guarantee the final peace settlement.

H. Con. Res. 193. March 24, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 194. March 25, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res.195. March 25,1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 196. March 26, 1975. International Relations. Declares it the sense of Congress that the President should convene the heads of appropriate Federal agencies and departments to formulate a program to counteract Arab discrimination against American businesses with Jewish personnel or which do business with Israel.

H. Con. Res. 197. March 26, 1975. International Relations. Declares it the sense of Congress that the President should convene the heads of appropriate Federal agencies and departments to formulate a program to counteract Arab discrimination against American businesses with Jewish personnel or which do business with Israel.

H. Con. Res. 198. March 26, 1975. Armed Services. Expresses Congressional disapproval to the President's proposal to eliminate the appropriation of funds for the payroll of commissary employees of the Department of Defense.

H. Con. Res. 199. March 26, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Res. 201.—February 19, 1975. House Administration. Authorizes expenditures by the House Committee on Small Business for inquiries and investigations. Specifies that these expenses shall be paid from the House contingent fund.

H. Res. 202.—February 19, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 203.—February 19, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 204.—February 19, 1975. Rules. Creates a House select committee to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, Jr., and the attempted assassination of George Wallace.

H. Res. 205.—February 19, 1975. Armed Services. Directs the Secretary of Defense to furnish to the House of Representatives certain information regarding United States involvement in Chile.

H. Res. 206.—February 19, 1975. Foreign Affairs. Directs the Secretary of State to furnish to the House Committee on Foreign Affairs certain information concerning United States involvement in Chile.

H. Res. 207.—February 19, 1975. Foreign Affairs. Directs the President to furnish to the House Committee on Foreign Affairs certain information regarding United States involvement in Chile.

H. Res. 208.—February 19, 1975. House Administration. Authorizes the chairman of the Committee on House Administration to provide additional parking facilities for House employees.

H. Res. 209.—February 19, 1975. Judiciary. Declares it the sense of the House of Representatives that the National Commission on Individual Rights be formed immediately, pursuant to the Organized Crime Control Act of 1970.

H. Res. 210. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–111, relating to atomic energy, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 211. February 19, 1975. Appropriations Expresses the disapproval of the House of Representatives of budget deferral to D75–112, relating to atomic energy, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 212. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–113, relating to atomic energy, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 213. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–114, relating to atomic energy, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 214. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–116, relating to atomic energy, proposed by the President on November 26, 197, under the Impoundment Control Act of 1974.

H. Res. 215. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–117, relating to atomic energy, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 216. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–119, relating to atomic energy, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 217. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–121, relating to atomic energy, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 218. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–94, relating to State-Federal fisheries management grants, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 219. February 19, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 220. February 19, 1975. Judiciary. Directs the Speaker of the House of Representatives to request each of the several States and Territories to survey the views of their citizens with respect to abortion laws and to transmit the results to the House of Representatives.

H. Res. 221. February 19, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–94, relating to State-Federal fisheries management grants, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 222. February 19, 1975. Judiciary. Refers H.R. 3374 to the Chief Commissioner of the Court of Claims.

H. Res. 223. February 19, 1975. Declares it in order to move that the House of Representatives form a Committee of the Whole House on the State of the Union for consideration of H. J. Res. 210 which makes further appropriations for the 1975 fiscal year.

H. Res. 224. February 20, 1975. Elects Charles W. Whalen, Jr., a Member of the Committee on the District of Columbia.

H. Res. 225. February 20, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 226. February 20, 1975. House Administration. Authorizes expenditures by the House Committee on Public Works and Transportation for inquiries and investigations.

H. Res. 227. February 20, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that (1) all signatory parties should comply with the Paris Agreement of January 27, 1975; and (2) the President and Secretary of State should determine the fate of Americans missing in Southeast Asia.

H. Res. 228. February 21, 1975. House Administration. Authorizes expenditures by the House Committee on Agriculture for studies and investigations.

H. Res. 229. February 21, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority for Federal-Aid Highways (D75–17) as set forth by the President on September 20, 1974.

H. Res. 230. February 21, 1975. Appropriations. Disapproves the deferral of budget authority relating to funds for Forest Service forest roads and trails and State national forest roads and trails.

H. Res. 231. February 21, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority for the development of public lands, roads, and trails (D75–54A) set forth by the President on October 4, 1974.

H. Res. 232. February 21, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority for National Park Service road construction (D75–60) as set forth by the President on October 4, 1974.

H. Res. 233. February 21, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority for Bureau of Indian Affairs road construction (D75–63A) as set forth by the President on October 4, 1974.

H. Res. 234. February 21, 1975. Appropriations. Disapproves the deferral of budget authority relating to funds for construction and reconstruction of the Great River Road.

H. Res. 235. February 21, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority for rail crossing demonstration projects (D75–72) as set forth by the President on October 4, 1974.

H. Res. 236.—February 21, 1975. House Administration. Authorizes certain expenses of the House Committee on Banking, Currency and Housing.

H. Res. 237. February 21, 1975. House Administration. Authorizes expenditures of the House Committee on Merchant Marine and Fisheries for investigations and studies.

H. Res. 238. February 21, 1975. Judiciary. Expresses the appreciation and gratitude of the House of Representatives to J. Lyman Goldsmith.

H. Res. 239. February 24, 1975. Rules. Assigns priority within the House of Representatives and House committees to legislation relating to the solution of economic and energy problems.

Directs the House to meet on Mondays through Fridays or more often if necessary to consider such legislation.

Prohibits further House recesses until all necessary action on such bills is completed.

H. Res. 240. February 24, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–94, to the National Oceanic and Atmospheric Administration, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 241. February 24, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority relating to the Department of Defense—Civil and the Army Corps of Engineers (D75–82) as set forth by the President on October 31, 1974.

H. Res. 242. February 24, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority relating to the Department of Defense—Civil and the Army Corps of Engineers (D75–82) as set forth by the President on October 31, 1974.

H. Res. 243. February 24, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority relating to the Department of the Interior, Bureau of Reclamation (D75–83) as set forth by the President on October 31, 1974.

H. Res. 244. February 24, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of the deferral of budget authority relating to the Department of the Interior, Bureau of Reclamation (D75–84) as set forth by the President on October 31, 1974.

H. Res. 245. February 24, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of deferral of budget authority relatifg to the Department of Interior, Bureau of Reclamation (D75–85) as set forth by the President on October 31, 1974.

H. Res. 246. February 24, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of deferral of budget authority relating to the Department of Interior, Bureau of Reclamation (D75–86) as set forth by the President on October 31, 1974.

H. Res. 247. February 24, 1975. Rules. Assigns top priority within the House of Representatives and House committees to legislation relating to the solution of economic and energy problems.

Directs House committees to work at least 5 days each week within the 90-day limit on deliberation of such bills.

H. Res. 248. February 24, 1975. Interstate and Foreign Commerce. Expresses the sense of Congress that the Federal Communications Commission should refrain from considering policies and regulations regarding the televising of professional sports on cable facilities until the Congress completes its review and takes action on PL 93–107.

H. Res. 249. February 24, 1975. Rules. Creates a House select committee to study foreign investments in the United States and recommend legislative and policy including (1) causes, extent, and effects; (2) adequacy of current procedures of the Federal government; and (3) measures to assure that such investments are not detrimental to the national interest of the United States.

H. Res. 250. February 25, 1975. Standards of Official Conduct. Requires that Members, officers, principal assistants to Members, and officers and the professional staff of committees of the House of Representatives be required to file with the Committee on Standards of Official Conduct a report disclosing certain financial interests.

H. Res. 251. February 25, 1975. Judiciary. Requests the Department of Justice to investigate the Federal Energy Administration regarding possible conflicts of interests.

H. Res. 252. February 25, 1975. House Administration. Authorizes additional expenditures by the Committee on House Administration for studies and investigations.

H. Res. 253. February 25, 1975. Appropriations. Expresses House disapproval, under the Impoundment Control Act of 1974, of deferral of budget authority relating to atomic energy (D75–115) as set forth by the President on November 26, 1974.

H. Res. 254. February 25, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that (1) all signatory parties should comply with the Paris Agreement of January 27, 1975; and (2) the President and Secretary of State should determine the fate of Americans missing in Southeast Asia.

H. Res. 255. February 25, 1975. Foreign Affairs. Expresses the concern of the House of Representatives over Northern Ireland. Calls for withdrawal of all British troops, an end to discrimination, dissolution of the Parliament of Northern Ireland, and the unification of Ireland.

H. Res. 256. February 25, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the Irish people ought to be permitted national self-determination.

H. Res. 257. February 26, 1975. House Administration. Authorizes funds for expenses of the Committee on Education and Labor for a special investigation and study of welfare and pension plans.

H. Res. 258. February 26, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–94, relating to sea program grants, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 259. February 26, 1975. Sets forth the rule for the consideration of H.R. 2166.

H. Res. 260. February 27, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 261. February 27, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 262. February 27, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 263. February 27, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that (1) all signatory parties should comply with the Paris Agreement of January 27, 1975; (2) and the President and Secretary of State should determine the fate of Americans missing in Southeast Asia.

H. Res. 264. February 27, 1975. Rules. Directs the House Special Subcommittee on Investigations of the Committee on Interstate and Foreign Commerce to inquire into increasing coal prices, their causes, impact, and remedies.

H. Res. 265. February 27, 1975. Appropriations. Disapproves deferral of budget authority. D75–129, for solar and geothermal energy research and development programs of the National Science Foundation.

H. Res. 266. February 27, 1975. Appropriations. Expresses the disapproval of the House of Representatives of budget deferral D75–94, relating to State-Federal fisheries management grants, proposed by the President on November 26, 1974, under the Impoundment Control Act of 1974.

H. Res. 267. February 27, 1975. House Administration. Authorizes expenditures to the House Committee on the Judiciary for investigations, studies, and oversight responsibilities and functions. Specifies that these shall be paid from the House contingent fund.

H. Res. 268. February 27, 1975. Sets forth the rule for the consideration of H. Con. Res. 133.

H. Res. 269. March 3, 1975. Rules. Directs the House Commission on Information and Facilities to provide radio and television coverage of House sessions. Sets forth regulations limiting the uses of such coverage.

H. Res. 270. March 3, 1975. Rules. Assigns top priority within the House of Representatives and House committees relating to the solution of economic and energy problems.

Directs House committees to work at least 5 days each week within the 90-day limit on deliberation of such bills.

H. Res. 271. March 3, 1975. Rules. Creates a select committee of the House of Representatives to investigate the health effects on the poor of the current energy crisis.

H. Res. 272. March 4, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 273. March 4, 1975. House Administration. Authorizes each Member of the House of Representatives to hire two additional student congressional interns.

H. Res. 274. March 4, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that (1) all signatory parties should comply with the Paris Agreement of January 27, 1975; and (2) the President and Secretary of State should determine the fate of Americans missing in Southeast Asia.

H. Res. 275. March 6, 1975. House Administration. Authorizes funds for the expenditures of the House Committee on Ways and Means.

H. Res. 276. March 6, 1975. Rules. Directs each standing committee of the House of Representatives to study the laws and regulations within the jurisdiction of such com-

mittee to identify areas in such laws and regulations where differences in their application exist because of sex. Directs each committee to determine whether such differences are justifiable or discriminatory and whether such differences should be modified or removed.

H. Res. 277. March 6, 1975. Rules. Creates a House Select Committee on Children to study problems of children, including prenatal and postnatal health care, education and legal rights.

H. Res. 278. March 6, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that (1) all signatory parties should comply with the Paris Agreement of January 27, 1975; and the President and Secretary of State should determine the fate of Americans missing in Southeast Asia.

H. Res. 279. March 6, 1975. Rules. Creates a House Select Committee to investigate and study the nationalization of the oil industry.

H. Res. 280. March 6, 1975. Rules. Authorizes the House Committee on the Judiciary to study the decisions of the Supreme Court of the United States relating to abortion as to the effects of the decision and the desirability of modification of the decision through legislative action.

H. Res. 281. March 6, 1975. Appropriations. Disapproves the budget deferral D75–107, relating to comprehensive planning grants under the Housing Act of 1954 proposed by the President under the Impoundment Control Act of 1974.

H. Res. 282. March 6, 1975. House Administration. Authorizes payment from the House contingent fund of the expenses of the studies and investigations of the Committee on Interstate and Foreign Commerce.

H. Res. 283. March 6, 1975. House Administration. Authorizes funds for the expenses of the House Committee on the District of Columbia.

H. Res. 284. March 10, 1975. Foreign Affairs. Proposes limiting United States contributions to the United Nations. Proposes that the President instruct the United States delegate to the United Nations not to vote in the General Assembly.

H. Res. 285. March 10, 1975. House Administration. Authorizes expenditures by the House Committee on Interior and Insular Affairs.

H. Res. 286. March 10, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 287. March 10, 1975. House Administration. Authorizes funds for the expenses of the Permanent Select Committee on Aging of the House of Representatives.

H. Res. 288. March 11, 1975. Rules. Amends the Rules of the House of Representatives by requiring the Clerk of the House to request from Government agencies the cost to the nonpublic sector of proposed administrative rules. Directs the Clerk to publish such estimates.

Requires that each public bill, or resolution reported out of committee be accompanied by a report of the estimated cost to both the public and nonpublic sectors, the source of such estimate, and the method of deriving such estimate. Declares that no motion to amend shall be in order unless accompanied by the above information for the nonpublic sector.

H. Res. 289. March 11, 1975. Judiciary. Declares it the sense of the House of Representatives that the National Commission on Individual Rights be formed immediately, pursuant to the Organized Crime Control Act of 1970.

H. Res. 290. March 11, 1975. Judiciary. Declares it the sense of the House of Representatives that the National Commission on Individual Rights be formed immediately, pursuant to the Organized Crime Control Act of 1970.

H. Res. 291. March 11, 1975. Judiciary. Declares it the sense of the House of Representatives that the National Commission on Individual Rights be formed immediately, pursuant to the Organized Crime Control Act of 1970.

H. Res. 292. March 11, 1975. House Administration. Authorizes payment from the House contingent fund of the operating expenses of the House Committee on Sciences and Technology.

H. Res. 293. March 12, 1975. Elects Matthew F. McHugh a member of the House Committee on Veterans' Affairs.

H. Res. 294. March 12, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 295. March 12, 1975. House Administration. Authorizes the payment from the House of Representatives contingent fund of the operating expenditures of the House committee on Government Operations.

H. Res. 296. March 12, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 297. March 12, 1975. Rules. Creates a select committee of the House of Representatives to study the ramifications of the United States Supreme Court decisions on abortion.

H. Res. 298. March 12, 1975. Rules. Directs the Committee on Interstate and Foreign Commerce to investigate recent increases in electrical utility rates and charges and the use of fuel adjustment clause and this effect on consumers.

H. Res. 299. March 12, 1975. Amends the Rules of the House of Representatives to establish a Select Committee on Energy to conduct studies of development, application, use, and control of all forms of energy.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

148. By the SPEAKER: Petition of the Board of Commissioners, Monroe County, Mich., relative to a solution of flooding and land erosion on the Lake Erie shoreline; to the Committee on Public Works and Transportation.

147. Also, petition of the city council, Philadelphia, Pa., relative to a means test for the implementation of title XX of the Social Security Act; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6799

By Mr. WIGGINS:

On page 2, strike out line 9 and all that follows to and including line 19 and insert in lieu thereof:

(1) Rule 4(a) and 4(b) are amended to read as follows:

(a) ISSUANCE.—If it appears from the complaint, or from an affidavit or affidavits filed with the complaint, that there is probable cause to believe that an offense has been committed and that the defendant has committed it, a warrant for the arrest of the defendant shall issue to any officer authorized by law to execute it. Upon the request of the attorney for the government a summons instead of a warrant shall issue. More than one warrant or summons may issue on the same complaint. If a defendant fails to appear in response to the summons, a warrant shall issue.

And on page 2, strike out lines 23 and 24.

On page 3, strike out line 23 and all that follows to and including line 14 on page 4 and insert in lieu thereof:

(a) ISSUANCE.—Upon the request of the attorney for the government the court shall issue a warrant for each defendant named in the information, if it is supported by oath, or in the indictment. The clerk shall issue a summons instead of a warrant upon the request of the attorney for the government or by direction of the court. Upon like request or direction he shall issue more than one warrant or summons for the same defendant. He shall deliver the warrant or summons to the marshal or other person authorized by law to execute or serve it. If a defendant fails to appear in response to the summons, a warrant shall issue.

H.R. 6860

By Mr. DINGELL:

(Amendment to the amendment offered by Mr. SHARP (text of H.R. 7117).)

Strike out section 501(b) and insert in lieu thereof the following:

(b)(1) In calculating the average fuel economy under subsection (a)(3) the Secretary shall separate the total passenger automobiles manufactured by a manufacturer into two categories:

(A) Passenger automobiles manufactured in the United States or Canada by such manufacturer.

(B) Passenger automobiles not manufactured in the United States or Canada by such manufacturer.

The Secretary shall calculate the average fuel economy of each such separate category and each category shall be treated as manufactured by a separate manufacturer for purposes of this part.

(2) For purposes of this subsection, the term "automobile manufactured in the United States or Canada" means an automobile at least 75 percent of the cost to the manufacturer of which is attributable to value added in the United States or Canada, but such term does not include any passenger automobile assembly of which is completed in Canada and which is not imported into the United States during the model year in which it is assembled.

SENATE—*Friday, June 6, 1975*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we thank Thee for that knowledge of Thyself which lights our life with eternal splendor. We thank Thee for the summons to serve our fellow man which makes us partners with Thee in the making of a better world.

We bless Thee, O God, for everything around us which witnesses Thy presence to our minds; for the greatness and glory of nature, for each new day, for the history of the race, the heritage of our Nation, for the lives of noble men, for prophets and saints, patriots and statesmen, scientists and teachers, painters and musicians, builders and craftsmen.

We thank Thee for flashes of insight into reality, for visions which lift and ennoble life, and for the call to serve Thee faithfully. May Thy spirit be upon this body to guide it in the ways of truth and justice and peace.

We pray in His name who was Servant of all. Amen.

THE JOURNAL

Mr. FORD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, June 5, 1975, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. FORD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

Mr. HELMS. Mr. President, reserving the right to object, does the Senator suggest that the committees be allowed to meet after noon?

Mr. FORD. That is correct.

Mr. HELMS. I object, Mr. President.

The PRESIDENT pro tempore. Objection is heard.

Mr. LONG. Mr. President, I ask unanimous consent that the committees may be permitted to meet until noon today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. FORD. Mr. President, I yield back the time for the majority.

Mr. LONG. Mr. President, will the Senator from North Carolina yield?

Mr. HELMS. I yield.

TEMPORARY ASSISTANCE FOR U.S. CITIZENS RETURNED FROM ABROAD

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 6698.

The PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6698) to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for United States citizens returned from abroad subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LONG. Mr. President, the purpose of H.R. 6698, is to make permanent the authority of the Department of Health, Education, and Welfare to provide temporary assistance to American citizens and their dependents who have been repatriated from foreign countries. A limitation of $8 million is provided on the authorization for the period from enactment of the bill through September 30, 1976, and of $300,000 for any fiscal year beginning on or after October 1, 1976. The immediate need for legislation arises from the evacuation of substantial numbers of American citizens and their dependents from South Vietnam.

Mr. President, I send an amendment to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. LONG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. 2. (a) Section 8(a)(1) of Public Law 93–233, as amended, is amended by striking out "18-month period", where it appears in the matter preceding the colon and in the new sentence added by such section, and inserting in lieu thereof in each instance "30-month period".

(b) Subsections (a)(2), (b)(1), (b)(2), (b)(3), and (e) of section 8 of such public law, as amended, are each amended by striking out "18-month period" and inserting in lieu thereof "30-month period".

Mr. LONG. Mr. President, in most States, needy aged, blind, and disabled people who qualify for benefits under the supplemental security income program are also eligible to participate in the food stamp program. This food stamp eligibility of SSI recipients is based, however, on a temporary provision of law which expires on June 30, 1975. The amendment I am offering today will extend that provision for an additional 12 months to June 30, 1976. Without such legislation, thousands of needy aged, blind, and disabled persons will, in effect, suffer a cut in income in that they will no longer be eligible to receive food stamps.

In addition to cutting off benefits to many needy aged, blind, and disabled, the expiration of the current temporary law would result in administrative complications which many State welfare agencies believe would paralyze their operations. This is so because unless we postpone it, the law which will take effect July 1, 1975, will require that each aged, blind, and disabled applicant for food stamps be evaluated under the terms and conditions of the State programs of aid to the aged, blind, and disabled which were repealed at the end of 1973 upon the inauguration of the new SSI program.

This evaluation would be necessary to determine whether or not each individual's situation in a given month is more or less favorable under the current programs than under the former programs. Only those who are found to have suffered a reduction in total income would be made eligible for food stamps.

A third problem which arises if the current temporary provision is allowed to expire affects the so-called "cash-out" States in which aged, blind, and disabled SSI beneficiaries do not now qualify for food stamps. These States have instead elected to raise the cash benefits they pay to supplement the SSI program in order to offset the elimination of food stamp eligibility. In these States, there is, in effect, a Federal subsidy paid to the State government to compensate it for providing cash benefits in lieu of food stamps. These States have found that the aged, blind, and disabled are better served by the existing cash-out provisions than they would be by a return to food stamp eligibility. These current cash-out provisions, however, would be undermined by the expiration of the current temporary law.

I urge the Senate to approve this amendment in order to assure that needy aged, blind, and disabled SSI recipients will not have to fear a sudden cutoff of their food stamps.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Department of Agriculture advocating the adoption of the bill S. 1694. The text of my amendment is identical to the text of S. 1694.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 2, 1975.

Hon. RUSSELL B. LONG,
Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for a report on S. 1694, a bill "To amend Public Law 93–233 to extend for an additional twelve months (through June 30, 1976) the existing provisions of law with respect to eligibility of supplemental security income recipients to participate in the food stamp program."

The Department recommends enactment of this bill.

S. 1694 would extend for another twelve months the food stamp provisions of Public Law 93–233 concerning the eligibility of Supplemental Security Income (SSI) recipients. Public Law 93–233 currently provides for the participation of certain SSI recipients in the Food Stamp Program until July 1, 1975. Under Public Law 93–233, the eligibility of SSI recipients is determined by whether or not the State in which the SSI recipient resides includes the bonus value of food stamps in its supplementation of basic SSI payments. If Public Law 93–233 is not extended, the complicated provisions of the Agriculture and Consumer Protection Act of 1973 (Public Law 93–86) will go into effect on July 1, 1975. This would produce serious administrative problems and inequities to recipients as the food stamp eligibility of SSI recipients would have to be determined individually based on a number of calculations rather than on the current Statewide basis. Also, in view of the short time left, it would be impossible for the States to implement the provisions of Public Law 93–86 on July 1, 1975.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

RICHARD A. ASHWORTH,
Deputy Under Secretary.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. FANNIN. Mr. President, I support H.R. 6698 and urge its prompt passage. This bill is not controversial, but it is important, and I commend the distinguished chairman of our Committee on Finance for his assistance and his leadership in securing its prompt consideration and unanimous approval by the committee.

Briefly, this bill would make permanent the authority of the Department of Health, Education, and Welfare under section 1113 of the Social Security Act to provide temporary assistance to U.S. citizens who are returned from abroad because they are sick or destitute, or because of war, invasion, or similar crisis. This program was first enacted in 1961 to assist Americans fleeing Cuba, but the last authorization for the program expired on June 30, 1973. Prompt enactment of this bill, which the administration fully supports, is necessary to assure that temporary assistance will be available to those Americans and their families who have been returned from Indochina.

This program is a good one. Since its inception in 1961, financial assistance, reception, medical care, and transportation from the port of entry to the individual's final destination have been provided. While the Department of State has the responsibility for bringing these persons to the United States, it has no authority to provide assistance once an individual reaches the United States. Under section 1113 of the Social Security Act, temporary assistance is provided only to citizens of the United States and their dependents, and then only upon certification by the State Department of the reason for the individual's return and that he or she is without available resources. Finally, those who do receive assistance are expected to repay the Government when and as they are able to do so.

H.R. 6698, which is now before us, would amend section 1113 of the Social Security Act to make this program of temporary assistance permanent, with two changes. First, assistance to a particular individual would be limited to 90 days' duration, unless in a particular case the Secretary of Health, Education, and Welfare determined that further assistance was warranted. The second change is that for the first time an authorization ceiling has been placed in the program. This ceiling is $8 million through September 1976 and $300,000 for each fiscal year beginning on or after October 1, 1976.

Mr. President, this is an important program which deserves to be continued. I urge the prompt passage of H.R. 6698 to assure that temporary assistance will be available to those of our citizens and their dependents who are returned to the United States and who are without available resources.

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report, for the further enlightenment of the Senate.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

It is estimated that more than a million U.S. citizens and their dependents live, work, and travel abroad. These people are subject to the same hazards as Americans living at home, including illness, loss of employment, desertion, and family breakups. In the event that these U.S. citizens become public charges in foreign countries, they are subject to deportation.

Section 1113 of the Social Security Act authorizes the Secretary of Health, Education, and Welfare to provide temporary assistance to citizens of the United States who are without resources and who are identified by the Department of State as having returned or having been brought from foreign countries to the United States because they are destitute, or ill, or because of war, invasion, or a similar crisis.

Temporary assistance, financed from Federal funds, to the extent needed, includes financial assistance, reception, medical care, and transportation from the port of entry to the individual's final destination. The program also provides for help in planning for resettlement, obtaining and using existing resources, and locating friends and relatives.

While this program has helped only a relatively few people, the help has been vital to the individuals who have been involved. The Department of State is responsible for bringing the individuals to the shores of the United States, but it has no authority to provide help after arrival in the United States. Under section 1113, temporary assistance is provided only after an individual returns to the United States and has been referred to the Department of Health, Education, and Welfare by the Department of State, which certifies that the repatriate is a citizen and states the reason for his return.

Provisions are also included in the program for reception, medical care and temporary assistance for U.S. citizens evacuated to the United States in the event of an international crisis. The range of available assistance and services, the requirement for certification by the Department of State, and the operating methods are essentially the same as those listed above. Most evacuees, however, need only reception services at the port of entry, temporary care, and help in locating friends or relatives. Since 1961, the program has assisted U.S. citizens repatriated from two countries because of international crises—Cuba and the Dominican Republic. The potential need arising from the evacuation of American citizens from South Vietnam greatly exceeds amounts which have actually been used in former international crises.

The Social and Rehabilitation Service of the Department of Health, Education, and Welfare is responsible for the administration of this program and arranges for the facilities of State and local welfare agencies to be utilized in carrying out the program. These agencies are reimbursed for their costs.

Section 1113 was originally enacted in 1961 and has been extended on several occasions for periods of 1 or 2 years. Expenditures in recent years have ranged from $146,000 to $252,000. The number of cases referred has been approximately 500 per year.

The PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An Act to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for United States citizens returned from abroad, subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case, and for other purposes."

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from North Carolina (Mr. HELMS) is recognized for not to exceed 10 minutes.

SENATE CONCURRENT RESOLUTION 46—CONCURRENT RESOLUTION RELATING TO NONDISCRIMINATION ON THE BASIS OF SEX

Mr. HELMS. Mr. President, I shall be brief.

Yesterday, I submitted Senate Concurrent Resolution 46, relating to the regulations handed down by the Department of Health, Education, and Welfare relating to so-called sex discrimination in education.

As the Chair well knows, there is a 45-day time period concerning HEW's announcement of these regulations, during which Congress must disapprove; otherwise, the regulations go into effect. Because of that 45-day limitation, I ask unanimous consent that the committee to which Senate Concurrent Resolution was referred be directed to report it to the Senate not less than 20 days following the date that regulations to which that resolution is addressed were transmitted to the President of the Senate, that date being June 3, 1975.

Mr. JAVITS. Mr. President, I object.

Mr. FORD. Mr. President, I object.

Mr. HELMS. Will the Senator be willing to permit me to conclude my unanimous-consent request?

Mr JAVITS. I beg the Senator's pardon. I thought he had finished.

Mr. HELMS. And that the computation of the aforementioned 20-day period be made in like manner with the computation of the aforementioned 45-day period, provided by section 431 of the General Education Provisions Act.

Mr. JAVITS. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HELMS. Mr. President, I believe I had 10 minutes reserved to me. I will be glad to yield to the Senator, on the condition that I do not lose my right to the floor and that I have the last 2 minutes of the period assigned to me.

Mr. JAVITS. Mr. President, I have no intention to make a speech. I just wish to explain the situation, as I do object—and I object substantially—but I do not wish the Senator to feel that it is cavalier in any sense.

Twenty days would bring us into the period when we would have the July 4 recess. After conferring with the chairman of the committee, considering the flood of work in the Senate—I am the ranking member—it really would not be practical for us to undertake such an obligation. The chairman of the committee did assure me—although he is not immediately available, I am here, and I did talk with him last night—that it is his full intention that the committee should act up or down on the resolution, that a report respecting it should be made to the Senate.

As ranking member, I state that my intention is the same—that is, because of the time situation, we cannot give the Senator a shorter time. Chairman WILLIAMS said to me that we would act. As a matter of fact, we tried to find the Senator before that. I add my affirmation to that of Senator WILLIAMS.

The only other thing is that he did indicate that we probably would be able to act by the middle of July, which is some days before the end of the 45-day period. We do not wish to be tied to that, because it may be the 15th or the 14th or the 16th. We just do not know. But as a matter of good faith, I state both those facts to the Senator.

Mr. HELMS. Mr. President, the Senator from New York is fair, as he always is, and very clear.

I am quite agreeable to his position on this matter because, as I understand it, he is assuring the Senator from North Carolina that the committee will act in ample time for the Senate hereafter to act before the expiration of the 45-day period involved in this matter.

Mr. JAVITS. We cannot guarantee the configuration of events here, but we do not intend to bring this matter in on the last day or anything like that.

Mr. HELMS. I understand, and I very much appreciate the Senator's assurances. My point is that the Senate should express its will, one way or another, prior to expiration of the 45-day period involved in this matter.

Mr. JAVITS. Yes. All I am doing is endorsing Senator WILLIAMS' representation to me, which he had wished to make to the Senator from North Carolina—to wit, that we will act seasonably, so that the matter can get to the calendar.

Mr. HELMS. Mr. President, having the assurance, as I did personally last evening from the distinguished chairman of the committee, Mr. WILLIAMS, and from the distinguished ranking member of the committee, Mr. JAVITS, that this matter will be expedited in committee, I withdraw my unanimous-consent request, and I yield back the remainder of my time.

I thank the Senator from New York.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Ohio (Mr. GLENN) is recognized for not to exceed 10 minutes.

Mr. FORD. Mr. President, I suggest the absence of a quorum, not to count against the Senator's time.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of certain items on the Calendar, beginning with 167.

The PRESIDENT pro tempore. Without objection, it is so ordered.

STRIKING OF MEDALS

The Senate proceeded to consider the bill (S. 371) to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America, which had been reported from the Committee on Banking, Housing and Urban Affairs with an amendment on page 2, in line 7, strike out "3851" and insert in lieu thereof "3551";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in commemoration of the bicentennial of the founding of the United States of America and of those individuals of various ethnic backgrounds who participated in the American Revolution, the Secretary of the Treasury shall strike and furnish to the American Revolution Bicentennial Administration (hereinafter referred to as the "Administration") not more than twenty-five thousand medals with suitable designs, not in excess of twenty-one different designs, to be determined by the Administration subject to the approval of the Secretary of the Treasury. The medals shall be made and delivered at such times as may be required by the Administration in quantities of not less than one thousand medals of each design, but no medals shall be made after December 31, 1983. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368).

SEC. 2. The Secretary of the Treasury shall cause such medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, guides, use of machinery, and overhead expenses. Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for full payment of such costs.

SEC. 3. The medals authorized to be struck and furnished under this Act shall be of such size or sizes and of such various materials as is determined by the Secretary of the Treasury after consultation with the Administration.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. FORD. Mr. President, I ask that the Senate now proceed to the consideration of Calendar No. 174.

SUPPLEMENTAL EXPENDITURES BY THE SELECT COMMITTEE TO STUDY GOVERNMENTAL OPERATIONS WITH RESPECT TO INTELLIGENCE AGENCIES

The resolution (S. Res. 165) authorizing supplemental expenditures by the Select Committee To Study Governmental Operations with Respect to Intelligence Agencies for an inquiry and investigation relating to intelligence activities carried out by or on behalf of the Federal Government was announced as next in order, was considered and agreed to, as follows:

Resolved, That section 6 of Senate Resolution 21, Ninety-fourth Congress, agreed to January 27, 1975, is amended by striking out the amounts "$750,000" and "$100,000" and inserting in lieu thereof "$1,150,000" and "$300,000", respectively.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

The resolution (S. Res. 169) authorizing additional expenditures by the Committee on Interior and Insular Affairs for routine purposes was considered and agreed to, as follows:

Resolved, That the Committee on Interior and Insular Affairs is authorized to expend from the contingent fund of the Senate, during the Ninety-fourth Congress, $50,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act approved August 2, 1946.

PURCHASE OF CALENDARS

The resolution (S. Res. 176) relating to the purchase of calendars was considered and agreed to, as follows:

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $20,800 for the purchase of fifty-two thousand calendars. The calendars shall be distributed as prescribed by the committee.

HISTORY OF THE U.S. HOUSE OF REPRESENTATIVES

The concurrent resolution (H. Con. Res. 177) to authorize the printing as a House document a revised edition of the publication entitled "History of the U.S. House of Representatives" was considered and agreed to.

PRINTING ON THE HEARING OF AMNESTY

The concurrent resolution (H. Con. Res. 178) providing for the printing as a House document a revised edition of the publication entitled "History of the U.S. House of Representatives" was considered and agreed to.

Mr. FORD. Mr. President, I ask that the Senate now proceed to the consideration of Calendar No. 180.

MAJORITY AND MINORITY LEADERS OF THE SENATE

The Senate proceeded to consider the resolution (S. Res. 137) authorizing the printing as a Senate document of the compilation "Majority and Minority Leaders of the Senate," prepared under the direction of the Secretary of the Senate by the Senate Parliamentarian, which had been reported by the Committee on Rules and Administration with an amendment, as follows:

On page 1, in line 4, strike out "former Senate Parliamentarian," and insert in lieu thereof "Senate Parliamentarian Emeritus,".

The amendment was agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That the compilation entitled "Majority and Minority Leaders of the Senate", prepared under the direction of the Secretary of the Senate, Francis R. Valeo, by the *Senate Parliamentarian Emeritus,* Floyd M. Riddick, shall be printed, with any revisions and certain tables, as a Senate document, and an additional two thousand copies shall be printed for distribution by the Secretary of the Senate.

The title was amended so as to read: "Resolution authorizing the printing as a Senate document of the compilation entitled 'Majority and Minority Leaders of the Senate'."

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator is recognized for 10 minutes.

"NOW, WE MUST"

Mr. GLENN. Mr. President, 7 years ago last night, I waited in a Los Angeles hospital with other friends while doctors fought to save the life of Robert Kennedy.

Today marks the seventh anniversary of his death. Many of his hopes for this Nation were articulated not only in the campaign speeches of 1968 but had been previously written in a book called "To Seek a Newer World."

A few weeks prior to the tragedy of June 5–6, 1968, Bob sat and pondered what he would write as an inscription to my son Dave, inside the front cover of "To Seek a Newer World."

Finally, he wrote:

"To Dave: If we don't find it—you must."—Bob Kennedy.

If there is any truly meaningful dedication we can make to the memory of Bob Kennedy today, it is "to seek a newer world"—and say now, we must.

ORDER OF BUSINESS

Mr. FORD. Mr. President, I now ask that we move to the military procurement legislation. I believe the standing order is that the amendment of the Senator from Indiana, amendment No. 489, is the pending question.

MILITARY PROCUREMENT AUTHORIZATION ACT, 1976

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 920, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 920) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

AMENDMENT NO. 489

The PRESIDENT pro tempore. The pending question is on agreeing to amendment No. 489 which the clerk will now report.

The assistant legislative clerk proceeded to read the amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

Title V is amended as follows:

(a) Section 501(a) is amended—

(1) by striking on page 20, line 5, "329,000" and inserting in lieu thereof "254,105";

(2) by striking on page 20, line 7, "310,300" and inserting in lieu thereof "144,562";

(3) by striking on page 20, line 8, "251,300" and inserting in lieu thereof "208,610"; and

(4) by striking in page 20, line 10, "71,400" and inserting in lieu thereof "69,595".

(b) Section 501(b) is amended by inserting immediately after "excluding" on page 20, line 17, the following: "civilian personnel engaged in industrially funded activities, and".

Mr. HARTKE. Mr. President, I ask unanimous consent that Mr. John L. Szabo be granted the privileges of the floor during the debate on this amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, today I rise in behalf of myself and my colleagues, Senators BAYH, CANNON, TOWER, SCOTT, TUNNEY, FONG, BEALL, and SCHWEIKER in support of amendment No. 489 of the Military Authorization Act, which would exclude civilians employed in "industrially funded" activities of the Department of Defense from the ceilings imposed by Congress on the numbers of civilians working for the Defense Department. An identical amendment was adopted by unanimous consent in the House of Representatives when it passed its version of this bill. Every sound business concept, as well as the need to efficiently and effectively utilize the manpower resources of the Federal Government for the maintenance of our Nation's military strength, stands behind this amendment.

But before going into the reasons for the adoption of this amendment, it is necessary to first clearly define the term "industrially funded" activities. Persons employed in these facilities do not perform the normal ancillary functions of the Defense Department, such as office work or service activities. They are specifically engaged in their own separate and distinct operations which are as different from one another as one private enterprise is from its competitors and other companies. "Industrial funds" perform work through contracts solicited not only from the Defense Department and other governmental agencies but from private sources as well. They accept and fulfill such contracts in exactly the same way that any corporation does business.

These activities are designed to be self-sustaining. They are reimbursed for costs incurred from customer funds appropriated for the product or service rendered, planned on a "breakdown" basis. Although, strictly speaking, there is no profit motive, any "profits" or "losses" sustained serve to temporarily increase or decrease the capital of the fund. Overhead rates are then adjusted to apply these increases or decreases to operating activity.

The costs of the operation are financed from each "industrial fund" activity's net working capital. Industrial accounting systems are similar to those used in private industry as the basis for collecting costs and billing customers. Customers place work orders and establish proper commitments and obligations against moneys apportioned to them. As work is accomplished and the costs of jobs ascertained, customers are billed. As the bill is collected, the activity is reimbursed for costs incurred and services performed.

The concept of the "industrial fund" activities has three important features which encourage better management and which create an environment similar to that of private industry.

First, a contractual relationship is created between the customer and the producer, forcing the producer to accurately define all tasks to be accomplished, to accurately forecast all costs associated with these tasks and to quote the customer a fixed price in most cases. The customer must provide funds for the cost of his requirements just as he must when he buys from commercial firms. As a result, the customer is motivated to order only those items and services for which there is a real need.

Second, cost accounting employed by these activities enables management to identify costs to a particular job. This identification is essential for establishing management control of costs, for developing standards for pricing, and for providing a means of projecting realistic budgets based on expected future workloads. This identification also provides a means of measuring efficiently since all work performed is expressed in one common denominator—dollars.

Third, a revolving fund provides flexibility to utilize dollars as may be operationally required, relatively free from the congressional appropriation cycle with its established spending limitations. Money is centralized under local jurisdiction.

In summary, the "industrial fund" system utilizes a revolving fund and employs, first, budgeting to forecast all elements of costs based on past performance and expected future level of operation; second, cost accounting to assign all direct and indirect costs to specific jobs on an accrual basis; and third, reporting on an accurate and timely basis which provides sufficient detail for activity management and at the same time satisfies the requirements of higher authority.

About 30 percent of all Defense Department civilian work presently is in "industrially funded" activities and 17 percent of all DOD civilians work in industrially funded maintenance depot locations. There are over 100 installations in 26 States that fall into this category employing about 285,000 workers.

Mr. President, I ask unanimous consent that a list of such installations by State be printed in the RECORD at this time.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

DEFENSE DEPARTMENT "INDUSTRIALLY FUNDED" FACILITIES AFFECTED

ALABAMA

Anniston Army Depot, Anniston 36201.
Army Missile Command, Redstone Arsenal 35809.

ARKANSAS

Pine Bluff Arsenal, Pine Bluff 71601.

CALIFORNIA

Naval Weapons Station, Concord 94520.
Naval Weapons Station, Seal Beach 90740.
Naval Ships Weapons Systems, Port Hueneme 93043.
Naval Public Works Center, Naval Base, San Diego 92136.
Naval Construction Battalion Center, Civil Engineering Lab, Port Hueneme 93043.
Naval Weapons Center, China Lake 93555.
Naval Undersea Center, San Diego 92132.
Naval Electronics Lab Center, San Diego 92152.
Sacramento Army Depot, Sacramento 95813.
Sharpe Army Depot, Lathrop 95330.
McClellan Air Force Base 95652.
Material Air Lift Command, Norden Air Force Base 92409.
Naval Air Rework Facility, Naval Air Station, Alameda 94501.
Naval Air Rework Facility, Naval Air Station, North Island, San Diego 92135.
Naval Missile Center, Point Mugu 93042.
Long Beach Naval Shipyard, Long Beach 90801.
Mare Island Naval Shipyard, Vallejo 94592.
Depot Maintenance Activity Marine Corps Supply Center, Barstow 92311.

COLORADO

Pueblo Army Depot, Pueblo 81001.
Rocky Moutain Arsenal, Denver 80240.

FLORIDA

Naval Air Rework Facility, Naval Air Station, Jacksonville 32212.
Naval Air Rework Facility, Building 604, Naval Air Station, Pensacola 32508.
Naval Public Works Center, Naval Air Station, Pensacola 32508.
Naval Coastal Systems Lab., Panama City 32401.

GEORGIA

Atlanta Army Depot, Forest Park 30050.
Robbins Air Force Base, Macon 31098.
Depot Maintenance Activity, Marine Corps Supply Center, Albany 31704.

HAWAII

Pearl Harbor Naval Shipyard, Pearl Harbor.
Navy Public Works Center.

ILLINOIS

Rock Island Arsenal, Rock Island 61201.
Navy Public Works Center, Building 1A, Great Lakes 60088.

INDIANA

Naval Avionics Facility, 21st and Arlington Avenue, Indianapolis 46218.
Naval Ammunition Depot, Crane 47552.

KENTUCKY

Blue Grass Depot Activity, Lexington 40507.

MARYLAND

Edgewood Arsenal 21010.
Army Research & Development, Aberdeen Proving Ground 21005.
Naval Air Test Center, Patuxent River 20670.
Naval Ordnance Station, Indian Head 20640.
Naval Ordnance Laboratory, White Oak, Silver Springs 20910.

MASSACHUSETTS

Army Material Mechanics Research Center, Watertown 02172.

NEVADA

Naval Ammunition Depot, Hawthorne 89415.

NEW HAMPSHIRE

Portsmouth Shipyard, Portsmouth 03801.

NEW JERSEY

Picatinny Arsenal, Dover 07801.
Naval Air Engineering Center, Lakehurst 08733.
Naval Air Propulsion Test C, Trenton 08628.
Naval Ammunition Depot, Earle, Colts Neck 07722.

NEW YORK

Watervliet Arsenal 12189.

NORTH CAROLINA

Naval Air Rework Facility, Marine Corps Air Station, Cherry Point 28533.

OHIO

Wright-Patterson A.F. Base, Dayton 45433.
Newark Air Force Station, Newark 43055.

OKLAHOMA

Tinker Air Force Base, Oklahoma City 73145.
Naval Ammunition Depot, McAlester 74501.

PENNSYLVANIA

Letterkenny Army Depot, Chambersburg 17201.
New Cumberland Army Depot, New Cumberland 17070.
Tobyhanna Army Depot, Tobyhanna 18466.
Frankfort Arsenal, Philadelphia 19137.
Philadelphia Naval Shipyard, Philadelphia 19112.
Navy Publications and Printing Service, Northern Division, Building 4, Section D, Philadelphia 19111.
Naval Air Development Center, Warminster 18974.

RHODE ISLAND

Naval Underwater Systems Center, Newport 02840.

SOUTH CAROLINA

Charleston Army Depot, North Charleston 29406.
Charleston Naval Shipyard, Naval Base, Charleston 29408.
Naval Weapons Station, Charleston 29408.
POLARIS Missile Facility, Atlantic, Charleston 29408.

TEXAS

Red River Army Depot, Texarkana 75501.
Aeronautical Depots Maintenance Center, USA, Corpus Christi 78418.
Kelly Air Force Base, San Antonio 78241.

UTAH

Tooehle Army Depot, 84075.
Air Force Printing and Duplicating Services, Air Force Material Command, Hill A.F. Base 84406.

VIRGINIA

Naval Air Rework Facility, Naval Air Station.
Naval Air Rework Facility, Naval Air Station, Norfolk 23511.
Norfolk Naval Shipyard, Portsmouth 23709.
Navy Public Works Center, Norfolk 23511.
Naval Service Weapons Center, Dahlgren.

WASHINGTON

Puget Sound Naval Shipyard, Bremerton 98314.

Mr. HARTKE. I must emphasize that there is no one in this body who desires more the removal of all excess fat from the Federal budget than does the senior Senator from Indiana. I totally concur with section 502 of the Military Procurement Authorization Act of 1974—Public Law 93–365—that—

It is the sense of Congress that the Department of Defense shall use the least costly form of manpower that is consistent with military requirements and other needs of the Department of Defense.

And that is the basis for this amendment, to save taxpayers any additional burden and to permit the Defense Department to conduct its mandated activities in the most efficient manner possible.

Imposing these ceilings on "industrially funded" activities are counterproductive to our established objective, for while the labor base at a specific installation is forced to be reduced, its fixed costs—such as guards required to remain on duty at main gates 24 hours per day, and utilities—remain constant.

The Defense Department has consistently favored excluding these workers from the civilian ceilings. The Honorable William K. Brehm, Assistant Secretary of Defense for Manpower and Reserve Affairs, on February 24, 1975, stated the following to the Armed Services Subcommittee on Manpower and Personnel:

After long experience with civilian ceilings imposed by the Office of Management and Budget, we concluded that civilian ceilings can lead to serious and costly inefficiencies. This finding was confirmed by the General Accounting Office. For this reason, OMB removed ceiling controls from DOD several years ago as part of a test of operating without ceilings . . . I am confident that existing financial controls within DOD and the budgetary powers and oversight exercised by the Congress are adequate to insure that civilian employment will remain within reasonable limits.

This viewpoint was confirmed to each of the services as well. The Honorable Joseph T. McCullen, Jr., Assistant Secretary of the Navy for Manpower and Reserve Affairs, in his testimony before the subcommittee pointed out the difficulties the Navy has faced in complying with this mandated ceiling limitation—

The system is dynamic in terms of numbers and types of manpower. Since 1968 the Navy has been in a declining force and manpower posture. In fiscal year 1977, the trend is reversed. New ships replacing old ships generate new requirements for different skills. A private enterprise would have a difficult time surviving in such a fluid manpower environment.

Secretary McCullen later stated that he recognizes the high costs for civilian manpower and the responsibility of the Navy to manage this expensive resource efficiently. But he went on to say:

. . . the inflexible ceiling placed on our civilian end strength has lessened our ability to do so. This is particularly true in the case of our industrially funded activities, composed primarily of naval shipyards, air rework facilities, public work centers, and ordnance and R&D activities. They comprise about 165,000, or about 54 percent, of the direct-hire civilian personnel. These industrially funded activities are subject to fluctuating workload requirements. Fixed end strength limits our flexibility to provide the manpower levels required. . . .

Finally, Vice Adm. David H. Bagley, Chief of Naval Personnel, and Deputy Chief of Naval Operations for Manpower, in his testimony affirmed the above-stated conclusions and stated the following:

If the Navy does not have the flexibility to

change Naval Industrial Fund manpower levels to meet workload schedule changes, the work may still be accomplished by increasing temporary hires and releasing them prior to June 30, by substantially increasing overtime, or by assigning work to contractor effort. Each of these alterations is potentially more costly than allowing for a smooth, gradual adjustment in the work force by eliminating ceilings. If work cannot be accomplished by these means, delays in work accomplishment may prove costly and our ability to fulfill commitments to foreign governments may be impaired. In addition, costly and unnecessary reductions-in-force may be required at some activities in order to free civilian ceiling spaces for allocation to high priority projects at other activities.

The Comptroller General has conducted several studies on civilian ceilings. The conclusions all agreed with a statement in the report of July 2, 1974, "Implementation and Impact of Reductions in Civilian Employment, Fiscal Year 1972":

Accelerated actions to reduce the Federal civilian work force primarily to meet personnel ceilings established for one particular day tend to disrupt effective management of manpower resources.

Four military installations which were forced to reduce because of ceiling limitations were examined by the Comptroller General. He concluded that increases of $4.6 million in contracting and about $370,000 in increased overtime resulted from the adjustments that had to be made by the installations.

At Long Beach Naval Shipyard, for example, 823 occupied positions were abolished during March to June 1972. In spite of workload projections of 7,099 employees in June 1972, a ceiling of 6,398 was imposed by the Naval Ships System Command. Although total payroll costs remained relatively unchanged before, during, and after the reduction-in-force, overtime labor costs increased. For the pay periods that ended on February 19 and June 24, 1972, overtime pay was about $220,000 and $509,000, respectively. In the production areas of the shipyard, overtime labor increased from a normal rate of 7 percent of regular labor to 17 percent during most of the fourth quarter of fiscal year 1972. Repair work on five ships was contracted with private shipyards at a cost of about $4 million because of insufficient workforce. Also, the amount of contracted design work in May 1972, was about 63 percent higher than in January 1972, primarily because of the reduction.

Most recently, the Comptroller General recommended in his report on a Defense Department Test Project REFLEX—resource flexibility—that Congress should be informed of the benefits of manning Federal activities primarily with fiscal controls and without personnel ceilings

The distinguished chairman of the House Post Office and Civil Service Committee, Mr. HENDERSON, aptly summarized the results of this restriction on the Defense Department. In the debate on the amendment that was sponsored by the able Congressman from Indiana, Mr. HAYES, Chairman HENDERSON stated that this provision effectively removes the flexibility from the Defense Department to utilize the least costly forms of manpower. Furthermore he stated that—

We have tied DOD's hands by telling them they may only use a fixed amount of in-house employees and that, if other essential work is to be done, it will have to be performed elsewhere, regardless of costs involved. This obviously does little to reduce civilian personnel costs.

The personal calls and pleas that I have received from industrially funded installations throughout the Nation are overwhelming. Examples of needless hardship are plentiful. Representatives from a naval ammunition depot on the eastern seaboard just told me that they had to search for military personnel to fulfill their contract work while their own workers were forced to seek employment elsewhere. And that is in an area where the unemployment rate is now 12 percent.

The human effect of these reductions in this time of economic crisis nationwide cannot be underestimated. Many of these workers will be unemployed for long periods of time and may have to move their families to find work.

Support for this amendment has come from workers at industrially funded activities, their local leaders, and many interested parties such as the American Federation of Labor-Congress of Industrial Organizations, the American Federation of Government Employees, and the National Congress of Hispanic-American Citizens.

Mr. President, I ask unanimous consent that a "Dear Colleague" letter from Senator FRANK MOSS concerning amendment 489, as well as a letter from Mr. Clyde M. Webber, national president of the American Federation of Government Employees, both in support of my amendment, be printed in the RECORD at this time.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
June 4, 1975.

DEAR COLLEAGUE: I am writing to solicit your support of Amendment number 489 to the Military Authorization Bill, which was submitted by Senators Bayh and Hartke. This amendment, which is supported by the Defense Department, is intended to correct an inefficient and inequitable practice in the employment of civilians at Federal facilities covered by "industrial funds" from Congressional authorizations.

There is considerable misunderstanding about the nature of "industrial funds" and the serious problems which current ceilings limitations have created for the Military Departments in those operations which are covered by these funds. There appears to be serious misunderstanding about the purpose of this amendment.

In the first place, the amendment neither challenges the concept of civilian manpower ceilings nor affects such ceilings on other defense activities. But as you probably know, "industrially funded" facilities operate like private enterprise. The Congress authorizes money to hire employees and the facility then seeks bids for contracts and work.

Ideally the facility should be *managed* like private enterprise as well. The demand for the producers goods and services should determine the number of employees he needs and hires. Instead the producer must accept or reject work based on a fixed, unrelated arbitrary number of employees. The result is increased overtime, cost overruns delay and cancellation of contracts and unnecessary increases in defense costs.

In addition to rational business-like management of operations, the amendment is intended to enable that management to act in a humanitarian way to employees by eliminating the problem of annual periodic reduction-in-force at the end of the fiscal year and rehiring of the same or other employees at the beginning of the next fiscal year.

Whether one believes the defense budget should be expanded or contracted, all Members of Congress can agree that good management, elimination of waste and reduced costs are essential. This amendment is based on that common ground and common sense business practice.

Sincerely,

FRANK E. MOSS,
U.S. Senator.

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES,
Washington, D.C., June 4, 1975.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: I am writing to solicit your support of Amendment #489 to Title V of the Department of Defense Military Procurement Authorization Act, S. 920, sponsored by Senators Birch Bayh and Vance Hartke. I understand that this Amendment may be considered by the Senate as early as Friday, June 6, 1975.

The purpose of the Amendment is to exclude "industrially-funded" defense facilities from civilian manpower ceilings for Fiscal Year 1976. The "industrially funded" facilities bid for contracts and work like any private company. Because of present manpower ceilings, each installation is required to operate on a fixed number of employees unrelated to the volume of work contracted.

The Department of Defense favors this amendment and the Comptroller General has recently recommended that Congress be informed of the benefits of managing Federal activities with an alternative system involving tighter fiscal controls which, we believe, are more effective precisely because they are not related to personnel ceilings.

There is a vast body of information available indicating that the use of personnel ceilings is wasteful of government funds and for this reason alone they should be abandoned. In order to accomplish contract completion it is often necessary to utilize excessive overtime, use of military personnel and subcontract to outside industry. There is an even larger body of information indicating that it is an irrational, and inequitable personnel system, imposing instability on management and hardship on employees who are periodically dismissed from their jobs at the close of one fiscal year to be re-employed, in the same or a similar position, during the course of the next fiscal year. The existence of ceilings accounts for the questionable personnel policy of employing large numbers of temporary and term employees in place of career employees, involving exorbitant costs of training a constant flux of impermanent personnel who are hired and terminated annually. This system, I believe, is the main cause of such inefficiency in Federal agencies about which citizens rightfully complain to Congress.

As the representative of 675,000 Federal employees under exclusive recognition, we are especially cognizant of the unnecessary hardships which are imposed toward the end of each fiscal year on Federal employees as a result of ceilings. Let me emphasize that we very much support Congressional controls over the budget and over the effective size of the Federal establishment. We believe more effective controls are possible than personnel ceilings through the use of direct fiscal-budgetary processes. We welcome the insights which have been supplied by the Comptroller General. For this reason, we solicit your support of Amendment #489.

Sincerely yours,

CLYDE M. WEBBER,
National President.

Mr. HARTKE. Mr. President, the hardships imposed by these arbitrary ceilings on "industrially funded" activities are being felt throughout the country. Mr. Webber, president of AFGE, received a letter from the Air Force informing him of reductions at 5 installations of 3,675 personnel by the end of this month. Also, my colleague, Senator PASTORE, received a letter thoroughly explaining the reasons for this amendment.

Mr. President, I again ask unanimous consent that these letters be printed in the RECORD at this time.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, D.C. March 5, 1975.

Mr. CLYDE M. WEBBER,
President, American Federation of Government Employees (AFGE), Washington, D.C.

DEAR MR. WEBBER: This is to inform you of recent initiatives by the Air Force to reduce personnel operating costs within the Air Force Logistics Command's (AFLC) Air Logistics Centers.

As you are aware, in approving the Defense Department's funds for the current fiscal year ending June 30, 1975, the Congress established a ceiling on the number of civilians to be employed by the Department of Defense. The Secretary of Defense subsequently allocated this ceiling among the Military Departments. In turn, the Air Force allocation has been apportioned to our various major commands and installations.

Among the programs which have led to lowered manpower requirements are: reductions in the Air Force flying hour program; a program of workload consolidation under the Technology Repair Center concept; improved depot maintenance under the Depot Plant Modernization Program; and the elimination of support aircraft. These management actions are consistent with Air Force and Department of Defense policy to reduce costs.

In anticipation of the reductions, however, AFLC has taken several steps to mitigate personnel turbulence and employment problems that might result. Specifically, rehire restrictions have been in effect for some time and jobs have been filled where feasible by temporary hires to minimize the impact on permanent employees. Barring additional unforeseen reductions, we anticipate the above steps, in combination with normal attrition, retirement, etc., will permit the required reductions with a minimum of involuntary separation of permanent employees.

These actions will result in the following reductions in civilian employment from the January 15, 1975, level. All realignments are to be effective by June 30, 1975.

Sacramento Air Logistics Center, McClellan AFB, California, approximately 700.

Warner-Robins Air Logistics Center, Robins AFB, Georgia, approximately 550.

Oklahoma City Air Logistics Center, Tinker AFB, Oklahoma, approximately 1,150.

San Antonio Air Logistics Center, Kelly AFB, Texas, approximately 800.

Ogden Air Logistics Center, Hill AFB, Utah, approximately 475.

The impact will be reflected primarily in reduced availability of jobs since many positions will not be filled when vacated by retirement or resignation. Finally, some downgrading is expected in order to achieve the lower strength levels; and internal promotions and reassignment may be affected to a degree. Situations may arise where certain skills no longer will be needed.

Unfortunately, if personnel with these skills do not possess qualifications for other vacancies, separation may be necessary. Such separations, of course, would be in compliance with Civil Service reduction-in-force procedures and would be expected to affect relatively few people by June 30, 1975.

Attached is a fact sheet explaining the Department of Defense Placement Assistance Program applicable to any civilian employee involved in reduction-in-force actions.

We hope this information will prove useful.

Sincerely,

JAMES P. GOODE,
Deputy Assistant Secretary (Personnel Policy).

THE SUPERVISORS' ASSOCIATION,
NAVAL UNDERWATER SYSTEMS CENTER,
Newport, R.I., May 29, 1975.

Hon. JOHN O. PASTORE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PASTORE: This Association has recently become aware of the pending amendment #489 to title V of the DOD Military Procurement Authorization Act S. 920 to exclude "industrially funded" defense facilities from the civilian manpower ceilings for FY 1976.

This Center operated under a pilot program of a "no ceiling" concept, Project REFLEX for a 3-year period beginning July 1970. From a management viewpoint it was considered extremely successful, sufficiently so to strongly recommend to Chief of Navy Material that the concept be continued and extended to all Navy Laboratories. Our ceiling restraints at this time will require a reduction of 225 personnel by July 76 if not rescinded.

There are both sufficient funds and viable tasks assigned to the Center to retain and support the 225 personnel who are affected solely due to ceiling cut.

This cut, in addition to that already experienced in the Narragansett Bay area, will have an extreme effect on employee morale as well as people in the private sector.

Passage of subject amendment may very well alleviate this unpleasant situation. Please find enclosed a brief summary of the Naval Underwater Systems Center's experience with Project REFLEX. Your support in passage of this amendment will be greatly appreciated.

F. C. FLYNN,
President.

SUMMARY OF NUSC EXPERIENCE WITH PROJECT REFLEX

(By Robert J. Donovan)

The three year REFLEX experiment started in July of 1970 at the same time that the Center was formed. During the REFLEX experiment there were several functional transfers as AUTEC and Complex 30. These transfers added about a hundred twenty billets to the Center. Discounting these transfers, our annual growth rate during the experiment was 3.7 percent. Our average annual growth rate in the ten years prior to the experiment was 5.3 percent. The average annual growth of our budget during the experiment, adjusted for inflation, was over 10%. During the same period, as a result of the formation of the Center, our mission and level of assigned responsibility for projects expanded. Examples of such project responsibility are AUTEC, our systems integration role in TRIDENT and the 688 Program, the Mark 48, the Towed Array Program, and the total ship testing program for the SSN688 and DD963 ships. I think these statistics establish that we were fairly conservative with the authority we were delegated under REFLEX. The major advantages of REFLEX are outlined below:

1. *The ability to balance the staff for optimum manpower utilization.* When we are under ceiling constraints, the most effective way to justify an increase is to request scientists and engineers associated with a high priority program. As a result, the necessary administrative support to make the most effective use of scientists was difficult to come by. Under REFLEX, Center Management was free to hire the kinds of people necessary to achieve the most effective manpower utilization and as a result, the Center was able to restore the most effective level of administrative support in such areas as supply, personnel, and clerical services.

2. *The ability to hire when the market was right.* Under ceiling constraints there was pressure to fill all vacancies in order to be up to full strength in case of a freeze. Also, when scientific talent was readily available in the market, ceiling constraints tended to get rigid and when ceiling points were available, high level talent was not available in the market. Under REFLEX we had the flexibility to add highly competent staff when opportunity arose.

3. *The ability to make rational reductions in staff.* REFLEX permitted us to reduce staff in functional areas when it appeared sensible to the Center management. We did this in the case of the AUTEC management staff, reducing approximately 38 billets. If we had had an externally imposed ceiling such action would not have been as likely since in all probability our ceiling would have been reduced in the process.

4. *Quick response to new project assignments.* Under rigid ceiling constraints, sponsors with high priority projects requesting quick response were often forced to go to contractors even though the in-house laboratory capability was superior, simply because the laboratories cannot man the project rapidly enough. REFLEX gave the Center the capability to respond to such requirements.

5. *Responsible appraisal of manpower vs technical program.* REFLEX stimulated a much more business like approach to matching manpower to technical program requirements. Since the Center managers felt more responsible for the allocation of resources, a management information system which made this relationship viable and manageable evolved.

6. *Ability to make in-house/out-house decisions.* REFLEX has given us the ability to make rational decisions regarding which work is accomplished more effectively in in-house or by contract. Prior to REFLEX we were often forced, because of billet constraints, to contract for work which should have been done in-house, and, as a result, the experience gained by the contractor in the technical areas was lost to the Center.

7. *Savings resulting from elimination of justification of ceiling increases.* Prior to FY71 we estimated that we spent at least 10 man years per year of high level talent either composing and presenting elaborate justification for ceiling increases or equally elaborate defenses of the allocated ceiling. During the REFLEX years this manpower was devoted to much more constructive in-house management.

8. *Stimulates long range program and manpower plan.* Since REFLEX delegated control of manpower resources to Center management, a much more constructive attitude toward long range program and manpower planning evolved. During this period the Center managers did intensive work on generating meaningful Center goals and long range technical plans. Examples of this are the ASW Intentions Document, the Center Master Plan, the establishment of an overhead review board, the long range manpower planning seminar which was held in the spring of 1973, the establishment of a procurement review board, and concerted effort

to develop new manpower forecasting techniques. REFLEX gave stimulus to merging financial program and personnel data bases.

The Center could find no true disadvantage with the concept of Project REFLEX. There were some flaws in the experiment itself, such as the imposition of average grade constraints, informal ceilings imposed for several periods, and the fact that increases in REFLEX laboratories had an adverse effect on the ceiling of the non REFLEX laboratories. Since only three of the Navy laboratories were on REFLEX there was some pressure from sponsors to put work into REFLEX laboratories which work was would strongly recommend that the REFLEX concept be continued and be extended to all Navy laboratories.

Mr. HARTKE. Mr. President, I wish to commend the distinguished chairman of the Armed Services Committee, Mr. STENNIS, for his able leadership, and Mr. NUNN, chairman of the Subcommittee on Manpower and Personnel, as well as the other members of the committee and the staff for their diligent and hard-working efforts on this most complex and important piece of legislation.

In conclusion, I must reiterate the fact that this amendment in no way challenges the basic concept behind civilian ceilings in the Defense Department. Already four major exceptions to the ceiling have been made that are not as just as the one made by this amendment. The Federal dollar must be stretched to the farthest extent possible. Efficient management techniques and procedures must be encouraged, not stifled, by this body.

For this reason I urge adoption of this amendment and I earnestly plead with my colleagues to follow the wise action taken unanimously by the other body in approving this proposal.

Mr. NUNN. Mr. President, I rise in opposition to amendment No. 489 which would exempt Defense Department industrially funded civilians from congressional authorization. This amendment would exempt some 286,000 civilian personnel costing over $3 billion annually from the DOD civilian personnel authorized by Congress each year.

I think it goes to the larger question of whether we want to authorize civilian personnel, because this would be about 29 percent of all civilian personnel. If we are going to make this move, perhaps we ought to go ahead and not authorize any because that is the next step.

There is no justification for this exemption. As the distinguished Senator from Mississippi and myself stated in our letter to our colleagues yesterday, the Congress should not give up control over this costly and important part of the Defense budget at a time when every defense dollar must go as far as we can make it.

I would like to make several important points about industrial funds and this amendment. First, industrial funds are simply financial bookkeeping arrangements within DOD. All the funds involved have been and will continue to be appropriated by Congress. Industrially funded civilians are just like other Defense Department civilians. They are Government employees with the same pay, the same benefits and the same job tenure and security as other civil service employees.

As you may know, Mr. President, the Defense Department supports this amendment because it exempts 29 percent of the civilians requested for fiscal year 1976 from congressional authorization.

It is interesting to note that just the other night the Senate voted by 2 votes to go beyond the committee recommendation, which was a 23,000 cut in DOD civilian personnel; to go to 40,000.

What this is going to do is remove 30 percent of all the DOD civilians from bearing any portion of that 40,000 civilian cut.

This means the 70 percent of the civilians who work for the Department of Defense but are not industrially funded, will bear a disproportionate number of cuts.

So what we are doing is exempting 30 percent and saying to 70 percent who happen not to be under that particular category of bookkeeping that they are going to bear every bit of the burden of civilian employee cuts. This, I assume, when the 70 percent find out what the 30 percent are doing is going to be a rather startling revelation to them.

The Department of Defense, I assume, would like to take all civilians from any kind of control by Congress. Perhaps that is a natural part of the executive branch of government, but I do not believe that is what the Congress intends.

However, DOD also testified before the Subcommittee on Manpower and Personnel that the exemption of industrially funded civilians would result in a patchwork management approach. Indeed, this would be the case, Mr. President, since the definition of industrially funded activities is ad hoc and inconsistent between the services. For example, Marine Corps supply centers are industrially funded while Navy supply centers are not. Even within services the definition is inconsistent: Navy overseas shipyards are not industrially funded while those in the United States are. As you can see, the exemption of industrially funded civilians would not enhance defense management efficiency.

In addition, if industrially funded civilians are exempted from congressional authorizations, the committee's recommended reduction of 23,000 civilian personnel would have to be taken from the remaining 70 percent of the civilian work force as would the additional reduction of 17,000 voted by the Senate last night.

There are 22 States with virtually no industrially funded civilians and 10 States where industrially funded civilians comprise under 2% percent of the defense civilian employees. If the amendment were passed, these States would bear the burden of any reductions in civilian employees.

One other point if I may, Mr. President: There is no evidence that industrially funded activities are more efficient or productive that nonindustrially funded Government activities of private businesses, even though, I hasten to add, there is some evidence, albeit inconclusive, to the contrary. Admiral Rickover has stated that naval shipyard workers, which comprise almost 25 percent of all industrially funded employees, only work 5 hours out of an 8-hour day. Navy testimony this year corroborated this by indicating Navy shipyard workers are 70 to 75 percent productive. Although the evidence is inconclusive, its very existence is one more reason why the Congress should not exempt these civilians from congressional authorization. Such exemption will only erode congressional control over Defense manpower levels.

Mr. President, I reserve the remainder of my time.

Mr. BAYH. Mr. President, I am a cosponsor of this amendment. I think it makes good sense, and, quite frankly, I am surprised it has become as controversial as it has.

Though the terminology is confusing, Mr. President, this amendment is really quite simple. It would exempt employees of industrially funded activities from civilian personnel ceilings. Industrially funded activities are peculiar in their operation, Mr. President, and present an area where personnel ceilings simply do not work.

Industrially funded activities perform a variety of functions for the services. They operate very similarly to private industry in many ways. Outside of working capital, funds are not directly appropriated to them. Instead, industrially funded installations receive their revenues through contracts with the services.

The installations often contract with all three services though they operate under the auspices of only one. For example, a naval installation may do business with the Army and the Air Force. Sometimes their workloads include services for foreign government.

What all this adds up to, Mr. President, is that it is extremely difficult to accurately estimate the workload for the industrial funds and their consequent personnel needs. Their work depends upon appropriations enacted for all three services plus the needs of foreign governments. Personnel ceilings are thus based on very broad estimates which often do not conform to the real situation as it develops. As a result, ceilings have caused dislocation and inefficiency, rather than promoting efficiency as they were designed to do.

Because of the ceilings, military personnel are often trained and used to perform duties which would normally be performed at a lower cost by civilians. Frequently, ceilings result in large expenditures for overtime and the reduction in employment in one location to free spaces in a different location.

Mr. President, I have seen the effects of ceilings in Indiana. Crane Naval Depot at Crane, Ind., was required by the Navy to lay off personnel to meet personnel ceilings. As it turned out, the ceilings the Navy was applying to Crane were based on wholly inaccurate estimates of the Crane workload. I understand installations in other States have faced similar difficulties.

Mr. President, I could not believe more strongly that we must promote efficiency in the Department of Defense and that personnel ceilings are an important tool for us in accomplishing our goals. I wrote the amendment which authorized Congress to set active duty force levels each year. We must, however, not insist on imposing the ceiling concept on areas where it does more harm than good. We cannot try to pound a square peg in a round hole.

My distinguished colleagues from Mississippi and from Georgia have argued forcefully that this amendment gives special treatment to the industrial funds. I disagree. There are several areas presently exempted from civilian personnel ceilings. This amendment would simply add another category, based upon our experience which clearly indicates ceilings just do not work in regard to industrially funded activities.

The amendment does not propose to spend another penny of Government revenues Mr. President. It simply allows industrially funded installations to adjust manpower needs according to their workloads.

I hope my colleagues will join me in giving it full support.

Mr. HARTKE. Mr. President, how much time do I have remaining?

The PRESIDENT pro tempore. Five minutes.

Mr. HARTKE. Will the Senator agree that there are some exemptions already included in this bill?

Mr. NUNN. There are a very few exemptions. The only one I am aware of, of any significance, is the civil functions of the Corps of Engineers, and that does not come under the military functions covered by our committee at all.

Mr. HARTKE. How about the indirect-hire employees who are hired by the host nation in support of U.S. forces stationed abroad?

Mr. NUNN. I agree with that. The authorization covers direct-hire personnel on the Defense Department payroll.

Mr. HARTKE. These employees are estimated to number approximately 96,000. That is not such an insignificant number. In other words, we are giving those people overseas an exemption what we will not even give our own people?

Mr. NUNN. Mr. President, let me add that the subcommittee is making some vigorous moves to establish control over that. If the Senator from Indiana wants to propose an amendment to include those, I will go along with it.

Mr. HARTKE. I am not on the committee. If the Senator wants to do that, I will be glad to support it.

What about employees in special employment programs for students and disadvantaged youths, such as the stay-in-school campaign and the temporary summer aide program? Are these persons also excluded?

Mr. NUNN. Yes. Let me add, in further response to the Senator from Indiana's previous question, the House of Representatives has moved in the opposite direction, has moved to take them under control, and I happen to believe that the House is moving in the right direction.

Mr. HARTKE. I only mentioned the point that these people were given a special status.

Are employees in special employment programs for students and disadvantaged youths are exempted at this time?

Mr. NUNN. Yes.

Mr. HARTKE. What about employees of the National Security Agency? They are excluded, because employment statistics are classified information—the number of employees is not even available to the Senate. Are they not excluded?

Mr. NUNN. The Senator is entirely correct.

Mr. HARTKE. What about the 8,600 school teachers in the Department of Defense overseas school system? Are they not excluded?

Mr. NUNN. They are included.

Mr. HARTKE. Reading from the report of the committee, it says here, on page 131:

It should be noted also that the approximately 8,600 schoolteachers in the Department of Defense Overseas School System are not included.

Mr. NUNN. That is correct. They are not on the payroll at the end of June. We have fiscal year 1976 and then this 1976T period, and the schoolteachers do not come on board——

Mr. HARTKE. Yes, until 1976T.

Mr. NUNN. But the reason they are not included is because they are, like Joe Jones out there, they are not on the payroll at the end of this fiscal year which ends in June; but they are included in the overall ceiling for the fiscal year 1976T period which ends in September.

Mr. HARTKE. Does the Senator mean he is willing to stand here and say that the General Accounting Office, which is an arm of Congress, which has reviewed this matter, has taken a position which is contrary to both the best interests of this Nation and of fiscal responsibility?

Mr. NUNN. I am informed that the General Accounting Office has never reviewed the congressional authorization of defense civilian strengths. We have no such report.

Mr. HARTKE. They so have. I just read it to the Senator today in the statement I gave and I stand on the statement.

I think the Senator from Georgia is making the wrong argument. If he does not like industrially funded activities, he ought to ask that they be abolished entirely.

Mr. NUNN. What is the Senator going to tell the 55 percent in Indiana that are nonindustrially funded when they find they have to bear a disproportionate load?

Mr. HARTKE. That is a different matter. These people in industrially funded activities are employed and the Government is reimbursed for their work.

Mr. NUNN. Reimbursed by whom?

Mr. HARTKE. They are reimbursed by the contractor.

Mr. NUNN. By the Government.

These people are paid by the U.S. Treasury.

Mr. HARTKE. I understand that. But the fact is that there is an absolute correlation here. If this work is not done by these people, there is a contractor out there the Government has to pay for fulfilling the work that must be done. The question is whether to do it with overtime employees and outside contractors. After all, if there is no work at these facilities, there will automatically be a reduction in employment. The fact remains that these individuals are not in the same category as other Defense Department employees and thus should not be treated in the same fashion.

Mr. NUNN. If this amendment were passed, I would say that within 3 years there would not be anything but industrially funded employees under the Department of Defense. It is very easy to shift from one category to the other. All they have to do, in a bookkeeping sense, is shift everyone over there. If the Senator wants to do away with congressional control on civilians, there may be a strong case that can be made for that. I think there is a stronger case that can be made for that, though I would oppose it, than just to exempt 30 percent of them.

But if Congress is to have anything to say about this, if we exempt 30 percent, we are starting down the road of open and complete abdication of congressional control.

Mr. HARTKE. What is the purpose of a cut in the industrially funded? Is it to save the Government money? The GAO and the Department of Defense both say that it will not. Instead, they argue that it will cost more money.

Mr. NUNN. There is no cut in industrial fund employees by the committee. There is a cut in overall Defense Department employees. The subcommittee and the committee asked for the areas where they felt that civilians could be cut. The Senator from Georgia opposed the Proxmire amendment. The Proxmire amendment added 17,000 to the 23,000. For the 23,000 that our committee cut, we pinpointed each area where those cuts were to be made.

Mr. HARTKE. And why is that?

Mr. NUNN. Because, as we pointed out, we wanted them to reduce the civilians in command headquarters.

Mr. HARTKE. I agree with the Committee that that is where the fat in the budget lies and where the cut should be made.

Mr. NUNN. We wanted to reduce them in staff overhead and base operations support, and we wanted to reduce the civilian employees in Thailand. There is not one single industrially funded employee that has been cut by our committee.

The Senator can take it up with Senator PROXMIRE as to where the 17,000 he cut are going to come from. The Senator from Georgia believes there is going to have to be a reduction in force. The point is, that was not a committee amendment; that was done on the floor. But if you take that 17,000, the Senator from Indiana is saying this 30 percent——

The PRESIDENT pro tempore. The time of the Senator from Indiana has expired.

Mr. NUNN. I yield the Senator from Indiana 2 minutes. I have been talking on his time.

Mr. HARTKE. I thank the Senator.

Mr. NUNN. The 17,000, I do not know where they are going to come from, but what will be very clear is that if the amendment of the Senator from Indiana passes, they will not come from the industrially funded, and that means there

will be a disproportionate number coming from the other 70 percent; and I do not think the Senator from Indiana is saying that the other 70 percent are more efficient, more effective, better people, than the ones who are industrially funded, is he? Is the Senator saying that?

Mr. HARTKE. No, the Senator from Georgia is perfectly correct that I am making no such assertion.

The fact remains that as far as these individuals are concerned they are performing a different type of function. They are performing contract work which must otherwise be done by the Government, even if it must resort to temporary employees, military personnel, overtime service, or even outside private contractors. They do not come in what I would call the so-called excess fat of the Defense Department budget.

Mr. NUNN. The Senator from Georgia will not quarrel with that point.

We did not pinpoint that in this area, and we made it very particular in our report where we thought the fund should be cut, and that is the reason I opposed the amendment of the Senator from Wisconsin (Mr. PROXMIRE) because we were doing it not with a so-called meat-ax approach. We were firing rifle shots at areas that he thought should be softened.

The Senator from Indiana and Senator from Georgia do not agree on that particular point.

Mr. HARTKE. No.

Mr. NUNN. I do think the Senator's statement that this is contract work is somewhat vague because it is contracted within the Department of Defense. It is a bookkeeping situation about who pays for what.

The PRESIDENT pro tempore. The Senator's 2 minutes have expired.

Mr. NUNN. I yield such time to myself.

Mr. HARTKE. Let me say one thing. I did not support the Proxmire amendment

Mr. NUNN. I thought that was the position of the Senator from Indiana.

Mr. HARTKE. The point is that the issue of the Proxmire amendment, an across-the-board cut in civilian ceilings, is not involved in this proposal.

However, I agree with the Senator from Georgia that as far as we are concerned at this time we are dealing with a situation which must be resolved by a vote in the Chamber of the Senate. That is perhaps the best way to let it be decided.

Mr. NUNN. Fine. I agree with the Senator from Indiana on that point.

Mr. President, does the Senator from Mississippi desire time on this?

Mr. STENNIS. Yes.

But I say to the Senator from Indiana that he may go ahead if he wishes because I can use time on the bill.

Mr. NUNN. I have already used all I need.

Mr. STENNIS. Mr. President, may I be recognized if time on the amendment has been exhausted?

Mr. NUNN. Of the time left on the amendment, I yield such time to the Senator from Mississippi as he may require.

Mr. STENNIS. I desire to use a couple minutes.

Mr. President, even though I did not have an opportunity to hear the argument on this matter, the Senator from Georgia and I have talked it over and I have talked it over with the Senator from Indiana, who always has offered amendments that are plausible. He is very persuasive. If I were going to lean with anybody, he would be one of them.

But this is such a fundamental matter that we will have to oppose this amendment. The Senator from Georgia has already given the reasons.

As a practical matter now, Congress has asked the Armed Services committees to set the levels of civilian employment. If we want to repeal that, that is all right. Just repeal it.

But we certainly cannot come along and make exceptions by taking out certain employees to which it will not be applicable. That destroys the adherence and the framework of the entire matter.

The logical step would be to offer, as a substitute for this amendment, a proposal that would just repeal the whole statute—that covers this civilian employment. I say take it seriously.

Much as we would like to accommodate the Senator from Indiana on a personal basis, we just decided we would have to make a strong fight to try to get the facts over to the Senate on this matter.

I have just learned about the postponement of all votes until 12 noon, and then have them back to back.

But as to this amendment, I am going to ask that there be a chance for us to give a sum up of the agreements just before the vote.

I will wait until the leadership is here; but I propose to give 5 or 10 minutes to each side to sum up just before the vote.

Mr. HARTKE. Mr. President, I would like to have a rollcall, but it is my understanding that the leadership is not going to have rollcalls until noon. Is that correct?

Mr. HATHAWAY. That is correct.

Mr. HARTKE. I would like to have a rollcall.

Mr. STENNIS. I would like the Senator to have a rollcall.

I thank the Senator for yielding time.

The PRESIDENT pro tempore. Who yields time?

Mr. NUNN. Mr. President, I reserve the remainder of the time on the amendment. The Senator from Indiana and I may want to split that time for use in summary later, if that is consistent with the order.

Mr. President, how much time remains to the Senator from Georgia?

The PRESIDENT pro tempore. Seven minutes.

Mr. NUNN. I will reserve that time.

Mr. HARTKE. Mr. President, a parliamentary inquiry.

As I understand it, the procedure next is that the amendment can then be laid aside and the next amendment can be taken up.

Is that correct?

The PRESIDENT pro tempore. It would take unanimous consent to go to another amendment at this time, since the yeas and nays have not been ordered on this amendment, which would put off the vote until noon under a prior order.

Mr. HARTKE. Mr. President, I did not understand that.

Mr. NUNN. Does the Senator want to ask for the yeas and nays?

Mr. STENNIS. Mr. President, if I may be recognized, I have just said this is a highly important amendment.

I knew nothing about the request that was going to be made with no vote until 12 noon and have all the backup.

Mr. President, I ask unanimous consent that the time we have left for each side be reserved now and be used just before we vote, and if the Senator from Indiana does not have 7 minutes, which is our part, I ask that he be allowed 7 minutes at that time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, the Senator from Hawaii (Mr. FONG) would like to present a statement on this amendment but the Senator from Indiana has no time remaining. I ask unanimous consent that he be allowed to proceed for 5 minutes.

Mr. STENNIS. Is that on this amendment?

Mr. FONG. It is on the amendment.

Mr. NUNN. Mr. President, I think we can work this out later.

I am happy to yield to the Senator such time as he may need against my time, and I think we can work this out later.

Mr. HARTKE. That is right.

Mr. STENNIS. The Senator is talking about the amendment.

Mr. NUNN. I assume I am going to have time to summarize it later.

Mr. STENNIS. Mr. President, I yield to the Senator from Hawaii (Mr. FONG) 5 minutes on the bill for him to speak.

Mr. HATHAWAY. Mr. President, a parliamentary inquiry, please.

The PRESIDENT pro tempore. The Senator will state it.

Mr. HATHAWAY. Last evening before the Senate adjourned until this morning, we had a unanimous-consent agreement on amendments setting out the order in which they would be presented, and the time allowed on each.

Am I to understand that those time allotments can be altered by allowing time on the bill to be used on amendments?

The PRESIDENT pro tempore. That is correct.

Mr. HATHAWAY. I thank the Chair.

Mr. FONG. Mr. President, I rise to express my support and cosponsorship of amendment No. 489 to title V of the Military Procurement Authorization Act, S. 920, now being debated by the Senate.

Amendment No. 489 will exclude civilian employees at Defense Department facilities covered by "industrial funds" from the civilian manpower ceilings authorized under S. 920.

Defense Department "industrial funds" are in the nature of revolving funds. These funds were established so as to put some of the logistical programs of the military services on a business-like basis. The majority of these activities concern maintenance and supply, the workload of which is subject to frequent and unprogramed changes.

The Defense Supply Agency is an example of an industrial fund. So is Army ammunition.

The Defense Supply Agency goes into the marketplace and buys and stocks thousands of kinds of commodities and articles used by the military services.

Suppose the Army needed 10,000 pairs of black shoes. The Army would order them from the Defense Supply Agency, which would charge the Army for the cost of the shoes, plus overhead costs of the Agency including personnel costs—white-collar and blue-collar. The Army would reimburse the Defense Supply Agency out of funds appropriated to the Army by the Congress.

The naval shipyards, including the Pearl Harbor Naval Shipyard, are also operated as industrial funds. Ships requiring repairs at Pearl Harbor are billed by the yard for the cost of materials, labor, and overhead. The industrial fund is then made whole on receiving payment from the account that funds the ship out of moneys appropriated to the Navy by the Congress.

Another activity operated under an industrial fund is the Navy Public Works Centers. There is such a center at Pearl Harbor. These Navy Public Works Centers perform a number of important services, including maintenance functions like painting, repair of plumbing, and so on.

Demand for services or supplies covered by the industrial funds can, and does, fluctuate considerably. At one time, the workload will require fewer than the normal complement of civilian personnel. At another time, the industrial fund activity will mushroom sharply, say in a crisis, and a sharp increase in civilian personnel is required to handle the workload. By allowing the industrial fund activities to tailor their civilian personnel to the workload, a much more efficient operation can result. Exclusion of the employees paid by industrial funds from the civilian manpower ceilings imposed by S. 920 will permit a more efficient and orderly operation.

I am advised that industrial funds have resulted in much more careful budgeting by the military services, who are the customers of the industrial fund activities. Obviously, there is greater cost awareness on the part of both the military services and the industrial fund managers.

I am informed that normally the industrial funds have operated at a profit. In times of sharp inflation, however, these funds may have to receive replenishment through appropriations by Congress.

The amendment proposed would eliminate the existing requirement under present manpower ceilings, for industrially funded facilities to operate on a fixed number of employees that is arbitrary and often unrelated to the amount of work contracted for. It would remove the need for the use of overtime labor, use of military personnel, and subcontracting, which these facilities often have to resort to in order to fulfill contracts signed with the DOD.

The amendment, as others also have pointed out, does not challenge the concept of civilian manpower ceilings nor does it affect the ceilings on other defense activities in which 70 percent of the 985,000 direct-hire DOD civilians are involved.

In reaching my decision to cosponsor this amendment, I have had the opportunity not only of hearing the arguments of both proponents and opponents of this amendment among my Senate colleagues, but of going to one of our Nation's largest defense facilities—the Pearl Harbor naval base—for personal consultation with and briefings by people who are on the scene and most directly involved.

Mr. President, at Pearl Harbor I found strong support that this amendment be approved. In Hawaii as a whole, 10,989 civilians, or one-third, of the total number employed by the Defense Department are involved in industrially funded activities. Of these, about 5,000 are employed at Pearl Harbor.

The arguments I have heard at Pearl Harbor, on the Senate floor and elsewhere convince me that this amendment to our military procurement authorization bill will indeed help the American taxpayer get the most from the very necessary expenditure of billions of dollars to, as President Ford said, maintain a strong defense as "the surest way to peace."

I was informed of this problem in my visit to Pearl Harbor and yesterday I received a telegram from a representative of the 5,000 employees at Pearl Harbor again calling my attention to the ceiling. The Defense Department has testified in favor of excluding these civilians from the manpower ceilings. As a result of a test project, the Comptroller General has recently recommended that Congress be informed of the benefits of managing Federal activities with fiscal controls and without manpower ceilings.

What we are looking for and what we can expect from this amendment are more efficient management, reduced costs, and elimination of waste.

I note that both proponents and opponents of this bill have one important goal in mind—that of having our defense dollar go as far as possible.

Therefore, I ask that my colleagues support this amendment, so that the American taxpayers, especially during this time of economic hardship, can receive fullest value for each defense dollar.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter in connection with this matter from the American Federation of Government Employees.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 4, 1975.

Hon. HIRAM L. FONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FONG: I am writing to solicit your support of Amendment #489 to Title V of the Department of Defense Military Procurement Authorization Act, S. 920, sponsored by Senators Birch Bayh and Vance Hartke. I understand that this Amendment may be considered by the Senate as early as Friday, June 6, 1975.

The purpose of the Amendment is to exclude "industrially-funded" defense facilities from civilian manpower ceilings for Fiscal Year 1976. The "industrially funded" facilities bid for contracts and work like any private company. Because of present manpower ceilings, each installation is required to operate on a fixed number of employees unrelated to the volume of work contracted.

The Department of Defense favors this amendment and the Comptroller General has recently recommended that Congress be informed of the benefits of managing Federal activities with an alternative system involving tighter fiscal controls which, we believe, are more effective precisely because they are not related to personnel ceilings.

There is a vast body of information available indicating that the use of personnel ceilings is wasteful of government funds and for this reason alone they should be abandoned. In order to accomplish contract completion it is often necessary to utilize excessive overtime, use of military personnel and subcontract to outside industry. There is an even larger body of information indicating that it is an irrational, and inequitable personnel system, imposing instability on management and hardship on employees who are periodically dismissed from their jobs at the close of one fiscal year to be re-employed, in the same or a similar position, during the course of the next fiscal year. The existence of ceilings accounts for the questionable personnel policy of employing large numbers of temporary and term employees in place of career employees, involving exorbitant costs of training a constant flux of impermanent personnel who are hired and terminated annually. This system, I believe, is the main cause of such inefficiency in Federal agencies about which citizens rightfully complain to Congress.

As the representative of 675,000 Federal employees under exclusive recognition, we are especially cognizant of the unnecessary hardships which are imposed toward the end of each fiscal year on Federal employees as a result of ceilings. Let me emphasize that we very much support Congressional controls over the budget and over the effective size of the Federal establishment. We believe more effective controls are possible than personnel ceilings through the use of direct fiscal-budgetary processes. We welcome the insights which have been supplied by the Comptroller General. For this reason, we solicit your support of Amendment #489.

Sincerely yours,

CLYDE M. WEBBER,
National President.

Mr. HARTKE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 488

Mr. FORD. Mr. President, I ask unanimous consent that amendment No. 489 be laid aside temporarily and that amendment No. 488 be called up.

The PRESIDING OFFICER (Mr. STEVENSON). Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maine (Mr. HATHAWAY), for himself, the Senator from Kansas (Mr. DOLE), and others, proposes amendment No. 488.

Mr. HATHAWAY. Mr. President, I ask unanimous consent to substitute for amendment 488 an unprinted amendment which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The substitute amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . (a) Notwithstanding any other provision of law, in the administration of chapter 403 of title 10, United States Code (relating to the United States Military Academy), chapter 603 of such title (relating to the United States Naval Academy), and chapter 903 of such title (relating to the United States Air Force Academy), the Secretary of the military department concerned shall take such action as may be necessary and appropriate to insure that female individuals shall be eligible for appointment and admission to the service academy concerned beginning with appointments to the academies in calendar year 1976.

(b) Title 10, United States Code, is amended by striking out the words "sons" wherever it appears therein and inserting in place thereof in each instance the word "children".

(2) Section 6956(d) is amended by striking out the word "men" wherever it appears therein and inserting in place thereof in each instance the word "members".

(c) It is the sense of Congress that the provisions of subsection (a) and (b) of this section do not remove necessary discretion on the part of the Secretary of Defense to accomplish expeditiously additional changes that may be required from time to time to accommodate women, as long as he begins implementation of these changes upon enactment of this act.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the amendment: Senators CLARK, BAYH, MCGOVERN, SCHWEIKER, MCGEE, MANSFIELD, WILLIAMS, BROCK, PHILIP A. HART, JAVITS, PACKWOOD, THURMOND, PROXMIRE, CASE, KENNEDY, MONDALE, and BARTLETT.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I have offered the amendment now before us in order to enable women to obtain the same superior educational opportunities presently available only to men at our service academies. Toward this end, I am joined by the Senators who are cosponsors of the amendment.

At the outset, I should like to ask that we consider for a moment what our military forces need the most, now and in the future. What abilities and strengths are required in our military officers in order to maintain our defense in the complex setting of détente? To what sort of person can we confidently entrust our unsurpassed array of sophisticated weapons systems? Which Americans are best qualified to handle the difficult job of keeping us out of conflict through a firm deterrence of war?

It is obvious to me that what we require in our Armed Forces are men and women of ability, judgment, and superior intelligence; who can bring to their jobs a sense of history, an ability to respond to the needs of a great variety of people around the world and with thoughtful care to carry out in detail the vital mission to which we assign them.

And we have long benefited from the important contribution rendered by women in our Armed Forces. Women in uniform serve in the same roles as men, with the exception of combat assignments. I do not believe that there is anyone who would say that our experience with women in the military has been a negative one. Indeed, the past few years have seen an increase in the number of dedicated and ambitious women who have elected a career in the service of the United States.

Yet no matter how dedicated or well-qualified, American women are barred from receiving training at service academies. Even if they are the daughters of men who were decorated with the Congressional Medal of Honor and they desire to embark upon a military career, they are still denied academy training.

And in that denial we say to women:

We want you in the military, but please don't ask to travel there in first-class style with the men.

My amendment is not intended to affect this year's make-up of students at the academies. Entering classes have been appointed and will begin their studies in a few weeks.

This gives the academies a year in which to make such preparations as may be necessary.

The explanation given by the service academies for excluding women rests upon the theory that the mission of the academies is to train men to be combat leaders. Yet most of the curriculum at service academies is not combat related. And indeed, much of warfare in the 1970's is so technological as to fall outside the traditional concepts of combat.

But combat is not the issue. The academies have long graduated men who go on to make their careers in the vital non-combat sector. An education received at a service academy enables these men better to do their duties. There is no reason why we should not accord to women the same opportunities. And when we do it, we will not be changing the role of women in the military, but rather we will be giving them an equal opportunity at the educational process by which they may better fulfill their present responsibilities in service to the Nation.

I am confident that the result of such a change in the admissions practices of the academies will be a larger pool of better qualified applicants—men and women. This is a resource which we would be foolish to waste, especially when so small a change can produce so much benefit for the services by encouraging qualified women to match their skills against the rigorous challenges provided by our service academies.

It is also apparent, from the experiences of colleges and universities which have become coeducational, that the problems of accommodating women in a formerly all-male institution have proven to be easily and quickly resolved. And the experience at our Merchant Marine Academy at Kings Point strongly suggests that in addition to the recent problem-free addition of women to that academy, they have also proved to be a valuable and welcome asset that contributes a new vitality to the school.

Women applying to the service academies must meet the same standards as men. The Secretary of Defense, however, retains his discretion, where physiologically necessary, to make only such changes in the academies' standards as conditions of absolute male-female differences dictate. But this amendment does not allow a two-track system to be started. Physical requirements, in short, are left to the Secretary's discretion.

As women have conclusively demonstrated that their abilities to perform in school and at work are equal to the abilities of men, and as there is no question that women will continue to make a valuable contribution to our armed services, it behooves us now to eliminate the groundless and inconsistent prohibition against their admission to the service academies. I urge Senators to support this amendment and would conclude by noting that in subsection (c), we express the Senate's sense that the Secretary retains his traditional discretion in matters pertaining to the running of the academies but that this discretion, of course, does not in any way alter or supersede the principle which we today effect: Women are to get the opportunity to receive academy training on the same basis as men; and on this the Secretary has no discretion.

Mr. President, this amendment is one that the Senate, in substance, adopted unanimously a year ago. The original amendment 488 has been modified to accommodate the views of various Members of this body who, for one reason or another, did not agree with the original amendment as submitted. But I believe the issue is now classified and that we have an amendment substantially in accord with the House amendment.

I think that the ideas that have been submitted by Senator BARTLETT, Senator NUNN, and others are good, and I am happy to incorporate them into this amendment so as to reflect their concerns while retaining the essential substance of my amendment as originally submitted.

I believe there is now no controversy about this matter, so I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I yield time to the Senator from Georgia.

Mr. NUNN. I will follow the Senator from Oklahoma.

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I compliment the Senator from Maine. The discussions that were held certainly were helpful in working out some language that will provide the flexibility that will be needed by the Secretary of Defense to make certain that the goals in the bill will be achieved. I want to indicate very clearly my support for the proposal.

I thank the Senator from Maine for his leadership in this area, in working out some of the finer points that seem to be necessary.

Mr. NUNN. Mr. President, I have talked with the Senator from Maine, the Senator from Oklahoma, and, to some extent, the Senator from Mississippi about this amendment.

This matter has been discussed quite a bit, and I believe the amendment as it now reads represents both the original goal of the Senator from Maine and some of the sensitivities pointed out by the Senator from Oklahoma. I believe it is an amendment that the committee will accept, depending upon the final judgment of the chairman, but that is the judgment of the Senator from Georgia.

Mr. STENNIS. I thank the Senator.

If the Senator from Maine wishes some time, I yield.

Mr. HATHAWAY. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. CLARK. Mr. President, as a nation, we have firmly committed ourselves to equal opportunity for all citizens. But actually providing equal opportunity for everyone regardless of their race, religion, beliefs, or sex is a task which has not yet been completed. Today, we have a chance in the Senate to advance that cause.

I am pleased to join the Senator from Maine (Mr. HATHAWAY) in sponsoring this amendment to S. 920 to open the three major military academies to women—the U.S. Military Academy at West Point, the Naval Academy at Annapolis, and the Air Force Academy at Colorado Springs. Last year, the Senate agreed that these academies should admit women. This year, the House has concurred with that decision, and it must now be reaffirmed by the Senate. In light of the progress of the equal rights amendment, a series of Federal court opinions, and the changed attitudes of the American people, it is a step long overdue.

There is nothing new about women in the U.S. Armed Forces. They served in World War I and in World War II in far greater numbers. And in recent years, we have begun enlisting women in all the services for specialized training and for officer training, including ROTC and the Navy's officer candidate school at Newport, R.I., where, incidentally, the continuation rate for women graduates is higher than for males. The Navy has commissioned two women as pilots. The services have a woman admiral and several women generals. A woman in the Army has been placed in command of male troops stationed overseas. And the Merchant Marine Academy, one of the Nation's traditional service academies, has already opened its ranks to women.

There is no doubt that women are playing an ever-increasing role in the military. But by denying them entrance to West Point, Annapolis and the Air Force Academy, we are unjustifiably limiting that role.

Attendance at one of the elite service academies adds an important dimension to the credentials of young officers, and it is invaluable in improving employment status within the military. Unfortunately, however, this opportunity is not available to women officers, and as a result, their opportunities for advancement and special military education are diminished.

The primary argument raised against this amendment is that the military academies prepare men for combat and are therefore inappropriate institutions for women students.

But this argument fails on two grounds. First, at least 10 percent of the male graduates from the military academies have never performed a "combat" assignment. The fact that the Air Force Academy offers a premedical program, for example, is a tacit acknowledgement that all of its graduates are not bound for combat duty.

Second, there are a number of reports that indicate that many women are well-suited for what are now defined as "combat" assignments. Most people think of combat as hand-to-hand confrontation. But "combat duty" typically includes assignments to ships and aircraft where women already serve and serve well. The report evaluating the performance of women at sea aboard the U.S.S. *Sanctuary* was positive, and it recommended that women be assigned duty on other ships on a regular basis. Both the Army and the Navy train women pilots. And in the area of direct combat training, WAC's have successfully completed advanced infantry, armor, and artillery school. In terms of their ability to undergo rigorous training or to serve in many combat assignments, women have already proven themselves.

And there certainly is no shortage of opportunities in the noncombat-related areas. The modern military needs administrators, computer specialists, communications experts, linguists, and many other specialists—all positions women have filled in the private sector.

Mr. President, the question today is much larger than just the admission of women to the military academies. We are talking about whether women, like men, will have the freedom of choice to plan their own lives, and whether we are going to make sure that the Military Establishment takes advantage of the intelligence and capabilities of all its members. The United States prides itself on the sophistication of its military, and in today's world we would not want anything less. That is all the more reason for making full use of our resources—and that means the ability and leadership talents of women as well as men.

No one is asking for special treatment for women. They will have to meet the high standards set by the military academies—there is no question they can do that.

By passing this amendment, Congress can remove another barrier against the advancement of equal rights for women. The discrimination that exists violates the basic principles of this country, and because it relates to employment, it is doubly harsh. Women have not fared well in securing equal employment—both in Government and the private sector—and as a result, we are wasting a valuable resource and denying women their constitutional rights.

I urge my colleagues to approve this amendment and assure women an equal opportunity to make a contribution to this Nation's military.

This is another step, I think, which is very much needed. I think that, in view of the court decisions that have furthered this cause, this is another step that ought to be taken. I think it is particularly encouraging that both sides are accepting this amendment.

Mr. BAYH. Mr. President, I rise today to support equal treatment of male and female applicants seeking admission to our service academies. I urge adoption of the pending amendment, designed to achieve this goal, because I think such action is required under our Constitution and because I believe that women can make a substantial and much needed contribution to our national defense.

The American Military Establishment has long lagged behind other institutions in our society in providing equal opportunities for women. Numerical ceilings on the number of women in the military services and discriminatory practices in recruitment, promotion and training have resulted in small numbers of women in the services and limited possibilities for career advancement within the military. Women have not been proportionally represented in the higher grade structures for either officers or enlistees. This has been true despite the fact that eligibility requirements for servicewomen have been higher than those for servicemen and that women entering the military have traditionally scored higher on military entrance criteria than their male counterparts. Until 1971 only 35 percent of the military's occupational specialties were open to women.

Our transition to an All-Volunteer Force has made this arbitrary discrimination impractical. Research on the All-Volunteer Force by the Government Accounting Office and the Senate Armed Services Committee indicates that the transition from a mixed draft/volunteer system to a purely voluntary system has made more difficult the recruitment of qualified military enlistees and officers as well as impacted on the military's ability to attract the mix of skills needed for our national defense. Both the Government Accounting Office and the Committee studies have suggested expanding the role of women in the armed forces as a means of ameliorating these problems.

There are indications that the Department of Defense has recognized the force of this argument. Military recruitment plans since fiscal year 1972 reflect the Department's recognition that it must increase the number of servicewomen on active duty. Projections through fiscal 1977 call for a 151-percent increase in annual accessions between fiscal 1972 and fiscal 1977, raising the percent of women in the Armed Forces from 1.9 percent in fiscal 1972 to 4.2 percent in fiscal 1977, and increasing their absolute numbers from approximately 35,000 to approximately 89,000. Women in the U.S. armed services now total 75,000, the highest number of any nation in the world.

Given the increasing numbers of military occupational specialties now open to women and the percent of noncombat related officer assignments, even if current combat prohibitions against women remain in effect, it is clear that female participation in the military could be enlarged considerably beyond what it is today. Estimates of potential female volunteers indicate that sufficient numbers of women are available to significantly increase their membership in the military and that accepting a greater proportion of women into the Armed Forces

would likely raise the average mental capability of the military services.

The sudden infusion of women into the Armed Forces and the likelihood that they will be recruited in increasingly large numbers raises the question of what jobs and responsibilities they will be encouraged to assume. These questions are closely related to the issue of admission of women to the service academies.

Recent changes in military policy suggest that the Department of Defense has recognized the importance of utilizing women to their maximum potential in the post-draft era. Since the inception of the All-Volunteer Force, women have been recruited in larger numbers, have been assigned to regular units, have entered command jobs, have been eligible for all noncombat military specialties, and have been admitted to ROTC and OCS programs as well as to our war colleges.

Many of these steps were resisted prior to 1973 and, in all likelihood, were initiated because of the need to aggressively recruit highly qualified and motivated individuals for service in the All-Volunteer Force. Yet, despite prior resistance on the part of military personnel, rooted in traditional notions about female roles, preferences, and potentials, the experience of the armed services thus far with opening new opportunities to women is promising. It indicates that the military can easily make the changes necessary to accommodate new roles for servicewomen and that women in the military are responding enthusiastically to new challenges and performing admirably.

In the last 2 years, military physical training programs have successfully been modified to make women's training programs comparable to those required for men. Women have been integrated into living quarters on bases here and abroad without problems or inconveniences. Women have gone into the field with their units on training exercises and acquitted themselves well. Recent female Army enlistees have undergone defensive weapons training and achieved skills commensurate with their male counterparts despite less training. Finally, women have gone through ROTC and OCS and war college programs with distinction and some are now effectively occupying command posts.

These experiences suggest that each time a new door has been opened, women have been equal to the task and the armed services have benefited as a result. Most resistance on the part of military personnel to expanding responsibilities for servicewomen has stemmed from traditional notions about women's role in society and has been unrelated to the motivation or performance of servicewomen or the contribution they can make to our national defense.

Mr. President, in the passing of the Equal Rights Amendment, the Congress resolved that equal rights guaranteed by the Constitution shall not be denied on the basis of sex. By its vote, the Congress declared its unwillingness to tolerate further arbitrary exclusion of women from opportunities and rights theoretically guaranteed to all of our citizens.

As a result of the abolition of the selective service system, increased opportunity for women in the military has become more of a reality. The Congress is now obligated to take another step in this direction by opening service academies to women. This action will complement other steps the military has taken independently of the Congress to provide equal rights to training, employment, and career advancement for servicewomen and will remove the last obstacle for women aspiring to peak leadership posts in the military.

Department of Defense statistics clearly show that education at the service academies is directly associated with career advancement. Academy graduates are disproportionately represented in the higher pay grades and occupy the most responsible and prestigious leadership posts.

The goal of our service academies is to recruit and train those with the greatest potential and motivation for leadership in the military. It is unconscionable to deny these opportunities to women, who have much to contribute and who are seeking, in ever-growing numbers, full-time careers outside the home.

Today, over one-half of American women between the ages of 18 and 64 are active members of the work force. The military has traditionally served as a channel of upward mobility for countless numbers of Americans, providing them with advanced training and secure and satisfying careers. We cannot, in good conscience, deny these opportunities to more than half of our population merely because they are women.

In conclusion, Mr. President, I urge speedy adoption of this amendment. If implemented fairly, it should result in finally making real equal opportunities for education and careers advancement for those women in our society who are anxious to share in the responsibilities, challenges, and opportunities offered by affiliation with our Military Establishment.

Mr. HATHAWAY. Mr. President, I really have no need for more time.

Mr. STENNIS. Mr. President, I yield myself 1 minute.

Mr. President, I have conferred with the Senator from Maine, who has worked on this matter for 2 or 3 years. I have conferred with the Senator from Georgia, with the Senator from Oklahoma and others. This amendment has been worked out, and I think we ought to take it to conference. We shall work there to get the best thing we can within the field of this subject matter. There are problems connected with it, as everyone knows, but I think those things can be thrashed out.

Mr. HATHAWAY. I thank the Senator from Mississippi for his cooperation in this matter and I know that when he does take the matter to conference, knowing the will of the Senate as expressed today and in the past and mindful of the strong vote of the House for the same change in academy admissions procedures, he will bring back to us a faithful amendment in this regard.

Mr. STENNIS. If the Senator will yield, we shall certainly do the best we can to bring back something that reflects the will of Congress and the spirit, too, of the Senate in this conference.

Mr. HATHAWAY. I thank the Senator very much, and I also thank the Senators from Oklahoma and Georgia for their cooperation.

I yield back the remainder of my time.

Mr. STENNIS. We yield back our time, Mr. President.

Mr. THURMOND. Mr. President, may I say a word on this?

Mr. STENNIS. I yield to the Senator whatever time he wants; 2 minutes, Mr. President.

Mr. THURMOND. Mr. President, I realize that the question of admitting women to the academies is a very controversial subject. I understand, also, that a lot of people want to give women their rights in every way. For that reason, I favor the compromise. There are those who have reason to believe that the Academy should be reserved for people who are actually going to go into combat. The training given by the academies is rugged training. They have obstacle courses to run. It is very tough training. I think the proposition that has been worked out here is a good one and I commend the distinguished Senator from Maine (Mr. HATHAWAY) and the distinguished Senator from Oklahoma (Mr. BARTLETT) for working so zealously and earnestly on this amendment to bring about a compromise.

It appears to me that the compromise that they have brought about here, to give some discretion to the Secretary of Defense to test out this matter, to stretch it out rather than to plunge into it on a big scale, is a very feasible and practical one. Mr. President, I am very pleased to join in this compromise and I hope the Senate will pass it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. STENNIS. I yield back my time, Mr. President.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 518

Mr. CULVER. Mr. President, I call up my amendment No. 518.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Iowa (Mr. CULVER) proposes an amendment numbered 518. The amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

"SEC. —. The Secretary of State and the Secretary of Defense shall jointly prepare and submit to Congress and to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and International Relations of the House of Representatives a written annual report setting forth in detail the foreign policy and military force structure of the United States for the next fiscal year, how they relate to each other and the justification for each. Such report shall be submitted not later than January 31 of each year."

THE CONNECTION BETWEEN DEFENSE AND FOREIGN POLICY

Mr. CULVER. Mr. President, one common theme was echoed by virtually every participant in our opening days of debate on this bill: the direct and necessary link between our foreign policy and our defense policy force structure.

I believe that most Senators also agree that, until now, too little attention has been paid to that relationship, either by the executive branch, which tends to develop these policies in separate bureaucratic structures, or by the Congress, which considers defense and foreign policy legislation in different committees and in different bills.

In my judgment, what we need is a mechanism for putting defense and foreign policy considerations side by side, for the consideration of Congress, so that explicit choices can be better made.

Mr. President, this amendment is intended to lay the basis for such analysis.

It requires, starting next January, the Secretaries of State and Defense to prepare and submit to Congress a joint report which details our foreign policy and military force structure for the next fiscal year, how they relate to each other, and the justification for each.

This report would be presented to the Armed Services and Foreign Relations Committees in each of the two Houses.

At the present time, Mr. President, the Armed Services Committee must rely primarily on the annual report and posture statement presented by the Secretary of Defense and the Chairman of the Joint Chiefs of Staff. These documents, quite properly, are prepared in the Defense Department and do not address in detail the foreign policies to which they are linked.

Although we have received foreign policy reports by the President and Secretary of State in the past, the submission has been erratic and the discussion of the implications for military force structure has been minimal.

What this amendment would do is force joint planning and thinking by the State and Defense Departments, so that Congress may then act on the basis of coordinated, expert analysis. I believe that the very process of preparing such a report would have a healthy effect on the executive branch in the formulation of U.S. foreign policy and the sizing of U.S. military forces.

After all, thousands and thousands of pages of testimony and materials are offered each year by the Defense Department to support line-item requests for military forces and equipment. These line-item requests are presented and justified in terms of military needs and capabilities. But virtually no attempt is made in all these justifications to relate military force structure to foreign policy requirements. Surely it is reasonable to require that the executive branch make an explicit report to Congress on these crucial matters so that we can, in turn, more responsibly discharge our own duties in these areas.

Mr. President, I have no further request for time. I shall be glad to yield to the Senator from Georgia.

Mr. NUNN. Mr. President, I compliment the Senator for what I think is a step in the right direction. He has corrected one of the real disparities here because, as we have participated in this so-called great debate—to some it may have been great, to others not quite so great—I think all of us have agreed this week that there is a relationship between foreign policy and our national defense. I believe that this move by the Senator from Iowa will help in the future to correlate those two. I think we may have had a lot of differences of opinion over the course of this week's debate, but the one thing we all agree on is that there is a relationship and that that relationship has not been nearly as explicit and as clear and fast in our deliberations and our decisions as it should be in the future.

I commend the Senator for this particular amendment and think that he is making a move in the right direction.

Mr. GLENN. Mr. President, I ask unanimous consent that my name be listed as a cosponsor of amendment No. 518 to S. 920, which was offered by Senator CULVER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, 2 days ago I made a statement during discussion of foreign policy as it applied to our discussion of defense posture. The thrust of those remarks was that we absolutely should have a well-understood foreign policy on which to base defense commitments, authorizations, and appropriations. Too much of our foreign policy discussion carried on during the first 2 days of this debate involved tactics, comparison of individual weapons systems rather than specific items of foreign policy on which a rational defense policy should be based. I stated at that time that it was understandable in this early time period following our withdrawal from Vietnam and Cambodia that there would be a period of realinement and reconsideration of our long-term foreign policy interests. Until those areas are better defined, we would, of necessity, have to vote for a defense budget this year "in the blind." I hoped, however, that by this time next year we will have a well thought-out foreign policy which encompasses at least the 10 items I mentioned in my informal remarks on June 3.

Some very pertinent thoughts with regard to this subject were the theme of an article in the New York Times this morning by Mr. James Reston, and I ask unanimous consent that this article be printed in the RECORD, immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. GLENN. Mr. President, I am glad to associate myself with the remarks of the Senator from Iowa and congratulate him for his initiative in what I believe can be a most worthwhile step forward in putting our consideration of defense expenditures on the proper basis.

EXHIBIT 1

[From the New York Times, June 6, 1975]

THE SENATE POLICY DEBATE

(By James Reston)

WASHINGTON.—The Senate didn't come up with many answers in its recent reassessment of United States foreign and defense policy, but at least it tried to have a constructive and coherent debate, and it raised some startling questions.

Since it was being asked to approve a $104.7-billion military budget, shouldn't it know what foreign policy this money was intended to support?

Without the vast expenditures in Southeast Asia, why a $15.7-billion military budget increase and three new divisions for the Army?

What was the policy behind last year's decisions to sell $8.6 billion in arms to 136 different countries, and provide military assistance to 51 countries?

Did the security of the United States really depend on new military money for its economic and social stability? Senator Barry Goldwater also wanted to know whether there really was any security in "that beautiful bubble dream called détente."

The Senators fussed, as usual, on priorities, on the mix between domestic and foreign expenditure, and on the validity of U.S. commitments all over the world, but they agreed across the board on the imperative need to review and debate all these questions in a much more orderly way than they had ever done in the past.

Senator Cranston of California, who pressed for this Senate reappraisal, struck the general theme, namely, that the Senate was not adequately informed on the Administration's policies, and seldom even discussed defense policy in relation to the overall foreign policy of the nation.

What commitments do we have, he asked. What commitments should we have? What is our foreign policy, anyway? What defense posture, what weapons, what manpower, what overseas bases and troops do we need to match and mesh with this foreign policy and to defend our true interests and our freedom?

The debate demonstrated that there is no general consensus in the Senate even on the safe level of atomic and conventional weapons or how they should be used.

Senator Edward Kennedy of Massachusetts noted that the United States now has some 8,500 strategic nuclear weapons virtually in full deployment. These include 550 Minuteman III missiles and 54 Titan missiles deployed in the U.S. Also, 41 nuclear submarines with 656 Polaris/Poseidon missiles and nearly 500 strategic bombers.

How much is enough? he wanted to know. With 22,000 tactical nuclear weapons stockpiled around the world, he added, "the simple fact is that we have nuclear weapons in excess of our security needs."

Senator Goldwater, among others, disagreed. He thought the relative strength of the U.S. armed forces to the Soviet Union was declining and that we needed not just three more Army divisions but the ten more that the Pentagon really wanted.

The United States actually has fewer ships in the Navy now than in 1939, he said, and manpower had dropped from the pre-Korean level of 1,460,000 to a planned 785,000 this year. "When the Army can talk about making 16 divisions out of 785,000 men," he remarked, "I think they are frankly looking at the ouija board." Besides, the Senate didn't really talk to the Joint Chiefs about what was really needed, he added.

The rise of Soviet naval power obviously troubled the Senate. "The Soviet Union, a land power," Senator Taft of Ohio said, "is building a formidable fleet. The United States, a sea power, is being surpassed by the Soviet Union in certain areas of naval power."

In the end, the debate came down to the familiar divisions over money for arms or money for the internal development of the nation. "I am convinced," Senator Walter Mondale of Minnesota said, "that the basic source of American power to deal with these issues lies in the ability of the American people and their Government to . . . man-

age a growing and vibrant economy, to be first in the world in technological innovation; to lead the world in efforts to bring equality to all our citizens.

"We have kept our military machine polished but have let our cities decay, our transportation systems collapse, our national unity dissolve. . . ."

It is noteworthy, however, that despite all the divisions over priorities, there was not a single argument for an American retreat into isolation. This was a serious, if sometimes disorderly debate, but all sides agree that a post-Vietnam, post-Watergate redefinition of power, and the uses of power, was essential and that Congress had to play a more active and regular part in finding a balance.

Secretary Kissinger obviously feels that Congress has been too active recently, too inclined to intervene in the day-to-day operations of foreign policy; but he is not opposed to this kind of searching and analysis of purpose by the Senate.

Senator Javits summed up the one point on which most Senators in the debate agreed: The military budget had to be related to a clearly understood foreign policy, and it was too serious to be left to the Pentagon.

Mr. CULVER. I appreciate the kind remarks of the Senator from Georgia in support of the amendment.

I would be very happy to yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I would like to commend the able Senator from Iowa for offering this amendment. I see no objection to it, and I can see where some good might come out of it, and, therefore, I am pleased to support it.

Mr. CULVER. I thank the distinguished Senator from South Carolina very much.

Mr. STENNIS. Mr. President, I yield myself 1 minute. I think there is value in this amendment, and I appreciate the concern as well as the work of the Senator from Iowa. I think we could well pass the amendment, and I hope we can get it agreed to in conference.

Mr. CULVER. I thank the chairman very much.

Mr. President, I ask unanimous consent that Senator NUNN and also the distinguished Senator from Arizona, Senator GOLDWATER, might be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. I yield back the remainder of my time.

Mr. CULVER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment (No. 518) of Mr. CULVER.

Mr. CULVER'S amendment (No. 518) was agreed to.

Mr. STENNIS. Mr. President, on the list I have here now we come to amendment No. 532. I do not know that there was any firm agreement to take these in order, but if there was we call it up now, and if the sponsor is not here we will have to go to the next amendment. I was greatly pressured last night to hurry things along, and again this morning, but when I get here I find that there has been agreement not to vote on anything by rollcall vote until 12 o'clock. We will work within that rule, of course. I want to call these matters up. If a sponsor is not here, then we will go to the next amendment.

I yield to Senator GOLDWATER.

Mr. GOLDWATER. I might say to the chairman that Senator KENNEDY is chairing a hearing on science, and I do not believe he will be able to be here right now. I just left the same hearing, as did Senator LAXALT, so I would suggest the Senator take up another amendment.

Mr. STENNIS. Very well.

Members of the Senate, if we are going to get through with this matter today we certainly have got to come in and take up the amendments. I was urged at the White House this morning to help get these matters moving—I do not mean by the President but by the leadership. I think we could get through very early in the afternoon if the men were here.

Mr. GOLDWATER. I agree with the Senator.

Mr. STENNIS. Will the Chair then call amendment No. 534. We have already heard about Senator KENNEDY. What did he request, if I may ask the Senator?

Mr. GOLDWATER. I am merely reporting. He did not mention or say anything to me, but the Vice President is attending that hearing, so he probably will not be here right now.

Mr. STENNIS. Would the Chair, then, under those conditions, just omit that, Mr. President, and call the next amendment?

The PRESIDING OFFICER. Without objection, amendment 532 is temporarily laid aside.

The Chair lays before the Senate amendment No. 534 which the clerk will report.

The legislative clerk read as follows:

The Senator from Texas (Mr. TOWER) proposes amendment No. 534.

Mr. GOLDWATER. Mr. President, will the Senator yield on that?

Mr. STENNIS. Yes, I yield.

Mr. GOLDWATER. There is a meeting of the Select Committee on Intelligence this morning, and Senator TOWER is the sponsor of this amendment and he is at that meeting. I am supposed to be there, too, but I am here, so I do not think the Senator can call that one up.

Mr. STENNIS. What is his request?

Mr. GOLDWATER. He made no request at all. He just has to be at that meeting.

Mr. STENNIS. Mr. President, we do not have to call up anyone's amendment, anyone who is not here, but if the Chair would lay that aside temporarily then we will have to come back to it in time.

The PRESIDING OFFICER. Without objection, that amendment will be temporarily laid aside.

Amendment 491 is laid before the Senate which the clerk will report.

The legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes amendment No. 491.

Mr. STENNIS. Mr. President, will the Chair indulge me for just a minute?

Mr. President, the information is that he is giving testimony before some committee, but could, perhaps, be here within 10 minutes, so I hope he can be here and we will ask the Chair to temporarily pass that one, please.

The PRESIDING OFFICER. Without objection, that amendment will be temporarily laid aside.

The next amendment, amendment No. 492, is also an amendment of the Senator from Washington (Mr. JACKSON).

Mr. STENNIS. Well, Mr. President, under the circumstances I will have to ask that we defer that or temporarily lay that aside, as the Chair has said.

The PRESIDING OFFICER. Without objection, that amendment will be temporarily laid aside.

Mr. STENNIS. If the Chair will indulge me for just a moment, let me tell the staff people to get in touch with Senator HUMPHREY, Senator PROXMIRE, and Senator GRAVEL. Here is Senator WEICKER.

Mr. President, will the Chair then call No. 8 on the list which is No. 517.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate amendment No. 517.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. HUMPHREY) and the Senator from Massachusetts (Mr. BROOKE) propose amendment numbered 517.

Mr. STENNIS. Mr. President, I have no word from the Senator from Minnesota (Mr. HUMPHREY), but I suggest we temporarily lay that aside until he can have a chance to get here.

The PRESIDING OFFICER, Without objection, it is so ordered.

The Chair lays before the Senate amendment No. 514.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes amendment numbered 514.

Mr. STENNIS. Mr. President, on that amendment and the next amendment by the Senator from Wisconsin, I think as to one of them there will be an agreement, but my best information is that he is at some other meeting, so I ask that the Chair temporarily lay those aside, too, please.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Will the Chair call the next one. Senator WEICKER is here.

The PRESIDING OFFICER. The Chair lays before the Senate amendment No. 517, which the clerk will report.

The legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes amendment No. 517.

Mr. STENNIS. Does anyone know about Senator GRAVEL, please? We have no information on the Senator. Will the Chair indulge me for just a moment.

Mr. President, I am asking the staff members of the Senators to please call them and tell them that their amendments are up. That is No. 517, and 536 has the same author, the Senator from Alaska, so, under the conditions with which we are faced here, I would have to ask the Chair to temporarily lay that aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 529

Mr. STENNIS. Mr. President, that brings us to amendment No. 529 of the Senator from Connecticut (Mr. WEICKER). I think he was just on the floor.

The PRESIDING OFFICER. The Chair lays before the Senate amendment No. 529 which the clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) for himself and Mr. CHILES proposes an amendment No. 529. The amendment is as follows:

On page 17, line 24, strike out "$3,368,802,000" and insert in lieu thereof "$3,508,602,000, of which amount not less than $250,000,000 shall be available only for the purpose of research and development, testing and evaluation to initiate a competitive development phase leading to operational test and evaluation of operational configurations of carrier based versions of the F–16 and F–18 Air Combat Fighter proposals.".

On page 24: lines 7 and 8, strike out "$851,363,000" and insert in lieu thereof "$878,763,000, of which amount not less than $50,000,000 shall be available only for the purpose of research, development, testing and evaluation to continue a competitive development phase leading to operational test and evaluation of operational configurations of carrier based versions of the F–16 and F–18 Air Combat Fighter proposals.".

Mr. STENNIS. Mr. President, will the Chair indulge us for just a moment. I think the Senator from Connecticut will be here, and I am going to ask staff to please call the Senator from Nevada to help present this amendment to the Senate.

Mr. President, I suggest the absence of a quorum. If there is a question of the matter of time being charged, I ask that it be charged to each side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from Arizona on the bill.

Mr. GOLDWATER. Mr. President, on several occasions on this floor and in remarks and writings around this country, I have refered to the Rules of Engagement applied to our military forces in South Vietnam, first by Secretary of Defense, Robert McNamara, which Rules of Engagement prohibited our fighting men from waging war the way it has to be waged in order to win.

I have repeatedly asked the Secretary of Defense to downgrade this material in its classification so that it might be made available for the record for the press, and for the public.

Mr. President, the Secretary of Defense has downgraded this material and I have now a copy of the Rules of Engagement. I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the rules of engagement were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., June 4, 1975.

Hon. BARRY GOLDWATER,
U.S. Senate,
Washington, D.C.

DEAR BARRY: This will reply to your request for Rules of Engagement that were applicable during the Vietnam war.

Since these Rules of Engagement for operations in Southeast Asia defined the scope and intensity of U.S. response to enemy activity, they have been, up until now, classified in order to prevent the enemy from being able to gauge his conduct upon sure knowledge of the constraints imposed upon U.S. military reaction and thus avoid the application of retaliatory fire. A blanket disclosure of all Rules of Engagement and operating authorities is still not warranted, in my opinion, because it would disclose doctrinal patterns and operational concepts that could be of use to potential enemy nations. The termination of hostilities, however, has eliminated the risk of U.S. lives which would have been involved in earlier disclosure of some of this information.

I have, therefore, declassified substantial portions of the Rules of Engagement utilized by the United States Military Assistance Command Vietnam contained in MACV Directive 525–13. In addition, I have declassified portions of some operating authorities as further evidence that the U.S. military establishment in certain areas operated under severe constraints.

Your attention is also called to Exhibits D–5 and D–7 to Volume III, Book 2 of the recently published Peers Report. Those exhibits set forth the Rules of Engagement of the Americal Division and of the 11th Infantry Brigade. For your convenience copies of those documents are also enclosed.

Sincerely,

JAMES R. SCHLESINGER.

[U.S. Military Assistance Command, Vietnam, Directive Number 525–13, Dated May 1971 (Unclassified Contents)]

RULES OF ENGAGEMENT FOR THE EMPLOYMENT OF FIREPOWER IN THE REPUBLIC OF VIETNAM

1. *Purpose.* This directive provides specific rules of engagement for the conduct of the air and surface operations within the Republic of Vietnam (RVN) which are applicable to US/Free World Military Assistance Forces (FWMAF) and Republic of Vietnam Armed Forces (RVNAF).

2. *Applicability.* This directive is applicable to all MACV staff agencies and subordinate commands.

3. *General.*

(a) The changing nature of operations in the RVN has necessitated the need for a new approach to the employment of firepower. The shift to predominantly small unit operations, coupled with a civilian populace that is becoming more inclined to not observe curfews and restricted areas, makes it imperative to insure against the indiscriminate use of firepower. While the goal is maximum effectiveness in combat operations, every effort must be made to avoid civilian casualties, minimize the destruction of private property, and conserve diminishing resources. Accomplishment of these objectives in view of the frequent combined operations involving US, FWMAF, and RVNAF requires that specific rules of engagement (ROE) be adhered to by all friendly armed forces.

(b) This directive will not be modified by subordinate commanders nor will directives modifying or interpreting substantive rules in this directive be published by subordinate commands. Unit commanders are authorized to issue instructions to users, provided such instructions do not circumvent that substantive rules contained in this directive.

(c) This directive will serve as the basis for standing operating procedures for the conduct of all fires to include artillery, tank, mortar, riverine, fixed wing aircraft, rotary wing aircraft, air defense artillery, and naval gunfire support.

(d) It is not the intent of this directive to restrict commanders from performing their assigned operational missions, but to insure that sound, prudent judgment is exercised in the employment of organic and supporting arms firepower.

4. *Responsibility.*

(a) Advisors will take all necessary advisory actions to promote RVNAF compliance with these ROE.

(b) Senior tactical commanders and senior advisors will:

(1) In coordination with their RVNAF counterparts, where applicable, insure that all units conduct operations in accordance with this directive, and develop positive, practicable, and understandable target clearance procedures to preclude error or misunderstanding.

(2) Insure that all personnel engaged in fire support activities are fully cognizant of the contents of this directive, with specific emphasis on procedures pertaining to clearance for fires and air strikes. Periodic testing of personnel on their knowledge of ROE is encouraged.

(3) Require advisory personnel to insure that US fire support resources provided in support of RVNAF operations are employed in accordance with this directive. If the request of a RVNAF unit falls outside the provisions of this directive, the advisor will take action to suspend the US fire support which is in violation of the ROE.

5. *Definitions.*

(a) Air Strike. An attack on specific objectives by fighter, bomber, or attack aircraft on an offensive mission . . ."

"(b) Close Air Support. Air attacks against hostile targets which are in close proximity to friendly forces and which require detailed integration of each air mission with the fire and movement of those forces.

(c) Hostile Fire. Fire directed from a hostile source toward friendly forces. It may be delivered by either direct or indirect fire weapons. It does not include devices such as mechanical ambushes, booby traps, and mines.

(d) In Contact. A unit is considered in contact when it is engaged with an enemy force, being fired upon, and returning fire. The supported unit commander is responsible for making the "in contact" determination.

(e) Inhabited Area. Includes any group of dwellings as well as established hamlets and villages that do not qualify as an urban area.

(f) Senior Tactical Commanders and Senior Advisors. Includes CG, XXIV Corps/SA, I Corps and MR 1; CG, I FFORCEB/SA, II Corps and MR 2; CG, II FFORCEV/SA, III Corps and MR 3; CG; DMAC; COMNAVFORV/CHNAVADVGP and Cdr 7th AF/SA, Vietnamese Air Force (VNAF).

(g) Specified Strike Zones (SSZ). An area designated for a specific period of time by Government of South Vietnam (GVN) RVNAF in which there are no friendly forces or populace and in which targets may be attacked on the initiative of US/FWMAF/RVNAF commanders. SSZ will not be referred to as "Free Fire Zones." Furthermore, the term "Free Fire Zone" will not be used under any circumstances.

(h) Strike Aircraft. Fixed wing aircraft of the fighter, bomber, and attack classification capable of conducting an air strike.

(i) Urban Areas. Those areas depicted as built-up areas on an Army Map Service 1:50,000 scale map.

6. *General Rules.*

(a) All possible means will be employed to limit the risk to the lives and property of friendly forces and civilians. In this respect, a target must be clearly identified as hostile prior to making a decision to place fire on it.

(b) The necessary precautionary measures will be taken to avoid the violation of operational and national boundaries.

(c) Religious Monuments and Public Buildings:

(1) The enemy has shown by his actions that he takes advantage of areas or places normally considered as nonmilitary target areas. These areas are typified by those of religious background or historical value to the Vietnamese. When it is found that the enemy has sheltered himself or has installed defensive positions in such places or in public buildings and dwellings, the responsible senior brigade or higher commander in the area may order an attack to insure prompt destruction of the enemy. The responsible commander must identify positive enemy hostile acts either in the execution or preparation. Weapons and forces used will be those which will insure prompt defeat of enemy forces with minimum damage to structures in the area.

(2) The exception to this policy is the palace compound in the Hue Citadel. For this specific area, commanders will employ massive quantities of CS agents and will take all other possible actions to avoid damage to the compound.

d. Incendiary Munitions and Riot Control Agents.

(1) The use of incendiary type munitions in inhabited or urban areas will be avoided unless friendly survival is at stake or is necessary for the accomplishment of the commander's mission.

(2) Riot control agents will be used to the maximum extent possible. CS agents can be effectively employed in inhabited and urban area operations to flush enemy personnel from buildings and fortified positions, thus increasing the enemy's vulnerability to allied firepower while reducing the unnecessary danger to civilians and the likelihood of destruction of civilian property.

(e) SSZ:

(1) The Army, Republic of Vietnam (ARVN) corps commander in each military region (MR) has the authority to designate, modify, suspend temporarily, or cancel a SSZ. Notification of SSZ designation, modification, temporary suspension, or cancellation will be disseminated by the ARVN corps commander to all commands operating in the MR with a minimum of 72 hours notification prior to the change becoming effective. Notification of US/FWMAF will be through US command channels. Requests for SSZ changes will be submitted to the ARVN corps commander via appropriate command channels.

(2) The senior tactical commanders (or their authorized representatives) are the military clearance authorities in their respective MR.

(f) Specific ROE for the employment of weapons systems in the RVN are outlined at Annexes. . . .

7. *Reports.* This directive requires no report."

"ANNEXES

Rules of Engagement—Surface Weapons Excluding Naval Gunfire.

Rules of Engagement—Fixed Wing Air Operations.

Rules of Engagement—Rotary Wing Air Operations.

Rules of Engagement—Naval Gunfire."

RULES OF ENGAGEMENT—SURFACE WEAPONS EXCLUDING NAVAL GUNFIRE

1. *Purpose.* This annex provides guidance for the control of organic weapons and the artillery, mortar, tank, and riverine gunfire provided to the surface commander by US/FWMAF/RVVNAF.

2. *General.*

(a) These rules of engagement apply to the conduct of surface operations to include the employment of artillery, tank, mortar, and riverine gunfire by US/FWMAF/RVNAF in both offensive and defensive situations within the RVN. These rules also apply to the employment of US/FWMAF/RVNAF fire support resources in cross support missions for all forces.

(b) Artillery, tank, and mortar fire requests and gunnery techniques require that care and attention be exercised continuously in the formulation of fire requests and in the application of all gunnery techniques. The exercise of sound judgment on the part of all personnel involved in originating the requests for fire, in solving the gunnery problem, and in exercising precise gunnery procedures will provide the best assurance against endangering friendly forces and civilians or destroying or damaging property of friendly forces or civilians.

3. *Conduct of Fire.*

(a) Every effort will be made to observe fires regardless of the target location. Unobserved fires will be employed only where absolutely necessary for mission accomplishment and will be in accordance with the criteria outlined herein."

"b. SSZ. Unobserved fire may be directed against all targets and target areas located within an SSZ after notifying the appropriate US/FWMAF/RVNAF clearance authority.

(c) Uninhabited Areas Outside of SSZ.

(1) In uninhabited areas, fire may be directed against Viet Cong (VC)/North Vietnamese Army (NVA) forces in contact without obtaining approval of the province chief, district chief, sector commander, or subsector commander and US/FWMAF/RVNAF battalion or higher commander.

(2) Observed fire may be directed against targets of opportunity which are clearly identified as hostile without obtaining approval of the province chief, district chief, sector commander, or subsector commander.

(3) Unobserved fires may be directed at targets and target areas clearly identified as hostile, other than VC/NVA forces in contact, only after approval has been granted by the province chief, district chief, sector commander, or subsector commander and US/FWMAF/RVNAF battalion or higher commander.

(d) Inhabited Areas. Fire missions directed against known or suspected VC/NVA targets in or in the immediate vicinity of inhabited areas occupied by civilians will be conducted as follows:

(1) Inhabited areas from which hostile fire is received.

(a) Surface commanders of units engaged in operations involving the maneuver of surface forces in or through inhabited areas may respond with direct fire without prior warning and without prior clearance if, in the judgment of the company or higher commander, his mission or troops would be jeopardized by such warning or delay. However, response should be designed for self-protection and directed only at the source of hostile fire after the source has been positively identified.

(b) Indirect fire missions will be controlled by an observer and may be executed only after approval of the province chief or district chief, and the attacking battalion or higher commander. The only exception to this would be a situation in which the hostile fire presents an immediate threat to friendly forces despite the employment of direct fire.

(2) Inhabited areas containing observed or suspected VC/NVA targets but from which hostile fire is not received.

(a) Surface commanders may initiate direct fire against positively identified enemy targets only after securing approval of the province or district chief and the attacking battalion or higher commander.

(b) Indirect fire missions will be controlled by an observer and will be executed only after approval by the province or district chief and attacking battalion or higher commander. Civilians will be given prior warning by leaflets, loudspeakers, or other appropriate means and given sufficient time to evacuate the area.

(3) Inhabited areas not immediately associated with the maneuver of surface forces will not be fired upon without prior warning by leaflets, loudspeakers, or other appropriate means, even though fire is received therefrom. Should friendly troops be placed in jeopardy, the provisions of subparagraph 3d(1), above, apply.

(e) Urban Areas.

(1) Fire missions directed against known or suspected VC/NVA targets in urban areas must preclude unnecessary destruction of civilian property.

(2) Fire support in urban areas will be governed by the following:

(a) The decision to conduct indirect fire missions in urban areas is retained by the senior tactical commander and requires approval by both him and the ARVN corps commander. The exception to this policy is the built-up areas of Saigon/Cholon/Gia Dinh City. CG, II FFORCEV, is authorized to delegate authority to Commanding Officer, CMAT, for the employment of indirect fire in these areas. No further delegation is authorized.

(b) All indirect fire missions will be controlled by an observer.

(c) Direct fire, flat trajectory weapons are authorized in a direct fire role in urban areas at the discretion of the battalion or higher commander without the prior approval of the senior tactical commander, or in the case of Saigon/Cholon/Gia Dinh City, the Commanding Officer of CMAT. Direct fire weapons will be used to the maximum in the elimination of enemy strong points or fortified structures in urban areas. All types of munitions, except incendiary (white phosphorus), may be used in direct fire weapons including flechette (beehive), HEAT, and canister rounds.

(d) Maximum use will be made of helicopters to maneuver troops and heavy weapons to roofs of key buildings and other locations to expedite cordoning.

(e) Prior to firing in urban areas, leaflets, loudspeakers, or other appropriate means will be utilized to warn and secure the cooperation and support of the civilian populace even though fire is received from these areas.

(f) Fires will not be employed against waterborne craft in international or RVN territorial (coastal) waters unless specifically requested and controlled by a Coastal Surveillance Center (CSC). Clearance must be granted by the province or district chief and the US/FWMAF/RVNAF brigade or regimental level commander.

(g) Illumination rounds are authorized over international or RVN territorial (coastal) waters when specifically requested and controlled by a CSC. Clearance must be granted by the province or district chief and the US/FWMAF/RVNAF brigade or regimental level commander.

RULES OF ENGAGEMENT—FIXED WING AIR OPERATIONS

1. *Purpose.* This annex defines specific operational restrictions and ROE for US/FWMAF/RVNAF fixed wing aircraft in the RVN.

2. *General.*

(a) All targets selected for an air strike will be approved by the province chief directly or through higher RVN authority. Air attacks in SSZ may be conducted without additional GVN/RVNAF clearance only after notifying the appropriate US/FWMAF military clearance authority.

(b) All pilots will receive an air or ground briefing to determine the disposition of friendly forces and civilians prior to initiating an air attack.

(c) Pilots will endeavor to minimize civilian casualties and civilian property damage. Air attacks will not be executed where identification of friendly forces is in doubt.

(d) For purposes of this directive, references to the forward air controller (FAC) also encompass and apply to the Marine Tactical Air Coordinator Airborne (TACA).

(e) US Air Force (USAF), Marine Corps (USMC), and US Navy (USN) strike aircraft will normally be controlled by the following in the order of preference as listed:

(1) US Air Liaison Officer (ALO)/FAC.*

(2) VNAF FAC/FAO.*

(3) Flight leader control using USAF LORAN-equipped aircraft.

(4) USAF MSQ–77 (SKY SPOT) or USMC TPQ–10.

(5) Excluding the Demilitarized Zone (DMZ), flight leader control is authorized for engagement of all targets and target areas located within a specified strike zone after notifying the appropriate US/FWMAF clearance authority.

(5) US OV–10 aircraft commanders may, in an emergency mark a target for themselves and expend their own ordnance or exercise FAC control of each other when operating in groups of two or more.

(f) In an emergency, when compliance with the provisions of paragraph 2e, above, is not possible, the following personnel may designate the target for strike aircraft:

(1) The commander of a company or larger ground unit or US advisor of a unit engaged with enemy forces.

(2) The US/FWMAF/RVNAF pilot of an aircraft supporting a ground unit, who has radio contact with the ground unit involved and can identify friendly positions in relation to enemy positions.

(3) The US/FWMAF/RVNAF pilot of an aircraft required to operate within the vicinity of a hostile inhabited area for the purpose of conducting medical evacuation or supply missions, and where enemy fire presents an immediate threat to the lives of the aircraft crew.

(g) Commanders of units assigned strike aircraft will insure that records of ordnance expended are maintained a minimum of three months. Records will include as a minimum:

(1) Type and amount of ordnance expended on each target.

(2) Coordinates of target.

(3) Date and time of initial and final engagement of the target.

(4) Unit supported.

(h) Inhabited Areas. Fixed wing aircraft close air support missions that involve strikes on inhabited areas must always be controlled by a FAC and be initiated only after US/GVN/RVNAF clearance has been obtained. The decision to conduct such air operations must also be approved by the attacking battalion or higher commander.

(1) If the attack on an inhabited area from which enemy fire is being received is deemed necessary, and is executed in conjunction with a ground operation involving the movement of ground forces through the area, and if in the judgment of the battalion or higher commander his mission would be jeopardized by prior warning, the attack may be made without such warning or delay.

(2) If the attack on an inhabited area is not in conjunction with an immediate ground operation, the inhabitants must be warned by leaflets, loudspeakers, or other appropriate means prior to the attack, and given sufficient time to evacuate the area. Once the inhabitants of a preplanned target area have been adequately warned that the area has been selected as a target and given sufficient time to evacuate, the area may then be struck without further warning. An exception may be made for herbicide missions in cases where prior warning may jeopardize the safety of the spray aircraft. . . ."

"1. Urban areas. Air attacks directed against known or suspected VC/NVA targets in urban areas must preclude unnecessary danger to civilians and destruction of civilian property and must by their nature require greater restrictions than the rules of engagement for less populated areas. Therefore, the following specific US/GVN/RVNAF clearance procedures and restrictions must be strictly adhered to:

(1) Air attacks directed against urban areas must always be controlled by a FAC and be initiated only after US/GVN/RVNAF clearance has been obtained. The decision to conduct air attacks in urban areas will be retained by the senior tactical commander and requires approval by both him and the ARVN corps commander. This approval is required for all US/FWMAF air attacks to include those in support of RVNAF.

(2) The exception to this policy is the built-up areas of Saigon/Cholon/Gia Dinh City. CG, II FFORCEV, is authorized to delegate authority to the Commanding Officer, CMAT, for employment of US/FWMAF tactical air in the built-up areas of Saigon/Cholon/Gia Dinh City. No further delegation is authorized.

(3) Prior to subjecting urban areas to an air attack, even when fire is being received from the area, the inhabitants must be warned by leaflets, loudspeakers, or other appropriate means prior to the attack and given sufficient time to evacuate the area.

3. *Specific Instructions for Close Air Support (Day or Night).*

(a) ALO/FAC will:

(1) Have a thorough knowledge of the scheme of ground maneuver.

(2) If possible, secure a VNAF FAC or RVNAF observer to assist in directing an air strike when in support of an ARVN unit. If a RVNAF observer is not available, an ALO/FAC is authorized to direct the air strike.

(3) Maintain reliable communications with the ground unit and strike aircraft.

(4) Make positive identification and mark the target.

(5) Insure that strike pilots are aware of friendly locations in relation to target, characteristics of target area, and local weather conditions.

(6) Use 1:50,000 or larger scale maps of target area and photographs when available.

(b) Pilots of strike aircraft will:

(1) Always be under the control of and in direct radio contact, for a strike, with a FAC or designated control agency, airborne or ground, except in a SSZ when flight leader control is authorized (see paragraph 2e(4), above).

(2) Have visual contact with the target or target marker.

(3) Always ascertain the position of friendly forces (or civilians when applicable).

(4) Ascertain local conditions regarding weather, target area, and surrounding terrain characteristics.

(5) Defend themselves against ground fire providing:

(a) The source of the fire can be visually identified.

(b) The strike can be positively oriented against the source.

(c) The fire is of such intensity that counteraction is necessary.

(6) Utilize artificial illumination for night strikes. A waiver of this requirement is granted for aircraft specially equipped for night operations.

(7) Utilize LORAN systems for IFR deliveries. Aircrews making LORAN directed strikes will be in direct radio contact with a designated control agency, airborne or ground, except in an SSZ. Pertinent 7th AF rules and regulations are applicable.

4. *Air Interdiction.* Air interdiction missions will be conducted and controlled in accordance with paragraph 3, above, except for radar controlled strikes as indicated in subparagraph 2e(3), above. For these exceptions, the pertinent 7th AF rules and regulations are applicable.

5. *Border Restrictions for Aircraft Conducting Assigned Missions in the RVN.*

(a) US/FWMAF military fixed wing aircraft will not cross the DMZ, Laotian, or Cambodian border unless specifically authorized by COMUSMACV.

(b) All FAC operating in the vicinity of the borders will have a 1:50,000 or larger scale map of the target area. Maps, mosaics, and photographs will be made available to the pilots.

6. *Jettison.*

(a) Munitions will be jettisoned only in designated jettison areas.

(b) During night or instrument flight rules (IFR) conditions, aircraft will be under positive radar control while jettisoning, except during emergencies as indicated in subparagraph 6d, below.

(c) During day VFR, drops will be monitored by radar whenever possible.

(d) Aircraft may jettison munitions in other than designated areas during emergencies when there is an immediate threat of injury to the crew or damage to the aircraft. Every effort will be made to insure that munitions are not jettisoned so that they impact into or near inhabited areas.

(e) Emergency jettisoning of herbicides will be reported immediately to the MACV Command Center giving date-time, coordinates, agent, volume, and circumstances.

7. *Air Reconnaissance and Aerial Surveillance Missions.*

(a) Aerial reconnaissance and surveillance conducted in the vicinity of the DMZ, Cambodian or Laotian border; and in Cambodian, Laotian, or North Vietnamese airspace will be in accordance with authorities established by separate MACV directives.

(b) US Army aircraft may be armed with target marking ordnance while on surveillance missions.

8. *Air to Air Restrictions.* Cdr, 7th AF, prescribes rules of engagement and restrictions for air to air combat in the RVN.

RULES OF ENGAGEMENT—ROTARY WING AIR OPERATIONS

1. *Purpose.* This annex defines specific operational restrictions and rules of engagement for US/FWMAF/RVNAF rotary wing aircraft operating in the RVN.

2. *General.*

(a) All targets selected for an air attack will be approved by the province chief directly or by higher RVN authority. Air attacks in SSZ may be conducted without additional GVN/RVNAF clearance only after notifying the appropriate US/FWMAF military clearance authority.

(b) For the purposes of this directive, all helicopters having an attached ordnance delivery system will employ firepower in accordance with the provisions contained herein.

(c) All pilots will receive an air or ground briefing to determine the disposition of friendly forces and civilians prior to initiating an air attack.

(d) Pilots will endeavor to minimize civil-

*Under visual flight rules (VFR) conditions, when a USAF, USMC or VNAF FAC is not available, a qualified Army Target Identifying Pilot (TIP) may designate the target to be struck and the flight leader of the strike aircraft will control the strike. The supported ground commander will acknowledge the clearance for a TIP directed strike.

ian casualties and civilian property damage. Air attacks will not be executed where identification of friendly forces is in doubt.

(e) Commanders of units assigned armed helicopters will ensure that records of ordnance expended are maintained a minimum of three months. Armed helicopters are defined as those helicopters equipped with an attached weapons system which is fired by the pilot or co-pilot. Records will include as a minimum:

(1) Type and amount of ordnance expended on each target.

(2) Coordinates of each target.

(3) Date and time of initial and final engagement of the target.

(4) Unit supported.

(f) Pilots of armed helicopters will:

(1) Fire only when the requirements of paragraph 3a, below, are met.

(2) Ascertain local conditions regarding weather, target area, and surrounding terrain characteristics.

(3) Defend themselves against ground from providing:

(a) Source of fire can be visually identified.

(b) The return fire can be positively oriented against the source.

(g) Inhabited areas. Armed helicopters involved in air attacks on inhabited areas must receive the approval of and always be in direct radio contact with the designated control agency of the responsible ground commander.

(h) Urban areas. Air attacks directed against known or suspected VC/NVA targets in urban areas must preclude unnecessary danger to civilians or destruction of civilian property, and must by their nature require greater restrictions than the rules of engagement for less populated areas. The decision to conduct air attacks in urban areas will be retained by the senior tactical commander and requires approval by both him and the ARVN corps commander. This approval is required for all US/FWMAF air attacks to include those in support of RVNAF. The exception to this policy is the built-up areas of Saigon/Cholon/Gia Dinh City. CG, TRAC, is authorized to delegate authority to Commanding Officer, CMAT, for employment of armed helicopters in the built-up areas of Saigon/Cholon/Gia Dinh City. No further delegation is authorized.

3. Specific Instructions for Armed Helicopter Engagement.

(a) Fire only when all three of the following requirements are satisfied:

(1) Be under the control of and in direct radio contact, for the attack, with the designated control agency, airborne or ground, except in a SSZ when a designated flight leader is authorized to control.

(2) The target or target marker can be visually identified.

(3) Friendly and civilian positions are positively identified.

(b) Attacks on inhabited areas:

(1) If the attack on an inhabited area from which enemy fire is being received is deemed necessary, and is executed in conjunction with a ground operation involving the movement of ground forces through the area, and if in the judgment of the battalion or higher commander his mission would be jeopardized by prior warning, the attack may be made without warning or delay.

(2) If the attack on an inhabited area is not in conjunction with any immediate ground operation, the inhabitants must be warned by leaflets, loudspeakers, or some other appropriate means prior to the attack and must be given sufficient time to evacuate the area. Once the inhabitants of a preplanned target area have been adequately warned that the area has been selected as a target and given sufficient time to evacuate, the area may then be attacked without further warning.

(c) Urban areas will be attacked only when directed by the responsible ground commander and then in accordance with the rules set forth in paragraph 3a, above. Such attacks when so directed will be governed by the restrictions set forth in paragraph 3b, above. Further, only point targets, e.g., specific buildings, will be engaged and these targets must be positively identified to the pilot. The engagement of area targets in urban areas is prohibited. Prior to subjecting urban areas to air attack, even when fire is received from the area, the inhabitants must be warned by leaflets, loudspeakers, or some other appropriate means prior to the attack and given sufficient time to evacuate the area.

(d) Targets of opportunity acquired in an SSZ may be engaged any time after notifying the appropriate US/FWMAF/RVNAF clearance authority.

(e) Ordnance delivery systems in armed helicopters will be fired only when authorized by the aircraft commander.

(f) Airborne test firing of weapons will be conducted only after obtaining permission from the appropriate clearance authority.

(g) US Army, US Marine Corps, and US Air Force armed helicopters are not authorized to engage waterborne craft of any description in international or RVN territorial (coastal) waters. This restriction does not deny aircraft commanders the right to return hostile fire in the exercise of self-defense.

(h) Waterborne craft on inland waterways may be engaged only after being positively identified as hostile and having clearance granted by the province chief, district chief, sector commander, or subsector commander and US/FWMAF/RVNAF battalion or higher commander. During hours of announced curfews, any waterborne craft on inland waterways may be engaged after approval, as above, has been granted.

(i) The following personnel may designate the target for armed helicopters:

(1) The commander of a ground unit or U.S. advisor of a unit engaged with enemy forces.

(2) The US/FWMAF/RVNAF pilot of a helicopter supporting a ground unit who has radio contact with the ground unit involved and can identify friendly positions in relation to enemy positions.

(3) The US/FWMAF/RVNAF pilot of a helicopter required to operate within the vicinity of a hostile inhabited area for the purpose of conducting medical evacuation or supply missions, and where enemy fire presents an immediate threat to the lives of the helicopter crew.

(j) Employment of U.S. Army, U.S. Air Force, U.S. Marine Corps and U.S. Navy armed helicopters will be coordinated within the operational area with controller aircraft of other services.

4. *Jettison.*

(a) Munitions will be jettisoned only in designated jettison areas.

(b) During night or IFR conditions, aircraft will be under positive radar control while jettisoning, except during emergencies covered in subparagraph 4c, below.

(c) Aircraft may jettison munitions in other than designated areas during emergencies when there is an immediate threat of injury to the crew or damage to the aircraft. Every effort will be made to ensure that munitions are not jettisoned so that they impact into or near inhabited areas.

(d) Emergency jettisoning of herbicides will be reported immediately to the MACV Command Center giving date-time, coordinates, agent, volume, and circumstances.

5. *Border Restrictions for Aircraft Conducting Assigned Missions in the RVN.*

(a) Helicopters operating near the DMZ, Cambodian, or Laotian borders are not allowed to cross the border and penetrate Cambodian, Laotian, DMZ, or North Vietnamese airspace unless authorized by COMUSMACV.

(b) Aerial reconnaissance flights along or near the Cambodian or Laotian border are vital to the security of the RVN and U.S. defense efforts. However, extreme care must be exercised in planning and executing in-country missions by reconnaissance aircraft of all services to ensure that inadvertent overflights do not occur. All aircraft involved in coordinating close air support and operating in the vicinity of the border will have a 1:50,000 or larger scale map of the target area. Maps, mosaics, and photographs will be made available whenever possible to the pilots.

RULES OF ENGAGEMENT—NAVAL GUNFIRE

1. *Purpose.* This annex delineates guidance concerning the control of naval gunfire support provided to the surface commander by US/FWMAF.

2. *General.* These rules of engagement apply to the conduct of surface operations with respect to naval gunfire by US/FWMAF/RVNAF in both offensive and defensive situations within the RVN. These rules also apply to the employment of US/FWMAF/RVNAF fire support resources in cross support missions for all forces.

3. *Conduct of Fire.*

(a) Naval Gunfire. Procedures applicable to the conduct and control of naval gunfire are contained in . . . (appropriate directive).

(b) SSZ. Unobserved fire may be directed against all targets and target areas located within a SSZ after obtaining the appropriate US/FWMAF/RVNAF clearance.

(c) Uninhabited Areas Outside of SSZ.

(1) Fire may be directed against VC/NVA forces in contact without obtaining approval of the province chief, district chief, sector commander, or subsector commander and US/FWMAF/RVNAF battalion or higher commander.

(2) Unobserved fires may be directed at targets and target areas clearly identified as hostile, other than VC/NVA forces in contact, only after approval by the province chief, district chief, sector commander, or subsector commander and US/FWMAF/RVNAF battalion or higher has been granted.

(3) Observed fire may be directed against targets of opportunity which are clearly identified as hostile without obtaining approval of the province chief, district chief, sector commander, or subsector commander and US/FWMAF/RVNAF battalion or higher commander.

(d) Inhabited Areas.

(1) Fire missions directed against known or suspected VC/NVA targets in inhabited areas occupied by civilians will be controlled by an observer and will be executed only after approval is obtained from the province chief or district chief. The decision to conduct such fire missions will also be approved by the attacking battalion or higher commander.

(2) Commanders requesting naval gunfire on targets in inhabited areas will effect prior warning by leaflets, loudspeakers, or other appropriate means provided that friendly troops are not placed in jeopardy in the interim and the maneuver of surface forces is not involved. Conversley, naval gunfire may be requested on targets in inhabited areas from which hostile fire is being received without prior warning or clearance if it is in conjunction with surface operations and surface forces are maneuvering through the area, and if, in the judgment of the battalion commander, the mission or forces would be jeopardized by such warning or delay.

(e) Urban Areas.

(1) Fire missions directed against known or suspected VC/NVA targets in urban areas must preclude unnecessary danger to civilians and destruction of civilian property.

(2) Fire support in urban areas will be governed by the following:

(a) The decision to conduct fire missions in urban areas is retained by the senior tactical commander and requires approval by both him and the ARVN corps commander. All fire missions will be controlled by an observer.

(b) Commanders requesting naval gunfire support will warn the populace prior to firing into urban areas. Leaflets, loudspeakers, or other appropriate means will be utilized to warn and secure the cooperation and support of civilian populace even though fire is received from these areas. Sufficient time will be allowed for civilians to evacuate the area.

(f) Naval gunfire will not be employed against waterborne craft in territorial (coastal) waters unless specifically requested and controlled by a CSC. Clearance must be granted by the province or district chief and the US/FWMAF/RVNAF brigade or regimental commander."

EXCERPTS FROM VARIOUS DIRECTIVES CONCERNING RULES OF ENGAGEMENT AND OPERATING AUTHORITIES FOR SOUTHEAST ASIA ARE QUOTED IN THIS ENCLOSURE

1. General. Self-imposed constraints by the United States on military operations throughout the conflict in Southeast Asia were adopted to confine the war to military objectives and to minimize both civilian casualties and collateral damage. Verbatim excerpts from the rules of engagement and various operating authorities show a consistent national policy of concern for humanity, and for the institutions of the people of Indochina during the many years of the war.

2. SECDEF Memo for CJCS, dated 29 Sep 65, subject: "Use of ARC LIGHT Forces."

"In the selection of targets, and in all phases of B–52 strike planning and execution, it is essential that due precaution against the possibility of bombing noncombatants continue to be exercised."

3. COMUSMACV Message 31696/091320Z Sep 65.

"Commanders at all echelons to strike a balance between the force necessary to accomplish their mission with due respect to the safety of the commands and the high importance of reducing to a minimum the casualties inflicted on the noncombatant populace."

4. SECDEF Memo for CJCS, dated 18 Dec 65, subject: "Employment of ARC LIGHT Forces (U)."

"I believe it would be more useful to conduct an overall review of current procedures with the objective of establishing a firm basis for providing the highest attainable level of effectiveness, flexibility and responsiveness in the employment of ARC LIGHT forces generally. This would seem to be especially desirable in anticipation of the situation that will prevail in the likely event of a substantial increase in the scope of B–52 operations in Southeast Asia in the months ahead.

Any modifications to existing procedures that may be indicated by this review should take fully into account the following minimum requirements:

Planned and scheduled strikes must be subject to cancellation or recall by proper authority in Washington should political or other considerations so dictate. Thus, pertinent information regarding the status of strikes must be readily available at all times.

Prevention of noncombatant casualties must be a continuing objective; and its attainment substantially assured by adoption of all reasonable measures.

Provision must be made to minimize the possibility of border violations, infringement on the rights of allies and neutrals, and other incidents of a sensitive nature.

Conduct of the program must be kept under continuing close surveillance to preclude its lapsing into the status of routine operations."

5. JCS Message 1020/140007Z Feb 68, subject: "Operations in SVN Involving Laos (U)."

"In emergency situations, US forces are authorized to take necessary counteractions in exercise of the right of self-defense against enemy attacks directed against US/RVN/FWMA forces from locations inside Laos. Keep higher authorities closely advised. An emergency situation is considered to exist when, in the judgment of the US commander, the urgency for taking timely counteractions in self-defense of US/RVN/FWMA forces precludes obtaining prior approval. As necessary, such counteractions may include:

Artillery and airstrikes against enemy forces firing from the Laotian side of the border against US/RVN/FWMA forces.

Maneuver by US troops, while actually engaged and in contact with enemy forces, into Laos as required for the preservation of the force."

6. JCS Message 3677/282307Z Jun 68, subject: "Operations in Vietnam Near the Cambodian Border (U)."

"Authorities and procedures herein are established to provide for the defense of SVN and the security of US/FW/RVN forces therein. Accordingly, except in unusual circumstances as demanded by operational requirements in SVN, action should be avoided which brings US forces into such proximity to the border as to make it likely that aforementioned authorities will have to be used. When possible, the Secretary of State, the JCS, and the American Ambassador, Saigon, should be informed in advance of operations along the Cambodian border which may invoke special authorities contained in this message.

Nothing in this message is to be construed as granting authority to initiate operations in Cambodia to obtain objectives in SVN.

In view of the political implications involved from the US point of view and the extent of US involvement in RVNAF operations, US military personnel in positions to influence RVNAF operations will make every reasonable effort to assure that such operations are conducted within the above guidance and procedures.

Overriding politico/military considerations may, from time to time, dictate that no US military operations be undertaken in such close proximity to portions of the Cambodian border that these authorities and procedures might have to be invoked. In such case, the JCS will provide appropriate instructions as far in advance as practicable."

7. JCS 2865/201835Z Oct. 69, subject: "Operational Authorities (U)."

"In case of enemy ground attacks by small units (up to a battalion in size) south of the DMZ, COMUSMACV is authorized to conduct timely, and adequate counteractions against and limited to the attacking force. Such counteractions may include ground operations in the DMZ south of the Provisional Military Demarcation Line (PMDL). No, repeat, no, ground forces may be employed north of the PMDL.

Authority is granted to employ artillery, naval gunfire, tactical air, and B–52s in the southern portion of the DMZ (south of the PMDL) as required by the situation. This includes authority to conduct unobserved fires and to engage enemy targets acquired through other than visual means. Authority is not, repeat not, granted for B–52 overflight of North Vietnam during the conduct of B–52 strikes in the DMZ."

8. 7th Air Force Operations Order 71–17 (Rules of Engagement):

Laos

"BARREL ROLL EAST (designated operational area in Laos):

Armed reconnaissance is authorized within 200 meters of all LOCs. . ."

Targets more than 200 meters from the LOC must be validated and strikes must be conducted under authorized FAC/FAG control or utilizing all weather bombing systems.

Strikes may be conducted within 500 meters of an active village or non-combatants only when ground fire is being received from the location or when in close air support of friendly troops."

Limitations

"No all weather strikes (except LORAN) will be conducted within 3,000 meters of a known village or friendly position.

No LORAN strikes will be made closer than 1,000 meters to a known village or friendly position."

Cambodia

"Areas of Cultural Value:

Angkor Wat Park: This area will not be attacked for any reason. Under no circumstances will FACs control or assist airstrikes of any nation within the Angkor Wat area. Should a FAC observe such a strike being made, he will advise the FANK ground commander and depart the area immediately.

Other Areas of Cultural Value: Except during SAR operations, no US airstrikes will be made within 1,000 meters of any of the areas of cultural value (nearly 100 other sites specifically listed in the directive). US FACs will not control or assist air-strikes of any nation within 1,000 meters of these areas regardless of FANK request or validation."

9. JCS Message 5190/261720Z Jun 72, subject: "Southeast Asia Operating Authorities (U)."

LINEBACKER-subject conditions stated low. TACAIR, ARCLIGHT, Naval Gunfire Support and artillery attacks may be conducted against fixed targets in NVN that are listed on the JCS approved target list.

Following are designated as controlled areas:

The area within 10 nm of the center of Hanoi.

The area within 10 nm of the center of Haiphong.

The Chinese Buffer.

The following are restricted target categories:

Dams, dikes, locks, and other targets or categories of targets that may be specifically restricted by separate directive.

Water craft which are obviously fishing boats or appear to be engaged in fishing.

Clusters of sampans or house boats in populated areas.

Water craft/aircraft outside 12 nm limit of NVN coast and offshore islands, unless hostile intent against US air or surface craft is apparent.

Third country shipping.

Military airfields may be attacked. However, no North Vietnam airfield on which third nation aircraft are present will be attacked.

Targets, munitions, and strike tactics will be selected to minimize risk of collateral damage to civilian population, possible POW sites, or target categories not authorized for strike.

[Regulation Number 525–4, March 16, 1968]

HEADQUARTERS, AMERICAL DIVISION,
APO San Francisco.

COMBAT OPERATIONS

RULES OF ENGAGEMENT (U)

1. (U) *Purpose.* This regulation establishes criteria for employment of firepower in support of combat operations within the Republic of Vietnam (RVN) and is applicable to all fires regardless of delivery means.

2. (U) *Scope.* This regulation is applicable to all combat and combat support units assigned, attached or in support of the Americal Division.

3. (U) *Definitions.* a. Tactical Area of Responsibility (TAOR). A land area in which

responsibility/authority is specifically assigned to the commander of the area for conduct of tactical operations. The commander of the TAOR is responsible for control and coordination of all activities within the boundary, less those activities specifically retained under division or higher headquarters control.

b. Area of Operations (AO). A land area in which US/FWMAF units may conduct tactical operations after receiving approval from the ICTZ commander. The commander of the AO is responsible for coordination and control of all activities within its boundary. An AO is transitory in nature. There is no intention of remaining in the area once the prescribed mission has been accomplished.

c. Specified Strike Zone (SSZ). An area used by VC/NVA which contains no population nor distinctively marked hospitals or religiously or politically significant structures. A SSZ is designated by the ICTZ commander on request thru command channels and constitutes prior political clearance; however, the conduct of fire must be in accordance with the established rules of engagement.

d. Free Fire Zone (FFZ). An area designated by the responsible political authority (District/Province Chief) in which political clearance has been granted for the period specified. Military clearance and compliance with the established rules of engagement are required.

e. No-Fire Zone (NFZ). An area established by the ICTZ commander in which *no* supporting arms fire will be delivered under any circumstances. Religious establishments, friendly population or other politically significant objects are normally found within these areas. No-Fire Zones may be located within AO's and may or may not have friendly forces located within them. Designation of a No-Fire Zone does not preclude maneuver by ground forces through the area if prior military and political clearance has been obtained. With the exception of the use of supporting fires, rules of engagement for ground maneuver units as established herein apply while inside a NFZ.

f. Observed Fire. Employment of fire support under the direct observation and control of an artillery forward/air observer, FAC or other competent individual.

g. Unobserved Fire. Employment of fire support with no observer capable of adjusting or determining the effect or accuracy of the fire.

h. In Contact. A unit is considered "in contact" when it is engaged with an enemy force. Sniper fire or mortar fire is not considered "in contact" unless such fire interferes with the scheme of maneuver or is inflicting casualties or damage to friendly forces. The tactical unit commander is responsible for making the "in contact" determination.

i. Political Clearance. Approval to fire by the appropriate political authority, normally the District or Province Chief. This clearance may be obtained through U.S. Artillery liaison teams assigned to district and province headquarters.

j. Military Clearance. Approval to fire by the military commander of the area of operations (AO). Necessary to insure that friendly military personnel are not brought under fire.

4. (C) *General.* a. The use of unnecessary force resulting in non-combatant casualties and property loss will embitter the population and make the long term goal of pacification more difficult and costly.

b. The VC/NVA exploit incidents of non-combatant casualties and destruction of property RVNAF/US/FWMAF to foster resentment and to alienate the people against the Government.

c. The circumstances of the conflict call for restraint not normally required of soldiers on the battlefield. Commanders must strike a balance between the force necessary to accomplish the mission, with due regard to the safety of their commands, and the importance attached to minimizing non-combatant casualties. This requires the highest order of leadership and judgment.

d. An unusual requirement is placed on junior leaders to carry out sensitive combat operations, often in an environment where large numbers of civilians are present. The determination of right and wrong in the heat of battle requires a keen, swift, and decisive analysis of all contributing factors and must be based on a thorough understanding of the legal and moral principles involved.

e. A written set of rules cannot be provided that will apply to every situation. Therefore, the final decision on engagement will be at the discretion of the senior tactical commander present who must consider the mission and the situation as well as his responsibility to minimize both friendly and non-combatant casualties and destruction of private and public property. In cases where doubt exists concerning application of firepower, the commander will request guidance from higher headquarters. If the commander cannot contact higher headquarters or time does not permit contacting higher headquarters, the commander will take the action he deems appropriate and notify higher headquarters of his decision and subsequent actions as soon as possible.

f. Nothing shall infringe on the inherent right of a commander to exercise self-defense. The commander may take immediate action against an attacking force with all means available; however, every possible safeguard short of endangering life will be used to avoid non-combatant casualties and the destruction of private property. Firepower will be brought to bear on enemy in populated areas only to the extent required to accomplish an assigned mission.

5. (C) *Conduct of Fire.* a. Individual and crew served weapons:

(1) Pistols, rifles, grenade launchers, hand grenades, claymores, machine guns, and recoilless rifles *may be employed by* commanders under the conditions indicated below:

(a) Against targets that are *observed and positively identified as enemy.*

(b) Against point targets from which fire is being received. (*Indiscriminate fire into populated areas is prohibited.*)

(c) *Against suspected enemy locations when non-combatants would not be endangered.*

(2) Personnel positively identified as enemy who demonstrate an intent to surrender should not be engaged by fire.

b. Indirect fire support weapons (artillery, mortars and naval gunfire):

(1) Unobserved fire may be directed against all target areas located within specified strike zones (SSZ's) and free fire zones (FFZ's) and provided clearance is granted by the military commander in whose AO the SSZ or FFZ lies.

(2) Uninhabited areas outside SSZ's and FFZ's:

(a) When in contact, fire may be directed against VC/NVA forces at the request of a US/FWMAF unit. This situation is considered observed fire even though an artillery air/forward observer may not be the requestor.

(b) When not in contact, observed fire may be directed against targets of opportunity which are clearly identified as hostile, without political and military clearance.

(c) When not in contact with VC/NVA forces, unobserved fires may be directed at hostile targets and target areas, only after political and military clearance is obtained.

(d) Political and military clearance is required before directing either observed or unobserved fire on targets not clearly identified as hostile.

(3) Inhabited areas (Occupied groups of dwellings):

(a) The following conditions must be met in each instance before artillery, mortar, or naval gunfire is directed against enemy targets in inhabited areas.

1. Political and military clearance must be obtained.

2. An observer (FO, AO, FAC) must be on station to direct the fire.

3. Inhabitants must be warned in advance by leaflets and/or loudspeaker systems or by other appropriate means that artillery, mortars, and/or naval gunfire will be directed against enemy targets in the hamlet or village. The one exception is that prior warning is not required when the attack by fire is in conjunction with a ground assault by friendly forces and the ground commander determines that prior warning of inhabitants would jeopardize mission accomplishment.

(b) The employment of any ordnance which would cause intentional burning of dwellings will be avoided, unless absolutely necessary in the accomplishment of the commander's mission.

(c) Village and hamlet defensive fires will be executed when requested by GVN/RVNAF authority if such fires do not interfere with or materially reduce support of other friendly operations.

(d) Artillery air observers will be briefed on areas containing friendly or potentially friendly population and will comply with rules of engagement listed in para 5a(3).

(e) Unobserved naval gunfire will be employed only when observed fire is not possible because of geography, weather, or lack of trained observer. Unobserved naval gunfire should not be undertaken in close proximity to friendly forces or areas known to be inhabited by non-combatants.

c. Aircraft Delivery Systems:

(1) Forward Air Controllers (FAC) and armed helicopter commanders will be briefed on locations of friendly and potentially friendly populated areas. Strikes will not be executed where identification of friendly elements is in doubt. FAC's and helicopter commanders will reconnoiter the strike area for friendly personnel and non-combatants prior to strike execution.

(2) All close air support missions that involve airstrikes not controlled by radar will be controlled by a FAC. As a portion of the FAC's target briefing to the strike pilots, he will include the location of the nearest friendly elements.

(3) Close air support missions that involve strikes on hamlets or villages must be controlled by a FAC. If the attack on a hamlet or village is deemed necessary and is executed in conjunction with a ground operation involving movement of ground forces through the area, the attack may be without warning; however, appropriate political and military clearance is required. If the attack on a village or hamlet is not in conjunction with any immediate ground operation, the inhabitants must be warned by leaflets and/or loudspeaker system prior to strike execution and must be given adequate time to evacuate the area.

(4) If an armed helicopter operation involves non-combatants, such as in an occupied hamlet or village, political and military clearance must be obtained unless the situation clearly presents an immediate threat to the lives of the crew.

(5) All aircraft receiving ground fire from friendly or potentially friendly populated areas will return the fire only when:

(a) The sources of fire can be visually identified.

(b) The strike or fire can be positively oriented against the source.

(c) The fire is of such intensity that counter action is required.

6. (C) Rules Governing Destruction of Dwellings by Ground Forces.

a. As a general rule, civilian dwellings or private property, including livestock, will not be destroyed except as an unavoidable sequence of combat actions.

b. The destruction of dwellings and livestock of noncombatants as a denial measure is to be left to GVN authorities or RVNAF units.

c. If US personnel are receiving fire from a house, the fire will be returned even though destruction of the house results. Destruction of structures in areas used as VC base camps, or those obviously built by the VC to fight from, is authorized.

7. (C) Indirect Fire Support Weapons Clearance Procedures. In addition to the previously mentioned restrictions and rules of engagement, the following clearance procedures are established for all artillery, mortar, and naval gunfire:

a. Military clearance will be obtained from the RVNAF/US/FWMAF unit in whose TAOR/AO the target is located. The appropriate liaison team or FSE will be contacted for this clearance.

b. Any indirect fires planned within 500 meters of an adjacent TAOR/AO will be coordinated with the corresponding commander.

c. SAV-A-PLANE date for all indirect fire missions must be submitted to FSE or AWCC in accordance with TAB B (Safeguarding Aircraft from Artillery Fires) to Appendix 4 (Fire Support Coordination) to Annex A (Operations) to Americal Division Field SOP.

8. (C) Prevention of Mutual Interference on Inland and Coastal Waterways.

a. The increase of the FWMAF in the Market Time (Coastal waters of RVN) areas require that the following measures be implemented to prevent incidents in which friendly watercraft are attacked by small arms, aircraft, mortars and/or artillery.

b. Watercraft on coastal waterways are not to be attacked unless one of the following conditions is satisfied:

(1) The watercraft is firing on friendly forces. The responsible Coastal Surveillance Center/TOC will be notified as soon as the situation permits.

(2) The watercraft is conducting hostile maneuvers or other actions and coordination has been affected with responsible Coastal Surveillance Center.

(3) The watercraft has been certified as nonfriendly by the Coastal Surveillance Center.

c. Clearance from the Coastal Surveillance Center, Da Nang, can be obtained through Coastal Division 12, Chu Lai (Tel: SHELLBACK 115/217 or FM: OXCLIFF 37.50 MG).

d. Watercraft on inland waterways are not to be attacked without prior political and military clearance. Clearances are a function of the color coding of all inland waterways as either BLUE (civilian traffic restricted during established curfew hours) or RED (civilian traffic restricted 24 hours per day) and are the responsibility of the ground commander in whose AO the waterway is located.

(1) Boats moving in unrestricted waters may be challenged at any time, but will not be destroyed unless positively identified as hostile watercraft.

(2) Boats moving at any time in 24 hour restricted waters that are not properly lighted and boats moving after the established curfew in any inland waterway may be engaged and destroyed without the benefit of a challenge. If the situation permits, all boats should be challenged.

9. (U) Implementation. Implementing instructions and SOPS will be enveloped by major insubordinate commanders to provide for control, coordination, and clearance of fires.

10. (U) References. a. USMACV Directive (C) 95-4, Aviation—US Air Operations in RVN (U), dtd 28 June 1966 with change 1 dtd 14 February 1967.

b. USMACV Directive (C) 525-3, Combat Operations—minimizing Noncombatant Casualties (U), dtd 14 October 1966.

c. USMACV Directive (C) 525-9, Combat Operations—Control, Disposition, and Safeguarding of Vietnamese Property, Captured Material and Food Supplies (U), dtd 10 April 1967.

d. USMACV Directive (C) 525-18, Combat Operations—Conduct of Artillery—Mortar and Naval Gunfire (U), dtd 21 January 1968.

e. III MAF Force Order (C) PO3121.5, SOP for Ground and Air Operations (U), dtd 10 November 1967.

(AVDF-GC)

For the Commander:

Official:

NELS A. PARSON, Jr.,
Colonel, GS, Chief of Staff.

For Donald B. Chong, LTC, AGC, Adjutant General.

True Copy:

WILLIAM D. SHEEHAN,
LTC, USA, Assistant Inspector General.

[Regulation Number 525-1, January 30, 1968]

HEADQUARTERS, 11TH INFANTRY BRIGADE,
APO San Francisco.

COMBAT OPERATIONS

RULES OF ENGAGEMENT (U)

1. (U) Purpose: This regulation establishes criteria for engaging targets by direct and indirect fire in combat operations.

2. (U) Scope: Applicable to all combat and combat support units assigned, attached or in support of the 11th Light Inf. Bde.

3. (U) General.

a. Indiscrimination in engaging targets that are not clearly defined as being hostile which result in numerous non-battle casualties and property loss will tend to embitter the population and make the long term goal of pacification more difficult and costly.

b. The VC/NVA exploit incidents of non-combatant casualties and property destruction by Free World Forces to alienate the people from the government.

c. This situation creates an environment not normally found on the battle field. Commanders must use sound judgment when determining the type and amount of combat power in accomplishing a mission, particularly in populated areas, so as to preclude "over kill" on a target which could result in unnecessary non-battle casualties and property damage.

d. Nothing shall infringe on the right of a commander to exercise self defense. The commander must take immediate action against an attacking force with all available means in unpopulated areas, however, every possible safeguard short of endangering friendly lives will be used to avoid non-combatant casualties and indifferent and indiscriminate destruction of private property when such action is being conducted in populated areas.

4. (C) Employment of small arms and automatic weapons:

a. Individual and crew served weapons to include: M-16, M-60, M-79, M1A1 claymore, M-26 grenade, 50 cal MG, 90MM and 106RR may be employed by commanders against:

(1) Enemy personnel observed with weapons who demonstrate hostile intent either by taking a friendly unit under fire, taking evasive action, or who occupy a firing position or bunker.

(2) Targets which are observed and positively identified as enemy.

(3) Point targets from which fire is being received. (This will not be construed as permission for indiscriminate firing into areas inhabited by non-combatants).

(4) Suspected enemy locations when non-combatants will not be endangered.

b. Artillery, mortar, naval gunfire, tactical air and armed helicopters:

(1) General: Restrictive controls should be applied only to insure that danger to non-combatants and private property is kept to the very minimum and that national borders are not violated. Proper gunnery techniques will be applied to insure maximum accuracy as this is the best assurance against endangering non-combatants and private property.

(2) Employment:

(a) Exclusive of populated areas, unobserved fires may be directed against enemy forces in contact in accordance with normal procedures. When not in contact unobserved fire will be directed only in areas declared hostile by GVN/RVNAF/FWMAF authorities.

(b) Unobserved naval gunfire will not be employed when there is a means of observation i.e., NGLO, FAC, or artillery observer.

(3) Specified strike zones:

(a) Specified strike zones must be approved by GVN/RVNAF as appropriate.

(b) Unobserved fires to include naval gunfire may be directed against all targets and target areas located within specified strike zones.

(4) Uninhabited areas outside specified strike zones:

(a) Fire may be directed against VC/NVA Forces in combat.

(b) Unobserved fires may be directed at targets and target areas, other than VC/NVA Forces in contact only with Province Chief, District Chief, Sector Commander, or Sub-sector Commander approval as appropriate (this includes 11th Inf Bde Recon Zone).

(c) Observed fire may be directed against targets of opportunity which are clearly defined as hostile without obtaining approval from Province Chief, District Chief, Sector Commander, or Sub-sector Commander.

(d) Appropriate Province Chief, District Chief, Sector Commander, or Sub-sector Commander approval is required before directing fire on targets of opportunity not clearly identified as hostile.

(5) Villages and hamlets: Fire missions directed against known or suspected VC/NVA targets in villages and hamlets occupied by non-combatants will be conducted as follows:

(a) All such fire missions will be controlled by an observer and will be executed only with Province Chief or District Chief approval as appropriate.

(b) Villages and hamlets not associated with maneuver of ground forces will not be fired upon without prior warning by leaflet and/or loudspeaker systems or by other means, even though fire is received from them.

(c) Villages and hamlets may be attacked without prior warning if the attack is in conjunction with a ground operation involving maneuver of ground forces through the area, and if in the judgment of the ground commander, his mission would be jeopardized by such warning as specified in (b) above.

(d) The use of incendiary type ammunition will be avoided unless absolutely necessary to successful accomplishment of the mission.

(e) Following criteria will be used against known or suspected enemy targets in areas occupied by non-combatants:

105MM fires—no closer than 500 meters plus 4 range PEs (prob errors).

155MM fires—no closer than 800 meters plus 4 range PEs (prob errors).

8" & 175MM fires—no closer than 1000 meters plus 4 range PEs (prob errors).

(f) Fires will be placed no closer than 200 meters of any main paved road. When targets are located on or near a road VT fuze will be used to the maximum extent possible.

d. Free Fire Zones: All targets may be engaged at any time by any fire delivery means available to the commander.

e. No Fire Zone: No firing permitted by any weapon without prior approval from this headquarters.

f. Pacified Areas:

(1) Units may conduct cordon and search at request or with approval of the district or village chief and the approval of this headquarters. VN officials and/or advisor personnel must accompany US Forces on such an operation.

(2) Commanders will exercise utmost care to insure maximum non-combatant casualties and property damage.

(3) Fire discipline will be strictly observed. Rules of engagement and types of weapons to be used will be coordinated by the commander and sector/sub-sector advisor, if possible, prior to commencing the operation.

5. (C) Application:

a. Commanders at all echelons will plan and conduct operations in accordance with this directive.

6. (C) Miscellaneous:

a. Immediately following the attack of areas inhabited by non-combatants, the force commander will insure that an explanation is given to the populace of the need for firing, stressing the point that the enemy forced the action.

b. If non-combatant casualties occur regardless of safeguards, medical treatment and evacuation should be provided by the responsible commander, subject to tactical considerations and resources available.

c. Destruction of fortified villages, structures in VC base camps, or structures that are obviously VC fighting positions is authorized without approval from this headquarters.

d. Coordination must be made with ARVN/civilian authorities to determine the exact hour of curfew. Movement outside of the immediate perimeter after those hours will be construed as hostile. Villagers may move around within confines of a village after curfew, therefore, this must be taken into consideration if a unit is located adjacent to a village.

e. Individuals that appear to be attempting to escape or evade may be frightened, innocent civilians. The commander on the site must exercise judgement as to whether to engage these individuals or not. The commander must base his decisions on his overall knowledge of the area, situation, mission, and safety of his command.

f. Personnel who attempt to evade and are identified as members of NVA or VC Forces by the wearing of a uniform, web gear or pack and/or have possession of a weapon may be engaged. Every attempt will be made to halt these personnel by giving the command halt (*Dung Lai*) and firing warning shots overhead. If attempts to halt evading personnel fail they will be then engaged by fire with intent to wound by firing at lower extremities. The wounded captive will then be treated and evacuated as rapidly as possible for exploitation of intelligence he may possess.

g. Maneuver or fire support elements will not expand the Bde AO without approval of this headquarters: prior coordination with the adjacent AO commander; and American Division Headquarters, will be made by Bde.

h. Perimeter defense (as opposed to a maneuvering force).

(1) A person not belonging to any Free World Armed Force, observed carrying a weapon will be immediately engaged. It must be remembered that within the American AO there are RD Teams which have civilian personnel assigned. These civilians who belong to GVN, normally wear black pajamas and are legally armed with carbines. These personnel will not be engaged. Coordination with District Chiefs of the area is directed in order to ascertain identification of, and how to identify these personnel.

(2) Any person attempting to enter the perimeter by other than recognized routes will be challenged, apprehended, or identified as enemy and will be engaged immediately.

(3) Unidentified personnel inside the perimeter will not be fired on unless positively identified as enemy. All measures will be taken to establish identity of personnel, i.e., challenging, apprehension of unidentified persons, sealing and searching the area, and sounding the alert.

For the Commander:

WILLIAM R. DAKNIS,
Major, Infantry, Adjutant.

HEADQUARTERS, 11TH INFANTRY BRIGADE,
AMERICAN DIVISION,
APO San Francisco.

[Change 1, Regulation 525–1, April 10, 1968]

COMBAT OPERATIONS

RULES OF ENGAGEMENT (U)

11th Infantry Brigade Regulation 525–1, dated 22 Mar 68, is changed as follows:

Page 4, paragraph 4b(6)(e). (Superseded) (C) Unobserved fires will not be fired closer than 1000 meters to non-combatant or friendly troop locations when engaging known or suspected targets. The only exception to this policy is as outlined in paragraph 5, confidential letter, Americal Division, Subject: Countermortar and Counterrocket Measures (U), dated 29 Mar 68.

For the Commander:

WILLIAM R. DAKNIS,
Major, Infantry Adjutant.

HEADQUARTERS, 11TH INFANTRY BRIGADE,
APO San Francisco.

[Change 1, Regulation Number 525–1, February 9, 1968]

COMBAT OPERATIONS

RULES OF ENGAGEMENT (U)

Brigade Regulation 525–1, this headquarters, 30 January 1968, is changed as follows:

4. (C) Employment of small arms and automatic weapons.

f. • • •

(2) (Superseded) Commanders will exercise utmost care to insure minimum non-combatant casualties and property damage.

For the Commander:

WILLIAM R. DAKNIS,
Major, Infantry, Adjutant.

Mr. GOLDWATER. Mr. President, I ask this because I think it is very, very necessary for the Members of this body, the public, the press, and media to understand fully the restrictions that were placed upon all of our forces in South Vietnam.

It is absolutely unbelievable that any Secretary of Defense would ever place such restrictions on our forces. It is unbelievable that any President would have allowed this to happen.

I think on the reading of these restrictions, Members of this body will begin to understand in a better way just what happened to the American military power in South Vietnam. As I say, it is unbelievable.

I am ashamed of my country for having had people who would have allowed such restrictions to have been placed upon men who were trained to fight, men who were trained to make decisions to win war, and men who were risking their lives. I daresay that these restrictions had as much to do with our casualties as the enemy themselves.

I recall just one incident when one of our top generals was threatened with court martial because he had approved the bombing of a radar site, which radar site was directing MIG aircraft to the point where they could destroy our helicopters engaged not in war activity but engaged in rescuing people.

So, Mr. President, it will be in the RECORD. I hope the press will take advantage of this and will study it. I hope all American people will be aware of what restrictions were placed on our men in uniform.

I pray, Mr. President, that if we ever have to go to war again—and I pray that we never will—that such foolish restrictions never be formed again and applied to our troops.

I thank the Chairman.

Mr. STENNIS. I thank the Senator very much.

Mr. THURMOND. Will the Senator yield?

Mr. STENNIS. I yield to the Senator from South Carolina 1 minute.

Mr. THURMOND. Mr. President, I want to commend the able Senator from Arizona for placing in the RECORD this information.

As a member of the subcommittee of the Armed Services Committee, we had access to this information during this war and as a member of that subcommittee, I protested then about the restrictions placed on our pilots and on our men fighting in that war.

I remember one time I went to the White House, there was a conference there that President Johnson held, and I protested then about the restrictions placed on our men.

The only way to fight a war is to go all out, to fight it as we did in World War II with ground power, airpower, seapower. Fight hard, fight fast, get through, and get out.

Instead of that, we spent 10 years—over 10 years in Vietnam. The reason those countries are lost now is because of the policies followed by the administrations back then when that war was started and carried on until President Nixon came in and wound it down.

I commend the distinguished Senator from Arizona for obtaining this information and placing it in the RECORD.

I wish this had been done long ago so the public could have know just what was going on. The public would not approve of it. They would not approve of sending their men into battle with their hands behind their backs to fight that way, to make gun fodder, so to speak, out of them. The parents would not approve of it; the country did not approve of it.

I am very glad the public now can learn just what happened back there, and the manner in which Secretary McNamara advised the President, and they followed his advice to fight this war.

Again I say, that is the reason those countries now have gone down the drain. We could have won that war, won it quickly. I believe it could have been resolved, maybe, in 30 or 60 days, with a mopping-up operation of 4 to 6 months.

Instead of that, now 30 million people have gone behind the Iron Curtain, the land is gone and the waterways in that part of the world have gone, and that has hampered our national security.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. What is the pending business?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Connecticut, amendment No. 529.

Mr. WEICKER. Mr. President, again, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. As I understand it, there are 20 minutes on this amendment, 10 minutes to the proponents and 10 minutes to the opponents, is that correct?

The PRESIDING OFFICER. The Senator is correct.

One minute from each side has already been used for the quorum call.

Mr. STENNIS. Mr. President, if the Senator will yield, I think this is an important matter. If the Senator needs more time, we have been down the list, none of the opponents of the other amendments are here, if the Senator needs more time to discuss it, I will yield time on the bill.

Mr. WEICKER. I thank the distinguished Senator from Mississippi.

I need no more time.

Mr. STENNIS. All right.

Mr. WEICKER. I believe it important that we get on to all the important matters contained in this legislation and it is my intention to speak on this amendment. The Senator from Florida has not yet arrived on the floor. I know he would like to make a few comments.

At this time, I do not have the intention of asking for a rollcall vote, although I will reserve that right.

Mr. STENNIS. All right.

Mr. WEICKER. Mr. President, I rise today to express my reservations to the commitment of additional funds to support the Navy's F–18 air combat fighter development program. As you know, the Subcommittee on Federal Spending Practices, Efficiency and Open Government, which is chaired by the senior Senator from Florida (Mr. CHILES) and on which I serve as ranking minority member, is in the midst of major systems acquisition hearings. The subcommittee chose as a case study for these hearings the Air Force/Navy air combat fighter programs.

Mr. President, I yield myself 4 minutes.

On May 29, the subcommittee heard testimony from representatives of both services as well as from the Office of the Secretary of Defense. As a result of these hearings, I believe it would be fair to say that I now have more questions about the Navy air combat fighter program than I have received answers. The subcommittee is in the process of drawing up further questions in an attempt to clarify confusing and contradictory testimony. As for myself, I intend to pursue this matter until I am satisfied with all the answers.

The history and controversy surrounding this program are certainly well known by now. The report of the conferees which accompanied the fiscal year 1975 Appropriations Act specifically directed the Navy to adapt the selected Air Force plane to its peculiar requirements for carrier landings. The intent and language of the conferees could not have been more explicit. In agreeing to $20 million for the Navy program, the conferees said:

> Adaptation of the selected Air Force air combat fighter to be capable of carrier operations is the prerequisite for the use of the funds provided.

On January 13 of this year, the Air Force announced its selection of the F–16 air combat fighter. Also, in January, the Navy examined all of the proposed derivatives of both the F–16 and F–17 Air Force prototypes and found all to be unsuitable to Navy use. Yet, just 4 months later, the Navy announces its selection of the F–18—a plane which, we are told, is a minor modification of the F–17 Air Force prototype; but a plane which is not in the least common to the plane chosen by the Air Force. Thus, there will be no savings to be achieved through interservice commonality which was the intent of the conferees' directive.

More disturbing is the fact that the Navy, in hearings before the Federal Spending Practices Subcommittee, told us that the F–18 is a plane which the Navy itself rated as "marginal to acceptable" in carrier suitability.

Well, a rating as "marginal to acceptable" may be good enough for the Navy but it certainly is not good enough for me and I doubt that the American taxpayer will be satisfied with launching into a full scale R. & D. program for an airplane rated "marginal."

By selection of the F–18, the Navy has effectively announced its intention to cut off further competition and go sole source from here on into production.

The amendment which Senator CHILES and I offer today is one which would keep the competition in the air combat fighter program alive through a more advanced stage of development. The amendment would increase the initial R. & D. funds available to the Navy and would require simultaneous development of both the F–18 and the Navy derivative of the F–16. By going this route, we require that the Navy base its choice on performance rather than paper design.

Remembering all too well some of our recent experiences with large cost overruns in the area of military procurement, I seriously question the wisdom of going ahead with this Navy program without further examination of the options available and careful study of the risks inherent in this type of program development.

The report of the Commission on Government Procurement stated that cost overruns have been running at 30 percent of program costs and are more often the rule rather than the exception when competition is cut off so early in the selection process. To remedy this undesirable burden on the taxpayer, the Commission recommended keeping competition open until an operational configuration of the system is available and exploring all alternatives.

Recommendation C–7 of the Commission is even more explicit—"Limit premature system commitments and retain the benefit of system level competition with an agency head decision to conduct competitive demonstration of candidate systems." The effect of this would be more money in R. & D. on the front end, less risk to run in development and production, cost advantages from maintaining a competitive atmosphere, thus reducing the possibility of cost overruns.

The Navy has yet to convince me that, unlike the Air Force, it has anything more than a paper airplane and a paper engine. It certainly is in no position to conduct a competitive demonstration of candidate systems.

According to the most recently available GAO report on the "Status of Selected Major Weapons Systems," the costs of 24 Navy programs have risen $14.9 billion, or 29 percent above their development estimates, if you look at this increase over the original planning estimate, the overruns are even more dramatic—$23.1 billion or 53 percent.

These are Navy increases alone. Fourteen Army programs have incurred overruns of more than $8 billion or 41 percent over planning estimates and $6.9 billion, or 35 percent over development estimates. Eleven Air Force programs have increased $24.1 billion or 83 percent over planning estimates and $16.5 billion or 45 percent over development estimates.

These GAO numbers are almost a year old and they have undoubtedly risen further. In fact, the increase in 49 DOD major weapons systems programs in the 6-month period from January 1, 1974 through June 30, 1974 was $17.1 billion.

We are told that the cost of this airplane will be close to $14 billion and could be $17 billion—on a life cycle basis—depending on whose numbers you use. If typical overruns on a program of this type occur, that would be an additional $3 to $5 billion of taxpayers' moneys.

It appears to me that we are about to embark on a program where the risk of failure has not yet been established, where the costs have not been firmly fixed, where we will have no alternatives to which we can turn should costs become unreasonable, and where large amounts of taxpayers moneys will be spent.

The American taxpayers are tired of the Government mismanaging their money. They are tired of wasteful Federal spending and their concerns deserve better attention. The taxpayers are having a hard enough time making ends meet without further commitments on the part of the Government to squander hard earned dollars.

At issue is not whether we do or do not want a strong national defense, but whether we are using taxpayer dollars to get the best defense system available at the best price. We must explore whether more R. & D. money is necessary today in order to forego billions of dollars of wasteful spending on "marginal" programs in the future.

I believe that the information which we have today about the costs and risks of this program is unacceptable. I welcome any clarification the Navy can lend

to this subject. I would hope that when this matter is referred to the Senate Appropriations Committee it will be closely scrutinized in light of the Procurement Commission recommendations to proceed with competitive demonstrations and limit premature commitments. In addition, I would hope that the Appropriations Committee will fully explore every option available to both the Navy for its force strength and to the American taxpayers for their economic well-being. The taxpayers should not be forced to bear the costs of ill conceived premature decisions where the risk of failure has not been satisfactorily established.

Mr. President, I believe very much that this amendment of the Senator from Florida and myself will allow for a well-thought-out, competitive situation, which will produce hardware that indeed will meet fiscal responsibility standards, which is what, in effect, Congress tried to do in its initial directives to the Navy, but which the Navy chose to disregard.

I now yield to the Senator from Florida, the cosponsor of the amendment.

Mr. CHILES. Mr. President, I wonder if the Senator will agree with me in the hearings we held, it was made clear that the Navy and the Air Force are still not following the rules of the Procurement Commission that they should try to retain competition in the area of trying to come up with a new weapons system as long as they possibly could, to see that they would not end up having tremendous cost overruns; and that the Navy in this instance, by taking the F–18, of course, has gone away from the admonition of Congress in telling them to come up with a common airframe, and in taking the F–18 there has been no competition; there is no competition in the F–18 itself, and we are now talking about a prototype of a prototype in relation to the engine; and without doing something like that, there will be no competition. They are going into the design phase without having had that, and if the orders run at all like they have in the past, we could well experience in the future cost overruns even greater than we have had in the past.

Mr. WEICKER. I entirely concur with the statements of the Senator from Florida. But the thing that really disturbs me is that if the Senate does not pay close attention to what goes on, the Senate will lose control of its own policy directives.

Here Congress set specific instructions, and these were totally disregarded. I feel that, if this is not stopped, there is a very dangerous precedent being set, and that is the reason for the amendment, to make sure that Congress' intent is followed.

Mr. CHILES. I agree with the Senator that it is a dangerous precedent. I think a further reason for the amendment is that we will signify by this amendment that we are willing to spend additional dollars now to make sure that we will have competition, and that if we can do this prototype in competition until we make sure that it is ready to go into the design phase, our feeling is that it is much cheaper to spend a few more dollars now to make sure we have the competition going, and to make sure that we will have the ability to make a choice of design and have the best design; and also to make sure that we do not go into tremendous cost overruns as a result of failing to keep this in competition until they get the design worked out.

I appreciate the opportunity of cosponsoring the amendment of the Senator from Connecticut. As I say, the amendment sponsored by myself and the Senator from Connecticut is based on our hearings held before our Subcommittee on Federal Spending Practices.

We heard extensive testimony from Dr. Currie, the Director of Defense, Research and Engineering, Navy and Air Force witnesses.

As far as I am concerned, the result is that we all have a lot of questions about these air combat fighter programs. A lot of serious questions.

There is the whole issue of commonality between the Navy and Air Force.

The question of why we again went the wrong direction letting the Air Force go first with their selection last January.

Everyone agrees it is easier to adapt a Navy aircraft to a land-based version. The TFX—the F–111—was an Air Force program we tried to give to the Navy. It did not work out—but political reasons were a big part of that fiasco.

The F–4 Phantom was a Navy aircraft. It is now the main front-line fighter in operation for both the Navy and Air Force. Thousands have been built.

The A–7 Corsair was a Navy aircraft. It is now the main attack aircraft for both the Navy and Air Force. Hundreds have been built.

But let us put aside all these other issues for a minute and just look at the Navy program.

For all the talk we have heard about the need for hardware competition the Navy F–16 and F–18 proposals were paper proposals.

They are vastly different from anything that was flown in the Air Force prototype program. The Navy F–16 proposal was a complete new design.

The Navy F–17 proposal—the one they picked—they renamed the F–18 because it was so different from anything they had seen—no less tested.

The gross weight is up over 10,000 pounds to 34,000 pounds.

The F–404 engines are paper derivatives of J–101 engines—which themselves are extended versions of the YJ–101 engines that flew at Edwards Air Force Base.

This is the one aircraft the Navy wants to lock itself into. This is the one basket all the eggs are going into—a paper basket.

There are two main reasons why there has been inadequate testing, First, testing is expensive and time consuming. Second, the advocates of these programs are aware that negative test results, if misunderstood at higher levels, can jeopardize or delay the program.

Unfortunately for the taxpayer, early choice of a system raises the risk that increasing costs will have to be paid as long as the Agency need remains of sufficient priority. With only a single organized effort underway to meet the need, system performance and schedule slippages have to be accommodated by additional funding because the Government will have no alternatives available for consideration.

The Committee on Government Procurement, after 2 years of exhaustive study, concluded that systems that were defined early and subjected to a short industry competition to select the contractor and remaining design refinements invariably have led to technical problems and contractual difficulties.

As a result, the Commission called for using additional R. & D. expenditures to initiate competition before system options are eliminated and when costs are significantly lower than those that must be incurred later for full-scale engineering development.

Competition should be continued at least up to the final development phase to provide a sound basis for choosing a potential system and entering into firm performance and price commitments with the successful developer.

The Commission felt that in the long run, adopting the recommendations should also result in a net reduction in the time and cost to go from the statement of a need to the effective use of a system to meet it.

This is to be accomplished not by shortening or paying less for every phase of activity but by spending more time and money on the early pivotal development tasks that will net savings in the larger commitments that follow.

And if you check on the most recent cost figures that are now being worked up in the Pentagon, you will see the costs are already starting to go up.

Mr. President, there are just too many questions unanswered for me to feel we can just let these programs proceed without some further, careful questioning as we go along.

I do not necessarily feel that the proposed amendment is the best option to get some competition—but I think we need to be looking at them.

And we need to be looking at everything we have learned about the right way and the wrong way to develop new systems.

Mr. GOLDWATER. Mr. President, I yield myself 4 minutes.

This amendment has a serious and adverse effect on the F–18 project and the Navy fighter force structure. Construction and testing of the F–16 and F–18 prototypes would delay the sorely needed replacement fighter program several years. A delay of this magnitude should not even be considered in view of an already known fighter deficit in the 1980's. A delay would compound the deficit.

The end result of such a fly-off would in all probability not alter the selection of the F–18. The dedicated, unbiased Navy engineers, who worked faithfully over the past year evaluating the voluminous material contained in the contractor proposals, have concluded that the F–18, which I tend to call the F–17, it being a derivative of the Air Force F–17 prototype, was definitely superior to the F–16, and most importantly, can satisfactorily perform the Navy missions. None of the three F–16 derivatives were found to be carrier suitable. To construct two prototypes, one of which has already been deemed unacceptable, would indeed be a waste of valuable defense dollars and would create an unnecessary and costly delay in filling our carriers with these badly needed fighters. Additionally, any delay in the F–18 program will cause a commensurate cost increase in future years.

Mr. President, this is the first time in many, many years that we have had a prototype approach to any military piece of equipment that I can recall. The F–16 and the F–17 had a complete flyoff out at Edwards Air Force Base and at Eglin Air Force Base in Florida. The F–16 was selected by the Air Force.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. GOLDWATER. Just a moment. Let me tell my friend from Connecticut and my friend from Florida that the Navy has not even proposed this F–18 to our Subcommittee on Tactical Air. There has been no money even hinted for the purchase of it. The Tactical Air Subcommittee has not had hearings on it, and I do not know when we are going to have or if we are going to have. The reason——

Mr. CHILES. Mr. President, will the Senator yield?

Mr. GOLDWATER. Yes, I will yield to my friend from Florida at this point.

Mr. CHILES. I desire to follow the Senator's observation, that this is the first time that we had a fly-off of two prototypes, and I think that is excellent. The only problem is one of the prototypes clearly beat the other one in the fly-off. The 16 clearly beat the 17 in the fly-off, and we turn around and we are buying both planes.

So it did not do us a lot of good to build two prototypes to have them come up and to compete with each other to see which would be the superior plane and have one of them clearly out-compete the other one in the fly-off and then turn around and have one service buy one plane and one buy the other plane when Congress had clearly told them come up with a plane that there can be some commonality, that there can be some common airframe, there can be some common engines used so we can make some savings and the savings in this instance would be up to $2 billion. But we find out now we are going to buy both airplanes.

Mr. GOLDWATER. I can understand the Senator's concern on this, and frankly that concern is shared by members of the Committee on Armed Services to varying degree.

But I tell both the Senators on this amendment that the fly-off was not conducted with the idea that it was done for Navy purposes.

Keep in mind when we talk about commonality in fighters there is really no such thing. The F–4 is used by the Air Force and it is used by the Navy—in fact, the Air Force got it from the Navy but——

Mr. CHILES. And the A–7 also.

Mr. GOLDWATER. Just a minute.

Mr. CHILES. Yes, sir.

Mr. GOLDWATER. The A–7 was remade a Navy fighter, the old F–8, and made into the F–7. It was resisted by the Air Force, unfortunately. It turned out to be one of the finest.

Mr. CHILES. One of the greatest planes.

Mr. GOLDWATER. One of the greatest aircraft we ever made.

I want to remind my friend when he talks about commonality, he really cannot use that word because before an aircraft can be made carrier-capable, it has to have a lot of weight added to it. I mean a lot of weight. We are not talking about a few hundred pounds. We are talking about a few thousand pounds.

Mr. CHILES. Oh, yes. That does not cover the guns going on the plane, that does not cover the site, that does not cover the engine——

Mr. GOLDWATER. I have not yielded to the Senator except for a question.

Let me finish and I will not be long.

The Navy selected this airplane—first, let me say that the fly-off comparison was very close. I believe either aircraft could have been selected without any problem at all. I had lived through that fly-off. I was out to observe it. I have not flown these aircraft yet but I intend to. The F–18 was a little superior, a little superior.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GOLDWATER. I will yield myself another 2 or 3 minutes.

Mr. STENNIS. If the Senator wants more time, I am glad to yield more time. How much does he want?

Mr. GOLDWATER. Three minutes.

Mr. STENNIS. Fine.

Mr. GOLDWATER. The Navy selection of this aircraft, in my opinion, was based on one fact that the F–17 has two engines.

Now, the Air Force flying most of its mission over land does not necessarily require two engines but the Navy flying its missions over sea feels that there is a recovery factor in two engines that is more valuable to them than selecting an aircraft with only one engine. In fact, the two engine factor of Navy aircraft have gotten many pilots and crews back that would not have made it otherwise.

The Navy has said in its first report to the subcommittee that the F–16 is not carrier suitable and they could not use the F–16 in any case. But I want to conclude by saying we have not yet had hearings on this, and I would not like to see the committee restricted by any language put in this bill as to what the committee may come to. The committee may well decide that the Navy should have the F–16. We have not had hearings on it.

Mr. WEICKER. Mr. President, I am prepared to withdraw the amendment.

I direct this comment, if I could, to the distinguished chairman of the committee, or for the Senator from Arizona (Mr. GOLDWATER).

Obviously, there are questions to be answered here, and we do need more information. Under the circumstances, I ask the distinguished chairman, the Senator from Arizona, and other members of the committee, whether the committee would agree to initiate now follow-on inquiry of the Office of the Secretary of Defense to provide the Senate with independent estimates on the cost of pursuing the competitive——

Mr. STENNIS. Mr. President, will the Senate be quiet? The Senator is asking me a question, and I cannot hear him.

The PRESIDING OFFICER. The Senate will be in order.

Mr. WEICKER. Yes, indeed.

I ask the distinguished chairman of the committee whether he and the committee would agree to initiate follow-on inquiry of the Secretary of Defense to provide the Senate with independent estimates of the cost of pursuing these different competitive options.

I ask the distinguished chairman and the members of the committee in the course of these inquiries, to inquire of the Navy as to why it is or what their reasons are for the flouting of congressional policy directive in this area.

All I am saying is I think we are all of a similar mind. I do not want to hold back the development, and I do not think the Senator from Florida does, of any of these airplanes. I think that it is important that the various agencies in the executive branch do follow these directives when they are set down. Second, specifically as far as these planes are concerned, I hope that the questions that will be asked will produce far more, far more solid answers than have already been given.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Will the Senator yield at this point?

Mr. WEICKER. I yield.

Mr. GOLDWATER. As the ranking minority member of the Tactical Air Subcommittee, I can assure the Senator from Connecticut that that will be done.

I have talked with the chairman (Mr. CANNON). He, of course, as you know, has been tied up for months in a little problem involving New Hampshire, and he has not been able to hold hearings.

But I can assure my friend that they will be held because we have precisely the same questions that have been made in the Chamber today by the Senator from Connecticut and the Senator from Florida. I can assure him that there will be an inquiry made.

I would like to know myself, with what I know about the maneuverability of the two aircraft, and the advantages of one over the other, and vice versa, why the Navy came to this conclusion other than the fact that it is a two-engine aircraft.

Mr. WEICKER. In other words, we are not committed irrevocably at this point to an F–18?

Mr. GOLDWATER. No. We have no money for it.

Mr. WEICKER. Fine.

Mr. GOLDWATER. No money has been asked. The subcommittee has not had a hearing on it. So, all we have now is the Navy said it wants the ship.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. I yield.

Mr. WEICKER. Mr. President, I with-

draw. I am entirely satisfied with the response of the committee through the Senator.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. This is a matter of importance that the Senator from South Carolina has first.

The Senator from South Carolina has no more than 1 minute. Is that right?

Mr. THURMOND. One minute.

Mr. STENNIS. One minute.

Mr. THURMOND. Mr. President, I oppose this amendment, which would add $139.8 million to the fiscal year 1976 Navy R. & D. request and $27.4 million to the 3 months' TT transition period in order to allow funding of the development of an operational prototype of the F–16 in its Navy variation, as well as the F–18 which has been selected by the Navy over the F–16.

The reason I oppose this amendment, Mr. President, is because it would waste the taxpayers' money. Let us look at the background of this matter.

During the Navy competition, the LTV Corp., in conjunction with its technical partner, the General Dynamics Corp., proposed not one, but three different identifiable aircraft designs. Each design was derived from the U.S. Air Force F–16 aircraft and each design was submitted as carrier suitable.

These three designs were carefully evaluated by the Navy. They were evaluated for many characteristics but one of the most important was carrier suitability.

In evaluating these designs, the Navy found that they employed a complex high-lift system and control systems that were judged to be of very high risk for carrier work. In considering these and all of the other carrier suitability factors involved, these designs were rated as unacceptable.

The Navy's engineers and technical experts who made this evaluation have years of experience at this profession, they are the ones who best can judge whether an airplane will be usable on and off a carrier. I would not dispute their judgment on this question, and I do not know that anyone has, even the losing competitor.

The F–16 is a fine airplane, but it was designed as an Air Force land-based fighter, not as a carrier-based plane. Apparently it was not able to make the transition successfully from land to sea, according to the Navy.

Let us turn this proposal by my distinguished colleagues around and consider the reverse situation.

Suppose that we were considering a report by the Navy and they had evaluated the F–16 and F–18; that they found the F–16 unsuitable for carrier operations, but they were requesting $167 million extra to develop a prototype of the F–16 anyway.

Would this be money well spent? Would we not be outraged if the Navy deliberately built a prototype of a design that they had judged to be unsuitable? Would we not consider this to be a waste of taxpayers' money?

Yet this amendment would require the Navy to do precisely that for which we all would criticize them. Build a prototype, a flying model, of an aircraft that is not expected to be suitable for employment in the carrier environment.

Mr. President, I ask unanimous consent that there be printed in the RECORD the Committee on Appropriations directive with reference to this matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> The Managers are in agreement on the appropriation of $20,000,000 as proposed by the Senate instead of no funding as proposed by the House for the VFAX aircraft. The conferees support the need for a lower cost alternative fighter to complement the F–14A and replace F–4 and A–7 aircraft; however, the conferees direct that the development of this aircraft make maximum use of the Air Force Lightweight Fighter and Air Combat Fighter technology and hardware. The $20,000,000 provided is to be placed in a new program element titled "Navy Air Combat Fighter" rather than VFAX. Adaptation of the selected Air Force Air Combat Fighter to be capable of carrier operations is the prerequisite for use of the funds provided. Funds may be released to a contractor for the purpose of designing the modifications required for Navy use. Future funding is to be contingent upon the capability of the Navy to produce a derivative of the selected Air Force Air Combat Fighter design.

Mr. THURMOND. Mr. President, I really do not believe that this expenditure would be a reasonable investment of our scarce resources, and I urge that the amendment be rejected.

Mr. INOUYE. Mr. President, the Defense Appropriations Subcommittee held executive hearings on the 6th of May. I had every intention of attending these hearings, particularly since they were considering the so-called low-cost fighter aircraft. Unfortunately a bout with the flu prevented me from attending.

I would like to comment now on this important issue because there are some aspects to it that are, in my view, cause for serious concern by all of us.

Over the past several weeks I have received a considerable amount of information on this low-cost-fighter issue, dealing with such things as cost analyses, weapons system performance requirements, and projected life cycle costs. Information of this type and depth has never been made available to the Congress—never in all the repeated presentations we have heard on this topic.

I do not happen to be an engineer or a pilot, of course, and for that reason I cannot vouch for the accuracy of the data I have received. However, I am aware that many of our military authorities, who are expert on these subjects, have been reviewing it in depth.

Nonetheless, if the information I have been reviewing is correct, then I would be forced to conclude that we are not getting our money's worth by putting it into these so-called low-cost new fighter programs.

If you look back into the hearings records from the various congressional committees in session just a year ago, you find that there was a great deal of enthusiasm on the part of the Congress about the possibility of producing a new lightweight plane that would cost roughly half as much as the Air Force F–15 and Navy F–14 air superiority fighters. I would like to quote now, if I may, some of the comments made during those hearings.

Dr. Malcolm R. Currie, Director of Defense Research and Engineering, in his testimony before the Appropriations Subcommittee almost exactly 1 year ago, said this about the assumed cost of the lightweight fighter—

> This program could make available a less costly (targeted at a flyaway price of three million dollars in FY 1972 funds), relatively austere, high performance fighter.

Secretary Schlesinger, in testifying during the same subcommittee hearings in 1974, gave us this characterization of the assumed cost relationship between the lightweight fighter and the F–15—

> I believe the unit cost savings with respect to the F–15 could be as high as half the F–15 cost, depending on which LWF prototype is selected.

General Brown, Air Force Chief of Staff, testifying at the hearings of the House Subcommittee on Appropriations last year, predicted that the lightweight fighter would cost half as much as the F–15. Here are excepts quoted from his testimony:

> The F–15 is now, in comparable terms, probably at about 8.5 to 9 million dollars. For YF–16 or a YF–17, the minimum price we are talking about today is 3.5 million dollars and it will probably grow . . . But let's say 4 million dollars, so you have roughly again two to one, or two and a half to one.

Secretary McLucas, in his mid-1974 testimony regarding the cost targets for the F–16 and F–17 lightweight fighters, told the Senate Appropriations Subcommittee the following:

> These are lightweight fighters, about half the size and weight of the F–15. They (the contractors) were given a design-to-cost objective that they should build an airplane about this cost, the figure given to them was three million dollars in fiscal year 1972 dollars based on a buy of 300 aircraft.

While making these optimistic cost projections, the Air Force Secretary also made some significant characterizations of the performance limitations of the so-called low-cost lightweight fighter, and I might add that his remarks were typical of those by several other defense authorities.

The gist of these statements was that lightweight fighters, while they can be considered to have performance roughly comparable to the F–15, are lacking in several significant areas. For example, being smaller they lack the space to carry the size of radar that would provide radar performance approaching that of the F–15, or anywhere near the radar capabilities of the F–14. And as we know, radars are the essential "eyes" of the modern fighter.

As Secretary McLucas himself put it:

> It (meaning the lightweight fighter) couldn't carry heavy ordnance, for instance, the Sparrow missiles we talked about on the F–15, they might be too heavy for this plane. You would have to compromise and the first thing you would compromise is the radar, the second is the total amount of armaments you can carry, and the third would be the range or staying power of the airplane in the air.

So we can all see from these direct quotations just how convinced—and convincing—were these proponents of the lightweight fighter as a low-cost alternative. To be sure, we can all appreciate that these leading defense authorities a year ago were providing us with the best knowledge they had then of what might be achievable as a means of reducing defense budgets.

Without going into a lot of detail at this time, I would like now to bring us up to date with some of the latest cost trends and other information which clearly place many of these earlier assumptions in serious doubt, if not refuting them entirely. The cost figures I will talk about will be only in 1975 value dollars and will apply to the specified 650 airplane buy.

First, I would like to summarize my present information on the cost relationship of the lightweight F–16 airplane to the primary Air Force fighter, the F–15. Last year, as the record shows, the Department of Defense established its case for the lightweight fighter to the Congress on the basis that it could be had for an estimated one-half of the cost of the F–15. Also, we were told that the new airplane was to be only slightly less capable than the F–15.

These were the estimates. But today's facts present an entirely new picture. Now we are told that the proposed new airplane, the F–16, is estimated to cost at least $4½ million each, with an R. & D. cost approaching $1 billion. Furthermore, I am told that, at a recent Defense System Acquisition Council meeting, a unit cost of something closer to $5½ million for the F–16 was identified.

I understand that the Department of Defense is trying very hard to bring the F–16 costs back down to the $4½ million level. And the way this would be done, I am told, is to reduce the capability of the airplane.

Even if we take the most optimistic figure of $4½ million, by the time the R. & D. costs are paid, we will have been paying at least $6 million per airplane for the 650 aircraft buy contemplated. At this level, the cost of the F–16 may be compared to that of the F–15. I am told that, built in a like quantity, the F–15 could be procured at an incremental cost of about $6 million. The president of McDonnell-Douglas is said to have offered to guarantee such a cost.

So, instead of the 2-to-1 price relationship we were told about last year, the F–15 and F–16 costs appear today to have reached virtual parity. And, what is more, the lightweight fighter will have even less capability than the original F–16 concept. My facts add up to far less airplane for equal or even higher cost.

The proposed Navy low-cost fighter, the F–18, shows up no better, once you compare the original cost estimates with today's facts. We were told last year that the Navy's new air combat fighter was to capitalize on maximum commonality with the Air Force version. Now the Navy has made its choice and we are told it is a totally different airplane.

The Navy's new F–18, which is a much-modified version of what was formerly called the F–17, is a totally different airplane from the Air Force F–16. And we are now told that it comes with an additional R. & D. bill of $1.4 billion and an average cost of $5.8 million per airplane.

One point about the Navy's proposed new lightweight fighter that seems to have been glossed over very lightly is the fact that the Navy proposed to use 60 percent of its planned buy of the F–18's to replace the existing A–7 light attack planes on its carriers. The remainder would be used to supplement its primary fighters, the F–14.

The A–7, according to my information, has been given the highest marks for its attack performance by the top Navy authorities, and we have been buying it for $3½ million an airplane. Even if we accept the Navy's most optimistic estimates of the F–18's air-to-ground capabilities—keeping in mind that it was designed primarily as an air combat fighter—they would be roughly the equivalent to those of the A–7.

It is pretty clear that the estimated costs of the F–18 must be compared with those of the mix of F–14's and A–7's which it would replace. Average costs for a production of 800 aircraft have been used on the F–18 comparisons. However, the first production aircraft are always much more expensive than the hypothetical "average" of an assumed future production. Since only the first 300 or so F–18's built are to be procured in lieu of F–14's, we must consider their necessarily higher cost to make a valid comparison. I am told that the average cost of these early production airplanes would be about $7½ million each.

Now, when research and development costs are figured in as well, the estimated price of the F–18 really jumps. If my information is correct, we would be paying about $12½ million in fiscal 1975 dollars for an airplane with much less capability than the F–14 which is costing us $11.3 million in fiscal year 1975. Additional buys would be less costly in the same year's dollars.

The R. & D. costs for the attack version of the F–18 have yet to be identified by the Navy. However, this cost would have to be added to a flyaway cost now estimated at about $4.8 million for the other 500 aircraft after the fighter version buy, as against the $3½ million price tag of the A–7.

In summarizing the foregoing points, I would say that it would appear we are being asked to embark upon two new lightweight fighter programs for a combined cost of at least $2½ billion of R. & D. alone, when the present facts indicate that we will actually be paying for less capability.

Before we pass judgment on this very crucial issue before the Congress, I want to make sure that we are dealing with today's facts and not last year's estimates. The Nation is, as we are well aware, concerned about the credibility of defense program decisions. Certainly we want to avoid locking ourselves into a position this year that we might be busy untangling for years to come.

I am concerned today, as more accurate detailed information on this issue is being developed and made available to the Congress, that it may require some of those who were strong advocates for the low-cost fighter a year ago to come forth on the basis of these new facts and change their positions. The major impact of this issue on the Nation's defense, not to mention the huge amount of taxpayers' dollars it involves, far overshadows any specific individual's concern for losing face at this time.

The facts, as they have been made known to me, place the issue of the lightweight fighter as a cost-saving alternative to building a full complement of superior fighters clearly in doubt. In my earnest opinion, I cannot see how we can render a judgment on this issue until the basic assumptions have been analyzed in terms of the latest information. I would, therefore, urge my colleagues to join me in rejecting the requested funding this year of a half billion dollars for these two new lightweight fighter programs until such time as the Department of Defense has provided the Congress with a comprehensive analysis of the comparable costs, capabilities, and alternatives.

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, I make the point that we did mandate the derivative of the Air Force selection. If this mandate was mandating something impractical or that could not be accomplished, at least the General Dynamics Corp. LTB team should have been given an opportunity to come up with a projected aircraft that was not a derivative of their own F–16. When, in fact, the plane the Navy selected was a derivative of the one that lost in competition against the F–16 and was, therefore, not a derivative of the Air Force selection. On the Air Force selection, the General Dynamics LTB team should have been given the same latitude in producing a projected aircraft that was not a derivative of the F–16. They could have come up with an entirely new design. But they were restricted by the language of the conference report, but obviously Northrup was not restricted by the language of the conference report in terms of what the Navy actually did.

I am a member of the Subcommittee on Tactical Air, and I can assure the Senator that I will urge the chairman to call early hearings on the matter so we can get to the bottom of this.

Mr. WEICKER. I appreciate that.

Mr. STENNIS. I thank the Senator from Connecticut and the Senator from Texas very much.

I understand now that the assurance has been given by the Senator from Texas and the Senator from Arizona about their inquiries that that is what the Senator from Connecticut wanted.

Mr. WEICKER. Indeed, and I thank the chairman.

Mr. STENNIS. I thank the Senator very much.

He has been very considerate, although he has a very important matter about which he is concerned.

Mr. WEICKER. Thank you.

Mr. STENNIS. So the Senator withdraws the amendment?

Mr. WEICKER. I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. GRAVEL. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. STENNIS. I yield.

Mr. GRAVEL. Mr. President, I ask unanimous consent that P. Campbell Gardett of my staff be accorded the privilege of the floor during the debate.

Mr. STENNIS. Mr. President, I yield to the Stnator from West Virginia. That is so he may call up such amendment now as he has on the list that he wants to.

Mr. ROBERT C. BYRD. I thank the distinguished chairman.

Mr. President, I ask unanimous consent that the Jackson amendment No. 491 now be called up and that upon the disposition of that amendment, Jackson amendment No. 492 be called up.

AMENDMENT NO. 491

The PRESIDING OFFICER (Mr. MORGAN). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes amendment No. 491.

The amendment is as follows:

On page 28, after line 24, insert a new title as follows:

"TITLE VIII—PETROLEUM SUPPLY DISCRIMINATION; REMEDY FOR DEPARTMENT OF DEFENSE

"FINDINGS AND DECLARATION OF PURPOSE

"SEC. 801. The Armed Forces of the United States operate worldwide in maintaining international peace and in protecting the interests of the United States. It is essential to the effective operation of the Armed Forces that they receive adequate supplies of petroleum products. Citizens and nationals of the United States and corporations organized or operating within the United States enjoy the benefits of the United States flag and the protection of the Armed Forces and owe allegiance to the United States. It is the purpose of this title to provide a remedy for discrimination by citizens or nationals of the United States or corporations organized or operating within the United States, and by organizations controlled by them, against the Department of Defense in the supply of petroleum products.

"INVESTIGATION OF DISCRIMINATION BY THE SECRETARY OF DEFENSE

"SEC. 802. (a) No citizen or national of the United States or corporation organized or operating within the United States, or any organization controlled by United States citizens, nationals, or corporations organized or operating within the United States, shall engage in discrimination in the supply, either within or outside the United States, of petroleum products for the Armed Forces of the United States.

"(b) The Secretary of Defense, whenever he has reason to believe that there has been such discrimination, shall immediately institute an investigation.

"(c) If, following such investigation, the Secretary of Defense determines that there has been such discrimination, he shall refer the matter to the Attorney General of the United States.

"JURISDICTION OF THE UNITED STATES COURTS

"SEC. 803. (a) The several district courts of the United States are invested with jurisdiction to prevent and restrain such discrimination; and it shall be the duty of the several United States attorneys, in their respective districts, under the direction of the Attorney General, to institute proceedings to prevent and restrain such discrimination. Such proceedings may be by way of petitions setting forth the case and requesting that such discrimination shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petitions the court shall proceed, as soon as possible, to the hearing and determination of the case; and pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

"(b) Whenever it shall appear to the court before which any proceeding under subsection (a) of this section may be pending, that the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpenas to that end may be served in any district by the marshal thereof.

"(c) Any proceeding against a corporation may be brought not only in the judicial district whereof it is incorporated, but also in any district wherein it may be found or transacts business; and all process in such cases may be served in the district of which it is incorporated, or wherever it may be found.

"(d) In any proceeding brought in any district court of the United States pursuant to this section, the Attorney General may file with the clerk of such court a certificate of the Secretary of Defense that, in his opinion, the proceeding is of critical importance to the effective operation of the armed forces of the United States and that immediate relief from the discrimination is necessary, a copy of which shall be immediately furnished by such clerk to the chief judge of the circuit (or, in his absence, the presiding circuit judge) in which the proceeding is pending. Upon receipt of the copy of such certificate, it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge, to hear and determine such proceeding, and it shall be the duty of the judges so designated to assign the proceeding for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the proceeding to be in every way expedited.

"(e) In every proceeding brought in any district court of the United States under this section, an appeal from the final order of the district court will be only to the Supreme Court.

"INSPECTION OF RECORDS AND FURNISHING OF INFORMATION

"SEC. 804. For the purpose of the investigation instituted by the Secretary of Defense pursuant to section 801, he, or his designee, shall at all reasonable times have access to and the right to copy any book, account, record, paper, or correspondence relating to the business affairs of the person or corporation being investigated. Such person or corporation, upon demand of the Secretary of Defense, or his designee, shall furnish such information as the Secretary of Defense may require as to his or its business, organization, conduct, practices, management, and relation to other individuals, corporations, partnerships, associations, and other entities.

"DEFINITIONS

"SEC. 805. As used in this title:

"(1) The term 'United States' when used in a geographical sense includes the several States, the possessions of the United States, the Canal Zone, and the District of Columbia.

"(2) The term 'discrimination' means the refusal or failure promptly to enter into or perform contracts for the supply of petroleum products, at appropriate prices, in accordance with the laws and regulations of the United States governing the entering into and performance of such contracts when requested by the Secretary of Defense or his designee.

"PENALTIES

"SEC. 806. Any person or corporation who willfully discriminates as prohibited by section 802 shall, upon conviction, be fined not more than $100,000 or imprisoned for not more than two years, or both.

"SEPARABILITY

"SEC. 807. If any provision of this title or the applicability thereof is held invalid, the remainder of those sections shall not be affected thereby.".

Redesignate title VIII as title IX and renumber sections 801 through 809 as sections 901 through 909, respectively.

Mr. JACKSON. Mr. President, what is the time limitation?

The PRESIDING OFFICER. Forty minutes, 20 minutes to each side.

Mr. JACKSON. Mr. President, the purpose of this amendment is to prevent a repetition of our major oil companies assisting foreign governments in cutting off oil supplies to our military forces.

The amendment provides that such a willful discrimination against the military in its procurement of petroleum products will result in criminal penalties.

It establishes, for the first time, a legislative standard by which we can judge the actions of American multinational oil corporations in providing for an uninterrupted flow of oil to our military. There has been a lack of such a countervailing standard to meet host country threats of retribution. We have been told that during the embargo period our multinational companies were unable to point to any legislative standards or requirement which would obligate them to resist or to withstand pressures by foreign countries to force them to work against the interests of the United States. This amendment will fill that void.

Timely procurement of petroleum products is obviously essential to the national security of this country. I am pleased to report that the Secretary of Defense, the Honorable James R. Schlesinger, has indicated in a recent letter to me—which I shall read later—his support for such a legislative step to prevent discrimination and deter a recurrence of actions which took place during the embargo period.

The amendment provides criminal sanctions for any individual or corporation who willfully discriminates in supplying petroleum products for the United States Armed Forces either within or outside the United States. This legislation covers not only a failure to perform contracts for the supplying of petroleum products, as was the case in the aftermath of the 1973 Arab-Israeli war, but also a refusal or failure promptly to enter into such contracts at appropriate prices in accordance with governing laws and regulations. This will take care of the situation where companies refuse to contract because they do not want to disclose data.

This amendment provides that if the Secretary of Defense determines that there has been discrimination against the military in its procurement of oil supplies, he shall refer the matter to the Attorney General of the United States who is authorized to institute appropriate proceedings, including the enjoining of such discrimination. The amendment also provides that the Attorney General may file with the clerk of the district court a certificate of the Secretary of Defense stating that, in the Secretary's opinion, the proceeding is of critical importance to the effective operation of the Armed Forces of the United States and that immediate relief from the discrimination is necessary. Upon receipt of such a certificate, a panel of three judges shall be convened to immediately hear and make a determination in such proceedings. Convictions for such discrimination will carry penalties of a fine of $100,000 or imprisonment for not more than 2 years or both.

Hearings and investigations by the permanent Subcommittee on Investigations show that this legislation is vitally needed. In April 1974, we held hearings on the cutoff of oil to our military while the 6th Fleet was still on alert—that was part of a worldwide strategic alert—in conjunction with the October 1973 Arab-Israeli war. Late last year the subcommittee learned that the military had reached an impasse with the major oil companies in contracting for its petroleum supplies for the following year, and thus another interruption of petroleum supplies was threatened. Only vigorous action by the subcommittee prevented the Department of Defense from being placed in another critical supply situation.

In sum, it is imperative that we do all within our power to insure that the Armed Forces of the United States are never again threatened with the cutoff of critical oil supplies. This is especially true where the suppliers are U.S. corporations which operate worldwide under the protection of the American flag. Legislation must spell out the duties and obligations of those responsible for providing defense needs. Our giant oil corporations must be informed, in no uncertain terms, that they, too, must act in accordance with the national interest.

Mr. President, in conclusion, I should like to read the letter I received from the Secretary of Defense dated May 21, 1975. The letter is addressed to me, as chairman of the Permanent Subcommittee on Investigations.

DEAR SENATOR JACKSON: Thank you for your request for my comments on S. 1546*, which has as its objective the prevention of discrimination against the Armed Forces of the United States in the supply of petroleum products. As reflected in our discussion at the time of the Arab oil embargo and subsequently, the situation that arose with our oil suppliers in the international arena as a result of the embargo was disturbing to me in its implications for the national security interests of the United States.

The legislation you propose would appear to have a beneficial effect in deterring some of the types of actions which occurred during that period. While we are all hopeful that problems of that type and magnitude will not arise again, I believe that appropriate steps should be taken to strengthen the position of the government with respect to petroleum suppliers in the national security interest. Your proposal is such a step.

I have asked that specific comments on your proposal be sent to the Senate Judiciary Committee, and we will furnish you a copy of that report when it has cleared the Office of Management and Budget.

Sincerely,

JAMES R. SCHLESINGER.

Mr. President, I believe the comments I have made are self-explanatory. There is no doubt about the need for this legislation. Lack of a proper legislative standard could again cause the United States to face serious trouble in the future.

I am not going to predict what might happen in the future. We should deal with the problem by providing the safeguards so it cannot happen in the future. It did happen while we were on a worldwide, full, nuclear strategic alert; and it happened as a result of a failure of American companies to take appropriate action to meet the needs of our forces overseas. There is no doubt about this, and the Secretary of Defense, as indicated by his letter, supports the proposal I have submitted to the Senate.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. CRANSTON. Mr. President, I believe the Senator's amendment is a very fine one, which I assume will be supported overwhelmingly.

However, I should like to ask one question about section 802(b) on page 2.

I wonder what unit of the Department of Defense would conduct the investigation that is suggested there? I ask whether it might not be more appropriate to rephrase line 24 to read, instead of the way line 24 is written, "request an appropriate investigation by the Attorney General." It seems to me that, quite posssibly, the matters that would be under investigation would be more appropriately investigated by the Attorney General. I just ask the question.

Mr. JACKSON. I would not object if we had the Secretary of Defense or the Attorney General. When we were on a worldwide alert, supplies were cut off by American companies to our fleet overseas, and it was worldwide. The fleet was on full alert. It also, of ccurse, applied to the Air Force.

The point I make here is that the Secretary of Defense does have his own investigative capabilities overseas. I am talking about investigations in the field that are immediately available to Defense. It seems to me that he has the job of policing this. Therefore, he is better equipped to do it.

I would have no objection to saying "the Secretary of Defense or the Attorney General."

Mr. CRANSTON. How about "in cooperation with the Attorney General?"

Mr. JACKSON. I accept that.

Mr. President, I ask unanimous consent that on line 22, page 2, after "Defense," we strike the comma and insert the following: "in cooperation with the Attorney General of the United States."

The PRESIDING OFFICER. Is there objection to the modification?

There being no objection, the amendment is so modified.

Mr. CRANSTON. I thank the Senator and ask him to yield for a further correction, on page 5. It now reads:

SEC. 804. For the purpose of the investigation instituted by the Secretary of Defense pursuant to section 801, he, or his designee, shall at all reasonable times have access to and the right to copy any book, account, record, paper, or correspondence relating to the business affairs of the person or corporation being investigated.

Obviously, access may be appropriate, but again I wonder if it would not be more appropriate there to have it through the Attorney General.

Mr. JACKSON. Again I would not object to the Secretary of Defense and the Attorney General.

Here is what goes on as a practical matter. The biggest purchaser of petroleum products happens to be the Department of Defense. They have numerous contracting officers and facilities and they are the ones that are dealing with this matter on a day-to-day basis. They also have an audit arm. The oil companies have in the past, however, denied access to information. I have no objection to inserting again "the Attorney General"—"the Secretary of Defense, in cooperation with the Attorney General." I have no objection to that.

Mr. CRANSTON. I wonder if, in this case, it would not be appropriate to consider going further to limit it to the Attorney General, who, of course, has the FBI at his disposal. In the other case, I think it is quite appropriate in these overseas matters to have the Department of Defense and the Attorney General, but a blank check to the Secretary of Defense to go into business concerns is bringing the military into domestic economic affairs in a way that might lead to some dubious practices.

Mr. JACKSON. No, I think we have to be tough on this. If we are really going to do something on the question of the relationship between the oil companies and the military, this is part of it. We brought out, as a result of the work of the investigating committee, that in 1 year alone the Department of Defense paid $600 million more for jet fuel than they should have paid. That is over and above the price going for the commercial airlines. We are trying to save money in the Defense budget. But they could not go in and get at the books and get the information. And the companies refused to supply the necessary data. The oil companies were saying, well, it is a special situation, special jet fuel for the defense forces. But there was no justification. They gouged the Government. I have asked the Attorney General, as a result of our investigation, to bring action against them to get that money back.

*Now Amendment No. 491.

I think we need to put some teeth in this—and I know the oil companies do not like it. This is directed just at this specific problem. The Defense Department, dealing with defense contractors, has the right to go in now and make detailed audits on everything relating to that contract. What the oil companies do not like, despite the fact that the Defense Department is the largest single purchaser of petroleum supplies in the United States is close scrutiny of their actions. The oil companies want to be set aside on a special basis that they are not going to be touched.

Mr. CRANSTON. Will the Senator yield?

Mr. JACKSON. Yes.

Mr. CRANSTON. I totally agree with the concerns of the Senator and I congratulate him on what he has accomplished in bringing these matters out into the open. As for the oil companies, if they do not like it, that is just too bad. These facts must be brought into the open in relation to all the points that the distinguished Senator has made. The only question is whether law enforcement agencies do not have that responsibility.

Certainly, the Senator will agree that the FBI is going to be tough. We do not have to be concerned about their being tough.

Mr. JACKSON. It all depends on who is directing them. The FBI is the finest professional investigative organization in the country, but we are prone to assume that they are law enforcers. They are an investigative agency and it depends on who is directing the investigation.

All I want to say here is that a regular defense contractor has to make available all of the data under existing law in connection with the contracts that they have. Why should not the oil companies be put in the same position? That is what we are doing.

Mr. CRANSTON. They should. The only question is whether DOD should be the body to go into their books, et cetera.

Mr. JACKSON. The DOD has that authority with the other contractors; why should they not have the authority to deal with the oil companies on the same basis?

Mr. CRANSTON. I was not aware that they had this authority elsewhere. I certainly do not want any special treatment for oil companies. Where do they have that authority in other areas?

Mr. JACKSON. On the question of contracts, the Department of Defense, through its subordinate agencies and with the Department itself, in making a contract with a given military procurement company, has the right to come in and audit in detail. On top of that, the Renegotiation Board can examine on these matters. They do a total audit. They can go through the books from one end to the other if they are selling airplanes or tanks or guns or equipment, but the oil companies have been off on the side, on the grounds that they are not in the category of the others and have continually received exemptions from supplying data.

Mr. CRANSTON. I certainly do not want to give them any favored treatment.

Mr. JACKSON. I know the Senator does not, but I do not see why the Defense Department, who should be held responsible here, should not have the authority really to go in.

Here we found this big loophole. Just think of it—American multinational corporations, operating overseas during the worldwide alert, denied supplies to our forces because they did not want to get in trouble with the host country. They were afraid they would be nationalized or be in trouble. The American flag was second, the cartel flag was first.

They would say, off the record, "We want to take care of it, but you know, we cannot say anything lest we get in trouble abroad."

They had better decide whether they are going to be loyal corporate citizens or whether they are going to try to serve just the overseas master.

Mr. STEVENS. Will the Senator yield on that point?

Mr. JACKSON. This language has been carefully reviewed by the Secretary of Defense over a period of time. We have cooperated with the Secretary of Defense when we undertook the investigation and, like a lot of investigations that go on around here sometimes, there is a big investigation and no legislation. Now we are fulfilling the constitutional objective.

Now we are fulfilling the constitutional objective of this body, and that is when we investigate it is supposed to be for a legislative purpose.

The PRESIDING OFFICER. All time of the Senator from Washington has expired. The Senator from Mississippi has 20 minutes.

Mr. CRANSTON. Mr. President, will the Senator from Mississippi yield for a moment?

Mr. STENNIS. Yes.

Mr. CRANSTON. Could I yield myself 2 minutes on the bill and ask two more questions?

Mr. STENNIS. I will yield to the Senator. I doubt if the Senator has any authority to yield to himself on the bill, but I will yield to the Senator. I yield, Senator, on this bill how much, 3 minutes?

Mr. CRANSTON. Three minutes.

Does the Department of Defense have authority to go in those ways in relationship to nonoil companies in relationship to competitive bidding situations where competitive bidding was involved?

Mr. JACKSON. The books are audited by the Department of Defense where there is an existing contract. They do not always do it as well as they should, but where they have a contract with the Department of Defense, a company in such a position is subject to audit.

The Department of Defense, when this problem arose, searched all the law and the authority, and they were trying desperately to find some basis on which they could take action, and they found out they were helpless. They had no authority in connection with their operations overseas because they did not come within the existing statutes.

Mr. CRANSTON. Mr. President, will the Senator yield? He has made a pretty convincing answer to my questions, and I would like to now ask if we could do what he originally suggested, and simply involve the Attorney General by, on line 9, page 5, after the word "designee" insert the words "in consultation with the Attorney General."

Mr. JACKSON. I would accept that.

Mr. CRANSTON. That suits me fine.

Mr. JACKSON. Mr. President, I ask unanimous consent that the perfecting amendment proposed by the Senator from California be accepted, that is, on line——

Mr. CRANSTON. Line 9 after the word "designee"——

Mr. JACKSON. Line 9, page 5, strike the comma and insert the following: "after consultation" or "in consultation with the Attorney General."

Mr. CRANSTON. Yes. After the word "designee", leaving the comma in, but then insert—the word "designee" remains in as now, and then you will have a comma, and then insert "in consultation with the Attorney General,"——

Mr. JACKSON. "of the United States".

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STENNIS. I want to take a little time. I will try to accommodate as much as I can. I yield 3 minutes on the bill to the Senator from Alaska.

Mr. STEVENS. Would the Senator from Washington answer a question for me? As I understand, this turns the breach of contract into a crime in the case of national security where there is interruption of oil supplies of the Department of Defense.

I have no argument about that. But on page 2, line 14, you say, "no citizen or national of the United States."

I would like to ask the Senator from Washington what happens to the employee of an international corporation, such as Shell or Aramco now that is controlled by foreign nationals, not a national U.S. corporation, but he is a citizen of the United States, and he is working for a corporation under the control of, say, the Arabs, and we have another embargo. Is he going to be guilty of a crime under this? As I read it, he is just by the mere fact that he is working for a company that has a contract with the United States, and which breaches that contract, he becomes guilty of a crime, whereas it is his principals, those who are controlling the company or controlling the country, who impose the embargo who have really committed the offense against the United States. I am worried about the individual.

Mr. JACKSON. I understand. And, as the Senator knows, criminal provisions are strictly construed. If the American working for a foreign company knowingly and with intent participates in an embargo or denial here, even though he is working for a company that is a foreign company, and he participates in that effort then he is guilty of a crime, and I think he should be.

Mr. STEVENS. Well, this would apply to the petroleum geologist, the man running the pump for Aramco. He has nothing to do with the policy decision which brings about the discrimination. If he is the manager of a foreign petroleum corporation, if he is on the board of directors

of the foreign controlled corporation, I can understand. But this says all you have to be is a citizen of the United States and be involved with one of these corporations that, in fact, does take this discriminatory action. I would not want that to happen, and I am sure the Senator from Washington would not.

I would like to make a record somehow that in order to be included in the criminal conduct under this amendment of the Senator from Washington a person would have to participate in the policy decision of discrimination. Would the Senator from Washington agree with that?

Mr. JACKSON. He would clearly have to be involved knowingly either in the decisionmaking process or in carrying it out knowingly.

I understand what the Senator is trying to get at, and I concur completely. Obviously, if he had no intent to participate in an activity or course of conduct which would deny our forces the supplies, that is an entirely different thing. But if American citizens—this is my point, American citizens—are working for a foreign controlled oil company overseas in which they are involved in the decisionmaking process, and are involved in carrying out such actions knowingly—I emphasize knowingly, and this is a part of the legislative history—then he will be subject to the penalties. This is the only way you are going to deter this kind of activity.

The PRESIDING OFFICER. The 3 minutes of the Senator from Alaska have expired.

Mr. STEVENS. May I have 30 seconds more

My understanding is that just the employee who turns the valve off, the employee who is employed by the foreign corporation, he has to knowingly and willfully participate in the discriminatory action to be guilty of a crime.

Mr. JACKSON. Yes. Criminal statutes, I will say in conclusion, are strictly construed, and, obviously, this being a felony that we are dealing with there would have to be a showing of willfullness.

Mr. STENNIS. Mr. President, I want to make a 1-minute statement, please.

Mr. President, on the matter offered by the Senator from Washington, he had it ready and had it on the table when we wrote the bill, when we marked up the bill. We had not had a chance then to go into it. We had a dateline where we were going to finish the bill, and I agreed that if he would withhold it then, why, we would certainly take it up here and not make any point against germaneness or anything like that.

Now, it is a matter that I think would be better served if hearings were held. But, at the same time, it seems to me that it has a lot of merit in it, and, for the first time this morning, I told the Senator from Washington that I felt that if the Senate was willing we could have a debate and take this on to conference for such as we might be able to do with it.

Again you do not know just what position the House will have, and they may have a position that it is not germane under their rules. And, if so, why they will not agree to it. But I thought I ought to go on and announce that.

There is no use in cutting off debate, and I do not propose to do that. Let me say to the Senator from Alaska (Mr. GRAVEL) that the Senator from Oklahoma had already asked me for 2 or 3 minutes. He wants to make a proposal about it.

How much time does the Senator desire?

Mr. GRAVEL. If the Senator will permit me, the questions I have sort of fall in line with what the senior Senator from Alaska was talking about. It will only take me a moment or two.

Mr. BARTLETT. Let me say I am going to need the 2 or 3 minutes.

Mr. STENNIS. Let the Senator from Oklahoma proceed. I promised him, and let him make his remarks, and then I will yield time to the Senator from Alaska to ask questions.

Mr. BARTLETT. Mr. President, I would like to bring to the attention of the Senator from Washington section 804. There is no protection there for proprietary information or there is no provision that the information that would be demanded would be pertinent to the investigation.

So I would like to suggest to the Senator this amendment:

On line 12——

Mr. JACKSON. What page?

Mr. BARTLETT. Page 5.

Mr. JACKSON. Page 5?

Mr. BARTLETT. Page 5, line 12. After the word "investigated" delete the period and insert a comma, followed by the following words:

Provided, however, That the Secretary of Defense shall have access only to information directly pertinent to the investigation related to a suspected discrimination and in no event shall he, absent a Federal court order, publicly disclose such information if it is of a proprietary nature.

Mr. JACKSON. Well, I am troubled by the word "discrimination" and we are dealing here with willful cutoff; it is not just discrimination, and that really narrows the authority.

Mr. BARTLETT. Well, may I say that I would——

Mr. JACKSON. I do not think they need to get into the trade secrets of the companies, but it should be all information relevant to the provisions of the statute, of this amendment.

Mr. BARTLETT. I will be glad to accept his words, related to a suspected willful cutoff of petroleum supplies.

Mr. JACKSON. I will put it this way, I would accept this——

Mr. BARTLETT. May I say, will the Senator yield for a second?

Mr. JACKSON. Yes.

Mr. BARTLETT. The reason we used that, if I may say so, in that same section above and throughout the bill, the bill relates to such discrimination, so that is why we used it, we are not trying to define it any way.

Mr. JACKSON. I would just simply say, let us do it this way so that we cover all of it, because I am not that knowledgeable in detail about all of the possible implications that could be involved in the Senator's amendment.

We are always safe by saying:

related to violations of the provisions of this title——

that is title 8. Then we have got it all.

Mr. BARTLETT. That is part of it. The other part is that——

Mr. JACKSON. And I would accept the Senator's amendment, or I would ask unanimous consent that it be perfected, if that change is made.

The PRESIDING OFFICER. Is there objection to the modification of the amendment?

Mr. JACKSON. Would the Senator reread it so that we will have it, so I can see it?

The PRESIDING OFFICER. Would the Senator send it to the desk?

Mr. JACKSON. Mr. President, let me read the amendment and see if we can agree here.

At line 12, page 5, of the amendment, after the word "investigated" delete the period, insert a comma, followed by the words "provided, however, the Secretary of Defense shall have access only to information."

Instead of "directly pertinent to the investigation," it should be: "directly pertinent to possible violations of the provisions of title VIII of this act."

And then it goes on: "and in no event shall he, absent a Federal court order, publicly disclose such information if it is of a proprietary nature."

I ask unanimous consent that the amendment be so modified.

The PRESIDING OFFICER. Is there objection to the modification of the amendment?

Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 28, after line 24, insert a new title as follows:

"TITLE VIII—PETROLEUM SUPPLY DISCRIMINATION; REMEDY FOR DEPARTMENT OF DEFENSE

"FINDINGS AND DECLARATION OF PURPOSE

"SEC. 801. The Armed Forces of the United States operate worldwide in maintaining international peace and in protecting the interests of the United States. It is essential to the effective operation of the Armed Forces that they receive adequate supplies of petroleum products. Citizens and nationals of the United States and corporations organized or operating within the United States enjoy the benefits of the United States flag and the protection of the Armed Forces and owe allegiance to the United States. It is the purpose of this title to provide a remedy for discrimination by citizens or nationals of the United States or corporations organized or operating within the United States, and by organizations controlled by them, against the Department of Defense in the supply of petroleum products.

"INVESTIGATION OF DISCRIMINATION BY THE SECRETARY OF DEFENSE

"SEC. 802. (a) No citizen or national of the United States or corporation organized or operating within the United States, or any organization controlled by United States citizens, nationals, or corporations organized or operating within the United States, shall engage in discrimination in the supply, either within or outside the United States, of petroleum products for the Armed Forces of the United States.

"(b) The Secretary of Defense, in cooperation with the Attorney General of the United States, whenever he has reason to believe

that there has been such discrimination, shall immediately institute an investigation.

"(c) If, following such investigation, the Secretary of Defense determines that there has been such discrimination, he shall refer the matter to the Attorney General of the United States.

"JURISDICTION OF THE UNITED STATES COURTS

"SEC. 803. (a) The several district courts of the United States are invested with jurisdiction to prevent and restrain such discrimination; and it shall be the duty of the several United States attorneys, in their respective districts, under the direction of the Attorney General, to institute proceedings to prevent and restrain such discrimination. Such proceedings may be by way of petitions setting forth the case and requesting that such discrimination shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition the court shall proceed, as soon as possible, to the hearing and determination of the case; and pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

"(b) Whenever it shall appear to the court before which any proceeding under subsection (a) of this section may be pending, that the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpenas to that end may be served in any district by the marshal thereof.

"(c) Any proceeding against a corporation may be brought not only in the judicial district whereof it is incorporated, but also in any district wherein it may be found or transacts business; and all process in such cases may be served in the district of which it is incorporated, or wherever it may be found.

"(d) In any proceeding brought in any district court of the United States pursuant to this section, the Attorney General may file with the clerk of such court a certificate of the Secretary of Defense that, in his opinion, the proceeding is of critical importance to the effective operation of the armed forces of the United States and that immediate relief from the discrimination is necessary, a copy of which shall be immediately furnished by such clerk to the chief judge of the circuit (or, in his absence, the presiding circuit judge) in which the proceeding is pending. Upon receipt of the copy of such certificate, it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge, to hear and determine such proceeding, and it shall be the duty of the judges so designated to assign the proceeding for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the proceeding to be in every way expedited.

"(e) In every proceeding brought in any district court of the United States under this section, an appeal from the final order of the district court will be only to the Supreme Court.

"INSPECTION OF RECORDS AND FURNISHING OF INFORMATION

"SEC. 804. For the purpose of the investigation instituted by the Secretary of Defense pursuant to section 801, he or his designee, in consultation with the Attorney General of the United States, shall at all reasonable times have access to and the right to copy any book, account, record, paper, or correspondence relating to the business affairs of the person or corporation being investigated, *Provided*, however, that the Secretary of Defense shall have access only to information directly pertinent to possible violations of the provisions of title VIII of this Act and in no event shall he, absent a Federal court order, publicly disclose such information if it is of a proprietary nature.

Such person or corporation, upon demand of the Secretary of Defense, or his designee, shall furnish such information as the Secretary of Defense may require as to his or its business, organization, conduct, practices, management, and relation to other individuals, corporations, partnerships, associations, and other entities.

"DEFINITIONS

"SEC. 805. As used in this title:

"(1) The term 'United States' when used in a geographical sense includes the several States, the possessions of the United States, the Canal Zone, and the District of Columbia.

"(2) The term 'discrimination' means the refusal or failure promptly to enter into or perform contracts for the supply of petroleum products, at appropriate prices, in accordance with the laws and regulations of the United States governing the entering into and performance of such contracts when requested by the Secretary of Defense or his designee.

"PENALTIES

"SEC. 806. Any person or corporation who willfully discriminates as prohibited by section 802 shall, upon conviction, be fined not more than $100,000 or imprisoned for not more than two years, or both.

"SEPARABILITY

"SEC. 807. If any provision of this title or the applicability thereof is held invalid, the remainder of those sections shall not be affected thereby.".

Redesignate title VIII as title IX and renumber sections 801 through 809 as sections 901 through 909, respectively.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. STENNIS. Yes, I had promised the Senator from Alaska.

I will yield to the Senator next and then the Senator from Iowa.

Mr. GRAVEL. Mr. President, if I could have the attention of the Senator from Washington, I am a little concerned about one thing that really happens in this.

If we really trace back in the events that took place with the last boycott, would this not have really exacerbated the Arab situation, King Faisal wanted to place a boycott upon the United States of America, so under this proposal the oil companies in question would either have had to commit a felony or to disobey the sort of dictum of the commercial situation of the country they are doing business in.

So they would either have had to commit industrial suicide, commercial suicide, or sell up a short supply of oil, which would have run out anyway because then Faisal would have stopped the balance of the deliveries.

So what would we have accomplished?

We can wipe out the American precedents in ownership in that oil.

Two, we would probably have exacerbated the situation between ourselves and the Arab world at that point in time.

So I think this amendment sounds well meaning, but it could have the opposite effect. In a time of crisis it could even push us further to exacerbate the existing crisis.

I might see a comparison—well, my colleague might want to respond to that.

Mr. JACKSON. Of course, I am not going to attempt to stipulate a formula that would solve the Middle East crisis or Middle East problem in this amendment. I will leave that to the Senator from Alaska. But let me just come to the heart of this problem.

What would these American oil companies, multinational companies, be doing if they were threatened and being overrun in their property?

They would be calling upon the same forces that they are cutting off it would be the Navy and the Marines, to come in and save them when they were threatened with annihilation, destruction, or removal of their people.

We have got to decide whether they have dual citizenship.

The PRESIDING OFFICER. The 3 minutes allotted to the Senator from Alaska have expired.

The Senator from Mississippi has 12 minutes left.

Mr. JACKSON. Or whether they are going to be loyal.

Mr. STENNIS. I yield 2 additional minutes.

Mr. JACKSON. To the American flag.

The soldier in uniform does not have that option. I say the corporations should not have that option as well as the officers carrying out those orders.

This past conduct was blatant.

Mr. GRAVEL. Sure, I agree.

Mr. JACKSON. It was blatant in 1973 and 1974.

Mr. GRAVEL. I will stipulate that.

Mr. JACKSON. But how——

Mr. GRAVEL. What about the commander of Portugal, our commander of a base, or something, the Portuguese Government would not let our planes land to supply Israel, in Portugal.

Now, is he committing a felony when he does not insist the American planes can land on that base?

Mr. JACKSON. Well——

Mr. GRAVEL. What is the difference when a country with our military capabilities——

Mr. JACKSON. No, no.

Mr. GRAVEL. And they deny us the use of the base.

Mr. JACKSON. We are talking about totally different things.

We are talking about the sovereignty of Portugal. That has nothing to do with this.

Mr. GRAVEL. Talking about the sovereignty of Saudi Arabia that says they can sell the oil to who they want to.

Mr. JACKSON. That is right, but the American company, Aramco——

Mr. GRAVEL. Only an agent.

Mr. JACKSON. Wait a minute.

Aramco is incorporated under the laws of what jurisdiction?

Mr. GRAVEL. I do not know.

Mr. JACKSON. The laws of Delaware.

Mr. GRAVEL. OK.

Mr. JACKSON. It is a Delaware corporation.

Mr. GRAVEL. How many days' supply do they have? What would we win?

Mr. JACKSON. That is an American corporation.

Mr. GRAVEL. Right, but what would we win by causing them to be thrown out of the country they are acting as an agent for?

If they were the total source of supply, this would be valid, but they are not. They are under the control of the host country. So why penalize innocent third parties? This is really what we are talking about.

What I am saying is that this will aggravate the crisis at the time of its occurrence—what would have happened, and we did not force the issue in the oil companies and Faisal. It would have pushed the crisis one degree higher. When that occurs, we need cool heads.

Mr. JACKSON. Let me just say that I think heads will be a lot cooler when they know precisely what the law is. We were in no man's land the last time.

Mr. GRAVEL. Well——

Mr. JACKSON. Let me just finish this point.

Here are the hearings we conducted on this specific point in the permanent subcommittee that I chair.

Did the Senator know that the four American companies that made up Aramco at that time—since then, as the Senator knows, the Saudi Government has taken its share—cooperated with the Saudi Government against the Armed Forces of the United States in giving information as to where the oil was located, and in taking what countersteps they could take against making it available to the Armed Forces of the United States, when we were in a worldwide nuclear stalemate vis-a-vis the Soviet Union?

Mr. GRAVEL. What happened to our forces in NATO? Were they not able to come to the succor of Israel? They were stopped by those countries, were they not?

Mr. JACKSON. Well, they were not involved.

Mr. GRAVEL. It is the same framework.

Mr. JACKSON. No. The Senator knows as well as I do that we do not have to get permission. We had the authority to move our troops in and out of NATO.

Mr. GRAVEL. Mr. President, I disagree with the Senator from Washington most respectfully. That is not true. When we have agreements where we are in countries, we cannot use those forces to render succor to areas——

Mr. JACKSON. That is not the question. The Senator said we could not move them out. In the Lebanon crisis, where did the troops come from that were sent in by President Eisenhower?

Mr. GRAVEL. They came from NATO.

Mr. JACKSON. They came from American forces stationed in NATO countries.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAVEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi has the floor.

Mr. STENNIS. I yield to the Senator, but only, at this point, for a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. GRAVEL. Is this matter subject to a germaneness determination by the Chair?

Mr. STENNIS. Well, I have already had an understanding, anyway, with the Senator from Washington, that this matter would be considered on the floor this evening.

The PRESIDING OFFICER. The answer to the Senator's point of inquiry is no; when an amendment has been granted a specific block of time for consideration, the question of germaneness does not apply.

Mr. GRAVEL. So that this matter is germane and remains germane?

The PRESIDING OFFICER. There is no requirement of germaneness.

Mr. GRAVEL. Does that mean that I could raise the germaneness issue?

Mr. STENNIS. No.

Mr. JACKSON. No.

The PRESIDING OFFICER. No. When an amendment has been granted a block of time, the germaneness question does not apply.

Mr. GRAVEL. Have the yeas and nays been ordered on this question?

The PRESIDING OFFICER. No, they have not.

Mr. GRAVEL. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. STENNIS. Mr. President, will the Senator withhold that request for a moment?

Let me say to the Senator from Alaska, this is an immense bill. We have been working on it nearly a year. It was hard ever to get the thing put together. We were under a mandate, more or less, to file this bill by May 15. When we got down to the last, closing part of it, the Senator from Washington had this amendment. I agreed that if he would just leave it out of the bill at that time, it could be taken up on the floor as far as the committee was concerned, without any point being raised by the committee; and since that time, as I understand—and this is reflected in the record—it has been put on the list of those amendments that, by unanimous consent, would be considered by the Senate.

We can prove all those things, and the Senator can appeal, and we can go ahead and have the rollcall vote, but it will come out on the facts as I have already outlined them, and I hope the Senator would withhold his appeal under those circumstances, and let us move on with this bill.

Mr. GRAVEL. Could I inquire of the Senator from Mississippi, does that mean we would have a chance to go into this matter later? I do not want to be an obstructionist.

Mr. STENNIS. No, I know the Senator does not.

Mr. GRAVEL. I have no problem accommodating on the time element. I do not want to delay it. I just think it is an important matter.

Mr. STENNIS. I was addressing my remarks to an appeal as to germaneness. I am going to support taking the amendment to conference, and our doing the best we can with it there. It is rather important. I think legislation is needed in the area. I do not know what the House conferees will think about it, but I was planning to support the amendment.

We will have a rollcall vote, if the Senator wants to.

Mr. HANSEN. Mr. President, will the Senator from Mississippi yield for an inquiry?

Mr. GRAVEL. If I could just terminate this first——

Mr. STENNIS. The Senator from Alaska wishes to conclude his point. I yield to the Senator from Alaska.

Mr. GRAVEL. My problem is that this is really very far-reaching, and, as the Senator has pointed out, there have not been any hearings on it.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. GRAVEL. I yield.

Mr. JACKSON. We held extensive hearings in the permanent subcommittee, and we do not hold investigative hearings just to hold hearings. There is a legislative result.

We have worked very closely with the Department of Defense and the Secretary of Defense over a period of months on this matter, and it reflects cooperation between the investigating committee and the Secretry of Defense, who was caught without any means at all of being able to protect the Armed Forces of the United States. And this was not a minor incident, but a worldwide alert, Mr. President.

Mr. GRAVEL. I stand corrected.

Mr. JACKSON. This is a matter that has been gone over time and again.

Mr. STENNIS. If the Senator from Alaska is through——

Mr. GRAVEL. Yes.

Mr. STENNIS. I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I think the chairman of the committee makes a very good point. This is an extremely difficult, complex bill, and I would hope that my good friend from Alaska, who I think has raised a good question, would forego asking for a rollcall, with the clear understanding that the Chair will take this amendment along, and it will be further discussed in conference.

I think the Senator from Washington makes a very valid point that reflects the concern of many of us. There have been good questions asked on both sides. I would hope that we would not delay future action on the amendments that are going to come up on this point.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. JACKSON. I had no intention of asking for a rollcall on this amendment.

Mr. HANSEN. I was aware of that.

Mr. JACKSON. The Senator from Mississippi has been most cooperative. But I think, in view of the record here, I now see no alternative but to go to a rollcall. I hope the Senator will understand.

Mr. HANSEN. Very well.

Mr. JACKSON. I had no intention to ask for a rollcall, but in the light of the record, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. JACKSON. Wait a minute: One more, two more——

The PRESIDING OFFICER. There is a sufficient second.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, I believe that concludes the debate on this amendment, and we will take up the question of the rollcall later, if it is agreeable to the Senator from Washington to go on to his next amendment.

AMENDMENT NO. 492

The PRESIDING OFFICER (Mr. MORGAN). The Chair lays before the Senate amendment No. 492, which the clerk will state.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON), for himself, Mr. HUMPHREY, Mr. WILLIAMS, Mr. CASE, Mr. BUCKLEY, Mr. PACKWOOD, Mr. STONE, and Mr. RIBICOFF, proposes an amendment numbered 492.

Mr. JACKSON'S amendment (No. 492) is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . Notwithstanding any other provision of law, the authority provided in section 501 of the Defense Procurement Act of 1970, Act of October 7, 1970, Public Law 91-441 (84 Stat. 909) is hereby extended until December 31, 1977.

The PRESIDING OFFICER. As a point of clarification, the yeas and nays have been ordered on the preceding amendment.

Mr. STENNIS. All right; the yeas and nays have been ordered. That is fine.

Mr. JACKSON. That is amendment No.——

The PRESIDING OFFICER. 491, as modified.

Mr. JACKSON. On the previous amendment that we just finished debating.

The PRESIDING OFFICER. Yes.

Mr. JACKSON. So the yeas and nays are in order, then?

The PRESIDING OFFICER. Yes.

Mr. STENNIS. Will the Chair just indulge us 30 seconds?

All right, Mr. President.

I thank the Chair for indulging us. I yield a half-minute to the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, as I understand it the order is now that no committees can meet after 12 noon; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ABOUREZK. The Subcommittee on Indian Affairs had scheduled a hearing for today quite some time ago before we were in this particular condition, and there are many witnesses, who have traveled from the Southwest—Arizona and New Mexico—here to testify and who will have to return if we could not go beyond noon.

So, I ask unanimous consent that the Subcommittee on Indian Affairs may meet after 12 noon today.

The PRESIDING OFFICER. Is there objection?

Mr. HANSEN. Mr. President, reserving the right to object, let me say to my good friend from South Dakota that I am extremely interested in this bill. I am not a member of the Subcommittee on Indian Affairs, but we have had an awfully tough time trying to cover all bases, and this morning I think the Committee on Interior and Insular Affairs, was meeting, on the markup on ERDA; was that not right?

Mr. ABOUREZK. I do not know.

Mr. STENNIS. Yes.

Mr. HANSEN. I think so. It is just a pretty tough thing to try to give the attention we need here. I think this bill is of such importance that I would feel we ought to be in the Chamber rather than to speak for those Members on the subcommittee who might be involved and I know who share the concern that I feel for knowing what has been said about the various amendments that will be before us this afternoon. I hope that my good friend from South Dakota—and I know how keenly interested he is in this particular legislation—might forego that request.

Mr. STENNIS. Mr. President, it is our purpose here to move this legislation along. All time is controlled. All time is necessary now. I was trying to accommodate our colleague. But we accommodated about as much as we can.

Did the Senator make his request?

Mr. ABOUREZK. I made the request.

The PRESIDING OFFICER. Is there objection?

Mr. HANSEN. I feel obliged to object at this time. I think I may be the only member of the Committee on Interior and Insular Affairs from the minority side present, and my good friend might wish to pose the question later on when other Senators are here.

The PRESIDING OFFICER. Objection is heard.

Mr. STENNIS. Mr. President, what is the next order of business on the amendment?

The PRESIDING OFFICER. The pending question is on agreeing to amendment No. 492 of the Senator from Washington.

Mr. STENNIS. Mr. President, may we have quiet in the Chamber so that the Senator from Washington may be heard?

Mr. JACKSON. Mr. President, I ask unanimous consent that the distinguished Senator from New York (Mr. JAVITS) be joined as a cosponsor to the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, together with the Senators from Minnesota (Mr. HUMPHREY), Delaware (Mr. WILLIAMS), New Jersey (Mr. CASE), New York (Mr. BUCKLEY), and New York (Mr. JAVITS), I offer an amendment to the defense procurement bill—an amendment which has been before——

The PRESIDING OFFICER. The Chair announces that although there is a 1-hour time allotted to this amendment under the previous order, we must begin voting at 12 noon on the previous amendment.

Mr. JACKSON. All right. I shall finish my remarks before that.

Mr. STENNIS. Parliamentary inquiry, Mr. President. Is it mandatory we start voting at 12 noon?

The PRESIDING OFFICER. Yes. That is the order. It may be changed by unanimous consent.

Mr. STENNIS. Mr. President, I ask unanimous consent that the Senator from Washington be permitted to complete his remarks on this amendment. We have spent a great deal of time this morning awaiting others to come to the Chamber. I hope no one will object. Also, I would like to include the idea of having my response to the Senator's remarks.

Mr. ABOUREZK. Reserving the right to object, I make inquiry: Does that mean that other people are prevented from debating this particular amendment?

Mr. STENNIS. No. They yielded back time.

Mr. JACKSON. There is an hour on this amendment.

Mr. ABOUREZK. I will have time to debate this amendment here; is that correct?

Mr. STENNIS. Of course.

The PRESIDING OFFICER. That is up to 1 hour.

Mr. ABOUREZK. All right. I withdraw my objection.

The PRESIDING OFFICER. Without objection, the Senator from Washington will proceed.

Mr. JACKSON. Mr. President, I ask that the junior Senator from Florida (Mr. STONE) be joined as an additional cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, this amendment has been before the Congress three times before and which has been approved in each case by decisive majorities. Today, we propose to extend this provision—already on the books as Public Law 91-441 (84 Stat. 909)—from its present expiration date of December 31 of this year to December 31, 1977.

The amendment is simple and direct. It authorizes credits to Israel in the amounts that may be necessary for the purchase of the American aircraft and related equipment necessary to maintain the Mid-East military balance. These credits are for long terms, say 20 years, at low rates of interest, say 3 percent. It thus underscores the cornerstone of American policy in the Middle East. For, in the present uneasy political climate in the Middle East, it is evident that if the military balance is allowed to shift against Israel, there will be a renewal of aggression by those Arab States which initiated the Yom Kippur War in October 1973. Indeed, one cannot escape the conclusion that the Yom Kippur War resulted from a sense in Egypt and Syria that the military equation had been altered to the point where the resort to war appeared likely to advance Arab political ambitions. Lest one take too much reassurance from the fact that there is a disengagement ceasefire in the Middle East today it should be remembered that the Yom Kippur War in 1973 took place when a ceasefire, arranged by the United States in 1970, was still in effect.

Mr. President, there is a reassessment of Middle East policy now underway within the executive branch. Whatever conclusions it may reach, it is inconceivable that it will fail to reaffirm the importance of a stable military balance in the Middle East. A military imbalance will certainly mean war—perhaps not immediately, but inevitably. Therefore it seems to me prudent and appropriate for the Congress to act now to extend the authority which enables the Government to extend the credits crucial to the maintenance of peace.

Mr. President, I would like to remind my colleagues that any appropriation pursuant to this authority would have to be enacted by the Congress through the appropriations process.

In my judgment the enactment of this extension of authority will remove any doubt about the continuity of America's commitment to stability in the Middle East. This is especially important as we look forward to a multilateral negotiation in which the prospects for peace will be greatly enhanced if it is clearly understood that a renewal of aggression against Israel will not succeed. We need to do what we can to encourage negotiation by discouraging the resort to force as an alternative. I believe that this amendment will help do precisely that.

Mr. President, I reserve the remainder of my time.

Mr. ABOUREZK and Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, this amendment by the Senator from Washington, raises a serious question. I refer to the jurisdictional question involved here. Without laboring too much the detail, it is unquestioned that in legislation of this kind the Committee on Armed Services has absolutely no jurisdiction. This is what we call military sales, or credit, or guarantees to foreign countries. It is strictly a matter of foreign policy. It is a matter upon which the Committee on Foreign Relations of the Senate has clear-cut, sole jurisdiction.

It is true that exceptions have been made to that before, as the Senator from Washington has said. We have had debate. I am not against the idea of debating further military sales to Israel.

May we have quiet, Mr. President? This is an important matter concerning the committee system of the Senate.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. It is unquestioned that the total jurisdiction of these matters is with our valued Committee on Foreign Relations. Section 501 is one that clearly authorizes foreign loans, and so forth. But with respect to the jurisdiction, it is unquestionably in the Committee on Foreign Relations. Those matters have meaning, and I think the committee system in the Senate is being seriously questioned and jeopardized because we do not adhere more closely to the rules about jurisdiction.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. STENNIS. I want to make this statement first. I have yielded to everyone since about noon yesterday. I will yield in a couple of minutes.

We have made exceptions before because there was somewhat of an emergency. In reviewing this authority, I was chairman of the committee when it was done last. On an amendment from the floor, we authorized—appropriations to come later—we authorized more or less open end amounts. Now we have had to beg and plead and fight and scrap day after day here to get authorizations for our own Army, our own Navy, and our own Air Force, and we have had to justify everything, even down to increasing a runway a thousand feet or 500 feet. It was necessary to get an authorization. That is the way it should be. I subscribe to that. I have taken part in it for years.

We had an amendment the other day—it was offered in good faith—to put a ceiling on expenditures for our military affairs, expenditures to protect our people, our missions throughout the world, our sailors, soldiers, and airmen away from home. We debated that and voted on it.

Now this matter comes along over which the committee does not have jurisdiction. It is clearly in the Committee on Foreign Relations.

There is no recommendation here from the President, from the administration; no outline of any plan. That is not necessary, but I mention it as support of legislation in these fields.

We have to stop, look, and listen a few times and get back on the track with respect to our committee system in the Senate. We cannot close our eyes to the fact that there are transgressions. We cannot close our eyes to jurisdiction and the functions of the various committees.

I think the Senate can only be effective through its committees and its subcommittees. Otherwise, it is just 100 people. I believe I should raise this point vigorously. I have not received much encouragement from anyone with reference to this point. I am being frank about it. The Senator from Texas wants me to yield to him. I do not know whether he will encourage me or not, but I will yield. He is a valued member of the committee.

Mr. TOWER. Is it not the opinion of the distinguished chairman that the House will raise a point of order against this matter in a conference?

Mr. STENNIS. I think so. I am not speaking for them. It is their business.

Mr. TOWER. But they are rather strict on the matter of germaneness and on the matter of committee jurisdiction.

Mr. STENNIS. They are, yes. I made that observation yesterday—the Senator is right—in connection with other amendments.

I am not fighting my friend from Washington. I call on him a great deal to help, and he responds. But a principle is involved here. It goes far beyond individuals. I mean everything I say about our committee system being the method by which we are effective. Otherwise, our body just consists of a hundred people. It is through the committee system that we are able to exercise the congressional authority that we pride ourselves on, as differentiated from the executive and the judicial. I think we are on trial.

I know that this is a not popular subject, but these matters have to rise above what might be popular or unpopular. This credit matter will come up. It will have attention through the right committee, the Committee on Foreign Relations. It will have attention and it will pass in some form, at some stage. I know the realities of things, and I have voted for them in the past.

I challenge the Senate to give a second thought here. If it is in order, I am going to make a motion to refer this amendment to the committee where it belongs, and that is the Committee on Foreign Relations.

I see the Senator from South Dakota on his feet.

Mr. President, a parliamentary inquiry. How much time remains?

The PRESIDING OFFICER. The Senator from Mississippi has 24 minutes remaining, and the Senator from Washington has 26 minutes remaining.

Mr. STENNIS. Does the Senator want me to yield some time to him?

Mr. ABOUREZK. I would like 10 minutes.

Mr. STENNIS. Mr. President, I yield 10 minutes on the amendment to the Senator, and I hope the Senator will not ask for more time.

Mr. JACKSON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. STENNIS. I yield.

Mr. JACKSON. Mr. President, the Senator from Oregon (Mr. PACKWOOD) has asked that his name be added as a cosponsor of the amendment, and I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I yield to the Senator. We have not had any prior conference on this matter, but I am glad to yield him 10 minutes.

Mr. ABOUREZK. I thank the Senator from Mississippi for yielding.

Mr. President, I am in opposition to this amendment. I just want to state to my colleagues what are going to be the problems or the consequences of the adoption of what can only be termed an open-ended arms sales credit grant commitment to Israel.

The furor created over a letter signed by 71 Members of the Senate in December, a letter to President Ford, which indicated, very symbolically, the strong commitment of those 71 signers to anything that the State of Israel wanted; the furor created by the more recent letter, which 76 Senators signed, expressing that the Senate would stand firm behind giving more of everything to Israel that Israel wanted; the furor that was created throughout the Middle East has in no way contributed to what should be a durable peace settlement.

Mr. KENNEDY. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ABOUREZK. I returned recently from a trip throughout some of the Arab countries, and I can tell Senators what kind of response that letter to President Ford, signed by 76 Senators, brought throughout those countries and from the leadership of those countries. In essence, the thrust of the response that I heard, at least, was that it was more and more difficult for the Arab countries to expect the United States to do anything with regard to bringing about a peace settlement.

The reason is this: All of the Arab countries, especially the confrontation states, have indicated publicly, time and again, their willingness to sit down and negotiate a settlement with Israel. The only barrier so far has been Israel, itself, which refuses to sit down at a Geneva conference with everybody involved.

That includes the Palestinian Liberation Organization, which represents the Palestinian refugees, which is the very heart of the Middle East controversy. The continued refusal of Israel to do so is created by only one fact. That fact is that Israel knows that it can go to the U.S. Senate and the U.S. House and get unlimited arms supplies, unlimited equipment, and unlimited policial support for anything that it wants to do.

As I said, I want to point out the consequences of this amendment. If it passes, it is another blank check signed by the U.S. Senate to Israel to allow it to maintain its obstinate negotiating position, which is that it will not negotiate with the Palestinians. If we maintain that position, that the Senate continues to sign a blank check for the State of Israel, there is going to be continued conflict that will escalate to the point that the United States is drawn into it in a confrontation with the Soviet bloc.

Mr. GOLDWATER. Will the Senator yield?

Mr. ABOUREZK. I only have a limited amount of time, but I shall yield on somebody else's time.

Mr. STENNIS. I yield if the Senator wants to question the Senator from South Dakota.

Mr. GOLDWATER. Yes; I do.

Mr. STENNIS. I yield 2 additional minutes for the Senator from Arizona to use.

Mr. ABOUREZK. Then I yield.

Mr. GOLDWATER. I join with the Senator who is expressing concern about this. I think this is the wrong place to have this amendment discussed. I think it is the wrong bill to attach it to. What I am afraid of is if this amendment becomes a part of the military authorization bill, the world is going to read into it that we militarily will help Israel.

While we have more or less committed ourselves to continued military sales and gifts, I do not think anybody would, under the War Powers Act, vote for our troops to go to the aid of Israel. I am afraid that this is the wrong place for this amendment.

I hope that my friend from Washington will submit it to the Committee on Foreign Relations, which, in my opinion, is where it belongs.

Mr. JACKSON. If I may respond, I shall respond on my own time.

Mr. GOLDWATER. The Senator from South Dakota has the floor.

Mr. ABOUREZK. I yield on the Senator's time.

Mr. JACKSON. I offered this amendmend to the Defense Procurement Act in 1970, September 1. It passed, 87 to 7. It was put in the Defense Procurement Act. So that we understand the history of this—and I wanted the Senator to be aware of it—on July 31, 1972, by a vote of 76 to 9, we approved the extension of the authority. Then we, on September 28, 1973, by a voice vote, approved the extension of the authority. It was cosponsored then by Senator NUNN and Senator PASTORE. This is the fourth time that it will be in the defense procurement bill.

I say to my good friend, all we are doing is maintaining the continuity of authority. We are not changing anything. This authority runs out on December 31 of this year. We cannot implement it, we cannot carry out the provisions of it without the money being appropriated by the Committee on Appropriations. So, what we are doing is not changing the existing situation; we are not tilting. We are not doing anything but extending that which is the law now. There are no changes in it. It has been the law, I remind my good friend, continually since 1970 and handled by the Committee on Armed Services.

Mr. GOLDWATER. The thing that bothers me is that things are a little different now than they were last year.

Mr. JACKSON. Well, they were tough in 1970.

Mr. GOLDWATER. They have never been as tough as they are now. I do not object to sending aid to Israel one bit, but I do think that at this particular time in history, it can be handled in a better way, that would be better understood by our friends in the Arab countries and in the rest of the world.

Mr. JACKSON. It is a status quo amendment.

Mr. STENNIS. I thank the Senator from Washington.

Let us let the Senator from South Dakota conclude his argument.

Mr. ABOUREZK. I yield 2 minutes to the Senator from Georgia.

Mr. NUNN. I agree with the Senator from Arizona and the Senator from Mississippi on this matter. I happened to be one of the cosponsors last year with the Senator from Washington. I feel very strongly that this country is committed to Israel, we must continue to be committed and we will be committed. But at this time, when there is no emergency, when there are crucial negotiations going on that we all hope will succeed, and when the President of the United States and the Secretary of State and all concerned are dedicating, I think, very great efforts to try to bring about some kind of settlement, when this jurisdiction is clearly not in the Committee on Armed Services, I just believe that the Senator from Washington would be better advised—certainly that is his decision—to present this in due course to the Committee on Foreign Relations, which has jurisdiction.

I am not in the same position that I was in last year. I do not think the circumstances are the same. I think the Senator from Mississippi and the Senator from Arizona and the Senator from South Dakota are correct in saying that this should flow through the normal authorization process like any other authorization. I think this is an important point.

I was also impressed with what the Senator from Mississippi said: Here we are, after 5 days; we have been debating the military authorization bill right down to the very details. We are getting down in the bill this year to some things that get right into the ratio of training. The Senator from Massachusetts has raised some good points on the ratio of training. Here we have a blanket authorization with no limit whatsoever for another country. I do not see how we can explain that to the American people.

This is not something to be taken lightly. How can we explain that, an authorization with no limit whatsoever, when the military forces of the United States of America are being examined in the greatest, most minute detail? I cannot explain that.

I think it is time for us to pause. I think it is time for us to be responsible, to realize that we are here representing the United States of America. We are here debating this military authorization bill for U.S. military forces and we have another procedure under section 501.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NUNN. We have another procedure under 501 to go to the Senate Committee on Foreign Relations. As the Senator from Mississippi said, I am fully confident that the United States will go to the aid of Israel, and the Committee on Foreign Relations will come out with a bill. But this is not the time and place for this particular amendment.

Mr. STENNIS. How much time does the Senator from South Dakota have remaining?

The PRESIDING OFFICER. The Senator from South Dakota has 5 minutes remaining.

Mr. McCLURE. Will the Senator from South Dakota yield to be 2 minutes?

Mr. STENNIS. Mr. President, I yielded to the Senator from South Dakota 5 minutes, and he may use it or let someone else have it.

Mr. ABOUREZK. I yield 2 minutes to the Senator from Idaho.

Mr. McCLURE. I thank the Senator from South Dakota for yielding.

Mr. President, I think the Senator from Mississippi is correct and his action would be exactly correct in sending this matter to the appropriate committee for resolution. I think the problem is broader than that and the discussion ought to be held in the context, not of military authorization, but if we may look for a moment at what has happened already under previous action.

Following the war of October 1973, we,

in that particular conflict, sent 800 tanks to Israel under a commitment which we authorized, a commitment which we supported in Congress. That is better than two years' production of tanks, total, in the United States. It was impossible for us, and has been impossible for us, to replace the tanks that were committed at that particular time to our own forces.

I think the Senator from Mississippi is correct in saying that it ought to be done in the context of a foreign policy consideration, but it cannot be isolated from its effects upon our own military preparedness at times when we are, as the Senator from Georgia indicates, looking with minute care to the limitation of supplies to our own Armed Services. And I think the supply to our own Armed Services certainly ought to come ahead of the supply to any foreign nation, regardless of whom that foreign nation might be.

I thank the Senator from South Dakota for yielding.

The PRESIDING OFFICER. The Senator from South Dakota has 3 minutes remaining.

Mr. ABOUREZK. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ABOUREZK. I just want to summarize very briefly, Mr. President, by saying that there is nothing wrong at all with the U.S. Senate committing itself to Israel, if that is what it wants. But I think there is something wrong with committing itself to an obstinate negotiating position and also additional territorial conquest by Israel, and that is exactly what we are doing here because if this legislation passes today, and if there are more indications of this nature, such as letters to the President, and so on, all of it can mean is that Israel knows there is an open-ended commitment whereby it will never make any kind of concessions to make a durable peace in the Middle East.

It would seem to me that what we would want to do, the Senate would want to do, is to try to assist in settling things down in the Middle East rather than in boiling them up and, it would seem to me, if we defeat this amendment today, we will have contributed a great deal toward settling things down rather than stirring them up in the Middle East.

I think, aside from the arguments that have been presented here by the other Senators, that we are having trouble getting money for our own defense program and trouble for domestic programs. It is extremely difficult to get any kind of Federal money domestically any more, to say nothing of our own defense needs. And that to provide an open-ended commitment to the State of Israel would be very much against our interests, an open-ended commitment, because there is no need at this time. There is no question about it, Israel is a great deal stronger than all the Arab countries combined.

So all this can be viewed as a symbolic gesture that Israel can continue to do anything she wants to without any kind of check or balance on the part of this country which seems to want to fund it in an unlimited fashion.

I reserve the remainder of my time.

Mr. JACKSON. Well, Mr. President, just a brief comment. First of all, this is a continuation of the law as it is.

Second, all we are talking about is the extension of credits.

Third, all of the credits have been paid on time.

There has been talk about an open-ended thing. Well, that is nonsense. The Appropriations Committee has to act. It is the law now, Mr. President, and the law expires December 31. We all know if we fool around here this law will expire because no action will have been taken.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. JACKSON. So I just want to say what we are doing here is extending the law as it is.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. JACKSON. Yes, just for one brief question.

Mr. ABOUREZK. I think I understood the Senator to say all the credits have been paid back?

Mr. JACKSON. No, I did not. They have been paid on time. It is on an installment basis.

These are not grants; these are credits, I will say to the Senator.

Mr. ABOUREZK. Is it not true in 1973 $1.5 billion was given to Israel? It started out as a credit sale.

Mr. JACKSON. Not under this program.

Mr. ABOUREZK. No, but it was granted to Israel.

Mr. JACKSON. I do not know the exact figure, but this program does not relate to grants, Senator. These are credits, and the credits have to be paid back. All we are doing is continuing the status quo. We are not tilting, we are not changing.

I would argue to my good friend from Georgia that by not acting we are moving the other way because the law expires December 31.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JACKSON. Yes.

Mr. PASTORE. The suggestion has been made that this is a matter that should go to the Foreign Relations Committee. My question is this: This particular amendment, on what bill has it always been?

Mr. JACKSON. In the defense procurement bill. It has been approved three different times: first in 1970, second, on July 31, 1972, and then on September 28, 1973.

In each and every instance it was a part of the bill that is now before us. I think that answers all the questions about the so-called jurisdictional matter.

I yield, Mr. President.

How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 18 minutes remaining.

Mr. JACKSON. I yield 4 minutes to the Senator from Tennessee, and then I will yield to the Senator from Florida.

Mr. STENNIS. Mr. President, at this time may I ask how much time does the Senator from Mississippi have?

The PRESIDING OFFICER. The Senator from Mississippi has 12 minutes.

Mr. BROCK. Mr. President, I appreciate the Senator from Washington yielding. I have all the respect in the world for those who disagree with this amendment or suggestion that it be placed in some other bill.

The Senator from Georgia has been unstintingly supporting of a solution to the problem of the Middle East, a supporter of the State of Israel. But I do very much disagree with the position taken of opposition, and I do because what we do has not so much effect in legal terms as it has in perceptual terms as to what the world sees in it in the United States and the posture of the Senate of the United States.

I think we wreaked great havoc in the Middle East with the statement of the Secretary that we were going to reassess our position in the Middle East. I think it left everybody confused as to whether or not the United States was shifting its total position. That destabilized it. It made it more difficult for us to resolve the conflict. It put us in a position where we were not as effective as a force for peace as we have been in the past.

One of the reasons why this country has been so competent in helping to diffuse that incendiary situation is because of our constancy. Our position has never wavered. For us to refuse to accept this amendment, I think, would indicate a vacillation or a lack of support which is not true. I do not think there is any lack of support, but it does indicate it to people who want to misread our interpretation.

Now, I just cannot accept the position of the Senator from South Dakota when he talks about an obstinate negotiating position. For the life of me I just think that is an unfortunate use of words. I think it has been unfortunate on the part of the Secretary, too.

We are not affecting that with a continuation of the law as it is. We have full control through the appropriations process, through the executive, of what sales are made on what credit terms, what items. But I think you have got to understand what the real world is over there right now. The United States has got a freeze on all military hardware to Israel, and we are selling Hawks to Jordan. Where is the logic of that if we want to stabilize the situation? Where is the logic of opposing an amendment which simply permits credit sales for their own defense.

I cannot either accept the statement of the Senator from South Dakota that Israel is a great deal stronger than all of the other countries combined. I just do not know where you can calculate the military hardware in any combination of circumstances that would lead you to that conclusion. I think the Senator is wrong.

THE PRESIDING OFFICER. The 4 minutes yielded to the Senator from Tennessee have expired.

Mr. JACKSON. I now yield 4 minutes to the distinguished Senator from Florida (Mr. STONE).

Mr. STONE. The Senator from Florida came over so that he could be closer to his friend, the Senator from South Dakota, in making these few remarks.

Mr. President, far from the continuation of the present authorization destabilizing the situation, the Senator from Florida is convinced that it will assist in stabilizing the situation.

The Senator from South Dakota referred to a letter signed by 76 Senators and said that that produced an even more obstinate negotiating situation on the part of the state of Israel.

But the Senator from South Dakota overlooked the unilateral pullback from the Suez Canal made just a few days after that letter was signed and received. That was a unilateral gesture, and it signified the opposite of obstinacy.

The Prime Minister of Israel is due in this country in a few days, and the Senator from Florida is convinced it will produce an even greater increase of flexibility.

I yield to the Senator from South Dakota.

Mr. ABOUREZK. I just wanted to say to my friend from Florida that a unilateral pullback of territory that does not mean very much indicates no real change. If you really want to look at the guts of this thing, it indicates no real change of any negotiating stance. The guts of the problem is the Palestinian refugees, that is the guts of the problem. Unless Israel decides to sit down and talk to those people and achieve some kind of satisfaction there is never going to be an end to violence and bloodshed. Israel is not going to sit down and talk to them as long as the U.S. Senate keeps on laying on letters and open-ended authorizations, and everything. That is just pure and simple what it amounts to.

So one can pull back through the whole Sinai, one can pull back through the whole Israel, it would not make a bit of difference in what happened.

Mr. STONE. The Senator from Florida would again urge the Senator from South Dakota to continue his efforts with the Senator from Florida to get the belligerents themselves to sit down face to face with each other, something that really should be done, as opposed to shuttling back and forth through middlemen, even when the middlemen are our own U.S. representatives.

If they cannot even talk as belligerents, how can they talk to a bunch of people who want their destruction and when all they will negotiate is over their dead body?

Mr. ABOUREZK. The problem is that the Arabs indicated willingness to sit down with Israel; Israel refuses as long as the Palestinians are represented, so what are we to do about it?

Mr. STONE. What the Senator and I try to do is get the belligerents to sit down here and now, in Washington or anywhere, in order to discuss the situation.

We do not have to wait until the climate gets nice in Switzerland, we can start right away.

Mr. ABOUREZK. I really think that unless we sit together, all down together, seriously, I think, it is done like Secretary Kissinger tried to do, is not going to work, as was shown.

Mr. STONE. The Senator from Florida disagrees. The Senator from Florida is an optimist and thinks we will have some breakthroughs soon.

But back on this subject, for the Senate of the United States to say that authorization is to continue its credit sales authority, not the appropriations, but the authority, to one of the parties in the situation while the Soviet Union makes no commitments on itself to shut off supplies to the remainder of the belligerents, would be to destabilize the situation.

The Senator from Florida is convinced that this amendment, which has always been in this very same bill, never in a foreign relations reported bill, but always in this particular bill, always by large amounts, voted by large majorities, should and will continue to be in this bill, and far from producing intransigence or subordinance, this amendment in this bill will produce increased flexibility and the Senator from Florida is convinced it will produce a real better world.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. ABOUREZK. Mr. President, do I have 2 minutes remaining?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STONE. The time of the Senator from Florida has expired.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. McCLURE. I thank the Senator for yielding.

I appreciate the opportunity to participate, although briefly, in a debate which really ought to be an extended discussion of the U.S. policy in the Middle East. It is not just credit sales, it is the entire question of how we accomplish what the Senator from Florida has suggested will be added under this.

How do we accomplish what the Senator from South Dakota has suggested is necessary to get the parties to negotiate, what role does this particular bill have in the entire context of the Middle East question?

It is unfortunate that we are forced to try to debate that very fundamental issue in this very constrained time frame and the narrow parameters of military authorization because it is a very, very fundamental question upon which people of good faith and good heart can have differences of opinion.

It is not a question of whether the United States wants to see a survival of Israel. It is how best to guarantee the survival of Israel under appropriate circumstances where there is justice to the Israelis and justice to the Arab countries as well.

I am concerned, however, that the statement is made that somehow to refuse to put a limit on an authorization, to refuse to put an end to a special authorization, destabilizes the situation.

If I would understand the law correctly; and perhaps the Senator from Georgia can correct me if I am wrong, our Government has general authority for foreign military credit sales, and this would be a fact if this particular amendment were not continued.

The United States could, under appropriate appropriations language, continue to make credit sales to Israel even in the absence of this provision of the law.

This provision of the law is not the necessary authority, but it is an additional and special authority that exists in no other way, in no other provision of the law.

Is that not correct?

Mr. NUNN. I think the Senator should address that to some other Senator. I want to comment on another point, and I cannot answer the Senator's question.

Mr. McCLURE. Well, I thank the Senator

I wonder if the Senator from Mississippi might address himself to that question.

Mr. NUNN. Will the Senate yield to me for a comment while he is waiting?

Mr. McCLURE. I wonder if the Senator from Mississippi might comment as to whether or not there would be authority for foreign military sales to Israel, credit sales, even under the general provision of the statute, even if this special authority should lapse.

Mr. STENNIS. The direct answer to the Senator's question is, yes. As I am informed, the Foreign Assistance Act passed in the calendar year 1974 had in it just over a billion dollars for security assistance to the areas of the Middle East of which by law not less than $300 million will be made available to Israel.

That was last year's law that we passed, and that money is still available, unspent. It has been appropriated by the American Congress, but it has not been used. As I understand now, $100 million of that is what we call forgiven credits. It is credit, but it has been forgiven. So there is authority, as the Senator suggested.

Mr. McCLURE. I thank the Senator for that answer.

The reason I suggest that is that I am concerned by the suggestions made by the Senator from Tennessee that to fail to extend this special provision would destabilize a situation which exists.

I think it can be made plain, as the colloquy has made plain, that the United States is not going to abandon a commitment to the continued integrity of the state of Israel.

I believe that it should be stated, however, that the United States ought to reassess its policy that is perceived by the parties in that area of the world to be a unilateral commitment to one side.

Mr. NUNN. Will the Senator yield briefly?

Mr. McCLURE. Israel is not our enemy, but neither are the Arab countries.

The PRESIDING OFFICER. The 5 minutes of the Senator have expired.

Mr. NUNN. Will the Senator yield?

Mr. McCLURE. Two additional minutes.

The PRESIDING OFFICER. The Senator from Mississippi has——

Mr. STENNIS. I do not want to cut this off, but how much time does the Senator want, is the Senator going to use it himself or will he yield to someone?

Mr. McCLURE. Myself.

Mr. STENNIS. I yield 2 minutes then.

Mr. McCLURE. I thank the Senator and I hope all the Senators asking for recognition will recognize the conditions under which I have these 2 minutes.

I have made two trips to the Middle East. I have also visited in Israel as well as in the Arab countries. I have talked to the Presidents and leadership of every one of those countries.

I think I have some idea of how they view the situation, not how it is viewed in this country, not how it is viewed in this Senate, but how they view the situation in which the passions of centuries and the tensions of decades bring about the likelihood of a renewed conflict in that area of the world, a conflict in which the United States would be the loser, a conflict which would destroy our ability to continue to protect our friends in Israel.

Well, I know our friends in this Senate and in this country who are all concerned about Israel want us to continue to protect Israel, and overcommitment to that particular goal destroys our ability to be the steadfast friends of Israel. It destroys our ability to bring about the condition under which the only ultimate solution that can protect Israel will be forged. That condition lies in a negotiated settlement of the differences between the parties on both sides of that conflict.

I disagree with my friend from South Dakota that the step-by-step negotiations would fail and that the only way to get it done is to go to Geneva and have an entire package at one time.

I think to expect to be able to negotiate all of the facets of this terribly complex situation in one package is simply not going to bring about success. I think Secretary Kissinger was right in the kind of approach in which he would move those elements, seek to aid them in removing the elements which could be moved at that time, so that they could move toward a negotiated settlement that would bring real security for Israel, and not the false security they might have had.

Mr. STENNIS. Mr. President, I yield 1 minute to the Senator from Georgia. He wants to make a point.

Mr. NUNN. Mr. President, let me quickly summarize where we stand.

We started this week with a foreign policy debate. We were going to discuss the foreign policy of this country, and compare it with the defense policy in the bill. Now, after discussing the details of every single amendment in depth here, we are handed, at this time, an amendment that has no number in dollars; it could be $10, it could be $150 billion, and we are going to pass it, I assume, without even much discussion.

I think we are making a mockery of the whole great debate if we do this; but that is exactly what we are doing. There have been no committee hearings, not 1 single minute of hearings, and here the chairman of the Armed Services Committee stands up and says it is not within his jurisdiction.

We have the Senator from Minnesota (Mr. HUMPHREY) here, who is a member of the Foreign Relations Committee which has jurisdiction of such matters. We would like to hear from him on this subject. But what kind of a mockery we are making, to pass this without any number of dollars' limit when we have been debating our own country's authorization in detail. It just makes a joke of this whole debate. It makes a mockery of it.

The PRESIDING OFFICER (Mr. STONE). Who yields time?

Mr. JACKSON. I yield 2 minutes to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I would like to take this time to ask the Senator from Washington a few questions.

Is there anything new, any new law, in the Jackson amendment now before us?

Mr. JACKSON. No, it has been the law since 1970, and it has been a part of the Defense Procurement Act ever since that time. It was passed and made a part of the Defense Procurement Act three different times, in 1970, 1972, and 1973.

Mr. RIBICOFF. What is the purpose of the Senator from Washington's offering the amendment on the floor at this time?

Mr. JACKSON. The law expires on December 31. After that, there will be no authority to extend credits—and I emphasize credits; they are not grants, just credits.

This is a specialized arrangement. It is out of the foreign aid side of the picture, and it is entirely for the purpose of continuing the law and maintaining the status quo, not tilting one way or the other.

Mr. RIBICOFF. In other words, there is no tilt or intention here of telling the Executive what to do, but simply to maintain the status quo?

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. JACKSON. I yield myself 1 additional minute.

Mr. RIBICOFF. To maintain the status quo as contained in section 701 of title I of the Procurement Act of 1971, which reads, "in order to restore and maintain the military balance in the Middle East"?

Mr. JACKSON. That is correct; and may I say, credits, of course, are subject to the action of the Appropriations Committee. This is merely an authorization; it is not open ended in that sense. The Appropriations Committee must approve all of the credits that are granted.

Several Senators addressed the Chair.

Mr. RIBICOFF. One more question. Have the Israelis lived up to their credit agreements?

Mr. JACKSON. They have. As I am informed—and I checked this before the debate started—they have made all of their payments.

Several Senators addressed the Chair.

Mr. JACKSON. I yield myself 1 minute, for the response of the Senator from Georgia and the Senator from Minnesota.

Mr. NUNN. Just one brief comment. When we say it is not open-ended because it has to go through the Appropriations Committee, we could say that about the B–1 bomber, the AWACS system, the training of military personnel; we could say it about the counterforce—we could say it on every single thing we have debated this year. If that is the case, we could come out of the Armed Services Committee with an open-ended authorization and say "The Secretary of Defense has the authority," and maintain that it is not open-ended because it has got to go through the Appropriations Committee. If you believe in authorization, that argument just does not hold.

Mr. JACKSON. Mr. President, this relates, of course, to general policy. We are not talking about procuring a weapons one system. There is no way in the world you can get into specific authorizations on it.

The Appropriations Committee handles this regularly on an annual and semiannual basis.

Mr. HUMPHREY. Mr. President, under different circumstances I would think this proposition would belong within the jurisdiction of the Foreign Relations Committee, but here is the situation we face—and I address my remarks to both the Senator from Washington and the Senator from Mississippi:

We have had in this bill, and I have talked with both Senators about this privately, this legislation, or this particular section, since 1971; is that not correct?

Mr. JACKSON. It was passed by the Senate in 1970, and became——

Mr. HUMPHREY. Effective in 1971, I believe.

Mr. JACKSON. Yes. Three different times.

Mr. HUMPHREY. Yes. Now, my point is, we have Rabin coming here, the Prime Minister of Israel, very shortly. We have had the President of the United States meeting with Sadat. Any change in the law at this time would, I think, be misconstrued and cause us great diplomatic difficulty. From a jurisdictional point of view, I would say this belongs in my subcommittee and the full Foreign Relations Committee, but the Senate decided this a long time ago.

Mr. JACKSON. The Senator is correct, three times.

Mr. HUMPHREY. And I really believe, from a diplomatic point of view, it would be misinterpreted, misconstrued, and thereby be injurious.

I recognize, as the Senator says, there is no specific authorization in money, and I am not very pleased about that, but I think we ought to continue what we have.

Mr. JACKSON. I yield 3 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I think this debate is bringing out the real issue, which is that this is the fallback authority if other things fail, or we get into a really dreadful emergency, as we did in 1973.

As a fallback amendment, it has both the disadvantages and the virtues of fallback authority. The fact is that nothing can happen unless the Appropriations Committee appropriates or the

President exercises the discretion which is here given him. But it does look after serious contingencies, and for the Senate, I think it is very important to note that this provision is a corollary to the letter just signed within the last few days, to the President of the United States, by 76 Senators.

What we are saying is that we want kept intact the network of understandings which result in Israel not being in fear that she can be extinguished in an afternoon. We believe that is most conducive to bringing about a peace settlement, rather than a rigidity and a fear, knowing she is in a corner and has to defend her own survival as best she can, not knowing what anyone else will do or when they will do it.

That was the reason for the letter, and that is the reason for this amendment. Both things are complementary to each other, and that is what it is all about.

Mr. STENNIS. Mr. President, the time is virtually up, and when the time is up I shall make further parliamentary inquiry about this motion to refer to the committee, and take such other steps as seem proper.

Mr. President, it is not a question of whether you support funds for Israel or not. There are 7 months before the present law runs out. Seven months; that is time enough to pass 70 laws. I am told we could pass a law in less than 15 minutes if we would bring it out here from the Foreign Relations Committee.

So this fallback authority argument, I submit, just does not hold up.

My plea here is that we are creating a pattern of going on and on and on, and ignoring the jurisdiction of many of the committees and subcommittees.

Just because we put this authority in the law one time, or even twice, under what was thought to be perhaps an emergency, is no excuse for overriding and overrolling our own rules and procedure. The basic foundation upon which our committees rest and operate. They are the functions that make this Senate a body, I said this morning; otherwise, we are just 100 people.

I support, as I have in the past, funds in reasonable amounts going for Israeli aid. But here is money, over $300 million, already authorized, appropriated and unspent for them now with 7 months remaining to pass another law on the same subject.

If we are ever going to get back into the proper committees and procedure here in a parliamentary way, we have to start sometime. I decided it would go on and on unless this point were raised.

I raise it now.

I am ready to yield back to the Senator from Washington.

Mr. JACKSON. Mr. President, a parliamentary inquiry. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Washington has 4 minutes remaining.

The Senator from Mississippi has 2 minutes remaining.

Mr. JACKSON. Mr. President, do I have any requests for time?

Mr. McCLURE. Mr. President, will one of the two Senators yield me 1 minute?

Mr. JACKSON. I yield 1 minute.

Mr. McCLURE. I thank the Senator for yielding.

I call attention, since the letter has been mentioned, to the editorials that have commented in regard to the letter. I think it is appropriate because the Senator from New York has correctly identified it as being a corollary.

The letter has been variously described as altogether too risky and has also been characterized as being of no help to the negotiating posture of the United States.

I think that is an appropriate concern.

Those editorials appeared in the Washington Post and in the Star. I make reference to them as appearing on page 17339 of the RECORD, which appeared yesterday in my additional remarks.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. Mr. President, may I have a minute?

Mr. McCLURE. I yield

Mr. JAVITS. The two events significant in the Middle East that happened since this letter are: First, a very cordial discussion between President Sadat and President Ford. That is hardly characteristic of counterproductivity. The second event is the withdrawal of important Israeli forces unilaterally from the Suez Canal, which was considered a highly statesmanlike and very flexible act.

If the letter produces that, Mr. President, I defy the particular editorials the Senator chose to pick out.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. JAVITS. I am happy to yield if I have time.

Mr. McCLURE. I think those events were going to occur in spite of the letter and occurred not because of it but in spite of it.

Mr. JAVITS. I hate to see that argument stand up before a jury.

I thank the Chair.

Mr. BAYH. Mr. President, I rise to give my full support to amendment No. 492 which would renew and extend the President's authority through 1977 to transfer aircraft and related equipment to Israel by sale, credit, or guarantee in order to maintain the military balance in the Middle East. I believe favorable action on this amendment is essential.

About a week ago, I had the privilege of joining with 75 of my colleagues in sending a letter to the President reaffirming the Senate's long-established policy of support for the State of Israel. We were concerned that the President's announcement of a reassessment of policy in the Middle East, had been misleading and caused considerable confusion.

Today we can compliment our letter by extending authority for credits to Israel. This amendment will not give away a penny of the taxpayers' money. It will extend credit for military purchases to a country which has been singularly conscientious in timely repayment of its debts. And it will make absolutely clear that this country will not permit the military balance in the Middle East to be destroyed. I urge my colleagues to give it full support.

IN SUPPORT OF MILITARY ASSISTANCE TO ISRAEL

Mr. WILLIAMS. Mr. President, as a principal sponsor of the amendment to authorize military assistance to the State of Israel, I wish to express my full support for this important measure. A number of vital considerations make it imperative that we authorize this aid.

The United States has a long history as a staunch ally and friend of Israel. As our most dependable friend in the Middle East, Israel is firmly committed to the same principles of freedom and democracy that the United States has championed throughout the world. As a nation committed to these principles, Israel stands as a bulwark against the expansion of communism in that part of the world. The role that Israel fills in this regard is vital to the self-interest of the United States. Since Israel must expend a huge amount of its natural resources to defend itself against vastly more populous neighboring countries bent on her destruction, support from the United States is a life or death proposition. In view of the losses she sustained during the Yom Kippur war, and in light of the recent expansion of aid to the Arab states from their communist supporters, our military assistance to Israel has become more important than ever. While I earnestly hope and pray that a peaceful settlement will be forthcoming, I deeply feel that the denial of military assistance to Israel can only make that settlement more distant.

An abrupt contraction of aid to Israel at this time would be prejudicial to the peace in that part of the world because it would increase Arab expectations that the United States is abandoning both its friend and its commitments in the Middle East. Only a healthy balance of power can maintain the fragile cease-fire, and only our military assistance can insure that balance of power. We must remember that Israel has never asked this country for more than the material to defend itself. It has never asked us for soldiers. She has never asked us to spend our own blood in her defense. I should also point out that nearly all of the military and economic assistance we provide Israel is used to procure American products and services, thus helping to bolster our own economy.

Therefore, I urge adoption of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, if it is agreeable to the Senator from Washington, with the understanding that I can raise a parliamentary inquiry, and if in order to make the motion to refer to the Committee on Foreign Relations, and if not, then, that time being up, I could make the motion to table if necessary.

Mr. JACKSON. Certainly.

Mr. STENNIS. Mr. President, I yield back the time.

Mr. JACKSON. Mr. President, I yield back my time under that stipulation.

Mr. STENNIS. I thank the Senator.

Mr. President. Parliamentary inquiry. Is it in order to refer this amendment, lock, stock, and barrel, to the Committee on Foreign Relations for such action as that committee sees fit?

Mr. JACKSON. Mr. President, a point of order.

The PRESIDING OFFICER. What is the point of order?

Mr. JACKSON. The motion is not in order. Under the rules, a Senator cannot re-refer an amendment to a bill to another committee.

The PRESIDING OFFICER. In response to the parliamentary inquiry the motion is not in order, and the point of order states the case correctly.

The motion to refer a pending amendment to a bill or resolution to a committee is not in order.

Authority for that is found on page 720 of the Senate procedural manual.

Mr. STENNIS. So as I understand the Chair, then, the Chair rules that my proposed motion to refer to the Committee on Foreign Relations would not be in order.

The PRESIDING OFFICER. It would not be in order.

Mr. STENNIS. Mr. President, a further parliamentary inquiry: I understand all time for debate has expired.

The PRESIDING OFFIER. All time has been yielded back.

Mr. STENNIS. Mr. President, for expedition purposes I proper that the amendment be tabled.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senate is advised that under the previous order there will be 7 minutes to each side on the Hartke amendment No. 489.

Mr. STENNIS. Mr. President, in view of that in this debate I ask unanimous consent.

Mr. HARTKE. Let us vote on that.

Mr. JACKSON. He is willing.

Mr. STENNIS. The Senator from Indiana and the Senator from Washington, being agreeable, let us proceed now and vote on this motion to table.

The PRESIDING OFFICER. Is there objection?

Mr. HARTKE. Mr. President, a parliamentary inquiry. As I understand it, the unanimous-consent agreement would not vitiate the vote for time?

The PRESIDING OFFICER. It would not.

Mr. HARTKE. My understanding, further, is that this amendment will be disposed of in final form either by motion to table, or otherwise, and then at that time the Senate will then return to the amendment of the Senator from Connecticut.

The PRESIDING OFFICER. That is correct.

Mr. JACKSON. Mr. President, I say if the motion to table is defeated there will be a yea and nay vote on final action of the amendment, for benefit of Senators.

The PRESIDING OFFICER. The yeas and nays on the question itself have not yet been ordered.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

Mr. PASTORE. Mr. President, I do not think the Senator can.

Mr. STENNIS. Let us vote.

The PRESIDING OFFICER. The Clerk will call the roll.

The question is on the motion to table the Jackson amendment.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Delaware (Mr. BIDEN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. McGEE), and the Senator from Alabama (Mr. SPARKMAN), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), and the Senator from New York (Mr. BUCKLEY), are necessarily absent.

The result was announced—yeas 32, nays 59, as follows:

[Rollcall Vote No. 208 Leg.]

YEAS—32

Abourezk	Griffin	McClure
Bartlett	Hansen	McGovern
Bellmon	Haskell	Nelson
Burdick	Hatfield	Nunn
Culver	Hathaway	Pearson
Curtis	Helms	Scott,
Dole	Hruska	William L.
Eastland	Inouye	Stennis
Fannin	Johnston	Stevens
Fong	Kennedy	Tower
Goldwater	Mansfield	Young

NAYS—59

Bayh	Gravel	Packwood
Beall	Hart, Philip A.	Pastore
Bentsen	Hartke	Pell
Brock	Hollings	Percy
Brooke	Humphrey	Proxmire
Bumpers	Jackson	Randolph
Byrd,	Javits	Ribicoff
Harry F., Jr.	Laxalt	Roth
Byrd, Robert C.	Leahy	Schweiker
Cannon	Long	Scott, Hugh
Case	Magnuson	Stafford
Chiles	Mathias	Stevenson
Church	McClellan	Stone
Clark	McIntyre	Symington
Cranston	Metcalf	Taft
Domenici	Mondale	Talmadge
Eagleton	Montoya	Thurmond
Ford	Morgan	Tunney
Garn	Moss	Weicker
Glenn	Muskie	Williams

NOT VOTING—8

Allen	Buckley	McGee
Baker	Hart, Gary W.	Sparkman
Biden	Huddleston	

So the motion to table Mr. JACKSON's amendment was rejected.

Mr. MANSFIELD. I yield to the Senator from New Hampshire.

Mr. President, I ask unanimous consent that as long as this is going to be a back-to-back vote, the time be limited to 10 minutes for the rollcall.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON: I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I withdraw my request because it has previously been granted.

Mr. JACKSON. Mr. President, are the yeas and nays in order?

The PRESIDING OFFICER. The yeas and nays are in order and it will be a 10-minute rollcall.

The question is on agreeing to the amendment of the Senator from Washington (Mr. JACKSON).

The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Delaware (Mr. BIDEN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. McGEE), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from New York (Mr. BUCKLEY) are necessarily absent.

The result was announced—yeas 68, nays 22, as follows:

[Rollcall Vote No. 209 Leg.]

YEAS—68

Bartlett	Glenn	Muskie
Bayh	Gravel	Packwood
Beall	Griffin	Pastore
Bentsen	Hart, Philip A.	Pearson
Brock	Hartke	Pell
Brooke	Hollings	Percy
Bumpers	Humphrey	Proxmire
Byrd,	Inouye	Randolph
Harry F., Jr.	Jackson	Ribicoff
Byrd, Robert C.	Javits	Roth
Cannon	Johnston	Schweiker
Case	Kennedy	Scott, Hugh
Chiles	Laxalt	Stafford
Church	Leahy	Stevens
Clark	Long	Stevenson
Cranston	Magnuson	Stone
Dole	Mathias	Symington
Domenici	McIntyre	Taft
Eagleton	Metcalf	Thurmond
Eastland	Mondale	Tower
Fong	Montoya	Tunney
Ford	Morgan	Weicker
Garn	Moss	Williams

NAYS—22

Abourezk	Haskell	McGovern
Bellmon	Hatfield	Nelson
Burdick	Hathaway	Nunn
Culver	Helms	Scott,
Curtis	Hruska	William L.
Fannin	Mansfield	Stennis
Goldwater	McClellan	Young
Hansen	McClure	

NOT VOTING—9

Allen	Buckley	McGee
Baker	Hart, Gary W.	Sparkman
Biden	Huddleston	Talmadge

So Mr. JACKSON's amendment (No. 492) was agreed to.

Mr. STONE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 489

The PRESIDING OFFICER. The question now occurs on amendment No. 489 by the Senator from Indiana. Seven minutes are allocated to each side.

Mr. HARTKE. Mr. President, I previously discussed this matter.

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in

order, and the Senator will suspend until conversation ceases and the Senate is in order.

The Senator from Indiana is recognized.

Mr. HARTKE. Mr. President, I yield myself 2 minutes.

This amendment deals with industrially funded operations within the Defense Department. What it means simply is that these activities are engaged in contracts entered into with the Defense Department or other outside agencies for specific work to be performed by the installation itself. The net effect of such work really is to save the Government money. The effect of this amendment is to remove the ceiling limitation which would in many cases cause an increased cost to the Department of Defense and to the taxpayer because such a facility must resort to costly measures when it is forced to reduce its employment.

In other words, we want to make the Department of Defense budget go as far as we can.

This amendment does not deal with the question of excess employees on board because each one of the negotiated contracts has to be carried out under traditional economic and business conditions, such as in cost accounting and reimbursement. Ultimately, the benefit is provided for the Department of Defense.

It is a delusion to have a ceiling on these activities for the reason that if the installation is forced to reduce, the net result is that temporary employees must be hired, overtime must be paid, or an outside contractor must be found to complete the work.

That result have been verified by three separate GAO reports, which each demonstrated very conclusively that the ceiling in these cases is not of benefit to the Government but is actually a detriment.

In one report, the GAO chose four military installations which were forced to reduce employment. The net increase to the taxpayer was $4.6 million and about $370,000 in increased overtime.

In other words, this amendment is really a saving to the Government and at the same time will not interfere or contradict with the efforts to eliminate the fat in the Defense budget recommended by some of my colleagues.

Mr. President, I yield 1 minute to the Senator from Florida, who is very familiar with this issue.

The PRESIDING OFFICER (Mr. CULVER). The Senator's 2 minutes have expired.

The Chair recognizes the Senator from Florida.

Who yields time?

Mr. HARTKE. I yield 1 minute to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 1 minute.

Mr. STONE. Mr. President, I have had the pleasure of visiting the Florida facility on the list of the Department of Defense industrially funded facilities affected by the Hartke amendment.

I would refer specifically to the rework facilities and the rework approach. If there ever was a way to save the taxpayers money, it is in the rework facilities, and to limit them in any way is to cost the taxpayers money.

This is a very good amendment, it will save money, not cost money.

I would urge the Senate to adopt this good amendment.

Mr. HARTKE. I yield 2 minutes to my distinguished colleague, the junior Senator from Indiana.

Mr. BAYH. Mr. President, I do not think there is a great deal I can add to the excellent argument that has been made earlier this morning and now again this afternoon by my senior colleague.

The fact of the matter is that with all of the moneys we have discussed here, the billions of dollars, the amendment that my colleague and I have presented is not going to cost the taxpayer one extra dollar.

The question is whether we are going to give flexibility to managers of industrially funded installations in employing civilian personnel according to actual workloads.

The job is there to do. It can be done more efficiently if we give flexibility. It seems to me that if we are really looking for a way to economize, we should direct our fire at some of these huge weapons programs that give us little return on our investment.

We know we get benefits from industrially funded programs, but we have saddled them with ceiling concepts which simply are not workable in such operations.

Mr. HARTKE. Mr. President, I have 2 minutes remaining. I yield 1 minute to the Senator from South Carolina and 1 minute to the Senator from Hawaii.

Mr. THURMOND. Mr. President, I rise in support of the pending amendment which would exempt industrial funded activities from the civilian manpower ceilings established in our bill.

The idea of the industrial fund is to set up, within the Defense Department, a buyer and seller relationship which brings with it some of the pressures to economize that exist in the commercial world. An industrially funded activity, for example a shipyard or a maintenance depot, sells its services to a customer. The customer is usually part of the Defense Department, but could be another Federal agency or even a foreign government. With the money it receives from the customer, the industrially funded activity pays for parts, labor, administrative overhead, and upkeep on its own facilities. In short, the whole cost of its operation.

Partly because of the wide range of possible customers and partly because of the nature of their work—most of these activities perform repairs, maintenance, and supply operations—the workload at industrially funded activities is often subject to unpredictable changes. When the demands of the customers increase—and the customers have the money to pay for the work—the industrial fund activity should be able to respond to accommodate the additional workload. However, the civilian manpower ceiling can interfere with their ability to perform work which was funded by Congress.

Mr. President, let me give a short and, somewhat, simplified example. Suppose you took your car in for a tuneup. However, the garage manager tells you that he would like to help you but that he could not accept anymore work because it was against the law for him to hire more mechanics. Even though you indicate you have the money to pay for a mechanic, he still tells you it is not allowed. Well, you would probably not be happy, and you would wonder how he could possibly run a business like that. Moreover, you would probably get your car tuned at another garage.

The industrially funded activities have a similar problem, but the solution is not as simple. For the services, there is not another shipyard or maintenance depot down the street. Either the industrially funded activity resorts to increased overtime or contracting, which could drive up the cost to the customer, or the job gets put on the waiting list. At shipyards and maintenance depots, the waiting list is already too long. The Department of Defense is trying to cut down on its backlog of ship overhaul and repairs of needed equipment.

The amendment would relieve the artificial constraint placed on these important activities and allow them to operate as they were intended. The control on the civilian work force at these activities is, in fact, controlled by the amount of money made available to its customers by the Congress. The labor force levels in these activities becomes a function of the amount of service required by its customers.

Mr. President, the industrial funded activities concept is a good one and should not be encumbered by ceilings. I urge the amendment be adopted.

Mr. President, I ask unanimous consent that the DOD position on this amendment be printed in the RECORD.

There being no objection, material was ordered to be printed in the RECORD, as follows:

DOD POSITION ON SENATOR HARTKE'S PROPOSED AMENDMENT TO SASC AUTHORIZATION BILL (S. 920)

STATEMENT OF AMENDMENT

The proposed amendment excludes industrially funded activities from the Congressional civilian manpower ceiling.

EFFECT OF AMENDMENT

The amendment would allow industrially funded activities to operate under fiscal controls without the added imposition of civilian manpower ceilings.

DOD POSITION

The Department strongly supports the proposed amendment. We have continually advised against the statutory civilian manpower ceiling. We are convinced that civilian ceilings offer few management benefits and can lead to serious and costly inefficiencies.

Industrial fund activities offer prime examples of the problems caused by civilian ceilings. These activities are designed to function as commercial operations, selling services to their customers. To be effective, they must be able to respond to customer demands for fully funded work. In the majority of these activities, which perform maintenance and supply functions, the workload is subject to frequent, unprogrammed changes. Civilian ceilings severely inhibit the industrially funded activity's ability to accommodate these changes.

Thus, the Department welcomes the removal of civilian ceilings from industrially funded activities and continues to advise against such controls on other Defense activities.

Mr. HARTKE. Mr. President, I yield to the Senator from Hawaii and ask unanimous consent that the Senator from Florida (Mr. STONE) be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Hawaii.

Mr. FONG. Mr. President, I rise to support this amendment.

A few days ago I was at Pearl Harbor where they have a complement of 4,900 persons. Sometimes there is a lot of work, but they are unable to hire more people. So the 4,900 people work overtime. When they do, it costs the Government more money to repair facilities.

This is a good amendment. It will save money for the Government. Besides, only 50 percent of the defense people will be taken off the ceiling. Seventy percent of the people working for the Department of Defense will still be under the ceiling.

Mr. HARTKE. Mr. President, I ask unanimous consent that the Senator from Kansas (Mr. DOLE) and the Senator from West Virginia (Mr. RANDOLPH) be added as cosponsors to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Chair advises the Senator that the Senator from Georgia has 7 minutes.

Mr. STENNIS. May I yield half a minute, Mr. President?

The Department of Defense always seeks all the flexibility they can get, all the employees they can get, and all the money they can get. But Congress 2 years ago said that all civilian employees would be put under the legislative control year after year and our committee has to pass on this matter. But we do not and should not do it piecemeal. If we make any exempt, we just ought to repeal the whole law.

I thank the Senator for yielding.

Mr. NUNN. Mr. President, I rise in opposition to the amendment.

It takes the Department of Defense and divides it into two categories. One is called industrially funded. That comprises 30 percent of the people that work on the civilian payroll in the Department of Defense. The other 70 percent would be nonindustrially funded.

The Department of Defense uses the term "industrially funded" very loosely. They do not have a precise definition. For instance, the naval supply base is not industrially funded, but the marine supply base is.

There is another inconsistency. We have another example, a naval shipyard in the United States is industrially funded. Outside the United States, it is not.

What we have here is an effort to exempt from the congressional ceiling 30 percent of the civilian employees of the Department of Defense. This would, first of all, dilute the congressional ceiling.

There may be a better argument to be made against any congressional ceiling than there is against 30 percent being exempted. So this amendment, from that point of view, discriminates against 70 percent.

There are only four States in the United States where there are more industrially funded civilian Defense Department employees than nonindustrially funded. There are four States. Those States are Maryland, New Hampshire, Texas and Washington.

The other 46 States would be awarded proportionately more reductions of civilian employees than otherwise, because 30 percent are going to be exempted by this amendment.

Let me give a little example. The other night the Senator from Wisconsin had an amendment. The Senator from Georgia did not support it, but, nevertheless, it prevailed by two votes, and that would cut 17,000 civilian employees from the Department of Defense.

Added to the 23,000 the committee cut, that means we have a total of 40,000 civilian employees of the Department of Defense that are already cut in this bill we are debating.

If we exempt 30 percent, what that means is the other 70 percent going to have to take all the cuts.

I want someone to explain how to explain this to their employees who are not industrially funded why this 30 percent should be exempt, yet the whole burden is put on the other 70 percent.

Mr. HARTKE. Will the Senator yield?

Mr. NUNN. Let me give an example.

In West Virginia, there is not a single industrially funded employee. That means any Department of Defense civilian in West Virginia is more likely to be cut—nobody knows how it is going to work out—by reason of this amendment.

Another example is Kansas.

Mr. EAGLETON. Did the Senator say Kansas?

Mr. NUNN. In Kansas there is not a single industrial fund employee.

In the State of Hawaii there are 33 percent industrially funded employees. This means the other 67 percent are the ones who will have to bear the brunt of the 40,000 cut.

So we are not talking about philosophy here, we are talking about self-interest. Senators are going to have to explain to the people back home why they are not exempt and the 30 percent industrially funded employees are exempt. I could not explain it to my constituents.

Mr. HARTKE. Will the Senator yield?

Mr. NUNN. I yield.

Mr. HARTKE. Is it not true that, in the civilian personnel section, there already have been excluded from the effect of the reductions in force all of those individuals of the Corps of Engineers who are performing civil works activities, to the tune of 32,000; all of the foreign nationals, to the tune of 96,000; all of the employees in special employment programs and temporary summer aid programs, to the extent of 24,000; and all of the employees of the National Security Agency, of which, because of the National Security Agency's employment statistics being regarded as classified information, the number is not available to the Senate? Is that not correct?

Mr. NUNN. The Senator is correct. The House of Representatives, incidentally, has passed an amendment to try to correct that by making foreign indirect hire employees, at least, subject to the reduction. In other words, the House of Representatives is moving toward trying to correct that inequity, and this amendment moves in exactly the opposite direction.

If the Senator wishes to propose an amendment that we not have any ceiling, and turn it all over to the executive branch of the Government—that would be a better solution although I would oppose it. I think the word "problem" has been used by my colleague from Indiana regarding executive branch management. Does the Senator want to give them flexibility, and turn it over to them, and say, "You hire and fire as many employees as you want to"?

Mr. HARTKE. Is it not true that the House passed the amendment unanimously?

Mr. NUNN. The House passed it by a voice vote. I do not know how you can judge a unanimous voice vote.

Mr. TAFT. Mr. President, will the Senator yield for a question?

Several Senators addressed the Chair.

Mr. NUNN. I yield first for a question to the Senator from Ohio.

Mr. TAFT. I would like to find out from the Senator what the job security situation is with regard to these employees in the industrial employment category.

Mr. NUNN. Does the Senator have a question? I have other requests for time.

Mr. TAFT. Yes. I wanted to know what the civil service and job security status of these industrially funded employees is.

Mr. NUNN. It is exactly the same as all other Federal employees, so far as my knowledge goes.

Mr. TAFT. So they have job protection, and, even though they have no further use of them after a job is done, they maintain the same status?

Mr. NUNN. The Senator from Ohio is exactly correct. These people are just exactly like every other person in the civil service in the Department of Defense. The only difference is that there is a different financial accounting mechanism. When a ship comes into the shipyard, the ship pays for the services rendered, and those industrial employees are paid from that fund.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. CULVER). All time on the amendment has expired.

The question is on agreeing to the amendment (No. 489) of the Senator from Indiana (Mr. HARTKE). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Delaware (Mr. BIDEN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. MCGEE), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. SPARKMAN), the Senator from Colorado (Mr. HART) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), and the Senator from New York (Mr. BUCKLEY) are necessarily absent.

The result was announced—yeas 40, nays 50, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—40

Bayh	Hartke	Muskie
Beall	Haskell	Pastore
Bentsen	Hathaway	Pell
Brooke	Hollings	Percy
Bumpers	Inouye	Randolph
Burdick	Jackson	Schweiker
Byrd, Robert C.	Johnston	Scott, Hugh
Case	Laxalt	Stevens
Chiles	Magnuson	Stone
Dole	Mathias	Thurmond
Fong	McIntyre	Tower
Ford	Metcalf	Williams
Garn	Mondale	
Gravel	Moss	

NAYS—50

Abourezk	Griffin	Nunn
Bartlett	Hansen	Packwood
Bellmon	Hart, Philip A.	Pearson
Brock	Hatfield	Proxmire
Byrd, Harry F., Jr.	Helms	Ribicoff
	Hruska	Roth
Cannon	Humphrey	Scott, William L.
Church	Javits	
Clark	Kennedy	Stafford
Cranston	Leahy	Stennis
Culver	Long	Stevenson
Curtis	Mansfield	Taft
Domenici	McClellan	Talmadge
Eagleton	McClure	Tunney
Eastland	McGovern	Welcker
Fannin	Montoya	Young
Glenn	Morgan	
Goldwater	Nelson	

NOT VOTING—9

Allen	Buckley	McGee
Baker	Hart, Gary W.	Sparkman
Biden	Huddleston	Symington

So Mr. HARTKE's amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, I ask unanimous consent that the Senator from California (Mr. TUNNEY) be recognized for a unanimous-consent request.

Mr. TUNNEY. Mr. President, I ask unanimous consent that a member of my staff, Mr. Mark Moran, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will be in order.

Mr. STENNIS. Mr. President, I yield 30 seconds to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that William Kincade and Robert Riggs of the staff of the Subcommittee on Production be accorded the privilege of the floor during debate on S. 920.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment (No. 491) of the Senator from Washington.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Delaware (Mr. BIDEN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. MCGEE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. SPARKMAN), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), Senator from New York (Mr. BUCKLEY), are necessarily absent.

The result was announced—yeas 83, nays 8, as follows:

[Rollcall Vote No. 211 Leg.]

YEAS—83

Abourezk	Hart, Philip A.	Nelson
Bayh	Hartke	Nunn
Beall	Haskell	Packwood
Bentsen	Hatfield	Pastore
Brooke	Hathaway	Pearson
Bumpers	Helms	Pell
Burdick	Hollings	Percy
Byrd, Harry F., Jr.	Hruska	Proxmire
	Humphrey	Randolph
Byrd, Robert C.	Inouye	Ribicoff
Cannon	Jackson	Roth
Case	Javits	Schweiker
Chiles	Johnston	Scott, William L.
Church	Kennedy	
Clark	Laxalt	Stafford
Cranston	Leahy	Stennis
Dole	Long	Stevens
Domenici	Magnuson	Stevenson
Eagleton	Mansfield	Stone
Eastland	Mathias	Taft
Fannin	McClellan	Talmadge
Fong	McGovern	Thurmond
Ford	McIntyre	Tower
Garn	Metcalf	Tunney
Glenn	Mondale	Weicker
Goldwater	Montoya	Williams
Griffin	Morgan	Young
Hansen	Moss	
Hart, Gary W.	Muskie	

NAYS—8

Bartlett	Culver	McClure
Bellmon	Curtis	Scott, Hugh
Brock	Gravel	

NOT VOTING—8

Allen	Buckley	Sparkman
Baker	Huddleston	Symington
Biden	McGee	

So Mr. JACKSON's amendment (No. 491) as modified, was agreed to.

AMENDMENT NO. 532

Mr. KENNEDY. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

Mr. KENNEDY. I understand that under the consent agreement, we were to consider amendment 532 at this time.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. The amendment I am sending to the desk is a revised 532. I shall explain the differences to the Members; but I move to be able to revise my amendment No. 532 and I believe that under the rules——

The PRESIDING OFFICER. The Chair must advise the Senator from Massachusetts that under the revised agreement, only amendment 532 is in order for consideration and the Senator may ask consent to modify it.

Mr. KENNEDY. I will ask either to revise it or to have it conformed. I ask unanimous consent that I may modify it.

The PRESIDING OFFICER. Is there objection? There being no objection, it is so ordered.

The clerk will state the amendment as modified.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes amendment No. 532 as modified.

The amendment as modified, is as follows:

Section —(a) It is the sense of the Congress that the Secretary of Defense should restructure the training programs of the Armed Forces so as to increase the ratio of students to staffs and overhead.

(b) In accordance with the policy expressed in subsection (a) the Secretary of Defense shall conduct a study of the training programs of the Armed Forces with the purpose of restructuring such programs in order to achieve a student to staff and overhead ratio of not less than 3 students to 1 instructor.

The Secretary shall submit the results of such study to the Congress not later than December 31, 1975, and shall include in such study a detailed plan to achieve a ratio of students to staff and overhead of not less than 3 to 1 by June 30, 1977, and to provide for the demobilization or conversion into necessary combat units of the training personnel reduced as a result of the implementation of such plan.

The PRESIDING OFFICER. There will be 30 minutes of debate on this amendment, to be equally divided, 15 minutes to each side.

Mr. KENNEDY. For the benefit of the membership, I hope, based on conversations I have had with various Members, that we will not take that time.

The amendment, Mr. President, expresses the sense of the Senate about the very high ratio of military training personnel to personnel being trained. This is a matter which has been recognized by the Committee on Armed Services, on page 124 of its report.

Basically, Mr. President, the ratio in the Armed Services today is 1.8 trainees to every one instructor, in comparison to high schools, where the ratio is 19 to 1; colleges, where it is 15 to 1; and vocational high schools, where it is 70 to 1. In private vocational high schools the ratio of students to instructors is 29 to 1. In the military services, it is 1.8 to 1.

The purpose of this amendment is to require a study to be done by the Department of Defense to report back by December 31, 1975. That study should include a plan to increase the ratio of students to instructors from 1.6 to 3 to 1. This amendment then gives the Defense Department 18 months to implement the program by June 30, 1977. The Defense Department must also propose a plan to provide for either the demobilization of the personnel saved or their transfer to necessary combat units.

We are talking of approximately 80,000 personnel. If it is judged that they would not be transferred into combat units, we would save about $800 million in direct costs, not including retirement.

It seems to me, Mr. President, that the Committee on Armed Services—as I said earlier in the week—under the leadership of Senator NUNN has done an outstanding job in reducing the ratio of supply and support personnel to combat units.

All of us are very much in the debt of both Senator NUNN and the Committee on Armed Services for beefing up that aspect of our military force. I hope that, with this amendment, we can find the same kind of encouragement in the area of both military and civilian manpower, reaching a ratio of trainers to students which will insure the best, most effectively trained individuals in any Armed Forces—while recognizing that there is a disproportionate ratio, today.

Finally, Mr. President, this amendment does not include combat unit training—merely other personnel. It purposely excludes combat unit training, because of the very special circumstances of this training.

I hope, Mr. President, that this is consistent with what I believe to be the direction in which the Committee on Armed Services is moving, and where it has done such a commendable job. I hope the committee will be able to accept this amendment.

Mr. NUNN. Mr. President, who has time on the other side? Does the chairman of the committee have time?

The PRESIDING OFFICER. The chairman of the committee has time on the other side.

Mr. KENNEDY. I yield what time the Senator needs.

Mr. NUNN. I commend the Senator from Massachusetts for this amendment, because it is an area that I think is a soft spot in the military as far as the utilization of personnel is concerned. The Committee on Armed Services this year, and the Subcommittee on Manpower, looked into this to some degree. We have not gone into it nearly as far as the Senator from Georgia would like to and I am not confident that we are exactly aware of all of the ramifications of this. For that reason and due to the committee's feeling that the various branches of the Armed Forces had not moved very far since last year in this regard, we did make some significant cuts in this area. We cut a total of 12,300 military and civilian—which broke down to 6,800 military and 5,500 civilian—out of this area. The ratios are still fairly poor if we compare them to public high schools, vocational schools, colleges or local school systems.

All of us are aware that military training is different, it is much more difficult, and I am sure there are reasons for some of this. But I do not think that—for instance, the Marine Corps has a 2.4 to 1 ratio of staff and overhead to students. The other services have much less—Army 1.6, Navy 1.5, and the Air Force 1.6. What we actually did was use the carrot-stick method. We rewarded the Marine Corps. We did not cut them, but did cut the other branches. I hope the other branches will take note of this.

I think the Senator's amendment is proceeding in the same direction as is the committee's study. I hope this will alert the Secretary of Defense that we are serious about this area and I am sure it will alert the services that we expect them to make considerable improvement.

Speaking for the Senator from Georgia only, I fully support this amendment. The Senator from Mississippi is aware of it, but he is not on the floor at this time.

Mr. THURMOND. Will the Senator yield?

Mr. NUNN. I do not have the time.

Mr. KENNEDY. I am willing to yield.

Mr. THURMOND. Mr. President, I think the able Senator from Massachusetts is proceeding in the right direction. The only thing that concerns me, possibly, was trying to fix in the amendment what the exact ratio should be. I wonder if the Senator wants to consider putting a period on line 4 after "programs" so as to bring about a reduction of the ratio without fixing any particular numbers?

Mr. NUNN. I have to leave the floor for just a minute. If the Senator will yield, I have been over this very carefully with the Senator from Massachusetts. The amendment of the Senator from Massachusetts would not immediately put into law the reduction. The Senator from Georgia felt a study was advisable before we implemented it. This will give the Secretary of Defense a goal to shoot for, but it does not mandate it and the study will indicate whether that goal is realistic. I think that this is the understanding of the Senator from Massachusetts.

Mr. KENNEDY. That is my understanding, and it will have to be left finally to the Committee on Armed Services to make any judgment.

Mr. THURMOND. I think it would be a mistake to mandate in the law what it should be. I commend the Senator for his sentiments.

I wonder if he wants to add the words "to an average of not less than three students to one instructor"?

Mr. KENNEDY. It seemed to this Senator that the ratio of 3 to 1 was figured on the basis of a rather detailed study prepared by the Brookings Institution. We are not oblized to accept their suggestion, but it does seem to me to be a benchmark which we might be able to work from. The Marines, as we have seen, are just about at that figure at the present time. I am sure the study will indicate whether or not the ratio of 3 to 1 can be achieved, and the amendment ultimately leaves the determination to the committee.

Mr. THURMOND. As I construe it, then, the Senator does not feel that his amendment is going to demand that that ratio be preserved, but that this is a matter to be left to the Defense Department and the Committee on Armed Services. Is that correct?

Mr. KENNEDY. The Senator is correct. This approach at least would establish some benchmarks. I think ultimately, the resolution of this issue will result from hearings and action in the committee. But I do think this amendment will give us a precision and, hopefully, a model which the committee itself can move from. I have tried to make the ratio a figure which, on the basis of previous studies and judgments, seems to be reasonable. Considering what the Marines have been able to do, it seems we are going in the right direction.

Ultimately, the Senator is quite correct. This is going to be a judgment to be made by the Committee on Armed Services.

Mr. THURMOND. I want to clarify this point that it is less flexible and such as the Senator said it is, and I have no objection.

Mr. STENNIS. Mr. President, if I may take a half-minute, I commend the Senator from Massachusetts for making this a study. It is very hard to legislate in cold law about these matters. They do an excellent job in many cases that I know of. But the study will really reveal the problem.

Mr. KENNEDY. Mr. President, I am prepared to yield back the remainder of my time.

Mr. NUNN. Mr. President, unless somebody is prepared to speak on our side, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to Mr. Kennedy's amendment (No. 532) as modified.

The amendment, as modified, was agreed to.

AMENDMENT NO. 534

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment by Mr. TOWER, which is the next amendment in order, No. 534, there be a time limitation of 40 minutes to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Texas is recognized.

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from Hawaii for a unanimous-consent request.

The PRESIDING OFFICER. The Senator suspend so the clerk can report the amendment.

The legislative clerk read as follows:

Mr. TOWER for himself and Mr. GOLDWATER proposes amendment No. 534.

The amendment is as follows:

Add a new section at the end of the bill:

Section 1401a of title 10, United States Code, is amended by adding subsection (f) as follows:

"(f) Notwithstanding any other provision of law, the monthly retired or retainer pay of a member or a former member of an armed force who initially became entitled to that pay on or after January 1, 1971, may not be less than the monthly retired or retainer pay to which he would be entitled if he had become entitled to retired or retainer pay at an earlier date, adjusted to reflect any applicable increases in such pay under section 1401 of this title. In computing the amount of retired or retainer pay to which such a member would have been entitled on that earlier date, the computation shall, subject to section 1401a(e) of this title, be based on his grade, length of service, and the rate of basic pay applicable

to him at that time. This subsection does not authorize any increase in the monthly retired or retainer pay to which a member was entitled for any period prior to the effective date of the subsection.".

SEC. 2. This act is effective on the first day of the month following the month in which this act is enacted.

Mr. FONG. Mr. President, I ask unanimous consent that Lawrence Nakatsuka be allowed the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, this amendment is offered to correct a troublesome and unforeseen situation which has arisen concerning the wasteful early retirement of military personnel. My amendment is intended to increase the efficiency of our combat forces, by encouraging our best soldiers, sailors, airmen, and marines to stay on through the most productive part of their careers.

The problem which currently exists is that, for the first time in the history of our present retirement system, a member of the Armed Forces may receive less in retired pay for remaining on active duty than if he retires immediately. He faces the possibility of receiving less retired pay if he retires after a pay raise than if he retires before the raise. As a consequence, good men by the droves are quickly retiring as soon as possible to escape the effects of this "retired pay inversion." Those who stay on to serve out the most productive part of their careers are penalized, while those separating early are rewarded with higher retirement pay. This wasteful practice strips out many of our most able soldiers just when they are reaching their peak value to the Nation.

The unfortunate situation has developed because of a convergence of several factors: different laws governing the pay of active and retired military personnel, the effect of inflation, and various decisions by the Comptroller General. The details are complex, but the nub of the matter is that increases in active military pay are tied to Federal civilian employee wages, while increases in retired military pay are directly linked to the Consumer Price Index. Since the latter has been rising considerably faster recently because of accelerated inflation, retired military pay has gone up 33.8 percent, while active pay has increased only 28.1 percent over a representative 3-year period. Decisions by the Comptroller General specify which of various pay rates and pay increases will apply, based on the date of the individual's retirement.

What has happened is clear if we look at individual ranks. For example, a colonel with 28 years service who retired in September 1974 received $1,799 per month, but if he waited until October 1974 he got $53 less. If he waits until October 1975, his retired pay will be $101 less per month. A sergeant major (E–9) with 30 years service retiring in September 1974 received $1,095 per month, but if he waited until October 1974 he got $33 less. If he retires in October 1975, he will get $74 less per month. A sergeant first class (E–7) with 22 years service retiring in September 1974, received $574 per month, but $17 less if he waited until October 1974. If he waits until October 1975 he will get $39 less per month. This pay differential will continue and be compounded for the rest of these retired members' lifetimes.

The penalty for remaining on active service is heaviest at the top ranks, where our greatest military expertise is to be found. For example, General Weyand, the Army's Chief of Staff, has already forfeited $241 a month in retired pay by remaining on active duty beyond September 1974. He will forfeit an additional $293 a month if he serves beyond this coming September. Obviously, General Weyand has already lost many thousands of dollars in future retirement equity.

Three months ago the Army surveyed 6,000 of its active and retired members to assess the results of this negative inducement. Their data indicate that a shocking and unnecessary drain of talent is in progress as the best men retire early. This year the Army alone could suffer a loss of 12,300 officer man-years and 35,200 noncommissioned officer man-years due to retired pay inversion. It is estimated up to 14,200 man-years of combat experience will be lost. About 50 percent of all retirees indicated the pay inversion problem was a main or influencing factor in their decision to leave the service early.

There is no question that the Army's principal command echelons are much affected. For example, the following command personnel retired two or more years earlier than planned because of retired pay inversion: 31 brigade commanders, 126 battalion commanders, and 1,064 first sergeants. These highly experienced soldiers could have filled the command positions in six infantry divisions for 2 years. This loss of talent and efficiency is certainly not in the interest of the American taxpayer, who expects to get the most from military professionals.

Furthermore, the Army survey indicates that the retired pay inversion has created a morale problem. Various survey responses described the current situation as unfair and inequitable, a breach of faith by the Army and the Defense Department, another "erosion of benefits," and a plan to drive dedicated people out of the ranks. Many expressed disillusion and even bitterness with the Army for allowing the inversion to develop and continue.

I have used the example of the Army merely because it is the largest service, and has looked into the problem with some care. The cumulative loss of talent, efficiency, and combat experience across all four of the services is certainly much higher. I would expect this drain is adversely affecting the fighting edge and readiness of all our forces in one manner or another.

The pay inversion problem will continue so long as percentage increases in retired pay continue to exceed the percentage increases in basic pay. Because of the different mechanisms by which active and retired military pay are computed, and the more direct relationship of the latter to inflation rates, I think it is safe to say this adverse situation will last into the future, given the state of the Nation's economy.

The Department of Defense is well aware of the pay inversion problem and has looked for a solution which would eliminate the current discrepancy in a fair and equitable manner.

My amendment would achieve this by modifying section 1401a(e), title 10 United States Code, to provide that no service member retired after January 1, 1971, would receive less retired or retainer pay than he or she would have received at any earlier date on or after January 1, 1971. Likewise it provides that no service member would receive any retroactive pay for any date before the first day of the month following the date of enactment. The proposed amendment would apply to persons retired before the enactment of the proposal, but they would receive increased pay only from the first day of the month following enactment. In other words, the retired pay they have already lost will not be made up to them—only that which they have not yet lost.

In projecting the cost of this initiative, I have assumed an enactment date of July 1, 1975, and assumed also that the President's proposal will be approved for a 5-percent ceiling on the October 1975 military pay increase and for a freeze on military retired pay increases for the period February 1975 through June 1976. The following increased costs would then result from this amendment.

[In millions]

Fiscal year:	
1976	$9.4
TT	3.1
1977	12.3
1978	13.1
1979	13.9
1980	4.1

On balance, I am convinced this is a much needed step and one which will rectify a situation neither the Congress nor the Defense Department foresaw when current laws were enacted some time ago. I am offering it as an amendment to this bill because I believe it will have a direct and beneficial effect on the readiness of our forces. I urge support in expediting this provision into law.

Mr. President, actually, this amendment will not cost us money, it will save us money, because it will retain talented people in the service and reduce the number of people that have to be recruited and trained.

I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am very happy and proud to be a cosponsor with Senator TOWER in this legislation. It has long been known by members of the Armed Services Committee that in the base setup of our forces, probably the most notable item is the recomputation by which men who retired prior to 1958 are penalized, while the man who retired after that time has probably as generous retirement benefits as any man retired in America.

Early correction of the so-called retired pay inversion is urgently needed to avoid placing career military personnel in the position of being forced to elect between continuing in service where they know their continued service is urgently needed or to retire and avoid the permanent reduction in retired pay they would have incurred as a result of that continued service.

This situation calls for the immediate correction afforded by this amendment. It should be noted that the amendment will provide relief for persons in all grades—both officers and enlisted men. It will enable these career members whose continued services are urgently needed to remain in the service of the Nation without suffering the permanent and increasing loss in retired pay which they would incur unless action is taken by the Congress.

Mr. President, the Department of Defense regards this as a very necessary amendment. These are just a few things the passage of this amendment would correct.

We already, under the present situation, have personnel turbulence in connection with the replacement of those who accelerate retirement to avoid the retired pay penalty.

The present law results in reduced efficiency during the replacement period. It is inequitable to the personnel who continue to serve despite the retired pay loss; and it raises questions as to the fundamental fairness and equity of a compensation system which tolerates the inversion, and those, of course, all add up to the problem of morale.

I hope under the able chairmanship of the Senator from Georgia (Mr. NUNN, who has done such a good and diligent job in this whole field, that we can continue hearings that will result in a correction of the old pay system of the armed services and the retired pay.

I hope that the Senate will enact this amendment. I feel that it is needed. I feel it will aid the armed services in keeping men they so badly need.

Mr. TOWER. Mr. President, I ask unanimous consent that the Senator from Indiana (Mr. HARTKE) be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I reserve the remainder of my time.

Mr. THURMOND. Will the Senator yield?

Will the Senator add me to the amendment and give me about 5 minutes?

Mr. TOWER. Mr. President, the Senator from South Carolina wants to be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

Mr. THURMOND. Mr. President, the effect of this amendment is to provide that the monthly retiring pay of a former member of the Armed Forces, who initially became entitled to that pay only after January 1, 1971, may not be less than the monthly pay to which he would be entitled if he had become entitled or retired on retainer pay at an earlier date.

Mr. President, this is an important matter. The Secretary of the Army has written the Members of the Senate on this subject, I believe, and I am going to place the letter to me in the RECORD before I sit down.

Mr. President, we do have a serious problem concerning the military people who retire now through the interaction of a series of laws, Comptroller General decisions, and the impact of cost-of-living allowances since October 1974. Service members have been penalized for remaining on active duty. This certainly should not be the case.

Those who retired earlier get more retired pay than those who retire now. The difference can be as much as $293 a month on the higher grades.

Mr. President, this encourages our most experienced and able people to retire much too soon. Thus wasting the full potential of their services to the taxpayers.

Mr. President, this inequitable retired pay inversion was not anticipated nor intended by anyone in the Congress nor the Department of Defense, but we must realize that it is a fact.

Therefore, we must face this fact and try to correct this situation.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate? There are too many conversations going on.

The PRESIDING OFFICER. Members of the Senate staff will retire from the floor. Senators who are carrying on conversations will retire to the cloakroom.

Mr. THURMOND. In order that it will not continue.

Mr. President, I have a letter here from the Secretary of the Army dated today, and I understand he has written similar letters to other Senators. I ask unanimous consent to have the letter printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, in closing, I want to commend the able and distinguished Senator from Texas (Mr. TOWER) and the able and distinguished Senator from Arizona (Mr. GOLDWATER) for proposing this amendment and I hope the Senate will pass the amendment because I am confident that it is in the best interest of the Department of Defense. It is in the best interest of the servicemen and the country.

EXHIBIT 1

SECRETARY OF THE ARMY,
Washington, D.C., June 6, 1975.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR STROM: For the first time since becoming Secretary of the Army, I am personally asking for the help of every member of the Senate. The inequity caused by retired pay inversion has created a severe credibility problem for the Volunteer Army. The families of our soldiers are being financially penalized for life as a result of a soldier continuing to serve his country. Senator Tower has introduced an amendment (No. 534) to the Defense Appropriations Authorization Bill which gives us an immediate opportunity to correct this serious inequity.

For the past two years, I have been emphasizing the necessity of treating all soldiers equally. This effort has been focused on our junior enlisted soldiers. We have the same obligation toward our senior people to see that they are treated with fairness and equity. This is not being done today because of the retired pay inversion phenomenon which was never the intent of the Congress.

I have heard no opposition to the amendment on substantive grounds. The opposition is procedural. The procedural opposition is as follows:

1. There have been no hearings on any legislation as complicated as retirement pay; there should be full and adequate hearings together with a committee report. I certainly agree. However, in this case there was no opportunity to hold hearings because the Administration position on all aspects of retired pay is not yet ready. Such hearings could indeed be long and complicated because they address so many aspects of retired pay. Correcting this one inequity is simple and in no way affects any subsequent hearings that may be desired by any committee of the Congress.

2. The amendment is not germane. The FY 76 Defense Appropriations Authorization Bill is the only bill in the FY 76 Budget that will affect force structure and, as such, it is the proper place for an amendment of this kind.

3. This does not address any civilian inequities which are similar in nature. The Defense Appropriations Authorization Bill is not the proper place to address civilian inequities. Passage of this amendment will in no way affect anything that may be done to correct civilian inequities.

Since becoming Secretary of the Army I have not allowed procedural matters to interfere with insuring that your constituents were dealt with equitably. I would hope that you would now not allow procedures to interfere with solving a major problem of equity for our soldiers.

The issue of equity is paramount to the continued success of the Volunteer Army. We have the opportunity to correct the retired pay inequity now at a cost of only $9–14M per year. As Secretary of the Army, I consider it my responsibility to protect the welfare of our soldiers and their families. In this case, I need your help.

Sincerely,

HOWARD H. CALLAWAY.

Mr. STENNIS. Mr. President, this is not just a military matter, it involves the entire Government, and I yield 10 minutes to the Senator from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 10 minutes.

Mr. FONG. Mr. President, although I am sympathetic to the amendment I regret that I cannot support it. We must understand that this problem affects all Departments of our Government, not only the Defense Department. All Departments are losing good valued employees.

As the ranking minority member of the Senate Post Office and Civil Service Committee, which has jurisdiction over the subject of pay for Government employees as well as for Members of Congress, I have been in the forefront of efforts to secure for them salaries comparable with those of private industry.

Previously, the Post Office and Civil Service Committee has presented to the Senate proposals for pay increases but they were voted down. The inequities which have arisen and which this amendment hopes to cure are, in a measure, tied to this refusal by Congress to do something about the increase of salaries of Government employees in the higher brackets. It is also tied to the cost-of-living allowance statute, which because of rapid inflation has increased

retirement annuity percentages far greater than the percentage increases in salaries.

The amendment before us now is designed to deal only with the problem of military people who retire now. Its proponents explain that for a number of reasons those who retired several years ago are now receiving more retired pay than those who can retire now. This amendment is to correct this situation.

Basically, the problem can be tied to the compression of salaries due to the freeze on the $36,000 ceiling on career pay. The failure of Congress to lift the freeze on this ceiling has caused many difficult problems, especially for high level employees in both the military and civilian ranks. The freeze, which has been in effect for the past 6 years, encouraged senior employees to retire early to take advantage of liberal retirement annuities based on a law which linked annuity increases to the rapid rate of living costs.

This trend of career employees seeking early retirement is likely to continue as long as the salary ceiling freeze continues. This applies to both the civilian and military employees.

My colleagues will recall that there was a strenuous effort made in the Senate last year to try to lift the $36,000 ceiling—a proposal recommended by President Nixon based on the quadrennial pay review of the Commission on Executive, Legislative, and Judicial Salaries. The majority of the Senators rejected the President's recommendations because some felt the pay of top career people should not exceed the pay of the Members of Congress who did not wish to raise their own pay in an election year.

The result has been a compression in the top level salaries of our Government, both civilian and military, going back to 1969. The combination of this frozen salary with the large cost-of-living increases being received by military and civilian annuitants is making it more and more difficult for eligible employees to delay their retirement.

Therefore, I am not surprised that there is a move, such as the amendment now before us, to give relief to employees contemplating retirement but who would not fare as well in retirement as those already retired who took advantage of the earlier large cost-of-living increases.

If we approve amendment No. 534, we would be coming to the aid of the military personnel alone. But what about the 2.8 million employees in the civilian workforce? What would happen to them? Should they not also be helped in a similar way?

This amendment would be a one-sided action which can open up a Pandora's box of trouble, conflict, and division between the military and the civilian work forces.

And even if we were to take care of civilian employees in this manner, I am afraid we would be starting something which would have serious and difficult consequences.

Assuming this amendment to assist the military becomes law, is this not an open invitation for the military retirees to come back to Congress later to ask for corrective action again should the cost of living go down, salaries go up, and the retirees then find themselves not as well compensated percentage-wise as active duty personnel? The Government will find itself whipsawed between the active military personnel and its retirees.

The way to solve this problem is by general enactment, not by piece-meal legislation; and this is piece-meal legislation.

There is a very sound reason why Congress at this time should not adopt the Tower-Goldwater pay inversion amendment. President Ford has announced that the administration is about to undertake an in-depth study of pay comparability and also cost-of-living increases in retirement annuities which would affect both the civilian and military forces and the retirees of both groups.

In his fiscal year 1976 budget message, the President stated that a top level review will be undertaken to make policy recommendations on how the Federal Government can best determine the appropriate future levels of total compensation for its employees under the principle of comparability with the private work force.

At the same time the President announced an evaluation will be made of the present formula for determining cost-of-living increases in retirement annuities.

It is my understanding that the President plans to convene a panel soon to undertake the studies of the Federal Government's pay systems.

How will these studies affect the problem of military pay inversion?

First, any study which delves into the comparability principle is bound to have an impact on active duty pay for the military because pay raises for the military are tied directly to pay raises for Federal civilian employees classified under the general schedule, GS.

A civilian pay raise is based on a comparison conducted by the Bureau of Labor Statistics of similar levels of work in the civilian community. Based on this comparability principle, whatever pay raise is decided on for Federal civilian employees, the same amount of raise occurs for military members.

Second, any study which delves into cost-of-living increases for retirees is bound to have an impact on both military and civilian annuitants. This is because retirement adjustments for both military and civilian annuitants are tied to the same method of calculating such adjustments. Both are directly linked to actual increased cost-of-living changes reflected by the monthly Consumer Price Index.

Since the President has already announced his intention to have studies that would have an impact on the military—both the members who are on active duty and those who are retirees, as well as the civilians—it would be untimely and unwise to take up legislation in this field at this time.

I can appreciate the desire of those supporting the Tower-Goldwater amendment to try to equalize and restore the previous balance in military pay and retirement. The proponents cite statistics to illustrate how those already on retired pay have received increases at a higher and faster rate than those still on active duty pay.

But in attempting to equalize and restore the balance, these advocates of military pay inversion overlook completely a similar situation facing the Federal civilian work force and the civilian retirees.

The high rate of inflation, particularly in the last 2 years, has generated annuity increases of two per year at record levels. From July 1973 through January 1975 alone, four increases were triggered, resulting in an increase of 27.7 percent on all annuities being paid on July 1, 1973.

On the other hand, civilian employees on the job received a total of only 10 percent in pay raises during approximately this same period. Civilian executives whose pay was frozen at the $36,000 level have been particularly hard hit. Many did not receive any increase at all.

I am informed by the Civil Service Commission that at present employees earning $36,000 and Members of Congress who had retired in 1973 and 1974 are now receiving substantially higher annuities than their counterparts who retire today would receive.

In other words, for example, if one of our colleagues had retired at the figure of $30,000, and had since received cost-of-living increases of 10 percent, he would receive another $3,000, so he would get a total of $33,000; but if he retired today, he would receive only $30,000.

This is a problem which faces everybody—our colleagues here, the civilians who are working in the executive departments, and the military employees. This is not just a problem of the military personnel.

Extreme examples of this situation are seven current annuitants who are receiving higher annuities than the gross salaries of their counterparts who continue to work. I am advised that this number will increase rapidly with each future annuity increase. In other words, the law is such that there are seven current annuitants who receive more as retirees than they would receive if they had kept on working.

The PRESIDING OFFICER. The Senator's time is expired.

Mr. FONG. I ask for 2 additional minutes.

Mr. STENNIS. I am sorry; our time is very limited.

Mr. FONG. I will take a half-minute.

Mr. STENNIS. Yes. I yield.

Mr. FONG. So it is evident that the discrepancy earlier with regard to the military is even more pronounced in the civilian community.

It does not seem right to try to attack this problem on a piecemeal basis. The problem is with both the military and the civilian pay and retirement systems. Let us not create a new injustice on one hand while attempting to correct an injustice on the other. The President has announced his plans to tackle the overall problems of pay and retirement of the entire Federal Government. He should be given the opportunity to carry out his plans.

Although I sympathize in the plight of our military personnel, I cannot support this amendment because it will do injustice to the 2,800,000 civilian employees who find themselves in the same predicament. This inequitable situation must be taken care of by one all-comprehensive enactment, not in this piecemeal fashion.

Mr. STENNIS. Mr. President, I will take half a minute. With all the responsibility we have, to all of the people—not just the military, but the civilians and all employees—I do not see how in the world we could just pick out one segment, give that segment relief and let the others die on the vine so far as this problem is concerned.

The Senator from Hawaii has made so clear. There is no budget estimate. There is no calculation of what this will do, or how many people it will affect and how many will be left out.

To a degree, the testimony that has been brought in here by our esteemed colleague is self-serving, and no one blames the people who put together this fact. There is a problem here. I agree. I wish we had the solution.

But I tell the Senator right now, we have an obligation to all these people, and I think we ought to let them travel together.

May I yield the remainder of the time, Mr. President, to the Senator from Georgia?

Mr. NUNN. Mr. President, I will not take too much time. I agree with what the Senator from Mississippi said. I have not had a chance to analyze the amendment's substance.

I am aware there is a problem in the military. I am also aware there is a problem in civil service.

As the Senator from Hawaii pointed out, this is not a problem that applies only to the military. It applies also to the civil service.

I hate to establish a precedent in the Chamber that we are going to take a complicated retirement problem as an amendment to this bill, without having any hearings, without having an opportunity to go into it in detail.

Therefore, my objection is not substantive, because I have not had a chance to make a substantive analysis of it, but I do believe that it is a situation that the administration and the Defense Department up until this time have not treated very urgently.

I think there is every reason for it to go through the normal committee process, and under that kind of process the Committee on Armed Services could coordinate its activities with the Senator from Hawaii's committee, and we would have then more of a package approach to the problem rather than a piecemeal kind of approach like this.

Therefore, I urge the Senate to reject this amendment on the grounds that it has not been fully explored. None of us have had a full explanation of what the costs are, what the ramifications are, how it is going to affect other retirement programs, and similar questions, which are very important.

Mr. HUMPHREY. Mr. President, will the Senator from Texas yield some time for me to ask a question?

Mr. TOWER. I will yield to the Senator from Minnesota for that purpose.

Mr. HUMPHREY. Mr. President, I rise for a point of information from the author of the amendment.

Yesterday I had the opportunity of visiting with the Secretary of the Army. He indicated to me that the amendment, which the Senator from Texas is proposing, is very important for the equitable treatment of those who are in the volunteer Army. Is that correct?

Mr. TOWER. That is correct.

Mr. HUMPHREY. He recognized that the procedure which is here, which the Senator is following, is not a desirable procedure, but the justice of the cause is something that ought to supersede procedure.

Is that the Senator's understanding?

Mr. TOWER. The justice of the urgency is because we stand to lose hundreds of senior officers and noncoms with combat experience if we do not get this done right away.

Mr. HUMPHREY. Is the only argument against this, namely, that it has not followed the proper procedure? Is there a feeling that the merits of the question are doubtful?

Mr. TOWER. That seems to be the argument, plus the fact that they say this is also a problem among civilian personnel. The problems may be similar, but they are not identical.

You cannot compare this. It is like comparing apples and oranges. To begin with, we have a problem. It is a easier job getting all-volunteer civil servants than all-volunteer armed services.

Besides that, even in the worst case, the civil servant would only be penalized $45 a month; whereas, in the case of the military it runs into the hundreds of dollars. So the situation is not comparable.

I point out to the Senator from Minnesota, also, that the committee of the Senator from Hawaii has jurisdiction over the civil servants. The committee can act in that field if it wants to.

But we have jurisdiction over men in uniform, and we have to determine their pay.

I think this is an injustice that needs to be rectified.

Mr. HUMPHREY. Was there any recommendation made at all to the Committee on Armed Services on this?

Mr. STENNIS. Absolutely none, relatively.

Mr. TOWER. The chairman is right. There was none made.

Mr. HUMPHREY. Why was that?

Mr. TOWER. The matter came to our attention since the time we reported the bill, and I do not particularly care for this kind of procedure either.

Were it not for the urgency of this matter, I would not offer it in this way.

Mr. HUMPHREY. Will the Senator spell out the urgency of the matter—and I know he did previously—just very quickly? I do not want to take too much of the Senator's time.

Mr. TOWER. Because the triggering effect goes into effect about September 1, that means these people have to make up their mind whether to retire now or stay in. Does the Senator see that?

Mr. HUMPHREY. Or go on. I see.

Mr. TOWER. That is why it is urgent.

I point out, also, to the Senator from Georgia that we do have cost figures. We figured in fiscal 1976 $9.4 million; fiscal 1977, $12.3 million; fiscal 1978, $13.1 million; fiscal 1979, $13.9 million; and fiscal 1980 is $14.1 million.

I think that that money will be more than made up.

If we could keep a man in the service 30 years, instead of just 20 years, that is 10 more years of experience that we do not have to go out and recruit and train someone else.

So, in the long run we will save money on this. This is a taxpayers' saving device.

Mr. NUNN. Mr. President, will the Senator answer one question?

If this is such an urgent matter, and it may very well be, why is it urgent right now when the problem has existed since 1971, and the amendment of the Senator from Texas itself was retroactive to 1971? What has the administration and the Department of Defense been doing? We have been holding hearings and had subcommittee and full committee hearings. What happened within the administration and the Department of Defense to cause this sudden urgency?

Mr. TOWER. Let me point out that it affects personnel to that period but does not mean they recover what they have already lost. It just means we prevent them from further loss after the enactment of the bill.

Mr. NUNN. It has been since 1971, is that not correct?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TOWER. Mr. President, will the Senator yield me 2 minutes?

Mr. STENNIS. Yes.

Let me inquire, Mr. President, how many minutes do I have?

The PRESIDING OFFICER. The Senator from Mississippi has 12 minutes.

Mr. STENNIS. I thank the Chair.

I will yield the Senator a minute, 1 minute.

Mr. TOWER. Mr. President, I want to point out one thing. This is what we have already lost: 31 brigade commanders, 126 battalion commanders, and 164 first sergeants.

That attrition is going to continue, I think, if we do not do something about this, and do something about it now.

Mr. NUNN. Mr. President, will the Senator answer one question?

Where has the Department of Defense and the administration been for the last 4 years on this matter?

Mr. TOWER. I think they have been slow recognizing the problem. Nobody anticipated the problem in the first place. We in Congress are responsible for the problem.

Mr. STENNIS. May I answer that question on our own time, Mr. President?

The measure came in yesterday or the day before. The Budget Bureau would

not let them send this item up here alone and leave out all these thousands and thousands of other people who are affected. So finally the whole ream came in. That has to be analyzed, weighed, sifted, and some kind of recommendation brought here.

Frankly, we do not know fully what to tell the Senators on this subject. We do not have the facts in hand. It was just pitched in here. As I understand it, when the amendment was filed, that released Secretary Calloway. He is a good one—he is tops. He was released and he wrote those letters that have been mentioned.

I am not blaming him for that. But this thing has just been hatched up here in the last 2 or 3 days, and we do not know exactly what to say.

Mr. FONG. Mr. President, will the Senator yield?

Mr. STENNIS. Yes. But I want to yield 2 minutes to the Senator from Georgia.

I will yield briefly to the Senator from Hawaii for a question. Is that what the Senator means?

Mr. FONG. Yes. I want 2 minutes.

Mr. STENNIS. We do not have 2 minutes left.

Mr. HUMPHREY. Will the Senator answer the questions?

Mr. STENNIS. I will try to answer the questions.

I want to yield the rest of the time to the Senator from Georgia to do with it what he sees fit.

Mr. NUNN. Mr. President, I yield to the Senator from Minnesota.

Mr. HUMPHREY. If the amendment is not agreed to, would the Committe on Armed Services give us a commitment before that point of no return arrives in September that the committee will be able to give us some legislation that will properly correct the situation? It is obviously an inequity. It obviously has a detrimental effect on the Volunteer Army insofar as keeping trained and experienced officer corps and noncoms are concerned.

I think that is so because there is evidence that there is something wrong here, that we have a real question as to whether we are going to let Senate procedure stand in the way of what is Senate justice.

Mr. NUNN. Mr. President, I would agree with the Senator in part, but I cannot speak for the Committee on Armed Services.

I defer to the chairman of that committee, if I have the time.

Mr. STENNIS. No one can speak now for the Committee on Armed Services about the facts in the case, but certainly we will get into the problem the very best we can. It will have to be handled simultaneously here by the Committee on Post Office and Civil Service.

Mr. FONG. The problem goes back to the fact that we refused to increase the salaries of Members of Congress, and we held to $36,000 the ceiling of all GS–18's, and GS–17's, and currently most GS–16's and some GS–15's. Those are the people who really are suffering.

Consider what a civilian employee receiving the ceiling of $36,000 annually has lost who stays in for 1 year more than he should have. Suppose he was entitled to $20,000 a year in retirement. He would be entitled to $2,000 more if the cost of living went up 10 percent. But if he retires a year after that, he has lost $2,000 minus 2 percent on $36,000 for longevity for 1 more year of work or $2,000 minus $720 which is $1,280 less. So a civilian in the $36,000 category loses approximately $1,280.

This loss is not only to military personnel but also is a loss to all employees of the Government; and the reason is that we do not have the courage to raise the salaries of Members of Congress and to raise the ceiling of those we say should stay at $36,000.

Mr. HUMPHREY. It is because we do not have the intestinal fortitude to take care of ourselves. But we should have enough to take care of the rest of the employees of the Government. I do not see any reason for penalizing other people in the Government because we are so afraid of having people say, "You are getting paid too much for working in the Senate."

Mr. STENNIS. Mr. President, I did not yield all this time.

Does the Senator from Georgia want to use the time?

Mr. NUNN. Mr. President, how much time remains?

The PRESIDING OFFICER. All time has expired.

Mr. STENNIS. Mr. President, on the bill, I yield 2 minutes to the Senator from Georgia and 2 minutes to the Senator from Texas.

Mr. NUNN. The Senator from Georgia is almost speechless, after the Senator from Minnesota has filibustered away my time. [Laughter.]

I will say, in summary, Mr. President, that this matter has not had a hearing in the committee. It affects other people in Government. It is not just a military matter. We did not know anything about it in our subcommittee. We had almost 14 days of hearings and nobody in the Defense Department brought it up; the administration did not bring it up. Even now, the administration is trying to present a bill to the Senate and the House that involves 50 pages, with respect to all the people in Government, not just the military.

I do not believe we should establish this precedent of adding to a compliicated retirement bill, on the floor of the Senate, without any hearings and without the people understanding all the ramifications.

I yield back the remainder of my time.

Mr. STENNIS. Mr. President, I yield 1 minute to the Senator from Texas.

Mr. TOWER. In conclusion, Mr. President, I simply say that this is not the same as the civilian situation. The fact is that civilian personnel retirement is based on the average of the high 3 years of income and length of service. For civilians, the impact is relatively minor, with the worst case being $45 monthly. Among the armed services, it could be $700 to $800 monthly, and that is too much.

I think it is our responsibility, at a time when we are trying to induce people to come into the armed services of the United States as volunteers, to live up to our obligations to them. They feel that they have been betrayed, and they are justified in feeling that they have been betrayed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on each rollcall vote for the remainder of the day be limited to 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. What is the pending business before the Senate?

The PRESIDING OFFICER. The pending business is amendment No. 534, proposed by the distinguished Senator from Texas.

Mr. STENNIS. The vote is up or down?

The PRESIDING OFFICER. The vote is up or down.

The question is on agreeing to the amendment of the Senator from Texas. On this question the yeas and the nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, on this vote I have a pair with the Senator from Missouri (Mr. SYMINGTON). If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Delaware (Mr. BIDEN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. MCGEE), the Senator from North Carolina (Mr. MORGAN), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. SPARKMAN), and the Senator from North Carolina (Mr. MORGAN) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from New York (Mr. BUCKLEY) are necessarily absent.

The result was announced—yeas 49, nays 39, as follows:

[Rollcall Vote No. 212 Leg.]

YEAS—49

Bartlett	Garn	Laxalt
Bayh	Goldwater	Long
Beall	Hansen	Mathias
Bellmon	Hart, Philip A.	Montoya
Bentsen	Hartke	Moss
Brock	Hatfield	Packwood
Bumpers	Hathaway	Pearson
Cannon	Helms	Pell
Case	Hollings	Percy
Curtis	Hruska	Ribicoff
Dole	Inouye	Roth
Domenici	Jackson	Schweiker
Fannin	Javits	Scott, Hugh
Ford	Johnston	Stafford
Stevens	Thurmond	Williams
Stone	Tower	
Taft	Weicker	

NAYS—39

Abourezk	Glenn	Mondale
Brooke	Gravel	Muskie
Burdick	Griffin	Nelson
Byrd, Harry F., Jr.	Hart, Gary W.	Nunn
Byrd, Robert C.	Haskell	Pastore
Chiles	Humphrey	Proxmire
Church	Kennedy	Randolph
Clark	Leahy	Scott, William L.
Cranston	Magnuson	Stennis
Culver	McClellan	Stevenson
Eagleton	McClure	Tunney
Eastland	McGovern	Young
Fong	McIntyre	
	Metcalf	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, against.

NOT VOTING—10

Allen	Huddleston	Symington
Baker	McGee	Talmadge
Biden	Morgan	
Buckley	Sparkman	

So, Mr. TOWER's amendment was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GOLDWATER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

AMENDMENT NO. 517

Mr. HUMPHREY. Mr. President, I call up my amendment No. 517 on behalf of myself and the distinguished Senator from Massachusetts (Mr. BROOKE) and the distinguished Senator from Utah (Mr. MOSS).

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

Mr. Humphrey proposes an amendment No. 517.

The amendment is as follows:

SEC. . (a) No funds authorized to be appropriated under this Act may be used to flight test a Maneuvering Reentry Vehicle (MaRV) on a ballistic missile system unless—

(1) the President has certified to the Congress in writing that (A) the Government of the Union of Soviet Socialist Republics is flight testing its own MaRV system or (B) that the Union of Soviet Socialist Republics has taken action which makes flight testing of a MaRV by the United States essential to the national security of the United States;

(2) 60 days of continuous session of the Congress have expired following the date on which certification by the President is received by the Congress; and

(3) neither House of Congress has adopted, within such 60-day period, a resolution disapproving such flight testing.

(b)(1) For purposes of this section, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of such 60-day period.

(2) For purposes of this section, "resolution" means a resolution of either House of Congress, the matter after the resolving clause of which is as follows: "That the _____ does not approve the flight testing of a Maneuvering Reentry Vehicle (MaRV) on a ballistic missile system, the need for which was certified by the President and the certification with respect to which was received by the _____ on _____.", the first and second blanks being filled with the name of the resolving House and the third blank being filled with the appropriate date.

(c) Subsections (d), (e), and (f) of this section are enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by subsection (b)(2) of this section; and they supersede other rules of the Senate only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

(d) A resolution with respect to the flight testing of a Maneuvering Reentry Vehicle (MaRV) shall be referred to the Committee on Armed Services of the Senate.

(e)(1) If the Committee on Armed Services of the Senate to which a resolution with respect to the flight testing of a Maneuvering Reentry Vehicle (MaRV) has been referred has not reported such resolution at the end of 20 calendar days after its introduction, not counting any day which is excluded under subsection (b)(1) of this section, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution introduced with respect to such flight testing which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a resolution of disapproval with respect to such flight testing.

(2) A motion to discharge under paragraph (1) of this subsection may be made only by a Senator favoring the resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution, the time to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(f)(1) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. HUMPHREY. I yield, yes. We are going to discuss time, I gather.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on this amendment be limited to 40 minutes, to be equally divided in accordance with the usual form.

Mr. STENNIS. Reserving the right to object, and I shall not object, I will agree to it with the understanding that the other Members will keep quiet so we can hear.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, I yield again to the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senators will resume their seats. Members of the staffs will withdraw to the seats assigned to them.

Mr. ROBERT C. BYRD. Mr. President, may I have the attention of the Senators.

The PRESIDING OFFICER. The Senator from West Virginia has the floor.

Mr. ROBERT C. BYRD. Time is running, Mr. President. May we have order in the Senate.

Mr. STENNIS. Mr. President, I ask unanimous consent that time not run while the Senate is in disorder. That just ought to be the rule.

Mr. ROBERT C. BYRD. The trouble is that we cannot keep that clock from running, and I would hope that the Senators would respect the Chair when the Chair seeks to get order.

Mr. HUMPHREY. The time is not running on the amendment though.

Mr. ROBERT C. BYRD. Time is not running on the amendment, but it is running against the hour of 6 o'clock.

Mr. President, here is the situation the Senate faces at this time: After the amendment by Mr. HUMPHREY is disposed of there are four amendments yet remaining to be considered. If all the time is taken on each of the five amendments it would require exactly 3 hours for debate, and out of those five amendments I understand that one amendment will be discussed and possibly withdrawn. The other four amendments would each require rollcall votes, as I understand it, in talking to the authors of the amendments.

That would mean now that we have cut the time on rollcalls to 10 minutes for each rollcall it would require 40 minutes for rollcall votes, so it would be 3 hours and 40 minutes before we would be able to complete our work on this bill; 3 hours and 40 minutes would be 7 o'clock.

What this means is that when we get up to the last amendment or so there will be probably no time for discussion of those amendments because Senators are entitled to offer their amendments even though the final hour of 6 o'clock would have arrived; they would be entitled to

offer the amendments and get a vote on them without debate.

I merely call that to the attention of the Senators so that if there is a possibility we can cut some more time—and we have been making great progress today, and the chairman and all Senators have been most cooperative in cutting time, as has the author of the amendment now pending—I would hope we could get that cooperation for the remainder of the day, else we are going to be 7 o'clock getting out, and the Senator who offers his last amendment will not have any time for debate.

Mr. HUMPHREY. May I say to the leader we are willing to do it. I would be willing to just split the time in half; in other words, just cut it back, get each of us to cut it in half.

Mr. STENNIS. Mr. President, this is a very highly important amendment. These at the bottom of the list are just at the bottom of the list. They came in that way. If we do not get to them, we are sorry.

Mr. ROBERT C. BYRD. We will get to them. The only thing, I will say to my distinguished friend, is there will not be any time for debate.

Mr. STENNIS. I understand that fully.

Mr. ROBERT C. BYRD. And the Senator at the end of the list should not be penalized because the other Senators did not cut their time.

Mr. HUMPHREY. We have agreed upon time, so let us proceed.

Mr. ROBERT C. BYRD. Very good.

Mr. HUMPHREY. Mr. President, I will yield myself 7 minutes on my time.

The PRESIDING OFFICER. The Senator is recognized for 7 minutes.

Mr. HUMPHREY. Mr. President, Senator BROOKE and I have submitted an amendment to the military authorization bill designed to enhance our national security and insure that our military strength is not eroded.

Adoption of this amendment will prevent technological momentum from saddling the American people with a weapon system that may decrease their security and burden them with enormous expense. But it will not hurt our R. & D. at all.

As importantly, adoption of this amendment will give us a chance to try to prevent the Soviets from developing, testing and deploying the same system, much to the detriment of our national security. It will give us this chance by giving us time to negotiate a mutual ban on maneuvering reentry vehicle systems, or MARV's.

We all know what MARV's are. We spent several hours on Wednesday discussing the MARV system.

Briefly, a MARV is a strategic missile warhead which can alter and correct its flight path after leaving the missile carrying it.

There are two kinds of MARV's. One simply has a capability to alter its path. The other marries the ability to maneuver with high accuracy. The high accuracy MARV could provide us with reentry vehicles with CEP's—circle of error probability—of 100 feet. These reentry vehicles could have a 99 percent or better probability of destroying ICBM's in hardened silos. This capability—to destroy one opponent's ICBM with one reentry vehicle—could lead to a first strike capability, no matter how you look at it.

Our amendment would deny the use of funds for flight testing of either the evasive MARV or high accuracy MARV unless the President first certified in writing to the Congress that the Soviet Union is flight testing its own MARV system or that the Soviet Union has taken action which makes flight testing of a MARV by the United States essential to the national security of the United States.

The amendment provides that either House of Congress may adopt within a 60-day period of continuous session a resolution disapproving such flight testing. In the absence of congressional disapproval, the President could direct flight testing of MARV on the basis of his certification of need. Any resolution of disapproval would be referred to the committee on Armed Services for a period of 20 days, after which it could be called up if the committee had not acted.

Our amendment would allow the research and development of both the evader MARV and the high-accuracy MARV—the two types now being studied—to continue. It would not weaken our R. & D. efforts.

I should note that evader MARV has been tested several times, and further flight tests are planned. My amendment would postpone those tests.

High-accuracy MARV's are still in the research and development stage. We will not be ready to flight test them for about 5 years. Our amendment would prohibit flight testing, unless the President certified that our national security interests required it.

At first glance, it may appear that we should not be worried about the evader MARV. The evader MARV is not a high accuracy counterforce system.

But it would open the way to the high accuracy MARV.

The evasive MARV involves some of the same technology as the high-accuracy MARV. A fully tested evasive MARV gives you some of the technology you need for a high-accuracy MARV.

No less an authority than the Pentagon's Deputy Director for Strategic and Space Systems Programs in D.D.R. & E. has confirmed that an evasive MARV test is virtually indistinguishable from a high-accuracy test. We, of course, would know the difference, but other people—the Soviets—watching the test would be unable to tell whether the course deviations which the MARVed missile was making were to test for evasive capability or accuracy. To the outsider, it would almost be like watching a drunk driver weave across a six-lane highway—only the driver would know whether or not a particular lane change was random or actually planned to move him from one point to another.

The evader MARV is being justified on very thin ground, so thin that the House voted to delete funds for it under the Navy Trident program.

In his posture statement this year, Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, advocated,

> The advanced development of an evading reentry vehicle (MARV) as a hedge against Soviet actions to up-grade their SAMS (surface-to-air missiles) to ABM capability.

The Soviet Union is bound by the 1972 ABM treaty not to upgrade SAM's to ABM capability. I would hope it would make no sense to us for the United States to take actions which may escalate the strategic arms race using as justification a fear of treaty violation.

Both the evader and high-accuracy MARV are designed to be deployed on the Trident II missile and the M–X missile. However, the Senate Committee on the Armed Services has deleted funding for the Trident II missile as premature. The M–X missile, which could be silo-based, air-mobile, or land-mobile, is still in the early research stages. With the missiles for which these warheads are planned so far down the road, there is no reason at all to rush ahead with the warheads.

Our proposed amendment could be critical in the search for broad, comprehensive strategic arms limitation measures.

MARV's are like MIRV's—you cannot verify R. & D., you cannot verify the extent of deployment. But you can detect and verify flight testing.

We should have learned our lesson with MIRV's. We deployed them; now the Soviets are deploying them. But we cannot verify the extent of their deployment. It is too late now to do something to stop MIRV's.

So, if we are really serious about reducing the dangers of nuclear war and keeping a "hair trigger" on nuclear war from developing, we have to stop the MARV system before it is flight tested. Once it is flight tested, there is no way to verify that it has not been deployed, unless you want to accept the verbal assurances of the other side that it has not deployed the system.

I feel certain that once either side has tested MARV, a MARV ban will no longer be possible. Once one side tests, the other side will test, and both sides probably will deploy.

I firmly believe both sides should forego MARV. The need for an evader MARV is dubious, at best. A high-accuracy MARV on either side could only be seen as a threat to the deterrent forces of the other—a threat which could spur massive new weapons programs in compensation. We, for example, might be forced to move to mobile ICBM systems, at a cost of at least $40 billion, if the Soviets had MARV. And our possession of MARV would not enhance in any way the assured destruction ability upon which our deterrence is based.

The United States is approximately 5 years away from initial testing of the high-accuracy MARV. The U.S.S.R. is believed to be 5 years behind us. Both sides are far enough away from having a high-accuracy MARV capability to make a ban on MARV a realistic goal.

By putting a lid on flight testing of MARV, my amendment would signal to the U.S.S.R. our desire to negotiate an agreement outlawing MARV.

Such agreement is possible only if the U.S.S.R. has high confidence that we have not deployed MARV. They can have that confidence only if we have not tested MARV. Like it or not, our word would not be good enough for them. They would want to be able to verify that we had not deployed MARV by their own independent means—and they could do that only if we had not tested MARV.

Similarly, I doubt that we would want to accept their word without verifying it by our own means. But we could do this with confidence only if they had not tested MARV.

Under this amendment, the United States, like the U.S.S.R., can proceed with R. & D. right up to the point of flight testing. If the U.S.S.R. suddenly tests before an agreement or in violation of an agreement, we would know it immediately. We could then proceed with our own tests at once. We would be at no disadvantage because the lag between the first test and the first deployment would be approximately 5 years for each side.

A vote for this amendment is a vote for a strong America. The amendment does not delete any funds from the military procurement bill, and will not stop our R. & D. What it will do will give the United States and the U.S.S.R. the incentive to negotiate an agreement to ban the most destabilizing system on the horizon—MARV.

This amendment states as follows, in substance: Provided that no funds may be used to flight-test a maneuvering reentry vehicle known as MARV on a ballistic missile system, unless the President certifies that the U.S.S.R. is flight-testing MARV or unless the President has taken other action making U.S. flight-testing essential to our national security.

In other words, this amendment does not affect research and development funds. That continues. This amendment merely seeks to stop the application of a highly developed technology which will expand and accelerate the arms race.

It gives the President complete control over it in the sense that if the U.S.S.R. has been flight-testing a similar weapons system or similar vehicle, that the President can certify this to Congress, and Congress can permit flight-testing.

Mr. STENNIS. Mr. President, may we have order so that the Senator can be heard.

Mr. HUMPHREY. The President can certify that fact to Congress. If Congress wishes to overrule the President, it has that power under this amendment, but I cannot imagine that that would happen. Or if the President has reason to believe that there are other actions taken by the Soviet Union making U.S. flight-testing essential to our national security he can go ahead with the flight test.

Now, this amendment relates to one aspect of the counterforce program. I repeat it does not stop the R. & D. work on counterforce capabilities. It does not delete any funds from the military procurement bill, and it will not affect our high-accuracy program. It provides that if and when the U.S.S.R. begins MARV testing, Congress would be informed and then decide what steps to take.

The reasons for this amendment are the following: The development of a MARV, or a maneuvering reentry vehicle, will move the United States toward a first-strike capability against U.S.S.R. ICMB's—at least that would be their interpretation—insuring that the U.S.S.R. would want its own MARV for ICMB's.

Now, this is the history of the race of technology. This is the history of the nuclear arms race.

Second, if the U.S.S.R. develops a MARV capability, the United States may be forced to move to a mobile ICBM system, and it will cost at least $40 billion. The U.S.S.R. knows that we have embarked on a MARV program, and we believe they are doing likewise. But neither we nor they will deploy MARV without first flight-testing it. Let us make that clear. There is already research and development on a MARV program, but we have not been able to detect any flight-testing on the part of the Soviets, and we have not flight-tested. The point needs to be made that flight-testing is the watershed of a weapons development. Once a nation flight-tests a MARV or a MIRV we have to assume that they are deploying it because there is no way to verify deployment.

Now, this is exactly what happened in the instance of MIRV. Had we listened to the Senator from Massachusetts in 1971 we might not have been in this situation relating to the multiple independently targeted reentry vehicle known as MIRV.

Third, once a weapon is in flight-test stage it is nearly impossible to make nondeployment a subject of arms control limitation. If both the Russians and United States went through flight-testing it would be impossible to verify Russian deployment, and we would automatically be forced to deploy.

Now, Mr. President, just to summarize, the United States is approximately 5 years away from initial testing of MARV. The U.S.S.R. is believed to be 5 years behind us. Adoption of this amendment will signal to the U.S.S.R. our desire to negotiate agreements outlawing MARV. Such an agreement is possible only if the Soviet Union has high confidence that we have not deployed MARV, and I repeat, deployment comes after flight-testing, and the brake point, or the place that you put on the brakes if you wish to stop the deployment of a weapons system, is at the flight-testing stage. They can have that confidence only if we have not tested.

Under this amendment, finally, the United States, like the Soviet Union, can proceed with research and development right up to the point of the readiness to test. If the U.S.S.R. suddenly tests before any agreement or in violation of any existing agreement, we will know it immediately, and we can proceed with our own tests at once, and be at no disadvantage in a deployment program that would take each side at least 5 years.

That is the analysis of my amendment.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MOSS. Three minutes.

Mr. HUMPHREY. Two minutes to the Senator from Utah.

Mr. MOSS. Mr. President, I am pleased to consponsor the amendment introduced by Senator HUMPHREY and Senator BROOKE. In the earlier debate on the counterforce amendment I expressed my concern over the potentially destabilizing impact of our testing the MARV missile system.

I opposed that counterforce amendment because I felt it was too sweeping, that it would be folly to avoid research and development in this area.

However, this amendment which I am cosponsoring recognizes the need for us to do research and development on MARV. It would permit all the component testing and other experimentation we need except the last step of launching it on an ICBM.

Thus, the amendment will not force us to stop research.

I think this amendment is a necessary and fitting companion to the counterforce program which the Senate has endorsed. It tells the Soviets that we are pursuing counterforce technology as a hedge against any threatening strategic initiatives the Soviets may be considering. But we assure them that although we will have the capability we prefer not to deploy this system. It is a signal to them that we have no desire to escalate the arms race. In fact, this amendment lays the groundwork for a SALT agreement on MARV.

And yet there are safeguards in this bill. Should the President feel it necesary to test MARV in response to a threatening Soviet action, the amendment would facilitate congressional approval. The terms of this amendment explicitly place the legislative burden of persuasion on those who disagree with the President on the need for MARV testing.

Mr. President, if we were to test a precision guided MARV on an ICBM, the Russians would have no guarantee that we were not deploying it. We have used the same line of reasoning on the Soviets when they tested MIRV on their SS–18 missile.

The Soviets would surely be inclined to respond to our tests of MARV with an abrupt escalation of the arms race.

I think that the decision to go ahead and risk that escalation of tension between the superpowers should rest with the President and the Congress. It should not be decided for us by a single missile experiment on some distant test range. I urge my colleagues to support this amendment.

As the Senate will recall, when the amendment was introduced earlier in the original form I spoke against the amendment because I thought we ought to reserve the R. & D. option, and withhold on the deployment option. That is exactly what this amendment which differs

from the other version, accomplishes. And, as the Senator from Minnesota has explained, it means that we can go ahead on our R. & D. on this.

Mr. STENNIS. Mr. President, will the Senator yield on my time for just a very brief question?

Mr. MOSS. Yes.

Mr. STENNIS. I believe the amendment relates to testing, which comes before deployment.

Mr. HUMPHREY. Flight testing, but not R. & D. up to that point.

Mr. STENNIS. I thought the Senator said it applied only to deployment.

Mr. MOSS. It permits the research and development to go forward, but restrains any testing or deployment.

Mr. STENNIS. Testing?

Mr. MOSS. Yes, on an ICBM vehicle, and in that event, as amendment indicates, there is a trigger arrangement that if the Russians test MARV or take other threatening actions, we have the option to test in on an ICBM.

Mr. JACKSON. Will the Senator yield?

Mr. STENNIS. On my time, yes.

Mr. JACKSON. For that purpose.

I know what the distinguished Senator from Minnesota has in mind, and I am sympathetic with every move, as the Senator knows, to try to find some way to deescalate. But might I just observe, I would support the amendment if it prohibited deployment. But we have two areas of R. & D., not just one. We have research and development and then we have testing and evaluation.

But when we get into this kind of R. & D., there are two other letters that follow it, it becomes R.D.T. & E. Research, development, test and evaluation.

Therein lies the heart of this problem.

The point, if I may state it as simply as I can, is that in order to do the research and development, Mr. President, you have to test what you have accomplished to that point. That is, test and then evaluate it. That is why it is called R.D.T. & E.

Let me just further state that when we do the test and evaluation which would be prohibited here, we find out certain things that are right or wrong and then go back to where? To R. & D. We go back and do the research, do further development, then we test it again.

We voted previously on this whole question of science and technology. If we are going to maintain a posture in this area, it seems to me that we cannot tie our hands as long as we stay in that category.

We are not talking about deployment. We are only talking about a sound R. & D. program and we cannot have sound R. & D. when we are dealing with a system like MARV, unless we permit test and evaluation.

Mr. HUMPHREY. Will the Senator yield?

Mr. JACKSON. Yes.

Mr. HUMPHREY. May I just respond——

Mr. JACKSON. And I could support the amendment if it prohibited deployment.

Mr. HUMPHREY. I know the Senator indicated that to me and I want to say I generally agree with the Senator in this whole program of R. & D. and I think it is necessary. The only difference here is that the only way one can be sure that there is not deployment is to be able to check it at the checkpoint of test flight, because once it is tested and we know there is flight testing, there is no way we can verify deployment.

Under certain weapons systems, it may be entirely different. In this instance, I think there is a significant difference that we should take account of.

I realize what the Senator said about the efficacy of the weapons system. It does require test, true. But once tested, in this instance the automatic assumption is, as we found out in MIRV, that there is deployment.

Once we have done it, the genie is out of the bottle and we are off to the races.

The PRESIDING OFFICER. The 7 minutes of the Senator from Minnesota have expired.

Mr. JACKSON. I ask for an additional minute.

Mr. STENNIS. I yield 1 minute.

Mr. JACKSON. May I point out, the Navy Evader program, we are now in a situation where the program would be cut out and we have spend 65 percent of the total of $184 million. We are testing it and that would be stopped. I just do not think that is the prudent course to follow.

Lord knows, we want a program in which we can have some restraint here. But this is American technology and if we are going to turn around and tie our hands, there is no use having any research and development unless we can do the follow-on test and evaluation.

It is one and two. I mean, let us cut out the whole program, that is what we are really doing, because it is imprudent and unwise, Mr. President, to turn around and only do the research, but not test what we are researching.

We have no agreement with the Soviets. These unilateral moves on our part have never paid off. We have tried one unilateral move after another with the Soviets.

I remember I cited an example the other day about the hydrogen bomb.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JACKSON. One more minute.

Mr. STENNIS. I yield 1 minute.

The PRESIDING OFFICER. The Senator is recognized for 1 minute.

Mr. JACKSON. I listened to the arguments in 1949 when I was in the House in the joint committee that if we did not go ahead with the hydrogen bomb, the Russians would not do it.

We learned, Mr. President, later that the Russians had started before we did because they got a fellow by the name of Klaus Fuchs out in Los Alamos that became the master spy of World War II.

What they had done is that they had started way before we did.

We only won that race of discovery by 6 months. But the argument then—that is 25 years ago—was if we did not do it, then they would not do it.

Let us not go down that road.

I remember when President Johnson told Mr. Khrushchev we were closing down plutonium plants—this is 1965–66—and Mr. Khrushchev sent word they would do the same. They not only did not close down their plants, they built more plants.

Mr. JOHNSON. Will the Senator yield for a question?

Mr. JACKSON. If we have an R. & D. program, we have to have test and evaluation.

Mr. JOHNSTON. Will the Senator yield?

Mr. JACKSON. Yes.

Mr. JOHNSTON. On the sheet which has been passed around in support of the amendment, and this question would really be directed not only to the Senator from Washington but to the Senator from Minnesota as well, it is stated that the United States is approximately 5 years away from initial testing of MARV.

Mr. JACKSON. The Navy program, Evader, is already underway. That would be stopped.

Mr. HUMPHREY. Accuracy.

Mr. JACKSON. Well, that is what MARV is all about.

The PRESIDING OFFICER. The Senator's 3d additional minute has expired.

Mr. JACKSON. One more minute.

Mr. STENNIS. I yield 1 minute.

Mr. JACKSON. The point is that the Evader program, out of the $184 million, $120 million or 65 percent of the $184 million——

Mr. JOHNSTON. Is it incorrect to say that the United States is approximately 5 years away from initial testing?

Mr. JACKSON. Yes, it is. The Navy is testing MARV right now with the Evader program, and that will be stopped.

Mr. JOHNSTON. The logical question is, if we are 5 years away, why must we rush in with the decision now at this time?

Mr. JACKSON. No, we are not. We are already testing the Navy MARV program.

The PRESIDING OFFICER. The Senator's minute has expired.

Mr. HUMPHREY. Mr. President, how much time do we have? I used 7 minutes.

The PRESIDENT OFFICER. The Senator from Minnesota has 13 minutes remaining.

Mr. HUMPHREY. Mr. President, just 1 minute, if the Senator from Utah will permit me, to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, let it be clear and let us not cloud the issues, we are talking about two programs. The MARV Evader of the Navy is presently ready to go into flight testing. But the ominous, real silo killer, which is MARV Terminal Guidance, is 5 years away from flight testing.

Mr. JACKSON. Will the Senator yield? But the amendment says MARV.

Mr. McINTYRE. They are both MARV.

Mr. HUMPHREY. On my time, Mr. President, it says in the testimony before the R. & D. Subcommittee, it was said then that it was not essential, the Navy said it is not essential to development to test now.

What we are trying to do here is stop

raising the threshold of this arms race with an entirely new weapons system which will send us down this road to greater expenditure and greater danger.

Mr. JACKSON. Now I yield to the Senator.

Mr. MOSS. I think I have 1 minute left.

Mr. HUMPHREY. Go ahead, the Senator has 2.

Mr. MOSS. I want to stress the fact we are pointing against this new precision guided MARV, one that is considered to be the silo killer, and it is true that that is 3 to 5 years away from any testing on an ICBM.

I think we ought to be sure that we do not give a signal to the Russians that we have moved on to a new stage in the arms race, and I think we can do that by continuing to do the R. & D., and considering at the appropriate time, maybe three years hence, whether or not it is necessary for us to go ahead with testing a precision guided MARV on an ICBM. Meantime, as the Senator from Minnesota pointed out, the President can alert us to any intelligence that the Russians have moved into the matter of testing, and then we might want to accelerate it.

But I think, as far as the SALT talks are concerned, we must be careful not to be in a position of accelerating the arms race. Rather we should be in a position where the Russians can see we are giving them the signal that we hope to find a level where we can mutually agree to hold down MARV development.

Mr. HUMPHREY. Mr. President, I thank the Senator from Utah for his support in this very vital area.

I yield 5 minutes to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I am a cosponsor of this amendment. I shall not take much time in discussing it. I think most Senators know my views on the so-called counterforce issue.

In analyzing the MARV question, I feel like I have returned to a path walked before. Several years ago I vehemently argued for an immediate moratorium on testing of the multiple independently targeted reentry vehicle—MIRV. I did so believing that once that particular genie was out of the bottle, it would create obstacles to achievement of a meaningful halt to the strategic arms race that might prove insurmountable. The intractability of the MIRV problem in the SALT negotiations, not withstanding the 1,320 missile Vladivostok ceiling on MIRV, indicates to me that my fears were justified.

And now we could compound our error on MIRV by developing a maneuverable armed reentry vehicle—MARV—that when fully tested cannot help but give added impetus to the strategic arms race. The Soviets will certainly follow us down this path. And MARV, like MIRV, will likely prove an intractable problem for arms control once any testing of it has taken place.

The particularly undesirable feature of terminally guided MARV is that it can be perfected to provide pinpoint accuracy and thus bring us within reach of attaining a warhead to silo-kill ratio approaching 1 to 1 depending on the size of the warhead and the nature of the silo attacked. No one can deny that such a ratio would truly give either of the superpowers if they possess it, an effective and lethal counter-silo capability.

Development and testing of MARV and the likely eventual deployment of that system will not provide any additional security. Such will not be found in a posture where the "survivability" of a major portion of an opponent's deterrent is threatened. In such a condition the side threatened will be pressured to move toward a "launch on warning" triggering posture under crisis conditions. The least desirable situation will be where both possess highly accurate maneuverable reentry vehicles that can credibly threaten a major portion of the respective land-based deterrent forces. If such a condition is brought into existence, as I fear it will be, we will have tragically increased the possibility that the deterrent relationship will break down under crisis conditions.

Mr. President, I fully recognize that the Congress, by its actions on this bill, has decided that the R. & D. on MARV and the other counterforce programs should proceed. To further contest that issue at this time would be futile. But I do hope that even those who opposed the McIntyre-Brooke amendment can support the pending amendment. The distinguished Senators from Minnesota and Utah and myself are not seeking to deny R. & D. funding for MARV. We are simply asking the Senate to put into this bill a commitment that many who support the counterforce R. & D. have evidenced support for during the debate; namely, that this R. & D. does not signal an intent to test or deploy MARV. Before either of those decisions are made, the Congress should insist on its right to give its constructive consent or dissent. I hope we can all agree that such should be the case and support the Humphrey-Brooke amendment.

Mr. President, the distinguished Senator from Washington, in his response to questions, stated that once you do the R. & D. you must also do the testing. And the logical extension of his argument is that R. & D. plus testing and evaluation creates a justification for deployment.

We heard the same arguments from the same Senator when we were discussing MIRV. Nothing has changed. He says "first give us R. & D." That was his argument the other day on the McIntyre-Brooke amendment. "We do not want anything else, just give us the R. & D."

Now we hear the argument, "Give us the flight testing." And once you have the flight testing, the next logical request will be for deployment.

This is the pattern of reasoning I believe will characterize Soviet thinking if we permit flight testing under present conditions. When they see our R. & D. followed by flight testing, then they will know we have the capability, and once we have the capability, they will likely respond in kind, as they did on MIRV.

The MIRV problem has befuddled our attempts to solve it in SALT, and MARV will do the same if flight tested. Therefore, we should at least have DOD come back to Congress after MARV R. & D. has progressed and ask Congress to permit or deny it the permission to move forward on flight testing. We ought to reserve that decision for the Congress, and I hope, by acceptance of this amendment, we will do that. I, therefore, strongly urge the support of this amendment, even by those who did not go along with the McIntyre-Brooke amendment, which would have stopped the "counterforce" R. & D.

I think we should have stopped the R. & D., but now that you have gone that far, we should at least prohibit any flight testing, so we will not have to take that next step toward acceleration of the nuclear arms race or, potentially, a nuclear war, and certainly the undercutting of SALT, by pushing this very dangerous technology further with flight testing.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from Ohio. Frankly, I think we ought to abbreviate this thing and vote.

Mr. TAFT. Mr. President, I just want to talk about the point that I think the Senator from Louisiana made, the point being that the MARV he is talking about cannot be tested for 5 years anyway. That is the hard silo killing type of MARV he is talking about.

The only one we would be affecting by passing this amendment is the Navy type of MARV, which is not designed for hard target kill at all. All the Navy type would do would be decrease the Soviet temptation to abrogate the ABM treaty and go ahead with developing an ABM, because this will get through an ABM.

So I think we are really arguing for strategic deterrence in arguing to go ahead and develop the Evader type of MARV that the Navy is involved in. That is what the Senate ought to understand as the real import of this amendment. We made the other decision when we had the closed door session the other day and decided to go ahead with the R. & D. Flight testing is something we can get to a decision on when we know an awful lot more than we know now, 4 or 5 years hence.

Mr. STENNIS. I yield 2 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to the pending amendment and would like to discuss MARV and its implications in the context of United States/USSR force posture and the impact of a MARV test ban.

It has been argued that the—precision guided—MARV provides for a 25-fold improvement in accuracy over today's Soviet CEP's. The comparison is misleading for two reasons: First, comparisons of an estimated current capability with a highly speculative future capability are uneven in the extreme. In the time frame of potential PG MARV availability, the improvement may be no better than 5 or 10 fold; second the comparison does not consider the basic United States/USSR throwweight assymmetry nor does it consider payload losses due to increased sensor and maneuvering ele-

ments. In some instances these trades could be unprofitable.

Some have asserted that a PG MARV system is of little importance in attack against urban or industrial targets but of extreme importance in the context of a first strike against an ICBM hard silo complex. On the contrary, PG MARV is of importance for high confidence, precise application for forces in flexible nuclear options—against all classes of targets—and a first strike against an ICBM hard silo complex has no meaning in the total force context. Since bombers, SLBM's and even ICBM's would be expected to survive such an attack, first strike is an inappropriate and misleading description.

By extrapolation, accepting circular error probability on the order of 100 feet, it has been argued that even small SLBM warheads would be capable of better than a 99 percent probability of killing an ICBM silo and thus nearly all our ICBM's would be destroyed. It should be noted that a 99 percent plus probability of killing an ICBM silo implies a reliability of 1.0, which is unattainable. Second, the development of mobile basing modes would minimize the impact of a PG MARV deployment by providing multiple aim points. The result would be an increase in the absolute number of surviving missiles over a case where mobility was denied.

Comparative costs have been used to imply that a PG MARV test ban would save $30 billion between now and the year 2000 by permitting retention of the existing silo system and avoiding mobile basing. It is stated that the currently deployed forces could be maintained for an annual dollar value—adjusted for inflation—equivalent to that experienced today. It is highly unlikely, however, that current equivalent levels of operations and maintenance expenditure would maintain the Minuteman system at its present level of capability. Age alone would tend to increase frequency of component and ultimately entire missile replacement. Given that missile replacement would ultimately be required, the differential cost for mobility would be on the order of 5 to 15 billion dollars, not 30 over the next 25 years. A further cost consideration relates to the MARV Evader development for Trident. A principal goal in this program is to provide assurance that the Trident One would not have to be reengineered in the event of a future requirement to deploy the Evader on Trident. A MARV test ban might prohibit achieving this goal.

It is proposed that we continue R. & D. on PG MARV up to the point of testing. There is inconsistency in this approach since, without testing, confidence in the capability of a PG MARV must include a substantial risk factor. Further assertions are made relative to our ability to discern Soviet MARV testing and respond with testing of our own within a short period of time. It is not at all clear that we can detect such testing and it is not reasonable to expect that a full scale test program of our own could be implemented within a short period of time. By extension, a similar argument is offered for a ban on testing the Evader MARV. In this instance the same arguments apply but in the area of detection of ABM testing, with additional force.

A final argument deals with the degree to which the Triad would be vulnerable to MARV or non-MARV Soviet forces. It is implied that SLBM's with MARV's would be able to strike simultaneously at bomber bases and ICBM's, destroying them, leaving only SLBM's. It is not clear that MARV would be of more value in attacking bomber bases than current SLBM RV's, and given a mobile ICBM option it is equally unclear that substantial loss would necessarily be incurred in ICBM forces.

In summary, a MARV test ban would not necessarily improve force survival, would limit operational flexibility and would add unnecessary risk to any developmental effort. The technology associated with high confidence counters to potential Soviet actions or for operational requirements must be in hand. Testing is a central part of this technology.

I urge defeat of this amendment in order that testing will not be prevented in this important weapons development.

Mr. President, we have already been through this argument. The Senate has already voted. When we voted on the counterforce measure, there was a similar situation here.

It is simply a situation of whether you are going to test your weapons to see that they are accurate.

That is all you are going to do here which is to do flight testing to see that it is accurate. There is no use to produce weapons unless they are.

Some people say, "Well, if you make them accurate, you do your flight testing, then that is provocative."

That is not provocative. If the enemy hears about this, if the Soviets hear about this, and if they know we have done flight testing, that would be a deterrent, because they will know then that we are ready to go, and, therefore, they will hesitate before they strike us.

To me, it is very clear that we should not hesitate now of all times, and if we cannot trust the Commander in Chief with a thing like this—he is the Commander in Chief, the President of the United States—why does the Congress have to act on these things? The Congress is a deliberative body. We take days and weeks to do things the Executive could do in just a few minutes maybe.

I hope this amendment will be defeated.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. Mr. President, I yield myself 2 minutes.

To be frank about this, the other day we considered the big question: Are we going to include those five warhead improvement items in the bill, the so-called accuracy issue?

We debated it back and forth. The Senate took a vote, and by a sizable margin put the items in the bill.

This amendment comes along and they say: "Wait a minute. We approved it, gave a go-ahead signal, but we want to tie the President's hands." Until when? Until he can find out and certify that the Soviets are already flight-testing.

How much time will it take him to find out and be able to be certain enough to certify? Then he has to bring it to Congress. Then we pass on whether or not he could start.

What has happened to any advantage we may have had in the meantime? What has happened to all of our leading technology, and all the things that go with it?

Of course, the reasonable interpretation, I submit, of what we did the other day was to give the green light—go, go—to these programs.

If the Senate wants to take the money out, that is another thing. But this is just nibbling, nibbling, and restricting, giving a signal in advance, in advance, that we have not made up our mind—we do not trust whoever is President. We are going to drag this thing back.

Let us say no, no, no to this amendment.

Mr. HUMPHREY. Mr President, will the Senator yield?

Mr. STENNIS. My time is up, I will yield.

Mr. HUMPHREY The Senator has more time, I believe, left.

Mr. STENNIS. Yes. I will yield.

Mr. HUMPHREY. I know that the Senator is such a man of integrity and honor that he wants the record to be proper.

The Defense Intelligence Agency tells us that they can detect a flight test immediately, immediately, Mr. President. and if that is the case, the President of the United States can certify it immediately, or the President can come here and say he wants to go with the flight test.

Mr. STENNIS. I hope they are correct. We all hope so. They may be correct.

Mr. HUMPHREY. They are correct.

Mr. STENNIS. If we shackle him, I say with all respect, it just is negative and amounts to a bunch of nothing at this point when we have already approved these programs.

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 5 minutes remaining.

The Senator from Mississippi has 7 minutes remaining.

Mr. McINTYRE. Mr. President, will the Senator yield me 4 minutes?

Mr. HUMPHREY. I yield the Senator 4 minutes.

Mr. McINTYRE. Mr. President, on the 4 minutes yielded to me, I say to those Members still here in the Chamber, by way of explanation, that when we talk about MARV, the term means MA for maneuverable and RV for reentry vehicle.

We are talking about two programs here. One is called Navy Evader; the second one, the one that I am so concerned with, the one that has counterforce proportions, is the MARV precision guidance terminal homing warhead. This

is the one that will give us accuracy beyond description, pinpoint accuracy.

Those are the two programs.

The R. & D. Subcommittee supports the Navy Evader program.

Let me demonstrate what the Evader program is.

The missile takes off and before it lands it has a preprogramed last change of direction. As it enters in to hit the target it probably changes 1 to 2 degrees right or left, or something of that order, in order to avoid the ballistic defense missile coming after it.

Let us take a look at the other program. This is the one I am worried about. This is the one that takes off and, through highly developed technology that we will put into it, as it approaches the target. by using various readings will be able to change its direction so that it comes in right on the target. That is what we call a silo buster. That is the silo killer.

The difficulty occurs on the testing of these two different programs because the Soviet Union would be unable to tell which technology is being tested. They will be unable to tell which one of these MARV's is being tested. They will not know whether that last correction they observed was the result of a preprogramed evader, or whether it was a precision guide accuracy homing in on a target.

So, I am willing in order to get rid of that silo killer, to delay the testing of the MARV Evader because while it is a good program, Mr. President, with our MIRV's and other ability to enter into the ABM field we do not need it.

Under the amendment, the testing, the research, the design, the computer work would all be done, and the President is given the right, if he thinks necessary, to say go ahead and flight test, but only following certain certifications to Congress.

I stress again, Mr. President, the point is the Soviet Union cannot tell whether we are testing the silo killer, which, as I have said, is a destabilizing counterforce weapon, or the Evader, which is only used to confuse their ABM.

Mr. HUMPHREY. They cannot tell the difference.

Mr. McINTYRE. They cannot tell the difference, no.

Both we and the Soviets can tell whether either has tested MARV, maneuvered re-entry vehicle; both the Soviets and we would find it extremely difficult to verify through independent national means whether a MARV flight test is a MARV evader, that is the simple one, the good one, or whether it is a terminally guided MARV—that is the blockbuster.

Their surveillance of our flight testing would detect the curve at the end of the flight path but since they would not know where we aimed the warhead they would not be able to determine for certain whether it is terminally guided or not.

This amendment recognizes with great precision that there are certain technological points of no return which once passed have the most far-reaching consequences for the survival of the planet Earth.

Technological thresholds are often obscure. It is difficult for laymen like ourselves to be able to distinguish those critical thresholds from the vast variety of military R. & D. activity that our Nation properly conducts.

The most vivid example in recent memory of such a critical threshold was our flight testing of MIRVS. The distinguished Senator from Massachusetts, Senator BROOKE, tried to warn this Chamber a few years ago about the vast implications of crossing that point of no return. He understood then, as he does now, about MARV's, that once a technology is flight-tested by one side, the other must consider that that technology will be deployed.

Any secure agreement must be based on independent national surveillance. This Senator would never support a SALT agreement that is based on sweetness and light or trust. Neither would the Soviets.

Both we and the Soviets can tell, through independent technical surveillance, whether either had flight-tested MIRV's and MARV's, but both sides would have to assume that once that critical flight-testing threshold has passed, that the other side might deploy that capability because the deployment itself cannot be independently and confidently verified.

The hub of our problems at SALT currently is trying to bring MIRV's under some secure agreement. At times we despair that we will be able to do this.

And if we have a more dangerous more unstable world as a result, it will be because we failed to recognize the critical flight-testing point of no return of MIRV technology some years ago.

So these distinctions are of the essence. The distinguished Senator from Minnesota, experienced in the highest councils of this Republic, and the distinguished Senator from Massachusetts, learned as he is from his years of experience in these matters, including his service on the Senate's Military R. & D. Subcommittee, have drawn such a line so precisely, so reasonably, and yet so critically, that I urge my colleagues to support them.

The MARV is, of course, a maneuverable reentry vehicle. Currently, a warhead travels like a bullet, in a regular predictable unchanging path or trajectory. The MARV would enable the warhead to change its flight path and maneuver in flight.

We are currently developing two applications of this maneuverability.

First, there is a Navy program called the MARV Evader. In this case, Navy would simply put a preprogramed curve at the end of the flight of their sea-launched warheads. The purpose of this would be to evade any Soviet ABM interceptor in the atmophere. My R. & D. Subcommittee has supported this program in the past and endorsed it in this year's bill because it would insure the penetration of our SLBM force against any Soviet atmosphere ABM defenses. I believe that the program gives us useful military and diplomatic leverage in motivating the Soviets to adhere to the ABM treaty. This program would show the Soviets that we would deny them any advantage that they might try to acquire even if they concentrated enormous R. & D. resources and invested billions of deployment dollars in an ABM system made up of upgraded SAM technology.

The second application of MARV technology is the precision guided MARV which was one of the five programs I opposed in my amendment Wednesday. In this case a warhead would be able to home-in on a target through terminal guidance and correct any guidance error by in-flight maneuvering. In other words the precision guided MARV is the marriage of two technologies, maneuverability and terminal guidance, whereas MARV Evader is simply maneuverability.

The policy implications for each are different.

The precision guided MARV, given its pinpoint accuracy, is the ultimate nuclear warfighting counterforce weapon. And as I argued last Wednesday the consequences of our moving to the policy of nuclear warfighting from a policy of deterrence are dangerous in the extreme.

MARV Evader, however, actually loses accuracy as it maneuvers to avoid an ABM interceptor in the atmosphere and it therefore is not a counterforce weapon. It is instead a perfect example of a weapons system designed to insure survivability.

The MARV Evader is currently being tested and this bill authorizes further testing in fiscal year 1976. But it will be at least three or four years, perhaps longer, before the precision guided MARV would be flight-tested.

Why is it then, the opponents of this amendment might say, that we don't go ahead and flight-test the MARV Evader which we want and which is stabilizing and wait for future developments to see if we should inhibit flight-testing of the destablizing terminally guided MARV.

I wish the choice were that neat and clean. But it is not.

Let me explain, therefore, why this supporter of the MARV Evader program is willing to inhibit flight-testing of that technology in order to get at the more important consideration of inhibiting the arms race.

The heart of the matter is this: Both we and the Soviets can tell whether either has tested a MARV. But both the Soviets and we would find it extremely difficult to verify through independent national means whether a MARV flight test is a MARV Evader or whether it is a terminally guided MARV. Their surveillance of our flight-testing would detect the curve at the end of the flight path, but since they would not know where we had aimed the warhead, they would not be able to determine for certain whether it was terminally guided or not.

So, in examining this amendment I have been faced with a choice. Is the need for flight-testing the MARV Evader now so compelling that it overrides the grave risks that we incur by passing across the critical threshhold beyond which the Soviets cannot tell whether we have the terminally guided MARV ca-

pability or not? I have concluded that it is not and therefore support the amendment.

This amendment would not stop the MARV Evader program. This amendment would leave intact the full funding requested by Navy for the MARV Evader. The MARV Evader program would, therefore, continue and our development effort would stop only short of flight testing. If at any later time the President would certify there was a compelling national need for reinstituting MARV flight testing, he could do so and the MARV Evader could be available with little delay.

The MARV Evader program itself though meritorious, is not of preeminent importance. It is designed to defeat ABM interceptors in the atmosphere. And yet, testimony before my Subcommittee clearly indicated that the overwhelming preponderance of Soviet ABM activity is in exoatmospheric interception, a problem which the Evader would not meet. The Senate should be aware that the House Armed Services Committee, a committee which has not been overzealous over the years in its trimming of the defense budget, has denied the Navy request for MARV Evader funds this year for these reasons.

I also have a high confidence in our current and future ability, even without the Evader, to defeat any projected Soviet ABM defense. Our thousands of MIRV's were designed specifically for that purpose and we could easily multiply their number on our ICBM's by deploying the Pave Pepper program which would help us further saturate a Soviet ABM defense.

So let me sum up. This Senator supports the Navy MARV Evader program. I feel we should continue it. I feel we should authorize the full funding of the Navy request. I only want in this case to stop flight testing. It is a small price to pay for establishing the critical threshold that will keep us from another round of the arms race.

The PRESIDING OFFICER. The Senator's 4 minutes has expired.

Mr. BROOKE. Mr. President, will the Senator yield a minute?

The PRESIDING OFFICER. The Senator from Minnesota has 1 minute remaining.

Mr. BROOKE. I would like to clear up this one question.

The PRESIDING OFFICER. Who yields time?

Mr. BROOKE. I want to clear up this one question that was raised by the distinguished chairman of the Committee on Armed Services.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. I would like to yield for 1 minute, but I have saved a minute to yield to the Senator from California.

Mr. BROOKE. All right.

Maybe the distinguished Senator from Mississippi will yield me 1 minute.

Mr. STENNIS. That time is already taken up. I am sorry. I will say to the Senator that he is too late in asking.

I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, during this week I have heard rather unusual arguments, but I never thought I would hear a U.S. Senate arguing whether a missile should be accurate or not, or suggesting that it is too accurate.

Nothing is too accurate, Mr. President. Perfection is when you can hit the bull's eye every time.

We do not know if we can do this with MIRV. We do not even know if we can do it with MARV when it is finished.

To use the argument that it might provoke the Soviets into copying us—we cannot bet on the floor—but if we could I would give good odds that they are already in this program.

There is nothing impossible about it. There is nothing that our scientists have dreamed up that every other scientist in the world cannot dream up in this.

This type of guidance system is nothing new. There is nothing unique about it.

We have to perfect it, and then we have to test it, and if we are not going to test it, then I say let us not even go ahead with research and development.

Mr. President, it must truly be incomprehensible to the other superpower of the world to observe the Senate of the United States debating how Congress can eliminate the technological advantage—and that is what we have been trying to do all week—this country possesses vis-a-vis the Soviet Union.

This amendment, if enacted, would stop the United States in its flight testing of MARV until the President certifies that the Soviet Union has flight-tested a MARV or the Soviets have taken some other action that requires us to test MARV.

Is this really what we desire?

I thought we put counterforce at rest. I thought it became the determination of the Senate that we have counterforce; that we are not going to knuckle down because of some crazy idea that we are going to reach détente by being real nice people in this country relative to the Soviet Union.

Frankly speaking, this amendment would accomplish nothing to the advantage of the United States. Our research efforts already are more limited than those of the other superpower which is currently testing and deploying a series of new, bigger, and better missiles while we stand here. This week, the Soviet Union test fired its new SS–18 intercontinental ballistic missile with multiple warheads into the Pacific.

The Washington Post reported this firing just yesterday. With the indulgence of the Members, I wish to read this short Washington Post story into the RECORD:

SOVIETS TEST HUGE MISSILE IN THE PACIFIC

The Soviet Union has test-fired a huge SS–16 missile with multiple warheads into the Pacific for the first time in more than a year, the Pentagon disclosed yesterday.

It said the SS–18 was fired from central Russia and landed about 600 miles north of Midway Island Tuesday evening.

The announcement said the test involved a multiple warhead version of the biggest Soviet ICBM, but did not say how many dummy warheads were involved.

The SS–18 dwarfs the U.S. Minuteman intercontinental ballistic missile. It has been tested inside the Soviet Union with as many as eight warheads, each of which is designed to be aimed at a separate target.

Military sources said intelligence readouts indicated that several dummy warheads were ejected.

The Soviets still trail the United States in multiple warhead, or MIRV, technology, although they have nearly closed the gap, according to U.S. assessments.

Mr. President, what advantage is there to the United States to withhold flight-testing and give up another part of our decreasing technological advantage? It is only our lead in technology and our ability to apply this lead that enables us to negotiate in terms of equivalence.

Mr. President, I hope that this amendment is soundly defeated. I am getting a little sick of having the world look at this body and say, "Why, they're trying to destroy technology in the United States. They're trying to develop weapons that won't hit the target."

It is like building a bomber that will not fly. I think it is rather ridiculous, this argument that we are in.

Mr. President, I urge my colleagues to vote against this amendment. It does not make any sense at all, and I strongly resist it.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Minnesota has 1 minute.

Mr. HUMPHREY. I yield whatever time remains to the Senator from California. I believe he has time on the bill.

Mr. CRANSTON. Mr. President, the difference between this proposal and the McIntyre-Brooke amendment that was defeated yesterday is significant. No money is taken out of the bill by this amendment. All the R. & D. is left in.

It is not a unilateral sacrifice. If the U.S.S.R. tests, we know it at once; we know instantly. We can be poised to test; we can proceed to test; we can proceed to deploy if they test. That would be a 4 or 5 year race and we would be right with them.

Prohibiting deployment, as has been suggested, would be absolutely meaningless. Once we test, the Soviets will assume that we are deploying, regardless of what we say about whether or not we are deploying, and they will have no way of knowing. You can know about testing; you cannot know about deploying. So they will deploy and test. Tests by the United States or by the U.S.S.R. is the point of no return. Once that has happened, both sides must proceed, both sides must deploy—at great cost in security and dollars.

Mr. President, I yield myself 1 minute from the time on the bill that Senator KENNEDY has to yield.

Every technological breakthrough can be matched by the other side, and they generally do. Each side spends more as the other side spends more, at greater financial burden to their people and to their economies, and it buys less and less security.

The Senator from Massachusetts tried to outlaw testing of MIRV's 6 years ago. We lost that battle by a narrow margin. Now both sides have MIRV's, because both sides proceeded.

Secretary Kissinger said, "I wish I had never heard of MIRV." Let us hope that some future Secretary of State does not have to say, "I wish I had never heard of MARV."

Mr. GARN. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. GARN. Mr. President, I oppose this amendment. It is another "trust Russia" amendment. For 25 years we have naively trusted the Russians and have come up holding the short end of the stick. If we are 5 years ahead, by prohibiting testing we would simply allow the Russians to catch up and overcome our advantage.

I find it difficult to believe that any Senator thinks that the Russians will not build MARV's regardless of what we do. Of course they will. We cannot continue to naively trust the Russians. They will build MARV's despite what we do.

The PRESIDING OFFICER. Who yields time?

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Does the Senator from Mississippi yield back the remainder of his time?

Mr. STENNIS. Mr. President, I understand that I have 1 minute remaining.

This is a delicate question, which was decided in the House, and they voted 124 in favor of such an amendment, with this string on, and 276 against.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Is this a 10-minute vote?

The PRESIDING OFFICER. This is a 10-minute vote.

The question is on agreeing to the amendment of the Senator from Minnesota. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. RIBICOFF (after having voted in the negative). Mr. President, on this vote, I have a pair with the Senator from Indiana (Mr. BAYH). I voted "nay." If he were present and voting, he would vote "yea." I therefore withdraw my vote.

Mr. STONE (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from North Carolina (Mr. MORGAN). If he were present and voting, he would vote "yea." Having voted "nay," I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Delaware (Mr. BIDEN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. MCGEE), the Senator from North Carolina (Mr. MORGAN), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Minnesota (Mr. MONDALE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

On this vote, the Senator from Florida (Mr. CHILES) is paired with the Senator from Alabama (Mr. SPARKMAN). If present and voting, the Senator from Florida would vote "yea" and the Senator from Alabama would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), and the Senator from New York (Mr. BUCKLEY) are necessarily absent.

The result was announced—yeas 43, nays 41, as follows:

[Rollcall Vote No. 213 Leg.]

YEAS—43

Abourezk	Hartke	Moss
Bellmon	Haskell	Muskie
Brooke	Hatfield	Nelson
Bumpers	Hathaway	Packwood
Burdick	Humphrey	Pastore
Case	Inouye	Pell
Church	Javits	Percy
Clark	Kennedy	Proxmire
Cranston	Leahy	Randolph
Culver	Magnuson	Schweiker
Eagleton	Mansfield	Stevenson
Ford	Mathias	Tunney
Gravel	McGovern	Williams
Hart, Gary W.	McIntyre	
Hart, Philip A.	Metcalf	

NAYS—41

Bartlett	Glenn	Pearson
Beall	Goldwater	Roth
Bentsen	Griffin	Scott, Hugh
Brock	Hansen	Scott, William L.
Byrd, Harry F., Jr.	Helms	Stafford
Byrd, Robert C.	Hruska	Stennis
Cannon	Jackson	Stevens
Curtis	Johnston	Taft
Dole	Laxalt	Thurmond
Domenici	Long	Tower
Eastland	McClellan	Weicker
Fannin	McClure	Young
Fong	Montoya	
Garn	Nunn	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Ribicoff, against.
Stone, against.

NOT VOTING—13

Allen	Chiles	Sparkman
Baker	Huddleston	Symington
Bayh	McGee	Talmadge
Biden	Mondale	
Buckley	Morgan	

So Mr. HUMPHREY's amendment (No. 517) was agreed to.

Mr. CRANSTON. I move to reconsider the vote by which Mr. Humphrey's amendment was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized to call up an amendment.

AMENDMENT NO. 514

Mr. PROXMIRE. Mr. President, I call my amendment No. 514.

The PRESIDING OFFICER. The clerk will state it.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an amendment numbered 514.

The amendment is as follows:

On page 17, line 4, strike out "$3,666,400,000" and insert in lieu thereof "$3,433,900,000".

At the appropriate place in the bill, insert a new section as follows:

"SEC. . Notwithstanding any other provision of law, not more than twenty-eight DD–963 destroyers may be constructed by the Navy.".

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. PROXMIRE. I am happy to yield.

Mr. ROBERT C. BYRD. Will the Senator agree to a 10 minute limitation?

Mr. PROXMIRE. If the Senator will permit me to proceed, I do not think it will take more than 7 or 8 minutes. I intend to withdraw this amendment but I want ot discuss it briefly before I do.

The PRESIDING OFFICER. The Senate is not in order.

Mr. PROXMIRE. Mr. President, tucked away in this procurement bill is perhaps the largest single request for a defense industry bailout in history. Certainly, it is the largest bailout ever proposed for the shipbuilding industry.

The plain fact is that the Navy's shipbuilding programs have been incurring large cost overruns year after year. This has been pointed out time and again. There have been numerous congressional hearings, reports made by committees, and statements by individual Members of Congress, including myself, pointing out that the Navy's shipbuilding programs are in trouble.

Shipbuilding schedules are falling behind and the delays are causing further cost increases.

Because of the large cost overruns, shipbuilders have been filing claims against Government in an effort to cover their costs. Some of these claims have been highly inflated and the Justice Department is at this very moment investigating at least two shipbuilding claims for possible fraud and criminal prosecution.

There have been numerous disclosures of inefficiency and low productivity in the shipyards and mismanagement in the Navy.

There are steps that could have been taken by the Navy to correct the problems that have been witnessed. There are steps that can still be taken to correct these problems and to find long-term solutions.

It is dismaying to me that instead of looking at the root of the problems and seeking real solutions, the Pentagon has decided only to treat the symptoms. The symptoms, of course, are the huge cost overruns. The Pentagon's approach is to seek funds from Congress to pay for the overruns. It is a classic case of the Government trying to solve a problem by throwing money at it.

The Navy's budget thus includes a request for $2,269,300,000 to bail out its shipbuilding programs. The Navy concedes that this money would not buy any new ships. The money was requested to pay for shipbuilding programs author-

ized and funded in fiscal year 1975 and earlier.

The Senate Armed Services Committee reduced the shipbuilding bailout request by about $1 billion. It recommends that $1,282,000,000 be approved. But the funds not approved this year are not being permanently rejected. There is no real savings. As the committee report points out, the remaining funds can be considered in the next year's budget request.

The House Armed Services Committee approved a shipbuilding bailout of about $320 million higher than the Senate committee. The House committee recommended and the House has already voted on a shipbuilding bailout of $1,602,500,000. I mentioned the House action because, obviously, if the Senate approved the recommendation of the Senate Armed Services Committee, the differences between the two amounts will have to be reconciled in conference. I leave it to the imagination of my colleagues as to whether the conference is likely to agree on the higher or lower amount.

Regardless of what the final amount authorized is, the reduction below the request will not save the taxpayer anything. All that we are doing so far is postponing or deferring part of the request. No doubt, the next year's budget will include a request for the rest of the funds, if not an even larger amount, and there is nothing in the record of either committee to indicate that they will not be fully approved.

I submit that we are not helping to solve the shipbuilding cost overrun problem by providing bailout money. We are instead contributing to a continuation of the problems.

We are reinforcing mismanagement and inefficiency. We are rewarding poor performance.

An analysis of the shipbuilding bailout request reveals that more than simple economic inflation is involved. About half of the overall request, and more than half of the amount requested for the DD–963, has nothing to do with inflation.

Of the $771.1 million requested for the DD–963, $332 million has been attributed to inflation. The remaining sum, $439.7 million represents cost increases which have nothing to do with inflation.

As the Senate Armed Services Committee says in its current report—

> There are other contributory factors involved in the latest cost increases including, but not limited to low productivity, construction delays, and Navy changes.

In other words, more than half of the latest cost overrun on the DD–963 reflects underestimates made by the Navy. The Navy underestimated or misestimated the cost of the DD–963 by more than a mile, just as it has done in the cases of several other ship programs.

It is even more difficult for me to understand the request to pay for the Navy's underestimates. Year after year the Navy comes to Congress and tells us that they misestimated the cost of its programs. The passive, permissive attitude of the Congress has been to acquiesce and accept the Navy's excuses. We are encouraging the Navy to give us poor estimates every time we agree to make up the difference.

What is the excuse for the misestimates in the case of the DD–963? Only last fall Congress approved the last 7 ships in the 30-ship program. Our approval was based, in part, on the estimated cost of the program supplied by the Navy. Why did not the Navy tell us last fall while we were considering the defense appropriation that the costs of the destroyer had gone up by another three-quarters of a billion dollars?

Mr. President, if we are to cure the Navy of its chronic misestimateitis, and if we are to assure ourselves that contractors are not simply exaggerating their costs or covering up their own inefficiency and calling it inflation, we must draw the line on these bailouts. I believe that the appropriate thing for Congress to do is to reduce the DD–963 program from 30 ships to 28 ships, and to reduce the funds for this program accordingly.

That is what my amendment seeks to do. It would reduce the DD–963 funds by $232.5 million. This is the amount of the cost overrun attributed to the seven destroyers approved by Congress last year. It would be entirely appropriate for Congress to refuse to pay for that portion of the cost overrun on the DD–963 charged to the ships approved by Congress last year, especially as the Navy must have known last year while Congress was debating this bill that the cost overrun was occurring.

It is imperative that we provide the proper incentives to the Navy and to other Government agencies. If we approve this request without requiring that some action be taken to protect the taxpayer against inefficiency in the shipbuilding industry and mismanagement in the Navy, we will be performing a disservice to the Nation and to the Navy.

I would hope at the very least that the Armed Services Committee would review the requirement for 30 DD–963's, in light of the facts that I have presented today and make a full report to this body.

I would also hope that the committee would take steps to develop a military price index so that Congress and the taxpayer are not completely at the mercy of the shipbuilders with regard to alleged economic inflation. When we allow Government pay or social security payments to rise we do so with respect to specific price or cost of living indices that have been developed and that are employed for that purpose. We do not simply ask the employees and the recipients how much their costs have gone up and then raise their benefits.

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard. The galleries are reminded they are welcome guests of the Senate, but the Senate must be in order.

The Senator may proceed.

Mr. PROXMIRE. The key is having an independent index to evaluate the reported cost increases. For this reason, it would be extremely useful for an agency such as the Bureau of Labor Statistics to develop a military price index for the defense industry or for sectors of the defense industry and I am very hopeful that the distinguished chairman of the Armed Services Committee will join me in a request that this be done.

Mr. President, as chairman of a subcommittee of the Joint Economic Committee I discussed this with Julius Shiskin, the head of the Bureau of Labor Statistics, this morning and he agreed that he would try to do it if we made this request.

It seems to me it is a constructive request and, with the computers they have today, I know of no reason why they cannot develop this, and it would be very useful to us, protect the taxpayer, and provide justice to be done to the industry. They would get what they deserve, and no more.

Mr. President, I am hopeful that the distinguished Senator from Mississippi will be able to join me in this suggestion.

The PRESIDING OFFICER. Will the Senator withhold until the Senate is in order.

The Senator may proceed.

Mr. STENNIS. Mr. President, I would like for the Senator to repeat definitely just what his request is, please.

Mr. PROXMIRE. The first part of the request is to ask the Armed Services Committee to review the requirement for 30 DD–963's in light of the facts that I have presented here. I am not asking to make a commitment that they reduce it, but that they review it, look it over. I think there are new facts that would suggest it might be reduced, and I would like the committee to consider that.

The second request is that the chairman join me in a letter to the Bureau of Labor Statistics asking them to develop a military price index by sectors, including shipbuilding, so that we have a basis for determining whether the request of shipbuilders for increases caused, they say, by inflation are valid or are not valid.

Mr. STENNIS. Well, Mr. President, I certainly will join with the Senator in an effort to get a price index that will be helpful to the committee, to Congress, to the Navy, too, with reference to this problem of production and inflation and estimates and everything that goes into the making of the ship contracts, missiles, and all the rest.

I would rather, just on such short notice, not promise that I would sign an identical letter with the Senator, although it is certainly possible, and we could work on it to that end.

On reviewing, now, the requirements for the ships: of course, that goes on to some degree periodically by the Navy, and by the committee. We have changed some in midstream, so to speak, within the last few years that I definitely recall, and we would certainly do that with this one.

I want to say this, Mr. President, just in partial response to these overruns. I am concerned about the added costs, whatever you call them, overruns or not. I looked into a General Accounting Office report about overruns and inflation in nondefense matters, too, because we hear so much about it in defense. It was not with joy, but I was surprised to find that the FBI Building down here on Pennsylvania Avenue has an overrun from the original estimate of 110 percent; extension of one of our office buildings here—and this is no reflection on anyone on the committee—an overrun of 24 percent; the Interstate Highway System, as a whole, has an overrun, from the estimate, of 103 percent according to the General Accounting Office figures, not mine; the Metro subway system here in the city, has an overrun of 80 percent; the Philadelphia Federal Office Building an overrun of 105 percent from the original estimate made in 1971.

I should have called out the dates that the original estimates were made: One is 1971, one is 1969, the other 1958, and the other 1974.

It just shows here that in the last 7 or 8 years no one estimating could be anywhere near accurate. They could not anticipate strikes, inflation, and all of the other matters that do contribute to cost. Of course, there is room for improvement in these matters, as the Senator has pointed out. It would be my purpose to cooperate with him. We have cooperated before on matters, and we can on this.

Mr. PROXMIRE. If the Senator will yield, I agree wholeheartedly that overruns in other matters have been worse than they have been in the military, no question about it. But I think we have such an enormous amount of money involved here, and they have done such a large amount of work in this area, that I think they are in position where Congress, if they would seriously request a price index, would be well served.

Mr. STENNIS. One overrun does not justify another one. But I am just bringign it out to show how general it has been across the board and across the Nation.

Mr. TOWER. If the Senator will yield for a brief comment; sometimes, too, we legislate additional costs here in Congress. We discovered in going over Navy shipbuilding costs that 2½ percent was added to the cost of the naval vessel by the imposed compliance with the Safety and Health Act.

So that is just one example. There are others which, standing by themselves, are meritorious, but nevertheless, we legislate additional costs ourselves.

Mr. PROXMIRE. Mr. President, I agree with the distinguished Senator from Texas.

Mr. President, I withdraw my amendment No. 514.

The amendment was withdrawn.

AMENDMENT NO. 515

Mr. PROXMIRE. Mr. President, I call up my amendment No. 515.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

> The Senator from Wisconsin (Mr. PROXMIRE) proposes an amendment No. 515.

The amendment is as follows:

> On page 18, between lines 3 and 4, insert a new section as follows:
>
> SEC. 202. None of the funds authorized to be appropriated by this Act, including funds authorized to be appropriated under title VII, may be used to conduct any research, development, testing, or evaluation in connection with the Navy Air Combat Fighter, designated the F–18, until the Comptroller General of the United States has rendered an official decision in the LTV Aerospace Corporation protest filed with the General Accounting Office (GAO File B183851) against the award of Contract N00019–75–C–0448 to the McDonnell Douglas Corporation.

The PRESIDING OFFICER. The Chair states there is a time limitation of 20 minutes to a side.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the distinguished senior Senator from Texas (Mr. TOWER) and the distinguished junior Senator from Texas (Mr. BENTSEN) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, the purpose of this amendment is to defer funding of the Navy's F–18 fighter aircraft development program—it does not take any money out of the bill, but it defers funding—until the Comptroller General renders a decision on a formal protest which has been filed against the award of the contract, and that should be forthcoming within a couple of months. Congressional approval of funding for the F–18 at this time would be construed as a mandate to proceed with the F–18 and might thus prejudice the consideration of the protest.

In light of the very serious questions raised by the contract award protest, the Congress should proceed cautiously and should make every effort to insure that the matter receives proper treatment. Let me emphasize from the outset, this is not a hardware issue before us, despite the fact that it involves a weapon system It is a procedural issue, a matter of contract integrity, and a question of principle. The principle is whether the services must respond to the express will of the Congress.

There is also the larger issue of whether the Navy—in awarding the F–18 contract—has violated an earlier congressional mandate to achieve the maximum feasible commonality with the components of the Air Force's F–16 aircraft. In the conference report making appropriations for the Department of Defense for fiscal year 1975 it states—

> Future funding [for the Navy Air Combat Fighter] is to be contingent upon the capability of the Navy to produce a derivative of the selected Air Force Combat Fighter design.

There is no question, I believe, that the F–18 is not the derivative of the F–16 that the Congress has directed the Navy to develop. The Navy has explicitly conceded as much.

If the Senate simply approves funding for the F–18 as requested by the Navy, it will be endorsing a very questionable Navy reprograming action. And it will be reversing a position adopted by the Congress scarcely 9 months ago. I believe the Navy has an obligation to pursue the highest contracting standards possible and to follow the expressed will of the Congress in so doing. But I also believe that the Congress has an equal obligation to stick to the ground rules it has laid down and not to ratify dubious naval maneuvers after the fact.

These very factors are at issue in the protest filed against the award of the F–18 contract. The protest alleges that the Navy has violated the directive which I just read. It also makes allegations of unfair competitive practices and of preferential treatment of particular contractors by the Navy. If the Congress now agrees to fund this program for the next fiscal year, Counsel for the Navy Department will be able to argue to the Comptroller General that such approval constitutes a reversal of the earlier congressional edict as well as endorsement of the reprograming action. This would tend to moot the protest and to prevent its consideration on its own merits.

The PRESIDING OFFICER. The Senate will be in order, the Senator is entitled to be heard.

Mr. PROXMIRE. Mr. President, if, however, the Comptroller General finds that the selection of the contractors for the F–18 is invalid despite our approval of F–18 funding in this authorization bill, then the Navy will doubtless argue that the F–18 program should be continued anyway, since the Congress has already sunk so much money into it—more than $132 million for the 15-month fiscal year 1976, and transition budget.

Under either outcome, the Congress will find itself in the unwanted position of reversing itself without addressing the issue directly. It will not do for us to seek better contracting methods on the part of the armed services and then to retrospectively endorse questionable contracts.

It may be argued—as it often is—that any delay in funding this program will result in later cost-growth. No one is more concerned about this than I am. But we should resist being panicked into funding programs on the basis of this consideration alone. For one thing, we have ample example that hasty contracting, development, and production can also lead to cost penalties. Second, it is by no means clear that delays will add more to ultimate cost, especially if that delay produces a better and tighter contract. I need not remind my colleagues that the Defense Department has on several occasions in recent years been forced to award additional sums to weapon system contractors as a result of disputes over the interpretation of contracts. The Navy itself has made a number of such extra payments after prolonged court action. What we must aim at is contracts with unmistakable meaning. We must provide the armed services with incentives for writing such contracts, not continually provide them with escape routes, bailouts, and retrospective approval of questionable contracts.

I am informed that the Comptroller General may be able to render a decision on the contract protest as early as the end of July. If his judgment is not favorable to the protest, then the program

could go ahead with only a minimum delay. Surely a few months delay to insure that the program is going along properly is not too much to ask and that is all I am asking. It will not entail significant cost-growth and could result in net savings by avoiding later contract disputes.

It is also my understanding that the Secretary of Defense has not given his final approval to the Navy's F–18 program. This situation should make us even more wary of giving explicit support to a development program that fails to meet our earlier directive.

I want to avoid taking any stand on the merits of the protest that has been lodged against the F–18 contract. But I do feel I should inform my colleagues of some of its major contentions, so that they will be able to form a judgment of the seriousness of the matter.

The protest alleges that the contract award violates the Department of Defense Appropriations Act by failing to meet the intent of Congress that the Navy air combat fighter should be derivative of the design selected by the Air Force.

It further charges that unfair competition was involved in the contract award in three instances in that the two competing contractor teams were not accorded equal treatment, in that the submissions of the two teams were not evaluated on an equal basis, and that the competitors were not furnished equal information concerning the selection process.

It is further contended that the Navy selection will cost an estimated $2 billion more than the F–16 derivative directed by Congress and that the Navy has failed to provide meaningful cost analysis to refute this contention.

I do not feel that the protest was lodged with the Comptroller General frivolously. If unfounded, our national defense will suffer no harm by delaying funding of this system. If, on the other hand, the protest is supported by the Comptroller General's findings, then we will be faced with a very serious matter concerning defense contracting. And I feel it is imperative that we neither prejudice the Comptroller General's actions in advance, nor adopt a position that will preclude later remedial action that may be required of the Congress, if there is substance to these allegations.

It has been suggested by some that a better course could be to provide funds for two Navy air combat fighter development programs—both the F–16 derivative and the F–18.

I cannot conceive of a more costly and dangerous precedent. In effect, it would serve to reward the flouting of the will of the Congress. First, it would have the defects I have already mentioned in connection with funding the F–18 before the protest is settled; it would prejudice the outcome of that dispute and ratify the Navy's reprograming action after the fact.

Second, it would authorize a second fighter plane competition when we are already paying the price of the F–16 and YF–17 design competition. It tells the services that they are invited to dip into the Public Treasury for money to pay for development programs as long as there are contractors who can come up with alternative design proposals. The implications of such a precedent boggle the mind. It completely undermines the concept of design competition by declaring all competitors winners of development contracts. It is an abdication of congressional responsibility for authorizing and appropriating public moneys. It makes the Congress the financial guarantor of poor Pentagon management and poor contracting practices, just when we most need to encourage better management of every defense dollar. This is not a boondoggle; it is a double boondoggle, a boondoggle squared.

Mr. President, I ask unanimous consent that a chronology of the F–18 program and an analysis of the similarities of my amendment and a prior situation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHRONOLOGY OF F–18 PROGRAM

(NOTE.—Asterisks denote key points).

* Sept. 6, 1973: Senate Armed Services Committee Report denies funding requests of $150 million to initiate F–14D/F–15N programs; instructs Navy to "obtain proposals from industry and evaluate them to determine if a smaller and presumably cheaper aircraft can be designed to serve as an air superiority fighter to complement the F–14."

June, 1974: Navy distributes a presolicitation Notice for Development of a New Navy Strike Fighter, the VFAX, to industry. Notice describes it as a fighter aircraft with an average unit flyaway cost of about $6 million in 1975 dollars based on a buy of 400 aircraft.

July, 1974: Responses to Presolicitation Notice received by Navy.

* Aug. 1, 1974: House Appropriations Committee deletes Navy request for $34 million funding for VFAX because of Navy's disregard of Congressional intent regarding a common Lightweight Fighter for both the Air Force and the Navy.

* Sept. 8, 1974: Conference Report on DoD Appropriations for FY 1975 states:

The Managers are in agreement on the appropriation of $20,000,000 as proposed by the Senate instead of no funding as proposed by the House for the VFAX aircraft. The conferees support the need for a lower cost alternative fighter to complement the F–14A and replace F–4 and A–7 aircraft; however, the conferees direct that the development of this aircraft make maximum use of the Air Force Lightweight Fighter and Air Combat Fighter technology and hardware. The $20,000,000 provided is to be placed in a new program element titled "Navy Air Combat Fighter" rather than VFAX. Adaptation of the selected Air Force Air Combat Fighter to be capable of carrier operations is the prerequisite for use of the funds provided. Funds may be released to a contractor for the purpose of designing the modifications required for Navy use. Future funding is to be contingent upon the capability of the Navy to produce a derivative of the selected Air Force Air Combat Fighter design.

*Oct. 12, 1974: Air Force issues joint Navy/Air Force Request for Quotation (RFQ) to General Dynamics, Northrop, McDonnell-Douglas, and LTV Aerospace Corp. for a design with *"maximum commonality"* for the Navy Air Combat Fighter and the Air Force Lightweight Fighter.

Nov. 1, 1974: Deputy Secretary of Defense William Clements informs Chairmen of House and Senate Appropriations Committees that $12 million of the appropriated $20 million for the Navy Air Combat Fighter (NACF) will be used to support requests to two contractors for the design of suitable derivatives from the two entries in the Air Force Lightweight Fighter competition—the General Dynamics YF–16 and the Northrop YF–17.

Chairman Mahon interposes no objection but reiterates Committee position that *"every effort should be made to develop an Air Combat Fighter for the Navy with the greatest possible degree of commonality with the Lightweight Fighter of the Air Force."*

Chairman McClellan also interposes no objection to this use of a portion of the $20 million appropriated for the NCAF but requests that the Committee be kept informed *"as to the scope and progress of these efforts to assure compliance with the Congressional directive that development of the Navy Air Combat Fighter make maximum use of the Air Force Lightweight Fighter and Air Combat Fighter technology and hardware."*

Dec. 2, 1974: Initial responses to RFQ submitted by contractors.

Jan. 7, 1975: Director of Defense Research and Engineering, Dr. Malcolm Currie, testifies before Committee on Government Operations Committee's Subcommittee on Federal Spending that the Navy's Source Selection Authority, Chief of Naval Material Admiral Michaelis, had found that contractor proposals were deficient in meeting Navy requirements.

Jan. 13, 1975: Contractor teams [(1) McDonnell-Douglas/Northrop and (2) General Dynamics/LTV Aerospace] submit completed responses to RFQ for Navy Air Combat Fighter.

*Jan. 13, 1975: Air Force announces selection of General Dynamics YF–16 as its Lightweight/Air Combat Fighter choice, denying contract to Northrop's YF–17.

Jan. 15 and 16: Navy conducts detailed technical discussions with McDonnell-Douglas (15th) and LTV Aerospace (16th) on areas of concern and items needing further study in development of NACF suitable for carrier operations.

*Feb. 3, 1975: Navy receives contractor team proposals: General Dynamics/LTV Aerospace submits three airframe designs using three different engines based on F–16 selected by Air Force as its Lightweight Fighter.

McDonnell-Douglas/Northrop submits single design based on Northrop YF–17 entry in Air Force competition.

*Mar. 7, 1975: Deputy Secretary of Defense William Clements writes Chairmen of House and Senate Appropriations Committees informing them that Navy has expended $12 million "toward the development of derivative NACF designs by both of the original Air Force ACF competitors."

[Here is the interpretive problem: Navy contends Congress authorized money for studies of both designs whereas appropriations conference report clearly states that "future funding is to be contingent upon the capability of the Navy to produce a derivative of the selected Air Force air combat fighter design." Hence, no future monies can be authorized or appropriated unless they are for development of an aircraft derivative of the F–16.]

*March 13, 1975: Chairman Mahon replies he has no objections to the plan set forth in Deputy Secretary Clements' letter of 7 March.

*March 17, 1975: Chairman McClellan also sees no objections to Navy plan to evaluate designs from both contractors in Air Force competition as a basis for selectiong NACF.

[Suspect appropriations chairmen did not fully comprehend Navy's two-pronged evaluation approach and its consequences for selection or that, if they did, they were satisfied that prohibition against "future monies" being appropriated unless for F–16 derivative would keep Navy in line with congressional intent.]

April 4, 1975: Navy issues Request for Proposal (RFP) as a supplement to October RFQ, seeking "best and final" offers of contractor teams by 15 April; includes commonality with A.F. Air Combat Fighter as selection evaluation criterion:

*May 2, 1975: Navy awards sustaining engineering contract to Northrop/McDonnell-Douglas team for $4.4 million and to General Electric for engines for $2 million. Navy Undersecretary David S. Potter concedes in press conference that: "it is perfectly clear that this does not meet the language of the Congressional report, and there is nothing further really to be said on that score. We're quite aware of the fact that the proper selection for the Navy has this unfortunate property." This refers to fact that McDonnell-Douglas/Northrop submission is derivative of YF–17 and not the F–16 as directed by the Congress.

*May 6, 1975: Dr. Malcolm Currie testifies before Chairman McClellan that "The final outcome has not been in strict literal accordance with that (Conference Committee) report." This further confirms that F–18 is not derivative of F–16 but is rather based on YF–17.

*May 9, 1975: LTV Aerospace files protest with Comptroller General over award of F–18 contract to Northrop/McDonnell-Douglas.

*May 20, 1975: Dr. Malcolm Currie testifies before Government Operations Subcommittee on Federal Spending Practices, as follows:

Sen. WEICKER. And we are ending up with two planes of absolutely no commonality insofar as the hardware is concerned, is that right?

Dr. CURRIE. The two planes are very much in common with their lightweight fighter predecessors; they are not in common with each other. [Referring to F–16 & F–18]

June 4, 1975: Sen. Proxmire offers amendment (#515) to S. 920 to delay funding of F–18 program for which Navy has requested $132.8 million in "future monies" for 15-month Fiscal Year 1976, pending resolution of contract protest by the Comptroller General.

August, 1975: Full Scale Development (FSD) contract award for F–18 expected by Navy.

SYNOPSIS OF F–16/F–18 CONTROVERSY: PRELIMINARY DESIGN CONCEPTS

Congressional mandate for NACF to be derivative of A.F. Lightweight Fighter (L.D.F.) design selection, H.R. Rep. #93–1363, Sept., '74.

Air Force/Navy Request for Quotation (RFQ) to G.D., Northrop, M.D. & LTA for design with "maximum commonality" for NCAF and A.F. LWF, October 12, 1974.

A.F. announces selection of YF–16. January 13, 1975.

Navy issues Request for Proposal (RFP) as supplement to RFQ, seeking "best and final" offers for NCAF by 15 April, April 4, 1975; includes commonality with A.F. selection as evaluation criterion.

Navy announces selection of M.-D. entry for NCAF, a design derivative of YF–17 submitted by M.-D./Northrop team, May 2, '75.

LTA files protest with Comptroller General, May 9, 1975.

A.F. AIR COMBAT FIGHTER PROGRAM

YF–16 (G.D.):	YF–17 (Northrop):
F–16:	M.D./Northrop YF–17 derivative proposals:
G.D./LTA F–16 derivative proposals (models 1600, 1601, & 1602).	M.D./Northrop F–18.

CONTRACTOR LEGEND

M.-D. = McDonnell Douglas.
G.D. = General Dynamics.
LTA = LTV Aerospace Corp.

NAVY AIR COMBAT FIGHTER PROGRAM

VFAX:
Redesignated NCAF.

Mr. PROXMIRE. Mr. President, I yield 3 minutes to the distinguished Senator from Texas.

Mr. TOWER. I thank my friend from Wisconsin.

Mr. President, I endorse the amendment that has been offered by the Senator from Wisconsin for, specifically, the grounds he has already recited in his presentation.

Mr. President, I am aware that it is more difficult to take a land-based aircraft to use as a basis for the design of a carrier-based aircraft. It is much easier to go the other way around, to use a carrier-based aircraft for a land-based derivative.

I think anybody can understand it who understands aviation at all, taking a carrier-based aircraft, as has been done, and making it useful for land-based operations. The F–4 and the A–7 are good examples of that.

But perhaps the committee, and the conference committee, was wrong in mandating that the Navy aircraft be a derivative of the aircraft selected by the Air Force as its lightweight fighter.

It may be we made a mistake in that mandate, but, nonetheless, the mandate was there and because the mandate was there I think the Navy was obliged to come back to us if that mistake was not feasible, or practical, or possible, to develop a carrier-based aircraft from the Air Force selection, and told us so.

So that perhaps we could have relaxed our own mandate and given the F–16 team an even chance to perhaps design a different type aircraft that was not a poor derivative from the F–16.

As the Senator from Wisconsin has pointed out, the Northrop team and the General Dynamics team operated under different rules, with the General Dynamics team operating at a disadvantage, in that they were proposing pure derivatives of the F–16. In the light of this, I think that the amendment offered by the Senator from Wisconsin should be adopted by the Senate. I think we should not take lightly the matter of a service going against and acting contrary to a mandate of Congress, without coming to explain it to us and giving us the opportunity to accept that explanation or to reject it.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, I yield myself an additional minute. I have talked about this matter with the distinguished Chairman of the Committee on Appropriations, Mr. MCCLELLAN, who has been involved with reprogramming, and it is my understanding he supports the amendment.

I believe if this matter is taken to conference, we would be well served.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. I yield such time as he may require to the distinguished Senator from California.

Mr. TUNNEY. I thank my friend from Nevada for yielding me some time.

Mr. President, I am strongly opposed to this amendment. From my study of the issue, I believe that the LTV Aerospace Corp's. protest to the GAO concerning the awarding of the Navy fighter contract does not have sufficient merit to justify a delay in funding the F–18, and I think that a delay in the program would deal a critical blow to it.

I recently had an opportunity to visit the Northrop plant and talk with the officials and workers about the program, and it is clear that the F–18 is a fighter plane that is needed by the Navy. It also happens to be considerably less expensive than the F–14, which it is going to supplement. The F–14 is probably two and one-half times as expensive.

For those persons who are interested in seeing the best bang for their buck out of the defense dollar, it seems to me that we ought to be going in the direction of getting these cheaper F–18 fighter planes out in service, rather than delaying the program substantially, as we will if we do not vote for the funds now to go ahead with the F–18.

At the heart of the question is whether or not the Northrop McDonnell team developed the F–18 within the specifications that were established by the Navy. LTV claims it was crippled in its efforts by remaining within those specifications.

I base my contention that the Northrop/McDonnell team stayed within the rules of the game upon the hearings held May 6 before Senator MCCLELLAN'S Defense Appropriations Subcommittee. At those hearings, testimony was presented that the F–18 contract was fully within the spirit of the congressional mandate, and it was not a situation where the Northrop/McDonnell team was operating under a different set of specifications or understandings from General Dynamics.

I cannot help but emphasize the point that the Navy has a need now for a new lightweight fighter that is compatible with the Navy's mission. In the course of the hearings, Chairman MCCLELLAN told the Defense officials:

> I want the facts in this record to be a refutation of any charges that may be brought against your decision to go with the F–18. So I think you ought to have the opportunity here to state everything you want to have considered to sustain that action you have taken.

If there was a valid protest to be made, it should be that the Air Force selected the F–16 before the Navy had an opportunity to complete its evaluation competition, because when the Navy completed its test, it found that the F–18 was superior to the F–16 for the naval mission in a number of specifications.

As a matter of fact, there were seven specific areas in which the F–18 was superior:

First. Fighter escort radius.
Second. Strike radius.
Third. Maximum mach.
Fourth. Combat ceiling.
Fifth. Specific excess power.

Sixth. Acceleration from mach .8 to mach 1.6.

Seventh. Survivability.

Furthermore, the F–18 is better suited for carrier landing, due to its greater weight and its design. The F–16 is lighter, and it has a design problem in that its tailpipe occasionally comes into unplanned contact with the carrier deck. In other words, it has a dragging tailpipe. I am told that the modification to correct this particular problem would be extensive and costly. So what we are talking about, really, is which plane is better for the Navy's mission.

There is no saving that I know of in forcing an unsuited plane into a crucial mission, and that is just what we would be doing here today if, through some kind of feeling that General Dynamics did not receive everything that it was entitled to, we should stop the appropriation for the F–18.

I do not think there is any merit in this amendment whatsoever. As a matter of fact, it seems to me to be regional in its approach. I recognize that I am being somewhat regional in my approach in defending the F–18, but thank God I have the facts on my side.

Mr. TOWER. Mr. President, I do not think the Senator does have the facts on his side of the question.

The question here is not the relative merits of the F–18 and the F–16, but the fact that the F–18 was not developed from the Air Force selection as mandated by Congress. Freed from the restraints of the congressional mandate, LTV and General Dynamics may come up with a better plan than Northrop. The Senator was suggesting a bigger bang for a buck; let us give them the opportunity to come up with it, and see whether they can meet the carrier specifications.

One thing the Senator overlooked was the fact that the F–18 lands too fast, and that is extremely important when you are landing on a carrier deck. If the Senator from California has ever landed on a carrier deck, he knows what a magnificent experience that is, when you are dragged up short and very quickly.

What we are contending here is that the proper procedures were not followed, so that we do not know whether they really had a competition that produced the best aircraft. We do not know, and I think we are obligated to find out.

In terms of the F–17, from which the F–18 was derived, it could not match the performance of the F–16, which beat it in virtually every category.

I think the Navy should have come to us and said, "We cannot live within the mandate." As a matter of fact, the Navy pilot who flew the F–16 said it was a better aircraft than the F–17.

Let us be fair. If we see someone is adopting a procedure contrary to the mandate of Congress, let them come and tell us.

Mr. TUNNEY. Mr. President, it is my understanding, and I would like to have a response from the Senator from Texas, that the LTV models landed faster than the F–17.

Mr. TOWER. There were three models submitted by LTV, one of which, I think, did land faster, but the other two did not. The fact is that the F–18 does not come within the parameters of the landing speed required by the Navy, and that is a serious deficiency.

But the superiority of the aircraft is not at issue. What is at issue is, are we going to have a competitive trial of a proposed aircraft design submitted to the Navy, ultimately to be submitted to Congress? If so, we cannot place restraints on one corporation that we do not place on the others.

The PRESIDING OFFICER. The Senator's 6 minutes have expired.

Mr. TAFT. Mr. President, will the Senator from Nevada yield me 2 minutes?

Mr. CANNON. I yield 2 minutes to the Senator from Ohio.

Mr. TAFT. I think one rather strange argument has been made here by the Senator from Wisconsin and the effect inferred by the Senator from Texas, and that is somehow GAO proceeding is going to be prejudiced by the fact that the Congress takes some particular action or does not take some particular action.

I am sure that is not the intent here, and I feel sure that there is a good claim for the GAO, to the GAO to go ahead and do it.

The other thing I pointed out here very clearly, I think, is that this so-called mandate is not law at all. As a matter of fact, all it is is mere language in a report of the Appropriations Committee.

Actually, it is a kind of decision, really, that ought to be made by the authorizing committee anyway.

So, when we are talking about some great mandate, I will read the language to the Senate from the report, and that is all we are referring to here:

> Funds may be released to a contractor for the purpose of designing the modifications required for Navy use. Future funding is to be contingent upon the capability of the Navy to produce a derivative of the selected Air Force Air Combat Fighter design.

That is one Congress trying to bind another Congress, if I ever saw one, and, moreover, the entire ability of the air combat fighter that was adopted by the Air Force to work on the carrier simply has not been approved.

The Navy has found directly to the contrary, as the Senator from California ably pointed out, this aircraft is a tail finder, as it comes on a carrier. The Navy advises us——

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

The question is on agreeing to the amendment.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask that the time be charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yielded myself 3 minutes while the discussion was going on.

Mr. President, I have to oppose the amendment of the Senator from Wisconsin as it now stands because it is open ended insofar as the GAO report.

I do not think that we should hold up the full-scale engineering development contract for this type of an airplane, if it should be delayed solely because of a delay at GAO, and I think if the Senator were willing to provide some limitation in the time awaiting the GAO report so that the Appropriations Committee can still consider the matter—they were the ones that wrote the restriction in the bill, not the Committee on Armed Services.

We said, "You go ahead and make your plans and develop"——

Mr. STENNIS. Mr. President, may we have order in the Chamber. This is an important matter. It might be helpful to all.

The PRESIDING OFFICER. The Senate will be in order.

Mr. CANNON. That was the position of our committee from an authorization standpoint. We wanted to move ahead and try to develop a lightweight fighter to complement the F–14. We really ruled out the F–14X and F–15X for consideration.

So, if we could get a limitation here, which would require GAO to act rapidly on this matter, then I think that the amendment of the Senator from Wisconsin would be probably acceptable under those circumstances.

Mr. PROXMIRE. Mr. President, may I say to the Senator from Nevada that I think it is an excellent suggestion. He achieves what all of us want to achieve on both sides.

I think we want to see the fighter go ahead, but we want to make sure that we have all the facts before it does.

For that reason, I modify my amendment to provide that this limitation will only be in effect until the GAO report or until July 31, 1975, whichever is sooner.

I think by simply adding the language "until July 31, 1975, whichever is sooner," to my amendment we achieve that objective.

The PRESIDING OFFICER. The question is on agreeing to the modification.

Mr. STENNIS. Will the Senator yield to me?

Mr. PROXMIRE. I yield.

Mr. STENNIS. Mr. President, this matter, as I understand it, revolves around a decision that has to be made. For my part, and for our committee, we want the decision made this calendar year, but the question is in the Appropriations Committee now with the proviso that they look into the feasibility of going this way or that way.

Money is already authorized here, but the Committee on Appropriations is going to have to make decisions. They, in effect, would like to have the benefit of the General Accounting Office's conclusions or findings, but they do not want to wait so long that the calendar year will be gone, and it will be too late to act on it this year—I mean this forthcoming bill.

Mr. YOUNG. Mr. President, will the Senator yield.

Mr. STENNIS. I will yield in just 1 minute.

I think if we had the amendment as read, and take it on to conference, providing that the General Accounting Office will report now by July 30, it might be useful, and that is in time for the Committee on Appropriations to get the benefit of it, all right, but, if it does not, then the amendment does not apply, that that would serve all the purposes and would have the benefit of it better.

I now yield to the Senator from North Dakota. He is a member of the Committee on Appropriations, the ranking minority member.

Mr. YOUNG. Mr. President, if the date were July 15 it would be better because we might be in a position to mark up the Defense appropriations bill before the August recess. If the committee was required to wait for the GAO report, the appropriations bill could be delayed until September.

Mr. TUNNEY. Mr. President, will the Senator yield?

Mr. STENNIS. Yes. I am going to yield.

I say to the Senator from North Dakota that that is a good suggestion. This matter just came up here in the last 30 or 40 minutes. I had not mentioned it to anyone until I mentioned it to these two Senators.

Yes. I yield to the Senator from California.

Mr. TUNNEY. Mr. President, I see absolutely no reason for this amendment. The Committee on Appropriations does not have to mark up the bill as it relates to the F–18 fighter until they get the GAO study, if that is their desire. There is absolutely no reason to build into law a prescription such as is suggested by the Senator from Wisconsin.

I read that amendment to suggest that if the Senate agrees to it, that there was something wrong with the Navy's decision to go ahead with the F–18. I know that may not be the intention of the Senator from Wisconsin and may not be the interpretation that the distinguished chairman of the Committee on Armed Services gives it, but that is certainly an interpretation that I give it.

The Committee on Appropriations, as I say, does not have to move on the F–18 appropriations at this time. They can delay until July 15 if they want. They can delay until July 31 if they want.

There is no reason for this amendment, none whatsoever, except to prejudice the case as far as the F–18 is concerned.

I strongly oppose it. I strongly oppose any modifications of the amendment. It is not needed.

The Committee on Appropriations does not have to act if they do not want to.

Mr. STENNIS. Maybe the Committee on Appropriations wants to act this calendar year and wants the benefit of this report. That is the way I am looking at it for the time being.

If the Senate gets some of the language here, why not make a simple statement and take it along, and if they say they just cannot possibly do it, why we will just drop the thing in conference.

Mr. TUNNEY. Why cannot the Committee on Appropriations write to the GAO and ask them to complete the investigation by July 15? It does not require the Committee on Armed Services authorization bill that we have this kind of an amendment.

I think it prejudices the case because it assumes that there was something wrong.

Mr. STENNIS. They will probably say they cannot do it that soon.

Mr. PASTORE. Mr. President, will the Senator yield?

I do not think the Senator from California——

Mr. STENNIS. Let me make this clear.

Mr. PASTORE. I thought he yielded to me.

Mr. TUNNEY. No.

Mr. PASTORE. Who has the floor?

Mr. STENNIS. I yielded to him as I understand it.

Mr. PASTORE. We are militaristic around here, are we not?

Mr. STENNIS. Beg pardon?

The Senator may go ahead if he wants to.

Mr. PASTORE. Of course I want to go ahead.

Mr. STENNIS. I want him to.

Mr. PASTORE. I am trying to help out the Senator from Mississippi.

Mr. STENNIS. I wanted to be sure he understood just what we were trying to do because he said the amendment is prejudicial. I do not want an amendment that is prejudicial.

Mr. PASTORE. No.

Mr. TUNNEY. No. I am trying that.

Mr. STENNIS. I will yield to the Senator from Rhode Island.

Mr. PASTORE. I hope that he will listen to Pastore.

Mr. STENNIS. All right.

Mr. TUNNEY. I always do.

Mr. PASTORE. He has nothing to lose by this.

If I were the Senator from Mississippi, I would expect this because, as I say, it is exactly what he is trying to accomplish. We do not want anything to be done unless it is above board. The question here is the report is going to be made, and the Senator has a right to come before our committee, and if I were he, I would accede to it.

I do not think the Senator is going to lose anything by it.

Mr. TUNNEY. Mr. President, if the Senator will yield, why cannot the Committee on Appropriations on its own delay consideration of the specific appropriations for the F–18 until they get the GAO study or until the time——

Mr. PASTORE. Simply the action would be arbitrary when the fact is when the Senators are marking up the bill they are marking up the bill not delaying it for one item in the bill. The fact is unless that report comes, whichever one is sooner, it is not going to be marked up by that time.

I repeat again. The Senator has nothing at all to lose.

Mr. TUNNEY. It is my understanding that the distinguished Senator from North Dakota indicated the markup was not going to start taking place until July 15.

Mr. PASTORE. I do not think so. I do not think there is going to be any markup by July 15.

Mr. YOUNG. It is difficult to tell. The House may take action so we can take action before the August recess.

Mr. PASTORE. I think last year we got this around Christmas, did we not?

What is the Senator getting excited about?

Mr. TUNNEY. I am getting excited about the fact that I do not think this amendment is appropriate at this juncture. The Appropriations Committee can well decide not to go ahead with the F–18 funding until the GAO report has been completed or until July 31, whichever comes sooner. I do not think there has to be built into the language of this procurement bill a provision such as suggested by the Senator from Wisconsin, particularly when it is put in the context with the arguments he has made and the arguments that have been made by the Senator from Texas.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. PROXMIRE. The fact is that without this amendment, it is clear that Congress would want to go ahead with the F–18. The money is here; the direction is here. All this does is to say, "Let us wait, if we can; but only if we can get the report, we will wait until July 31." It removes that prejudicial position and says we are not going to make a choice between the F–76 and the F–18 if the facts cannot be provided by July 31.

Mr. TUNNEY. I am opposed to it.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. STENNIS. Mr. President, I do not know what the parliamentary situation is. I yielded time to the Senator from Nevada. He was handling the amendment.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. PROXMIRE. Mr. President, I modify the amendment by adding "or until July 31, 1975, whichever is sooner" at the end of the amendment.

The PRESIDING OFFICER. The amendment is so modified.

Will the Senator send the modification to the desk?

The modified amendment is as follows:

> On page 18, between lines 3 and 4, insert a new section as follows:
>
> SEC. 202. None of the funds authorized to be appropriated by this Act, including funds authorized to be appropriated under title VII, may be used to conduct any research, development, testing, or evaluation in connection with the Navy Air Combat Fighter, designated the F–18, until the Comptroller General of the United States has rendered an official decision in the LTV Aerospace Corporation protest filed with the General Accounting Office (GAO File B183851) against the award of Contract N00019–C–

0448 to the McDonnell Douglas Corporation, or until 31 July 1975, whichever is sooner.

Mr. CANNON. Mr. President, I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, my interpretation of this would be that it would be an inducement to the General Accounting Office to hurry along with their report, whatever it turns out to be. If we did not have assurances on that point before the conference on this bill was completed, I would feel that we would have to recede on the amendment. That is the way it would impress me. But if they could come through with it—we hope to be back with the conference report before July 30, and July 15 would be a better date—we could extend that in conference, in view of the facts we had before us.

Mr. PROXMIRE. That July 31 would be in conference; so if the conferees wish to move it to July 15, they can do so.

Mr. STENNIS. That is a good point. That will be in conference. If we saw fit to move it to July 15, we would do so, and we would notify the GAO when this bill is passed, if it has the amendment, what we would expect to hear from them.

Mr. MAGNUSON. Mr. President, will the Senator yield

Mr. STENNIS. I yield.

Mr. MAGNUSON. I wish the Senator would modify this to July 15. This is a matter that is not unknown to the Committee on Appropriations. I know what this is all about. It is a fight between two aircraft companies; that is all it is. If the Senator leaves it at July 31, a report will not be here until then. Then, if we have the August recess, it will be October before anything will be decided. But if we get it by July 15, we will have some time to work on it. I hope the Senator will modify it. That is 5 weeks.

Mr. PROXMIRE. I would like to do that, but we have this consideration, and I hope the conferees can consider it: No. 1, the GAO has said they will not have the report until July or August. No. 2, if the conferees wish to do so, they can modify it. They can make it July 15. It does not make any difference.

Mr. President, I understand that the amendment has been modified.

The PRESIDING OFFICER (Mr. CLARK). The amendment has been modified.

Who yields time?

Mr. CANNON. Mr. President, if I have any time remaining, I yield myself 1 minute.

I think this modification is a good compromise in the matter, particularly in light of the fact that the conferees could move that date up to July 15, if it is the feeling that they should have it moved up to that date.

I hope we can accept the amendment as modified and take it to conference.

Mr. TUNNEY. Will this be a record vote, Mr. President?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. TUNNEY. Mr. President, based upon the remarks made by the Senator from Mississippi, that he in no way treats this as prejudicial to the cause of the F–18, and based upon my own understanding of what he said, that he is prepared to drop this amendment in conference if the GAO does not come up with its report in a timely fashion, which means by—what date?

Mr. STENNIS. If the Senator will yield, I did not mean to say we would drop it in conference unless they came up with a report. We would drop it in conference unless they were very assuring, doubly so, that they would have it within x days, and we would put that x in there, so the whole matter could move on in the Committee on Appropriations, and we could make it July 15 if the conferees saw fit, as has been suggested. If the report does not come through—or the assurance that it will come through—by the end of July, I would feel that we were no longer bound to do anything about the amendment except drop it.

Mr. BENTSEN. Mr. President, I am pleased to be a cosponsor of the amendment offered by the distinguished Senator from Wisconsin. There has been a great deal of controversy and serious charges of illegalities and improprieties in the Navy's selection of a new lightweight air combat fighter. The General Accounting Office is investigating these charges and I believe this is altogether fitting and proper.

I am deeply concerned, Mr. President, over the fairness and soundness of the procedures under which the F–18 was selected. The Congress mandated that the Navy air combat fighter be a derivative of the selected Air Force plane. There are those who challenge the wisdom of this policy but nevertheless it was the law governing this procurement. The Navy defied the mandate of Congress and chose instead a different prototype. This action raises serious legal and policy questions concerning the expenditure of appropriated funds.

Congress obviously believed that substantial cost savings would result if the Navy and Air Force selected a common airplane. In fact, it has been estimated that almost $2 billion in savings would be achieved over the lifecycle of the program if the congressional directive were carried out. But cost as well as commonality, the two prime objectives of the procurement guidelines, were ignored in the selection of the F–18.

In addition, the Navy decision calls into question the maintenance of a truly competitive procurement process and raises serious questions about the integrity of the procurement process. This is a $14 billion procurement, it is intended to provide the Navy with airplanes for decades to come. A few months delay to make certain that this procurement is free of any taint of illegality and unfairness, that the taxpayers' dollars have been allocated in the manner best designed to strengthen our national defense is certainly justified. The end result could be a multibillion-dollar dividend to the taxpayers and the ultimate production of a plane which better meets the Nation's needs at a more reasonable cost.

Mr. President, I do not believe it would be appropriate for Congress to move ahead in funding further research and development of the F–18 until the Comptroller General has obtained all the facts in the case and has thoroughly investigated the charges made. In this amendment we are asking for nothing more than a delay in further funding until the controversy surrounding this decision is laid to rest, until the Congress and the American people can be assured that the Navy has dealt in a fair and equitable manner with taxpayer dollars and this country's national defense.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield back the remainder of his time?

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment, as modified, of the Senator from Wisconsin.

The amendment, as modified, was agreed to.

AMENDMENT NO. 536

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. GRAVEL. Mr. President, I call up my amendment No. 536.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes amendment No. 536.

The amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . (a) It is the policy of the United States to maintain nuclear weapons systems solely for the purpose of deterring nuclear assault against the territory or the forces of the United States and against its allies. It is also the policy of the United States not to employ such weapons systems in hostilities except in response to such an assault.

(b) In keeping with the above stated policy and the provisions of section 302(d) of the Department of Defense Appropriations Authorization Act, 1975, the Secretary of Defense shall submit to the Congress, at the time the President submits the budget to the Congress for fiscal year 1977, alternative plans for removing from foreign territories those nuclear weapons which do not serve directly to deter nuclear assault. Such plans shall provide for reductions of various magnitudes in the number of nuclear weapons deployed abroad and shall discuss the implementation of such reductions over time periods of from one to ten years, consistent with national security and treaty obligations. Each such plan shall be accompanied by such comments and recommendations as the Secretary of Defense deems appropriate.

(c) At least one such plan shall provide for a reduction within one year of not less than 20 percentum of the total number of tactical nuclear weapons deployed pursuant to the North Atlantic Treaty.

The PRESIDING OFFICER. The Senate will be in order.

There is a 1-hour limit on this amendment.

Mr. GRAVEL. Mr. President, I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I ask unanimous consent that on my amendment No. 534, which was adopted, section 2 be stricken. It is a technical amendment. Section 2 reads:

This Act is effective on the first day of the month following the month in which this Act is enacted.

That would impact on the whole bill and, therefore, is a technical amendment which should be stricken.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. GRAVEL. I yield.

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that Mr. GRAVEL does not intend to call up amendment No. 537. Therefore, I ask unanimous consent that it be stricken from the list.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, can we get an agreement that the vote on the Gravel amendment No. 536 will begin no later than 10 minutes before 6 p.m., today? That would enable the Senate to begin voting on passage of the bill at 6 p.m.

Mr. GRAVEL. That is satisfactory.

The PRESIDING OFFICER (Mr. NELSON). Is there objection?

Mr. ROBERT C. BYRD. Can we make it a quarter to 6, instead of 10 minutes to 6?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank all Senators.

Mr. GRAVEL. Mr. President, I should like the attention of the Senator from Mississippi and the Senator from Georgia.

In my conversation with them, they had some thought of having an executive session in this matter. I have no problem discussing the information pertaining to this amendment in public. I think we should make public policy in that area. I do know of some initiatives by our Government with respect to this legislation and that others may have a differing view on it. If they would like to initiate the request for a closed session, I would be happy to abide by it.

Mr. ROBERT C. BYRD. Mr. President, the Senate is not in good order. The Senator from Alaska has asked whether any Senator wishes a closed session.

Mr. GRAVEL. This is based on conversations I had with the Senator from Mississippi and the Senator from Georgia. I wish to accommodate them at this point if it is their desire to go into closed session.

Mr. NUNN. I hope at this time, speaking for myself only, that we can handle it without going to a closed session. We certainly have to reserve that judgment until we see how far the Senator from Alaska is going to get in his discussion.

Mr. STENNIS. Mr. President, in view of the situation we are getting into, I think we can discuss this matter some in open session with safety.

Mr. GRAVEL. That is all right with me. If my colleagues will let me know when they want to have a closed session, we can close it up at any time.

Mr. STENNIS. We thank the Senator very much for his fine attitude.

Mr. GRAVEL. I thank the Senator.

Mr. President, this amendment merely states—just reading from the amendment, because I think it is abundantly clear to all—that the United States will not develop a first-strike capability with respect to its nuclear weapons; more particularly, its tactical nuclear weapons. So, on page 2, it merely states that it is the policy of the United States not to employ such weapons in hostilities except in response to such an assault.

It is the policy, refered to on page 1, to maintain nuclear weapons for the purpose of deterring nuclear assault against the territory or forces of the United States or its allies. That means that the reason we have tactical nuclear weapons is to forestall the use of tactical nuclear weapons against us. That is the purpose of it.

Of course, we would not have tactical nuclear weapons to initiate a first-strike capability.

The second part states that the Secretary of Defense will submit to Congress when next the budget is submitted for fiscal year 1977, and I quote from my amendment, "alternative means for removing from foreign territories those nuclear weapons which do not serve directly to deter nuclear assault," meaning nuclear weapons that serve no purpose at all, superfluous nuclear capability. "Such plans shall provide for reductions of various magnitudes in the number of nuclear weapons deployed abroad," and these plans could be effective between 1 and 10 years.

Certainly, that is nothing unreasonable. If we have superfluous nuclear capability, the Department of Defense could come up with a plan to do away with this superfluous tactical ability over a period of 1 to 10 years.

In addition, it clearly specifies that at least one plan that the Department of Defense would submit with next year's budget would come up with a plan of reduction to cut back 20 percent of the total number of tactical nuclear weapons deployed pursuant to the North Atlantic Treaty; that is, NATO.

We have 7,000 tactical nuclear weapons. The exact figure is classified, but 7,000 is close enough. This is about twice as much as our opponents have, the Warsaw Pact countries, which gone somewhere between 3,000 and 3,500 tactical nuclear weapons. Obviously, we could cut back on 20 percent without any danger at all.

This cutback is also facilitated by the very simple fact that we have at least 20 percent tactical nuclear weapons that are absolutely obsolete. They are obsolete, they are dangerous, they are dirty weapons, they are excesive in their megatonnage; they pose a threat to life and limb. There is a possibility that they could be stolen by terrorists, the possibility that they could be captured by the enemy if there were an invasion. There is a host of things that could happen. It just makes no sense at all to keep megatonnage in these areas when we know the weapons are obsolete.

This is known by the Department of Defense. In fact, it was requested in the Nunn amendment that was passed by the Senate last year that something be done about this. The response to the Nunn amendment, of course, made no provision for withdrawing these tactical nuclear weapons.

All my amendment would do would be to say we have this superfluous capacity, it is obsolete, let us withdraw it. I hope that in doing this beneficial act, this would act as a catalyst to bring about other actions, beneficial actions toward peace by the Warsaw Pact nations. But this is something that we can do without any threat to our defense posture. In fact, it would actually be an improvement.

Mr. President, I have stated the purpose of the amendment and reserve the remainder of my time. I shall be happy to respond to any questions any of my colleagues may have.

Mr. NUNN. Mr. President, I rise to oppose this amendment. I have been very interested in trying to bring about a more rational policy regarding our nuclear weapons, particularly the so-called theater of tactical nuclear weapons. But this amendment purports to state the policy of the United States—it is not merely limited to an expression by the U.S. Senate—to maintain nuclear weapons solely for the purpose of deterring nuclear assault against the United States and against its allies. That sounds very good, and everyone knows that we do not have nor do we seek a first-strike capability in the sense of trying to knock out the adversary's deterrents. But in NATO, for a long time, we have had flexible response. Flexible response means that we certainly do not intend to initiate any kind of attack, conventional or nuclear. For a long period of years, this has been the policy of NATO and I do not think that, in the last hours of this debate here, the Senate should undertake to have a searching reappraisal of that policy which has been in existence for a long, long time.

Let me ask the Senator one question: For instance, if his amendment were to pass, could we deter possible chemical attack by the Soviet Union? Would he say, if the Soviet Union unleashed chemical warfare against the United States and its allies in NATO, that we would not have any response except to run for cover?

Mr. GRAVEL. No, I think the option at that point would be open to go ahead and use nuclear weapons if we chose to. My amendment would not stop that. All my amendment says is it is the policy of this Nation, et cetera.

When the Senator tells me he wants flexibility, what he is saying is he wants to use them for defense, but also he wants to use them for first strike.

If he has some specific knowledge whether or not they are going to release some gas or something else, nerve gas that might endanger several thousand

people, then obviously we might want to take a first strike and destroy millions of people to avoid the threat of killing thousands.

Mr. NUNN. I am glad the Senator realizes that. It is my understanding that the Senator is saying that, consistent with his intention, if not his language, he feels that the President would be in order to consider the possibility of using tactical nuclear weapons if chemical warfare were released by the Soviet Union. Is that the Senator's position?

Mr. GRAVEL. Yes. My amendment merely reads—I hope my colleague is tolerant to what I am trying to get across—it reads on page 1, line 1:

It is the policy of the United States.

It certainly would not be the first time in our history that the President went against the policy of the United States. But I think that in a world so laden with nuclear capability as we have, there is nothing unusual about saying that our policy as human beings is that we will not have first strike. That is all this thing says. It is not a binding law. It is just a sense of the policy of the Nation. That we might not be able to go along with that is really saying, "Boy, we really are first strikers."

Mr. NUNN. I assume the Senator would want the policy of the United States as declared by Congress to be really the policy of the United States and not take some frivolous statement of intentions that no one is going to follow.

Mr. GRAVEL. I hope if we pass it, it would not be frivolous and that the President, in good conscience, could abide by it. Certainly, when a person sits in the White House—and we have had recent experience of it—he is a human being and he is going to make judgments as he perceives them. Sometimes he perceives and makes judgments above the Congress. If he did this, it would be a judgment above the Congress, but not above the law. I am casting it in law. This is not the law of the land, it is the policy.

I think it is important to convey that to supposed enemies, that we are not first strikers, that we want to be reasonable people.

I hope my colleague will see this as no great threat or shackling anybody's hands. All we are saying is that with the amount of nuclear weapons in the world today, we are not going to be the first to use them. We are going to use them for defense.

There may be scenarios where we may use them first. I have no control over that, nor does this body. But certainly, it is not asking too much to pass something like this.

Mr. NUNN. Of course, the Senator's language and what the Senator just said, I think, disagree substantially. I agree with what the Senator has said basically, because it is not the intention of the Senator, or the President, or Congress, or anyone else, to initiate an assault with nuclear weapons. That has been our policy for a long, long time in this country.

We have had almost total nuclear monopoly for years in this country, and I think if we were ever going to be the first to try to have any kind of secret nuclear attack, that would have occurred years ago when we had and enjoyed nuclear superiority. But, nevertheless, the Senator's language is what we have to live with, and the Senator's language is as follows:

It is the policy of the United States to maintain nuclear weapons systems solely for the purpose of deterring nuclear assault against the territory or the forces of the United States and against its allies.

It is also the policy of the United States not to employ such weapons systems in hostilities except in response to such an assault.

When the Senator says "such an assault" in the second sentence, I assume the Senator is referring back to the first sentence which says "nuclear assault."

Now, if the Senator says that, that means that we would respond with nuclear weapons only upon a nuclear assault.

Mr. GRAVEL. That is right.

Mr. NUNN. The Senator said one exception to that stated policy he would agree with is the use of nuclear weapons to respond to a chemical warfare assault.

Mr. GRAVEL. No, I may have been misunderstood. I was saying you could draw that scenario, and you could still do that if you wanted to make that judgment, to have a first strike to wipe out the possibility of their using chemical warfare. The President could do that. This does not bind him. This just says we are not nuclear first-strikers.

Mr. NUNN. Senator, we just a few minutes ago explored one exception that the Senator agreed with.

Mr. GRAVEL. I would agree, the President has the power to do that. I do not agree with the exception. If I were the President I sure would not use a nuclear first-strike to ward off a gas attack.

Mr. NUNN. What would the Senator do if there was a chemical attack in Europe?

Mr. GRAVEL. Right now, if they had an invasion?

Mr. NUNN. In the eventuality of a chemical attack in Europe, if the Senator had no nuclear weapons, what would he, as President, do?

Mr. GRAVEL. We have our military forces there. We could respond to them in kind. In fact, it is a very important part of military strategy which came up in the *Mayaguez*.

Mr. NUNN. The Senator is saying we ought to use chemical——

Mr. GRAVEL. That is that you have a response at an equal level.

Mr. NUNN. The Senator is saying we ought to respond with chemical warfare?

Mr. GRAVEL. We could—no, we do not have to respond—let me finish. We do not have to respond with chemical warfare. We can see what the damage is going to be in terms of life, and we could inflict similar damage in terms of life without going to chemical warfare.

Mr. NUNN. What would we inflict that damage with as we were retreating from the chemicals?

Mr. GRAVEL. I could think of a much more serious scenario than that—a Russian agent putting bacteriological matter into the water system of New York City. You can convey any kind of scenario you want to pull forth the fear you want.

All I am saying is in this nuclear world when we border on the verge of insanity in the quantity we have it is totally irrational to have the kill capability we have. So all I am saying with that irrational situation maybe it could be the policy of this country to say we will only use our nukes in response to nukes.

Now, the reason why I say this is because in the report that was submitted to the Senator based on his last year's amendment, it was stated on page 15——

Mr. NUNN. The Senator is dealing with the unclassified version at this point?

Mr. GRAVEL.. Yes, that is the only one I have. I do not want the other one.

Mr. NUNN. Fine.

Mr. GRAVEL. When it says on page 15, third paragraph, last sentence:

Consequently, such a contingency makes it impossible to rule out NATO first use of theater nuclear forces.

I do not like that kind of language in any report as our posture, and I would like to see that language taken out. The best way I can take that out is by securing an amendment like this which says it is the policy of this country——

Mr. NUNN. The Senator is changing from what I understood his contention to be. I thought he just said a few moments ago if there was a gas or a chemical attack we could use nuclear weapons.

Mr. GRAVEL. Yes, the President could. Let me repeat it.

Mr. NUNN. Would it be against the policy of the United States?

Mr. GRAVEL. Sure, it would. Would that be the first time? The Presidents have many times gone against the policy of the United States.

Mr. NUNN. Is the Senator advocating that?

Mr. GRAVEL. Of course not. Why does the Senator think I am offering this? Does he think it is a charade I am playing?

Mr. NUNN. I do not know.

Mr. GRAVEL. It is not.

Mr. NUNN. The Senator does not expect the President to comply with it.

Mr. GRAVEL. I would expect that a President that I would vote for would go by it. But a couple I have not voted for have not obeyed the law.

Mr. CASE. Mr. President, will the Senator yield or will somebody yield to me?

Mr. GRAVEL. I am happy to yield.

Mr. NUNN. I yield.

Mr. CASE. I think it is a fascinating discussion. It involves moral questions that are, I think, of most deep and difficult nature, but I have found myself, every time I have considered this question, coming down on the side of those who say this is a matter that ought not to be the subject of absolute legislative fiat or even the establishment of a congressional policy but rather left in that, if you want to call the word, ambiguous situation so that our stated policy will not

be either helpful to those who might rely upon the absence of authority and military force on our part to act in a reckless way or to, on the other hand, encourage our own forces to rely upon this in anyway in developing their own strategic.

I myself believe the best way to keep the nuclear threshold down is to have a strong conventional force.

Mr. NUNN. I agree with the Senator 100 percent.

Mr. CASE. I believe thoroughly that is what we ought to do in Europe and I, for one, have never favored any one of these withdrawal amendments.

Mr. NUNN. I agree with the Senator completely.

Mr. CASE. But I think also the wise course here is not to meddle with the matter by attempting to put in legislative form or even the form of a sense of the Senate resolution what we would or would not do in circumstances that we cannot even imagine.

Mr. NUNN. I agree with the Senator completely on that. I yield to the Senator from New York on my time.

Mr. GRAVEL. Would the Senator from New Jersey remain on the floor. I would like to respond, after listening to the Senator from New York.

Mr. JAVITS. I have one additional fact. Instead of relying on ourselves, I have on this particular matter something to read into the RECORD for the Senate's interest which relates to the work of a very high-level committee called the Committee of Nine which reviewed the NATO situation at the end of 1973.

That committee had on it as members the former immediate Secretary General of NATO Brosio of Italy; it had Lord Harlech of Great Britain; Hallstein of Germany, the immediate past president of the Common Market; Wayne Hays and I represented the U.S. point of view; Lester Pearson of Canada, before he died, one of the most distinguished men in the world; and Max van der Stoel of the Netherlands.

This is what they said in their final report. I was the chairman of this group on this very subject, and that is why I read it. It is very short:

In this connection—

To wit the use of a tactical nuclear weapons—

In this connection the Committee believes that the Alliance must consider carefully its doctrine concerning the use of tactical nuclear weapons in the event of aggression against Western Europe. The possibility of using tactical nuclear weapons against an aggression on the European members of the Alliance must remain an option for such defense. This is the meaning of deterrence, and there is no deterrence if it be known in advance that the deterrent will under no circumstances be employed; this is just as true * * *.

Mr. GRAVEL. Would the Senator back up two sentences there?

Mr. JAVITS. I will read it again. It is really very important because it happens to be so pertinent to what we are discussing.

Mr. GRAVEL. That is right.

Mr. NUNN. I have heard the Senator in NATO meetings, and I have seen the Committee of Nine presentation that the Senator from New York has made, and no one in this body has more knowledge of NATO and its policy and feeling for our allies and the declared policy of NATO than the Senator from New York, so I do agree this is extremely important, and I think it would be important to have it in the RECORD at this point.

Mr. GRAVEL. Would my colleague read it again.

Mr. JAVITS. I will read this whole thing all over again.

In this connection the Committee believes that the Alliance must consider carefully its doctrine concerning the use of tactical nuclear weapons in the event of aggression against Western Europe—

The GRAVEL. Those are the key operating words.

Mr. JAVITS [continuing]—

In the event of aggression against Western Europe. The possibility of using tactical nuclear weapons against an aggression on the European members of the Alliance must remain an option for such defense. This is the meaning of deterrence, and there is no deterrence if it be known in advance that the deterrent will under no circumstances be employed; this is just as true of tactical nuclear weapons as it is of strategic nuclear weapons. Moreover, the possibilities of deterring attack are being changed by technological developments which range from miniaturization of tactical nuclear weapons to achievement of far greater accuracy in delivery by means of laser-guided or television-guided bombs and projectiles. It is essential, therefore, that the strategy and tactics of the Alliance should be reevaluated in light of these developments, taking into account the differentiation in character and effect of existing and forthcoming nuclear weapons for tactical use

The rest of it is not pertinent here, but the important point I would like to make is that here was a very, very well balanced committee. I am not saying this with any self-glorification, but it was popularly known as the "nine wise men of NATO" and this is the conclusion to which they came within the context of the NATO alliance. Because we are touching on a key to European reliance upon the United States.

It is very clear that European reliance upon the United States cannot surrender the option respecting nuclear weapons, which in the European mind—and I do not need tell the Senators how they feel about the U.S. nuclear weapons—still must reside in NATO, as they see it, in order to give them any feeling that they cannot be overrun, and that gives them the——

Mr. GRAVEL. What is the date of that?

Mr. JAVITS. The end of 1973, and it is just as valid today as it was then.

Mr. GRAVEL. I thought it was older than that.

Mr. JAVITS. No, no.

Mr. GRAVEL. I think it is certainly a reaffirmation of past NATO policy. I think it is most unfortunate. I think the Europeans do themselves a great disservice in this policy because it is their land that is going to be destroyed by leaving that option open.

As I understand it, the way the policy was first initiated by the United States in the 1950's; we moved in our TAC's because we wanted to balance the whole ground force on the Warsaw pact.

As a result of that, we moved them in to give us an edge, but when the ground forces have reached a certain parity, in point of fact, the NATO forces plus France are in a superior position than the Warsaw Pact forces. There is no reason why we have this edge, when we see a situation where we have twice as many TACs as they have.

I agree, these nine gentlemen may be wise, and I certainly appear to be in the minority, but I would say that in my humble view, the situation has changed; they may not have recognized it from the initial policy.

In fact, one of the great tragedies of the NATO policy is that in 1948 and 1949 it was cast in concrete and nobody ever changed it since then. That is the tragedy that may be visited, because the nuclear capability from a military response goes from 1 million to 10 million lives destroyed. As it expands to the civilian population, the destruction visited would be about 100 million people. But the policy, there is nothing I can do.

Mr. JAVITS. One other point, if I may add, the Dutch delegate, who was by that time the mayor of Amsterdam and had replaced van der Stoel, even he—and we know their attitude respecting nuclear weapons in Europe—has as his note, chapter 2, pargraph 14:

Mr. Samkalden abstains from accepting or rejecting the text of Paragraph 14 following the first sentence.

In short, even they were unprepared to take off against us because this committee was analyzing deployment of the whole defense apparatus of NATO and decided surviyal was superior even to their deep antipathy in talking about or thinking about this kind of action.

Mr. GRAVEL. I would suggest to the Senator from New York that these wise men lost the perception of their survival because if they did sanction a first strike, which would obviously be retaliated by equal quantities of nukes, they would not be around.

I mean, we would suffer destruction of 100 million people in Europe. If that is the policy that these nine wise men feel acceptable, all right.

Mr. CASE. Will the Senator yield?

Mr. GRAVEL. I am happy to yield to the Senator.

Mr. CASE. One factor that has not really, I think, adequately been mentioned is what we have been talking about, deterrence, and that we think, those of us who take the view that the Senator from New York just mentioned and the acting chairman, that a deterrence is more likely to result from a policy which does not attempt to clear up, to give up this option, but I would not even put it in those terms, which does not leave the matter in an ambiguous situation.

There are occasions where deliberate

ambiguity is the only wise position. I think that is true here.

Now, if I may on another aspect of this thing indicate my complete agreement with what I believe the Senator from Alaska has in mind. I would say that the 7,000-odd number of missiles we have in Europe are all out of proportion to our needs, and I think we should take steps and I believe that we will take steps for that purpose.

Mr. GRAVEL. What would that step be?

Mr. CASE. To redeploy them.

Pardon?

Mr. GRAVEL. What would that step be?

This is rhetoric, this is the first concrete step I know of in the 7 years I have been here.

Mr. CASE. No, no.

It is not a matter of getting a plan for reduction. The option is requesting a plan for the elimination of the possibility of the use of these weapons.

Mr. GRAVEL. If I were to modify my proposal here and knock out section A, would the Senator buy section B and C?

Mr. CASE. I would want to study the matter because I have not done so with this possibility in mind. I think it ought to come out on its own merits because it is such an important matter.

Mr. NUNN. The Senator from Georgia and the Senator from Alaska talked at length about eliminating some of these provisions. The Senator from Alaska was not then interested in eliminating them, and I do not think with 6 minutes left that we can modify it.

So I think they will have to be considered as a whole, as far as I am concerned.

Mr. GRAVEL. I appreciate that one can modify an amendment at the last minute. There is a question if one really wants to accommodate the subject or not. I can understand my colleague from Georgia not wanting to accommodate this situation. I think it is unfortunate. He requested a study last year, and he never got the study from the Military Establishment. I would characterize what he got as a good stroke down.

The examination of the system, he held that, we did have superfluous nukes. They admitted that.

So now we all stand around twiddling our thumbs to recognize we had superfluous nukes.

What else is new?

I understand my colleague from New Jersey and my colleague from New York, but what I do not understand is how we, as rational human beings, sit idly by year after year, year after year seeing the arms race rush forward unabated. I do not understand that.

I do not understand how we can go on through all this rhetoric, salve our consciences, walk away, and think we have done something. Then next year we know there will be more nuclear weapons in the arsenal, and today we admit it is superfluous.

Mr. NUNN. I think the Senator has jumped to another subject.

There has been a thorough analysis made. Certainly, the most thorough analysis that has been made in 15 or 20 years. There are talks going on with NATO allies about these studies.

The Senator is making a lot of projections.

Let me point out in paragraph B, that is a problem. We have spent all the time talking about paragraph A, now let us examine paragraph B.

The Senator's amendment says that the alternative plans for removing from foreign territories those nuclear weapons which do not serve directly to deter nuclear assault.

I assume what the Senator is getting at is obsolete weapons, but an obsolete weapon can deter assault.

I do not think the definition of paragraph (b), if we just treated that alone, is enough to put the Department of Defense on notice what we really want.

We can have logs on top of a fort that look like cannons. We cannot fire a log, but they might be a deterrent. They might also be obsolete and not able to be fired. In fact, that has been done in past history.

I do not think paragraph (b) is enough for the Department of Defense to conduct any meaningful studies.

Mr. GRAVEL. My colleague makes a good case for having obsolete weapons, and maybe——

Mr. NUNN. We do not use the obsolete——

Mr. GRAVEL. I will not buy the assault. He should have hung onto all the weapons used in the second World War.

Mr. NUNN. The Senator from Georgia fails to see the point.

Mr. GRAVEL. I would like to add, the Senator from Georgia pointed out for the edification of this body that there is a ceiling that his amendment placed on it.

May I ask the Senator from Georgia when the ceiling expires?

Mr. NUNN. The ceiling expired this year.

Mr. GRAVEL. Well, when this year?

Mr. NUNN. It expires June 30.

Mr. GRAVEL. This month.

Mr. NUNN. The Senator from Georgia would ask the Senator from Alaska to join with him in renewing that ceiling, if the Senator will.

Mr. GRAVEL. I can do that right now.

Mr. NUNN. If the Senator will withdraw this amendment, I will be willing to join with him in that as a modification, an extension of the ceiling for 1 year.

Mr. GRAVEL. Maybe we can come to a further agreement. What about section (c)?

Mr. NUNN. Frankly, there was so much wrong with sections (a) and (b), I have not yet read section (c). [Laughter.]

Mr. GRAVEL. I will read it to the Senator:

> At least one such plan shall provide for a reduction within one year of not less than 20 per centum of the total number of tactical nuclear weapons deployed pursuant to the North Atlantic Treaty.

What that means is that we have 7,000, the enemy has 3,000 to 3,500, so why can we not agree? We know at least 30 percent are obsolete; why can we not agree to pull back 20 percent unilaterally? Is there anything wrong with that?

Mr. NUNN. The Senator from Georgia cannot agree without knowing the reliability of the figures. He does not know where the Senator from Alaska got his 30 percent.

Mr. GRAVEL. That is a judgment figure.

Mr. NUNN. In other words, the Senator pulled it out of the air, and I do not know whether it is accurate.

Mr. GRAVEL. What about striking out that paragraph and inserting language that simply provides for them to make a report and say they are providing a plan, for them to come up with what they consider an appropriate reduction within 1 year of the number of tactical weapons deployed pursuant to the North Atlantic Treaty?

Mr. NUNN. If the Senator had made this much progress yesterday, we would probably have had an amendment passed by now.

Mr. GRAVEL. Sometimes you do not make progress until you get under the gun. I am probably the guilty party; it may be my fault. Maybe my colleague from Georgia would step forward and claim one-half of the guilt.

But, now that we stand here, I am prepared to go to a voice vote, and not worry about the time element. We can work out this language very quickly. We will put a ceiling on, and then we will tell them they can come up with a plan to reduce. That is essentially what the Senator from Georgia had in his amendment last year. The only thing is, the military did not give it to him; they just gave him a nice stroke down.

Mr. NUNN. What makes the Senator think they would not give him a stroke down again this year?

Mr. GRAVEL. I hope that the Senator, for whom I have great admiration and respect, after being stroken down 3 or 4 years in succession, will finally come to the conclusion that they are not sincere. Maybe the Senator will learn, as I have from experience, that a lot of times all you get is lip service, and no real cooperation.

I would be prepared to buy a couple of years, just for the edification of the Senator from Georgia through the process of experience, because I know him to be a man of good will and sincerity.

Mr. NUNN. If not intelligence?

Mr. GRAVEL. I would even add intelligence, too, which he has demonstrated on numerous occasions.

Mr. NUNN. I appreciate the kindness of my colleague from Alaska.

Mr. GRAVEL. I wish that we had started on this dialogue earlier in the day, because it is my understanding from the Department of Defense that they have no intention of making any decreases.

Mr. NUNN. It is my understanding, contrary to that of the Senator from Alaska, that the Department of Defense has made more studies of tactical nuclear weapons in the last month than they have in the preceding decade. I appreciate the Senator's frustration in this regard, because it has been a long time since we had any review of our tactical nuclear weapons posture; but I believe this amendment goes too far, without any kind of examination of its implications.

Mr. GRAVEL. Since it is obvious that is all we are going to accomplish, let me state for the RECORD what I was prepared to do.

I was prepared to take the amendment of last year, the ceiling, and ask that they come up with a plan for reduction. I was not asking for anything more than that. It was very simple; it is really not a complex situation, and I am really chagrined in trying to figure out what now lies in opposition to what I am willing to do, since this is essentially what the Senator from Georgia had done last year. The only thing is that the military did not really follow the dictates of what we had passed, what Congress enacted.

Mr. THURMOND. Mr. President, the military postures of both NATO and the Warsaw Pact consist of three major elements: strategic forces, theater nuclear forces, and conventional forces. On the NATO side, the posture is referred to as the NATO Triad and is the means of deterrence and defense. The conventional forces of the Triad deter and defend against conventional attacks. Theater nuclear forces deter and defend against theater nuclear attacks; help deter and, if necessary, defend against conventional attack; and help deter conflict escalation. The final leg of the Triad, strategic forces, deter and defend in general nuclear war, deter conflict escalation, and reinforce theater nuclear forces if needed.

The elimination of U.S. nuclear weapons in Europe would remove a major and necessary element of the NATO deterrent—in effect, it would cut off a leg of the Triad. The theater nuclear forces fill what would otherwise be a critical gap between strategic deterrent and conventional forces. This capability is urgently required to avoid the undesirable alternatives of conventional defeat or, worse, escalation to general nuclear war. We cannot and should not remove that leg. Therefore, as required in the amendment, there is no requirement to develop alternative plans to remove those weapons. Besides, such an action should not be unilateral, but in any case, should be a collective NATO decision.

The removal of U.S. nuclear weapons would nullify all cooperative defense programs with individual allies in which the United States provides nuclear weapons for use under NATO control in time of war after release by the President of the United States. The inevitable result of canceling these programs of cooperation would be the proliferation of independent nuclear forces in Europe, a destabilizing course desired by neither the United States nor our European allies.

Last, should the Soviets make a nuclear attack on Europe after the removal of this one leg of the Triad, our only retaliatory response would be U.S. strategic nuclear counterattacks. Such a move would be highly escalatory and, in view of United States-Soviet strategic parity, would undoubtedly be perceived by the Soviets as an incredible U.S. response.

The PRESIDING OFFICER (Mr. NELSON). The hour of 5:45 p.m. having arrived, the Senate, under the previous order, will now proceed to the call of the roll on amendment No. 536.

Mr. GRAVEL. Mr. President, I ask unanimous consent that we forgo the rollcall.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. GRAVEL. I have no reason to punish the issue or punish the body. I will be satisfied with a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 536) of the Senator from Alaska (Mr. GRAVEL).

The amendment was rejected.

Mr. NELSON. Mr. President, in this debate on the defense budget and the military procurement bill, it is necessary to consider the level of nuclear armaments which both the United States and the Soviet Union have in their arsenals. It is this weaponry which, according to our doctrine of nuclear deterrence, provides the backbone of our defense. Thus, even though the amount of funds devoted to strategic weapons in the defense budget may be relatively small when compared to the costs of conventional arms or manpower, the importance of strategic weaponry cannot be underestimated. And in any case, the $7.7 billion requested by the administration for strategic forces in the coming fiscal year is a lot of money by anyone's standards.

It is the responsibility of the Congress to vote funds for those weapons programs which are vital and necessary to our national defense. At the same time, we should all realize that a choice must be made. Although every dollar spent on defense should represent an investment in our national security, it also necessarily represents $1 less for use for other purposes or needs, many of which are greatly underfunded.

In short, it is the responsibility of Congress to review the proposed defense budget and ask the question, "How much is enough?" This question is applicable to all areas of the defense budget, but particularly to the area of strategic forces.

According to the figures provided by Secretary Schlesinger in his annual posture statement the United States currently has a total of 8,500 strategic nuclear weapons targeted on the Soviet Union. The U.S.S.R. has a total of 2,800 strategic nuclear weapons targeted on the United States. Each one of the United States and Soviet strategic nuclear weapons is at least three times the explosive power of the bomb dropped on Hiroshima. Some are as much as 16,000 times as powerful.

To get a better idea of the magnitude of overkill represented in these figures it is instructive to consider the statement which Secretary of Defense McNamara made in 1968 when he estimated that an arsenal of between 200 and 400 deliverable 1-megaton equivalent nuclear warheads would provide the United States enough weaponry to deter a Soviet attack on the United States. He estimated that such a nuclear force would be capable of destroying from 52 to 74 million Soviet people—21 to 30 percent of the population—and from 72 to 76 percent of Soviet industrial capacity.

Although not all U.S. strategic nuclear weapons are as large as one megaton, increasingly more accurate and hence more destructive weapons are being developed. Moreover, their vast numbers more than compensate for a slightly lower megatonnage.

Another way to get some perspective on the level of overkill existing on both sides is to consider the prime targets which would be relevant to our basic doctrine of assured destruction, that is the doctrine whereby we threaten to inflict "unacceptable damage" on the Soviet industrial capacity and population in the event of a Soviet first strike on the United States. Both the United States and the Soviet Union have approximately 200 cities with populations exceeding 100,000. The United States currently has over 36 nuclear weapons per Soviet city, compared to the Soviet total of over 12 nuclear weapons per U.S. city.

It should be pointed out that the important thing for the sake of deterrence is not so much the gross number of nuclear weapons existing in peacetime but rather the number of warheads which could be delivered on target even after a nuclear attack had been launched and had destroyed at least some of these weapons. Nevertheless, a substantial percentage of U.S. nuclear weapons are virtually invulnerable to Soviet attack. Even the conservative Pentagon planners believe that over 5,000 nuclear weapons are virtually invulnerable.

Of course, all of the figures cited so far completely ignore the 22,000 tactical nuclear weapons, some 7,000 of which are based in Europe and many of which are capable of reaching targets in the Soviet Union. Some of these tactical weapons are as large as strategic weapons; the major difference between the two types of nuclear weapons is that the tactical weapons have a shorter range.

The Washington-based Center for Defense Information has provided a useful public information service in the area of defense issues. The Center has calculated the astounding and irrational level of strategic nuclear weapons in terms of their explosive power.

Currently, the United States has in its strategic nuclear arsenal the equivalent of the explosive power of approximately 4,000 million tons of TNT—or 4,000 megatons. The Soviets have the equivalent of approximately 10,000 megatons.

Thus the United States and Soviet nuclear arsenals combined represent the explosive equivalent of 3½ tons of TNT for each and every person in the world.

During World War II, the United States dropped bombs with an explosive equivalent of approximately 2 million tons—that is 2 megatons—of TNT on Germany and Japan. Currently the United States maintains a nuclear force with an explosive power equal to 2,000 times the U.S. bombs dropped in World War II. A single U.S. Titan missile—of which we have 54—can deliver an explosion five times as powerful as all U.S. World War II bombing raids. In fact, a single U.S. Poseidon submarine, within the space of an hour, is capable of dispensing nuclear death to more cities than all the German and Japanese cities bombed by the Western Allies during World War II. Even the land-based U.S. tactical nuclear weapons abroad could deliver the equivalent to 275 World War II's.

The Center has also calculated the present arsenal in terms of the size of the bomb dropped on Hiroshima. This bomb, dropped on August 6, 1945, was the largest single explosive ever used in wartime. The bomb was equivalent to the explosive power of 13,000 tons of TNT—13 kilotons. Even so, this bomb resulted in 68,000 deaths and 76,000 people injured. Currently, the smallest of the nuclear strategic weapons is over 3 times larger than the Hiroshima bomb. One U.S. B–52 bomber is capable of carrying four 24-megaton bombs equal to the explosive power of 7,385 Hiroshimas.

One of the most discouraging aspects of this totally irrational level of nuclear weaponry is that far from decreasing it is increasing. Since July 1972 when the first strategic arms limitation agreements were signed, the United States has deployed 2,740 additional strategic nuclear weapons or an average of one such weapon every 10 hours. By comparison, the Soviets have deployed one strategic nuclear weapon every 48 hours since 1972.

It is absolutely senseless for such a buildup to occur while arms control negotiations are taking place. It is even more irrational when one considers how great a level of overkill existed even in 1972.

As we prepare to vote on the administration's defense requests for strategic forces, the present level of overkill must be kept in mind as we ask "How much is enough?"

Since World War II, the United States has spent almost $1.5 trillion on military programs. The Soviets have spent more than $1 trillion. A significant portion of these funds has been used to build and maintain strategic nuclear weapons.

We all would have been a lot better off if less had been spent on these nuclear weapons. And both countries would be better off were they to reduce the level of strategic weaponry in existence today—better off in terms of security and better off in terms of our own economic and social welfare.

We are long since past the point where additional nuclear weapons add to our security. We are now considering administration requests for highly accurate counterforce weapons which may well lead to instability and a net decrease of our security.

We must realize that the security of this country rests as much on our economic and social well-being as it does on the number of times we are able to destroy the Soviet Union with our nuclear arsenal. In the current economic situation it should be more apparent than ever before that we must make hard choices. Whatever is spent on strategic weapons cannot be spent on energy conservation programs, unemployment compensation, rural development programs, education, housing, mass transit, health care, or a whole host of other vital needs.

It is particularly timely to take a hard look at defense expenditures due to the extremely high level of unemployment. It is time to explode the myth that increased defense spending is a good way to reduce unemployment. A study by economists at the Massachusetts Institute of Technology indicates that every $1 billion in Government spending transferred from defense to civilian programs would create 6,436 more jobs than it eliminated. Moreover, a Bureau of Labor Statistics report has shown that whereas $1 billion spent on defense generates 75,812 jobs, the same amount spent at the State and local level would create 80,041 jobs if spent on health care and 104,019 jobs if spent on education.

Mr. President, enough is enough. It is time to put a halt to the "mad momentum" of the nuclear arms race. It is time to recognize that both the United States and the Soviets have enough nuclear weapons to destroy each other several times. It is time to realize that at the current level of nuclear overkill, most marginal differences are totally meaningless. It is time we heeded Secretary Kissinger's words of last year:

> And one of the questions we have to ask ourselves as a country is what in the name of God is strategic superiority? What is the significance of it politically, militarily, operationally at these levels of numbers? What do you do with it?

Mr. President, as reported out of the Senate Armed Services Committee, S. 920, the military procurement authorization bill, contains $17.7 million for research and development in fiscal year 1976 and $3.630 million for research and development in fiscal year 197T for the Navy's proposed extremely low frequency—ELF—communications system, which has been an ongoing project for some years. In the past the Navy has worked on a survivable system called Sanguine which was designed to be able to withstand a nuclear attack and still be able to communicate with our submarines via hardened transmitters located underground.

This year the Navy is asking for funds for a new system called Seafarer which is similar to Sanguine but which has only a few transmitters located above ground in conventional buildings and which would thus not be survivable. The Navy testified that the primary purpose of Seafarer is to communicate with the strategic nuclear submarines, as deep in the ocean as possible in peacetime and during periods of tension, to enhance the submarines' ability to avoid detection.

In order to clarify the funding situation in this procurement authorization bill and to bring out some of the issues raised by the Navy's switch from a survivable to a nonsurvivable system I would like to ask the distinguished chairman of the Armed Services Research Subcommittee (Mr. McINTYRE) some questions.

First, it is my understanding that the $17.7 million approved by the committee for 1976 and the $3.630 million provided in 197T is slated for the design validation phase, including further environmental and feasibility testing. No appropriations will be sent on actual production or deployment of the communications system.

Is that a correct statement of the facts?

Mr. McINTYRE. Yes.

Mr. NELSON. In fact, is it not the case that the committee actually deleted $300,000 from the administration's 1976 request and $770,000 from the 197T request which was to have been used to initiate full scale development?

Mr. McINTYRE. The Senator is correct.

Mr. NELSON. Second, is it not the case that at this stage of development, the technical feasibility of both project Sanguine and project Seafarer is still undergoing evaluation, and neither the Navy nor the committee has made any commitment for production and deployment?

Mr. McINTYRE. The Senator is correct. Before either the Navy or the committee commits themselves to production of either system, several things must happen. No decision along this line will occur until the Defense Systems Acquisitions Review Council meets in the third quarter of fiscal year 1976. Also a final site must be selected and a final environmental impact statement filed and approved. Then and only then would the administration request money for actual production of the system.

Mr. NELSON. I understand that before any money for actual production is authorized by the Senate, it is essential that the following questions be answered definitely on the floor of the Senate.

First. Have all of the environmental concerns that have been raised by citizens in Wisconsin and across the country and by environmental experts been adequately answered?

Second. Is the system technically feasible? That is, does it work?

Third. Is it vital to our national defense?

Would the Senator agree to that?

Mr. McINTYRE. I would.

Mr. NELSON. I know that it is clearly understood by the committee and by Members of the Senate that no final decision has been reached on any one of these three matters. We do not have a final decision on the question of environmental implications.

I believe that when these environmental studies are completed scientific experts around the country will have the opportunity to evaluate the quality of the studies and come to their own conclusions about them. We will then have the benefit of both the results of the studies that the Navy has been engaged in through a series of contracts with universities and private contractors, and an independent scientific analysis. In addition the final studies on the question of technical feasibility of either Sanguine or Seafarer will have been made available and it will be clear whether or not the communications system which is being tested does in fact work.

When those two issues are settled, the Senate will then come to the question of whether or not—if the environmental studies showed there would be no environmental damage, and if the system is feasible—the system is vital to the defense of the United States. Any system would have to be approved by a vote of Congress before deployment of the system would commence. Is that correct?

Mr. McINTYRE. The Senator is correct.

Mr. NELSON. The question of whether or not any proposed system is vital to U.S. security leads me to raise the issue of whether or not it is wise for the Navy to suddenly request funding for a nonsurvivable communications system, namely Seafarer, as opposed to Sanguine, which is what the Navy had previously proposed. Seafarer would not be able to survive a nuclear attack.

Is it not the case that the major selling point of the Sanguine system in the past was that it would be capable of withstanding a nuclear attack and still be able to communicate with our Polaris/Poseidon submarines and thus add to our deterrent posture of assured destruction?

Mr. McINTYRE. Yes, this was a major theme in the Navy justifications.

Mr. NELSON. Is it not the case that the ultimate aim of a communications system which will add to our nuclear deterrent is to assure that we will be able to communicate with our nuclear retaliatory forces after a nuclear attack has already been launched on the United States?

Mr. McINTYRE. The Senator is correct. This is one of the main missions. The ability to communicate with our forces after a nuclear attack is absolutely essential to the doctrine of assured destruction upon which our nuclear deterrent posture has traditionally been based.

Mr. NELSON. Precisely. It is exactly this crucial difference between a survivable and nonsurvivable system which leads me to have serious doubts as to the wisdom of the Navy's request for Seafarer rather than Sanguine.

As I understand it the Navy's argument in favor of Seafarer is based on a desire to allow submarines to receive communications undetected at operating depths without coming up as close to the surface as they currently have to in order to receive communications. The reasoning goes that this will allow the submarines to be less detectable and thus more survivable. Thus it is argued that preattack survivability will be enhanced.

However, the essence of our assured destruction deterrent posture is postattack survivability, not merely preattack survivability. Is this not correct?

Mr. McINTYRE. Both missions are critical to survivability. We need to do both.

Mr. NELSON. Do you think the Soviets might wonder why the United States all of a sudden decided to move from a survivable communications system to one that is nonsurvivable?

If it is indeed U.S. policy not to be the first one to launch a nuclear attack then might not the Soviets question U.S. motives in constructing a nonsurvivable communications system which could easily be destroyed in a nuclear attack?

Mr. McINTYRE. I think the Senator raises a valid point.

Mr. NELSON. Is it not true that the Seafarer system could be used to communicate with U.S. attack submarines engaged in antisubmarine warfare as well as to communicate with missile-carrying nuclear submarines designed for retaliatory purposes?

Mr. McINTYRE. This is indeed the case.

Mr. NELSON. As a matter of fact this particular communication system would significantly improve the antisubmarine warfare capability of our attack submarines by allowing them to continue to follow their prey and maintain communications without having to approach the surface and thus risk losing the enemy submarine which is being pursued or risk detection and attack. Is this a fair statement of the facts?

Mr. McINTYRE. Yes, it is.

Mr. NELSON. Currently the sea-based deterrent forces of both the superpowers, the United States and the Soviet Union, are the most survivable and reliable parts of each sides nuclear deterrent. Increasing the effectiveness of the antisubmarine warfare—ASW—forces of one side may well be seen as threatening and destabilizing by the other side. Would you agree with this evaluation?

Mr. McINTYRE. I think you raise a point that has not been sufficiently explored in public debate. Increased ASW effectiveness on the part of the United States might be seen by the Soviets as a potentially destabilizing development. The Soviets might well believe that their deterrent force was being threatened and that counteractions might be necessary to offset this new threat.

Mr. NELSON. The Senator from New Hampshire has taken the lead in opposing the development of a potentially dangerous and destabilizing counterforce capability on the part of the United States. All of us in the Senate are indebted to him for the leadership role he has assumed in this matter.

The Senator knows only too well the dangerous consequences which can arise from the threat to an enemy's retaliatory forces which a counterforce capability raises.

The point which I would like to make with regard to the Seafarer system is that the two aspects of this system which were previously discussed, namely its nonsurvivability and its potential use to increase our ASW capability, when combined with the administration's request for funds for an improved counterforce capability, may well raise serious questions in the mind of the Soviets as to U.S. intentions. Would the Senator agree?

Mr. McINTYRE. I would agree with this evaluation.

Mr. NELSON. The Soviets might well question why the United States would at one and the same time attempt to develop a communications system which could not survive a first strike and which would improve our ASW capability and also attempt to increase our capacity to destroy hardened targets such as Soviet missiles housed in their silos.

Even if the Soviets realized that the United States was not going for a first strike, they might well be concerned about just what U.S. motivations were in these developments. And the Soviet concerns might well have deleterious effects both on the arms race and on nuclear stability.

Would the Senator agree?

Mr. McINTYRE. Yes; I feel the message we send must be clear and unambiguous that we will meet any threat with the right kind of strength.

Mr. NELSON. It is this concern about the value of a nonsurvivable communications system like Seafarer that I wanted to get on the record at this point.

Am I correct in saying that there are no funds in this bill for Sanguine?

Mr. McINTYRE. The Senator is correct.

Mr. NELSON. Am I also correct in stating that almost all of the research and development to be funded for Seafarer will be equally applicable to the Sanguine system?

Mr. McINTYRE. That is correct.

Mr. NELSON. Really the major difference is in the hardening and burying of the transmitters. Is that right?

Mr. McINTYRE. Yes, that is correct.

Mr. NELSON. Am I correct in stating that the committee in its report directed the Navy to reexamine the need for a survivable Sanguine system and report its findings to the committee when the fiscal year 1977 budget is submitted.

Mr. McINTYRE. That is correct.

Mr. NELSON. As the Senator is well aware I have not reached a conclusion in my own mind whether or not we should have an extremely low frequency communications system such as Seafarer or Sanguine. As I have stated previously there are three basic questions to be answered first: First, will it work? second, can it be operated without environmental damage? and, third, do we need it? These questions are as yet unanswered. And as you know, no funds are provided for production or deployment of the system.

However, it seems to me that if any

system at all is going to be built, maximum effort should be devoted to designing a survivable system which could add to our deterrent posture rather than a nonsurvivable system which might well be destabilizing. Would the Senator agree?

Mr. McINTYRE. I would certainly agree with the Senator that a survivable system is much preferable to a nonsurvivable one. It is for this reason that the committee directed the Navy to reexamine the need for a survivable system.

Mr. NELSON. I certainly concur in that committee language.

Since it is the case that most of the research and development to be done on the Seafarer system would be transferable to a survivable system I feel it is important to encourage the Navy to direct its energies to the development of a survivable system, particularly in light of the real drawbacks of a nonsurvivable system.

I, for one, would have grave reservations about funding production of a nonsurvivable system.

I feel that it is important to make it quite clear that the distinguished chairman of the Research and Development Subcommittee as well as others of us in the Senate feel the Navy should concentrate its efforts on developing a survivable system rather than a nonsurvivable system.

Would the Senator agree?

Mr. McINTYRE. I certainly would.

Mr. THURMOND. Mr. President, the people of our country can be proud of what the Senate has done this week. They now have a denfense authorization bill which is soundly conceived, carefully pared down to the absolute essentials by the studious work of the members of the Senate Armed Services Committee, and now is perfected and strongly endorsed by a heavy and consistent majority in the Senate.

I want to pay tribute to Chairman STENNIS for his fine leadership in handling this bill on the floor of the Senate. Also to Senators GOLDWATER, TOWER, and others who were active and helpful. I want the full Senate and the people of the United States to know that the decisions in the committee were made on each detail of the bill in a spirit of responsible cooperation on the part of both majority and minority.

We now have a good bill. We have authorized $25 billion for fiscal year 1976 and $5.2 billion for fiscal year 197T. Military and civilian manpower levels for fiscal year 1976 and 197T were authorized at 2,081.7 million and 945,000 respectively. If we look just at the dollar totals it would appear that the Senate authorized for fiscal year 1976 an increase of $4.1 billion over last year. However, the real buying power of this authorization equates to only about $300 million over last year when inflation factors and prior year requirements are considered.

But this modest increase will be sufficient to stop a dangerous trend of the past 7 years. Since 1968 the defense establishment, by any objective measurement, has diminished alarmingly in size—in manpower, divisions, ships, planes—in anything except inflated dollars. This was the year to draw the line, and we have done that.

The committee and the full Senate have examined the bill in careful detail. The Senate has given strong endorsement to individual weapons systems that are vital to our future security. We voted strongly and specifically to continue development of the B–1 bomber and submarine launched missiles and to continue to produce Minuteman III missiles—a clear message to our adversaries that we will keep the strategic balance and will have the flexibility to deter or respond in any future blackmail or war situation. The Senate endorsed the continuation of research and development on a defense against ballistic missiles—another necessary message to the Soviet Union.

It is most significant that the Senate endorsed overwhelmingly the Army's planned move to 16 divisions. They Army has a careful plan to improve its own efficiency and effectiveness by adding three divisions without adding equivalent manpower. The plan was explained carefully to the Congress, and now the Senate, like the other body, has endorsed this historic step.

Most important, the Senate has resisted the temptation to make an unspecified $1.2 billion cut in defense authorization across the board. In these times of economic stress and large federal deficit it might be easy to cut defense without understanding or questioning what would ultimately be lost in national security. Our committee had already cut $4.8 billion in specific items, after a careful review of all of the implications. To have added to that reduction with a blind "ceiling" would have been risky and unwise. The American people should know that we did limit defense spending severely, but we can justify in detail each and every reduction, as well as each and every endorsement of the President's request.

Mr. President, in summary, this is a good bill and one in which the people of our great country can have confidence. It will also serve as a significant signal to those who do not have our best interests at heart that we do intend to maintain a strong defense.

MILITARY SPENDING

Mr. CLARK. Mr. President, once again, I am compelled to vote against passage of the military procurement authorization bill.

At a time of hardship and serious economic difficulty at home, the $25 billion spending request now before the Senate is extravagant. At a time of détente with the Soviet Union and disengagement in Southeast Asia, the new weapons programs authorized in the bill are unnecessary and may well endanger national security more than they enhance it.

This is my third year in the U.S. Senate and my third vote against the annual military procurement authorization bill. As in the past 2 years, I remain convinced of the need for a strong and innovative national defense with the recognition that a strong defense takes billions and billions of dollars. But I also remain convinced that no Government program or Government proposal merits a blank check—especially these days.

The President has asked Congress to hold the line on Federal spending. Members of Congress from both parties repeatedly have urged congressional analysis and sharp scrutiny of spending proposals. But, once again, the military's spending request has not felt the sharp scrutiny of the administration or the Congress. And that is particularly unsettling because—at more than $100 billion for the first time in history—the total defense budget is the largest single controllable item of Federal spending.

This year, the administration requested $28.6 billion for research, development and construction of new aircraft, ships, and missiles. The House of Representatives reduced that $2 billion, and the Senate Armed Services Committee made it $25 billion.

Despite the reductions made by the Senate Armed Services Committee, that $25 billion represents an almost 20-percent increase over the current fiscal year. That kind of increase more than covers inflation and it goes beyond provision for even moderate growth. Both in terms of hard dollars and percentages, it represents the largest annual increase since Congress began to authorize military procurement and research and development in a single piece of legislation. And that kind of increase is not acceptable today.

Like the last few years, many Members of the Senate felt this week that additional cuts could be made in defense spending—cuts that would not adversely affect national security. But each of those amendments was defeated, just as they were defeated last year and the year before.

On Wednesday, there was an effort to save $1.2 billion and establish a $23.8 billion ceiling on the authorization bill, a ceiling that still represented a 14-percent spending increase, a ceiling that would have enable the military itself to determine where savings could best be made. It failed by 23 votes. Then there were amendments to bar the use of funds to develop a "counterforce" capability by improving the accuracy of U.S. strategic missiles and to stop development of a submarine launch cruise missile. Those amendment failed as well.

On Thursday and today, it has been much the same—with amendments to eliminate funds for the B–1 bomber, to set aside development of an airborne warning and control systems plane, and to prevent the purchase of an additional series of Minuteman missiles. All were defeated. And it turns out that this year is no different from 1974 and 1973.

During the debate I asked the Library of Congress to look at the pattern of Senate action on military authorization bills over the last 5 years.

Mr. President, I ask unanimous consent that a table prepared by them be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL ACTION ON ANNUAL MILITARY PROCUREMENT AND R.D.T. & E. AUTHORIZATION REQUESTS, FISCAL YEAR 1971-77

[In thousands of dollars]

	DOD request	House report	House bill	Senate report	Senate bill	Act
1971:						
Procurement	12,869,889	12,971,889	12,971,889	11,892,389	11,892,389	12,493,489
R.D.T. & E.	7,401,600	7,265,600	7,265,600	7,016,500	7,016,500	7,101,600
Total	20,271,489	20,237,489	20,237,489	18,908,889	18,908,889	19,595,089
1972:						
Procurement	14,054,000	13,911,900	13,105,800	13,301,600	13,316,100	13,413,900
R.D.T. & E.	7,950,767	7,963,312	7,963,312	7,607,312	7,605,312	7,793,400
Total	22,004,767	21,875,212	21,069,112	20,908,912	20,921,412	21,207,300
1973:						
Procurement	14,495,200	12,940,900	12,940,900	12,092,300	12,092,300	12,427,360
R.D.T. & E.	8,771,767	8,371,888	8,371,888	8,423,367	8,423,367	8,516,547
Total	23,266,967	21,312,788	21,312,788	20,515,667	20,515,667	20,943,847
1974:						
Procurement	13,401,200	13,073,200	13,073,200	12,388,235	12,887,920	13,104,635
R.D.T. & E.	8,557,900	8,321,797	8,321,797	8,059,733	8,059,733	8,194,885
Total	21,959,100	21,394,997	21,394,997	20,447,968	20,947,653	21,299,520
1975:						
Procurement	13,805,100	13,641,300	13,641,300	12,695,000	12,654,100	12,994,200
R.D.T. & E.	9,325,039	9,001,663	9,001,663	8,952,412	8,952,412	8,936,977
Total	23,130,139	22,642,963	22,642,963	21,647,412	21,606,512	21,931,177

Mr. CLARK. Mr. President, as the table indicates, the pattern is clear. In every year but one, the Senate accepted the legislation as it came to the floor. And, in that one year, the reduction was miniscule. I think that people have been disappointed with that performance, and they will be disappointed again this year.

The consideration of the military procurement bill has not been without some bright spots and successes. For the first time, the Senate tried to relate the defense spending request with the broader foreign policy objectives of this country. Hopefully, that will become a permanent feature of the defense spending debates. And thanks to an amendment by Senator CULVER, the administration will have to take part in it next year by presenting a joint analysis by the Departments of State and Defense on the relationship between defense spending and foreign relations to the Armed Services and Foreign Relations Committees.

In addition, the Senate again directed that women be considered along with men for admission to the major military academies. Now that the House of Representatives has concurred, this officially sanctioned sex discrimination of the past will be eliminated, and women will be able to increase their educational opportunities within the military.

But, in my judgment, those few successes cannot salvage the legislation. Recession, inflation, and 10 percent unemployment are still with us. National productivity is decreasing. The administration has asked for cutbacks in social security, cutbacks in environmental protection, cutbacks in education. But, for the military, it asks for significantly more money. We should permit the military an increase for inflation. We should permit continued development and procurement of necessary weapons. But this legislation goes beyond that, and I simply do not think it can be justified.

AMERICA'S PRIORITIES

Mr. CRANSTON. Mr. President, on this final day of consideration of this military procurement bill, I want to make a few more points regarding the matter of priorities, of choices for us and the American people we represent in purposes, programs, directions—and spending.

President Ford's fiscal year 1976 budget, as presented, offered a peculiar evaluation of national priorities. As proposed, the budget would increase defense purchases, other than manpower, by 4 percent annually over and above inflation, from 1976 through 1980. Total outlays requested were $94 billion for 1976, reaching $141.4 billion in 1980. In budget authority—that is, new obligational authority, national defense would receive $107.7 billion in 1976, rising to $149.4 billion in 1980.

Budget authority for national defense—which includes DOD military, the portion of military assistance funded through the DOD budget, atomic energy defense activities, and other defense-related activities—increases from $91.3 billion in 1975 to $107.7 billion in 1976, a rise of 18 percent. Outlays increase from $85.3 billion to $94 billion, a rise of 10 percent.

Of the $8 billion increase in DOD military functions and military assistance, the largest portion would go for procurement and research, development, testing, and evaluation. Procurement outlays would increase from $14.8 billion to $16.6 billion; R.D.T. & E. increases from $8.65 billion to $9.61 billion, outlays for military personnel and retired military personnel remained approximately constant. The cost of operation and maintenance would increase from $25.7 billion to $28.2 billion, according to the President's budget. In terms of major military programs, obligational authority for strategic forces would rise slightly from $7.4 billion to $7.7 billion. General purpose forces increase from $28.2 billion to $35.9 billion, an increase of 27 percent.

The 10.26-percent increase in defense expenditures from fiscal years 1975 to 1976 was accompanied by a requested 29.69-percent increase in international affairs expenditures. This reflects a jump from the projected fiscal year 1975 outlay level of $4.9 billion to the requested $6.3 billion for fiscal year 1976.

These increases in the national security area compared with significant cuts in social program areas, particularly after inflationary effects are taken into account. For example, in the income security area, the administration proposed a 5-percent cap on social security payment increases. This would apply to food stamp programs, the child nutrition program, the supplemental security income program—SSI—special benefits for disabled coal miners, and railroad and civil service retirement and Federal pay. This proposal alone would affect 78 percent of all income security programs.

Furthermore, the administration proposed to limit food stamp expenditures, over and above a proposed administrative change in food stamp costs to beneficiaries which would increase the income test from 25 to 30 percent. The President's budget, in addition, entirely eliminated the school breakfast program.

In the functional category education, manpower, and social services, the President's budget proposed a real dollar cut, from $14.7 billion to $14.6 billion, even without any inflation factor. In the social service area, President Ford proposed to cut the Federal contribution to States for social services by increasing the State's matching share of funding from 25 to 35 percent in fiscal year 1976, and then up to 50 percent in 1977. Were this proposal enacted, grants to States under this program would drop from $2 billion in 1975 to $1.6 billion in 1976.

In the manpower area, the budget proposed a decline from $4 billion in 1975 to $3.9 billion in 1976, despite skyrocketing unemployment. The Ford budget also proposed a slight increase in education expenditures, from $7.3 billion in 1975 to $7.4 billion in 1976.

However, this small increase, insufficient to compensate for inflation, also assumed that Congress would accept several controversial recommendations in the President's budget, including a reduction of $417 million a year in the impacted aid program providing money to school districts with large numbers of children of Federal employees.

Thus, while the share for national security—defense plus international affairs—of the Federal budget would increase from 28.4 percent in fiscal year 1975 to 28.7 percent in 1976 under the President's budget, the share of the budget for education, manpower, and social services would decline from 4.6 to 4.2 percent. In the area of health care, although overall totals in outlays were estimated by the President to rise from $26.5 billion in 1975 to $28 billion in 1976, almost all of this increase was concentrated in medicare and medicaid. Programs such as health research, health education and training, prevention and control of disease, health construction, and medical services would actually decline from 1975 to 1976, under the Ford proposal.

Even in the area of medicare and medicaid, the administration proposed to increase the out-of-pocket payments by the aged for benefits and increase the payments necessary by States to maintain the current level of benefits. The administration proposals would have limited the rate of increase and average daily costs for which hospitals could be reimbursed by medicare, and would have increased the monthly premium paid by the aged for medicare benefits to $7, beginning in October 1975, from its current level of $6.70. These proposed cuts in health care were designed to save $2.4 billion.

In all, the administration proposed $17 billion in budget reductions from the 1975 budget, of which more than half fell upon programs directly aimed at helping the poor or the elderly.

Another examination of misguided administration program priorities is illustrated when military versus nonmilitary programs are compared. The following compares the Ford administration weapons, procurement and research and development in DOD authorization bill—with Vietnam money excluded—with various other Federal domestic programs.

PRESIDENT'S BUDGET (FISCAL YEAR 1976), PROGRAM FUNDING—FISCAL YEAR 1975 TO FISCAL YEAR 1976

[Dollar amounts in millions]

	Fiscal year—		
	1975	1976	Percent
DOD weapons procurement, R. & D. in authorization bill, Vietnam excluded (BA)	$20,893	$28,262	+35
Community development block grants	2,495	2,550	+2
Community Service Administration	421	363	−14
Drug abuse prevention and enforcement (BA)	788	763	−3
Elementary and secondary education (BA)	3,732	3,433	−8
Higher education (BA)	4,474	4,220	−6
Food stamp, other food programs (O)	3,828	3,707	−3
Nutrition assistance (O)	2,039	1,683	−17
Community health services	796	496	−38
Medicaid—Federal funding	4,713	4,871	+3
Aid to families with dependent children (BA)	4,208	4,084	−3
Social security (OASDI) (O)	62,294	68,753	+10
Veterans benefits (O)	8,000	8,061	+1
Unemployment insurance (O)	13,581	17,047	+25
Law Enforcement Assistance Administration (BA)	881	770	−13
Rural development loans and grants (O)	1,180	1,060	−10
Rural housing programs (O)	2,254	2,142	−5
Urban mass transportation	1,445	1,724	+19
Energy (BA)	1,914	2,491	+30

It is because of the substantial cuts in domestic programs made in the President's initial budget, as compared with a substantial increase in the request for defense, that questions such as, "In what other categories, other than Defense, did the Congressional Budget Committee suggest cuts?" become meaningless. In other words, the Congressional Budget Committees do not cut Defense—in fact, they proposed a 6.3-percent increase from fiscal years 1975 to 1976. This represents a jump from $85.3 billion in outlays to $90.695 billion in outlays. Since President Ford has proposed cuts in most programs, it would be unrealistic to suppose that Congress would cut such programs even further. In fact, quite the opposite was true, the congressional budget representing a substantial turnaround of the priorities set forth in the Ford budget.

The adopted conference report of the Budget Committee conferees, which has subsequently been adopted by both Houses of Congress as the first concurrent resolution on the budget, reflects a substantial alteration from the priorities set forth in the Presidential budget. That is not to say, however, that additional cuts from Presidential requests and additions to Presidential request cannot be made, or are not desirable. In fact, we are now advocating that perhaps as much as an additional $3.695 billion in outlays be cut from the Defense budget request. Note that this still leaves that budget with $87 billion in outlays, or an increase of $1.7 billion over 1975 estimated outlays. In no case have we suggested that the Defense budget be cut back below the fiscal year 1975 level.

The congressional budget provided, as stated, for a 6.3-percent increase over fiscal year 1975 for Defense. It provided that international affairs be funded at $4.9 billion, the same level as in fiscal year 1975. Thus, although these figures represent substantial cutbacks from the administration request, they at least maintain or increase the 1975 levels in the national security area.

In the category of science and space, the congressional budget provides $4.6 billion in outlays, the same amount as the President requested, representing a 9.5-percent increase over fiscal year 1975. The congressional budget also funded the agricultural function at exactly the same level as the Presidential request, $1.8 billion, which is the same level as the previous year. The most significant increases in the congressional priorities over the administration's are in the functions of natural resources and energy, commerce and transportation, community and regional development, and education, manpower and social services.

In natural resources and energy, the budget reflected the congressional concern for development of new energy sources by primarily increased research. From the fiscal year 1975 level of $9.4 billion, the congressional budget increased the amount for natural resources and energy to $11.6 billion, a jump of 23.4 percent. This was significantly higher than the jump to $10 billion proposed by the President.

In commerce and transportation, the congressional budget represents substantial new expenditures involving the Northeast rail corridor, rehabilitation of railroads, and public service jobs in railbeds. The fiscal year 1975 amount expended in this function was $11.9 billion, with the President proposing an increase to $13.7 billion. The final congressional budget figure was $17.5 billion, representing a 41.1-percent increase over the previous year's budget and jumping the total expenditure in this function from 3.7 to 4.7 percent of the total budget. This reflects a significant alteration of priorities.

Perhaps even more significant, although it reflects primarily the concern for the accelerated public works bill originating on the House side, is the increase in the community and regional development category. In fiscal year 1975, $4.9 billion was expended in this function. The President's request was for $5.9 billion, an increase of 21.14 percent. However, the congressional budget provided for $8.65 billion, an increase of 76.5 percent over the fiscal year 1975 outlay number. Again, the percentage of the total budget allocated for this function jumped from 1.5 percent of the total to 2.3 percent of the total.

As noted above, the President's budget called for an actual cut of $100 million in the outlays for education, manpower, and social services. Congress plainly rejected this Presidential priority. Thus, the congressional budget calls for an increase of $14.7 billion in fiscal 1975 outlays to $19.85 billion, an apparent increase of 35 percent. This, however, reflects only an inflationary increase, that is, an allowance for inflation, in the permanent programs, plus funding for public service jobs programs which also fall into this category.

In the health function, the President's request would not have made up for losses attributable to inflation. Thus, Congress increased the outlay figure from the fiscal year 1975 figure of $26.5 billion to the congressional budget figure of $30.7 billion, an increase of 15.8 percent. This does not represent any significant alteration of priorities from the previous year, although it does bar the President's cut in the health care programs.

Another significant area in income security, where the President's underestimate of unemployment insurance recipients, based on a bad underestimate of the unemployment rate for the year, succeeded in establishing a much too low base for both the fiscal year 1975 estimate in the President's budget, and the fiscal year 1976 projection of need. The original fiscal year 1975 estimate of outlays was $106.7 billion. By March, the President's Office of Management and Budget had raised this estimate to $109.8 billion.

In the President's budget, the request was for $118.7 billion, a seemingly sufficient increase to compensate for inflation over the fiscal year 1975 estimate of 11.27 percent. However, when one realizes that the fiscal year 1975 estimate was too low, it becomes obvious that the President's request for an increase was also too low. Thus, the congressional budget provides $125.3 billion in this function, an increase of 17.4 percent over the original fiscal year 1975 estimate.

As of this week, the administration is still revising upward its estimate of unemployment rates during the course of fiscal year 1975, which, of course, will affect both of fiscal year 1975 outlay estimate unemployment insurance, as well as the fiscal year 1976 need for unemployment insurance, all of which falls in this category.

In the veterans function, the President's budget reflected two proposed legislative changes, both of which were nearly unanimously rejected by the Congress. Without these changes, the standard increase for inflation over fiscal year 1975 estimates are established by the congressional budget. Thus, the veterans function goes from $15.5 billion in estimated fiscal year 1975 outlays to $17.5 billion in estimated fiscal year 1976 outlays in the congressional budget, an increase of 12.9 percent.

The remaining functions—that is, law enforcement and justice, general government, revenue sharing, interest, and undistributed offsetting receipts—do not reflect significant variations in terms of national priorities emphasis from fiscal year 1975, either in the President's budget or in the congressional budget.

There are, however, minor variations. In law enforcement and justice, the fiscal year 1975 outlay level was $3 billion. The President's request was for $3.3 billion, reflecting approximately an 8.66-percent increase. The congressional budget provides $3.4 billion, an additional $100 million for this function. In general government, the President requested $3.2 billion, an increase of $600 million over the $2.6 billion in estimated fiscal year 1975 outlays. The congressional budget provided finally for $3.3 billion in this function, an increase of $100 million over the President's request, and an increase of 26.9 percent over the 1975 budget. However, the share of the total budget for this function remains at 0.8 percent of the total from fiscal year 1975 to the congressional budget estimate in fiscal year 1976.

The President requested $7.2 billion, an increase of $200 million over the $7 billion spent in fiscal year 1975 for revenue sharing assistance to States and local governments. The congressional budget provides the same amount for this purpose.

The amount provided by Congress for interest on the debt represents an increase of $600 million over the President's estimate, accounted for by the slightly higher total expenditures and deficit projected by the Congress.

Finally, the amount reflected for undistributed offsetting receipts shown by the congressional budget is $4 billion less than that shown by the President's budget. The effect of this offsetting receipts number is, of course, to reduce the nominal deficit.

However, Congress rejected the President's highly inflated estimate of Outer Continental Shelf oil leases revenues to arrive at its number, which is more accurate. Thus, $4 billion of the difference in the Presidential projected deficit and the congressional projected deficit is determined simply by the President's overestimate of anticipated revenues in this column.

There can be no doubt, in conclusion, that the congressional budget reflects a much greater interest in the needs of the poor, the elderly, and the disabled than the President's budget. To this extent, the President's priorities, which emphasize national defense and international assistance, are, in part, reversed. However, careful examination indicates that this reversal is more apparent than real, and the further cuts in national defense may well be appropriate, while further stimulation of the economy by temporary expenditures in stimulated programs designed to put people to work in the domestic economy are also called for.

Mr. BENTSEN. Mr. President, I am greatly encouraged by both the tenor and quality of the debate that has taken place over the last few days concerning this proposed defense budget. A bill authorizing over $25 billion in expenditures and touching on issues that are crucial to our country's future reserves sober consideration.

The Senate Armed Services Committe has done a commendable job in pairing down the requests of the Defense Department and in making reductions of about 16 percent in the Department's total request. Even when one excludes funds requested for Vietnam and certain Naval construction funds that have been merely postponed, the budget requests of the Pentagon are still reduced by $2.6 billion which is a substantial cut.

More than by just the amount of the cuts being made, I am encouraged by the incisiveness of the analysis done by the committee in making those reductions. One of my deepest concerns since coming to the Senate has been the adversary nature of the relationship between Congress and the Pentagon in making decisions regarding our Nation's defense. Too often the Congress is viewed as simply another problem for Pentagon planners rather than as a partner in defense decisionmaking. Too often defense requests are met with a skepticism by Members of Congress that defeat effective cooperation. Congress has a role in managing the Defense Establishment but that role is hinged on deliberate and responsible conduct in assessing our defense needs. The international environment in which our actions are viewed today only increases the need that we measure our every action against U.S. foreign policy interests which our Government seeks to pursue.

I am particularly pleased by the efforts of the Committee on Armed Services this year to deal effectively with the issue of personnel costs in the military establishment. The work of the new Subcommittee on Manpower and Personnel. I strongly support the efforts of the committee to control our military manpower expenses. Personnel costs continue to increase both in real terms and as a percentage of overall defense spending. In fiscal 1976 overall costs for personnel will be approximately 53 percent of all defense expenditures for fiscal year 1976 totaling $55 billion. The committee's reductions in both civilian and military personnel will accomplish a savings of approximately $540 million but more needs to be done and I believe more can be done with effective congressional leadership.

The Defense Manpower Commission, of which I was an original sponsor, has recently issued an interim report which proposes changes in both the military grade authorization and retirement systems which could effectuate significant savings. The Commission has found, for example, that under our present method of computing cost-of-living increases in retirement pay for civilian and military Defense Department personnel, that these cost-of-living increases will actually exceed the amount necessary to preserve the actual purchasing power of the retiree's pay by tens of billions of dollars. Over a 20-year period, beginning in February 1975, aggregate payments in excess of those necessary to maintain the purchasing power of retirement pay would be $19.8 billion at a 3-percent annual inflation factor and $51.6 billion at a 6-percent inflation factor. These figures are staggering and I hope that the committee will give prompt attention to these interim recommendations by the Manpower Commission.

On other personnel issues, pressure should be maintained on the armed services to continue a reduction of the ratio of support to combat troops and to reduce the numbers of officers in such grades as colonel, lieutenant colonel and equivalent Navy grades.

In sum, Mr. President, I believe that the defense authorization we have considered for fiscal year 1976 reflects a firm commitment to a strong defense coupled with a budget-conscious review of defense spending. The signal we thereby give to our allies and to those around the world who would test our resolve is that the United States continue its position as the world's leading military power. The message at home will be equally clear that waste of the taxpayers' money will not be tolerated by this Congress no matter what the stated cause. Our actions here reflect the seriousness of the world conditions that face us today. The United States in order to continue its role as the bedrock, the foundation of an alliance of democratic societies must not only keep its defenses strong but must be increasingly conscious of the cost of such defenses and the need to protect our own economy and social institutions in the process. I believe the bill we pass today is, overall, a succesful effort in that direction and will receive my support.

THE U.S. DEFENSE BUDGET AND THE MIDDLE EAST

Mr. McCLURE. Mr. President, a strong defense capability remains essential, despite the glowing assurances to the contrary offered by supporters of United States-U.S.S.R. "détente". The Middle East is, in reality, a test of the true worth of "détente", and the Middle East could well prove to be the graveyard of ill-based illusions concerning the true nature of East-West competition and of Soviet policies and objectives.

When the Soviet Union speaks of "détente", the term usually used is "peaceful coexistence". But, to this term is added the qualifier "between states with different social systems". To gain a true insight into the Soviet attitude toward

peaceful coexistence, we should look carefully at the statements which have been made by Soviet leaders and the official Soviet press. For example, when Brezhnev spoke at the Moscow summit meeting, he asserted:

The Communist Party of the Soviet Union always held and now holds that the class struggle between the two systems—the capitalist and the socialist—will continue. It cannot be otherwise, because the world outlook and class aims of socialism and capitalism are opposed and irreconcilable.

His use of the terms "opposed" and "irreconcilable" should not give any rational American grounds for relaxing our defense posture, nor should the later definition given to peaceful coexistence by Pravda:

Peaceful coexistence does not mean the end of the struggle of the two world social systems. The struggle between the proletariat and the bourgeoisie, between world socialism and imperialism will be waged right up to the complete and final victory of communism on a world scale.

The warning to the United States was sounded even more clearly in Izvestiya, shortly after the preceding:

Peaceful coexistence, by limiting the freedom of action of the most reactionary agressive circles of the bourgeoisie, widens the possibilities of successful struggle for social changes both in the citadels of imperialism and on its periphery.

The key phrase here is "limiting the freedom of action." And, that is the result of unreasonable reductions in the defense budget. When cuts are made, choices have to be made. And, choices mean that some system or weapon will have to be dropped or cut back. The results of this have been painfully evident in the Middle East.

At the present time, the Army's tables of equipment call for 10,000 tanks, but it actually has less than 8,500. Of these, over 3,000 are not considered viable battlefield opponents for Soviet tanks. Since October, 1973, we have delivered over 800 tanks to Israel. As one Defense official said,

In a period of six weeks, we gave away the equivalent of three years production of tanks.

We are now attempting to increase tank production, but are facing serious restrictions due to foundry capacity. In addition, one of the results of our analysis of the October 1973 Middle East war was the decision to substantially accelerate production of TOW and Dragon antitank missiles. It is fortunate that these systems are through the development stage. But, what of those weapon systems which are not progressing?

One striking example is in the field of armored personnel carriers—or, APC's. There is no question that the APC's supplied by the Soviets were superior during the 1973 war. In fact, the best Soviet APC, the BMP, has no equivalent in the U.S. arsenal. The BMP is really more than just an APC; it is truly a mobile infantry combat vehicle. This is the MICV concept that we have been trying to develop. But, the Soviets have them in production and supplied them to the Egyptians and the Syrians.

A brief description of the BMP can, I believe, illustrate the advances being made by the Soviets, in areas where our military is being forced to cut back.

The BMP is definitely not a primitive vehicle. It was designed around the concept of fighting inside. Every man on board can fight while protected. It has a crew of three, and mounts a 73-mm smoothbore cannon, with a 7.62-mm coaxial machinegun. It carries at least four Sagger antitank missiles and an infantry squad of 10 men. Two of them can fire two dismountable general-purpose machineguns and even can use their AK–47, or AKM, assault rifles from inside by means of periscope sights. The degree of sophistication of design is further illustrated by the use of individual exhaust systems attached to each weapon for purging powder gases. And, finally, the 10th man has a Strella, SAM–7, antiaircraft missile. This is truly an advanced, tracked MICV. The Syrian Army has it, but not the Americans.

There are other advanced, combat-proven weapon systems in the Soviet arsenal not matched in ours, some of which we fought against in Southeast Asia and others that we have seen used effectively in the Middle East. They are the result of Soviet commitment to military supremacy. They will be matched only through a similar commitment by us, to insure our troops will never find themselves in a situation similar to the one that faced those Polish soldiers, who so bravely charged into battle on horseback against German tanks, in 1939. There is a limit to how far bravery can prevail against superior weapons.

It is no accident that Soviet weapons have poured into the Middle East. Under the Soviet definition of "détente," control of the Middle East is essential and, to them, inevitable. The Soviet understanding of the importance of this area to us was clearly shown in an article by Anatoly Gromyko, the son of Soviet Foreign Minister Andrei Gromyko, entitled, "U.S. Foreign Policy Strategy in the Seventies," and published in Moscow in October 1973. With regard to the energy crisis and its relationship to Arab oil, he said.

Without a solution to this problem even in the next few years, the United States will be unable to maintain any significant economic growth rate which is fraught, for the United States, with far-reaching consequences under conditions of the acceleration of competition on the trade market and the presence of very acute internal social problems.

The Soviet Union recognizes the essential importance of the Middle East. They also recognize the basic truth that victory for them in the Middle East can result from overwhelming military strength. For the sake of those who live in that troubled region—be they Arabs or Israeli—as well as our own, we have to rebuild and strengthen our military defense capability. This is not a time for slashing cuts in the budget required to accomplish that basic need.

THE SAM–D PROGRAM, 2 YEARS LATER

Mr. BAYH. Mr. President, as the debate in this body on this year's weapons procurement bill has so clearly pointed out, it is immensely difficult for any individual Member of the Congress to get a grip on the defense budget. First, it is a highly sensitive area where none of us want to risk inadequacy. Second, intelligent decisions on the allocation of priorities involve questions of highly complex technology. As a result, many Members of the Senate have been forced into the position that the only effective way to deal with the defense budget is by the "ceiling" approach.

Two years ago I determined to take one particular weapons system which was generally regarded as questionable and educate myself on the detailed arguments, pro and con, I chose the Army's SAM–D air defense missile system. In that year, former Senator, now Ambassador, Saxbe and I offered an amendment to the 1974 authorization bill to delete all funds for this program. We did so only after careful study and analysis. That amendment was defeated by a vote of 34 to 56. In the intervening period, I have continued to follow the development of the program closely. I would like to relate to the Senate today its current status in the light of the concerns I had 2 years ago, most of which continue to appear valid.

Before turning to the specific of SAM–D, Mr. President, I would like to draw the attention of my colleagues to a speech given last year by the distinguished chairman of the R. & D. Subcommittee, the Senator from New Hampshire, Mr. McINTYRE, in which he aptly summed up the problem with which the Congress is confronted when we are asked to give approval to the development of any new weapons system. Senator McINTYRE, in addressing a symposium of the electronics industry said:

When DOD identifies a possible application of a technology and recommends moving it to advanced development we are told that such a step is only "tentative," "exploratory" and "inexpensive."

When the programs move to engineering development, we are told that laboratory development has reached its limits and we must now find out whether in practice it is possible to integrate the component technology into a system. We are assured we are trying to develop an option but not making a commitment to production.

When the program moves toward production we are told that we should protect the schedule for deployment in case such a decision is made, and that we must, therefore, fund long-lead time money and sometimes expensive preproduction copies. Nevertheless, we are told that the decision to deploy is still before us.

But—as a practical matter—by the time we come to the decision to deploy, that decision has *already* become an accomplished fact. We are told that we have now invested millions, perhaps hundreds of millions of dollars in the program—great sums which the taxpayer would lose if we cancelled out.

So in this way an R&D program acquires a life of its own that can preempt a decision.

The SAM–D program is a perfect example of the phenomenon so well described by Senator McINTYRE.

One other general point would appear to be in order. We could spend many hours arguing about the technical aspects of this program. I have certainly done so myself. Yet, by doing so, we should not ignore a basic point. The SAM–D is an enormously expensive weapons system. It takes us down the road toward putting what resources we have available into a very few, highly complex, tremendously costly systems. As the distinguished chairman of the Armed Services Committee, Mr. STENNIS, noted several years ago,

If we can afford a permanent force structure of only one-fifth as many fighter aircraft or tanks as our potential adversaries—because our systems are five times more expensive than theirs—then a future crisis may find us at a sharp numerical disadvantage.

This warning certainly applies to SAM–D where the Army, in order to stay within program cost ceilings, now plans to buy only a few dozen batteries.

The total program cost of SAM–D now stands at $5.764 billion—December 31, 1974 selected acquisition report. In the 2 years since I offered my amendment to terminate the program its cost has grown by $1.284 billion—n.b. $4.48 b in 1974. Unit costs, as it stands now, represents a 621 percent growth since the program was approved for initial development in 1967. In percentage terms, the cost growth of SAM–D far exceeds what we experienced with C5–A or any other Army program, such as the Cheyenne helicopter or the main battle tank. Even if the $1.5 billion development cost is not counted, each SAM–D battery will cost well over $60 million to produce and more than $10 million to maintain and operate every year once it is deployed. This makes SAM–D an attractive high-value target for the enemy and it concerns me that it can be destroyed by a few ARM missiles costing only a small fraction—less than 1 percent—of this cost.

Because of my concern about the rapidly rising costs of this program and my doubts about whether it represented an expedient use of our defense dollar, I requested the Appropriations Committee, on which I serve, to instruct the Department of Defense to undertake a new cost-effectiveness study of the program. This was done and the report was delivered to the Congress in April of last year. The General Accounting Office, which was monitoring the study at the request of myself and Senator McINTYRE, summarized its conclusions in a letter to Assistant Secretary of Defense Leonard Sullivan, Jr., from the Director of Procurement and Systems Acquisition Division, Mr. R. W. Gutmann:

Cost-effectiveness of the SAM-D or its variants apparently cannot be proven based on realistic assumptions (many of them treated in the study's excursion charts). It would appear that even if the SAM-D technology works and even if the threat materializes the SAM-D (with currently envisioned cost and effectiveness) will probably not be necessary if F–15's are available.

The January 10, 1974 redirection of the program recommended by the Deputy Secretary of Defense points to capability and cost decisions not predictable at this time. When some confident answers are provided, the time may arrive when the air defense environment is clearer and ground-based defense needs can be better visualized. Due consideration can then be given to defining a HIMAD.

I would like to describe briefly the general methodology of the study in order to indicate how the above quoted conclusion was arrived at. It begins by accepting the Army's assumption that SAM–D is needed to defend American forces engaged in a conventional war in Europe against the Warsaw Pact. Secretary Schlesinger has directed that defense against manned aircraft be phased out in the continental United States since the Soviets possess no credible long-range bomber threat. The study assumed limited mobilization by both NATO forces and the Pact before hostilities begin. Coordinated intelligence estimates as to threat aircraft for the mid-1980 period were obtained from the Joint Chiefs of Staff, the Defense Intelligence Agency, and the CIA. It should be noted that the GAO did raise some questions regarding the threat assumptions such as the conclusion that Soviet strategic aircraft—Badger and Backfire—would be used in a conventional attack rather than being held in nuclear reserve.

Accepting the validity of the assumed threat, the study reached the following interesting conclusions:

First. The SAM–D's vulnerability attack by antiradiation missiles—ARM's—is considerably greater than the improved Hawk which it will replace because SAM–D presents a smaller total number of targets—radars—to the attacker.

Second. The availability of two wings of F–15's—we now plan to buy six plus wings—prevented any serious enemy penetration by the threat aircraft to the targets which SAM–D is intended to protect and therefore eliminated the need for SAM–D.

Third. The SAM–D contractor has consistently "underestimated the difficulty and complexity" of making the system operational.

Fourth. The proposed less-costly "Medium SAM" while effecting some important cost savings, may only bring the actual cost of the SAM–D program down to what the SAR currently estimates for the program."

Fifth. Our NATO allies, particularly the United Kingdom and the Federal Republic of Germany have "expressed reservations" about the SAM–D based on "its limited mobility, large size, and cost."

Sixth. It is "reasonable" to explore further improvements to the Hawk such as "using the SAM–D radar, or a derivative of it, with Hawk missiles."

Seventh. In conclusion: "There are significant technical uncertainties remaining in the SAM–D program which require resolution prior to making final system configuration decisions. If any, or all, of the SAM–D design features are successfully demonstrated, there is a family of related systems which can be spawned to derive significant cost-effectiveness benefits from these new technologies. Until we are more confident of the success of these technologies, it would appear unwise to limit our options to a single specific deployable configuration."

In short, Mr. President, even ignoring the significant technical risks which I believe are still inherent in the program and which I will discuss in a moment, the Pentagon's own study raises serious major questions about its overall cost-effectiveness. There is no doubt that the recent doubling of the SAM–D unit cost and the reduction in operational capability would lead to a negative cost-effectiveness conclusion.

RECENT DEVELOPMENTS

The most significant technical risk in the program which was apparent two years ago and which remains unresolved today is its new TVM—Track-via-missile—guidance system. This design had been rejected once before as too complex and costly by the Navy and is not included in the Navy's new air defense system—AEGIS. It was principally because of concern over this technology that Secretary Schlesinger ordered a redirection of the SAM–D program in January 1974 to reduce its concurrency and provide for a series of 16 proof-of-principle tests of the guidance system before the program was returned to full-scale engineering development. Although such tests should normally be conducted at the advanced development stage before any engineering development work is done, the Secretary was persuaded to allow the continuation of a so-called "austere engineering development program" on the argument that an "irreplaceable" contract "team" would otherwise be lost. Thus, roughly half or $65 million of this year's budget request is being spent on this "austere" engineering design work.

The first of the 16 tests we were told last year would take place in October 1974. The first test in fact took place 4 months later, on February 27, 1975 and the second on March 31, 1975. The third test was scheduled for April 30, but has been delayed several times to a date now estimated for the early part of June. The scheduled completion date of these preliminary tests has already slipped 6 months due to many technical difficulties. Although the Army reports that the first two tests were successful under the carefully controlled test conditions, the fact is that once again this year we are being asked to approve the expenditure of tens of millions of dollars without reliable evidence that the guidance concept will work in a real world.

A word is in order about the nature of these 16 "proof-of-principle" tests. The reasons that the highly complex and costly TVM guidance concept was selected were its superior ability to withstand severe electronic countermeasures and its capability against multiple close formation targets. Yet none of these proof-of-principle tests will be

conducted against either ECM or close formation targets. There are no plans to develop or test countermeasures against ARM missiles.

There are other technical problems which I continue to have concern. As mentioned earlier, the increased vulnerability of SAM-D to ARM missiles remains to be resolved. Other countermeasures such as repeater and self-screening jammers and blinking jammers may render the system ineffective. Likewise, the limited coverage of the SAM-D's radar—90–120 degrees—increases the probability of a successful enemy attack from the sides and rear of the radar, where an enemy cannot even be detected.

I was shocked to learn from a review of the latest SAR that the Army has quietly reduced the performance requirements in a very significant way. The exact numbers are classified, but I noted that the number of target tracks and the detection range have been reduced to half of their previous value. Even more important, ECM requirements have just about been eliminated by assuming that intercept will not take place within the line-of-sight between jammers and radar. Cutting performance in less than half has not decreased the cost, it has doubled it.

Mr. President, as difficult as it is for us in Congress, there comes a time when we have to bite the bullet and tell the Pentagon to stop. SAM–D is such a case. For years, we have been told that the Germans will buy SAM–D and share the development cost. Now we learn that they will study the SAM–D, but refuse to make any commitments about cost sharing or procurement obligations. The Army committed us to buy the German Roland II air defense system, why are they not willing to commit themselves to our SAM–D? Is there something they know that we do not or that is being kept from us? The high cost of SAM–D was justified by its superior ECM capability and we learn now that the jammers are assumed to be out of line. We have already spent $856 million—$234 million more for development than the original estimate—and we are now told that another $656 million—again more than the original total estimate of $622 million—will be required just to complete development.

The program unit cost doubled again during the last 2 years and is now more than 6 times the original cost estimate.

It is time to stop and to ask ourselves if we can really afford to pour more and more money into a rathole that does not seem to have a bottom. Eliminating SAM–D will not leave us without air defense in Europe. Just the opposite: In addition to the F–15, we will have the Air Combat Fighter, the new F–16, the Improved Hawk replacing Hawk, the Stinger replacing Red-eye, the LOFAADS—Low Altitude Forward Area Air Defense System—replacing Chaparral/Vulcan and the brand new Roland Air Defense system. The multitude and likely redundancy of these air defense systems gives us the breathing spell we can use to determine, if any of the technology developed under the SAM–D program can be applied to future air defense systems.

Mr. FANNIN. Mr. President, I appreciate this opportunity to express my views on the subject of national defense which has been the topic of debate and floor action this week.

As many of my colleagues know, I do not often address this particular subject despite my resolve that a strong defense is essential to our continued freedom as a nation. Nevertheless, Mr. President, events of the last few years in military and foreign affairs and action by the Congress of the United States cause me considerable alarm. During the Vietnam conflict, all necessary resources were made available to our military to fight the type of war the Congress and the Executive would allow. However, now that our involvement has ended in most of Southeast Asia and the Communist forces have proven victorious, a massive attack has been launched at our Military Establishment. This concerns me for two reasons. First, major cuts in defense expenditure would result in an inferior defense system by which our Nation and much of the free world presently is defended. Second, the attitude which would allow these cuts to occur would indicate that an air of isolationism had revived among the American people and the policymakers. Isolationism is no longer one of the options from which our Nation has to choose. The interdependence of nations has never before been more clearly illustrated. We cannot build a wall around the United States and remain content to live in our own cozy little world. Present realities dictate an active role by our Nation to promote and defend the freedom which we so often take for granted and yet profess to cherish.

Mr. President, the United States has seldom known a period in its history which did not present its own peculiar and difficult problems. Our contemporary problems are multiple and unique. Domestically, the coexistence of inflation and recession has imposed unparalleled strains on our economy. I am convinced that we can resolve these problems with careful action so that inflation subsides and prosperity returns. But, our domestic problems constitute only one facet of the difficulties we face. International developments have occurred rapidly and the resulting pressures on our defense commitments and moral resolve to face pressures from Communist nations probably have never been greater. As a result, the policies established by the Congress during these days of uncertainty at home and abroad will tell the world a great deal about what our friends and enemies can expect from the United States. I believe my colleagues realize the paramount importance of the actions we are taking in regard to the pending military procurement bill.

Mr. President, it is my firm conviction that the United States should not default into its foreign and military policies. This Nation must be the master, not the victim of its fate. It appears clear to me that the frustrations of the past few years have resulted in an underlying lack of resolve on the part of most of the free world to meet the challenges of foreign aggression. It is an unfortunate situation when those who support a strong defense are depicted as blind warmongers who thrive on killing rather than as individuals who understand the realities of détente. There is no such thing as bargaining with the Soviets from a position of weakness. If we have learned anything at all from the Soviet experience of the last 50 years it certainly must be that they are steadfast in their determination to spread Marxism throughout the world. Many commentators contend that the Soviet Union and other Communist nations would prefer to achieve their ultimate goal of world Marxism by promoting the internal decay of free nations. Certainly this is a hope of the Communist nations. But never doubt their desire to speed up the process through military action where they detect a weakness in military strength and determination to withstand military aggression.

Mr. President, the specific military threats facing our Nation and the free world are significant if not dramatic. The actions we must take to meet those threats face us today.

The key to the defense program and budget for the next fiscal year and in the future is more accurately that of quality rather than quantity. I concur with those critics who point to the massive stockpiles of nuclear weapons maintained by the Soviets and ourselves. I agree that we both have enough nuclear power to destroy each other and the rest of the world many times over. That quantitative ability should not be viewed as the sum total of our defense. A sound defense requires both nuclear and nonnuclear capability developed qualitatively to the highest degree attainable.

The nuclear stalemate of the last two decades has given the Soviets the opportunity to inspire conventional wars. The policy of deterrence must apply both to nuclear and conventional warfare capability. However, Mr. President, comparing Soviet and American conventional military potential is a disconcerting exercise. Soviet general purpose forces are dramatically larger than ours and they continue to grow at a steady rate.

Soviet seapower is formidable as is its developing airlift capacity. The Soviets are squeezing their economy and their citizens for the sake of military strength which they feel is vital to their national goals. That same statement cannot be made about the United States. The Department of Defense budget requests include planned outlays of $92.8 billion. This estimate constitutes 26.6 percent of the Federal budget, and will consume only 5 percent of the capacity output of the gross national product. Of the requested funds, 53 percent are to go for military retirees pay and current personnel pay.

In the area of conventional warfare, the Soviets have from 50 to 100 percent more men under arms than the United States. They have four times as many tanks and more than five times the tank production capacity of the United States. They outstrip us three to one in artillery tubes, two to one in heavy mortars and 40 percent in tactical aircraft which they are producing twice as quickly as we are.

The Soviet Navy has expanded at an unparalleled rate. They have almost as many surface ships as the United States and over three times as many submarines, other than ballistic missile submarines.

The Soviets have devoted more resources than the United States in most of the significant categories of defense. In overall research and development, they outstrip us by 20 percent; in general purpose forces by 20 percent; in procurement by 25 percent; and in strategic nuclear offensive forces by 60 percent. What all these percentage advantages add up to is a more powerful, more technically refined military capability which continues to move forward while the United States dawdles behind in comparative complacency.

This is the year to face reality. Allow me to illustrate. The last B–52 was manufactured 13 years ago. It should be clear that if the heavy bombers are to continue their contribution to deterrence, we must plan for their modernization and the replacement of at least some portion of the B–52 force. It is essential that continued development of the B–1 occur. We cannot wait until the last B–52 is obsolete to plan for its replacement. I cannot concur with those who maintain that the manned bomber leg of the Triad will no longer be required after the B–52 is obsolete. To accept this proposition requires one to deny the need for a balanced defense system which includes the tremendous flexibility of a manned bomber. The continued development of the manned bomber should be viewed as a stabilizing force which significantly lessens the chance of a nuclear war.

Mr. President, I am encouraged by the recent European trip of President Ford. The President appears to have succeeded in assuring our allies of our intention to meet our defense commitments. I am confident that our allies believe and appreciate the determination of the President. The actions of the Congress must confirm that faith. We hold the purse strings. We must take part in substantiating the efforts of the President. Without the positive vote of Congress, the United States does not speak in unity on its commitment to the free world.

It is essential to our foreign relations that the Congress provide those assurances. The free nations of the world, particularly the developing, third world nations look toward moral and military strength in choosing and retaining their allies. The United States must assure these nations of its commitment to both of these strengths. We cannot afford to decrease our steadfastness to either one.

Mr. President, on May 15, 1975, I contributed comments to the colloquy on national defense. The thrust of my statement was the bilateral responsibility for the defense of the free world. I want to reaffirm my belief that many countries of the free world fail to carry their share of the responsibility for that defense. The varying economic and social developments among the free nations of the world since World War II have been significant. The commitments made and responsibilities assumed by the United States for an overwhelming share of the defense of the free world are no longer a viable solution to actual defense requirements which have changed during those 30 years. Recent events clearly illustrate the present need for other free nations to carry a heavier load of the defense of the free world.

In the past the military power of the United States has been a reassuring presence to free world nations. There is no doubt that the defense of all free nations is essential to our own personal security. Our interdependence is brought to our attention daily. Contemporary realities, however, limit the ability of the United States to protect the free nations. The slack must be taken up by others.

Mr. President, in fiscal year 1964 our military and civilian personnel in the Defense Establishment totaled over 3.7 million people. For fiscal year 1976 we plan fewer than 3.1 million people.

In addition, for the first time since 1939 our active fleet will consist of fewer than 500 ships. These are only two features of an array of discouraging developments. Our declining military budgets in view of the Soviet Union's consistent increases in military expenditures can lead to only one conclusion: In most areas of military preparedness, the ability of the United States to challenge aggression is diminishing.

Mr. President, I am encouraged by the action of our NATO allies. Their determination to sustain the defense of the vital North Atlantic community is more than rhetoric. Actual growth in contributions to defense by our NATO allies has become reality.

Other areas of the free world continue to take American military commitments and military ability for granted. Both Asian countries and the Middle East concern me greatly. Our involvement in Southeast Asia was a costly lesson in every sense. It should be clear to the remaining free nations of Asia that they have a difficult task before them if they are to survive Communist aggression. It is equally clear that the only true deterrence to Communist takeover in Asia is a strong determination to withstand aggression and the military capability to back up that determination. The United States should supplement those efforts, but we cannot supplant them.

Japan must play a more active role in the defense responsibilities in Asia. For 30 years, however, Japan has been dependent upon the United States for virtually its entire defense. Mr. President, the Japanese have the financial ability to contribute a great deal more in providing the defense umbrella, not only in their area, but in many areas of the free world. Their complete dependence on us must be phased out.

A similar defense situation exists in the Middle East. Despite heavy military expenditures by Mideast countries, these nations continue to depend on the United States for their basic defense against aggression from the Soviet Union. This is a curious situation given OPEC's determination to increase the price of oil. Recent announcements indicate that another increase in the area of 30 percent looms in the near future. Our Navy continues to operate in the area as a deterrent to Communist aggression while using exorbitantly expensive Middle East oil. There is something seriously wrong with this relationship.

Again, Mr. President, if the free world is to survive, our allies must start carrying more of the military burden. Perhaps more important, they must begin giving us the political and the moral support necessary to sustain our efforts to maintain freedom in the world.

Mr. President, I have been heartened by the actions of my colleagues during debate of the military procurement bill. The Senate's firmness against cutting essential military expenditures at this time of uncertainty and concern throughout the free world is clearly the right action. Congress' action on this authorization bill responds to present realities. We owe the American people nothing less than this affirmative action toward protecting their freedom.

ANY LESS IS NOT ENOUGH

Mr. LAXALT. Mr. President, during the debate on the military procurement authorization bill several of my colleagues have been dismayed by the fact the Armed Services Committee has accepted a $25 billion package for fiscal year 1976. They rightly point out that this is a 20-percent increase in current dollars over fiscal year 1975. But I must part company with them when they argue that an increase of this magnitude is unwarranted.

To be sure, $25 billion is a lot of money, and a 20-percent increase when the administration is advocating sharp reductions in other programs is substantial. But, the pressing need for this authorization becomes readily apparent when the request is placed in proper context.

In current dollars, the Armed Services Committee's bill is 20 percent larger than that approved in fiscal year 1975. However, as we all know, inflation has taken a terrible toll throughout our economy. What is true at the household level is also true for the military. In fact, in constant 1976 dollars, DOD's procurement request of $16.6 billion is the lowest since fiscal year 1951. By the same token, one would have to go back to fiscal year 1959 to find an R.D.T. & E. request as low as that put forward by the Pentagon for this fiscal year. What is more, Mr. President, it should be kept in mind that as low as these requests are in real terms, the Armed Services Committee has cut them back by some 16.2 percent.

Moreover, inflation is not the only contextual factor involved. One must also remember that previous generations of

similar weapons were a good deal less expensive than those now being purchased. In 1973, the House Armed Services Committee held extensive hearings into the problem of geometrical cost increases for successive generations of weapon systems. During those hearings, they focused on a number of weapons systems including tactical aircraft. They found the average flyaway cost for a P–51 in 1942 was $190,000. The F–86, the standard first line fighter of the Korean war, cost $760,000 apiece. By 1961, the F–4 had an average unit flyaway cost of $3,800,000 and the F–14A today has an average unit cost of something like $17 million.

The point, Mr. President, is that in considering its procurement package, the Defense Department is faced not only with the inflation rate which plagues all of us but also with the problem of spiraling costs for increasingly sophisticated weapons technologies, both within the smallest current dollar budget since fiscal year 1967.

But, as important as the general procurement and R. & D. category is, the most serious danger that I see is that there has been a rapid erosion of R.D.T. & E. and procurement funding for strategic forces. From 1956 to 1959 in current dollars, strategic force investment was about $13 billion per year. By fiscal year 1964, it had fallen to $8.5 billion per year and by fiscal year 1976 it was down to $7.7 billion per year. I might point out that this is in current dollars which means that the rather substantial bite of recent inflation is discounted.

The specific categories of strategic R. & D. and strategic procurement are even more dismaying. According to recently released DOD current dollar figures, TOA for strategic R. & D. was $2.3 billion in fiscal year 1971 as compared to $2.5 billion requested this year. For strategic procurement, there was an actual decline from $3 billion TOA in fiscal year 1971 to $2.6 billion requetsed this year.

So, far from there being an unconscionable increase in fiscal year 1976, the committee request is a bare minimum consistent with maintaining adequate procurement and R.D.T. & E. programs. I personally feel, that we might even need some increased funding, particularly in strategic forces. But, in any case, I am unalterably opposed to any cut in S. 920 as reported by the Armed Services Committee and I would like to take this opportunity to commend that committee for its prudent and statesmanlike approach to the difficult problem of guaranteeing our national security in a most trying period of our history.

PATROL FRIGATE PROGRAM

Mr. MUSKIE. Mr. President, I would like to take this opportunity to comment on the Navy's patrol frigate—PF—program. This bill before us today authorizes an additional seven ships in this program, supplementing the three ships authorized last year. I have a special familiarity with the patrol frigate since the lead ship is now being constructed at Bath Iron Works in my home State. I participated in the ceremonies at Bath marking completion of the first structural unit of that ship, and I have kept in close touch with the Navy and with officials at Bath on progress ever since.

Like any Senator, I have a special interest in any Federal program which is helpful in creating jobs and stimulating economic activity in my own State. The patrol frigate program is no exception, since I hope and expect that Bath's experience with the lead ship will result in a significant share of the work on the followup ships.

In the case of the patrol frigate, however, I am in the comfortable position of being able to give it my full support, in good conscience, quite apart from any special parochial interest I might have in jobs for Maine people. The PF is an excellent ship, and I think the Navy should be commended for its imaginative approach in developing the patrol frigate concept. For this ship maximizes the ability of the Navy to carry out one of its key missions at minimum cost to the American taxpayer. If all or defense planning were characterized by this same sensitive concern for economy, I think we would have a much less expensive defense budget for a comparable degree of military strength.

The Navy this year requested funding for 10 new ships and the House approved the full request. The Senate Armed Services Committee, however, decided that seven new ships for fiscal year 1976 represented "an adequate increment in this proposed 56 ship program." I supported the Navy's full request, and I made my reasons known in a letter to Senator STENNIS during the committee's consideration of this bill. I ask unanimous consent that my letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. Mr. President, the United States is increasingly dependent on the use of sea communications for foreign trade vital to our economic health, including materials essential to our Nation's security. The Soviet Navy is growing rapidly, both in terms of numerous modern ships capable to extended deployments and in terms of modern weapons. Our own Navy has not kept pace. We have had to retire most of our World War II ships, while the cost of ships and weapons systems has made it impossible to acquire adequate numbers of large new destroyers to protect our sea communications on a worldwide basis.

Recently, the Soviet Navy engaged in worldwide fleet exercises which our intelligence analysts believe simulated naval interdiction of the free flow of men and material between allied nations. Our own strategists were greatly impressed—and deeply concerned—by the Soviet capabilities demonstrated during these exercises. I believe that those capabilities require a U.S. naval posture sufficient to deter a Soviet conventional threat in time of international tension and, if necessary, to provide a U.S. naval capability to control the sea lanes in the event of hostilities.

While many critics of naval power in the contemporary world find it hard to imagine any extended confrontation at sea between the United States and U.S.S.R., it is noteworthy that the Soviets clearly believe a rapid buildup of their own naval forces is very much in their interest. I believe we must avoid any situation from developing in which the Soviets are encouraged to use a margin of naval superiority to force unwise diplomatic concessions in particular areas of the world during times of international tension. The Middle East is a good example of a region of high tension where our interests could be adversely affected by an unfavorable balance of naval strength.

To illustrate the continuing relevance of our naval forces, it is useful to recall that the Navy and the Marine Corps have participated in 29 of 35 significant overseas military actions since World War II—the most recent being the *Mayaguez* incident. There is no reason to believe that our naval forces will not be called on to protect vital American interests in the future. Yet the Navy has suffered a steep decline in surface combatant force levels in recent years. Without the patrol frigate, the Navy will have only 64 surface combatants available in 1980 to protect our open ocean sea lanes.

Mr. President, the patrol frigate is the most important new ship at the lower end of the Navy's high-low mix of surface combatants. The high-low mix concept is a simple concept which applied even during World War II. At that time, we operated our most capable ships—carriers, battleships, cruisers, and the like—in the Pacific where we faced our principal naval challenge from the Japanese. In the Atlantic, where we faced a more dispersed submarine threat from the Germans, we relied on large numbers of smaller aircraft carriers and surface ships. Even though we were on a full war footing, we simply would have been unable to build enough of the large, highly capable platforms to do the job in the Atlantic.

We are in a similar situation now. In the highest threat areas, the Navy is relying on the DD–963 and nuclear frigate programs to provide protection for our carrier task groups. The patrol frigate, on the other hand, is designed to protect our essential sea communications in areas other than those of primary threat. It is directed toward providing adequate surface combat capability to defend noncarrier missions such as amphibious forces and military convoys. Obviously, neither the Soviet Union nor any other potential adversary can mount a high level of threat simultaneously in all ocean areas. They do have the capacity, however, to apply varying degrees of pressure on our sea lanes all over the world.

The PF is an efficient and low-cost way of allowing our Navy to counter Soviet or other naval pressure on a worldwide basis. In short, the PF has been designed to provide maximum improvement in our naval escort capability at minimum expense. Its design results from a computer analysis of over 300 combinations of possible equipments, and the final selection has produced a modern and effective ship, tailored for the sea control role. There are no frills and there is no gold plating. It is a simple, tough ship which will do the job.

Mr. President, I am disappointed that the Senate Armed Services Committee did not authorize the full 10-ship request for fiscal year 1976. I hope that the Senate conferees will reexamine this program during negotiations with the House, and I hope that the Navy's full request will receive close consideration.

EXHIBIT 1

MAY 5, 1975.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I understand that naval shipbuilding program will be taken up in your Committee's mark-up during this week and that the members will be considering, among other requests, the Navy's request for ten new patrol frigates (PF). As you know, Bath Iron Works in my home state is working on the lead ship in this program, and so I have both a special interest and some familiarity concerning this fine new ship. In fact, I participated in the ceremonies at Bath marking completion of the first structural unit of the first ship.

I want to thank you for allowing Mr. Donald Lynch of the Committee's staff to brief my Administrative Assistant on the current status of the PF program. I understand that there is some concern at the staff level that the Navy may be attempting to move too rapidly on production of the PF and that the ten-ship request for this year is unrealistic and should be trimmed. I understand that these concerns are based on the fact that there has been some slippage in the testing of the fire control system on the PF which has delayed contracting on the three ships authorized last year. I also understand that there are additional concerns that the shipyards which will be involved in this program will be unable to meet the Navy's production schedule.

I am not in a position to pass judgment on the Navy's past record of production slippages. There may be some merit in the view that the Navy has pushed too rapidly on some programs in the past. But I have carefully examined the PF program, and I am convinced that the Navy's production schedule in this case is realistic. Moreover, the PF is an extremely important new ship for the Navy at a time when our surface Navy has shrunk to disturbingly low levels, and I would hope that there would be no unnecessary delays in its production when our shipyard capabilities are more than adequate.

I would like to comment in this letter on the concerns which have been expressed, and I would be grateful to you if you would share my letter with other members of the Committee or otherwise convey to them the observations which follow.

First, with respect to delays on the fire control system (FCS): Whereas the testing and evaluation schedule has slipped about four months, I understand that the results thus far have been most encouraging and that there is no reason to believe that the final results will not support a favorable production decision. The MK 92 FCS and 76mm gun technical testing has been successfully completed. Although the operational evaluation results will not be in until this summer, the performance of systems and equipment to date strongly suggests that there would be a very low risk in proceeding with additional ships.

Obviously, there could conceivably be further minor problems in the evaluation program, but I understand that even your Committee's skeptical staff analysis anticipates nothing that would be crucial or disqualifying. Further delay in authorizing the follow-on ships at this point would waste both time and money, and so I hope the Committee would not deem it appropriate to trim the program this year because of this inconsequential slippage in the testing program. Since the PF program has proceeded according to the lead ship concept ("fly-before-buy"), there are greater assurance than ever before that the PF is now ready for stepped-up production.

Secondly, with respect to the capacity of our shipyards to meet the Navy's production schedule for the PF: The capability to produce warships depends on four key factors: (1) the requisite shipyard facilities; (2) the requisite manpower and manpower mix; (3) the maturity of detail design and procurement planning; and (4) the capability and approach to outfitting the combat equipment.

With respect to the first two, I am certain that recent surveys of American shipyards will demonstrate clearly that they are already adequate to support the Navy's PF production plan. The fact that the PF is both smaller and less complex than other warships now under construction should also provide some reassurance in this regard.

Maturity of design and procurement planning is obviously essential if there is to be a sustained and uninterrupted delivery rate from the follow-on shipyards. I believe that the PF program is exceptional in this respect. At the time of the follow-on ship awards this fall, the detail design will be over 85 percent complete, the lead ship under construction nearly one year, and all major items of equipment in an advance state of procurement—delivered or nearing delivery for the lead ship. The same key items of equipment are standard for the class, and they will be procured through the exercise of options on Bath's subcontracts, thereby reducing much of the procurement workload and saving time for the follow-on shipyards. As you may know, the Navy deliberately extended the time interval between lead ship to first follow-on ship to two years in order to avoid premature start-up risks in the follow-on ships.

With regard to combat system outfitting, the advantage of the PF program is that it has already established its land-based test sites. I understand that installation problems will have been worked out and test procedures refined and verified for combat systems in the lead ship two years prior to the start of checkout procedures on the first follow-on ship. Moreover, the test sites will be available for training shipyard test crews. Lastly, the Navy is providing to each shipyard the services of competent combat system specialists who understand the roots of the design and can readily cope with local test problems.

So in these four areas, the PF program already receives high marks. Preparations for production have been meticulous. The Navy plan has a very conservative lead time and construction period for each follow-on ship. I believe the Navy has learned from problems which occurred, for example, in the DE–1052 program, where the follow-on ship contract postdated the lead ship contract by only six months. At the same time, it is noteworthy that once the start-up problems in the DE–1052 program were overcome, the follow-on yards (Todd and Avondale) each sustained at least a four-ship annual delivery rate, with Avondale delivering six ships per year under a 27-ship package.

In fact, you may be interested to know that Bath Iron Works has advised me of their concerns that procurement of the PF is not moving rapidly enough and that the current schedule is excessively long. Bath believes, subject to confirmation that materials would be available, that their first follow-on ship could be delivered in less than 40 months. Bath's record on the last four destroyers built for the U.S. Navy confirms that 4 ships per year is achievable—for in 1967, four ships (DLG 34, DEG 4, DEG 5, and DEG 6) were delivered within an 11-month period.

Finally, I would like to call your attention to the issue of PF procurement costs. The basic unit cost of the PF was initially estimated to be $45.7 million in constant FY 1973 dollars. The unit cost today in those same FY 1975 dollars is $51.1 million. This relatively small increase is based on the following improvements in the design: (1) addition of a fourth electric generator; (2) provision for capability to land and hangar two large helicopters; and (3) addition of the Phalanx close-in weapon system. It is clear to me that the Navy has enforced exceptionally tight design and characteristic control to remain within established cost constraints.

I have the greatest respect and admiration for the work of the Senate Armed Services Committee, under your leadership, in overseeing our Nation's defense programs. The quality of the work has been excellent, and I appreciate the deep concern which the Committee has shown for controlling the size of the defense budget. I share those concerns, and I agree that every item in the budget, including the PF program, should receive the most careful and skeptical scrutiny.

But I am convinced that we should move ahead with the full ten-ship request this year in the PF program. The Navy is ready, and the shipyards are ready. After the cutback last year from the Navy's seven-ship request, and additional cutbacks this year could have an extremely adverse psychological impact at a time the Navy is securing competive proposals and trying to encourage shipbuilder participation. The Navy needs the ships as soon as possible. I hope the Committee will give favorable consideration to the full request.

With best wishes, I am,

Sincerely,

EDMUND S. MUSKIE,
U.S. Senator.

PIRGIM DEFENSE SPENDING STUDY

Mr. HATFIELD. Mr. President, the Michigan Public Interest Research Group has recently published a report entitled "The Empty Pork Barrel" arguing that defense spending, far from creating jobs and easing unemployment, actually causes a net loss of jobs nationwide. The study has been mentioned several times during our debates this week, and I believe parts of it have been printed in the RECORD. It is a most interesting study, attacking several of the most cherished conceptions about the benefits of massive military budgets, and I commend it to my colleagues' attention.

The Eugene, Oreg., Register-Guard has taken note of the merits of this PIRGIM by Ms. Marian Anderson in an editorial of May 12. As is stated in the editorial, if Ms. Anderson's conclusions are proved to be correct, and I certainly think that they are correct and will be proven to be so by other authorities, then the findings of this study "would change the complexion of debate over the disposition of billions of dollars."

I ask unanimous consent that the edi-

torial from the Eugene, Oreg., Register-Guard be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MILITARY MYTH?

The Michigan Public Interest Research Group has produced a study which, if valid, could be revolutionary. The study's conclusion denies the common assumption that military spending is good for the economy of states where the money is spent.

The push for more military spending probably gains more of its impetus from economic than from military considerations. Whether we need weapons in order to fend off the Russians, the Chinese or whomever is almost beside the point when the survival of large corporations and the incomes of tens of thousands of workers depend upon contracts for production of those weapons.

All debates over spending for military hardware are influenced by this factor, particularly those for big, new projects such as the B-1 bomber.

The Michigan PIRG study claims to have found that between 1958 and 1972 when spending for the military within a state went up spending went down markedly on such things as durable and nondurable goods, residential and nonresidential construction and state and local government. Why that happened is not clear from the news story on the report.

The author of the study, Marlon Anderson, wrote, "The belief that spending by the Department of Defense has been good for the economy has been a myth. It is not supported by the facts. Every billion dollars spent by the Pentagon costs the economy jobs, costs people who are employed higher taxes and produces a lower quality of life for all."

The Anderson conclusions will be greeted by the most extreme skepticism in such places as Seattle and Los Angeles. We'll be interested to see how much credit the study is given after public exposure. If its theory proved correct it would change the complexion of debate over the disposition of billions of dollars.

Mr. FONG. Mr. President, I rise to express my strong support for the authorization bill for military procurement and research and development that is currently being debated by the Senate.

Before I proceed any further, I want to take this opportunity to congratulate and commend the distinguished chairman of the Armed Services Committee, Mr. STENNIS, the distinguished ranking Republican member of the committee, Mr. THURMOND, and the other distinguished members of the Armed Services Committee for the outstanding work that they have done on S. 920.

The committee's comprehensive report, which summarizes the testimony and documents presented in more than 6,000 pages of printed material, is a fine testament to the careful work that the committee members have done on the bill before us. Needless to say, the committee's report and the printed hearings have been invaluable to those who do not serve on the Armed Services Committee. With these documents and the explanatory statements of Chairman STENNIS and other members of the committee, we are better able to understand the needs and requirements of the Defense Department.

Mr. President, the Constitution of the United States specifically states, under article I, section 8, that—

> The Congress shall have power . . . to provide for the common defense and general welfare of the United States. To raise and support armies, but no appropriation of money to that use shall be for a longer term than two years. To provide and maintain a navy, and to make rules for the government and regulation of the land and naval forces.

Under that constitutional mandate, Congress has carefully and scrupulously reviewed the needs of the Department of Defense on an annual basis. The military authorization bill now being considered is designed to establish a ceiling on appropriations for military procurement and research and development for fiscal year 1976 and the 3-month transition period ending on September 30, 1976. It will provide the framework within which the appropriations bill for military procurement will eventually be enacted.

S. 920 would, for fiscal year 1976 and the transition period, authorize:

Appropriations for major procurement; aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons;

Appropriations for research, development, test, and evaluation by the Defense Department;

The personnel end strength for each military active duty component of the Armed Forces, Army, Navy, Marine Corps, and Air Force;

The annual average military training student load for each of the Active and Reserve components of the Armed Forces;

The personnel end strengths for the Selected Reserve of each of the Reserve components of the Armed Forces;

The civilian end strengths for the Department of Defense; and for other purposes.

Mr. President, contrary to the widely held notion among critics of the Defense Department, the Senate Armed Services Committee is not a patsy of the Military Establishment; nor is it a mere rubber stamp of the President's request for national defense expenditures.

A careful objective reading of the committee's comprehensive report will show the following major funding changes in the procurement area:

Denial of funding—$300 million for fiscal year 1976—requested to support foreign military sales program;

Deletion of funds, $24.8 million, for Army UH-1H helicopters;

Change in funding—reduction of $61.8 million—requested for Marine Corps A-4M aircraft;

Reduction of funds, $73.3 million, in transition period for Navy F-14 aircraft;

Denial of $77 million fiscal year 1976 and $31 million in the transition period for advance procurement for the B-1 bomber;

Denial of $185.8 million for three advanced airborne command post aircraft;

Denial of funds, $251 million, for Navy nuclear frigate;

Deletion of funds, $168.4 million, for Navy patrol hydrofoil missile ships;

Reduction of funds, $902.3 million, requested for cost growth and escalation for prior year shipbuilding programs;

Reduction of funds, $270 million, for Navy patrol frigate program;

Denial of production funds, $115.5 million, for the Vulcan-Phalanx Close-in weapon system; and

Deletion of funds, $266.8 million, requested for Air Force mobilization spares.

Mr. President, some of the major programs authorized in the bill are the following: $2.27 billion to continue development of the Trident I missile system, to initiate development of the follow-on Trident II missile, and for development and construction of the Trident submarine; $726.2 million to continue the development and testing of the three aircraft prototype B-1 bomber program; $70 million for fiscal year 1976 and $19 million for the transitional period to conduct research and development for ballistic missile defense; $199.2 million in R. & D. and $490.5 million for procurement of six AWACS airplanes for fiscal year 1976; and $110.2 million for fiscal year 1976 to develop a Navy air combat fighter aircraft.

Mr. President, in processing the authorization bill, the Armed Services Committee carefully examined the budget request and made reductions wherever it was determined—or where it reasonably appeared—that cuts can be made without doing violence to our military posture and without reducing the level of deterrent and preparedness believed to be essential to national security.

I fully realize that the burden of military preparedness which we must bear it not easy to carry. However, there is no way to shirk or escape this burden without weakening—and possibly imperiling—our national safety and security.

As we begin to celebrate the Bicentennial of the independence of our Nation, we need to remind ourselves and be guided by the wise words of Thomas Paine:

> Those who expect to reap the blessings of freedom, must, like men, undergo the fatigue of supporting it.

AUTHORIZATION RECOMMENDED BY COMMITTEE

Briefly, the administration's authorization request in S. 920 for fiscal 1976 totaled $29.9 billion. Of this amount, the Armed Services Committee recommended an authorization of $25,012,535,000—a reduction of $4,842,853,000 or 16.2 percent.

In addition, the administration request $5,863,737,000 for the transition period of July 1, 1976, through September 30, 1976. Of this amount, the committee approved a sum of $5,271,798,000—a reduction of $591,939,000 or 10.1 percent.

Mr. President, the reductions made in the basic procurement and research and development authorizations are, according to the distinguished Senator from Mississippi, "the largest percentage reduction recommended by the committee in these programs since 1967."

According to Chairman STENNIS, the percentage reductions made by his committee are somewhat larger than the 6.5 percent cut in budget authority and the 3.5 percent reduction in outlays recommended in the new congressional budget resolution, approved last month by the House and Senate, with respect to the entire defense budget, of which S. 920 is only a part.

In short, Mr. President, this bill is consistent with the budget resolution. In fact, it is a lean authorization bill, which as reported by the Armed Services Committee reduces the President's budget request by $4.8 billion in fiscal year 1976 and by almost $600 million more in the transitional quarter.

Further substantial reductions could jeopardize the strength of our defense establishment and risk the security and safety of our country. To put it another way, there is no such thing as an inexpensive, bargain basement price for national strength and preparedness.

The annual cost that we must pay to insure the safety of the American people and the survival of our Nation is the premium that we must pay to have such an insurance policy.

Over the past few days some of my colleagues have argued that our defense budget is still too large—that we do not need the amount of protection that is being provided by the present bill.

Although we may all differ as to what is an adequate premium to pay for our national security insurance policy. I am certain no one is in favor of having too little when the coverage is most needed. The fact of life is that the value of having an adequate defense establishment cannot be fully appreciated until the time when it is most needed.

In considering the pending authorization bill, we should keep in mind that S. 920 authorizes appropriations only for military procurement and for military research, development, test, and evaluation. So what we authorize in S. 920 is not the total military budget request.

To gain some perspective, the procurement request of the President comprised only 25 percent of the total defense budget request for new appropriations, excluding the out-of-date military assistance amount for South Vietnam. The President's budget request for research, development, test, and evaluation comprised only 10.5 percent of the total budget request for new appropriations in fiscal year 1976.

By contrast, the budget request provided 33 percent for military personnel and 30.9 percent for operation and maintenance.

In terms of outlays, the President's budget shows 53 percent would go for military personnel, leaving only 47 percent to be allocated among procurement, R. & D. and operation and maintenance.

Mr. President, while opposing any further cuts in the military procurement and R. & D. authorization bill before us, I am not unmindful that our country is experiencing serious economic and employment problems at home. Neither am I insensitive to the fact that national security is not something that makes each citizen aware in daily life of its explicit and tangible benefits—although we would be acutely aware of it if it were absent or if it were too little and too late.

In this regard, Sir John Slessor once noted:

> It is customary in domestic countries to deplore expenditure on armament as conflicting with the requirements of the social services. There is a tendency to forget that the most important social service that a government can do for its people is to keep them alive and free.

Keeping Americans "alive and free," Mr. President, is my paramount concern. Without freedom, life would not be worth living. The real issue before us is not how to restrain the military establishment, but how much defense do we need to be reasonably confident of securing our Nation against attack, of preserving our freedom, and of providing leverage toward peace in this dangerous world.

DEFENSE AND THE ECONOMY

Mr. President, because the distinguished chairman of the Armed Services Committee and others have done an excellent job in presenting the contents of the bill before us and justifying every request now awaiting our approval, I will not attempt to repeat what has already been said about the specific provisions contained in S. 920. Instead, I would like to take some time and discuss the defense budget in terms of its impact on our Nation's economy.

Due to the double blows of inflation and recession, Defense Department expenditures in fiscal year 1976 will represent slightly less than 6 percent of the gross national product—GNP—the lowest point since our Nation was demobilized prior to the start of the Korean war in June 1950.

In real terms—after making all of the adjustments for inflation—defense spending has been cut almost 40 percent since the height of the Vietnam war in 1968.

As a percentage of total Government spending—including State and local—defense expenditures come to only 16 percent, the lowest point since before the attack on Pearl Harbor in 1941.

As for human resources, today only 1 percent of America's population is under arms. Our military manpower is actually nearly 600,000 below the pre-Vietnam level.

However sincere their motives, those who are claiming that America is overarmed and overspending on defense are wrong. The truth is—in terms of what each dollar will buy—the defense budget is now lower than any time since 1964, prior to our Vietnam buildup.

The reason for this is that inflation has eaten into the defense dollar's purchasing power just as much as it has into that of every individual, family, business, and community. If one were to take away the effects of inflation and real pay increases—which are necessary to recruit our new all-volunteer forces—what is left of the defense budget has actually declined in purchasing power during the last 4 years.

For example, in 1968, defense spending represented about 60 percent of our total Federal Government spending. Today, it is down to about 27 percent.

Mr. President, the impact of defense spending on our national production is also most enlightening:

At the peak of World War II, defense expenditures amounted to about 42 percent of the GNP.

At the peak of the Korean war, in fiscal year 1953, defense expenditures took up about 13 percent of the GNP.

For the peacetime decade between 1956 and 1965, defense expenditures averaged about 9 percent of the GNP.

Defense spending for fiscal year 1968 amounted to 9.4 percent of the GNP. But defense spending is budgeted at only 5.8 percent of the GNP in fiscal year 1976.

The fiscal year 1976 defense share of the GNP is the lowest since fiscal year 1950, before the start of the Korean War.

In the field of personnel, the President requested military and civilian direct-hire manpower at a level of 3,085,000. This is 635,000 below the prewar, 1964, level and represents the lowest manpower level since 1950.

Of the 2,100,000 military personnel authorization requested, the Armed Services Committee recommended a reduction of 18,300, for a total of 2,081,700.

Of the 985,000 civilian personnel requested, the committee recommended a reduction of 23,000 and the Senate in the current debate reduced this by 17,000 additional, for a total level of 945,000.

Thus, as the bill stands, the combined level of military and civilian personnel is 3,026,700, a reduction of 58,300 from the President's request. This is a grand total reduction of 693,300 from the 1964 peacetime level. To repeat, this is the lowest manpower level since peacetime 1950, when at the outbreak of the Korean War, our Nation was shown to be ill-prepared and undermanned.

I repeat, Mr. President, the bill before us is a lean bill.

Mr. President, the reallocation of manpower resources in the U.S. economy is also very interesting.

By 1976, the total U.S. labor force is expected to have expanded by 20.4 million from the peacetime year of 1964.

While the labor force was growing by 22 million in nondefense-related sectors, it was declining by over 1.5 million defense-related employees.

In terms of spending power, Defense Department purchases of goods and services from American industries—adjusting for general inflation—have declined 50 percent from the fiscal year 1968 peak Vietnam level. Current purchases are 27 percent below the 1964 prewar level. As a matter of fact, the fiscal year 1976 defense purchases of $44.7 billion are at the lowest level since fiscal year 1951.

In economic terms, the defense budget goes for two primary items: Direct employment and purchases from industry. In both of these areas, defense spending is far below the prewar peacetime levels and is at quarter-century lows.

THE EFFECTS OF INFLATION ON THE DEFENSE BUDGETS

A careful examination of the defense budgets for the past several years reveals that they have been reduced drastically in terms of real buying power. To

a large extent, inflation has masked the real reduction in the defense budgets.

In terms of current prices, defense spending has increased by $41 billion from fiscal year 1964 to fiscal year 1976—while total Federal budget outlays have increased by $230 billion. Removing pay and price inflation from the defense outlays, one can readily see that military spending has declined dramatically during this period, while other Federal budget outlays have enjoyed a substantial real growth of $90 billion.

Mr. President, the only fair and accurate way to analyze the size of the defense budget, I believe, is to compare it with the rest of our Federal expenditures and not by itself. In other words, I believe the best way to analyze the defense budget is to see how much of the total Federal budget it takes up every year.

In this regard, the defense budget has shrunk during the past 10-year period from 41.5 percent of total Federal budget outlays to 26.9 percent requested for fiscal year 1976. The authorization bill before us would constitute a somewhat lesser percentage.

It may surprise some people to know that since fiscal year 1966, the Federal budget has increased by $214.7 billion—from $134.7 to $349.4 billion estimated for fiscal year 1976. Of this whopping increase, only $38.2 billion—or 17.8 percent—is attributable to national defense spending. The remaining $176.5 billion of the $214.7 billion increase—or 82.2 percent of the increase—is attributable to nonmilitary functions and services.

It may also surprise some critics of defense spending to know that since fiscal 1966, nondefense activities including Federal outlays for human resource programs—education and manpower; health, including medicare and medicaid; income security, including individual benefits—have increased from 58.5 percent of the Federal budget to 73.1 percent.

In dollar terms, the increase for human resource activities during the 10-year period was $176.5 billion—from $78.8 billion to $255.3 billion.

Thus, Mr. President, while the defense budget was rising by 68 percent over the past 10 years—from $55.9 to $94 billion—total nondefense spending was increasing by 224 percent—from $78.7 to $255.3 billion.

Furthermore, the defense share of both the total Federal budget and the gross national product continues to decline.

For fiscal year 1976, the proposed national defense outlays projected in the President's budget constitute only 26.9 percent of the total Federal budget—down by 14.6 percent from the fiscal year 1966 budget when defense spending took 41.5 percent of the total.

In terms of the gross national product, between 1966 and 1976, the defense budget will decline from 7.7 percent of the GNP to 5.9 percent.

TEN-YEAR COMPARISON OF BUDGET OUTLAYS BY FUNCTION

Mr. President, although it is true, many critics of defense spending refuse to acknowledge the fact that military spending has been rising far less rapidly than any other major item in the Federal budget. For example, during the past 10 years:

Federal aid to education, manpower, and social services jumped 257 percent—from $4.1 to $14.6 billion.

Public assistance increased 440 percent—from $3.4 to $18.4 billion.

Social security and other retirement and disability programs increased 247 percent—from $21.4 to $74.3 billion.

Health services, including medicare and medicaid, increased by 963 percent—from $2.6 to $28 billion.

Interest on the national debt increased by 205 percent—from $11.3 to $34.4 billion.

Mr. President, the solid facts regarding Federal spending over the past 10 years clearly demonstrate that the defense budget is not "soaring out of control."

To the contrary, the truth is that we have already revised our spending priorities on an across-the-board basis and not allowed defense spending to get out of hand.

Why then are many well-meaning people continuing to demand a revision of priorities with regard to the defense budget when this has already been done?

Why do these critics of the Defense Department continue to ignore the truth that we are in fact spending far less proportionately today to maintain our national security than we are spending for human needs and nondefense programs?

STRONG DEFENSE NECESSARY DESPITE DÉTENTE

Mr. President, many well-meaning people have argued: Now that there is a climate of détente between the United States and the Soviet Union, there is no compelling need to spend as much as we have on national defense.

Despite détente and its opportunities, the need for military vigilance and steadfastness is no less great than it was a decade or more ago.

In this regard, the Armed Services Committee pointed out that prior to our involvement in Vietnam, the United States enjoyed a relative military advantage—both in strategic and conventional arms—over the Soviet Union. Since that time, we have been slowing down in our defense efforts while the Soviet Union has been increasing its military strength to a point which, if continued in the years ahead, could result in a shift of the military balance against the United States.

The committee revealed the following sobering facts:

1. From 10 years ago the Soviet Union has increased its military manpower by about 750,000 to almost 4 million. The U.S., on the other hand, has reduced its military manpower by 585,000 to about 2.1 million men.

2. The U.S.S.R. within the last 10 years has maintained about the same number of major combatant ships and submarines. The U.S. compared to 10 years ago has reduced this category of ships by about one-third.

3. The Soviet Union has maintained a level number of tactical aircraft over the last 10-year period while the U.S. has reduced their number by seventeen percent.

4. While the U.S. maintains a technological superiority with regard to research and development in certain areas, the Soviet Union is closing the gap.

Furthermore, Secretary of Defense James R. Schlesinger recently testified that the Soviet Union outspent the United States by 25 percent in military procurement; by 20 percent in overall research and development; by 20 percent in general purpose forces; and by 60 percent in strategic nuclear offensive forces.

Mr. President, can any reasonable person deny the fact that, despite détente, the United States must continue to remain militarily strong and prepared for any contingency that may threaten our national security and survival?

Moreover, it is still a fact that the world remains a turbulent place and the United States simply cannot escape its great responsibilities as the leader of the free world.

Both the United States and the Soviet Union appear to agree that the situation in the Middle East is extremely volatile and unstable at the moment.

Our allies and friends in Europe, Latin America, and Asia find themselves in varying degrees of economic and political difficulty.

From the Azores, through Europe and the Mediterranean, to Japan, common objectives and policies remain to be formulated among free nations.

The conflict between Greece and Turkey over Cyprus continues unresolved.

In several countries with whom we have close associations and interests, succession crises are in the offing.

The international waters are troubled and the temptation to fish in them to the detriment of U.S. interests cannot be ignored.

Under these circumstances, a posture of military strength is still necessary to assure some measure of safety, collective security, and progress toward a more enduring peace.

In a world where so many conditions are changing simultaneously and swiftly, I realize it is very difficult to know what types and sizes of forces we should have. However, I do know that as a great power and as the leader of the free world, we must maintain sufficient modern and reliable military forces in being, to cope with either strategic or convention warfare against us.

As long as goals differ among the powers of the world and as long as competition continues—however muted—we must aim for an economical and stable defense posture that we can sustain over the long haul.

During this period of transition, tension, and uncertainty, unilateral disarmament by the United States would only encourage those governments with predatory and expansionist ambitions. The risks of war would be multiplied. Meantime, we should continue working toward mutual disarmament.

Despite the promising dialogs begun with the Soviet Union and the People's Republic of China, it would surely be unwise—if not naive—to forgo the maintenance of the balance of power in critical areas of the world where are involved our national interests such as freedom of the seas, peaceful commerce and trade, and protection of our nationals abroads.

When it comes to national security and the very survival of our country, I firmly believe that we ought not to tempt fate. When it comes to buying an insurance policy for our Nation's survival and the maintenance of our way of living, I will not be penny wise and dollar foolish. I will not gamble with the future of our country by weakening our Defense Establishment.

Mr. President, those of us who love freedom cannot ignore the advance of authoritarianism in the world over the past 3 decades. Communism alone has engulfed millions of people in that brief span of time.

At the end of World War II, only 7 percent of the world's population and 18 percent of its land area were under Communist rule. This included the Soviet Union, which had annexed Estonia, Latvia, and Lithuania, and it included Mongolia.

Today, 1.4 billion people, 35 percent of the world's population, and more than 25 percent of the world's land area are under Communist rule in 17 nations.

Last year, Communists became strongly entrenched in the military government that seized power in Portugal.

In recent weeks, Cambodia, South Vietnam, and for all practical purposes Laos have fallen under Communist domination—a total of nearly 40 million people.

So I am not talking ancient history. Those who cherish freedom had better wake up to the growing threat against freedom in this world and take appropriate steps to safeguard freedom through strengthening their economies and their military defenses.

Here in America, despite our optimistic hopes for détente and an end to the cold war, we have been driven out of the paradise of isolation and noninvolvement which characterized the America of the 19th and early 20th centuries. As Thomas Wolfe reminds us in another context:

We can't go home again. No longer can we expect other nations by themselves to man the front lines of freedom. No longer can we depend on the strength of our allies to buy us the time to expand our defense production base, to mobilize and deploy our forces, to learn the lessons of the conflict from the mistakes of others, and to turn the side of war in our favor. The luxury of time and the old role that went with it are gone, perhaps forever.

Under these circumstances—barring the millennium—a strong military establishment will continue to be necessary for the preservation of peace. Without it, anarchy and aggression will ensue. As President Ford pointed out:

A strong defense is the surest way to peace. Strength makes detente attainable. Weakness invites war.

Mr. President, the bill reported out by the Armed Services Committee represents a well-balanced, though austere, budget level required to support our national objectives of preserving the peace and deterring attacks or undue pressure on the United States or its allies and friends.

I urge my colleagues to support S. 920, the military procurement authorization bill.

Mr. ABOUREZK. Mr. President, I intend to pair against final passage of S. 920, the military procurement authorization bill. I believe in a strong national defense system, and many of the decisions we have made over the past several days on the Senate floor will achieve that goal. I want it to be well known that I intend to insure that this country maintains an adequate defense posture.

There are certainly a number of very desirable and worthwhile items in the military budget, and these expenditures should be continued and strongly supported.

But, Mr. President, to insure that we are strong militarily does not necessarily mean that we must spend whatever money the Defense Department requests. I believe that, even with the reductions made both by the Armed Services Committee and here on the floor, the Pentagon budget is still grossly inflated. By voting against this bill, I hope that a new, and more realistic defense spending package could be brought forward.

In fact, I believe that this inflated military budget actually reduces our effectiveness. I honestly believe that it would be much better to have a smaller, elite fighting force than the massive, bureaucratic maze we are perpetrating under this bill.

Our economic situation at home is in desperate need of help. Cities are going broke across this land. Unemployment remains at an unacceptably high rate. The President, just last week, vetoed an emergency jobs bill because it was too costly, and would affect his deficit levels. Mr. President, as I argued in the Budget Committee debates during this Congress first efforts at budget reform, we can further reduce the spending on military hardware, and better put that money to use here at home. The people of South Dakota want to see a real economy drive in the Defense Department, aimed not at reducing our military strength, but at reducing costly expenditures that do not aid our capabilities.

Who is going to explain to the people of the United States, and especially to rural America, that we cannot afford to provide improved water and waste disposal systems while at the same time we are authorizing $600 million for a replacement bomber that may be outdated by the time it comes on line? Who is going to explain a veto of the farm bill as too costly, but spent millions for an airplane—AWACS—in search of a mission.

I am sorry, Mr. President, but I cannot in good conscience approve this wasteful spending to fulfill these priorities. It just seems that this year, for the first time, we have a real opportunity to bring some commonsense to the conduct of our military establishment. I do not want to let that opportunity go by.

Mr. CULVER. Mr. President, I am voting in favor of adopting the defense procurement bill. I had hoped that the full Senate would make some further reasoned cuts beyond the 12.6 percent voted by the Armed Services Committee. I voted to make such reductions on the B–1 bomber, on counterforce, on site defense as well as for the $1.2 billion reduction in the overall defense ceiling.

Nonetheless, I feel that both in its outcome and in the processes by which this large measure was considered, marked progress was made over past years. The 12.6 percent cut is not insignificant. And there are several important policy ingredients in this bill which are most commendable and which lay a better basis for the future evaluation of military budgets in a more integrated and accountable manner.

I am particularly pleased that the Senate accepted my amendment to require the Secretaries of State and Defense in the future to report jointly to the Armed Services and Foreign Relations Committees of the Congress on foreign policy and military force structure. Such an institutional linkage between foreign and military policy will help to make our defense budget more the servant than the master of our international policies.

In additional the bill as passed contains a real spur to better standardization and less wasteful management within NATO, a ban on MARV testing, and a slowdown on the drain of our own military inventories through foreign sales. And there is hope, though not assurance, that in the subsequent debates on the appropriations that some ground has been made for further cuts.

My vote for the bill is not a measure of my complete satisfaction or of a sense that we have accomplished all that the realities of the international situation or our domestic needs mandate. But it does represent progress and this year's lengthy debate has given us a framework for improved performance in the years ahead.

SEVERAL SENATORS. Third reading, Mr. President.

Mr. STENNIS. I ask for the yeas and nays on passage of the bill, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, if anyone wishes to speak, we have time on the bill.

Mr. MANSFIELD. No, no, let us go.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 920) was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. STENNIS. Mr. President, I understand there is no one who wishes to speak

at this point. If not, we yield back the remainder of our time on the bill. Does the Senator from California yield back the remainder of his time on the bill?

Mr. CRANSTON. I yield back the remainder of my time.

Mr. STENNIS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 148, H.R. 6674.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. STENNIS. Mr. President, I move to strike out all after the enacting clause of H.R. 6674 and to substitute therefor the text of S. 920, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

Mr. STENNIS. Mr. President, I ask unanimous consent that S. 920 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill (H.R. 6674) was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the yeas and nays on S. 920 be transferred to H.R. 6674.

The PRESIDING OFFICER (Mr. NELSON). Without objection, it is so ordered.

The bill (H.R. 6674) having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ABOUREZK (when his name was called). Mr. President, on this vote, I have a pair with the Senator from North Carolina (Mr. MORGAN). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Florida (Mr. CHILES), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from North Carolina (Mr. MORGAN), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), and the Senator from Missouri (Mr. EAGLETON).

I further announce that, if present and voting, the Senator from Alabama (Mr. SPARKMAN), the Senator from Georgia (Mr. TALMADGE), the Senator from Florida (Mr. CHILES), and the Senator from Indiana (Mr. BAYH) would each vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New York (Mr. BUCKLEY), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

The result was announced—yeas 77, nays 6, as follows:

[Rollcall Vote No. 214 Leg.]

YEAS—77

Bartlett	Hart, Gary W.	Packwood
Beall	Hart, Philip A.	Pastore
Bellmon	Hartke	Pearson
Bentsen	Haskell	Pell
Brock	Hathaway	Percy
Brooke	Helms	Proxmire
Bumpers	Hollings	Randolph
Burdick	Hruska	Ribicoff
Byrd, Harry F., Jr.	Humphrey	Roth
Byrd, Robert C.	Inouye	Schweiker
Cannon	Jackson	Scott, Hugh
Case	Javits	Scott, William L.
Church	Johnston	Stafford
Cranston	Kennedy	Stennis
Culver	Laxalt	Stevens
Curtis	Leahy	Stevenson
Dole	Long	Stone
Domenici	Magnuson	Taft
Eastland	Mathias	Thurmond
Fannin	McClellan	Tower
Fong	McClure	Tunney
Ford	McIntyre	Weicker
Garn	Metcalf	Williams
Glenn	Montoya	Young
Goldwater	Moss	
Hansen	Muskie	
	Nunn	

NAYS—6

Clark	Hatfield	McGovern
Gravel	Mansfield	Nelson

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Abourezk, against.

NOT VOTING—15

Allen	Chiles	Mondale
Baker	Eagleton	Morgan
Bayh	Griffin	Sparkman
Biden	Huddleston	Symington
Buckley	McGee	Talmadge

So the bill (H.R. 6674) was passed.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD and Mr. THURMOND moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments to H.R. 6674.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I ask unanimous consent that the bill, as passed, be printed in full, with amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mr. CANNON, Mr. MCINTYRE, Mr. HARRY F. BYRD, JR., Mr. NUNN, Mr. TOWER, Mr. THURMOND, Mr. GOLDWATER, Mr. WILLIAM L. SCOTT, and Mr. TAFT conferees on the part of the Senate.

Mr. STENNIS. Mr. President, I want to express my special appreciation for the cooperation and assistance which has been extended to me by all concerned on this legislation, from the beginning of the Senate hearings and on down until now. I especially want to thank the ranking minority member, Senator THURMOND.

As we all know, Senator CANNON, chairman of the Tactical Air Power Subcommittee, Senator MCINTYRE of the Research and Development Subcommittee, and Senator NUNN, chairman of the Manpower and Personnel Subcommittee, have also carried heavy responsibilities on this entire procurement bill in its preparation and presentation.

I should like to extend the personal appreciation of myself as well as the members of the committee for the consistent hard work performed by the able staff. Floor action is only a small portion of the time consumed in preparation of the bill. The staff worked on hearings totaling almost 6,000 pages and a report totaling 190 pages. The entire staff was involved in this to some degree and I should like specifically to mention their names:

Mr. T. Edward Braswell, Jr., our chief counsel and staff director.

Mr. W. Clark McFadden, Mr. Don Lynch, Mr. George Foster, Mr. Hyman Fine, Mr. Charles J. Conneely, Mr. Charles Cromwell, Mr. Robert Q. Old, Mr. Francis J. Sullivan, Mr. John A. Goldsmith, Miss Nancy Bearg, Miss Roberta Ujakovich, Miss Christine Cowart, and Mr. James Coleman, who has handled the printing of our voluminous hearings.

In addition, I want to make special mention of Mr. Edward B. Kenney who has been unable to be with us on the floor this week because of illness. I do want the record to reflect the contributions he made to this bill.

Mr. President, I may say, without boasting, that members of this staff are unusually able and capable, with special competence in the fields in which they work. This bill has really been to the operating room in the work that they have done on it, in the previous work done on it, and in helping to put it back together again.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. THURMOND. Mr. President, I thank the distinguished and able chairman of the committee for the splendid leadership he has provided on the floor of the Senate, as he has done in committee. It has been a pleasure to work with him.

I also express my appreciation to all the minority members—we have six; five besides myself. They have worked diligently and ably, and I commend them.

I thank Mr. Robert Old, counsel. Mr. Kinney, the other staff member is ill, and Mr. Old did a fine job on this bill and is to be complimented.

I also express my appreciation to the other members of the Armed Services Committee, to the majority staff, and to all the Members of the Senate who cooperated in getting this bill passed. This is a very important bill. It means a great deal to the security of this country, and I am very pleased that action on it has been completed.

Mr. STENNIS. Mr. President, I want to say a special word about Mr. Edward B. Kenney, who is a valuable member of our staff. He has not been with us this week because of illness, but he is better now. He made a great contribution to this bill.

Mr. THURMOND. Mr. President, I join in that statement. Mr. Kenney has done a fine job on the committee.

Mr. CRANSTON. Mr. President, I simply wish at this moment, when the action is ending on the military procurement bill, to express my thanks to the distinguished chairman and ranking minority member of the Armed Services Committee, Mr. STENNIS and Mr. THURMOND, for all of their cooperation throughout the week and preceding this week.

I thank also the members of that committee for their cooperation.

I thank the leadership, the Senator from Montana (Mr. MANSFIELD), the Senator from West Virginia (Mr. ROBERT C. BYRD), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Michigan (Mr. GRIFFIN) for all of their help.

The Senator from West Virginia (Mr. ROBERT C. BYRD) was particularly helpful in bringing about the unanimous-consent agreement and helping us work it out. That made it possible to carry on this week as we did. He was magnificent in his efforts to keep us on target so that the consideration of the bill ended when we hoped and planned that it would end. Still he worked it out in a way that permitted everyone to have an opportunity to discuss adequately and fully the various amendments that were offered.

I also express my gratitude to the Senators from Massachusetts (Mr. KENNEDY), from New York (Mr. JAVITS), from Arizona (Mr. GOLDWATER), from Idaho (Mr. MCCLURE), and from Virginia (Mr. HARRY F. BYRD, JR.) for their cooperation in arranging the debates and in inviting the full participation by the Senate that occurred Monday and Tuesday. The Senators from Massachusetts and Arizona were particularly active in that effort and most helpful.

I am grateful to all those who participated in the opening general debate and in the consideration of all the various amendments.

We all won some; we all lost some. I lost more than I won, and it fell in various ways for other Members of the Senate.

I also thank the many members of the staff of various Senators who were so very helpful. I particularly thank Bill Jackson, of my staff, and Mark Schneider, of the staff of the Senator from Massachusetts (Mr. KENNEDY), for their extremely effective work; also the staff of the Committee on Armed Services, particularly Ed Brazwell, who was particularly helpful to me. They were all very helpful to many of us throughout this long debate.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator for his kind words in my regard.

I say for the RECORD, however, that the progress that was made could not have been made without the splendid cooperation and the work on the part of the distinguished Senator from California (Mr. CRANSTON).

Mr. HELMS. Mr. President, the distinguished Senator from California just made reference to the distinguished majority whip. As I have watched him operate this week I had wondered if he did not feel a little bit like a traffic cop in Times Square on New Year's Eve at 11:50 p.m.

I commend him, too, for his patience and his restraint. He has done a great job.

Mr. ROBERT C. BYRD. Mr. President, the Senator is most charitable in his reference to my work, and I am exceedingly grateful.

Mr. CRANSTON. Mr. President, the Senate started this historic week with a "great debate" over the long-range implications of our foreign and defense policies and over these basic questions: What is the foreign policy of the U.S. Government that the defense budget is supposed to defend? What changes, if any, should be made in our foreign policy? And how should those changes be reflected in our defense posture and expenditures?

That "great debate" was not as great, and did not show quite as much hard-hitting debating, as the sponsors—Senators GOLDWATER, MCCLURE, BYRD of Virginia, JAVITS, KENNEDY, and I—had hoped.

But it was a good beginning—and I stress the word "beginning." For we have only just started. We have opened up some new doors to fresh new thinking about America's role in the world, about the need for nonmilitary solutions to international problems, about the essential relationship between defense and foreign policies, and about the legitimacy and worth of full congressional participation in the formulation and execution of these policies.

I think we in the Senate who consider ourselves military moderates, who favor all we need for a middle-of-the-road defense posture, did well in the debate. But then the voting started on the military procurement authorization bill, and things kind of fell apart.

I do not know whether or not we won the debate.

I do know we lost most of the votes. But we did score a sensational, last minute, turnaround victory when the Senate, which earlier had approved $110 million in research and development funds for the high-accuracy maneuvering reentry vehicle—MARV—voted 43 to 41 to block going ahead with testing.

That vote, I believe, can save us $40 to $60 billion in a wild and costly new round in the nuclear arms race.

But we were not able to make any major cuts in the vast spending authorized in the bill, beyond those already recommended by the Armed Services Committee. The reason, I believe, can be found in the collapse in Southeast Asia, and in high unemployment at home.

The unexpectedly sudden collapse of Cambodia and South Vietnam, followed by the *Mayaguez* incident, dissuaded a number of Senators who otherwise might well have voted with us.

They felt that further cuts in the bill would create the impression that the Senate was turning isolationist and favored a weakened defense posture. I understand and agree with their concern, but I disagree with their conclusions.

After all, we were not advocating a reduced military program, only a lower rate of increase. We proposed a 14-percent increase—as contrasted with the 20-percent increase recommended by the committee and the 38-percent increase asked by the Pentagon.

We felt a 14-percent hike in military spending seemed quite sufficient at this time, considering that the President recommended cuts in jobs programs, education, health, nutrition for children and senior citizens, and in cost of living increases for social security recipients, and supported insufficient funds for housing, transportation, the war on poverty, and the war on pollution.

I believe that eliminating waste and reducing nonessential spending make for a stronger, not a weaker, economic and military posture. And far from turning isolationist, a stronger America will be far better able to meet its legitimate overseas commitments.

A number of other potential military budget cutters were reluctant to halt or postpone defense contracts while expecting at any moment that the unemployment rate would go over 9 percent—as in fact it has just now.

Frankly, I think that keeping people nonproductively employed in the task of making weapons when we do not really need those weapons is demeaning to them and dangerous to the national interest. Besides, large numbers of jobs are not involved in the highly sophisti-

cated technology authorized in much of this bill.

We must recognize that excessive military spending is heading this Nation toward financial bankruptcy, absolute Government regimentation, or nuclear war—and possibly all three.

I say billions for legitimate defense, but not 1 cent for military or industrial tinsel, glitter or make-work.

We must maintain a sound defense system built on national economic strength and military sufficiency. But we do not need and cannot afford an unending array of ever-more complex and costly nuclear weapons systems that are of marginal value at best, and wasteful and provocative at worst.

I am highly encouraged by the developments of the week. If I may use a military metaphor, we may have lost the battle but we have not lost the war. We will be striking back again when the timing may be better.

We have put the Pentagon and the big military spenders in Congress on notice. We are not going to take lying down a continued high, inflationary spending on every new weapons system that comes along. We will seek constantly to strengthen our foreign and defense policies so as to give us a more balanced, more intelligent, and more realistic role in the search for world peace.

ORDER FOR RECESS UNTIL 11 A.M. MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11 a.m. Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 177—TELEVISING SENATE PROCEEDINGS CONCERNING CONTESTED ELECTION FOR A SEAT IN THE U.S. SENATE FROM THE STATE OF NEW HAMPSHIRE

Mr. McCLURE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 177) to permit radio and television coverage of all proceedings of the Senate relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the resolution be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution is as follows:

Resolved, That the proceedings in open session of the Senate with respect to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire may be broadcast by radio and television. Rule IV of the Rules for Regulation of the Senate wing of the United States Capitol is also accordingly suspended for the purpose of photography.

Such broadcasting and photography shall be accomplished in conformity with procedures thereon agreed upon by the joint floor leadership. The implementation of such procedures shall be effected by the joint floor leadership after consultation with the chairman and ranking minority member of the Committee on Rules and Administration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object—and I do not object—I have long recommended that sessions of the Senate be televised. As a matter of fact, on previous occasions I have submitted proposed legislation to that end.

I am delighted that the Senator has offered this resolution, and I hope that it will be agreed to by the Senate. I will not interpose an objection to the immediate consideration of the resolution.

Mr. MANSFIELD. Mr. President, reserving the right to object—and I shall not object—I join the distinguished assistant majority leader, who has been the pioneer in this body for a good many years in trying to get the sessions of the Senate open to television coverage. I shall not object.

Mr. McCLURE. I thank the Senators.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCLURE. Mr. President, I thank the distinguished majority leader and the assistant majority leader for their words and for their support and for not interposing any objection.

This resolution is cosponsored by the distinguished minority leader, the Senator from Pennsylvania (Mr. HUGH SCOTT); the distinguished minority whip, the Senator from Michigan (Mr. GRIFFIN); the Senator from Tennessee (Mr. BROCK); the Senator from North Carolina (Mr. HELMS); the Senator from Ohio (Mr. TAFT); and the Senator from Connecticut (Mr. WEICKER).

I think the historic proceedings in this body which will take place next week with respect to the election contest in New Hampshire give an opportunity for the people of this country to observe the proceedings of the Senate on a historic debate. I think they will have the opportunity, by the open broadcast of this debate on the floor of the Senate, to observe the manner in which the Senate does protect the sanctity of the vote of the people in New Hampshire. But the individual contest goes far beyond the question of the seating of Wyman or Durkin. It goes to the very election process itself, which I think all of the Members of the Senate and all of the citizens of this country must be concerned with.

Mr. CRANSTON. Will the Senator yield?

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. McCLURE. I yield to the distinguished Senator from California.

Mr. CRANSTON. I congratulate the Senator on the resolution that he has offered. I have long advocated that we open up the Senate in exactly the way he is proposing. I think it is fine that it be done under the particular circumstances he suggests. I hope that will convince us that we should do it on a permanent basis.

The people are entitled to see our business. I think our business will be better conducted when we are under television's and radio's searching eye.

I note that the Senator from West Virginia has been providing leadership also in this direction. I congratulate him.

I ask to be listed as a cosponsor of the resolution.

Mr. McCLURE. I ask unanimous consent that the distinguished Senator from California (Mr. CRANSTON) may be listed as a cosponsor.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator have 1 additional minute and that we move on to other things. He has succeeded in his valiant effort and I ask if he would mind my requesting that my name be added as a cosponsor.

Mr. McCLURE. I ask unanimous consent that the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Will the Senator yield for an inquiry?

Mr. McCLURE. Yes, I yield.

Mr. PROXMIRE. Frankly, I am surprised. I did not know this was coming up. I had no idea. Am I to understand that there will be a televised proceeding in the Senate of the United States in the next few weeks of the Durkin-Wyman dispute?

Mr. MANSFIELD. The Senator is correct; next week.

Mr. PROXMIRE. Will this be something that will—will the entire proceedings be filmed——

Mr. MANSFIELD. I hope so.

Mr. PROXMIRE. And then edited?

Mr. MANSFIELD. I think that the public is entitled to a complete view of what goes on. It is entitled to observe the actions and statements of Senators.

I am delighted that this idea, originally advanced by the distinguished assistant majority leader and now advanced by the distinguished junior Senator from Idaho, is not objected to and that it will become a factor in this momentous debate, which will occur beginning next week. It can be done without lights, because they have developed cameras, and there is no reason why one camera cannot operate on a pool basis. There is no need for these huge lights to be spread out here and there.

I think this is a suggestion whose time has come.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. McCLURE. Mr. President, I will yield to the Senator from Mississippi.

Mr. STENNIS. Does the televising of proceedings apply only to the election contest?

Mr. McCLURE. That is correct. It is carefully confined to this one proceeding under this resolution.

Mr. MANSFIELD. If the Senator will yield, I hope that is not the idea behind this, because I think we ought to follow the idea of the distinguished assistant majority leader and, from now on, open the hearings of the Senate to the public and let them see us and hear us and make their own determinations and judgment. We have been trying for years to get this done. I think we are behind the times.

Mr. McCLURE. I thank the Senator from Montana.

Mr. STENNIS. If I may respond to that, I do not think it is physically possible to attend all the sessions of the Senate and do half of the other work that we are called on to do. It just cannot be done. We have the matter of seeing one's constituents, we have the matter of attending to the affairs of the States which sent us here, we have the matter of holding hearings, innumerable matters that require our attention. To stay here all the hours the Senate is in session is physically impossible. I want to say that now, so those people who honored me by sending me here will understand from the beginning how I saw it and what I believe to be the situation.

Mr. LONG. Will the Senator yield?

Mr. McCLURE. I will yield to the Senator.

Mr. LONG. It is all right with this Senator to try something—for example, in this contest, to have the contest subject to filming and television. But I think that we ought to be careful and we ought to feel our way before we let the media take the Senate over, for a very simple reason. We may very well find that what we have done is permit a few TV anchormen to control the Senate of the United States by putting the people with whom they agree in a good light and the people with whom they do not agree in a bad light. I have many times been with some of our friends, conducting some rather controversial hearings, and notice some of my friends on the other side of the aisle make a remark to one another or nudge each other and say, "See that; notice that?" That has been when certain people, who, fortunately from my point of view, are Democrats, are asking the right questions from the point of view of the TV cameramen and getting right answers from their point of view, the cameras are on and taking all of this. Then when some of our Republican colleagues took their turn at bat, all the cameras turned off and nothing happened until one of the TV group seemed to like a little better or think well of—who, fortunately, seemed to be on my side of the aisle—decided to take his turn at bat again.

That type of partiality or favoritism might prove to be a real problem to the Republic when we get involved in it. Therefore, I think we would be well advised, if we want to engage in this type of thing, to do it on a strictly experimental basis, see how it works. Then we will know better what we want to do in the future.

I see the Senator from Idaho nodding. I hope that means he agrees.

Mr. McCLURE. I say to the distinguished Senator from Louisiana that this resolution applies only to the upcoming debates and proceedings with respect to the election contest. I think we will have the opportunity to observe how well and how faithfully the cameramen and the networks discharge their responsibility to the American people. We will have the opportunity, of course, to take a look at what has been done and determine whether or not, based upon that kind of performance, we desire to extend the openness of the proceedings.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. McCLURE. I yield.

Mr. ROBERT C. BYRD. I assure all Senators that before the Senate has an opportunity to give its consent or decline its consent to the televising of sessions of the Senate other than in this one instance, that resolution will have to be reported out of my subcommittee and out of the full Committee on Rules. We are not going to adopt that kind of resolution by unanimous consent here. Even though I favor televising the sessions of the Senate, I think there should be hearings, and it is my plan to conduct hearings, so that Senators and people in the media may also appear and testify. So that will be the route that will be taken in that regard.

I wonder if the Senator would be agreeable to accepting an amendment to his resolution, or at least modifying his resolution to provide that the televising in this instance be done by the miniaturized equipment so that we will not have the bright lights that we had to use in the instance of the Rockefeller inauguration?

Mr. McCLURE. I say to the Senator from West Virginia that I certainly have no objection to such an amendment. I will say, however, that the resolution itself provides that it shall be done in a manner and under the direction of the majority floor leader and the minority floor leader, in consultation with the chairman and the ranking minority member on the Committee on Rules. I think we can make such a requirement under the wording of this resolution.

Mr. ROBERT C. BYRD. I want to be sure that the resolution would not bind us to the use of the kind of cameras to which we were subjected on that occasion. The Senator will recall that I very much supported the idea of having that historic event televised, and I think I had a good bit to do with the fact that it was ultimately televised.

I would certainly not want the debate on the New Hampshire election to be delayed in any way because of this resolution.

I join with the Senator in wanting the debate televised, but I would hope that we could condition that televising on the utilization of the miniaturized equipment, camera equipment, so that we would be neither delayed nor would we be subjected to that kind of bright lights all throughout the debate.

Mr. McCLURE. I understand the concerns expressed by the Senator from West Virginia, the distinguished majority whip.

I certainly agree that the procedures ought to be under some kind of control of the leadership of the Senate. My resolution contains this language:

Such broadcasting shall be accomplished in conformity with procedures thereon agreed upon by the joint floor leadership. The implementation of such procedures shall be effected by the joint floor leadership, after consultation with the chairman and ranking minority member of the Committee on Rules and Administration.

I would say to the Senator I believe this is ample authority to effect whatever conditions the joint leadership finds necessary to impose, with the full expectation that those requirements are not intended in any way to obstruct the free broadcast but to implement, under appropriate rules, and to safeguard the rules of the Senate.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. McCLURE. I yield.

Mr. MANSFIELD. May I say the joint leadership did look into this matter at the time there was a very strong possibility that there would be an impeachment trial in the Senate of our former President.

I believe also, if I may have the attention of the assistant majority leader, that after meeting with the joint leadership, the Rules Committee took up this matter and, as a matter of fact, reported out legislation.

Mr. McCLURE. I would say to the Senator from Montana that this resolution is patterned after and identical to the resolution which was at that time offered by the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), with one exception, and that is the exception of the waiver, the suspension, of rule IV of the Rules of the Senate dealing with photography, and the reason that that was deleted was because it required a 1-day notice and, since it is a suspension of the rules, requiring a two-thirds vote.

Mr. MANSFIELD. I appreciate that.

If the Senator, Mr. President, will yield further——

Mr. McCLURE. I will.

Mr. MANSFIELD. As long as the Senator has brought up this meritorious resolution, and as long as there has been no objection from the Democratic side, I wonder if the Senators would agree to a time limitation covering this debate, say, something on the order of 1 hour on all amendments, motions, appeals, and what not, because I understand we are going to have 37 votes; is that correct?

Mr. ROBERT C. BYRD. Something like 37 issues.

Mr. MANSFIELD. Something like 37 issues to be voted on, and if you do not get a time limitation—and as far as I am concerned I do not care, but if you do not get a time limitation—you are going to be on this issue the rest of the month

and into the next month and maybe beyond, and there will be only so much that the public can take by way of television.

You stay too long on a subject which will keep us here on the floor, which will put us on notice and on our good behavior—and I think that is all to the good. So I would hope that this matter of a time limitation would be given the most serious consideration.

I want to emphasize that as far as we are concerned we are not fooling about this matter being televised and shown to the American people because, I think, they are entitled to it, and I think it is about time that something like this was being done.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. Yes, indeed.

Mr. ROBERT C. BYRD. I want to second the position that the distinguished majority leader has taken. We are not fooling, as he has correctly stated. We think this debate ought to be televised, but in the televising of this debate we also think that it ought not to be strung out because this can hurt. If this debate is just strung out in order that Senators may have the opportunity to debate before television cameras, I am afraid that that would damage the possibility of getting legislation enacted by the Senate at some future date that would provide for televised sessions.

I wonder if the distinguished majority leader would not feel that the final action on this resolution ought to go over until next week, until such time as we see if we can get an agreement in conjunction with the televising of the Senate.

Mr. MANSFIELD. I think it would be a splendid idea and, as a matter of fact, the assistant majority leader and I have informally discussed the possibility of a time limitation with the Republican leader and the assistant Republican leader, and they have not said they would or would not agree to it. They said they would give it consideration, but they pointed out, as I have tried to point out, that you will very likely have around 37 issues on which there will very likely be rollcall votes, and that is a matter to be taken into consideration because you have only got so much in the way of argument on any issue, and I think it would be in the best interest of the Senate, in the best interest of the candidates who are involved, and in the best interest of the Rules Committee if we could arrive at a reasonable limitation of time.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. McCLURE. I would say to the Senator from West Virginia and the Senator from Montana that I share their concern. I am not certain that I am in any position to speak for all of the rest of the Members of the Senate, but I would urge that this resolution, and the openness of the proceedings, not be held hostage to the unanimous consent which, I think, is related but not necessarily a prerequisite to the opening of the proceedings of the Senate to the view of the public.

So I would hope there would not be a move to hold this over until such time as the unanimous consent can be obtained. I would hope we would go ahead while we have agreement here on what is really the most important aspect of that, and that is the televising and broadcasting of the proceedings, and settle that other question in regard to a time limitation without reference to whether or not we do open it to the broadcast.

I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I feel constrained to make a few observations because of the fact of what the distinguished majority leader said when he indicated there was rather widespread support on his side of the aisle, and he implied or at least I so inferred his statement to imply that, perhaps, it would be indicated to have an expression from our side, and so let me say, first of all, when he spoke of candidates or when that term was used, I am not clear if he was speaking of the candidates for the office of U.S. Senator from New Hampshire or other candidates.

Mr. MANSFIELD. New Hampshire.

Mr. HANSEN. Just New Hampshire.

Mr. MANSFIELD. And I used the plural.

Mr. HANSEN. I assume those few of us who aspire to no other office except to the one we presently occupy were not included when the Senator spoke about candidates; is that right?

Mr. MANSFIELD. That is right. I should have been more specific. But to make the record clear, the two candidates who are, whose election returns are, at issue before the Rules Committee or have been or will shortly be before the Senate.

Mr. HANSEN. If I could observe further, Mr. President, let me say that this proceeding may take longer than we hoped that it will, and I certainly will not try to contribute unnecessarily to extending it. But those of us, those few of us, on this side of the aisle are relatively inexperienced in appearances before the camera. The back of my head has been in numerous shots but, as a member of the Interior Committee, we have not been subjected to the glare of lights in our faces, and I am pleased to know that there would be lights here because it will be a new experience for me.

I would like to say further there are some advantages that the present procedures, to which I have grown accustomed as a member of the Interior Committee, have permitted me to come 15 minutes late because I do not have to get my makeup on, and if the camera should be positioned up here so that they look everyone in the face, I suspect I will have to rise a little earlier than it has been my custom to be prepared to greet my constituents as they may see my face as the cameras scan the whole Senate Chamber here.

[Laughter.]

I make these observations simply to say I will do my best to cooperate. I want to see that the operation goes along expeditiously.

I should hope, though, that we do not change from the manner in which we have been accustomed to operate here in order to portray a different image than really is typical of this body, trying to impress our constituents with the fact that we will stick right to the business and do not make speeches. I will certainly do my best to see we do not drag them out.

Mr. MANSFIELD. Will the Senator yield?

Mr. McCLURE. I will yield to the Senator from Montana.

Mr. MANSFIELD. May I say, I do hope that we will change our attitudes and our outlooks because I think that in many respects the institution of the Senate has been behind the times.

I have been disturbed, as have many of the newer Members in the last three or four classes, about the lack of attendance in the Senate during the course of debate.

I realize, of course, pressures have increased tremendously. Our workloads are much greater, our mail is tremendous, telephones, mailgrams, telegrams, constituents, and whatnot, but we all were aware of that when we were elected and assumed this office.

Times are changing. I think the Senate as an institution has to change and become more up to date.

I say that as one who is basically a traditionalist, but we cannot look backward. If any Senator uses the TV to put on a show, I would be willing to hazard the guess at this time that that Senator's tenure in this Chamber is limited—and it should be, because this is no place to mug the camera, this is no place to showoff.

This is a place of business and perhaps out of this will come a better attention to duties on the floor and to the issues concerned.

In that respect, perhaps the foresight of the distinguished assistant majority leader, the Senator from West Virginia, may well be rewarded.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished majority leader.

Would the Senator yield?

Mr. McCLURE. I am happy to yield.

Mr. ROBERT C. BYRD. Would the Senator be willing to include in the verbiage of the resolution, words to this effect: Contingent upon there being some limitation of debate?

I say it for this reason, the limitation of debate can be worked out at a future time and I would hope that there will be such a limitation of debate as the distinguished majority leader has stated, and he and I have discussed this with the distinguished minority leader and the distinguished assistant minority leader.

So I hope and feel that there may be such a limitation of debate forthcoming.

If we wrote this in, it would assure that the debate is not going to be openended if it is going to be televised.

It would also, it seems to me, give the media assurance that there would be such a limitation of debate as to allow them also to make their plans accordingly. I do not know what their problems may be, but it would just appear to me that if they could be assured that there would be, say, 2 weeks of debate, or 10 days of debate, or 1 week of debate, whatever it might be, then they could make their plans for the televising of the sessions accordingly.

Otherwise, if it is going to be openended, they do not know how to make their plans.

Mr. McCLURE. I would say to the Senator from West Virginia that I appreciate very much the cooperation which he has extended to me in the adoption of this resolution and I wish were in a position where I could extend the same cooperation in regard to the suggested amendment, but I am afraid that I could not agree to that amendment.

I would suggest a practical difficulty with it, before there could be a limitation of debate, there would have to be 100 Senators to agree to that, or at least one who interposes any objection or 99, I should say.

The uncertainty that would be imposed with such a limitation in this resolution would impose an uncertainty on the media as to when they could plan to start, rather than when they could plan to finish televising such an event.

Mr. ROBERT C. BYRD. As it is now, they cannot plan to start.

Mr. McCLURE. I would hope they could adopt the resolution without the limitation. Then they know starting tonight that they can plan to negotiate with the leadership.

Mr. MANSFIELD. But they could plan with us because the Senators—again, I think it begets the point, this is an openend time limitation.

It just brings forth the idea. It does not say specifically it will be an hour on an issue, or an amendment, or an appeal, or a motion. But this is the plan and this is something that the Senator should, I would think, in the interests of the well-being of the institution of the Senate, be willing to agree to because that could allow the Senator to spend 10 hours on every issue involved of the 37 which have been mentioned, and I would hope that the assistant majority leader would make that a part of this resolution because I think it is in the interest of the Senate and I think as long as we have gone along with the Senator that far, he can come along this little bit along the way.

Mr. McCLURE. Well, I would say——

Mr. PROXMIRE. Will the Senator yield on this point?

Mr. McCLURE. I will yield in a moment if I may reply first.

I would say to the Senator from Montana, I understand his desire for a limitation, but it seems to me that when we inject in this question of whether or not it shall be televised the question of whether we can get the consent of all 99 Members of this body, then we are giving to any one Member the right to veto the use of television and radio broadcasts.

If we are prepared to say tonight that we really do want to open up these proceedings to the public broadcast, by television and radio, we should say it unambiguously and unequivocally and I think we are in a position to do that if we do not attach this condition.

I will yield to the Senator from Wisconsin.

Mr. PROXMIRE. I think the Senator deserves great credit for having brought this resolution here. It has much merit. I think it is a real advance. I agree wholeheartedly with the leadership, it is about time we got up to it.

But I do think, and I also sympathize very strongly with the Senator's position with respect to being asked to agree for his side, or for other Senators, that he would make the modification that this be intentioned upon limitation of debate.

But for this very reason, it seems to this Senator that either we should go over until Monday on this resolution, because it is very important, and then determine whether or not Senators will agree to this, or I think that as one who feels very strongly about this that I should talk at some length on it. I do not want to do that, but I think it is an issue that is likely to have great adverse effect on the Senate for many, many weeks.

After all, when we have 100 Senators with the opportunity to get on national television, and there are a few candidates for the Presidency of the United States in this body, and there are a number of other candidates for reelection, who know this would be what they are doing. I think we ought to have some kind of debate limitation or we are asking for a long, long summer with very little accomplished except perhaps with respect to this matter of the New Hampshire election.

So I hope if the Senator cannot see his way clear to agreeing to the modest proposal of the leadership, would agree we can go over until Monday to see if we can get agreement then.

Mr. McCLURE. I would say to the Senator from Wisconsin, certainly, if it is the desire of the leadership not to act on it tonight, without the condition, certainly I will cooperate to that extent.

I appreciate their cooperation in agreeing to entertain the resolution this evening. I am very much concerned that we should transfer the decision of whether or not there is going to be live broadcast in this Chamber of these proceedings on a majority vote, or by the negative vote, of any single Member who might object to a time limitation. That I suggest is perhaps where we are putting ourselves when we attach this kind of condition on it and it may raise the question in the mind of some whether or not we really want to open up proceedings.

Mr. MANSFIELD. Will the Senator yield?

Mr. McCLURE. I am not saying that about the distinguished majority leader or the assistant majority leader.

Mr. MANSFIELD. Does the Senator think any Senator in this Chamber is that small? I do not.

Mr. McCLURE. Well, I think that any Senator who might have any reasonable desire to interpose an objection to a time limitation would thus have his motives questioned by some, if not in this body by some who are not in this body.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. McCLURE. I yield.

Mr. PROXMIRE. Time and time again the Senate has proceeded under unanimous consent. We just had a very important bill, on which many of us felt very deeply, with no difficulty in getting unanimous consent. Many Senators felt it was one of the most historic debates we have ever had, but we had, by unanimous consent, quite a stringent limitation on amendments.

So it seems to me on this matter, which primarily concerns the State of New Hampshire and is probably of somewhat less national moment than the proceedings we have just had, obtaining unanimous consent should not be difficult.

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On line 4, after "television" insert: ", Contingent upon some limitation of debate being ordered by the Senate".

Mr. McCLURE. Mr. President, I assume, on the basis of the colloquy, the Senator from West Virginia would consider that this matter might now go over until Monday for decision by the entire Senate. Am I correct in making that assumption?

Mr. ROBERT C. BYRD. Unless those Senators present wish to agree to my amendment.

Mr. McCLURE. I hope the Senator will understand that I am not in a position where I could agree to that, because I feel in all sincerity the limitation being placed on it by this amendment, as well-intentioned as it is, frustrates the basic purpose of the resolution in the first place, and it casts a cloud on whether or not the proceedings will be televised and broadcast, as both the Senator and I have stated we desire to do.

So, again, I do not wish that the resolution itself, or the issue of whether or not the proceedings are to be broadcast and available to the American people, be held hostage to the decision of 99 individual Senators as to whether they will agree to a limitation of debate, and, therefore, I cannot agree to the amendment.

Mr. ROBERT C. BYRD. I understand the Senator's position, and may I say, the resolution is not being held hostage by the amendment. It is merely an attempt to assure that we will have orderly debate, and that the legislation which is contemplated for the future, which would provide for future televising of Senate sessions, would not be jeopardized in this instance.

Mr. President, I send to the desk another amendment. I merely ask that this amendment be stated at this time.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Add at the end of the resolution:

The joint leadership shall assure that only the most advanced technology available be employed in televising these proceedings, especially with respect to the selection of cameras that require no additional lighting requirements in the Senate Chamber.

The PRESIDING OFFICER. Does the Senator want the amendment printed and held at the desk?

Mr. ROBERT C. BYRD. Perhaps the Senator from Idaho would be willing to agree to this amendment at this time.

Mr. McCLURE. I say to the Senator from West Virginia, I am willing to accept his amendment.

Mr. ROBERT C. BYRD. Then, Mr. President, I ask unanimous consent that my first amendment be temporarily laid aside, and the Senate proceed to the consideration of this one.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Now, Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the first amendment to the resolution of the Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I ask unanimous consent that there be no further consideration of this resolution today.

Mr. McCLURE. Reserving the right to object, and I shall not object, I assume this will, then, be the pending business on Monday?

Mr. MANSFIELD. We will have to give that consideration, because we have already notified the Senate, I believe, that Senate Resolution 60, the so-called Hatfield resolution, a substitute for the Gravel resolution, would be the pending business. I would hope that we could get rid of that and the military construction bill expeditiously, and then I would suggest that it might be well to proceed to this resolution on Monday.

Mr. McCLURE. I would agree to a unanimous-consent request which would make it in order as the pending business following the consideration of those items, if that would be the request of the majority leader.

Mr. MANSFIELD. That is fine, because it fits in with the matter which has motivated the distinguished Senator to offer the resolution tonight on the New Hampshire senatorial election.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, will the Senator withdraw his request and let me program it in after these other two items?

Mr. McCLURE. I will reserve my right to object that they be set over until the Senator can propound the entire unanimous-consent request.

Mr. ROBERT C. BYRD. Yes. Mr. President, I ask unanimous consent that on Monday, after the recognition of the Senator from Colorado (Mr. GARY W. HART) under the order previously entered, the Senate proceed to the consideration of the bill (S. 1247) to authorize certain construction for military installations and for other purposes; that upon the disposition of that measure the Senate proceed to the consideration of Senate Resolution 60; and that upon the disposition of that resolution, the Senate resume the consideration of the resolution (S. Res. 177) that is now pending.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER TO HOLD H.R. 4035 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 4035 be held at the desk until further notice.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider Calendar Order Numbers 121, 122, 124, and 125 on the nominations calendar.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the first nomination.

OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

The assistant legislative clerk proceeded to read sundry nominations in the Office of the Special Representative for Trade Negotiations.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

RENEGOTIATION BOARD—NOMINATION PASSED OVER

The assistant legislative clerk proceeded to read the nomination of Richard C. Holmquist of Connecticut, to be a member of the Renegotiation Board.

Mr. ROBERT C. BYRD. No, no, I did not ask for that one.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

COUNCIL OF ECONOMIC ADVISERS

The assistant legislative clerk read the nomination of Paul Webster MacAvoy, of Massachusetts, to be a member of the Council of Economic Advisers.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The assistant legislative clerk read the nomination of James H. Blair, of Michigan, to be an Assistant Secretary of Housing and Urban Development.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATION PLACED ON THE SECRETARY'S DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of nominations placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The nominations will be stated.

The assistant legislative clerk proceeded to read sundry routine nominations in the Coast Guard which had been placed on the Secretary's desk.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. HELMS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a brief period for the consideration of routine morning business, for the purpose of the introduction of bills and resolutions and the making of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY TECHNICAL PROVISIONS ACT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 4221.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the

Senate to the bill (H.R. 422) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PELL, Mr. RANDOLPH, Mr. WILLIAMS, Mr. KENNEDY, Mr. MONDALE, Mr. EAGLETON, Mr. CRANSTON, Mr. HATHAWAY, Mr. BEALL, Mr. JAVITS, Mr. SCHWEIKER, and Mr. TAFT conferees on the part of the Senate.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF BILL

A message from the President of the United States stated that on June 4, 1975, he approved and signed the enrolled bill (S. 249) to amend the Securities Exchange Act of 1934 to remove barriers to competition, to foster the development of a national securities market system and a national clearance and settlement system, to make uniform the Securities and Exchange Commission's authority over self-regulatory organizations, to provide for the regulation of brokers, dealers and banks trading in municipal securities, to facilitate the collection and public dissemination of information concerning the holdings of and transactions in securities by institutional investment managers, and for other purposes.

MESSAGE FROM THE HOUSE

At 11:10 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 4025) to provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (S. 1842) for the relief of Dr. Arturo Bomolan Dela Rosa.

The enrolled bill was subsequently signed by the President pro tempore.

PETITIONS

The following petitions and memorials were presented and referred as indicated:

Mr. PASTORE. Mr. President, I send to the desk for myself and my colleague, Senator PELL, a resolution adopted by the General Assembly of the State of Rhode Island memorializing Congress to make adequate provision for optometric examination, diagnosis, and treatment of conditions of the vision system for persons of all ages in any national health insurance plan adopted, and ask that it be printed in the CONGRESSIONAL RECORD and referred to the proper committee.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution, which was referred by unanimous consent, to the Committee on Finance and the Committee on Labor and Public Welfare, jointly, reads as follows:

RESOLUTION MEMORIALIZING CONGRESS TO MAKE ADEQUATE PROVISION FOR OPTOMETRIC EXAMINATION, DIAGNOSIS AND TREATMENT OF CONDITIONS OF THE VISION SYSTEM FOR PERSONS OF ALL AGES IN ANY NATIONAL HEALTH INSURANCE PLAN ADOPTED

Whereas, Vision is one of mankind's most precious gifts and as such is a major factor in the efficient functioning of all Americans at work and play; and

Whereas, The professional care of the vision system is a primary health service contributing to the health, welfare, productivity and personal safety of every American; and

Whereas, Optometrists are educated and licensed to render professional vision care services in Rhode Island and all other states and the District of Columbia; and

Whereas, Utilization of the specialized skills of optometrists in local, state, and national health care programs can result in maximum convenience and quality eye care for beneficiaries of such programs; and

Whereas, The Congress of the United States of America is now considering enactment of a national health insurance program that is comprehensive in nature; now therefore be it

Resolved, That the members of the Congress of the United States be and they are hereby respectfully requested to make adequate provision for optometric examination, diagnosis and treatment of conditions of the vision system for persons of all ages in any national health insurance plan adopted; and be it further.

Resolved, That the Secretary of State be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the senators and representatives from Rhode Island in the Congress of the United States.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that a memorial from the General Assembly of the State of Rhode Island relative to national health insurance be referred jointly to the Committee on Finance and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I send to the desk for myself and my colleague, Senator PELL, a resolution adopted by the General Assembly to the State of Rhode Island memorializing Congress to study the feasibility of providing Federal funding for solid waste disposal projects, and ask that it be printed in the CONGRESSIONAL RECORD and referred to the proper committee.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution, which was referred to the Committee on Public Works, is as follows:

RESOLUTION MEMORIALIZING CONGRESS TO STUDY THE FEASIBILITY OF PROVIDING FEDERAL FUNDING FOR SOLID WASTE DISPOSAL PROJECTS

Resolved, That the members of Congress of the United States are hereby respectfully requested to study the feasibility of providing federal funding for solid waste disposal projects; and be it further

Resolved, That the secretary of state be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in the Congress of the United States.

Mr. PASTORE. Mr. President, I send to the desk for myself and my colleague, Senator PELL, a resolution adopted by the General Assembly of the State of Rhode Island memorializing Congress and the Secretary of the Interior to encourage and support exploration and development of the Outer Continental Shelf and ask that it be printed in the CONGRESSIONAL RECORD and referred to the proper committee.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution, which was referred to the Committee on Interior and Insular Affairs, is as follows:

SENATE RESOLUTION MEMORIALIZING CONGRESS AND THE SECRETARY OF THE INTERIOR TO ENCOURAGE AND SUPPORT EXPLORATION AND DEVELOPMENT OF THE OUTER CONTINENTAL SHELF

Whereas, the demand for energy in Rhode Island, New England and the nation is increasing and will continue to increase for the foreseeable future, and

Whereas, domestic production of oil and gas has declined in recent years, and

Whereas, it is in the interest of Rhode Island, New England and the nation to reduce the degree of dependence upon imports of oil from foreign nations to meet domestic energy demands, and

Whereas, there is reason to believe that the Atlantic Outer Continental Shelf contains significant quantities of oil and gas which can be developed consistent with State and Federal environmental policies, now therefore be it,

Resolved, That the Senate of the State of Rhode Island encourages and supports the exploration and development of oil and gas resources of the Outer Continental Shelf adjacent to New England's coast, provided, however, that such activities are consistent

with the requirements of applicable environmental safeguards and conducted so as to protect, insofar as possible, onshore social, economic and environmental conditions of the coastal region of New England, and be it further

Resolved, That the secretary of state be and he is hereby respectfully requested to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress and to the Secretary of the Interior.

Mr. PASTORE. Mr. President, I send to the desk for myself and my colleague, Senator PELL, a resolution adopted by the General Assembly of the State of Rhode Island memorializing Congress to expand the food stamp program to include clothing, and ask that it be printed in the CONGRESSIONAL RECORD and referred to the proper committee.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution, which was referred to the Committee on Agriculture and Forestry, is as follows:

RESOLUTION MEMORIALIZING CONGRESS TO EXPAND THE FOOD STAMP PROGRAM TO INCLUDE CLOTHING

Whereas, The nation once again is in the throes of a recession that is taking on the earmarks of a full-blown depression with each passing week; and

Whereas, With unemployment now at its highest rate in more than 13 years and unemployment compensation benefits proving grossly inadequate this situation cries out for additional supplementary measures; and

Whereas, The federal food stamp program should be expanded as soon as possible to include clothing as well as food, thereby making the major necessities of life available to poverty-stricken people at discount prices as well as help move surplus clothing manufactured in this country, to market and start looms and sewing machines operating once more in the textile and garment factories in the United States; now, therefore be it

Resolved, That the general assembly of the State of Rhode Island and Providence Plantations respectfully requests the Congress of the United States to expand the food stamp program to include clothing; and be it further

Resolved, That the secretary of state be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the Congress of the United States and the Members of Congress from Rhode Island.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 1281. A bill to improve public understanding of the role of depository institutions in home financing (Rept. No. 94-187).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

Mr. MANSFIELD. Mr. President, as in executive session I submit nominations approved by the Committee on Foreign Relations together with statements of political contributions of certain nominees, pursuant to section 4 of Public Law 93-475, approved October 26, 1974.

The PRESIDING OFFICER. The nominations will be received and placed on the Executive Calendar.

By Mr. MANSFIELD, from the Committee on Foreign Relations:

Daniel P. Moynihan, of New York, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

STATEMENT OF POLITICAL CONTRIBUTIONS

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Daniel P. Moynihan.

Contributions

Amount, date, and donee

1. Self: $100; 1972; Jonathan B. Bingham, U.S. Congress, Democrat of New York. $100; 1974; William Roth, Democrat of California.
2. Spouse.
3. Children and Spouses.
4. Parents.
5. Grandparents.
6. Brothers and spouses.
7. Sisters and spouses.

No contributions by any other persons designated on this form. (Which is the damndest worst form I have ever tried to fill out. No space for anything.)

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

DANIEL P. MOYNIHAN.
(Signature of nominee)

Subscribed and sworn (or affirmed) before me this 27th day of May, A.D. 1975, at Cambridge Mass.

HALLIE O. HARRO,
Notary Public.

Commission expires March 27, 1981.

Andrew L. Steigman, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic.

STATEMENT OF POLITICAL CONTRIBUTIONS

The following declaration regarding campaign contributions is submitted in accordance with the Department of State Appropriations Act of 1973 (P.L. 93-126, October 18, 1973).

During the five calendar years preceding the date of this declaration, neither I, Andrew L. Steigman, nor my wife, Meryl F. Steigman, nor my minor children, Daria Hope Steigman and Jonathan Seth Steigman, has made any Federal Election Campaign (political) contribution as defined in Section 301(e) of the Federal Election Campaign Act of 1971 (P.L. 92-225, February 7, 1972, 86 Stat. 11). During this period, I had no living parents, grandparents, brothers, or sisters.

To the best of my knowledge, the information contained in this declaration is complete and accurate.

ANDREW L. STEIGMAN.

Federal Republic of Nigeria, State of Lagos, Embassy of the United States of America.

Subscribed and sworn to before me, Thomas Gustafson, Consul of the United States of America at Lagos, Nigeria, April 23, 1975.

THOMAS GUSTAFSON,
American Consul.

Malcolm Toon, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

STATEMENT OF POLITICAL CONTRIBUTIONS

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Malcolm Toon.

Post Ambassador to Israel.

Contributions, amount, date, and donee

1. Self: none.
2. Spouse: none.
3. Children and spouses: Alan, Barbara, Nancy, none.
4. Parents, George Toon, none.
5. Grandparents: deceased.
6. Brothers and spouses: M. Spalding Toon, contributions annually for past 4 years to Republican National Finance Committee and candidates of both parties for state and federal office—in no case, more than $50; George Toon, Jr.
7. Sisters and spouses: Mr. and Mrs. G. E. Williams, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

MALCOLM TOON.

Subscribed and sworn (or affirmed) before me this 8th day of May A.D. 1975, at Washington, D.C.

Notary Public.

Commission expires 7/31/77.

Galen L. Stone, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Laos.

STATEMENT OF POLITICAL CONTRIBUTIONS

Post: Nominated.

Contributions, amount, date, and donee

1. Self: Galen L. Stone, none.
2. Spouse: Anne B. Stone, none.
3. Children: (No spouses) Ela A B. Stone, none; Mary B. Stone, none; Pamela D. Stone, none; Galen L. Stone III, none; Brewer, Stone, none.
4. Parents: Robert G. Stone: $1,000, July 26, 1971, Senator Edward W. Brooke Committee.

$500, November 2, 1971, C. Robert Yaeger Salute to the President (fund raising dinner).

$1,000, April 3, 1972, Finance Committee for the Reelection of the President.

$250, May 30, 1972, William D. Weeks for Congress Committee.

$25, June 17, 1972, Texans for Tower.

$25, June 17, 1972, Hubie Jones for Congress Committee.

$1,000, July 17, 1972, William D. Weeks for Congress Committee.

$1,000, October 2, 1972, Victory 1972 Dinner.

$25, October 2, 1972, Friends of Strom Thurmond.

$25, October 25, 1972, Texans for Tower.

$100, May 14, 1973, William D. Weeks for Congress Committee.

$1,000, March 13, 1974, William D. Weeks for Congress Committee.

$1,000, October 7, 1974, Thornes Campaign in South Dakota.

$1,000, October 16, 1974, Committee for Survival of a Free Congress.

Bertha L. Stone:

$25, March 1971, National Republican Congressional Committee.

$25, March 1972, Friends of Strom Thurmond.

$25, August 1972, Gerry E. Studds.

$25, October 1972, Friends of Strom Thurmond.

$15, March 1975, Wallace Opinion Poll.

$50, March 18, 1975, Vice President's Special Fund for the Republican Party, per Galen Stone.

5. Grandparents: One living.

6. Brothers and Spouses: Robert Gregg Stone, Jr., $250, 1972, Weicker for Senator Committee.

And Helen R. Stone: None.

David B. Stone: $750, May 24, 1972, William D. Weeks for Congress Committee.

$1,000, July 25, 1972, Senator Edward W. Brooke Committee.

$100, September 27, 1972, Paul W. Cronin for Congress.

$1,000, October 2, 1972, Senator Edward W. Brooke Committee.

$2,250, January 17, 1973, William D. Weeks for Congress Committee.

$1,000, March 4, 1974, William D. Weeks for Congress Committee.

And Sarah C. Stone: $1,000, March 11, 1974, William D. Weeks for Congress Committee.

Henry A. Stone: $25, September 27, 1972, Committee to Reelect the President.

And Dorothy H. Stone: None.

7. Sisters and Spouses: Elizabeth S. Trumbull, $100, March 9, 1972, California Committee for Senator Henry M. Jackson.

And Walter H. Trumbull, Jr.: None.

Republic of France, City of Paris, Embassy of the United States of America: I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

GALEN L. STONE.

Subscribed and sworn (or affirmed) before me this 17th day of April A.D. 1975, at Paris, France.

ROBYN M. FACINELLI,
American Vice Consul.

John T. Murphy, of Ohio, to be a member of the Board for International Broadcasting.

Charles A. Cooper, of Virginia, to be U.S. Executive Director of the International Bank for Reconstruction and Development.

(The foregoing nominations from the Committee on Foreign Relations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE BILL REFERRED

The bill (H.R. 4035) to provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities, was read twice by its title and referred to the Committee on Interior and Insular Affairs.

ENROLLED BILL PRESENTED

The Secretary of the State reported that today, June 6, 1975, he presented to the President of the United States the enrolled bill (S. 1842) for the relief of Dr. Arturo Bomolan Dela Rosa.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HATFIELD:

S. 1890. A bill for the relief of Leo Lucas. Referred to the Committee on the Judiciary.

By Mr. STEVENS:

S. 1891. A bill to amend title XVI of the Social Security Act (relating to supplemental income for the aged, blind, and disabled) to provide for the disregarding of certain payments, made by a State to elderly residents thereof without regard to the need of the recipient thereof, in determining eligibility for or amount of the supplementary income payable to individuals in such State under such title. Referred to the Committee on Finance.

By Mr. MORGAN:

S. 1892. A bill for the relief of Miss Veronica Dorothy Anthony. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 1893. A bill for the relief of Mr. Raj Gupta. Referred to the Committee on the Judiciary.

By Mr. HATFIELD:

S. 1894. A bill for the relief of Willia Niukkanen, a/k/a William Mackie. Referred to the Committee on the Judiciary.

S. 1895. A bill for the relief of Hamish Scott Mackay. Referred to the Committee on the Judiciary.

By Mr. McCLURE:

S. 1896. A bill for the relief of Sook Young Kim. Referred to the Committee on the Judiciary.

By Mr. BELLMON:

S. 1897. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders and clinical staff of community mental health centers. Referred to the Committee on Commerce.

By Mr. HARTKE (for himself and Mr. MAGNUSON):

S. 1898. A bill to regulate commerce by providing for the acquisition, maintenance, and improvement of rail rights-of-way and associated plant and facilities of certain railroads; to establish a Railroad Facilities Corporation; and for other purposes. Referred to the Committee on Commerce.

By Mr. McINTYRE:

S. 1899. A bill to establish certain temporary controls on electronic funds transfer systems, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. WILLIAM L. SCOTT:

S.J. Res. 91. Joint resolution proposing an amendment to the Constitution of the United States with respect to State laws relating to the termination of pregnancy. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 1891. A bill to amend title XVI of the Social Security Act (relating to supplemental income for the aged, blind, and disabled) to provide for the disregarding of certain payments, made by a State to elderly residents thereof without regard to the need of the recipient thereof, in determining eligibility for or amount of the supplementary income payable to individuals in such State under such title. Referred to the Committee on Finance.

Mr. STEVENS. Mr. President, in 1972 the Legislature of the State of Alaska enacted legislation designed to benefit the senior citizens of our State. This legislation, which is unique in the country, authorized a longevity bonus to residents of Alaska who are 65 years of age and have lived in the State for at least 25 years. This payment of $100 per month is given to all residents who meet those two criteria without regard to need.

Because of the harsh climate and high cost of living, many Alaskans found their retirement income insufficient to meet their needs in Alaska and were forced to move to the lower 48. The State recognized that we need the experience and guidance of these citizens to develop our State to its fullest potential.

With the federalization of the assistance programs to the aged, blind, and disabled, Alaska now finds itself in a position where the longevity bonus payments will result in an equal decrease of assistance payments.

At the present time, Alaska has a Federal waiver disallowing the longevity bonus as income in determining SSI benefits, but this waiver will be terminated as of December 31, 1975. It is not subject to renewal. Unless this bill is enacted by December 31, 1975, it will result in a great cost to the State of Alaska and the loss of medicaid for some 500 people.

The bill I am introducing today would make it possible for the senior citizens of Alaska and of any other State where a program such as the longevity bonus is in effect to realize the benefits of such program without losing or reducing their entitlements to public assistance programs.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1891

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1612(b)(2) of the Social Security Act (as enacted by section 301 of the Social Security Amendments of 1972) is amended—

(1) by inserting "(A)" immediately after "(2)", and

(2) by adding at the end thereof the following new subparagraph:

"(B) monthly (or other periodic) payments received by an individual (or by his eligible spouse), if such payments are made by the State of which the individual receiving such payments is a resident, and if eligibility for such payments is based solely on the age and duration of residence in such State of the individual (and not on need);".

By Mr. HATFIELD:

S. 1894. A bill for the relief of Willia Niukkanen, a/k/a William Mackie; and

S. 1895. A bill for the relief of Hamish

Scott MacKay. Referred to the Committee on the Judiciary.

Mr. HATFIELD. Mr. President, in the past several weeks our Nation compassionately has opened its doors to thousands of refugees fleeing from their own country to a land that they had never seen. I am today introducing two bills that will permit the return to this country of two men who for 50 years—until they were exiled in 1960—considered the United States their only home.

These men, William Mackie and Hamish MacKay, were happenstance aliens—one born in Finland, the other in Canada, while their parents were visiting relatives in their respective native lands. Both men came here as infants, went to school, served in the U.S. Army in World War II, paid taxes, were responsible workmen, married and raised families, and won the respect of their friends and neighbors.

During the depression years, like millions of our citizens, they were unemployed; in their search for answers to the grave social problems of the 1920's and 1930's they joined an organization of unemployed workers whose avowed purpose was improving conditions for working men. This organization was the Workers' Alliance of America. Neither man denied his association; both freely admitted membership during their early adulthood when, jobless, they attended meetings, pamphleteered for relief of economic ills, and enjoyed the groups social dances.

Fourteen years later, in the wave of a heightened campaign against communism, because these men were aliens and because the Workers' Alliance was designated a Communist-front group by the Subversive Activities Control Board, they were deported, separated from their families, banished from the country that had been their home for all but a few months of their lives.

Their deportation orders were the result of actions by the Board of Immigration Appeals, acting upon the testimony of two ex-Communists whose testimony never was heard in a court. The order was upheld in district court, in the court of appeals and, by a 5-to-4 decision, in the Supreme Court. In his dissenting opinion, Justice Douglas, citing proof that the petitioner, Mackie, was interested only in bread and butter issues and not in political theory or subversion, concluded that:

> One who reads the whole of this record cannot put it down without feeling that here is a man neither conspiratorial, dangerous, cunning, nor knowledgeable. Petitioner—a painter by trade—represents a microscopic element in the ranks of our labor force who was caught up in a movement whose ideology he did not understand and whose leaders spoke in terms of bread for the hungry, and jobs for the unemployed . . . A man who has lived here for every meaningful month of his entire life should not be sent into exile for acts which his record reveals were utterly devoid of any sinister implication." (Mackie v. McAlexander, April 18, 1960)

Mr. President, William Mackie is now 65, living alone in Finland on a meager pension; he cannot visit his two sons nor his grandchildren in Oregon; and he will be denied the comfort of family and friends in his old age. Hamish MacKay, now 69, lives in Canada; he is granted hardship visitation permission to see his 95-year-old mother in the United States only occasionally.

A respected Oregon reporter, Ms. Ann Sullivan, has covered the story of their exile for her paper, the Oregonian, for 22 years, longer than any other assignment. In a recent review of their deportation she cited District Judge Gus Solomon's reference to a Supreme Court decision in a similar deportation case:

> The right to be immune from arbitrary decrees of banishment certainly may be more important to liberty than the constitutional civil rights which all aliens enjoy when they reside here. Unless they are free from arbitrary banishment the "Liberty" they enjoy while they live here is indeed illusory.
>
> There may be cases when a person's presence would be hostile to safety or welfare of the nation due to the nature of his conduct. But unless such condition is known, I would stay the hand of the government and let those to whom we have extended our hospitality and who have become members of our communities remain here and enjoy the life and liberty which the Constitution guarantees.

Ms. Sullivan reports that—

> Today, 14 years after deportation, McKay and Mackie still consider themselves men without their own country. They are growing old, and the years have dimmed their bitterness, but not their hope.

Mr. President, I urge the favorable consideration of bills to grant both of these gentlemen—who have borne their exile stoically and with dignity, but with a confirmed sense of its injustice—the right to return to America. If their youthful actions were wrong, they were actions taken in concern and compassion, not in conspiracy. It is my sincere conviction that they deserve to enjoy the privileges of permanent residence and to gain again the assurance that this great country is capable not only of greeting new refugees but also of welcoming back two former residents.

By Mr. BELLMON:

S. 1897. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders and clinical staff of community mental health centers. Referred to the Committee on Commerce.

Mr. BELLMON. Mr. President, this bill would authorize the Social Security Administration to make payments under the supplimentary medical insurance program for services furnished by physician extenders and clinical staff of community mental health centers. The term physician extender means physician's assistant, Medex, and nurse practitioner who, having completed an educational program meeting guidelines prescribed by the Secretary of Health, Education, and Welfare and certified by the National Commission on Certification of Physician's Assistants is trained and qualified to provide primary health care under the supervision of a physician.

One of the major problems facing rural health today is the astonishing decline in the number of physicians in rural practice. The day of the country doctor is quickly vanishing. Many doctors are elderly or have retired and young doctors are not replacing them in sufficient numbers to provide needed health care. Added to the problem of a diminishing number of physicians is the economic reality that many rural communities simply cannot financially support a physician or group of physicians.

Recent statistics furnished by the Oklahoma Council for Health Careers further highlight the sad condition that exists in my own State. Of 77 counties in the State of Oklahoma, 43 counties report a shortage of physicians. Similar conditions exist in every other rural area of the Nation.

Physician extenders are health professionals qualified by academic and clinical training to perform tasks that have traditionally been performed by the overworked general practitioner. They are graduates of formal programs of at least one year in length and are typically accredited by the American Medical Association.

The University of Oklahoma has a physician's associate program, operational since 1970, which is approved by the AMA. Ninety percent of its graduates have remained in Oklahoma with 75 percent of the 90 percent remaining Oklahomans being employed in rural towns assisting overworked general practitioners. In Oklahoma physician's assistants have clearly demonstrated that they can help solve the health manpower shortage in rural areas. A good example is the satellite clinic operated by a physician's assistant in Yale, Okla. The Yale PA is under the supervision of a general practitioner in Stillwater, a nearby town.

Under present law a doctor cannot be reimbursed for a physician extender's services which are not rendered under his "direct supervision" for medicare or medicaid. This law has greatly decreased the ability of PA's to meet the medical needs of rural America.

In most cases it is not economically feasible for a general practitioner to hire a physician extender if the doctor cannot be reimbursed under medicare and medicaid for services rendered by the physician extender.

Mr. President, the bill I am introducing today would allow physicians to be reimbursed for physician extender's services at 100 percent of medicare and medicaid customary rates of reimbursement when said physician and physician extender practice in health service scarcity areas as defined by the Secretary. All other physicians utilizing physician extenders will be reimbursed for physician extender services at 85 percent of medicare and medicaid customary rates of reimbursement.

Reimbursement to physicians for services performed by physician extenders not under the direct supervision of the physician would be a big step in improving health care delivery in rural America.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1897

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(s)(2)(A) of the Social Security Act is amended by striking out "including" and inserting in lieu thereof the following: "including services furnished by a physician extender (as defined in the last sentence of this subsection), and including."

(b) Section 1861(s)(2) of such Act is further amended—

(1) by striking out "and" at the end of subparagraph (C); and

(2) by adding after subparagraph (D) the following new subparagraphs;

"(E) services furnished by a physician's assistant (as defined in the last sentence of this subsection);

"(F) services furnished by a Medex (as defined in the last sentence of this subsection);

"(G) services furnished by a nurse practitioner (as defined in the last sentence of this subsection); and

"(H) services furnished in accordance with regulations by the clinical staff of a community mental health center;."

(c) Section 1861(s) of such Act is further amended by adding at the end thereof the following new sentence: "For purposes of paragraph (2), the term 'physician extender' means 'physician's assistant,' 'Medex,' and 'nurse practitioner' who, having completed an educational program meeting guidelines prescribed by the Secretary and certified by the National Commission on Certification of Physician's Assistants, is trained and qualified to provide primary health care (as a physician's assistant, Medex, or nurse practitioner, as the case may be) under the supervision of a physician. Physicians will be reimbursed for physician extender services at 100 per centum of medicare and medicaid customary rates of reimbursement when said physician and physician extender practice in health service scarcity areas as defined by the Secretary. All other physicians utilizing physician extenders will be reimbursed for physician extender services at 85 per centum of medicare and medicaid customary rates of reimbursement.

SEC. 2. The amendments made by the first section of this Act shall apply with respect to services furnished on or after the first day of the month following the month in which this Act is enacted.

By Mr. HARTKE (for himself and Mr. MAGNUSON):

S. 1898. A bill to regulate commerce by providing for the acquisition, maintenance, and improvement of rail rights-of-way and associated plant and facilities of certain railroads; to establish a Railroad Facilities Corporation, and for other purposes. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, today I am introducing the Railroad Facilities Act of 1975. This proposed legislation does not embody a novel concept; in fact, the basic idea contained in this bill has been around at least since the mid-1950's. It was only until the release of the preliminary system plan of the U.S. Railway Association, however, that the concept contained in this legislation received widespread attention. The preliminary system plan coined the term "Confac" to describe the concept embodied in this bill. The plan discussed three possible Confac alternatives: A Government-owned corporation, a mixed ownership corporation, and a private corporation. The bill I am introducing today embodies the concept of a mixed ownership corporation. It is intended to serve as a vehicle for discussion and analysis.

Mr. President, in recent days there has been a great deal of concern regarding the reorganization of the Northeast and Midwest railroads pursuant to the Regional Rail Reorganization Act—Public Law 93-236. This is not surprising to me, since this is the largest industrial reorganization attempted. Within the past month, a number of people have suggested that the Congress should adopt the position it rejected prior to passage of the Regional Rail Reorganization Act—controlled liquidation of the railroads serving the 17-State region defined in the Regional Rail Reorganization Act. Unfortunately, this is just another example of the unwillingness of some people to face the realities of railroading in the Midwest and Northeast United States. It is hoped that decades of neglect by the Federal Government can somehow be swept under the rug and that substantial Government involvement can be avoided by selling off the Midwest and Northeast rail system to the supposedly healthy carriers that exist elsewhere in the country. In the past weeks I have had occasion to discuss this matter with the presidents of those so-called healthy railroads. I can assure the Members of the Senate that these carriers are in no condition to purchase the rail system of the Midwest and Northeast even if Government assistance and rehabilitation is provided.

While I could go on at length detailing the specific problems with the controlled liquidation plans that have been presented to date, I think it is sufficient to say that no one in the administration or the Congress has come forth with a comprehensive plan for controlled liquidation that insures the public of a viable rail system while at the same time making sure that the nationalization of the railroads will not be the ultimate result. While there clearly are segments of the Northeast and Midwest that profitable railroads would like to acquire—if sufficient rehabilitation assistance came with them—there are major portions of this network which would not be acquired by any profitable railroad. The Government would be forced to operate the losing parts of the system on a permanent subsidy basis. It appears that those who seem to fear Government involvement the most—through a lack of understanding of the rail transportation situation in the Midwest and Northeast of the United States—would bring about the maximum amount of government involvement through well-intentioned, but naive, plans to liquidate a substantial portion of our transportation system in a so-called private sector solution.

Mr. President, if anything is clear by this time in the reorganization process, it is the necessity for substantial Government assistance. Nor can this Government assistance come in the form of loan guarantees or loans. The amounts of aid required—and the relatively marginal earnings posture of the entire rail industry—require that we do not excessively burden the new corporation with debt. If the reorganization is to succeed in a private sector solution, it will require substantial Federal assistance, particularly at the first. This assistance will come largely in the form of grants or forgivable loans, and this great need for Federal assistance raises a substantial question that I hope all my colleagues will focus on. I am sure many of you have read in recent days of statements made by Members of the House of Representatives regarding the need to protect Federal investment in private rail corporations. While it can easily be argued that these feelings are clearly inconsistent with the way the Government assists all modes of transportation except railroads, I feel it will nonetheless, be a major issue, particularly in the House.

It is clear that substantial Federal assistance is going to be needed, and the major issue seems to be how can we facilitate that necessary public investment which is so necessary? One proposal that deserves attention is the concept of a Consolidated Facilities Corporation which would own and upgrade railroad rights-of-way. This is an analogy to our Interstate Highway System, our air navigation system, or our inland waterways system. It is an imperfect analogy, and like any other new idea has caused fears in some quarters. Some people—in a rather knee-jerk fashion, have spread the alarm that this is "nationalization from the wheels down." These same people conveniently ignore the fact that Confac in fact exists in many parts of the United States today—and that it has had great success. A good example is provided by the Federal assistance to the Commonwealth of Massachusetts several years ago in purchasing the main line of the Penn Central from the border of Rhode Island all the way to Boston. This "nationalization from the wheels down" has caused no problems and I have personally been informed by both the Penn Central and the Commonwealth of Massachusetts that the arrangement has been very satisfactory and has caused no operating or other difficulties.

There are numerous other examples of the same concept—such as the Vermont Railway, the New Orleans Belt Railway, and others. While the legislation I am introducing today is not intended as a final product, I do hope it stimulates discussion and close examination of this extremely important concept. A Consolidated Facilities Corporation could greatly aid in financing the necessary rehabilitation of the Northeast Rail System and it need not be designed to raise any objection from the operating railroads. It would be my intention as chairman of the Surface Transportation Subcommittee to assure operating railroads have all the needed control to produce efficiency in operations and right-of-way maintenance. It does not seem to me that any concept of joint or open use of trackage should necessarily be permitted by use of a Confac, and I would imagine that this arrangement would more closely approximate the experiences we have had with the Confac concept to date.

I hope that both my colleagues and the railroads understand that the establishment of a Consolidated Facilities Corporation may be necessary to facili-

tate the requisite public investment in our railroad transportation system, and they need not fear it. In fact, it may be absolutely necessary. I also hope that the introduction, consideration, and possible enactment of this legislation does not stimulate the same sort of knee-jerk label affixing discussions that I have sometimes seen in connection with discussions of this topic. It is my strong opinion that this is a very valid concept and that it may be necessary.

Mr. President, I ask unanimous consent that the full text of the Railroad Facilities Act of 1975 be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1898

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Railroad Facilities Act of 1975"

TITLE I—FINDINGS, PURPOSES, AND DEFINITIONS

CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. The Congress finds that modern, efficient rail service is essential for the conduct of interstate commerce; that the international energy crisis requires more intensive use of fuel-economic freight and passenger trains; that better utilization of existing rail rights-of-way is more compatible with the environment in terms of land use, air pollution, and noise levels than is expansion of facilities for other modes of transportation; that many railroad tracks and roadbeds have greatly deteriorated in recent years; that such deterioration has resulted in inferior railroad transportation for both freight and passengers, together with a sharp increase in train derailments; that rehabilitation of such tracks and roadbeds will provide substantial public benefits through improved rail freight and passenger service; that both the efficiency and quality of railroad service and the economic utilization of the railroad plant can be improved; and that to obtain modern and efficient rail service it is necessary to establish a corporation to acquire, rehabilitate, maintain, and modernize, the rail lines needed to meet the service requirements of the Midwest and Northeast Region and the national rail transportation system and to exercise such powers and perform such functions as will advance the purposes of this Act.

DEFINITIONS

SEC. 102. For the purposes of this Act—

(1) The term "Corporation" means the Railroad Facilities Corporation created by this Act;

(2) The term "rail carrier" includes railroad companies; mail, express, or less-than carload rail freight carriers; State, regional or local transportation agencies; the National Railroad Passenger Corporation; the Consolidated Rail Corporation; and other private rail passenger carriers;

(3) The term "rail line" includes main rail track or tracks; side tracks; and yard tracks adjacent to such main tracks; the roadbed supporting such tracks; signaling, communications, and power transmission structures and devices as are permanently installed on or adjacent to such tracks and roadbeds; bridges, culverts, fills, tunnels, and other structures occupied by such tracks and roadbed; real estate occupied by such tracks and roadbed; real estate adjacent to such tracks and roadbed which is used for drainage of, maintenance of, access to, or protection of such tracks and roadbed; yards; station and terminal tracks and facilities; and any other structures and devices required for the maintenance, modernization or operation of rail lines as defined in this paragraph.

(4) The term "Secretary" means the Secretary of Transportation;

(5) The term "Association" means the United States Railway Association;

(6) The term "State" includes the District of Columbia;

(7) The term "Final system plan" means the plan for reorganization of bankrupt railroads in the Northeast and Midwest Regions as provided for by the Regional Rail Reorganization Act of 1973.

TITLE II—RAILROAD FACILITIES CORPORATION FORMATION AND STRUCTURE

SEC. 201. (a) Establishment. For the purpose of carrying out the purposes enumerated in Section 101, there is hereby established, subject to the direction and supervision of the President, or the head of such agency as he may designate, a body corporate to be known as the Railroad Facilities Corporation.

(b) Status. The Corporation shall not be deemed a common carrier by railroad under section 1(3) of the Interstate Commerce Act (49 U.S.C. 1(3)). The Corporation shall have succession until dissolved by Act of Congress, shall maintain its principal office in the District of Columbia, and shall be deemed to be a resident of the District of Columbia with the respect to venue in any legal proceeding.

(c) Interim Board of Directors. The members of the executive committee of the United States Railway Association shall serve as Directors of the Corporation until such time as their individual successors are appointed by the President and are qualified in accordance with subsection (d).

(d) Board of Directors. The powers and duties of the Corporation shall be vested in a board of seven directors consisting of individuals who are citizens of the United States, as follows:

(1) The Chairman, a qualified individual who shall be appointed by the President, by and with the advice and consent of the Senate;

(2) Four members, who shall be appointed by the President, by and with the advice and consent of the Senate.

(3) Two members who shall be elected by rail carriers owning stock of the Corporation.

(4) No member of the board appointed by the President may have any direct or indirect employment or financial relationship with any rail carrier during his term of office.

(5) Term of Office. The term of office of the Chairman of the Board shall be five years. The terms of office of the members of the Board of Directors first taking office shall expire as designated by the President or the rail carriers at the time of nomination—one at the end of the second year, one at the end of the third year, one at the end of the fourth year, and one at the end of the fifth year. Members appointed by the rail carriers shall serve for two year terms. Successors to the Chairman and members shall be appointed in the same manner as the original members and shall have terms of office expiring 5 years from the date of expiration of the terms for which their predecessors were appointed. Any individual appointed or elected to fill a vacancy occurring prior to the expiration of any term of office shall be appointed or elected for the remainder of that term.

(6) Compensation of directors. Each of the directors not employed by the Federal Government or a stock holding rail carrier shall receive compensation at a rate established by the Corporation bylaws for each meeting of the Board attended. In attention, each director shall be reimbursed for necessary travel and subsistence expenses incurred in the performance of his duties.

(e) Bylaws. The board of directors shall be responsible for the establishment of corporate programs and policies, adoption and amendment of bylaws governing the operation of the Corporation, and direction of the exercise of the powers of the Corporation.

(f) Appointment; tenure; duties of president and other officers. The Corporation shall have a president and such other officers as may be provided for and elected by the board.

Officers shall serve at the pleasure of the board. No officer of the Corporation may have any direct or indirect employment or financial relationship with any rail carrier during the time of his employment by the Corporation.

SEC. 202. Powers. The Corporation is authorized to own, possess, construct, control, maintain, rehabilitate, and modernize rail lines, including operation of signaling and communications systems; to acquire by construction, purchase, gift, or contract real estate, physical facilities, equipment, and devices necessary to its functions; to exercise the right of eminent domain in connection with acquisition of necessary property in accordance with the procedures of Section 305 (d) and 402(d) of the Rail Passenger Service Act of 1970; to sell, lease, or otherwise dispose of any property, real, personal, or mixed, tangible or intangible, or any interest therein at such time and in such manner, and to the extent deemed necessary or appropriate to carry out the purposes of the Corporation; to enter into agreements with rail carriers for the use of its facilities and to establish and collect charges from such rail carriers; to enter into agreements for the performance of maintenance or rehabilitation work on Corporation rail lines; to contract for services; and to conduct research and development related to its mission. To carry out the specific powers herein authorized, the Corporation shall have the following general powers:

(a) To adopt, alter, and use a corporate seal;

(b) To appoint such officers, employees, attorneys and agents; to vest them with such powers and duties; to fix and pay such compensation to them for their services as the Corporation may determine; to require bonds for the faithful performance of their duties, and to pay the premiums therefor. Such officers, employees, attorneys or agents shall not be deemed to be Federal employees for any purpose.

(c) To determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed and paid;

(d) To sue and be sued in its corporate name;

(e) To execute, in accordance with its bylaws, all instruments necessary or appropriate in the exercise of any of its powers;

(f) To take such actions as may be necessary or appropriate to carry out the powers herein or hereafter specifically conferred upon it; provided that the Corporation shall undertake no new types of activities not included in the annual budget program;

(g) The Corporation shall not be subject to State and local property taxes nor to State and local taxes imposed in lieu of such property taxes.

SEC. 203. Financing the Corporation. (a) The Corporation is authorized to issue and have outstanding, in such amounts as it shall determine, shares of stock.

(1) The initial stock issue shall have a value equal to twice the valuation of rail properties acquired as determined pursuant to the Final System Plan. This stock will receive annual payments equal to the average rate of return on long term (ten years or more) Treasury obligations during the preceding twelve months.

(2) Fifty percent of the initial stock issue shall be held for sale to the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase such stock of the Corporation when offered by the Corporation and for such purpose the Secretary of the Treasury is autohrized to use appropriated funds or, in the absence of sufficient appropriated funds, the proceeds of public debt transactions. Appropriations are hereby authorized in such amounts as may be necessary and to be available until expended, for the purchase of stock pursuant to this subsection.

(3) The remaining fifty percent of the initial stock issue shall be distributed to rail carriers in accordance with terms of agreements between the Corporation and such carriers for the conveyance of their rights, title, and interest in rail lines as provided in Section 205.

(b) The Corporation is authorized to borrow from the Association, for any of the purposes of the Corporation, sums of money not to exceed a total of $5,000,000,000 outstanding at any time. For this purpose, the Corporation may issue to the Association its obligations to be redeemable at the option of the Corporation before maturity in such manner as may be stipulated in such obligations. Obligations issued to the Association pursuant to this subsection shall bear interest at a rate determined by the Secretary of the Treasury, consistent with rates paid for similar obligations of the United States. The Association, is authorized and directed to purchase any obligations of the Corporation to be issued hereunder. The Association is authorized and directed to defer payment of interest and principal on obligations of the Corporation to the extent that the Corporation certifies that such deferral is necessary for the continued operations of the Corporation pursuant to this Act.

(c) The Corporation is authorized to issue to any other purchaser notes, debentures, bonds or other obligations. The Secretary of Transportation is authorized, under such terms and conditions as he may prescribe, to guarantee the payment of principal and interest on such obligations which the Corporation requests be guaranteed, provided, that the Secretary finds, in writing that:

(1) the loan or guarantee is necessary for the maintenance and improvement of rail lines;

(2) the proceeds of any guaranteed obligation will be used solely for necessary rail line maintenance and rehabilitation including the acquisition or construction of new rail lines.

(3) the loan is not otherwise available on reasonable terms and conditions; and

(4) there is reasonable assurance that the business affairs of the Corporation will be conducted in a prudent manner.

The amount of guaranteed loans outstanding at any time may not exceed $4,000,000,000. The Secretary shall prescribe and collect from the lending institution a reasonable annual guaranty fee.

(d) For the purposes described in subsection (a) the Secretary of the Treasury is authorized to use as a public debt transaction, the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include any purchase of the Corporation's stock hereunder.

(e) There is hereby established a rail facilities loan guaranty fund (hereinafter in this section called the "fund" which shall be available without fiscal year limitation to the Secretary for making payments in connection with the default of loans guaranteed by him under subsection (c). All amounts received by the Secretary as guaranty fees and as receipts, earnings or proceeds derived from any claim or other assets acquired by the Secretary in connection with his operations under this section shall be deposited in the fund. All payments in connection with the default of loans guaranteed shall be paid from the fund. Moneys in the fund not needed for current operations may be invested in bonds or other obligations guaranteed as to principal and interest by the United States. If at any time the moneys in the fund are insufficient to make payments in connection with the default of any loan guaranteed by the Secretary under this section, the Secretary is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Sums borrowed under this subsection shall be deposited in the fund and the redemption of guaranteed obligations shall be made by the Secretary from such fund. Appropriations are hereby authorized for such amounts as may be necessary to repay money borrowed by the Secretary.

(f) Retirement of stock held by the government. The board of directors shall appraise, at least annually, its necessary working capital requirements, together with reasonable foreseeable requirements for debt service, plant replacement and expansion, and pay into the Treasury the amount of funds in excess thereof. Such repayments shall be applied to the retirement of shares in the Corporation held by the Secretary of the Treasury. For this purpose, shares held by the Secretary of the Treasury shall be valued at the original purchase price.

(g) Receipts of the Corporation shall be available for payment of all expenditures of the Corporation.

SEC. 204. Conversion to Private Ownership. At such time as the number of shares held by the Secretary of the Treasury falls below —— per centum of the number purchased by the Secretary, or ten years from the date of enactment of this Act, whichever occurs first, the Corporation shall prepare a plan for the conversion of the Corporation from mixed-ownership to private ownership if such conversion is feasible. Such plan shall be submitted to the President and the Congress for appropriate legislative action.

SEC. 205. Acquisition of Rail Lines. (a) In consideration of:

(1) relief from responsibility for rehabilitation of, maintenance of, and signaling and communications functions in connection with the rail lines conveyed;

(2) relief from liability for the payment of State and local property taxes imposed on rail lines conveyed (including taxes imposed in lieu of such property taxes);

(3) the right to continue operation over the rail lines conveyed, in accordance with the provisions of this Act; and

(4) shares of stock in the Corporation; any railroad company acquiring rail lines through implementation of the Final System Plan may convey to the Corporation its right, tile, and interest in such rail lines.

(b) Any rail carrier may offer to sell its rail lines to the Corporation. The Corporation is authorized, subject to such valuation, terms and conditions as may be mutually agreed upon, to purchase such rail lines for stock of the Corporation or for cash. For this purpose, shares of stock of the Corporation shall be valued at the then current book value.

SEC. 206. (a) User agreements. Upon transfer of rail lines to the Corporation, the Corporation, and each rail carrier with operational rights on the lines conveyed shall execute agreements which will prescribe terms and conditions under which rail lines will be available for use, maximum train speeds, size and weight limits for equipment, other provisions or conditions governing operations over Corporation rail lines, and charges to be levied on such operations.

(b) CHARGES.—Agreements shall provide for charges to be paid by rail carriers with operational rights over Corporation rail lines. In the course of its negotiations, or in the establishment unilaterally, of the charges as provided in this subsection, the Corporation shall be guided by the following principles:

(1) That charges shall vary with the quality of rail line and levels of maintenance provided.

(2) That insofar as practicable, the charges prescribed shall be calculated to cover all normal costs of operations of the Corporation and normal maintenance of rail lines including depreciation and payments in lieu of taxes.

(3) That the charges shall provide, in addition, for Corporation revenues sufficient to amortize the principal of the debts and obligations of the Corporation over as short a period as possible compatible with preservation and promotion of the economic viability of the rail carriers. To the extent necessary for the application of this subsection, the Corporation shall have full access to financial records of the rail carrier.

(4) That charges shall be designed to encourage joint use and efficient operation of the rail lines.

(c) MAINTENANCE AND REHABILITATION AGREEMENTS.—The Corporation is authorized to contract with rail carriers for the performance of necessary maintenance and rehabilitation work on rail lines over which the carrier has operational rights pursuant to subsection (a) or which the carrier owned prior to conveyance to the Corporation.

SEC. 207. Continuity of operations. The Corporation shall be responsible for maintenance and rehabilitation of only those rail lines over which one or more rail carriers operate. The Corporation shall have no authority for determining the public necessity for such rail carrier operations. Any rail carrier which conveys its rail lines to the Corporation or which holds trackage rights over rail lines which are conveyed to the Corporation shall continue operations as a rail carrier over all such lines that such carrier was conducting prior to the conveyance thereof. The terms and conditions of preexisting agreements and contracts for the use of track and other facilities shall be of no force and effect as between the Corporation and any rail carrier.

TITLE III—MISCELLANEOUS

SEC. 301. (a) Section 201 of the Government Corporation Control Act is hereby amended by inserting the words "Railroad Facilities Corporation".

(b) The budget provisions of the Government Corporation Control Act (31 U.S.C. 841 et seq.) shall be applicable to the Railroad Facilities Corporation in the same manner as they are applied to the wholly-owned Government Corporations named in Section 101 of such Act. The budget shall be accompanied by a business plan for at least the next five years which, among other things, states specific goals for (1) progressive elimination of train speed limitations due to substandard rail lines; (2) reduction in the frequency of derailments attributable to faulty track or roadbed, and (3) progressive reduction of unit costs.

SEC. 302. Within one hundred and twenty days following the end of each fiscal year, and at such other times as the Corporation determines, the Corporation shall submit to the President and to the Congress, and release to the public, a comprehensive and detailed report of its activities and accomplishments during the preceding fiscal year, including a balance sheet and statement of income and expenses. The report shall include, but not be limited to an analysis of Corporation achievements in terms of its goals set in accordance with Section 301(b).

SEC. 303. Separability. If any provisions of this Act or the application thereof to any

person or circumstances is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 304. Antitrust exemption. Persons contracting with the Corporation for the joint use of such facilities and equipment as may be necessary for the provision of efficient and expeditious rail service shall be and are hereby relieved from all prohibitions of existing law, including the antitrust laws of the United States, with respect to such contracts, agreements, or leases insofar as may be necessary to enable them to enter into such contracts and to perform their obligations thereunder.

SEC. 305. State or other laws inapplicable. The Corporation shall not be subject to any State or other law pertaining to rail transportation or regulations of government corporations except as otherwise provided in this Act.

SEC. 306. Payments in lieu of taxes. The Corporation is authorized to make payments to State and local governments in lieu of property taxes upon property which was subject to State and local property taxation before acquisition by the Corporation. Such payments may be in the amounts, at the times, and upon the terms the Corporation deems appropriate, but the Corporation shall be guided by the policy of making payments not in excess of the taxes which would have been payable for such property in the condition in which it was acquired, except in cases where special burdens are placed upon the State or local government by the activities of the Corporation or its agents. The Corporation, its property, franchises, and income are expressly exempted from taxation in any manner or form by any State, county, municipality or any subdivision thereof, but such exemption shall not extend to contractors for the Corporation.

SEC. 307. To the extent the Comptroller General deems necessary in connection with audits he may make of the financial transactions of the Corporation, his representatives shall have access to all books, accounts, records, reports, files and other papers, things, or property belonging to or in use by any rail carrier pertaining to such rail carrier's financial transactions and necessary to facilitate the audit, and such representatives shall be afforded full facilities for verifying transactions with the cash balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of such rail carrier shall remain in the possession and custody of such rail carrier.

SEC. 308. The Corporation shall have in the payment of debts out of bankrupt, insolvent or decedent's estates the priority of the United States.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 298

At the request of Mr. TAFT, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 298, a bill to provide for the development and implementation of programs for youth camp safety.

S. 654

At the request of Mr. NELSON, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 654, the National Energy Conservation Fuel Economy Performance Standards Act of 1975.

S. 1116

At the request of Mr. BEALL, the Senator from Pennsylvania (Mr. HUGH SCOTT) was added as a cosponsor of S. 1116, the truth-in-spending proposal.

S. 1286

At the request of Mr. BEALL, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 1286, a bill to amend title II of the Social Security Act to increase to $5,100 the annual amount which individuals may earn without suffering deductions from benefits on account of excess earnings.

S. 1359

At the request of Mr MUSKIE, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 1359, the Intergovernmental Countercyclical Assistance Act of 1975.

S. 1593

At the request of Mr. CRANSTON, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 1593, a bill to amend the Public Health Service Act to promote the health and welfare of children in need of adoption by facilitating their placement, and for other purposes.

S. 1621

At the request of Mr. TUNNEY, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Indiana (Mr HARTKE), the Senator from Massachusetts (Mr. BROOKE), the Senator from Oregon (Mr. HATFIELD), the Senator from New York (Mr. BUCKLEY), and the Senator from Nevada (Mr. LAXALT) were added as cosponsors of S. 1621, a bill to amend section 44 of the Internal Revenue Code (relating to credit for the purchase of new principal residence), to provide that the lowest offering price requirement be limited to offers after December 31, 1974, and to expedite the prescribing of final regulations on such section 44.

S. 1654

At the request of Mr. HUMPHREY, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 1654, a bill to amend the Agricultural Trade Development and Assistance Act of 1954.

S. 1729

At the request of Mr. BAYH, the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Pennsylvania (Mr. HUGH SCOTT) were added as cosponsors of S. 1729, a bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, to provide benefits for widowed fathers with minor children, to make certain other changes so that benefits for husbands, widowers, and fathers will be payable on the same basis as benefits for wives, widows, and mothers, and to permit the payment of benefits to a married couple on their combined earnings record where that method of computation provides a higher combined benefit.

S. 1761

At the request of Mr. MATHIAS, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 1761, a bill to provide foreign assistance to Cyprus.

S. 1804

At the request of Mr. HANSEN, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 1804, a bill to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs.

SENATE RESOLUTION 97

At the request of Mr. THURMOND, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of Senate Resolution 97, a resolution urging retention of undiluted U.S. sovereignty over the Canal Zone.

SENATE RESOLUTION 152

At the request of Mr. DOLE, the Senator from Kentucky (Mr. FORD) was added as a cosponsor of Senate Resolution 152, a resolution requiring all standing committees of the Senate (other than the Committees and Appropriations and Budget) to conduct special oversight activities relating to their areas of jurisdiction and to report to the Senate thereon no later than December 31, 1975.

SENATE JOINT RESOLUTION 31

At the request of Mr. BARTLETT, the Senator from Tennessee (Mr. BROCK) and the Senator from Arkansas (Mr. MCCLELLAN) were added as cosponsors of S.J. Res. 31, a constitutional amendment to return prayer to public schools.

AMENDMENTS SUBMITTED FOR PRINTING

INFANT TESTING FOR CERTAIN DISEASES—S. 1614

AMENDMENT NO. 543

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (S. 1614) to require federally related health care facilities to test infants for certain diseases.

AUTHORIZATION OF APPROPRIATIONS FOR THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION—S. 598

AMENDMENT NO. 544

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY (for himself, Mr. PHILIP A. HART, Mr. METCALF, and Mr. ABOUREZK) submitted an amendment intended to be proposed by them jointly to the bill (S. 598) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Non-Nuclear Energy Research and Development Act of 1974, and for other purposes.

ADDITIONAL STAFF MEMBERS FOR SENATORS—S. Res. 60

AMENDMENT NO. 545

(Ordered to be printed and to lie on the table.)

Mr. BROCK submitted an amendment intended to be proposed by him to the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE—S. Res. 166

AMENDMENT NO. 546

(Ordered to be printed and to lie on the table.)

Mr. MCCLURE (for himself, Mr. HUGH SCOTT, Mr. GRIFFIN, Mr. BROCK, Mr. HELMS, Mr. TAFT, and Mr. WEICKER) submitted an amendment intended to be proposed by them to the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 429

At the request of Mr. DOLE, the Senator from California (Mr. CRANSTON), the Senator from Connecticut (Mr. WEICKER), and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of Amendment No. 429, intended to be proposed to S. 1662, a bill to amend the Food Stamp Act of 1964.

AMENDMENT NO. 488

At the request of Mr. HATHAWAY, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of amendment No. 488, proposed to the bill (S. 920), the Defense Department authorization Act.

AMENDMENT NO. 517

At the request of Mr. HUMPHREY, the Senator from Utah (Mr. Moss) was added as a cosponsor of amendment No. 517, proposed to the bill (S. 920, the Department of Defense Authoriation Act.

NOTICE OF OPEN BUSINESS MEETING

Mr. MUSKIE. Mr. President, the Subcommittee on Intergovernmental Relations of the Committee on Government Operations, will hold an open business meeting on Tuesday, June 10, 1975, in room 357, in Russell Senate Office Building, to consider S. 1359, the Intergovernmental Countercyclical Assistance Act of 1975; and S. 957, amendments to the Intergovernmental Personnel Act of 1970.

ANNOUNCEMENT OF PUBLIC HEARINGS

Mr. CHURCH. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Energy Research and Water Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing will examine a formal agreement that has been reached by memorandum between the Secretary of the Interior and the Secretary of Army for water marketing and related energy development in the Missouri River Basin.

The hearing will be held on June 26, 1975, at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding this matter.

In addition to the Washington hearing, field hearings by the Subcommittee will be held in Billings, Mont., on August 26, and in Rapid City, S. Dak., on August 28.

Further information, is available from Russell Brown of the subcommittee staff on extension 224–1076. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Energy Research and Water Resources Subcommittee, 3106 Dirksen Senate Office Building, Washington, D.C., 20510.

NOTICE OF HEARINGS: EFFICIENCY OF THE MEDICARE PROGRAM

Mr. CHILES. Mr. President, I wish to announce that the Government Operations Subcommittee on Federal Spending Practices and Efficiency will be holding 1 day of hearings on the efficiency of part B, the medicare program of the Social Security Administration, on Thursday, June 12, 1975, at 10 a.m., in 3302 Dirksen Senate Office Building.

The extraordinary delay by carriers in fulfilling the requirements demanded of them by part B of the medicare program is inexcusable.

I know that other Senators are concerned and dismayed that so many elderly citizens are forced to give up dire necessities in order to pay their doctor bills and then wait for an unnecessary long period for just and equitable reimbursements.

Under ordinary circumstances, these long waiting periods would be harsh in these times which are characterized by the cruel impact of inflation. The waiting periods are intolerable.

Witnesses include representatives from the Department of Health, Education, and Welfare, Social Security Administration, HEW; the General Accounting Office; and Blue Shield Association.

Anyone who wishes to submit testimony or receive further information should contact Mr. Bob Harris, of the subcommittee staff, on 224–0212.

Efficiency in operation is needed in our entire social service delivery system, but nowhere is the need greater and the delay more apparent than in the medicare programs.

NOTICE OF HEARING— TIME CHANGE

Mr. PHILIP A. HART. Mr. President, the Subcommittee on Antitrust and Monopoly will begin its hearing on S. 1284, the Antitrust Improvements Act of 1975, at 1 p.m. on June 12, 1975, in room 6202 Dirksen Senate Office Building.

NOTICE OF MOTION TO AMEND RULE XXV

Mr. GRAVEL submitted the following notice in writing:

In accordance with the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to amend Rule XXV of the standing rules.

The purpose of the proposed amendment to Senate Rule XXV is to authorize each member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve. The particulars of the proposed amendment are as follows:

That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraphs:

"8. (a) Each Senator serving on a committee is authorized to hire staff to assist him in his duties as a member of each committee on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee, an amount equal to two times the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for each such committee an amount equal to the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairman and ranking minority member of the committee and shall be accorded equitable treatment with respect to access to the records of that committee.

"(c) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(d)(2)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(d) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate on vouchers approved by such Senator.

"(e) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.

"9. (a) Each Senator serving as chairman of any subcommittee or ranking minority member of any subcommittee is authorized to hire staff to assist him in his duties as a member of each committee on which he serves as follows:

"(1) A Senator serving as chairman or ranking minority member of a subcommittee shall receive an amount equal to two times the amount referred to in section 105(d)(2)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified. If a Senator is serving as chairman or ranking minority member of more than one subcommittee of the same committee, he shall be entitled to receive funds under this paragraph for only one such subcommittee but the individuals employed with such funds may assist him in his duties as chairman or ranking minority member of all such subcommittees.

"(2) Such amount shall not be lowered unless done so by agreement of the chairman of the committee, the subcommittee chairman, and the ranking minority subcommittee member.

"(3) If funds are authorized for the staff of a subcommittee pursuant to section 133(g) of the Legislative Reorganization Act of 1946, or if funds authorized for a committee under such section are allocated to a subcommittee, then the amounts to which the Senators serving as chairman and ranking minority member of that subcommittee are entitled under this paragraph shall each be reduced by an amount equal to the funds so authorized or allocated.

"(b) An employee appointed under this paragraph shall be designated as such and certified by each Senator to the chairman and ranking minority member of each full committee.

"(c) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(d)(2)(i) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(d) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate on vouchers approved by such Senator.

"(e) Individuals appointed as employees under this subsection shall be in addition to staff members otherwise authorized to be appointed to the office of a Senator.".

NOTICE OF HEARING

Mr. PROXMIRE. Mr. President, I wish to announce that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs, will hold a 3-day hearing on June 17, 18, and 19, 1975, on S. 662, a bill introduced by Senator HARRISON WILLIAMS and others, to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes.

The hearing will be held in room 5302, Dirksen Senate Office Building, and will begin at 10 a.m. each morning.

The subcommittee would welcome statements for inclusion in the record of hearings.

NOTICE OF HEARING

Mr. PROXMIRE. Mr. President, I wish to announce that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs, will hold a 1-day hearing on the National Flood Insurance Act, including consideration of S. 810, on Friday, June 13, 1975, at 9:30 a.m., in room 5302, Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on urgent matters on which legislative action is being proposed. More extensive hearings will be held later in the session to review the progress and problems of the flood insurance program.

The subcommittee would welcome statements for inclusion in the record of hearings.

ADDITIONAL STATEMENTS

TRUTH IN SPENDING BY CONGRESS

Mr. BEALL. Mr. President, on May 6, 1975, the Senate adopted an amendment that I offered adding my "Truth in Spending" proposal to S. 409, the Council on Wage and Price Stability Act.

This measure provides that all public bills and resolutions introduced in the Congress, and the reports of bills and resolutions by congressional committees, shall include an estimate of the average cost per taxpaying family. This cost would be calculated by multiplying the total cost of a measure by the percentage of the total Federal corporate and individual income taxes—thus removing the portion of the proposal's cost paid by corporate taxes—and then dividing this product by the number of taxpaying families, as defined in the bill.

To illustrate further how the concept would work, I have taken the budget outlays as enacted by Congress in Senate Concurrent Resolution 32 and calculated the cost per taxpaying family of each of the functional categories as provided in this resolution. I ask unanimous consent that this table be printed immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. Mr. President, I have been exceedingly pleased with the favorable reaction that this proposal has received not only in the press but with the general public. I ask unanimous consent that a sample of media comments be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BEALL. Mr. President, I am also pleased with the support that this measure has received on the House side as evidenced by the number of bills introduced and the cosponsorship of these measures. I am hopeful that the House will also adopt this provision. As I earlier stated, I believe that such a program will be good for Congress. It will make us aware of the program costs to the taxpayer. I also believe this proposal will be good for the taxpayers; it will make them aware of the costs as well as the benefits of the programs.

Mr. President, when I added cosponsors to this measure, I inadvertently omitted the name of the distinguished minority leader, Senator SCOTT of Pennsylvania. He has been a strong supporter of this concept and I ask unanimous consent that his name be added to S. 1116.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXHIBIT 1.—ESTIMATED COST PER TAXPAYING FAMILY (CPTF) OF BUDGET OUTLAYS AS PASSED BY CONGRESS IN BUDGET RESOLUTION

	Budget outlays (in billions)	CPTF (in dollars)
Defense	$90.695	$1,094.29
International affairs	4.9	59.12
Science and space	4.6	55.50
Natural resources and energy	11.6	139.96
Commerce and transportation	17.5	211.15
Agriculture	1.8	21.72
Community and regional development	8.65	104.37
Education, manpower, and Social Services	19.85	239.50
Health	30.7	370.41
Income security	125.3	1,511.82
Veterans	17.5	211.15
Law enforcement and justice	3.4	41.02
General government	3.3	39.82
Revenue sharing and general fiscal assistance	7.2	86.87
Interest	35.0	422.29
Allowances	1.2	14.48

EXHIBIT 2

[From the Wall Street Journal, May 12, 1975]

TRUTH IN SPENDING

Consider it progress that the Senate has approved Senator Beall's "Truth in Spending" bill, which will require spending bills to carry an estimate of costs to the average family.

Of course, Senator Proxmire complicated matters by injecting a little populism through a rider that will also require costing of special tax "benefits" to corporations and other groups. This presumably means costing taxes the government *could* collect, but generously, doesn't, which opens up the broad possibilities discussed here March 20 in the "The $91 Billion Loophole." To wit, having the government take everything.

But that aside, we like anything that might engender cost consciousness among Congressmen. We hope they will not only consider those price tags individually but add them up as well.

And beyond that we would urge going still further to calculate the effect of monetary expansion to finance large federal deficits. When there is a real congressional appreciation of the inflationary impact on families that this money creation engenders, we will really have gotten somewhere.

Consider it progress, but from all appearances there still is a long way to go.

[From the Christian Science Monitor, May 9, 1975]

TRANSLATING U.S. BUDGET INTO COSTS PER TAXPAYER

(By Peter C. Stuart)

WASHINGTON.—Ever wish the U.S. Government would stop talking in millions and billions of dollars, and start using figures you can grasp?

Congress is halfway to enacting a law to do just that.

The Senate has quietly passed legislation that would translate each congressional bill into how much it costs the average taxpaying family.

The current $82.1 billion annual outlay for national defense, for example, would be shown to cost the average taxpaying family of 3.6 persons precisely $1,345.84.

The strip-mining control legislation now awaiting President Ford's signature would carry, in its first year; a family price tag of 12 cents.

"This proposal will be good for the Congress—it will make us aware of the estimated cost to taxpayers—and good for the taxpayer: It will make him or her aware of the costs, as well as the benefits, of programs," says its author, Sen. J. Glenn Beall (R) of Maryland, a member of the Senate's new budget-watching committee.

As a legislative descendant of truth-in-packaging, truth-in-lending, and truth-in-banking consumer laws, he calls this latest wrinkle "truth in spending."

The Senate accepted the idea this week with rare unanimity, amid warm support from liberal Democrat William Proxmire of Wisconsin and conservative Republican John G. Tower of Texas, the chairman and ranking minority member, respectively of the Senate Banking committee.

The bill is tacked to legislation extending the life of the White House council on wage and price stability.

In the House of Representatives, which has yet to take up the legislation, early support for "truth in spending" is confined chiefly to fiscal conservatives.

But a House reform, being tried for the first time this year, already moves in this direction. So-called "inflationary impact statements" accompanying each bill recommended by a committee now forecast its effect on U.S. prices and overall economy.

Proponents say "truth in spending" holds growing appeal, in today's economic slump, among cost-conscious consumers—and their congressmen.

"It is time that we adopt 'truth in spending' legislation so that all of us and our constituents will be aware of the growing tax burden on the individual citizen from the programs passed by Congress," Rep. Bill Archer (R) of Texas, author of one such bill, urges in a letter now being circulated among his colleagues.

[From the Atlanta Journal and Constitution, May 11, 1975]

TAX BILLIONS SPLIT INTO DOLLARS, CENTS

(By Maurice Filess)

WASHINGTON.—Congress passes another $7.2 billion spending bill. Ho hum.

It is a figure so astronomical—that's a "7" and a "2" followed by eight zeroes—it doesn't even register with most Americans.

It means no more, or no less, than $7.2 million to the guy earning $225 a week, many budget-watchers say.

This situation has been a matter of concern for fiscal conservatives since the days when balanced federal budgets started being the exception, rather than the rule. And that was a long time ago.

Earlier this year, one of those conservatives—Sen. J. Glen Beall Jr., R-Md.—decided to do something about it. He introduced a bill with the catchy title of the "Truth in Spending Act of 1975."

Simply put, the legislation would require Congress to retranslate those incomprehensible federal spending figures into a form John Q. Citizen can understand.

Take $2.7 billion, for example. That happens to be the sum authorized by Congress last year for fiscal 1975 under legislation known as the "Education Amendments of 1974."

In little-noticed debate on his measure last week, Beall took that amount and divided by 61 million—the number of taxpaying families in the United States. He came up with a figure of $117.55, which he said is what that particular bill will cost the "average American taxpaying family" this year in terms of individual and corporate income taxes. Corporate income taxes, he pointed out, ultimately are passed on to the consumer.

He cited some other instances:

The current $82 billion Defense budget, a CPTF ("Cost per tax-paying family") of $1,345.84.

The current $718.4 million budget for the legislative branch, a CPTF of $11.78.

The current $13.4 billion budget for agricultural, environmental and consumer protection programs, CPTF of $219.50.

The current $543 million budget for energy research and development, $8.90.

The $347 million aid bill passed by the Senate in January to reorganize the bankrupt Penn Central Railroad, a CPTF of $5.69.

"While citizens may have difficulty in comprehending billions, they will readily understand the cost per taxpaying family," Beall said in a floor speech. "This proposal should make members of Congress more cost conscious and think harder and more realistically regarding the authorization and appropriations levels of the proposal a member introduces."

Beall's bill would require the Congressional Budget Office to compute the Cost Per Taxpaying Family for every spending proposal brought before Congress. The CPTF then would be affixed to the legislation.

In addition, the budget office would maintain a running tabulation of congressionally approved spending, on a basis of CPTF. This would be published weekly in the Congressional Record.

Beall stressed that the present Congressional Budget Office staff would not have to be enlarged to handle this additional work.

"Truth in Spending" won the praise of Sen. William Proxmire, D-Wis., who said, "I like the idea behind it very much."

But Proxmire suggested that the measure be expanded to require a CPTF breakout, as well, for tax reduction bills that would benefit a certain group. "For example, what about a real estate bill that would give a big benefit of many hundreds of millions of dollars to a particular industry? That is a tax expenditure of a kind that would mean a higher burden on the other taxpayers," he noted.

The Senate then passed "Truth in Spending" as an amendment to S. 409, legislation calling for a one-year extension of the Council on Wage and Price stability. Moments later, the Senate enacted S. 409 on a roll-call vote of 67 to 20.

Beall, who will be seeking re-election to a second-term next year, said afterward: "It is time the government, particularly the Congress, levels with the American people. A great deal is said about the benefits that supposedly come from federal programs, but too little is said about the cost of the programs. This bill will insure that the public is not only aware of the advertised benefits, but will also know their individual share of the cost."

Another Maryland Republican, Rep. Marjorie Holt, has introduced Beall's bill in the House, where action is pending.

JOE MCCAFFREY EDITORIAL

The make or break for this 94th Congress in the long-run depends on whether or not its new Budget Committees prove to be successful.

They will be successful only if the members of the House and Senate are willing to take responsibility for the Federal Budget, because in the end that is what the Budget Committee is supposed to do, and if it doesn't do it, then the blame for degree of deficit spending cannot be passed off on the President.

Both House and Senate have worked on the recommendations of their Budget Committees for a spending ceiling—but this is the first small test.

The big test comes when, after a ceiling is agreed to by both bodies, and the money bills have been approved—and it is found, as it will be found, they go over the spending limit; then it is up to the Congress itself to cut.

Has this Congress the discipline to make the cut, or will it duck?

Maryland's Senator Glenn Beall, a fiscal conservative, wants legislation which will provide the people with an estimate of the cost for every new program Congress passes. Senator Beall has a sensible idea there, probably because he himself is sensible.

It is so sensible—it won't make it into law.

KMOX RADIO EDITORIAL—UNDERSTANDABLE FIGURES

This first week of June, like the first week of every month, brings the unpleasant ritual of paying bills.

You may believe you have finished the job for the month if you have paid your utility bill, your rent and other current obligations . . . but there is another set of bills that aren't so obvious that you are paying just the same. This is the money you spend on taxes—local, state and federal. Your share of government spending is not as easy to grasp. Government deals in millions and billions.

Senator J. Glenn Beall, Maryland Republican, wants to make your share of the cost of federal government as easy to understand as your rent bill. He wants to put a price tag on each government proposal.

Take national defense, for example. The 82.1 billion dollar defense budget is so big, it defies comprehension. But when you say that defense costs the average taxpaying family $1,345.84 a year—that's a figure anybody can understand . . . a cost you can agree with or object to. Other government programs would cost the average taxpaying family pennies a year. At any rate, these are figures we can all understand and discuss intelligently.

Senator Beall calls his proposal "truth in spending". We like it . . . and we think it should be adopted—not only at the federal level, but also by state, county and city governments.

Taxpayers are the ones who pay the bill. "Truth in spending" will help us decide which government programs are worth the price.

COOPERATIVE EDUCATION—II

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the RECORD further excerpts from the proceedings of three conferences on "Cooperative Education: The Emerging Manpower Resource."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COOPERATIVE EDUCATION II

Remarks of Senator VANCE HARTKE at the Employers' Institute held in Indianapolis on November 13, 1974

In this period of confusion and disorder, it is refreshing that we should be meeting today to discuss a subject that is positive and creative.

My connection with cooperative education is not new. Some of you may recall that early in 1967, I sponsored, for the national commission, the first educators' conference on cooperative education here in Indianapolis, at the medical school of Indiana university.

Later that year, I introduced the college-industry cooperative education bill which was passed in 1968. This legislation resulted in the eventual federal appropriations to fund the spread of cooperative education, now adopted by about 800 institutions of higher learning in all fifty states.

The melding of on-campus study and off-campus work, the inclusion of real-life experience in the learning process, is a new dimension in higher education which gives multitudes of young men and women an answer to the question, "why am I going to college?"

When that question is not answered or is unsatisfactorily answered, students properly conclude that our system does not work for them. Without this motivation, they fail at school in very large numbers; they drop out; they protest; or they are thrown out.

Of all the examples of human and social waste to which we can point, none is more disheartening and costly than the attrition rate of students who enter conventional colleges. One recent report of the U.S. Office of Education stated that less than half of the students entering college each year will complete 2 years of study, and only about one-third will complete a 4-year course of study.

What is missing that so many students abort their education? The conclusion of the Office of Education report is that most college students lack the experience and sense of adult roles that would help them see how courses can be relevant: But the report observes that the ability to make career choices improves with off-campus experience.

In short order, it is estimated there will be 500,000 to 1,000,000 students in college work-study cooperative education programs filled with ambition to succeed and to advance in meaningful careers.

But as the drama of our time unfolds, will the system have a place for them and for other millions of Americans who, out of their own private despair, are now questioning the validity of the American promise?

This question is the theme of my remarks today which deal with the relationship between cooperative education and national policy, and by that I mean a national economic policy. The American people are acutely aware that their private troubles are connected with our failure to have such a national policy.

There was an economic summit conference: But out of the interaction of its great minds and the cross-fertilization of ideas, we got, instead of a policy, a slogan—a slogan and a button with the letters W-I-N, which I have read was the Brainchild of a New York Advertising Agency. And we were told that the way to whip inflation is to buy less, drive less, heat less, and eat less, work more and earn less.

It is disheartening to think that this is the best that the best brains in America can come up with to cope with our worst economic crisis since the Great Depression.

The call to public sacrifice is a lame solution to a crisis that is already demanding more sacrifice than the public can bear. Unemployment is expected to rise to seven percent or more in 1975. The cost-of-living continues on an upward spiral, and the term "double-digit" inflation has become part of our everyday language. In terms of real growth, the economy is frozen on dead center. The energy problem has us and much of the rest of the world with our backs against the wall.

What we want and need is a new economic policy that understands the magnitude of our dilemma and has the courage to strike out along new paths to growth and expansion.

To start with, our first objective must be full employment, and I do not mean partially full employment, but full employment in the absolute sense, in which everyone has the opportunity for the total expression of the human will to work, to earn, to produce, to create and to learn. I have proposed the National Growth Policy Employment Act to guarantee a productive job to every American who cannot find work in the private sector. We must reject any policy which proposes to induce unemployment on any level as a way to whip inflation. We have had that policy for a long time and it has succeeded only in producing countless victims without halting the rise in prices one bit. Ask the worker who has lost his job if he is more worried about inflation or unemployment.

The present policy of economic restraint is the root cause of unemployment and must be replaced with a policy of economic expansion.

The Reverend Leon Sullivan, a director of General Motors, said at a recent meeting of the Business and Industry Conference on Inflation, "If you want to kill a tree, bind it. If you want the tree to live, water the roots."

To that I say, "Amen!" We must water the roots of the economy so that the tree will blossom and grow.

For some reason, growth has acquired a bad name. Yet, without it where do we go?

As Dean Richard Holton of the University of California's school of business administration has pointed out:

"An expanding economy can more easily adjust to problems of technological change and shifts in demand than can an economy that is limping along with 6 or 7 percent of its work force unemployed . . . (and) social problems requiring new government expenditures can be more comfortably financed in a context of growth."

It is asking for the impossible to hope for economic growth and expansion under the restraints of tight money and tight credit. And this policy of restraint is precisely the course we have been following for too long.

A tight money policy will not produce the investment capital this Nation needs to grow. I am in favor of a mandatory rollback of interest rates to a level that will open the door to large scale investment in new housing and new construction.

A tight money policy will not give us the three million new housing starts we need each year to meet the demands of the American people.

And higher taxes will not give us growth and expansion either. We have to loosen the belts that bind the economy by increasing both purchasing power and personal savings. To do this, some immediate tax modifications are required, and I include among them a reduction in payroll taxes and an increase in the personal tax exemption to $1,000 per person.

I am also in favor of increasing the investment tax credit to ten percent and having it incorporated in the tax structure as a permanent incentive for capital investment.

We know from past experience the effect of increased purchasing power and higher investment spending and greater national output cannot fail but to generate more jobs and additional tax revenues.

A comprehensive national economic policy must also confront and solve the problem of the growing scarcity of jobs in American industry due to the export of American technology, jobs and capital. This has a crucial implication for the new generation of Americans, and it is particularly relevant to cooperative education, which cannot succeed unless more and more job opportunities are available to students.

More than ten years ago, American foreign investment increased to a rate of $3 billion a year and continued to climb, as company after company sought access to cheap labor and favorable tax conditions abroad.

The result is that in industries such as electronic parts and sub-assemblies, machine tools, shoes and apparel, automobiles, and many other products, a flight of jobs has occurred in increasing volume.

We are also losing jobs to foreign manufacturers who compete with us both at home and overseas with the benefit of various forms of Government subsidies and cheap labor.

At the present time, the enlarged European economic community accounts for over 40 percent of world trade. At the present time, Japanese TV sets and electronic goods dominate the American market. At the present time, shoes made in Spain, Italy and Czechoslovakia are crowding American products off the shelves of retail stores. And at the present time, the exports of this greatest of all manufacturing nations are largely in agricultural and extractive commodities, high technology products and military hardware.

This imbalance is distorting the fabric of our entire social and economic structure and if it continues to worsen, most Americans who have jobs will soon be employed in service industries and Government agencies. I do not think that kind of specialization is either wealth-producing or healthy.

Until there is a world community built on open competition without preferences and local restrictive standards, we must strengthen our own house and look to our own future. This is the reason I am pressing for the enactment of a realistic new trade bill, despite the massive opposition of various special interests.

The trade bill I have sponsored is closely related to the theme of this conference for it seeks to preserve, restore and create job opportunities. Its main thrust is the protection of American jobs against the competition of cheap foreign labor and subsidized exports.

I want the jobs we have lost abroad brought back.

I want the flight of American capital halted.

I want earnings of American companies abroad returned here, taxed here and invested here.

In short, I want to stop the decline in industrial employment in the United States.

On any scale of importance I would place the role of education, especially of higher education, in achieving the future needs of our country up near the top.

To master the crisis of a shortage economy we are going to need young men and women trained in advanced skills, educated to innovate, and motivated by the confidence that they can help energize a new era of economic growth.

The reasons cooperative education is so significant to the realization of these goals is that it provides the mechanism through which young people can begin to participate in the growth process, and to learn what opportunities in growth they should prepare for.

There are those who speak of the limits of growth, but the hallmark of this country has always been growth. Growth has enabled the immigrant to make a new life and the poor to leave their poverty behind. Growth has helped each of us to fulfill our dreams for ourselves and our families.

Yes, there are limits to the type of destructive growth which destroys our human and material resources, leaving only pollution, overcrowding, and human devestation in its path.

But we need not pursue policies of destructive growth. Instead, we can follow a challenging program of rational growth by which we build for the future. Together we can mine the entrapped human and material resources of this great earth.

We can avoid crises by planning for the future, using the type of mechanism proposed in my national growth policy planning act. That legislation makes a commitment to our future—a commitment to new and expanded opportunities for city dweller and farmer, man and woman, businessman and laborer.

There is much to be done. Once we saw no limits to our horizons.

Today, the future is a gray mass of confusion, the thought of which causes most of us to be filled with either anxiety or despair. We must turn pessimism into optimism and harness the boundless energy of America to fulfill the dreams of her people.

The emerging agenda of our unfinished business is filled with enormous possibilities for long term growth, and in that prospect are opportunities, not only for capital investment, but also for the employment of this new generation of doers, trained in the skills required by this challenge to our capabilities.

The role of higher education is of incalculable importance in the scheme of things to come. Young people must be prepared for new occupations and for the new requirements of older occupations.

There is hardly any field of activity which is not caught up in the necessities of change, invention and technological innovation, and with that before us, the future offers zest, meaning, and excitement for those who are ready for it.

I am concerned about the plight of many of our colleges and universities. I am bothered, as you should be, by the reports of rises in tuition costs, the cutbacks in education services, and the menacing financial difficulties, on occasion bordering on bankruptcy of colleges. When I read that a college of engineering or a college of pharmacy has been shut down for want of money, I consider it a national tragedy.

As a national priority we must do all that is necessary to help our colleges and universities to fulfill their mission in what must be an ongoing and expanding responsibility to educate, train and inspire young men and women for the tasks ahead.

To lessen the increasing financial burden of our colleges we should be generous in our financial support of developing institutions and increase the availability of funds for student aid and student loans. Late in September, I introduced a bill providing a refundable tax credit for post-secondary education for tuntion and fees paid to colleges, and I will press for its enactment. The passage of this bill will help poor and middle income families to send their children to college.

The leaders of American industry have a great incentive, in terms of their company interests as well as the broader national interests, to participate in the cooperative education movement by helping faculties understand what the new skill requirements are, by making it company policy to employ co-op students, and by giving them the confidence that there is a place in the system for them. I think this is important enough for Congress to consider the possibility of granting employers a tax credit on wages paid to cooperative education students for on-the-job educational experience.

On August 30, in his summer commencement address at Ohio State University, President Ford invited the academic world to contribute its energies and genius in the solution of massive problems facing America. He asked students, graduates and facilities to contribute their ideas and their initiative in fighting inflation, in providing realistic education, in making sure our free enterprise system continues to give freedom as well as enterprise.

Two weeks after he made that speech, I wrote to the President urging him to call a White House conference on cooperative education.

I said that the rapid attainment of the goals set forth in his speech "is a matter of highest priority in the thinking of all of us who are concerned about extending realistic education, in making sure our free enterprise system continues to give freedom as well as enterprise."

I wrote, "I think we can make a major step forward in the right direction by bringing together both the leaders of the cooperative education movement and the leaders of business, industry and labor in an effort to expand this proven method of relating our young people to the economic processes of the Nation."

I hope the President calls that conference.

I hope that out of it will come a much larger Federal Government commitment of support for cooperative education than is now on the books. I hope that it will lead to the adoption by large and small employers in the private sector of hiring policies which mandate the employment of co-op students.

This is the kind of innovation we need to master our present crisis. Lewis Mumford once said, "A crisis that has been faced and mastered gives the survivor a new confidence in his powers: Thereby he reaches a higher point than he might have achieved through a more normal line of growth. There lies our hope."

[Exchange of letters between Senator HARTKE and the White House as read at the Indianapolis Employers' Institute]

SEPTEMBER 18, 1974.

The PRESIDENT,
The *White House*,
Washington, D.C.

DEAR MR. PRESIDENT: During the speech you made at Ohio State University on August 30, you called upon students and educators to contribute "to the solution of the massive problems facing America".

You called upon them as follows: "Show us how to increase productivity. Show us how to combine new life styles with old responsibilities. Show us how universities can work with industry and labor unions to devise a whole new community of learning across this great land. Show us how work-study programs can become part of the ongoing educational process. Show us how new skills can improve technology while humanizing its use."

As you are aware, work-study cooperative education on the college level has the mission of attaining the goals you articulated in your August 30 address.

I think the rapid attainment of these goals is a matter of highest priority in the thinking of all of us who are concerned about extending "realistic education, in making sure our free enterprise system continues to give freedom, as well as enterprise." Consequently, Mr. President, I think you can make a major step in the right direction by bringing together both the leaders of the cooperative education movement and the leaders of business and industry in an effort to expand this proven method of relating our young people to the economic processes of the nation.

A White House Conference on cooperative education would do much to bring about a marriage between work and study and to expand the interacting relationship between education and industry, thereby infusing higher education with new meaning very pertinent to our time.

As you know, I was the author of the amendment to the Higher Educaton Act of 1965 which formalized cooperative education within the federal government's education purview and which is the precedent legislation to the recent and current appropriations underwriting the nationwide spread of the cooperative education model in colleges and universities. Since then, I have been a constant advocate and monitor of its progression.

Should you desire to convene such a conference, I would be most happy to work with you in any way you deem appropriate.

I know that your long-time interests in education provide you with the insight to take advantage of a cooperative education program as a dynamic social invention that can help you bring health back to our economy and fulfill the aspirations of young Americans.

Sincerely,

VANCE HARTKE,
U.S. Senator.

THE WHITE HOUSE,
Washington, D.C., November 8, 1974.

DEAR SENATOR HARTKE: This is in further response to your letter of September 19 concerning the possibility of convening a White House Conference on cooperative education. The President has asked that I coordinate your proposal with the Department of Health, Education and Welfare and give you our combined reaction.

"Work-study cooperative education unquestionably reflects an integral part of the concept proposed by the President at Ohio State with the Higher Education Act cooperative education program a key element in the cooperative movement."

While we agree that the continued growth of cooperative education at postsecondary institutions requires constant efforts with both academy and industry, it would seem appropriate to defer any single national thrust pending several developments, including the review by the Special Subcommittee of the House Education and Labor Committee and the Education Subcommittee of the Senate Labor and Public Welfare Committee of all parts of Title IV of the Higher Education Act.

It would also appear to be appropriate to consider the possible merits of convening a National Conference on cooperative education for both postsecondary and vocational students and perhaps include representatives from placement and career education at those levels and at the secondary school level.

Following assessment of the foregoing I think we would be in a better position to determine if a national conference involving those who educate and these who employ is in order. Certainly the current wide interest in cooperative education which extols its advantages and dispels once-feared disadvantages deserves our utmost attention and support as warranted.

The President has asked that I express his appreciation for your interest in cooperative education and your carefully considered proposal.

Sincerely yours,

ROGER D. SEMERAD,
Staff Assistant to the President, Domestic Council.

REMARKS OF DR. PHILIP G. HOFFMAN, PRESIDENT, UNIVERSITY OF HOUSTON AT THE EMPLOYERS' INSTITUTE HELD IN HOUSTON ON FEBRUARY 6, 1975.

The University of Houston is pleased to welcome the National Cooperative Education Commission's Employer Institute, "Cooperative Education, the Emerging Manpower Resource."

Cooperative Education was implemented at the University of Cincinnati in 1906 by Professor Herman Schneider of the U.C. School of Engineering to provide for organized practical work experiences for undergraduate engineering students. Schneider named this cooperative effort of Industry and College "Cooperative Education." Since then, the University of Cincinnati, along with other colleges, has adopted Co-op as a mandatory program in engineering. Other institutions prefer to use Co-op as a voluntary work experience program.

By 1926 Cooperative Education had become so effective that an Association of Cooperative Colleges was formed with representatives from 16 colleges and six industrial firms. In 1929 the American Society for Engineering Education established a Cooperative Education Division.

By 1960 over 60 colleges had Co-op programs. While Co-op was largely recognized as an engineering program, other academic disciplines were developed by such colleges as Antioch. The need for a broader base of academic offerings was met with the formation of the Cooperative Education Association by some members of the Cooperative Education Division of ASEE.*

Since most of the Cooperative Education members were also members of CED (Cooperative Education Division of ASEE) * there have been close working relationships between the two societies. Professor Bruce C. Stoughton, Director of the U. H. Cooperative Education Program, is an example of this dual interest in both engineering and non-engineering programs. Bruce served as Chairman of CED of ASEE * in 1970–71 along with Cooperative Education Association President Mr. M. Bill Weizell of Cincinnati Millicron Corporation. A number of joint committees were established to provide better interaction between the two societies. Bruce is now going the full cycle, for he is currently President-elect of the Cooperative Education Association.

One of the tangible outcomes of Professor Stoughton's tenure as Chairman of the ASEE Cooperative Education Division was the establishment of criteria for accreditation of Cooperative Education in both the Engineering and Technology colleges.

Professor Stoughton was also instrumental in aiding in the establishment of Federal Cooperative Education legislation for a revision of HEW Title IV Education Act. He arranged for academic and industrial input to Senator Yarborough's subcommittee in Austin in 1968. Since then Co-op has been funded for over $34 million.

Another innovation established under Professor Stoughton's direction was the development of a Co-op Teachers' Aide program

with surrounding school districts. Over 250 U.H. students from 25 different majors have worked in and near Houston as classroom teachers' aides. These students have been able, as sophomores, juniors and seniors, to discover if they really wanted to be teachers.

The U.H. Co-op program started in the Cullen College of Engineering under the administration of Dean Tiller. In his judgment, all sensible businessmen should take full advantage of this opportunity (Co-op) to improve understanding between youth and business.

Perhaps one of the most innovative Co-op programs on the U.H. campus is PROMES, Program for Minority Engineering Students, which is designed to allow minority students to gain work experiences as sophomores, juniors and seniors in Co-op jobs in their engineering major areas. These Co-op jobs will provide these youngsters with many of the social, working, cultural, and financial experiences which have not normally been available to them under past and current educational practices. Additionally, PROMES is using carefully supervised, self-paced courses which allow freshmen students to attend their critical first year of classes under no-fail conditions. These no-time-limit courses have several forms of each test which allow the student to continue to study and take additional tests with no penalty other than additional time.

With fifteen years of Co-op experiences, the University of Houston Cooperative Education Department has provided many opportunities for on-the-job earnings and learnings. The intangible practical professional experiences, working with people, development of self-discipline, self-motivation, learning work habits, and maturing to better meet working conditions have contributed to the fact that U.H. Co-op students obtain offers as graduates from $50 to $200 per month more than non-co-op graduates.

Yet there are other benefits from Co-op. The feedback students provide in classroom discussions, and to faculty, information regarding current practices in the various fields. In seminars, students discovery their experiences are not unique and are able to discuss their problems with other students and share solutions to common problems. Employer and U.H. faculty and student conferences develop greater understandings of the total education process. Direct contact with employers at several levels—supervisory, management, and worker—provides interaction at all these levels with students, faculty and even college administration personnel. Contacts such as these develop better cooperation and understanding needed to develop a more comprehensive educational system.

REMARKS OF DR. ASA S. KNOWLES, PRESIDENT, NORTHEASTERN UNIVERSITY, AND CHAIRMAN, NATIONAL COMMISSION FOR COOPERATIVE EDUCATION AT THE EMPLOYERS' INSTITUTE HELD IN HOUSTON ON FEBRUARY 6, 1975

The 1960's was a period in which "work" and other types of off-campus learning gained respect and acceptance in American higher education. The growth of colleges and universities, the increase in enrollments, the expansion of minority opportunities, and the rise of student-faculty activism forced many institutions out of their ivory tower isolationism. The demand for relevance spawned new attitudes in which work became viewed as a very desirable aspect of a student's education.

My purpose today is to examine a type of education which is suited ideally to these times—cooperative education. Just what is it, how has it grown, what are its advantages and future prospects? Before answering these questions, let's look at some of the high points of our educational history, and some contemporary trends.

INNOVATIONS IN HIGHER EDUCATION

The colonial colleges, founded in New England in the 17th and 18th centuries, trained clergymen and civic leaders for a nation seeking to establish its own identity. As the country grew, the development of the West gave rise to a need for leadership skilled in agricultural and mechanical techniques. Through the Morrill Act of 1862, land grant colleges began to be developed, "people's universities" which would provide the manpower needed to harness and direct the agricultural and industrial potential of a blossoming young economy.

Graduate programs began at Yale University, but had their greatest development at the Johns Hopkins University under the direction of Daniel Coit Gilman. Gilman was a 19th century innovator who saw a need for infusing the German concept of research into the infant American college system.

The marriage of Morrill's land-grant concept and Gilman's sense of the importance of research has produced a sophistication in agricultural techniques which today enables five percent of the American labor force to feed our entire nation as well as much of the rest of the world. Many foreign educators say that this has been the United States' greatest educational achievement.

The growth of graduate education was paralleled by that of professional education at the undergraduate level. During the 19th century, the apprenticeship system, which had long served such fields as medicine and law, began to give way to proprietary school offerings and professional courses as part of the college curriculum. The country was then a more urbane society in need of more professional personnel.

Today, access to many professions is achieved only through the completion of accredited university degree programs. It took nearly 200 years to establish the undergraduate liberal arts tradition in America, but the concepts of graduate and professional degree programs were institutionalized in about half that time.

In the late 19th and early 20th centuries, the growth of American higher education gained momentum. Junior colleges, women's colleges, Black colleges, professional schools, military academies, theological seminaries, and even colleges designed specifically for the deaf and the blind were established in an effort to make higher education available to every segment of society. The passage of the G.I. Bill of Rights in 1944 gave further impetus to the belief that higher education was not a privilege but a right.

During the post-World II period, a notable innovation related to the provision of higher education for returning veterans was the establishment of the Associated Colleges of Upper New York. This was a consortium of 19 colleges sponsoring two-year programs, with the expectancy that students would transfer ultimately to existing four-year colleges and universities. About 15,000 students were served by this single enterprise. It was understood that these G.I. colleges would be phased out as soon as they had completed their objectives.

In the 1950's Sputnik was launched, and American education moved into an age of science, almost overnight. The explosion of the civil rights movement followed the explosion of the rockets, heralding a new era which saw Black students from places such as the University of Alabama and the University of Mississippi rising up to demand their equal right to higher education.

TRENDS IN HIGHER EDUCATION

Then came the 1960's, the age of protest. And colleges and universities responded. Access to higher education became a reality to millions who had never known it. Community colleges expanded, open admissions policies were implemented, adult education mushroomed, and special tests allowed many to begin college at points in line with their levels of knowledge.

Patterns of instruction broadened greatly, making use of the tremendous growth in educational technology. Computers and television instruction made possible a great variety of educational experiences, as well as vast areas of "instant" knowledge. As leisure time increased, so did the demand for more programs in professional continuing education and adult education.

Students and faculty now have a voice in institutional governance generally denied to them previously. Many serve on committees affecting many aspects of university policy, and some are represented on boards of trustees. Faculty are coming to the bargaining table through organized unions, seeking a major role in tenure and salary decisions.

These are but a few of the developments taking place in colleges and universities today. There are many more, but none so important as the widening belief among educators that the process of education cannot be truly relevant to the needs of society when it is restricted exclusively to the classroom. And this brings us, somewhat belatedly perhaps, to what this talk is all about. Cooperative education. Or, if you prefer, off-campus experience.

COOPERATIVE EDUCATION

Relevance. It is ironic, in a way, that cooperative education began to get the recognition and attention it deserved during the "crisis" years between 1967 and 1972. But students were demanding relevance and active university involvement in society's problems. New attitudes developed on campus in which work and other "out-of-classroom" endeavors became recognized as desirable aspects of a student's education. Just the philosophy that cooperative education was offering. And had been offering since the early part of the century.

Racism, Black studies, ecology, urban affairs, crime and law enforcement became characteristic of new courses added to a college curriculum. Academicians, in an effort to respond to relevance, began to integrate field experiences into their programs, utilizing a variety of non-classroom resources and settings. Sociology students offered their services as volunteers. Biology students traveled to the seashore to study the effects of pollution on micro-organisms. Law students gave free legal aid to the indigent and the poor. And so it went.

In England, the Open University was born, and it soon had its American counterpart in the University Without Walls. Both sought to expand the definition of a classroom to include non-traditional forms of academic study. Individualism replaced institutionalism as students sought to design programs of learning which were relevant to their individual goals.

Out of this desire to participate in life while still in the process of one's academic preparation came a new appreciation of work experience related to one's field of study. Naturally, many new terms were devised—off-campus learning, experiential education, supervised field assignments, internships, pre-professional study, non-traditional learning, interlude programs, professional practice, extramural terms, and so forth. But the most significant development was the rapid acceptance of cooperative education in its traditional form—the merging of classroom theory and practical experience into a structured program of learning.

Definition. Traditionally, cooperative education has been defined as a program of study which incorporates alternating periods of classroom learning and paid work experiences related to a student's field of study. Under this definition, the following factors must apply:

The student's off-campus experience should be related as closely as possible to his field of study and individual interest within the field.

The employment must be a regular, continuing, and essential element in the educational process.

Some minimum amount of employment and minimum standard of performance must be included in the requirement for the degree or certificate presented by the school.

The working experience ideally should increase in difficulty and responsibility as the student progresses through the academic curriculum.

Do not confuse cooperative education with the federal College Work-Study Program, which is a part-time program designed to aid needy college students and provide them with limited work opportunities.

Before I speak about the growth and advantages of the cooperative system, and its potential for the future, I feel I should mention very briefly the three major types of cooperative programs. Some of you may be unfamiliar with them. They are mandatory, optional, and selective.

All students in a mandatory program are required to enroll in the cooperative plan and to complete satisfactory periods of work or off-campus experience as part of the total requirements for their degrees. The optional program, on the other hand, may involve only a small number of students in very large institutions, or may be limited to individual departments or colleges within a university. Some institutions require students to have their own jobs or off-campus experiences determined and available before entering the program. Institutions administering a selective cooperative program enroll students on the basis of academic performance. Students are required usually to maintain a specific grade-point average to qualify for and remain in this type of program.

Background and Growth. As with so many things in history, it has only been in recent years that the time and the idea have met for cooperative education. While there were only about 35 such schools in America in the years immediately following World War II, there are now more than 800 colleges and universities offering or considering the offering of some type of cooperative education program. It has been a truly remarkable period of growth and expansion.

Cooperative education began in 1906, the brainchild of Herman Schneider, a University of Cincinnati engineering professor and dean who recognized that most students needed or wanted to work at some time during their college careers. It was applied only to the area of engineering in those early days but, as has been mentioned, now is the basis for programs in many academic disciplines.

Northeastern University, with which I have been pleased to be associated as President since 1959, adopted Dean Schneider's idea in its new College of Engineering in 1909, only 11 years after the University itself was established. Since that time, it has pioneered the adaptation of this principle to more than 40 fields of study involving 10 undergraduate colleges and eight graduate schools. Northeastern today operates the largest cooperative program in the world, placing more than 9,000 students each year with 2,000 employers in the United States and in some other countries of the world.

The early appeal of cooperative education was to the economically deprived. So, in the 1960's, when America awakened to the needs of disadvantaged minorities, cooperative education was already in the forefront. Federal funds were made available to assist minority students, and institutions which were serving them. Cooperative programs were established at many minority colleges to help these students begin and complete their academic programs.

The recent growth of cooperative education has been attributable in large part to the sums of money that have been earmarked by the Federal government for the development of additional programs.

Title III of the Higher Education Act of 1965 listed cooperative education as one of the five categories under which a developing institution could request support. Cooperative education programs were again included in Title IV-D of the Higher Education Amendments of 1968 and re-enacted in the Higher Education Act of 1972. Congressional appropriations for the first three years were $1,540,000, $1,600,000, and $1,700,000, with a substantial increase to $10,750,000 for 1973–1974 and for 1974–1975.

Cooperative Vocational Education Programs were included in the Vocational Education Amendments of 1968 to encourage expansion of cooperative education in community colleges and high schools. The Congress appropriated $14,000,000 for the first year of the program. The current level is $19,000,000.

Through these three programs, the Federal government spent $32,000,000 between July 1, 1973 and June 30, 1974 for the development and expansion of cooperative programs. It marks the first time that the United States Congress has financially endorsed a specific form of education since the passage of the Morrill Act more than 110 years ago.

Educational acceptance of cooperative education gained great impetus in the late 1950's, when a study financed by the Ford Foundation found it equal in quality to traditional education, and offering additional advantages. As a result of this recommendation, the National Commission for Cooperative Education was established in 1962 to promote greater interest in the cooperative philosophy among educators, prospective employers, and others. The Commission, which has been busily engaged in fund-raising and consulting services over the past 13 years, is now turning to the task of assisting in the development of new opportunities among employers in order to accommodate the growing number of cooperative students.

Also, the intense interest shown by schools and colleges in the New England area in "non-traditional" types of educational programs led to the establishment in 1973 of the Institute for Off-Campus Experience and Cooperative Education. The primary purpose of the Institute is to develop paying jobs and experimental opportunities for the students of these institutions, and to provide consulting assistance and specialized training for the institutions themseves. Both the National Commission and the Institute have their headquarters on the Northeastern University campus in Boston.

A philosophical vote of confidence has also been given to cooperative education by many leading educators. In 1971, for example, the Carnegie Commission Report, *Less Time, More Options*, recommended that "opportunities be expanded for students to alternate employment and study" and that "programs at American colleges that combine work experience and formal study are increasing in number and should be encouraged." Similar encouragement was expressed by the authors of the "Newman Report," endorsed by the Department of Health, Education, and Welfare, and the report of the Assembly on University Goals and Governance.

Accreditation and Academic Credit. Cooperative colleges and universities have always had to meet the same accreditation standards as other institutions. They still do, but accrediting agencies that once ignored the off-campus feature of cooperative education now insist upon appraising its quality just a rigorously as they examine classroom instruction, thus recognizing that off-campus experience is an integral part of the educational program.

All educators concerned with the question of academic credit acknowledge that there is great difficulty in evaluating the merits of off-campus experiences. The Northeastern University Cooperative Education Research Center has been engaged in extensive work on this problem, and in 1974 the Educational Testing Service announced plans to develop new methods of evaluating and awarding credit for education outside the classroom. In fact, according to a 1972 study, 46 percent of the institutions offering cooperative programs were already offering academic credit for them, credit which serves as a *substitute* for that earned conventionally through classroom study.

The awarding of academic credit, however, must be based on learning experiences which contribute to the student's professional competence and expertise, and should not be given for experiences which serve merely to accelerate a student's maturation process.

Advantages. Financial and philosophical support notwithstanding, cooperative education would not be enjoying its current popularity were it not for the many unique advantages it offers the student, the college, the community, and the employer.

For the student, cooperative education—

Offers opportunities for personal and career development.

Sensitizes individuals to assuming responsibility in academic and life situations.

Instills cognitive, attitudinal, and social skills critical to successful performance.

Provides direct connection with practitioners in the field.

Demonstrates the relationship between formal education and a variety of social organizations.

Assists individuals with the financial obligations of their education.

For the college, cooperative education—

Magnifies and clarifies college-community relations.

Provides diverse learning facilities that cannot be duplicated on the campus.

Maximizes responsiveness to community needs.

Encourages on-going self renewal of faculty.

Improves student retention and attracts new students.

For the community, cooperative education—

Strengthens rapport between college and community.

Promotes active involvement in the economic and social institutions of society.

Provides a means for the training of motivated and skilled employees.

For the employer, cooperative education provides a number of benefits at various phases of the employer-student relationship. In May 1974, the Report of a Study for Northeastern University, conducted by the independent consulting firm of Arthur D. Little, Inc., was published. Using six cooperative employing organizations as the basis for its extensive research, the firm documented the following employer benefits from cooperative education:

(1) During Phase I, Preprofessional Employment (from the student's first work term to the final work term; phase ends when permanent employment is sought and considered):

Good source of manpower (preprofessional or paraprofessional).

Generates professional released time.

Improves the personnel selection process.

Enhances relations with colleges and other students.

(2) During Phase II, Recruitment, Selection, Orientation, and Hiring (from the student's final work term through completion of orientation to entry level employment; phase ends when the student is hired full time and is permanently responsible to the supervisor):

Facilitates entry level recruiting.

Facilitates assessments of employee qual-

ity and promotability or advancement potential.

Improved access to and by minority employees.

Improved cost benefits in recruitment and training.

(3) During Phase III, Permanent Professional Placement (from at least the first three years of permanent employment to a point not established by this study; it extends to that time beyond which differences in value or performance of employees cannot be attributed to whether or not they are former cooperative students):

Longer average retention (lower attrition).

High quality employees.

More rapid advancement.

This study was conceived originally as the pilot stage of a nationwide study to define the expansion potential of cooperative education and stimulate and support the actualization of that potential. It is hoped that the second stage of this study will produce a policy plan or strategy of national scope for involving more employers more effectively and extensively in cooperative education.

Internationalism and the Future. From all indications, the continuing growth of cooperative education and off-campus learning appears certain, so steps must be taken to determine in what areas such programs can prosper most effectively. In order to have a viable manpower training program, we must know—

How many institutions will be offering cooperative programs in the years ahead.

How many students will be available for these programs.

How many paid jobs or other types of off-campus assignments will be available in specific geographic locales.

How many opportunities there will be for paid or volunteer employment related to specific fields of study.

The establishment of long-range manpower planning is a goal not easily attained because the planning of economic growth, the projection of manpower needs, and the channeling of college enrollments are unpopular concepts in a free society. But as educators we have a responsibility to the product of our services. Education for unemployment is not service at all.

Higher education must begin also to give consideration to the manpower needs of developing multinational industries, many of which are larger than the countries in which they operate. They thus exert substantial influence on the manpower development of the host countries.

Northeastern University in recent years has begun to place cooperative students in overseas assignments. International exchange programs have long been a part of the educational tradition, but now cooperative institutions are conducting such exchanges for the purposes of international work experience in addition to the traditional classroom study at participating countries abroad.

The placing of students across international boundaries can make a major contribution to the unification of the world's various higher education syatems, and may help us to develop global concepts of higher learning.

The growing international dimension of higher education will doubtless give rise to further innovations and result in a redefinition of what is relevant in a global society. Educational structures will change, and manpower planning will play an important role in institutional development. The catalyst for much of this change will be the international acceptance of off-campus experience as an integral part of the learning process.

The offering of off-campus experience and the requiring of work experience for a degree are by no means confined to the United States. England, Australia, and India have long had so-called "Sandwich" programs, some of which are being altered to emulate American models. Programs requiring work experience before, during, or even after college exist also in Venezuela, Brazil, Finland, Sweden, Denmark, West Germany, and Romania, just to mention a few.

The developing international interest in cooperative education is reflected by the large number of visitors from other nations who come to the United States for the expressed purpose of studying the system. In the past year, Northeastern University alone has welcomed more than 30 visitors from countries seeking information about cooperative education.

On the basis of what it has already contributed, and its potential for the future, cooperative education appears ready and capable of an even greater role in higher education in the years ahead.

THE CHICAGO SYMPHONY ORCHESTRA: "A GOLDEN ERA"

Mr. PERCY. Mr. President, the recent tour of the Chicago Symphony Orchestra has brought conductor Sir Georg Solti and his musicians increased national recognition and renewed appreciation. Critics from New York, Washington, and St. Louis acclaimed the extreme virtuosity of the conductor and his orchestra on their recent appearances. I am delighted that aficionados outside of Illinois have had this recent opportunity to recognize that Georg Solti is gifted with the genius to develop the splendid talent of the Chicago Symphony Orchestra. I hope that my colleagues were able to hear the Orchestra when it performed last month at the Kennedy Center, for it was an experience not to be missed.

I offer my congratulations to Sir Georg, to every member of the Chicago Symphony Orchestra, to every one of the leading citizens of Illinois, and especially to members of the board of the symphony. I ask unanimous consent that some reviews of the orchestra's tour be printed in the RECORD.

There being no objection, the reviews were ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 30, 1975]

CONCERT: CHICAGO/SOLTI; STRAVINSKY, BRUCKNER PLAYED SPLENDIDLY

(By Donal Henahan)

If the Chicago Symphony Orchestra and its music director, Sir Georg Solti, have a fault—notice, please, how cautious one must be—it may be that the listener tends too much of the time being aware of how superbly they are performing, to the point of overlooking the content of the music at hand. Still, it is one's happy duty to report the return of Chicago/Solti to Carnegie Hall last night to open the orchestra's annual series, and to note that the two works on the program have not recently received such consummate performance hereabouts.

Sir Georg addressed himself to Stravinsky's Symphony in C, a 1940 work that the Chicago Symphony commissioned, and to Bruckner's Symphony No. 5 in B flat, a dainty leviathan lasting some 75 minutes.

In prospect, Sir Georg might not seem ideally cast as an interpreter of the Bruckner Fifth, which demands among other qualities a patience that verges on stolidity—or as the Germans might put it, a sitzfleisch of the soul. The Solti image is that of a demonic conductor, a super-virtuoso in the Toscanini tradition, and anything but the phlegmatic dreamer that Bruckner's works often seemed to attract in the past (Hans Knappertsbusch, for one).

And indeed, the first movement on this occasion gave some cause to fear that Sir Georg and Bruckner might not hit it off: although the tempos were well-judged and even on the deliberate side, there was an overheated tone to the playing that made one wonder if Sir Georg would let the music blow itself apart in a hundred premature climaxes before the stupendous peroration of the finale. The whipcracking ending of the opening movement, which lifted one from the seat, raised a warning flag.

But Sir Georg, recognizing how far he had yet to travel, calmed down and led his ever-responsive colleagues through beautifully cohesive readings of the subsequent Adagio and Scherzo, gracefully lyric in the one and dashingly incisive in the other. And, coming to the massive fugue and chorale at the finish, the conductor again drew all the stops of his magnificent instrument. And predictably, the audience of Chicago/Solti lovers opened its collective throat to try to break all decibel levels at Carnegie Hall.

In such a performance individual glories are too numerous to single out in full, but once again one could only be awed by the way the Chicago brass section could operate at what should have been ear-pulverizing volumes and yet sustain a gloriously golden tone.

The Stravinsky, which began the night, presented different problems, of course, and here one was somewhat less than persuaded by Sir Georg's high-potency approach. In the first movement, some surprisingly gritty chords escaped from the orchestra, perhaps as a result of the conductor's violently jerky attacks on Stravinsky's displaced accents and cross-rhythms. One would not have guessed that this was Stravinsky at the peak of his Apollonian neoclassic mood.

The problem with Sir Georg is that like Toscanini he always seems to be on the lookout for cosmic utterances, even when as in the instance of this Stravinsky symphony they do not inhere in the work. That, of course, is a problem any orchestra would be delighted to put up with, all things considered.

THE PROGRAM

Chicago Symphony Orchestra, Sir Georg Solti, conductor. At Carnegie Hall.

Symphony in C, Stravinsky.

Symphony No. 5, Bruckner.

[From the New York Times, May 1, 1975]

SOLTI LEADS MASTERLY VERDI REQUIEM

(By Harold C. Schonberg)

Chicago Symphony Orchestra, Sir Georg Solti, conductor. Leontyne Price, soprano; Yvonne Minton, mezzosoprano; Luciano Pavarotti, tenor; Gwynne Howell, bass; Chicago Symphony Chorus, Margaret Hillis, director. Requiem, Verdi.

For the last few sessions the Chicago Symphony under Sir Georg Solti has been bringing a display piece to Carnegie Hall. Usually it has been an opera, or part of an opera. Last night it was the Verdi Requiem (there are those who will say no difference, considering the operatic qualities of this work).

The Verdi Requiem has been heard a great deal hereabouts in recent years. Every conductor wants to measure himself against the monumental work, and of course against equivalent performances by dear colleagues. Sometimes the result is "his" Requiem rather than Verdi's Requiem.

Mr. Solti last night did not fall into that trap. It was the Verdi Requiem that he conducted, aside from one stagy moment. That occurred in the section beginning "Quantus tremor est," where the emphasized sibilants threw the writing out of character, making it sound like the whisper choruses in "Moses und Aron," say.

Otherwise the tempos were orthodox; the balances among soloists, chorus and ochestra were arranged for maximum clarity; the orchestral playing was a dream, and the music emerged with all its strength. And with poetry, too. There have been complaints, sometimes from this corner, that the Chicago Symphony under Mr. Solti can act like an overtrained fighter: pretty to observe, but no stamina. Last night the performance was hard to fault.

From the opening measures it was possible to project the course of the performance. The perfectly weighted A minor chord, followed by the pianissimo choral entrance, formed a ravishing mesh of sound. The "Dies Irae" was propulsive and enormous in sound without sounding rushed. And so it went. Chorus and orchestra were one. Soloists and orchestra were one.

A fine vocal quartet was brought together. Leontyne Price, Yvonne Minton, Luciano Pavarotti and Gwynne Howell did the solo work. Miss Price was in admirable voice. She sounded rested, and there was none of the edginess or unsteadiness that has afflicted some of her work in recent years. That big voice of hers sounded sensuous on this occasion: sensuous and immensely authoritative. She had no trouble with the top notes, those hazardous B's and B flats, and in ensemble sections her soprano soared over everything. This was the Leontyne Price of yore.

The lustrous voice of Miss Minton was a perfect foil. She is a mezzo-soprano who can match notes with any singer, and it is a shame that she is heard with relative infrequency in New York. Blessed with a smooth scale, sensitive musicianship and a voice big enough to hold its own with Miss Price's, she was the ideal mezzo for the kind of super-controlled interpretation favored by Mr. Solti.

The men, too, were fine, though Mr. Pavarotti was a little disappointing. From almost any other tenor, it would have been fine work; from him, one had expected a little more. His voice did not have its usual bloom, and it sounded tired. The "Ingemisco" received a curiously stolid performance—careful enough in its way, accurate, but lacking in temperament.

Mr. Howell, a most dependable bass, sang with steadiness rather than imagination. Certainly he could have made more of the meaning of the words. His voice is a fine instrument, however, and technically he was always on top of the notes.

It was everybody's evening, but Mr. Solti was more equal than the others, and to him went the yelling and the standing ovation and the rhythmic, foot-stamping applause. Among the presentday conductorial powers and principalities Mr. Solti has a very impressive wing span.

Two weeks ago on this page George Marek's book about Toscanini was under discussion. Toscanini's way was to inspire and drive musicians to the most exact execution of the note values of a given score, imparting moreover, as well as he could and more or less by instinct, a breathing, singing character to the music that raised the performance beyond a merely mechanical feat.

If that is a fair rough description of Toscanini's style, it serves equally well for Solti's, at least in his Chicago years. One does not think of either conductor as an "interpreter" of music, as one thinks of Karajan, Furtwaengler, Koussevitsky, Boulez. Neither intellectualizes, agonizes, rethinks, appropriates the music. This was Verdi's Requiem, not Solti's. Yet as happened with Toscanini, the very emphasis on the composer had the effect of raining glory on the conductor.

The analogy does not matter, but Georg Solti and the Chicago Symphony Orchestra and Chorus are giving their listeners a golden era that, when it finally ends, will be looked back to with longing, as we look back to Mahler in Vienna, or Toscanini in New York, or the Metropolitan Opera in its pre-World War I decades. This is music to make a pilgrimage to and to take one's children to hear, so that they may know the wonders that a civilization can, once in a while, bring forth.

[From the St. Louis Dispatch, May 4, 1975]

VERDI'S REQUIEM IN CHICAGO: THE GOLDEN ERA OF GEORG SOLTI

(By Frank Peters)

CHICAGO.—People with tickets had to push into Orchestra Hall through a crowd of people without tickets. Georg Solti was about to conduct the Verdi Requiem, and the two performances had been sold out since a few days after their announcement last year. So the box office was open, and the ticket lobby full of anxious-looking people, only on the chance that somebody would return a few seats at the last minute.

A young man with camp stool and thermos had been at the head of the line since early in the morning. A few minutes before performance time he was still waiting, and people farther back in the line were trying to buy tickets from fortunate arrivals, name your price.

Inside the barrier, Chicago Symphony executives glowed in the radiance of a seller's market. "In New York tickets for the Carnegie Hall performance next Wednesday (April 30) are changing hands for hundreds," one of them said happily. "It sold out in New York almost as fast as it did here."

In the hall there was the expectancy, on and off the platform, that gives Solti's concerts a special character even before they begin. The choristers stood still, alert. The musicians warmed up with a purposeful hum. Many of them smiled; an old violinist leaned back and beamed seraphically at the audience as he played scales.

Finally a dead hush and the procession from the door at the back of the platform: Leontyne Price, Yvonne Minton, Luciano Pavarotti, Gwynne Howell. The crescendo of applause topped when Solti made his quick little bow. The singers moved to a row of chairs directly in front of the podium, between Solti and the orchestra. The audience might not be able to see all the singers, but all the singers were going to see the conductor.

The opening of muted strings and sotto-voce chorus foretold how this Requiem was going to go: Verdi's way. The Requiem is an operatic sort of work, as liturgical music goes, and accordingly invites an easy-going opera-house treatment. But Verdi built his score with great craft, wove in the subtle and delicate effects with the climaxes, and supplied markings almost as elaborate as Mahler's.

Grand as the recording is that Solti made of the Requiem seven years ago in Vienna, with Sutherland, Horne, Pavarotti and Talvela, it does not reflect the degree of fidelity to the score that marked the Chicago performance. "Kyrie eleison," the soloists proclaim in their tandem entrance. A thrilling minute, but it is an appeal for mercy, and Verdi graduated the dynamics carefully in irregular rises and falls, not letting anyone rise above a single "f" until the chorus joins. (Verdi got down on four-"p" and even five-"p" indications in his quest for delicacy of expression, while double-"f" is the upper limit except for a few bars in the Tuba Mirum.)

Partly for this reason, partly for the extraordinary powers of Leontyne Price, the latter parts of the Requiem took on an interest equal to the excitement of the Dies Irae. Her soprano is right for this part as it is for "Aida"—big, velvet-smooth, beautiful in the way Ponselle's voice was, unvibrant and sure of pitch, with plenty of force throughout two octaves. At middle C, Miss Price was a little gravelly but the note sounded, and she made of Libera Me a great deal more than an introduction to the reprise of the Dies Irae. Singing from memory, she rose in volume now and then past the point of equilibrium with the other soloists, but it is so magnificent a voice that few are likely to have wished her in less prominence; only those tearful accented dissonances of the Lachrymosa stood out awkwardly from the ensemble.

Yvonne Minton's mezzo-soprano is not as naturally opulent as Price's (or as Horne's or Stignani's, to recall other great altos in this role) but it is big enough, and she employs it with consummate art. Pavarotti sounded a little worn of voice at soft dynamic levels, to which he was frequently held by Solti and the score. Howell had a fresh lyric bass voice with real notes at the bottom of the staff, not the stretched-baritone variety.

The Chicago Symphony and its chorus, a professional body trained by Margaret Hillis, were at the center of the performance even with a voice like Leontyne Price's on the platform. Exactness, clarity, blend—they filled the music with light. When the Chicago cellos launched their perilous three-octave upward run at the outset of the Offertory, there was a sight curdling of intonation. As if shocked at what they heard, the cellos snapped to and delivered the run perfect on its repeat a couple of bars later. Except for this and two or three tiny misalignments, and the occasional imbalance of solo voices, the performance might have been released on records—and it was the first of three scheduled Requiems.

Orchestral and choral work of this quality is hard to find anywhere. It has a refining, animating effect on the whole musical experience. Take the Sanctus, the part of the Verdi Requiem that seems most irredeemably boisterous and inappropriate to a liturgical setting—how often has the fugue been sung so precisely by a double chorus, when have the broken chords in the violins glittered so brightly under the Hosanna? Or the Dies Irae chorus itself, the offbeat whacks of the bass drum timed on a razor edge of propulsiveness, the brass sounding with the steadiness and intonational purity of a newly tuned organ. And the atsonishing trumpet work in the crescendo-accelerando torrent of the Tuba Mirum! Listening to this on the platform, Leontyne Price, a settled and impassive woman, opened her eyes wide, squirmed in her chair and fought back tears.

[From the Washington Star, May 15, 1975]

TRUTHS FROM THE CHICAGO SYMPHONY

(By Day Thorpe)

That a truth and its absolute contradiction can both be truth was brought to mind by the two concerts of the Chicago Symphony over the weekend at the Kennedy Center. Sir Georg Solti conducted both.

Antal Dorati, conductor of the National Symphony Orchestra, says that there is nothing to be gained by an audience watching a good conductor, that the conductor is on the podium only to bring music out of the players, and the music is all that is valuable to a listener, who can enjoy the concert with his eyes shut. This is true when the conductors involved are "vest-pocket" conductors—Fritz Reiner, for example, or Richard Strauss, whose "Also Sprach Zarathustra," as it happens, was on one of the Chicago Orchestra's programs.

But the opposite is true when the conductor is a man like Solti who communicates explicitly, not only with his stick but with his entire body, to both the players and the listeners behind him. Anyone who had his eyes closed at the Chicago Symphony concerts missed an important aid in the enjoyment of the music—the visual anticipation by a split second of the sense of a phrase or the bite of an attack.

The pivotal work on each of the two con-

certs was a 20th century masterpiece, Arnold Schonberg's variations for orchestra, Opus 31, dating from 1926–28, and Stravinsky's symphony in C major, written in 1940.

The classic orchestra was represented in these concerts only by Haydn's symphony in D, No. 101. The first concert ended with the Tchaikovsky E minor symphony, the second with Richard Strauss's "Also Sprach Zarathustra."

The Haydn Symphony showed off the extreme virtuosity of the Chicago Orchestra; so did the Strauss tone poem. The big orchestra, to which the organ was added, was entirely at ease in the recreation of all those sounds, high and low, quiet and loud, that Strauss demanded. The tone poems of Strauss all of which are early works, are for the most part his poorest pieces. "Also Sprach Zarathustra" never escapes banality.

[From the Washington Post, May 5, 1975]

THE CHICAGO SYMPHONY . . .

(By Paul Hume)

With the combined genius of conductor Georg Solti and the splendor of the Chicago Symphony Orchestra, there could never be any doubt about the caliber of performance they would provide in Wagner's "Flying Dutchman" Overture or the Fifth Symphony of Tchaikovsky.

These works opened and closed their Saturday night concert in the Kennedy Center. The sole reservation during the overture was that, in the midst of its dramatic power and rhythmic precision, there was more than a danger that the famed brass players would blanket even the Chicago Symphony's equally famous strings. It happened here and there.

The outer movements of the Tchaikovsky were played with a martial accent stronger than I can ever remember hearing. But it is just as hard to recall any performance of the slow movement that was more lyrically telling.

In many ways the greatest achievement of the evening was the impeccable account of the Schoenberg Variations. Few orchestras can play these at all and sound fully in command of the notes, much less at ease interpretively, though it must be remembered that the Yale Symphony did so handsomely here last winter. Solti illuminated the work with clear dispassion, while his players gave warmth and shape to its great complexities.

THE NEED FOR ECONOMIC PLANNING

Mr. HUMPHREY. Mr. President, I am delighted to call to my colleagues' attention the article from the June 2 Wall Street Journal, written by Lindley Clark, which concludes that sensible economic planning could be highly useful if everyone involved remained aware of its real limitations.

The article by Mr. Clark is a realistic appraisal of economic planning and is very much in tune with my own views on this matter. Economic planning is no panacea that can solve all of the economic problems that presently beset us. Nor would economic planning radically transform our present mixed economy of private and public enterprise.

Economic planning, as I see it, is simply an effort to get the Federal Government organized about its involvement in the American economy. At the present time, the Federal Government is involved in the economy, without adequate information about its impact, little coordination of its policies, and as a result it careens from one crisis to another. The result has been the worst economic performance since the Depression, and I say that it must come to an end.

I think it is time that the Federal Government follow basic principles of sound economic management. This means several things.

First, it means the Federal Government must begin looking ahead to spot problems such as shortages before they become crises. The food shortages that occurred in 1973 could have been identified much earlier.

Second, we as a society must establish economic goals. We can not have everything, and if we do not make conscious choices, we will not meet our most pressing needs.

Third, the Federal Government must reform its antiquated and incomplete economic information system. At the present time, we really do not know what is going on in the American economy, the impact of Federal programs in particular industries, and the interrelationship of the United States to the world economy.

Fourth, economic planning will enable us to rationalize the Federal Government's involvement in the economy, weeding out outmoded activities, correcting conflicts among Government's programs, and providing the insight necessary to creatively initiate new Government activities.

Planning does not mean bigger government, but it can mean better government.

Mr. President, I ask unanimous consent that the Lindley H. Clark article from the June 2 Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REVIEW OF CURRENT TRENDS IN BUSINESS AND FINANCE

(By Lindley H. Clark, Jr.)

Economic planning long has had a bad name in the U.S. There are two perfectly good reasons for this. First, planning has been pushed most energetically by highly centralized Socialist states, whose way of life isn't exactly what most Americans favor. A second and purely practical objection is that even extreme governmental regimentation of the economy hasn't always fulfilled the planners' plans.

Nonetheless, Republican Sen. Jacob Javits and Democratic Sen. Hubert Humphrey have joined to urge that the U.S. set up an Economic Planning Board in the Executive Office of the President. The board would prepare a long-term plan for the economy; perhaps because of the existence of all of those five-year plans overseas, the proposed legislation does not specify the term for the U.S. plan.

The proposed Planning Board's assignment is nothing if not imposing: "anticipating the nation's economic needs, measuring available national economic resources, assuring an adequate supply of industrial raw materials and energy, outlining economic goals . . . developing a proposed Balanced Economic Growth Plan, and recommending policies to achieve the objectives of the plan." All this would be achieved by a group that, its proponents stress, would have no enforcement powers whatsoever.

Recent events have pointed up both the government's interest in lengthening its economic time horizons—and the difficulty it has in doing so. The new House and Senate Budget committees represent at least an attempt to get a grip on federal income and outgo a year ahead instead of leaving such matters to the day-to-day vagaries of appropriations committees and subcommittees. The federal budget for several years has been predicting revenues and receipts some years ahead, and the budget this year included a general economic forecast through 1980. Congress has asked the Federal Reserve System to spell out its monetary growth targets a year ahead, and the Fed is doing so.

Underlying all these efforts is a growing feeling, both in government and outside, that the short-run economic improvisations of recent years have contributed to our current troubles. If more federal spending and easier money will generate immediate prosperity, there has been a general disinclination to worry about inflationary consequences until later on. New economic policies succeed new economic policies, and uncertainty spreads across the land.

Congressmen get the message, but their response is still somewhat in doubt. Those budget committees are much too freshly minted to give anyone much confidence that their announced spending ceilings will be made of steel rather than rubber. When a legislator must balance some vague concept of the nation's best interests against his constituents' definite demands, the latter may prevail.

The congressional wanderings through the wilderness of energy policy also give cause to wonder whether the lawmakers ever will come out anywhere. Though the proposed national planning legislation hands the initiative to the President, it should be noted that Congress is supposed to accept, reject or modify the resulting plan after some careful planning of its own.

Even if there is nothing like full agreement on a U.S. plan, though, the planning exercise itself could be beneficial—if no one expected too much from it. There has been a tendency for the nation to charge off after a variety of economic goals, all of them perhaps desirable but not necessarily compatible with one another. Planning might provide for some realism.

In an era when the best economists have found it hard to forecast a couple of months ahead, no one should expect an Economic Planning Board to be able to produce infallible forecasts four or five years ahead. If and when it comes, national economic planning ought to be fully flexible, just as private business planning is now.

The danger is that business plans and government economic plans are essentially different. When business plans go awry, as so many of them have in the past year, businessmen cannot pass a law that they think will put all things right. If the government plan wasn't being achieved, there could be a strong temptation for government to step in and do something to try to improve matters.

Sen. Humphrey, in supporting the planning legislation, said, "It's my view that planning in this country would provide a map of the country ahead, it would clear some of the fog from our view of the road, and it would steady the steering mechanism of the car." Maybe that's right, but don't bet that someone wouldn't be trying to grab the wheel.

Such worries aren't eased by the views of some other planning proponents. "Experience has taught us," says Leonard Woodcock, president of the United Auto Workers, "that the unseen magic of the so-called free market does not work." While Mr. Woodcock stresss that planning would be "democratic," his comment does seem to point to more government intervention, not less.

Harvard economist Wassily Leontief compares the American economy to an automobile. If the automobile is not running well, he says, it may be necessary to adjust parts of the engine or even to replace those that have become defective. Such an approach, of course, runs counter to the view of those in Congress and elsewhere who feel that the economy is misfiring now at least partly because the government in the recent past has tinkered excessively with the engine.

Sen. Javits believes that economic planning is entirely consistent with less government interference in the private economy, more economic competition, less federal regulation. Perhaps so, but there is no magic in planning that assures such developments.

Sensible planning could be highly useful if everyone involved remained aware of its real limitations.

TRIBUTE TO THE LATE SENATOR KENNETH B. KEATING

Mr. FONG. Mr. President, I rise to pay tribute to my late friend and former Senator from the great State of New York, Kenneth Barnard Keating.

Senator Keating served his State and his Nation long and well. Born at the turn of the century, Kenneth Keating was still in his teens when he joined the U.S. Army during World War I and served with distinction as a sergeant.

When the need for Americans to bear arms again arose following that fateful day in December of 1941, Kenneth Keating answered the call for a second time and served as an officer of the U.S. Army overseas for 3 years. His rise in rank to that of brigadier general and his many decorations attest to very distinguished service—the Legion of Merit with Oak Leaf Cluster; American European and Asiatic Theater Ribbons, and the Order of the British Empire.

A lawyer by profession, Kenneth Keating first entered politics as a delegate to the Republican National Convention in 1940 and was a delegate to each of the succeeding conventions through 1964. He was elected as a U.S. Representative from upstate New York in 1946 and served most effectively until 1959, when he entered the U.S. Senate after a stunning upset victory in the 1958 election.

It was my privilege and pleasure to have met Senator Keating in August 1959, after I was elected and sworn in as a U.S. Senator when Hawaii gained its statehood. Ken Keating and I served together on the Senate Judiciary Committee and a more charming and ebullient man would be difficult to find. He was a most diligent and hard-working Senator, one of the hardest working Senators in the Congress. He was also forward-looking in his approach to issues and most articulate in explaining his views.

After serving in the U.S. Senate, Ken Keating was elected to the New York State Court of Appeals and he was asked to become U.S. Ambassador to India by President Nixon.

In India and later in Israel, as America's envoy to these nations, Kenneth Keating did a most effective job in helping to soothe what were on numerous occasions troubled relations.

Mr. President, with the death of Kenneth Barnard Keating on May 6, our Nation lost a worthy and able citizen and public servant.

On behalf of Mrs. Fong and myself, I extend to Senator Keating's widow, Mary, and to the other members of the family, our dcepest heartfelt sympathies.

KENNETH BARNARD KEATING

Mr. INOUYE. Mr. President, I would like to express my sense of loss at the death of our former colleague, Kenneth Barnard Keating. His life and distinguished public career should be an inspiration to all Americans.

As a Representative and Senator, he brought to the Congress his good humor, acerbic wit, quick mind, and strong character. His active support for civil rights legislation attested to his unceasing quest for justice and equality; his diligent research and ever-watchful eye first demonstrated to the country the dangers of the Soviet missile buildup in Cuba.

Elected to the New York State Court of Appeals in 1965 after 18 years in the Congress, he continued his exemplary public service in the Judiciary until 1969 when he was appointed Ambassador to India. There during a particularly tense era of United States-India relations spawned by the 1971 Bangladesh conflict, he sought to restore a spirit of amicable cooperation between these two countries. Unconventional, and at times in conflict with the Nixon administration's foreign policy, Kenneth Keating's record was one of an Ambassador dedicated to world peace and the betterment of the human condition. It has been said that he even looked like the ideal Ambassador.

In 1973, he was appointed to the last position of his long career: Ambassador to Israel where he served until his death. He continued his efforts to secure world peace from that very important post.

Kenneth Keating, a man of vitality and wisdom, a public servant of honor and distinction, will be sorely missed. My prayers are with his family.

METROPOLITAN AREA HOUSING ALLIANCE

Mr. PERCY. Mr. President, in order to make informed decisions about pending legislation and related matters, we must have information about the impact of Federal programs in the communities we represent.

One of the most effective Illinois organizations for communicating community sentiment about housing issues to elected officials has been the Metropolitan Area Housing Alliance. I have found this organization and its leaders, such as Ms. Gale Cincotta, to be reliable sources of information about housing and community development matters in Chicago. Although I do not always agree with MAHA's positions or approaches, I value the group's efforts to keep me abreast of its views.

A recent edition of the Chicago Sun-Times carried an excellent article about the origins and operations of MAHA. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW HOUSING ALLIANCE PULLS NEIGHBORHOOD GROUPS TOGETHER

(By Jerry De Muth)

When members of the Metropolitan Area Housing Alliance call on lending institutions, government officials and others whose policies the alliance says promote neighborhood decay, they identify themselves as being with some 30 community groups first. Then they identify themselves as MAHA members, too.

"People identify themselves with a neighborhood," explained Mrs. Gale Cincotta, a MAHA leader from Austin. "To have a strong metropolitan organization, you have to have strong local organizations."

MAHA began 18 months ago, a successor to a coalition of several West Side organizations. Community groups that have been isolated were discovering they were all fighting similar problems—with little success.

"When a group fights a problem alone," Mrs. Cincotta said, "officials tell that group it's an isolated incident that is happening to you alone. It's easier to fight together. And some issues are so big you can't do anything alone."

Leaders of member groups can point to failures that finally ended with a measure of success.

Robert Lucas, chairman of the Kenwood Oakland Community Organization, said his organization was finally able to obtain city action on two apartment buildings with code violations.

"We had tried before, but we didn't have much success," he said. "It's one thing for KOCO to scream about code enforcement and something entirely different for MAHA—with 19 or 20 groups then—to scream."

MAHA has been trying to get financial institutions to make loans in the institutions' home communities and has pushed for disclosure of lending information to find out when institutions refuse home mortgages and home-improvement loans in certain areas. It has battled the U.S. Department of Housing and Urban Development over the disasters in its subsidized-housing programs, seeking aid for the families affected.

The group also has tried to halt foreclosures by mortgage holders on HUD homes and has pressed officials and courts to enforce building codes and demolish vacant, hazardous buildings.

MAHA's roots go back to 1970, when, under the name West Side Coalition, three groups joined together—Organization for a Better Austin, Northwest Community Organization and Our Lady of the Angels Real Estate Practices Committee.

"We would go after a realtor who was blockbusting in Austin," said Mrs. Cincotta, OBA chairman at the time, "and he'd then go into the NCO area. We figured we all were involved in the same issues. We were all on the West Side. So we decided to pull it all together."

That coalition sponsored the first National Housing Conference here in March, 1972. That conference led to Housing Training and Information Center and the National Peoples Action on Housing, both of which Mrs. Cincotta heads and which operate from the MAHA offices, 4209 W. Division.

At the same time, more groups joined the West Side Coalition. It reorganized as two different issue-oriented groups—the Chicago Area Mortgage Coalition, which fought red-

lining, and the Chicago Area FHA Coalition, which tried to cope with the HUD subsidized-Housing scandal, a chief topic of the housing conference.

About 12 community organizations belonged to each when MAHA was formed, in November, 1973. The two coalitions continue today, as part of MAHA.

Membership in MAHA has doubled, since its start, to some 30 community groups, that now represents not only about 15 Chicago neighborhoods but also such suburban areas as Oak Park, Harvey and Chicago Heights.

Lucas said his Kenwood organization has become larger and more active since joining MAHA.

"Because we're near the lake, people feel isolated," he explained. "But through MAHA, members of KOCO are able to interact with members of other groups. They don't feel so isolated. MAHA has given them a broader perspective."

Sel Dunlap, co-ordinator of the South Austin Realty Assn., notes a similar effect, saying, "You know that someone else shares your interests and that problems are the same throughout the city. And you can have more of an effect with everyone working together."

Mrs. Cincotta said that despite progress, there still have been no real victories. Only little skirmishes have been won. The backlog of cases in housing court is gone and code enforcement and prosecution is better, but too many buildings still reach the stage where they have to be demolished, she said.

"When fewer buildings go to demolition, then you could say we have a victory," she said.

Mrs. Cincotta points to half a dozen bills introduced in the General Assembly that deal with redlining and other issues raised by MAHA, and other community groups. Many were introduced by legislators from introduced by legislators from districts where MAHA is active, and MAHA members were among those testifying in Springfield.

More recently, Mrs. Cincotta and others testified in Washington on a bill, sponsored by Sen. William Proxmire (D–Wis.), that would require all financial institutions to disclose lending information.

A year ago the City Council voted to require such informations of institutions that want to receive deposits of city funds. Mrs. Cincotta said MAHA's work was a prime reason for passage of the ordinance.

A CELEBRATION OF AMERICA

Mr. HUMPHREY. Mr. President, it is a pleasure for me to bring to the attention of the Senate a book entitled "These United States."

This beautiful book contains 125 magnificent color photographs by the award-winning Washington free-lancer, Fred J. Maroon, and a moving text by the chief of the Time-Life Bureau in Washington, Hugh Sidey. All 50 States and the District are represented in this book.

It is particularly noteworthy that the U.S. Information Agency has purchased 2,000 copies of the book for distribution to American posts around the world. The USIA has also mounted an exhibition of many of the outstanding photographs in this book, which is now touring the capitals of the world.

The publisher, Evelyn Petersen Metzger, the daughter of a former Governor of the State of Minnesota, is not only a constituent of mine but a friend of long standing. She and Mr. Maroon and Mr. Sidey had been wanting to do this book for many years, but the book's concept was considered too risky by the major publishing firms in New York.

Therefore, Mrs. Metzger, putting to use her long experience in magazine and book publishing, started her own publishing house in McLean, Va., a suburb of Washington. She and her authors knew that the best way to accomplish things in the American free enterprise system is to do it yourself. What they have achieved is a book that will make every American proud to be a citizen of our great country.

"These United States" is truly a love song to America, in pictures and in words. It celebrates our vast country, its natural riches and beauty, its ingenious citizens and their magnificent contributions to American life as we know it today.

In the midst of all the negative feelings and doubt and uncertainty about America's role in the world and its future as a nation, Mr. Sidey and Mr. Maroon, while not blind to our problems, find hope for the future in the American character, in the town meetings, in the community spirit, that is the beginning and future of our greatness. They go back to the hometowns, back to man's support of his fellow man, back to an appreciation of the natural beauty and abundance with which our land has been favored. There is our faith, our trust, and sacred heritage.

An editorial that appeared in the Des Moines Register of May 7, 1975, takes pride in the fact that Hugh Sidey is a fourth generation member of a distinguished Iowa newspaper family, the Sideys of Adair County Free Press. Mrs. Metzger is also from a publishing family her father having founded one of the oldest weeklies in Minnesota, the Askov American, and her uncle having been the editor of the Norwegian-language newspaper in Decorah, Iowa.

Mr. President, I ask unanimous consent that the Des Moines Register editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE UNITED STATES

In the atmosphere of bitterness about the "loss" of South Vietnam and the shameful un-American reception for the refugees in some quarters, we were refreshed in our faith in America by a new book, "These United States."

The book was written by Hugh Sidey, of Time magazine, with photographs by Fred J. Maroon. Sidey is one of the Greenfield, Ia. Sideys who have published and edited the Adair County Free Press for four generations. He has caught the heart of America in this brief description of its various regions. Iowans will not find a flaw in tone or description of their own Middlewest or of the other parts of America.

The book, published by EPM Publications-Hawthorn, is beautifully printed on 8½ by 11½ in. pages. Looking at Maroon's wonderful photos of our cities, farms, mountains, lakes, factories, schools, homes; and people of many races, origins, religions and talents; reading Sidey's loving and sensitive text, you will feel proud you are an American.

You will gain a sense of American values and American ideals through history that will put the unhappy experience of the Indochina war in perspective. The sins and errors of Americans in their development of the continent, their cruelty to blacks and Indians and their heedlessness of an unmatched environment of natural riches—all these pockmarks in the American experience are touched upon. But the weight and emphasis are on the good and the great in America.

It is a book well timed for the bicentennial celebration.

SALUTE TO OLDER PERSONS WEEK

Mr. FANNIN. Mr. President, I take this opportunity to make my colleagues aware of the fine work Arizona is doing in sensitizing its citizenry to the plight of the senior citizen.

In order to give recognition to the older persons of Arizona, Governor Raul Castro has designed June 5–12 as Salute to Older Persons Week—1975, by making the following proclamation:

Whereas, men and women over 50 years of age comprise a significant segment of the American Population, and

Whereas, by the year 2000 over fifty percent of the population of the United States will be over the age of fifty, and

Whereas, Arizona's older population is the fastest growing of any State in the nation, and

Whereas, older persons represent an economic and manpower resource that have remained untapped and under-utilized, and

Whereas, several national and local conferences on aging are currently taking place in Arizona,

Now, therefore, I, Raul H. Castro, Governor of the State of Arizona, endorse the comprehensive efforts of these national and local organizations which are laying the foundations for tomorrow's programs and services for older persons, and hereby proclaim the week of June 5th through June 12th, 1975, as Salute to Older Persons Week—1975,

And do call upon all Arizonans to recognize and give due credit to the older persons of our State.

In a further effort to recognize our senior citizens this week has also been proclaimed "Employ the Older Worker Week" by the mayor of Phoenix, Timothy Barrow, and many other Arizona mayors:

According to 1973 data, men and women, 55 years of age or older, comprise approximately 17% of the national work force. Theirs is a vital contribution to the economic and social stability of a nation . . . of the City of Phoenix, Arizona.

Today, while age discrimination and other artificial barriers still exist in many hiring practices, more Arizona employees are recognizing the value of the older worker. Their action is to be commended.

Over the years, the Federal Government in concern with numerous agencies and organizations dedicated to serving the elderly have initiated efforts to hasten elimination of an unrealistic bias against older workers and to inform employers of the many contributions the older worker makes to our national and local well-being.

Therefore, as Mayor of the City of Phoenix, Arizona, I, Timothy Barrow endorse the efforts of many agencies and organizations concerned with the far-reaching employment problems of the older worker and designate June 5, 1975 as Employ the Older Worker Week in Phoenix, Arizona, and request that all employers in our community give special consideration to the diverse range of skills and qualifications of those men and women, 55 years of age and older.

I am also asking those public officials who are responsible for job placement, counseling, training and retraining, information and referral services to intensify their efforts to assist older workers locate suitable employment opportunities.

All of the events related to these proclamations will climax with a 90 minute live simulcast to nine Western States from Phoenix. I am greatly encouraged and proud of the positive action taken by my State and I hope other States will follow.

FINANCIAL STATEMENT OF SENATOR AND MRS. STEVENSON

Mr. STEVENSON. Mr. President, in keeping with my practice, I ask unanimous consent that a statement of assets and liabilities as of April 1, 1975, for Mrs. Stevenson and myself, and a statement of our income received and taxes paid for the year ending December 31, 1974, be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Consolidated financial statement of Senator and Mrs. Adlai E. Stevenson, Apr. 1, 1975

REAL ESTATE	
Home, Washington, D.C. (cost)	$125,000
One-third interest, residence, Beverly, Mass.	70,000
Interest in farm, JoDaviess County, Ill.	163,500
Fractional interest, Fisk Building, Amarillo, Tex.	3,200
Fractional interest, 1776 Pennsylvania Ave., Washington, D.C.	20,000
Fractional interest, 633 Folsom Street, San Francisco, Calif.	12,000
Real estate, St. Maarten Island	8,000
10 percent undivided interest in real estate, Tiburon, Calif.	66,195
STOCKS AND BONDS	
12,640 shares, Evergreen Communications, Inc. (publishes Bloomington, Ill., Daily Pantagraph, operates WROK, Rockford, Ill., and WJBC, Bloomington, Ill., owns 10 percent of Bloomington, Ill., CATV)	164,573
3 shares, Bloomington Broadcasting Corp., Class B, nonvoting	1,500
533 shares, KBA Townbuilders Group Ltd., Tel Aviv	550
34.1 shares, R.R. Leaseholds, Inc.	500
State of Israel Bond	500
[Market value as at Mar. 31, 1975]	
10,000 Bonds, Baltimore, Md., 6.25 percent Oct. 15, 1984	10,200
Commercial paper	10,000
400 shares General Electric	18,400
400 shares Hesston Corp	9,100
83 shares IBM	17,150
69 warrants Lin Broadcasting Corp.	69
250 shares Pfizer, Inc.	8,063
200 shares Spectra Physics, Inc.	3,150
400 shares McGraw-Edison	5,150
100 shares Union Carbide Corp.	5,675
210 shares Xerox Corp.	14,910
705 shares Rowe Price New Era Fund	7,050
LIFE INSURANCE POLICIES	
[Current cash surrender value]	
United Services Automobile Association Life Insurance Co.	1,226
Northwestern Mutual Life Insurance Co.	1,616
Continental Assurance Co.	4,122
Civil Service retirement system	14,866
CASH	
Less current obligations	1,000
MISCELLANEOUS	
Personal property, including securities of nominal value, furniture, cars, paintings, and clothing	$65,000
Total	832,265
DEBTS	
Mortgage—Perpetual Federal Savings & Loan Association, Washington, D.C.	74,682
Note payable to Continental Assurance Co.	4,041
Total	78,723
INCOME	
Salary	42,500
Dividends ($97,760 less $200 exemption)	97,560
Interest	1,472
Rents, royalties, partnerships, et cetera	10,123
State income tax refund	339
Honoraria	[1] 11,025
Farm loss	[2] —7,722
Net loss on sale of capital assets	—1,000
ADJUSTMENTS TO INCOME	
Employee business expense adjustment	1,812
DEDUCTIONS	
Medical	150
TAXES	
Illinois State income tax	2,760
Real estate taxes	7,605
Other	1,272
Interest	7,877
Charitable contributions	16,166
MISCELLANEOUS	
Unreimbursed Senate expenses	15,292
Other business expenses (preparation of returns, investment services, et cetera)	4,612
Political contributions	100
Individual exemptions	4,500
Taxable income	92,243
Investment credit	4,097
Federal taxes paid	36,429
The following income was received in 1974 and was not subject to Federal income taxes: Baltimore, Md. bond	625
Portion of tax free income attributed to taxpayer from Sub-Chapter S Corporation, Evergreen Communications	634
Total direct taxes (State and Federal income taxes and property taxes)	48,066

[1] All honoraria are placed in a special account for charitable contributions and unreimbursed Senate expenses.

[2] Farming operations were established in 1974 for the first time and no products were developed for sale during the year.

VILLAGE OF PARK FOREST, ILL., URGES CONGRESS TO ENACT STIFF GUN CONTROL LAW

Mr. PERCY. Mr. President, as the public and the Congress become more and more educated about the problem of handguns in the United States, we also learn to recognize that the opposition to strong handgun control measures runs counter to the best interests of the Nation, as well as counter to the wishes of the majority of the citizens of this country.

An example of this awakening determination to enact strong and effective Federal gun control laws is the adoption by the President and Board of Trustees of the village of Park Forest, Ill., of a resolution concurring in the recommendation of the U.S. Conference of Mayors, and urging the Congress to act on this matter.

Mr. President, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, legislation has been introduced into the Congress of the United States banning the manufacture, importation and sale of handguns and ammunition; and

Whereas, eighty per cent (80%) of all handgun deaths are the victims of other members of the family, friends and business associates; and

Whereas, most handguns used in crime are stolen from those who purchased them as allegedly necessary for protection; and

Whereas, for every crime prevented by the presence of a firearm several hundred innocent victims are killed each year:

Now, therefore, be it resolved by the President and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois that we do hereby concur with the recommendation of the U.S. Conference of Mayors and urge the Congress to enact legislation banning the manufacture, sale and importation of handguns and handgun ammunition.

Be it further resolved that the Village Clerk be and she is hereby authorized and instructed to submit copies of this Resolution to Senators Percy, Stevenson; Representatives Derwinski, O'Brien and Russo.

SENATE STAFFING RESOLUTIONS

Mr. MOSS. Mr. President, we have before us three different proposals to reduce inequities in the distribution of staff resources among Members of the Senate. The original resolution, introduced by Senator GRAVEL, would authorize 1,000 additional committee-related employees at a potential cost of $40 million per year. The committee substitute, proposed by Senator HATFIELD, would add 100 employees to committee staffs at an estimated cost of $3.5 million. The compromise, advanced by Senator SCHWEIKER and Senator BROCK, would authorize an unknown number of committee-designated staff members at a projected cost of $9 to $12 million. Under the Gravel plan the new employees would be members of personal staffs and accommodated in Members' offices. Under the plan approved by the Rules Committee they would be members of committee staffs and located in committee offices. Under the Schweiker plan, they would be personal staff members "designated" to committees and assured access to committee deliberations.

No one doubts, I least of all, that many junior Senators labor under serious disadvantages for lack of staff support. But this issue has so far generated more heat than light. Critics of the Gravel resolution have attacked its cost and neglected its consequences. Supporters charge that their opponents are motivated by concern to protect their power.

I agree that the price tag of this resolution is prohibitive, especially when one considers the pressures it will inevitably stimulate for more office space and more parking space. But at this time I shall address my remarks to the proposal's merits.

First, it is said that the Gravel resolution will establish a new principle of equality of Senators with respect to their legislative duties, as distinct from the magnitude of their constituency responsibilities. Nothing could be further from the truth. The staff entitlements in Senate Resolution 60 and Senate Resolution 110 heavily favor Members with seniority and with subcommittee chairmanships or positions as ranking minority members.

For example, I would be authorized to hire 12 new employees at a total cost of $418,572, nearly double the allowance to my freshman colleague, Senator GARN. This result is not affected by our different partisan affiliations, but simply represents our relative seniority and respective committee assignments.

Committee	Add. staff	Cost	Committee	Add. staff	Cost
Senator Moss			Senator Garn		
Space	2	$69,762	Space	2	$69,762
Budget	2	69,762	Banking	2	69,762
			Ranking subcommittee member.	2	69,762
Commerce	2	69,762	District of Columbia.	1	34,881
Subcommittee chairman	2	69,762			
Special aging	1	34,881			
Subcommittee chairman.	2	69,762			
Post Office	1	34,881			
Total	12	418,572		7	244,167

Such disparities are undoubtedly the rule, not the exception. The very fact that Senator GRAVEL predicts that many senior Senators will not use their allotments and that expenditures will therefore amount to only $16 million rather than the $40 million authorized indicates how excessive is the authorization. The resolution reaffirms the present distribution of staff; it does not correct it.

Second, it is claimed that the resolution will relieve the common situation in which constituent demands on personal staff leave them no time for legislative work. In hearings before the Rules Committee, supporters of Senate Resolution 60 reiterated the enormous growth of constituent correspondence and requests and pleaded the inadequacy of their staffs to cope with it. If that is the problem, then we should design an appropriate solution rather than create a large number of new employees in the dubious position of "committee related" staff. I foresee that many of these new staff members would find themselves working on constituent, not committee, business, especially since they will be located in Members' offices.

If, on the other hand, the new employees were assigned committee responsibilities, there would arise the enormous difficulty of integrating them with the professional and investigative committee staffs. How will personal staff members gain access to and a working relationship with established committees from their vantage in Senators' offices? In short, in my view, the Gravel resolution is ill-conceived as well as extravagant.

The committee substitute, by comparison, appears to be both modest and practical. However, I would like to examine briefly its implications for the Committee on Aeronautical and Space Sciences. By itself the addition of eight new professionals will almost double the committee's personnel budget to $800,000 per year. These staff members will require clerical assistance, perhaps three employees at an average annual salary of $10,000. They must be equipped with typewriters, desks, telephones, and other essentials.

The new staff must also be accommodated in already crowded quarters. Members are well aware that congestion throughout the Senate has reached an intolerable point. The same is true of parking space, which will be reduced by the extension of the Dirksen Office Building. These housekeeping problems may seem minor to some, but it is elementary that you cannot create chaos out of confusion and expect satisfactory staff performance.

Nor does the Hatfield plan resolve the status of these employees. They will serve two bosses, the Senator and the committee staff director. This arrangement, of course, is not uncommon. In some instances there are conflicts of interest; in other cases it works well. The Senate Budget Committee is experimenting on a small scale with a staff system similar to that proposed in the Hatfield resolution, whereby each Member may appoint a single professional employee. However, the functions of these personal staff members were planned from the beginning. The committee's substitute for Senate Resolution 60 proposes to institutionalize the practice without any consideration of its consequences.

Finally, the Schweiker-Brock compromise aims to strike a balance in expense and other respects between the Gravel and Hatfield plans. Yet its cost is substantial and no less likely to require ancillary expenditures. The plan guarantees staff members access to committee operations, but it does not assure them good working relations with committee staff. Nor does it insure that they will not be diverted to noncommittee business. All three proposals, in fact, expose the Senate to repeated charges of surreptitious and questionable use of staff resources.

My evaluations of these alternatives may be too pessimistic. The point is that none of the plans before us has received adequate analysis. Their sponsors may have calculated their personal and political implications but have ignored their consequences for the Senate. What other organization, private or public, would hire a large number of new personnel to positions of nuclear status without thorough study of their functions in relation to the organization's needs?

Having said that, I acknowledge again that committee staffs, mostly adequate in size, do not adequately serve all Members of the Senate or indeed the Nation. Partly this is a result of present staffing procedures. Primarily it is a result of the fractured jurisdictions of the committees and subcommittees of the Senate. In 1947 there were 54 subcommittees; now there are 175, many with overlapping responsibilities. These resolutions would exacerbate that trend. They contain incentives for Senators to retain or obtain multiple committee assignments or to create new subcommittees in order to acquire additional staff.

Reorganization of the Senate committee system is an urgent matter. The solution is readily available. Senate Resolution 109, introduced by Senator STEVENSON with 54 cosponsors, would create a temporary bipartisan committee to examine and recommend changes in Senate committee staffing, organization, and procedures. Forty-one of the supporters of the Gravel resolution are also sponsors of the Stevenson resolution. I urge my colleagues in the Senate to set aside Senate Resolution 60, and I urge my colleagues on the Rules Committee to proceed without delay to consider and report Senate Resolution 109.

THE PRESIDENT'S VETO

Mr. FANNIN. Mr. President, I was very pleased by the vote in the House of Representatives sustaining President's Ford's veto of H.R. 4481, the Emergency Employment Appropriations Act. The President very wisely pointed out that this legislation would not be effective until after the recovery has begun in the employment situation. The excessive spending would only touch off more inflation. Worse than being too little too late, this bill was too much too late.

Monday of this week the Arizona Republic and the Phoenix Gazette carried excellent editorials supporting the President's veto. These editorials take note of some of the many shortcomings of this legislation and why the President was forced to veto the appropriation.

Mr. President, I ask unanimous consent that these editorials be printed in the RECORD at this time.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Arizona Republic, June 2, 1975]

"NEANDERTHAL LIBERALS"

The bill to create 900,000 jobs at a cost of $5.3 billion that President Ford vetoed Thursday was the handiwork of a group of Democratic congressmen a veteran Washington correspondent has labeled "the Neanderthal liberals."

They are the freshmen of the 94th Congress.

They are young, brassy, full of themselves and full of ideas.

Unfortunately, the ideas are all at least 40 years old. They are yesterday's solutions to yesterday's problems.

The freshmen were elected partly as a result of Watergate and partly as a result of the recession. Now that Watergate is fading into history, they are concentrating on grappling with the recession.

Instead of taking a cold, clear look at today's economy, however, they have gone into the libraries and dusted off the histories of the first Roosevelt administration.

How did Roosevelt cope with unemployment? He created agencies to provide jobs, the Public Works Administration, the Works Progress Administration, the Civilian Conservation Corps.

How did he pay for it? By running up the national debt.

Taking a leaf from history, that is precisely what the Neanderthal liberals have proposed.

In doing so, they have ignored the fact that 1975 is not 1933.

In 1933, the nation was in the midst of a depression, with no end in sight.

In 1975, the nation is suffering from a recession, and the upturn already appears to have begun.

In 1933, more than 30 per cent of the nation's work force was unemployed; millions had been without jobs for as long as three years.

In 1975, the unemployment rate is 8.9 per cent, and the vast majority of those on the unemployment rolls have been without jobs for only a few months.

Before 1933, when a man lost his job, his family began to feel the pangs of hunger as soon as his savings were gone. Roosevelt created the PWA, the WPA and the CCC primarily as a means of enabling people to eat.

In 1975, the impact of the recession is cushioned by unemployment insurance, supplementary unemployment benefits, Social Security, Supplemental Social Insurance, the food-stamp program, Aid for Dependent Children, Medicare and Medicaid, government-subsidized welfare.

No one need go hungry.

There is another vital difference between 1933 and 1975.

In 1933, the national debt was $20.8 billion. There was no problem of inflation. On the contrary, the problem was deflation.

In 1975, the debt is approaching $600 billion. The contemplated deficit for this year alone will be three times the debt that Roosevelt inherited.

And the problem is the danger of runaway inflation. To run up a deficit of more than $500 billion this year could send prices into the stratosphere.

Fortunately, there are members of Congress including many Democratic members, who understand the differences between 1933 and 1975, even if the Neanderthal liberals don't.

There are enough of them, the Washington correspondents report, to sustain the President's veto of the Neanderthal bill.

[From the Phoenix Gazette, June 2, 1975]

FACTS SUPPORT VETO

When President Ford vetoed the $5.3 billion measure that the liberal Congress believes will solve the unemployment problem, he backed up his action with a great many economic truths.

When House Speaker Carl Albert, D.-Okla., predicted that Congress would override the veto, he had nothing of substance to support such an action. "The Congress will not allow the President's negative action to scuttle this jobproducing legislation," he said, and that is political rhetoric.

Mr. Ford told Congress that "this bill . . . is not an effective response to the unemployment problem. It would exacerbate both budgetary and economic pressures, and its chief impact would be felt long after our current unemployment problems are expected to subside."

In other words the spendocrats' program would just get rolling at a time when the economy was recovering naturally. Once under way, however, it would add to an already unacceptable budget deficit, now targeted at about $69 billion, and make the dollar worth even less.

Shortly after this latter-day WPA project landed in the Oval Office, the U.S. Commerce Department released figures revealing that an index designed to anticipate the economy's future took the biggest jump ever last month. This is strong evidence of an impending economic upturn.

These favorable factors are many and varied: A longer workweek, a lower layoff rate, improved performance by suppliers in meeting delivery deadlines, an increase in the amount of corporate assets that are quickly convertible into cash, lower prices for key commodities at the wholesale level, increased spending on factories and equipment, faster formation of new businesses, higher stock prices, increased orders among producers of consumer goods, and a greater number of building permits issued.

Prosperity is by no means "right around the corner." An economy does not react overnight, and some government actions are needed.

Mr. Ford some time back asked Congress to pass more realistic proposals for public service jobs, summer employment programs and an extension of unemployment compensation. Congress should sustain the veto, and then get on with adopting these more practical measures.

FURTHER COMMENT ON THE WALLACE CANDIDACY

Mr. McINTYRE. Mr. President, on June 1 I delivered a speech in Concord, N.H. In that speech, I said the Presidential candidacy of George Wallace was "incredible and appalling," and I detailed my reasons for making that statement.

Developments in the last few days call for further comment.

Let me first address the serious question raised in Charles Seib's "The News Business" column on the editorial page of Thursday's Washington Post.

Mr. Seib contends that lifting two Wallace quotes out of context and linking them for emphasis unfairly distorted what Wallace said about our alliances in World War II in an interview with a group of foreign journalists on March 3 of this year.

Since I relied on these quotes to charge Mr. Wallace with publicly questioning whether we fought on the wrong side in World War II, fairness demands that I now call my colleagues' attention to Mr. Seib's column.

Mr. President, the point has been made often and well by many political scientists, historians, journalists, and ethicists that using irresponsible tactics to fight irresponsible foes only compounds the evil of irresponsibility and helps the cause of one's adversaries.

The last thing I want is to appear irresponsible in my opposition to the candidacy of George Wallace, for if I were to do anything—even inadvertently—to aid his cause, I would never be able to forgive myself.

With that in mind, Mr. President, I ask unanimous consent to have Mr. Seib's column appear at a specified point in the RECORD at the conclusion of my remarks, along with the full transcript of the Wallace interview in question. The transcript is from the USIA Foreign Press Center.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 2.)

Mr. McINTYRE. Mr. President, in that way, all who read this passage in the RECORD can judge for themselves whether the meaning of the Wallace remarks about our World War II alliances was, indeed, distorted by the Post news-story about the interview.

For my own part, I salute Mr. Seib for raising the question of fairness and accuracy in this matter, and I congratulate the Post for publishing the views of its internal arbiter of professional ethics, for this is in the best traditions of responsible journalism—a point I will return to later.

I am not persuaded, however, that the surfacing of this question invalidates my argument that Mr. Wallace is the wrong man to inaugurate at a time when, as I said in my speech:

Reason cries out for the most painstaking, intelligent reassessment of foreign policy, of national resources, of economic measures, and of positive ways to rebuild public confidence in our institutions and our system.

One could concede that the writing and editing of the Post's story about the Wallace interview with the foreign journalists unfairly "tilted" the implication of his remarks about World War II alliances, a charge, incidentally, that both the writer and his editors reject, and still justly contend that any reading of the text of that interview chillingly reveals Wallace's unfitness to chart the foreign policy of this country.

Rowland Evans and Robert Novak, in a column critical of alleged Democratic carelessness in attacking Wallace on this point, admit that—

A reading of the transcript shows no Wallace departure on foreign policy from his rambling conversations with reporters over the years; blunt to the point of offensiveness, nationalistic to the point of jingoism, anti-Communist to the point of hysteria.

Indeed, the original Post article about the Wallace interview with the foreign journalists quotes a Norwegian correspondent as saying he was "shocked" by Wallace's attitude and puzzled by Wallace's "aggressiveness."

That article also reported that Billy Joe Camp, Wallace's press secretary, said Wallace hadn't realized until midway into the interview what kind of a group he was talking to.

By then, Camp reportedly continued:

It had gone too far for diplomacy so he had to go on with it.

Mr. President, if this Nation has not learned in the bitter and frustrating experiences of very recent years the incredible risks and awesome costs of lack of foresight, absence of restraint, and those heedless first steps that somehow cannot be reversed, then all the foreign policy lessons of our tragic intervention in Southwest Asia have been lost upon us.

One more comment on this particular issue, Mr. President.

Is it, indeed, unfair to infer from Wallace's remarks to the foreign journalists that he was saying we should have been fighting on the side of the Axis powers in World War II?

I leave it to my colleagues to make that judgment after they have read the full transcript of that interview.

But I also call my colleagues' attention to the fact that this is not the first

time Mr. Wallace has engaged in World War II "revisionism," and on at least one other occasion the remarks attributed to him were anything but ambiguous.

A book written by Marshall Frady in 1968, titled "Wallace," and described in a New York Times book review as "one of the finest pieces of political reporting published in years," recounts a visit George Wallace made to the Amen Club, a fraternal group of Pittsburgh's industrial and social leaders, in the spring of 1967.

On page 245 of Meridian Book's soft cover edition appears this passage:

One of the club's officers wandered over and, introducing himself, happened to mention that he had been born in Germany. Wallace quickly said, "Yeah, you know they maneuvered us into fighting the enemies of communism back during World War II. The Germans and the Japanese were a mighty brave people, they were mighty brave soldiers. All these organizations that are against our being in Vietnam now, some of them are the same organizations that were all for war back there in 1940. It just so happens that the war today involves Communists. I'm sorry it was necessary for us to fight against those anti-Communist nations. I thought that back then. Hell, we should have been in those trenches with the Germans, with yawl, fightin' them Bolsheviks. . . ."

This passage was called to my attention in a letter I received yesterday, Mr. President.

I had my office obtain a copy of Marshall Frady's book, verified that the passage was as quoted by the letterwriter, and in the interests of fairplay I had my staff contact Mr. Frady to ask him if he had actually heard George Wallace say these words.

Mr. Frady said:

I heard him. I was standing right at his elbow when he said it.

Mr. President, if Mr. Frady has accurately quoted George Wallace, as he says he has, then Wallace did indeed say U.S. soldiers should have been fighting shoulder to shoulder with German troops in World War II. If that had been the unfortunate case, would we not have had to fight the French and the British and the troops of every other European allied country, as well as the "Bolsheviks"? Mr. Wallace cannot rewrite history, no matter how hard he tries.

That is all I have to say about George Wallace's World War II "revisionism," Mr. President. Now, I would like to take up the related matter I spoke of earlier.

The speech I made on the Wallace candidacy last Sunday was highly critical of a number of other marks in the Governor's public record, and I have been asked many times in the intervening days why I said what I did, why I chose to speak out at this time, and why I chose to do so in my native State.

This week I have seen speculation in print that there is an orchestrated effort within the Democratic Party to stop George Wallace's candidacy now.

I want my colleagues to know that if there is such a movement, I am not aware of it; that I consulted no one before I decided to speak out on George Wallace; and that I spoke out when I did for two reasons—one long standing and the other more immediate.

You see, Mr. President, I know what political primitivism can do to a State. I have seen what it has done to my beloved State of New Hampshire.

I have seen it create an atmosphere of fear. I have seen it cow good men—of both major political parties—discourage them from running for office, or force them to compromise their own integrity in order to ingratiate themselves with the primitives.

I have seen it shatter morale in State agencies; put the State university under constant siege; create false issues and divide and embitter the citizenry.

In short, I have seen—in my own State—tyranny sold under the false label of order and security, and the common man cynically courted by simplistic rhetoric, and then brutally betrayed by callous action.

For years, the voice of political primitivism in New Hampshire has been the voice of William Loeb, the publisher of the largest, and the only statewide, newspaper.

Every 4 years, the New Hampshire Presidential primary election forces Mr. Loeb upon the transitory attention of the Nation. The national press corps comes into my State, duly reports Mr. Loeb's political fulminations, and then departs—frequently with little more than a bemused backward glance at this professional aberration, this "colorful" throwback to the days of hyper-personalized yellow journalism.

But we in New Hampshire have to live with the brutalizing presence of his newspaper every day of every year.

Mr. President, let me quickly disabuse an notion that my opinion of Mr. Loeb and his newspaper is influenced by an antipress bias.

Indeed, the very opposite is true. I believe my record demonstrates an admiration of the free press, and a determination to keep it as free and as diverse as it can be made. I offered, in late 1969, one of the first newsmen's shield laws introduced in recent times, and that same year I introduced the Independent Media Preservation Act to discourage media concentration and insure the broadest possible range of media expression.

I wrote these pieces of legislation, because I sincerely believe that the best way to surface truth is through the full, free interplay and competition of information and opinion.

In New Hampshire, unfortunately, the dominance of the Manchester Union Leader and the harsh stridency of its pronouncements overwhelms, intimidates, and chokes off any positive and productive dialog, despite the valiant counter efforts of a number of excellent smaller papers, and my State is the poorer for it.

And now Mr. Leob has a soulmate, a Governor of New Hampshire who serves as a mirror image, a Governor whose bizarre politics and disregard for the rule of law, for institutional jurisdictions, for the rights of privacy, and the dignity of human beings, replaced New Hampshire's proud slogan of "Live Free or Die" with the shameful title, "The State of Paranoia."

This, then, is the longstanding reason why I spoke out as I did.

The more immediate reason is directly linked, for this spring Mr. Loeb has given his wholehearted endorsement to George Wallace and has filled the pages of his newspaper with adulatory articles and editorials about the Governor of Alabama.

At the same time, the Governor of New Hampshire has become the self-styled national spokesman for political primitivism, attacking President Ford's brand of Republicanism from coast to coast, and promoting right-wing reactionary policies wherever he goes.

It is more than coincidence, Mr. President, for this Governor of New Hampshire first ran for that office on the American Party ticket after he lost the nomination in the Republican gubernatorial primary.

These, then, are the reasons that I said what I did last Sunday—and said it where I said it—in New Hampshire.

Mr. President, let me make this as clear as I can make it.

The observations about Mr. Loeb, his newspaper, the Governor of New Hampshire and the evils and primitive politics that I have made here today, I have made, and I will continue to make, away from the sanctuary of the Senate Chambers.

I neither seek, nor need, congressional immunity, for I do not fear Mr. Loeb, the Governor of New Hampshire, or George Wallace. Nor do I deny their right to be a part of the American body politic. But I deeply regret their influence, Mr. President, because I have seen what happens when the primitives have the power to activate their bizarre notions of policy and programs. Just this morning, a wire service reported that the Governor of New Hampshire has urged that the National Guard be equipped with nuclear weapons. According to the Associated Press, the Governor said:

If we could double the size and give them the most sophisticated instruments of war, including missiles and nuclear warheads, we would have a tremendous protective power there.

Now I am sure all of us share an appreciation of the National Guard, but for the sake of New Hampshire's peace of mind—not to mention the Governor's credibility of mind—one can only hope the Governor was not serious in making this alarmingly absurd proposal but merely "misstated" himself as he has so often in the past.

Mr. President, I have heard from many people since I called George Wallace's candidacy "incredible and appalling." Some were encouraging messages, some thoughtful, some cautionary, and a great many abusive.

Of the last, the less said the better, for even with the expletives deleted they are far too offensive to appear in a journal of Senate proceedings.

But perhaps I can give you some idea of the vehemence of these messages by asking unanimous consent that the text fo Mr. Loeb's response to my speech be printed in the RECORD at the close of my comments, and that it precede the text of the Charles Seib column and the transcript of the Wallace interview.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McINTYRE. Mr. President, Mr. Loeb's response appeared on the front page of his newspaper's Sunday, June 1, edition and was on the streets even before I concluded my speech.

I invite my colleagues to read this response and ask themselves if they know of any other "above ground" newspaper in the United States that resorts to such invective, to such deliberate abuse of facts—note the distortion of my record on defense matters—such calculated emotionalism, and the unveiled threat of reprisal.

I invite them to contrast the Loeb hysterics with the thoughtful Seib column, bearing in mind that both men are commenting upon the same issue.

And lastly, I invite them to compare the comments of William Loeb with the comments of George Wallace in the text of the interview that follows and in the passage from the Frady book, and to judge whether I was wrong in attacking political primitivism when I did and where I did.

EXHIBIT 1

[From the New Hampshire Sunday News, June 1, 1975]

LOEB CALLS MCINTYRE SPEECH "CHEAP, VICIOUS"

U.S. Senator Thomas McIntyre's denunciation of Alabama Gov. George Wallace, in a speech the New Hampshire Democrat is to deliver in Concord this morning, has been labeled "vicious" and "cheap" by William Loeb, publisher of the Union Leader and Sunday News.

"There is only one word which describes this vicious attack and that is 'cheap'," Loeb said.

"Ever the cheap demagogue, McIntyre by distorting and misrepresenting what Gov. Wallace said, is attempting to make people believe that George Wallace, who flew mission after mission in the Pacific in World War II, actually favored the Nazis and Japanese. This is an obvious attempt by the senator to turn Jewish voters and veterans against Wallace," Loeb said. "It shows how frightened the Kennedy machine—of which the senator is a bootlicking member—is of Gov. Wallace's political strength.

"If Gov. Wallace wanted to bother with Tom McIntyre he would ask New Hampshire's lone U.S. Senator why he has opposed the development of the B-1 bomber; why he has opposed the modernization of our submarine fleet; and why he has slavishly imitated Ted Kennedy's attack on the Pentagon.

"If Tom McIntyre has his way the U.S. will be so weak militarily that it will not be able to fight anybody in the next war. It will not even be able to survive. George Wallace, in contrast, has called for the rearming of America and for a strong nation.

"George Wallace, in the course of an interview with foreign newsmen recently, gave much needed criticism of the stupid and disastrous foreign policies of the U.S. between the end of World War I and World War II. It was Wallace's contention that the stupid way the foreign policy was handled made it possible for the unspeakable Hitler to rise to power in Germany and for the war party to dominate Japan. The point that Wallace was making was that had our nation handled its foreign policies correctly Germany and Japan would have been in the hands of civilized leadership which would have rejected the horrors of Hitler and the Japanese militarists.

"Then, if there had come a struggle in Europe, the U.S. and the civilized nations, including Germany, would have opposed the Communist slave masters. It was in this context that Gov. Wallace made the remark which Tom McIntyre, in his typical cheap fashion, has chosen to distort. There is nothing new about this type of lying about George Wallace. This newspaper has warned its readers previously that the political filth and poison that will be thrown at George Wallace by the snarling liberal hyenas of the press and politic will outstrip anything ever before seen in U.S. political history.

"Wallace drives the liberals and their mouthpieces such as Tom McIntyre out of their minds because he doesn't hesitate to tell America about the mess the stupidity of the liberals has made. Wallace points out that it is the liberal policies of no-win wars and naive, gullible belief in Communist promises that has brought on the nation's dangerous position in the world and at the same time has cost the U.S. taxpayer billions upon billions of dollars.

"Wallace drives the liberals crazy when he points out that their inept and stupid domestic policies have cost the poor taxpayers more billions upon billions yet have not cured poverty but instead have brought us an ever larger and more arrogant bureaucracy accompanied by violence and murder in our streets—and on top of all that a depression.

"In other words, Gov. Wallace has had the guts to tell the liberals what someone should have told them long ago—that regardless of their lofty pretensions of acting for the public good they are just plain stupid and their performance is so miserable that they have brought disaster rather than success to the nation. Of course to the liberals such an attack on them is high treason. So they send their lackeys, such as Tom McIntyre, out to smear, lie about and defame in any way they can the one political leader in the U.S. who is telling it like it is.

"The violence of Sen. McIntyre's attack would seem to indicate that the leftwing Democrats whom he represents are already in a panic at the thought of George Wallace's candidacy. Well they might be because the voters are fed up with liberal politicians, Republicans as well as Democrats."

As to McIntyre's personal attack on Loeb for supporting the Wallace candidacy, Loeb said, "I have no intention of paying attention to any of that. Sen. McIntyre has always tried to discredit this paper because it tells the people of New Hampshire the truth about him and that is the last thing Senator Tom wants the people back home to learn.

"We will continue to give Sen. McIntyre completely fair treatment in our paper while exposing at the same time some of his underhanded activities in Washington, principal of which at the moment is the fact that it is his lobbying alone in the U.S. Senate which prevents the Senate from allowing the tangled N.H. election from being returned to the state for a new and decisive determination of whom they want to be their senator, Louis Wyman or John Durkin.

"Sen. McIntyre is doing his best to deprive the people of New Hampshire that right. As long as Sen. McIntyre is playing those games in Washington, he has very small moral standing to criticize anyone else."

EXHIBIT 2

[From The Washington Post June 5, 1975]

TAKING WALLACE OUT OF CONTEXT

(By Charles B. Seib)

Did George Wallace get a fair shake in The Post's coverage of his views on world affairs early this month? Several readers think he didn't. I agree.

In early March, Wallace was interviewed in Alabama by a group of foreign journalists. What he said received no publicity at the time, but two months later a Post reporter obtained a transcript of the interview. And on May 8 The Post published a front page story headlined: "Wallace Raps World War II Alliance/Preferred Japan." This story became the basis for much of the coverage of the interview in other publications and on the air.

The Post story began:

"Alabama Gov. George C. Wallace told a group of foreign journalists he wishes the United States had been allied with Japan during World War II instead of with Russia and China.

"'I think we were fighting the wrong people, maybe in World War II,' said Wallace in one of the rare statements of any length he has made on foreign policy issues. 'In fact,' he told a Japanese journalist, 'I wish we had been on the same side in World War II.'"

The story then went on to other things Wallace said in the interview and did not return to the World War II alliance until the end, about 25 paragraphs later.

My trouble with the story begin with that second paragraph. Any reasonable person would assume the quoted sentences were spoken consecutively. The "In fact" beginning the second sentence clearly made it a further development of the first. Together, they made a strong, declarative statement. But that is not the way it was.

The first quoted sentence came from Wallace's final comment of the interview. It appears on page 49 of the transcript. The second quoted sentence, beginning "In fact," came from page one of the transcript. Both sentences are out of context in The Post story.

The context of the first quoted sentence I will come to in a moment. The second is taken from an informal remark Wallace made to a Japanese correspondent before the interview began. He was talking about Alabama's coal sales to Japan and said: "We're glad to do business with you. In fact, I wish we'd been on the same side in World War II. Instead of being on the same side (words missing here) China and Russia."

Putting those widely separated sentences together, and in reverse order, was improper quote-juggling, in my opinion. Interestingly, the second quote was not put there by the reporter but by an editor who felt that something more was needed to support the statement in the first paragraph of the story. It could be argued—as that editor does—that the quote-juggling did no harm, since Wallace unquestionably made the statements and they were not contradictory. Nevertheless, he certainly didn't make them in that form.

But now let's look at the context of that first sentence—the one from the last page of the transcript. To do that it is necessary to quote the last two pages of the interview:

"About foreign policy—I want to tell you something. I do not believe in Nazi-ism—just like maybe you don't believe in Wallace-ism. But that was not the German people. The German people were mistreated after World War I. The Versailles Treaty that was imposed on them by France and Britain and the United States—and, mainly, France and Britain—was a treaty that brought Hitler to power. And if it hadn't been Hitler, his name would have been Jones—it would have been Schmidt—it'd have been somebody else because—ah, ah, it was only—it was only sure that nationalistic feeling of the German people would be aroused from the mistreatment they got.

"And so our foreign policy over the years made a mistake in allowing that to happen. We ought to have (words missing) after World War I like we did after World War II—magnanimous—(words missing) West German people that are friendly people, that are friendly people because they are great people. And the Japanese people in my judgment, were provoked to a certain extent by people, by interests in this country that

helped to bring about Pearl Harbor. And what I'm saying is that our true foreign policy in those years ought to have been cultivating—the friendship of the Japanese and of the Germans instead of being antagonistic. So that today we have a good buffer in the East against the Soviet expansion plans, and the Chinese expansion plans, which might stabilize and be good in the final analysis for the Soviet Union and Japan—in that we might come near having peace—than one country beginning to get maybe so superior in, say nuclear strengthening.

"I think we were fighting the wrong people, maybe, in World War II," and I say that with all due regard to the Soviet, ah, person here. What I'm saying is—we fought on your side, but I wish the Soviet Union, or government rather, had been contained somewhat. And I do think we helped build up enemies in Western Europe, and in Germany, and in Japan, that we ought to have been 50 years ago friendly to. And then there wouldn't have been any Hitler, and there wouldn't have been any Jewish tirade." (The words that became the first quoted sentence in The Post story are italicized.)

Now, no one would defend that rambling, almost unintelligible discourse as a sophisticated or cogent discussion of the events leading up to World War II. But it supplies Wallace's own justification for the flat statements stressed in The Post story and it deserved to be represented in the opening paragraphs of that story.

The material quoted above was covered near the end of the two-column-long story—too late, in my opinion. Also, in the last edition that day the story included two final paragraphs on a telephone interview with Wallace in which he expanded on his condemnation of the Versailles Treaty, saying it permitted Hitler, "the most despicable unjust criminal in the history of the world," to rise to power by using Jews as scapegoats for Germany's economic problems.

To sum up, I feel that The Post's story achieved impact at the expense of accuracy. I feel that the failure to present Wallace's startling statements about World War II in context gave the story a tilt—a subtle tilt, perhaps, but an important one in a report on the views of a man who aspires to the White House.

The story left the way open, in my opinion for the less than careful reader and the reader who didn't read the story to the end to assume that Wallace wishes that when World War II began we had chosen to side with Hitler and Tojo.

The reporter who wrote the story and the editors who handled it disagree strongly with that opinion. While they conceded that tying the two quotes together may have been unwise, they feel that the story conveyed in a fair and effective way what Wallace really thinks about World War II: that the United States should have been fighting the Communist nations instead of being allied with them. They do not feel that Wallace's justification for his view that we were fighting the "wrong people"—mismanagement of American foreign policy between the wars—demanded mention high up in the story.

Wallace did not protest The Post story; in fact his press aide told a Post reporter the Governor was not upset by it. Wallace did, however, call a news conference the day of the story to say that the media had quoted him out of context and to again relate his remarks about the "wrong people" to the mistakes he said were made after World War I. He made similar comments in a speech here the next day. They were covered by The Post in a brief mention at the end of a story on page C-3.

Ironically, in reporting the Montgomery news conference United Press International pushed The Post's tilt into a decided lean. It said, incorrectly, that The Post quoted Wallace as saying in March: "I think we were fighting the wrong people, maybe, in World War II. Our true foreign policy in those years ought to have been cultivating the friendships of the Japanese and Germans instead of being antagonistic."

Thus by its own rearrangement of quotes, UPI has Wallace saying this country should have cultivated Germany during World War II.

Similarly, a few days later a Post columnist ridiculed Wallace for saying that Hitler was despicable but the United States was unnecessarily antagonistic to Germany, again distorting the time frame.

One doesn't have to be clairvoyant to predict that in the politics-charged months ahead Wallace is going to be quoted as saying that rather than fighting Hitler and Tojo we should have been on their side. And all the protests and corrective statements are not going to change that.

TRANSCRIPT OF GEORGE WALLACE INTERVIEW WITH FOREIGN JOURNALISTS, MONTGOMERY, ALA., MARCH 3, 1975

WALLACE. (Small talk with Japanese Correspondent) . . . Japan. You're from Japan. Japan. We do a lot of business with the Japanese. We ship a lot of coal. We have a lot of Japanese. The President of Nipon Steel was here the other day. We send a lot of coal to 'em. We have to keep it and use it ourselves, you know, but we sell you a lot of coal. We're glad to do business with you. In fact, I wish we'd been on the same side in World War II. Instead of being, instead of being on the same side . . . China and Russia.

(Instructions on questions to correspondents)

When you ask a question, would you speak as loud as you can, and as clear as you can, please?

WALLACE. Are you all fascinated with the New South . . . ask them a lot of questions. Where have you been in the South?

Could you tell him where you've been in the South?

WALLACE. Maybe they don't know. Maybe . . .

WOMAN. North Carolina . . .

WALLACE. North Carolina. Well, you know, I don't remember all the states . . . Where?

MAN. Chapel Hill, in North Carolina.

WALLACE. Chapel Hill. Well, that—you can't get a good reading from all, the south in Chapel Hill. I'll tell you that. (laughter) That's where the professors live, and they don't represent but about one-half of one percent of the people in the South or in the United States, as far as that goes. In fact, I'm not against professors, but, ah, they, they know it all, but they really don't know it all. Ah—So, that's not a good example. Where else you been?

MAN. In Atlanta.

WALLACE. If you'd been to Burlington, South, North Carolina, you'd had a good example of—you've been to Atlanta?

MAN. Yessir.

WALLACE. Well, Atlanta is not exactly—it's one of our great metropolitan areas—more like Chicago, but it's a great, great city.

MAN. We're going to Jackson, Mississippi.

WALLACE. You're going there. Well, that's more in keeping with the size of southern—although southern cities are pretty big. Jackson's a small one, but it's a nice city. Been to South Carolina, South Carolina . . . then to Georgia, Tennessee . . .

MAN. Tennessee, sir.

WALLACE. Well, where—have you been to Illinois?

MAN. No, not yet.

WALLACE. Well, are you all going to visit the New North? You all going to Boston? (laughter) I wanna know. Are you going to Boston?

WOMAN. Yes.

WALLACE. You going to Philadelphia? Going to Cleveland?

MAN. Last week we were in Atlanta, and we saw the Governor of Georgia.

WALLACE. Yes, sir.

MAN. Put the first question to you. I'm Swedish. We met before in Birmingham the last time. (This must be Bo Holmquist.)

WALLACE. Yes, sir. I'm glad to see you again.

HOLMQUIST. Well, the Governor of Georgia said, for example, during our conversation, that race is a question that is out of politics in the South. Is that all . . .

WALLACE. Yes, I agree with you that race—in fact, race never has been in politics in the South as much as the media made it out to be. No more than, ah, ... no more than, ah, the Laplanders have been an issue in Sweden, and Denmark and Norway. Ah—It's been an issue of big government. And, as you know, ah, in our own region of the country, as far as schools, we have more peace and tranquility in our schools with bigger population of, of, for instance Black—than they have in Boston. And the reason for that is that finally when we lost a lot of legal battles, regarding our system that had been careless with the law—and people had been living among, together, and everything's not utopia here now—no more than it is in India where they have a caste system—if any of you from India. Any other place. So, I would say this—Let me say this about Black—that's what you've come to talk about. That's all you do come to talk about when you . . . . (laughter) . . . . to this part of the country. That's all you do, you know? No more than the Japanese—what they think of Koreans, you know. I've been over to Korea and they think the Japanese think that we're—and I think, frankly, you do—you don't think they're quite as good as other folks—but you're good folks and Koreans are, too. And Black—But a Black man and a woman are just as much citizens of this country, and always had been, as I am. That is since—of course, after the War 100 years ago—Prior to that, it was not the case. But, as of this date, and prior to this date in 75, 80, 100 years ago, ah, people of any race who are citizen of this Country—entitled to the same rights as anyone else. And anyone else that wants to deny them rights because of their race or background, ethnic or color, is not in keeping with the American tradition. And the people in this part of the country—even though they had a system that many Black people thought was oppressive—and we had many problems in our region from economic restrictions placed on us by other parts of the country after the War that made all people suffer.

Actually, in 1963, when I was first Governor, my fight was not against Black people. It was against Big Government. And ah, as a consequence, having lost the so-called legal battle, we have smoother conditions. They say—Why is that? Well, in the first place, the media didn't listen . . . when we first told 'em. We have nothing against Black people. We're against Big Government. Now, the folks in Boston—What do they say? Big Government. What do the people in England saying? (laughter). Now, they, they . . . where are you folks from England? You, you raise more sand about race in England—than any place in the country. Don't even want citizens of your Commonwealth to come in your country. I think that's abhorrible (sic). I think people ought to be able to come into that country. They're citizens.

We have no objections to Puerto Ricans comin' to the United States from Puerto Rico. Never has been a question raised in this state or in the Congress, as I know of, because they're citizens, and they're entitled to come here.

But race has never been as much in politics in the last decade or so—and I don't know back beyond the other decades. I was not in politics. But it's always been Big Government. And I hope that answers your question because better race relations exist here than they do in Chicago, than they do in Cleveland, in New York City. And I say that categorically and ah . . . you go there and you'll find this is . . . true.

Talk to Black people who've been there and been here.

HOLMQUIST. About you personally, Governor.

WALLACE. What's that?

HOLMQUIST. There's a long way—A long time has gone since you were in the schoolhouse door.

WALLACE. That's right.

HOLMQUIST. And now you're crowning Black beauty queens and meeting Black mayors . . .

WALLACE. I'd have crowned a Black beauty queen ten years ago. I was not against Black people ten years ago. Had I been against Black people, why would they vote for me even today? Why would I have got the biggest Black vote percentage-wise than any candidate in the New South got in the last election? I put my percentages up—scientifically broken down in Black counties—with and other candidate in what you call the New South. One predominately all Black county gave me 97.22% of the vote in, in the last election.

Up in Green County where all the officials are Black, I got 96 point—they were a little irked that they got out-run by Sumter County. Over here in Tuscokeegee and Macon County which is the educational citadel, as far as Black colleges are concerned, one of the best in the world, I got 72%. Ah—in the primary, I got 41% with four, four opponents. The mayor, the Black mayor is a strong supporter of mine. Now, if I had been anti-Black, those people would never have come and been for me, but I never have been. I have more anti-Black feelin' in others parts of the country than you do down here. I, I—these are percentages, if any of you want to look at it. It's broken down. It's got population of Black in each county, population of white in each count—shows the vote I got.

Question. If you were running . . .

WALLACE. But I wasn't against the people at the University Board of Trustees voted to admit those students, which had been, they'd been precluded because we had a system that had been careless by the law, it would have been all right—they'd have been admitted. But they voted against it. And I upheld that decision as a local matter. Now, those questions are behind it. We lost those battles, and, therefore, crowning, a beauty, a Black beauty queen, seeing Black people is nothing new to me. I saw Black people before you did. When I was born I saw Black people.

Question. Governor, are you . . . (Must be Eric Boogerman.)

WALLACE. You're from where?

BOOGERMAN. I'm from the Netherlands.

WALLACE. Yes.

BOOGERMAN. Are you going to run for the Democratic nomination?

WALLACE. Sir?

BOOGERMAN. Are you going to run for the Democratic nomination?

WALLACE. I'm not sure whether I'm going to run, and I say that quite frankly, without trying to be evasive. I'm going to be ready to run, but I don't think people in this country are so concerned about who's running at the present time. They've concerned about present problems. And I'm not out running all over the country running for President. If I decide to run, I'll decide a little bit later on, but we got problems in our own state. They've got problems in the country that need to be solved. And I think that folks that put their mind to running for, solving the problems, then everybody running for President would be a lot better off. We got too many people running for President right now. They ought to wait a while. But I'm interested. Yessir. And I'm not—I'm able to run. I'm physically in as good a shape as I've ever been, with the exception of paralysis.

Question. Could you tell us your viewpoint on. . . . international affairs.

WALLACE. What's the question? What's the question?

MAN. Would you repeat the question?

WALLACE. I don't hear good. I can certainly understand your good English. You speak as good as I do. But, ah . . .

Q. Would you tell us about your viewpoint on international affairs? At the present time.

MAN. Your viewpoint on international affairs at the present time.

WALLACE. Well, in what . . . well, my viewpoint on international affairs is that I think the best foreign policy we can have at the present time, with the situation of the Soviet and the Red Chinese is to be the strongest nation on the face of the earth—because the people we're dealing with don't understand anything but strength. And any of you folks that believe otherwise will wind up like people in Finland. Anybody from Finland here? They know. Every move they have to make they almost have to clear it with the Soviet—because of that strength. I think this nation ought not to be on a parity. I think it—at least on a parity—but I think it ought to be superior. So, I think the first foreign policy matter should be #1 in strength militarily. Until the time truly comes that there is bi . . bilateral disarmament. We don't have any bilateral disarmament. We have a unilateral disarmament in a way on the part of the United States, but we don't have it in the Soviet Union, and we don't have it in Red China. And, of course, our foreign policy to be strong—necessarily insures the umbrella that the Japanese themselves who are now conquering Southeast Asia in a business fashion, that couldn't conquer it in war, but almost did—and I'll tell you what—You did a great job to be a little country. I'll tell you. You can certainly hand it to you.

But our nuclear umbrella is your shield, and that's part of our foreign policy. I believe in support of NATO, and I believe that people in West Germany and East and Western Europe ought to, ought to help us with the cost involved—because, after all, it's for their protection, and our, our interest, also too. I'm not withdrawing troops from NATO, and, ah, I'm for a less generous speaking—if you have any specific questions, ah, in the matter of . . . . I was against this country getting involved in Vietnam, militarily bogged down in a land war in Asia, but once they got bogged down, I was for them winning it, and if they couldn't win it, they should have gotten out. And I think they stayed too long, ah, in dissipating our resources, and what I would have like to have seen done was the United States win the war, with whatever necessary with conventional weapons, and if they got to the point where you can't win a war with conventional weapons in Vietnam, then we should have withdraw then. Ah—I don't believe in the Paris Peace Accords that I talked with President Johnson with on the telephone as a candidate, and I was recognized as a major candidate in '72—with Mr. Nixon and Mr. Humphrey on hook-ups—oh, even before it came out worldwide—I, I knew that the Communists never would keep a single agreement, and a group of congressmen that have just gone there, and last night some of the ultra-liberals who've been against everything over there have changed their mind. They say—they, they—the communists never intended to keep . . .

So, my foreign policy if I were the President would be based on the fact that you can't trust a communist. You never have been able to trust 'em. I don't believe in confrontation. I believe in negotiation. I believe in detente. But while I'm "detent'ing", as they say, I wouldn't turn my back on 'em. And I don't trust the communists. I don't want any war with 'em. I'd like to see them truly spend many of their resources on consumer and on people and on human resources, as they say.

But were I the President, I would also—my, my view on foreign policy is I would forget—I wouldn't stop worrying—this country has been magnanimous—it has given—for instance, your country was defeated. But your country was a great country, and I'll tell you what—They're cutting many people to feed your country—the same size and the same resources—because that was no reflection on you. I can tell you that. We won—it was superior firepower. Our people was good people, and they were good soldiers, but they wasn't any better than you folks. So, you don't have to have any feeling because you're great—as the Germans are. Who's from West Germany? You're great, too.

Fact, ah—I'd say the same for the East Germans, too, except they're under communists now. But we came along and we vitalized your economy. We came along and vital . . . we vitalized your's, but you don't have to feel beholden to us because you're great people. In other words, what I'm trying to say—Don't get the attitude the United States thinks it's better than you are. We think you're great. But we were magnanimous. We've been to India—given them $10 billion—and they make fun of us. And they've spit in our face, and they built a nuclear weapon with it.

So, if I were the President, I would do foreign policy on the basis of what was in the interest of this country—because the survival of this country is in the interest to the free world, and I, I, I'd stop worrying about whether the Netherlands liked what we did or not. I'd stop worrying about whether Czechoslovakia liked it or not. And the Russians didn't give a damn about what they thought. They just moved the tanks in, didn't they? And you didn't write nothin' about it. You folks didn't. You all coward like all . . . I don't mean you, but the press in general. They all—they wrote a little somethin'. Nobody raised any sand about it. So, I'd like to have respect. I'd like to have love on the part of other peoples in the world. I'd like to have them respect me. And nobody can make fun of this country for being materialistic because, ah, India—some of her communists make fun of us, but they take all the materiels we give 'em. You're not from India, are you?

ESWAR SAGAR. I am.

(Laughter.)

WALLACE. And let me say this—I have a great respect for the Indian people, don't you—don't, don't forget that. In fact, I just think all people in the world are great—because they're the handiwork of a Supreme Being, and I, but I do criticize the Indian government, as you criticize it—have a right to—you can criticize me and the Alabama Governor, but the money you spent on the nuclear weapon. I don't know that you need one. I think——I saw on the television people in India starving to death, actually starving to death while they're building a nuclear weapon, and I just don't know . . .

SAGAR. Less than $1 million.

WALLACE. Sir?

SAGAR. Less than $1 million.

WALLACE. . . . million dollars.

SAGAR. On making the nuclear device.

WALLACE. Is that all? Well, you must have got our secrets, then, because it cost us more than that, you know. (laughter) So, you didn't have to do any planning in advance. You mean you built it for a million . . . a million dollars.

SAGAR. . . . ten billion. Or two billion.

WALLACE. . . . how much?

SAGAR. Your first one.

WALLACE. That's right. And, ah, we made it—you make 'em cheaper, but I don't think you ought to have made it out of a million dollars, ah, frankly, in view of that fact—but that's your business. But it's not your business to criticize us for not keeping giving you—and when I say this about India is this: And I say this because we've got a lot of things you can criticize us about. Ah—But if we're going to keep on giving India money to feed starving people who then propagate to the point where another 20 million are starving next year, you're going to have to have some population control programs.

SAGAR. We have.

WALLACE. Well, you have 'em, but they're not very effective because your population goes up. You've got 'em in the cities where people's educational level is uncertain, but for the mass of Indians, evidently, it's not working—because you wouldn't be increasing 15 or 20 million people a year, however many it is. Over and above Western countries, and over that of the United States. So, what I'm trying to say is—that we, we, we can't get, give everything because we've run out. You know. We, we just have certain limitations. But India, ah . . . and I'll tell you another thing: While we were in the Vietnam, people in your government, including your government, criticized us and even, in effect, gave aid and comfort to the North Vietnamese. And many other countries here did the same thing. Sweden did. They wasn't gettin' anything from us. We just save them from the Germans back in World War II, but that was a long time ago.

You know—well, no, you wasn't occupied, but they marched through Sweden to get to Norway.

HOLMQUIST. No. . . .

WALLACE. Didn't they? Didn't they? But you couldn't stop 'em, could you?

HOLMQUIST. We tried. . . .

WALLACE. Did you try to stop them? Did you stop them? They run over you, didn't they? Well, you were glad when we went to Norway though, weren't you? You weren't.

HOMQUIST. I was in Norway and Denmark.

WALLACE. Well, what I mean—you were glad we went to Denmark, didn't you? It was touche. Uh-uh. Now, you see I'm right. In other words, you people in Scandinavia were mighty glad when we came over and saved you from the Germans, but when we go to Vietnam, to save the Vietnamese, you give us hell.. So, what's the difference? Why didn't we just let you go to the Germans as we let them go to the Communists? I don't see any difference. I don't think we ought to have the kind of criticism we get from your country for doing to other people what we did for you—because it was humanitarian then. And, now, we're supporting a corrupt government—and I don't know what is the difference.

Now, that's my attitude. You thought I didn't know they marched through Sweden, did you. (laughter)

MAN. Governor . . .

WALLACE. Now, I say that in good humor now. But the Germans went through Sweden, and went to where? Denmark?

HOLMQUIST. Norway. (Not sure if this is Holmquist.)

WALLACE. Norway.

HOLMQUIST. Over Denmark, through Sweden.

WALLACE. That's right . . . and you couldn't . . . and you couldn't stop them, and you were mighty glad when we come and run 'em out, too. (laughter) And it cost a lot of American servicemen to run 'em out. They gave their lives and blood, and when they've given their lives and blood out in Vietnam we don't appreciate a former culture (?) that we, ah, that we freed from slavery, from helping kill Vietnam servicemen by their attitude of aid and comfort to the enemy. We don't appreciate that.

And if I were President, I would make you respect us.

Question. Excuse me, Governor, one . . . Yugoslavia . . .

WALLACE. Honey, listen, I'm not—I hope you don't understand my talking emphatically is not at you personally. You know that, don't you? Do you? Does the lady there know that?

(Inaudible.)

I say that my talking emphatically is not aimed at you personally. You know that.

LADY. Of course!

WALLACE. Yeah, of course.

LADY. I understand.

WALLACE. Because I, I certainly would be discourteous . . .

LADY. It lies much deeper there why the United States wanted to save Western Europe.

WALLACE. What did she say?

MAN. She says—it lies much deeper there why the United States wanted to save Western Europe?

LADY. Yeah.

WALLACE. Well, it was also to save our . . .

LADY. It was also a personal desire.

WALLACE. Well, what you're trying to say—that it was in our own personal interest to do so.

LADY. Yes, it was.

WALLACE. I think it's in our own personal interest to stop the communists, too. Ah—Don't you? All right. Well, then, why should we get criticized us . . . (lady talking in background) . . . for something we're doing personally now that we did personally then. But it was you we saved. But I'll tell you what: If I were any country or any section of the globe—that the American people ever helped freed—I would be forever grateful to them for that—at least during my lifetime. Maybe when generations pass, that's all been gone, as we are grateful to the French for having helped us get our independence from England, but that's been a long time ago, and now we're very close to the British Empire.

MAN. Yugoslavia.

YUGOSLAVIA. Yugoslavia.

WALLACE. From where?

YUGOSLAVIA. I'm from Yugoslavia.

WALLACE. Yeah, you're a country that they sold out, too. Over here I'm talking about. (laughter) I say that you're a country that, ah, the Western World—although Tito and the Yugoslav communists are supposed to be different. What I'm saying is—let me say not Yugoslavia—but Eastern Europe, ah, we made so many mistakes back there at Yalta and Potsdam and all those places, when Eastern European people ought to be free today like West Germans. And if I had been the President then, I'd never have let the Russians come in and take Berlin first—because we were the strongest, and I certainly would have preserved the security of Eastern Europe.

YUGOSLAVIA (?). GOVERNOR, I would like to ask you the question on domestic policy—because on foreign policy you've already said, I think, that . . . you are on certain positions which we have to accept . . .

WALLACE. What's that?

YUGOSLAVIA. On domestic policy, we have been told here that there have been tremendous changes in the South—from the Old South into the New South. And, also, some people say that Governor Wallace changed officially, from . . .

WALLACE. Well . . .

YUGOSLAVIA. The Old Governor Wallace to the New One . . . years ago. But you say you didn't change at all.

WALLACE. Well . . . you're asking me a question about my image, you know. Some say I'm . . . I don't care if anybody likes my image or not. Ah—you know. If they don't like it, they can hang it around their neck. (giggles) Ah—Or they can do something else with it. (giggles) But, frankly, I have not—well, yes, I have changed. As you have changed. Yugoslavia's changed. I remember when Yugoslavia used to be free. Now, it's communist. Ah—I remember when—in our part of the country we didn't have paved roads, and we didn't have airplane travel. We have it now. So, we've all—we live in a period of change, but as far as my change toward people because of color, as thinking them inferior, I've never felt that way. I have changed in my attitude in the sense that we lost the battles against the government that changed many things and we must accept them, and we must accept them and make the best of 'em, because after all, we need stability. And we need to work on to make our country better and stronger. Ah—So, I've changed in that regard, but I never have been anti-people because of color. The South has been maligned—for instance, are any of you Catholic faith in here? All right. Back—we had the first Catholic . . . for the President of the United States in 1928 and it was always said that the South was anti-Catholic. But there were seven southern states—eight states out of 48 that voted for the Catholic candidate, and one of 'em was Alabama and the other six was Southern, and one was Massachusetts. So, if you go by that analogy, Alabama was pro-Catholic.

And let me say this about, ah, when I talk about communism. I don't care what kind of government any country has—that's their own business. I don't think they ought to try to export through subversion and other means that sort of government to other parts of the world. I think one mistake our government makes is that they think that maybe—some of the liberals think maybe that they ought to have a certain type of government in, ah—well, South Vietnam, for instance. Ah—In Cambodia. Like ours. Well, everybody don't want a government like ours. The people are conditioned over centuries for other type governments. If they want to have that type of government, that's one thing. So, I think we try to push our form on too many people through persuasion and through other wise.

Ah, and I want to say this about the Soviet Union—because you've got a member of the Soviet press here. I'm not anti-Soviet Union—I think some of the—I watched the Soviet athletes on television and I marvel at 'em. I think they're great, and the people are great. But I do think this that the government of Soviet, of Soviet Russia, has not been, ah, ah, has not been—shall I say on the table? They just haven't kept their agreements. Now, I can understand why we shouldn't keep an agreement if it was going to be at our disadvantage. But I do think that if the time comes when the Soviet Union makes agreements with our country, ah, that we can trust and they can be kept, we'll come closer to havin' what we call "true detente"—and I think it's necessary for the whole peace of the world.

MAN. Governor . . .

WALLACE. So, you, you ask me back there about changing. Yes, I have changed, but I have never been anti anybody, because of color or anything of that sort.

SAVIK. I'm from Norway.

WALLACE. Yessir.

SAVIK. Could I ask a question about . . . if I may? We have been here for two days, Governor. And, ah, we have spent . . . at Tuskeegee, and there we have been given some depressing figures on the poverty in that part of Alabama. For example, in——— County, there was more than 50% low income persons . . .

WALLACE. Well, low income by what standards?

SAVIK. Just a moment, may . . .

WALLACE. By American standards. Are they low income by Indian standards? Are they low . . . are they low, are they low income by other standards?

SAVIK. I haven't finished yet, sir. Infant mortality . . .

WALLACE. Where are you ladies back there? State Department?

MAN. This is my wife.

WALLACE. Oh, yes, ma'am. But you're not from . . .

MAN. The other one is a reporter from Atlanta.

WALLACE. I was thinking you were maybe from a foreign country—the reason I was asking, and, ah, but, but—all right.

SAVIK. Let me explain . . .

WALLACE. Yes, you may finish.

SAVIK. The infant mortality in ——— County is 43.1 for one thousand.

WALLACE. Have you been . . .

SAVIK. What are you doing . . .

WALLACE. Have you been, have you been, have you been down to that county?

SAVIK. No.

WALLACE. I went to that county yesterday that you're talking about and drove all over it. They have paved—it wasn't a—every road on it was paved. Every road in it was paved. I wish you'd just go down and look at it. Now, what you call—The poverty standard is a standard set in Washington. But compare that standard with the average Norwegian. Of course, I don't know Norwegian or not, but then you don't have about three or four million people in your country, and therefore you can't compare an economic system of three or four million with one of 215 million—so, there's no comparison there. But you're comparing it—For instance, to Massachusetts. Here's a man who used to live in Alabama, who is an intelligent fellow, wrote me a letter. And in Massachusetts, they have a higher income than Alabamians have got. But the property tax on his home is $1683—for while he was living in Alabama, the same priced property cost him $132.

So, you can make $1550 less—taxes—in salary in Alabama and have the same salary if you lived in the great metro—metropolitan area of Boston. So, you can't go by these figures of poverty. Now, if we were all that poverty-stricken, how did we send all of that money to Western Europe? The people you talked about produced it. And when you go down there, you'll see a house that don't look quite right. They say it's substandard. But you'll see a $500 television set in it. You won't find one in ——— County, black or white, they don't have a television set, and these Black folks here know that's true. You many find one or two or three, but you won't find many.

You'll also find two or three automobiles on Sunday afternoon in front of every yard, and you'll find that nearly every . . . in this state, we have about 3 million automobiles in Alabama—no, we have more than that. How many automobiles do we have in Alabama? You, you remember the . . .? Any way—it's at least one for one, or more than one for one in Alabama, and I don't worry—I don't see how when you come talking about poverty, you can judge it by a standard in, ah, Richmond, Virginia, but the poverty standard in Barbary County—that you all are talking about—I was just down there. It's beautiful land. Folks are working, and got. . . . There ain't a black and white house in the county that don't have two automobiles in front of it. And if you went down there yesterday on Sunday, you'd see three and four around 'em. But you go to Norway—you don't find automobiles in front of every house. Do you?

SAVIK. Not true, not true . . .

WALLACE. No, you don't, do you? And you don't have as many automobiles per capita as we do?

SAVIK. They don't want them. (laughter)

WALLACE. Well, I agree with you. You're probably right. You're probably right. Ah, but, ah—You, you—this is no poverty—this is no poverty . . . (reporter in background talking).

SAVIK. I don't ask the question in order to criticize you.

I just asked the question . . . .

WALLACE. Well, I'm just giving you an emphatic . . .

SAVIK . . . doing . . .

WALLACE. You can prove everything by figures in the country.

They say there's been . . . .

(End of tape No. 1 of Wallace Interview.)

(Continuation of interview with Governor George Wallace—tape No. 2.)

WALLACE. We don't have nearly the poverty that you read about in Mississippi . . . Now those ladies over there from Atlanta and the South are nodding in agreement, I believe. Now, we have some poor people, but, ah, and we have some people that are ill-fed, but it is mainly because they eat the wrong thing, and it's not because of the lack of the quantity. Is that correct?

MAN. Governor, may I follow up—I'd like to follow up on this question. I'm from Denmark. We've been told that your state has infant mortality figures which are among the highest in the whole industrialized world. And I'd just like to ask you—Do you think this is a serious problem, and what do you propose to do about it?

WALLACE. The crime rate?

MAN. Infant mortality rate. He said he has heard that our state has an infant mortality rate higher than anywhere in the industrialized world.

WALLACE. Well, I don't know about that, ah—You may, you may be right. I'm not sure, but it's certainly—you might say in the industrialized world, but, of course, when you say that you're talking about Norway and Denmark and Sweden, whose life expectancy is higher than in this country. So, what you're doing—and in Japan and other countries where you make a comparison and you may have an infant mortality rate that might be, yes, higher. But how much higher? It's certainly not as high as India—certainly not as high as many countries in Africa, certainly not as high in, in Indochina.

DENMARK. Doubled the figures of the United States as a whole.

WALLACE. Say what?

MAN. He said the figure of Alabama was double that of the United States as a whole.

WALLACE. Well, we do have a higher infant mortality rate, but, in the Deep South, and I'm, and I'm sorry to say that that's mainly among our Black citizenry, and, which has been improving over the years, but, ah, yes, we, we, we probably do, but I don't, I don't—I'm not going to argue with your figures because I don't know. When you say highest—it's very low in the industrialized world any place. And you—and the way you're sounding, asking the question—"highest in the industrialized world"—would sound like that just hundreds of babies are dying every day. in Alabama, but you're talking about a few. Wherever you're talking about—whether it be in Denmark or Japan or Western Europe, or Western Germany—I mean, West Germany. You're still talking about a few.

Question. Governor, I'm from Washington. And I'd like to ask you what are your priorities in drawing foreign investment to Alabama? How has the recession generally hit the economy? What, what . . .

WALLACE. Well, our—we have less unemployment than most places, but we have about 8.2% now, and what is our priority for foreign investment?

Question. Foreign investment and the economy in general. What . . .

WALLACE. Well, we have had more West German investment than—we just announced two—three or four hundred million dollar—. . . from West Germany and we have a lot of business and investment by Japan. Through our coal operation facilities. And we do have a Swedish plant in this state—someplace was announced the other day. I've forgotten where. Most of our foreign investment—unless the Arabs have bought up something I don't know about, you know. I mean, I read in the paper everyday where they've bought something, but as far as we know, West Germany has more than any other country. And Japan does more business over here. Of course, the South—anybody from South America? We do . . . we do quite a bit from South America—because we're a port that's sort of, ah, the, the Gateway to South America—Venezuela. Central America.

And—is that what you mean?

WASHINGTON. Well, I'm just curious to know how the recession has hit your state and . . .

WALLACE. Well, the recession has affected the Southeast, ah, more than it has, say, Virginia and Maryland than many government people work—and, of course, more than Montana and states like that, but less than in Illinois and less in New Jersey and less in other states, but we were on a building boom, a construction boom of new industry. And the recession slowed all of that down. And, naturally, that affected us maybe in some instances more, in categories than others.

INDIA. Governor. I'm from your favorite country—India.

(Laughter.)

WALLACE. You're from a great country, and I want to see the Taj Mahal some day. (Laughter.)

INDIA. You were complaining some time ago that some people . . .

WALLACE. Thinking of what?

INDIA. I think you said some people were trying to send you to Afghanistan.

WALLACE. The reason I said—I didn't mean to reflect on the Afghanistani—is that what you would call 'em? Ah, ah, I said that, ah, I used that because that's the farest place away I thought that I could think of.

INDIA. My question is . . .

WALLACE. Is India further away from us than that?

INDIA. It's almost . . . .

WALLACE. Well, then they would want me to go to India then instead of Afghanistan.

INDIA. . . . But my question is—Next to the United States, which country would you like to settle in, if you ever desired to settle outside?

WALLACE. What was that question?

MAN. Other than the United States, which country would you like to settle in, should you decide to settle outside the United States?

WALLACE. You know, you're asking me a question that, ah, would be hard to answer. Because I haven't been to all that many countries. I've been to quite a number in the Far East. And it seems that everywhere I go I fall in love with the people of every country. I—You meet the South Vietnamese. I met so many that I worry so much today about, when the communists take over. And I went to Laos, and the Laotians were so nice to me. And I went to Japan. The Japanese—and I went to Kong Kong—and the, and the Indian journalists were so nice to me when I spoke to the Press Club. And I've had people from all parts of the world—Africa—ah, I don't think I could go to a country that I wouldn't like the people. I like—really, and, ah, so, I'm really not going to go to any other country—so, you're asking me a very hypothetical question. It would be hard to answer, and I know that all of you wish I would come to your country . . . (laughter) . . . and, so, I'm not going to disappoint any of you—except to say, that it wouldn't be bad to go to your country because your country is a great country. And I hope you don't think I've reflected on India. I didn't mean—I didn't mean to pick her out . . .

Question. On the last election, you had a

slogan—"Send them a message." A message to Washington. What is today? What is the message you like people to send them?

WALLACE. All right. The message I'd like to send them—First, let me say this—That when you go to the Southeast, which is the South, we have the highest industrial, average highest industrial wage rate for, in industrial employment, by the Department of Labor Statistics, and we've got one of the most renowned Infant Care Centers at the University of Alabama Medical Center, which is one of the leading medical centers of the world. In fact, they come from all over the world for heart operations there. Movie stars, congressmen, Fester on Gunsmoke—you know, he came here. Mendel Rivers—he died, but he waited too late. Ah, ah . . . (laughter) . . .

(Wallace breaks up)—Recently a 7-year old girl—from where? Came from Germany, I believe, and had had a heart operation. . . .

The message I'd like to send to 'em is that—what, with all—we're talking to foreigners now. Not Americans. You all are foreigners. And you listen to us talk and you think all of us think that our government in Washington—but you let anybody get on us, and we all get together, you know. I'll tell you that. We—And don't ever underestimate the ability and technology and the, ah, of the American people in overcoming the oil crisis or anything else. Now, we've got what it takes. And, ah, we, we will do that. We're not the only one that has what it takes. But, so, when I criticize what I, our system—we've got a good system. We've got kinks in it. I think our tax structure ought to be changed to the point that it needs very much revision. And that's one message.

I think we've been so permissive in trying to guarantee human freedoms, as we call it, that we've made it impossible almost to walk the streets. And the purpose of court decisions is to protect the individual so he cannot be in prison for nothin', you know, and have his rights. And as a consequence, that's worked the other way. Now, a criminal—a policeman walks up to him, he snits in his face. He says,—You can't do nothin' to me. Because the law says so and so. Ah, well, that don't happen in Yugoslavia, I don't believe. Like it does over here. But of course, your country is more totalitarian, and you don't stand for that over there. And just like when I, when our president goes to Russia, whoever the Russian person is here—we're glad to have you. We feel safer about him being in Russia than we do Japan. Because Japan has . . .

Question. Address yourself to the countries which you've never visited, and no idea what it's like down there? And don't . . .

WALLACE. What did he say?

MAN. He says it's not fair for you to address yourself to countries that you've never visited and not given them a possibility to answer.

WALLACE. Well, they answer pretty well every day. Ah, ah, it's a matter of what you think is fair. I do know with out having been there that we gave Russia $10 billion of aid to help her win Stalingrad. Had we not done so, she and the Germans would have fought themselves to death. I don't have to go to Soviet Russia to know that. I don't have to go to Soviet Russia to know that they're sending Soviet arms and missiles to North Vietnamese and they invade South Vietnam and they've told an untruth about it. Said they don't do it—that is, the North Vietnamese say that don't do it. I don't have to go to those countries to know that. I don't have to go to Norway and Denmark to know we freed you. That's something everybody knows. I don't have to go. If I went over there, I'd see a bunch of buildings and bunch of grass and a bunch of trees. Ah—You can tell about as much about a country as you can by looking at moving pictures . . . Frankly, you can't see much. So, I, I don't think it's unfair to criticize a country. You have people in your government, ah, that criticize us. Has Tito ever been to this country.

MAN. Yes. Tito has been in this country.

WALLACE. He has been in this country?

(Several voices.)

Well, he has a right to criticize it then, like he does, even though we've given Tit . . . Tito criticizes this country. Yet, we've given how many millions dollars of foreign aid to Yugoslavia? We've given up into the close to the billions of foreign aid to Yugoslavia. And that's what I'm talking about. Your country gets up and criticizes this nation, and yet takes our money. And, ah, you say—or they say—Well, but we're a different brand of communism than the communists in Russia—so, that's the reason we did it. I'm not crit .. . these Eastern European folks are great folks. Don't get me wrong. I wish we had more in this country. But your country ought not to criticize us if you're going to take our money.

(Laughter.)

Now, it's all right to turn our money down and criticize us, but don't take our money and criticize, and that's not aimed at you personally. You know that.

That Tito—he'a a—not a communist like some I've seen.

MAN. Governor, do you think that the state of Alabama, poor people need something special . . . ?

WALLACE. The poor people in Alabama that you call "poor" are rich compared to the folks living in Massachusetts, in Boston—in a split level house, who's afraid to get out at night. These ladies that live in Atlanta over there, in a metropolitan area, and afraid to go out at night. Aren't you, ladies?

Aren't you? All right. I'd rather be living in a little house in Alabama, in the country, not worried about getting out in the sunshine or the fresh air than to live in Washington, D.C. in a $35, $40, $55 . . . and scared to death to get out in front of my house. And that's what you folks in Washington are. You don't dare go certain places in Washington, but that's not true in Alabama.

So, when you talk about poor people—poor in what? That, that—poor in what? Poor in what? I think you all are the poorest people in Washington I ever saw. I feel so sorry for yuh up there. Ah, cause you're down here now where you can walk safe, but in your city, the nation's capital, you are afraid to get out and walk the streets for fear somebody's going to kill yuh. Isn't that right?

MAN. That's right.

WALLACE. You're poor. I feel sorry—you're poverty-stricken.

MAN. We saw . . .

WALLACE. And wait a minute. I say that about all Washingtonians. They're all poverty stricken, white and black, because of the crime rate.

MAN. Well, we, we think—we've seen homes where there's no in-door plumbing, for example, and we know in the rural areas . . .

WALLACE. Yes, you've seen some like that, but these black people tell you—there's not all that many like that. That, that's not the rule, is it? That's the exception. Those black ladies over there said that's the exception and not the rule. But, listen, I lived in a house when I was a boy without any in-door plumbing. And the point is—Maybe, we've gotten too soft. So what? I'm the Governor of Alabama now. And I didn't have to live in a house with air conditioning, and, and, heat, central heatin'—ah, the people in India, they're good folks, aren't they? But they don't have, they don't have in-door toilets all of 'em, do they? Do you think that reflects on your people?

INDIA. Not if you say so.

WALLACE. No, all right. (laughter) I realize, I realize, I realize you think I'm trying to be smart-aleck—but I'm trying to say is—what the question has been asked—if these people are poor in spirit because they don't have certain material things. Well, if that is true, then you've got more poor in spirit people than any country in the world because there are more people who live in that condition. I don't think you can say that. I don't think you can measure things by material things. Not at all.

INDIA. . . . a big problem. Isn't gun control the answer? And what is your position?

WALLACE. If what?

INDIA. Gun control.

WALLACE. I'm against gun control and the method that they're talking about in Washington—because I got shot with a hand gun—so you'd think I'd be for gun control. Well, ah, gun control winds up with taking the guns out of good people's . . . ah, hands who obey the law, but a fellow that will kill you won't obey a gun law. You go—you got a high crime rate, ah, killing—why are people going to obey a gun law? Ah—So, the, the good people don't kill folks. They obey that law, and they'd obey the law not to have hand guns. So, I think if you take hand guns, or take one away from this gentleman here, who's a reputable official with the Information Service, but the thug two blocks down the street—you think he'd give up his gun? Will he give it up? No, he won't give it up. He'll keep it just, just like you gave yours up. And I'm against gun control.

INDIA. Why?

WALLACE. That type of gun control. I'm for, you know, rifles, I mean—machine guns and you know certain types of big guns, yes.

MAN. Governor, this man. . . .

MAN. When we were in Chapel Hill—the mayor of Chapel Hill, ———, he says he respects you but he can't support you.

WALLACE. Who says that?

MAN. The mayor of Chapel Hill. Mr. Lee?

WALLACE. Yeah, that's right. Mayor Lightner, he's a fine fellow.

MAN. He say you are unqualified to be the President of the United States.

WALLACE. Well . . .

MAN. Do you have any comment about that?

WALLACE. No, ah, if I—if I commented on everybody thought I was unqualified, we'd be—I'd have to comment a million or so times, several million times. It's just like in Japan a lot of people thought Tanaka wasn't qualified—and they were right. Because he wasn't. He wound up having to retire and resign—so, you're going to have a difference of opinion about people who think you're qualified and unqualified. I didn't think Nixon was qualified, and he wound up not being qualified. At least he had to retire. And he thought I wasn't qualified. So, that's nothing. Ah, we've also got black mayors in Alabama who think I am qualified.

Mayor Evers of Mississippi has endorsed me for President. He's one of the renowned Mississippi mayors. So, ah, in a, in a democratic republic, you'll find division of opinion—that many people think you're qualified and many think you aren't qualified, but I wouldn't—no comment—except he's a fine man, and, ah, ah, I'm—But I don't comment on that.

MAN. Two quick questions, please.

WEST GERMANY. I'm from West Germany. And, Governor, if you were never anti-Black, what were you?

WALLACE. Never an anti-what?

WEST GERMANY. If you were never anti-Black, what were you when you . . . in the early '60's, when you fought for segregation?

MAN. She's from West Germany, and she said—when you were never anti-Black in the Sixties, what were you when you called for segregation?

WALLACE. Well, segregation had come in the beginning, in the Deep South, after the War . . . before the War, but after the War it came in most states of the Union at the insistence of Black people—Separate churches, separate schools—requested of the Black—and it grew up over the years as a system that was—the Supreme Court had held it as constitutional, and we folks thought that was in the best interests of both races. Now, if we were mistaken, it was a mistake of the heart. I was brought up to believe in segregated schools like I was brought up to believe in the Bible, which people in some parts of the world don't believe in our Bible—because they've got other religions, and they have a right to have those religions, but I was taught up to believe the Christian Bible. And, therefore, I didn't any more question the segregated school than I did the Christian Bible. But I did not believe in segregation because of hatred. I believed in it because I honestly thought and was taught it was best for both races, and what you do from your heart is entirely different from what you do from hate. So, so, if you think that everybody who was for segregation hated, then you've made a drastic mistake in your thinking because that's not true.

WEST GERMANY. But wasn't hate—why did you call in the troops. . . .?

WALLACE. Why did I call in the troops? Where?

(Inaudible.)

Where? Tuscaloosa? I called—I called in the troops—you know, for what purpose? To keep the peace. I wasn't going to allow any group of people to come there and tear that university up, and they were coming from California—revolutionists, and everybody else—they were going to use this as an excuse and we were not going to allow that. We had perfect peace. Not a person was hurt that day.

And when we called out the troops in Alabama for the march, I called the President—because we didn't have enough in Alabama to give complete protection from some fool over in the woods who might want to shot a rifle and kill somebody on the highway, and I did not want that to happen. I didn't want any loss of life—and that didn't mean among the populace as a whole. There were militants on both side.

MAN. Governor, this lady has a question.

LADY. (Charlotte Kahler) . . . a newspaper in Senegal.

WALLACE. Where, honey?

KAHLER. In Senegal.

MAN. In Senegal, West Africa.

WALLACE. Oh, yes, yes, yes.

KAHLER. I would like to follow up on the question of birth control. If you are against gun control, what solution do you propose to the crime problem?

WALLACE. Well, you're asking me something I don't think anybody has a clear answer on. We—Rehabilitation and, and all of that plays a part of it, but I think the time has come that we must try—what we did in the olden days—sure and swift punishment. I don't mean unconstitutional punishment. I mean "sure and swift" punishment. Ah—To get away from some of the permissiveness we've had—because we've had a system that people could get by so easily—ah, with various court decisions.

I think sure and swift punishment. Get back to whatever it takes to get sure and swift punishment.

MAN. Ah, ah, Governor, I'd like to have the last questions, and this will be the last one. What would, ah, what would you advise the press here, as a parting word, as they go away? What would you tell them? Ah—What would you like to advise them on?

WALLACE. I, I'd like to advise them not to, not to take statistics and not to base things on—because when he asked me about the poverty people in Alabama, and the poverty people in—County that don't have as much as they do in Washington, but least they can go fishing in the creek and they get out in the sunshine, and they get out in the fresh air without fear of their life. And I think a man and woman that can do that is richer than somebody's got money, but got to padlock the house.

And if somebody knocks on the door, they tremble and shake. And that's what happens in Washington, and that even happen in Atlanta now some, to some extent, and Birmingham and other places, too. Ah—but, also, ah, is, ah—Remember that our region of the country had further to come than other parts of the country—because after the War Between the States, a hundred years ago, instead of our government giving us Lend-Lease and Marshall aid, like we did Japan and West Germany, our government jumped on us and occupied us for 14 years, disenfranchised us, and our people were not given anything—they were illiterate for several generations, and white and black were artificially held down through economic restrictions. They've been removed back in the 19—later '49 and '50—and we are now the viable, vibrant region of the United States. The Southeast. Atlanta, Birmingham, Jackson, Mississippi and we're also really the better place for people of both races to live.

I believe these ladies back there agree with me that down here we're really—ah, I don't know whether they agree with me or not, but I believe that it's better for both races here than it is, in, in Cleveland, or Chicago. And that—don't believe—the media has sensationalized the South. The South was made fun of—we were called "The Fighting South"—and after World War—during World War I, when Germany overrun everybody, the only section of the nation that wanted to come to the defense of Norway, Sweden and Denmark and Eastern Europe was the South. They voted—we ought to get in that war. And, yet, we get more criticism from British press and Norway press—but we—the rest of the country voted—stay out of it. Don't—. . . war. And these people voted down here—let's get in that thing. And get the Nazis—not the German people. The Nazis off of those folks. And, ah, I would say this: About foreign policy—I want to tell you somethin'—I do not believe in Nazism—just like maybe you don't believe in Wallace-ism. But that was not the German people. The German people were mistreated after World War I. The Versailles Treaty, that was imposed on them by France and Britain and the United States—and, mainly, France and Britain, was a treaty that brought Hitler to power. And if it hadn't been Hitler, his name would have been Jones—it would have been Schmidt—it'd have been somebody else because ah, ah, it was only—it was only sure that nationalistic feeling of the German people would be aroused from the mistreatment they got.

And so our foreign policy over the years made a mistake in allowing that to happen. We ought to have . . . after World War I like we did after World War II—magnanimous—. . . West German people that are friendly people that are friendly because they're great people. And the Japanese people, in my judgment, were provoked to a certain extent by people, by interests in this country that helped to bring about Pearl Harbor. And what I'm saying is that our true foreign policy in those years ought to have been cultivated—the friendship of the Japanese and of the Germans instead of being antagonistic. So that today we have a good buffer in the East against the Soviet expansion plans, and the Chinese expansion plans, which might stabilize and be good in the final analysis for the Soviet Union and the United States in that—and Japan—in that we might come near having peace—and one country beginning to get maybe so superior in, say, nuclear strength.

I think we were fighting the wrong people, maybe, in World War II, and I say that with all due regard to the Soviet ah, person here. What I'm saying is—We fought on your side, but I wish the Soviet Union, or government rather, had been contained somewhat. And I do think we helped build up enemies in Western Europe, and in Germany, and in Japan, that we ought to have been 50 years ago friendly to. And then there wouldn't have been any Hitler, and there wouldn't be any Jewish tirade.

MAN. Well, Governor Wallace, thank you very. very much, sir, for all this splendid time.

(End of interview.)

LOADING A QUESTION ON THE AGENCY FOR CONSUMER ADVOCACY

Mr. PERCY. Mr. President, during the course of debate on legislation to create an Agency for Consumer Advocacy, S. 200, repeated reference was made to certain poll results emanating from a survey sponsored and paid for to the sum of $25,000 by the Business Roundtable, a New York City-based association of business firms. The poll was conducted, on behalf of the Business Roundtable, by the Opinion Research Corporation of Princeton, N.J. As part of the poll, the following question was asked:

Those in favor of setting up an *additional* federal consumer protection agency *on top of all the other agencies* say it is needed because the agencies we have are not getting the job done by themselves. Those who oppose setting up the *additional* agency say that we already have plenty of government agencies to protect consumers, and it's just a matter of making them work better. How do you feel? Do you favor setting up an *additional* consumer protection agency *over all the others*, or do you favor doing what is necessary to make the agencies we now have more effective in protecting consumer interests? (emphasis added)

Not surprisingly, more than 75 percent of the respondents said that they favored making the existing agencies more effective, which was construed by the polling firm—whether or not at the request of the Business Roundtable—as opposition to the establishment of a consumer advocacy agency.

No provision was made in the survey for recognizing that the two choices—making the existing agencies more effective and setting up an Agency for Consumer Advocacy to assure more informed input into the decisions of those agencies—are not mutually exclusive but are, instead, complementary. Indeed, at the crux of reforming the existing agencies and making them more effective is the critical need to assure a means by which consumers can at least get their voices heard and considered in the decision-making process. That is not the case now.

My own initial reaction to the bias of the question was simply to dismiss the result with the observation that whenever you ask a loaded question you can be assured of getting a loaded answer. But because the issue of the poll results was raised on numerous occasions during Senate debate, and because business trade associations and other business groups continued to make reference to those questionable results, I asked the Library of Congress to take a detailed look at the poll and to give me their considered views as to the validity and reliability of the results. After more than

a month's analysis, the Library of Congress report to me indicated that the poll was indeed open to serious question.

The dissemination of useless poll information does nothing to help the image of American business which is at an all-time low. Let me quote from an article appearing in the May 15, 1974, edition of Forbes magazine:

Opinion Research Corp., a Princeton, N.J. firm has been measuring the business community's standing with the public since 1957. Its studies show that confidence in business is now lower than in all other institutions evaluated. Even labor, Congress and the President do better. Current data reveal—for the first time since the polling began—that a majority of persons feel many big businesses are too powerful and should be broken up. Support for the business community is falling fastest among high-income professional people and the better educated, groups that traditionally kept the faith best.

As a former businessman, this greatly saddens me.

The final sentence of the Forbes article best sums up the foolishness of engaging in gimmicks of this kind. Forbes concludes:

The question remains: Can business influence public opinion if it doesn't understand public opinion?

What the business roundtable poll tells me is that not only does not that segment of business understand public opinion, but it apparently does not even know how to go about seeking it by valid and reliable means—or does not want to.

I have today taken action to bring this report to the attention of the House Government Operations Committee which will be considering the consumer agency legislation. I have written to Chairman JACK BROOKS, and to the ranking minority member FRANK HORTON, forwarding to them a copy of the report to be shared with the membership of that committee. For the benefit of all of my colleagues, I ask unanimous consent to print in the RECORD a copy of my letter to Chairman BROOKS together with the full text of the Library of Congress report and a United Press International wire story reporting on the results of that Library of Congress study.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 6, 1975.

Hon. JACK BROOKS,
Chairman, Committee on Government Operations, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: It is my understanding that, together with Congressman Frank Horton and Benjamin Rosenthal of your Committee, you intend very soon to consider legislation to create an Agency for Consumer Protection comparable to that envisioned in S. 200 which overwhelmingly passed the Senate several weeks ago.

In connection with your Committee deliberations on this legislation, I wanted to forward to you a relevant report I have just received from the Library of Congress. The report concerns the so-called "Business Roundtable Poll," conducted by Opinion Research Corporation of Princeton, New Jersey, which purported to show that more than 75 percent of Americans oppose the creation of a Consumer Protection Agency.

As you will see from the execellent Library of Congress critique, the Business Roundtable Poll can be dismissed by simply noting that whenever you ask a loaded question you can be assured of getting a loaded answer. No provision was made in the survey for recognizing that the two choices offered—making existing agencies of government more effective or setting up a Consumer Protection Agency to assure informed consumer input into the decisions of those agencies—are not mutually exclusive but are, instead, complementary. Indeed, at the crux of reforming existing agencies and making them more effective is the critical need to assure a means by which consumers can at least get their voices heard and considered in the decision-making process. That is not the case now.

I note that only 22 percent of those polled indicated they had even heard of, or knew anything about the proposed new advocacy agency. Of that 22 percent, only 1 in 20 were able to identify the principal role of the ACA as being not a regulatory agency but instead a kind of watchdog or monitoring agency with respect to the other agencies of government, to make sure that consumer viewpoints were heard and considered. Thus, approximately 1 percent of the entire polling sample had a good idea of what the ACA was all about, and yet respondents were asked to make judgments as to whether or not it should come into being. Surely, a more valid poll would have informed the sample as to what it was that they were being questioned about prior to eliciting such a response. Again, the figures themselves lead one to conclude that the purpose of the poll was not to truly measure consumer sentiment on the proposed legislation, but instead to conjure up some response which comported with the preconceived notions of a business group which is on record as being hostile to the proposed consumer agency.

Who's kidding whom. With the image of American business at an all time low, it does not help business, nor is it useful to the Congress which is currently considering this legislation, to trump up questions calculated to elicit a particular response, and then to foist that response back on the American people and contend that that is how they are thinking. It just isn't so. My own mail and conversations with consumers around the country are testimony to that.

No good purpose is served by spending $25,000 or more on totally useless information. The Business Roundtable, and business groups around the country, would be better advised to take a more positive approach and try to have a better understanding of, and input into this consumer legislation. They would be better advised to follow in the footsteps of such outstanding business leaders as Rawleigh Warner and William Tavoulareas of Mobil Oil Company; or Tom Brooker and Leo Schoenhofen of Marcor, and Ed Donnell of Montgomery Ward; of Don Perkins of the Jewel food chain; and of T. F. Bradshaw of Atlantic Richfield. They would be better advised to take the lead of Gulf & Western, Zenith, Polaroid, Connecticut General Life Insurance, the Dreyfus Fund, and other large and small comoanies around the country which have expressed their support for legislation to create an Agency for Consumer Advocacy and, in many cases, which have helped to mold the bill into the reasonable legislation it now is.

It is my hope that, in the course of your deliberations on the measure, this enclosed report will prove to be of assistance. It is unfortunate that some damage has already been done in that the poll was widely ballyhooed by business organizations and trade associations to their various memberships, and that several newspapers including the *Wall Street Journal* and the Washington *Star* have chosen to make reference to the specious poll results as grist for negative editorial comment with respect to the proposed legislation. I trust that you will endeavor to correct any mistaken impressions from the poll. Clearly, there is a need for such an Agency, and considerable support for it from consumers nationwide.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

CONGESSIONAL RESEARCH SERVICE,
Washington, D.C., May 6, 1975.

To: Senate Government Operations Committee, Subcommittee on Permanent Investigations; Attn: Jonathan Cottin.
From: Daniel Melnick, Analyst, Government and General Research Division (Frederick H. Pauls, Deputy Assistant Chief).
Subject: An Analysis of the Results of the Business Roundtable Poll on the Consumer Advocacy Agency.

This memorandum responds to your request for an analysis of the public opinion poll sponsored by the Business Roundtable concerning the Consumer Advocacy Agency and its relevancy to S. 200. It also provides you with information concerning the sponsorship and organization of the polling operation.

SPONSORSHIP OF THE POLL AND THE PARTICIPANTS IN IT

The poll was sponsored, and paid for, by the Business Roundtable, which has a continuing relationship with Research Strategies Corporation of New York City. The President of Research Strategies, Mr. Walter Barlow, informed us that his organization is a management research consulting firm. Mr. Barlow was associated with Opinion Research Strategies Corporation; but there is no connection between the two organizations.

Research Strategies Corporation is on a retainer as the research management consultant to the Business Roundtable. RSC arranged for the Opinion Research Corporation of Princeton, New Jersey, to conduct the field operations, tabulation, and pre-testing of the survey for the Business Roundtable but it (BSC) framed the survey's questions, which Opinion Research Corporation pretested (a pre-test involves asking selected respondents the questions in order to ascertain their clarity and comprehension).

The questions were included in ORC's January-February omnibus "Caravan" survey. This survey is shared among several clients. It included questions on a wide variety of topics in addition to those sponsored by Business Roundtable. The ORC did have some degree of responsibility for the questions included and their analysis because it (1) reserved the right to accept or decline Business Roundtable as a client, (2) exercised control over the content and wording of questions included in the Caravan instrument, and (3) exercised editorial control over the report which constituted the official presentation of the findings. Moreover, ORC issued, on its own stationery, a press release presenting some of the results of the survey. The statistical analyses presented in the report were also checked by ORC's statistical department for accuracy. Mr. Henry Dursin, Senior Vice President of ORC (and the man in charge of the Caravan survey), informed us that he was generally pleased with the fairness and accuracy of the report, and the press release, and that he supported the findings presented therein as accurate. Mr. Dursin reported that ORC had reviewed RSC's questions for clarity and found them to be of sufficient quality to include in the Caravan survey, which is a regular ORC service subscribed to by organizations, corporations, and government agencies.

The Opinion Research Corporation has declined to provide the following information to CRS on the grounds that it is of a proprietary nature:

A list of the corporations, government agencies, and organizations subscribing to the Caravan survey that included the questions sponsored by the Business Roundtable;

A complete copy of the interview schedule, providing us instead with a copy of the section of the schedule that included the questions sponsored by the Business Roundtable, which limitation is particularly important because:

(a) the exact wording of the demographic questions upon which the analysis is based have not been provided; and

(b) it is impossible to say whether the positioning of the Business Roundtable questions in the survey might have had a biasing effect on the results.

ORC has, however, provided us with a list of their clients (including Caravan and non-Caravan subscribers).

I asked Research Strategies Corporation to provide us with information regarding the cost of the survey including its fee and the fee paid to the Opinion Research Corporation. Mr. Walter Barlow informed me that the overall cost of the operation was approximately $25,000. Of this about three quarters went to Opinion Research Corporation and the rest constituted the fee received by Research Strategies Corporation. Although bills were routed through Mr. Barlow, he passed them on to the Business Roundtable, which paid for all costs. Mr. Barlow especially requested that I point out that Research Strategies Corporation did not pay for any part of the survey. Since RSC holds a retainer with the Business Roundtable the exact amount of its fee is presented as estimated by Mr. Barlow.

ANALYSIS OF SURVEY RESULTS

The Business Roundtable's questions were included in the Caravan survey which was conducted from January 10, to February 3, 1975. It is unlikely that the rather long period which it took ORC to administer its survey had an adverse effect on the validity of the results in which you are interested. These items most likely have a low volitivity (i.e., fluctuation in response) over time.

The Caravan survey of January–February 1975 was administered to 2,038 respondents who were selected on the basis of a representative sample of all adults (persons over age 18) living in the continental United States. The sample frame utilized a stratified scheme under which:

(1) 360 counties were randomly selected;

(2) one minor civil division was randomly selected in each county;

(3) the telephone directories of the minor civil division were used to select households;

(4) interviewers were instructed to interview a person in the house immediately to the left of the household selected. The selection of persons at that household was made on the basis of a randomized quota system. i.e., the interviewer might have been told to interview a man or a woman, a young person or an older person, etc.; and

(5) interviews were to continue until the quota was met within the sampling "cluster."

This format avoids the difficulties encountered in using area samples and it also somewhat mitigates the problems associated with using telephone directories as a base for sampling. However, it has the limitation of under-representing areas within a minor civil division in which the density of listed telephones is relatively low. ORC took account of this problem. For every percentage reported it provides a weighting factor which can be used to correct for any under-representation. The method used to weight is a bit cumbersome; i.e., requires considerable calculation before the limits of the sample become apparent. No aid to this calculation is provided in the report or press release.

A study of the demographic information provided by ORC indicates that the sample it used is generally representative of the population of the continental U.S. If we compare it to the composition of the general population (using the weights provided in the ORC report), there are only three categories of persons who are over or under represented in the sample:

While 26.5% of the population over 18 years of age has attended college, 31.8% of the Caravan sample has attended college;

While 24.6% of the population has a family income of less than $5,000 per year, only 17.1% of the Caravan sample is in this category; and

While 35.2% of the population over 18 years of age rents their place of residence, only 30.9% of the Caravan sample were renters.

This means that the ORC sample missed 30.4% of those persons in the population with a family income under $5,000 per year (24.6%−17.1%=7.5%; 7.5% divided by 24.6%=30.4%) and 12.2% of those persons in the population who are renters (35.2%−30.9%=4.3%; 4.3% divided by 35.2%=12.2%).

All other demographic controls fell within the 3 percent confidence limits established for the survey.

ANALYSIS OF THE RESULTS

The Business Roundtable poll resulted in a series of conclusions, which seem to contrast sharply with the results of previously conducted studies. Consider the following contrasts.

An ORC press release of January 1975 stated:

"The survey found that the public is generally satisfied with the consumer protection efforts of existing Governmental agencies." ORC press release, Jan. 1975.

But, in contrast:

"People are looking more and more to 'business' . . . not because (it) has done such a good job in this area—they don't think it has—but rather because: (a) government has been doing such a poor job, and (b) business is believed more likely to have the power to get things done," Louis Harris "The Public Credibility of American Business" *The Conference Board Record* March 1973.

Or,

. . . "A clear majority of the public feels it is generally being treated fairly by business," ORC Press Release, Jan. 1975.

As compared with:

"Growing criticism of the concentrated economic power, profits and impersonality of large companies has resulted in the most unfavorable attitude climate facing business since this trend series began in the late fifties." ORC Public Opinion Index vol. XXXII No. 1 Mid-January 1974.

Or

". . . In cases in which consumers have been dissatisfied with some product or service, the survey showed that they believe the best place to go in order to get something done about it are the 'person who sold it to them in the first place' the Better Business Bureau, and the company that made the product or furnished the service." ORC Press Release, Jan. 1975.

Compared with:

"There is too much power concentrated in the hands of a few large companies for the good of the nation.": 75% agree; "As they grow bigger companies usually get cold and impersonal in their relations with people,": 74% agree. ORC Public Opinion Index, Jan. 1974.

The differences in the foregoing conclusions are most likely due to the different procedures, question wording and interpretation of results found in these studies.

QUESTION WORDING IN THE SURVEY

Even slight variations in the wording of a question can change the meaning of the results obtained.

The following points should be considered in judging the meaningfulness of the responses to the Business Roundtable questions.

Question C1.

C1. As an American consumer, you buy a variety of things for yourself or your family. In general, how fairly do you, as a consumer feel you are treated by business? Would you say you are almost always treated fairly, usually treated fairly, usually treated unfairly, or almost always treated unfairly by business?

The best formulation of the limits to the interpretation of question C1 is to be found in the complete report issued by ORC.

Taking note of the apparent contradiction between the response to this item and previous responses to other items the report says:

"Considerable attention in recent years has been given to surveys showing that the public has 'relatively little confidence' in the leadership of business, particularly big business, that the credibility of business is low compared with other institutions, etc. Whether a person 'believes' or 'likes' business is *not* the subject under consideration here. Rather, it is people's judgments from their accumulated personal experience, as to whether the treatment they have been getting from business is generally fair or unfair."

This caveat was omitted from the press release.

Another difficulty with this item relates to the way responses are structured, i.e., the limited categories of response offered to a respondent. This makes it difficult to judge the meaningfulness of the results obtained. For example, the item did not ask the respondent if he had ever been mistreated by business, but rather if "in general" he felt he had "almost always" or "usually" been treated fairly or unfairly. Moreover, there was no category for those who feel that they are occasionally treated unfairly. Consequently, persons saying that they were treated unfairly probably were expressing a very strong opinion, bordering on total alienation from business.

It is of interest that the ORC sample enables us to project the percentage obtained onto the total population of persons over age 18 living in the continental U.S. According to the latest Current population survey conducted by the Census Bureau there were 144.6 million persons over the age of 18 living in the U.S. in July 1974. Using the confidence limit of 2 percent provided by ORC, this means that (if we accept the ORC finding) approximately between 16 and 22 million persons feel that they are usually or almost always treated unfairly by business. You should bear in mind, furthermore, that this does not include many persons who feel that they are usually or almost always treated unfairly by business. You should bear in mind, furthermore, that this does not include many persons who feel that they were occasionally unfairly treated by business, or those who ever felt they needed help in dealing with business. Rather, it is limited to those willing to characterize their personal experience as being usually or almost always unfair.

Question C2.

C2. What businesses or companies do you feel have treated you *unfairly*? PROBE: Any others?

Question C2 is a straightforward one; however, it suffers from the fault of having been asked only of those who feel they are usually or almost always treated unfairly. The results from this question are indicative of the targets of discontent of those persons. They by no means present an adequate representation of the attitudes of the public at large.

Questions C3, C7, C10, and C13.

C3. As a consumer, you are affected in many ways by government agencies or gov-

ernment activities. In general, how fairly do you, as a consumer feel you are treated by government? Would you say you are almost always treated fairly, usually treated fairly, usually treated unfairly, or always treated unfairly by government?

C7. As a consumer, how do you rate the effectiveness of the Federal Office of Consumer Affairs? Would you rate it very effective, somewhat effective, or not very effective?

C10. As a consumer, how do you rate the effectiveness of the Consumer Product Safety Commission? Would you rate it very effective, somewhat effective, or not very effective?

C13. As a consumer, how do you rate the effectiveness of the Environmental Protection Agency? Would you rate it very effective, somewhat effective, or not very effective?

There is a real question whether the words "as a consumer" in question C3 really focused the attention of respondents towards the government agencies charged with protecting consumers. Questions C7, C10 and C13 are directed to specific government agencies. They provide much better indications of the overall job rating of those agencies which are specifically charged with protecting consumers.

One problem with these questions, is that while they provide one response category for those who feel the agencies have not been effective, they provide two response categories to those who feel the agencies have been effective. This undoubtedly biases the response towards answers that indicate effectiveness.

The only fair way to analyze the results in C7, C10 and C13 is to compare the two extreme categories. When we do this, the interpretation of the Business Roundtable poll's results appears to be very different from that reported in the press release. For example, the press release said that "more than half of those respondents (who were asked) felt (the Office of Consumer Affairs) was doing an effective job", but we find, when we compare the extremes, that 12 percent said the Office of Consumer Affairs was not very effective compared with 5 percent who said it was very effective. The press release also said "almost half" (of those asked) rated (the EPA) as "effective", but we found 16 percent said the EPA was not very effective compared with 12 percent who said it was very effective.

Our results are not conclusive because the responses we analyzed did not include those who (1) had not heard of the agency, (2) did not respond to the questions or (3) chose the middle ground. In any case, the ORC data do not appear to support the conclusion that "the public is generally satisfied with the consumer protection efforts of existing government agencies." (ORC press release, p. 2).

Despite the failure of the Business Roundtable poll to directly ask respondents if they are "satisfied with the consumer protection efforts of existing government agencies," the press release, on the basis of question 3, concludes that this is the case, which is a dubious conclusion because Question C3 asks respondents to limit their replies to the way "you are treated by government."

Question C14.

C14. Some people are saying that Federal agencies and commissions are not doing a good job in looking out for consumers' interests, and they say that Congress should set up a commission to study the problem and recommend changes.

How do you feel? Would you be in favor of setting up such a commission or not?

Question C14 is simple and direct, but its placement in a series of related questions raises the possibility that it may bias the remaining questions. This question only presents one legislative alternative. It does not ask respondents to compare alternatives. Yet, presenting it first in the question series may have induced respondents who are vaguely in favor of change and feel that something needs to be done, to commit themselves to the commission alternative.

The bias effect is most likely increased by the wording of Question C15. In that question, the respondent is told of a proposal for an "additional Federal agency in the consumer field called the Federal Consumer Protection Agency." The use of the word "additional" is ambiguous because it is not clear whether the agency would be created in addition to the regulatory study commission or in addition to the other agencies currently functioning.

Question C17.

C17. Those in favor of setting up an additional Federal Consumer Protection Agency on top of all the other agencies say it is needed because the agencies we have are not getting the job done by themselves.

Those who oppose setting up the additional agency say that we already have plenty of government agencies to protect consumers, and it's just a matter of making them work better.

How do you feel? Do you favor setting up an additional Consumer Protection Agency over all the others, or do you favor doing what is necessary to make the agencies we now have more effective in protecting consumers' interests?

This question is worded in such a way as to leave serious doubt as to the meaning of any results obtained. The problems with it are:

The wording focuses the attention of respondents on the fact that the Federal Consumer Protection Agency would be created "on top of all the other agencies." By repeating the point that the agency would be "additional" four times in the course of the question, this item may well have focused the concerns of the respondents on the size of government bureaucracy. It is consequently very difficult to know if respondents were reacting to the Consumer Advocacy agency or if they were expressing their dismay with the complexity and size of government.

The size of the adverse reaction to government bureaucracy may have been created by having to answer 15 questions about different government agencies before reaching question 17.

The press release issued by ORC refers to the findings from this question in the following way: "The survey found that 13 percent of consumers would support efforts now under way in Congress to enact legislation establishing the Agency for Consumer Advocacy . . ."

It should be noted that, like the press release, (a) the question item referred to the agency as the Consumer Protection Agency, not the Agency for Consumer Advocacy (one wonders what the effect of this difference was), and (b) the question item did not mention that such a bill was before Congress, nor did it describe its purpose. Accordingly, it may have implied that it would mean the creation of more government bureaucracy. It is probable, therefore, that the results show people are opposed to more bureaucracy, not necessarily that they are opposed to the Consumer Advocacy Agency.

The question is long and may have been difficult for respondents to follow.

The question does not allow the respondent the alternative of saying that he feels the government is now getting the job done.

Furthermore, the procedures used in asking this question were not consistent with the procedures used in the previous series of questions. In each preceding case persons were only asked to judge the worth of agencies or ideas which they said they had heard of. In this case, however, the question was put to every respondent regardless of knowledge of it. Because 70 percent of the sample had not heard of the proposed Consumer Protection Agency (Question C15) the interpretation of these results is in doubt. For example, twice as many persons who had heard of the proposed agency favored it as compared with those who had not heard of it. However, the press release nowhere notes this fact.

The interpretation problem is complicated by the wording of the question. The alternatives offered are not really exclusive. Conceivably a respondent might have favored both improving the existing agencies and creating another agency to advocate the views of consumers. Indeed, this dual purpose is reflected in S. 200, referred to in the ORC press release which states as one of the bill's purposes, the establishment of "a governmental organiaztion to represent the interests of consumers before Federal agencies and courts (which) could help the agencies in the exercise of their statutory responsibilities in a manner consistent with the public interest and with effective and responsive government." The wording and choices of question C17 leave one with a different impression.

Question C17 implies that the Consumer Advocacy Agency would oversee the other agencies. ("Setting up an additional Consumer Protection Agency *over* all the others,") Contrarily, in response the advocates of S. 200 might point to the following clause in the bill: "The authority of the Agency to carry out this purpose shall not be construed to supersede, supplant, or replace the jurisdiction, functions or powers of any other agency to discharge its own statutory responsibilities according to law."

The most successful public opinion questions are simple and concern only a single issue at a time. There is a great danger that by combining several issues (1. improving existing agencies; 2. reducing bureaucracy; 3. setting up a new agency), question C17 may not have produced any valid result with regard to any of them. How do we know whether the respondents who said they were in favor of "doing what is necessary to make the agencies we now have more effective" would not have said they were also in favor of setting up an agency to advocate the interests of consumers? We simply do not know.

It is of further interest that in the course of researching for this report, I contacted Ms. Naomi Henderson, Research Executive in the Washington office of Opinion Research Corporation. Ms. Henderson visited me in my office, and provided me with a great deal of information concerning the operation of ORC. In the course of that visit, I framed a question for possible inclusion in Caravan which took the form of question C17, but did not refer to the Consumer Protection Agency. Ms. Henderson expressed the opinion that such a question would never be accepted by ORC since it was obviously biased in a negative direction.

Question C18.

C18. Well, to get the additional Federal Consumer Protection Agency set up and started will cost at least 60 million new tax dollars in the first three years. Would you still be in favor if it means spending that kind of money?

Question C18 asks respondents who favor setting up "an additional Federal Consumer Protection Agency on top of all the other agencies" if they were willing to have "at least 60 million new tax dollars" spent for it. This question may imply that the creation of the agency would require an increase in taxes.

On the basis of our examination, and for the aforementioned reasons, we conclude that the Business Roundtable study does not appear to present conclusive evidence that the public is opposed to the creation of the Consumer Advocacy Agency.

The public may favor the Consumer Advocacy Agency or oppose it, but it is not possible to use the ORC poll to arrive at a final conclusion on this matter.

If I may be of further assistance to you in this matter, please do not hesitate to call me on 426–5824.

CONSUMER

(By Michael J. Conlon)

WASHINGTON.—A poll which purported to show that 75 percent of the American people do not favor creation of a Consumer Protection Agency was biased, stacked and open to serious question, a Library of Congress study said today.

The order in which the questions were arranged and the wording used played on people's dislike of big government and frustration with existing bureaucracy—rather than addressing the real question of whether the new agency was a good idea, the report said.

The $25,000 survey was paid for by the Business Roundtable, a group of prominent business leaders, and conducted by Opinion Research Corp., Princeton, N.J. It was released just as Senate debate on the legislation was at its peak, but the Senate passed the measure anyway.

Sen. Charles H. Percy, R-Ill., a major backer of the Agency, asked the Library to scrutinize the survey. Commenting on the results he said:

"Who's kidding whom? With the image of American business at an all-time low, it doesn't help business nor is it useful to Congress which is considering this legislation to trump up questions calculated to elicit a particular response and then to foist that response back on the American people while contending that is how they think.

"It just isn't accurate," he added. "My own mail and conversations with consumers around the country testify to that."

The legislation is starting out on the House side next week and Percy was writing to the Government Operations Committee there passing on the poll report and urging speedy action on the bill.

The study, made by a polling expert at the Library, said those surveyed were asked a series of questions, in the middle of which was one on whether they favored setting up a commission to try to make existing Government regulatory agencies work better.

Introducing that issue, it said, "May bias the remaining questions" by forcing persons "vaguely in favor of change" to commit themselves to the commission idea.

A later and key question in part asked:

"Do you favor setting up an additional Consumer Protection Agency over all the others, or do you favor doing what is necessary to make the agencies we now have more effective in protecting the consumer's interests?"

That question, the report said, "Is worded in such a way as to leave serious doubt as to the meaning of any results obtained."

"By repeating the point that the agency would be 'additional' four times in the course of the question, this item may well have focused the concerns of the respondents on the size of Government bureaucracy," it said. "It is consequently very difficult to know if respondents were reacting to the Consumer Advocacy or if they were expressing their dismay with the complexity and size of government."

The size of the adverse reaction to the question, it added, may have been caused by the 15 preceeding questions about other Government agencies.

"It is probable therefore that the results show people are opposed to more bureaucracy, not necessarily that they are opposed to the Consumer Protection Agency," it said.

DISCRIMINATION AGAINST THE HUNGARIAN MINORITY IN RUMANIA

Mr. WILLIAMS. Mr. President, it is often said that a government's first duty is to provide justice for all of its people. Throughout Eastern Europe today, millions of people live under governments which have deliberately abandoned this duty to their citizens. In Rumania, the denial of basic civil rights and equal justice is applied with double force to the Hungarian minority of almost 2.5 million people, who are concentrated in the province of Transylvania.

The Rumanian constitution explicitly sets forth guarantees of freedom and equality, but these guarantees are withheld from the Hungarian minority there. Discrimination against this group, and other minorities as well, has reached into all areas of daily life, especially education, employment, and religion. In fact, it has become evident that Rumania's rulers have embarked upon a deliberate course to destroy the attachment of Hungarians to their rich cultural heritage. It is a policy designed to assimilate the Hungarians into the Rumanian culture, while continuing their second-class status. And unfortunately, this campaign against the Hungarians has heightened in recent months.

The Hungarians governed themselves in Transylvania as part of the kingdom of Hungary for over a 1,000 years, until 1919. Between 1919 and 1947, the province was traded back and forth between Rumania and Hungary until 1947 when Rumania incorporated for the last time. The Hungarians were promised at that time the right of autonomy, but only one autonomous region was created, in 1952, and even this one was dissolved in 1968.

The planned restriction and elimination of Hungarian schools is evident in Rumania today. In 1956, there were 1,022 4-year Hungarian elementary schools in Transylvania. Today, there are only 750. In 1956, there were two Hungarian universities. These schools were merged in 1959, and today only two courses are offered in the Hungarian language. One-third of the grade school children, and 60 percent of the secondary school students of Hungarian background are now attending purely Rumanian schools. They are prohibited from speaking Hungarian even during recess.

Economic discrimination also seems prevalent. For example, most foremen and workers in Transylvania are Hungarian, but managerial positions are invariably filled by Rumanians. In one Hungarian city, only one of the three major industry combines has a Hungarian engineer although, at least until 1960, the educational level of Hungarians was higher than that of the Rumanian majority.

Economic development plans have favored Rumanians, while neglecting the Hungarian minority. The Hungarian regions around the Hungarian frontier and certain counties in Southeastern Transylvania have seen little economic development. Pipelines for natural gas resources, located on the fringes of the Szekely area in southeastern Transylvania lead straight through the Hungarian areas without any benefit to them.

Hungarian churches—Roman Catholic, Reformed Protestant and Unitarian—are the targets of special harassment from the antireligion Rumanian Government. The only Roman Catholic bishop still remaining in office, has been in prison or under house arrest since 1967. Government regulations set forth in 1974 prohibit the Hungarian nationality churches from receiving any financial assistance or gifts from abroad. Because of the special nature of the Hungarian nationality churches, this regulation is especially discriminatory.

These examples illustrate only a portion of the systematic program of assimilation conducted by the Rumanian Government against the Hungarian minority. Those of us who believe in such basic human principles as freedom, equal treatment, and justice, must not allow the activities of the Rumanian Government toward its minorities to go unnoticed. We have an obligation to speak out against this persecution and discrimination. As world attention focuses on the maltreatment of the Hungarians in Rumania, it is our hope that Rumania's rulers will reach the inescapable conclusion that their own interests and those of all their people are better served if they reverse their discriminatory policies.

RAILROAD ABANDONMENTS

Mr. HATFIELD. Mr. President, as a former member of the Senate Commerce Committee, and therefore having been involved in the drafting and review of railroad legislation before the Senate, I am very concerned about the future of this vital link in our transportation system. I am extremely concerned with the need to reestablish the productivity and profitability of both the passenger and freight-hauling railroad industries in the United States. While this problem, at present, is more acute in the eastern regions of this country, it is my opinion that with proper management and improved equipment, the railroad can play a significant role in creating a more sensible, energy-efficient, and lower-cost nationwide transportation network.

Mr. President, I ask unanimous consent to have printed in the RECORD an article that appeared in the New York Times on Monday, June 2, 1975, regarding prospects for the future management of railroads in this country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ISSUE AND DEBATE: CAN LOW VOLUME RAIL LINES STILL BE JUSTIFIED?

(By Robert E. Bedingfield)

For the first time in its history, the railroad industry operated at an over-all loss in the first quarter of this year—darkening a serious situation already marked by a growing number of systems in bankruptcy.

The industry's difficulties persist even though the burden of unprofitable passenger service has largely been lifted from it by

Amtrak, the Government-financed passenger train enterprise.

Attention is now focusing on the unprofitable segments of railway freight operations. These fall into two categories—one clearly visible and one much less so.

The hard-to-see sector is the underutilization of parallel lines. With railroad tonnage down to 40 per cent of the total freight that moves between cities, there isn't always enough demand to justify such situations as five railroad main lines between Chicago and Omaha or four railroad main lines between Buffalo and Cleveland. According to some industry estimates, eliminating such duplications could bring savings of as much as $200-million a year. One difficulty, at least until now, has been that most railroad presidents have wanted their competitors' lines declared surplus.

The other, clearly visible unprofitable segment of freight operations is little-used branch line trackage. Of the 313,000 miles of track that the nation's railroads operate, 86,000 miles consist of branch lines carrying local traffic only. Of this trackage 22,000 miles are money-losing, according to surveys prepared in 1973 by both the Federal Railroad Administration and the Association of American Railroads, the industry's trade organization.

In determining the number of miles of money-losing branch line trackage, the F.R.A. used this standard of uneconomic operation: 25 of fewer carloads originating or terminating per mile per year. The A.A.R.'s standard was 34 or fewer carloads, the same figure that the Interstate Commerce Commission uses for expedited abandonment. The savings the railroads could realize from eliminating the 22,000 miles of light-density branch lines run in the neighborhood of $100-million a year.

The United States Railway Association, the newly formed Federal agency committed to restructuring the Penn Central and six other bankrupt Northeastern lines into a new unified system to be known as Conrail, has proposed that 7,200 miles of light-density branch lines operated by the bankrupt carriers be eliminated. This is 28 per cent of their total mileage. The U.S.R.A. is willing, however, to have Conrail continue to provide service on this branch line trackage if the 17 states that are served contribute to subsidies on a basis of 70 per cent Federal, 30 per cent state. The Rail Reorganization Act of 1973 authorizes a total of $180-million as the Federal Government's share of light-density line subsidies.

BACKGROUND

A railroad network that was laid out to meet the needs of the late 19th century and early 20th century includes many miles that cannot pay their way today.

At the peak in 1916 railroad routes totaled 260,000 miles. The railroads at that time had 1.7 million employees, and each of them had raised his average productivity by 50 per cent over the preceding generation. Except along the Great Lakes and a few major rivers, anyone who wanted freight moved in bulk had to get it into a railroad freight car. Moving goods by truck was still primitive and strictly short-haul.

Today there is a network of 36,000 miles of Interstate highways, plus 3,041,600 tributary miles of hard-surfaced roads, providing a low-cost or even free right of way for 18 million trucks and more than 10 million automobiles. For several important categories of freight, artificial waterways (now subsidized by some $350-million of Federal funds a year) have reversed the last century's victory of the "iron horse" over the river steamer. And airplanes fly through air corridors that the Government spends more than $1-billion a year to maintain under a cloak of military necessity.

A variety of questions remain:

What trackage is going to have to be sacrificed to rationalize the railroad network for today's smaller tasks?

Who is going to suffer the loss of the capital values that have been destroyed by the subsidies given competing modes of transportation?

Who is going to pay for the movement of rail freight that is still essential to many enterprises and communities but whose shippers can no longer be charged the full cost?

State and local Government officials vociferously raised these points and others concerning the environment and energy (trains are more efficient users of fuel than trucks) during public hearings held this spring by the Rail Services Planning Office of the Interstate Commerce Commission. The hearings took place in 27 cities served by seven major bankrupt lines scheduled to be included in Con-rail. They attracted more than 1,900 witnesses, and 500 written statements also were filed with the agency.

The hearings followed a similar series the Planning Office held in 1974 following the issuance by the Transportation Department of an evaluation study of rail service in the Middle West and Northeast.

SCHAPP'S VIEW

Gov. Milton J. Schapp of Pennsylvania probably has been the nation's most vocal advocate of saving all trackage. His formula for doing so is a Rail Trust Fund, paralleling the Highway Trust Fund that built the Interstate system of highways for the trucking industry. He would postpone any track abandonment for at least the six years that it would take for his proposed fund to be expended.

Governor Schapp describes his proposal as a "self-liquidating investment program which would enable privately owned railroads to obtain sufficient funds to expand and modernize all their facilities." The plan would advance $12-billion or $13-billion in Federal loans to the nation's railroads over the next six years. Then, during the next 30 years, the railroads would collect from shippers a 5 per cent surcharge on their revenues. This would go to repay the Government grants.

Governor Schapp echoes the assertion of major analysts of the railroads' predicament by charging that the $1-billion authorized for Conrail's rehabilitation of the Northeastern railroads properties will not do the job. He quotes a study prepared by the First National City Bank of New York setting the true cost at $5.6 billion, which is not out of line with other estimates.

However, Governor Schapp parts from many analysts within the industry when he finds that the "wholesale abandonment of light-density branch lines will not restore the railroads' financial health." Most knowledgeable railroad people, while they do not go so far as to expect such trackage abandonment to solve all the industry's financial problems, do consider this—along with the elimination of trackage duplicated by other railroads—as an important step in that direction. Governor Schapp, ever since Conrail was just a nebulous idea, has contended that, in Pennsylvania at least, the placing of a pair of rails besides a factory or a plant constitutes a commitment of permanence.

Governor Schapp's Rail Trust Fund would allot $3.2-billion for electrification of heavily traveled lines. He points to a 1971 study that found benefits in electrification of 6,200 miles out of 14,300 miles of high-density traffic studied. The Governor asserts that the soaring cost of diesel fuel would bring more of the 14,300 miles into a situation where electrification would be feasible.

I.C.C. ANALYSIS

In its 543-page analysis of the United States Railway Association's preliminary plan for cutting back the size of the bankrupt Northeast rail network, the I.C.C.'s Rail Services Planning Office did not go as far as Governor Schapp. Instead, the Planning Office said:

"We propose amendments to the Rail Reorganization Act of 1973 under which the bankrupts are to be restructured which would keep lines proposed for exclusion from Conrail in operation for two years during further study."

During its hearings the threat of the elimination of light-density lines was the most frequently criticized element of the Railway Association's plan for forming Conrail. Therefore, the Planning Office said that "it would be difficult to overstate the vehemence of the public opposition" to the association's criteria for determining branch line retention or abandonment.

The U.S.R.A., using rail traffic data gleaned from waybill files maintained by the carriers, determined the revenue of each carload of traffic handled over 850 line segments and 11,000 miles of track and related this to the specific cost of providing the transportation.

The Planning Office centered its fire on special circumstances that invalidated the U.S.R.A.'s statistical base, such as 1972 storm damage to a line between York, Pa., and Cockeysville, Md. The Planning Office said testimony it had received in a shippers' survey indicated traffic projections over the line of more than 1,100 carloads of freight if the line was restored to service. In another example, the Planning Office alleged that the association had overstated the crew time used on the 2.4-mile Lewes Beach track in talking."

The National Industrial Traffic League, a shippers' lobbying organization, in testimony filed with the Planning Office, specifically questioned the accuracy of a number of figures that the U.S.R.A. used. It said that, in one section of its report, the association had stated it would cost $161,290 a mile to rehabilitate the light-density lines recommended for exclusion but that, in another section of the report, it had indicated the rehabilitation cost would be only $25,314 a mile.

The Planning Office concluded that the statistical methods used by the U.S.R.A. were "simply inadequate for the task at hand." The Planning Office declared, "It is impossible accurately to reconstruct low-density line costs and revenues from centrally maintained railroad data files."

One statement that has raised the hackles of some people in the railroad industry is the Planning Office's observation that many of the lines marked for exclusion from Conrail were not burdensome enough for the roads concerned to try to abandon them previously. The general reaction is: "Look who's Talking."

The latest situation report of the Penn Central trustees on track-abandonment procedures shows that on the 3,723 miles of track for which abandonment requests were filed between June 21, 1970, when the system filed for reorganization, and late 1973, the I.C.C. acted on only 1,416 miles—less than half. Further, the Penn Central points out, it had to stop filing requests for abandonment in 1973 when, for environmental reasons, a Federal court in New York issued a restraining order halting further abandonment filings.

THE OUTLOOK

Environmentalists, politicians sensitive to local pressures, labor unions and shippers—all seem prepared to place every obstacle imaginable in the way of track abandonment.

This leaves two alternatives: further subsidies or some form of nationalization. The Regional Rail Reorganization Act provides $180-million for Federal subsidies of 70 per cent of the cost of operating light-density lines for a two-year period. Many persons say this is neither enough money nor enough time to guarantee continued service despite U.S.R.A. protests to the contrary. They argue that such service should be subsidized on a permanent basis or that Conrail should be required to operate them.

In simpler times, nationalization was a bugaboo word used sparingly by railroad labor leaders to frighten railroad management during contract negotiations.

Today, with the Federal Government taking a more active role in railroading, the thought of nationalization still may not have much appeal, but it does not seem to hold the same terror as before. Indeed, Senator Vance Hartke, Indiana Democrat and chairman of a Senate Commerce Transportation subcommittee, said last month: "The mood on the floor [of the Senate] is for nationalization. I could get a vote for it if I asked for it."

So, if the current situation seems dark, the outlook seems inevitable: Without nationalization of the railroad system, great segments of it will become a public charge sustained by tax dollars.

STUDY BY JUDICIAL CONFERENCE OF CASE FOR A JUDGE'S SALARY INCREASE

Mr. JAVITS. Mr. President, since 1969, in spite of drastic increases in the cost of living, Federal judicial salaries have been frozen. This has resulted in hardships for many judges in high cost areas of the country and has resulted in resignations in the southern district of New York and elsewhere. Despite the efforts of Chief Justice Burger and others, Congress has not taken action on this important problem. I believe we must face up to this problem and not sacrifice the quality of the judiciary.

Traditionally Federal district judges salaries have been related to congressional salaries but while I favor an increase in congressional salaries which is long overdue it need not be tied in law to Federal judges salaries.

I ask unanimous consent that a study prepared for the Judicial Conference Committee on Judicial Compensation, making the case for a judicial pay increase, a compilation, prepared by the judicial conference, of press reports in support of a pay increase and the full text of selected editorials supporting the pay increase, be published in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

FACTS RELATIVE TO PRESENT STATUS OF JUDICIAL SALARIES UNDER THE POSTAL REVENUES AND FEDERAL SALARY ACT OF DECEMBER 16, 1967

Salaries of Justices and judges of the United States federal courts have been frozen since March 1969 at $40,000 for judges of the district courts, $42,500 for judges of the courts of appeals and $60,000 for Associate Justices of the Supreme Court.

The Consumer Price Index has increased 42 percent from March 1969 through September 1974, and is projected to increase to 48 percent by March 1975.[3] The freeze on judicial salaries, coupled with the escalating inflationary spiral (Consumer Price Index), has reduced judicial purchasing power by 32 percent.[2]

It must be recognized that judges have lost purchasing power each year since March 1969. This has resulted in a cumulative loss of $53,480 for district judges and $56,830 for circuit judges.[3] Even if the 1969 purchasing power of judicial salaries is restored, these losses will never be recovered.

In contrast, General Schedule federal employees have received 38.1 percent comparability pay increases during this same period of time.[4] The inequitable and discriminatory result of freezing judicial salaries for five years, while annually raising the salaries of General Schedule employees, is further accentuated by the fact that in addition, these federal employees have also received step increases, mandated under the grade system, that have been calculated at 14.2 percent when considered with the comparability increases on these step increases. Thus, the aggregate pay increase since 1969 for an average federal employee is calculated to be 52.3 percent, excluding improvements in fringe benefits. If federal judges had received the same increases, the current salaries would be: district judges—$60,920; court of appeals judges—$64,728; and, Associate Justices of the Supreme Court—$91,360.

Furthermore, the salaries set for judges, congressmen and executive appointees in 1969 were lower than recommended by the Salary Commission. Yet it can be argued the Salary Commission's carefully considered proposal represented an equitable pay relationship between judicial, legislative and executive salaries and positions classified under the General Schedule. If this relationship presently prevailed, the salaries of Justices would have to be fixed at $98,995, those of circuit judges at $76,150, and district judges at $72,343. It should be noted that these increased salaries would merely restore the level of purchasing power experienced in 1969.[5]

While federal judicial salaries have remained unchanged since March 1969, salaries of state chief judges have increased 44.2 percent.[6] Until recently, federal judicial salaries have been higher than top salaries in almost all state systems; however, this pattern is changing. Whereas in 1969 there was only one state (New York) in which judges were paid more than a United States district judge, there are now twenty states compensating judges at rates equal to or in excess of the pay of federal district court judges.

Attorneys' salaries, as surveyed by the United States Department of Labor, have risen 43.9 percent since 1969, while salaries of federal judges have not risen at all.

Thus, federal judges have been unjustly treated in comparison with General Schedule federal employees. They also have not been permitted to keep pace with their brethren on the bench in state systems or with private practitioners.

While judicial salaries have been frozen, top officials in the private sector of our economy have received salary increases averaging 59.8 percent.[7]

Such disparities have given impetus to the rise in resignations of federal judges and to reduced morale within the Federal Judiciary. An unprecedented seven federal district judges have resigned since November 1973. If a significant salary increase is not made, many other judges now in their prime, who desire to continue in the Judiciary, may also feel forced to return to private practice, at a serious loss to the ranks of the Federal Judiciary.

Another relevant consideration is the increased efficiency and productivity of the Judiciary. The average overall increase in case terminations per judgeship is 29.5 percent for the period 1968–1974. The mean processing time for civil cases has dropped 10 percent in the federal district courts and 12.1 percent in the courts of appeals. These improvements occurred during a period when filings increased 36 percent and what have been classified as "difficult cases" increased 300.8 percent.[8] Thus, it is apparent that in 1974 federal judges are doing more work and doing it more efficiently than they did in 1968. Moreover, even with their greater workload, it is evident that federal judges are performing at a level of quality as high or higher than ever.

It is worth noting that as increased efficiency has been taking place in the federal judicial system the percentage cost of the courts when compared with the cost of operating the government as a whole has steadily declined.[9]

One should take note of the fact that legislative and executive salaries, like judicial salaries, have not increased since March 1969. The same losses in purchasing power through inflation apply to them. In addition, because top level executive salaries have not increased since 1969, whereas General Schedule salaries have, there is a ceiling compression at the upper end of the salary scale. Over 15,000 federal executives have salaries below those to which the General Schedule would normally entitle them.

Economic considerations, fairness and concern for the quality of the Judiciary warrant a federal judicial salary increase of not less than 50 percent. Similar arguments apply to Congress and Executive appointees. The magnitude of the recent increases in the consumer price index underscores the need to adjust executive, legislative and judicial salaries on an annual basis to preclude the undue erosion of their income.

COMPUTATION OF SALARY LOSS FOR DISTRICT AND CIRCUIT JUDGES, 1969 TO 1975

Mar. 1	CPI [1] (percent)	Salary adjusted by Consumer Price Index: District judge Annual	District judge Cumulative	Circuit judge Annual	Circuit judge Cumulative
1969	100.0	$40,000	-------	$42,500	-------
1970	106.3	42,520	$2,520	45,180	$2,680
1971	111.5	44,600	4,600	47,390	4,890
1972	115.6	46,240	6,240	49,130	6,630
1973	120.1	48,040	8,040	51,040	8,540
1974	132.2	52,880	12,880	56,190	13,690
1975	[2] 148.0	59,200	19,200	62,900	20,400
Cumulative salary loss			53,480		56,830

[1] Mar. 1, 1969 equals 100.
[2] Projected at 12 percent based on current trend.

Note: This tabulation shows the cumulative loss of earnings to judges since March 1969, had their salaries increased commensurate with Consumer Price Index increases instead of remaining frozen.

APPENDIX D

Effective date	General schedule pay increases: Percentage increase (1)	Salary GS-15, step 4 (2)	Projected salaries, if same increases had been granted to judges: Circuit judge (3)	District judge (4)
July 14, 1969	-------	$23,749	[1] $42,500	[1] $40,000
Dec. 27, 1969 [2]	6.0	25,174	45,050	42,400
Jan. 11, 1971	6.0	26,675	47,753	44,944
Jan. 10, 1972	5.5	28,142	50,379	47,416
Jan. 8, 1973	5.1	29,589	52,948	49,834
Oct. 1, 1973	4.8	31,089	55,649	52,376

Footnotes at end of table.

---

[1] Appendix A.
[2] Appendix B.
[3] Appendix C.
[4] Appendix D.
[5] Appendix E.
[6] Appendix F.
[7] Appendix G.
[8] Difficult cases are those taking at least twice as much judicial time as the average case.
[9] Appendix H.

APPENDIX D

Effective date	General schedule pay increases: Percentage increase (1)	General schedule pay increases: Salary GS–15, step 4 (2)	Projected salaries, if same increases had been granted to judges: Circuit judge (3)	Projected salaries, if same increases had been granted to judges: District judge (4)
Oct. 1, 1974	5.5	32,800	58,709	55,256
Cumulative total	38.1			
Cumulative loss through 1974			[3] 36,668	[3] 34,512
Projections: [4]				
October 1975	7.5	35,260	63,112	59,400
October 1976	7.5	37,905	67,845	63,855
October 1977	7.5	40,748	72,933	68,644
Cumulative increase: [5]				
1974 over 1969	38.1	9,051	16,209	15,256
1975 over 1969	48.5	11,511	20,612	19,400
1976 over 1969	59.6	14,156	25,345	23,855
1977 over 1969	70.0	16,969	30,433	28,644

[1] Effective Mar. 1, 1969.
[2] Approved Apr. 15, 1970, retroactive to Dec. 27, 1969.
[3] These cumulative losses are the total dollars not received by the judges since 1969, because they did not receive the annual increases each year which were received by employees in the general schedule. The $34,512 total for district judges for example, reflects the total not received by those judges since 1969—first, the $2,400 increase indicated for them by the 6 percent increase awarded to the general schedule employees on Dec. 27, 1969; and this $2,400 loss was experienced for 4¼ yr from Dec. 27, 1969, to Oct. 1, 1974. Secondly, the next increase, granted on Jan. 11, 1971, was lost to the district judges for a 3¾ yr period, beginning with the year 1971, etc.
[4] Based on current and projected levels of the Consumer Price Index which has reached double digit annual growth proportions.
[5] It should be clearly understood that the percentages shown in this portion of the table are those reflecting the total increase over the period of years shown. Because of the compounding effect, any particular cumulative percentage increase will exceed the sum of the individual annual percentage increases during the period covered.

JUDICIAL SALARIES LESS FEDERAL[1] INCOME TAXES

[In terms of 1969 dollars]

	1969	1974	Recommended
Associate Justice, Supreme Court:			
Salary	60,000	60,000	98,995
Federal tax[2]	17,860	17,560	36,875
Remainder after taxes	42,140	42,440	62,120
Remainder in 1969 dollars	42,140	28,676	41,973
Judges of Courts of Appeals, Court of Claims, and Court of Customs and Patent Appeals:			
Salary	42,500	42,580	76,150
Federal tax[2]	10,277	10,025	25,264
Remainder after taxes	32,223	32,475	50,886
Remainder in 1969 dollars	32,223	21,943	34,382
District Court Judges:			
Salary	40,000	40,000	72,343
Federal tax[2]	9,332	9,080	23,418
Remainder after taxes	30,668	30,920	48,925
Remainder in 1969 dollars	30,668	20,892	33,057

[1] No provision has been made for State or local income taxes because of varying rates.
[2] Based on family of 4 and standard deduction.

The first two columns show the net erosion in purchasing power as a result of judges' salaries being frozen since 1969. For example, the $60,000 salary for an Associate Justice in 1969 translated into purchasing power (after taxes) of $42,140. This same salary is now worth $28,676 in purchasing power . . . a reduction of 32%. Column 3 reflects the recommended salary of $98,995, which while appearing at first blush to be a substantial salary increase, yields $41,973 of purchasing power . . . *less* than the 1969 purchasing power of Associate Justices. Thus, even a 65% increase in salary does not enable the Associate Justice to stay abreast of the inflationary spiral since 1969. The following three charts depict these in graphic form.

GROWTH OF STATE SALARIES FOR CHIEF JUDGES 1969–74

State	Salary of chief judge: 1969	1974	Increase
Alabama	$19,500	$33,500	$14,000
Alaska	27,000	44,000	17,000
Arizona	23,500	37,000	13,500
Arkansas	22,500	30,000	7,500
California	34,000	54,841	20,841
Colorado	22,500	37,500	15,000
Connecticut	33,000	40,000	7,000
Delaware	25,000	42,500	17,500
Florida	34,000	40,000	6,000
Georgia	26,500	40,000	13,500
Hawaii	28,000	33,880	5,880
Idaho	20,000	30,000	10,000
Illinois	37,500	42,500	5,000
Indiana	22,500	29,500	7,000
Iowa	22,000	34,000	12,000
Kansas	22,500	35,000	12,500
Kentucky	26,000	31,500	5,500
Louisiana	27,500	37,500	10,000
Maine	21,500	27,500	6,000
Maryland	33,000	43,800	10,800
Massachusetts	30,800	42,236	11,436
Michigan	35,000	42,000	7,000
Minnesota	27,000	40,000	13,000
Mississippi	20,000	35,000	15,000
Missouri	26,500	31,500	5,000
Montana	18,500	28,000	9,500
Nebraska	20,500	35,000	14,500
Nevada	22,000	35,000	13,000
New Hampshire	26,000	34,008	8,008
New Jersey	32,000	50,000	18,000
New Mexico	21,000	29,500	8,500
New York	42,000	63,143	21,143
North Carolina	28,000	39,000	11,000
North Dakota	18,500	28,500	10,000
Ohio	32,000	43,500	11,500
Oklahoma	22,500	30,000	7,500
Oregon	23,500	32,000	8,500
Pennsylvania	38,000	52,000	14,000
Rhode Island	26,000	34,000	8,000
South Carolina	25,000	41,730	16,730
South Dakota	20,500	29,000	8,500
Tennessee	25,000	41,600	16,600
Texas	27,000	40,500	13,500
Utah	17,000	24,000	7,000
Vermont	22,000	31,400	9,400
Virginia	24,200	41,300	17,100
Washington	27,500	34,825	7,325
West Virginia	22,500	32,500	10,000
Wisconsin	25,000	44,292	19,292
Wyoming	16,500	30,000	13,500
Total	1,290,000	1,860,055	570,055
Average	25,800	37,201	11,401
Percent increase			44.2

THE 15 HIGHEST PAID U.S. EXECUTIVES IN 1973 AND 1968

	Total individual compensation: 1973	1968
1. Paul B. Hofmann, former chairman, Johnson & Johnson	$978,000	$532,077
2. Richard C. Gerstenberg, chairman, General Motors	938,000	
(James M. Roche, chairman 1968), General Motors		652,500
3. Henry Ford II, chairman, Ford	878,746	600,000
4. Lee A. Iacocca, president, Ford	878,746	445,000
5. Edward N. Cole, president, General Motors	846,500	588,750
6. Harold S. Geneen, chairman, ITT	814,299	559,820
7. Thomas A. Murphy, vice-chairman, General Motors	776,125	
(George Russell, vice-chairman 1968), General Motors		588,750
8. Lynn A. Townsend, chairman, Chrysler	683,600	630,700
9. Richard B. Sellars, chairman, Johnson & Johnson	678,968	
(Gustav Lienhard, president 1968), Johnson & Johnson		458,554
10. John K. Jamieson, chairman, Exxon	620,766	335,000
11. John J. Riccardo, president, Chrysler	590,987	317,900
12. William F. Laporte, Chairman, American Home Products	540,409	171,400
13. Rawleigh Warner, Jr., chairman, Mobil Oil	530,009	300,000
14. Robert W. Sarnoff, chairman, RCA	525,000	290,000
15. C. Peter McColough, chairman, Xerox	506,461	276,630
Total salary	10,786,616	6,747,081

Note: Percentage change from 1968—59.8 percent.

APPENDIX H

GROWTH IN COST OF SUPPORT OF U.S. COURTS AS COMPARED TO U.S. GOVERNMENT, 1900–75

Year	Expenditures for: U.S. courts	Government as a whole	U.S. courts as a percentage of Government
1900	$2,392,574	$520,860,847	0.5
1930	8,878,199	3,640,944,364	.25
1940	10,419,062	9,125,373,806	.11
1950	23,967,360	40,159,799,714	.06
1960	49,363,000	92,200,000,000	.05
1970	132,385,000	196,600,000,000	.07
1974	190,765,455	268,300,000,000	.07
1975	[1] [2] 235,092,000	[1] 304,400,000,000	.08

[1] Estimated.
[2] For comparability purposes, excludes appropriations transferred from General Services Administration in 1975 for "Space and facilities" and "Furniture and furnishings."

The cost of the support of the United States Courts has increased from $2,392,574 for 1900 to $235,092,000 in 1975. At the same time expenditures for the Government as a whole have grown from $520,860,847 to $304,400,000,000. Thus, though the cost of the courts has increased absolutely, relative to the cost of the support of the Government as a whole it has greatly decreased. Expenditures for United States Courts in 1900 represented one-half of 1 percent of the cost of the support of the Government as a whole. The U.S. Courts share declined to about one-thirteenth of 1 percent for 1975.

NATION'S PRESS SUPPORTS FEDERAL JUDGES' SALARY INCREASE

In the past year, the plight of the Federal Judiciary has received attention in the nation's press. There has been extraordinary editorial support for an immediate and substantial increase in the salaries of Federal judges. This is especially significant in light of the present economic situation. The newspapers object to protracted inequity and are concerned about preserving a strong judiciary. The 45 per cent inflation since the previous salary increase in 1969 has precipitated an unprecedented number of resignations for salary reasons. The newspapers think that higher pay for Federal judges is a small price to pay to insure the continued excellence of the Federal bench.

Editorials supporting a pay increase have come from an impressive array of newspapers, as varied in political outlook as they are in geographical location. Seventy-three (73) newspapers in thirty-three (33) states and the District of Columbia (comprising 90 per cent of the nation's population) have published favorable editorials. These include many with major national readership and circulation, such as the *New York Times*, the *Washington Post*, *the Chicago Tribune*, the *Wall Street Journal*, and the *Los Angeles Times*, as well as regional papers with intermediate circulations from diverse states, such as Alabama, Arizona, Colorado, Mississippi, Michigan, New Jersey, North Carolina, Nebraska, Hawaii, and Texas. The total circulation of all seventy-three (73) newspapers exceeds 20 million with an estimated readership of over 60 million.

Nationally syndicated articles, including ones by Evans and Novak, Charles Bartlett, Linda Matthews, Richard Spong, and Robert S. Allen, focusing on the pressing need for congressional approval of higher salary levels, have also appeared in other newspapers throughout the nation. The Evans and Novak article, for instance, was published in about 250 newspapers. Over 1,000 newspapers have printed an average of four articles, reaching almost the entire newspaper reading public, giving wide coverage to the comments of judges who were resigning, the appeals of the Chief Justice, the resolutions of the American Bar Association and the many speeches by ABA President James Fellers which advocate immediate congressional action to increase Federal judges' salaries. Further focus on the need for a judicial salary increase appeared recently in the national news magazines, *Time*, *Newsweek* and *U.S. News and World Report*. In addition, the economic situation of Federal judges has been the subject of numerous television and radio presentations and editorials.

Undoubtedly, numerous other newspapers have published favorable editorials that have not been incorporated in this collection. Nevertheless, the assembled brigade of editorial copies and excerpts indicates that a pay raise for Federal judges is strongly supported by a wide spectrum of the nation's press.

State and newspaper	Circulation	Sequence
Alabama:		
Alabama Journal	280,053	6, 34
Birmingham News	179,129	19
Birmingham Post-Herald	73,456	96
Arizona:		
Arizona Republic	299,130	56
Phoenix Gazette	107,936	32
California:		
Fullerton News-Tribune	25,250	13
Long Beach Independent Press Telegram	146,269	11
Fresno Bee	110,294	93
Los Angeles Times	1,009,719	4, 63
Sacramento Bee	179,291	14, 87
Sacramento Union	99,231	22
San Francisco Examiner	186,024	35
Colorado: Rocky Mountain News	218,695	30
Connecticut: Hartford Courant	170,459	91
Delaware: Wilmington Evening Journal	89,931	67
Florida:		
Hollywood Sun-Tattler	42,730	96
Fort Lauderdale News	99,433	21
Fort Meyers News-Press	46,767	94
Jacksonville Journal	211,837	39
Miami Herald	406,341	18, 36, 72
Stuart News	10,253	13
Georgia: Atlanta Journal Constitution	573,223	43
Hawaii: Honolulu Star-Bulletin	126,341	99
Illinois:		
Chicago Daily News	448,314	102
Chicago Sun Times	567,617	49
Chicago Tribune	745,210	42
Indiana:		
Evansville Press	45,780	96
Terre Haute Tribune	26,175	68
Iowa: Des Moines Tribune	105,586	37
Kansas: Arkansas City Traveler	6,972	100
Kentucky: Louisville Courier Journal	230,693	12
Louisiana: New Orleans States-Item	122,277	95
Massachusetts:		
Boston Herald American	424,654	10
Christian Science Monitor	187,897	5
Michigan: Flint Journal	111,390	55
Minnesota: Minneapolis Star	253,491	90
Mississippi:		
Delta Democratic Times	17,833	15
South Mississippi Sun	40,390	15
Missouri:		
St. Louis Globe	284,110	41
Kansas City Star	308,862	9
Nebraska: Omaha World-Herald	130,224	66
New Jersey: Newark Star-Ledger	356,306	20
New Mexico: Albuquerque Tribune	37,130	96
New York:		
Knickerbocker News (Albany)	69,251	101
Long Island Press	375,082	16
New York Daily News	2,129,901	23
New York Times	1,433,908	3, 26, 44, 64, 79, 97
Wall Street Journal	1,249,095	2
North Carolina: Charlotte Observer	172,758	28
Ohio:		
Cincinnati Post	210,770	13, 98
Cleveland Press	373,917	96
Columbus Citizen-Journal	118,735	96
Pennsylvania:		
Philadelphia Bulletin	600,809	29, 76
Philadelphia Inquirer	454,741	52, 65, 71, 78, 83
Pittsburgh Press	341,118	96
Wilkes-Barre Times-Leader News	73,142	77
Tennessee:		
Knoxville News-Sentinel	108,750	96
Memphis Press-Scimitar	125,738	96
Texas:		
Dallas Morning News	266,667	24
Dallas Times-Herald	243,524	8
El Paso Herald Post	47,450	53
El Paso Times	64,042	75
Fort Worth Press	44,684	54
Houston Chronicle	295,207	38
Houston Post	289,301	50
San Antonio Express	144,217	74
San Antonio Light	126,574	40, 70
Utah: Deseret News (Salt Lake City)	77,160	92
Virginia: Norfolk Ledger-Star	104,715	31
Washington: Seattle Times	236,866	51
Wisconsin: Milwaukee Journal	347,589	7
District of Columbia:		
Washington Post	532,806	1, 25
Washington Star	415,884	17
Total circulation	20,286,886	
Periodicals:		
Time	4,505,949	33
Newsweek	2,878,831	103
U.S. News & World Report	1,953,449	104

JUDICIAL SALARIES: EDITORIAL COMMENT

Congress . . . must give top priority to the salary question. Its refusal to increase the salaries of high-level government officials since 1969 is now beginning to cripple the judiciary. . . . A continuation of the present situation is going to force more judges, particularly younger ones, off the bench and make it increasingly difficult to find first rate replacements. Washington Post (Jan. 1, 1975).

We favor a cut, rather than further increase, in total government spending. But one of the dangers in the government's trying to use its budget to reform society is that truly essential government services may be starved. The Judicial Branch, dependent on the other two branches for its budget, is particularly vulnerable and particularly deserving of protection. Wall Street Journal (Jan. 31, 1975).

The Constitution specifically prohibits Congress from lowering the salaries of judges while they are in office; inaction, however, accomplishes precisely that result and in so doing violates the spirit if not the letter of the Constitution. Alabama Journal (Dec. 24, 1974).

The raise was justified. It should be reconsidered and acted upon favorably. The nation cannot expect to attract and hold the best qualified men for the federal judiciary if they are not adequately compensated. St. Louis Globe-Democrat (Dec. 25, 1974).

The federal judiciary certainly stands in need of more adequate compensation if competent judges are to be retained. Miami Herald (Feb. 13, 1974).

The country wants its best lawyers on the bench, not those who would be willing to work for a substandard salary. Congress should realize this and act as soon as possible to raise the judicial pay scale. Omaha World-Herald (Mar. 20, 1974).

. . . without sufficient financial incentive to keep good judges and attract qualified people to the federal bench, the quality of justice will ultimately suffer. Houston Post (Jan. 8, 1975).

If the average salaried American in private enterprise had not received a raise through these five years of high inflation he would be screaming bloody murder. San Francisco Examiner (Dec. 16, 1974).

. . . the federal judges' pay lag obviously has become a serious concern. In the nation's interest, as well as the judges, the inequity ought to be eliminated—and without undue delay. Norfolk Ledger-Star (Jan. 13, 1975).

The state of a nation's judiciary must be nourished by more than the recruitment of young talent . . . the issues of the number of judgeships and adequate salaries, as well as procedural reforms, determine how effectively such talent is put to work. Christian Science Monitor (Feb. 28, 1975).

We favor cuts, rather than increases, in government spending and hiring. But it is quite clear from the record that the federal judiciary has been left undermanned and underpaid. Boston Herald American (Feb. 14, 1975).

The number of judges who have resigned in the past 13 months is greater than for the previous 34 years. If that trend continues—and it is likely to continue if salaries remain inadequate—damage to the federal judicial system could be considerable. To hold present, dedicated judges on the bench and to continue to get men and women of high quality as federal judges, these salaries must be increased. Congress should not delay further in taking action to do so. Dallas Times Herald (March 13, 1975).

One is extremely reluctant to equate justice with money. Nonetheless, the facts are revealing and relevant. Federal District judges now receive $40,000 a year, a figure unchanged since 1969. As the Chief Justice noted, U.S. Government employees over the same period have received six salary increases totaling 38 percent. Hartford Courant (January 8, 1975).

Top-level pay at the federal, state and local levels can be cited to show that (Chief Justice) Burger's claim of (salary) inequity is correct. Minneapolis Star (March 1, 1975).

The efforts of our Congressmen would be better directed toward helping Eastern Kentucky and other federal districts with overloaded dockets, by creating and filling extra judgeships Chief Justice Burger has called for and by ending the freeze in judicial sal-

aries. Louisville Courier-Journal (Feb. 14, 1975).

A pay scale that may have seemed generous six years ago has been sadly eroded by inflation. Six federal judges resigned to return to lucrative private law practices last year, and . . . it is becoming harder to find qualified lawyers willing to serve on the federal bench. Chicago Daily News (Feb. 26, 1975).

. . . increased workloads and inflation make such a boost (in Federal judicial salaries) justifiable. The pay is no longer high enough to attract the highest quality candidates. Knickerbocker News (Albany, N.Y., Feb. 25, 1975).

The judges are themselves long overdue a substantial raise. Without further ado, Congress should oblige. To cut federal expenditures is an urgent need; but parsimony and niggardliness have nothing to do with real economy. The plain fact is that federal judges . . . are quitting the bench in order to make better livings elsewhere. Dallas Morning News (March 3, 1975).

More money for judges is clearly in order. The alternative—a federal bench of gradually declining competence—would be infinitely more costly. (June 11, 1974.)

Congress will not find it politically popular to raise judicial salaries in the midst of recession and rising unemployment. But the alternative is a certain decline in the quality of justice in the federal courts. In the end . . . that could prove to be far more costly. Los Angeles Times (Jan. 1, 1975).

Clearly, Senate refusal to permit any judicial salary increases since 1969 is out of step and jeopardizes the quality of justice being demanded by the people . . . Various pay proposals have been advanced. But one which seems fair is a $10,000 increase which would promptly overcome the ravages of inflation for the past five years, and make federal judgeships more inviting for qualified apointees. Arizona Republic (Jan. 12, 1975).

The Congressional parsimony is as unrealistic as it is unfair, particularly in light of the sharp rise in the cost of living in recent years; and not all judges have been able to grin and bear it. Philadelphia Evening Bulletin (Jan. 15, 1975).

If the judiciary system is to resolve the issues put before it, it needs more judges, not fewer. It needs dedicated judges capable of respecting the nation's traditions, yet able to interpret them to meet the demands of contemparory affairs. The prevailing salaries will not attract enough such men to the federal bench. Charlotte Observer (Jan. 5, 1975).

Not only has the value of the salaries of these judges seriously decreased, the loads placed on these judges have been greatly increased. To continue to deny them salaries at least within sight of the sort of wages these men could get in private practice would be the worst sort of penny-wise and dollar-foolish thinking. Flint Journal (Dec. 27, 1974).

Congress has an obligation to boost judicial pay at least to keep pace with the cost of living. The price of not doing so will be costly deterioration in the quality of the federal judiciary. Des Moines Tribune (Dec. 31, 1974).

But the point that Burger makes in this and others of his yearend suggestions—including the appointment of new judges and the increasing of salaries—is that the courts are a bastion of protection on both civil and criminal fronts. Chicago Sun Times (Dec. 30, 1974).

We urge the President and Congress, in the best interest of keeping and attracting our best qualified lawyers to the federal bench, to grant a deserved pay increase (Dec. 3, 1973).

The federal judiciary is past due for a sizable pay raise, and the 94th Congress should grant the raise as a priority. San Antonio Light (Jan. 6, 1975).

Lawyers of high ability have traditionally made substantial financial sacrifices to serve on the Federal bench. But the combination of soaring inflation and Congressional inaction—even to take care of increases in the cost of living—has imposed a double sacrifice on those upon whom the country depends so heavily for the quality of justice. . . . The need for Congressional action is urgent. (June 15, 1974).

The injustice of Federal judicial pay scales is obvious when measured against the salaries of other Federal employees. . . . Federal judgeships are for life; fairness, as well as maintenance of quality, demands that they receive equitable compensation. (Dec. 31, 1974).

Congress has held back increases for the judges with unconscionable shortsightedness—unfairly and improperly linking proposed raises for Congressional and judicial salaries. Each should be decided on its merits; and the judges should come first. New York Times (Feb. 6, 1975).

"Letting experienced jurists get away and failing to attract outstanding lawyers to the bench (due to low salaries) is extremely short-sighted public policy. Eventually it will have a detrimental impact on the quality of justice in this country." Kansas City Star (Dec. 9, 1974).

"There is undoubtedly a connection between the frozen salaries and growing workloads, and the increased rate of resignations." Jacksonville Journal (Dec. 30, 1974).

". . . Chief Justice Burger has called attention to a problem which Congress can continue to ignore only at great peril to the quality of justice in the federal courts—judicial salaries. . . . how many more resignations will it take before Congress moves to save the federal bench from wholesale depletion of first-rate judges'" Philadelphia Inquirer (Jan. 2, 1975).

"If the federal judicial system is to be saved from severe and lasting damage, Congress must act quickly to raise the pay of federal judges." Phoenix Gazette (Jan. 15, 1975).

". . . If the congressmen want to apply that restraint to themselves, let them, but also let them separate the pay increases for the federal judges and other officials and adopt those." Wilmington Evening Journal (Feb. 13, 1974).

"In these times we would like to see the government hold the line on expenses but there are exceptions and one is the case of the federal judges. . . . We need good judges as seldom before and we're not going to be able to recruit them for the federal bench under the present pay scale." Atlanta Journal/Constitution (Jan. 19, 1975).

"By rights, federal judges should receive salary hikes of about 50 percent." El Paso Times (Dec. 23, 1973).

. . . a case can be made for the increases, especially those for judges and civil service officials. If the raises are rejected, there will not be another chance for them until 1977, meaning that all those concerned would be without a raise for eight years. Few wage earners can claim to have suffered that indignity . . . it would be a shame if the legitimate needs of the judiciary and the executive were sacrificed because of the lawmakers, political fears. Chicago Tribune (Feb. 11, 1974.

Federal judges are seeking a pay increase, and the Chronicle believes an adjustment is in order . . . We should economize on government at every level; at the same time, we need to be realistic. When the pay a judge receives is not enough to attract highly qualified individuals, it is the public that will be the loser. Houston Chronicle (Jan. 12, 1975).

All persons interested in the federal courts and the quality of justice they dispense should be aware of the urgent need for public support for federal judicial salary increases. Judicature (Dec., 1973).

Burger makes a valid point about judicial pay, which has been frozen at $40,000 for nearly six years—despite the soaring cost of living and six salary increases for other federal employees. Milwaukee Journal (Jan. 6, 1975).

We think that opponents of pay hikes for U.S. judges are wrong. . . . Federal judges have not had a pay raise in five years, a period when other federal employees have received pay raises averaging 38 percent, and the cost of living has risen 42 percent. (Jan. 8, 1975) Fort Worth Press, Rocky Mountain News, Pittsburgh Press, Cleveland Press, El Paso Herald-Post, Memphis Press-Scimitar, Columbus (Ohio) Citizen-Journal, Albuquerque Tribune, Evansville (Ind.) Press, Hollywood (Fla.) Sun-Tattler, Knoxville News Sentinel, Birmingham Post-Herald.

A judgeship is, in the minds of most lawyers, the top of the heap in the legal profession. Yet, stepping up to that position often means stepping down to a lower income, particularly for the most able and qualified. As the cost of living spirals, the differences between a judge's salary and what a good lawyer can make in private practice continues to grow. . . . Congress ought to set legislation in motion without delay to increase both the salary and number of federal judges. Washington Star (February 28, 1975).

Congress . . . should act to increase compensation for federal judges—both in fairness to current judges and as an inducement to qualified men and women to accept judicial appointments. . . . Congress is obligated to see that federal judges are adequate in number and adequately compensated. Long Beach (CA) Independent Press-Telegram (March 4, 1975).

". . . a pay raise for judges already sitting is long overdue." Cincinnati Post (February 28, 1975).

"If the judicial system becomes afflicted with overwork and incompetence because of niggardly federal support, that decline will soon be reflected in the quality of the judicial decisions that have such a far-reaching impact on the nation's respect for justice and the principle of orderly legal processes." New Orleans States-Item (February 6, 1975) (excerpted from The Wall Street Journal).

"Chief Justice Warren Burger's plea for higher pay for federal judges meshes with a plea made last month in Hawaii for higher salaries on the local bench." Honolulu Star-Bulletin (February 25, 1975).

"Burger said an immediate 20 percent increase in federal judicial salaries and placing future salary adjustment scales on an automatic cost-of-living basis would help a lawyer maintain an interest in staying in the federal court system. Obviously, if we want a federal court system that is worth anything, we're going to have to act now to insure its survival. Mr. Burger has taken an honest look at the problem and has come up with an equally honest solution." Arkansas City (KA) Traveler (February 24, 1975).

"The salary raise is more than a matter of simple fairness and equity. It is a matter of preserving a strong and independent judiciary. Because of galloping inflation, for Congress not to raise the judges' pay would violate the spirit of the constitutional prohibition against the reduction of salaries of federal judges during their terms of office." Sacramento Bee (March 12, 1975).

"There is still reason to believe that the bench would attract higher quality candidates if the tangible rewards were higher." Fort Myers (Fla.) News Press (February 3, 1975).

Federal district judges make $40,000 a year. That's not peanuts to be sure, but it must be viewed in perspective. The simple truth is that a comparable lawyer could easily double or even triple that figure working in private practice. Adding insult to injury, the judges' salaries have been frozen for the past six years . . . . So, with children in college and other such expenses, some federal judges have found the price of prestige too expensive. South Mississippi Sun (March 24, 1975) (from the Delta Democratic Times).

Wholesale salary increases may not be in order. But it seems to us that the judiciary and those career workers in top management posts deserve some special consideration from Congress. New York Daily News (March 24, 1975).

It is difficult in these recessionary times to say someone earning $40,000 a year needs a raise when most of us don't even earn half that much. But we are going to anyway. In this case, it is a matter of perspective. In terms of salary, an attorney who aspires to the bench would be better off as a municipal judge (in California) hearing traffic and small claims cases than as a federal judge. Sacramento Union (March 28, 1975).

Federal judges render decisions involving many millions of dollars and exerting a vital influence on public policy. The quality of these decisions depends greatly upon the quality of the judges. To scrimp on them is to short-change justice itself. Deseret News (Salt Lake City, March 21, 1975).

Judicial pay scales must be high enough to attract—and keep—the best men and women, and to assure the integrity of our judicial system. It is false economy to sacrifice these goals for a few dollars. Long Island (N.Y.) Press (December 4, 1975).

While we ordinarily don't have much sympathy for campaigns to secure pay raises for federal employees, we do think the time has come for Congress to give serious consideration to giving the members of the federal judiciary system a substantial and deserved pay hike. Fort Lauderdale (Fla.) News (Jan. 28, 1975).

An independent judiciary requires a salary commensurate with a determined commitment to preserve high judicial standards—and to continue to attract the best men and women in the legal profession for service on the bench. Newark Star-Ledger (February 28, 1975).

[From the Washington Post, Feb. 27, 1975]

HELP FOR THE FEDERAL COURTS

In a speech in Chicago Sunday, Chief Justice Warren Burger made a compelling case for immediate action by Congress to increase the number of federal judges, raise their pay, and provide more money for administrative support. Failure by Congress to do these things promptly, he suggested, could lead to a crisis in the federal courts once the speedy trial act comes into effect and might, in the long run, reduce the quality of federal justice. The situation in those courts is just as serious as the Chief Justice says it is, and this new Congress ought not to dally with it as the preceding Congress did.

The need for more federal judges is pretty much a chronic thing. The work load of the federal courts began expanding at a rapid pace right after World War II and has never slowed down. Although Congress created 70 new judgeships in 1970, the Judicial Conference made a good argument for 52 more in late 1972. A Senate subcommittee, after hearing the views of most of the chief judges around the country, recommended in 1973 that 29 more such judgeships be created. But nothing further happened. Part of the reason for the lack of interest in the subject on Capitol Hill, of course, is purely political. The Democratic Congress did not wish last year to provide another batch of judgeships for Richard Nixon to fill. It is, of course, not likely to be wild about the idea of creating these jobs for President Ford to fill either, but the courts cannot wait much longer. Certainly, they cannot wait until 1977 when a Democratic president might be in the White House.

As the Chief Justice pointed out, part of the reason the courts cannot wait is of the Congress' own making. The speedy trial act, passed last December, will begin to go into effect this July. That act sets time limits on the delay between arrest and trial in federal criminal cases. Although these limits are to be phased in over a three-year period beginning in 1976, the courts need additional judges and funds to prepare for them. Without the judges and the funds the Chief Justice is requesting, either the speedy trial act will be a disaster or the other work of the federal courts will become hopelessly bogged down. While we do not think Congress passed that act quite as casually as the Chief Justice suggested in his speech, we agree with him that Congress ought to give the courts the tools they need to do the job given them.

The Chief Justice's request for the long-delayed salary increase for judges is not new. He has made it before, and he may have to make it again. But that does not detract from the validity of his argument. Judges, like other top officeholders in the federal government, have not received salary increases since 1969. That is simply not fair, and it is beginning to take a toll in the quality of the federal judiciary. Several judges have resigned because their salary ($40,000 for district judges) is substantially below what they could earn in private practice. While it may be good politics for Congress to hold up federal pay increases during the current economic crisis, pinching these pennies in the federal courts is playing a dangerous game. The quality of justice depends heavily on the quality of judges—and that quality is on the way to impairment because Congress has been unwilling to pay for it.

[From the Wall Street Journal, Jan. 31, 1975]

THE JUDGES' PAY

Decisions of the federal courts make big news almost weekly, but the federal judiciary as an institution receives remarkably little public attention. This neglect is understandable, since judicial organization is rarely as dramatic a topic as congressional reform or as pervasive an influence as the structure of the Executive Branch. But, as Chief Justice Warren Burger emphasized in his year-end review of the courts, the judiciary has nuts and bolts problems which have as much constitutional importance as those of the other two branches.

Two among Chief Justice Burger's suggestions strike us as particularly important—an increase in the number of district and circuit judgeships and a raise in federal judges' pay. The Chief Justice asked Congress to hurry up and pass the omnibus judgeship bill prompted by a judiciary request two years ago. This bill would create 52 new district judgeships (for a total of 454) and 13 new circuit judgeships (for a total of 110). Justice Burger argues that federal district judges disposed of nearly 140,000 cases in 1974, almost 22,000 more than in 1970, with no increase in personnel, and appellate cases per circuit judgeship have increased 80% since 1968, when Courts of Appeals were last expanded.

Along with the increased case load, warns the Chief Justice, inflation has been weakening the federal courts. Judges' salaries have been frozen for the past six years, during which the average civil servant's pay has increased more than 50% and the cost of living has gone up 42%. These pay raises are supposed to be decided by a presidential commission which also sets the salaries for Congressmen and Cabinet officers. But the latest commission recommendation, which would have raised judges' pay by 22.5%, foundered in the Senate early in 1974 when election-wary Senators refused to support any measure which would have increased their own salaries as well.

The financial pinch, says Chief Justice Burger, has caused as many federal district judges to resign in the past 13 months to return to practicing law as have done so in the preceding 34 years. The number is small, six in all, but it does point to a problem of morale in the third coequal branch of the national government.

Adequate pay is so important for a corruption-free and independent judiciary that the framers of the Constitution included a prohibition against diminishing a federal judge's salary during his continuance in office. At the same time, as Federalist Paper 79 observes, they left out the prohibition against a pay raise which applies to the President, realizing that "it may well happen . . . that a stipend which would be very sufficient at (the judges') first appointment would become too small in the progress of their service."

We favor a cut, rather than further increase, in total government spending. But one of the dangers in the government's trying to use its budget to reform society is that truly essential government services may be starved. The Judicial Branch, dependent on the other two branches for its budget, is particularly vulnerable and particularly deserving of protection.

If the judicial system becomes afflicted with overwork and incompetence because of niggardly federal support, that decline will soon be reflected in the quality of the judicial decisions that have such a far-reaching impact on the nation's respect for justice and the principle of orderly legal processes. Any diminution of its effectiveness would seriously harm our constitutional structure.

[From the New York Times, Feb. 6, 1975]

PAYING FOR JUSTICE

The backbone of the Federal judicial system is the group of 497 District Court judges and the 95 Court of Appeals judges who decide the multiplicity of cases, civil and criminal, that normally do not reach the United States Supreme Court. The system itself is in trouble because there are too few judges to handle all the matters on growing dockets and the salaries of these judges have been frozen since 1969. The result: delays in the delivery of justice and resignations of able and experienced judges who cannot afford to serve.

On the local as well as Federal bench, the system is in trouble. The resignation of Justice Owen McGivern, Presiding Justice of New York State's Appellate Division in the First Department here, only underscores the need for equitable pay increases for Federal judges. Justice McGivern's salary was $55,266 a year and, while this may be reasonable compensation for a judicial post of this importance, it does not approach what can be earned in private practice.

By contrast, United States District Court judges receive $40,000 and Court of Appeals judges $42,500 annually. More Federal judges have resigned in the past year than in the preceding 34 years; more can be expected to do so. The latest Presidential commission proposed a 22.5 per cent increase for judges; the cost of living since 1969 has almost doubled this amount.

Nevertheless, Congress has held back increases for the judges with unconscionable shortsightedness—unfairly and improperly linking proposed raises for Congressional and judicial salaries. Each should be decided on its merits; and the judges should come first.

[From the Los Angeles Times, Jan. 1, 1975]

THE CHIEF JUSTICE IS WORRIED

It has been the policy of Chief Justice Warren E. Burger—and most chief justices before him—to avoid direct legislative recommendations to Congress on grounds that they might compromise the separation-of-powers doctrine. But he has broken with that

precedent in the face of what he believes to be a grave threat to the quality and effectiveness of the federal judiciary.

In a year-end statement, Burger said the new Congress should "move rapidly" to revitalize the federal court system by approving 63 more district and circuit judgeships and by increasing judges' salaries.

The chief justice's concerns are urgent and legitimate. There has been a constant increase in the judicial workload; yet, at the same time, judges are resigning because of salaries that are falling ever farther behind both the cost of living and the equivalent incomes they can earn in private practice.

Federal judges have not had a raise since 1969, and in that time the consumer price index has risen 42% and the salaries of most other federal employes have gone up 38%.

Burger said, "The failure to provide any increase in pay for federal judges for almost six years is perhaps felt most extensively in the district courts, where six judges have resigned in the last 13 months to return to private or corporate practice.

"That," he continued, "was as many resignations for such reasons in little more than one year as in the previous 34 years. The federal court will continue to lose judges and fail to attract many promising young attorneys who must be the mainstays of an effective judicial system, and the nation will suffer for it."

At last count, there were 20 vacancies on the federal bench, and President Ford, like Richard M. Nixon before him, is having a hard time trying to find able lawyers who are willing to serve.

In a time of general economic hardship, Congress will be reluctant to increase salaries that will strike most citizens as already high. Circuit court judges now receive $42,500 a year, and district judges $40,000. But that amounts to less than half of what lawyers of comparable skills earn in private practice.

Younger lawyers are refusing appointment to the courts because their financial responsibilities to their families are at a maximum level. Older lawyers, with greater financial security, are more willing to serve, but they become eligible for retirement after relatively brief service.

There are, of course, lawyers with a strong commitment to the administration of justice who would be willing to sacrifice the higher incomes they are now earning in their own practices. But they would expect, at the very least, that their salaries as judges should reflect the rising cost of living.

Again, the question is a vexing one. Congress will not find it politically popular to raise judicial salaries in the midst of recession and rising unemployment. But the alternative is a certain decline in the quality of justice in the federal courts. In the end, as Burger emphasizes, that could prove far more costly.

[From the Christian Science Monitor, Feb. 26, 1975]

STATE OF THE COURTS, 1975

Chief Justice Warren Burger is performing an important service with his annual "state of the judiciary" talks, in which he stresses the practical needs of the American legal system.

The Chief Justice doffs his customary judicial reserve on these occasions and speaks as an advocate for his profession.

In his message before the American Bar Association in Chicago recently, he took Congress to task for passing a "speedy trial" bill but failing to provide the money or manpower to implement it. He asked for another $10 million and 65 new judgeships to help handle the burgeoning federal court caseload.

A Senate subcommittee suggested over a year ago that less than half this number of judgeships be created, but the enacting legislation has not emerged. While Congress might well want to deliberate slowly over more radical proposals that come from the judiciary (such as the one to create a special panel of judges for screening out cases headed for the Supreme Court) it ought to consider swiftly the Chief Justice's modest requests for the wherewithal to run a competent federal court system. With all the talk on Capitol Hill and elsewhere about how the U.S. system of rule by law brought the country through the test of Watergate, it is extraordinary that the Chief Justice must take to the public his case for adequate congressional support.

Justice Burger spoke with equal candor about other aspects of the legal system. Despite the adoption of stiffer disciplinary codes in many states for curbing lawyer misconduct, and greater emphasis on ethics courses in law schools, Mr. Burger charged that the legal profession has "hardly scratched the surface of the problem."

Leon Jaworski, former ABA president as well as former Watergate special prosecutor, strongly seconded the Chief Justice on this point at the Chicago meeting: "What constitutes my overriding concern, he said, "is the attitude of indifference exhibited to the preservation of the profession as one of trust and honor not only by lawyers who have practiced at the bar for decades but as well by those who are entering the profession in current times."

The Chief Justice added to his earlier complaint that perhaps half the country's lawyers are not competent to take on serious cases. He said the influx of young, unseasoned lawyers into federal courts due to the rise in case loads threatens to make the courts a "bush league facility for the training of trial lawyers for private practice."

Many signs point to a rebound in the American legal profession's vitality in the wake of the Watergate scandals, which involved so many lawyers in criminal action. Law schools are receiving more than two applications for every classroom seat. And the Justice Department happily notes it can choose from among 3,000 applications from June law school graduates in filling only 130 expected openings.

The state of a nation's judiciary, however, must be nourished by more than the recruitment of young talent in response to recent dramatic legal and courtroom action in Washington. As Mr. Burger indicates, the more mundane issues of the number of judgeships and adequate salaries, as well as procedural reforms, determine how effectively talent is put to work.

[From the Deseret News, Mar. 21, 1975]

JUDGES NEED JUSTICE, TOO—AT THE PAY WINDOW

Four weeks ago Chief Justice Warren Burger called for a 20 percent pay raise for this nation's federal judges.

In a nation beset by recession and growing unemployment, this suggestion might understandably seem to be a leading candidate for a least-popular-idea-of-the-year award.

But since Justice Burger made his plea, an interesting and significant thing has happened. Rather than cold-shouldering the judicial pay raise, one newspaper after another has warmly endorsed the idea as a small price to pay for judicial excellence.

In fact, Burger's appeal has been endorsed by 57 newspapers in 28 states and the District of Columbia with a total circulation of nearly 16 million and an estimated readership of about 30 million.

When publications as conservative as The Wall Street Journal and the Arizona Republic and as liberal as the Washington Post and the Los Angeles Times concur on the same issue, one thing seems sufficiently clear:

Economic justice is on the side of the federal servants who dispense justice.

This conclusion is amply borne out by a few hard facts:

Since 1969 the federal judges haven't received a single pay raise even though the cost of living during this period has increased more than 42 percent.

During the same period other federal employees have not only received repeated pay raises but have even outstripped the cost of living.

At the same time the work load on these judges has been growing more onerous. The number of criminal cases filed in the federal courts increased 25 percent the past decade, while the number of civil cases went up 55 percent.

This work load is bound to increase even more after a new law goes into effect requiring federal prosecutors to bring criminal defendants to trial within 100 days after arrest or the case will be dismissed. Indeed, this fact argues not only for a pay raise for the judiciary, but also for the addition of more judges to the bench. Justice Burger is seeking 65 new federal judgeships.

Admittedly, the present pay of federal judges—ranging from $40,000 to some $60,000 a year—isn't peanuts. But that's no justification for a six-year pay freeze. Moreover, by contrast, in many major metropolitan areas it's not uncommon for beginning attorneys employed by the larger law firms to start at $20,000 a year, then rise to $40,000 after 15 years.

Because their pay has not kept up with the cost of living, six federal district judges—a record number—have resigned in the past 13 months to return to private practice.

Federal judges render decisions involving many millions of dollars and exerting a vital influence on public policy. The quality of these decisions depends greatly upon the quality of the judges. To scrimp on them is to short-change justice itself.

The Deseret News is proud to add its voice to those of the many distinguished newspapers across the country endorsing Justice Burger's appeal for an immediate pay raise for the federal judges.

[From the Des Moines Tribune, Dec. 31, 1974]

THREAT TO JUDICIARY

Chief Justice Warren Burger in his year-end review has called for 52 new District Court and 11 new Circuit Court judgeships. The chief justice said more judges are needed to help the existing 402 district and 97 circuit judges cope with rising federal caseloads.

If Congress created the new judgeships, it is questionable whether the federal government would be able to attract the most capable persons for the jobs. Federal judges have been quitting the bench in record numbers to return to private or corporate law practice. The six departures for private practice in the last 13 months equal the number who left the bench for private practice in the previous 34 years.

The chief reason for the step-up in resignations is the spiraling cost of living. Federal judicial pay—$40,000 a year for district judges, $42,500 for circuit judges—has been the same since 1969. The consumer price index has increased more than 40 per cent since then. The federal judges going off the bench have been stepping into private practices paying $100,000 and more a year.

Federal judgeships are among the country's most prestigious legal posts. The appointments are for life. The stature and tenure of the jobs probably would result in some able lawyers being willing to make financial sacrifices to serve on the bench, but many of the most capable lawyers probably would shun federal judicial service rather than give up lucrative practices.

It would be unrealistic to expect Congress

to hike judicial pay to where it is competitive with the earnings of high-priced corporation lawyers. Nor should Congress go that far. Service in the judiciary should appeal to lawyers for other than strictly monetary reasons.

But if the salary levels were adequate in 1969, they clearly are inadequate now. Congress has an obligation to boost judicial pay at least to keep pace with the cost of living. The price of not doing so will be costly deterioration in the quality of the federal judiciary.

[From the Miami Herald, Dec. 31, 1974]

A SALARY OF $40,000 A YEAR—AND UNDERPAID

(By Frederic Sherman)

The new car salesmen who have lost half or more of their income are not going to be sympathetic. The clerk who has lost his job at city hall in Detroit or New York is not going to have any sympathy either.

But the top-drawer lawyers who now sit as judges in federal district courts are growing restless at $40,000 a year. Six of the better judges within the federal system resigned this year. More will follow unless there is a pay raise or unless the rate of inflation is brought down from double-digit levels.

That is a prediction shared by Chief Justice Warren Burger and by Michael Osman, who just resigned as federal magistrate in Miami because he can't see a way to educate his children on the salary. Mr. Osman worries that lawyers willing to work for $40,000 as a federal judge will be tempted by bribes. Then there is Sen. Mike Mansfield who says there are plenty of lawyers who would be happy to make $40,000 a year.

Neither viewpoint is satisfactory.

Despite the appalling record of Watergate, the legal profession continues to attract men and women who are serious about public service. Salary becomes secondary to the contribution to society from the bench. But when that choice is made, there have been factors weighed. What can the judge expect on the salary? Will he be able to maintain his present home and his present lifestyle? Will he be able to educate his children?

Some good lawyers making lots more than $40,000 a year wrestled with those questions during the 1960s and chose the honor of public service. They decided to pass up the building of bigger and better residences, to give up dreams of a sailing yacht and a 25th wedding anniversary voyage to the Mediterranean, forget about building a million-dollar annuity for their children.

But they did think that $40,000 would allow them to send the children to a respected university, without severely penalizing the family left at home.

It didn't happen that way. Federal judges make what they did five years ago. And at the same time, inflation has put out of reach many of the things once considered essential.

It would take a $15,000 raise for judges to catch up with 1969.

While federal judges have watched their frozen salaries buy less and less, they are just as aware of colleagues who have increased their fees and retainers to match the rate of inflation. Those lawyers whose reputations and skills would warrant consideration for the federal bench are not likely to be found among those now making less than $40,000 a year. One judge who left federal service this year signed with a law firm at a guaranteed salary of $100,000. He is just 51 years old with a sound court record for organization and hard work. He would have stayed on the bench if his government pay had merely kept pace with the cost of living index.

Congress, dominated as it is by lawyers, knows that skillful attorneys have usually given up larger income for the honor of serving in the district and appellate courts of the federal system. But unless there is an adjustment made in the present salary schedule, the flow of talent is going to go the other way.

The best of the legal profession will return to the private practice of corporation law and-or the lucrative negligence field. And then the nation will find its federal judiciary a dumping ground for political hacks only too happy to take $40,000.

[From the Phoenix Gazette, Jan. 15, 1975]

RAISE U.S. JUDGES' PAY

If the federal judicial system is to be saved from severe and lasting damage, Congress must act quickly to raise the pay of federal judges.

Salaries of justices and judges of the United States courts have been frozen for nearly six years at $40,000 for judges of the district courts, $42,500 for judges of the court of appeals, $60,000 for associate justices of the Supreme Court and $62,500 for the chief justice.

The judges have the security of a lifetime job, and can retire on full salary. But those benefits are not enough to maintain a competent judiciary in the face of rising living costs; able lawyers, the type needed on federal benches, can earn far more in private practice.

Six federal district court judges have resigned in the past 13 months to return to private or corporate practice. That's as many such resignations in little more than one year as in the previous 34 years. Unless federal judges' pay is increased, Chief Justice Warren E. Burger warned in his year-end review of American court problems, "the federal courts will continue to lose judges and fail to attract many promising young attorneys who must be the mainstays of an effective judicial system, and the nation will suffer for it."

The low pay is also making it difficult to attract new judges. White House recruiters report having a hard time finding competent candidates to fill a score of court vacancies.

Moreover, to meet the heavy caseload flooding into federal courtrooms, more judges are needed. The federal judiciary has been asking Congress to establish 52 new district judgeships, increasing the total to 454, and to add 13 circuit judgeships to the 97 now in existence. An increase in salary will be needed to go with the establishment of any new courts, if the nation is to avoid having its vital judiciary sink into mediocrity.

Efforts to raise the pay of federal judges have been thwarted in the past because they are tied to raises for members of Congress. Seeking to duck responsibility for raising its own pay, Congress in 1967 devised a scheme involving an outside commission to set federal salaries. The subterfuge hasn't worked, for Congress hasn't had the courage to allow its own pay to go up in the face of constituent wrath, and so has scuttled all raises, including those for the judges.

The logical solution to the problem would seem to be for Congress to scrap the Federal Salary Act of 1967, raise the pay of federal judges forthwith and, if they dare, raise legislative and executive branch salaries effective in 1977.

[From Time magazine, Feb. 10, 1975]

BROKE ON THE BENCH

At official sessions of a national conference on appellate justice that ended in San Diego last week, the central theme was the rising courtroom work load. During the coffee breaks and cocktail receptions at the del Coronado Hotel, it was clear that federal judges have a more pressing, personal concern: they are going broke. Since 1969, salaries have been frozen at $40,000 for district court jurists and $42,500 for those on the appeals courts. Last year six federal judges resigned, five of them for financial reasons. That was the largest number in 100 years.

When Congress killed a planned salary boost last March, "I just said the hell with it," recalls former New Jersey Federal Judge Anthony Augelli, who now works for General Motors at twice the pay. New York City's Arnold Bauman, who has now joined a major Wall Street firm, did not want to quit, but says it was "economically impossible for me to stay." Sidney Smith of Atlanta would have turned down a $120,000 partnership offer if even a 25% salary hike had come through. "We're going to get a slew of fresh resignations this year," warns former American Bar Association President Bernard Segal.

Most judges do not really expect their salary to match that of the top-grade private practitioner, but virtually all of them are galled by the knowledge that since 1969 other federal employees have had a 38% increase to cope with a 42% rise in the consumer price index. Says Carl McGowan, a respected judge of the District of Columbia court of appeals since 1963: "I took this job knowing the pay rate, and my wife and I figured that we had enough saved to make it, to complete the education of our children. But I'm not really making $42,500 any more."

Chief Justice Warren Burger, outgoing Attorney General William Saxbe and current A.B.A. President James Fellers have all urged Congress to raise the salaries as well as the number of judges. But recession-laden legislators are likely to turn a deaf ear. It may be that the judges' only recourse is a semi-serious ploy proposed by one of them during last week's meeting. Citing the Constitution's command that a judge's pay "shall not be diminished," he suggested suing, arguing that failure to give cost-of-living increases amounted to such a cut. One problem with the suit, of course, would be finding a federal judge whose interest in the case would not force him to disqualify himself.

[From the South Mississippi Sun, Mar. 24, 1975]

THERE GOES 'DE JUDGE

The old saying may have to be changed to ". . . there goes 'de judge."

For judges on the federal bench across the nation have been going at a startling pace. In the past 14 months seven federal judges have resigned their lifetime jobs—the highest number to quit in a similar period in the last 100 years.

Behind most of the resignations was the dollar.

Federal district judges make $40,000 a year. That's not peanuts to be sure, but it must be viewed in perspective. The simple truth is that a comparable lawyer could easily double or even triple that figure working in private practice.

Adding insult to injury, the judges' salaries have been frozen for the past six years. The cost of living during that period has gone up 30 per cent. So, with children in college and other such expenses, some federal judges have found the price of prestige too expensive.

It is difficult to secure good lawyers to fill the job. There are currently 21 district judge vacancies around the country and four on the higher circuit level. Chesterfield Smith, a Floridian and immediate past president of the American Bar Associaton, wrote recently on the problem saying that "in truth, the quality of justice is the quality of the judge."

The Senate early last year killed a bill which would have provided a raise. Now a new Congress is convened with the opportunity to correct the salary inequity.

There are obviously many people with law degrees willing to go on the federal bench at any salary. But this is a situation where the highest calibre of legal talent should

be recruited. Unless the incentive is enlarged, we may see a day when federal judgeships are handled like federal contracts awarded to the lowest bidder.—Delta Democrat Times.

[From the Cincinnati Post and Times-Star, Apr. 1, 1975]

FEDERAL COURT DISARRAY

There is no letup in sight in the enormous workload imposed on federal courts. Far from it, for catastrophic increases in crime are sure to be followed by growing clamor for quicker trials, and for more trials.

Unfortunately this growing burden finds federal courts in disarray. Seven judges quit the bench last year, more than in the previous third of a century combined, and twice that number have warned Chief Justice Warren E. Burger that they may resign this year. The ones that are going, moreover, are the younger and more productive judges.

There is no mystery in this. U.S. District judges have not had a pay increase for more than five years, a period during which the cost of living has risen about 27 per cent.

Many in and out of Congress may argue that the judges' present pay level of $42,000 a year is adequate. But the plain truth is that a man who is an able enough lawyer to be a good U.S. judge can earn three times that figure in private practice.

In an interview in the current U.S. News and World Report, Justice Burger urged an immediate 20 per cent pay raise for the judges, plus establishment of a commission to deal with cost-of-living adjustments over the long term.

Congress should give thoughtful consideration to the chief justice's plea. The country can't heap an ever growing workload on courts crippled by the resignation of some of our best judges.

[From the Alabama Journal, Feb. 25, 1975]

PAYING FOR WHAT WE GET

In his annual state of the judiciary message this week, Chief Justice Warren Burger made the point that more than five years have passed since Congress raised the salaries of federal judges.

No longer can we consider such inaction mere oversight; one senses that Congress is engaged in a not-too-subtle exercise of the power of the purse to punish a coordinate branch of government.

This most assuredly violates the spirit of the Constitution, which forbids Congress to reduce the pay of a judge. But rather than take specific action to do this, Congress has simply allowed inflation to do its dirty work.

Federal judges at the district level earn only $40,000 a year and the salary of Supreme Court justices reaches only $62,500.

Congressmen might argue that this is not out of line with how other federal officials—such as Congressmen themselves and cabinet officers—are compensated.

This is not a valid argument, however, because other officials are permitted to a far greater degree to get financial support from non-governmental sources; in the case of a cabinet officer, it is well known that a lucrative executive position or a book contract awaits almost every one of them at the end of their relatively brief period of service.

One might also argue that $40,000 a year is a pretty good income for an individual, especially linked to the secure retirement benefits which federal judges enjoy.

But this is not the point. Being a federal judge requires work, skills, and experience far beyond that possessed by the average lawyer.

These judges render decisions which involve millions, perhaps even billions, of dollars. Moreover, in recent years, they have exerted an ever-increasing effect upon the public policy of the nation, the states, and even municipalities.

Under standards which have been rightly insisted upon in the past, virtually any federal judge could double or triple his income in private practice.

So unless something is done, federal judgeships will become either (1) sinecures for second-class lawyers who can't make a good living in private practice or (2) positions of power for the ambitious who are willing to sacrifice pay in order to carry out their notions of public policy.

The pay of federal judges, while important to the individual, is microscopic in terms of the federal budget. It is the utmost of folly to punish them in the manner Congress has done for the past five years.

[From the Milwaukee Journal, Jan. 6, 1975]

FEDERAL COURTS NEED HELP

Federal judges in recent years have taken a variety of steps to streamline court operation. They had little choice. With caseloads growing in size and complexity—and with no new district judgeships created since 1970—they had to be resourceful.

However, as Chief Justice Warren Burger noted in his year-end review of the federal judiciary, it is time for Congress to lend a hand. Specifically, Burger urges quick congressional action on a two year old request for 52 new district judges and 13 new appellate judges. Admittedly, the manpower squeeze varies around the country. But in some places the need for another judge is indisputably acute. Witness the sprawling Western District in Wisconsin, where Judge James Doyle has lonesomely wrestled with one of the heaviest caseloads in the nation.

Burger further makes a valid point about judicial pay, which has been frozen at $40,000 for nearly six years—despite the soaring cost of living and six salary increases for other federal employees. He notes that as many judges have resigned to return to private practice during the past 13 months as during the previous 34 years. Obviously, the judiciary cannot regularly attract or retain the best legal minds if pay becomes too uncompetitive. Congress is being penny wise and pound foolish.

Burger also called congressional attention to several other problems, particularly the increasing need for a new judicial forum between the federal courts of appeals and the Supreme Court. The high court's docket in the last term exceeded 5,000 cases for the first time in history. An interim appeals body could relieve this swelling workload and allow our highest tribunal to concentrate more effectively on the most far reaching legal issues.

Clearly, when it comes to judicial affairs, the new Congress will have a legislative plateful.

[From the Dallas Times Herald, Mar. 13, 1975]

MORE PAY FOR JUDGES

Congress, which often spends with a lavish hand, has been so niggardly in one area of funding that the effectiveness of one of the most important institutions of our national life is threatened.

That institution is the federal judicial system, and the threat stems from the failure of Congress to provide deserved salary increases for federal judges. Salaries of those serving on the federal bench have been frozen since March, 1969.

None of us need reminding what the skyrocketing cost of living has done to the 1969 dollar.

The result, in the federal judiciary, is that some judges are resigning to re-enter private practice, where they can make much more money. In fact, Chief Justice Warren Burger, in his plea for increased salaries for the federal judiciary, points out that the number of judges who have resigned in the past 13 months is greater than for the previous 34 years.

If that trend continues—and it is likely to continue if salaries remain inadequate—damage to the federal judicial system could be considerable.

With no increases since 1969, salaries of courts of appeal judges remain fixed at $42,500, salaries of district judges at $40,000. In the meantime, the average pay for other federal employes has increased by 50 per cent, and the cost of living has gone up by more than 40 per cent.

To hold present, dedicated judges on the bench and to continue to get men and women of high quality as federal judges, these salaries must be increased. Congress should not delay further in taking action to do so.

[From the Kansas City Star, Dec. 9, 1974]

A POLICY THAT SAPS THE JUDICIARY

Five federal district court judges have resigned in a year. That is a record, according to Chief Justice Burger. The primary reason the judges left their lifetime positions was low salary. Letting experienced jurists get away and failing to attract outstanding lawyers to the bench is extremely shortsighted public policy. Eventually it will have a detrimental impact on the quality of justice in this country.

Federal judges have not had a salary increase since 1969. With the steady growth of the economy generally and rampant inflation of recent years a long period without a pay boost means a drastically reduced income. Judges, especially those with families to support and educate, should not be asked to make a financial sacrifice of that magnitude.

The American Judicature Society, in a report on judicial salaries at the federal and state levels, said the five district judges who left their $40,000-a-year jobs now are earning between $60,000 and $200,000 a year. Anyone who has watched prices rise could hardly blame them for wanting to increase their income.

Congress rejected a proposal in March that would have provided a $10,000 boost for judges over a 3-year period. It was tied to a pay raise for members of Congress and some other federal employees. Congress refused to separate its own increase, which it would not approve in an election year, from the others.

The needs in the different components of government vary widely. The judiciary, executive and legislative branches should not be tied into one pay increase. Federal judges deserve a raise, whether or not Congress votes itself one.

[From the Courier-Journal, Feb. 14, 1975]

SALARIES STILL FROZEN

More than two years ago, U.S. Chief Justice Warren Burger urged Congress to create 65 new federal judgeships, a plea he renewed forcefully in a year-end review last December. The Chief Justice also has begged Congress to increase judicial salaries, frozen for six years. Too many federal judges are resigning from the bench to return to more profitable law practices.

So far, Congress has failed to respond. Moreover, the political implications of federal judicial appointments—which are for life—affect both the President's nomination and the Senate's confirmation of U.S. judges. The result is usually a long delay in filling vacancies while political bargains are struck. It took 11 months, for instance, to complete the 1963 appointment of the Eastern District's Bernard Moynahan; two years elapsed before the final confirmation in 1972 of the remaining judge in the district, H. David Hermansdorfer.

STAGGERING BACKLOG

Such a long delay would be disastrous at present. The two judges of the Eastern District face a backlog of 1,486 cases. When it's realized that the normal load for a federal judge is 300 cases, the size of the burden is horrific. Civil trials in four of the district's six courts have been canceled, to give criminal cases a needed priority.

Delay is contrary to the spirit of American justice. Swift action is needed, therefore, to find a well-qualified replacement for Judge Swinford, if possible with a minimum of diversionary skirmishing in the Kentucy congressional delegation. The efforts of our congressmen would be better directed toward helping Eastern Kentucky and other federal districts with overloaded dockets, by creating and filling the extra judgeships Chief Justice Burger has called for and by ending the freeze in judicial salaries.

CAREER EDUCATION

Mr. HATHAWAY. Mr. President, shortly the Subcommittee on Education will take up two important pieces of legislation which may have a profound impact on the future of this country. One will be amendments to the Higher Education Act, the other amendments on vocational education. We will be dealing with many technical but important issues such as fund allocations and administrative arrangements as well as major questions such as the future of private colleges and the relationship of vocational to traditional academic education. But behind all of this discussion—and it will be extensive, I am sure—will be a more fundamental question: What is the function of education and how does our present system relate to current realities?

There is growing evidence that whatever education is supposed to do, our system in this country is not doing it very well. All of us are aware of widespread dissatisfaction at home with local educational systems; nothing could make this plainer than the epidemic of failed school bonds and education levies that has spread across the country. At the same time, we are seeing the system produce graduates unsuited to the realities of the marketplace they must ultimately enter. Often these graduates are overqualified in terms of classroom hours and paper credentials and underqualified in terms of real skills and attitudes; too often, the system seems to be raising expectations rather than abilities. The result, unfortunately, is an ever growing number of people who are dissatisfied with their jobs, dissillusioned with the system, and frustrated with their lives.

An excellent discussion of this phenomenon recently appeared in the Sunday Outlook of the Washington Post in articles by James O'Toole and Bruce Johansen. While not agreeing with all of their conclusions, I feel that these two articles make a strong case that "something is wrong at the education and work intersection."

While not claiming to have any definitive answers, I have become convinced that one approach to this problem that holds promise is embodied in a concept called career education. While difficult to define with precision, what this concept clearly suggests is a closer relationship between education and work and a breaking-down of the old distinctions between academic and vocational education. This does not mean that all schools should become trade schools, in the old sense, nor that the educational system should become a simple training extension of the corporation. But it does mean that the schools have to quit producing kids with no idea of what they want to do or how to do it.

The career education concept goes beyond skill training to such areas as career awareness, guidance, and work attitudes. It is an effort to get academic and vocational educators talking to each other and working together as well as to involve the schools more deeply in the ongoing life of their communities. And finally, it is a recognition that education cannot operate apart from the society at large; in the last analysis, we will be what we teach.

Mr. President, I ask unanimous consent that the two articles I referred to be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

TOO MUCH EDUCATION FOR THE JOB

(By James O'Toole)

(O'Toole teaches at the University of Southern California Graduate School of Business and directs USC's Twenty Year Forecast project. A social anthropologist, he was chairman of the Department of Health, Education, and Welfare task force on Work in America. His article is adapted from Change Magazine.)

A Stanford Ph.D takes the best post available upon graduation—as a middle-level bureaucrat in a regional office of the Labor Department.

In England, an Oxford graduate finds the only job open to him is as a salesman in an electronics firm.

In Sweden, a young woman with a B.A. in chemistry makes do with the best job she can find—as a secretary.

In Poland, a university graduate accepts work as a clerk in a state industry.

In many industrialized countries, socialist and capitalist alike, increasing numbers of highly qualified workers are unable to find jobs that use their full skills and training. The effect trickles down the occupational scale. A graduate of one of Germany's best technical high schools works as a machinist in a post held less than five years ago by a worker with a primary school education.

This process of job displacement reaches its full force at the bottom of the occupational ladder where poorly educated workers are often knocked off the last rung. In California, a black dropout is told that a high school diploma is required to box groceries.

Marx had predicted that mass unemployment would become the salient characteristic of labor markets in advanced economies. It is now clear that what might be called underemployment—working at less than one's full productive capacity—is more accurately the hallmark of work in industrialized societies. In large measure, this development stems from dissonances in the complex relationship between two institutions—education and work.

A primary function of formal education in all societies is the preparation of the young for the world of work. During the 20th Century, this function became dominant in many educational systems. Schools assumed the role of society's sorters, selectors and certifiers.

They bestowed society's approval on some young people by opening opportunities for further education that led almost inevitably to good jobs and high social standing. Other students were tracked into vocational schools to learn the traits and attitudes appropriate to a working-class status.

In recent years, however, almost all of the developed countries have sought to turn schools away from being instruments of stratification and toward being the prime tool for the creation of greater social equality. Governments with ideologies as diverse as those in Yugoslavia, Spain and the United States have been attempting to provide greater equality for all social classes through increasing access to education.

PROBLEMS OF SUCCESS

On one level there has been significant success—the median number of years of school attainment has rocketed upward in every developed country. In the United States the median of schooling among blue-collar workers rose from only 9.2 years in 1952 to 12.0 years in 1972, while college enrollment expanded in that same two decades from 2.6 million to 8.4 million. They story is even more spectacular in Europe and Japan.

From 1945 to about 1965, labor markets in the industrialized nations were elastic enough to soak up the ever-burgeoning supply of educated workers. Indeed, it seemed that industrial society's appetite for educated workers was insatiable. To meet this seemingly unquenchable demand, all the stops were pulled out in the early 1960s and public policy was geared to forestall dropping out of high school, to increase the numbers of college graduates at almost any cost and to turn out teachers, engineers and scientists in abundance.

In this country, such activity was justified by patriotic appeals to beat the Russians to the moon. America responded to the challenge with characteristic enthusiasm and overkill. During the 1960s, one social observer has noted, America built a new junior college every 10 days.

But no socioeconomic trend runs on eternally. The everexpanding supply of educated workers is running up against a ceiling of job demand. A few years ago Columbia's Ivar Berg became one of the first to discover that something like 80 per cent of American college graduates were taking jobs previously filled by workers with lower educational credentials.

Last fall, these problems of underemployment were given official recognition in President Ford's speech to the Ohio State graduating class:

"Your professors tell you that education unlocks creative genius and imagination and that you must develop your human potential. And students have accepted this. But then Catch 22 enters the picture. You spend four years in school, graduate, go into the job market and are told that the rules have changed . . . To succeed you must acquire further credentials, so you go back to the university and ultimately emerge with a master's or even a Ph. D. . . . And you know what happens next? You go out and look for a job and now they say you are over-qualified . . . The fact of the matter is that education is being strangled—by degrees."

The speech echoed a growing concern among leaders in business, labor and academia that the rapid increase in educational attainment had been accompanied by a rise in worker expectation. In particular, the current younger, more highly educated generation of workers now expects good jobs as its just reward for its many years in the educational system.

These expectations are compounded by a shift in values. Increasingly, young workers prefer jobs that are interesting, socially "meaningful" and offer the opportunity for personal growth over jobs offering only the traditional—and more easily provided—rewards of money and security.

The rub is that no industrial nation has been able to produce an adeqaute number of jobs providing the status and requiring the skills and educational levels which their work forces are achieving. The situation is

nearly Malthusian in its proportions: Levels of educational attainment have tended to grow in almost geometric progression, while the number of jobs requiring higher levels of education has tended to grow at a much slower pace.

There simply are not enough good jobs to go around to everyone who thinks he or she deserves one.

SERIES OF PROBLEMS

This contradiction, the evidence indicates, is beginning to create a linked series of potentially grave social, political and economic problems in industrial nations. It appears that national policies designed to upgrade work forces educationally may be creating frustration and low morale among younger workers—workers who, ironically, have the educational backgrounds to articulate their dissatisfactions.

Thus, studies undertaken at the University of Michigan show that people who feel they deserve better jobs come to suffer from "status conflict." At the extreme, some of these workers come to feel trapped in bad jobs, sensing that by right they deserve better but by circumstances they will probably never achieve more. These feelings correlate highly with problems of poor physical and mental health.

Nearly every study of job dissatisfaction shows that the placing of intelligent and/or highly qualified workers in dull, unchallenging jobs is a prescription for pathology—for the worker, employer and society. It is, according to a Sandia Laboratories study, the intelligent blue-collar workers, not the dull ones, who are probably the most responsible for damage, low productivity, errors and accidents in the workplace.

And there are many more intelligent blue-collar workers than we might imagine—indeed, in the United States, there are three times as many laborers with IQs over 130 than there are Ph. Ds. (There are, of course, many times more laborers. The point is that laborers are usually, often inappropriately, treated as though they were imbeciles.)

Employer assumptions about these workers' intelligence has led to jobs designed to be successfully completed by morons. Alvin Goulder points out that "vast parts of any personality must be suppressed in the course of playing a role in industrial society. . . . All that a man is that is not useful will somehow be excluded . . . and he thereby becomes alienated or estranged from a large sector of his own interests, needs and capacities. Thus, just as there are unemployed men, there is also the unemployed self."

In the second half of the 20th Century, Andre Gorz notes in his book "Strategy for Labor," industry has increasingly tended to hire men from the universities. These men possess curiosity and have acquired "the ability to do creative or independent work, . . . the ability to synthesize, to analyze, to invent and to assimilate." But that ability "spins in a vacuum and runs the risk of perishing for lack of an opportunity to be usefully put to work."

The problem is not solely the concern of Marxists such as Gorz, Myron Clark, past president of the Society for the Advancement of Management, estimates that 80 percent of all American workers are underemployed. A massive survey of working conditions prepared for the U.S. Labor Department found that 35 percent of all workers feel overqualified for their jobs.

But numbers dehumanize what is essentially a problem of the human spirit. A woman worker, quoted in Studs Terkel's "Working," put it eloquently when she said, "Most of us have jobs that are too small for our spirits."

The social disparity between the promises of educational policy and the realities of work may be creating even more acute problems. As Daniel Bell points out, society may be in the throes of creating a new meritocracy, composed of the new 20 per cent of the population holding almost all the economy's good jobs.

In itself, the creation of an elite is not a new phenomenon. Nor is it surprising that this elite appears to be amassing social and political power to match its economic weight. The noteworthy break from past patterns is the growing refusal of the 80 per cent of the population—the "masses" with the bad jobs—to accept the elite's right to its special privileges.

What is also new in history is that the masses are now almost as well educated as the elite. Consequently, they look upon the meritocracy with envy and, perhaps, hostility. Even in Czechoslovakia, a study prepared during the Dubcek thaw warned of the effects of "the long-term existence of two distinct strata working side by side—people performing creative work and others occupied in simple operative jobs" and predicted "resultant disagreements in ideas on life apart from work."

There are signs of such class-based hostility in the evident unglueing of the traditional left-center political coalitions in the Western democracies. Antagonism between old allies—the professional, upper-middle-class liberals and the workers—have surfaced during the past few year both in Europe and America. The Democrat saw their once solid labor support slip away when they nominated the liberals' presidential candidate in 1972. In Sweden and Denmark, bureaucrats, teachers and other traditional supporters of the Socialists are becoming increasingly restive as they see salary and other distinctions between the classes erode.

FUTURE EDUCATION

Something, then, is wrong at the education and work intersection. What of the future?

Over the next 15 years or so, the average age of the work force, manpower experts tell us, will shift downward. By the mid-1980s, the largest working age group will be the 25- to 34-year-olds. And they will be better educated.

By 1990, about 30 per cent of these young people can be expected to have earned a BA or higher degree. Another 20 per cent will have had one or more years in college.

As early as 1980, one in four American workers will have a college degree. Half our workers with four or more years of college will be under 35; half of all the workers with no more than a primary school education will be over 50. The picture developing is of a society with a young, well-educated work force rapidly replacing an older, less-educated labor force.

Today's young people clearly aspire to higher levels of education and better jobs. A recent survey by the American College Testing Service showed that 65 per cent of 11th graders plan to attend college for at least two years. A study by the Office of Education found that more than 54 per cent of high school seniors wanted professional or managerial-level jobs.

The situation is complicated by the fact that their values are markedly dissimilar from those of their parents. Young workers, the surveys agree, are far more dissatisfied than their elder colleagues. The desire for jobs offering rewards other than money has increased over the past five years, even in the face of a tightening job market.

Thus, underemployment is likely to grow—not to disappear—as the current generation matures. Job dissatisfaction is not going to be merely "a youth problem" in coming decades. And the kinds of jobs likely to be available in a post-industrial society can only exacerbate the problem. In 1980, the Bureau of Labor Statistics estimates, only about 20 per cent of all jobs will require a college education.

GROWTH AREAS

The two fastest growing sectors of the economy are "miscellaneous services" and government. What kind of jobs are they creating?

Working behind the counter at McDonald's or ticketing passengers for TWA are typical service jobs. For the industrial worker assaulted by the relentless clamor of a machine such a job might appear attractive indeed. But most of the people taking the new service jobs are not transfers from industry, but young people with, in many cases, some higher education.

For them, service jobs often seem dull, repetitive, with little challenge—in other words, not unlike their concept of blue-collar work. These new jobs often lack the best attributes of skilled, blue-collar work—relatively high salary, security, union protection, the sense of mastery of a complex task.

The number of hospital orderlies and nurses aides rose by 420,000 in the decade ending in 1970, the number of janitors by 530,000, the number of busboys and dishwashers by 70,000. Yet hospital orderlies are ill-paid and do not progress up a career ladder to become nurses. And hotel chambermaids seldom advance to become desk clerks.

As for government jobs, most of the rapidly expanding demand is for services (in hospitals, police, maintenance) or for jobs with service characteristics (typing or clerical work). Clerical and service workers account for about 78 per cent of all non-teaching jobs in government.

There is perhaps some comfort to be gained from the Labor Department estimate that, between 1972 and 1985, there will be about 18 million openings for high-status jobs. But as many as 22 million college graduates will be competing for those jobs. The picture is rendered darker by two facts—many of these jobs are less attractive than they seem, and the competition will be increased by the 120,000 trained professionals expected to immigrate to American annually.

Even though the "professional-technical" category of workers will probably expand to 20 per cent of the work force by 1985, there may be as many as 2 to 2.5 college graduates competing for every choice job. By 1980, the BLS estimates, there will be a surplus of 140,000 college graduates per year.

The ranks of women are legion in the reverse army of the under-employed. Women, as a group, are over-represented in some of the most routine jobs in the economy—over 90 per cent of all receptionists, secretaries, telephone operators, seamstresses and stitchers are women. At the same time, women have nearly the same educational qualifications as men. This now leads to the not unusual situation in which a woman secretary will have higher educational credentials than her male boss. It is not surprising then, that the "Survey of Working Conditions" (by the Survey Research Center, University of Michigan) found that women who hold jobs they consider below what they deserve based on their credentials are one of the most dissatisfied segments of the workforce.

The fact is that the effects of under-employment are distributed differently across the spectrum of workers, hitting hardest at those with personnel characteristics that

have "low market value"—women, blacks, those with little schooling, old people, young people and even ugly people. None of these groups has a share of good jobs proportionate to its share of human resources.

LABOR MARKET ADJUSTMENTS

To what extent can the labor market be relied upon to adjust itself to make better use of the training, skill, education and other human resources we are squandering? For the good jobs, the market will adjust by raising educational requirements—thus exacerbating the problems of underemployment.

For the bad jobs, salaries will be increased and working conditions improved. Already, young white workers—half of them students—are taking the place of many black workers in the best unskilled and semiskilled jobs. This could be viewed as a step toward greater equality in the society; unfortunately, for the least educated blacks, it has merely meant increased competition among themselves for the worst jobs that the whites and better-off blacks would never touch.

If market mechanisms cannot react adequately or appropriately to the problems of underemployment, are there some public policies that might be implemented? A review of the available policy alternatives leads only to despair. Because of our deep commitment to equality, justice and freedom, we cannot and should not limit access to education. Nor should we channel more of our youth into high school vocational education programs, for these have been found to increase class and income inequalities. And while we can redesign some jobs to make them interesting and challenging, there is unfortunately a limit to how rewarding one can make cleaning toilets, coal mining and dozens of other dirty but necessary tasks of civilization.

In the final reckoning, society can do little but rid itself of the delusion that the major purposes of education are to serve the economy and the economic needs of students. For example, Rep. Carl Perkins (D-Ken.) recently wrote that the Congress will not increase its funding for education until it is convinced that more education means more economic growth. In my opinion, not only is the congressman's view a corruption of the purpose of education, it is economically naive. The falsity of his reasoning is underscored by statistics that show little or no correlation between a nation's economic growth and the years of formal education of its citizenry. And a recent MIT study shows that the economic advantages to individuals of higher education have all but disappeared.

And yet educators go on deluding themselves, students, employers and politicians that education has a direct economic payoff. To continue this misrepresentation will not only exacerbate the problems of underemployment, but will imperil public support of education.

Simply put, the most constructive thing that can be done to improve the relationship between the worlds of education and work is to stop implicitly and explicitly selling education as an economic investment—and instead to make students and their parents understand that education is a goal unto itself but not automatically a formula for economic escalation.

To do otherwise is not only to perpetuate a damaging falsehood, but to debase the institution of education, on which the future of our society and civilization so desperately depends.

DEGREES WITHOUT JOBS: ANXIETY ON ONE CAMPUS

(By Bruce Johansen)

(Johansen, a 1972 graduate of the University of Washington who became environmental reporter at the Seattle Times, has spent the past year as a graduate student in journalism at the University of Minnesota.)

MINNEAPOLIS.—Outside the classroom buildings, the spray-painted slogans of four years' vintage have faded. Inside, a new form of guerrilla graphics bears testimony to a silent anxiety.

On the bulletin board in a placement office, someone has posted a cartoon from The Minnesota Daily, the student newspaper. It shows a jobless graduate and an empty bird cage.

The Daily itself, plump with recruiters' ads five to 10 years ago, now is filled with news stories examining steadily diminishing prospects for job-hunting graduates in various academic fields. A lively debate in the news columns deals with measures pending in the Minnesota Legislature to reduce civil service preference for veterans. It is fueled by the vets themselves and by students of similar age who will be competing with them for jobs.

The "normalcy"—the quiet—which has replaced the widely publicized protests of the late 1960s and early '70s has provided the grist for many articles in the mass media. Read from the campus, many of these seem as if produced by visitors to a zoo on a Sunday afternoon: the animals, it is said, are back in the halter of the work ethic. Why, even the pursuit of chemical recreation has returned to the conventional. The beer is flowing. Adult heads nod—approvingly perhaps.

It is not that simple. There is no monolithic "student mood." Students, like other humans, are not moldcast. Any large urban campus—the University of Minnesota has 45,000 students—harbors immense diversity. But, like other groups of people sharing an environment, students do share some emotions, motivations and fears as well.

Of course, the events in Southeast Asia, an invitation to demonstrate five years ago, now have ended as a spectator sport for most students. And most other international political issues draw little more than an ambivalent yawn—if that.

The radical change in behavior does not mean that students are mental hostages to Hanoi. Southeast Asia simply is not salient to them as it was to students five or 10 years ago who might have been—or had been—called to fight.

The political "weatherlessness"—lack of commitment—seems to have another cause. World-power relationships have changed in the years since the large student anti-war demonstrations. Richard Nixon visited China; American wheat traders consummated a deal with orthodox Russian Communists which benefited both—and cost American consumers a great deal.

In such a context, many students today find it difficult to hold doctrinaire positions on the world's power struggles. The result: ambivalence, a political inertia, a general feeling of being caught between great, contending forces.

The human paraphernalia of the counter culture—underground newspaper hawkers, "sparechangers," drug dealers, recruiters for political souls—have vanished from the shopping area near the Minnesota campus. Demonstrations and other political acts, if they occur, usually are firmly rooted in self-interest.

The fact is that while yesterday's anxieties were focused on the war and the possibility of being drawn into it involuntarily, today's concerns are economic.

Scott Doss, Mike Zeno and John Lischefska share an apartment in "Dinkytown" near the campus. All three are seniors—in psychology, biology and journalism respectively—and all have an acute anxiety about the depressed job market.

"I've learned a lot of useful things in college, but none of it had anything to do with getting a job," Doss said.

To them, getting a job is mostly a matter of providing purpose for their lives—not a question of economic survival.

"I won't starve," Doss said. "There's always a feeling that something—somebody—will not let you starve." Zeno added. "But what," he went on, "is so important if you have food but nothing to do . . . no meaning to life . . . no purpose?"

After weeks of looking in vain for a newspaper job, Lischefska decided to apply to journalism graduate school and remain as the Daily's editorial-page editor. Zeno, a precise young man with a scientist's penchant for orderliness, wants to spend the summer traveling and has not yet harnessed himself to the "grind" of serious job-seeking. Doss, his thick black hair flowing almost to the middle of his back, is thinking of graduate school, like Lischefska. He acknowledges that a B.A. in psychology is "not too useful" in today's job market.

All three seem to share with many other graduates a sense of waiting, waiting within the institutional womb for an opening to the workaday world. They're ready for it, but it is not ready for them.

Day by day, life goes on. Each of the three has a steady female companion and a continuing academic diet. All have a circle of friends from their hometown of Mankato in southeastern Minnesota.

Plans never made cannot be disrupted—and they are not making long-term plans. Life is a holding pattern for them, as it is for many other students.

A stereo in the apartment plays an old Simon & Garfunkel song:

Kathy, I'm lost, I said,
Though I knew she was sleeping;
I'm empty and aching and I don't know why.
Counting the cars on the New Jersey Turnpike;
They've all come to look for America. . . .

Seeking scarce jobs can be much like looking for the soul of America on the New Jersey Turnpike.

In corners of the apartment, used newspapers, bottles and cans pile up, saved for recycling, although the recession or depression—or whatever it is labeled—has dealt as harshly with recycling markets as job markets.

Monica Bay come to the University of Minnesota on a sociology scholarship, then changed her interests—and major—to journalism. Now arts editor of the Daily and a graduate student in journalism, she has landed a job as a talk-show moderator and public affairs director of KQRS, a Twin Cities radio station.

She says frankly that this is a bad year to be white, male and graduating from college. She believes people who hire "are becoming more aware of what they haven't done," and affirmative action programs are ameliorating some of the impact of the tight job market on women and minorities.

"You occasionally even get backlash—qualified white males get screwed" in the rush to redress past imbalances.

Lanky, square-jawed and 24, Bob Anderson is white, male and qualified. An outstanding reporter on the Daily, he was a graduate student highly praised by many of his professors in the Journalism School—until one day in early May. That day, in the midst of his last quarter to work towards a masters degree, a job was offered to Bob Anderson. Within a week, he was on his way to Hibbing,

Minn., and its daily newspaper. Hibbing is known for three things: it is the hometown of Bob Dylan; it is often the coldest spot in the country in winter; apartment rents are high due to a taconite-ore boom nearby. Otherwise, it is a typical small town.

Anderson is an optimist. "Things will get better," he says. "They have to."

The pervasive concern with jobs seems ironic to many who attended undergraduate school around 1970, when many students criticized modern "multiversities" as little more than soulless transoms into the work-aday world. Today, many students fear the transom has been blocked. Life seems to end—not begin—the day the cap and gown are shed.

In many fields, students are caught in a double vise—educational credentials have become more widespread and, in effect, "cheap" in eyes of employers. At the same time, the economic climate has sharply reduced the number of openings for a larger number of qualified graduates.

Randy Schwartz, a doctoral candidate in English at U.M. and a teaching assistant, sees the undergraduates he instructs as more "job oriented" than his peers of the late '60s in Minneapolis. Paradoxically, he also sees them as more cynical about the job market.

"We were conditioned to think that college guaranteed a choice job. Today's undergrads no longer take that line," Schwartz said.

Another graduate student cast the job situation in ironic terms: "As an undergrad, one of my main reasons for going to college was to stay out of the Army. I heard the other day that there aren't even any openings in the Army now."

The main effect of job anxiety and accompanying uncertainty seems to be a low-level mild and chronic depression among many students soon to graduate. Some respond by seeking credentials which may help them to a job in a market of scarcity; others become listless.

David Riesman, Harvard sociologist and author of "The Lonely Crowd," attributes the mood of mild depression to a reflection of "self-contempt that students feel for being competitive when they believe they should be cooperative" and adds, "They sometimes suspect and certainly are told by their fellow students that their rationales of becoming Naderite lawyers or community-health physicians are for many just that, namely, rationalizations."

And yet humor, often wry, lives. Scott Doss sat in his apartment the other day and struck an animated pose, thrusting a finger at an imaginary partner.

"What's your first alternative for the future?" he asked loudly.

After 30 seconds of silence, he pointed again and asked: "And what's your second?"

KENNETH B. KEATING

Mr. GRIFFIN. Mr. President, when Kenneth Keating of New York died recently, the Nation lost a great and distinguished public servant who was a strong champion of freedom of peoples everywhere.

For many of us who served with him in the Congress, his passing represents a sad personal loss.

I had known Ken Keating from the time I first became a Member of the House of Representatives in January 1957. He was then a 10-year veteran and his offices were just down the hall from mine in the old Cannon Office Building. Over the years I benefited greatly from his friendship and his generous counsel.

Few men have served with such distinction in so many fields of public endeavor. After a successful career as a trial attorney in Rochester, N.Y., he was elected to the House and served for 12 years, and then for 6 years in the U.S. Senate.

Afterward he served on New York's highest court and then, turning to the diplomatic field, he became our Ambassador to India. At the time of his death he was our Ambassador to Israel. In both positions, and in difficult times, he served with great credit to himself and his country.

As many can attest, Ken Keating was a delightful person to know. He was an individual of great wit and understanding. But he was also tenacious in holding to what he believed was right. As some may recall, he was persistent in his warning of the Soviet missile buildup in Castro's Cuba.

Mrs. Griffin joins me in extending to the members of his family our deepest sympathy.

ANNOUNCEMENT OF POSITION ON VOTES

Mr. STEVENSON. Mr. President, I was necessarily absent during rollcall vote No. 202 on Wednesday, June 4. Had I been present for that vote, on the Gravel amendment to S. 920 to bar the use of funds to carry out any plan to increase the number of Army divisions above 14 until after September 30, 1976, I would have voted "nay."

I was also necessarily absent during rollcall vote No. 201 on Wednesday, June 4. Had I been present for that vote, on the Proxmire amendment No. 516 to S. 920, I would have voted "yea."

STRIP MINE VETO HEARINGS REVEAL PHONY FIGURES

Mr. METCALF. Mr. President, the House Interior Committee hearings on President Ford's veto of the surface mining bill (H.R. 25) demonstrated that the professed reasons for the veto are not based on facts. Furthermore, the hearings revealed that the President's energy advisers would tell him to veto his own bill if it were enacted. This incredible shift of position was based on Congress refusal to adopt the President's energy proposals which would cost the American consumer $30 billion per year.

NO JOB LOSSES

The President claimed that enactment of H.R. 25 could result in loss of between 9,000 and 36,000 jobs. The administration witnesses stated that a substantial portion of this estimate was based on studies done by Dr. William H. Miernyk, of West Virginia University. I certainly agree with the administration's description of Dr. Miernyk as a "nationally-recognized expert." But, Dr. Miernyk, the only non-government expert cited by the administration, has totally repudiated the administration's claims of job losses. Dr. Miernyk has stated that H.R. 25 will not lead to any loss of jobs whatsoever.

LITTLE IMPACT ON ELECTRICITY BILLS

Despite widespread coal and utility industry propaganda to the contrary—propaganda echoed by the President—H.R. 25 will not cause any significant increase in electric bills.

At the June 3 hearings the administration admitted that congressional estimates of the cost of reclamation—including the reclamation fee—were correct. These costs will average about $1 per ton.

In view of the fact that the average price of coal has doubled in the last 18 months, and coal industry profits have risen even faster, there is no reason why these costs should not be absorbed. But even if the coal and utility industries insist on passing all the cost on to the consumer, it will only be approximately 35 cents per month for the average user of surface-mined coal-fired electricity. And this is less than 30 percent of electricity.

UNMASKING UTILITY PROPAGANDA

Much misleading information is being circulated by utilities about the cost of H.R. 25. A typical example of such deceptive propaganda is a press release put out by Southwestern Electric Power Co. of Shreveport, La. This release states that the bill will cost its consumers $125 million for coal to be purchased under two contracts "at some future date." The company now burns no coal at all. What the company neglects to point out is that this cost—if and when it occurs—will be spread out over a 25-year period.

One of the planned contracts will be for lignite mined in Louisiana and Texas. SWEPCO estimates the reclamation fee for the lignite at 35 cents per ton, although the bill set a limit for the fee on lignite at 5 percent of the value of the coal—usually $1 to $3 per ton and thus the fee would be 5 to 15 cents per ton. The $125 million total cost of the bill is thus considerably overstated. The company also neglects the fact that, for the lignite mined in Louisiana, one-half of the fee is retained by the State. Yet even with all of these overestimated costs, the increased cost to the SWEPCO consumer resulting from H.R. 25 is $3.36 per year for an average household.

RAPE OF FEDERAL LANDS

I was particularly shocked at the administration's testimony that the President now would veto his own bill. They say that we can afford to rely on State reclamation laws to protect our land and water. But lack of enforcement of State laws has been a major reason for enactment of Federal minimum standards. More importantly, this argument totally ignores the fact that State laws do not apply to 40 percent of the Nation's coal reserves which are owned by the Federal Government.

What the administration is really saying is that these vast resources will be turned over to the energy industry without adequate protection for the other values of public land and water. This is the prelude to national tragedy in the name of "energy independence" and the Congress cannot let it happen.

ACCELERATED EAST-WEST SHIFT

Many Senators from Eastern and Midwestern coal States have expressed fears about a shift of the coal industry away from their States to the public lands of the West. President Ford's veto will give great impetus to such a shift because it is here that State laws will not be applicable. Any Federal regulations will obviously be so weak as to be meaningless if the administration's goal of "Energy Independence Über Alles" is pursued.

Mr. President, the Congress must override the veto. I ask unanimous consent that editorials on the veto and an Interior Committee staff analysis of the administration's objections be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 5, 1975]

FORD ACCUSED OF MINE DATA MISUSE

WASHINGTON.—A University of West Virginia professor of economics Wednesday said that the Ford Administration misrepresented the facts when citing his research to support its claim that the vetoed strip-mining bill could cost 36,000 jobs.

The bill would have little effect on employment in the coal fields, said the professor, William H. Miernyk, head of the university's Regional Research Institute at Morgantown, W. Va.

In a telephone interview, Miernyk said that the Administration misused his figures and took them out of context in an effort to demonstrate that the bill would throw thousands of miners and those in related industries out of work.

"I would disagree that there are going to be any job losses," Miernyk said. "I wish people would use these numbers properly. I hope the record can be set straight."

Frank G. Zarb, federal energy administrator, testifying Tuesday before a House panel, reiterated assertions that the bill could result in up to 19,700 miners and 15,760 others in mine-dependent industries losing their jobs.

In material that Zarb and other Administration officials submitted to document the claims, Miernyk's research was cited.

But Miernyk said the Administration confused and misread two studies he had done: a 1971 study of the effect on West Virginia's economy of abolishing strip mining and a 1967 study on the relationship between direct and indirect unemployment resulting from strip-mine closings.

"The numbers in the one study relate only to West Virginia and not the nation," Miernyk said. And, he said, the study concluded that there would be a net increase in employment—a conclusion he noted that the Administration declined to mention when citing his research.

The increases would come about as more deep mines opened to take up the production slacks as strip mines closed down, he said.

"Deep mining is more labor intensive than strip mining, it requires more miners per ton. But in any case, this study relates only to West Virginia and would only apply if strip mining were completely abolished which this bill doesn't do," he said.

The other Miernyk study used by the Administration determined that for every 10 miners put out of work, eight more persons in related industries would lose their jobs. Thus, total unemployment in the coal fields could be figured by multiplying the number of miners out of work by a factor of 1.8.

"I wouldn't quarrel with the appropriate use of that 1.8 multiplyer," Miernyk said. But he claimed that the Administration used it improperly, selecting an arbitrary figure for direct unemployment and then multiplying it by 1.8.

"Since there will be zero unemployment, they should have multiplied zero by 1.8," he said, "which comes out zero."

Zarb's office had no immediate comment on Miernyk's claim.

[From the New York Times, June 6, 1975]

STRIP MINE HOAX

An aggressive propaganda and lobbying campaign by the coal industry and the private electric companies has spread panic through the ranks of marginal supporters of the strip-mine regulation bill in the House of Representatives. As a result, although this bill and a similar measure in the last Congress passed by overwhelming majorities, it is uncertain whether the House next week can muster the vote to override President Ford's veto.

The chief themes of the industry campaign are that the bill would cost 36,000 jobs in the coal industry when national unemployment is high and that it would substantially raise everyone's monthly electric bill when inflation is still serious. Both charges are false.

The bill would increase the number of jobs in the coal industry because any jobs lost by the eventual shutting down of small, fly-by-night strip mines would be more than offset by the jobs created by the program to reclaim the so-called "orphan lands" ravaged by earlier strip mining in Appalachia, southern Ohio and southern Indiana. That prospect was acknowledged by Rogers Morton, then Secretary of the Interior and now Secretary of Commerce, in testimony last February.

Electric bills have climbed in many communities because approximately 45 per cent of electricity is produced from coal, and the average price of coal has doubled in the last eighteen months. But coal prices no longer are primarily related to the cost of mining coal. They have soared because in the same period the world price of oil quadrupled. Coal operators have been able to put their prices up nearly $10 a ton because they know that oil, the chief alternative, is even higher. That is why Consolidation Coal Company's profits increased 7,850 per cent last year; Island Creek's 3,690 per cent, and Westmoreland's 1,242 per cent.

With those profit margins, the companies could easily absorb the increase in the cost of doing business imposed by the new land's reclamation requirements. But even if they insist on passing the whole burden on to the consumer, Senator Jackson of Washington estimates that a residential consumer using 700 kilowatt hours would pay less than 35 cents more per month.

To its discredit, the Ford Administration has joined enthusiastically with the coal and utility industries in perpetuating the hoax of higher costs and joblessness upon Congress and the American people.

Far from being a severe piece of regulation, the bill is opposed by some conservationists as a milk-and-water measure. They want strip mining banned entirely since all of the nation's coal needs can be met from underground mines. Most conservationists, however do support the compromise.

The Administration's rejection of this compromise and its alignment with the reckless greed of the coal industry is deeply disappointing. House members who understand what is involved for the nation's land and water will be careful not to make the same dreary mistake.

[From the Washington Post, June 6, 1975]

QUESTIONS AND ANSWERS ON STRIP MINING

Not all the President's men appeared before a joint congressional hearing on strip mining this past Tuesday. But with Frank Zarb of the FEA and Secretary of Commerce Rogers Morton leading a small brigade of experts, they were, in Mr. Zarb's words, "three rows deep." Despite the gathering of technical advisers flanking them—armed with charts, the traditional weaponry of federal agencies—neither Mr. Zarb nor Mr. Morton were persuasive in defending the recent White House veto of the strip mine bill. The administration had been summoned to appear at the hearing because many in the House and Senate were either skeptical or disbelieving of the information Mr. Ford presented on May 20 as the basis for his veto. The bill, which would impose modest federal standards on the oil and coal companies engaged in strip mining, was recently saved from defeat when its floor manager, Rep. Morris Udall (D-Ariz.), postponed an effort to override the veto because he did not think he had the votes.

The credibility of the administration's arguments against the bill was severely strained by the questioning of Rep. John Melcher (D-Mont.). He documented the case that most of the nine Western strip mines said by the Interior Department to be in alluvial valley floors were not in such locations at all. The department said previously that those mines would likely be adversely affected if the bill was passed, and coal production losses—mentioned ominously by Mr. Ford in his veto message—would occur. Pressed by Rep. Melcher, in whose state several of the mines exist, Interior Department geologists conceded the errors. After drawing the obvious conclusion, that "the administration's information is highly inaccurate and false," Rep. Melcher asked how Mr. Ford can develop a coal policy when his own departments cannot "assemble the hard facts" on which to create policy.

Many other questioners—Rep. Patsy Mink (D-Hawaii), Rep. Philip E. Ruppe (R-Mich.), Sen. Floyd Haskell (D-Colo.), Rep. Alan W. Steelman (R-Texas), Sen. Dale Bumpers (D-Ark.), among others—were left unsatisfied by administration answers on one aspect or another—jobs, utility bills, production rates.

What is troubling about the administration's weak defense is that its positions have been debated repeatedly over the past four years and always the House and Senate, in overwhelming votes, have approved strip mine legislation anyway. Even then, concession after concession has been made to the White House, so much so that the current bill is now opposed by some because it is too weak or merely cosmetic. The President raised the bleak prospect that thousands of jobs would be lost, that production rates would drop and that utility bills would rise if he signed the bill. To put it in those terms is to suggest that supporters of the bill are recklessly unconcerned about jobs, production and prices, a charge that doesn't hold up when it is leveled against the bipartisan and overwhelming support the bill has received in four House and Senate votes in the past year.

The vote to override has been rescheduled for next week. In spite of Congress' inability to override other presidential vetoes, including the jobs bill on Wednesday, and despite intense lobbying by oil, strip mining and

utility companies, the case for overriding is strong. If anything, the administration's poor showing at Tuesday's hearings made it even stronger.

ANALYSIS OF THE ADMINISTRATION'S JUSTIFICATION OF THE VETO OF H.R. 25

SUMMARY

When President Ford vetoed H.R. 25 on May 20 he claimed that it would restrict coal production, increase our dependence on Mid East oil, raise consumer prices and increase unemployment.

Analysis of the materials justifying this move prepared by the Administration after the President's veto and testimony at the June 3 hearing on the veto message revealed that these claims are false. The key points of this analysis are summarized as follows:

Federal Energy Administration and the Department of the Interior would recommend a veto of the President's own bill. They have apparently accepted the National Coal Association's position that we should rely on state laws for surface mining control. However, in the past enforcement of state laws has been notoriously lax, and in any event, they do not regulate the surface mining of 40% of the nation's coal, which is owned by the Federal government;

Production loss estimates are based on highly unlikely and admittedly unrealistic interpretations of H.R. 25. All other estimates, costs, job losses, oil imports, are based on these faulty production loss estimates; and

Despite widespread coal and utility industry propaganda to the contrary—propaganda echoed by the President—H.R. 25 will not cause any significant increase in electric bills.

At the June 3 hearings the Administration admitted that Congressional estimates of the cost of reclamation (including the reclamation fee) were correct. These costs will average about $1.00 per ton.

In view of the fact that the average price of coal has doubled in the last 18 months, and coal industry profits have risen even faster, there is no reason why these costs should not be absorbed.

But even if the coal and utility industries insist on passing all the cost on the consumer, it will only be approximately 35c per month for the average user of surface-mined coal-fired electricity. And this is less than 30% of electricity.

The Administration refuses to assume that the coal industry can adjust by first full year of implementation (1978), despite a three year phase in period and the vast extent of U.S. coal reserves. This assumption runs counter to Administration testimony that small mines go in and out of production so rapidly that they were unable to furnish the Congress with a meaningful list of mines allegedly impacted by the bill. It also ignores the fact that there is considerable surge capacity within the industry.

All Administration feared losses—including jobs—are only during a three or four year period beginning in *1978*, which is the first possible full year of implementation, and not 1977, as used by the Administration: According to FEA, the 1977 date used in May of 1975 assumed enactment in January 1975.

The Administration does not indicate in its methodology any netting out of production losses which overlap, as between small or steep slope mines, for example.

The Administration denies that additional jobs will be created by the reclamation programs provided in H.R. 25. The President claimed that enactment of H.R. 25 could result in loss of between 9,000 and 36,000 jobs. The Administration witnesses stated that a substantial portion of this estimate was based on studies done by Dr. William H. Miernyk, of West Virginia University. But, Dr. Miernyk, the only non-government expert cited by the Administration, has totally repudiated the Administration's claims of job losses. Dr. Miernyk has stated that H.R. 25 will not lead to any loss of jobs whatsoever. Furthermore, when compared to the unemployment projected under the President's energy program—600,000—any impact of H.R. 25 pales into insignificance.

The President focused heavily in his veto message on the notion that H.R. 25 would increase U.S. dependence on Mid East oil. Yet production losses due to the bill—if any—will affect utilities. These burn imported residual oil from Venezuela and the Caribbean—not Mid East crude.

DETAILED ANALYSIS

Total production loss estimates

The production losses projected by the Administration range from 6–24 percent of a projected total production in 1977 of 685 million tons. In one instance they estimate that 350 million tons of this is expected to be stripped; on another occasion, the estimate is 330 million. No explanation is given for this discrepancy. According to the Administration, those losses will occur because of provisions in the bill dealing with small mines, steep slopes, siltation, aquifers and alluvial valley floors. The Administration claims there is no doublecounting between estimated production losses in each category.

One is led initially to question the Administration's figures for a number of reasons. 1. The projected production figure they use is 685 million tons, which is 70 million tons lower than the base case, business-as-usual projection made in Project Independence, but no explanation is given for the discrepancy. 2. The projected losses are for 1977, while the first full year of implementation cannot possibly be until 1978, and more likely not until 1979, since there is a 36 month phase-in period for full implementation of the bill. Furthermore, losses are assumed to continue only for three years, and to disappear thereafter. Yet no estimates are given for losses in 1978–82. 3. No explanation has ever been given of the methodology used to avoid doublecounting production loss estimates between small mines and mines on steep slopes, although most small mines are on steep slopes; or between production losses projected due to protection of aquifers and alluvial valley floors, although again there is considerable overlap between the two.

4. The Administration's estimates are based on the assumption that through 1980, there will be no relocation of mines and that production lost because mining at one location becomes too costly or is prohibited under the Act, will not be replaced by production at a mine in a site more suitable to mining. (In earlier estimates, however, they assumed 20% of lost surface production would be made up in deep mines.)

They further assume that no excess capacity will exist in the industry which could be used to maintain production by additional shifts or increasing working hours. Yet such capacity exists. As a case in point, prior to the natitonal coal strikes called by the United Mine Workers when their contracts expire, production has increased markedly as consumers stockpile coal. For example, production increased approximately 10 million tons in October, 1974 over midsummer levels in anticipation of the November 1974 strike. In 1971 the same phenomenon was observed. It is thus unrealistic to assume that no production lost because of H.R. 25 could be replaced for three years. 5. The broad range of the Administration's loss estimates indicates a significant lack of certainty on the part of those making the estimates. The discrepancy of 400 percent between the low and high cost ends of the production loss estimates implies a methodology for quantification which is at best exceedingly imprecise. And, as was brought out in hearings before the House and Senate Interior Committees, such was indeed the case. The upper range of losses in particular is predicated on highly unlikely and admittedly totally unreasonable interpretations of the bill's provisions.

While the total impact of the bill is derived from the production loss estimates, these estimates themselves are based on the anticipated impact of certain provisions of the bill, listed above. Yet at no time has the Administration been willing (or able) to relate specific requirements of the bill to specific anticipated production losses. One would therefore infer that the estimates are not based on careful analysis.

Production losses from small mines

The Administration contends that implementation of H.R. 25 will reduce production from small mines by 40–100% in 1977 (although actually full implementation would not occur until 1 or 2 years later). They give no explanation of *why* this range was chosen or to what provision of the bill these losses were attributable. Nor, apparently, do their projections take account of the long and continuing decline in small mines' share of total production, which would reduce anticipated losses in this category in 1977. Again, these loss estimates, which range from 22–52 million tons, are predicated on the assumption that none of this production will be otherwise replaced. The Congress was initially informed that these estimates were based on a broad cross sectional analysis of small mines. Yet, further Congressional inquiry into the methodology used to derive these figures eventually resulted in the admission that a few mine operators, mine operator associations and inspectors in 6 states were asked by telephone what impact they thought the bill would have on small mines. The production loss estimates are apparently actually based on the casual responses to these inquiries.

Production losses from steep slopes

Although a large percent of small mines are located on steep slopes, the Administration's methodology does not net out the overlap between the two in making its production loss estimates. It is therefore virtually impossible to ascribe much validity to either figure. The Administration ascribes production losses on steep slopes to "some loss of productivity" ranging from 6–23%, but the reasons why a loss of productivity is assumed are never stated. Furthermore, numerous studies have been made available to the Congress which indicate that ongoing mining operations in W. Virginia, Pennsylvania and Kentucky, which are already meeting the steep slope reclamation standards of H.R. 25, have actually increased their productivity, largely by minimizing earth moving requirements. The Administration's analysis apparently took no notice of such studies. Finally, the Administration's estimates assume no relocation of mines to more suitable sites. Yet, when asked to furnish Congress with a list of small and steep slope mines, the Bureau of Mines said such mines were constantly relocating and shifting their operations, and it was impossible to maintain an up-to-date list of them.

Siltation

The Administration estimates that up to 10 million tons could be lost because of siltation control requirements. However, since such provisions are already incorporated in most state laws, it is difficult to

comprehend why production losses should be anticipated, if H.R. 25 is implemented, and the Administration does not elucidate.

They do say some areas perhaps could not be mined unless permanent siltation structures were built to prevent post mining sedimentation. This ignores the requirement in the bill that all disturbed areas must be stabilized and revegetated after mining, thus negating the need for retention of siltation structures. However, given their assumption that mine operations will not relocate elsewhere, this might contribute to the estimated production loss. But again, no explanation is given.

Aquifers

As in the case of small and steep slope mines, the Administration's methodology does not provide for netting out of their production loss estimates related to protection of aquifers and protection of alluvial valley floors, which contain aquifers. They estimate that up to 9 million tons of planned production near an aquifer-fed water source could be abandoned under extreme interpretations of the bill. However, the bill focuses on protecting the recharge capacity of aquifers and not aquifer-fed waters. So the Administration's estimate would appear to be based on a misinterpretation of the requirements of the bill.

Production losses on alluvial valley floors

Given the definition of alluvial valley floors in the present bill, the Department of the Interior estimates that no more than 2.7 percent of the land in the Powder River Basin (the major Western coal area) would be affected by the bill. Given the vast amounts of coal west of the 100th meridian, the impacted area is therefore relatively insignificant.

In contrast, the Administration's estimates of potential coal losses on alluvial valley floors ranges from 11–66 million tons. These estimates, however, are based on a number of fallacies and misinterpretations of the bill. For example, the definition of alluvial valley floors in the bill specifically and explicitly excludes undeveloped rangelands. Yet the Administration includes undeveloped rangelands as part of the area where they consider coal production might be inhibited by implementation of H.R. 25.

In addition, although the present bill contains no ban on mining on alluvial valley floors, the Administration's maximum estimate of production losses under the bill (66 million tons) is identical to their estimate of production losses if mining were banned on alluvial valley floors. Thus, presented with two entirely different sets of parameters and assumptions, they did not change their estimates of potential production losses.

Finally, members of Congress have had discussions with the Administration about the methodology by which they arrived at their production loss estimates for alluvial valley floors. Representatives of the Administration explained that their estimates did not represent a range of potential or even probable losses, but at times were based on assumptions that are entirely unrealistic.

For example, the alluvial valley floors covered by the bill are those where "farming can be practiced in the form of irrigated, flood irrigated or naturally subirrigated hay meadows or other crop lands." The Administration admitted that its high estimates were based on an assumption that the Courts might interpret the word "irrigated," to mean that if someone could run a garden hose from New Jersey to a Western alluvial valley, it would make the area subject to the alluvial valley requirements of the bill. The high side of the Administration's projections therefore assume that all alluvial valley floors are covered by the special provisions of H.R. 25. It was further explained that, as long as any one person could so interpret a provision, that interpretation however improbable, was incorporated into the maximum estimates of production losses. It is interesting that this discussion was almost immediately preceded by insistence on the part of the Administration that practical economics should be considered in all interpretations of the bill.

FURTHER LOSS ESTIMATES

It is obvious from the foregoing that the Administration's estimates of production losses attributable to H.R. 25 are generally unfounded and highly questionable. It is, in fact, more likely, given the long phase-in period of the bill and the vast extent of U.S. coal reserves, that no production losses will occur. Yet the Administration uses these doubtful estimates as the cornerstone for all other Administration estimates of the impact of the bill emphasizing at all times the maximum adverse potential effects of implementing H.R. 25. From these dubious production losses they extrapolate employment losses, increased oil imports, fuel costs and consumer costs, and coal reserve losses.

Employment impacts

The Administration's estimates of the employment impacts of H.R. 25 are extrapolated directly from their highly dubious estimates of losses in coal production. These impacts would occur, if at all, when the production losses, if any, took place—in the first full year of implementation of the Act. The first full year of implementation is not 1975; it is 1978.

The Administration's estimates are, at the low end, a direct job loss of 5,000 resulting from a production loss of 40 million tons.

The maximum production loss, 162 million tons, translates, in Administration methodology, into a direct job loss of 20,000.

In addition to this, the Administration *assumes* eight non-mining jobs will be lost for each ten mine job losses. This assumption is drawn from the work of Dr. William Miernyck who was cited by the Administration as an expert on coal input-output analysis. Dr. Miernyck has flatly stated that H.R. 25 will not cause any job losses whatever. Nevertheless, using these figures the Administration estimates a total employment impact of 9,000 to a maximum of 36,000 for the most extreme production loss estimate. Also, in fact, even without H.R. 25, they project a decline of some 4,000 surface mines by 1977 despite increased production.

Despite earlier statements by leading spokesmen, the Administration is not willing to admit that employment will increase as a result of H.R. 25 because of increased requirements for reclamation. In fact, the incredible claim is made that, because abandoned mine reclamation would be financed from a tax on production, a job would be lost elsewhere in the economy for each job created by the program. This view, of course, implies a total uselessness for any tax-supported public works project from the point of view of employment. Using this logic, one would also be forced to claim that the building of U.S. Interstate Highway System did not constitute a stimulus to employment. Yet, the President has recently supported a $2 million public service job program.

By 1978, the earliest possible full year of implementation of the bill, the civilian work force will be well over 100 million. The employment impacts which the Administration claims will result from H.R. 25, if they materialize at all, will constitute between .01 and .04 percent—one and four *one hundredths* of a percent of the 1978 work force. The Administration's concern over very uncertain prospects for a very small level of unemployment in 1978 are scarcely matched by its concern for the staggering unemployment actually being experienced in 1975 and which is forecast for 1976. The Administration's energy tariff tax and price decontrol proposals attempt to ration energy supplies by increasing energy prices. These price increases are inflationary, and they pose a severe threat to recovery from the current recession. Eric Herr, of Data Resources, Incorporated, a firm specializing in economic analysis and forecasting which is an important supplier of economic information and analysis for the FEA, testified before the Senate Interior Committee on February 12, that "assuming that the Federal Reserve does not fully accommodate the President's program, but rather increases the money supply at only a six percent to eight percent annual rate, the damage to the economy (from the President's program) would be substantial. . . . The unemployment rate would be raised by 0.3 percentage points by the end of this year (1975) and by 0.7 percentage points in 1976, increasing unemployment in the year 1977 by 660,000 persons."

The Administration's deep concern over the possible loss of jobs in 1978 is totally hypocritical when measured against its insistence on the implementation of a program in 1975 which is virtually certain to guarantee unemployment in 1975 and 1976 for hundreds of thousands more Americans.

Only a day after the hearings at which Administration witnesses expressed alarm over the alleged 9,000 to 36,000 job loss impact in 1978 of H.R. 25, an FEA spokesman was quoted saying that the impact of 7,000 to 14,000 persons unemployed in 1975 and 1976 as a result of the Administration's energy program would be 'insignificant." (The Administration maintains that these "insignificant" figures are the proper measure of increased unemployment from the energy tax, tariff and price decontrol proposals of the President.)

Perhaps the final and most obvious irony of the Administration's contentions concerning the employment impacts of H.R. 25 is the fact that the UMW and the AFL–CIO—the labor unions which represent U.S. surface miners—have expressed formal support for the bill, and have urged its passage. (The AFL–CIO is in strong opposition to the President's energy pricing proposals.)

Oil imports

The most important chain of reasoning leading to the veto of H.R. 25—in the view of the Administration—is the contention that

(1) coal production will be lost as a result from provisions of this legislation; and

(2) that this loss will require increased oil imports and higher dependence on insecure Mideastern producers.

There is no claim that coal production losses will persist—only that they will characterize the first three-to-four years of implementation of the Act. Thus the time interval of potential concern—and it is the only period for which there could be concern—is the period from 1978 to 1980. This year, 1975, and in 1976, and in 1977, during the phase-in period for H.R. 25, the legislation can have no significant negative effect on domestic coal production. Therefore there can be no short term increase in oil imports during 1975–1977 as a result of H.R. 25 either. The nation has over 30 months to prepare for the impact of the bill.

If it is granted for the sake of argument that surface coal production losses will in fact occur in the period beyond 1977—and this is far from certain—how will these losses be made up? A March 25 memo, made available to Congressional staff by Thomas V. Falkie, Director of the Bureau of Mines, estimated that 20 percent of production losses attributable to H.R. 25 would be made up from increased production in underground mines. By the time Mr. Zarb was ready to

testify before the Senate and House Interior Committees, the Administration had changed its mind and was maintaining that none of the alleged lost production from surface mines would be made up in underground mines or in other surface mines.

However, this is precisely what will happen if there is a demand for coal and a coal mine is shut down somewhere for any reason. Operators of other mines will attempt to capture this business—because it is a profitable business—by adding additional shifts, extending shifts, etc. These other mines will be able to produce the extra coal to the extent that it is available and to the extent they can anticipate the unsupplied demand. In the case of the alleged potential impact of H.R. 25, both conditions would seem to be filled.

But suppose—for the sake of argument—that some switching to oil does take place. The U.S. will then import more residual fuel oil. The Administration's pre-veto analysis did not distinguish between crude oil and residual fuel oil. In fact it is the latter which is burned in electric utilities and most of this fuel is currently imported. Only 7–9 percent of the output of U.S. refineries is residual fuel oil. Imported residual fuel oil comes overwhelmingly from the Caribbean and from Venezuela. It is based primarily on Venezuelan and Nigerian crude oil. Neither of these countries has expressed any interest in embargoing the United States. In fact, during the 1973–74 embargo, residual fuel imports held to a curve which tracked 1972 and 1973 figures for comparable months—allowing for conservation and warmer weather during the 1973–74 winter. No embargo-induced dip is apparent for residual fuel imports, such as was evident in the case of crude oil imports. There is a very good reason for this: we import a substantial amount of crude oil from the Arabs, but almost no residual fuel oil.

According to the Petroleum Industry Research Foundation, during the post-embargo June–October, 1974 period the U.S. imported less than 2 percent of its residual fuel oil from Arab countries. Over 86 percent came from the Caribbean and Latin America.

U.S. residual fuel imports, June–October period

Origin:	1973	1974
Arab	29.6	20.0
Other Eastern Hemisphere	200.9	95.3
Canada	114.8	51.8
Caribbean and Latin America	1,174.4	1,075.2
Total	1,519.7	1,242.3

Source: Petroleum Industry Research Foundation.

The danger the U.S. faces from an Arab embargo is an interruption in crude oil imports for U.S. refineries. The principal refined products affected by such an embargo are the principal products of U.S. refineries—motor gasoline and distillate fuel oil. Residual fuel oil availability would be only very weakly affected by even the most successful future embargo.

Thus the Administration's concern over the alleged impact of H.R. 25 in increasing U.S. dependence on foreign oil can not relate to concern over insecurity of supply in the event of an embargo. The utility industry will not be significantly affected by a reduction in crude oil imports from Arab nations.

The only concern of the utilities is the price of their fuel. This cannot be a great Administration concern, however, in view of its proposal to add at least $1.80 per barrel to the price of imported refined petroleum products. Translated to the Btu equivalent in coal utility boiler fuel, this would represent an increase in coal prices of almost $6.30 per ton—an impact which is at least six times any conceivable impact of the reclamation fees and reclamation costs associated with H.R. 25.

Impact on electric utility bills

The Surface Mining Control and Reclamation Act of 1975—H.R. 25—will cause only a very slight increase in the price of electricity generated from coal. According to the Edison Electric Institute, the average consumer uses less than 700 kilowatt hours per month. The increased electricity costs due to the reclamation of strip-mined land will amount to one to two percent—less than 35¢ per month to the bill of residential consumers whose electricity depends on surface-mined coal. For electricity generated using coal mined underground, the increase in price will be negligible. Costs for power generated by other fuels will not change.

Generally speaking an increase in the price of coal of $1.00 per ton translates into an increase of one twentieth of a cent—0.05¢—per kilowatt hour of electricity. On the average, residential consumers in the U.S. now pay approximately 3.0¢ per kilowatt hour for electricity, according to recent reports of the Edison Electric Institute.

H.R. 25 will add at most $1.00, on the average, to the price of surface-mined coal. This includes the reclamation fee—much less actually for lignite—and operators may have to pay up to $0.50 per ton on new production to cover costs of reclaiming land damaged by their own operations. Administrative costs will add a few pennies more to the price per ton.

Surface-mined coal constitutes approximately one half of U.S. coal production. The fee assessed by H.R. 25 on the remaining underground production is $0.15 per ton. This fee will have a negligible effect on the price of electricity produced using deep-mined coal.

Thus the cost impact of reclaiming land damaged by strip-mining in the past and to restore the land to be disturbed to mine the coal supplies required for the future is approximately a nickel for every 100 kilowatt hours of electricity, less than 35¢ per month for the average user and approximately $1.30 per month for an all-electric home.

Coal company profits

Electricity rates and coal prices have soared over the past year as energy prices were pulled up by the steep rise in the price of imported and domestic crude oil. These increases have hit consumers hard and have swollen the profits of coal companies. According to data compiled by the Congressional Research Service, major coal companies have seen their earnings increase by over a thousand percent in 1974.

COAL COMPANY EARNINGS

[Dollar amounts in millions]

	3d quarter 1973	3d quarter 1974	Increase 1973–74	Percent increase
Consolidation Coal	$0.2	$15.0	$14.8	7,850
Island Creek Coal	[1]—.9	35.2	36.1	(2)
Pittston	3.1	27.5	24.4	790
Westmoreland Coal	1.0	12.8	11.8	1,240

[1] Loss.
[2] Infinite.

Source: Congressional Research Service.

Average coal prices

The average price of coal delivered to electric utilities doubled in 1974 over 1973 in response to the nearly three fold increase in price of the residual fuel oil which utilities purchased. The chart (not printed) attached shows the dramatic rise in both coal and oil prices per million Btu and the relative magnitude of a $1.00 per ton coal cost compared to these increasea. It is totally ridiculous to assert that H.R. 25 will produce rises in electricity costs similar in any way to the increases of the past year. Relief from high electric rates can only come from a lowering of oil prices—a policy the Congress favors and the Administration opposes.

Coal is used to produce approximately 45 percent of the electricity consumed in the United States. According to the most recent data released by the Federal Power Commission, the average price of coal to electric utilities in February 1974 was $17.71 per ton. Spot purchases are reported by FPC to average nearly $26.00 per ton, while the price of a ton of coal purchased on long-term contracts averages $15.71. Coal produced from underground mines is selling at $19.43 per ton on the average. The comparable figure for surface-mined coal is $16.64.

In October, 1973 prior to the embargo, the average price paid for coal by electric utilities was $9.34 per ton. The spot price, $11.24 per ton, was only slightly higher, and the contract price, $8.86 per ton, only slightly lower. At that time, coal mined underground sold for $10.58 per ton and surface-mined coal sold for $8.62 per ton.

Industry and utility views

The dramatic increase in coal prices paid by utilities since late 1973 has followed the nearly three-fold rise in the price of heavy fuel oil. This increase, stimulated by the OPEC cartel, permitted coal operators to charge prices which *averaged* nearly ten dollars a ton more than pre-embargo levels. Isolated spot purchases were even higher, in the $40 to $60 per ton range for coal which sold for $8 per ton a year ago. A brochure prepared for the National Rural Electric Cooperative Association entitled "Why Electric Rates are Going Up" indicates that NRECA expects to pay nearly $28.00 per ton for coal in 1975. These rapid price increases are unrelated to the cost of producing coal.

Given the coal industry's profit margins, it is ridiculous to assume that the industry cannot absorb the entire cost of H.R. 25—50¢–$1.50 per ton, for surface-mined coal. In most cases this is considerably less than 10% of the present price of coal.

As coal prices have been rising continually over the past 30 months, few complaints were heard from coal producers or even utilities. No attempt was made to reduce coal prices and nothing was said about the cost to the consumer of the soaring coal costs. Now, however, when producers face a minor cost-related increase rather than a net gain in profits, the industry has mounted a major propaganda campaign to exaggerate the potential burden the consumer may bear—particularly in the form of higher electric bills—because of H.R. 25. The inconsistency is glaring.

Much misleading information is being circulated by utilities about the cost of H.R. 25. A typical example of such deceptive propaganda is a press release put out by Southwestern Electric Power Co. of Shreveport, La. This release states the bill will cost its consumers $125 million for coal to be purchased under two contracts "at some future date". (The company now burns no coal at all.) What the company neglects to point out is that this cost (if and when it occurs) will be spread out over a 25 year period.

One of the planned contracts will be for lignite mined in Louisiana and Texas. SWEPCO estimates the reclamation fee for the lignite at 35¢/ton although the bill set a limit for the fee on lignite at 5% of the value of the coal (usually $1–3 ton) and thus the fee would be 5–15¢/ton. The $125 million total cost of the bill is thus considerably overstated. The company also neglects the fact that, for the lignite mined in Louisiana, one half of the fee is retained by the State. Yet even with all of these over-estimated costs, the increased cost to the SWEPCO consumer resulting from H.R. 25 is $4.97 million a year, or 4/100ths of a mil (.04 mills) per kilowatt hour, or $3.36 per year for a household using 700 kilowatts a month.

A more realistic presentation of increased consumer costs would be to show the cost of the bill on an annual and per kilowatt hour basis. Also, it would be more accurate to set the reclamation fee for lignite at 15¢/ton (assuming $3.00/ton coal) or less. This would, of course, decrease the total cost to the consumer by $1.44 million a year, or $36 million over a 25 year period.

The administration's analysis of consumer costs

If the propaganda on H.R. 25 being offered by the coal producers and electric utilities is misleading, the Administration's "analysis" of the consumer cost of H.R. 25 breaks new ground in ex post facto justification of a political position.

The fact sheet accompanying the President's veto message on H.R. 25 suggests that the legislation was rejected because if it became law "consumers would pay higher costs—particularly for electric bills—when consumer costs are already too high."

The President's use of this rationale for rejecting H.R. 25 is just astonishing. This Administration has been threatening the Congress for four months with what it calls an "energy program." The foundation and central feature of this program is embodied in the Administration's contention that the proper solution to energy problems must involve higher energy costs for consumers and higher profits for energy companies.

This is what the proposal to add $1, $2 and finally $3 to the tariff on imported oil is all about. This is what the decontrol of domestic crude oil and the deregulation of natural gas is all about. This is why the President proposes excise taxes of $2 per barrel on domestic crude oil production, and 37c per mcf on domestic natural gas. This is why the Administration's "Energy Independence Act" calls for faster and more complete incorporation of electric utility costs, including the costs of construction, in the monthly electric bills for consumers.

The increased costs of the program which the Administration intends to implement without any new Congressional authority amounts to $33 billion on an annual basis. The Administration maintains that these costs are necessary, and that the Congress ought to permit them to be imposed. Moreover, the Administration has proposed legislation for Congressional action which would raise the $33 billion annual cost of energy for U.S. consumers by at least $10 billion more.

In view of these proposals and the Administration's repeated claims that high prices are the proper stimulus to conservation, the veto of legislation to control surface mining and reclaim damaged lands on grounds that it will raise energy costs is totally hypocritical.

What is the cost impact of H.R. 25? The fee imposed by the legislation averages approximately 25c per ton on all U.S. coal production. The reclamation costs will average perhaps 50c per ton when spread over all production. The administrative costs are at most a few pennies per ton. The total added cost of reclamation, estimated by the Administration, amounts to approximately 300 million dollars annually, to be imposed in 1978 and thereafter.

The Administration has proposed, and is insisting on enactment of, an energy program which will raise energy costs by at least 100 times this amount to be implemented this year.

In 1974 the average price of coal at the mine on a national basis increased by 76%, from $8.50 per ton to $15.00 per ton. Without comment from the Administration the price of average coal rose by $6.50 per ton. On the spot market, where many electric utilities make their coal purchases, prices have increased by as much as $20 per ton. None of these increases have gone into reclamation of strip-mined land. They have gone into the pockets of coal producers. All this has been acceptable to this Administration. Responsible legislation which reclaims the land at a cost of at most $1 per ton is not.

The fact sheet submitted by the Administrator of the Federal Energy Administration, Frank Zarb, to the Senate and House Interior Committees on June 3 estimated consumer costs of H.R. 25 at $2.4 to $5.6 billion annually.

These estimates are based on highly dubious assumptions. It is also implied that H.R. 25 will cause higher prices and increased imports now in 1975—instead of in 1978 when the full impact of the bill would actually be felt. To obtain the Administration's cost figures, it is necessary to assume:

(1) That coal production will fall 40 to 162 million tons short of demand because of the provisions of H.R. 25;

(2) That no added coal production from surface or underground mines operating in 1978 in compliance with H.R. 25 will replace this "lost" production;

(3) That all "lost" coal production will be replaced by imported oil; and

(4) That, in response to a shortage of coal spot-market prices will rise by $12 to $18 dollars per ton.

The first two assumptions are questionable for a number of reasons discussed elsewhere. The third assumption clearly depends on the first two. The fourth assumption, that coal prices will rise by $12 to $18 per ton to the oil equivalent level is interesting in view of the Administration's repeated claims that President Ford's energy program, while increasing oil prices, will not affect the price of coal.

In fact, coal spot prices increased by $15 per ton in between October 1973 and February 1975. This price increase for coal occurred in direct response to the tremendous rise in the price of imported oil. In fact, the price of coal has at this time reached an equilibrium with oil at a price significantly below Btu equivalency. There is no evidence that, without a further increase in oil prices, coal prices will again rise towards the $40–$42 which represents Btu equivalence with residual fuel oil. There is no question then, that coal prices do follow trends in oil prices. The Administration is now attempting to use this fact to grossly exaggerate the effects of H.R. 25. But because oil is a cleaner and more convenient fuel to burn than coal, the total cost of burning coal to utilities, including transportation and pollution control, will generally be higher. Hence the delivered price of coal is not ever likely to rise to the Btu equivalent price of oil. Thus it is unrealistic to assume anything like a $12–$18 per ton coal price increase because of the enactment of H.R. 25, particularly in the absence of a further major increase in the price of oil. The FEA's consumer cost estimates are thus totally without foundation.

Coal reserve losses

The Administration estimates that as a result of H.R. 25, some 17.9—73.4 billion tons of coal reserves would be "locked up". They claim that these estimates were derived from the estimate of production losses. However, there is in fact no direct relationship between coal production and reserves and the Administration has provided no explanation of the methodology used to make such a derivation. Nor do they explain the reason for their estimate that 14.2 billion tons of coal could be locked up by the surface owner consent requirements of the bill. Also, with respect to alluvial valley floors, representatives of the U.S. Geological Survey told the House and Senate Interior Committees in sworn testimony that the reserve loss estimates were made first, and the production losses derived later.

Nevertheless, insofar as it is true that the reserve losses are extrapolated from the production estimates, they must be considered highly dubious, since the Administration's projections of potential output losses are, as noted earlier, exceedingly questionable.

Furthermore, these reserve loss estimates are predicated on the assumption that if certain reserves are closed to surface mining, they are inevitably lost. This totally ignores the fact that much of this coal can still be mined by underground mining methods, and is therefore not "locked up". The reserve loss estimates are thus greatly overstated.

Finally, the U.S. has some 434 billion of demonstrated recoverable coal reserves, enough to last more than 500 years. Even if one were to accept the Administration's worst possible estimate, we would experience a loss of about 17 percent of our total reserves, leaving more than 400 years' worth of reserves available for mining.

CONTINUATION OF QUARTERLY REPORTING AND REMITTANCE OF FUNDS BY STATES TO THE SOCIAL SECURITY ADMINISTRATION

Mr. HOLLINGS. Mr. President, on behalf of Senator THURMOND and myself, I would like to bring to the attention of my colleagues in the Senate a resolution adopted by the South Carolina State Legislature requesting the South Carolina delegation to cosponsor legislation introduced by Senator BYRD requiring a continuation of quarterly reporting and remittance of funds by States to the Social Security Administration.

As a cosponsor of this bill, I understand the concerns expressed in the concurrent resolution, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

A CONCURRENT RESOLUTION REQUESTING THAT THE SOUTH CAROLINA CONGRESSIONAL DELEGATION SUPPORT AND WHERE POSSIBLE CO-SPONSOR S–1372 OF 1975 INTRODUCED BY SENATOR BYRD OF WEST VIRGINIA REQUIRING A CONTINUATION OF QUARTERLY REPORTING AND REMITTANCE OF FUNDS BY STATES TO THE SOCIAL SECURITY ADMINISTRATION

Whereas, the State of South Carolina entered into an agreement with the Social Security Administration in 1955 to extend coverage to state and local governmental employees pursuant to Section 218 of the Social Security Act; and

Whereas, the established procedure for reporting and remittance of funds to the So-

cial Security Administration since the inception of the agreement has been on a quarterly basis; and

Whereas, the Social Security Administration now proposes to change the quarterly remittance to a more frequent basis by departmental regulation; and

Whereas, a more frequent remittance would impose a significant financial burden on the State of South Carolina and the seven hundred and twenty local governmental units and generate additional clerical work; and

Whereas, no consideration is given the State in terms of the original agreement, nor in terms of the State's liability in guaranteeing payments on the part of all local governmental units; and

Whereas, the proposed change may endanger continued coverage for public employees. Now therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the South Carolina Congressional Delegation support and co-sponsor where possible S–1372 introduced by Senator Byrd of West Virginia on April 8, 1975, which requires a continuation of quarterly payments and reports by states under Section 218 Agreement of the Social Security Act.

Be it further resolved that copies of this resolution be sent to each member of the South Carolina Congressional Delegation.

PRIORITIES—HOUSING NEEDS

Mr. PROXMIRE. Mr. President, in considering budget priorities, one area of great concern to the Congress and to the American people is the proper level of Federal support to meet our Nation's needs and to provide an appropriate level of assistance to the Nation's cities to help them eliminate slums and blight, to redevelop their neighborhoods, and to improve community services to make them attractive and viable places in which to live.

Ever since 1949 this Nation has been committed to provide Federal support for decent housing and a suitable living environment for our people. The effort, however, has been sporadic with spotty levels of assistance ever since.

In some respects the level of assistance has dropped off, because of a lack of a firm statement of need and a Federal policy on meeting the need. More work needs to be done on this, but I have had prepared a statement, which I ask unanimous consent to have printed in the RECORD, which I believe lays out in very rough terms what the need is in this area.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON HOUSING NEEDS FOR 1976–80—AS THEY AFFECT THE FEDERAL BUDGET

The HUD Budget for housing represents, in general, grants for housing assistance and grants for community development. Each of these is intended to meet specific needs to provide, as soon as feasible, a goal of a decent home and a suitable living environment for every American family. This is a statutory requirement in accordance with the 1949 Housing Act and reiterated in the 1968 and 1974 Housing and Community Development Acts.

The law calls for private enterprise to serve as large a part of these needs as possible and governmental assistance to be utilized to meet the needs not being met solely by private enterprise. Thus, the Federal Government has a statutory responsibility to provide assistance to the maximum extent feasible to meet the Nation's housing needs.

Given below are estimates on the housing needs for the 5-year period 1976–1980:

Housing needs—1976–80

[Annually]

	million
Net growth of households	1.3
Replacement of losses	.7
Mobility and migration	.2
Total	2.2
Reduce substandard and upgrade deprived households	.4
Total new and rehabilitated units	2.6

Thus, the total for the 5-year period would be 13 million units.

The biggest component of the above figures is the net household increase. These are reasonably solid figures representing projections of current trends and on demographic facts established by the Census Bureau. The current 1975 household increase is estimated at 1.5 million. The other figures are not as firm, but are conservative estimates on past experience. They could be higher or lower, depending on general economic activity, the outlook for continued upward mobility of the lower income families and improved community improvements to help stabilize the population in its present location, thus reducing migration and the resultant losses of existing inventory.

The present housing starts figure is around 1 million units, and at present rates of interest and other housing costs, a large Federal subsidy program will be necessary to reach an average 2.6 million units over the next 5 years. Unless some action is taken soon, the added units will not be enough even to meet new household formation. The overhang unsold inventory of 400,000 units, plus perhaps 150,000 condominiums, are available only to a limited extent. Many of these are high-cost units in resort areas not available to meet middle-income demand. The result of the wide gap between supply and demand is already showing up in higher rents and exorbitant prices of the existing inventory. Many jurisdictions are considering rent-control ordinances which will further complicate the situation.

The Budget impact to resolve this dilemma would represent an increase in Treasury borrowing, but have only a small impact on outlays.

AIDS TO LOW-INCOME FAMILIES

The yearly estimate made in 1968 of 600,000 units needed to provide decent shelter for low- and moderate-income families is still a good figure. It assumes that some Federal subsidy will be needed at varying levels to provide shelter for this number of lower income families. The estimated annual cost of such a subsidy is now projected by HUD at $3000 a unit. These costs refer to Section 8 rental housing and do not reflect home ownership housing. I believe, therefore, that it is a high estimate. For example, the estimated interest subsidy for home ownership housing for units built prior to 1973 is $500 per unit. A reasonable estimate, therefore, for an annual subsidy of a reasonable mix of rental and home ownership units is more like $2000 per unit. 600,000 × $2000 = $1.2 billion per year.

Total Federal outlays per year 1976–80

	Billion
Current estimates for existing programs (fiscal year 1976)	$2.1
Fiscal year 1977	3.0
Fiscal year 1978	4.5
Fiscal year 1979	5.4
Fiscal year 1980	6.3
Total (5 years)	21.3

Estimates to add 600,000 subsidized units per year. Authorization would amount to $1.2 billion annually, but outlays would rise gradually over the decade.

These figures are rough estimates depending on many assumptions as to the economy, unemployment, income distribution, housing costs, reasonably improved land use plans, and the Federal Government's ultimate decision on an overall income maintenance program, or alternatively a housing allowance program to which OMB seems to be dedicated. Under either of these alternatives, supplemental income payments would be paid to below-poverty-level families who would be responsible for finding their own housing. The cost of these programs would far exceed the estimates given above under a housing subsidy program. For example, then-Secretary of HUD, James T. Lynn, proposed a housing allowance program limited to the elderly, which would have cost between $10 and $12 billion per year. Experiments are now being conducted on the housing allowance concept.

Despite a program involving Federal assistance for a proposed level of 600,000 subsidized units for the next 5 years, there would still be a significant number of families living in substandard units or living under deprived conditions, that is, making housing payments far out of line with their basic income. According to the Harvard-MIT study, 13.1 million families are living in housing deprivation (including those in substandard units and those paying an excessive housing cost). Obviously, all of these do not need new or even rehabilitated units, but to reach the goal of a decent home and suitable living environment for all American families, these would call for additional Federal aid. A 5-year program of 600,000 units per year would amount to 3 million families assisted, thus leaving approximately 10 million families needing further assistance by 1980. It is impossible to place a dollar cost on such assistance, but a shift of Federal priorities would make it possible to provide for these families the "decent" home promised by the law. Such a cost could easily exceed $5 billion annually.

COMMUNITY DEVELOPMENT

The deterioration of our Nation's cities in the last 10 years has been one of great shock and frustration not only to the cities themselves, but to the Nation as a whole, which cannot ignore the national consequences of this serious matter. The Federal Government has assumed a degree of responsibility in helping the cities with their redevelopment, starting with urban renewal assistance authorized by the 1949 Housing Act, other categorical programs during the 1950's, mass transit assistance in the 1960's, and now a combined community development program authorized in 1974.

It is impossible to estimate the cost of rebuilding the Nation's cities or even removing the abandoned buildings or the slums and blight that are so disgracefully obvious in practically all large cities in the Nation. However, a reasonable estimate of the Federal Government's commitment can be derived from the current authorization for the community development program, the amount appropriated or requested to be appropriated, and estimated outlay.

[In billions of dollars]

	Authorization			
	S. 3066	Conference report	Appropriation	Outlay
Fiscal year:				
1975	2.8	2.55	2.5	0.2
1976	3.3	3	[1] 2.75	1.3
1977		3.05		

[1] Amount anticipated to be requested by the administration.

In comparison with the above figures is an estimate made for benefit of the Senate Committee on Banking, Housing and Urban Affairs in marking up the 1974 Housing and Community Development bill. An estimate was made by adding together all Federal grants-in-aid to the Nation's cities through the categorical programs and adding an inflation figure for each year of 10 percent. The last full year of Federal grants on a categorical basis was 1973. A projection of the 1973 figure on a 10 percent incremental from 1976 to 1980 would be $24.3 billion. This is an average for the 5-year period of $4.86 billion, which may be compared with the approximate $3.0 billion approved by the Conference Committee on the 1974 Act.

The facts are that Federal assistance to the Nation's cities is less now than in 1973 and is likely to continue at this lower rate unless some change in priorities is brought about in the Federal budget. When one considers the estimated $100 billion value of the infrastructure in the Nation's cities, much more needs to be done to conserve the cities.

With a Nation facing an energy shortage and a materials shortage, more needs to be done to conserve what we have. A larger investment in city improvements can hold down the need for more housing and more infrastructure development in outlying areas, and although this statement does not place a measure on the results of such an investment, it should turn out to be a most significant one and worthy of serious consideration by those looking ahead to priorities of Federal spending.

SOUTH CAROLINA CONCURRENT RESOLUTION ON ATLANTIC OUTER CONTINENTAL SHELF

Mr. HOLLINGS. Mr. President, as chairman of the Commerce Subcommittee on Oceans and Atmosphere, I have been deeply concerned with the need for long-term planning in oil and gas development of the Outer Continental Shelf, the proper utilization of Federal funds in such development, and the necessary protection of our fragile and economically critical coastal areas. For such reasons as these, the Coastal Zone Management Act was introduced and is now a viable and valuable planning tool for the future production of our Outer Continental Shelf resources.

I take great pleasure in calling to the attention of my colleagues a concurrent resolution from the State of South Carolina supporting the exploration and production of the oil and gas reserves in the Atlantic Outer Continental Shelf consistent with environmental safeguards and coastal zone management program development, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

A CONCURRENT RESOLUTION TO ENCOURAGE OIL AND NATURAL GAS DEVELOPMENT OF THE ATLANTIC OUTER CONTINENTAL SHELF AND TO EXPRESS THE SENTIMENT OF THE GENERAL ASSEMBLY THAT FEDERAL FUNDS SHOULD BE PROVIDED TO ASSIST SUCH DEVELOPMENT

Whereas, the demand for energy in South Carolina is increasing at a rate greater than the national average and will continue to increase for the foreseeable future; and

Whereas, domestic production of oil and natural gas has declined in recent years; and

Whereas, it is in the interest of South Carolina and the nation to reduce the degree of dependence upon imports of oil from foreign nations to meet domestic energy demand; and

Whereas, there is reason to believe that the Atlantic Outer Continental Shelf contains significant quantities of oil and gas which can be developed consistent with State and national environmental policies; and

Whereas, a joint legislative committee to study oil and gas has had an opportunity to study offshore drilling and believes that development of the Atlantic Outer Continental Shelf should proceed to meet our energy demands; and

Whereas, special federal financial assistance should be provided since the major impact that results from Outer Continental Shelf development occurs onshore and State and local governments will bear the burden of dealing with the economic, social and environmental consequences thereof. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That exploration and development of potential oil and natural gas resources of the Atlantic Outer Continental Shelf should be ecouraged and promoted; *provided*, however, that such activities are consistent with the requirements of applicable environmental safeguards and conducted so as to protect, insofar as possible, onshore social, economic and environmental conditions of the coastal area of South Carolina.

Be it further resolved that federal funds should be made available both for accelerated coastal zone management program development and to help State and local governments provide the services required by offshore operations such as roads, schools, police and fire protection and navigation facilities.

NO FACTUAL BASIS FOR STRIP MINE VETO

Mr. JACKSON. Mr. President, the administration's testimony at the June 3 hearings on the President's veto of the surface mining bill revealed that the professed reasons for the veto are not based on facts.

Furthermore, the hearings revealed that the President's advisers would tell him to veto his own bill if it were enacted. This incredible shift of position was based on Congress' refusal to adopt the President's energy proposals which would cost the American consumer $30 billion per year.

Mr. President, the Congress has been more than conciliatory regarding this legislation. Of the 27 changes the President requested in February, over half were made.

The recent hearings demonstrated that the administration and the Congress agree on the following major points:

First, the cost of reclamation—including the reclamation fee—averages about $1 per ton of surface-mined coal which is considered negligible in the face of present coal prices and profits;

Second, the impact of this cost on consumers using surface-mined coal-fired electricity would average 35 cents per month, and less than 30 percent of electricity is generated by strip-mined coal;

Third, the bill will result in a long-term gain in production and employment;

Fourth, the reclamation fee was not excessive and therefore was not a major factor in the veto decision.

Yet despite this consensus, the administration suddenly reversed itself to reject the congressional compromise bill. In fact, the administration uses as excuses for the veto, provisions included in its own bill sent to the Congress on February 6.

When President Ford vetoed H.R. 25 on May 20 he claimed that it would restrict coal production, increase our dependence on Mideast oil, raise consumer prices, and increase unemployment.

Analysis of the materials justifying this move prepared by the administration after the President's veto and testimony at the June 3 hearing on the veto message revealed that these claims are false. The facts are:

First, Federal Energy Administration and Department of the Interior would recommend a veto of the President's own bill. They have apparently accepted the National Coal Association's position that we should rely on State laws for surface mining control. However, in the past enforcement of many State laws has been notoriously lax, and in any event, they do not regulate the surface mining of 40 percent of the Nation's coal, which is owned by the Federal Government.

Second, despite widespread coal and utility industry propaganda to the contrary—propaganda echoed by the President—H.R. 25 will not cause any significant increase in electric bills.

At the June 3 hearings the administration admitted that congressional estimates of the cost of reclamation—including the reclamation fee—were correct. These costs will average about $1 per ton.

In view of the fact that the average price of coal has doubled in the last 18 months, and coal industry profits have risen even faster, there is no reason why these costs should not be absorbed. But even if the coal and utility industries insist on passing all the cost on to the consumer, it will only be approximately 35 cents per month for the average user of surface-mined coal-fired electricity. And this is less than 30 percent of electricity.

Third, production loss estimates are based on highly unlikely and admittedly unrealistic interpretations of H.R. 25. All other estimates, costs, job losses, oil imports, are based on these faulty production loss estimates.

Fourth, the only non-Government expert cited by the administration, Dr.

William H. Miernyk of West Virginia University, has totally repudiated the administration's claims of job losses. Dr. Miernyk has stated that H.R. 25 will not lead to any loss of jobs whatsoever.

Fifth, if sustained, the veto will promote the East-West shift of coal production which has been a matter of great concern to Eastern and Midwestern coal producing States. Western coal is largely Federal coal, which will not be subject to any State law, but only to whatever "coal above all" regulation the administration may choose to adopt.

Sixth, the administration refuses to assume that cost industry can adjust by first full year of implementation—1978—despite a 3-year phasein period and the vast extent of U.S. coal reserves. This assumption runs contra to administration testimony that small mines go in and out of production so rapidly that they were unable to furnish the Congress with a meaningful list of mines allegedly impacted by the bill. It also ignores the fact that there is considerable surge capacity within the industry.

Seventh, all administration feared losses—including jobs—are only during a 3- or 4-year period beginning in 1978, which is the first possible full year of implementation, and not 1977, as used by the administration. According to FEA, the 1977 date used in June of 1975 assumed enactment in January, 1975.

The administration cannot indicate in its methodology any netting out of production losses which overlap, as between small or steep slope mines, for example.

Eighth, the administration denies that additional jobs will be created by the reclamation requirements of H.R. 25. However, they agree that reclamation will cost $1 per ton. This largely represents additional labor cost and thus thousands of jobs.

Ninth, the administration also refuses to offset against alleged job losses the jobs that it admits will be created by the abandoned land reclamation program. The stated reason is that because this program would be funded by a fee on production, a job would be lost elsewhere in the economy for each job created. This view, of course, implies a total uselessness of any tax-supported public works program and is inconsistent with President Ford's support of a $2 billion public service jobs program.

Tenth, the President focused heavily in his veto message on the notion that H.R. 25 would increase U. S. dependence on Mideast oil. Yet production losses due to the bill—if any—will affect utilities. These burn imported residual oil from Venezuela and Nigeria—not Mideast crude.

Mr. President, Tuesday's hearings elicited two separate admissions from the representatives of the administration, that the veto was politically motivated. First, the witnesses from FEA, Interior Department, and Commerce Department acknowledged that the administration's own proposed surface mining and reclamation bill was very similar to H.R. 25, and—if passed tomorrow—they would today recommend its veto by President Ford. Second, these witnesses explained at the end of the hearing, that the veto decision had not indeed pivoted on any factual analysis. According to a spokesman for FEA, the President was advised in early May that he was not likely to get from Congress a comprehensive energy program before the Memorial Day recess and, thus, decided in return to veto the surface mining bill.

The transcript of these proceedings speaks for itself. The President has staked his political reputation on a tough stand toward the oil producers cartel. But this will be at the expense of domestic employment and social, economic, and environmental well-being. He has proposed preposterous programs costing by his own estimates some $30 billion a year to consumers. On the other hand, he refuses to sign a bill which will vastly diminish uncertainty in an already unstable industry, create new jobs, and accelerate energy independence. One can only conclude that the President is determined to cast Congress in the role of a "do nothing" Congress, and veto all energy related legislation that emanates from Capitol Hill rather than the White House.

Mr. President, I ask unanimous consent that a letter sent to me by the chairman of the Joint Legislative Air and Water Pollution Control and Conservation Committee of Pennsylvania be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JOINT LEGISLATIVE AIR AND WATER POLLUTION CONTROL, AND CONSERVATION COMMITTEE,
Harrisburg, Pa., May 28, 1975.

Hon. JOHN P. MURTHA, Jr.,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MURTHA: There are several points which we think should be brought to your attention before the override vote on the Federal Strip Mining Bill now pending before Congress.

Grave reports abound regarding the impact this bill will have on production of coal, employment and the price of electricity. Pennsylvania's experience with a tough surface mining law (strict law passed in 1963 and strengthened further in 1971) does not lend support to these arguments. In fact, the reverse is true.

For the ten preceding years prior to the passage of Pennsylvania's 1963 Surface Mining Act, average yearly coal production using surface mining methods was 20.7 million tons. For the ten-year period after passage of the Act, average production was 24.2 million tons. That represents an increase of 17% during a period when coal was less than economically competitive with other basic fuels. During this same period (the entire 20-year span), employment gradually declined; however, this was due, by the industry's own admission, primarily to general economic conditions, newly applied technology, and modernization of equipment by the coal industry.

After passage of the 1971 amendments to Pennsylvania's All Surface Mining Act, which placed additional requirements on the coal industry, employment in the bituminous industry increased by almost 20%, from 5,192 (1973) to 6,416 (1974). Furthermore, production increased from 29.3 million to 36 million tons during the same period.

In sum, Pennsylvania's experience graphically illustrates that increased coal production and employment have occurred simultaneously with stringent reclamation requirements imposed by our law and regulations.

The net effect of not requiring similar practices in other States, may well be to impose an economic disadvantage on the production of Pennsylvania coal.

Thank you in advance for your kind consideration.

Respectfully,
JOHN F. LAUDADIO, Sr.,
Chairman.
R. BUDD DWYER,
Vice Chairman.

MAY UNEMPLOYMENT STATISTICS

Mr. WILLIAMS. Mr. President, this morning, the Department of Labor released its latest unemployment figures for last month. Again, Mr. President, the rate has gone up; up 0.3 percent from the month before to a shocking 9.2 percent. This latest rise reflects a continuation of the disastrous and steady erosion of our labor force that has continued since October of 1973. At that time, the unemployment rate was at 4.6 percent, certainly not a figure representing full employment but one which did not herald the current crisis.

As I reviewed these statistics this morning, I was saddened and angered by these latest figures. I was saddened because these figures should not have been a surprise. I have said for several months that unless drastic remedial steps are taken, our unemployment rate would rise above 9 percent and would probably reach 10 percent before the end of the summer.

I was also saddened because this unemployment rate translates into 8.5 million workers who are unable to find work. This figure does not take into account at least another 1 million workers who have become so discouraged with their inability to find work that they have simply given up and have dropped out of the labor market. These workers, whose plight has obviously become even more serious, are not even counted in the Labor Department's unemployment tally. In the usual, understated bureaucratic terms, these workers are counted as "discouraged workers."

Therefore, Mr. President, using a conservative count, this means that there are overall approximately 9.5 million workers whose source of income and livelihood has been cut off. During the Great Depression of the 1930's, the peak of unemployment was reached in 1933 when there were 9.7 million unemployed workers. That means, in effect, that we have almost as many persons out of work today as we did during the worst period in the 1930's.

I have previously advised the Senate that unemployment during the depression has been greatly overstated, or in the alternative, unemployment at the present time is greatly understated. Whichever the case, unemployment comparisons must take into account the fact that the methods for determining unemployment were markedly different during the 1930's. At that time, persons engaged in work relief programs were counted as unemployed. The Bureau of Labor Statistics today counts persons employed in similar Federal programs as employed.

So that all the Members of the Senate may have the benefit of a more detailed examination of the unemployment figures from the Great Depression, I ask unanimous consent that a special study on this issue by the Congressional Research Service be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WILLIAMS. Mr. President, an examination of the current unemployment statistics shows that the rise in unemployment, as has been typical in prior months, is widespread, and reflects increases for most demographic, occupational, and industry groups. Most troublesome, Mr. President, is the major rise in joblessness during the month of May among men 25 years or older. This increase is reflected in rising unemployment among all heads of households and married men whose jobless rate has a wide-ranging effect. An increase in unemployment among this age group means that not only are these individuals themselves out of work, but that the well-being of their families and their role in the community will be substantialy affected.

Similarly troublesome is the rapid increase in unemployment among teenage women, and the continuing extremely high unemployment rate, 45.9 percent, for adult women.

In order to provide my colleagues with a more thorough description of these unemployment statistics, I ask unanimous consent that portions of today's press release from the Bureau of Labor Statistics be printed in the RECORD at the close of my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. WILLIAMS. The anger that I feel, Mr. President, stems from the continuation of the myopic policies of this administration, and its failure to acknowledge the reality of our massive economic problems.

My anger, in this regard, is further reflected in the cold and callous veto by the President of H.R. 4481, the Emergency Employment Appropriations Act of 1975, and by the failure of the Congress to override that veto. When I spoke on the need for these funds on Wednesday, I noted that when these current unemployment statistics would be released, we would bear sad witness to another marked rise in unemployment. I also stated that the reasons used by the President to veto the appropriation of funds so desperately needed by our economy that has 1 out of every 10 workers walking the streets, did not reflect the reality of the problem.

And yet, the President's own economic advisers, who are by and large the architects of our current economic crisis, are also advising the President that unemployment may continue to rise. I agree with them, in this regard, though I continue to marvel at the way they twist this fact to support their statements that we are at the end of our economic troubles, and that it is all uphill from here.

The administration states that unemployment always lags behind an economic recovery, and its economic spokesmen cite impressive theories to that effect. Just this morning, Mr. Julius Shiskin, Commissioner of Labor Statistics, in testimony before the Joint Economic Committee, stated that while unemployment has continued to rise, the economy itself may have reached a "cyclical trough" and that it would quickly improve. Therefore, his assessment was that dealing with the increase in the unemployment rate was merely a question of adjusting to its "cyclical timing."

I am sure, Mr. President, that this type of theoretical approach is valid in some circumstances. However, it is my belief that the so-called cyclical fluctuations approach to fiscal economics, as practiced by this administration, works to explain minor fluctuations in the economy. Accordingly, the proponents of this theory are probably also correct that where there are minor fluctuations, there is no need for drastic remedies, and that normal economic forces can be allowed to even out the ups and downs on their charts.

However, by no stretch of the imagination can we assert that unemployment of 9.2 percent represents a minor fluctuation. It is a major disaster which requires large scale and dramatic Federal action to correct these problems.

The Congress is, I believe, ready to provide such help. The Senate Committee on Labor and Public Welfare is currently considering legislation which would provide large-scale Federal relief to our unemployed workers. This legislation, embodied in S. 609 and other related proposals would establish a vastly expanded public service jobs program which could provide jobs for up to 1 million unemployed workers during fiscal year 1976.

Similarly, the House of Representatives recently adopted legislation to provide for a major expansion of the public works program which will put approximately 250,000 workers to work in meaningful jobs. There are other proposals pending, including further expansion of unemployment insurance benefits and health benefits for the unemployed. These will comprise the congressional response to unemployment.

We cannot wait for the so-called natural economic forces to solve our problems. The 9½ million workers who are out of work cannot afford to wait for these forces to take effect. And I, for one, Mr. President, do not intend to allow these workers to languish in the backwaters of our society while the administration leans back to watch the progress of its economic indicators.

We must adopt legislation now to stop the social disruption and economic devastation that unemployment is doing to our States, our cities, and counties, and our citizens. I do not believe that the administration is committed toward achieving full employment. I think that they are lost in the subtleties of their own theories and have lost sight of what is really needed in this country. We in the Congress, Mr. President, must set the priorities, and then act on them, as befits this body.

EXHIBIT 1

A NOTE ON UNEMPLOYMENT RATES DURING THE NEW DEAL

Comparisons between the unemployment rates of the 1930's and those of the present are becoming more frequent. However, any comparison between the official unemployment figures for then and for now should be made with awareness of the fact that persons employed on Federally-funded work relief programs were counted as unemployed in the 1930's but are counted as employed today. If current definitions of who is employed and who is unemployed were applied to the 1930's, the numbers of unemployed and the unemployment rates would be substantially different, as the following table illustrates:

[Number of people in thousands]

Year	Civilian labor force	Unemployed	Percent unemployed	Number in work relief programs	Adjusted unemployed	Adjusted percent unemployed
1933	51,590	12,830	24.9	3,061	9,769	18.9
1934	52,230	11,340	21.7	6,158	5,182	9.9
1935	52,870	10,610	20.1	1,915	8,695	16.4
1936	53,440	9,030	16.9	3,647	5,383	10.1
1937	54,000	7,700	14.3	2,896	4,804	8.9
1938	54,610	10,390	19.0	3,427	6,963	12.7
1939	55,230	9,480	17.2	3,132	6,348	11.5

BACKGROUND

Prior to 1940, the rate of unemployment was estimated by deducting the total of those actually employed from the total available for work. (The volume of employment was estimated in accordance with changes in indexes of employment from such sources as the Bureau of Labor Statistics, the Interstate Commerce Commission, the National Income Section of the U.S. Department of Commerce, Dun and Bradstreet, and other governmental and private agencies.[5])

Those on work relief programs were excluded from the ranks of the employed. In 1945, the Bureau of Labor Statistics applied methods used by the Census Bureau in its Monthly Report of the Labor Force to adjust the rates of unemployment reported during the Depression. The rates were adjusted in relation to a revised estimate of the size of the labor force during the 1931–1939 period which was derived by interpolating linearly between the worker rates of the 1930 and the 1940 Census and applying the resultant rates to Census estimates of population by age and sex for each year.[5] However, since the method of identifying the unemployed was the same as that used during the Depression, i.e., de-

Footnotes at end of article.

ducting the number actually employed from the total labor force, the adjusted unemployment rates did not change the designation of those on work relief programs from "unemployed." The rates arrived at by the Bureau of Labor Statistics in 1945 are those used today in the Government's economic reports.[3] In 1964, an interagency committee was set up to determine the classification in the labor force of the growing number of enrollees in Federal manpower work-training programs. In classifying enrollees as employed or unemployed, the committee considered the purpose of each program, whether participants were supposed to work or receive training, and their status as wage earners under the Internal Revenue Code and the Social Security Act. Enrollees in such programs have been classified since 1964 as employed if they were receiving wages rather than subsistence or other allowances, or if they were getting on-the-job training.[4] Under such rulings, the enrollees of the Federal work relief programs of the New Deal era would have been considered employed. The adjustments made in the table on page one of this paper place Depression-year unemployment rates on a comparable basis with current rates.

FOOTNOTES

[1] Official figuers as given in Appendix C of the Annual Report of the Council of Economic Advisers (1972), p. 220.

[2] Persons employed in the Civilian Conservation Corps, the Civil Works Administration, the National Youth Administration out-of-school program, the Works Progress Administration, and other Federal agency projects as reported in Appendix 9 of the 1942 report of the National Resources Planning Board.

[3] Calculated by subtracting number employed in work relief programs from the number of unemployed.

[4] Adjusted unemployed as percentage of Civilian Labor Force.

[5] Security, Work, and Relief Policies, U.S. National Resources Planning Board, Government Printing Office, Washington, 1942, p. 554.

[6] Monthly Labor Review, U.S. Dept. of Labor, Bureau of Labor Statistics, July, 1948, p. 52.

[7] cf. Economic Report of the President, February, 1974, p. 276 with Monthly Labor Review, July, 1948, p. 52.

[8] Monthly Labor Review, U.S. Dept. of Labor, Bureau of Labor Statistics, Sept., 1972, p. 7.

EXHIBIT 2

THE EMPLOYMENT SITUATION: MAY 1975

Joblessness continued to increase in May, with the Nation's unemployment rate rising to 9.2 percent, while total employment expanded for the second straight month, it was reported today by the Bureau of Labor Statistics of the U.S. Department of Labor. The unemployment rate, which had been 8.9 percent in April, has climbed steadily since last August and was double the October 1973 prerecession low.

Total employment (as measured by the monthly survey of households) rose by 320,000 in May, with nearly all of the increase in the agricultural sector. With unemployment also rising, the labor force increased by 680,000, following strong advances in both March and April. Over the last 3 months, the labor force has risen by 1.4 million, accounting for two-thirds of the growth since May a year ago.

Total nonagricultural payroll employment (as measured by the monthly survey of establishments), at 76.4 million in May, has risen very slightly in the last 2 months. This represented a clear departure from the record of large monthly declines that totaled 2.5 million between last October and March.

UNEMPLOYMENT

Unemployment rose by 360,000 in May to 8.5 million, seasonally adjusted, about the same as the average increase in the previous 2 months. Since August, 1974, when the strong upsurge in unemployment began, the jobless count has risen by 3.6 million. Job loss accounted for a large portion of the May unemployment rise; however, both new entrants and reentrants to the labor force registered sizable increases in joblessness as well. Since last August, the number of job losers has risen by 2.9 million, accounting for four-fifths of the total increase in joblessness.

Almost all of the May jobless rise occurred among men 25 years and over and female teenagers, as most of the other age-sex groups showed little or no change. For example, the jobless rate among adult women was unchanged for the second straight month, at 8.6 percent. The adult male increase was also reflected in rising unemployment among all household heads and married men, whose jobless rates climbed to 8.3 percent and 5.8 percent, respectively. Among the racial groups, the jobless rate for white workers rose to 8.5 percent in May, while the rate for black workers (Negro and others races) held about steady at 14.7 percent.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

Selected categories	Quarterly averages 1974 I	1974 II	1974 III	1974 IV	1975 I	Monthly data March 1975	April 1975	May 1975
Millions of persons:								
Civilian labor force	90.5	90.6	91.4	91.8	91.8	91.8	92.3	92.9
Total employment	85.8	86.0	86.4	85.7	84.1	83.8	84.1	84.4
Adult men	48.5	48.5	48.5	48.3	47.3	47.0	47.1	47.3
Adult women	29.8	30.1	30.5	30.1	29.8	29.9	30.0	30.0
Teenagers	7.5	7.4	7.4	7.4	7.0	7.0	7.0	7.1
Unemployment	4.7	4.7	5.0	6.1	7.0	8.0	8.2	8.5
Percent of labor force:								
Unemployment rates:								
All workers	5.1	5.1	5.5	6.6	8.3	8.7	8.9	9.2
Adult men	3.4	3.5	3.7	4.8	6.3	6.8	7.0	7.3
Adult women	5.1	5.1	5.4	6.5	8.2	8.5	8.6	8.6
Teenagers	15.2	15.1	16.1	17.5	20.5	20.6	20.4	21.8
White	4.6	4.6	5.0	5.9	7.6	8.0	8.1	8.5
Negro and other races	9.2	9.1	9.6	11.7	13.7	14.2	14.6	14.7
Household heads	2.9	3.0	3.2	4.1	5.5	5.8	6.0	6.3
Married men	2.4	2.4	2.7	3.3	4.8	5.2	5.6	5.8
Full-time workers	4.6	4.6	5.0	6.2	7.9	8.3	[1] 8.6	8.8
State insured	3.2	3.3	3.4	4.3	6.0	7.4	6.8	7.0
Average duration of unemployment (weeks)	9.5	9.7	9.9	9.9	11.3	11.4	12.9	13.4
Millions of persons:								
Nonfarm payroll employment	78.0	78.3	78.7	78.3	76.8	76.4	[2] 76.4	[2] 76.4
Goods-producing industries	24.9	24.9	24.8	24.1	22.7	22.3	[2] 22.3	[2] 22.2
Service-producing industries	53.1	53.5	53.9	54.2	54.0	54.0	[2] 54.1	[2] 54.2
Hours of work:								
Average weekly hours:								
Total private nonfarm	36.7	36.7	36.7	36.4	36.0	35.9	[2] 36.1	[2] 36.0
Manufacturing	40.4	39.9	40.1	39.7	38.9	38.8	[2] 39.0	[1] 39.0
Manufacturing overtime	3.5	3.2	3.4	2.9	2.3	2.3	[2] 2.3	[2] 2.3
Hourly earnings index, private nonfarm (1967=100):								
In current dollars	152.7	156.2	160.3	164.0	167.3	168.8	[2] 168.8	[2] 169.8
In constant dollars	107.8	[2] 107.4	[2] 107.0	[2] 106.4	106.4	107.0	[2] 106.3	(3)

[1] Corrected.
[2] Preliminary.
[3] Revised.
[4] Not available.

Increases in unemployment were concentrated in construction, finance and service, and government. The rise in joblessness was particularly sharp in the construction industry; at an alltime recorded high of 21.8 percent, the unemployment rate in this industry was more than double the rate of a year earlier.

The unemployment rate of workers covered by State unemployment insurance programs reached 7.0 percent in May but remained below post-World War II record levels. The number of workers claiming regular State unemployment insurance benefits, at 4.7 million, represented 55 percent of the jobless total, compared with 45 percent a year ago.

The number of long-term unemployed—those jobless for 15 weeks or longer—rose by 240,000 to a level of more than 2.6 million in May; those who were seeking work for 6 months or more exceeded the 1 million mark for the first time since 1958. The average (mean) duration of unemployment continued to move upward, reaching 13.4 weeks in May, the highest level in over 10 years. Since last November, the average duration of unemployment has increased by 3.6 weeks, and the number jobless for 15 weeks or more has risen by 1.5 million.

TOTAL EMPLOYMENT AND CIVILIAN LABOR FORCE

Total employment increased for the second month in a row, rising by 320,000 to 84.4 million, seasonally adjusted. Since March, employment has expended by 550,000, after registering 6 consecutive monthly declines that totaled 2.6 million. Adult males accounted for more than two-thirds of the April-May job gain.

After showing little movement from last October to February, the civilian labor force rose for the third consecutive month, increasing by 680,000 to 92.9 million in May. All of this increase came among adult males and teenagers.

The civilian labor force participation rate—the proportion of the civilian population either working or looking for work—surged to a high of 61.6 percent in May, up from 61.2 percent in the previous month.

Labor force participation rates were higher for both adult men (80.8 percent) and teenagers (55.7 percent), whereas the rate for adult women (45.9 percent) was about unchanged.

REPORT TO THE SENATE—MBFR AND THE NATO COMMITMENT

Mr. GRAVEL. Mr. President, early last month I was in Vienna to attend a session of the MBFR negotiations. As a U.S. citizen and as a Senator, I was embarrassed. Our negotiating position is absolutely ridiculous: the Russians are literally making fools of us.

The United States and its allies in the Atlantic Alliance take the official position that Warsaw Pact forces have an edge on their NATO counterparts, Strategic planners point, for instance, to the pact's supposed large manpower edge, its mobilization advantage during the first 30 days of conflict, and its superior number of tanks—Warsaw Pact tanks, incidentally, are always described as attack weapons, whereas NATO tanks are labeled defense weapons. Of course, there are also offsetting factors which favor the NATO side. No one really doubts, for instance, that many of the troops the Soviets keep stationed in the satellite countries serve as much a police as a strictly military function. And NATO, while it may be short in number of tanks, in general, has a superior quality weapon. These balancing factors have led Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, to conclude that "overall, NATO has the forces and equipment for a successful defense."[1] Considering the source, we may feel assured this is a conservative assessment of the NATO capability.

Yet, at the MBFR talks in Vienna we continue to pretend that parity does not exist between the NATO and Warsaw Pact forces. Our negotiating position aims at "achievement of a balanced outcome at lower levels of forces." This translates into more reductions for the Warsaw Pact than for NATO. Phase I of the NATO proposal calls for both the United States and the Soviet Union to withdraw roughly equal percentages of their ground forces in Central Europe. This formula would reduce Soviet forces, which constitute 50 percent of the Warsaw Pact total, more than it would redue U.S. forces, which comprise only 25 percent of the NATO contingent. Phase II of the NATO plan would begin after the phase I reduction is reached, and would focus on force reductions of the third party participants in the MBFR negotiations.

The Warsaw Pact countries find unacceptable both the NATO penchant for focusing solely on ground forces and the percentage formula for reducing these forces. They propose instead proportional, across-the-board reductions in all types of forces—ground, air, and nuclear—by all direct participants in each stage. Implementation would be in three stages. The first would consist of 20,000 men reductions on each side, to be followed by a 5-percent reduction and then a 10-percent reduction. This would preserve the present correlation of forces, but at lower levels.

In an effort to breach the deadlock produced by the incompatible positions of the two sides, Warsaw Pact negotiators recently proposed a separate independent agreement for a reduction of 20,000 troops on each side. This reduction was offered without prejudice to further negotiations. NATO rejected the pact offer as only a scaled down version of their basic negotiating position, and one which still manifested the shortcoming of codifying the alleged, existing military imbalance favoring the pact in Central Europe.

So, after 18 months and five rounds of MBFR negotiations, we are still in square one. Troop reductions which the Senate came close to mandating in May 1971 still elude our grasp. We should never have allowed ourselves to be deflected 4 years ago when we were on the verge of voting the Mansfield amendment and its unilateral force reductions. But we listened to the old establishment that rallied to the White House to defend the challenged colors of NATO. And we were further seduced by the sweet promises of Secretary Brezhnev, who seized the moment to commit his country to negotiations on balanced force reductions. Both these parties had a stake in preserving the status quo. We should have known better than to heed their special pleading.

On April 4, 1951, the Senate authorized the commitment of 4 divisions as the United States contribution to the NATO defense of Europe. Almost a quarter of a century later we still have 4⅓ divisions, 14 wings of tactical air, and 2 carrier task forces, with 77 general and flag-rank officers invested in that defense. Would we assent to this, in 1975, as we assented to it in 1951? Would we dispatch the troops today, if we knew they would be irretrievable?

First we heard that they were a stopgap against an immediate threat from the Red Army. Then we heard that they were our honor-bound contribution to agreed NATO force goals. Then we heard that they were needed to keep the Germans from going nuclear, or from accommodating Eastern Europe. Now we hear that they are a necessary bargaining counter, now that the Russians have engaged us in a discussion of mutual reductions in Europe.

The Soviets are motivated first and foremost in Europe by a desire to avoid any destabilizing influences which might lead to German military resurgence. Russia was bled dry before she succeeded in pushing the Nazis from her soil during World War II, and the Soviets are determined that it will not happen again.

The important points in Soviet European policy over the past 30 years can be charted according to this pattern—this pattern—this fear of Germany. It is the rationale behind Soviet dominance in the satellite countries, which serve as a territorial buffer zone, and thus explains Russia's willingness to go to war to preserve doctrinal purity and avoid accommodation with the West, as in the case of Czechoslovakia. It also has served as the driving force behind the Soviet desire to legalize the presence of East Germany—a result that was in fact achieved through Willy Brandt's Ost Politik initiatives.

Reacting as she must on the basis of her own historical experience, Russia is understandably alarmed by the prospect of sudden and large scale U.S. force reductions in Europe. More than a quarter century of U.S. presence has produced a largely predictable standoff that constitutes more a source of reassurance than a threat. This is true for our Western European allies no less than for the Soviets. Fear of the Germans runs deep among the other NATO powers, especially in France and the Benelux countries. And as for the Germans themselves, they appear more than content to let the United States bear the burden of maintaining stability in the area.

The hiatus that would be created by any significant U.S. troop withdrawal from Europe could, realistically, be filled only by Germany. Any effort by the Germans to mobilize additional divisions to replace American forces would, however, be perceived as threatening by both the Soviet Union and the rest of Western Europe. At the same time, it makes little sense for us to continue our present policy of garrisoning more than a quarter of a million troops in Europe. The threat to peace in that part of the world is nowhere near the same as when we first dispatched those troops. To continue to live by policies that were appropriate to the past when the circumstances have in fact changed not only imposes unnecessary economic hardships, but also needlessly limits possibilities for the future for moving toward a truly peaceful world. While the present balance in Europe may be relatively stable, at least for the foreseeable future, that is no justification for putting aside our efforts to improve the situation. Surely the be-all end-all of statecraft is not a mutual balance of terror between two opposing sides.

For too long we have allowed diplomacy to take backseat to military chutzpah. But what is the function of diplomacy if not to ease the accomplishment of legitimate national objectives? We have been behaving as if it is our duty to fix national objectives to ease the burden of diplomacy. Must we stay militarized to placate allies, or to simplify the task of our diplomats?

Congress' expectation of mutual and balanced force reductions with the Soviets through the talks in Vienna has come to naught. Instead of seriously working to achieve reductions, our negotiators have taken a position which seeks an advantage by requiring deeper cuts from the Soviets than from ourselves. While it is true that asymmetries in force structures may dictate such a position as an end goal, it is nonetheless unreasonable as a starting point for negotiations. The consequence of insisting upon it has been to stall all progress at the MBFR talks.

It is past time we took tangible risks for peace and the dissolution of tensions by moving unilaterally to reduce our

[1] General George S. Brown, *United States Military Posture For FY 1976*, p. 125.

forces. One can accept the correctness of the notion that there is now a balance of conventional forces in Europe between NATO and the Warsaw Pact, and still hold to the position that unilateral reductions do not unbalance the overall situation. These are political matters, not matters of expert estimation. They are rough matters, not matters of intricate force calculations.

Unilateral force cuts should, of course, be accompanied by the suggestion that they be reciprocated by the other side in some rough measure. It does not matter precisely how we accomplish these trades with the Russians. The negotiating situation, by its very nature, focuses attention on exact and equivalent trades, which have already proven very hard to attain, given asymmetries in the nature of forces, the loyalty of allies, and the time for reintroduction of forces if the agreement were to fail. The important thing is to limit both sides to such a small number of ready troops, deployed forward, that the chance of overwhelming surprise attack would be removed. This rough trade could be accomplished by example and counterexample, and the problem af asymmetry could be overcome.

The conviction that unilateral cuts will invite counterbalancing cuts is not unreasonable. There is the widespread feeling that, just as war preparations are emulative, arms buildups are imitative, and military assistance levels are responsive, the same geometry applies to downside moves—not explicitly, not formally, but roughly, over a period of time. There is not the perception that our adversaries are implacably aggressive, unappeasable, unimpressionable.

The best example of the usefulness of tension-reducing, unilateral actions is the so-called Kennedy experiment, conducted between June and November of 1963. The first step was taken by President Kennedy in his speech of June 10, in which he outlined what he called "A Strategy of Peace," and then announced that the United States would stop all nuclear tests in the atmosphere and would not resume unless another country did so first. On June 15 Premier Khrushchev reciprocated with a speech welcoming the U.S. initiative and announcing a Soviet halt in the production of strategic bombers. There followed over the next several weeks a number of tension-reducing actions by both sides, including the breaking of certain logjams in the United Nations, a symbolic reduction of trade barriers between East and West, and the establishment of the United States-Russian "hot line" communication link. Also during this period, the Soviet Union refrained from tests in the atmosphere. In July serious negotiations on the nuclear test ban treaty began, and on August 5 the treaty was signed. The relaxed atmosphere between the two countries produced by these initiatives continued up to the time of President Kennedy's assassination in November.

Certain principles which should be adhered to for the successful conclusion of any unilateral strategy of tension reduction have been set forth in an excellent paper by Charles E. Osgood. Among them, the following are particularly important:

First, unilateral initiatives must not cripple our capacity to meet aggression with appropriate responses; second, unilateral initiatives must be graduated in risk according to the degree on reciprocation obtained from an opponent; third, unilateral initiatives should be publicly announced prior to their execution and identified as part of a deliberate policy of reducing tensions; fourth, unilateral initiatives should include an invitation to reciprocate in some form; fifth, unilateral initiatives must be executed on schedule regardless of any commitments to reciprocate by the opponent; and sixth, unilateral initiatives should be continued over a considerable period, regardless of the degree or absence of reciprocation.[2]

The criterion that unilateral initiatives must not cripple our capacity to meet aggression poses no obstacle to unilateral troops cuts in Europe. As discussed above, there is general agreement that NATO and Warsaw Pact forces are in overall balance. Moreover, this balance does not consist of an exact correlation of forces, but depends upon a rough parity. This essential balance, and hence the perceived degree of our commitment, would not be upset by unilateral actions such as reduction of tactical nuclear weapons, redeployment of forces to less forward positions, or even moderate reductions in force levels.

The extent to which unilateral initiatives will be appropriate depends upon the nature of the risk against which U.S. forces guard. It is generally conceded that this risk is not one of imminent aggression by the Soviet Union. Even complete withdrawal of American troops would not bring Warsaw Pact forces swooping down over the heartland of Western Europe. The danger—or at least the perceived danger—is an emboldened Soviet Union which would increasingly interfere in European affairs amidst crises of instability and faltering unity. The term usually reserved for this process—"Finlandization"—would appear to be somewhat disingenuous. Finland is unique both in her proximity to the Soviet Union and in the fact that she stands alone. Western Europe is buffered from the Soviet Union, and her member countries, even in their most fitful periods, maintain substantial bonds. The resources and strengths of Western Europe are also considerably larger than those of Finland.

The rational limits on U.S. unilateral withdrawal imposed by the actual danger of Soviet dominance are somewhat hard to assess, as they depend almost wholly on Europe's own self-confidence, or lack thereof. Precisely what tangible signs of American support Europe requires in order to forge her future free of undue accommodation to the Soviet bloc is a matter to be experimentally determined. What is certain is that today she does not require anywhere near 300,000 troops. And to insist upon keeping those troops there in their full array is nothing but a refusal to allow her to develop the self-confidence she needs to chart her own destiny.

If we abide by the principle that unilateral initiatives must be graduated in risk according to the degree of reciprocation, we will not, however, adopt the precise formula of the 1971 Mansfield amendment, which called for an immediate 50 percent cut in the U.S. commitment to NATO. The intent of the Mansfield amendment cannot be faulted, but its timetable was precipitous, given the fact that both our allies and the Russians regard such large, unilateral cuts as destabilizing. We can reassure both by beginning with reductions of approximately one-third that size and explicitly stipulating that there will be no NATO replacements if the Soviets reciprocate appropriately. Such an agreement with our allies should not be hard to reach, as the non-Germanic states will have every interest in avoiding the further rearmament of their old rival, and Germany herself has no particular taste for diverting more of her national product to pay and equip soldiers. The Soviet Union, for her part, would be encouraged by such terms to indeed reduce her own forces in order to forestall the dreaded German deployments. Of course, should the expected reciprocal reductions not be forthcoming, the pace and pattern of unilateral initiatives would have to be reexamined, and consideration would have to be given the desirability of replacing withdrawn U.S. forces with NATO equivalents. The point is that such a reassessment would take place in a climate of confidence in which Western Europe could learn to rely on her own resources.

The most common criticism leveled against a unilateral approach to tension reduction is that the other side will simply "wait and take all it can get" without sacrificing anything itself. After all, why should the opponent make concessions when he can get what he wants for free? This argument overlooks several factors. First, it ignores the not insignificant pressures exerted by world opinion. Honest efforts at easing tensions, once they are perceived as sincere and not mere tricks, always evoke sympathetic responses from third parties. The side which stubbornly refuses to respond in kind is very soon cast in an unfavorable light. Second, those hard-nosed realists who will never proceed on any but a tit for tat basis must pretend that our opponents are so inhuman as to have none of the same motivations we have. But in truth, the much more reasonable assumption is that they too really desire to reduce tensions, that they are not, indeed, implacable. As much as we, they may be presumed to tremble under the threat of nuclear holocaust, to be concerned to preserve their resources, to be desirous of increasing trade and technological exchange.

The key to bringing an end to "bargaining chip" diplomacy in favor of meaningful unilateral action is to communicate sincerity of intent. As indicated above, unilateral initiatives should be announced in advance and identified as part of a larger effort at tension reduction. This will help allay suspicions that the move is being taken to secure some advantage. Even more important, unilateral steps, once announced, must be carried out on schedule, regardless of any promises to reciprocate. Reciprocation should, of course, be urged, but it cannot be expected for each step along the way. Confidence from the other side in one's sincerity can be established only if any given initiative will stand by itself, independently of any response. Moreover, it may prove necessary to continue this process over a considerable period of time before meaningful reciprocation is obtained.

In my estimation, the motive force behind the Mansfield amendment—and the reason we shall continue to have it before us in the future—is the conviction that unilateral cuts in Europe are safe. No Senator or Congressman would vote to place in jeopardy what he thought to be the core of his country's security. I am sure that if a decent interval were offered by the Congress—a logistically and diplomatically realistic interval—then we could remove two-thirds of our troops from Europe, eventually all but a brigade, without politically destroying the NATO alliance. Of course, NATO itself must continue to change its character and purpose during this interval. But it is past time that our concept of national security involve a prudent policy of international risk-avoidance, instead of the courting of and preparation for improbable risks.

[2] Charles E. Osgood, "GRIT for MBFR: A Proposal for Unfreezing Force-Level Postures in Europe," p. 4–7.

NUCLEAR PROLIFERATION

Mr. TUNNEY. Mr. President, I am deeply concerned about the spread of nuclear reactors and the possibility that these reactors may be used to prove a nuclear weapons capability in countries throughout the world.

In today's Washington Post there is an excellent article on this matter and the treat that it implies. There is little doubt that the United States must take action as soon as possible to stem the tide of nuclear proliferation before it is too late. I ask unanimous consent that the Washington Post article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WORLD SPREAD OF A-PLANTS STIRS FEARS OF BOMB POTENTIAL

(By Marilyn Berger)

By the end of this decade 52 countries will have nuclear reactors operating or under construction, twice the number that exist today.

Reactors are an increasingly popular item pushed by aggressive salesmen in a world of energy shortages. Besides, nuclear power brings a nation prestige.

It also produces, as a by-product of nuclear fission, the material from which nuclear bombs are made.

An average power reactor of 1,000 megawatts produces 250 kilograms of plutonium a year. A nuclear weapon requirea less than 10 kilograms.

At least seven countries are in the class of the "near-nukes"—nations with the human, technological and financial resources that give them the potential for producing nuclear explosions in the near future, according to experts. They are: Argentina, Brazil, Pakistan, South Africa, South Korea, Taiwan and Israel.

All of them now have nuclear reactors and only Taiwan has ratified the Non-Proliferation Treaty, a pledge of self-denial that can be repudiated by any signer with three months' notice.

If these nations do build bombs, experts believe the impact could be tremendous.

"When six or more countries start having nuclear explosives," one expert said, "you'll have Germany and Japan rethinking the situation. Then you'd have a really different world. They took an oath of self-denial after World War II for the peace of the world, but it would be a different thing when a half dozen others had their own weapons.

"Think of the effect it would have on alliance relationships," he continued. "It's one thing for the United States to provide a 'nuclear umbrella' to protect allies from the danger of attack by the Soviet Union or China, but when a bomb could be coming from any of 10 places, would it want to maintain that umbrella? And would any ally rely on it?"

A Japanese socialist who staunchly opposed the development of nuclear weapons in his own country, for example, has said that one thing would force him to change his mind: a bomb in the hands of the Koreans.

Japanese public opinion would turn around in one day, he said.

The danger of nuclear proliferation has been a matter of deep concern to scientists and experts for years.

Now statesmen are looking for new ways to insure that nuclear power, which burst upon the consciousness of the world in the destructive blast at Hiroshima 30 years ago—will be used only for constructive purposes.

Their concern rose this week with the news that West Germany had agreed to sell Brazil not only nuclear reactors but uranium enrichment facilities and a reprocessing plant.

A reprocessing plant separates plutonium from the spent fuel for a reactor. Weapons can be made from plutonium or from highly enriched uranium.

A Brazilian foreign office spokesman announced that his country "intends to detonate nuclear explosives for peaceful purposes."

France is currently negotiating the sale of reprocessing plants to South Korea and Pakistan. India built its own plant, making it possible to set off what it called a "peaceful nuclear explosion" on May 18, 1974, under the Rajastan Desert.

All plants around the world—except those in India and Israel—are under international safeguards designed to prevent the diversion of material for weapons use. But the inadequacy of these safeguards was made clear last year when Secretary of State Henry A. Kissinger said the United States would offer proposals to the other principal supplier countries to strengthen safeguards.

Kissinger also proposed an international convention to increase physical security against theft or diversion of nuclear material—a reflection of the concern that weapons-grade material could get into the hands of terrorists who, with readily available scientific texts, could produce a bomb.

None of the experts is suggesting that the decision by a country to build nuclear reactors necessarily leads to a decision to build nuclear bombs. But with the availability of materials and technology the prospect of proliferation of nuclear weapons grows.

There are five kinds of reactors in operation in the world today:

Light-water reactors which are the kind sold commercially by the United States, West Germany and France. These use enriched uranium and are easily safeguarded because the fuel rods are removed only about every six months and any reprocessing can be monitored.

Heavy-water reactors, sold mainly by the Canadians. These use natural uranium and are therefore not dependent upon only a few countries for fuel supply. They are continuously fueled, produce more plutonium of a slightly better grade, and are therefore more difficult to safeguard, for they require continuous monitoring. The United States has developed instrumentation for such monitoring. India, using its own natural uranium, developed the material for its bomb from such a Canadian-supplied reactor, using a reprocessing plant it built itself.

Research reactors using highly enriched uranium (U-235). This same material can be used for producing weapons. There are over 300 research reactors around the world, a substantial number of them of this type.

High-temperature gas-cooled reactor, developed by Gulf Atomics. This is a very efficient reactor for producing power, using highly-enriched uranium. It was this kind of reactor that the Libyans tried to purchase from the United States. When they were turned down they bought a different reactor from the Soviet Union.

Fast breeder reactors. The Soviet Union and France now have these operating. Britain and the United States are developing them. This reactor produces three to five times as much plutonium as a light-water reactor and uses enriched uranium as fuel.

There is an active competition among suppliers in the United States, France, West Germany, the Soviet Union and Canada to sell reactors. U.S. experts say that for those seeking to prevent the proliferation of nuclear weapons there is one major argument in favor of selling American reactors.

They lend themselves less easily to the diversion of weapons-grade plutonium. Moreover, the United States maintains control over the fuel supply.

The United States recently revamped its procedures for the sale of reactors, with the prospect that there may be tighter controls. In the past the Atomic Energy Commission was charged with approving sales, and according to experts in a number of U.S. agencies, approval was almost automatic.

The newly-established Nuclear Regulatory Commission must now give final approval. Under the new procedures, an application to purchase a reactor, or the major components of a reactor, is sent to the commission. The NRC then sends the application to the State Department, which is supposed to solicit the views of the Arms Control and Disarmament Agency, the Energy Research and Development Administration and the Pentagon.

Before any country can purchase an American-made nuclear reactor it must conclude an agreement for Cooperation in the Civil Uses of Atomic Energy with the United States.

Recent U.S. sale offers have carried safeguards far more stringent than those imposed by the International Atomic Energy Agency.

In the offer to sell reactors to Egypt and Israel, the United States stipulated that all spent fuel must be reprocessed outside of the Middle East.

A sale to Iran is being delayed by an argument over Tehran's insistence on acquiring reprocessing facilities.

Last month in Geneva there was a review conference to assess the effects of the Non-Proliferation Treaty, which came into force five years ago.

During the debate the nuclear superpowers were criticized for failing to cut back their nuclear stockpiles and to put an end

to the nuclear arms race as called for in Article VI of the treaty. There was also a call for banning nuclear weapons tests.

The debate highlighted one of the central problems confronting the scientists and diplomats today; how to prevent the spread of nuclear weapons to the have-nots when the haves continue to amass even more powerful arsenals.

A-PLANT EQUIPMENT DEAL BEING NEGOTIATED

French officials confirmed yesterday that France is negotiating the sale of reprocessing equipment to Pakistan and South Korea.

These officials said that the talks involve restrictions that would bar the diversion of plutonium for weapons production.

France is not negotiating similar deals with Argentina and Taiwan, these sources said. Sen. Abraham A. Ribicoff (D-Conn.) charged earlier this week that France was providing these two countries, as well as Pakistan and South Korea, with nuclear machinery with a potential for weapons production.

West German officials said their agreement to supply a complete nuclear power package to Brazil had ample safeguards to insure against the Brazilians using it for making nuclear weapons.

PRESIDENT FORD'S VETO OF THE EMERGENCY EMPLOYMENT APPROPRIATIONS ACT OF 1975

Mr. WILLIAMS. Mr. President, on Wednesday of this week, when the Congress failed to override President Ford's veto of H.R. 4481, the Emergency Employment Appropriations Act of 1975, I expressed my disappointment that the Congress had denied the economy the benefits of the vital funds contained in this act. I felt that Congress had abandoned its goals in failing to insist that its earlier decision to release this money to the job-creating programs where it is needed be implemented.

Today, Mr. President, I feel no less strongly than I did on Wednesday, and reflection has convinced me even more that we must act quickly to restore this money and inject it into our failing economy. The President and his supporters no doubt feel that they have won a significant victory. But what victory is there in keeping people unemployed, in denying vital services to our cities, in allowing our major industries to stagnate, and in keeping this country economically weak. This is a Pyrrhic victory at best.

If we allow the principle expressed in the veto to stand, Mr. President, we will have abdicated our responsibility to the millions of unemployed workers who are looking to their Government for a sign of leadership. I will not allow them to be disappointed, and I hope that others in the Congress will join with me to restore their confidence and their self-respect.

Support for H.R. 4481 was diverse and uniform, judging from the correspondence that I received in my office. In order to share some of the concerns expressed, I ask unanimous consent that several of the urgent messages that I received asking for adoption of H.R. 4481 be printed in the RECORD at the close of my comments.

Similarly, Mr. President, I also ask unanimous consent to have an article which appeared in today's New York Times, printed at the conclusion of my comments. I feel that it is important that the views expressed in this article, which I think clearly, concisely, and with a great deal of understanding presents the problems facing us today, be brought to the attention of all of the Members of this body.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WORKMEN'S CIRCLE,
New York, N.Y., June 2, 1975.

Hon. HARRISON WILLIAMS,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR WILLIAMS: We strongly urge you to join with your colleagues in the Congress in overriding President Ford's veto of the $5.3 billion job funding bill. The paramount concern of our nation during this economic crisis must be putting our productive citizens back to work.

Our organization believes deeply in the goal of full employment as such, and we therefore direct your attention to the enclosed statement.

Sincerely,

WILLIAM STERN,
Executive Director.

FULL EMPLOYMENT—A PRIME OBJECTIVE FOR A BETTER AMERICA

The Workmen's Circle asks Congress to stand firmly behind legislation designed to create jobs on a large scale in response to the catastrophic rate of unemployment. It is elemenetary that the millions of our productive citizens who have fallen victim to the breakdown of the economy must be put back to work.

The President and many Congressmen speak of balancing the budget as our first priority. This approach at this time can only be accomplished at the expense of more jobs, depriving more families of their livelihood. On the other hand, a greater federal input, generating more public and private enterprise, will mean more jobs, more personal and business income, more consumer spending, and ultimately more tax revenue to the government.

It is unconscionable that a society which has so much to do and such vast resources confronts a situation of such high unemployment. Messrs. Meany and Kirkland of the AFL–CIO have written:

"Instead of being idle, unemployed workers could be building homes, libraries, highways, recreation facilities, mass transit systems, sewage treatment plants and repairing the railroads.

"All across America, cities need teachers, fire fighters, police officers, sanitation workers, librarians. But they are having to lay off these workers because the cities don't have money to pay them.

"Workers want productive jobs that add to the value of America.

"Put every unemployed worker back to work, and America will have a budget surplus.

"Jobs are the only solution. The only real solution to unemployment. The only real solution to budget deficits."

We heartily endorse this view, and ask the Congress to make a commitment to a credible, effective full-employment economy, as the best means to putting America back on a course of productivity for the greatest of its resources—our people.

[TELEGRAMS]

JERSEY CITY, N.J.,
June 3, 1975.

Senator HARRISON WILLIAMS,
Washington, D.C.

DEAR SENATOR WILLIAMS: We wish to protest against President Ford's veto of the emergency employment program. It is better to put people to work than make them beg for charity. There is less resentment by the United States taxpayer this way, at least there are services supplied for the taxes. Many senior citizens work part time so they don't have to ask the Government for extra money to pay bills. They want the dignity of being able to pay their bills on time which they have done all their lives. These part-time jobs are a necessary service to the community, especially in the health field and services to senior citizens. Now, as to low-cost senior citizens' housing, no senior citizen project is vandalized. They police their own buildings. They appreciate and protect what the Government has given them in a decent place to live. They beautify the area with flowers and shrubs. This is their home for the few years they have left to live. They also help each other.

Mrs. LILLIAN ALLAN,
President, The Lillian Allan Senior Citizens Recreation Club.

JERSEY CITY, N.J.,
June 3, 1975.

Senator HARRISON A. WILLIAMS,
Senate Office Building,
Washington, D.C.

President Ford has vetoed the Emergency Employment Act. If the President's veto is not overridden, the city of Jersey City will suffer. Officially the unemployment rate for Hudson County for March of this year was 15 percent. Our internal estimate of the employment rate for Jersey City is a much higher 20 percent. In addition to high unemployment, the situation is even more serious because many of our citizens have been unemployed for well over a year and, therefore, their unemployment benefits have expired. The city desperately needs jobs to meet the needs of these citizens.

President Ford has vetoed the Emergency Employment Act on the basis that the economy will be on the upturn by the last quarter of this year and unemployment will drop to an acceptable level. Unfortunately, Jersey City is under-represented in occupational areas which are normally the positions which become available when the economy takes an upswing. In addition, Jersey City, like most of the other urban areas, has experienced chronic high unemployment even when the national economy is strong. Therefore, I strongly urge you to vote to override the President's veto and to take any additional steps which might enhance the chances of overriding this veto.

PAUL T. JORDAN,
Mayor of Jersey City.

NEWARK, N.J., *June 3, 1975.*

Senator HARRISON WILLIAMS,
Chairman, Senate Committee on Labor and Public Welfare, U.S. Senate Office Building, Washington, D.C.:

Urge you to exercise the full influence of your good office in overriding the President's veto H.R. 4481—the Emergency Appropriation Act.

The city of Newark current unemployment rate is an excess of 20 percent and its unemployment rate for young people exceeds the recent national rate of 40.1 percent. I'm sure you will agree with me that any delay in providing the money for the summer program and jobs for unemployed people could have a pernicious impact on the city of Newark and like inner cities across this Nation.

Again I urgently request that the President's veto be overridden.

Sincerely,

KENNETH A. GIBSON,
Mayor, City of Newark.

SEIU COMMITTEE ON POLITICAL EDUCATION,
June 2, 1975.

DEAR SENATOR: President Ford has taken a stand which clearly indicates he does not wish to cut down unemployment in this country.

You must vote to override his veto of the Emergency Employment Appropriations bill. The economic problems of the United States can be solved by reducing unemployment.

Sincerely,

GEORGE HARDY,
International President, Service Employees International Union, AFL–CIO.

UNITED STEELWORKERS OF AMERICA,
Trenton, N.J., June 2, 1975.

Hon. HARRISON A. WILLIAMS, JR.,
Russell Office Building,
Washington, D.C.

DEAR SENATOR WILLIAMS: The United Steelworkers of America, AFL–CIO are concerned about the high unemployment in the nation and feel that there is a need for stimulating the economy.

One of the bills that would accomplish this is HR–4481. Unfortunately, it was vetoed by the President.

The Steelworkers Union urges you to override the President's veto when this matter is taken up in the Congress.

Very truly yours,

JOSEPH P. YEAGER,
Chairman, Legislative Committee.

THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF MONMOUTH,
Freehold, N.J., June 2, 1975.

Hon. HARRISON A. WILLIAMS, JR.,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR WILLIAMS: Monmouth County urgently needs the full funding levels provided for under H.R. 4481, The Emergency Employment Appropriations Act. H.R. 4481 was vetoed by President Ford last week.

I strongly urge your support in the upcoming vote to override this veto. Passage of this legislation will enable Monmouth County to continue to provide more than 400 Public Service Employment jobs, and 650 summer jobs for disadvantaged youth.

Very truly yours,

PHILIP N. GUMBS,
Director.

[From the New York Times, June 6, 1975]

ANOTHER SUCH VICTORY

(By Tom Wicker)

President Ford's press secretary says the House failure to override the veto of the emergency jobs bill is a "very significant victory" for Mr. Ford. But nobody has asked the 8.9 per cent of American workers who are unemployed what they think of such a victory.

On the other hand, the Democrats who control the House are consoling themselves that they can campaign on the issue of jobs next year, claiming they are for and Mr. Ford is against putting people to work. But the truth is that the bill the Democratic leaders put together was one that the President was sure to veto. What makes that such a great concern for jobs on the Democrats' part, since they were unable to override?

There is not much of a victory here for anyone—even those like Mr. Ford and his advisers, who fear a big deficit and inflation more than the consequences of sustained high unemployment. The Democrats are right that each one per cent increase in unemployment costs about $14-billion in lost income tax revenues and $2 billion in added unemployment compensation costs; and that is the major source of the deficit Mr. Ford fears so much.

And while it is no doubt true that the jobs to have been provided by much of the money in the $5.3-billion bill would not have become available until next year, when the Administration projects an economic recovery, is it not also true that Mr. Ford's advisers concede that at their planned rate of recovery unemployment will remain about or near 8 per cent all next year and in the 6-to-7 per cent range for the rest of this decade?

So who says these jobs were not needed, or would be made available too late? Those who do can only be willing to accept four or five years of unemployment between 8 and 6 per cent as the price of holding back inflation. That is a price too high for those who have to pay it in disillusionment, despair, idleness and hunger, and it may also be higher than Mr. Ford expects in lost Government revenues.

As has been repeatedly pointed out here and by some Democrats, moreover, 8 per cent unemployment is an imprecise figure, neither representing all those who in discouragement have stopped looking for jobs nor depicting those segments of the work force—teen-aged workers in particular—who have been hardest hit by the recession. Teenagers generally are suffering about 20 per cent unemployment and black teen-agers twice that—perhaps far more if the figures available were more comprehensive. To project those unemployment figures for the remaining half of this decade is to menace American society for years beyond that with a time bomb made of hopelessness, anger, alienation and all that they breed—crime and disorder, in particular.

In the face of this, the Democrats might at least have separately provided the $485 million for summer jobs that was in the grandiose and grandstanding $5.3-billion jobs package vetoed by Mr. Ford. Temporary summer jobs are only a small part of what is needed to cope with hundreds of thousands of idle and embittered young people, but the money for this summer would have been a start, at the least. The first week of June is late in the season still to be haggling and politicking on such a question; and the recent rash of fires in the South Bronx may not be unconnected to this failure.

If anything can be done to clean up the mess created by the Democrats' overreaching and Mr. Ford's rigidity—why was not the jobs bill a subject important enough for some compromise level of expenditure to have been worked out to avoid such a fruitless partisan clash?—the first step ought to be quick passage of summer-jobs money. Even the Ford Administration wants that.

Then the Democrats ought to challenge Mr. Ford again—perhaps on a somewhat more modest emergency jobs program, but above all on some long-range approach to the socially critical problem of high and sustained youth unemployment. Not "job training" resulting in no jobs, not summer stop-gaps resulting in no change, but a program of putting young people to work at decent wages on productive jobs—rebuilding railroad roadbeds, for example, protecting or redeeming the environment of cities and countryside, or as industrial or construction apprentices.

That would not affect the deficit half so much as it might help make the United States livable in decades to come.

ORDER FOR RECOGNITION OF SENATOR GRIFFIN, MONDAY, JUNE 9, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the Senator from Colorado (Mr. GARY W. HART) is recognized, the Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT NO ROLLCALL VOTES OCCUR PRIOR TO 4 P.M. ON MONDAY, JUNE 9, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes on Monday prior to the hour of 4 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene on Monday at 11 a.m., following a recess. After the two leaders, or their designees, have been recognized under the standing order, Mr. GARY W. HART will be recognized for not to exceed 15 minutes, after which Mr. GRIFFIN will be recognized for not to exceed 15 minutes.

Thereafter, the Senate will proceed to the consideration of S. 1247, a bill to authorize certain construction at military installations, and for other purposes.

Upon the disposition of that measure the Senate will take up Senate Resolution 60, a resolution authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

Upon the disposition of that resolution, the Senate will resume consideration of the resolution introduced by Mr. MCCLURE.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERT C. BYRD. In view of the fact that the Senate will recess over until Monday, there will be no necessity for the majority leader to ask on Monday to waive the call of the calendar under rule VII. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, am I also correct that on Monday, following the recognition of Senators under the orders previously entered, the Senate will proceed immediately to the consideration of S. 1247?

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. Mr. President, I thank the Chair.

RECESS UNTIL 11 A.M. MONDAY, JUNE 9, 1975

Mr. HELMS. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 11 a.m. Monday.

The motion was agreed to; and at 6:56 p.m. the Senate recessed until Monday, June 9, 1975, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate June 6, 1975:

COMMODITY FUTURES TRADING COMMISSION

Robert L. Martin, of Illinois, to be a Commissioner of the Commodity Futures Trading

Commission for a term of 1 year (new position).

ENERGY RESEARCH AND DEVELOPMENT

Richard W. Roberts, of Maryland, to be an Assistant Administrator of Energy Research and Development (new position).

ENVIRONMENTAL PROTECTION AGENCY

Stanley W. Legro, of California, to be an Assistant Administrator of the Environmental Protection Agency, vice Alan G. Kirk II, resigned.

IN THE NAVY

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and staff corps of the Navy, as indicated, subject to qualification therefor as provided by law:

LINE

Betzler, David P.
Eddleman, Mickey L.
Gavito, Valentin F., Jr.
Kaczmarek, Michael H.
Lanzer, Harlan L.
Murphy, Patrick M.
Nelson, Gregory A.
Odea, John P.
Roble, Woodrow J.
Scranton, Joseph D.
Sorg, Robert E.
Umbdenstock, Peter A.
Walker, Donald B.
Washington, James R.

SUPPLY CORPS

Barber, John J., Jr.

CIVIL ENGINEER CORPS

Murphy, Bernard F., Jr.
Soyster, Steven K.

MEDICAL SERVICE CORPS

Clarkson, Wallace M.

NURSE CORPS

Capps, Karen N.
Coffman, Peggy S.
Loose, David S.
Oberholtzer, Cheryl S.
Rodrigue, Kathryn M.
Smola, Theresa N.
Swan, Catherine A.

Lt. John Common, for temporary promotion to the grade of lieutenant commander in the Dental Corps of the U.S. Navy, subject to qualification therefor as provided by law.

The following-named officers of the U.S. Navy for permanent appointment to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Adams, Robin L.
Alderman, John P.
Alexander, Douglas
Almquist, Thomas V.
Anderson, Richard A.
Beicher, Robert D.
Benedict, William L.
Black, Thomas H.
Botton, Kenneth V.
Boulden, Walter R., Jr.
Bowles, Ira L., III
Boyle, John E., III
Brown, David N., III
Brown, Rodney C.
Bruckman, David E.
Bruckner, Charles J., Jr.
Bruninghaus, Ronald P.
Buchanan, Herbert L., III
Buchspics, Kenneth L.
Burgin, William E., Jr.
Byerley, Stephen C.
Caldwell, Warren L., Jr
Campbell, Gary L.
Canfield, Stephen R.
Carnevale, Joseph A., Jr.
Carter, Leslie R.
Cerveny, Alvin E.
Chapple, Leroy W.
Clark, Ronald
Columbia, Timothy F.
Connelly, Joseph B.
Cordasco, Michael F., Jr.
Arnold, Kenneth B.
Aten, John J.
Battle, Frank J.
Bauer, Robert W.
Beardsley, Wayne L.
Cottrel, William R.
Cross, Charles D.
Cruze, Stephen G.
Cummings, Brian J.
Cuzzocrea, John L.
Daly, John F. Jr.
Damar, Leroy C.
Daugherty, Edward B., III
Davidson, Edward M.
Davis, Jordan B., Jr.
Day, Edward W., Jr.
Devlin, David P.
Dinkins, James E.
Disy, Edward G., Jr.
Edwards, Charles T.
Elles, Christopher J.
Emerick, Dennis P.
Etter, Alan Y.
Fisher, Joseph T.
Foster, John I., Jr.
Fowler, Larry R.
Frump, David A.
Garifalos, James E., II
Geel, Richard A.
Gerard, Gregory L.
Glassberg, Arnold M.
Glatzmaier, Gary A.
Gogolin, James H.
Goldman, Michael J.
Gomez, Daniel S.
Gooding, Brent B.
Guthrie, Robert H.
Guzman, Thomas A.
Haddock, James M.
Hamilton, James A.
Hammond, John T.
Hampton, Bruce N.
Harding, Richard W.
Harding, Robert O.
Hare, Sidney W.
Harrison, John N.
Hatcher, Russell L., Jr.
Hedden, Charles R.
Heller, Leighton J., Jr
Hesser, John B., Jr.
Hill, Steven C.
Hobgood, Gordon B., Jr.
Hodges, Tedd W.
Hoerig, Dan W.
Hoffman, James H.
Hogg, Edward L.
Holdredge, Robert L.
Holland, Frank L., Jr.
Hopkins, Hubert D., Jr
Horn, Robert G.
Hubbard, Allen L.
Hudson, William A.
Hugill, Joseph R.
Humphries, Wofford F. III
Hurd, Steven L.
Interholzinger, Jared F.
Israel, John E.
Jacobs, Jan C.
Jankura, Edwin S., Jr.
Jimenez, Jose S.
Jody, Phillip L.
Johnson, Herman R.
Johnson, William F.
Jones, James A.
Justice, William K.
Kaucher, James E., Jr.
Kazmer, Vincent P.
Keck, Alan R.
Keller, William B.
Kelly, Patrick W.
Ketron, Michael G.
King, John P.
Kluever, Patrick R.
Koehler, John A., III
Kryske, Lawrence M.
Kuehne, Kenneth W.
Kutcher, Robert J.
Lambert, Robert B.
Lautares, Peter G., II
Lavigne, Roger J.
Lewis, Stephen A.
Lindner, Robert W.
Lindquist, Robert F., Jr.
Lindquist, Robert G.
Long, Robert H.
Luigs, Robert W.
Lulu, Michael J.
Lunning, Robert M.
Maloney, Robert S., III
Marks, Kenneth J.
Marosek, Conrad F.
Martin, Stephen D.
McClellan, Patrick M.
McElraft, Ronald D.
McGalliard, Gene R.
McGilvray, Paul E.
McKeever, David V.
Meek, Terry L.
Michell, William R.
Middleton, James M., Jr.
Miller, Craig S.
Miller, Peter, Jr.
Milsted, Charles E., Jr.
Mitchell, David E.
Mitchell, Joseph A., II
Montgomery, Henry E., Jr.
Moore, Richard E., II
Morrell, James M.
Murray, George M.
Nelson, Victor P.
Nitos, Alan M., Jr.
Noland, James T., Jr.
Oberg, David A.
Offerle, Robert A.
O'Hara, Timothy L.
Owen, John E. J., II
Owens, Ronald L.
Pachuta, Mark T.
Page, Elton T., III
Palm, Jerry J.
Parker, Jay P.
Patton, James W.
Pearson, Robert J.
Peterson, Neil G.
Peterson, William J., Jr.
Phelan, Michael J.
Pierce, Steven D.
Prendergast, Timothy E.
Quigley, Thomas K.
Renner, Ronald A.
Renton, Irvine A., III
Richards, Charles C.
Richardson, James D.
Richmond, Donald R.
Riley, Michael J.
Roach, David G.
Ross, Robert R.
Russell, Robert W.
Scheerhorn, Ned A.
Schmidt, Jonathan B.
Schultz, George W.
Schwiering, David A.
Scott, Roderick G.
Sherk, Glenn E.
Shumlas, John A.
Siedschlag, Paul C.
Sipe, Charles R., Jr.
Skewis, Ronald J.
Smith, Gary W.
Smith, Richard T.
Smith, Steven M.
Snell, Stephen F.
Snow, Richard M.
Sonntag, Steven J.
Sontag, William C.
Southeimer, Richard F.
Stark, Terry M.
Stembert, Charles S.
Stites, Lloyd T., Jr.
Stoddard, Larry C.
Stoval, Robert M.
Stratman, Robert A.
Strissling, Thomas C.
Stuckert, Bruce T.
Sturm, James R.
Sturz, Frederick C.
Tate, Russell E.
Taylor, Paul E.
Tennison, Thomas E.
Thompson, Charles R.
Thomson, William G.
Toner, Herman D.
Trabona, Robert J.
Tyman, Edward P.
Ustick, Robert W., III
Vanderslice, John A., III
Vanvaton, Harley J., Jr.
Visage, Samuel G., Jr.
Voss, James W.
Waddell, Ray K.
Wakefield, Stanley I.
Warr, Paul M.
Watson, Samuel R.
Weatherly, James M.
Wesselhoff, Stephen T.
Westover, Steven B.
White, Paul M.
White, Phillip J.
Willant, Mark L.
Williams, Scott K.
Wilson, Michael E. N.
Wingo, Theodore O.
Wolcott, Keith R.
Wood, David R.
Wood, John S.
Wood, Marcelle E., Jr.
Young, Thomas C.

SUPPLY CORPS

Anderson, Raymond D.
Bailey, Everett A.
Balint, David L.
Barrs, Jack C.
Bellairs, Jacques T.
Benson, Edwin R., III
Bock, John H., III
Bonafede, James M.
Chudzinski, John M.
Connolly, John J.
Corack, Edward W.
Curtin, Michael F.
Duffey, Thomas O.
Eastlund, Lon E.
Forman, James M.
Hall, Stephen C.
Hatfield, Franz
Hertstein, Mark C.
Hoffman, Lee D.
Howard, John
Ishiguro, Steven E.
Kaufman, Gary R.
Kern, Thomas M.
Kidd, John W.
King, Wallace V.
Lafley, Alan G.
Lankenau, Gary W.
Lee, Larry D.
Lorenzo, Mark C.
Marczynski, Alfons C.
Martin, Graham H.
McKim, Robert A.
McOmber, Frederick N
Miller, Felton
Miller, Raymond L.
Miller, Roy E. III
Moate, George H. II
Moesner, Frederick W.
Morgan, Thomas III
Nelson, David S.
Owen, Wayne A.
Pecuch, Ramon
Pinta, Roger J.
Popek, Francis J.
Potampa, Whitton M.
Powell, Jeffrey P.
Proctor, Leonard L.
Reeves, Robert E.
Reily, James D. Jr.
Smitherman, William T.
Stone, Daniel H.
Tarleton, George L. III
Ward, James M.
Witham, Michael J.
Wolf, David S.
Wong, Lincoln M. H.
Workman, David C.
Yount, Mark L.

CIVIL ENGINEER CORPS

Boothe, Thomas M.
Chamberlin, Paul D.
Clark, James W.
Elkins, James E.
Garcia, Raul E.
Hiller, Paul W.
Keene, Ronald E.
Kleven, Courtney C.
Knotts, Raymond E.
Leidholt, Deane E.
Redmonjones, David M.
Seltzer, George H. III

MEDICAL SERVICE CORPS

Breton, Robert W.
Lane, John C.
Smith, Donald A.

NURSE CORPS

Akunevich, Elaine A.
Coppage, Phillip L.
Hockenbery, Rebecca A.
Hoffman, Donna K.
Holmes, Anne A.
Holmes, Lawrence C.
Hughes, Judith A.
Kuhnly, Diane B.

Lt. Cmdr. Roberta J. Shields for permanent appointment to the grade of lieutenant in the Nurse Corps of the U.S. Navy, subject to qualifications therefor as provided by law.

Lt. Cmdr. Carolyn M. Baker for permanent appointment to the grade of lieutenant commander in the Nurse Corps of the U.S. Navy, subject to qualifications therefor as provided by law.

The following-named officers of the U.S. Navy for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant:

Abbate, Guy R., Jr.
Beall, Bradley S.
Bingman, Terrence L.
Bozeman, William S.
Clifford, William S.
Epstein, Howard S.
Froman, Floyd D.
Hill, Donal M.
Hinckley, Robert C.
Mandsager, Dennis L.
Morrison, Thomas A.
Osborne, Thomas W.
Rose, Stephen A.

The following-named officers of the U.S. Navy for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant (junior grade):

Horgan, Mark M.
McLaughlin, Peter J.
Robertson, Brian D.

Ensign Charles O. Benz, II, Supply Corps of the U.S. Navy, for transfer to and appointment in the line in the permanent grade of ensign.

Ensign John B. Kishman, of the U.S. Navy, for transfer to and appointment in the Supply Corps in the permanent grade of ensign.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 6, 1975:

OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

William N. Walker, of Illinois, to be a Deputy Special Representative for Trade Negotiations, with the rank of Ambassador.

Clayton Yeutter, of Nebraska, to be a Deputy Special Representative for Trade Negotiations, with the rank of Ambassador.

COUNCIL OF ECONOMIC ADVISERS

Paul Webster MacAvoy, of Massachusetts, to be a member of the Council of Economic Advisers.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

James H. Blair, of Michigan, to be an Assistant Secretary of Housing and Urban Development.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE COAST GUARD

Coast Guard nominations beginning Norman K. McBride, to be a cnief warrant officer, and ending Wallace N. Zimmerman, to be a chief warrant officer, which nominations were received by the Senate and appeared in the Congressional Record on May 12, 1975.

EXTENSIONS OF REMARKS

PRESERVING SMALL DAIRY FARMS

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. MOFFETT. Mr. Speaker, preserving small dairy farms is a consumer issue in Connecticut. Right now 40 percent of the milk consumed in the State is produced by Connecticut dairy farmers, but if current problems persist, we will be shipping more and more milk in from out of State and increasing consumer costs.

In the past 40 years, the number of dairy farms in our State has plummeted from 7,000 to 900. Right now the average farm family must live on an income that is only 54 percent that of the average nonfarm family. On an average, for every dollar of farm income, nearly 85 cents must be spent for production materials. The dairyman's costs are up 15 to 20 percent over 1972 levels, but his share of the consumer dollar is up only 1 percent. Between 1968 and 1972, gross farm income in Connecticut rose by $6.5 million, but net farm income dropped by $12.2 million. During 1974 alone, farm production costs increased 12 percent, but farm prices dropped 15 percent.

Farmers are in a terrible bind. Yet Albert Rees, the Director of the White House Council on Wage and Price Stability, while acknowledging that a major reason for higher food prices is the increasing margin charged by industry middlemen, has been quoted as saying that the administration is pinning its hopes for food price reductions on lowering prices paid to farmers for their products. Half of this strategy is working—farmers are being paid less for their products, 15 percent less in 1974. But the other half of this strategy is not working—retail food prices increased 14 percent in 1974. Only the middlemen profited from such a strategy. Consumers pay more and farmers get less.

It is not surprising then that the consumption of milk has fallen and that thousands of dairy farmers have quit the business. It is estimated that 10 percent of Connecticut's dairy farms will fold this year. Even more dairy farmers would quit if there were other jobs available and if they could receive a fair price for the sale of their herds.

What we really need in this area is a hardheaded antitrust approach and a determination to slow the rapid concentration of economic power in the hands of the large wholesalers and retail chains. It is astounding that the actual profit figures for the wholesalers are not known and have never been subpenaed by Congress. In 1973, food processors grumbled about price controls, but their grumbling was done on the way to the bank. Middlemen in the beef processing business garnered profit increases of up to 228 percent, and some major canners of fruits and vegetables took a 52 percent profit increase.

Secretary Butz may believe that the future farmers of America are Quaker Oats, Tenneco, and Ralston Purina, but I am certain that the people want to insure a place in America's farming future for the family and small businessman. At the same time, we do not want to see the consumer abused further while middlemen make huge profits.

SWORDS INTO PLOWSHARES

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. EDGAR. Mr. Speaker, each session of Congress, this body votes to appropriate billions of dollars to develop the most sophisticated instruments of death and destruction, stretching the periphery of technology. The most brilliant and creative minds in engineering, science, and management have collectively participated in projects which defy description to laymen unfamiliar with the semantics of overkill, first strike capability and deliverable payload.

I am a proponent of a practical defense system which guarantees the security of all Americans. However, I feel that our overzealous commitment in defense spending has overstepped the boundaries of rationality. Our policies in spending have been responsible for breeding armament factories and think tanks which employ a significantly high percentage of American brain power and are dependent upon our annual Federal handout. Millions of Americans are directly and indirectly supported by the military industrial complex. Often, we in the Congress have been placed in positions where our ideals have been compromised by a sensitivity to pressure from workers affected by proposed budget cuts and phaseouts. The merits of individual defense programs often have taken a back seat to their impact on employment.

Mr. Speaker, it is often argued that jobs would be lost when programs are cut. I disagree. Money appropriated for social programs has proven to create more jobs "dollar for dollar" than defense spending. This assertion is documented by bulletin No. 1733 of the Bureau of Labor Statistics. According to this 1972 report, $1 billion spent on defense generates 75,812 jobs. The same money spent at the local level would provide 80,041 jobs if appropriated for health care and 104,019 jobs if spent on education. Dollars spent on defense do not have a strong "multiplier" effect on the economy. The improvement in the quality of life per dollar spent for social programs is far and away greater than that spent on defense. But this is not the limit of my arguments against protecting the system currently draining tax dollars which could be funnneled into social programs where funding has been dangerously inadequate. Despite the need for creative solutions for more down to earth problems such as energy utilization, many of our brightest minds have been attracted to the Defense Department and allied industry. The output of these people has been prolific. In the arsenal of this country are bombs which can "see," satellites which can "hear," and computers which can "speak." Often, these discoveries have useful civilian application. And often, they do not, adding only to our already inflated capacity of killing and destroying more efficiently.

The United States has the most potential for being a world leader in the search for peace. We also have the highest and most destructive potential for prolonging global conflict. The absurd level of our arms production has caused tragic suffering in foreign lands. Millions of people have been trapped in the political and military cross-fire of armed confrontations perpetuated by our almost indiscriminate arms transfers. There have been recent cases of wars with American-made planes bombing American-made tanks, and American-made mortars blasting American-made ammunition. There have been wars launched because of a surplus of American arms. The assumption by the beneficiaries of our generous arms shipments that arms destroyed in battle will be replaced has proven to be valid in most cases. A number of wars have been launched with American weapons solely for economic and political gain, and often our weapons have been used to support repression.

Our arms production is symptomatic of a sickness of our foreign policy.

Mr. Speaker, I feel that it is time our

many civilian domestic problems are attacked with the creativeness and aggressiveness and the sense of urgency as the problems of our Defense Department. It is the role of Congress, I feel, to encourage a retooling of our best trained engineers and scientists. The same American spirit and ingenuity that can develop a "smart bomb" can design an efficient mass transportation system. The same Yankee ingenuity that developed the sensors on our spy satellites could design a cost effective and safe nuclear reactor, and with the same dedication as if these projects were essential to our national security. Because they are.

The transition to a peace economy from a war economy is possible. It remains up to us to make this transition economically attractive.

VOTING RIGHTS ACT EXTENSION

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. LAGOMARSINO. Mr. Speaker, with reference to the Voting Rights Act extension, I request that the following editorial remarks from two newspapers in my district be printed in the RECORD:

[From the Press-Courier, May 22, 1975]

TIME TO RETIRE VOTE RIGHTS ACT

A debate is under way in Congress over whether the federal Voting Rights Act of 1965 should be extended for 10 years, and expanded to cover more persons in more states, or allowed to die.

When the original act was written 10 years ago, some regional racial discrimination afflicted the United States. Sometimes it was difficult for blacks to vote in the South. During the past 10 years, however, registration of blacks in seven southern states affected by the Voting Rights Act has nearly doubled.

Ten years ago there were just a few black elected officials in those same states. Today there are some 1,100.

Congress must now determine not so much whether people are kept from voting but whehter they simply are failing to exercise their franchise for personal reasons. In Ventura County, where there are no registration problems, the voter turnout in most recent elections has been poor because people either didn't bother to register or didn't care to vote.

In most areas, personal reasons keep prospective voters away from the polls. Yet, proponents of the extension would expand the act to cover about 25 states and create a large new bureaucracy at the federal level with power to enforce voting laws for those with a minority heritage.

Hearings on extending the act have failed to turn up any substantial evidence that there is any concerted effort to keep persons of any minority race away from the polls. Thus it is unfair for Congress in effect to smear 25 states with what amounts to a charge of racial discrimination in voting when little evidence of it exists.

Voter protection already in effect includes the 15th Amendment to the Constitution forbidding racial discrimination in voting, bills outlawing racial discrimination, and laws providing that all persons, regardless of racial or ethnic background, be allowed to vote. In addition, the 24th Amendment was ratified in 1964, forbiding the use of the poll tax as a prerequisite to voting in federal elections.

The two constitutional amendments, plus the many existing laws, still stand at the doors of the polls to encourage all persons of all creeds and colors to enter. The Voting Rights Act of 1965 has served its purpose and should be allowed by Congress to expire.

[From the Star Free Press, May 14, 1975]

MAKING IT TOO EASY?

Encouraging voters to vote is generally a worthy purpose, but like any worthy purpose, it can be overdone—and some current legislative proposals seem to be overdoing it a bit.

There are bills awaiting action in both Sacramento and Washington to require bilingual ballots in counties—like Ventura County—that have a Spanish-surname population of more than five per cent. (The law doesn't spell out any language, but that would be the effect of it in 38 California counties, including our own.)

The Ventura County elections office estimates the requirement would add between $5,000 and $20,000 a year to the costs of holding elections in the county. An exact guess is impossible, since there's no way of knowing how many Spanish-language ballots would be requested.

This is fairly typical of the way federal and state laws often work: The legislation is approved in Washington and Sacramento, and then it's up to Ventura County to find the money to finance whatever the legislators require.

Another burden in this proposed legislation is the requirement for bilingual officials at polling places. It's difficult enough to get people to work the polls now, without adding any further handicaps.

It's not as if Spanish-speaking voters were being discriminated against: Spanish-language ballots are posted at polling places now, and are available in advance on request. Spanish-language copies of the pamphlet on state ballot measures are also available on request. Election officials report there are few requests.

It's true that Spanish-speaking areas have a pattern of low voter turnout, but it doesn't necessarily follow that Spanish-language ballots would change that. Some predominantly Anglo areas have low turnouts, too.

As noble as the idea of bilingual ballots sounds, it's hard not to read some partisan politics into the idea. Both Congress and the State Legislature are controlled at present by Democrats, and most Spanish-speaking voters have tended to vote for Democrats.

That's the obvious explanation for another move to broaden voter participation: Permitting voter registration by postcard.

This idea has been kicking around for several years now, and is finally coming closer to becoming law. Again, it seems no coincidence that it's favored mainly by Democrats, who had a mathematical advantage in getting out the vote.

There's also an even more solicitous proposal around that would permit voting without registration, with a simple statement of residence. It would then be up to vote-counters to throw out any ineligible votes.

Much as we support voter participation, we find it hard to support these efforts to make it easier to vote and costlier to hold elections. What we really want to encourage is *informed* participation, which requires some modest amount of thought and effort on the part of the voter.

NOTE

An amendment requiring the Federal Government to reimburse local government for added costs due to the legislation was defeated. I supported and voted for the amendment.

MEASURING OUR ECONOMIC POSITION

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. DENT. Mr. Speaker, as we sit astride this year we can measure our economic position against any given year since about 1950 and find ourselves severely lacking. I do not have the time to go into detailed history of why this is so, but I may be able to expound somewhat concerning our current economic malaise. Everything that is happening today has been prophesied before this body and the Senate, evidently so when we consider some of the writings of Carl Wilken taken from reminiscences of his years as chief counsel to the Senate Finance Committee, in which he discusses the burden of imports on industries.

We have been blaming this recession, as we did the depression of the 1930's, on everything except the real source of the major troubles we are experiencing at this point. At first we were told that there was a shortage of gas. Gas prices went up. Then we were told that there was too much production, notwithstanding the fact that that particular impact statement came at a time when the ratio of imports to exports compared to average U.S.-production facility's output will show that the cause of the loss of employment levels is explained in that ratio imbalance. Add to that a loss of need for services and supporting industries, and yet we still do not seem to have the courage to face the inevitable truth. We have exported our jobs and imported unemployment and an economic disaster.

The records of the Department of Agriculture amply refute the overproduction theory. In 1954 the United States imported 1.6 percent of the beef and veal supply. By 1963 the economy was importing 10 percent of the total supply, and we continue to import at that level today. Imports laid in at less than the American cost of production broke cattle prices that year. The economic consequences were and are visited on the grain trade. With 10 percent of the meat supply imported, some 600 million bushels of corn were no longer needed to feed our domestic animals on American farms or in feedlots. The market for corn tumbled accordingly.

The individual records of "going concerns" illustrate how greed and exploitation walk hand in hand with the power to depress raw material prices. Among the many programs used by the American Government to aid underdeveloped countries, one made use of the so-called Cooley dollars—after the then House Committee on Agriculture Chairman Harold D. Cooley. Cooley dollars were given to foreign countries in payment of purchases. These dollars could not be returned to the United States, but they could be used in the country involved.

American packing plants, industrialists, and movie producers according to documented record, sent pilot companies to these foreign countries—New Zealand, Australia, Colombia, et cetera—for the purpose of borrowing Cooley dollars, buying land, creating red meat production, and bringing this production into the American market, where it drove domestic prices down. In the final analysis, the taxpayer financed his own destruction, because between 1950 and now the nearly $800 billion added to the private debt of the United States had been occasioned by failure of the economy to earn its way.

To compare our inflation and jobnessness with countries that have built their economy on the fortune of the U.S. marketplace is to again fail to face the facts.

For almost a generation I have warned this Congress of the consequences of opening up our market to lower waged, subsidized, foreign producers. It has been said:

Few persons hear you talk and fewer listen.

It must be true.

I take no satisfaction in being able to point this out time and time again, most often to an empty House. I am compelled to point out the dangerous road we have traveled. For example, the 1967 discussions in Geneva proceeded with the basic requirements of laissez faire in mind. One thing had changed, if only temporarily. The Common Market nations had turned their backs on at least three of the conditions necessary to laissez faire. They no longer looked for a profit by exploiting labor, just as they no longer looked for a profit by exploiting the farm producer. Variable levies—tariffs—on imports had been constructed to protect European Economic Community countries from low cost—and low price—producers from other sections of the world. The levies of the late 1960's required a higher price for wheat and corn than the price a cornbelt farmer dared hope for. The Common Market, for at least a moment in history, realized that the ultimate consequence of low world commodity prices was to subject every developed economy to having to accept the same rate of wages as those being accepted by the lowest paid country involved in world trade. This, it was generally conceded, could not accomplished without a depression, and therefore the policies designed to drive world commodity prices into the ground were fairly tuned in on creating such a world depression.

It was to Wilken a matter for common observation that the internal market of the United States had become limited because too much of the earned income has gone to the far corners of the world, either as foreign investment or as a governmental attempt to wet nurse much of the world, or to fight the world's wars and keep it on relief. The natural decline in purchasing power has been stalled these many years simply by floating more debt.

In the meantime, Bulgarian cheese, Japanese electronic equipment, European manufactured goods—all produced under an income structure hardly $500 per capita a year vied with American production under a per capita income structure of $3,119 per year, according to census figures from 1969.

The shock waves had become intensified because American farm production rode along at world prices, whereas manufactured goods commanded a price closer to American cost of production parity. But the shock waves had to be absorbed as best possible. This has come to mean that American farmers had to be processed into bankruptcy, business had to operate with a declining rate of profit, and corporations had to protect themselves with wave after wave of mergers, elimination of competition through market domination, and also through removal of bargained wages with automation.

As businesses and farms continued to be consumed by bankruptcy during the 1960's, those who were paying the price for free trade started coming to their senses, one at a time.

Right now there is a deal afoot in my district between Chrysler and Volkswagen. Chrysler built a plant in the heart of Westmoreland County and at the hub of more transportation facility, railroads, airlines, and highways than any other spot in the United States in my opinion.

Apparently about the time they were half finished with the plant they began negotiating with Japan, for the production of a smaller Chrysler. I predicted at that time that the automobiles planned to be built at the New Stanton site would be manufactured in Japan instead and most assuredly the Colt is manufactured in Japan jointly by Chrysler/Mitsubishi.

I note that George Meany, who for years, as organized labor's major spokesman, opposed my views on trade, has now reversed his field and has recently decried the obvious job loss inherent in our tariff system. He says:

After all, we like to keep our jobs in this country.

"Our competition is from American corporations who go overseas and use American techniques. They use American machine tools. They use American financing. They use everything American—except labor."

Murray H. Finley, president of the Amalgamated Clothing Workers of America, says the garment industry exported tens of thousands of jobs to Korea and other countries, thus eliminating many domestic jobs headed by minorities and women.

"We have tried with demonstrations, petitions and other activities to raise the issues of unregulated imports and multinational corporations and their role as contributors to current joblessness," Finley said.

President Ford is going through the same maneuvers, same advice, and same mistakes, and will have, I predict, the same results that our last few Presidents have had, in trying to appease every country through trade allowances. What we are now experiencing in our economy is a Sunday school picnic compared to what is coming on in the years to the 1976 election. Unless this Congress revises the 1974 trade agreement and restores to Congress the constitutional right to control our trade policy, then we will simply continue to founder in an economic sea of confusion.

I expect to continue to put into the RECORD some thoughts and some ideas based upon two generations of service in our legislative bodies. My experience as a labor leader, businessman and as a legislator studying the impact of imports on American employment demand that I do so.

OPEC STRIKES OIL WITH U.S. INVESTMENTS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. GAYDOS. Mr. Speaker, it appears the Organization of Petroleum Exporting Countries—OPEC—may have struck oil in their investments in the United States. In fact, it seems they have brought in a "gusher."

A recent article in the Pittsburgh Press, datelined Washington, quoted Government sources as saying OPEC members now have $17 billion of their surplus money in U.S. holdings, most of it in Government securities and commercial bank deposits. Confidential estimates forecast the total investment will amount to $25 billion by the end of the year.

This would not be too surprising, considering the rate of OPEC acquisitions thus far in 1975. According to the newspaper article, $2.5 billion in new OPEC investments have been recorded this year. The amount is nearly equal to the total OPEC holdings at the end of 1973, which were $2.7 billion.

The figures bring to mind a speech by our colleague, the Honorable STEPHEN J. SOLARZ, in March of this year. Mr. SOLARZ, noting foreign holdings in U.S. securities amounted to more than $50 billion in 1973. OPEC members are expected to invest close to $100 billion here within the next few years. Such an increase, he warned, would mean foreign investments no longer would be an insignificant part of our economic picture but, instead, would dominate sectors of the economy and influence our economic future.

Mr. Speaker, I, too, am gravely concerned over the growth of foreign investment in the United States. That is why I have repeatedly introduced legislation which would prevent foreign owners from taking over control of major businesses and industries. I foresee the danger that unrestricted foreign investments not only mean the loss of economic control but also the loss of control over our Nation's political future. The loss of political control could lead to bondage.

I find it disturbing to see this trend taking place on the eve of the Bicentennial anniversary of the American Revolution. It was just about 200 years ago when freedom-loving Americans decided they should be the masters of their home and took up arms against England. The tricornered hat toppled the crown and it was believed that never again would foreign interests manipulate the lives of our people through political or economic power.

But, today for the first time since 1776,

Americans are being subjected to the decisions made abroad. We find a greater part of our Nation's economic structure supported by foreign interests. We find more American workers whose jobs and future depend not on American employers but on foreign owners.

It is time, I believe for Americans to return to the concept that we should be the masters of our own home. We must, before it is too late.

THE BIG THREE

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 4, 1975

Mr. GUYER. Mr. Speaker, the Congress, as well as the people of our country, are enormously concerned and desperately anxious to get going with programs and plans that will generate economic rebirth and restore fiscal confidence.

Employment, energy, and economy have become the "Big Three" in our vocabulary. Our President outlined a program of action and motivation with bold movements toward a solution to both the problems of recession and inflation.

After much debate, many delays, and wild Alice-in-Wonderland proposals, the majority leadership came up with a highly inflationary, ballooned budgeted, and excessively accelerated version of a Manpower Employment Act.

Instead of the $2 billion program proposed and spelled out by the President, they belatedly responded with a bloated bill that devours more than $3 billion over the one suggested by our Chief Executive.

Our current unemployment rate of 9-plus percent certainly does need rescuing and bolstering. Temporary jobs, summer employment for youth, job training, and many related areas of gainful work deserve implementation. But, adding a $3 billion deficit to the already swollen public debt is not the answer. It not only compounds our troubles, but defeats the very purpose it was designed to serve.

Three billion added to a speculated $100 billion deficit would not only add another floor to our skyscraper fiasco but would pour fuel on the fires of inflation, cheapen the dollar's purchasing power, and put most goods and services further beyond the reach of the consumer.

Before the great depression that began in the fall of 1929, America's unemployment rate was 3.2 percent. By 1930 after the stock market crash, and financial miasma, America went through a long period of unemployment, scarcity of jobs, scenes of welfare rolls, soup kitchens, bread lines, apple vending, professional begging, and tumbling morale.

Yet, despite all the alphabet programs such as FERA, WPA, and PWA, unemployment rose to 19 percent in 1938 and even by 1940—10 years and billions of dollars later—we still had an unemployment rate of 14.6 percent. It proved that you cannot make problems go away by throwing dollars at them.

This week I cosponsored the emergency appropriations bill with Congressman MICHEL of Illinois that would save the taxpayers more than $3 billion, stimulate the economy, meet the crisis with immediate assistance, all without creating a permanent white elephant of indebtedness.

This legislation would make available $458 million for summer youth employment, $30 million for community service employment for older Americans, $1,625,000 for public service jobs, $70 million for work incentives, $119,800,000 for college work study and $5 million for U.S. Railway Association. The funds would start flowing by July 1, 1975 and would help carry us through the interim that could raise the curtain on a return to a healthy economy through the free enterprise system in the private sector.

We all know that leaf-raking and paper shuffling are not below our dignity, but we fully well know they represent no future permanency.

A man and woman cannot meet medical, housing, food, insurance, education, or savings needs through temporary no-future, no-solution synthetic jobs financed by borrowed funds and inflated dollars.

Only productive work under the free enterprise system, will help America retain its leadership in the production of cars, housing, appliances, clothing, food, and the variety of consumer goods which all of us require and all of us deserve.

Consider this—our present deficit is predicted to rise to $100 billion. Now, for every $10 billion deficit, 500,000 housing starts are prevented, 2 million jobs are kept from being filled, and the rippling effect is just beginning.

Every 4 percent cut in the rate of inflation gives each American worker two weekly pay checks. Even schoolchildren can understand that kind of mathematics. It makes sense.

This country, on the eve of its 200th birthday, cannot afford to dig a deeper ditch of debt, defeatism, despair, and desolation.

The people are here. The needs are here. The capability is here. Only confidence, faith, and action are needed to get this country moving again. I firmly believe that we do not need another war to have prosperity. We can have both prosperity and peace by a concerted action of cooperation, commonsense and industry.

The American story is still the American dream. We are still the most overendowed, under-appraised land on earth.

If the Congress would cease putting obstacles in the path of industry, remove the shackles of restrictions, compliances, regulations, and redtape, eliminate the army of bureaucrats with tin badges and impetuous citations, the huge conclave of creativity, industrial capacity, full production, efficient transportation, able financing, and expert selling for which we have been second to none, can once again lift this sagging economy to the healthy plateau it has known and by every facet of reason and resolution, can know and enjoy again.

Our symbol is still the eagle—not the chicken.

EAST EUROPEAN VIEWS ON DÉTENTE AND WESTERN INTELLECTUALS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. McDONALD of Georgia. Mr. Speaker, although many Western intellectuals purport to be "liberal" and great defenders of human rights, in fact their defense of such rights is very selective and limited. The pervasive oppression of Allende's Chile regime went unnoticed, while massive false propaganda is spread about alleged oppression of the present Chile regime. The denial of some rights to a majority of the population by Rhodesia and South Africa is denounced, but the total and brutal denial of all rights to all the population—except to the small percentage that are Communist Party members—by Red China and the Soviet Union is virtually ignored.

This attitude is particularly evident with respect to détente: the brutal oppression of the Soviets is almost never mentioned, but much is said about improving relations, lessening tensions, and a hoped-for "mellowing"—which shows they are aware of the nature of the Communists. But what of those who live constantly with this tyranny? What of their rights? The suffering they must endure? And not only those who wish to emigrate, but all those who must live day in and day out under a totalitarian regime?

Little concern or attention is granted them. However, it is important and significant to listen to their views on détente and Western intellectuals. Détente has not improved their situation, but made it worse. As for Western intellectuals, their lack of sympathy is specifically unappreciated by those behind the Iron Curtain. These views and more are reported by the New York Times of May 30 in an article by Henry Kamm entitled "Ordinary East European Finds Some Drawbacks in Détente." They are worth reading, and noting, by all who are genuinely concerned with freedom and protection of human rights.

The article follows:

[From the New York Times, May 30, 1975]

ORDINARY EAST EUROPEAN FINDS SOME DRAWBACKS IN DÉTENTE

(By Henry Kamm)

BUDAPEST.—While Eastern European officials and people with an official reason to consort with outsiders are more relaxed in their relations nowadays, in the atmosphere of détente, those outside the privileged circle feel more isolated than ever.

The better the relations of American diplomats and Western European businessmen with their Eastern contacts, the deeper the disenchantment of those in the East who share Western concepts of human rights. They would have wished that the West had limited its relations with their governments to cool correctness until individual rights showed signs of improvement.

The sense of betrayal sometimes takes very personal form. A Budapest theater man of unconventional political views used to enjoy the visits of a Western relative whose work brought him here occasionally. They do not see each other any more because, the Hungarian said, "I am not good for his business."

The government-to-government rather than the people-to-people nature of détente becomes clear to an American who finds himself without a hotel room in a Budapest jammed with Western businessmen and tourists. He spends fruitless hours before winding up on the seventh floor of a downtown fleabag for traveling salesmen of the Austro-Hungarian Empire.

During those hours he has repressed the inclination to phone one or the other of his local friends, as he would have done in London or Rome, where he would be invited for the night. He knows that the authorities would ask suspicious questions about the foreign contacts.

The American would have been spared even the problem in Bucharest because this year it became unlawful for Rumanians to shelter foreign relatives or friends.

Constant shortages of one food product or the other are an everyday subject of conversation in Rumania, a major producer and exporter of food.

In Budapest, however, just to look at the display windows of food shops is enough to cause indigestion from overindulgence. A man was offering alternate licks from a chocolate ice-cream cone to an Airedale and a wire-haired terrier.

The friendly crowd that gathered was amused by this display of conspicuous consumption; a Rumanian crowd would have denounced the waste.

Amid shortages in Rumania under-the-counter payments and misappropriation of "people's property" are common.

A doctor responsible for several villages was assigned a plot of land that she must till for the common cause. How will she find the time? "I won't, but I'll pay a peasant to do it," she replied. She commutes between her villages by horse and buggy that, with coachman, are provided by the Government. "My horse is the skinnest in Rumania," she said, "because the coachman keeps stealing his official fodder."

A man with a high position in a state transport concern said the state garage would repair his vehicles in reasonable time only if he got the drivers to steal an occasional case of state-owned fruit or tomatoes from their loads.

Hungarians, even those critical of their leaders, speak with satisfaction of the unusual sense of self-effacement of the Communist party's First Secretary, Janos Kadar. His photographs in public places or newspapers are rarer than those of President Ford in the United States. Since the days of the cult of Stalin, Eastern Europeans have been sensitive to such display or its lack.

Rumanians, on the other hand, find it difficult to avoid the image of their President and party chief, Nicolae Ceausescu; it is everywhere. Bucharest's principal music shop centered a window display of scores on a music magazine turned to a full-page photo of the leader.

When Mr. Ceausescu had himself photographed bearing a golden scepter in his right hand on the occasion of his re-inauguration as President last March, the photograph was reproduced in the press. Although there was no commentary, Hungarians feel that a political point was well made.

Officials are unhappy in the belief that Westerners assume erroneously, because of Rumania's more independent foreign policy, that she is a more liberal country than Hungary, which follows Soviet foreign policy without deviation. Hungarians agree that their country is more liberal than Rumania, their eastern neighbor, but stress that it is much less liberal than their western neighbor, Austria.

A traveler can form an immediate impression of the local atmosphere. A transit stop at the Prague airport is not a casual matter. Before passengers reboard, a member of the internal security police examines their passports with minute attention, although they arrived less than an hour before and their stay has been limited to a walk under guard from the plane to the closely policed transit hall. With deliberation he compares the passengers' faces with their passport photos.

Care is taken to prevent any contact between passengers and Czechoslovaks by removing public telephones from the departure lounge and forbidding airport personnel to let passengers use their office phones.

A crowd of children fidgeted while a nun lectured to them about the historic Rumanian Orthodox church they were about to enter. The nun asked their accompanying teachers to put out their cigarettes before entering. They grumbled.

"It is not the church telling you not to smoke," the nun rejoined huffily. "Just go and ask the party secretary. He"—she emphasized the pronoun—"will tell you not to smoke in this church."

In Veliko Tirnovo, the medieval capital of Bulgaria, the municipality is restoring the ruins of Tsarevets, the royal quarter. As many as 10 old churches will be rebuilt, said Deputy Mayor Stefan Stefanov. Not for religious reasons, he added, but as "monuments of national culture and museums."

"In our history the church has played a positive role," he said. "It was a basic factor in safeguarding Bulgarian culture. But today it plays a minor role. Our people are not as religious as the Roman Catholics."

The use of religious symbols for ends not necessarily religious is not limited to Communist governments. Non-Communist individuals do the same.

Many Jewish women wear the Star of David merely to show individuality in a system that emphasizes conformity. A Hungarian journalist said his woman friend wore hers everywhere, including her job. "I only told her never to wear it to my office," he added, emphasizing the "my."

A Budapest woman who is not a Jew wears her recently acquired Star of David with particular joy because she waited four years before a shop specializing in old jewelry found it for her.

"If I were Jewish I would probably not wear it," she said. "In the war, too, I think we should have put on the yellow star instead of the Jews."

Because of the Hungarian Government's strong stand against Israel, sympathy for things Jewish has acquired a certain nonconformist value. "It's funny," a Jew said. "Our Government is not anti-Semitic but anti-Israel. The people remain anti-Semitic but are for Israel because the Russians are against it."

In a late-night restaurant the rock group began to stroll back to the stage after a break. Standing at the electric piano the young musician played a chorus of the Israeli national anthem, straight. A guitarist joined him for a second chorus, syncopated. They slid into "Shalom Aleichem," a folk song. Two men at a table sang the words.

They swung into "Hava Negilah," an Israeli song, and the whole band joined in playing and singing, and the floor filled with dancing customers. "If I Were a Rich Man" from "Fiddler on the Roof" was the last number in the Jewish medley.

"Either they were Jewish" or "they just had guts," said a knowledgeable Hungarian.

Disaffected intellectuals are unhappy not only over the Western governments' friendliness with the restrictive regimes they must endure but with the apparent lack of sympathy in Western intellectual circles.

A Rumanian writer is bitter about the attitude of a representative of the French chapter of the P.E.N. Club. When he asked to be "adopted" by the French branch because the Rumanian chapter rejected him for his views, he was told that his request, could be considered only after Chilean writers, victims of a right-wing dictatorship, had been adopted. Eastern European dissidents feel strongly that sympathy for their plight is unfashionable among Western intellectuals.

Political jokes have always been rare in Bulgaria, the most pro-Soviet and docile country in the Communist camp. One is circulating now:

Q. What does B.K.P. [the initials of the Bulgarian name of the Communist party] stand for?

A. Brezhnev, Kosygin, Podgorny.

A Rumanian apologized for having no recent jokes to tell a friend. The intellectuals, who used to be the creaters and purveyors of political witticisms, are too despondent about their situation to joke, he explained.

"The jokes that circulate now come from the workers and peasants," he said, "and are not very good."

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD another installment of Mr. Levins' articles:

[From the Philadelphia Daily News, Feb. 24, 1975]

ARSENAL: EXPERIENCE TEACHES US TO BEWARE

NOTE.—*The Army closed Frankford Arsenal's sister facility, the Springfield, Mass., armory, 10 years ago. Now that the Army has announced plans to close Frankford Arsenal here by mid-1977, the People Paper sent reporter Hoag Levins to Springfield to gauge the effect the armory closing had there. This is the first two parts.*

(By Hoag Levins)

SPRINGFIELD, MASS.—Ten years ago in a battle with local officials trying to "Save Springfield Armory," the Army changed its reasons at least four times before finally shutting the facility.

Initially in 1964, the Army announced it was closing the armory—which had long been a sister facility to Philadelphia's Frankford Arsenal—because it was "outmoded."

Much like Mayor Rizzo's office is doing now, Springfield officials mounted a massive campaign against the "secret studies" and cost analysis which the Army said justified the closing.

When its figures were proved wrong, the Army didn't change its plans here. It only changed its reasons—four times—and closed the armory anyway.

The Springfield Armory was the developer

and producer of every small-arms weapon ever used by the American military from the Revolution to Vietnam.

Aside from being the only small arms research and development facility in the entire Defense Department, the armory also was the leading small-arms laboratory for Western Hempshire nations.

For a century, the Springfield Armory worked in tandem with the Frankford Arsenal. For instance, during World War II Springfield developed and manufactured weapons such as the M-1 while Frankford developed and manufactured the ammunition. The M-1 was the primary weapon for infantry riflemen.

Springfield Armory—with 3,000 workers—long was a major employer throughout the western Massachusetts area, pumping millions of dollars in wages into the economy.

When the Army announced in 1964 the facility would be closed and its functions transferred to Rock Island, Ill., local government officials were incensed.

The story of their fight—and their defeat—may illuminate the Philadelphia situation.

The man who led that battle in 1965 was the then Springfield mayor, Charles Ryan. Now 47, Ryan is a partner in the local law firm of Ryan and White, he served three terms as mayor.

"We were dealing with the U.S. government and the Army in a Watergate-type of situation—except in the 1960s, people generally didn't want to believe that the government could do such things," said Ryan, an exuberant New Englander who frequently jumps from his seat and flails his arms to illustrate his point.

"Spurious reports were written. Reasons were given for the close of the armory that made no sense. When we conducted our own studies which refuted those initial reasons, the Army just came up with new reasons. Behind the scenes, the political finagling was incredible. Now we can look back on the events and see them for what they were. It was a disgraceful performance by the government and the U.S. Army. The City of Springfield has survived, but the country has lost a great deal."

After the first word of the impending closedown was released by the Army in November 1964, Ryan formed a task force to study the economic impact.

Later that task force focused on the actual "secret studies" which the Army said justified the close but which it refused to make public. Included in Ryan's armory task force were armory armaments experts plus local attorneys and accountants.

One of those, the late Henry Downey, headed a 40-man accounting firm which turned its full staff and its computers to studying the Pentagon cost studies.

Initially, the Army said it was closing the armory because the installation was "outmoded" with the cost of upkeep and renovation too great to justify keeping them.

Ryan's task force did a study detailing how the Army failed to compute millions of dollars in costs and grossly undercalculated others in its study. With the aid of U.S. Sen. Edward M. Kennedy (D, Mass.), Ryan and his group gained a personal audience with then Defense Secretary Robert S. McNamara.

In McNamara's office a group of 18 attorneys, accountants, industrialists and small-arms experts produced facts and figures which rebutted the Army's claim that it could "save" money by moving out of the old buildings at Springfield. McNamara described the extensively documented presentation as "magnificent."

It apparently was so magnificent that the Department of the Army could no longer defend the closing of the armory on grounds that it was "outmoded."

So the reason, was changed.

In a visit to Springfield early in 1965, McNamara said the new reason the armory was being closed was because of "production costs." The Army, he said, found private industry could produce guns at a lower price.

Ryan's group documented the operations inside the armory comparing those of area private arm manufacturers. The study showed armory prices were comparable, frequently cheaper.

The controversy was heightened when a Washington source sent Ryan a copy of a secret memo in which the Army Weapons Command was ordered to produce a study which would "establish the fact that Springfield is excess to requirement."

The memo ordered, "Conclusions should be drawn terminating with the conclusion that it is in the best interests of the government to close Springfield Armory and transfer Research and Development functions to Rock Island."

The Defense Department, under pressure from Massachusetts legislators, agreed to appoint an outside firm to conduct an impartial armory study.

The firm selected was Booz, Allen & Hamilton, management consultants with main offices in Washington and New York.

Ryan and his group—now with a network of sources which reached to very high levels in Washington—soon learned and publicized the fact that a subsidiary of Booz, Allen & Hamilton was in the small-arms research and development business. Located in Bethesda, Md., the Booz, Allen & Hamilton Applied Research Corp. had, in fact, done more than $4-million in Defense Department work that year.

The finished Booz, Allen & Hamilton study advised the Pentagon to close the armory and send much of the work to private small-arms research and development companies.

The Army then changed its reasons for the closure once again, saying there "wasn't enough work to do" to justify keeping the armory at Springfield open.

Shortly after, it was revealed that the Defense Department had entered into a $50-million contract for machineguns made by West Germany.

The guns were to be made by the Rheinmetall-Borsig Co., in Germany, a major munitions maker during World War II. What incensed Springfield officials was the discovery that the company had used slave labor from Jewish concentration camps during the war and that three of the firm's five top directors which closed the deal with the Defense Department were former Nazi officials.

As that controversy settled, the Defense Department announced it wouldn't reconsider its decision to close the armory.

The final reason it gave for the closing was that of "basic evolution." Pentagon officials said that meant the arsenal system gradually was being phased out, its work turned over to private industry.

In 1977 Philadelphia will receive a brochure from the Pentagon telling how a city can turn an arsenal closing into a "positive" event.

That brochure will be wrong and contain false information supplied by the Chamber of Commerce of the City of Springfield.

Read about it tomorrow in Part 2 of this arsenal series by People Paper reporter Hoag Levins.

[From the Philadelphia Daily News, Feb. 24, 1975]

JUST 36 WENT TO ILLINOIS—NOW 6 REMAIN

(By Hoag Levins)

SPRINGFIELD, MASS.—Although the Army offered Rock Island transfers to a majority of Springfield Armory workers 10 years ago, only 2 percent—32 persons—actually moved.

Today there are only six former Springfield Armory personnel at Rock Island (Ill.) Arsenal.

The functions which the Army transferred from Springfield to Rock Island were destroyed by the move.

A decade ago the Army announced it was shutting down the Armory here so the facility's basic mission could be "strengthened" with a transfer to a new site at Rock Island.

Using the same rationale found in the Army's current plans to shut down Philadelphia's Frankford Arsenal, the Pentagon said the move to close Springfield would not only save money, but streamline and strengthen its small-arms operation as well.

At the time, the Army predicted there would be "no interruption" in the small-arms development program—a program which had given the military every small-arm weapon it had used since the Revolutionary War until the start of the Vietnam conflict.

The Army predicted 25 percent of the high-level engineers, scientists and technicians would follow their mission from Springfield to Rock Island. They didn't.

Ten years later, the Daily News found in visits to both the old armory in this city and the Rock Island Arsenal in Illinois, that the small-arms mission, far from being strengthened, was destroyed by the move. Currently, the Pentagon is seeking a way to re-establish it in still another location, hoping to attract the skilled technicians and engineers it needs for proper staffing.

The small-arms program was the mate of Frankford Arsenal's munitions development program. The Army now plans to "strengthen" Frankford's munitions research and development operation by moving them 1,000 miles to Rock Island. And it intends to "consolidate" Frankford's fire control program at Rock Island. The fire control project is a critical link in a crash M-60 tank production program which carries a rare White House priority.

The Army has said at least 25 percent and "as many as 50 percent" of Frankford's top scientists and engineers can be expected to move to Rock Island. The Daily News has randomly polled over three-dozen of the arsenals 1,292 technical staff without finding anyone who intends to move with the mission.

In 1968, when the Springfield Armory closed its doors, 1,900 of the 2,400 workers were offered transfers to Rock Island. A total of 32 people accepted.

In a visit to Rock Island last month, the People Paper found only six of them remain. A large number of the remainder moved to Rock Island for only a brief time—until they had reached their date for full-retirement pay eligibility. Then they moved back to their homes here in Massachusetts.

Two months after the close of this armory, Pentagon officials admitted that there was a "problem" with the relocation effort. In a closed-door session before the House Appropriations Defense subcommittee, Dr. John S. Foster Jr., then director of Defense Research and Engineering, said, "Rock Island has been experiencing some difficulty in obtaining persons with comparable technical and professional skills."

Eight years later, the situation has not improved in Rock Island.

Said one high Rock Island Arsenal official, "It isn't any secret that a terrible mistake was made with the Springfield transfers. At this point it is accurate to say that the United States does not have a small-arms development capability—except in a listing on our wall charts. There has not been a single new significant weapons system developed in the last 10 years. I think that about sums up the story of it all."

SPRINGFIELD M-85

SPRINGFIELD, MASS.—To get a better idea of the sort of "savings" sometimes involved when an arsenal is closed, consider the case of the Springfield M-85 machine gun.

A 65-pound weapon to be mounted on the turret of the M-60 tank, the M-85 was developed at the Springfield Armory in the early 1960s. It cost the Army $1,715.58 per gun.

Days after the Army closed the armory in 1968, the General Electric Co. leased a portion of the old facility and took over existing contracts to make the M-85.

GE used the same production equipment, in the same buildings, staffed by 400 former Armory workers.

General Electric's price tag on the M-85? $4,800 per gun.

[From the Philadelphia Daily News, Feb. 25, 1975]

Now . . . WHAT TO DO WITH A ONCE VITAL ARMORY?

(By Hoag Levins)

NOTE.—Ten years ago, the Army closed Frankford Arsenal's sister facility, the Springfield, Mass., Armory. Now that the Army plans to close Frankford Arsenal here by mid-1977, the People Paper sent reporter Hoag Levins to Springfield to assess the armory-closing effect there. This is the second of two parts.

SPRINGFIELD, MASS.—Eight years later, this city still doesn't know what to do with much of the 334 acres left behind when the Army finally abandoned Springfield Armory in 1968.

To date, the old Army facilities have housed a very successful technical community college, a weak and struggling private industrial development and a historical museum teetering near bankruptcy.

After three days of interviews in this community of 163,905 people, the Daily News found the economic aftermath of the armory close summed up in the words of former Mayor Charles Ryan who says simply, "We survived."

Ryan, now a partner in the local law firm of Ryan and White, served three terms as mayor during and after the Army's decision to close the armory.

"Financially, it hit the area hard, but then this entire section of the state has been having economic problems for some time. Right now, we're running 10 percent unemployed (the Philadelphia area is at 8.5) and that puts us in the highest national bracket. Obviously, the close didn't help that situation back then.

"The small contractors and supporting businesses were hurt badly," said Ryan. "Strangely enough, the actual armory workers didn't have that many problems. They were some of the country's top experts in fire arms development and manufacture. Private companies grabbed them up and now pay them twice as much as the Army. That is the really ironic part of this. The government—which closed the armory to save money—now pays exorbitantly high prices to private industry for the privilege of using the expertise of the very men it trained to begin with."

"On the actual grounds of the Armory, we have a technical college," said Ryan. "It has become a real asset to this city. It has been a success—a spectacular success. The only one."

That college—the Springfield Technical Community College (STCC)—sprawls across 36 acres in the center of this city. The site once housed the headquarters and main offices of the armory, and is still surrounded by a distinctive, century-old iron fence which was made from melted down cannons from the War of 1812.

In eight years, the school has mushroomed into the largest and busiest community college in the state. More than 6,000 students study technical subjects—nursing to cosmetology and auto mechanics to air-conditioning.

Industrially, however, the Springfield aftermath is not as clear.

For eight years, the city has been trying to lure private industry to the old armory grounds to provide jobs as well as new tax ratables for the community.

The opinions on the relative success of this attempt vary. One of the strongest is voiced by Paul Greeley, director of the Springfield Chamber of Commerce, who characterized the armory close as the "greatest thing that ever happened to the city."

Shortly after the close of the armory, Greeley's Chamber of Commerce began receiving $50,000 a year more from the local business community so it could fund a special industrial development drive.

Greeley now says that drive is a "shining example of what a city can do when it organizes its forces to fill the vacuum left by the Army in a case like this."

Greeley's optimistic statements recently were included in an extensive report made by the Chamber of Commerce to the Department of Defenses Office of Economic Adjustment.

The DEA provides administrative assistance to cities which lose a major defense installation. In the case of Springfield, the DEA channeled a $30,000 grant into the city in 1966 to help with a study of possible uses for the armory site.

The DEA is assembling a brochure—which will be sent to Philadelphia city officials when the Frankfort Arsenal closes—which spotlights Springfield as a prime example of what a city can do when an Army facility closes.

DEA project manager Joe Magurn said the source of the brochure information will be the report which the Springfield Chamber of Commerce has just submitted to the Pentagon.

In its optimistic evaluation of "Springfield Today," that report says, "Seventeen industries now occupy former Armory property, employing more than 2,000 persons."

Last week, in a day-long trek across all 334 acres of the old armory facility, the Daily News only was able to count eight companies currently in business. A company-by-company poll also found that eight personnel offices only totaled 692 fulltime employees where once nearly 3,000 worked.

One who takes a different view about the armory close is James L. Landers, board chairman of Chicopee Bank and Trust Co. in downtown Springfield.

Landers calls the close of the armory eight years ago "a very bad financial loss to the city, from which is has not yet recovered. When you step back now and look at the total economic picture, it was a loss. There is no question about that.

"For instance, take a very close look at the companies which have moved into the armory. You'll find that really very little production is going on. You have 'business' there, but look at the statements of what they are doing and you'll find that they're not doing much of anything."

At the Third National Bank of Springfield, Vice President Carlo Marchetti assesses the industrial situation as similar.

"In the one area where most of the smaller companies have gone," said Marchetti, "things have pretty much bombed out. That is in the old area called the 'watershops' area of the armory. Perhaps if there had been some creative management it would have worked, but there wasn't and it hasn't.

"There is also a tendency to look at the few larger companies and say, 'well, these are new ones and have brought jobs into the area.' Actually the Hano Co.—which is a very solid one involved in making business forms—moved to this new site from eight miles away in Holyoke. It didn't create new jobs, because the people came from their old jobs to the new site. The Digital firm—another large one in the armory—moved in from 10 miles away."

Ralph Atkins, a former city attorney now in private practice in Springfield, has been involved in the legalities of two of the last three bankruptcies on the old armory grounds.

"What developed is that you've had a few large firms come and go in the central section of the armory downtown. Now there are second-generation firms in there. One just about to open up. Other than that you've had a parade of very marginal companies moving in and out constantly. In the 'watershops' area where most of the small businesses have gone, you're drawing companies which are operating on a shoestring.

"You can't say it has been a total flop," said Atkins. "You have four solid companies which are likely to do well in the long run. But you'd have to stretch the point awful far to say that the industrial revitalization of the Springfield Armory grounds has been a 'success.'"

RETIREMENT SYSTEM NOW NEARER CONCEPTS OF TOWNSEND PLAN

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. McFALL. Mr. Speaker, further changes in social security laws, welfare laws, plus private pension reform have narrowed the gap between the existing retirement system and the concepts of the Pay-as-You-Go Social Security and Prosperity Insurance Act.

Again I have introduced legislation embodying the basic principles of the original Townsend Plan, H.R. 2910, in order that we may consider an alternative to the present program of social insurance.

This measure has been changed slightly from previous bills which were before preceding Congresses to reflect today's circumstances.

At this time I would like to include in these remarks an assessment of the overall picture of providing adequately for retirees, disabled persons and many others who have been forced to live in extreme poverty because of circumstances beyond their control. It reflects the views of Mr. John Doyle Elliott, the Washington representative of the Townsend organization, and I believe the Members will appreciate the analysis he has prepared:

PROSPERITY-SHARING RETIREMENT FOR ALL

(By John Doyle Elliott)

Just as certain labor unions have prosperous retirement for long-term workers by contract, H.R. 2910 will establish a "universal contract" covering all business, all occupations and all the people, all the time, with just such prosperous retirement.

Those organized, more fortunately employed special groups do not have different bodies to feed, clothe and house—or different hearts, minds, and souls, to know freedom and happiness or denial, misfortune and suffering! After decades of collective bargaining, the biggest and most resourceful elements in business and labor agreed on what is right and just for these fortunately employed people. We hold the same thing's right for all, for exactly the same reasons.

If there's flaw in this "universal contract," then existing contracts are just as wrong,

plus being discriminatory by solving the problem only for some.

If, for example, a 30-year auto worker properly requires and deserves a $500-a-month pension, by what sense does that same person justly need but two-thirds such support in retirement just because he was in that industry only 20 years? Or because he was employed elsewhere?

In history's retrospect, I find the well-informed realize the Townsend Plan contributed mightily to focusing public conscience on these critical needs. This plan for prosperity-sharing retirement, as the inheret right of all Americans, has had tremendous influence on the shape of present legislation and its improvements.

HISTORY REPEATING

I sense history repeating. In the Townsend Plan—where we found the guiding ideas for improving Social Security—I believe we will find the guidelines for its perfection in the future. Social Security and welfare improvements by the 92nd and 93rd Congresses confirm that conviction even more firmly than the many previous instances.

Public Law 93-406—to reform "private pensions," to make them reasonably honest—puts the tens of thousands of "private" plans under Federally defined, allowable structures, under Federal supervision and detailed reporting, Federally guaranteed honesty and insures workers against loss of deserved benefits. It's a titanic administrative duplication. After 40 years, however, it certifies the Townsend Plan's original pronouncement that the retirement problem inherently requires a national, public foundation for its honest and actual solution—at long last honoring that primary Townsend Bill principle.

To sum up its effect, 406 will do for well-fortuned, prosperously employed future workers a big piece of what H.R. 2910's "universal contract" will do for all our people all the time. Regressively, 406 will do the most for the fortunate, those best able financially to provide for themselves, while it will do the least for the misfortuned, the poor, for those least able to finance retirement for themselves (those because of whom we have these problems in the first place). It is severely regressive!

Equally disillusioning is the realization that it will do vastly more for insurance companies and trust managements than for legions of Americans, the misfortuned, who ought, before all others, to be insured. And, in the prices of the goods and services produced by the organized and prosperously employed, for whom it will do most, it will force ALL to contribute to its finance!

1. The Townsend Plan Bill, H.R. 2910, will provide for all, equally, under its "universal contract," a benefit sufficient to finance decently up-to-date living standards even for those caught with no other resource.

Deeply ironic is the present struggle by leadership to restore buying power, employing power, to low and middle income people—by Federal action—to reverse the present recession. It's a mirror image of the principle (not the specific plan) of the Townsend Plan originally to reverse the Great Depression. By the same economic thinking as for the present effort, the "universal contract" of H.R. 2910—for prosperity-sharing retirement—will automatically achieve exactly, and permanently, what presently is sought through tax revenue and deficit manipulation on a temporary basis. It all emphatically manifests reversed economic thinking towards the basic principle of the Townsend Plan Bill, H.R. 2910, the Pay-as-You-Go Social Security and Prosperity Insurance Act.

It validly poses the question: "Who's been right—who's been wrong—these 40 years?"

2. Now, widows' and dependent widowers' Social Security benefits are 100% of the workers' primary benefits. The Townsend Plan Bill's prime principle of equality for women, now receives full, view-reversing acceptance.

3. Social Security's retirement test is now, dot for dot and cross for cross, as Townsend Bills originally proposed. Now, the $1 benefit loss for each full $2 earned by beneficiaries will operate until the entire benefit is absorbed. This ends the punishing $1 loss for every $1 earned above former arbitrary limits.

Of course, the present system's mean benefits impose a seriously regressive impact, because the smaller benefits will be ended more quickly than larger benefits, leaving the poorer completely dependent on meager earnings. However, the move well under way in Congress' thinking, to advance benefits towards more realistic, Townsend Bill levels, will progressively lessen, ultimately end this wrong regression.

4. Benefits are to be adjusted yearly to Consumer Price Index changes of at least 3%. After over 35 years of rejection, this original Townsend Plan principle is honored. However, advancing standards of living also must be matched. Only half the need is yet met by enacted law.

5. A $180-a-month, special, minimum, primary benefit for workers with 30 years under Social Security ($200 was approved by the Senate) is adopted. This completely reverses past views of minimum benefits. This is presumed entitlement to a much higher benefit not related to past earnings. It's positive turning towards the basic Townsend Plan concept, both in dollars and principle. It is a revolutionary reversal of view.

And what about the "public" private plans? They allow benefits up to 100% of the five best earning years, up to $150 a month, most benefiting the fortunate, but an adoption of Townsend Plan standards for them at least. Compare this to Social Security basing benefits on all years of earnings except the five lowest. Somebody has to be wrong—and, obviously, the trend is towards the light originally raised by the Townsend Plan.

Note that in 1954 the Townsend Plan Lobby advocated a presumed wage in "covered employment" to be inherently vested in every individual sufficient to provide poverty-barring benefits even for those caught with no other resource (ending virtually all eligibility for welfare). The process of enacting the Townsend Plan is under way.

6. The same concept is reflected in the new welfare reform—Supplemental Security Income, replacing Public Assistance for the aged, blind and disabled. It is a Federally financed and administered guarantee of a minimum income, currently $146 a month for the aged, blind and disabled. This is a uniform, national standard replacing (after 38 years) State-determined, endlessly varying, standards of aid and eligibility.

It is a repudiation of unjust Public Assistance, even by its own, former advocates and defenders. This new concept of welfare allows, without benefit-deductions, other income such as certain amounts of Social Security benefits and earnings and other liberalizations—amplifying the reversal of views now emerging. Social Security is changing towards a provider of prosperous instead of impoverishing retirement. Even though they have a long, long way to go, nonetheless, the new views and attitudes inherent in these changes—right on Townsend Bill guidelines—are unmistakable.

SHAPED NEW LAWS

The great, national pension is an image which has shaped the debates and enactments of these last two Congresses. Its realization is on the way.

7. Another profound manifestation of Townsend Bill principle is embedded in what Congress has done. For some time we have not been hearing about vast Social Security fund reserves, frequently, in the past, estimated by "experts" as attaining upwards of one-fourth trillion dollars after the turn of the century. Those "actuarial" visions have vanished.

Instead, we now receive assurance that OASI is adequately funded with reserves representing benefits for a year to a year and a half. It's now a pay-as-you-go program—exactly what the Townsend Plan, in this respect, originally proposed and has constantly urged.

PAYROLL TAXES CONDEMNED

8. Many of the very people and "authorities" who instituted, championed and defended the payroll and self-employment taxes on the gross earnings of middle and lower income workers to support Social Security are now branding these taxes as regressive, unjust, oppressive to the poor (in whose rescue and benefit our whole Social Security and misnamed welfare systems found birth and justification)! This is what the Townsend Plan Lobby said from the very start.

Could reversal of views and actions possibly be greater? I sincerely admonish that, in the future, all should seriously bear in mind that this whole parade of reversing views on Social Security and welfare is, virtually count by count, along guidelines and towards principles of the Townsend Plan Bill, H.R. 2910.

Since fulfillment is the final test of prophecy, the Townsend Plan may well prove the most accurate prophecy and vision of our century.

9. Ways and means. While payroll taxes on the gross earnings of workers are being condemned as unfair, and involving intolerably high tax-rates (now 11.7%), they are financing but a mean part of what the debates in the last two Congresses clearly admit ought to be provided again echoing 40 years of Townsend Lobby critique.

Now, it is proposed that "general revenue" be tapped to augment present Social Security payroll taxes to help finance improvements. This does not remedy their own criticisms of the present system (really perpetuating them), only adding proposed higher "progressive" income taxes while leaving the present regressive evils intact.

The above is coupled with proposals to raise the payroll tax base progressively into the future, thereby not only retaining, but amplifying the "regressive" past. Here's the catch:

The payroll tax and the employment matching of it are both inherent parts of payroll. They are passed along in prices to consumers. Therefore, raising the wage-salary ceiling and the tax rate simply means the general public (including the very poorest people) will increasingly "match" the retirement contributions of even the very wealthy! JUST HOW CAN YOU GET MORE "REGRESSIVE" THAN THAT? Yet, that's what "leadership" currently proposes. This proposal will intensify—not cure—the now recognized and admitted "regressive" evils of the present system!

LET US REALLY GET PROGRESSIVE AND JUST

The Townsend Bill always has proposed a very different, progressive mechanism and arrangement known as the Gross Income Tax (based on the gross receipts of all persons and companies). The present payroll tax is on the gross earnings of workers from the first dollar up to the prescribed ceiling (ever rising) now, in 1975, $14,100.

H.R. 2910, in contrast, exempts personal gross income up to $500 a month. All companies (legal persons other than individual people) will pay on all receipts. It's the broadest possible tax base, consequently involving given revenue yield, the smallest possible tax rate. The present tax involves the highest possible tax rate.

With no direct tax on individuals with less than $500 a month, H.R. 2910 overcomes the regressive, soak-the-poor character now charged against the present payroll tax.

OBJECTIONS MISS REALITY

Many doubtlessly will claim the proposed tax applied to business will pass on to consumers and hit the poor. They miss this reality: this pass-along will bear proportionately more heavily on those better off, because of their greater expenditures. It will not cancel the advantage of the exemption on persons up to $500 a month.

And, most important of all, clearly, Townsend Bill benefits—being equal for all and sufficient to bar poverty even for those caught with no other resource—are of proportionately less significance to the well-to-do, who, under this tax will contribute proportionately more for those benefits. That's genuinely, wholly "progressive".

The special Social Security minimum ($180 a month) benefits and the new SSI reformed welfare benefits show Congressional thinking moving towards progressive impact, honoring a prime Townsend Bill principle of closing the gap between minimum and maximum benefits towards equality of benefits.

In proportion to contributions, Townsend Bill benefits will be of the greatest possible value to the poor and misfortuned, while of relatively less value to the more fortunate and insignificant to the rich. The higher the income level, the less the relative value of the benefits—and the greater their contributions in support of such benefits. The rich will get proportionately less for their money, specifically abolishing the faults of the present system.

The realities totally refute the mistaken notion that the Gross Income Tax of H.R. 2910 will pass on to the detriment of the misfortuned and poor. Exactly the opposite is fully the truth! Rather, it will pass on to benefit them the most!

FOR PEOPLE-SPENDING; NOT GOVERNMENT SPENDING

Further, let it be remembered that Social Security (whether under the Townsend Bill, or the present system) calls for support of benefits, not burdens, to remedy admittedly unjust flaws in our prosperity. It's for people spending—not for government spending. The same tax impact can't be right for both burdens and benefits! The proportionate, flat-rate tax of the Townsend Bill is the just tax for benefits to remedy these unjust flaws in our prosperity and freedom, for justly improving human living. It is the "general revenue" mechanism to justly finance all Social Security improvements (including health insurance) until we have the system we ought to have. It is defined in sections 214 and 229 of the First Section of H.R. 2910.

In view of the series of truths enumerated above, in which by time's distillation of truth the Townsend Bill has been right from the start, I believe good sense dictates that Congress realize how profoundly right it is on this most critical of all the issues involved, namely, just financing of social benefits.

In conclusion, I believe it all properly raises this question: How can the prosperity with freedom, justice and happiness successfully pursued by the greatest possible number of people—which ought to be this Country's crowning achievement—ever be a reality without the provisions of this bill?

MILITARY BUDGET

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. RUSSO. Mr. Speaker, the House recently passed a $32 billion military hardware authorization bill, but I was not among the supporters. I would have been happy to support the legislation if certain reductions had been made. But not one thin dime was cut.

I realize that many people feel that whenever you make cuts in the military budget, any cuts, you are automatically weakening our defense posture; you are jeopardizing our world power position. But this is simply not the case. There was fat in this budget, plenty of it. A vote for some reductions would have been a prudent and practical response to our dire economic situation, and it would not have meant we were acting irresponsibly in terms of our defense.

I am not blind to the perilous tightrope we must walk in this nuclear age and I am deeply concerned about and support an effective and strong military. But there is a wide difference between providing the funding necessary for this strong military, and providing huge sums for any and all suggested projects, even those not vital to our defense. In fact, it is unconscionable in a time when everyone else is being asked to tighten their belts; when so many are suffering from economic deprivation; when the administration requests a 5-percent cap on social security and retirement benefits, but supports an unquestioned 36-percent increase in weapons procurement.

I surely found many items to question in the budget. For example, the controversial B-1 program would cost $20 billion total; with $945 million for phase one in this budget. Looking at it another way, each B-1 plane will cost $84 million. Now we could save those millions. We already have an existing B-52 fleet of manned bombers that will be fiyable and effective well past 1990, and besides this our strategic force is based primarily on our land and sea strategic missile deterrents. The bomber, then, is a backup system and how can we justify spending this kind of money on backup? Granted, under ideal circumstance I would not necessarily feel the program had to go, but can anyone consider these "ideal times" for such questionable spending?

In light of our recent departure from Indochina many felt it was important to demonstrate to the world that we are not withdrawing into isolation, that we are continuing our commitments and expanding our capacity to protect them. I appreciate this position and concur to some extent. But there are some pretty important things we should be demonstrating to our own citizens right now. Reasonable cuts in this authorization measure would have demonstrated to the people that Congress is really determined to cut spending and not merely pay lip-service to saving money; it would have demonstrated that there are no sacred cows since every area of the budget is subject to scrutiny and reduction.

There is always a conflict between "guns and butter." But surely we are a little heavy on the "guns" side with this budget when you consider how many Americans are worried about simply heating their homes next winter, filling their gas tanks and feeding their families.

JANKE OF WABCO WARNS AGAINST LOWER TARIFFS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. GAYDOS. Mr. Speaker, Joseph C. Janke, vice president of marketing for Westinghouse Air Brake Division of WABCO, recently testified before the U.S. International Trade Commission hearings in Pittsburgh, Pa.

Mr. Janke warned that lower tariffs on foreign-made braking systems shipped to this country could have an adverse effect on the domestic industry. I am inserting a copy of his remarks into the RECORD for the attention of my colleagues:

WESTINGHOUSE AIR BRAKE DIVISION,
Wilmerding, Pa., May 2, 1975.

Hon. JOSEPH M. GAYDOS,
House of Representatives,
Pittsburgh, Pa.

DEAR MR. GAYDOS: Attached for your convenience is a copy of the statement I presented on Wednesday, April 30, 1975, at the U.S. International Trade Commission hearings held in Pittsburgh at the Federal Building.

Sincerely yours,

J. C. JANKE,
Vice President—Marketing.

STATEMENT BY J. C. JANKE

I represent Westinghouse Air Brake Division, an operating Division of WABCO Transportation Systems Group of American Standard Inc. The Division's products are railway braking systems and braking components for rail supported vehicles. From the information I have the foreign produced products of a similar nature fall in customs category 690.35 defined as parts for vehicles not self-propelled and category 690.40 defined as parts for other vehicles.

The Westinghouse Air Brake Division has been located in the Pittsburgh area since 1869. Present employment in the Division is approximately 3,000 people.

In recent years, considerable national attention has been directed to public transportation and rail transportation in particular. A significant number of new intracity, subway and surface type vehicles have been and are being built. Also, there has been a renewal of inter-city passenger rail transportation through the National Railroad Passenger Corporation commonly known as AMTRAK. It is worthy of note that in almost all cases these systems are being funded entirely by Federal funds or in some combination of Federal, State and Local funds.

In addition to the number of U. S. brake system suppliers of which WABCO is *only* one, this market has attracted a number of foreign produced braking products. Major characteristics of the products and the markets are (1) a significantly high technological R&D content (2) a significantly high system and service responsibility to the contract awardee and (3) contract awarding on a basis of technological acceptance at the lowest competitive price. These characteristics are obviously necessary and desirable; however, the problem to the U. S. manufacturers is pricing by foreign producers does not reflect the social and environmental costs that are imposed on the U. S. producers. Thus a significant portion of this business has gone and has potential for continuing to go to foreign produced rail system braking products because of pricing.

To the specific issue of the current impact of foreign produced products affecting the economy and the potential work force of our Pittsburgh plant, we estimate that the foreign produced products already awarded for the years 1972 through 1976 have resulted in the equivalent loss of jobs, or jobs not available, to the extent of approximately 8% of our present employment level. New contracts identified to be bid from 1975 through 1979 could, if awarded in favor of foreign produced products, result in an equivalent number of jobs equal to another 10% of our present employment level for each of these years.

If this trend continues, not only will there be a continued loss to our economy and available jobs in this industry, but likely a diminishing capability for the U. S. corporations to privately support the high level of technology, research and development, which is a necessary requirement in this industry. We have great concern in this area. We feel that lower foreign pricing comes about for two reasons: First, foreign Railway Industry to R&D and production is heavily subsidized by foreign governments and second: U. S. tariffs and tax on foreign made brake systems and components are either low or nonapplicable.

Obviously, any reduction of current customs rates would further intensify the difference already existing between the U. S. produced products and the foreign produced products. We, in fact, believe a reevaluation of these rates to more satisfactorily permit profitable competition by the U. S. manufacturers would be in order.

As the needs for improved U. S. rail transportation becomes increasingly recognized and implemented, it follows that it becomes an increasingly attractive market for all producers both Domestic and Foreign.

We believe that it is vital for U.S. producers which have the necessary competence to be given an appropriate opportunity to adequately serve their own Domestic Market.

WESTERN TECHNOLOGY BUILDS SOVIET POWER

HON. LARRY McDONALD
OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the word "détente" covers a multitude of sins, not the least of them being massive, systematic transfer to the Soviet bloc of the fruits of Western technological advance. Dr. Antony Sutton, a scholar at the Hoover Institution, has studied this process since 1958. The resulting documentation has already filled three volumes. Dr. Sutton recently expressed his views in an article entitled "How We Built Our Enemy," which appeared in the Review of the News, May 28, 1975:

How We Built Our Enemy

Since 1958 this author has been interested in how the Soviet Union acquired its technology. Not how much technology the Soviets have, but what kind of technology and its origins. In other words, how Soviet innovation came about in practice, not in theory or propaganda.

By the early 1960s a working hypothesis emerged from the preliminary evidence. This hypothesis can now be supported with technical evidence from 1917 down to the present time. The hypothesis is that most Soviet technology has originated in Western enterprise countries. A rough estimate is that about 90 percent of Soviet technology has a Western origin. There is, of course, some indigenous Soviet technology, and in recent years there has even been a well advertised flow of Soviet technology westwards. But these flows are relatively unimportant except for their propaganda value.

In brief, one cannot argue that all Soviet technology is of Western origin, but one can argue that the greater part of it is.

The reader will recall that the early 1960s was the era of Sputnik. Almost everybody was convinced that of course the Soviets were ahead of the United States in technology. Public opinion polls in England reported that most people thought the Soviets ahead of the United States in technology. In 1963 the writer gave a speech in Los Angeles, and a questioner asked "Who will get to the moon first Russia or the United States?" The answer was that the Soviets could not get to the moon without United States help and technical assistance. The audience laughed. That was a huge joke!

So the early years of this research were slow going without assistance, but by 1966 the first manuscript was finished, published in 1968 by the Hoover Institution at Stanford University as Western Technology and Soviet Economic Development 1917 to 1930. After 1968, the research moved more quickly. Is 1970, Volume Two was published with the same title covering the years 1930 to 1945—the years of the famous Five Year Plans, which, by the way, were completely of Western construction and origin. Volume Three (1945 to 1965) was completed in mid-1970 but delayed in press for three and one-half years, for political reasons, and not made available to the public until early 1974. Recently, this writer's National Suicide: Military Aid To The Soviet Union was published. This is a first attempt to probe our long-run and continuing military assistance to the Soviet Union.

Each of these four volumes has the same methodology. Major processes and equipment in use in the U.S.S.R. are examined to trace the design origins. In the steel industry, for example, Soviet adoption of the classical blast furnace for production of pig iron is examined, as well as electric furnaces, open-hearth furnaces, hot and cold wide-strip mills, pipe mills, and so on. In each case, the adoption and history of the process used inside the Soviet Union is detailed. Steam locomotives, electric locomotives, truck engines, chemical processes, and so on—the whole range of modern industrial production technology—are similarly described.

Let's take one industrial sector, the Soviet merchant marine, in more detail. This will illustrate the methodology, and the amount of verifiable technical detail it has been possible to acquire, and the overall conclusions. The merchant marine is chosen because a ship has a simple well-known technology (hull plus engine), and the conclusions can be easily verified in any major library.

The Soviet Merchant Marine

The Soviet merchant marine has about 6,000 ships listed in the Soviet Register of Shipping. This Register has a great amount of accurate technical detail: dimensions/weight/engine specifications, right down to cylinder diameter, piston stroke, and type of diesel or other propulsion system used.

In 1930, the Soviet fleet carried only about 4 percent of Russian-generated cargo, and up to the 1950s the Soviet merchant marine was very small. In the early 1950s a massive construction and acquisition program of merchant ships was begun. The Soviet Union now has the most modern merchant marine in the world, and among the largest in numbers and tonnage.

The analysis of this Soviet merchant marine examined two criteria: (a) the origin of the ship hulls in these Soviet ships; and, (b) the origin of their propulsion systems.

Each of the 6,000 entries in the Soviet shipping register, which has more information than Lloyds Register, was examined, and two statistics calculated: (1) how many hulls in these ships were built inside the U.S.S.R.; (2) how many hulls were built outside the U.S.S.R. Then it was calculated: (1) how many engines in these ships were built inside the U.S.S.R.; (2) how many engines were built outside the U.S.S.R.

This method is precise. It is accurate. Unless there is a mistake in arithmetic, the figures cannot be challenged. No one has yet.

The results of this statistical analysis are extraordinary. When we break down the Soviet data—and it is emphasized that this is Soviet data—we find that from 1918 to 1968: (1) 34 percent (only about one-third) of Soviet merchant ship hulls were built inside the U.S.S.R.; and, (2) 66 percent (about two-thirds) of Soviet merchant ship hulls were built outside the U.S.S.R. Also: 20 percent (one-fifth) of Soviet merchant ship diesel engines were built inside the U.S.S.R.; and, 80 percent (four-fifths) of Soviet merchant ship diesel engines were built outside the U.S.S.R.

But even the one-fifth of "Soviet" marine diesel engines built inside the U.S.S.R. was built with foreign technical assistance, either Skoda or Burmeister & Wain design, and manufactured with technical assistance from these firms. In brief, there is no such thing as a purely Soviet-designed marine diesel engine, and never has been.

In themselves, these are interesting statistics for economists, and radically different from the contemporary textbook image of Soviet economic development. But when we view these same statistics in the context of national security, they become of critical importance, and it is obvious why the proponents of political détente refuse even to consider this evidence. The statistics reveal détente not only to be an illusion but also a first-rate danger to the survival of the West. Promoters of détente argue, for example, that "merchant ships are peaceful goods," and "we can sell merchant ships to the Soviet Union and this will not affect our national defense."

How true is this statement?

Soviet Supply of North Vietnam

A list of the 96 Soviet ships used to supply North Vietnam through the port of Haiphong was analyzed. Out of the 96 ships, 84 were identified, the other 12 ships were of too recent construction to be listed in the Soviet Shipping Register. All of these 84 identifiable ships except 13 (*i.e.*, 71 out of the 84) were built *outside* the U.S.S.R. The 13 exceptions were diesel ships built *inside* the U.S.S.R. with engines to Skoda or Burmeister & Wain specifications and with their technical assistance.

In other words, none of the identifiable Soviet supply ships on the Haiphong run—supplying the Vietnam War—had a Soviet-designed propulsion system. Almost all the marine propulsion units in these ships (71 out of 84 identified) were built *outside* the U.S.S.R., and all were designed *outside* the U.S.S.R.

Even more significant: The faster and larger Soviet ships were built in the West. The Western-built ships on the Haiphong supply run were about 20 percent faster than Soviet-built ships. This is not guesswork, it is a precise calculation.

Logically, then, the Soviets could not have supplied North Vietnam (and they provided about 80 percent of the weapons and supplies) without this prior Western technical assistance and construction of merchant ships. One cannot argue that the Soviets would have substituted "Soviet" ships. The Soviet-built component is only 34 percent of the hulls and zero percent of the marine diesel designs.

Consequently, the 100,000 Americans and countless allies killed in Korea and Vietnam were killed with armamenta transported on propulsion systems we ourselves supplied. This is a logical, inescapable conclusion. You cannot avoid it. It is a fact, and obviously a highly important fact for national security.

Vietnam and Cambodia are now lost to the West. They are lost because we in the West supplied the material means to wage the war on the other side. We can arrive at these conclusions not only for the merchant marine, but for most other Soviet industrial sectors including the inputs for weapons technology.

A Problem of Analysis

There is a fundamental problem of analysis, which explains in part why this evidence and the conclusions have not been understood, nor even recognized by Western governments. The methodology we have used in the past to discuss Soviet trade is faulty.

There is The Problem of the Margin: Economic theory has a rule which states that the Sum of the Margins equals the Total. The problem in our analysis of Soviet trade is that businessmen, government officials, and defense analysts have been looking at the Margin instead of the Total. Looking at the Total leads to different answers and completely different conclusions.

A shipbuilder sells one merchant ship to the Soviets. In economics this is called the marginal unit, the last unit sold. The shipbuilder goes to his government export control office and says "we only want to sell one merchant ship, can we have an export permit for this?" The sale cannot affect national security, it is only a single ship, and one ship makes an insignificant contribution to Soviet capability. The export control officials say, "O.K. It's only one ship and that will not hurt national security." So the shipbuilder gets an order and a permit for the one ship, and the Soviets ultimately add it to their merchant marine.

Then the next shipbuilder comes along and makes the same argument. And so on. Each seller, each businessman, each government official, looks at the one unit, the marginal unit, or the last unit sold.

The research outlined above sums all the the units sold from 1917 to 1970—the total. In other words, the sum of the marginal units. When you look at the total picture you come up with completely different answers. In the last half-dozen years we have—under so-called détente—brought the Soviet Union to a substantially new technological level and created extraordinary strategic disadvantages that the West will have to face in coming years. The Soviets didn't do this, we did it—or rather Henry Kissinger and the multinationals did it. In six words; We have built ourselves an enemy.

Now a businessman is not at all concerned with national defense; he is interested only in the sale under negotiation. His interest is in selling a plant today. A businessman doesn't care what sold in 1926 or 1956, or what will be sold in 1986. The government official should care, but he is subject to political influences, and no U.S. Government official is going to fight Henry Kissinger.

So when I.C.I. sells a chemical plant to the Soviet Union, I.C.I. concerns itself only with the single sale, not the total Russian chemical industry. When Boeing Aircraft sells aircraft technology to the U.S.S.R., it considers only a single aircraft or a single process—for example, the door technology for the Boeing 707—not all Russian technology. When Fiat sells an auto plant to the U.S.S.R., it concerns itself only with that one auto plant, not all Soviet auto plants.

Business and government are concerned with single sales, whereas realistic analysis should concern the total picture of single sales over 50 years. When you examine this total picture it is obvious that we in effect create not only our own strategic and defense problems, but also provide a motivation for revolutionaries and subversives to be revolutionaries and subversives.

Our Future Security

What can we project for our security on the basis of these research findings, using this concept of total transfers over 50 years rather than individual sales or short-term programs such as Henry Kissinger's détente? Some fairly definite statements and projections can be made.

First, so long as the Soviet Union and Red China retain their planned economic systems, with political and ideological manipulation of economic decisions, neither country will attain significant self-generated technological development. Both countries will remain the technical captives of the West. A planned society is also a static society. A planned society is not a technologically viable society; that is, it cannot progress technologically. But a planned society can still go to war. It can still be a breeding ground for revolutionaries. That is what we must keep in mind.

Second, both Russia and Red China have been able to present a universally accepted image of vigorous and viable socialist societies because of our continuous injections of Western technology. They are technologically viable only because we make them so. This technical subsidy has enabled Communists to undertake two fundamental policies: (a) to continue worldwide expansion; (b) to provide an ideological objective for terrorists and subversives who want to convert the Western societies into what they see as progressive socialist societies.

The Far Left in Portugal has as an objective a planned Marxist society. But these Portuguese Marxists, the terrorists in Africa and domestic subversives, would have no cause to flight for if we allowed Russia and China to reveal to the world their inherent economic and technical deficiencies. No self-respecting revolutionary is going to fight for an inefficient backward system. Most revolutionaries visualize a glorious picture-book society with bread for all, perhaps a piece of land or any automobile, not a backward stagnant society. Therefore, we suffer revolution and subversion in our world because we provide a rationale and an objective for revolutionaries through our subsidy of inefficient and ineffective socialist systems.

The most important supporters of socialism are those Western businessmen who give credibility to the Soviet system through technical transfers. These are the same businessmen who indirectly provide an image of credibility for socialist systems and so give birth to revolutionaries. In brief the revolutionaries and subverters exist only through the support of our own businessmen, and it is ironic that some of these same businessmen are often in the forefront of demanding action against the same revolutionaries and subverters they have themselves created.

So as we continue to subsidize Communist countries under the theory of *detente*, we shall see more terrorism, not less. More subversion, not less. More Portugals and more Allendes. In the long run we create our own problems. If we want to halt revolution, terrorism, and Communist expansion, the key is in the hands of Western businessmen. All they have to do is turn the key in the lock and shut off the technical subsidy. In the final analysis it is that simple.

They will not do it. Why not?

Western businessmen fall over themselves to demonstrate they are in business because they have a "social conscience" which has priority over profits. Yet these same businessmen will not turn a hair at supplying the technology that kills their allies (and workers) by the millions.

There is a major credibility gap among many anti-Communists. Some anti-Communists have long recognized that we create our own problems. Other anti-Communists, including businessmen trading with the U.S.S.R., refuse to recognize the facts or the problem. This schism among anti-Communists is now obvious, and is developing as far away as Australia, New Zealand, and Latin America, although it has long been identifiable in the United States. In the U.S. one can freely discuss Communism and Communist revolution up to a point—and only up to the point—where one identifies those who subsidize revolution and make possible the long-run survival of socialist ideas and systems.

Therefore, because of the nature of the total picture of our technical subsidy of Communism, we now have to go beyond the subverters and the revolutionaries and look at the actions and motivations of the subsidizers—those who make possible and encourage the actions of the subverters and revolutionaries. That is going to be the core test of the credibility of Free Enterprise arguments in the coming years.

When we discuss the subsidy of socialist systems we separate those who truly want our Western society to survive from those who are playing semantic games with our survival or gambling with our survival for personal profit.

Further, the current cliché about convergence among political systems for a New World Order is suspect. Convergence will mean a static socialist world. As we subsidize the socialist world, we are at the same time undermining our own world of Free Enterprise. Convergence is not some half-way point, convergence is a socialized world with no individual freedom and no enterprise opportunities.

Finally, these problems cannot be considered in a vacuum. On the one hand we have subsidized the economic and military power of the Soviet Union. We donate viability to a static failure-prone economic system. We provide the rationale and motivation for revolution and subversion. However, there is another facet to this problem: rampant, uncontrollable inflation resulting from an ostensible attempt to achieve full employment; our own quasi-socialist planning which more obviously reveals the defects of socialism. We are on the edge of a financial precipice which will bring down the financial structure of the Western world. Or, to change the metaphor, our big balloon of debt and flat money is poised to come crashing down on our heads. When it does ("when," not "if"), we can expect social and economic chaos. This chaos will make our Western society an easy victim for the Marxists, the revolutionaries, the subversives, and their friends.

In considering our future survival, two inter-related elements can be identified: (1) the technical and financial subsidy of the Soviet Union which provides an unworkable and hostile system with the illusion of success, and so encourages the revolutionaries and subversives, and, (2) an on-going crisis of a collapsing world financial system which ultimately will create chaos, an essential prerequisite for successful revolution and the overthrow of capitalist society.

If we assume that businessmen wish to live in a Free Enterprise system, that they cherish their country and its enterprise traditions, then two basic policies have to be adopted. These are fundamentally new policies. The trend of the last 50 years has brought us to the brink of disaster. and new policies are wholly opposed to, and inconsistent with, this trend. They are wholly opposed to the Kissinger-Rockefeller approach.

Briefly, it is recommended that we must undertake these policies:

(1) To neutralize the widespread illusion that socialist societies have any technical and economic viability, that socialism can in any way be successful without our help. This is an educational task. It cannot be done by legislation or by government decree. The task has to be undertaken by private organizations and private individuals.

(2) To adopt a world financial system based on the ultimate discipline of gold. Preferably a pure gold standard, but any international system based on gold would restore confidence in currency. This is a political task.

If industry adopts and implements these policies reasonably soon, it is still possible for Free Enterprise to survive and prosper. If industry does not adopt these policies, then a bleak future faces the Western world. We shall see either a world Communist state, or more probably a world community of Communist states, within several decades. Probably by the year 2000, perhaps sooner, not much later.

So there is still a little time. But not too much time.

MILESTONE ACHIEVEMENT

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. DENT. Mr. Speaker, during my first years in Congress I cosponsored, with Representative John Saylor, an initial appropriation bill for a coal gasification and liquefaction research project. At that time the bill was introduced primarily as a means of rescuing the coal industry from the impact that increased oil imports were having upon the domestic energy industry. Not much came of our suggestions, however.

Today we are faced with a different problem. In recent years commodity squeezing in oil by Middle Eastern countries has caused a severe energy shortfall, necessitating a reevaluation of our energy situation. Severe hardships were suffered by oil consumers, both in convenience and monetarily. And coal mines were reopened throughout the decimated eastern coal regions, because, finally coal was needed again.

I was mystified several days ago by an Energy Research and Development Administration news release that lauded the "milestone achievement" of a coal gasification pilot plant in Chicago, which was able to operate on a self-sustaining basis for nearly 20 hours. I say I am mystified, when in fact I am somewhat disheartened, when I realize how we have taken to fooling ourselves in this country. What business does ERDA have lauding any pilot plant in coal gasification when, in South Africa they are celebrating the 25th aniversary of SASOL, a coal gasification and liquefaction facility that not only has been self sustaining in energy needs for all of those 25 years, but has also provided for nearly 40 percent of its country's gas and petroleum needs for some years.

Again, what business does ERDA have "inviting industry to express interest in development of coal-to-liquid process" when the Koppers-Totzek process has proven, in the evidence of 20 foreign facilities, the worth and viability of an established coal gasification process that was developed and offered to the Government several years ago?

The point I am trying to make, among others, is that there is no need for any more pilot plants in coal gasification. Our energy problems are definitely still heavy upon us, regardless of how many dollar tariffs the President wants to put on foreign oil. And yet ERDA exhibits their dark ages abilities at research and development when at least one answer to our energy needs is as plain as the noses on our collective faces.

Let me simply quote from Koppers to prove the worth of the Koppers-Totzek process for synthesizing gas from coal—

A moderate sized six-gasifier Koppers-Totzek facility to supply industrial fuel gas would produce the equivalent BTU value of 66 million cubic feet of natural gas per day at comparable costs.

That is 22 trillion cubic feet per year, or only 1 trillion cubic feet less than natural gas production in the whole of the United States in 1974. At least equally effective results could be achieved in liquefaction processes.

I would urge every Member to seriously study the implications and possibilities that reside in the present status of coal gasification in the United States, as, I assure you, it will have an important bearing on the future energy capabilities of this Nation.

I enclose the ERDA releases, as well as comments made recently by Mr. F. L. Byrom, chairman of the board of Koppers Company, Inc., concerning their gasification and liquefaction process.

The articles follow:

COAL GASIFICATION PILOT PLANT SCORES MILESTONE ACHIEVEMENT

The Energy Research and Development Administration announced today that for the first time a pilot plant for conversion of coal to synthetic gas was operated on a self sustained basis, without the use of supplemental heat.

The achievement occurred in Chicago at the HYGAS pilot plant which is operated by the Institute of Gas Technology for ERDA. This experimental plant is jointly funded by ERDA and the American Gas Association under a cost sharing agreement which calls for the Government to provide ⅔ of the funds and industry to contribute ⅓.

The milestone was achieved when the entire plant was operated without any supplemental heat supply, using only steam-oxygen gasification to supply the necessary heat for reaction as well as to produce the end product of hydrogen-rich gas.

Operation was smooth and stable with automatic control of the flow of solids in the gasifier. A product gas indistinguishable from pipeline gas was produced. The product gas was 96.5 percent methane and 3.5 percent hydrogen with a heating value of approximately 970 Btu/cu. ft., a gas suitable to heat homes and fuel gas stoves.

Dr. S. William Gouse, Jr., Deputy Assistant Administrator for Fossil Energy, said, "This successful operation culminates the intensive effort of the HYGAS group in the last few years during which many modifications and improvements have been incorporated into the plant."

During the test run, the plant logged 203 hours of operating time and accounted for a throughput of 350 tons of dried lignite coal. In the course of the run, the hydrogen flow to the start-up heater was cut back gradually until all hydrogen and oxygen were shut off from the start-up heater, and the system sustained itself in this mode of operation for almost 20 hours.

IGT has reported that the slurry, purification, and methanation systems operated satisfactorily as well as the coal mill operation. New tests are under way to lengthen the period of continuous operation.

The gasification process used in the HYGAS plant takes place as the coal is passed through a series of steps which put it under high pressure and intense heat.

First, the raw coal is crushed into tiny particles about the size of table salt, and moisture is removed. The coal is then combined with light oil to produce a mud-like mixture. In this form, the coal can be fed into the gasification reactor, the heart of the operation, which puts the mixture under 1000 to 1500 pounds per square inch of pressure.

As the coal-oil slurry is injected into the top of the 135-foot-high plant, it drops downward, is subjected to heat, pressure, and exposed to hydrogen. This causes a chemical reaction which produces methane, a major component of natural gas. The newly produced gas rises as the coal falls. When it reaches the top, the temperature of the gas is about 600 degrees Fahrenheit. It is cooled and passed through a purification solution.

At this point, two-thirds of the methane in the final product gas has been produced. The final third is produced by passing the purified gas mixture through a methanation stage. Here, essentially all of the carbon monoxide and most of the hydrogen react in contact with a catalyst to form steam and methane. The steam is cooled and removed, leaving a product gas that is suitable for use as substitute natural gas.

ERDA INVITES INDUSTRY TO EXPRESS INTEREST IN DEVELOPMENT OF COAL-TO-LIQUID PROCESS

The Energy Research and Development Administration, Office of Fossil Energy, is seeking an expression of interest for a major program to produce low-sulfur liquid from coal.

The Syntholl process, developed at the Pittsburgh Energy Research Center, has already demonstrated its feasibility in two bench scale units. A new process development unit is now in the design phase with construction planned to start soon.

This process development unit will process 10 tons per day of coal, starting in late 1976 or early 1977. The process involves hydrogenation of coal/oil slurries in a fixed bed catalytic reactor at 4000 psig and 850° F under turbulent flow conditions.

Dr. S. William Gouse, Deputy Assistant Administrator for Fossil Energy, said: "It is important to move as rapidly as possible towards commercialization of the process by significantly scaling up the process and updating economic studies. The next step calls for the design, construction and operation of a pilot plant processing about 500 tons of coal per day to produce about 1500 barrels a day of heavy liquid fuel.

"We are now inviting industrial participation in this Syntholl Pilot Plant program. Such participation by one or more organizations can take various forms to provide a total of approximately one-third of the estimated cost of $100 million for design, construction, and operation of the pilot plant during a period of two years."

The Government will consider individual participants or cooperative groups which can offer most, of all, of the following capabilities:

1. Appropriate plant operating experience and personnel for a 500 tons per day coal liquefaction plant. (High pressure hydrogen; coal handling, solid/liquid separation.)

2. Appropriate processing and marketing organization to handle the preparation, evaluation, and distribution of the pilot plant products.

3. Appropriate site with utilities available to minimize pilot plant costs.

4. Source of 6 million to 8 million cubic feet per day of hydrogen. (Existing or to be provided.)

5. Financial participation.

There also may be a requirement for the sophisticated procurement and management of sub-contracted engineering design and plant construction, Dr. Gouse said.

Replies should be received by May 30, 1975, to assure consideration. Interested organizations can send specific descriptive literature and a written indication of the type of participation desired, to: Procurement Operations, Office of Fossil Energy, ERDA, 2100 M Street NW., Washington, D.C. 20036

Questions concerning the program or technical details can be directed to W. S. Jones, Program Manager, at 202/634-6675. This is not a Request for Proposal. Excessive detail and elaborate brochures are not desired. Based on responses, procurement may be initiated within two months.

STATEMENT OF F. L. BYROM

Unless there are some specific questions on the technology covered in the slide presentation, I would like to proceed with discussion of aspects of the nation's energy problem which should be of particular concern to you gentlemen in the legislative branch of the government.

First, let me say that coal gasification is not a cure-all for our energy problems and we are not suggesting that it is. It can, however, make a significant contribution by replacing natural gas in a number of applications. By so doing it would thereby reserve available natural gas for domestic heating and light industrial uses where natural gas or fuel oils are not readily replaceable. Two-thirds of our natural gas goes to heavy industrial uses such as electric power generation, fertilizer production, steel and metallurgical industries, the aluminum industry and the glass and ceramic industries. The remaining one-third is consumed in residential heating and light commercial applications.

Over the last three years we have had in-depth discussions with literally hundreds of companies in all of the heavy industrial fields. These companies are interested in the possibility of using gas obtained from coal to replace natural gas which is becoming increasingly unavailable. Many of these companies have shown sufficient interest to pay us to make detailed feasibility studies to analyze their specific situations. In the case of those industries where their natural gas supplies have been interrupted, they have had to resort to alternate fuels such as liquefied petroleum gases or fuel oil. This requires importation of that much more oil from the oil-producing countries, further contributing to our balance of payments problems.

Even with all the interest that has been shown by energy-consuming industries, no one has yet received a contract for the erection of a coal gasification plant. In trying to understand why, we have had many discussions with executives of some of the largest steel, automotive, aluminum and chemical companies. We found that the uncertainties surrounding our governmental policies for resolving the energy crisis, or the lack of such policies, and the uncertainties of the pricing actions which the OPEC nations might take are so great that they feel it unwise at this juncture to commit the substantial investments required for the facilities to provide alternate sources of energy from coal.

Almost without exception these companies have expressed a sincere interest in the possibility of developing a source of 300 Btu gas as a substitute for natural gas for their operations. Again, without exception, before committing such large amounts of capital, they want assurance from the government against being relegated to a non-competitive position. They don't want to be caught with substantial investments in production facilities which have suddenly become uneconomical—if the oil-producing countries should capriciously drop the world oil price substantially from present levels. Since coal gasification requires such large amounts of capital, our industrial energy consumers need some incentive to commit such large amounts of capital into this area. Undoubtedly it is, in the national interest to become less dependent upon imported oil.

Let me cite an example. Installation of a coal gasification plant and attendant facilities to produce ammonia at a rate of approximately 2,000 tons per day would cost in the neighborhood of $130 million. This facility would produce the ammonia at a cost of about $100 per ton. Recently ammonia has been selling for $120 to $200 per ton. It's obvious that ammonia produced from coal could be sold profitably in this market. However, if crude oil prices were to drop to $5 or even $7 a barrel from the current rate, and this "cheap" oil was used to produce ammonia, the resulting cost of the ammonia would be $65 to $78 per ton. At this price level, ammonia from coal couldn't compete Nor could it compete with ammonia produced from the large volumes of natural gas being flared every day in the Middle East. Were the Middle Eastern countries to decide to convert this gas to ammonia, the ammonia could conceivably be delivered to this country at a price around $80 to $90 per ton. Again coal could not compete.

There are other similar economic comparisons that can be made for industries which now depend to a large extent on natural gas and supplemental imported petroleum Therefore it becomes apparent that if industry is to be induced to use coal, which is our most abundant indigenous source of energy, certain protective steps and incentives are imperative if in the national interest we are to become less dependent on imported energy. It would seem that, first, Congress should provide for countervailing duties specifically for those products derived from oil and natural gas, if they are offered (because of energy valuation) at prices below those at which these same products can be produced from our own raw materials. Likewise, some provision should be made for those companies which install gasification plants to protect them in the event that imported oil prices drop to a damaging level. The government could equalize their energy costs by either tax incentives or outright subsidy to make up the difference in energy costs. Should the subsidy become ridiculously high, the government should, in the national interest, be allowed to purchase the plants at the depreciated book value and place them in stand-by, as a safeguard against future oil embargo. In certain industries, accelerated depreciation over, say, a 5-year period, and/or investment tax credits might be sufficient inducement along with the appropriate tariff policy to encourage a substantial portion of our industry to take advantage of coal gasification. This would, of course, be coupled with a statement of national policy that it is in the national interest for industry to convert wherever possible from natural gas and petroleum-based feedstocks. The government should also consider the fact that if significant segments of industry commit to conversion to coal gasification, there will undoubtedly be a need for a system of priorities which will ensure that these plants would be able to get the necessary pieces of equipment required for their construction. Accordingly, these industrial policies would have to be set by the federal government.

For example, coal gasification requires oxygen plants in considerably greater quantity than ever before required by industry. Additional facilities are required for fabrication of oxygen plants. Compressors are another item which would undoubtedly become in short supply. By giving industry the necessary protection and incentives to proceed with large scale gasification programs, the economy of the State of Pennsylvania and the entire country would be stimulated not only in the construction area but all the way from coal mining through the metallurgical components required in this endeavor.

The economic implications of coal gasification stretch the imagination. To displace one million barrels per day of oil would require the energy output of about 685 gasifiers, probably located in 26 different plants. Each of the 26 would use about 5 million tons of coal per year (about a 16% increase in present production): this would require more mining personnel and more mining equipment. Building each plant would take 1800 tradesmen and construction workers laboring over a three-year period. And once built, 500 people would be needed to run each plant.

It is practically impossible to project the further labor involvement for structural steel, oxygen plants, fabricated vessels, piping, electronic controls, transportation and other material service requirements for each plant.

Thus, building even a single gasification plant would profoundly effect the economy.

The electrical power generating industry has a somewhat different problem from other industries which consume natural gas. As you know, many power projects have been delayed due to the fact that the companies cannot raise capital on the money market to finance the expansions which are in their forecasts for future power requirements. This, of course, is brought about by the fact of consumer resistance and the reluctance of various Public Utility Commissions to grant the necessary increase in power rates to support the financial requirements of the electrical utility industry. To help make funds available for this industry, the government should consider the possibility of licensing electric utility companies to issue tax-free bonds which can carry lower interest rates and still be attractive to the financial community.

It is true that the utilities would find it desirable to use such funds in various types of power generation. However, there is also a field in which coal gasification specifically can offer clean power in generation of electricity through the use of combined cycled technology, which uses portions of the gas in gas turbines and the exhaust from the turbines to generate steam for steam turbine power generation. Our studies have also shown that coal gasification can be used to meet intermediate and peak power loads by converting the gas to methanol which in turn is used in gas turbine operation or as a fuel for steam power generation. The advantage of this is that methanol, being a liquid, can be readily stored and transported, and can be used during the daylight and early evening hours when the electrical loads are the greatest.

It is true that this dessertation is to some degree self-serving as far as our company is concerned. Engineering and construction companies such as Koppers are disturbed by daily reports in technical magazines, by the news media, and by responsible representatives from governmental agencies stating that gas from coal technology is not yet available to industry, and that commercial applications for coal gasification will not be available to industry until the middle of the 1980s. This, of course, *is not factual*—and we hope we have impressed you today that the Koppers process, along with Winkler and Lurgi process, are commercially proven. In fact, we have, as presented in our slide presentation, some sixteen commercial plants in operation or under construction. Unfortunately, all of these Koppers plants are outside the United States.

There are numerous small pilot coal gasification plants being funded by the government and/or by industry, which show some promise of being successful and could be competitive with the present known technology, but any responsible person associated with these pilot plant projects will agree that if successful they will not be available to industry on a commercial basis for at least ten to fifteen years.

Gentlemen, we cannot wait that long.

The time for action is now, since it is imperative that the country have a definitive energy policy which will allow the necessary time for planning and construction to meet our energy needs. Under present conditions, the construction of a major coal gasification plant will take in the neighborhood of three years. Even with prompt action, we will be several years behind schedule at a time when actual needs will arise.

SOVIET CIVIL DEFENSE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From Survive magazine]

SOVIET CIVIL DEFENSE: FULL SPEED AHEAD! *

(By Ruby N. Thurmer)

The new training year for Soviet Civil Defense is now underway. Its goals have been specifically outlined by Col. Gen. A. Aitunin, Soviet CD Director:

"The security of the country is insured by the Soviet Armed Forces, our country's reliable shield. But as was noted by Marshal of the Soviet Union A. A. Grechko, member of the Politburo of the CPSU Central Committee and USSR Minister of Defense, in his just-published book "Vooruz-Hennyye Sily Sovetskogo Gosudarstva" [The Armed Forces of the Soviet State], the nature of modern warfare makes it necessary to organize reliable defense not only of particular installations, as was done during the last war, but also to have a carefully thought-out and organized system of measures to insure stable operation of the entire national economy and reliable defense of the population over the entire territory of the country.

"Civil defense, which today is a factor of strategic importance in insuring the vital activity of the state, plays a special part in fulfilling this mission."

The main effort in 1975 appears to emphasize "site exercises." These are described as comprehensives defensive exercises on the sites of various Soviet enterprises with participation by the entire population living in the area. The exercises are to be held in especially designed training facilities which have the capabilities necessary to simulate realistic emergency situations. The intent of this effort is clear. The Russians are determined that every Soviet citizen be familiar with the ways and means of protecting himself from the effects of nuclear war.

We know that the Soviet enterprises (factories, collective farms, department stores, etc.) have long had well organized CD formations and teams headed by CD chiefs with various subordinates assigned particular duties, and that all cities have CD headquarters for directing CD activities. These people have received education and specialized instruction on a continuing basis over many years and are reported to be well versed in skills necessary to perform effectively in emergency situations. However, it has been recognized that, for the proper execution of the defense plans, the entire population must be trained to react in a well organized, orderly manner when signals are given. Altunin frankly states:

"A significant share of the production and office workers at enterprises have been left on the sidelines and have not reinforced their knowledge and skills at exercises. The nonworking population (housewives, pensioners) has only studied theoretically, on the basis of pamphlets, and in a number of places they have not been trained at all."

The "site exercises" are apparently to be very realistic simulations of conditions of war and are to include:

(1) Assembly of command personnel and formations for readying defensive structures, building shelters, and issuing protective gear, firefighting equipment, and medical supplies;

(2) Organizing dispersal of workers and evacuation of their families; and

(3) Organizing rescue and restoration work, taking shelter, performing reconnaissance and decontamination work, etc.

A number of collectives have already conducted such drills involving their entire population, and descriptions of these performances are being held up to other areas as examples of what can be accomplished. Those particularly praised in the Soviet media have been the Khabarovsk Prodmash Plant (the city of Khabarovsk has a population of 437,000), Voronezh Forge and Press Equipment Plant named for Kalinin (Kalinin's population—345,000) and Molodechnenskiy Rayon (Molodechno's population—50,000).

An article published recently points out many benefits arising from this practical training program:

"In the course of the site exercise it is possible to do a great deal of useful and necessary work for the site above all, building and installing more equipment in defensive structures [primarily rushing the completion of construction on defensive structures envisioned by the national economic plan], laying and repairing municipal power grids and communications lines, tearing down dilapidated structures, digging out foundation pits for defensive structures, and so on.

"In this way the comprehensive exercise of the site combines general and particular goals with due regard for the leadership, command, and rank-and-file personnel participating, and the purpose and special features of the missions being performed. Thus, for example, particular goals are set for training the command post of the combat team, the reconnaissance, rescue, medical, and other formations. The general training goal is to prepare the site as a whole, as a single unified organism, to carry out all defensive measures skillfully, rapidly, and effectively and to test the realism of the civil defense plan."

A great deal of planning and organization is to be expected since the exercises can continue for up to 3 days. It is being stressed, however, that schedules should be worked out in such a way as to avoid involving the entire collective of the enterprise and all its formations at one time. In fact, it is recommended that really large plants formulate their plans in minute detail and hold a "site exercise" once every three years. In the meantime, practical exercises and drills and special training classes are to be held with various groups in order to prepare them for the forthcoming exercise. Nevertheless, it seems that the USSR Ministry of Defense expects to see demonstrations of this kind at the site of every Soviet enterprise during the 1975 training year.

* Research sponsored by the U.S. Energy Research & Development Administration under contract with Union Carbide Corporation.

VOTING RECORD

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. DU PONT. Mr. Speaker, while I was away from Congress on an official trip to the Middle East on behalf of the International Relations Committee, I missed a total of 17 recorded votes in the House of Representatives. On four of these, I announced my position in advance by means of a "pair." Had I been present for the other 13, I would have voted as follows:

Rollcall No. 239, "yea."
Rollcall No. 240, "yea."
Rollcall No. 244, "yea."
Rollcall No. 245, "yea."
Rollcall No. 251, "nay."
Rollcall No. 252, "nay."
Rollcall No. 253, "nay."
Rollcall No. 254, "nay."
Rollcall No. 255, "nay."
Rollcall No. 258, "yea."
Rollcall No. 260, "nay."
Rollcall No. 261, "yea."
Rollcall No. 262, "yea."

EMERGENCY EMPLOYMENT APPROPRIATIONS ACT

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. EARLY. Mr. Speaker, the American people lost a $4.73 billion emergency job program yesterday with the failure of the override vote on the Emergency Employment Appropriations Act. The bill would have provided in excess of 850,000 jobs. In my State of Massachusetts the unemployment rate has jumped to 12¼ percent and rising. That bill would have cut those figures by 3 to 4 points.

Temporary employment assistance or public service jobs were only a part of this bill. Summer jobs for youth, community service employment for older Americans, work-study grants for college students, work incentives in employment, training and related child care for welfare recipients, acceleration of approved EDA programs, and Corps of Engineers and Bureau of Reclamation programs, acceleration of watershed and flood prevention operations, immediate construction, repair, alteration and improvement of public buildings through GSA, Postal Service improvements and Small Business Administration loan, investment fund and disaster loan programs all would have been immediately increased; 850,000 jobs would have meant 850,000 more taxpayers.

It would have meant 850,000 less Americans and their families on the unemployment rolls. It would have waged a significant attack on the recession. Yet, in the wake of the failure of emergency employment appropriations, the President continues to attack the Congress for its "lack of decisive action." I should remind the President that it was he who vetoed this bill that overwhelmingly passed both Houses of Congress. For that matter, it was he who vetoed nearly every piece of major emergency anti-inflation and antirecession legislation the Congress has sent to his desk. Are the people of my 3d Congressional District of Massachusetts to believe that, after all this, the President is earnest in his pronounced commitments to increase employment, reduce inflation and reverse the recession?

It is evident that we have very little time left to politic with this legislation. My constituents want jobs. And I am quite sure that they have just about run out of patience waiting for those jobs.

CONSUMERS SAY Rx PRICES TOO HIGH

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. ROSENTHAL. Mr. Speaker, consumers across the Nation are becoming aware of the dilemma which is facing them concerning the excessive pricing and lack of competition for prescription drugs. This is nothing new. As part of my study of retail prescription drug price competition published in 1973, I surveyed residents of my district in Queens to determine the level of consumer awareness on this issue. The prices of prescription drugs were felt to be prohibitively high by 90 percent of the respondents. Concern was also expressed over the disparity in drug prices, which varied from store to store for identical items, and even from customer to customer in the same pharmacy. State prohibitions on advertising of prescription drug prices is the cause of much of this concern.

In addition, my staff surveyed more than 120 pharmacies in the New York City and the Washington, D.C., metropolitan areas. The results were astonishing. Pricing was found to be inconsistent, incoherent, and arbitrary. Wide varieties of prices were charged for otherwise identical drugs.

These results are very similar to those of other subsequent questionnaires and surveys which have been conducted by the media, citizen groups, and government at all levels.

The following is a report of the outcome of my Queens questionnaire and pharmacy survey:

QUESTIONNAIRE

In order to determine the attitudes of consumers toward their prescription drug buying habits, questionnaires were sent to 24,000 Queens, N.Y., households: approximately 2,000 persons responded. The questionnaire sought to examine the degree to which consumers are aware of drug price variations, the difference in price between brand name and generic prescription drugs; and to ascertain their opinions on the advertising of prescription drugs and the factors involved in their selection of a pharmacy. (See Appendix I)

This sampling revealed that the average person fills ten or more prescriptions annually, seven of which are for the same drug. Some 75% have found price variation for the same prescriptions at different pharmacies. The degree of price variation was as follows: 39% of those responding found price variation to be in the 10% to 20% range; 50% found variation to be from 25% to 50%; and 11% found prices often vary from 50% to over 100%.

By a large majority, most consumers were found to fill prescriptions at the same pharmacy. The most important factors in choosing a pharmacy were ranked as follows: 44% based their choice on convenience, 38% on price, and the remainder looked for services offered by the pharmacy such as delivery, credit, record keeping and 24-hour service.

Most prescriptions prescribe brand name drugs, according to the responses to the question "Do you know whether your doctor prescribes brand name drugs or drugs by their generic (chemical) name?" However, 30% stated that their physicians prescribe generically, and close to 35% responded that they did not know. A staggering 87% of those answering stated that they do not ask their physicians to prescribe generically. This figure suggests that most of the public is not even aware of the availability of lower cost generic drugs.

Half said they do not ask the price of a prescription before it is filled. Nine out of every ten respondents felt that prescription prices are prohibitively high; not one respondent said they are too low, although 10% expressed the view that they are about right.

Ninety-five percent of those responding felt that prescription drug prices *should be advertised* in order to facilitate comparison shopping, equalize prices and provide the freedom of choice which is afforded in the purchase of nearly every every other consumer product.

Many of the voluntary comments accompanying the questionnaire responses told of particularly unfortunate cases in which elderly persons on fixed incomes found that their savings were virtually wiped out by the high cost of long-term maintenance drugs. Minority group members reported discriminatory practices in the quotation of prescription prices and the filling of prescriptions. Those in the medical and paramedical professions volunteered such information as the following, written by a New York City nurse:

"It is a fact that pharmaceutical companies realize at least 50%–100% profit on their products, and the local pharmacist realizes his cut of at least another 40%. Advertising of prescription drug prices is long overdue."

The following are some comments by persons answering the questionnaire:

Generic prescribing: "When you inquire as to what a drug is supposed to do you're stared at in disdain—like you are a leper from outer space—intruding on the sanctity of their sacred domain."

Convenience: "I use my present pharmacy because it is close to home and open until 11:00 p.m. and with two small children I need access to a drug store."

"Usually prescriptions are required in a hurry which leaves little time to shop for price."

"I purchase at the store because it is easily accessible and they deliver."

Confidence: "The price is very important but the assurance of quality should be militantly regulated."

General: "Drugs are a big item for senior citizens and as necessary as food."

Price: "After walking out of a drug store having paid for a prescription you really feel sick."

"Prices for goods and services should be advertised so that one could compare costs more easily."

"About two months ago, I conducted a survey on my own. I picked two drug stores in Manhattan near where I work and four which were convenient to home: all were equally convenient. For one package of Norlistrin 21, I found the following prices: $1.69, $1.79, $1.95, $2.50, $2.90, $3.50. My memory may not be exact, but the high and low prices stuck in my mind."

"I am of the opinion that all drugs are grossly over-priced."

"Cost should be lowered drastically—as soon as possible. The consumer gets taken every time."

"We are senior citizens and between the terribly high prices doctors charge and the prescriptions, our funds are rapidly being depleted."

"I believe that prices are too high and druggists charge different prices to people from different nationalities, especially if these people don't speak the language well."

"There is nothing non-professional about advertising or posting prices rather it is in keeping with the ethical standards of providing high value source of medicine."

"The widow living alone doesn't have a chance. The doctor and the druggist have her at their mercy. One prescription was $75 in a local pharmacy and $47.50 in a discount store."

"Lower middle income people definitely cannot afford prescription costs today. Prices of drugs are prohibitive."

"So few prescriptions are compounded today that I believe that it should be quite simple to advertise so that the average person could compare and know what he is buying. Also it is sometimes ¼ the price when obtained generically."

"On 9/7/71 I had a prescription for mycostatin vaginal tablets (15) filled in an independently owned pharmacy for $7.95 . . . the same disorder recurred on 2/9/72 and I had the prescription for mycostatin filled at a discount chain at $2.69."

"Prescription drugs are entirely too high, and many a time needed but not bought because of cost."

"I am semi-retired and the very high costs of prescriptions are a tremendous burden."

"High costs tend to make people skimp on the prescribed dosage to economize."

"Since druggists mostly refuse to give the price in advance competition is all but gone."

"By advertising drug prices, the cost to the consumer of drugs prescribed would drop because of competition in the marketplace."

"As a diabetic I am taking D.B.I. pills which I paid $5.50 for 25 pills until I found out that the same pills were available at chain drugstores for $3.19 and five more pills."

"I have been charged different prices for the same prescription at the same store within a two-month period."

"Whatever you can do to reduce the price of drugs will be most appreciated. I am on social security and my income is very limited and the price of drugs is a very big drain on the budget."

"I have noticed that when I buy a prescription one week the price is lower, while another week the price rises. The pharmacist does not even have a definite price."

"I strongly feel that advertising costs of drugs would produce a competitive healthy market which gives the consumer knowledge of what drugs and what prices he should be buying."

"Yes, there should be some kind of control on drug costs and if the competitive atmosphere brought about by advertising could bring prices into line then I am for it."

CHAPTER III.—DRUG PRICE SURVEY

Two separate surveys, 13 months apart, were conducted in Queens, New York, and in the Washington, D.C., metropolitan areas. Researchers visited 122 drug stores in an effort to determine retail pricing practices on three widely prescribed medicines.

All prescriptions used in the August 1972 survey were generically written. In other words, they identified the drug by its official or chemical name and not by any trade or brand name. This means the pharmacist could fill the prescription with any manufacturer's product.

The July 1971 prescriptions were evenly divided between those generically-written and those specifying a particular brand. In the latter category, the pharmacist has no choice of products; he must fill it with the specified manufacturer's drug.

Researchers did not have the prescriptions filled but asked the pharmacist for the price and the manufacturer of the product he intended to dispense. In the 1971 survey, prices for brand name products were frequently quoted in response to the generically-written prescriptions, a practice which tended to raise the average price for generic drugs

Institution of the price freeze and subsequent Phase II economic controls in no way diminished the price disparities found in the previous survey. It was generally revealed, however, that few pharmacies complied with price posting requirements, and the prices of prescription drugs were as high and higher than the previous year's figures.

It is important to note (see Chapter VIII) that in most jurisdictions throughout the country the pharmacist is prohibited from filling a prescription with anything other than the drug specifically stated by the prescribing physician. Thus, if the doctor wrote on the prescription a specific brand name, such as Tetrex, the pharmacist has no choice but to dispense Tetrex by Bristol Labs. If, on the other hand, the physician simply designated the generic equivalent of Tetrex, tetracycline, the pharmacist has a broad choice of products, including brand-name ones and many at lower prices, from which to fill the prescription. One significant finding of this report is that when the pharmacist chose to fill a generic prescription with a generic (non-brand) drug, the purchaser was able to save substantially on the cost of medication. However, there were instances in which the pharmacist's freedom of choice resulted in the substitution of a higher priced brand product.

In 1971, researchers visited 36 pharmacies in the Washington, D.C., area (including Maryland and Virginia suburbs) and 23 pharmacies in Queens, New York. Researchers in 1972 went to 30 Washington area pharmacies and 33 in Queens.[1]

The three drugs[2] used in these surveys were:

Ampicillin trihydrate, a type of penicillin, and a trademarked equivalent, Polycillin by Bristol Labs.

Tetracycline, a widely used antibiotic, and a trademarked equivalent, Tetracyn by Roerig.

Chlorpheniramine maleate, an antihistamine, and a trade marked equivalent, Chlor-Trimeton by Schering. (These were not used in the 1971 Queens survey.)

AMPICILLIN TRIHYDRATE

Washington: In 1971, prices for a prescription calling for 30 capsules (250 mg) ranged from $5.65 to $15.00 at 12 pharmacies. Although the highest and lowest quotations were both in response to the generically written prescription, the average price for the brand name product was $9.03, compared to $3.80 for the generic. (Researchers found that when presenting a generically-written prescription, the pharmacist frequently quoted a price for a higher cost brand-name drug. This resulted in generic prices appearing higher than if all price quotations were for generics.)

In 1972, researchers surveyed 10 pharmacies and found that the higheat price for 56 capsules of Ampicillin was $17.95 in an independent pharmacy, where the pharmacist quoted a brand name product for the generic prescription. The lowest price quoted was $8.40 at a discount store.

Wholesale prices according to the Blue Book of 1971[3] for 30 capsules of this drug are $3.90 for the generic equivalent and $5.15 for the trademarked product. For 56 capsules, the wholesale price is $7.28 for the generic product.

New York: In 1971, researchers surveyed 11 pharmacies in Queens with prescriptions for generic ampicillin and were quoted 12 prices (two visits to one store) ranging from $4.95 to $9.00, an average of $6.55 for all stores. The distribution of these figures averages $6.02 in the white, middle income district of Queens (Flushing) and $7.30 in the racially mixed, low-to-middle income neighborhood of Corona. In the second visit to the same stores with prescriptions for Bristol's Polycillin, prices this time ranged from $6.95 to $9.90, averaging $8.78. This time the price spread between the two neighborhoods was closer—$8.61 in Flushing and $8.95 in Corona.

In 1972, a total of 16 pharmacies were surveyed. The highest price quoted was $16.75 and the lowest was $6.50, quoted at three pharmacies. The average for this generic prescription of Ampicillin was $9.20 for 56 capsules.

TETRACYCLINE

Washington: Tetracycline wholesales generically at $.52 for the 30 capsules called for on the 1971 prescription (56 capsules were called for on the 1972 prescription). Retail prices quoted in 1971 ranged from $2.75 to $9.90. As was the case in the prescription of Ampicillin, the extremes in prices were both in response ot the generically written prescription; however, the two highest prices quoted for the generic equivalent were, in reality, for brand name equivalents. As a result, the average generic price was $4.31, seven cents higher than the average brand price. The trademarked product, Tetracyn, wholesales for approximately $1.28 for 30 capsules. Either way, there is a considerable gap between wholesale and retail prices.

In 1972, ten stores revealed a wide assortment of brands and prices. The highest figure, $5.50, was quoted by two independent pharmacies in suburban areas, while the lowest price, $1.50, was given by a chain pharmacy in a suburban area. It is significant that prices were generally found to be much higher at pharmacies located in medical arts buildings. The average price for the generically written prescription of tetracycline was found to be $3.38.

New York: Prices quoted in the Queens area in 1971 for the generic drug (30 capsules, 250 mg) ranged from $1.95 to $5.95, averaging $3.44. The average price in Flushing was $2.81, compared to $5.13 in Corona.[4] The same stores were later presented prescriptions for trademarked equivalent, Tetracyn. One pharmacy did not stock the drug. Seven prices were quoted varying from $2.00 to $4.29, averaging $2.91. Two pharmacies both in Corona, quoted prices on another brand although it is illegal in New York for a druggist to substitute another brand for the one specified by the physician writing the prescription. One pharmacist would not reveal the product he would dispense to fill the tetracycline prescription.

The 1972 survey of Queens area stores revealed an average price of $3.81. The prescription called for 56 capsules of tetracycline, and at nine pharmacies, the highest price was found to be $4.95, while the lowest was $2.49.

It is interesting to note that on the same page of the *Blue Book* catalogue which lists generic tetracycline prices, Lederle had a large advertisement for its trademarked version of that drug.[5] The ad read: "Achromycin V tetracycline capsules. Now prices at 'generic' levels." A check of Achromycin V showed that it wholesales at $4.50 per 100 capsules, a decrease from the $11.22 of a few years ago, but still far above "generic" levels and even higher than Roerig's Tetracyn at $4.25 per 100.

CHLORPHENIRAMINE MALEATE

Washington: Prices for 25 tablets (4mg) of the antihistamine ranged from $1.20 to $2.43. The wholesale price for 25 tablets is 4¢ from Kasar Inc. Average prices in the survey were $1.78 for the generic drug and $1.56 for the brand name drug. This situation, in which the brand drug was less expensive than the generic product was atypical. The wholesale price for the brand name product was $0.61.

The Washington survey in 1972 revealed that both the highest and lowest prices for generically prescribed Chlorpheniramine were quoted at chain pharmacies. However, without exception, the pharmacists stated that they would fill the prescription with Chlor-Trimeton. The highest figure for this prescription of 60 tablets was $5.13, quoted at two pharmacies in the same chain, and the lowest price was $3.50, averaging $4.22 at the ten stores visited.

Although the Queens survey did not include this drug in 1971, it was used in 1972. The highest price, $4.95, was quoted for a generic equivalent of the drug by an independent pharmacy. The lowest fee, $1.95, was found at a discount pharmacy. The average of the prices at the seven stores surveyed was $3.85, $0.37 lower than the average Washington price.

These surveys show the wide variety of retail prices charged for otherwise identical drugs—in one case a markup in excess of 6,000%, but usually a matter of a few hundred percent. (See Appendices 2, 3, and 4.) It does not depict the true differences between generic and brand pricing—although it is accurate enough to lead to valid conclusions regarding the arbitrary price differences among prescription drugs—because several pharmacists quote prices for the more costly trademarked products when presented with generically written prescriptions.

Researchers found that when visiting more than one store of the same chain they were not always quoted the same price for the same prescriptions. They also found that a generically written prescription taken to a chain or discount store in a middle income neighborhood tended to yield the lowest price.

FOOTNOTES

[1] Two other recent surveys in New York City have shown similar results:

(a) A survey of 68 pharmacies in Queens conducted by a group of St. John's University students for Queens District Attorney Thomas J. Mackell found prescription prices "arbitrary and inconsistent." The researchers discovered that the poor pay more than the affluent to have identical prescriptions filled.

The report recommends that the government set price ranges for all prescription drugs and that the majority of these drugs be prepackaged by the manufacturer in commonly prescribed quantities and accompanied by detailed instructions, a practice that has reportedly proved successful abroad.

(b) A survey of 504 Manhattan drug stores by medical and dental students in Pharmacology course at Columbia University revealed similar findings of wide variations in prices, arbitrary charges and inconsistent charges from customer to customer. Instances of quotations of prices well below the pharmacist's cost led study director Dr. Norman Kahn to observe that the druggist was inept or planning to illegally dispense manufacturer's product different from the one specified on the prescription. Students also noted about 30 offers from pharmacists to partially fill a prescription in order to get the price down and attract business. Dr. Kahn said this amounts to tempting patients to discontinue therapy before the time determined by the physician. Details of the Columbia study are expected to be published in a professional medical journal. (Interview, Oct. 26, 1972).

[2] *Tetracycline* is the drug product most frequently prescribed generically; *Ampicillin* is second, according to industry surveys.

[3] American Druggist *Blue Book 1971*, published by the Hearst Corp. New York City, is one of several industry price guides and its quotations are considered approximations. Because of the many factors influencing wholesale prices—promotional deals, quantity orders, extent of manufacturer's line carried, method of purchase (from jobber vs. manufacturer), the purchaser's relationship with the supplier, competitive practices, etc.—the prices quoted here should be considered generally higher than those actually paid by the druggist. Nonetheless, they provide a point of reference for comparing wholesale and retail prices. The HEW prescription drug study found substantial differences in the prices at which drug products are offered to community pharmacies and to hospitals and government agencies as well as in the prices at which they are sold to American and foreign purchasers.

[4] This figure is not totally reliable because only three stores were surveyed in Corona, compared to eight (8) in Flushing. It is worth noting, however, that the lowest price in Corona equaled the highest in Flushing.

[5] *Blue Book 1971*, p. 37.

JOB FACTS MISUSED IN STRIP BILL ISSUE

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. RUPPE. Mr. Speaker, the Federal Energy Administration has cited a study by William Miernyk, the head of the University of West Virginia's Regional Research Institute, as the basis for their projection that 36,000 workers could possibly lose their jobs if H.R. 25, the Surface Mining Control and Reclamation Act of 1975, was enacted.

An article appeared in this morning's edition of the Charleston (W. Va.) Gazette in which Dr. Miernyk refutes the use of his study, and charges that it has been improperly utilized. As a matter of fact, he concluded that there would actually be a net increase in employment, a fact that the FEA has failed to mention.

The article follows:

JOB FACTS MISUSED IN STRIP BILL ISSUE

(By Tom Rasm)

WASHINGTON.—A West Virginia University economics professor said Wednesday the Ford administration misrepresented the facts when citing his research to support its claim that the vetoed strip mining bill could cost 36,000 jobs.

Actually, the bill would have little direct or indirect effect on employment in the coal fields, said William H. Miernyk, head of the university's Regional Research Institute in Morgantown, W. Va.

In a telephone interview, Miernyk said the administration misused his figures and took them out of context in an effort to demonstrate that the bill would throw thousands of miners and those in related industries out of work.

"I would disagree that there are going to be any job losses," Miernyk said. "I wish people would use these numbers properly. I hope the record can be set straight."

Federal Energy Administrator Frank G. Zarb, testifying Tuesday before a House panel, reiterated assertions that the bill could result in up to 19,700 miners losing their jobs and 15,760 others in mine-dependent industries.

In material Zarb and other administration officials submitted to document the claims, Miernyk's research was cited.

But Miernyk said the administration confused and misread two separate studies he had done. A 1971 study on what the effect of completely abolishing strip mining would be on West Virginia's economy, and a 1967 study on the relationship between direct and indirect unemployment resulting from strip mine closings.

"The numbers in the one study relate only to West Virginia and not the nation," Miernyk said. And, he said, the study concluded that there would actually be a net increase in employment—a conclusion he noted the administration declined to mention when citing his research.

The net increases would come about as more deep mines opened to take up the production slacks as strip mines closed down, he said.

"Deep mining is more labor intensive than strip mining, it requires more miners per ton. But in any case, this study relates only to West Virginia and would only apply if strip mining were completely abolished—which this bill doesn't do," Miernyk said.

The other Miernyk study used by the administration determined that for every 10 miners put out of work, another eight persons in related industries would lose their jobs. Thus, total unemployment in the coal fields could be figured by multiplying the number of mines out of work by a factor of 1.8.

"I wouldn't quarrel with the appropriate use of that 1.8 multiplier," Miernyk said. But he claimed the administration used it improperly, selecting an arbitrary figure for direct unemployment and then multiplying it by 1.8.

"Since there will be zero unemployment, they should have multiplied zero by 1.8," he said, "Which comes out zero."

Zarb's office had no immediate comment on Miernyk's claim.

KAY HALLE, CLEVELAND'S AMBASSADRESS IN WASHINGTON

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. VANIK. Mr. Speaker, last evening the Cleveland Men's Club of Washington presented its coveted Harold Hitz Burton Award to Miss Kay Halle in recognition for her outstanding and devoted public service to the people of Cleveland, Ohio, and the Nation. No one is more deserving of this very special citation. Miss Halle's talents are boundless. Her literary works are widely considered definitive on the late Prime Minister of Great Britain, Winston Churchill. Miss Halle was the moving force resulting in honorary citizenship being granted to Mr. Churchill. She is a frequent contributor to numerous newspaper, magazine, and broadcast programs on travel, cultural activities, and American life.

Above all, Kay Halle has helped our community of Cleveland look at itself, endeavoring always to preserve its glorious past and look with vigor and pride to its future development. Her work on preserving the Playhouse Square area of Cleveland, her steadfast support of the museum and orchestra and preservation of the fine architecture of both Cleveland and Washington are unexcelled. Our entire community joins with the Cleveland Men's Club of Washington in congratulating Kay Halle on this most deserved award.

I wish also to commend the Cleveland Men's Club of Cleveland for its active monthly programs and continuation of the Harold Hitz Burton Award in recognition for achievement in public service. Ed Seitz, Matt DeMore, secretary-treasurer and president, respectively, are the leading lights of this fine organization and are the cement which keeps this splendid organization vibrant and active.

The full text of the Harold Hitz Burton Award to Miss Kay Halle is as follows:

THE HAROLD HITZ BURTON AWARD

For devoted and distinguished public service is herewith presented by the Cleveland Club of Washington, D.C. to Kay Halle. For the distinction she has brought to Cleveland, Ohio, through her outstanding contributions to literature and the arts; her world travels, broadcasts and writings, her association with the heads of state and leading personalities in government, industry and the arts around the world, her concern for the underprivileged at home; and most of all, for her love of Cleveland.

She has been rightfully acclaimed Cleveland's all-time ambassador to Washington and the world.

MRS. MARY MEYERS HONORED

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. O'BRIEN. Mr. Speaker, I would like to offer a few words of praise today to a wonderful woman from my hometown of Joliet, Mrs. Mary Meyers.

Mrs. Meyers is the executive of our local Selective Service Board. Last month she was named Illinois Selective Service System Office Manager of the Year. It is an honor she richly deserves.

In her 34 years of dedicated service, Mrs. Meyers has never regarded her work as just another job. On the contrary, she has always taken a very personal interest in her work and in the young men and families who have sought her help.

Many Members here can probably well recall that induction into the service can be a very cold, impersonal experience. Mrs. Meyers has always tried to make it less so, regularly seeing the boys off to camp, writing to them and their families, and even becoming a sort of substitute mother for those without families. Hundreds of Joliet's inductees will undoubtedly remember her warmth and kindness all their lives. That is probably the finest tribute anyone can receive. I can only add my own small praise by saying "Congratuations, Mary, for a job well done."

The following is an article that appeared in the Joliet Herald-News announcing Mrs. Meyers' award.

The article follows:

MARY MEYERS RECOGNIZED FOR SELECTIVE SERVICE WORK

Mrs. Mary A. Meyers, executive secretary of the local Selective Service Board, has been named Illinois Selective Service System Area Office Manager of the Year.

Mrs. Meyers has been with Selective Service since January 1941.

"Naturally, I am pleased and honored," she said to the honor. "But I'm sure there are many others in the state who work equally hard to help promote the Selective Service program.

"The things I have done I feel are part of my job. I try to help both the registrant and his family as much as possible."

Mrs. Meyers is proud that she was on hand almost every time a contingent left Joliet for induction and when groups were sent to Chicago for physical examinations. She missed only when she was hospitalized in 1968.

During the war years, Mrs. Meyers said she went to Mass every morning after saying farewell to departees.

"I felt the least I could do was pray for them," she explained.

To those overseas, she wrote countless letters. Those without families were "adopted" by her while they were in service, and she sent them gifts on holidays and birthdays.

Most inductees who served overseas would stop by the Selective Service office to greet Mrs. Meyers and her staff when they returned to the states. This was her greatest reward, she says.

Cecil L. Crowe, Joliet area Selective Service supervisor, represented both the national and state Selective Service directors in recognizing Mrs. Meyers. On behalf of National Director Byron V. Pepitone, Mrs. Meyers received the Selective Service certificate of appreciation. In behalf of State Director Col. W. Robert Kinscherff, she was awarded a certificate of merit.

EMERGENCY EMPLOYMENT APPROPRIATIONS

HON. RICHARD KELLY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. KELLY. Mr. Speaker, the House yesterday voted to sustain the President's veto of the emergency employment appropriations bill. I voted to sustain that veto, not because I am unsympathetic to the problems of millions of unemployed Americans, but because I believe this legislation represents yet another shortsighted attempt by Congress to solve a problem by spending more money whether the Government has it or not.

This legislation points up Congress' unwillingness or inability to view the overall picture—to see that what is really needed are some hard decisions for action designed to improve our long-range economic situation, to provide for long-range recovery and stability.

We are facing basically the same choices people have faced down through the ages—that is, whether in times of short supply we should eat the seeds that next year's harvest will depend upon, or discipline ourselves to wait for the harvest.

This country is a second-rate nation in its ability to compete in the world market in the construction of ships; we have lost 20 percent of our domestic automobile markets this year to foreign competitors; the manufacture of a substantial amount of industrial steel is dominated by foreign manufacturers. Improving the United States' position in these and other areas is a real source of productive work for Americans in a free society sustained by the free enterprise system.

The real solution to the problem of unemployment is a comprehensive effort to turn this Government around and make it work—to pass an energy bill, to act prudently in the conduct of fiscal policy, to cut Government spending and to encourage the growth of capital investment so that the free market system—the best system to create jobs—can be allowed to function without being choked by Government regulation and bureaucracy.

Specifically, this bill is not aimed at solving the problem of unemployment now when we need it but extends into a time when it is not expected to be of value at an inflated price we cannot afford.

STRIP MINE MESS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mrs. HOLT. Mr. Speaker, I would like to commend to my colleagues' attention this recent article by Mr. Lindley Clark, Jr. in the Wall Street Journal of June 2, 1975. This article, "Strip Mine Mess," provides excellent insight into the problems involved with this legislation. I concur with the sentiments expressed by Mr. Clark and especially his closing remarks: "Amid our recession and energy problems we certainly do not need a bill that blindly creates more of the same."

The article follows:

STRIP MINES MESS

Sen. Henry M. Jackson, one of the uncounted horde of presidential candidates in the Congress, says the country has more than 500 years of coal reserves at current production levels. The coal reserves may last a lot longer than that unless the government soon clears away some of the confusion about the industry's future.

In case anyone has forgotten, the country still has a rather severe energy problem. Amid the current recession, energy is plentiful enough, but not even the more pessimistic economists believe the recession will go on forever. As if current prices were not outrageous enough, the Organization of Petroleum Exporting Countries rumbles about pushing them even higher.

So what does the U.S. do? Congress seems to operate on the theory that if it ignores the energy worries long enough they will go away. President Ford's doubling of the import levy on oil may not be the wisest way to deal with the matter, but it's just about all that he can do on his own. Imports of petroleum continue to mount despite Sen. Jackson's 500-year coal reserve.

Coal production has risen very little in the past decade. Output was held down for several years by the uncertainties surrounding congressional efforts to write mine-safety legislation. Such legislation was clearly desirable, but it was a long time before mine operators could be clear on what the new rules, and their attendant costs, were to be.

For the last several years the source of confusion has been the lawmakers' struggle with strip-mining legislation. Once again, nearly everyone agreed that some control was needed. (Congress, it must be admitted, started with a handicap since some of its members seemed to want to bar strip mining altogether.) Anyone who has wandered through parts of our country worked over by strip miners of the past is likely to agree that there must be a better way.

After a great deal of pulling and hauling, Congress finally came up with a bill last December. Proponents of the measure claimed that it represented a reasonable compromise between the demands of environmentalists and the nation's obvious need for energy. The claim is acceptable only if you assume that all environmentalists are extremists.

President Ford, in any case, pocket-vetoed the bill. But he sent to Capitol Hill a number of suggestions for changes, most of which seemed eminently reasonable. Congress, however, charged ahead this year and passed a new measure little different from the one it had passed before.

The lawmakers, for instance, ignored the President's proposal that the Secretary of the Interior be allowed "to define ambiguous terms so as to clarify the regulatory process and minimize delays due to litigation." The strip-mine bill would set up a vast system of federal supervision and the opportunities for confusion and controversy abound.

To cite only a single example, the bill would require applications for strip-mining permits to assess the probable impact of anticipated mining on the hydrologic balance and to demonstrate that a proposed operation, if located west of the one hundredth meridian west longitude, would not "have a substantial adverse effect on alluvial valley floors" where such valleys are significant to economically feasible existing or potential farming or ranching operations. Lawyers could be having a field day with that one long after all of the oil in the Mideast was exhausted.

Frank G. Zarb, head of the Federal Energy Administration has contended that the measure, which also includes certain new regulations for deep mines, could cut coal production as much as 25% and lead to the loss of 36,000 strip miners' jobs. Patsy T. Mink, one of the measure's main proponents, argued that such estimates were no more than "wildly fluctuating guesses as to how many operations might be affected adversely by a given provision of the bill. There is absolutely no hard evidence behind these conjectures."

Ms. Mink is right if she means that no one knows exactly what effect the bill would have when it went into effect. How could anyone know just what impact so sweeping and so vague a piece of legislation would have? The doubts were great enough to persuade President Ford to veto the new bill—and to worry enough Congressmen that the measure's backers may not be able to muster the votes to override.

While Congress has been enjoying its Memorial Day recess, the bill's proponents have been trying to drum up support in a campaign that smacks of a vendetta against Frank Zarb. For instance, they plan to put Mr. Zarb and other administration witnesses under oath when they testify at new hearings.

The measure's backers profess to see something evil in the fact that the coal and electric power industries are lobbying against the bill. What is in the industries' interests in this case is not necessarily opposed to the true interests of the nation.

Sen. Lee Metcalf has appealed to citizens around the country to send him evidence of any "massive utility company lobbying, telephone and mail campaigns" to help sustain the President's veto. He suggested that utilities might be slipping statements into the envelopes that carry their bills to their customers and asked for samples of any such insertions.

Lobbying clearly can be abused. But it's more than somewhat naive to expect coal and power companies to smile happily and go along when Congress does something that so deeply affects them—and their customers. It is the customers, after all, who would eventually pay the costs.

Some members of Congress have at least been saying that the current situation calls for more communication between the administration and Congress. Both sides agree on the need for strip-mining legislation, and it shouldn't be impossible to construct a useful bill that both could accept.

Maybe the President and his advisers err on the side of caution. If so, that appears to be a reasonable approach to an issue of such consequence. Amid our recession and energy problems we certainly don't need a bill that blindly creates more of the same.

COUNTY BOARD OF LAKE COUNTY, ILL. PROVES BENEFITS OF GENERAL REVENUE SHARING

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. McCLORY. Mr. Speaker, as we approach the issue of the extension of general revenue sharing, it seems to me that my colleagues would be interested in the experience of Lake County, Ill., which has benefited from this innovative program and, in my opinion, has lived up to the expectations of a responsible local government in the application of the revenue-sharing funds which it has received.

Mr. Speaker, I am privileged to attach to these remarks a report from the Lake County, Ill., Board of Commissioners, which was submitted by Mrs. Janet Morrison, chairman of the Financial and Administrative Committee, and received by the chairman of the Lake County Board, the Honorable John Balen, on May 13, 1975:

REVENUE SHARING: THE LAKE COUNTY EXPERIENCE

The dilemma of financing local government is a serious and growing problem. Counties especially, face the paradox of static or dwindling tax resources and rising operational costs. Compounding the problem is an ailing economy and spiralling inflation and a decline in the real dollar value of categorical grants-in-aid.

When recession and inflation grip county government, contrasts abound. County outlay for essential materials increases at a disproportionately higher rate to that of other sectors of the economy. The prices of gasoline, asphalt, paper, road construction and maintenance soar and these items make up a greater portion of the government's budget than that of a private citizen. Moreover, social service costs rise rapidly and the inflationary cost of the services is emphasized by the expansion of citizen need.

Reliance on the property tax further underlines county's growing fiscal plight. That portion of county income which comes from the property tax does not rise in proportion to government costs. Between 1966 and 1971, for example, total assessed valuation of property in Illinois increased by 25%, while county expenditures for the same period rose 106%. Increases in assessed valuation will continue to fall short of expenditure increases because property is assessed only every four years and because there is increased reluctance to assess at statutory levels due to the already heavy burden on property owners.

The situation with respect to the sales tax and income tax is even less promising under current law. Not only does lower consumption push sales tax revenue down, but the base for county government sales and income tax receipts is consistently eroding. In Illinois, county governments receive sales tax only from businesses located in the unincorporated areas of the county and receive income tax revenues only on the basis of unincorporated population. As municipalities annex, the county government's sales and income tax base erodes. Yet counties must continue to deliver services at an ever increasing rate to incorporated as well as unincorporated areas. Thus, given the present legal framework, the property tax and the sales and income taxes promise little opportunity for fiscal relief for Illinois counties.

The federal government has amplified the fiscal problems at all levels of government by the reduction of the real constant dollar value of grants-in-aid. The large increases of the early 1970's (from 3.9% to 12.1% to 22.2%) have dwindled to only 2% in 1972–73 and have actually decreased 2.4% from 1973 to 1974. Moreover, the enactment of more stringent categorical guidelines and a trend toward increased local cash sharing have made categorical programs less attractive in terms of effective local fiscal planning and control.

Thus, it is not surprising to see why county officials want the reenactment of Revenue Sharing. It provides counties with money they can utilize in the most appropriate manner, commensurate with local needs.

Since its inception, Revenue Sharing has provided a much needed shot in the arm to local government. Lake County is no exception in this regard. From January 1, 1972, through June 30, 1974, Lake County has received some $3,104,454 in Revenue Sharing monies.

The primary emphasis in expending these monies has thus far been in the priority category of Public Safety. Approximately 87% or $2.7 million has been allocated to pay salaries and provide operating expenditures and capital acquisitions for the Sheriff's Department and the States Attorney's office.

It should be noted that local governments spend more for criminal justice programs than the state and federal governments combined. Rising crime rates have created largely local problems which must be controlled by local action. And, while crime concentrates where population concentrates, the entire process of detention, litigation, and administration of justice is located at the county level.

Expenditures for combined law enforcement and prosecutorial services alone have more than doubled in Lake County for the years 1970 through 1974. Revenue Sharing dollars have made it possible to provide for these service level increases.

Approximately 2% of Revenue Sharing dollars some $60,158 have been allocated to Environmental Protection and Health Services. $25,100 was allocated to salaries and operating expenditures for solid waste disposal, waste water treatment and pollution control projects throughout the County. $35,038 was allocated for the purchase and operation of a Mobile Health Clinic. This vehicle brings much needed health care services to residents in the outlying areas of the County.

Lake County has utilized Revenue Sharing dollars in an effective manner. Existing service levels have been maintained and in some cases expanded, while the rate of tax increases has been significantly retarded.

Never before in the history of American federalism have so many state and local governments received so much federal aid with so few strings attached. This uniqueness has prompted great national interest in how the Revenue Sharing Program is working and what changes, if any, should be made when Congress considers its renewal in 1975. Presently Revenue Sharing commands considerable grass roots support because of its universal fiscal coverage to all levels of government and its growing acceptance as a necessary element in the three part federal aid mix (categorical grants, block grants and general support grants, i.e., Revenue Sharing).

Revenue Sharing provides an essential dimension in attempting to reduce intergovernmental fiscal disparities while enhancing the ability of State and local governments to best meet their own diverse budgetary needs.

Lake County, therefore, urges the Congress to enact a permanent general Revenue Sharing Program which would provide:

1. An automatic, annual appropriation of a designated portion of the federal income tax base;
2. Distribution to the states primarily on a population basis, with some emphasis on tax effort and poverty or per capita income factors;
3. A mandatory and equitable pass through to general purpose local governments; and
4. No program or project restrictions on the use of the funds.

We at Lake County believe that the enactment of Revenue Sharing by Congress was an act of trust. We feel we have lived up to that trust.

DEREGULATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington Report entitled "Deregulation":

DEREGULATION

In most any gathering of businessmen in Southern Indiana that I attend, strong protests are expressed about the interference by government in business. Businessmen are often vexed and bewildered by the long arm of government regulation, and they often view government as being hostile toward business, with little or no appreciation for their problems, or, for that matter, even for the profit motive.

This view, often previously scoffed at by many persons in the worlds of government, academia and the news media, is beginning to have an impact as more and more persons acknowledge that regulation of American business by federal and state government agencies is causing great waste in dollars and human resources, while retaining few benefits for the public. The critics of the present regulatory system claim that it is not only ineffective, but it perpetuates inefficiency, inflates consumer prices, and stagnates the industry. The idea is growing that better substitutes may exist for the present forms of regulation, and special attention is focused on eliminating certain forms of direct regulation and substituting more competition.

In response to this mood, the cry has gone up for "deregulation," that is, substantial reductions in federal regulation in the transportation, energy, financial and certain other industries. The President will soon submit to the Congress an extensive program of deregulation, providing more freedom for companies to enter and to exit markets and more freedom to allow the market place to set prices in open competition. The first of these proposals aims at fundamentally changing the way the federal government regulates transportation and it calls for loosening of controls, forcing greater competition, and, hopefully, giving the American consumer better service and lower costs.

I hope the Congress will take these proposals seriously and will begin a comprehensive review of the massive structure of regulatory agencies and their programs. There is a growing body of data that suggests that regulation costs far more to the government and to the consumer than the benefit it brings. It is time for the Congress to get on with the task of reviewing federal regulation, and to ease the transition of business toward a less regulated existence. And while the Congress goes to work, much can be accomplished by the regulatory agencies themselves by internal reform.

Everyone acknowledges that regulation is often required when markets fail, and no one is really arguing for total deregulation of vital industries. Major portions of existing regulatory systems should be retained. For example, the elimination of regulations governing aircraft certification and safety would be foolish. It is widely agreed that total deregulation could lead to rate wars and loss of essential services. But it is also known that the regulatory system is not working well, and that the system needs fine tuning, not total rejection. The feeling is that regulation is more the cause than the cure for market failure.

Not everyone supports deregulation. A poll, expected to be made public by the Administration soon, will show support by 56% of those surveyed for more government regulation, and about ⅓ for less regulation. Even so, in today's world in which people distrust big business, labor, or government, calls for deregulation have appeal. Strangely enough, many businessmen (not all, by any means) are among the loudest voices in support of regulation. The truckers and the airlines, for example, do not like proposals to open up entry into their industries or to allow them the freedom to both raise or lower rates without approval of a regulatory agency.

Nevertheless, several reasons suggest the urgency of a regulatory review. Regulatory agencies often respond only to those concerns that are most loudly voiced, ignoring all others. The agencies frequently seem the captive of the industries they are supposed to regulate rather than responsive to the public interest. And, not only do the regulatory agencies become large bureaucratic organizations, but many problems are too complex and subtle to be capable of regulatory solution. So many efforts of government today, including the development of environmental, energy, and economic policies, are so complex that the cost of regulation is high and the regulatory bureaucracy is ineffective. Alternative strategies placing reliance on incentives and competition in the private sector need to be considered.

Whether substantial reform of the regulatory agencies is possible remains in doubt. The past record of reform does not justify optimism, but there is presently an unusual interest and vitality in discussions of the problem, and, unlike past efforts, questions are being asked about the desirability of regulation and whether it impairs competition and increases inflation. Economists, academic writers, many Members of the Congress and the executive branch of government are persuaded that now is the time to act. Change can come from new legislation, increased emphasis in the courts and in the regulatory agencies themselves on competition, and tougher enforcement of the anti-trust laws to foster competition.

All those comments I've heard from businessmen attacking governmental interference may yet bear fruit.

HENRY KISSINGER'S POLICIES OF SECRECY AND CHICANERY RETURN TO HAUNT HIM AND AMERICAN FOREIGN POLICY TODAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. BIAGGI. Mr. Speaker, I would like to bring to the attention of my colleagues an article written by the nationally syndicated columnist Jack Anderson on Henry Kissinger. The article reviews some of Kissinger's major foreign policy decisions and actions and shows how they have served to discredit America's image as an ally and world power.

As Anderson observes, "The foreign policy of a great democracy if it is to endure must be forthright and based on principle." President Ford is working arduously at restoring our international prestige and has demonstrated exemplary leadership both in the recent *Mayaguez* episode and his recent summit meetings in Europe. We must continue on this positive course.

At this point in the RECORD, I would like to insert the Anderson column entitled "Henry's Chickens Roosting."

The article follows:

HENRY'S CHICKENS ROOSTING

WASHINGTON.—The global rout of Henry Kissinger's policies—and his attempt to disarm his own handiwork by laying it at the door of an obstreperous Congress and an unsteadfast people—calls for comment.

Kissinger has cut a great swath through our time. He has a formidable intellect and an arresting eloquence. He is possessed of an awesome drive and dedication. He is a brilliant negotiator and a commanding personality.

But he has made one great mistake. As the chief navigator of our foreign policy since 1969, he has kept the flag of American idealism deliberately lowered and has sailed the seven seas without a moral rudder. He has been willing to do what must be done to get "results," ready to make common cause with any pirate who controlled a useful ship.

If the expediency of the moment called for throwing the gentle Cambodian people into the maw of an already lost war in order to facilitate our retreat from it, or for the terror bombing of Hanoi at 11:59 of the war to disguise the surrender inherent in his peace terms, well—that's the way the game is played.

If the calculations of power politics caused America to stand before the Solzhenitsyns of the world with eyes averted while placating their oppressors, or to deceive Congress and the public as to exactly what had been done or pledged in their name, well—it isn't easy to be Bismarck.

For a time, Henry Kissinger dazzled Washington. He was adept in the backrooms at producing accords that meant different things to different signatories, assiduous in building up houses of cards by ambiguities. He practiced a diplomacy of duplicity and manipulation, putting expediency ahead of principle. He underestimated the American ideology. He forgot that there comes a time when the foreign policy of a democracy is no stronger than the people's respect for it.

One by one, the houses of cards have fallen in. Success would have permitted at least a pragmatic defense of his tactics. But where are the victories?

The Indochina debacle is merely the latest example. By 1969, the Vietnam war was lost. It was painfully evident that we could not forever defend a regime which could not defend itself.

Yet instead of facing the true reality and dismantling the war in the most humane and least costly manner possible, Richard Nixon and Henry Kissinger prolonged it for four years in pursuit of appearances. They had their eye on the global chess game and domestic politics.

That the Nixon-Kissinger "peace with honor" was never more than a cynical slogan, that the Paris peace accords were made only to be broken was obvious even to the Joint Chiefs. Their secret estimate was that under the Paris agreement, the Saigon regime could not survive. For it left large North Vietnamese forces within South Vietnam, building up for the final kill.

The Vietnam mistake was part of a pattern. Here is the dismal record, which must be understood before it can be corrected:

Early in his regime, Kissinger found our official coldness toward South Africa and Rhodesia inconvenient and quixotic, based as it was on mere ideological considerations. He thought he could straddle the issue and, with a little manipulation, play up to both sides. His first secret tilt was toward the white supremacist nations, while he sought to placate the black nations with U.S. aid. It didn't work. Today the black Africans—almost the whole continent—are convinced we're against them.

During the India-Pakistan war, we claimed neutrality while tilting toward Pakistan. It was another maneuver in the chess game. Thus, we ineffectually backed the abject loser and alienated the world's largest democracy.

In the Greek-Turkish war over Cyprus, Kissinger's passion for meddling and manipulation embroiled us to such poor effect that it cost us the enmity not of one side but of both. Both Greece and Turkey had been longtime U.S. allies.

In Latin America, Kissinger's neglect of our traditional allies has turned them against us. He was compelled to cancel a trip south of the border because he was advised secretly that his visit would cause riots in some countries.

By the time of the secretary's attempt to mediate the Arab-Israeli hostilities, the long pursuit of pragmatism at the expense of principle had exacted its awful price. Kissinger had compromised so many interests, had carried so much water on so many shoulders in so many parts of the world, that President Ford had to take personal charge of the Middle East negotiations.

In Portugal, U.S. Ambassador Stuart Nash Scott tried to establish friendly relations with the new military government. He advised Washington that Portugal was not lost to the Communists, that the United States should bolster the moderates who wanted to remain in the Atlantic Alliance. Kissinger not only refused to listen but fired him for his wrongheadedness. Now Portugal has concluded a wholly free election, with 92 per cent participation. The Communists wound up with only 13 percent of the vote. The ousted ambassador was right; Kissinger was wrong.

If Kissinger's mistakes suddenly are catching up with him, he has told friends plaintively that it isn't his fault—if the presidency had retained its authority, if the Congress had not rebelled, if the people had not flagged.

But that is our point. The foreign policy of a great democracy, if it is to endure, must be forthright and based on principle. Free men will not long shed blood or spend their treasure to support mere facades, manipulations and secret deals.

An American foreign policy that does not recognize this is built on sand.

TEXAS GOVERNOR CITES NAVY AS UNFAIR

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. MILFORD. Mr. Speaker, today, I received a copy of the senate concurrent resolution of the State of Texas.

The resolution cites the Navy Department's selection of the F–18 as a "violation of congressional direction."

In support of that resolution, Texas Governor Dolph Briscoe said:

If the Navy selection is allowed to stand, the result will be to penalize the contractor who played by the rules and to saddle the country with additional billions of dollars in defense costs.

I applaud the prompt action of the Legislature and will make certain that its resolution is considered at the highest levels of the national government.

I received a copy of the resolution today from a representative of the Governor's office.

Included here is a copy of the resolution from the Texas Legislature, and I would urge my colleagues to read and be aware of its content, particularly the passage that states:

This unfair action on the part of the States, to the economic well-being of he Department of Defense may be detrimental to the best defensive posture of the United States, to the economic well-being of the citizens of the United States and to the citizens of the State of Texas.

The complete text follows:

SENATE CONCURRENT RESOLUTION

Whereas, The Congress of the United States has recognized the need of the United States Armed Forces for two new air combat fighter aircraft; and

Whereas, In the interest of economy and efficiency, the congress has directed that the Navy aircraft be a derivative of the air combat fighter selected by the Air Force; and

Whereas, The Air Force has selected the F–16 as its new air combat fighter; and

Whereas, the United States Navy, in violation of congressional direction, announced on May 2, 1975, that it had selected the F–18 aircraft to be the Navy air combat fighter instead of a derivative of the F–16 selected by the Air Force; now, therefore, be it

Resolved, That it is the intent of the House and Senate of the State of Texas that the Governor of Texas should make it known to all Texas members of the United States Congress and to the congress as a whole that the State of Texas believes that the explicit mandate of the United States Congress has been ignored in the selection of a Navy combat fighter which is not a derivative of the Air Force air combat fighter and that this unfair action on the part of the Department of Defense may be detrimental to the best defensive posture of the United Statea, to the economic well-being of the citizens of the United States and to the citizens of the State of Texas, and that appropriate action be taken by the Congress of the United States to assure fairness and compliance with its stated direction.

OPERATION DRIVER EXCELLENCE

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. LEVITAS. Mr. Speaker, on May 16–17, in Atlanta, Ga., teenage safe driving champions from throughout the United States competed for top honors as the National Teenage Safe Driver. The competition took place at Atlanta Stadium, and had the support of all city and county officials. The program was supervised by the Amvets National Traffic Safety Commission headed by Henry Wantoch, director of public safety for the city of Milwaukee, Wisc. Other members of the Amvets National Traffic Safety Commission are: Harold B. Strout, Maine; Chester Ovesen, Massachusetts; Frank Wolfe, Kentucky; Paul C. Welsh, Ohio; and Frank T. Kennedy, Georgia. The National Commander of Amvets, Essley B. Burdine, resides in Decatur, Ga., in my home district and maintains a law office in Atlanta.

Amvets—American Veterans of World War II, Korea, and Vietnam—and the Dodge Corp. are partners in this noble cause, driver excellence. These two groups long ago recognized a need to foster good driving, and to promote safety; thus, was born the annual teenage driver excellence competition.

The Dodge Corp. was represented by Mr. Ray Skillington, assistant sales manager, Dodge Division, Chrysler Corp. The Georgia Department of Amvets assisted in the preparation of the course. Judging was by the Georgia State Police and inspectors from the Georgia Department of Public Safety.

The DE program, as it is now known is a constructive test involving skillful driving and a comprehensive understanding of the rules of the road. Speed or race track driving are not part of this competition—only excellent driving brings you to this unique national competition.

In order to compete for the national prizes, the competitor must go through a series of competitions and become the No. 1 safe driver of his State. He or she must be anxious to be a good driver, and must have taken driven education sponsored in the school.

Dodge and Amvets have created a program which emphasizes the need for skillful drivers and recognizes the most skillful. From high schools throughout the country, students in driver education are selected to participate in State finals. Each State winner, accompanied by a chaperon of his or her choice, is awarded a weekend trip to the city of the national finals. A three-phase program: Written test, driving skills, and highway safety is conducted under strict supervision. The winner who emerges from the stiff competition receives a new Dodge car, accompanied with a scholarship and a trophy. Four runners-up are selected and all are awarded trophies and scholarships. No participant is neglected, they all receive a handsome DE jacket, wristwatch, plaque, and other gifts.

As in the past years, the contest brings together in competition, the top high school driver education graduates from throughout the United States. Their automobile handling abilities, traffic driving expertise, emergency vehicle control, and motoring law and driving theory are truly tested.

The awards are presented at an awards dinner. The guest speaker, a Georgian, Col. Quincy Collins, U.S. Air Force, a former POW, who spoke on his experience while held at the famous "Hanoi Hilton" prison camp made a great impression on his youthful listeners. He challenged them, as youth leaders in their communities, to set the pace in correcting the problems created during his generation.

Mr. Speaker, I was impressed when I first heard of the DE program, but when I learned of the caliber of the participants and the noble objectives, I felt it deserved the attention of Congress, because here is concrete evidence of our citizens endeavoring on their own to overcome a serious national problem, traffic safety. As a member of the House Public Works and Transportation Committee, I am especially mindful of and concerned with this problem.

Indeed, Amvets and Dodge, "partners in traffic safety" deserve our recognition for fostering such a constructive program. The driver excellence program emphasizes the need for skillful and safe drivers, and through the driver education courses sponsored in schools, young drivers receive valuable knowledge and learn skillful and safe driving habits.

The winner of the 1975 program was John Darrell Turner, 18, a student at Kearns High School, Knoxville, Tenn. He received a 1975 Dodge Dart Hang 10 automobile, and a $1,000 scholarship. His high school driver education instructor will receive the free use of a Dodge automobile for a year. The Amvet State DE Chairman from Tennessee is Richard A. Williams.

In second place was William James Skelton, 17, a student at Kent County High School, Worton, Md., who also won the "evasive maneuver" portion of the driving skill test. He received a $1,000 scholarship and was awarded the 1975 Safe Driver Award from Scholastic magazine for winning the other event. The DE Chairman from Maryland is James Ramsburg. Kenneth James Traxinger, 16, a student at Lee High School, Wyoming, Mich., was the third place winner and received a $1,000 scholarship. The DE Chairman from Michigan is Harry Lyle McKinley.

Jon Richard Snyders, 16, a student at Menchville High School, Newport News, Va., was the fourth-place winner and received a $500 scholarship. The DE Chairman from Virginia is H. Terrell Rosser. George A. Luczkiewicz, Jr., 18, a

student at Highland Regional High School, Blackwood, N.J., was the fifth-place winner and also received a $500 scholarship. The DE Chairman from New Jersey is Richard Giovia. Each of the other national finalists received trophies and citations indicating their participation in this national event.

It pleases me to present to you and this body the list of competitors in State alphabetical order:

California, Dennis Houk, Carson; Connecticut, Thomas Reynolds, Hamden; Washington, D.C., Steven Bernard Williams; Florida, Kevin C. Haynes, Ocoee; Georgia, Detroit Maurice Steeple, Jr., Toccoa; Illinois, Dennis Jay Berger, Chicago; Indiana, Michael R. Walter, Valparaiso; Iowa, David Henwood, Waterloo; Kansas, Gerald W. Brown, Hutchinson; Kentucky, Mary Beth Meffert, Louisville; Louisiana, William Arthur Sanchez, River Ridge; Maine, Michael W. Ryder, Bangor; Maryland, William James Skelton, Worton; Massachusetts, John J. Daley, Jr., Lynn; Michigan, Kenneth James Traxinger, Wyoming; Minnesota, William Dolezal, Minneapolis; Missouri, Terry Evan Nahrup, Florissant; New Jersey, George A. Luczkiewicz, Jr., Blackwood; New York, John O'Brien, Bay Shore; North Carolina, Gerald Wayne Underwood, Jr., Trinity; Ohio, Max Fulk, Jeromesville; Oregon, Jim Anderson, Klamath Falls; Pennsylvania, David M. Novak, Export; Rhode Island, Wayne Robert Rebello, Warren; South Carolina, Scott Stevenson, Charleston Heights; South Dakota, Darwin Moncur, Belle Fourche; Tennessee, John Darrell Turner, Knoxville; Texas, Cecil A. Cox, Celeste; Virginia, Jon Richard Snyders, Newport News; Washington, John C. Bernethy, Aberdeen; Wisconsin, Jim Koronkiewicz, Peshtigo.

The DE contest is timed to inspire the importance of improved skills involved in current day-to-day driving situations. The national competition in Georgia consisted of a written examination, a closed-course driving event, driving under actual conditions, and two tests involving handling a vehicle in emergency situations, as well as the driver's use of the safety equipment present in the car.

Two Georgians, National Commander Burdine and Maynard Jackson, mayor of Atlanta, were so impressed with the event that they conducted a safe driving test of their own. They made a friendly wager—to be donated to their favorite charity—to determine the outcome of the "over-the-road" phase of the competition. They proceeded to go through it, along with the student finalists. Commander Burdine was declared the winner. The mayor will send his check to Freedoms Foundation at Valley Forge, Pa.

Mr. Speaker, I am confident, from the reports I have received, that all who attended and those who participated in the annual Operation Driver Excellence competition have received a clearer understanding of safety practices and driving techniques. To me, such a contest is a worthwhile project, and therefore, I urge that Amvets and Dodge continue their partnership in this unique effort, Operation Driver Excellence competition.

TAX EQUITY FOR THE ARTIST

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. KOCH. Mr. Speaker, when the Congress convened in January, I reintroduced my bill, H.R. 585, to restore the artist's tax deduction for the donation of his own work to a public institution. My bill is designed to undo the damage to the arts rendered by the Tax Reform Act of 1969. That act eliminated the right of an artist to take a deduction for the value of his art work given to a nonprofit institution; it limited the artist's deduction to his costs. In the instance of a painter, to his paint and canvas.

The result of this act has been that donations of art to museums and other public institutions by living artists have dropped dramatically. Richard Oldenburg, Director of the Museum of Modern Art, has reported that in the 3-year period, 1967 to 1969, before the Tax Reform Act of 1969 went into effect, MOMA received 321 works of art from 97 artists. In the 3-year period between 1970 and 1972, the museum received 28 works of art, mostly prints, from 15 artists. Other museums, particularly those specializing in contemporary American art have experienced the same loss. The National Collection of Fine Arts, for instance, estimates that the law has cost it at least six "significant" donations a year—these are donations valued between $10,000 and $100,000. One of the lost donations was a painting that Thomas Hart Benton wanted to give worth $100,000. This loss leaves Washington, D.C., without one example for Mr. Benton's work hanging in its museums. The loss of some $300,000 worth of art a year is significant to a museum like the National Collection of Fine Arts whose acquisition budget for living American artists is $50,000 a year. Few major works can be purchased for $50,000 today.

Museums across the country are losing millions of dollars of art a year while the Treasury Department estimates that the revenue loss of restoring the 1969 provisions regarding artists and writers' deductions for their own work would be about $10 million. The cost of the provision for donated art work alone is $5 million. Juxtapose this figure next to the value of the art that would be donated. The approximate value of donated art work that would be filling our institutions would be some $20 million—or four times the amount of the artist's personal savings. In addition, of course, we would be assisting the welfare of the artist.

Another ironic twist of this bit of "tax reform" is that it effectively favors the dead artists over the living artist. When the artist dies, his heirs can take the artwork, donate it to a museum, and take full deduction—usually an even larger deduction since the artist's work generally appreciates upon death.

The Government does provide assistance to museums and nonprofit organizations to purchase art. The National Endowment for the Arts spends approximately $1.2 million on such programs. This money is distributed on a 50 percent match basis and so it supports the purchase of art valued at two times the Government grant. One should keep in mind, however, that the other 50 percent is raised through donations by museum patrons, many, if not most, of whom are in the high income brackets and take a deduction for their contributions.

Some raise the concern of overvaluation of donated artwork. Whatever problem exists in the instance of the artist-donor, it is no different from that of the collector-donor or donations of old clothing to the Salvation Army. It can be taken care of by demanding independent appraisals of the value of the gift. Furthermore, I understand that the IRS has renewed its Art Advisory Panel to advise it on valuations of works of art involved in income, estate, or gift matters. Any disputes with an artist could just as well be settled by this panel as with a private donor.

Finally, in my correspondence with the Treasury Department, Deputy Assistant Secretary Tolley indicated that what really motivated the 1969 tax change was the belief that a taxpayer could realize a greater after tax profit by making a gift of appreciated property than by selling the property, paying the tax on the gain, and keeping the proceeds. This he pointed out is not possible with cash contributions. I would point out, however, that this really is not possible either with anyone in a 50-percent or less tax bracket. It is true that if you were in a 50-percent or 70-percent bracket you could come out ahead in giving a painting away rather than selling it; but since earned income is taxed at a maximum of 50 percent, the tax rate on most artists' income does not exceed 50 percent. Only the wealthy collector who receives "passive income" from such sources as dividends reaches the 70-percent maximum.

The result of today's tax policy with respect to the artist is that both the artists and the public suffer. Next year we will be entering our Bicentennial year. It would be particularly appropriate to amend the tax code this year so as to restore the artist's donation deduction, and return the flow of donated artwork to our museums.

PAGE GRADUATES WITH HONORS

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. JENRETTE. Mr. Speaker, I would like to call the attention of this body to the graduation with honors of Donald Raymond Skinner, who has served all of us well as a page. I think that all who know Don can say he is efficient and always willing to perform any task.

Don, a member of the National Honor Society, is familiar to any Democrat who has had occasion to ask any favor—no matter how time consuming or tedious. He is a familiar face in the Democratic cloakroom.

The son of Mr. and Mrs. Innis R. Skinner of Silver Spring, Don received the 1975 Award for Outstanding Student Citizenship from the District of Columbia Women's Bar Association. Don will graduate Monday.

I believe that Don exemplifies what is fine and good in the pages that serve the House. I offer my congratulations to him on the occasion of his graduation and wish him well. We will miss his quiet efficiency and good humor.

THE 8½-CENT-A-LETTER PLAN STUNS MAIL OFFICIALS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. CLAY. Mr. Speaker, Federal Administrative Judge Seymour Wenner has recommended that first-class postal rates be lowered from 10 to 8½ cents. This action, he asserts, would restore a measure of equity to our postal-rate system by discontinuing the hidden subsidies that the general mailing public pays to parcel post and third-class bulk mailers. I cannot agree with him more strongly. Why, after all, should the ordinary first-class mailer be required to pay any part of the postal expense of newspapers, magazines, bulk mailings, and parcels?

Mr. Speaker, a news account of Judge Wenner's recommendations appeared on May 29, in the St. Louis Post-Dispatch. I commend it to my colleagues' attention and insert it now in the RECORD:

THE 8½-CENT-A-LETTER PLAN STUNS MAIL OFFICIALS

WASHINGTON, May 29.—A federal administrative judge recommended yesterday that first-class postal rates be cut to 8½ cents from 10. It was a stunning surprise to the United States Postal Service, which had been planning to bail itself out of a sea of red ink by increasing the rate to 13 cents.

The recommendation of Judge Seymour Wenner, which must be approved by the Postal Rate Commission, is far from final. But the Postal Service is concerned that its schedule for an increase has, at best, been set back indefinitely.

"We had been hoping for an increase immediately," a knowledgeable postal official said. "And then we were going to file right away for another increase to cover these rising costs."

A complicated process of appeals and several ratification steps is likely to put off final rate action several months, possibly into next year. Meanwhile, the Postal Service's deficit is expected to grow to $850,000,000 by July 1.

Wenner, an administrative law judge, is a Civil Service employe who hears testimony on a rate case and then conveys an "initial decision" or judgment to a regulatory commission.

Commissions can accept, modify or reject his decision; more often than not, such judgments are accepted.

The gist of the judge's opinion was that first-class mail customers were carrying some of the costs of other mail users. He said that, although first-class rates should be cut, the rates for other users, including newspapers, magazines, bulk mailers and parcels, should be increased.

By charging current rates for first-class letters, "the Postal Service has become a tax-collecting agency, collecting money from first-class mailers to distribute to other favored classes" of mail, Wenner said.

"Every time a person pays 10 cents (per ounce) to mail a first-class letter, he is contributing almost 2 cents to pay the costs of other mail service," he said.

By charging 10 cents for letters and 8 cents for post cards, the Postal Service is providing an "unauthorized subsidy" of more than $700,000,000 to other classes of mail, Wenner said.

The rate commission, in the next 20 days, will receive legal briefs in response to Wenner's decision from such heavy mailers as publishers, business bulk mailers and greeting-card manufacturers.

Formal arguments to the commission are scheduled July 7. The commission expects to weigh Wenner's decision and other evidence and submit a recommendation to the Postal Service's board of governors by the end of July.

The board can set the new rate in a unanimously approved written opinion that need not agree with the commission's recommendation.

Wenner made several recommendations in his decision, including the following:

Air-mail rates should be increased to 15 cents from 13 cents, and "air mail should receive real express service." Air-mail post card rates should be reduced to 10 cents from 11 cents.

Parcel post rates should increase 57 per cent.

Third-class bulk mail, sometimes called "junk" mail and used mostly for advertising, should rise 7 per cent.

Experienced observers say that Wenner's decision was based on a system of cost accounting that clashes with traditional Postal Service methods of allocating costs.

The judge, who said that he was using a method advocated by the U.S. Court of Appeals for the District of Columbia in an appeal of a rate case in 1971, said that the department should allocate cost strictly to each class of mail, including direct operating costs and a proportional share of overhead costs.

DEPLETED DEPLETION ALLOWANCE CUTS OIL PRODUCTION

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. MILFORD. Mr. Speaker, the Mid-Continent Oil and Gas Association in Dallas sent me a copy of the report they prepared which reflects the disastrous impact on the oil industry because of the cut of the depletion allowance.

I would urge all my colleagues in this Congress to take a look at the report to see what congressional action has done to an industry that is now needed more than ever—oil exploration and production:

REPORT FROM TEXAS MID-CONTINENT OIL AND GAS ASSOCIATION

DALLAS, TEX.—At least 85 percent of Texas petroleum production operations suffered the complete loss of the percentage depletion allowance in the tax law passed by Congress in February and this loss already is reflected in industry earnings and spending plans, Texas Mid-Continent Oil & Gas Association said in a report issued today.

The deduction, which had been allowed since 1926 to offset the depletion of oil and gas reserves, was repealed by Congress for all oil production over 2,000 barrels a day and a phaseout was begun for smaller producers.

"Independents are anxiously studying the 'fine print' of the legislation, while waiting for critical interpretations from the Internal Revenue Service," the report said. "Company budget committees are setting new priorities for projects in Texas and elsewhere because of a substantial industry-wide drop in earnings."

Citing a "general slackness" being talked in petroleum circles, the report said it is "too early to catalog specific actions, such as cancelled drilling commitments, unemployed rigs, layoffs, decreased leasing, and increased inventories of supplies and equipment."

"Unless federal price controls on oil and gas are removed immediately to allow petroleum industry income to adjust to the rest of the economy, which is uncontrolled, every sign points to a scaling back of leasing, exploration, development, and refinery expansion projects in Texas," the report said.

"The companies in Texas which engage in the bulk of petroleum operations—production, refining and transportation—are deeply affected," the report said. "They account for most of the petroleum industry payroll, investment in plant facilities, purchase of supplies and construction, tax payments, and distribution of dividends to shareholders. (Four of the largest companies alone mail dividend checks to 196,300 Texans.)

"Corporate earnings, a major source of expansion capital, already have begun to fall, mostly as a result of the abolition of percentage depletion for the large oil companies," the statement pointed out. "Earnings of 25 representative larger oil companies were off 29.7 percent. Earnings peaked out for oil in the third quarter of 1974 and now are on the downside. In fact, 1975 first-quarter earnings are almost back to the 1973 level."

The report listed fourteen large companies with sizable Texas operations which commented on the impact of the depletion cut on their earnings in their first-quarter reports.

IMPACT OF FEDERAL OIL TAX CHANGES ON TEXAS

In response to inquiries from public officials and the news media, the Texas Mid-Continent Oil and Gas Association has made an attempt to assess the impact on the Texas petroleum industry of the so-called "Tax Reduction Act of 1975," which sharply increased the industry's tax load.

Background.—Congress voted February 27 to eliminate use of "percentage depletion" as an income tax deduction by oil and gas producers who produce more than 2,000 barrels of oil a day (or equivalent natural gas). Since 1926, all producers were allowed to deduct a percentage of their gross income to offset the depletion of their reserves (at rates of 27½% until 1969; 22% until 1975). Smaller producers not engaged in other industry activities, such as refining and marketing, will be phased down to 15% on 1,000 barrels by 1985. Percentage depletion deductions are continued for more than 100 other attractive minerals.

While several thousand individual producers in Texas will be able to continue to use this allowance at reduced rates, percentage depletion ended January 1 for at least 85 percent of petroleum production operations in Texas.

The extent of the damage done in Texas through elimination of percentage depletion still is incalculable. Independents are anxiously studying the "fine print" of the legislation, while waiting for critical interpretations from the Internal Revenue Service. Company budget committees are setting new priorities for projects in Texas and elsewhere because of a substantial industry-wide drop in earnings.

Elimination of the percentage depletion deduction made a big hole in the budgets of the larger companies. A subject of general conversation in Texas petroleum circles today is the general slackness that is developing due to uneasiness about availability of funds. However, it is too early to catalog specific actions, such as cancelled drilling commitments, unemployed rigs, layoffs, decreased leasing, and increased inventories of supplies and equipment.

Currently, some company operations are continuing at levels set in budgets based on last year's higher earnings—and before the U.S. petroleum industry was hit with nearly $2 billion in additional taxes by the 1975 Act. Until public announcements about specific cutbacks begin to surface (such as the recent cancellation of orders for $110 million in offshore drilling rigs by one Texas contractor with a Texas-based manufacturer), it is impossible to pinpoint the adverse effects on the economic health of the state.

Unless federal price controls on oil and gas are removed immediately to allow petroleum industry income to adjust to the rest of the economy, which is uncontrolled, every sign points to a scaling back of leasing, exploration, development, and refinery expansion projects in Texas.

The companies in Texas which engage in the bulk of petroleum operations—production, refining and transportation—are deeply affected. They account for most of the petroleum industry payroll, investment in plant facilities, purchase of supplies and construction, tax payments, and distribution of dividends to shareholders. (Four of the largest companies alone mail dividend checks to 196,300 Texans.)

Corporate earnings, a major source of expansion capital, already have begun to fall, mostly as a result of the abolition of percentage depletion for the large oil companies. A *Wall Street Journal* summary of 644 U.S. corporations showed a net reduction in earnings of 21% in the first-quarter of 1975, compared with the first-quarter of 1974. Earnings of 25 representative larger oil companies were off 29.7 percent. Earnings peaked out for oil in the third-quarter of 1974 and now are on the downslide. In fact, 1975 first-quarter earnings are almost back to the 1973 level.

In addition to the negative effects of the depletion cut, other factors causing a decline in profits included: (1) non-recurrence of large inventory profits in the first half of 1974; (2) rising raw material costs; (3) soft markets abroad; (4) decline in chemical earnings; (5) continued inflation costs which cannot be recovered under present Federal Energy Administration controls.

While all companies were adversely affected by the depletion cut, one survey counted 14 companies which made specific comments on this one factor, accounting for a total rededuction of profits of $286 million for the quarter.

Listed below are capsuled reports from some companies with large Texas operations which have commented on the impact of higher taxes.

Exxon.—Earnings off 11%. New tax provisions cost $75 million first-quarter. Will force $200 million cutback in budget, equivalent to nearly 15% of its 1974 capital and exploration expenditures.

Gulf.—Off 33%. Depletion wipeout (some $100 million) will force cutback on $500 million budget formerly earmarked for domestic exploration.

Texaco.—Off 66%. Had planned two-thirds of a billion dollar budget for domestic exploration which will have to be adjusted downward to reflect higher taxes.

Mobil.—Off 28%. U.S. operations earnings declined 45%, primarily due to depletion loss. First-quarter tax impact about $24 million, mostly from depletion change. Budget under review.

Shell.—Off 14%. Depletion cut cost $31 million first-quarter.

Standard of Indiana.—Off 33%. Some $42 million of $73 million decline in earnings caused by depletion loss. Budget under review to see what can be cut back, deferred, or eliminated.

Amerada Hess.—Off 45%. Profit reduced $6.2 million by depletion cut.

Phillips.—Off 50%. Depletion change cost $9 million.

Conoco.—Up 65%. Better earnings from coal and eastern hemisphere sales accounted for position which was counter to industry trend. Elimination of depletion factor reduced domestic earnings $14.5 million. Will reduce 1975 capital and exploration expenses from $935 million figure announced earlier.

Sun.—Off 66%. Depletion change reduced available capital some $50-$60 million a year. In anticipation of higher taxes, Sun had already cut drilling one-half, capital expenditures more than one-third.

Skelly.—Off 14%. Expects annual reduction of $19 million from depletion elimination. This and other factors causing reduction in capital expenditures by $40 million in 1975. Domestic exploration and production cut about 30%.

Getty.—Off 44%. Repeal of percentage depletion (cause for most of decline in domestic earnings) expected to reduce year's net income some $45 million.

Atlantic-Richfield.—Off 28%. Loss of depletion cost $80 million. Exploration budget cut 27%.

Standard of California.—Up 8%. Change in depletion and increase in foreign income taxes reduces earning and cash by about $90 million in 1975 and $100 million in 1976—equivalent to more than one-fourth of company's U.S. earnings last year.

SUSTAINING THE VETO OF H.R. 4481

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. FORSYTHE. Mr. Speaker, yesterday I voted to sustain the President's veto of H.R. 4481, the Emergency Employment Appropriation Act. As the majority is attempting to label the veto of this bill as being a purely negative action, one insensitive to the needs of the unemployed, I feel that a closer examination of the facts of the situation is necessary.

I think that President Ford and the Congress generally agree on the present need for public service jobs to help lessen the effects of the economic recession on the unemployed. Unfortunately, however, H.R. 4481 was not a direct response to that direct need. Instead, it became a swollen grab-bag of pork barrel projects, a bill aptly characterized by Republican whip ROBERT MICHEL as the Congressional Incumbents Reemployment Act of 1976.

The economic situation and the consequent high rate of unemployment in March of this year, however, seemed to indicate that drastic measures were necessary to alleviate the truly human suffering of the unemployed. Accordingly, I reluctantly voted for the passage of H.R. 4481 when it came to the floor of the House on March 12, 1975.

Continued analysis of the specific provisions of the bill, however, intensified my reservations as to its true worth in helping those without jobs and as to its overall effect upon the economy. Such increasing reservations led to my subsequent vote against the conference report 2 months later.

As economic indicators signaled an approaching end to the recession and an anticipated, though somewhat delayed, rise in employment, it had become increasingly clear that such drastic and inflationary legislation would ironically worsen the very situation it promised to help. Such a collection of far-reaching projects would have continued to function long after the current economic crisis had passed, continuing to feed inflation and thus slowing the pace of economic recovery.

At this point, what was clearly needed was legislation directed at extending present public service jobs programs and providing immediate help to those most directly affected by unemployment. With such clearly designed legislation in hand, I voted yesterday to sustain the President's veto of H.R. 4481.

Immediately following that vote, I joined with Congressman ESCH and MICHEL and several colleagues in introducing H.R. 7559, which will continue vital job programs at a reasonable level acceptable to the administration. It will provide $1.625 billion for public service jobs. Such funding will allow continuation of the emergency job program at the present level of 300,000. The bill will also provide $458,050,000 for summer youth employment, $30 million for community service employment for older Americans, $70 million for the work incentives program and $119 million for the work-study program. Thus, it will provide funding for programs directly dealing with the problem of unemployment. It is a responsible approach. Instead of a $5.3 billion package of goodies for everyone, it is a $2.3 billion program aimed at immediately helping those most in need of help. Although this bill is slightly higher than the administration's original request, the inflated proposals embodied in the original legislation have been trimmed away and attention has been focused on the problem at hand.

Sustaining the President's veto of H.R. 4481 and offering instead a more focused program will, I believe, be ultimately more sensitive to the plight of the unemployed than the needlessly swollen original legislation. Our substitute bill should help the unemployed by providing a realistic program which is acceptable to the Congress, the administration, and the Nation.

COMMENDATION FOR LEONARD A. BAKER

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. PEPPER. Mr. Speaker, on April 2, 1975, the city council of the city of Miami Beach, Fla., passed and adopted a resolution commending Leonard A. Baker for his more than 20 years of outstanding service to the Miami Beach Chamber of Commerce. This was a well-deserved tribute to one who has faithfully and very capably served his city, his State, and his country and we, of Miami Beach, are very proud of him. I ask, therefore, Mr. Speaker, that the text of the resolution, signed by Mayor Harold Rosen of Miami Beach, appear in the RECORD immediately following these remarks.

A RESOLUTION OF COMMENDATION TO LEONARD A. BAKER FOR TWO DECADES OF DEDICATED SERVICES TO THE MIAMI BEACH CHAMBER OF COMMERCE AND TO THE COMMUNITY

Whereas, the year 1974 marks the Twentieth Anniversary of Leonard A. Baker as an official of the Miami Beach Chamber of Commerce, having commenced his tenure and career with said Chamber of Commerce in January 1954 as an Assistant Manager of Public Relations; and was thereafter named as Acting Manager in June 1958; and was thereafter promoted in October 1958 to his current official status of Executive Vice President of said Chamber of Commerce, which high executive office he has held continuously to the present time, and

Whereas, throughout the two decades of his loyal, devoted and dedicated service to the Miami Beach Chamber of Commerce and concurrently therewith, he has been in the forefront and vanguard of all matters involving the City of Miami Beach and its improvement for the benefit of the entire community, and

Whereas, his membership in the numerous other civic and fraternal organizations, including, Florida Chamber of Commerce Executives, Past President; Miami Chapter, International Association of SKAL Clubs, Past President; President's Council of Miami Beach, Past President; Greater Miami Traffic Association, Director; American Chamber of Commerce Executives; Secretary of the Kiwanis Club of Miami Beach for 23 years; President of the Kiwanis in 1958, Lt. Governor of Division 16 in 1960, Secretary of 16th Division in 1963, Vice Chairman of two International Conventions of the Kiwanis in Miami Beach in 1960 and 1969; and is currently serving as District Governor of the Florida District of Kiwanis International; is an adequate demonstration of the degree of his warm, personal and devoted involvement and attachment to the ideals of community betterment and improvement and the encouragement and fostering of understanding and cordial relationships between all persons of the human community, and

Whereas, the City Council of the City of Miami Beach, individually and collectively, takes a deep, abiding and personal sense of pride in the accomplishments and endeavors of the said Leonard A. Baker, for his said two decades of devotion to the high ideals of community citizenship and the cordiality of inter-individual relationships, and

Whereas, the City Council of the City of Miami Beach, individually and collectively, believe that these past accomplishments are merely a harbinger of even greater contributions on his part to these laudable goals and objectives and desires to express to the said Leonard A. Baker the abiding hope and confidence of the said City Council of the City of Miami Beach that he will continue to serve this community and his fellow citizens with continued superlative brilliance for many years to come; now, therefore, be it duly

Resolved by the City Council of the City of Miami Beach, Florida, that for itself and for all of its citizens and residents, it does hereby commned and congratulate said Leonard A. Baker for his monumental contributions to the improvement and betterment of this community, and further, to express its sense of abiding indebtedness to the said Leonard A. Baker therefor and its most sincere and cordial wishes for an even more coruscating future, and be it further

Resolved by the City Council of Miami Beach, Florida, that a suitably engrossed copy of this Resolution, under the official seal of the City of Miami Beach, be presented with appropriate formalities to the said Leonard A. Baker by the proper and duly constituted officials of this City.

Passed and adopted this 2nd day of April, 1975.

TO ESTABLISH OFFICE OF DRUG ABUSE POLICY

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. ROGERS. Mr. Speaker, today, I and most of the members of the Subcommittee on Health and the Environment, Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. HASTINGS, and Mr. HEINZ, have introduced legislation, H.R. 7547, which would substantially revise and extend the provisions of the Drug Abuse Office and Treatment Act of 1972 which expire on June 30, 1975.

The 1972 act, in recognition of the rapid growth of drug abuse and the attendant social, economic, and enforcement problems and the lack of a coordinated effort by Federal, State, and local agencies to control and treat drug abuse, created the Special Action Office for Drug Abuse Prevention—SAODAP—to provide overall planning and policy and establish objectives and priorities for all Federal drug abuse prevention functions. It also provided supplemental support, where feasible, to community mental health centers for drug abuse treatment activities, formula grants to the States to help meet the costs of State drug abuse treatment and prevention activities, and special project grants and contracts.

Because it was felt at the time of enactment of the 1972 act that a coordinated national effort would have an immediate and positive effect with respect to drug abuse, the act provided for the termination of SAODAP effective June 30, 1975 and the transfer of its functions to the National Institute on Drug Abuse within the Department of Health, Education, and Welfare.

Unfortunately, despite a concerted Federal effort, the problems of drug abuse are still with us. In fact, testimony presented before our subcommittee last month by the Acting Director of the Alcohol, Drug Abuse, and Mental Health Administration indicated that drug abuse is increasing in the United States today, and that there is particular concern with mounting heroin abuse.

In recognition of the continuing need to provide a coordinated policymaking and planning effort for drug abuse activities within the Executive Office of the President, the proposed bill would repeal the termination requirement of existing law and, in effect, provide for a long-term coordinating office for drug abuse activities. The name of the office would be changed to "Office of Drug Abuse Policy," the staff would be reduced in size, and all programatic activities would be transferred to the National Institute on Drug Abuse. Thus, the functions of the new office would be policymaking and coordination only. The bill would authorize $25,500,000 over the next 3 fiscal years to carry out the functions of the new Office of Drug Abuse Policy.

The bill would also revise and extend the provisions authorizing formula grants to States, authorizing $56,250,000 for fiscal year 1976, $45 million for fiscal year 1977, and $45 million for fiscal year 1978; and revise and extend the provisions authorizing project grants and contracts and authorizes $200 million for fiscal year 1976, $160 million for fiscal year 1977, and $160 million for fiscal year 1978 for such purpose. The increased amounts for fiscal year 1976 reflect the fact that beginning in that year, fiscal years will end on September 30 instead of June 30; the additional amounts proposed to be authorized for fiscal year 1976 would provide adequate funding levels for the 3-month period between June 30, 1976 and September 30, 1976.

Mr. Speaker, while the subcommittee members are not wedded to every provision of H.R. 7547, this is important legislation which the Subcommittee on Health and the Environment intends to consider very carefully in the coming weeks. I have scheduled hearings on H.R. 7547 and all other measures which would amend the provisions of the Drug Abuse Office and Treatment Act of 1972 for Tuesday and Wednesday, June 10 and 11, 1975, and hope to have legislation ready for House consideration in the very near future.

ST. RITA'S CHURCH OF LONG ISLAND CITY CELEBRATES ITS 75TH ANNIVERSARY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. BIAGGI. Mr. Speaker, during this past month the parishioners and friends of St. Rita's Church in Long Island City, N.Y., celebrated the 75th anniversary of the church's founding. As the Representative of the 10th Congressional District which included Long Island City, I am proud to pay tribute to the church and its dedicated personnel who have provided three-quarters of a century of service to the people of Long Island City.

The history of St. Rita's Church is reflective of the history of America over the last 75 years. St. Rita has transformed itself from a rural parish to a major urban parish much as America has transformed itself from a rural to a largely urban society. The community which St. Rita's Church serves has also gone through many changes both in terms of its numbers and the makeup of its residents. By 1940, St. Rita's Church boasted some 4,000 parishoners of largely Italian stock. St. Rita's responded to the rapid growth and corresponding needs of

its parishioners, and made plans to open a larger church and establish a school, both of which were completed in 1952.

The parish continued to grow in the 1960's necessitating still another new facility which was completed in 1966. Today St. Rita's is one of the finest houses of worship in the entire city of New York, providing services in the three languages prevalent in the parish. In addition they provide day care services, recreation organizations, and a parish council to contend with community problems and needs.

In her 75-year history, St. Rita's Church has been served by eight pastors. The first was Father Thomas F. McGronen who offered the first mass in this community in a small barn in 1894. The early pastors of St. Rita were men of great vision and helped to develop this church into the vibrant parish it is today. For the past 22 years St. Rita's has been led by Msgr. Joseph DiMarco who became pastor on July 10, 1953. He has served with dedication and distinction in these past 22 years in an era when radical changes in the structure of Catholicism took place. He has earned the respect of his parishioners and the community for under his leadership, St. Rita's Church has become a vital part of the entire community it serves.

Mr. Speaker, there is great significance in this event. For a church to survive for this long it must be able to adapt to the needs of not only its parishioners but all the people of the community. St. Rita and her dedicated personnel have been successful in this area and are worthy of praise and high commendation. I extend to the entire parish and the priests of the St. Rita family my congratulations and I wish them continued success as they complete their first century of service to the people of Long Island City.

Numerous tributes have been paid to St. Rita's Church, but one of the finest was printed in the Astoria Tablet Newspaper's May 22 edition. At this point in the RECORD I wish to insert their article entitled "St. Rita's Church—75 Years of Growth From Rural to Modern Urban Parish of the 1970's:"

ST. RITA'S CHURCH—75 YEARS OF GROWTH FROM RURAL TO MODERN URBAN PARISH OF THE 1970's

"St. Rita's has been for 75 years the center of the religious, social and educational life of the Ravenswood community. Thousands of present and past parishioners rejoice and thank God and their patroness, St. Rita of Cascia, for a vibrant parish and enthusiastic and dedicated priests, religious and parishioners. The spirit of loyalty and service to the parish has been brought to many other parishes throughout the diocese and elsewhere by those parishioners who have moved from the Ravenswood area. Wherever I go, I encounter people who grew up in St. Rita's parish and each person reminds of the great sense of community which existed and still exists in the parish." —Msgr. Joseph DiMarco, pastor.

During May, St. Rita's parish in Long Island City is celebrating the 75th anniversary of its founding with a series of liturgical and social events. Bishop Murgavero will be the principal concelebrant at a Mass of thanksgiving there Sunday, May 25, at noon. The celebration will be followed by a week of renewal conducted by the Franciscan Fathers marking the jubilee and the Holy Year.

St. Rita's, like the Ravenswood area, has seen vast changes in the past 75 years and yet both survive as a viable, flexible community meeting the needs of a changing urban population of the '70s.

In the early 1600s, the section had few Catholics and no established parish. Catholics travelled to St. Patrick's Church in Dutch Kills (now Queens Plaza) to attend Sunday Mass.

FIRST MASS IN A BARN

In 1894, Father Thomas F. McGronen offered the first Mass in Ravenswood in a small barn on Ninth St. He purchased land for $5,600 and constructed the first church at the cost of $12,500. Accommodating 350 parishioners, it was dedicated Sept. 9, 1900, the same year that New York began construction of its first subway system.

The early pastors were men of outstanding accomplishment. Father William J. White, who later served as director of Catholic Charities, was followed by Father James J. Higgins, who left to become rector of Cathedral College. Father Higgins built the first rectory in 1907 which also served as a parish office and meeting hall.

Father Jeremiah Kent was pastor from 1916 to 1920 during a time which saw the greatest flow of Italian immigration, chiefly from Casamarciano, Bari and Nola. The new arrivals changed many traditions of the young parish, which like many others had comprised a strong concentration of Irish.

While the surrounding area became more and more urbanized, a strangely isolated rural St. Rita's was administered by Father Michael P. Heffernan, from 1920 to 1931. During his pastorate, Father Thomas P. Walsh, who had studied in Rome and spoke fluent Italian, became the first curate.

By 1931, Italian priests were in better supply and Father Pasquale Roberto was named pastor and his curate was Father Scipio Iacini.

Father Roberto invited the Missionary Servants of the Most Blessed Trinity (Trinitarian Sisters) to work in St. Rita's. These socialworker Sisters, who still serve there called upon every home in the parish, caring for the sick and taking a continuous parish census. Every afternoon they held catechism classes for the young, and in the evenings they turned their attention to high school students. Often they gave private instruction to adults.

In 1940, the young Father John M. Porazzo was appointed pastor. He found almost 4,000 parishioners, much economic distress, and an endless struggle "to make ends meet". Nevertheless, Father Porazzo looked to the future confidently. He purchased a valuable property, the corner of 36th Ave. and 12th St.

Father Porazzo had gauged the winds of change accurately. Spurred by the post-war boom in housing, the population of Ravenswood was expanding rapidly. In 1948, when the city announced that it would build the Ravenswood Housing Project, Father Porazzo knew that the time had come to act. The parish would need more space for Sunday Mass, for meetings and parochial functions. Archbishop Molloy gave him permission to build a 1,000-capacity auditorium and an eight-class-room school.

A SCHOOL OF ITS OWN

At last St. Rita's had a school. Classes began in September of 1952 under the direction of the Sisters of St. Joseph. Sister Agnes Ligouri was the first principal.

Today the parish treasury subsidizes nearly 60 per cent of the total cost of keeping the school open. A modest tuition of only $300 per year per family is maintained, regardless of the number of children a family has enrolled. In addition to 12 lay teachers, St. Rita's School is staffed by five Sisters of St. Joseph with Sister Patricia Ann Seaman, the principal.

Father Joseph DiMarco became the eighth pastor in the 72-year history of St. Rita's on July 10, 1953.

Today, 22 years later, Msgr. DeMarco still serves the parish with the same vision and foresight which brought it through the turmoil of change of the Vatican Council. Father Anthony J. Praitano, celebrating his 25th year at St. Rita's, was named administrator, at Msgr. DeMarco's request, in 1972.

In 1964 Msgr. DiMarco dedicated the new convent. Two years later, work was also completed on a new church and rectory.

SERVICES IN THREE LANGUAGES

Today, St. Rita's strives to meet the needs of the community, which is predominantly Italian with concentrations of Spanish-speaking peoples. Services are held in Italian, English and Spanish.

The building which once served the community as the Don Bosco Youth Center, has been converted into the Joseph DiMarco and Frank Alessi Day Care Centers, each housing 75 children, ages three to six. Maureen McDermott and Sister Claudia serve as the respective directors.

The usual activities thrive at St. Rita's. There's a Hold Name Society, Ushers, Rosary-Altar Society, CCD as well as very active sports and youth program and a Catholic Spanish Action Society.

In addition to the pastor and administrator pastoral duties are shared by Fathers Ignatius Catanello, David Cassato, Garbriel Lucantoni and Michael Salamone, newly ordained who served the past two years there as a deacon.

A committee of lay leaders results in an active Parish Council consisting of 37 members, including all the priests and sisters of the parsh and representatives of the major ethnic groups, Black, Spanish and Italian, and all lay organizations.

CRIMINALS IN FEDERAL ORGANIZED CRIME STRIKE FORCE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. CLAY. Mr. Speaker, it is frightening to know that the Federal Organized Crime Strike Force is made up of the dregs of our society. Apparently, all the misfits, malcontents, and depraved law enforcement agents have ended up in that branch of the Department of Justice. It goes without question that this unit has no respect for the rights of individuals or the laws of the land.

Lawrence E. Taylor, in a by-lined story to the St. Louis Post Dispatch, reveals the levels to which Federal agents were willing to descend in their desperate effort to assemble a case against me. The mere thought of proposing a tap on my telephone without anything approaching probable cause has horrifying implications for all Americans.

Mr. Speaker, I commend Mr. Taylor's article to my colleagues' attention and take this opportunity to insert it in the RECORD:

DRUG OFFICIALS REJECTED PLAN TO WIRE-TAP CLAY

(By Lawrence E. Taylor)

WASHINGTON, June 4—A federal drug investigator in St. Louis wanted to begin round-the-clock surveillance and telephone taps of Representative William L. Clay (Dem.), St. Louis, in 1972, the Post-Dispatch has learned.

But the proposal was rejected by higher officials, who regarded it as improper, impractical and unsupported by evidence.

Sources interviewed by the Post-Dispatch said Dennis Moriaty, an agent with the Drug Abuse Law Enforcement office in St. Louis, made the proposal at a meeting in Kansas City in October 1972. Moriarty later gained notoriety for his role in mistaken drug raids on the East Side.

Officials who attended the meeting said Moriarty had as his only basis for the request the unsupported statement of a convicted narcotics peddler who had said Clay was involved in drug trafficking.

Because the agency's manpower already was stretched thin, especially in St. Louis, and because there was no supporting evidence for the charge, the surveillance and wire-tap proposal was denied, the official said.

However, Moriarty was told to seek more information and to report any developments, they said.

For nearly three years since those events, the narcotics investigation of Clay has continued. Clay has steadfastly denied any wrongdoing.

In late 1974, the Drug Enforcement Administration, the successor to the Drug Abuse Law Enforcement office, closed its inquiry and concluded there was no evidence to support prosecution of Clay.

But the matter was taken up by the federal Organized Crime Strike Force in St. Louis whose agents, some officials said, had talked with the same convicted drug dealer. That inquiry continues.

In 1973, Moriarty was suspended for his part in mistaken raids on two homes in Collinsville. He later resigned. The raids contributed to a public outcry that led to the reorganization of the agency into the Drug Enforcement Administration.

Moriarty was acquitted of criminal charges in the Collinsville case. He could not be found for comment on the Clay investigation.

Just when the drug dealer first told his story to agents in St. Louis is uncertain, officials said.

The subject surfaced seriously on Oct. 6, 1972, at the meeting in Kansas City. It was attended by federal drug agents and law enforcement officers from a four-state region that included Missouri.

Present as well was John R. Bartels Jr., then the drug agency's No. 2 man and later to be the chief of the Drug Enforcement Administration until his resignation was forced last week by Attorney General Edward H. Levi.

In an interview yesterday, Bartels said he could recall no direct mention of Clay in the meeting. He said that there had been talk about information concerning an unidentified congressman. But at least one other participant in the meeting recalled a discussion of Clay.

The meeting focused mainly on the progress of cases and the requirements of the agency's offices, he said. "I was there to show the flag from Washington and to listen and tell them what kind of a job they were doing," he said.

Bartels called "an outright lie" a published report that he had opposed the investigation of Clay because of the Representative's political power.

"I've never intervened in any cases negatively, ever," he said. "I'm outraged by this thing."

Bartels noted that when he had been a prosecutor in New Jersey, he had played a major role in a tax evasion case against U.S. Representative Cornelius E. Gallagher (Dem.). Gallagher pleaded guilty in late 1972.

"I never stopped an investigation and I never tried," Bartels said.

Four other men who attended the meeting supported Bartels' contention.

One was Jerry J. Murphy, a former assistant United States Attorney assigned in 1972 to the drug agency. Murphy now is in private law practice in St. Louis.

"I feel bound not to disclose the substance of any investigation," Murphy said. "But Bartels very definitely never shied away from any investigation whatsoever. The impression there was any fear on his part is wrong."

Another official who attended the meeting said the recommendation to put Clay under surveillance and to tap his telephone was rejected because it would have drawn too many agents away from investigations into key cases.

The St. Louis office had only 23 agents to cover parts of three States, said the official, who asked not to be identified. Congressional action had limited the funds for investigations and personnel, he said, and there was no way to get more for another six months or longer.

At the time, the St. Louis office was investigating a series of drug-related murders near Fort Leonard Wood, Mo., he said. In addition, it was building a case that later sent to prison James (Fats) Woods a major drug figure in St. Louis. And the office had solid leads on narcotics trafficking in southern Illinois and Iowa.

"Here was a particular individual interested in one Congressman," the official said of Moriarty. "I don't know why he was so interested unless he knew it would get national attention.

"He wanted us to take agents off active cases and that was ridiculous. It didn't make sense when we had murders going on."

The surveillance of Clay would have tied up too many agents, the official said. And getting approval for the wiretap would have been impossible because of weak evidence.

"You don't go in for a wiretap without damned good evidence," the official said.

He insisted that there had been "no cover-up, no obstruction of justice, nothing improper," in the refusal to authorize the surveillance and wiretaps.

"Bartels was operating in a proper fashion. He wasn't telling any agent not to process any evidence against Clay. The plan was that we were to contact Bartels with any new evidence to support a wiretap or surveillance."

But no one got in touch with Bartels on the matter again. One official said it was because the investigation "never produced anything."

Two other men who attended the October 1972 meeting said they had no recollection of any discussion concerning Clay. But the men added that they were not directly involved in St. Louis cases and might not have been paying attention when such matters came up.

But both defended Bartels. "I don't think Bartels would run from something," one of them said.

STRIP MINING BILL WILL COST JOBS, ADD TO ALREADY HIGH UTILITY RATES, AND WILL RETARD ENERGY DEVELOPMENT

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. SYMMS. Mr. Speaker, on June 10, next Tuesday, the House will attempt to override the veto of the strip mining bill—H.R. 25. My strongest objections to this bill are: First, it is not needed because most States have their own reclamation requirements suited to the individual State; second, it will add to the already high cost of electricity, many people simply cannot afford higher utility rates; third, it will likely retard the development of our coal resources thus furthering the energy crisis and high consumer costs; fourth, it will cost many jobs at a time when unemployment is high.

My good friend and colleague, Congressman SAM STEIGER of Arizona, outlined the objections to this bill that many of us share. I would like to read his comments into the RECORD for the benefit of my colleagues in the House and ask them to join me in voting to sustain the President's veto of H.R. 25. Mr. STEIGER's comments are as follows:

STEIGER OPPOSES STRICT RECLAMATION REQUIREMENTS

It appears that this Congress may finally be on the verge of taking a strong stand on truly helping the consumers of the United States. If the Congress will sustain President Ford's veto of the Surface Mining Control Act, consumers across the country will be able to breathe a sigh of relief. At least this one time the Congress will have acted to help save their pocketbooks.

A basic aim of the bill is to protect the environment. No one can quarrel with that. Moreover, all can agree that where land cannot be reclaimed, it should not be mined. On the other hand, it must be understood that it will be disastrous for future energy production if extraneous constraints prevent even environmentally sound production of coal. Yet this is just what will happen if this Surface Mining Control Bill is enacted. The Department of the Interior and the Federal Energy Administration estimate that this bill will reduce expected coal production by 40 to 162 million tons (5 to 22 percent of total annual production) in the first full year of its application. This estimate does not include delays from litigation or stringent interpretation of ambiguous provisions of the bill. In addition, the Administration estimates that the bill has the potential of preventing mining up to 72 billion tons of coal, or up to 53 percent of the total 137 billion tons of coal in the nation's demonstrated reserve base which are potentially mineable by surface methods.

FEA estimates also show that up to 36,000 jobs will be lost due to this reduction in coal production. During this period of recession, enacting legislation like this is irresponsible.

This country now depends on coal to meet 17 percent of our energy demands. By 1985, we will have to depend on coal for more than one-third of our energy needs. In spite of this, the Congress is attempting to enact far-reaching legislation which will permanently affect our ability to produce coal here in the United States.

According to a recent Library of Congress study, the potential for damage to consumers' vital interests from enactment of this bill lies in its implications for both the cost and availability of coal. Whatever the initial impact of higher production costs, it is predictably the final energy user, the consumer of electricity, who will eventually be called on to shoulder the costs and the nation which will be forced into greater dependence upon foreign oil in order to fire power plants.

The study also points out that if we take 100 million tons of coal out of production annually—a figure that even advocates of surface mining bans would find hard to quarrel with—it would translate to an increase of more than one million barrels a day of imported oil. At current rates, this would

cost our country an unnecessary $11 billion in payments for imported oil.

The proponents of the Surface Mining Control bill keep telling us how much the American public is clamoring for very restrictive controls on surface mining. But, once again, the majority of the members of Congress are misreading the sentiments of the consumers.

While the Congress is still trying to take coal out of production by passing unworkable surface mining legislation, the public is going in the opposite direction and believes that surface mining legislation should be liberalized.

A recent Harris poll on energy questions clearly shows that this is indeed the trend. This poll shows that on the question of liberalizing surface mining restrictions, 51 percent favored liberalization, while only 29 percent answered no. This is a change from a poll two years ago in which the public had disapproved liberalization by 42 percent to 37 percent.

Hopefully, the members of Congress will consider this shift in public attitude, will consider the high unemployment that is facing this country, will consider the already high financial burdens being placed on consumers, and will consider our still growing and fragile dependence on foreign oil to meet our energy needs before they vote on overriding the President's veto.

Hopefully, the members of Congress will also talk to their constituents and ask them if they are willing to add an additional 8 to 15 percent to their utility bills to pay for this legislation.

HON. WALTER B. JONES ADDRESSES FLUE-CURED TOBACCO COOPERATIVE STABILIZATION CORP.

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. ANDREWS of North Carolina. Mr. Speaker, the Flue-Cured Tobacco Cooperative Stabilization Corp. was established in 1946 in Raleigh, the capital city of North Carolina and the largest city in the district I am privileged to represent.

The Stabilization Corp. is an integral part of the price support and marketing quota program on Flue-cured tobacco. As such, it is of vital importance to its several hundred thousand tobacco farmer-members in the States of Florida, Georgia, Alabama, South Carolina, North Carolina, and Virginia.

Stabilization's outstanding general manager is Fred G. Bond, who also serves as the mayor of the town of Cary. In his two important positions of leadership, Fred has been extremely helpful to me on many occasions. Just recently he was honored by the Farm Credit Banks of Columbia, S.C., for his "outstanding contribution and dynamic leadership in the progress of agriculture."

It was my pleasure to be with Fred and numerous others on Friday, May 30, for Stabilization's 29th annual meeting. This was a significant meeting in at least two respects.

The meeting was held just before Stabilization moved into its new headquarters in the Cameron Village section of Raleigh. This move was necessitated by the city of Raleigh's plan to build a new civic center on the site of Stabilization's former downtown headquarters.

This building will serve as a center for a number of tobacco groups, as Stabilization has leased space to Tobacco Associates, the Tobacco Growers' Information Committee, the Bright Belt Warehouse Association, the Southeast Farm Press, and the Tobacco Division, Agricultural Marketing Service, U.S. Department of Agriculture.

The meeting was also significant in that the featured speaker was the new chairman of the Tobacco Subcommittee of the House Agriculture Committee, my distinguished colleague and longtime friend, the Honorable WALTER B. JONES of North Carolina's First Congressional District. His timely address was well received by those attending the annual meeting, and I insert it at this point in the RECORD.

REMARKS OF CONGRESSMAN WALTER B. JONES

Mr. President, members of the Flue-Cured Stabilization Co-op, it is a pleasure to be here this morning and certainly I want to digress just a moment and tell you of my deep admiration for your president, the Honorable Carl T. Hicks. I feel compelled to tell you a personal experience which I witnessed back in the mid 50's while a member of the North Carolina General Assembly. The then Governor of North Carolina, now deceased, invited Mr. Hicks who was then a state senator and several of us to a local TV station where he made a state-wide talk on the tax structure of North Carolina. And in this speech he was among the first governors to advocate a tax on tobacco. And the more he talked, the more livid Mr. Hicks became; and as soon as the then Governor was off the air, I shall always recall your president looking at him face to face, eyeball to eyeball, and saying: "Governor, I don't think a damn thing of that speech!"

So, tobacco has indeed had a staunch friend through the years and it is fitting that he serve as president of this organization which has always meant for 29 years so very much to the entire tobacco program.

The longer I remain in public office, the more convinced I become that the greatest challenge that faces you and others interested in a sound and viable tobacco program is one of education. This must be done in order to combat the insidious and often times misleading information that the opponents of the product see fit to dispel.

At the moment I am thinking of the Environmental Protection Agency, better known as E.P.A., who unfortunately, under the present law, has the right to set up all sorts of rules and regulations to apply to farmers in the use of pesticides and chemicals. Such things as taking examinations in order to be certified. To me, this is ridiculous, for I am convinced that the average farmer is just as concerned with conservation as anyone in E.P.A., and certainly has as much common sense.

So, I will join with the other members of the House Committee on Agriculture to examine carefully the unwarranted power of E.P.A. and offer amendments to the present law to restore some sanity to their operation.

In attempting to do some research for my appearance here today, I went back to July 29, 1971, in the Congressional Record and am going to take the liberty of recalling to your memory a speech by my colleague, the honorable Richardson Preyer of Greensboro, the opening statement of which is as follows:

"Mr. Speaker, once again the war drums are throbbing against tobacco. The crusade against cigarettes is building in intensity. And the crusaders are again feeling the warm glow of self-righteousness as they plan to do good for us by proscribing our personal conduct by Federal law, whether we like it or not.

"I feel a growing sense of uneasiness as I contemplate the mood and applications of much of the smoking and health debate as it is being manifested in the Congress and in the mass media."

Well, my friends, those remarks are just as pertinent today as they were in 1971. I make this statement and substantiate it by reading to you some of the remarks which I made that appeared in the Congressional Record on March 16th of this very year. This concerned the furniture industry's proposal that as a fire preventative, self-extinguishing cigarettes should be required:

"Mr. Speaker, it has recently come to my attention that some manufacturers of upholstered furniture have been circulating here in Congress a proposed amendment to the Flammable Fabrics Act. This legislative proposal is part of a larger public relations campaign being conducted by these same manufacturers, designed to eliminate the manufacturers' responsibility for cooperating in establishing reasonable flammability standards designed to decrease the incidence of upholstered furniture fires in the home. This obstructionist effort by the furniture industry is of particular concern to me, since it involves attempting to find a scapegoat to avoid facing their own problem, a scapegoat that in this case is the tobacco industry.

"In conclusion, it seems to me that the effort by the furniture manufacturers to amend the Flammable Fabrics Act and their extensive public relations campaign, if given effect, would lead to an undesirable regulatory atmosphere that would pose many obstacles to the protection of the consumer, and to the proper functioning of our governmental agencies. And, perhaps more alarmingly, if adopted by other industries the furniture industry's attitude toward its responsibility to the public would signal a saddening change in the way that American business has faced and met challenges, and must continue to, if it is to survive."

Obviously, by this time you are aware of the fact that I am attempting to call to your attention the constant threat from within and without other industries to the entire tobacco program. Perhaps you are asking yourself what are you doing to combat the constant threat—well, to me the most logical answer is to indeed deal with the truth. The urban congressmen who are willing to take the time to listen and learn that tobacco produces surely by this time, in excess of $6 billion per year in taxes at the national, State and local levels, are often speechless when I challenge them to tell me how they would replace this revenue. I also point out that while producing this revenue, the cost to the American taxpayers for this program which you operate is little or nothing.

And to those who are expressing great concern about the health hazard of tobacco, I propound the question, "Why is the lung cancer rate in England twice as high as in the United States although Englishmen smoke about one-half as much per capita as Americans? Or another good question is, "Why is the death rate from lung cancer twice as high in large metropolitan areas than it is in rural areas, smoking habits notwithstanding?"

Of course, when we propound these unanswered questions to anti-tobacco members of Congress, obviously, they have no answer.

Of course, I would be remiss if I did not pay tribute to this organization for the services you have rendered the tobacco farmers of the flue-cured producing States. Certainly, there are literally thousands of farmers who are still in business today, who without a plan such as this might well have been forced out of production.

Earlier in these remarks I referred to the fact that the tobacco program costs little or nothing to the taxpayers of this Nation. For the next few minutes, let me explain this, although the facts come as little surprise to you assembled here today, but I would like for the entire Nation to know the facts as we do. This reminds me of a story told by the late Congressman Harold Cooley on Congressman Bob Poage of Texas. As some of you may know, Mr. Poage tends to speak in a loud voice, and as a matter of fact, the longer he speaks, the louder it gets! And on this occasion, in committee, Congressman Poage was quite upset over some matter and he announced in a loud voice that he wanted the members of the committee to hear what he had to say, that he wanted the entire Congress to hear what he had to say—and Congressman Cooley said, "Bob, why don't you just open the window and let the whole world hear what you have to say!"

Well, that is the position in which I find myself now—I want the rest of the world to hear these next remarks:

According to USDA figures, last year liquidation was complete on the '63 and '64 crops and in this process, the entire principal was recovered, plus interest for the two years in the amount of $34.9 million.

I think one of the greatest disservices that can be rendered to the tobacco industry are those who would pit the farmer against the buyer as well as the buyer against the farmer. Of course, if I had to make a choice, being a practical politician, my sentiments would be with the farmer, for there are so many more of them than buyers.

But, it is an inescapable truth that the farmer needs buyers and the buying companies cannot exist without the farmers. And so, it is, rather than a spirit of opposition, I seek between the two, a spirit of co-operation and mutual understanding to the end that the farmer receives a fair return on his investment of capital, labor and land.

I am well aware that your business has been down the last two or three years, and that the demand for your services has been at a minimum during the '73 and '74 crop years. This is not to suggest by any means that in the future perhaps even for the '75 crop, that the Stabilization Co-op will not become the salvation of thousands of southern farmers. Of course, I hope that you are not needed, but to me, it is very comforting that our tobacco farmers have you as an insurance policy against financial disaster and ruin. And so I repeat again, not for your benefit, but for those who apparently do not want to understand or hear—that this is the soundest of all agricultural programs ever devised by the United States Congress, and one which as far as I am concerned, defies any criticism whatsoever as to cost or services rendered.

I commend you on your support of the flue-cured stabilization, and I appreciate the opportunity to be with you this morning to share some of my concerns as well as hopes for the future of the tobacco program.

PRESIDENT'S SENGHOR OF SENEGAL'S VISIT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. RANGEL. Mr. Speaker, it was my great privilege and honor to be a guest of the President Friday, May 22, 1975, at the White House Luncheon honoring our distinguished visitors, President and Mrs. Leopold S. Senghor of Senegal.

President Senghor, whose wise leadership of Senegal has placed him among the ranks of the great leaders of Africa and the world, shared with us important insights into the thinking of the peoples of the African continent. All of us benefited greatly from our opportunity to discuss many important issues with President Senghor.

In addition to visiting Washington, D.C., President and Mrs. Senghor visited Atlanta, New Orleans, and New York City, thus taking advantage of an opportunity to meet with a diversity of American leadership.

The African Bibliographic Center, a respected Washington based research group on African affairs assisted the Embassy of Senegal in making the arrangements for President Senghor's visit. I commend the center for its role in making the Senghor visit a success and place in the CONGRESSIONAL RECORD for the benefit of my colleagues a summary of the highlights of the visit prepared by the African Bibliographic Center.

AFRICAN BIBLIOGRAPHIC CENTER,
Washington, D.C. June 3, 1975.

PRES. SENGHOR OF SENEGAL'S U.S. VISIT

WASHINGTON, D.C.—President and Mrs. Leopold S. Senghor of Senegal left New York City on the 27th of May for Paris, France, after a week's visit to Washington, D.C., Atlanta, New Orleans, and New York. His visit was highlighted by multiple honors for his distinguished literary and cultural achievements and his international standing as a "Man of peace."

Import facets of U.S. policy towards Africa raised during Senghor's visit and not reported by the mass communications media to date include the following:

President Ford's meeting with President Senghor on 22nd May, included discussion on the U.S. support for the independence this year of Mozambique, Angola, Cape Verde, and Sao Tome-Principe; raw materials (President Senghor hosted the largest international grouping of Third World raw material producers held in Dakar during February of this year); the Middle East Crisis; a review if U.S. bilateral relations with Senegal, emphasizing economic assistance to other drought-stricken African states in the Sahel including Senegel; increased U.S. investments in Senegal; and the raising of consciousness in the U.S. about Africa in general.

The White House luncheon the same day which preceded a working meeting was attended by Presidents Ford and Senghor; U.S. Ambassador to Senegal O. Rudolph Aggrey; Senegal's Ambassador to the U.S. Andre Coulbary; Senegalese Foreign Minister Assane Seck; Senator Clark, Chairman of the Africa Subcommittee of the Committee on Foreign Relations; Congressman Charles Rangel, Chairman of the Congressional Black Caucus; Dr. Samuel Adams, Jr., Assistant Administrator for Africa of the U.S. Agency for International Development; and others. It is presumed that the discussions centered not only on Senegal, but also on the creation of the largest single economic grouping in Africa: The Economic Community of West African States (ECOWAS), which signed a treaty in Lagos, Nigeria, the following week linking 9 French-speaking states (Dahomey, Guinea, Ivory Coast, Mali, Mauritania, Niger, Senegal, Togo, and Upper Volta); 5 English-speaking states (Gambia, Ghana, Liberia, Nigeria, and Sierra Leone); and Portuguese-speaking Guinea-Bissau.

President Senghor met with other members of Congress, including Presidential contender Senator Henry Jackson (who made a major address on the need for a substantial change in U.S. foreign policy toward Africa in N.Y. the following week at a Pan-African Business Center meeting); Senator John Sparkman, Chairman of the Senate Committee on Foreign Relations; Senators Charles Percy and Jacob Javits (also members of the Committee on Foreign Relations); Congressman Charles Diggs, Chairman of the House Subcommittee on International Resources, Food and Energy (former Chairman of the Subcommittee on Africa, and co-sponsor of the Symposium on "Changing Vistas in U.S./African Economic Relations" held on March 21st); Congressman Walter Fauntroy (visited the Sahel on a fact-finding mission a year ago); Congressman Andrew Young (author of the African Development Bank Bill) while in Atlanta; and Congressman Charles Whalen, Jr., (member House International Economic Policy Subcommittee) and Congressman Vander Jagt. These meetings also centered on U.S. and French investment in Senegal with more American investments being encouraged; Africa's low priority in U.S. foreign policy; and the Organization of African Unity's rejection of detente in Southern Africa.

President Senghor also met with World Bank President Robert McNamara where he signed agreements on May 22nd for $14 million to assist an agricultural development project in Senegal.

During a press conference on 22nd of May, President Senghor, responding to a question on a role for Marxism in Africa, noted that he was a "socialist" and that he and President Bourguiba of Tunisia would host a conference in July 1976 to study the African way to socialism free of ideologies imported from China, the Soviet Union, the U.S., etc.

On the question of dialogue with South Africa, President Senghor noted that "real dialogue" should take place within South Africa and stressed the 1969 Lusaka Manifesto and the 1975 Dar es Salaam Declaration, both of which dealt with "peaceful change" in Southern Africa, and the transfer of power in the minority-ruled areas south of the Zambezi.

In New Orleans, President Senghor was hosted by Dillard and Xavier Universities, and met with officials of the Port of New Orleans (Dakar intends to have West Africa's largest deep-sea shipping facilities completed by 1980) where he received an offer of a scholarship for a Senegalese official working in the planned Dakar Free Trade Zone.

Further, President Senghor met privately with members of the African diplomatic community both in Washington, D.C., and New York, and attended dinner parties hosted by David Rockefeller of the Chase Manhattan Bank and U.S. Secretary General Kurt Waldheim, and a luncheon hosted by the Bank of America in N.Y.

President and Mrs. Leopold S. Senghor's visit has been essentially described as cultural with media reports focusing primarily on ties between Africans and Americans with an emphasis on African-American cultural identity. The Senghors visited D.C.'s Museum of African Art (he is currently planning a similar institution in Dakar); the African Room at the Kennedy Center where he presented Senegal's donation; and received awards from the Capital Press Club and Howard University describing his efforts in assisting African-Americans in resolving their identity crisis, his literary achievements, and his role in the international arena as a "Man of Peace." (In both cases, President Senghor surprised and delighted his audiences by speaking at length in English.) In Atlanta, President Senghor received a honorary degree from Morehouse College at Atlanta University and attended services at Martin Luther King's church, the Ebenezer Baptist Church. In New York City on May 27th, President Senghor, at the annual dinner of the American Center of P.E.N., spoke on "Americanism and Negritude, or, Let America be America be America" for the distinguished gathering of poets, playwrights, novelists, and other

literary artists. He ended his speech, and his visit, with the words of Black American poet Langston Hughes:

"Let America be again
Let America be the dream the dreamers dreamed
O let America be America again—
The land that never has been yet—
And yet must be."

DD–963: ON THE WAYS, AND ON THE WAY

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. LOTT. Mr. Speaker, I would like to call the attention of my colleagues to an article that appeared in the May issue of Seapower magazine about the *Spruance* class destroyers now in production at Ingalls Shipyard.

The article follows:

DD–963: ON THE WAYS, AND ON THE WAY

(By James D. Hessman)

On some as-yet-unspecified date within the next three or four months the Navy will finally, and most enthusiastically, welcome aboard the first of a new 30-ship fleet of destroyers which will be the largest, most capable, and eventually, it is firmly believed, most productive DDs in USN history.

Moreover, when the aptly named USS SPRUANCE (DD963) does enter the fleet inventory, it could, if current Navy shipbuilding plans are approved by Congress, mark a final end of a long-term buildup to redress the current numbers gap vis-a-vis the still growing Soviet Navy.

Anti-submarine warfare will be the principal mission assigned to the 963s—14 of which are now in various stages of construction at Litton's Ingalls Shipbuilding Division in Pascagoula, Miss.—and the SPRUANCEs have been designed and are being built for that mission from the keel up. But they will be truly multipurpose ships, with additional capabilities for, among other things: bombardment of shore positions; escort of military and merchant ship convoys; amphibious assault support; surveillance and trailing of hostile ships; coastal, sea, or strait blockade; search and rescue at sea; and carrier escort duty.

DESTROYERMAN'S DREAM

On builder's trials in early February the Spruance moved "very nearly like a destroyerman's dream," said Vice Admiral Robert C. Gooding, Commander, Naval Sea Systems Command, testifying on 6 March before the Seapower Subcommittee of the House Armed Services Committee and quoting from comments he had received from trial observers. The "bright spot" in the program today, Gooding said, "is the technical performance of the ship. . . . The reports back (from the builder's trials) stated in no uncertain terms that the ship performed like a well-liberated lady.

"To be sure, there is some cleanup work, as there is coming out of all first sea trials," Gooding continued in his testimony before the panel chaired by Representative Charles E. Bennett (D-Fla.). "This work will be done before the ship is offered to the Navy in a final delivery ceremony," he emphasized before offering the Subcommittee the following additional "quotes" he had received from the builder's trails:

"Engineering plant performance: demonstrated capability in terms of flexibility, full power ahead and astern, fuel performance, and endurance appears excellent. Fuel consumption curves, while preliminary, are extremely encouraging."

"Ship riding qualities, seakeeping, maneuverability, and pronounced lack of running noise and vibration most impressive. Stability and deck dryness exceptional."

"Individual weapons systems and associated components by and large demonstrated successfully."

"Combat systems integration between hardware and software still needs considerable work, but present capability augurs well for effective weapons control system."

"In summary . . . there is no question Spruance-class has tremendous advantages as ASW platform over any previous destroyer, but much needs yet to be done to bring equipment and combat capability to full potential. Believe all problem areas well identified, adequate trial data obtained where necessary, and appropriate level of attention focused toward fullest correction."

BUILDER'S NIGHTMARE

The dream-like performance of the ship described by Gooding's unnamed observers is a pleasant and most encouraging (but far from unexpected) development, particularly coming after five long construction years which at times must have seemed, to the Navy and Litton alike, much more like a nightmare.

Problems with the DD963 program are well known, and have been eminently well publicized—much more so than the program's many successes. Ship deliveries are behind schedule, costs are considerably above initial expectations, and the Navy, Litton, other shipbuilders, the General Accounting Office, the Labor Department, the media, OMB (Office of Management and Budget), the Bennett Subcommittee, and various members of Congress at large have been engaged for several years in a marathon indictment of Navy shipbuilding practices and procedures.

Neither Litton nor the Navy are entirely blameless, it must be conceded, for the problems, past and present, that have cropped up in the Spruance program. Litton was admittedly overoptimistic from the start, for example, in its evaluation of the availability of the skilled labor that was and is needed in extremely large numbers to successfully complete a program so ambitious as the 963 series. The company also probably underestimated by a large margin the startup difficulties it would have in getting its assembly line Pascagoula yard into full production. And the Navy itself—along with OMB and the Defense Department—has been vigorously and justifiably criticized by Chairman Bennett's same Seapower Subcommittee for what can only be described as an unrealistic and unprofessional approach to the art and business of shipbuilding.

BUM RAP FROM THE PRESS

That said, it must also be said that the Navy and Litton both have been given a bum rap of sorts, both on Capitol Hill and in the national news media—which have for various reasons, good and bad, exaggerated the very real problems which have occurred, distorted cost data, and generally failed to address the Spruance and other shipbuilding programs in full and balanced perspective.

The fact that delivery of the first ship in the series has been delayed is fair grounds for criticism, for example, as is, to a somewhat lesser extent, the fact that part of the slippage is due to a shipyard strike. Another delay, of several months duration, was caused by the recent unfortunate, and unforeseeable, partial collapse of several pontoons on which the Spruance was sitting for final testing and outfitting prior to Navy acceptance. Even when repairs necessitated by the pontoon collapse are completed, however, the overall program delay will be only nine months or so from the 31 October 1974 delivery date originally scheduled—and that date itself was probably a bit optimistic, particularly considering that the construction contract, for what is a very complex ship, was not awarded until 23 June 1970.

The five years (plus a couple of months) from contract award to first DD963 delivery compares quite favorably, in fact, with the Navy's last destroyer program, the 16-ship Forest Sherman class, the first of which was authorized in fiscal year 1952 and commissioned in FY 1956. The Spruances are not only much more modern and complex ships, they are also (at 563 feet and 7,600 tons) almost twice the size of the still operational Shermans, which have a maximum length of 425 feet and a displacement of 4,050 tons.

It also is not generally recognized that the Spruances are being built, unlike their predecessors, at a time when the overall U.S. economy has been seriously disrupted by severe material shortages. Litton President Fred W. O'Green, testifying before the Bennett Subcommittee last year, listed a few of the more serious material shortages which had disrupted DD963 scheduling: steel plates, which used to require only a 8–10 week order leadtime, now must be ordered 20–24 weeks in advance; aluminum, which used to take 6–8 weeks from order to delivery, now takes anywhere from 26 to 40 weeks; and bronze valves, which used to be available on three months notice, now sometimes must be ordered a full year in advance.

Two additional points concerning schedule slippages which also should be considered:

(1) Most ships delivered to the Navy still require long periods of at-sea testing and post-delivery outfitting prior to becoming truly operational and available for mission assignment. Under the unique "total responsibility" DD963 contract, however, the Spruance and her sister ships will be available for duty, or very nearly so, at the time of delivery. "We will have an operational capability at the time of delivery," O'Green flatly told the Seapower Subcommittee.

(2) Because of Litton's assembly line, series production programming—which caused part of the initial production delays—future 963s will be coming off the ways at a relatively rapid rate. The 18 Forrest Shermans (built in four years, including Ingalls) were commissioned over a period of almost 46 months, from 9 November 1955 (Forrest Sherman) to 29 October 1959 (Parsons). The 30 Spruances, all being built in one yard, will be commissioned, it now appears, within 60–72 months, a much faster building rate.

Even less understood than the schedule delays are a number of complicated cost factors which have driven the per-ship price for the 963s to a figure which Jane's Fighting Ships estimates, in its 1974–75 edition, will be "in excess of $100 million." Again, neither Litton nor the Navy are completely blameless for all the "cost escalation" which has occurred, but there have been numerous mitigating factors over which neither party had any control:

The same galloping, double-digit inflation, for example, which has affected the rest of the U.S. economy, and all individual citizens, has also caused severe fiscal trauma within the U.S. shipbuilding industry. Because of the extremely long lead-times involved, in fact, the shipbuilding industry has probably been more seriously hurt by inflation than has any other segment of the national economy. Again, O'Green helpfully provided the Bennett panel with "a typical picture of the price increases we have had to live with":

From 1973 to 1974 the price of wire rope shot up from $0.34 per foot to $0.60 per foot, a 76 percent increase.

During the same time frame the cost of gasoline increased, as the general public is well aware, from an average of $0.33 per gallon to an average of $0.48 per gallon, a 40 percent hike.

Similar and often greater increases were posted for a wide variety of other commodities, including for example: steel shot (from $176 per ton to $347 per ton, a 97 percent increase); bunker C fuel (from $4.20 per barrel to $10.64 per barrel, a 153 percent increase); and copper cable (from $1.10 per foot to $1.88 per foot, a 71 percent increase).

"On our major Navy shipbuilding programs a comparatively small increase in material use produces a substantial different in cost," O'Green emphasized. "We used a total of 560 tons of steel shot in calendar 1973 and it cost us $98,560. This year (1974) we project an increase to 680 tons and a cost of $235,960, an increase of 97 percent per ton, as compared with a 22.7 percent increase in the material index that is the basis of our escalation recovery under Navy contracts for these materials.

"Looking at the effect of inflation another way," he continued, "we use 600,000 feet of copper cable in each DD. . . . It now costs us $624,000 more for cable on each destroyer. . . . This is a 71 percent increase in price, compared with a 22.7 percent allowance in the material index."

(The Navy itself was caught in the middle between builder and bureaucrat, incidentally, being limited by OMB to a completely unrealistic 4.5 percent per annum inflation figure to use in its cost projections.)

SPEND NOW, SAVE LATER

Some of the Spruance's higher costs have been intentionally built in, in the realization that, in many particulars, higher initial investment costs can often be translated into reduced life-cycle costs.

Recognition of that economic fact of life led to an early decision to automate as many systems as possible on the 963s. The high initial cost of the automatic systems—which in almost every case provide superior and faster performance—will be more than offset over the next 30 years (the Spruance's expected life cycle) by the resultant savings in manpower. The Spruance is designed for a crew of only 250—18 officers and 232 enlisted men. By way of comparison, the much smaller (and much less automated) Forrest Shermans require, in their various versions, crews ranging anywhere from 292 to 335 officers and men. To man a less automated Spruance-type DD of similar size and equal operational capabilities, Navy and Litton officials agree, would require almost 100 additional men per ship. The savings from automation alone, it is estimated, will amount to over $1 million per ship per year, or a grand total, according to Litton officials, of "more than a billion dollars during the life of this class of new destroyers."

The initial cost for the 963s was increased an additional unquantified amount by the Navy's wise decision to build the ships big enough to accommodate growth versions of current equipment and a variety of other weapons and electronic systems which will be introduced into the fleet within the next quarter century. The previous Navy practice, to hold down costs, had been to build ships just large enough to carry all the weapons, stores, supplies, and personnel which could be jam-packed into one tight-fitting hull at the time of construction, and to jury-rig changes from there on. The result, often, was operational chaos, reduced operating capability, and fleets of ships which were obsolescent before they were old.

GREAT EXPECTATIONS

The Spruances, in contrast, have more than sufficient room for growth and for addition of new systems now in development or not yet even on the conceptual horizon. Because present systems have been installed in modular fashion, moreover, future replacements and additions can be inserted much more quickly—which translates, once again, into lower life-cycle costs, and which also means less time in the yard and other repair and modernization facilities.

More important to fleet commanders than the various cost and schedule problems which have created headaches and headlines in Washington and Pascagoula, of course, are the qualities of the ships that Litton is now mass-producing. And those qualities will be impressive indeed, well justifying the Navy's expressed hope (enunciated in the 23 June 1970 press release announcing the contract award) that the Spruances "will be the backbone of the Navy's destroyer forces in the 1970s and beyond. . . .

"Their effectiveness against submarines is expected to be far greater, particularly at high speeds," the Navy said five years ago, "than that of current Navy ships due to ship-silencing techniques and improved sea-keeping capabilities (once more, higher costs, but greatly improved performance). . . .

"Spruance-class ships will be the first major warships in the U.S. Navy," the initial release also noted, "to use marine gas turbine power plants (the outstanding General Electric LM 2500, which also has been selected to power the PF (patrol frigate) and PHM (patrol hydrofoil missile). . . . The gas turbines will enable the ships to react more quickly (from cold iron to full power within minutes) and, together with other automation, to be manned by fewer personnel than comparable destroyers now in service."

That the delivered Spruances will, in fact, live up to such great expectations now seems beyond question and was, in fact, confirmed by Admiral Gooding in his testimony before the Seapower Subcommittee:

"The objective of the DD963 program as it emerged was to produce a large number of ASW destroyers which would meet our minimum requirements at the lowest life cycle cost. . . .

"Two features of the destroyer design require particular emphasis. Because of the role that ship-radiated noise plays in ASW effectiveness, the DD963 has been designed from the keel up for noise suppression. As a result, the ship is expected to have excellent sonar performance at higher speeds and will be difficult for enemy submarines to detect while at the same time improving the destroyer's capability to detect submarines.

"The second feature is the modernization and conversion potential. . . . The threats against which installed systems are directed often change rapidly. With this in mind, and to avoid an early absolescence of the DD963, a very important supporting objective was established: namely, ease of modernization and conversion to accommodate future threats and weapon system changes. The DD963 will have a greater capacity to accommodate future weapons systems than any destroyer ever designed. This growth capability was determined by identifying potentially desirable major equipments under development and providing appropriate margins in weight, space, stability, power and air conditioning in the design to accommodate these equipments.

"The DD963, as delivered to the fleet, will be well suited for protection of our high speed task forces against the submarine threat. Improved silencing and better seakeeping capabilities coupled with the most modern sonar available combine to make this ship a superior ASW platform (emphasis added)."

CONGRESS SHOULD OPEN J. F. K. PROBE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. MILLER of California. Mr. Speaker, I am today inserting into the RECORD an editorial from the Contra Costa Times, a daily newspaper published in my district, calling on Congress to reexamine the evidence in the assassination of our late President John F. Kennedy.

Beginning almost immediately after the tragic death of President Kennedy and continuing to the present day we have heard from many voices a variety of challenges directed at the thoroughness and adequacy of the investigation. Since then, of course, there have been other assassinations, which also have added to the allegations and accusations. In the early years, I think the majority of the Nation dismissed these voices as unimportant, the suspicions and accusations ill-founded or unfounded. Probably many, like myself, have been fearful of the impact on the public mind of the agonizing emotional ordeal which would inevitably result from once again dissecting and exposing to view the terrible event.

Also, many of us have been concerned for the feelings of the Kennedy family in the matter.

More recent events and revelations, however, have resulted in a startling growth of public skepticism. And the right of the public to know the full truth, no matter how disturbing or embarrassing, weighs heavily upon us. Without this right to information, history and our concept of government are irreparably weakened.

The editorial I am submitting into the RECORD raises a reasonable point. If substantive new evidence does exist which has not been thoroughly deliberated and considered by the Warren Commission, an official examination of that evidence is in order. Such a study must not be simply a platform for theorists and dissenters to rake over old evidence, however. It must deal wholly and thoroughly with material which may substantially alter or add to the body of knowledge. I also believe that an independent investigation will considerably reduce the amount of spurious and inadequate information put before the public continuing their skepticism in our factfinding system. Keeping this in mind, I believe a valuable public service would be performed in having the unanswered questions and lingering doubts at last resolved.

The editorial as it appeared in the Contra Costa Times follows:

CONGRESS SHOULD OPEN JFK PROBE

What purpose would be served by re-opening the investigation into the assassination of President John F. Kennedy?

If a subsequent probe were to affirm that the murder was an act of a single man, Lee Harvey Oswald, acting alone, then there would be little benefit other than to relegate those claiming "conspiracy" to the "kook" category.

If there was a conspiracy, it means that whoever participated in it, got away with it. It means that they are still among us. It means that they may have already acted again, or that they may act in a similar fashion in the future.

Those implications are so unpleasant to contemplate, most of us have dismissed the thought to the back of our minds since the Warren Commission report in 1964 assured us there was no conspiracy.

But today, that report is being questioned by some serious people, including more than 40 Congressmen who are backing resolutions to re-open the investigation.

There is new evidence that has cropped up recently, including film, which indicates that the Warren Commission's determination to disprove a conspiracy caused it to set evidence to indicate Oswald was the sole culprit.

And there have been just too many coincidental deaths involving some of the key witnesses—including one just two weeks ago—to discount a conspiracy as assuredly as the Warren Commission did more than ten years ago.

On May 15, Roger Dean Craig, a former Dallas deputy sheriff died of an apparent self-inflicted gunshot wound just a couple of months after complaining to a police officer that someone had taken a shot at him. Craig had testified to seeing Oswald get in a station wagon near the building from which the shots were allegedly fired, but the Commission instead found that Oswald took a bus from the building.

The Times does not believe that the Warren Commission intentionally "covered up" facts in order to pin all the blame on Oswald. We think the Commission did the best job it could under the time and circumstances existing then.

We do believe things have changed since 12 years ago; in particular, we think we have learned, along with the rest of the American people, a bit more about the workings of the upper echelons of government and the CIA from the events of the past few years.

Thus, The Times extends its support to those Congressmen seeking to re-examine the evidence in the assassination of John F. Kennedy, and we invite those who agree to write to their own Congressmen.

It can't hurt, and it certainly might help.

UNEMPLOYMENT IN INDIANA

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. MADDEN. Mr. Speaker, when I was home over the Memorial Day recess, I visited a great number of industries in the Calumet region and also met with officials of several industries at luncheons. During this visit, I learned that due to the unfortunate lack of activity in the automobile industry this past year, automobile sales are at an all-time low.

The automobile industry's recession has a terrific effect on the production of our three major steel mills, the United States Steel Mill, the Youngstown Steel Mill, and Inland Steel in East Chicago, Ind. This situation is bringing about an increase in unemployment and part-time workers to such an extent that the great industrial region in Indiana is meeting a similar stage of unemployment and depression status to that of the early 1930's.

President Ford's veto of the $5.5 billion job bill and the unsuccessful overriding of the bill by a small margin of five votes yesterday on the floor of the House was catastrophic.

Over a million people, not including the young group applying for summer employment especially high school and college students, will feel the full impact of this unfortunate veto.

Mr. Speaker, today I received a Mailgram from Mr. William Kranz, president of United Steelworkers Local 1066 in my area which I ask unanimous consent to incorporate with my remarks for the attention of Congress and the administration so they might be aware of the plight facing the steel industries in Indiana:

GARY, IND., *June 2, 1975.*

Representative RAY MADDEN,
House Office Building,
Washington, D.C.

As president of U.S.W. Local 1066 at the Gary Sheet and Tin, I am deeply concerned with the steel import problem because it has contributed heavily to the massive unemployment of steelworkers in our plant. Steel imports plus oil imports add up to an unfavorable U.S. trade balance. We could use more imported oil if we restricted steel imports, but of course both need to be restricted. If each barrel of imported oil can be taxed, then each ton of imported steel can similarly be taxed. One example of how imported steel has affected unemployment is the abandonment of the stainless steel business by our employer U.S. Steel at the Gary Sheet and Tin here. In view of the fact that our stainless steel department has produced stainless steel for over fifty years here in the midwest, which is the largest stainless-consuming area in the country, the abandonment of stainless production points out how a corporation like U.S. Steel can make an arrangement with stainless plants in southern Italy. This arrangement the company denies when questioned by Pres. I. W. Abel, although they did admit that they own some interest in the Italian plants and have admitted that they, the former superintendent of stainless department at the Gary Sheet and Tin are running the Italian stainless plants. I would welcome any investigation or hearing that you could arrange to be held there in Washington or here in our northern Indiana region to explore the steel import problem.

We will contact you at a later date about our Lake County labor day picnic to be held at the Lake County fair grounds on Aug. 31 and Sept. 1.

WILLIAM KRANZ,
President, Local 1066.

MISQUOTING WALLACE—A NEW FOURTH ESTATE PASTIME?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. McDONALD. Mr. Speaker, persons who read the Washington Post today should have noticed a very interesting editorial page. On that page, Mr. Charles B. Seib, an associate editor of the paper, and an internal ombudsman of that organization, had an article entitled "Taking Wallace Out of Context." In this article he points out that Post's coverage of Governor Wallace's views on foreign affairs, as related in its May 8 edition, were unfair, in his view. On the opposite page, the two highly respected political columnists Rowland Evans and Robert Novak arrived at the same conclusion in an article entitled "The Drive To Get Wallace." In the last paragraph of the column Evans and Novak state:

That is only the beginning. No longer perceiving Wallace as a vulgar if fascinating curiosity, as they did in 1972, his enemies in both the Democratic Party and the press can be expected to assault his intelligence, character and competence with ever greater vehemence. But they should be correct on the facts or Wallace's response in kind will strike home in the long bitter struggle for the allegiance of the discontented American.

We need only to recall what happened to Senator GOLDWATER in 1964. Most Americans, I feel, now realize that he was not the person the press portrayed and now he is widely respected. However, if selfish and narrowminded persons in the press attempt to destroy and discredit candidates for high office, the Republic is not served. My hope is that the American electorate will see through these attacks and make their own independent judgments. The two items from the Post follow:

TAKING WALLACE OUT OF CONTEXT

(By Charles B. Seib)

Did George Wallace get a fair shake in The Post's coverage of his views on world affairs early this month? Several readers think he didn't. I agree.

In early March, Wallace was interviewed in Alabama by a group of foreign journalists. What he said received no publicity at the time, but two months later a Post reporter obtained a transcript of the interview. And on May 8 The Post published a front page story headlined: "Wallace Raps World War II Alliance/Preferred Japan." This story became the basis for much of the coverage of the interview in other publications and on the air.

The Post story began:

"Alabama Gov. George C. Wallace told a group of foreign journalists he wishes the United States had been allied with Japan during World War II instead of with Russia and China.

"'I think we were fighting the wrong people, maybe, in World War II,' said Wallace in one of the rare statements of any length he has made on foreign policy issues. 'In fact', he told a Japanese journalist, 'I wish we had been on the same side in World War II.'"

The story then went on to other things Wallace said in the interview and did not return to the World War II alliance until near the end, about 25 paragraphs later.

My trouble with the story begins with that second paragraph. Any reasonable person would assume the quoted sentences were spoken consecutively. The "In fact" beginning the second sentence clearly made it a further development of the first. Together, they made a strong, declarative statement. But that is not the way it was.

The first quoted sentence came from Wallace's final comment of the interview. It appears on page 49 of the transcript. The second quoted sentence, beginning "In fact," came from page one of the transcript. Both sentences are out of context in The Post story.

The context of the first quoted sentence I will come to in a moment. The second is taken from an informal remark Wallace made to a Japanese correspondent before the interview began. He was talking about Alabama's coal sales to Japan and said: "We're glad to do business with you. In fact, I wish we'd been on the same side in World War II. Instead of being on the same side (words missing here) China and Russia."

Putting those widely separated sentences together, and in reverse order, was improper quote-juggling, in my opinion. Interestingly, the second quote was not put there by the reporter but by an editor who felt that something more was needed to support the statement in the first paragraph of the story. It could be argued—as that editor does—that the quote-juggling did no harm, since Wallace unquestionably made the statements and they were not contradictory. Nevertheless, he certainly didn't make them in that form.

But now let's look at the context of that first sentence—the one from the last page of the transcript. To do that it is necessary to quote the last two pages of the interview:

"About foreign policy—I want to tell you something. I do not believe in Nazi-ism—just like maybe you don't believe in Wallace-ism. But that was not the German people. The German people were mistreated after World War I. The Versailles Treaty that was imposed on them by France and Britain and the United States—and, mainly, France and Britain—was a treaty that brought Hitler to power. And if it hadn't been Hitler, his name would have been Jones—it would have been Schmidt—it'd have been somebody else because—ah, ah, it was only—it was only sure that nationalistic feeling of the German people would be aroused from the mistreatment they got.

"And so our foreign policy over the years made a mistake in allowing that to happen. We ought to have (words missing) after World War I like we did after World War II—magnanimous—(words missing) West German people that are friendly people, that are friendly people because they are great people. And the Japanese people in my judgment, were provoked to a certain extent by people, by interests in this country that helped to bring about Pearl Harbor. And what I'm saying is that our true foreign policy in those years ought to have been cultivating—the friendship of the Japanese and of the Germans instead of being antagonistic. So that today we have a good buffer in the East against the Soviet expansion plane, and the Chinese expansion plans, which might stabilize and be good in the final analysis for the Soviet Union and the United States in that—and Japan—in that we might come near having peace—than one country beginning to get maybe so superior in, say, nuclear strengthing.

"I think we were fighting the wrong people, maybe, in World War II," and I say that with all due regard to the Soviet, ah, person here. What I'm saying is—we fought on your side, but I wish the Soviet Union, or government rather, had been contained somewhat. And I do think we helped build up enemies in Western Europe, and in Germany, and in Japan, that we ought to have been 50 years ago friendly to. And then there wouldn't have been any Hitler, and there wouldn't have been any Jewish tirade." (The words that became the first qouted sentence in The Post story are italicized.)

Now, no one would defend that rambling, almost unintelligible discourse as a sophisticated or cogent discussion of the events leading up to World War II. But it supplies Wallace's own justification for the flat statements stressed in The Post story and it deserved to be represented in the opening paragraphs of that story.

The material quoted above was covered near the end of the two-column-long story—too late, in my opinion. Also, in the last edition that day the story included two final paragraphs on a telephone interview with Wallace in which he expanded on his condemnation of the Versailles Treaty, saying it permitted Hitler, "the most despicable unjust criminal in the history of the world," to rise to power by using Jews as scapegoats for Germany's economic problems.

To sum up, I feel that The Post's story achieved impact at the expense of accuracy. I feel that the failure to present Wallace's startling statements about World War II in context gave the story a tilt—a subtle tilt, perhaps, but an important one in a report on the views of a man who aspires to the White House.

The story left the way open. In my opinion, for the less than careful reader and the reader who didn't read the story to the end to assume that Wallace wishes that when World War II began we had chosen to side with Hitler and Tojo.

The reporter who wrote the story and the editors who handled it disagree strongly with that opinion. While they concede that tying the two quotes together may have been unwise, they feel that the story conveyed in a fair and effective way what Wallace really thinks about World War II: that the United States should have been fighting the Communist nations instead of being allied with them. They do not feel that Wallace's justification for his view that we were fighting the "wrong people"—mismanagement of American foreign policy between the wars—demanded mention high up in the story.

Wallace did not protest The Post story; in fact his press aide told a Post reporter the governor was not upset by it. Wallace did, however, call a news conference the day of the story to say that the media had quoted him out of context and to again relate his remarks about the "wrong people" to the mistakes he said were made after World War I. He made similar comments in a speech here the next day. They were covered by The Post in a brief mention at the end of a story on page C-3.

Ironically, in reporting the Montgomery news conference United Press International pushed The Post's tilt into a decided lean. It said, incorrectly, that The Post quoted Wallace as saying in March: "I think we were fighting the wrong people, maybe, in World War II. Our true foreign policy in those years ought to have been cultivating the friendships of the Japanese and Germans instead of being antagonistic."

Thus by its own rearrangement of quotes, UPI has Wallace saying this country should have cultivated Germany during World War II.

Similarly, a few days later a Post Columnist ridiculed Wallace for saying that Hitler was despicable but the United States was unnecessarily antagonistic to Germany, again distorting the time frame.

One doesn't have to be clairvoyant to predict that in the politics-charged months ahead Wallace is going to be quoted as saying that rather than fighting Hitler and Tojo we should have been on their side. And all the protests and corrective statements are not going to change that.

THE DRIVE TO GET WALLACE

(By Rowland Evans and Robert Novak)

Permission from frightened Sweden for Nazi troops to cross its territory in World War II has become intertwined with a ferocious but flawed campaign by mainstream Democrats to cut Gov. George C. Wallace of Alabama down to size.

The goal is to convince American voters that Wallace is not equipped to be President of the United States, and Exhibit A is Wallace's sensational March 3 interview with foreign journalists in Montgomery, Ala. Although Wallace's uninhibited criticism of Sweden in that interview accurately stated the historical facts, he has been accused of thinking neutral Sweden was a belligerent—of being a snopesian ignoramus.

Nor is that the only distortion. A reading of the transcript shows no Wallace departure on foreign policy from his rambling conversations with reporters over the years: blunt to the point of offensiveness, nationalistic to the point of jingoism, anti-Communist to the point of hysteria. But the analyses have painted a more sinister picture.

The reason for this is the Democratic Party's escalating Wallace dilemma. Party leaders have no airtight arguments to blunt Wallace's obvious appeal to the discontented. That led to the first contrivance: the aborted drive to repeal presidential primaries Wallace would likely win.

Wallace's interview with the foreign journalists, reported by The Washington Post of May 8, was therefore desperately needed ammunition. It fit the purposes of mainstream Democrats to foster the impression that Wallace had confused Sweden's World War II status. "Actually," The Post reported parenthetically, "Sweden steered a neutralist course during World War II while the Nazis invaded Norway and Denmark." Both liberal and conservative columnists chortled over his alleged redneck ignorance.

In fact, however, he had not erred. Unreported from the March 3 meeting was Wallace's accurate if ungrammatical statement to a Swedish journalist: "You wasn't occupied, but they (Nazi troops) marched through Sweden to get to Norway."

The distortions of Wallace's views on Germany and Japan were less flagrant. "I think we were fighting the wrong people, maybe, in World War II," he said, but the transcript makes clear he was criticizing U.S. policy *before* the war that permitted the rise of Hitlerism and Japanese imperialism, not the American choice of sides after it started. It is also clear from the transcript that his remark to a Japanese journalist that "I wish we'd been on the same side in World War II" was banter.

Indeed, the Wallace camp is explaining more than usual. Press secretary Billie Joe Camp quotes William Shirer's "The Rise and Fall of the Third Reich" that Sweden provided "immense help to Germany" by permitting transit to Hitler's legions, first to Norway, later to Finland.

But Wallace himself is a stinging counter-puncher. Addressing the Louisiana legislature May 21, Wallace played the discontented by accusing "the liberals in this country" of bringing on "the blunder of Vietnam . . . that not only cost all of these lives but $150 billion that has affected the inflationary spiral of every pensioner and every low income person."

Moreover, Wallace is mailing a letter denouncing the press for starting all the trouble: "The liberal press establishment is getting to the point where they distort anything that I have to say."

That is only the beginning. No longer perceiving Wallace as a vulgar if fascinating curiosity, as they did in 1972, his enemies in both the Democratic Party and the press can be expected to assault his intelligence, character and competence with ever greater vehemence. But they should be correct on the facts or Wallace's response in kind will strike home in the long bitter struggle for the allegiance of the discontented American.

WIDESPREAD SUPPORT GROWS FOR PRESIDENTIAL ETHNIC AFFAIRS OFFICE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. ANNUNZIO. Mr. Speaker, several weeks ago I wrote to President Ford asking that he appoint a Special Assistant to the President in Charge of Ethnic Affairs.

Since I made this suggestion, there has been an outpouring of support from individuals and ethnic organizations all over this Nation who have written to me and to the President urging that the President immediately establish an Ex-

ecutive Office of Special Assistant to the President in Charge of Ethnic Affairs.

It is unfortunate, indeed, that the greatest democracy in the world, whose strength lies in the tremendous contributions all ethnics have made over the decades to the building of America, does not have an office set aside in the White House to which they can bring their ideas, their thoughts, and their problems.

With the Bicentennial celebration almost upon us, and time running out, I want to urge my colleagues to contact the President and to urge his favorable action in appointing a special counselor.

At this point in the RECORD I wish to include a number of the letters of support which have been written on behalf of my proposal.

The letters follow:

HOLY ROSARY CHURCH,
Washington, D.C., May 14, 1975.

Hon. GERALD R. FORD,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Permit me to bespeak your good and valued offices in support of the post of "Special Assistant to the President for Ethnic Affairs" recently proposed by Congressman Frank Annunzio.

In my considered judgement, the implementation of the proposal would engender in our multiethnic society a greater understanding of the contributions of one's own heritage and, those of one's fellow citizens. In turn, this would lead to a more harmonious, patriotic and committed population enlightened by the contributions of the cultural heritages of all the ethnic groups that make up our great country.

I trust that you will find it possible to help translate into immediate action Congressman Annunzio's plan.

With cordial regards, I am

Respectfully yours,
Rev. CAESAR DONANZAN,
Pastor.

BOARD OF EDUCATION,
Chicago, Ill., May 9, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: May I add my encouragement and support of the recommendation proposed by Congressman Frank Annunzio whereby a Special Assistant to the President for Ethnic Affairs be established by Executive Order. It is my understanding that under this plan all ethnic groups would be encompassed.

The establishment of such a post is certainly needed to provide assistance to a substantial portion of our population, and would further illustrate the President's strong concern and sensitivity for those whose efforts have made this country strong and viable.

Very respectfully yours,
GERALD L. BARBORO,
Member, Chicago Board of Education.

ITALICS CLUB,
April 17, 1975.

Hon. GERALD R. FORD,
President of the U.S.A.
Washington, D.C.

DEAR MR. PRESIDENT FORD: The members and officers of The Italics Club of Chicago are interested in ethnic affairs and how public policy affects our people. We are urging you to implement the request made to you, Mr. President, by Congressman Frank Annunzio on March 4, 1975 of the 11th District D–Illinois.

We fully agree with Congressman Annunzio's proposal that you, Mr. President, establish by Executive Order a Special Assistant to the President for Ethnic Affairs.

As Congressman Annunzio says, "This appointment would demonstrate that all ethnic groups are being recognized, that they do belong, and that they are not being left out."

One person as Special Assistant to the President for Ethnic Affairs seems to be the most logical solution because as the saying goes, "The Right Hand would know what the Left Hand is doing."

Our very best wishes to you and yours,

Respectfully yours,
MARY M. MENTO,
Italics Club President.

NORTH VERSAILLES, PA.,
April 14, 1975.

Hon. FRANK ANNUNZIO,
House of Representatives,
Washington, D.C.

DEAR MR. ANNUNZIO: I heartfully endorse your call for an office of Special Assistant for Ethnic Affairs and Peoples in the executive branch of our government. Long have special interest groups among several minorities pushed for their own selfish needs, to the exclusion of all other ethnic minorities. We are a nation of diverse peoples, united as citizens of our beloved country. Let's not sow the seeds of dissent by favoring certain segments of our population. Let us treat all Americans as equals. And for good measure, let's get into the habit of using our tax dollars for the benefit of our own people, rather than impoverishing these same people and throwing hundreds of billions of our dollars in all types of useless, hair-brained, misery-provoking adventures all over the face of this planet. Our past adventures in meddling haven't solved one single ill that plagues this world.

Sincerely,
MICHAEL KOLESAR, Jr.

THE NATIONAL CENTER FOR URBAN ETHNIC AFFAIRS,
Washington, D.C., April 15, 1975.

Congressman FRANK ANNUNZIO,
Rayburn Building,
Washington, D.C.

DEAR CONGRESSMAN ANNUNZIO: I am pleased to respond to your request for my comment on your proposal to President Ford, that he establish by Executive Order the Office of Special Assistant to the President for Ethnic Affairs.

The establishment of the post of Special Assistant to the President for Ethnic Affairs is an important step in recognizing the legitimate diversity and ethnic pluralism of American society that must become a reality in this Bicentennial era. At the same time this position will give recognition to the legitimate views and needs of ethnic Americans as we struggle to redefine ourselves and develop a new sense of national unity in the midst of our cultural and ethnic diversity. America's working class ethnic population wants to fully participae in the democratic process and make a further contribution to the quality of their own lives and that of their communities and nation.

Such an office and post as you recommend will assist groups and individuals who are proud of their Americanism and their bicultural heritage to make their needs and concerns felt in the Executive Branch.

Furthermore, this post would be the brokering agent in evaluating and acting upon legitimate and much needed action by the Exectuive Branch in developing a sense of cooperation in a multiethnic society.

In order to avoid conflict, it has been my opinion based on years of experience, and that of our staff and network in more than 30 cities, that we have to recognize the strength of our cultural diversity in the building of the American community of diverse groups, with all the richness of our American heritage which we celebrate as a Nation.

Therefore, I am pleased to endorse your request of me and the National Center for Urban Ethnic Affairs that President Ford quickly approve and act upon your most timely proposal.

Sincerely,
Msgr. GENO C. BARONI,
President.

CIRCUIT COURT OF COOK COUNTY,
Chicago, Ill., March 11, 1975.

Hon. FRANK ANNUNZIO
House of Representatives, Washington, D.C.

MY DEAR FRANK: I hasten to congratulate you on your initiative to see that the ethnic groups, not one or two, but *all* of them, will get a fair representation and justice by having their problems discussed directly with a personal representative of the Executive Department. The post of Special Assistant to the President in charge of Ethnic Affairs, as suggested by you, is an ideal solution to this problem. Such a Special Assistant, with personnel representing all ethnic groups, will be able to properly and justly advise the President.

I am thrilled that such a recommendation has been made by you and I am sure that it will be adopted. It is long past due where such administrative assistance, to both the people and the President was forthcoming. In fact, such a post within the White House will be of tremendous help to the President in also dealing with the difficult and serious problem of Foreign Relations.

You deserve an undying "Bravo" for performing your duties in such an imaginative and yet practical manner for the continued greatness of our country. Keep it up.

Very affectionately yours,
JAMES A. GEROULIS,
Judge, Circuit Court of Cook County.

THE GREGORIANS,
March 14, 1975.

THE PRESIDENT OF THE UNITED STATES
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The Gregorians, an association of Italian-American Educators in the Chicago Metropolitan Community, strongly urge you to establish a post of Special Assistant in charge of Ethnic Affairs.

Congressman Frank Annunzio (11th District-Ill.) has indicated that legislation has already been introduced which would establish an Office of Spanish Speaking Affairs in the Executive Office of the President. There are several other pending bills that would create similar positions for other ethnic minority groups.

These pending bills are directed toward individual ethnic group recognition, while leaving the other minority ethnic groups without representation.

This is not germane to the democratic process to leave out Polish Americans, Greek Americans, Italian Americans, Irish Americans, Jewish Americans and captive nation groups.

You could establish this requested position by Executive Order. Such action would contribute to the democratic process. As we approach our bicentennial celebration, the creation of a Special Office for Ethnic Affairs would be an appropriate tie-in for the celebration of our country's 200th anniversary.

Respectfully yours,
SALVATORE VALLINA,
President.

CAPTIVE NATIONS FRIENDS COMMITTEE,
Chicago, Ill., March 17, 1975.

FRANK ANNUNZIO,
U.S. Congress,
Washington, D.C.

DEAR CONGRESSMAN ANNUNZIO: At this correspondence, it is with gratitude and appreciation, on behalf of the ethnic population and captive nations people, we wish to express our sincere thanks, for the great

effort and time you have contributed in behalf of the oppressed people and have given them the recognition for their efforts towards a better America.

I was extremely pleased to receive the information of your News Release, concerning the introduction of the bill, and letter to President Ford, to create an Office of Affairs for ethnic minority groups. This has been my dream and goal and aim to give recognition to these ethnic people from which this great country has built its foundation on, the culture, knowledge, craftsmanship, the arts and sciences.

Also, I wish to reiterate the fact that this appointment, which has long been overdue, would emphatically demonstrate that all ethnic groups are being left out, and would go a long way toward reducing the apathy now prevalent in our society as far as the ethnic people are concerned.

The undersigned national group representatives, are in wholehearted agreement and are eternally grateful for your past and future efforts in behalf of all ethnic peoples of this county, and will continue to support your efforts towards a greater government.

Sincerely yours,
VIKTORS VIKSNINS,
Chairman, Captive Nations Committee.

MARCH 21, 1975.

Hon. FRANK ANNUNZIO,
House of Representatives,
Washington, D.C.

DEAR SIR: As I am active in promoting national minority representation and in helping to restore freedom to my homeland, I thank You for Your proposal to create an office which will take-on problems of all national minorities/ethnic Groups/ and will report directly to the President.

Thank you for introducing H.R. 394 and please, support House Concurrent Resolution 132.

Respectfully

V. MOTUSIS.

THE ST. NICHOLAS DIOCESE,
Chicago, Ill., March 26, 1975.

GERALD R. FORD,
President of the United States,
White House,
Washington,D.C.

DEAR MR. PRESIDENT: May I take this opportunity of supporting the request of Congressman Frank Annunzio (D-Ill.) in which he asked for the establishment, by Executive Order, of a Special Assistant to the President for Ethnic Affairs.

The Congressman's suggestion should be implemented for the good of the many ethnic groups in the United States. Like the Spanish-speaking peoples of the U.S., many other ethnic groups, especially those from Europe, have continued to speak the language of their fathers. In addition they continue to cultivate in America the traditions and culture of their fathers. Often they feel as though America does not consider them as Americans simply because, unlike all other Americans, they have retained an ethnic awareness and a love for their heritage while still being loyal Americans.

The Ukrainian-American community, which I have the privilege to serve, is active in the American stream of life but still retains the language, relicious and national customs and culture of their native Ukraine. There are many Ukrainian-Americans like myself, third generation grandsons of immigrants, who still love the heritage brought to this land by the forefathers who also loved America. We wish to see our heritage and our aspirations a part of the American way. The creation of the office of which Congressman Annunzio speaks would answer these needs.

I thank you, Mr. President, for your consideration. With sentiments of esteem, I am

Most sincerely,
Very Rev. CANON WILLIAM M. BILINSKY,
Chancellor, St. Nicholas Diocese in Chicago for Ukrainians.

POLISH ITALIAN CONFERENCE,
Chicago, Ill., March 26, 1975.

President GERALD FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: In response to a Polish Italian Conference letter to your office recently, you gave me assurances that you would be a President for all the American people, and you further assured me that you were concerned with the problems of all ethnic groups in the United States. The test of your stated concerns is now upon us.

Mr. President, the Polish Italian Conference urges you to use your executive powers to establish an Office of Special Assistant to the President for Ethnic Affairs. An executive order to this effect would address itself to the ethnic needs of our pluralistic society. Such an office is needed to cure the social malaise of our times which is rooted in the discontented ethnic groups that make up the diverse elements of our American society today.

The Polish American Congress and the Joint Civic Committee of Italian Americans urge you to implement Congressman Frank Annunzio's request for an Office of Special Assistant for Ethnic Affairs. In this way you can help fulfill a promise you made when you took your oath of office—to be a president for all the people.

Respectfully yours,
CHARLES CAROSELLA,
Cochairman, Polish Italian Conference.

HELLENIC COUNCIL ON EDUCATION,
Chicago, Ill., March 22, 1975.

Hon. GERALD R. FORD,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The Hellenic Council on Education, a group of professional educators, understands that legislation has been introduced in Congress to establish an Office of Spanish Speaking Affairs in the Executive Office of the President. We further understand that other bills are also pending in Congress which apply to other ethnic groups in a similar way.

It appears to us that such legislation is fragmented and discriminatory and becomes undemocratic with reference to not serving all ethnic groups.

For these reasons, we recommend and most strongly urge the creation of a position of Special Assistant to the President who would be in charge of Ethnic Affairs. Such a position could be established by Executive Order and would assure equitable representation for all ethnic groups.

The contribution of all the ethnic groups to this great country of ours and to the American way of life should not be overlooked by excluding the representation of some at the executive level of government.

Sincerely,
GEORGE CAPULOS,
President.

CENTRAL YMCA COMMUNITY COLLEGE,
Chicago, Ill., March 24, 1975.

President GERALD FORD,
White House,
Washington, D.C.

DEAR MR. PRESIDENT: Please implement the request made to you by Congressman Frank Annunzio (D-Ill.) on March 4, 1975.

Sincerely yours,
PHYLLIS STEPAK.

VILLA SCALABRINI,
Melrose Park, Ill., March 19, 1975.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to support the request made to you by your friend and former colleague Congressman Frank Annunzio of Illinois in a letter to you dated March 4, 1975 requesting that you establish by Executive Order the Office of Special Assistant to the President for Ethnic Affairs.

As you know, it is so difficult to get through many of the federal agencies and committees to bring to their attention the many needs of ethnic Americans. As a result so many programs go unheeded and unused by the large segment of the American population who are loyal Americans and have an appreciation for their bicultural heritage.

May I add my voice to that of Congressman Annunzio and the others who I am certain will look to you for leadership in this area in validating the concept of a nation of immigrants and ethnics in public policy during this Bicentennial Era.

Thank you for your assistance.

Sincerely,
Rev. PAUL J. ASCIOLLA, C.S.,
Editor FRA NOI.

OFFICE OF EDUCATION SERVICE REGION,
Rockford, Ill., March 25, 1975.

President GERALD FORD,
President of the United States,
Washington, D.C.

DEAR PRESIDENT FORD: I am writing to support the request made of you by Congressman Frank Annunzio on March 4, 1975, regarding the implementation of a Special Assistant to the President for Ethnic Affairs.

As the Superintendent of the Regional Office of Education for Boone and Winnebago Counties and Co-Chairman of the Winnebago County, Illinois, Ethnic Heritage Committee of the Winnebago County Bicentennial Commission, I have worked to create an awareness through our schools of the multi ethnic population of Rockford, Illinois. Knowing of your interest in this area, I am enclosing a copy of a booklet of information provided by representatives of various ethnic groups of the Rockford area.

I agree with Congressman Annunzio that the establishment of the office of Special Assistant to the President for Ethnic Affairs would be an appropriate tie-in, as the enclosed booklet evidences, with the Bicentennial celebration.

I trust that you will give Congressman Annunzio's request serious consideration.

Respectfully yours,
FRANK M. PARAINO,
Superintendent, Regional Office of Education.

POLISH AMERICAN CONGRESS, INC.,
March 26, 1975.

The Honorable GERALD R. FORD,
President of the United States,
The White House,
Washington, D.C.

DEAR PRESIDENT: I am writing on behalf on the Bill introduced by Congressman Frank Annunzio of Illinois in reference to the Presidential Post for Ethnic Affairs.

The Polish American Congress wholeheartedly supports this Bill due to the fact that this Bill is necessary in order to have the Ethnic America properly represented and to be available to the President with the proper informative input. Lack of such representation on the staff in the White House many times causes great embarrassment not only to the White House but it is unjust to the various ethnic groups in America.

I know that we begin to realize as the days go by the necessary of knowing our citizens and knowing the contributions of our various ethnic groups that they have made to America and are willing to do much more provided they are given the opportunity to express themselves to a person who will represent their interest and their views.

Congressman Annunzio should be commended on his efforts and I do hope that Congress will take this seriously under consideration as well as it would receive your whole-hearted support. It is a step in the

right direction to open America to all. The support of this Bill is urgently desired.

With kindest personal regards, I remain

Respectfully yours,

ALOYSIUS A. MAZEWSKI,
President.

POLISH - AMERICAN EDUCATORS ASSOCIATIONS,
Chicago, Ill., April 2, 1975.

Hon. GERALD R. FORD,
President of the United States,
The White House,
Washington, D.C.

DEAR PRESIDENT FORD: The Polish American Educators Association is a group of educators of Polish American heritage in the metropolitan area of Chicago, representing all levels within the profession, from teachers to superintendents, in public and private schools.

We understand that a request has been made to you to establish by Executive Order the post of Special Assistant to the President for Ethnic Affairs.

In view of the great interest in group identity and the concept of pluralism as a viable, positive force within the United States, we recommend and strongly urge the creation of this post.

As we approach the bicentennial of our nation, we need to celebrate the American way of life, which assures the equitable representation of all ethnic groups in the democratic process.

The office of Special Assistant to the President for Ethnic Affairs, which would be responsible for all ethnic groups, would lessen the divisiveness caused by legislation that would provide separate offices within the Executive Branch for various ethnic groups, recognizing some groups and ignoring others.

Sincerely,

EDWIN CUDECKI,
President.

BOARD OF EDUCATION,
Chicago, Ill., April 2, 1975.

President GERALD FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to you to ask you to reconsider the Montoya-Roybal legislation which in my opinion is directed solely to Spanish speaking Americans. Rather than introduce legislation which would provide separate offices within the Executive branch for the various ethnic groups a better approach would be for you to establish by executive order a special assistant for ethnic affairs. In this way, you would be supporting all members of all ethnic groups that have contributed to the growth and development of this nation.

The Montoya-Roybal legislation ignores all ethnic groups except the Spanish speaking, thus creating the impression that all other groups are left out of the democratic process.

Sincerely,

MARY E. GREIG,
Director, Division of Social Studies.

THE KARELIANS: VICTIMS OF SOVIET IMPERIALISM

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 5, 1975

Mr. McDONALD of Georgia. Mr. Speaker, Finland has had a special place in the hearts of Americans who admire that little country for paying its World War I debts to the United States when many other countries defaulted and for standing up to Soviet aggression against impossible odds. Although it is little known to the general public, little Finland, with only 4 million inhabitants, also successfully resettled 450,000 Karelo-Finns following the Soviet occupation of their territory after the Soviet-Finnish winter wars. The Karelian Finns, the eastern part of the Finnish nation, chose to leave their homes and migrate to their fellow Finns rather than submit to life under Soviet rule. Although the Karelians were equal to more than 10 percent of the total population of Finland, the Finns absorbed them without any outside aid and while simultaneously paying immense so-called reparations to the Soviet Union.

The Karelo-Finns have been tragic victims of Communist injustice. They are now settled comfortably in Finland under the spiritual leadership of the noted Finnish Orthodox prelate, Archbishop Paul. But they hope that some day their ancestral territory will be reunited with Finland again. The article "The Karelians: Victims of Soviet Imperialism," by N. I. Klonis—East Europe Magazine, May 1975—providing background information on the Karelo-Finns, follows:

THE KARELIANS—VICTIMS OF SOVIET IMPERIALISM

Among the many ethnic groups who have suffered from Communist imperialism, the Karelians are not only forgotten in the West—they are virtually ignored.

Who are the Karelians? They are one of the four groups which make up the Finnish Nation. The others are the Tavasts (or proper Finns), the Swedes, and the numerically insignificant (but otherwise very important) Lapps.

The Karelians, together with the other Finns, migrated from the middle Volga into what is now called Karelia probably between 500–800 A.D. Since then, they have inhabited the area from around Joensuu (now in Finland) in the West, Eastwards to the shores of Lakes Ladoga and Onega, Northwards to the White Sea, and Southwards to the North shores of the Baltic. Most of this area is now controlled by the Soviet Union. Isolated communities of Karelians were also found on the Kola peninsula and in the Russian regions of Tver and Novgorod. They were the first permanent settlers in this area. Prior to their arrival it was inhabited only by the nomadic Lapps.

This area soon became the meeting ground of two cultures, the Swedish and the Russian, since both Sweden and Russia for centuries labored to expand in this area. Many campaigns between the two were fought on Karelian soil. The Treaty of Schlüsselberg in 1323 between Sweden and Russian accomplished the first formal partition of Karelia. Later, Gustavus Adolphus extended Swedish control over most of Karelia, but the process was again reversed during the reign of Peter the Great who managed to expand the Russian state to the shores of the Baltic and built his new capital, St. Petersburg, on Karelian soil. Finally, in 1809, Russian annexed all of Finland and the Tsar assumed the title of Grand Duke of Finland.

One of the results of these protracted conflicts is that the Karelians absorbed some elements of both cultures. Throughout this period they retained the Finnish language (although some became bilingual). But they did accept Orthodox Christianity from the Russians who exerted great efforts to that end. The Russians established four great monasteries in this area—the monasteries of Solovetsk on islands in the White Sea, Valamo and Konevitsa on Lake Ladoga, and Petsamo. The monasteries became principal media for the dissemination of Russsian culture. In general, the Russian churchmen respected the separate national identity of the Karelians. They made several positive contributions, such as the translation of the Bible and liturgical books into Finnish, the printing of other books, and the establishment of both church and lay schools. However, from time to time the Russian government pursued a policy of intense Russsification of the area and the church became an instrument of this policy. In addition, the migration of Russians and other Slavs was practiced extensively, but with limited success. Until 1917 the Karelians constituted the majority of the population in Karelia.

The economy of the area remained primarily agricultural. The population was concentrated in the valleys which are suitable for cultivation in spite of the short growing season. Forestry, animal husbandry, fishing, trapping and hunting also provided subsistence and cash income. Industrialization in earnest began during the time of Peter the Great, but major industrial plants were concentrated in Viipuri and the Baltic area with very limited extension into the interior. Emphasis was placed on metal works, shipbuilding, and industries for processing forestry products.

On 6 December 1917, after the Russian collapse, Finland declared its independence. However, the situation within the country was quite confused. Russian troops under the control of the Petrograd Soviet were stationed in most towns. In addition, armed local Communists, the Red Guards, were organized. These two groups had the objective to bring Finland into the Soviet Union. The non-Communist Finns had different ideas and civil war ensued. Under the able leadership of Baron Carl G. E. von Mannerheim, the non-Communist Finns were able to defeat the Red forces, but were unable to capture the Eastern provinces of Karelia. The situation was further complicated by the intervention of the Germans and the Allies. The Germans, on the invitation of the Finnish government, sent a force of about 12,000 men to help the Finns. The Allies landed troops at Murmansk and Archangelsk. The Allied forces, in cooperation with White Russians advanced South in the Kola peninsula and into parts of Eastern Karelia. Near Petsamo, small clashes between the nationalist Finns and Allied troops took place. With the Allied troops were some locally recruited Karelians who inadvertently were forced to fight against their own kin. Unfortunately, the Allies after a few months decided to withdraw their forces from this territory and leave the remaining White Russians to fend for themselves. The White Russians were unable to resist the Red pressures and consequently the whole area, including Eastern Karelia, was eventually occupied by the Reds.

Hostilities between Finland and the Soviets were terminated in 1920 with the Treaty of Dorpat. This treaty provided for an autonomous Eastern Karelia within the Soviet Union, a provision which the Finns took too seriously. However, the Soviet government had no such intentions and this provision of the treaty was never applied. For appearances sake the Soviets organized a Karelian Commune which was later renamed the Karelian Autonomous Soviet Socialist Republic. Later, in 1944, it was changed to the Karelo-Finnish Soviet Socialist Republic, to be again demoted to the status of Autonomous Republic in 1956. The Soviet government immediately began to oppress the Karelians in many ways. Karelians were exiled to other parts of the Soviet Union, Russians from the interior were brought and settled in the towns, Karelian newspapers and schools were closed down, and the church was persecuted. The Monastery of Solovetsk was made into a huge prison. Alexander Solzhenytsin makes reference to its inmates in his book "Gulag Archipelago".

In 1922 the Finnish government took the case of Eastern Karelians to the Hague Court of International Justice. The Soviet government refused to accept in advance the Court's decision as binding, and the Court refused to consider the case. After 1924 many local insurrections took place in Eastern Karelia about which the outside world heard little or nothing. The Soviets accused Finland of sending volunteers to help the insurgents—an accusation that was probably true. Many Eastern Karelians crossed the border illegally and found refuge in Free Finland. Some of them were coerced back by the Soviets with promises of pardon and threats of reprisals against their relatives. Almost all of those who were naive enough to return were sent to faraway concentration camps. Similar was the fate of 2,000 Communists who went to the USSR from Finland proper. Almost all of them perished during the purges of the thirties.

In 1939, after the Molotov-Ribbentrop Pact, Soviet expansionism came out in full force. After swallowing half of Poland and the Baltic States, the Soviets attacked Finland with a massive force that outnumbered the Finns initially by a ratio of 4:1 in personnel and twice that much in materiel. But the Finns, again under Mannerheim's leadership resisted brilliantly. Most of the fighting took place on the Karelian Isthmus; i.e. the area between Lake Ladoga and the Baltic. The Finns, left on their own without help from anywhere, had to eventually yield and sign an armistice. This conflict is known as the Winter War. In 1941, after Hitler turned on his former Soviet ally, the Finns resumed the war (known as the Continuation War) against the Soviets. In the course of this War they temporarily captured most of Eastern Karelia, but with the Axis defeat they again had to retreat. In the Treaty that followed this conflict the Finns ceded to the Soviets 13,500 square miles of territory, including most of Western Karelia with the important city of Viipuri and the Petsamo region.

Most of the ceded territory was incorporated in the Karelo-Finnish Soviet Republic mentioned previously. This governmental unit today, according to Soviet statistics, has about 750,000 inhabitants, less than a third of whom are Karelians. The rest are immigrants from other parts of the Soviet Union. Those Karelians who had the opportunity followed the Finnish Army in its retreat. Those who remained were subjected to the usual abuses by the Soviets, including imprisonment and relocation to other parts of the Soviet Union for being unreliable. The Soviets have made only token concessions to Karelian national feelings. The teaching of the Finnish language in schools is restricted. Newspapers and other publications in Finnish are few. Karelians are seldom found among the civil servants or public officials. When conscripted in the armed services, they always serve in other areas. The Republic's capital is Petrozavodsk.

The number of refugees from the ceded part of Finland and from Eastern Karelia was approximately 450,000. In spite of great financial difficulties, heavy war reparations paid to the Soviets, and no help from any of the American-sponsored postwar rehabilitation programs, the Finnish people and government managed to resettle the evacuees successfully. Most of them were settled in the area around Kuopio which resembles Karelia topographically, thus making the process a little easier for those involved. Today, thirty years after the war, the Karelian evacuees have been completely absorbed into the life of their new homesteads. They are economically very productive, having a very industrious disposition to begin with. Visitors to the area are impressed with their friendliness, although very few will be found with a fluent knowledge of English.

One of the saddest parts of the Karelian story is the fate of the three monasteries (Valamo, Konevista, and Petsamo) which are located in the ceded territory. When one talks with Orthodox Karelians he realizes that this has been a very bitter experience for them. However, all was not left behind. The buildings remained, but almost everything moveable was evacuated. This includes art treasures, icons, other paintings, vestments, books, etc., even the graves of some of the dead monks. A new monastery was established at Heinavesi. However, after a few years most of the art objects from the monasteries and the abandoned parish churches were placed in a museum in Kuopio. This museum is perhaps the only one of its kind in the world. The monastery too is open to the public. In 1973 it received about 40,000 foreign visitors, most of them from West Germany. Only four of the over 200 monks who came from the ceded area are alive today. They have been joined by a few younger monks and together they strive to maintain the traditions of their glorious past.

The Karelians of today have adjusted to the realities of existence next door to the world's biggest and most aggressive Empire. But they do long for their abandoned homes in the valleys near the big lakes. They wonder if the principle of self-determination for nationalities will ever be universally applied.

REFERENCES

East Carelia, by the Academic Carelia League, Helsinki 1934.

Art Treasures of the Eastern Orthodox Church of Finland, by Istvan Racz; Helsinki Otava.

Memoirs, by Baron C. G. E. von Mannerheim; Cassell, London 1953.

Guerrilla Warfare—Analysis & Projections, by N. I. Klonis; Speller, N.Y. 1973.

Sisu, by Oskari Tokoi; Speller, N.Y. 1957.

FEA MISMANAGES EMERGENCY OIL SUPPLIES

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mrs. MINK. Mr. Speaker, on June 3, Frank Zarb, FEA Administrator, appeared before a hearing of the joint subcommittees on Mines and Mining and Energy and Environment which was considering certain allegations made by President Ford in vetoing H.R. 25, the Surface Mining Control and Reclamation Act of 1975. Mr. Zarb was questioned about the claims which he had put forth with the President, to the effect that enactment of the bill would result in coal production losses and consequently vastly increased dependence on imported oil.

Mr. Zarb insisted that he could not in good conscience allow this to happen because of his deep concern for the precarious energy situation in which he sees this country. His duty to protect the national interest and to look at the larger context obliged him to advise the President to veto the strip mine bill which Congress has hammered out arduously over 4 years. This was the burden of his message to the subcommittees.

My colleagues who might have been favorably impressed by Mr. Zarb's protestations on June 3 should find the accompanying report recently released by the General Accounting Office of more than passing interest. This report is in the form of a letter from Monte Canfield, Jr., Director of the Office of Special Programs, to Mr. Zarb, drawing to his attention the results of the GAO investigation of FEA's administration of the petroleum set-aside program in Arkansas, Florida, New Mexico, New York, Oklahoma, and Virginia.

The report indicates that in many cases, the State agencies are distributing emergency fuel contrary to the intent of the Emergency Petroleum Allocation Act of 1973 and in violation of FEA regulations. Lax administration by FEA and confusion over authority to enforce its own regulations appears to be at fault.

One would expect an administrator with the professed dedication to solving the Nation's energy crisis such as Mr. Zarb has expressed and in view of his concern with the short-term energy problem, that strict supervision of these supplies would stand high on his priorities. This report lends to Mr. Zarb's criticism of H.R. 25 a decidedly hollow and cynical ring:

U.S. GENERAL ACCOUNTING OFFICE,
Washington, D.C., May 8, 1975.

Hon. FRANK ZARB,
Administrator,
Federal Energy Administration.

DEAR MR. ZARB: We have reviewed the administration of the petroleum set-aside program by the State energy offices in Arkansas, Florida, New Mexico, New York, Oklahoma, and Virginia.

We examined program documents and interviewed officials at the six State Offices of Petroleum Allocation, the FEA regional office in Dallas, Texas, and FEA headquarters in Washington, D.C.

At the height of the Arab oil embargo, the State Offices of Petroleum Allocation played an important role in alleviating temporary shortages of petroleum products through allocations from the State set-asides to users who could not obtain fuel from their traditional suppliers and/or who had not been assigned new suppliers by FEA. When the embargo ended and supplies of petroleum products became more plentiful, the State set-asides in the States we visited were no longer being used strictly for emergency and hardship cases. Specifically, we found that many State set-aside allocations had been made with no or inadequate documentation that hardships or emergency requirements existed. We also found that States appeared to be allocating products for other than hardship or emergency situations.

Some FEA officials are aware that States are allocating set-aside for other than emergency and hardship uses. Due to confusion among FEA officials concerning whether FEA has the necessary authority to administer, review, and evaluate State set-aside programs, FEA has taken little or no corrective action.

The apparent lax administration of the State set-aside program may stem from the increased supplies of petroleum products now available compared with the supply situation when the program was established. Because of the changed circumstances, we believe that FEA should determine whether the set-aside program should continue in its present form.

If the program is continued, we believe FEA should determined whether it is operating counter to the intent of the Emergency Petroleum Allocation Act of 1973 (Public Law Law 93–159) and the Mandatory Petroleum Allocation Regulations by permitting users to exceed the fuel allocations to which they are entitled. FEA also should take action to insure that State Offices of Petroleum Allocation administer the set-aside program compatibly with the above law and regulations.

BACKGROUND

The Emergency Petroleum Allocation Act of 1973 mandated, among other things, equitable distribution of refined petroleum products among all users and areas of the country.

In keeping with the intent of this law, the Federal Energy Office (FEO), FEA's predecessor organization, issued regulations on January 15, 1974, providing for uniform allocation of crude oil and petroleum products on an equitable basis to all users. To insure uniform allocation, fuel was distributed on a pro rata basis, depending upon the amount used during a base period. The base period varied somewhat for the different types of fuel.[1] The regulations permitted FEO to assign suppliers to users:

Not in business during the base period, or

Without a supplier during the base period, or

With a base-period supplier unable to supply fuel.

In addition, users could apply to FEO for increases in their base-period volumes to cover unusual growth, such as plant expansion or population growth.

The January 15, 1974, regulations also established the State set-aside program for certain allocated petroleum products and permitted States to apply to FEO to create a State Office of Petroleum Allocation. All States implemented set-aside programs. Currently, under the State set-aside program, each month the State offices withhold from the normal distribution a predetermined percentage of available fuels (motor gasoline and propane, 3 percent and residual fuel oil and middle distillate, 4 percent).

The regulations intended that State offices use the set-asides to resolve emergencies and hardships due to fuel shortages. A hardship was defined in the January 15, 1974, regulations as: "• • • a situation involving or potentially involving substantial discomfort or danger and/or economic dislocation, caused by a shortage of an allocated substance due to maldistribution of that substance."

The regulations for the allocation of set-asides were amended on May 6, 1974, to allow the States greater flexibility in releasing set-aside products and to delete the definition of hardship. The deletion of the definition permitted the States to establish their own definitions to be used in administering their programs. The amended regulations provided that the State office, in addition to allocating set-asides on an application-by-application basis, could order to release of part or all of a supplier's set-aside volume to purchasers within certain State geographical areas, to alleviate geographical supply imbalances.

FEA did not establish procedures for States to use for allocating the set-asides until September 5, 1974. Most important among the procedures then established was that State offices insure that applications for set-asides, either written or oral, give enough information to enable the State offices to determine whether the proposed allocations would satisfy the objectives of the Emergency Petroleum Allocation Act of 1973 and the Mandatory Petroleum Allocation Regulations.

From March through November 1974, about 1.65 billion gallons of gasoline, 283.5 million gallons of diesel fuel, 19.5 million gallons of propane, and 173.6 million gallons of home-heating oil were allocated from State set-aside volumes nationally.[2]

[1] Base period for set-aside products: residual fuel oil—month of 1973 corresponding to the current month for all nonutility users; propane—October 3, 1972, through April 30, 1973; and middle distillate and motor gasoline—month of 1972 corresponding to the current month.

[2] These figures are based on FEA data obtained from the States; however, not all States reported for all months.

Under the Special Energy Research and Development Appropriation Act, 1975 (Public Law 93-322), FEA received $10 million to partially reimburse States for participating during fiscal year 1975 in energy programs, such as the set-aside program.

SET-ASIDE ALLOCATED WITHOUT DOCUMENTATION OF HARDSHIP OR EMERGENCY DEMONSTRATION

Many States allocated fuel with no documentation of hardship or emergency requirements. For instance, one State required evidence that a hardship existed only for allocations of 40,000 gallons or more. In other States, the justification provided appeared inadequate to support the existence of hardships or emergencies. The following are examples of justifications for hardship and emergency accepted by the State offices we visited. One example came from each State.

There are so many forms that I have not had time to fill them out.

Need gas for festival.

Demand greater than supply.

Have more orders than we can fill.

To maintain 7 a.m. to 10 p.m., 7 days per week, station hours.

Retail gas unavailable.

Another State permitted major oil company suppliers to distribute two-thirds of the State gasoline set-aside. Before allocating set-aside gasoline, the suppliers determined that a hardship or emergency existed. Since the State did not require the suppliers to provide either a list of the users supplied or the basis for the allocations made, the State did not know who received set-aside fuel or for what reasons. Consequently, neither the State nor FEA had any assurance that set-aside fuel had been allocated only in hardship or emergency cases. A State official said he had "faith" that the suppliers would allocate fuel only to those users demonstrating hardship and emergency requirements.

At a third State we visited, one company received 63 percent of the entire propane set-aside between March and October 1974. The following chart shows, by month, the quantity and percent of propane allocated to that company:

	Gallons allocated	Percent of total allocated
March	70,000	90
April	73,900	100
May	130,368	100
June	214,040	100
July	224,260	54
August	296,600	77
September	122,760	21
October	460,011	73
8-month total	1,591,939	63

Our review of the firm's applications for temporary hardship relief from the State set-aside revealed, in most cases, the absence of information required by FEA's regulations.

After our work in that State, we determined the firm did not have a request pending at FEA's regional office for an assignment of a supplier or for an adjustment of base-period volume supply. An FEA senior case resolution officer told us the firm has submitted a request for the propane, but FEA had returned the application for lack of justification and documentation. The application had not been resubmitted.

On November 27, 1974, we told the FEA regional administrator of the results of our work and asked him to advise us of the results of any investigation undertaken in the matter. As of March 24, 1975, FEA's investigation was still in progress.

QUESTIONABLE ALLOCATION OF STATE SET-ASIDES

We noticed some States appeared to be allocating products for other than hardships or emergencies. For example, one State office phoned prime suppliers, resellers, and end-users in the State to determine whether they needed any of the remaining set-asides. One reseller said he had neither a need nor a storage capacity for the fuel but would accept it later and use it to supplement his next month's allocation from his normal supplier. He later obtained 100,000 gallons of fuel from the set-aside.

Another State repeatedly allocated products from the set-aside to the same applicant when the applicant's basis for requesting set-aside products was that his normal supplier's product prices were too high.

Some FEA officials were aware that problems exist in administering the State set-aside program. However, these officials have taken little or no action to correct the problems. For example, an FEA regional office learned that some States within the region were distributing set-asides for other than emergencies and asked FEA's national office for compliance and enforcement what action could be taken. On September 26, 1974, a reply, signed by the National Director, Enforcement Policy and Coordination Division, stated that FEA had no authority over allocating State set-asides and that the States were authorized to distribute the set-asides for whatever purposes they deemed appropriate.

A memorandum dated January 13, 1975, from FEA's Acting Assistant Administrator, Operations, Regulations, and Compliance, to regional administrators stated that it had been alleged that some States had improperly distributed set-asides by making all assignments in the last few days of the month or by making assignments to brokers and others in instances not necessarily related to emergency or hardship requirements and that other States had not used the set-asides at all. The memorandum states:

"In this regard, if a State is misusing its State set-aside or is using it improperly, then such instances ought to be approached on a case-by-case basis."

When questioned about the above memorandum, an FEA official said that he was unsure whether FEA had the authority to review State allocations of set-aside products.

LACK OF FEA PROGRAM GUIDANCE AND REVIEW

Other than the guidelines contained in the Mandatory Petroleum Allocation Regulations, the States had received no directives from FEA on administering the set-aside program. We found only one State that followed FEA's guidelines in administering the program. Program administrators at four of the States believed that FEA had given the States the right to operate the set-aside program as each one saw fit.

FEA had reviewed set-aside operations at only one of the six States we visited and never questioned the State's use of set-aside fuel. FEA officials at the national level said that FEA had not checked or verified the States' compliance with regulations. The officials also said the expense involved in monitoring and evaluating the program would not be worthwhile.

There is confusion within FEA concerning its authority to investigate allegations of State misuse of set-aside fuel. As previously mentioned in this letter, FEA officials are unclear as to their authority once fuel is given to the States. According to an official of FEA's Office of General Counsel, the Federal Energy Administration Act of 1974 (Public Law 93-275), the Emergency Petroleum Allocation Act of 1973, and FEA's regulations do *not* preclude FEA from administering, evaluating, or investigating the energy programs at the State level.

Because there is no consistent interpretation of FEA's authority over the State set-aside program, FEA has elected not to investigate set-aside uses. Because of this "hands-off" policy, the States believed that their programs were administered as FEA intended.

We understand that FEA has contracted with a consulting firm for an analysis and evaluation of the set-aside program, but that the results of the contractor's examination have not been finalized.

We believe as long as FEA is partially reimbursing States for participation in energy programs including the set-aside program, FEA should take steps to insure State set-aside programs are administered consistently with the Emergency Petroleum Allocation Act and the Mandatory Petroleum Allocation Regulations.

CONCLUSIONS

State set-aside fuel was allocated in many instances with no or inadequate documentation that a hardship or emergency requirement existed. Because individuals were allocated State set-aside fuel without adequate justification that a hardship or emergency existed, these individuals may have exceeded the allocations to which they were entitled under the regulations. In this respect, some individuals may have avoided filing with FEA for an adjusted allocation by repeatedly applying for and receiving State set-aside allocations.

Because of the confusion among FEA officials as to whether FEA has authority to administer, review, and investigate State energy programs, FEA has had a hands-off approach concerning the set-aside program.

The lax manner in which the State set-aside program apparently is being administered may stem from the increased supplies of petroleum products now available compared with the supply situation when the allocation program was imposed.

RECOMMENDATIONS

In view of the changed supply situation and the manner in which the program is being administered, we recommend that FEA reevaluate its set-aside regulations to determine whether the set-aside program should be continued in its present form. FEA should consider reducing the amount of fuel allocated to the set-aside program, restricting the program to those petroleum products for which hardship or emergency requirements exist, or stopping the program until such time as a shortage may again develop.

If the set-aside program is continued, we recommend that FEA take the following actions to correct the more specific problems noted in our review.

Review the Federal Energy Administration Act of 1974, the Emergency Petroleum Allocation Act of 1973, and the Mandatory Petroleum Allocation Regulations, to determine whether FEA, in fact, has the authority to administer, evaluate, or investigate the use of State set-aside fuel. Should FEA determine that it does not have such authority, it should change the regulations or seek changes in the law, if necessary, to obtain this authority.

Determine whether State offices have established and are following consistent and concise criteria for evaluating hardships and emergencies.

Determine whether State offices are allocating set-aside fuels for reasons other than those of hardship and emergency and take appropriate action to correct any deficiencies in the program.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions he has taken on our recommendations to the House and Senate Committees on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We shall be pleased to discuss the contents of this letter in further detail should you so desire.

Sincerely yours,

MONTE CANFIELD, JR.,
Director.

COLENE F. GIGLIO, FLIGHT INSTRUCTOR OF THE YEAR

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. ANDERSON of California. Mr. Speaker, whenever one thinks of women involved in commercial aviation, the first picture that comes to mind is that of a stewardess or flight attendant. This image is too limited for the women who have been successful in other fields of aviation.

One such woman is Colene F. Giglio, of Long Beach, Calif. Ms. Giglio has been honored by the Federal Aviation Administration, and the Air Safety Foundation of the Aircraft Owners and Pilots Association as the Flight Instructor of the Year.

Ms. Giglio, who was one of three women finalists for the national award, holds an airline transport pilot certificate and has logged over 12,000 hours total flight time. She is the chief flight instructor and operator of Eagle Aviation, an FAA-approved pilot school at Long Beach Municipal Airport. She is also a Federal Aviation Administration pilot examiner.

The basis for Ms. Giglio's award was her professionalism as an instructor; effectiveness in producing safety-minded, successful applicants for pilot certification; initiative for self-improvement; devising new and improved training methods and aids; and enthusiasm in promoting student, civic, and community interest in aviation.

Other considerations were her record of compliance with FAA regulations, and her ability to infuse that knowledge and compliance in her students.

Ms. Giglio, who has been an FAA certified flight instructor since 1963, has also raced competitively. She has instructed more than 500 students, including airline pilots, executive pilots, flight instructors, and businessmen pilots. An active FAA accident prevention counselor, she has given 120 proficiency flights and biennial flight reviews, in addition to sponsoring 10 pilot safety meetings.

Before becoming a pilot, Ms. Giglio worked as a medical technician, attending college at night to qualify for veterinary school. Although her career is in aviation, she still retains her interest in veterinary medicine. She spends her free time in the evenings helping out at the veterinary clinic in Lomita, Calif., which she helped organize.

I would like to congratulate Colene Giglio on her award as Flight Instructor of the Year. Her record as an outstanding instructor of pilots, plus her demonstrated concern for safety in the field of aviation, show that she is indeed worthy of this honor.

OUTLOOK FOR PEACE STRENGTHENED

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, June 6, 1975

Mr. HARRY F. BYRD, JR. Mr. President, President Ford returned Thursday from an extensive and important visit to Europe, the announced objective of which was "to strengthen the peace."

In an excellent editorial, the Staunton, Va., Leader summarized the President's trip and assessed its results in terms of the announced purpose. Reviewing the President's role at the NATO summit in Brussels and his visits to Madrid, Rome, and Salzburg—where he met with Egyptian President Sadat—the editorial finds that—

While the peace objective may not have been attained, but a more friendly spirit was evident, and this was indicative of success in the declared objective of strengthening the peace.

I think this is a fair assessment of the President's trip, and I ask unanimous consent that the text of the editorial be printed in the RECORD. The editor of the Staunton Leader is E. Walton Opie.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Staunton (Va.) Leader, June 5, 1975]

TRIP STRENGTHENED OUTLOOK FOR PEACE

In advance of his six-day trip to European and Middle Eastern nations, President Ford said his objective was "to strengthen the peace". How far he advanced on this path is not readily discerned, but from his own statements and those of leaders of NATO countries, President Sadat of Egypt and others, and the action of Israel in pulling back a large part of its forces along the Suez Canal, the President and his Secretary of State did make some progress.

For the reassurance of Americans, Mr. Ford stated in his address to the West Point corps on Wednesday: "Our major alliances are strong and firm. . . . Our allies' confidence in us is not misplaced."

The President took occasion at the military academy commencement to name two ways for Congress to do its part in demonstrating to the world "that Americans have neither lost their nerve nor their national will"—refuse to cut back the bedrock defense budget for 1976 and "to develop enough domestic energy to make the U.S. fully independent of foreign oil at externally fixed prices that threaten our economic health and our national security".

At the Brussels NATO meeting, Mr. Ford told our allies not to worry about U.S. military strength, its economy and its military system. He declared our intention to maintain our forces in the alliance and assured the delegates to the session that the people of the U.S. solidly support NATO.

At Brussels he chided France and Greece for failing to meet their obligations for force contributions, called their attention to the treaty requirements, and demanded their unqualified assistance. He urged early con-

sideration of associating Spain with the defense alliance in some way.

A British opinion was that the President should have visited Lisbon instead of Madrid, because what happens in Portugal just now is of most immediate importance because of the threat of Communist rule. His talks with Italian government leaders in Rome were friendly but no agreements of moment were reported. On his visit to Pope Paul VI, the talk was about humanitarian problems.

At Salzburg, Austria, there were meetings with President Anwar Sadat of Egypt which gave Mr. Ford and Secretary Kissinger obvious encouragement as to the outlook for a settlement of the Middle East struggle. President Sadat was most friendly. He was pleased with the action of Israel in withdrawing forces from the Suez zone, Israel declaring this a friendly gesture. It was accepted verbally as such by President Sadat. Almost simultaneously, Syria started a withdrawal of forces from the Golan Heights.

These actions may be indicative of a desire by both Israeli and Arabs to reach a settlement, but more as to its significance may be learned from next week's visit to Washington by Israel's Premier Yutzbak. Sadat urged President Ford to put pressure on Israel to meet the Arab demand to withdraw from territories taken in the 1967 war. This will undoubtedly be discussed during the Washington conferences.

Another tough one taken up on the Ford trip was the matter of a settlement of the Cyprus conflict. This was discussed at Brussels, probably at Bonn with West German leaders, and in separate talks with the Premiers of Greece and Turkey. Afterward there were hopeful expressions that the Ford-Kissinger push for a Cyprus settlement was really succeeding.

"Very warm, very friendly" was President Ford's description of the attitude of President Sadat. From press reporters and Mr. Ford's view on his return to Washington, these words appear to have been applicable to his receptions everywhere. The peace objective may not have been attained, but a more friendly spirit was evident, and this was indicative of success in the declared objective of strengthening the peace.

CHARLES STUART MOTT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. LEHMAN. Mr. Speaker, Charles Stuart Mott would have been 100 years old on June 2. Belatedly, I would like to express my appreciation on behalf of, I am sure, millions of people who are grateful for the untiring efforts of this gentleman to open the doors of education to persons of all ages.

The concept for community education was the original idea of C. S. Mott. Its genesis can be traced to 1935. Since then it has attracted the attention and advocacy of many communities throughout the country, who believe as Mr. Mott did, that school buildings, like an individual's mind should not stand idle once the regular school day ends. Rather, school facilities should be providing an extended range of services to the surrounding community. Community education attempts to attain this goal by channeling the interests and needs of the community into a school environment. The ancillary benefits are a strengthening of the ties between the community's populace and the local education system.

Today, with the passage of Public Law 93-380, the Education Amendments of 1974, Mr. Mott's dream has become a reality to many school districts and individuals throughout the Nation.

Those of us associated with education are indebted to Charles Stuart Mott for his contributions to the furtherance of this goal and the perfection of the idea that education is indeed for everybody.

SURFACE MINING CONTROL BILL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. CRANE. Mr. Speaker, next week we will vote on overriding the President's veto of the Surface Mining Control bill. Before that vote I would like to call to my colleagues' attention this editorial from the May 21, 1975 issue of the Chicago Tribune which very wisely points out the reasons why this veto should be sustained.

As this editorial states, the 21 States that produce 90 percent of the Nation's coal already regulate strip mining and also require restoration of strip mined land. I wholeheartedly agree that this "Federal measure would be overkill." Since it appears that the Congress will not pass a meaningful energy program this year, it is even more important now that this veto be sustained on June 10.

SUSTAIN THE STRIP MINING VETO

Balancing our growing need for energy against concern for the environment, President Ford has again vetoed legislation that would set federal standards for restoring strip mined coal fields. We urge that the United States House of Representatives sustain the veto.

The veto is not going to win Mr. Ford many friends among the conservationists, but it is a sound decision. What we need most now is to develop existing and new energy resources. We are too dependent upon foreign oil as it is, and the strip mine bill would make it difficult, if not impossible, to make use of our most abundant energy resource—coal.

Mr. Ford pointed out in Tuesday's veto message that the strip mine bill would throw about 36,000 people out of work, raise the cost of electricity to the consumer, increase our dependence on foreign oil, and reduce coal production when more output is needed. Moreover, the bill is ambiguous and contains cumbersome enforcement provisions.

Twenty-one states producing 90 per cent of the nation's coal already regulate strip mining and require restoration of strip mined land. The federal measure would be overkill.

Frank Zarb, federal energy administrator, estimates that the legislation would reduce coal production by between 40 million and 162 million tons a year, depending on interpretation of the ambiguous provisions. For every 50 million tons of coal not mined, the nation will have to substitute 215 million barrels of oil a year at a cost of $2.3 a billion. Why should we pay foreign oil producers for energy which is available at home and at a much lower cost? Further, as the nation recovers from the recession, our energy demands will increase.

Since Congress seems less and less likely to enact a comprehensive energy bill this year, it is all the more important that the veto of the strip mining bill should be sustained.

TRIBUTE TO EDWARD T. "MIKE" O'NEILL

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to bring to the attention of my colleagues a memorial tribute paid to Edward T. "Mike" O'Neill, who was an honored citizen of Milton, Mass., and a friend of mine for many years.

The Board of Selectmen of Milton proclaimed this past Sunday, June 1, 1975, Edward T. "Mike" O'Neill Day in Milton, Mass. It was my pleasure to attend, along with Mr. O'Neill's lovely family and many friends, the ceremonies honoring Mike for his years of dedicated service to the town of Milton.

Mrs. Rita O'Neill unveiled a plaque dedicating Milton's Central Avenue business district to the memory of her husband. Selectman John Linehan read a proclamation commending Mike for his years of service to his community and for his particular interest in helping the youth of Milton. State representative Joseph Manning memorialized Mr. O'Neill as one of Milton's leading citizens and reminded us that Mike was instrumental locally in the campaign to elect John F. Kennedy President.

Mike O'Neill served for 24 years as a Milton town meeting member; was warrant committee member from 1950 through 1952; and town assessor from 1957 to 1965, when he began serving Milton as insurance agent.

Mike O'Neill will be sorely missed by his family and friends and the town of Milton, Mass.

I would like to enclose a June 2, 1975, article from the Patriot Ledger covering the events of Edward T. "Mike" O'Neill Day in Milton:

[From the Patriot Ledger, June 2, 1975]

LATE EDWARD T. "MIKE" O'NEILL HONORED THROUGHOUT TOWN

MILTON.—Yesterday was "Edward T. 'Mike' O'Neill Day" in Milton as proclaimed by the board of selectmen. In the afternoon, under cloudy skies, the Central Avenue business district was formally dedicated to his memory.

His widow, Mrs. Rita O'Neill, unveiled the plaque as daughters Nancy and Patricia and son, Edward Jr. and his wife, along with many longtime friends and residents, watched.

Selectman John Linehan read the proclamation honoring "Mike" who served his community as a town meeting member for 24 years, warrant committee members from 1950 through 1952 and assessor from 1957 to 1965, when he began serving the town as insurance agent.

The proclamation commended Mr. O'Neill for his interest in the youth of the community which was manifested by volunteer service on the Youth Club, Little League and high school athletics program booster. (The high school football trophy will be renamed in his memory).

Rep. James Burke, D-Milton, said Mr. O'Neill lived a full life and believed in family life. Rep. Burke added that strong families make strong communities and strong communities make strong nations. He concluded that when he returns to Washington he will "put a little piece" in the Congressional Record about the work performed by Mr. O'Neill.

Former selectman William White, on behalf of the planning committee, presented Mrs. O'Neill with a bouquet of roses.

Rep. M. Joseph Manning, D-Milton, said he was honored to be sposekman at the ceremonies at a location where Mr. O'Neill was a familiar figure for many years. Rep. Manning said it was most fitting to memorialize his name.

He added that his friendship with Mr. O'Neill went back 30 years when they met through mutual interests in sports. He said he was one of Milton's leading citizens concerned with the town and also involved politically when he took charge of the town's efforts to elect John F. Kennedy president.

The Rt. Rev. Msgr. John Day, pastor of St. Mary of the Hills Church, said he was pleased to pay tribute and praise to a fellow citizen, parishioner and friend.

Msgr. Day said Mr. O'Neill epitomized the most important precept of the Lord—"to love God and your neighbor as yourself." He praised Mr. O'Neill's help in the development of the parish of which he was a member from its inception, his success as a businessman and his sense of sensibility of people and desire to help them.

Msgr. Day said his dedication to youth went back many decades and urged those in attendance to work more for their fellow men, particularly the young people, in Mr. O'Neill's memory.

Following the dedication of the square, a reception was held at the Knights of Columbus Hall, where the Milton Council honored Mr. O'Neill by naming their hall in his memory.

Mr. O'Neill was a member of the council and former president of its building association. Master of ceremonies at the dedication was Joseph G. Graziani Jr. and the dedication prayer was offered by the council chaplain, the Rev. Fr. John O'Donnell. Mrs. O'Neill unveiled a portrait of Mr. O'Neill, naming the hall in his memory.

The dedication committee included Francis M. Murphy, Leo Lasis and William White. A delegation of Fourth Degree Knights, representing the Cardinal Cushing Council, participated in the program.

THE FREE LUNCH SOCIETY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. McDONALD of Georgia. Mr. Speaker, recently Mr. Fred L. Hartley, in a speech to the Commerce Associates of the School of Business Administration of the University of California, pointed out what is patently true that there is no such thing as a free lunch. He particularly pointed out that the free enterprise approach is the only way to solve the energy problem, but with sadness noted that we in the Congress appear to be going in the opposite direction. All in all, his speech was a fine message in favor of the free enterprise system which has built this Nation. The speech follows:

THE FREE LUNCH SOCIETY

(By Fred L. Hartley, Chairman and President, Union Oil Company of California)

Thank you, Mr. Chairman, and good evening ladies and gentlemen. I was flattered to be asked to speak to you tonight. Actually I'm flattered these days to be *asked* almost anything instead of being *told* what I must do by Uncle Sam and all of his nephews and nieces who are running state governments.

You represent a rare and ever-diminishing species, those who are dedicated to the advancement of private business. I draw that rather obvious conclusion because as Commerce Associates of the University of Southern California you are dedicated to the advancement of private business education. And do we need more of that! I wish I could mandate that every politician and bureaucrat first had to have several years of business education and experience so he would have an idea of what the real world is all about. Maybe it would help bring some sanity to our government and some stability to our economy.

Tonight I want to talk to you about what I call "The Free Lunch Society," That's really rather difficult to do, because there is no such thing.

What I'm really talking about, of course, is freedom *and* the government—principally the federal government. Not freedom *from* the government nor freedom *under* the government, but rather freedom in co-existence *with* government. And, being in the energy business, I want to give you some examples from my experience.

We properly expect government to provide certain basic services like national defense and the protection of individuals in their persons and property. For this we pay our taxes—and more.

We have a Bill of Rights that is designed to protect us from government. We don't like to think of ourselves as serving under the government, but rather of the government serving us. But our people demand so many government services—without counting the costs—that government no longer serves us. We serve it.

Our strange insistence that government solve every short-run difficulty for us only leads to increasing long-run problems. And, of course, the people who work in government are in the "business" of selling us patent-medicine solutions to our problems. The public becomes "trained," in a Pavlovian sense, to look to the government when the going gets tough.

Three weeks ago, on March 18, 1975, I sat in the gallery of the United States Senate and watched a number of senators, including Bentsen, Hollings and Cranston, pontificate and, without any regard for facts, make the most curious and illogical proposals concerning the new tax bill they subsequently approved. They wove in a fabric of exceptions for which I could see no justification other than the machinations of politics. Very frankly, a great feeling of shame for our democratic institutions and the men who represent the people in the United States Senate came over me as I watched their unbelievable behavior.

What is discouraging is the apparent attractiveness to many people of these actions and about government solutions generally. They seem to feel there is a low price or no price at all. It just comes from "the government," whoever that may be. Woodrow Wilson once said, "No man every saw a government. I live in the midst of the government of the United States, but I never saw the government of the United States."

What the public seems to want is for the government to spend—but also for the government not to tax. Because the federal government can run a deficit and finance it by in effect printing more money, legislators and administrations can offer money at an apparently low price.

This is "The Free Lunch Society."

The cost of the "free lunch," of course, is ultimately in our taxes, which now are running at about 40 percent of national income, and in the tax of inflation on cash balances. Sweden, which has a cradle-to-grave sort of socialism, used to be the world's highest with a 40 percent tax burden. Now we've got a 40 percent rate, and we don't even get a free grave out of the deal, much less a cradle. No wonder income seems small—40 percent in taxes plus a whopping rate on inflation. This amounts to a massive case in indigestion from that so-called "free lunch."

The government has failed to curtail the dominant power of construtions unions enforcing non-eligible demands and resulting in the inflationary game of leap-frogging in wages and prices. Let me give you an idea of what's happening, for example, in construction costs. A Union Oil subsidiary built a chemical fertilizer complex in Kenai, Alaska at a cost of $65 million in 1968.

In order to take care of the increased fertilizer requirements of our western farmers, we are now in the process of duplicating that complex, minus a few of the extras the original plant had. To be completed in 1977, only nine years following the first plant, the cost is not $65 million but nearly *four times* that figure for a total of $230,000,000, thanks chiefly to sky-rocketing construction, labor and equipment costs.

How does this fuel the fires of inflation? For our company to receive the same rate of return on its investment on the new plant as on the old, the value of the product obviously has to rise. The product from the new plant should cost about $70 per ton more than product made at our present plant with its lower investment base. The new costs will have to be passed along to the wholesalers and the farmers who use this form of fertilizer for their crops. Ultimately you and I, the consumer in the market, will pay the price. This is an example of how inflation permanently increases the cost of food in our country.

We know that an excessively easy monetary policy, huge budget deficits and spiraling wage increases are contributors to the inflationary cycle, but a less obvious contribution is through the countless regulations imposed by government on the private sector. We don't question the worth of clean air and water and safe working conditions, but regulations generate costs as well as benefits.

Just as an example, to enforce these regulations there now is an army of regulators—about 63,000 federal regulators, in fact, this fiscal year at a direct cost of $2.2 billion. The indirect costs are incalculable; individuals and firms spent more than 130 million man hours during the year filling out thousands of different forms required by federal law. Just since 1967, the spewing forth of paper from the federal grist mill has increased 50 percent.

I don't anticipate any great lessening in Washington's eagerness to regulate business but the high costs of administering such regulation must also be recognized as a heavy contributor to inflation.

The growth in federal spending has averaged 10 percent a year over the past 10 years and there's no end in sight. Government is mortgaging our collective fixtures to the hilt. Politicians periodically head back to the grass roots spouting concern for the hard-pressed citizenry, then return to Washington to propose new and larger spending programs and resultant higher prices.

Misdirected anger at these higher prices leads to mistrust of business—not the government which started the cycle, and the cost of a 1975 automobile is a good example. This

same misdirected anger leads to more controls and regulations over business and industry.

Let me give you some examples as a representative of the most regulated business in the country—and undoubtedly the most maligned.

Senator Russell B. Long of Louisiana recently commented that what he called "the worship of juniority" on Capitol Hill has left many senior senators out of formal efforts to come up with an energy-economic plan. Senator Long complained that most of his fellow senators "have the idiotic idea that the way to get more energy is to tax the oil companies out of existence."

That's just the way the Congress went. The Congress passed a tax law last month which the President reluctantly signed. It eliminated the depletion provision for oil and gas and thus penalized the 160,000 owners of Union Oil Company of California and then exempted or partially exempted every independent oil producer—a doubly discriminatory measure. What most folks don't realize is that there are more than 100 materials in all the extractive industries—sulfur, cooper, zinc, tin—even gravel, peat and sand and other energy minerals, namely coal and uranium—that receive an allowance for the depletion of these resources.

The only industry where the depletion allowance has been eliminated is the petroleum industry. I can tell you that this new law, which is retroactive to last January 1, will immediately reduce the cash available for my company for domestic oil and gas exploration and production by about $45 million this year. This amount will be doubled next year as other sections of the law become effective.

This action against the oil and gas industry means that our reliance on OPEC foreign sources of petroleum will increase, and in effect additional billions of U.S. dollars will be paid to foreign powers.

Approximately $10 on each barrel of oil imported into the United States is paid into the treasuries of other nations—you can take your choice and call it profit or taxes imposed upon the American people. Now very frankly these nations have the right to charge what they want for their resources just as our country doubled and tripled the price of farm products and machinery exported overseas.

The trouble is that the billions spent on foreign energy imports are far greater than the value of our exports, and so our nation's financial structure becomes more and more unstable with resultant increasing unemployment, business recession and the destruction of savings as the dollar becomes worth less and less.

If oil companies are to find new sources of domestic petroleum we must have capital raising capability, denied us with the total elimination of the depletion allowance. I have recommended to the Congress and the Administration that it adopt a single, logical energy resource depletion allowance of 15 percent applicable to oil, gas, coal, uranium, geothermal steam and oil shale. This allowance should be earned by requiring a full plowback into finding and producing more of the resources, and should be coupled with gradual price decontrol of old oil production.

Yes, petroleum still is under price control—the only industry so regulated. Since August 1971, oil companies have had to absorb all cost increases including labor, supplies, power, water, fuel, state and local taxes and the cost of pollution control—everything except the cost of crude oil, which we are allowed to pass through to our dealers and they to their customers, if the marketplace will allow.

The Tax Reduction Act of 1975, to which I referred earlier, also will reduce foreign tax credits—again only for the oil industry. These arbitrary and punitive measures directed only against one industry really make me wonder if there is not an organized effort—in fact a conspiracy—to cripple the ability of the United States to maintain a viable domestic oil and gas energy supply.

The next step, of course, is for the federal government to create a Federal Oil and Gas Corporation to take over the role now performed by private oil companies. You can see a pattern here: first, punitive regulation to destroy our viability, then takeover, presumably to fill the government-created vacuum.

Unfortunately and unbelievably, serious consideration is being given in Washington toward creation of such a federal oil and gas corporation. It would be operated, mind you, by the folks who brought you the U.S. Postal Service, and Amtrack, hallmarks of government efficiency and cost effectiveness.

Can you imagine government decisions being made on where to explore and drill for oil and gas? A given area's employment needs are likely to have more clout in the decision making process than the geologist's report. I can see the government drilling in areas where there is no chance to find oil or gas, but where there is a current election year and a high unemployment rate.

It would be kind of funny, except for the tragic overtones. With our economy and our future so dependent upon our energy resources, we cannot afford the luxury of such intensive government meddling. Government businesses appear to offer low cost services because they either are tax subsidized or they don't have to pay the taxes that private industry must pay. In the case of a federal oil and gas corporation, it wouldn't have to pay the federal government the $12.7 billion private companies have paid since 1968 just for the right to explore for oil and gas on federally owned offshore leases.

Not only is there no "free lunch society," there is also no such thing as a free lunch. Again, you and I as consumers and taxpayers will pay the bills.

It's a rule of thumb among lending officers of major banks that the longer an industry has been government regulated, the worse credit risk it tends to become; take our railroads and airlines for example. When an industry is taken over by the government, however, maybe it doesn't have to worry about credit ratings anymore. If it needs money, it just issues it from the U.S. Treasury in Washington. This is the same system they use in the USSR except it is issued from Moscow.

I don't know how much longer the American public will sit still for this kind of nonsense, but there are some fleeting indications that improvements are being made in the way people think about business and government.

In a recent poll conducted by the Roper Organization, business received high praise compared with federal agencies. Private corporations, as viewed by the public, are run more efficiently, have more intelligent top management and better middle and lower level employees than federal agencies. Business even was considered to contribute more to making people's lives better. It seems, according to Roper, that despite widespread criticism of business prices and profits, American business is still admired and respected for the way it does its job, and for what it contributes to enhancing the quality of American life.

I have some recommendations to improve and strengthen those emerging sentiments:

Rather than the federal government assuming more and more regulatory control and proposing to take over some private industries, Washington should begin to model its fiscal and operating policies after business.

Any federal deficits should be required to be offset by a surplus within a specified time period. The government should spend within a given budget based on the amount of tax revenue collected. If a business spends way over the amount it has coming in, it goes under. Government agencies should be reminded of that basic fact of economic life.

The American people must understand that they pay for everything they get, and that if they continue to demand more and more services from the federal government they will pay for them with their personal freedom. The government does not give without taking first.

We must plan to solve long-range problems, not just apply mustard plasters to make everyone happy in the short run. There is no easy or "free" way to solve our problems.

In energy, as in all segments of the economy, we must keep the regulators out. The long run costs of short run "solutions" are just too high.

The marketplace, and not government planning, should regulate the economy. The desire for private gain and fulfilment, not federal regulation or decree, should be the motivating force.

A good description of how far our system has drifted was written recently by Dr. W. Philip Gramm, an economics professor at Texas A & M.

Gramm recited a phone call he'd gotten from the White House asking him to come to Washington to help develop "a new and viable energy program, a system of government control and subsidies, a system of government and industry mutual research and project participation."

Gramm answered:

"It is a happy coincidence that out of 211 million Americans you have called the right man, because I know exactly what to do."

Gramm told his caller he envisioned a system which was not going to cost a penny, but in fact would make money. It would be so productive that we could tax its output and finance government programs on the basis of its productivity.

". . . we would allow people to own property, and we would allow them to combine this property with their God-given talents to produce output. We would allow them to sell output in a free market so that each individual, in attempting to maximize his own welfare, would operate at maximum efficiency. And each consumer, in attempting to maximize his own individual welfare, would economize on the things that were scarce and therefore expensive, and substitute for them things that were abundant and therefore cheap.

"In such a system, by rewarding production and innovation, we would assure a maximum level of economic growth."

Gramm added that he "was basically a modest person and wanted his caller to know this was not totally his idea; that, in fact, if he would like a written reference, he might look at Adam Smith's *Wealth of Nations*, written in 1776."

Gramm was invited to Washington, anyway, in spite of advocating such heresy. Which is how, as he puts it, "for a four-month period, while I didn't invent the free enterprise system, I had the sole Washington distributorship of it."

It is this kind of system, envisioned by Adam Smith and recalled by Professor Gramm, that has brought the American people the highest standard of living on earth. And it has worked well because for the most part it has been permitted to function naturally, with a minimum of intervention by government.

Next year is our nation's bicentennial, and also that of Adam Smith's *Wealth of Nations*. Let us hope we can turn 1976 into a joint rededication of our nation's basic principles of strength.

FORD ADMINISTRATION REPUDIATES OWN STRIP MINE BILL

HON. PATSY T. MINK
OF HAWAII
IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mrs. MINK. Mr. Speaker, the joint hearings of the Subcommittees on Mines and Mining, and Energy and Environment on June 3 clearly established the fact that the President has vetoed H.R. 25 on the basis of provisions which are virtually identical with provisions in his own bill, H.R. 3119. The veto message claims that H.R. 25, if enacted, would result in coal production losses of from 40 to 162 million tons of coal in 1977, on the basis of certain key requirements which the bill would impose on surface mine operators.

A careful examination reveals that many provisions now being cited as objectionable are identical in substance with parallel provisions in H.R. 3119, the bill which the President sent to Congress as a substitute to ours in February 1975. For example, the permit application requirements which are set forth in section 407 of the President's bill are in all significant respects identical with those of section 507 in H.R. 25. Yet the administration says that the permit application provisions in H.R. 25 are so onerous it will cost 22 to 52 million tons of coal production. I say ridiculous!

Regarding citizen suit provisions, the Congress adopted the entire language found in the President's own bill. Nevertheless, administration spokesmen at the joint hearings stated that their own provision was unacceptable. The upper range of their coal production losses was based on this very language which appears in the President's own bill.

Other portions of H.R. 25 which have been cited by the Bureau of Mines in its coal production loss estimates are the alluvial valley floor definition, hydrology, and siltation requirements.

Mr. Speaker, it is incredible, but the fact remains that President Ford has vetoed H.R. 25, not on its merits, but for purely political purposes. This is White House politics at its most blatant. Sometime in May, the administration decided it did not want any kind of surface mining legislation, because it no longer suited the President's purposes.

Senator LEE METCALF, who participated in the joint hearings, established this fact during his cross-examination of John Hill, Deputy Administrator of the Federal Energy Administration, in the following colloquoy:

Senator METCALF. You would have recommended veto of the President's own bill?

Mr. HILL. I would recommend we send up another bill today, given our overall energy policy situation, yes.

What was the reason for this switch in the administration's position on its own bill? The only reason which clearly emerges from the testimony, aside from Mr. Hill's vague references to the energy situation, was Mr. Hill's statement that failure of Congress to act on the President's energy bill before the Memorial Day recess made the White House change its mind on the strip mining bill. This petulance on the part of the President reveals the extent to which the White House is willing to go in order to block legislation designed to remove the miasma of uncertainty which surrounds coal development in this country and thus stimulate orderly growth and production.

H.R. 25 has certainly not been judged on its own merits. The grossly inflated estimates of coal production loss which the administration has conjured up have been exposed for what they are—generalized assumptions having no basis in any sort of objective study. Bureau of Mines personnel, under my questioning admitted that no economic analysis or mine-by-mine survey had been done in arriving at the loss estimates for small mines. As far as I have been able to determine from material submitted by the Bureau, the whole edifice is based on little more than word-of-mouth surveys of surface mine associations, State reclamation agencies and a few selected coal companies, all of which are likely to have a vested interest in maintaining the status quo and opposing H.R. 25.

Prof. William Miernyk of the Regional Research Institute at Morgantown, W. Va,. was quoted by administration witnesses as an expert on the economic impacts of this legislation. Dr. Miernyk informed my staff today that he supported H.R. 25. He said he disagreed with the coal production loss estimates and the related unemployment effects which have been cited by the administration. West Virginia, he pointed out, has a stringent surface mining law which in some respects is tougher than H.R. 25, and it has had virtually no adverse effect on jobs in the State.

Miernyk stated that his studies project 33 million tons of deep mined coal capaiity for West Virginia in the next 3 years, and with continuing strong demand, jobs are bound to increase substantially. He feels there is no better time to get this law on the books than right now—demand is strong, and economic conditions relating to the coal industry are generally good. He pointed out that some marginal mines on Ohio did shut down after the law was strengthened, but underground mines immediately expanded production and took up the slack, so that overall there was no significant drop in either jobs or production. Postponing this legislation by veto will simply risk running into far more adverse conditions, making adjustment of the industry considerably more difficult, at a later time, he asserted.

I have also received testimony sharply questioning the assumptions behind the President's veto from the Commonwealth of Pennsylvania. State Representative John F. Laudadio, Sr., and State Senator R. Budd Dwyer, chairman and vice chairman, respectively, of the Joint Legislative Air and Water Pollution Control and Conservation Committee, have written the following letter pointing out that stringent regulations of surface mining has boosted production in Pennsylvania:

COMMONWEALTH OF PENNSYLVANIA,
JOINT LEGISLATIVE AIR AND WATER POLLUTION CONTROL AND CONSERVATION COMMITTEE,
Harrisburg, May 28, 1975.

Hon. PATSY MINK,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSWOMAN MINK: There are several points which we think should be brought to your attention before the override vote on the Federal Strip Mining Bill now pending before Congress.

Grave reports abound regarding the impact this bill will have on production of coal, employment and the price of electricity. Pennsylvania's experience with a tough surface mining law (strict law passed in 1963 and strengthened further in 1971) does not lend support to these arguments. In fact, the reverse is true.

For the ten preceding years prior to the passage of Pennsylvania's 1963 Surface Mining Act, average yearly coal production using surface mining methods was 20.7 million tons. For the ten-year period after passage of the Act, average production was 24.2 million tons. That represents an increase of 17% during a period when coal was less than economically competitive with other basic fuels. During this same period (the entire 20-year span), employment gradually declined; however, this was due, by the industry's own admission, primarily to general economic conditions, newly applied technology, and modernization of equipment by the coal industry.

After passage of the 1971 amendments to Pennsylvania's All Surface Mining Act, which placed additional requirements on the coal industry, employment in the bituminous industry increased by almost 20%, from 5,192 (1973) to 6,416 (1974). Furthermore, production increased from 29.3 million to 36 million tons during the same period.

In sum, Pennsylvania, experience graphically illustrates that increased coal production and employment have occurred simultaneously with stringent reclamation requirements imposed by our law and regulations.

The net effect of not requiring similar practices in other States, may well be to impose an economic disadvantage on the production of Pennsylvania coal.

Thank you in advance for your kind consideration.

Respectfully,
JOHN F. LAUDADIO, SR.,
Chairman.
R. BUDD DWYER,
Vice Chairman.

Nevertheless, the White House seems bent upon pursuing the opposite policy—placing short-run energy needs of the Nation ahead of the long-run environmental protection of our land. For there is no question—and Mr. Zarb freely admitted as much—that the coal industry can make a relatively rapid recovery from the initial adjustment to H.R. 25. In the long-run, this legislation will have little or no impact, considering the strong demand and the rising trend of prices. So what we must recognize is that the White House, in abandoning any surface mine legislation, is also abandoning America to increasing water pollution and ravaging of the land. Inadequate State and Federal regulation have permitted these desecrations in many areas and they are likely to continue as a pattern of surface mining effects.

Mr. Speaker, America needs this bill now. We cannot afford to wait until things go from bad to worse. We cannot afford to be responsible for the terrible despoilation of our western lands which

impends. We cannot ignore the past debt of a million acres of orphaned lands, where reclamation is long overdue. We cannot allow the stripping of our easily recoverable reserves to the neglect of our deep minable coal.

We must listen to the objective advice of those, who like Dr. Miernyk, have no ax to grind, and whose studies have revealed the truth underlying this controversy.

I would urge my colleagues to heed the broad long-range concerns and vote to override the President's veto of H.R. 25.

RX COST AND QUALITY UNRELATED

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. ROSENTHAL. Mr. Speaker, the pharmacy profession and the drug industry have devoted immense effort, resources and funds to the job of convincing American consumers that cost should be no object in purchasing medicine and that the cheaper the product the more questionable its quality.

This "cost equals quality" approach is absurd. Moreover, it has plucked needless millions of dollars from consumers' pockets through inconsistent inflated and excessive prices.

The opposition of the pharmacists in particular to drug price advertising is couched in altruistic arguments of deemphasis of the drug environment in this country and the maintenance of professional ethics and standards. Those are just facades for avoiding price competition and to keep consumers in the dark about prices. The lack of advertising of medicine prices conceals the inconsistency and arbitrariness of those prices.

The following are reports prepared by my office on those factors which are influencing drug pricing, with a focus on the advertising controversy:

FACTORS INFLUENCING DRUG PRICING

Shopping for prescription drugs is unlike shopping for any other consumer product. The customer has been conditioned to avoid comparing prices and never to ask the prices of the drugs he orders. There is usually a sense of urgency involved in having a prescription filled. Patients concerned about their health rarely make the purchase of a prescription contingent on its cost, nor do they usually have the time or transportation to shop comparatively.

That prices do differ—dramatically—from store to store is undeniable, and this study examines the underlying factors of that price variation. It is one of the contentions of this report that the consumer should not bear the burden of price investigation completely on his own. As a spokesman for the National Association of Chain Drug Stores stated: "The problem is to incorporate the pharmacy industry into an operation wherein the consumer is not a second class citizen who feels that he must ask the prices of prescriptions, sometimes with little or no hope of further illumination from the pharmacist."[1]

Footnotes at end of article.

It has become increasingly apparent that pharmacists, as well as consumers, are concerned about astronomical drug prices. Early in the summer of 1971, a group of New York City pharmacists called on President Nixon to impose price controls on prescription and over-the-counter drugs. This was prior to the President's announcement of the wage and price freeze which took effect in mid-August of 1971. The vague outlines of that program stipulated that stores with more than 60 employees or which grossed $200,000 or more annually had to post the prices of their 40 most purchased products in each department. Prescription drugs were included in the category, despite vigorous industry efforts to have them exempted. The effect of price posting, however, was of dubious benefit to the consumer. Most pharmacies are independently owned and operated (by a ratio of 7 to 1) and consquently do not employ 60 people. Not only did these stores not have to post their prices, but they were saved from explaining their pricing practices to the public.

There is a sign that the industry's attitude toward posting may be changing, however. A study conducted for APhA by the Institute for Motivational Research recommended the association endorse prescription price posting in pharmacies because consumers want it. More than half of the 501 persons interviewed in 40 cities for the study said they would welcome price posting. In selecting a pharmacy, they said "lower price" was second only to "professional service" and by only a slim margin of 17.6% to 18.4%. The head of the study group said consumers rarely make prescription price comparisons and they tend to put a portion of the responsibility for prescription prices on the physician who selected the drug and the manufacturer who set the cost to the druggist.[2]

Many pharmacists vigorously protest any criticism of high drug prices. Invariably they point to the higher price of medical care and bring up Bureau of Labor Statistics figures which show prescription prices going down during the Sixties while other prices went up. The validity of the BLS figures has been questioned on the following grounds:

1. An inadequate number of products in the sample;

2. An over-emphasis in the sample on products that have fallen sharply in price, and

3. Failure to include the new and costly products which replace older, less expensive drugs.

The average prescription price has been going up at the rate of about 2% per year during the past decade, according to the HEW drug study.[3] The average retail prescription price charged in 1971 was between $3.78 and $4.21, according to industry surveys. Ten years earlier the price range was $2.97 to $3.27.[4]

The following resolution, adopted by the Long Island City Pharmaceutical Society, illustrates the widely substantiated opinion that prescription drug prices are too high and can be controlled, if not by executive action, then by allowing prices to be advertised: "Whereas wholesale costs of prescription drugs, patent and proprietary medicines have continually spiraled upward at an alarming rate during the past two years, we the members of the Long Island City Pharmaceutical Society, request that price controls be established on these commodities and a letter directed to the President of the United States be sent recommending the prompt enactment or decree establishing these controls."

Lawrence H. Carter, president of the 75-member association, stated that he believed his was the first pharmaceutical group to request such action. "Perhaps it is the fault of our pharmacy leaders not to have made this request sooner, but any additional delay will be catastrophic for the general public." Carter's letter to Mr. Nixon which accompanied the resolution said: ". . . Wholesale prices continue to spiral upward at an alarming rate. Many manufacturers are now on their fourth round of price increases in the past two years. . . . While some increases may be necessary, many manufacturers have raised prices astronomically and we . . . feel this is totally unwarranted. Drug manufacturers, as we of the pharmacy profession, have a responsibility to the public. Mr. President, we implore you to enact wholesale price controls on prescription and related items before continued inflationary pressures price these commodities beyond the means of the average public. . . ."

Retailers generally tend to disclaim any responsibility for drug prices, contending that their prices represent only a reasonable markup over their wholesale cost. The reasonableness of the markup is debatable, especially in light of the fact that retail prices for identical drugs vary dramatically among like stores in the same neighborhood. The essential elements of these differences relate to the costs to retailers of trademarked drugs versus their generic equivalents, and the fact that some pharmacies, due to differences in overhead, services and efficiency of operation, are able to charge less for the same drug product.

The pharmacists and drug store operators who fight so vigorously against retail prescription drug price advertising frequently are the victims themselves of over-pricing by the large pharmaceutical manufacturers. Small independent druggists fear competing with mass merchandisers, a competition which they feel would develop if price information were readily available to consumers. However, the small proprietor usually has two strong advantages over his larger counterparts—convenience and more personalized service. He is more likely to be located near the doctor's office or in a residential neighborhood.[5] Many alert consumers recognize this and are willing to pay for the convenience and personalized service of the neighborhood pharmacy, but they do so knowing that prices are probably higher.

There are numerous channels through which the influence of pharmaceutical manufacturers is exercised and results in higher prices to the public. One widely used method is advertising in pharmacy journals, periodicals and other literature. These publications, whose backers rigidly oppose retail drug price advertising, rely heavily on wholesale drug price advertising from manufacturers as a major source of their revenue. They apparently see no conflict because their publications are not distributed to the general public, from whom they want to conceal price information. Advertisements in medical journals represent a significant method of influencing the doctor's prescribing habits. According to Dr. Richard Burack, author of *The Handbook of Prescription Drugs*, "Probably the shrewdest and most effective means by which the big pharmaceutical corporations perpetuate their hold over doctors and patients is through the *Physicians' Desk Reference* (PDR). Although some doctors may not think of it in these terms because its format and veneer give it a clearly authoritative appearance, PDR is in fact composed of advertising."[6]

The PDR is a catalogue of prescription drugs which illustrates them and explains their usage. It is distributed without charge to most doctors and is found in every hospital. The PDR states that its contents have been obtained through the "cooperation" of drug manufacturers, through whose "patronage" its publication is made possible. Dr. Burack states: "This is euphemism. Drug houses buy space in the PDR and publish what they wish to publish."[7] Contrary to its supposed purpose, the Handbook is incomplete because it mentions only a few generic names for widely consumed basic drugs. Furthermore, the widespread use of this volume serves to conceal from practicing doctors the existence of numerous other manufacturers who very often can supply the same drugs at lower cost. The higher price of these drugs is, therefore, passed on to the patient, who is caught unaware in this web of economic profit.

The pricing factors discussed above are not necessarily all-inclusive. However, there is ample evidence to show that the lack of a free flow of information from manufacturers to doctors and pharmacists results in arbitrary and unjustifiable markups in the prices of prescriptions purchased by the consumer.

Prices vary not only from store to store, but can even vary from customer to customer at the same store. Simply because prices are not posted or advertised, the clerk or pharmacist can arbitrarily change the price on the basis of the customer's age, sex, race or appearance.[8] There are very few, if any, checks on this practice. It is also common knowledge (substantiated by reporters) that prescription prices at some stores are negotiable. A customer who tells the pharmacist that the competition offered a lower price than the one just quoted is more likely to have his bill reduced than the person who says nothing.

Retail prescription drug pricing is based on a number of fixed costs, as well as variable and arbitrary factors. The primary influence on a pharmacist in determining cost is the wholesale price of the drug. (The larger retailers purchase directly from the manufacturers; smaller stores must go through the more expensive middlemen.) Added to this fixed cost are the overhead costs of operation of the pharmacy, the cost of services offered and the desired profit.

Surveys such as this one and others have revealed a tendency for prices to be higher in low income neighborhoods. Pharmacists confirm this finding but claim that there are valid reasons for this situation: business costs are frequently greater, insurance is more difficult to get, and it is often a problem to hire people for these areas. Large losses due to shoplifting, robberies and burglaries have forced some pharmacists to stop selling prescriptions in high crime areas because they fear that their supply of narcotics is too tempting an invitation to addicts.

The poor often pay more for another reason. Most poor people do not enjoy the mobility of the more affluent consumer who has a car and can shop around for the best price. Consequently, the poor have become a captive audience for the dwindling number of merchants in their neighborhoods. The lack of competition in these areas sends prices upward for all commodities, not only medicine. This situation is further hampered by the scarcity of chain and discount drugstores in these areas.

FOOTNOTES

[1] Robert J. Bolger, Executive Vice President, telephone conversation, 6/30/73, NACDS.

[2] *American Druggist*, November 27, 1972, p. 13ff.

[3] *The Drug Users*, Task Force on Prescription Drugs, HEW, Feb. 7, 1969, p. 15–16. One reason for this is, reportedly, the increasing size of the prescription itself.

[4] *Prescription Drug Data Summary*, 1972, p. 33.

[5] Of the 51,476 community pharmacies in the United States in 1969, independents outnumbered chains by better than seven to one (45,093 independents; 6,383 chain pharmacies). *Prescription Drug Summary*, HEW, p. 29.

[6] Pantheon Books, New York, New York, 1967, p. 17. Dr. Richard Burack, *The Handbook of Prescription Drugs*.

[7] *Ibid.*

[8] In response to the Rosenthal questionnaire, one person wrote: "I am a law student, but I have worked in a small, independently-owned drugstore. The prescription prices are made on the spot, according to the appearance of the customer, how often they frequent the store, how knowledgeable they are of prices and drugs and how business has gone that day."

THE PRESCRIPTION DRUG ADVERTISING CONTROVERSY

The opportunity to make an informed choice in the purchase of products which are as necessary to the health of the individual as prescription drugs is a basic right. However, monopolistic drug patent laws, captive pharmacy boards, pressure from pharmaceutical manufacturers and the groundless fears of pharmacists over prescription drug price competition have effectively thwarted the consumer's freedom of choice. The culmination of this closed economic system is the statutes and regulations in 37 states which presently prohibit price advertising. There appears to be no similar hesitancy toward saturating the media with millions of dollars worth of advertising touting the doubtful virtues of over-the-counter (OTC) drugs.

An example of this double standard can be found in two separate ads placed by Drug Fair[1] in the March 26, 1972, issue of the Washington *Post*. (See Appendix 5.) A full-page ad (page A–30) asked in bold type "Should prescription drugs be advertised?" and answered itself: "Our society needs to have drugs be promoted like a glassblower needs hiccups. . . . Drugs need de-emphasis, not publicity." This "noble" thought was exploded by a 16-page advertising supplement Drug Fair put in the same issue, touting a variety of over-the-counter drugs such as cough mixtures, eye drops, mouthwash, saccharin and a line of vitamins. Such action exposes the hypocrisy of Drug Fair's professed concern for protecting society.

This "interest" in the public welfare is little more than a facade for concealing the real motive—a desire to avoid price competition in the sale of highly lucrative and often over-priced prescription drugs.

Resistance to advertising prices has another purpose as well. It also conceals the fact that prices are not consistent at all stores in the chain throughout the area. The practice is sometimes called "zone pricing." The companies give two basic reasons:

(1) higher cost of doing business in some areas (because of crime, insurance, etc.) drives prices up there, and (2) tough competition from a nearby store (usually a discounter) tends to keep some prices down at selected stores.

The latter factor is especially prevalent in the case of birth control pills. Representatives of two Washington, D.C., area chains said the pill is the most highly competitive prescription product today and most of their stores sell it at cost or below, especially college neighborhoods.

John McHugh, director of professional services of People's Drug Stores in the Washington area, said his chain does not have "zone pricing" but does make "some local competitive exceptions" to chain-wide basic prices on a store-by-store, item-by-item basis.

Every facet of the drug industry, from the largest pharmaceutical manufacturer to the owner of a small pharmacy, makes use of the media to merchandise its products. The situation has reached the point where every emotional problem and ache and pain, real or imaginary, is subject to some pill or medicine. It has become increasingly difficult for parents to warn their children of the evils of drug abuse when the young see, on television and in their own homes, adults popping pills into their mouths almost like candy.

One recurring argument offered by pharmacists who oppose the advertising of prescription prices is that such action would contribute to the already dangerous saturation of the media with irresponsible advertising. FDA Commissioner Charles C. Edwards recently observed, "We are a drug culture society," adding, "psychiatrists, sociologists, psychologists—all share with us a deep concern that this trend, this attitude may be one of the causative factors in our drug abuse problem." He further stated: "The tremendous wave of advertising over the media, especially TV, [has] created an environment in which the consumer feels that reaching for a pill, tablet or capsule is a panacea for all of his ills."[2]

In view of this argument, it is fallacious to assume that prescription drug price advertising is a link in the drug abuse chain. Not only are prescription drugs products whose access, content and use are tightly controlled, but it taxes the boundaries of rationality to imply that informing consumers of prices, as opposed to therapeutic efficacy, could lead them irreversibly down the path of drug abuse.

According to officials in the Justice Department,[3] which supports the advertising of prescription drugs, "One of the main problems in regard to prescription drugs is that the other side (pharmaceutical manufacturers) relies on euphemism, that is, using the term drug as an illicit substance. They latch onto the need to control 'dangerous and addicting drugs' (those requiring a prescription) and on this basis, they are not inclined to favor the consumer as to the prices he must pay." In this situation, it was stated, the Justice Department does not wish to thwart the efforts of organized pharmacy, or to ease in any way the passage of laws which would facilitate illicit drug traffic, only those which would serve the purpose of informing the consumer. The first objective, therefore, is to try to prevent drug manufacturers from perverting concern for illicit drug traffic into a restrictive economic profits game.

It is a recommendation of this report that restraint is urgently needed in the presently irresponsible advertising of claims for nonprescription drugs in the mass media as well as in trade and professional publications. If self-restraint is not forthcoming, it may best serve the public interest for the Congress and appropriate federal agencies, such as the Federal Communications Commission, the Federal Trade Commission, and the Food and Drug Administration, to act to control the often deceptive advertising tactics of pharmaceutical firms and allow the free dissemination of price information to the public.

FOOTNOTES

[1] A large Washington, D.C., area drug chain.

[2] Testimony before the Monopoly Subcommittee of the U.S. Senate Small Business Committee, July 21, 1971.

[3] Telephone conversation with Mr. Richard Bernstein, Antitrust Division, Justice Department, July 6, 1972.

WHO REALLY BENEFITS FROM TAX LOOPHOLES?

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. GREEN. Mr. Speaker, recently, some very interesting data prepared by the Treasury Department was released showing in detail what many of us have

been saying for years—that tax preferences benefit wealthy taxpayers to a much greater extent than middle-income taxpayers. In fact, one quarter of those benefits go to the top 1.2 percent of all taxpayers. Based on this data for fiscal year 1974, Public Citizen's Tax Reform Research Group has calculated the average per taxpayer benefits by income class of the 57 tax preference items available to individuals. The tax preferences cost the Treasury over $58 billion annually in lost revenue. This material will appear in the June issue of the tax group's publication, People and Taxes. I am putting it in the RECORD today so that my colleagues can see who really benefits from tax loopholes.

TAX PREFERENCE BENEFITS PER INDIVIDUAL BY ADJUSTED GROSS INCOME CLASS, FISCAL YEAR 1974

Adjusted gross income class	(1) Exclusion of benefits and allowances to Armed Forces personnel	(2) Exclusion of military disability pensions	(3) Exclusion of certain income earned abroad by U.S. citizens	(4) Expensing of certain agriculture capital outlays	(5) Capital gains treatment of certain agriculture income	(6) Expensing of exploration and development costs	(7) Excess of percentage over cost depletion	(8) Capital gains treatment of certain timber income	(9) Deduction of nonbusiness State gasoline taxes
0 to $3,000	2.46	0.25	3.70	2.46	2.46	----------	0.25	----------	0.25
$3,000 to $5,000	17.81	1.72	1.72	4.62	3.96	0.13	.66	0.26	.66
$5,000 to $7,000	19.34	1.93	.85	7.25	6.65	.12	.48	.24	2.66
$7,000 to $10,000	10.94	1.14	.79	7.88	7.00	.18	.96	.26	7.09
$10,000 to $15,000	6.90	.69	.44	7.21	6.58	.63	1.19	.25	12.41
$15,000 to $20,000	5.58	.61	.71	7.10	6.99	.81	2.13	.30	21.81
$20,000 to $50,000	5.55	.56	2.66	13.88	12.77	2.11	8.44	1.11	34.09
$50,000 to $100,000	6.11	----------	9.16	64.07	53.44	19.85	94.66	13.74	42.75
$100,000 and over	6.25	----------	12.5	218.75	187.50	162.50	662.50	137.50	50.00

Adjusted gross income class	(10) Housing rehabilitation 5-yr amortization	(11) Exclusion of scholarships and fellowships	(12) Parental personal exemptions for student age 19 and over	(13) Deduction of contributions to educational institutions	(14) Deduction of child and dependent care expenses	(15) Exclusion of employer contributions to medical premiums and medical care	(16) Deduction of medical expenses	(17) Exclusion of social security disability insurance benefits	(18) Exclusion of social security OASI benefits for aged	(19) Exclusion of social security benefits for dependents and survivors
0 to $3,000	.49	1.48	----------	----------	----------	6.41	0.99	10.85	115.85	19.72
$3,000 to $5,000	----------	5.15	1.06	----------	0.13	9.63	5.01	5.67	60.69	9.90
$5,000 to $7,000	----------	5.80	4.60	0.17	.85	15.83	13.54	4.23	45.93	7.25
$7,000 to $10,000	----------	3.59	8.75	.18	2.71	24.94	23.10	3.85	41.13	6.56
$10,000 to $15,000	.13	1.94	13.29	.19	5.33	41.50	30.15	1.94	20.69	3.34
$15,000 to $20,000	.20	1.93	13.09	2.03	9.33	66.46	38.15	1.32	14.20	2.03
$20,000 to $50,000	.67	1.22	8.22	7.11	1.55	91.83	70.84	2.22	23.87	3.89
$50,000 to $100,000	21.37	----------	111.45	99.24	----------	294.66	221.37	6.11	68.70	7.63
$100,000 and over	150.00	----------	131.25	1,250.00	----------	550.00	443.75	6.25	125.00	31.25

Adjusted gross income class	(20) Exclusion of railroad retirement system benefits	(21) Exclusion of sick pay	(22) Exclusion of unemployment insurance benefits	(23) Exclusion of workmen's compensation benefits	(24) Exclusion of public assistance benefits	(25) Net exclusion of pension contributions and earnings[1] Employer plans	(26) Plans for self-employed and others	(27) Exclusion of premiums on group term life insurance	(28) Exclusion of premiums on accident and accidental death insurance	(29) Exclusion of privately financed supplementary unemployment benefits	(30) Exclusion of employer furnished meals and lodging	(31) Exclusion of capital gain on house sales if age 65 or over
0 to $3,000	7.39	2.46	12.32	6.16	7.39	3.70	----------	1.23	----------	----------	0.25	0.25
$3,000 to $5,000	3.83	2.11	10.56	5.28	3.30	6.60	----------	1.98	0.13	----------	.53	----------
$5,000 to $7,000	2.90	2.05	12.09	6.04	1.81	13.30	0.12	3.63	.24	0.12	.97	----------
$7,000 to $10,000	2.63	2.10	14.00	7.00	.44	25.38	.18	5.69	.35	.09	1.49	.09
$10,000 to $15,000	1.32	4.14	15.67	7.52	----------	49.52	.38	9.72	.56	.13	2.44	.06
$15,000 to $20,000	.91	6.09	15.22	7.61	----------	100.45	1.12	15.73	.91	.10	3.96	.10
$20,000 to $50,000	1.44	6.33	22.21	11.10	----------	193.20	11.88	21.10	1.22	----------	5.55	.22
$50,000 to $100,000	4.58	6.11	76.34	38.17	----------	832.06	132.82	68.70	4.58	----------	18.32	3.05
$100,000 and over	6.25	6.25	62.50	31.25	----------	1,625.00	100.00	125.00	6.25	----------	31.25	12.50

Adjusted grossi ncome class	(32) Excess of percentage standard deduction over minimum standard deduction	(33) Additional exemption for the blind	(34) Additional exemption for age 65 or over	(35) Retirement income credit	(36) Exclusion of veterans disability compensation	(37) Exclusion of veterans pensions	(38) Exclusion of GI bill benefits	(39) Credits and deduction for political contributions	(40) Exclusion of interest on State and local debt	(41) Exclusion on income earned in U.S. possessions	(42) Deduction of nonbusiness State and local taxes (other than on owner-occupied homes and gasoline)
0 to $3,000	----------	----------	1.73	0.21	15.04	4.19	8.38	----------	----------	----------	0.25
$3,000 to $5,000	0.13	0.13	12.53	2.31	5.15	1.06	16.36	----------	----------	----------	1.72
$5,000 to $7,000	1.57	.36	22.36	2.66	5.32	----------	7.25	0.12	----------	----------	6.65
$7,000 to $10,000	5.60	.26	23.45	1.75	5.86	----------	3.06	.09	0.09	----------	20.91
$10,000 to $15,000	40.43	.19	12.29	1.19	6.39	----------	1.00	.13	.25	0.06	41.44
$15,000 to $20,000	35.71	.20	10.75	.91	7.31	----------	1.01	.20	2.23	.20	103.08
$20,000 to $50,000	19.76	.22	23.43	1.11	9.66	----------	1.00	.33	10.88	.22	329.56
$50,000 to $100,000	9.16	1.53	85.50	1.53	15.27	----------	3.05	1.53	593.89	----------	1,622.90
$100,000 and over	6.25	----------	162.50	----------	18.75	----------	----------	----------	3,412.50	----------	5,868.75

TAX PREFERENCE BENEFITS PER INDIVIDUAL BY ADJUSTED GROSS INCOME CLASS, FISCAL YEAR 1974—Continued

Adjusted gross income class	(43) Depreciation on rental housing in excess of straight line	(44) Depreciation on buildings (other than rental housing) in excess of straight line	(45) Investment credit	(46) Dividend exclusion	(47) Capital gain (other than farming and timber)	(48) Exclusion of interest on life insurance savings	(49) Deferral of capital gain on home sales	(50) Deduction of mortgage interest on owner-occupied homes	(51) Deduction of property taxes on owner-occupied homes
0 to $3,000	0.49	0.49	0.25	0.74	18.73	2.46	.25	----------	0.25
$3,000 to $5,000	.79	.40	1.58	1.06	4.49	7.92	.92	1.72	3.17
$5,000 to $7,000	1.21	.73	3.87	1.33	9.79	10.88	1.09	6.29	7.98
$7,000 to $10,000	1.84	1.14	6.21	2.28	13.83	10.50	1.66	23.19	19.34
$10,000 to $15,000	2.63	1.57	9.34	2.63	19.06	12.54	2.63	55.54	36.55
$15,000 to $20,000	3.86	2.23	13.70	4.67	28.61	17.25	4.77	114.96	78.23
$20,000 to $50,000	14.21	8.33	33.31	14.88	126.25	46.64	10.88	230.74	96.98
$50,000 to $100,000	122.14	71.76	164.89	56.49	1,479.39	297.71	32.06	531.30	621.37
$100,000 and over	300.00	168.75	450.00	81.25	19,431.25	968.75	68.75	593.75	1,331.25

Adjusted gross income class	(52) Deduction of casualty losses	(53) Deduction of charitable contributions (other than for education)	(54) Deduction of interest on consumer credit	(55) Additional items for Senator Mondale: Untaxed capital gains at death[1]	(56) Deferral of income of controlled foreign corporations	(57) Asset depreciation range	Total average benefit for all preferences
0 to $3,000	----------	0.74	----------	4.44	----------	----------	267.44
$3,000 to $5,000	0.40	2.37	.92	1.06	----------	----------	229.32
$5,000 to $7,000	.48	8.10	3.14	2.18	----------	.60	284.90
$7,000 to $10,000	1.58	16.63	11.64	3.15	----------	.79	385.28
$10,000 to $15,000	3.39	27.90	27.77	4.39	.06	.63	556.36
$15,000 to $20,000	4.26	55.60	57.53	6.49	.20	1.01	901.08
$20,000 to $50,000	8.22	138.91	115.37	21.54	.78	4.00	1,933.60
$50,000 to $100,000	51.91	772.52	265.65	170.99	10.69	38.17	9,337.40
$100,000 and over	62.50	4,950.00	287.50	1,125.00	81.25	62.50	45,662.50

[1] Carryover of basis to heirs. These figures are based upon a $700,000,000 revenue loss due to such transfers in fiscal year 1974. The 1-time initial revenue loss for all such assets presently held was estimated to be $5,000,000,000 by the House Budget Committee.

UNITED STATES-CUBA RELATIONS

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. ARMSTRONG. Mr. Speaker, during the Memorial Day recess I met with three former Cuban nationals who are now citizens of the United States and residents of Colorado. These three gentlemen gave me a moving and deeply meaningful report on events in their former country and strongly urge caution in renewing diplomatic ties with Cuba.

While I believe there may be reasons which justify resumption of more normal diplomatic relations, the concerns voiced by these three concerned citizens, based on their own first-hand knowledge, deserve very serious consideration. I commend to the attention of my colleagues their report:

DENVER, COLO.,
May 10, 1975.

TO THE PUBLIC OPINION

If America would conserve the spirit which gave it form: The strength of Washington, the integrity of Lincoln, the military determination of Bolivar, and the ideals of Jose Marti, it cannot be understood, not even dreamed of that those who we believed were close, can have the intentions of establishing relations with the regime that has enslaved our country. It would mean to disavow the rights of millions of Cubans who suffer in our land the oppressive authority; acting behind the same purposes that were the motive for the creation of the Organization of American States, of the Monroe Doctrine and of all the treaties signed by the American nations.

Our country, sunken in terror, will remain in terror; sunken in misery, will remain in misery; sunken in slavery, will remain in slavery. To establish relations with an opprobrious regime that has violated all existing principles which are worthwhile, would mean to confirm crime in the name of detente. To establish relations—without conditions—with the Castro regime, would mean to disavow the opinion of the hundreds of thousands of Cubans who, in the United States and the free countries of the world, have proved themselves loyal and constant supporters of this great country. To establish relations with a government that maintains more than 70,000 political prisoners in dungeons and in concentration camps, would mean to disavow all of those who are in prison for defending democracy.

The establishment of relations with the Castrocommunist regime would mean to contribute to the propagation in all the American Continent, and in this country also, of the poison that destroyed Cuba. Castro will continue being the irreconcilliable enemy of this country and of everything which morally, politically, socially and economically it represents. It would be a great victory for Moscow if the United States of America helps to maintain the gigantic base of communist subversion in which the Kremlin has turned the island of Cuba into. Our country, deprived of its social achievements, its standard of living, and of the complete enjoyment of the rights which, by dignity, are entitled to man, will never recuperate all of them. How could the governments of America establish, without conditions, cordial relations with a regime that is an enemy in doctrine and in system?

We, in the name of the political prisoners who die every day; in the name of the people deprived of all their rights; in the name of hundreds of thousands of exiles, will not accept the re-establishment of relations with the United States and the Organization of American States as long as the Castrocommunist regime does not fulfill the following points:

1. Immediate liberation of all the Cuban political prisoners.

2. Freedom of the people of Cuba to come and go out of their land at their free will.

3. Celebration of free elections under the supervision of the O.A.S.

This great country, born almost two hundred years ago, under the shelter of the ideas of its great men, cannot betray all of which it stands for. All the doctrines signed and sworn would be ignored. The erroneous facts would destroy the good ideas. They, who preach "the cruel gospel of hate", would be happy with the candour of the governments that, in the name of conciliation, extend their hands, without conditions, to the tyrant who will try to take from them as much as he can for his own benefit. In the name of justice pacts cannot be made with injustice.

We that were sheltered in the wide and generous arms of this great country, call upon the heart and the free mind of its leaders looking for support. The reason is ours; "the ideas, when free, have more power than an army." Victory against communism!

FRIENDS OF THE CUBAN
POLITICAL PRISONERS.

CONGRESS AND OIL CONSERVATION

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. CORMAN. Mr. Speaker, I would like to insert in the RECORD an editorial appearing in the Washington Post today calling for House approval of the energy conservation bill. The editorial points out the immediate need for this Nation to have a serious energy policy and it hails the bill reported out by the Ways and Means Committee as "markedly superior to the program that President Ford proposed last January." I believe that its message should be heeded by all of us:

CONGRESS AND OIL COMPANIES

When the Energy Conservation Bill comes to the floor of the House next week, it will

force an issue that is essentially very simple: Does Congress intend to pass any legislation at all this year to hold down American oil consumption? The alternative is also a simple one: to leave the initiative with the oil-exporting countries of the Persian Gulf, which are already talking about another increase in the fall.

The Energy Conservation Bill, as it emerges from several months of fierce debate within the House Ways and Means Committee, is an extremely complex piece of legislation. It is a tax bill, but a tax bill of the peculiarly intricate sort designed to use the revenue mechanism to change national habits. A great deal of the debate will doubtless turn on technical points of the most esoteric character, but it is important not to get sidetracked into the minutiae. The central question will be whether to do something or to do nothing. If this bill does not pass Congress this summer, it is highly unlikely that any serious legislation on this urgent subject will be enacted this year—and next year, with a presidential campaign running, the likelihood will be even dimmer.

The bill is markedly superior to the program that President Ford proposed last January. Mr. Ford called essentially for a large and sudden increase in the domestic price of oil. The Ways and Means Committee's bill would take effect much more slowly. It can be argued that it operates, in fact, too slowly. But any change in national fuel policy is going to constitute a further shock to an economy now in the trough of an extremely severe recession, and the wisest course is to make haste slowly.

The most significant part of this bill is the quotas that it would impose on American oil imports. It would be a clear commitment not to embark on the steadily rising curve of imports that—in the absence of legislation—will shortly begin. Consumers need to be aware that this kind of protection is not free. If demand for foreign oil rises above the quota, importers will have to bid for the right to bring it in. The price that they bid for those import rights would be passed on to all of us. In effect, consumers will collectively set the size of this tax by their ability—or lack of it—to cut voluntarily the rate at which they burn fuel.

President Ford's program would have raised the prices of all oil products indiscriminately. The House bill would tilt toward heavier effects on gasoline and industrial fuels, to the benefit of home heating oil and fuel for electric power generators. In addition, the bill would put a tax on automobile manufacturers whose cars' mileage, on the average, falls below a national standard. In general, the bill attempts to focus its impact far more carefully and specifically than the President's plan did.

It also needs to be said that the House bill has a number of defects, some of them important. It would pour billions of dollars in tax revenues into a trust fund for energy development. Earmarked funds are bad in principle, and foster grossly inefficient spending. The bill contains a variety of tax write-offs, well intentioned but intolerably inefficient as a means of encouraging conservation. The sanctions against wasteful cars are badly drawn, and require amendment.

None of the choices here are easy ones, for the House or for the country. The committee's report on this bill is as useful and concise a summary of the energy dilemma as anyone has yet written. The various dissents that committee members have added to it summarize accurately the national debate as it now stands. Painful dislocations are inevitable. The only question worth discussing is how to apportion the burden.

This country does not have unlimited time to make up its collective mind. The Iranian government has given a series of warnings over the past month of further large increases in the price of their oil. With each successive announcement, the increases become larger. Even the Saudi Arabian government, which usually like to present itself as the conservative in the parade upward, is hinting publicly at another bolt soon to come. Late last year the Organization of Petroleum Exporting Countries—OPEC—promised a nine months' freeze. But it is not only the expiration of the freeze that brings talk of higher prices. Interesting things have been happening, it seems, in world oil markets.

Through the winter world oil consumption dropped steadily, forcing OPEC's members to cut their production (and revenues) deeper and deeper. Some of them were getting visibly edgy, particularly since they were finding it easier to spend their new wealth than they had expected. But over the spring, the beginnings of economic recovery in Europe and Japan evidently began to lift demand at bit. Current figures indicate, very tentatively, that worldwide demand may once again—even at the current drastic prices—be slightly outrunning production. The industrial nations, including this one, seem to be building a seller's market in oil again. For Congress, it is a tight schedule. One way or another, it is going to have to come to a decision on the House bill this summer. The OPEC price freeze expires in September and a failure to act will be perceived in the Persian Gulf as the clearest possible invitation to massively higher prices.

The moral to the story is obvious: If a large and rich nation cannot pull itself together to protect its own interests, it can hardly expect sympathy—or respect—from the small and ambitious countries of the world.

THE DRUG INDUSTRY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. ROSENTHAL. Mr. Speaker, along with the lack of price competition at the retail level, the high cost of prescriptions can be traced to astronomical expenditures by industry on advertising, marketing, and promotion of drugs.

Drug manufacturers spend an estimated $1 billion a year for these purposes, or about 25 percent of their gross income from sales.

These high promotional expenditures have paid off for the large manufacturers in at least two ways: First, by developing a high degree of product loyalty on the part of pharmacists and doctors, and second, by helping discourage entry into the industry by new manufacturers.

When an industry spends one-and-a-half times as much money on advertising and promotion as it does on research and quality control combined, it is easy to get the impression that its principal concern is not for the health of the American people, but for corporate success. This money—approximately $1 billion—is being spent not to aid the consumer or to make him healthier, but to beguile him and his doctor and to fight his attempts to get a better buy for his money.

This is one of the findings of the section of my 1973 study of "Retail Prescription Drug Price Competition" dealing with the drug industry. I am inserting that section in the RECORD at this point:

THE DRUG INDUSTRY

The drug industry in the United States occupies a uniquely secure position. Demand for pharmaceutical products continues to grow as new scientific discoveries are made, and as the cures for more diseases are unearthed. Concomitant with the drug industry's rapid rate of growth over the past 25 years has been the astronomical increase in the profit margins of these firms.

The central issue over which controversy continues to be generated is drug pricing practices. The industry has sought to wrap itself in a cloak of righteousness, preying on consumers' fears about their health. A common but widely disproven claim of some major drug manufacturers used to justify their higher prices is that manufacturer's size is equal to product quality—but there exists a wide price gap among large firms as well. (See Appendix 6.)

A chief economist of the Federal Trade Commission has expressed the belief that where price competition exists in drug firms it's ineffective:

"And even where there are relatively many sellers, as well as potential sellers—for example, in the case of unpatented drugs sold under generic names—effective price competition often is muted by vast advertising, promotion, and other selling efforts which differentiate in the minds of consumers the products of the largest manufacturers selling under their own brand or trade names from those of other manufacturers. Hence, manufacturers selling chemically identical drugs under generic names frequently have difficulty in selling them at any price."[1]

Americans spent approximately $7 billion on prescription drugs in 1971. This includes $4.4 billion at retail pharmacies, the remainder being purchased from hospitals, nursing homes, government, physicians and others outside the retail marketplace. Data for per capita consumer expenditures used in this report are based on the $4.4 billion retail sales figure found in the HEW task force study.[2]

The drug manufacturers reported sales in 1970 of $4,321,900,000 for prescription drugs in the United States. Added to this is approximately $3 billion more in veterinary products, exports and over-the-counter drugs. For the purposes of this report, the $4.3 billion figure will be used for manufacturers' sales.[3]

Out of that $4.3 billion, the drug makers spent more than $1 billion (about 25%) on promotion, $132 million (3%) on quality control, about $280 million (6.5%) on research and development, including only 1% for basic research.[4]

The billion-dollar-plus promotion budget figure is based on studies by the Social Security Administration, Food and Drug Administration, Congressional investigators and others. (See Appendix 7.) The industry protests that the figure is only about half that amount but veteran observers express little faith in these sources.

The drug industry "spent more than $1 billion on all forms of promotion," according to T. Donald Rucker, then-head of the Social Security Administration's drug study unit. He gave the following breakdown in a March 8, 1972, speech to a drug wholesalers convention in Las Vegas: "$700 million for all costs associated with detailing, including sampling; $167 million for professional journal and direct mail advertising; $150 million for other direct and indirect forms of promotion (educational films, pamphlets, seminars, plant tours, hospitality and displays at conventions, etc.); $3 million for institution and institutional promotion." He added that "more than 85% must be classified as an economic waste."

Footnotes at end of article.

The result, he said, is "product prices are inflated unnecessarily by some 25%."

These high promotional expenditures have paid off for the large manufacturers by developing a high degree of product loyalty. Rucker said this loyalty "often has been a dominant factor enabling pharmaceutical manufacturers to exercise control over drug prices."

The director of FDA's Division of Drug Advertising, H. W. Chadduck, has estimated "total promotional expenditures in this area" at 25% of sales.[5]

Former FDA Commissioner James L. Goddard estimated that drug manufacturers were spending about $4,500 in 1968 on advertising and promotion for each of the approximately 200,000 prescribing physicians in the United States.[6]

The PMA represents 115 companies which account for approximately 95% of the prescription drugs sold in this country. These companies conduct nearly all of the industry's research and development, according to the HEW study:

"Just as they account for the overwhelming proportion of sales, they conduct essentially all of the industry's research, they control the overwhelming proportion of drug patents, they conduct the most vigorous promotion of their products, they compete vigorously—usually on the basis of innovation and quality and rarely on the basis of price—for the favor of the medical profession, and they achieve the industry's highest rates of profit."[7]

The remaining 5% of the nation's prescription drugs are produced by an estimated 700 small companies which control few drug patents, do little or no research, compete on price as well as quality, engage in minimal promotion and realize relatively low rates of profit.[8]

When an industry spends one-and-a-half times as much money on advertising and promotion as it does on research and quality control combined, it is easy to get the impression that its principal concern is not for the health of the American people, but for corporate success. This money—approximately $1 billion—is being spent not to aid the consumer or to make him healthier, but to beguile him and his doctor and to fight his attempts to get a better buy for his money.

Expenditures for drug promotion are excessive and add needlessly to the price consumers must pay, declared the HEW Task Force. Intense competition among companies promises "a greater share of a relatively limited market and richer profits for the successful competitor"—but it has "little to do with normal price competition in the retail marketplace, with the promise of eventual price savings to the consumer," concluded the report.[9] Congressional studies have uncovered a long history of misleading and deceptive prescription drug advertising.

The question of drug prices was a principal concern of the late Senator Estes Kefauver, beginning in 1959. Over the years, Kefauver held comprehensive hearings on the drug industry which were widely publicized and increased public concern. His probing of the complex price issue virtually opened the tight little world of U.S. medicine. As he so aptly stated: "The problem for the drug companies is that their involvement can be expressed in dollars and cents and is thus relatively easy to understand."

One indirect result of the wide publicity given the drug industry in the Kefauver hearings was an increase in the skeptical public attitude toward an industry once thought to be sacrosanct. According to the most recent findings of the Opinion Research Corporation, Princeton, N.Y., the drug industry has "continued its downward trend in terms of public favorability." In 1969, the research firm found that 51% of the public had basically favorable attitudes toward the prescription drug industry. In the latest study, it was revealed that only 37% of the public had attitudes favorable to the drug industry.[10]

Findings like these plus efforts by consumers to remove restrictions on drug price advertising are apparently beginning to worry the pharmacy establishment.

Kenneth E. Tiemann, an APhA trustee, rhetorically posed the following question at the association's house of delegates meeting in late 1972:

"Realizing that the giving of prescription price information is essential to the building of an image and getting consumer groups off our backs, should we possibly advocate the repeal of laws that prohibit price advertising, since they are being used as a sword against us?"

The authoritative magazine *American Druggist* noted that although Tiemann worded his statement as a question, "this was apparently advanced as a proposal." He predicted that in nearly every state where drug price advertising is prohibited now, legislation will be introduced to remove those barriers.

"Because of a small percentage of pharmacists in this country who refuse to give prescription price information and who refuse to use proper discretion in the pricing of prescriptions," Tiemann stated, "we as a profession are being subjected to ever more image-destroying publicity in the public mind."[11]

The final outcome of the Kefauver hearings in terms of legislation was the Kefauver-Harris Amendments of 1962 to the Federal Food, Drug and Cosmetic Act. Among other things, this legislation authorized FDA to establish simple useful names for drugs, to be proposed by the United States Adopted Names (USAN) Council.

In the course of that Congressional investigation it was pointed out that the market structure, which uniquely allows for great disparities in price, is the basic determinant of the behavior of the drug industry. Manufacturers, as has been noted, spend at least $1 billion a year on advertising. Their purpose is twofold: to instill confidence in physicians and pharmacists for their products and to insure the specific market they have carved out for themselves. (See Appendices 8 and 9.) *The market is also unique in that the people who pay for and consume pharmaceutical products are not the ones who must be persuaded.* Senator Kefauver once remarked, "He who orders does not buy, and he who buys does not order." This is an important asset to the manufacturer, who is well aware of the nature of medical science and seeks to create physician confidence in the company's product through the use of brand names which are short and recognizable. Since he does not pay, cost usually is of little or no importance to the physician.

Larger drug manufacturers contend that their prices are a result of better quality control, higher marketing costs and expenses for continuing research and development. These contentions are valid in part, although the federal government does contribute to the costs of research. One result of this research is the improved treatment of diseases and other ailments with drugs.

On the other hand, the HEW Task Force on Prescription Drugs concluded: "Much of the drug industry's research and development activities would appear to provide only minor contributions to medical progress."[12] The other reality, in terms of economics, is the extremely comfortable state of the industry and its consistently high profit margins. (See Appendix 10.)

Drug industry profits continued to gain in 1971 despite the continuing recession nationally. The annual financial survey by *Product Management* Magazine (formerly *Drug Trade News*) showed a 10.8% increase in sales for prescription and other professional products and after-tax earnings of 10.1%. Diversified drug companies fared nearly as well. Sales were up 9.6% and profits up 9.2% over the year before. Top earnings gainers in the former category were Deseret with 108.8%; Barry-Martin Pharmaceuticals, 102.9%; and Cutter Labs, 43.1%.[13]

A survey of corporate performance for the third quarter of 1972 by Standard & Poors shows drug industry profits up 16% from the year before for a profit margin of 9.8%. Return on equity was 19.2%. The price-earnings ratio for stock of the 29 companies listed was an impressive 32-to-1; the only industry doing better was Photo & Optical with 37-to-1.[14]

The Federal Trade Commission reports drugs and medicines are the most profitable manufacturing industries. In a report on rates of return in selected manufacturing industries, drugs and medicines showed an after-taxes rate of return on stockholders' investment of 19.6% for 1970, the latest date available. In its survey of the dozen largest firms in each industry category, the FTC found none of the top 12 drug and medicine manufacturers showed any losses; in fact, none had a rate of return under 14.5% and seven of the 12 were over 20%.

The companies and their 1970 rates of return were: Abbott Laboratories 16.3%; American Home Products Corporation 27.6%; Lilly & Company 22.2%; Merck & Company, 25.2%; Pfizer, Inc., 15.4%; Richardson-Merrell, Inc. 14.5%; Schering Corporation 22.8%; Searle & Company 29.2%; Smith Kline & French Laboratories 23.7%; Sterling Drug, Inc. 20.3%; Upjohn Company 14.6%, and Warner-Lambert Pharmaceutical Company 15.0%.

The HEW Task Force Study reported the industry's average net profits after taxes (as a percentage of net stockholders' equity) was 19.3%, nearly double the rate (9.7%) for all U.S. manufacturing corporations.[15]

The HEW Task Force on Prescription Drugs in its 1968 report, *The Drug Makers and Drug Distributors*, enumerated a list of significant factors which are expected to influence the future growth of the drug industry.[16] It concluded:

1. A steady increase in the number of people in the United States and their anticipated growing affluence will maintain the growing demand for prescription drugs.

2. The proportion of Americans over the age of 65, whose drug purchases are higher than average, is expected to increase more rapidly than the population as a whole, contributing to an increased demand for maintenance and other prescription drugs.

3. Higher health standards and living conditions in other parts of the world, especially in the developing nations, are expected to create important new markets for the prescription drug industry, including the American companies which are already developing foreign markets.

4. Drug research may be expected to yield new products which will make possible the control of conditions or diseases which are currently uncontrollable. Although such breakthrough developments will probably be infrequent, they, too, will contribute to increasing demands for pharmaceutical products.

5. Through broader health insurance coverage and increasing outlays for medical care by governmental agencies, more people will be able to pay for the drugs they need.

6. Unlike other industries, the drug industry will presumably continue to be protected from the economic changes of the business cycle, as the need for drug is relatively unaffected by swing in the nation's econ-

Footnotes at end of article.

omy and drug consumption is rarely postponed.

SETTING DRUG STANDARDS: USP AND NF

Not only does the consumer exercise no control over the manufacturing, patenting or prescribing of the drug he buys, but the official compendia which indicate the standards of purity, quality and strength of drugs are published by two private, professional organizations. The United States Pharmacopeia (USP) published by the U.S. Pharmacopeial Convention, and the National Formulary (NF), published by the American Pharmaceutical Association, are the compendia used by most physicians. They specify the chemical identity and purity of selected, therapeutically-important drugs and methods for assuring that the finished product is of the highest quality. The drug standards set by USP and NF are legally enforced by FDA.

The unique arrangement makes the United States *the only country in the world in which the setting of drug standards enforced by the government remains in the hands of private organizations.*

The USP and NF, together with the American Medical Association, act through a coordinating group called the United States Adopted Name Council to propose generic names for drugs. FDA has the final word on selection, and the word is usually one of approval.

DRUG PRICES IN THE UNITED STATES AND ABROAD

It is common knowledge that there are tremendous differences in prices for the same prescribed drug in this country and abroad. A 1917 study released by the Department of Health, Education, and Welfare to update a 1967 investigation by the Task Force on Prescription Drugs showed that manufacturers of 20 popular prescription drugs charge U.S. druggists higher prices than they do druggists in eight other nations: Ireland, New Zealand, United Kingdom, Italy, Brazil, Australia, Sweden and Canada.

Edmond N. Jacoby and Dennis L. Hefner, authors of the HEW study, acknowledge that their findings do not measure the extent that economic factors such as labor costs and the size of markets influence price. They state further: "General knowledge of the problem suggests that it would be unwise to assume that prices in the U.S. are generally higher than in any other country, according to comparative studies." [17]

The governments of six of the nations studied play an official role in the cost of pharmaceuticals. Australia and Ireland pay a part of the retail price of prescription drugs. In Sweden, payment is assumed for half of the first $3 and for everything over that amount. Ireland's system is scaled to the patient's income, and the Australian method of payment assumes all costs except a nominal co-payment fee. Significantly, all three of these countries do pay the total cost for medicines needed in the treatment of chronic diseases. The United Kingdom and Italy pursue a policy of full retail price payment for medicines. The sixth country, New Zealand, pays for filling prescriptions with the least expensive brand of a drug.

A Philadelphia druggist who has been looking into the legality of importing American drugs made at plants in the West Indies found that for the same drug, Stelazine (Smith, Kline, and French), West Indies' pharmacists are charged $2.60 (100 mg) compared to the $6.70 Philadelphia pharmacists must pay for the same quantity.

Although local economic conditions may account for part of the cost difference, they are not the complete explanation for the wide gap in percentage markup. (See Appendix 11.)

Disparities in prescription drug prices are as much a function of buying branded drugs as of importing them from foreign manufacturers. Every year, the Department of Defense and the Veterans Administration accept bids from manufacturers on the drugs they purchase. DOD and VA buy *all* of their drugs by generic name and the lowest responsible bidder is awarded the contract. Examples of the methods through which U.S. government agencies are able to purchase prescription drugs at lower prices than the U.S. public are numerous. In one case, a contract for tetracycline was awarded in 1971 to an Italian manufacturer, Carlos Erba of Milan. A significant factor in this decision was that such contracts may be awarded by DOD to foreign firms only if the acquisition cost is at least 50% less than the lowest bid from a responsible domestic manufacturer.

In domestic contracts, price variation is nearly as extreme. The VA purchased 38,592 bottles of tetracycline (250 mg, 100 capsules) in FY 1971 from Rachelle Labs Inc. of Long Beach, California, for $1.44 each. Rachelle sells them to druggists for $3.70 each, according to the 1971 *Blue Book*. True, retail drug stores do not purchase in quantities as large as the government, but that alone hardly seems sufficient reason for a 250% price difference. Some observers have suggested that DOD and VA pay very little while the general public makes up the slack. The prices for these drugs sold by competitive bid can vary considerably in relation to the costs to retailers. A District of Columbia drug store owner informed researchers for this study that Serpasil (reserpine) was sold to retailers in the Washington area for $33.15 (1000 capsules) and to the government for $1.60 (1000 capsules).[18]

Disparities obviously exist. The price paid by American consumers for a prescription drug may often be ten or even several hundred times as much as its cost to produce. The consumer is hopelessly trapped between an urgent need for the drug and a lack of open price competition in the retail marketplace.

FOOTNOTES

[1] *The Drug Makers and Drug Distributors*, Task Force on Prescription Drugs, Background Papers, Health, Education, and Welfare, December, 1968, p. 39.

[2] *Prescription Drug Data Summary 1972.*

[3] The Pharmaceutical Manufacturer's Association (PMA), which represents 95% of the U.S. drug makers, estimates in its annual survey report 1971–72 that 1972 domestice pharmaceutical sales were $5.3 billion and foreign sales $2.7 billion.

[4] National Science Foundation's report, *Research and Development in Industry 1970*, showed funds for R & D performance as a percentage of net sales were 6.5% in 1970. In dollars, this was set at $486 million, which would mean about $7.5 billion total sales. The report showed that $486 million included $75 million for basic research, which would equal about 1% of net sales (p. 84). In contrast, PMA reports the industry spent $577 million on human-use R & D in 1971 in this country; industry observers feel that figure is inflated by the inclusion of some marketing expenses.

[5] "In Brief Summary: Prescription Drug Advertising 1962–71," by R. W. Chadduck, *FDA Papers*, February, 1972, p. 13.

[6] *Regulation of Prescription Drug Advertising.* Report of House Government Operations Committee, Washington, D.C., December 10, 1970, p. 2.

[7] *Final Report*, Task Force on Prescription Drugs, Department of HEW, February 7, 1969, p. 7.

[8] *Ibid.*

[9] *Final Report*, op. cit., p. 9.

[10] *American Druggist*, August 7, 1972.

[11] *American Druggist*, August 27, 1972, p. 26.

[12] *Final Report*, *op. cit.* p. 6.

[13] *Product Management*, October 1972, p. 41ff.

[14] *Business Week*, November 11, 1972, p. 87 ff.

[15] *Prescription Drug Data Summary*, 1972, Dept. of HEW, p. 24.

[16] *The Drug Makers and Drug Distributors*, Task Force on Prescription Drugs, Background Papers, Health, Education and Welfare, December 1968, p. 50.

[17] Edmond N. Jacoby and Dennis R. Hefner in their report to HEW on prescription drugs.

[18] *Blue Book*, 1971 lists CIBA's price of 1000 capsules (0.25 mg) of Serpasil at $39.50, and the same product generically as reserpine, from APC for $1.60, a difference of more than 2469%!

H.R. 25: BUREAU OF MINES "METHODOLOGY"

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mrs. MINK. Mr. Speaker, during the June 3 joint subcommittee hearings on the President's veto of H.R. 25, the Surface Mining Control and Reclamation Act of 1975, we learned that the method used by the Bureau of Mines to determine whether or not small mine operators will have the ability to absorb additional costs imposed by the permit application and bonding requirements of the bill, was by means of a survey of State regulatory agencies, surface mine associations and certain coal companies. Although I requested further documentation regarding this survey, there is no evidence that it consisted of anything more than a series of telephone calls.

Apparently, neither the Bureau of Mines nor the Federal Energy Administration carried out any economic analysis or case histories of individual mines to make an objective assessment of how serious the effect of these new requirements would be. Since the chief sources of information all have a strong motive for keeping things as they are, it is specially revealing to consider for instance, Mr. Ben Lusk, president of the West Virginia Surface Mining and Reclamation Association and to note the marked shift in his attitude as revealed by his subsequent endorsement of the President's veto.

On November 4, 1974, Mr. Lusk, according to volume No. 27 of the WSMRA Report, had this to say about H.R. 11500, the considerably tougher predecessor of H.R. 25:

From the standpoint of West Virginia, it is my opinion that if any state can comply with the bill under consideration, it will be us. Many of the things called for, we are already doing and although new regulation will bring about difficulties, I think we will be able to adjust properly.

In summary, I believe that the short term difficulties with legislation, if passed, can be effectively overcome, while at the same time the long term advantages of a federal bill from a social, economical and environmental standpoint could be beneficial to West Virginia. . . .

Nonetheless, when President Ford vetoed H.R. 11500, Lusk, according to news account, announced that the President had no other choice. So how can

we rely on advice from people like him now.

If the Bureau of Mines bases its judgment about the impact of H.R. 25 on the response of people like Mr. Lusk, it is easy to see how they took the most pessimistic possible view of the range of possibilities.

I have written to Dr. Tom Falkie since the hearing and repeated my request for the documentation supporting his projections of coal productions losses from the effects of various provisions of the bill on small mines. I have also written to Frank Zarb, FEA Administrator with the same request. To be quite candid, I do not expect any results from these appeals because I do not believe that any such documentation exists.

There is no substantive basis for the wild and ridiculous "engineering estimates" which have been produced by the Bureau of Mines and the Federal Energy Administration in order to stampede Congress with the specter of unemployment and energy crisis. The President's veto of H.R. 25 is not supportable by any objective evidence. I trust it will be overridden on Tuesday.

REFUGEE EDUCATION A FEDERAL RESPONSIBILITY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. ANDERSON of California. Mr. Speaker, during the course of debate on the Vietnamese refugee situation, Congress was given repeated assurance that the Federal Government intended to pay for the costs of resettling the refugees—all of the costs. Those same assurances were extended by the administration, through the Department of Health, Education, and Welfare to the State of California.

So I was unpleasantly surprised to hear that the administration has no intention to pay for the education of Vietnamese children in public schools.

According to HEW Secretary Caspar W. Weinberger, no funds will be extended for education, because the administration feels it to be a "local responsibility."

This sudden departure from previous statements is a clear breach of faith with Congress, as well as the local and State governments who have suddenly been confronted with a new financial responsibility. A financial responsibility which is a direct result of administration policy, but which the administration apparently does not wish to bear.

It has been my belief that because of our past involvement in Vietnam, the United States has a responsibility toward those Vietnamese who have come to our Nation as refugees seeking a new life. However, that responsibility is not a short-term one of simply allowing them to enter this country. We have a responsibility to see that the needs of the refugees are met without creating a burden on State and local governments.

The decision to accept these refugees, right or wrong, was made on the Federal level. The responsibilities inherent in that decision belong to the Federal Government as well, and cannot be shrugged off by the administration as a "local responsibility."

At this point I would like to insert an article from the Los Angeles Times on the administration's announcement:

NO VIET REFUGEE FUNDS FOR SCHOOL-CHILDREN, UNITED STATES SAYS

(By Paul Houston)

WASHINGTON.—The Ford Administration said Thursday there are virtually no federal funds available to reimburse local governments for educating children of resettled Vietnamese refugees.

Moreover, said Caspar W. Weinberger, secretary of Health, Education, and Welfare, no more funds will be sought from Congress because the Administration believes the expense is a local responsibility.

Members of the California congressional delegation immediately protested. They said that they thought assurances had been given in congressional hearings and during debate on the $405 million refugee aid bill last month that substantial funds were being provided for reimbursement.

Sen. Alan Cranston and Rep. Edward Roybal, California Democrats, said they would draft an amendment to provide the necessary funds and seek to attach it to some bill at "the first appropriate opportunity."

"The Administration may not ask for the money, but we're sure as hell going to ask for it," Roybal said angrily.

Wilson Riles, California's superintendent of public instruction, has vigorously lobbied Weinberger and California lawmakers for reimbursement funds.

Riles claims that property taxpayers face an "intolerable burden" if they have to pay the normal and special educational expenses of refugees settling in the state—about $8 million a year if the state absorbs only 10% of the refugees.

Many California congressmen believe that, despite government efforts to scatter refugees evenly around the country, the number who settle in the state will be far above 10% because the Vietnamese will be attracted by California's already large Oriental population.

Rep. John E. Moss (D-Calif.), chairman of the California congressional delegation, called Weinberger's opposition to education aid "a breach of commitment" by the Administration.

He said that various federal officials, including L. Dean Brown, former director of the refugee task force, had 'implied" that the government would pick up all costs of resettlement, including education.

This is an effort to jettison that responsibility and see that it falls on the backs of local taxpayers," Moss said, and I'll be damned if we'll let it happen."

Moss heads a bipartisan group of California congressmen that will meet on the problem today with Julia Taft, new director of the task force.

Weinberger, former California director of finance, said at a breakfast with reporters that "the fears about the impact of this group (of refugees) are greatly exaggerated."

He said that a recent report showed that only 600 of 6,000 refugees who had left Camp Pendleton settled in California.

"A great many of these people speak English very well," the secretary said. "A great many are professional people."

He said the government will pick up all direct costs of resettlement involving such things as Medicare and welfare payments, "but we will not follow refugees into the various home communities and pay for services rendered by the community."

Only about $2 million of the $405 million appropriated by Congress for a 28-month period could be used to reimburse education expenses, he said. And even then there would have to be "a very, very large impact on a small school district," a highly unlikely prospect, he said.

There is an additional $30 million available for education, but it is only for vocational training of family breadwinners, he said.

California lawmakers reacted with astonishment to this news because of the kind of answers they received in debate on the refugee aid bill.

Rep. Norman Y. Mineta (D-Calif.) recalled that he asked Rep. Otto E. Passman (D-La.), chairman of a House appropriations subcommittee, "whether it was the intent of Congress to reimburse state and local government 100% of the costs for education."

Passman's answer, according to the Congressional Record, was, "That is absolutely correct."

Rep. Hamilton Fish Jr. (R-N.Y.), ranking Republican on a House judiciary subcommittee that conducted hearings on the bill, told Reps. George E. Danielson (D-Calif.) and Patsy T. Mink (D-Hawaii), "I can only guarantee . . . there will be the 100% HEW reimbursement to the state and local services, including education."

The chairman of the subcommittee, Rep. Joshua Eilberg (D-Pa.), qualified that a bit at the time, saying an HEW undersecretary had given "a positive assurance" during hearings that any school system with more than 10 refugee children would receive full reimbursement.

Eilberg said in an interview Thursday that he had thought there were sufficient funds in the bill for education reimbursements, "but all HEW gave us were rough budget estimates. If more money is needed, I would vigorously support aiding any impacted areas."

During Senate debate, Cranston wanted to offer an amendment ordering HEW to come up with an education aid program. He said he withheld it after Sen. John Sparkman (D-Ala.), chairman of the Foreign Relations Committee, assured him that the committee "expects" HEW to make sure that local communities "will not be adversely affected by the resettlement of refugees."

Cranston said in a statement Thursday, "The federal government has a clear responsibility—and Congress gave HEW the authority—to protect local property owners, in California and elsewhere, against having to bear an unexpected and unfair financial burden in educating Vietnamese refugee children."

COL. N. L. MANZANO, U.S. ARMY, RETIRED, SAYS AMERICAN AID TO MARCOS MUST BE STOPPED

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. JOHN L. BURTON. Mr. Speaker, I would like to call the attention of Members to a recent communication I have received from an organization in my district called SAM—Stop Aid to Marcos.

The chairman of this organization is Col. N. L. Manzano, U.S. Army, retired, a distinguished war hero who fought side-by-side with Gen. Douglas MacArthur against the Japanese invasion in World War II.

Colonel Manzano has not only distinguished himself as a member of the military, but also as a community leader in

San Francisco. I believe that his stature adds great credibility to the SAM organization. He is a man of unquestioned integrity and proven patriotism, not only to his native Philippines, but to the United States of America as well.

The words of Colonel Manzano gives us timely warning as to what is happening and could happen in the future as far as the Filipino people are concerned.

The text of Colonel Manzano's statement follows:

STOP AID TO MARCOS

After the expenditure of some 50,000 American lives and 150 billion American dollars, the military regimes of Nguyen Van Thieu of South Vietnam and Lon Nol of Cambodia failed to stand their ground and eventually abandoned their countries to the rebel Viet Cong and Khmer Rouge forces.

The American taxpayer must now demand that its government desist from a continuance of similar aid to foreign leaders who impose repressive dictatorship upon their citizens.

One such leader that now still enjoys aid in various forms from the American government is dictator Ferdinand E. Marcos of the Philippines.

SAM, a non-profit organization, is seeking to enlist the support of Americans in a campaign to have the United States Government withdraw its aid to the regime of Philippine dictator Marcos.

That the Marcos regime is cruel, corrupt, dictatorial and repressive of the rights of Filipinos requires little elaboration. In less than eleven years in office (eight as legally elected President and less than three years as self-declared dictator), Marcos, his relatives and cohorts have amassed great fortunes for themselves at the expense of the Filipino people and the American taxpayer.

On the other hand, the Filipino people have been denied basic human rights. The media is totally controlled by Marcos, judges serve at his pleasure, thousands are political prisoners, criticism of the government is treated as a serious crime, and torture of political prisoners has been well-documented.

The State Department contends that our policy is one of "non-interference" in Philippine internal affairs, but since our aid maintains Marcos in power, our aid is clearly effective interference in the domestic affairs of the Philippines. This does not benefit the United States, but only the unholy trinity of Marcos, his associates and certain multinational corporations with cozy relations with the dictator.

Our government supports Marcos under the misconceived notion that it is in the American "national interest". Recent events in Southeast Asia, Cuba, Chile, Greece and elsewhere prove that the best interests of the United States are not served by support of repressive, corrupt dictatorships.

Because of their support of Marcos, foreign corporations are now reaping windfall, illegal profits in the Philippines. This policy is short-sighted and self-defeating and if persisted upon, will produce the results experienced in Cuba and Chile. Agreements between a democratic Philippines and American interests, entered into in the spirit of good will and mutual trust, will be, on the other hand, of lasting benefit to both parties.

When we granted independence to the Philippines, we proudly proclaimed the creation of the "showcase of Democracy" in the Orient. We are now leading the wrecking crew that is destroying this handiwork.

The Filipino people demonstrated their loyal friendship to America on the battlefields of Bataan and Corregidor. This legacy of good will toward the United States is being rapidly dissipated by American assistance to the very man who has dismantled the democratic institutions built by freedom-loving Americans and Filipinos. The United States may soon reap the bitter harvest of its misguided support of the Marcos dictatorship. Anti-Americanism is becoming a byword for Filipinos who believe in democracy. We leave them no other alternative than to seek assistance from other sources to oust their dictator. This would be of tragic consequences for the United States. Another Vietnam may be in the offing.

The bulwark of the Marcos dictatorship is the aid he receives from the United States. It is not only the American money and goods his government receives, but the fact that the Filipino people are convinced that the repressive Marcos administration has the full backing of the powerful United States—a belief that Marcos propagates.

The withdrawal of American aid will bring the collapse of the Marcos regime and will allow Filipinos to restore freedom and democracy in their country. It will also materially restore the moral prestige of the United States throughout the world. In the long run restoration of friendly relations with a democratic Philippines will be of benefit to our country.

For the best interests of the United States and the Philippines, and in the name of simple decency, American aid to Marcos must be stopped.

BRIG. GEN. WILLIAM R. SEFTON, INDIANA AIR NATIONAL GUARD

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. MYERS of Indiana. Mr. Speaker, on May 27, 1975, a long and distinguished military career by an eminent Hoosier came to a close when Brig. Gen. William R. Sefton, Commander, 122d Tactical Fighter Wing, Indiana Air National Guard, retired from duty.

A native and lifelong resident of Fort Wayne, Ind., General Sefton saw active duty in World War II, the Korean war, and during the Berlin crisis, 1961–62. Honored and decorated by his country and his State, General Sefton has represented the very best of those upon whom our Nation has always been able to rely for its defense, in time of peace, and in time of war.

He has earned the respect and trust of all who have been privileged to know him, and to work with him. I value his friendship highly. Part of the 122d is located at Hulman Field, in Terre Haute, in my district. A highly skilled pilot, an excellent administrator, and a natural leader of men, his enthusiasm for, and devotion to, the service of his country will remain in the hearts and minds of many as a constant inspiration and guide.

The American Republic and the State of Indiana have indeed been fortunate to have a man of General Sefton's caliber devote so many years to their service. The defense establishment of our country is better and stronger, and the country is safer, because of him. May it be granted that his years in retirement are long and happy ones, and may it also be granted that the country have more men like him.

General Sefton's biography follows:

BRIG. GEN. WILLIAM R. SEFTON, COMMANDER, 122D TACTICAL FIGHTER WING, INDIANA AIR NATIONAL GUARD

General Sefton started his National Guard career in July 1939 with the 152d Infantry Regiment, Indiana National Guard. He was ordered to active duty with the National Guard in January 1941. He completed Army Air Corps Flying School and received his commission as second lieutenant and aeronautical rating as Pilot in December 1942. He was promoted to first lieutenant in September 1943, to captain in December 1943 and to major in January 1945. His World War II service included duty as Operations Officer and Squadron Commander, with primary duty as fighter pilot. Between March 1943 and January 1944, and between September 1944 and June 1945, he served overseas in North Africa, Sicily and Italy. He was released from active duty in October 1945.

General Sefton was appointed Commander of the 163d Fighter Interceptor Squadron, Indiana Air National Guard in November 1947. He was promoted to lieutenant colonel in July 1949. He was recalled to active duty during the Korean Conflict with the 163d Fighter Squadron in January 1951 and was granted the Aeronautical Rating of Senior Pilot in February 1951. During his tour of active duty, he was transferred to the position of Operations Staff Officer with the 88th Air Base Squadron until his release from active duty in November 1952. In June 1953, he assumed command of the 122d Fighter Bomber Group, Indiana Air National Guard. He remained in that position until December 1955, being promoted to colonel in July 1953. From January to March 1956, he served as Executive Officer of the 122d Fighter Interceptor Wing. In March 1956, he was appointed Commander, 122d Tactical Fighter Wing. He was granted the aeronautical rating of Command Pilot in January 1958 and was federally recognized as brigadier general in December 1956. On 1 October 1961, he was again recalled to active duty with the 122d Tactical Fighter Wing during the Berlin Crisis. He served as Commander of the 122d Tactical Fighter Wing as a part of Tactical Air Command during this tour of active duty. He was released from active duty during August 1962 and has since continuously served as Commander, 122d Tactical Fighter Wing.

Decorations and Awards: Distinguished Flying Cross with Oak Leaf Cluster; Air Medal with 12 Oak Leaf Clusters; Distinguished Unit Citation; Good Conduct Medal; American Defense Service Medal; American Campaign Medal; European-African-Middle Eastern Campaign Medal with eight Stars; World War II Victory Medal; National Defense Service Medal with Star; Air Force Longevity Service Award with Oak Leaf Cluster; Armed Forces Reserve Medal with two Hourglasses; Small Arms Expert Marksmanship Ribbon; Indiana Distinguished Service Medal; Indiana National Emergency Service Medal with "Berlin Crisis" Device; Indiana Military Volunteer Ribbon; Indiana Longevity Service Medal with 24-year Device.

Civic Affiliations: National Guard Associations of the United States and Indiana.

Civilian Occupation: Base Detachment Commander, Indiana Air National Guard.

PRESIDENT FORD ON WRONG SIDE IN MINE BILL VETO

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mrs. MEYNER. Mr. Speaker, there has been an incredible amount of distortion in the public debate on the strip mining bill. It often seems that the basic facts on the bill's impact have been hopelessly obscured. I was encouraged, therefore, to see a very cogent refutation of recent administration claims concerning this bill in an editorial of the Courier-News of Somerville, N.J. I would like to insert it in the RECORD at this point:

PRESIDENT FORD ON WRONG SIDE IN MINE BILL VETO

America's energy and environmental needs frequently conflict, and environmental zealotry often prevails to the detriment of developing America's energy sources.

But President Ford, in his veto of a coal strip mining bill designed to place the first national environmental controls on coal strip mining, has incorrectly sided with the coal industry.

One need only look at the ravages left by surface coal mining in West Virginia and Kentucky to realize that strict environmental controls must be placed upon those who strip mine coal and do not repair what they have created: Deep scars in the earth, nearby water sources often polluted by acid seeping from the coal pits and the dangers of erosion and landslides.

These conditions should not be permitted to be repeated as strip mining operations move westward. But they will if Congress sustains Ford's veto, his second of a strip mining bill since December.

The most recent bill would require coal miners to rectify the damage they have done to the land. It is a reasonable request, but the bill has been caught up in a swirl of intense lobbying efforts and scare statements that cloud the central concern: Should the coal companies continue to be allowed to violate the land they mine?

The answer, of course, is no.

There is no question that replacing the ravaged landscape will add an estimated 35 cents a ton to the price of strip-mined coal. This is in the range of 1 per cent of the price to users—and might have some small overall effect on the cost of energy—although that effect certainly will be minimal.

Statements by the President that such internalizing of the costs of the coal would lead to increased unemployment and reduce coal production "when this vital domestic energy source is needed more than ever . . ." simply are unsubstantiated.

We've made the point a number of times before and will again: If there are a few jobs lost as a result of increased costs of environmental protection in one industry, experience has shown the environmental protection work and the hardware needed to carry it out will without doubt create more jobs in another industry than have been lost in the first.

Most infuriating is a statement by Sen. John Tower, R-Tex., that "we can go back and rectify the violation of the land" after the United States solves its energy and economic problems. Violations have not been rectified in the past (although they clearly can be). And to expect either a private company or the government to go back after the operation is all over—and the profits all long gone—to correct the situation is totally unrealistic. America's—and the world's—economic problems go far deeper than strip mining of coal.

America's energy problems—and the world's—need long-term goals and long-term solutions, not expediencies.

The need to mine coal cannot be disputed. Coal is the country's most abundant available energy source, but most of it can no longer be mined without regard for the environment.

John R. Quarles Jr., deputy administrator of the federal Environmental Protection Agency, put the strip mining issue in perspective almost a year ago in this fashion:

"The need for legislation is only too clear. Each week over 5,000 new acres are disturbed by mining operations, most of them by strip mining. Already, over 3 million acres of land have been torn up by strip mining, an area larger than the state of Delaware.

"Almost 1 million tons of acid are discharged each year into the streams and rivers of the Appalachian region as a direct result of strip mining operations . . . Erosion in areas disturbed by strip mining is reported to be 1,000 times greater than in forested areas."

Quarles also offered the proper answer to the strip mining question:

"We can satisfy both our nation's energy requirements and our desire for a healthy and attractive environment. The answer is reclamation."

Unfortunately, Ford has again come out against reclamation. The only possible way to rectify this mistake is for Congress to override his veto. The outlook is gloomy, but we hope that Congress will recognize the vitally important environmental aspects of the legislation and force its enactment.

THE PUERTO RICAN SOCIALIST PARTY: BRIDGEHEAD FOR THE WORLD REVOLUTION—PART I

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the Puerto Rican Socialist Party, whose recent activities in Havana, Cuba, in conjunction with the Soviet-dominated World Peace Council and two other revolutionary organizations active in this country—the Communist Party, U.S.A. and the National Interim Committee for a Mass Party of the People—has a record of violence extending back 16 years to its founding. More recently, Puerto Rican Socialist Party leaders have expressed support for the terrorist bombings claimed by the FALN in New York and northern New Jersey.

A flood of additional requests for information on the PSP have come to my attention. In response I have compiled the following brief survey from available public sources indicating the extent of the threat posed by this internationally active organization:

We have just bombed imperialist banks. Free all Puerto Rican political prisoners—

With these words, a woman representing an apparently new terrorist group, the Fuerzas Armadas de Liberacion Nacional Puerto-rriquena—FALN—Armed Forces of National Liberation of Puerto Rico—claimed responsibility for a series of five large explosions in Manhattan early on the morning of October 26, 1974.

In a call to the Associated Press, the woman and a man directed reporters to a letter left in a telephone booth at 73d Street and Broadway on the Upper West Side. The document, FALN communique No. 1, stated that the FALN was responsible for several bombings and bombing attempts last spring and for a bombing in Newark, N.J., on September 28. The FALN said the bombings were to commemorate the October 30, 1950, armed uprising against "Yanki colonial domination."

The FALN communique demanded "immediate and unconditional independence" for Puerto Rico, called for the release from Federal prisons of five convicted Puerto Rican nationalist terrorists, and declared FALN's support for a Puerto Rican independence rally scheduled for the following day in Madison Square Garden. The Puerto Rican Solidarity Day rally was sponsored by the Puerto Rican Socialist Party—PSP a Marxist-Leninist organization with close ties to Communist Cuba, a country noted for its export of revolution and which Federal authorities state has trained more than 135 Puerto Ricans in guerrilla warfare, sophisticated sabotage and the use of explosives.

The Puerto Rican Socialist Party—PSP—was formally founded in November 1971, at a convention of the Movimiento Pro Independencia—MPI—in Puerto Rico, when the MPI voted to change its name and claim the position of a Marxist-Leninist vanguard.

The MPI had been founded in November 1959, at a time when the influence of the Puerto Rican Independence Party—PIP—was low and PIP's militant Marxist wing, led by attorney Juan Mari Bras, had been heartened by Fidel Castro's takeover in Cuba earlier that year. Bras has described the development of the PSP "vanguard party" as a carefully planned, 13-year program carried out according to Marxist-Leninist principles.

In an interview with members of the North American Congress on Latin America (NACLA) published in NACLA's May/June 1972, "Latin America and Empire Report," Bras said:

The MPI was seen as a sort of confederation of organizations. Nationalist Party members attended, as did Communist Party members • • •. At our third convention we began organizing MPI as a party in itself. • • • We even started a basic course on political education for members of MPI. Students, particularly the university students, were very much influenced by the Cuban Revolution and the various revolutionary currents developing in Latin America. • • •

By 1967, Marxism guided our analysis in the documents that we wrote, in our interpretation of political reality and so forth. In the 1968 convention we formally adopted Marxism-Leninism as a guide for Movement action. In addition, we decided that organizationally, the specific objective of the Movement was its transformation into the revolutionary vanguard; that is, into a Marxist-Leninist party. However, it took three years to develop the basis for that.

The PSP's general declaration issued at its founding convention stated:

For us, socialism is the political and economic system by which the working class, in alliance with other exploited classes, takes power . . . A dictatorship of the proletariat will destroy the bourgeoisie and obtain control of the means of production to then organize the economic development of the country . . . The party will base its programs, organization, theoretical analyses and practice in Marxist-Leninist theory, adapting it to the particular conditions of our country.

The Guardian—December 8, 1971—carried the following analysis by Irwin Silber:

Perhaps the huge portraits hung at the front of the meeting hall told more about where the heads and hearts of this movement lay than did the formal words: Che Guevara, Ramon Betances (leader of the 1868 Lares revolt against Spain), Pedro Albizu Campos (founder of the Nationalist Party and the country's most militant leader) and Lenin. The four summed up the spirit and the perspective of this "new" party * * *. Che represents both the Latin American definition of Puerto Rico and the daring of the revolutionary: Betances the honored patrimony and Campos the uncompromising aspiration for independence; and Lenin represents the will to triumph—and the discipline necessary to do it.

MPI became involved in antidraft organizing on Puerto Rican campuses during the 1960's and 1970's. On many occasions, riots broke out during demonstrations and marches organized by MPI and its associated student organizations, the Federation Universitaria Pro Independencia—FUPI—Federation of University Students for Independence—and the small Federation Estudiantil Pro Independencia—FEPI—High School Students for Independence. Members and associates of MPI/PSP have been charged with acts of violence ranging from riot and arson to bombing, bank robbery, and murder of police officers.

PSP's official stance on violence and terrorism was stated by PSP/MPI secretary general Juan Mari Bras in an interview by his fellow Marxist-Leninist, Irwin Silber, which was published in the Guardian, December 1, 1971. Silber asked:

The PSP has announced that it will employ a great variety of tactics of struggle—election struggles, organizing strikes, and so on, and it has said that one of the tactics that is legitimate to employ is the tactic of armed struggle. How do you see this developing? Are there examples of armed struggle today in Puerto Rico?

Bras, noting the deaths of two police officers and an ROTC cadet during March 1971, riots at the University of Puerto Rico which spread into the city of San Juan, looting and burning, as "our greatest triumph," replied:

We believe that a sort of development in those two respects—that is armed action as utilization of self-defense for the mass struggle, and armed struggle as a sort of urban guerrilla—are definitely present in the struggle for independence in Puerto Rico in an irreversible way.

MPI/PSP has maintained close relations with the Cuban Government since its inception. PSP leaders frequently travel to Havana (and also more recently to Peking and other Communist capitals), and MPI/PSP has maintained an office, termed by PSP a "mission," in Havana since the early 1960's.

It is noted that Narcisco Rabell Martinez, in the mid-1960's the head of MPI's mission in Havana, was a vice-president of the International Union of Students, an international pro-Soviet Communist front based in Prague, Czechoslovakia. Having left Prague for Havana, Rabell Martinez was appointed to the Permanent Secretariat of the Organization of Solidarity with the Peoples of Africa, Asia and Latin America—OSPAAL—at the first conference of the Latin American Solidarity Organization in Havana. He has now formed his own group, the Puerto Rican Revolutionary Socialist Party—PSRPR—and with nine followers was arrested in 1973 for a series of revolutionary bank robberies and burglaries in Puerto Rico.

In policies paralleling those of the Cuban Communist Party, the PSP has worked with a wide variety of revolutionary groups as long as they supported PSP/MPI policies of independence for Puerto Rico. They range from the Trotskyists of the Socialist Workers Party, Young Socialist Alliance, Workers World Party, Youth Against War and Fascism, through Maoists such as the I Wor Kuen, Puerto Rican Revolutionary Workers Organization and Revolutionary Union to the CPUSA's National Alliance Against Racist and Political Repression (NAARPR).

In the September-October, 1973, issue of Party Affairs, a confidential internal publication—reprinted in the appendix—to HCIS Hearings "The Theory and Practice of Communism, Part 6, 1974"—the CPUSA offered the following critique of the PSP:

PSP is on the periphery of the Maoist movement. It has a base of about 1,000 members and has led demonstrations of as many as 10,000 in Puerto Rico. In Puerto Rico it is influential mainly among the radicalized sector of students and petty bourgeoisie. In the U.S. it has committed cadre of about 200 and a periphery of varying commitment of about 1,000. It is based in Connecticut, New Jersey, Cleveland, Boston, Chicago, as well as New York. Recently they had a conference of 2,000 people in the U.S. While the main organized base of the PSP is petty bourgeoisie, this conference attracted many working class youths.

Its position on fundamental questions dovetails with Maoism, but it denies that label and says it is not Maoist. In the U.S. it is now the most influential force in the Puerto Rican Left. Nevertheless, the main influence of PSP is not in keeping with its relative size, due mainly to its sectarian position of not working with those who are not yet for Puerto Rico's independence.

On international questions, it considers the Soviet Union a "degenerate socialist workers' state," with technocrats and bureaucrats in leadership. It used to take a straight Maoist position of denying that the Soviet Union is socialist, but now it has backed off from that view. It wages sharp attacks on the Communist Party of Chile and on the Communist Party of France for their democratic front policy. It supports anti-Allende socialists in Chile, (MIR and anti-Allende forces in the Socialist Party of Chile). On the national question in the U.S., its position is that *all* Puerto Rican people, wherever they live, are part of the Puerto Rican nation, and not a national minority in the U.S.

Despite the inherent Maoist trends, the PSP does not openly call itself Maoist because it wants recognition from the world communist movement that it is the vanguard of Puerto Rico. In this regard, they are particularly anxious to have the Cuban Party take such a view. Because of this, they hide their anti-Soviet and Maoist positions under a cloak of ideological neutrality in the Left style. The PSP will not become part of a new Maoist party in the U.S. and has already quit the November 4th coalition.

Our tactics toward PSP must differ from that toward the hardcore Maoist groups. We must engage in sharp polemics but also fight to build united front actions with them on specific programs.

In a "unity pledge" published in the Daily World January 7, 1972, the Communist Party of Puerto Rico welcomed the transformation of MPI to PSP and took credit for helping develop its Marxist-Leninist ideology. In 1968, the French Communist Party wrote that "all the members" of the Communist Party of Puerto Rico also belonged to MPI.

In April 1973, the PSP held the first congress of its U.S. zone in New York City which was attended by some 2,000 people. The political declaration stated in unmistakably clear terms the extent of the threat posed by the PSP:

"Of the third world, the Puerto Rican people are the principal classical colony of the U.S., its main prop and military fortress. The Puerto Rican people have the possibility—and responsibility—of . . . transporting the third world's war of liberation to the very heart of the North American cities.

The declaration continued, stating that because most Puerto Ricans in the United States live in the urban centers, they can "unleash, in all its fury, the national liberation struggle in the very heart of U.S. cities and incorporate our people into the struggle for revolutionary transformation of North American society."

At the congress of the U.S. zone, Juan Mari Bras announced the PSP's new U.S. leadership. Appointed to the Political Commission, the highest policymaking body on a day-to-day basis, were: Ramon Arbona, first secretary in the U.S. zone; Jose Alberto Alvarez, organizational secretary; Alfredo Lopez, community action secretary; Jose "Che" Velasquez, student affairs secretary; Andres Torres, N.Y. regional secretary; Je Jesus Lopez, financial secretary; and Digna Sanchez, secretary of press and propaganda. Following the formal Spanish style of personal names, Jose Alvarez is also Jose Alberto Alvarez Febles; Ramon Arbona is also Ramon Arbona Martinez, and so forth.

The PSP U.S. zone Secretariat includes Ramon Arbona; Jose Alberto Alvarez Febles; Jesus Lopez; Digna Sanchez; Jose "Che" Velasquez; Jose Navarro, secretary of political education; Arlene Bayo, treasurer; Ismael Baretto, secretary of worker affairs; and Isolina Vargas, administrative secretary.

As reported in Claridad, the tabloid newspaper of the PSP, April 15, 1973, additional members of the PSP U.S. Zone Committee are: Shelley Karliner, Olga Sanabria, Jose La Luz, Ramon Cintron, Jeff Perry, Tomas Azcuy, Alfredo de Valle, Victor Marciano Santiago, Luis Lopez, Freddy Carrion, Juan Mendez, David Quinones, Myrna Torres, Angelo Alicea, Carmen Lopez, Jose Bizarro, Isabel Malavet, Carmen Rivera, Roberta Salper.

The April 15, 1973 issue of Claridad indicated an address at 30 East 20th Street, room 508, New York, N.Y. 10003, 212–674–5440. Staff included Ramon Arbona, editor; Alfredo Lopez, managing editor; Roberta Salper, general manager; Jose Alvarez, Tamara Ferrer, Jose La Luz, Sonia Marrero, Marta Perez, Mario Torres and Maritza Arrastia, editorial assistants. Production personnel included Betti Garcia, Tati Medina, Hector Monje, Pinzon and Arturo Azito. Juan Rodriguez Cruz, UN correspondent.

The PSP leadership has never hidden its close alliance with and dependence on the Cuban Communists. In addition to maintaining its "mission" in Havana, the Puerto Rican Socialist Party is a member of the Organization of Solidarity of the Peoples of Africa, Asia and Latin America—OSPAAL—Castro's apparatus for the export of revolution, and its positions and materials are frequently published in OSPAAL's Tricontinental Bulletin.

The PSP has tried to portray itself as the true inheritor of the mantle of Pedro Albizu Campos, founder and leader of the Puerto Rican Nationalist Party. This can easily be seen in the account of their founding convention by Irwin Silber previously quoted.

In light of the PSP's claims to represent the continuation of Pedro Albizu Campos's policies, a brief review of his career is in order.

From 1922 through the mid-1950's the largest organization advocating the use of force and violence to achieve an independent Republic of Puerto Rico was the Nationalist Party—NP—founded and controlled until his death in 1965 by Pedro Albizu Campos. The illegitimate son of a wealthy Spaniard and a mulatto mother, Albizu Campos graduated from Harvard and served in the U.S. Army World War I, before returning to Puerto Rico. He was convicted of conspiracy to overthrow the Government in 1936 when his followers assassinated the chief of police in 1936. When Albizu was sentenced to 10 years in Federal prison, his Nationalists rioted in the town of Ponce, causing the death of 19 people. Puerto Rican revolutionaries commemorate these riots as the "Ponce massacre."

Returning to Puerto Rico 10 years later, Albizu Campos continued organizing for violence, maintaining his party's record for assassination, arson, riot, and insurrection. On October 30, 1950, the Nationalists led an abortive uprising in Puerto Rico in which 31 people died. Four terrorists were killed in an assault on the Governor's residence in San Juan, police stations were attacked, and the town of Jayuya was seized temporarily.

The next day, November 1, 1950, two members of the Nationalist Party, Oscar Collazo and Griselio Torresola, attempted to shoot their way into the Blair House to assassinate President Truman. Torresola was killed, as was a guard, but Collazo survived. In Collazo's pocket was a letter from Campos authorizing him to do whatever was "necessary" for the cause "without hesitation of any kind."

Albizu Campos was captured after a shootout, convicted of attempted murder and other charges, and sentenced to 30 to 80 years imprisonment. Sentenced to death for the murder of the guard, Collazo's sentence was commuted to life imprisonment by President Truman. Among the Nationalist Party leaders convicted of crimes stemming from the Jayuya revolt was Carlos Feliciano, who was assigned to the same jail cell as Campos and who took care of the ailing leader. Campos developed psychotic symptoms in prison and was pardoned by the Governor of Puerto Rico in 1953.

The next year, Lolita Lebron, led Rafael Cancel Miranda, Andres Figueroa Cordero and Irving Flores into the visitors gallery of the House of Representatives and opened fire. Five Congressmen were wounded but none were killed. The four Nationalist terrorists were captured and received jail terms of from 50 to 75 years. Albizu Campos, who expressed his support for the action, was taken into custody after another gunfight and returned to prison. In 1955 he suffered a stroke which left him partially paralyzed; and he died in 1965.

The leaders of the PSP have made it clear that the "armed propaganda" of the Nationalist terrorists has their full approval. During the last 3 years, the PSP has organized marches and demonstrations to free these "political prisoners" and has organized defense committees for other accused—and convicted—revolutionary criminals.

BUSINESS ETHICS AND THE BRIBERY OF FOREIGN OFFICIALS BY U.S. MULTINATIONAL CORPORATIONS

HON. STEPHEN J. SOLARZ
OF NEW YOAK
IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. SOLARZ. Mr. Speaker, yesterday afternoon the House International Economic Policy Subcommittee, on which I have the honor to serve, launched its hearings into the activities of U.S. multinational corporations overseas. These hearings were sparked by the growing number of revelations of certain American firms which operate abroad making questionable donations to foreign political leaders and parties and engaging in bribery of foreign officials in order to enhance their business interests.

I know there are many of us who are deeply distressed over these reports of bribery, political payoffs, the issuance to Federal regulatory agencies of misleading and deceptive reports, illegal campaign donations and other morally reprehensible business activities. I am indeed pleased and encouraged that our chairman, the gentleman from Pennsylvania (Mr. NIX), has taken the initiative to hold this series of hearings to focus on actions of the American business community in foreign lands.

I was gratified to be the leadoff witness and I insert herewith, for inclusion in the RECORD, a copy of my statement:

ACTIVITIES OF U.S. MULTINATIONAL CORPORATIONS OVERSEAS AND BRIBERY OF FOREIGN OFFICIALS

Mr. Chairman, I would first like to express my gratitude for your decision to hold these hearings on the overseas business activities of American multinational corporations. This critical issue is particularly timely in light of recent revelations that certain U.S. firms which conduct business overseas have made questionable contributions to a number of foreign political leaders or have engaged in the bribery of foreign officials to further their business interests. Clearly these activities have no more of a place in commercial transactions in foreign lands than they do in our own country. Further, they seriously disrupt the conduct of our international relations and needlessly exacerbate world tensions in various areas.

It is tragic when one hears that a major U.S. concern bribes a foreign official in order to secure special trade concessions or when another leading multinational corporation makes a massive political donation to an incumbent party in order to maintain business relations. Frankly, the plea of Gulf chairman Bob Dorsey that they need laws to protect them from being importuned by foreign politicians for donations and other financial considerations falls far off the mark and rings very hollow. One would hope that American business firms would have the foresight and mettle to police their own activities without the need for government control. Simple business ethics would seem to dictate the standards on which firms would conduct their affairs and it is truly a sad commentary that the excuse put forward by most of the corporations is that other nations engage in bribery and massive political contributions. The conduct of commercial operations by foreign nations in a morally shabby manner is no excuse for American citizens to engage in such scandalous activities as well. To the extent that international bribery is characteristic of business dealings in other parts of the world, the participation of American firms in it warrants prompt and effective elimination!

Mr. Chairman, I am particularly disturbed to learn that certain major American oil firms have reportedly made secret payoffs to the Arab oil producing nations which were used to finance an anti-Israel and pro-Arab propaganda campaign in the United States. Practices such as this just cannot be condoned, even when the firms plead that the payments were made under duress. They are completely contradictory to our nation's basic traditions and fundamental principles.

Finally, it is unconscionable that any Federal agency or official should even hint that an American business should engage in bribery, such as the Defense Department has reportedly done in the case of American arms dealers seeking business in the Middle East.

Inasmuch as the private sector and the executive branch have both failed to take the initiative to monitor overseas business activities and to bring a halt to these unacceptable business activities, I have introduced legislation to deal with the problem. The first bill, H.R. 7563, which will come before this subcommittee, directs the State Department to monitor the overseas business activities of American citizens and corporations with a view toward detecting any activities which may violate any Federal law or which may be relevant to the violation of any Federal law. Should any possible violation of Federal law by an American company doing business overseas be discovered, the State Department would have to report such a violation to the appropriate U.S. Government agency reponsible for the enforcement of the law which was violated. The second measure, H.R. 7539, which has been referred to the Judiciary Committee, not only accomplishes the goal of the first bill but also amends Title 18 of the United States Code to specifically prohibit the bribery of any foreign government, foreign official

or foreign political organization by any American company or official or employee thereof. Violations shall be punishable by a fine of $10,000 or one year imprisonment or both.

The time is long overdue, Mr. Chairman, for affirmative and meaningful steps to be taken to cope with this situation. Illegal campaign donations, bribery, misleading and deceptive reports to Federal regulatory agencies, padded accounts, secret slush funds and other similar activities cannot be tolerated. Failure to take prompt and effective action can only encourage the continuation of these practices and, thereby, continue to create serious problems in our international economic and political relations throughout the world. One government has already been toppled and political parties in several other countries have been seriously compromised. By enacting the measures I have introduced we would provide a real stimulus to American firms and others to conduct their business activities on an acceptable and ethical basis and to assiduously avoid any improprieties or questionable business arrangements. This legislation would remove any questions which American business persons, foreign governments and their officials and any others may have about the manner in which a U.S. firm operates overseas. Current statutes have failed to provide sufficient protection and more positive action is clearly needed.

I am hopeful, Mr. Chairman, that as we listen to the witnesses who will appear before us in the coming weeks that we can focus on the legislation I have authored in order to bring an end to the current state of affairs as far as bribery and other commercial chicanery are concerned and move to provide needed controls and protection.

UNEMPLOYMENT AVERAGES OVER 8 PERCENT

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. MOFFETT. Mr. Speaker, in my congressional district, unemployment averages over 8 percent, with many towns experiencing double digit unemployment. These statistics only reflect part of the problem. They do not recognize the underemployed and those too discouraged to look for work. It is a time of trial for these people and their families who are faced with reduced standards of living and an uncertain future. It is my hope that the measures which Congress is considering to stimulate the economy will help them. I wish to review the legislation briefly for it provides an insight into the manner in which Congress is proceeding to get the economy moving again.

The emergency employment appropriations bill which President Ford recently vetoed would have provided 900,000 jobs and numerous worthwhile public works projects as well as community service programs. The veto shows a callous disregard for the plight of the unemployed and an indifference to the seriousness of the economic situation in States like Connecticut. I have been saying for some time that more of a public works approach should be taken in providing jobs and this measure would have been a step in that direction. We cannot sit back and await a miraculous recovery from the recession. We must act and act now to give people productive jobs.

The Public Works and Capital Development Act passed by the House would authorize $5 billion in Federal outlays for States and local governments to spend on projects already begun or able to be implemented in the near future. Funds could be used to supplement Federal shares of construction in progress. This legislation would give aid to communities under their direction. It would stimulate a construction industry desperately searching for relief from its stagnation. Communities would have something tangible to point to as a result of the efforts of their own initiative and Federal funds. While the economy is being activated, the locality is receiving lasting benefits.

This brings me to the bill which I have cosponsored—the Intergovernmental Countercyclical Assistance Act. I am aware of the problem of local governments having to cut back expenditures because of a lack of funds at the same time that the Federal Government is trying to move the economy forward. This legislation, cosponsored by over 30 other Members of Congress, would aid those localities with unemployment rates over 6 percent in performing their normal functions and retaining their employees, thus bringing some consistency into national economic policies.

We in the Congress have an obligation to provide the impetus to get this country out of the recession. We have an obligation to those men and women out of work who look to us to provide them with a dignified means of coping with the economy and bettering it. Our present economic situation will best be improved by programs which go beyond the alleviation of immediate joblessness. Communities need permanent improvements as well as jobs for the unemployed, and it makes sense to address our programs to both needs. Such an approach is present in the three bills I have mentioned, and it can only be hoped that the administration will eventually wake up to its economic responsibilities.

"WHAT HAPPENED TO THE NICKEL CANDY BAR?" OR "HOW CAPITAL INVESTMENT CAN HELP CREATE PROSPERITY"

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. KEMP. Mr. Speaker, a study of what happened to the nickel candy bar—price, size, and quality—would be a mini-study of what has happened to the American economy in recent years.

It is crucial we understand the reasons why we have had a decline in the American economy insofar as quality is concerned, yet a commensurate rise in the level of prices.

As part of a nation of consumers and producers, each of us should have a lot to say about the price of things we want and need. Wanting or needing a good or service on one hand, being willing to produce and sell a good or service on the other, with a freely negotiated price in between is what a free market economy is all about. And, it was a free market economy that gave the United States the highest standard of living known to the world's history—in terms of jobs, earning power, housing, goods, and services. It also served to insure the continuation of our economic freedom.

This is why I believe solutions to our dual economic problems of inflation and recession lie in returning decisionmaking to the people through the forces of competition in the marketplace—letting the people decide what to produce, sell, and buy, and at what price levels. This pricing mechanism of the marketplace, derived from the interaction of competition of supply and demand, is a more efficient, productive and stable regulator of the economy than government can ever be. No government agency or official is as capable of making such decisions as are the people through the voluntary exchange of goods and services. To believe otherwise is to deny the basic tenets of democracy and liberty.

I also believe increased productivity—not regulations, controls, rationing and allocation schemes, penalties masquerading as taxes—is the basic answer to our economic problems. Prosperity is related directly to the amount of capital invested in increased production. The reason our rate of productivity is declining is that our tax laws are biased against savings and capital investment. Many of us in Congress, over 50 now, are cosponsoring the Jobs Creation Act of 1975, to help turn this situation around and create new incentives in our tax laws to stimulate the capital investment needed to create jobs, increase productivity, and fight high prices.

In an informative and thought-provoking article in a recent issue of the Reader's Digest, reprinted in the Buffalo Courier-Express of June 2 by Bethlehem Steel—one of the largest providers of jobs in western New York, these problems are addressed and presented by the Business Roundtable:

WHATEVER HAPPENED TO THE NICKEL CANDY BAR?

Remember 1955? Kids were wild about Davy Crockett hats. Some people were worried that we might go to war over a couple of Asian islands called Quemoy and Matsu. The latest musical fad was something called "rock 'n' roll." A Chevrolet sedan cost $2000. A nickel candy bar felt pretty hefty in your hand.

Funny, but whenever you start playing the nostalgia game, you always get around to fond recollections of how far a dime or quarter or dollar "went" in the good old days. Funny, too, but none of us ever seems to really ask *why* the dollar doesn't go as far today. Whatever happened to that nickel candy bar? Why, indeed, do prices go up?

Too often we answer with a resigned sigh: "Everything's going up these days." But that isn't always so. The prices of some things have gone down: TV sets, for instance, and ball-point pens (remember when we paid $1.50 for a "cheap" one?), toasters and quite a few other small appliances. How do these manage to run against the inflationary trend?

To answer let's first consider two basic ways to lower the price of a product (barring the use of low-cost foreign labor to manufacture it outside this country). One way is to cheapen the product, lower its quality. But this is a fatal device in a free market—consumers catch on quickly. The other way is to maintain the quality but cut the cost of manufacture. If the product is soup cans, for instance, it means producing more and better soup cans for the time and labor spent. That's what's called improved *productivity*.

Now wait a minute. Don't head for the exits. We're not talking about men turning screws faster or running around with ladders and oilcans like characters in an old-time movie. We're simply considering how all of us here in America affect the prices of things we buy through the way we work. Just ponder, for example, what happens when a mix of technology, planning and worker motivation spells high productivity.

Major manufacturers of hand-held power tools in Germany, Japan and England have not been able to penetrate the American market because high-quality American-made hand tools are competitively low in price. One of the major forces behind this situation is the Black & Decker Manufacturing Co., of Towson, Md. For the past 16 years, sales of its products have grown an astonishing 17 percent a year, and during that time the prices of many of these products have dropped steadily.

The company secret? Better productivity. In part, this comes from the wise investment of funds in new machines and advanced research. But beyond that, Black & Decker's management and workers constantly set goals for themselves and meet them—not necessarily by doing things faster, but by doing them better. A typical problem: Company engineers knew they could vastly improve safety from electrical shock by doubling the thickness of insulation inside hand tools. But this would have added ten percent to manufacturing costs. Solution: Redesign of the tools, streamlining assembly and standardizing many small parts so the same ones could be used in different tools. Prices of the safer tools remained the same.

While such improved productivity has paid off in increased sales and profits, it has also paid off for employes. The company payroll in 1958 was $14.5 million for 3,800 employes. Last year's payroll was $165.2 million for 20,700 employes.

And look at the payoff for the consumer: In 1958, Black & Decker's basic electric drill for do-it-yourselfers cost $18.95. Now it costs $10.99. A standard jigsaw that sold for $44.50 in 1958 now costs $11.99. And remember, these price changes occurred during a 16-year period which saw the U.S. Consumer Price Index rise 75.2 percent.

But the productivity payoff can also mean a lot more than new jobs and higher pay. Sometimes it spells survival. Consider the 1000 employes of the Ideal Corporation, a maker of precision automotive parts, in Brooklyn, N.Y. Saddled with an old plant and rising costs, Ideal recently looked into building a modern plant in the Midwest. The move would vastly reduce the cost of transporting its products, and the cost of the factory was expected to be about $15 a square foot. Putting up a new plant in Brooklyn on the other hand, would run at least $25 a square foot, and related operating costs looked certain to leave the company in an extremely difficult competitive position. But Ideal had a loyal and skilled work force. It elected to remain in Brooklyn. Says John Wenzel, president of the company: "We decided to gamble on our ability to engineer processes that would reduce our costs." In other words, the productivity of Ideal's managers, engineers and workers kept their 1,000 jobs in Brooklyn. And the company is thriving in its new plant.

Despite these by-no-means-isolated examples, there is disturbing evidence that America is slipping into a productivity crisis. While our productivity has historically grown at a healthy rate of about 3 percent annually, in recent years the growth rate has been falling; last year we had no productivity gain at all. Too many American businesses have been failing because they could not achieve the higher productivity that would enable them to afford the higher wages and shorter hours demanded of them. Others have hiked prices to pay the higher wages, with a resultant loss of business to foreign competition. Nine out of every ten baseball mitts sold in this land of Babe Ruth and Henry Aaron are foreign-made. So are 19 out of every 20 motorcycles, one out of six cars. Since 1967, foreign industry has caused a reduction of at least 400,000 American jobs. That's why productivity—all of us putting more in and getting more out of our jobs—is of such crucial importance.

Fortunately, we don't have to run around tearing our hair out to solve the problem. Nor do we even have to learn productivity from books or lectures. Indeed, that would be a sad estimation of the people of a nation whose history has been in a sense a history of productivity. For productivity is many things. It is the ability of a businessman to attract dollars to build new plants and create new jobs. It derives from intensive research that gives us advanced technology. And productivity is also an impulse.

It's the impulse that helps a housewife organize her day to cook turkey, bake a pie, set the table, get dressed and greet friends and relatives at the door at one o'clock. It's the impulse that makes diagonal paths across vacant lots.

Think about it. How well did you type that last report, repair that washing machine, tune up that engine, finish that blueprint? You have, we have, in our hands, in ourselves, the means to produce not just cars and books and songs and bread, but an entire way of life and economic environment second to none.

Mr. Speaker, it is time to heed the message contained in this article. It is time to begin the major process of returning decisionmaking over the livelihood of the people back to the people themselves.

DR. GLORIA TOOTE

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. PHILLIP BURTON. Mr. Speaker, the talents of a dedicated, intelligent, and committed woman were lost when the resignation of Dr. Gloria Toote, submitted as a matter of courtesy to the new Secretary of HUD, was accepted.

Dr. Toote had served with great distinction for 2 years as Assistant Secretary of HUD for Fair Housing and Equal Opportunity.

A recent editorial of the National Newspaper Publishers Association expresses the concerns of many of us who are deeply committed to the full implementation of our fair housing laws.

I am placing the editorial in the RECORD at this time and commend it to the attention of my colleagues:

LEAVING HER OFFICE IN STYLE

April 30th, 1975 was a red-letter day in the Department of Housing and Urban Development. It was the end of the two-year struggle of Dr. Gloria Toote, Assistant Secretary for Fair Housing and Equal Opportunity to translate the letter of federal legislation into the act of federal law enforcement.

Rarely, through sheer weight of personal dedication, has one individual given so much to make the democratic deed approximate the democratic creed in publicly supported housing.

During these two exciting years, Dr. Toote has made a number of friends among those individuals and groups supporting fair and equal housing opportunities. Contrarywise, Gloria Toote made many enemies in the housing construction industry as well as the home selling industry, especially the American Association of Realtors.

On April 29 and 30, HUD's Office of Fair Housing and Equal Opportunity sponsored a two-day conference on fair housing and funding. During preparation for the conference, a manual, "Local Action and Fundings Strategy for Fair Housing," was developed, which consisted of four important areas: 1) Strategy for Citizen Action, 2) Funding Strategies for Fair Housing Organizations, 3) Case Models for National Fair Housing, and 4) a summary of funding sources involving General Revenue Sharing, community block grants. Comprehensive Employment and Training Act, comprehensive employment assistance programs, and, finally, lower-income housing assistance.

At the outset of the conference, a memorandum of agreement between the Office of Revenue Sharing (ORS) of the U.S. Department of the Treasury, and the Office of Fair Housing and Equal Opportunity of the U.S. Department of Housing and Urban Development, was signed, which established: "a joint working relationship to enable both agencies to resolve complaints of discrimination involving states, local governments, their contractors and secondary recipients of general revenue-sharing funds.

It was estimated that over one million citizens, covering a national constituency, were represented at the Fair Housing Conference by almost 300 participants.

The Fair Housing Conference representatives expressed at its closing session their deep appreciation for the efforts extended by Dr. Gloria Toote and her staff, in seeking incessantly to make more meaningful federal participation in the enforcement of statutes removing the 40-odd years of blight of government-sponsored racism and discrimination in publicly-supported urban and suburban housing.

The true meaning of Dr. Gloria Toote's two busy years at HUD will probably become more significant as HUD returns to the usual Tweedledee-Tweedledum routine, which was operative procedure before this dynamic, intelligent, dedicated woman attempted at least in the area of Fair Housing and Equal Opportunity to make the performance of the federal establishment equal the prophetic promise of federal fair housing statutes.

Her individual and organizational associates in the fair housing struggle wish Gloria Toote well. In accepting Toote's perfunctory resignation the Ford Administration has allowed one of its brightest stars to fall from the Republican leadership constellation. The Black Press urges President Ford to utilize Gloria Toote's exceptional capacities in some other challenging area of service to her nation, her government and her party.

THE CANAL FOR A LUNCHBOX

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. McDONALD of Georgia. Mr. Speaker, an article in the May 28 Washington Post makes it apparent that the proponents of a new treaty in which the United States would surrender its sovereignty of the Panama Canal have abandoned attempts to justify their position. Confronted with staunch opposition in Congress, treaty supporters have thrown reason and logic to the winds and embarked on a campaign to intimidate and blackmail the United States by vague threats of "hostilities" if we fail to come up with a treaty.

U.S. negotiator Ellsworth Bunker, for example, says that if we do not establish "a new—a more modern—relationship" with Panama, "we would likely find ourselves engaged in hostilities with an otherwise friendly [sic] country. . . ." Apparently in case someone observes that a tiny country whose only military consists of 6,000 national guardsmen is hardly in a position to engage in hostilities with anyone, let alone with the United States, Bunker continues, emphasizing that:

> At the same time, we should bear in mind that the canal is vulnerable to sabotage and terrorist acts.

The specter of guerrilla warfare is echoed by others. "It does not matter what government there is in Panama," says a congressional aide, "the prospects for violence are very real."

My favorite, however, is the observation that "one canal worker's lunchbox could carry enough explosives to put the canal out of operation for months."

If only the canal workers will promise to keep lunches in their lunchboxes, we will give them the canal. Our $5.3 billion investment, our national security, the defense of the hemisphere, all are expendable when haunted by the specter of that lunchless, explosive-laden lunchbox.

It is significant that these threats, if one could call them that, are coming from U.S. officials, not from any organizations in Panama. Apparently, some of our public officials will stoop to anything in their effort to weaken the United States.

As for Mr. Bunker, someone should remind him that he represents the United States of America, and that his proper posture, particularly when confronting a country ruled by a Marxist-oriented military strongman, is proud and erect, not cringing on his belly.

The text of the article follows:

[From the Washington Post, May 28, 1975]

CONFLICT ON PANAMA CANAL PACT FEARED

(By Terri Shaw)

Supporters of a new Panama Canal treaty have raised the specter of a Vietnam-type conflict if a revised agreement on the canal is not reached soon between the United States and Panama.

Faced with tough opposition officials and others have stepped up their lobbying efforts on behalf of a new treaty, now in the final stages of negotiation.

U.S. negotiator Ellsworth Bunker broke a long silence about the treaty negotiations in a speech last week in Seattle in which he stressed the need for "a new—a more modern—relationship" between Panama and the United States.

If such a relationship is not worked out, Bunker said, "we would likely find ourselves engaged in hostilities with an otherwise friendly country, a conflict that, in my view, the American people would not long accept.

"At the same time, we should bear in mind that the canal is vulnerable to sabotage and terrorist acts."

In private, U.S. officials and congressional aides have hinted darkly that the terrain of Panama and construction of the canal would be ideal for a well-organized guerrilla force.

"It doesn't matter what government there is in Panama," said one congressional aide who has studied the situation, "the prospects for violence are very real."

Another backer of the treaty pointed out that "one canal worker's lunchbox could carry enough explosives to put the canal out of operation for months."

Other knowledgeable observers, however, said that there is no organization committed—even theoretically—to guerrilla warfare in Panama now, and even the most militant nationalist groups there have no interest in damaging the canal, Panama's most valuable resource.

U.S. and Panamanian officials say that if the negotiations continue to go as well as they have been recently, a new treaty could be drafted sometime this summer.

It will be based on an eight-point document signed by Secretary of State Henry A. Kissinger and Panamanian Foreign Minister Juan/Antonio Tack in February, 1974.

The eight points include a pledge that jurisdiction over the Canal Zone will be turned over to Panama, a move opposed by conservative opponents of a new treaty such as Sen. Strom Thurmond (R-S.C.).

Thurmond and his allies also oppose expected treaty provisions that would gradually turn over administration and defense of the canal to Panamanians, cut U.S. military installations in the Canal Zone and increase payments to Panama for use of the canal.

While the State Department and American supporters of a new treaty prepare to lobby Congress, the Panamanian government has been solidifying its already widespread support in Latin America.

In exchange for backing Argentine Ambassador Alejandro Orfila as the new secretary general of the Organization of American States, Argentina reportedly agreed to support Panama's bid for a seat on U.N. on the Security Council next fall.

Panamanians are convinced that the U.N. Security Council session in Panama in 1973, at which the United States cast one of its first vetoes, spurred Washington to begin negotiating in earnest for a new treaty. At that meeting, the United States objected to language in a resolution calling for a treaty granting Panama "effective sovereignty" over the Canal Zone. Panamanians hope that being on the Security Council will strengthen their hand in the treaty negotiations.

Foreign ministers at the recent OAS meeting here agreed that Latin American countries are more united in support of Panama's demand for eventual jurisdiction over the Canal Zone than any other issue. They unanimously passed a resolution urging a "quick and happy conclusion" of a new treaty.

Both Latin American and U.S. officials have stated recently that the Panama Canal is no longer a bilateral issue between the United States and Panama.

"It is a matter involving all of the Americans," said Peruvian Foreign Minister Miguel Angel de la Flor.

Panama's Archbishop Marcos McGrath, who describes himself as "a friend of the United States," told a group of reporters last week that "this issue is a test case of what will be the U.S. relationship with Latin America for a long time to come."

While they are aware of the opposition to a new treaty on Capitol Hill, Latin American diplomats say that if President Ford really wants to get the treaty through Congress he can.

Congressional backers of the treaty are not so optimistic.

"Our ability to get it through the Senate is contingent on timing," said one Senate aide. "We need a treaty by summer, because we need four months to round up enough votes before the end of the session.

"If it isn't done by then, it will be 1976 and this can't be an election-year issue," he said. "If there's no treaty by July there will be no action until 1977."

Any new treaty must be ratified by a two-thirds vote in the Senate. In the case of Panama, approval by the House is also required because some U.S. property would be transferred.

Some sources on Capitol Hill fear the State Department's efforts on behalf of a treaty have come too late.

Before Bunker made his Seattle speech, one congressional aide who supports a new treaty said: "Bunker has refused to talk to Congress until the treaty is completed. The situation has gotten completely out of hand here."

Thurmond has rounded up 37 signatures on a resolution opposing a new treaty, and his allies have been actively publicizing their views for many months.

RETAIL ADVERTISING PRACTICES AND PROHIBITIONS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. ROSENTHAL. Mr. Speaker, two-thirds of the States in this country forbid either by statute or regulation the advertising of prescription drugs by price or name. This is an immeasurable disservice to consumers. Drug price advertising would allow the consumer a greater freedom of choice which would effectively increase the price competition between retailers. The end result would be lower prices on prescription drugs for consumers.

The following is a report prepared by my staff on the practices and prohibitions involved in the advertising of the prices of prescription drugs:

RETAIL ADVERTISING PRACTICES AND PROHIBITIONS

The consumer is at a distinct economic disadvantage in the retail prescription drug market as a result of strong and effective anti-competitive industry practices.

Meaningful price competition, which is available throughout our market system on almost all products and services, is seen as anathema by those associated with drug retailing—even though competition exists there at the wholesale level. All kinds of

reasons are given—professional ethics, prevention of drug abuse, difficulty in consumer understanding, complexity of factors involved—but none stands up under close scrutiny. The fact is that those druggists who control the profession—the independents—believe they would have great difficulty competing with the chains and discounters if consumers could compare prices of prescription drugs as easily as they do OTC drugs, groceries, clothing and nearly all other consumer products.

Laws and regulations in 37 states forbid advertising prescription drugs by price or name: 17 by statute (Alaska, Arizona, California, Connecticut, Georgia, Louisiana, Maryland, Massachusetts, Michigan, Nevada, New Jersey, New Mexico, North Dakota, Ohio, Oklahoma, Virginia and Wyoming) and 20 by regulation (Alabama, Arkansas, Colorado, Hawaii, Illinois, Indiana, Kansas, Maine, Minnesota, Mississippi, Nebraska, New York, North Carolina, Rhode Island, South Dakota, Texas, Vermont, Washington, West Virginia, Wisconsin).

In three of these states (New Mexico, Ohio and Washington) advertising is not specifically banned but rendered impractical by numerous restrictions—to the point of being considered effectively prohibited.

Drug stores in 10 states may not advertise the fact that they have discount prices. Statutes in California, Maryland and New Jersey and regulations in Colorado, Louisiana, Maine, Massachusetts, Mississippi, New York and Wisconsin prohibit the use of such terms as "discount," "cut rate" or words with a similar connotation in connection with prescription drugs.

The legal status of such restrictions, especially those which are not by statute but are promulgated by state pharmacy boards, is at this time unclear and is being tested in the courts.

Court challenges are pending in at least 11 states (Connecticut, Hawaii, Illinois, Maryland, Mississippi, New Jersey, New Mexico, New York, North Carolina, South Dakota, Wisconsin). Recent challenges have succeeded in Florida, Pennsylvania, Oregon and have failed in New Jersey and New Mexico, though new suits are pending there.

Maryland's prohibition on retail prescription drug price advertising was declared unconstitutional on Dec. 6, 1972, by Judge Joseph L. Carter of Baltimore's Superior Court. The restriction, he ruled, violated the due process clause of the Fourteenth Amendment of the U.S. Constitution.

"The portion of society most injured by such prohibitions is the elderly living on a low income from Social Security and/or pensions," he stated. "The lifting of advertising restrictions can only further alleviate the inflated prices of prescription drugs . . ."

Judge Carter found "The pharmacist is both a professional and a retailer. His functions include not only the compounding of drugs in filling prescriptions, but such commercially oriented endeavors as merchandising and marketing." This led him to conclude that the ban on drug price advertising does not relate to the pharmacist's status as a professional but rather to his retail activities. "When the regulation of pharmacy extends beyond the qualifications of pharmacists and the safety of the products, and encompasses the commercial aspects of the profession," he wrote in his opinion, "serious questions of constitutional validity arise."

The ruling is not binding statewide until affirmed by the Court of Appeals. An appeal was filed in early February by attorneys for the state's Department of Health and Mental Hygiene, who contend Judge Carter's decision dealt only with the civil statute and ignored a criminal statute prohibiting the advertising of controlled substances and prescription drugs.

In New York, Governor Nelson Rockefeller has submitted legislation to legalize drug price advertising.

On September 22, 1972, Congressman Rosenthal, acting with the New York Consumer Assembly and Ms. Etta Ringel, a Medicare patient, filed suit in New York State Supreme Court to have the state's prohibition on prescription drug price advertising declared unconstitutional. Named as defendants are the State Board of Regents and the State Board of Pharmacy. The Regents, with the assistance and advice of the Pharmacy Board, promulgate rules governing the pharmacy profession, including the prohibition on retail drug price advertising.

The suit contends that the Regents' promulgation of such rules exceeds the authority granted them by the legislature and constitutes "an unreasonable exercise of the state's police power, bearing on rational or substantial relationship to the public's health, safety and welfare."

Similar suits were filed in New York, New Jersey and Connecticut by Pathmark, one of the largest supermarket and pharmacy chains in the East. Governor Thomas Meskill of Connecticut announced support for the suit and said he would ask his state's legislature to repeal its anti-advertising law.[1]

Not all states with "no-ad" laws and regulations enforce them. The Michigan attorney general, according to the American Pharmaceutical Association, has said he will not defend pharmacy board enforcement against drug price advertising.

A drug advertising ban proposed by the Missouri Board of Pharmacy was declared invalid by the state attorney general because "It is difficult to understand how the public welfare can be prejudiced by the dissemination of truthful information concerning the name, nature and price of drugs which can be purchased only upon proper prescriptions."[2]

Ohio has permitted drug price advertising but, in recent years, very little, if any, such advertising has been placed. In 1971, the pharmacy profession won a two-year battle when the Ohio State Legislature enacted a law making it impossible as a practical matter for a pharmacy to advertise any prescription drug.

The original language of the legislation, as proposed by the Ohio State Pharmaceutical Association (a trade organization for pharmacists) and the State Pharmacy Board, called for a total advertising prohibition. Only vigorous lobbying by the state's advertising media and the Newspaper Publishers Association prevented a complete ban. The bill had the support not only of the pharmacy groups, drug manufacturers and state pharmacy board, but also of the state's leading drug chains, including the discounters.

All in all, it was a defeat for consumers and for the free enterprise system of open competition in the marketplace.

One of the most widely publicized cases in which a pharmacy chain challenged the general ban against price advertising involves Osco Drug, Inc., a Chicago-based chain with operates 177 stores in 18 states, including 84 in the Chicago area. In October 1971 Osco began posting the prices of the 100 most commonly prescribed drugs in all stores. Within a few weeks, Osco found itself under the gun of the pharmacy establishment on all sides.

Following Osco's fight to be seen and heard by the consumer, the chain was the target of implicit and overt harassment. An affidavit filed in North Dakota's federal court described the harassment Osco had received there and in other states. Rival pharmacists phoned Osco's director of professional services and called him a "traitor." Most Pharmacists, departing from ethical standards, stopped giving Osco pharmacists the prescriptions of customers who wished to transfer their patronage. The affidavit made public Osco's fears that newly registered pharmacists and graduating pharmacy students would shy away from jobs at Osco lest they jeopardize their professional standards and licenses. The court was told that professors and other prominent members of the pharmaceutical community had made possibly damaging remarks about Osco's possible loss of license in order to turn students of pharmacy from the company.

Richard G. Cline, president of the chain, contends that price posting does not constitute advertising and is therefore not illegal. "What we're trying to do is let the marketplace operate freely," he explained, and "allow competitive forces to play." Despite opposition from independent drug retailers, customer response has been favorable, he reported.

Support for Osco's position has come from the U.S. Justice Department's Antitrust Division. Then Assistant Attorney General Richard W. McLaren, in response to a letter from Cline in late 1971, stated that he was "pleased to learn of the initiation of a program with the apparent potential to effectively provide much-needed price information in this area."

The Justice Department has repeatedly stressed that laws prohibiting drug price advertising should be repealed. In a research paper and policy statement to the Council of State Governments, it stated the following:

"Competition is our basic national policy. It has proven to be the most effective spur to business efficiency, innovation, and low prices. Prohibitions on drug advertising represent departures from this national economic policy. . . . The Department of Justice believes that the major effect of legislation or regulations prohibiting price advertising of prescription drugs is to reduce retailer incentives to engage in price competition *with resulting higher costs to the public.*" [Emphasis added]

The report concludes:

"Accordingly, it is the Department's view that existing state legislation or regulations which prohibit or restrict price advertising of prescription drugs may well be averse to the public interest. Since such restrictions appear to be unnecessary to protection of the public and result in unjustifiable expenditures by consumers, the Department feels they should be eliminated."[3]

Unfortunately, the Justice Department's sympathy for the consumer does not extend far enough for it to actively prosecute pharmacy boards or support legislation designed to do exactly what it advocates, that is, remove all prohibitions on prescription drug advertising.

Such legislation was introduced by Congressman Rosenthal in the 92d Congress (H.R. 4423, the Prescription Drug Advertising Act of 1971) and is being reintroduced in the 93d Congress.

There is ample evidence that support for such legislation as this covers a broad spectrum of organizations and interest groups. The Pharmaceutical Manufacturers Association has repeatedly advocated abolishing state laws and regulations against prescription drug advertising. Pharmacies would be encouraged to advertise the prices of prescription drugs, PMA contends, as a means of fostering price competition at the local level and helping reduce retail costs of prescriptions.

Legal precedent for the abolition of anti-advertising laws is also well established. In 1971, appellant Edward Pastor, a Philadelphia pharmacist, was upheld in his effort to advertise prescription drug prices. The Pennsylvania State Board of Pharmacy at that

Footnotes at end of article.

time urged the Superior Court of Pennsylvania to prohibit drug price advertising for these reasons: prohibiting advertising of narcotics and dangerous drugs keeps them out of the public eye; price advertising encourages consumers to shop comparatively, making it harder for a physician to "monitor" the drugs his patient is taking; price advertising will encourage retailers to buy unusually large quantities of drugs, resulting in faster deterioration of unused drugs on the pharmacist's shelf.

Pastor argued that this prohibition in the Pharmacy Act was unconstitutional because it contravened the due process clause of the Fourteenth Amendment of the Constitution. The court ruled in his favor on January 7, 1971.

Pennsylvania, Florida and Massachusetts began to permit price posting in 1971 and the result appears to be lower retail prices for consumers in Philadelphia, Miami and Boston. In comparing drug prices in the states allowing advertising with those which have rules preventing such action, Pastor concluded:

"The Philadelphia patient pays an average of 34% less for his prescription than does the New York City patient. The patient in Miami, Florida, pays an average of 29% less than does the patient in New York. The reason can only be attributed to the competition created by advertising. . . . There can be no question, but that *prescription prices are sharply reduced in areas permitting advertising.*"[4]

Advertisements run in the spring and summer of 1971 by Pastor and two unrelated pharmacies with the same name, U.S. Drug Company, (Wilmington, Delaware, and Hallandale, Florida) offer illustrations:

1. Advertised prices for 100 tetracycline capsules (250 mg) ranged from $1.93 to $2.97, all of which are substantially lower than those figures quoted in the Rosenthal survey. For less than one third the quantity (30 capsules) the average price for generic tetracycline was $3.44 in New York City pharmacies and $4.31 in Washington, D.C. (See Appendix 14 for sample ads and Appendix 15 for comparison of advertised and non-advertised prices.)

2. Another example of reduced costs may be seen in the case of the antihistamine chlorpheniramine maleate. The Rosenthal survey showed that this drug was available in Washington, D.C., area pharmacies in generic form at an average price of $1.79 for 25 4-mg tablets. The Florida pharmacy advertised 100 tablets of the same dosage for 19 cents. The brand name equivalent, Chlor-Trimeton, averaged $1.56 for 25 tablets in the Rosenthal survey. Advertised prices for four times that quantity ranged from $2.43 to $2.77.

3. In the case of ampicillin, 30 capsules of that drug (250 mg) averaged $8.80 in Washington stores and $6.55 in New York City pharmacies in the Rosenthal study; a Philadelphia pharmacy advertised 100 capsules for $14.97.

The president of U.S. Drug of Hallandale, Fla., Bernard B. Applebaum, reported that response to his company's advertising "has been without a doubt overwhelming. Our customers are glad we are not operating behind an unforeseen price. The people know what they are paying for their medication when they give our pharmacist their prescription."[5]

According to the rules of many state pharmacy boards, price advertising is prohibited under the heading of "Unprofessional Conduct." The New York state regulation[6] reads as follows:

"Unprofessional conduct in the practice of pharmacy shall include . . . advertising and/or displaying signs which in any manner tend to deceive or mislead the public."

Certainly the advertising of prices of prescription drugs cannot be construed to mislead the public; on the contrary, the revelation of prices, in allowing more freedom of choice in filling a prescription and lowering prices, would be a positive step toward equalization of fees, thus relieving the plight of millions of Americans who unknowingly pay outrageous amounts for the maintenance of their health.

Even in states where advertising is legal, the pressures are strong not to do so. A District of Columbia pharmacist reported that one of his outlets was directed by the Board of Pharmacy to move a large sign reading "Discount" because it was too near the prescription counter.

In general, state pharmacy board members are independent pharmacists appointed by the governor. Only two states—California and Massachusetts—have public members on their boards. For business purposes, independents prefer to have pharmacies operate under a system of "price maintenance," thereby limiting the information to the public and keeping the issue of drug prices from the public eye.

There are numerous examples of how pressure is wielded on state legislatures to enact pro-pharmacy legislation. In New Jersey, consumers are "protected" by a 1965 "Ethics Law" under which there is no legal way for the consumer to learn the price of his prescription before it is filled.

Pharmacists are not only prohibited from advertising prices, but they are also barred from quoting prices over the telephone, and even in person, unless the customer is about to have his prescription filled. Sidney Greenblatt, secretary of the New Jersey State Board of Pharmacy, calls the measure "a consumer protection law." A more accurate description would be a "pharmacist protection law."

The city of Boston, recognizing the problem of price disparity, has taken positive action to provide consumers with extensive price information. Regulations of the Boston Department of Health and Hospitals require pharmacists to post the prices they charge for approximately 200 of the most frequently prescribed drugs. Although three Boston pharmacy owners brought suit against the city over the regulation, the State Supreme Court affirmed a lower court ruling and it went into effect in late June 1971. A similar measure has been introduced in the Massachusetts legislature, which, if enacted, will make price posting mandatory throughout the state.

The regulation grew out of a survey conducted by Albert Judd, planning and research officer of the Boston Consumer's Council, which "claimed to find that pricing of prescriptions by Boston pharmacists was 'irrational' . . . and that consumers need the kind of guidance they will presumably get from the posted price listing."[7]

Compliance with the Boston price posting regulation, according to Samuel B. Spencer, executive director of the Consumer's Council, is almost 100%.[8] Although he reported that impact was difficult to measure in some cases, one immediate effect was that pharmacies which had been overcharging for their prescriptions "substantially dropped" their prices.

The price chart distributed to Boston pharmacists contains explicit directions for the posting of drug prices, and the city's 225 pharmacies presently list the prices of 190 frequently prescribed drugs. There are three price listings for each drug according to quantity, and suggestions as to the method of comparison shopping that will best allow consumers to evaluate the reasonableness of the prices at each pharmacy.

It appears that the removal of prohibitions on retail prescription price advertising alone will not be sufficient to foster open price competition in the drug marketplace. Experience has shown that where such restrictions were removed, advertising did not necessarily follow. This is believed to be largely due to pressures from the pharmacy establishment, using pharmacist-employees to influence their employers. Academic pharmacists work hard to indoctrinate their young students against retail price advertising (but they are strangely silent when it comes to wholesale advertising including some so blatant as to show the manufacturer's product in the window of a cash register). Therefore, it will be necessary to make price posting mandatory, as is done in Boston. Posting has the additional value of informing the consumer of the price when he walks in the drug store. The disadvantage, of course, is that he cannot do his comparative shopping in his own home, as he can when advertising is permitted. Taken together, though, advertising and posting complement each other very well and would be of immense value to the consumer.

Price posting, was as required under Phase II economic controls, did not prove very effective because of broad exemptions and lack of adequate enforcement. Early in 1972 when the Price Commission suggested pharmacies post their base prices like other retailers, the American Pharmaceutical Association denounced it as "Police state" tactics that engendered a "vigilante system of enforcement."

But when the tables were turned and some pharmacists began violating APhA cannons forbidding advertising, they were hounded by their fellow pharmacists, including other retailers, educators and public officials in what *Consumer Reports* termed "vigilante tactics with a vengeance."[9] The prime targets of these were Osco and its pharmacists.

The Department of Health, Education and Welfare, in its Task Force findings, has suggested that there exists a definite need for prescription pricing information of both brand name and generic drugs to be made readily available to physician and patient alike.[10]

Through the kind of legislation proposed in Chapter XI of this study, the essential need of the consuming public to be provided with necessary price information can be accomplished.

"If the patient is to maintain the right to select a pharmacy, he also has a right to know the prices it charges and to compare these with other prices," declares the HEW report. It calls on medical associations, pharmacy associations and consumer groups to work together at the local level to develop mechanisms whereby patients may obtain long-term information on local prescription prices, especially for maintenance drugs.[11]

The conclusion reached in a study on drug advertising reported in *Consumer Reports* is especially applicable as a summation of the findings and spirit of this report:

"All in all, here is a case where honest-to-goodness price advertising is much needed. Only the law stands in the way."[12]

FOOTNOTES

[1] *American Druggist*, October 2, 1972, p. 27.

[2] *Market Restraints in the Retail Drug Industry*, F. Marion Fletcher, University of Pennsylvania Press, Philadelphia, 1967, p. 232.

[3] Research Paper and Policy Statement of the United States Department of Justice Regarding State Restrictions on the Advertising of Retail Prescription Drugs, Summer 1971, pp 1–3, 8.

[4] Personnel letter to Congressman Rosenthal from Edward Pastor, July 26, 1971.

[5] Personal letter to Congressman Rosenthal.

[6] Section 63.3 of the *Regulations of the Commission of Education*, June 1, 1972.

[7] "Boston Pharmacies Must Post Rx Prices," *American Druggist*, July 12, 1971, p. 30.

[8] Personal Interview.

[9] *Consumer Reports*, March 1972, p. 136 ff.

[10] *The Drug Users, Ibid*, Chapter 5.

[11] *Final Report, Task Force on Prescription Drugs*, H.E.W., Washington, D.C., February 17, 1969, p. 18.

[12] April 28, 1970, p. 279.

ADEQUATE HEALTH CARE

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. MOFFETT. Mr. Speaker, underlying discussions of all proposals for a national health program is the emerging social philosophy concerning health care which affirms that the availability of good health care is a right to which every person is entitled. If one subscribes to this philosophy, and I do, then we must remove the traditional barriers that prevent it, including cost of services, lack of facilities, lack of personnel, and economic and social conditions, recognizing that the dignity of man requires sufficient health care of good quality. The present pressing need for some form of health insurance for the unemployed highlights the necessity of moving away from our existing situation where health care is related to one's job. Many of my constituents have worked hard all their lives and now find themselves faced with soaring medical costs and no coverage because they have been laid off from their work. Medical care is a worthwhile commodity. Individuals have a right to certain services; a right to food, clothing, shelter, rest, and to medical care.

The only way to effectively solve our Nation's health care crisis is to take a comprehensive approach. The development of a comprehensive health care policy in the United States should not be only the responsibility of the health care providers. One administrative factor which contributes to the inequities and problems of our present system is the absence of substantial participation of consumers, the users of health services. Everyone shares the responsibility for determining what the objectives and priorities in health care should be. It is essential to include the consumer in the planning and evaluation process and in making the decisions.

Rather than stressing the treatment of illness, our health care system should begin with a concept of positive health; the development and maintenance of good health through preventative services and community education. Our emphasis has been on treatment of illness rather than prevention, with the result that unnecessary services are provided and many much-needed services are overlooked. While costs have risen, health care has declined.

There is a serious maldistribution of health care providers and insufficient utilization of personnel and facilities that do exist. We depend too much on physicians to do things that could be performed by paraprofessionals. Each year American schools graduate 2,000 to 3,000 new health care professionals—not physicians—who can provide many services to human needs, such as immunizations, prenatal care, well-child clinics, and screening tests. Mr. Speaker, no health professionals to date have malpractice suits against them.

The financing of health care should place no financial restrictions on the provision of medical care. Health care must be separated from provision of services and ability to pay, and payments to health providers should be adequate so that promised services can be made available. Thousands of dollars are now spent in testing for eligibility. The costs of checking up on eligibility is incredible, and endless bureaucratic headaches are the result for the health care providers. We must have a financing system that is immune to politics; a rational system, based on the needs of the population.

We need legislation to obtain and preserve our health. I have always felt that one of the highest priorities of this Congress should be the development of a sound national health insurance program; one that provides for the development, organization, and delivery of comprehensive health care. I feel strongly that we must provide universal, quality health care to all Americans, whether working, laid off, not working, or retired, and I see the passage of the Health Security Act as the best means to achieve it.

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD another installment of Mr. Levins' articles:

[From the Philadelphia Daily News, Feb. 25, 1975]

LEGACY OF A CLOSING: A STRUGGLING MUSEUM

SPRINGFIELD, Mass.—"I hate guns," said Tom Wallace, curator of the largest collection of guns in the world.

"Guns are very dull by themselves, but the history and human events surrounding them are very colorful. That's what excites me. That is what a museum like this is—or could be—about."

The 50-year-old Wallace, whose face changes dour expressions like a squeezed wad of putty, was standing in the middle of the Springfield Armory Gun Museum. For the last eight years, Wallace has spent most of his waking hours in a desperate struggle to keep the museum and its gun collection on this side of bankruptcy.

Like the Frankford Arsenal, the Springfield Armory occupied some of the most historic land in its city and was a historical site of national significance. After its pending close was announced, the Army suggested Springfield might turn the event into a positive one by establishing a museum.

At the Frankford Arsenal—where nine buildings and 9.5 acres inside the complex are certified by the Philadelphia Historical Commission—there is similar talk about a museum when the facility closes in 1977.

"Let me tell you this," said Wallace. "If the Army comes into Frankford like they did here, they'll tell you anything. They told us 'This would happen' and 'You can do this' and 'Oh, this won't be any problem' about establishing a museum. They painted a real nice picture of what would happen to us with the museum. What really happened in the end was that nothing happened.

"The Defense Department wrote fairy tales here. You couldn't believe them. They wanted to get out from under this place and they said anything that made their side of the argument look good. You can't believe anything they tell you."

The Springfield Gun Museum is in the main armory building here—a building high on a hill commanding a regal overview of the city. For years the huge clocks on the building's four-sided tower have read "4 o'clock."

"We spent $1,000 to fix the clocks, they still don't work and we had to give up for now" said Wallace, "There was a major leak in the roof that took another $5,000. We've been operating on bare subsistence for eight years. We've just been able to keep heart and soul together here, nothing else. We have less than 20 percent of the total collection on display.

Included in the thousands of items in storage, are more than 200 models of the famed "Springfield Rifle." The 1861 "Springfield" became world-renowned as the most accurate and carefully crafted firearm of its era.

"The only thing that has saved us has been the City of Springfield and local business leaders. When the Army did nothing, they stepped in and helped."

Over the last eight years, the museum has raised $300,000 from interested gun buffs, businessmen and the city.

In the basement, where thousands of ancient weapons are stored in crates and racks, there is no electricity. The museum cannot afford it.

"Right now, the well is about dry. You can only ask outsiders for help for so long. Eight years is a long time. Right now we're just waiting, and taking it day by day," said Wallace.

In 1972, after local legislators here began a push in Washington, it was officially recommended that the Springfield Armory Museum be made a National Historic Site.

Last August, Congress approved legislation making the site an official National Park and voted to spend $5.3 million to refurbish and maintain the buildings and collection.

In October, President Ford signed the bill and made it all official. Eight years after the Army moved out, it looked like the museum was going to make it.

A few weeks ago, the Park Service in Washington announced that the $5.3 million for the Springfield Museum and National Park would be delayed "indefinitely."

"Tight money" was the reason given.

[From the Philadelphia Daily News, Mar. 7, 1975]

ARMY LETTER SHOCKS RIZZO

Vowing that the "ballgame is not over," Mayor Rizzo last night reacted with shock and then anger to the revelations that the secretary of the Army has long considered the closing of Frankford Arsenal "irreversible."

"We either have a breakdown in communications or a breakdown in the chain of command," said Rizzo. "Any decision should be reversible if it is wrong—no matter who makes it."

The mayor, who met with President Ford and Secretary Howard Callaway at the White House Nov. 29, said Callaway's "irreversible" statement was directly counter to "a promise made to me twice in 24 hours by the President of the United States in front of two senators."

One of those senators was Pennsylvania Republican Richard Schweiker who expressed "surprise" yesterday when he was shown a copy of the Callaway letter.

"This is a whole new element," said Schweiker. "What this says is that the Army has written the arsenal off. This is the first time we've heard anything like that. This is the first time we have heard the word 'irreversible' used.

"What upsets me about this entire situation," said Schweiker, "is that we're not getting the same story at all levels."

[From the Philadelphia Daily News, Mar. 7, 1975]

ARMY WRITES OFF FRANKFORD ARSENAL

(By Hoag Levins)

WASHINGTON.—Philadelphia is wasting time and money in attempts to save Frankford Arsenal. The Daily News has obtained a confidential letter that indicates high Army officials have either been lying or grossly misinformed in recent statements about the June 1977 arsenal closing.

The city as well as the Philadelphia Congressional delegation has been working under assurances that the Army will make a final review of its intention to close the 3500-employee arsenal.

Since Nov. 22, when the Army revealed its closing decision, the city and its Congressional representatives have been working feverishly to have the closedown reviewed and reversed.

However, they were unaware that more than five weeks ago the secretary of the Army informed the chairman of the House Armed Services Committee in a letter that the decision to close the Frankford Arsenal was "irreversible."

On Tuesday, for instance, the comptroller general's office announced it would evaluate the Army's justifications for the closing of the arsenal and present those findings for final review by the secretary of the Army, the city and members of Congress by July 1.

In a letter addressed to Sen. Hugh Scott, who led the local Congressional delegation in a demand for an audit of the Army figures, the comptroller general's office said it would soon begin its evaluation.

Scott, the Republican leader in the Senate, was informed that "included in this effort will be our evaluation of the contention of the City of Philadelphia that the Army will have to stockpile over $1 billion in armament if the arsenal is closed."

However, the results of that audit—or any other study—are not likely to make much difference in the office of the secretary of the Army.

In a private letter written on Jan. 30, Secretary Howard (Bo) Callaway said the decision to close the Frankford Arsenal was already made and was final. That letter was sent to Illinois' Melvin Price, chairman of the House Armed Services Committee.

Earlier in the month, Price had requested additional information about the arsenal plans from Callaway. That request came after a meeting with a number of Philadelphia-area Congressmen.

Sen. Richard Schweiker told the Daily News yesterday the fact that the Army's devision was "irreversible" had never been relayed to members of Congress.

For the last five months, the city administration has mounted a massive effort to analyze and rebut the Army's justifications for the closing of Frankford Arsenal. City officials have been traveling to and from Washington for meetings on the issue, which have even included a face-to-face confrontation between Mayor Rizzo and President Ford at the White House Nov. 29.

At that time, in the presence of Sens. Scott and Schweiker, Ford promised Rizzo that the city's side of the issue would be given a "thorough and fair" review by the Army. Army Secretary Calloway attended the meeting.

The massive city effort to assemble a comprehensive rebuttal has involved the office and staff of the mayor, the city commerce director, the Planning Commission and dozens of typists, secretaries, accountants and other workers.

One of the major results of that intensive effort was a 60-page document that stated the city's case for the continued operation of the arsenal.

Ironically, that document was hand-delivered to the Pentagon by City Representative and Commerce Director Harry R. Belinger on Jan. 31—just one day after Callaway confidentially informed Price that the closure decision would not be reviewed by the Army.

Just two weeks ago, Belinger checked with the Army for a reply to the city's arsenal study. The Army has not yet made any reply other than to acknowledge that the study was received.

Belinger said he was informed by Army Col. Paul Raisig at the Pentagon that the Army's answer "wasn't ready yet."

Sen. Scott, who was interviewed about the arsenal in his Capitol office earlier this week, indicated he still considers the closing decision to be up for further review by the Army.

Scott said he and other members of Congress were still working on the premise that they had until May 1 to provide a further rebuttal to the Frankford closing decision.

"By that deadline," said Scott, "we intend to ask the Army to show us their justification and their reasoning and try to persuade them that their reasoning is not as good as our reasoning. They have not yet told us why or how a research laboratory can operate better at Picatinny (N.J.) or Aberdeen (Md.) than it can at Frankford."

One of Scott's administrative assistants who has been deeply involved in the arsenal negotiations with the Army told the Daily News, "There is no question in the senator's mind about the openness of the Department of Defense in this whole matter of the arsenal."

[From the Philadelphia Daily News, Mar. 10, 1975]

ARMY CLOSING ALL ARSENALS?

(By Hoag Levins)

WASHINGTON.—Philadelphia's Frankford Arsenal will be closed as part of an unpublicized Army plan to scrap its traditional arsenal system—apparently in violation of Federal law.

The plan was revealed to the Daily News by a high Army official, but members of Congress knew nothing about it.

Edwin Greiner, deputy assistant secretary of the Army for installations and logistics, said closing of the Frankford Arsenal was the latest step in a planned "evolution" designed to eliminate all arsenal production and turn it over to private industry.

Previously, the Army had said its primary reason for closing Frankford was that it was "outmoded." No mention of a nationwide plan had ever been made.

Greiner, one of the chief negotiators for the Army in its meetings with Philadelphia officials about the fate of the arsenal, spoke to the Daily News in a tape-recorded interview in the Capitol office of Sen. Hugh Scott (R., Pa.), who made the Army official available for questioning.

For two centuries, the Army maintained a system of arsenals capable of producing the critical war supplies and weapons it needs. As required by law, this insured the Army against unscrupulous profiteering by private industry and provided a quality control check.

In 1863, the Secretary of the Army was empowered to abolish arsenals he judged unnecessary. However, because of manufacturing problems, Congress amended the law in 1920, making it mandatory for the Army to maintain a system of arsenals for manufacturing its own material.

The change described by Greiner will make the Army totally dependent on private industry for all its manufacturing needs.

Congressmen contacted by the Daily News indicated that they had not been informed by the Army of a plan calling for such a drastic change in the basic arsenal system.

Sen. Richard Schweiker (R., Pa.), a former member of the Senate Armed Services Committee and currently on the Senate Defense Appropriations subcommittee, said he and other Senators would be "very upset to learn that the Army had such a plan. At no point—no point—has that ever been explained to us in any of our briefings or meetings."

Greiner, however, explained that the Army is already in the process of doing away with the production at all its arsenals.

"The arsenal system used to be the sole source of equipment for the Army," he said. "We have now developed an industry capability. We look to our industrial base for production. Now that changes the role of the arsenal. Not just Frankford Arsenal, but all arsenals."

Greiner explained that the continued maintenance of a system of arsenals for producing the Army's equipment was just "too expensive," adding, "the Army's equipment doesn't justify the retention of arsenal production capacity over and above that which industry has. We can't afford to keep arsenals."

That plan seems to violate a little-known Federal law that requires, "The secretary of the Army shall have supplies needed for the Department of the Army made in factories or arsenals owned by the United States . . ."

Greiner said this so-called "Arsenal Act" did not pertain to the Army's current plan because it was too old and outmoded a law.

The history of the Arsenal Act dates to 1920 when Congress tried to stop the profiteering and shoddy workmanship that had hamstrung the military's efforts throughout World War I. That year, Congress amended the National Defense Act, adding the Arsenal Act. As recently as 1956, Congress modernized the existing laws pertaining to the military and specifically retained the Arsenal Act.

Greiner said Frankford Arsenal's production of fire-control systems will go to private industry rather than be transferred to the Rock Island, Ill. arsenal.

Frankford's fire control program produces the electronic "eyes, ears and brain" of the M-60—the Army's main battle tank in such short supply that its production has been assigned a special White House priority.

Frankford officials have told the Daily News they fear the close of the arsenal would jeopardize the M-60 program.

Greiner, however, said the close of the arsenal would cause no problems because M-60 fire control systems could be made "elsewhere."

He declined to identify "elsewhere."

During its three-month investigation into the Frankford Arsenal closing, the Daily News has learned that there are only two other military facilities in the country that do significant amounts of fire-control work—Ft. Monmouth, N.J., and Ft. Belvoir, Va. Both are part of the Army Electronics Command and have small fire control programs that deal primarily with highly specialized night vision equipment.

Frankford Arsenal has long been the Defense Department's National Commodity Center for Fire Control Materiel. It is the only military facility in the country, for instance, which has a complete optical lab capable of producing the sophisticated optical parts that are at the heart of the M-60 and other fire control systems.

Sources among the small local contractors who now make parts for the arsenal indicate that companies such as Chrysler Corp. have already made quiet inquiries about taking over production of the M-60 fire control program.

Last year, Chrysler, which now assembles M-60 tanks at its plant in Warren, Mich., did $220.4 million in business with the Army.

PUBLIC WANTS ACTION ON ENERGY

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. HAGEDORN. Mr. Speaker, during the recent Memorial Day recess, most Members of Congress had an opportunity to find out what was on their constituents minds. In my travels around Minnesota's Second Congressional District I found that the issue of energy is of increasing concern to a great many people. The cause of this concern is the obvious inability of Congress to come to grips with the energy problem.

The following editorial, reprinted from the Mankato Free Press, articulates the feelings I have heard expressed by many people in all walks of life.

[From the Mankato (Minn.) Free Press, May 26, 1975]

OILING A RUSTY CONGRESS

Congress did not like the original Ford energy proposals and thought it had a better idea. Only trouble was, Congress succeeded only in never agreeing on what its own idea was.

In such a vacuum of responsibility, President Ford had little recourse but to take action himself, as he did in Tuesday's address to the nation, wherein he announced the imposition of another $1-a-barrel fee on imported oil, and domestic price deregulation.

The President seems to recognize what Congress cannot: That oil resources are finite, are still being used at an unacceptably high rate (especially imported oil), and that the American public has been lulled back into complacency, falsely believing that the age of cheap, plentiful petroleum is still in effect.

If it were, gasoline would not be as high as $1.80 a gallon in Western Europe.

We have heard rumors about the advent of 70-cents-a-gallon gas in the United States for the past few months, and it looks as though 70 cents will not have all that bad a conjecture. Over the next two years—if Ford gets his way with Congress on deregulation—gasoline will rise in cost anywhere from six to eight cents per gallon.

Is this inflationary?

Yes, it is. But so would be allocations and rationing, which would yield other forms of trouble as well, in terms of black marketeering, and implementation/regulation of the machinery involved.

The import duty rise, coupled with deregulation of prices, is the least of evils available to the nation. There are no perfect or pleasant answers, and there is no hope—ever—of Americans returning to an age of superfluous petroleum products at very low cost, compared to what is charged the rest of the industrial world.

As Ford said Tuesday, "the Congress cannot drift, dawdle and debate forever with America's future." He also got in a deserved swipe at Congress's latest 10-day recess. If the Congress represents critical but inert policy, then the President at least represents action—as unpopular as it might be.

The fact is that the Democratic majority in Congress refuses to tackle the energy issue because it cannot find a crowd-pleasing solution in that thicket. Ford, at least, is convinced that energy is too serious a concern to play political football with; and he is right.

What will the new import duty hopefully do—besides add to inflation?

It will have the nation on record with the oil-producing cartel (OPEC) of the Middle East that we are serious about decreasing our dependency on foreign fuel, on the eve of what will most likely prove to be a hefty increase on crude oil produced by OPEC.

It should force Detroit automakers to make smaller, more energy-efficient cars—a trend that General Motors has already said that it will embrace.

It should force, because of increased gasoline costs, less frivolous personal use of automobiles.

It should push to the fore long overdue concerns about a national mass transit policy.

It should force a general awareness (indeed, a reminder) of the fact that the energy problem is very real, will not go away, and will never be reversed.

And, perhaps most impossible of all to hope for—it could galvanize the Congress into hammering out a long-range energy policy of its own, or at least into going along with Ford's, in the continued absence of better ideas.

If Ford can actually (to use his phrase) "energize" a lackadaisical, Babel-like Congress at this stage, that may be the greatest accomplishment of the $1-a-barrel duty increase; and it would be cheap, at that.

DÉTENTE IS A FARCE

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. FORD of Michigan. Mr. Speaker, the Detroit News recently published a letter to the editor from Dr. Mary V. Beck discussing the controversial issue of détente with the Soviet Union.

Dr. Beck is uniquely qualified to speak on this complex issue. A first generation American of Ukrainian freedom and the Ukrainian heritage in the United States. She is also widely known in Michigan for a long and distinguished career of public service, dating back to 1932 when she received her degree of doctor juris from the University of Pittsburgh Law School. After many years of dedicated community service, she was elected in 1950 as the first woman member of the Detroit Common Council.

Dr. Beck later became the first woman to be elected council president pro tem and to serve as acting mayor.

Her letter to the editor is a thought-provoking and well-written analysis of détente and all its ramifications. I insert the letter in the RECORD at this point, and commend it to the attention of my colleagues:

[From the Detroit News, Apr. 19, 1975]

"SOVIET HYPOCRISY, DUPLICITY, SUBVERSION UNCHANGED"

(By Mary V. Beck)

If I were an orchid fancier you would receive not one but a basketful for your editorial, "USSR detente: A one-way street."

Its contents came as no surprise since I have followed your continuing and comprehensive coverage of events relevant to detente. Your editorial comments on detente have been perceptive, unequivocal and indicative of the seriousness of the matter.

Clearly you have the right to say, "I told you so!"

But neither you nor anyone honestly concerned about the distressing harvest we are reaping from having sown the wrong seeds in the field of foreign policy is interested in proving the accuracy of his predictions.

Rather, you—and those who agree with you—are interested in hoisting a danger signal which will turn our nation away from its passage down the one-way street and, hopefully, put us on a two-way street in which both partners to detente make gains.

Either that or we must admit detente started out as a mirage and has become a rude awakening.

Of those who might still, in their wide-eyed entrancement with the false slogans and fictitious pronouncements with which Communists are so skillful in camouflaging their true aims, want to stand up in defense of detente we should pointedly ask:

Where have the allegedly miracle-producing attributes of detente suddenly disappeared?

Why have the halo-envisioned detente partners not stepped forward to bring peace to Vietnam and Asia?

Why haven't the Soviets used their clout to persuade their Communist brothers in North Vietnam to halt their aggressive advances and desist from violating the treaty they signed in 1973?

Why haven't the self-styled Soviet peace seekers at least stopped their flow of weapons to North Vietnam? Why have they failed to relax international tensions? Why do they leave that solely up to us?

Why? Because Soviet hypocrisy, duplicity and subversion have in substance remained unchanged from the dawn of the Soviet colonial empire—as the basic, avowed Soviet goal of world control has remained unchanged.

The Soviets don't want to help bring mankind the gifts of peace, freedom and prosperity. They want to impose a power structure unequaled in history, maintained by a barbaric system of terror and violence as revealed in Solzhenitsyn's "Gulag Archipelago."

Let doubters remember your Ted Douglas column saying, "Today's refugees columns are moving like strings of locusts, away from

the North Vietnamese. Never toward them." To the refugees the lesser of the two evils is collapsing South Vietnam. They sense where the greater danger lies.

The latest events in Indochina merely add to the mountain of evidence obvious to those willing to look at the undeniable reality of the actions instead of the words of the Soviets. And what about the future?

Can Kremlin leaders who are oppressing and suppressing millions of captives in 14 non-Russian republics become capable of concern about humanity in general?

Can Kremlin leaders who restrain without just cause thousands of dissidents in camps, prisons and insane asylums for the alleged crime of protest against Russification and in favor of rights guaranteed by the Soviet constitution, be expected to respect and live up to treaties with other governments?

Can these leaders, who pose as apostles of peace but who are carriers of the germs of war, be relied upon to promote peaceful coexistence among nations?

Neither detente nor any other high-sounding but misleading label put to a diplomatic ploy can obscure the truth that Soviet deeds always belie Soviet words.

Yet the Communists march on because the gullible, indifferent and naive refuse to face the painful truth. And Americans are no exceptions.

We pat Soviet heads, shake Soviet hands and save face for them. We give them aid, we share our knowledge and our capital with them, we participate in joint ventures with them and under the guise of cultural and educational exchanges we allow them to roam our country without the protective guidance they always insist upon providing visiting foreigners.

We make it easy for them to further their expressed intention to bury us.

We do these things in quest of a peace that is not forthcoming. The Soviets believe cooperation is a partnership where one does the cooing and the other the operating.

I agree with your editorial. If the United States can't or won't make detente a two-way street then it had better stop cooing and start operating for its own national security and for the preservation of at least a partially free world.

THE CIA AND DIRTY TRICKS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. HARRINGTON. Mr. Speaker, I recently noticed with a mixture of curiosity and amusement the retirement of David A. Phillips from the Central Intelligence Agency. Mr. Phillips was the CIA's chief spy for Latin America during the past 2 years and was running its Latin American operations at the time of Allende's overthrow in Chile.

Having failed by his own admission at legitimate theater, he joined the CIA which allowed him to play a variety of roles; foreign service officer, businessman, et cetera. Mr. Phillips has now taken on a new role—defender of the CIA—and on May 10 once again mounted the stage—this time for his first press conference.

In that press conference and later in an article published by the New York Times, Mr. Phillips attempted to selectively deny CIA involvement in the overthrow of Allende by asserting that, first, Mr. Colby did not use the word "destabilize", second, did not encourage the coup plotters, and third, did not fund the truckers' strike which—according to Phillips—led to Allende's overthrow. Mr. Phillips thus desires his audiences to allow him the opportunity of selectively defending the Agency by broadly denying allegations levied against it while refusing to answer specifics on the basis of national security prohibitions.

In both cases he attempts to shift the debate away from an interconnected and quite complicated series of actions by the U.S. Government and the CIA designed to "destabilize" the Chilean Government, to what he considers the casual variable in the Allende overthrow—the truckers strike. While the truckers strike may have been the straw that broke the camel's back, the actions taken by the United States with the help of CIA were much more subtle and substantive than Mr. Phillips would lead us to believe.

The assumption of Salvador Allende Gossens, an avowed Marxist, to the Presidency of Chile presented a profound policy dilemma for President Nixon and Secretary of State Henry Kissinger. Past practices of the United States to rid itself of "undesirable" governments in the Western Hemisphere were not applicable to Chile. A military operation a la Bay of Pigs or a Dominican-style intervention were not operable contingencies where Chile was concerned. Similarly, a military coup could not be easily or quickly promulgated in Chile where the military had a long history of abstinence from politics.

Chile had for years stood out as the bright spot for democratic development in Latin America. Civil-military relations in Chile were a particular area for optimism, for they gave every indication that the proper balance between civilian control and institutional autonomy had been developed. The Chilean military, with two brief exceptions, had steadfastly refused to become involved in politices, and U.S. policymakers knew the military would not intervene unless it was demanded overwhelmingly by the Chilean middle class, and our policy was subsequently designed to insure that eventuality. The fact that the Nixon administration wanted Allende overthrown and that it would not be easy, is substantiated by Mr. Helms' testimony before the Senate Foreign Relations Committee on the 22d of January, 1975.

> I know that the Nixon administration wanted it (the Allende government) overthrown but there was no way to do it that anybody knew of and any probes that were made in Chile to ascertain whether there was any force there that was likely to bring this about produced no evidence that there was any such force. The agency therefore, never tried.

Elizabeth Farnsworth in her article for Foreign Policy magazine identifies the "force" the CIA had in mind. Quoting an ITT memo from W. R. Merriam to John McCone, Merriam's contact discloses the CIA approach to the Chilean military "in an attempt to have them lead some sort of uprising—no success to date." It should be noted here that the goal of overthrowing Allende was not disavowed on principle but simply reflects the inability of the Agency to devise a means to that end.

The means, however, were subsequently found. Simply stated, they involved massive financial support to the opposition, an economic blockade of the Allende Government, while simultaneously providing continuous support to the Chilean military. The economic blockade and the massive funding of opposition elements are the operative variables in this case not the truckers' strike, for they assured the alienation of the middle class from the Allende Government and their subsequent demand on the military to intervene.

Specifically, the Forty Committee or its prior equivalent authorized the expenditure of approximately $11 million between 1962 and 1973 designed to prevent Mr. Allende's election, and, when that failed, to destabilize his government. A breakdown of this $11 million would include: $3 million in the 1964 elections, $550,000 in 1969 to opposition individuals, $350,000 authorized in 1970 to bribe the Chilean Congress, $5 million from 1971 to 1973, and an additional $1.5 million for the 1973 municipal elections. In 1971 an additional $50,000 to fund the truckers' strike was indeed turned down by the Forty Committee and another $1 million which had been authorized proved unnecessary because of the successful coup in September. Once again I would like to note that $350,000 authorized to bribe the Chilean Congress was not disavowed on principle but was simply deemed "unworkable."

Simultaneously, the United States undertook an economic blockade designed to prevent the Allende Government from minimally satisfying the consumer demands of the middle class and to eventually bankrupt Allende's Government. Loans and credits from the International Monetary Fund, the World Bank, the Inter-American Development Bank, and private American banks were either cut back to a fraction of their previous levels or stopped completely. To argue that these decisions were based on the financial credit-worthiness of the Chilean Government while these same sources continued loans and credits to such financial basket-cases as Bangledesh strains credulity.

As previously pointed out, U.S. military aid not only continued but was actually increased to double the level provided them in the 4 years prior to Allende's rule. In addition, Ms. Farnsworth deals another blow to the credit-worthiness argument by noting that within 8 days after the coup the IDB had provided Chile with a loan of $65 million and within 1 year the international lending institutions had provided a total of $468.8 million with private banks providing another $250 million in credits. Ms. Farnsworth maintains that this phenomenal increase in Chile's credit-worthiness represents "phase two of the U.S. counterinsurgency program in Chile."

Mr. Phillips' denials of CIA involvement in Chile are limited in scope and in no way dispel these allegations of CIA misconduct there. In addition, his comments in his press briefing are simply contradictory and reflect the types of answers he is likely to give in the future. For example, he quotes a May 8, 1973, cable ordering CIA agents in Chile to "cut off contacts with people who are planning coups." The response from the field was confusion for what was plainly an unusual request. Agents wired back to inquire how they could conduct their work and give the U.S. advance warning of the coup if they cut off their contacts. Mr. Phillips quotes a May 23, 1973 cable,

> This one is a little different because it looks like there will be a coup.

He goes on to offer substantiating evidence that the CIA knew of the coup. He says,

> We knew it was going to take place about 30 days before it did take place.

But, when asked why the CIA did not warn Allende—he says, "we had no way to be sure."

Clearly, the CIA knew the coup was to take place, was in contact with the coup planners and, therefore, knew who they were, and could have warned President Allende. Their effort to cut off contact with the coup planners—if indeed that occurred—was strictly to provide the Agency with its operative trademark, "Plausible Denial."

It is evident to anyone who cares to open his eyes and look at the facts that the CIA's actions in Chile constitute blatant intervention in the domestic affairs of a sovereign state. To maintain that the agency's actions were designed to preserve "democratic elements" or that Helms really believed he was funding "civic minded groups" is to strain bureaucratic verbiage and semantic ambiguity to their utter limits. Furthermore, if the junta presently in power in Chile represent the "democratic elements" we sought to preserve, then it is past time for a reexamination of what the CIA and Secretary Kissinger consider democracy to be.

Covert action programs such as the one undertaken in Chile are direct violations of international law and the Charter of the United Nations. They are antithetical or our own democratic principles, inherently destructive to the development of democratic institutions and, in the case of Chile, have fundamentally altered the civil-military relations of a sovereign state. Who would agree that the Soviet Union. The People's Republic of China, Chile, or any other nation has the right to fund political candidates for office here in the United States? If anyone is willing to make such a case I would like to hear him do so publicly.

Mr. Phillips' reasons for leaving the Agency are also open to question. He explains his decision to resign as part substantive—to put allegations about the CIA in perspective—and part personal—when he recently attempted to explain his job to one of his children, the teenager responded—"but that's dirty." It is more likely that Mr. Phillips' resignation is a cover story designed to mask the coincidence of two sequential resignation. Mr. James Angelton, formerly the head of CIA's Domestic Operations Division, resigned after allegations of domestic intelligence operations by the CIA became public; and, Mr. Phillips resigned when allegations of CIA involvement in Chile became public. Coincidence, perhaps, but not likely. In the end, the CIA's involvement there will probably prove his child correct—the Agency's actions were indeed—"dirty."

SENATE—*Monday, June 9, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by Hon. JAMES ABOUREZK, a Senator from the State of South Dakota.

PRAYER

The Reverend Dr. William Hague Foster, Jr., former pastor of Trinity Presbyterian Church of Arlington, Va., offered the following prayer:

Lord God, this is no time for vain repetition; for as in the day of the prophet Isaiah:

Thy people have forgotten Thee, the true God;

There has been no vision of Thee in years;

Our enemies seem to enjoy success while we fail;

Many have lost their courage; faith turns to fear;

Our mistakes haunt, yet there is no humility.

Lord God, it is time, as in the days of Isaiah, that Thy people return to Thy house—

To see Thee, high and lifted up!

To see Thy glory filling Thy temple!

That we hear again "Holy, Holy, Holy, is the Lord of Hosts: the whole Earth is full of Thy glory!"

That we confess, "Woe is me! For I am undone; we are a people of unclean lips and we dwell in the midst of a people of unclean lips."

Lord God, turn to us again, forgive Thy people's sins, renew Thy covenant with us, give Thy commands that all of us, from the President to every citizen, may, like Isaiah, stand in reverence before Thee to say, "Here am I; send me." In Thee do we trust. In Thee we shall not fail.

In the name of the Father, the Son, and the Holy Spirit. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 9, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES ABOUREZK, a Senator from the State of South Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, June 6, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today, until 4 p.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar, beginning with "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

DEPARTMENT OF STATE

The second assistant legislative clerk proceeded to read nominations in the Department of State of Daniel P. Moynihan, of New York, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations; Andrew L. Steigman, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic; Malcolm Toon, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel; and Galen L. Stone, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United

States of America to the Kingdom of Laos.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

BOARD FOR INTERNATIONAL BROADCASTING

The second assistant legislative clerk read the nomination of John T. Murphy, of Ohio, to be a member of the Board for International Broadcasting.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The second assistant legislative clerk read the nomination of Charles A. Cooper, of Virginia, to be U.S. Executive Director of the International Bank for Reconstruction and Development.

The ACTING PRESIDENT pro tempore. Without objection, the nomination was considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

SENATE JOINT RESOLUTION 92—A PERIOD TO HONOR AMERICA

Mr. HUGH SCOTT. Mr. President, I send a joint resolution to the desk, on behalf of myself and the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), and ask for its immediate consideration.

This resolution has been passed on an annual basis, and I hope that it will be agreed to once again.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

There being no objection, the Senate proceeded to consider the joint resolution (S.J. Res. 92) to honor America, which was read the first time by title and the second time at length.

The ACTING PRESIDENT pro tempore. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 92) was ordered to be engrossed for a third reading, read the third time, and passed as follows:

S.J. RES. 92

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress declares the twenty-one days from Flag Day through Independence Day as a period to honor America, and further declares that there be public gatherings and activities at which the people of the United States can celebrate and honor their country in an appropriate manner.

INCOME TAX REBATE NOT SUBJECT TO STATE INCOME TAX

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 171.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 158) to clarify that the individual income tax rebate provided by the Tax Reduction Act of 1975, Public Law 94–12, is intended not to be subject to State income taxes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. PACKWOOD. Mr. President, I urge Senate adoption of Senate Resolution 158, which reffirms our intention that the States should not tax the individual income tax rebates paid under the Tax Reduction Act of 1975.

I know of no Senate opposition to Senate Resolution 158. I submitted it on May 15, 1975, and it was reported favorably by the Finance Committee on June 4, 1975.

It is important for the Senate to adopt this resolution quickly to clarify that the Senate did not intend the rebates to be taxed by the States. The need to reaffirm this has arisen because the attorney general of Oregon has recently decided that the Federal tax rebate will be made subject to Oregon State income tax. I think the action of Oregon is wrong, and it concerns me that other States may follow this example.

The recently passed Tax Reduction Act of 1975 (Public Law 94–12) provided for a rebate of individual income taxes totaling an estimated $8.1 billion. The purpose of this massive, one-shot rebate was to fight recession by infusing additional purchasing power into the economy. I believe the States are acting against the best interest of consumers and against the wishes of the Congress if they attempt to profit from the rebate payments.

As a cosponsor of the President's proposal to extend general revenue sharing, I respect the need of States for additional revenue. However, taxing the rebates is not the proper vehicle. In fact, I am afraid that an attempt by the States to profit from the rebates may weaken support for revenue sharing.

It is clear from the reports of both the House Ways and Means Committee and the Senate Finance Committee that the Congress did not intend the rebate to be subject to Federal income tax. The Ways and Means Committee report—House Report 94–19, at page 25—and the Finance Committee report—Senate Report 94–36, at page 27—stated that the rebate would not constitute income for Federal income tax purposes.

Fifteen States allow a tax reduction for Federal income tax. These 15 States are Alaska, Arizona, Colorado, Delaware, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, North Dakota, Oklahoma, Oregon, Tennessee, and Vermont. These States are the most likely to follow Oregon's lead in taxing the rebates, although the same decision could be made in any State with an income tax.

For the tax year 1974, Oregon allowed a deduction for Federal income taxes up to $3,000. The attorney general of Oregon decided on May 12, 1975, that the rebate will be treated as a reduction of Federal income taxes paid for 1974. This reduces the State tax deduction for Federal income taxes paid, by the amount of the rebate.

For example, prior to the Tax Reduction Act, an Oregon taxpayer with $12,000 income and $2,000 in Federal income tax would pay State income tax on $10,000. Assume this taxpayer received a $200 rebate. The Oregon decision is to treat the $200 rebate as a reduction of 1974 Federal income tax liability, reducing Federal taxes to $800 and leading to computation of State income tax on $10,200. This makes the rebate subject to State income tax.

On May 15, Dr. Laurence Woodworth, chief of staff to the Joint Committee on Internal Revenue Taxation, in a letter in response to my inquiry, stated that the House Ways and Means Committee and the Senate Finance Committee intended for the income tax rebates to be free of State income tax. I ask unanimous consent that this letter be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PACKWOOD. Mr. President, Senate Resolution 158 does not attempt to alter the power of a State to establish its own income tax laws. It does, however, clarify to the States that we believe that they are acting contrary to the purpose of the Tax Reduction Act and against the best interests of the consumer and the economy if they subject the Federal income tax rebate to State income tax.

The resolution clarifies our intention that individual income tax rebates paid under the Tax Reduction Act of 1975 should not be subject to State income tax.

I urge adoption of this resolution.

EXHIBIT 1

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
Washington, D.C., May 15, 1975.

Hon. BOB PACKWOOD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PACKWOOD: You have asked me for an explanation of the way in which Congress intended the special refund of 1974 Federal income tax (contained in the Tax Reduction Act of 1975) to affect a taxpayer's State income tax liability.

As you know, the Tax Reduction Act provides for a refund on 1974 tax liability to be paid in one installment beginning in May 1975. It will generally equal 10 percent of tax liability up to a maximum of $200. However, each taxpayer will receive a refund of at least $100 (or the full amount of the tax liability if less than $100). The refund is to be phased down from the maximum $200 to $100 as the taxpayer's income rises from $20,000 to $30,000.

The Act provides that the taxpayer will be treated as if he had made an additional payment to the Treasury against his 1974 income tax liability. This constructive payment is treated as if made on the due date of the taxpayer's 1974 return. In effect, this constructive payment will in most cases be processed by the Internal Revenue Service as an overpayment of tax by the taxpayer and, as such, will be paid to him in the form of a refund of tax. In accord with the general rule that Federal income tax refunds do not constitute income, refunds received under the Act will likewise not constitute income for Federal income tax purposes to the taxpayers who receive them.

In the case of the treatment of the refunds for State income tax purposes, both the committee reports of the House Committee on Ways and Means and the Senate Finance Committee on the Tax Reduction Act contain the following statement:

"By deeming the amount of 1974 tax which is to be refunded under the bill as a payment of 1974 Federal income tax by the taxpayer on the due date of his return, the committee expects that for State income tax purposes, States will treat the Federal refund of this deemed payment as a refund of an overpayment of Federal income tax. Such treatment would also reflect the committee's view that the refunds under the bill do not involve any reduction in the taxpayer's Federal income tax liability as such for 1974." (H. Rept. 94–19, p. 25; S. Rept. 94–36, p. 27)

My understanding is that both committees intended this statement to mean that the special refund of Federal income tax for 1974 should not operate to increase, or to decrease, income tax collections by the States. Some States, for example, impose their tax as a flat percentage of the taxpayer's Federal income tax liability. In such jurisdictions, if the special Federal refunds could be interpreted as reflecting a reduction in the taxpayer's Federal income tax liability for 1974, the effect would be to reduce the taxpayer's State income tax liability and, in turn, State revenues. Congress intended that such a result should not occur.

Some States, by contrast, allow a taxpayer, in computing his State taxable income, to deduct Federal taxes paid by him during the year. In some jurisdictions, Congress intended that the special Federal refund should also not be interpreted as reducing a taxpayer's 1974 Federal tax liability so as to reduce his deduction (on his State return) for 1974 Federal income taxes paid. Such a reduction would, in effect, subject the special Federal refund to tax by the State. However, as I indicated above, Congress intended that the procedures for making the special refund should neither increase nor decrease a taxpayer's State income tax liability.

Sincerely yours,
LAURENCE N. WOODWORTH.

Mr. CURTIS. Mr. President, I support Senate Resolution 158, which was submitted by the distinguished Senator from Oregon (Mr. PACKWOOD) and reported favorably by the Committee on Finance.

The purpose of this resolution is quite simple: To express with greater clarity the intent of the Senate that rebates of 1974 Federal income taxes made under the Tax Reduction Act of 1975 are not to be subject to State income taxes. The resolution does not, of course, purport to direct any State as to how it must administer its tax laws. To the contrary, it simply expresses the intent of the Senate that these income tax rebates, designed to stimulate economic recovery, were not to be subjected to State income taxes. In my own view, both the legislative history of the Tax Reduction Act of 1975, and the statutory language of that act, make it clear that this was our intent. Nevertheless, a clear and unequivocal reaffirmation of our original intent, such as is embodied in Senate Resolution 158, seems to me to be desirable. I therefore urge prompt and favorable action on Senate Resolution 158.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 158) was agreed to, as follows:

Resolved, That the Senate of the United States intends that the individual income tax rebate provided by title I of the Tax Reduction Act of 1975, Public Law 94–12 is not to be subject to State income tax; and that the rebates do not involve any reduction in the taxpayer's Federal income tax liability as such for 1974, nor do they constitute income to the taxpayer.

HELPING THE ECONOMY

Mr. HUGH SCOTT. Mr. President, the measure we have just agreed to has some interest, because it certainly never occurred to me that we would find State governments taxing Federal income tax rebates.

I am glad that we have agreed to this provision, because it seems that as soon as you try to give money back to the people by one agency, some other agency comes along and tries to grab it. That is not what was intended, and it certainly is not right. I am glad that we have moved, and I hope the measure becomes law.

People get a hundred dollars, and, lo and behold, some rapacious State government comes along and tries to grab part of it; and then perhaps the county or the city tries to grab some of it. It just "ain't right." I am glad we have acted to let people hold on to the $100.

I would like people's money to stand still long enough for them to spend it or save it and not find that it has a tail consisting of a State government and a lot of smaller governments. We have troubles enough, without having that kind of fancy footwork involved in our tax program.

In any event, the guest chaplain's prayer was so pessimistic that I felt we should point out one little bright spot—namely, if you get the $100, it is yours. I say to the people of America: Run with it, save it, spend it, do something with it, for Heaven's sake, to help get the economy improving; and we all hope that will happen as soon as possible.

I believe that we are going to see some improved signs in the economy in the very near future. We are very hopeful that this will happen. This situation of a declining economy really has been going on since about October of 1973; so it is high time we turn it around. To help it turn around, Congress could be enlisted.

I would like to see some action on energy legislation. The distinguished majority leader has called for action, very articulately and candidly. I join in that.

There has been a great deal of talk over the weekend as to whether George Wallace should sign a loyalty oath to the Democratic Party. I suggest that he cannot consider that until he finds the party.

But, more important, I believe Congress should take a loyalty oath to energy legislation, to start conserving it, and to start helping us find alternative sources of fuel.

In any event, the important thing is for Congress and the President to work together, for them to cooperate, and for us to get action.

We are almost at the end of the first half of the first session of the 94th Congress. It would be a pity if we were not able to enact any legislation at all because we did not dare to call on the people of America to make sacrifices. You cannot conserve energy without sacrifice. You cannot spend money for research into the means to enable us to locate alternative sources of energy without sacrifice. You cannot reduce the daily consumption of energy without sacrifice. Congress has to stop ducking and fiddling and evading and two-stepping and waltzing around, hoping that they can pass some legislation which they can call effective action which will not hurt anybody.

The whole essence of conservation rests upon finding means by which less energy will be consumed and more energy will be produced. Otherwise, we shall continue to face the bad situation now existing of a steady increase in percentage of our dependence on foreign fuels.

I hope that Congress will act; I think they should act. The majority leader has called for action. I join in that call.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Colorado (Mr. GARY W. HART) is recognized for not to exceed 15 minutes.

OPPOSITION TO NOMINATION OF STANLEY HATHAWAY AS SECRETARY OF THE INTERIOR

Mr. GARY W. HART. Mr. President, it is with regret that I must continue in this Chamber to oppose the nomination of former Governor Stanley Hathaway to be Secretary of the Interior.

My opposition is not based on partisan politics and most certainly not from any personal feelings toward the President's nominee to that important office. Furthermore, I express no doubt about his personal conduct, character, or integrity.

The decision to vote against Mr. Hathaway's nomination is based on the broad constitutional grounds on which the Senate grants or denies its consent to Presidential appointees. The President must have latitude in the selection of his Cabinet. But, the Constitution has insured the President wide discretion by vesting in him the sole power to propose nominees for such high offices. In the "Federalist Papers," Alexander Hamilton notes that there was virtually no danger of the Senate usurping the President's power of appointment, because, having rejected one nominee, they could never control further names submitted.

I also do not accept the notion that a nominee may be rejected only for gross deficiency in integrity. If the confirmation process were nothing more than a primitive check for past clouds on a

nominee's record, it would be a function better performed by an investigative agency than the U.S. Senate.

Thus the basic question is not whether the nominee is a good person or even an able person. It is whether his record, policies, and philosophies meet the qualifications and standards of the specific office for which the nominee has been proposed.

After such an evaluation and careful thought, I have regretfully concluded that Mr. Hathaway does not possess or demonstrate the qualifications required for this vitally important office.

The first task, therefore, is to examine the office in question—the Secretary of the Interior—to determine what powers and responsibilities are vested in that office to derive the qualifications required of the person nominated to hold it.

The Office of Secretary of the Interior will be in the very epicenter of two of our Nation's most critical challenges in this new era of increasing demand and diminished resources. The first challenge is the measured stewardship of our remaining domestic energy supplies and other resources. The second is the protection of our environment and the shrinking areas of unspoiled wilderness.

We must realize that we are ending one era and beginning another. We are at the end of the times when we can assume that raw materials, energy and other resources are going to be cheap and available in nearly limitless supply. We are beginning a period when we will witness increasing worldwide demands for existing supplies of materials without any guarantee that technology will deliver comparable substitutes at current costs as the supply of these raw materials dwindles.

Much of the turmoil of this new era is going to be focused on the Department of the Interior; because the remaining federally controlled lands, under the jurisdiction of the Interior Department, comprise the fading vestiges of the American frontier.

These rich lands contain a huge proportion of the Nation's dwindling domestic energy supplies; at the same time, they represent the last areas of wilderness and unspoiled natural beauty. The powers of the Interior Department even extend beyond our Nation's visible boundaries into the promising but troubled waters of the Outer Continental Shelf.

In resources, consider the example of coal—now our most abundant remaining fossil fuel. Approximately 50 percent of the Nation's recoverable coal reserves are on Federal—publicly owned—land. And coal makes up about 75 percent of the United States known reserves of fossil fuels. Add to that the fact that the last domestic frontier for oil discovery is also on public land—the North Slope of Alaska and on the outer Continental Shelf off the east, gulf, and west coasts.

From those facts emerge two key principles: Not only are most accessible and immediately exploitable reserves of energy located on land under the jurisdiction of the Secretary of the Interior, but, equally important, this immense source of wealth is the property of the citizens of the United States.

The days of the unlimited frontier are over. It is no longer a matter of offering so-called incentives to industry to exploit and explore Federal lands that would otherwise be empty and unused wastelands. It is a matter of prudent stewardship of our dwindling domestic supplies of reasonably available resources. These resources belong to the people. The public must receive the primary benefits from their development, if we are to fulfill our obligations to the public trust.

We must also note carefully that the statutes, in effect and proposed, confer upon the Secretary of the Interior exceptionally wide latitude over the timing, method, compensation from, and the planning of the development of this vast public property.

Second, the Secretary of the Interior holds one of the most environmentally sensitive posts in the entire Government. In presiding over the development of coal, oil, gas, and other energy sources on Federal lands, he is also charged with insuring that this development is attended with strict environmental safeguards.

The Secretary also has equally strict legal responsibilities for the preservation of wildlife, the protection of endangered species, and the protection of our Nation's remaining areas of natural and unspoiled wilderness.

These responsibilities for environmental safeguards, resource development, and protection of wilderness are going to clash directly and continually. It will be the issue of whether to allow strip mining of phosphates in a national forest or to protect it. The choice of whether to dam a scenic river to provide water for mining, or to declare it part of the federally protected scenic rivers system. He will have to measure the need for more fossil fuels against the potential destruction of the fabric of communities not prepared for rapid boomtown development. He may have to decide whether to allow continued grazing or other agricultural use of Federal lands or open them to strip mining.

Thus, all three prime responsibilities must be constantly balanced against each other in a continuing determination of the public interest.

Another characteristic of the job of Secretary of the Interior makes it an unusually sensitive one. Many of his decisions can never be reversed or can be remedied only with great time and difficulty.

It will be too late, if a few years from now, we discover that it was unwise to sacrifice a unique wilderness area to mineral development. If proper safeguards, exploration, and planning do not attend the leasing of offshore oil areas, the consequences may be equally severe and irreversible; valuable public property worth millions may be leased for a pittance; communities may be years in recovering from sudden and unplanned boom; serious environmental damage may occur.

This concept of irreversible harm requires us to set unusually high standards for the nominee selected to hold the position of Secretary of the Interior.

My objections to Mr. Hathaway's nomination rest on the primary foundation of his record as Governor of Wyoming for 8 years.

The problems of Wyoming were not, and are not, exactly the same as those facing the Secretary of the Interior. But the nominee himself offered up his record as Governor as an example of the approximate balance he proposes to strike between the development of resources and the protection of the environment.

To quote his opening statement to the Interior Committee:

> My record as Governor of Wyoming, when viewed in totality, demonstrates this concern and commitment . . . for the protection and enhancement of our environment. During the past 8 years, the State of Wyoming has initiated and implemented many environmental protection safeguards. As Governor, I took a major and leading role in most of these initiatives and the implementation of them. It is not a perfect record, and I do not hold it out as such.

Mr. Hathaway's desire to stand largely on his record did not substantially change even after a prolonged colloquy with my colleagues on the Interior Committee. At the next to the last day of the hearings before the committee, Senator METCALF asked: "But are we going to protect—as you did not protect the environment when you were Governor of Wyoming?"

> Governor HATHAWAY replied. Senator, I do not subscribe to that view that I did not help protect the environment of Wyoming. I happen to think that I have done more than any other public official in the history of the state to protect that environment.
>
> Senator METCALF: It speaks for itself.
>
> Governor HATHAWAY: It speaks for itself and it will have to be judged in due time.

Those two interchanges—both at the beginning and near the end of the Interior Committee hearings—suggest strongly that Mr. Hathaway is standing on his record. That being the case, his record is so unbalanced and inadequate—for both protection of the environment and for sensible development of publicly owned resources—that I must urge rejection of his nomination.

First, and most important, are the energy development policies pursued in Wyoming during Mr. Hathaway's administration.

Here, with Mr. Hathaway serving as chairman of the State Board of Land Commissioners with wide discretionary authority, is a situation parallel to the responsibilities of the Secretary of the Interior.

The coal leasing policies in Wyoming are an example of nearly everything that can go wrong with publicly held resources not managed with care, wisdom, and foresight.

The acreage under lease for coal was tripled during Mr. Hathaway's administration without competitive bidding, without achieving meaningful production, without a strict land reclamation act, and without adequate environmental planning.

The end result is that the major oil and coal companies now hold long-term leases—at remarkably low rental rates—to 1.8 million acres of coal land.

There was much protracted debate during the confirmation hearings about whether this was all of Wyoming's coal lands or not. But it is eminently fair to conclude that, while other State-owned lands may be available for coal leasing, there is not now any evidence that there is any coal on that unleased land.

Thus, the State of Wyoming has leased 2½ times the total acreage for coal that has been leased by the Federal Government. And the result has not been a flood of royalties and income to the State of Wyoming.

Royalties in 1974 totaled just $12,946. Despite this vast leasing spree, production of additional fossil fuels was not achieved to mitigate the energy crisis. Annual rents, while raised during Mr. Hathaway's administration, still averaged about 18 cents an acre at the end of 1974.

The major oil and coal companies now dominate Wyoming's vast coal fields, with Exxon, Mobil Oil, and Atlantic-Richfield being among the largest lease holders. That the people of Wyoming did not receive a full and fair return from the lease of public properties, was illustrated dramatically by 1 percent transaction.

The Mobil Oil Co., recently purchased from a private firm an interest in a State lease for just 20,000 acres of coal lands. The lease was sold to Mobil Oil for more than $10 million. And how much did this lease—which brought a private firm over $10 million—bring to the people of the State of Wyoming? The meager sum of $20,000 a year. The speculative profits garnered by a private firm in this single transaction amounted to 35 times the income received by the entire State for leasing all its coal lands in 1974.

This original transaction did not occur during Mr. Hathaway's administration. But the policies set, executed, and affirmed during his administration remained the same and led to these enormous speculative profits.

A great deal of this vast leasing spree continued while the Federal Government, realizing the serious weaknesses in the Federal program, had wisely placed a moratorium on the leasing of coal lands until the program could be improved. The nominee vigorously objected to this Federal moratorium.

It is an essential qualification of a Secretary of the Interior that he understand his responsibility for wise stewardship over the vast mineral treasure in publicly-owned land. It stands as fact that the coal lands of Wyoming were handed over to speculators and the energy giants at bargain rates that allowed them to lock-up, for future profit, a substantial amount of the Nation's future energy supply.

To allow the same thing to happen with our vast Federal lands and the Outer Continential Shelf would be intolerable. To be sure, we need new and additional sources of energy. But we do not need energy at any price—particularly if energy at any price means turning over our vast Federal treasure to the energy conglomerates without adequate safeguards and without the public receiving adequate return.

Mr. Hathaway's statements to the Interior Committee gave little grounds to believe he has now adopted a broader, tougher, and more farsighted view of his responsibility for true stewardship over Federally-owned resources. He opposed exploratory drilling in the outer continental shelf because, he stated, the major oil companies, and not the Government, had the expertise to do the job.

There is an essential point to exploratory drilling. Without it, the Government cannot adequately determine the value of vast areas offered for private development. Without knowing how much, if any, oil is under a certain tract of land, the Federal Government will have no standard for guaranteeing fair return for the development and depletion of public resources.

Mr. Hathaway again missed the issue. The Federal Government must obtain a maximum return for the development of publically-owned, nonrenewable resources. It must exercise wise control over the development, and must insure that cities all along the coasts do not end up like Rock Springs and Gillette, Wyo.—where a sudden boom left people living in tents and caves, where municipal facilities were pitifully overloaded, and where the crime rates soared.

Cataloging Mr. Hathaway's positions on the Government's role in the development of energy from federally-owned lands, I can find no statement that would not be greeted by Joy in the boardrooms of the giant oil companies.

He would not like to see the huge oil companies blocked from controlling other energy sources such as coal and geothermal energy.

He would like to see the Government offer "incentives" to these oil companies—such as the oil depletion allowance and subsidies for research and development of less proven resources. He would like to decontrol the price of old oil, while conceding that it would not produce any more old oil, but would be, rather, another "incentive." He would allow the oil companies to do the exploring, allowing them to keep their uncomfortable monopoly on essential information on the size of public reserves of oil, coal, and gas.

At one point in the hearings, he described his view as "Free enterprise with Government help." That is not my idea of free enterprise and it is decidedly not how we should develop the oil, coal, gas, and oil shale that are properties of the citizens.

Government, with title to this vast mineral treasure, should not be a friendly partner and provider of "incentives" to the energy giants. That would be about as sensible as the lamb lying down with the lion. Instead, the proper stewardship of these Federal lands requires the attitude and actions of a wise trustee, one who cuts a hard bargain with business to insure that the public gets a fair return for the exploitation of its resources. We have discovered, to our rue, that the Arab nations have learned the value of their energy resources. It is time we learn the value of our public resources—taking a broader view of public interest but demonstrating an equally intelligent understanding of the value of diminishing energy supplies.

Mr. Hathaway's record of environmental protection legislation was thoroughly aired before the Interior Committee so I shall not discuss it at great length.

While Mr. Hathaway takes the position that his pro-development policies were balanced by adequate environmental protection, his record of environmental legislation, as presented to members of the Interior Committee, turned out to be sadly misleading. An excellent analysis by the Environmental Defense Fund showed that Mr. Hathaway's environmental record was at best minimal.

And when both sides had had their chance for rebuttal, Mr. Hathaway conceded that the document prepared on his behalf lacked balance and said it was prepared without his approval.

When it comes to the important issues of wilderness, wildlife, and scenic areas, we can only hope that Mr. Hathaway would not do as Secretary of the Interior what he did as Governor of Wyoming.

A careful search of the hearing record and his actions as Governor shows little to demonstrate any basic sensitivity, interest or commitment to the protection of wilderness areas and wildlife.

This lack of understanding of environmental concern was also graphically demonstrated by the score of environmental and citizen organizations that have voiced opposition or criticism of Mr. Hathaway's nomination.

I agree and sympathize with Mr. Brock Evans of the Sierra Club who said:

> We are not naive enough any more to expect that the position of the No. 1 Environmentalist in all the Nation should actually be held by an environmentalist. But we do not think it is too much to ask that a position be held by someone who can at least understand these values and give them their due.

To go one step further, it is essential that a Cabinet officer with a vast environmental constitutency demonstrate that he can at the very least, understand their concerns.

It is now as much a qualification for the Office of Secretary of the Interior as it is to suggest that the Secretary of Commerce know something about business or that the Secretary of Labor have some rapport with unions.

And finally, concern must be voiced with the nominee's failure to be direct and unequivocal in his testimony with the Interior Committee:

Upon careful review of the hundreds of pages of testimony before the Interior Committee, my reaction is the opposite—the man and his attitudes are more confused than ever.

Perhaps the most extensive questioning of the nominee occurred over the important strip mining bill approved by the Interior Committee and the Senate, and recently vetoed by the President.

The nominee was questioned over his views of this legislation—with a history years long—and still one cannot perceive from the record what his position is.

At one point he took no position on the legislation. At another, he stated that he could give a "qualified yes" to the administration to sign it. At a third time he stated that under some circumstances, not specified, he could also recommend a veto. After the committee voted favorably on his nomination, he was quoted as stating he supported the President's veto.

I could sooner vote to confirm a nominee whose views I did not share, but whose position and opinions were candid and clear cut, than I could a person

whose positions, under repeated questioning, disappear into a dense fog.

It is a matter of deep concern that the nominee—with a record of promoting all-out development—would attempt to preside over one last, vast "energy rush" which would rapidly gut this land of its last reasonably accessible supplies of fossil fuels to maintain the fading promise of a prosperity premised on endless waste and consumption.

The nominee's record and testimony show that he does not adequately understand or appreciate the lessons of history as we move into this critical last quarter of the 20th century. Many have learned, but the nominee shunts aside the terrible costs of a headlong, unplanned rush into development and exploitation of the land. He is not adequately sensitive to our inescapable relationship with our environment and the terrible costs of its destruction. He shows little evidence of realizing that our domestic supplies of fossil fuel energy are finite and must be husbanded carefully—not only to maintain our present prosperity, but to guarantee prosperity for generations to come.

He appears to believe that new technology—such as breeder reactors and mining by nuclear stimulation—will automatically rescue us when we have exhausted our more readily available resources.

We can no longer afford to consider the remaining Federal lands as a vast and empty frontier that should be developed as quickly as possible by giving "incentives" and Government assistance to private industry. Our Federal lands now represent a precious public treasure. Its supplies of coal, oil, and uranium represent a security from the threat of foreign powers strangling our economy by cutting off critical oil imports. They constitute a treasure that, if used with wisdom and foresight, can insure the basic values of our Nation indefinitely. And the Secretary of the Interior is the steward and guardian of this treasure.

The time has passed when resources and raw materials were cheap and always available. I believe the party is over. And the nominee thinks that it is just beginning. It is for that reason above all that I must oppose Mr. Hathaway's nomination to be Secretary of the Interior. He is simply not the man for present and future seasons.

In the words of the greatest Secretary of the Interior of our time, Stewart Udall:

> Each generation has its own rendezvous with the land, for we are all brief tenants on this planet. By choice, or by default, we will carve out a land legacy for our heirs. We can misuse the land and diminish the usefulness of resources, or we can create a world in which physical affluence and affluence of the spirit go hand in hand.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I yield such time as he may desire to the Senator from Vermont (Mr. LEAHY).

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

BACK-TO-LAND MOVEMENT SEEKS SELF-SUFFICIENCY

Mr. LEAHY. I thank the Senator from Michigan for yielding time to me.

Mr. President, I wish to associate myself with the remarks of the distinguished junior Senator from Colorado. As a Vermonter, and one from a State which has shown its willingness to protect the environment through the strictest environmental laws in the country, I feel that it is incumbent upon the Senate to reject this nomination, and I will have further comments on this at a later time during the week.

Mr. President, in the New York Times this morning there appeared a very interesting article entitled "Back-to-Land Movement Seeks Self-Sufficiency," by Roy Reed. The article describes the growing movement in the Nation toward a return to the land, especially by thousands of young people disenchanted with the economic institutions that prevail today. It represents a search for security through agricultural and economic self-sufficiency. Those participating are in a sense modern pioneers, direct descendants of those earlier pioneers in our history who settled the land and expanded our frontiers. Vermont is in the forefront in this movement, and its progress in my State is being watched carefully by officials of various Federal agencies, as well as by young people in all other areas of the Nation. If successful, it could have an important and long-range impact on the life style of millions of Americans. I ask unanimous consent that Mr. Reed's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BACK-TO-LAND MOVEMENT SEEKS SELF-SUFFICIENCY

(By Roy Reed)

PLAINFIELD, VT.—Self-sufficiency, the distant call of a small band of young enthusiasts in the early nineteen-seventies, has become the battle-cry of a full-scale back-to-the-land movement.

The movement has attracted tens of thousands of people across the United States since the antiwar movement of the nineteen-sixties, which apparently spawned it. Most are young, but not all. Its more dedicated followers believe it will have an impact on the American system comparable to the Civil Rights movements.

Established politics and economics are beginning to feel the movement's pressure in several places, especially in New England. A scattering of extension service agents and other Government agriculture officers have begun to take it seriously in several states.

Because it is in the forefront, the movement in Vermont is being watched closely by its pioneers in other places, including the West Coast, the Rocky Mountains, the Southern highlands, the Upper Middle West, rural Pennsylvania and New York, Oregon, the Ozarks and the rest of New England.

The broad aim of the movement is to find ways to live simply but well on the land, outside the economic institutions that dominate the United States.

It would have more people rely on their own personal resources and labor, especially for their food and shelter. One of its mottos is "Make Do with Less"—less machinery, less technology, less everything that comes from and depends on big business.

The movement is deeply antagonistic to the American economic system, whose adherents it see as controlled by unbridled corporate power, corrupted with surfeit and crazed by an impulse to consume and throw away more and more faster and faster.

One of its long-term aims is to use more wind and solar power and less of the finite resources such as oil. Thousands of the new rural families heat and cook with wood. "Labor-saving" devices like tractors are examined skeptically and used sparingly. Mule-drawn equipment is reappearing. Toilets that convert wastes into compost and methane gas are being widely discussed.

Unlike the earlier drug-oriented and somewhat escapist youth movement of the nineteen-sixties, the self-sufficiency movement is characterized, at least in its cutting edge, by enthusiasm, optimism and hard work, especially work done with the hands.

CAN'T REACH THE TOP

"I enjoy hard physical labor," said Eliot Coleman, a young Maine farmer who used to climb mountains for kicks. "I enjoy working 18 hours a day. For what, I don't know. Why do people do whatever they do? You are voluntarily putting yourself in a difficult situation for the enjoyment of getting yourself out of it. It's a mountain that I can't get to the top of."

Partly because of its regard for the land, the movement, from New England to the Ozarks, has produced the spectacle of long-haired refugees from the urban middle class living in peace and mutual admiration alongside old-fashioned farmers. Many aging country people have "adopted" the newcomers to replace their own children, who have abandoned the land and its peculiar skills and moved to the cities.

Although many thousands of young people have moved to the land during the last decade, they probably account for only a small percentage of the urban-rural turnaround that has occurred in the United States.

The Census Bureau discovered recently that non-metropolitan areas have been gaining population faster than urban areas since 1970. Demographers attribute most of that change to the decentralization of manufacturing, the development of new rural retirement areas and spillover from the suburbs. By the 1980 census, the back-to-the-landers could become a substantial part of the growing rural population.

MIDDLE-CLASS MONEY

Only a tiny minority of the newcomers have achieved the movement's goal, self-sufficiency. Those who have come anywhere close usually have done so with money that they or their parents earned in the middle-class world.

Some do not go to the country to farm but simply to "homestead." They are content with building a house in the woods, sometimes alone and sometimes as part of a commune or other collective arrangement.

Most till the soil to some extent, however, even if only to make a small garden. It is increasingly common in the back country from Maine to Oregon to find 30-year-old expatriates from New York City who grow 75 to 85 per cent of their food on their own land, using hoes, organic fertilizers, nonchemical pesticides and sometimes—reluctantly—gasoline-driven rototillers or tractors.

Relying on work-swapping with neighbors and their own ingenuity, a few are beginning to produce small surpluses of food. The surpluses are sometimes sold in farmers' markets in the little towns like Plainfield, which has about 1,500 residents. A commune south of here sends its young women, dressed in eye-catching bib overalls, to peddle its produce on the streets of a neighboring town.

REVIVAL OF BARTER

More and more, the surpluses are used in another system of trade. Cheese is exchanged for a neighbor's eggs, wheat for beans, strawberries for food stamps. The ancient system of barter is slowly being revived in step with the restoration of the abandoned houses and neglected wellsheds and fallow fields of a whole vast, sleeping countryside.

The hills and shimmering valleys of Vermont have long been a magnet for disaffected urban people. Helen and Scott Nearing, two of the older leaders of the modern self-sufficency movement, left the city and moved to a backwoods Vermont farm in 1932 and there demonstrated to thousands more that people with discipline and determination could live well without supermarkets and credit cards.

The Vermont movement has now progressed to the point that it is getting attention from government.

Gov. Thomas P. Salmon recently appointed a state food commission to study the way that foods are produced and used in this state. He told a newsman this spring that Vermont should make it easier for small family farms to survive.

Senator Patrick Leahy sent an aide one day last week to consult with leaders of the Plainfield food cooperative to learn what changes in food policy the cooperative and its back-to-the-land friends would like to see.

FRIEND OF THE MOVEMENT

The state extension agronomist at the University of Vermont, Winston A. Way, now counts himself as a friend of the self-sufficiency movement, although he disagrees with some of its theories of "organic growing," "biological agriculture," "eco-farming"—terminology, like the art, is unsettled. A few county extension service agents in Vermont and elsewhere are also beginning to be considered friends of the movement, with the same reservations.

Mr. Way does not share the movement's fear of chemical pesticides and commercial fertilizers, but he agrees that agriculture needs a "revolution in reverse"—that is, less reliance on high-energy technology in this era of short supplies and more reliance on human labor and cheaper sources of power.

"Instead of being critical of these people, maybe this is the direction we should progress," he said in an interview recently.

Mr. Way noted that Vermont was self-sufficient in its agriculture 100 years ago. Now, he said, its farms produce little except milk, and dairies are in economic trouble.

He is advising a new state federation of 10 food cooperatives on a bean and grain-growing project this summer. The cooperatives have contracted with 15 small farmers to produce about 100,000 pounds of food.

Cooperatives are an important adjunct of the self-sufficiency movement in many states. So is group ownership or group leasing of land and housing.

COMMUNES ON THE RISE

Land trusts, in which the land is owned perpetually by the group and is taken out of real estate speculation, have been established from place to place. Traditional communies are increasing steadily. Vermont now has several hundred, by some estimates. Hundreds more are scattered through the Ozarks and the rural counties of the West.

College towns, partly because of the stimulation they offer, are popular centers for the movement. Large numbers of young people first came to Plainfield to attend Goodard College, then stayed to homestead or farm in the area. The town is an intellectual oasis of theater, dance, music, painting and good movies.

Small farming towns are now drawing service and small-business people who identify closely with the young people flocking to the land.

A correspondent tells of a young couple who stopped one day in Niwot, Colo., while they were drifting across the continent in an old van. The young man took a temporary job helping a store refinish old furniture. He liked the work, went into business for himself and now heads a prospering enterprise that employs eight or 10 other persons. His wife has become active in civic affairs.

"MILK, BUTTER, EGGS"

Bob and Lee Light, once of New Jersey and the split-level, pool-in-the-backyard set, can now be found at Little Wood Farm. The farm overlooks the Winooski River at the end of a dirt lane a mile from Plainfield. A neat sign in front says, "Milk, Butter, Eggs."

The Lights and their two children moved to Little Wood Farm in 1972. The 150-year-old house had been neglected. The barn had fallen down. The 25 acres were about to become a subdivision.

Now, the place produces enough vegetables, fruit, berries, beef, pork and poultry to meet 80 per cent of the family's needs and enough surplus to bring in $3,000 a year in cash. When the income reaches $7,000, Mr. Light figures, they will be self-sufficient.

He worked with his father in a prospering textile machinery business in New Jersey. The couple lived in Upper Saddle River, 45 minutes from New York City. They were active in civil rights and the antiwar movement during the sixties. They spent three or four nights a week in the city dancing, going to theater and fancy restaurants.

Then, when Bob was 30 years old and Lee was 28, they sold their home, collected their savings and left.

"We realized we had to get the hell out of there," Bob said. "We no longer had good feelings about it."

They have been helped here by old-timers who were happy to see the skills they inherited and valued passed on to a new generation. The county agent, Ed Bouton, helped them establish a large field of strawberries, which they sell on a pick-your-own basis. They barter and swap work with friends and neighbors. Using a tractor, they raise corn to feed their cattle, hogs and chickens.

The entire farm, from the sturdy new barn to the arrow-straight furrows of the organic garden, has become part of a carefully considered rebuilding plan. Each winter as they sit in front of the wood heater they make a list of summer projects—what they will plant, what they will build, woods and fields they will clear. Then they systematically follow through.

The Lights are not typical. They have enough savings to get by without taking outside work. They have invested about $60,000 and will invest even more before Little Wood will support them. They work 365 days a year "from 6:30 in the morning until the sun goes down at night."

AN ALTERNATE WAY

"People are trying to find an alternative way to live," Bob said as he sipped coffee on the screened back porch. "What we want is self sufficiency—to make and produce as much as we can so we have to have as few dollars as possible.

"We don't want to support the system. We don't want to support the factories belching out the smoke. Its not our goal to make money. I've decided that I'm never going to pay taxes again under the system this country has."

Eliot Coleman, now of rural Maine, grew up in the New York suburb of Rumson, N.J., the son of a stockbroker. He taught Spanish literature at Franconia College in New Hampshire until 1968. Then, with $5,000 in savings, he and his wife, Sue, and a small daughter, settled on the coast of Penobscot Bay near Harborside, Me.

Working 18 hours a day, they have turned their 50 acres of rocky land, which the county agent told them was too poor to grow anything, into a productive truck farm. It grossed $5,200 last year.

"We lived very well on that," Mr. Coleman, who is 36, said one cool day recently as he sat in the little frame house they built themselves. "The middle class concepts are just so far away from our style of living. We're just a non-consumptive society.

FEASTS IN OCTOBER

"No one in the city eats better than we do, no matter how much money they have. I've sat down to many a meal in October of fall peas, late sweet corn, newly dug potatoes and a bowl of ever-bearing strawberries with goat's cream and honey."

Mr. Coleman is a leader of an organized effort in Maine to promote a return to biological agriculture, as he calls it. The Maine Organic Farmers and Gardeners Association has spread to every county in Maine. It has about 500 members.

"There are just not enough resources in the world," he said, "especially the oil and natural gas from which the chemical and nitrogen fertilizers are made, or the resources to transport the other chemical fertilizers, to continue farming the way we're farming. And so it's necessary to think in terms of large-scale nonchemical farming."

But can biological agriculture feed the people of New York City?

"New York City is an aberration," he said. "If we can do anything so that places like that don't exist, we're doing the world a favor."

Self-sufficiency proves too difficult for many. Marital stresses, for example, are exaggerated in isolated country homes.

25 ACRES OF BEANS

Many know little about farming, in spite of reading books and magazines like Mother Earth News. Mr. Way tells of a young man he visited who was preparing to plant 25 acres of beans. When Mr. Way asked if he had a threshing machine, he got a blank stare.

Although it is less serious than formerly, hostility from middle-class natives is still a problem in many places.

Two officials of Newton County in Arkansas said in a recent interview that young newcomers to the rural Ozarks had encountered considerable criticism and suspicion because they lived on food stamps, wouldn't send their children to public school or give them adequate medical care, did not clean their houses and yards, unmarried men and women lived together and—the natives suspect—used a lot of marijuana.

"They won't even let me fix the roads to their houses," County Judge Howard Norton said.

Why?

"That's what we need to find out," he said.

Some proportion of the back-to-the-landers are leftovers from the escape culture of the sixties who were chiefly interested in smoking marijuana and sitting on the porch talking philosophy.

STRING RUNS OUT

But even those who have gone to the country merely for privacy and ease seem to be taking on a more settled air as they run out the string of highs, lows and endless wandering.

A young man in the Arkansas Ozarks was heard recently telling a friend why he had moved to the woods. Paraphrasing Thoreau's explanation ("I went to the woods because I wished to live deliberately, to front only the

essential facts of life . . .") he said, with his words slightly altered for taste, "I wanted to make up my own beer, grow my own dope and sleep with my own wife."

A longed-for security is one of the strong currents of the new movement. People who moved from one city to another in their early lives, first with their middle-class parents and later on their own, see in the new rural communities a chance to put down roots at last.

Perry Price, who is 32, is the son of an oil company employe. He went to 27 elementary schools before he reached high school age. After college, in Arizona, he drifted to Los Angeles and then up the West Coast working in vineyards, painting houses, toiling in mills, training horses.

Then he met and married a Missouri woman who had also gone West and they got a job tending a lighthouse off the western coast of Canada. One foggy night they got out a map of the United States and began to plan their future.

STEEP AND ROUGH ROAD

They finally bought a rundown farm in the Ozarks. It sits at the end of a road that is so steep and rough that it can only be reached with any assurance in a four-wheel-drive vehicle. It is somewhere in Madison County, Arkansas. They do not want their whereabouts known to strangers.

The garden, tilled there for a hundred years, is green again this spring. An acre of wheat is growing and this fall, grapes and blueberries will be planted. The meadow is deep and alive and it stretches across the valley floor a quarter of a mile giving the valley breadth and space.

Two creeks come together 50 feet from the old unpainted house and then run in a single crystalline river through the cleavage of two of the mountains. On a third side another mountain rises like a wall. A fourth, behind the house, shuts out the world and seals in the solitude.

One day in May, Jerry Price stood in the stillness under a sycamore tree and contemplated the four mountains and the four years they had spent in the valley.

"The minute I saw this place I knew my looking was over," he said. "This is a place for me to put my roots."

He watched their little daughter, Eden, wade out of the river and climb onto a rock. She stood there a moment, naked, shining in the sun.

"God willing," he said, "I'll be here as long as I live."

Mr. LEAHY. I yield back to the Senator from Michigan.

Mr. GRIFFIN. I yield back the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I yield back the time of the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD).

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

OPPOSITION TO NOMINATION OF STANLEY K. HATHAWAY TO BE SECRETARY OF THE INTERIOR

Mr. HASKELL. Mr. President, I oppose the nomination of Stanley K. Hathaway to be Secretary of the Interior because, in my judgment, Mr. Hathaway was party to an effort to mislead me.

When Mr. Hathaway called on me after his nomination was first sent up, he was accompanied by a White House aide who, in Mr. Hathaway's presence, handed me a document entitled "The Hathaway Administration and the Environment—1967–74." I reviewed this document and handed it to a staff member with the comment that Mr. Hathaway's environmental record did, indeed, seem to be balanced.

My staff, however, did not accept the document without question and, acting on its own initiative, forwarded it to various organizations, including the Environmental Defense Fund. The Environmental Defense Fund subsequently prepared and delivered to me a written analysis of the Hathaway document. A copy of the analysis is attached, along with a copy of the original Hathaway document.

At the end of the second day of testimony before the committee, I handed Mr. Hathaway copies of both the document he had given me and the response of the Environmental Defense Fund and told him that I intended to question him on the basis of these documents at a subsequent hearing.

Approximately a week later, Mr. Hathaway again appeared before the committee. Together with other committee members, I questioned him on the two documents. He stated that the document handed me had been prepared principally by a former assistant and his former campaign manager, that he had not seen it before it was circulated but that he had read it a week prior to visiting me.

Mr. Hathaway contested the accuracy of the Environmental Defense Fund's document only in four of the 18 particulars. I asked the preparers of the Environmental Defense Fund's document to appear as witnesses under oath to discuss Mr. Hathaway's charges that the document was inaccurate in these four particulars. A copy of my examination and the cross-examination by counsel for the minority at hearing is also attached.

It has been suggested by some that the document handed to me at Governor Hathaway's visit was just a "campaign piece." Even if it were a campaign piece, I would expect greater accuracy. However, there was no indication given either by the White House escort or by Governor Hathaway that the Hathaway document was other than an accurate representation of Mr. Hathaway's environmental record as Governor of Wyoming.

I cannot vote to confirm a man to a Cabinet post—and I would urge my colleagues to consider whether they can—who presents to a member of a Senate committee a document containing selective omissions and distortions in an effort to win the member's vote.

I would ask that all the minority views, and the minority views of Senator GLENN, be included, but I think it would be too voluminous. For that reason, I shall ask that only my additional views be printed.

Mr. President, I ask unanimous consent that the remainder of my additional views be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE HATHAWAY ADMINISTRATION AND THE ENVIRONMENT—1967–1974

In his first message to the Wyoming Legislature, Governor Hathaway asked for the enactment of air quality legislation to protect and enhance the quality of Wyoming's air. The Legislature, responding to the Governor's request, passed the Wyoming Air Quality Act.[1]

The Act created an Air Resources Council as a division of the State Department of Public Health. The Act provided for the regulation of air standards and the control of emissions.

In keeping with his concern for the quality of the State's environment a Water Pollution Advisory Council [2] was established. The Council was charged with the responsibility of developing a comprehensive program for the prevention, control, and abatement of water pollution.

In keeping with Governor Hathaway's commitment to beautify the State of Wyoming, the legislature passed the Outdoor Advertising Act.[3] The Act which was further strengthened in 1971,[4] provided for the control of outdoor advertising adjacent to Interstate and primary highway systems, and granted authority to the State to condemn and remove signs. As a consequence of this legislation, literally thousands of outdoor signs and billboards which were a blight on Wyoming's landscape were removed.

Hathaway expressed concern for two species of wild life indigenous to the State of Wyoming. Those were grizzly bears and bison.[5] There was no law protecting bison in the State of Wyoming, and Hathaway was concerned about a remnant herd of wild bison then in existence on the Red Desert. Hathaway requested that bison be designated a big game animal, so that the Wyoming Game & Fish Commission could exercise control over the species and, by rule, prohibit their hunting. He also requested a moratorium on the grizzly bears in Wyoming.

The Hathaway administration also enacted a Junk Yard Control Act.[6] The Act regulated and restricted the establishment, operation, and maintenance of junk yards in areas adjacent to the Interstate and primary highway system within the State of Wyoming.

In 1969, Wyoming adopted its first surface strip mining legislation. The Open Cut Land Reclamation Act [7] provided for the reclamation and conservation of land disturbed by surface mining. Under this bill, the Commissioner of Public Lands was given the authority to issue mining permits conditioned upon a satisfactory reclamation plan for rehabilitation of the mined land.

Despite bitter protests from the extractive mineral industry, the 1969 Legislature—at

Footnotes at end of article.

Hathaway's request—enacted Wyoming's first severance tax on minerals.

The Severance Tax [8] was successfully guided through the legislature by Hathaway, despite the industry's protests that the tax was "punitive" and would result in declining mineral exploration in Wyoming.

1973 was a banner year for the environment in Wyoming. Governor Hathaway's Legislative-Executive Commission on the Reorganization of State Government presented a bill to the Legislature which, for the first time, created a consolidated department dealing exclusively with problems of environment concern to Wyoming.

The Environmental Quality Act [9] created a new department of state government with responsibilities for controlling the quality of Wyoming's air, water, and land. The Act created a Department of Environmental Quality with divisions for the administration of air quality, water quality, and land quality, and established an Environmental Quality Control with broad regulatory powers.

The Act imposed standards and penalties considered to be among the stiffest in the nation. Any person in violation of any provision of the Act was liable to penalty up to $10,000 for each day during which the violation continued. The Act also provided protection for the surface owners of lands disturbed by mining, and contained tough bonding provisions to assure the performance of the reclamation requirements imposed by the Council.

Hathaway's concern for the maintenance of a quality environment in Wyoming resulted in the establishment of the Wyoming Conservation and Land Use Study Commission.[10]

The bill was initially killed in the Wyoming Legislature, but was resurrected and passed after the personal intervention of Hathaway. The efforts of the Commission resulted in the preparation and passage of land use legislation in the 1975 session of the Wyoming Legislature.

The 1973 session also saw the enactment of the Stream Preservation Feasibility Study,[11] to preserve the scenic and recreational quality of Wyoming rivers and streams. The Study Committee was charged with the duty of making preliminary surveys to define and plan a state scenic and recreational stream preservation system and to submit recommendations to the Legislature.

The study committee, after extensive hearings throughout the state, adopted a program for preservation of the State's scenic and recreational streams and rivers and prepared legislation for submission to the Wyoming Legislature in 1975. Unfortunately, the legislation died in committee after Governor Hathaway completed his final term in office.

The Hathaway administration also saw the enactment of tougher laws regulating litter. The State's Litter Law [12] imposed criminal penalties upon persons discarding litter and garbage, or abandoning motor vehicles.

Furthering his program to beautify the State, Hathaway saw the enactment of the Abandoned Vehicles Act.[13] This legislation conferred legal authority upon law enforcement agencies to remove and dispose of abandoned vehicles.

The 1973 session of the Wyoming Legislature also saw the enactment of the Environment Pesticide Control Act.[14] The purpose of this legislation was to provide licensing standards and to control and restrict the use of pesticides.

Governor Hathaway had a continuing concern for the impact on Wyoming communities by reason of sudden and unanticipated industrial development. Local governments were taxed to the utmost to provide adequate public facilities. The 1974 session of the Wyoming Legislature responded to Governor Hathaway's request to authorize units of local governments to join together to build facilities, law enforcement buildings, streets, sewer lines, school buildings, and other public facilities by enactment of the Joint Powers Act.[15]

Because many of the units of local governments feeling the impact of industrial development did not have the financial resources to provide adequate public facilities, the legislation provided that units of local government could borrow necessary capital funds from the state.

The Hathaway administration, in the 1974 session, also enacted legislation to amend its Water Quality Legislation [16] in order to bring its prior legislation in conformity with standards established by federal law.

In the 1974 session, Governor Hathaway also requested enactment of an Excise Tax on Minerals.[17] The previous legislation, which was also enacted in the Hathaway administration, imposed a tax of 1% on the value of minerals extracted. The new legislation raised the tax on fossil fuel minerals from 1% to 3% of the value of the gross product extracted.

A companion resolution authorized the submission to the voters of Wyoming a Constitutional amendment creating a permanent Wyoming Mineral Trust Fund,[18] and further provided that one half of the excise taxes received from the extraction of minerals would be transferred to the Fund. The money was to be invested as prescribed by the Legislature, and all income from funds so invested were to be deposited by the State Treasurer in the General Fund annually for appropriation by the Legislature. The funds, therefore, will remain inviolate for the use of future generations of Wyomingites.

In the Spring of 1974, Governor Hathaway's continuing concern for the impact of industrial development of the Powder River Basin resulted in the creation of the Powder River Basin Task Force. The task force was composed of the heads of State agencies, with the Governor as Chairman. The Governor also appointed an Advisory Task Force composed of members of local governmental units of the four counties in the Powder River Basin. Additional members of the task force represented agriculture, industry, environmentalists, and members of the Legislature. The task force met monthly throughout the Powder River Basin and in the State Capitol. As the result of the extended "rap sessions" held by the task force, a clear picture of the problems created by industrial impact in the Powder River began to emerge. The scope and texture of industrial impact was defined, and the task force then initiated solutions to the problems which were emerging. As the result of the meetings, it was anticipated that future legislatures would be better able to come to grips with the problems created by the impact of industrial development.

During the Hathaway Administration, a State Recreation Commission [19] was established, and three new State Parks—Sinks Canyon,[20] Curt Gowdy,[21] and Fort Fred Steele,[22] were created.

In addition, the game and fish laws of the State were completely recodified,[23] in order to improve the State's management of its game and fish resources.

FOOTNOTES

[1] Wyoming Air Quality Act, Chapter 186, Session Laws of Wyoming, 1967.

[2] Water Pollution Advisory Council. Chapter 66, Session Laws of Wyoming, 1967.

[3] Outdoor Advertising Act. Chapter 242, Session Laws of Wyoming, 1967.

[4] Outdoor Advertising Act. Chapter 250, Session Laws of Wyoming, 1971.

[5] Message to Legislature, 1967.

[6] Junk Yard Control Act. Chapter 14, Session Laws of Wyoming, 1967.

[7] Open Cut Land Reclamation Act. Chapter 192, Session Laws of Wyoming, 1969.

[8] Severance Tax, Chapter 193, Session Laws of Wyoming, 1969.

[9] Environmental Quality Act, Chapter 25, Session Laws of Wyoming, 1973.

[10] Conservation Study Commission, Chapter 184, Session Laws of Wyoming, 1973.

[11] Stream Preservation Feasibility Study, Chapter 29, Session Laws of Wyoming, 1973.

[12] Litter Law, Chapter 21, Session Laws of Wyoming, 1973.

[13] Abandoned Vehicles Act, Chapter 217, Session Laws of Wyoming, 1973.

[14] Environmental Pesticide Control Act, Chapter 175, Session Laws of Wyoming 1973.

[15] Joint Powers Act, Chapter 21, Session Laws of Wyoming, 1974.

[16] Water Quality, Chapter 14, Session Laws of Wyoming, 1974.

[17] Excise Tax on Minerals, Chapter 19, Session Laws of Wyoming, 1974.

[18] Original House Joint Resolution No. 2A, Session Laws of Wyoming, 1974.

[19] Recreation Commission, Chapter 187, Session Laws of Wyoming, 1967.

[20] Sinks Canyon State Park, Chapter 4, Session Laws of Wyoming, 1971.

[21] Curt Gowdy State Park, Chapter 31, Session Laws of Wyoming, 1973.

[22] Fort Fred Steele State Park, Chapter 31, Session Laws of Wyoming, 1973.

[23] Game and Fish Law Recodification, Chapter 249, Session Laws of Wyoming, 1973.

ENVIRONMENT—1967–1974

ANALYSIS OF "THE HATHAWAY ADMINISTRATION AND THE ENVIRONMENT—1967–1974"

(Prepared by the Environmental Defense Fund* April 21, 1975)

The Environmental Defense Fund has undertaken a review of the document "The Hathaway Administration and the Environment—1967–1974." The document (undated and unidentified as to author) purports to establish a long record of environmental achievements for Stanley K. Hathaway, presumably to demonstrate his qualifications for the position of Secretary of Interior.

However, analysis of the document and its sources discloses a pattern of seriously misleading statements, exaggeration and selective omissions.

No reference is made in the document to the multitude of environmental depredations which the Governor inflicted or attempted to inflict on the state. Only a partial list would include his advocacy of blanket eagle kills and predator poisoning; his opposition to any new wilderness areas; his espousal of forest clearcutting and the damming of scenic rivers; his support for a jetport in Grand Teton National Park; and his promotion of every form of energy resource development, which resulted, in his administration, in the leasing of every available acre of Wyoming state coal lands.

To combat this record, the document lists 23 legislative "achievements" which purport to balance the equation. Upon close scrutiny, the legislation does not support Governor Hathaway's claim to environmental balance. Of the 23 "achievements" cited, a number are laws which were federally required, if the state were to avoid the loss of federal funds or face preemption by federal controls; some are actually laws which weaken previously existing statutes; and most of the remainder either relate only marginally to environmental quality or are replete with weak provisions and loopholes which undercut enforcement. Of the few pieces of legislation

*The Environmental Defense Fund is a national coalition of scientists, attorneys, economists and other citizens, with a national membership of 55,000, dedicated to bringing these disciplines to bear on environmental problems. For further information, contact EDF's Rocky Mountain/Great Plains Office, 1130 Capitol Life Center, Denver Colorado 80203, phone (303) 623–8165.

which are environmentally sound, Governor Hathaway typically attempted to weaken the bills while they were in the legislature.

A point-by-point analysis follows. Italicized material is quoted directly from the Hathaway document, followed by analysis by the Environmental Defense Fund staff.

HATHAWAY DOCUMENT

In his first message to the Wyoming Legislature, Governor Hathaway asked for the enactment of air quality legislation to protect and enhance the quality of Wyoming's air. The Legislature, responding to the Governor's request, passed the Wyoming Air Quality Act.[1]

The Act created an Air Resources Council as a division of the State Department of Public Health. The Act provided for the regulation of air standards and the control of emissions.

EDF ANALYSIS

This Act established a council to develop air quality standards. When standards were finally put forward, in 1970, Mr. Hathaway lobbied strongly (but unsuccessfully) to weaken the standards for the benefit of new industry, principally coal-related. He sought variances for industries locating in low population areas (virtually the entire state) and for industries "necessary to the economic and social development of the state." Even though these Hathaway proposals were rejected, it was necessary for the U.S.E.P.A. to take over clear air enforcement in Wyoming in 1972, because the state's standards did not meet minimum federal standards.

HATHAWAY DOCUMENT

In keeping with his concern for the quality of the State's environment a Water Pollution Advisory Council[2] *was established. The Council was charged with the responsibility of developing a comprehensive program for the prevention, control, and abatement of water pollution.*

EDF ANALYSIS

The bill added nothing to Wyoming law. The State has had water pollution "advisory councils" since the 1950's, powerless to set or enforce pollution standards. This was no exception.

HATHAWAY DOCUMENT

In keeping with Governor Hathaway's commitment to beautify the State of Wyoming, the legislature passed the Outdoor Advertising Act.[3] *The Act which was further strengthened in 1971,*[4] *provided for the control of outdoor advertising adjacent to Interstate and primary highway systems, and granted authority to the State to condemn and remove signs. As a consequence of this legislation, literally thousands of outdoor signs and billboards which were a blight on Wyoming's landscape were removed.*

EDF ANALYSIS

These Acts were passed to avoid an imminent cutback in Wyoming's share of federal highway funds. The Federal Highway Beautification Act of 1965, 23 U.S.C. § 131(b), provided a 10% reduction in funds for any state not having billboard controls. The Wyoming law is a typical state enactment, basically adopting standards set by the U.S. Secretary of Transportation (Wyo. Stat. § 24–115).

HATHAWAY DOCUMENT

Hathaway expressed concern for two species of wild life indigenous to the State of Wyoming. Those were grizzly bears and bison.[5] *There was no law protecting bison in the State of Wyoming, and Hathaway was concerned about a remnant herd of wild bison then in existence on the Red Desert. Hathaway requested that bison be designated a big game animal, so that the Wyoming Game & Fish Commission could exercise control over the species and, by rule, prohibit their hunting.*

He also requested a moratorium on the hunting of grizzly bears in Wyoming.

EDF ANALYSIS

To preserve the grizzly, more than a simple hunting moratorium is necessary. Grizzlies are by nature reclusive, and expanded wilderness areas are needed to preserve their habitat. Governor Hathaway has been outspoken in his opposition to any new wilderness areas: "When are we going to stop looking for new wilderness areas?" (Denver Post, July 31, 1969.)

Moreover, Governor Hathaway's concern for endangered species is highly selective. His active advocacy of special permits allowing blanket eagle kills is well known. He consistently promoted the use of toxic poisons for "predator" control and authorized the State of Wyoming to sue in an unsuccessful attempt to invalidate a 1970 Presidential order forbidding the use of these poisons on federal lands. The Governor has steadfastly supported such measures despite the questionable nature of woolgrowers' statistics on predator depredation of sheep (Congressional Record, July 12, 1971) and despite convincing evidence that wildlife of no threat to sheep were also being killed by these poisons.

HATHAWAY DOCUMENT

The Hathaway administration also enacted a Junk Yard Control Act.[6] *The Act regulated and restricted the establishment, operation, and maintenance of junk yards in areas adjacent to the Interstate and primary highway system within the State of Wyoming.*

EDF ANALYSIS

This Act was also passed under duress to avoid a cutback in federal highway funds. The Federal Highway Beautification Act of 1965, 23 U.S.C. § 136(b), provided for another 10% cut in funds for any state lacking junkyard controls. The weak Wyoming legislation saved the funds but little else. The law exempts from control any junkyard not visible from a highway, or more than 1000 feet from a highway, or in an industrial area.

HATHAWAY DOCUMENT

In 1969, Wyoming adopted its first surface strip mining legislation. The Open Cut Land Reclamation Act,[7] *provided for the reclamation and conservation of land disturbed by surface mining. Under this bill, the Commissioner of Public Lands was given the authority to issue mining permits conditioned upon a satisfactory reclamation plan for rehabilitation of the mined land.*

EDF ANALYSIS

The Act is notoriously weak: exempting all previously stripped areas (§ 4), requiring only an ill-defined "grading" of "peaks and ridges" (§ 6), omitting revegetation and acid-drainage control unless "practicable" (§ 6), setting no minimum bond to insure reclamation (§ 8), appropriating only $30,000 in the first biennium (§ 14), and leaving compliance in the discretion of one state official.

Republican Representative John Turner stated in 1971, "Our present reclamation act is a model law only if you compare it with no law at all. It may well be the worst law in the country." (Casper Star-Tribune, May 5, 1971.)

Mr. Hathaway discounts uncontrolled strip mining as a serious environmental problem, or a threat to agriculture: "Fortunately, the prime mineral areas of the state are not in recreation areas. With few exceptions they are in arid areas of the state, where it does not, in my opinion, create environmental hazards." (Casper Star-Tribune, January 27, 1972.)

Though the Environmental Quality Act of 1973 improved strip mining controls in Wyoming, it is important to note that until the 1975 legislature, there was no provision for rejecting a strip mining permit application, regardless of the specifics of the reclamation plan.

HATHAWAY DOCUMENT

Despite bitter protests from the extractive mineral industry, the 1969 Legislature—at Hathaway's request—enacted Wyoming's first severance tax on minerals.

The Severance Tax[8] *was successfully guided through the Legislature by Hathaway, despite the industry's protests that the tax was "punitive" and would result in declining mineral exploration in Wyoming.*

In the 1974 session, Governor Hathaway also requested enactment of an Excise Tax on Minerals.[9] *The previous legislation, which was also enacted in the Hathaway administration, imposed a tax of 1% on the value of minerals extracted. The new legislation raised the tax on fossil fuel minerals from 1% to 3% of the value of the gross product extracted.*

A companion resolution authorized the submission to the voters of Wyoming a Constitutional amendment creating a permanent Wyoming Mineral Trust Fund,[10] *and further provided that one half of the excise taxes received from the extraction of minerals would be transferred to the Fund. The money was to be invested as prescribed by the Legislature, and all income from funds so invested were to be deposited by the State Treasurer in the General Fund annually for appropriation by the Legislature. The Funds, therefore, will remain inviolate for the use of future generations of Wyomingites.*

EDF ANALYSIS

Mr. Hathaway opposed severance taxes in his 1966 campaign and the 1969 Severance Tax Act was no great departure from this. On its face, it enacted a 5% % tax on minerals; however, its equalization and credits provisions resulted in a tax of only 1%. (Counties impose an ad valorem tax of approximately 6% on mineral extraction based on legislation predating the Hathaway administration.)

In 1973, he opposed an increase to 3%, but threw his support behind the 3% Mineral Excise Tax Act the next year, when the alternative legislative proposal was a 22% tax on surface-mined coal (defeated). By comparison, Montana has just raised its severance tax from 12½% to 30%.

The Mineral Trust Fund raises no new money, but puts half the 3% excise tax in "storage," while the income from the Fund goes into the state General Fund. This Fund, while it may eventually prove beneficial, for the time being diminishes the already minuscule amount of mineral tax money available to mitigate the impacts of "boom" towns such as Rock Springs, Wyoming.

HATHAWAY DOCUMENT

The Environmental Quality Act[11] *created a new department of state government with responsibilities for controlling the quality of Wyoming's air, water, and land. The Act created a Department of Environmental Quality with divisions for the administration of air quality, water quality, and land quality, and established an Environmental Quality Council with broad regulatory powers.*

The Act imposed standards and penalties considered to be among the stiffest in the nation. Any person in violation of any provision of the Act was liable to penalty up to $10,000 for each day during which the violation continued. The Act also provided protection for the surface owners of lands disturbed by mining, and contained tough bonding provisions to assure the performance of the reclamation requirements imposed by the Council.

EDF ANALYSIS

This is basically sound legislation, but its standard-setting mechanism is defective since air pollution, water pollution and strip mining standards are required to take into account the "social and economic value" of the polluter and the "economic reasonableness" to the polluter of controls. (Wyo. Stats. §§ 35–502.17, .19, .21.)

Moreover, Governor Hathaway can hardly claim that he favored the bill in its strongest form. The final bill was so strengthened by amendments that the chief sponsor of the original Hathaway version voted against it. According to Tom Bell, former editor of the High Country News, "the best you can say for the governor is that he didn't veto the [bill]. He tried to weaken [it]." (High Country News, April 11, 1975.)

For example, when the bill was in the Legislature, the Hathaway administration attempted to omit *any* standards for air, land or water quality. Moreover, unsuccessful attempts were made to delete the surface owner protection provisions of the bill. The Governor further demonstrated his opposition to surface owner protections by speaking out against the landowner consent-to-stripping provision of the federal strip mine bill. (Billings Gazette, October 10, 1973.)

HATHAWAY DOCUMENT

Hathaway's concern for the maintenance of a quality environment in Wyoming resulted in the establishment of the Wyoming Conservation and Land Use Study Commission.[12]

The bill was initially killed in the Wyoming Legislature, but was resurrected and passed after the personal intervention of Hathaway. The efforts of the Commission resulted in the preparation and passage of land use legislation in the 1975 session of the Wyoming Legislature.

EDF ANALYSIS

Mr. Hathaway's support of this study Commission cannot be interpreted as support of effective land use planning and controls. At a critical point during the debate on the 1974 Federal land use bill, he sent a carefully worded telegram to Rep. Morris Udall falsely implying that the National Governors' Conference opposed the federal land use bill.[13] The telegram was viewed as one of the critical factors in the demise of the bill.

It is also curious that this study commission is claimed as "environmental," since it is set up to work with and through the State Department of Economic Planning and Development. (Wyo. Stats. § 9–160.44.)

HATHAWAY DOCUMENT

The 1973 session also saw the enactment of the Stream Preservation Feasibility Study,[14] *to preserve the scenic and recreational quality of Wyoming rivers and streams. The Study Committee was charged with the duty of making preliminary surveys to define and plan a state scenic and recreational stream preservation system and to submit recommendations to the Legislature.*

The study committee, after extensive hearings throughout the state, adopted a program for preservation of the State's scenic and recreational streams and rivers and prepared legislation for submission to the Wyoming Legislature in 1975. Unfortunately, the legislation died in committee after Governor Hathaway completed his final term in office.

EDF ANALYSIS

The legislation very carefully limits the effort to a "study" with no additional powers, except to report back to the legislature two years later. The Committee did recommend legislation in 1975 which failed to pass.

Contrary to the implication that Governor Hathaway was committed to stream preservation, in 1971, he authored a bill (SF 124) that would set up state procedures to dam the wild and scenic upper Green River and would allow condemnation of parkland, public lands, and private lands in the process.

HATHAWAY DOCUMENT

The Hathaway administration also saw the enactment of tougher laws regulating litter. The State's Litter Law[15] *imposed criminal penalties upon persons discarding litter and garbage, or abandoning motor vehicles.*

EDF ANALYSIS

This law merely amends the preexisting 1957 Litter Law, widening the scope of dumping areas covered but *weakening* the criminal penalty provisions by expressly allowing suspension of fines and sentences if the offender cleans up his litter.

HATHAWAY DOCUMENT

Furthering his program to beautify the State, Hathaway saw the enactment of the Abandoned Vehicle Act.[16] *This legislation conferred legal authority upon law enforcement agencies to remove and dispose of abandoned vehicles.*

EDF ANALYSIS

This is no more than the standard state law permitting law enforcement officials to confiscate and retitle abandoned vehicles.

HATHAWAY DOCUMENT

The 1973 session of the Wyoming Legislature also saw the enactment of the Environment Pesticide Control Act.[17] *The purpose of this legislation was to provide licensing standards and to control and restrict the use of pesticides.*

EDF ANALYSIS

An amendment of the preexisting 1943 law, this Act also was in response to federal pressures on states to upgrade registration and licensing laws for pesticide use. Nevertheless, this Wyoming law is grossly lax—making most regulation permissive (in the sole discretion of one official) and providing very weak penalties of violations.

HATHAWAY DOCUMENT

Governor Hathaway had a continuing concern for the impact on Wyoming communities by reason of sudden and unanticipated industrial development. Local governments were taxed to the utmost to provide adequate public facilities. The 1974 session of the Wyoming Legislature responded to Governor Hathaway's request to authorize units of local governments to join together to build facilities, law enforcement buildings, streets, sewer lines, school buildings, and other public facilities by enactment of the Joint Powers Act.[18]

Because many of the units of local governments feeling the impact of industrial development did not have the financial resources to provide adequate public facilities, the legislation provided that units of local government could borrow necessary capital funds from the state.

EDF ANALYSIS

The need for such legislation was created in large measure because of the Governor's unquestioning advocacy of rapid development of coal, oil, gas and shale extraction. The chaos caused by rapid energy development in the small community of Rock Springs, Wyoming, can be laid in no small part to the Governor's active solicitation of these industries. Speaking of Rock Springs in 1974, Mr. Hathaway admitted that it was "too much, too fast. . . . Once you prime the pump of free enterprise, it doesn't stop where you want." (*High Country News*, April 11, 1975.)

The Joint Powers Act allows local units of government to pool their general obligation/revenue bond financing of public improvements necessitated by community growth. Hardly forward-looking, the Act, still requires underfinanced, local governments to pay for growth, rather than those whose developments cause it and those who profit from it. The imposition of meaningful severance taxes (which Governor Hathaway opposed) and other means of taxing growth industries for the impacts they cause are far more satisfactory methods of underwriting the impacts of "boom" development. (In addition, the suggestion that the Act provides State loans is misleading; it merely authorizes the State Treasurer to invest state funds in the local bonds as an ordinary investor.)

HATHAWAY DOCUMENT

The Hathaway administration, in the 1974 session, also enacted legislation to amend its Water Quality Legislation[19] *in order to bring its prior legislation in conformity with standards established by federal law.*

EDF ANALYSIS

This legislation was passed under federal pressure in order for Wyoming to regain its lost state control over water pollution regulation, pre-empted by the federal government.

Wyoming's pollution control failed to meet the standards set by Congress in the Federal Water Pollution Control Act of 1972, resulting in U.S.E.P.A. taking over Wyoming water permits and enforcement from 1973 to September 1974. These loophole-closing amendments were required by U.S.E.P.A. to bring Wyoming into minimum compliance with federal law (although by no means were all U.S.E.P.A. recommended changes made by Wyoming).

HATHAWAY DOCUMENT

In the Spring of 1974, Governor Hathaway's continuing concern for the impact of industrial development of the Powder River Basin resulted in the creation of the Powder River Basin Task Force. The task force was composed of the heads of State agencies, with the Governor as Chairman. The Governor also appointed an Advisory Task Force composed of members of local governmental units of the four counties in the Powder River Basin. Additional members of the task force represented agriculture, industry, environmentalists, and members of the Legislature. The task force met monthly throughout the Powder River Basin and in the State Capitol. As the result of the extended "rap sessions" held by the task force, a clear picture of the problems created by industrial impact in the Powder River began to emerge. The scope and texture of industrial impact was defined, and the task force then initiated solutions to the problems which were emerging. As the result of the meetings, it was anticipated that future legislatures would be better able to come to grips with the problems created by the impact of industrial development.

EDF ANALYSIS

Crash development of the Powder River Basin was due in no small part to Governor Hathaway's support for extensive industrialization there, including his successful program to lease every acre of state land underlain by coal. He favored vastly increasing water diversion to the Basin for purposes of coal development (Billings Gazette, March 23, 1973). He also minimized the impact of energy development on the region in his June 24, 1974 comments on the draft environmental impact statement prepared concerning coal development in the Basin. For example, he stated: "I visited the Amax Mine the other night, and the antelope didn't seem to be bothered at all by the activity there."

HATHAWAY DOCUMENT

During the Hathaway Administration, a State Recreation Commission[20] *was established, and three new State Parks—Sinks Canyon,*[21] *Curt Gowdy,*[22] *and Fort Fred Steele,*[23] *were created.*

EDF ANALYSIS

All three of these "new" State parks were comprised of lands already owned by the state, not new acquisitions. Their total combined acreage was less than 1800 acres—as compared with the 1,249,261 acres of state land leased for coal development alone during Mr. Hathaway's tenure. Of greater relevance is the Governor's well-publicized and consistent opposition to any expansion of wilderness or primitive areas in Wyoming.

Footnotes at end of article.

A recreation commission is a sound concept, but this one was more limited than most: the Wyoming commission was chiefly authorized to conduct studies and develop plans (§ 36-44.4), and it was expressly forbidden to use eminent domain to acquire land (§ 36-44.6).

HATHAWAY DOCUMENT

In addition, the game and fish laws of the State were completely recodified,[24] in order to improve the State's management of its game and fish resources.

EDF ANALYSIS

Mr. Hathaway initiated neither the study nor the legislation. Also during his tenure, he was criticized for allegedly suppressing Fish and Game Department apprehensions about commercial development which threatened wildlife. Moreover, his unqualified advocacy of forest clearcutting constituted a serious threat to game and fish maintenance.

"Many believe Hathaway has stacked Wyoming's Fish and Game Commission with parties insensitive to the worth of outdoor activities. And it is a fact that this Commission has forbidden certain Fish and Game Department officials to speak up in cases where recreation and wildlife are being threatened by commercial development.—Colorado Magazine, 1971, p. 106. See also Wyoming State Journal, February 8, 1968."

Senator HASKELL. I would like to ask the two representatives of the environmental defense fund to come forward. In view of the fact the Governor's testimony was under oath, I am going to ask Katherine Fletcher and George Pring to be sworn.

Do you, Katherine Fletcher, swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

Ms. FLETCHER. I, Katherine Fletcher, swear to tell the truth, the whole truth, and nothing but the truth, so help me God.

Senator HASKELL. Do you, George Pring, swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

Mr. PRING. I, George Pring, swear to tell the truth, the whole truth, and nothing but the truth, so help me God.

Senator HASKELL. You were both in the room when Governor Hathaway indicated certain items in your analysis of his material handed to certain members of the committee were inaccurate in certain respects.

I wish you would proceed in your own way and address yourself to the question or questions and then the committee members will ask you questions.

Mr. PRING. My name is George Pring, and I am an attorney. I am director of the Denver office of the Environmental Defense Fund and with me is Katherine Fletcher, also located in the Denver office.

We have been principle authors of the analysis you have received of the earlier document about the Hathaway administration and the environment.

I suppose I should say, by way of further explanation, that the environmental defense fund is basically a coalition of scientists, lawyers, economists, and other citizens concerned about the environment and hopefully bring those skills to bear on its problems.

We have 55,000 members nationally. It is our pleasure to be here on any aspect of the EDF analysis of Mr. Hathaway's environmental record. We have done a considerable amount of additional research since our analysis on each of those items and we can share that further with you, if you care to go into that.

Our conclusions would remain exactly as stated in the original analysis. The document concerning Mr. Hathaway contains omissions and misleading statements on each—not a part, but on each of the 23 items it discusses.

In view of the general agreement developed as to the accuracy of the document following Senator Haskell's direction, it would be better to confine ourselves to the four areas Mr. Hathaway suggested might contain inaccuracies.

Senator HASKELL. I think that would be an appropriate way to proceed.

Mr. PRING. The four areas—as I recorded them—were the air program, the water program, the scenic rivers, and coal leasing.

Senator HASKELL. As you refer to each item, would you refer to the page on your document on which it appears. I think we could follow it better.

Mr. PRING. All right, the first item on air is on page 2, in which we stated—and there was some general agreement in that except the phrase that it was necessary for EPA to take over air quality in Wyoming in 1972.

There was a letter from the regional administrator placed into the record. It has not been read into the record, but it is part of the record and I have no quarrel with the U.S. Environmental Protection Agency of just what happened in Wyoming.

That letter states—this is a letter I believe Senator Fannin introduced—that letter states that in 1972, Wyoming's lack of legal authority was defective in five different areas.

As a result of that, over the next 2½ years—and there is still not final Federal approval, although I believe Wyoming has corrected all of those five areas it is just a matter of time that the following things happen.

The Federal Environmental Protection Agency had to promulgate regulations for Wyoming to cover all five of those areas and further the Federal Environmental Protection Agency had to move in and take over review processing and granting of permits for all new sources in Wyoming.

I think our major point here is control of new sources, new development moving into the State is, of course, critical for any enforcement program.

The same was true with regard to the water pollution program and that is contained on page 9 of the EDF document.

This Congress, of course, in October, passed the Water Pollution Control Act and amendments which basically stated that each State in the Union, in order to maintain control over water pollution permits under the new pollution discharge elimination systems set up by this Congress, had to have certain laws and regulations in effect.

Wyoming, like most States, did not have those laws and regulations in effect, and it was necessary for the Federal Government to take over the applications for the issuance and promulgation of water permits in Wyoming.

I am supported in this by my conversations with the Office of the Regional Council's office and that is their exact understanding of what they had to do.

They had to go into Wyoming and basically take care of all of the pollution permits issued during that period of time.

[The letter referred to by Mr. Pring follows:]

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Denver, Colo., May 1, 1975.

Hon. CLIFFORD HANSEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HANSEN: This letter is in response to your request for information on the Wyoming Air Pollution Control Program. My staff has checked our files with reference to the three questions you posed, and the responses are summarized as follows:

(1) Date of Wyoming SIP approval?

The SIP was approved May 31, 1972, with some exceptions. These exceptions related to the State's lack of legal authority at that time and were the following: (1) preconstruction review of new sources; (2) authority to require sources to keep records; (3) authority for the State to conduct inspections and stack emissions tests; (4) authority to require in-stack monitoring at the sources; and (5) appropriate provisions for confidentiality of emissions data.

Since the State lacked legal authority in these areas, they could not develop the appropriate regulations. As a result, EPA promulgated regulations for the above five activities.

(2) What amendments have been made to the Wyoming SIP since it was approved?

A number of revisions have been made to the SIP since May 31, 1972. Under normal procedural requirements by EPA, the State submitted compliance schedules for pollution sources on February 9, 1973; March 1, 1973; April 18, 1973; and May 29, 1973.

On August 7, 1974, the State submitted revisions to clear up the deficiencies listed in (1) with the exception of the confidentiality provisions. On December 17, 1974, EPA proposed in the Federal Register to accept these revisions. Final promulgation should occur in May 1975.

The 1975 legislature acted to provide the agency with the necessary authority to satisfy the confidentiality requirements for source emissions data.

(3) Did EPA take over Clean Air Enforcement in 1972 because Wyoming standards did not meet the national standards?

No. However, as pointed out in response to question (1), EPA did promulgate revisions for new source review and various adminstrative activities. EPA did conduct the new source reviews; however, there was no occasion where we were involved in the other activities. Insofar as Wyoming's air quality standards are concerned, they have always been at least as stringent as the Federal standards.

I trust the above answers your concerns about the Wyoming air program. If you have further questions, do not hesitate to call me.

Best personal regards.

Sincerely yours,

JOHN A. GREEN,
Regional Administrator.

Senator HASKELL. Now, Mr. Pring, your document on page 9 states that this legislation was passed under Federal pressure in order for Wyoming to gain its lost State control over water pollution regulation. I think the dispute was over the word lost.

Mr. PRING. Absolutely, Senator. I was in the Ohio attorney general's office at that time as chief of environmental litigation for the State of Ohio.

We had precisely the same problem. Ohio's laws were nowhere strict enough to live up to the new requirements and the complex Federal Water Pollution Control Act amendments of 1972 because they were not curable within the minimum period of time allowed by the act. The Federal Government and the EPA had to take over, had to undertake processing permits for the State.

That is what happened in Wyoming and I understand Wyoming has just—in January of this year—qualified, gotten its laws strict enough and up to Federal standards.

It has now received permission and authority to go forward with the national permit program. The next point of contention—the third one—had to do with the stream preservation feasibility study of 1973. I understood Mr. Hathaway—that is on page 7 of our document—I understood Mr. Hathaway generally agreed with our statements except he termed it inaccurate to say that he proposed to dam the Green River.

The EDF document says that Governor Hathaway authored the bill, S.F. 124 that would set up State procedures to dam the wild and scenic Upper Green River.

We stand by that statement. It is accurate. It is very interesting this point should come up because earlier legislation in 1971, a very similar stream feasibility preservation bill was introduced in Wyoming by Republican Representative John Turner of Wyoming who had spoken with him.

He also introduced the 1973 bill that is credited to the Hathaway administration in this document and we are informed by Representative Turner that the reason he introduced the original version of this bill 2 years earlier was to counter Mr. Hathaway's bill to dam the scenic Upper Green River.

It is a defensive piece of legislation. The final point about which I believe questions of accuracy were raised had to do with the amount of coal left leasable, if any, in Wyoming, and there has been a good deal of questioning about that.

I would like to ask our staff scientist, Katherine Fletcher, to respond to that.

Ms. FLETCHER. Although the subject came up again this morning, I think to clear up any confusion which may remain, I would like to briefly explain our perception of the coal leasing situation in the State of Wyoming during the Hathaway administration.

Senator HASKELL. What page in your document are you talking about.

Ms. FLETCHER. On the opening page, the introductory page, we state, under the Hathaway administration, every acre of State land was leased, which was underlain by coal.

When Mr. Hathaway became Governor of Wyoming, approximately 600,000 acres of State land had already been leased for coal.

During his administration, approximately 1.2 million acres of State land were leased for coal bringing the total to 1.8 million acres of land. This is approximately 2½ times the amount of Federal coal leased in the entire Nation.

After speaking with the administrator of State lands in Wyoming, I feel confident our original statement is true. The State lands—all of the State lands underlain by coal—have been leased in the State.

The explanation the commissioner gave to me was that the State geologist of Wyoming and the State geological survey has prepared a map showing the mineral resources and on that map, the areas shown to be underlain by coal have all been leased.

All the State lands shown in those areas have been leased. Under their system, any State land can be leased for coal, whether or not it has coal under it, but it so happens those State lands shown on the State geologist map as coal bearing lands have all been leased.

Mr. PRING. That completes our comments. We would be pleased to take any questions you have.

Senator HASKELL. I have no questions. Your document has been challenged and we wanted to be sure you had an opportunity to respond.

I think it is very important to know whether your document is accurate because the document seriously challenges each and every point in the document which Governor Hathaway gave to me and gave to others.

Since I have no questions I will defer to Senator Fannin.

Senator FANNIN. Mr. Chairman, this is difficult for me to understand. We have been searching in my State of Arizona for geothermal, solar, and every other form of energy we can hope to find and still a statement is made "Every force of energy which resulted in his administration of the leasing of every available acre of Wyoming State coal lands."

I think that is an impossible or impractical conclusion to make. I don't know how anyone could say "every available acre of State coal lands." How could you designate it on that basis?

Mr. PRING. The conclusion is not really ours. The conclusion is the conclusion of the Wyoming State commissioner of State lands. And they have prepared fairly accurate state-of-the-art descriptions of all of the regions of State lands underlain by coal, and all of those are gone.

Senator FANNIN. I am sure you realize in parts of our country, such as in West Texas, where you said there isn't any available oil when I was in the business, there wasn't any available oil and then with increased technology it became one of the largest producing areas in the State.

I think when you talk about the art and the technology that is available, I would challenge anybody to say that every available acre of coal lands in Wyoming has been leased.

Ms. FLETCHER. As Governor Hathaway stated today, it's conceivable that lands not shown by the State geologist to be underlain by coal might have coal, but it stands to reason that coal would be very deep or of very poor quality.

And since coal is obviously more easily locatable than oil or gas is a reasonable conclusion, and the conclusion of the Commissioner of State Lands that all of these lands have coal underneath.

Senator FANNIN. Of course, it is dependent on the circumstances that prevail, and of course, they can be located much more easily. But there are many areas where this is not true.

In some places it has been determined that coal is available. Surface coal is easily determinable. But at certain depths, and I'm sure you will agree with me, that is not easily determinable.

Ms. FLETCHER. We will agree it is conceivable that some of those State lands not shown to be underlain by coal on the State geologist's map might have some coal under them.

Senator HASKELL. Will the Senator yield? What we are trying to do is determine the accuracy of your statement and your use of the phrase "State coal lands."

And I presume you didn't say all of the State land in Wyoming had been leased for coal, you said all "State coal lands."

Do I understand that in relying on what coal lands were you talked to the Commissioner of Lands and had him look at his maps? Is that what you did?

Ms. FLETCHER. That is correct.

Senator FANNIN. Mr. Chairman, that would be like saying all proven reserves have been established. Proven reserves, if you're talking about oil, would not indicate that. You would have to have exploration and development to make a determination.

Maybe someone did make this analysis—these estimates. But I still maintain that it is impracticable to say every available acre of available Wyoming State coal lands has been leased.

I think if we go over the other matters, I realize there is a degree here involved. It involves the extent to which you make on such subjects, or the general, perhaps, that might be taken. But I think that makes a great deal of differences.

I know when we were dealing with the Environmental Protection Agency and discussing parking lots and garages and similar things I was having continual problems with my State of Arizona.

There were certain standards set up, and soon it was all changed. Before the discussions were over, they were then saying we must do that or this to be in compliance.

It wasn't very long before I was talking to Mr. Russell Train about the matter, and he said, "I don't think that is the intent at all," and we went back and forth and back and forth. I think we could have discussions night and day and still not come to the conclusion of what they were trying to do. There is still a great problem in that area.

Mr. PRING. Senator, I don't know if I'm to respond to that, but you, I believe, mentioned or asked the question of whether this wasn't just a difference of degree between Mr. Hathaway's document and ours. And the answer is no.

In so saying, perhaps, I do not have my environmentalist hat on, merely my lawyer hat. This was a fairly, carefully researched job in the law library.

In going to the laws we had each and everyone mentioned here with us available to the committee. The comments we have made are not only supportable, but in light of all the things we have found out since then, and further research, some of them could have, indeed, even been put stronger.

We're not talking about the question of degree. The question is credibility of the original document.

Senator FANNIN. I disagree with you, Mr. Pring.

Mr. Chairman, on my time, may counsel be permitted to ask some questions?

Senator HASKELL. Yes.

Senator Abourezk.

Senator ABOUREZK. Mr. Pring, if you know, has Wyoming denied any applications for coal leasing?

Ms. FLETCHER. Senator Abourezk, perhaps I can answer that question.

The procedure, as I understand it, for obtaining a coal lease in Wyoming, the procedure which has been in effect for quite some time now is simply a filing of a request accompanied by a small filing fee for a section of land.

There is no acreage limitation. Any company could obtain more than one section. Upon request, that is granted assuming another company does not hold a coal lease on that particular piece of land.

If two or more applications are received for the same piece of land, a lottery goes into effect, and a drawing is made, and the winner of the drawing obtains the State coal lease.

Senator ABOUREZK. Aside from the fact the State of Wyoming has had to choose between more than one applicant, has any application for a parcel of land been denied?

Ms. FLETCHER. I don't believe there is a procedure to deny under the coal leasing procedures in the State of Wyoming.

Senator ABOUREZK. Are you familiar with the use of water in Wyoming for agricultural purposes and industrial purposes? Are you familiar at all with the applications for agricultural use and industrial use?

Ms. FLETCHER. We are somewhat familiar. I would not say we are familiar with all water use in all of the State of Wyoming.

But we are generally familiar, yes.

Senator ABOUREZK. Do you know if there are any projects under Governor Hathaway's administration—maybe it is an unfair question if you are not totally familiar, and you can respond in that manner I guess.

What about applications for agricultural purposes? Were any applied for in Wyoming under Governor Hathaway's administration, and were they granted?

Ms. FLETCHER. Perhaps an example relating to some litigation we are presently involved in would be most appropriate. Mr. Pring could answer that question.

Mr. PRING. We do have litigation in which the State of Montana has intervened in support of the plaintiffs which are environmentalists, ranchers, and irrigators.

This concerns strictly Federal water, and Federal water that has been discussed here several times on the Big Horn River, Boysen and Yellowtail Reservoirs.

Almost every drop of that water which Congress originally authorized exclusively for agricultural purposes with no industrial component has been recently optioned, contracted off to industry.

Senator ABOUREZK. By whom?

Mr. PRING. By the Bureau of Reclamation under their industrial marketing program which you have spoken of before. In answer to the question you have asked, yes, indeed. There have been to our knowledge, from the discovery in this lawsuit, agricultural irrigator applicants in Wyoming who have been subsequently rejected in the last year or two in their request to get these Federal waters on the grounds. That all of these non-Indian Federal waters still available was given out to industry.

Senator ABOUREZK. To your knowledge has Governor Hathaway played any part at all in the selection of applicants for that water?

Ms. FLETCHER. With respect to the Federal water and that litigation which we speak of the only direct involvement we are aware of due to our discovery in the lawsuit concerns the matter of pricing of industrial water out of Yellowtail and Boysin Reservoirs.

As I believe you and others have mentioned earlier, Governor Hathaway and his State engineer objected to the differently pricing above and below the dam on the grounds the higher price in Wyoming might discourage the industrial use of that water in Wyoming.

Senator ABOUREZK. Thank you.

Senator FANNIN. Mr. Chairman, I have a letter from the Commissioner of Public Lands and Farm Loans addressed to Senator Clifford P. Hansen, and I would like to have this letter made a part of the record. But I would like to read some excerpts from it. I think it is very important.

The letter is dated April 25, this year. And the Commissioner says:

At this time, 1,862,370 acres of State lands are under coal leases. This leaves a total of 2,337,630 acres of State lands available for coal leasing to the first qualified applicants.

The constitution of the State of Wyoming, section 3, article 18, provides for the State Board of land commissioners to have complete jurisdiction and administration of the State granted lands. Stan Hathaway as Governor during his 8 years of office was chairman of this board which consists of the five elected officials of this State.

The decisions of this board to grant coal and all other leases was a decision of the Board and not of its chairman only. In making such decisions, a quorum was required and a majority of those present approved the granting of such leases.

Mr Chairman, those are excerpts from the letter. I would like to have the complete letter made a part of the record.

Senator HASKELL. It will be made a part of the record.

[The letter referred to follows:]

COMMISSIONER OF PUBLIC LANDS AND FARM LOANS,
Cheyenne, Wyo., April 25, 1975.

Hon. CLIFFORD P. HANSEN,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR: The Act of Admission of the State of Wyoming provided for School and Institutional Grants totalling 4,242,495 acres of federal lands. Of the total, 562,915 acres have been sold, exchanged or otherwise disposed of as to surface. However in most cases reserving all minerals owned, to the State. Our records presently show 4.2 million mineral acres and 3.5 million surface acres.

At this time, 1,852,370 acres of State lands are under coal leases. This leaves a total of 2,337,630 acres of State lands available for coal leasing to the first qualified applicants.

The opponents to President Ford's selection of Stan Hathaway as Secretary of the Interior are criticizing him for leasing every acre of State land for coal exploration and development. I would like to comment for the information of the full Interior Committee.

The Constitution of the State of Wyoming, Sec. 3. Article 18, provides for the State Board of Land Commissioners to have complete jurisdiction and administration of the State Granted Lands. Stan Hathaway as Governor during his eight years in office was Chairman of this board which consists of the five elected officials of this State.

The decisions of this Board to grant coal and all other leases was a decision of the Board and not of its Chairman only. In making such decisions, a quorum was required and a majority of those present approved the granting of such leases. The opponents to Stan Hathaway's appointment could well review the procedures of this Board, before criticizing its Chairman for their actions.

Respectfully submitted.

A. E. KING,
Commissioner of Public Lands and Farm Loans.

Ms. FLETCHER. Senator, if I may respond, the statement in the letter is correct. That not all State lands have been used for coal, we agree with that statement.

All we are saying is of the approximately 4 million acres to which the State owns the mineral rights, those lands shown on the State geologist's map to be underlain by coal have been leased as part of the 1.8 million acres.

Senator FANNIN. The board that has the authority for the leasing of the lands spoke in his letter, and I accept their statement.

Certainly this is the statement that comes from them, and evidently this land must have a potential for coal or they wouldn't talk about leasing it.

Ms. FLETCHER. Senator, I really don't think there is any discrepancy here at all. Any State land underlain by coal or not underlain by coal is subject to coal leases.

Senator FANNIN. I understand that. This statement is that at this time, 1,662,370 acres of State lands are under coal leases. This leaves a total of 2,337,630 acres of State lands available for coal leasing to the first qualified applicants.

Senator HASKELL. Under our committee rules, after all Senators have had an opportunity to ask questions we will come back to Senator Bumpers who passed.

It is permissible for both majority and minority counsel to ask questions and, therefore, under this rule and through a request from Senator Fannin we will recognize Mr. Loesch who will ask some questions.

Mr. LOESCH. Thank you, Mr. Chairman. Mr. Pring, I just have a few questions for you about the air quality matters referred to in the EDF analysis.

Isn't it a fact that at the time when the air quality standards were promulgated by the Federal Government there was not a single State that was capable in standard of administering under that act?

Mr. PRING. Under the Clean Air Act in 1970?

Mr. LOESCH. Right. Didn't each State have to develop its own law in order to become eligible to handle its own air quality standards?

Mr. PRING. That is correct.

Mr. LOESCH. To that extent, Wyoming was just like any other State wasn't it?

Mr. PRING. In terms of the strictness of their pre-existing air condition laws?

Mr. LOESCH. I'm talking about in terms of the eligibility or the terms of passage of the Federal law to immediately administer its own program. It was not on the same footing as every other one of the other States, was it not?

Mr. PRING. All of the States were treated the same in the 1970 act.

Mr. LOESCH. That is right. And there was no State that automatically at that time that act was passed that was able to run its own program. Is that correct?

Mr. PRING. I don't know the answer to that question, but I take it it is correct.

Mr. LOESCH. Isn't it also a fact that Wyoming was one of a handful of States which managed to get itself in shape to take over its program in the time frame it did?

In other words, right now a majority of the States are still not in conformance; are they not?

Mr. PRING. I think you have asked me two questions. One has to do with the speed of Wyoming and the speed of the other States.

Speaking of Wyoming, Wyoming's speed was stated very clearly in USEPA's letter which has been put in the record. It was not until May of 1972, some 2 years or so after the Federal act was passed before the State of Wyoming had a State implementation plan which was even approvable in part.

It is that 1972 State plan which the USEPA is discussing in this letter as having five defects. Defects significant enough that it required the Federal Government to continue control. In all at first and later in part of Wyoming's air control program and in fact this month sometime the final Federal seal of approval was put on.

Mr. LOESCH. In May?

Mr. PRING. That is correct.

Senator HASKELL. If counsel will yield, and with the permission of Senator Fannin, I would like to make an observation.

The thing that bothered me was not whether Wyoming like every other State had to act. The thing that bothered me is the fact that the document handed me, not by Governor Hathaway, but by the man from the White House with him and Governor Hathaway was present, carries the implication in its wording that Governor Hathaway was stepping forward in the air quality field. It does not fully spell out what happened.

And I will read this sentence. "In his first message to the Wyoming Legislature, Governor Hathaway asked for the enactment of air quality legislation to protect and enhance the quality of Wyoming's air."

If it had gone on to say because the Federal Government had enacted the statute, I would have no question about it.

My problem with the document is that when I read the document all of these acts appeared to be voluntary acts, the voluntary conscious acts of a Governor. That is why I asked this gentleman and lady to examine the document.

I had to make that observation in view of counsel's question.

Mr. LOESCH. Mr. Chairman, I asked Mr. Pring if it isn't a fact that the Federal Clean Air Act did not pass until 1970; isn't that correct?

Mr. PRING. The Federal Clean Air Act of 1970 went into effect in 1970.

Mr. LOESCH. And, of course, Governor Hathaway's message to—first message to the Wyoming Legislature was in 1967, was it not?

Mr. SPRING. I believe that is what the document says.

Mr. LOESCH. Let me finish on the air quality matter, Mr. Pring, by asking. You say you have seen a letter from John A. Green, Regional Administrator of EPA, which has been made a part of the record. Is that right?

Mr. PRING. Yes.

Mr. LOESCH. And you said you had no argument with that; is that right?

Mr. PRING. I have no argument with his statements that were put into the record. Yes.

Mr. LOESCH. Question No. 3, on page 2 of Mr. Green's letter says, "Did EPA take over clean air environment in 1972 because Wyoming standards did not meet the national standards?" And his answer to that question is no; is it not?

Mr. PRING. That is not his complete answer.

Mr. LOESCH. No. But he starts out by saying no, isn't that right?

Mr. PRING. Yes; he starts out by saying no.

Mr. LOESCH. You argue with that; don't you? Because your analysis says even though these proposals were rejected it was necessary for USEPA to take over clean air enforcement in 1972, and he says no; it didn't do that in 1972.

Mr. PRING. I think our quarrel is over what enforcement really is. It might be interesting to explore what is left to enforcement after the Federal Government does——

Mr. Green goes on to say, "promulgate regulations and technical review of all new pollution sources in the State of Wyoming."

Wyoming certainly wasn't left with very much, sir.

Mr. LOESCH. I beg your pardon. I didn't hear that last part.

Mr. PRING. Wyoming wasn't left with much of an enforcement program. All the permitting was done by the Federal Government.

Mr. LOESCH. Until Wyoming passed legislation to get in the Federal program, isn't that right?

Mr. PRING. Yes. That is right.

Mr. LOESCH. Now, Mr. Green says at the tail end of that answer, does he not, that insofar as Wyoming's air quality standards are concerned they have always been at least as stringent as the Federal standards? Is that right?

Mr. PRING. He says that; yes.

Mr. LOESCH. And you said you had no argument with his letter.

Mr. PRING. I said I had no argument with the parts of his letter I read. I do have a quarrel with that, because it is contrary to region VIII's own internal policies. I don't know why there is an inconsistency between what Mr. Green states in this letter and his own staff workups.

Mr. LOESCH. What you are saying is the Regional Administrator has written a letter to Senator Hansen which is not true in that respect?

Mr. PRING. I'm stating a fairly obvious point. If you look at section 35.502.17B(1) which requires the following factors to be taken into consideration in setting air pollution standards in the State of Wyoming.

First, the social and economic value of the source of pollution be the priority of the location and the area involved. See the technical practicability and the economic reasonableness of reducing or eliminating the pollution.

I would have to agree with his staff on that. That indeed if the standards were set with those mandatory guidelines in mind, that indeed would those standards be weaker than what the Federal law mandates. Yes.

Mr. LOESCH. So Mr. Green is wrong? That is all I have.

FLOYD K. HASKELL.

FOOTNOTES

[1] Wyoming Air Quality Act, Chapter 186, Session Laws of Wyoming, 1967.
[2] Water Pollution Advisory Council, Chapter 66, Session Laws of Wyoming, 1967.
[3] Outdoor Advertising Act, Chapter 242, Session Laws of Wyoming, 1967.
[4] Outdoor Advertising Act, Chapter 250, Session Laws of Wyoming, 1971.
[5] Message to Legislature, 1967.
[6] Junk Yard Control Act, Chapter 14, Session Laws of Wyoming, 1967.
[7] *Open Cut Land Reclamation Act*, Chapter 192, Session Laws of Wyoming, 1969.
[8] *Severance Tax*, Chapter 193, Session Laws of Wyoming, 1969.
[9] *Excise Tax on Minerals*, Chapter 19, Session Laws of Wyoming, 1974.
[10] *Original House Joint Resolution No. 2A*, Session Laws of Wyoming, 1974.
[11] *Environmental Quality Act*, Chapter 25, Session Laws of Wyoming, 1973.
[12] *Conservation Study Commission*, Chapter 184, Session Laws of Wyoming, 1973.
[13] Mr. Hathaway's June 4, 1974 telegram stated, "Whatever the rationale for your listing the Governors' Conference in support of your bill [H.R. 10294], this is not the case." In contrast Utah Governor Calvin Rampton. Chairman of the National Governors' Conference, telegraphed Udall, "It is my opinion that the principles set forth in this [Governors'] policy statement are consistent in every respect with the Udall bill."
[14] *Stream Preservation Feasibility Study*, Chapter 29, Session Laws of Wyoming, 1973.
[15] *Litter Law*, Chapter 21, Session Laws of Wyoming, 1973.
[16] *Abandoned Vehicles Act*, Chapter 217, Session Laws of Wyoming, 1973.
[17] *Environmental Pesticide Control Act*, Chapter 175, Session Laws of Wyoming, 1973.
[18] *Joint Powers Act*, Chapter 21, Session Laws of Wyoming, 1974.
[19] *Water Quality*, Chapter 14, Session Laws of Wyoming, 1974.
[20] *Recreation Commission*, Chapter 187, Session Laws of Wyoming, 1967.
[21] *Sinks Canyon State Park*, Chapter 4, Session Laws of Wyoming, 1971.
[22] *Curt Gowdy State Park*, Chapter 31, Session Laws of Wyoming, 1973.
[23] *Fort Fred Steele State Park*, Chapter 31, Session Laws of Wyoming, 1973.
[24] *Game and Fish Law Recodification*, Chapter 240, Session Laws of Wyoming, 1973.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. ABOUREZK) laid before the Senate messages from the President of the United States submitting sundry nominations which are referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATURAL GAS PIPELINE SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States transmitting the seventh annual report on the administration of the Natural Gas Pipeline Safety Act of 1968, which, with the accompanying report, was referred to the Committee on Commerce. The message is as follows:

To the Congress of the United States:

I herewith transmit the Seventh Annual Report on the Administration of the Natural Gas Pipeline Safety Act of 1968. This report has been prepared in accordance with section 14 of the act, and covers the period January 1, 1974, through December 31, 1974.

GERALD R. FORD.

THE WHITE HOUSE, *June 9, 1975.*

REPORT ON ACTIVITIES IN AERONAUTICS AND SPACE—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States transmitting a report on the activities and accomplishments of the United States in aeronautics and space in 1974, which, with the accompanying report, was referred to the Committee on Aeronautical and Space Sciences. The message is as follows:

To the Congress of the United States:

I am pleased to transmit this report on the activities and accomplishments of the United States in aeronautics and space in 1974. This is in accordance with Section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476).

During 1974, the Nation's activities in aeronautics and space continued to produce significant benefits, to experiment with and develop new applications, to increase scientific knowledge, and to advance technology. The report shows:

—The use of communications satellites continued to expand as a principal method of international communications. The first domestic privately owned communications satellites opened a new dimension in our telecommunications systems. Satellites continued to play an essential role in national defense activities—in communications, navigation, and other fields. Demonstration programs tested the use of satellite systems to improve delivery of health and education services.

—Experimental uses of Earth observation satellites were tested in crop surveys, pollution monitoring, land use planning, water resources management, and other fields. Weather satellites continued to be our chief source of both global and local weather data; a new geostationary satellite began continuous observation of weather affecting the Western hemisphere.

The Skylab manned space station mission was successfully completed; it demonstrated that human beings can survive and work well in space for months or more at a time and provided a store of new scientific and technical data on the Sun, Earth resources, medical effects of space flight, and other fields. Development of the Space Shuttle progressed on schedule, and within costs, toward the goal of a versatile reusable vehicle for routine and economical use of space at the end of the decade. Joint preparations and training with the Soviet Union proceeded for the 1975 Apollo-Soyuz manned docking experiment. Cooperative space activities with other nations continued on the basis of mutual benefits. Development by European nations at their expense of the Spacelab for use with the Space Shuttle got well underway.

Exploration of the planets continued with successful missions to Jupiter, Venus, and Mercury. The science of astronomy advanced with important new observations and discoveries using ground-based, high-altitude, and space telescopes.

In aeronautics, good progress was made in developing technology to reduce energy requirements, noise, and pollution of civil aircraft. Modernization of the air traffic control system continued with the introduction of semiautomated equipment for air route traffic control.

Milestones in military aircraft development included the roll-out of the B–1 bomber, delivery of the first operational F–15 fighter aircraft, deployment to the

fleet of the A–6E all-weather attack aircraft, and the successful testing of the new CH–53E helicopter.

Transfer of aeronautical and space technology to other fields continued with many beneficial applications in energy, materials, transportation, medical care, and other areas.

I believe that all Americans, and people of all nations can be gratified with the accomplishments and the continued progress toward achieving the objectives of the National Aeronautics and Space Act of 1958 that are comprehensively described in this report.

GERALD R. FORD.

THE WHITE HOUSE, *June 9, 1975.*

MESSAGE FROM THE HOUSE

At 1:40 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 107 to the bill (H.R. 5899) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4700) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3130) to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements; requests a conference with the Senate on the disagreeing votes of the Houses thereon; and that Mrs. SULLIVAN, Mr. LEGGETT, Mr. DINGELL, Mr. MURPHY of New York, Mr. HOWARD, Mr. RUPPE, and Mr. FORSYTHE were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ABOUREZK) laid before the Senate the following letters, which were referred as indicated:

RESCISSION OF HOUSING AND URBAN DEVELOPMENT BUDGET AUTHORITY (S. Doc. 94)

A letter from the Comptroller General of the United States reporting, pursuant to law, a rescission of Housing and Urban Development budget authority not reported by the President to the Congress; to the Committee on Appropriations, the Committee on the Budget, and the Committee on Banking, Housing and Urban Affairs, pursuant to the order of January 30, 1975, and ordered to be printed.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE NAVY

A letter from the Secretary of the Navy transmitting a draft of proposed legislation relating to special pay for nuclear qualified officers, and for other purposes; to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE PRESIDENT

A communication from the President of the United States transmitting a draft of proposed legislation to authorize participation by the United States in a new $25 billion Financial Support Fund; to the Committee on Foreign Relations.

PROPOSED LEGISLATION BY THE GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense transmitting a draft of proposed legislation relating to per diem expenses of members of the uniformed services traveling on official business; to the Committee on Armed Services.

REPORT OF THE EXPORT-IMPORT BANK

A letter from the President and Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on the actions taken by the Export-Import Bank during the quarter ended March 31, 1975; to the Committee on Banking, Housing and Urban Affairs.

REPORTS OF THE COMPTROLLER GENERAL

Five letters from the Comptroller General of the United States each submitting a report, pursuant to law, of the following titles: "$100 Million Could Be Saved Annually in Postal Operations in Rural America Without Affecting the Quality of Service"; "The Adult Basic Education Program: Progress in Reducing Illiteracy and Improvements Needed"; "Improving the Pay Determination Process for Federal Blue-Collar Employees"; "Outpatient Health Care in Inner Cities: Its Users, Services, and Problems"; and "Planning for America's Bicentennial Celebration—A Progress Report" (with accompanying reports; to the Committee on Government Operations.

PROPOSED LEGISLATION BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to provide more flexibility in the types of projects which can be funded under the National Reading Improvement Program, and for other purposes; to the Committee on Labor and Public Welfare.

REGULATIONS OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Three letters from the Executive Secretary to the Department of Health, Education, and Welfare transmitting, pursuant to law, copies of proposed regulations under the General Education Provisions Act (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education and Welfare transmitting a draft of proposed legislation to make certain minor and clarifying amendments to the Elementary and Secondary Education Act of 1965, and the General Education Provisions Act, and the Education of the Handicapped Act (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF THE ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on the status and progress of noise research and control programs in the Federal Government dated June 1975 (with an accompanying report); to the Committee on Public Works.

REPORT OF THE ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on the implementation of sections 3 through 7 of the Energy Supply and Environmental Coordination Act of 1974 (with an accompanying report); to the Committee on Public Works.

ORDERS OF THE IMMIGRATION AND NATURLIZATION SERVICE

Three letters from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered by the Service suspending deportation in certain cases, and two orders in the cases of certain aliens who have been found admissible to the United States, and other orders, together with the lists of the persons involved (with accompanying papers); to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ABOUREZK):

Six petitions from several citizens of Illinois, Indiana, Wisconsin, and California seeking a redress of grievances; to the Committee on Government Operations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. GARN (for himself and Mr. MORGAN):

S. 1900. A bill to amend the Truth in Lending Act to protect consumers against inadequate and misleading leasing information, assure meaningful disclosure of lease terms, and limit ultimate liability in connection with leasing of personal property primarily for personal, family, or household purposes, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BURDICK:

S. 1901. A bill to rename that portion of the Garrison diversion unit, Missouri River Basin project, known as the Snake Creed Pumping Plant as the "Totten Trail Pumping Plant" to memorialize the historic role of the Totten Trail during pioneer days. Referred to the Committee on Interior and Insular Affairs.

By Mr. FANNIN:

S. 1902. A bill to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GARN (for himself and Mr. MORGAN):

S. 1900. A bill to amend the Truth in Lending Act to protect consumers against inadequate and misleading leasing information, assure meaningful disclosure of lease terms, and limit ultimate liability in connection with leasing of personal property primarily for personal, family, or household purposes, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

TRUTH IN LEASING ACT OF 1975

Mr. GARN. Mr. President, I introduce for Senator MORGAN and myself, the Consumer Leasing Act of 1975, which I believe will be crucial to assure the consumer adequate information to determine the type of financial arrangement best suited for his needs.

A change in spending philosophy has brought a rapid growth of the use of consumer credit to obtain goods and services wanted today through a pledge of future income. This attitude has also brought in recent years rapid growth of consumer leasing, particularly automobile leases. The automobile leasing industry is growing at a rate of 15 to 20 percent each year.

The Federal Reserve Board has noted this trend for leasing arrangements to be offered as alternatives to credit sales in connection with consumer durables including such items as TVs and encyclopedias. Its basic concern is that there are no effective cost disclosure requirements governing these lease arrangements. Both the Board and the Federal Trade Commission have concluded that these arrangements do not come within the purview of the Truth in Lending Act requiring consumer credit disclosures.

Although many consumer leases do not include an option to purchase, the consumer is often made responsible for the value of the commodity leased at the end of the lease term. Thus, the lease places nearly all of the burden of ownership on the consumer without the benefit of title and the Board feels there is usually inadequate cost disclosure.

For example, one automobile leasor advertised that it was cheaper to lease a new car than to purchase it on credit. However, in fact the lease arrangement was more expensive, partially because the monthly fee assessed in connection with the lease amounted to the equivalent of an annual percentage rate of more than 23 percent. Nor did the lease advertisement fully inform the consumer of the extent of his liability for the residual value of the automobile at the end of the lease term. Since the monthly rental payments may not account for the expected depreciation in the value of the car during the 2-year lease, the consumer may be obligated for an amount equivalent to an undisclosed balloon payment in credit sales contracts.

To enable the consumer to compare the cost under lease arrangements and competing credit sales transactions, we are introducing the Consumer Leasing Act of 1975, which would require aggregate cost disclosures in lease advertising and at the time the lease is consummated. In addition, the act would place some limitation on the consumers liability for the residual value of the leased commodity where its value falls below the appreciated values stated in the contract.

The Consumer Leasing Act of 1975 would amend the Truth in Lending Act to add a new title to protect consumers against inadequate and misleading leasing information, to assure meaningful disclosures of lease terms and to limit ultimate liability in connection with leasing of personal property. The act would be applicable to consumer leasing arrangements and not affect commercial leasing.

It would require that the leasor give the leasee prior to the consummation of the lease, a detailed statement of the terms of the lease setting out in a clear and conspicuous manner the amount of downpayment, the amount of closing cost, the amount of periodic payments, the person responsible for servicing the lease property, types of insurance coverage, description of the security interest, payment dates, conditions under which the lease may be terminated and penalties involved in termination, and the liabilities imposed upon the leasee at the end of the term. The liability of the leasee for any payment upon expiration or termination of the lease would be limited. Consumer lease advertising must inform the consumer that the transaction advertised is a lease, the amount of any payment required at the inception of the lease or that no such payment is required, and the amounts and schedule of payments. Persons failing to comply with the act would be subject to civil liability.

In introducing this legislation, we in no way intend to imply that consumer leasing arrangements are not in the interest of the consumer. The development has undoubtedly taken place because of consumer demand for the new arrangement. The consumer should benefit from the availability of additional alternatives to select from to meet the consumer's particular needs. However, there should be adequate disclosure to enable the consumer to comparison shop for the arrangement which is most compatible to his financial situation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD, as follows:

S. 1900

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Leasing Act of 1975".

DECLARATION OF PURPOSE

SEC. 2. The Congress finds that there has been a recent trend toward leasing automobiles and other durable goods for consumer use as an alternative to installment credit sales and that these leases have been offered without adequate cost disclosures. It is the purpose of this Act to assure a meaningful disclosure of the terms of leases of personal property for personal, family, or household purposes so as to enable the lessee to compare more readily the various lease terms available to him, limit balloon payments in consumer leasing, facilitate the comparison of lease terms with credit terms where appropriate, and assume meaningful and accurate disclosures of lease terms in advertisements.

DISCLOSURE OF LEASE TERMS

SEC. 3. The Truth in Lending Act (15 U.S.C. 1601–16) is amended by adding at the end thereof a new chapter as follows:

"Chapter 5—CONSUMER LEASES

"Sec.
"181. Definition.
"182. Consumer Lease Disclosures.
"183. Limitation of Liability.
"184. Consumer Lease Advertising.
"185. Civil Liability.

"§ 181. Definitions

"For the purposes of this chapter—

"(a) The term 'consumer lease' means a contract in the form of a lease or bailment for the use of personal property by a natural person for a period of time exceeding four months, and for a specified rent not exceeding $25,000, for any purpose, including personal, family, or household purposes whether or not the lessee has the option to purchase or otherwise become the owner of the property at the expiration of the lease. Such term does not include leases to government or governmental agencies or instrumentalities, or to organizations, or leases for business or commercial purposes.

"(b) The term 'lessee' means a natural person who leases or is offered a consumer lease.

"(c) The term 'lessor' means a person who is regularly engaged in leasing, offering to lease, or arranging to lease under a consumer lease.

"(d) The term 'personal property' means any property which is not real property under the laws of the State where situated at the time offered or otherwise made available for lease.

"(e) The terms 'security' and 'security interest' mean any interest in property which secures payment or performance of an obligation.

"§ 182. Consumer lease disclosures

With respect to a consumer lease, the lessor shall give the lessee prior to the consummation of the lease a dated written statement on which the lessor and lessee are identified setting out in a clear and conspicuous manner the following information, as applicable:

"(a) brief description or identification of the leased goods;

"(b) amount of any payment by the lessee required at the inception of the lease;

"(c) amount paid or payable by the lessee for official fees, registration, certificate of title, or licenses fees or taxes;

"(d) amount of other charges payable by the lease not included in the periodic payments and a description of the charges;

"(e) statement identifying the party responsible for maintaining or servicing the leased goods together with a description of the responsibility;

"(f) brief description of insurance provided or paid for by the lessor and/or required of the lessee, including the types and amounts of the coverages;

"(g) a description of any security interest held or to be retained by the lessor in connection with the lease and a clear identification of the property to which the security interest relates;

"(h) the number, amount, and due dates or period of payments under the lease and the total amount of such periodic payments;

"(i) statement of the conditions under which the lessee or lessor may terminate the lease prior to the end of the term and the amount or method of determining and penalty or other charge for delinquency, default, or early termination;

"(j) statement of the liabilities the lease imposes upon the lessee at the end of the term and whether or not the lessee has the option to purchase the leased goods and at what price.

"§183. Limitations of liability

Except in event of damage or default, no liability of the lessee under the terms of a consumer lease for any payment upon expiration or termination of a lease may exceed three times an amount determined by dividing the total of scheduled payments by the number of months in the term of the lease; except that subject to regulations issued by the Board if (1) the lessor or lessee have provided in writing that the liability of the lessee shall be an amount greater than the limitation as herein determined, and (2) such amount is clearly and conspicuously disclosed to the lessee, then the lessee's liability shall not exceed such greater amount.

"§ 184. Consumer lease advertising

"(a) No advertisement to aid, promote, or assist directly or indirectly any consumer lease shall state the amount of any payment, the number of required payments, or that any or no downpayment or other payment is required at inception of the lease unless the advertisement also states clearly and con-

spicuously and in accordance with regulations issued by the Board each of the following items of information which is applicable:

"(1) That the transaction advertised is a lease.

"(2) The amount of any payment required at inception of the lease or that no such payment is required if that is the case.

"(3) The number, amounts, due dates or periods of scheduled payments, and the total of payments under the lease.

"(b) There is no liability under this section on the part of any owner or personnel, as such, of any medium in which an advertisement appears or through which it is disseminated.

"§ 185. Civil liability

"(a) Except as otherwise provided by this section, any lessor who fails to comply with any requirement imposed under this title with respect to any person is liable to such person in an amount equal to the sum of—

"(1) any actual damages sustained by such person as a result of the failure;

"(2)(A) in the case of an individual action two times the amount attributable to a monthly payment under the lease except that liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

"(B) in the case of a class action, such amount as the court may allow, except that as to each member of the class no minimum recovery shall be applicable, and the total recovery in such action shall not be more than the lesser of $100,000 or 1 per centum of the net worth of the lessor; and

"(3) in the case of a successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court.

In determining the amount of award in any class action, the court shall consider, among other relevant factors the amount of any actual damages awarded, the frequency and persistance of failure of compliance by the lessor, the resources of the lessor, the number of persons adversely affected, and the extent to which the lessor's failure of compliance was intentional.

"(b) A lessor has no liability under this section if within fifteen days after discovery of an error, and prior to the institution of an action under this section or the receipt of written notice of the error, the lessor notifies the person concerned of the error and makes whatever adjustments in the appropriate account as are necessary to insure that the person will not be required to pay any amount in excess of an amount actually disclosed.

"(c) A lessor may not be held liable in any action brought under this section for a violation of this title if the lessor shows by a preponderance of evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid any such error.

"(d) Except as otherwise specifically provided in this title, any civil action for a violation of this title which may be brought against the original lessor in any lease transaction may be maintained against any subsequent assignee of the original lessor where the violation from which the alleged liability arose is apparent on the face of the instrument assigned unless the assignment is involuntary.

"(e) A person may not take any action to offset any amount for which a lessor is potentially liable to such person under subsection (a)(2) against any amount owing to such lessor by such person, unless the amount of the lessor's liability to such person has been determined by judgment of a court of competent jurisdiction in an action to which such person was a party.

"(f) No provision of this section imposing any liability shall apply to any act done or omitted in good faith conformity with any rule, regulation, or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

"(g) The multiple failure to disclose any information required under this title to be disclosed in connection with a single lease transaction shall entitle the person to a single recovery under this section, but continued failure to disclose after a recovery has been granted shall give rise to rights to additional recoveries.

"(h) A lessor has no liability under this section for any violation of section 184.

"(i) Any action under this section may be brought in any United States district court or in any other court of competent jurisdiction. Such actions alleging inaccurate disclosures shall be brought within one year from the date of the occurrence of the violation. Such actions alleging a failure to disclose or otherwise comply with the requirements of this title shall be brought within one year of the termination of the lease agreement."

CONFORMING AMENDMENTS

SEC. 4. (a) Section 103(g) of the Truth in Lending Act (15 U.S.C. 1602) is amended by striking all of that subsection except the first sentence.

(b) Section 123 of the Truth in Lending Act (15 U.S.C. 1633) is amended by inserting "(a)" before the existing paragraph, and by adding at the end thereof a new paragraph as follows:

"(b) The Board shall by regulation exempt any State from the provisions of chapter 5 of this title if it determines that under the law of that State, requirements and restrictions are substantially similar to those imposed under chapter 5 and that there is adequate provision for enforcement."

"(c) The table of chapters of the Consumer Credit Protection Act is amended by adding at the end thereof the following:

"5. Consumer Leases..... 181"

EFFECTIVE DATE

SEC. 5. This Act shall take effect upon the expiration of one year after the date of its enactment.

By Mr. BURDICK:

S. 1901. A bill to rename that portion of the Garrison diversion unit, Missouri River basin project, known as the Snake Creek pumping plant as the "Totten Trail pumping plant" to memorialize the historic role of the Totten Trail during pioneer days. Referred to the Committee on Interior and Insular Affairs.

Mr. BURDICK. Mr. President, I have introduced legislation to change the name of the principal supply works of the Garrison diversion project in North Dakota to the "Totten Trail pumping plant." The Totten Trail was of importance to the development of North Dakota, serving as the link between Fort Totten, near Devils Lake and Fort Stevenson, on the Missouri River. These forts were active from the late 1860's through the 1880's.

The idea to name the large pumping station, a part of an important irrigation project, for the Totten Trail originated with Mrs. Dave Robinson, of Coleharbor, N. Dak. It has recently received the endorsement of one of the leading newspapers in the State, the Fargo Forum.

I ask unanimous consent that the Forum article, which further explains the bill, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Fargo (N. Dak.) Forum, June 9, 1975]

"TOTTEN TRAIL" OFFERED AS NAME FOR PUMP

(By Phil Matthews)

COLEHARBOR, N.D.—The big pumping station for the Garrison diversion project is nearing completion and some people think this is a good time to give the plant an official name.

The plant has been called the Snake Creek Pumping Plant on an informal basis because a stretch of water east of the plant site was called that until it was renamed Lake Audubon in more recent years.

Mrs. Dave Robinson of Coleharbor has been nudging the federal government and North Dakota congressmen to give the plant an official name.

"I've suggested Totten Trail," she said, "because the old trail between Fort Stevenson and Fort Totten used to go right by there . . . And the Totten Trail Park is right across the road from the plant."

When Mrs. Robinson first suggested a name for the plant she was told that it would complicate things to make the switch while the plant was under construction. All the construction documents referred to it as Snake Creek.

But since the construction work is winding down and the plant is slated for start-up runs this summer, the time for giving this marvelous engineering achievement a fitting title has arrived.

WHAT'S IN A NAME?

The choice of a name for the pumping plant may not stir up an earth-shaking controversy, but it does take an act of Congress because this is a federal project.

Whether there is any strong attachment to the name of Snake Creek is not readily apparent. James Sperry of the North Dakota Historical Society said that it is difficult to determine the historical origin of the name.

"But I suppose that plant could be called anything that the people want," he said.

Child psychologists tell you that a child becomes what you name it. Likewise, if you saddle beautiful places with ugly names, they'll become ugly in the eyes of the beholder.

Snake Creek certainly does not conjure up any visions of beauty. And the multi-million dollar plant that is going to be the heart of the Garrison diversion project for the next 100 years deserves an appropriate name.

"Totten Trail would certainly be much more meaningful historically," was Mrs. Robinson's closing comment.

By Mr. FANNIN:

S. 1902. A bill to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments. Referred to the Committee on Interior and Insular Affairs.

Mr. FANNIN. Mr. President, today I am introducing legislation which would authorize a feasibility study of Boulder Canyon project modifications, at Hoover Dam on the Colorado River.

This study would explore the possibility for additional generating capacity for peak purposes during high demand periods in the lower Colorado region. A preliminary report by the Bureau of Reclamation, issued in April of 1973, indicated that a generating capacity increase by as much as a million kilowatts was technically and economically feasible.

With the high population growth and increasing energy demands in the Southwest, expanded capability at an existing facility is very desirable and environmentally preferable to new power facilities. The feasibility study called for by this legislation would be carried out by the Department of the Interior and should include consideration of the environmental effects of construction, operation and transmission lines on this region. The amount of river channel excavation required and revisions for storage capacity must also be addressed. Additionally, the value of the proposed generating increases and the ability to integrate this new capacity with the operations of the existing powerplant must be fully examined.

Mr. President, I am hopeful that the Senate will take prompt and positive action on this legislation so that this study may go forward very soon.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 6

At the request of Mr. WILLIAMS, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of S. 6, the Education for All Handicapped Children Act.

S. 755

At the request of Mr. BURDICK, the Senator from Rhode Island (Mr. PASTORE) was added as a cosponsor of S. 755, a bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service.

S. 1281

At the request of Mr. PROXMIRE, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 1281, a bill to improve public understanding of the role of depository institutions in home financing.

S. 1354

At the request of Mr. DOLE, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of S. 1354, a bill to assure foreign countries that reserve stocks of agricultural commodities stored in the United States under certain conditions shall not be subject to export controls.

S. 1372

At the request of Mr. ROBERT C. BYRD, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1372, a bill to amend the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis.

S. 1843

At the request of Mr. DOLE, the Senator from Montana (Mr. MANSFIELD) was added as a cosponsor of S.1843, a bill to amend and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters.

S. 1847

At his own request, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of S. 1847, a bill to authorize the 101st Airborne Division Association to erect a memorial in the District of Columbia or its environs.

SENATE RESOLUTION 144

At the request of Mr. BURDICK, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Resolution 144, to urge the restoration of the status of amateur athlete for the late Jim Thorpe, and for other purposes.

SENATE RESOLUTION 158

At the request of Mr. PACKWOOD, the Senator from Arizona (Mr. FANNIN) and the Senator from Maine (Mr. HATHAWAY) were added as cosponsors of Senate Resolution 158, a resolution to clarify the intent of the Senate that the States should not tax the rebates of individual income tax paid under the Tax Reduction Act of 1975.

AMENDMENTS SUBMITTED FOR PRINTING

FOREIGN RELATIONS AUTHORIZATION ACT, 1976—S. 1517

AMENDMENT NO. 548

(Ordered to be printed and referred to the Committee on Foreign Relations.)

AMENDMENT ESTABLISHING CRITERIA FOR THE SELECTION AND CONFIRMATION OF AMBASSADORS

Mr. PELL. Mr. President, for years, the selection of American ambassadors to foreign countries has been clouded by questions concerning campaign contributions and political cronyism. Regrettably, it came to be an almost accepted fact that some percentage of our important diplomatic posts abroad would be entrusted to individuals whose primary qualification was a partisan political affiliation to the incumbent administration, manifested in most cases by a healthy financial contribution to the election campaign which brought that administration to power. This is obviously not to the best interest of our country.

In some few instances, of course, such wealthy contributors were also individuals possessing outstanding personal qualifications to hold an ambassadorial post, but there was nevertheless something quite obviously wrong with a system in which "buying an embassy" became a commonly recognized practice. Meanwhile, career Foreign Service officers, highly qualified after long years of experience and dedication, were forced to stand aside to make way for political appointees often far less capable.

Fortunately, an important first step has now been taken to correct this serious flaw in our system. By virtue of recently enacted campaign reform legislation, immense individual contributions to political campaigns are no longer legal. It follows from this prohibition that it will no longer be possible for an individual, through tacit or explicit arrangement, to contribute heavily to a campaign in anticipation of appointment to a high diplomatic post.

But while Congress has thus precluded the acquisition of an ambassadorial assignment through sheer purchasing power, the system has not yet been fully rectified. There remains the problem of nominations made on the basis of political friendship and "pull" within an administration, with little regard to actual qualification for ambassadorial duties. It is this problem which I now propose to address through an amendment to the Foreign Relations Authorization Act, fiscal year 1976 (S. 1517).

This amendment has two provisions. The first is an explicit statement of the sense of the Congress concerning the qualifications which shall be required of men and women who are accorded the position of U.S. Ambassador. In the language of the provision—

It is the sense of the Congress that the position of U.S. ambassador to a foreign country should be accorded only to men and women possessing clearly demonstrated competence to perform ambassadorial duties, that such competence should be reflected in actual experience in the field of international affairs or in special qualifications relating to a particular assignment, and that no individual should be accorded the position of U.S. ambassador to a foreign country primarily because of partisan political activity or financial contributions to political campaigns.

I believe, Mr. President, that this statement, enacted into law, would constitute a clear and valuable standard—both to the administration in the selection of nominees, and to the Congress in considering their confirmation.

The second provision of my amendment, Mr. President, relates to the number of our ambassadors who are career officers of the Foreign Service. What this provision requires is that of the total number of U.S. ambassadors to foreign countries at any time, at least 80 percent be Foreign Service officers. It requires further that there shall be a generally balanced geographical distribution of those ambassadors who are not Foreign Service officers. This provision, Mr. President, recognizes that the United States has been served exceedingly well by a number of highly distinguished ambassadorial appointees who were not Foreign Service officers, and that there remains considerable merit in such appointments in the future. But it recognizes as well that only occasionally does a political nominee surpass in qualification all of the many experienced Foreign Service officers who might also be considered for a particular post. At present, approximately 30 percent of our ambassadorial posts are held by political appointees. This provision would simply require that this percentage be reduced by one-third—to 20 percent—through the gradual substitution of Foreign Service officers between now and July 1, 1977. The system would remain open to those rare individuals of superlative quality whose appointment from outside has leavened and enhanced the Foreign Service. At the same time, however, there would in effect be a substation on the margin, replacing with career Foreign Service officers those

political appointees who are not outstanding. This, it seems clear to me, could have no other result than to increase the effectiveness of our overall ambassadorial representation. This would be good for the United States. And in the process, there would also be a favorable effect on morale and motivation among career officers, for many of whom an ambassadorial appointment represents the aspiration of a career.

In sum, Mr. President, I believe that these two provisions—the descriptive but clear requirement concerning ambassadorial qualifications and the numerical requirement concerning the percentage of Foreign Service officers—will complement the favorable effects of recent compaign reform legislation, and help to establish a new tradition of ambassadorial appointments, free of the taint of political payoffs. Having proposed and advocated such provisions for years, I believe that the time has now come for action; and I am most hopeful that the Foreign Relations Committee will choose to report this amendment as a part of this year's Foreign Relations Authorization Act.

I ask unanimous consent, Mr. President, that my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 548

On page 13, immediately below line 5, insert the following:

AMBASSADORIAL NOMINEES

SEC. 406. Section 501 of the Foreign Service Act of 1946 is amended by adding at the end thereof the following new subsection:

(d) (1) It is the sense of the Congress that the position of U.S. ambassador to a foreign country should be accorded only to men and women possessing clearly demonstrated competence to perform ambassadorial duties, that such competence should be reflected in actual experience in the field of international affairs or in special qualifications relating to a particular assignment, and that no individual should be accorded the position of U.S. ambassador to a foreign country primarily because of partisan political activity or financial contributions to political campaigns.

(2) At any time on or after July 1, 1977, the number of career personnel in the Foreign Service serving as ambassador to a foreign country shall not be less than 80 per centum of the total number of such ambassadors; and there shall be, in assignment of such ambassadors among the regions of the world, a generally balanced distribution of those ambassadors who are not career personnel in the Foreign Service.

ADDITIONAL STAFF MEMBERS FOR SENATORS—SENATE RESOLUTION 60

AMENDMENT NO. 550

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed to amendment No. 549 proposed by Mr. GRAVEL to the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

AMENDMENT NO. 551

(Ordered to be printed and to lie on the table.)

Mr. TALMADGE submitted an amendment intended to be proposed by him to the resolution (S. Res. 60), supra.

AMENDMENT NO. 552

(Ordered to be printed and to lie on the table.)

Mr. BROCK submitted an amendment intended to be proposed by him to amendment No. 549 proposed by Mr. GRAVEL to the resolution (S. Res. 60), supra.

NOTICE OF HEARINGS BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JACKSON. Mr. President, in accordance with the rules of the Senate Interior and Insular Affairs Committee, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled before the committee for the next 2 weeks:

June 10 and 11: Joint hearing—Interior, Public Works and Commerce Committees—10 a.m., room 3110, hearing S. 1777, coal conversion bill.

June 12: Joint hearing—Interior, Public Works and Commerce Committees—10 a.m., room 4200, hearing S. 1777, coal conversion bill.

June 12: Energy Research and Water Resources Subcommittee—10 a.m., room 3110, oversight hearing on San Juan Chama project.

June 13: Full committee—10 a.m., room 3110, business meeting, pending calendar business.

June 16: Energy Research and Water Resources Subcommittee—10 a.m., room 3110, hearing, information hearing regarding coal technology.

June 16: Joint hearing—Interior, Public Works, and Commerce Committees—11 a.m., room 4200, hearing S. 1777, coal conversion bill.

June 18: Full committee—10 a.m., room 3110, business meeting, pending calendar business.

June 19: Parks and Recreation Subcommittee—10 a.m., room 3110, hearing S. 1486, S. 324, Potomac Heritage Trail; S. 805, Dominguez-Escalante Trail; S. 1390, Pacific Northwest Trail, and S. 327, to amend the Land and Water Conservation Fund Act and to establish the National Historic Preservation Fund.

June 20: Parks and Recreation Subcommittee—10 a.m., room 3110, hearing S. 1640 and S. 759, to provide for the establishment of the Santa Monica Mountain and Seashore Park.

June 23: Indian Affairs Subcommittee—10 a.m., room 3110, hearing S. 1328, providing for the reacquisition of jurisdiction by Indian tribes and by the United States over criminal offenses and civil matters in Indian country.

June 23: Joint hearing—Interior, Public Works, and Commerce Committees—10 a.m., room 5110, hearing S. 1777, coal conversion bill. Administrative witnesses.

ADDITIONAL STATEMENTS

JAMES FARLEY'S 87TH

Mr. McGEE. Mr. President, a bit belatedly, I wish to call to the attention of my colleagues the recent birthday of James A. Farley. It was Jim's 87th birthday that was celebrated May 30.

By most standards, 87 years is a long time. Most people do not tread the Earth that long, let alone remain as vigorously active as the former Postmaster General. His personality, too, remains strong like it was in those days when he left his imprint upon our institutions. A few years back, Gerald Cullinan observed in his history of the Post Office Department that James A. Farley was "a leader who was never afraid to lead, a man who never ducked an issue and who did not hesitate to say and do unpopular things when he felt the good of the Nation was involved."

Though he has not held a public position for quite some time, I think, Mr. President, that those words remain as true today as they ever were. I wish to congratulate Jim Farley on his recent birthday and know many of my colleagues join me in my deep respect for him.

PRE-COLUMBIAN ART

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD a report on pre-Columbian art by an expert in the field, Nancy Hemenway Barton.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PRE-COLUMBIAN ART TRAVELS TO AFRICA

African artists instinctively understand and have a taste for pre-Columbian art. The early cultures of Peru, Bolivia and Central America speak to the Africans as clearly as any language. The images of the human figure, their amulets, gods and animals are all closely allied.

I took to Africa a show of my own work, "Ancient Images of Mexico and the Andres," which had just completed a tour of four U.S. Museums. Under the auspices of the State Department, I traveled to five southern African countries, talking with the artists and speaking about my medium. My art form consists of handwoven wools of my own design, appliqued and embroidered to develop hangings often as large as eight by ten feet or more. Hours of careful design and then months of sewing are needed to complete each tapestry. I have named the technique, BAYETAGE, combining the South American word for handloomed wool "bayeta" with the word "collage."

As the first official U.S. cultural exchange in art in many years in some of the countries I visited, I talked with Dutch Afrikaner weavers and artists in Pretoria, South Africa, black African artists in Mozambique, sculptors of hard stone from the Shona School in Rhodesia and artists in Zambia and isolated Namibia. Finally on my way home I stopped at Stockwell College in suburban London where I spoke to students working for their degrees with a major in embroidery.

The images of the Incas, Mohicans, Aztecs and Mayans have had a great impact on my work during the many years that I lived in South America and Mexico. I was eager to share my discoveries with the peoples of

Africa and overwhelmed by their enthusiastic response.

Five of my large hangings filled every space in my two bags except the few clothes and toilet kit tucked into corners. I carried slides of my entire show in color.

In Pretoria, the Fine Arts Museum opened its doors and artists and weavers also came from Johannesburg, South Africa's largest city. I was right in guessing that the early imagery of pre-Columbian art would be especially appealing. They marveled at the large appliqued amulets elaborately embroidered in native alpacas. My organdy and wool hangings, embroidered on both sides, were a high spot. At every lecture, I suggested that they come up afterward and touch my work. Feeling the textures and tracing the stitchery with their fingers was another way of communicating our common interest. Tapestries and sculpture have a tactile advantage that like the handshake of greeting bring people close to art.

After my lecture in Pretoria I was invited from house to house, each Dutch Afrikaner door wide open in greeting as I arrived. They showed me their native karakul rugs and beautiful mohair hangings. One mother of six had two looms going on her back porch. All her family know how to spin the lox or natural mohair as it comes in from their Transvaal farm. There are three hundred artist-weavers in Pretoria alone. Their enthusiasm was infectious. We became a piedpiper's band, moving from one polished home to another, through their flowering gardens.

In Mozambique, all the art impetus is generated by the black Africans. Malangantana is probably the chief moving spirit and a noted painter of large oils of social protest. He uses a foetus figure, often in yellow on red on an energy-driven canvas. I thought of Siqueiros and Orozco in Mexico. In the studio gallery of Mr. Malangantana we had a "rap" session, with his fellow artists and neighbors. Wives and babies came too and crowded even the balcony staircase. I spoke in Spanish and English and he translated where necessary into Portuguese. The pre-Columbian themes thrilled them. A hanging of two elderly figures from the Nayarit Culture of Western Mexico, might easily have been done in Mozambique. I encouraged everyone to come and touch the hangings. Malangantana grabbed me by the shoulders, his strong arms shaking with enthusiasm and emotion and shouted, "They are wonderful, wonderful."

Zambia has no museum in Lusaka, its capital, but thanks to the American Embassy I was able to meet and talk with a group of artists. Among them were two African designers, one of them Katherine Mwananwambwa, was a graduate of Middlebury College and Harvard. Diantha Knott, a young artist originally from Oregon, lives in Zambia permanently and uses native found-objects in her subtle hangings. She had recently been in Peru and Bolivia and her use of objects from the Andes blended so perfectly with her African motifs that they were hardly distinguishable.

Later my African artist friends drove me to the University of Zambia to meet the wife of the rector. I learned that no foreign diplomats may visit the campus. How satisfying to be a private citizen with art as my international passport!

Salisbury, the capital of Rhodesia, is under great political and racial tension, but its art is flourishing. The National Gallery of Rhodesia is the home of the Workshop School of Shona hard-stone sculpture. The school was founded ten years ago by Canon Patterson. I visited the Gallery of Art and found in this small museum a stupendous display of stone carvings by contemporary sculptors. I was excited by the strength of the forms and asked the guard about the artists. To my amazement I discovered that he himself was a member of the Shona school. Many of the guards in the museum are also sculptors, working at their art when they are not on duty in the gallery. Their workshop is on the premises. I gathered with the guards and we talked about the motifs and the stones they had chosen. I mentioned to them that much of the work had a strong similarity to pre-Columbian art. Later I was to read in a booklet put out by the museum that inexplicably the developing sculptors seemed to pass through a phase that was strongly pre-Columbian in concept. Dark glossly serpentine from the ravines of Rhodesia is their medium. Mr. Mubayi had carved a totem anthropomorphic figure eight feet tall. Also displayed were his swept-back heads of amazing fluidity. Joseph Dandolica who took my ticket at the door of the museum showed me his locust. How I would have loved to own this large triangular form, the diminishing circles of the outer shell and subtle head, all done in a pepper and rust serpentine stone. The locust is their god of rain as it is in Mexico. The Shona school is among the most sophisticated and accomplished art that I saw on my trip. It is a vital self-expression for many African tribesmen.

In Rhodesia, there is also the Harare Weaving Center, started by missionaries and now continuing with zest and success. Their large building full of looms, in an African township, vibrated with merriment and activity. Using mohair and karakul, they were producing beautiful fabrics and hangings.

Namibia was my last stop in Africa. When I alighted from the bus, Naomi Jacobsen, a well known sculptor, born and raised in Windhoek, was there to meet me. She had gathered a group of weavers and artists to see my hangings and slides. Another talented sculptor, Dorka Berner, had come from 100 miles away for my lecture. I later visited her at her farm.

The sun is too intense in Namibia that it was impossible to shut out the light and show my slides properly, but the attention and enthusiasm of my audience was gratifying. Again the touch method of examining each work at will and asking questions was the secret of our understanding. They compared some of the imagery of my hangings to the work of the Ovambu tribes of northern Namibia.

I rented a car and drove across the semi-arid plateau east of Windhoek to see the beauty of the seeded grasses along flat miles of bush country. At dusk the spring buck stood out like golden kine. The Berner farm, where they handweave rugs and tapestries and where Dorka does her sculpture, is hidden among the low bush growth. Her sculptures of heavy bodied stone women grow from the shapes she finds as she searches the land for her medium. Her figures could easily have been the women squatting in the market place that I remember in La Paz, Bolivia.

I wanted speaking about my own art to be a door to door learning about the talents of others. I took my North American art, based on pre-Columbian motifs to Africa and from there have brought back my excitement for the work of African artists. In this way a single artist is in fact a total exchange between two hemispheres. The ancient art of the Incas has something to say not only to me but to my new friends, the living artists of Africa.

CHEYENNE AUDUBON CHAPTER TO OPEN NEW CENTER

Mr. McGEE. Mr. President, the U.S. Department of Agriculture and I have had quite a long history of working to make the Agricultural Research Station at Cheyenne, Wyo., a going and effective operation.

Recently, after many years of effort, the Department changed the mission of this facility to one of research into forage and grassland. This was a change from the carnations and tomatoes that had previously been studied at this facility.

The station now has a real impact on Wyoming and other Western States. This station has started the long process of research into the very real problems western livestock producers face. This is a welcome change. It has already shown results in the positive attitudes I have found toward the station, among the ranchers of the State who have come into contact with the new work.

And now another facet of this station is being discovered. Through the courtesy and public spirit of the Department of Agriculture, the Cheyenne-High Plains chapter of the Audubon Society will have the use of a building on the station's grounds, for use as a meeting place and a starting point for environmental and wildlife education. This is a fine gesture by the Department, and I salute them for this needed assistance.

Mr. President, I ask unanimous consent that an article describing the planned opening of this building May 18 be printed in the RECORD. The article is from the Sunday magazine of the Sunday Tribune-Eagle published in Cheyenne.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHEYENNE AUDUBON CHAPTER TO OPEN NEW CENTER

Art and photograph exhibits will highlight an open house scheduled at the new Cheyenne Audubon Center May 18.

The Center, a project of the Cheyenne-High Plains Audubon Society, is located in Building 8 at the U.S. Department of Agriculture Research Station, formerly known as the Horticultural Station, northwest of Cheyenne.

Members of the local Audubon group, a chapter of the National Audubon Society, have been preparing the Center for the open house which is set for 2–5 p.m. The public is invited to attend.

Wildlife will be featured in the art and photograph exhibits. One exhibit featuring paintings and drawings of endangered animals by Malcom Purdy, Cheyenne and a photograph display by Rodger Holcomb Cody. Both artists are sophomores at the University of Wyoming.

Plans for the Center began early in the summer of 1974, when Mrs. Florence Spring and other local Audubon Board members contacted the U.S. Department of Agriculture concerning possible use of one of the buildings on the research station grounds for a nature study center.

"The large trees and natural features of the center, plus the use of the building as a resource center, will give the Cheyenne Audubon Center unique environmental education opportunities," said Mrs. Spring, chairperson for the Center Committee.

"Nature walks, evening programs, and environmental studies are just a few of the activities that the Center will offer during

the summer months," according to William Edwards, program chairman.

Edwards, an instructor at Laramie County Community College, also plans to use the resources of the center for field trips in conjunction with the wildlife management and rural recreation class to be offered this summer by the college.

John Cornelison, president of the Audubon Chapter, said, "We would like to extend a very special thanks to Dr. Gene Howard, superintendent of the research station, and to the U.S. Department of Agriculture officials who worked with us to make this facility available.

"I would like also to point out that our programs at the Center will be designed to supplement or broaden existing programs such as those offered through the Ecology Laboratory of the Cheyenne schools," he added.

The Center will be operated by volunteers. Monthly operating expenses and funds to carry out programs must come from voluntary contributions. While sufficient funds have been donated to open the center, expansion programs and continued operation will depend upon the financial support it receives from interested individuals. Used furniture also is needed at the Center.

It is hoped that families, scout groups, garden clubs and any other interested persons or organizations will take advantage of the Centers' activities, officers said.

SAVINGS AND LOAN FIRMS LENDING PRACTICES IN THE DISTRICT OF COLUMBIA

Mr. GARN. Mr. President, there has been considerable interest recently in the lending practices of savings and loan associations in the District of Columbia. District of Columbia City Council researchers reported last April that the vast majority of mortgages issued by savings and loan institutions in the city of Washington go to suburban home buyers and in some city neighborhoods, only to speculators. Last May, the Senate Banking, Housing and Urban Affairs Committee was presented by committee staff with a Library of Congress study which was utilized to show an alleged pattern of failure by lenders to make mortgage loans in particular neighborhoods in the District of Columbia. More recently the Washington Post published a survey which contradicts the allegations of the foregoing reports that the District of Columbia's savings and loan institutions are "redlining" or disinvesting in the District of Columbia.

The Post survey concludes that most Washington area savings and loan firms historically have made mortgage loans for homes in neighborhoods throughout the city and its suburbs in rough proportion to savings deposits generated from the same neighborhoods.

As pointed out in the Post article some of the apparent contradictions can be explained by several factors. The District of Columbia and Senate reports were based only on recent mortgage lending and did not include deposit data. They thus did not reflect that a large portion of District Columbia savings and loan deposits come from the suburbs which is where the bulk of their loans are made.

Another reason why the Senate committee study gave a distorted view of District of Columbia lending practices was because it was confined to lending in 1973, which was not a propitious year for the District of Columbia savings and loan associations. The authorization by the Federal Reserve on July 6, 1973, of high interest on CD's triggered disintermediation forcing savings and loans to borrow to meet their prior loan commitments and to restrict future lending. Also, the District and Maryland had an 8 percent usury rate whereas neighboring Virginia had none. This made it more attractive to lend in Virginia up until District of Columbia raised its rate to 10 percent effective September 14, 1974.

The significance of these contrasting studies is that statistics, particularly incomplete and improperly analyzed data, can be misleading. This brings into serious question the proposal contained in S. 1281, the Home Mortgage Disclosure Act, which would require mortgage lending institutions to disclose publicly the areas in which they are making loans. Such a disclosure procedure does not take into account the numerous factors involved in innercity residential lending patterns. For example, some areas may be inhabited by apartment dwellers who are not in the market for mortgage loans. Others may be older neighborhoods where the residents are savers and not in the market for new housing.

Certainly there is a need for better statistics and an in depth analysis of the effect lending practices of financial institutions have on inner city decline. An alternative approach which I suggested to the Senate Banking Committee, is to authorize a 3-year demonstration study in five metropolitan areas to consider the many problems associated with neighborhood decline including disinvestment by financial institutions. In any event, it would certainly be unwise for Congress to require reporting on a nationwide basis of dubious statistics by financial institutions without a sounder analysis of the problem.

Because of the significance of the Washington Post article, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SAVINGS AND LOAN MATCH NEIGHBORHOOD DEPOSITS—SURVEY SEEMS TO CONTRADICT ALLEGATIONS OF SUBURBAN TILT

(By William H. Jones)

Most Washington area savings and loan institutions historically have made mortgage loans for homes in neighborhoods throughout the city and its suburbs in rough proportion to savings deposits generated from the same neighborhoods.

This is the conclusion of a Washington Post survey last week of most large S&Ls in the area—those which account for most mortgages and deposits and normally set future industry patterns.

While there are exceptions, the S&L figures would appear to contradict conclusions reached in research presented recently to the D.C. City Council and Senate Banking and Housing Committee—which pointed out that most mortgage lending in 1973 went for suburban homes.

But some of the apparent contradiction can be explained by several factors—the recent research was based only on mortgage lending practices and didn't include deposit data, for example (partly because S&Ls were reluctant to make such information public). As a result, the research did not point out that a large portion of D.C. S&L deposits come from the suburbs which is where the bulk of their loans are.

In addition, the research concerned recent lending practices and did not take into account past records. According to Bob Kuttner of the Senate Banking staff, "many areas" of Washington currently are ignored by the city-based S&Ls, even if they did have previous investments in those sectors—where residents now rely on mortgage bankers for home mortgages.

D.C. institution officers interviewed disputed that charge and some sought to point out overall city business by figures broken down by census tracts or ZIP code areas.

Even dividing savings accounts by addresses presents a distorted picture, since a large volume of accounts at downtown Washington branches is for Maryland and Virginia residents who use their office addresses in S&L correspondence, according to S&L officials. For instance, at Columbia Federal Savings & Loan, there are nearly $30 million in deposits from addresses in five primarily business and office building districts and only $2 million of outstanding residential loans—but most of the $30 million came from Maryland and Virginia residents, the association said.

Similarly, the biggest deposit office of Washington Permanent Federal Savings & Loan is just below Chevy Chase Circle on Connecticut Avenue NW—and most of that money comes from Maryland residents.

Even more important, in the view of Columbia Federal chairman Clarence E. Kefauver Jr., is that most homes in the Washington area happen to be located in Maryland and Virginia rather than in the District.

According to the 1970 Census, there were 412,972 owner-occupied dwellings in the metropolitan area, 338,993 (82.09 per cent) of which were in the suburbs, and 73,980 (17.91 per cent) of which were in D.C. Columbia Federal statistics provided to The Post show that 17.26 per cent of its mortgage loans are on D.C. owner-occupied dwellings—nearly an exact match to the city's percentage of area housing.

In his outgoing speech as president at last weekend's meeting of the Metropolitan Washington Savings & Loan League, Kefauver said that the Census showed 13 per cent of the dollar value of owner-occupied homes was in D.C., with the balance in the suburbs.

For 15 D.C.-based institutions in 1974 alone, 17 per cent of the total number and 15 per cent of the dollar value was for Washington properties, he said.

Moreover, millions of dollars in home mortgages have been approved by D.C. S&Ls using funds generated by thrift institutions in other areas of the United States—where there has been less demand for loans and surplus funds to invest.

By far, the most significant S&L in the Washington area is Perpetual Federal Savings, with assets of more than $725 million (roughly one-tenth of all assets at thrift associations in the entire area), five offices in the District and four branches in Maryland.

While Perpetual is a conservatively run institution, which shuns speculative money and borrowing from federal agencies to bolster short-term loan resources, its pattern of mortgage lending shows no evidence of so-called "redlining"—or refusals to grant loans in certain neighborhoods.

Figures supplied by Perpetual, based on a computerized analysis of lending by postal ZIP codes, show that:

Of Perpetual's total loans, 44 per cent are for property in D.C., while 38 perecent of its savings accounts are owned by depositors with addresses in the city. Moreover, the D.C. total deposits figure is inflated because of an untold number of suburban residents who used office addresses in D.C.

In terms of dollars, 28 per cent of Perpetual's loan portfolio and 30.9 per cent of its savings deposits are for District addresses.

Within the city, Perpetual has mortgages on properties in all sections. In the predominantly affluent and white area west of Rock Creek Park, Perpetual has 2,127 mortgage loans (8.6 per cent of the total dollar amount) and 9,333 savings accounts (9.9 per cent of total dollars).

In other parts of Washington, the breakdown by Perpetual shows the following loan and savings data:

Area	Loans granted	Percent dollars	Savings accounts	Percent dollars
Northwest (East of Rock Creek)	5,172	10.0	26,352	12.3
Northeast	3,695	4.9	16,000	4.9
Southeast	1,675	4.4	13,426	3.3
Southwest	33	.1	893	.5

Perpetual chairman Thornton W. Owen, in a letter to D.C. City Council member James E. Coates, whose staff has been studying alleged redlining by the city's financial institutions, said it is "impossible to always land the same amount in an area as is deposited."

For one thing, Owen said, Perpetual has concentrated on single-family residences, a policy which "mandates that we land where there is single-family sale activity."

He went on to point out Perpetual's role as a principal source of church loans in the District, "many of which are black congregations," and concluded:

"Frankly, I think that our record is all the more meaningful when we realize that the suburbs in recent years have seen much more development than D.C. because of the relative increase in the availability of buildable ground in the suburbs."

Other S&L officials interviewed last week provided information on their own operations as follows:

National Permanent Federal S&L—Of $394 million in deposits at the area's second biggest thrift institution, 35 per cent ($138 million) carry D.C. addresses, 51 per cent ($201 million) are in Maryland, 9 per cent ($36 million) are from Virginia and 5 per cent ($18 million) come from across the nation and overseas.

In terms of numbers of savings accounts, 32 per cent are from D.C., 54 per cent from Maryland, 10 per cent from Virginia and 4 percent from elsewhere. A big percentage of accounts at the Connecticut and K Street office is for Maryland and Virginia residents who use office addresses, executive vice president Edgar F. Peterson said.

Of National Permanent's loan portfolio, 34 per cent of 17,288 loans are on D.C. properties, accounting for 24 per cent of the dollar volume ($102 million). There are 7,267 loans (42 per cent) on Maryland properties, accounting for 48 per cent of the dollar amount ($211 million), and 24 per cent of the loans are in Virginia (4,094), accounting for 28 per cent of the area dollar total ($122 million).

Columbia Federal S&L—About 18 per cent of its outstanding loans are on D.C. properties, totaling $41.2 million. At the same time, some 30 per cent of the association's savings deposits carry D.C. addresses, totaling $120 million.

Columbia officials said a breakdown of savings and lending by postal ZIP codes demonstrates how savings often come from stable neighborhoods where there's no demand for new loans—while developing areas, or regions of rehabilitation, have large amounts of landing but few savings dollars.

For example, in the Capitol Hill-Southeast area that makes up ZIP code 20003, Columbia has $1.58 million of deposits and $5.54 million in loans. In ZIP codes 20015 and 20016 in Northwest D.C. (which reach into Maryland), where white and affluent residents predominate, Columbia had $30 million of deposits and $8.7 million of loans.

Interstate Federal—About half its loans are for Maryland properties, 41 per cent for Virginia and 9 per cent in the District. Addresses on savings accounts, however, show 50 per cent in the District, 29 per cent in Maryland, 13 per cent in Virginia and 7 per cent in other parts of the U.S. Officials said many of the D.C. accounts are business addresses of suburbanites.

As did other S&L officers questioned, Interstate president Lawton E. Inabinet said that most potential home owners applying for loans are residents of Maryland or Virginia. He said Interstate got a bigger share of mortgage requests from D.C. residents in prior years and asserted, "We're in the market for loans in D.C."

Inabinet's S&L was pinpointed in the recent Senate study for placing nearly 100 per cent of its 1973 loans on suburban properties.

Home Federal S&L—About 42 per cent of mortgage loans are on D.C. properties; 38.5 per cent of savings accounts bear D.C. addresses, accounting for 40.5 per cent of savings deposits. Of about $10.6 million loaned in D.C. for 1973 alone (the areawide total was about $40 million), 18.5 per cent was for properties in the affluent sector west of Rock Creek Park.

Capital City Federal S&L—About 20 per cent of mortgage loans are on D.C. properties; 50 per cent of savings deposits come from accounts with D.C. addresses and, of the D.C. deposits, 61 per cent come from west of Rock Creek Park, where most of Capital City's offices are located.

In the suburbs, the pattern is similar—with nearly all mortgage lending for Maryland or Virginia properties and nearly all savings deposits from customers with Maryland and Virginia addresses.

T. William Blumenauer Jr., president of Columbia Federal, said last week that making comparisons of savings deposits and mortgage loans shouldn't be done on "any basis" because of the nature of home financing, which draws funds from many sources.

"You can do anything with statistics," Blumenauer said.

For example, Blumenauer said, Columbia Federal gets savings deposits from many stable neighborhoods, where there is only a small annual turnover in families. Thus, there is no demand for mortgages despite the savings.

In areas where new housing can be built, on the other hand, there is no established neighborhood base of savings—but a tremendous demand for loans. Over a long period of time, in theory, a S&L should be providing aid to both types of areas.

Blumenauer also noted that his association has attracted about $80 million in funds from S&Ls in other parts of the U.S. during the past five years—for secondary market investments here of savings deposits at institutions that don't have a local demand.

Any program of restricting loans to areas from which deposits are generated would destroy the nation's entire financial system and create new housing shortages in growing areas, he said.

Perpetual's Owen also pointed out that the average suburban house today costs more than homes in the city, creating a higher average loan per housing unit outside Washington.

George J. Boyce, president of Capital City Federal, said government investigators were wrong in concentrating on savings institutions if they are trying to find out why more housing isn't available in the city.

"There's been no large building effort in the District for the past ten years," he said. "Lenders can't generate a market . . . that's up to developers, builders and people who market housing."

Similarly, Home Federal president John U. Raymond said his S&L doesn't exclude any area for new loans except where a neighborhood already has been destroyed. "To whatever extent we limit loans, it's after the fact . . . we've no control over deterioration," Raymond asserted.

Raymond also noted that use of the term redlining is wrong since the expression traditionally applied to fire insurance firms—to designate areas where losses on policies became such a risk that writing of new insurance was stopped.

The S&L officer said that, so far as he knows, no lending institutions here have such restricted neighborhoods.

Richard Lawton, president of Washington-Lee Savings & Loan in Northern Virginia—the largest in that section of the state—said he knows of no redlining or complaints about restrictions on loans in certain neighborhoods. Such practices existed 15 to 20 years ago in some Virginia institutions with regard to loan in black communities, he said.

"While individual records (of S&Ls) vary from good to not-so-good, I am convinced that all are trying to improve their performance," Kefauver said last weekend in discussing the recent controversy over redlining.

Figures for the first quarter this year indicate a "substantial improvement" in the amount of money going to D.C. loans, he added.

But Kuttner of the Senate committee disagreed. All evidence to date points to a general practice among Washington associations of lending a "grossly disproportionate" amount of their savings deposits for suburban homes, he said.

In many cases, "subtle" methods are used to discourage loan applications even from being filed—such as word about high down payments and shorter maturities than allowed for Maryland and Virginia loans, he said.

A "typical" complaint heard from D.C. consumers is that Washington S&Ls want 30 per cent down payments for D.C. properties and 15-year loans, he said.

THE UNITED STATES VERSUS THE UNITED NATIONS

Mr. McGEE. Mr. President, global interdependence has become a commonly used term in this country. However, few, including many in the Congress, have seriously reflected upon how the United States is affected by interdependence.

Congressional erosion of support for the United Nations is also a phrase hurled at us with increasing frequency these days. Yet, once again, many in the Congress know little if anything about the workings of the United States.

I comment on both issues—interdependence and the United Nations—because they converge into an instrument vital to our own survival as a nation.

What are the global issues facing the United States now and in future years? What are the instruments by which we can deal with these global issues in an effective and rational manner?

Harlan Cleveland, a former Assistant Secretary of State and U.S. Ambassador to NATO, addresses himself to both issues in an article which appeared in the May 4, 1975, New York Times Magazine. International peacekeeping planetary bargaining, international development, money and business regulations, the environment, ocean resources, global planning, voting in the United Nations—all issues of the day; all vital to the quality of life, or lack of it, for the citizens of this country now and in the coming decades, are discussed in his article.

As Mr. Cleveland so appropriately notes in his article:

The management of interdependence is a collection of Herculean labors too big, or too sensitive to be tackled by single nations, or even in two's and three's. The imperatives to multilateral action are so strong that despite all the international obstacles and national reluctance, the U.N. system has already developed a limited capacity to act.

While many in the Congress criticize the United Nations, few offer constructive proposals to increase the effectiveness of the institution. Mr. Cleveland, while recognizing the weaknesses of the U.S., does indeed offer a positive program for resolving confrontations which often detract from the important business of attacking the global problems threatening all of mankind.

I urge my colleagues to seriously consider the content of Mr. Cleveland's article, and ask unanimous consent that the article, entitled "The United States Versus the U.N.?" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE UNITED STATES VERSUS THE U.N.?

(By Harlan Cleveland)

(NOTE.—Harlan Cleveland, an Assistant Secretary of State and a U.S. Ambassador to NATO in the Kennedy and Johnson Administrations, is now director of the Aspen Institute's Program in International Affairs at Princeton, N.J.)

On Nov. 11, 1974, the adult leaders of the Little League, a baseball organization for children 8 to 12, announced that henceforth their World Series would be limited to American teams. They did not say why. But the news item reported, deadpan, that teams from Taiwan and Japan have captured seven of the past eight championships. The incident reflects a mood and raises a question about the capacity of Americans to adjust to a world in which power is diffused, centers of decision are plural—and, even when our national game is played, Americans do not always win.

Americans certainly haven't been winning lately. We and our Western European partners have been on the receiving end of more international flak than at any other moment in our history—some of it from people who have been beneficiaries of our bounty, protected by our power and educated in our universities. At a U.N. Special Assembly called last year to consider a "new international economic order," we were accused of wasting energy and minerals, building weapons we don't need, polluting the air and the oceans, eating too much and contributing to the poverty and starvation of others. The U.N.'s "automatic majority"—nearly all the Latins, all the black Africans, the Arabs, the Iranians, the South Asians, most of the Southeast Asians and all the different kinds of Communists—had no difficulty, in a one-country-one-vote assembly, passing resolutions advocating more economic help from those who vote no to those who vote yes. And subsequently, at the General Assembly, the same globe-girdling majority excluded South Africa from its debate, royalty received a Palestinian guerrilla leader, and, in the U.N. Educational, Scientific and Cultural Organization in Paris, excluded Israel from a regional caucus—all actions opposed by the United States.

On Dec. 6, the United States Ambassador to the U.N., John Scali, cleared his Government's throat and warned that the U.N. was fading into "the shadow world of rhetoric, abandoning its important role in the real world of negotiation and compromise . . . Support is eroding—in our Congress and among our people. Some of the foremost American champions of this organization are deeply distressed at the trend of recent events." Ten Western Ambassadors spoke in similar vein. "We cannot overlook," said the French delegate, Louis de Guiringaud, "the drawbacks of adopting so many short-lived resolutions—each longer than the last, one a repetition of the other—virtually unreadable and sometimes not read, even by their sponsors. No newspaper in the world reproduces them. The United Nations thus runs the risk of living in a closed world."

The replies from the non-Western delegations were sharp. Their common theme was that the West had had the votes and had victimized the rest of the world for a generation, and now it was the rest of the world's turn to victimize the West. The West hadn't seen anything wrong with the "tyranny of the majority" when it was used to partition Palestine, to keep Peking out, to bar North Korea from U.N. debates. Huang Hua of China gloated from the sidelines: "The world is progressing amid turbulence . . . peoples want revolution . . . The present world situation is excellent."

Yet many of the replies were also tinged with conciliation: The educated leaders of developing nations do not really believe that resolutions feed people or hasten economic growth. "We here are not a parliament," said Fereydoun Hoveyda, Iran's representative and brother of the Shah's Prime Minister. "Here we have to try to find in common—I stress the words 'in common'—solutions to the world's problems. To form a majority or act as a minority can lead to nothing constructive. A dialogue between the various schools of thought in our assembly must begin. . . The time for monologues is past."

We made this lumpy diplomatic bed ourselves, of course. The Americans and other Westerners who wrote the United Nations Charter were programed by Magna Carta, Montesquieu, Jefferson, the United States Constitution and General Robert's "Rules of Order." Majority rule and parliamentary procedure were their narrow, procedure-oriented definition of democracy; the carry-over from one-man-one-vote to one-nation-one-vote was a natural. In setting up the World Bank and the International Monetary Fund as affiliated United Nations agencies, the affluent voters weighted the voting according to affluence; even Jefferson limited the application of his philosophy when it came to money matters. In the Security Council they reserved the right of veto, blaming it on the Russians. But in the General Assembly and the specialized and functional agencies that radiate from it, they nailed down the principle of the juridical equality of nations. The number of juridically equal units in the world has tripled since then.

We didn't notice at first what a silly system this always was, because the automatic majority of the first 51 members were our friends or clients (sometimes both). Warren Austin, Henry Cabot Lodge Jr. and Adlai Stevenson, all of whom went directly from American politics to become American Ambassadors to the U.N., won many a domestic plaudit by mobilizing a coalition of the righteous to flay with rhetorical scorn and then vote down the Kremlin's pitiful band of 5 to 11 votes; the subject of the resolutions was Communist behavior. (During the Kennedy Administration, when I was working on U.N. affairs in Washington, I once asked Senator Hubert Humphrey why Stevenson had so much less clout in Congress than he did in the country and around the world. "We're jealous," said Humphrey with his disarming frankness. "We work for a week on a major Senate speech, and it gets two paragraphs on page 36. All Adlai has to do is walk across the street and come out against the Communists, and he's on page 1 with a photo.")

Showboating tactics are still in vogue—and about as ineffective in getting things done. The earlier resolutions had little discernible effect on the minority's behavior, and the same is true of the latter-day resolutions. Only now the automatic minority has a new set of targets: Afrikaners, Israelis and the industrial rich.

To be in the minority is uncomfortable, of course. We may in consequence become less obsequious in our public rhetoric; candor is as refreshing in international politics as in the domestic variety. Daniel P. Moynihan has implied (during his brief period of free speech as a Harvard professor) that we should not be so polite at the United Nations, that we have failed to make ourselves understood. But that is a comment on style. The unanswered question is whether the Government thinks that a change in style is a substitute for American leadership in building the institutions of interdependence.

The U.N.'s main problem is not that Americans are sore. Its main problem is that the system is not coping with interdependence—because its members, including ourselves, haven't decided that they want it to. The instruments intended to "harmonize the actions of nations" are so clearly no match for conflict, poverty and runaway technology that most people in every nation display toward them a mixture of uninterest and dismay.

In the decade of the nineteen-forties, a war-generated spasm of creativity brought into being a cumulation of functional global and regional international agencies for relief, collective security, technological cooperation, technical assistance, development lending and the regulation of trade and money. The dominant mood in 1975, about this legacy of the forties, is disenchantment. Americans are not only impatient with the General Assembly; they are annoyed with their allies and tired of foreign aid. Instruments of collective security and allied consultation are eroded by big-power strategies of coexistence and détente. A semiunited Western Europe and a suddenly powerful Japan still are embarrassingly dependent on the United States for their security and on Middle Eastern monarchs and colonels for their energy. And the developing nations of three continents find that bloc voting in global assemblies fails to redistribute the world's wealth, or even give promise of avoiding a crisis of survival, beginning almost immediately, for millions of human beings.

The U.N. Charter and compacts of 30 years ago simply did not predict or provide for the now foreseeable vital issues in "harmonizing the actions on nations." Many important trends of the present era are, taken together, clearly adverse to the self-fulfillment of nearly every human being, and to the survival of a large minority of the human race. Most of the thoughtful American statesmen who helped write the Charter were apprehensive that the U.N. might do something damaging to our independence. But now the danger is that the U.N., which is all of us, will fail to do something decisive about our interdependence.

Although it is clear enough that the U.N. isn't coping, the knee-jerk debate between let's-stay-in and let's-get-out schools is an exercise in irrelevance. The real questions are more difficult—indeed, more interesting: What functions are simply going to have to be handled internationally, because they require decisions too big or too sensitive to be left to individual nation-states? To what extent can those functions be handled by reforming the U.N.? And what functions will require new social invention?

INTERNATIONAL PEACE-KEEPING

The early United Nations doctrine was that an "aggressor" would be deterred or defeated by the overwhelming might of the rest of mankind. The hidden premise was that the World War II Allies (who had called themselves the United Nations in wartime, too) would stick together. The cold war, of course, changed the game, though the rules were never rewritten. One nation's aggression became another's "war of liberation" or "aid to beleaguered allies." The U.N. could not do what its members did not want it to do.

In the nuclear confrontation, the peace has been kept by a credible and mutual fear, nobody who studies the potential of nuclear weapons thinks they are very usable. In day-to-day world politics, they are not even very useful for brandishing.

But in less-than-global warfare, there turned out to be a U.N. peace-keeping function not really envisaged in the charter. Several times in the Middle East, and in a dozen other places, mediation and physical separation of combatants by an operational third party, acting on a mandate from "the general opinion of mankind," has proved to be both practical and indispensable. The ethnic and economic rivalries of the future will certainly require an enhanced capacity of the U.N.—or, in a pinch, less-than-global "consortia of the concerned"—to send peace teams, ranging from a single mediator to a division or two of "soldiers without enemies," into the no-man's land between combatants.

Similarly, in arms control, an international capacity to monitor, inhibit and collectively frustrate the actions of individual nations will surely be needed. The traffic in "conventional arms"—no longer obsolete leftovers from the big-power military arsenals but the most up-to-date weaponry that money can buy—is now enormous; each supplier says he's doing it only because if he doesn't others will get the business. The situation is ripe for agreements in restraint of a dangerous trade. Moreover a dozen nations now have, and two or more dozen will have before long, the stuff and the know-how to convert their nuclear fuel into nuclear warheads.

An international system is also necessary to coordinate the international policing of terrorism as the miniaturization of high explosives puts more power in the hands of guerrilla groups and individual desperadoes.

PLANETARY BARGAINING

An extraordinary political bazaar will very likely be at the center of things in the coming decade. In its varied boutiques, groups of nations will try to arrive at practical agreements about the price and supply of energy, management of food reserves, access to scarce raw materials, the stabilization of commodity markets, the limitation of population growth rates, the transfer of technology, the meeting of minimum human needs—in sum, the distribution of wealth and opportunity among the equal and the unequal.

The nature of this new peace game and the initial distribution of the chips are easier to predict than the international auspices under which the planetary bargains will be struck, monitored, enforced and renegotiated. Rhetoric in United Nations assemblies has doubtless helped make necessary a planetwide negotiation about who gets what, and when and how and why. The questions is: Can the United Nations system develop (will its members permit it to develop?) the operational capacity to manage this deadly serious game—to administer the rulemaking, to monitor the keeping of agreements, to mobilize sanctions against those who break their agreements?

INTERNATIONAL DEVELOPMENT

The United States and other industrial nations have gradually learned that bilateral giving does not buy durable political friendships for the grantor or political freedoms for the grantee. In consequence the U.N. system, including the World Bank, is now the world's largest purveyor of development aid. In this aspect of the United Nations, there is much to build on, but the bargaining about who gets to decide what will be intense.

The changing pattern of world wealth, the rising demands for social justice and the growing capacity of the less powerful countries to get together for "collective self-reliance" have combined to mount an unprecedented challenge to the global "seniority system." The new-rich oil nations, for example, have only tiny influence in the World Bank and the International Monetary Fund. If they don't get more votes in the weighted-voting system, it is illusory to expect them to endow these institutions for long with their petrodollars.

And in our dealings with the developing areas that haven't yet discovered riches under their national domains, aid as charity will have to give way to mutuality of decisions about what they are going to do for themselves and what we are going to do for them, just as, at home, we have created devices for involving the poor in decisions about antipoverty programs.

MONEY AND BUSINESS REGULATION

For most of modern history, agreements about trade, investment and money have been dominated by a dozen countries; they did most of the trade, made most of the investments and issued most of the money. World monetary arrangements were left in disarray when, in 1971, the United States decided that the dollar was no longer strong enough to serve as the world's "key currency"; up to then, the Federal Reserve System had acted in effect as the world's central banker. The leadership vacuum has been compensated for, in part, by floating exchange rates, which force each nation to take more responsibility for its own monetary policies. But there will have to be a system of intensive consultation among the nations to coordinate their varying rates of money growth.

Another part of the broad challenge to the "seniority system" is the growing demand for international regulation of multinational business. The outcome here depends on the multinational enterprises as a group. If they develop and live by a reasonable code of international behavior that takes account of small-country sensitivities, the drive in the United Nations to establish an international regulatory agency will lose some steam. But one or two more I.T.T.-Chile episodes will bring on international regulation as surely as, in American history, the excesses of a few utilities brought on the Public Utility Holding Company Act, and cheating by a minority of brokers brought on public regulation of the securities exchanges.

THE ENVIRONMENT

It is increasingly evident that air and water and outer space are a global "commons," in which littering by one is pollution for all. It is no accident that the most vigorous and potentially most important United Nations agency created since the nineteen-forties is the U.N. environmental program, headed by one of the world's truly international men, Maurice Strong of Canada.

Whether we consider ourselves Americans or citizens of the world (or both), we need global monitoring and agreed international rules about (for example) oil spills, air pollution, the handling of radioactive waste and the changing of climate at human command. International control is also necessary for the regulation of new kinds of world traffic—not just aircraft movements, which are troublesome enough, but sonic interference, broadcasting from satellites, remote sensing technologies, orbital arcs in space and the competitive use of the frequency spectrum.

OCEAN RESOURCES

As nearly everyone is vaguely aware by now, the oceans are man's last and greatest frontier on earth. They cover two-thirds of its surface; there are vast uncharted areas of seabed, with some ocean trenches deeper than Mt. Everest is high; there may be as much oil, gas, copper, nickel, cobalt, manganese under them as there is on land; the table varieties of fish we now enjoy and require could vanish in a decade without new conservation measures; the oceans offer a vast potential for floating cities, manmade islands and new transportation systems; they could also become a giant irreversible cesspool.

What is lacking is a common international perspective. The oceans do not, by any stretch or nationalist imagination, "belong" to any nation.

GLOBAL PLANNING

There is an acute need for long-range professional analysis of global futures, from an international point of view, to catch problems before they become insoluble by peaceful means, to identify new technologies that will need to be controlled and channeled by new institutions to human rather than anti-human purposes. Some of these will be the consequence of developments in the biological sciences, which look to be every bit as revolutionary as the industrial/nuclear/electronics upheaval.

The management of interdependence is a collection of Herculean labors too big or too sensitive to be tackled by single nations, or even in two's and three's. The imperatives to multilateral action are so strong that despite all the international obstacles and national reluctances, the U.N. system has already developed a limited capacity to act.

Apart from the World Bank and Fund, the U.N. system spent about $1.3-billion last year, more than 90 per cent of it for development work in Asia, Africa and Latin America. (That seems a sizable sum until you calculate that it is one-half of 1 per cent of the world's military spending for the same period.) The World Bank and its "soft-loan window"—the International Development Association—lent $4.3-billion to 75 developing countries last year, the International Monetary Fund lent about $4-billion more to its members mostly for stability rather than development.

So, much real work gets done in the U.N. family, and its more operational agencies are managed about as effectively as the comparable national bureaucracies are. From a generation's experience with international agencies, those that are effective and those that are not, two useful lessons stand out. One is that *the more voting there is, the less action there is.* The other is that *the more initiative is placed in the hands of international executives, the more international action results.*

On the voting issue, we know from experience what *doesn't* lead to action: a pseudo-parliamentary process that (1) pretends that every nation is equally relevant to every subject, (2) takes many-sided complexities and squeezes them into a Procrustean yes-or-no two-sidedness and (3) moves each issue toward quick disagreement about words rather than careful agreement about action. The way the General Assembly now operates makes it clearly the wrong system for the needed actions.

But of course it doesn't have to operate that way. There is a remarkably simple solution to the "voting problem" in the General Assembly: Don't take any votes. The alternative mode—the action mode—is to decide by *consensus* among those whose action together is necessary to carry out any given international program. Voting seems to focus attention on disagreed issues of high principle; consensus focuses on cooperation about what to do. And if there is a central truth about man the social animal, it is this: that people from societies at differing stages of development, professing competitive philosophies, growing up in varied cultures, speaking many languages, do seem to be able to come together on what to do next, if they carefully avoid trying to agree on *why* they are acting together.

Once there is a consensus about action, a vote is unnecessary. When there is not yet a consensus about action, a vote dramatizes the differences and makes eventual reconciliation that much more difficult.

Suppose, for example, that war breaks out again tomorrow in the Middle East. In a voting system, the problem is tackled by formulating a two-sided proposition to decide who'a right and who's wrong. There are, however, not two sides but many—Egyptian, Israeli, Syrian, Iraqi, Libyan, Jordanian and Palestinian sides that are very different from each other; interests of arms suppliers like France, interests of the two nuclear superpowers and the separable interests of the rest of the world in not having local rivalries lead to wider war.

In this complexity a system that requires a yes-or-no vote on a two-sided proposition would be ridiculously dysfunctional. A vote that guarantees Israel's existence is no use if the Arabs vote "no"; a vote that tells Israel to withdraw and disarm will be ineffective if Israel and its friends (including the United States) vote "no." The problem is rather to stop the fighting, maintain a ceasefire, mediate the disputes and enforce an agreed settlement. This requires a legislative framework that takes the multiple interest into account: perhaps an armistice, a peacekeeping force to discourage cheating and a mandate to a shuttling peacemaker to seek the more permanent settlement. Such a legislative mandate must represent a true consensus of the interests engaged in the dispute—and not a one-sided judgment about rights and wrongs.

The U.N. Security Council, now 15 nations including five with vetoes, has in fact sponsored a number of useful peace-keeping operations, notably in Lebanon, Palestine, Korea, the Congo, Cyprus, Suez, Yemen, Sinai, the Golan Heights, Greece, Kashmir and West Iran. Many U.N. enthusiasts used to decry the veto. But it turned out that because of the veto, negotiations about Security Council actions had to be serious. The Russians, for example, have to be persuaded to join the consensus or there is no consensus. That sometimes takes days or months or years; sometimes it never comes; but if agreement is reached, something then happens: Money is spent; people are put to work; peace-keeping forces are dispatched; pressure is put on combatants to stop fighting and start talking.

In both the bank and the fund, weighted voting has somewhat the same effect as consensus. Those nations that put up most of the money have to be in agreement, or no action results. But consensus, of which they are a part, unlocks their treasuries.

Some international agencies have always acted without voting—by a "no objection" procedure, or "consensus." During the four years I served as U.S. representative on the North Atlantic Council, the political board of directors of the NATO alliance, I do not recall a single vote on a matter of substance. Not that we lacked for controversial issues But it just did not occur to any of us around the table, for example, to call for a 14-to-1 vote on General de Gaulle's antipathy to and divided Atlantic counsels during 1965–69. NATO. Instead, we negotiated at tedious length to limit the damage in France's military withdrawal. When we had carried the consensus as far as it would stretch, we saw no good purpose in making a public scene about the remaining fraction of dissent. An adversary vote might have persuaded de Gaulle to cut off permission for NATO overflights, which (unlike the absence of French units in NATO military exercises) could have done real damage to Western defense.

It is interesting to see how many of the recent U.N. processes have been coming around to consensus procedure, whenever international action seems more desirable than words for domestic consumption. The U.N.'s Outer Space Committee worked this way, and as a result produced the Outer Space Treaty and conventions on the return of astronauts and space objects, and on damage claims resulting from space activity. The Geneva Disarmament Committee and the Seabed Committee also formally decided to work by consensus. The big sensitivity training sessions—on environment at Stockholm, on population at Bucharest, on food at Rome—used straw votes in committee sessions, but adopted far-reaching "action programs" by consensus, even in their plenary meetings. (In the General Assembly last winter the complex proposal for a new World Food Council, to monitor production and consumption and work out an international food-reserve system, was agreed to by more than 100 sovereign countries, including even the selection of the founding members, in a two-week period, showing a sense of urgency any national legislature would find it hard to match.)

"Consensus" does not mean unanimous content. In a Pacific island village, important decisions will draw all the villagers to a community circle, but only those who care about a particular decision will edge toward the circle's center to make their views known and their weight felt. The others will sit around the outside, often talking among themselves about something else. When the village elder is able to divine and announce a common view, that doesn't mean that everybody is an uncritical endorser of what will be done. It does mean that among those whose water-buffaloes might be gored, there is at least passive acquiescence, and those who don't much care are willing to leave the outcome to those who do. To insist at this juncture, under Western procedures, that everyone's pulse be taken, and then to divide the converging company into clear ayes and nays, would endanger the agreement already reached.

To convert the U.N. system to consensus decision-making will seem visionary only to Americans and Europeans who have grown up in the belief that parliamentary procedure and Robert's "Rules" are the very stuff of democracy. But that is a minority view in the modern world, and even in the West is a rather recent notion, not deeply rooted in classical or Christian thought. "Consensus" will not seem extraordinary to any one who has participated in a Quaker meeting, grown up in a modern family, or sat on a British or American jury. It will not seem strange to a Japanese businessman, a Chinese scholar, an African villager. Chaidir Anwar Sani, the Indonesian delegate to the U.N., commenting on the Scali speech, actually charted a way out: "Indonesia," he said, "has a tradition of decision making through musyawarah and mufakat, consultations and consensus. Most of our countries have at one stage or another known that method. The process may be lengthy, cumbersome, sometimes exasperating, but we are much better off than immediately after our independence when we experimented with the 'half-plus-one-is-right' method.

My delegation would not like to see the United Nations turn into an arena for confrontation between majority and minority, or a factory to turn out resolutions, but a forum for the combined and concerted efforts of all the countries in the world to find concrete solutions." Let's elect him President of the General Assembly. Voting has formed a habit, and like any addiction, it will be hard to shake—both for Westerners who have been missionaries of the gospel that voting equals democracy, and for the more recent converts who have found out what fun majority rule can be—for the majority. I have a constructive suggestion: To hasten the day when "the time for monologue is past," let's negotiate a one-year moratorium on voting in the General Assembly of the United Nations.

But legislation by consensus is only a beginning. The key to international action—and often the agent of consensus—is the international executive. The great work of gluing the international community together requires a rare quality of executive leadership.

Some national leaders consider it disloyal if one of their citizens acts in the interest of mankind. Nikita Krushchev was one of these, and during a visit to the Black Sea port of Sochi shortly after the launching of Sputnik I, a Secretary General of the United Nations argued the point with him. 'As long as I remained on my Swedish launching pad," Dag Hamarskjold told the Russian leader, "I found it hard to think and act as an international person. But once in orbit as an international official, I am like your sputnik, free from the divided jurisdictions on earth."

The World Bank and the International Monetary Fund, the U. N. Development Program, the Children's Fund (UNICEF), the new U. N. Environmental Program, and some other parts of the system work comparatively well because their centers of initiative are competent and self-confident executive leaders not afraid to act in the long-run international interest as they see it, even if that sometimes isn't the perceived short-term interest of their own national governments.

The negative cases in point are equally instructive. UNESCO's director general pandered for years to the emotional majority in his governing body. He was consequently reelected to office several times, but UNESCO failed then to attract to its activities the outstanding leaders in education, science and culture from around the world. It is no accident that UNESCO so often, as recently in the case of Israel, lets politics get in the way of its *raison d'être*. The world needs a first-rate international public agency devoted to education, science and culture; but, because of one executive's maneuverings, important elements of the international intellectual community are wondering if they couldn't do better than UNESCO if they started all over again.

Another instructive contrast was the way two different Secretaries General reacted when the U.N.'s peace-keeping role was challenged, in 1960, a short-lived Soviet-dominated Government in the former Belgian Congo (now Zaire) demanded that the U.N. peace-keeping force withdraw from its territory. Dag Hammarskjold refused to comply and insisted that the U.N. Security Council's mandate took precedence over the national Government's desires. In 1967, U Thant was faced with an Egyptian demand for withdrawal of the U.N. Emergency Force from its mission of observing the truce on the Sinai frontier with Israel. Without consulting the Secretary Council or the General Assembly, Thant ordered the blue helmets to withdraw; later reports indicated that even the Egyptians were astonished that the Secretary General had

pushed the panic button so fast. The Six Day War followed soon after.

The command of peace-keepers, the management of planetary bargaining, the promotion of just and rapid development, the regulation of money and business, the creation of an environmental alert system, the establishment of an international oceans authority, the conception of a global planning staff—each of these tasks will require the world's best talent. In the United Nations system, national logrolling on appointments and long tenure in most of the senior posts has made it impossible to bring together a critical mass of first-rate public executives. That is why, when a major new international operation is planned, talk of bypassing the United Nations is normal; the proposed seabed authority is a current case in point.

But—again—things don't have to work that way. The administration of international responsibilities is not necessarily characterized by timidity or time-serving. Governments, if they want to, can lend the international community their very best people. And international agencies—though they are subject to the same Parkinson't Law as other institutions—can also respond to the personal leadership of men and women, of whatever race or political creed, with vision in their minds and fire in their bellies.

Charles Brown is right, of course, in most cases, when he says, "No problem is so big and complicated that it can't be run away from." But the management of interdependence is the exception; multilateral systems for interdependent functions are, quite simply, a must. To the extent that the United Nations system we helped create doesn't roll, we will have to turn to and help install new and better wheels. And since both the United States and the United Nations will be around for quite a while, let's teach our Little Leaguers not to cop out, but to hang in there.

SOUTHERN AFRICA—SELF-RULE OR SELF-DESTRUCTION

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD an interesting and informative Foreign Relations Committee staff report by Mr. Robert Barton on current conditions in South Africa.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SOUTHERN AFRICA—SELF-RULE OR SELF-DESTRUCTION

[A Trip Report—April 12–May 5, 1975, by Robert Barton, Professional Staff Associate, U.S. Senate Foreign Relations Committee]

The powder keg is in place. The fuse is primed, and the time is urgent.

The independence of Mozambique on June 25 seems to me[1] after a three week visit to five southern African countries to be the key to a series of volatile developments all of which are explosive in nature.

The scene was set a year ago when the "Unholy Alliance"[2] of Portugal, Rhodesia and South Africa fell apart. The overthrow of Portugal's authoritarian Caetano government on April 25, 1974 by military officers tired of the Africa colonial wars suddenly meant the end of buffer-state protection for South Africa and threatened the very existence of Rhodesia.

Mozambique's small cadre of FRELIMO revoluntionaries[3] owes much to the OAU[4] and to Tanzania; to the first for its generous supply of Russian and Chinese arms, to the second for providing guerrilla bases for over a decade of "freedom fighting." In my mind there is no doubt that they will cash in their IOUs by demanding Mozambique to shut down Rhodesia's access to the sea either by closing its ports of Beria and Lourenco Marques or by preventing the future falsification of shipping documents. These two measures, long permitted by the Portuguese, have allowed Rhodesia to maintain a steady growth of its GNP for the last decade and would appear to be a primary weapon to be used against Rhodesia if Prime Minister Ian Smith fails to make political concessions of major magnitude to the ANC-Rhodesia.[5]

Ian Smith combines certain political craftiness with sheer maladroitness as seen by his arrest of the Rev. Ndabaningi Sithole, leader of the extremist ZANU[6] organization, just weeks before Smith was to meet with the ANC leaders at a round table conference to discuss greater black participation in the Rhodesian government. Sithole's detention and subsequent trial in March for plotting revolution gave the ANC leaders good reason for delaying the meeting while waiting for (and perhaps persuading) Mozambique to make up its mind.

Smith's Nationalist Party has no opposition in the National Assembly except for 16 blacks,[7] but the party's hardcore of obdurate diehards is unlikely to approve of any conciliatory or appeasement motions. Rhodesia's ministers and senior civil service officials with whom I talked speak of turning over the government to "majority rule" but only when the black is "ready." Neither the need for a prompt political settlement nor a realization of how much racial discrimination they might have to erase to satisfy the blacks appear present in their thinking.

In any event, I predict nothing substantive will take place at a roundtable conference before Mozambique becomes independent next month. Bishop Muzorewa and Rev. Sithole attended the Jamaican commonwealth leaders conference in late April (just after I saw them[8] in Rhodesia and Zambia) where the Rhodesian question was much discussed and the ANC position heartily supported. OAU support was earlier forthcoming at a meeting of African foreign ministers in Dar es Salaam in early April although the OAU declaration was more temperate than some African nations wished.

Unless Smith can convince South African Prime Minister Vorster that it is not his intransigence, but ANC's, that prevents further talks, South Africa will pull its 600 counter-insurgency police force out of Rhodesia's northeast battle zone in order to shorten his own battle lines. More important to Rhodesia is whether he will leave South African equipment behind; without the 35 helicopters, various troop carriers and a steady supply of ammunition, Rhodesia will face a critical guerrilla war with minimal firepower.

Ostrich-like, South Africa and Rhodesia believe Mozambique will not close its ports because so much of its economy depends on Rhodesian traffic, trade and tourism. My brief stay in Lourenco Marques convinces me to the contrary. The OAU Conference in Dar es Salaam resolved to find a peaceful solution in Rhodesia if possible, but otherwise to resume confrontation and the armed struggle led by the ANC. At the Commonwealth Conference the consensus appeared to favor granting Mozambique economic support in return for her closing ports to Rhodesia, for mobilizing international support for the UN economic boycott (especially with regards to Japan and the United States (Byrd Amendment), preventing the seating of Rhodesian delegates at international conferences and the travel of its citizens to other nations, and, finally, a program to dissuade emigration to Rhodesia.

Presently, ZANU insurgency is strongest in the northeast, an area where the Rhodesians have adopted Sir Robert Thompson's Malaysia defense scheme of "protected villages." I flew over several of these and am satisfied they work in areas of relative population density, but not in rugged, hilly terrain where people are far scattered and agricultural and pastoral lands are scarce. Since the ANC demands black majority rule immediately and Smith will not grant it in less than two or three years, I fear fighting will break out with greater vengeance in the northwest on the border with Zambia. President Kenneth Kaunda of Zambia has been the leading spirit in the "detente" movement presently underway with South Africa and has preached moderation with Rhodesia, even having gone so far as saying, although he subsequently denied the quotation, that "immediate black majority rule could come in two years." Nevertheless, it has also been said that if Smith, who he describes as a "slippery character" does not make concessions, Kaunda will allow Rhodesians a chance to train in Zambia, provided they will do so under the ANC banner rather than continue their rivalry with each other. This rivalry led to the assassination of a ZANU co-chairman named Herbert Chitepo in Lusaka shortly before my arrival and the execution by firing squad of 155 other ZANU henchmen who wanted to unite with ANC. Kuanda is determined to stamp out this lawlessness and substitute for it an effective and united guerrilla force trained to fight an escalated war against Rhodesia.

But the honest, blunt President of Zambia, who was being entertained in the White House while I was visiting Rhodesia, is determined to win majority rule in southern Africa. He said just shortly before departing for the Jamaica Commonwealth Conference, "In this great African endeavor to liberate the rest of Africa, there is no struggle which has been as expensive for Zambia as that currently waged in Zimbabwe," and he is perfectly willing to continue with that sacrifice. He differs from the extremist nations only that he would prefer to win within war if possible. If not, so be it. Let war come.

In Lusaka, Zambia's capital, I met the exiled leaders of three white controlled nations who still dream of independence and their return to their countries as saviors.

Those from Angola worry whether that former Portuguese colony's interim government can ever coalesce sufficiently to allow independence and self-government to emerge November 11th, as scheduled. Fighting between the Marxist MPLA[9] and the FNLA[10] broke out two days before I was scheduled to arrive in Luanda, forcing me to cancel my visit. Five hundred were reportedly carried to the morgue and untold hundreds more were buried in the rubble of the city. Such rivalry can only benefit UNITA,[11] whose leader Jonas Savimbi is scheduled to visit the United States in June, according to George Sangumba, Secretary for External Affairs for UNITA, with whom I met in Lusaka.

According to Sangumba, the issue between all three parties is what kind of government independence from Portugal will bring to Angola. Neto's MPLA will bring such strong Soviet influence into southern Africa as to upset the balance of power there he claims. Fortunately for UNITA, the Portuguese elections of April 25th did not bring the Communists into power in Lisbon. Such a victory would have meant the strong backing of MPLA by Portugal and the end of the coalition government.

Roberto's FNLA, accused in late March of machine-gunning to death 55 young MPLA recruits, has no appeal to UNITA because of its dependence on Zaire which seems to Sangumba the ideological fountainhead for most of Roberto's political thinking. UNITA predicts Roberto will become a one-man dictator if allowed a free hand, and classified him as one of Angola's three greatest enemies, the other two being Zaire's Mobutu and the USSR.

To counter the influence of these two

Footnotes at end of article.

strong forces already at work within Angola,[12] Savimbi will visit the United States in order to locate outside support to finance the pre-independence election campaign. Its imminence has been largely responsible for the intensification of party rivalry with consequent shootouts which endangers the country to the point that no one can speak with assurance that an election will ever be held. Fortunately, the new Portuguese High Commissioner Silvo Cardoza appears to be neutral in his dealings with all three parties and may be able to use the 24,000 Portuguese troops to maintain order now that the Portuguese Communist Party lost in Lisbon.

Angolan independence will affect South West Africa, renamed Namibia by the United Nations. This scantily vegetated and inhabited mandated territory contains many of the virtues and vices of South Africa, its de facto administrator.[13] Its elaborate economic and social infrastructure could never have developed without South African assistance on a vast order. South Africa's relations with the 12 African peoples living in Namibia have not been all bad by a long shot, some of the worst offenses having been committed while the territory was still Germany's, but the disease of *apartheid* [14] fluorishes in Namibia and will eventualy destroy it in its present form.

Prime Minister Vorster has announced that South Africa is prepared to give up Namibia as soon as the territory can decide how it can become self-governing. The SWA all-white National Assembly has accepted motions to (1) decide which discriminatory racial laws can be abolished immediately and (2) hold a round table conference with the 12 tribal peoples to discuss independence and self-government.

If this sounds familiar by now, let it be said that the Namibian situation also resembles Rhodesia's in the sense that the white administrators here hold the same views about the blacks that the Rhodesians do, that is they consider themselves the "guardians" of primitive peoples unable to support economically a complex government or even to manage it. In addition, they see the blacks putting up artificial obstacles to free discussion, not realizing that the blacks no longer trust the whites and would just as soon fight as negotiate.

The white's gravest opponent is SWAPO [15] which says it represents all of the Namibians but which gets almost all of its support from the Ovambos. This energetic tribe accounts for almost half of the black Africans in SWA,[16] but are crowded into a northern "homeland" along the Angolan border. Many Ovambos live also on the other side of the border which accounts for the threat to Namibia posed by Angolan independence. Vorster has made clear his antipathy to dealing with SWAPO, which he claims does not represent in any way the entire tribal composition of the territory.

Meeting with Sam Nujoma, SWAPO's President-in-exile in Lusaka, I was told categorically the party does represent all the peoples, but my own impression is that far from doing so, it is actually feared by many of the lesser tribes such as the Hereros and Damaras. The South West African whites can probably arrange for Ovambo representation at the round table constitutional talks, although of course not SWAPO party leaders, but presently are faced with certain obstinancy from the Hereros, a fiercely independent tribe which was displaced by Germans generations ago and are still displeased to be living on a semi-desert in the northwest of the country, much like American Indians who were forced from their lands into South Dakota.

The white administrators I talked with in Windhoek, the capital, reminded me again of the Rhodesian ministers who recognized the inevitable but wanted to procrastinate as long as possible. When reminded that the time bomb was ticking away, that Rhodesia's inevitable downfall would mean the subsequent concentration of all African forces on Namibia, they simply wailed that they were going forward with self-governing plans at all possible speed. I was not convinced. Their talks with various tribal representatives seemed to me more on the lines of convincing them the whites knew best what should be done for Namibia than eliciting their own views (which however are probably extremely ill-defined), and in any case are not progressing with the urgency which the situation demands.

I predict that Nujoma will receive substantial aid from Zambia if progress is not made and that the U.N. General Assembly will make a major issue out of Namibia in September when it next convenes. Meanwhile, on May 31st the UN Council on Namibia will invoke its boycott on all products exported from SWA which will place the United States and many other nations in another embarrassing situation. The US-controlled Tsumeb Corporation [17] accounts for most of the copper, lead and zinc exports of the country and contributes a substantial share of the total revenue of the territory. (Diamonds are in first place, bringing in a little more than half of the value of mineral exports.) Presumably in order to avoid the UN Council's boycott Namibia's exports will travel the long route to South Africa's ports at considerable increase of costs, but this will only serve to intensify OAU campaigns against South Africa itself.

In Lusaka I met also with the leaders of ANC-South Africa, an old but feeble opposition party-in-exile which was banned by South Africa in 1960, ten years after the Communist Party was banned there. "Banning" was described to me in Johannesburg [18] as "The single most powerful weapon the South Africa Republic has at its command against black organizations." While I met with many black leaders in South Africa ranging from a homeland Chief Minister to university intellectuals, I was as much impressed with the ANC-South Africa's proposals for a new, black equality rule for the Republic as I was with any of theirs. On the other hand, the African National Congress appears to have little strength within the Republic, due I think to the age of its leaders, its existence in exile and to the "intellectualism" of its program as opposed to the more populist appeal of other movements still permitted in the Republic.

Assistant Secretary Mennon W. ("Soapy") William's reply to a question of whether he would write a book about South Africa after being there a week was quoted to me. He said, "No, I've been here too long!" The same applies to any visitor who tries to expand on what he had learned about South Africa from extensive readings prior to going there and then digs into the issues once in the Republic. First of all, they are too numerous, too complex, too intermingled to be sorted out easily or even fairly. I tried to keep an open mind as I talked with government ministers. I tried to maintain my objectivity as I heard the empassioned resentment of whites working for the Bantu's cause,[19] or the rather resigned tales of woe of the several Africans I met. After interviewing over 60 well-placed individuals representing both sides of the question, I have the material for a book, but for this summary analysis let it suffice to say that Vorster, like Belshazzar, has seen the ominous handwriting on the wall. The question is will he heed it and if so, will he do so quickly enough.

The message reads, "We blacks will no longer tolerate economic peonage based on racism." It has taken a few years to scratch out the warning clearly enough for Vorster to perceive it clearly. Two years ago illegal strikes in Durban made him realize it, how completely dependent South Africa is on black labor. The booming economy, based only in part on rising gold prices, has forced the country into training blacks for skilled positions previously reserved for whites. A better educated and more assertive black middle class has become impatient to win political rights. The partial realization that the bantustan [20] policy cannot work effectively in an integrated economy. The external pressures exercised by over enemies such as the OAU and a substantial majority of the UN as well as by friends such as the US and UK. And finally and most importantly, by the events of the last year in Portugal and their repercussions in Mozambique, Angola and Rhodesia. So we have come full circle, a Catch-22 situation both in southern Africa and South Africa, with a set of dates each drawing the circle tighter until it may become South Africa's noose: May 31, Namibia; June 25, Mozambique; September, the United Nations General Assembly; November 11, Angolan independence.

To meet this challenge, let it be said John Vorster exactly six months ago asked his critics to give South Africa a chance to change its tune. The 180-day period ended on the day of my return from Windhoek, and chalking up the concessions one by one, they appear impressive (not so much to an American who would hardly wish to recall how many US blacks suffered similar indignities a generation ago in this country) but certainly to white Africans.

Sustained talks with Bantustan leaders on how to govern and develop their homelands.

Sitting at the same banquet table with them, flanked on either side by their wives and toasting them as equals.

The removal of "Whites Only" signs from parks, bus stop benches and public lavatories.

The opening of Cape Town's Nico Malan theater and the promise to do the same in other cities.

The promise to ease the color ban in hotels and restaurants.

The admission of blacks into the diplomatic corps and the armed forces and the promise that some day (when?) white soldiers will be saluting black officers.

The mixing of the races in sports events.

Such relaxation of "petty apartheid" fails to satisfy the more demanding black and arouses grumbles among the more conservative white, but I feel the change in atmosphere permits better dialogue between the races within the Republic and just as importantly on the African continent itself.

Vorster has been seen now joking with black leaders in Liberia, has met with President Kuanda on the Rhodesian crisis, and has promised independence and self-government to South West Africa. These are not inconsequential events and although his "detente" policy still remains to be tested and the lower half of Africa looks apprehensively at Rhodesia and skeptically at Namibia, they may dampen the fuse on the powder keg.

Extinguishing it would require the complete abandonment of all of the obnoxious forms of racial discrimination rampant in all three remaining white controlled countries: the Pass Laws, the "influx control" [21] regulations, racial classification, economic discrimination in the form of wages, job opportunities, training, and more importantly tenancy and ownership of one's own land and house. On the eve of my departure (which coincided with the end of the 6-month grace period Vorster had requested), he announced that the government would present a bill repealing the 8-year ban on black ownership of homes in the townships [22] and would allow more black entrepreneurs to operate businesses in them freely. Like an earlier bill, which coincided with my arrival, which would permit blacks into the diplomatic service, it still remains to be enacted by National Assembly.

The truth of the matter is that "grand apartheid" remains Holy Writ for the Nationalist Party Separateness is held dear: separate racial identity, separate national development in separate portions of the Republic. That 70% of the population can live on 13% of the land staggers the imagination. Over-populated, non-arable, without natural resources to exploit, these bantustans can only be considered as corrals for work forces to be drawn upon as South Africa requires migrant labor. The test will come next year when the first of them, the Transkei becomes independent as is Botswana, Lesotho and Swaziland.

Remaining unresolved are what to do with the 8 million urban blacks in the townships, who have lost any tribal allegiance they may have had and in no way could be forced to "return" to a land they never knew. A further question, but similar, is what to do with the "coloureds" and the Asians, also discriminated against legally although less harshly.

The challenges are many and many want them met. There is but one topic of conversation in South Africa. An Embassy official told me he was happy to be leaving Africa having heard nothing else for two years either in the office or socially except the problems of apartheid, whether he was with Americans or South Africans of any race. As for me, I regretted leaving the beautiful climate and scenery of southern Africa with its extraordinary economic vitality, its immaculate and slumless cities, its efficient governmental services, its charming people of all sorts. I left realizing how much the human hates and dreads change and how long it takes to alter dogma and attitudes. For such a conservative people as the Afrikaner the torture of change must be excruciating. It would be better to get it over with quickly—and peacefully;—not by having the powder keg explode.

WHAT THIS MEANS TO THE UNITED STATES

South Africa and Namibia

One of Vorster's chief accomplishments is the universal acceptance, been by Africa's most militant liberation leaders, that the whites in southern Africa are not to be considered as temporary colonists, that they have a right to stay and to work together with other races in the development of each country. They can remain but not as masters. The United States itself has only recently accepted racial equality (and in the case of the Indians still has steps to take), but it can now show it works and can persuade, through its recognized private and public good offices, that a pluralistic society can live harmoniously and prosperously together.

South Africa is a highly civilized and enormously rich land. It has much to offer the world at large and the United States in particular and there exists a natural affinity to America on the part of both blacks and whites. Option II of the famous NSCM-39, despite the frankness of its wording, remains the best policy for the future although it could be beefed up with harder hitting persuasion.

French, British, German and Japanese trade missions are covering South Africa offering credit terms which American salesmen cannot match. In exchange for a relaxation of restrictions on the Export Import Bank credits and guarantees, greater concessions may be forthcoming from Vorster's government than otherwise will be the case. If Vorster's detente with African nations proceeds, should the United States also relax its present restrictions on its Ex-Im Bank?

In considering our policy towards South Africa the United States must realize that this is the main event in the arena. Rhodesia and Namibia being simply preliminary bouts before the heavy-weight match. To some our policy has appeared to be so much empty rhetoric through which we express abhorrence to apartheid but in fact do little about it Any real asssessment of what should be done should include three criteria: what can we do which will be meaningful to the blacks? What can we do that the white South Africans will accent? How can we be helpful to the blacks? One shining example of this has been the "Polaroid Experiment" where this U.S. corporation's enlightened employment practices for blacks has pioneered new labor relations and improved benefits at all levels. If South Africa could be convinced to put more of its national budget into improving living conditions for the blacks, instead of $1.5 billion (this year) into defense preparations, much tension would be relieved and a black middle class could emerge which would be as solidly behind South Africa as any Afrikaner.

South Africa's dependence on black labor gives them a strong handle which to wrench greater employment benefits and civil rights. The time is ripe to be offering embryonic labor unions training courses on labor management practices and union organization. Otherwise disjointed strikes and repressed resentment will open the field to communist agitators or other extremists. Both white and black South Africans would welcome U.S. experts in this field I am told.

The United States has a particularly difficult role to play in the United Nations, but abstaining on crucial votes appeases no one. The hypocrisy of other major nations who vote for sanctions and then allow their violation by their businessmen seems to be more tolerable to many Africans than our own moral posturing. Rather than abstaining we should either vote up and down on southern African issues, explaining clearly why we are doing so, or absent ourselves diplomatically when the issue comes to a vote.

If the Namibian question is not settled by September (and I do not see how it can be), strong pressure will be exerted in the United Nations to expel South Africa from that body and isolate it economically by boycotts and sanctions. The United States has a $1.5 billion investment there in the form of 435 American business firms operating in one form or another, uses many of its rich resources, and may require its strategic geography at some future date. The State Department must prepare itself carefully for this vote and develop contingency plans for future relationships with South Africa if a U.N. boycott is passed by the General Assembly.

The May 31 deadline for the UN Council on Namibia to review South Africa's handling of the territory will be the first of an embarrassing series for the United States. If Sean McBride's Council determines to invoke an export embargo, the United States will probably ignore it (unless, which is highly unlikely, it has a mandate to do so from the Congress). This can only put us in further disgrace with the black African nations. One solution would be to exert enough pressure on South Africa and McBride so that he could visit the territory and see for himself the dilemmas the government faces. More tolerance on McBride's part would not be treason nor betray the black man.

The U.S. abstained on the vote to set up the Council of Namibia on the grounds that it was "unrealistic." Since its establishment the PRC and USSR have joined it. It may be even more "unrealistic" for us to continue to remain outside. We should reexamine the issue so as to protect our main interest—which is to find a *peaceful* solution.

Despite having withdrawn consular and diplomatic representation from Namibia, our Capetown officials have excellent contacts with both the government and liberation movement leaders there. These should be maintained and strengthened so that we can press for a peaceful settlement in that territory as well.

South Africa should be encouraged to concede its Walvis Bay enclave to Namibia at the time it becomes independent. Without it Namibia has no port facilities and the 400 square mile enclave will be a bone of contention for years to come.

One of the most powerful allies of the South West African whites has unwittingly been Sean McBride's backing of SWAPO. SWAPO is not a national party and not only does not represent the other major ethnic African groups but is actually feared by many of them. They see SWAPO's insistence on "one man—one vote rule" as a way to put it into the driver's seat. McBride's idea of setting up a UN training center for SWAPO civil administration is looked at askance by every other black tribal leader in Namibia. As the situation now stands it will be difficult to get the various peoples around the constitutional conference roundtable. To get an agreement will take a miracle.

More U.S. Senators and Congressmen should visit South and South West Africa in order to understand more precisely its problems, to recommend solutions, and to guide State Department's policies. One advantage of meeting with the liberation front leaders is to size up their abilities to take over the reins of office. The rivalry between groups must be taken into consideration as well as their intolerance of one another. A further reason is to estimate the extent of damage which will be done to the balances of power if communist directed power groups take over a land as rich in resources and economic strength as is South Africa or even South West Africa.

Mozambique

Mozambique presents an enigma. It has a caretaker government in Lourenco Marques with real power resting with Machel in Dar es Salaam. Assistant Secretary Easum's visit last November seemed to have brought an easing of anti-Americanism resulting from what the Africans consider to have been a pro-Portuguese attitude on our part during the long struggle for independence. His offer of food for peace and an economic survey team has been held in abeyance, perhaps because of his abrupt replacement by Nathaniel Davis, perhaps because FRELIMO leaders believe they can get more from the USSR or PRC. Still, the FRELIMO got badly stung on a wheat deal with Romania and may be a bit chary about future negotiations with the Conunuist bloc countries. No FRELIMO official made himself available to me which may or may not be an intentional slight to the United States. In either case, my recommendation is to be hospitable to any overtures FRELIMO might make, but not to appear too anxious to ingratiate ourselves at this point.

One aspect of this will be whether the Consulate General should be raised to Embassy status. The Portuguese High Commissioner, who did see me, believed Mozambique after independence would not automatically recognize all consulates which had had relations with the Portuguese, but would probably replace some while establishing diplomatic recognition of Russia and China instead. While it appears inconceivable that Mozambique would not recognize the United States (although perhaps with a dual US-UN mission due to the financial burden of maintaining two embassies here), that might happen if the Byrd Amendment is not repealed.

If the new government invites United States representation to its independence day ceremonies June 25th, it would provide Foreign Relations Committee Members with an excellent opportunity to visit that and other southern African countries.

By the end of 1975 Mozambique will be facing a severe food crisis due to war disruption and the exodus of Portugese farm managers. A request for U.S. P.L. 480 foods will probably not come until the last moment,

Footnotes at end of article.

but the U.S. should anticipate the request and provide contingency plans for it.

The exodus of Portuguese harbor masters, etc., has severely strained port facilities at both Beria and Lourenco Marques. Ships are tied up from 45 days to two months which poses a hardship on U.S. firms dependent on Rhodesian ferrochrome and mineral ores from either Rhodesia or South Africa. In addition to domestic dislocations, harbor delays and stoppages may have repercussions in South Africa with men being laid off until excess stock is disposed of. This could of course acerbate labor conditions in South Africa where everything takes on racial overtones which could lead to violence.

Another contingency to take into consideration is whether Mozambique will allow the U.S. the use of its ports for our naval vessels or even for hauling ores. Like diplomatic recognition denial seems unlikely, but the final decision will depend on Congressional action on the Byrd Amendment repeal and on the influence Vice President Marcelino de Santos will have in foreign policy. A devoted Communist, he abhors the United States and could push for hardline policies towards the entire Western bloc.

Despite this attitude, Mozambique is less likely—now—to take string measures against South Africa. The new Caborra Bassa Dam, which I flew over, is almost full and goes into operation this month. Its energy will be sold to South Africa, who paid for it anyway, and that income is needed to retire that debt and to supply funds in recompensation for decreased agricultural production. Likewise, South Africa will probably be allowed the continued use of Lourenco Marques, at least until September when the Namibian issue will come before the General Assembly.

Another reason for a conciliatory attitude towards South Africa has been that nation's policy of selling its gold to the new Mozambique government at the low official price of $42 an ounce for mine workers' remittances of salary which Mozambique then resells at the free market price of about $165 an ounce. This provides the Government with sufficient funds to offset some of its other losses and cements a relationship with South Africa which Mozambique would find expensive to break.

Mozambique's press outdoes the FRELIMO in invective against the West. USIA is to be complemented on getting an excellent USIS press officer into Lourenco Marques early. He has already made many excellent contacts and although his work has not ameliorated the situation up to now, his presence should be felt—and reflected in press statements—within time.

Rhodesia

Despite the general impression copper is Rhodesia's major product, not chrome which actually is third behind copper and asbestos. All require heavy transport equipment and ports. If Mozambique closes its ports Rhodesia's economy will teeter on the brink of disaster, not just for fault of foreign exchange but also because massive unemployed black labor could lead to internal strikes, resentment and disruption.

The Rhodesian government fully understands the pressures on the United States to repeal the Byrd Amendment. Although it rues the need to do so, its generally favorable attitude towards the United States will not be altered appreciably by our so doing. Besides, its a sellers' market for chrome these days, if they can get it out.

Although officials refused to divulge when Rhodesia was getting its petroleum or where it was sending its exports, it was not hard to see from merchandise in stores that France, Germany, Italy and Japan were major suppliers. Automobiles from all four are assembled in Rhodesia and ply the streets in quantity despite fuel rationing. Many U.S. firms operate in Rhodesia also, but presumably are subsidiaries of U.S.-South African firms. To name just a few, Hertz and Avis, Pepsi and Coca-Cola, F. W. Woolworth, and of course all of Rhodesia's commercial airfleet is Boeing.

It is too easy to blame Ian Smith for blind obstinancy with regards to a settlement with the ANC. Neither side has observed the pre-conference conditions settled on in Lusaka. ZANU elements are still conducting terrorist attacks in the northeast, placing Russian and Chinese land mines along roads and killing people indiscriminately—with many more Africans dying than whites. Five died this way while I was in Rhodesia as well as two freedom fighters. In retaliation Rhodesia stopped releasing political prisoners. Although the explanation given me was that they were being held as ransom for stopping the border incursions. I felt that some were probably captured terrorists whose release would simply amount to additions to the guerrilla forces.

Rev. Sithole, the leader of the ZANU element of ANC arrived in Lusaka from Dar es Salaam while I was in Zambia and surprised me by his generally moderate tone. He tempered his usual declarations of "black majority rule now" with an indication that "now" could mean two years or so if guarantees were forthcoming. The joint attendance of Sithole and Bishop Muzorowa in Jamaica may find these two preeminent black leaders coming closer together on goals and policies for the constitutional roundtable talks. In my opinion, Sithole is by far the stronger politician of the two and will emerge as leader although at present his judicial standing appears to be that of a refugee parole breaker having been released by the government from detention to attend the OAU meeting in Dar es Salaam and then refusing to return. Only when that status is cleared up can the talks possibly begin. Other questions remaining are whether the British will be asked to moderate the conference and where it will be held. Muzorewa and Sithole prefer it to be outside of Rhodesia where they will not be at a disadvantage; the government prefers Salisbury. No agenda has been fixed as yet and this may be another stumbling block. If it looks like the conference will get under way, proper diplomatic statements by the Secretary of State expressing hope of success might be appropriate and helpful.

If the conference is not held or if it breaks down, Rhodesia can expect guerrilla attacks along all its borders except that with South Africa. A long and bloody war will ensue which the whites will eventually lose unless South Africa assists in a massive way; even so, victory cannot be achieved. If the ZANU forces emerge triumphant over the whites and within the ANC, Rhodesia, with all its wealth and resources, will ally with the USSR and PRC in the future. Every effort should be made by the UK and USA to prevent a conflict which can only end disastrously for us and Africa. Taking a neutral stance or telling the British, "It's your problem, you handle it" is not enough. To paraphrase John Dunne, the bell tolls for the free world as much as for Rhodesia.

On the other hand, it is a mistake to confuse black nationalism with international communism. It is important to separate them so as to get black nationalist leaders together to speak constructively to the issue facing the country. This is what Kuanda, Nyerere and Machel have been doing and their efforts should be applauded and encouraged.

Both whites and blacks showed keen interest in patterning a new Rhodesia constitution on lines similar to ours. If the conference gets that far, the United States might offer to send some first rate constitutional lawyers or political scientists to Salisbury to help the conferees draft it and a bill of rights satisfactory to all parties.

Racism is not the same burning issue that it is in South Africa and for the most part appears less evident, but Rhodesians, both white and black, told me that apartheid exists in a subtle way just as much as in South Africa. Its elimination could mean the development of a black middle class, described to me by a white Anglican bishop, as "the most stabilizing force we could have here." So many people there believe that "economics is the key to African politics nowadays" the US should prepare plans to help Rhodesia's economic development for its blacks once this time of trial passes.

Zambia

Zambia, formerly Northern Rhodesia, serves as proof that the "Zebra policy" (meaning blacks and whites living together harmoniously) can work. A white exodus and especially of civil servants occurred in 1964 when it became independent, but many whites have returned to the farms and to commerce so that the white population almost equals what it was then. Government efficiency falls far below South African and Rhodesian standards, but the Africans are proud to run their own country and want no outside interference. U.S. AID assistance in the amount of $5 million has gone unused because of the inability of the government to develop satisfactory project plans, or perhaps because the Zambians have found it easier to deal with the Chinese. While I do not recommend international competition in the granting of development assistance, I feel we should continue to repeat our willingness to be of help if and when called upon, provided that the Zambians plan worthy projects on their own.

Export Import Bank loans have amounted to about $45 million since 1966, mostly for locomotives and heavy equipment for the copper mines such as drag lines and mechanical shovels. Zambia's huge copper reserves require this type of modern equipment and it is hoped Ex-Im Bank loans can continue.

China's technical assistance, especially that involving the new Zam-Tan railroad line to Dar es Salaam, has mortgaged the Zambians' future for years to come. Its markets are flooded with shoddy Chinese products but it cannot consume enough to satisfy the Chinese.

Despite new, large and elaborate embassies neither the Chinese nor Russian personnel are much in evidence. I found it difficult to evaluate their influence, but the government follows the African socialist line and if Kaunda undertakes the training of Rhodesian and Namibian guerrillas he will draw on communist weapons with which to arm them.

Kaunda's attitude towards the United States was plainly announced while he was at the White House, namely that he is disappointed over the lack of support and assistance black Africa has received from the United States in its fight to liberate southern Africa. His deputy foreign minister, however, told me that they have been encouraged by what U.S. corporations and churchmen have been doing in the area and suggested that we use the VOA to promote anti-apartheidism.

Kaunda left the United States for Cuba where he signed a joint communique and technical assistance agreement. The latter calls for Cuban help for improving Zambia's sugar industry, to eradicate illiteracy and to improve technology and health. The former condemned the U.S. for its intervention in Latin America, congratulated the peoples of Indochina for their liberation from imperialism, called on Israel to evacuate occupied lands, and expressed the support for the peoples of Zimbabwe (Rhodesia) and Azania (South Africa). The most curious arrangement agreed upon was for closer relations between the two countries' political parties, including the sending of a Zambian delegation to Havana to study Cuban party organization and mass mobilization. If nothing else, this should keep Kaunda's standing high in African circles, although it would appear that his frank talk at the White House would have sufficed for this purpose.

Kaunda has jeopardized his leadership position in Africa somewhat by his advocacy of moderation towards Ian Smith, especially with his temporizing over how long it might take for "black majority rule" to come into force. Trying to analyze his reasons for this, I conclude that (1) he is unhappy about a large foreign army running around loose in his country, (2) he resented the assassination of ZANU Chitepo and over 100 of his followers and seeks to abolish such lawlessness, (3) he wants the European farmer back in Zambia to resurrect the defunct agricultural sector, and (4) world copper prices have fallen which hurts his economy. A settlement in Rhodesia would save him $25 million in transportation expenses now skyhigh as ore must go much further either to Dar es Salaam Tanzania or Lobito in Angola. Kaunda's moderation parallels the U.S. policies with regard to white southern Africa and should be given our full support.

Zambia's economic prospects for 1975 appear grim with copper exports scarcely sufficient to cover imports already restricted to absolute essentials. A negative impact on the employment situation is expected and this, combined with government inefficiency and corruption could lead to internal dissension. However Zambia appears confident it can weather it out by foreign borrowing. Zambia's credit rating is excellent and U.S. and European banks provided $150 million in credits less than two years ago. Now they are negotiating to loan another $200 million to the mining industry. With this and domestic belt tightening, Zambia can see 1975 through without extreme sacrifice provided that: the world economic picture lightens up and brings with it an increased demand for copper; and that southern Africa remains relatively peaceful. It is even more in Zambia's interest than ours that peaceful change comes to southern Africa and his efforts as a "marriage broker" between the contending factions should be encouraged.

Zambia looks forward to the day when Africa itself will be united by common political goals and economic policies. While realizing this will take decades to accomplish, since rival blocs have already taken shape, regional groups might pave the way. One ideal is to develop a South African Economic Cooperative, another idea deserving American support.

Angola

As previously stated Angola's present is perilous and its future tenuous. With fighting continuously erupting between the leftist MPLA and the Zaire-backed FLNA, it looks as if only the centralist UNITA can emerge as the final survivor. American policy has been to maintain a neutral position towards all three parties, but in a crunch UNITA looks now to be the best bet to back. Elections are slated for Oct. 31; independence for Nov. 11. UNITA's leader, Dr. Jonas Savimbi, has been touring the world (Romania for example in early April) seeking financial support and moral encouragement. I was told he would visit the United States in June and I would hope that he might meet with Congressional leaders and top level State Department officials while in Washington.

Besides asking for support of himself and his party, he may request help for Angola once it has independence. Despite its potential wealth, bloodshed and uncertainty have destroyed its economy. Employment declined 12.5% over the past 12 months but wages soared to over 50%. Production has dropped from 35–50% and sales have fallen as much as 90%. Supplies within the country are critically short as shipping companies refuse to send their vessels to Angola due to the 80-day waiting period to unload in either Luanda or Lobito.

A problem of a somewhat different nature is Cabinda, the oil rich enclave which historically belongs to Angola but which is geographically separated from it by Zaire. A separate political party called FLEC [23] has emerged there which demands Cabinda's independence from Angola, something no Angolan would permit. FLEC's leader has received support over the past decade from President Mobutu of Zaire whose goals are somewhat unclear but which could range from a desire to annex it to simply ensuring Zaire's access to the sea. Mobutu has also been a strong supporter of MPLA. Should MPLA fail to win the election, which appears likely as UNITA and FLNA might unite against their common enemy, Mobutu might then throw more weight behind FLEC.

Cabinda Gulf Oil Company, which could pay Angola $400 million in royalties this year if peace emerges, could be a prime target for either FLEC, which has threatened to blow up its wells if it pays Angola's provisional government any more royalties or for MPLA which would nationalize it if it came to power. Gulf officials, however, remain optimistic over the future believing that the contractual arrangements made with Angola, based on those made with Nigeria, benefit both sides and the enlightened labor policies outlined by the State Department create a favorable climate for the company within the enclave and company. Should either FLEC or MPLA extremists damage Gulf, the consequences for Angola's future economic development could be overwhelming.

The potential for a good life in Angola is tremendous. Natural resources abound; diamonds, copper, coffee, timber, cane, beef and agricultural produce of all kinds as well as oil. To develop the potential first and foremost political stability is needed. Assuming that it can be achieved, the second requirement will be to narrow the gap between the haves and have-nots, particularly by massive slum clearance and wage adjustments programs. Some 400,000 people, mainly Africans, live in *muceques*, cane shanties sprawled out without streets or sanitary arrangements. Although Angola will remain within the escudero market, Portugal is too poor to extend the credits or grants to help in this type of project. A small amount of U.S. assistance could reap untold benefits both for the Angolan slum dwellers as well as for the United States which would be amply repaid as the development of Angola's rich resources takes place.

FOOTNOTES

[1] South Africa, Mozambique, Rhodesia, Zambia, Namibia in that order; a visit to Angola was scratched due to the outbreak of fighting there. A map of the area and a short description of each is attached as an appendix.

[2] So described by Alfred Nzo, Secretary General of ANC-South Africa.

[3] FRELIMO=Mozambique Liberation Front. The Portuguese estimated they numbered 3,000 troops; Rhodesian intelligence sources said half as many.

[4] OAU=Organization of African Unity.

[5] ANC-Rhodesia=African National Council, a coalition of three liberation movements, headed by Bishop Abel Muzorewa; not to be confused with ANC-South Africa=African National Congress, a 30-year-old movement banned by the Republic of South Africa and led by Albert John Mvubi Luthuli in exile.

[6] ZANU=Zimbabwe African Nationalist Union, one of the three freedom fighting groups in the ANC. The other important one is the ANC itself. Less important for now is ZAPU=Zimbabwe African People's Union, led by Joshua Nkomo.

[7] Eight are appointed by tribal headsmen who are under the paternalistic domination of the white District Commissioners, and 8 are elected. None can exercise any real opposition in the National Assembly due to being solidly blocked by the 50 white MPs.

[8] For a list of all persons interviewed see Appendix III.

[9] MPLA=Popular Movement for the Liberation of Angola. Leader Agostinho Neto has the support of 25% of the population, mostly socialist minded intellectuals and young people in Luanda, the capital. Although it has a well defined platform it appears out of touch with the grassroots.

[10] FNLA=National Front for the Liberation of Angola. Leader Holden Roberto is related by marriage to Zaire's President Mobuto who has given him so much support many Angolans fear Angola will become its junior partner. It draws about 20% popular support, mostly from one ethnic tribe.

[11] UNITA=National Union for Angola's Total Independence. Leader Jonas Savimbi is compared to his friend Che Guevara as a dynamic political figure. His party has 45% of the population behind him and owes no foreign allegiance.

[12] Sangumba says there has been a huge increase of USSR technicians, "tourists" and fishing boats, etc. in the vicinity recently.

[13] Approximately one person to square kilometer or 750,000 people for 318,261 sq. miles.

[14] *Apartheid* literally means "separateness" and by extension includes South Africa's program of "separate and equal development," which few believe to be either equal or possible.

[15] SWAPO—South West Africa People's Organization.

[16] About 350,000 out of 650,000 Africans, the remaining 100,000 being either Europeans or "coloureds."

[17] Tsumeb is a subsidiary of American Metal Climax Corp.

[18] Jane Phakati of the Christian Institute. This injunction requires no evidence, no court proceedings and no legal appeals are permitted. Banning might also be described as "censorship" although the government avoids that word. For example, the sale of "Ebony" is banned while the magazine itself is not "censored."

[19] Bantu, African and Black are used indiscriminately to describe 70% of the 24 million South Africans. Ten percent are either "Coloureds" or Asians, meaning Indians primarily, and the remaining 20% are of Afrikaner (Dutch) or British stock.

[20] Bantustan=homeland, the government policy of placing each African tribe in its own territory where it will have self-government within the confines of its fenced-in area.

[21] Influx control keeps blacks in the bantustans unless they are needed for the labor force.

[22] Townships are like the bantustans but are black suburbs fenced off from the city.

[23] FLEC=Cabinda Enclave Liberation Front. Its leader, Ranque Franque, has asked Portugal, not Angola, for its separate independence.

KEVIN WILLIAM CLARK—TRULY A HEAVYWEIGHT AT 9 POUNDS, 1 OUNCE

Mr. McGEE. Mr. President, a couple of months before the 1974 general election in Wyoming, my daughter Mary Gale Clark and her husband Paul began a grassroots campaign for 1975. The campaign was nurtured by consultation with

the family doctor and required only basic monetary contributions because there was no opposition.

The doctor said that everything pointed to the realization of a viable and strong candidate. On May 23, it was time to go to the booth after Mary Gale and Paul put in a few hours of last minute labor with the assistance of several campaign managers. While close friends and family awaited the outcome, the cry of the new candidate for life was heard and the winner was announced: Kevin William Clark. official victor, approximately 6 p.m. MDT, Ivinson Memorial Hospital, Laramie, Wyo.

Supporters were heard saying that Kevin would be a "heavyweight" force to contend with in the coming years.

Mr. President, Loraine and I are proud to announce our second grandson, Kevin William Clark, truly a heavyweight at 9 pounds, 1 ounce.

SOME VIEWS FROM SECRETARY GENERAL WALDHEIM

Mr. McGEE. Mr. President, in 1972, Kurt Waldheim, an Austrian, became Secretary General of the United Nations. Since he assumed this position of immense responsibility, I have been particularly impressed with the intellectual grasp of international problems he has brought to this position and his inherent belief in the United Nations as the appropriate vehicle for addressing these problems.

Shortsighted, nationalistic impulses have always been the bane of mankind. It has detracted from mankind's ability to address itself to global issues which have a direct bearing on the viability of individual nation-states. As an international civil servant, Mr. Waldheim has successfully broken the bonds of narrow nationalism, allowing him to perceive the world as it is.

The perceptions of the Secretary General are no more evident than in the column which he wrote for the Sunday edition of the Washington Star-News.

As the Secretary General pointed out:

> Nations are not simply interdependent. The great problems which they face are also closely interlinked. Issues of population growth, food, housing, education, employment, the law of the sea, and the environment, cannot be resolved separately, even if governments could agree to a concerted assault on one or two particular problems only.

While recognizing that the world has paid a heavy price for past failures and mistakes, the Secretary General notes the key question is whether "we are going to learn from this experience." He continued:

> Are we going to recognize the new global realities, and to recognize the fact that they are beyond control or resolution except on a global basis? Or are we going to return to the kind of "muddling through" on the basis of narrow national interests which has brought so much agony and grief in this century? Personally, I am convinced that to abandon the slow but steady movement towards international solutions of interlinked international problems would almost certainly lead to a tragedy of immeasurable dimensions for all mankind.

The Secretary General concluded his article with this observation:

> It is the experience of history that no society in which the few have wealth, and the majority live in poverty and without hope, can remain stable. This is more than ever true of our world society today. In short, we cannot hope to have the world political stability which is essential for human progress if we do not have a much greater degree of economic equity.

It would be well for all in this body to heed the Secretary General's observations, for he has, quite poignantly laid out the case for not only a more effective U.S. participation in the United Nations, but a greater recognition on our part that in order to maintain our own viability, we have to stop deluding ourselves as to how much we are assisting in resolving the global problems of hunger, poverty, illiteracy, environmental degradation. It is all too apparent the United States, which derives the greatest benefit from the globe's resources, must do more.

I ask unanimous consent that the article, entitled "United States Could Isolate Itself From U.N., But Not From World's Problems," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. COULD ISOLATE ITSELF FROM U.N., BUT NOT FROM WORLD'S PROBLEMS

(By Kurt Waldheim)

Your country, throughout its history, has experienced periods of great optimism and confidence, and also others of misfortune and even despair. It passed through the terrible furnace of civil war. It has been involved in two world wars, and endured the strain of the depressions. In 1945 it found itself a world power of immense wealth and prestige, and possessed of a weapon of mass destruction so awesome that few could calculate its full significance.

After 1945 the United States was immensely generous in its assistance in the reconstruction of shattered countries. Later on you also developed a huge program of foreign aid. In the United Nations it played a leading role in all activities.

Over the last decade, however, as in many other countries, some of the confident assumptions of the past have had to be revised. It has been a dramatic period for the United States. It has been a decade of anguish, of shock, of division and of disillusionment—and particularly disillusionment with established institutions, among them the United Nations.

Periodic reassessments and adjustments are as necessary for institutions and for nations as they are for individuals. But there is all the difference in the world between a thoughtful reassessment and panicky reactions to new developments.

While the alleged American disillusionment with the United Nations has, I believe, been much exaggerated—and it is by no means confined to the United States—it would be naive to pretend that it does not exist. In part, it is based upon excessive expectations; in part, it is the result of lack of understanding of what a political organization consisting of 138 sovereign member-governments can and cannot actually do; and in part, it is based upon a desire to draw away from the harsh realities of our changing world which are dramatically reflected in the United Nations.

An over-emotional response to the present turn of events could represent a very real threat to the development of a more effective world order. The fact is that no nation, however large and powerful, can exist in isolation—economically, politically, or even militarily. Interdependence is not simply a word that politicians like to use, it is a reality. It is a dominant reality now; it is going to be even more dominant in the future. This point was made with considerable force by Secretary of State Kissinger in a recent speech in Kansas City.

He also said that "Obvious crises are the easiest to meet; the deepest challenges to men are those that emerge imperceptibly, that derive from fundamental changes which, if not addressed, portend upheavals in the future." These are the challenges which the United Nations is trying to meet in a series of unprecedented meetings of global scope on a wide range of contemporary problems.

The United Nations obviously cannot provide quick remedies for all the ills of mankind. Governments, collectively, can be as imprudent, or as short-sighted, as governments individually. Any human confederation is subject to human frailties. There have been many failures, many disappointments, and many setbacks over the past 30 years and, no doubt, there will be many more in the future. Let us be realistic about ourselves and about the nature of international politics, and face these facts.

But we should also take some satisfaction in the fact that the United Nations is now making a concerted effort to grapple with problems which face all nations, and which can only be resolved globally. Disease, illiteracy, inflation, poverty and pollution know no national boundaries. Conflict anywhere affects us all to one degree or another, as does in a trade recession or violent changes in the costs of vital raw material or commodities. A start has to be made somewhere if such problems are not to spiral out of control, and that start is being made in the world organization which alone has the breadth and scope eventually to bring all the strands together.

Nations are not simply interdependent. The great problems which they face are also closely interlinked. Issues of population growth, food, housing, education, employment, the law of the sea, and the environment cannot be resolved separately, even if governments could agree to a concerted assault on one or two particular problems only.

As we know from bitter experience, to solve one problem is often to create others which are even worse. In irrigation projects we have spread not only water, but water-borne disease. In the massive use of fertilizers and pesticides we have dangerously polluted rivers and oceans. In pursuing the goal of economic growth at all costs we have paid a heavy price in unplanned, unsanitary, ugly and dispiriting cities. There are, alas, many other examples.

The key question today is whether we are going to learn from this experience. Are we going to recognize the new global realities, and to recognize the fact that they are beyond control or resolution except on a global basis? Or are we going to return to the kind of "muddling through" on the basis of narrow national interests which has brought so much agony and grief in this century? Personally, I am convinced that to abandon the slow but steady movement towards international solutions of interlinked international problems would almost certainly lead to a tragedy of immeasurable dimensions for all mankind.

Today, on this planet, there are more than 4 billion people, of whom more than 3 billion live in developing countries and of whom some 500 million—half of them children—live on the edge of starvation. They are asking for a fair share in the opportunities, resources and the wealth of the world.

The reduction of the gulf between rich and poor represents the greatest challenge to international statesmanship and vision over the next 20 years. By the year 2000 the world population will probably be nearly 7 billion, and the great majority of these new citizens will be born in the developing countries.

It is the experience of history that no society in which the few have wealth, and the majority live in poverty and without hope, can remain stable. This is more than ever true of our world society today. In short, we cannot hope to have the world political stability which is essential for human progress if we do not have a much greater degree of economic equity.

POST CARD REGISTRATION LEGISLATION

Mr. BROCK. Mr. President, the Senate Post Office and Civil Service Committee has recently been considering legislation establishing Federal voter registration by post card. I have always been interested in increasing voter interest and participation in elections, but I am very concerned about the effect that post card registration could have.

The committee indicates that, as presently written, the post card registration legislation could cause several adverse effects. First, there is the likelihood of massive waste in that registration forms would be mailed not only to unregistered voters, but also to those previously registered. Is this really necessary? Also, post card registration would necessitate keeping two sets of books, one for State and local and another for Federal elections. Of course, this method of registration will invite attempts to register fraudulently.

Again, I strongly support attempts to increase voter participation; but I wonder if post card registration is the proper vehicle. I have received several letters from registrars expressing opinions similar to mine. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WHATCOM COUNTY,
Bellingham, Wash., April 4, 1975.

Hon. Senator BILL BROCK,
Russell Senate Office Building,
Washington, D.C.

DEAR SIR: The drive to make voter registration easier and more accessible to the potential voter, is certainly commendable. However, I feel that it has gathered steam far beyond what the issue deserves.

In Washington State the registration process is as easy and simple as it can possibly be, if it is to be done at all. In our County of 85,000 population we have 200 places where people can register with additional ones the month before an election.

I understand in some states the process is quite complicated with any number of stumbling blocks, which is, no doubt, the reason for the rush to do something about it. But, please don't get carried away so far by your zeal to correct one wrong that you go too far in the other direction and open the door to gigantic election frauds.

If the Federal "registration by mail" bill is passed it will work a hardship on those states like ours where registration is simple and easily available. We would be stuck with two files (heaven forbid). One of which would only be good for federal elections.

At least, please see that there is an escape clause so that states wherein registration is not difficult can continue to do our things.

Sincerely yours,

WELLA HANSEN,
Whatcom County Auditor.

Pend Oreille County Auditor.
Newport, Wash., April 4, 1975.

Re: National Registration by Postcard.

Hon. Senator BILL BROCK,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR BROCK: Thank you for your invitation to express opinions regarding National Registration by Postcard.

Earl Miller, Chelan County Auditor, State of Washington, in a letter to you dated April 2, 1975, expresses very well the system used in the State of Washington for the registering of citizens to vote. I urge you to take his letter into consideration to whatever extent you can.

Anyone charged with administrating elections realizes the close relationship with the voter registration and the utmost importance of a citizen to be properly registered. In the cities it is a simple matter to locate the proper precinct according to the address. However, in the rural areas it becomes difficult with the multitude of little taxing districts and only a well trained registrar is able to properly identify where a potential voter is located and which directly affects which issues or candidates the voter is entitled to vote on. Slipshod postcard registration could be a disaster to the validity of an election.

I offer the following suggestion for improvement to many of the present systems:

Mandatory publicity—newspaper, radio TV etc., on a continuing basis throughout the year to inform citizens where to register and all pertinent information.

Education—special classes in high school to be administered by Supervisor of Elections of that particular area. This will automatically stimulate adults to get registered as well as the youth.

It is with deep concern that I speak in opposition to proposed National Postcard Registration and appreciate your efforts in studying all problems relating to this.

Very truly yours,

WINIFRED JOHNSON,
Pend Oreille County Auditor.

APRIL 16, 1975.

Senator HENRY M. JACKSON,
Senate Office Building,
Washington, D.C.

DEAR SCOOP: The grapevine seems to indicate that the Congress is going to go for postcard registration soon. So, I write again to protest!

Please don't give us *TWO* registration systems. I would venture to predict that, once the Federal government starts becoming involved in voter registration, they will end up running the whole thing. Apparently, many states are now rushing into some sort of postcard registration set-up, hoping to beat Congress to it. See enclosed copy of memo received Monday from State of Washington Secretary of State about what's happening in Olympia.

These are futile efforts in view of the obvious Congressional determination to dictate. Let's by-pass all the headaches and intermediate legislation, and have Congress pass legislation now pre-empting voter registration as a Federally administered area. We'll end up in the same place—and just think of all the legislation we'll save in the 50 states, not to mention further Federal legislation gradually leading us in that direction.

Enclosed also is a copy of a letter I sent a couple weeks ago to a Mr. Harrison Fox on Senator Brock's staff, as County News indicated he was interested in ascertaining some views for Senator Brock.

I appreciate all the information your office sent on the Postcard Registration Bills. Too much time, printing, effort has already been spent on the subject. Somehow our priorities are out of line Let's do something about the National Debt!

Sincerely,

CHET HATFIELD.

CHELAN COUNTY,
Wenatchee, Wash., April 16, 1975.

Re: National Registration by Post-Card—S. 1177 and H.R. 1686.

Senator BILL BROCK,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR BROCK: This is a follow up of a letter I mailed you April 2nd.

I now have copies of S. 1177 and H.R. 1686, as introduced into the 94th Congress. I understand that these are the predominate bills at this time, and that S. 1177 will have committee hearings May 7th, 8th, and 9th. Both bills are quite similar except that the Senate Bill has the Voter Registration Administration residing in the Bureau of Census and the House Bill places it within the General Accounting Office, and the Senate Bill provides for an appropriation as necessary and the House Bill, an appropriation not to exceed $50,000,000.00. The bills are also nearly identical with H.R. 8053 in the 93rd Congress.

Since Senate Bill 1177 has 52 co-sponsors and is the next one up for hearing, I am sending you a copy of it, along with my proposal for an amendment that would make the bill somewhat acceptable to this state by precluding its operation in this state.

I am also sending a copy of a letter from Wade Martin and James Kirkpatrick, Chairman and Vice-President of the National Association of Secretaries of State, addressed to Secretary of State, Bruce Chapman. They indicate that there may be some urgency about this matter at this time.

My suggestion would be for you to use whatever influence you might have to get paragraph 410, page 11, "REGULATIONS," amended in the following manner: On line four, strike the word, "may" and insert the word "shall" and on line six, after the word Election, change the period to a comma and add the words, "or such state allows qualified applicants who register on or before the Monday immediately preceding any federal election to vote in said election." I will include several photocopies of this page with the substitute wording.

My hope would be that with this changed wording and the passage of Substitute House Bill 593, by our legislature, that the State of Washington would be excluded from the provisions of the federal bill, because substitute House Bill 593, provided that any otherwise qualified voter who has not yet registered at the time the books close 30 days before election, be authorized to appear in person at the Auditors office in the county of his residence and be duly registered and be duly authorized to vote an absentee ballot for the complete election. If substituting the word "shall" for "may" poses an insurmountable problem, it's probably more important that the additional words be added to Line 6.

I think that passage of the National Registration by Post-card Bill would be a great disservice to the Election Administrators throughout the nation. But if the bill does have to pass for whatever reason, the State of Washington, should be allowed to make itself exempt from the provisions of the bill.

I certainly appreciate your consideration of this matter.

Very truly yours,

EARL MILLER,
Chelan County Auditor.

STATE OF MISSOURI,
OFFICE OF SECRETARY OF STATE,
Jefferson City, Mo., April 3, 1975.

Hon. BRUCE K. CHAPMAN,
Secretary of State,
Legislative Building,
Olympia, Wash.

Good morning Secretary Chapman:

Last year NASS,* county and city clerks, and other election authorities were able to convince Congress the national post card voter registration bill contained serious flaws. Rather than adopt improvements recommended by these organizations, the House of Representatives insead sidetracked the bill.

NASS managed to speak with an almost unanimous voice since virtually all Secretaries agreed this bill would not improve our election process, but would instead create a substantial waste of federal tax dollars and mass confusion with duplicate registration systems.

While we were able to convince Congress the bill was not a wise piece of legislation, our margin of success was very slim.

The post card bill has again been re-introduced in the current session of the Congress, and the hearings are scheduled in the House of Representatives next week and in the Senate next month.

The bill has been introduced in the House of Representatives by Rep. Wayne Hays of Ohio (H.R. 1686). In the Senate, its principal sponsor is Senator Dale McGee of Wyoming (S. 1177). The Senate bill has 52 co-*sponsors*.

It is imperative that Secretaries of State make their feelings known about the post card bill. We suggest you immediately contact your congressional delegation and alert them of your personal feelings on this bill. We also suggest you alert your city and county registrars about the impact on their offices should the bill become law. For virtually all the states of the union, the passage of the national post card voter registration bill will require a dual system of registration . . . with all the additional cost and confusion that might be expected. Of course, the cost on a federal level will substantially exceed $100 million per year.

Last year NASS was able to take a vocal and aggressive position on this bill. We don't feel it's good to always be in a negative position, to be talking *against* legislation. This particular bill, however, has nothing whatever favorable about it and if you agree we seriously urge you to write or call today!

Cordially,

WADE MARTIN, *Chairman.*
JAMES C. KIRKPATRICK,
Vice President.

BUTLER COUNTY
BOARD OF ELECTIONS,
Hamilton, Ohio, April 14, 1975.

HON. GALE W. MCGEE,
Senate Office Bldg.,
Washington, D.C.

DEAR SIR: I have just read in Election News, April 1975 issue, that you have again proposed registration by post card.

I wish to voice my opinion against this bill.

It is not so much that I fear fraud as that we, as a Board, must order 10% + on ballots. We have been severely criticized by the press for having to waste and discard unused ballots.

I believe now that we have a better registration program, it is not difficult for persons to register after hours and at various locations throughout the county, the emphasis should be placed on getting those registered OUT TO VOTE. This is why our voting pattern is low percentage-wise.

Too, if this applies only to Federal Elections, the office would be compelled to have two sets of books and records. The cost would be astronomical. The county commissioners have a difficult time now in providing for our needs.

May I request that you study this proposal and discuss same with election officials before further action is taken on it.

Sincerely,

MRS. EDNA E. FATH.

NOTE: * National Association of Secretary of States.

BEEF IMPORTANT IN WORLD NUTRITION

Mr. McGEE. Mr. President, I have received a letter from Leslie Anne Walker of the Laramie River Ranch, near Fort Laramie, Wyo.

This letter contained a letter she sent to the Headquarters of UNICEF, relating to recent material from that office that called for a drop in the consumption of beef in hopes of freeing up grains to feed humans.

Mr. President, this is a complex situation and I believe that the cattle industry has been misrepresented in the discussion of it.

The letter to UNICEF contains valuable information relating to the use of grains as animal feed and the efficiency with which these grains are converted to protein. The letter makes the important point that animal and vegetable protein are necessary to health and that a diet of grain alone would lead to malnutrition and probably death, because of a breakdown in the nutrition level of the body.

Mr. President, I believe this information should be spread on the record and I ask unanimous consent that this correspondence be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

LARAMIE RIVER RANCH,
Fort Laramie, Wyo., June 4, 1975.

Senator GALE MCGEE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCGEE: Enclosed is a copy of a letter sent to UNICEF regarding adverse statements about beef made by a Harvard nutritionist, Dr. Jean Mayer in the U.S. News & World Report, June 2, 1975, page 42.

As a rancher's daughter this was the straw that broke the camel's back. I feel that we of the beef industry must refute this insidious form of advertising. The Beef Business Bulletin was the basis of my statements.

I hope that the beef industry has an ally in you. Wyoming is definite cattle country and increasing the limitation of imported beef will only hurt the ranchers. Labeling imported beef as such will help the consumers make a comparison. Any help that you can give us will certainly be appreciated.

Sincerely,

LESLIE ANNE WALKER.

LARAMIE RIVER RANCH,
May 30, 1975.

UNICEF, World Child Emergency,
New York, N.Y.

UNICEF: I strongly resent your advertisement in U.S. News & World Report, June 2, 1975, page 42, stating that we should reduce consumption of animal products to free enormous amounts of grain for famine relief elsewhere. The implication that cattle waste grain which humans could consume ignores some important facts as to the value of meats as a food source. Please let me try to enlighten you on the importance of beef.

First, the U.S. already exports most of its food grains, like wheat. Reducing meat consumption would not make more food grain available. Even if people would eat coarse grains like grain sorghum and field corn, someone (the importing nation, U.S. taxpayers, or charitable organizations) still would have to buy it and ship it. Without a demand for this type of grain it would not be produced.

Second, the beef industry makes such efficient use of a combination of grain and grass that the U.S. should consider producing more beef for use in food aid programs. Feed for beef cattle consists almost entirely of: 1) rough, fibrous materials, like forage and grass which man *can't* eat; and coarse feed grains which most people *won't* eat. The U.S. has more than 900 million acres of grazing land—not suitable for crop production—that ruminant animals use as a renewable resource. Most land used to grow feed crops is not suitable for food crops due to economic and climatic reasons.

Third, foods of ruminant animal origin—including beef and milk—provide more than half of our total protein, and this balanced protein is of much greater biological value than that from plants. These products also supply ¼ of our energy, ½ of our calcium, ⅔ of our phosphorus and significant amounts of other essential minerals and vitamins. Vitamin B-12, found in animal products does not occur at all in foods from plants.

Why not use canned beef to feed the needy instead of crying for "beefless days" to save grain? Economics of canned beef as part of food relief are much better than it appears on the surface. Combination of 2 oz. of canned beef and 1.2 lb. of corn (costing a total of 16¢ in U.S.) would supply adult with minimum daily available protein and calorie needs. If corn could be used alone, one could meet protein requirement with about 2 lbs. of corn at 10–11¢ cost. But corn alone, in any amount, will not provide balanced amino acid intake. The eight essential amino acids cannot be synthesized in the body—they must be in the diet. Animal products are complete proteins because they contain the eight essential amino acids in sufficient amounts. To take full advantage of what protein there is in grain, one must supplement it with high quality protein.

I fully realize that hunger is not a pleasant situation. We in the United States are indeed fortunate to have the technology, land, and dedication which allows us to produce the amount of food we do. I am grateful that we have an abundance to share, yet why do so many Americans "bite the hand that feeds them"? Farming and ranching are not easy 8 to 5 jobs with fringe benefits, paid holidays, collective bargaining, and unemployment insurance. I understand the necessity to advertise, but why must you downgrade the beef industry with statements that do not tell all the facts? This industry provides jobs for many, many Americans which keep them from going hungry. For more information on this subject contact Gordon Van Vleck, President of the American National Cattlemen's Association, P.O. Box 569, Denver, Colorado 80201.

Yours truly,

LESLIE ANNE WALKER.

THE IMMIGRANT

Mr. McGEE. Mr. President, as Vietnamese refugees begin, with our help, to forge a new life in America, we continue to hear complaints and dissent about this country's decision to bring these war victims to our land. There have been several articles and editorials submitted for the RECORD in support of the refugee program.

While driving home the other day and searching for the right words—the convincing words—for the doubting, a song written and sung by Neil Sedaka for John Lennon came on the radio.

I ask unanimous consent that the lyrics to "The Immigrant" be printed in the RECORD and remembered.

There being no objection, the lyrics were ordered to be printed in the RECORD, as follows:

THE IMMIGRANT

Harbors open their arms to the young searching foreigner:
Come to live in the light of the beacon of liberty.
Plains and open skies, billboards would advertise
Was it anything like that when you arrived?
Dreamboats carry the future to the heart of America
People are waiting in line for a place by the river

It was a time when strangers were welcome here
Music would play, they tell me the days were sweet and clear
It was a sweeter tune
There was so much room that people could come from everywhere

Now he arrives with his hopes and his heart set on miracle
Come to marry his fortune with a handful of promises
To find they closed the door, they don't want him anymore
There isn't anymore to go around.

Dreams the way he remembers he once heard a legend
It spoke of a mystical, musical land called America

It was a time when strangers were welcome here
Music would play, they tell me the days were sweet and clear
It was a sweeter tune
There was so much room that people could come from everywhere

It was a time when strangers were welcome here.

AUTHORITY FOR THE 101ST AIRBORNE DIVISION ASSOCIATION TO ERECT A MEMORIAL IN THE DISTRICT OF COLUMBIA

Mr. BROCK. Mr. President, the Senator from Minnesota (Mr. HUMPHREY) and I have been independently drafting legislation to authorize the 101st Airborne Division Association to erect a memorial in the District of Columbia or its environs. Having found his interest in this matter, I inquired of the Senator and asked that we join in common purpose. He graciously agreed.

Thus, Mr. President, I ask unanimous consent that I be added as a cosponsor with the Senator from Minnesota on S. 1847, a bill to authorize the 101st Airborne Division to erect a memorial in the District of Columbia or its environs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. May I add, Mr. President, that no unit deserves this recognition more than the 101st. Hundreds of thousands of this Nation's best young men have served under its banner with distinction in war and peace. It is traditionally the Army's most progressive division, proud, able, and always combat ready.

This bill requires no money from the Treasury, it will be funded by the friends, parents, relatives, and members of this outstanding division. It does require special recognition of the unique contribution these men have made to our peace and freedom. We can do no less.

THE OCCUPATIONAL HEALTH AND SAFETY CRISIS

Mr. WILLIAMS. Mr. President, last month Arnold Miller, president of the United Mineworkers of America, presented a cogent and well illustrated statement on occupational health during the Walter Reuther Memorial lecture, 102d Annual Forum of the National Conference on Social Welfare.

Mr. Miller's statement gets to the heart of the occupational health and safety crisis that affects American workers. If more people were aware of the existence of the inequities which Mr. Miller describes, I cannot believe that the American people would tolerate the situation.

I ask unanimous consent that Arnold Miller's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE WAGES OF NEGLECT: DEATH AND DISEASE IN THE AMERICAN WORKPLACE

(By Arnold Miller, President, United Mineworkers of America)

I want to thank you for this honor of addressing the 102nd forum of the National Conference on Social Welfare. And I would particularly like to express my appreciation to the United Auto Workers of America for inviting me to deliver the Walter Reuther Memorial Lecture. The opportunity to speak in memory of a labor giant like Walter Reuther is a rare privilege, indeed. I am especially plessed that this conference has chosen such a timely and important theme as "Health As A Right—The Political and Human Dimensions."

I'm not a health professional. I'm president of a union of coal miners. And for most of my working life I was a coal miner, too. So I'd like to talk with you a little today about health problems from a miner's point of view because I think they're similar to the problems millions of other American workers face every day in factories, farms, mills, and foundaries across the nation.

I worked for a total of 24 years in the coal mines of my native state of West Virginia until 1970 when I was forced to quit because of my health. I was just 47 years old at the time, and I couldn't qualify for a pension for another 8 years. But I had no choice. My lungs were filled with coal dust. And my bones were stiff and numb from arthritis brought on by years of work in knee deep water and the cool, damp mine air.

My experience was not unique. If a roof fall or an explosion didn't get them first, coal miners in my day could count on having their health destroyed as a price for working in the mines. It was the miners' lot, and nobody really thought that anything could be done about it.

It wasn't that miners lacked the will or the courage to try to change their condition. Hundreds of miners had endured long and bitter strikes and many had died organizing our union. What we lacked was an understanding of what was destroying our health.

During my years in the mines, the bosses always told me that coal dust wasn't harmful. Company doctors said the same thing. In fact, several claimed that coal dust was good for us. And they always threw in some four-syllable scientific mumbo-jumbo to support their claims.

Silicosis was the only lung disease miners suffered, we were instructed, and it was mainly found among hard coal miners in the anthracite region of eastern Pennsylvania and a few hard rock drillers. All we soft coal miners needed was a good chew of tobacco, the doctors said, and we didn't have a thing in the world to fear from coal dust.

Miners who complained of shortness of breath were regularly diagnosed as having "anxiety" problems or psychological disorders. Or they were accused of trying to get out of working by winning a disability award. The companies mockingly called it "compensationitis."

We didn't know at the time we were being fed this medical snake oil that 3,000 miles away in Britain the National Coal Board had identified black lung as a major occupational disease. We didn't know that in the early forties the British had set up a program of compensation awards for black lung victims and rigid dust standards in the mines.

But we did know that something was badly wrong in the coalfields.

Silently, without warning, miners would begin to feel the first faint signs of shortness of breath. A lifelong hunter could no longer carry his rifle. A walk up a hill became an ordeal. Young men with only 10 or 15 years in the mines would awake from their sleep to spit up clumps of black material. In every coal camp and hollow in Appalachia one could find coal miners hacking and coughing, unable to catch their breath, unable to work and unable to quit working lest they descend into poverty.

Coal dust was good for you, they told us, and everywhere you looked in the coalfields you saw dying men.

In late 1968, three West Virginia doctors became alarmed at the staggering number of coal miners who were disabled by breathing difficulties. Coal miners were dying from respiratory disorders at five times the rate of the general population. And autopsies of miners revealed their lungs to be little more than masses of dead, coal-encrusted tissue.

Coal dust was the killer, the doctors concluded, and they set out to let the miners know.

With the help of some interested miners, Vista Volunteers, and poverty agency lawyers, the three doctors toured the coalfields meeting in schools and local union halls with groups of working and disabled miners, their wives and widows.

The county medical associations passed resolutions condemning the doctors and threatened them with disciplinary action. But the doctors were unmoved and the crowds grew. Black lung is killing you, the doctors preached, and the message spread throughout the coalfields like lightning.

In early 1969, a number of miners organized the West Virginia Black Lung Organization and asked a sympathetic legislator to introduce a bill which would recognize black lung as a compensable, occupational disease under state workmen's compensation. As the bill ran into opposition from the coal-dominated legislature, miners spontaneously walked off their jobs throughout the state until every mine was shut down. In all, forty thousand miners joined the strike, and a good number of them marched on the state capitol in Charleston demanding passage of the black lung bill. In the end, with miners packing the galleries of the legislature and refusing to work, the legislature relented. The miners then made sure the Governor signed the black lung bill into law. Only then, did they go back to work.

The three-week black lung strike in West Virginia was probably the largest strike over occupational health issues by American

workers, and its effects were far-reaching. Congress passed a federal black lung benefits program covering disabled miners and their widows as part of the 1969 Coal Mine Health and Safety Act. And it established maximum permissable dust levels for the first time in American coal mines.

Since then, there has been a good deal of study and research on black lung and we know much more about it. What we have learned is truly frightening.

Black lung is one of the most widespread and deadly occupational diseases in the country. It kills more than 5,000 miners each year. Thousands more die when their hearts collapse from the strain of pumping blood through coal-ravaged lungs. At least 200,000 former coal miners are totally disabled by black lung disease today. And it is estimated that as many as one out of every five working miners is also a victim.

Black lung cripples and kills coal miners in this nation in epidemic proportions. But what is more frightening is that black lung represents only the tip of the iceberg of occupational diseases that are crippling and killing American workers throughout the nation.

No accurate statistics exist that truly portray the dimensions of the problem because we have never thought enough about workers' health problems to require national record keeping. But the studies which have been done show the American workplace to be a chamber of horrors and the eight hours a worker spends on the job to be the most dangerous eight hours of his life.

He may be exposed to cancer-causing radiation or breathe air polluted with deadly carbon monoxide. Toxic chemicals like mercury or lead seep into his bloodstream. His lung tissues are gradually eaten away by exposure to cotton dust or asbestos dust or dust from rock or glass or stone. He works surrounded by deadly machinery which can tear off an arm or leg in an instant. The crash and roar deadens his hearing. The heat of a coke oven or a blast furnace blisters and peels his skin.

Lest you think I am exaggerating listen to these findings:

A survey of one million workers in Chicago found that nearly half of them are exposed to "urgent and serious health hazards" on the job.

Another study revealed that half of the 1,115 asbestos workers tested suffered from asbestiosis, a killer-lung disease for which there is no cure.

100 out of 143 workers in a lead plant were found to have lead contamination in their bloodstreams.

Steelworkers who work around coke ovens contract cancer at three times the rate of other steelworkers. Workers employed in refining nickel die from cancer at fives times the rate of the general population. Workers in the chromate-producing industry die from cancer at 25 times the rate of the general population.

The average sample of air from 691 workplaces was found to contain four times the level of sulphur dioxide as the highest level recorded in the Killer Smog in London which claimed 4,000 lives the 1952.

20 million workers are exposed to noise levels higher than 80 decibels, the level at which hearing loss occurs.

Just the other day, a study of 908 farm and factory workers in Oregon and Washington state found that at least 31 per cent of the medical disorders which they suffered—from cancer and lung disorders to skin disease and high blood pressure—were job-related.

More disturbing was the finding that 90 per cent of the job-related health disorders had never been recorded by the government. Up to now, the best federal estimate has been that 400,000 workers contract occupational diseases every year. This study suggests that the number is at least four million. Over 25,000 workers are killed on the job every year. Another two and a half million are disabled.

One would think that the slaughter and slow poisoning of millions of American workers every year would be considered a major social crisis and the government would long ago have mobilized to fight it. But is has not happened.

The average state budget allocates 40 cents per worker per year for occupational health. That's less than a penny a week. A survey of 25 states showed that they employed one and one-half times as many fish and game wardens as health and safety inspectors. And what few inspectors there were were mostly assigned to elevators and boilers. Of the 8,000 chemicals commonly used in the industrial workplace, so-called safety levels for workers exposure have been set for only 450 of them. Less then one-third of the fines levied against coal companies for violations of the Federal Coal Mine Health and Safety Act have been collected. And up until last month the Internal Revenue Service routinely allowed the companies to write off as tax deductions what few fines they paid.

The system of workmen's compensation as administered by the states is a miserable failure. The average payment for full disability is less than federal poverty standards. And many occupational diseases are not even recognized by the states and, therefore, aren't compensable.

What's worse is that a worker covered by workmen's compensation loses his legal right to sue his employer for negligence. So the system, in effect, protects the employer more than the worker. Clearly, we need a federal system of workmen's compensation with uniform payments that adequately compensate a victim. And if that system is to act as a deterrent, a worker must be given the right to sue his employer for additional damages in cases of negligence or outright violations of the law.

Our Constitution says there is equal justice under the law. But in the area of job health and safety, one has to wonder if it's so. If a factory worker drives his car recklessly and cripples a factory owner, the worker loses his license to drive, receives a heavy fine, and could spend some time in jail. But if a factory owner runs his business recklessly and cripples 500 workers with mercury poisoning, he rarely loses his license to do business and he never goes to jail. He may not even have to pay a fine.

Frankly, I don't understand why. If a few factory owners or coal mine operators received stiff jail sentences when their workers are killed and maimed because of unsafe conditions, one would be amazed at how fast working conditions at other mines and factories would be improved.

We are faced with a paradox. Occupational diseases infect this nation like a plague. Yet there is no sense of public urgency about the problem.

There are a number of reasons for this. First, I think the dimensions of the problem are hard to grasp.

If an asbestos plant explodes and 500 workers are killed, it is instant news. But when 500 former asbestos workers die a cruel and hopeless death in 500 separate hospital rooms and nursing homes, the grief is private. It is rarely the stuff of headlines. No tv cameras record the scene.

I think that the organized medical profession also bears some responsibility for this lack of urgency. Company doctors all too often act as apologists for industry rather than physicians concerned about the health of their patients. The AMA helped lead the fight against the 1970 Occupational Health and Safety Act. And only 12 medical schools in the country teach occupational health and safety.

The so-called industrial hygienists, who should be leading the fight, are usually too busy denying that any problem exists. One industrial hygienist was quoted in Business Week a few years ago as saying that "occupational diseases don't produce a wiggle in the general death rate any more." The same year he made that statement 1,700 coal miners died from black lung in the state of Pennsylvania, alone.

If we ever hope to eliminate the terrible health hazards workers face on the job, there has to be a fundamental change in public attitudes about the problem of occupational health. Changing public attitudes is never easy. But I think we can take heart from the success of the environmental movement.

Only a few years ago, the only people talking about saving the environment were a handful of conservationists. Then more citizens became involved, students took up the cause, and the media began to document the pollution of our lakes and streams, our air, and water. Today, as every politician knows, the environmental movement represents an idea whose time has come.

Surely, if the nation can become aroused at the pollution of our natural environment, we can become equally aroused at the pollution of our work environment. For they are really one and the same issue. There is no more precious natural resource than people. And if there was ever an endangered species, it is the American worker today.

You, as workers in the social welfare field—particularly those of you who work in health-related areas—can play a crucial role in this effort. Extensive health studies and medical research need to be performed on workers and on the work environment and their findings brought to wide public attention. Those of you who work in public health can insist that job health become a major ingredient of every public health program, and that workers and their unions be involved to the maximum.

As citizens and members of organizations in the social welfare field, you can join forces with those who are fighting for enactment and strict enforcement of health and safety legislation. And you can demand that every candidate for public office who asks for your support take a stand on the issue of job safety.

You can call the Governor and write your congressman. You can picket an unsafe factory alongside workers or you can protest company practices at a shareholders meeting. You can make speeches and write letters to the editor. But don't expect miracles.

I think all of us know that the goal of a safe and healthy work place will not be won overnight. We're talking about a long and difficult fight. But what is essential is that we begin now—because time is not on our side.

There is a common misconception that the more we modernize and automate the workplace, the healthier it becomes. But the opposite is often the case. The high-speed labor saving machinery now used in coal mining, for example, produces much greater quantities of coal dust in the air than when mining was done by manual labor alone. The same is true in textile factories, glass manufacturing, stone cutting, and many other industries.

Every 20 minutes, we introduce a new chemical substance into the workplace. We have little idea of its effects as it seeps into the bloodstreams of thousands of workers and fouls their lungs. We cannot even guess what its genetic effects might be on future generations. We dare not wait to find out.

The job of cleaning up the work environment will be costly and difficult. But what it comes down to in the end is not a question of cost, but a question of priorities. If this society can devote millions of dollars and thousands of trained workers to the goal of landing a man on the moon, surely we can devote equal resources to making it safe for a man or woman to earn a living here on earth. What we need is the will to make it happen.

The task we face is great, but I am not discouraged. For when I look out on this great body of dedicated workers in the social welfare field, I am confident that the will we need is there.

Thank you.

KENNETH B. KEATING

Mr. CASE. Mr. President, white hair and years notwithstanding, Kenneth Keating had a youthful spirit that never flagged. A skillful politician, he was very intelligent and he worked hard at whatever post he held. More than that, he enjoyed his work and because he did, he brought enjoyment to others.

It was my privilege to serve with him first in the House and later in the Senate. He was an esteemed colleague and dear friend who was always ready to be helpful in any way he could. His career was many faceted: Lawyer, legislator, judge, and ambassador—serving in each post with distinction—and usually with a quip at the ready.

Those of us who knew him over the years have lost a fine friend and the nation has lost a devoted public servant.

COMMODITY FUTURES TRADING COMMISSION

Mr. CLARK. Mr. President, Congress established a new Commodity Futures Trading Commission last year with high hopes and high expectations. The legislation was enacted to provide strong, independent, effective regulation of the Nation's commodity trade—a $500 billion a year business that has a direct and substantial impact on this Nation's farmers and consumers.

The CFTC did not open for business until April 21 because of the administration's delay in submitting its nominees for Commissioner to the Senate for confirmation. As a result, it is still too early to tell whether or not the Commission will meet the hopes and expectations of the Congress. The fifth and final Commissioner has just been nominated by the President and still must be confirmed.

Even though the Commission is just getting started, there obviously is a great deal of interest in its work, especially by the commodity industry. It is an interest that should be shared by the Congress, and so I ask unanimous consent that two recent articles in the Des Moines Register and the Wall Street Journal on the first weeks of the CFTC be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, June 8, 1975]

CHICAGO BOARD OF TRADE EYES NEW COMMODITY UNIT WARILY

(By Clark Mollenhoff)

CHICAGO, ILL.—Officials of the Chicago Board of Trade—accustomed to loose federal regulation—were restless and apprehensive last week as they tried to soften the impact of the new, tougher commodity market laws.

Warren W. Lebeck, president of the Chicago board, lobbied during the week to influence officials of the new Commodity Futures Trading Commission (CFTC) against what he called "over regulating."

With him as he wined, dined and wooed Chairman William T. Bagley and two other members of the five-man commission, were former Senator George Smathers and Washington lawyer Thomas A. Davis, who have been lobbyists for the Chicago Board for the last two years.

GUESTS OF BOARD

Bagley and two of the commissioners—John Rainbolt and Gary L. Seevers—were guests of the Chicago Board of Trade at a dinner Thursday night in the huge trading hall which is the most important agricultural commodity exchange in the world.

The effort to soften up the new board was apparent in the half serious quips, and even in Lebeck's introduction of Bagley as the speaker at the dinner.

Lebeck noted that Bagley had been a lawyer for Pacific Gas and Electric Company at a point early in his legal career, and he quipped "I hope he has a long memory."

In another pointed remark, Lebeck held up a magazine cover and read the title of an article: "Where Overregulation Can Lead."

And with regard to the Chicago Board's stated interest in getting "representation" on the CFTC, Lebeck commented that those in the room from the Chicago Board as well as representatives of the Chicago Mercantile Exchange, Midamerica Commodity Exchange and the International Monetary Market, were awaiting President Ford's announcement that Robert Martin, a former president of the Chicago Board, would become the fifth member.

(Friday White House spokesmen announced Mr. Ford's nomination of Martin.)

Bagley, a former California legislator with a reputation as an open government advocate, met Lebeck's broad hints with a good-natured but firm assertion that the CFTC members were responsible to Congress for taking into account other than the commodity industries' views.

Bagley declared that Congress had believed that there were manipulations, hanky-panky and ineffective policing, and that Congress had passed new legislation that placed the responsibility on the CFTC to look out for the interests of the farmer-producers and the consumers as well as the commodity traders and speculators and that he intended to fulfill that responsibility.

Bagley declared that the CFTC must establish its credibility as an effective regulatory agency, and that he intended to establish the credibility in the face of the ineffectiveness of the farmer Commodity Exchange Authority (CEA).

CREDIBILITY CYCLE

He said that it follows that if the CFTC has credibility with the public then the commodity exchanges will have more credibility with the public and that there will be more and more trading.

"I want the commodity futures trading commission to become a positive force for innovation and excellence in the futures trading field," Bagley said.

"We have new power actually to change contract terms and conditions, such as adequacy and appropriateness of delivery points," Bagley said, hitting a sore point with the Chicago Board which in the past has been deaf to congressional suggestions that multiple delivery points be established for corn.

"We have the authority to review and to change exchange rules and their enforcement such as requiring a beefed up arbitration procedure—so that we can play a positive role in the industry's self regulation." Bagley declared in an obvious reference to the questionable procedures in the Bernard Resee case that had been one of the causes for the initial congressional investigation of the CEA and the Chicago Board's operations.

Rosee, a veteran commodity trader was ousted from his seat to the Chicago Board in a closed bearing in which he was not permitted to have a lawyer, was not permitted to subpoena witnesses or even the documents on his trading required to be kept by law, and was not permitted to cross-examine the witnesses against him and was expelled on what has since been established as a faulty charge that he was $50,000 short in an account with the Baggol and Morrison commission house.

Since the board of trade bearing. Rosee has been granted a $706,000 judgment against the Baggot and Morrison firm and partners in a state court suit, but Lebeck said he does not contemplate a restoration of Rosee to the board of trade seat.

Nor does Lebeck contemplate any action to oust James E. Baggot, jr., and Donald W. Morrison, who are still members in good standing.

G. Edward Piala, a CEA employe who is now acting administrator for the CFTC, was in charge of the investigators in the Rosee case, according to charges Rosee has made in connection with his litigation.

Piala declined to answer reporters' questions about his own personal background, or his record with the government, on grounds that "It is nobody's business where I was born, where I went to school, or where I have worked."

Later, on direct personal instruction from Bagley, Piala gave answers to those questions.

Piala said that the Chicago Board of Trade application to do business under the CFTC has not been fully submitted, and that the Chicago Board has until June 16 to submit its formal application with its proposed procedures which he will review and then forward to Washington with recommendations.

In his speech, Bagley told the commodity exchange officials that approval of the various markets received in the first few months does not preclude later review or revocation.

The number of employes in the Chicago regional CFTC office at the present time is only about 169, but it is anticipated that this number will be doubled in the next year as the surveillance and investigations are increased Bagley said.

He explained that the CFTC has only been in business for seven weeks, and that the present personnel is almost all from the old CEA. Present assignments are only temporary until the CFTC can get on top of a backlog of work occasioned by a delay of nearly four months in President Ford's appointment of the CFTC members.

[From the Wall St. Journal, June 9, 1975]

FUTURES TRADERS, ONCE GOVERNED LIGHTLY IF AT ALL, TRY TO EVALUATE NEW AGENCY

(By Shirley A. Jackewicz)

CHICAGO.—It seems to be business as usual for the nation's commodity futures traders. Their voices still are shouting, arms are waving, figures are signaling buy or sell.

But now they are operating under the watchful eye of the Commodity Futures Trading Commission, the new and potentially powerful government agency created to regulate all U.S. futures trading. As the commission advances into full operation, from the stage of setting up house-keeping, uncertainty seems to be growing about its impact.

That is particularly so for those exchanges that trade commodities previously unregulated by any government body. Included are commodities with significant foreign production, such as sugar, coffee, cocoa and rubber; metals such as gold, silver, copper and platinum; silver coins and foreign currencies.

Domestic agricultural commodities such as

grains, cotton, orange juice and potatoes previously were regulated by the Commodity Exchange Authority, the rather weak agency supplanted by the new commission.

Exchanges handling other than U.S. farm commodities have been running their own affairs ever since trading in their commodities began—in some cases about 50 years ago. Officials and traders of these exchanges weren't receptive to the idea of change, nor were they quick to agree with commission Chairman William Bagley's criticism of them. "The public has lost confidence in many of these markets because they have been unregulated," the former California state legislator says.

Mr. Bagley emerged from his first public address to exchange officials, traders and the media at the Chicago Board of Trade last Thursday as pretty much an unknown quantity himself.

"He's going to be tough," one veteran trader said after the speech. Another, citing Mr. Bagley's "flamboyancy," said he believed the commissioner "would tend to act impulsively." Others said that Mr. Bagley wouldn't make any difference and that the new commission soon would prove to be as ineffective as its predecessor.

Nevertheless, all exchange officials say they are complying with the commission's wishes to alter some of their practices. Many already have made extensive changes in their by-laws and rules. Certain exchanges are making arrangements to expand their reporting operations in compliance with commission guidelines.

The commission requires, for example, reports on all large trading positions in all commodities.

To receive the commission's official recognition as a board of trade, exchanges also are filing massive quantities of information to show that their trading meets the test of "economic purpose." These materials are due by June 16.

In broadest terms, the exchanges must demonstrate that they are working in the public interest. Among other things, they must establish commercial viability of the contract's terms and conditions, show that there is more than "occasional" use of the contract for hedging and show that the futures trading in the contract conforms with the economics of the spot market.

The paper work itself has cost some exchanges "a great deal of time and money," says Richard Levine, president of the New York Mercantile Exchange. "Preparing contract applications for the commission's economic-purpose test alone has cost us close to $50,000," explained Mr. Levine. None is willing to divulge what they filed with the commission, but they do question some of the guidelines.

Some aren't sure, for example, what the commission means by "occasional" use of a market. A few contracts, such as rubber, attract only a small amount of trade and speculator participation. "But markets take time to develop," says Lee Berendt, president of the Commodity Exchange Inc. in New York. The commission must recognize, Mr. Berendt says, "that if a contract 'could' be used by the trade, it could in time generate (the required) trade interest."

There is concern also over the commission's mandate for conformity to spot markets. "Markets can react to a lot of indicators in addition to the traditional ones," Mr. Berendt says. In some metal markets, for instance, supply and demand factors may be offset by speculators' hedging against inflation, the official says.

While the exchange officials and staffs have been working to get their houses in order, most traders say the commission's rules so far haven't changed very much the way they do things. "The general feeling is that the commission is just enforcing rules that were on the books to begin with," one silver trader says. "Although we were on pins and needles initially, it's no problem now."

Other traders don't agree and say that some of the new rules are proving cumbersome, especially in terms of the additional paper work. "They're being a little sticky," says one cocoa trader. "But very few areas weren't in compliance (with commission rules) to begin with," he adds.

Traders remain uncertain whether they'll have to change some practices. They still don't know, for instance, whether they can correct a legitimate error without waiting for the next day's trading. And above all, they don't know whether they will be able to continue to trade for their customers as well as themselves. The commission is to decide the dual-trading issue early next year, but some traders think the question ultimately will wind up in the courts and won't be settled for years.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, some of those who argue against the ratification of the Genocide Convention do so because they fear that such a treaty will alter the balance of power between the National Government and the State governments, a balance essential to the Federal Republic. They assert that because genocide will not have to be defined as a crime by the United States, such crimes as assault, murder, and kidnaping will be subsumed under the new crime of genocide, and will destroy the State's power to deal with felonies, or subject a defendant to double jeopardy. This argument is wrong. And deserves to be rejected by this body.

Today, there are many acts which are crimes under both State and Federal laws. The vast number of drug laws are an example. Do the opponents of ratification argue that because the possession of heroin is a crime in every state, therefore the Federal laws concerning heroin usurp the powers of the States? Of course not. Do these opponents say that the Lindberg Kidnaping Law threaten the balance of power in our Federal system, because kidnaping is already a crime in every State? They do not. Do these opponents argue that the Mann Act puts people who transport women across State lines for the purpose of prostitution in double jeopardy? I have heard no such charge.

The facts are, Mr. President, that defining the Federal crime of genocide will do no more toward changing the relationship of the States to the Nation than any other piece of Federal criminal or regulatory legislation. To say that this particular action will so change our Nation is wrong. I urge the Senate to reject such an argument by ratifying the Genocide Convention this session.

THE ETHNIC HERITAGE BICENTENNIAL COMMEMORATIVE MEDALS ACT

Mr. WILLIAMS. Mr. President I commend my colleagues on their prompt and favorable action on S. 371, a bill which pays a special tribute to our heritage as a nation of one out of many. The United States has absorbed more immigrants than any other Nation in the world. Yet, from the most diverse customs, races, and cultures has emerged an amazingly united people. As we celebrate our 200th birthday, we must not overlook the vital role of immigrant in shaping our national personality and destiny.

S. 371 is designed to recognize men and women from various ethnic gackgrounds who contributed to the success of our War for Independence. A few of these heroes already stand out in our history books: the Marquis de Lafayette, the young nobleman from France who became a brilliant general, and John Paul Jones, the naval hero born in Scotland. Two Polish heroes of the Revolution—Casimir Pulaski and Thaddeus Kosciuszko—are also often cited for their considerable achievements as daring cavalry officer and military engineer. But how many of us could identify Francis Vigo, Michael Kovats, or Agrippa Hull? Mary Ludwig Hayes, Solomon Bush, or Baron Rosenthal? Each of these individuals had different ethnic origins—Italian, Hungarian, Black, German, Jewish, and Russian. Each made an outstanding contribution to the founding of our Nation. Yet, they remain the unsung heroes of the Revolution. Many of them, inspired by the struggle of the distant American colonies, left comfortable lives and positions in Europe to join the American forces. Others had already settled in the colonies but did not hesitate to take up the cause of freedom and devote all their energies to its success. Many never returned to their native lands: some sacrificed their lives in battle; others chose to make the young United States of America their new home.

The Americans who share the heritage of these brave men and women can rightfully be proud of their accomplishments. S. 371 will authorize Bicentennial medals to commemorate them. The legislation does not specifically name the individuals to be so honored. Rather, it directs the American Revolution Bicentennial Administration to designate as many as 21 ethnic heroes and heroines, each of whom will be commemorated by at least 1,000 medals of the same design. The medals will be struck by the Bureau of the Mint under the direction of the Secretary of the Treasury. The maximum number of medals to be struck is 25,000.

All costs to the Government in producing the medals will be recovered in the sale of the medals to the general public. The Treasury will be fully reimbursed for its production costs, including labor, materials, dies, use of machinery, and overhead expenses. The sales price will also cover any promotional expenses incurred by the administration. Net profits arising from medals sales are used by the administration in furtherance of the Bicentennial program. Since enactment of the original Bicentennial medals legislation in 1972, medals sales have been a major source of revenues for Bicentennial projects across the country.

The bill was reported unanimously by the Senate Committee on Banking, Housing and Urban Affairs, with one technical amendment and passed the full Senate without dissent June 6. I was pleased that Senators MUSKIE and BUCKLEY joined me as cosponsors of the bill. A similar bill has recently been introduced in the House by Congressman MINISH, and has been referred to the House Committee on Banking, Currency and Housing.

S. 371 has the support of the Bicentennial Ethnic Racial Council and of many other ethnic organizations. I am hopeful that our colleagues in the House will act quickly on this bill which can serve to brighten and broaden our Bicentennial celebration.

CORRUPTION IN THE GRAIN TRADE—V

Mr. CLARK. Mr. President, the reports about corruption and mismanagement in America's export grain trade continue.

On June 4, the Des Moines Register told of a 1974 complaint by a Spanish import firm that an American soybean shipment originating in New Orleans was 522 tons short upon arrival in Spain. The Register reported that:

Agriculture Department investigators fear that alleged "short weighing" of the cargoes may be related to the current scandal involving bribery and other corruption in grain inspection.

Further, the Register quoted the Spanish buyers as saying:

. . . the problems have become "habitual" and "appear to have their origin at the point of loading" in the U.S.

Other stories in the New York Times and the Washington Post have pointed to additional complaints by Spanish soybean and Italian wheat importers

In response to this growing scandal, the Subcommittee on Foreign Agricultural Policy of the Senate Agriculture Committee has scheduled hearings for June 19 to examine the corruption in the grain inspection system. Of course, the Subcommittee on Multinational Corporations continues with its full scale investigation of the operations of the multinational grain companies.

Because of the obviously grave threat to the credibility of U.S. agriculture exports, I call the latest series of articles on grain trade corruption to the attention of my colleagues and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, June 4, 1975]

5 CHECKED SOYBEAN CARGO THAT WAS SHORT 522 TONS

(By James Risser)

WASHINGTON, D.C.—A 1974 shipment of American soybeans, which the buyers claim was 522 tons short upon arrival in Spain, had been inspected and graded in New Orleans, have since been suspended for other alleged irregularities.

U.S. Agriculture Department records show that the vessel Pedro Menendez and its cargo were inspected in January, 1974, by David Myers, James Timonet, William E. Fleetwood III, Sidney Braud and Clarence P. Baker, Jr.

Timonet, Fleetwood and Baker all were indicted by a federal grand jury last August on charges of accepting bribes in connection with other shipments.

Myers and Braud have had inspectors' licenses suspended, according to an Agriculture Department official, "pending investigation of grain standards irregularities."

PRIVATE AGENCY

All were employed by the Delta Weighing and Inspection Bureau, Inc., of Belle Chasse, La., one of the private inspection agencies which inspect, grade and weigh grain, and inspect grain-carrying ships.

The existence of the complaints involving the Pedro Menendez and other U.S. soybean shipments to Spain was disclosed last Sunday by The Register. Agriculture Department investigators fear that alleged "short weighing" of the cargoes may be related to the current scandal involving bribery and other corruption to grain inspection.

The Spanish buyers say the problems have become "habitual" and "appear to have their origin at the point of loading" in the U.S.

Agriculture Department Grain Division records show the Pedro Menendez was loaded Jan. 23–26, 1974, at the Mississippi River Grain Co. elevator at Myrtle Grove, La., near New Orleans.

Baker inspected and approved the ship as clean and acceptable for loading with grain, the records show.

Myers, Timonet, Fleetwood and Braud inspected and graded the soybeans.

It is not clear which, or how many, of the five men might have been involved in the weighing of the soybeans. Unlike inspection and grading, which come under Grain Division jurisdiction, weighing activities are supervised by the Agriculture Department's Transportation and Warehouse Division, although the same inspectors commonly perform all the functions.

The Transportation and Warehouse Division has no office in New Orleans, and weighing at the New Orleans ports is under the supervision of a division office in Memphis, Tenn. George Harrison, director of that office, said Tuesday that the division does not require copies of the weighing certificates to be filed with the government and that he has no record of who did the weighing.

The Spanish purchaser of the soybeans, Kelsa Co. of La Coruna, Spain, has told the Agriculture Department that the weight certificate showed 14,130 metric tons aboard the Pedro Menendez, but that it arrived 522 tons short.

The incident, and others involving allegedly misweighed soybean shipments to Spain, are being investigated by the Agriculture Department's Office of Investigation.

The indictment of Fleetwood, Baker and Timonet last August involved the alleged receipt of bribes to approve cleanliness of ships.

Fleetwood has been convicted by a federal court jury on three counts of bribery. Baker pleaded guilty to one count of bribery. Timonet was found guilty of perjury, after pleading "nolo contendere," and the bribery charge against him was dismissed.

Myers, Brand, and another Delta inspector—Albert Viviano—all have had their inspection licenses suspended, in a probe of a corn shipment early this year to Spain aboard the Brazilian ship, Santistia.

The corn, shipped by the Mississippi River Grain Co. elevator, allegedly arrived in Spain with a high percentage of foreign material, primarily broken kernels. Agriculture Department tests reportedly showed that the corn was given too high a grade for the condition it was in.

URGE TIGHTENING OF CONTROLS

Major U.S. farm organizations are calling for tighter controls over grain inspection and grading, with some of the organizations favoring a governmental take over of the privately-run system.

Officials of the farm groups, both liberal and conservative, expressed shock over the recent disclosures of bribery and other corruption in the inspection, weighing and grading of corn, wheat, soybeans and other U.S. export grains.

The American Farm Bureau Federation, the country's largest farmer organization, warned Agriculture Secretary Earl Butz that "properly documented and accurate sampling and grading of grains is vital to American agriculture . . . essential to commerce."

Officials of the National Farmers Organization, the National Corn Growers Association, the National Association of Wheat Growers, the National Farmers Union and the American Soybean Association are expressing similar views.

[From the Washington Post, June 4, 1975]

EXPORT WHEAT QUALITY HIT

(By Dan Morgan)

U.S. grain exporters have shipped "miserable" quality durum wheat to Italian spaghetti and macaroni manufacturers, a North Dakota congressman charged yesterday.

The charges by Republican Mark Andrews, a wheat farmer himself, were the latest sign of concern among farm-belt legislators over the quality of grain exports and its possible impact on the wheat trade thousands of farmers depend on.

Andrews, ranking minority member of the House Appropriations Subcommittee on Agriculture, returned last weekend from a trip that included visits to plants and mills in Rome and Salerno. Yesterday, he exhibited a sample of U.S. durum wheat from an Italian mill. He said it contained greatly excessive amounts of weed seeds, heat-damaged kernels, oats, corn, chaff, straw and other foreign material.

"If anyone in my part of the country brought wheat like that to the grain elevator, they would be a laughing stock," Andrews said. He said he had scooped the samples from bins at a Rome pasta plant. Officials there told him the supplier was the U.S.-based Continental Grain Co., Andrews said.

Andrews did not blame any particular segment of the grain industry for the quality of the durum, but he indicated that grain quality controls should be severely tightened. There now are many points in the pipeline from farm to shipper at which the grain can be degraded with inferior varieties or polluted with dirt or contaminants, he said.

Durum wheat—an expensive, protein-rich variety used in pasta and grown in this country in North Dakota, Minnesota and Montana—was involved in a foreign complaint earlier this year.

On April 8, the U.S. agricultural attache in Rome notified Washington that a 19,000-ton shipment of No. 3 grade durum loaded at Philadelphia was being questioned by Italian importers. A company in Parma alleged that one portion of the shipment actually contained 80 percent non-durum varieties.

Charles W. Pence, international grain marketing director at the Department of Agriculture, said the complaint still was under study. He said samples taken by an inspector at the time the ship was loaded indicated that the grain was graded correctly.

Durum wheat costs at least $1.50 a bushel more than other varieties. The principal world exporters are the United States, Canada and Argentina. North American durum is considered desirable by Italian pasta makers because of its high quality and the rich, yellow color it gives to the finished pasta.

Andrews said yesterday that the durum wheat he saw in Italy was so poor "they couldn't even blend it with other varieties." U.S. durum wheat exports to Italy jumped from 1.2 million bushels of the 1972 crop to 8.4 million bushels of the 1974 crop. But U.S. competitors have increased their exports even faster, some say.

Andrews said one Italian mill executive told him he could not obtain bids from U.S.

suppliers on higher quality durum—grades 1 and 2.

"If they are refusing to offer No. 2, the only reason I can see is that the grain companies are conspiring to drive the price down domestically," said Andrews. He said a major durum supplier in North Dakota complained that stocks of top-grade durum were accumulating because of sluggish buying by grain companies, and 33 carloads went unsold in Minneapolis this week.

Market analysts here say many grain companies made sales of grain in 1974 for delivery this year, at prices considerably higher than they are now. Anlysts said traders obviously would gain if they could cover those old contracts with today's lower-priced wheat.

Michael Hall, of the Great Plains Wheat Market Development Association in Washington, said there was no indication that grain firms were trying to push prices lower or that Italian buyers were being denied top quality durum. He said Italian pasta makers normally prefer No. 3 grade.

An Agriculture Department official claimed yesterday that "three quarters" of foreign complaints about U.S. grain quality related to efforts by importers abroad to reduce the purchase price of grain ordered in 1974.

[From the Des Moines Register, June 5, 1975]

OFFERS BILL TO GIVE BUTZ GRAIN POWER

(By James Risser)

WASHINGTON, D.C.—Legislation giving Agriculture Secretary Earl Butz emergency powers to deal with the grain inspection scandal was introduced in the Senate Wednesday by Senator Hubert H. Humphrey (Dem., Minn.).

The measure could pave the way for the Agriculture Department to revoke the licenses of some private inspection agencies and temporarily take over inspection itself.

The present inspection system, in which privately-employed inspectors examine, grade, and weigh U.S. export grains, has been "discredited and seriously jeopardized" by revelations of bribery and other corruption, said Humphrey.

The foreign agricultural policy subcommittee, which Humphrey chairs, will hold a hearing June 19 on the proposed legislation and to investigate various irregularities in the inspection system, he announced.

WILL CALL BUTZ

Humphrey said he will demand that Butz testify at the hearings because he is "the one man who has both the authority and the responsibility to ensure the quality of U.S. grain exports."

He noted that "while U.S. grain exports have been multiplying, the Department of Agriculture, under Secretary Butz, has been cutting back personnel and de-emphasizing the inspection service."

Humphrey said corruption apparently "has been developing for years," citing a 1946 Agriculture Department memorandum warning that European purchasers of U.S. grains believed American inspectors were taking bribes and issuing fraudulent inspection certificates.

The existence of the memo, written by John A. Browning, chairman of the Grain Division's board of appeals and review, was first disclosed by the Register May 11.

ONE-YEAR BILL

The Minnesota Democrat's one-year bill would empower the secretary of agriculture to revoke the authority of a private inspection agency, where it is involved in a conflict of interest situation such as merchandising grain or owning or operating a grain elevator.

Critics of the present inspection claim that it involves inherent conflicts of interest because *some* inspection agencies—often boards of trade or similar organizations—are involved in export promotion and are controlled by grain, shipping, and other business interests.

However, the U.S. Grain Standards Act now prohibits the Agriculture Department from doing grain inspections, except in the case of appeals from the decision of the private inspector. Humphrey's bill would allow the department to conduct initial inspections on an emergency basis.

MORE PERSONNEL

The measure also would permit Butz to hire more federal inspection personnel, to use Commodity Credit Corp. funds to pay them, to collect fees for initial federal inspections, to station personnel at foreign ports to see that American grain is not tampered with upon arrival there and to adopt new regulations on grain sampling and on export loading procedures.

The bill also would sharply increase the criminal penalties for inspectors accepting bribes and for other violations of the Grain Standards Act.

While the emergency bill is in effect, Congress can consider "a complete revision" of the inspection laws, Humphrey said.

TWO IMPORTERS CITE GRAIN SHORTAGES—SPANISH COMPANIES ASSERT THAT CARGOES OF SOY BEANS ARE USUALLY DEFICIENT

(By William Robbins)

WASHINGTON, June 4.—Spanish importers of United States grain suffer losses from "habitual" short-weighting of ship cargoes, and the shortages "appear to indicate a deficiency in the official weight controls," an importing company has complained.

"These shortages are habitual in all the boats in which we receive [soy] beans, and we hear of the same complaint from our colleagues as well as importers of other grains," the Company, Kelsa, S.A., protested in a letter to the American embassy in Madrid.

Kelsa, which made its complaint last year, and another company that complained of similar problems this year, specifically cited seven ships that they said had arrived with cargo weight shortages.

The complaints about weight are among many protests accumulated in the last three years that are on file at the Department of Agriculture. Except for the Spanish complaints, the protests focus on allegations that grains and soybeans that arrived were lower in quality than official certificates for their cargoes showed.

MEETINGS ARE PLANNED

As such complaints continued to come to light, a delegation of high executives of European grain companies planned to visit Washington to discuss grain quality problems with officials, legislators and their staffs.

Complaints from foreign grain customers began to attract public attention after an investigation of alleged corruption in the handling, inspection, grading and weighing of grain began in New Orleans and spread to Houston and other ports.

A total of 15 indictments in New Orleans and five in Houston have been returned in the continuing investigation, which is being conducted by United States Attorney's offices, the Federal Bureau of Investigation, the Agriculture Department's Office of Investigation and the Internal Revenue Service.

Grain is graded by inspectors who are licensed by the Department of Agriculture but who work for private agencies, with spot-checking by Federal supervisors. Licensed employees of some of the same agencies as well as grain companies weigh the grain but the weighing is rarely supervised or spot-checked.

SHORTAGE CITED

The complaint from Kelsa, one of the Spanish companies, said that one ship, loaded in Philadelphia, had arrived with a shortage of 425 metric tons, representing a loss of 2.79 per cent of the total cargo.

The company said that another ship, loaded at the Mississippi River Grain Elevator in New Orleans, had a shortage of 522 tons, or 3.79 per cent of the cargo.

"We cannot accept these losses as a regular procedure, particularly when they are of this size," the company said. "As the deficiencies are always for short weight you can suppose what is happening."

The other Spanish company, Industria de Produccion y Envasado de Aceites de Sevilla, S. A., claimed losses on five ships, ranging from 0.85 to 2.3 per cent.

The complaints were forwarded in messages from the embassy, one of which said that the Kelsa complaint indicated a situation that "if not adequately explained, could create serious difficulties with important shipments to this market."

"NUMBER ONE COMMODITY"

The embassy noted that soybeans are "the number one commodity in United States trade with Spain."

Farm groups and some legislators here have expressed fears that quality and weight problems could damage the grain export trade, which amounts for about half of the dollar value of agriculture exports, now running at about $22 billion a year.

Complaints are generally regarded with same skepticism by officials who process them here and who tend to think that many of the protests are connected with efforts to gain price concessions or relieve the buyers of contracts made when prices were higher.

In their responses to embassies conveying protests, they give nearly standard guidance. The officials note that, although they can test samples of grain that is shipped, they have no way to judge the validity of sampling procedures abroad.

An addition, they avoid becoming a third party in commercial disputes between sellers here and buyers abroad.

About three dozen complaints have been on file for the last three years. Some observers express surprise that, in light of the current investigation, the number is not greater, but officials say the problems discovered are generally negotiated between buyer and seller.

None of seven complaints of ships with weight shortages, cited by one company in a current civil suit in Houston, are reflected in the complaints on file here.

[From the Des Moines Register, June 6, 1975]

MEZVINSKY: QUICK HEARING NEEDED ON INSPECTION BILL

(By James Jusser)

WASHINGTON, D.C.—Representative Edward Mezvinsky (Dem., Iowa) urged the House Agriculture Committee Thursday to schedule prompt hearings on his bill to turn over the inspection and grading of American export grains to the federal government.

In a letter to committee members, Mezvinsky said the "serious scandal that is surfacing" could result in "serious repercussions for American exports."

He asked the committee to consider his legislation before the month-long congressional recess in August.

The legislation, he said, would correct "the inherent conflict of interest that exists when grain inspectors work too intimately with business and trade associations, many of whose members would benefit financially if an inspector falsely upgraded a shipment of grain or allowed grain to be loaded under unsanitary conditions."

The inspectors are licensed by the federal government, but are employed by the private organizations to sample, inspect, weigh and grade grain destined for shipment overseas. More than a dozen persons have been indicted in New Orleans, La., and Houston, Tex., on charges of bribery and other irregularities in the inspection process.

In addition to federalizing the inspectors, Mezvinsky's bill would provide stiffer penalties for violations, which generally are treated as misdemeanors. The inspection system would be financed by fees paid by the shippers.

He said, in separate letters to Committee Chairman Thomas Foley (Dem., Wash.) and grain subcommittee Chairman W. R. Poage (Dem., Tex.) that "American grain exports are getting a bad name abroad" and federal inspection should be instituted "as soon as possible."

INTERVIEW WITH IAN MacGREGOR OF AMAX, INC.

Mr. FANNIN. Mr. President, the Mutual Broadcasting System on its "Reporters Roundup" program this past weekend carried an extremely enlightening interview with Ian MacGregor, chairman and chief executive officer of AMAX, Inc., and chairman and director of the American Mining Congress.

If Members of Congress would read and heed the comments of Mr. MacGregor in this interview, we could resolve many of the difficult economic problems facing our country today. For example, he points out that it takes a tremendous amount of capital—an estimated $400 billion over a 5-year period—to create new jobs for our expanding work force. Without this capital our economy will falter, unemployment will increase, and our social problems will be overwhelming. Instead of passing laws which inhibit the formation of capital for jobs, as the Congress has been doing, we must begin providing more incentives for capital.

Mr. MacGregor also makes some pertinent observations regarding environmental controls and the growing heavy hand of Government bureaucracy. He foresees the time when our industries will be spending more to supply the Government with information than is spent on producing products for consumers.

The interview points up the fact that the American working man has a tremendous stake in our economic system, and Government actions which weaken this system hurt the average man both as a worker and as a consumer.

Mr. President, the moderator of this program is Robert F. Hurleigh, and the reporters who questioned Mr. MacGregor were Nicholas P. Thimmesch, columnist for the Los Angeles Times Syndicate, and Harry Ellis, Washington correspondent for the Christian Science Monitor. In my opinion, their questions and the response provide a discussion which is valuable in attempting to solve our economic dilemma. I ask unanimous consent to have the transcript of the program printed in the RECORD for the benefit of my colleagues.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

REPORTERS ROUNDUP—SATURDAY, JUNE 7, 1975

Guest: Mr. Ian MacGregor, Chairman and Chief Executive Officer of AMAX, Inc., and Chairman and Director of the American Mining Congress.

Reporters: Mr. Nicholas P. Thimmesch, columnist for the Los Angeles Times Syndicate, and Mr. Harry Ellis, Washington Correspondent for the Christian Science Monitor.

Moderator: Robert F. Hurleigh, Mutual Broadcasting System.

HURLEIGH. Our guest on Reporters Roundup is Mr. Ian MacGregor, Chairman of the Board and Chief Executive Officer of AMAX, Inc., a highly diversified natural resources company with interests in mining and the production of fuels for energy. Mr. MacGregor is the Chairman and a Director of the American Mining Congress and Chairman of the United States Council of the International Chamber of Commerce and serves on the United States Business and Industry Advisory Committee to the Organization for Economic Cooperation and Development. Mr. MacGregor will be questioned by our reporters, Mr. Nick Thimmesch, national syndicated columnist for the Los Angeles Times Syndicate, and Mr. Harry Ellis, Washington Correspondent for the Christian Science Monitor. We'll begin the questions in just one minute.

Harry Ellis, why don't you take the first question for Mr. MacGregor?

ELLIS. Mr. MacGregor, the U.S. energy industry, and presumably your company is included, needs to raise many billions of dollars in fresh capital over the next few years in order to expand domestic energy supplies, and to create jobs. How does one go about creating such fresh capital at a time when more and more companies are having to go into debt because they're not earning enough to plow back their own earnings into investment capital?

MACGREGOR. Mr. Ellis, I believe we're on the verge of a period when there is going to be great trouble in establishing just the point that you've brought out—an adequate supply of capital. It probably is really the most important question facing our country at the moment. The U.S.'s long tradition of being a marvelous capital producer has been seriously eroded since World War II, and our industrial source of capital for industrial development and growth has been very seriously eroded and I really seriously question whether, without some complete changes in direction in the thinking in the country, we will, in fact, be able to accomplish the things we want to do, which will include, of course, supplying energy and supplying jobs for people. Jobs in business and industry are obviously the best and most rewarding opportunities for people. But today it takes something like $40,000, on the average, to create a job.

This is the capital investment in the buildings, equipment and machinery and distribution facilities and everything else; and that number is, of course, an enormous number. We have coming into the work force every year something like two million people, and the overall growth of our work force is probably somewhere around a million and a half, when you take into account the people who are arriving new into the work force from schools and colleges and also the new immigrants that are coming into the country on a fairly large volume. Between these people, we've got to find something like a couple of million jobs, a year, and in five years we've got to find ten million new jobs. And if you use my $40,000 figure, I think the arithmetic brings you out with $400 billion of new capital will be needed in the next five years to create jobs.

ELLIS. You spoke of a complete change in thinking and directions. What do you mean by that?

MACGREGOR. Well, in the last decade the general approach in our country's tax structure has been one of reducing capital formation. The whole concept has been under, I'm afraid, misguided ideas that tax loopholes, such as the oil depletion allowance, have to be closed, and the tax give-aways have to be closed. These are techniques that our Congress has introduced over the last fifty years to help capital formation; and perhaps we've, unfortunately, forgotten why they were enacted in the first instance, and as a result, we're busily engaged in reducing the flow of capital back into business. We talk about profits—and this is not looked upon as being a bad word in many quarters—profits are merely another name for the cost of something. Profits are the cost of capital: it's what you have to pay the people who, for one reason or another, save money. They save money to take care of their old age, and they do it by foregoing current consumption. Instead of buying two or three cars, they put their money in the bank and save for the future. The capital is harnessed to provide jobs for other people. And they should get paid for their contribution. That's what profits are all about.

THIMMESCH. Mr. MacGregor, I just saw a study which shows that in one industry the public believes this given industry makes twenty times the amount of profit that the industry actually makes. If this is a public image or a public misconception problem, as you're suggesting, what can industry do to turn this around, to change the image?

MACGREGOR. I believe that we're about to see a period start in which business is going to pay a lot more attention to what you might call economic education. The statistics that you refer to are quite interesting. If I recollect them correctly, they indicated that the average man on the street thought that companies made 25-30 percent profit, which they regarded as clear profits—after taxes and everything else. These statistics have been widely quoted, but one interesting sideline that I read was that when the group who were asked that question were sorted out into college graduates and non-college graduates, the thinking was that perhaps the college graduates would know the correct figures. The interesting thing was that instead of thinking that companies made 25–30 percent profits, which was the average, the college graduates thought they made 20–25 percent profits. Of course, the reality is that industry averages about 5 percent—5 cents out of every dollar—in profits. And, of course, even some of that is plowed back into the business.

THIMMESCH. Well, if the public is disbelieving, what can be done? Should businessmen speak out more on this? Should there be more advertising? What can you do?

MACGREGOR. Well, obviously, these are grassroots problems, and I think that they have to be attacked on many fronts. First of all, businessmen have generally been not too communicative and articulate. The principal problem is that running a business in this complex world today is a time-consuming business. Many, many business executives work long hours and many days more a week than the average person, just to keep up with things, and as a result their ability to communicate with the outside world is limited. But we have to go to more fundamentals. In each company, in each business, we should have the opportunity of talking with the young people as they grow up, and my own company is contemplating a program in our community in which we will bring in the high school students and their teachers to show them what we do, why we do it, what its contribution is to society, and what business as a whole contributes to society and how its arithmetic is worked out—what profits are and why they exist and what other costs exist in businesses.

ELLIS. It seems to me that we have here a fundamental conflict, Mr. MacGregor. You spoke of a need for the economy to absorb about two million newcomers each year, and you've also spoken of the need to generate enough investment capital through profits, in order to create jobs. And, yet, a large seg-

ment of the public, as Mr. Thimmesch was saying, thinks that profits already are too high. Is our economy, as presently geared, structurally unable to take care of the young people coming along, and, in particular, the less skilled young people—the young blacks who have an unemployment rate at least double that of young white people?

MACGREGOR. I would say that we are verging on the beginnings of a period in which it might be increasingly difficult for us to do so, and I think if you will look at the forecast made by some of the leading economists about the so-called recovery from the current recession—all of them are gloomy about predicting their reductions in the unemployment rate. And this is related, I think, to their recognition of the shortage of capital for development of business and industry. And, of course, with regard to the young people, particularly minority people, their opportunities for training in useful skills is very limited. Our country is not doing a good job on this. In most of the European countries which I'm familiar with, as a young person, there was an enormous interest in the training of the young in apprenticeship programs, having them work with journeymen so they pick up skills; and we're not doing a good enough job on this, as I see it.

ELLIS. In West Germany and Great Britain, as examples, I believe about 7 percent of any one generation of young people go on to university; *here* it's nearly 40 percent. In other words, a great many *more* young Europeans *do* take apprentice training. Do you think *we* should have a more sharp division along those lines?

MACGREGOR. That's probably something we should take a good look at. Let me just quote you this point: in New York City we have large numbers of liberal arts graduates, sociological studies graduates who are looking for work. At the same time, if you want to get your automatic transmission repaired, you have to make an appointment several weeks in advance. Now, it would seem to me that as we live in a very highly technological society, there are enormous opportunities for training people in rewarding and interesting careers in keeping our whole economy going. We are desperately short of lots of skills in this economy. In many of our plants, we are actually short of people—short of people with certain skills—despite the fact that these plants are in communities with high unemployment rates.

THIMMESCH. To what extent are some of these problems we've been discussing—to what extent can they be assigned to, say, noncompliance of the Congress? For instance, take the energy problem. Congress has been aware of this for a year, a year and a half, and yet we really don't have an energy program yet. You talked about the need for skilled workers, and we talk about the misconception of the public on capital and profits. If we have the kind of Congress we have now, and say it continues even after '76, are we going to have even more of the kind of problems we've been discussing here this morning?

MACGREGOR. Well, I'm sure we have, because, as I see it, a Congressman is in a very difficult situation. He can proceed no further than the perceptions of his constituents, and the first thing that has to happen is the constituents have to understand the fundamentals of the problem. Unfortunately, in the world we live in today where we have so many things going on and there are so many alternative uses of people's time, they get sort of—you might say—quick looks at flip charts, and these are the problems that are passing by their eyes every minute. And we have a tendency to get superficial answers, and easy answers, for quite complex problems, and the unfortunate Congressman at the far end of the line has his constituents' concerns at heart and unless the country, as a whole, improves its ability to disseminate the real facts about things, I don't know how we're going to improve the system.

THIMMESCH. Let's take mining, for instance—a field that you have considerable experience in. We all know there's an energy shortage. We all know we have fantastic reserves of coal in this country. We all know that the penalty we're paying for imported oil has added to inflation and caused economic distress. Why, then, can't we get this coal out of the ground and into use, and thereby minimize these other problems?

MACGREGOR. Well, this is an example of what I would call the superficial exposure that the public gets to many problems. Everyone knows that we have to try to improve the environment in which we live. Of course, this isn't going to be done unless industry, government, and the people all work together on it. Most of the problems that the public perceive are caused by industry belching forth black smoke or digging holes in the ground and leaving the holes uncovered. These images stem from what's happened over many, many years. We are changing that today, and unfortunately the changed image has not yet been projected fully in the public's mind. They still think that the villain is the business or industry that is engaged in these practices which were reflected over the years in things like, for example, the wastelands in Illinois where strip mining was done by the coal industry 30–40 years, in its losing battle against cheap oil and gas. At one time our railroads were run almost entirely on coal. At one time most industrial plants were run almost entirely on coal-fired, steam-generating equipment in their own plants. At one time all of our utilities used coal—certainly in the Middle Western part of the country.

But, as you know, after World War II, when the famous pipelines were put in to move oil across the country because of the hazards of carrying it by sea, these pipelines were put to use carrying what was literally throwaway natural gas. This was the gas that came out of the ground with the oil, and in the first instance it had little or no value until somebody could find a market for it. And the market slowly developed. The first one was to pipe it up this former oil pipeline and use it for heating in the northern part of the country. But we took another step which, I think, caused us a lot of trouble.

Somebody decided that the price of that material should be regarded as a throwaway material, and it was set on throwaway prices. Well, the first thing that that did was to make the coal industry totally uneconomic. The mining that was done in that period was done by methods which attempted to achieve the lowest possible cost. If you were digging coal out of the ground, you didn't go back and fill in the holes because you couldn't afford to. You were competing with gas and oil, which were at extremely low costs, and as a result the coal industry went pretty well out of business. Fortunately, enough of it has survived that today it's being rebuilt on totally different lines, and the public yet hasn't understood that this is the case. It still thinks in terms of what went on 30 or 40 years ago.

ELLIS. President Ford has vetoed the strip mining bill, which would have put stricter controls on environmental protection. Now, if that veto sticks, are you saying that the coal industry itself will take adequate care of the environment and to reconstruct the land?

MACGREGOR. First of all, I think that the coal industry is a lot more responsible and, today, with adequate margins, it is likewise sensitive to its community obligations. One of the things that worries me is the sort of general assumption that the only people who are sensitive to the public's needs are the people in Washington. I live and my colleagues work in communities all around the country, and I have noticed that our people are extremely sensitive to the needs of their neighbors, so that anything that we do is done with this in mind. Another point that is not noticed in this furor is the fact that over the years—recent years—the redevelopment of surface mining in various parts of the country has been done under legislative arrangements with the States. Each State in which mining is conducted already has extensive legislation. This legislation has evolved and it changes as the needs of the community change. For example, in the State of Pennsylvania, they've had surface mining legislation for many years, and it's regarded by the people in Pennsylvania as adequate to meet the needs of the State for energy, and the needs of the people for reclamation work. And each State has its own particular set of problems. One of my concerns is that the legislation which is put forward, again, seeks to—you know, with the skill of a meat ax—perform surgery on the country and on the people who are doing the job of mining.

I think what is forgotten is that we have these State regulations which are being built up in the mining States, and which are being changed and evolved to meet the needs of that State, and at the same time we have a growing awareness on the part of the coal producers of the fact that the public want to be sure that they are totally responsible for their actions. An example of this was that some time ago we've invited people to come and see our operations in the hope that we'd get some ideas from visitors who had concern about the surface mining, and it's been rather a sad experience for me that we haven't had too many people who were interested in going to see what we are doing.

But we did have one man that I commend highly for taking an interest, and that was the Senator from one of our home States, Indiana—Senator Birch Bayh—who went to see one of our operations and when he had been through it, he made the statement—and I think I can quote him approximately correctly—he said that "I'm convinced now that surface mining can be done because I've seen it done. I think a lot of people who are concerned about the environment are concerned properly, but these folks here in this company, both in management and labor and the people who are running these shovels, have shown that it is possible to get this valuable energy out of the ground and, at the same time, return the ground into usable condition." And that was what the Senator said, and he said if people are going to do surface mining, they should go out and look at what is being done by the responsible outfits today.

THIMMESCH. Mr. MacGregor, you're a senior executive and have a wide acquaintanceship with other executives across the country. When you look at the kind of people who are in management today, do you ever say to yourself some of them don't have backbone to get this story out, that they're too acquiescent—they've demurred too often and given in? Because I don't think your story is really getting out.

MACGREGOR. Well, I think you're right, Mr. Thimmesch, that the business community is not as articulate as it should be. But I think I referred earlier to the fact that they're under enormous pressure from Government regulations in practically every part of their business. One of the fastest growing facets of our business is doing accounting and other tasks to provide various parts of the Government with information. This is one of our real inflationary cost additions, and, of course, you know, this goes right on to the consumer because every dollar that we have comes from the consumer and therefore he pays for everything we do. That's why we try to do it efficiently, so that we can, in fact,

be competitive. But today, Government regulations and Government activities, one form or another, are taking an increasing amount of time and adding an increasing burden on our staffs—the clerical people—on our accounting people and on the management people.

THIMMESCH. Are we going to become another Sweden then? Is that what you're suggesting—overregulated—?

MACGREGOR. I have fears that if we project this forward, we'll have more people supplying the Government with information than we'll have producing the products for our consumers.

ELLIS. One problem is that organized American labor often portrays itself in an adversary relationship to management. Now, if we look at Sweden, which was just mentioned, and even more notably West Germany, we find that there is a good deal of labor-management cooperation, partly because labor has seats on the boards of directors. Now, do you think we should come to this, in order to have more stable wage demands and a better understanding on both sides, of the other's problems?

MACGREGOR. I'm not sure that that technique is the right answer. In some countries the idea of having labor take a responsibility for managing the properties has been rejected on the grounds that this puts labor in a sort of position of being on both sides of the arguments, and it has turned out to be a rather invidious position. Probably the best example of this is in England where several industries have been nationalized, and that hasn't solved the labor relations problem even though the industry's been run by people appointed by a Labor Government.

ELLIS. The Germans, though, seem to have found another route—not nationalization, but rather, 50–50 representation on the boards of privately owned companies.

MACGREGOR. This is an idea which was imposed upon German industry, I think, in the postwar period by American and British Occupation people, and one which the Germans have had to wrestle with, and they've come out with a typically German solution. They have *two* boards, one of which runs the company, and the other one which comtemplates what's going on from a distance.

HURLEIGH. Mr. MACGREGOR, I—pardon me, Nick—but I happen to have some knowledge of American labor's position on this particular question, and I think you'll find that they do not *want* to assume a position on boards to accept the responsibility for the *running* of the company. They think that the people trained for it are the people that should run it. They are trained to carry out the will of their members, and they wish to be *in* this somewhat adversary position, though I think we will all agree at *this* table that labor during the—when they had the controls on—was pretty responsible in its actions during that time, on its wages.

MACGREGOR. Well, Mr. Hurleigh, I think that labor people are a lot more responsible then they're given credit for. I must say that I've seen a growing concern on the part of top labor leaders on this whole question of capital formation. I've seen, of course, the very point that you've made. I think it was Mr. Walter Reuter when he was alive, said that labor people on the management will have a conflict of interest; they will not be on the side of the working man only—they will have to think about other things. And it's much better for us to leave management to people who are trained to do that, and maintain our position of looking out for the interests of the employees. I must say that I find the labor situation in the U.S. to be extremely wholesome. Oh, sure, there are pockets of wild men in every part of business, both on the business side and on the labor side. But by and large, the U.S. has a very responsible group of labor leaders and very responsible people who are members of our unions. Our company finds it a matter of pride that we get along pretty well with our people. Of course, we have controversies from time to time over points of principle as to who is running the operation, and we stand up for that. But getting back to Mr. Thimmesch's original point, I think that we have to have a greater effort on the part of management to participate more fully in the total public affairs area.

THIMMESCH. What do you think of the idea of—it's a program in many companies—of employee stock ownership?

MACGREGOR. I think that this is the American solution to the problem, and I think a very large number of companies are now contemplating mechanisms for increasing their employees' ownership of the business. And when I talk about the capital that we have to find to put new jobs in place in the future, clearly we're going to have to go to equity capital situations and borrowing situations where the borrowing is firmly secure. I think this is going to give our employees increasing opportunities for investment in business. But let me point out to you that anybody who's a member of a pension plan has already an enormous stake in the success of American business and industry, because the funds in pension plans, which are now very, very large in the United States, are invested by banks and other institutions on behalf of the members of the pension fund, in businesses and in industrial enterprises. And I think we'd all be surprised if we saw, really, how much the average fellow who is drawing his pay and has pension benefits coming on his retirement is already an enormous participant in this whole capital structure of industry in this country.

THIMMESCH. Doesn't that point make a labor-minded Congressman—doesn't that put him in a quandary because he's pressured (a) by the unions to spend more Federal money and (b) he sees the pension plans in danger?

MACGREGOR. Yes, indeed, I think this is one of the very difficult problems that really hasn't been resolved in the public mind. The reason is, I think, that we haven't done a good job of explaining the very, very large participation that almost any employee of a business firm has in the welfare of his own firm.

HURLEIGH. Mr. Ellis, will you take the last question?

ELLIS. To go back to capital formation—where we started—the Federal Government also is having to borrow very heavily in the capital markets, to finance the U.S. budget deficits. Do you foresee this as a threat that will drive business out of the capital markets, not perhaps the largest corporate giants, but thousands of small businesses?

MACGREGOR. Well, Mr. Ellis, clearly the capital markets have their limits, and I've seen some figures which showed that in the last five years the average private capital market in the U.S. produced something between 250 and 300 billion dollars a year. Out of that we have to satisfy the needs for business, industry, construction, housing, homes—everything—and now Government. And the Government used to be a minor participant in that market, taking perhaps 15 to 25 billion a year. When you talk about the Government borrowing 80 or 100 billion out of the market, you realize there's not going to be much left over for anyone else, unless we consciously step up the country's savings; and this can only be done by lowered taxes, by changing the tax structure—lower taxes on individuals and lower taxes on business.

HURLEIGH. I'm sorry, gentlemen, our time is up. Our thanks to Mr. Ian MACGREGOR, Chairman of the Board and Chief Executive Officer of AMAX, Inc., and to our reporters, Mr. Nicholas P. Thimmesch of the Los Angeles Times Syndicate and Mr. Harry Ellis of the Christian Science Monitor. We'll tell you about next week's guest in just one minute.

HURLEIGH. Our guest on Reporters Roundup next week will be Senator Hubert H. Humphrey, Democrat of Minnesota and former Vice President of the United States. This is Robert F. Hurleigh.

JOB TRAINING PROGRAMS

Mr. PELL. Mr. President, an exceptionally interesting article appeared in Friday's Wall Street Journal. It is concerned with the current status of job training programs which must compete with public service employment programs for scarce funding resources in today's recession plagued economy.

The article focuses on an excellent example of such a program—the Opportunity Industrialization Center of Rhode Island. Directed by Michael Van Leesten, OICRI has a superb track record as training center, but it has been caught in the nationwide shortfall of funds which are necessary to provide assistance in both creating new jobs and training workers for them.

There is evidently a great deal of merit in both public service and job training programs. We cannot have jobs without trained personnel, and we cannot have trained personnel without jobs. I believe that the solution to this dilemma must lie in action by the Federal Government to insure full funding for both enterprises; there is no money better invested than that spent for the development of skills and the expansion of the marketplace in which such skills may be used.

I commend this article to my colleagues and ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 6, 1975]

SKILL-TRAINING CENTERS SAY RECESSION CAUSES CUTBACKS IN PROGRAMS

(By Walter S. Mossberg)

PROVIDENCE, R.I.—In an ancient former police station in the south side slums of Providence, Michael Van Leesten is sweating out the recession.

Mr. Van Leesten, an engaging, articulate, 35-year-old black, runs Rhode Island's largest job-training center from the creaky building, and that's no easy job. The state's crushing 16.4% unemployment rate "has hurt us to a great degree," he says, explaining that the center has been able to find work for only about 70% of its graduates so far this year.

In fact, the fiscal year ending this month is shaping up as the first in the seven-year history of the Opportunities Industrialization Center here in which not all graduates will land jobs. "In the past," Mr. Van Leesten says, "it's been relatively easy to place people in jobs right after they finish their training. But not any more."

NATIONWIDE TREND

It's the same story all around the country for job-training centers and on-the-job training projects set up to equip with marketable skills the unemployed and the otherwise-disadvantaged. Since jobs are scarce, trainees can't get work. That frustration has begun to reduce the number of new skilled workers coming from federally financed projects like Mr. Van Leesten's, even though the disadvantaged need training as badly as

ever and though the nation will need more skilled workers when the economy recovers.

One sign of the trend: Local governments that control the $1.5 billion in federal training funds are spending this year only about three-fourths as much money as they had planned on job-skill training.

What's more, there has been great local political pressure on city, state and county officials—who now have broad discretion in spending federal training funds—to use the money instead on public-service jobs, which are far costlier but far more visible politically. Officials in Washington have indirectly encouraged such switching by pressing local governments to spend funds as quickly as possible.

About 60% of the localities' training grants now appears to be going for "work experience" projects, which provide no special instruction in new skills; they pay people to work in city cleanup crews, serve as public file clerks or unskilled maintenance helpers and do other simple tasks. Original plans called for spending only 4% on such projects.

"SECOND PRIORITY"

"In this kind of heated unemployment atmosphere, skill training is a kind of second priority to public-service jobs," says Pierce Quinlan, associate administrator of the Labor Department's Manpower Administration. Though public-service jobs of all types are coming under increasing criticism from manpower experts and federal officials for failing to help the hard-core unemployed, Mr. Quinlan says, "They have the advantage of putting people quickly onto payrolls."

The irony in all this is that labor experts view periods of high unemployment as ideal times to upgrade the skills of idle labor. "In a recession, the net costs of training people go way down, because you can keep your training apparatus going without having to attract people from their present jobs," says Eli Ginzburg, chairman of the National Commission for Manpower Policy. Many formerly unemployed trainees, who get a weekly stipend during training, would otherwise be drawing unemployment compensation or welfare benefits.

And Secretary of Labor John Dunlop warns, "If we don't continue in the training business now, it'll be too late by the time the labor market opens up."

In fact, Secretary Dunlop—who is also a top White House economic adviser—has recently predicted that a recovery from the recession could be chocked off if companies can't get enough of certain types of skilled labor.

PIPEFITTING TRADES CITED

"There are some clear areas where, even now, commitments in training are very important," he says. "One is in the pipefitting trades, which will be vital to the construction of power plants we'll need." Without enough skilled manpower to build power plants, Mr. Dunlop warns, industrial expansion could be squeezed and another downturn could occur in a few years.

Yet, the Labor Secretary concludes, training those skilled workers may be hard to justify amidst a recession. "There is an enigma here," he says. "At the late stages of a downturn and the early stages of a recovery, we ought to be training people. On the other hand, it seems nonsensical to do so while unemployment continues to be high."

The Manpower Administration's Mr. Quinlan puts it another way: "There's a re'uctance to start new training classes if the graduates of the previous classes are still hanging around without jobs."

No one knows about such problems better than people like Michael Van Leesten, who, with several other black community leaders, launched the Rhode Island OIC in the late 1960s with a $3,000 nest egg.

Today, the center has a 125-member staff, which trains about 600 students of all races each year in carpentry, painting, drafting and other trades and also provides basic language skills and various social services. In addition to the old police station that houses the center's offices, there's a former parochial school a few blocks away for the classes. This year's budget is $2.6 million, mostly from federal manpower grants doled out by the city of Providence.

The center's record of placing all its graduates attracts a long waiting list of applicants, which now stands at about 350. That strong placement performance is partly attributed by Mr. Van Leesten to the center's close ties with the white business community. But the recession has made those ties less fruitful.

"Two of our best industry friends over the years have been Lesona (a maker of textile machinery) and Brown & Sharpe (a big machine tool maker)," he explains. "They've given work to many of our people. A lot of times, we'd just call and say, 'We need X amount of slots.' But they can't respond to us now, because they've got layoffs of their own."

OTHER CONTACTS EMPLOYED

So Mr. Van Leesten and his staff have been pleading with other community contacts built up over the years. They recently placed eight painters with the city's Model Cities agency, for sprucing up old buildings. Some graduates have been put in hard-to-get public-service jobs paid out of separate federal funds.

For some who can't land jobs right away, "We become something of an income-maintenance program," he says. Thus Ray Volpigno, a former factory sweeper who excelled in his OIC carpentry course, was kept on at the center as an assistant to his instructor for nearly two months this spring, so he could keep drawing his $78 weekly training stipend until he found a job.

For other graduates who don't get jobs, the center seeks something else constructive to do. This year it has gotten 58 graduates into junior colleges, with financial aid; that's up from 10 in a normal year. Mr. Van Leesten's community contacts helped; he's a member of the state Board of Regents.

Meanwhile, he's battling to keep OIC and job-skill training alive through the recession. Despite all his problems, for instance, Mr. Van Leesten is steaming ahead with an ambitious plan to raise money to build a bigger center in South Providence and to use trainees on the construction job.

"We have to stay strong and fight," he declares, "or the country's whole training system will be brought to its knees in this economy."

ONE RECENT BATTLE

One battle over job-skill training erupted recently when local and national political pressures combined to alter spending priorities. State officials in Rhode Island, responding to U.S. Labor Department demands to spend federal training money as quickly as possible, decided to speed up the expenditure of $600,000 originally slated for on-the-job training later this year. A debate developed over whether to spend the funds on such training or put them into public-service jobs.

In a memo to the governor's office, Mr. Van Leesten wrote: ". . . How can the unskilled participate in the relatively sophisticated jobs which can be created in a meaningful public service employment program? The poor may be excluded from PSE opportunities by the very same processes which exclude them from the private job market."

But Mr. Van Leesten lost that fight. John Anderson, manpower aide to Rhode Island Gov. Philip Noel, explains, "The worst thing to do is to train people for jobs you can't get for them, so we've taken a basic position against any more specialized training for now." Besides, he says, those newly created public-service jobs are being used to add needed staff at unemployment and welfare offices.

Job trainers' problems are being compounded in some cities by the new revenue-sharing system. Under the Comprehensive Employment and Training Act (CETA), which began to take hold about a year ago, local governments—and not Washington—get to spend the federal money to contract directly with local job-training agencies.

PROBLEMS IN BOSTON

The switch to the revenue-sharing approach has perturbed some training centers, including that in Boston, where Director Raymond Tomasini complains, "The Department of Labor used to give us problems when they controlled the money. But now it's even worse. The city has put still another bureaucracy between us and Washington."

Mr. Tomasini's skill center, located in a former auto dealership near Boston's Southeast Expressway, has shrunk drastically. Three years ago, it served the whole Boston area, training 850 people and spending millions annually. But, as the Nixon administration moved to decentralize training, the skill center was cut back.

Today, Mr. Tomasini has only about $600,000 budgeted to train less than 200 people, who must hail only from certain inner-city neighborhoods. Because of delays in getting his budget approved, the center is living on advances, and the director no longer controls who is accepted for training or where graduates are placed.

"I know I could train and place more people here," he says, "even in a recession. But I'm stymied. The school committee (with which the center is affiliated) isn't very popular at city hall. So they're suffocating us."

Not so, says Joe Duggan, manpower aide to Boston Mayor Kevin White. The city, he says, has merely kept the center's budget even—a task he describes as a "struggle" because of a shrinking allotment of federal training dollars.

INDIANS TO THE RESCUE

In any case, striving to regain some independence from city hall, Mr. Tomasini is negotiating for training funds from local American Indian leaders; Indians are among the few groups that were exempted from the revenue-sharing switch and still get funds directly from Washington.

The current setbacks for job training are viewed by Secretary Dunlop as short-term results of the recession and growing pains for the new CETA revenue-sharing approach. "Only a fool would say the existence of substantial unemployment doesn't make training more difficult, and nobody in his right mind should expect CETA to work out well right away," he asserts.

While he deplores the recession's impact, Mr. Dunlop says he thinks there's little the government can do, unless "there seemed to be some total breakdown in training capacity." But he is studying a possible limited effort to bolster training in a few job fields where labor shortages may threaten to short-circuit an economic recovery.

UP WITH PEOPLE

Mr. FANNIN. Mr. President, I call to the attention of my colleagues Up With People, a group which will be performing on June 17 at Wolf Trap Farm Park.

Up With People is an independent, nonprofit, educational organization that produces and stages musical productions around the world in an effort to provide young men and women with a unique and effective educational experience.

Up With People, based in Tucson, Ariz., and Brussels, Belgium, was incorporated in 1968 by J. Blanton Belk and Donald P. Birdsall, two men who wanted to do something creative and contemporary with the youth of the world. Up With People has several educational programs: A liberal arts college program, operated under contract with the University of Arizona; a high school program for qualified seniors who, by arrangement with their own high schools, are able to complete their senior year by participating with Up With People. And for people not enrolled in academic programs: Structured learning experiences in the field of communication, business administration, technical and organizing skills, public relations, and technical theater.

These programs are designed to establish through their outreach in the United States and around the world a creative framework for communication and interaction between people of varied backgrounds and across all barriers—age, class, race, nationality, or political point of view; develop in young men and women initiative, responsibility, integrity, flexibility, decisionmaking skills, and a global perspective; develop new approaches to education which will combine academics and experience in a relevant social context and which will make education a true exchange, a process of giving as well as taking in, a coming together of the student and the world.

Three hundred young men and women, 17 to 25 years old, currently travel in three international casts of Up With People. On September 1, 1975, the organization will launch a special year of performances designed to coincide with the Bicentennial. Ten casts of the Up With People show will be touring America for 12 months, performing in big cities and small cities, parks, schools, hospitals, theaters, city streets, and many other places—wherever they can reach out to people. This show will be a kaleidoscope of original and contemporary music and dancing, including American and international folklore. In recognition of the many cultures and nationalities which make up the United States, students from many countries and all 50 States will participate.

I am heartened by this group and its goals. It is always encouraging to see such positive action, optimism, and concern in our young people and I strongly support all they stand for.

I hope my colleagues will find time to share in the Up With People performance at Wolf Trap.

THE GARRISON DIVERSION UNIT

Mr. BURDICK. Mr. President, an article critical of the Garrison Diversion Unit, an irrigation project now under construction in North Dakota, appeared in the March 1975 issue of the Audubon magazine. The article entitled, "Dr. Strangelove Builds a Canal," was reprinted in the CONGRESSIONAL RECORD. The Garrison Diversion Conservancy District, the State public agency that will administer the unit, has authorized its manager to respond to the charges contained in the Audubon article. For the benefit of my colleagues who may be questioned on the Garrison Diversion project and in the interest of fairness, I ask unanimous consent that the Garrison Diversion Conservancy District's response to the National Audubon Society's article be printed in the RECORD.

There being no objection, the response was ordered to be printed in the RECORD, as follows:

RESPONSE TO THE NATIONAL AUDUBON SOCIETY MARCH 1975 ARTICLE "DR. STRANGELOVE BUILDS A CANAL," BY THE GARRISON DIVERSION CONSERVANCY DISTRICT, HOMER M. ENGLEHORN, MANAGER

The National Audubon Society article which appeared in the March 1975 issue of the Audubon magazine misrepresents the facts about the Garrison Diversion Unit which is under construction in North Dakota. As a result the Executive Committee of the Garrison Diversion Conservancy District by official action at its May 14, 1975 meeting directed me to take issue with the allegations and claims contained in the article.

To set the record straight and to illustrate the emotionalism of the article, I am listing a number of the allegations and giving a recitation of the truth of the matters cited.

Allegation: The article infers that the erosion incidents on the McClusky Canal are an engineering debacle.

Fact: These erosion incidents or as they are more commonly known, slumps, have occurred on the McClusky Canal. This canal was designed by professional engineers at a 2 to 1 slope and was done with the knowledge that water seeps, inadequate cover growth and rains cause erosion during the construction period. By designing the canal at a 2 to 1 slope rather than at a 3 to 1 slope, the U.S. Bureau of Reclamation estimated that $7.1 million in construction costs alone were saved, plus the saving of thousands of acres of land which would have been needed had a more gradual slope been chosen.

Allegation: Construction activities for the Garrison Unit are running pell mell and somewhat mad.

Fact: In 1965 when the Garrison Diversion Unit was reauthorized, the construction schedule based on the Bureau of Reclamation construction capabilities, called for the completion of the unit within 11 years. Construction appropriations necessary to accomplish this schedule were to peak at amounts of around $40 million in the fourth and fifth construction years and then taper off as construction neared completion. These were based on 1965 costs. The 11-year construction program was formulated to provide maximum construction efficiency, minimum construction overhead cost and early positive benefits to the state and nation.

In contrast to this original construction schedule, the actual construction has been limping along now for nine construction years and only approximately 20% of the project has been completed. This is hardly a pell mell, mad rate.

Allegation: In 1965 the Bureau of Reclamation worked up the promise of additional benefits by using fish and wildlife, recreation, and municipal and industrial water use in order to get a favorable benefit-cost ratio.

Fact: Fish and wildlife benefits and municipal water sales were not the basis for making the project economically feasible. Fish and wildlife annual benefits amounted to only $1,027,000 or only 4.6% of the total project. Annual municipal and industrial benefits were $551,000 or 2.5% of the total. The Garrison Diversion Unit could be stripped of all other functions except irrigation and still maintain a favorable benefit-cost ratio since irrigation benefits account for 89.5% of the total benefits.

Allegation: The Garrison Diversion Unit will ruin seven major national wildlife refuges: The Audubon, Arrowwood, Sand Lake, J. Clark Saylor, Tewaukan, Dakota Lake and Sheyenne Lake Refuges.

Fact: Audubon National Wildlife Refuge will be increased from the present 11,200 acres to 20,600 acres, which means that Audubon Lake will be raised to its designed elevation. The number of islands will increase from 130 now existing to 150 at the higher water elevation. Only 38 acres out of the 25,000 acre game management area will be utilized for the inland channel for the McClusky Canal.

The Sheyenne Lake National Wildlife Refuge of 797 acres will be completely inundated by Lonetree Reservoir, however, a new refuge, Johnson Lake Refuge, containing 1,920 acres will be developed with project funds as a replacement.

Return flows from irrigation in the Souris and Karlsruhe areas will pass through J. Clark Saylor National Wildlife Refuge via the Souris River. Relatively small flows through the refuge will not increase pool elevations within the refuge and will not adversely affect the functional operations of the reservoir. During drought years, the additional flows will be beneficial for maintenance of optimum refuge pool levels. Also reservoir pools can be drained for management purposes with the assurance that refill water will be available from project sources.

Project water of excellent quality will be routed through the Arrowwood National Wildlife Refuge via the James River to supply project needs in the Oakes and LaMoure areas. Flows will not significantly affect refuge operations and will be highly beneficial in years with low natural river flow.

Project flows of good quality water into Dakota Lake will stabilize that refuge lake level and will be particularly beneficial during extended drought periods. Flows will not interfere with normal refuge operations.

There will be essentially no effect on Sand Lake Refuge by the Garrison Diversion Unit. Only 3,600 acre-feet of project water will enter the refuge annually during the late fall and winter months when the refuge pools are at their lowest levels. Also project water can be made available for restoration of pool levels at Sand Lake during drought periods that frequently occur in that area.

Return flows from irrigation in the West Oakes area will flow through the Tewaukan National Wildlife Refuge via the Wild Rice River. The quality of the return flows will be compatible with fish and wildlife requirements. The quantity will not adversely affect refuge pool levels.

Allegation: Run off waters will pollute the James, Sheyenne, Wild Rice, Sour's and Red Rivers, the last two violating the Boundary Waters Treaty of 1909.

Fact: The issue in the Boundary Waters Treaty of 1909 is in particular, Article IV which states in part that, "Waters flowing across the boundary shall not be polluted to the injury of health and property." The references to the quality of return flows in the Boundary Waters Treaty is brief and leaves much to be interpreted in its application on a case by case basis. The treaty has been used many times in the past to deal with pollution problems or uses of international streams in the connection with international developments. However, the application of the Boundary Waters Treaty to irrigation return flows from the Garrison Diversion Unit appears to be the first test of the two countries' ability to mutually interpret and apply the treaty terminology to a project already in the development stages. After much discussion of the issues, the governments of the two countries have now agreed that the International Joint Commission is the appropriate mechanism to undertake a joint examination to insure the provisions of Article IV are honored.

The proponents of the project do not believe the return flows to Canada support a

violation of this treaty and until final determination is made, it cannot be categorically said that return flows from the project will pollute the Souris or the Red River in violation of Article IV of the Boundary Waters Treaty of 1909.

Allegation: Miles of tree shelterbelts will be destroyed.

Fact: While it is true that some tree shelterbelts will be destroyed during the construction of the McClusky Canal, nevertheless, it should be pointed out that the canal banks and right-of-way will be seeded to native grasses as recommended by the U.S. Fish and Wildlife Service which should provide excellent wildlife habitat and thousands of trees will also be planted to replace those which have been destroyed.

Allegation: The article states the possibility has been raised that even the areas to be irrigated may be subjected to salinization that would ruin 250,000 acres of currently prosperous agricultural land.

Fact: All of the lands proposed to be irrigated by the Garrison Diversion Unit have been carefully examined by professional soil scientists and drainage engineers and have met rigid standards before they are classified irrigable lands. Also the project calls for a complete subsurface drainage system to be constructed as part of the project works to control ground water levels and prevent salt accumulations in the soil profile.

Allegation: 420 megawatts of generation will be lost by diversion of water.

Fact: Power requirements of the Garrison Diversion Unit are 500 million kilowatt hours per year. This represents only 6% of the capability of the Missouri Basin's power system and was included in the economic analysis for the Missouri River Basin plan. Without the non-interest bearing irrigation assignment of a sizable portion of the mainstem dam costs, these costs would have to be assigned to electrical power with interest and would result in a significant increase in Missouri River Basin electrical power cost to the consumer.

To debit the Garrison Diversion Unit with this reduction of generation of the mainstem hydroelectric plants is to totally ignore the Flood Control Act of 1944. Hydroelectric power was not the main purpose of that development plan but an important item in the repayment of cost. The interim use of these waters for hydroelectric generation has benefited the present power users but has never been considered to be other than an interim use.

The Garrison Diversion Project has always received solid support from both the public and private electric utilities who use Missouri River Basin power.

Allegation: That irrigation costs as a result of the project are far beyond the means of most small farmers.

Fact: The cost of a 160-acre sprinkler system can be expected to be approximately $35,000. Banks and financial institutions are becoming more willing to finance sound agricultural investment such as irrigation equipment. This is evidenced by the 50 to 60 new sprinkler systems committed for installation in the Oakes-LaMoure area during this year, 1975. The primary interest of farmers in the project area is that of improving their economic conditions by stabilizing and expanding production from their land through more intensive farm operations possible under irrigation. To date prospective irrigators have not expressed concern over these costs. The State Water Commission reports that over 100 applications were received and approved for water permits for irrigation systems during 1974 and at the May meeting the Commission approved an additional 88 permits.

The article dwells at great lengths on the land acquisition program and the plight of the individual landowners. It should be pointed out that 85% of the land acquisitions have been settled without condemnation. Also, the Conservancy District has investigated landowners' cases and identified a number of recommendations for improvement in the acquisition program and the eminent domain proceedings in general. The recommendations made to the U.S. Bureau of Reclamation were:

1. That appraisals should be up-graded to include the increase in demand for land and replacement costs.

2. Appraisals should be kept current at all times.

3. Either regulations or federal laws be changed to permit the following:

a. An increase over the appraisal value of land to compensate the farmer, in most cases, for not being a willing seller.

b. That the capital gains period be increased from two to five years, and that investments other than land be permitted to meet this investment criteria.

c. Relocation laws should apply to all farm buildings.

d. Necessary land takings whenever possible should be purchased two years before construction starts.

e. The Bureau should advance relocation money where it is needed for the farmer to complete new buildings.

f. Land purchased by the Bureau for the canal and the canal right-of-way should make some payments in lieu of taxes.

g. Canal and canal right-of-way and recreation areas should be considered as mitigated acres.

h. Ways of controlling or compensation for depredation by waterfowl, should be investigated.

The Bureau has responded affirmatively and adopted policies in North Dakota which are responsive to these recommendations. Some of the recommendations, however, require legislative change which the Conservancy District is working on at the present time.

The Garrison Diversion Unit has had and still has broad support from the citizens of North Dakota. Over 150 organizations have passed resolutions of support for the project. This includes civic, governmental, agricultural, business, industrial, sportsmen, and recreation groups.

The Garrison Diversion project has been studied and analyzed from every angle and the results of the most stringent analysis a project of this type has even been subjected to is that it is still a good project and an excellent investment of the Federal dollars.

COOPERATIVE EDUCATION III

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the RECORD further excerpts from the proceedings of three conferences on "Cooperative Education: The Emerging Manpower Resource."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF R. LARRY SNIDER, PRESIDENT, STERLING ELECTRONICS CORPORATION AT THE EMPLOYERS' INSTITUTE HELD IN HOUSTON ON FEBRUARY 6, 1975.

The traditional thing is to say that I am delighted to have the occasion to speak to you today. However, the true facts are that when Bruce Stoughton, one of my former professors at the University of Houston, initially asked me I refused—not because I don't believe in cooperative education, because if I didn't I am sure they wouldn't have asked me in the first place and being primarily responsible for Sterling Electronics participation in the program, I am obviously a supporter.

The principal reason I declined was that our company has only been in the program about a year and I felt there were many of you that could present a much more statistical case on the benefits of the program. However, after further conversation with Bruce—I should know by now that you can never win a discussion with a professor, particularly one who has also been a friend and counselor—we agreed that I could present the benefits from two interesting viewpoints—(1) as a new participating company, I could explain why we at Sterling were interested in having a cooperative education program in our company and (2) I could discuss the economic benefits of the program (as we see them) for a small to medium sized company, which doesn't have a formal management development program and believe—whether it is true or not—that they can't afford to have "separate backup" positions in the organization.

Large complex corporations such as General Electric, General Motors, Ford, Xerox, and Bauch and Lamb, etc. have participated in the cooperative education programs for 30-40 years and are, of course, soundly convinced of the programs merits both from an economic standpoint and as a recruiting/public relations technique. However, the program is not just good for the large corporation who can afford to make a "contribution to the community".

In my opinion, the small to medium sized business derives greater benefits from the co-op program than the larger corporation. While I can't prove my belief with statistics—due to our limited time in the program and the difficulty in quantifying economic benefits—I do believe reviewing the benefits as we see them will add credibility to our belief that the co-op program provides more employer value than is being paid for.

My speech professor told me a long time ago that to make an effective speech that gets your message across—and avoid a "Texas Steerhorn Speech"—you know what that is—it is a talk with only two points and a lot of bull in between—you must tell the audience what you intend to tell them.

We at Sterling have a motto that we strive to apply in our daily activities—give the customer "Something Extra" in customer service, delivery, quality, etc., for his patronage. I believe that the same philosophy "Something Extra" in terms of additional benefits from both the pre-professional and professional work periods of the co-op student clearly defines what the small to medium business gets from participation in the cooperative education program. So in the next few minutes I will attempt to define (in specific terms) the four major benefits or "Some Extra" that a medium sized business derives from the co-op program that they don't get from regular employees or simply hiring new college graduates. Before we initiated the program at Sterling, we made a thorough appraisal of the pros and cons of participating—as our management team saw them. Hence, my comments will enumerate the benefits and order of priority that we at Sterling believe we receive from participation in the co-op program—since that is my "fact base". While the priorities may be different for other companies (or they may desire to put different emphasis on the four benefits), we believe the co-op program does provide a company "Something Extra".

(1) *Co-op employment enables the small company to have a management development program without increasing overhead costs.*

One of the toughest things for a small company to do is internally provide future management talent for the organization. The nature of Sterling's business is such that most of our entry positions—as sales personnel—in the company don't offer sufficient challenge or enough pay to attract recent college graduates. Further, we don't believe that our sales volume or profits are sufficiently large to allow us to establish "training positions" in our various groups. Hence, we are faced with the dilemma of how do we attract, train and develop our future managers.

The co-op program enables us to utilize co-op students in key fulltime jobs where they can become familiar with our operations, gain practical work experience in the day-to-day activities and learn to interface effectively with the employees they will later be managing without incurring the additional expense of a "training job." By having the experience in "routine jobs" behind them, co-op employees can progress up the management ladder faster when they begin their professional work period and thus should be more recruitable by us. Also, the co-op employee will be more valuable to Sterling—provide "Some Extra" by reducing training and break-in costs normally associated with new professional employees (they are familiar with the day-to-day operations and, hence, don't require expensive orientation). Further, we expect to minimize personnel turnover in the professional jobs—another high operating cost item—since the individual already is familiar with the working environment, management style, employer policies of the company and knows what they are getting into. Finally, he/she will provide a source of "proven"—by their prior work performance—new management talent for the company.

I'm sure that we would all agree that one of the toughest jobs a manager has to perform despite all of the modern scientific methods and tools of testing and interviewing is accurately "sizing up" a potential new employee. I've made enough mistakes to know there is a great deal of risk in people decisions made solely on the basis of pre-employment tests and interviews. However, observation of a co-op student for several years during their pre-professional work period enables the employer to make his evaluation on the student's actual work performance in the corporate environment—thus significantly increasing the chance of making a successful selection.

Another equally important aspect is that the co-op program increases the company's access to qualified minority employees and thus helps to insure that in future years the management group will contain a good mix of minority professionals.

(2) *The company gains the service of a dedicated, "high yield" employee during the pre-professional work period at regular position rates.*

Normal practice is to pay the co-op student the standard salary rate for the position to which he is assigned. Co-op students are willing, quick to learn, hardworking employees who need to work. Hence, if treated properly by the company, their job turnover rate is normally very low. Further, unlike permanent employees who advance up the salary scale for "time in grade" or seniority even though the job requirements do not change, co-op students normally only receive cost of living increases. Also, their fringe benefit cost is generally less since they don't stay long enough to be classed as a permanent employee. The company must, of course, provide the proper work atmosphere and job challenge, but this is nothing that they shouldn't be doing for their regular employees.

I am sure that many of the co-op jobs are not as "meaty" or challenging as the co-op student would like. But these assignments do help him to realize that unfortunately a lot of the businessman's day at all levels of the corporation must be spent in dealing with "routine problems" rather than the more esoteric and exciting activities such as designing new products, developing new distribution methods, merging, acquiring, etc., where we would all like to spend our time.

In reviewing co-op students' work reports, there appears to be an opinion that their success or lack thereof is due 90% to the students effort and 10% to company effort. If this in fact is really true, then the participating companies certainly are not "doing their share". No business should have a relationship with its employees that is 90/10—particularly not with such a critical group as its future managers. To be successful an employer/employee relationship must be 50/50—or to coin a Latin phrase, "Quid Pro Quo". Otherwise, the mutual trust and respect needed between two equal partners will not exist. The co-op student will look on his pre-professional experience as just a job rather than the workshop or lab phase of his education. Hence, it is extremely important to the retention of co-op students that the student know the company is interested in maximizing the benefits both to the individual and the company of the pre-professional work assignments. In this regard there are several "do's" that we have developed in the short time we have been in the program, which will help insure you get maximum benefits from the program.

Develop specific objectives for each co-op student's program and establish checkpoints to help insure the goals are achieved. Unless guidelines are established, first line supervisors may not be willing to spend the time required to tailor and mold jobs to provide maximum benefit to both the student and the company. Also, insure supervisors hold periodic formal "rap" sessions with the students to review their progress. It is extremely important that the student feel he is a part of the company and that someone cares about his welfare. Formal reviews by top management will make certain all supervisors know that the company has a "policy level" commitment to the program and will help insure the student feels a part of the management group. It is amazing the difference the knowledge that top management is behind the program will have to its ultimate success.

Review the job assignment frequently to insure the work is as meaty as possible. We recently changed our program from static job assignments to having the student fill in for several employees on their days off, i.e., floating/replacement assignments. These jobs not only helped the student by providing him with more varied and challenging work, but enabled us to cover a very difficult position—most regular employees don't like permanent assignments as fill-ins since it doesn't allow them to get into a routine. However, we have found that the students really enjoy working in different departments/operations.

Keep contact with the co-op students during their academic session. The old adage, "absence makes the heart grow fonder", doesn't apply in the relationship between co-op students and their employer. Sure the student is busy studying and going to class, but he likes to know the company remembers him and is looking forward to his return. This contact can be easily (and effectively) performed by including them on mailing lists for company newsletters, financial reports, etc. and by inviting them to company functions. The input will also insure them that the corporation is interested in keeping its employees informed as to what is happening in their company—something a lot of organizations have not done in the past. Additionally, the literature/communication may be helpful in interesting non-co-op students in your company.

De-centralize the program—allow the divisions to participate on a local level with colleges/universities in their geographical area. At present we only have co-op students at headquarters. However, in discussing expansion of the program with division in other geographical areas, it becomes readily apparent the program will be more successful if each division makes their own arrangements with local universities—and most important—selects their own co-op students.

(3) *Co-op students are excellent "good will" ambassadors for the corporation on the campus.*

The co-op students enhance a company's ability to attract non-co-op student graduates, i.e., enhancing the effectiveness of overall college recruiting, and assist in getting the message back to future industry leaders that Sterling is a good company with which to deal. Most small-medium size companies do not have an identity in the general business community as the larger corporations and they certainly aren't well known on the college campus; nor can they afford to send recruiting teams around to the universities each year. Consequently, the co-op student provides the company with specific contacts and means for communicating regularly with college students. If he enjoys his work experience and is impressed by the way the company operates, the student will have some good things to comment on with his peers when he returns to the campus.

Equally important in my opinion, it gives us as businessmen an opportunity to get the message to the campus that business in general is really making a contribution to our society. In today's anti-establishment environment where business institutions seem to be constantly bombarded by different "action groups" to respond to critical issues—some of which conflict with each other—getting our message across is a real challenge. However, it is a challenge we must meet because the long range future of our free enterprise system may well depend on how effectively we do our job of convincing leaders of tomorrow of the positive contributions of business to the overall well being of our society.

Finally, as customers (and we all are in some way each day) we like to deal with firms that we can trust and depend upon being there in the future to handle our warranty problems, provide replacement parts, etc. Thus, the co-op student can actually improve your current business volume by his comments to his peers regarding your methods of doing business, reliability, honesty, and other key customer service items. If you are dealing with the young adult customer, such as we are in our retail supermarket electronic stores, this is again "Something Extra" that you derive from participating in the co-op program.

(4) *Co-op students will provide the company with employees who are superior, long-term performers—at least for the first 3–5 years of the individual's professional work career.*

Obviously, we have not been in the program long enough to collect statistics on this benefit—nor can I find any absolute proof in the numerous studies that have been conducted on the benefits of co-op programs that co-op students (as a group) have better promotability. Hence, this benefit unlike the other three, which have been quantatively proven in other companies, must be classified as an assumption. Nevertheless, my personal experience with co-op students when I was in other companies lead me to believe it is true.

There is a quotation that states, "nothing in the world can take the place of persistence. Talent will not. Genius alone will not. Education alone will not. Persistence and determination alone are omnipotent." Accordingly, I submit that in the complex business world of today where a manager must cope with community and employee relations, ecological considerations, government regulations and a myriad of other items that don't directly contribute to sales and bottomline profits, the successful performer is one who knows how to set priorities and follow through until a solution is defined

and implemented. Having been both a management consultant and a line manager, I can assure you that many times defining the solution is not nearly as difficult as getting it implemented. And in many cases, what is required is just plain old patience and follow up—persistence.

It appears to me that the co-op student's "first hand" experience with employee perspective of the minute (but important to him) problems associated with routine system changes and similar situations better prepares him to see the problem from the employee's point of view and to devote the persistence needed to iron "all the kinks" out of the new system or other change being implemented.

I will, of course, admit that a non-co-op student can certainly gain this knowledge; but it seems to me that not having worked at the pre-professional level in the organization, he will not have the same insight into the situation. In any case for at least 3–5 years after graduation the co-op student appears to clearly have the edge.

Let me add a personal insight. I wasn't in a formal cooperative education program when I was at the University of Houston. They didn't have a program in (as my ten year old daughter would say) those ancient days. In fact, sometimes I have trouble convincing her that we were civilized—not having a television in the entire house, etc. In those ancient days the colleges tended to be a little more lenient on the amount of academic hours you could carry while working fulltime. However, with my work schedule and slow learning rate, it took me five years to graduate, which is equivalent to the time required under the co-op program.

I have always felt that the on-the-job work experience I gained during that period gave me a distinct edge when I was being interviewed for post-college jobs. Furthermore, I sincerely believe that the practical education I gained in the key aspects of running a business—particularly the "people interface" problems and employee relations considerations—have been a major contributor to my movement up the management ladder.

In a recent *Harvard Business Review* article on the "Art of Management", the point was made that—and I quote—"The core of a manager's job is to accomplish grand purposes through human efforts. Those who manage others need a knowledge and appreciation of motivation, which requires a far deeper understanding of human beings as individuals than brandishing the lash does. To learn the art of management entirely on one's own is impossible. Higher managers must therefore assume some responsibility for the training of those who will succeed them and who are currently subordinate to them."

It is extremely difficult to quantify the economic benefits of the cooperative education program, but I hope I have convinced you that they do represent "Something Extra" that a company receives from both pre-professional and professional co-op students.

In conclusion, at Sterling we have two simple but overriding principles which guide our management decision making process—(1) business has become too complex for any one person to be an expert in all phases; hence, to be successful the company, division, etc. must be able to work together—thus, the real key to a successful operation, as with a sports team, is people interface and cooperation—(2) Three "P's" are required to be successful in business—superior people, products and performance. Of these three, people are by far the most important and the most difficult to obtain—particularly the achievers. The co-op program provides an economical way to insure that you get at least your share of the superior performers.

REMARKS OF DR. JOHN R. GUEMPLE, ASSISTANT DEPUTY COMMISSIONER FOR ADMINISTRATIVE SERVICES, TEXAS EDUCATION AGENCY, AT THE EMPLOYERS' INSTITUTE HELD IN HOUSTON ON FEBRUARY 6, 1975

Educators in Texas realize that the best place to train for an occupation is in a job situation, where a student can use actual equipment and facilities of a wage-earner in that field. In the schools we can teach students how to weld, how to sell shoes, or how a take a patient's temperature. But these skills don't mean much to a student until they use them on a job where there are real problem situations, real customers, or real patients. That's why cooperative education can be a valuable part of a school curriculum at both the secondary and post-secondary levels.

Last year over 64,000 students in Texas schools at all levels received vocational cooperative training. Of these approximately 53,000 were in high school, and nearly 12,000 were in junior and community colleges.

Texas has been a leader in the cooperative education movement since 1933, when a "Diversified Occupations" program was begun in a public school. Distributive education had its start in Texas in 1938. Since that time, cooperative education has expanded to high schools throughout Texas. Students receive part-time training on the job in the fields of agriculture, industrial trades, homemaking, health, office, and distribution.

I want to emphasize the word training, because we do not look at cooperative education as just a work program in which students earn money. An employer, teacher, and student sit down together to plan learning objectives, and decide on the best ways for the student to develop new skills on the job.

These training plans encourage the designation of progressively more difficult work experiences, which give the student an opportunity to prove his or her potential ability.

Each student in cooperative education in Texas is supervised by a teacher-coordinator. It is this person's responsibility to place students on a job, and to check with employers periodically to assess progress. The teacher also meets with the cooperative student in a class for at least one period a day. During that class, students are involved in lessons which relate to their training on the job.

For instance, if a vocational agriculture cooperative student works in a greenhouse or nursery during the afternoon, in class he might study about cuttings and graftings and types of fertilizers. Or a vocational office education student might focus on medical terms and filing systems to prepare for her job in a doctor's office.

Cooperative education offers many advantages to both the school district and the employer. Through cooperative training, a school can provide its students with a good start on a career without an extensive outlay of funds for equipment and materials. And as you know, that's saving money for school taxpayers like you and me.

Since the teacher-coordinators are visiting businesses and industries supervising their students, they can keep abreast of the newest techniques being used by their students. Through cooperation programs schools also can meet the training needs of the community without overtraining in any one occupation.

Texas employers have expressed satisfaction with the performance of the cooperative education students.

Employers interview these students just as they would regular applicants, and they hire the person who they feel is best suited for their job. One of the biggest advantages in employing these students is their enthusiasm. They are enrolled in a vocational cooperative program by choice, and they are interested in preparing for a career. So these students are eager to learn and to do a good job. They also realize that their performance on the job is being evaluated, which is an incentive to do good work.

It is to the employer's advantage to have a close working relationship with the student's teacher. If the employer thinks it would help the student on the job for him to read a certain book or learn a specific skill, then the teacher can arrange such lessons for the student during class time.

Cooperative education in Texas junior colleges and community colleges is similar to those programs in the high schools. Just as in the secondary program, a training plan is written establishing realistic performance objectives. Both the instructor and training station supervisor decide on learning activities, and the teacher visits the training station throughout the year.

Forty-three Texas colleges provide cooperative education programs in mid-management, which teaches students about management responsibilities of junior executives and supervisory personnel.

Industrial education cooperative programs are offered at 20 colleges, while vocational office education is a part of the cooperative program at 12 colleges.

In most of the Texas post-secondary cooperative education programs, students work a maximum of 20 hours per week, with the remainder of the time spent in appropriate college courses.

Teachers who coordinate the cooperative education programs at the college level must have a bachelor's degree, as well as several years' work experience in their occupational teaching field.

The Texas Education Agency intends for cooperative education to continue to expand throughout the secondary and post-secondary schools of Texas. Such programs benefit the schools and employers, but most importantly they help the vocational students.

Cooperative education provides students with an opportunity to learn an occupation while getting a high school or college education. Students have a chance to establish a reputation on the job, which may help them in getting a permanent job with their cooperative employer or another business. And it is especially important for students to have an opportunity to receive training on a real job under real conditions.

It has been predicted that 80 percent of the jobs in the future will require some type of vocational training. To prepare such a great number of students for the jobs that will be available requires much planning by educators.

Even in these times of a tight job market, there are jobs available for the people who have the right skills, and hopefully such jobs will continue to be available.

There is a challenge to employers in Texas and throughout the nation to investigate the many advantages of cooperative education. It takes more than just a classroom and a blackboard to prepare students for today's complicated economic world. There is a real need for students to train on sophisticated equipment, and work with professionals who are willing to spend some time in teaching a younger person. Business and industry become a partner with the public school.

There is a financial saving to taxpayers in that facilities are not duplicated in the school that already exists in the community. There is an even greater financial reward as the young of our nation learn to be productive responsible citizens with both skill and a better understanding of the work place.

REMARKS OF DR. S. W. HERRELL, ASSOCIATE DEPUTY COMMISSIONER, BUREAU OF POST-SECONDARY EDUCATION, U.S. OFFICE OF EDUCATION AT THE EMPLOYERS' INSTITUTE HELD IN HOUSTON ON FEBRUARY 6, 1975

Let me begin by saying how pleased I am to appear before you to make whatever contribution I can to encourage employers to hire cooperative education students. As I shall make clear later in this talk, I believe that in today's world cooperative education has a vital role to play in assuring a successful rite of passage from youth to maturity for America's young people. Therefore, I am always very pleased when I am afforded the opportunity to promote the concept of cooperative education among employers and academics alike.

At this point, I would like to say a few words about the cooperative education support program administered by the Office of Education and about the accomplishments and advantages of the co-op ed approach to training young people.

Although the first co-op program was established nearly 70 years ago, as recently as 1962, only some 60 institutions had programs serving about 28,000 students. This year, 700 to 800 institutions are expected to provide cooperative education for approximately 180,000 students. We don't know what a reasonable goal is for cooperative education but can envision another 500 institutions trying co-op ed by 1980 with a possible 500,000 student participants.

Since 1970, the Office of Education has been administering an initially small, but now substantially enlarged program of grants to support cooperative education activities in institutions of higher education. Let me summarize briefly a few of the highlights. Slightly over $1.5 million was made available in 1970 and again in 1971 and in 1972 with less than 100 institutions funded each year. Then came the breakthrough. In 1973, the administration and the Congress appropriated the full authorization of $10,750,000. The same full funding was provided last year and will be again this year. In 1973 and 1974, we received some 650 requests for about $27 million and approved about 350 of these.

This year we have already received some 800 applications which shows the growing interest in cooperative education among educational institutions. Within the $10,750,000 funding we make two types of grants: (1) $10 million for the planning, establishment, expansion, or carrying out of cooperative programs at eligible public and non-profit private institutions. Grants cannot be made for more than 3 years to any one institution, cannot exceed $75,000 in a year (the average has been about $30,000), are for alternating periods of study and work by full-time students, and cannot be used as compensation for students. In the main, the funds cover the salaries and expenses of the program coordinator—the person who must convince a college faculty and employers that cooperative education merits their active support.

(2) The second Federal effort is an investment of $750,000 a year in training and research activities of importance to cooperative education. Part of the support for conferences such as this one comes from this fund. We are also supporting the training of coordinators to fill the rapidly expanding need and research on more effective methods of operating co-op ed programs.

It is interesting to note that in the FY 1975 Appropriation Act, Congress directed that a study be made of cooperative education by the Office of Education. We believe that such a study is fully warranted in view of the rapid growth of cooperative education since the inception of the Federal cooperative education effort and the rapid changes which are taking place in both the academic and business worlds. Although the study design has not yet been developed, I believe that it should include such questions as: What is the market for co-op students both as students and as college graduates? What are the specific benefits to you the employers? What are the benefits to the students? These and other questions about cooperative education need answers if co-op ed is to continue its strong growth.

The Federal blessing in itself does not, of course, make a particular cooperative education program a good venture for you. There is no fact book on co-op ed which lists guaranteed benefits for employers. However, there is mounting evidence that it can be a very good thing for you. Let me cite some specific examples:

(1) Lower hiring and training costs with co-op students vs. non co-op students.

(2) Lower turnover of coop-trained employees.

(3) A basis for more effective relationships with colleges.

(4) On the average, co-op trained employees are more productive and can better accept increasing responsibility.

(5) A co-op ed student is more apt to settle earlier in a career for which he is qualified and which provided him with job satisfaction. There is also some information available which indicates that a favorable cost-benefit ratio can be derived from employing co-op ed students. Xerox Corporation has made an internal study which reveals—and I quote—"Xerox has made very substantial savings in its personnel recruitment costs through employing cooperative education students." A second study was made by South Central Bell after nine years' experience with co-op ed students and they found—and again I quote—"the study revealed that the cost of employing and retaining each co-op graduate was 40% less excensive than employing and retaining a regular college graduate." This kind of evidence would seem to indicate that it is to an employer's advantage to participate in cooperative education. You should know, however, that participation also involves responsibilities.

To the maximum extent possible, jobs should be related to the academic careers of the students. We hope that you will not look upon students as temporary employees but as trainees for potential full-time employment. In addition, it is important that you support the program and have a continued and open communication with the college and the students.

Finally, I would suggest that you not accept a proposed program solely on the good reputation of cooperative education and the college but carefully analyze the proposal. Questions you may wish to ask are:

(1) Is the college really committed? We feel that the college president must back the program if it is to be a success.

(2) Is there evidence that students will participate?

(3) What support has been given by the faculty? Some teachers just don't like cooperative education and it has a slim chance of succeeding without faculty support.

(4) Can the college afford cooperative education? While not expensive, it does cost the college money in terms of support staff and course offerings.

(5) If there is a Federal grant, how will the program be funded at the end of the grant? As it takes up to 5 years to amortize the start-up costs of a program, some non-federal support may be needed.

If you fully assess the program and really work with colleges and students, I am sure that you'll become as strong a believer in cooperative education as we are.

Now that I have reviewed what we may call the "nuts and bolts" of cooperative education, I hope I may have your indulgence while I wax a little philosophical about the underlying value and need for cooperative education.

Co-op has always been a useful and effective means of educating young people. I believe that today it is an essential means of educating them. The gulf between the world of work and the world of home and school has grown so wide, and misunderstanding between young people and their elders has grown so acute, that some means must be found to bridge that gap and erase that misunderstanding if our society is to remain healthy and viable.

I believe that cooperative education is one very effective way of accomplishing these objectives. Many businessmen complain that American youth has a negative attitude toward business. However, if young people learn about business only through books and hearsay, then some degree of misunderstanding is inevitable. To know a person is not necessarily to like him, but it does help to understand him.

Prejudice, extremism, and unfairness usually springs from ignorance and ignorance comes from lack of close contact with and understanding of the object of these feelings and attitudes. If you wish our young people to appreciate your accomplishments and understand your problems, they must be given the opportunity to really know them. Cooperative education gives both students and employers that opportunity. Cooperative education can serve as the means of recreating a social environment in which a young person can observe and participate in the work of his elders. In the past, a child spent part of his time working on the family farm or in the family business and part of the time in school. Thus when he reached maturity, he was already familiar with the workaday world in which he was now expected to take his rightful place. We must try to erase the sharp dichotomy between school and work, between youth and adults which has created so much misunderstanding between the generations and which has made the transition from youth to adulthood so very difficult.

We should not be surprised if young people resent the sudden imposition of the demands and responsibilities or indeed to even alert them to their existence. We should also not be surprised if young people feel resentful when they discover that the long years of academic training so arduously pursued have not prepared them for gainful employment or perhaps for any adult activity. If formal schooling is to have the fullest possible meaning for our young people; if they are to enter occupations for which they have been fully and properly prepared; if they are to bring to their work that enthusiasm and eagerness to excell which can only come when the work provides a sense of satisfaction and meaningful accomplishment as well as a paycheck; and finally, if our young people are to fully understand and accept the often difficult and painful responsibilities of adult life, then we must expose them to the reality of the world of work during their formative years and do it in a comprehensive, systematic and wholly practical way. In accomplishing this objective, I believe that it is essential that our concept of work be broad and all-encompassing in order that we can offer career opportunities which will appeal to all young people and which will encourage the development of every kind of talent and ability. An artist is a worker, a novelist is a worker, a stage set designer is a worker, a musician is a worker, a sculptor is a worker, a film director is a worker. I believe that workers such as these, as well as businessmen and doctors and lawyers and other professionals, should be encouraged to enter our schools and col-

leges in order to explain to young people what it means to do their kind of work, what the opportunities are, what the rewards and drawbacks are.

While I concede that American business can and should continue to fulfill the major role in providing jobs for cooperative education, both because they generate most of the jobs in our economy and because most young people will eventually enter the business world, I also believe that doctors, lawyers, engineers and other professionals, and artists of all kinds, should do their part in providing coop ed work opportunities. It should be emphasized that cost need not be a barrier to this kind of employment. In the past, for example, it was not uncommon for a young person to perform work for an employer in return for being taught a trade or profession with no money whatever changing hands. I want to make clear that I am not advocating a policy of unpaid student labor. If an employer can possibly afford to pay for work performed he ought to be made to do so. However, if an artist, or individual craftsman, or perhaps a doctor or lawyer who devotes himself to serving the poor for little or no remuneration, is willing to take on a student worker but cannot possibly pay him a salary, and if the student consents to the arrangement, then it ought to be possible for a student to work for such employers without pay in order to learn about their occupations.

In conclusion, I would like to strongly encourage all concerned with cooperative education to utilize their imagination and innovative talents to the utmost in order to provide the greatest possible benefits for both students and employers. Let us not be bound by old ways of doing things. Let us define work as any activity that benefits our society and that provides a livelihood and a feeling of worthwhile accomplishment for the worker. And let businessmen, physicians, engineers, lawyers, farmers, artists, Government officials at all levels, and all other practitioners of legitimate occupations, no matter how obscure or specialized, join in a commitment to cooperate with our academic institutions to prepare our youth to take a constructive part in building our society, and to do so with their idealism, enthusiasm, and imagination unimpaired.

REMARKS OF FERDINAND MENDENHALL, VICE PRESIDENT AND EDITOR, THE VALLEY NEWS-THE TRUBUNE COMPANY AT THE EMPLOYERS' INSTITUTE HELD IN LOS ANGELES ON MAY 14, 1975

It is a rare privilege for me to welcome you on behalf of all the sponsors of this Employer Institute on Cooperative Education. I am sure you have already noted on your programs that in addition to the National Commission for Cooperative Education and the United States Office of Education, this conference enjoys the collective sponsorship of many Southern California institutions and corporations whose identities are well known to all of us. Their support of this effort reflects the public concern over the fate and future of higher education which always in our nation has been a bedrock of our growth and prosperity.

This Institute, the first to be held in Los Angeles, is the seventh in an ongoing series of regional conferences convened at the request of the United States Office of Education to encourage the private employment sector to provide job opportunities for work study cooperative education college students. Conferences such as this have been held in New York, Detroit, Albuquerque, San Francisco, Indianapolis, and Houston, and others are planned for Seattle, Chicago and Atlanta.

There is ample documentation proving a number of highly significant values that derive from this modern adaptation of an old and honored precept that a simultaneous combination of work and study is good for the student, good for the college, good for the employer and good for the nation.

I have had some small experience myself observing the beneficial results that work produces for a young person on a job related to his or her career goal. In the newspaper business, with which I am most familiar, those who have an opportunity to work on a paper gain a great deal more knowledge, and by graduation time have already leapfrogged over the usual training period, and are really ready to work as full fledged professionals long before their compatriots who did not leave the ivy halls until after graduation.

In preparing myself for participation in this conference, I gained a much more comprehensive understanding of how really important work-study cooperative education is on the college level.

First let me address myself to the subject of the instant interest of the employer. Later on today's program you will hear in very specific terms what the cost benefits employers gain through hiring cooperative education students. I will just summarize some of the highlights. It is clear from the reports of both large and smaller companies that hiring cooperative education students results in reducing recruitment costs, in substantially cutting the costs of job training, and in very appreciably increasing the retention rate. Companies like General Motors and Southern Bell report cost savings overall of over 40%. Ford Motor Company has indicated a 75% retention rate five years after graduation. The Burroughs Company, one of many that has set up a special department to coordinate its recruitment activities with colleges offering cooperative education programs sees this as a policy to guarantee a continuum of well trained people for high technology jobs. A smaller company such as Sterling Electronics of Houston, Texas, with annual sales of $60 million, three years ago adopted a corporate policy to seek its recruits from colleges offering co-op programs, having tested the cost-benefits of such a recruitment procedure.

I can go on citing other companies. The National Commission has informed me that 15,000 companies now employ cooperative education students, many of them in California. Aside from all its other virtues, it must be good business, and I urge you, if you have not done so, to explore its possibilities for your own companies. I plan to do so for my company.

It is clear to me that cooperative education students are greatly more motivated and goal-oriented than those who adhere to conventional curricula. They elect the work-study pattern because indeed they want to work. And furthermore they gain the advantage through work of knowing what the world outside the college campus is all about. These students, and their numbers are growing by leaps and bounds, are a far cry from the dissociated groups of the late 1960's when the characteristic attitude on the campuses was one of withdrawal.

I think co-op students are asserting that there is a purpose in education and that the system we live by has a place in it for them. It suggests to me that this is again a reaffirmation of the American work ethic and the American impulse to be successful.

I for one congratulate all those who have energized the cooperative education movement and have brought about its widespread successful adoption by colleges in every state of the union. It is this kind of education that inculcates purpose and meaning, and above all restores in the hearts and minds of our next generation of leaders belief in the value of productive work and its rewards.

I venture to add, and I say this out of a gut feeling, that students so committed to work and success will not be found participating in what is romantically called the "drug culture" nor will their names be found on police blotters as perpetrators of crime and violence.

Cooperative education has proven itself as a creative form of learning and as a social invention that is good for the nation. By adopting a hiring policy that will include the recruitment of such students in your own work force, you will at one fell swoop be serving your own corporate interests with profit, and the cause of our American society as well. Thank you.

REMARKS OF DEAN ROY L. WOODRIDGE, EXECUTIVE DIRECTOR, NATIONAL COMMISSION FOR COOPERATIVE EDUCATION AND EXECUTIVE VICE PRESIDENT, NORTHEASTERN UNIVERSITY, BOSTON, MASS., AT THE EMPLOYEES' INSTITUTE HELD IN LOS ANGELES ON MAY 14, 1975

When we talk of cooperative education today, we are talking about a system of education that blends some form of off-campus experience into the educational lives of the students. There are two things that I would look for to distinguish it from other kinds of part-time placements. One is that the institution regards the experience as an integral part of the degree experience. I do not mean that it necessarily gives academic credit in terms of semester hours or credit hours, although as you will see, that is one of the innovations in cooperative education, but that the institution considers successful completion of the off-campus experiences in industry or the public sector a requirement for graduation. The second ingredient that I would look for is that the educational institution assumes the responsibility for the work experience to be integrated into the educational program of the student. It should be related or closely associated to what the student is studying or the student's long-range career objectives or goals that the student is interested in achieving.

You may recall that when cooperative education began at the turn of the century, it was based on two observations made by Herman Schneider about the students in his classes. In a sense, they are the same basic reasons for many institutions adopting the cooperative education program today.

Most students, whether they are in an engineering program, a liberal arts program, business, or whatever, are aiming toward some future professional career, and every profession has certain factors that cannot be taught solely in the classroom or laboratory. Working side by side with professionals who are already successful in the field is a very important element in the student's preparation for a career. Secondly, and possibly even truer today, students must earn money to help pay for their education. They work evenings and weekends, part-time, and during vacation periods. Students feel compelled to do this, but in most cases these jobs bear little or no relationship to the student's educational program. Schneider's observations were that if these two things were true: if students in fact need some type of experience outside of the classroom in order to prepare them for careers, then the two should be combined into an educational system whereby paid employment is part of the system and the work experience is related to the students career objectives and studies.

It is easy to make these observations but not nearly as simple to implement a program. A special kind of calendar must be designed which allows the student body to be split into two groups; while one is at work, the other is in school, and they change places at periodic intervals. This insures a full 52 week coverage of a regular job assignment. This was the key that opened the door to the jobs in the early years and still does today. It takes a lot of work on the campus to redesign the curriculum and to make a commitment to radically change the calendar from the usual nine months with a three-month vacation.

The alternative patterns vary greatly. One calendar used by many community colleges employs the formula of having one student work in the morning and another in the afternoon, so it becomes a half-day alternation. At the opposite end of the pole is a system used by a university in Tennessee which has a full twelve-month alternation. The student works for twelve months and then goes to school for twelve months. Amid these two extremes one finds the quarter system, the plan in use at Northeastern, which is built around a thirteen-week pattern. Another common calendar is one based on a semester system which is designed around a sixteen-week alternating cycle. These latter two are the most popular types of calendars.

There are various kinds of programs of cooperative education. In a mandatory program like Northeastern's, except for a few students in the Liberal Arts College, students are automatically on the program when enrolled at the University. Antioch, Wilberforce, and the General Motors Institute also have compulsory programs. Out of the 900 cooperative education schools, there are only 4 or 5 where there is this kind of total institutional commitment. Elective programs are by far the most popular. At these institutions, students elect whether they wish to go into a cooperative or off-campus program or to remain on campus for a conventional education. Some institutions like MIT, Cornell, and the Rochester Polytechnical Institute have honors programs that are restricted to the very best and brightest students, which are measured by the student's grades. At Berea College in Kentucky all the assignments are on the campus and the students constitute a substantial portion of the institution's work force. Finally there are the off-campus experimental programs which are much more free-wheeling than any of those previously mentioned. Bennington, Keuka, Beloit, and Kalamazoo are some of the schools offering such cooperative programs. These would not look at all like the programs at Northeastern, Antioch, or Drexel which have a more rigidly structured teaming of students. In the experimental programs some jobs are salaried and some are not. However it is more difficult to find paid positions when year-round coverage is not offered.

In the late 1950's, when cooperative education was growing from a very modest base of a few institutions which were very much committed to it, the Edison Foundation became interested and obtained funds from The Ford Foundation to engage in a research study that was conducted by Dr. James W. Wilson under the chairmanship of Dr. Ralph W. Tyler. After two years of studying students in cooperative programs, a report was published that made several very strong claims as to the educational benefits of cooperative education. It concluded that cooperative education is a superior form of education for young people. On that platform the National Commission for Cooperative Education was formed.

The purpose of this nonprofit organization has been to spread the gospel of cooperative education. Its consultants were sent across the country to speak to presidents, trustees, students, faculty—any group that would listen.

The Ford Foundation began to show a keen interest, and in 1965 it gave Northeastern University a grant to establish a Center for Cooperative Education to provide research, training, and consulting services to other institutions interested in developing cooperative programs. In 1968, The Ford Foundation made an additional grant to Northeastern to endow a chair for a research professorship in cooperative education.

At about this time, the Federal government became interested, and several of us were called to Washington at the request of both houses of Congress to testify before various committees. As a result one provision in the 1965 Higher Education Act, under the title concerned with developing institutions, states that one of the activities a developing institution could undertake with federal money was to develop a cooperative program. In 1968, when the amendments to the Higher Education Act were written, it was felt that cooperative education was worthy enough to warrant its own legislation. Under the 1968 Amendments, cooperative education was given its own title and became a line item in the bill. Last year's budget appropriated $10,750,000 for cooperative education. It was one of the few items in the Department of Health, Education, and Welfare budget for which the Nixon administration requested more money than in previous years.

Some factors came into play that brought all of this into focus which I would like to mention. First was President Johnson's War on Poverty and the nation's concern with impoverished people and deprived youngsters who had neither social, cultural, nor economic advantages. The cooperative program, because of its peculiar quality of allowing students to earn at the same time as assimilating them into American's free enterprise system, became one of the answers to this problem. Also there was a great concern for racial injustice. Cooperative education became a vehicle for many of the traditionally black colleges to combat inequality and open the door for more black young people to attend college. There was the cry for relevance that grew out of the anti-war movement and the critical questioning of the traditional form of education. Cooperative education bridged the gap between the utopian life on the campus and the realities of the world outside the university walls. Finally, the financial squeeze hit many institutions, in particular the church-related schools when the church could no longer maintain its former level of support.

Where are we going from here? I think that there is enough evidence to predict that within the next five years, one-half of our colleges and universities, that would be 1,500 in number, will be offering some kind of off-campus experience for their students.

This means a jump from about 200,000 to 500,000 students looking for positions in the labor market. One of the problems that we will have to face is preparing employers for this onslaught of students. One of the worst things that could happen would be for the young people who are again turning to the American free enterprise system to find that the employers are totally unprepared to offer any kind of positions to them. That is one of the problems facing us and forms the new missionary thrust of the National Commission.

From the point of view of the employer, cooperative education can help ameliorate a number of problems.

Listed below is a range of situational problems or difficulties frequently encountered by employers which an effectively managed and coordinated cooperative education program can help ameliorate. We suggest that if employers are confronted by one or more of the following problems, they consider cooperative education as one approach to improving their situation.

Cooperative education can be helpful if:

1. There is a need for a stable and prescreened source of intelligent and upwardly mobile preprofessional or paraprofessional manpower.

2. There is a need for more economic and flexible utilization of preprofessional level manpower.

3. There is a need to derive greater value from the work of professional level employees by permitting them to focus more exclusively on more professionally demanding tasks.

4. There is a need to improve the quality (validity) of the screening and selection decisions about new college hires.

5. It would be useful to enhance the quality and extent of relationships with college from which graduates are recruited.

6. It would be useful to have college faculty, counselors and students be more knowledgeable of employment opportunities in your organization.

7. There is a need to improve the "yield" from employment offers and reduce the cost of campus recruitment.

8. There is a need to improve the promotability, or at least the assessment of promotability, of new college hires.

9. There is a need to improve access to the employment of qualified minority employees, and to increase access to professional level jobs by members of minority groups.

10. There is a need to reduce the cost of orientation and initial training of new college hires.

11. There is a need to reduce early attrition and turnover among new college hires.

12. There is a need to maintain high quality of new permanent professional level employees.

REMARKS OF ROBERT P. HANRAHAN, DEPUTY ASSISTANT SECRETARY FOR EDUCATION (HEW) AT THE EMPLOYERS' INSTITUTE HELD IN LOS ANGELES, ON MAY 14, 1975

COOPERATIVE EDUCATION—LEADING THE WAY IN ENDING THE ISOLATION OF EDUCATION FROM WORK

I'm not here to give you a hard sell on co-op education. You've already heard some convincing arguments about its benefits. I'm sure many of you now believe it has something to offer your business or firm.

Anyway, co-op education isn't all that hard to sell. It's one of those rare programs with something for everybody—the kind we really like in Washington.

Co-op education saves the employer recruiting and training costs.

It saves the college building and facilities cost. While a co-op student works for a semester in your lab or office, another occupies his seat in the classroom. So the college can accommodate more tuition-paying students without having to build additional classrooms. Two tuitions for the price of one classroom seat, so to speak.

The student also benefits. He earns while he learns—at a job closely related to his field of study.

His parents benefit. What the student earns goes toward his education and eases the strain on the family budget, something all parents, even in this audience, can appreciate in these days of high tuition costs.

So we in Washington are delighted to see the co-op program expanding. Today we have 700 to 800 institutions with 180,000 students. This compares with only 60 and 28,000 students in 1962, 70 years after the first co-op program was set up in 1906. By 1980 we envision another 500 institutions trying co-op education, with a possible 500,000 student participants.

The federal role in the co-op program is working out well. We've fully funded it for the last three years—at $10.7 million.

We have requested $8 million for FY 1976. This is somewhat less because some initial needs have been met. But let me note that the number of new awards in FY 1976 will be greater than in 1975—100 as compared with 75.

Let me also note that we expect a co-op program at an individual institution to become self-supporting. This is why we limit an institution to three annual grants.

But as I said, I'm not here to tell you what the co-op program can do for you.

Instead, what I would like to tell you is

what it and other programs like it can do for your country.

It was the country—and its youth—that President Ford had uppermost in mind last summer when at Ohio State University he called on business and education to come closer together and end the isolation of education from work.

He said students were asking, "How can I get a job that makes sense as well as money?"

We must find an answer to their question. We must make sure the education they get enables them to take their place in our complex, technological society as productive adults.

The future of our country is bound up in our young people—in their successful adjustment from school to the work-a-day world. They are the ones who will have to solve the problems confronting our country today, as well as those that will confront it in the next few decades.

A current problem is the energy shortage. We realize how valuable a resource energy is. We are urged not to waste it.

But aren't our young people an even more valuable resource? We certainly don't want to waste their talent and potential. But we will if we don't do something about ending the isolation of education from work.

President Ford is a great believer in cooperative education because he realizes it's doing a great deal to end this isolation.

This is why he sends you his greetings and wishes for success. He hopes you will give every consideration to hiring as many students as you can under the co-op program, and placing them in jobs matched closely with their fields of study.

President Ford regards bridging the gap between education and work as one of the major challenges to our society.

And judging from the mail we got on the subject after the President's speech, so do a lot of young Americans and their parents.

In response, a Presidential Task Force conducted studies and developed recommendations for a new federal initiative to bring education and work closer together.

Some say the idea for a new federal initiative in education and work died this winter when more "urgent" and "immediate" problems like energy and the recession interceded.

Well, as Mark Twain said about his reported death when he was traveling in Europe, it's been "greatly exaggerated."

The idea did not die. It's alive and kicking.

The federal government has acted before when faced with problems like this. It will act again.

Over a century ago, when Americans also complained that schools weren't doing enough to prepare students for employment, the result was the Land Grant legislation of the 1860's.

Fifty years ago, you had the Smith-Hughes Act, and subsequent vocational education acts.

Today we are funding cooperative education. We are encouraging the "career education" concept.

But more needs to be done. We need a broader and nation-wide effort addressed to all groups in our society. We don't need any major new legislation or funding. What we do need is broader coordination of what's already being done.

A lot is being done. Co-op education is a prime example. But the word has to be spread about this and other programs so communities can learn from each other—so that the best can be applied where it's needed the most.

We need more cooperation between business and schools like the kind taking place under the cooperative education model. But other groups have to also get involved.

And we have to tackle the whole spectrum of work—not only the technical and professional fields. The artistic and scholarly fields have to be considered, as well as the scientific and engineering. Or any other occupational field you care to name.

We have to consider all job and career choices our young people might want to make, including those that don't fit into the business-industrial mold.

And what about other age groups of our society, whatever their station or situation in life? The mother whose children have grown up and are on their own and who wants education or training to pursue some kind of meaningful work? Or the middle-aged professional changing jobs? Or the retired senior citizen, who wants to remain active?

I think we've reached the point where even leisure will have to be classed as an occupation. People will have to be trained for leisure.

Don't misunderstand me. We don't want to pay people for loafing. But older, retired people deserve to be shown how they can use leisure time—whether it be for recreation, hobbies, or voluntary work suited to their age and skills.

You in business and industry, with the help of educators, have given our country a technology second to none. But whether or not it remains that way—and successfully copes with the energy and other long-range problems—depends on how well we develop and nurture the present resource of young talent on the college campuses.

It depends on whether our young people find their "life-road" or wander off and spend most of their productive years wondering which way to turn, or taking detours that turn out to be dead-ends.

Take your average youngster in college today, in this early 20's. He finds schools irrelevant. He feels he's just drifting. He's bored. Sometimes he attacks the Establishment for its faults, lack of idealism, materialism, or when he should be planning to become a part of it. He stands off isolated from it when he should be preparing, with the help of our schools, to join it and work to correct its faults.

If he and others like him don't, who will? Who will take your place?

These young people need our sympathy. They've wandered off their life-road. That they're lost is no fault of their own. To their credit, many of them are aware of their isolation from life—that education somehow is failing to provide what they need. Surveys show they do.

So do letters from parents saying that their children at 18, 21, or even 24 don't know yet "what they want to be." And these are not so-called "problem youth." They're serious-minded youngsters most of us have observed in our own family or that of a relative or friend.

It's saddening to see such youngsters bewildered about the meaning of life, not knowing which way to turn. And their parents just as bewildered, suffering a special kind of pain only parents can know when things don't go right for their children. They too begin to wonder what the meaning of it all is. Why all the advantages they have offered their children are of no avail? Why education is failing to prepare them for a productive and happy life?

In our rural past, things were simpler. A boy worked with his father on the farm, or office and shop in the small town. His life-road was well mapped out. He saw what his father did and he was fairly sure of what he would be doing as an adult. School was important. Certain skills had to be learned there. But other skills, like dealing with people, he learned outside of school—in the family, church, and community.

Similarly, girls helped mothers with domestic chores. Life was also simpler for them, even though it was unfairly limited in scope.

Today, of course, our society has become more complex. Roles of the sexes in work have changed, with women rapidly gaining equality—a positive development. But not so positive has been the decline in the roles of the family, church, and community in helping young people relate to the adult world they are supposed to find their niche in. At the same time, this adult world has become more complex and compartmentalized. One's life-road turns out to be a maze. One stops moving. One drops out of life and bewails the evils of the Establishment.

But before dropping out of life, one drops out of school first, because school walls seem to isolate one from "real life."

This is why we still have high dropout rates in high schools—25 percent. One out of four youngsters in the fifth grade today will not finish school.

Seventy-six percent of high school students today are largely in college preparation courses. But between now and 1980 only 2 out of 10 jobs will require a college degree.

But what happens to the youngster who go to college? Forty percent never make it through the junior year. Fifty percent never make it through the senior year.

They drop out of college. Then they drop out of life.

And who loses besides them and their parents? Our country loses. It loses the talent it needs to solve its economic and social problems. We all lose, even generations of the future.

What can be done?

I already noted the activities of the Presidential Task Force on work and education. They have recommended that specific areas need attention if we are to bridge the gap between education and work.

One is encouraging communities to make career-related work available to students, as you are doing. But despite your efforts, most undergraduate students work at jobs having little or no relation to career aspirations. The co-op model, or something like it, has to be developed on a broader scale in communities and schools.

The career education concept is still too weakly applied in most of our schools.

Out of 17,000 school districts, only 1,000 have substantial career education programs. And most of these are concentrated in the early grades and not enough at the junior and high school level. But it's at this level that career education is crucial.

A second area needing attention is so-called competency-based education—which is giving academic credit for skills and knowledge learned outside the classroom. Effective learning can take place outside the classroom. Co-op education proves that every day. There is no reason why students who acquire skills and knowledge outside an academic institution should not receive appropriate academic credits.

A third area we need to look at is the lack of job-finding information available to students. Too many students, not as fortunate as co-op students, are being educated for careers that may not exist or aren't in great demand. There are 139,000 persons with teaching degrees today who can't find work as teachers because the jobs aren't there. Meanwhile, other occupations, such as health care, are crying for manpower.

Finally, not only do we need to match present classroom teaching with the jobs that are available now or in the immediate future, but we also have to do more long-range predicting on job needs. Some job needs can't be filled today because 10 or 15 years ago we didn't know what the need would be. We need an "early warning" system matching today's education with tomorrow's needs.

We have a study getting underway with HEW funding that will seek to find ways of predicting more precisely what our future occupational needs will be.

Soon we will be getting action in these areas that I just talked about.

Soon efforts like yours in cooperative education will be broadened and applied to all segments of our society—in a new initiative to bring education and work closer together.

REMARKS OF RALPH GUTIERREZ, COORDINATOR, COOPERATIVE EDUCATION AND PLACEMENT SERVICES, PASADENA CITY COLLEGE, AT THE EMPLOYERS' INSTITUTE HELD IN LOS ANGELES ON MAY 14, 1975

Cooperative Education is an attempt to integrate the theoretical experience that a student may gain in the educational institution and that of his practical experience that the student receives in the adult world of work.

VALUE TO EMPLOYERS

Employers also see many possibilities in using the objectives approach. They become more aware of opportunities to train students in new areas or to work on problems previously difficult to define. Many of the employers indicate that they have been involved in management by objectives or evaluation by objectives and were happy to see that community colleges also were approaching the evaluation of progress in this manner.

PASADENA CITY COLLEGE

Pasadena City College is located in the San Gabriel Valley and serves six unified school districts. The population being served by this cooperative education program resides mainly within the Pasadena Area. This area is 60% Caucasian, 27% Black, 10% Mexican-American, and 3% Asian-American.

Cost effectiveness of community college cooperative education is being demonstrated as highly productive for the funds invested.

Man hours of coop coordination including job development, counseling, evaluation, and on-the-job consultation are 5.87 man hours per student per semester. Cost of cooperative education (other than on-campus classroom instruction) including 3 semester hours credit per student, with associated teacher coordinator activities, job development, counseling, and on-the-job consultation and evaluation is $52.17 per student per semester.

These calculations are based upon salaries of $15,650 for instructor-coordinator working 8 hours per day for 220 days per year, providing full coordination services for 2500 students per semester.

Since cooperative education may account for as much as 10% of the total unit credit of a program in community college, it is quite apparent that a substantial negative-excessive cost factor can be applied to programs of this type. Through cooperative education, the total cost of college per student is reduced.

VALUE TO STUDENTS OF COOPERATIVE PERFORMANCE OBJECTIVES

In addition to receiving additional attention from coordinators and supervisors, the preparation of learning objectives provides a valuable experience for the students. Many students use this opportunity to gain definite communication with their supervisors in terms of what is actually expected of them. One student saw the objectives as a vehicle to gain recognition from her employer of what her job had actually developed into over the year in which she held the position. She had been unsuccessful in previous attempts to bring this to his attention.

Retention of students is improved by a factor of more than two to one. Evidence resulting from three years of program development indicates that overall retention rates in regular courses are 65% to 70%; while retention rates in co-op range from 75% to 95%. The median rate of class withdrawal is 32% for all students, as compared to 15% for co-op students. In other words, for every *two* students who leave traditional programs in community colleges before completion, only one cooperative education student leaves before completion.

STUDENT REACTION TO COOPERATIVE EDUCATION

"I feel that the Cooperative Education program is fantastic. Often being a student and employed at the same time can be very difficult; however, when the job is related to or helping you co-exist with school it gives you the incentives to continue knowing that it will be beneficial to your future goal or your search for one. I tell many people about Co-op, especially those who are frustrated and would like to work at a job that acts as a partner and not a deterrent to their schooling and their goals."

"Work-study experience has helped better my relations with others because I try to be very cautious as to how I treat someone. I know how I like to be treated and with dealing with people from day to day, I've found the true value and importance of it. People tend to treat you the way you treat them. At the moment, the only course in college that I have taken that has helped in any way with my job is Co-op Education, simply because none of the other courses that I'm enrolled in apply. I've found that in writing this paper I'm learning an awful lot about myself, my job, my future, and most of all what I like—I've never really taken the time to sit down and think of all these things before, and putting together this paper has not only been healthy and helpful for me, but it has opened a lot of closed doors or unopened doors, which ever the case may be . . . I think that the Co-op Education Program is a very effective program, and I'm sorry that more people are not taking any real advantage of it."

"The Co-op Education program that is offered is most valuable for many reasons. It gives students added incentive to work while attending school. It certainly teaches one to be an expert organizer of time. But most importantly, all of us need ground level experience in just learning to deal with other people. We have a lot to learn about ourselves and our relationship with others. Thanks for the opportunity."

"This work-study assignment has greatly helped me with a better relation to others. On the job, as well as in school, I've met new people during my school courses and have listened to their experiences in sales, and also in everyday living. This has been most helpful to me as a sales representative."

"I just want to say this work-study assignment has been a most enjoyable experience. I'm looking forward to continuing my education at night school. This has been my first experience attending college, and I wish I had done so much earlier. However, it's better to start increasing one's knowledge at thirty-four years of age than to never have done so. The opportunity is there for anyone who wishes to grab it."

"This class in Cooperative Education has been of great benefit to me. I feel my teacher has helped me understand myself better as far as work and a job is concerned. I'm very pleased with the way my teacher has handled this class. Relating what I have learned in this education class to my job and my schooling is what makes me want to get ahead and do something constructive in the future."

TEACHER REACTION TO COOPERATIVE EDUCATION

"I think the Cooperative Education program is a success because it brings the true feelings out of the employee as to the facts of what he likes and dislikes about his job or employer."

"My students' term papers were very positive in their reaction to the Co-op Ed program. My experience with the program during the fall semester has been the most enjoyable yet. Much of this is due to the excellent support from the Co-op staff and the smaller number of students that each teacher has to supervise."

CAREERS IN INSURANCE

Mr. FANNIN. Mr. President, during this time of economic trial any word of encouragement for our young people concerned about their career prospects is a precious commodity indeed. Such encouragement is equally important to the older person temporarily unemployed or one who is seeking to broaden his employment horizon.

Such encouragement is found in a series of articles recently appearing in the Journal of American Insurance, published by the American Mutual Insurance Alliance.

The insurance industry is a vital one which employs a diversity and range of skills including medicine, engineering, chemistry, safety, rehabilitation, and even political science.

Mr. President, in order that these enlightening articles may be brought to the attention of more people who are interested in examining insurance as a career, I ask unanimous consent to have them printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

CAREERS IN INSURANCE

Walk across a college campus. Ask the first ten people you meet about their career goals. You'll find a fledgling lawyer, an engineer, a librarian, a nurse, an accountant—but probably not one of the ten is planning a career in insurance. Yet insurance provides challenging job opportunities in any of these professions.

For many people the word insurance conjures up the image of a desk job and mountains of routine paperwork. To others, an insurance career means chiefly sales. Maybe this was the total picture a few years back, but in the fast-changing insurance world, there's a lot more than meets the eye.

Today's insurers, particularly those in the property and casualty field, are involved in a growing number of activities: rehabilitation of the injured, product safety, industrial hygiene, research, training of commercial drivers—to name just a few. More than half of all insurance employees hold professional, managerial or technical jobs, a high proportion of knowledge and skill positions for any industry.

One executive with a national property and casualty insurer explains: "In our company only about 16 percent of the work force is engaged in sales. The others hold down jobs in many different fields: data processing, accident prevention, accounting, rehabilitation, consumer education.

"If the truth of the matter were known, our industry probably has more high-grade, responsible positions to offer than any other and a wider array of career choices to boot. It would be difficult to find another industry that offers such diversified positions as mathematician, nurse, lawyer, computer analyst and engineer, in addition to the more traditional insurance careers in sales, investments, underwriting and claims."

To fill their employment needs, the nation's some 3,000 property and casualty insurers will be offering thousands of career opportunities in the next few years alone. Openings are occurring in the professions, in technical fields and in various business specialties. Jobs available include many new positions created by technological advances—

particularly in the data processing field. And, as in all fields, new positions occur as a result of normal changes, including retirements. Because insurance is a growth industry, the young man or woman entering the business today has an excellent opportunity for upward mobility and advancement.

Between now and 1980 four-fifths of all new employees will be between the ages of 16 and 34. Once these young men and women have chosen their profession or technical field, they may well find further satisfaction pursuing it in the insurance industry.

A recent nationwide survey of high school students conducted by Purdue University reveals that most teen-agers harbor negative attitudes toward the business community as a whole. For example, more than three-fourths of those surveyed believe business leaders are interested primarily in personal gain, not in the welfare of the public. Almost half the students felt that businesses treat their employees impersonally, as unimportant units in the organizational structure. And 39 percent had serious doubts that business really cares about the welfare of its workers.

How can the insurance industry respond to these concerns?

Perhaps no other profit-making industry contributes more significantly to the public welfare than the property and casualty industry. By collecting small amounts from a large pool of policyholders, the insurer is able to protect each individual or company from the consequences of a catastrophic financial loss. In this way property and casualty insurance has made possible an expanding economy based on the extension of credit to millions of Americans. Without the financial protection guaranteed by insurance, no lender would provide funds for business investments, for purchase of individual homes or for automobiles and other consumer products bought on credit.

Because insurers have a strong financial incentive to reduce risk, they invest heavily in loss prevention programs. In practice these programs benefit each individual policyholder as well as society at large. Among loss prevention activities sponsored by workmen's compensation insurers are the industrial hygienist and the safety consultant who identify hazards in the work environment and the rehabilitation nurse who helps the seriously injured to return to a useful and productive life. Automobile insurers pay for the researcher who works for safer, more damage resistant motor vehicles. The insurance investigator who seeks answers to the tragic loss of life and property from uncontained fires is helping prevent their reoccurrence. All of these are part of the fabric of property and casualty insurance.

What about individual satisfaction and the opportunity for personal achievement? Does the insurance industry recognize each employee as a unique individual or are workers merely interchangeable parts in the organizational structure?

Increasingly the insurance company employee is doing a decision-oriented job requiring the exercise of independent judgment and a greater degree of individual responsibility at every level. Many of the repetitive "assembly line" tasks once done by desk workers are now handled by data processing systems. With the routine work fed into the electronic machine, the human is free to undertake more challenging responsibilities.

Sales positions, too, demand a high degree of expertise. Insurance representatives don't sell a standard, tangible product, one that can be held in the hand. What they're selling is a special kind of financial security which must be tailored to meet the needs of each policyholder. In the morning the salesman may discuss the insurance requirements of a bicycle factory, a horse farm or a record store; in the afternoon he may counsel a homeowner with two cars in the garage, a sailboat and a trail bike. To do his job well, the insurance salesman must have a basic understanding of property values and a thorough knowledge of each client's security needs.

The opportunity to serve society and the members of the community is only part of the reward associated with an insurance career. There are many other advantages of much more tangible nature which enhance the quality of life for the career employee and his family.

Jobs in insurance are available in nearly every area of the country. Insurance employs workers in large cities, in suburban communities and in small towns throughout the U.S.

Most of those employed in insurance work a five-day week, although salesmen often extend their working hours to meet with clients. Salaried employees generally receive a two-week paid vacation after one year and, in a growing number of cases, three weeks may be provided after five years of service. Many property and casualty insurers grant four-week vacations to employees who have been with the company for a number of years.

In addition to regular vacation periods the number of paid holidays enjoyed by insurance company employees is "somewhat greater than in many other industries," according to the U.S. Department of Labor.

Salary levels vary with each company and in each region of the country. However, the Labor Department reports that starting salaries for professional workers in the insurance business are generally comparable with those for similar positions in other industries. Sales positions, where pay is based on commissions rather than salary, rank among the highest in potential earnings.

Equally important to most employees is the stability of the insurance industry. Insurance provides workers with excellent job security. Property owners regard insurance as a necessity during economic recession as well as during boom periods. In large measure the industry is immune to these up and down fluctuations of the economy. There is regular employment without periodic layoffs of staff.

Insurance company employees also participate in excellent group plans, providing life and accident and health insurance, hospitalization and disability coverages. Stable retirement plans also are common among insurance employee benefits.

SALES, UNDERWRITING AND CLAIMS

Most people get to know their insurance company through its sales representative. When a young person buys that first car or a young family purchases its first home the insurance sales representative helps the new owner determine the amount of financial protection he needs.

A second representative of the insurance company, one that many people eventually meet, is the claims adjuster. When a loss occurs, the adjuster assesses the amount of damage and authorizes payment. Sometimes it can be a simple matter—a fender-bender where damage to the automobile is slight and where there are no injuries. At other times the claims procedure calls for extraordinary talents. Perhaps a family's home has been destroyed by fire or windstorm. Or perhaps there has been a serious accident in a chemical plant.

Since sales and claims personnel work closely with the public, their positions are those most often associated with the insurance industry. But there is another career, unique to insurance: the insurance underwriter. The underwriter is responsible for determining which risks the company should insure and the amount of premium needed. Although underwriters generally do not meet the public they may correspond with policyholders to obtain additional information or, in some cases, may accompany the sales representative on appointments with prospective customers.

In substance these three areas—sales, underwriting and claims—represent basic insurance functions. Without them, insurance and the services it provides would not be possible. The sales representative counsels and advises the customer as to his needs, the underwriter examines and approves the contract, and, when insured losses occur, the claims adjuster fulfills the company's promise to pay.

In the property and casualty field—that branch of insurance which supplies financial protection to motorists, homeowners, and commercial and industrial ventures—these three areas demand individuals of excellent judgment. They must be ready and able to assume personal responsibility for each decision they make.

The sales representative, for example, has a basic responsibility to the customer. He or she must explain the technical aspects of the policy to the homeowner or business client. Sales representatives also assist in determining proper coverage (the kinds of risks to be covered and the type of contract to cover them) and in setting adequate policy limits (the dollar amounts of insurance provided).

These decisions are vital: if the coverage or the limits are inadequate for the customer's needs, the policyholder is exposed to serious financial risk in the event of a loss. On the other hand, if an attempt is made to sell the customer more insurance than he needs or can afford, the sale may be lost. In a competitive market such as the private insurance industry the sales representative must provide the client with the right kind of product at a reasonable price.

Because insurance exists in a super-competitive marketplace, those who succeed in sales are true professionals. They are individualists who set their own hours, but frequently go beyond the nine-to-five shift. Conferences with clients may be held in a business office, on-site at factory or construction project, or in the customer's home.

This variety and the high degree of responsibility that goes with it provide many challenges. As one insurance sales professional explains: "It's the most exciting sales field I could imagine. The rewards far outweigh the inherent inconveniences."

Among those rewards is the opportunity for excellent income. This is true whether the sales representative operates his own office as an independent agent or broker or whether he is employed by one particular insurance company. A successful salesperson can expect unusually high salaries and commissions.

Underwriters are sometimes known as the risktakers. They also are problem solvers by nature. The underwriter's job is to accept or reject risks to be assumed by the insurance company and to determine a fair and equitable premium to be charged the policyholder.

Since insurance companies assume millions of dollars of risk each year, the underwriter holds a sensitive position, governed more than any other by the competitive process. Insurance protection must be offered at reasonable rates, yet those rates must be adequate to guarantee the company remains solvent, able to protect all its policyholders. This means that some poor risks cannot be assumed by the company, or, if assumed, they must be charged a higher premium. For example, a driver with a history of several moving traffic violations probably would pay more for his auto insurance than a motorist with a clean driving record. Similarly, a factory which upgrades its safety procedures could be expected to pay less for workmen's compensation insurance than a plant where industrial accidents seem to occur all too often.

Underwriters tackle multi-faceted problems in determining acceptability of risks. Their work requires an analytical mind which can deal with complicated and technical subjects: numbers, policy forms, rating manuals and information from engineering and claims reports, as well as applications for insurance. Because they acquire a detailed knowledge of the policy contract, experienced underwriters help to shape new policies.

The claims professional is responsible for prompt payment of all valid claims. At the same time, for the protection of the company and the policyholders, overpayment for inflated losses or payment where fraud may be involved must be avoided.

The first requisite for a claims adjuster is good judgment. Claims personnel must combine the ability to investigate a mysterious fire or to estimate the cost of repairing an automobile with a thorough knowledge of insurance.

The adjuster must also be flexible, able to give a fair and unbiased appraisal based on the individual facts in each case.

Evidence that adjusters do their job well is reflected in the fact that their judgment is accepted by more than 90 percent of all claimants.

Sales representatives, underwriters and claims personnel constitute a key group in the insurance industry. Because these jobs encompass a variety of skills and experiences, those who are successful will gain a thorough knowledge of the company.

For this reason there is especially good opportunity for advancement. A large number of managerial and executive positions are available in the sales, underwriting and claims divisions. In addition, much of a company's top-level management is promoted from these three areas of responsibility.

MANY WAYS TO SERVE

Just a few years after earning his degree in biology, a young industrial hygienist takes charge of a laboratory dedicated to identification and elimination of radiation, poisonous gases and other hazards in the work environment.

Still in her twenties, a recent math graduate is named project leader for a team of eight data processing programmers and analysts. The team will mechanize a major company's paperwork and production operations.

A registered nurse specializing in rehabilitation medicine receives a challenging assignment. She will provide expert care to the severely injured, consulting frequently with attending physicians to determine the best course of treatment.

Three professionals, each deeply involved in a meaningful and productive career. But with one common denominator: all are employed by a property and casualty insurance company.

Property and casualty is perhaps the most diverse field in the insurance industry, providing financial protection against damage to both property and people. The more familiar forms are personal, automobile and homeowners insurance. But businesses also look to the property and casualty insurer for financial protection against destruction of goods or property by fire, windstorm or other disaster.

Most employed persons have financial protection against on-job injuries through yet another form of property and casualty insurance—workers' compensation. Purchased by the employer, workers' compensation insurance pays for medical bills and lost income when an employee has a work accident or develops a disease associated with his occupation.

Because the property and casualty insurer serves the needs of its customers in many ways, a broad variety of career positions has been created to provide these services. Here is a brief overview of insurance employment opportunities in a number of professional and technical fields:

Actuarial science plays an essential role in the insurance business. Actuaries and statisticians—drawn from people with strong backgrounds in mathematics—are responsible for continuing analyses of the company policies and programs. Utilizing past experience and new business trends, the actuary must make reasonably accurate predictions regarding future premium income and loss expenses. In this way the solvency of the company and the financial protection of its policyholders are assured.

Communications, particularly communications with policyholders and the insurance-buying public, are of increasing importance in our complex society. Property and casualty insurers have developed comprehensive programs to acquaint consumers with the need for adequate insurance and to inform policyholders of the various kinds of insurance available. Many companies distribute explanatory guides on how to purchase insurance; for example, premiums can be reduced through good safety records and through the use of deductibles. Films are available on a number of subjects: use of the automobile (for high school students), safety training films for industrial and commercial workers, educational presentations dealing with insurance and safety topics of interest to the general public.

All these endeavors provide challenging work for the professional communicator. Specific areas of employment include public information activities, advertising, film making, art and layout, consumer relations, technical writing, and speech and article preparation.

Education receives strong emphasis in the insurance industry, creating a demand for educators and for those able to conduct specialized training courses.

Many property and casualty companies, as well as insurance professional organizations and trade associations, provide courses to aid insurance employees in career advancement.

Insurers also expend considerable effort in educating policyholders and the public. Safety courses for plant workers and driver training schools for commercial fleet operators are just two examples.

Electronic data processing can be said to be the nerve center of the insurance industry. EDP is the primary vehicle for storing comprehensive coverage information in home office centers, enabling immediate and accurate retrieval of data and loss information, essential in rate making and underwriting analysis. EDP response to inquiries from field offices and agents also speeds up service to the policyholder.

Because their work touches upon every aspect of insurance operations, systems analysts and computer programmers have a bright future in the property and casualty field.

Financial positions abound in the property and casualty field. Insurance companies are required by law to maintain financial reserves sufficient to pay for any and all claims filed by policyholders. Investment of these legal reserve funds must be prudent and safe to protect the interests of the insurance consumer.

These and similar financial activities of insurance companies create many jobs for accountants, investment specialists and economists.

Law is another important facet of the insurance industry. Since insurance protection is based on a legal contract between the company and the policyholder, attorneys are needed to help design policy contracts and to represent the company in all legal matters. Frequently a property and casualty insurer will become involved in lawsuits filed against its policyholders. In such cases the insurer may provide legal defense for the policyholder during court litigation.

Attorneys in the insurance industry serve in many capacities. Their work may center on court litigation—presenting motions, consulting with doctors on medical aspects of cases, appearing in jury trials. Or they may concentrate in legal research, becoming expert in such recent insurance trends as no-fault automobile insurance, workers' compensation reforms, or products liability legislation.

Loss prevention is an area of the insurance industry which is unfamiliar to most people. Yet it is one of the most widely-used and most worthwhile activities of the property and casualty field. Here are broad opportunities for engineers, industrial hygienists, chemists, biologists, research technicians who design new safety devices for home and industry, as well as a number of other safety professionals in specialized fields.

Insurers who offer workers' compensation policies are deeply involved in loss prevention activities to eliminate dangers from the work environment. These include such hazards as air pollutants, unnecessary noise levels or dangerous physical conditions arising from the use of machinery. Sometimes a guard can be placed on a machine to prevent a worker from getting his hand caught in the moving parts. At other times the worker can wear protective clothing or headgear to shield him from heat or other hazardous conditions.

Loss prevention, however, is not limited to the work environment. Many specialists devote their time to research projects, seeking ways to improve automobile safety design or to build safer roads and highways. These research projects create jobs in insurance for physicists, geologists, library scientists, statisticians, and many others. Fire prevention and arson investigation activities are other facets of loss prevention which are financially supported by the property and casualty industry.

Medicine and medical research is of growing importance to insurers. Registered nurses, physical and vocational therapists and other allied health professionals are needed in the expanding field of rehabilitation medicine. Since property and casualty insurers provide monetary benefits to injured workers and to those injured in automobile and other accidents, the insurers have a strong financial incentive to help the disabled return to a productive life. Aside from financial support of rehabilitation hospitals and centers, the companies themselves employ nurses and other health professionals to serve as consultants in cases of severe injury.

Occupational medicine, although not new, has gained impetus since the enactment of the Occupational Safety and Health Act of 1970. This federal legislation, concerned with health and safety in the work environment, requires special precautions be taken by the employer to protect his employees. In many cases the company providing workers' compensation insurance will send a nurse or other trained health professional to advise the employer.

Management, personnel and supervisory divisions of the property and casualty insurer each include a broad variety of other career positions. Training in business administration, business law, management, marketing, personnel or industrial relations provides good background for employment within an insurance company's administrative divisions.

More than half a million Americans currently are employed in the property and casualty insurance business. They know their industry as a fast-moving, creative, competitive business—one where innovative approaches to human welfare are ongoing concerns. Theirs is a socially-useful employment, with unlimited opportunities to serve.

Yet there is ample personal reward and an open door to further career advancement.

OPPORTUNITIES IN EDUCATION AND TRAINING

Not many years ago finding a college which offered courses in insurance was like looking for that elusive needle in a haystack. But today's student planning an insurance career will discover that most major American schools provide at least some training in insurance basics. Many have established formal programs leading to a major concentration in the field.

Abundant opportunity for advanced training in insurance also is available to the young man or woman who is not going on to college. Those entering the employment market direct from high school or following technical or vocational training will find that the insurance industry ranks at the top in the number and variety of on-job educational programs.

Many property and casualty insurance companies sponsor their own schools where new personnel can learn the basic principles of insurance, later advancing to more specialized subjects. Complementing these courses offered by employing companies are educational programs and seminars sponsored by various insurance professional organizations and trade associations.

The college-bound individual who decides early on an insurance career will find instruction in insurance and related subjects available at nearly 600 colleges and universities across the nation. The most recent survey published by the S. S. Huebner Foundation for Insurance Education indicates more than 400 schools provide basic courses in insurance, with 73 schools offering a major concentration and 65 conferring degrees in insurance at the bachelors level. The survey shows masters degree programs at 25 schools and doctoral programs at 19 universities.

Insurance courses were estimated to have a combined student enrollment of more than 74,000, nearly 3,000 of whom were majors.

Instruction in insurance generally is offered through a university's business administration school or department. For a typical major, classes in insurance might account for 15 to 20 percent of the total curriculum, with the balance of coursework drawn from the liberal arts and from other areas of the business administration school. Among those courses particularly beneficial to those planning insurance careers are accounting, banking and finance, business law, economics, management, marketing and statistics.

Students who are comfortable with facts, figures and formulas and have an interest in business should consider a career as a casualty actuary. A curriculum with heavy concentration in mathematics and economics provides an excellent collegiate background for this career position in the property and casualty field. In addition, many schools now offer programs in actuarial science, preparing students in such skills as determining adequate insurance rate structures, analyzing losses and researching costs and finances.

Once a student has completed the formal course of study, he or she probably will seek employment with an insurance company which provides additional training in actuarial science. Later on the student will want to achieve membership in the Casualty Actuarial Society, the professional organization in the field. Professional membership requires successful completion of a series of qualifying examinations testing the applicant's ability in math, accounting, economics, investments, statistics, selection of risks and other subjects relating to the practical aspects of the insurance industry.

Another highly specialized profession with outstanding career potential in the insurance industry is the law. College students planning to go beyond their regular four-year program will find the study of law greatly enhances their employment opportunities in insurance.

Attorneys, particularly those with business or investment backgrounds in their undergraduate work, are sought by insurance companies to fill a variety of positions.

Other executive positions frequently are filled by men and women with college concentrations in accounting, economics, marketing or management leading to a degree in business administration. In addition many insurance career positions are held by professionals and technicians whose post-high school training lies outside the field of business administration. Engineers, fire protection specialists, biologists, nurses and other medical personnel, librarians, and electronic data processors are just a few examples.

Regardless of the specific career path chosen, the college student enrolled in insurance courses will find his instructors generally are quite knowledgeable about the "real world" of the insurance industry. Countrywide, nearly 2,000 instructors are engaged in teaching insurance subjects at the college level. Many of them belong to the American Risk and Insurance Association (ARIA). A principal goal of this organization is to strengthen ties between the insurance academic world and the industry itself. Because of this liaison, the student is afforded the latest in training and educational methods as well as a direct channel into the day-to-day workings of insurance companies.

In some instances students with a strong desire for insurance careers are able to combine practical working experience with their college preparation. An outstanding example of this arrangement is the work-study program available at the College of Insurance. Founded in 1962, the college is surrounded by the skyscrapers of Manhattan's insurance and financial district. A four-year, fully accredited school with an enrollment of 2,100, the college receives strong support from insurance industry. Financial aid comes from nearly 200 separate insurance companies and organizations. At least a third of these companies sponsor students who alternate four-month periods of study and four-month periods of work with the sponsoring organizations.

Students in the work-study program aim either for a Bachelor of Business Administration degree with a major in insurance or a Bachelor of Science degree with a major in actuarial science. The undergraduate curriculum consists of about 50 percent liberal arts, 25 percent business administration and 25 percent insurance courses.

At a number of other universities offering comprehensive insurance programs there are awards and scholarships available to help the serious student. For example, at one state university which offers 50 courses in insurance, nearly 20 graduate and undergraduate level scholarships are available through the Department of Insurance.

Universities with programs in insurance are located in every section of the United States. Some of these include the Connecticut School of Insurance, Georgia State University, Drake University in Des Moines, Iowa, the University of Minnesota, Northeastern (Massachusetts), the University of Pennsylvania and the University of Wisconsin.

Once an individual has completed formal education—whether at the college level or otherwise—entrance into the working world of the insurance industry opens further opportunities for self-advancement through education.

Many property and casualty insurers are totally committed to training programs for both their professional and clerical personnel. Most large insurers maintain comprehensive education departments. As one company training director explains: "What we're talking about, at least in terms of the big companies, is a training salary budget of from $75,000 to $100,000 a year."

One large property and casualty insurer reserves an entire wing of its new headquarters building for classroom and instruction facilities. Eight classrooms, some holding as many as 55 students, are located in the wing. Nineteen instructors teach courses in such varied subjects as data processing, claims, underwriting, sales, engineering, typing, audio visual presentation, professional communications and management.

Included in this modern facility are an audio visual room, two full-time technicians and an audio visual library.

In addition to organized classes, self-study courses also are available to all employees.

Training is just as important to the smaller companies as it is to the larger firms. Many of these maintain their own training departments; others rely on correspondence courses available through industry professional and trade organizations. Says one company executive: "Training is a substantial part of the industry. The extent of the commitment the industry has made to training and education is enormous."

The list of industry groups which sponsor educational courses and special subject seminars is a long one. Professional organizations such as the Society of Chartered Property and Casualty Underwriters, hold one-day clinics on topics of immediate importance to the insurance professional. Workshops, seminars and retreats also play key roles in the Society's program.

Similarly, the National Association of Insurance Women (NAIW) keeps its membership advised of the latest industry trends through a short course format. The NAIW recently presented a course in personnel supervision for women in insurance. Held on the University of Iowa campus, the course, "Moving into Management," emphasized development of leadership and communications skills of women in the industry.

Insurance trade associations, voluntary non-profit organizations representing their member companies in governmental affairs and providing information to the insurance consumer, also play a leading role in insurance education.

The American Mutual Insurance Alliance, a trade association of more than 100 mutual property and casualty companies, makes available to its member companies a broad selection of educational programs. Some courses, such as the Alliance education department's "Introduction to Insurance" and its intermediary "General Principles of Insurance," deal in broad basics and are designed for all employees in the property and casualty business.

Other courses are more specialized. For example the department's Supervisory Management series is designed to introduce newly appointed supervisors to their changed roles. The course has proved very popular, being utilized as a correspondence course and also for in-company classroom training.

The Alliance accident and fire prevention staff conducts courses in subjects relating to the prevention of insurance losses. Open to safety personnel of the AMIA's member companies, the courses include such topics as fire prevention, automatic sprinkler protection, motor vehicle fleet training, product safety, occupational safety and industrial hygiene.

The Property Loss Research Bureau, an affiliate organization of the Alliance, offers an extensive educational program for claims personnel and insurance company loss managers. PLRB also develops specific programs to fill the training needs of its member companies and to augment the companies' existing training programs.

There is good reason for the wealth of educational opportunities available to insurance personnel. On the one hand, the knowledgeable employee at any level of responsibility is best able to serve the consumer. Equally important, insurance companies consider development and training of qualified personnel the most important investment they can make.

Some industries, such as auto and steel manufacturers, must make tremendous financial investments in raw materials and plant facilities. But for the insurer—a business which deals in service—the most valuable investment is in the human resources.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

MILITARY CONSTRUCTION AUTHORIZATIONS, 1976

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 1247, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 1247) to authorize certain construction at military installations, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Armed Services, with an amendment to strike out all after the enacting clause and insert the following:

TITLE I

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

UNITED STATES ARMY FORCES COMMAND

Fort Bragg, North Carolina, $13,534,000.
Fort Campbell, Kentucky, $14,911,000.
Fort Carson, Colorado, $10,732,000.
Fort Hood, Texas, $46,458,000.
Fort Sam Houston, Texas, $870,000.
Fort Lewis, Washington, $33,723,000.
Fort George G. Meade, Maryland, $2,892,000.
Fort Ord, California, $32,890,000.
Fort Polk, Louisiana, $57,199,000.
Fort Richardson, Alaska, $3,087,000.
Fort Riley, Kansas, $13,387,000.
Fort Stewart/Hunter Army Airfield, Georgia, $40,761,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort Benning, Georgia, $44,940,000.
Fort Eustis, Virginia, $633,000.
Fort Gordon, Georgia, $6,945,000.
Fort Jackson, South Carolina, $16,001,000.
Fort Knox, Kentucky, $42,898,000.
Fort Lee, Virginia, $719,000.
Fort McClellan, Alabama, $42,464,000.
Fort Rucker, Alabama, $13,239,000.
Fort Sill, Oklahoma, $16,513,000.
Fort Leonard Wood, Missouri, $2,984,000.

UNITED STATES ARMY MATERIEL COMMAND

Aberdeen Proving Grounds, Maryland, $9,193,000.
Army Materials and Mechanics Research Center, Massachusetts, $976,000.
Natick Laboratories, Massachusetts, $222,000.
Redstone Arsenal, Alabama, $1,571,000.
Sierra Army Depot, California, $1,033,000.
White Sands Missile Range, New Mexico, $3,146,000.
Yuma Proving Ground, Arizona, $778,000.

UNITED STATES ARMY COMMUNICATIONS-COMMAND

Fort Huachuca, Arizona, $6,005,000.
Camp Roberts, California, $415,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, West Point, New York, $5,937,000.

UNITED STATES ARMY HEALTH SERVICES COMMAND

Fort Detrick, Maryland, $972,000.
Walter Reed Army Medical Center, Washington, District of Columbia, $3,580,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $5,779,000.
Various locations: Water Pollution Abatement, $51,961,000.

DINING FACILITIES MODERNIZATION

Various locations, $16,547,000.

ENERGY CONSERVATION

Various locations, $30,077,000.

NUCLEAR WEAPONS SECURITY

Various locations, $2,652,000.

OUTSIDE THE UNITED STATES

UNITED STATES FORCES COMMAND

Fort Buchanan, Puerto Rico, $2,480,000.
Fort Sherman, Canal Zone, $1,400,000.

EIGHTH UNITED STATES ARMY, KOREA

Various locations, $9,281,000.

UNITED STATES ARMY SECURITY AGENCY

Various locations, $1,971,000.

UNITED STATES ARMY, EUROPE

Germany, various locations, $20,599,000.
Camp Darby, Italy, $5,589,000.

Various locations: For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations, including international military headquarters, for the collective defense of the North Atlantic Treaty Area, $76,000,000 and an additional $19,000,000 for the period July 1, 1976 through September 30, 1976: *Provided*, That, within thirty days after the end of each quarter, the Secretary of the Army shall furnish to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a description of obligations incurred as the United States' share of such multilateral programs.

NUCLEAR WEAPONS SECURITY

Various locations, $34,000,000.

SEC. 102. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions and responsibilities which have been occasioned by: (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment; in the total amount of $10,000,000: Provided, That the Secretary of the Army, or his designee, shall notify the Committee on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1977 Military Construction Authorization Act except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

SEC. 103. (a) Public Law 90–110, as amended, is amended under the heading "INSIDE THE UNITED STATES," in section 101 as follows:

With respect to "Fort Lee, Virginia" strike out "$2,575,000," and insert in place thereof "$3,615,000."

(b) Public Law 90–110, as amended, is amended by striking out in clause (1) of section 802 "$288,355,000" and "$391,748,000" and inserting in place thereof "$289,395,000" and "$392,788,000," respectively.

SEC. 104. (a) Public Law 92–145, as amended, is amended under the heading "INSIDE THE UNITED STATES," in section 101 as follows:

With respect to "Walter Reed Army Medical Center, District of Columbia," strike out "$112,500,000" and insert in place thereof "$134,652,000."

(b) Public Law 92–145, as amended, is amended by striking out in clause (1) of section 702 "$363,626,000" and "$405,607,000" and inserting in place thereof "$385,778,000" and "$427,759,000," respectively.

SEC. 105. (a) Public Law 93–166, as amended, is amended under the heading "INSIDE THE UNITED STATES," in section 101 as follows:

(1) With respect to "Fort Polk, Louisiana," strike out "$29,276,000" and insert in place thereof "$44,536,000."

(2) With respect to "Eglin Air Force Base, Florida," strike out "$2,950,000" and insert in place thereof "$4,585,000."

(3) With respect to "Fort Rucker, Alabama," strike out "$3,987,000" and insert in place thereof "$4,810,000."

(4) With respect to "Fort Leonard Wood, Missouri," strike out "$44,482,000" and insert in place thereof "$54,283,000."

(5) With respect to "Aeronautical Depot Maintenance Center, Texas," strike out "$6,284,000," and insert in place thereof "$7,353,000."

(6) With respect to "Natick Laboratories, Massachusetts," strike out "$466,000," and insert in place thereof "$617,000."

(7) With respect to "White Sands Missile Range, New Mexico," strike out "$3,843,000," and insert in place thereof "$6,339,000."

(8) With respect to "Yuma Proving Ground, Arizona," strike out "$6,472,000" and insert in place thereof "$8,320,000."

(b) Public Law 93–166, as amended, is amended by striking out in clause (1) of section 602 "$485,287,000" and "$599,927,000" and inserting in place thereof "$518,910,000," and "$633,010,000," respectively.

SEC. 106. (a) Public Law 93–552 is amended under the heading "INSIDE THE UNITED STATES," in section 101 as follows:

(1) With respect to "Fort Benning, Georgia," strike out "$36,827,000" and insert in place thereof "$37,156,000."

(2) With respect to "Fort Jackson, South Carolina," strike out "$19,078,000," and insert in place thereof "$22,278,000."

(b) Public Law 93–552 is amended under the heading "OUTSIDE THE UNITED STATES," in section 101 as follows:

With respect to "Fort Buckner, Okinawa," strike out "$532,000," and insert in place thereof "$944,000."

(c) Public Law 93–552 is amended by striking out in clause (1) of section 602 "$491,695,000," "$120,184,000" and "$611,879,000" and inserting in place thereof "$495,-

224,000," "$120,596,000," and "$615,820,000," respectively.

TITLE II

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

FIRST NAVAL DISTRICT

Portsmouth Naval Shipyard, Kittery, Maine, $6,000,000.

THIRD NAVAL DISTRICT

Naval Submarine Base, New London, Connecticut, $17,880,000.

Naval Weapons Station, Earle, New Jersey, $879,000.

NAVAL DISTRICT, WASHINGTON

National Naval Medical Center, Bethesda, Maryland, $100,000,000.

Uniformed Services University of the Health Sciences, Bethesda, Maryland, $64,900,000.

Naval Ship Research Development Center, Carderock, Maryland, $550,000.

Naval Surface Weapons Center, Dahlgren, Virginia, $2,375,000.

FIFTH NAVAL DISTRICT

Fleet Combat Direction Systems Training Center, Atlantic, Dam Neck, Virginia, $4,776,000.

Commander in Chief, Atlantic Fleet, Norfolk, Virginia, $4,246,000.

Naval Air Station, Oceana, Virginia, $1,693,000.

Naval Weapons Station, Yorktown, Virginia, $14,743,000.

SIXTH NAVAL DISTRICT

Naval Air Station, Cecil Field, Florida, $557,000.

Naval Air Station, Jacksonville, Florida, $2,784,000.

Naval Station, Mayport, Florida, $3,084,000.

Naval Hospital, Orlando, Florida, $2,978,000.

Naval Training Center, Orlando, Florida, $5,588,000.

Naval Air Station, Pensacola, Florida, $4,282,000.

Charleston Naval Shipyard, Charleston, South Carolina, $2,748,000.

Fleet Ballistic Missile Submarine Training Center, Charleston, South Carolina, $250,000.

Polaris Missile Facility, Atlantic, Charleston, South Carolina, $195,000.

EIGHTH NAVAL DISTRICT

Naval Personnel Center, New Orleans, Louisiana, $21,300,000.

Naval Support Activity, New Orleans, Louisiana, $2,039,000.

NINTH NAVAL DISTRICT

Naval Training Center, Great Lakes, Illinois, $10,448,000.

Navy Public Works Center, Great Lakes, Illinois, $1,151,000.

ELEVENTH NAVAL DISTRICT

National Parachute Test Range, El Centro, California, $1,345,000.

Long Beach Naval Shipyard, Long Beach, California, $3,322,000.

Naval Air Station, Miramar, California, $5,529,000.

Naval Air Station, North Island, California, $13,817,000.

Naval Electronics Laboratory Center, San Diego, California, $3,795,000.

TWELFTH NAVAL DISTRICT

Naval Weapons Station, Concord, California, $264,000.

Naval Air Station, Moffet Field, California, $2,400,000.

Naval Air Station, Fallon, Nevada, $554,000.

THIRTEENTH NAVAL DISTRICT

Naval Regional Medical Center, Bremerton, Washington, $29,959,000.

Naval Air Station, Whidbey Island, Washington, $1,082,000.

FOURTEENTH NAVAL DISTRICT

Naval Station, Pearl Harbor, Hawaii, $7,078,000.

Naval Submarine Base, Pearl Harbor, Hawaii, $2,605,000.

Naval Communication Station, Honolulu, Wahiawa, Hawaii, $2,500,000.

MARINE CORPS

Marine Corps Base, Camp Lejeune, North Carolina, $14,334,000.

Marine Corps Air Station, Cherry Point, North Carolina, $3,547,000.

Marine Corps Air Station, New River, North Carolina, $1,983,000.

Marine Corps Air Station, Beaufort, South Carolina, $2,782,000.

Marine Corps Air Station, Yuma, Arizona, $1,164,000.

Marine Corps Supply Center, Barstow, California, $700,000.

Marine Corps Base, Camp Pendleton, California, $9,958,000.

Marine Corps Air Station, El Toro, California, $2,000,000.

Marine Corps Base, Twentynine Palms, California, $3,159,000.

Marine Corps Air Station, Kanaohe Bay, Hawaii, $5,286,000.

TRIDENT FACILITIES

Various locations: Trident facilities, $186,967,000, of which not more than $7,000,000 shall be available for community impact assistance as authorized by section 608 of Public Law 93–552.

POLLUTION ABATEMENT

Various locations: Air pollution abatement, $3,262,000.

Various locations: Water pollution abatement, $44,827,000.

ENERGY CONSERVATION

Various locations, $26,315,000.

NUCLEAR WEAPONS SECURITY

Various locations, $6,580,000.

OUTSIDE THE UNITED STATES

TENTH NAVAL DISTRICT

Atlantic Fleet Weapons Range, Roosevelt Roads, Puerto Rico, $2,128,000.

ATLANTIC OCEAN AREA

Naval Air Station, $78,000.

EUROPEAN AREA

Naval Station, Rota, Spain, $2,205,000.

INDIAN OCEAN AREA

Naval Support Activity, Diego Garcia, Chagos Archipelago, $13,800,000.

PACIFIC OCEAN AREA

Naval Communication Station, Finegayan, Guam, Mariana Islands, $1,200,000.

POLLUTION ABATEMENT

Various locations: Water Pollution Abatement, $250,000.

SEC. 202. The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions and responsibilities which have been occasioned by: (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000: *Provided:* That the Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1977 Military Construction Authorization Act, except for those public works concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

SEC. 203. (a) Public Law 90–408, as amended, is amended under the heading "INSIDE THE UNITED STATES," in section 201 as follows:

(1) With respect to "Naval Coastal Systems Laboratory, Panama City, Florida," strike out "$9,397,000" and insert in place thereof "$11,321,000."

(2) With respect to "Naval Postgraduate School, Monterey, California," strike out "$1,847,000" and insert in place therof "$2,064,000."

(b) Public Law 90–408, as amended, is amended by striking out in clause (2) of section 802 "$244,059,000" and "$2,250,924,000" and inserting in place thereof "$246,000,000" and "$253,065,000", respectively.

SEC. 204. (a) Public Law 92–545, as amended, is amended under the heading "INSIDE THE UNITED STATES," in section 201 as follows:

(1) With respect to "Naval Shipyard, Charleston, South Carolina," strike out "$5,316,000," and insert in place thereof "$7,916,000."

(2) With respect to "Naval Shipyard, Puget Sound, Bremerton, Washington," strike out "$5,992,000" and insert in place thereof "$7,792,000."

(b) Public Law 92–545, as amended, is amended by striking out in clause (2) of section 702 "$488,493,000" and "$553,410,000" and inserting in place thereof "$492,893,000" and "$537,810,000," respectively.

SEC. 205. (a) Public Law 93–166, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 201 as follows:

(1) With respect to "Portsmouth Naval Shipyard, Portsmouth, Kittery, Maine," strike out "$2,817,000" and insert in place thereof "$5,617,000".

(2) With respect to "Naval Station, Norfolk, Virginia," strike out "$18,183,000" and insert in place thereof "$20,472,000".

(3) With respect to "Long Beach Naval Shipyard, Long Beach, California," strike out "$6,808,000" and insert in place thereof "$11,508,000."

(4) With respect to "Navy Public Works Center, San Diego, California," strike out "$2,471,000" and insert in place thereof "$5,982,000."

(5) With respect to "Puget Sound Navy Shipyard, Bremerton, Washington," strike out "$2,300,000" and insert in place thereof "$3,531,000."

(6) With respect to "Naval Station, Pearl Harbor, Hawaii," strike out "$4,060,000" and insert in place thereof "$4,824,000."

(7) With respect to "Marine Corps Air Station, Cherry Point, North Carolina," strike out "$1,821,000" and insert in place thereof "$9,700,000."

(8) With respect to "Marine Corps Air Station, New River, North Carolina," strike out $3,245,000" and insert in place thereof "$6,755,000."

(9) With respect to "Marine Corps Supply Center, Barstow, California," strike out "$6,210,000" and insert in place thereof "$6,862,000."

(10) With respect to "Marine Corps Air Station, Kaneohe Bay, Hawaii," strike out "$5,988,000" and insert in place thereof "$6,495,000."

(b) Public Law 93–166, as amended, is amended by striking out in clause (2) of section 602 "$522,006,000" and "$580,839,000," and inserting in place thereof "$549,849,000" and "$608,682,000," respectively.

SEC. 206. (a) Public Law 93–552 is amended under the heading "INSIDE THE UNITED STATES," in section 201 as follows:

(1) With respect to "Naval Air Station, Cecil Field, Florida," strike out "$6,893,000" and insert in place thereof "$9,214,000."

(2) With respect to "Naval Station, Mayport, Florida," strike out "$3,239,000" and insert in place thereof "$3,654,000."

(3) With respect to "Naval Air Station, Corpus Christi, Texas," strike out "$1,830,000" and insert in place thereof $5,430,000."

(4) With respect to "Naval Air Station, Miramar, California," strike out "$11,772,000" and insert in place thereof "$13,732,000."

(5) With respect to "Naval Air Station, North Island, California," strike out "$12,943,000" and insert in place thereof "$14,903,000."

(6) With respect to "Naval Station, Adak, Alaska," strike out "$7,697,000" and insert in place thereof "$10,642,000.

(7) With respect to "Puget Sound Naval Shipyard, Bremerton, Washington," strike out "$393,000" and insert in place thereof "$623,000."

(8) With respect to "Marine Corps Air Station, Kaneohe Bay, Hawaii," strike out "$5,497,000" and insert in place thereof $5,606,000."

(b) Public Law 93–552 is amended by striking out in clause (2) of section 602 "$509,498,000" and "$550,956,000" and inserting in place thereof "$523,038,000" and "$564,496,000," respectively.

TITLE III

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Tyndall Air Force Base, Panama City, Florida, $11,107,000.

AIR FORCE LOGISTICS COMMAND

Kelly Air Force Base, San Antonio, Texas, $4,366,000

McClellan Air Force Base, Sacramento, California, $3,461,000.

Newark Air Force Station, Newark, Ohio, $2,117,000.

Robins Air Force Base, Warner Robins, Georgia, $6,517,000.

Tinker Air Force Base, Oklahoma City, Oklahoma, $16,169,000.

Wright-Patterson Air Force Base, Dayton, Ohio, $5,838,000.

AIR FORCE SYSTEMS COMMAND

Edwards Air Force Base, Muroc, California, $5,330,000.

Eglin Air Force Base, Valparaiso, Florida, $8,390,000.

Kirtland Air Force Base, Albuquerque, New Mexico, $5,373,000.

AIR TRAINING COMMAND

Columbus Air Force Base, Columbus, Mississippi, $1,453,000.

Keesler Air Force Base, Biloxi, Mississippi, $43,140,000.

Lackland Air Force Base, San Antonio, Texas, $104,596,000.

Laughlin Air Force Base, Del Rio, Texas, $11,475,000.

Lowry Air Force Base, Denver, Colorado, $9,884,000.

Randolph Air Force Base, San Antonio, Texas, $5,128,000.

Vance Air Force Base, Enid, Oklahoma, $1,270,000.

Webb Air Force Base, Big Spring, Texas, $4,881,000.

ALASKAN AIR COMMAND

Elelson Air Force Base, Fairbanks, Alaska, $471,000.

Elmendorf Air Force Base, Anchorage, Alaska, $568,000.

Various locations, $13,762,000.

HEADQUARTERS COMMAND

Andrews Air Force Base, Camp Springs, Maryland, $3,452,000.

Bolling Air Force Base, Washington, District of Columbia, $3,089,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Altus, Oklahoma, $996,000.

McChord Air Force Base, Tacoma, Washington, $1,189,000.

McGuire Air Force Base, Wrightstown, New Jersey, $1,740,000.

Scott Air Force Base, Belleville, Illinois, $1,488,000.

STRATEGIC AIR COMMAND

Beale Air Force Base, Marysville, California, $3,590,000.

Carswell Air Force Base, Fort Worth, Texas, $1,992,000.

Fairchild Air Force Base, Spokane, Washington, $1,000,000.

Griffiss Air Force Base, Rome, New York, $372,000.

Kincheloe Air Force Base, Kinross, Michigan, $670,000.

Malmstrom Air Force Base, Great Falls, Montana, $622,000.

Offutt Air Force Base, Omaha, Nebraska, $1,437,000.

Plattsburgh Air Force Base, Plattsburgh, New York, $400,000.

Vandenberg Air Force Base, Lompoc, California, $2,696,000.

Wurtsmith Air Force Base, Oscoda, Michigan, $447,000.

TACTICAL AIR COMMAND

Cannon Air Force Base, Clovis, New Mexico, $1,876,000.

George Air Force Base, Victorville, California, $3,646,000.

Langley Air Force Base, Hampton, Virginia, $1,336,000.

Luke Air Force Base, Glendale, Arizona, $439,000.

Mountain Home Air Force Base, Mountain Home, Idaho, $8,750,000.

Nellis Air Force Base, Las Vegas, Nevada, $990,000.

Seymour Johnson Air Force Base, Goldsboro, North Carolina, $612,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $600,000.

Various locations: Water Pollution Abatement, $10,098,000.

ENERGY CONSERVATION

Various locations, $41,952,000.

SPECIAL FACILITIES

Various locations, $14,346,000.

NUCLEAR WEAPONS SECURITY

Various locations, $7,909,000.

OUTSIDE THE UNITED STATES

UNITED STATES AIR FORCES IN EUROPE

Germany, $5,346,000.

United Kingdom, $13,524,000.

Various locations, $22,000,000.

UNITED STATES AIR FORCE SECURITY SERVICE

Various locations, $981,000.

SPECIAL FACILITIES

Various locations, $2,666,000.

NUCLEAR WEAPONS SECURITY

Various locations, $5,591,000.

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $3,982,000.

SEC. 303. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions and responsibilities which have been occasioned by: (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $10,000,000: *Provided,* That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1977 Military Construction Authorization Act, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

TITLE IV

SEC. 401. The Secretary of Defense may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for defense agencies for the following acquisition and construction:

INSIDE THE UNITED STATES

DEFENSE MAPPING AGENCY

Defense Mapping Agency Topographic Center, Bethesda, Maryland, $195,000.

DEFENSE SUPPLY AGENCY

Defense Depot, Memphis, Tennessee, $377,000.

Defense Electronics Supply Center, Dayton, Ohio, $96,000.

Defense Fuel Support Point, Melville, Newport, Rhode Island, $352,000.

Defense Fuel Support Point, Norwalk, California, $197,000.

Defense Property Disposal Office, Colorado Springs, Colorado, $440,000.

Defense Property Disposal Office, Elmendorf, Alaska, $403,000.

Defense Property Disposal Office, Monterey, California, $635,000.

Defense Personnel Support Center, Philadelphia, Pennsylvania, $1,400,000.

NATIONAL SECURITY AGENCY

Fort George G. Meade, Maryland, $3,012,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $2,426,000.

Various locations: Water Pollution Abatement, $322,000.

ENERGY CONSERVATION

Various locations, $175,000.

OUTSIDE THE UNITED STATES

DEFENSE NUCLEAR AGENCY

Johnston Atoll, $4,033,000.

Enewetak Auxiliary Airfield, $20,000,000.

DEFENSE SUPPLY AGENCY

Defense Property Disposal Office, Nuremberg, Germany, $500,000.

Defense Property Disposal Office, Seckenheim, Germany, $237,000.

SEC. 402. The Secretary of Defense may establish or develop installations and facilities which he determines to be vital to the security of the United States, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $10,000,000: *Provided*, That the Secretary of Defense, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including real estate actions pertaining thereto.

SEC. 403. (a) Public Law 92-545, as amended, is amended under the heading "Inside the United States—Defense Supply Agency" in section 401 as follows:

With respect to Defense General Supply Center, Richmond, Virginia, strike out "$1,171,000" and insert in place thereof "$1,365,000".

(b) Public Law 92-545, as amended, is amended by striking out in clause (4) of section 702 "$33,004,000" and inserting in place thereof "$33,198,000".

SEC. 404. (a) Public Law 93-166, as amended, is amended under the heading "Defense Supply Agency" in section 401 as follows.

With respect to "Defense Depot, Tracy, California", strike out "$747,000" and insert in place thereof "$1,384,000".

(b) Public Law 93-166, as amended, is amended by striking out in clause (4) of section 602 "$10,000,000" and inserting in place thereof "$10,637,000".

TITLE V—MILITARY FAMILY HOUSING

SEC. 501. (a) The Secretary of Defense, or his designee, is authorized to construct or acquire sole interest in existing family housing units in the numbers and at the locations hereinafter named, but no family housing construction shall be commenced at any such locations in the United States until the Secretary shall have consulted with the Secretary of the Department of Housing and Urban Development as to the availability of suitable private housing at such locations. If agreement cannot be reached with respect to the availability of suitable private housing at any location, the Secretary of Defense shall notify the Committee on Armed Services of the Senate and the House of Representatives, in writing, of such difference of opinion, and no contract for construction at such location shall be entered into for a period of thirty days after such notification has been given. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise.

(b) With respect to the family housing units authorized to be constructed by this section, the Secretary of Defense is authorized to acquire sole interest in privately owned or Department of Housing and Urban Development held family housing units in lieu of constructing all or a portion of the family housing authorized by this section if he, or his designee, determines such action to be in the best interests of the United States; but any family housing units acquired under authority of this subsection shall not exceed the cost limitations specified in section 502 of this Act or the limitations on size specified in section 2684 of title 10, United States Code. In no case may family housing units be acquired under this subsection through the exercise of eminent domain authority; and in no case may family housing units other than those authorized by this section be acquired in lieu of construction unless the acquisition of such units is hereafter specifically authorized by law.

(c) The Department of the Army, two thousand one hundred units, $73,875,000:

Fort Ord, California, three hundred and fifty units.

Fort Stewart/Hunter Army Airfield, Georgia, seven hundred and fifty units.

Fort Polk, Louisiana, one thousand units.

(d) The Department of the Navy, one thousand and seventy-eight units, $46,961,000:

Portsmouth Naval Shipyard, Kittery, Maine, one hundred and fifty units.

Naval Facility, Nantucket, Massachusetts, eighteen units.

Marine Corps Base, Camp Lejeune, North Carolina, two hundred and fifty units.

Naval Complex, Bangor, Washington, four hundred units.

Naval Radio Station, Sugar Grove, West Virginia, ten units.

Naval Base, Keflavik, Iceland, two hundred and fifty units.

SEC. 502. Authorization for the construction of family housing provided in this Act shall be subject, under such regulations as the Secretary of Defense may prescribe, to the following limitations on cost, which shall include shades, screens, ranges, refrigerators, and all other installed equipment and fixtures.

(1) The cost of any unit shall not exceed $24 per net square foot to the five-foot line multiplied by the appropriate area construction cost index, including the cost of design, supervision, inspection, and overhead.

(2) Notwithstanding the limitation on cost contained in subsection (a) of this section, the Secretary of Defense, or his designee, may authorize the award of a contract which exceeds the maxmium per square foot cost by not more than 10 per centum upon a determination that a lower cost cannot be obtained without an unreasonable reduction in the quality of the project to be constructed and further provided that the total amount authorized for each service in section 501 is not exceeded.

SEC. 503. The Secretary of Defense, or his designee, is authorized to accomplish alterations, additions, expansions, or extensions not otherwise authorized by law, to existing public quarters at a cost not to exceed—

(1) for the Department of the Army, $35,000,000.

(2) for the Department of the Navy, $34,230,000, including $7,200,000 for energy conservation projects.

(3) for the Department of the Air Force, $51,000,000, including $16,000,000 for energy conservation projects.

(4) for the Defense Supply Agency, $127,000.

SEC. 504. Notwithstanding the limitations contained in prior Military Construction Authorization Acts on cost of construction of family housing, the limitations on such cost contained in section 502 of this Act shall apply to all prior authorizations for construction of family housing not heretofore repealed and for which construction contracts have not been executed prior to the date of enactment of this Act.

SEC. 505. The Secretary of Defense, or his designee, is authorized to construct or otherwise acquire at the locations hereinafter named family housing units not subject to the limitations on such cost contained in section 502 of this Act. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise. Total costs shall include shades, screens, ranges, refrigerators, and other installed equipment and fixtures, the cost of the family unit, and the costs of land acquisition, site preparation, design, supervision, inspection, overhead, and installation of utilities.

(1) Twelve family housing units at various locations for the Defense Intelligence Agency, at a total cost not to exceed $1,320,000.

(2) Three family housing units in Cairo, Egypt, at a total cost not to exceed $180,000. This authority shall be funded by use of excess foreign currency when so provided in Department of Defense Appropriation Acts.

SEC. 506. The Secretary of Defense, or his designee, is authorized to accomplish repairs and improvements to existing public quarters in amounts in excess of the $15,000 limitation prescribed in section 610(a) of Public Law 90-110, as amended (81 Stat. 279, 305), as follows:

Fort McClellan, Alabama, twenty-six units, $465,900.

Fort Richardson, Alaska, two hundred and eight units, $4,000,000.

Fort McNair, Washington, District of Columbia, five units, $195,000.

Fort Sill, Oklahoma, thirty-two units, $654,400.

Fort Eustis, Virginia, one hundred and eighty-five units, $3,140,000.

Fort Lewis, Washington, one hundred and thirty-six units, $2,503,000.

Naval Station, Adak, Alaska, thirty-six units, $665,000.

Public Works Center, Pearl Harbor, Hawaii, one hundred and forty-five units, $2,500,000.

Marine Corps Recruit Depot, Parris Island, South Carolina, one hundred and seventy-eight units, $2,685,800.

SEC. 507. (a) Section 515 of Public Law 84-161 (69 Stat. 324, 352), as amended is further amended by (1) striking out "During fiscal years 1975 and 1976", and (2) revising the third sentence to read as follows: "Expenditures for the rental of such housing facilities, including the cost of utilities and maintenance and operation, may not exceed: For the United States (other than Alaska and Hawaii), Puerto Rico, and Guam an average of $245 per month for each military department, or the amount of $325 per month for any one unit; and for Alaska and Hawaii, an average of $310 per month for each military department, or the amount of $385 per month for any one unit.".

(b) Section 507(b) of Public Law 93-166 (87 Stat. 661, 676), is amended by striking out "$355", "$625", and "twelve thousand" in the first sentence, and inserting in lieu thereof "$380", "$670", and "fifteen thousand", respectively.

SEC. 508. There is authorized to be appropriated for use by the Secretary of Defense, or his designee, for military family housing as authorized by law for the following purposes:

(1) for construction or acquisition of sole interest in family housing, including demolition, authorized imorovements to public quarters, minor construction, relocation of family housing, rental guarantee payments, and planning an amount not to exceed $213,633,000, including $1,900,000 for the period July 1, 1976, through September 30, 1976.

(2) for support of military family housing, including operating expenses, leasing, maintenance of real property, payments of principal and interest on mortgage debts incurred, payment to the Commodity Credit Corporation, and mortgage insurance premiums authorized under section 222 of the National Housing Act, as amended (12 U.S.C. 1715m), an amount not to exceed $1,409,676,000, including $308,739,000 for the period July 1, 1976, through September 30, 1976.

SEC. 509. Section 509 of Public Law 93-552 (88 Stat. 1745, 1759), is hereby amended by changing the period to a comma and by adding "except as authorized by the Secretary of Defense, or his designee, for unusual circumstances resulting from excessive noise, adverse environmental conditions, or health of the occupants.".

TITLE VI

GENERAL PROVISIONS

SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 602. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, IV, and V, shall not exceed—

(1) for title I: Inside the United States, $598,624,000; outside the United States, $170,320,000; or a total of $768,944,000.

(2) for title II: Inside the United States, $662,573,000; outside the United States, $19,661,000; or a total of $628,234,000.

(3) for title III: Inside the United States, $383,030,000; outside the United States, $50,108,000; section 302, $3,982,000; or a total of $437,120,000.

(4) for title IV: A total of $44,800,000.

(5) for title V: Military Family Housing, $1,623,309,000.

SEC. 603. (a) Except as provided in subsection (b), any of the amounts specified in titles I, II, III, and IV of this Act may, in the discretion of the Secretary or Director of the defense agency concerned, be increased by 5 per centum when inside the United States (other than Hawaii and Alaska), and by 10 per centum when outside the United States or in Hawaii and Alaska, if he determines that such increase (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress. However, the total cost of all construction and acquisition in each such title may not exceed the total amount authorized to be appropriated in that title.

(b) When the amount named for any construction or acquisition in title I, II, III, or IV of this Act involves only one project at any military installation and the Secretary of Defense, or his designee, determines that the amount authorized must be increased by more than the applicable percentage prescribed in subsection (a), the Secretary or Director of the defense agency concerned may proceed with such construction or acquisition if the amount of the increase does not exceed by more than 25 per centum of the amount named for such project by the Congress.

(c) Subject to the limitations contained in subsection (a), no individual project authorized under title I, II, III, or IV of this Act for any specifically military installation may be placed under contract if—

(1) the estimated cost of such project is $400,000 or more, and

(2) the current working estimates of the Department of Defense, based upon bids received for the construction of such project, exceed by more than 25 per centum the amount authorized for such project by the Congress, until after the expiration of thirty-days from the date on which a written report of the facts relating to the increased cost of such project, including a statement of the reasons for such increase, has been submitted to the Committees on Armed Services of the Senate and House of Representatives.

(d) The Secretary of Defense shall submit an annual report to the Congress identifying each individual project which has been placed under contract in the preceding twelve-month period and with respect to which the then current working estimate of the Department of Defense based upon bids received for such project exceeded the amount authorized by the Congress for that project by more than 25 per centum. The Secretary shall also include in such report each individual project with respect to which the scope was reduced in order to permit contract award within the available authorization for such project such report shall include all pertinent cost information for each individual project, including the amount in dollars and percentage by which the current working estimate based on the contract price for the project exceeded the amount authorized for such project by the Congress.

SEC. 604. Contracts for construction made by the United States for performance within the United States and its possessions under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army, or the Naval Facilities Engineering Command, Department of the Navy, or such other department or Government agency as the Secretaries of the military departments recommend and the Secretary of Defense approves to assure the most efficient, expeditious, and cost-effective accomplishment of the construction herein authorized. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives a breakdown of the dollar value of construction contracts completed by each of the several construction agencies selected together with the design, construction supervision, and overhead fees charged by each of the several agents in the execution of the assigned construction. Further, such contracts (except architect and engineering contracts which, unless specifically authorized by the Congress shall continue to be awarded in accordance with presently established procedures, customs, and practice) shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder. Such reports shall also show, in the case of the ten architect-engineering firms which, in terms of total dollars, were awarded the most business; the names of such firms; the total number of separate contracts awarded each such firm; and the total amount paid or to be paid in the case of each such firm under all such contracts awarded such firm.

SEC. 605. As of January 1, 1977, all authorizations for military public works, including family housing, to be accomplished by the Secretary of a military department in connection with the establishment or development of installations and facilities, and all authorizations for appropriations therefor, are are contained in titles I, II, III, IV, and V of the Act of December 27, 1974, Public Laws 93-552 (88 Stat. 1745), and all such authorizations contained in Acts approved before December 28, 1974, and not superseded or otherwise modified by a later authorization are repealed except—

(1) authorizations for public works and for appropriations therefor are set forth in those Acts in the titles that contain the general provisions;

(2) authorizations for public works projects as to which appropr ated funds have been obligated for construction contracts, land aquisition, or payments to the North Atlantic Treaty Organization, in whole or in part before January 1, 1977, and authorizations for appropriations therefor;

(3) notwithstanding the repeal provisions of section 605 of the Act of December 27, 1974, Public Law 93-552 (88 Stat. 1745, 1761), authorizations for the following items which shall remain in effect until January 1, 1978:

(A) Barracks with mess construction in the amount of $535,000 at Camp A. P. Hill, Virginia, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(B) Barracks with mess construction in the amount of $476,000 at Camp Pickett, Virginia, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(C) Military Police Barracks with support facilities construction in the amount of $1,831,000 and confinement facility construction in the amount of $6,287,000 at Fort Leonard Wood, Missouri, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(D) Barracks Complex construction in the amount of $8,622,000 at Fort Ord, California, that is contained in title I, section 101 of the Act of November 29, 1973 (87 662), is amended.

(E) Barracks construction in the amount of $2,965,000 at Aberdeen Proving Ground, Maryland, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(F) Barracks with mess construction in the amount of $466,000 at Natick Laboratories, Massachusetts, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(G) Barracks without mess construction in the amount of $3,060,000 at Fort Greely, Alaska, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(H) Relocate Weapons Range from Culebra Complex in the amount of $12,000,000 for the Atlantic Fleet Weapons Range, Roosevelt Roads, Puerto Rico, that is contained in title II, section 204 of the Act of November 29, 1973 (87 Stat. 668), as amended.

SEC. 606. None of the authority contained in titles I, II, III, and IV of this Act shall be deemed to authorize any building construction projects inside the United States in excess of a unit cost to be determined in proportion to the appropriate area construction cost index, based on the following unit cost limitations where the area construction index is 1.0:

(1) $39.50 per square foot for permanent barracks;

(2) $42.50 per square foot for bachelor officer quarters; unless the Secretary of Defense, or his designee, determines that because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable: *Provided*, That nothwithstanding the limitations contained in prior Military Construction Authorization Acts on unit costs, the limitations on such costs contained in this section shall apply to all prior authorizations for such construction not heretofore repealed and for which construction contracts have not been awarded by the date of enactment of this Act.

SEC. 607. Chapter 159 of title 10, United States Code, is amended:

(1) By striking out "$300,000" in the item relating to section 2674 in the chapter analysis and inserting "$400,000" in place thereof.

(2) By striking out "$300,000" in the catchline of section 2674 and inserting "$400,000" in place thereof.

(3) By striking out the figures "$300,000" and "$100,000" in section 2674(b) and insert-

ing "$400,000," and "$200,000" respectively, in place thereof.

(4) By striking out "quarterly" in section 2662(b) and inserting in place thereof "annually."

(5) By striking section 2662(c) and inserting in place thereof the following:

"This section applies only to real property in the United States, Puerto Rico, Guam, the American Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands. It does not apply to real property for river and harbor projects or flood control projects, or to leases of Government-owned real property for agricultural or grazing purposes or to any real property acquisition specifically authorized in a Military Construction Authorization Act."

(6) By adding the following new subsection to section 2667:

"(f) Notwithstanding clause (3), of subsection (a), real property and associated personal property, which have been determined excess as the result of a Defense installation realignment or closure, may be leased to State or local governments pending final disposition of such property if—

"(1) the Secretary concerned determines that such action would facilitate State or local economic adjustment efforts, and

"(2) the Administrator, General Services Administration, concurs in the action."

(7) By adding the following new section:

"§ 2685a. Acquisition; interests in land when need is urgent

The Secretary of a military department may acquire any interest in land that—

"(1) he or his designee determines is needed in the interest of national defense;

"(2) is required to maintain the operational integrity of a military installation; and

"(3) considerations of urgency do not permit the delay necessary to include the required acquisition in an annual Military Construction Authorization Act.

Appropriations available for military construction may be used for the purposes of this section. The authority to acquire an interest in land under this section includes authority to make surveys and acquire interests in land (including temporary use), by gift, purchase, exchange of land owned by the United States, or otherwise. The Secretary of a Military Department contemplating action under this provision will provide notice, in writing, to the Armed Services Committees of the Senate and House of Representatives 30 days in advance of any action being taken."

(8) By adding at the end of the chapter analysis a new item as follows: "Acquisition: interests in land when need is urgent."

(9) By striking from the chapter analysis and the catchline and analysis relating to section 2675 the second colon and all that follows.

(10) By striking the following words from the first sentence of section 2675: "that are not located on a military base and".

SEC. 608. In addition to all other authorized variations of cost limitations or floor area limitations contained in this Act or prior Military Construction Authorization Acts, the Secretary of Defense, or his designee, may permit increases in the cost limitations or floor area limitations by such amounts as may be necessary to equip any projects with solar heating and/or solar cooling equipment.

SEC. 609. Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this Act with respect to any construction project at Diego Garcia may be obligated if either House of Congress has adopted, within the time period prescribed by, and in accordance with the provisions of, section 613 of the Military Construction Authorization Act, 1975 (88 Stat. 1766), a resolution disapproving the obligation of funds appropriated pursuant to such Act for construction projects at Diego Garcia for fiscal year 1975.

SEC. 610. Titles I, II, III, IV, V, and VI of this Act may be cited as the "Military Construction Authorization Act, 1976".

TITLE VII

GUARD AND RESERVE FORCES FACILITIES

SEC. 701. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop additional facilities for the Guard and Reserve Forces, including the acquisition of land therefor, but the cost of such facilities shall not exceed—

(1) For the Department of the Army:

(a) Army National Guard of the United States, $54,745,000.

(b) Army Reserve, $44,459,000.

(2) For the Department of the Navy: Naval and Marine Corps Reserves, $3,800,000.

(3) For the Department of the Air Force:

(a) Air National Guard of the United States, $55,100,000.

(b) Air Force Reserve, $16,500,000.

SEC. 702. The Secretary of Defense may establish or develop installations and facilities under this title without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 9774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on lands includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 703. Chapter 133, title 10, United States Code, is amended by striking out the figure "$25,000" in paragraph (2) of section 2233a, and inserting the figure "$50,000" in place thereof.

SEC. 704. This title may be cited as the "Guard and Reserve Forces Facilities Authorization Act, 1976."

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, we have before us today the military construction authorization bill for fiscal year 1976, S. 1247. At present there do not seem to be any differences between this side of the aisle and the other side. The Senator from Georgia (Mr. NUNN) has an amendment that is satisfactory to Senator TOWER, the ranking Republican member.

The bill before the Senate today provides for construction and other related authority for the military departments and defense agencies within and outside the United States, including authority for all costs of military family housing and the construction of facilities for Reserve Forces. Authority for the 3-month period from July 1, 1976 to September 30, 1976, to adjust the fiscal year in accordance with the Budget Reform Act, is also included.

The administration's request this year was the largest ever—$4 billion, 201 million, 605 thousand. In this request approximately $330 million was for the 3-month transition period. In addition the administration requested increases in prior year authority totaling $133 million, 429 thousand.

After careful consideration the committee reduced the administration's request by $463 million, 221 thousand. The bill before you provides for $3 billion, 762 million, and 11 thousand in new authority, and $108 million, 971 thousand in prior year authority.

In view of the current economic situation in this country, every effort was made to hold down on military construction spending; and the nearly one-half billion dollars by which the committee has reduced this bill is the largest cut ever made in a military construction bill. Despite the substantial reductions made, the committee is of the opinion that the amount granted is adequate to provide for the most essential construction needs of the Department of Defense.

A major portion of the bill provides authority to operate and maintain the military's family housing inventory. Over one-third of the total authority in the bill is required to pay military family housing utility bills and perform essential maintenance to keep the housing inventory from deteriorating. The requirement for new military family housing has been greatly reduced, as the Department of Defense and the Department of Housing and Urban Development have cooperated to entice the private housing industry surrounding military bases to provide needed quarters. The bill this year provides for the construction of slightly more than 3,000 new units compared to 10,000 units per year which the last several construction bills have provided.

Most of the new construction provided in the bill is to improve the fixed assets at our military bases in the United States. Emphasis continues on improving the environment of today's volunteer serviceman and woman. Bachelor housing is included at a cost of $395 million to provide 37,000 new spaces. Medical facilities, which had been largely neglected since the Korean war, are receiving new emphasis in this, the third year, of a concentrated program, and $450 million is included toward this end.

Mr. President, I would like to take just a few moments to highlight major projects that are included in this bill.

First, I want to make clear the committee's action on Diego Garcia. The Department requested $13.8 million as the second increment of the total effort at Diego Garcia. Title II of the bill before us shows $13.8 million as authorized; however, section 609 of the bill contains language that ties that authorization to the action that the Congress must take under the provision of last year's Military Construction Act. The machinery for that congressional action has been set in motion by the President's certification on May 12, 1975 and by Senator MANSFIELD'S resolution 160, of May 19, 1975, disapproving the construction. The action by the committee on this bill should not be construed as reflecting committee support of Diego Garcia. By inserting the contingent authorization in this bill the committee simply recognizes the request as part of the overall Diego Garcia project which will be decided by a separate, independent action on the Senate floor.

The committee has included authorization of $64.9 million for the new military medical university. This is the second increment of the medical university construction costs—$15 million having been authorized last year. As you know the establishment of this university was authorized by the Congress in Public Law 92-426 as a means to provide career physicians to the military services. The committee is convinced that this facility is needed to produce the nucleus of the services' medical corps.

For the first time the Department has embarked on a program of energy conservation. In this time of energy crisis, this effort is endorsed by the committee. The Department's program ranges from simply adding insulation to older facilities to the complete rebuilding of energy extravagant utility systems. The Department has calculated that for an investment of $130 million, annual savings of $30 million can be realized which amortizes the cost of the investment in less than 5 years.

The threat of some dissident element getting their hands on a nuclear weapon has been discussed numerous times before. This bill contains nearly $60 million to counter that threat. The Department has established sound criteria to provide for the physical security of nuclear weapons both within the United States and abroad. The committee approved the entire request and inserted language in their report urging the Department to move as rapidly as possible in this effort.

Mr. President, I believe that I have covered the salient features of the bill before you. Although the total authority requested in this bill is large, it is nearly one-half billion dollars less than the administration requested and considering the extended 15-month period covered by the bill it represents essentially the same level of spending that was authorized last year.

I ask unanimous consent, unless someone has a question, that the Senate proceed to passage of the bill.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. TOWER. Mr. President, will the distinguished chairman of the subcommittee yield?

Mr. SYMINGTON. I yield.

Mr. TOWER. Mr. President, I will follow the distinguished Senator's splendid example of brevity, and say that I think this is a modest amount, and that the committee staff has combed over it carefully and taken out the low priority items. I join the Senator from Missouri in urging the immediate passage of the bill.

I might note that the Senator from Alaska has an amendment. I note also there are two printed amendments offered by the Sentor from Georgia (Mr. NUNN), No. 499 and No. 542, that seem to be very similar.

Mr. SYMINGTON. The correct amendment is No. 542.

Mr. TOWER. No. 542?

Mr. SYMINGTON. As I understand from Senator NUNN'S statement, he and Senator TALMADGE join in proposing it, and it is entirely satisfactory to the Department of Defense.

Mr. TOWER. I will join the Senator from Missouri in accepting the amendment.

Mr. SYMINGTON. Mr. President, I believe the Senator from Colorado has some questions on the bill.

Mr. GARY W. HART. Mr. President, if the Senator from Missouri will yield, I call the attention of the Senate to page 61 of the committee report, and a line item designated "Uniformed Services University of the Health Sciences, Bethesda," at a cost of $64,900,000.

I do not intend to oppose this item, but I refer to a report issued May 16, 1975, some 3 or 4 weeks ago, designated "Interim Report to the President and Congress by the Defense Manpower Commission," an agency and arm of the Congress.

At page 132 of that report, the conclusions of that Commission, which has been, as I say, created by Congress, call into serious question the expenditures for this item. They suggest that the medical university would be, I think in their terms, "an unjustifiably costly method for securing the objective of producing doctors for the military, and relatively inflexible once established."

They talk about the future operating costs of the university being highly uncertain, and that the cost per graduate to the people of the United States might be anywhere from four to five times as expensive, or even more, as that of other alternative means of producing military doctors that are presently available, through scholarship programs and the bonus system which I understand has just gone into effect.

The Department of Defense is setting only a 25-percent career retention goal, which seems extremely low for the amount of money spent. We already have alternative means, as I have suggested, of securing doctors, and even though they are expensive, the Defense Manpower Commission suggests that the cost of construction of this military medical center would be four or five times or more costly than that. The savings if the university were discontinued, according to the Commission, on construction funds alone, would be $96 million, and an annual operating cost, in 1975 dollars, of $13,670,000. Their recommendation is that the Uniformed Services University of the Armed Services be terminated, and that other, more constructive means be used to secure doctors for the military, which I think all of us are agreed is absolutely imperative.

I call that to the attention of Senators present, and put it into the RECORD for any comments or observations either the Senator from Missouri or the Senator from Texas may wish to make.

Mr. SYMINGTON. Let me say to the able Senator from Colorado that this matter has worried me a great deal also. We are putting $100 million into the bill for authorization of a new hospital, or relatively new hospital, in Bethesda. That is clearly needed; I can speak from personal experience. But the idea of the medical university is in addition to that, and I have some apprehension about it, I will be frank about that.

However, people have come to see me—for example, the former Deputy Secretary of Defense, Mr. Packard, and others—who feel that this would, in the long run, create quite a saving in the medical cost of our national defense program. As the Senator knows, doctors now in the Army are getting well over $50,000 a year. As we go to the volunteer concept, it becomes increasingly obvious that we will have to bid for these people as against draftees. I know some doctors who have been drafted, lost their practice, come back, built it back, and then have been drafted again. So we will have to give this matter serious consideration.

It is my understanding it will be dealt with in depth in the Appropriations Committee. I think the Senator is correct; this is something we should be very careful about, but the decision of the committee was to put this amount in the bill at this time.

Mr. GARY W. HART. But the Senator will agree, as I submit, that if Congress is going to establish commissions to look into areas where it can save on overlapping or duplicative functions, we ought to pay attention to the recommendations of those commissions when they suggest what they are?

Mr. SYMINGTON. I entirely agree.

Mr. MANSFIELD. Mr. President, may I say that the chairman of the Subcommittee on Appropriations dealing with this matter advises that the matter is going to be gone into very thoroughly.

Mr. TOWER. Mr. President, let me say to the Senator from Colorado, I do not think the thing is necessarily desirable, either, but we were more or less bound to put it in this bill. This is a pet project of the Committee over in the House of Representatives, and we more or less had it unloaded on us. I do not think it is necessary, and I think the Senator from Colorado makes the point very well.

Mr. STENNIS. Mr. President, let me say to the Senator from Missouri, I want to thank the Senator and the subcommittee, too, for the work they have done on this bill. It has been carried on over a period of months. They have carried the workload on it; it was unanimously approved by the full committee, and I believe it will meet the needs of the services as well as the approval of this body.

So I take this opportunity of thanking the committee for their services.

Mr. SYMINGTON. Mr. President, it is always a privilege to do a job for the distinguished chairman of the committee, and I thank him for his remarks.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in support of S. 1247, the fiscal year 1976 military construction authorization bill.

The bill provides construction and other related authority for the military departments, and the Office of the Secretary of Defense, within and outside the United States and authority for construction of facilities for the Reserve components.

The Department of Defense request for $4.33 billion has, through careful examination, been reduced and the committee recommends $3.87 billion be authorized. Within this amount, $132.6 million was requested for prior year deficiencies, of which $108.9 million is recommended for authorization. The total amount recommended for authorization represents about a 10.7 percent reduction from the request.

Mr. President, the construction proposals contained in the request consisted of some 585 separate construction projects and covered 270 major bases. A major portion of the new construction is dedicated to facilities to improve the environment of our servicemen. Bachelor housing, medical facilities, and a new energy investment program comprise well over half of the request.

The committee recommends $1.623 billion for family housing, with most of the funding required to operate, maintain and provide limited improvements to existing Government quarters. The requirement for construction of new quarters has dropped from over 10,000 in last year's bill to 3,444 in this year's bill.

Mr. President, I would now like to refer to some special interest subjects.

The committee held a special executive session to consider the Air Force shelter program. The Department of Defense goal has been to be able to shelter all aircraft that are to be deployed to Europe within the first 30 days of a mobilization situation. In previous years Congress has authorized and funded sufficient numbers of shelters to house aircraft now in Europe and those scheduled to deploy in the early days of a mobilization situation. Our NATO allies have agreed to fund, primarily through the NATO infrastructure program, most of the shelters previously authorized by Congress and, we are told, Air Force is aggressively pursuing recoupment of these funds where appropriate.

This year's request was for shelters that would not be eligible for NATO infrastructure funding. Consequently, the committee elected to defer any additional shelters which our allies do not consider appropriate for funding.

Referring now to Diego Garcia, the bill recommends $13.8 million for continuation of the programs requested in fiscal year 1975. Our committee felt that the decision concerning the fiscal year 1976 request should be contingent on the action taken by Congress on the fiscal year 1975 request, and section 609 is provided for that purpose.

Mr. President, other significant aspects of the bill are the Uniform Services Health Sciences University, medical facilities modernization, nuclear weapons security, a special provision for cleanup of Enewetak and endorsement of Army's program of constructing relocatable quarters in Korea.

Mr. President, I commend the distinguished chairman of the Military Construction Subcommittee, Senator SYMINGTON, and the ranking minority member, Senator TOWER, for their work on this bill. I also believe a special compliment is in order for Mr. James C. Smith II who joined our committee this year as staff member for military construction.

Mr. President, I urge the bill be adopted as presented.

Mr. STEVENS. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an amendment, at the appropriate place in the bill, to insert a new section as follows:

Mr. STEVENS. I ask unanimous consent that further reading of the amendment be waived.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS' amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . That the Secretary of Defense shall convey, by deed or other appropriate instrument, all right, title, and interest of the United States in and to lots 4 through 15 in block 67; lots 6 through 12 in block 88; and lots 7 through 12 in block 89, located in Nome, Alaska, to the city of Nome, Alaska, upon the payment of $1 by the city of Nome, Alaska, to the Secretary of Defense.

Mr. STEVENS. Mr. President, I discussed this amendment with the manager of the bill, the distinguished senior Senator from Missouri, and managers of the bill from our side of the aisle.

Mr. President, I would like to offer an amendment to S. 1247, the military construction authorization bill. This amendment is identical to S. 273 that I introduced on January 21, 1975, and would authorize the Department of the Army to convey a certain 5.45 acres, more or less, of land back to the city of Nome, Alaska, for $1.

This land, located in downtown Nome, Alaska, was originally sold to the U.S. Air Force Alaska Communications Station along with an additional 13.45 acres for $1 during a critical period of World War II build-up in Alaska. This property was sold to the Federal Government by the people of the city for communication purposes.

Subsequently, the Alaska Communications Station gave the citizens of Nome an opportunity to make a bid for this land. Nome's offer of $10,000 was rejected.

In January 1968, the Nome, Alaska Communications Station was declared excess to the needs of the U.S. Air Force. Following this announcement, roughly 13.41 acres of this land was reported to the General Services Administration for disposal and later sold in 1972 for $16,000. The remaining 5.45 acres were transferred to the Department of the Army in 1973.

When the land was initially sold to the Federal Government, this transaction was made by the people of Nome in the best interest of the Nation and the State of Alaska for the token price of $1. The generosity of the citizens of Nome was deflated a number of years later when the Government sold this same property at a tidy profit of $16,000.

The people of Nome are extremely anxious to have the remaining portions of their original sale, especially the 5.45 acres in the downtown section, returned to them. They are willing to pay their debt and give the dollar back to the Federal Government.

Mr. President, I urge that these 5.45 acres of land, currently under the control of the Department of the Army, be promptly returned to the people of Nome for the original selling price—$1.

In summary, I simply point out what it does is try to correct the situation in Nome. In World War II the city of Nome granted to the Federal Government a tract of land in its downtown area for a dollar.

Following World War II the Federal Government proceeded to sell at auction a portion of that, and there are 5.45 acres of that land, and it is downtown Nome property that the city of Nome would like to have back.

This is all that remains of the tract that they gave to the Government for a dollar. The Government did in fact receive $16,000 for the portion that it sold.

I ask the Senator from Missouri if he would take this amendment to conference and see if we can convince our colleagues in the House of Representatives to accept it.

I do understand that the Department of Defense opposes it because there is one National Guard adviser who lives on a portion of this 5.45 acres.

We will try to work that out by the time we get to conference. I just learned of that opposition on Saturday.

Mr. SYMINGTON. Mr. President, if this is satisfactory to the able ranking member of the Subcommittee on Military Construction I am prepared to accept the amendment.

Mr. TOWER. Mr. President, I am prepared to accept it.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TOWER. Mr. President, I do not believe we have finally acted on the amendment of the Senator from Georgia.

The ACTING PRESIDENT pro tempore. It has not yet been called up.

Mr. SYMINGTON. We are prepared to accept the amendment of the Senator from Georgia also.

The ACTING PRESIDENT pro tempore. Does the Senator wish to call up the amendment?

Mr. TOWER. Mr. President, I call up amendment No. 542, which is at the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

"The Senator from Texas (Mr. TOWER) on behalf of Mr. Nunn, for himself and Mr. Talmadge, proposes an amendment No. 542.

The amendment is as follows:

SEC. 611. The Secretary of the Army is authorized and directed to convey to the Board of Regents of the University System of Georgia, subject to the provisions of this Act, all of the right, title, and interest of the United States in and to a parcel of land, with improvements thereon, lying and being situated in Richmond County, city of Augusta, State of Georgia, more particularly described as follows:

Beginning at a chiseled X in concrete at the intersection of the south line of Walton Way with the west line of Katherine Street; thence along the west line of Katherine Street, south 02 degrees 27 minutes 55 seconds west 268.29 feet to a point 1 foot south of cyclone fence; thence along a line 1 foot south of and parallel to a cyclone fence, north 85 degrees 31 minutes 15 seconds west 227.32 feet to a point 1 foot east of a cyclone fence; thence along a line parallel to and 1 foot east of a cyclone fence, south 04 degrees 19 minutes 50 seconds west 233.05 feet to a point; thence along a line 1 foot south of and parallel to a cyclone fence, north 85 degrees 19 minutes 27 seconds west 305.74 feet to a point 0.60 foot west of a cyclone fence; thence along a line parallel to and 0.60 foot west of a cyclone fence, north 04 degrees 59 minutes 48 seconds east 530.23 feet to a concrete monument on the south side of Walton Way; thence along the south side of Walton Way, south 85 degrees 30 minutes 15 seconds east 517.62 feet to the point of beginning, and containing 5.09 acres, more or less.

The conveyance authorized by this Act shall be made upon payment to the United States of not less than the appraised fair market value of the land and the improvements thereon, as determined by the Secretary of the Army, or the sum of $662,000, whichever is the greater, and upon such terms, conditions, reservations, and restrictions as the Secretary of the Army shall deem necessary to protect the interests of the United States.

The money received by the United States for the lands conveyed under this Act shall be credited to a special account in the Treasury and shall be available, without fiscal year limitation, for the construction of a United States Army Reserve Training Center on lands owned by the United States at the intersection of Jackson and Wrightsboro Roads, Augusta, Georgia.

The cost of any surveys necessary as an incident to the conveyance authorized by this Act shall be borne by the Board of Regents of the University System of Georgia.

Mr. SYMINGTON. I ask unanimous consent that Senator NUNN's statement on his amendment be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT OF SENATOR NUNN

My amendment, number 542, is identical to S. 3831, which I submitted on July 30, 1974. It authorizes the transfer of a 5-acre parcel of land from the Department of the Army to Augusta College in Augusta, Georgia. The distinguished senior Senator from Georgia, Senator Talmadge, joins me as a cosponsor of this amendment.

The purpose of this amendment is to facilitate the transfer of land which is desired by both parties to the transaction. Provision is made in this measure for the payment of full market value. There are no other competing claims to the land, and no objections to the conveyance have been voiced from any quarter. By authorizing the Secretary of the Army to make the transfer directly to the board of regents of the University of Georgia for Augusta College, the bill is merely intended to simplify, accelerate and assure completion of the transfer.

This amendment represents the completion of a process of negotiation and cooperation which goes back nearly 4 years when the first request by the college for the Army site adjacent to the school was made.

As I stated when I introduced this amendment, the tie between Augusta College and this land goes back as far as twenty years ago when 70 acres of surrounding surplus Army property were transferred to the College. In the years following that transfer, the enrollment of August College has grown from 450 students to over 4,000.

Anticipating that continued growth could push enrollment beyond the 6,000 mark by 1980 and recognizing that property for expansion was virtually nonexistent in the college's land-locked residential area, Augusta College officials first turned to the Army for help with its expansion in 1971. The college asked that the adjacent 5-acre armory and training center site be transferred to it to help relieve the space problems.

The Army was sympathetic to the college request. In fact, it was finding the 5-acre site smaller than it needed for its own expansion plans for the training center, but it had no suitable alternate site available. Thus began a cooperative effort extending to the present to find a mutually acceptable solution to the joint problem of relocation.

I do not intend to recount the efforts that have been required over the last 4 years to find the happy answer. Suffice it to say that it has been found through the determined efforts of the college under its able president, Dr. George Christenberry; through the unstinting cooperation of the Army, locally and in Washington; through the understanding and support of local and State officials and the assistance of Federal agencies; and with a boost where needed from the distinguished Senator from Georgia, Senator TALMADGE, from our esteemed colleague from South Carolina, Senator THURMOND, Congressman STEPHENS, Congressman BRINKLEY, and my own office.

The Army now has a fine site in Augusta on which to relocate its expanded reserve training center. Augusta College is moving ahead with plans to utilize the present site, and the transfer has been endorsed by all interested parties. The board of regents of the University Systems of Georgia has committed itself to expend funds to purchase the tract of land from the Army whenever congressional approval is obtained.

I therefore request that my colleagues endorse this amendment so as to provide the necessary legislative authority for this transfer to which all parties agree.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DOLE. Mr. President, before we leave our discussion of the various military construction activities included in this fiscal year 1976 authorization measure, I wish to comment on one particular project which has been omitted from consideration—but which is of substantial importance to the State of Kansas.

I am referring specifically to a proposed outpatient facility addition to the Munson Army Hospital at Fort Leavenworth, Kans.—a $9,911,000 undertaking initially approved last year, but deleted by the House during the appropriations process. As a direct result of that rejection, perhaps, the Department of Defense did not submit the request this year.

In talking with hospital and medical facilities people at the Department of the Army on this, I was informed that a genuine effort had been made to "scale-down" budget recommendations for 1976. Accordingly, the Fort Leavenworth improvement was excluded, but solely because its need had previously been questioned in Congress—and not because the Department of Defense was giving up its plans to go ahead with it at a later time.

As reflected in the committee's report on S. 1247, a major study is now being made to determine the economic efficiency of treating other than active duty personnel in military medical facilities. Accordingly, it is understandable that further modernization activities might want to be suspended until the findings of that investigation are known.

While it is always possible that such a survey will conclude that reductions in military health care services are desirable, I do not believe that will be the case with respect to Fort Leavenworth. I say that that because it is located in an area where an unusally large number of military retirees depend on its treatment capability—and with the costs of the CHAMPUS program being what they are today, I see no alternative to continued and expanded accommodations.

For that reason, I intend to pursue favorable action on the Munson Hospital project during the course of deliberation on next year's construction authorizations. And since the committee has noted its agreement with the emphasis on outpatient centers to cope with our overall military medical requirements, I would hope it can fully support this endeavor.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The ACTING PRESIDENT pro tempore. The question is, shall the bill pass?

The bill (S. 1247) was passed, as follows:

S. 1247

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

UNITED STATES ARMY FOACES COMMAND

Fort Bragg, North Carolina, $13,534,000.
Fort Campbell, Kentucky, $14,911,000.
Fort Carson, Colorado, $10,732,000.
Fort Hood, Texas, $46,458,000.
Fort Sam Houston, Texas, $870,000.
Fort Lewis, Washington, $33,723,000.
Fort George G. Meade, Maryland, $2,892,000.
Ford Ord, California, $32,890,000.
Fort Polk, Louisiana ,$57,199,000.
Fort Richardson, Alaska, $3,087,000.
Fort Riley, Kansas, $13,387,000.
Fort Stewart/Hunter Army Airfield, Georgia, $40,761,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort Benning, Georgia, $44,940,000.
Fort Eustis, Virginia, $633,000.
Fort Gordon, Georgia, $6,945,000.
Fort Jackson, South Carolina, $16,001,000.
Fort Knox, Kentucky, $42,898,000.
Fort Lee, Virginia, $719,000.
Fort McClellan, Alabama, $42,464,000.
Fort Rucker, Alabama, $13,239,000.
Fort Sill, Oklahoma, $16,513,000.
Fort Leonard Wood, Missouri, $2,984,000.

UNITED STATES ARMY MATERIEL COMMAND

Aberdeen Proving Ground, Maryland, $9,193,000.
Army Materials and Mechanics Research Center, Massachusetts, $976,000.
Natick Laboratories, Massachusetts, $222,000.
Redstone Arsenal, Alabama, $1,571,000.
Sierra Army Depot, California, $1,033,000.
White Sands Missile Range, New Mexico, $3,146,000.
Yuma Proving Ground, Arizona, $778,000.

UNITED STATES ARMY COMMUNICATIONS COMMAND

Fort Huachuca, Arizona, $6,005,000.
Camp Roberts, California, $415,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, West Point, New York, $5,937,000.

UNITED STATES ARMY HEALTH SERVICES COMMAND

Fort Detrick, Maryland, $972,000.
Walter Reed Army Medical Center, Washington, District of Columbia, $3,580,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $5,779,000.
Various locations: Water Pollution Abatement, $51,961,000.

DINING FACILITIES MODERNIZATION

Various locations, $16,547,000.

ENERGY CONSERVATION

Various locations, $30,077,000.

NUCLEAR WEAPONS SECURITY

Various locations, $2,652,000.

OUTSIDE THE UNITED STATES

UNITED STATES FORCES COMMAND

Fort Buchanan, Puerto Rico, $2,480,000.
Fort Sherman, Canal Zone, $1,400,000.

EIGHTH UNITED STATES ARMY, KOREA

Various locations, $9,281,000.

UNITED STATES ARMY SECURITY AGENCY

Various locations, $1,971,000.

UNITED STATES ARMY, EUROPE

Germany, various locations, $20,599,000.
Camp Darby, Italy, $5,589,000.
Various locations: For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations, including international military headquarters, for the collective defense of the North Atlantic Treaty Area, $76,000,000 and an additional $19,000,000 for the period July 1, 1976 through September 30, 1976: *Provided*, That, within thirty days after the end of each quarter, the Secretary of the Army shall furnish to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a description of obligations incurred as the United States' share of such multilateral programs.

NUCLEAR WEAPONS SECURITY

Various locations, $34,000,000.

SEC. 102. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions and responsibilities which have been occasioned by: (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment; in the total amount of $10,000,000: *Provided*, That the Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1977 Military Construction Authorization Act except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

SEC. 103. (a) Public Law 90–110, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 101 as follows:

With respect to "Fort Lee, Virginia" strike out "$2,575,000", and insert in place thereof "$3,615,000."

(b) Public Law 90–110 as amended, is amended by striking out in clause (1) of section 802 "$288,355,000" and "$391,748,000" and inserting in place thereof "$289,395,000" and $392,788,000", respectively.

SEC. 104. (a) Public Law 92–145, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 101 as follows:

With respect to "Walter Reed Army Medical Center, District of Columbia," strike out "$112,500,000" and insert in place thereof $134,652,000".

(b) Public Law 92–145 as amended, is amended by striking out in clause (1) of section 702 "$363,626,000" and "$405,607,000" and inserting in place thereof "$385,778,000" and "$427,759,000," respectively.

SEC. 105. (a) Public Law 93–166, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 101 as follows:

(1) With respect to "Fort Polk, Louisiana," strike out "$29,276,000" and insert in place thereof "$44,536,000."

(2) With respect to "Eglin Air Force Base, Florida," strike out "$2,950,000" and insert in place thereof "$4,585,000."

(3) With respect to "Fort Rucker, Alabama," strike out "$3,987,000" and insert in place thereof "$4,810,000."

(4) With respect to "Fort Leonard Wood, Missouri," strike out "$44,442,000" and insert in place thereof "$54,283,000."

(5) With respect to "Aeronautical Depot Maintenance Center, Texas," strike out "$6,284,000," and insert in place thereof "$7,353,000."

(6) With respect to "Natick Laboratories, Massachusetts," strike out "$466,000," and insert in place thereof "$617,000."

(7) With respect to "White Sands Missile Range, New Mexico," strike out "$3,843,000," and insert in place thereof "$6,339,000."

(8) With respect to "Yuma Proving Ground, Arizona," strike out "$6,472,000" and insert in place thereof "$8,320,000."

(b) Public Law 93–166, as amended, is amended by striking out in clause (1) of section 602 "$485,827,000" and "$599,927,000" and inserting in place thereof "$518,910,000," and "$633,010,000," respectively.

SEC. 106. (a) Public Law 93–552 is amended under the heading "INSIDE THE UNITED STATES," in section 101 as follows:

(1) With respect to "Fort Benning, Georgia," strike out "$36,827,000" and insert in place thereof "$37,156,000."

(2) With respect to "Fort Jackson, South Carolina," strike out "$19,078,000," and insert in place thereof "$22,278,000."

(b) Public Law 93–552 is amended under the heading "OUTSIDE THE UNITED STATES," in section 101 as follows:

With respect to "Fort Buckner, Okinawa," strike out "$532,000," and insert in place thereof $944,000."

(c) Public Law 93–552 is amended by striking out in clause (1) of section 602 "$491,695,000," "$120,184,000" and "$611,879,000" and inserting in place thereof "$495,224,000," "$120,596,000," and "$615,820,000," respectively.

TITLE II

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

FIRST NAVAL DISTRICT

Portsmouth Naval Shipyard, Kittery, Maine, $6,000,000.

THIRD NAVAL DISTRICT

Naval Submarine Base, New London, Connecticut, $17,880,000.
Naval Weapons Station, Earle, New Jersey, $879,000.

NAVAL DISTRICT, WASHINGTON

National Naval Medical Center, Bethesda, Maryland, $100,000,000.
Uniformed Services University of Health Sciences, Bethesda, Maryland, $64,900,000.
Naval Ship Research Development Center, Carderock, Maryland, $550,000.
Naval Surface Weapons Center, Dahlgren, Virginia, $2,375,000.

FIFTH NAVAL DISTRICT

Fleet Combat Direction Systems Training Center, Atlantic, Dam Neck, Virginia, $4,776,000.
Commander in Chief, Atlantic Fleet, Norfolk, Virginia, $4,246,000.
Naval Air Station, Oceana, Virginia, $1,693,000.
Naval Weapons Station, Yorktown, Virginia, $14,743,000.

SIXTH NAVAL DISTRICT

Naval Air Station, Cecil Field, Florida, $557,000.
Naval Air Station, Jacksonville, Florida, $2,784,000.
Naval Station Mayport, Florida, $3,084,000.
Naval Hospital, Orlando, Florida, $2,978,000.
Naval Training Center, Orlando, Florida, $5,588,000.
Naval Air Station, Pensacola, Florida, $4,282,000.
Charleston Naval Shipyard, Charleston, South Carolina, $2,748,000.
Fleet Ballistic Missile Submarine Training Center, Charleston, South Carolina, $250,000.
Polaris Missile Facility Atlantic, Charleston, South Carolina, $195,000.

EIGHTH NAVAL DISTRICT

Naval Personnel Center, New Orleans, Louisiana, $21,300,000.
Naval Support Activity, New Orleans, Louisiana, $2,039,000.

NINTH NAVAL DISTRICT

Naval Training Center, Great Lakes, Illinois, $10,448,000.

Navy Public Works Center, Great Lakes, Illinois, $1,151,000.

ELEVENTH NAVAL DISTRICT

National Parachute Test Range, El Centro, California, $1,345,000.
Long Beach Naval Shipyard, Long Beach, California, $3,322,000.
Naval Air Station, Miramar, California, $5,529,000.
Naval Air Station, North Island, California, $13,817,000.
Naval Electronics Laboratory Center, San Diego, California, $3,795,000.

TWELFTH NAVAL DISTRICT

Naval Weapons Station, Concord, California, $264,000.
Naval Air Station, Moffett Field, California, $2,400,000.
Naval Air Station, Fallon, Nevada, $554,000.

THIRTEENTH NAVAL DISTRICT

Naval Regional Medical Center, Bremerton, Washington, $29,959,000.
Naval Air Station, Whidbey Island, Washington, $1,082,000.

FOURTEENTH NAVAL DISTRICT

Naval Station, Pearl Harbor, Hawaii, $7,078,000.
Naval Submarine Base, Pearl Harbor, Hawaii, $2,605,000.
Naval Communication Station, Honolulu, Wahiawa, Hawaii, $2,500,000.

MARINE CORPS

Marine Corps Base, Camp Lejeune, North Carolina, $14,334,000.
Marine Corps Air Station, Cherry Point, North Carolina, $3,647,000.
Marine Corps Air Station, New River, North Carolina, $1,983,000.
Marine Corps Air Station, Beaufort, South Carolina, $2,782,000.
Marine Corps Air Station, Yuma, Arizona, $1,164,000.
Marine Corps Supply Center, Barstow, California, $700,000.
Marine Corps Base, Camp Pendleton, California, $9,958,000.
Marine Corps Air Station, El Toro, California, $2,000,000.
Marine Corps Base, Twentynine Palms, California, $3,159,000.
Marine Corps Air Station, Kaneohe Bay, Hawaii, $5,286,000.

TRIDENT FACILITIES

Various locations: Trident facilities, $186,967,000, of which not more than $7,000,000 shall be available for community impact assistance as authorized by section 608 of Public Law 93–552.

POLLUTION ABATEMENT

Various locations: Air pollution abatement, $3,262,000.
Various locations: Water pollution abatement, $44,827,000.

ENERGY CONSERVATION

Various location, $26,328,000.

NUCLEAR WEAPONS SECURITY

Various locations, $5,580,000.

OUTSIDE THE UNITED STATES

TENTH NAVAL DISTRICT

Atlantic Fleet Weapons Range, Roosevelt Roads, Puerto Rico, $2,128,000.

ATLANTIC OCEAN AREA

Naval Air Station, Bermuda, $78,000.

EUROPEAN AREA

Naval Station, Rota, Spain, $2,205,000.

INDIAN OCEAN AREA

Naval Support Activity, Diego Garcia, Chagos Archipelago, $13,800,000.

PACIFIC OCEAN AREA

Naval Communication Station, Finegayan, Guam, Mariana Islands, $1,200,000.

POLLUTION ABATEMENT

Various locations: Water Pollution Abatement, $250,000.

SEC. 202. The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions and responsibilities which have been occasioned by: (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000: *Provided*, That the Secretary of the Navy, or his designee, shall notify the Committee on Armed Services of the Senate and House of Representatives, immediately upon reaching a decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1977 Military Construction Authorization Act, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

SEC. 203. (a) Public Law 94–408, as amended, is amended under the heading "INSIDE THE UNITED STATES," in section 201 as follows:

(1) With respect to "Naval Coastal Systems Laboratory, Panama City, Florida," strike out "$9,397,000" and insert in place thereof "$11,321,000."

(2) With respect to "Naval Postgraduate School, Monterey, California," strike out "$1,847,000" and insert in place thereof "$2,064,000."

(b) Public Law 90–408, as amended, is amended by striking out in clause (2) of section 802 "$244,059,000" and "$250,924,000" and inserting in place thereof "$246,000,000" and "$253,065,000," respectively.

SEC. 204. (a) Public Law 92–545, as amended, is amended under the heading "INSIDE THE UNITED STATES," in section 201 as follows:

(1) With respect to "Naval Shipyard, Charleston, South Carolina," strike out "$5,316,000," and insert in place thereof "$7,916,000."

(2) With respect to "Naval Shipyard, Puget Sound, Bremerton, Washington," strike out "$5,992,000" and insert place thereof "$7,792,000."

(b) Public Law 92–545, as amended, is amended by striking out in clause (2) of section 702 "$488,493,000" and "$533,410,000" and inserting in place thereof "492,893,000" and "$537,810,000," respectively.

SEC. 205. (a) Public Law 93–166, as amended, is amended under the heading "INSIDE THE UNITED STATES," in section 201 as follows:

(1) With respect to "Portsmouth Naval Shipyard, Portsmouth, Kittery, Maine," strike out "$2,817,000" and insert in place thereof "$5,617,000".

(2) With respect to "Naval Station, Norfolk, Virginia," strike out "$18,183,000" and insert in place thereof "$20,472,000."

(3) With respect to "Long Beach Naval Shipyard, Long Beach, California," strike out "$6,808,000" and insert in place thereof "$11,508,000."

(4) With respect to "Navy Public Works Center, San Diego, California," strike out "$2,471,000" and insert in place thereof "$5,982,000."

(5) With respect to "Puget Sound Navy Shipyard, Bremerton, Washington, " strike out "$2,300,000" and insert in place thereof "$3,531,000."

(6) With respect to "Naval Station, Pearl Harbor, Hawaii," strike out "$4,060,000" and insert in place thereof "$4,824,000."

(7) With respect to "Marine Corps Air Station, Cherry Point, North Carolina," strike out "$1,821,000" and insert in place thereof "$9,700,000."

(8) With respect to "Marine Corps Air Station, New River, North Carolina," strike out "$3,245,000" and insert in place thereof "$6,755,000."

(9) With respect to "Marine Corps Supply Center, Barstow, California," strike out "$6,210,000" and insert in place thereof "$6,852,000."

(10) With respect to "Marine Corps Air Station, Kaneohe Bay, Hawaii," strike out "$5,988,000" and insert in place thereof "$6,495,000."

(b) Public Law 93–166, as amended, is amended by striking out in clause (2) of section 602 "$522,006,000" and "$580,839,000," and inserting in place thereof "$549,849,000" and "$608,682,000," respectively.

SEC. 206. (a) Public Law 93–552 is amended under the heading "INSIDE THE UNITED STATES," in section 201 as follows:

(1) With respect to "Naval Air Station, Cecil Field, Florida," strike out "$6,893,000" and insert in place thereof "$9,214,000."

(2) With respect to "Naval Station, Mayport, Florida," strike out "$3,239,000" and insert in place thereof "$3,654,000."

(3) With respect to "Naval Air Station, Corpus Christi, Texas," strike out "$3,830,000" and insert in place thereof "$5,430,000."

(4) With respect to "Naval Air Station, Miramar, California," strike out "$11,772,000" and insert in place thereof "$13,732,000."

(5) With respect to "Naval Air Station, North Island, California," strike out "$12,943,000" and insert in place thereof "$14,903,000."

(6) With respect to "Naval Station, Adak, Alaska," strike out "$7,697,000" and insert in place thereof "$10,642,000.

(7) With respect to "Puget Sound Naval Shipyard, Brementon, Washington," strike out "$393,000" and insert in place thereof "$623,000."

(8) With respect to "Marine Corps Air Station," Kaneohe Bay, Hawaii," strike out "$5,497,000" and insert in place thereof "$5,606,000."

(b) Public Law 93–552 is amended by striking out in clause (2) of section 602 "$509,489,000" and "$550,956,000" and inserting in place thereof "$523,038,000" and "$564,496,000," respectively.

TITLE III

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Tyndall Air Force Base, Panama City, Florida, $11,107,000.

AIR FORCE LOGISTICS COMMAND

Kelly Air Force Base, San Antonio, Texas, $4,366,000.
McClellan Air Force Base, Sacramento, California, $3,461,000.
Newark Air Force Station, Newark, Ohio, $2,117,000.

Robins Air Force Base, Warner Robins, Georgia, $6,517,000.
Tinker Air Force Base, Oklahoma City, Oklahoma, $16,169,000.
Wright-Patterson Air Force Base, Dayton, Ohio, $5,838,000.

AIR FORCE SYSTEMS COMMAND

Edwards Air Force Base, Muroc, California, $5,330,000.
Eglin Air Force Base, Valparaiso, Florida, $8,390,000.
Kirtland Air Force Base, Albuquerque, New Mexico, $5,373,000.

AIR TRAINING COMMAND

Columbus Air Force Base, Columbus, Mississippi, $1,453,000.
Keesler Air Force Base, Biloxi, Mississippi, $43,140,000.
Lackland Air Force Base, San Antonio, Texas, $104,596,000.
Laughlin Air Force Base, Del Rio, Texas, $11,475,000.
Lowry Air Force Base, Denver, Colorado, $9,884,000.
Randolph Air Force Base, San Antonio, Texas, $5,128,000.
Vance Air Force Base, Enid, Oklahoma, $1,270,000.
Webb Air Force Base, Big Spring, Texas, $4,881,000.

ALASKAN AIR COMMAND

Eielson Air Force Base, Fairbanks, Alaska, $471,000.
Elmendorf Air Force Base, Anchorage, Alaska, $588,000.
Various locations, $13,762,000.

HEADQUARTERS COMMAND

Andrews Air Force Base, Camp Springs, Maryland, $3,452,000.
Bolling Air Force Base, Washington, District of Columbia, $3,089,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Altus, Oklahoma, $996,000.
McChord Air Force Base, Tacoma, Washington, $1,189,000.
McGuire Air Force Base, Wrightstown, New Jersey, $1,740,000.
Scott Air Force Base, Belleville, Illinois, $1,488,000.

STRATEGIC AIR COMMAND

Beale Air Force Base, Marysville, California, $3,590,000.
Carswell Air Force Base, Fort Worth, Texas, $1,992,000.
Fairchild Air Force Base, Spokane, Washington, $1,000,000.
Griffiss Air Force Base, Rome, New York, $372,000.
Kincheloe Air Force Base, Kinross, Michigan, $670,000.
Malmstrom Air Force Base, Great Falls, Montana, $622,000.
Offutt Air Force Base, Omaha, Nebraska, $1,437,000.
Plattsburgh Air Force Base, Plattsburgh, New York, $400,000.
Vandenberg Air Force Base, Lompoc, California, $2,696,000.
Wurtsmith Air Force Base, Oscoda, Michigan, $447,000.

TACTICAL AIR COMMAND

Cannon Air Force Base, Clovis, New Mexico, $1,876,000.
George Air Force Base, Victorville, California, $3,646,000.
Langley Air Force Base, Hampton, Virginia, $1,336,000.
Luke Air Force Base, Glendale, Arizona, $439,000.
Mountain Home Air Force Base, Mountain Home, Idaho, $6,750,000.
Nellis Air Force Base, Las Vegas, Nevada, $990,000.
Seymour Johnson Air Force Base, Goldsboro, North Carolina, $612,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $600,000.
Various locations: Water Pollution Abatement, $10,098,000.

ENERGY CONSERVATION

Various locations, $41,952,000.

SPECIAL FACILITIES

Various locations, $14,346,000.

NUCLEAR WEAPONS SECURITY

Various locations, $7,909,000.

OUTSIDE THE UNITED STATES

UNITED STATES AIR FORCES IN EUROPE

Germany, $5,346,000.
United Kingdom, $13,524,000.
Various locations, $22,000,000.

UNITED STATES AIR FORCE SECURITY SERVICE

Various locations, $981,000.

SPECIAL FACILITIES

Various locations, $2,666,000.

NUCLEAR WEAPONS SECURITY

Various locations, $5,591,000.

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment, in the total amount of $3,982,000.

SEC. 303. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions and responsibilities which have been occasioned by: (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabiliate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $10,000,000: *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1977 Military Construction Authorization Act, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

TITLE IV

SEC. 401. The Secretary of Defense may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for defense agencies for the following acquisition and construction:

INSIDE THE UNITED STATES

DEFENSE MAPPING AGENCY

Defense Mapping Agency Topographic Center, Bethesda, Maryland, $195,000.

DEFENSE SUPPLY AGENCY

Defense Depot, Memphis, Tennessee, $377,000.
Defense Electronics Supply Center, Dayton, Ohio, $96,000.
Defense Fuel Support Point, Melville, Newport, Rhode Island, $352,000.
Defense Fuel Support Point, Norwalk, California, $197,000.
Defense Property Disposal Office, Colorado Springs, Colorado, $440,000.
Defense Property Disposal Office, Elmendorf, Alaska, $403,000.
Defense Property Disposal Office, Monterey, California, $635,000.
Defense Personnel Support Center, Philadelphia, Pennsylvania, $1,400,000.

NATIONAL SECURITY AGENCY

Fort George G. Meade, Maryland, $3,012,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $2,426,000.
Various locations: Water Pollution Abatement, $322,000.

ENERGY CONSERVATION

Various locations, $175,000.

OUTSIDE THE UNITED STATES

DEFENSE NUCLEAR AGENCY

Johnston Atoll, $4,033,000.
Enewetak Auxiliary Airfield, $20,000,00.

DEFENSE SUPPLY AGENCY

Defense Property Disposal Office, Nuremberg, Germany, $500,000.
Defense Property Disposal Office, Seckenheim, Germany, $237,000.

SEC. 402. The Secretary of Defense may establish or develop installations and facilities which he determines to be vital to the security of the United States, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $10,000,000: *Provided*, That the Secretary of Defense, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including real estate actions pertaining thereto.

SEC. 403. (a) Public Law 92–545, as amended, is amended under the heading "Inside the United States—Defense Supply Agency" in section 401 as follows:

With respect to Defense General Supply Center, Richmond, Virginia, strike out "$1,171,000" and insert in place thereof "$1,365,000".

(b) Public Law 92–545, as amended, is amended by striking out in clause (4) of section 702 "$3,004,000" and inserting in place thereof "$33,198,000".

SEC. 404. (a) Public Law 93–166, as amended, is amended under the heading "Defense Supply Agency" in section 401 as follows:

With respect to "Defense Depot, Tracy, California", strike out "$747,000" and insert in place thereof "$1,384,000".

(b) Public Law 93–166, as amended, is amended by striking out in clause (4) of section 602 "$10,000,000" and inserting in place thereof "$10,637,000".

TITLE V—MILITARY FAMILY HOUSING

SEC. 501. (a) The Secretary of Defense, or his designee, is authorized to construct or acquire sole interest in existing family housing units in the numbers and at the locations hereinafter named, but no family housing construction shall be commenced at any such locations in the United States until the Secretary shall have consulted with the Secretary of the Department of Housing and Urban Development as to the availability of suitable private housing at such locations. If agreement cannot be reached with respect to the availability of suitable private housing at any location, the Secretary of Defense shall notify the Committees on Armed Services of the Senate and the House of Representatives, in writing, of such difference of opinion, and no contract for construction at such location shall be entered into for a period of thirty days after such notification has been given. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange or Government-owned land, or otherwise.

(b) With respect to the family housing units authorized to be constructed by this section, the Secretary of Defense is authorized to acquire sole interest in privately owned or Department of Housing and Urban Development held family housing units in lieu of constructing all or a portion of the family housing authorized by this section if he, or his designee, determines such action to be in the best interests of the United States; but any family housing units acquired under authority of this subsection shall not exceed the cost limitations specified in section 502 of this Act or the limitations on size specified in section 2684 of title 10, United States Code. In no case may family housing units be acquired under this subsection through the exercise of eminent domain authority; and in no case may family housing units other than those authorized by this section be acquired in lieu of construction unless the acquisition of such units is hereafter specifically authorized by law.

(c) The Department of the Army, two thousand one hundred units, $73,875,000:

Fort Ord, California, three hundred and fifty units.
Fort Stewart/Hunter Army Airfield, Georgia, seven hundred and fifty units.
Fort Polk, Louisiana, one thousand units.

(d) The Department of the Navy, one thousand and seventy-eight units, $46,961,000:

Portsmouth Naval Shipyard, Kittery, Maine, one hundred and fifty units.
Naval Facility, Nantucket, Massachusetts, eighteen units.
Marine Corps Base, Camp Lejeune, North Carolina, two hundred and fifty units.
Naval Complex, Bangor, Washington, four hundred units.
Naval Radio Station, Sugar Grove, West Virginia, ten units.
Naval Base, Keflavik, Iceland, two hundred and fifty units.

SEC. 502. Authorization for the construction of family housing provided in this Act shall be subject, under such regulations as the Secretary of Defense may prescribe, to the following limitations on cost, which shall includes shades, screens, ranges, refrigerators, and all other installed equipment and fixtures.

(1) The cost of any unit shall not exceed $24 per net square foot to the five-foot line multiplied by the appropriate area construction cost index, including the costs of design, supervision, inspection, and overhead.

(2) Notwithstanding the limitation on cost contained in subsection (a) of this section, the Secretary of Defense, or his designee, may authorize the award of a contract which exceeds the maximum per square foot cost by not more than 10 per centum upon a determination that a lower cost cannot be obtained without an unreasonable reduction in the quality of the project to be constructed and further provided that the total amount authorized for each service in section 501 is not exceeded.

SEC. 503. The Secretary of Defense, or his designee, is authorized to accomplish alterations, additions, expansions, or extensions not otherwise authorized by law, to existing public quarters at a cost not to exceed—

(1) for the Department of the Army, $35,000,000.

(2) for the Department of the Navy $34,230,000, including $7,200,000 for energy conservation projects.

(3) for the Department of the Air Force, $51,000,000, including $16,000,000 for energy conservation projects.

(4) for the Defense Supply Agency, $127,000.

SEC. 504. Notwithstanding the limitations contained in prior Military Construction Authorization Acts on cost of construction of family housing, the limitations on such cost contained in section 502 of this Act shall apply to all prior authorizations for construction of family housing not heretofore repealed and for which construction contracts have not been executed prior to the date of enactment of this Act.

SEC. 505. The Secretary of Defense, or his designee, is authorized to construct or otherwise acquire at the locations hereinafter named family housing units not subject to the limitations on such cost contained in section 502 of this Act. This authority shall include the authority to acquire land, and interest in land, by gift, purchase, exchange of Government-owned land, or otherwise. Total costs shall include shades, screens, ranges, refrigerators, and other installed equipment and fixtures, the cost of the family unit, and the costs of land acquisition, site preparation, design, supervision, inspection, overhead, and installation of utilities.

(1) Twelve family housing units at various locations for the Defense Intelligence Agency, at a total cost not to exceed $1,320,000.

(2) Three family housing units in Cairo, Egypt, at a total cost not to exceed $180,000. This authority shall be funded by use of excess foreign currency when so provided in Department of Defense Appropriation Acts.

SEC. 506. The Secretary of Defense, or his designee, is authorized to accomplish repairs and improvements to existing public quarters in amounts in excess of the $15,000 limitation prescribed in section 610(a) of Public Law 90–110, as amended (81 Stat. 279, 305) as follows:

Fort McClellan, Alabama, twenty-six units, $495,900.
Fort Richardson, Alaska, two hundred and eight units, $4,000,000.
Fort McNair, Washington, District of Columbia, five units, $195,000.
Fort Sill, Oklahoma, thirty-two units, $654,400.
Fort Eustis, Virginia, one hundred and eighty-five units, $3,140,000.
Fort Lewis, Washington, one hundred and thirty-six units, $2,503,000.
Naval Station, Adak, Alaska, thirty-six units, $665,000.
Public Works Center, Pearl Harbor, Hawaii, one hundred and forty-five units, $2,500,000.
Marine Corps Recruit Depot, Parris Island, South Carolina, one hundred and seventy-eight units, $2,685,600.

SEC. 507. (a) Section 515 of Public Law 94–161 (69 Stat. 324, 352), as amended, is further amended by (1) striking out "During fiscal years 1975 and 1976", and (2) revising the third sentence to read as follows: "Expenditures for the rental of such housing facilities, including the cost of utilities and maintenance and operation, may not exceed: For the United States (other than Alaska and Hawaii), Puerto Rico, and Guam an average of $245 per month for each military department, or the amount of $325 per month for any one unit; and for Alaska and Hawaii, an average of $310 per month for each military department, or the amount of $385 per month for any one unit.".

(b) Section 507(b) of Public Law 93–166 (87 Stat. 661, 676), is amended by striking out "$355", "$625", and "twelve thousand" in the first sentence, and inserting in lieu thereof "$380", "$670", and "fifteen thousand", respectively.

SEC. 508. There is authorized to be appropriated for use by the Secretary of Defense, or his designee, for military family housing as authorized by law for the following purposes:

(1) for construction or acquisition of sole interest in family housing, including demolition, authorized improvements to public quarters, minor construction, relocation of family housing, rental guarantee payments, and planning an amount not to exceed $213,633,000, including $1,900,000 for the period July 1, 1976, through September 30, 1976.

(2) for support of military family housing, including operating expenses, leasing, maintenance of real property, payments of principal and interest on mortgage debts incurred, payment to the Commodity Credit Corporation, and mortgage insurance premiums authorized under section 222 of the National Housing Act, as amended (12 U.S.C. 1715m), an amount not to exceed $1,409,676,000, including $306,739,000 for the period July 1, 1976, through September 30, 1976.

SEC. 509. Section 509 of Public Law 93–552 (88 Stat. 1745, 1759), is hereby amended by changing the period to a comma and by adding "except as authorized by the Secretary of Defense, or his designee, for unusual circumstances resulting from excessive noise, adverse environmental conditions, or health of the occupants."

TITLE VI

GENERAL PROVISIONS

SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 602. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, IV, and V, shall not exceed—

(1) for title I: inside the United States, $598,624,000; outside the United States, $170,320,000; or a total of $768,944,000.

(2) for title II: Inside the United States, $662,573,000; outside the United States, $19,661,000; or a total of $628,234,000.

(3) for title III: Inside the United States, $383,030,000; outside the United States, $50,108,000; section 302, $3,982,000; or a total of $437,120,000.

(4) for title IV: A total of $44,800,000.

(5) for title V: Military Family Housing, $1,623,309,000.

SEC. 603. (a) Except as provided in subsection (b), any of the amounts specified in titles I, II, III, and IV of this Act may, in the discretion of the Secretary or Director of the defense agency concerned, be increased by 5 per centum when inside the United States (other than Hawaii and Alaska), and by 10 per centum when outside the United States or in Hawaii and Alaska, if he determines that such increases (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress. However, the total cost of all construction and acquisition in each such title may not

exceed the total amount authorized to be appropriated in that title.

(b) When the amount named for any construction or acquisition in title I, II, III, or IV of this Act involves only one project at any military installation and the Secretary of Defense, or his designee, determines that the amount authorized must be increased by more than the applicable percentage prescribed in subsection (a), the Secretary or Director of the defense agency concerned may proceed with such construction or acquisition if the amount of the increase does not exceed by more than 25 per centum of the amount named for such project by the Congress.

(c) Subject to the limitations contained in subsection (a), no individual project authorized under title I, II, III, or IV of this Act for any specifically listed military installation may be placed under contract if—

(1) the estimated cost of such project is $400,000 or more, and

(2) the current working estimates of the Department of Defense, based upon bids received for the construction of such project, exceed by more than 25 per centum the amount authorized for such project by the Congress, until after the expiration of thirty days from the date on which a written report of the facts relating to the increased cost of such project, including a statement of the reasons for such increase, has been submitted to the Committees on Armed Services of the Senate and House of Representatives.

(d) The Secretary of Defense shall submit an annual report to the Congress identifying each individual project which has been placed under contract in the preceding twelve-month period and with respect to which the then current working estimate of the Department of Defense based upon bids received for such project exceeded the amount authorized by the Congress for that project by more than 25 per centum. The Secretary shall also include in such report each individual project with respect to which the scope was reduced in order to permit contract award within the available authorization for such project. Such report shall include all pertinent cost information for each individual project, including the amount in dollars and percentage by which the current working estimate based on the contract price for the project exceeded the amount authorized for such project by the Congress.

SEC. 604. Contracts for construction made by the United States for performance within the United States and its possessions under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army, or the Naval Facilities Engineering Command, Department of the Navy, or such other department or Government agency as the Secretaries of the military departments recommend and the Secretary of Defense approves to assure the cost efficient, expeditious, and cost-effective accomplishment of the construction herein authorized. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives a breakdown of the dollar value of construction contracts completed by each of the several construction agencies selected together with the design, construction supervision, and overhead fees charged by each of the several agents in the execution of the assign construction. Further, such contracts (except architect and engineering contracts which, unless specifically authorized by the Congress shall continue to be awarded in accordance with presently established procedures, customs, and practice) shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder. Such reports shall also show, in the case of the ten architect-engineering firms which, in terms of total dollars, were awarded the most business; the names of such firms; the total number of separate contracts awarded each such firm; and the total amount paid or to be paid in the case of each such firm under all such contracts awarded such firm.

SEC. 605. As of January 1, 1977, all authorizations for military public works, including family housing, to be accomplished by the Secretary of a military department in connection with the establishment or development of installations and facilities, and all authorizations for appropriations therefor, that are contained in titles I, II, III, IV, and V of the Act of December 27, 1974, Public Law 93-552 (88 Stat. 1745), and all such authorizations contained in Acts approved before December 28, 1974, and not superseded or otherwise modified by a later authorization are repealed except—

(1) authorizations for public works and for appropriations therefore are set forth in those Acts in the titles that contain the general provisions;

(2) authorizations for public works projects as to which appropriated funds have been obligated for construction contracts, land acquisition, or payments to the North Atlantic Treaty Organization, in whole or in part before January 1, 1977, and authorizations for appropriations therefor;

(3) notwithstanding the repeal provisions of section 605 of the Act of December 27, 1974, Public Law 93-552 (88 Stat. 1745, 1761), authorizations for the following items which shall remain in effect until January 1, 1978:

(A) Barracks with mess construction in the amount of $535,000 at Camp A. P. Hill, Virginia, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(B) Barracks with mess construction in the amount of $476,000 at Camp Pickett, Virginia, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(C) Military Police Barracks with support facilities construction in the amount of $1,831,000 and confinement facility construction in the amount of $6,287,000 at Fort Leonard Wood, Missouri, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(D) Barracks Complex construction in the amount of $8,622,000 at Fort Ord, California, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(E) Barracks construction in the amount of $2,965,000 at Aberdeen Proving Ground, Maryland, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(F) Barracks with mess construction in the amount of $466,000 at Natick Laboratories, Massachusetts, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(G) Barracks without mess construction in the amount of $3,060,000 at Fort Greely, Alaska, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(H) Relocate Weapons Ranges from Culebra Complex in the amount of $12,000,000 for the Atlantic Fleet Weapons Range, Roosevelt Roads, Puerto Rico, that is contained in title II, section 204 of the Act of November 29, 1973 (87 Stat. 668), as amended.

SEC. 606. None of the authority contained in titles I, II, III, and IV of this Act shall be deemed to authorize any building construction projects inside the United States in excess of a unit cost to be determined in proportion to the appropriate area construction cost index, based on the following unit cost limitations where the area construction index is 1.0:

(1) $39.50 per square foot for permanent barracks;

(2) $42.50 per square foot for bachelor officer quarters; unless the Secretary of Defense, or his designee, determines that because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable: *Provided*, That notwithstanding the limitations contained in prior Military Construction Authorization Acts on unit costs, the limitations on such costs contained in this section shall apply to all prior authorizations for such construction not heretofore repealed and for which construction contracts have not been awarded by the date of enactment of this Act.

SEC. 607. Chapter 159 of title 10, United States Code, is amended:

(1) By striking out "$300,000" in the item relating to section 2674 in the chapter analysis and inserting "$400,000" in place thereof.

(2) By striking out "$300,000" in the catchline of section 2674 and inserting "$400,000" in place thereof.

(3) By striking out the figures "$300,000" and "$100,000" section 2674(b) and inserting "$400,000", and "$200,000" respectively, in place thereof.

(4) By striking out "quarterly" in section 2662(b) and inserting in place thereof "annually."

(5) By striking section 2662(c) and inserting in place thereof the following:

"This section applies only to real property in the United States, Puerto Rico, Guam, the American Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands. It does not apply to real property for river and harbor projects or flood control projects, or to leases of Government-owned real property for agricultural or grazing purposes or to any real property acquisition specifically authorized in a Mining Construction Authorization Act."

(6) By adding the following new subsection to section 2667:

"(f) Notwithstanding clause (3), of subsection (a), real property and associated personal property, which have been determined excess as the result of a Defense installation realignment or closure, may be leased to State or local governments pending final disposition of such property if—

"(1) the Secretary concerned determines that such action would facilitate State or local economic adjustment efforts, and

"(2) the Administrator, General Services Administration, concurs in the action."

(7) By adding the following new section:

"§ 2685a. Acquisition; interests in land when need is urgent

"The Secretary of a military department may acquire any interest in land that—

"(1) he or his designee determines is needed in the interest of national defense;

"(2) is required to maintain the operational integrity of a military installation; and

"(3) considerations of urgency do not permit the delay necessary to include the required acquisition in an annual Military Construction Authorization Act.

Appropriations available for military construction may be used for the purposes of this section. The authority to acquire an interest in land under this section includes authority to make surveys and acquire interests in land (including temporary use), by gift, purchase, exchange of land owned by the United States, or othrewise. The Secretary of a Military Department contemplating action under this provision will provide notice, in writing, to the Armed Services Committees of the Senate and House of Representatives 30 days in advance of any action being taken."

(8) By adding at the end of the chapter analysis a new item as follows: "Acquisition: interests in land when need is urgent."

(9) By striking from the chapter analysis and the catchline and analysis relating to section 2675 the second colon and all that follows.

(10) By striking the following words from the first sentence of section 2675: "that are not located on a military base and".

SEC. 608. In addition to all other authorized variations of cost limitations or floor area limitations contained in this Act or prior Military Construction Authorization Acts, the Secretary of Defense, or his designee, may permit increases in the cost limitations or floor area limitations by such amounts as may be necessary to equip any projects with solar heating and/or solar cooling equipment.

SEC. 609. Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this Act with respect to any construction project at Diego Garcia may be obligated if either House of Congress has adopted, within the time period prescribed by, and in accordance with the provisions of, section 613 of the Military Construction Authorization Act, 1975 (88 Stat. 1766), a resolution disapproving the obligation of funds appropriated pursuant to such Act for construction projects at Diego Garcia for fiscal year 1975.

SEC. 610. The Secretary of the Army is authorized and directed to convey to the Board of Regents of the University System of Georgia, subject to the provisions of this Act, all of the right, title, and interest of the United States in and to a parcel of land, with improvements thereon, lying and being situated in Richmond County, city of Augusta, State of Georgia, more particularly described as follows:

Beginning at a chiseled X in concrete at the intersection of the south line of Walton Way with the west line of Katherine Street; thence along the west line of Katherine Street, south 02 degrees 27 minutes 55 seconds west 288.29 feet to a point 1 foot south of cyclone fence; thence along a line 1 foot south of and parallel to a cyclone fence, north 85 degrees 31 minutes 15 seconds west 227.32 feet to a point 1 foot east of a cyclone fence; thence along a line parallel to and 1 foot east of a cyclone fence, south 04 degrees 19 minutes 50 seconds west 233.05 feet to a point; thence along a line 1 foot south of and parallel to a cyclone fence, north 85 degrees 19 minutes 27 seconds west 305.74 feet to a point 0.60 foot west of a cyclone fence; thence along a line parallel to and 0.60 foot west of a cyclone fence, north 04 degrees 59 minutes 48 seconds east 530.32 feet to a concrete monument on the south side of Walton Way; thence along the south side of Walton Way, south 85 degrees 30 minutes 15 seconds east 517.62 feet to the point of beginning, and containing 5.09 acres, more or less.

The conveyance authorized by this Act shall be made upon payment to the United States of not less than the appraised fair market value of the land and the improvements thereon, as determined by the Secretary of the Army, or the sum of $662,000, whichever is the greater, and upon such terms, conditions, reservations, and restrictions as the Secretary of the Army shall deem necessary to protect the interests of the United States.

The money received by the United States for the lands conveyed under this Act shall be credited to a special account in the Treasury and shall be available without fiscal year limitation, for the construction of a United States Army Reserve Training Center on lands owned by the United States at the intersection of Jackson and Wrightsboro Roads, Augusta, Georgia.

The cost of any surveys necessary as an incident to the conveyance authorized by this Act shall be borne by the Board of Regents of the University System of Georgia.

SEC. 611. The Secretary of Defense shall convey, by deed or other appropriate instrument, all right, title, and interest of the United States in and to lots 4 through 15 in block 67; lots 6 through 12 in block 88; and lots 7 through 12 in block 89, located in Nome, Alaska, to the city of Nome, Alaska, upon the payment of $1 by the city of Nome, Alaska, to the Secretary of Defense.

SEC. 612. Titles I, II, III, IV, V, and VI of this Act may be cited as the "Military Construction Authorization Act, 1976".

TITLE VII

GUARD AND RESERVE FORCES FACILITIES

SEC. 701. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop additional facilities for the Guard and Reserve Forces, including the acquisition of land therefor, but the cost of such facilities shall not exceed—

(1) For the Department of the Army:

(a) Army National Guard of the United States, $54,745,000.

(b) Army Reserve, $44,459,000.

(2) For the Department of the Navy: Naval and Marine Corps Reserves, $34,800,000.

(3) For the Department of the Air Force:

(a) Air National Guard of the United States, $55,100,000.

(b) Air Force Reserve, $16,500,000.

SEC. 702. The Secretary of Defense may establish or develop installations and facilities under this title without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on lands includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 703. Chapter 133, title 10, United States Code, is amended by striking out the figure "$25,000" in paragraph (2) of section 2233a, and inserting the figure "$50,000" in place thereof.

SEC. 704. This title may be cited as the "Guard and Reserve Forces Facilities Authorization Act, 1976."

Mr. TOWER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SYMINGTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SYMINGTON. Mr. President, before the distinguished senior Senator from Texas leaves, I express the hope that the chairmen of the subcommittees in other committees get along, and move forward as expeditiously as the Senator from Texas makes it possible for us to do in this field. I am very grateful.

Mr. TOWER. I thank the distinguished Senator from Missouri.

I will be remiss if I do not inform the Senate that the Senator from Missouri did far more work on this bill than I, and he is certainly to be commended; and he has done so with dispatch.

I think we will also be remiss if we did not express our gratitude to some excellent staff work that we received in putting this together.

Mr. SYMINGTON. I thank the Senator.

I mention the appreciation I have for Mr. Jim Smith, who is a worthy successor, and Mr. Gordon Nease. It is his fine work, and that of his associates, that made it possible to expedite the matter at this time.

I yield the floor.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of Senate Resolution 60 which will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

The Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with an amendment, to strike out all after the enacting clause and insert the following:

That (a) each Senator serving on a standing committee of the Senate is entitled to a professional staff member to assist him in his duties as a member of such committee and its subcommittees. The chairman and ranking minority member of each standing committee shall, to the maximum extent practicable, authorize the appointment or designation of a professional staff member of that committee, or of a subcommittee thereof if appropriate, to serve as the staff member of an individual Senator. The chairman and ranking minority member of each standing committee shall certify to the Secretary of the Senate the names of those Senators serving on that committee for whom a professional staff member of that committee or a subcommittee thereof is not so appointed or designated by them. Whenever such certification has been made and is no longer applicable, the chairman and ranking minority member of such committee shall notify the Secretary of the Senate accordingly.

(b) Any Senator currently certified pursuant to subsection (a) may appoint, in addition to any employee otherwise authorized to be appointed by such Senator and within the overall limitations of this subsection, a legislative assistant and not more than one clerical assistant, as he may find appropriate, to assist him in connection with his duties as a member of a standing committee and its subcommittees. The total amount available to any Senator for each committee assignment is the amount referred to in section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified. A legislative assistant appointed under this subsection shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of such Act, and a clerical assistant appointed under this subsection shall not receive compensation at a rate in excess of that authorized for clerical assistants employed by standing committees, except that the total aggregate amount available for the annual compensation of both

such individuals may not exceed the amount referred to in section 105(e)(1) of such Act.

SEC. 3. (a) The chairman and ranking minority member of each standing committee of the Senate shall, not later than thirty days after the date on which this resolution is adopted, certify to the Secretary of the Senate the names of those Senators serving on that committee for whom a staff member of that committee on a subcommittee thereof is not appointed or designated by them in accordance with subsection (a) of the first section of this resolution. The Secretary of the Senate shall transmit such certifications to the President of the Senate for publication in the Congressional Record.

(b) The chairman and ranking minority member of each standing committee shall report in writing to the Committee on Rules and Administration not later than January 31 of each calendar year on their progress in complying with the provisions of the first section of this resolution. Such report shall include the names of those Senators who have appointed or designated any individual under subsection (a) of the first section of this resolution and the names of the individuals so appointed or designated.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, to make the record clear, I believe I appear as a cosponsor of the legislation that we are now considering. I do not know how that came about. If my name is on it, I am not a cosponsor. I am very strongly opposed to any additional staff people for the Senate or the Senators. I just want to make that clear.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

(At this point Mr. GLENN assumed the Chair.)

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that during the consideration of Senate Resolution 60, Michael Stern and Don Moorehead, of the staff of the Committee on Finance, be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. I also ask unanimous consent that my legislative assistant, Dan Tate, have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I send an amendment to the desk and ask that it lie on the table at this time.

The PRESIDING OFFICER. The amendment will be received, and the amendment will lie on the table.

Mr. STENNIS. Mr. President, I ask unanimous consent that during the debate on this resolution, Mr. T. E. Braswell, chief of staff of the Committee on Armed Services, be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAVEL. Mr. President, I ask unanimous consent that Robert Mitchell, Jerry Udell, and Bill Hoffman, of my staff, be permitted the privilege of the floor during the consideration of S. 60.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Mr. Roy Greenaway and Janet Mueller, of my staff, have the privilege of the floor during the two matters from the Committee on Rules and Administration which are now coming up for consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, will the Senator yield to me for a unanimous consent request?

Mr. CRANSTON. I am happy to yield.

Mr. TALMADGE. I ask unanimous consent that Michael McLeod, staff director of the Committee on Agriculture, have the privilege of the floor during consideration of Senate Resolution 60.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. Mr. President, I ask unanimous consent that Dr. Harrison Fox, of my staff, be permitted access to the floor during debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that the following members of the majority staff of the Committee on Rules be permitted the privilege of the floor during debate on Senate Resolution 60: William M. Cochrane, John P. Coder, Floyd M. Riddick, Peggy L. Parrish, Wilmer Ticer, Larry E. Smith, Andrew Gleason, and James F. Schoener.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, is the parliamentary situation such that Senate Resolution 60 is now pending as reported from the committee, with an amendment in the nature of a substitute?

The PRESIDING OFFICER. The Senator is correct.

Mr. CANNON. Mr. President, I rise in support of the amendment by the Committee on Rules and Administration to Senate Resolution 60.

At the outset, I feel I should clarify the situation vis-a-vis Senate Resolution 60 and Senate Resolution 110. Senate Resolution 60 was introduced by the junior Senator from Alaska (Mr. GRAVEL) for himself and 56 cosponsors on February 5, 1975, and on the same date was referred to the Committee on Rules and Administration. Subsequently, on March 11, 1975, Mr. GRAVEL, for himself, the junior Senator from Tennessee (Mr. BROCK), the senior Senator from California (Mr. CRANSTON), and the junior Senator from Oregon (Mr. PACKWOOD), introduced a modified version of his proposal in the form of Senate Resolution 110, which is presently pending on the Senate Calendar. The two proposals are identical except that Senate Resolution 110 places certain restrictions on the appointment of additional staff, which would reduce its cost correspondingly. On the assumption, verified during the committee hearings, that Mr. GRAVEL was now pressing for Senate Resolution 110 rather than Senate Resolution 60, the attention of the Committee on Rules and Administration has been focused upon the former. Since, however, the latter—Senate Resolution 60—was the only one of the proposals before it, the committee technically has had to relate its action thereto. In view of the practical considerations, therefore, my remarks will be directed toward Senate Resolution 60 as modified into Senate Resolution 110, or the latter resolution itself.

Mr. President, I will first discuss the proposal offered by the junior Senator from Alaska (Mr. GRAVEL), and then explain the amendment in the nature of a substitute recommended by the Committee on Rules and Administration, pointing out the distinctions between the two basic proposals.

Senate Resolution 60, as modified by Senate Resolution 110, would create a new category of Senate employees—assistants to be employed directly by a Senator and to be housed in his personal senatorial office, but whose functions would relate to and be confined to the work of committees of which the Senator is a member. Such committee-related employees would be accorded equitable treatment with respect to the records of that committee.

A preliminary analysis of the modified resolution by the staff of the Committee on Rules and Administration indicates that the proposal could increase the cost of Senate staffing by $40,985,752 and add 1,073 committee-related employees—at not to exceed $34,881 per annum—to the 1,262 regular committee staff members projected for the Senate for 1975.

A summary of the resolution's staff-authorizing provisions is as follows:

Section 8(a)(1) would authorize additional clerk-hire funds to each Senator on each of the following standing committees—Aeronautical and Space Sciences, Agriculture and Forestry, Appropriations, Armed Services, Banking, Housing, and Urban Affairs, Budget, Commerce, Finance, Foreign Relations, Government Operations, Interior and Insular Affairs, Judiciary, Labor and Public Welfare, and Public Works—to employ additional personal staff to assist him with those committee responsibilities in an amount equal to two additional employees at $34,881 per annum or $69,762 for each such Senator's committee assignment. The number of Senators' committee assignments in the above list totals 220. Hence——

220 assignments=440 employees at $34,881 ---------- $15,347,640

Section 8(a)(2) would authorize each Senator on each of the following committees——

Standing committees.—District of Columbia, Post Office and Civil Service, Rules and Administration, and Veterans' Affairs;

Select committees.—Intelligence, Nutrition and Human Needs, Small Business, and Standards and Conduct;

Special committees.—Aging and National Emergencies;

Joint committees.—Atomic Energy, Congressional Operations, Defense Production, Internal Revenue Taxation.

Joint Economic, Library, and Printing.—To employ additional personal staff to assist him with those committee responsibilities in an amount equal to one additional employee at $34,881 per annum for each Senator's committee assignment. The number of Senators' committee assignments in the above list totals 153. Hence——

153 assignments=153 employees at $34,881 ---------- $5,336,793

Section 9(a) of Senate Resolution 60 would authorize each chairman and ranking minority member of any subcommittee to employ additional personal staff to assist him with those subcommittee responsibilities in an amount equal to two additional employees at $34,881 per annum for each such Senator's committee assignment.

The modification of Senate Resolution 60 into Senate Resolution 110 would add the following restrictions to that general provision:

First. If a Senator is serving as Chairman or Ranking Minority Member of more than one subcommittee of the same committee, he would be entitled to receive funds under section 9(a) for only one such subcommittee.

Second. The provision would not apply if the subcommittee were funded or allocated for in an amount of $69,762 or more.

Utilizing the best information available and exercising its best judgment, the Rules Committee finds there are 175 Senate and Joint Committee Subcommittees, or a total of 350 Subcommittee Chairmanships and Ranking Minority Memberships. The above restrictions would appear to eliminate 110 subcommittee assignments, leaving 240 eligible under the resolution. Hence——

240 assignments=480 employees at $34,881 ---------- $16,742,880

The hiring of additional employees obligates the Government to payments beyond salaries in the form of agency contributions for employees' retirement, health, and life insurance benefits. Based on the above estimates of salary costs which would be incurred under the proposal, the agency contributions would add an additional $3,558,439.

Summarizing the above costs, we have:

Section 8(a)(1)	$15,347,640
Section 8(a)(2)	5,336,793
Section 9(a)	16,742,880
Agency contributions	3,558,439
Total estimated cost, Senate Resolution 60 as modified into Senate Resolution 110	40,985,752

The Committee on Rules and Administration held a hearing on Senate Resolution 60 as modified by Senate Resolution 110 in April 30, 1975.

The following Members of the Senate testified generally in support of the proposal:

Senator MIKE GRAVEL, Senator BILL BROCK, Senator ALAN CRANSTON, Senator BOB PACKWOOD, Senator RICHARD S. SCHWEIKER, and Senator FLOYD K. HASKELL.

Senator GRAVEL, in support of his resolution, stated, and I quote:

Senate Resolution 110 simply says that each Member of the Senate should have the same number of staff with respect to his committee assignments so that he is on an equal basis at the starting line.

The testimony of certain others of those listed above indicated amenability to the proposal in another form, provided the basic purposes were accomplished.

Senator HERMAN E. TALMADGE, chairman, Committee on Agriculture and Forestry, expressed strong opposition to the Gravel proposals. Senator WARREN G. MAGNUSON, chairman, Committee on Commerce, stressed that in his judgment, and I quote:

The interests of the Senate, as well as the individual Members, would be better served by augmenting the core committee staffs (both Majority and Minority) than by splintering committee staffs into uncoordinated, unguided, peripatetic groups of highly paid professionals, neither clearly designated as legislative assistants, nor effectively integrated within the committee's work structure.

Supporting letters were received for the record from Senators HOWARD H. BAKER, JR., JAMES ABOUREZK, JOSEPH R. BIDEN, JR., and CLIFFORD P. HANSEN.

Letters in opposition to the proposal were received from the following chairmen of committees: Senator JENNINGS RANDOLPH, Public Works; Senator JOHN O. PASTORE, Atomic Energy Joint Committee; Senator WILLIAM PROXMIRE, Banking, House, and Urban Affairs; Senator FRANK E. MOSS, Aeronautical and Space Sciences; and Senator JOHN SPARKMAN, Foreign Relations.

The committee continued its hearings on the Gravel proposals on May 20, 1975, receiving testimony from Senator WILLIAM L. SCOTT, who, while expressing the need for additional assistance for certain Members of the Senate in connection with their committee responsibilities, offered an alternative proposal in the form of an amendment to Senate Resolution 60, which he felt would serve the purpose but at a considerably reduced cost. Also, I read into the record a statement I had received from Senator FRANK CHURCH, chairman of the Special Committee on Aging, in which he expressed strong opposition to the Gravel proposal.

EXPLANATION OF COMMITTEE ACTION

As I stated above, the Committee on Rules and Administration has reported Senate Resolution 60 with amendments—an amendment in the nature of a substitute and an amended title. While it understands and has a degree of sympathy with the basic proposal, the committee feels the resolution would go too far, and not in the right direction.

Certain factors upon which the committee's action is predicated are as follows:

It is estimated by this committee that Senate Resolution 110, which in effect is a less costly version of Senate Resolution 60, could increase the cost of Senate staffing by $40,985,752 and add 1,073 committee-related employees—at not to exceed $34,881 per annum—to the 1,262 regular committee staff members projected for the Senate for 1975. Although the number would vary for each Member based on his committee assignments, it should be noted that an average of 10 additional staff members would thereby be authorized for each Senator. In the judgment of this committee such a request is unconscionable and unjustifiable, especially so during this period of national economic difficulties.

Also, the Committee on Rules and Administration, of necessity, had to consider Senator GRAVEL's proposals as an impingement upon and a complicating element in respect to the committee's normal responsibilities in connection with the long-established Senate committee system. There are at present 309 permanent employees on Senate committees. During 1974, the Senate authorized $16,591,400 in additional funds for Senate committee inquiries and investigations, representing the salaries of 777 additional committee employees and the expenses of such inquiries. The 1975 requests for such purposes, now pending before the Rules Committee, would increase the total authorization by $6,448,601 to $23,040,001 and increase the additional committee staff personnel from 777 to 553. This requested increase for committee staffing under the established procedures has, in itself, given this committee considerable pause, and will require the exercise of its best judgments and sense of responsibility in its resolution.

Thus, when the Committee on Rules and Administration was called upon to make a judgment in respect to superimposing a $40,000,000 proposal with over 1,000 committee-related Senate personnel on an ever-increasing Senate committee system, it had no alternative but to reject it and recommend, as it does in the following section of this report, a much more modest alternative, but one which would be an appropriate start in the direction desired by the proponents of Senate Resolution 110.

At the hearing on his proposal, Senator GRAVEL listed a number of circumstances under which the total authorizations in Senate Resolution 110 would not be uti-

lized, reducing the actual cost thereof from $40,985,752 to $16,236,896. Senator GRAVEL contended that the chairmen and ranking minority members of committees and subcommittees who already have committee personnel under their direction would not avail themselves of the additional staff they could employ under the resolution. His other deductions included Senators who did not fully utilize their present clerk-hire funds. At the hearings, to put the suggested reductions in proper context, I interrogated Senator GRAVEL, as follows, and I quote:

The CHAIRMAN. There is nothing in the legislation that would require these deductions that you have made—that would be voluntary. In other words, the legislation does not prohibit the addition of those people whom you have deducted?

Senator GRAVEL. That is correct, Mr. Chairman.

While the Committee on Rules and Administration, of necessity, has had to consider Senate Resolution 110 on the basis of its maximum costs, it does concede that due to certain circumstances maximum authorization would probably not be utilized. It does not believe, however, that the maximum cost would begin to be reduced by voluntary nonuse of the provisions to the extent suggested by Senator GRAVEL Rather, the committee feels that such provisions would be utilized quite close to their maximum. As expressed by Senator HERMAN TALMADGE at the hearings, and I quote:

It is not a good way to do business, to write an open-end check and then assume that somebody is not going to cash the check and spend it.

A very practical consideration is where the more than 1,000 additional staff personnel envisaged by Senate Resolution 110 could be housed. The Committee on Rules and Administration must already consider the same question of housing in respect to the 176 additional regular committee personnel which would be added by the pending 1975 requests. The answer, blunt though it be, is that there is barely room for 176 additional employees, let alone 1,000 more in addition thereto. All facilities in the Russell Senate Office Building, the Dirksen Senate Office Building, the Capitol Hill Hotel, the Plaza Hotel, and the Immigration Building either are being utilized, or have been committed.

In addition to being concerned about the financial impact which Senate Resolution 110 would have upon the present Senate committee system, the Rules Committee was also troubled with the possible adverse effect such a large body of new committee-related employees would have upon the comparatively smooth and efficient committee operation now in existence.

Such employees would be a new breed, neither committee employees nor regular senatorial staff personnel. While they would have certain rights to committee information, they would not be responsible to the committee leadership as posed in the chairman and ranking minority member. While under the present procedure the legislative assistants of committee members appear to be receiving sufficient information from regular committee personnel, under the Gravel proposal at its maximum, regular committee personnel would probably have to be increased to "service" the new committee-related personnel. The concept of practically doubling Senate committee staff personnel and housing the new half in Senators' offices just did not appeal to the Rules Committee.

One other troublesome aspect of Senate Resolution 110 would be the operation of its section 9(a) which provides additional staff personnel for chairmen and ranking minority members of subcommittees. In the Rules Committee's judgment, there would be a natural tendency stimulated by that section for committees to review their subcommittee organizations with a view to obtaining additional staffs for more of their members by increasing the number of subcommittees. Since the creation, abolition, or rearrangement of its subcommittees are matters within the purview of each committee, how could the Senate control such a mushrooming of subcommittees?

Now, Mr. President, I wish to turn to a discussion of the committee amendment.

The Committee on Rules and Administration is reporting Senate Resolution 60 with an amendment in the nature of a substitute. In essence, the amendment would authorize each Senator who has not already had the opportunity to do so to appoint a professional staff member—at an annual salary not to exceed $33,975—to the staff of each standing committee of which he is a member. Such additional employees, in fact, would be considered as committee employees and housed in committee quarters and, as contemplated by the amendment, would be phased onto the regular committee payroll within a 3-year period.

The amendment would first enunciate the principle that each Senator serving on a standing committee of the Senate is entitled to a professional staff member to assist him in his duties as a member of such committee and its subcommittees. The chairman and ranking minority member of each standing committee would, to the maximum extent practicable, authorize the appointment or designation of a professional staff member of that committee, or of a subcommittee thereof if appropriate, to serve as the staff member of an individual Senator.

The chairman and ranking minority member of each standing committee would then certify to the Secretary of the Senate the names of those Senators serving on that committee for whom a professional staff member of that committee or a subcommittee thereof is not so appointed or designated by them. Whenever such certification has been made and is no longer applicable, the chairman and ranking minority member of such committee would notify the Secretary of the Senate accordingly.

Any Senator certified pursuant to section 1(a) would appoint, in addition to any employee otherwise authorized to be appointed by such Senator and within the overall limitations of this subsection, a legislative assistant and not more than one clerical assistant, as he may find appropriate, to assist him in connection with his duties as a member of a standing committee and its subcommittees. The total amount available to any Senator for each committee assignment would be the amount referred to in section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified, currently $33,975. A legislative assistant appointed under this subsection would not receive compensation in excess of that provided for an employee under section 105(e)(1) of such act, and a clerical assistant appointed under this subsection would not receive compensation at a rate in excess of that authorized for clerical assistants employed by standing committees, except that the total aggregate amount available for the annual compensation of such individuals could not exceed the amount referred to in section 105(e)(1) of such act.

An employee appointed under this amendment would be designated as such and certified by the appointing Senator to the chairman and ranking minority member of the committee and would be accorded all privileges of a staff member of that committee and its subcommittees.

Payments made with respect to any individual appointed under this amendment would be paid from the contingent fund of the Senate until otherwise provided by law.

Any individual so appointed would be listed separately in the report of the Secretary of the Senate as appointed to assist that Senator in his duties as a member of that committee and its subcommittees.

The committee proposal would express the sense of the Senate that the maximum number of professional staff members who may be employed by standing committees be increased not later than 3 years following the date of adoption of this resolution in order to supersede the requirements of the first section of the amendment, and that the entitlements recognized by the first section of the amendment be continued in any provision effecting the increase referred to in paragraph (1) to insure that each Senator serving on a standing committee is entitled to appoint or designate one professional staff member to the staff of each committee on which he serves.

The chairman and ranking minority member of each standing committee of the Senate would be required, not later than 30 days after the date on which this amended resolution is adopted, to certify to the Secretary of the Senate the names of those Senators serving on that committee for whom a professional staff member of that committee or a subcommittee thereof has been appointed or designated by them in accordance with section 1(a) of this amendment. The Secretary of the Senate would transmit such certifications to the President of the Senate for publication in the CONGRESSIONAL RECORD.

The chairman and ranking minority member of each standing committee would also be required to report in writing to the Committee on Rules and Administration not later than January 31 of each calendar year on their progress in complying with the provisions of the first section of this amended resolution. Such report would include the names of those Senators who have appointed or designated any individual under the resolution and the names of the individuals so appointed or designated.

Mr. President, I would like now to highlight some of the differences between Senate Resolution 60 as modified into Senate Resolution 110 and the committee-recommended amendment.

First as to the estimated cost and the number of additional employees: This committee estimates that full implementation of Senate Resolution 110 could increase the cost of Senate staffing by $40,985,752 and add 1,073 committee-related employees to the Senate payroll. The estimated maximum cost of the committee amendment is $3,397,500 in salaries plus $322,762 for agency contributions for employees' retirement, health, and life insurance benefits, for a total of $3,720,262, representing an addition of 100 committee employees.

In respect to the additional employees themselves, Senate Resolution 110 would increase clerk-hire funds to enable Members of the Senate to employ additional personal staff to assist them with their committee responsibilities.

The committee amendment would create additional committee staff, who eventually would be moved to the committee payrolls.

Both Senate Resolution 110 and the substitute amendment would provide Members of the Senate with additional assistance in connection with their legislative responsibilities. It is the judgment of the Committee on Rules and Administration that its amendment would accomplish that desired purpose but in a much more reasonable and much less expensive way.

Another important difference is this: The authorizations in Senate Resolution 110 would relate to Members' assignments on all Senate committees—standing, select, special—and Senate assignments to joint committees of the Congress, and even as far as subcommittees themselves. The committee amendment relates strictly to assignments on standing committees of the Senate, a limitation the Rules Committee feels should be adhered to, at least in this first effort to equalize committee staff assistance.

Mr. President, as a final observation, I would like to emphasize that a cardinal objective of the committee amendment is to encourage each chairman and Ranking Minority Member of each standing committee, to the maximum extent practicable, to authorize the appointment or designation of a present employee of that committee—or of one of its subcommittees—to serve as the staff member of an individual Senator without such staff representation. To the extent this is accomplished, the principal purpose of this amendment will be served and its cost correspondingly reduced.

This committee does not believe, however, that any Member of the Senate under this procedure should be forced to accept the designation of an existing employee against his will. Also, any Member of the Senate who designates a committee employee pursuant to the committee amendment should retain the right to terminate the employment of such employee, if desired.

Mr. President, I commend the committee amendment to the serious consideration of the Senate, and urge its adoption.

Mr. TALMADGE. Will the Senator yield

Mr. CANNON. Yes, I yield.

Mr. TALMADGE. I desire to congratulate the distinguished chairman of the Rules Committee for reporting a substitute that I think is much improved compared to Senate Resolution 110. But still I think it has considerable limitations.

Will the Senator tell me exactly how many employees a member of the Committee on Agriculture and Forestry or the Finance Committee could appoint in addition to the professional staff that now serves all members of that committee?

Mr. CANNON. The Senator has on the Committee on Agriculture and Forestry a total of 14 members, as I understand it.

Mr. TALMADGE. That is correct.

Mr. CANNON. Presently two Senators on the committee have staff personnel designated for them.

Mr. TALMADGE. Which two does the Senator refer to?

Mr. CANNON. The chairman and ranking member.

Mr. TALMADGE. They are there to serve the entire committee. How does it come to pass that they are designated to serve the Senator from Georgia and the Senator from Kansas and not other members of the committee?

Mr. CANNON. Of course, all of the committee staff who are appointed to committees are there to serve the entire committee. But the chairman is responsible for the appointment, certainly, of the majority appointments, and the ranking minority member is responsible for the appointment of the minority members. I understand that there is some question as to whether these totals ought to be increased to say that the basic committee staff is there to serve everyone and, therefore, the chairman and ranking minority member might also contend that they should have one person appointed themselves.

Mr. TALMADGE. That is the question I am getting to. How are we going to delineate between a professional staff member who serves the committee and one who does not serve the committee but serves Senator X only?

Mr. CANNON. Most of the staff personnel on the committee have either been inherited by the present makeup of the committee or they have been appointed under the designation of either the chairman or the ranking minority member. There is a question, and I may say that several people have raised that question, as to whether or not everyone ought to be able to appoint a person if they did not have someone directly answerable to them on the staff. If this were the case, then the Senator's committee would be able to appoint 14 new members out of a total of 24. The Senator has 9 professional and 11 clerical at the present time on the staff of the Committee on Agriculture and Forestry, as I understand it. So with 14 additional, the Senator would almost be doubling the size of the committee staff.

Mr. TALMADGE. The 14 additional could be hired at $34,000 a year?

Mr. CANNON. $33,000. In the committee we went to the lower schedule of $33,950 because there is a limitation on the number of people who can be hired at the $34,000 figure.

Mr. TALMADGE. Turning to section (b) on page 5 of the committee substitute:

Any Senator currently certified pursuant to subsection (a) may appoint, in addition to any employee otherwise authorized to be appointed by such Senator and within the overall limitations of this subsection, a legislative assistant and not more than one clerical assistant, as he may find appropriate, to assist him in connection with his duties as a member of a standing committee and its subcommittees.

Does that mean that, in addition to a professional staff member, a Senator could also appoint a legislative assistant?

Mr. CANNON. No. The Senator is entitled to appoint one assistant, one legislative assistant, to help him, and at not to exceed the $33,975.

This question was raised in the committee, and I must say I find a little problem with it. Suppose a Senator were to appoint a legislative assistant at $20,000 and needed a clerical assistant because of a shortage of clerical assistants on the committee staff. This amendment is drafted so that that would be possible so long as he stayed within the $33,975. He could not exceed that total, no matter if he appointed two persons.

Mr. TALMADGE. Suppose he wanted to go further than that. The Senator has already indicated that he could, if he wanted to, take this $33,000 a year and hire two individuals. Suppose he wanted to break it down to three individuals. Could he do that?

Mr. CANNON. I am advised by the author of the amendment that he could not. It would be limited.

Mr. TALMADGE. It would be limited to two individuals only?

Mr. CANNON. One and one, a legislative assistant and a clerical assistant.

Mr. TALMADGE. The ceiling, then, would be $33,000 for each Senator for each standing committee?

Mr. CANNON. That is correct.

Mr. TALMADGE. We have 18 standing committees in the U.S. Senate, do we not?

Mr. CANNON. The Senator is correct.

Mr. TALMADGE. And we have 100 Members of the Senate. Some of them serve on two committees and some of them serve on three. What would be the ultimate cost, assuming every Senator cashed his check as the Rules Committee has reported this?

Mr. CANNON. If you assume that no one had a person on the committee assigned to him, and that he utilized it to the fullest, then we would come up with the figure roughly of half of the $15

million. In other words, there are 220 assignments under that type of a category. So, if you multiply that by the $33,975——

Mr. TALMADGE. It could go as high as how many millions?

Mr. CANNON. Roughly $7 million.

Mr. TALMADGE. And a total of how many staff members?

Mr. CANNON. 220.

Mr. TALMADGE. In addition to how many that we presently have?

Mr. CANNON. In addition to 1,260 at the present time.

Mr. TALMADGE. So we are talking roughly, then, about a 20-percent increase of staff of the Senators.

Mr. CANNON. Under that proposition, I must say to the Senator that there are people who have been appointed by the chairman and ranking member, and I would certainly hope that they would not try to appoint additional people because they certainly do have some committee staff who are accountable to them, even though they do serve, as the Senator pointed out, all members of the committee. They could, if they so desired, if they did not have one appointed who was accountable to them.

I think it might be better, if the Senator will permit, to have the distinguished author of the amendment (Mr. HATFIELD) answer his questions. He would be in a better position to answer.

Mr. TALMADGE. Of course, the Senator reported the resolution to the Senate and he is the chairman of the Rules Committee. Both his comments and the comments of the distinguished Senator from Oregon would be in order as to what the legislative intent meant. What I was trying to do was ascertain the maximum that could be hired under the terms of this particular resolution. I think the distinguished chairman of the Rules Committee has reported it accurately.

I would like to ask another question, if the Senator will yield further.

On the other side of the aisle standing to be recognized is the distinguished senior Senator from North Dakota.

I think he was the ranking minority member of the Committee on Agriculture and Forestry when I came to the Senate a little more than 18 years ago, and so far as I know he has never appointed any member of that committee.

Until I became chairman of the committee, I never appointed any member of the staff of the Agriculture Committee. I never even recommended any member of the Agriculture Committee staff.

I am the second ranking member of the Finance Committee at the present time. I have never recommended or appointed any member of the staff.

But never at any time since I have been a Member of the U.S. Senate, not only as the most junior member, on the committee on which I have served, but on any other committee of the U.S. Senate, have I requested any information, advice, or service, that it has not been willingly given.

The Legislative Reorganization Act provided for a professional staff, a majority staff and a minority staff, and we have that. But here we are faced with a resolution that is neither fish nor fowl.

Suppose the distinguished Senator from North Dakota (Mr. YOUNG) certifies to the Senator from Georgia, who happens to be chairman of the Committee on Agriculture and Forestry, and the Senator from Kansas, who happens to be the ranking minority member of that committee, that he wants X appointed as his legislative assistant and Z appointed as the secretary to that legislative assistant.

Under the terms of this resolution, it would be the responsibility of the Senator from Georgia and the Senator from Kansas to certify that to the Secretary of the Senate, would it not?

Mr. CANNON. The Senator is correct, provided he and the ranking minority member would first attempt to assign an existing member of the staff to service that Senator, if he would accept that; but he is not obligated to do so.

If the Senator will permit me, I would like to yield to the Senator from Oregon, the author of the amendment, to make his statement and then we could open the matter up to further colloquy.

Mr. TALMADGE. While the Senator has the floor, I would rather complete the colloquy, if I may.

Senator YOUNG then certifies to the Senator from Kansas and myself these two employees, the legislative assistant and the secretary; would they become the employees of the Committee on Agriculture and Forestry, or would they be employees of the distinguished Senator from North Dakota?

Mr. CANNON. Under the amendment, as I understand it, they would be employees of the committee.

Mr. TALMADGE. All right. To take it one step further——

Mr. CANNON. And they report to the Senator from North Dakota and are accountable to him.

Mr. TALMADGE. All right. Let us go one step further. Suppose the staff director is marking up a bill to report it to the Senate and drafting a committee report, and needs all the talent that he can possibly be given at that particular time to complete this action. The staff director asks the assistance of the legislative assistant of the Senator from North Dakota, and the Senator from North Dakota says, "No, you cannot do that; I want you to come down to my office and write me a speech on that bill tomorrow." Who is he amenable to, the chairman of the committee or the Senator from North Dakota?

Mr. CANNON. I would like for the Senator from Oregon to answer that question, since he is the author of the amendment.

Mr. HATFIELD. Mr. President, I will be happy to answer the question, but first of all, I would like to go back and correct some of the statements of the Senator from Georgia which are not accurate.

First of all, this is not a grab bag, or an effort to somehow cross up the chairman of the committee.

Second, there will be an attempt to adjust within the committee existing staff assignments to the Senators on that committee. It does not necessarily carry with it an increase of the total committee staff.

Third, this is not a mandatory action that any Senator, or all Senators, has to take. It is rather an authorizing action. Some Senators may decide that they do not need additional assistance on a committee on which they serve, and it is not mandated that they should hire someone.

Fourth, it is clearly shown in the record of the hearings of the committee that this is not balkanizing the staffs, simply because individual Senators may qualify to appoint a staff person, who performs his work under the direction of the committee staff director.

Mr. TALMADGE. That is what I was getting at.

Mr. HATFIELD. Just a moment. Let me make my fifth point.

Fifth, if you read the language of the bill carefully, it very clearly shows there is a 3-year transition. During this 3-year period of time, under our study of the present turnover of committee staff, these individuals who may be appointed by single Senators now then would be incorporated in the total committee staff, and would be within that staff level and that staff assignment.

So there is no attempt to set up a separate category of staff people, but to integrate them as full staff members.

Mr. TALMADGE. Mr. President, will the Senator yield at that point?

Mr. HATFIELD. Yes.

Mr. TALMADGE. Taking up where the colloquy ended between the Senator from Nevada and myself, suppose Senatory YOUNG certifies these two appointees, and we are trying to work all night, with all the talent we have, to mark up a bill, write up a committee report, and submit it to the Senate for action. The staff director calls on Senator YOUNG's legislative assistant for assistance, and Senator YOUNG says, "No, you cannot do that; you have to come down to my office and write a speech against that bill for me."

Who has priority?

Mr. HATFIELD. The situation is very clear. The staff director would be able to utilize and integrate the total staff in the functions of the committee.

Mr. TALMADGE. But he is not the Chairman's man or the staff director's man; he is Senator YOUNG's man. That is what this resolution says.

Mr. HATFIELD. I think the Senator is applying another interpretation. The record of our recent committee hearings is very clear that it is the committee on which this staff person has been appointed, and the committee chairman and staff director, who are able and responsible to direct the work of that committee with the use of all the staff people, including those appointed by the chairman, by the ranking minority member, and/or by any other member of that committee.

Let me illustrate this again by the example of the Committee on Rules and Administration. The Rules Committee today has three Republican members.

Each one of those Republican members has, in effect, appointed a staff person to the staff of the Rules Committee.

Those individuals now function as a part of that Rules Committee staff, and the staff director utilizes their time, their skills, and their energies. Senator Young is authorized, on his Appropriations Subcommittee, to appoint staff people. All of those staff people, even those appointed under this proposal, work together with that full committee. So we are not talking merely about theory, we are talking about practice.

Mr. TALMADGE. Will the Senator yield further?

Mr. HATFIELD. Yes.

Mr. TALMADGE. Will the Senator show me anywhere in the bill or the committee report any language that says these appointees will work under the staff director?

Mr. HATFIELD. This is in the hearings of the committee.

Mr. TALMADGE. Is it in the report?

Mr. HATFIELD. It is not exactly stated in the report.

Mr. TALMADGE. Is it in the bill?

Mr. HATFIELD. We did not feel that was a necessary item, because we have strong precedents in how the Senate operates today. The Senator from Georgia says he uses his committee staff to answer his mail. None of the other committee chairmen do. We are not trying to break precedents. They may continue just as they are. The Senator from Georgia has his practice, and he so stated, but the Senator from Georgia runs his committee far differently than other committees are run in the Senate.

Mr. TALMADGE. But I feel that what we are doing here, I say to my distinguished friends the Senator from Oregon and the Senator from Nevada, is changing what was set up in the Legislative Reorganization Act, whereby we have a thoroughly professional staff.

I do not know the political affiliation of any member of the staff of the Finance Committee. I do not care. They are there to serve the Finance Committee, and they are doing an excellent job of it. I do not know the political affiliation of any member of the staff of the Committee on Agriculture and Forestry. I know that when I became chairman of that committee, I inherited a staff director originally appointed by Senator Aiken, a Republican, when he was chairman of that committee, and he came on down through two Democratic administrations until he voluntarily retired. He was retained not because of his political affiliation, but because of his competence.

We must have people on these staffs who know what they are doing, and if we have every Senator who serves on a committee appointing a member of the professional staff who is not acceptable to the committee, we will have things so fouled up it will be like the Army going to sea.

Mr. HATFIELD. Will the Senator yield?

Mr. TALMADGE. I yield.

Mr. HATFIELD. Does the Senator believe that only the chairman or the ranking minority member of a committee has the competence to appoint someone of professional qualifications and ability?

Mr. TALMADGE. I do not.

Mr. HATFIELD. Or nonpartisan qualifications?

Mr. TALMADGE. Of course not. But what we have here is the selection of a staff of individual appointees by individual Senators, who are acceptable to individual Senators, not acceptable to the committee staff, and they will be up there in the way, and we will have to have more secretaries and more stenographers to attend the professional staff of the committee, to do what they were doing in the first place.

Mr. HATFIELD. If the Senator will yield, I think his premise is incorrect at this point. We are obviously on parallel tracks. I think the Senator is saying, in effect, that only the chairman has the ability to appoint such staff people to answer in a professional manner.

Mr. TALMADGE. No. I am saying that in any manner whatever.

Mr. HATFIELD. Other members of the committee would not be able to appoint people of qualification to integrate and work together as a committee.

Mr. TALMADGE. The Senator fails to realize that this professional staff group, that we now have, was appointed by all of the members of the committee collectively. It was a consensus opinion. It was not an individual opinion.

Mr. HATFIELD. I think again the Senator would have to recognize that his committee is run as an exception to most committees of the Senate. We find many other committees, according to the testimony, where the chairman appointed the staff people without consulting even with his junior majority members and that those staff people report directly to him.

We had evidence of subcommittee chairmen finding it difficult to acquire staff to support the committee work because they were reporting and working only for the chairman or for the ranking member, as in the case of the Republican side.

Mr. TALMADGE. Where would this additional staff be housed?

Mr. HATFIELD. The committee made it very clear, I would respond that—well, first of all, I wonder if the distinguished Senator from Georgia will permit me to offer my opening comments, as the author of the bill and ranking member of the committee.

Mr. TALMADGE. We can pursue this further, but I want to receive an answer.

Mr. HATFIELD. I answer a lot of these questions in my opening statement.

Mr. TALMADGE. I want to develop what we are talking about, and then the Senator can take as much time as he sees fit.

Where will all this additional staff be housed? If every member of the Committee on Agriculture and Forestry appointed two members of the staff we would have 28 additional appointees on that committee on our staff. We only have 21 at the present time. Where would these additional 28 employees be housed?

Mr. HATFIELD. Again, I say to the Senator, as the ranking member of the Committee on Rules and Administration, and as the author of the bill, I would like to have the courtesy accorded me to make my opening statement, in which I answer these questions and many other questions. This will help us keep some continuity in the presentation of our case.

Mr. TALMADGE. Of course, if the Senator refuses to answer my question and, of course, refuses to yield, that is his privilege.

The Senator from Nevada had the floor. He yielded to the Senator from Oregon.

Mr. HATFIELD. I am asking for the courtesy that is usually accorded the ranking member.

Mr. TALMADGE. If the Senator will answer the one question and then permit me to comment, I will not ask further questions at this point.

Where would they be housed?

Mr. HATFIELD. These additional committee people would be housed in the committee rooms.

Mr. TALMADGE. I say to the Senator that we have 21 members——

Mr. HATFIELD. We are not solving the housing problem in this. We are trying to solve the staffing problem.

Mr. TALMADGE. We have 21 members of the staff on our committee now, and the staff director works in a little office about three times the size of this desk here. That is how crowded we are. If we had one more individual we would have to put him out in the hall and let him work in the corridor.

Mr. HATFIELD. I say to the Senator that maybe we could move out the Democratic Senatorial Campaign Committee, and move out the Republican Senatorial Campaign Committee, and move out some of the liaison officers that now are quartered in these buildings and make room for legislative business in these halls.

This proposal does not address itself to the housing problem. We will have to take that up in separate legislation.

Mr. TALMADGE. I thank the distinguished Senator from Oregon and the distinguished Senator from Nevada for yielding.

Mr. CANNON. I had yielded to the Senator, and I hope he will have an opportunity to make his opening statement and then respond.

Mr. YOUNG. Mr. President, I have a brief observation and one question.

Mr. HATFIELD. I am happy to yield.

Mr. YOUNG. First, I say to my friend from Georgia the very able chairman of the Senate Agriculture Committee that I have been on the Committee on Agriculture and Forestry for over 30 years. I never had the right nor have I asked to appoint a staff member. I have gotten along very well with the professional staff and my own staff.

Let me ask one question: On the Committee on Appropriations we now have eight professional staff members under the minority. They are appointed by members of that committee. We have two more to go. Two Senators who have not as yet been able to appoint their own staff member. But my question is

this: Who sets the salary? There is a maximum of $33,000.

The chairman of the committee, the distinguished Senator from Arkansas (Mr. McCLELLAN), and I worked out the salaries of these staff members. He gives final approval. We start the staff members now at little more than half of the $33,000 now being proposed.

Would we have to accept a $33,000 salary for each new member another Senator wanted to put on?

Mr. HATFIELD. I say that this is not a mandatory figure. It is not to exceed the $33,975 level.

If the Senator will also again note that in our hearings and in the report we indicated that the appointing Senator would set the salary in consultation with the chairman and the ranking member.

I point out again the example of what he and I have just engaged in only last week. As one of the junior members of the Committee on Appropriations, I was authorized by the ranking member, the Senator from North Dakota, to make an appointment of a staff member. I selected the staff person. I recommended what I thought his salary level should be. I consulted with the ranking member, the Senator from North Dakota, and he, in turn, I presume, consulted with the chairman of the committee, and we arrived at a very happy figure.

Mr. YOUNG. I have not as yet discussed it with the chairman, but it is a reasonable figure which I am sure he will approve.

Mr. HATFIELD. I see.

The point is this: This procedure we used will be followed again in this bill.

Mr. YOUNG. I hope the chairman and ranking member will have jurisdiction, not just consultation, but jurisdiction as to the starting salary.

Mr. HATFIELD. I say to the Senator that the language is "in consultation with."

I hope we can set precedent or we can follow precedent, whichever the case may be. That is part of the flexibility of this proposal.

Mr. McCLELLAN. Mr. President, will someone yield to me a moment? I would like to ask one question.

Mr. HATFIELD. I am happy to yield to my distinguished chairman on the Committee on Appropriations.

Mr. McCLELLAN. Will whoever has the floor yield?

Mr. CANNON. The Senator from Oregon has the floor.

Mr. HATFIELD. I am happy to yield.

Mr. McCLELLAN. I am intrigued by this discussion with respect to the staff director and another Senator as to who will have the authority. I never knew of a staff director having authority over a Senator.

It seems to me, if there is such power going to be reserved anywhere, it should be reserved in the chairman of the committee, not in the staff director to tell another Senator "I want your man."

I just thought it intriguing that we give that power to a staff director.

Mr. HATFIELD. I say to the Senator from Arkansas this bill does not propose to give any additional powers whatsoever to any staff director.

Mr. McCLELLAN. That was the argument here.

Mr. HATFIELD. We are trying to follow the precedents.

I say that the Committee on Appropriations is a prime example and it provided a precedent we used in drafting this legislation.

I just outlined the fact that I, as a younger member, now have reached a point of appointing a staff person of the Committee on Appropriations, after consultation with my ranking member, who in turn consulted with the chairman of the committee.

That person, even though he is my appointee, is part of that entire committee staff and works together with the rest of the members of that committee.

Mr. McCLELLAN. I am still a little confused even about that. I have gone along and tried to work out things here with my distinguished friend, the ranking member of the Appropriations Committee, and we have had no real problems so far, and I do not anticipate we will have.

In this discussion, I hate to leave this record where we said that even though the Senator from North Dakota (Mr. YOUNG) decided he wanted to keep the man to write a speech for him a staff director would tell him: "No. I am going to take him away from you." I just cannot see that.

Mr. HATFIELD. If there is any need for clarification, let me say to the Senator from Arkansas

Mr. McCLELLAN. I think it certainly ought to be clarified. This record ought not to be left that way.

Mr. HATFIELD. This is not an attempt in any way to establish any additional authority or power in the hands of the staff director, which does not exist now.

Mr. McCLELLAN. I do not think he has that power now.

Mr. HATFIELD. Fine. I agree.

Mr. President, the Senate's consideration of a proposal concerning the distribution of committee staff is long overdue. I have been particularly concerned over the method of distribution of committee staff since I first came to the Senate some 8½ years ago.

My concern has been consistent throughout this time, because it was not until January 1975, that I had the opportunity to appoint my first committee staff member. Until that time, like many of my junior colleagues I was forced to handle my committee assignments with staff members from my personal office.

Let me make a very clear point at this time. It is simply: When we are forced to use our own committee staff to do the work and assist us on our committee work, we find that those committee staff people or those personal office staff people are excluded at times when we function in executive session or when we come to the markup of legislation.

The individual junior members of those committees find themselves unable to perform as adequately as they could with a staff aide present in the room.

I believe that the Senators from Alaska (Mr. GRAVEL), Tennessee (Mr. BROCK), California (Mr. CRANSTON), and Oregon (Mr. PACKWOOD) have played a very important role in forcing the Senate to focus on this problem.

While I cannot go along with their particular proposal due to the high cost, I do agree with their concept that every Member of the Senate should have the opportunity to appoint committee personnel.

I honestly believe that if these men had not pursued this issue with such diligence we would not be here today discussing it. I hope that whatever action is taken by the Senate today will provide those men and women entering the Senate in the years ahead a better opportunity to represent their constituency as well as meet their legislative responsibilities without having to first serve in this body for some 6 to 8 years, or even longer in some cases.

The abuses of the committee system in terms of committee personnel are known to all of us. A series of articles on committee staffing which appeared in the Washington Post earlier this year only highlighted many of these abuses.

The basic issue we are considering today is whether all Members of the Senate should have the right to appoint staff to the committees on which they serve, or should the appointment and distribution of committee staff be permitted to remain within the jurisdiction and control of the chairmen and ranking minority members of the committees? Certainly, if all the chairmen and ranking minority members of the committees had seen to it that all committee members were given the opportunity to appoint committee staff, we would not be here today discussing this subject. Unfortunately, like many other aspects of this institution, even though every member is given an equal voice and vote on the Senate floor, many times his rights and those of the people of his State are dependent upon that member's rank in seniority. The thesis that the chairman and ranking minority member are better qualified to select individuals to serve on committee staffs makes no sense at all.

Before I begin discussing some aspects of the Rules Committee's staffing proposal, I would like to say that Senator CANNON has been very cooperative with the minority members of the Rules Committee in terms of committee staffing. I am proud to say that every minority member of the committee has appointed a professional staff member to the committee staff. I have not found any evidence to support the argument that permitting every member to appoint professional staff would fractionalize or balkanize the committee staff. In fact, I believe the minority staff works very well together as a cohesive unit while at the same time meeting the needs of the individual Republican Members.

As I stated before, I firmly believe that every Member of this body has a fundamental right to appoint staff on Senate committees. The Constitution does not provide a certain segment of the Senate with different tasks and responsibilities from another part of the Senate. In keeping with the general theme of equality and equity, I do not understand how some believe only they should appoint staff while others have no staff at all.

Just as we must attend to the task of putting our own house in order, we also have a higher responsibility to the American people to put our country's fiscal affairs in proper order. We would not be meeting this responsibility if we were to approve a $40 million proposal for committee staffing. We do not necessarily improve an institution by superimposing several hundred additional employees to a base which is not equitable. Unfortunately, we have a committee staff system which is appointed and controlled by a few, and this foundation we are building upon is not fair. With this in mind, the resolution, as reported out of the Rules Committee, approaches the committee staffing problem from two distinct directions.

First, it provides a mechanism whereby every member of every standing committee of the Senate is given the opportunity to appoint at least one professional person to every standing committee of which he is a member.

Second, the resolution provides a mechanism which we hope will force the committees to review their staffing needs and possibly clear out some of the deadwood which is on almost every committee payroll. Any organization—be it a business, public, or private institution—if it wants to operate efficiently must periodically go through a cleansing process to clear out those sections which no longer function properly. I believe most of us would agree that such a process is long overdue here in the Senate. I am sure that if the committees fail to do this over the next 3 years the Rules Committee will be prepared to make helpful suggestions in order to accomplish this much-needed task.

The Chairman has already covered the major points of the resolution as reported out of the Rules Committee, and I will not repeat them. But I would like to reemphasize to my colleagues a provision which I feel is very important. The Rules Committee has provided that all standing committee have up to 3 years to transfer the new legislative assistants from the contingent fund payroll to the committee payrolls. The 3-year period is provided in order that committees would not be forced to immediately move people out of positions in order to accommodate the new personnel. It is hoped, however, that the end result of this process will not be an enlargement of committtee staffs, but a redistribution of current staff.

This resolution is very important, because it will firmly establish the right of every Senator to committee staff, and it will guarantee staff members access to all the business of the committee of which they are a part. Until the 3-year transition period is completed, however, I am concerned that the employees hired under this new third category will be treated as quasi-committee staff members. It is important that they be given equal footing if they are to adequately serve and assist their appointing Senators.

The consideration of this subject is an important event in the history of the Senate. If the Senate takes affirmative action, it will have begun the task of putting its own house in order. At the conclusion this day, we must not believe that our task is finished, there are many other aspects of this institution which must be reexamined and redesigned.

If the American taxpayers knew of the bureaucratic redtape a Senator or his office must go through every day to obtain the proper working tools to do their jobs, they would be amazed. An examination of the jurisdictions of all the administrative offices of the Senate is mandatory if we are serious about the task of pulling the Senate into the 20th century.

The issue of committee staffing, as presented by Senators GRAVEL, BROCK, and others, is only the tip of the iceberg when considering what is needed reform here in the Senate. Almost every Senator in this body is unable to perform the duties of his office, because of many of the archaic methods currently being used here.

I will digress to say that we have not even used microfilming on the Hill, consider how long microfilming has been around. That is one very small example of the failure of the Senate to modernize and update its procedures, and it points up the waste of space that exists, because of the many filing cabinets and other things that take up space for which microfilming could be used.

In the months ahead, I intend to bring to my colleagues' attention other areas of standard operating procedures which must either be abolished or reformed if we are really sincere in our desires to fulfill our responsibilities as outlined in the Constitution.

Mr. President, I will add one further point. In my opinion, we have neglected the entire method of operating and administering the internal affairs of the Senate for so long that we will have to take these things one at a time.

First of all, they are interrelated. When we talk about increasing staff, we are talking about the requirements of space and housing. But I point out, further, that this, in itself, is a very tremendous job, not only in terms of how much more space we need but also whether or not we are utilizing the existing space to its highest degree of efficiency. I do not believe we are. If Senators will look at their own offices, as we have looked at ours, they will find that most people are functioning with a large, bulky desk, and we are not getting the square footage or the cubic feet of utilization out of existing space.

Many Senators have taken the time to observe our office in room 463, where we have tried to create a model office operation. We have showed Senators the way we have utilized our space, with modern equipment. If we better used our space, I am not sure that we even would have to build a new Senate Office Building. But that is another point.

I emphasize that in trying to discuss and solve a staffing problem, we are not trying to solve all the problems at one time. Housing and inadequate space is still an unresolved problem. It is one that will have to take a great deal of consideration and much courageous action on the part of the Senate.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. TALMADGE. Is it not a fact that last year, 66 Senators still in office returned more than $10,000 of their clerk-hire allowance which was not used?

Mr. HATFIELD. I will have to get the figures on that. I think that is approximately correct.

I say to the Senator that, technically, that information is not available to me.

Mr. TALMADGE. It is tax money, is it not? It is available.

Mr. HATFIELD. I refer the question to the chairman.

Mr. TALMADGE. Can the chairman answer the question?

Mr. CANNON. Yes.

Mr. President, the Senator is approximately correct. This information is not releasable, except to the Senator involved, from the financial clerk. But we went to the publication of reports that is required, and we reconstructed it from that. The figure that we came up with is approximately that referred to by the Senator.

Mr. TALMADGE. Will the Senator yield further?

Mr. CANNON. Yes.

Mr. TALMADGE. Is it not a fact that 53 Senators still in office returned over $20,000 of their clerk hire allowance unspent last year?

Mr. CANNON. I shall add them up and tell you in just a moment.

The figure is 54.

Mr. TALMADGE. 54 and not 53.

Mr. CANNON. Yes.

Mr. TALMADGE. Will the Senator yield further?

Mr. CANNON. Yes.

Mr. TALMADGE. Is it not a fact that 41 Members of the U.S. Senate still in office, last year, returned over $30,000 of their clerk hire unspent?

Mr. CANNON. I shall have to assume that that is correct. It is approximately correct, anyway, that 41 Senators in office returned over $30,000 last year of unspent clerk hire funds.

Mr. TALMADGE. Will the Senator yield further?

Mr. CANNON. Yes.

Mr. TALMADGE. Did the Committee on Rules and Administration give any consideration to raising the clerk hire allowance, specifically the allowance for legislative assistants, in lieu of this monstrosity of hiring peope that are neither employees of Senators or employees of the committees?

Mr. CANNON. If I may say to the Senator, we had a problem there in that the Rules Committee does not exercise jurisdiction over the clerk hire funds.

Mr. TALMADGE. I understand.

Mr. CANNON. That would come from the Legislative Appropriations Committee. We did consider that. Personally, I preferred that approach rather than the approach that we followed. But the bill came to us because it attempts to amend the standing rules of the Senate, rule

XXV, which I think is a mistake. The Legislative Appropriations Committee does consider what is needed from the legislative standpoint and authorizes the Senator that, based on his particular needs.

I think the argument against that type of process is that they have consistently based it on the formula of population. Here, we have departed from the population formula to say one person for each committee. I would prefer, myself, if I had the opportunity to say, that that go to legislative appropriations and that they make a twin formula—one based on the representation on committees only, and then the other, based on the Senator's needs because of the size of the population of his State.

When this came to the floor, I asked unanimous consent that it be referred to the Legislative Appropriations Committee, and objection was made, so it stayed in the jurisdiction of our committee.

Mr. TALMADGE. Will the Senator yield further?

Mr. CANNON. Yes.

Mr. TALMADGE. I can understand the Senator's problem. Each of us must keep up with legislation, regardless of the size of our State. As the chairman of the Committee on Rules knows, our clerk-hire allowance is based on the population of our State. Some two-thirds of the Members of this body do not utilize all of their clerk-hire allowance now. Perhaps it is needed in some instances to grant more funds for specific Senators to try to keep track of the 20-odd thousand bills we have in Congress annually.

My problem with this resolution is the fact that we have neither fish nor fowl here. We have two groups of employees in the U.S. Senate. One group works for the U.S. Senator specifically. They are engaged primarily in keeping up with the mail from the State they serve, legislation, and various things of that kind.

Then we have another group of senatorial employees who are the committee staff. In the Legislative Reorganization Act which was passed long ago, we tried to make certain that the committee staff would be thoroughly professional, representing the majority and the minority alike. In every committee that I have served on since I have been a Member of the U.S. Senate, that has been the case. If this resolution is agreed to, we will have people certified to committees, ostensibly members of the staff of that committee, but they will not be officially delegated to them where the committee will have control over them as staff. They will be certified to Senators who can hire and fire them at will. What we will do here is get away from a professional staff to a political staff.

In the case of the Committee on Agriculture and Forestry, for instance, we have 21 staff members at the present time and there is barely room for them to sit and do their work. Under the terms of this resolution, if it passes, there can be 28 more employees, more than doubling the size of the staff. The resolution requires, according to the author, the distinguished Senator from Oregon, that they be quartered in our official committee space that we now have, when there is no room for the present group.

Would the Senator entertain an amendment that these additional employees be quartered in the offices of the Senators who hire them? Would the Senator from Oregon agree to that?

Mr. CANNON. Well, I shall let the Senator from Oregan speak to that, but there is a prohibition now in the Legislative Reorganization Act prohibiting a staff person from doing other than committee work.

Mr. TALMADGE. I do not want him to be a staff person. If somebody certifies a staff member up to the Committee on Agriculture to work for him. I want him to work for that Senator full time. I do not want to impose upon him. I want him to devote his talent and attention to that Senator and stay out of our way so the committee can mark up its bills and do its work, without the interference of novices who are politically appointed.

Mr. CANNON. I must say that I am very sympathetic to the Senator's position. I personally would have preferred that approach, for the legislative appropriations people to handle the matter; to authorize, let us say, one staff member, a legislative assistant, but authorize it to the Senator involved and then provide that that person should have full access to the committee records and files and be permitted to attend the executive sessions.

The objection was made to that particular approach that many Senators had people representing them, doing work on certain committees, but they could not go in and be there during executive session and keep fully informed. I think the distinguished Senator from Virginia made that point on that.

Mr. WILLIAM L. SCOTT. Will the Senator yield?

Mr. TALMADGE. While we are pursuing this point, will the Senator from Oregon and the Senator from Nevada accept an amendment that these individuals be quartered in the offices of the Senators who hire them? We do not have room for them. Even if they are appointed now, they would have to stand out in the hall and sit in a chair. There is nowhere to put them.

Mr. HATFIELD. First of all, if the Senator will yield, am I to assume that the Senate committee members are unhappy with the present staff arrangement, and are all going to go out and appoint a person?

Mr. TALMADGE. I do not know what they are going to do. I assume when we pass a bill or resolution, it is going to be implemented.

Mr. HATFIELD. It is not mandated.

Mr. TALMADGE. It is authorized. Has the Senator ever seen anything that is authorized around here for Senators that has not been implemented?

Mr. HATFIELD. Yes, I think the Senator just had a colloquy with the chairman indicating that all the clerk hire has not been utilized. He even listed amounts that were returned. I assume they are going to use good judgment.

Mr. TALMADGE. The Senator would assume that the 50-odd Senators cosponsoring this resolution are going to be utilizing it, would he not?

Mr. HATFIELD. Not necessarily. Let me give an example. We have talked in this resolution about a hundred staff slots that would be available for appointment under the terms of this resolution by Senators who do not now have staff people. In my own case, it would be two less than that, because since this resolution, I have received the authorization to appoint on the Senate Committee on Appropriations, so that would be one less; and also, the Senate Committee on Interior, which would be another. So I do not qualify, but I would not even exercise it if I did, as the ranking member, say, and had the power to appoint a permanent staff person on that committee.

I only say that I have great confidence in the judgment of my colleagues. As I indicated earlier, this is not a grab bag, and they are all going to rush out and appoint someone merely because there is authorization on the books.

Second, I wish to reply to the question and say that the general policy of the Rules Committee, as the Senator knows, as we have been considering the budget of the standing committees, is to get the committee staff out of the Senators' offices and not into the Senators' offices.

Mr. TALMADGE. I agree with that.

Mr. HATFIELD. To answer the Senator's question, no, I would not agree to such an amendment.

Mr. TALMADGE. Mr. President, will the Senator from Oregon yield further?

Mr. HATFIELD. Yes.

Mr. TALMADGE. We are creating trouble, and I share the view of the Senator that we ought not to have technical staff members hanging around a Senator's office, but the Senator from Oregon is creating a whole new group of employees here who are neither fish nor fowl. They are not selected by the committee; they are certified by an individual Senator. The Senator appoints him. He is the man who owns him. He is the man who fires him as in the case of his office staff.

Mr. HATFIELD. As in the case of the chairman.

Mr. TALMADGE. The committee. The chairman cannot fire alone.

Mr. HATFIELD. That is not true in all committees, with due respect to the Senator.

Mr. TALMADGE. It is true in the committees I have served on.

If you create a new type of employee who is selected by an individual Senator, to be certified by that Senator only, to be hired by that Senator, to be fired by that Senator only any time he sees fit, that individual ought to be quartered in that Senator's office to work for him.

Mr. HATFIELD. Mr. President, if the Senator will yield, that is not what we do now. I just gave the illustration of the Appropriations Committee and the Interior Committee, on two of which I have served, in which I have made the appointment and set the salary, in consultation with the ranking minority

member, and he will be housed in those committees, and that is what is happening in many other committees today. They are appointed by individual Senators of that committee, not by the chairman, but in consultation, if he is a majority member, with the chairman, and in consultation with the ranking minority member if he is a Republican. That is what happens now. We are not changing any system nor any precedent that is already well-implemented and well-employed at this time.

Mr. TALMADGE. Mr. President, will the Senator yield further?

Mr. HATFIELD. Yes.

Mr. TALMADGE. Are there 220 assignments under the terms of this resolution?

Mr. CANNON. Yes.

Mr. TALMADGE. The chairman says yes. Does the Senator from Oregon agree with that?

Mr. HATFIELD. I do not know what the Senator means by the term "assignment." There are 100 slots on committees on which a Senator could make an appointment, according to our survey, at this time. I indicated that that has changed even since we introduced it because they have had two, which would deduct that from 100, making it 98.

Mr. TALMADGE. Mr. President, will the Senator yield further?

Mr. HATFIELD. Yes.

Mr. TALMADGE. Will the Senator clarify the statement of the 220 assignments?

Mr. CANNON. Yes. If we look at the number of Senators serving on standing committees, the total is 220. So if everyone appointed a member, it would be 220 and, as the Senator pointed out earlier, if they appointed a member and clerical assistant——

Mr. TALMADGE. It would be 440 new staff members.

Mr. CANNON. But the committee reviewed the matter and, in determining, in taking the chairmanship and the ranking member, and the people we knew had persons assigned to represent them, our best estimate was that the figure would then winnow itself down to about 100, so there would be about 100 spaces available.

Mr. HATFIELD. I think the record will show—if the Senator will yield——

Mr. TALMADGE. Certainly.

Mr. HATFIELD. I would like to make the point very clear at this time that in the hearings of the committee, in the testimony and in the colloquies between members of the committee and the witnesses, it was very clearly pointed out this did not incorporate at that point the chairman or the ranking member. So when I talk about 100 positions or assignments that again is approximate, because of the example I gave the Senator already, and also on the basis that if a Senator should decide to appoint a $20,000 a year professional person and a secretary or stenographic help at whatever remains between that and the limit of $33,950, it could vary, but it would be around 100.

Mr. TALMADGE. But, assuming that these 220 slots were exercised to the fullest with the two staff members, that could conceivably add up to 440 new staff members in the Senate.

Mr. HATFIELD. No, I would not agree.

Mr. TALMADGE. The Senator would not agree with that

Mr. HATFIELD. I do not think it is an accurate interpretation.

Mr. TALMADGE. That is based on the assumption that the members of the committee work for the chairman and the ranking minority member and nobody else, is it not?

Mr. HATFIELD. I think that is the case in many instances.

Mr. TALMADGE. That is the assumption that the Senator uses to conclude that there will not be 440 new employees here if his resolution is utilized to the maximum.

Mr. HATFIELD. No, that is the wrong assumption.

Mr. TALMADGE. I am trying to understand the terms of the resolution as interpreted by the chairman of the committee who reported the bill.

Mr. CANNON. I think the record was clear that we would expect that the chairman and the ranking minority member would automatically be excluded because, technically at least, they have appointing authority.

Mr. TALMADGE. That is based on the assumption that they excluded themselves; is it not?

Mr. CANNON. If they made the appointment, if they appointed a staff person who is accountable to them, and I think that is probably the case, even though as the Senator pointed out earlier, that staff person is doing the work of the committee and he is available for the use of every one of the committee members, that is true.

But I believe the record of the hearings would show, and we then went to the staff directors of the various committees and we had them give us the figures of the people who would be eligible under this, and based on what they know about who appointed—who has members appointed on the committee, that is where we got the figure of 100.

Mr. TALMADGE. Mr. President, will the Senator yield further?

Mr. CANNON. Yes.

Mr. TALMADGE. As I understand this resolution, any member of a standing committee of the Senate can certify his particular appointee to the chairman and the ranking minority member, and neither the chairman and the ranking minority member nor any other member of the committee, nor any committee as a whole, has a veto power over the matter, do they?

Mr. HATFIELD. That is correct.

Mr. TALMADGE. He is that Senator's man, in other words?

Mr. HATFIELD. That is correct.

Mr. TALMADGE. And he is a staff member appointed by that Senator, subject to direction by that Senator, responsible only to that Senator. He can be fired at the whim or caprice of the Senator at any time, is that correct?

Mr. HATFIELD. If the Senator, Mr. President, will yield there——

Mr. TALMADGE. I yield.

Mr. HATFIELD. That is correct. What we are trying to do is to translate the chairman's staff into the committee staff.

Mr. TALMADGE. Can the Senator explain to me how a committee staff that is responsible to 17 different Senators can operate effectively. When the committee is trying to mark up a bill of major importance to the country, and a staff member represents a particular Senator's view, not a consensus view, but the individual Senator's view, the view of the Senator who hired him, who can fire him, can this staff member be expected to work on the committee bill? How can we operate a ship with 17 captains?

Mr. HATFIELD. Mr. President, if the Senator will yield, that is exactly how we are operating today on the Appropriations Committee.

I have a staff person on that committee who functions on that subcommittee on which I serve, and in a markup he sits at my elbow, and if the Senator will come to our staff meetings he will see that behind each Senator who has a staff person sits that staff person advising that Senator.

Mr. TALMADGE. The Senator from Oregon has the floor, and if he will permit me to yield, I would be happy to yield to the Senator from North Carolina.

Mr. HATFIELD. I would be very happy to yield to the Senator from North Carolina.

Mr. MORGAN. I will say to the Senator from Georgia, before I depart to go to another committee, that I have the highest regard for the Senator from Georgia and the manner in which he operates his committee. I think his thoughts and his philosophy about how the committee staff should operate are ideal.

But the sad truth is, Senator, it does not work that way.

I want to preface a number of questions to the Senator by saying that shortly after I came to the Senate I was appointed to three subcommittees of one committee. In addition I was made the chairman of one of these subcommittees which I thought was a very interesting subcommittee and one which could be of much greater service to the people of this Nation than it had been in the past.

Shortly thereafter I contacted the full committee staff director and told him I thought we ought to begin to move, because in this time of economic crisis it was an important committee, and I asked him if there was someone on the staff who could assist my subcommittee.

He said he was sorry but there was not anyone available, and I said, "What do you mean there is not anyone available?"

He said:

Well, because of longstanding tradition and custom, the chairman has four committee staffers——

I believe four; do not hold me to these exact figures, but he named a figure——

the ranking minority member has three, the next ranking majority member has a number of staff assistants, and by the time we get down to you there is no one left.

I must emphasize this was not the action of the chairman of the committee. I was talking to the staff director. But I told him to go back and tell the chairman of the committee I was not interested in serving because if I had to serve on a committee and be held responsible publicly without assistance that I would rather not serve.

Shortly thereafter, a series of articles appeared in the Washington Post, the accuracy of which I cannot vouch but there is all too much truth in them.

I can only say I have tried to utilize my personal staff to the best extent possible.

I am allotted a substantial amount of money and I am sure that by the end of this year I will turn some small amount back because, as the Senator mentioned, it is impossible to make it come out to an even dollar.

But last week we debated here the Defense Procurement Act. I had a number of my personal staff for a week or two working on it and yet I was ill-advised. I voted at the recommendation of the committee, but I hope I will not do it another year.

I would ask the Senator from Georgia if it is not true that as chairman of the Agriculture Committee he has some 20 members of the staff there which are at his direction, and in addition, does not the Senator also have other staff members available as well?

Mr. TALMADGE. Yes.

I will say this, I have served on the Committee on Agriculture and Forestry now for almost 18½ years. I became chairman of that committee in 1971, 4 years ago.

I had served on that committee for 14 years and had never employed nor recommended nor suggested the hiring of a single individual, but there has never been a time since I have served on the Committee on Agriculture and Forestry that I have called upon the staff for professional advice and help that I did not get it.

The same thing is true of the Finance Committee. I am the ranking majority member of the Finance Committee. I have been on that committee for 16½ years. I am chairman of the Subcommittee on Health, which is probably the most important subcommittee that committee has.

I have never recommended anyone for employment. I have never hired anyone for employment. I do not need anyone for employment. That staff has been available for the 16 years plus that I have been a member of that committee and anytime I called on them, they have responded, over and beyond the call of duty.

I will say to the Senator further that normally I have had two legislative assistants since I have been in the Senate and they have called on the professional staff of every standing committee of the Senate from time to time for assistance, aid, and advice, and insofar as the Senator from Georgia knows they have never been denied that assistance.

Mr. MORGAN. Let me say to the Senator from Georgia that his experience has been better than the experience of my administrative assistants.

I would reiterate what I said earlier, that I have the highest regard for the manner in which the Senator conducts his committee, my Republican colleague from North Carolina attests to that fact, but I would also say to the Senator from Georgia that he is the chairman of that committee and, as such, he has at his disposal 20 staff members who certainly are going to take direction from the staff.

Mr. TALMADGE. Will the Senator yield?

Mr. MORGAN. Yes, in just 1 minute.

The Senator is the second ranking member of the Finance Committee which has 26 members.

Mr. TALMADGE. I do not have anyone on that committee at my direction.

Mr. MORGAN. This Finance Committee has 26 staff members and I cannot conceive——

Mr. TALMADGE. But——

Mr. MORGAN. Will the Senator let me complete my remarks?

Mr. TALMADGE. Surely.

Mr. MORGAN. I cannot conceive of a staff member failing to render assistance either to the second ranking majority member or to his staff.

Then, as a member of the Veterans' Affairs Committee, there are 19 staff members.

So there are 65 staff members who are available to the Senator from Georgia that I dare say would accede to his requests for information or assistance at any time.

I think the Senator's idea as to how the Senate committee should be operated is perfect, but I dare say, as freshman Senator who has been here only 5 months, I have not found it to be that way on other committees.

Mr. TALMADGE. If the Senator will permit me to explain, the Senator has detailed a host of employees on three committees I have the honor to serve on and says that they all are responsible to me. They are not. The only group of employees——

Mr. MORGAN. I believe I said they respond to the Senator.

Mr. TALMADGE. I think the staff members of committees on which the Senator serves will respond to him. I do not know what committees the Senator is on, but if he asks the committee staff for advice and service and the Senator does not get it, he should go to the committee chairman and ranking minority member. Those employees will be discharged, I believe.

Mr. WILLIAM L. SCOTT. Will the Senator yield?

Mr. MORGAN. Mr. President, I yield the floor.

Mr. GRAVEL. Will the Senator yield?

Mr. HATFIELD. I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I have listened to the colloquy among the various Senators including the distinguished Senator from Georgia and I think there are a number of things that we could talk about here where my impressions are entirely different from my distinguished colleague from Georgia.

First, he spoke of the clerk hire allowance and the fact that various members sent back money to the Secretary of the Senate. I did turn back $189,000 and I am rather pleased with my fiscal conservatism. The distinguished chairman of the Rules Committee that the amount returned was 42½ percent of my entire clerk-hire allowance, the largest amount returned by any Member of the Senate last year.

Yet I need staff assistance in the committees and I would like to say why this is true. We have so many committee and subcommittees that it is impossible for any Senator to know what is going on in every committee and subcommittee of which he is a member, what each subcommittee has under consideration and what is plans to do.

Mr. TALMADGE. Will the Senator yield?

Mr. WILLIAM L. SCOTT. Yes, I am happy to yield to the Senator.

Mr. TALMADGE. When the Senator turned back whatever it was, why did he not hire lawyers, that is what the clerk hire is for?

Mr. WILLIAM L. SCOTT. If the Senator will permit me to continue, I will state why I did not.

I serve on three committee including Armed Services, the distinguished chairman sitting here in front of me, a very fine gentleman and chairman, is aware of my concerns. He is of the opinion that no one should sit in on executive sessions of our committee or its subcommittees unless they are a member of the staff of the committee or the subcommittee. Members of my Senate office staff cannot attend these meetings.

Mr. TALMADGE. I can understand that.

Will the Senator yield?

Mr. WILLIAM L. SCOTT. I yield.

Mr. TALMADGE. I can understand that on the Armed Services Committee because that must be cleared for secrecy, but what about other committee on which the Senator serves?

Mr. WILLIAM L. SCOTT. I am concerned about my service on the Armed Services Committee when a staff member who is cleared for security cannot attend an executive session of the committee or a subcommittee thereof. We have a budget of roughly $100 billion that we have to act upon, and I want to know what is going on in the committee and all of the Subcommittees of the Armed Services Committee. I cannot do that through my Senate office employees. That is a reason for my concern.

Mr. TALMADGE Did the Senator ever ask his professional staff of that committee for advice and had it denied?

Mr. WILLIAM L. SCOTT. It is not a question of going to them and asking them. It is a question of having someone on that staff who knows what is going on to come to a Senator and tell him what the committee is considering and what the plans are, finishing his recommendations, and discussing proposals with me. He will come to me rather than me going to him.

We have a very fine staff on the Armed Services Committee, and they have responded, as the distinguished Senator suggests. They have responded without hesitation when I have gone to them, but I cannot go to them all of the time to keep up with what is going on on the committee and all its subcommittees.

Mr. President, as the report of hearings of the committee will indicate, beginning on page 73, I did appear before the Committee on Rules and Administration and presented to them a point of view, much of which is included in the recommendation the distinguished chairman of the committee is presenting before the Senate today.

I do not believe it is necessary for each Senator to have two professional staffers on each committee as the Gravel resolution provides. I believe one is enough, to have one member, one professional staff member on each committee that is responsible to each Senator.

Then if the Senator already has someone that reports to him and is responsible to him, under the proposal now before the Senate, as it comes from the Rules Committee, a Senator is not authorized to employ anyone else. Under the proposal as it comes before the Rules Committee, I would be entitled to expend approximately $100,000 since I serve on three committees. Now remember that I turned back $189,000.

So as far as the Senator from Virginia is concerned, if I exercised in full my rights under this proposal and if we assumed that I had no one to work with me on any of these three committees, and I do have a staff member on the Committee on the Judiciary, but if I did not have, I would still not utilize funds under this proposal and last years expenditures under my clerk-hire allowance equal to the amount I am now entitled to spend under my present clerk-hire allowance.

I would suspect that that is true of other Members of the Senate, perhaps a large number of other Members of the Senate are spending less than they are entitled to spend therefore, this is not necessarily going to increase the expenditures of the Senate anything like the suggestion that is being made—220 employees.

Mr. President, I believe this proposal will help enable the Senators to perform better their functions as Senators. They will not have to be chairmen or ranking members in order to know what is going on and to participate more fully in the affairs of the committee.

I commend the committee for reporting this substitute and the distinguished Senator from Oregon in offering it before the committee. I have no hesitancy at all in voting in favor of the resolution that has come from the Committee on Rules and Administration. I believe sometimes we could get a slanted point of view with regard to matters coming before the Senate. Therefore, I welcome the opportunity to hear from the more junior members as well as the more senior members of the Senate. I feel all we are trying to do is to see that every Member of the Senate, the newest Member, the oldest Member and those in between, are fairly treated in the staffing of the committees of the Senate.

Mr. BEALL. Will the Senator from Oregon yield?

Mr. HATFIELD. I yield.

Mr. BEALL. I want to ask a question about the mechanics of the operation. Before I do, I would like to say with regard to those of us who turn money back to the Secretary of the Senate from our staffing allowance, I believe prudent office management almost mandates that a Senator have an excess of money at the end of the year. Certainly, everybody must make some accommodations for staff turnover and for those things that are going to happen. Therefore, I think it is necessary that we finish up the year with a surplus in order to make sure we are able to take care of our needs.

Second, I was interested in the observation made by the Senator from Oregon with regard to the furnishings of his office. I have had the opportunity to see firsthand the big difference that is made by utilizing modern office furniture. I believe it facilitates the office operation tremendously. I also think that it creates an environment where the efficiency of the office is enhanced considerably because of the utilization of this modern type of office furniture. Anything that the Committee on Rules and Administration can do in making that available to the rest of us we would be most grateful for.

With regard to the question I have——

Mr. HATFIELD. If the Senator will yield, I would like to respond. The chairman of the Rules Committee has sent a letter to the chairman of the Legislative Subcommittee of the Committee on Appropriations, recommending that there be five single Senators' offices utilized as further pilot projects in this matter of getting more modern working tools and modernizing the offices, and three committee suites also be used for this test. We then can have a broader base upon which to make judgments, not only for the New Senate Office Building, but for getting further and better utilization out of the existing office buildings.

Mr. BEALL. Let me say here is one Senator who would be happy to make the sacrifice, if committees do not want to be guinea pigs.

I would also like to suggest, in addition to the staffing for the minority and majority, each individual Senator has been allowed an investigator along with the stenographic help that is necessary.

I would point out this has worked quite well to the extent it has been funded. In addition to giving us the staff necessary to carry out responsibilities as x members of the committee, in most cases we have been able to appoint someone to the position who has a particular area of expertise that is beneficial to the overall committee operation. So we have also been able to supplement the professional qualifications of professional staffing as far as the committees are concerned.

With regard to my question on the committee's substitute proposal, because of the generosity of the ranking member of the Commerce Committee this year for the first time I have been given a professional staff member on the Commerce Committee, does that mean by this proposal I would not be entitled to another professional staff member on the Commerce Committee?

Mr. HATFIELD. That is correct.

Mr. BEALL. However, that professional staff member does not have stenographic assistance. Could I use a portion of this money that would have been available to me had I not had a professional staff member in order to hire some stenographic assistance for the staff member I now have?

Mr. HATFIELD. Not under the resolution as presently worded. If this resolution is agreed to, there will have to be adjustments made to obtain equity. We have examples that already have been cited of existing staff persons who have most recently been employed at a much lower level and without stenographic help. But that would be a matter that would have to be adjusted by the Rules and Administration Committee acting as it does in its normal procedure of reviewing the general staff requests and budgets for each individual committee.

Mr. PACKWOOD assumed the Chair at this point.

Mr. BEALL. Let me ask a further question. If I did not have that staff member, as I understand the committee report language, assuming I did not have a staff member on the Commerce Committee, under the language in the committee substitute could I hire a professional staff member as well as stenographic assistance?

Mr. HATFIELD. If both did not exceed the $33,975.

Mr. BEALL. Let me ask my question again. Suppose my current staff member on the Commerce Committee does not exceed $33,000, and, as a matter of fact, only came up to about two-thirds of that. Would I then be able to use the remaining money?

Mr. HATFIELD. No, not under the wording of the resolution as it now stands. It would either have to be adjusted through a review of the Senator's entire committee request to make such adjustments, or it would have to be amended. But the present wording of the resolution would not provide that opportunity to the Senator from Maryland.

Mr. BEALL. Will the Senator agree that in the spirit of fairness it should be amended?

Mr. HATFIELD. I would say to the Senator from Maryland that there are various and sundry examples that could be cited. I would say I would be one who would be most anxious to help, through my regular responsibilities on the Rules Committee, to have each committee review the situation on each separate committee after this is adopted, if it is, and then come to the Rules Committee for whatever adjustments would have to be made to remove the inequities. But I think to amend it case-by-case would cause us to find ourselves loaded down with a Christmas tree.

Mr. BEALL. What the Senator is telling me is that my situation would not be improved at all through the adoption of this resolution before us today.

Mr. HATFIELD. That is correct.

Mr. STEVENS. Will the Senator yield?

Mr. BEALL. Yes.

Mr. STEVENS. Under the precise wording of the resolution, the Senator already has a professional staff person. This resolution is directed and speaks only to those Senators who do not now have a professional staff person on any one of the 18 standing committees or any single committee.

Mr. BEALL. What the resolution is doing, then, is giving them a staff person plus stenographic help.

Mr. HATFIELD. That is only if the Senator chooses. Let us take another example. Let us say that two Senators desire to share staff or clinical personnel. That possibility that can be worked out in the Rules Committee. It is true that it only addresses itself to those Senators who do not now have a professional staff person on a standing committee. There will be other inequities, I say to the Senator from Maryland. There are other examples besides the one that the Senator recites which can occur and will occur. But I believe all of these must be handled together through each committee's budget as we assess it in the Rules Committee.

Mr. STEVENS. Will the Senator yield for a short statement and a question?

I join with my friend from Maryland, and I would like to ask this question: To whom does this resolution apply? Let me preface that question by saying in my 4th year I was given the privilege of appointing a staff member of the Post Office Committee, in my 5th year one to the Commerce Committee, and now in the 6th year one to the Appropriations Committee. None of them are my people. They work for the committee staff. Incidentally, not on any one of the committee does the amount even approach $33,000.

Am I to understand that those who have not been given that privilege now will have a professional staff person to work directly with them, plus stenographic help, and those of us who have sort of come through the system are going to find that we do not have that same privilege?

Mr. HATFIELD. I think the Senator is raising a question now about equity within the salary schedules, rather than the question of staff support and staff assistance.

Mr. STEVENS. No; again I repeat my question to the Senator: What Senators will this resolution benefit?

Mr. HATFIELD. Senators who do not now have a professional staff member on any one of the standing committee that they serve on, and have not had the opportunity to appoint such a professional staff member. If the Senator from Alaska has had the opportunity to appoint a professional staff member to any one or all, or any number of the standing committees that he serves on, he would not be served by this resolution regarding that committee or committees.

Mr. STEVENS. Then it does not affect very many Senators.

Mr. HATFIELD. It affects 100 slots.

Mr. STEVENS. This resolution affects 100 slots?

Mr. HATFIELD. Yes. Approximately 100.

Mr. STEVENS. I cannot understand the approach, and I do not think it is the original approach of my colleague from Alaska, nor the approach of the Senator from Virginia. If we are going to have professional assistants to work directly with the Senators, that ought to be the case. The person I have appointed to the Committee on Appropriations is not even going to work on the subcommittee I am on. She will be working on another subcommittee, because that is where her experience is and where she should work, if she is working for the committee.

Mr. HATFIELD. I would say the Senator is raising another question, which is the organization of some of the standing committees. That is a matter I think should be determined by each of the standing committees. But I do think the Senator has to recognize that if he made the choice of that professional staff person, then that is his appointment, that would otherwise have been made under this resolution.

Mr. BEALL. Will the Senator yield for a further question?

Mr. HATFIELD. I yield.

Mr. BEALL. It seems to me there appears to be a loophole as a way of getting around this. Why should I not, then, just fire the person assigned to me on the staff of the Commerce Committee, and then rehire him after this resolution is passed; and thereby I will not only get him back, but get stenographic help for him at the same time.

Mr. HATFIELD. Let me say I think the Senator will recognize the salary level is not mandatory. It is not to exceed $33,975. The Senator can appoint, within that area, up to that, as he chooses. I do not know that every Senator is going to start at that level. I personally think it is bad administrative practice to start at the top of the salary level.

Mr. BEALL. That is just the point. The persons I have hired on the committees on which I serve do not come up to this level. There is plenty of room between that and this level to hire stenographic assistance.

Mr. HATFIELD. I hope the point the Senator raises will be a prod to the various committees to take a look at their whole committee staff arrangements. Let me say to the Senator that there are committee staffs in which the majority member starts at a certain level, and the minority staff person starts at a different level.

Mr. BEALL. That is correct.

Mr. HATFIELD. I think that is another inequity; but there are so many inequities, as I stated in my opening remarks, that we are not, in one resolution, going to correct all the inequities in the Senate system.

Mr. BEALL. I am sympathetic with what the Senator says, but I do think the committee substitute is not accomplishing the purpose for which the change has been designed, because, again using my example, I would gather that because I have a professional staff member already assigned, he does not pick up assistance. My professional staff assistant tells me he really cannot handle my mail over there on the committee, because he is supposed to handle the committee's mail. Last month we got 10,700 letters in our office, much of it generated by Commerce Committee matters, and I think it is doubtful that this professional staff member can work on that.

Mr. HATFIELD. The Senator raises the question of the adequacy or inadequacy of clerk hire in Senators' offices to handle correspondence. He also, I think, raises the question of the chairman's relationship to the staff of the committee and the ranking minority member's relationship to the staff of the committee on that matter of correspondence.

In our hearings, it came out that the chairman of some committees utilize the staffs of those committees to answer mail directed to them as chairman of the committee which relates to the business of the committee. It can be from a constituent, or outside of his constituency. It came out later at the hearings that junior members of this committee cannot refer their correspondence to that committee staff to be answered, but it has to be answered out of their personal office staffs.

By this resolution we are, as I have indicated, touching but the tip of the iceberg. Perhaps, as the Senator indicated, he himself does not come out ahead, but look at the colleagues who have no professional staff on the committee at any salary level. This is an attempt to take one small step, and I certainly am the first to admit it is a small step, toward removing inequities. But I can assure the Senator from Maryland that I shall push in the direction of making other corrections of inequities, not only the one he has but other inequities as well.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield the floor.

Mr. CANNON. I point out to the Senator from Maryland that he now has a man assigned on the Budget Committee. The Budget Committee's existing budget provides for staff support to assist its professional staff people. In addition, the Commerce Committee budget provides for staff support for the professional people who have been appointed.

The only place where I could see the Senator would have any problem would be if the person whom he appointed on either one or both of those staffs became a part of the permanent staff of those committees, as described in the Legislative Reorganization Act, which prohibits them from doing any work other than the committee business.

Mr. BEALL. Let me say that I raise the point in the light of what we are doing today. I think the Budget Committee is an exception to the general rule. As far as the Budget Committee is concerned, although it has the authority to appoint a task force investigator, and the assistant for that task force investigator, the Senate did not fund all of this, so we do not have it, because we have done all that we have the appropriations to do.

Mr. CANNON. Let me point out to the Senator that that is currently awaiting the disposition of this proposal, because we do not know what to provide in the money resolutions until the Senate determines, in this action, what it is going to do.

Mr. BEALL. I was in error.

Mr. CANNON. As soon as this is done, we will act very rapidly. We recognize that the Budget Committee has really implemented what we are attempting to do here.

Mr. BEALL. I was wrong on the Appropriations Committee. It is, as the Senator states very correctly, his committee that has the responsibility. But we have not yet had the money to fully implement the proposals in the budget.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. GRAVEL. Mr. President, before sending my amendment to the desk, I would like to explain to the Senate what the intent of the original resolution was. I am hopeful, when the Senate better comprehends the issue, that we can more intelligently consider some of the weaknesses in the present arrangement.

At present, committee staff is apportioned on the basis of population. That is one category. That is what we call our clerk hire. That is appropriated annually.

In order to serve our populations, we have various tasks that have to be done. We have to respond to the mail. Obviously the Senator from California has considerably more mail than I would have; therefore he needs more people to handle that mail, more people to compose the letters, more people to type the letters, and more people to mail out the increased number of letters.

In addition, he has more committee work, more people who come in with problems, people who want to get transferred from one military base to another, people with veterans' problems, or people that have trouble with the Department of Commerce. Just by the sheer number of people he has in his constituency, he obviously has a greater load to carry. So Congress, quite wisely, apportions its staff to do that work.

As yet, we have not touched upon any of the legislative duties or assignments, or the lawmaking function of individual Members of Congress, or of individual Members of the Senate, for that matter.

So, in order to accomplish that, realizing that the structure of the Senate is based upon the committee system, staff is apportioned directly to the committees to do this legislative work—for the committees, not necessarily for the members on the committees.

This area has opened itself up to a fair amount of capriciousness and some excesses and extravagance because the chairman, who runs the committee, has the normal human frailties, and he alone has the power to apportion the staff.

We have seen the enormity of these excesses in the series of articles by Mr. Isaacs of the Washington Post, which, I might say, was very elaborate reporting and, from my perception, a very accurate reporting job.

The proposal that we offered in Senate Resolution 60, Senate Resolution 110, and the proposal that we hope to effect today addresses a third function. It does not touch the clerk hire at all. It does not touch the committee structure at all. It sets up a new criterion. It sets up a new principle upon which to apportion staff. That principle is that we are all equal as Senators, and we should endeavor, whenever possible, to try to make our ability to acquire knowledge equal.

So this new principle would apportion staff based upon legislative assignment, since that is what we talk to and that is what we work from when we make and pass laws.

So, all this proposal does is bring forth a formula. And by having a formula we arrive at the greatest degree of equity. We bring forth a formula upon which to asign staff Members based on their legislative workload.

So if a Senator is on one committee he gets a set number of staff because he is on that committee; if he is on two committees that set number is increased to handle the workload of two committees, or three committees, similarly.

Obviously, we put a ceiling on this type of staffing because it could go up to great excesses.

So that is what we tried to do with Senate Resolution 60, which was somewhat liberal in its allotment. Then we tightened it up in Senate Resolution 110.

AMENDMENT NO. 549

At this point, Mr. President, I send to the desk my amendment, which is the text of Senate Resolution 110, which will be an amendment to Senate Resolution 60, which is now before us, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes an amendment in the nature of a substitute.

The amendment is as follows:

In lieu of the language proposed to be inserted by the Committee insert the following:

That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraphs:

"8. (a) Each Senator serving on a committee is authorized to hire staff to assist him in his duties as a member of each committee on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee, an amount equal to two times the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for each such committee an amount equal to the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairman and ranking minority member of the committee and shall be accorded equitable treatment with respect to access to the records of that committee.

"(c) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(d)(2)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(d) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate on vouchers approved by such Senator.

"(e) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.

"9. (a) Each Senator serving as chairman of any subcommittee or ranking minority member of any subcommittee is authorized to hire staff to assist him in his duties as chairman or ranking minority member of that subcommittee as follows:

"(1) A Senator serving as chairman or ranking minority member of a subcommittee shall receive an amount equal to two times the amount referred to in section 105(d)(2)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified. If a Senator is serving as chairman or ranking minority member of more than one subcommittee of the same committee, he shall be entitled to receive funds under this paragraph for only one such subcommittee but the individuals employed with such funds may assist him in his duties as chairman or ranking minority member of all such subcommittee.

"(2) Such amount shall not be lowered unless done so by agreement of the chairman of the committee, the subcommittee chairman, and the ranking minority subcommittee member.

"(3) If funds are authorized for the staff of a subcommittee pursuant to section 133(g) of the Legislative Reorganization Act of 1946, or if funds authorized for a committee under such section are allocated to a subcommittee, then the amounts to which the Senators serving as chairman and ranking minority member of that subcommittee are entitled under this paragraph shall each be reduced by an amount equal to the funds so authorized or allocated.

"(b) An employee appointed under this paragraph shall be designated as such and certified by each Senator to the chairman and ranking minority member of each full committee.

"(c) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(d)(2)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(d) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate on vouchers approved by such Senator.

"(e) Individuals appointed as employees under this subsection shall be in addition to staff members otherwise authorized to be appointed to the office of a Senator.".

Mr. BROCK. Mr. President, I have an amendment to the Gravel amendment, which I send to the desk at this time and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BROCK) proposes an amendment to the amendment proposed by Mr. GRAVEL in lieu of the language proposed to be inserted by Mr. GRAVEL to insert new language.

The amendment is as follows:

In lieu of the language proposed to be inserted by Mr. GRAVEL, insert the following: That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to two times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3 or, in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for one of such committee which he designates, an amount equal to one and one-half times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one half times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator."

Mr. BROCK. Mr. President, the essence of the change is as follows.

Amendment No. 545 has been changed in two minor ways. I would like to call these changes to the attention of my colleagues, because they do affect in some degree the monetary figures.

First of all, we modified the maximum figure——

Mr. NELSON. Mr. President, will the Senator use his microphone so I can hear him?

Mr. BROCK. Yes. I thank the Senator.

First we modified the maximum figure to conform with 105(a)(1) which reduces our basic cost unit from $34,841 to $33,975 and, second, we made one additional modest modification.

Originally we had limited the category A committees, without considering the fact that some of our colleagues serve on three of those committees. There are two individuals that I know of in particular, and there may be more, who serve on three of those committees.

What we have done in the amendment is to modify it so as to include three standing committees instead of two for those two individuals.

Let me speak to the merit of the case in general. First of all, though, I have listened with a great deal of interest to the debate for the last couple of hours. The presentation of the committee report and the language was opposed by some. I hope that we can keep this debate focused on the fundamental question of the efficacy, the efficiency, and the adequacy of the Senate as an institution.

It seems to me that that is the fundamental issue at hand.

There are those of us who feel very strongly that the Senate lacks because some of its Members are denied adequate staff and that its quality of performance on occasion could be improved were all Members to have full information on the issues presently being debated before the Senate.

We have a situation now where, by design or not I do not know, but by certainly historical compilation, some Members of the Senate have acquired access to staff outside of their normal clerk-hire, which is absolutely awesome. Others have had very limited access to staff, and some of the rest have had none at all.

I do not think the people who elect us know the situation we face. When they look at a Senator they expect him to be one of 100 very fortunate individuals in the most unique institution in the free world and what is often referred to, though not always accurately, as the greatest deliberative body in the world.

It seems to me that when the people of Tennessee or New York, Wisconsin or Massachusetts vote for an individual, they have a right to ask of him and of the institution in which he serves that his voice be equal to any other.

That is not always the way the system works. There are Members of the Senate who have access, as the Senator from North Carolina so eloquently pointed out earlier, to 40, 50, 60, 70, and even 80 members of staff outside of his normal clerk-hire. There are others who have access to none. Zero. None at all. That just does not make sense.

What we have been trying to do with this whole series of proposals that have been presented, including Senator STEVENSON'S and my proposal to reform the committee system, is to provide an informational base for each Member of the Senate so that he can adequately serve, not only his constituency but the United States. Because the Senate is unique from any other body and is unique from the House of Representatives, it carries with it a special mandate to serve a broader constituency other than that which is represented by the general population of a specific State.

So what have we tried to do? We have proposed a series of reforms. This is only the first step. This is a reform which will give to each Senator access to an adequate informational base by providing him, in the instance of my amendment, with up to two professional people per standing committee and the equivalent of 1½ persons for other committees including special, select, and joint.

There are other reforms very much needed by the Senate. There is almost a desperate urgency to the need for reform of the committee system itself, the jurisdictions and the conflicts in that system. That has to be dealt with at a later time.

But this reform relates to the efficacy, the ability to serve on the part of an individual Member, and this seems to me to be the first and the most essential in a series of reforms which will return the Senate to its historic role in this constitutional Republic of ours.

Let me illustrate the problem we have. Last week we debated a $25 billion bill for procurement for national defense. The debate was extensive and participated in well.

On one occasion we debated for 5 minutes on each side, on an amendment to increase research and development for the Defense Department by $1 billion. Five minutes might have been adequate had there been an intensive study on the part of each Senator on the relevant issues prior to coming to this Chamber. I do not know. I question even then whether it would have. But I would be far more comfortable with that kind of a time limit were there adequate staff for the individual Senator to understand

the ramifications of the votes which he is about to cast.

I point out something else. We always cite the defense budget when we are debating something like this, and I see the Senator from Mississippi in the Chamber. I think it may be a little unfair to him to single out that particular item just because it happens to be the largest on our annual calendar of authorizations and appropriations. It is important to point out that he, like the Senator from Georgia, has a remarkably good reputation in this body for providing access to staff and for having a totally professional staff. But the problem even there with the adequacy of staff is that not all of us can serve on those committees. That is why the debate was held in the context of the broader issue of national security, so that all of us could have a discussion on the merits of the case.

How does one do that when he does not have the informational input, when he does not have access to independent research that will allow him to bring to the debate the intelligence, the new ideas, the innovation, and the creativity that make cross-fertilization worthwhile.

How can we have a fundamental, broad-ranging debate on major national policy questions, unless each Senator is more fully prepared than we have been at this point?

It seems to me that when we are required, as we are today, to devote the normal staff we have on our own Senate staffs to fundamental policy questions or to issues on the floor of the Senate, then we shortchange our constituency. If we do not shortchange our constituency, we shortchange the debate. But somebody loses in the process as it is presently composed.

Mr. TALMADGE. Mr. President, will the Senator yield, for a clarification?

Mr. BROCK. I yield.

Mr. TALMADGE. Will the Senator explain exactly what his proposal does? What does it authorize a Senator on a standing committee to do?

Mr. BROCK. The current amendment?

Mr. TALMADGE. The one the Senator has offered as a substitute for the Gravel amendment.

Mr. BROCK. It authorizes the Senator to designate staff to each committee up to an amount of about $68,000.

Mr. TALMADGE. Each committee?

Mr. BROCK. That is correct.

Mr. TALMADGE. Will the Senator turn to the calendar now, so we can go into detail as to what this amendment would do?

We have the calendar for Monday, June 9. The first committee is the Committee on Aeronautical and Space Sciences, of which the Senate from Utah (Mr. Moss) is chairman. What would the Senator's substitute do to that particular committee? Would it enable each member of that committee to appoint at least two more staff professionals?

Mr. BROCK. That is right.

Mr. TALMADGE. At a salary of $34,881 a year?

Mr. BROCK. No. $33,975—if they have no staff on the full committee or the subcommittees thereof at the present time.

Mr. TALMADGE. Would the same apply to the Committee on Agriculture and Forestry?

Mr. BROCK. This is true of all committees.

Mr. TALMADGE. The same thing would be applicable there?

Mr. BROCK. That is correct.

Mr. TALMADGE. Each member thereof—14 of them—would be authorized to appoint at least 28 additional professional staff members at salaries of 30-odd thousand dollars a year?

Mr. BROCK. That is correct, if they do not presently have staff.

Mr. TALMADGE. Does it permit them to break down the 30-odd thousand dollars and appoint clerks and secretaries? In other words, each member would be entitled to about $69,000 a year, to divide up as he saw fit, on each committee?

Mr. BROCK. That is correct.

Mr. TALMADGE. Would they be employees of that particular standing committee, or employees of a particular Senator or employees of the Senate?

Mr. BROCK. They would be employees of the Senate who were hired, whose pay would be set, and who could be fired by the individual Senator.

Mr. TALMADGE. How would they function as employees? Let us go back to the first committee, the Committee on Aeronautical and Space Sciences. Would these people be detailed as staff members of that committee, or would they be employees of the Senator who certified them to that committee?

Mr. BROCK. They would be employees, in effect, of the Senator, and their responsibilities would be limited to service on that committee.

Mr. TALMADGE. Would they be responsible to the Senator who hired them, or to the committee?

Mr. BROCK. The Senator who hired them.

Mr. TALMADGE. Where would they be situated?

Mr. BROCK. If there were space in the committee, my preference would be there. If not, they could be placed in the Senator's office.

Mr. TALMADGE. What does the Senator's amendment provide as to their locale?

Mr. BROCK. It does not provide for office space.

Mr. TALMADGE. It does not specify whether they would be housed with the committee or with the Senator who hired them?

Mr. BROCK. No. The Senator made the point earlier in the debate that in some committees there is not adequate space—Agriculture would be one and Finance would be another—so that physically we simply could not accommodate these individuals.

Mr. TALMADGE. If all these new staff people are going to be hired, it will be imperative that they be quartered in the Senator's office, because there is not enough space for the staff members at the present time.

Mr. BROCK. There are two or three other buildings in the immediate area of the Capitol where we now place some of our personal and committee staff. I think the majority probably would be housed in those places.

Mr. TALMADGE. The Senator's proposal provides for two staff members for each Senator on every standing committee, with the approximately $69,000 be broken down in any way he wishes?

Mr. BROCK. That is correct.

Mr. TALMADGE. Let us turn to some of the other committees. I see here the Select Committee on Small Business. What would happen with that committee?

Mr. BROCK. A Senator would have the right to have an additional $50,962 on one additional committee other than the two committees—whether it be select, special, joint, or whatever—but only up to one additional committee.

Mr. TALMADGE. That would be how many dollars and cents now for that committee?

Mr. BROCK. That would be $50,962. What we are reaching for is one professional and one clerical.

Mr. TALMADGE. For each Senator.

Now we come to the Select Committee on Standards and Conduct. What would be provided there?

Mr. BROCK. I think the Senator will find that this is broadly enough stated to apply to all the select, special, and joint committees. But it would be for only one of those. If the Senator were on two committees, he still would get it only for one.

Mr. TALMADGE. Let us turn to the Standards and Conduct Committee of which the Senator from Nevada (Mr. CANNON) is chairman, with the Senator from Mississippi (Mr. STENNIS), the Senator from Georgia (Mr. TALMADGE), the Senator from Nebraska (Mr. CURTIS), the Senator from Massachusetts (Mr. BROOKE), and the Senator from North Dakota (Mr. YOUNG). Would it enable each of us to appoint two professional staff members to that committee?

Mr. BROCK. That is correct, if you presently have no staff on B or C committees.

Mr. TALMADGE. Would the Senator be interested in knowing what the composition of the staff of that committee is at the present time?

Mr. BROCK. I would be delighted to know.

Mr. TALMADGE. One retired naval captain. And the Senator wants to add 12 employees to assist that one retired naval captain in the professional staff on that committee. Is that what the Senator wants the Senate to do?

Mr. BROCK. The Senator wants each Member of this body to have a right to be served adequately on an intellectual and research basis. If a Senator wants to name people to the Ethics Committee staff, and that would be fine with me, because they would enhance the Senate's effectiveness.

Mr. TALMADGE. We do not want the Senator to increase the employees of that committee 1,200 percent. We are satisfied with what we have.

Mr. BROCK. Then, the Senator need

not hire anybody. It is his choice. I am not requiring that the Senator do so.

Mr. TALMADGE. Let us go further. The next committee is the Select Committee on Nutrition and Human needs. What would be authorized for that committee?

Mr. BROCK. The same thing.

Mr. TALMADGE. Does the Senator know that that committee does not have any legislative jurisdiction whatever? They cannot originate a bill.

Mr. BROCK. I certainly do know that.

Mr. TALMADGE. Let us go further.

Mr. BROCK. Let us not leave it there. How big is the staff now?

Mr. TALMADGE. It is big. I have forgotten the count.

Mr. BROCK. If the Senator says it is big and does not have any function, why does the Rules Committee leave it in existence?

Mr. TALMADGE. I am not on the Rules Committee. I did not vote to create it. [Laughter.]

Mr. BROCK. That is one of the problems.

Mr. TALMADGE. What the Senator is trying to do is to add a host of new, unnecessary employees to a great many that we have already.

Mr. BROCK. No. I am trying to say to the Senator and to all our colleagues that it should not be held against those who are new in this body, because they do not happen to be a chairman or a ranking member, that they do not have a legislative role to play.

Mr. TALMADGE. Will the Senator yield at that point? I want to clarify that and lay it to rest once and for all.

Mr. BROCK. I yield.

Mr. TALMADGE. There have been reports in the press that the so-called Gravel resolution—now the Brock resolution—is a battle between the more junior Members of the Senate, primarily Democrats, and the more senior Members of the Senate, primarily committee chairmen and Republicans. I invite the press and the Senate to examine the list of cosponsors on Senate Resolution 60. There are 33 Republican cosponsors—more than half. Of these 33 Republicans, 14 are ranking minority members of Senate committees. Two so-called freshman Republicans are cosponsoring Senate Resolution 60.

Mr. BROCK. That is all we have, Senator.

Mr. TALMADGE. Less than half the cosponsors, 24, are Democrats; 5 committee chairmen are cosponsors, but each has sought either the Presidency or the Vice Presidency of the United States. Only two so-called freshman Democratic Senators are cosponsoring Senate Resolution 60.

I suggest, Mr. President, that such an examination of the list of cosponsors of the Gravel resolution, which is now the Brock resolution, is very enlightening.

I ask the Senator, how many employees will his resolution authorize the Senate to add to the present staff?

Mr. BROCK. That is a matter of some debate. I think, taking the figures that were compiled by the Committee on Rules to justify its own resolution, and applying my standards or my dollar figures to their rules, we are talking of an order of magnitude of about 259 employees.

Mr. TALMADGE. Wherein does the Senator's resolution differ from the original Gravel resolution?

Mr. BROCK. Several rather substantial changes have been made. We, in effect, reduced the original dollar figure by about 77 percent.

Basically, the original resolution provided for $70,000 for all committees across the board.

Mr. GRAVEL. Will the Senator yield?

Mr. BROCK. I am happy to yield.

Mr. GRAVEL. Senate Resolution 110 gave the "A" committees $69,000 plus and the "B" committees $34,000 and the "C" committees $34,000. Then, of course, we gave the subcommittees $69,000. The total cost there was about $16 million, not the $40 million that was reported.

However, with the Brock amendment now, we have cut that, in the spirit of compromise, with the hope to accommodate people who feel offended by the larger numbers, because it was misunderstood.

Mr. TALMADGE. If the Senator will yield, what I am trying to ascertain——

Mr. GRAVEL. Let me give the comparison.

Mr. TALMADGE. Certainly.

Mr. GRAVEL. The comparison is that the "A" committees would receive $69,000 and the "B" committees would receive $52,000, and there would be no money going to the subcommittees. So the amount of money involved comes to a little less than $8 million. So it is more than a 50-percent, almost a 60-percent, cut in actual moneys.

Mr. TALMADGE. The Committee on Rules stated that the Senator's resolution would cost $40 million if implemented to the fullest degree. How much would this one cost if implemented to the fullest degree?

Mr. BROCK. In my resolution, we have cut the cost to about $8 million.

Mr. TALMADGE. Parkinson's law says if anything can happen, it will happen. That is certainly true in Government. What I am trying to find now is the maximum number of employees and maximum number of dollars we will spend under the Senator's resolution.

Mr. BROCK. I think we are talking about double what the Committee on Rules proposed—from $3.7 to $8 million.

Mr. TALMADGE. This would break down in monetary units so that the Senators could split the sum the Senator authorized into these so-called categories?

Mr. BROCK. True.

Remember, there is one change in this amendment that is fundamentally different from the earlier resolution we have introduced. In this amendment, there is a 100-percent offset for any existing staff that any individual had. That is charged against the Senator's allotment.

Mr. GRAVEL. Will the Senator yield on that point for the edification of the Senator from Georgia?

Mr. BROCK. Yes.

Mr. GRAVEL. The difference between the original resolution and this one is that the original one left that open-ended. That was a matter of choice. This one is locked into the rules.

I wish to have the attention of the Senator from Georgia.

Under this resolution, it would be locked in that a ranking member, like the Senator from Georgia, would not be able to get any staff.

Mr. TALMADGE. I am ranking member on the Committee on Finance, and I do not have any staff. Why lock me, for example, into a position where I cannot get any staff, because I am ranking member?

Mr. GRAVEL. I say ranking member or chairman. The Senator is chairman of the Committee on Agriculture and Forestry.

Mr. TALMADGE. That is right. But on the Committee on Finance——

Mr. GRAVEL. In the Committee on Agriculture and Forestry, the Senator will not get a dime, I can assure him, under this proposal.

Mr. TALMADGE. What about the Committee on Finance?

Mr. GRAVEL. The Senator can get some staff there.

Mr. TALMADGE. Let us get down to fundamentals now. How would these staff members be employed? Let us go back to the Committee on Aeronautical and Space Sciences, No. 1, and use as an illustration there Senator BUMPERS, who is the most junior Senator of that committee. Well shall assume that he wants to utilize the largesse that the Senator from Tennessee wants to provide for him. I believe that is $69,000, Is it not?

Mr. BROCK. That is approximately correct.

Mr. TALMADGE. What would Senator BUMPERS do to put this Brock resolution into play for him?

Mr. BROCK. He would simply certify and name an individual—he would do as he would do today, if he were allocated space by the chairman. He would simply certify to the chairman of the committee and, in turn, the financial clerk, the name of the individual and the rate of pay.

Mr. TALMADGE. That would be two individuals.

Mr. BROCK. Two, yes.

Mr. TALMADGE. $69,000 to spend in any manner he wanted to spend it; he could have four or five employees if he wanted to, is that correct?

Mr. BROCK. That is correct.

Mr. TALMADGE. What payroll would they go on?

Mr. BROCK. At the outset, he would be paid out of the contingency fund of the Senate.

Mr. TALMADGE. And who would certify him as the Senate employee to the Secretary of the Senate?

Mr. BROCK. That would come from the committee chairman, as it normally does.

Mr. TALMADGE. Would it come from the Committee on Rules or from Senator BUMPERS or the chairman of the committee?

Mr. BROCK. Senator BUMPERS, in this instance, would present the name to the committee chairman and the committee chairman would, in turn in a joint letter with Senator BUMPERS, present it to the financial clerk.

Mr. TALMADGE. What would they have to do with those employees? Suppose Senator BUMPERS employed four of them and paid them $17,000 apiece? What would happen to them then?

Mr. BROCK. I am not sure I understand the Senator's point.

Mr. TALMADGE. I have assumed that Seantor BUMPERS certified four employees to the Committee on Rules at salaries of $17,000 each. That would be roughly what the Senator's resolution would authorize him for hire here.

Mr. BROCK. That is correct.

Mr. TALMADGE. Those employees would go on whose payroll? Would they go on the Senate payroll, the contingent fund of the Senate, or the Committee on Rules' payroll, or the payroll of the Committee on Aeronautical and Space Sciences?

Mr. BROCK. They would be paid out of the contingency fund of the Senate.

Mr. TALMADGE. Where would they work? Would they work for Senator BUMPERS or for the Committee on Aeronautical and Space Sciences?

Mr. BROCK. As to the Committee on Aeronautical and Space Sciences, given the lightness of their current workload, they probably could find space in the committee; I do not know. That would depend on the committee itself. If there were no committee space, in the Senator's office. If there were inadequate space there, they would be in the Immigration Building or somewhere else.

Mr. TALMADGE. Did I understand the Senator's response to be that they would be housed anywhere space might be found for them?

Mr. BROCK. That is right.

Mr. TALMADGE. It could be in the Senator's office, it could be in the offices of the Committee on Aeronautical and Space Sciences, or it could be in an uptown hotel, any place one could find the space to put them in?

Mr. BROCK. Except for the latter. I do not know about the uptown hotel, but any place that is available in the Senate-controlled areas would be agreeable.

Mr. TALMADGE. Who would determine their workload, how, when, and where?

Mr. BROCK. That would be the principal responsibility of the Senator.

Mr. TALMADGE. Of Senator BUMPERS?

Mr. BROCK. That is correct.

Mr. TALMADGE. All right. Would they be employees of Senator BUMPERS or would they be employees of the Committee on Aeronautical and Space Sciences?

Mr. BROCK. They would be, in fact, employees of Senator BUMPERS, responsible to him and responsible to the direction which he gave them. Their area of responsibility would be limited to those matters which fell within the jurisdiction of the committee.

Mr. TALMADGE. I do not now know how the Aeronautical and Space Sciences Committee is organized, whether they have a staff director or general counsel or who, but would the new employee take orders from Senator BUMPERS or from the committee as a whole?

Mr. BROCK. If I were he and I wanted to hold my job, I would take my orders from Senator BUMPERS.

Mr. TALMADGE. Then why do you not increase the clerk-hire allowance for Senator BUMPERS and get at it that way?

Mr. BROCK. There is a difference between clerk-hire and committee staff that should be noted at this point. The clerk-hire allowance has always been on the basis of population, on the basis of our responsibilities to our constituencies. We are trying to set up a separate group which handles the legislative responsibility of the individual Member and prepares him for that particular responsibility, and which supports him in that capacity. There is a clear distinction, and that is the problem we have today.

There are senior Members who are operating as all of us should, and nobody can find fault with it.

But the Senator knows as well as I do there are others who are using the committee staff for noncommittee purposes, as has been reported time and again in the Nation's press. There are junior Members who are taking their personal staff and putting them on committee business, which shortchanges their constituency. If they do not do that, if they cannot afford to do that, they are shortchanging their legislative responsibility, and somebody is losing in the process, and that is exactly what we are trying to do, to prevent the people from losing.

Mr. TALMADGE. Mr. President, will the Senator yield further?

Mr. BROCK. Yes.

Mr. TALMADGE. Each of these employees, certified under the Senate resolution, would be employees of the Senator who certified him, directed by that Senator, and solely responsible to that Senator and no one else, is that right?

Mr. BROCK. Yes, sir.

Mr. TALMADGE. Was the Senator in the Navy during World War II, unless my memory has failed me?

Mr. BROCK. Not World War II.

Mr. TALMADGE. I was in World War II. The Senator is a little younger.

Has the Senator ever served as officer of the deck while at sea?

Mr. BROCK. The Senator did not have that privilege; only when he was in port.

Mr. TALMADGE. The Senator knows the functions when he studied the Navy program in order to get a commission to go to sea?

Mr. BROCK. Yes.

Mr. TALMADGE. The Senator never saw two captains on a bridge, one yelling, "Hard right rudder" and the other yelling, "Hard left rudder"?

Mr. BROCK. No, I would not have gone to sea in that ship.

Mr. TALMADGE. That is exactly what the Senator's resolution would do. It creates a new breed of employees that are neither fish nor fowl; detailing them to a committee, not responsible to the committee, responsible only to the Senator who certifies them. He would create a swarm of new Federal bureaucrats here, in a time when we have a budget deficit of $80 billion. Does the Senator from Tennessee think Tennessee people want that?

Mr. BROCK. I am going to tell the Senator that the people of Tennessee want me to exercise oversight responsibility and cut down on some of these things that are not necessary up here, and I cannot do it without sufficient staff.

Mr. TALMADGE. I will tell the Senator how to do that.

Mr. BROCK. I cannot do it unless I get the support to do a proper job.

Mr. TALMADGE. I will tell the Senator how we can do it, if the Senator will yield. If we would fire half the Senate employees we have, fire half the staff and not permit a paper to be read on the floor of the U.S. Senate we could complete our business and adjourn by July 4. [Laughter.]

The Senator from Georgia knows that when you get more staff and more clerks they spend most all their time thinking up bills, resolutions, amendments. They write speeches for Senators, and they come in here on the floor with the Senators. Unanimous consents are obtained for so-and-so to sit. He is there prodding, telling the Senator how to spend more money.

The Senator from Tennessee does not want that. That is not his philosophy. But that is what his resolution does.

Mr. BROCK. No, it does not. That is not the kind of staff we are trying to find. We are going to try to find some areas that we can cut. If they do not justify their salary by finding areas they can cut, I will fire them.

Mr. TALMADGE. The Senator is headed in the wrong direction to do that. If he gets this host and swarm of new employees he wants to bring in here to help him think up new ideas, think up new bills, think up new amendments, think up new speeches, we will have to run 24 hours a day. We would have to change the calendar to 18 months in a year. That is what will happen if we add these several hundred new staff members here. The Senator should realize that and I think he is headed in the wrong direction, and I hope he will consider the error of his ways.

Mr. BROCK. The Senator knows I have such enormous respect and affection for the Senator from Georgia, and I completely agree with the objective he expresses in that regard. I just honestly disagree as to the method of achieving it. I do not think it is possible for us to do an adequate job unless we have adequate access to the research, the data, the facts, the information that are essential for our performance in office.

Mr. TALMADGE. On what committees does the Senator serve on?

Mr. BROCK. The Finance Committee, the Government Operations Committee, the Select Committee on Aging, and the Small Business Committee.

Mr. TALMADGE. Let us get to the Committee on Finance. We serve on that together.

Mr. BROCK. That is right.

Mr. TALMADGE. Will the Senator agree with me that it is a thoroughly professional, nonpolitical, dedicated staff we have there?

Mr. BROCK. Yes, I will.

Mr. TALMADGE. Then the Senator has answered the basic question here.

Mr. BROCK. No, sir.

Mr. TALMADGE. Has the Senator from Tennessee ever called on any member of that staff for information, for service, for aid, for advice that has been denied?

Mr. BROCK. Senator. I have not called on them for the first 4 months of this year, because we have been busy. But I will tell the Senator something: I would like to call on them in 20 different areas of research that I would like to see undertaken and that I know if I did it, and every other member of that committee did it, we would have to multiply that committee staff by 10 not just 2.

Mr. TALMADGE. Of course, the Senator knows——

Mr. BROCK. That is what I am trying to avoid.

Mr. TALMADGE (continuing). The staff deals only in areas where their jurisdiction is involved.

Mr. BROCK. I am talking within the jurisdiction of the Finance Committee. I am talking about tax changes, trade reform, health care, revenue sharing, energy——

Mr. TALMADGE. I have been on that committee now for some 16½ years. There has never been a time during those 16½ years that I asked for any assistance or advice or aid that it was not provided, and beyond the call of duty.

I have served on the Agriculture and Forestry Committee now for about 18½ years. During all that period, even when we had an inadequate staff—and we did at one time—I have never called upon them at any time since I have been a Member of this body for aid, advice, suggestions that they have not been given. I think that is generally true of most committees. If there is any problem with the committee system, it relates only to that committee, and the committee members themselves can correct it. We ought not to destroy the system, at a time here when the Nation is rapidly going bankrupt, by the creation of a host of new employees who are unnecessary, and who would merely aggravate the problems we are trying to correct.

Mr. BROCK. The Senator may be correct, but I do not believe that 259 employees, which is a 5-percent increase in current employment, and which is just——

Mr. TALMADGE. The Senator just stated that we have—I called the roll of these committees, select committees, standing committees—authorized every Senator on those committees to hire $69,000 worth of new employees. It will run into countless millions, and the Senator knows that.

Mr. BROCK. Well, the Senator from Tennessee is using the same figures that were presented to him by the Rules Committee and extrapolating on the difference in amount.

I do not know what the net is going to be, because some people will not hire these individuals. Others will find other offsets, but I do say to the Senator that 259 employees, a 5-percent increase in our total employment up here, are not going to change the world, but it might change the opportunity for some individual Senators to serve their people a little better.

Mr. TALMADGE. There is no way a 5-percent increase would be accurate. The Senator admitted to me in interrogration that we could increase the staff of the Committee on Standards and Conduct 1,200 percent—1,200 percent on one committee alone—and the Senator is talking about 5 percent? Why, that is absurd.

Mr. BROCK. No it is not. I am talking about a percent of offset.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. BROCK. Yes.

Mr. HATFIELD. The Senator from Tennessee has made an excellent point, and I would just like to comment about questions raised by opponents regarding what would happen if we added this number of staff all at once, so to speak. Opponents claim we would have all this time then devoted to trying to find new bills, new speeches, and so forth.

I would like to note to the Senator from Tennessee an example under the normal budgeting procedures, and I stress the word normal. Not with these proposed changes. I hold in my hand here what is presented to Rules Committee by the chairman and the ranking Republican minority member of each committee for their annual budget hearing for staffing of their committees. In the budget presentations made the chairmen of the existing committees, and the ranking Republican members, 176 new staff people, have been sought by the chairmen themselves and their ranking Republican members.

Now, 76 of those were for the Senate Budget Committee, a new committee just cranking up. Let us make it very accurate and precise here. This leaves approximately 100 new staff people were requested under normal procedures, sought by the chairmen.

I am sure they were requested not to write speeches, not to dream up new legislation, but to carry on the business of the committee. Instead of a chairman or ranking mamber having complete control over appointment of these 100 new people, the resolution of the Senator from Tennessee and my resolution would spread it out and make it a staff of the committee, and not of the chairman and ranking member. Does the Senator agree?

Mr. BROCK. The Senator is so absolutely right. Let me put it in the context, the kind of perspective I can have. I have only been here 12½ years now, but I came to the House in 1963, in January.

At that time, the Senate had 2,982 employees. If we just take out the number of employees we are suggesting for this year in this resolution, multiply it by 12 for those 12 years, we will find it does not miss very much what exactly we have risen to in those 12 years.

In other words, I am not suggesting much more, if any, that rate of staff growth over the last 12 years.

Mr. HATFIELD. Mr. President, will the Senator yield?

What the Senator is suggesting is a relation to the increment of staff on a general annual basis already requested by the very people——

Mr. BROCK. That is right.

Mr. HATFIELD. The chairman or ranking members who seem to be against this request here. It is close to this amount——

Mr. BROCK. That is right.

Mr. HATFIELD [continuing]. Requested by the Senator from Tennessee, is that correct?

Mr. BROCK. Right. In 1972, for example, we had 4,626 employees in the Senate. The next year it went to 5,078, which is a 452-person increase, almost twice what would be provided by my amendment, so I do not think this is the end of the world. But look what has happened to the Federal budget in these 12 years.

When, for example, the first year I was in Congress it was $100 billion, it scared me to death. Nobody in Tennessee ever heard of that kind of money. I did not believe we could afford it.

In 8 years the budget became $200 billion. Now 4 years later, $300 billion.

Somebody has got to get a handle on this thing.

We have gone from about 200 Federal programs to 1,600.

Where do we get the wherewithal to deal with this massive bureaucracy. If we cannot cope with it, who can?

Mr. TALMADGE. Will the Senator yield? We do not demolish one bureaucracy, but we usually create another one.

Mr. BROCK. If that were the philosophy of the country, Henry Ford would still be pushing a wheeled vehicle in the field somewhere.

We have got to invest in order to get a return on investment. That is all we are asking, for equity for every Senator so we can all be effective in serving, not only our constituents, but the country. It seems to me that is the essence of the argument here.

We can argue on any issue on this resolution immediately, but not on dollar costs, not on what we can save, because I know that potential.

Mr. HATFIELD. Will the Senator yield?

Mr. BROCK. Yes.

Mr. HATFIELD. There is another key point to remember. The Senator is aware one of the arguments used against the resolution suggested by the Senator from Tennessee is that there is total and complete inadequate housing to provide space for these additional staff persons.

I would like the Senator from Tennessee to know that in the Rules Committee hearing record of this year where we asked each chairman and each ranking Republican minority person appearing before our committee, those who were requesting additional staff, what they see as a normal increment, we asked where they would be housed.

Almost without exception, they said:

Give us the money to hire these additional staff people we need and we will find housing outside our personal offices.

Mr. BROCK. That is right.

Mr. HATFIELD. So it is very interesting to me, that through this existing procedure, we can absorb and find the housing within the committee suites for these new people sought by the chairmen and ranking members, but in additional requests, such as the Senator from Tennessee is offering here, somehow housing becomes totally impossible and we cannot resolve the problem.

Mr. BROCK. The Senator has made my point. I thank the Senator for it and I yield the floor.

Mr. GRAVEL. Mr. President, I would like to just amplify the statement of my colleague from Tennessee with respect to two of the items. One, the cost—the argument that is made often to our constituents back home, by others, saying that we are being extravagant in voting ourselves something like this, that it is a great luxury to have more staff.

That is unfortunate because I have found in the Senate if we really want to do less work, or really coast along and not rock any boats and play it cool, the best way to do that is without staff. Cut down on staff to cut down on workload.

Just cut the amount of staff. That is the easiest way to do it because when we hire staff, we start facing up to some of the problems we have here. In trying to solve some of the problems, those staff people go out, do the research, they write the memos that somebody has to read.

So we wind up with a situation where we go home at night with a briefcase full of memos to read in order to give the staff the added instructions to go forward. If we do not do that, obviously, at some point in time, the staff just sits there and they spin their wheels. They are unproductive and have no direction. Of course, that is an embarrassment to all.

So if a Member is aware of that, obviously, he should do away with the staff he has, if he has that kind of superfluous type of assistance.

But if somebody wants to do a job here, that is really what we are talking about in asking for staff. There is not a gun held at anybody's head to require you to use it. In fact, the case has been very well made by the Senator from Georgia and the Senator from Nevada. There is a lot of staff that is not used.

It is interesting that a lot of the staff that was reported in the articles, the Post articles, were Members who were very active, very active Members within the body who dealt with the broad panorama of subjects, and they need the staff to do that.

It seems odd that we, in a very calculating fashion, fix it so that we do not get very broad in the Senate, so that we stay very narrow, so that we are not terribly informed. When we go up to the floor to vote, half or more than half the time we do not know what we are voting on until we ask the gentleman in the back of the room, or somebody at the front of the room, and they tell us how to vote. They will give a thumbnail sketch, on the substance of the issue, on something that had maybe 20 hours of debate, in half a minute.

That is the informational process we have here. We are like blind men running to the Senate, like sheep with no knowledge of what is going on except when we get to the Chamber itself.

I could go through many inequities. As the Senator from Oregon pointed out so well, there is the example of microfilm. We also have had television since the mid-1940's; we have had radio; we have had telephonic communications since the turn of the century. Yet does one think we have the perspicuity to wire this Chamber to our offices so we could sit in our office and turn on the speaker to listen to what is being said in the Chamber so we could be informed?

Of course not. We have not even had the intelligence to bring about that kind of reform.

How difficult would it be to have three cameras at three different locations, and have consoles in our office? We could sit and talk to constituents and at the same time we could monitor what happens on the floor of the Senate. This is where it all takes place. They ask, if we did what would happen? You would have no interest in the Senate, they say.

Quite the contrary. There would be a lot more interest, because more Members would be knowledgeable. The more knowledgeable we are on subjects, the more we tend to get involved and project ourselves into the debate.

I think it is almost criminal that we have not brought about some of these reforms.

Some of the criticism you hear about this proposal is that it does not go far enough. Unfortunately, some of the Members who offer that criticism are not in the Chamber.

They would like to have a lot of reform, all of it at once. That is not realistic. Anyone who has been here 2 months knows you will not get a lot of reform all at once. Once you get in the Senate, in a democracy, in a system such as ours, it is an evolutionary type of reform.

The only time you get a revolution is when the excesses are so extreme and leadership is so unbending that you do not merit evolution. It is all pent up and all of a sudden it just breaks its bounds. Then you see not evolution but revolution, and cataclysmic at that.

We are not offering to do that. We are not even suggesting that.

All we are suggesting here is the opportunity to equip ourselves to discharge our duties as we see them individually, not as more senior Members see the duties of the younger Members, not as a committee chairman sees the duties of the members on his committee.

No, that is not what we are suggesting. What we are suggesting is the ability to discharge the duties and give him the capacity as a Member sees them. That is the difference in the proposal that we offer and the practice that has been in existence.

I believe the words that characterize the situation the best—and I do not recall the person from whom I plagiarize this quote but I think it sums it all up—are that in a dictatorship you rule by brute force; in a democracy, in a rational democracy, power is distributed on the basis of knowledge.

What we say here in this resolution is that we want the apportionment of knowledge on a more equitable basis than it has been in the past. That is all we say. We want to leave the decision as to the acquisition of that knowledge to the Member, not base it on the pecking order within the body.

So if a Member wants to become more informed, he at least has an equal chance at the starting line with other Members, be they here 20 years or be they here 1 year.

We heard an example from the Senator from North Carolina (Mr. MORGAN), who so eloquently pleaded the case of the freshman.

Let me say why more freshmen probably do not plead that case as eloquently as he. It is because they hope that, by sort of going along, the matter will correct itself. Let me say that most of the cosponsors of this resolution were men who had been here 2 years, men who had been here 4 years, men who had been here 6 years, going on to 7 years; men who had been here, who had been seasoned and who know, from firsthand experience, what the frailties of this body are.

There are excesses that should be corrected, and those who cry out for reform are right. The apportionment of staff on a committee basis should be corrected. There should be a formula to establish the amount of staff various committees get on an equitable basis. There should be.

I think the realities of it are such that we could come forward with an amendment and it would not pass. So all we can do is to take one side of the inequity and say here is the inequity on the Members, not the inequity against the body. That inequity still is there. We are going to try to correct the inequity among the membership by saying that every Member is equal and is entitled to the staff—is entitled to acquire knowledge on an equal basis.

We hope that if this approach is accepted by the body, sufficient conscience will cry out and demand of the Rules Committee to go back to their desks, to go back to their Chamber, look to the excesses of the committee structure, and try to develop a formula with which to solve, with which to correct, those excesses. A formula could be devised.

It would not take a genius to sit and figure out how many committee hearings a committee has; how many bills are referrred to it; the quantity of the research work involved in the various legislative studies that are undertaken. It would not take a genius to do that. I believe they could develop a formula, and that formula would bring about equity.

The reason we have the excesses that have crept into the committee system is because there was no formula. The reason the clerk-hire worked so well is because there is a formula. It is a simple one. It is based on population. Therefore, every person is equal.

Of course, checks and balances truly work only when they work automatically. The minute you subject checks and balances to the capriciousness of individual decisionmaking, you obviously subject these checks and balances to excesses and, of course, sometimes to great problems.

By having automatic formulas upon which to apportion staff you can obviate these dangerous pitfalls. And so, like the situation with the population formula, which has wrought such equity, you could turn around with the committee system and devise formulas that would produce similar equities. Then, at the same time, you could bring into being this third procedure.

I want to emphasize that we are not just fighting for dollars to acquire staff. We are fighting for the principle involved. Though I respect and commend the senior Senator from Oregon in recognizing that something had to be done to correct the great inequity, and I thank him for his efforts which I deeply appreciate—because I feel if we are not successful in our own efforts, at least we will enjoy some measure of success as a result of his efforts—let me say that the point that is missed in all of this is what the Senator from Georgia characterizes as neither fish nor fowl. That is right. It is not fish and it is not fowl; it is something brand new and it is called equity. It is called equity in the staff that we apportion to ourselves on the basis of legislative assignment. That is what it is. It is something new on the horizon.

Sometimes when something new comes forward it is disturbing. We are fearful of it because that is just the nature of new things. That is just nature. When we have no knowledge of something we fear it.

But in this case I believe we can look at it prospectively and recognize that there is really nothing to fear unless there is some reason on the part of the more senior Members who have adequate staff to fear the fact that some of the newer Members are now going to have a lot of staff, or sufficient staff, to come forward with new ideas, to come forward with different amendments, to come forward with better quality on questions, to come to the Chamber better informed than they used to. Maybe that is what is being feared by some Members of this body. Maybe that is the underlying opposition to the proposal that we have here. If so, I say that is unfortunate because we should not be afraid to pull that out and put it out in the open and see what it is.

I would hope there would be no Member who would shrink if he had his proposal contested, to have other people come forward who have done sufficient research, who can really put the proposal through the test of fire.

That is what comes from having adequate staff. It is being able to take a legislative proposal and really do an adversary job on it.

And do you know something? When that happens, who is the winner? It is Mr. John Q. Public out there who is the winner. Because too often we pass legislation here that is not only ill-conceived, ill-thought of; but when it rushes through the Chamber it rushes through in a wave of emotionalism. If there is anything we need, it is more information, more colloquy, more dialog.

No, I would hope that would not be the fear of those who oppose this effort, that some of us might equip ourselves better to do a job for the American people.

Let me address simply the issue of those who feel that this is extravagant, and that we are in a time when we must cut back and save money, with high unemployment and the economy in trouble.

Let me say one of the reasons why the economy is in trouble is because of our own actions. We have not had good policy in the past. Just maybe, had we had better adversary procedure within this body, we might have had better policy, and thereby not be in the economic difficulties we are in as a nation today.

So, rather than continuing trying to help the situation by cutting back, or continuing to foist upon more than 50 percent of this membership a fast on knowledge, what we really need is to let these people come to the table and eat equally from the body of knowledge, so that they can make a contribution to improving the policies of this Nation. That is really what is at stake here. I think the citizens of this country, the taxpayers of this country, can understand that.

When a businessman is in trouble, he can cut his overhead, and he should, when it is superfluous overhead. We have a lot of areas that we can cut where the overhead is superfluous. But I am chagrined to note this afternoon that the Committee on Rules and Administration did not come forward with any suggested cuts of the fat, did not come forward with any plan of cutting where excesses are defined. They were merely opposed to something new that might bring about some equity.

That is most tragic, because I think their arguments would have a little bit more force, a little bit more credibility, had they put their own house in order and then come forward to challenge the equity and efficacy of our proposal. But that was not the case. They were brought to this Chamber kicking and screaming every step of the way.

No, I think the American public can understand, as can any businessman, that when you get in trouble you do not disconnect your telephone because that will save some money. You do not sell your automobiles because you will save some money. And you do not close your office. You recognize that there are certain things you need in order to operate effectively. You do not cut off your hands if you need your hands to work with.

In this body what we need is our minds, our minds as enlightened as we can make them. When the Nation is in trouble, and we are the policymakers, it is from us that the solutions to these troubles are supposed to flow. We do not turn around and shut off the ability to get more knowledge to ourselves. Yet that is the argument that is made in opposition to what we are trying to do. They say, "No, you cannot get any more staff; that is just a waste."

Mr. President, it is not a waste. It is probably one of the few areas where we spend our money wisely. The fact that there are excesses in certain areas is certainly no reason why this new approach should not be taken.

So I would hope that, as we proceed in this colloquy and this debate, we would recognize, in just taking the Hatfield proposal as presented, as we talk about the dollars, that by taking the proposal we have before us, we are talking about dollars also, but more importantly, we are placing something new on the scene, and that is a new method, on the basis of a formula, of apportioning staff in this body.

That principle overshadows the dollar values involved. In fact, if it came to voting for the principle, I would rather have the principle and not one penny, so that later we could build upon that solid foundation—that foundation which has been repeated over and over, and certainly is what the majority leader of the Senate views as the rock bed of the Senate—that every Member of the Senate is equal from the day he is sworn into office until the day he leaves, albeit with 25 or 30 years' seniority.

Every Member is equal. That equality can only be effected if we say that every Member has an equal right to information. If we do not give them that equal right, then we do not give them equality, because they will not stand up here and give an account of their God-given talents. They cannot do so, because if they are not informed equally with other Members, they will make fools of themselves and will never try to make a contribution again.

The issue was raised earlier with respect to space. Here again, I think a comparison can be made to the existing practice. Why is it that members of the Committee on the Judiciary, who, as a result of what I consider to be the mature judgment of their chairman, have acquired special staffs, have space for the people they hire, when other Senators of similar seniority, who do not have the staffs that others have been able to acquire, have no particular problem with respect to space?

I think the answer is very simple. When one is required to have space, one can secure it. I think we need but travel through the offices of those Members who have been able to acquire large staffs to see that they pack them in. That is unfortunate, but it is the only way and they do do it in that fashion.

I think in this particular case, if a Member is prepared to take on more work through the addition of more staff, he can certainly find space for that staff within his existing offices.

Mr. President, I will move to another area which I think has been the source of some confusion; namely, what would happen to the committee staff if this amendment were approved by the Senate.

As I view it, first, there would be no impact at all on the committee staff. Second, there would be no impingement upon the prerogative of the structured committee staff as it presently exists.

This is where I find there has been a great deal of misunderstanding. We do not touch the committee staffs in any way. We do not touch clerk-hire in any way.

What this does is set up something new.

In my particular case on the Committee on Finance, where I have no staff members, I would be permitted with the $69,000 that is apportioned to hire two people. I could hire four people or I could hire three people. I could use the money as I see fit. I would have to certify to the chairman of the committee that these moneys are being expended with respect to my duties as a member of the Committee on Finance.

With respect to the chairman of the Committee on Finance, this would not affect at all any of the members on the Committee on Finance. They would still be employees of the Committee on Finance and would be doing the normal professional staff work of the Committee on Finance as it is presently constituted.

This would apply to the Committee on Armed Services. It would apply to all committees.

From a chairman's point of view, there would be nothing more involved in his capacity as chairman with the staff other than to receive a paper from the member which will be a certification that these people will be working for the Senator on that committee.

Mr. STENNIS. Mr. President, will the Senator conveniently yield at that point?

Mr. GRAVEL. I am happy to yield to our colleague in the Senate.

Mr. STENNIS. Addressing myself to the subject matter that the Senator has just taken up, and I am glad he brought that point up, under the proposal that the Senator from Alaska is going to bring before the Senate, what would happen in case there is an adoption of the Senator's proposal and he appoints someone to serve in this special capacity and then the Senator from Alaska leaves the committee at the end of 2 years? What will be the situation with reference to this gentleman whom he has appointed in a special capacity on that committee?

Mr. GRAVEL. At that point in time, that person would cease to be certified to the chairman. In my case, I was on the Committee on Interior and Insular Affairs for a while, and when I went over to the Committee on Finance, if this proposal had been in existence while I was on the Committee on Interior and Insular Affairs, I would have certified to the Senator from Washington (Mr. JACKSON) that this person was working for me on Interior and Insular Affairs matters. Then when I moved over to the Committee on Finance I would be entitled to nobody on the Committee on Interior and Insular Affairs, and that person would lose his job on the Committee on Interior and Insular Affairs, and I would now have to certify to the Committee on Finance that that person is going to be doing Committee on Finance work.

So if that was John Jones, who was handling my Committee on Interior and Insular Affairs work, then John Jones would have to make a choice. If he were to stay working for me, he would now have to learn tax matters and be my representative or be my staff person handling the Committee on Finance matters.

Mr. STENNIS If the Senator will yield further, what would be the situation if the Senator had appointed this person and he served 4 years and the Senator left that committee?

Mr. GRAVEL. It would be the same situation. Time would have no effect on it at all, and a person would stay with the Senator who hired him.

There is the confusion and the difficulty involved. The person works directly for the Senator, which makes him responsible to him. That is what we want to arrive at. But his area of expertise, like the area of expertise of the Senator when he is on the Committee on Interior and Insular Affairs, is interior and insular affairs matters; when he is on the Committe on Armed Services, it is armed services matters.

Does that answer the question?

Mr. STENNIS. If the Senator will yield further, to be sure I understand correctly his answer—I think his answer is clear—does the Senator mean that when the Senator leaves the committee, then that particular person, whoever he may be, whom he has appointed, leaves the committee also?

Mr. GRAVEL. That is right, because the person can no longer certify to that chairman since he is no longer on that committee.

I think the key operating part, to understand it more clearly, is that when a Senator hires somebody, that Senator certifies to the chairman of this committee that he is working for the Senator. So if the Senator is no longer on the Committee on Interior and Insular Affairs, he obviously cannot send to the chairman of the Committee on Interior and Insular Affairs certifying that he is working for him because he is not on that committee.

Mr. STENNIS. So the Senator's response relates to his proposal and not to the committee proposal?

Mr. GRAVEL. Yes, that is very accurate. That is not the proposal of the Committee on Rules and Administration.

Mr. STENNIS. All right.

Mr. GRAVEL The Committee on Rules and Administration has it convoluted into the committee activities and, of course, does not touch this new formula at all. Under my proposal, I can assure our colleague, it would not impinge or touch upon his committee prerogatives in the slightest.

Mr. STENNIS. The Senator has made himself clear and has made the point clear, and I appreciate his responding. I thank the Senator very much.

Mr. GRAVEL. I thank our colleague from Mississippi for the colloquy in this regard to clear up what I think may have been a misunderstanding.

This matter originally was really so clear and so simple, to set up a new procedure for staff; unfortunately, it has gone from this very clear understanding to a very complex matter and has been muddled by the various thoughts that have been projected into this.

I might make another effort to clear the air by stating again that there are presently two ways to acquire staff for a Senator.

The first way is clerk-hire, and that is done in order to satisfy the nonlegislative functions of our office. Second, if it is done through the committee system, because we are a body that operates from the committee system, the staff is apportioned directly to the chairmen of the various committees.

From a historical basis, if you had a chairman who was aggressive and developed a sufficient workload, he sought expansion of the committee staff. In that expansion, many times the chairman that had a lot different attitude than the members of his committee, but he directly gave the staff to the various members or subcommittees involved.

The best example of that is the Committee on the Judiciary, which has a budget all by itself, probably, larger than that what this proposal will cost in the final analysis.

So the procedure there was one where individual members of the committee acquired fairly large staffs. It was not under the direct authority and power of the chairman of the full committee.

There are other committees, however, where a member has no staff at all. The Committee on Finance, on which the Senator from Georgia, the Senator from Virginia, and the Senator from Tennessee serve, is one of the most powerful committees of the Senate. It deals with all the methods of revenue raising at the hands of this Government. More important, not only does it deal with the revenue attendant to this Government, but also, it essentially handles the entire economy of the United States, through its ability to tax, through its ability to rheostat elements of the economy. We can do more for housing through a tax incentive than can be appropriated for housing through the budgetary process, just by reostating the nature of the tax deduction with respect to housing or the

investment tax credit. That is the power of the Finance Committee.

The Finance Committee handles all the revenue-sharing that goes directly to the communities in question. The Finance Committee handles all the matters in international trade—really, the touchstone of proper international relations, the touchstone of what could be an international order of world peace through trade, through decent contact. That is handled in the Finance Committee.

The Finance Committee handles legislation dealing with health care. It goes to the very core of the good health of this Nation. The Finance Committee handles legislation dealing with pension funds. The Finance Committee handles a whole host of other subjects.

If the American public were sufficiently informed about it, they would be so incensed that they would raise their noses in ridicule at the structure of the Senate that has permitted this inequity to take place.

Would anyone believe that every Member who serves on the Finance Committee on does not have any staff; that I, as a member of that committee——

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. GRAVEL. I yield.

Mr. TALMADGE. I cannot permit the Senator's last remarks to go unchallenged.

It is true that the Senator from Alaska and the Senator from Georgia and no other member of the Committee on Finance has a member of the committee staff delegated directly to him. But that staff serves the entire committee, as the Senator knows. They serve it ably; they serve it efficiently; they serve it nonpolitically.

I have called upon the staff on many, many occasions; and, without exception, that staff has responded beyond what would be required. I happen to know of my own knowledge that the Senator from Alaska also has called upon that professional staff, and they have responded beyond the call of duty.

While we are not a strawboss of a host of employees on the Committee on Finance, we serve on a committee that has a thoroughly professional staff, which is available for us to call upon any time we need them. Will the Senator from Alaska deny that statement?

Mr. GRAVEL. Not only would I not deny it, but I would go even further in my praise of the staff of the Committee on Finance. I think it is the finest group of people I have ever met.

Mr. TALMADGE. I agree.

Mr. GRAVEL. Professionals, all. They are more diligent than any other person working in the Senate. I want the Senator to know that whenever I ask them to do something, they are quick to do it.

The only problem is that, being human beings, they will do it in a proper pecking order. I should like to give the Senator my definition of what that pecking order is.

That pecking order starts with RUSSELL LONG, for whom I have great affection and great respect. That pecking order then goes to HERMAN TALMADGE, for whom I have great affection and great respect.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. GRAVEL. Then that pecking order goes down from HERMAN TALMADGE to ABE RIBICOFF, for whom I have great affection and great admiration; and it keeps coming down the line until it gets to me. When it gets to me, I am in the pecking order ahead of those behind me.

That is the way that staff works, because it is a staff that not only is bright and knowledgeable from the viewpoint of their profession, but also, they are intelligent human beings. They know how to butter their bread. [Laughter.]

They butter it on the basis of the pecking order. I will give another example of that pecking order.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. GRAVEL. I will give my colleagues one more example.

I was at the Committee on Armed Services. I know that my good friend the Senator from Virginia will enjoy this, because we have a great friendship between us, and I know that if he realized this had happened, he would have been embarrassed at the time. I know that he will enjoy it with me right now, in good humor.

I went to the Committee on Armed Services to read a secret document. I was really impressed by the way they threw the door open, gave me the full committee room, sitting in there by myself—a much more palatial room than I am accustomed to enjoying. I sat there with this secret document, and I had a few questions.

I called the staff, and the head of the staff sat there and counseled me. He gave me the best counsel I ever received. He was frank and candid and helpful.

When we got to an area of expertise, he called over another staff person, and we sat together and counseled, and we were working diligently.

Suddenly, the expert of the experts—they were all of good will—got up and said, "Senator, I have to leave."

I said, "Well, I am pressed on time, too."

I was surprised. After all, we come to feel that we are here to be waited on. I sat there, and he said, "I had better leave. Senator BYRD called me, also, for a briefing, and I must leave."

So he did not accommodate me on my appointment. He just got up and left. He left for good reason—because Senator BYRD is on the committee and I am not. Also, Senator BYRD is more senior than I am, and there is a likelihood that Senator BYRD may become chairman of the Committee on Armed Services before I become chairman on the Committee on Armed Services and be the one to sign his pay check. That is just good thinking. There is nothing wrong with that. It is understandable. I do not fault it.

The point is that I am pressed for time, too, and I want some knowledge, and I would like it at my convenience—not in that pecking order, but as if the person works for me; because when that person works for me, Senator BYRD will come in second, not first. [Laughter.]

Mr. TALMADGE. Mr. President, will the Senator Yield?

Mr. GRAVEL. I yield.

Mr. TALMADGE. Let me respond by saying that I share for the Senator the warmth and affection that he has expressed for me. I treasure the friendship of the Senator from Alaska. I enjoy serving on the Committee on Finance with him. He and I have shared many pleasant hours together, and I think we agree more often than we disagree.

I can understand a situation in which a member of the staff is called by a member of his committee, and if someone who is not on that committee has been engaged in discussion with him, he would have to give first priority to the member of that committee. But I say to the Senator that, so far as I am concerned, there is no pecking order on the Committee on Finance insofar as the rendition of service—professional advice—is concerned, when requested.

Of course, someone has to be chairman of the committee. Senator LONG happens to be chairman of the committee. The Senator from Alaska is not chairman of the committee. Of course, someone has to run it. We have 17 members of that committee, and we cannot have 17 people giving orders in a committee. The Senator knows that. I know is. We understand it.

The Senator calls on that committee for advice, and he gets service, because he has stated that he did, before he got into his pecking order rigamarole.

We all have one vote on the Committee on Finance. When we call on them for service, they all respond. We all have one vote each. The Senator from Alaska has the same vote as the Senator from Georgia or the Senator from Louisiana.

Mr. GRAVEL. Can the Senator point out where in this proposal it would mandate that there would be 17 members running the Committee on Finance, or where there would be a dissolution of the power of the chairmen to create anarchy in all the committees?

Mr. TALMADGE. I did not say that. I just stated that if the Senator from Alaska had the thought that on the Committee on Armed Services, he ought to have equal priority with the Senator from Virginia, who serves on the same committee, if I heard that——

Mr. GRAVEL. I did not say that. I merely wanted to make an example.

Mr. TALMADGE. That is what I understood the Senator to say.

Mr. GRAVEL. What I made an example of was the pecking order that exists on the Committee on Armed Services, the Committee on Finance, the Committee on Agriculture, in fact, every sinew, every thread of the fabric of this Senate is locked into the pecking order.

Mr. TALMADGE. Will the Senator yield on that point?

Mr. GRAVEL. Yes; I yield.

Mr. TALMADGE. Has the Senator on any occasion ever called on any professional staff member of the Senate Committee on Finance and been refused? Has he?

Mr. GRAVEL. I would say not refused; in some cases, maybe not as aggressive as others.

I might say that my colleague is correct. On the Committee on Finance, I have been able to bring about the introduction of legislation that took many, many man-hours of the staff of the Committee on Finance, and I mean many, many man-hours. I worked with them.

Mr. TALMADGE. I am well aware of that.

Mr. GRAVEL. It started from 1973 forward. We put in some real energy legislation, I think. But I say this: If that energy legislation had been at variance with the philosophical views of the chairman of the Committee on Finance, I would not have had the staff to bring that legislation about.

Mr. TALMADGE. I do not think that is true, I say to the Senator. I know many staff members have helped prepare amendments directly contrary to bills that have been reported by that committee. I know that is true in the Committee on Agriculture, because our staff is there to serve every one of us.

Mr. GRAVEL. I think my colleague misunderstood me, if I may respectfully interrupt him. I am not talking about the amendments. I am talking about the research that goes toward a major proposal, which takes months—not just an afternoon calling up a staff person and saying, "Write me an amendment to amend that." I mean the man-hours that went into the Energy Revenue and Development Act of 1974 and 1975 by Bob Best and Mike Rowny and others in the Committee on Finance were hundreds of hours, not just an amendment. I am prepared to say——

Mr. TALMADGE. I think the Senator has made the case that the Senator from Georgia has been trying to make all afternoon, that staff members of our committee are thoroughly professional, they are nonpolitical, by and large, and they do the job. I would hate to see that professional staff now politicized by authorizing every Member of the Senate, on every committee that he serves on, to hire $69,000 worth of more assistants to jam up the works, bog down the machinery.

Mr. GRAVEL. Why would it politicize? I just happen to be a Democrat and the Senator from Tennessee is a Republican. The people that I hire, I do not ask when they fill out employment forms for me to state what party they belong to. I do not ever recall asking anybody about party who has worked for me since I have been in the Senate.

Mr. TALMADGE. If they were not going to be professional staff members, but employees of the Senator from Alaska, I would agree with that.

Mr. GRAVEL. I want my staff members to be professional and I want the best staff money can buy.

Mr. TALMADGE. The Senator from Tennessee supports the amendment, and when I interrogated him, he said it is his understanding that these people would not be staff members but would work for that particular Senator in connection with that particular committee. Is that the position of the Senator from Alaska?

Mr. GRAVEL. That is right, but that is not politicization. That is what is called personal loyalty. That is when a person goes to pecking order. The pecking order for people who work for me is me. For people the Senator from Georgia hires, the pecking order is him. As chairman of the committee, when he hires people, the pecking order is him, not me. That is what we are saying. We do not want to politicize this thing. We do not want partisanship. I want a person who will monitor all those important issues which I just discussed that the Committee on Finance undertook, but which I have no personal staff person to handle.

Mr. TALMADGE. What does the Senator do with his clerk hire?

Mr. GRAVEL. I try to answer my mail. I try to attend to all of the ombudsman activities that befall me and handle the needs of my constituency.

Because the Government has grown to be such a behemoth, the citizen stands out there naked before his Government. He needs somebody to go to. Whom does he go to? He goes to the person he voted into office. So when all else fails when one is dealing with Government, what does one do? One writes his Senator, or writes his congressman. That is what we have become. We have become ombudsmen. That is the reason that the policy of the Nation has faltered on the waves of difficulty.

What we need is not only to perform that function as ombudsman, but to take back the functions of the laws. That is the legislative role, to establish policy in this democracy. We have forsaken the role. Only with staff serving that function can we take back that role. That is all we are asking.

Mr. TALMADGE. Where the Senator from Alaska and the Senator from Georgia disagree primarily, is that we have abdicated that function to our staffs. If the Senators themselves would be responsive, we could take back that power.

As I remarked to the distinguished Senator from Tennessee, in my judgment, if we had half the staff on Capitol Hill that we have at the present time and if we did not permit a paper to be read on the floor of the U.S. Senate, our business could be concluded by July 4 and we could adjourn sine die. But the Senator knows that some of these staff members are busy thinking up speeches, thinking up amendments, thinking up bills, thinking up programs and convincing their Senators to bring them in here on the floor of the Senate, ad infinitum. The more staff we have, the longer we will stay here.

Mr. GRAVEL. I do not think the issue is whether we stay here a short while or a long while, whether we stay here 2 months or 3 months or 4 months. I think the issue of final concern should be, "Are we doing the people's business?" That is what the issue should be; not whether or not we have a bunch of bright young staff that may have the ideals in their bosoms to try to solve some of the problems that besiege us.

Is there anything wrong with that? I think that is something that the American people want to see happen. It is for us to get out here and say, there is something wrong there and we are going to try to solve it; not say, there is something, forget it, I do not want any staff, I do not even want to focus on the problem.

What my colleague cries out against is the fact that the people want to be served. That is what my colleague is saying.

What I am saying is, let us serve the people.

Mr. TALMADGE. I am saying the Senators ought to be serving and not the staff.

Mr. GRAVEL. All I can ask my colleague, and I ask my colleague from California if he wants to respond to it, though he does not have to——

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. GRAVEL. Let us answer the question, who will answer the mail if we cut back in staff? We can represent alone. All we would have is these little desks. We can vacate these buildings, let the administration have them because they are expanding. We can save all that staff, all that rental. We can run the country from these little desks and we would not have any more paper that would fit in these desks. That would cut down on the paper, that would cut down on the staff. That would save a lot of money.

They used to run the country that way. Does the Senator know when? Back in the mid-1880's, when we had an agrarian society. This is no longer an agrarian society. This is a highly sophisticated industrial economy, and an effort is being made to run it like a democracy.

Mr. CRANSTON. Will the Senator yield?

Mr. GRAVEL. I yield to the distinguished Senator who has such burdens with the people of California so as to need additional staff.

Mr. CRANSTON. Mr. President, the Senator from Georgia asked about the use of clerk-hire, and I would like to outline a horror story about the problems one has who represents as large a constituency as JOHN TUNNEY and I do in seeking to keep up with the mail and the problems of our constituents.

Mr. President, I want to explain, as precisely as I can, the extent to which I am currently understaffed, and what the effect of staff funds provided under the Brock amendment would have on my office operation.

The size of my constituency—I believe the largest ever represented by any legislator elected to serve in any legisla-

ture in all history—makes my situation and that of my colleague, Senator TUNNEY, the worst of the problems so many of us, to one degree or another, are confronted by.

The volume of mail I receive from California—I currently average 12,000 letters a week—forces me to allocate the majority of my staff resources exclusively to answering mail. Specifically, 61.5 percent of staff man-hours and 51 percent of clerk-hire allowance is used solely for this purpose.

I ask unanimous consent that a table be printed at this point in the RECORD giving the complete breakdown of my clerk and/or staff hire allocations.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

CLERK-HIRE AND STAFF TIME ALLOCATION

	Percent of staff time	Percent of clerk-hire	Clerk-hire
Mail	61.5	51.0	$385,811
Legislative	11.5	18.5	139,735
Press	5.5	9.0	69,734
Administrative	3.5	6.0	44,179
Field offices	16.5	14.5	109,626
Receptionists	1.5	1.0	6,304
Total	100.0	100.0	755,389

Mr. CRANSTON. One would think this allocation of money on staff—and it is substantial, the total for my clerk hire being $755,389—would be sufficient, but it is not.

In five categories of my mail-answering operation—mail-sorters, automatic typewriter operators, case workers, legislative correspondents, and files I need additional help to cope with my current mail volume. The following figures are based on an 8-hour day. I believe answering the mail is one of the basic responsibilities of an elected representative of the people. The relationship between legislator and constituent is the closest tie the average American has to his Government, and we already have too much of this matter of government being too remote and unresponsive. It gets worse if we do not respond when those we represent seek to communicate with us.

The citizen must be able to write to his congressman and get a reasonably prompt response. But despite the use of form letters, automatic typewriters, and the autopen, I simply cannot handle the mail with my present staff.

I repeat, these figures are based on an 8-hour day.

Mail sorters—My three mail sorters can open, read, and distribute 1,200 letters a day or 6,000 per week. To handle 12,000 letters per week, I need three additional mail sorters.

Automatic typewriter operators—My current staff of five who program and run 11 automatic typewriters can produce an average of 7,500 letters per week. To do between 11,000 and 12,000 a week, three additional staff—plus more automatic typewriters—are required. In addition, I need two more people to program names of people who ask to be added to my mailing list as well as to keep by computer list updated. The 28,500 newsletter requests I received in May totally swamped the one person I have assigned to this task. Finally, the additional volume of mail would necessitate my adding a second autopen operator—and a second autopen.

Caseworkers—Casework is the most critically important type of mail I receive. I believe the help I can give people in resolving their problems with government is a major responsibility of my office. Yet here again I do not have the staff to do the job I ought to be doing. I receive an average of 900 cases a week. With each caseworker handling 200 cases a week, which would require adequate clerical support, I need to allocate 60 man-hours per day to casework, instead of my present 44 hours. Thus, I need two additional people in my casework operation.

Legislative correspondents—About 3,600 letters per week are sorted to legislative correspondents. The balance go directly to automatic typewriters. Of these, 80 percent can be answered by automatic typewriters. The other 20 percent—720 letters per week—need individual replies. Assuming the average correspondent should be able to process completely 100 letters per day, including researching and writing form letters, I need to increase my staff in this area from five to seven.

Files.—To handle 12,000 letters per week, I need to increase my present staff of one full-time and one half-time person by one more full-time person.

In summary, I need to increase my current 297 man-hours per day allotted to answering the mail to 408 man-hours. Based on the average salaries of the staff who handle my mail, I need an additional $144,189 clerk-hire funds to hire the additional staff required to keep up with my incoming mail.

I would like now to discuss the impact of the Brock funds on my clerk-hire allocations. Under the Brock proposal I would be allotted approximately $103,408 for additional staff to help me with my duties stemming from my membership on committees.

At present, in order to fulfill my committee responsibilities, I have to assign both legislative and clerical personnel to supplement the committee staff assigned me. I allocate.17 legislative and 28 clerical man-hours per day from my personal staff to work on committee related activities of committees I serve on. This amounts to $78,787 of clerk-hire funds.

If I transferred these personnel to a legislative clerk-hire fund—as I clearly would be entitled to do under the Brock proposal—there would be left only $24,621 in this new legislative fund which could be used for new legislative staff, at best one professional slot, which I would probably fill with a person to work with me on the Budget Committee.

If I followed this plan of staff assignment and if I allotted all of the resulting clerk-hire surplus to answering the mail, I would still be $65,402 short of the very minimum I need to reply to all the mail I receive.

And this assumes no allocation of additional staff to work on legislation in areas outside of my committees' jurisdictions. It assumes no additional field staff to help answer the phones and deal with constituents, particularly in Los Angeles, where I have a serious inadequacy with a staff of only four people who are trying to cope with some 9 million local residents. It assumes man-hours allocated to administration will be adequate to handle the increased staff and its increased work output. And it assumes no increase in the mail volume.

I think all of us recognize the mail volume is going up for virtually every Senator, probably to all.

Mr. President, the Brock-Schweiker proposal will help, and I am all for it, but it is only a step toward resolving the inadequate staffing required to handle the workload from a Senator from California. And again I stress that I, along with JOHN TUNNEY, am only an example of the worst problem we face. Many of us, I am sure a majority in the Senate, face similar problems.

Let me close by just emphasizing one other aspect.

One of the first lessons any contemporary elected official must learn if he is to cope with the problems of the 1970's is that our age, our society, and our challenges are enormously complex. And resolutions to these problems require the most careful, thorough, and expert analysis and thought.

To do an adequate job today a Senator needs far more expert assistance than was the case 20 or 30 years ago. Take almost any issue—energy or population or the economy for example—and compare the complexity of today's dialog with the relative simplicity of the past. The ideal of days long past that a Senator could be his own expert needing only a clerk or two to process his mail is simply an invitation to disaster in this age.

Our job is legislation, and that really is our most important work, obviously, to write new laws, to repeal outdated laws. I think that should be just as important as writing new laws. I sometimes think we should be required to repeal a law every time we enact a law in order to keep from eventually having laws governing every aspect of our citizens' lives.

Our job is to oversee the implementation and enforcement of laws that are on the books.

To do that job well and effectively a Senator must have experts on his staff who can do the essential research and advise him accurately on serious problems.

Under current staffing positions we are not even close to having an adequate staff to handle legislation and to fulfill our other responsibilities as Senators.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. GRAVEL. I have the floor, I believe.

The PRESIDING OFFICER. I believe the Senator from Alaska has the floor.

Mr. GRAVEL. Mr. President, I would

be happy to yield for a question without losing my right to the floor, and I ask unanimous consent in that regard.

The PRESIDING OFFICER. Is there objection?

Mr. GRAVEL. To yield only for a question.

The PRESIDING OFFICER. The Senator is yielding for the purpose of a question only, do I understand it?

Mr. GRAVEL. That is correct.

Mr. CANNON. Mr. President, my question went to the Senator from California.

Mr. CRANSTON. Yes; I can answer it.

Mr. CANNON. I say that I recognize the problem, but what he addressed himself to was basically the clerk hire issue which this Rules Committee does not have jurisdiction over. It is under the Legislative Appropriations Committee and the proposal here is a proposal to amend rule XXV, amend the rules of the Senate.

The Senator, I may say, has made a good case, certainly, from the biggest State in the Union, that he does not have adequate help to do his letter writing, operating his equipment, and so on.

I may say that I would support the Senator in making application to the Legislative Appropriations Committee for additional clerk hire because I certainly know how difficult it is for him in a State that large even to manage with the finances he does have, because while he turned back quite a little money last year, he has the largest allowance made as well, and certainly it would be very difficult for him to manage it so that he turned back very little, for example, as the Senator from Alaska did.

I am wondering if the Senator would not agree that if he were to apply to the Legislative Appropriations Committee for additional assistance, for his clerk hire, and then receive legislative assistance under the Hatfield proposal, if that would not basically resolve a lot of his problems?

Mr. CRANSTON. Help on legislative clerk hire in the appropriate fashion is certainly necessary in some proportion to the size of our States.

I appreciate very much the Senator's understanding of that problem and his willingness to help. However, I think we have to take into account, and that is why I draw on this, all our legislative responsibilities. I close by stressing the responsibilities we are forced to neglect by the requirement of allocating so much of our staff to clerk hire.

Much of my constituent work relates to my committee assignments and to my work on the committee. Those activities may get some attention in the press and media, and mail begins to come in. For instance, I get a colossal amount because I am on the Veterans' Committee. However, I do not have sufficient staff in the Veterans' Committee to give adequate help. So I must rely on the staff of my own office.

Also, in terms of legislative initiatives, I would like to add that on the Veterans' Committee, I have to turn to other members of my staff, to provide the backup I want, to do an expert job.

That is the main point that relates to the matter presently before us in the resolution as reported and as it may be amended by the Brock-Schweiker amendment.

Mr. CANNON. I thank the Senator for yielding.

Mr. DOLE. Will the Senator from Alaska yield?

Mr. GRAVEL. I am happy to yield for a question, without losing my right to the floor.

Mr. DOLE. If the Senator would permit, I would like to offer an amendment to the Gravel substitute, and to withdraw it after a brief discussion with the chairman, if the Senator would yield for that purpose.

Mr. GRAVEL. I think the parliamentary situation would not permit that, in any event. I would be happy to yield without losing my right to the floor to permit the Senator from Kansas to make whatever point he would want to make in the form of a question.

The PRESIDING OFFICER. A perfecting amendment to the Gravel substitute would be in order.

Mr. GRAVEL. If I recall, the Brock substitute is an amendment to the Gravel amendment, which is an amendment to Senate Resolution 60, so that makes it in the second degree and it should not be amendable. Maybe it is modifiable, but, as I recall, it is not amendable.

The PRESIDING OFFICER. It would be an amendment to the Gravel amendment and it would be in order and take precedence as a perfecting amendment. As a substitute it would not be in order.

Mr. DOLE. Will the Senator from Alaska yield?

I checked with the parliamentarian and I intend to withdraw it. I want to discuss it and get a commitment from the chairman. I think the Senator from Alaska has an interest in it.

Mr. GRAVEL. I would be prepared to permit this, Mr. President, if it could be done without my losing my right to the floor.

Mr. CANNON. Mr. President, I am certainly not going to have another amendment introduced and have it considered and discussed and then go under some kind of a star proceeding here where one man controls the floor while we are discussing someone's amendment.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Alaska has the floor.

Mr. GRAVEL. I would be happy to yield to my colleague from Kansas if he wanted to address a question to me on the subject that he wanted to put forth before the Senate as an amendment—if he could pose this as a question and I could do this without losing my right to the floor.

Mr. DOLE. Well, I intended to offer at an appropriate time, if there is an appropriate time, the so-called Brock-Stevenson amendment, which would authorize the creation of a select committee to delve into the entire committee system.

It has been discussed widely by many junior Members in this body. Topics to be studied include structure, jurisdiction, number and optimum size of committees, as well as rules, procedures, and staffing regulations currently in effect.

I feel it is an important step in the ongoing structure of the Congress, more capable to meet the challenge in a coequal branch of the Federal Government. This resolution, the Stevenson and Brock resolution, has wide support. It is my understanding the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Nevada (Mr. CANNON) have both agreed or made public statements the hearing would be held on the amendment.

The only purpose of the Senator from Kansas having the amendment as an amendment to the Gravel substitute was to have that commitment expressed by the Senator from Nevada.

I guess the question to the Senator from Alaska would be, it is my understanding he supports the Brock-Stevenson amendment.

Mr. GRAVEL. The answer to that question is that I do, very strongly. I supported it in a spirit of compromise.

I realize we have taken the proposal here based on ideas, on the principle that probably some would grow rich, and we are prepared in the spirit of compromise to cut out the entire section dealing with subcommittees. We cut the money more than in half in order to effect this compromise.

So I commend the Senator from Tennessee for his leadership in coming up with this compromise that I ascribe to.

I do this in the spirit of good will and realizing it is in these type compromises that we can arrive at good legislation.

Mr. BROCK. Mr. President, will the Senator yield?

I think the Senator from Kansas is referring to the Brock-Stevenson resolution on committee jurisdiction, the study of committees, which is now in the Rules Committee and which I think, I hope, we are going to have some further action on in the subcommittee chaired by the Senator from West Virginia.

Mr. GRAVEL. I apologize for having not been attentive to the Senator from Kansas in posing a question because I was in private colloquy with other Members.

The response to his question—maybe the Senator would be kind enough to reaccommodate me and pose his question again.

Mr. DOLE. If the Senator from Alaska would yield without losing his right to the floor so I might propound the question to the Chairman of the Rules Committee, if that is proper——

Mr. GRAVEL. I think that would be proper and I could yield for that purpose without losing my right to the floor.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

The Senator from Alaska can only yield the floor to have a question propounded to him, unless he gained unanimous consent for an additional purpose to protect his right to keep the floor.

Mr. GRAVEL. I ask unanimous consent that the Senator from Kansas be permitted to direct an inquiry to the Senator from Nevada, the chairman of the Rules Committee, without my losing my right to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. PASTORE. Will the Senator yield for a question to him?

Mr. GRAVEL. I will be happy to yield for a question without losing my right to the floor.

The PRESIDING OFFICER. That does not require unanimous consent.

Mr. PASTORE. As a predicate to the question I shall ask, let me say in my experience I have found on some committees we have so much staff sometimes you cannot get inside the door.

My question is this: Has the Senator from Alaska ever had any trouble ever getting any information he desired from the already constituted staff of the committee?

Mr. GRAVEL. Yes.

Mr. PASTORE. He has had trouble?

Mr. GRAVEL. Yes, serious trouble.

Mr. PASTORE. What kind of trouble?

Mr. GRAVEL. When we asked the Rules Committee to give information as to the assignments and the staffs of people on other committees, they did not find the data for us. But then we got wind through rumor they had given data to other people. So we kept going around the Horn and finally collected all the data that we have as the basis for the proposal we are making, picked up helter-skelter. We had nothing at all from the Rules Committee since it was not their desire to accommodate us in this legislation.

Mr. PASTORE. Has the Senator ever made a complaint of that fact to the chairman of the committee?

Mr. GRAVEL. These requests were placed with the staff.

Mr. PASTORE. My question is not a frivolous one, because I am chairman of the Joint Atomic Energy Committee. I serve on the Commerce Committee, the Policy Committee, and on the Appropriations Committee. I have been here for 25 years. Any time I had a question, I could go and ask any member of that staff who was handling the matter and I would get an intelligent and factual answer. I have never had any trouble.

My observation has been that existing staff has not been properly utilized. We have the Joint Committee on Atomic Energy. I do not know who is a Democrat and who is a Republican. As a matter of fact, most of the people on that committee were hired before I became chairman. We live with them. They are all experts. And it is the same on the Appropriations Committee.

Frankly, there is no member of the staff on the Appropriations Committee that I cannot go to, ask a question, and get an answer.

The thing that has bothered me for years and years is the fact that we add more staff, we need more rooms, and we have to build another building. I tell the Senator very frankly, the best thing to happen would be if we went back to the British system that you cannot speak on the floor of the Senate with a script. I believe if every Senator had to speak without a script we could get more business done, more intelligently done, and we would not be harassed by speeches written by staff.

I have seen Members of the Senate begin to read a speech they had never read before and stumble all over themselves. Some staff member had written it.

That is all I am going to say. I am going to vote to lay on the table.

Mr. GRAVEL. If I could respond to the distinguished Senator from Rhode Island, I believe he is right. There is no question that many times if a Member permits the staff to usurp the power of the Member, the Member becomes nothing more than a parrot for his staff. In fact, I have seen staff people conduct themselves in that fashion many times and the Member has permitted that. That is not the fault of the member of the staff; that is the fault of the Member.

In this legislation we are not talking about being able to correct the excesses of the various Members. All we are saying, and I believe my colleague from Rhode Island is sensitive to this, is that we are all equal, and therefore, we should be entitled to equal ability to acquire knowledge to put into our heads so we can handle things.

I think one of the greatest boons that would happen would be if my colleague would seriously make the proposal, and I would second the proposal and work with him, to require that Members not speak from text. What good staff we have we would have to counsel with in a reasoning fashion so they could really put it into our heads and we would not just be the robot conduits of information from the staff to the public. The staff person and I would really have to get together and I would know what he is talking about. Then I would come here and my ego would be on the line. The Senator would know I would know what I was talking about and I would be able to defend it. Then we would have a better colloquy. We would see germinate from this body a greater system of checks and balances. Every idea would be assaulted by other ideas.

Does the Senator know what would happen? We would have better policy. Does the Senator know what that would do? That would mean that this country would be better governed. That would be great.

Mr. PASTORE. That would be great if that were the case, but that is not the case. The fact is that I have seen a campaign where the candidates, ready to solve all the problems of the world, go the length and breadth of their State, "Elect me to the Senate of the United States and I will set everything right. There will be no depression, no recession, no inflation, nothing. There will be Utopia." Then they come here to the Senate and they cannot do their job unless they have a half dozen experts. That does not make sense. That does not make sense.

When they come back to the Senate they need a dozen experts to tell them what to do, and during the campaign they can solve any problem that man or God ever made.

Mr. BROCK. Will the Senator yield?

Mr. PASTORE. Listen to some of these campaign speeches.

Mr. GRAVEL. If I may respond to the Senator, I will say that is the great hope of the people who attempt to govern themselves. That is that people can present themselves in the course of a Presidential campaign and it becomes a colloquy between the individual who seeks the office and the people who can keep him from the office. That becomes an informational problem. If the people do not like him, they can assault his ideas. We had that in the last campaign, where some of the problems were anathema to the people.

That process I do not want to see changed one iota. I think it works well. That has both the best in democracy and the worst in democracy. It can call forth the greatest imagination to solve problems, or it can call forth the greatest degree of demagoguery.

To point at one and not compliment the other I think shows an imbalance. What we have to recognize is in a democracy the most important thing of all is communication—communication from the elected official to the constituents. How can they judge an elected official if they do not know what he is doing, if they do not know what he is for? How can we denigrate the efforts at communication in this regard?

I would hope that my colleague would be more tolerant of the efforts that some of us are trying to bring about with our efforts, that do not have to be utilized by anybody.

I believe it is interesting to note that it is the more senior Members who do not have the problem and have never suffered the problem, and it is the younger Members who have the problem and understand it. I only raise that for the observation of all. Maybe by the time I am fortunate enough to be as senior as other Members I will not have a problem, 10 or 20 years hence.

Mr. BROCK. Will the Senator yield?

Mr. GRAVEL. I will be happy to yield without losing my right to the floor.

Mr. BROCK. I am tempted to inquire if the Senator did not understand the Senator from Rhode Island. The Senator has a good point. Just judging from past experience, most of the Presidential candidates have apparently come from the Senator's own side of the asile and

maybe he can understand what the Senator is saying. It is a point that is well taken.

It is also a point that is well taken that it seems as though everybody who stands up to argue against this says, "In the 18 years I have served in the Senate" or "the 25 years I have served in the Senate I have not had any problems."

I think that pretty well spells it out. That is probably very true.

I would assume my colleagues I would not have any problems either if I was chairman of a committee, but I am not. I am not chairman of a subcommittee. Most of the Members of this body in the last couple of elections have not been so fortunate as to serve in that period of time or to acquire the personnel that comes with that particular responsibility. What we are saying to our colleagues, and I think the point is well made by my colleague from Alaska, is when we come to debate, we do not debate on the basis of how many years we have been here; we do not debate on the basis of what our capacities are in the committees. We debate as Members of the Senate of the United States, one to one, face to face. It is a challenging testing of ideas. If those ideas are well founded, then the Senate, through a compilation of those ideas, can be beneficial to the American people. If they are not well founded, then the American people are not well served. That is the problem we have today. The fact is that all Senators have not been in this body for 25 years, and all the Senators do not have equal access to staff. Until they do, we are going to continue to have a problem, borne primarily not by us, but by the American people.

I think it is about time to restore at least some semblance of equity in the greatest deliberative body in the world.

Mr. GRAVEL. Mr. President, in answer to my colleague's comment, I think I can understand the frustrations some of our more senior Members have. I think my colleague is right; there are some areas with respect to committee staffs where the inequities that exist are actually gross. I am willing to confess before God and country that my proposal does not solve all those inequities.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GRAVEL. I am happy to yield without losing my right to the floor.

Mr. PASTORE. Where did the Senator from Alaska get the idea I have any frustrations? The frustration, I am afraid, is on the part of the Senator from Alaska. Otherwise he would never have offered the amendment.

Mr. GRAVEL. Mr. President, I stand here properly chastised—because that is right—I think it is presumptuous on my part to try to define any frustration the Senator from Rhode Island might have. I can judge my own frustrations, but it is true that the Senator from Rhode Island is the best judge of his frustrations.

I have witnessed, over the years, some frustrations on the part of some Members of this body, be they junior or senior, with respect to the problem of excess staff, in that this excess staff, they felt, was a source of embarrassment to the Senate. I think that there is probably some reason for that, because I think in some areas there have been some excesses. I think we should appreciate that, and that should be solved. That should be corrected, and the only committee that I know of that has jurisdiction to correct the problem is the Committee on Rules and Administration.

The Rules Committee, earlier this year, after these excesses had been extensively reported in the press, met, held its hearing, and continued to appropriate the same sums of money, and in some cases some increases in money, to the system that was fraught with inequities. So an opportunity did exist through the normal, conventional fashion, to correct the situation.

This proposal that we have before us today does not correct the situation. In fact, the accusation is made that we just add to it.

We do not add to it intentionally. What we do is seek to develop another principle through which to apportion staff, so that the inequity created through the staffing of committees is at least obviated from the individual's point of view, and at least the individual Senator can see corrected the wrongs that have been visited upon him as a result of these excesses in the apportionment of committee staffs.

Even if this proposal is adopted and that is corrected, there will remain the corrections to be made in the committee structure. As I suggested earlier, this is something that could easily be done. All we would need to do is devise a formula through which the various committees can apportion staff. That formula could be based upon the amount of traffic that the committee receives, be it traffic in terms of the number of bills, be it traffic in the number of hearings that a committee has to hold on legislation, or be it the number of bills that are introduced and referred to the committee. Sometimes this is not a perfect correlation, so we would have to interject an element of judgment. We try to minimize that, because it is that element of judgment that can bring about the capricious excesses we have witnessed. But I think in the final analysis, we would have to see some element of judgment exercised in the workloads of the committees. And once this judgment is in uneven balance with the formula——

Mr. CANNON. Mr. President, will the Senator yield for a question?

Mr. GRAVEL. I am delighted to yield for a question, without losing my right to the floor.

Mr. CANNON. Does the Senator intend to filibuster this evening, so that we cannot get a vote this evening on any of the issues here connected with this effort to raid the Treasury?

Mr. GRAVEL. Mr. President, I have not engaged in a filibuster since 1971, when we were at it for a few months on the issue of the draft; and I can assure my colleague on this matter that I would like to see us come to a vote as soon as it is practicable and efficacious for all parties. What I mean by practical and efficacious for all parties when we are all present here and prepared to vote. That is only fair, because we are not playing a game; we sincerely want to resolve this issue; but, candidly, we happen to have, as we count the votes, an excessive number of people on our side of the issue absent.

Mr. PASTORE. Would the Senator agree to vote tomorrow at 10:30?

Mr. GRAVEL. I will be happy to agree to vote at 10:30, or 12 o'clock, or whenever it suits the convenience of the leadership. But certainly, to debate an issue of this importance, 24 hours is not too much.

Mr. CANNON. If the Senator will yield further, I would say that a number of Senators changed their plans to remain today, because the agreement was that there would not be a vote before 4 o'clock, but there would be votes expected after 4 o'clock. So we have altered the plans of some Senators who have, in good faith, remained here expecting to vote on this matter.

I am willing, if the Senator intends to carry on his discussion as to how he would like to raid the Treasury, to let the vote go over until sometime tomorrow.

Mr. MANSFIELD. Mr. President, will the Senator yield without losing his right to the floor, so that I may suggest the absence of a quorum?

Mr. GRAVEL. I am happy to yield to the majority leader.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum can be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVIEW FOR TIME LIMITATION AGREEMENT VOTE WILL OCCUR AT 2:30 P.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote occur first on the Brock amendment, and then if it is defeated, a vote occur on the Gravel amendment, and that the vote occur tomorrow at the hour of 2:30, with the period from 2 to 2:30 equally divided between the Senator from Tennessee (Mr. BROCK) and the Senator from Alaska (Mr. GRAVEL), and the manager of the bill, the Senator from Nevada (Mr. CANNON).

Mr. CANNON. Mr. President, reserving the right to object, first, let me ask: Does this mean that the action on the very important New Hampshire election matter that was to come before the Senate today will be further delayed if we go through this process?

Mr. MANSFIELD. Yes; not only this, but also by the resolution introduced by the distinguished Senator from Idaho (Mr. MCCLURE), seeking to make it pos-

sible to televise the New Hampshire proceedings.

Mr. CANNON. I say if we could get agreement for a time limit on the New Hampshire proceeding I do not think we would have any problem with the resolution of the Senator from Idaho.

Mr. MANSFIELD. None at all, because we accepted the McClure resolution, but the quid pro quo is, in view of the fact there might be 35 or 37 issues to be voted on, there ought to be a time limitation, because I do not think that the New Hampshire race should be stretched out.

Mr. CANNON. It should be determined.

Mr. MANSFIELD. I think we ought to face up to our responsibility.

Mr. CANNON. Further reserving the right to object, Mr. President, if I may, the unanimous-consent request that the distinguished majority leader proposed concerned the amendments. Would this preclude a motion to table either of those amendments?

Mr. MANSFIELD. Not at all. That is a right either Senator has and it should not be denied him.

Mr. BROCK and Mr. ALLEN addressed the Chair.

Mr. BROCK. Reserving the right to object, Mr. President—excuse me.

Mr. ALLEN. Go ahead. I want to put in a reservation.

Mr. BROCK. Mr. President, would a motion to table be in order prior to 2:30 or at 2:30?

Mr. MANSFIELD. At 2:30.

The PRESIDING OFFICER. The Chair must inform the proponent of the unanimous-consent request that if he is asking for an agreement time certain to vote on an amendment it precludes a motion to table.

Mr. MANSFIELD. No; I would not want to take away that right from any Senator. I stipulate that as an exception.

Mr. WILLIAM L. SCOTT and Mr. HATFIELD addressed the Chair.

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object, I ask if I might have time under the unanimous-consent request to offer an amendment. I would only need about 10 minutes. I do have an amendment that I would like to have. It is a minor amendment.

Mr. ALLEN. Mr. President, reserving the right to object, this matter I do not think ought to be before the Senate at all at this time, with the many issues that confront the Nation and confront Congress, the matters of energy, inflation, and recession, even the New Hampshire election contest that is also on the calendar. I would hate to agree to something that would put a determination of this matter ahead of the determination of some of these other matters. The distinguished Senator from Alaska has chosen to discuss this matter at length, which is his right and his privilege, but I do not believe we should facilitate the bringing of this issue to a vote prior to considering matters that I consider are more important. Therefore, I will have to object to the unanimous-consent request.

Mr. MANSFIELD. All right.

The PRESIDING OFFICER. Objection is heard.

Mr. GRAVEL. Mr. President, before yielding to our colleague, I address myself to the objection raised by the Senator from Alabama. Certainly he is entitled to raise an objection, and I wish to underscore that. We are equal in the Senate, and we can place whatever objections in the RECORD we desire.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GRAVEL. Mr. President, the reason stated for the objection was to facilitate our ability to go forward with more important legislation.

I most respectfully state that the objection does just the opposite of that, because we are prepared to vote. We are prepared to accommodate ourselves to the leadership. It is my good friend from Alabama who obviously does not want to accommodate a time certain so that we can dispense with this action and then go on to other matters, which may or may not be more important. I think that is a matter of judgment as to what is important.

I think it should be clearly stated for the edification of the Senate, the public, and the American people, that we are prepared to vote tomorrow at a time certain. The unanimous-consent request was propounded by the majority leader to effect the efficient operation of the Senate. It was an objection by the Senator from Alabama, who is highly skilled—and I say is one of the most skilled persons in the Senate with respect to the operation of the rules—and through the process of his objection that now throws the Senate into continued colloquy, possibly extensive colloquy, depending upon the situation, before we can see a resolution of this matter.

Mr. President, I think that is most unfortunate. I yield the floor.

Mr. PACKWOOD. Mr. President, I did not have an opportunity to speak on this matter, because I have been in the Chair for the bulk of the time while we have been considering this, but I have been making some notes while sitting there. I would like to answer some of the questions, issues, and problems that have been put forth about what do we do with the staff or where do they go or who directs them, have I ever had any problems getting information out of the committee staff that I served on, and a multitude of other issues that have been raised in this discussion.

Let us take a look, first, at the kind of staff we have. I want very much to parrot what the Senator from California said about mail and typing. We all face the same problems, although none of us faces them to the magnitude that the Senators from California or perhaps New York do.

We all feel an obligation to answer the mail that comes into our office from at least the constituents in our States. That mail goes up perpetually.

In 1972, I got in my office 42,000 first-class letters from Oregon that deserved an answer. In 1974, we had 49,000. It now appears, if our current projections are accurate, that we will have in the neighborhood of 58,000 or 60,000 this year, perhaps slightly more.

On my staff in Washington, I have 21 people; I have 10 in Portland. The Portland staff is entirely self-contained. We have moved all our casework there, except that which relates directly to having to deal with problems of immigration or the State Department, where we have to deal on a straight basis with them here. By and large, we find that most of the casework can be handled with the local Social Security office or the local Veterans' Administration, and we can handle them more ably from there than here. I have 21 on my staff in Washington. Five of those 21 spend a 100 percent of their time on the mail, 11 of the 21 spend half their time on the mail, 5 spend 25 percent of their time on the mail.

I have on my staff seven legislative assistants, and they have a multitude of tasks. Part of their time is spent on mail. Part of their time is spent monitoring the floor of the Senate and keeping track of what is going on, so that I am not caught with an amendment that has been handed in which nobody has read before. Some of their time is spent in covering other committees so that I might know what those committees are doing, so that I might go and testify, as I did last Friday before Senator MAGNUSON's committee, on why we should extend the fishing zone to 200 miles. I do not serve on that committee, but one of my legislative assistants has to cover that matter, because it is of interest to my State.

Then, of course, we have the committees upon which we serve, which constitute probably 80 percent of our work.

Mr. President, at this time I have nobody appointed to either the Committee on Banking, Housing and Urban Affairs, upon which I serve, or the Committee on Finance. I have no patronage, no professional staff, no clerical staff, no nothing. I cover those committees with legislative assistants who are paid out of my clerk hire. That is money that otherwise could be spent to answer the mail. But we inevitably have to make a compromise among covering our committees, answering the mail, and doing casework.

So, in response to the chairman of the Committee on Rules and Administration, when he says, "Why that is a clerk hire problem and should go through the legislative appropriation," I say that it is not just a clerk hire problem. It is a total senatorial office problem. We do not divide up the office and say, "This is senatorial work that relates to committees; this is sort of quasi-legislative work that relates to mail; this is sort of ombudsman work." They all relate to serving our constituents.

To the extent that this resolution is agreed to and we get adequate staff on our committees, I can reassign my staff on clerk hire and adequately handle the mail and the case work.

It is ironic that now, with 11 of my staff in Portland, 21 here, and 1 who is part-time and soon will leave and will not be replaced, I have only 2 or 3 more employees than I had 6 years ago. I have only two or three employees because I have had to stretch and stretch the budget, as inflation has set in and we have had to pay people higher salaries. I have had to cut down my top salaries.

Six years ago, I was paying my administrative assistant what was then the top salary that an administrative assistant could be paid. I had two legislative assistants at a very high salary. Today, the top salary that anyone in the office makes—anyone—is my administrative assistant, who makes $27,180, far below the maximum that can be paid. The average that my legislative assistants are making is $11,125. These legislative assistants are young and enthusiastic and bright and inexperienced. I am not going to hold them very long on my staff at $11,000 or $12,000 or $13,000, as they become experienced.

I will cite a perfect example. I used to have on my staff an excellent legislative assistant named Ed Kemp. I started him off on a part-time job 4 or 5 years ago. He was first rate. Finally, he moved up to handling the Banking Committee matters and did an excellent job on it. He became expert on the Export-Import Bank. Last summer, when we had a fight on the floor of the Senate over the Export-Import Bank and its financing, and we had filibusters and cloture motions, Ed Kemp, an underpaid legislative assistant, did a whale of a job.

What happened? The fight was over and the act was extended, and I lost him to the Export-Import Bank, at a substantial increase in salary over what I was paying, to open their congressional liaison office. I could not object to his taking the position. It was a substantial increase in salary, which I could not pay. It was an increase in prestige.

So far as turning back money is concerned, I suppose I am 1 of the 62 or 63 that the Senator from Georgia (Mr. TALMADGE) mentioned as having turned back an amount for clerk hire last year. For 1974, I had available $386,446.50. We spent $385,610.49, which left a balance of $836.01. I challenge anybody to come closer to that in spending his clerk hire allowance.

As the Senator from Maryland or some other Senator said today, there is no way we are going to spend all our clerk hire allowance. We have to leave something for merit increases. We are taken by surprise when someone quits whom we do not expect to quit. I suppose I can be counted as having turned back some salary and do not need any more, but that is not the situation.

The question has been raised as to whether we ever have had any difficulty in getting help from a committee on which we serve, and I can answer, "Yes." I do not answer this in a spirit of irritation or a spirit of malice. I think the Senator from Alaska put it very well when he talked about it as being the pecking order.

Several years ago, we had an issue in the Committee on Banking, Housing and Urban Affairs relating to the export of unprocessed logs from the United States. On the west coast, we face a substantial problem in our lumber industry. The logs are selected from public forests, normally the U.S. Forest Service and the Bureau of Land Management, and they are sold at auction to the highest bidder. The Japanese frequently are the highest bidder, and off they go with the logs. At the moment, it does not present a serious problem, because we have a surplus of logs in this country. When homebuilding in this country gets to roughly an average of 1.8 million new starts a year, we run out of wood. Because we try to cut our forests on a sustained-yield basis, not to overcut them, we produce just about enough wood in this country for 1,800,000 homes. When we are building more homes than that, as we were several years ago when I was proposing this log export control amendment, we were in the anomalous situation of exporting logs to Japan—unprocessed logs, not doing any of the work on them here, not going through our mills. We were sending them to Japan, which they used in their housing industry. Then, because we did not have enough lumber in this country for homes, we imported finished lumber from Canada, because Canada does not allow the export of unfinished lumber. We were buying lumber at a high price from Canada. It is a ridiculous situation, and I introduced legislation to try to correct it.

There was an interesting configuration of supporters and opponents, both within Congress and without. By and large, on the one side those groups that strongly supported a ban or elimination on log exports were environmentalists, small lumber companies, the National Association of Homebuilders, and most western lumber manufacturers.

On the other side, in favor of continuing the log exports, were most of the large lumber companies in this country. By and large, the lumber companies in the southeastern United States, where they are growing principally pine and the Japanese are not buying it, were kind of neutral on it. They did not have a strong feeling on it one way or the other, but if they had any feeling at all, it was probably that they did not like the bill.

The upshot of all this was that as the bill began to wend its way through committee, the chairman of the committee was opposed to the bill; the ranking member was opposed to the bill; and getting any kind of sufficient help from the Committee on Banking staff was well nigh impossible, especially if one wanted to get some first-rate factual data and wanted to make sure that no one else was going to share the information that he had until he was ready to use it.

I am not critical. I understand the situation. The staff of the committee was hired, by and large, by the chairman and by the ranking member. They understood which side their bread was buttered on, and I just happened to be on the wrong side of the toast on that issue. So I had to use my personal staff, what help I could get from the Sierra Club, the National Association of Home Builders, the small lumber and manufacturing association, in drafting and redrafting the bill, from the Library of Congress, from the Legislative Reference Office—wherever I could pick it up. But not from the committee staff.

I have had similar situations on committees that I was not on, where I wanted to introduce bills and get hearings on bills that, by and large, were opposed by the chairman of the committee or the ranking member, or both. I could get no help from that committee staff, even though I did not serve on it. I thought they worked for the U.S Senate or for the committee and would help all Senators. But I could get no help in drafting the bill. Not until the chairman finally said I could have a hearing date would I get help.

So, yes, there are situations where, when a Senator is a member of a committee that is not in favor of something the chairman wants, or vice versa, he does not get the help that he needs.

I thought the Senator from North Carolina (Mr. MORGAN) put it very well this afternoon, following the comments of the Senator from Georgia (Mr. TALMADGE), in which he indicated how the staff of Committee on Agriculture worked and that it served everybody on the committee. I am quoting now from the Senator from North Carolina (Mr. MORGAN).

I will say to the Senator from Georgia that I have the highest regard for the Senator from Georgia and the manner in which he operates his committee. I think his thoughts and his philosophy about how the committee should operate—

I emphasize "should"—

are ideal. But the sad truth, Senator, is it just does not work that way.

It does not work that way. If a Senator has been here a long enough time, be he Republican or Democrat, he will find a way to get adequate staff. If he has not been here a long enough time, he will have a dickens of a time getting adequate staff, regardless of whether he is a Republican or a Democrat.

Where are we going to house them? I will move some of them out to Portland. I have ample space in Portland. I am housed in a Federal building there, and when I need more space, they give it to me.

Give me sufficient clerk hire and I will do all my mail responses there. The Robotyped letters that the Senator from California (Mr. CRANSTON) talked about, I can do there. We have space here we are entitled to use. We are entitled to move all of our MT/ST machines over to the Immigration Building. We have not done it yet. I have space there we can use.

I say to the Senator from Nevada, chairman of the Committee on Rules, when he worries about where we are

going to house these people, I will find a place to house them, if I have to divide my offices horizontally and put people on top of each other.

Mr. MANSFIELD. Will the Senator yield without losing his right to the floor so I may take a unanimous-consent request?

Mr. PACKWOOD. Yes.

ORDER FOR MOTION TO TABLE TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a tabling motion to be offered by the manager of the bill, the distinguished Senator from Nevada (Mr. CANNON) be made at 2:30 tomorrow afternoon; that for the half hour prior to that motion, there be debate between the distinguished Senator from Nevada on the one side, 15 minutes, and the distinguished Senator from Alaska on the other side, 15 minutes, under the usual rule.

Mr. PACKWOOD. Reserving my right to object, does that mean there will be no votes tonight?

Mr. MANSFIELD. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, may I take a minute?

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. PACKWOOD. I yield the floor.

Mr. STENNIS. I wanted to ask a question of the chairman of the committee. I shall wait.

Mr. PACKWOOD. Let me conclude by saying this: It has been argued that this is not a question of those who have been here a period of time against those who have not. I simply quote the names of the Senators that the Senator from Nevada, the chairman of the Committee on Rules, mentioned this morning as having sufficient interest in this bill to come and appear before his committee or to write a letter. There may be others who have an interest who are going to vote one way or the other on the floor, but these are the ones who had sufficient interest to appear or make their views known before the Committee on Rules. Those, as announced by the chairman, who appeared or wrote are as follows, including Senator CANNON himself, who is opposed to the Gravel resolution and, as I understand it, the Brock substitute: Senator CANNON, chairman of the Rules Committee, elected in 1958; Senator RANDOLPH, chairman of the Committee on Public Works, elected in 1958; Senator Moss, chairman of the Committee on Aeronautical and Space Sciences, elected in 1958; Senator PROXMIRE, the chairman of the Banking Committee, elected in 1957; Senator CHURCH, chairman of the Subcommittee on Aging, elected in 1956; Senator TALMADGE, the chairman of the Committee on Agriculture, elected in 1956; Senator PASTORE, chairman of the Joint Atomic Energy Committee, elected in 1950; Senator SPARKMAN, chairman of the Committee on Foreign Relations, elected in 1946; Senator MAGNUSON, chairman of the Committee on Commerce, elected in 1944.

Those are the ones who appeared and had sufficient interest to try to stop this. Not a single one of them was elected after 1958. Sure they want to stop it. They have all the staff they need.

Who are those who appeared on the other side, who were in favor of this? Senator HANSEN, of Wyoming, elected in 1966, ranking member of nothing; Senator BAKER, of Tennessee, elected in 1966, the ranking member of the Committee on Public Works; Senator GRAVEL, of Alaska, elected in 1968, chairman of nothing; Senator CRANSTON, of California, elected in 1968, chairman of nothing; Senator PACKWOOD, of Oregon, elected in 1968, ranking member of nothing; Senator SCHWEIKER, of Pennsylvania, elected in 1968, ranking member of nothing; Senator BROCK, of Tennessee, elected in 1970, ranking member of nothing; Senator HASKELL of Colorado, elected in 1972, chairman of nothing; Senator ABOUREZK, of South Dakota, elected in 1972, chairman of nothing; and Senator BIDEN, of Delaware, elected in 1972, chairman of nothing.

Mr. President, let us put the argument exactly where it is. This is a battle between the haves and the have-nots, and just the people who indicated their interest, making it quite clear. Every person who is opposed to this was elected in 1958 or sooner, if they bothered to go to the committee and express their interest. Every single person who favors it was elected from 1966 onward. That is what we are dealing with.

This group that has been elected from 1966 onward is frustrated, irritated, and mad, and they cannot wait any longer for the Committee on Rules to reorganize the committee system of the Senate or reorganize the staffing system. That problem has been faced and addressed and there has been a failure of satisfaction on that issue.

I yield the floor.

Mr. GRAVEL. Mr. President, I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I asked for recognition so that there will be no misunderstanding. I am on that list that Senator PACKWOOD read last. I have listened to some of the debate and I am kind of concerned, because those who oppose this are talking about this proposal as if it were something that is going to burden the Treasury of the United States. They have even talked about it as "robbing the Treasury."

Let me just say from my standpoint, as one Senator, I wish I was not so overwhelmingly busy, starting my third year in the U.S. Senate, but for this reason I have to be here supporting this. I wish, sometimes, I did not have so much concern for legislation that was coming out of committee, which I had no opportunity to even have a staff member review. I wish we did not have that much business, but that is not true. The facts of the matter are that the new Senators in this body are genuinely concerned about their country, their constituents, and what is coming out of the committees on which they serve and the committees that are dealing with subjects in which they are interested and which are vital to this country; they all wish the burden was less.

The facts are we do not have enough staff to do the job properly.

To those who are concerned about robbing the Treasury, let me say I have not been here very long, but for years we have been talking about redoing the committee structure itself; for years we have been talking about better alining the staff of the committees; the committees' own staff, and maybe that is where the robbery of the Treasury is. Maybe there is enough staff around the committees, but we do not have any way to get to that issue. Those are the straight facts of the matter

So we joined with those who say, "OK, maybe this will get cleaned up one of these days. Maybe the way we are going about it by adding these new staff members to the committee, maybe we will get assimilated and we will not need as many staff doing committee work."

But the fact of the matter is that those who are in ranking positions and chairman positions have plenty of committee staff. Those who are not do not.

Senator PACKWOOD from Oregon has hit it right on the head.

Then they come before us and say, "How are we going to mix this new kind of staff you are talking about with this professional staff personnel that we have had before?"

I personally think that rationale is an affront to the office of a U.S. Senator, to any individual Senator. What is that saying? That is saying if the Brock amendment passes the Senator from Oregon will purposely and intentionally use $60,000 or $70,000 to hire people just to get them on the payroll.

I say if that is true about him and his discretion to use that money to help him be a better U.S. Senator, serve his country and serve his people, if that is true about him, why is it not true about the way we are selecting staff now for committees? I mean is there somebody with some rather significant kind of superior ethics around here, ethics that we do not have?

I have just recently been given the privilege of hiring a professional on the Committee on Public Works. That was because I spent so much time there that I said, "I cannot come so much any more. You will have to find somebody else because I do not have a staff member."

I am not critical of anyone, but they said, "We will give you one. You are the only one who comes. We are counting on you."

So they gave me a professional staff member.

For those who say that I do not know how to pick one, well then, let us see what kind of person I picked. I picked probably the best young man in the area from Washington, D.C. I even ignored my State because I wanted a professional in the very complicated area of clean air. There are seven major issues confronting that subcommittee, and I could have gone this whole year without any professional help to work with me personally. And, I am the one who has been attending almost every hearing on the subject.

Then it seems they are so concerned about how are staffs going to mesh together, how is this new kind of person whom I might hire, who belongs on one of these committees, they ask, how is he going to mesh with the old staff? Well, we are doing it on a brand-new committee. We are going it on the Budget Committee with tremendous success.

I do not see why it cannot work on an older one. The format for the Budget Committee of the Senate is a core staff and two professionals for each Senator who is on that committee. There is no difference from top to bottom, whether you are chairman or whether you are a ranking member, and they can go and check that one out: They can check the Senator from Maryland, the Senator from Idaho, myself, the junior Senator from New Mexico, Senator BIDEN, and see if we hired professionals who work on that staff as our representatives to merge with the core staff.

Let them go and run them down and see if we hired some political hacks because we have the right to hire one professional economist and a secretary or clerk or task-kind of observer.

Let us check their qualities versus the core quality of the basic committees that the Senate has. I think we will stand high on that list.

And, yes, we are even told you would have to pay new staff substantial money. My recollection is you could pay up to $34,000 for that economist on the Budget Committee. You would think all of us would run the next day and just hire them to get on the payroll. There is so much true concern for professionalism that some waited 2 months to find absolutely the best economist they could find in the country who would be willing to work for them on that staff.

I do not know why we cannot assume that kind of expression of concern on the part of the younger Senators who are going to benefit from this, who are hiring additional staff for committees, but principally to permit the Senators who serve on these committees to do a better job.

That is only half the problem, as I see it, because if we did that and got professional staffing for the committees we serve on then, indeed, the clerk-hire would permit us to have legislative aides who could serve us on the committees we are not on. And, there is nobody who can come to this floor and say that major legislation has not come out of committees that they do not serve on that they were concerned about when they voted on that measure, because they did not know enough about it; or wondering why they did not start following it 6 months before; or wondering why their staff did not tell them what is upcoming so that the Senator could have been there as a witness. The Senator could have followed the legislation with more staff and maybe, to the dismay of some, even offered a constructive suggestion to a committee on which they are not a member. That is another major shortcoming—we do not get to do this because we do not have enough staff, unless it is a special subject for our State, or something we are inclined to follow and something we are interested in almost by nature.

We are shortchanging our participation. I am not talking about the markup. That is the committee system which the distinguished Senator from Mississippi praises so much and insists we retain so strongly. I am not talking about interfering there. But I am talking about the Senator from Oregon, as an example, being involved in helping develop legislation in the Committee on Public Works in the Clean Air Subcommittee. I know he is vitally interested, but he does not have the staff capacity to follow what we are doing in this year of proposed measure changes to the Clean Air Act. Maybe if he had staff assistants briefing him on that he would be able to offer constructive recommendations and assistance to that committee.

In my opinion, that is one of the most serious flaws in the Senate business today where we in the body do not get to help and participate in the committee work, in its hearings, in giving information, in being informed, in offering some good suggestions to them about legislation because we do not even have enough staff to man the committees on which we serve.

Many of us serve on committees not by choice but because the seniority system has given us those. Where does that leave us? Frequently that leaves us with an area we came here most concerned about, the most important to our State, without any kind of ability to work really in those areas because all of our efforts must go toward the committees on which we serve.

If we wait 6, 8, 10, 12 years, we will get enough staff to help us serve on committees, certainly. But what happens in the meantime?

It is for that reason I say to those who say this is a robbery of the Treasury, it is not a robbery of anything. It is one of the most constructive things we have done—give every Senator around here a chance at getting real professional advice without totally sacrificing his constituent responsibility, whether we like the constitutent responsibility or not, whether we like being an ombudsman or not.

Nobody is here suggesting we should not answer our mail. Nobody is suggesting we should not handle constitutents who are worried about the bureaucracy. But, how are we going to do all of that unless we are adequately staffed professionally?

How can brother Senators come to the floor and imply that we are not going to use that money to hire what we really need? That is somewhat—and I mean it only as I see it and not in any way chastising anyone or critical—of an insult to the integrity of those who are serious about this job. That is how I see it.

For those who are not too serious about this job—and I do not know if there are any or not, some might conclude that there are—then it is not going to do any good regardless of what we pass in terms of clerk-hire, in terms of additional staff. They are just not going to be very much interested.

So, it seems to me, this is a bill to help the genuinely concerned U.S. Senator who is somewhat baffled by his inability to follow the legislative process through and feel that he has truly participated and, at the same time, do all the jobs that the office of a U.S. Senator for some reason or another has developed into in this day and age.

That is the way it is. Not a robbery of the Treasury, not an effort to undermine the core staffs that are so professional—and they may well be—but rather an effort to make the individual U.S. Senator a better Senator.

Any inference that we are trying to do it for any other reason is absolutely an insult to the office we hold.

Can one imagine working hard enough to become a U.S. Senator and then come here as one of the 100 and using this new money just to hire seven or eight people so we can say we have them on our staff?

What is that going to do?

Those of us in the Senate have long understood we are not going to be reelected by patronage. Those days are gone, almost, for Governors around America, almost gone for mayors around America; there may be three or four cities left where patronage is significant.

With the tiny bit of people we hire, how can anyone imply we would hire them to reelect ourselves, or part of some patronage system to protect ourselves?

Those are my few observations. I can assure my fellow Senators that if, indeed, I do not need the staff—someone asked today about the Space Committee, if that was one of my major committees and I was to get the $69,000 for it—I probably would not hire 1½ or 1⅔ people as Senator BROCK explains my right.

It happens that I am on that committee, and it happens that I am on two other major committees and I have the staffing for them, but if I was on space or one similar, I probably would not hire because I do not think there is enough work to do on some committees, another shortcoming of trying to get any help, which I could use, but I know not that much on that committee.

I think they have got to give us the benefit, the presumption of being honest in this regard, and not imply we would abuse hiring, or hire for any motive other than to give us a better opportunity to be the best U.S. Senators that we can.

Mr. BROCK. Will the Senator yield?

Mr. DOMENICI. I am delighted to yield to the Senator.

Mr. BROCK. I just wanted to thank the Senator for his comments. I wish I had his eloquence. I respect him so greatly and the sincerity of his case is self-evident.

I think the point is so well made that if we had adequate staff on the existing committees, then who would complain?

Mr. DOMENICI. Precisely.

Mr. BROCK. Why should we even bring the case to the floor if the situation were not desperate for us?

It becomes almost self-evident. We come in with a resolution that says we are going to get x number of slots per committee, nothing more or less. If it were not a problem, there would not be one of us here on the floor today. Not one.

The fact we have 57 cosponsors on a particular resolution whether or not we can get that many votes in the final analysis with this kind of pressure, I do not know. But the fact we have that many cosponsoring it indicates there is something awry.

Mr. DOMENICI. Let me agree with my distinguished friend from Tennessee. Let me give him a perfect example of the situation that one finds oneself in.

When I came to the U.S. Senate, as the Senator knows, I had no legislative experience. I had been a mayor, and in that capacity as mayor I think we had almost every major Federal program initiated while I was there and at some stage of completion, everything from urban renewal to council of governments to a model city project that was one of the biggest in the country.

Anything of any substance that had been passed up here, we were doing there, or trying to do.

First, we had public housing in our city, and going with everyone's support, no one in the town fighting it or anything, and for 10 years we could not get it on the council agenda.

I came here thinking I was going to help here before the committee working out some problems that Senator JAVITS had in developing manpower training, but which had its genesis in my city, for Albuquerque initiated with Dallas the total consolidation of the fragmented manpower programs and tried it administratively.

Mr. BROCK. That is exactly right.

Mr. DOMENICI. I came here and I did not get on any of those committees. I have no complaints. I am delighted with my assignments. But there was no way with the staffing I had, even with that kind of experience I had, that I could participate other than maybe cosign a bill that someone might draft with reference to remodeling urban renewal, or creation of a new community development act, which the Senators did.

I would have been delighted to have had staff capacity to have my man sit in from the first meeting.

Mr. BROCK. Right.

Mr. DOMENICI. And maybe go with others three or four times as a nonmember to say what I then knew about it.

It was not a question of my desire, it was not a question of whether I could have helped or not, for I think the answer to both of those were "Yes." My desire was there and I think I could have substantively contributed. I did not contribute purely and simply because of not having the staff capacity to get started working with others and then my finding the time to work with my staff and help that committee.

Across this Senate, there are Senators in that same position who find the legislation in its completed form and only wish they could have had an opportunity before to contribute.

The distinguished Senator from Mississippi on armed services, while they developed that recent bill, how many Senators would have liked the capacity to professionally have someone there helping along with good suggestions and going to some of the hearings?

That is one of the biggest weaknesses, as I said, in the structure and short-changing the Senate in a more significant manner than anything else.

Mr. BROCK. The Senator knows of the efforts a number of us have made, and he has supported efforts to reform and update our basic committee structure itself, which, by itself, is inhibiting in that kind of cross-fertilization.

I think last week we had a good example of this. We had a debate. We first put the defense budget in the context of our total national security and foreign relations so that we could fold the issues together and then synthesize the best wisdom of this body. That was a first-class opportunity for the Senate.

But the problem is that if the Senator from New Mexico and the Senator from Tennessee have to allocate our existing clerk-hire people in desperation to keep up with our own committee jurisdiction, how in the world can we be involved in some of these other areas?

As the Senator says, how often do Senators come on the floor with inadequate preparation simply because we cannot cope with our existing level of staff?

There is such an opportunity. There are some fine minds in this body not being utilized, because they cannot come in with adequate preparation.

I just think we can serve this country so much better if we understand the basic limitations.

We are not in a cocoon here, not in committee cocoon, yet that is almost the proof of the case in opposition, that if one is on a committee, one should not have anything else to worry about.

My goodness, we have to vote on every issue, of every description, of every type, big and small.

What is wrong with doing it on a rational, intelligent basis?

Mr. DOMENICI. I want to comment for one more moment and then I will yield to my friend.

Mr. GRAVEL. Will the Senator yield on this—I will be very brief.

Mr. DOMENICI. Before I yield, I want to compliment the Senator from Alaska (Mr. GRAVEL) for initiating this, Senator CRANSTON and Senator BROCK, the Senator from Oregon (Mr. PACKWOOD), and all those that have worked from the beginning.

We have a different amendment on the floor than the concept we started with, but I think that tomorrow when we succeed, we will find that this is, indeed, going to be a very salutary thing for the U.S. Senate and just the beginning of some very vital changes that will occur in the ensuing months and years.

Mr. GRAVEL. If my colleague will yield for a moment, I would like to have this continue, to underscore the point in the argument I made which has not been touched on in the course of the entire day's colloquy. That is, that if we as Members do not have the judgment, the intelligence, and the ability to handle intelligently the apportionment of the $69,000 to hire staff, if we are going to be so venal as to squander this money, then obviously this Nation is in a lot more trouble than we realize.

So when my colleague came forward and stated he was insulted by the inference that this is a raid on the Treasury and we are going to just squander these funds to hire people, not to help us acquire more knowledge, but just to hire them and put them on a payroll, I share that same view, that same insult.

That matter was not brought up in the course of today's colloquy.

I want to underscore and thank my colleague for his contribution in that regard, also knowing the difficulty in scheduling today.

Let me end by making one statement which epitomizes the issue. That is, within a democracy, a rational democracy, knowledge is power. This Chamber is where power is handled in the disposition of policy for the people. So what we talk about here is who will have the power and who will not have the power. To have equitable distribution of that power to impact favorably and equitably in policy for the Nation can only be done through the proper apportionment of staff to assist ourselves in doing the tasks that have been appointed for us to do by our constituents. That is the issue.

Mr. DOMENICI. I thank my distinguished friend from Alaska.

Mr. STENNIS. Does the Senator yield the floor?

Mr. DOMENICI. Yes.

Mr. STENNIS. Mr. President, I seek the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I will not detain the Senate over a minute or two. I want to ask a question of the chairman of the Rules Committee. This relates to the situation assuming some of these resolutions pass.

My question is this: Under the present rules of the Senate, we have what is generally called professional staff membership. As the Senator knows, illustrating with the Armed Services Committee, we have these men employed under the present rules of the Senate as professional staff members.

These resolutions that are pending, assuming that some or one of them passes, so far as the general provisions are concerned as presented today, as I understand, this will leave the committees still operating under the present rules of the Senate and they will continue to have their professional staff members as a

hard core and as a start. Is that correct?

Mr. CANNON. I may say to the Senator certainly under the proposal that the committee reported, under the Hatfield proposition, that would be correct. It would not affect the basic committee core staff.

Under the two other proposals, that is less clear, although I know in the colloquy it was pointed out, for example, by the Senator from Alaska, that he agreed that if a Senator changed committees, for example, those people who were appointed would be terminated, because he could no longer certify them. Therefore, they obviously would not be a part of the committee core staff in that situation.

I would ask the distinguished Senator from Tennessee to answer concerning his proposal.

Mr. STENNIS. I was going to ask the Senator from Tennessee the same question, if he will come into the same colloquy.

Mr. BROCK. Under any of the proposals, the committee bill, the original Gravel bill or the Brock substitute, the staff would be responsible to the individual Senator who has to certify that staff person. If the Senator leaves the Senate or leaves the committee, that staff person is no longer on the payroll and is automatically terminated.

Mr. STENNIS. Whether that was at the end of 1 year, 2 years, or 3 years, should he leave the committee, that staff member in particular would not be certified any further and that would terminate his services?

Mr. BROCK. That is correct. If I may draw an analogy, when we have a new chairman of a committee, as we had in a number of cases this year, the new chairman can terminate the professional staff that was under the previous chairman and hire his own. Many have done so. We would do the same thing.

Mr. STENNIS. And the Senator from Nevada, as I understand, has that as his interpretation also?

Mr. CANNON. Under the Hatfield proposal that the committee reported, that is correct. We would not expect to disturb the core staff of the committee. As I said earlier, I personally felt the better way to go might be through the Legislative Appropriations Committee. But I did support the Hatfield matter in order to try to get some equity to some of this problem.

Mr. STENNIS. I thank the Senator. I believe he has made that clear.

There is a reference on page 6 of Senate Resolution 60 as now drawn referring to the sense of the Senate about blending into the staff. If the Senator who proposed this member as his representative in the first place leaves the committee, that terminates that staff member's position.

Mr. BROCK. Absolutely.

Mr. STENNIS. And for a very obvious reason, that they have to make room for the successor.

Mr. GRAVEL. If the Senator will yield, I might point out for the Senator's edification that were the resolution to pass as it came from the committee, were that eventuality to occur, then the concern the Senator has with respect to blending and the confusion that will rise within the confusion is absolutely going to take place.

Mr. STENNIS. The what? The confusion?

Mr. GRAVEL. Both the confusion and the blending will take place. In other words, there will be difficulty because, as chairman of the committee, the chairman will have the problem of absorbing the members who are hired because this only lasts for 3 years. It is the intent of the committee proposal to take these people and to force-feed them right into the committee, with dual loyalty because they will be hired by the member but they will consult with the chairman.

The ambiguity was underscored by the Senator from Oregon when he said that the ambiguity was there so that they could force sort of a coming together between the chairman and the member.

Mr. STENNIS. After, if the member of the committee is no longer there and this gentleman cannot be certified, it would certainly be up to the committee, then, as to who they would keep on the staff. They are the ones that control the money and they can certainly say who will be a staff member. I would not have any trouble on that score.

Mr. CANNON. The Senator is correct.

Mr. GRAVEL. To hold the chairman's attention for a moment, there is one fine difference. Under this proposal, when a person goes from one committee to the other committee, he is the one who either continues the employment or fires the individual. Under the proposal of the committee, it will be the chairman of the existing committees who will do the firing. I think that is a fine point to underscore.

Mr. STENNIS. If I may respond and then I will yield the floor, it would be very clear to me that it would be a question then for the committee to decide who was to be kept.

Mr. CANNON. The Senator is correct.

Mr. STENNIS. I thank the chairman.

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REQUEST FOR RECESS UNTIL 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:30 a.m. tomorrow.

Mr. STENNIS. Mr. President, I reserve the right to object to make an inquiry there.

I have a hearing set in the morning for a matter that will lead to questioning.

Mr. ROBERT C. BYRD. Mr. President, I withdraw the request.

Mr. STENNIS. All right.

Mr. TALMADGE. Mr. President, will the Senator yield in order that I may make an inquiry of the acting majority leader?

The Committee on Agriculture and Forestry has a very important executive session tomorrow on school nutrition legislation.

Would the acting majority leader object now if we get permission to sit tomorrow at 10 a.m.?

Mr. ROBERT C. BYRD. Not at all.

ORDER FOR COMMITTEE ON AGRICULTURE AND FORESTRY TO MEET UNTIL 12:30 P.M. TOMORROW

Mr. TALMADGE. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry may sit tomorrow during the proceedings of the Senate session until 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR COMMITTEE ON ARMED SERVICES TO MEET TOMORROW

Mr. STENNIS. Mr. President, if the Senator will yield, I ask unanimous consent that tomorrow the Committee on Armed Services be permitted to sit until 12:30 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BAYH TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. CLARK is recognized tomorrow under the previous order that Mr. BAYH be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT NO ROLLCALL VOTES OCCUR PRIOR TO 12:30 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes tomorrow prior to the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—S. 1662

Mr. ROBERT C. BYRD. Mr. President, I understand that this request has been cleared by Mr. DOLE and by Mr. HUGH SCOTT and by other Senators who are particularly interested in S. 1662. It has also been cleared with Mr. TALMADGE and with Mr. ALLEN.

I ask unanimous consent that at such time as S. 1662, a bill to amend the Food Stamp Act of 1964, is made the pending business before the Senate, there be a time limitation on the bill of 1 hour, to be equally divided between——

Mr. TALMADGE. The Senator from Alabama is the floor manager.

Mr. ROBERT C. BYRD (continuing). The time to be equally divided between Mr. ALLEN and the distinguished Republican leader or his designee; that there be a time limitation of 20 minutes on any amendment thereto, to be equally divided; that there be a time limitation on any debatable motion or appeal or point of order, if such point of order is submitted to the Senate for discussion, of 10 minutes, and that the agreement be in the usual form.

Mr. HUGH SCOTT. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. HUGH SCOTT. Reserving the right to object, I will not object to that request. I would like to express the hope, first of all, that this debate will not take too long since we have a number of people coming down on the New Hampshire contest, and I would hope it could be held to its limited time as much as possible.

I have no objection. I transfer my time to the distinguished Senator from Kansas (Mr. DOLE).

Mr. ROBERT C. BYRD. Very well.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator for yielding.

Mr. GRAVEL. I am always ready to accommodate my friend and colleague from West Virginia whenever he wants to continue to carry on his administrative functions.

Mr. ROBERT C. BYRD. I thank the Senator.

The text of the agreement is as follows:

Ordered, That during the consideration of S. 1662, a bill to amend the Food Stamp Act of 1964, debate on any amendment shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment, debatable motion, appeal, or point of order, the time in opposition thereto shall be controlled by the Minority Leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from Alabama (Mr. ALLEN) and the Senator from Kansas (Mr. DOLE): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, appoints the following Senators to attend the United States-U.S.S.R. Parliamentary Meeting, to be held June 27–July 6, 1975: Senators HUMPHREY and HUGH SCOTT, cochairmen; SYMINGTON, RIBICOFF, HOLLINGS, BIDEN, CULVER, MORGAN, GARY W. HART, LEAHY, JAVITS, PEARSON, PERCY, MATHIAS, MCCLURE, and DOMENICI.

SENATE RESOLUTION 177—TELEVISING SENATE PROCEEDINGS CONCERNING CONTESTED ELECTION FOR A SEAT IN THE U.S. SENATE FROM THE STATE OF NEW HAMPSHIRE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the pending business before the Senate be temporarily laid aside for not to exceed 5 minutes, and that the Senate resume the consideration of Senate Resolution 177.

The PRESIDING OFFICER. Without objection, it is so ordered. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 177) to permit radio, television, and photographic coverage of all proceedings of the Senate relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senate Resolution 177 be amended as follows:

That all after the word "Administration" on line 4 of page 2 be stricken, and that the colon following the word "Administration" be deleted and a period inserted in lieu thereof.

Mr. MANSFIELD. Mr. President, will the Senator read the language to be deleted?

Mr. ROBERT C. BYRD. Yes. The language to be deleted is as follows:

And be it further

Resolved, That the joint leadership shall assure that only the most advanced technology available be employed in televising these proceedings especially with respect to the selection of cameras that require no additional lighting requirements in the Senate Chamber.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. MCCLURE. Mr. President, reserving the right to object, and I shall not object, I think the assistant majority leader indicated there would be a period inserted. That will be changed by the second unanimous-consent request he is about to propound; is that not correct?

The PRESIDING OFFICER. The Senator requested a period instead of the colon as a part of his unanimous-consent request, and then the Senator read the language to be omitted following the period.

Mr. MCCLURE. I withdraw my reservation.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask that the Senate proceed to the consideration of the second amendment (No. 547), which I offered last Friday, and which is now pending.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On line 4, after "television" insert: ", contingent upon some limitation of debate being ordered by the Senate".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the clerk again state the amendment?

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On line 4, after "television" insert: ", contingent upon some limitation of debate being ordered by the Senate".

Mr. MANSFIELD. Mr. President, what this resolution entails is the following, and I would like the leaders, the four-man joint leadership, to mark my words.

The fact that there was a deletion does not mean that if TV is used in this Chamber, lights will be used of the same capacity as in the House of Representatives when joint sessions and joint meetings are held there.

It is the intention of the leadership that the amount of lighting be held to a minimum.

It is the intention of the leadership that the Senate will determine what rules and regulations will be in effect.

It is the intention of the leadership, and we have so requested, that members of the policy staffs on both sides, Mr. Charles Ferris, the chief of the Democratic policy staff, Mr. Ken Davis, the assistant to the minority leader, and Mr. Bill Wannall, the Sergeant at Arms, seek to arrange a meeting for tomorrow morning—the meeting to be arranged tonight, hopefully, for tomorrow morning—at which time these officials of the Senate, representing the Senate, will lay the case before three networks and also the Public Broadcasting System, so that, on the basis of what has been said tonight, what they will have to say, under the instructions of the joint leadership will be reported back to the joint leadership, the chairman of the Rules Committee (Mr. CANNON), and the ranking minority member of the Rules Committee (Mr. HATFIELD), so that we can be prepared for this new factor as far as Senate proceedings are concerned.

But I do want to repeat: as little light as possible; that the Senate will be the master of how, when, and in what manner it will be done; and that these and other factors will be discussed in detail, hopefully, with the appropriate representatives of the four networks already mentioned and any others which may be brought in.

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader yield on the time of the minority leader?

Mr. MANSFIELD. I yield.

Mr. HUGH SCOTT. I agree with what the distinguished majority leader has said. It is not always true that the generation of heat will itself result in the generation of sufficient light, and therefore some light will be necessary, and the heat and the light together may burden the air conditioning, for all we know.

Nevertheless, we want to be open; we want to provide for television if it can possibly be provided for; and we do want to agree to a time limitation if we can find all Senators amenable. Those Senators who have discussed it have no objection; they have simply discussed the matter of the hours to be involved. I will discuss it further with my colleagues at the regular policy committee luncheon tomorrow, and hopefully in the afternoon, if all goes well, we may be able to propound a time limitation agreement, so that presumably sometime Wednesday after the noon hour, the television people could, if they can be prepared by that time, proceed with the preparation for the coverage of this extremely important matter, in which the Members of the Senate will, in an important aspect of their duties, serve as judges of an election.

I thank the distinguished majority leader.

Mr. ROBERT C. BYRD. Mr. President, has the amendment been adopted?

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I call up another amendment, which is at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes an amendment.

The amendment is as follows:

On page 1, on line 7, after "photography" insert: ", contingent upon some limitation of debate being ordered by the Senate":

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 177) as amended, was agreed to, as follows:

Resolved That the proceedings in open session of the Senate with respect to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire may be broadcast by radio and television, contingent upon some limitations of debate being ordered by the Senate. Rule IV of the Rules for Regulation of the Senate wing of the United States Capitol is also accordingly suspended for the purpose of photography, contingent upon some limitation of debate being ordered by the Senate. Be it further

Resolved, That such broadcasting shall be accomplished in conformity with procedures thereon agreed upon by the joint floor leadership. The implementation of such procedures shall be effected by the joint floor leadership after consultation with the chairman and ranking minority member of the Committee on Rules and Administration.

Mr. HUGH SCOTT. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, has there been any morning business today?

The PRESIDING OFFICER. There has been morning business.

Mr. ROBERT C. BYRD. Very well.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet tomorrow at the hour of 9:30 a.m. After the two leaders or their designees have been recognized under the standing order, the Senator from Georgia (Mr. TALMADGE) will be recognized for not to exceed 15 minutes, after which the Senator from Iowa (Mr. CLARK) will be recognized for not to exceed 15 minutes; thereafter the Senator from Indiana (Mr. BAYH) will then be recognized for not to exceed 15 minutes.

ORDER FOR CONSIDERATION OF SENATE RESOLUTION 60 TOMORROW

I ask unanimous consent that the Senate at that time then resume consideration of Senate Resolution 60.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. The Senate will then resume consideration of Senate Resolution 60, and votes may occur on amendments thereto or on motions in relations thereto.

So, I would anticipate there would be rollcall votes tomorrow.

At the hour of 2 o'clock tomorrow, 30 minutes of debate will occur, the time to be controlled between the Senator from Nevada (Mr. CANNON) and the Senator from Alaska (Mr. GRAVEL). At the conclusion of the 30 minutes, the Senator from Nevada (Mr. CANNON) will be recognized for the purpose of making a tabling motion. A rollcall vote then will occur on that motion.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 9:30 a.m. tomorrow morning.

The motion was agreed to; and at 5:54 p.m., the Senate recessed until Tuesday, June 10, 1975, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 9, 1975:

CIVIL SERVICE COMMISSION

L. J. Andolsek, of Maryland, to be a Civil Service Commissioner for the term of 6 years expiring March 1, 1981 (reappointment).

FEDERAL ENERGY ADMINISTRATION

Thomas E. Noel, of Virginia, to be an Assistant Administrator of the Federal Energy Administration, vice Leonard P. Poullot, resigned.

U.S. ADVISORY COMMISSION ON INTERNATIONAL EDUCATIONAL AND CULTURAL AFFAIRS

The following-named persons to be members of the U.S. Advisory Commission on International Education and Cultural Affairs for terms expiring May 11, 1977:

Eva T. H. Brann, of Maryland, vice Thomas B. Curtis; Richard T. Burress, of the District of Columbia, vice Harry S. Flemming; William French Smith, of California, reappointment.

James A. S. Leach, of Iowa, to be a member of the U.S. Advisory Commission on International Educational and Cultural Affairs for a term expiring May 11, 1978, vice William C. Turner.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 9, 1975:

DEPARTMENT OF STATE

Daniel P. Moynihan, of New York, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

Andrew L. Steigman, of Maryland, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic.

Malcolm Toon, of Maryland, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

Galen L. Stone, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Laos.

BOARD FOR INTERNATIONAL BROADCASTANG

John T. Murphy, of Ohio, to be a member of the Board for International Broadcasting for the remainder of the term expiring April 28, 1976.

INTERNATIONAL BANK FOR RECOSTRUCTION AND DEVELOPMENT

Charles A. Cooper, of Virginia, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES— *Monday, June 9, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

God giveth power to the faint; and to them who have no might He increaseth strength.—Isaiah 40: 29.

O God and Father of us all, we turn to Thee seeking guidance for the work of this week, strength to do it well, and stamina to keep with it until it is done.

We pray for the President of our country, for the Speaker of this House, for every Member of Congress, and for all who labor with them and for them. Make them increasingly aware of Thy presence and give them to know that Thou art with them all the way, enabling them to face the days with confidence, do their work with fidelity and remain calm in the midst of trying circumstances.

Send us forth into this day to do what we can for others, keeping our Nation great and good and making the world a better place where people can live together in peace.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 23, 1975:

H.R. 6755. An act to enable the United States to render assistance to, or in behalf of, certain migrants and refugees; and

H.R. 6694. An act making appropriations for special assistance to refugees from Cambodia and Vietnam for the fiscal year ending June 30, 1975, and for other purposes.

On May 26, 1975:

H.R. 4975. An act to amend the Rail Passenger Service Act to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes.

On May 27, 1975:

H.R. 4269. An act to amend the Organic Act of Guam and the Revised Organic Act of the Virgin Islands.

On May 28, 1975:

H.R. 7136. An act to continue the special supplemental food program for women, infants, and children through September 30, 1975.

On June 4, 1975:

H.R. 3786. An act to authorize the increase of the Federal share of certain projects under title 23, United States Code.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6674. An act to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6674) entitled "An act to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mr. CANNON, Mr. MCINTYRE, Mr. HARRY C. BYRD, JR., Mr. NUNN, Mr. THURMOND, Mr. TOWER, Mr. GOLDWATER, Mr. WILLIAM L. SCOTT, and Mr. TAFT, to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4221) entitled "An act to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PELL, Mr. RANDOLPH, Mr. WILLIAMS, Mr. KENNEDY, Mr. MONDALE, Mr. EAGLETON, Mr. CRANSTON, Mr. HATHAWAY, Mr. BEALL, Mr. JAVITS, Mr. SCHWEIKER, and Mr. TAFT, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 371. An act to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America; and

S.J. Res. 92. Joint resolution to honor America.

NORTH CAROLINIAN ASSUMES EDITORSHIP OF WASHINGTON STAR

(Mr. PREYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PREYER. Mr. Speaker, this week a strong new voice will be heard in Washington when Ed Yoder becomes editorial page editor of the Washington Star.

Ed comes to Washington from my hometown newspaper, the Greensboro Daily News. He served there as editor in a tradition of editorial courage and independence—always expressed in scholarly and literary form—associated with such distinguished predecessors as Gerald Johnson, Lenoir Chambers, William T. Polk, and with his colleague, Bill Snider.

It is impossible to pigeonhole Ed's political and philosophical views. His commentary will be unpredictable and independent, and it will always be expressed with bite and wit and with deep scholarship.

There will be no good gray columns from Ed Yoder. His complex intellect will be challenging each of us every day. Washington and the country will benefit from this refreshing new voice.

We welcome him to Washington.

I am including a comment on Ed in today's Extensions of Remarks for those interested in psychoanalyzing him in more detail.

CONGRESSMEN AND WIVES DOING WELL IN WAKE OF TRAGIC WRECK

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, a number of Members have asked me about the very unfortunate and tragic wreck which occurred near Callaway Gardens, in which some three Members of the Alabama delegation and their wives were involved, as well as Congressman FLYNT and his wife, from Georgia, and Secretary Callaway and Mrs. Callaway.

I am pleased to report, Mr. Speaker, to our colleagues that all of our colleagues are resting well. Congressman BEVILL and Mrs. Bevill have been dismissed, and they are back in Washington. Congressman FLYNT and Mrs. Flynt are still in the LaGrange Hospital. Mrs. Callaway is in Martin General Hospital at Fort Benning with my own wife. Congressman JONES and Mrs. Jones are still in the LaGrange Hospital. Congressman FLOWERS is in the LaGrange Hospital.

Mr. Speaker, each Member has asked me to express to the Congress his deep appreciation for all of the wires, for the letters, for the good wishes, and for the prayers which have been given in their behalf.

They are doing well, Mr. Speaker, and I am glad to make this report to Congress.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I am happy to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I appreciate very much the gentleman from Alabama giving us this up-to-date report on the condition of the Members and their wives, because actually we did not know what Members were hurt, and which of the wives had been hurt. I know I speak for all Members of the Congress when I say that we offer our prayers for a quick recovery of those injured. I also know that the gentleman in the well is courageous himself because his wife, Carolyn, is one of those who was seriously hurt, and she probably will have a long recovery period. I again thank the gentleman for this report.

MEANINGFUL REFORM NEEDED FOR FOOD STAMP PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. MICHEL. Mr. Speaker, yesterday readers of Parade magazine across the Nation encountered a full-page advertisement, by a commercial firm, headlined "How to Save $120 to $2,400 a Year by Participation in the U.S. Food Stamp Program: Taxpayers Making Up to $16,000 a Year Now Eligible." The advertisement offered, for the sum of $3.50, to "show step by step" how to qualify by taking advantage of the numerous deductions and exemptions. Quite apart from the commercial nature of the appeal, what was most disturbing is the fact that the advertisement accurately chronicles the many loopholes that we have allowed to exist in this rapidly mushrooming program.

People with incomes of $16,000 can be eligible; numerous deductions enable people with expensive homes, boats, or even airplanes to qualify; several people living as one economic unit can each qualify as a separate household and get separate full allotments of food stamps. The article describes a family of four with an income of $10,000 who qualified.

Mr. Speaker, surely these kinds of examples are not what the Congress and the taxpayer had in mind when they established the food stamp program to help the Nation's genuinely needy. The time has come when meaningful reform of the food stamp program must be undertaken by this Congress if the food stamp program is to be restored to fiscal sanity and to its original purposes.

HOFFMAN ESTATES COMMANDOS NAMED NATIONAL JUNIOR MIDGET FOOTBALL CHAMPIONS

(Mr. CRANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRANE. Mr. Speaker, I was very proud to learn this week that the Hoffman Estates Athletic Association Commandos have been named the National Junior Midget Football Champions for the 1974–75 season and school year.

This rare honor is not based solely on the football accomplishments of the youngsters, but on their classroom performance as well. With a maximum of five points each awarded for football and academics, the Commandos earned an 8.63 rating according to the award announced by Jim C. Taft, national field director of the Pop Warner Little Scholars Inc.

The Commandos, coached by a volunteer, Dan Rooney, of 161 Bode Road in Hoffman Estates, were one of six teams accorded national honors based on age and weight. Twenty-eight boys, between the ages of 10 and 12 and weighing no more than 108 pounds, were on the roster of the squad which competed in the Chicago Suburban Junior Football League and compiled a record of eleven wins, no losses, and one tie en route to both division and league titles. The team then went on to defeat a visiting Independence, Mo., squad in an invitational bowl game.

Mr. Speaker, at this time I would like to add my personal congratulations to the Hoffman Estates Commandos, their coaches, and their parents, on what was certainly a most successful season, both on the field and in the classroom.

PERMISSION FOR SPEAKER TO DECLARE RECESS AT ANY TIME ON TUESDAY, JUNE 17, 1975

Mr. MCFALL. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Tuesday, June 17, 1975, for the Speaker to declare a recess for the purpose of receiving in joint meeting the President of the Federal Republic of Germany.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MAKING SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1975

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5899) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, with the remaining amendment in disagreement, and consider the Senate amendment to the House amendment to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment to the Senate amendment, as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment to Senate amendment numbered 107 insert:

"RAIL TRANSPORTATION IMPROVEMENT AND EMPLOYMENT

For payment of financial assistance to assist railroads by providing funds for repairing, rehabilitating, and improving railroad roadbeds and facilities, $175,000,000 of which not to exceed $5,000,000 shall be available for administrative expenses of the Secretary to remain available until December 31, 1976: *Provided, however,* That these funds shall be available only upon enactment of authorizing legislation."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I move that the House disagree with the amendment of the Senate to the House amendment to the Senate amendment.

Mr. Speaker, this involves the so-called railroad amendment to the $15 billion second supplemental which contains funds for numerous programs of the Government. We need not enumerate those programs now. The bill includes pay for military and civilian employees. It includes $752 million for veterans. With respect to veterans, I should point out that as of today there is about $45 million in checks to veterans which have been withheld—about $45 million. They are being held up as a result of failure to clear through the Congress and send to the President this supplemental bill.

Last week some 88,000 veterans' checks were delayed. Today 69,000 additional veterans' checks are being held up. It is very important that this bill be brought to a final conclusion promptly.

The other body has insisted upon placing funds in the bill for an unauthorized program of grants to railroads. There is no authorization for grants to railroads, we do not know the nature of the program, and we have opposed doing business in this fashion. The House has opposed it, and we have had three rollcall votes on the issue. In an effort to compromise the matter, the House agreed to provide $5 million for planning and for administrative expenses for any program which later might be agreed to by the Congress, and if a program is agreed to by the Congress for grants or for loans or for guarantees to the railroads, the Congress—certainly the House of Representatives and the Committee on Appropriations—would act promptly to carry out the will of the Congress.

So I urge that we have a resounding vote of aye in opposing the action of the Senate in further insisting on funds for grants to the railroads to the extent of $175 million, which is the amount carried in the latest version of the Senate attempt to appropriate for an unauthorized program of assistance to railroads. We have no control over how the funds would be spent. We do not know what the enabling legislation may be like if there is to be enabling legislation. So I ask for a resounding vote of aye on the motion that we disagree with the Senate amendment.

Mr. Speaker, I yield to the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Speaker, I just want to comment on the statement of the chairman of our committee. I hope the House will sustain the position that was held so long on this matter.

I have no requests for time on our side. I do not see the gentleman from Massachusetts (Mr. CONTE) here.

Mr. MAHON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 273, nays 101, not voting 59, as follows:

[Roll No. 270]

YEAS—273

Abdnor	AuCoin	Bolling
Adams	Bafalis	Bowen
Alexander	Baldus	Breaux
Anderson, Calif.	Barrett	Breckinridge
	Baucus	Brinkley
Anderson, Ill.	Bauman	Brooks
Annunzio	Beard, Tenn.	Broomfield
Archer	Bennett	Brown, Calif.
Armstrong	Bergland	Brown, Mich.
Ashbrook	Boggs	Broyhill
Ashley	Boland	Buchanan

Burgener	Howe	Poage
Burke, Calif.	Hubbard	Pressler
Burke, Fla.	Hughes	Preyer
Burke, Mass.	Hungate	Price
Burleson, Tex.	Hutchinson	Quie
Burlison, Mo.	Hyde	Quillen
Butler	Ichord	Randall
Byron	Jenrette	Regula
Carney	Johnson, Colo.	Reuss
Casey	Jones, N.C.	Rhodes
Cederberg	Jordan	Risenhoover
Chisholm	Kasten	Roberts
Clancy	Kastenmeier	Robinson
Clausen, Don H.	Kazen	Rogers
	Kelly	Roncallo
Clawson, Del	Kemp	Rooney
Cochran	Kindness	Rose
Collins, Ill.	Krebs	Rousselot
Collins, Tex.	Krueger	Roybal
Conable	Lagomarsino	Ryan
Conlan	Latta	Santini
Corman	Leggett	Sarbanes
Cornell	Lehman	Satterfield
Cotter	Lent	Sebelius
Crane	Levitas	Seiberling
Daniel, Dan	Litton	Sharp
Daniel, R. W.	Lloyd, Calif.	Shipley
Daniels, N.J.	Lloyd, Tenn.	Sikes
Davis	Long, La.	Sisk
de la Garza	Long, Md.	Skubitz
Dent	Lott	Slack
Derrick	McCollister	Smith, Iowa
Derwinski	McDade	Smith, Nebr.
Devine	McDonald	Snyder
Dickinson	McFall	Spellman
Diggs	McKay	Spence
Dingell	Madden	Stanton, J. William
Downey	Madigan	
Downing	Mahon	Stanton, James V.
Duncan, Oreg.	Martin	
Duncan, Tenn.	Mathis	Steed
du Pont	Matsunaga	Steiger, Ariz.
Edwards, Ala.	Mazzoli	Steiger, Wis.
English	Meeds	Stephens
Erlenborn	Melcher	Stokes
Evans, Colo.	Metcalfe	Stuckey
Evins, Tenn.	Michel	Sullivan
Findley	Milford	Symington
Fisher	Miller, Calif.	Symms
Fithian	Miller, Ohio	Talcott
Foley	Minish	Taylor, Mo.
Ford, Tenn.	Mitchell, Md.	Taylor, N.C.
Fountain	Montgomery	Teague
Frenzel	Moore	Thone
Frey	Moorhead, Calif.	Traxler
Fulton	Morgan	Treen
Fuqua	Mosher	Tsongas
Gaydos	Moss	Udall
Gibbons	Mottl	Ullman
Ginn	Murphy, Ill.	Van Deerlin
Goldwater	Murphy, N.Y.	Vander Jagt
Gonzalez	Myers, Ind.	Vander Veen
Gradison	Myers, Pa.	Vanik
Grassley	Natcher	Waggonner
Guyer	Neal	Wampler
Haley	Nichols	Weaver
Hamilton	Nix	White
Hanley	Nowak	Whitehurst
Hannaford	Oberstar	Whitten
Hansen	O'Brien	Wiggins
Harris	O'Neill	Wilson, Bob
Harsha	Ottinger	Winn
Hays, Ohio	Passman	Wirth
Hébert	Patman, Tex.	Wright
Hefner	Patten, N.J.	Wydler
Henderson	Patterson, Calif.	Wylie
Hicks		Yates
Hightower	Pepper	Yatron
Holland	Perkins	Young, Alaska
Holt	Pettis	Young, Fla.
Horton	Pickle	Young, Tex.
Howard	Pike	Zablocki

NAYS—101

Abzug	D'Amours	Hall
Addabbo	Delaney	Hammer-schmidt
Aspin	Dellums	
Beard, R.I.	Drinan	Harkin
Bedell	Early	Harrington
Biaggi	Edgar	Hastings
Biester	Edwards, Calif.	Hawkins
Blanchard	Emery	Hayes, Ind.
Blouin	Evans, Ind.	Hechler, W. Va.
Bonker	Fascell	Heckler, Mass.
Brademas	Fenwick	Heinz
Brodhead	Fish	Helstoski
Brown, Ohio	Florio	Hillis
Burton, Phillip	Forsythe	Hinshaw
Carr	Fraser	Holtzman
Clay	Giaimo	Jacobs
Cleveland	Goodling	Jeffords
Cohen	Green	Johnson, Calif.
Conte	Gude	Johnson, Pa.
Coughlin	Hagedorn	Karth
Koch	Rangel	Schulze
McCloskey	Rees	Shuster
McHugh	Richmond	Simon
Maguire	Riegle	Solarz
Meyner	Rinaldo	Staggers
Mezvinsky	Roe	Stark
Mineta	Roush	Studds
Mink	Ruppe	Thompson
Moakley	Russo	Thornton
Moffett	St Germain	Vigorito
Murphy, N.Y.	Sarasin	Walsh
Nedzi	Scheuer	Waxman
Nolan	Schneebeli	Wolff
O'Hara	Schroeder	Zeferetti

NOT VOTING—59

Ambro	Flynt	Mitchell, N.Y.
Andrews, N.C.	Ford, Mich.	Mollohan
Andrews, N. Dak.	Gilman	Moorhead, Pa.
	Jarman	Murtha
Badillo	Jones, Ala.	Obey
Bell	Jones, Okla.	Pattison, N.Y.
Bevill	Jones, Tenn.	Peyser
Bingham	Ketchum	Pritchard
Burton, John	Keys	Railsback
Carter	LaFalce	Rodino
Chappell	Landrum	Rosenthal
Conyers	Lujan	Rostenkowski
Danielson	McClory	Runnels
Dodd	McCormack	Shriver
Eckhardt	McEwen	Steelman
Ellberg	McKinney	Stratton
Esch	Macdonald	Whalen
Eshleman	Mann	Wilson, C. H.
Flood	Mikva	Wilson, Tex.
Flowers	Mills	Young, Ga.

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Stratton with Mr. Mitchell of New York.

Mr. Charles H. Wilson of California with Mr. Eckhardt.

Mr. Bingham with Mr. Danielson.

Mr. Macdonald of Massachusetts with Mr. Conyers.

Mr. Rostenkowski with Mr. Pritchard.

Mr. Badillo with Mr. Chappell.

Mr. Obey with Mr. Gilman.

Mr. Mollohan with Mr. Bell.

Mr. Ford of Michigan with Mr. Peyser.

Mr. Murtha with Mr. Andrews of North Dakota.

Mr. Runnels with Mr. Ketchum.

Mr. Flood with Mr. McKinney.

Mr. Flynt with Mr. McClory.

Mr. Jones of Oklahoma with Mr. Steelman.

Mr. Landrum with Mr. Carter.

Mr. Ambro with Mr. McEwen.

Mr. Jones of Alabama with Mr. Lujan.

Mr. Bevill with Mr. Esch.

Mr. Andrews of North Carolina with Mr. Railsback.

Mr. John L. Burton with Mr. Eshleman.

Mr. Jones of Tennessee with Mr. Whalen.

Mr. Dodd with Mr. Jarman.

Mrs. Keys with Mr. Mann.

Mr. LaFalce with Mr. McCormack.

Mr. Rosenthal with Mr. Mills.

Mr. Moorhead of Pennsylvania with Mr. Young of Georgia.

Mr. Rodino with Mr. Charles Wilson of Texas.

Mr. Pattison of New York with Mr. Shriver.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the vote just taken.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3130, AMENDING THE NATIONAL ENVIRONMENTAL POLICY ACT TO CLARIFY THE FEDERAL AND STATE ROLES IN THE PREPARATION OF ENVIRONMENTAL ANALYSES ON CERTAIN FEDERAL PROGRAMS

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3130), to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? The Chair hears none, and appoints the following conferees: Mrs. SULLIVAN, Messrs. LEGGETT, DINGELL, MURPHY of New York, HOWARD, RUPPE, and FORSYTHE.

SEVENTH ANNUAL REPORT ON THE ADMINISTRATION OF THE NATURAL GAS PIPELINE SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I herewith transmit the Seventh Annual Report on the Administration of the Natural Gas Pipeline Safety Act of 1968. This report has been prepared in accordance with section 14 of the act, and covers the period January 1, 1974, through December 31, 1974.

GERALD R. FORD.

THE WHITE HOUSE, *June 9, 1975.*

REPORT ON ACTIVITIES AND ACCOMPLISHMENTS OF THE UNITED STATES IN AERONAUTICS AND SPACE IN 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Science and Technology:

To the Congress of the United States:

I am pleased to transmit this report on the activities and accomplishments of the United States in aeronautics and space in 1974. This is in accordance with section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476).

During 1974, the Nation's activities in aeronautics and space continued to produce significant benefits, to experiment with and develop new applications, to increase scientific knowledge, and to advance technology. The report shows:

—The use of communications satellites continued to expand as a principal method of international communications. The first domestic privately owned communications satellites opened a new dimension in our telecommunications systems. Satellities continued to play an essential role in national defense activities—in communications, navigation, and other fields. Demonstration programs tested the use of satellite systems to improve delivery of health and education services.

—Experimental uses of Earth observation satellites were tested in crop surveys, pollution monitoring, land use planning, water resources management, and other fields. Weather satellites continued to be our chief source of both global and local weather data; a new geostationary satellite began continuous observation of weather affecting the Western hemisphere.

—The Skylab manned space station mission was successfully completed; it demonstrated that human beings can survive and work well in space for months or more at a time and provided a store of new scientific and technical data on the Sun, Earth resources, medical effects of space flight, and other fields. Development of the Space Shuttle progressed on schedule, and within costs, toward the goal of a versatile reusable vehicle for routine and economical use of space at the end of the decade. Joint preparations and training with the Soviet Union proceeded for the 1975 Apollo-Soyuz manned docking experiment. Cooperative space activities with other nations continued on the basis of mutual benefits. Development by European nations at their expense of the Spacelab for use with the Space Shuttle got well underway.

—Exploration of the planets continued with successful missions to Jupiter, Venus, and Mercury. The science of astronomy advanced with important new observations and discoveries using ground-based, high-altitude, and space telescopes.

—In aeronautics, good progress was made in developing technology to reduce energy requirements, noise, and pollution of civil aircraft. Modernization of the air traffic control system continued with the introduction of semiautomated equipment for air route traffic control.

—Milestones in military aircraft development included the roll-out of the B–1 bomber, delivery of the first operational F–15 fighter aircraft, deployment to the fleet of the A–6E all-weather attack aircraft, and the successful testing of the new CH–53E helicopter.

—Transfer of aeronautical and space technology to other fields continued with many beneficial applications in energy, materials, transportation, medical care, and other areas.

I believe that all Americans, and people of all nations, can be gratified with the accomplishments and the continued progress toward achieving the objectives of the National Aeronautics and Space Act of 1958 that are comprehensively described in this report.

GERALD R. FORD.

THE WHITE HOUSE, *June 9, 1975.*

CONFERENCE REPORT ON H.R. 4700, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION, 1976

Mr. TEAGUE. Mr. Speaker, I call up the conference report on the bill (H.R. 4700) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program managment, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 4, 1975.)

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. TEAGUE).

Mr. TEAGUE. Mr. Speaker, the House and Senate conferees have resolved their differences in the House and Senate passed versions of H.R. 4700, the fiscal year 1976 and Transition Period NASA authorization bill. The bill passed the House on April 9, 1975, and passed the Senate on May 12, 1975. In acting on the bill, the Senate struck all after the enacting clause and substituted new language.

The committee agreed to accept the Senate amendment with certain substitute amendments and with certain other stipulations insisted upon by the managers on the part of the House. There were 13 items in disagreement involving amounts to be authorized for appropriation, and 3 items of legislative language to be reconciled.

The House had authorized a total of $3,585,873,000 for fiscal year 1976 and $922,450,000 for the transition period and the Senate authorized $3,544,710,000 and $929,900,000 respectively in its bill.

The conference substitute would authorize $3,562,310,000 for fiscal year 1976 and $925,150,000 for the transition period which is $12,850,000 more than the total amount in the Senate version and $20,863,000 less than the total amount previously passed by the House.

In resolving language differences in the respective bills, the Senate receded on one of three items and the House receded on two. A summary of the substitutes agreed upon by all members of the committee of conference are as follows:

Advanced missions: The House authorized $3,000,000 for advanced missions, an increase of $1,500,000 over the National Aeronautics and Space Administration request whereas the Senate deleted this line item.

The conference compromised with an authorization of $2,000,000 stating that future advanced missions studies requests should be associated with specific line items and the Advance Mission line item deleted from future requests.

Physics and astronomy: The House authorized $156,800,000 for physics and astronomy. A $1,000,000 increase above the NASA request was made to augment upper atmospheric research. The Senate further increased this line item by $6,000,000 for the same purpose. The conferees adopted the Senate position.

Space applications: The House authorized $181,530,000 for space applications, an increase of $6,500,000 over the NASA request. The Senate increased the line item to $183,930,000. The conferees adopted the House position, stipulating that the increased funds be used for severe storm research, earth resource survey development and Space Shuttle payload studies.

Space and nuclear research and technology: The House authorized $76,900,000 for space and nuclear research and technology, $2,000,000 more than the NASA request. The Senate authorized the NASA request of $74,600,000. The conferees adopted the Senate position.

Technology utilization: The House authorized $9,000,000 for technology utilization. The Senate authorized the original NASA request of $7,000,000. The conference compromised with an authorization of $8,000,000 stating that the increased funds should be used to provide technology utilization services in cities not currently served by the program.

Construction of facilities: In the area of construction of facilities, the conference agreed to the following:

The conference adopted the House position and agreed to an increase of $12,500,000 for modification of a 40x80 wind tunnel at the Ames Research Center bringing the request to a total of $15,195,000.

The conference adopted the Senate position and agreed to a decrease of $27,500,000 for a transonic wind tunnel at the Langley Research Center decreasing the amount to $1,940,000, the original NASA request.

The House authorized $46,283,000 for space shuttle facilities at various locations. The Senate authorized the NASA request of $47,220,000 for this item. The conferees adopted the Senate position.

The House authorized $13,775,000 for facilities planning and design. The Senate authorized the NASA request of $9,275,000. The conference adopted the House position.

Transition period research and development: The House authorized $700,600,000 for research and development in the transition period July 1, 1976, to September 30, 1976, $30,0000,000 less than the NASA request. The Senate authorized $704,600,000. The conference adopted the House position authorization of funds deleting the following language from the bill:

Notwithstanding any other provision of this act or any action taken with respect to the other programs specified in this subsection, the entire amount stipulated for the purpose of "Aeronautical research and technology" in paragraph (8) shall in any event be available for that purpose.

Transition period construction of facilities: The House authorized $4,000,000 for rehabilitation and modification of facilities in the transition period, $4,750,000 less than the NASA request of $8,750,000.

The Senate authorized $7,000,000. The

conference compromised with an authorization of $7,000,000 for rehabilitation and modification of facilities in the transition period.

The House authorized $1,250,000 for minor construction and additions at various locations in the transition period, $1,700,000 less than the NASA request of $2,950,000. The Senate authorized $2,000,000. The conference adopted the House position.

The House authorized the NASA request of $2,800,000 for facilities planning and design for the transition period. The Senate authorized $2,500,000. The conference adopted the Senate position.

LANGUAGE CHANGES TO THE BILL (H.R. 4700)

In addition to the changes described, two language changes were made by the conferees. The following sentence was dropped as not essential from section 6 of this bill:

The contract shall include a provision under which the Government may acquire title, upon termination of the contract, to facilities, equipment, and spacecraft which have been acquired in the performance of the contract, under terms and conditions agreed upon in the contract.

A new section 8 amending the National Aeronautics and Space Act of 1958 entitled "Title IV—Upper Atmospheric Research" was added by the Senate to the bill. The conference adopted the proposed Senate amendment to the basic act deleting a new section 405 on reporting as not being essential to the amendment.

The conference report contains a detailed listing of program areas and projects and amounts to be authorized for each as recommended by the committee of conference. The joint explanatory statement of the committee of conference provides additional details on actions taken.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. MOSHER).

Mr. MOSHER. Mr. Speaker, I am pleased to say that there was unanimous agreement in the committee of conference in support of this conference authorization report on the NASA authorization bill for fiscal year 1976.

The areas emphasized in the original House legislation were largely preserved while there were a number of excellent Senate proposed recommendations added.

In the broadest terms, the conference bill reflects a resolution between the House authorization of $3.586 billion for fiscal year 1976 and $922 million for the transition period and the Senate authorized figure of $3.545 for fiscal year 1976 and $930 million for the transition period. The proposed conference bill authorizes $3.562 billion for fiscal year 1976 and $925 for the transition period which is $12.9 million more than the original amount in the Senate version and $20.9 less than the original amount approved by the House. The final authorization is $10 million less than the original administration request.

There were a total of 13 items in disagreement between the two authorization bills. In none of these areas was there a major disparity although two items are particularly significant.

The first involves a Senate recommendation for an additional $6 million to permit NASA to augment its upper atmospheric research program. This additional funding is designed to expand the effort NASA has presently underway and to permit NASA to serve as a focal-point for the acquisition of fundamental knowledge on the physical and chemical properties of the upper atmosphere, including the danger of inadvertent modification of the ozone layer. This research will be directed to what is commonly referred to as the "ozone threat." The Science Committee believes that NASA is singularly well equipped to pursue this research effort in space physics and planetary atmospherics and the committee proposes that the present effort be augmented over the next 15 months.

The House had originally provided for a $1 million increase in this area. The conferees adopted the Senate position which further increased upper atmospheric research by $6 million.

As an important concession to the House, the Senate conferees adopted the House position in the space applications area which increased the NASA request by $6.5 million. The primary application of these additional funds is for severe storm research, earth resources survey development, and Space Shuttle payloads study.

The other major area of dollar disagreement came in construction of facilities. The House legislation had adopted an increase of $12.5 million for modification of a wind tunnel at Ames Research Center in addition to an increase of $27.5 million for a transonic wind tunnel at Langley Research Center. The conference legislation adopted the Ames Research Center project but agreed to delete the Langley effort. However, in a concession to the House, a small increase in planning funding was agreed to in order to further investigate the Langley Research Center transonic wind tunnel program.

The major language change from the House bill, which was adopted in the conference legislation, is the addition of section 8 which would authorize and direct NASA to carry out a research, technology, and monitoring program on the upper atmosphere. This language is related to the increase agreed to by the House and the Senate for upper atmospheric research. The purpose of this language is to heighten the emphasis in NASA's programs in this general field.

Mr. Speaker, I would summarize by pointing out that the conference authorization bill now before the House, is the result of most careful analysis by the House conferees. I believe that the $3.56 billion for fiscal year 1976 and the $925 million for the transition period are justified and strongly deserving of our unqualified support. I therefore urge my colleagues adopt the report before us as a firm commitment to maintaining the strength and leadership of this country in the field of science and space.

Mr. TEAGUE. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Speaker, I thank the gentleman for yielding this time to me.

I wish to commend the chairman and the ranking minority member of the committee for their work in bringing this conference report back to us. I agree with the remarks made by the distinguished gentleman from Ohio (Mr. MOSHER), who just spoke, that this is a bill which every Member of the House can support. I further commend the conferees for establishing a new authority for an upper atmosphere research program for NASA. Such a research program is certainly needed.

I take this time to try and establish briefly some legislative history with regard to the new title IV which has been placed in the bill and which is referred to in the conference report. This title has to do with the program of research in the upper atmosphere, on which the Subcommittee on the Environment and the Atmosphere, which I have the privilege of chairing, just recently held hearings. I would like to ask the chairman of the subcommittee, the distinguished gentleman from Florida (Mr. FUQUA), three questions.

Mr. Speaker, I point out that NASA clearly has the responsibility for instrumentation and platform development for upper atmosphere measurement. I would hope, however, that the use of the word "monitor," in title IV does not signal a departure from NASA's traditional pattern of turning over continuing operational monitoring activities to other agencies, such as the National Oceanic and Atmospheric Administration, when the instrumentation development phase is complete.

I wish to point out that the representatives of NASA in testifying before my subcommittee indicated that that was not the case, but I want to ask the chairman of the subcommittee specifically if he agrees with the statement that was made by Dr. Noel Hinners in the hearings before our subcommittee, who said:

When the research and test phases are completed, we would expect that operational monitoring would be the responsibility of an agency other than NASA. We believe the pattern of agency responsibilities that has proven so effective between NASA and NOAA in the meteorological satellite field should also be followed with respect to the stratosphere.

Mr. FUQUA. Mr. Speaker, if the gentleman will yield, the answer is: Yes it is not our intention to change the definition of the word, "monitor."

Mr. BROWN of California. Then I have a second question, Mr. Speaker, having to do with the phrase, "to maintain the physical and chemical integrity of the Earth's upper atmosphere," in the section dealing with the purpose of title IV. It is my understanding that this refers only to the generation and provision of information and the provision of measurement technology, such as satellite instrumentation, and does not at all imply any sort of regulatory role for NASA.

Is my interpretation of the intent of this provision correct?

Mr. FUQUA. Mr. Speaker, the gentleman's interpretation is correct.

Mr. BROWN of California. Finally, I note that the conference agreed to drop the Senate provision calling for a separate annual report by NASA on upper atmosphere research, which is appropriate since NASA already makes a comprehensive annual report. The title does

require NASA to make all information available to regulatory agencies, and I wish to commend the committee for that. Such information will be very valuable. In view of such problems as the potential destruction of stratospheric ozone by halocarbons, I would hope that NASA would go even further and solicit the views of the regulatory agencies, especially EPA, in planning its research program, and if appropriate make special reports to EPA. It would be wasteful for EPA to duplicate many of the NASA experiments.

Does the gentleman share my concern, and is it the intent of this bill that NASA cooperate closely with regulatory agencies in carrying out this program?

Mr. FUQUA. Mr. Speaker, the gentleman's assumptions are correct, and we hope this will continue to be a function of NASA.

Mr. BROWN of California. Mr. Speaker, I want to thank the gentleman for this clarification, and I wish to express the hope again that every Member of the House will support this conference report.

GENERAL LEAVE

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report presently under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE. Mr. Speaker, I have no further requests for time.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 6860, ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 505 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 505

Resolved, That upon the adoption of this resolution it shall be in order to move, section 401 of Public Law 93-344 to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. No amendment in the nature of a substitute for the bill shall be in order, nor shall any amendment adding a new title to the bill be in order. It shall be in order to consider en bloc the amendments recommended by the Committee on Ways and Means now printed in each title of the bill following the reading of that title. Amendments to a pending title of the bill shall be in order only if germane to that title and then only if they have been printed in the Congressional Record of June 4, 1975, or in a previous edition thereof or if offered by direction of the Committee on Ways and Means, but said amendments shall not be subject to amendment except those offered by direction of the Committee on Ways and Means: *Provided*, That it shall be in order to consider without the intervention of any point of order the text of the bill H.R. 7117 if offered as an amendment striking out the provisions of part I of title III of H.R. 6860 and inserting new matter, and said amendment shall be subject to germane amendment. It shall be in order to debate pending amendments or titles of the bill under the five-minute rule by the offering of pro forma amendments. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Louisiana (Mr. LONG) is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes to the minority, to the distinguished gentleman from Tennessee (Mr. QUILLEN). Pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 505 provides for a modified rule with 4 hours of general debate on H.R. 6860, the Energy Conservation and Conversion Act of 1975.

House Resolution 505 provides for a waiver of section 401 of Public Law 93-344. The waiver is granted with the agreement of the chairman of the Budget Committee, and upon the assurance that the Committee on Ways and Means will offer an amendment to remove from H.R. 6860, section 151, which could be interpreted as backdoor spending.

In addition, House Resolution 505 provides that the bill be read by titles instead of by sections. No amendment in the nature of a substitute for the bill shall be in order, nor shall any amendment adding a new title to the bill be in order.

Amendments to a pending title, if germane, shall be in order only if printed in the CONGRESSIONAL RECORD of June 4, 1975, or a previous edition thereof, or if offered by direction of the Ways and Means Committee. The Committee on Rules provided for this requirement of printing amendments in the RECORD to provide Members with adequate time to consider potential amendments prior to consideration of H.R. 6860. Members were given notification of this requirement during floor proceedings of June 3, 1975, and can find the announcement on page 16783 of the RECORD of that day.

Further, House Resolution 505 provides that amendments shall not be subject to amendment except those offered by direction of the Committee on Ways and Means.

The Committee on Rules did provide in House Resolution 505 that the text of H.R. 7117 if offered as an amendment striking out the provisions of part I of title III of H.R. 6860 and inserting new matter shall be in order and no point of order shall intervene. The Committee on Rules made this provision at the request of the gentleman from Texas (Mr. ECKHARDT). H.R. 7117 is the fuel efficiency section of the energy legislation being considered by the Interstate and Foreign Commerce Committee. It is the one area of the commerce bill that directly overlaps with H.R. 6860, the Ways and Means bill. The Energy and Power Subcommittee of Interstate and Foreign Commerce has acted favorably on this fuel efficiency section and by a substantial majority vote. The language of H.R. 6860 calls for a fuel efficiency tax while that of H.R. 7117 prefers a civil penalties approach to automobile fuel efficiency.

Fuel efficiency is the only area that has received consideration by both committees. This action by the Rules Committee, if approved by the House, will give the Members of the House an alternative to the approval recommended by the Committee on Ways and Means. To do as some have asked and fully open H.R. 6860 to amendment in all respects would be premature and therefore is not provided for in this rule. There are several reasons for this decision. First, the Ways and Means Committee has not yet considered such things as windfall profits and decontrol of oil and gas. Second, the Committee on Interstate and Foreign Commerce is still working on its energy bill and itself is considering a number of controversial issues. To make new titles in order on these issues would in effect discharge both the Committee on Interstate and Foreign Commerce and the Committee on Ways and Means of their rightful responsibilities. An additional danger is that if we start doing this sort of thing now, the jurisdiction of all committees will be up for grabs. Third, let me again remind the Members that the fuel efficiency section is the only area of direct overlap and the proposed rule allows the alternative course to the House of Representatives if we should so choose.

H.R. 6860 has five titles. Title I sets quotas on petroleum imports while giving the President flexible authority to adjust these quotas; establishes an import licensing system to distribute entitlements to imported petroleum; and replaces the present system of duties and license fees with ad valorem duties on imported oil.

Title II is the gasoline conversion system that would increase the excise tax on gasoline by 3 cents a gallon effective January 1, 1976. It allows for further increases of up to 20 cents additional if gasoline consumption in 1976 or any subsequent years exceeds 1973 consumption levels. The title provides for a refundable credit of any gasoline tax in excess of 3 cents a gallon for 40 gallons a month for any individual 16 years or older.

Title III includes the previously mentioned automobile fuel efficiency section as well as repeal of excise taxes on intercity buses and radial tires and income tax credit on insulation installed in residences and on residential solar energy equipment.

Title IV establishes the energy conservation and conversion trust fund to

be funded by revenues from new taxes on gasoline, fuel efficiency, and business use of petroleum, and duties imposed on imported oil by the President on title I, among others. The funds in the trust are to be used for research and development of energy and transportation technologies and projects.

Title V is designed to encourage business conversion for greater energy saving. It includes an excise tax on business uses of oil and gas, 5-year amortization on energy-related property and railroad equipment, an investment credit on insulation in business structures, and a recycling tax credit.

This is only a brief summary of the provisions of H.R. 6860. It is a complex and broad based package. The Committee on Ways and Means, its distinguished chairman, Mr. ULLMAN, its members, and its staff have worked hard and long to produce H.R. 6860, the Energy Conservation and Conversion Act of 1975. It was not an easy job. Everybody you talk to seems to have his own energy bill. It is difficult to build consensus on an issue that is as complex and controversial as this one. The committee has done its job. It has worked carefully and fairly on H.R. 6860. While some of us may not agree with the product of these labors, the committee deserves to have its bill seriously considered and debated by the Members of this body.

I think it is the feeling of the majority of the Members of the House of Representatives that the public is expecting us to act on this issue—and we must.

Mr. Speaker, H.R. 6860 deserves its day in court. The Rules Committee has provided a rule for reasoned and responsible debate of H.R. 6860 that gives ample room for amendment within the confines of the Ways and Means legislation. I urge the adoption of the rule.

Mr. Speaker, I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, I yield myself so much time as I may consume.

Mr. Speaker, we are here today on June 9, 1975, almost 6 months after the beginning of this session of Congress. Last year the American people suffered unreasonably in an energy crisis. The Congress had a mandate from the people of this country to do something to solve this energy crisis. The able gentleman from Louisiana described the provisions of the rule, making in order a bill which provides a half-way approach to the problem. After debate on the rule, let us hope that we can vote down the previous question and make it possible to offer an amendment to allow for the consideration of a meaningful energy program.

What do we have before us? We have a bill from the Committee on Ways and Means to tax and tax and tax the American people with no incentive whatsoever for domestic production, to increase the level of production in this country. I say to the Members that this is no energy measure, if this rule is adopted, that we will be discussing here on the floor of the House. There is absolutely no provision to increase domestic production. It would make us more dependent on foreign oil, and I say to the Members today let us vote down the previous question on this measure so that we can offer an amended rulemaking in order as an amendment the text of H.R. 7686, a bill introduced by the gentleman from New York (Mr. CONABLE). This bill includes provisions both for decontrol of petroleum prices and a windfall profits tax with a plowback. I would say it is so important that we decontrol old oil, that we make it possible for the producers of this country to go down in the ground and not only get out oil from those oil wells now producing, but in the windfall profits plowback, make it possible for them to dig new wells and increase domestic production without any increase in the gasoline tax and the tax on the oil and energy used by industry.

This House has had a mandate for almost 6 months, to come up with an energy bill, and what has the Committee on Ways and Means done? They have brought a bill to the floor of this House today which does not really speak at all to the problem of production.

So I would urge the Members of this great body to vote down the previous question so that we can offer a meaningful amendment to the measure we are going to discuss to provide for decontrol, to provide for windfall profits tax with a plowback, to give the producers an incentive to go forward and dig for new oil, and to produce old oil from the wells now producing.

Mr. Speaker, again let me say that I would encourage and that I would urge this House to vote down the previous question.

Mr. Speaker, I reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Speaker, I rise in support of the rule for this historic legislation. It is important to keep in mind that this is just the first part of the energy package we are considering.

I think the gentleman who opposed the rule on the grounds that he wants to consider decontrol now is doing an injustice because the Ways and Means Committee bill provides for what can be done and properly done under the jurisdiction of that committee. The Committee on Interstate and Foreign Commerce has been diligently pursuing legislation which deals with decontrol. The Energy and Power Subcommittee, on which I serve, reported out a measure which calls for gradual decontrol, and that is presently being considered by the full committee. Within a week or 10 days I would expect we would have that out on the floor and this body will have an opportunity to consider the question of decontrol at that time.

I want to congratulate the committee and its fine chairman, the gentleman from Oregon (Mr. ULLMAN), for having done a very responsible job in a very difficult area. While I have reservations about some parts of the bill, it does address itself comprehensively to these matters of energy policy that fall within the Ways and Means Committee jurisdiction.

It does provide incentives for increasing energy supplies. It does provide, within the committee's jurisdiction, incentives for increasing and bringing on the line new energy sources, such as solar energy. It provides tax incentives for insulation of our homes so we can conserve the energy we are presently consuming. It provides for tax incentives for conversion from oil and natural gas use to coal or other energy resources for industrial processes. It provides as well incentives for the American public to use more-gas-efficient automobiles.

I think it is a responsible bill. I have serious reservations about putting gas taxes on at this time, but as the bill is drawn only a 3-cent gas tax is put on this time and that goes into the trust fund for the purpose of bringing out new sources of energy. The House will have a chance to address the gasoline tax that might apply in the future, but it will apply only if the American public does not meet the goal therein stated.

So I strongly urge we adopt this rule and get on with the business of having Congress pass its own energy program. I assure the House we will have the decontrol measure before the House promptly.

Let me add a word about the rule itself. It is an unusual rule, permitting only amendments placed in the RECORD by June 4, 1975, and then without further amendment.

This is a worthy compromise. For years many of us have complained about the Ways and Means Committee bringing out all its legislation under a closed rule, preventing participation by the membership in working its will fully on such legislation.

On the other hand, this legislation is so complicated and controversial, with such great economic implications, there are great dangers in having it written on the floor. Indeed, 160 amendments have been noticed under the rule, including several that are mischievous, handing huge advantages to various special economic interests. It will be difficult for the Members to act intelligently on so many amendments of such great intricacy.

This is thus a real test of the House. Ways and Means has requested and obtained this partially open rule where serious harm could be done on the floor. The Members of the House are on their mettle to follow carefully and become informed on these 160 amendments and act responsibly on them.

Also, there is not the protection of a closed rule. The House will have to vote on the unpopular parts of the bill separately from those that are popular.

I hope the House will approve this rule and by its action affirm that it is prepared to resist the special interests, take on the hard issues, and give the country a responsible energy program.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from North Carolina.

Mr. MARTIN. Mr. Speaker, the gentleman expects under this bill we will provide a 3-cent tax on gasoline, but is the gentleman aware that the committee staff has predicted that as we come out of the present recession gasoline consumption must increase, and then inevitably and inescapably the increase in taxes provided in this bill will go into effect? The advocates of this bill make no claim that this tax can ever be avoided.

Mr. OTTINGER. I do not think anything is inescapable. I think the American public is prepared to make sacrifices, but we have not put down the guidelines as to how we expect them to do so in order to achieve the important goals of independence from the OPEC countries and bringing down oil prices. I think the American people will conserve if they are told what is expected. I think the automobile efficiency tax will help achieve conservation too, particularly if it is strengthened by the amendment to be offered by the gentleman from Virginia (Mr. FISHER).

Mr. QUILLEN. Mr. Speaker, I yield 9 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I urge the defeat of the previous question on the rule to be adopted today, so that an alternative rule can be adopted which will make in order the provisions of H.R. 7686.

Mr. Speaker, the amendment of H.R. 6860 which I am offering provides for deregulation of domestic crude oil prices over a 25-month period, accompanied by a windfall profits tax which would extend over 50 months from the date of enactment. This amendment is primarily aimed at an area as to which this bill is totally silent. One of the most serious defects in H.R. 6860 is that it will not increase domestic production of oil in the United States by even one barrel. We obviously need much greater energy production domestically over the next decade if we are to lessen our dependence on imported energy.

The FEA has estimated that in order to reduce projected daily petroleum import demand from almost 12 million barrels per day by 1985, if we do nothing, to only slightly over 5 million barrels per day, domestic petroleum supplies will have to increase by over 4 million barrels daily. This figure is more than twice the daily savings which H.R. 6860, aside from its quota provisions, could achieve by that date, according to projections, even with the heavy gasoline tax presently in the bill.

In order to increase production, it is clear that we must greatly increase exploration and development of domestic energy supplies. Continuing Federal control of domestic oil prices will obviously hamper such investment and development severely.

Nonetheless, the committee, despite repeated urgings from the minority, voted not to address the question of what sort of reasonable windfall profit tax might appropriately be included in the bill to accompany an effective plan for decontrol of oil prices. Without decontrol, this bill, with its stringent quotas, is a bill aimed at draining America first. This bill now aims at only one-half of the equation, reducing imports of foreign oil. It says nothing about increasing native energy sources.

This amendment would add title VI to the bill.

Title VI would provide for decontrol of domestic crude oil prices over a 25-month period at the rate of 4 percent per month beginning in June 1975. The controlled quantity of oil production from any lease would be reduced immediately to a quantity equal to the average monthly production for the 3-month period ending May 31, 1975. Each month thereafter, the controlled quantity of oil from that lease would be reduced by 4 percent of the base period crude oil quantity.

This 25-month decontrol of prices would be accompanied by a windfall profits tax which would extend over a 50-month period. This tax would put the oil producer in essentially the same economic condition as if price decontrol of oil had taken place over 50 months, rather than 25 months. As with decontrol, this windfall profits tax is phased out based upon the quantity of production taxed, and does not include any varying levels of tax or price.

Specifically, no tax will be imposed to the extent that decontrol is at the rate of 2 percent or less per month. With more rapid decontrol, in this amendment 4 percent per month, the windfall profits tax would be imposed to put the producer in essentially the same position as if decontrol had been 2 percent per month. A tax of 90 percent of the price per barrel above $5.25, the present control price, will be imposed on the number of barrels sold at the decontrol price which exceed the number of barrels that could be sold at such price if the decontrol rate were only 2 percent per month.

The simplest way to relate the decontrol plan and the windfall profits tax plan included in this amendment is probably by way of example. With decontrol at the rate of 2 percent per month, a producer with a base production of 100 barrels per month would, in the first month, have two barrels of oil decontrolled which would sell at a market price of perhaps $13, with no tax. If decontrol were occurring at 4 percent per month, the same producer would, in the first month, have four barrels of oil decontrolled which would sell at the market price. The windfall profits tax of 90 percent would be imposed on the two additional barrels which were decontrolled over and above a rate of 2 percent decontrol. With a $13 market price, the tax of 90 percent would be imposed on $7.75 per barrel, the difference between the market price and the present base or controlled price of oil.

Why the difference between the rate of price decontrol and the rate implicit in the windfall profits tax schedule? It would be possible to decontrol oil prices immediately and avoid windfall profits by imposing a windfall profits tax over a 50-month period, for example. This would have been substantially the same treatment, as far as the oil producers were concerned, in the economic impact on them. However, such decontrol would have an immediate complete price impact on American consumers. Such an immediate large jump would have harsh and disruptive effects on the American people and economy at a time when economic conditions are already very difficult.

Twenty-five month decontrol spreads out the price impact on consumers while at the same time raising the average energy price in the United States over a reasonably short period closer to the actual energy price in world markets. Twenty-five month decontrol alone, however, would involve rather heavy profits for oil producers. One way to achieve this relatively rapid decontrol while at the same time avoiding such heavy profits is to accompany decontrol with a windfall profits tax which will place oil producers in basically the same economic position that they would have occupied had decontrol taken place over 50 months.

Decontrol taking place over 4 years or more really is not accompanied by "windfall profits." Production and other costs undoubtedly rise sufficiently over that long a period that such windfalls, if any, are substantially reduced. Additionally, to the extent that prices of domestic oil continue to be controlled over so long a period, a fairly heavy tax, equal to the difference between uncontrolled market prices and the controlled price is levied on such oil producers. The recipients of that tax are, of course, the energy consumers who are paying an artificially low price for controlled oil.

The windfall profits tax in this amendment to which certain oil producers will be subject is accompanied by plowback provisions which can enable the same producers to escape additional tax entirely if they make qualified energy investments at an adequate rate. It is desirable to include a plowback provision in any plan, because such an approach can provide a strong stimulus to make the critical large investments in domestic energy production which we must have if we are to achieve relative energy independence from foreign sources during the next 10 years.

In essence, the plowback provision in this amendment provides for a plowback credit against the windfall tax otherwise levied, on a dollar-for-dollar basis. For each barrel of oil produced out of existing reserves, the oil industry has traditionally spent approximately $3 on new exploration and drilling. In order that oil presently being produced might be replaced, oil producers would first have to spend approximately $3 per barrel of controlled production on qualified energy investment before they would begin earning plowback credits which would be used to offset any windfall profits tax. In other words, producers must invest amounts over and above the average historical investment in new exploration and development before they can begin to offset any of the additional taxes imposed under this amendment. Such additional investment, if carried on by a large number of producers, should certainly result in substantially greater energy production over the next 5 to 10 years, when we will need it most. The type of investment which would qualify for plowback would include: Intangible drilling and development costs, geological and geophysical costs, depreciable equipment used for: exploration, development, or production of oil, and development or production of oil from shale, oil shale conversion and coal gasification, refining, pipelines for gathering or transmitting oil; secondary or tertiary recovery; acquisition of leases.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to my colleague from New York.

Mr. OTTINGER. Mr. Speaker, does the

gentleman feel that the Ways and Means Committee should take over jurisdiction of the Allocation Act? This question of decontrol is coming up and will be up before the House in the next week or two.

Mr. CONABLE. I think it is important that we put all the energy proposals to be considered in this one bill. I regret that the gentleman's committee did not bring forth a decontrol proposal before this time so that it could be included. In one way or another we should be considering a comprehensive program rather than a partial one.

Mr. LONG of Louisiana. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Speaker and my colleagues of this House, this country needs a national energy policy. At this moment, we have no national policy mandated by law. The President has used all the authority which is his under existing law to move in the direction of a national energy policy.

That is not very much authority. He has levied a tariff in two stages on imports of crude oil and finished petroleum products. That in itself is insufficient. No Member of this House, no Member of this Congress, no one in this country is more interested in deregulation of the oil and gas industry than I am. I personally do believe that, had we had deregulation a good many years ago, or if we had deregulation now, the magnitude of the problem on which we are required to seek a solution would be far less indeed. But there are pitfalls if we proceed as some would suggest.

The reason we do not have a national policy and the reason there is no consensus of opinion about what that policy should be stem from the simple fact that we all view the problem, in the overall, from a rather narrow point of view. We in Congress, and those who are affected in the country, want an answer tailored to their individual problems and their individual needs. Such is not possible.

The legislation which has been reported by the House Committee on Ways and Means is imperfect in many respects, and I find many aspects with which I disagree and, yes, some with which I agree. But I am one member of the committee who voted to report the bill so that this body, to the extent we could, could work its will and we could move toward a national energy policy. It should pursue the free market approach.

A number of amendments are going to be offered. Some are going to be accepted; some are going to be rejected. But the democratic process is at work, will be at work, and we will have a chance to lend our hand in determining what that policy should be. There is yet time to decide what to do on final passage.

My friends, being for deregulation, I must in all honesty say that, under existing circumstances, I cannot vote no to the previous question, nor can I vote against the rule. We must be for the rule because it is incumbent upon us to try to do something about establishing a national energy policy. I cannot vote no to the previous question for this simple reason.

I do not believe we can, here on this floor, provide for deregulation and at the same time a windfall profits tax that is not counter productive.

The theory of deregulation is that if you do it over an extended period of time there will be no windfall.

The SPEAKER. The time of the gentleman has expired.

Mr. LONG of Louisiana. Mr. Speaker, I yield 1 additional minute to the gentleman.

Mr. WAGGONNER. Mr. Speaker, the peril, the hazard, of writing a windfall profits tax there is without the opportunity to evaluate is to do forther damage to an already damaged industry. None of us know in detil how what is proposed will affect the oil and gas industry and our future ability to provide something in the nature of energy self-sufficiency in this country. We are going to be able to approach this problem in greater detail and with more wisdom in the House Committee on Interstate and Foreign Commerce and House Committee on Ways and Means, and I would say to the Members that if we do want to do something that is practical, something that is reasonable, vote for the rule; let us debate what the policy should be, let us send something over, if we can agree on anything, to the Senate, but let us not take the chance of damaging an already damaged industry, the oil and gas industry. Let us wait until the Interstate Committee acts so we can evaluate their proposal before we consider a windfall tax. Vote for the previous question and vote for the rule.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, Oscar Wilde once wrote:

> The worst work is always done with the best intentions.

I submit that although the intentions may be good, this Congress will be doing a bad job if it proceeds to grant the rule proposed for consideration of H.R. 6860, the Ways and Means Committee's energy bill.

I propose that we act sensibly, vote down the previous question, and adopt a rule which will make H.R. 7686, sponsored by my colleague Mr. CONABLE, in order as an amendment to H.R. 6860.

The immediate job this Congress should be doing is to further Project Independence. We know we are importing a third of our oil today. To become independent we need more domestic oil. To get it we should encourage exploration and development. The Wall Street Journal today carries a story reporting a cutback in domestic oil development, due to tax actions already taken by this Congress.

We should be realists. We should put the Nation's economic future above emotionalism or ideological pique. The way to get more oil is to decontrol prices. To increase the supply we must find more oil, drill more wells, increase tertiary recovery from existing wells. It simply boils down to the need to drill more wells and pump more oil to supply our increasing demands. We cannot expect oil firms to drill dry holes and absorb the losses. Decontrol will assure us an expanding oil supply. Failure to do so will move us further away from independence.

Accompanying decontrol we must have a plowback excess profits requirement. We do not want to enact a windfall measure for the benefit of large oil corporations. We do want to enable them to spend the money necessary to drill and produce. The plowback feature would insure that the profits, if any, arising from decontrol would be put right back into the basic development of more oil.

I urge my colleagues to vote down the previous question and to adopt a rule making H.R. 7686 in order as a new title to H.R. 6860.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, the bill from the Committee on Ways and Means today provides for the imposition of a 23-cent gasoline tax. Every effort was made to amend the rule before the Committee on Rules to make in order an amendment providing for a vote on a decontrol provision and a tax provision that came out of the process that this problem has gone through in the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce.

The Energy and Power Subcommittees proposal provides for decontrol at the rate of 1 percent per month since the peak production level of May 1972, and it would have ended price controls by the third quarter of 1979 or 4 years hence. However, that was not made in order by the Committee on Rules, and it is now necessary to try to amend this rule on the floor to get a vote on a similar proposal. The Conable amendment contains some different provisions, however.

We need decontrol, Mr. Speaker, because domestic production of oil has declined by 15 percent in this country since the price of old oil was frozen in August of 1973 by the Cost of Living Council.

Nothing in this bill from the Committee on Ways and Means stimulates production of oil. We must defeat the previous question in order to get a vote on a proposition that will accomplish the stimulation of more oil production.

Let us look at the costs of the two proposals and a tax to conserve oil consumption and decontrol of prices to stimulate more domestic oil production. The bill from the Committee on Ways and Means seeks to discourage the consumption of gasoline by imposing a 23-cent tax on a gallon of gasoline. Decontrol, based on January 1975 prices and before the first dollar was imposed in the way of an import fee, would cost the consumer only a little more than 5 cents a gallon. I direct the attention of the Members to the chart on my left.

This 5 cents, if we add the $1 import fee, goes up to 6 cents, and if we add the $2 import fees, it goes only to 6.7 cents a gallon. In order to spread that economic impact out gradually, the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce provided a 4-year phaseout of controls, which would give only a 1.2-cent to a 1.7-cent per gallon impact per year.

Mr. Speaker, referring to the bill offered by the gentleman from New York (Mr. CONABLE), and the reason we are asked to vote down the previous question, H.R. 7586 would decontrol in 2 years and make the annual impact something like 2½ cents to 3⅓ cents a gallon.

The bill of the gentleman from New York (Mr. CONABLE) provides a suitable tax on windfall profits should decontrol result in such windfall profits. It also provides for a plowback to allow those who need capital to expand in the oil industry to get that capital. The needs over the next 10 years in capital are something like $362 billion. One oil rig up in Prudhoe Bay now costs something like $80 million.

Mr. Speaker, if we do not return this money that we are going to take from the consumers in some way or another back to those people who will find oil, we will produce no oil. If we return it to the Government in taxes, the Government will not find oil for us.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I rise to urge defeat of the previous question, not because I am opposed to a rule, not because I am opposed to a thorough discussion of this very important, indeed, paramount issue of energy, but because I think we are limiting ourselves today in that discussion if we adopt the type of rule that has been proposed.

I find it somehow ironic that no less than 75 amendments have been printed in the RECORD, and therefore, under our rules are going to be considered on the floor of this House during the next 2 or 3 days as we debate this legislation. Perhaps as many more amendments may be offered by Members of this body.

Yet, with all of that great number of amendments, we are not going to be permitted, under this rule if we adopt it in its present form, to reach the very basic, important question of decontrol.

My friend—and he is my friend—and colleague on the committee, the gentleman from Louisiana (Mr. LONG), referred to this—and I listened to him carefully as he presented the rule—as a modified rule. I think I would choose a somewhat different descriptive adjective. I think it is a closed rule. It is closed in the sense that it forecloses our opportunity here today and tomorrow, and perhaps on Wednesday, to do the very thing that the title of this bill implies.

If the Members will look at it, they will see that it refers to a comprehensive national energy and conversion program. I ask the Members of this body, how can we possibly arrange for a really comprehensive program when we shackle ourselves to a rule that will not permit us to consider what the gentleman from Louisiana (Mr. WAGGONNER) says he is for? However, he said there are pitfalls, and someone else—I think it was the gentleman from Louisiana—said that this is going to throw up the jurisdiction of all committees for grabs, if, somehow, we trespass on the Committee on Ways and Means by injecting into this debate the question of decontrol, which is in the jurisdiction of another committee.

Mr. Speaker, I would like to remind the Members of something that was said, and this proves I think, that I am not making just a partisan observation or partisan remarks here this afternoon, because it was the Democratic majority leader of the other body who last Friday was quoted as saying this, and I quote him:

> I must say, in all candor, that the President has cooperated with the Congress. He has not been arrogant or high-handed in his handling of the problem, but what has been forthcoming from the Congress? Plenty of words, but where is the legislative action?

If it is to convert alternatives into legislation, we are still wandering in the thickets of the congressional committee structure and along the pathway which connects the two Houses.

If we had to be reminded more dramatically of the folly of the decision that this House took in October of 1974, when it turned down the opportunity that it had then to create a single committee on energy and the environment, we need no better example than we have before us today.

Mr. Speaker, it is not too late, despite that mistake, to at least amend this rule and make it in order not to present something that is alien to the discussion, not something that is an unknown quantity. I have it right here in my hand. It is in bill form. It has been introduced in this House as H.R. 7686. Let us consider this and then decide whether or not we want a title in this bill dealing with decontrol and with windfall profits. If the Members do not want it, if they do not think it belongs in the bill, for heaven's sakes, let us vote it down.

But if the Members join me in the belief that it is an integral part of any balanced energy package, then at least give us a choice by voting down the previous question, and give us an opportunity to adopt a stronger rule that will not adopt H.R. 7686, but merely make it in order so that we can debate it, and discuss it in an intelligent fashion.

We will have, mind you, on the floor of the House, I am confident, during this debate, the presence of members, and very distinguished and competent members, of the Energy and Power Subcommittee of the Committee on Interstate and Foreign Commerce. They can be here and they will be here to give us their expertise that we need to deal with this important question.

Surely the Committee on Ways and Means that has held many hours of hearings on the oil industry, on the subject of windfall profits, can be here also and help us blend together the kind of provisions that will give us a really balanced bill.

The SPEAKER. The time of the gentleman has expired.

Mr. QUILLEN. Mr. Speaker, I yield one additional minute to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for the additional time. I want to suggest again, in my final closing moments, that what I am proposing is far from a radical thing. We have done it with the proposal that we brought out of that Subcommittee on Energy and Power before, and we have also the Eckhardt provision for an auto efficiency tax, because we make that in order for discussion today. We certainly will be doing no violence to the committee structure. We do not entangle committee lines by making in order this additional measure, these additional provisions dealing with decontrol and with windfall profits. Let us debate it so that we can show the Nation that we can legislate in a comprehensive and in an intelligent fashion on what ought to be and is one of the most important matters on our national agenda by voting down the previous question and permitting us to adopt a rule which will permit us to move so that we can get on with the business of adopting an energy bill.

Mr. Speaker, on March 21, 1974, a House Select Committee on Committees issued a report which noted that "primary responsibilities for energy jurisdiction have resided in no less than seven House committees" and that "secondary energy responsibilities have been exercised by six others." To remedy this situation, the select committee proposed that the Interior Committee be redesignated the Committee on Energy and Environment in order to consolidate these scattered and fragmented jurisdictions. To further handle the remaining problems of jurisdictional overlap, the select committee made three other important proposals: First, that the Speaker be given the authority for the joint, sequential or split referral of bills to committees; second, that the Speaker be authorized, with the approval of the House, to refer a bill to an ad hoc committee comprised of members of committees relevant to the topic at hand; and third, that the Rules Committee be established as an appeals board for jurisdictional disputes, with ultimate appeal of the Rules Committee decision to the full House.

As Members will recall, on October 8, 1974, the House rejected the major recommendations of the Select Committee and instead adopted a Democratic Caucus substitute which pretty much left existing fragmented jurisdictions intact, including our widely and wildly scattered energy jurisdictions. The caucus substitute also deleted the appeals mechanism, though it did include authority for the Speaker to make joint, sequential and split referrals and create ad hoc committees.

Mr. Speaker, today last fall's turkeys are coming home to roost and we are being squarely confronted with the folly of our rejection of the select committee's functional jurisdictional realinement proposals. And mark my word, this folly will continue to plague us for the duration of this Congress, particularly in the energy area. The Rules Committee has already attempted to bring together two different committee proposals on the Elk Hills Naval Petroleum Reserves—one from Armed Services and another from Interior—and now I understand the Interstate and Foreign Commerce Committee wants a piece of that action. As a consequence, despite the fact that the Rules Committee approved a rule on Elk Hills back on April 22, this vital energy production legislation has yet to be brought to the floor.

Today we are considering a rule for H.R. 6860, the Ways and Means energy conservation bill which does nothing about energy production, does little about energy conservation, and, I suspect, by

the time we get done with it, will wind up doing nothing about anything.

Is it too much to ask that this Congress organize itself in such a way that we can consider a comprehensive, coherent and responsible piece of energy legislation? Is it too much to ask that a little leadership be exercised around here so that we are not forced to consider energy proposals piecemeal and that instead the various committees concerned with energy be forced to consolidate their efforts? We have been hearing so much talk about the new mood and spirit of Congress—how we are reasserting our prerogatives and reassuming the responsibilities which are rightfully ours. We have heard a lot of criticism about the unilateral energy actions being taken by the President—under limited authority granted to him by previous Congresses. But I am getting a little tired of all this talk with no evidence of comprehensive and concrete actions on the part of this Congress when it comes to energy.

Mr. Speaker, after 2 full days of deliberations over the Ways and Means energy bill, the Rules Committee at least considered exercising some leadership in this area by expanding the rule beyond the Ways and Means request. And, to an extent we did in that we made in order a Commerce Subcommittee substitute for the auto fuel efficiency provisions. However, on a more crucial 8 to 8 tie vote, the Rules Committee failed to make in order a new title, again proposed by the Energy Subcommittee of the Interstate and Foreign Commerce Committee, providing for a 4-year decontrol of old oil and a windfall profits tax.

If, as some have predicted, the gas tax is stricken from this bill, the whole bill will be rendered virtually meaningless and toothless. I think we owe it to ourselves to at least make a decontrol amendment in order as a fallback alternative to the gas tax, or we may find our only fallback is behind. Vote down the previous question so that we can still salvage a meaningful program.

Mr. LONG of Louisiana. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Speaker, the gasoline tax provisions of the Energy Conservation and Conversion Act of 1975, as it has been reported, practices serious and unwarranted discrimination against persons living in the countryside.

I agree with and support the need to reduce the dependence of our Nation on imported petroleum products. But, I am compelled to oppose the inequity this proposal imposes on persons who choose to live and work in the small communities, towns, and cities of the countryside.

According to a report published by the U.S. Department of Transportation in August 1973, 58 percent of all workers in the Nation live in areas under 25,000 population or incorporated areas.

For the majority of these workers public transportation is simply not available. According to the DOT study, "Nationwide Personal Transportation Study—Home-to-Work Trips and Travel, Report No. 8," private vehicles are the only transportation alternative, other than their own feet, for persons to whom public transportation is not available.

The same DOT report presents analysis of data on users of private transportation for commuting trips from home to place of employment for workers living in seven area categories, and the availability of public transportation. These data appear in the following table:

TABLE A-23.—PERCENT OF EMPLOYED PERSONS[1] BY MODE OF TRAVEL TO WORK ACCORDING TO PLACE OF RESIDENCE AND DISTANCE TO NEAREST PUBLIC TRANSPORTATION

Place of residence	Distance to nearest public transportation system to work: Less than 1 block	1 to 2 blocks	3 to 6 blocks	Over 6 blocks	No public transit available	Not reported	Total	Distribution of workers
Users of all modes:								
Unincorporated areas	4.3	5.3	4.0	13.7	71.3	1.4	100	30.5
Incorporated places:								
Under 5,000	1.7	3.8	3.0	2.7	87.5	1.3	100	9.7
5,000 to 24,999	7.0	11.5	7.9	8.6	63.8	1.2	100	17.4
25,000 to 49,999	7.2	14.4	12.8	16.8	46.9	1.9	100	7.0
50,000 to 99,999	21.0	20.4	16.3	7.2	34.8	.3	100	8.3
100,000 to 999,999	24.6	35.4	12.4	6.9	20.1	.6	100	18.3
1,000,000 and over	22.0	39.2	28.1	4.8	5.3	.6	100	8.8
All incorporated places	14.5	21.5	12.5	7.5	43.1	.9	100	69.5
All areas and places	11.4	16.6	9.8	9.4	51.7	1.1	100	100.0
Users of private transportation, automobile and truck:								
Unincorporated areas	3.4	4.9	3.8	13.2	73.4	1.3	100	33.3
Incorporated places:								
Under 5,000	1.1	3.7	2.7	1.8	89.3	1.4	100	10.6
5,000 to 24,999	6.1	9.7	7.0	7.9	68.2	1.1	100	18.4
25,000 to 49,999	7.5	12.4	10.0	16.5	51.5	2.1	100	7.2
50,000 to 99,999	18.6	19.7	15.4	7.5	38.5	.3	100	8.5
100,000 to 999,999	21.3	34.0	12.1	8.2	23.9	.5	100	17.2
1,000,000 and over	20.0	35.5	24.9	7.4	11.0	1.2	100	4.8
All incorporated places	11.9	18.5	10.3	7.8	50.5	1.0	100	66.7
All areas and places	9.1	13.9	8.1	9.7	58.1	1.1	100	100.0
Users of public transportation—bus, streetcar, subway, train:								
Unincorporated areas	53.5	17.2	3.8	21.3	(3)	4.2	100	5.8
Incorporated places:								
Under 5,000	74.0	(2)	26.0	(2)	(2)	(2)	100	1.0
5,000 to 24,999	25.4	38.9	24.4	11.3	(2)	(2)	100	8.7
25,000 to 49,999	4.7	47.1	38.1	10.1	(2)	(2)	100	5.0
50,000 to 99,999	37.6	31.0	21.9	6.3	3.2	(2)	100	7.9
100,000 to 999,999	42.0	41.3	13.6	1.5	.7	.9	100	33.9
1,000,000 and over	25.3	38.7	33.0	3.0	(2)	(2)	100	37.7
All incorporated places	31.8	39.0	24.5	3.8	.6	.3	100	94.2
All areas and places	33.0	37.8	23.3	4.8	.5	.6	100	[3] 10.0

[1] Excludes persons who work at home or at no fixed address.
[2] Data insufficient for analysis.
[3] Includes 64,100,000 employed workers: 58,500,000 workers use private transportation and 5,600,000 use public transportation.

Source: Data from unpublished table H-8 of the nationwide personal transportation survey conducted by the Bureau of the Census for the Federal Highway Administration, 1969–70.

Even a quick review of these tables shows clearly that far fewer people living in places of less than 25,000 population have public transportation as an alternative to using private vehicles for commuting to and from work. At the same time, far more users of private transportation for home to work trips who live in cities of 50,000 or more have public transportation available within two blocks or less of their homes.

Less than 16 percent of the persons who travel to work by private car and who live in communities of less than 25,000 or in unincorporated areas have public transportation alternative within two blocks of their homes. This compares to 55.3 percent of the persons in places of 100,000 to 999,999 and 55.5 percent in places of 1 million or more who use private transportation for such commuting even though a public transportation alternative is available within two blocks of their homes.

What alternatives are available as a means of reducing the impact of the increased gasoline tax proposals?

There are basically four:

First, a person can buy one of the small cars that get more miles to the gallon of gasoline; second, an individual can choose to car pool; third, a citizen can choose to move closer to his or her place of employment; or fourth, a person can choose to use public transportation.

These are reasonable alternatives, generally. But, like the gas tax, their impact does not fall equally on all persons. Can the poor, the higher percentage of whom live in the countryside, afford to invest in a new, or even used, more gas-efficient automobile? Is it just or in the best interests of the Nation to

tax citizens simply because they choose to live in areas of low population and, thereby, encourage them to cluster in swarms in the urban and urbanized areas? For millions of persons living in communities of 25,000 or less population the public transportation alternative ought to be scratched from the list because it is just not available.

A 1972 study by the Department of Transportation showed fewer than 400 public transportation systems operating in cities of under 50,000 population. The 1970 census indicated that 34 million of the Nation's citizens lived in 18,000 communities of 25,000 or less.

No figures are available on the average round-trip countryside citizens have to make to reach their places of employment. But, a recent study by the Arkansas Industrial Development Commission of commuting employees at six industrial plants in Pocahontas, Ark., shows that 9.9 percent of them travel from 30 to 60 miles, round-trip, each day, to and from their jobs.

The DOT "Home-to-Work Trips and Travel" study shows that a higher percentage of employed persons living in communities of less than 25,000 population travel 15 or more miles from home to work than is the case for persons in places with populations of 25,000 or more. At the same time a greater percentage of the workers living in the more densely populated areas have home-to-work trips of less than 15 miles than is the case of residents of small communities and cities.

A table containing the trip length data from the DOT study follows:

TABLE 2.—PERCENT OF WORKERS[1] CLASSIFIED BY HOME-TO-WORK TRIP LENGTH AND PLACE OF RESIDENCE[2]

Home-to-work trip length (miles)	Place of residence: Unincorporated areas	Incorporated places: Under 5,000	5,000–24,999	25,000–49,999	50,000–99,999	100,000–999,999	1,000,000 and over	All places	All workers
5 or less	41.8	56.2	55.9	59.1	61.2	60.3	44.1	56.5	52.1
6 to 10	21.1	12.2	17.1	18.9	20.0	23.5	30.1	20.6	20.9
11 to 14	8.5	6.5	8.0	8.2	5.7	6.1	8.8	7.1	7.5
15 to 19	9.7	8.5	7.0	5.9	7.1	5.3	7.8	6.8	7.7
20 to 24	6.8	6.4	4.0	3.1	2.0	2.1	3.7	3.5	4.5
25 to 99	11.3	9.8	7.3	4.5	3.2	2.3	5.2	5.1	6.9
Not reported	.8	.4	.7	.3	.8	.4	.3	.4	.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] Excludes those who work at home or at no fixed address.
[2] See table A-3, appendix A, for more detailed information.

It is common for persons living in the countryside to make a 50-mile round trip each day to travel from their homes to their jobs. If they have a vehicle which gets 15 miles per gallon, their gas bill, for home-to-work-to-home, is $477.16 per year, assuming they are paying 55.1 cents per gallon for regular gasoline. If the full 23 cents per gallon proposed in this tax legislation is imposed, this countryside resident's home-work round trip cost will increase by 42 percent. The new total annual gas cost will be $677.56.

Another way to say the same thing is, if you are now burdened with a $1,000 a year gas bill this new tax, if fully employed, will mean an increase to $1,420. In the case of countryside residents the public transportation alternative is, for the most part, simply not available.

The provisions of the bill would allow a person to claim a tax credit for the extra taxes he or she pays on 40 gallons of gas per month. This produces, at the maximum refundable tax of 20 cents per gallon, a credit of $96 whether the user burns it to go to and from the place where he or she earns a living or whether he or she uses it to drive to the beach for a holiday. For each household there is a 40-gallon-a-month tax credit available for each person 16 years old or older.

This rebate is available across the board whether the recipient has public transportation available as an alternative to private vehicle use or not.

It is my understanding that the Committee on Ways and Means considered proposals for writing the provisions of title II of the Energy Conservation and Conversion Act so that it would be less unfair to citizens of nonmetropolitan areas. They rejected these, I have been advised, because they were complex to administer and because they would take out of the economy, for a year, the increased taxes being paid on gasoline.

I am in sympathy with the concern for simplifying the administration of energy conservation and conversion programs. I understand the concern for avoiding taking money out of the already sluggish economy. It seems to me, though, that in this case simplicity of administration perpetuates the trend toward urban bias in legislation. It further appears that with our tradition of ingenuity and innovation we should have been able to find a solution to keep from taking money out of the economy for a year other than one that discriminates against countryside residents.

Many proponents of the energy proposal assure me that it is better, in terms of national interests of all the citizens, than is that of the President which provides for no rebate of the increased taxes and fees on gasoline. I agree that the House bill is better, so far as it goes. The problem is that supporters of equity for countryside residents, in Federal legislation must, at some point, stop compromising principles and start opposing proposals that are inequitable even though they are less unjust than some other proposal which is or has been under consideration.

Because there are no public transportation alternatives available, nonmetropolitan residents will quite literally and unreasonably be paying a tax on their right to choose to live in countryside America that their cousins in the big cities, in the main, avoid.

The tax bill discrimination comes on top of the urban bias practiced by the Urban Mass Transportation Administration in distributing its Federal funds for capital facility grants for public transportation.

For instance, in 1972, UMTA provided 458 times as much money for cities with populations of more than 50,000 than it did for cities with populations between 5,000 and 50,000. In fiscal year 1974, the ratio improved with only 75 times as much capital facility grant money going to places larger than 50,000 as went to smaller ones.

Thus, in effect, UMTA has been contributing to the serious situation of lack of transportation alternatives in the countryside by failing to take necessary actions to respond to those needs which could benefit from capital facility grants.

As I said at the beginning of these remarks, I recognize and support the need for energy conservation. I support efforts of our Nation to achieve the essential objective of energy independence.

I support a legislative solution to this national problem. The people of the heartland are fair. They expect to shoulder their part of the load. But, we cannot stand by and accept a solution which is unfair and which requires country people to carry water on both shoulders. This gas tax proposal explicitly levies a heavier burden on people of the countryside than it does on those in the cities where public transportation is available.

Mr. LONG of Louisiana. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Indiana (Mr. SHARP).

Mr. SHARP. Mr. Speaker, I rise in support of House Resolution 505.

First of all, Mr. Speaker, I would like to clarify the position of the gentleman from Louisiana (Mr. WAGGONNER) on the previous question.

I would ask the gentleman from Louisiana how does the gentleman plan to vote.

Mr. WAGGONNER. Mr. Speaker, if the gentleman will yield, I would respond to the gentleman from Indiana by saying that the rule should not be amended. I would advise the Members to vote "aye" on the previous question, and to vote

"aye" on the rule. The net effect then would be that decontrol and windfall profits amendments would not be offered.

Mr. SHARP. Mr. Speaker, I think it is important that we must proceed on this energy legislation. We have heard from the President, Members of the Congress, and others in the national community about the deficiency of action by the Congress both for the benefit of our economy and the benefit of international policy over the next several decades. While I agree that consideration of oil pricing is a major element of any national policy, I would like to point out that the Congress is responsibly dealing directly with the merits of the matter. The Committee on Interstate and Foreign Commerce has this matter before it in its broad consideration of its major energy bill, which along with the bill of the Committee on Ways and Means is one of two of the major elements in any national policy. So I think we are moving responsibly forward on all of the critical issues. We should today have the opportunity to debate the many issues in the Ways and Means bill, and to do it responsibly, because any major changes to the bill will have been noticed to the Members of this House in the RECORD of last week.

I think that this is the only responsible way in which we can proceed so that the Members have an opportunity to know in advance the complex issues they are going to be dealing with. I think, for instance, more of us on the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce, after some 3½ months' effort under the chairmanship of the gentleman from Michigan (Mr. DINGELL) who led us into a night session in completion of our bill at 12:15 one Wednesday evening, that we have learned that every such proposal that has come up has important ramifications for many aspects of our economy.

We simply cannot dive into this thing without consideration of the economic impact and the impact on our society. Therefore, I think the notice provisions of this rule are critically important. I would like to distinguish for the Members what is occurring in this rule. The rule allows for us to substitute the provisions of H.R. 7117 for the auto efficiency tax of the Ways and Means bill. The reason for this permission is precisely because the two approaches are probably not compatible, one deriving from the Committee on Ways and Means, and one from the Committee on Commerce.

It is very important that we settle the issue straight on by providing choice of one or the other to the Members of the House. That certainly is not the case with the decontrol issue. The decontrol or the oil pricing issue is one we will confront straight on, independent of many of the judgments that are already in the Committee on Ways and Means bill. Therefore, I urge that we support House Resolution 505.

Mr. QUILLEN. Mr. Speaker, I would like to remind the Members of this body that in the end we as a Nation must have a self-sufficient energy program. We must produce more energy for the benefit of the American people, and the bill voted out of the Committee on Ways and Means by a Democratic majority provides nothing except a 23-cent tax provision, nothing for domestic production. It is so important that we vote down the previous question to allow decontrol, to encourage the producers of this country to produce more oil for the benefit of the American people.

I would urge the Members again to vote down the previous question because this is so important. Everywhere I go, everywhere I listen, people are saying, why does not the Congress do something for more production of oil and energy? The mandate is in our hands, and it is so important today that we vote down the previous question and we allow as a new title, Decontrol and a Windfall Profits Tax With a Plowback.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio (Mr. LATTA), a member of the Committee on Rules.

Mr. LATTA. Mr. Speaker, very frankly, I do not think this bill is ready for floor consideration today or this week. When we broke for the Memorial Day recess after hearing this bill in the Committee on Rules, I must say there were not the votes in that committee to report it out. Why? It was not ready for floor consideration.

Nothing has been done to improve it since that time. Could it be that the action taken by the President of the United States of adding $1 a barrel to imported crude, has brought this matter to the floor? Is there now a rush by the Democratic majority to pass an energy bill—any bill—just to give the impression that the majority is doing something?

I understand, Mr. Speaker, some 160 amendments have been printed in the RECORD and are to be proposed to this bill. I think most of us have been around here long enough to know that we cannot legislate responsibly on the floor of the House in this manner. The proposed amendments are important not only to their sponsors but also to the American people. This is one of the most important bills we will consider this year and perhaps in this century. America's future depends on it.

But here we are today, about ready to consider on the floor of the House an energy bill which is not ready for consideration under anyone's guidelines. Politics have entered into it. I say to the Members the American people are fed up with politics entering into these discussions on energy. They want an energy bill they can live with and one they can afford. They want an energy bill which will produce some additional energy, not just penalties and tax increases.

I might say, Mr. Speaker, in traveling around my district, I have not found one single, solitary soul who wants to pay 23 cents additional tax on a gallon of gasoline. Let anyone—anyone in this Chamber today—tell me we are not going to have an additional 23 cents per gallon tax in this bill if it passes as it is now before the House and try to keep a straight face. And when are they going to do it? They are going to put most of it on after election—some 20 cents a gallon. Is this the way to legislate? If you think this is the way to solve the energy problem, why not face up to the realities of your proposal now, not after election.

Let me say there are a couple of other gimmicks in this bill that rather sicken me as a Member of this House.

Once again they are going to share the wealth, so to speak, in this legislation. Believe it or not, there is a provision in this bill to give every man, woman, and child in America 16 years of age or older, whether they use one drop of gasoline or not, a bit of the action, and share some of the new, unneeded gasoline tax with them at the expense of the person who must use an automobile to get to work.

Let me say, Mr. Speaker, I have not found too many people in my district satisfied with the so-called rebate program passed recently, but here you are with another similar gimmick in this bill and it has no place here.

Let me say also, Mr. Speaker, I have several automobile plants in my district, as do several other Members. We are interested in American production and in American jobs, but there is a provision in this bill which will provide benefits to the diesel-operated automobile manufacturers. All of these taxes will not go on diesel fuel and since we do not have any diesel automobiles produced in America, we would be favoring the foreign manufacturer over the American as this would create a new incentive to buy a foreign-made diesel automobile.

We do not need this type of legislation. We should return this bill to the committee and have it bring back a bill which will give us more energy by encouraging the exploration of same in all fields.

Mr. LONG of Louisiana. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, if I may first I would address my good friend, the gentleman from Ohio. Before he gets too sickened about that rebate, it was born, not in the Ways and Means Committee initially, but at the White House. That particular provision came from the President's proposal.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I do not care where it came from. I do not like it.

Mr. CORMAN. Mr. Speaker, there is one other thing I was going to call to the gentleman's attention, since he gets sickened by things that come out of the White House, I did not like that either. Someone has injected politics into this debate. I did not hear all the calendar tearing tantrum, but I understand it got national television coverage.

About why we should not have a rollback and decontrol provision in this bill. Decontrol is a very complex matter. It ought to be very carefully considered by the committee that has jurisdiction and that is what is happening. When that consideration is completed, then I am sure the tax writing committee will take a look at whether or not we ought to tax the windfall profits of the oil companies. I would suggest when we look at that we will determine whether or not we want to have a real tax or whether, if Members will pardon the expression, we will have a shell game. The proposal of the administration with total plowback is no tax at all on windfall profits and we may very well decide there ought to be a tax on windfall profits.

The price of oil is fixed by the Arabs and by the President in concert, the Arabs deciding how much they will sell oil for and the President deciding how much tax he will put on it before it gets to the American consumer. The majority of American-produced oil is not controlled at the moment. All new oil that is being found is not regulated. Only the old oil that is already found has some regulation. We want to look carefully at whether or not that ought to be decontrolled and how fast.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I must say the gentleman is in error. The majority of American oil is still controlled, about two-thirds of it.

Mr. CORMAN. I stand corrected on that point, but it is true that new oil is being found today which brings whatever the traffic will bear, and that is what the Shah and the President decide the oil ought to cost. If we take the control off now we will see energy in this country go up about $25 to $30 billion a year, and if we impose the so-called windfall profits tax proposed by the minority it will not put a penny into the Treasury.

What does this proposal do to encourage production of new oil? It says we will have a limit on imports and it does a little but not very much toward conservation. The people who control oil in this country will be getting a gigantic price on new oil and they pay very little tax if any on it, and that ought to be incentive enough.

Mr. LONG of Louisiana. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Speaker, the time having expired, I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this resolution.

Mr. Speaker, I thank the gentleman from Louisiana for recognizing me, especially since the time has expired on the Republican side. I ask unanimous consent to revise and extend my remarks in opposition to this rule.

The gentleman from New York (Mr. CONABLE) has announced that if the previous question on this rule is defeated, he will offer a substitute rule. His proposal would make in order all of the amendments that are already provided for by the Rules Committee—and there are over a hundred printed in the CONGRESSIONAL RECORD, and therefore in order. It does not block consideration of any such amendment already allowed by the Rules Committee. It prevents nothing that is not already gagged by the bare majority of the Rules Committee.

Rather it allows the consideration of two additional proposals: First, deregulation of oil prices and second, a "windfall profits" tax with a "plowback" provision. Taken together these changes would restore the free market as the best allocator of petroleum and derived products, and importantly would insure that oil company profits are plowed back into investments in drilling and exploration for oil, and construction of refineries and pipelines and other production facilities. This would be in the consumers' interest. If we must pay a higher price for gasoline and oil products, at least it would be better to see that this higher price is used to produce more oil in this country. It is in the consumers' interest not to run short.

Surely, these proposals deserve consideration. Probably nothing is more vital to energy self-sufficiency than deregulation. If this is precluded from consideration, there is nothing left in the bill to encourage domestic oil production. Without that, this is only half an approach to our energy problems.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. QUILLEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 237, nays 148, not voting 48, as follows:

[Roll No. 271]

YEAS—237

Abzug	Cornell	Hawkins
Adams	Cotter	Hayes, Ind.
Addabbo	D'Amours	Hays, Ohio
Alexander	Daniels, N.J.	Hébert
Ambro	Davis	Hechler, W. Va.
Anderson, Calif.	de la Garza	Hefner
	Delaney	Hicks
Annunzio	Dellums	Hightower
Ashley	Dent	Holtzman
Aspin	Derrick	Howard
AuCoin	Diggs	Howe
Baldus	Dingell	Hubbard
Barrett	Downey	Hughes
Baucus	Downing	Hungate
Beard, R.I.	Drinan	Jacobs
Bedell	Duncan, Oreg.	Jenrette
Bennett	Early	Johnson, Calif.
Bergland	Edgar	Jordan
Bevill	Edwards, Calif.	Karth
Biaggi	English	Kastenmeier
Bingham	Evans, Colo.	Koch
Blanchard	Evans, Ind.	Krebs
Blouin	Evins, Tenn.	Krueger
Boggs	Fascell	LaFalce
Boland	Fisher	Leggett
Boiling	Fithian	Lehman
Bonker	Florio	Levitas
Bowen	Foley	Litton
Brademas	Ford, Mich.	Lloyd, Calif.
Breaux	Ford, Tenn.	Lloyd, Tenn.
Breckinridge	Fountain	Long, La.
Brodhead	Fraser	Long, Md.
Brooks	Fulton	McFall
Brown, Calif.	Fuqua	McHugh
Burke, Calif.	Giaimo	McKay
Burke, Mass.	Ginn	Macdonald
Burleson, Tex.	Gonzalez	Madden
Burlison, Mo.	Green	Maguire
Burton, Phillip	Haley	Mahon
Carney	Hall	Mathis
Carr	Hamilton	Matsunaga
Casey	Hanley	Mazzoli
Chisholm	Hannaford	Meeds
Clay	Harkin	Meicher
Collins, Ill.	Harrington	Metcalfe
Corman	Harris	Meyner
Mezvinsky	Pike	Staggers
Miller, Calif.	Preyer	Stanton,
Mills	Price	James V.
Mineta	Randall	Stark
Minish	Rangel	Steed
Mink	Rees	Stephens
Mitchell, Md.	Reuss	Stokes
Moakley	Richmond	Stratton
Moffett	Riegle	Studds
Morgan	Risenhoover	Sullivan
Moss	Roe	Symington
Mottl	Rogers	Taylor, N.C.
Murphy, Ill.	Roncalio	Thompson
Murphy, N.Y.	Rooney	Thornton
Natcher	Rose	Traxler
Neal	Roush	Tsongas
Nedzi	Roybal	Udall
Nix	Russo	Ullman
Nolan	Ryan	Van Deerlin
Nowak	St Germain	Vander Veen
Oberstar	Santini	Vanik
Obey	Sarbanes	Vigorito
O'Hara	Scheuer	Waggonner
O'Neill	Schroeder	Waxman
Ottinger	Seiberling	Weaver
Passman	Sharp	White
Patman, Tex.	Shipley	Whitten
Patten, N.J.	Sikes	Wirth
Patterson, Calif.	Simon	Wolff
	Sisk	Wright
Pattison, N.Y.	Slack	Yates
Pepper	Smith, Iowa	Yatron
Perkins	Solarz	Zablocki
Pickle	Spellman	Zeferetti

NAYS—148

Abdnor	Gilman	Mosher
Anderson, Ill.	Goldwater	Myers, Ind.
Archer	Goodling	Myers, Pa.
Armstrong	Gradison	Nichols
Ashbrook	Grassley	O'Brien
Bafalis	Gude	Pettis
Bauman	Guyer	Peyser
Beard, Tenn.	Hagedorn	Poage
Biester	Hammer-schmidt	Pressler
Brinkley		Pritchard
Broomfield	Hansen	Quie
Brown, Mich.	Harsha	Quillen
Brown, Ohio	Hastings	Regula
Broyhill	Heckler, Mass.	Rhodes
Buchanan	Heinz	Rinaldo
Burgener	Helstoski	Roberts
Burke, Fla.	Henderson	Robinson
Butler	Hillis	Rousselot
Byron	Hinshaw	Ruppe
Carter	Holland	Sarasin
Cederberg	Holt	Satterfield
Clancy	Horton	Schneebeli
Clausen, Don H.	Hutchinson	Schulze
	Hyde	Sebelius
Clawson, Del	Ichord	Shuster
Cleveland	Jeffords	Skubitz
Cochran	Johnson, Colo.	Smith, Nebr.
Cohen	Johnson, Pa.	Snyder
Collins, Tex.	Jones, N.C.	Spence
Conable	Kasten	Stanton, J. William
Conlan	Kazen	
Conte	Kelly	Steiger, Ariz.
Crane	Kemp	Steiger, Wis.
Daniel, Dan	Kindness	Symms
Daniel, R. W.	Lagomarsino	Talcott
Derwinski	Latta	Taylor, Mo.
Devine	Lent	Thone
Dickinson	Lott	Treen
Duncan, Tenn.	McCloskey	Vander Jagt
du Pont	McCollister	Walsh
Edwards, Ala.	McDonald	Wampler
Emery	McKinney	Whitehurst
Erlenborn	Madigan	Wiggins
Fenwick	Martin	Wilson, Bob
Findley	Michel	Winn
Fish	Milford	Wydler
Forsythe	Miller, Ohio	Wylie
Frenzel	Montgomery	Young, Alaska
Frey	Moore	Young, Fla.
Gaydos	Moorhead, Calif.	Young, Tex.
Gibbons		

NOT VOTING—48

Andrews, N.C.	Flynt	Moorhead, Pa.
Andrews, N. Dak.	Jarman	Murtha
	Jones, Ala.	Railsback
Badillo	Jones, Okla.	Rodino
Bell	Jones, Tenn.	Rosenthal
Burton, John	Ketchum	Rostenkowski
Chappell	Keys	Runnels
Conyers	Landrum	Shriver
Coughlin	Lujan	Steelman
Danielson	McClory	Stuckey
Dodd	McCormack	Teague
Eckhardt	McDade	Whalen
Eilberg	McEwen	Wilson, C. H.
Esch	Mann	Wilson, Tex.
Eshleman	Mikva	Young, Ga.
Flood	Mitchell, N.Y.	
Flowers	Mollohan	

So the previous question was ordered.

The Clerk announced the following pairs:

Mr. Rodino with Mr. Andrews of North Carolina.
Mr. Badillo with Mr. Coughlin.
Mr. John L. Burton with Mr. Esch.
Mr. Chappell with Mr. Jarman.
Mr. Eilberg with Mr. Andrews of North Dakota.
Mr. Flood with Mr. Landrum.
Mr. Flowers with Mr. Eshleman.
Mr. Jones of Alabama with Mr. Mikva.
Mr. Flynt with Mr. Bell.
Mr. Moorhead of Pennsylvania with Mr. Ketchum.
Mr. Teague with Mr. McClory.
Mr. Stuckey with Mr. Jones of Tennessee.
Mr. Mann with Mr. Mitchell of New York.
Mrs. Keys with Mr. Mollohan.
Mr. Conyers with Mr. Danielson.
Mr. Dodd with Mr. Murtha.
Mr. Jones of Oklahoma with Mr. McDade.
Mr. McCormack with Mr. Shriver.
Mr. Rostenkowski with Mr. Whalen.
Mr. Rosenthal with Mr. McEwen.
Mr. Runnels with Mr. Charles H. Wilson of California.
Mr. Young of Georgia with Mr. Railsback.
Mr. Charles Wilson of Texas with Mr. Steelman.
Mr. Eckhardt with Mr. Lujan.

The result of the vote was announced as above recorded.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR A 21-DAY PERIOD TO HONOR AMERICA

Mr. RHODES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 92) to honor America, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 92

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress declares the twenty-one days from Flag Day through Independence Day as a period to honor America, and further declares that there be public gatherings and activities, at which the people of the United States can celebrate and honor their country in an appropriate manner.

Mr. RHODES. Mr. Speaker, nearly two centuries ago, in 1790, George Washington expressed in a letter his feelings about the new Government of the United States. He said:

This Government, though not absolutely perfect, is one of the best in the world, of that I have little doubt.

Perhaps, in these days of national stress, we all should stop and think a bit about America—the heritage of freedom we have been charged to maintain, and the advantages of living in a land of opportunity.

We have just such an observance at hand. The 21 days between Flag Day, June 14, and Indepedence Day, July 4, have been designated as "Honor America Days." This is the sixth annual observance, and it records our Nation's 199th birthday.

Honor America Days is a program that is nonpolitical, nonpartisan, just simply, purely patriotic. It is a time when Americans should pause to count the blessings that only our freedoms can give, to be grateful to those whose courage and foresight established this great Nation, and to rededicate ourselves to the principles of our Republic, a Government unique in today's world.

I urge that all Americans use this opportunity to honor our great land, and to attend or take part in the festivals, concerts, folklore and craft exhibitions that will be reminders of the rich heritage nearly two centuries of Americanism have produced.

It is with great pleasure that I join the leadership in Congress in recognizing this period—Honor America Days—as a time of gratitude for what we have, and renewal of the spirit, faith, and ambitions that brought forth this Government and its blessings for us, and the freedom-loving peoples of the world.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6860, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Oregon (Mr. ULLMAN) will be recognized for 2 hours, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 2 hours.

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, on this very day the OPEC nations of the world are meeting to discuss not whether they are going to raise the price of oil, but by how much they are going to raise the price. They have talked about $2. More recently they talked about $4.

This is, I think, a dramatic illustration of where we are on energy policy in this Nation.

The only way that we as a nation can counter this price increase and our increasing dependence upon foreign supplies, is to muster enough national unity and strength of purpose in this Government, and more specifically, in this Congress of the United States. Only by joining ranks and telling the world that we do have the dedication to pull this country back to a strong energy policy, can we meet that problem.

We have the dedication to conserve energy. We have the dedication to put together a massive program during the next few years to convert our energy base from petroleum to other forms of energy. But only if we demonstrate that national purpose do we have any hope of preventing the ever-increasing cost of more and more foreign supplies of oil and greater and greater dependence upon those foreign supplies.

An energy conservation program is indispensable to our national survival. Oil production is declining as our fields are depleted at a faster rate than new ones are being brought into production. Even with the Alaska pipeline, if no conservation program is adopted by 1985, we can expect imports of oil to reach 12 million barrels a day—over half of U.S. oil consumption.

The balance-of-payments drain on the United States under these conditions would be $60 billion a year—all to OPEC countries.

The energy crisis is invisible today because there seems to be a glut of oil and gasoline available. It would be a grave mistake, however, to permit ourselves to be lulled into a false sense of energy security.

Oil is readily available today for two reasons. First, the United States and other Western industrial countries are in the most severe economic slump since the depression of the 1930's. Thus, demand for oil has been cut back. Once unemployment falls back below 6 percent, the demand for oil will shoot through the roof again.

Second, oil is available today because we continue to import large quantities of oil from the Arab countries. Unless we conserve oil, the OPEC countries will raise prices again as our need for additional supply becomes more critical.

Just a few days ago one of the spokesmen for the OPEC countries said that the price of oil would have to go up by $4 a barrel this fall to compensate for recent decreases in the purchasing power of the dollar. While I doubt that a price increase of this size will occur, it is clear that the OPEC countries intend to raise the price of oil at every opportunity they have and to the full extent possible.

We must also recognize that the world is expected to deplete the major portion of its oil and gas reserves in the next 20 to 40 years. Since the United States consumes about 30 percent of the world's oil production, the specter of shortages and high prices is particularly grim for us. If we are to avert the economic chaos that this crisis otherwise will surely bring, we must make major changes in our use of energy. The

monumental decisions that must be made depend on the creation of a national energy program.

So far we have none.

The President recognizes the severity of the problem. But his solution depends too heavily on an across-the-board price mechanism to attain the change in energy priorities needed. His plan to decontrol the price of domestic oil and gas and further raise tariffs will drive up the price of oil products by about 12½ cents a gallon—not only on gasoline but also on home heating oil, diesel fuel used in trucks, fuel used by the airlines, oil used by the railroads, residual oil used in generating electricity, and petroleum feedstocks used in plastics, synthetic fibers, and other petrochemicals to name only a few areas of price increase.

The President's plan will push the cost of living anywhere up to 4 percent. It will send a ripple of inflationary pressures spreading through the economy at the very time when the country may have ended the downturn. The immediate increased costs involved in the President's program are likely to prevent our recovery from the recession and at the same time to renew the inflationary pressures.

The bill before you also makes hard choices in achieving energy savings, but it makes them gradually enough to give consumers and industry time to adjust to the changes in energy supply and cost. In contrast to the President's bill, we minimize the adverse impact on inflation and unemployment in the months ahead, and we save much more fuel in the years ahead. Moreover, the bill does not rely wholly on the price mechanism. To give assurance that our energy goals are achieved, the bill provides quotas to directly limit the import of oil and to give us assurance that the conservation we achieve here at home is converted into reduced imports.

Not all of our energy problems are covered in this bill because not all of them lie within the jurisdiction of the Committee on Ways and Means. Many aspects of this complex issue are before the House Interstate and Foreign Commerce Committee. Others are before the Committees on Atomic Energy and Science and Technology.

The bill we are bringing to the floor today, however, contains the necessary ingredients for an energy program. As other measures are adopted in other committees, I am confident that they will constructively fit the program we have presented. If a response to upcoming legislation is needed—such as the drafting of a windfall profits tax—the committee stands ready to act at the proper time.

Most of us in Congress agree about the need to restore our prerogatives and assert our leadership. The bill now before the House asks us all to make a hard, but vital decision—whether we want a responsible energy policy for America, or not.

Let me turn now to the components of the bill. It is a bill which meets the essential energy-saving needs of the country with the minimum adverse impact on the economy—because it phases in the changes in energy priorities required. It achieves these ends without placing added financial burdens on those in the lower income groups. At the same time it assures us that the conservation we achieve will be reflected in a lower level of oil imports—no more than 25 percent of our entire consumption by 1985.

First, the bill imposes mandatory quotas on oil imports. This gives us assurance that reductions in demand are reflected in reduced imports rather than domestic production. It is important to note that there is no such assurance under the administration proposals.

The quotas are set at 6 million barrels per day in 1975 and 1976, 6.5 million in 1977, 6 million in 1978, and 5.5 million thereafter. Together with a civilian strategic reserve program and a program for standby energy conservation measures, these import levels will provide adequate protection against an oil embargo.

To provide flexibility in the system, the President is given the authority to vary the quotas by 1 million barrels a day between 1975 and 1977, by 1.5 million barrels in 1978 and 1979, and by 2 million barrels thereafter. This makes sure that the quota system will not place us in a straitjacket.

The schedule is written so as to provide us with the supply of foreign oil we need, given the conservation and conversion programs provided by the bill. Or bluntly stated, the quota schedule creates no shortages at the gasoline pumps. The quotas will begin to bite into the level of imports only if the conservation and conversion measures provided in the bill or elsewhere fail to reduce national levels of oil consumption.

Federal licenses provided by the bill will permit importers to bring oil in through an auction price system. This prevents importers from receiving windfall profits from price differences abroad. At the same time, it accommodates the quota system to a market system by allowing the free market forces to determine the sources from which oil is purchased abroad together with its distribution in this country.

The bill provides an interacting discipline with the quota system in a series of conservation measures. We believe that the basic reductions in U.S. oil consumption should be achieved through eliminating energy waste at home and through conversion to other energy sources, rather than through the effect of the quotas themselves.

Tax incentives are designed to both conserve energy and to encourage a shift from oil and gas to other energy sources.

Homeowners are given a 30-percent tax credit for insulation and a similar credit for solar energy equipment. The present 10-percent investment credit is extended for insulation in business properties and also to solar energy equipment.

Alternative energy sources are encouraged by 5-year amortization for oil shale and coal liquefaction and gasification facilities, coal slurry pipelines, power-generating facilities that use solid waste as fuel, and certain types of railroad equipment.

Recycling that reduces pollution, conserves energy and conserves scarce virgin materials is encouraged by a special investment credit for certain categories of recycled post-consumer and some industrial solid wastes.

Another significant energy conservation measure is the excise tax on business use of oil and gas as fuel. The targets are energy waste and conversion to other power sources. Because energy conservation and conversion take time, this tax is phased in between 1977 and 1980 for gas, and between 1977 and 1982 for oil. Putting the tax in place in this manner gives business ample notice to reduce their costs by conserving energy and converting from oil and gas to alternative energy sources. The tax does not apply to the use of oil and gas as a feedstock or raw material. Exemptions or postponements are included for industries—such as electric utilities—which have special problems in converting.

The bill also gives the President authority to raise the tariffs applying to imported oil and oil products to 10 percent or $1 per barrel, whichever is the higher. This will enable him to continue the restraining effect of the present levels of duty in these areas.

The bill does not permit the President to continue the second $1 of duty he has recently put into effect. This has not yet been absorbed into the price stream, and it would be undesirable to provide this inflationary effect. Nor would the bill permit the third $1, to which the President referred, to go into effect at any time.

So far in the bill, we have done everything in our power to provide the conservation of oil and the conversion from oil to other forms of energy.

Nevertheless, we cannot avoid a staggering statistic in the shares of oil consumption—37 percent of all petroleum goes for motor vehicle use. Not to address this area is to duck the issue of conservation.

Although the United States accounts for only 6 percent of the world's population, it accounts for 30 percent of the oil used. Much of this is attributable to the fact that the other leading industrial countries have much heavier taxes on gasoline and, as a result, the cars that they have developed are much more economical in their gas consumption.

We pay an average of 12 cents a gallon in State and Federal taxes. In France, drivers pay $1.30 for a gallon of gas, of which 74 cents is tax. Italians pay $1.70 a gallon, $1.16 in taxes. In West Germany, they pay $1.17 for gas, of which 74 cents is taxes, and in the United Kingdom, they pay $1.27 for gas, of which 63 cents is tax. It is no wonder that these countries have learned to economize on gasoline by driving smaller, more fuel-efficient cars.

This bill would impose nothing like these taxes on gasoline, and the taxes it does impose are largely offset by credits going back to the individual consumers.

The only gasoline tax actually put in place by the bill is a 3-cent tax effective next January. Every penny of this tax will go into a trust fund and be plowed back into the search for new

energy technology and sources and the research and development of new transportation systems. This provides an essential link between the energy taxes and the expenditures necessary to get us on the right road for energy saving. It is a link which the people understand.

Any further gasoline tax totally rests on whether the Nation can hold the line on gasoline consumption. If we can stay within the limits of 1973—the year that U.S. gasoline consumption was at its record—no additional tax will fall. Right now we are 2 percent under that mark.

If we exceed this by up to 1 percent, the increases will still be only a nickel. Further increases would be imposed only as consecutive 1 percent increases in consumption occur—up to a maximum of 20 cents. It is important to remember that none of these increases can occur before April 15, 1977; and it is unlikely that more than the first nickel will fall before 1978, and probably not all of it in 1978.

Even if a tax is triggered, 80 to 85 cents of every dollar collected will be returned, mostly through a credit against income taxes for all persons over the age of 16—generally the lowest eligible age for a driver's license.

The amount of the rebate is calculated by the amount of the tax paid on 40 gallons a month—the volume of gasoline generally required for essential driving. The rebates would be put into the economy immediately as credits against regular withholding tax.

According to the rebate formula, if the family car gets 18 miles to the gallon, the tax paid on 17,280 miles of travel that year will be returned to a family with two drivers.

In addition, there are several other complete or partial exemptions from the gas tax increase. Farmers, commercial aviation, tax-exempt institutions, vessels and State and local governments are exempt.

Taxicabs are given credit against any increase over the 3 cents for three-fourths of the tax if their jurisdiction permits shared ridership.

Other businesses are given a credit for one-half of the tax. Those who work at jobs that shift location—like construction workers and migrant workers—are given a credit for one-half the gas they use in this commuting above 25 gallons per month.

Those who suggest that this is a "job tax" have not read all the provisions of the bill.

To further encourage gasoline savings, a tax is imposed on car manufacturers if their cars fail to meet a fuel economy standard. The auto industry has already promised to improve fuel economy, but this promise is hedged in various ways. Our bill simply adds statutory support to their promise.

A manufacturer whose domestic fleet meets the auto standard will not have to pay any tax. A manufacturer who does not meet the standard will have to pay an excise tax only on those cars it sells below the standard.

The standard begins at 18 miles per gallon in 1978, goes to 19 miles per gallon in 1979 and 20 miles per gallon in 1980. These are essentially the standards which the industry has already indicated it could meet.

The committee abandoned stiffer proposals because one out of every six employees in the country depends directly or indirectly on the sale of automobiles. To begin a stiffer efficiency tax earlier would be disruptive to the entire economy.

We believe, however, that the standards we have set will encourage Detroit to design a new line of automobiles that will use less gasoline and mean less consumer expense.

The Energy Conservation and Conversion Act is a balanced responsible approach to our energy problems. It contains conservation taxes designed to focus energy conservation on its users who are most able to bear the burdens involved and on those petroleum products where the waste is greatest.

There is no question that the United States will have to reduce significantly the growth of its oil and gas consumption. Not to do so now courts disaster and merely postpones the problem making the inevitable shock even greater.

The issues before the Congress in debating this bill are whether to reduce our oil and gas in an arbitrary, haphazard way or whether to do so in an equitable way—one that minimizes the economic disruption involved.

The conservation and conversion measures in this bill will save about 2.9 million barrels of oil per day by 1985, savings that will be necessary if we are to avoid excessive dependence on imported oil. That is much more than would be saved by the administration's energy program. New estimates available to us show that the administration's program by that same date will save only about 1.2 million barrels a day.

To those who charge that this bill discourages domestic exploration, the answer is clear—no better incentive exists than high prices.

And American producers can hardly be discouraged about today's price for new oil—or the prospects of seeing that price rise to meet the probability of a few-more-dollars-increase in OPEC oil this fall. Right now domestic producers are committing more drilling rigs than ever before. Even high prices forced by foreign producers can be expected to encourage that much more exploration.

Not to pass this bill or to dilute the tough conservation program means the Congress will be abandoning the responsibility for determining the energy policy of this country. We should have no illusions. The energy crisis, even if it is an invisible crisis now, will be evident to everyone in the next few years. Failure to take tough, unpopular actions now will mean that in the longer run, Congress will be blamed when the energy crisis really surfaces.

I believe that the Nation wants us to take the lead in establishing an energy policy. To do less is to brand ourselves as the Congress that turned its back on the energy crisis. The choice is that clear.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I would like to engage the gentleman from Oregon in a brief colloquy.

First of all, is the committee operating on the assumption that this petroleum allocation is an elastic good; that is, for every 1 percent of price change, consumption is degraded 1 percent? Is the gentleman arguing that this is an elastic good?

Mr. ULLMAN. It is not quite that simple, I will say to the gentleman. We have had sophisticated studies made of the energy impact and found that although the demand for gasoline is not very elastic in the short run it is fairly price elastic in the longer run.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. ULLMAN. Mr. Chairman, we have found that goals for America are important. America is seeking energy programs and energy goals. We do not now have any. In this bill we have set goals for gasoline use that we think are right for America. We think they are easily achievable. That is No. 1. If we have those goals, the American community will move in behind them. As I said before, we have set the standard at the record gasoline usage of the peak year 1973 and only if gasoline usage exceeds that level is any tax over and above the 3 cents triggered in. If usage exceeds the 1973 level, the gasoline tax is imposed at a rate of 5 cents for each 1 percent the usage exceeds the 1973 level with a maximum of 20 cents.

If we do not meet those goals and trigger in the tax, price at the pump will in fact go up which is where the reduction in consumption from the tax comes in.

The wasters will pay a net tax but every American citizen age 16 or over will receive a rebate of the tax on the basic amount of gasoline he should be using—the tax on 480 gallons a year or $48 for each 10 cents of tax—and therefore the total impact on consumers as a whole is relatively small. But they will still pay the price at the pump, the rebate is independent of the amount of gas they buy so the deterrent is there.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield further?

Mr. ULLMAN. I yield to the gentleman.

Mr. DELLUMS. I would like to raise this point, that in the margin of our economy those persons who operate on a margin, I would suggest to the distinguished chairman, that petroleum is not an elastic good, but an inelastic good. Where we talk about rebates, those persons who are marginally employed, who have to drive to work, they are the persons who are not paying taxes, or paying very little taxes; so the rebate program will not help them.

I suggest if we impose a tax on gasoline we hurt those very people at the lower end of the economy and it is inelastic.

Mr. ULLMAN. I agree that gasoline is less price elastic than many other goods but it certainly is not wholly inelastic. Therefore price increase do make a difference.

On the question of the effect on those in the lower-income brackets let me point out that the tax rebate is refundable. It does not go just to those who buy gasoline and pay the gas tax. Nor is it limited to those who pay income tax. It goes to nontaxpayers, too. It is a basic payment for all Americans age 16 or over, so it is totally equitable and it is more helpful to the people who are in the economic group the gentleman is talking about than the wealthy. The information we have seen indicates that although those in lower-income groups may not be able to find substitutes for the automobile, they generally drive less to work and for other purposes and so would in general get back more in rebates than they pay in tax. Since the rebate in total is based on average usage and most of the tax is refunded, it should be clear that the lower-income groups come out ahead.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I might say to my colleague, the gentleman from California, the way this bill is designed it will affect substantially more than they would pay in taxes, because it will go to everybody, whether they own automobiles or not. The tax, whatever we recover, will go into the stream of the economy.

Now, on the elasticity question, in the short term the gentleman is correct. We do not expect it to have that large an impact, two-tenths in the short run; but over the long term it will be 0.75 and that is what we are driving at at this time, to phase the American people into a realization that the oil honeymoon is over and we have to deal more realistically with a commodity that has become very tight and very expensive.

Mr. DELLUMS. Does the gentleman agree with me that to those persons who are marginal, at the marginal end, petroleum is an inelastic good, but not an elastic.

Mr. VANIK. It is not completely inelastic.

Mr. ULLMAN. Mr. Chairman, let me say to the gentleman that I think this provision alone is reason for his support of the bill, because many of the people who are poor do not drive an automobile, but they get the benefit of the rebate. Suppose somebody says, "So how is this related to conservation." The point, of course, is that the conservation does not come from the rebate, it comes from the tax. The purpose of the rebate is to insure that the poor do not generally have lower incomes because of the tax and that we do not depress the economy by imposing a tax and taking a large amount of revenue out of the economy. And, in fact, the poor who do not drive are American citizens and entitled to drive automobiles. They are taking other kinds of transportation, and saving energy in that way, and we are giving them the rebate. It is refundable.

They do not have to pay taxes. Therefore, the poor the gentleman is talking about are getting an additional benefit. This is by far the most equitable approach for American consumers we could possibly put into law.

Mr. DELLUMS. One last question. If we put a tax on and raise the price of butter, there is an immediate substitute, margarine. If we put a tax on petroleum, for many people in the country there is no immediate substitute. Mass transportation, because of our neglect in the House, is not a reality in many places in the country. They are getting perhaps a benefit, but a benefit of minor proportion.

The point I am making is that there is not a readily available substitute for people in the country, so if we are going to raise the price and have any significant impact on consumption, it has to be raised significantly. We only go part of the way here, which is not enough to do the job.

Mr. ULLMAN. The gentleman must understand two things: First, this is a refundable tax, and 85 percent of this tax is paid back to the consumer. The basic use is tax free, because of the credit, is well within the use of most of the people the gentleman is concerned about. It is not going to cost them a dime.

On the other hand, if this Congress fails to act, it is supporting a 15-cent-per-gallon across-the-board price rise, with no rebate, because that is exactly what the President's program involves and exactly what we are going to get. This is our only alternative.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 4 additional minutes.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I want to respond to my colleague from California, because there is an additional factor. All of us use energy for things other than automobiles, and that is the point. There is a significant difference between this bill and the President's proposal.

The President would raise the cost of energy across the board very substantially, and for the poor who are so poor that they do not drive around very much, they still have to heat their homes and do other things that involve energy. The objective of the committee was to minimize the impact on that use of energy and to more carefully target it on the use of energy in the automobile, and particularly the use of energy of the automobile that goes beyond the normal amounts people use, for which they would get a rebate.

We looked at the possibilities of a two-tier system of pricing. This is about the only way we could figure out how to do it, to give those people the minimum amount most of them need for their automobiles without paying a tax on them, through the rebate system. But, the President's alternative would make the cost of energy for heating homes and all the other things higher for these people, and we hope that will not go through.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from North Carolina.

Mr. NEAL. Mr. Chairman, I have another couple of questions along the same line. Why is the choice only between the President's program and a gasoline tax? They both seem to follow the same line of reasoning, both of which I find unacceptable.

Mr. ULLMAN. Mr. Chairman, let me say to the gentleman that we tried every which way, in analyzing this program, to find a way to get our national energy program and ignore the American automobile, but there is no way we can do that because 37 percent of our whole petroleum consumption is by the American automobile. Unless we look to automobile use, we simply do not have an energy program.

Mr. ULLMAN. In addition to that, the American automobile industry somehow has to be turned around to develop a more efficient automobile.

The reason the Europeans have more efficient automobiles is because the gasoline prices are so high. They pay about $1.50 a gallon over there and of this about 75 cents is tax. That has had an important impact on the efficiency of the automobile. For us to improve our automobile efficiency here must be a price incentive. The committee concluded that the best way to achieve this is through a price incentive provided by a tax on gasoline which the Government can feed back through a rebate system as the bill provides. Alternatively the President provides a program where you pay 15 cents and get not a dime back in credit. In the present situation we do not think there are any other alternatives. There are no easy answers for America, and there is no energy program unless every American participates in the solution. We have been looking for easy answers too long, and there are none. There is more inefficiency—fuel inefficiency—in this whole automobile industry than anywhere else, and we have to turn the automobile industry around, to develop a more efficient automobile.

Mr. NEAL. Mr. Chairman, will the gentleman yield further?

Mr. ULLMAN. Yes, I yield to the gentleman.

Mr. NEAL. I could not agree with the gentleman more that automobile inefficiency is right at the heart of the matter, since consumption is so high. I just do not see how the two are related. But let me get off of that a minute and ask another question. Is this gasoline tax regressive, would the gentleman say?

Mr. ULLMAN. It certainly is not regressive when you take into account the rebate system. If we couple our tax with the rebate system, it is absolutely not regressive. As a matter of fact, our friends who represent the people in lower income groups I think would be well served to vote for it on this ground alone. In this connection I should emphasize that with the rebate the usual arguments about a regressive tax do not apply. The information we have shows that the number of dollars the poor spend on gasoline is much less per person than those with higher incomes spend. When you give back the gas tax based on average

usage, the poor get the same number of dollars per person as the wealthy. For the poor the rebate is a much higher percentage of their income than it is for the rich. In that sense, the rebate could be called progressive. The net tax and rebate gives the poor a net rebate and the wealthy a net tax, so the whole tax and rebate package is progressive.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

Mr. NEAL. Mr. Chairman, will the gentleman yield further?

Mr. ULLMAN. I yield to the gentleman.

Mr. NEAL. I would like to ask two other questions, if I may.

Will it be inflationary?

Mr. ULLMAN. Not immediately. Its effect is small and spread out over several years so the effect is minimized. If you put it into the price mechanism right away, as the President suggests, you are going to do two things. First, you are going to sledgehammer the economy. Second, it certainly will be inflationary because it applies to all petroleum products including business use so you get secondary, or "ripple," price effects you do not get from our retail gasoline tax with a rebate. The President's program hits not only gasoline, but everything we use petroleum for, and that is a tremendous across-the-board commodity in America.

Mr. NEAL. My only point is that it seems to me that the committee, under the gentleman's leadership, has provided us with an overall plan that is good except for the gasoline tax. I do not see how the gasoline tax is related to the rest of the gentleman's plan.

If we are going to get into—as I think we should—research into alternate sources of energy, why should not that money come out of general revenues? Why should that money come out of a 3-cent or 20-cent gasoline tax across the board?

It does appear to me to be regressive.

Mr. ULLMAN. If we talk to our friends in Europe, or all over the world, they will look at this whole bill, and they will look to that one point as the most significant indication as to whether America is really ready to face up to the conservation issue or not. Everywhere around the world that is going to be a critical issue. We are going to have an opportunity to dilute the gasoline tax. I am going to make a plea to the House not to. It will be that goal for 1976. It is absolutely essential. Americans need long-range goals. I think it is one of the most symbolic things in this whole bill—one to which people all over the world are looking.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. Yes, I yield to the gentleman on this one subject.

Mr. VANIK. I thank the gentleman for yielding.

I would say this, that what the gentleman must realize is that this is the first effort in this bill to provide the research and development funds which will be allocated by another committee to help bring about a solution to the problem we are facing. It should not be overlooked.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 1 additional minute.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. The gentleman mentioned a rebate system that is included in this bill, this legislation.

As I understand it, the rebate system is much broader than the people we tax. How many people will receive the rebate under this system? What are the numbers?

Mr. VANIK. Mr. Chairman, if the gentleman will yield, it will apply to 155 million people.

Mr. ULLMAN. Mr. Chairman, it would apply to every adult over 16.

Mr. ROUSSELOT. In other words, 155 million people?

Mr. ULLMAN. The gentleman is correct.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, what does that have to do with the conservation of energy?

Mr. ULLMAN. Mr. Chairman, what I am trying to point out is that what we are doing is developing a disciplining method in our price system without penalizing the American consumer. It will have almost the same kind of discipline effect as the price increase by itself, and yet it will not impact the American consumer adversely because the tax is mostly given back to them.

Mr. ROUSSELOT. If the gentleman will yield further, how does that act as a discipline if we turn around and do this and then he knows he is helping to subsidize other people who are not even in the tax system?

Mr. ULLMAN. Mr. Chairman, let me say this: If we can meet our goals, there will be no price increase, but if we do not, the price at the gasoline pump goes up. But if there is to be a price increase the rebate keeps the person from having less to spend for other purposes. But in any case the rebate is a part of the discipline. The rebate does not depend on whether or not a person buys gasoline so he is discouraged by the higher price of gasoline exactly as if there were no rebate.

The rebate is what makes it equitable for the American people. We think this is the only way to provide discipline in energy use without hurting either the economy or the consumers of the country.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

As many of the Members know, the district of the gentleman from Oregon and my district join one another in the States of Idaho and Oregon.

Mr. ULLMAN. The gentleman is correct.

Mr. SYMMS. Mr. Chairman, when I returned to Idaho over the Memorial Day recess, as I spoke to constituents the question kept coming up as I spoke with various groups: How does your colleague from Oregon justify his so-called energy bill, which is going to increase the cost of gasoline at the pump under the supposed goal of making the country self-sufficient in energy by a tax system, and at the same time he is in support of not using the 2 or 3 million kilowatts of electric energy which is the potential indicated in the Middle Snake River?

I wonder if the gentleman from Oregon would reply to that.

Mr. ULLMAN. Mr. Chairman, the first thing the gentleman should have told them was that in our tax proposal we are not going to impose any part of the 20 cents if we can meet our goals without it. Second, if we do impose part or all of this tax, we are giving about 80 percent back to them, and the alternative is the administration program that, by its own admission, would raise the price 15 cents a gallon with no rebate.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. ULLMAN) has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, insofar as the Snake River is concerned, that is a totally separate issue. The gentleman knows that I fought for the bill for the High Hell's Canyon Dam on the Snake River for years. However, that is a totally different element of conservation.

Mr. SYMMS. Mr. Chairman, I appreciate the gentleman's position. However, is it not true that we do have the potential of 2 billion barrels of oil over the next 40 years?

I think these issues are all tied together when we come to decide what this country is going to do.

Are we going to mine coal? Are we going to build dams? Are we going to build nuclear powerplants?

Mr. ULLMAN. Mr. Chairman, we are, I might say, going to continue the balanced program that takes into consideration all reasonable conservation policies. The gentleman could get some energy out of damming the Grand Canyon, but that should not even be included in the total potential of America's possible energy resources.

That is just as true in the Middle Snake. That area has a higher use, I believe. We can develop our energy needs better by using the coal that we have in great abundance out our way, if we can develop the rules for obtaining these resources with a strip mining bill, which is an important ingredient. Now that the strip mining bill has been vetoed, we are going to be put off for another few months or perhaps a year before we can get some standards. Many mining companies are not necessarily concerned about the particular standards; they just want to be sure of the standards so they can go ahead and invest and so that they will know what their risks are. As soon as we get the strip mining bill passed, we will see a lot of coal mining out our way.

Mr. Chairman, we have the alternative resources. But first, we must get this program passed. We must get this country turned around so we can begin using the alternative energy resources and stop our overreliance on petroleum products.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I thank the gentleman for yielding.

I have a question based on the figures which the Committee on Ways and Means has put out. These figures show that 1.131 million barrels of oil per day will be saved as a direct result of the gasoline tax, which means that this will obviously be a conservation effort resulting from the efforts of the American people.

That means somebody is going to be saving many barrels of oil, and today that is the largest single amount of savings.

My question to the distinguished chairman is the same one I asked Mr. Frank Zarb, and that is this: Out of whose hide is this going to come? Who is going to do the saving? Is it going to be the commuters, the working people, housewives, people earning under $15,000 or people earning under $20,000? Who is going to save this 1.13 million barrels per day? What groups or strata are actually going to do the savings?

Mr. ULLMAN. If the gentleman will look at the alternative, which is the administration program, then he will know that it will come out of the hide of the people he is talking about because it goes into the price structure with no rebate.

If the gentleman is talking about our program, we carefully defined a program so that if an additional tax is imposed—and it does not have to be if we can meet basic goals, and I think we can—but if it is imposed, 85 percent of it goes back into the pockets of the average American. The average American will not have a single $1 additional impact on his salary. In addition, the poor will benefit more through a refundable system. Businesses will not be hurt because they get a 50-percent deduction and a 50-percent credit which means they will be released from 75 percent of the tax.

We have designed a package to let the people get the price at the pump and yet feed it back to the American consumer so that it will not have an adverse impact, and it is not coming out of the hides of the people the gentleman is talking about. Actually, the savings come almost entirely from the switch to more efficient cars over a period of years so the savings really come from everyone who buys more efficient cars.

Mr. LEVITAS. Mr. Chairman, it is becoming increasingly apparent that the American people and many Members of Congress are growing more deeply concerned about the seeming inability of Congress to respond effectively to many of the pressing problems our country is facing. I believe that the Congress, with some help from the President, who has done no better, has justly earned much of this criticism.

Since the administration—unelected as it is—has not come up with satisfactory solutions, the question is: Can Congress cope with the Nation's major ills? So far, we—Democrats and Republicans, alike—appear not to have done so.

This inability to cope is clearly illustrated by the lack of progress on an acceptable energy conservation program leading to American self-sufficiency. It is clear that the administration's program on energy is no good. It is inflationary. It penalizes the lower and middle income citizens who have little elasticity in their personal budgets. And, it gives no real assurance that conservation will follow.

On the other hand, committees of Congress and task forces have labored diligently and conscientiously, but still within the framework of the same false-solution format that the administration used.

The Ways and Means Committee has worked long hours with good intentions, but has produced a bill so out of tune with reality and the feelings of the Members of Congress and with the public that it has already attracted over 100 amendments. While the Ullman bill is a great deal better than the price-penalty, inflationary proposal of the administration, it is a bill that is designed again to penalize the middle-income person with no assurance of conservation.

According to the committee's charts, the largest amount of oil is projected to be conserved because of the so-called fuel conservation tax. But, who will pay this tax and who will do the conserving—if anybody?

I have asked Mr. Zarb and Mr. ULLMAN, who will do the conserving under their plans. Working people? Easterners? Westerners? Southerners? Housewives? People earning under $15,000? Traveling salesmen? People earning under $20,000? Commuters? "Who"? I asked. Out of whose hide will it come? But neither Mr. Zarb nor Mr. ULLMAN has yet supplied that information. Yet we are asked to vote to raise gasoline and other prices by taxes or tariffs on these unknown sacrifices who will be conserving—maybe—and paying a terrible price.

There are many good features of the Ways and Means' bill, such as the import quota system, coal conversion, the insulation credits, solar energy encouragement, and so forth. These should be saved and not lost with the bad features.

The Ways and Means bill as presently drawn, and unless significantly amended, should be recommitted—voluntarily or involuntarily—so that a bill which takes into account the realities of the problem and the wishes of Congress can be brought out with a consensus position of support for the right type of conservation bill.

I am willing to make the hard decisions. I am willing to make sacrifices. So are the American people. But those decisions and sacrifices must be reasonable and equitable.

An effective energy program must be developed without delay. But to go through a divisive and abortive debate producing nothing will lead to greater delay. A good bill, strict enforcement of the 55-mile-per-hour speed limit, one-day-a-week service station closings, improved fuel-efficient cars and similar measures will do the job.

Furthermore, as part of the need to amend or to recommit the present proposal and bring out a new one, Congress should not take one single day of recess—except for weekends and legal holidays—until an energy conservation bill has passed the House, passed the Senate, is through a conference committee, and is sitting on the President's desk.

It is for this reason that I suggest now that Fourth of July recess plans should be made secondary to finishing this task, and I will oppose all recesses in June, July, or August or anytime until we get this job done.

Action is called for.

The people expect it.

They deserve nothing less than our best efforts and full time.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. Yes, I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask the chairman this question: I notice page 33 of the committee report, where it discusses the gasoline tax. It states that the present 4-cent per gallon tax on gasoline now goes into the highway trust fund. It also mentions that these taxes are scheduled to drop to 1½ cents a gallon on or after October 1, 1977.

Knowing that the jurisdiction of the transportation legislation has been consolidated for this Congress and that there is a major highway program coming up for many years in the future, starting this year, and also that efforts are already being made toward a national transportation policy, which would include mass transportation as well as highways and/or surface transportation, am I correct in assuming that this is just a statement of fact and is not necessarily the intent at this time of the Committee on Ways and Means to insist that all gasoline taxes which now go into the highway trust fund would be reduced on October 1, 1977, but that the Committee on Ways and Means will consider the future needs of highways and mass transportation and will charge whatever gasoline taxes might be needed for these purposes, in the context of that legislation?

Mr. ULLMAN. As the gentleman knows, the Committee on Ways and Means has attempted to work with his subcommittee.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. ULLMAN) has again expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

Mr. ULLMAN. To continue what I was saying, the Committee on Ways and Means will continue to work with the gentleman's subcommittee on a program for America's highways.

All the report does is cite existing law. There is absolutely no effort to imply in any way what is going to happen in the

future. We will certainly be working with the gentleman's subcommittee on this problem of highways and will come, I am sure, to an equitable solution that will be agreed to both by the gentleman's subcommittee and by our committee.

Mr. HOWARD. Mr. Chairman, I thank the gentleman.

I have just one additional brief question concerning the four categories for research and development for the 3-cent gasoline tax.

One of them listed is mass transportation, and it takes into consideration demonstration projects relating to many areas of mass transportation. There is no specific amount from the 3 cents which will go to any of these four categories, and they will be requested by the agencies involved, as I understand. Besides that, I presume that the chairman and the Committee on Ways and Means have not considered this to be any inhibition, in any way, with respect to any other committee which may legislate in the area of mass transportation by preempting a portion of the additional tax that goes on gasoline; is that correct?

Mr. ULLMAN. Let me assure the gentleman that in this trust-fund language we are in no way preempting any legislative committee nor any appropriations committee. Every dollar that is in the trust fund will have to be separately approved and authorized by the appropriate committees of the Congress, just as every dollar will have to be appropriated by the Committee on Appropriations.

All this does is to set up a trust fund so that the legitimate committee can move in and adopt the kind of program that is best for America.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I am happy to yield to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, at this time I would like to compliment my friend and colleague, the gentleman from Oregon (Mr. ULLMAN) for the leadership he has given on the committee, and for the entire Committee on Ways and Means for undertaking this very difficult and very time-consuming task in bringing before this House a reasonable program.

Mr. Chairman, we are not all going to agree on all or any part of the bill, as the gentleman has already stated. There are no easy answers to the problem.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

Mr. MEEDS. The answer which the committee has presented to this House is the most reasonable of answers, since every Member here knows the alternative of getting exactly what we want but, instead, we have to adopt some kind of a policy which is going to bring this country into some realization that we must conserve gasoline, we must conserve alternative energy supplies, and of course there is no easy way to do it then we simply have to do what the subcommittee has decided, because that decision is certainly the toughest decision this committee has ever made, and it will be one of the toughest decisions for the House, so I think the Members had better stand behind this tough decision the committee has made.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I am happy to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I am puzzled. We are contemplating the imposition of a tax. To begin with, I wonder how successful the accumulation of a tax will be on any product? For instance, it would seem to me that the use of a tax on alcohol and tobacco, which have been very heavily taxed, have not noticeably resulted in a drop in their consumption.

Second. I think it is remarkable that we are supposedly setting up a trust fund which will result from this tax but, at the same time, because we need an alternative source of energy, which now we do not have, that 85 percent of this trust fund is going to be returned to a lot of people who were not buying gasoline anyway.

I just do not see how it all kind of hangs together; how can we build up a tax fund if 85 percent of it is going to go back to people who never have purchased gasoline, and the people who do choose to buy more gasoline will have a tax rebate.

When we say that we are going to impose these taxes, why do we not just say—and I do agree with the statement of the gentleman from California (Mr. DELLUMS) that these people who are marginal workers will have to be out that money, and then where do they go to get their rebate from? How do they get the rebate back?

Mr. ULLMAN. I think the gentlewoman from New Jersey would agree with me that that is far preferable to having the people pay a Federal tax against a price increase, which is the President's program. The President's program is a price increase only.

Mrs. FENWICK. There is a rebate there, too, is there not?

Mr. ULLMAN. In the program he will put in by administrative action, there is no rebate. Even in his legislative program the rebate is much less.

Mrs. FENWICK. It did not give money to people who did not drive.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, the President's legislative proposal did include a Federal tax rebate, but, of course the steps he takes administratively can not have any rebate. The basic difference between the President's administrative program and the committee's is the fact we give 85 percent back directly. We give it to the poor people and we give it to the consumers. If the price goes up at the pump because of a higher tax, the government feeds the tax back to the consumers. In a sense the Government is pre-empting the price increase and returning it to the people. But if we were to go to the other route, the President's administrative route which involves 15 cents a gallon, not a dime of it goes back. That is a big difference, if we are talking about 12 cents or 15 cents a gallon. Every economist that we talked to said that such charged are a major discipline.

Mrs. FENWICK. I do not like a tax.

Mr. ULLMAN. But the tax does make a difference in consumption. The President is depending on an increase of 15 cents a gallon, which largely goes to the supplier. On the other hand, the committee, if it provides an increase of 10 cents or 15 cents or 20 cents provides that the amount goes to Uncle Sam who in turn largely gives it back to the consumer.

Mrs. FENWICK. Well, there are not just two ideas in the world, as the gentleman on the other side of the aisle said, one 15 cents across the board, and the other one calling for a rebate.

Mr. ULLMAN. But at some point the gentlewoman from New Jersey would agree we have to come to some understanding as to where we are going. As of now the President has preempted this situation, and his is a pricing mechanism, it is 15 cents a gallon. I think we have to come up with a desirable alternative.

As the gentlewoman knows, and as I indicated before, we have to be realistic and we have to look at it from a worldwide point of view, because everyone around the world is looking at this bill to find out whether we have the courage to face up to the real situation.

Do not forget that the price of gasoline in Europe is $1.50. With our low priced gasoline we have subsidized the most inefficient automobile industry in the world—not inefficient from the point of view of their own production, but inefficient from the point of view of how many miles to the gallon we get out on the road. We likewise subsidize inefficient industry, inefficient practices all across the board from the standpoint of the use of energy.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

Mrs. FENWICK. If the gentleman will yield further, how does the marginal worker get his money back?

Mr. ULLMAN. If he is working, he gets it in his withholding stream immediately. At 10 cents a gallon, we give him back about $2 a week for him and his wife. This is about $100 a year for each 10 cents of tax for a family of two. They get it back immediately in the withholding stream. If they are poor and do not pay income taxes, it still is refundable. They get it back by check. Almost every American age 16 or over is eligible to drive an automobile and, therefore, each of them will get back the amount of tax.

We looked at the alternatives. It would be nice to provide a coupon system where one had an automobile, but look at all the bureaucracy and redtape. We are trying to do this the free-market way without setting up redtape. We have too much bureaucracy already. The only simple way to do it is through the income tax.

Mrs. FENWICK. If the gentleman will yield further, could it not be attached through the driver's license?

Mr. ULLMAN. The only equitable way is to do it through the income tax. This makes it possible to place it in the withholding stream. Doing it in other ways there would be a year's delay in rebating it. This way we can feed it into the withholding stream and minimize the economic impact. Not only that, but almost every 16-year-old in my part of the country drives an automobile. Every 16-year-old drives an automobile, so why go through all the redtape of making somebody produce an automobile driver's license and then not having the advantage of——

Mrs. FENWICK. But a family of seven may have one car.

Mr. ULLMAN. If they have one automobile or two automobiles, it does not make any difference. It is how much one drives, how much gasoline one uses. There are the same redtape problems and difficulty putting it into the withholding system if we base it on numbers of cars as we would if we use driver's licenses. The fact of the matter is we have a conservation program that has the conservation impact but does not hurt the consumer, and I think that is the important thing. We have got to somehow get the discipline without hurting the consumer and without hurting the economy.

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. STARK. I thank the gentleman for yielding.

May I address a question to the gentlewoman from New Jersey. If the gentlewoman from New Jersey would respond, I heard her express concern for the gasoline tax. As we are well aware, there will be a series of amendments offered. The Chairman's position, I think, is defendable, but I think there are many in the Chamber and many of our colleagues who express some dissatisfaction with the tax, as the gentlewoman has, and I heard her mention a moment ago that she preferred to have no tax. My question is, If it were a 3-cent tax to go toward research, which I think we all agree is necessary, would the gentlewoman be inclined to vote for the bill—if there were only the 3-cent tax and the 20 cents were removed?

Mrs. FENWICK. It would be a lot more likely.

Mr. AMBRO. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from New York.

Mr. AMBRO. I thank the gentleman for yielding.

Mr. Chairman, I think we find considerable hostility mostly to title II and the 20-cent gas tax, as represented by the question of both the gentleman from California (Mr. DELLUMS) and the gentleman from Georgia (Mr. LEVITAS). In response, the Chairman continues to compare the Ways and Means bill with the President's bill. There is a great deal of controversy over this section with respect to its impact on low-, moderate-, middle-income families, the underemployed, and the unemployed on the one hand, and testimony indicates that, for example, trying to compute demand elasticity during the period of supply stringency is clearly ill advised.

October 1973 to October 1974 probably comes closer to satisfying that condition with this analysis than any other set of dates in the 1973 to 1974 period. Between those two dates pump prices increased 44 percent and the total gasoline demand increased 0.3 percent.

In view of all this and in view of the fact that the Interstate and Foreign Commerce Committee is developing alternates to the gas tax, why can we not discuss this gas tax with respect not to the President's plan but with respect to two backup plans that could be tried first and equitably, these plans which the Commerce Committee is developing?

Mr. ULLMAN. Let me say we have tried to work with the Committee on Interstate and Foreign Commerce all the way across the board, and with the Dingell subcommittee, and we had hoped they could finish their product and get on the board this bill, but we have come to the end of our time and we have to move.

There is nothing the Interstate and Foreign Commerce Committee has proposed which is in conflict with this measure. As a matter of fact, there is no way we can legislate the compulsory efficient use of gasoline among the American people. There has to be some price mechanism and the problem is how to provide it without hurting people. That is what we are trying to do. If we regulate we are bound to hurt people. We think we do not hurt people in this way. However, I would remind the gentleman that the Ways and Means bill gives all of 1976 to effect the savings that you mention. If those plans are effective, no additional gasoline tax would take place in 1977.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I want to point out that tomorrow there will be an opportunity as I understand it, for someone to offer the Interstate and Foreign Commerce Committee alternative to the automobile efficiency tax. I think a tax is preferable, but I think the gentleman will have an opportunity to express himself when that amendment is offered.

Mr. AMBRO. Mr. Chairman, as I understand it, and I would like to be corrected on this, there are amendments to either delete that from the bill in its entirety or remove 20 cents from it and keep it at 3 cents, but I do not know whether it is germane at this point, whether the substitute or the alternative plan or the two-tier plan would be germane. Is it germane?

Mr. ULLMAN. That would not be germane. That is not a substitute. That would go along with what we are doing. That is not a substitute.

My time has more than run out, but during the next 2 or 3 days we will be going through an exercise of amendments that I think will be extremely enlightening and we urge all the Members to be here and participate and look responsibly at the total package as we vote on the individual amendments.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 10 minutes.

I think it is quite evident from all the questioning that is going on and from all the questions that have been raised concerning this legislation that there is a great deal of doubt in the minds of Members as to the adequacy of this bill, and I share that doubt.

As a matter of fact our committee shared that doubt. Our vote on final passage of this legislation in the committee was 19 to 16, and of the 19 Members who voted for the legislation there were indications quite a few of them would vote against the bill on the floor if the bill were not changed materially. So even as the bill came out of our committee there was considerable doubt—and we had the bill for 6 to 8 weeks. There was considerable doubt and very great criticism of the legislation as it comes to the floor today.

Many of us differed on the objections we had to the bill but there was general agreement there were many areas in which we found defects. I would like to go over some of them at this time and point them out to the Members.

The chairman did outline generally what was in the bill, so I will not go through the whole legislation, but I would like to underscore two or three or four points that I find very difficult to grasp in this legislation and, therefore, to which I object. This is not a comprehensive energy bill. There are two main problems we have with energy.

One is the conservation of energy that we have. Two is the encouragement of more domestic production in order to cut down on reliance on imports.

On the second problem, the committee did not address itself to the problem at all. There is virtually nothing in this legislation that provides any encouragement for domestic production. We raised the point in the committee. We were defeated in the committee, where we tried to include encouragement for increased production in the legislation.

The point was raised again on the floor here on the previous question.

This is not a complete bill until we answer the second part of the problem and that is, what are we doing to encourage domestic production? In this legislation, nothing.

As a matter of fact, earlier this year we discouraged domestic production by eliminating the depletion allowance. What is our history now with regard to domestic production?

In the first 3 months of 1974, domestic production was 9 million barrels a day. In the first 3 months of this year domestic production is 8½ million barrels a day. We are going in exactly the opposite direction in domestic production to that in which we should be going. We have no encouragement in this bill for domestic production. I think that is one of the great failings of this legislation.

We have heard a lot of questions raised on the floor earlier by the previous speaker relative to the matter of a gasoline tax.

At the present time the gasoline tax is 4 cents a gallon, Federal tax. The proposed increase in gasoline tax by Janu-

ary 1 next year is an additional 3 cents and by April 15, 1977, less than 2 years from now, it is proposed to increase the gasoline tax by an additional 20 cents a gallon.

It is pretty much a foregone conclusion that all we have to increase our 1976 consumption of gasoline by is 3 percent over 1973, and the tax will go up an additional 20 cents.

Now, these two taxes of 23 cents, these two taxes are in addition to the present Federal 4-cent tax. At the same time that the gasoline tax is to be 23 cents, the tax on diesel fuel does not move 1 cent. At the present time there is a normal differential in the price of diesel fuel at the service station and the price of gasoline of 7 cents, diesel fuel costing less. This 7-cent differential, plus the 23-cent tax, will make the gasoline at the service station 30 cents a gallon more than diesel fuel.

What is going to happen in 1977 when the consumer drives up to the service station pump? His neighbor has a diesel car. He has a gasoline car. He pays 30 cents a gallon more than the diesel user.

Let me read from an editorial in Business Week this week relative to this subject:

> At yearend the average price for diesel fuel was 48 cents per gallon compared to 55 cents per gallon for gasoline. Figures will vary, of course, but the 7-cent differential of the diesel will probably remain constant.

Just what I was saying—7 cents plus 3 cents, now 30 cents a gallon more for diesel. In addition to his price differential of 30 cents in the product—the article goes on to say:

> Diesels get excellent mileage, too. They average about 32 miles per gallon, compared with 22 miles per gallon for similarly sized, gasoline-powered cars.

In other words, they get almost 50 percent more mileage with diesel. Gasoline will cost 30 cents a gallon more than diesel. So beginning in 1977, what is going to happen? People are going to be buying diesel-powered automobiles. Who makes diesel-powered automobiles. There are two present manufacturers of diesel-powered automobiles, Peugeot and Mercedes.

The Europeans have been making diesel powered automobiles for 40 years. This article goes on to say—

> So far, Detroit has shown little interest in diesel-powered automobiles, leaving the field to the foreign suppliers who have been producing diesels for more than 40 years.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, General Motors has been marketing an excellent diesel in Europe, the Opel Rekord, but they will not permit it to be marketed in the United States. Why not encourage them to make it here.

Mr. SCHNEEBELI. This article does not say passenger cars or trucks. This merely says four cars, two models of Mercedes and two models of Peugeot. Volkswagen has announced that it will get into the diesel business next year and produce 100,000 automobiles, diesel powered. The whole field will be diesel powered, foreign made automobiles.

Mr. SMITH of Iowa. The cars the gentleman refers to are the only diesel powered automobiles marketed in the United States, but they do have some excellent diesels in Europe, including General Motors' very fine diesel, the Rekord, but they will not permit it to be marketed in the United States.

Mr. SCHNEEBELI. That merely supports my argument that all the diesels will be foreign made, regardless of what company makes them. If this tax goes on in less than 2 years, and Detroit has no inclination to make diesels at the present time, and it takes about 2 or 3 years to switch from one type of general construction of automobiles to a different type, it is quite obvious that when this tax goes into effect, the United States will have no manufactured diesel-powered automobiles.

The present ratio for the cars of 20 percent of imports being bought will balloon up to an unknown figure. It is quite obvious, because where one can get 50 percent more mileage through a product and at 30 cents a gallon less, one has no alternative.

Then, what is going to happen to all the used cars we have, all the cars in dealers' hands, gasoline-powered automobiles. It will wreak havoc with our marketing organizations. It will wreak havoc with all of the foreign cars that will be bought instead of our gasoline-powered automobiles. This is one fallacy of the gasoline tax, and I think it underscores the situation.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Chairman, we all know that there are problems raised by this bill. No doubt, there will be problems raised by any measure, but would the able gentleman tell us what the administration's proposal is to solve the gasoline crunch?

Mr. SCHNEEBELI. I am glad the gentleman reminded me of my next point. The administration's tax is on the whole barrel, on lubricating oil, diesel oil, and gasoline. The administration's tax is one dollar a barrel, which figures out to about 1½ to 2½ cents per gallon, depending upon whom one talks to, so the present $2 a barrel tax amounts to about 4 to 5 cents per gallon. That is, if it were equally spread on all products. What the administration hopes to do is to cause what they say is a tilt.

In other words, instead of an equal tax of 5 cents on everything, they probably would make the gasoline tax about 8 cents and diesel fuel 3 or 4 cents, but they would all participate in the increased cost of the barrel.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 5 additional minutes.

Mr. PEPPER. Mr. Chairman, if the gentleman would yield further, he tells me the administration's plan is to put a tax of about 8 cents a gallon on gasoline and 3 cents on diesel fuel.

Mr. SCHNEEBELI. There will be a tilt.

Mr. PEPPER. Is that the administration's program for solving the energy question?

Mr. SCHNEEBELI. They have not said exactly how much would be the tilt. The tilt would be two or three times as much tax on gasoline as on diesel fuel. How are we going to tax the diesel-powered cars?

Mr. PEPPER. I mean, is that the administration's solution to the energy problem?

Mr. SCHNEEBELI. Well, the solution to both is to discourage the use of energy, and also to encourage more domestic production.

I have talked about the fact that there is nothing in the bill to encourage domestic production, which we want to put in the bill. Let me say something else, if I may. Where we will be taxing gasoline at 23 cents a gallon in 1977, what will be our tax on business at the same time?

Seventeen cents a barrel. Not a gallon. A barrel. The tax on business use of petroleum products will be less than half a cent a gallon at the same time that you are taxing the guy who goes to work 23 cents a gallon on gasoline. As a matter of fact, one-third of all of the gasoline used in the United States in passenger cars is used by people who commute to work. This is a jobs tax, if that is what the Members want.

Mr. DEVINE. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman.

Mr. DEVINE. I thank the gentleman for yielding.

I just do not think the American people will buy a package that will cost them 23 cents more a gallon to buy gasoline, I do not care what all of the hearts and flowers on it are.

Based on what the gentleman said, everyone over 16 years of age, whether he drives or not, the poor, the halt, the disabled, it seems to me is a redistribution-of-the-wealth proposition. I do not see how in the world it can go to the conservation of fuel.

Mr. SCHNEEBELI. Many of us have referred to it as a "Mickey Mouse, Rube Goldberg approach." How can you conserve when you get 85 percent of the tax back? Just what is the purpose of this gasoline tax?

Mr. DEVINE. You are giving it to people who do not buy gasoline.

Mr. SCHNEEBELI. That is right.

Mr. DEVINE. Just like in the old days when we were giving it to people on the farms for not raising crops. It reverts back to the 1930's.

Mr. SCHNEEBELI. You take it from the people, in most instances, and you give it back to them at the end of the year. What kind of a deterrent is this? You borrow the money and you do not give them any interest on it.

Mr. DEVINE. I thank the gentleman.

Mr. SCHNEEBELI. Mr. Chairman, there are many other facets to which we object. We object to the Energy Trust Fund. We were joined by Members and other groups, because there was a Dear Colleague letter that came to us this morning from various members of the committee on both sides of the aisle objecting to the Energy Trust Fund. We do object to the Energy Trust Fund. We object to the fact, as I say, that there is nothing in here to encourage people to go out and find more oil. We are opposed to the Energy Trust Fund. We are certainly opposed to this gasoline tax.

As I tried to underline to the Members, it is most unfair for the person commuting to and from work. Generally speaking, we are very much opposed to the bill. We understand there will be a lot of amendments to correct some of the areas of discontent.

I see the gentleman is on his feet now. I see he proposes to introduce an amendment to reduce the gasoline tax. I will support him very much on this.

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I will yield to the gentleman.

Mr. STARK. I thank the gentleman for yielding.

I realize that the gentleman and the minority members of the committee worked hard, as we all did, in drafting this legislation. There is much in it that the gentleman opposes, and I know that there will be many amendments offered from the gentleman's side of the aisle.

I wonder if the gentleman will outline for us today those ideas that the gentleman and the Republicans proposed during the deliberations on this bill that the gentleman felt would make a good energy package and outline those positive ideas that the gentleman brought up in committee, because some of them may come up later as amendments, and I wonder if the gentleman could outline the contribution.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 3 additional minutes.

I concentrated so much on the defects, I have not thought of the assets. There are assets in this bill. Certainly the auto efficiency tax is a good approach. We should have something. We have tax refunds and tax credits for solar energy for insulation. These are good taxes. The business incentive tax for conversion to coal, et cetera, these are all good approaches. My main objections are threefold, generally. One is the lack of an incentive to go out and look for more oil; second, the gasoline tax; and third, the Energy Trust Fund.

Mr. STARK. I thank the gentleman.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes; I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

There has been much discussion about the price proposals, and there is always great emphasis on the tax on import oil, but no discussion on a program to try to decontrol and provide incentive to produce in this country.

Mr. SCHNEEBELI. Mr. Chairman, may I reply to the gentleman?

Mr. ROUSSELOT. Yes.

Mr. SCHNEEBELI. Mr. Chairman, the figures given to me by FEA are these: The committee bill will cost 23 cents a gallon in gasoline tax by 1977; the administration proposal will provide 5 cents for the $2 import duty and 5 cents for its decontrol program. That will be the additional cost.

The administration cost will be 10 cents a gallon for decontrol and the import duty combined, compared to 23 cents in the committee bill.

Mr. ROUSSELOT. So, in other words, if the gentleman will yield further, the President does have a program to try to provide incentives to get us to produce not only the normal amount of petroleum that we have available in this country or offshore, but also to encourage other forms of energy to be properly utilized?

Mr. SCHNEEBELI. Mr. Chairman, the President's program goes for the whole barrel of oil, whether it is used by people for home heating, whether it is used for gas heating, or for gasoline. We are heavier on gasoline than one home heating oil.

Mr. ROUSSELOT. So the President and the Republican Members have been joined by some Democrats in this effort because they realize what makes energy sources move in this country, and they tried hard to interject into the bill various incentives so that we would begin to produce rather than hold back production; is that not true?

Mr. SCHNEEBELI. Mr. Chairman, I think the majority of the Members will agree that the four Democratic Members who joined us in support of this position and voted with us are very substantial Members of the House of Representatives.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 3 additional minutes.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, in the gentleman's colloquy with the gentleman from California (Mr. ROUSSELOT) reference was made to the need to establish incentives for the discovery of new oil and for the production of new oil in this country. It is my understanding also that the President's desire is to decontrol oil and gas.

Mr. SCHNEEBELI. The gentleman is correct.

Mr. EVANS of Colorado. Mr. Chairman, what troubles me is this: Right now it is my understanding that the oil companies are earning great profits, and that, No. 2, if we decontrol, we will not be setting the price. It will not be a free market price; it will be a cartel price, which is about $12.50 or $13, and in the meantime there are reports that this cartel price may be raised by as much as $4 in September or October. That bothers me in and of itself, first of all.

Second, if that were to happen and local producers of oil could charge whatever the cartel sets as a price, I cannot see, in the name of commonsense, what additional incentives oil companies would need, because this does not represent the cost of doing business. This just simply provides an open door to charge two to three time what they are getting now for no particular reason, other than the fact that the cartel has set the price.

I would like to have the gentleman answer my inquiry in terms of what incentives they would need.

Mr. SCHNEEBELI. Mr. Chairman, in direct answer to the gentleman's question, it is true that the oil companies have been making a lot of money, but if we compare the first quarter profits of this year with those of last year, the profits are down about 50 percent. Last year I admit they had swollen profits, but this year their profits are just ordinary profits, compared to all other industries or other business enterprises.

Over a 5-year period of time the oil company profits have been less than the profits of average businesses.

Second, the accelerated or escalated price, in the event of decontrol, will be subject to as much as 90 percent windfall profits tax. That is in addition to the normal 48-percent tax.

So between the 90-percent tax and the normal 48-percent tax, there is not very much left unless they plow back at least three times as much money for new discoveries as they had in the previous average 3 years.

Mr. Chairman, the gentleman's committee is working on decontrol. I would like to say that the bill we tried to get adopted or to be incorporated in this legislation is not unique, in that the Energy and Power Subcommittee of the Committee on Interstate and Foreign Commerce had a decontrol bill under consideration.

Mr. EVANS of Colorado. Mr. Chairman, if the gentleman will yield for one further inquiry, I am deeply troubled by the extent to which any Member of Congress may be looking to a windfall profits tax or an excess profits tax to counter unconscionable profits.

We had this experience during the Second World War, and what we saw was that business after business and industry after industry was sitting down at board meetings and deciding how to spend this money, and it was spent recklessly all over this country because they figured Uncle Sam was going to spend 75 to 80 percent of whatever they did spend.

Therefore, I am troubled by those who look to a windfall profits tax or an excess profits tax to soak up unconscionable profits.

Mr. SCHNEEBELI. I think the gentleman from Ohio (Mr. BROWN) has a reply to the gentleman's question. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. To answer the gentleman, I do not think we have to worry about anybody who is in the oil-finding business, about where they spend their money, because we no longer have oil available to be found at low prices.

The oil we are going to find to meet the needs in the future is Alaskan oil, Outer Continental Shelf oil, and oil from small fields that will come in at a very high price per barrel. The Alaskan oil is

almost surely going to be between $8 and $10 a barrel because of the cost of finding in the biggest fields. Then if we are going to get all the oil that is up there, we will have to go into small fields where the price will be much higher than that. Outer Continental Shelf oil is going to be extremely difficult to find because the technology to go beyond the 200-mile limit does not exist.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. SCHNEEBELI) has again expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 3 additional minutes.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I, like the gentleman from Pennsylvania, am very much concerned about the lack of our taking steps to provide incentives to bring increased domestic production into being. I heard someone mention that we might not have the additional refinery capacity to handle increased domestic production.

Would the gentleman in the well advise the House as to how much refinery capacity we do have, if any?

Mr. SCHNEEBELI. For the answer to that question I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I thank the gentleman for yielding.

We have refinery capacity right now that is unused, that will enable us to refine domestic oil, and if we could get it, we would use up to about 18 million barrels a day, after which we would be back up to where we were at the beginning of the session.

Mr. ICHORD. If it is 9 million barrels a day, does the gentleman mean to tell me that we have an additional 10 million barrels a day, approximately, of refining capacity?

Mr. SCHNEEBELI. If I may answer the gentleman, no, most of our imports are in crude oil, which have been refined here. We have a lot of marginal refineries which have been phased out of business during the last 3 or 4 years, but they will come back.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I agree with the gentleman that we have a crude oil problem, not just a gasoline problem, but I understood the gentleman to say that he favored the tariff approach across the board and he opposed the committee approach of putting on quotas and selling the import licenses on a bid basis.

Mr. SCHNEEBELI. No, I am not particularly in favor of the bid basis.

Mr. SMITH of Iowa. But that would have the same result, would it not, across the board?

Mr. SCHNEEBELI. I am in favor of the overall tax approach on the whole barrel rather than just emphasizing gasoline. I tried to show how ridiculous that is.

Mr. SMITH of Iowa. However, selling import licenses on a bid basis would provide an across the board result similar to a tariff.

Mr. SCHNEEBELI. It is going on now. I have no objection to it.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from Connecticut.

Mr. MOFFETT. The gentleman is opposed to a gasoline tax; is that correct?

Mr. SCHNEEBELI. It is not only on gasoline.

Mr. MOFFETT. The present program is going to be a terrible burden on the consumer; is that correct?

Mr. SCHNEEBELI. That is right, but it is not solely on gasoline.

Mr. MOFFETT. Does the gentleman know for a fact or can the gentleman show that a rise in OPEC prices, as the gentleman from Colorado was asking the gentleman, will, in fact, bring about conservation and make further domestic production worthwhile?

Mr. SCHNEEBELI. After a while one gets to the point of diminishing returns, where the price will drive some people out of the market.

Mr. MOFFETT. What if the OPEC price is $28?

Mr. SCHNEEBELI. I doubt that it will go that high.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. SCHNEEBELI) has again expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself a last 2 additional minutes.

Mr. WIRTH. Mr Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I would like to point out to the gentleman that there is a very real difference between a windfall profits tax and an excise profits tax. A windfall profits tax is never the equivalent of an excise profits tax, and I think it is very important that we keep that in mind.

Mr. SCHNEEBELI. Also a windfall profits tax phases itself out.

Mr. DENT. Mr. Chairman, if the gentleman will yield, I am very seriously disturbed over the fact of not considering decontrols. But let us be honest, the committee does not have that jurisdiction. The Committee on Interstate and Foreign Commerce has that jurisdiction, and are presently holding hearings on that legislation. So it is not within the jurisdiction of this committee, and I think that should be made clear.

Mr. SCHNEEBELI. We were told that the other bill to decontrol would be considered by the Committee on Interstate and Foreign Commerce, and would be presented along with this bill, but it is not here. So decontrol is not a strange new subject. Second, we were assured that we would have consideration of the plowback taken up, in our committee, last November, which was in the tax bill which was before the committee.

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, I believe the record should be clear. As the gentleman knows, at that time it was understood that the Committee on Interstate and Foreign Commerce was going to bring along its bill, and we were hopeful that we would have both bills before the House at the same time, and if the Committee in Interstate and Foreign Commerce in its bill acted on decontrols, we would bring in a provision on windfall taxes. But when it became obvious that the Committee on Interstate and Foreign Commerce was not going to be able to move that along, then, as the gentleman well knows, there was a motion and a vote in the Ways and Means Committee, and the committee decided not to wait.

Mr. SCHNEEBELI. It was about a week before we went to the Committee on Rules, and a member of the Energy and Power Subcommittee came before the Committee on Rules and said there was a bill on decontrols, and they could go ahead with it, and the Committee on Rules did not entertain it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I want to say at the outset that no chairman in the history of Congress, or at least in my time, has labored so effectively with the committee as the gentleman from Oregon (Mr. ULLMAN) has, in order to bring out a bill that I think this House should adopt. I think it is the very best kind of a package we can adopt. It is not perfect legislation by any means. We had a great deal of difficulty in getting this bill through our committee.

I share the opinion of the chairman of the committee that we should have done a great deal more. I felt if we were going to meet the goals we had to meet in order to reduce oil imports, we had to do something to alert the American people, to shock them into realizing that we are in an oil crisis, in which we must do many things: in which we must conserve, in which we must create new sources of supply, and in which we must reduce the extent of our imports.

The facts are simply this: In 1973 we spent $7 billion upon foreign oil. In 1974 it was $25 billion. This year it will be in the neighborhood of $30 billion. In a few years, without any increase in the price of oil, without reducing the possible $4 increase, we are still going to be paying out $50 billion a year.

A further fact is that the war in Vietnam in 10 years cost this country some $170 billion. But that what we have to keep in mind is that if we do nothing about this problem that we are going to be spending, within the next 10 years, in the neighborhood of $395 billion that will go pouring out of this country for imported oil.

That is twice the cost of the average year in the Vietnam war. That is the call for action.

There are a lot of plans such as tariffs, allocations, all kinds of taxes, but what creates more oil? What determines whether we solve the problem? We either have to have more oil development in this country, or we have to increase the level of imports, or we have to conserve. We have to do all these things.

I hold with the premise that if this plan is adopted there is indeed a risk of an increase in the cost of gasoline through taxes.

If the President's plan is adopted, there is the certainty of an increased price for gasoline and oil through increased prices that will flow to those who produce, with some kind of a slim hope that there might be a hope of recovering some part of it through a windfall profits tax. I have yet to see that, I because I think it is going to be very difficult to get a meaningful windfall profits tax through this Congress. Or, if we do nothing, I think there is a pretty good chance that the price of gasoline is going to be 80 or 90 cents a gallon in 1977 or 1978. Those are the prospects.

The question is, Do we want to solve this problem through a program of taxation that is going to create an energy trust fund, that is going to plow back the excesses beyond what is needed for the trust fund, to turn that back into the main stream of our economy? Or do we want to let it go to industry in the hope that we might pick up some of it through taxation?

I have been in this Congress over 20 years, and I have just reached a point where I do not think we will ever be able to tax the oil industry. It is the most illusive industry in our country. They have every imaginable way of avoiding taxation. I think the way to solve the problem is to prevent the windfall profits from occurring in the first place, and that is why I think it is important that we phase out decontrol rather than do it suddenly and with full impact in the manner in which the President is suggesting.

We have oil wastage in this country at all levels. We waste oil in the construction of our homes. We waste energy. We have been wasteful in design. Our architects have been entirely reckless with regard to energy design. We use much more than we should in industry. We make many things of petroleum that could be made of other substances and products that are available without importing. We use much more gasoline in the automobile than we should. The reason that our committee directs and focuses on the automobile use is that we do not want to disturb commerce; we do not want to disturb industry; we do not want to disturb agriculture; we do not want to disrupt an economy that is rising out of a recession, we hope.

The CHAIRMAN. The time of the gentleman has expired.

Mr ULLMAN. Mr. Chairman, I yield 3 additional minutes to the gentleman from Ohio.

Mr. VANIK. I want to say this, that all of us waste in gasoline usage. The Volkswagen Beetle driven 35,000 miles a year burns much more gasoline than a Cadillac that is driven only 6. Some people buy automobiles to wash and to park in front of their houses. I do believe we should have a conservation tax, an automobile efficiency tax, but what I want to point out is that every sector of our economy is engaging in wasting. The elderly waste; the young people waste; those who work waste by living extraordinary distances from their jobs; and the unemployed waste because when they are not working, they are out fishing or doing other things that consume fuel, perhaps more than they should.

So what we are trying to do in this bill is to provide a simple plan to stimulate conservation, to create an energy trust fund, to get the American people for the first time embarked on a national energy policy. That is what H.R. 6860 is. It is not a perfect bill. It does not satisfy every segment of the country. It does not cover the problems of every person. But what it puts into place for the first time is a national energy policy created by the Congress of the United States, and once we have it in place, we can refine it. We can change it. We can work with it. But this is a congressional beginning to try to solve one of the great and most important problems of all time.

I think the issues in 1976 are going to relate to how this Congress reacted, how this Congress responded, to the very critical energy needs that befell this country.

So I urge those Members in this Committee to support this bill. I think there may be some reason where some people may have some difference of opinion on specific points, but it reflects a broad consensus of ideas. It is directed to stimulate conservation of fuel.

It is designed to reward production of more fuel, more oil, more energy. I think it is a balanced bill which would, when examined by the American people, indicate to them that we are starting off on a very vital and important course in which we are going to try to develop this and refine this bill in succeeding Congresses or even within this same Congress, but this is a good beginning and I urge my colleagues to support it.

Mr. Chairman, no one here can argue that H.R. 6860 is a perfect piece of legislation. Clearly, it is not. Many of the bill's provisions have been seriously weakened. The automobile efficiency tax, for example, is little more than an empty shell.

But to point out that this legislation has deficiencies is not to argue that the bill ought not be passed. H.R. 6860, despite its flaws, is a significant achievement for this Congress. For the first time, we have before us a comprehensive statement of a national energy policy. We may disagree on the details of this policy, but we must recognize that today is the first time the House has had the opportunity to review, deliberate, and debate the shape of our Nation's energy future. Chairman ULLMAN deserves our appreciation for providing the House with this opportunity through his exercise of enlightened leadership in the Ways and Means Committee.

H.R. 6860: LATER IS BETTER THAN NOT AT ALL

Mr. Chairman, much of the confusion that has clouded the development of a congressional energy program stems from our failure to recognize early enough the serious dimensions of our energy problems. In the opening months of the 93d Congress, there were already clear signs that our Nation was confronting a long term energy problem. Unfortunately, the Arab oil embargo pre-empted consideration of the long term consequencies of energy dependence. The artificial shortages created by the embargo focused attention instead on long gas lines, allocation problems, and price manipulations.

We are only now beginning to put these issues aside and focus on the more significant, long-range issues of energy policy. The problem we are now facing is that far too many people—Congressmen and constituent alike—insist on viewing this Nation's energy problems in terms of the "crisis" of the Arab oil embargo. According to this view, as long as there is no perceptible shortage of gasoline or heating oil, we have no energy problem.

Nothing could be further from the truth. Chairman ULLMAN has accurately characterized the Nation's energy problem "an invisible crisis." As long as so many people have so much difficulty seeing exactly what the problem is, it is hard to expect that there can be any easy agreement on policy solutions.

The major achievement of the Ways and Means Committee bill is that it clearly identifies the major facets of our Nation's energy dilemma and proposes sensible, positive responses.

A BLUEPRINT FOR THE FUTURE

The primary, inescapable fact in our energy future is that any reduction of our dependence of foreign oil from now until 1985 will not come from any significant expansion of domestic petroleum supplies. We are now confronting the consequences of our ill-conceived "Drain America First" policy which has dominated our energy thinking for the past twenty years. The oil industry has literally sucked America dry with their shortsighted, greedy exploitation of our domestic petroleum resources. At a time when we could have been importing cheap foreign oil and withholding our own supplies in reserve, the oil industry demanded—and got—special protection of import quotas. Now we are confronted by the fact that in our folly we have exhausted our own domestic supply of petroleum. It appears that we have already passed our peak of crude oil production capacity. All that we can realistically hope for is to slow the rate of production decline in the years ahead.

Because of this inescapable fact, those who complain that the Ways and Means Committee bill does nothing to stimulate increased domestic production are focusing on the wrong issue. The essential question of energy policy in the next ten to fifteen years is not "How can we increase production?", but rather, "What can we do to reduce consumption?"

REDUCING ENERGY DEMAND: THE AUTOMOBILE

When we look at the problem of reducing energy consumption, the automobile stands out like a sore thumb. As the following table demonstrates, the automobile has become an increasingly important feature in our national energy budget:

TABLE I.—DIRECT FUEL USE FOR AUTOMOBILES

	Number of autos registered [1] (millions)	Total auto travel [1] (billion VM)	Fuel economy [1] (mpg)	Auto fuel use: Actual (trillion Btu) [2]	Auto fuel use: As a percent of—U.S. petroleum use	Auto fuel use: As a percent of—Total U.S. energy use
1950	40.3	364	15.0	3,310	24.5	9.7
1955	52.1	488	14.5	4,560	26.0	11.5
1970	62.3	588	14.3	5,600	27.9	12.6
1965	76.6	712	14.2	6,840	29.4	12.8
1970	91.2	901	13.7	8,950	30.2	13.3
1971	96.1	954	13.7	9,450	31.0	13.7

[1] Includes motorcycles.
[2] Gasoline converted at 136,000 Btu/gallon.

Sources: Refs. 1 and 2.

If we are sincere in our efforts to reduce energy consumption, the automobile offers the simplest, most direct route to that end.

THE GAS TAX

Our gasoline consumption is a function of basically two factors: The number of miles we drive and the efficiency of our automobiles. The first factor is much more responsive to short-term changes than is the second. By increasing the price of gasoline, we will reduce the amount of nonessential driving we all do. This reduction is exactly what H.R. 6860 is designed to achieve. A stiff gasoline conservation tax is imposed, but that the tax is rebated on gasoline consumed for essential driving. In essence, everyone is given a tax-free allowance of gasoline equal to 40 gallons a month. Only consumption above that level is taxed under the committee bill.

While I support the committee's proposal, I would have preferred to see a stiffer conservation tax. On January 30 of this year, I proposed a tax up to 40 cents per gallon. H.R. 5005, an initial working draft for the Ways and Means Committee, proposed a tax of 37 cents per gallon. I believe these taxes to be appropriate for the conservation that we must accomplish.

AUTOMOBILE EXCISE TAX

On May 3, 1973, I proposed the first graduated excise tax on inefficient automobiles. Since that time the idea has been carefully studied and evaluated. Excise taxes levied on the inefficiency of an automobile is the simplest, most direct way the Federal Government can induce Detroit to produce an efficient automobile. Regulations not only represent severe administrative problems, but also represent an unwarranted intrusion in the marketplace by Government. If there is a less disruptive way in which to achieve the national goal of automobile fuel economy, we should choose it. Graduated excise taxes provide the answer.

Again, as with the gas tax, the committee bill provides the right direction, but it is not strong enough. Representative FISHER, along with other members of the committee, will offer a strengthening amendment to this section of the bill. Passage of the Fisher amendment would go a long way to improving H.R. 6860.

INSULATION INCENTIVES

Another area in which the Federal Government can make significant strides to encouraging more efficient energy consumption is in the insulation of residential buildings. I introduced H.R. 11543 on November 15, 1973, to accomplish essentially the same purposes set forth in sections 331 and 332 of the committee bill. I support this limited incentive program as an important contribution to the goal of reducing our energy consumption.

TRUST FUND

One of the major problems we now confront in the energy field is the absence of a coherent, well-balanced strategy of research into new energy forms. On March 26, 1973, I made a speech on the floor of the House to introduce legislation on energy development and supply trust fund. This fund was to be established from selective taxes on our most inefficient energy consumers. At that time, I stated:

Mr. Speaker, there has been a great deal of rhetoric about the energy crisis, and solutions have been offered. But no one has offerred a solution to the problems of funding the magnitude of research and development projects which are required. No one is saying where the money is going to come from to finance this national effort. . . Through the creation of an energy trust fund, this legislation provides a regular source of revenue—collected from energy consumers—to finance the development of the energy of the future.

I believe this reasoning is still valid. The need to insure that energy research is not "budget-limited" is so central to the future strength of our economy, that the drastic step of a trust fund is both necessary and desirable.

OTHER PROVISIONS OF H.R. 6860

There are other provisions of H.R. 6860 which are important, but little noticed. Chief among them is section 323 which restructures the excise tax treatment of rerefined lubricating oil. For over 10 years, the rerefining industry has suffered an excise tax discrimination relative to new oil. Congress unwittingly helped undercut the competitive position of the rerefining industry with the passage of the Excise Tax Reduction Act of 1965.

Since 1971 I have sponsored the National Oil Recycling Act. One portion of this legislation alters the excise tax on rerefined oil. Although it is easy to overestimate the importance of this tax change in revitalizing the rerefining industry, it does represent a small step toward recovering the over 1 billion gallons of lubricating oil we throw away each year.

CONCLUSION

Mr. Chairman, as I stated in the outset of my remarks, this is not an ideal legislative package. Nonetheless, it is an important framework for constructing a national energy policy. We can make improvements in this structure now and in the months and years ahead. We must begin that process now. The time has long passed for idle philosophy.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. ARCHER), a valued member of our committee.

Mr. ARCHER. Mr. Chairman, with all due respect to my colleague, the gentleman from Ohio, I cannot for a moment understand how anyone can call H.R. 6860 a sweeping national energy policy—unless they are describing the way it attempts to sweep the entire energy problem under the carpet in the hope that it will solve itself.

The next 2 years are extremely critical. In the absence of an effective energy policy, we will be importing almost half of our oil from foreign sources by 1977. Under the provisions of H.R. 6860, assuming that all of the estimates in the bill meet our most optimistic predictions, we will still be importing over 1 million barrels of oil a day more in 1977 than we did at the time of the oil embargo last year.

In terms of reducing our reliance on unpredictable foreign nations, H.R. 6860 is a failure before it begins. It is most certainly not an acceptable national energy policy.

Even if we look at it only in terms of energy conservation, H.R. 6860 is insubstantial, incomplete—and worse—ineffective. The bill practically ignores every petroleum product except gasoline, even though the private use of gasoline accounts for only 13 percent of the Nation's total energy consumption. It also follows that because of its heavy reliance on a gasoline tax, the proposal is highly discriminatory against areas of the country that have no viable mass transit system that can be effectively used as an alternative to automobile travel. American workers who must use gasoline in order to travel to and from work have apparently been singled out to bear virtually the entire burden of the conservation effort.

Where the bill goes beyond gasoline, it does too little, too late, and it does that badly.

Even if you assume—and I certainly do not—that a tax on energy consumption should provide the main thrust in conservation efforts, it is inconceivable that the entire burden should be placed on gasoline. This bill clearly discriminates in favor of the highly urbanized areas along the east coast through the provision freezing the import duty on residual and home-heating oil at 5 percent for 2 years—at the same time the tax on gasoline is expected to escalate rapidly. Such inequities should not exist in any piece of legislation that purports to be a national energy policy. The equitable thing would be to subject every product refined from a barrel of imported crude oil to its proportional share of the tax—if indeed you are going to place such a heavy reliance taxes in the first place.

Another onerous provision in the bill is the method proposed for rebating a portion of the gasoline tax. There is absolutely no justification for devising a system, under the guise of conservation, that gives a tax credit to every American man, woman, and child aged 16 or older—regardless of whether or not they even hold a valid driver's license.

The so-called energy trust fund is still another measure that is poorly drawn in the bill. Under the present wording, there is a great likelihood that this fund will represent a drain on the general Treasury in the early years of its existence. This can come about because of the bill's failure to specify that only the net tax gain may be placed into the trust fund, rather than all revenues collected through the tax portion of the bill. Losses to the general Treasury as a result of certain token tax incentives contained in the bill are not taken into account in figuring the amount earmarked for the energy trust fund.

Mr. Chairman, while the conservation provisions themselves are fraught with inequities and shortcomings, the greatest flaw in the bill by far is its total failure to encourage the exploration and development of our own domestic resources.

The drafters of the bill assumed that we would see rapid development of offshore oil and natural gas reserves, and they further assumed that we would see a relaxation of environmental restrictions that are hindering conversion to coal-burning facilities. Both of these assumptions have no basis whatsoever in fact.

The real fact of the matter is that as the result of recent action by the Congress in repealing the percentage depletion allowance we are seeing a slowing down in offshore development. This bill contains nothing that would turn this disastrous situation around.

There is a lead article on the front page of the Wall Street Journal today, which reads as follows:

Hit by sagging profits and higher taxes, and worried that the ax will soon fall again in Congress, many oil companies are cutting back their spending on oil and natural-gas exploration.

This reduction won't have much immediate impact on the U.S. energy picture, because it takes a long time to find and develop new hydrocarbon sources. But in time the current cutbacks—and others that may follow—could accelerate the growing U.S. dependence on imported petroleum.

The emerging trend runs counter to the objectives of Project Independence, the government's program seeking U.S. self-sufficiency in energy by 1985. The current prospects for still more dependence on imports also probably foreshadow further escalation of oil-product prices.

Mr. Chairman, there are no built-in incentives in this bill to encourage increased drilling operations, either offshore or on dry land.

The surface mining legislation vetoed by the President this week certainly does nothing to enccurage the production of coal, and yet increased coal production is one of the basic assumptions made by those who favor passage of H.R. 6860.

A true national energy policy would seek to combine effective, broad-based conservation efforts with additional development of domestic resources. It would not ignore the need for additional energy development and rely solely on inequitable, discriminatory taxes on a minor portion of the Nation's energy consumption.

If this country wants to face the prospect of severe energy shortages for many years to come, then this piece of legislation is indeed the way to produce that result.

I fully realize the desire of the majority in this House to come up with some form of energy legislation that would serve as an alternative to President Ford's own proposals. Unfortunately, the alternative that has been developed in H.R. 6860 is nothing more than a very weak attempt at best. Surely this body can do much better.

I urge all of my colleagues to carefully examine the piece of legislation that is before us. Once they have done so, I am confident that they will see it for what it is—not the oasis of a sound national energy policy, but merely a mirage without substance. Instead of uniting on a common policy and presenting the difficult choices to the American people, we seem content to offer the shadow of a program—one that is insubstantial, incomplete—and worse—ineffective.

The most critical period this country faces in the energy crisis is over the next two years. In the absence of an effective energy policy, we will be importing almost half of our oil from foreign sources by 1977. We will be paying about $32 billion for foreign oil in that year alone that compares with only $3 billion in 1970.

If an oil embargo is instituted during that period, we will face an economic situation that will make last year's gasoline lines seem like a pleasant interlude in the course of the day. And what does this bill do to protect the country during that period of vulnerability? Virtually nothing. This congressional energy policy would still leave us importing as much as six and a half million barrels of oil every day in 1977.

Mr. ULLMAN. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, I think it was the day before Christmas that I got on a ship going out of Philadelphia. We had already heard about the $7 or so price rise the OPEC countries were going to put on oil. On the way down the estuary of the Delaware, 125 miles, in every nook and corner one could hide any size tanker in, there was a tanker hidden there down to the gunnels in the water, loaded down with oil.

On January 1, the oil increase went on, and the tankers started to move. That oil was bought long before the price increase was announced to the public, but everyone knows that the entire matter of the price increase was a conspiracy to begin with.

Up until that time, the only major charge against the barrel of oil in the OPEC countries was $2 plus, I think, 22 cents, as a royalty. In the plan that was worked out by Aramco, it was decided that they would, instead of putting a royalty on, which had been the customary way of charging foreign countries for oil from their fields, they decided to put a $5 per barrel tax on. This $5 per barrel tax was paid by the oil companies, the American oil companies that owned it, and then when they came back to the United States and sold their products in the United States, they received from the Government of the United States a $5 credit against their taxes on moneys earned in the United States to offset the $5 tax that they paid to the OPEC countries.

So, we found ourselves in the position of losing $5 out of the Treasury of the United States for every barrel of oil that was imported because of the loss in offset taxes, and the American gasoline and oil users in the United States found themselves paying $5 to the OPEC countries for their oil use.

We are talking about who is delinquent. The President has no doubt about who is delinquent. All one has to do any hour of the day, or half hour of the day, is tune in one's radio or television and one will find him lambasting Congress because we have not done anything. Everything we have tried to do, he has vetoed. He does not try to say to us, "We will try to work out something accommodating where we disagree."

He tells us, "This is what I will take, and if you do not give it to me, I will veto it."

We are the legislative branch of Government. It was not intended that the executive write the laws of this country, or write the legislation, and the only use of a veto was to be imposed upon the people of the United States and the Congress of the United States when legislation before him was inimical or dangerous to the security of this nation and to the well-being of the peoples of the Nation.

A question of a decision by the newly appointed—a newly appointed Secretary of a department who has never been in public life, has never had any exposure to legislating and comes up with a draft—and who of all the members of this whole cabinet, I think has said more things that have been wrong, it has been the fellow that some people call "Simple Simon."

What has gone wrong with this nation? Is it now declared that the Members of the Congress are to be the whipping boys for the entire country? Are we not to be treated as elected members who face our constituencies every 2 years? Are we to destroy the faith and the confidence of the American people in their elected representatives, who are their only bulwark—their only bulwark against one man rule, under any name?

We are the majority of the people when we, the majority, or that majority of the House and Senate, vote for legislation expressing the wish of the majority of the people. If it is wrong, it will prove it was wrong. If this legislation is as bad as the Administration says it is, or the spokesmen for the administration on the floor say it is, it will prove it wrong. And this House then will do what has been done since the beginning of democracy and the Republic. We will correct it in legislation on the floor, not in the Office of the President.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 1 minute to reply to the gentleman.

First of all, the President has not vetoed any oil bill or an energy bill since Congress has not been able to pass one to send it down to him. In addition, he deferred his own program for 60 days, hoping we would act; then he deferred an additional 30 days, hoping we would act.

If I read my mail correctly, I think my constituents back home would rather accept the President's 5-cents-a-gallon tax on gas then the proposed 23-cents-a-gallon tax that is in this committee bill.

So I think the President is on pretty solid ground. He has never vetoed an energy bill. He has given 90 days to the Congress to produce something, and unfortunately, the Congress has produced something the public will not buy.

Mr. Chairman, at this time I yield 6 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, the chairman, the distinguished gentleman from Oregon, is correct. The need is great. But the committee has found, as the Congress will find, that it is no fun to legislate painful solutions without a national consensus no matter how great the need.

The chairman and the committee la-

bored mightily, and with the best of intentions, but they have not met the challenge. The Congress has had plenty of time to create its comprehensive national energy policy—over a year and a half since the embargo and five months since the President asked for a policy.

The committee's bill is called a "comprehensive national energy policy"—a neat piece of deceptive packaging—but it does not touch one of our key goods—the stimulation of domestic production. To be sure, this gaping hole in our policy bill results from a problem of jurisdiction beyond the control of the committee. But, our House jurisdictional problems are self-inflicted, also, and we can't shift the blame for the knots we have tied in our procedures.

Whatever the cause, the bill is not comprehensive and therefore is not an effective policy. In addition, it is not an equitable bill because it depends on private driving to make the lion's share of energy sacrifices.

Sixty percent of all this bill's conservation will be squeezed out of 12 percent of our energy use by the 23-cent gas tax. That gas tax is not fair to areas of this country where population densities are low, mass transit facilities are lacking, and the car is a passport to a job.

The reason, I believe, that the committee got itself painted into this corner, was that it determined to reject the President's plan out of hand. Normally, on basic policy, the Congress works from an Executive proposal modifying, amending, substituting, as it sees the need. Normally, it does this reactive job well.

On the contrary, the Congress usually falls in its face when it attempts to build its own plan. It did so on this bill. Several speakers today asked why we should be confronted by only two plans. Obviously the committee should have taken the best elements from all suggestions. It could not do that because it took a hard-shell position against everything that the President proposed. That may be good Democrat philosophy, but it made a lousy bill.

Some of our Members seem to think this bill has a 3-cent gas tax. Not so. It has a 23-cent gas tax. There is no conservation in this bill that will prevent the extra 20 cents from becoming effective. With the gas tax, the bill is unfair—a tax on jobs. Without it, there is very little conservation. Because all of the committee's eggs went into this unacceptable basket, the gas tax unrest exhibited here today was inevitable.

There are other bad features. The Chairman assures us the quota is intended to determine the source rather than the method of saving. Nevertheless, because the Burke amendment assures there will be no sacrifice in areas where there are no refineries, the quota is likely to bite in areas where imports are crude, rather than refined, products. The committee gives a prize to areas without refineries, but that only penalizes other importing areas more severely.

The trust fund is unnecessary, and is an irresistible temptation to spend. The rebate to those who have paid no gas taxes may satisfy some urges for social justice, but it has nothing to do with energy policy.

There are some good features here, too. But the weight is heavily on the side of the bad features and the absent features. This debate has already made apparent the fact that even this House is critical of its own bill. It is likely that its gas tax will be removed before it is passed. If so, instead of a partial, unfair policy, we will be adopting a partial, useless policy.

Some members have asked what happens to the consumer. Does he or she not suffer under this plan, and under the President's as well? The answer is yes. There is no easy solution. All plans cost the consumer more. All try to cushion the blow with rebates. The President's plan does so better because it does not suck off money from the economy into the trust fund.

What does either plan offer the consumer? They are both trying to offer survival, and some sort of preservation of quality of life. Without a tough energy policy, we can only offer consumers dependence, and eventual unemployment.

I do not believe we should pass this bill. The committee should go back to the drawing board and bring back a balanced, fair, comprehensive energy policy.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, the first thing I would like to address is this phrase that we hear over and over and over again, that there is no incentive to produce oil in this country. Nothing could be further from the truth.

That is the refrain that we have heard ever since this Congress finally gave us a smidgin of tax reform and did away with the oil depletion allowance for the major oil companies. They might have to pay a little tax unless they can somehow get people to believe this refrain that they have no incentive to go out and find oil that they can sell for $12.50 a barrel.

When oil was priced at $3 a barrel and they got a 66-percent advantage from the depletion allowance, they were going out and spending a lot of money to produce it because they made a lot of money from it. But now they have an assured market at a price of at least $12.50 a barrel, and although the majors do not have the depletion allowance, tremendous numbers of producers still have the depletion allowance and they have all of the other kinds of tax incentives that are there.

There are many who would like to have us convert this bill from an energy bill to a tax gift package for the oil producers.

Mr. Chairman, the incentive in this bill to produce oil domestically is that we put a cap on what can be imported, and so we limit substantially the kind of competition, whatever there is in the oil industry, that the domestic industry must anticipate from imports.

Now, concerning the 20-cent gasoline tax—and obviously that is the most difficult piece of the package—this is an important part of the package. There is no question in anybody's mind that the cost of gasoline is going to go up, and go up substantially. The Secretary of the Interior, who apparently has something to do with what gasoline costs in this country, says that before this year is up it will be at least 70 cents a gallon. Some in the administration predict it will be as high as a dollar.

The difference between our approach and their approach is that under their approach all of the additional money would go into profits for the oil companies.

We say that if we have to increase the price of gasoline to diminish the use of it, we ought to do it through a tax, but we ought to do it through a two-tier system.

Let us look at what the possibilities are. To go into coupon rationing is extremely expensive. It tends to be imprecise and unfair, so we finally gave that idea up.

We said, "Let us assume that everybody has to have at least 40 gallons per month." That is the fellow who just drives to and from work. Admittedly, not everybody drives the same distance, but that is an average. We said that for the first 40 gallons there would be no tax; there would be no 20 cents tax, because that money will be refunded in either a credit on income tax or a cash payment, if the recipient pays no income tax.

What about the people who do not drive automobiles? People 16 and over, if they do not drive automobiles, are not contributing to the shortage of energy. They are using buses or some other form of transportation. Therefore, we decided that there was not anything all that unfair about rebating the money to them, too.

My very good friend and a valuable member of the Committee on Ways and Means, the gentleman from Pennsylvania (Mr. SCHNEEBELI), has been concerned since the first day we heard about diesels that everybody is going to start driving one. I will tell the Members the truth: If they did, we would not have a gasoline shortage in this country.

The diesel engine apparently does not start out quite as fast as the internal combustion gasoline engine, but it gets about twice as many miles a gallon. I cannot say why the auto manufacturers in Detroit do not build efficient automobiles in this country. They have finally become aware of the fact that the American consumer insists on buying an efficient automobile, and so our streets are flooded with German, Italian, and Japanese automobiles. Even though they cost more than American-made automobiles, the people buy them because they are more efficient.

However, when the American automobile manufacturer starts building an efficient automobile, he goes overseas to do it. I am confident that they can be built in Detroit with American workers, and this bill has some encouragement to get them to do that.

The CHAIRMAN. The time of the gentleman from California (Mr. CORMAN) has expired.

Mr. ULLMAN. Mr. Chairman, I yield 3 additional minutes to the gentleman from California.

Mr. CORMAN. Mr. Chairman, to continue, the other question is, How are

we going to decide how much oil is to be imported? Everybody concedes that we ought to put a cap on it. It is growing too fast. There are all kinds of economic and political reasons to cut back on how much we import.

The President's program would leave that decision primarily to the major oil companies. They can sell the oil they produce here or they can import it if that is what they decide to do. That was the evidence before the Committee on Ways and Means. We said that that decision ought not to be made by the major oil companies; that decision ought to be made by the U.S. Government. That is why we control imports by an import quota instead of letting the major oil companies decide where they will get the oil they sell to us.

Mr. Chairman, I heard something a while ago about the fact that we were divided in the Congress. It is true that the administration all marches to the same drummer. That is the system. Only one of their drummers is elected, at least normally elected; but there was great dispute within the administration as to what we ought to do about energy. They all met some place, in a ski lodge or something, and they evolved a program. Suddenly it has the unanimous support of everybody who works for the President, whose job is dependent on the President.

Regrettably for the chairman of the Committee on Ways and Means, none of us work for him. We do not march just to his tune. This approach is a synthesis of what that committee thinks is in the Nation's interest. It was time-consuming to reach that consensus. It was difficult. We differed among ourselves, and there will be some amendments, but there is nothing unusual about that. It is very unfortunate for the American people that those decisions were made, at least in part, by the open legislative process and not by the executive branch in secret.

Therefore, do not be dismayed if there is a little bit of difference of opinion. I assure the Members that before the President finally made up everybody's mind, there was a lot of difference of opinion as to what the President's policy ought to be.

Mr. Chairman, I urge support for the bill.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. STEIGER), a very valuable member of our committee.

Mr. STEIGER of Wisconsin. Mr. Chairman, for the period of time since the Committee on Ways and Means began their discussion on what we ought to do about a comprehensive energy policy, I admit at the outset I came to those discussions and to those deliberations believing that it was in fact correct for the Congress of the United States to develop an alternative to the program proposed by the President.

As the President announced his program in January of 1975, this one member of the committee did not particularly think that that was the most effective way that you could reach the goal of energy independence. But, having now had an opportunity to listen and to learn, and having had the opportunity that the distinguished and able chairman of our committee, the gentleman from Oregon (Mr. ULLMAN), has given to all of us who have served with him, I come down on the side of saying that I was initially wrong, and that the President's program looks better now in perspective than it did when the President announced it, and that this bill before us, H.R. 6860, leaves very much to be desired.

But I would hold very much, Mr. Chairman, to my claim that, in my judgment, the Congress of the United States, and more especially the House of Representatives, has benefited from the kind of experience that the Committee on Ways and Means has had.

There is no program that I know of, no policy that I know of, that will not be difficult for the American people to live with. I do not care how one may go about this business of attempting to be subjected to a lesser dependence on foreign oil while at the same time increasing domestic production, and producing alternative sources of energy that will not involve some additional cost, even that proposal which, on the surface, would assume lesser cost, to roll back to a price at some mythical figure, will clearly in the long run result in far greater cost to the American people than the proponents of that kind of an approach might indicate.

But whether we ration, whether we use quotas and allocations, whether we use some kind of gasoline tax, whether we have some kind of import fee, whether we use any one of a number of alternatives that have been proposed by Members of this House and by the administration, all of them involve an increase in cost to the American people, and all of them involve some sacrifice.

My own judgment is that the sacrifice is more evenly distributed, the sacrifice is more rational, and the sacrifice is far less capable of being abused by the bureaucracy under that which the administration has given to us than that which comes to us in the bill.

This bill is not a comprehensive energy policy, and it ought not to be viewed by anybody in this Chamber as that—and I say that respectfully to my chairman.

What this bill is is a bill which combines a hodgepodge of conservation measures, some of them good, some of them not good. It combines an effort to select out the gasoline user for the heaviest burden. It is an effort to select out those who use crude oil petroleum for heating oil in the form of refined products so that they do not have to pay much of a burden for a little bit of time, and it involves a trust fund which will, I am afraid, establish a precedent with which we will be sorry if the trust fund remains in the bill.

So the bill I do not think is a good one.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I have heard it said by some of the people here that if we were to get the gasoline tax out of the bill, that then it would not involve great sacrifice, and therefore would be a good bill.

I wonder if the gentleman from Wisconsin would cover what would happen if we have a bill that is a hollow shell. What would be the probable attitude of the oil producing and exporting countries, and what would be their probable actions? Does the gentleman feel that the end result might be for us ultimately to bring about the same degree of sacrifice of the American people with the money, instead of being subject to our control, leaving the country, thus ultimately resulting in increased dependency?

Mr. STEIGER of Wisconsin. The gentleman from New York asks a question which, from my perspective at least, can only be answered in the affirmative. It is pretty clear, I think, from the beginning, that the Committee on Ways and Means assumed that the way to deal with this problem was to single out the gasoline user as the vehicle for conservation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield 1 additional minute to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. If the gasoline tax is removed—and I hope it will be; I am going to vote to remove it—then we are left with a bill and a policy, if that is what one wishes to call it, which will almost certainly put the producing countries in the driver's seat. Whatever they do in price will not be subject to any kind of inhibition or restriction on the part of the American people or the American Government. Whatever additional revenue is raised from an increase of price by the producers will go to them. It will flow out of the country. It will not benefit the Treasury; it would not benefit the trust fund if it stays in; it does not benefit anybody in terms of a rebate. It simply goes back to the Arab countries on top of what I consider to be an unconscionable increase in their price already.

Mr. CONABLE. If the gentleman will yield further, in short, we could not pretend to be doing a great thing if, in fact, we pass an energy policy that accomplishes nothing. The net result would be to export increasing amounts of money to the oil-producing countries.

Mr. STEIGER of Wisconsin. Without question, the gentleman from New York is absolutely correct.

Let me now turn to a brief discussion of title IV, the energy trust fund. Let me include at this point a copy of a letter sent by a number of colleagues and me which addresses itself to the reasons why this trust fund should be struck:

JUNE 9, 1975.

DEAR COLLEAGUE: We are writing to ask your support for an amendment to strike from H.R. 6860, Title IV—the energy trust fund provision.

Certainly expanded research and development efforts are essential to the goal of energy self-sufficiency. The expenditure of government revenues for a number of the goals listed in the bill may be desirable. However, we beleive creation of a trust fund to be the wrong mechanism for responding to our energy needs.

The trust fund concept runs contrary to

the years of effort which have at last resulted in meaningful budgetary reform. It would distort the traditional appropriations process by introducing artificial biases. It would also increase the risk of locking this nation into subsidizing projects otherwise unjustified on their merits.

Past experience should warn us that trust funds, once established, are not only difficult to direct, they are even more difficult to terminate. As several environmental groups recently concluded in a letter sent to all members of the Ways and Means Committee:

"Through explicit provisions in the bill, the result could very well, unknowingly, set a wrong course for energy policy which could be impossible to stop and which years from now would be impossible to salvage."

From an energy standpoint, we believe the needs of this nation can be better served if all funding proposals are made to compete on equal footing within the appropriations process.

From an economic standpoint, as well, there is good reason to avoid an energy trust fund. The speed at which the federal government can reasonably spend money on energy production and conservation is limited. Many promising energy research efforts are still years away from the production stage and are presently unable to absorb large scale capital subsidies. However, the existence of the trust fund increases the likelihood of intense pressure by various interests to capture funds, regardless of the effectiveness of the program involved.

From an energy, environmental and economic perspective, the trust fund is a bad idea. We respectfully urge your support for an amendment to strike this provision.

George Brown, Jr., Frank Evans, Timothy B. Wirth, Patricia Schroeder, Charles A. Mosher, William M. Ketchum, H. John Heinz III, William A. Steiger.

Mr. Chairman, after 2 months of lengthy debate, the House Ways and Means Committee reported out its energy bill by a narrow margin of 19 to 16. This action comes nearly 4 months after President Ford's announcement of his energy program.

In that period, oil imports have continued to rise until today we are dependent on foreign producers for nearly 40 percent of our oil. This figure recently prompted FEA Administrator Frank Zarb to predict that a second Arab embargo would prove far more crippling than the first. Beyond that, we have, in effect, become price hostage to the cartel of producing nations who have already shown an ability to triple the price of their oil.

We sorely need a comprehensive energy policy—one that discourages waste and encourages domestic production. I regret to say the bill reported falls short of the mark. Instead of saving energy through a broadly based program, the committee has produced a bill which relies for well over half of its energy savings on a gasoline tax that could reach 23 cents per gallon by 1977. Since about one-third of all gasoline consumed in this country is used by those commuting to and from work, the primary burden of energy savings would be placed squarely on the shoulders of working Americans. For those living in areas where there is no effective mass transportation, the tax would be particularly costly. At the same time, the bill neglects potential savings in other areas of energy consumption. Private use of gasoline constitutes only 13 percent of total energy consumption in the United States. It seems inequitable and unwise to rest the energy conservation load so heavily on one petroleum derivative.

A hodge-podge of other tax measures accompany the gasoline tax, but most are expected to contribute little to reducing petroleum consumption. Largely because of the persistence of minority members of the committee, a few important changes were made in the bill. The stiff automobile fuel efficiency tax initially proposed was modified to include mileage standards which the automanufacturers themselves have indicated they can meet, and to provide for less severe penalties for models failing to meet these standards. An amendment I offered to delete a proposed 20-percent excise tax on snowmobiles and motorboat engines was also adopted. These vehicles combined account for less than 1 percent of our national consumption of petroleum. Yet the snowmobile and boating industries are directly responsible for thousands of Wisconsin jobs. The proposed tax would have resulted in greater economic hardships than the savings would have justified. Both of these modifications were steps in the right direction. Nevertheless, I am still disturbed by the basic thrust of H.R. 6860 which retains more Government intervention in the economy and additional bureaucratic controls.

Despite the dislocations and inequities which controls might produce, there is little assurance they can produce the energy savings needed to overcome our dependency on high-priced, foreign oil. In fact, aside from its quota system, the committee's bill probably cannot effect any meaningful reduction in demand for almost 10 years. Because H.R. 6860 does absolutely nothing to expand domestic energy production, our demand for oil imports could be substantially above the quota levels by 1977. Then we may face another round of shortages, gas lines and economic dislocations. Still, this bill contains no mechanism for dealing effectively with these potentially serious problems.

In short, what the committee has done is to report out a heavy gasoline tax and attempt to pass it off as a comprehensive energy policy. The bill will not pass muster. Instead of equitably reducing demand, the gas tax and other measures in H.R. 6860 will do little more than lock America into energy scarcity. Our goal is energy self-sufficiency. I believe the American people will make the sacrifices needed to achieve this goal, but only if the sacrifice is spread equitably.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, at this time I would like to ask the chairman of the Committee on Ways and Means a question. This bill would direct the Federal Energy Administration to present a report to Congress identifying industries or industrial processes for which there is no economically feasible alternative to the use of petroleum or petroleum products. Am I correct in assuming that the stevedore and marine terminal industry, which has no economically feasible alternative to the use of diesel-powered cranes in its vessel loading and unloading operations, is an industry for which the Federal Energy Administration report could recommend an exemption from the tax imposed by section 511 of the bill?

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, in considering the tax on business fuels, the Committee on Ways and Means decided on a small number of exemptions from this tax. The committee's bill then instructs the Federal Energy Administrator to study and to report to the Congress his findings as to which industries and which industrial processes have no economically feasible alternatives to the use of oil or gas.

I agree completely with the distinguished member of the Committee on Ways and Means, the gentleman from Massachusetts (Mr. BURKE), that the diesel-powered cranes in loading and unloading vessels represent an industrial process for which the Federal Energy Administration report is likely to recommend an exemption from the business tax on oil.

Mr. BURKE of Massachusetts. I thank the gentleman. I would like to say this. I think the problem we face in this Congress is the fact that we have had no cooperation from the Administration in the writing of this bill. It is almost impossible to write legislation when we get a confrontation with the White House which opposes the legislation and we have 12 votes out of the 12 minority members of the Ways and Means Committee opposing the bill with their entire membership.

We have got the fear of a veto and we have other problems, we have the problems of the liberal legislators who feel it does not go far enough and the fear of the conservatives who feel the bill goes too far. It is almost impossible, in fact, it is a Herculean task to write an energy bill.

I would like to say this about the chairman of our committee. I have never seen a man work as hard or put in so many hours and be so cooperative with every member of the committee as he has been during the hearings and during the markup of this bill.

But what do we find? We find when the final vote was taken that 12 of the members on the minority side voted against the bill. It is true that the vote was 19 to 16. We had to keep the bill alive. Now we have a great many amendments and some I hope will not be mischievous amendments, but it makes one wonder when one sees all the amendments coming in, it makes one wonder whether or not there is a real effort in this Congress and in the White House to write an energy bill that is so vitally needed.

I come from the Northeast part of the United States. Our utility rates are skyrocketing. The price of heating oil has gone up. The average family up there is paying $300 to $400 more a year for fuel. What is the answer? It is a $2 or $3 per barrel tax by the administration. This will be devastating to the Northeast section of the country. It will wreck and ruin the New England economy. God knows we have had enough blows struck at us during the past 5 years, but this will be the blow that kills father.

This is the alternative the administration offers us. This is what they say they want because they feel no one knows about this tax. They will not be on record as voting for the tax. But a "No" vote on this legislation is a vote for the $3 per barrel tax and there are no two ways about it.

We have to bite the bullet in this House, both parties. I have appealed to the Republican side on the social security and I have appealed to them in other areas, but apparently all they want to do is to get by the election in November of 1976.

I do not think we have the time. Time is of the essence. This Congress here should enact a bill, and this is the best piece of legislation that has come out. Sure, there are some inequities in the bill. Nobody could write a perfect bill.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for this kind comments, but I think it is rather significant that the minority has come up here, Member after Member after Member, saying that this is an inadequate bill. The fact of the matter is that this bill saves 2.87 million barrels a day by 1985. The administration program saves only 1.2 million barrels a day by that time. There is no comparison.

Where is the complete administration program? It is just not there. We have gone into area after area after area.

So the gentleman is correct. All during the consideration the votes on the other side were to dilute the bill and water it down, and yet they come in and say now it is not tough enough. The fact of the matter is it is too tough for them. It is a comprehensive bill and it does the job.

An additional point I would like to raise with the gentleman is we do not have full jurisdiction over the whole problem. The Commerce Committee is going to bring in another important part of the package in another few weeks and the Committee on Science and Technology is going to bring in another part of the energy program in another couple of weeks. We are putting it together. This is the first step and it takes us a long way down the right road to a national energy policy.

Mr. BURKE of Massachusetts. I would like to say this. The gentleman is entirely correct. The reason people send us here to Congress is because they feel we have courage to do the right thing. They send each and everyone of us here to the U.S. Congress to vote in the best interest of this Nation.

Any darn fool can vote to reduce taxes or be for tax rebates. There are some people in this Congress that want to be loved by everybody. Well, when a person is loved by everybody, there is something wrong with him.

The country could very well go down the tube with this type of thinking. This is a year when we have to stand up and get counted.

I know that Members on this side of the aisle do not want to vote for any taxes before 1976, but I would hate to be the President coming in here in January 1977, with the load they are going to leave on his shoulders. Believe me, he will have to have taxes. He will have to triple the taxes we will have to enact then to make up for what they are doing now.

It takes courage to vote for taxes. It does not take any courage to vote for rebates. That $3 a barrel hidden tax, the public will soon find out what the administration is doing.

I say we should stand up here and be counted. We cannot be loved by everybody, believe me, we cannot.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I commend the gentleman and assure him that he is not loved by everyone. Therefore, he need not fear the courage and weakness in this act.

I want to also say to the gentleman that just because it happens to be a tax does not also make it good.

It is singular to me, Mr. Chairman——

Mr. BURKE of Massachusetts. Mr. Chairman, I only have a half a minute. I think the gentleman has said enough.

Mr. CONABLE. All right. It is singular to me that he continues to run against this when——

Mr. BURKE of Massachusetts. My good friend, the gentleman from New York (Mr. CONABLE) wants to be loved by everybody. I am not one of those. I plead guilty to that.

Mr. CONABLE. All right.

Mr. BURKE of Massachusetts. May I remind the Members that above the Speaker's rostrum is a statement by Daniel Webster:

Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see also whether in our day and generation we may not perform something worthy to be remembered.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to make a point or two of observation on the previous speaker's presentation in the well.

First of all, the gentleman said the administration was not present when this bill was being proposed in the committee. I would like to say, the administration came in for several days in advance of the hearings by the committee and went over their program thoroughly.

I have in my hand a digest, a fact sheet on the President's message, regarding this tax and the energy problem. The summary covers 48 pages. There was a very comprehensive program presented. There was a representative of the administration present every day that we deliberated. The assertion that the Republican vote was solid on every issue, the records kept at least show that the Republicans were divided on many issues.

I would like also to refer to some figures mentioned on what the import levels will be for the two bills. The facts from the FEA indicate that in the committee bill our imports for 1985 will be 9.76 million barrels a day. By the President's bill, they would be 4.2 million barrels, less than half.

Mr. Chairman, I now yield 5 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I thank the gentleman.

There is no doubt in my mind that we must reduce our reliance on foreign oil. Unfortunately, Mr. Chairman, this Congress is going about it in the most painful way by imposing what can amount to a 23-cents-a-gallon gasoline tax on the American people.

I would ask the attention of the distinguished chairman of the Committee on Ways and Means. In January I submitted testimony to the Committee on Ways and Means proposing an alternative approach.

It is certainly not a total solution, but it is one step in what I believe will be the right direction, and just as the Ways and Means Committee is proposing a tax on the so-called gas guzzlers, I proposed a tax credit on American-built fuel efficient cars. I pointed out that such a tax credit would stimulate Americans not only to purchase the fuel-efficient automobiles, but if one-third of that market could be captured, it would bring about, over a time, a savings of 200 million barrels a year of oil.

It seems to me that this is a less painful way to achieve energy savings. I would ask the chairman if he would care to comment on the reasons why this approach—the carrot rather than the stick, or the carrot along with the stick, if you will—a tax credit alongside the increased tax, why this was not included by the committee.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. SHUSTER. I am delighted to yield.

Mr. ULLMAN. Mr. Chairman, let me say to the gentleman that we thoroughly considered the matter he brings up, because it has a great deal of appeal. The gentleman from New York (Mr. PIKE) sponsored a series of amendments that would essentially do what the gentleman suggests. But, there are problems.

In the first place, the savings are minimal. I think, it is 50,000 barrels a day ultimately as against our savings factor of 2.65 million barrels per day.

Mr. SHUSTER. I would take issue with that based on the statistics which I submitted to the committee at that time, which are essentially that there are 75 million full-sized cars in America today. When one shifts from the full-sized car to the fuel-efficient car, one goes from an average of 11.6 miles per gallon up to an average of 19.7 miles per gallon, a 41-percent reduction in gasoline consumption.

If one-third of that market can be captured over a time, that is to say 25

million cars, then simple arithmetic shows savings of 200 million barrels of oil a year.

Mr. ULLMAN. Except that the estimators have to work under certain rules of probabilities. I have been advised that savings would have been 0.8 million barrels per day. However, these savings would be at a direct cost to the Treasury of several million dollars per year.

Mr. SHUSTER. On that point, when we are going to estimate market, look at the demand elasticity. It ranges between 0.6 and 1.5, so that we may take an average of 1.0. This means that for a 1-percent shift in price, there will be a 1-percent shift in demand, and this was the basis on which it seemed reasonable that over a time we could capture one-third of the present large-car market. Indeed, I would argue that it is a conservative and very modest estimate, perhaps wrong in the right direction.

Mr. ULLMAN. All we could do is go on the basis of our estimators, and they have been pretty accurate.

Second, we have a problem creating all kinds of international difficulties when we begin giving cash to our citizens for purchasing American-made products. We would do violence to our whole system of international trade relations.

Mr. SHUSTER. I thank the gentleman for mentioning this point. Until today, that is the only point I have heard. I would point out that the GATT agreements have been more honored in the breach. In 1971 this country, the United States, by imposing its 10 percent surtax, stepped outside of the GATT agreements. I would point out further that the Common Market has repeatedly ignored their GATT agreements. For over 10 years, the governments of the Common Market have paid a subsidy to the cheese producers of Europe, and this has been a severe problem we have been faced with. Likewise, the Common Market pays subsidies on chickens, thereby violating GATT. Over in Japan, as the gentleman probably knows, they have violated the agreement time and time again, both through putting quotas on agricultural imports as well as some manufactured imports.

So we have many times stepped outside of GATT agreements when it was in our national interest to do so.

I would suggest that there is nothing more in our national interest than to bring about not only a reduction of consumption of gasoline in a way less painful than a 23-cent tax on the American people, but at the same time—and here is where we get two birds with one stone, ladies and gentlemen—by giving an infusion into the American automobile industry to create jobs. For every 250,000 automobiles in which we can increase demand, we will bring about a very substantial improvement in the automobile industry.

Mr. ULLMAN. Will the gentleman yield so I can finish responding to his question?

In addition, it violates the Canadian automobile trade agreement, which is a basic trade agreement with Canada approved by the Congress.

Mr. SHUSTER. I would like to make this point: For every million annual increase in small car demand, 240,000 American jobs are created. So this, it seems to me, is something that deserves serious consideration.

I will now be delighted to yield to the distinguished chairman of the Committee on Ways and Means.

Mr. ULLMAN. I thank the gentleman for yielding.

The Canadian auto agreement would be violated by the gentleman's provision, which is a solemn agreement between two nations. The fact of the matter is that our economists have said it would produce very little savings for all of the costs involved. It would violate international obligations, and it would not in any way further the energy solution.

Mr. SHUSTER. I am delighted you mentioned Canada. Let us not forget that Canada did not hesitate to stop American beef imports or announce its decision to stop selling us petroleum, when it was in the national interest.

It is about time we started thinking about our national interest and putting the American people ahead of our foreign friends. It is about time we got our priorities straight.

The CHAIRMAN. The time of the gentleman has expired.

The Chair now recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Chairman, closely related to developments in the world of finance between now and the year 2000 is our U.S. energy situation. As we enter the final quarter of the 20th century we face a serious energy shortage together with artificially high cartel prices for foreign oil that throw our balance of payments far out of line and undermine the value of the dollar throughout the world. Despite the severity and magnitude of this energy problem, however, it is a short-range difficulty which we can overcome through the proper application of our highly advanced technology.

The formula for energy independence lies in the two-pronged approach that we have already undertaken: Energy conservation and energy development. Clearly, we can be much more efficient in the use of energy. It is estimated that slightly over half of the energy we consume is wasted, a problem that we can and will correct through development of more energy-efficient automobiles and machinery, better designed and insulated homes and buildings, expanded mass transit systems, and encouragement of voluntary citizen programs such as car pooling. Obviously, it will take time to achieve really substantial improvements in energy efficiency, but the potential for fuel savings is great and we are already moving ahead as never before to reduce fuel waste.

As for increased energy supplies, we are forging ahead with the Alaska pipeline and other developments that will expand oil and gas production including offshore petroleum recovery and development of oil shale resources. At the same time, we have committed ourselves to expanded atomic power production. Other promising developments include use of the Earth's own internal heat through geothermal powerplants. And further in the future we will harness solar power and make better use of the energy in wind and water.

Mr. Chairman, I am confident that advances in these areas will make us energy independent well before the year 2000. What we face, therefore, is a short-range problem. We need to buy time so that we can achieve the energy savings and the expanded energy production that will make us self-sufficient.

It is because we face a short-range problem that I favored retention of oil and gas depletion allowances, particularly for independent producers. We should be doing everything possible today to encourage immediate development of domestic fuel resources. Our short-range emergency seems an altogether inappropriate time for drastic changes in tax laws affecting the industries that we depend upon to discover and develop domestic oil and gas reserves.

Again, because we face a short-range problem, I oppose extreme limitations upon surface mining. Certainly, we want to provide for proper precautions in such mining activities and for restoration of mined land, but if we err in the regulation of surface mining, we should err on the side of moderation since what we face today is an emergency short-range energy shortage.

Similarly, I favor immediate utilization of the Elk Hills and other petroleum reserves. These petroleum resources will help us meet our short-range fuel emergency. Once we achieve energy self-sufficiency, we can begin to set aside new reserves for strategic purposes. And by the year 2000, it may well be that the petroleum we have been hoarding so carefully in our defense reserves will not even be the form of energy most useful to our Defense Establishment.

Mr. Chairman, I am firmly convinced that our energy situation is a temporary problem. We can and will overcome it. Looking at the issue in perspective, therefore, I believe that we must be more aggressive in trying to meet our short-range energy needs and more prudent in pursuit of environmental and tax reforms that could seriously reduce our short-range energy supplies.

Mr. ULLMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. PREYER).

Mr. PREYER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the bill.

Government is many things, but at a minimum it is an organization to get things done that people cannot do for themselves. How it handles our energy problem will be a measure of whether democratic government can function effectively in the modern world. Can it adjust to change; for truly, as our colleague MIKE MCCORMACK reminds us "this Nation has, since 1970, passed from one historical era into another"? Can it plan

ahead, and act on those plans, in the absence of a sense of crisis? Or can government only react, and stagger from crisis to crisis until some ultimate Armageddon causes our citizens to despair of representative government?

For Congressmen, the energy bill before us raises the question of whether we can lead public opinion or whether we can only follow it.

For all of us as citizens, the energy problem raises the question of whether we can draw a distinction between our needs and our wants, between appetite and responsibility. Have we lost the spirit of "civitas"? Do we still respect the rights of others and still seek the collective good, or does each man go his own way, pursuing his private enrichment at the expense of the public welfare?

I have more confidence in the reaction of the people than I do in that of Government. The people are not responding because they do not believe there is any energy crisis. It is not that our people are not willing to sacrifice on energy; they see no reason for it, or they do not know what sacrifices to make. In short, they are not responding because there has been no leadership.

Ours is not a society that has gone soft or unpatriotic—the reaction to the *Mayaguez* incident showed that—but one that feels baffled and uncertain. We Americans sense some permanent change in our condition, and see more change required in the future. We suddenly realize that our resources—and the world's—are more limited than we thought. We must adjust to a world where energy is no longer plentiful and cheap, and where food may never again be as abundant or inexpensive as in the past. We have not yet agreed on answers to these problems.

As Fortune magazine puts it in its Bicentennial issue—

> The bold constitutional decision to place all sovereignty in the people can lead to a great deal of aimlessness when the people are of many minds. And the awareness that so many problems are interrelated (such as energy and the environment, and energy and the economy), and that even the experts with all their information, are not agreed on the solutions, makes it harder for any leader to put forward a program with confidence and to amass support for it. These conditions reinforce a general feeling of powerlessness. Sometimes it seems as though the best that can be said for our present circumstances is that all the disputing elements in our society are being thoroughly canvassed.

Yet, I think we all feel that though no one has yet been able to put it into words, there exists beneath all the apparent disorder and divisions in this country, a strong wish to reach common decisions, and a spirit of sacrifice and patriotism. We have canvassed "all the disputing elements in our society." We have heard all the conflicting experts. Now it is time to begin reaching some common decisions. It is a time for leadership, and also a time for followship. Each of us must settle for something less than the perfect comprehensive plan we had in mind in order to make a start.

Congress must take the responsibility for leadership on this issue. Ordinarily it is the President who must take the lead on tough, unpopular issues. Congress generally functions as the brake on the Government vehicle, but in this instance it must act as the ignition system. The President's idea of leadership on this issue is to leave it to the market forces. His policy is to increase greatly the price of oil and then hope for the best. This alternative puts too much of a burden on the economy. It is hardly a creative new policy for a new historical era. It has been rejected by most economists and by the commonsense of the American people. But to date, we in Congress have given no better answer.

The passage of this energy bill before us today is the first step in a better alternative policy. It is only the first shot in the battle. We must follow it with the bill coming from the Commerce Committee which is directed more toward encouraging production—by decontrolling oil or by setting a price on oil that is not so low as to close off production of domestic oil and replace it with imported oil. A third step will be the bill from MIKE MCCORMACK's subcommittee, looking to the development of alternative sources of energy—nuclear, coal, solar, and the rest. We will soon have a Clean Air Act, which will encourage the conversion of oil-burning utilities to coal, and which will recognize the interconnection between energy, the environment, and the economy, and will set reasonable ground rules for resolving these competing interests. In short, Congress has been working hard on setting a new energy policy, and the various pieces will soon be falling into place. It is time now to act on these different bills and pass them, with recognition that there is no such thing as a perfect piece of legislation and with understanding that there is something in each of these bills that we disagree with.

It is time now to give this Nation an answer. We will not get our people and our businesses to invest in energy until we have a program. We will not get the economy moving into a new cycle until we reach some common decisions.

I strongly urge the passage of the Ullman bill as the important first step in a new energy program. It addresses the hard question of who gives up what, who sacrifices. It says that most of the waste and frivolous use of fuel is in the automobile. It applies most of its sanctions to the car—rather than to gasoline used on a farm, or diesel fuel used in trucks, or oil used for home heating, or by utilities, or petroleum feedstocks used in plastics, synthetic fibers, and drugs. President Ford's program would affect all of these uses. It says, in effect, no one has to make any particular sacrifice. We must all pay higher prices for everything—at the expense of aborting our recovery from the recession and reigniting inflation. The Ullman bill says that each one of us in America can make a contribution to keeping our industry and agriculture strong by driving more sensibly, and it says that the automobile industry must help by manufacturing more sensible cars in place of chariots. It encourages each of us to follow a number of other sensible conservation practices, such as better insulation for our homes and businesses.

More importantly, it sets a goal. It is a goal we can reach, for the higher tax on gas it imposes in 1977 only goes into effect if consumption reaches the highest point in our history—the year before the embargo went into effect. This is hardly a sacrificial goal and is surely one the American people are able and willing to reach. Why not a tougher goal? Because it would work at cross-purposes with economic recovery. The great economic virtue of the Ullman bill over the President's plan is that it would not have a severe adverse impact on the economy now but would be progressively tougher as the economy recovers.

A brief word about the gas tax, which is the principal political problem of the bill.

The immediate 3 cents tax on gas is justified on two grounds: First, it will result in fairly substantial savings of gasoline after about 2 years. It will have little short-run effect, but will impact after it has affected decisions of families, to buy gas-saving cars, for example. Second, it provides funds for a trust fund to be used to develop alternative sources of energy. Thus, there is a double effect on conservation of energy—though admittedly not a major effect—and on developing alternative sources of energy.

There are two important things to be said about the additional 20-cent tax. First, it only goes into effect if we do not reach our goal—of holding gas consumption to the highest point reached in history by this country. Second, if it goes into effect, 85 percent of it will be returned in the form of tax credits. In effect, therefore, the bill is only an additional 6-cent tax. In many parts of the country—and my district is a good example—there are no mass-transit systems. Our people live with one foot in the country and one in the city and commute sizable distances to work. A heavy gas tax would work a severe economic hardship on these people for necessary, not frivolous, driving. The effect of the tax credit provision in the Ullman bill is to say to these people: "You will receive 10 gallons of gas a week free of this additional 20-cent tax to drive to work." Ten gallons will not be enough to cover all of these people, but with better gas-mileage cars and carpooling the burden can be reduced.

It is now clear that there is no miracle way out of our dilemma. Solar energy, geothermal, tidal energy and all of the rest can play an important role in limited areas but cannot substitute for oil. Nor is "allocating shortages" a feasible alternative. It is like allocating poverty. It raises enormous problems of administration, fairness, and restrictive economic effects. The American people know there is no painless way to solve our problem. Let us not try to kid them.

This vote is the first time that Congress has had to face the fact that by 1985 or the year 2000 we will run out of oil. It is the first time that we have had to address the grim fact that much sooner than that we face the loss of our ability to conduct an independent foreign policy. If we are importing 50 percent of our oil from the Middle East in a few years, how would we be able

to have a foreign policy that runs counter to the interests of the oil-exporting countries?

A vote for the Ullman bill may be a tough political vote in the short run. But all of us must live with the future. Let us give the American people an answer. Let us set in motion a common effort that will appeal to all of the best instincts of the American people, that will lift their aspirations, and move us as a nation onto new ground. This is the World War II of this generation. It is the opportunity for this generation of Americans to play its role in a new episode of the suspense story of democracy.

Mr. ULLMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. HARRIS).

Mr. HARRIS. Mr. Chairman, the House takes up today an important and timely bill, H.R. 6866, the Energy Conservation and Conversion Act. I have had a great interest in energy legislation since coming to the Congress in January, and have seen it as my responsibility to protect the interest of consumers in national energy policy.

The Ways and Means bill starts moving the country in the right direction in terms of conserving fuel. Most importantly, it rejects the President's import tariffs which would only drive up the domestic price of oil to the OPEC level, and further inflate the profits of the major U.S. oil companies.

What the Ford administration has labeled "inaction" in energy legislation is, in fact, a flat rejection of the so-called price-mechanism as means of conserving fuel. This is not a House which will allow the administration or anybody else to railroad an unfair and recessionary energy program through the Congress.

Unfortunately, some Members of the Ways and Means Committee have not gotten the word. I will work to strike the gasoline tax from H.R. 6860. This proposed new tax is an inefficient way to conserve fuel, and an unfair means of financing the search for alternative fuel sources.

Supporters of the 3-cent gas tax admit that it will have no conservation value. What it will have is an inflationary and recessionary impact on the economy. It will impact in a regressive and unfair way on the average motorist who needs his car for work or school. The 20-cent tax, with its delay until after the 1976 election and with its vague and complex system of rebates and credits, will further add to the burden and frustration of the average working family.

I have offered an amendment to strike title II—the gas tax—from H.R. 6860.

A fairer and more efficient means of raising this important revenue would be to close some of the remaining oil company tax loopholes—such as the foreign tax credit—and earmark these funds for the new energy trust fund. I have offered an amendment to title IV to do just that, and I ask for the support of my colleagues.

THE FOREIGN TAX CREDIT

The abuse of the foreign tax credit over the years has encouraged heavy investment by U.S. oil companies in foreign oil development. It has also enabled these big corporations to escape U.S. tax liability and to pay 2 or 5 percent of their income in taxes when the statutory rate is 48 percent. Eight oil companies with combined profits in excess of $1 billion paid no U.S. income taxes at all last year. Compare this record with the tax liability of the average citizen who pays 25 or 30 percent of his income in taxes.

Here is a comparison of what the oil companies pay the U.S. Government against what they pay to foreign governments:

[In millions of dollars]

	U.S. Federal income taxes	Foreign taxes
Arco	56.6	377.4
Continental	62.1	493.6
Exxon	623.0	7,734.0
Gulf	190.0	2,600.0
Standard of California [1]	100.0	648.0
Standard of Indiana	309.5	410.0
Texaco	45.4	1,186.5

[1] Under.

Note: These figures appeared in the 1974 annual reports of major international oil companies, compiled by the Tax Reform Research Group.

Actually, these "tax" payments are not taxes at all. They are royalty payments, per barrel charges, rents, and other moneys paid to OPEC governments. They should not be credited against U.S. income tax liability. Under my amendment, these payments would be deducted just like any of the other costs of doing business. My amendment would substitute a special 24-percent corporate tax rate on foreign oil-related income, and it would have to be paid.

The existing tax loophole not only drastically reduces the effective U.S. tax rate, but it encourages U.S. energy investment abroad. Returning incentives for domestic production at this time has great relevance to our national priority of reduced dependence on foreign oil.

This provision would bring in between $1.5 and $2 billion annually, which could be used for energy development. Each year, the Secretary of the Treasury would determine the exact amount raised, and earmark those dollars for the trust fund. Because this amendment is made to title IV of H.R. 6860, establishing the trust fund, it is therefore germane. When the vote comes up on my amendment, the question before the House will be this—who will finance the bulk of our energy research efforts, the average motorist, or the big oil companies? I think the choice is clear, and I ask for your support.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I would like to speak briefly in support of this bill from several perspectives.

First, as a member of the Committee on Ways and Means, this has been one of my first bills, a complicated, difficult bill to work through; and I do conclude that the bill is an extremely good effort. It does have a majority behind it. It has been worked on hard for many weeks. I suspect that if the House spent an hour or two on the bill, it would come around to very much the same set of propositions and compromises that the committee did.

Second, I would speak in favor of this bill from the perspective of one who has worked on energy matters for many years, going back even to 25 years ago when I served as executive director on a Cabinet committee on energy policy, if you like, in a Republican administration.

I do regard the bill as comprehensive and at the same time as coherent. The parts fit together. It does deal in a forthright manner with import dependence and tries to reduce it. It does deal with conservation of energy and sets up a system of rewards and incentives and penalties to achieve that end. It does deal with conversion away from oil toward more plentiful energy sources like coal, and it does deal with encouraging investments in new sources altogether, such as solar energy.

Then let me speak for a minute from the perspective of a newcomer to Congress. Most of us newcomers campaigned for our seats here on the ground that we would be part of a Congress that would enact significant legislation to deal with the economy, with jobs, with energy, with health—matters of this kind.

We cannot afford to be a part of a paralyzed, do-nothing Congress, and to the best of our ability, we do not intend to be a part of that.

Finally, as Members of the Congress we must address ourselves to this problem. We have the great challenge of writing a significant piece of legislation in the absence of a crisis pressing down on our shoulders. This is a test of whether we have the foresight and the maturity and the judgment to develop a consensus to deal with a problem before it is crushing us. This is a test run, if you like, as to whether this Congress can muster support ahead of time, not for a perfect piece of legislation, but for a good piece of legislation.

Mr. Chairman, I shall close by reminding my colleagues that it is a choice of either a bill like this, one that we may perfect a bit by amendment, or the administration's high priced energy bill.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Maine (Mr. EMERY).

Mr. EMERY. Mr. Chairman, I, too, have some very grave reservations to the gasoline tax proposal for a variety of reasons but, basically, because, like the distinguished chairman of the committee, I come from a rural district. Apparently my constituents feel differently about the gasoline tax proposal than do his.

There are a great many individuals who have to drive as much as 90 or 100 or 110 miles a day back and forth to work in order to hold a job and earn a living. We have a very high unemployment rate in the State of Maine at this time, which complicates matters even further.

Consequently, I can see that a great many of my constituents would be burdened by the gasoline tax, even though there is a substantial provision for refunding a portion of gasoline tax, up to 40 gallons a week's worth, to the people who consume gasoline.

But I do not think that this will be effective. I am not satisfied that the gasoline tax provision is going to accomplish exactly what we want it to accomplish, although I would be the first to admit that if we raised the price of gasoline to $1 or $1.25 or $1.50 per gallon, we would conserve energy, but only because the people would not be able to buy it who really need it.

Mr. Chairman, I do not believe that this is the problem that we should attack. The main problem is not to make the price of gasoline as high as we can make it, but, rather, to find an effective way to go into economic competition with OPEC. It is the OPEC nations who are causing the increase in price. They are the ones who have the ability to shut off the pipeline. We will have to go into economic competition with the OPEC nations if we are to protect our supply.

Tomorrow, at an appropriate time, I am going to offer an amendment, the details of which I have circulated to the Members in a letter today, and that amendment, I think, will substitute a different and more effective attack for the ones we have been offered—the proposed gasoline tax and the President's tariff.

I see whatever legislation we pass as being only a temporary stop-gap measure, because our energy problems in this country are not going to be solved until we find a suitable alternative source of energy other than petroleum.

Whether we wish to admit it or not at this time, the days of petroleum are numbered. They are numbered for several reasons: First, because the remaining resources are either going to be politically difficult to obtain or, second, because it is going to be very expensive to extract petroleum from the remaining natural resources, whether it is the ocean or from shale or from the North Slope.

We have the ability in this country to produce all the energy we need—from solar energy, from coal, from garbage, and from many, many sources that we have not considered before, mainly because, with plentiful supplies of petroleum at low prices, we have not had to look at these alternatives. But they do exist.

This is how our bonds are going to be broken. These are the sources for true energy independence, not petroleum—but the many alternatives that we have at our disposal.

Mr. Chairman, when I was in high school, in fact, even when I was in grade school, President Eisenhower and President Kennedy were looking toward the future of the space program, and they set a national goal to put a man on the moon by the end of the decade and bring him safely back to earth.

We set this as a national goal, and a national goal it was. We accomplished it because the will of the American people was behind this goal, and because the Congress was able to come forth with a united program, and because we were not blinded by peripheral matters.

We set a goal. We brought our best science and our best technology to bear, and we succeeded.

There is absolutely no reason that we cannot develop these alternative energy sources which will solve the energy problem, but we have to start now. Let us not be side-tracked by the immediate problems that we are facing in finding a method to cut down on our consumption of petroleum, but let us also look to all alternative energy sources—an aspect that this Congress has, by and large, ignored.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from North Carolina (Mr. MARTIN), a member of the committee.

Mr. MARTIN. Mr. Chairman, the Ways and Means Committee has brought forward a bill which is essentially two things. It is a 23-cent-a-gallon tax; and it is a quota limitation.

There are a number of tax incentives for insulation and solar heating and various other provisions, but the single major factor for cutting fuel consumption is: the 23-cents-a-gallon tax. By 1979 it will cut fuel consumption by 600,000 barrels a day, with another 300,000 barrels being saved by all the other measures. Unfortunately that will leave a demand requiring imports of 7.5 million barrels per day. Since the quota system will permit a maximum of 7 million barrels, this bill will produce a shortage of a half-million barrels of oil.

The administration estimates that if the coal strip mine reclamation bill, H.R. 25, is enacted over the President's veto, the resulting reduction in coal tonnage will, at best, require another half-million barrels of oil to be imported in place of the coal. What an energy policy?

In today's debate, the distinguished chairman of the committee has reported that his constituents will support this bill. Once they understand it, they will buy it. I can report that my constituents clearly oppose it.

In response to my recent questionnaire, a majority of them strongly opposed a 20-cent gasoline tax almost 3 to 1, and they opposed gasoline rationing—almost 3 to 1—which these shortages would necessitate. They favored 48 to 35 percent the raising of import tariffs and they favored an excise tax on new cars with poor gasoline mileage by 64 to 25 percent. What is different? Maybe it depends on what they are told. I told my constituents that there are alternative to this gasoline tax. Such as the free market idea that got shot down by the Rules Committe, and by those voting for the previous question on the rule earlier today.

Several speakers have suggested today that the President's comprehensive proposals would cost more and yield less savings.

In fact, the Ford program would not cost more. As already analyzed by the gentleman from Ohio (Mr. BROWN), deregulation would result in a 5-cent-a-gallon price rise on all oil products, which with the windfall profits tax—with "plowback"—could lead to increased domestic production until supply and demand could be in balance.

In addition to that the $2 per barrel tariff on imported oil plus the $2 per barrel excise on domestic oil proposed by the administration would add another nickel a gallon to the price. The total of all these measures would be 10 cents a gallon on oil, although the administration has conceded to Congressional arguments for a bias against gasoline, amounting to 15 cents a gallon for gasoline and 6 cents a gallon on other fuels.

In summary, it would cost less.

The chairman claims the administration would only save 1.3 million barrels a day versus the 2.5 million barrels per day saved by the committee's bill H.R. 6860. The way the committees mimeographed circular dated May 14, 1975, achieves that advantage is by disregarding deregulation, which is the key to the Ford program. So that claim does not really hold up.

Many people do feel that the Ford proposal is more expensive. That is because they think $2 a barrel on imported oil is more expensive than 23 cents a gallon. Let me lay that to rest by pointing out that 23 cents a gallon is almost $10 a barrel: $9.66.

This bill is a big gasoline tax that will take over 10 years before the consumers can adjust to it according. And it is an oil quota which will have to bite deeply within 4 years of enactment.

Let me inquire of the ranking minority members of the committee for a clarification regarding propane gas for industrial forklift trucks. The problem is this: In title V of the bill, H.R. 6860, there is imposed an excise tax on business use of oil products which would include propane and natural gas. However, it makes an exemption for fuels used in "vehicles," apparently on the theory that either this fuel is taxed elsewhere, or else should not be taxed. The uncertainty is whether a forklift is a "vehicle." It moves like one, but part of its fuel is consumed for lifting—a nonvehicular use. Unless it is resolved here, it will be yet another point of medieval philosophy to be resolved by regulation—written at IRS. Will the excise tab of title V be levied on forklifts? Or will it be exempted as a vehicle?

Mr. SCHNEEBELI. Mr. Chairman, if the gentleman will yield, I believe that section 511 of the bill exempts vehicles from such a tax, and since a fork-lift truck is obviously a vehicle, in my opinion—and I have checked with my committee staff—fork-lift vehicles will be exempted from this purpose of taxation.

Mr. MARTIN. I thank the gentleman from Pennsylvania for that clarification. The irony of this is the fact that the Occupational and Health Safety Administration (OSHA) is pushing industrial conversion to propane as a fuel for forklife trucks, because of its cleaner exhaust.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. SHARP).

Mr. SHARP. Mr. Chairman, I appreciate the gentleman yielding to me at this time.

Mr. Chairman, I applaud the diligence

and dedication of the chairman of the Committee on Ways and Means, the gentleman from Oregon (Mr. ULLMAN) and the members of the Committee on Ways and Means who, like those of us who serve on the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce, have been working with extremely complex issues, trying to find measures that will guarantee major savings of fuel for this country with minimal dislocation and disruption to American industry and the American way of life.

Certainly one of the things with which the committee had to deal, and with which the Subcommittee on Energy and Power has also dealt, is the automobile. Unquestionably the automobile is significant to our economy in terms of production, jobs, sales, and other things, and yet we know in terms of energy that we can make major savings and must make major savings in fuel.

Tomorrow at the proper time I plan to offer an amendment on behalf of many of the members of the Subcommittee on Energy and Power, an amendment which, in fact, passed that subcommittee and would have been ready for consideration beginning today by the full Committee on Interstate and Foreign Commerce.

That amendment is designed to strengthen and alter approach of the Committee on Ways and Means bill regarding the automobile efficiency tax. The amendment would set standards, mandatory standards enforced by civil penalties—a major economic penalty which we believe would strongly push the American automobile industry, as well as the importers, into producing a better car for the American public. The virtue, we believe, of this approach is that it responsibly deals with the industry because the standards are strong. The penalties are tough. Yet we do recognize the special difficulties which the industry faces, the difficulties of the consuming public's wishes to have a variety of automobiles from which to choose.

The industry also faces the difficulty that the Government has in recent years set safety standards and emission standards, and these standards complicate the capacity of industry to achieve fuel savings. The amendment to be offered tomorrow, acknowledges this difficulty. In the event emissions standards should change and technology not be able to meet the changes in the emission standards without creating fuel penalties, there would be an alteration of the fuel economy standards.

More importantly, I think one of the strengthening features of our amendment is that it looks beyond 1980. The 1980 standards were incorporated in most of the proposals before the House because that is the date to which DOT and EPA studies have taken us. Yet a study commissioned by the National Science Foundation, has projected us to 1985, and drawing upon that study, our amendment has set 28 miles per gallon as the average fleet standard for each manufacturer in this country. That standard is adjustable by administrative action which the Congress could disapprove.

Mr. Chairman, I simply wanted to bring to the attention of the Members this amendment which was printed in the RECORD June 4. It is a mandatory standards approach with civil penalties.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield 1 additional minute to the gentleman from Indiana.

Mr. SHARP. It also includes a labeling provision designed to apply to all automobiles so that the consumer will know what fuel-economy he can expect from an automobile he purchases. It also recognizes the need to set standards for light-duty trucks, and yet recognizes that we do not yet have good studies that distinguish light-duty trucks from the average automobiles and, therefore, we call the administration to set standards in that area.

Mr. Chairman, at the appropriate time tomorrow I will offer this amendment. I would hope that the Members of the House would be willing to consider it.

Mr. SCHNEEBELI. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. GUDE).

Mr. GUDE. Mr. Chairman, consideration of this energy bill is a great test for the Congress, a test of whether we are really serious about meaningful energy consideration measures in the short run. It has proved easy to discuss long term conversion and conservation possibilities, and it has been easy to vote research and development money for energy sources that may be 20 or 30 years away from marketability. Since the energy crisis was forcefully brought home to us by the recent oil embargo, a degree of consensus has been achieved on the need for long range development of energy resources since those we now depend on are rapidly being exhausted.

Despite this long run progress, however, we are today more dependent on Arab oil imports than before and thus are more vulnerable than ever to another embargo or cut in production. Though this problem grows daily more acute, I see an appalling lack of concern, both in the Congress and the country at large, over what, if anything should be done.

There are those who believe the energy crisis is a myth, devised variously by the oil companies to increase their profits, the Government to gain control of the oil companies, the Communists to gain control of the world, and so on. In fact, the energy crisis must be divided into two parts. First, from a long term point of view, fossil fuels are exhaustible resources and the world is beginning to run out. Annual consumption increases are outdistanding new production, particularly in the United States, where we are growing increasingly dependent on imports.

Thus, while at the moment there is no "shortage" we are rapidly approaching a finite limit on supply. This problem demands action to develop alternative sources of energy in the long run, and we have moved in that direction. At the same time, commonsense tells us to conserve energy to make existing supplies last as long as possible. Conservation in the sense of waste reduction is in many respects a series of one-time efforts—removing extra light bulbs, turning down the heat, in general using energy more efficiently—that we have embarked upon. Many industries, for example, have found that a well-prepared conservation plan can save as much as 20 to 40 percent of energy consumed.

Despite this progress, major and lasting changes in lifestyle to save energy have yet to occur. Gasoline consumption remains high; there is no great switch to mass transit. Air conditioners continue to function day and night with no regard to outside temperature. We continue to waste, perhaps because the sense of urgency of the winter of 1974 has gone. I know Congress certainly has not manifested that sense of urgency.

This brings us to the second part of the energy crisis—our short-run vulnerability to an import cutoff. The embargo of 1973–74 should have left no doubt in anyone's mind of our dependence on foreign oil, particularly on the east coast, and therefore of our vulnerability in the event that cutoff is reimposed. It is to minimize the effects of that action as well as to preserve the independence of our foreign policy that we must undertake a short-range energy conservation process. Since such a program necessarily limits the use of tactics—many energy sources now in the R. & D. stage cannot be implemented over the near term—we must turn our attention to alternative energy sources which are available and marketable now, and we must be stricter about real conservation measures to reduce consumption.

In the first instance, a currently available and marketable source is solar energy, about which I will have more to say when amendments to this bill are considered. Suffice it to say at this point that the viability of solar heating technology has been established, and the energy saving possibilities are enormous. If we fail now to enact substantive incentives to get this fledgling industry off the ground, we will have made one of history's great mistakes.

In the second instance, we must quite simply enact stiffer conservation measures that will have the ultimate effect of changing lifestyles. It is here, however, that what consensus we have had breaks down. At this point there appears to be three basic groups.

First, the President has proposed a tariff strategy, increasing prices to keep down demand. Such an approach is not only unfair to those segments of the society already hard pressed by first inflation and then recession, it is inflationary in its across-the-board increases on all oil and petroleum product prices.

Second, the Ways and Means Committee bill correctly focuses its attention on gasoline, where the elasticity of demand is probably the greatest. Its system of quotas is less inflationary than the President's tariff system, but unfortunately its tax is so weak and watered down as to be nonexistent.

Third, some Members of Congress and the public have opposed both tax and rationing plans in favor of allocation. Implicit in some of the rhetoric used in

opposition to taxes or rationing is the feeling that energy conservation can be achieved without anybody sacrificing anything. This attitude does a disservice to the realities of energy conservation and makes it all the more difficult to help achieve public understanding and support of the measures that are needed. The approach advocated in allocation is a step backward to the winter of 1974. I am sure most Members will remember the situation that prevailed in this area at that time—long lines, odd-even days, early closings, irate motorists and harassed station attendants. The nadir of the allocation program for me came one morning when I was late for my appointment with then FEA Administrator Simon to urge his personal attention at straightening out the mess because I was caught in a gas line for 40 minutes. The 1974 allocation program showed the ability of the Government to structure and run such an administrative nightmare. Nothing has happened since to show me the situation has changed, and I cannot see how anyone can propose allocation as a serious alternative.

What then is the best solution? Last January, I proposed a plan (H.R. 3850) which I thought had both the simplicity of a tax approach with the fairness of a rationing system. My plan provided for a basic monthly ration of gasoline for each driver available at the regular price, with additional amounts available at a much higher price. Occupational needs and hardship cases would be provided for by additional allotments at the regular price. The plan was simplified administratively by charging the same price for all purchases at the pump and recording each purchase by special credit card, which would permit State motor vehicle administration computers to record purchases in excess of a driver's ration and then send a bill for the appropriate tax. This purchase would eliminate coupons; it would provide a ready-made structure for the granting of exceptions, an integral part of any plan for equity reasons; and by separating the amount of the tax from the price of the gasoline it would bring home directly to each driver how much his excess driving was costing him. This plan, by the way, could be implemented and administered at a fraction of the cost of a rationing plan.

Important to this plan and to any serious conservation plan is a sizable difference in price between "allowed" gasoline and "excess" gasoline, to make sure the psychological point about the need for conservation is not missed by the driver. It is in this respect, however, that the bill before us fails. A tax of only a few pennies per gallon will inevitably be viewed by most motorists as only another manifestation of inflation and not as a hint to slow down, drive less, and car pool more. As gasoline consumption creeps up—unnoticed by most drivers, so will the tax, also unnoticed by most drivers. I am afraid the deterrent effect of this approach borders on zero. Likewise, the tax on inefficient autos is too weak and the imposition schedule too slow to really affect auto purchase decisionmaking in a meaningful way.

Inadequate though the bill is in this respect, it is the vehicle under consideration and there is hope for it. I certainly hope the House will face up to its responsibility and adopt amendments to put some real teeth in this energy bill.

The President, in imposing his second $1 tariff quite rightly criticized the Congress for its failure to act on the short-term energy problem. Although I share that criticism, it is apparent to me that the lack of action in the Congress reflects a lack of consensus here and in the country over what to do. The weakness of the Ways and Means bill reflects that some lack of consensus—it has been compromised almost to death. It is time that we thoroughly understand the seriousness of the situation and prepare ourselves to exert some leadership to deal with it. That will mean facing the fact that there is no universally popular solution, nor is there a solution which will not cause anybody any hardship. Instead of spouting rhetoric, we must truly be prepared to bite bullets, and the next 2 days will show whether we have passed the test.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Kansas (Mrs. KEYS).

Mrs. KEYS. Mr. Chairman, I wish to briefly comment on the provisions of this bill. As a member of the House Ways and Means Committee, I have participated in the historic and lengthy effort to draft an effective and responsible energy bill. This effort was ably led by our chairman, the gentleman from Oregon (Mr. ULLMAN). We were faced with major obstacles in attempting to legislate a comprehensive energy program. First, by fractured jurisdiction—by the fact that several committees of the House have jurisdiction over various aspects to the energy problem, and second, that this very serious problem has been reduced to political partisanship. The committee had to deliberate under the gun of President Ford's proposed $3 per barrel oil tariff increase which, when implemented, could increase gasoline prices by 15 cents a gallon. The President's plan threatens to raise the price of every single petroleum product in the United States, that is, fertilizer, plastics, nylon, and polyesters. His energy proposals would cost over $200 for every man, woman, and child in the United States or over $800 for an average family of four, adding as much has 4 percent to the cost-of-living index.

After months of discussions, the committee reported a bill for consideration by the full House of Representatives. The House will now work its will on the committee's recommendations. We must realize that this bill provides a framework for a national energy policy. Other bills must be enacted to completely address the energy dilemma.

I believe that most Members of this body recognize the pressing need to reduce our growing dependence on foreign nations for our supply of petroleum. Both for economic and national security reasons, we must import less oil. The bill before us meets this need without adversely and heavily affecting the American consumer. It does this by setting reasonable quota levels. We must, however, move forward in reducing energy consumption. The bill before us provides a number of measures to encourage energy conservation and also energy conversion. Business and industry are encouraged to use fuel more efficiently and to, wherever possible, convert to sources of energy other than oil.

An integral part of the bill is the imposition of a 3-cent tax on gasoline usage. The revenues raised by this tax will be placed immediately in an energy trust fund. This is a very important part of the bill. In the past, the Federal Government has failed to sufficiently invest in energy research and development. Under ordinary circumstances, it would be preferable to fund this R. & D. out of general revenues. This, however, is not possible given the huge budget deficit. We are unable to properly fund this effort by all the usual mechanisms, so the committee adopted a "pay-as-you-go" approach.

Many of my constituents have come to my office and said: "We are afraid of one thing—that you politicians are not going to have the courage to make the tough decisions and ask us to help with them." I believe that the American public is ready to assume its responsibilities to deal not only with the immediate problem, but also the long-range energy needs of our country.

We in the House must now meet our responsibilities.

Mr. ULLMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. KEYS. I yield to the gentleman from Oregon.

Mr. ULLMAN. I congratulate the gentlewoman as a new member of the Committee on Ways and Means for being so constructive and so responsible during consideration of this legislation. I thank the gentlewoman.

Mrs. KEYS. I thank the gentleman from Oregon.

Mr. SCHNEEBELI. Mr. Chairman, I yield to the gentleman from New York (Mr. CONABLE), a valued member of our committee, such time as he may consume.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from North Carolina.

Mr. MARTIN. Mr. Chairman, there has been a lot of dispute about the probable energy savings under this bill, H.R. 6860.

The original committee estimate of 1985 fuel savings under H.R. 6860 was 2.10 million barrels per day—2.10 MB/D. By the time of the committee report, May 15, the estimate had grown to 2.14 MB/D. The mimeographed circular dated May 14, 1975, claims 2.47 MB/D. I understand the Rules Committee was told 2.87 MB/D, and today we heard an even more successful figure of 2.92 MB/D.

Perhaps one of these estimates is close. Any engineer could tell you that one way to balance an energy equation is to include a "fudge-factor."

Mr. CONABLE. Mr. Chairman, I oppose this bill as a poor excuse for an energy policy. It provides some partial conservation, assuming it stays as it is, by taxing gasoline after April 1977 at 23 cents a gallon. To that extent it restrains the use of 40 percent of the barrel of oil. It does nothing to encourage

increased development of our oil resources, such as decontrol of oil prices under the proper circumstances would do. Its effect would be to lock us into scarcity, rather than giving us hope for the future.

The issue, Mr. Chairman, is whether this Nation will move in credible ways to control its own energy policy, rather than deliver our destiny into the hands of the oil producing and exporting nations of the world. A failure of credible policy at this time, unless the President somehow fills the gap with the limited energy options available to him administratively, would be a signal to the OPEC nations that they can continue to raise the price of our imported oil for their own enrichment, with an increasing burden of dependency on our consumers and our economy.

I oppose a gasoline tax such as this measure imposes, but I hope when that tax is removed from this bill, as I believe the members of the majority party intend, that the remaining vehicle will not be supported on the theory that it still constitutes an energy policy. If that is the intent, we would do better to work with the President through tariff and decontrol to build a barrier to foreign oil and such incentives to produce oil domestically which are possible through the price mechanism. I will support a windfall profits tax under such an eventuality, and the end product will be much closer to an energy policy than any result of the measures making up this hodgepodge legislation.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. MILFORD) such time as he may consume.

Mr. HECHLER of West Virginia. Mr. Chairman, I plan to offer an amendment to the Ways and Means energy bill that will eliminate an unwarranted tax break for the energy companies. The amendment will strike a portion of section 521 which permits rapid 5-year depreciation writeoffs for three types of qualified energy use properties: Shale oil conversion equipment, coal processing equipment—gasification and liquefaction plants—and coal slurry pipelines.

In the case of oil shale conversion and coal gasification equipment, this subsidy seems particularly unwarranted. These areas are already slated for heavy Federal financial support through the ERDA fossil fuels research and development program. Companies interested in building such plants can qualify for 67-percent Federal funding in the case of pilot plants and 50-percent Federal funding for demonstration plants. Certainly, this kind of funding is more than enough incentive for companies to go into these technologies. To offer an added tax break on the remaining portion of the financing seems ridiculous. Whatever happened to the idea of free enterprise risk taking?

In the case of coal slurry pipelines, Congress is being asked to subsidize a highly questionable coal transportation technique. The Ways and Means Commitee made very clear in its report that this subsidy is aimed at long distance interstate pipelines, not at shorter local slurries. Thus, we are being asked to subsidize pipelines in the West designed to move western coal to the Midwest and East. The much-publicized Wyoming-to-Arkansas pipeline which has been proposed would be a typical beneficiary of this tax break.

It is true that the Nation needs to improve its transportation system for coal, but western coal slurry pipelines are not the answer. The tremendous water requirements of such pipelines constitute a grave threat to the agricultural vitality of the water-scarce northern Great Plains. When combined with the water consumption of strip mining, coal gasification, and oil shale conversion, the total water requirements throw into question the future of western agriculture. We may soon be faced with a food crisis which far exceeds the enery crisis in its seriousness. When the alternative of railroad transport exists, it makes even less sense to grant tax benefits to coal slurry pipelines.

In terms of lost revenues, these provisions are only mildly costly in the short run. They are designed to run through January 1, 1981, but in practice once such a provision is included in the Tax Code, it is virtually impossible to eliminate it. It is in this regard that these provisions are of such great concern. In the period through 1981, only a small number of coal gasification plants and oil shale conversion plants will be built. However, in the decade of the 1980's, many of these plants are expected to come on line, leading to a very significant revenue loss to the Federal Government as a result of the speeded up depreciation.

The Joint Committee on Internal Revenue Taxation estimates that the cost of section 521 will be less than $5 million in each of the first 2 years rising to $25 million in 1978, $50 million in 1979 and $85 million in 1980. Of this amount, most is attributable to the writeoff for coal pipelines. For example, virtually all of the losses through 1979 are expected to come from pipelines with coal gasification and oil shale beginning to take a noticeable portion in 1980.

The tremendous profit levels currently being racked up by coal companies provide more than enough incentive for stepping up coal production—additional tax breaks are not needed. For example, the Nation's No. 2 coal producer, Consolidation Coal Co.—a subsidiary of Continental Oil—reported third quarter 1974 profits increases of 7,850 percent over 1973. No. 3 producer Island Creek—a subsidiary of Occidental Petroleum—reported a 3,690-percent profit increase in the same period. In addition, the coal industry now enjoys a 10-percent coal depletion allowance plus development and exploration expense deductions. It is time to close off tax loopholes for the coal industry, not add new ones.

Mr. MILFORD. Mr. Chairman, I would like to commend the committee for its efforts at conservation in the area of giving a tax credit for insulating homes—a tax credit on the installation of solar energy equipment in homes—for establishing an energy trust fund. However, there are some points I would raise regarding this fund.

For one thing, we have already enacted laws and authorized $292,228,000 for the research and demonstration of solar and geothermal energy. Trust fund moneys for this project would only open the door for every Federal agency—such as HUD, DOT, DOD, and so forth—to try to get an energy R. & D. grant—to try to grab a piece of the action.

This type of action seems to gut the whole concept and practice of ERDA. I believe we should fund ERDA to its maximum. And let it operate with oversight. But not spread out its authority all over the Federal bureaucracy. We must have one agency coping with the complex, numerous and massive energy research and development programs and projects. We have such an agency with ERDA.

Another problem with the trust fund as it exists is that it does not deal significantly—but rather is limited—in its application of funds. I fear that such a concept does not take into account the scope of energy R. & D. But it would be telling people in one way—this is all we need—when it would not be enough.

However, I do applaud the committee's wisdom in providing this trust fund money for local and regional transportation system projects.

If we are going to combat the problem of a nation being geared to being national spendthrifts of energy, we will have to combat it with usable, practical, efficient means of intercity and intracity transportation.

By this I do not mean outmoded rail and bus systems.

New, exotic systems are ready. They are not as long range in development nor as expensive as tunneling underneath whole cities, for example.

Systems exist for magnetic repulsion-propulsion cars, for computer programed transit cars with guided pathways.

And we drastically need Federal impetus in paving the way for the large-scale development and installation of such systems so that city transportation authorities can afford them and the people will ride them in preference to taking their cars.

If we are going to strap people with high taxes on gasoline we must use those taxes to provide an alternate mode of travel.

I have strong objections to any bill which slaps one section of the country with the burden of energy conservation.

And that is what this tax bill does. It hits right at the Southwest where the distances are great and the mass transit slight. It hits the wage earner, the men and women who keep this country going.

For instance, a poll I had made in my district showed that 60 percent of the people lived more than 10 miles from their place of employment. And there is no mass transit in the Dallas-Fort Worth metroplex to compensate.

Therefore, these people are going to use more than their 40 gallons of exempted gasoline a month just commuting to and from work.

But what is the most ludicrous portion of this bill is that there is no taxing measure for residential and commercial heating and cooling.

Do you know that 21 percent of our Nation's energy usage is consumed by homes and businesses for heating and cooling purposes?

Did you know that that is more than the 14 percent energy spent by the drivers of private autos nationwide?

Now I ask you is not that ridiculous?

Here we are with a bill that strikes at a lesser energy user rather than a major one.

I see no reason why we cannot tax people on their heating and cooling. We could cut down 25 percent and not crimp anyone's style just by learning to moderate thermostats, turn off lights not being used, and use lower wattage bulbs and shut off rooms not being used.

If we are going to tax gasoline, then I propose we establish a median usage of electricity, fuel oil, and natural gas. And then tax all above the median base.

This proposal would not only spread the burden of conservation nationwide, but would also increase our conservation capabilities. We would save more energy by having this added prong to our conservation effort.

And it is a utility tax which would not crimp anyone's life style radically.

But, if a person has a large house with lots of rooms and wants to pay extra to heat and cool those unused rooms, he can. However, a person with an average size house can maintain average heat and cooling, but would be encouraged to keep his home either "not so warm" or "not so cool" and without lights burning in every room.

As the bill stands now, it seems to be a good example of exempting the Northeast section of this country from being strapped with conservation measures.

I cannot tolerate such favoritism and discrimination.

Nor can I see the wisdom in exempting one major source of energy spending—residential heating and cooling—from conservation measures. This bill does charge an excise tax on business buildings, but nowhere does it give the homeowner or renter the responsibility of conservation, that is, the freedom to choose.

Only two categories of energy spenders use more than this: Industry uses 32 percent and electric powerplants use 25 percent of our nationwide energy to generate electricity.

Therefore, if we call for measures which lower the use of electricity, we cut down the demand on other types of energy—coal and natural gas.

In closing, ladies and gentleman, let me draw your attention to article I, section 8 of the U.S. Constitution:

All duties, imports, and excises shall be uniform throughout the United States.

Mr. COTTER. Mr. Chairman, my record for opposing preferential tax legislation and the creation of tax loopholes is well known. Today, however, I would like to speak on behalf of section 331 of the energy bill, even though that section enacts a new tax credit.

The morning papers of May 27, 1975, carried an article headlined "Tax Breaks Save the Affluent $7.3 Million." The article states that the rich benefit disproportionately from any deductions that are given because a $1 million deduction is worth $70 to someone in the highest tax bracket and only $14 in the lowest tax bracket.

Section 331 would provide a tax credit as a partial offset for any homeowner expenditures made for energy conservation devices. We are all aware of the heavy cost burden that increased energy costs have placed on the average homeowner. Home fuel costs can be reduced by installing insulation.

I think that it is high time that the burdens of the energy crisis be to some extent lifted off the shoulders of the workingman. A tax credit of $150 is worth $150, and that is a lot of money to the average workingman.

In supporting this tax credit, Mr. Chairman, I want to warn the manufacturers of insulation and other qualified materials that I do not expect unjustifiable price increases to take place.

In conclusion, this provision, according to the committee estimates, will save between 50,000 to 100,000 barrels of oil per day. In my own personal experience, with adequate insulation I found my own fuel consumption cut dramatically.

I urge my colleagues to support this provision of the bill.

Mr. PICKLE. Mr. Chairman, as you know, I voted for this bill in committee, and while I do not agree with all parts of it, I still think that it is a good workable bill that will go a long way to help us conserve energy. After all, it is the conservation of energy and the encouragement of our domestic production of energy that we need to be concerned with making a reality.

I am proposing an amendment to section 211, the gasoline conservation tax. My amendment is simple, it would provide that any increase in gasoline taxes above the 3 cents a gallon provided for in the bill would be subject to a concurrent resolution of disapproval before April 15 of the year in which the Administrator of the FEA determines that the domestic consumption of gasoline had exceeded that for 1973.

The purpose of my amendment is to provide some mechanism whereby Congress would have the right to take another look at the situation before a further increase in the gasoline tax went into effect. It is so difficult to look into the future and determine what we want to do, it seems to me wise to at least have the chance for the Congress to disapprove any further increase in the cost of gasoline before it is automatically triggered.

My constituents live in a large State where the distances are vast and they are especially dependent on gasoline. Whereas in the past the Texan had his horse, today he relies on his automobile. Therefore when the price of gasoline increases it hits him in the pocketbook. He cannot ride a bus or a train, because none is available. Therefore, let us at least have a chance to take another look before the gasoline tax goes into effect. If Congress decides that it is necessary, then it would go into effect. Even if Congress cannot get together and decide that it is not necessary it would still go into effect. But this at least gives us a chance to take another look at the situation with the relevant data.

If the FEA Administrator finds that the domestic consumption of gasoline in any preceding calender year has exceeded the domestic consumption of gasoline for 1973, he publishes this determination not later than January 31, and stipulates that the tax be raised by 5, 10, 15, or 20 cents per gallon. This increase would go into effect on April 15 of that year.

My amendment would provide that if a concurrent resolution of disapproval were passed by both the House and the Senate the extra gasoline tax would be stopped from going into effect. During the committee consideration of the bill, an amendment was added that delayed from January 30 to April 15 before the tax went into effect. Obviously, the intent was to allow time between the proposed increase and the actual imposition of the tax. I am suggesting a procedure to allow Congress to have time to consider all factors.

The committee bill envisions a gradual increase in gasoline taxes. However, if national consumption jumped, then the tax too could jump as much as 20 cents a gallon. It seems to me that before this happens Congress should have a second look.

Mrs. COLLINS of Illinois. Mr. Chairman, H.R. 6860, the Energy Conservation and Conversion Act of 1975 is one of the most important pieces of legislation that will be considered by the 94th Congress. Although the outward signs of the "energy crisis," such as long lines for gasoline, are absent, there is not much doubt that we are in need of a comprehensive energy policy. Our own oil and gas are running out and we are more dependent than ever on foreign oil. Currently OPEC supplies us with about 40 percent of all our oil.

We are significantly more vulnerable to an oil embargo now than we were in 1973. Though we now pay $25 billion a year to foreigners for oil, OPEC warns that the price could increase another $4 per barrel in September.

The American people realize the need to end our dependence on foreign energy sources and are, I feel, willing to make the needed sacrifices. A recent Harris poll found that 54 percent of the American people would approve a 10-cent-a-gallon tax on gasoline to lessen our dependence on Arab oil. Only 24 percent of those responding opposed this move.

Both H.R. 6860 and the President's program of increased fees on oil imports and deregulation of oil and gas prices will reduce our dependence on foreign oil, but the means and timing are quite different. I believe that H.R. 6860 is by far the better of the two proposals.

The President's plan will cause a severe jolt to the economy. His proposal will drive up the prices of diesel fuel, home heating oil, gasoline and oil used in petrochemicals about 12½ cents a gallon next year; though H.R. 6860 will cost our citizens money, it is a much more gradual and sensible approach.

The administration's program will mean across-the-board price increases in all petroleum products and, therefore, in the price of electricity. This program will not differentiate between necessary uses of energy, such as heating for home, and extravagant, excessive uses, such as

gasoline for big, inefficient, luxury cars. By contrast, H.R. 6860 would encourage conservation by phasing in a tax of 3 cents a gallon on gasoline in 1976, which could rise another 20 cents a gallon in 1977, depending on how much gasoline is conserved. There would also be an excise tax on inefficient automobiles beginning with 1978 models.

While the President's plan forces everyone to share in an across-the-board fuel price increase—including the poor who can least afford it—H.R. 6860 would soften the impact on indigent people by providing a tax credit equal to the gasoline conservation tax multiplied by 40 gallons per month. The effect is to maintain a tax of only 3 cents per gallon if gasoline consumption is kept down. The tax credit would be available to any individual over 16 residing in the United States regardless of whether that person pays any gasoline tax or owns an automobile. For low-income Americans who do not own cars, this credit or refund will help them cope with the higher prices for energy.

Unlike the administration's program, H.R. 6860 exempts State and local governments, among others, from the gasoline tax provisions. Thus, mass transit fares should not increase as a result of this legislation.

The Energy Conservation and Conversion Act encourages conversion to more plentiful forms of energy, such as coal, by those most able to make the change, business and industry.

It provides funds for accelerated research, development and demonstration of solar energy, the use of waste materials as fuel, improved building insulation, better mass transit, conversion to coal, and exploration for new energy sources.

H.R. 6860 would impose gradually stricter quotas on imports of foreign oil, which will insure a lessening of our dependency on foreign energy sources without harsh economic consequences. The Ford program of higher tariffs, on the other hand, will insure a new round of inflation, precisely what we do not need. The total annual cost of President Ford's proposal is estimated to be over $36 billion with an inflationary impact of one-half of 1 percent.

H.R. 6860 contains most of the major elements of an adequate approach to the problem. It is not a perfect bill; it contains some measures that will be unpopular and I am not completely satisfied with it. It does, however, squarely address the toughest energy questions and is far superior to the alternative, the President's program. H.R. 6860 will make the best of a bad situation, and I urge my colleagues to give it their full support.

Mr. LEGGETT. Mr. Chairman, in considering this bill let us begin by discussing what an energy bill should and should not do.

First and foremost, it must reduce our consumption of depletable energy resources, particularly those imported from politically unreliable sources. These are the basic methods available:

To limit imports, we can set quotas by dollar amounts or by barrels, we can impose import taxes, and we can decontrol all oil and let the price reach the moon.

The latter course, which is that of the President's program, is unacceptable in that it simply means higher consumer prices and higher oil company profits, the deceptively ineffective excess-profits notwithstanding. Quotas are a good idea, and if we are concerned about limiting dependence I believe we should set them by the barrel rather than the dollar, painful as this will be in the short run. Import duties are a tricky business: on the one hand they discourage imports and encourage domestic exploration, but on the other hand they decrease the probability of bringing down the price of OPEC oil.

To reduce consumption we can tax or ration fuel, or we can tax or prohibit fuel-inefficient vehicles.

Since I have received a considerable amount of mail urging a vehicular program rather than a fuel program, I want to discuss this question in some detail.

Consider the possible ways in which vehicular fuel can be saved. You can:

First. Drive a more economical vehicle;

Second. Form a car pool;

Third. Reduce miles driven by careful planning, by taking fewer trips, or by using mass transit;

Fourth. Use more economical driving techniques; and

Fifth. Maintain the vehicle more carefully.

Out of the above five methods, a vehicular program would encourage only the first. Yet the other four in sum offer potential for considerably greater savings.

Many people appear to regard a vehicular program as less painful than a fuel program. In the short run, this is true—assuming you are not an auto worker—since an auto purchase can be delayed for several years. But this also means a vehicular program is ineffective for whatever length of time it is painless. And in the long run, after everyone has bought a car under the vehicular program, the economic penalty is the same—but the beneficial effect is less. So we must have a fuel program.

Should it be rationing or a tax? My own preference has always been strongly in favor of rationing. While I recognize that transferable ration coupons are economically indistinguishable from a hypothetical-tax-with-concurrent-rebate, rationing has certain psychological advantages which make it preferable in my mind.

As far as an allocation program is concerned, we should recognize that this is not an effective consumption-reduction device. It can share the burden of a shortage, but when there is no shortage—as is the case today—it can have little effect.

Second, the program must reduce consumption in a fair and equitable manner, forcing everyone to reduce but also protecting those at the lower end of the economic scale.

At this point, I must reemphasize that it is literally impossible to have a consumption-reduction program which is both effective and painless, much as we wish it could be done. No matter what system is used, whether it be rationing, a fuel tax, a vehicle tax, or whatever, the net effect must be to discourage energy consumption by raising its cost. This is a painful process which impinges on the lifestyle of us all. We cannot eliminate the pain; all we can do is distribute it fairly.

It has been suggested that various groups for various reasons be exempted from consumption disincentives. For example, I have received communications from or in behalf of the following groups: senior citizens who spend their summer touring the country in mobile homes pulled by heavy cars; owners of large power boats; citizens of rural areas who must drive long distances to get anywhere; low- and moderate-income citizens who use their cars to drive to work; those who simply like large cars.

Clearly, all these folks are deserving. I wish it were possible to save energy without forcing them to do it. But the fact is that these folks use a lot of gasoline: much as we would like to apply our strictures to millionaires only, we must recognize that this would not do the job because millionaires do not use energy on the scale that it is used by the much larger numbers of average Americans. It is also true that each of these special groups could use one or more of the standard fuel saving devices: a poor man can drive a smaller car, form a car pool, or drive with a light foot just as easily as can a rich man. He should be induced to do so.

The problem is that a fuel program which merely encourages a rich man to conserve can be an intolerable burden on a poor man. However, if we exempt the poor from a fuel program, they will have no incentive to reduce their consumption, which is very substantial. So the best solution is either a transferable ration or a tax with cash rebate unrelated to indiivdual consumption. The beauty of the transferable-ration or tax-with-rebate systems is that the rebate or coupons protect the poor while the tax or coupon value give them and everyone else an incentive to be more fuel efficient. If a man use 1 gallon per week, he makes a profit from the system; if he uses 50 gallons per week, he takes a loss. But at all levels of consumption, the system provides an incentive for efficiency.

The fuel tax, however, creates a problem which troubles me deeply: You must first lay out the money for the tax as you buy your fuel, but you do not get your rebate until the end of the year. I shall return to this question when I discuss the bill itself.

Third, an energy program must set priorities for energy use so that deleterious economic impact is minimized. Specifically, commercial users must be given preference over private users. But commercial users too must have incentives to reduce.

Fourth, an energy program must create substantial programs for mass transit and for research and development on long-term energy.

So much for general principles. Now, how does the pending legislation measure up?

While it has a few serious defects, in general I regard the bill as a creditable piece of work—probably as good as could be expected and far better than the White House program—unfortunately you cannot really develop a comprehensive energy program by a tax bill alone.

President Ford's characterization of this bill as a "marshmallow" is inaccurate, uncalled for, but representative of the probusiness anticonsumer philosophy which has characterized this administration. President Ford's criticism was based on the fact that, while the bill does many things that his proposal did but not as well or not at all, it does not provide added incentives for oil exploration. I have two things to say about that before dismissing it: First, under the Ford program the biggest price increase went to old nonmatching oil. Why we need more incentive to "explore" for oil already gushing out of a well is not immediately evident. Second, oil company profits, as we all know, are enormous. If the oil companies are unable to explore at the immense prices they now command, perhaps the Government should go into the exploration business.

The bill has been beneficially amended in some respects and detrimentally in others. The bill is not an end product of the energy controversy but it is a reasonable beginning during this time of economic crisis.

Mr. SCHNEEBELI. Mr. Chairman, I reserve the balance of my time.

Mr. ULLMAN. Mr. Chairman, having no further requests for time, I yield back the balance of my time.

Mr. SCHNEEBELI. Mr. Chairman, I yield back the balance of my time.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair desires to make a statement regarding the procedure tomorrow when this bill is read for amendment.

A number of amendments have been printed in the CONGRESSIONAL RECORD and are protected for consideration under the provisions of the rule governing the consideration of the bill. However, Members who have had amendments printed in the RECORD must still seek recognition to offer their amendments. When a Member seeks recognition at the appropriate time to offer an amendment, he must send a legible copy, in the precise form as submitted for printing in the RECORD, to the desk to be reported by the Clerk. It would place an inordinate burden on the Clerk to search through the RECORD to find the amendment offered.

The Chair seeks the cooperation and indulgence of all Members so that the House may proceed in an orderly manner through this difficult amendment process.

Mr. ULLMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman, of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, had come to no resolution thereon.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the debate on H.R. 6860.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 6674, MILITARY PROCUREMENT APPROPRIATIONS, 1976

Mr. PRICE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? The Chair hears none and appoints the following conferees: Messrs. PRICE, HÉBERT, BENNETT, STRATTON, ICHORD, NEDZI, RANDALL, CHARLES H. WILSON of California, BOB WILSON, DICKINSON, WHITEHURST, and SPENCE.

MAKING IN ORDER CONSIDERATION OF HOUSE JOINT RESOLUTION 492

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it be in order in the House today, or any day hereafter, to consider a House joint resolution (H.J. Res. 492) making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING U.S. CONTRIBUTIONS TO UNITED NATIONS PEACEKEEPING FORCES

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 506 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 506

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 818) to authorize United States payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, at this time I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 506 provides for consideration of S. 818 authorizing U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East and for other purposes.

This is an open rule providing 1 hour of general debate.

This bill, S. 818 authorizes funds for two peacekeeping forces established by the United Nations in the wake of the October 1973 Mideast war.

At the present time there are in excess of 5,300 troops drawn from the forces of 9 nations on duty.

The establishment of these forces was ordered by United Nations resolutions which had the full backing of the United States.

The $29 million expected to be appropriated under this authorization is in consequence of our treaty obligations under the United Nations Charter.

Mr. Speaker, I urge adoption of the resolution in order that the House may consider S. 818.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 560 makes in order for consideration S. 818 under an open rule with 1 hour of debate. S. 818 authorizes such sums as may be necessary to pay the U.S. share for U.N. peacekeeping force in the Middle East between October 25, 1974, and October 31, 1974. Because the House and Senate were not able to resolve their differences on a similar authorization in the last days of the 93d Congress, we are now some 6 months delinquent in making our payment. As I recall the testimony in the Rules Committee last week, the principal unresolved difference between the two bodies in the last Congress was over whether the authorization should contain a specific ceiling amount—the House had one and the Senate did not.

In the bill before us today, we are in essence receding and concurring in the Senate position in order to expedite the matter.

That is not to say that this is an open-ended and indefinite authorization since the U.S. contribution is determined by a set formula and it will simply be up to the Appropriations Committee to approve that amount. Under this formula, the United States and other permanent members of the Security Council are assessed 15 percent more than their regular U.N. buoget assessment rate. Thus, our share comes to 28.9 percent of the total cost of the peacekeeping forces. That comes to about $28.8 million this year.

Mr. Speaker, I think it is significant to note that this bill was reported unanimously from the International Relations Committee and is supported by the administration. Our country has a substantial stake in keeping the peace in the Middle East and the U.N. forces make a very vital contribution to that effort. I therefore support the rule and the bill which it makes in order.

Mr. MOAKLEY. Mr. Speaker, since there are no further requests for time, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. FRASER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the Senate bill (S. 818) to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Minnesota (Mr. FRASER).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the Senate bill (S. 818), with Mr. ROBERTS in the chair.

The Clerk read the title of the Senate bill.

By unanimous consent, the first reading of the Senate bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Minnesota (Mr. FRASER) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. DERWINSKI) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill would provide for U.S. payment of its share of the expenses of the United Nations peacekeeping forces in the Middle East for fiscal year 1975. Passage of this bill is extremely important to creating conditions for limiting the danger of another outbreak of hostilities in the Middle East and for laying the groundwork for a durable peace. By authorizing the payment for the U.N. peacekeeping forces, passage of the bill would play a crucial role for the peacemaking efforts of our own Secretary of State.

A similar bill was introduced last summer during the 93d Congress. It was passed by the House and subsequently passed by the Senate, in a slightly different form shortly before Congress adjourned last December. There was insufficient time during the last 2 days of the 93d Congress to hold a House-Senate conference to resolve differences in the two versions so a decision was made to postpone action until this year.

I believe it is important that Congress act as quickly as possible to authorize U.S. contributions to the U.N. Middle East peacekeeping forces, because of the delay already experienced and because of the highly important role that these peacekeeping forces must play in maintaining a relatively stable situation along the frontiers in the Middle East conflict. The peacekeeping forces are there as a result of action by the U.N. Security Council after the war in the Middle East in 1973. In the fall of 1974 the Security Council voted to extend the mandate of the peacekeeping forces for an additional period. The United States supported this action by the Security Council in an effort to facilitate a peace settlement in the Middle East.

There are two U.N. peacekeeping forces stationed in the Arab-Israeli conflict. The United Nations Emergency Force, UNEF, separates Israeli and Egyptian forces, and the United Nations Disengagement Observer Force, UNDOF, patrols the Israeli-Syrian front. UNEF is currently under a 3-month extension of its mandate, and UNDOF was recently extended for a 6-month period.

The United States is assessed for peacekeeping expenses according to a formula by which the permanent members of the Security Council—Britain, China, France, the Soviet Union and the United States—pay a proportionately larger share than other U.N. members, in recognition of their special responsibility for peace and security. Our colleague, JOHN BUCHANAN played a central role in those negotiations while he was a delegate to the 1973 General Assembly. The U.S. rate of assessment is 28.89 percent of the total. In dollar amounts, this is $28,837,000 of a total U.N. peacekeeping budget of $80 million. The $28,837,000 includes $23.1 million for the second year of peacekeeping operations and $5.7 million as the U.S. portion of payment of a $19.8 million shortfall in the first year of operation.

Mr. Chairman, this bill represents, in the opinion of the Committee on International Relations, a good deal for the United States. Other nations are bearing a financial burden proportionate to that of the United States and other nations are making their payments faithfully. I might add that this is the first time the Soviet Union and China have agreed to such an arrangement, and it seems to be working satisfactorily. The executive branch strongly supports this legislation and it was reported favorably by the Committee on International Relations by a voice vote with no opposition. I respectfully urge passage by the House of Representatives.

Mr. Chairman, we are expecting the Committee on Appropriations to deal with specific fund requirements as they are presented to the Congress by the Department of State.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I have looked in vain through the report for an explanation of one phrase that appears in this bill, and perhaps the gentleman could explain it to me. That phrase is "notwithstanding the limitation on contributions to international organizations contained in Public Law 92–544."

I have obtained a copy of that law, and I assume the bill is waiving the provision that limited the U.S. contribution to 25 percent. This limitation appeared in the 1973 appropriations for State, Justice, and the Judiciary.

Mr. Chairman, I will ask the gentleman, is that the meaning of this phrase, and, if not, will the gentleman explain it?

Mr. FRASER. Mr. Chairman, that is my explanation. My understanding is that the purpose is to waive the requirement that the Congress did impose on our assessed contributions; namely, that they should not exceed 25 percent.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield further, could the gentleman offer a reason as to why, in this instance, we should abrogate this 25-percent prohibition which was adopted by Congress?

Mr. FRASER. Mr. Chairman, I can give the gentleman an explanation, but I would rather yield, if I may, to the author of the arrangement that was agreed on at the U.N., our colleague, the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Chairman, I would say in answer that our share, on the agreed-upon formula, is the 25 percent we give in the regular budget, plus an additional amount that each member of the Security Council was asked to give proportionately to what the others give. This is the best arrangement we have ever been able to negotiate in a peacekeeping operation. It is well below what our share has been in other such operations.

The few million dollars we have spent in paying this part as our share of the peacekeeping force has made possible the maintenance of peace, and we saw how terribly expensive it was to our country during conditions of war, with the expense going into the billions of dollars as far as we are concerned, whereas this is a few million dollars in cost.

I will say to the gentleman that we simply negotiated the best deal we could get. This is the best we could do, and by doing this we were able to secure the cooperation of more than 130 nations, including for the first time the participation of the Soviet Union in helping to foot the bill. We also had cooperation from Communist-bloc countries and from Arab countries, as well as Israel and most of the developing counries. So we obtained almost universal support for this operation, which is much better than we have done before.

Mr. FRASER. Mr. Chairman, I might just emphasize what the gentleman stated, and that is that this is the first time that the Soviet Union and China have agreed to such an arrangement, and that is worth noting.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield further, could the gentleman tell us what the cost is that the Soviet Union is picking up in this instance?

Mr. FRASER. Mr. Chairman, it is in the committee report. The figure for the Soviet Union is 14.99 percent.

Mr. BAUMAN. Mr. Chairman, could the gentleman, if he will yield further, answer one other question?

I notice in the past that this has been an annual authorization. Annual review is the only way we in Congress can retain some degree of control over funds such as this. But this bill is almost unlimited. I assume, under the precedents of the House, this authorization can be used for years and the U.S. obligation would be contingent upon actions by the United Nations as to the amounts we owe.

Why do we not consider this on a 1-year basis and then come back and reassess the situation in the Middle East next year, with the gentleman's committee as the authorizing committee? Why do we need to write a blank check and ignore the usual appropriations process?

Mr. FRASER. The gentleman will remember that last year we passed a more restrictive bill. I think that what we discovered was that both the other body and the State Department preferred to have this matter reviewed by the Committee on Appropriations.

Part of the problem, frankly, is a practical one. We are already late this year, and this is a very specific, identifiable international undertaking. I do not think that any of us expect to see the peacekeeping forces withdrawn suddenly until there is a political statement. Therefore, it is specific in that sense, that it is not dealing worldwide or dealing with other areas of conflict in the world. It is just this one specific area.

The gentleman from Alabama (Mr. BUCHANAN) I think probably wants to add to that.

Mr. BUCHANAN. If the gentleman will yield further, the point I wanted to make is that the percentage listed as the Soviet Unions share does not include the Byelorussian and Ukraine figures, which bring the total up to more like 17, 18 or 19 percent.

Mr. BAUMAN. If the gentleman will yield further, the gentleman from Maryland and I think the gentleman from Illinois would not accept that as being part of the Soviet Union under any circumstances.

Mr. BUCHANAN. I would not either, but while it is separate in the U.N., all the representatives are Communists and really under the control of the Soviet Union. The practical effect, therefore, is to give the Russians three votes instead of one in the United Nations.

Mr. DERWINSKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today a tenuous peace exists in the Middle East, a peace sustained in part by the United Nations emergency peacekeeping forces which are helping to stabilize the situation along the frontiers in the Middle East conflict.

Though their numbers are small, the presence of the U.N. forces helps to maintain the cease-fire and disengagement agreements along the Egyptian-Israeli and Syrian-Israeli fronts. Through their efforts, the U.N. forces are helping to give our President and our Secretary of State an important commodity—time—in which to consult the principal figures such as President Sadat of Egypt and Premier Rabin of Israel and try to create the opportunities for peace necessary to working out a conclusion to the generation-long conflict.

We must remember that a renewal of armed conflict would have serious consequences, not only for the Middle East, but for our own country as well.

So, I strongly believe it is in the interest of peace in the area and our own self-interest to authorize funds to pay the U.S. share of the expenses of the U.N. peacekeeping forces in the Middle East, Syria, Egypt, and Israel have all agreed to renew the mandate of the peacekeeping forces.

In my opinion, this legislation is a good investment in peace. We should overwhelmingly approve S. 818.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. Yes, I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I do not think I exactly got an answer from the gentleman from Minnesota (Mr. FRASER) to my question regarding the open-ended authorization. This is not just a 1-year authorization. It extends indefinitely into the future.

Mr. DERWINSKI. It is for the lifetime of this Middle East peacekeeping force.

Mr. BAUMAN. That could be for 20 years, for all we know, at the rate things have been going recently.

Mr. DERWINSKI. It could be, but technically at the moment, the Syrians have accepted an extension to November 30; the Egyptians, to July 24. We assume that they will extend it for at least 3 months after that. Therefore, we are dealing with 3- to 6-month extensions from time to time.

Of course, we all hope that either through direct diplomacy between Egypt and Israel or, possibly, through the Geneva Conference, permanent peace might come to the Middle East, but in the meantime, the presence of the U.N. troops means that they are probably the best guarantee for peace, especially since, if the gentleman will recall, it was Mr. Nasser's demand that the U.N. peacekeeping force leave in 1967 that produced that 1967 war. I think this is a mistake that no one in the area wishes to make again.

Mr. BAUMAN. The gentleman would not like to see a limitation in this bill, by way of an amendment, that would limit this to the period for which the funds are needed, which is until October 31.

Mr. DERWINSKI. To answer the gentleman, I think our colleague, the gentleman from Minnesota, properly pointed out that for us to come back every 3 or 6 months or even annually for an authorization request adds to the complications. We are already 6 months behind in payment. Certainly the Committee on Appropriations is going to take a good, hard look at this, and they are not going to provide a penny more than the agreement provides for. I think that the annual appropriation process provides sufficient control.

Certainly if we were reduced to bringing forth new authorizations every 3 or 6 months we would run into all sorts of time complications. I think this route before us really is the most practical.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield further, in regard to the provision in the bill that says that the United States will pay its share of the expenses—as apportioned by the United Nations in accordance with article 17 of the United Nations Charter—does not this in a way obligate the Congress to the decision of an international body, the United Nations, one that has proven to be totally irresponsible in the past?

Mr. DERWINSKI. That is an age-old question that has arisen ever since the United Nations has existed. But here again we have, as a protection, the precise agreement which was explained in the bill, and we have as a further protection the review by the Committee on Appropriations and the ongoing efforts of our diplomats at the United Nations, in this case headed by a new, fresh, vigorous Ambassador, Mr. Moynihan, who will do his level best to see that the U.S. contributions are assessed as equitably as possible.

I really think in this case, given the alternative, which would be largely dependent on the United States to reinforce the armed forces of Israel, that this level of the United Nations peacekeeping efforts is really a tremendous bargain.

Mr. BAUMAN. We are already doing that.

Mr. DERWINSKI. But we would be called upon to do a lot more if the United Nations peacekeeping units were not in place.

Mr. BAUMAN. Mr. Chairman, I would like to say to the gentleman from Illinois (Mr. DERWINSKI) that my concern about the provisions of this bill stems directly from the totally open-ended nature of the authorization contained therein. I have supported aid to Israel and I believe that country must have our guarantee of its continued existence. I also believe that the peacekeeping force is far preferable to the cost and danger of open hostilities between the Arab States and Israel.

But I also believe that the U.S. taxpayers should not be asked to pay a disproportionate share of the costs of this peacekeeping force, especially since this bill abrogates an established law limiting American contributions to the United Nations to 25 percent of total cost. Further, this authorization is completely open-ended, not limited to 1 year as has been customary in the past. With the

highly volitile nature of the Middle East situation, I think Congress should have the full right and power to review this spending at least annually. Lastly, I point out that this bill in effect allows the U.N. to set amounts of spending only the U.S. Congress should decide.

However much I agree with the objective of this legislation, I think the means to the end are highly questionable and I must oppose its passage in its present form.

Mr. FRASER. Mr. Chairman, I have no further requests for time.

Mr. DERWINSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I do not intend to take the full 5 minutes. I just want to say that the United Nations peacekeeping force is vital and essential to the building of peace in the Middle East, and at this very modest level of expense to our country I think it has already paid large dividends.

I urge the passage of the legislation.

Mr. SOLARZ. Mr. Chairman, I rise in support of this measure and urge its enactment without delay.

The continued existence of the U.N. Emergency Force and the U.N. Disengagement Observer Force in the strife-torn Middle East are essential to the maintenance of the rather delicate balance between Israel and her Arab neighbors. These two peacekeeping forces, created in October 1973, have prevented full, open hostilities in the Middle East and have afforded the contentious parties an opportunity to engage in peaceful negotiations.

I believe the fact that Syria has agreed to another 6-month continuation of the UNDOF is quite indicative of the very useful role played by this entity, as well as its counterpart between Israel and Egypt. It is particularly imperative that these two peacekeeping forces be continued at this time as renewed efforts are being made to achieve some type of meaningful solution to the age-old and very complex problems plaguing the Middle East. The voluntary pullback of substantial Israeli forces stationed in the Sinai and the reopening of the Suez Canal by Egypt seem to indicate a new mood for peace. This encouraging atmosphere, I am confident, could not have been achieved without the general cooling effect which the two U.N. forces have been able to maintain—oftentimes under great pressure and provocation, especially from attacks by terrorist groups.

As the International Relations Committee's report properly notes, the United States strongly supported the creation of UNEF and UNDOF and believes they must be maintained because of continued instability between the Arabs and Israelis. By limiting contact between these two elements while attempts to secure some type of settlement through negotiation are underway UNEF and UNDOF have proven their worth time and time again.

In view of the possible cost of a major international confrontation in the Middle East, the amount of the assessment authorized under S. 818 is modest indeed. I am hopeful, therefore, that prompt and favorable action will be taken on this measure and that the U.N. peacekeeping forces in the Middle East will be maintained as the quest for peace continues.

Mr. DERWINSKI. I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the Department of State such sums as may be necessary from time to time for payment by the United States of its share of the expenses of the United Nations peacekeeping forces in the Middle East, as apportioned by the United Nations in accordance with article 17 of the United Nations Charter, notwithstanding the limitation on contributions to international organizations contained in Public Law 92–544 (86 Stat. 1109, 1110).

Mr. FRASER [during the reading]. Mr. Chairman, I ask unanimous consent that the Senate bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. Are there any amendments?

If there are no amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ROBERTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the Senate bill (S. 818) to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes, pursuant to House Resolution 506, he reported the bill back to the House.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the Senate bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 350, nays 21, not voting 62, as follows:

[Roll No. 272]

YEAS—350

Abdnor	Armstrong	Bergland
Abzug	Ashley	Bevill
Adams	Aspin	Biaggi
Addabbo	AuCoin	Biester
Alexander	Bafalis	Bingham
Ambro	Baldus	Blanchard
Anderson, Calif.	Baucus	Blouin
	Beard, R.I.	Boggs
Anderson, Ill.	Beard, Tenn.	Boland
Annunzio	Bedell	Bonker
Archer	Bennett	Bowen
Brademas	Hays, Ohio	Patten, N.J.
Breaux	Hechler, W. Va.	Patterson, Calif.
Breckinridge	Heckler, Mass.	
Brinkley	Hefner	Pattison, N.Y.
Brodhead	Heinz	Pepper
Brooks	Helstoski	Perkins
Broomfield	Henderson	Pettis
Brown, Calif.	Hicks	Peyser
Brown, Mich.	Hightower	Pickle
Broyhill	Hillis	Pike
Buchanan	Hinshaw	Poage
Burgener	Holland	Pressler
Burke, Calif.	Holt	Preyer
Burke, Fla.	Holtzman	Price
Burke, Mass.	Horton	Pritchard
Burleson, Tex.	Howard	Quie
Burlison, Mo.	Howe	Randall
Burton, Phillip	Hubbard	Rangel
Butler	Hughes	Rees
Byron	Hungate	Regula
Carney	Hutchinson	Reuss
Carr	Hyde	Rhodes
Carter	Jacobs	Richmond
Casey	Jeffords	Riegle
Cederberg	Jenrette	Rinaldo
Chisholm	Johnson, Calif.	Risenhoover
Clancy	Johnson, Colo.	Roberts
Clawson, Del	Johnson, Pa.	Robinson
Cleveland	Jones, N.C.	Roe
Cochran	Jordan	Rogers
Collins, Ill.	Karth	Roncallo
Collins, Tex.	Kasten	Rooney
Conable	Kastenmeier	Rose
Conlan	Kazen	Roush
Conte	Kelly	Ruppe
Corman	Kemp	Russo
Cornell	Keys	St Germain
Cotter	Koch	Santini
D'Amours	Krebs	Sarasin
Daniel, Dan	Krueger	Sarbanes
Daniel, R. W.	LaFalce	Scheuer
Daniels, N.J.	Lagomarsino	Schneebeli
Davis	Latta	Schroeder
de la Garza	Leggett	Schulze
Delaney	Lehman	Sebelius
Dellums	Lent	Seiberling
Dent	Litton	Sharp
Derrick	Lloyd, Calif.	Shipley
Derwinski	Long, La.	Shriver
Dickinson	Long, Md.	Sikes
Diggs	Lott	Simon
Dingell	McCloskey	Sisk
Downey	McCollister	Skubitz
Downing	McCormack	Slack
Drinan	McEwen	Smith, Iowa
Duncan, Oreg.	McFall	Smith, Nebr.
du Pont	McHugh	Solarz
Early	McKay	Spellman
Eckhardt	Madden	Spence
Edgar	Madigan	Staggers
Edwards, Ala.	Maguire	Stanton, J. William
Edwards, Calif.	Mahon	
Eilberg	Martin	Stanton, James V.
Emery	Mathis	
English	Matsunaga	Stark
Erlenborn	Mazzoli	Steed
Evans, Colo.	Meeds	Stephens
Evans, Ind.	Melcher	Stokes
Fascell	Metcalfe	Stratton
Fenwick	Meyner	Stuckey
Fish	Mezvinsky	Studds
Fisher	Michel	Sullivan
Fithian	Milford	Symington
Florio	Miller, Calif.	Talcott
Foley	Mineta	Taylor, N.C.
Ford, Tenn.	Mink	Teague
Forsythe	Mitchell, Md.	Thompson
Fountain	Moakley	Thone
Fraser	Moffett	Thornton
Frenzel	Montgomery	Traxler
Frey	Moore	Treen
Fulton	Moorhead, Pa.	Tsongas
Fuqua	Morgan	Udall
Gaydos	Mosher	Ullman
Giaimo	Moss	Van Deerlin
Gibbons	Mottl	Vander Jagt
Gilman	Murphy, Ill.	Vander Veen
Goldwater	Murtha	Vigorito
Goodling	Myers, Ind.	Waggonner
Gradison	Myers, Pa.	Walsh
Grassley	Natcher	Wampler
Green	Neal	Waxman
Gude	Nedzi	Weaver
Guyer	Nichols	White
Hagedorn	Nix	Whitehurst
Haley	Nolan	Whitten
Hall	Nowak	Wiggins
Hamilton	Oberstar	Wilson, Bob
Hanley	Obey	Winn
Hannaford	O'Brien	Wirth
Harkin	O'Hara	Wolff
Harrington	O'Neill	Wright
Harris	Ottinger	Wydler
Hastings	Passman	Wylie
Hayes, Ind.	Patman, Tex.	Yatron
Young, Alaska	Young, Ga.	Zablocki
Young, Fla.	Young, Tex.	Zeferetti

NAYS—21

Ashbrook	Ichord	Rousselot
Bauman	Kindness	Satterfield
Crane	Lloyd, Tenn.	Shuster
Devine	McDonald	Snyder
Duncan, Tenn.	Miller, Ohio	Steiger, Ariz.
Ginn	Moorhead, Calif.	Symms
Hammer-schmidt	Quillen	Taylor, Mo.

NOT VOTING—62

Andrews, N.C.	Flood	Mikva
Andrews, N. Dak.	Flowers	Mills
	Flynt	Minish
Badillo	Ford, Mich.	Mitchell, N.Y.
Barrett	Gonzalez	Mollohan
Bell	Hansen	Murphy, N.Y.
Bolling	Harsha	Railsback
Brown, Ohio	Hawkins	Rodino
Burton, John	Hébert	Rosenthal
Chappell	Jarman	Rostenkowski
Clausen, Don H.	Jones, Ala.	Roybal
	Jones, Okla.	Runnels
Clay	Jones, Tenn.	Ryan
Cohen	Ketchum	Steelman
Conyers	Landrum	Steiger, Wis.
Coughlin	Levitas	Vanik
Danielson	Lujan	Whalen
Dodd	McClory	Wilson, C. H.
Esch	McDade	Wilson, Tex.
Eshleman	McKinney	Yates
Evins, Tenn.	Macdonald	
Findley	Mann	

So the Senate bill was passed.

The Clerk announced the following pairs:

Mr. Rodino with Mr. Andrews of North Carolina.
Mr. Barrett with Mr. Ford of Michigan.
Mr. Danielson with Mr. Gonzalez.
Mr. Evins of Tennessee with Mr. Landrum.
Mr. Flood with Mr. Levitas.
Mr. Hébert with Mr. Whalen.
Mr. Hawkins with Mr. Mikva.
Mr. Rostenkowski with Mr. Charles Wilson of Texas.
Mr. Charles H. Wilson of California with Mr. Andrews of North Dakota.
Mr. Flynt with Mr. Eshleman.
Mr. John Burton with Mr. Runnels.
Mr. Badillo with Mr. Steiger of Wisconsin.
Mr. Dodd with Mr. Bell.
Mr. Jones of Tennessee with Mr. Lujan.
Mr. Minish with Mr. Hansen.
Mr. Mollohan with Mr. Mitchell of New York.
Mr. Rosenthal with Mr. Findley.
Mr. Vanik with Mr. McClory.
Mr. Yates with Mr. Brown of Ohio.
Mr. Macdonald of Massachusetts with Mr. Jarman.
Mr. Roybal with Mr. Esch.
Mr. Flowers with Mr. McDade.
Mr. Jones of Alabama with Mr. Don H. Clausen.
Mr. Mann with Mr. McKinney.
Mr. Jones of Oklahoma with Mr. Railsback.
Mr. Clay with Mr. Mills.
Mr. Chappell with Mr. Coughlin.
Mr. Conyers with Mr. Murphy of New York.
Mr. Ryan with Mr. Harsha.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRASER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

AUTHORIZING APPROPRIATIONS FOR SALINE WATER CONVERSION PROGRAM FOR FISCAL YEAR 1976

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3109) to authorize appropriations for the saline water conversion program for fiscal year 1976, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, lines 5 and 6, strike out "$3,850,000" and insert "$4,100,000".

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, the amendment of the Senate to the bill H.R. 3109 increases the amount authorized to be appropriated for saline water conversion research and development for fiscal year 1976 by $250,000.

By way of explanation of this amendment, let me say that the President's budget for fiscal year 1976 for this activity and the bill as introduced, contemplated no appropriations for the advancement of the freezing process of desalting.

After the hearings by the Subcommittee on Water and Power Resources $150,000 was added to the bill to finance a minimal, continuing program of testing of an existing pilot plant.

The Senate has concluded—and I agree—that $400,000 is needed and justified in order that the full results of the freezing process experimentation may be determined and documented.

I would also like to say for the record at this point, that it is the intention of the Committee on Interior and Insular Affairs that these additional funds, when appropriated, be utilized for advancing freezing technique and that they should not be transferred, administratively, to some other purpose.

Mr. Speaker, the administration is evidently determined to take the Federal Government out of the saline water research and development business despite every indication of a continuing need for a broader technological base for solving water and water-related problems.

Acceptance of the Senate amendment is an effective, albeit a very modest step, in assuring a continuing Federal involvement in this important work.

I am pleased to endorse the amendment and urge the House to accept it.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON TUESDAY, JUNE 10, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourns to meet at 11 a.m. tomorrow, June 10, 1975.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from California could give us the order of business tomorrow.

Mr. McFALL. Mr. Speaker, the first order of business tomorrow is the strip mine bill, veto override. That will be the unfinished business, and the first item of business other than the normal 1-minute speeches, the prayer, and so forth.

Mr. BAUMAN. Will that be followed by the summer jobs bill?

Mr. McFALL. Yes. Then we will resume with the energy bill.

Mr. BAUMAN. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

HOSTILE INTERESTS IN PANAMA CHALLENGE UNITED STATES

(Mr. McDONALD of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDONALD of Georgia. Mr. Speaker, the delivery of three landing craft to the Government of Panama may seem a minor matter. However, to those of us who are familiar with the intolerable attitude of that government toward the United States, as expressed in the course of negotiations on the status of the Panama Canal, this matter offers an opportunity to express the sense of Congress.

Panama is currently under the control of a military junta dominated by Gen. Omar Torrijos. General Torrijos expects us to give him the Panama Canal in the near future, with the active cooperation of the Department of State. Indeed, our distinguished colleague from Pennsylvania, Representative DANIEL FLOOD, has pointed out quite accurately that—

The U.S. Department of State has been infiltrated by elements hostile to continued U.S. sovereign control over the U.S.-owned Canal Zone.

Still referring to the State Department, Mr. FLOOD continues:

Its record has been one of misrepresentation and falsification. Its purpose has been, not the protection of United States interests in Panama, but the wagering of campaigns of deceit against the people of our country. . .

My own contacts with the State Department on this matter confirm that view. The Canal Zone is the property of the United States of America. It cannot be given away by Secretary Kissinger or Ambassador Bunker or anyone else. As property of the United States, it cannot be disposed of without the consent of both Houses of Congress, yet the intention is to do so by ramming a treaty through the Senate.

As some of my colleagues are aware, the administration is contemplating loaning three LCM–6's—landing craft medium—to Panama. The Subcommittee on Seapower of the House Armed Serv-

ices Committee expressed its disapproval of this action 8 to 5 the other week. However, this does not stop the transaction, unless the Congress expressly forbids it. Therefore, I am today introducing a House joint resolution, together with Congresswoman SCHROEDER, for the reasons I am now discussing with you. My further intention is to ask for additional sponsors with a "Dear Colleague" letter.

I do not believe that the House should stand by and let that happen. A vote on this resolution is an opportunity to serve fair warning that the Members of the House will not stand aside while the Panama Canal, in which the U.S. Government has invested more than $5 billion, and which happens to be vital to United States and world trade, is turned over to the blustering dictator of a banana republic, in every sense of the word.

Recent statements by Senator EDWARD KENNEDY have included several references to possible violence if we do not give up our rights in the Canal Zone. Our negotiator, Ambassador Ellsworth Bunker, declared in a speech on April 22 that, should we attempt to retain our present position, "we would likely find ourselves engaged in hostilities with an otherwise friendly country." And, according to Senator KENNEDY, his friend Theodore Sorensen says that General Torrijos—and I quote—"told me last month, without rancor or bluster, it may be impossible to avoid guerrilla warfare," apparently if we refuse to surrender peacefully.

Now, I do not know how you felt about being threatened by General Torrijos, but I know how I feel. It would be amusing if it were not so insulting.

Ambassador Bunker, who is supposed to be representing the United States in his negotiations with the present Government of Panama, gave a speech in Seattle, Wash., on April 22 of this year which sounded as though it had been given by the Panamanian negotiator instead. It amounts to a lengthy and very sympathetic review of every claim and canard against us which has been raised, and it presented the most feeble defense of the American position that I have ever encountered.

In view of Ambassador Bunker's record, this is hardly surprising. In the first place, when he states that "President Johnson—committed us—publicly and with bipartisan support—to negotiate a wholly new treaty to replace the old one" which gave us the Canal Zone, the Ambassador modestly fails to mention that it was he who pressured President Johnson in that direction.

In the second place, Ambassador Bunker's record over the past decade or so does not inspire confidence that he can stand firm for American interests, or, indeed, that he even knows what America's interests are. Ambassador Bunker is a member of the Council on Foreign Relations and represents the Council on Foreign Relations, which has a demonstrable and long-standing readiness to sacrifice American interests to its vision of the New World Order. Should anyone find this a shocking statement, let him then review the membership roster of the Council on Foreign Relations, and examine the acts of said members.

At any rate, both Ambassador Bunker's speech and his record of snatching defeat from the jaws of victory indicates that there is little to hope for, in his negotiations with Panama.

General Torrijos finds his hopes raised high by his dealings with Ambassador Bunker. A few months ago, allegedly in order to prove our "good faith" to the General, we handed over a 540-acre airfield, the Panama, and General Torrijos immediately referred to this as a "real, positive conquest." Obviously, the U.S. Government, as represented by Ambassador Bunker and the Department of State, is displaying the sort of weakness which simply whets the appetite of tinpot dictators. General Torrijos boasts that, under the treaty he is negotiating with Ambassador Bunker, the Canal Zone will be turned over to Panamanian police "at once," and "in 3 years, the presence of all that is North American disappears." It is quite possible that we will be permitted to pay the bills for many years after that, but we will no longer be in a position to defend our interests. Is this what we really want? Is such a disgraceful collapse unavoidable?

No sane American could favor such an outcome. Yet this may well be what our own State Department is preparing for us. This is what our colleague, Representative FLOOD, refers to when he speaks of the State Department "waging campaigns of deceit against the people of our country." Once again, as so often in the past, we can see a small, self-elected elite exploiting, deceiving, and selling out the long-suffering American taxpayer.

The Panama Canal is ours. We paid for it. We built it. We operate it, and we defend it. It has brought nothing but benefit to the Republic of Panama. Yet, because the Communists want us out for strategic reasons, because greedy Panamanian politicians want to milk the canal, and because the Council on Foreign Relations agrees with both views, this outrageous theft becomes a real possibility.

AMENDING THE AIRPORT AND AIRWAYS DEVELOPMENT ACT

(Mr. MILFORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MILFORD. Mr. Speaker, I am introducing a bill today to amend the Airport and Airway Development Act of 1970.

The entire text of the bill is included as follows:

H.R. 7710

A bill to amend the Airport and Airway Development Act of 1970, as amended, to authorize the Secretary of Transportation to make grants for airport development by Grant Agreements with sponsors and to provide for direct payments to certain types of sponsors during fiscal years 1976 through 1980, to provide national policy for protection and enhancement of the natural resources and the quality of the environment of the nation in projects for airport development, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE, ETC.

SECTION 1. (a) SHORT TITLE.—This Act may be cited as the "Airport and Airway Development Extension Act of 1975".

(b) AMENDMENT OF 1970 ACT.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Airport and Airway Development Act of 1970 (84 Stat. 219), as amended (49 U.S.C. 1701 et seq.).

DEFINITIONS

SEC. 2. (a) Section 11, is amended as follows:

(1) Paragraph (2) is amended by inserting immediately before the period "or to mitigate adverse environmental effects resulting from an airport development project or the operation of aircraft."

(2) Paragraph (4) is amended to read as follows:

"(4) 'Airport master planning' means the development for planning purposes of information and guidance to determine the extent, type, and nature of development needed at a specific airport. It includes the preparation of an airport layout plan and feasibility studies, and the conduct of such other studies, surveys, and planning actions as may be necessary to determine short- and long-range aeronautical demands and airport access requirements."

(3) After paragraph (5), add the following new paragraphs:

"(6) 'Capital improvement program' means a document which includes (A) a layout plan showing the airport boundaries and the location of existing and planned facilities, (B) identification and schedules of planned development at the specific airport, including annual cost estimates and means of financing, and (C) identification of development accomplished or undertaken during the preceding fiscal year, including cost estimates and means of financing."

"(7) 'Commuter Service Airport' means an airport served by an air carrier operating under exemption granted by the Civil Aeronautics Board from Section 401(a) of the Federal Aviation Act of 1958 which enplaned no less than 1,500 passengers during the previous calendar year."

(4) After paragraph (12), add the following new paragraph:

"(13) 'Reliever Airport' means a general aviation airport designated by the Secretary as having a primary function to relieve congestion at an air carrier airport."

(5) After paragraph (14) add the following new paragraph:

"(15) 'Standard metropolitan statistical area' means a county or group of contiguous counties which contains at least one city of fifty thousand inhabitants or more or 'twin cities' with a combined population of at least fifty thousand. In the New England States, standard metropolitan statistical areas consist of towns and cities instead of counties."

(b) Section 11 is amended by renumbering the paragraphs of such section as paragraphs (1) through (21), respectively, and renumbering all references to such paragraphs accordingly.

NATIONAL AIRPORT SYSTEM PLAN

SEC. 3. Section 12 is amended as follows:

(a) Subsection (a) is amended to read as follows:

"(a) Formulation of Plan.—The Secretary shall publish, within two years after the date of enactment of this part, and thereafter to review and revise as necessary, a national airport system plan for the development of airports in the United States which are essential to the needs of the nation's air transportation system. The plan shall serve as the operational blueprint for airport development for those airports and shall set forth, for at least a ten-year period, the type and estimated cost of airport development considered by the Secretary to be necessary to provide a system of public airports adequate to anticipate and meet the needs of the air transportation system."

(b) Subsections (d) through (h) are repealed.

PLANNING GRANTS

SEC. 4. Section 13(b) is amended as follows:

(1) The side heading is amended by striking out "APPORTIONMENT" and inserting in lieu thereof "LIMITATION".

(2) Paragraph (1) is amended by—

(A) striking out "$75,000,000 and" and inserting in lieu thereof "$153,750,000,"; and

(B) striking out the period and inserting in lieu thereof ", and the amount obligated during the period July 1, 1976, through September 30, 1976, may not exceed $3,750,000.".

(3) Paragraph (2) is amended by striking out "two-thirds" and inserting in lieu thereof "75 per centum".

(4) Paragraph (3) is amended by striking out "7.5" and inserting in lieu thereof "10", and by striking out "funds made available" and inserting in lieu thereof "amount authorized".

AIRPORT AND AIRWAY DEVELOPMENT PROGRAM

SEC. 5. (a) Section 14(a) is amended—

(1) by changing the period after "1975" in paragraph (1) thereof to a comma and adding "and $450,000,000 for each of the fiscal years 1976 through 1980; and"; and

(2) by changing the period after "1975" in paragraph (2) thereof to a comma and adding "and $75,000,000 for each of the fiscal years 1975 through 1980.".

(b) Section 14(b) is amended—

(1) by striking out "and the succeeding four fiscal years in a total amount not to exceed $1,460,000,000" in the first sentence thereof and inserting in lieu thereof "and the succeeding nine fiscal years in a total amount not to exceed $4,216,250,000";

(2) by striking "June 30, 1975" from the second sentence thereof and inserting in lieu thereof "June 30, 1980"; and

(3) by striking out "and" in the last sentence thereof and inserting immediately before the period "an aggregate amount exceeding $1,985,000,000 prior to June 30, 1976, an aggregate amount exceeding $2,116,250,000 prior to September 30, 1976, an aggregate amount exceeding $2,641,250,000 prior to September 30, 1977, an aggregate amount exceeding $3,166,250,000 prior to September 30, 1978, an aggregate amount exceeding $3,691,250,000 prior to September 30, 1979, and an aggregate amount exceeding $4,216,250,000 prior to September 30, 1980."

(c) Section 14(c) is amended by striking out "1975" and inserting in lieu thereof "1980".

DISTRIBUTION OF FUNDS

SEC. 6. Section 15 is amended as follows:

(a) Subsection (a) is amended—

(1) by striking out subparagraph (A) of paragraph (1) and inserting in lieu thereof: "(A) to the sponsor of each air carrier airport, $6 per enplaned passenger up to the first 50,000 passengers, $4 per enplaned passenger for the next 50,000 passengers, $2 per enplaned passenger for the next 400,000 passengers and a 50 cents per enplaned passenger in excess of 500,000 passengers during the most recent calendar year. However, no such sponsor shall be apportioned more than $7,500,000 hereunder and no such sponsor shall be apportioned less than $150,000 for each such airport served by aircraft exceeding 12,500 pounds maximum certificated takeoff weight, operated by or under contract for a scheduled air carrier certificated by the Civil Aeronautics Board,

(2) by striking out subparagraph (B) of paragraph (1) and inserting in lieu thereof: "(B) any unapportioned balance shall constitute a fund to be used at the discretion of the Secretary pursuant to Section 17.", and

(3) by striking out subparagraph (c) of paragraph (1). (b) Subsection (b) is amended by adding a new paragraph (3) as follows: "(3) No less than $10,000,000 of the amount authorized by subparagraph (1) (B) of subsection (a) of this section shall be made available by the Secretary for airport development at commuter service airports.".

PROJECT APPROVAL AND REQUIREMENTS

SEC. 7. Section 16 is amended to read as follows:

"SEC. 16. Airport Development Project Requirements.

"(a) SUBMISSIONS.—Except as provided in subsection (c)(3) and subject to the provisions of subsection (e) of this section, any public agency, or two or more public agencies acting jointly, may submit to the Secretary a project application, in a form and containing such information as the Secretary may prescribe, setting forth the airport development proposed to be undertaken.

"(b) APPROVAL.—Except as provided in subsection (c) of this section all airport development projects shall be subject to the approval of the Secretary, which approval may be given only if he is satisfied that—

"(1) The project is reasonably consistent with plans (existing at the time of approval of the project) of planning agencies for the development of the area in which the airport is located and will contribute to the accomplishment of the purposes of this part;

"(2) Sufficient funds are available for that portion of the project costs which are not to be paid by the United States under this part;

"(3) The project will be completed without undue delay;

"(4) The public agency or public agencies which submitted the project application have legal authority to engage in the air port development as proposed; and,

"(5) All project sponsorship requirements prescribed by or under the authority of this part have been or will be met.

"(c) AIRPORT PROJECT REQUIREMENTS.—

"(1) Sponsors of air carrier airports shall submit airport master plans to the Secretary not later than September 30, 1976. Airport master planning shall be accomplished in the context of and consistent with State and regional airport system plans and shall be based upon a comprehensive, coordinated and continuing planning process for the provision of all airport and airport related services.

"(2) Sponsors of air carrier airports shall submit capital improvement programs covering at least a three year period to the Secretary not later than January 1, 1977. Such capital improvement programs shall be consistent with master planning for that airport.

(3) The sponsor of an air carrier airport having a capital improvement program approved by the Secretary on or after the date of enactment of this part may, in lieu of the provisions of subsections (a) and (b) of this section, directly undertake projects with funds apportioned under Section 15(a)(1)(A). However, prior to undertaking such projects the airport sponsor must give assurance to the Secretary that such sponsor has sufficient funds for the non-Federal share of the project.

(4) The Secretary shall authorize no project within a standard metropolitan statistical area involving airport location, a major runway extension or major runway location found to have an adverse effect on natural resources including, but not limited to fish and wildlife, natural, historic, scenic, and recreation areas, water and air quality, and other factors affecting the human environment, unless the Secretary shall render a finding in writing, following a full and complete review, which shall be a matter of public record, that no feasible and prudent alternative exists and that all reasonable steps have been taken to minimize such adverse effect. For purposes of this section 'major' means only those runways and runway extensions which require the extension of airport boundaries, permit the operation of noisier aircraft or cause a change in flight paths at an airport. Airport development projects outside of standard metropolitan statistical areas shall be deemed to have no significant impact on the environment unless items of special significance such as wildlife refuges, public parks, and recreational areas or historic sites of Federal, State, or local significance are involved.

Airport development projects within the purview of this section shall require the preparation and consideration of detailed environmental statements as contemplated by section 102(2)(C) of the National Environmental Policy Act of 1969 (Public Law 91-190). The National Environmental Policy Act of 1969 shall have no further force and effect with regard to other airport development projects authorized by this part.

Nothing in this section shall require the preparation of an environmental impact statement during the formulation of an airport master plan.

(5) No airport development project in an urbanized area involving the location of an airport, a major runway location, or a major runway extension my be approved by the Secretary unless the public agency sponsoring the project certifies to the Secretary that there has been afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport location and its consistency with the goals and objectives of such urban planning as has been carried out by the community.

"(6) All projects must be consistent with the then current revision of the National Airport System plan formulated by the Secretary under Section 12 of this part;

"(7) All projects shall be accomplished in accordance with configuration construction and planning standards established by the Secretary, except for general aviation airports the Secretary is authorized to approve standards established by a State.

"(8) Airport sponsors shall keep the airport available for public use as a facility for the landing and takeoff of aircraft on fair and reasonable terms without unjust discrimination.

"(9) Airport sponsors shall take reasonable steps, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft, and to protect the aerial approaches to the airport against obstructions determined as such under standards established by the Secretary.

"(10) Airport sponsors shall keep all facilities at the airport used in the landing and takeoff of aircraft available for use by aircraft of the United States Government without charge except when such use becomes substantial, in which case the United States Government may be charged for such use based upon its reasonable share of the cost of operating and maintaining the facilities used by it.

"(11) Airport sponsors shall furnish to the United States Government without cost such permits and property rights in lands in the airport as may be necessary to permit the construction of buildings or facilities used by the United States Government in weather

reporting or air traffic control required for the operation of aircraft using such airport.

"(12) In making decisions to undertake projects under this section, sponsors shall consult with airport users.

"(13) An airport sponsor shall not use, directly or indirectly, the cost of airport development financed with funds made available under the Act in establishing rates and charges for airport users.

"(d) The Secretary is authorized to accept a certification by an airport sponsor that such requirements, Federal or otherwise, that the Secretary enumerates by regulation have been complied with. Nothing in this subparagraph shall authorize the Secretary to delegate his responsibilities under the National Environmental Policy Act of 1969.

"(e) PUBLIC AGENCIES WHOSE POWERS ARE LIMITED BY STATE LAW.—Nothing in this part shall authorize the submission of a project application by any municipality or other public agency which is subject to the law of any State if the submission of the project application by the municipality or other public agency is prohibited by the law of the State.

UNITED STATES SHARE OF PROJECT COSTS

SEC. 8. Section 17 is amended to read as follows:

"SEC. 17. UNITED STATES SHARE OF PROJECT COSTS." The United States share of costs for any airport development project may not exceed 75 per centum of the costs of the project. In the case of any State containing unappropriated and unreserved public lands and nontaxable Indian lands (individual and tribal) exceeding 5 per centum of the total area of all lands therein, the United States share under this section shall be increased by whichever is the smaller of the following percentages thereof: (1) 20 per centum, or (2) a percentage equal to one-half of the percentage that the area of all such lands in that State is of its total area.

SEC. 9. Section 18, relating to project sponsorship, is repealed, and sections 19 through through 27 are redesignated as sections 18 through 26, respectively.

TERMINAL DEVELOPMENT PROJECT COSTS

SEC. 10. (a) Section 20 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1720) is amended by redesignating subsection (b) as subsection (c) and inserting immediately after subsection (a) the following new subsection:

"(b) TERMINAL DEVELOPMENT.—

"(1) Notwithstanding any other provision of this Act, upon certification by the sponsor of any air carrier airport that such airport has, on the date of submittal of the project application, all the safety and security equipment required for certification of such airport under section 612 of the Federal Aviation Act of 1958, the Secretary may approve as allowable project costs of a project for airport development, terminal development in the following nonrevenue producing public use areas:

"(A) Baggage claim delivery areas.

"(B) Corridors connecting boarding areas.

"(C) Central waiting rooms and holding areas.

"(D) Foyers and entryways.

"(2) Only sums apportioned under section 15(a)(3)(A) to the sponsor of an air carrier airport shall be obligated for project costs allowable under paragraph (1) of this subsection in connection with airport development at such airport, and no more than 30 per centum of such sums apportioned for any fiscal year shall be obligated for such costs.

"(3) Notwithstanding section 17, United States share of project costs allowable under paragraph (1) of this subsection shall be 50 per centum.

"(4) The Secretary shall approve project costs allowable under paragraph (1) of this subsection under such terms and conditions as may be necessary to protect the interests of the United States.".

(b) Subsection (c) of such section 20 (as relettered by this section) is amended by striking out "The" and inserting in lieu thereof the following: "Except as provided in subsection (b) of this section, the".

SOUND ADVICE FROM YESTERYEAR

(Mr. CASEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CASEY. Mr. Speaker, today as we consider the passage of legislation to conserve our Nation's energy resources and to encourage the development of new power sources for the benefit of future generations, I would hope that we are governed by wisdom and experience, not by emotions and haste.

Our problems concerning energy resources are not something that came upon us unnoticed and without warning. They were recognized and studied more than two decades ago, with conclusions that are as applicable today as they were then, when we received some wise advice from a distinguished panel of American scholars, businessmen, and scientists appointed by President Truman.

Known as the Materials Policy Commission, the report issued by that panel in 1952 was voluminous. Its conclusions were brought back to us with force a few months ago through a rebroadcast of a television documentary by the late Edward R. Murrow.

A summary of that report and some comments on it has been compiled by one of the members of President Truman's commission, which I would like to share with my colleagues today.

This summary by Mr. George R. Brown, embodies what he refers to as "Sound Advice from Yesteryear." I would hope that we are willing now to heed that advice:

SOUND ADVICE FROM YESTERYEAR

The voice and face were from television's past. The black-and-white image of Edward R. Murrow—leading commentator, of the Fifties—intoned electronic words recorded 20 years ago. His earnest manner, his careful language, his personal trademark of a glowing cigarette, seemed almost quaint to a viewer accustomed to the candid brashness of contemporary TV reporters projected in vivid color and stereophonic sound.

Yet Murrow's message, rebroadcast recently by Columbia Broadcasting System, sounded strangely familiar.

"There never was a nation that consumed so much coal and steel and oil and copper and lumber and water and strange minerals and everything that comes out of the earth, and at the same time, gave no little thought to where it comes from." Murrow told his viewers of 1954. And he added, "You may get a jolt this evening to realize that although America is the land of plenty, the plenty is giving out."

Someone viewing the CBS documentary in 1974 might readily conclude that he had tuned in one a discussion of today's energy crisis and materials shortage. Yet, Murrow took his text from a remarkable document published in 1952 under the title. "Resources for Freedom." This five-volume work of President Truman's Materials Policy Commission warned Americans what might happen to their material standard of living 25 years hence if no countervailing measures were undertaken.

True, there was no energy crisis then. But the Paley Commission, as it came to be called, uncovered its roots. Chairman William S. Paley, along with fellow commissioners George R. Brown, Arthur H. Bunker, Eric Hodgins, and Edward S. Mason, sought to learn what the country's basic resources were and how they were likely to be spent in years to come. After taking stock of America's natural riches, the commission concluded: The country was no longer self-sufficient in the raw materials needed for life and growth. Moreover, a developing shortage of materials, including energy, might over the next quarter-century bring about an economic crisis and a dangerous dependency on foreign sources of supply.

"Demand," Murrow explained on their behalf, "is growing, but supply is shrinking." Trouble lay ahead, their conclusions indicated, unless we as a nation did something to control waste and assure further development of domestic supplies.

The Paley Commission prophesied well. America did not act in the Fifties to protect its long-term material interests. Now, in the Seventies, the "plenty" threatens to give out, but only recently have plans and policies been put forward.

Where might this leave us? In 1954, Murrow turned to America's most respected elder statesman, Bernard Baruch, for guidance. His words have the ring of good common sense today.

"In the next 25 years," Baruch estimated, "the population of this country will be about 200 million, one third bigger than it is now. That means more goods, more services. . . . Do we have, or can we get, these vast supplies? The answer is yes, because it must be yes," he said.

The commissioners pointed out that in 1954, the average American consumed goods and materials weighing a total of 18 tons. "There's no consumption like it anywhere in the world" Murrow said. "The United States has only 10 percent of the world's population, but we chew up half the free world's raw materials. On an average, we use six times more of them than we did when this century was beginning . . . all the way from six times more copper to 30 times more crude oil. In the lifetime of a young man or woman 35 years old, the United States alone has used up more minerals than the entire world did from the dawn of history down to World War I."

Exploring the growing shortage of minerals, Murrow questioned mining engineers who reported that most of the nation's easily found ore bodies had been discovered, and were well on their way toward depletion. Deeply buried ore deposits, they said, would have to be found and mined, despite sharply higher costs. Low grade ores, such as iron-bearing taconite, would have to serve as the nation's primary source of metals, despite the greater cost of processing them.

It was basically a matter of cost, they said—the expenditure of labor and energy and capital in producing a given amount of materials and goods. With economic incentives, leaner and leaner ores might be employed. To supplement these, the commissioners recommended that scarce materials be imported from other countries where costs and prices might be more reasonable.

Yet Murrow found there was opposition to U.S. employment of foreign raw materials.

Spokesmen for organized labor feared the loss of jobs in America if domestic mines, smelters, and refineries were eliminated in favor of those in foreign lands.

Also, leaders of foreign countries resisted the intrusion of Americans seeking new sources of raw materials. "The East as a whole is suspicious of the West," said India's Madame Pandit. "Many countries in Asia and in Africa are fearful of economic exploitation by the U.S.A."

Turning to an economist and member of the commission, Murrow inquired of Dr. Mason, "What would you say about how the U.S. and the rest of the free world can best cooperate to solve their materials problems?"

"There is no such thing as an absolute shortage of material," he answered. "There is enough to go around, both now and 25 years from now. But the stuff is geographically so distributed that no one country can go it on its own." Interdependence is not just a fancy idea, Dr. Mason believed. "It's one of the hard facts of life. Take our own position. For some time now, we have not been able to meet our own requirements from our own resources. We have been dependent on exports from other countries, and the chances are that we are going to become increasingly dependent as our demand increases. That is true of even such a basic resource as energy."

"Energy?" Murrow asked. "Since when has energy been a material? The answer is, we get energy from material and material from energy. We produce energy from burning up coal and oil and natural gas and from falling water. This gives us power to dig with great shovels, move millions of tons of earth, and melt out metals from their ores." Murrow turned then to another member of the commission, George Brown, for comment.

"For 50 years," said Brown, "we have had, and have used, more energy than any nation on earth. This is one of the factors that have made us what we are today. But the demands for our goods and services are climbing so rapidly that we will have to increase the output of our total energy 100 percent in the next 25 years. How? The answer could be in the practical application of atomic energy and solar energy. But it is too early to estimate the contributions from these sources. For quite a while, we will have to rely on so-called conventional sources . . . first, petroleum from new and previously untapped fields."

New oil fields would help, but the commissioners suggested that Americans also learn to "use things better and waste things less." For advice, Murrow turned to Howard Coonley, whose wartime work in materials conservation had given him special insight into this area.

"This problem of waste is complex," said Coonley. "Nobody spends a dime to recover a penny, nor should he. But it indicates that some waste is unavoidable. And it makes no sense to hoard materials in the thought that tomorrow they will be more scarce, because we'd find that we'd made a bad mistake. If our ancestors, who lived by lamplight, had hoarded their whale oil in order to give it to us, their great-great-grandchildren, we'd probably have given them little thanks. We need it no longer. We live on kilowatts of electricity that come from coal and petroleum and falling water. Still, even though we should not be misers, we must be prudent." Coonley cited examples of waste in the mining of coal, and in the production of oil and natural gas. "Now that gas costs more," he said, "we waste it less." And he added, "The older we grow, the more we must learn to use, and the less we should have to discard."

Conservation was important, Murrow reported, because the commission's figures indicated "mighty, mighty big" increases in the amount of materials America would require in 1975. For example, the commission believed that industrial water needs might rise 170 percent, demand for minerals might double, timber products need might grow 10 percent, all agricultural products could go up 40 percent. Demand for energy of all kinds would soar, they said, with consumption of liquid fuels doubling and of electricity tripling. Assuring such energy supplies was vital. "If materials are the egg," Murrow said, "energy is the hen."

Better development of coal reserves was called for. Labor leader John L. Lewis told viewers, "By 1975, coal will again be powering railroads, and probably millions of automobiles . . . not as a solid, but as a liquid synthetic fuel."

But this would clearly require technology and especially more research, a thought seconded by famed scientist Dr. Vannevar Bush, who urged young people to seek careers in engineering and science. "Scientists and engineers are scarce," Bush said. "They will always be scarce because there is so much for science and engineering to do. This problem of producing new materials, adapting old ones, finding better ways . . . is so important that it warrants the finest scientists and the best engineers this country can muster."

"You see," said Murrow, "the materials problem has another problem inside it—the manpower problem." And he called upon Commissioner Eric Hodgins to comment.

"For the world's most highly industrialized nation," Hodgins observed, "the United States has a remarkably small working force of researchers, some 76,000 scientists, 59,000 engineers. If all our industries were as progressive as the chemical industry or the oil industry, there might be ten times that number that work on research. But they aren't." Hodgins said it was high time the country developed a "consciously designed, broad-gauge research program" to meet the materials and energy problem on all fronts."

Murrow summed it up. "We have great wealth and great talent and great willingness. But these all must be harnessed together if we are to cope with this great problem." He then cited the Materials Policy Commission's recommendations to guard America's materials position.

"Recommended: Take a minerals census every five years. Speed up geological mapping. Step up and improve exploration programs. Give better financial aid to small miners and to prospectors seeking strategic ores.

"Recommended: Open up federally owned timberlands by building 6,000 miles of access roads. Stop destructive timber cutting on private land. Create a national system of forest credit and forest insurance. Step up fire protection.

"Recommended: Make new agreements with friendly resources countries that will encourage and protest U.S. investment. Expand technical aid to underdeveloped countries. Expand technical aid to underdeveloped countries who want to sell us materials we need. Get rid of tariffs that keep out of our country materials we need.

"Recommended: Make a thorough study on how to advance our coal technology most rapidly. Develop our water power potential to the fullest. Encourage government and industry cooperation to develop commercial electrical power from atomic energy. Allow the National Science Foundation to sponsor some of the basic research we are falling behind on.

"Recommended: Use military materials more efficiently. Review current policies for conserving scarce materials and to increase that recovery. Keep on stockpiling strategic and critical materials."

Said Chairman Paley:

"Our commission came up with some sobering facts which translate into some sobering problems. If we are watchful and alert, we can meet these facts and we can solve these problems. The only cause for alarm would be if we closed our eyes to the threat of creeping scarcities and higher costs and pretended that somehow the materials problem would blow over. It won't."

In 1974, do we find the problem has blown over? Was the commission wrong in its concern? No. The problem remains, and in fact, worsens. Where in 1952 the average American used 18 tons of assorted goods per year, he was by 1974 using 22 tons. Mineral and energy reserves continue to fall, and dependency on foreign sources of supply continues to climb. The commissioners erred only in underestimating the size of the future's appetite. For example, instead of doubling, demand for liquid fuels tripled. Instead of tripling, demand for electrical power has increased five times. The commissioners were about right in their estimates on demand growth for timber products, agricultural products, and minerals.

The country's resources remain the same, but more people use them. Bernard Baruch's 1954 estimate of a 200 million population in 25 years was surpassed in 1968, and its estimated in 1974 at 210 million.

Despite Howard Coonley's urging, our energy efficiency ratio continues to worsen; over half the fuel we burn performs no useful work. Murrow's energy hen has had to grow to ostrich size in order to hatch a bigger materials egg.

John L. Lewis called bravely for better uses of coal, but his predictions were optimistic. Coal still powers no automobiles nor locomotives with liquid synthetic fuel, despite the effort of researchers to create processes that would be economically, as well as technologically, acceptable.

Vannevar Bush would not be surprised to learn that scientists and engineers are still in great demand, and that challenging opportunities still abound in science and industry. He might be startled to learn, though, that the nation now counts 1.3 million engineers and chemists and 178,000 scientists.

And doubtless, Eric Hodgins would lament that the country is only now beginning to develop a broad-gauge research program to meet the energy problem on all fronts, despite the commission's warning that a crisis in supply would inevitably occur.

"Twenty years ago," said CBS commentator John Hart, in bringing the 1974 rebroadcast to a close, "we saw resources as an American problem. Now we can see that the whole world is in this same pantry, all elbows. And the United States—still without a coherent plan for the future—has no model to offer."

PRIVATE ENTERPRISE IS BEST ECONOMIC SYSTEM, COMMISSIONERS BELIEVED

Members of the Paley Commission recommended the American system of private enterprise as the best means of achieving national materials supply goals. In a summary of "Fundamental Concepts," the commissioners stated:

"We believe in private enterprise as the most efficacious way of performing industrial tasks in the United States. With this belief, a belief in the spur of the profit motive and what is called "the price system" obviously goes hand in hand. This method, motive, and system have served uniquely well in America. They have brought us to a commanding industrial position, promoting growth and keeping the basic costs of production low so that the standards of living could reach its present high levels. We believe in a minimum of interference with these patterns of private enterprise. But to believe in a minimum of interference is not to believe that this minimum must be set at zero. Private enterprise itself has from time to time asked for helps, or restraints, or counterpoises from Government to keep the system working at its best; for this reason, among others, we have experienced for a long time a mixture of private and public influences on the functioning of our economy. The Commission sees no reason either to blink this fact or to decry it; as we see the future, the coexistence of great private and public strength is not only desirable but essential to our preservation."

WHY WE MUST HAVE THE COAL STRIP MINING BILL

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, this morning, flying in from Ohio, I could not help but be thrilled by the magnificent

carpet of rich green that stretched below—until I saw the slashes, cliffs, and vast expanses of barren earth left from coal strip mining. These devastated areas stretched out as far as the eye could see.

I have seen this same vast blight flying over Ohio, Pennsylvania, West Virginia, and Kentucky. I am sure the same scene exists in the other States where strip mining occurs.

We have all seen the advertisements by the coal mining companies with pictures of showpiece areas reclaimed after stripping. These demonstrate that the land can be restored and made productive again. The strip mining bill we vote on tomorrow simply takes the strip mining companies at their published word.

Mr. Speaker, the strip mining industry cannot have it both ways. The land can be reclaimed, they say in their advertisements. The bill we vote on tomorrow says it not only can be done, it must be done.

The bill would also make a modest start on reclaiming the 2 million acres that now lie stripped and abandoned in their barren state. The time is not far off when we will need every acre of land we can find to grow food and timber.

The Interior Committee's hearing last week revealed that those who advised the President to veto the bill did so on the basis of an incredible mish-mash of inaccurate, misleading, and self-contradictory information. A New York Times editorial of June 6, 1975, has summarized some of the high points of the facts brought out in that hearing. I offer it for the RECORD following these remarks:

STRIP MINE HOAX

An aggressive propaganda and lobbying campaign by the coal industry and the private electric companies has spread panic through the ranks of marginal supporters of the strip-mine regulation bill in the House of Representatives. As a result, although this bill and a similar measure in the last Congress passed by overwhelming majorities, it is uncertain whether the House next week can muster the vote to override President Ford's veto.

The chief themes of the industry campaign are that the bill would cost 36,000 jobs in the coal industry when national unemployment is high and that it would substantially raise everyone's monthly electric bill when inflation is still serious. Both charges are false.

The bill would increase the number of jobs in the coal industry because any jobs lost by the eventual shutting down of small, fly-by-night strip mines would be more than offset by the jobs created by the program to reclaim the so-called "orphan lands" ravaged by earlier strip mining in Appalachia, southern Ohio and southern Indiana. That prospect was acknowledged by Rogers Morton, then Secretary of the Interior and now Secretary of Commerce, in testimony last February.

Electric bills have climbed in many communities because approximately 45 per cent of electricity is produced from coal, and the average price of coal has doubled in the last eighteen months. But coal prices no longer are primarily related to the cost of mining coal. They have soared because in the same period the world price of oil quadrupled. Coal operators have been able to put their prices up nearly $10 a ton because they know that oil, the chief alternative, is even higher. That is why Consolidation Coal Company's profits increased 7,850 per cent last year; Island Creek's 3,690 per cent, and Westmoreland's 1,242 percent.

With those profit margins, the companies could easily absorb the increase in the cost of doing business imposed by the new land's reclamation requirements. But even if they insist on passing the whole burden on to the consumer, Senator Jackson of Washington estimates that a residential consumer using 700 kilowatt hours would pay less than 35 cents more per month.

To its discredit, the Ford Administration has joined enthusiastically with the coal and utility industries in perpetrating the hoax of higher costs and joblessness upon Congress and the American people.

Far from being a severe piece of regulation, the bill is opposed by some conservationists as a milk-and-water measure. They want strip mining banned entirely since all of the nation's coal needs can be met from underground mines. Most conservationists, however, do support the bill as a reasonable compromise.

The Administration's rejection of this compromise and its alignment with the reckless greed of the coal industry is deeply disappointing. House members who understand what is involved for the nation's land and water will be careful not to make the same dreary mistake.

STRIP MINING BILL COSTS

(Mr. WAMPLER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WAMPLER. Mr. Speaker, an article in the St. Louis Globe-Democrat for Thursday, May 22, 1975, concerning a bill by Senator J. GLENN BEALL, of Maryland, which would provide that each congressional bill be translated into how much it costs the average taxpaying family, has come to my attention. Based on the assumption that the average taxpaying family is made up of 3.6 persons, which translates into approximately 61 million U.S. taxpaying families—national population of approximately 220 million divided by 3.6 persons per family, equals approximately 61 million families—the current $82.1 billion annual outay for national defense would cost each family $1,345.84.

The article also states that—

The strip mining control legislation now awaiting action on President Ford's veto would carry, in its first year, a family price tag of 12c.

This is an example of the kind of "nonfacts" which have been so often quoted in support of the surface mining legislation. If it were correct, then the total cost of the bill for the first year would be a mere $7,327,000. But by examining the provisions of the bill, it will be seen that the $7.3 million "price tag" is not even close. The actual cost to the average family will be many times more than 12 cents per year.

Section 712(a) authorizes $10 million in contract authority to become immediately available each year for 3 years, and subsection 712(b) authorizes $10 million for the first fiscal year, increasing to $20 million in the second and third years, and $30 million in the fourth and succeeding fiscal years. Section 713(c), which relates to research and demonstration projects, authorizes $35 million for fiscal year 1976, and for each fiscal year up to 5 fiscal years. There is also authorized $250,000 for an Alaskan study under section 708, and $500,000 for a study of reclamation standards for other minerals under section 709. Unlike defense spending, there will be State and local costs. The Federal Energy Administration has estimated that Federal and State government costs would run from $100 million to $160 million.

Furthermore, title III, relating to State mining and mineral research institutes, authorizes a grant of $200,000 per year per State in 1975, going to $300,000 in 1976, and $400,000 for each fiscal year thereafter for 5 years. A State must have one eligible school of mines or division or department conducting instruction and research in mining and mineral extraction. If all States were determined to be eligible, this would amount to $11 million in the first year, $16.5 million in the second year, and $22 million each year thereafter. However, in the initial years it is not likely that more than about half of the 55 jurisdictions will be eligible.

In addition, under section 302, $15 million is authorized to be appropriated to the Secretary, and that amount is increased by $2 million each fiscal year thereafter for 6 years. Another $1 million is authorized for printing and other administrative planning under section 306.

But the larger costs are related to title IV, which provides for the establishment of the Abandoned Mine Reclamation Fund. Here a reclamation fee or tax in the amount of 15 cents per ton for underground coal is levied and a fee of 35 cents per ton is levied on all surface mined coal. In round figures, if underground production remains at 300 million tons, the fee or tax at 15 cents would equal $45 million. The surface mining tax, also based on approximately 300 million tons, would amount to $105 million for a total of $150 million. However, this assumes that there will be no loss in production of coal, and if the 40 to 162 million tons in lost annual production occurs, as estimated by the Bureau of Mines, substitute fuel would have to be found. Imported oil is the only logical substitute fuel, and its costs may range from $11.75 per barrel to $12.50 or higher, depending upon actions of OPEC. If production losses replaced by foreign oil are only 40 million tons, 172 million barrels would have to be imported—4.14 barrels per ton of coal—at a cost of approximately $1.9 billion annually, at $11.75 per barrel. If production losses were 162 million tons, and imported oil costs were $12.50 per barrel, the annual costs would be approximately $8.4 billion.

Of course, the $1.9 to $8.4 billion is not all increased cost, but it is an increase in dollar outflows to foreign nations. Nevertheless, the substitution of oil for coal will cause a substantial increase in the cost of fuel to the utility and ultimately to the consumer. Assuming the average value of steam coal is in the neighborhood of about $15.50 per ton, FOB the mine—note: Prices vary widely depending on many factors, for example, distance from plant, rank of coal, heat value of coal, sulfur content, ash content, age of contract, et cetera—foreign oil would have to sell for approximately $3.60 per barrel to be of equivalent cost for boiler fuel. But, since foreign oil costs from about $11.75 to $12.50 per barrel, the cost differential becomes apparent—between 3 and 3½ times the cost of equivalent coal.

Therefore, if the cost of the 696.6 million barrels of oil needed to replace 162 million tons of coal cost $8.4 billion, the cost of the 162 million tons of coal would be only about $2.5 billion. Since the cost of fuel will be passed on to the utility user, the consumer would have to pay $5.9 billion more for electricity. Even the lowest estimate of coal production loss would yield an increase of $1.3 billion in cousumer utility bills.

H.R. 25—Comparison of 12 cents per taxpaying family versus estimated actual costs per year

Federal appropriations to be paid directly by taxes:	
Section 712(a)	$10,000,000
Section 712(b)	10,000,000
Section 713(c)	35,000,000
Section 708	250,000
Section 709	500,000
Section 301	[1] 5,500,000
Section 302	15,000,000
Section 306	1,000,000
Total	77,250,000
Title IV reclamation fee imposed on coal mining:	
15 cents per ton, underground coal, assuming 300 million tons of production	45,000,000
35 cents per ton, surface coal, assuring 300 million tons of production	105,000,000
Assumption I, 40 million ton production loss:	
35 cents per ton, surface coal	91,000,000
Replacing lost tonnage with $11.75 barrel oil (rounded)	1,300,000,000
Total cost	1,513,250,000
Cost per taxpaying family per year	26
Assumption II, 162 million ton production loss:	
35 cents per ton, surface coal	48,300,000
Replacing lost tonnage $12.50 per barrel oil (rounded)	5,900,000,000
Total cost	[2] 6,070,550,000
Cost per taxpaying family per year	99

[1] Assuming one-half of the 55 eligible jurisdictions obtain funds in first year.

[2] Includes $77,250,000 for Federal appropriations and $45,000,000 fee on underground coal.

PERMISSION FOR SUBCOMMITTEE ON LABOR MANAGEMENT RELATIONS TO SIT TOMORROW DURING THE 5-MINUTE RULE

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Labor Management Relations be allowed to sit during the 5-minute rule tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FEDERAL RESERVE PLANS TO BECOME "SUPER POWER"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, a graphic demonstration of the need for a full-scale audit of the Federal Reserve System was recently provided by the Vice Chairman of the Federal Reserve Board, Gov. George W. Mitchell.

I am referring to a 35-page paper entitled "Scenario for Federal Reserve System in Year 2000."

In an overall sense, the paper projects the takeover of all depository lending institutions in the Nation by the Federal Reserve during the next 25 years. It constitutes an appalling assumption that the Federal Reserve should become a superpower within the Federal Government, completely dominating the Nation's economy through its existing authority to formulate and implement monetary policy and through future acquisition of authority to regulate and thereby control most of the major types of financial institutions that provide the credit and financial services upon which our economic system must depend for its existence.

At the same time, Mr. Speaker, the "Scenario" openly admits that the Federal Reserve System should be held accountable by outside evaluations—audits if you will—of the functions and activities of the System.

Dated June 14, 1974, the paper was produced by Cleveland Federal Reserve Bank employees who call themselves the Long-Range Planning Group. Its existence remained unknown to the public until April 29, 1975, during hearings held by the Subcommittee on Domestic Monetary Policy of the Banking, Currency and Housing Committee.

At that time, the subcommittee, which I chair, was considering H.R. 4316, which authorizes and directs the General Accounting Office to conduct full-scale audits of the Federal Reserve System. The bill was introduced by me and cosponsored by 108 other Members of the House. It was subsequently approved by a unanimous Democratic vote in the subcommittee.

Consumer advocate Ralph Nader was among the witnesses heard by the subcommittee on April 29, Among other things, he said:

There are, as I mentioned, indications that certain expenditures by the Federal Reserve System are wasteful or inappropriate. The question is not merely the dollar level of these expenditures; the question is whether these expenditures are lubricating improperly fraternal relationships between the Federal Reserve and private banking institutions, and that is a sufficient reason, quite apart from the dollar level of the waste, to go into these matters.

Some of these abuses involve activities of the various Federal Reserve banks. In the midst of the current economic crisis, while the entire Federal Reserve System had encountered serious difficulties in achieving its money supply targets, the Federal Reserve Bank of Cleveland diverted a substantial amount of time and energy of its economic staff to a planning group study of the ways in which the bureaucratic power of the Federal Reserve System could be enhanced. This planning group has produced, at a cost of $100,000 a grandiose study entitled "Scenario for Federal Reserve System in the Year 2000."

Mr. Nader then quoted the following excerpt from the paper:

The Federal Reserve will thus accede to the duties of the Comptroller of the Currency, the Federal Home Loan Bank Board, and the supervisory authority for Federal Credit Unions, as well as the duties of parallel supervisory authorities in the states. The Federal Reserve will also administer the Federal Deposit Insurance System for all banks, assuming the functions of the FDIC and the FSLIC.

I subsequently wrote to Governor Mitchell requesting a copy of the "Scenario." After considerable delay, he finally turned one over to the subcommittee and it was printed in its entirety as a part of the subcommittee hearing record on the Federal Reserve audit bill. At his request, Governor Mitchell's letter which accompanied the paper was also printed in the hearing report.

In that letter, he described the paper as "part of a planning exercise engaged in at the Cleveland Reserve Bank to strengthen the managerial capability of their staff." Governor Mitchell added—

It is important to recognize that the exercise was one hypothetical scenario, and not a forecast or a statement of objectives. It was one of a variety of methods for stimulating staff thinking. This effort was undertaken in order to improve the Bank's ability to anticipate possible future needs of the banking and financial system, and thereby to be better able to serve its District.

I think Governor Mitchell is protesting too much. On a number of occasions, Federal Reserve Board Chairman Arthur Burns himself has publicly stated that there should be one Federal bank regulatory agency—the Federal Reserve Board. The role of the Federal Reserve in the year 2000, as described in the Cleveland Federal Reserve Bank paper, would appear to be a logical extension of that proposal, but one which the Federal Reserve Board does not wish to openly discuss at the risk of antagonizing affected agencies, their allies and Members of Congress who do not accept these proposed structural and regulatory changes.

It is interesting to note that Governor Mitchell, the only witness at our subcommittee hearings to oppose a full-scale GAO audit of the Federal Reserve, gave no indication in his letter to me as to whether he personally rejects or accepts any or all of the projections contained in the paper—especially those which deal with the future accountability of the Federal Reserve System as proposed by members of the system staff.

Mr. Speaker, in my view the "Scenario" has special importance to legislation requiring a GAO audit of the Federal Reserve. On the one hand, the paper displays a grandiose scheme to grab enormous economic and financial power in the near future while at the same time admitting that the system must be held accountable to Congress and the people

of this Nation. It is alarmingly obvious that the time for a GAO audit is right now.

On this point the paper states:

Some mechanism for review and accountability will be necessary, not only to make sure that monetary policy is conducted in a manner that is both responsible and responsive to the long-term goals established by Congress, but also to keep the Fed from becoming an arbitrary, bureaucratic and unresponsive monolith in the field of bank supervision and regulation, and provide some safeguard against improprieties and inefficiency in Reserve Bank operations. It is believed that an appropriate degree of accountability will result from the measures described in the ensuing paragraphs.

At the level of Federal Reserve Bank operations (internal administration and performance of service functions), an audit of assets and procedures will be conducted by an established and reputable independent accounting or management consulting firm. Congress and the public are entitled to know that the System actually possesses and takes good care of the valuables with which it is charged, and that it carries out its operations in an honest and prudent manner, without waste, favoritism, or laxity, and in accordance with sound accounting and management principles. This type of review will be in addition to action taken by the Fed to keep its own house in order through internal Reserve Bank audits and Board examinations.

The manner in which commercial banks are regulated and supervised will also be subject to an independent review in order to determine that laws, regulations, and standards are being effectively and impartially enforced and that regulations and standards initiated with the Federal Reserve are well designed to achieve the intended results. This review will be undertaken by a different group than that which audits internal operations of the Federal Reserve Banks, a group that includes representatives of both Congress and the banks is proposed.

In the area of monetary policy, a review of performance will be conducted by high level, professionally competent, "nonpolitical" individuals selected by Congress. This group will focus on the effectiveness of action taken with a view to evaluating it in terms of the prescribed goals of monetary policy and the intelligent use of the instruments available for the job.

Mr. Speaker, I do not see how anyone can accept Governor Mitchell's effort to disregard the "Scenario for Federal Reserve System in Year 2000." To say the least, it gives rise to a series of important questions which I have today incorporated in a letter to him. Those questions ask:

First. Who initiated the project and over what period of time was it conducted?

Second. Who are the Federal Reserve employees who worked on it?

Third. Were outside consultants or assistants used; and if so, who are they and over what period of time did they work on the project?

Fourth. To whom was the "Scenario" distributed and what use has been made of the paper?

Fifth. Has the paper been reviewed by Federal Reserve officials; and if so, who are they and what was their reaction to its conclusions and recommendations? In this connection, please forward to me copies of comments or criticisms of the caper.

Sixth. Have other study papers about the future role of the Federal Reserve been developed by or for the Federal Reserve System, or are similar projects being conducted? If so, where and by whom and over what period of time?

Seventh. If there are no comparable projects, why is the Cleveland Federal Reserve Bank the only one in the system where such work was undertaken?

Eighth. What was the cost of the Cleveland "Scenario" in terms of manhours expended; salaries for Federal Reserve staff during the period they were employed on the project; funds paid to outside consultants or assistants who contributed to the project; and please include corresponding figures for any similar projects.

Ninth. Would you please provide me with copies of all memorandums and other forms of written communication, together with all working and background material that pertain to the "Scenario" paper.

Mr. Speaker, I include the "Scenario for the Federal Reserve System in Year 2000" printed in its entirety in the RECORD:

SCENARIO FOR FEDERAL RESERVE SYSTEM IN YEAR 2000

I. Commercial Banking in the Year 2000.
II. Role of the Federal Reserve.
A. Monetary Policy.
B. Regulation and Supervision of Banks.
C. Services for Government, Banks and Public.
III. Structure of the Federal Reserve System.
A. General Nature of Organization.
B. Board of Governors.
C. Federal Reserve Banks.

Mr. Speaker, the balance of the statement appears in the hearing of the Banking, Currency and Housing Committee.

JOHN R. BUCKLEY—OUTSTANDING ADMINISTRATIVE ASSISTANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 15 minutes.

Mr. FASCELL. Mr. Speaker, John R. Buckley, my administrative assistant, is retiring early next month after more than 20 years of service with the U.S. Congress. John has many friends in our Nation's Capital, both on and off Capitol Hill. I am sure that they join me as I express my heartfelt thanks to him for his dedicated work and wish him and his family the best of happiness and success in his future endeavors.

I first met John when he was president of the Hialeah-Miami Springs Junior Chamber of Commerce and I was president of the Miami Club. In working together on Jaycee and community projects we became friends. I admired John's "can-do" attitude, so when I was elected to Congress in 1954 I invited him to be my assistant.

Fortunately for me and the people of Dade and Monroe Counties, he accepted. John proved invaluable. He is a "take-charge" man and a leader. He was not only my strong right arm but also my alter-ego.

As administrative assistant I relied on him for all phases of congressional work. In each area he showed initiative, independence, and achievement. He quickly grasped the crux of any problem and found a solution. He has served with unswerving loyalty both me and the people I represent in Congress.

John put together an outstanding staff. He fought constantly to keep it at peak efficiency. He early led the fight to obtain the additional staff assistants we desperately needed. In my first terms, I represented one of the largest congressional districts in the country, larger than each of 17 States. Even with additional staff, John worked 7 days a week to keep up with the workload, and he has never slowed down.

John initiated many improved office procedures and his innovative ideas have been adopted and incorporated by many congressional offices as standard administrative practice.

John Buckley has thousands of friends in south Florida who benefited because of his intense interest in the problems of people. No problem of any person was too small for our office to be concerned with, and John drummed that credo into every staff member. He went far beyond the ordinary in resolving case work problems with the Federal Government. He did not stop there—his motto was to help any person in trouble.

He instilled in his staff the idea that every problem had a solution and, if it involved any Government agency, a negative response was totally unacceptable. This created fireworks quite often but, more often than not, the problem was satisfactorily resolved and the constituent was served.

John Buckley has the "common touch" and the ability to see governmental actions and issues in the clearest terms of how they affect people. Therefore, he was extremely effective in helping me serve the public whether through casework, legislation, or personal contact.

John is not a lawyer but he could have been an excellent one. In casework, on hearings and appeals, where special effort was indicated, his advocacy and grasp of the facts and law were as good as any lawyer. He was successful when others had tried and failed.

He exhibited this same commonsense talent in dealing with legislation. His response to legislation or his ideas for new legislation came to grips with the issue in terms that people could understand. The "little guy" always came first with John and he was not influenced by special interest groups. I learned to count on John's legislative advice and ability and to rely completely on his integrity.

Because of our mutual ideas of public service, I leaned on John Buckley for personal and political advice. In politics, John is at the top of the class. He eats and sleeps it. He has an uncanny faculty for knowing what the people are thinking and translating that into effective congressional and political action.

Furthermore, he is thoroughly knowledgeable in every phase of political activity from Presidential campaigns and national conventions to precinct organization work. All of my campaign committees relied heavily on his advice, counsel, and support. My successful political efforts, through 10 campaigns for Congress, were due, in large measure, to John's thorough knowledge of the political process under our system of government.

John Buckley is no yes man. In fact, we have had our share of candid sessions, but more often than not our discussions did manage to shed light on a satisfactory solution to the problem under scrutiny. John's independence and loyalty were of invaluable help to me in testing my own ideas and logic.

John Buckley does not own a formal Ph. D. but he has demonstrated to all who know him that the Ph. D. he has earned by experience is as good as, if not better than, a formal one.

John is, and has been, one of the best assistants—if not the best—recognized and respected by Congressmen and staff alike on Capitol Hill. His leadership and talent have been recognized by his peers, as shown by his election to leadership positions including president of the Capitol Hill First Friday Club, president of the Florida State Society, and president of the Florida Administrative Assistants Club, which he helped organize.

John has come a long way since running telegrams as a youngster. His career has been remarkable. He owned and ran a grocery store; he was salesman and warehouse manager for a wholesale drug and tobacco house and part owner of his own chemical business. He is and always has been very active in the community. His leadership was recognized again when he was elected a State vice president of the Florida Junior Chamber of Commerce and received one of the organization's highest awards for service.

John Buckley concludes a full, successful, and outstanding career with the U.S. Congress. For myself and thousands of others whom he has unselfishly served, I thank him for everything he has done. His contributions to doing my job as a Congressman have been of immeasureable assistance. He will be sorely missed.

I know that many of our colleagues, staffers, and others on Capitol Hill join me in wishing John Buckley and his family all the best that life can bring in satisfaction and happiness. Although John will retire from the demanding pressures of Congress, we all know that this just means a new opportunity for John Buckley to continue his remarkable career.

We all wish him well.

IN THE INTEREST OF OUR NATION'S DEFENSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, freedom is not free, and although the price for preserving that freedom is always high, it is never so costly as the loss of it.

Prior to the Memorial Day recess the House concluded 3 days of thorough debate on the defense authorization bill and amendments offered to it.

Having now reviewed the points made by Members during that debate, I think an overview is very much in order—not only as to the bill itself but also as to the manner in which our Government goes about defense-related research and development, defense procurement, and oversight of the military departments and their activities.

The defense authorization bill is always one of the most important measures to come before us each year. What we do through that legislation affects directly the capability of the United States to avert war through its maintenance of an adequate deterrence and, should that deterrence fail, to engage successfully in a war should one nonetheless occur.

But, beyond the provisions of that particular bill, there are major questions which the Nation and the Congress ought to be addressing in the coming months.

These are questions dealing with how to go about the processes of determining the amount of funds needed to sustain an adequate defense program and of determining for what activities we should authorize funds and subsequently appropriate money. These are also central questions about the nature of the perceived military threat, the alinement of present and future defense systems to such threats, and how much we are getting in the way of defense for the amount of money we are spending. These and other questions must be more fully addressed if we are to have a coherent, consistent, and publicly supported defense program.

WHY WE NEED A STRONG DEFENSE POLICY

The United States will be free only so long as our defense is secure, and it is the adequacy of that security which comprises the basis for the debate presented to us by this legislation.

We have seen no renunciation of the pronounced intent of our principal potential adversary, the Soviet Union, to achieve what it regards as the inevitable course of history: World domination by the forces of Marxism-Leninism. Specific strategies to achieve that objective may have been modified, and the use of surrogate nations for any direct confrontation and the use of diplomatic means to achieve portions of that objective are but two examples of changes in strategy.

What is at stake in the world community today is not just which nation—the Soviet Union or the United States—has dominance.

What is more at stake is the way of life which will have dominance in the future. The Soviet Union is not a free land, and its people are not free because the principles of Marxism-Leninism are antithetical to individual freedom—economic, political, cultural, religious, or intellectual. Its people are a people who now live under a forceful centralized government, one which controls through its bureaucracy and its one political party every aspect of life—where one works, where one lives, how much one earns, whether one's children go to advanced school or not, where one travels, et cetera. This is the ideological force which stands behind Soviet military strength—and it is very strong.

When I recently read the results of a major nationwide poll, indicating a majority of the American people would come to the direct aid of only one nation—Canada—if it were attacked by the Soviet Union or its surrogates, I was not really surprised. I was terribly disappointed, however, because it brought to my mind the almost total failure of advocates of a sufficient defense posture to portray accurately and adequately the central question which that pollster's question ought to have raised in each person's mind: Are you willing to defend the American way of life with a sufficient comprehension of what life would be like in other countries and in America if you are not willing to defend it?

This question is not just one concerning the desirability of peace, for there would be peace—defined as an absence of war or its potential—if America surrendered tomorrow. It is, rather, a matter of human values—the conditions under which people are to live: Freedom or oppression. It is these human values about which the United States and its allies—as supporters of freedom—and the Soviet Union and its surrogates—as demonstrably proven oppressors of the people—contest within the world community.

It is not just about possible military action either. It is also the changes in political alinements among nations which occur when nations perceive changes in relative strengths. If the nonalined nations of the world perceive the United States to be weakening—both in terms of weaponry and in terms of its willingness to use its military strength to defend itself and its allies—then their foreign and defense postures will shift more toward the stronger power—the Soviet Union. If we write off Western Europe, then there is little doubt but that all its nations will have to cut their own deal with the Soviets, who already dominate Eastern Europe—and it will be on the Soviets' terms, not theirs and not ours. That is but one example, and there are many, many more.

Is there any wonder, therefore, when a question is put to the American people by a pollster on whether we should defend other nations or not—especially when it is wrapped in nearly 40 years of bemuddled thinking about the nature of the Soviet threat—that they will opt for the easiest way out—a hybrid form of isolationism?

The United States did not choose to become a watchman for the free world. That responsibility was thrust upon us by our victories in both world wars and by the absence of any other nation of sufficient strength and resources to sustain such a role.

Even though we did not choose this role, the consequences are the same if we withdraw from it: If we remove ourselves from that responsibility, we abandon the rest of the free world to those who have not fled the arena. Soviet political hegemony would be a nearly immediate consequence; total Soviet dominance would be an ultimate consequence.

If we are to have an adequate defense, it will come only when the American people are better informed of the reasons

why we need to have such a commitment. Those who support such an adequate defense posture ought to make note of our failures in this regard to date and set about to do a more effective job in the future.

THE COST OF OUR DEFENSE COMMITMENT

The maintenance of a defense commitment is not without substantial cost.

The defense budget ought, therefore, to be examined in light of its relation to the overall Federal budget, the continuing threat of enemy aggression, our present and future capabilities to deter such threats, and the purchasing power of the dollar in defense spending—how much we get for each dollar spent in assuring the adequacy of that defense.

There are, I believe, several major points to consider about the proposed defense budget for fiscal year 1975 and the transition period. The bill before us constitutes slightly over one-fourth of projected total defense outlays during that period.

The military budget, like all Federal spending, reflects the impact of inflation. Over the past 3 fiscal years, a constant, fiscal year 1973-valued defense dollar has been eroded by inflation by 37.7 percent. The fiscal year 1973 defense dollar is now worth only 62.3 cents in real purchasing power. While in terms of inflated dollars, total obligational authority for defense has increased from $80.2 billion in fiscal year 1973 to a projected $95 billion in fiscal year 1976, it has actually decreased in terms of real purchasing power during that time period.

One can also look at defense spending in relation to the total Federal budget, especially as it relates to social program areas. In fiscal year 1966, benefit payments to individuals represented 25 percent of the Federal budget, while the Nation's defense spending constituted 42 percent. Only 10 years later, this has changed so dramatically that benefit payments for individuals are about 45 percent while defense has declined to about 25 percent.

One can further examine defense spending in relation to the national economy. In fiscal year 1969 defense outlays were 8.9 percent of our gross national product—GNP. In fiscal year 1976 defense spending will be down to only 5.9 percent of GNP. This will be the lowest percentage since the pre-Korean war demobilization—and we know the consequences of that demobilization. It invited the North Koreans to invade the South.

Finally, defense spending should be examined in relation to the total spending by all levels of government—Federal, State, and local. While all levels of government support such functions as education, health maintenance, social welfare, et cetera, only the Federal Government supports the national defense. The fiscal year 1976 defense budget will constitute only 15 to 16 percent of total Government spending in the United States. That, too, is a steadily declining percentage of total expenditures by Government.

MAINTAINING AN ADEQUATE DETERRENCE

President John F. Kennedy, in calling for the preservation of America's military strength, said:

> There is no first or second in an arm's race. There is only first and last.

Others have stated that sentiment in similar terms: There is only one thing worse than an arms race and that is losing one.

The highest cost to the Nation would be not spending enough to deter aggression. This cost would be the loss of our sovereignty and freedom.

In the past the United States could afford not to be fully prepared for war, on the basis that the months of initial fighting would leave us with sufficient time to recruit, arm, train, and supply our forces—and then to win the war. The advances of modern technology have taken away that advantage. Our total preparation time against a surprise nuclear missile attack from the Soviet Union would be 20 minutes. We must be prepared at all times and against all conceivable contingencies of aggression.

Because Communist-Socialist economies do not have a pricing mechanism—functioning as a product of supply and demand—the most effective means to compare Soviet military spending to ours is to compute how much it would cost us to maintain their commitment.

The Soviet Union is spending 25 percent more for its military commitment than is the United States. To the degree the Soviet Union remains our principal potential adversary, that fact should never be overlooked. As a percentage of GNP, the Soviet Union is believed to be committing slightly more than an additional 2 percent over the U.S. level. We do not know enough about the economy of Communist China to know what their military spending levels are, but we do know that they have greatly intensified development of strategic, offensive nuclear missile systems and have been steadily resupplying the Communist forces in Southeast Asia which brought about the conquest of South Vietnam and Cambodia to date; Laos probably in the near future.

AREAS OF POTENTIAL DEFENSE SPENDING REDUCTIONS

Yet, it is not unreasonable to assume the defense budget can be reduced. The question is, "Where?" What the Congress and the people for whose security the defense budget is intended must guard against is cutting the budget either in the wrong areas or from the wrong premises. I think the committee cuts of several billion dollars are prudent.

There is no reason to believe that the Department of Defense bureaucracy—civilian and military—is free from the same type of internal growth-inducing, and high-administrative-cost characteristics of other bureaucracies. To the degree that there is too much money being used in tangential support and too little in combat readiness—too much tail and too much teeth—we owe it to the taxpayers—and to the combat readiness of the Armed Forces themselves—to cut out the fat.

The implications of not cutting out the fat are astounding.

I was recently rereading C. Northcote's "The Law and the Profits," published in 1960 and from which come Parkinson's second law—expenditures rise to meet income. He has a fascinating chapter in the work, contrasting the expenditures of Great Britain and Germany prior to both the First and the Second World Wars. His thesis? Bureaucracy gobbled up the British budget in both instances, to the detriment of its military readiness and the detriment of averting war and loss of millions of lives. I think it is worth mentioning his evidence for those conclusions.

In 1911, on the eve of the First World War, Britain was spending $27,760,300 on its arms, while Germany was spending the equivalent of $39,130,100. For its nearly $28 million, Britain was able to muster 27 divisions—1 cavalry, 6 regular infantry, 14 territorial, and 6 garrison divisions overseas. For its nearly $40 million Germany was able to muster 96 divisions. By comparison of men, the British had 417,000, while the Germans had 4,400,000. What all that adds up to is that for an expenditure of about 44 percent more, the Germans got a 262-percent superiority of divisions deployed. In addition, the Germans had machine guns, the British did not. The British admittedly knew more about warfare than either their opponents or their allies—having been at war most recently—but in every other respect they were outclassed. They had voted the money but that was nearly all they had done. Funds had been, as Parkinson points out, frittered away on correspondence and printing, upon clerks and ink.

World War I having taught the British nothing, they entered World War II, with the same sort of comparisons in expense. The odds had only slightly improved. For an expenditure of 240 percent greater than the British in 1938, the Germans mustered out 377 percent greater divisions, this time included motorized and armored divisions, too.

We have no reason to believe that things have changed very much—except now, instead of Britain and Germany, we can talk about the United States and the Soviet Union.

We have a present Army division strength of 13½ divisions, struggling with Congress to reach a force level of 16 divisions. With the Soviets spending roughly the same amount of their GNP as are we, they are able to muster 166 divisions—937 percent greater than we. There are some variances in our division strengths, but when all is included—supporting firepower, artillery, rocket launchers, antitank guns, et cetera—they almost match. I am also not oblivious to the reality that their totalitarian existence accounts for much of their ability to muster many more divisions for roughly the same level of expenditures. But, 937 percent more?

It could be said that the Soviets concentrate more on land forces than we do, which is true, but it is not accurate at all to conclude from this that they have an inadequate air, naval, or strategic nuclear missile capability. They are quite capable in all those categories.

Several points are to be drawn from these figures:

The costs of bureaucracy can be as destructive to program objectives within the military as within any other activity of Government.

Reorientation of expenditures within the military budget ought to be done from the perspective of reducing the tail, and sharpening the teeth—getting more firepower for each dollar spent.

We need to have a much more accurate grasp, as a legislative body, of the premises for our actions, including the nature of the enemy's threat and the intended nature of our response.

HOW TO GO ABOUT REDUCING THE DEFENSE BUDGET—AND HOW NOT TO DO IT

Reductions in expenditures should be made in reference to specific undertakings of DOD and the military departments, but not in the way in which Congress has been authorizing and appropriating for these items—directing its major attention almost solely at specific aspects of research, development, and testing, and at specific procurement lines.

We know that an across-the-board percentage reduction in the total defense budget—just made as an arbitrary percentage of the budget—would not produce the savings desired in most areas. This is true because military and civilian personnel are "locked in," in the sense that the personnel ceiling levels within merit and promotion systems, reinforced through contractual obligations, are the most difficult to reduce within a short time frame. Typically speaking, an across-the-board cut usually eats into essential research and development and procurement—the two areas most vital to maintaining an adequate future defense capability.

A systematic program and budget approach ought to be taken with respect to these defense expenditures. We insist on this with respect to civilian agencies; we should insist on no less from the defense agencies.

But, there is a precondition to Congress acting prudently and wisely on such an analysis: It must know better from which premises it acts. At present, the criteria used by the defense analysts in projecting our defense needs over the short term—the mandatory 5-year analysis—and over the long term—about 20 to 25 years—are not even known to most of the Members of Congress. At best, members of the Committees on Armed Services and Appropriations, as well as those interested Members within leadership positions, know what the projected threat potentials of assumed aggressors are, but even they seldom know the full range of criteria used in making those judgments.

How are we expected to assure an adequate defense posture if we do not know fully the presumed threat potential of possible enemies?

How are we expected to make cogent and credible arguments to the American people on why particular new systems are needed and in what quantities unless we know all these facts?

How are the American people themselves to be expected to support an adequate national defense unless they know with what it has to be compared?

I fully understand that the bulk of what is used in these estimates is classified at the present time. I realize the importance of some of that classification. Yet, I cannot help but believe that some system can be devised for declassification of much of this information, especially if the tradeoff is in assuring an adequate national defense—and it is questionable as to the sufficiency of that under the present system. I think the Secretary of Defense ought to weigh carefully the merits of making a full-scale review of the way in which the Department now addresses the administration, the Congress, and the American people on these questions. I think it would well serve the interests of this country.

I think the impact of Government-sponsored research in the defense arena has to be restudied, too, again as to its cost-inducing characteristics. Government-sponsored research tends to stymie creative thought. In addition, the overwhelming regulatory burdens borne by those involved in contracted-for research and development engender additional costs and lessen genuine productivity. There is great internal resistance within the military departments to freeing up these R.D. & E. and deployment processes, for both military and civilian personnel within them feel they have a bureaucratic stake in keeping such activities wholly under their own thumbs. The results? As but one example, the United States was one of the last major armies in the world—if not the last—to have fully automatic rifles as regular infantry issue. Today, for another example, the Latin American armies have night scopes as regular issue. We do not.

Again, we turn to history. In the early 1800's, the British Navy had been unable, despite years of Government-sponsored research and the expenditure of tens of thousands of pounds, to develop an onboard device for more accurately measuring the location of ships than the devices then used—a matter of profound importance in knowing where one's ship is at any given moment. For years, the Crown had tried to have developed such a device through Crown-sponsored research. It had come to naught. In desperation, the Crown abandoned that approach and simply posted a tax-free cash prize for anyone who came up with the answer. Less than 2 years later a clerk in the Government bureaucracy which had overseen the Crown-sponsored research came in with the answer. It was a major breakthrough for the British Navy. It is interesting to note that several decades later—beginning with the reign of Queen Victoria—this technique of posting a prize—rather than sponsoring research—was abandoned principally because of internal Government pressure against the system.

Parkinson recounts a number of examples from British history of where private initiative came up with a better idea than what Government was at that time pursuing or implementing and then had to go through the laborious process of convincing Government that those private initiatives constituted improvements in defense capabilities. The culverins used against the Spanish Armada were the handiwork of Sussex gunfounders—private initiative. Marlborough's infantry carried small arms made by Brooke's of Birmingham—private initiative. Wellington's riflemen were equipped with Ezekiel Baker's rifles, and his artillery supplied with case shot invented by Lieutenant Shrapnel—a major breakthrough in warfare—both from private initiative.

We hear much about the so-called military-industrial complex, as if it were some type of symbiotic or parasitic phenomenon. Undoubtedly there are major defense contractors who would prefer to remain with the present system of Government-sponsored research and development, but with an Armed Forces procurement regulation manual which measures more on the bookshelf each year and with persistent delays at the hands of Government personnel, I cannot help but feel that changing the way in which we go about research and development for the Armed Forces ought to be thoroughly considered.

A superior defense posture can be maintained at less cost to the taxpayer—only if we do it the right way. I think that process ought to have the support of all who believe in a strong national defense consistent with the economic vitality of our country.

THE NEED FOR A VETO-PROOF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 15 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, Rod MacLeish wrote a column in the Washington Post on June 7, 1975, entitled "The Return of the 94th" which I believe to be worthy of the attention of the Members. I ask that it be included in my remarks at this point:

THE RETURN OF THE 94TH
(By Rod MacLeish)

Like the Lone Ranger riding into town backward, the 94th Congress returned this week to enact the salvation of American democracy—or so the old echoes of the new Congress proclaim.

It is a remarkable body in some ways. Its powerful, reformist Democratic majority flowered from the American political earth in the mulch of Nixonian dankness, double-dealing and disgrace. Its opposition was an unelected President, bereft of national following who, in the instant conventional wisdom of Washington, was regarded as an amiable political cipher. The scenario writers after the 1974 elections had the Congress—especially the newly-envigorated House—seizing the day, throwing up brilliant, innovative programs for energy, the economy and other gluey dilemmas while the President, chastened by a few veto overrides, stumbled along in the congressional wake.

The brilliant, innovation programs didn't emerge or, if they did—as in the case of Rep. Al Ullman's energy package—they were minced up in the whirling blades of various congressional passions and interests. The amiable presidential cipher turned out to be very handy indeed with a political rapier. With a tactical brilliance unmatched since Napoleon drew up his battle plans for Waterloo, the leadership of the 94th Congress found a way of *not* converting handsome majorities into a capacity to override White House vetoes. In the 1974 elections, the

American heartland gave the 94th Congress a glittering mandate. The Congress put the mandate away someplace and hasn't been able to find it since.

No Congress, of course, has a collective will. Great Congresses of history are ones in which political heroes emerged from the herd to propose, lead and battle for great ideas. There are potential heroes of all sorts in the present Congress but their emergence is stymied by a leadership in both houses that dreams away the days of summer in a reverie of how it used to be.

Thus, the return of the 94th is no cause for celebration. It is but a component in the Washington deadlock, a creature of no harm and some possible good waiting to be born.

It suggests a scenario of the all powerful Democrat-controlled Congress doing battle with a supposed inept President with no apparent constituency. In the scenario the Congress is always programed to win because of the large "veto-proof" majorities which can most assuredly carry the day. As Mr. MacLeish points out, it just has not worked that way. He has really put his finger on something, and I find this to be a most interesting article.

The thing that never seems to sink into our minds is just why a "veto-proof" Congress is unable to override any vetoes. The answer is so plain to see that it blends into the countryside and escapes us. It can be summed up in a few words—"The excesses of the majority." Perhaps this is inherent when one party has too much power. And perhaps that is why our Founding Fathers provided for a veto in the Constitution. At any rate, too much power can be detrimental if used to excess.

We could have a strip mining law, for example—right now—if the majority had not lost its collective judgment of what is a balanced approach to the problems of the environment and economics. Instead, the veto will be sustained.

We could have had an emergency job law now—with summer youth programs and other worthwhile programs, if the majority had just gone through the normal process of holding hearings and weeding out unnecessary parts of the bill. Instead, the veto was sustained.

We are headed in the same direction on the emergency housing legislation. A bill that had some merit—not flawless, but acceptable—has been turned into a monstrosity, which some of the principal Democrats on the committee cannot even support. And so the conference committee report passed the House last week by a comfortable margin, but with not enough votes to override the expected veto. And the veto will be sustained in my opinion.

The Congress has been struggling with an energy bill for months and is completely mired down in excesses, hard positions, and the inability to accept the fact that in this instance the President may have the best plan. Unless some drastic and realistic changes are made in the congressional approach, the energy legislation will be vetoed and the veto will be sustained.

While I do not have any great compassion for the dilemma of my Democrat colleagues, I do care for my country. And so I am concerned about the inability of the 2 to 1 Democrat-controlled Congress to move in a positive way toward solving some of the Nation's ills.

Sure the Democrats have overwhelming majorities in both Houses of Congress, but you must surely understand by now that that fact alone is not sufficent to get the job done.

Maybe you are looking for issues instead of answers. And it is probably true that a year from now you can and will look back and point the finger of scorn at the President and Republicans and say because of them we do not have a strip mining law or an agriculture bill, or a housing bill, or a jobs bill and on and on. But what I am saying is that you could have had all of them if instead of resorting to excesses, you had been reasonable in your effort to find solutions.

It is not too late. It is obvious that we have a President who is determined to stand his ground when bad legislation calling for excesses is presented to him. And it is now equally obvious that we have the votes to sustain his vetoes. Democrats can still admit, if you will, that you frequently have been wrong; that the President, who served in this House for 25 years, can just as frequently be right, and that there is an apparent need to compromise for the good of the country.

Well, Mr. Speaker, The 94th Congress could still be a "veto-proof" Congress. And while I warned against it during the last campaign, on reflection that might not be so bad. All it would take would be a little reason and common sense and judgment and compromise and understanding and respect and leadership. As Mr. MacLeish suggests, there is a tremendous need for a political hero to emerge.

I urge the Democrats to give it a try. You might just build the greatest record of legislative accomplishment in the history of our country. There is still time in the 94th Congress. Just put the caucus foolishness to bed for awhile and work with the minority. We will help you—gladly. Because we are going to be your friends long after the siren song of the caucus has drifted away. But we do not like going to committee meetings only to be told what the caucus has already decided. Let us try to remember that the Congress is a giant melting pot of viewpoints and if stirred properly and energized evenly throughout a delicate blend of great quality can be developed. Then you will have your "veto-proof" Congress, because I and many others will be standing with you.

CONGRESSMAN JEFFORDS RELUCTANTLY OPPOSES ENERGY CONSERVATION AND CONVERSION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS), is recognized for 10 minutes.

Mr. JEFFORDS. Mr. Speaker, after a careful study of the many portions of the Ullman Ways and Means Committee Energy Conservation and Conversion Act of 1975, I am forced to the reluctant conclusion that I cannot support it in its present form. I say "reluctant" because it has been apparent to all of us how many long and difficult hours of hearings and debate have gone into this legislation. And it is not so much that the efforts of the committee are not appreciated, but that, in reflecting the divisions in the Nation as to how to deal with our energy problems, the committee's bill ends up using the pricing mechanism to force conservation.

I recognize that the Ullman committee's jurisdiction does not extend itself to encompass all facets of legislation which bear on our energy situation. Armed services is obliged to provide us something meaningful on the Navy petroleum reserves, and I favor production of Elk Hills, development of Alaska and the immediate startup of a strategic storage system—all measures of great significance if we are hit with another embargo. Furthermore, the Judiciary Committee would have to deal with proposals—such as I and others are developing—to restructure the energy industry so as to make it more competitive and in that way reduce prices.

Yet Ways and Means, within the taxing area, has produced a bill which is inherently unfair to the American consumer. Its pricing solution simply means the people must pay more for energy and there is no assurance that the necessary conservation will occur. I refer specifically to title I, part I, setting up an oil import quota system, and title II, part I, placing taxes on gasoline at the pump.

We in New England fought for years, from 1962–73, to eliminate an oil import quota system which had the effect of reducing the number of independent, deepwater refined petroleum product wholesalers from 22 to 6, reducing the independent's share of the wholesale fuel oil market in New England from 70 percent to 40 percent, and reducing the number of independent retail heating oil distributors from over 4,000 to 2,400. So quotas have already adversely affected to a very significant extent, the element of competition in the oil business in New England to the benefit of the major oil companies.

Quotas also cause shortages, and severe spot shortages in various areas. Consumption in the northeast of home heating oil was cut drastically last winter—Vermonters, for instance decreased their consumption of medium distillate and residual fuel oils by 20–25 percent. Import quotas—which in our present market will cause price rises as shortages develop—will be an unfair additional burden to our consumers, who have demonstrated significant conservation this past winter.

And it will not only be New England which will suffer. As natural gas supplies are becoming shorter in many sections of the country, the additional oil will not be available to replace these natural gas shortfalls and this will further raise prices.

Our people have seen utility rates rise because conservation of home heating oil cut into utility revenues. Thus we see the contradictory situation of conservation causing higher energy bills. Import quotas will undoubtedly continue this pattern of negative rewards.

Deterioration of competition in the oil industry, shortages, and price rises—fueling an already exorbitant rate of inflation—are the results of quotas, and I therefore must oppose this part of the legislation. I am offering an amendment to eliminate this part of the bill.

The gasoline tax has similar results. Again there has been a recent history of gasoline price rises and, in Vermont conservation of significant proportions. Specifically, Vermont's gasoline consumption dropped 5.6 percent from 1973–74. Nationally the figure was 1.2 percent.

Rather than put further price hikes on consumers, I have long argued the better solution of making our machines and buildings more efficient, and I have argued for a nationwide tax based on well-advertised schedules of oil consumption.

Thus I introduced legislation which puts a stiff tax on "gas-guzzling" automobiles, on a progressive basis over time, thereby quickening the shift in consumer demand toward more efficient automobiles. Obviously, since motor gasoline constitutes 40 percent of a barrel of oil and about 15 percent of our total energy needs, it is easy to see what an increase, for instance of 50 percent, in fuel economy by 1980 for the average car could do for our energy situation. Detroit itself has assured the President it will try to achieve a 40 percent savings by 1980. Other studies indicate a 60 percent figure is realistic to expect even with no new breakthroughs in technology, and conformance to the standards of the Clean Air Act of 1970.

The result of such legislation? I believe we would save, at least 1 million barrels of oil per day by 1980 and well over 2 million per day by 1985. Quite an achievement for a single conservation measure. I am offering this bill as a substitute for title III, part I, the "auto fuel efficiency tax" of the Ullman bill. I note that a number of Members of the Ways and Means Committee are offering a similar measure, whose contents are acceptable to me, and it is my hope that there will be significant support for such a strengthening amendment to pass the House tomorrow.

The Ullman bill provides for a stiff tax on gasoline and an ineffective tax on cars. The auto tax would provide the kind of shift in manufacturing which would achieve the level of fuel economy clearly within the possibilities of today's technology. I oppose the gasoline tax and desire to strengthen the latter. If the final measure is not changed in this direction, I cannot support it. It punishes consumers and lets industry off the hook entirely. We—both consumers and industry together—must share in this burden.

On the other hand, there are sections of the present bill I do support, particularly title III, part III, providing tax incentives for installation of insulation materials and installment of solar energy equipment. And I am introducing an amendment to provide a similar tax credit for the purchase and installation of wood-burning stoves, to be used for home heating. These stoves have proven their ability to save at least 50 percent of fuel consumption for the average homeowner, are within the price range of lower and middle income people, and uses a renewable, nonpolluting resource.

One cannot, of course, be satisfied with everything in such a wide-ranging tax bill, and, given a strengthening amendment for gas-guzzlers, and significant change or elimination of the oil import quotas and gasoline tax sections, I could live with this bill. I believe it would be an improvement over the administration's legislation which uses exclusively the pricing mechanism in the hopes of achieving conservation—through tariffs and decontrol of oil and gas prices. I will have to reserve judgment on my vote on the bill given the fate of these various amendments.

EXTENSION OF THE CLOSE UP PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. PERKINS) is recognized for 10 minutes.

Mr. PERKINS. Mr. Speaker, I was pleased to join my distinguished colleagues in cosponsoring House Joint Resolution 491 to extend the life and accomplishments of the Allen J. Ellender fellowship program, administered and conducted by the Close Up Foundation. This resolution will extend the authority for the Commissioner of Education to make grants to the Close Up Foundation to provide teachers and disadvantaged students with an opportunity to better understand our democratic process through participation in the Government studies program operated by the Close Up Foundation.

Since the original resolution creating the Allen J. Ellender fellowship program was passed almost 3 years ago, the Foundation has not just used these Federal dollars to educate the students and teachers who received these fellowships. Indeed, the appropriation has been used as a catalyst, and metropolitan and rural areas around the country have been stimulated to more than match the Federal money granted. As a result, almost 20,000 students and teachers have benefited directly from the Close Up experience in Washington.

Undoubtedly, however, many, many more students and teachers have benefited from this experience. The infusion of the enthusiasm for learning and spirit of involvement that each group of returning students and teachers instill in school systems and communities around this country must influence many more thousands of young people as they have a chance to share the experiences of their peers and their teachers as they return home.

As chairman of the Committee on Education and Labor, I have seen countless numbers of proposed educational programs. Close Up is one that has proved its value. The seminars, panel discussions, lectures, and guided individual study brings students face to face with those who have been entrusted to run the complex business of the Government. The relatively modest Federal contribution to this program is surely a justifiable expenditure in terms of the accomplishments of the program. I would like at this point in the RECORD to insert a few appropriate comments which have been received attesting to the value of the program:

From the North Carolina School for the Deaf:

The chance for our hearing impaired students to participate in the Close-Up program during the week of May 4–10 was one of the most rewarding experiences we could have ever had. I'm sure the week will always be one of the most cherished memories of all the students who were involved. I have been assured by our superintendent that we *definitely* want to be a part of Close-Up for next year.

From the superintendent of schools, Archdiocese of St. Louis, Mo.:

As I stated in my evaluation earlier, I consider Close-Up an excellent opportunity for our young people to deepen their understanding of the complexity of our governmental system, to alert them to the intricacies of its day to day maneuverings, to appreciate the aesthetic treasures in their capital, and for encouragement to really get involved in the governmental process. Equally valuable is the opportunity given them to interact with and establish relationships with other young people whom they may never have been open or free enough even to recognize.

From the San Francisco Unified School District:

I wish to express my thanks and appreciation to you and the "Close-Up" staff for allowing me to enjoy the experience of observing an excellent program in civics instruction. Without a doubt, this program provided the finest group of educational activities for the students of government that I have had the privilege to experience.

A special thanks should go to you for involving the San Francisco Bay Area in the program this year. Teachers and students were all very appreciative and enthused as a result of this week's experience. I expect to see some real influence on our instructional program as a result of the participation in this highly successful "Close-Up Program."

From a Cleveland, Ohio, teacher:

Our student participants as well as myself found this unique experience extremely beneficial for it made government a living dynamic reality rather than some theoretical static institution described in the text book. Close-Up provided our students with special and valuable insights into government which could only be obtained by participation in such an intensive and comprehensive program in living government. Students thoroughly enjoyed the opportunity to meet and discuss with their respective elected representatives. Interaction and interplay of questions and answers, dialogue and discussions which ensued surfaced many of the deep interests and concern of young people. This experimental approach lends credibility to government and is germane in this age of cynicism towards government.

And from a Boston, Mass., associate superintendent of schools:

I am sure that, once again, our teachers and students profited greatly from seeing our government operate. It is a unique opportunity for them to participate in debates, seminars, and a general interchange of ideas. Hopefully with some good follow-up in our area, our schools and local community will continue to benefit from CLOSE UP Alumni.

Many disadvantaged youngsters who otherwise would certainly not have opportunity for such a rich experience can do so through this legislation. I am de-

lighted and pleased to be a cosponsor of this legislation, Mr. Speaker. In my judgment no more important business than the enrichment of our young people's educational experience is a goal most worthy and desirable.

ALLEN J. ELLENDER FELLOWSHIP PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. HÉBERT) is recognized for 5 minutes.

Mr. HÉBERT. Mr. Speaker, I am very pleased today to join my distinguished colleagues in introducing an extension of the Allen J. Ellender fellowship program.

I first met Allen Ellender over three decades ago when, as a reporter for the New Orleans States, I covered him when he was speaker of the house in Baton Rouge. He became a dear personal friend and associate. Allen Ellender was devoted to the people of Louisiana and served them in many capacities. Throughout his 50 years of public service, his dedication and diligent leadership benefited the people of Louisiana and the entire Nation in many areas. Senator Ellender was vitally concerned with agriculture, public works, and national defense. One of his most personal concerns, however, was the education of our young people and he devoted much time and energy to this task.

Senator Ellender referred to many of the programs in which he was interested as "people programs." It was his interests in these kind of programs that led him to become involved in Close Up.

As a founding member of the Close Up board of advisers, Senator Ellender was particularly committed to the city-community approach of the Close Up program. While he was a big believer in youth education, it was this human dimension of the Close Up experience which he found most meaningful. As he related during a radio show he did for his constituents shortly before he died—

I have seen the program accomplish its central theme of understanding through involvement and exposure. By the end of the first year of operations, 2,500 young people will have been brought to Washington for a week-long, intensive look at the governmental system that many of them had thought to be unresponsive. I think they have learned that the system is flexible and that it shall continue to do great things for American. Close Up has shown them that government is made up of people just like themselves . . . people have a sincere concern for the future of this country. The input of our young people into the future course of the United States is most important. Close up delegates now have insight into the problems and promises of American government. Their contributions in the years to come will be invaluable in maintaining what is now the best government that any nation can offer.

The Close Up concept differs from that of other programs in that a broad cross section of young people is brought to Washington. . . . Close Up does not necessarily take the top scholars from only a few high schools. Nor do only those who can afford to pay for the trip participate in Close Up. . . . By awarding participation grants to economically disadvantaged youths and combining these students with those who can afford to pay the program tuition themselves, a unique environment for learning has been created. . . . For the first time ever, many of these students work together with students of different ethnic, religious, and economic backgrounds.

It is most significant, I believe, that his memory was honored through the establishment of these fellowships.

The resolution we are introducing extends the life of this testimonial to my dear friend. The continuation of the Allen J. Ellender fellowship program will enable thousands of teachers and disadvantaged students from across the country to continue to share the experience of learning about their Government and their country. They will continue to learn that Government, with all its strengths and weaknesses, is a human institution made up of people like themselves.

As I have said before, I know that Senator Ellender would be most honored to know that his example lives on daily in the minds of thousands of young people today through the memorial we have provided in his name. In communities around the Nation, his name has become synonymous with opportunity and constructive involvement as a result of the Allen J. Ellender fellowship program.

He would have been particularly pleased and touched to witness the avid interest and excitement of two of his own grandchildren who participated in this year's Close Up program.

Mr. Speaker, in support of this program concept, and its accomplishments I have previously introduced a number of letters and articles as testimonial. The testimonials of support grow with each passing day and I would again like to share with my colleagues a few thoughts regarding the meaningfulness of this program and the Allen J. Ellender fellowships which are an integral part of it:

NEW ORLEANS, LA.,
February 5, 1975.

Hon. F. EDWARD HÉBERT,
U.S. House of Representatives,
Rayburn Office Building,
Washington, D.C.

DEAR Mr. HÉBERT: A teacher and seven students from our school went to Washington for Close Up. Our "Close Up" week of government was an exceptional experience. We left New Orleans with a knowledge of the essentials of government and returned with an improved understanding of the processes which make up our government and a better sense of community and country. We wish all high school students could share in the experience we have had.

As spokesman for our group I want to thank you for your continued support and participation in the program.

Sincerely yours,

JANET ADAMS,
St. James Major High School.

NEW ORLEANS, LA.,
January 30, 1975.

CLOSE-UP STAFF: Our week in Washington was unbelievable. We reaped countless benefits and came away so motivated that perhaps you should warn Congress that there's a whole new generation of "participants" who are laying plans. I do hope this enthusiasm is not squelched. At school it has been contagious and the student council is planning a "Close-Up Day" using your format of seminars and work shops. Mrs. Phylis Laudrieu, Democratic State Chairman has accepted our invitation to participate and students are lining up a variety of other speakers. One of the "biggies" in the plan is to have Close-Up participants be "Staff." And that's a tremendous challenge! That is if they are to measure up to the staff members who guided our group in Washington, You're terrific! Thanks for a wonderful program, thanks for sharing your knowledge and thanks for all the personal considerations you showed us.

VIOLET WALSH AND GIRLS,
St. James Major High.

[From the New Orleans States-Item, Jan 3, 1975]

CLOSE-UP PROGRAM KICKS OFF JANUARY 12

(By Irene King)

What makes the wheels of government go round will be explored by three groups of high school students from the New Orleans area during visits to Washington this month.

Known as the Close Up program, the trips are made possible through financial assistance fellowships from the Close Up Foundation, which administers the Congressionally established Allen J. Ellender Fellowship program. Local co-sponsor is the States-Item.

Approximately 600 students and teachers from the area will be participating in the program this year. The Foundation has committed more than $64,000 for the student and teacher fellowships, assuring that each of the 74 participating schools—public, parochial and private—will be represented by at least one student and one teacher.

The groups will be in Washington for a weeklong stay Jan. 12–18, Jan. 19–25 and Jan. 26–Feb. 1.

A. J. Talamo, a government and contemporary affairs teacher at Redemptorist High School, is the overall local coordinator.

"I think this is one of the finest programs I've been associated with," Talamo said. "It is really an experience to see the students find out for themselves that the Congressmen and other government people are human, that some are humorous, some interesting and some boring. They're people just like everybody else.

"They don't meet and ask questions of just one segment but they communicate with radicals, conservatives, in fact every part of the political spectrum."

He added that the response from the Congressmen and other government figures they meet has been most satisfactory.

"They don't respond to the young people with the reaction 'Oh, this is just some smarty kid.' They answer questions with the interest and intelligence they deserve. I've learned more in the four years I have been connected with the program than I ever learned in school," he said.

Virtually every high school in the metropolitan area, including schools from Houma and Thibodaux, Morgan City, and Covington, is participating with a teacher in each of the schools attending the program and responsible for coordination within the school.

To avoid having the program available only to those who could afford it or are outstanding enough to be selected, the financial grants are made to each school to assure that at least one student from each school will be a "disadvantaged or lower income" student. However, additional students who can pay their own way or who work to raise their own money are encouraged to join the program.

The price this year is $398, the same as last year and a little lower than originally figured because the groups will travel by charter plane.

Because of the interest that has been aroused in this program and the limited endowment to the Foundation provided by Congressional legislation, Close Up has continued to enlist community support.

New Orleans, however, is far behind other cities in the program in financial aid to

the concept of having students travel to Washington to meet congressmen, senators, business leaders, news media and lobbyists and see them operate on the government level.

COLUMBIA HIGH SCHOOL,
West Columbia, Tex., March 31, 1975.

MARGERY KRAUS,
Program Director, Close Up,
Washington, D.C.

DEAR MARGY: We at Columbia High are back after a nice long Spring break and headed down the home stretch, at least, the students are.

A couple of weeks ago all seven of the "Close Up kids" and I met and had a picture party. We relived our Washington week and had a grand time doing so. Some of the experiences were not recorded on film, but one that will stay with me happened as we were traveling to the Dulles airport. As we left the Marriott and headed into the traffic, the students began singing "The Star-Spangled Banner", and then "America". The spontaneity of their choices as we passed the Iwo Jima monument, the Lincoln Monument and Arlington reinforced my faith in our young people, plus giving me a beautiful memory of the trip and, I might add, a few goose bumps.

Having been a participant last year also, I found myself comparing this year to last year. I think that the selection of speakers was outstanding this year. There was a better representation of all facets of input to the governmental operations. Also the speakers were better, giving more indepth information and insights.

As I was telling my Principal when I returned that I couldn't explain why or how it happens, but that the Close Up experience brings out hidden talents or abilities in students. Our fellowship student was a quiet "behind the scenes" worker. She didn't take the lead in the various clubs to which she belonged. She really blossomed in Washington; she made many friends, and exhibited quite a bit of self-reliance. There was a carry over back home. She ran for, campaigned, and got herself elected to an area office in Future Homemakers of America organization.

Along this same line, three of the participants are Student Council members, and are busy organizing a campaign to get Columbia High elected as State Secretary of the Texas Association of Student Councils. I hope I can report a victory after the convention in May. It is a great experience, win or lose, but winning is more fun.

So you can see we have kept busy, as I am sure you have also. We are supposed to be written up in our Intra-school and Community newspapers, so when I get copies, I will send them to you.

Thanks again for including Columbia as the Close Up experience made a decided difference in the lives of several people and will touch and affect the lives of many more.

Sincerely,

DIANNE COVINGTON.

SUMMIT COUNTY PUBLIC SCHOOLS,
Akron, Ohio, April 24, 1975.

Mr. STEPHEN A. JANGER,
Director of Special Programs, Close-Up,
Washington, D.C.:

You've got me hooked Steve. I was convinced that Close-Up was an outstanding opportunity for youth, now that I've participated I'm dedicated to the cause. Before last week's experience I was enthusiastic, now I shall publicize the program with zeal.

I am indebted to you and Bill and Mary and the rest of the staff for the opportunity afforded me to attend. I am impressed with the depth of the program and your ability to "open doors" both literally and figuratively.

I am certain that every person who participates in Close-Up comes away being a better American. Thanks again.

Sincerely,

R. WILLIS ECKARD,
Director,
Department of Secondary Education.

AKRON, OHIO,
May 19, 1975.

Mr. MAX N. BERRY,
Executive Director, The Close-Up Foundation, Washington, D.C.

DEAR MR. BERRY: I wish to express my sincere appreciation for the "Close-Up" program. Both students and teachers, who have participated in this program, are richly endowed with a better understanding of our government through this tremendous opportunity of seeing, hearing, and talking with our government first hand and "close-up." It would be nice if all Americans could have this same experience.

Without reservation this educational experience was the highlight of my teaching career. Therefore, I encourage you to do everything in your power to see that this wonderful program is continued. Thank you.

Respectfully yours,

WILLIAM TURANCHIK.

RIVERSIDE, R.I., *March 3, 1975.*

DEAR CLOSE-UP: While writing to my family and friends last week from Washington, D.C. I found words like "having the time of my life," "wonderful," "great," "fantastic," and "worthwhile," woefully inadequate to express how I felt about my experience with close-up. Although they are all true, I find them even more inadequate now. I can tell you that close-up is a unique, rewarding experience I will never forget and still I have not said enough.

Perhaps it isn't possible to thank people, who have taught me so much, enough. Last week with Close-up I learned too many things to enumerate. The most important thing I learned was pride in America. Two weeks ago that sounded corny to me. I came with cynicism and went home with pride in America and hope for it. I came to realize that the government was listening, working, caring and that I was part of it. That's a lot to learn.

Also, I plan to write several of the speakers and become much more actively involved politically. I wish everyone could attend close-up.

A major reason close-up is so incredibly great is the staff. You are easily among the warmest, most sincere, and wonderful people I've ever met. I truly came to love all of you.

I came to Washington with strangers and returned with many friends.

I am very grateful for the scholarship which I received from the close-up foundation. I couldn't have attended the program without it.

Thank you for everything.

Sincerely,

LINDA GROCER,
St. Mary's Academy, Bay View.

P.S.—Hello Margie, Tucky, Phil, Bailey, Betsey, Mike, Michael, Portia, Yvonne and Harriet. I hope I didn't forget anyone.

PRESIDENTIAL VETO OF STRIP MINING BILL HAS CREATED MISUNDERSTANDINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. EVANS) is recognized for 5 minutes.

Mr. EVANS of Indiana. Mr. Speaker, the President's veto of the Surface Mining Control and Reclamation Act of 1975 has created a number of misapprehensions and misunderstandings.

The administration claims that the bill would result in a reduction in coal production and higher utility bills.

Electrical utility bills have risen enormously in the past 18 months, and probably the single most important reason for the rise has been the increase in the cost of imported oil. As a result of higher prices of foreign oil, domestic oil and coal producers have been encouraged to raise their prices.

Between January and December of 1974, coal prices shot up 73 percent, with a 90 percent increase for the east coast and East North Central States. During that same time, however, production costs increased at substantially less than one-half that rate, and some estimates place the increase in production costs at 30 percent.

However, in the same time span, coal company profits are as much as 400 percent higher.

Theoretically, at least, the coal companies could absorb the costs of reclamation of strip-mined land without passing the costs on to consumers, since the profit margin would seem to be substantial enough to allow them to absorb costs while maintaining a very healthy profit. For example, according to figures compiled by the Federal Power Commission in December 1974, strip and auger-mined coal in Indiana sold for approximately $12.30 per ton, while underground mined coal sold for $8.78 per ton. Translated into Btu units, strip and auger-mined coal sold for 58.9 cents per 10^6 Btu, while deep-mined coal cost 39.5 cents.

The substantial difference in price between the two types of mined coal indicates that strip miners can well afford to pay the price.

However, assuming that the coal companies do attempt to pass the costs on, despite indications that the market will not pay for it, using the industry's own estimates of reclamation costs, the light bill of the average homeowner in the Eastern United States would increase by an additional 67 to 80 cents per month. In the Washington, D.C., area, the increase would be 31 cents per month, and in South Dakota, even less.

The issue of declining coal production has likewise been laced with inaccuracies. About 50 percent of all coal produced today comes from surface mines. Coalfields in Indiana, Illinois, and western Kentucky accounted for about 30 percent of strip-mining production in 1971. Unfortunately, much of the land in this area which has been so mined has not been returned to productive use. This part of the country is well known for having some of the Nation's best farmland, yet much of the land which has been strip mined is now usable only for pasture.

But it is obvious that our emphasis in the past on strip mining cannot continue. The U.S. Geological Survey and the U.S. Bureau of Mines have measured more than 1.5 trillion tons of coal found in depths to 3,000 feet and in seams at least 14 inches thick. Of this amount, the Bureau of Mines estimates that only 136.7 billion tons, or 11 percent of our coal reserves, can be economically recovered by today's surface mining methods. The remainder must be deep mined.

In Indiana, coal which is recoverable with the present state of the art is approximately 10,600 million short tons, of which only 16 percent is recoverable by strip-mining methods.

Contrast this, however, with the statistics regarding methods of coal recovery used in Indiana. In 1971, 8 percent of Indiana's coal was underground mined; in 1972, 5 percent, and in 1973, only 3 percent. The remainder was either strip- or auger-mined.

At this rate, Indiana will soon exhaust her strippable reserves. While the coal companies are concentrating on strip mining, and the number of strip mines increases each year, Indiana's underground mines go down in number. Yet our underground mines are in fact Indiana's best hope for future coal production.

Yet another reason why we cannot neglect underground mines is the possibility of capturing methane or natural gas. Natural gas seeps from coal seams as underground coal mining progresses. A survey of 199 underground coal mines by the U.S. Bureau of Mines estimated that 227 million cubic feet of high Btu, sulfur-free natural gas was emitted from those mines each day. That is enough natural gas to supply the needs of more than 450,000 homes.

A new method of pumping the gas to the surface prior to mining would not only eliminate the hazards of gas explosions during mining operations, but also would provide a source of sorely needed natural gas, which could be piped into existing natural gas pipelines and marketed.

Mr. Speaker, I will vote to override the President's veto.

FISHING ZONE JURISDICTION

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Oregon (Mr. AuCoin) is recognized for 5 minutes.

Mr. AuCOIN. Mr. Speaker, the Law of the Sea Conference has concluded in Geneva without reaching agreement on jurisdiction over fishing zones. In fact, a number of the participants and observers at the conference have estimated that it may take an additional 2 years before such an agreement would possibly be realized. Many people now believe that some form of unilateral action by the United States is essential if we are to protect our fisheries from foreign fishing abuses.

Recently, Mr. Richard T. Anderson wrote an article on this issue for the Portland Oregonian. I believe Mr. Anderson has done a very good job of summing up this issue as it stands today, and I would like to include it in the Record for the benefit of my colleagues:

[From the Portland Oregonian, May 14, 1975]

Congress Must Act on Fishing Limit Bills

(By Richard T. Anderson)

As the U.N. Law of the Sea Conference concluded in Geneva last week, after a month of negotiations between 150 nations, any agreement seemed impossible. So Congress may act. More than 15 bills aimed at protecting domestic fishing grounds now sit before the House Committee on Merchant Marine and Fisheries.

The United States presently claims a three-mile territorial sea. In addition, Congress in 1966 established a nine-mile contiguous fishing zone beyond the three-mile limit.

State Department officials are wary of unilateral action on fishing zones, believing the issue should be settled on the international scene. That seems far off.

The 1974 Law of the Sea conference in Caracas produced no substantive agreements. Again, the work in Geneva seems just a platform to air opinions and proposals. More serious diplomatic negotiations should be pursued. One government official has predicted at least two more Law of the Sea conferences will be necessary before any treaty is accepted.

In Oregon, as in most other coastal states, concern is growing over the influx of foreign fishermen depleting local fishing grounds. The 1973 Oregon Legislature passed a state law extending its coastal sea jurisdiction to 50 miles. Obviously unenforceable, it at least spotlighted the dilemma of the Oregon fishermen.

Aided by government subsidies, Russian and Japanese supertrawlers sit off our coasts for up to six months at a time. With their modern equipment, even processing of fish is accomplished aboard. There is little way the U.S. coastal fisherman can compete.

Beyond the 2-mile exclusive fishing zone is where the best fishing occurs. Here, foreign fishermen are taking larger catches than domestic fishermen. It has developed into a very emotional item.

International solutions to fisheries conservation resolves around the concept of a 200-mile economic zone. This has diverse ramifications. Soothing to coastal fishermen is the fact the 200-mile economic zone would give the United States full regulatory rights to minerals, including fish, that fall within that region. This, though, causes problems for U.S. tuna and shrimp fishermen, who fish off foreign coasts.

Altercations are increasing between U.S. tuna fishermen and South American nations which claim a 200-mile territorial sea. Between Jan. 25 and Feb. 1 of this year, Ecuador seized seven U.S. flag tuna clippers. Serious fights broke out between the tuna boat crews and sailors from the Ecuadorian Navy. It is ironic that a large number of U.S. tuna clippers are seized by former U.S. naval vessels sold to South American nations.

In Caracas, the United States tried to satisfy the tuna fishermen with what was called the species approach. This would have provided national regulation over coastal and anadromous fish. Anadromous fish are those fish, like salmon, which migrate to and from inland waters during their life cycle. International regulation would be in force over ocean-ranging fish, like tuna, therefore removing them from national jurisdiction within the economic zone. This approach has now been abandoned by the United States.

State Department planners in Geneva conceded that whatever international solution evolves in the fishing question, it probably will be detrimental to U.S. tuna and shrimp fishing industries.

It should be noted that any international proposal creating a 200-mile economic zone would not close out the zone to foreign fishermen. According to present draft articles carried over from Caracas, coastal nations have an obligation to conserve and insure full utilization of fishery stocks. Therefore foreign fishermen would be permitted to fish within a U.S. 200-mile economic zone, but only as specified by the American government.

The Department of State has called the Law of the Sea conference "one of the most important international conferences to take place since WWII." Nevertheless, international mechanisms move very slowly. Congress is becoming acutely aware of the predicament facing the domestic coastal fisherman.

With no treaties coming out of the Geneva conference, it seems very likely that the United States will realize a unilateral ocean management policy for fishing rights. The Committee on Merchant Marine and Fisheries has been withholding additional testimony on bills concerning fishing management until after the Geneva conference. They will resume hearings this month.

Most numerous congressional proposals are those calling for extension of the U.S. contiguous fishing zone to 197 miles seaward of the three-mile territorial sea. The most promising, like HR 200, are interim in nature, calling for nullification when an international treaty is reached.

Another very appealing proposal is HR 1070, which approaches the situation from a general economic standpoint, multilateral in scope.

Whatever route is taken, it must be taken soon.

BARTELS FIRING LINKED TO HIS STAND ON TURKEY OPIUM POPPY BAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Rangel) is recognized for 15 minutes.

Mr. RANGEL. Mr. Speaker, I rise today to direct this body's attention to a series of recent events which deeply concern me as one who has closely followed Government efforts to control the deadly trafficking in illicit drugs. I address this body today as the Senate Permanent Investigations Committee begins its hearings into the Federal drug abuse law enforcement effort to express my total dissatisfaction with the way in which the Ford Administration has handled the recent resignation of John Bartels, Administrator of the Drug Enforcement Administration.

As you know, the senior narcotics official for the past 2 years, John R. Bartels, Jr., was summarily fired by Attorney General Levi last Friday. It is interesting to note that Justice Department officials have now stated that Mr. Bartels' so-called resignation should not be construed as reflecting upon Mr. Bartels personally, but that his forced resignation, which in plain language was a firing, was the result of the concern on the part of the Attorney General regarding "repeated" allegations of "mismanagement" and "bureaucratic feuding." The Justice Department has therefore concluded that Mr. Bartels has been too defensive about his agency to provide proper leadership.

I for one find it difficult to comprehend how Mr. Bartels could have been anything but defensive about his agency when it was attacked from without and from within the administration. We in the Congress, including President Ford, are well aware of the fact when we overwhelmingly supported the Reorganization Act in July of 1973 that the new bureau, formed by the merging of the drug abuse law enforcement activities of the Drug Enforcement Administration and the Customs Bureau, would be beset by bureaucratic feuding. However, it was our considered judgment that the job which we had assigned to them, namely, the united fight against illicit drug trafficking was so vital to this Nation that the niceties of bureaucratic lines had to be overlooked.

As one who has closely followed this Government's efforts to control the flow of illicit drugs, I find it disturbing that the administration should act as it did at a time when responsible career officials like Mr. Bartels have spoken out against the resumption of opium production by the Turkish Government. Mr. Bartels' strong statements against that resumption are in strict contrast to the silence of other administration officials, most notably Secretary of State Kissinger, who seem to be insensitive to the voices raised in this Congress by me and my colleagues that Turkey's return to the production of the opium poppy would cause us problems in the United States in the very near future. Since administration officials have admitted that the Turkish Government previously could not control opium production within the provinces allowed to produce that deadly poppy, and there is no evidence that Turkey has initiated any greater effort to control illicit diversion of this deadly crop, it is clear that those in the administration responsible for our policy toward Turkey have decided to close their eyes to the menace of the new Turkish opium crop.

It was just over a year ago that we were able to note a dramatic decrease in the quantity and quality of heroin being seized on the streets of our cities. These conclusions are supported by the statistical analysis done through the Drug Abuse Warning Network—DAWN. My personal observations on the streets of my home community, Harlem, were consistent with these statistical conclusions. In an area where there has been so little hope, suddenly hope seemed to exist. The figures presented to us by responsible professional officials like Mr. Bartels were impressive. One year ago we received reports from them that overdose deaths had decreased, serim hepatitis rates had decreased, and there was even some indication that drug related crime was on the decline. At that time it was Mr. Bartels who came before committees of this body and categorically stated that in his judgment "the Turkish ban was greatly responsible for reducing the required raw materials (morphine base) needed for the production of heroin in Western Europe."

I and my colleagues in this body were relieved that our efforts in support of the Turkish opium ban were duly rewarded. Our temporary euphoria was even further supported by the conclusions of responsible United Nations and Canadian officials who reported that there was a marked decrease in the amount of heroin smuggled into their respective countries. Sound support for this conclusion came from French officials who reported a severe shortage of morphine base in Western Europe together with a dramatic reduction in the French-North American traffficking patterns of the base.

It seems strange to me, Mr. Speaker, that at this point in time Mr. Bartels and other responsible professionals in the Drug Enforcement Administration concerned with this tragic problem within our international communities were shunted aside and the primary administration spokesman on this vital matter became Ambassador Sheldon Vance, the head of the Drug Abuse Office of the Department of State. Ambassador Vance's approach to the problem was to receive without question any and all unsubstantiated assurances from Turkey that the opium poppy ban could be lifted without diversion of opium into illegal markets.

Certain facts concerning the recent dramatic decrease in the influx of heroin are readily admitted by the Administration and in fact it was a point of pride that a year ago many Administration officials were stating that we had "turned the corner on stemming the tide of illicit drugs into the country." I can clearly recall senior Administration officials 2 years ago appearing before congressional committees stating that there were approximately 500,000 to 600,000 active heroin users. There was also a need for increased treatment capacity and money for education and prevention relating to the use of illicit drugs. We in this body responded. Money and positions were made available.

Mr. Bartels and other responsible enforcement officials advised us approximately a year ago that progress was being made. However, soon thereafter Mr. Bartels started to sound the warning that allowing the Turkish Government to go back into the production of the opium poppy might well result in an upturn in the illicit flow of drugs into the United States. I also raised my voice at that time in opposition. It is interesting, Mr. Speaker, that the administration, particularly the State Department, was silent on this point. Apparently, they had other things in mind which were more important than stemming the tide of illicit drugs in our Nation's cities. Could it be that Mr. Bartels, by strongly voicing his objections to the resumption of Turkey's production, caused the administration some embarrassment and thereby failed in his responsibilities to echo the party line? If that failure has been rewarded by a summary dismissal, then I, for one, want to speak out against his dismissal. Forced resignations of law enforcement officials who speak out too forcefully and grate our State Department diplomatic sensibilities seem not to be without precedence in the narcotics enforcement area. One of the most impressive public officials in narcotic law enforcement is Mr. Jack Cusak. He, like Mr. Bartels, spoke out to protect us from the Turkish opium onslaught. Mr. Cusak, formerly Director of Narcotics Enforcement in France, failed to mouth the party line when the French Government was failing in its responsibility to this country to squeeze illicit laboratories in southern France that was processing the Turkish opium into heroin. His reward, like that of Mr. Bartels, was summary severance from the fold. Yet, by Mr. Cusak sounding that warning, he allowed us in the Congress to follow through and indeed we did cause the administration to realize that this body would not tolerate our Government's failure to act when the lives of our children were at stake.

Laboratories were seized, traffickers in France were arrested. Known traffickers were extradited to the United States for immediate prosecution. All this, in part, because one lonely narcotics official had the courage to speak out. Now another administration official has spoken out and he has been summarily severed from the official fold.

Mr. Speaker, I have reviewed the statistics and accomplishments of the Drug Enforcement Administration since this body passed the statute merging the Bureau of Narcotics and Dangerous Drugs and the narcotics responsibilities of the Customs Service into the Drug Enforcement Administration in July 1973. I find it difficult to understand why the chief official of the Drug Enforcement Administration, who was courageous enough to speak out against the resumption of Turkey's opium production, should be preemptorally removed, while others within DEA and customs who have fought this reorganization and been the primary cause of bureaucratic wrangling that has hampered the agency sit securely in their offices.

It is my sincere hope that the concern expressed by responsible career officials like Mr. Bartels will not go unheeded by this administration. Mr. Speaker, I believe that this body has a responsibility to closely monitor what will happen in the next few months when the Turkish crop is ready for harvest. It might well be that the administration was effective in silencing Mr. Bartels, but they cannot silence my colleagues in this body who have refused to be intimidated about the niceties of diplomatic understandings and other initiatives involving the Turkish Government. In closing, Mr. Speaker, I think that this body owes a debt to Mr. Bartels for 11 years of service to our Government. His contributions were unfortunately rewarded with a termination, without being accorded even minimal due process.

The fight to preserve integrity in our Government is not over. The reasons given for the termination of John Bartels makes that clear.

If the Turkish Government has such influence that our official criticism of her violation of an executive agreement with our country causes the removal of our top drug abuse law enforcement official, our country is in deep trouble. It is time for the State Department and Justice Department to clear the record.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kansas (Mrs. Keys) is recognized for 5 minutes.

Mrs. KEYS. Mr. Speaker, earlier today, I was recorded as being absent on two matters considered by this body. Had I been present, I would have voted for the motion that the House insist upon its disagreement to Senate amendment No. 107 to H.R. 5899, the second supplemental appropriations bill conference report. Had I been present, I would have voted in favor of ordering the previous question to consider the rule on H.R. 6860, the Energy Conservation and Conversion Act of 1975.

ADDRESS TO NEW ENGLAND REGIONAL CONFERENCE OF DEMOCRATIC MAYORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. ECKHARDT) is recognized for 5 minutes.

Mr. ECKHARDT. Mr. Speaker, in this special order I wish to share with my colleagues the presentation I delivered this afternoon to the New England Regional Conference of Democratic Mayors. I shall restate it, with some refinements, pretty much as it was delivered at the Parker House in Boston, today:

REMARKS OF MR. ECKHARDT TO THE NEW ENGLAND REGIONAL CONFERENCE OF DEMOCRATIC MAYORS, BOSTON, MASS.

I think that it is only fair for one presenting a view which bids for acceptance by others to state frankly and fairly the bases from which that view springs.

First, I am a Texan and thus my personal experience inclines me to view oil and gas as a boon to our civilization, just as copper and tin were a boon to the Greeks and Phoenicians and coal and iron were to England and northern Europe. Indeed, coal even now is for Europe and the United States a slightly tapped, abundant resource, and it is the most promising immediate energy source for obtaining a balance of energy resources for the world as a protection against dominance of energy supply by the oil producing exporting countries.

Oil and gas, though, remain our present major sources of energy. Still, much oil remains in the United States and off its shores. I want to see a national policy that encourages the tapping of our more than 500 billion barrels of oil producing potential in the United States and in its offshore zones to the maximum practical extent.

Second, I am a lawyer and I have a kind of common law approach to governmental problems. By that I mean, I have a bias toward building on the workable experience of the past. I would not wrench the economy violently, either by impulsive experimentation or by surrender of policy making and price setting to what is euphemistically called "the marketplace." There is no free market price for oil; what passes for the world market price is only a price set by the OPEC cartel.

I say this that you may understand better what I propose by understanding the personal predilections from which my proposal springs.

The two fundamental considerations upon which a national energy policy should rest are these:

A. That we should produce in the United States the most oil at the best price for our citizens. This is the grounding upon which our energy goals should stand.

B. That in doing this we should ever be conscious of our pervasive and emergent problem: economic recovery—reversing the inflation-caused recession.

President Ford's program flies flat in the face of these views and these propositions in these ways:

1. It assumes a free market price of oil when there is none—only an OPEC cartel price.

2. It would wrench the economy violently by surrendering policy making and price determination to the OPEC cartel.

3. It would, indeed, permit production of oil in the United States at an undiminished rate but without regard to the best price for our citizenry.

4. It entirely ignores the fact that the upward movement of the price of approximately six tenths of the oil used in America from an average price of $7.50 in 1975 to a price of $16 when decontrol is completed would place a direct burden on our citizenry from an increase in the price of oil alone of $26 billion annually.

Such a program is risky and dangerous—far more so than attempting, by controlling price, to hold a plateau of oil pricing at about the average level of domestic oil at the beginning of this year—$7.50. President Ford would sail into the uncharted waters of quadrupled oil prices. ($16 is more than 4 times the average price of domestic oil in May of 1973, $3.90.)

Now, it is not enough to say that the President's program is wrong-headed and shockingly venturesome. It is necessary to point out a Democratic alternative which is well conceived and which follows a prudent and charted course.

Such a program is now being processed in Congress—part of it to be presented for action next week by the Ways and Means Committee and another major part of it now being hammered out after many hours of hearings by the Commerce Committee.

I shall try to set out here a comprehensive program on energy. I cannot, of course, speak for a committee of Congress, the Democratic Study Group, or for Congress as a whole until it has acted, but all of what I shall speak of is contained in measures which are under active consideration by Congress.

The program covers six major areas, the first three of which are addressed in emergent legislation: oil pricing and supply, more frugal use of oil, and the development of new energy sources. These areas will be the major points addressed here, but there are three other areas which are of grave importance: natural gas pricing and supply, transitional funding for the cities and increased competition in the energy industry. The subject cannot be left without dealing with these three issues. Here are the reasons why they are not treated now in detail: the question of natural gas pricing has to do with the important question of extending regulation to intrastate or certain deregulation or relaxing of price constraints on interstate gas. Since oil is the price leader, the answer to these questions depends in large measure on our national policy on oil pricing. The question of increased production in the energy industry is a part of our entire antitrust policy. Many more facts must be developed before this question can be addressed comprehensively. Congressman John Moss' Subcommittee on Oversight and Investigations of the Interstate and Foreign Commerce Committee is presently actively engaged in exploring these facts. The area of transitional funding for the cities is, indeed, important and pressing. It has not, however, been as thoroughly examined in the legislative process as the other matters. Now let me proceed to set forth the program:

I. OIL PRICING AND SUPPLY

The first part of the problem deals with oil pricing and supply, and it is embodied in an amendment which I shall offer in the Committee on Interstate and Foreign Commerce this week. Without my urging, a petition was circulated amongst the Democrats in Congress this week that has 110 signatures in support. So it is an ongoing program—not just something lying dormant in a bill.

The first step in an energy program, I feel, must be to stabilize the price of oil at a level that will stimulate continued exploration and production of American oil while providing energy at a cost the American consumer can afford to pay, thus helping to stabilize the economy. To accomplish this goal, I have introduced the amendment I referred to which would lower the price of uncontrolled oil[1] from the current approximate price of $12 a barrel to an average price ranging around $7.50 a barrel with an inflation factor not to exceed 8 percent and not to start until 45 months after enactment (sometime during 1979). The amendment would reward the oil industry for certain types of higher production in old oil fields by permitting the prices of such oil to increase from an average of $5.25 to $7.50 a barrel. I believe that any good Democratic program must have some variation of this price regulation approach. My justification for price regulation is twofold.

A. Inflation and recession

First of all, I believe that the inflation suffered by the nation during the last several years and the resulting recession and high unemployment are clearly tied to the excessive increases in the price of oil that occurred in 1973 and 1974. In May 1973 domestic oil averaged approximately $3.90 a barrel; today, domestic oil sells for an average of $8.00 a barrel. When this increase in domestic oil—which constitutes about 60 percent of American usage—is combined with the quadrupling of foreign crude oil prices, we can see why our prices of gasoline and other fuel-related products have soared in this country. Moreover, these increases have sent a ripple effect through the entire economy—a ripple effect that has had a tidal wave impact on the cities, as I am sure you are all aware. For example, a recent study by the National League of Cities based on a sample of 55 cities studied throughout the nation indicated an average increase in fuel costs between 1973 and 1974 of 90%, with some increases ranging as high as 307%. It is no wonder, then, that of the cities studied:

36 reported that the economy was forcing postponement of planned capital improvements;

21 cities reported municipal job layoffs or job freezes;

43 cities anticipated revenue shortfalls in 1975;

42 cities expected to raise taxes and/or cut services during 1975.

In the face of these statistics, it is truly amazing that President Ford ever called for so drastic an exacerbation of all these ills as an immediate deregulation of oil prices. Such a step would move American prices inexorably to the international level, currently set by the OPEC nations at approximately $12 a barrel.

President Ford's oil import tariff of June 1 and his proposed additional tariff will raise the price of foreign oil to $14 a barrel. Predicted price increases of $2 a barrel by the OPEC countries in September could further raise the overall price of foreign oil to $16 a barrel. In other words, if deregulation of oil is accepted, we could expect to pay not only $16 a barrel for foreign oil but the same amout for domestic oil, since domestic producers would have no incentive to charge less than the international price for their domestic oil. Under President Ford's plan, our economy would be hit by next fall not only with an increase of $4 a barrel in the cost of foreign oil but by a doubling in the price of domestic oil.

With these price increases, by which I mean both the foreign and domestic prices, a study by Lawrence Kumins of the Congressional Research Service of the Library of Congress shows an increase of $36 billion a year in the energy cost to the American consumer, much of which will be borne by American cities. This is based on the assumption that oil will go to $13 per barrel. This is probably a correct assumption for early fall, but it now appears clear that, with immediate or phased-in decontrol, oil will go on up to $16 in a year, two years or three or four years, depending on the scheme used. This would put a total load on the economy by virtue of increased price of domestic oil of $51.6 billion per year for each year after decontrol has been completed.

[1] That is, oil from new fields, recovery enhanced above 1972 levels and "released" oil, and "stripper" well production.

We are scarcely showing signs of recovery from the worst period of combined inflation and recession of modern times. Many of our cities are already plagued with a serious financial crisis. Should the President's proposals go into full effect next fall, we will be in a slide toward depression, a slide greased with oil. To avoid heating up the twin evils of inflation and recession, we must adopt a rational price regulation approach. Our oil policies must make economic sense.

B. Regulation can work

Regulation, of course, is an easy word to use, but it denotes a difficult process to apply. But the question is not whether or not the price of oil in the United States should be regulated, but by whom should it be regulated?

I think we can do it for our own purposes better than the Arabs would.

Our immediate goal is the area of oil regulatory policy must be to find a price for oil that will both (1) allow oil producers a good return on their investments so that they will continue extensive domestic exploration and production of oil; and (2) provide oil to American consumers at a price they can pay and that will not unduly fuel inflation and recessions. This is a delicate balance to find. However, it is a balance that must be found.

Our country will not benefit if we set the price of domestic oil so low that producers will not discover and produce domestic oil, thereby forcing American consumers to pay whatever the OPEC cartel demands for foreign oil. On the other hand, should the price of oil soar so high as to lead to a depression, domestic producers, as well as the rest of our private enterprise system, will be seriously hurt in the crash.

The amendment provides the necessary balance by controlling oil prices in the range of $7.50 to $8.50, depending on the type of oil. This is enough to provide an adequate reform so as not to discourage new exploration, discovery and production. I base my view on the following information:

In 1972 the Independent Petroleum Association of America said that $4.10 (which should be adjusted in present dollars to $5.13) would be adequate to assure the United States 100% self-sufficiency in oil production by 1980. The National Petroleum Council gave a little lower figure. In July 1972 Business Week quoted John C. McLean, Chairman of Continental Oil Company, to the effect that, if domestic crude prices should rise to $4.00 a barrel (from the then average of $3.40 per barrel) deeper drilling in older oil fields would be economical. On October 24, 1973, when the average price of new oil was less than $6.00, John E. Swearingen, Chairman of the Standard Oil Company of Indiana, thought current prices enough to provide "additional incentives and additional funds for intensified exploration for new supplies of oil and gas."

By March 12, 1975, estimates of the cost of drilling had escalated considerably. In the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce, George P. Mitchell, President of the Texas Independent Producers and Royalty Owners Association, testified as follows:

"Say our average depth is something around 8,000 or 9,000, and we drill maybe around 100 wells a year. I don't think we could make money exploring for oil and gas at less than $8 a barrel." Transcript, p. 564.

But by April 22, 1975, estimates by other independent groups have gone much higher. Small Producers for Energy Independence presented to me a paper produced by Robert R. Nathan Associates, Inc. with attachment by the accounting firm of LaRue, Moore and Schafer, purporting to show that it was necessary to obtain a gross oil price of $12.73 per barrel of new oil in order to realize a 15% return on the investment. I think this estimate indicates that almost any price no matter how high the average price of new oil goes (and it is now about $12.00) will be justified by some elements of the industry on economic grounds. And, of course, this can be done if one makes the assumption that the extremely hard to get oil should be gotten an *any* price.

Much more reasonable estimates of necessary costs were made in a Public Policy Seminar for Members of Congress sponsored by the Congressional Research Service and conducted by the Advanced Study Program of the Brookings Institution. There, two distinguished members of the panel agreed that prices above $7.50 per barrel would not produce, and were not producing, much more oil than would be brought in at a $7.50 price. This was the position of John F. O'Leary, Technical Director, Energy and Environment, The Mitre Corporation, a former Deputy Assistant Secretary of the Department of Interior—Minerals, Director, Licensing, AEC, and Chief, Bureau of Natural Gas of the Federal Power Commission, and George C. McGhee, an oil man of vast experience and former Under Secretary of State, Ambassador to Germany, and Ambassador to Turkey.

Harold Bridges, President and Chief Executive Officer of the Shell Oil Company, was present on the panel. He did not agree that a price of $7.50 for crude oil would be adequate to stimulate continued exploration at the present level, but he did say that an average industry price of about $7.25 per barrel during 1974 had been sufficient, in his opinion, to provide the funds for continued active exploration during that year. But Mr. Bridges qualified this point by pointing to capital formation lost by the elimination of the percentage depletion allowance on January 1, 1975, and inflation. He also said that he felt that the new oil price of about $12 a barrel gave the impetus for active wildcatting in many frontier areas.

Taking all the views I have heard into account, I think it is a reasonable proposal to lower the price of new oil and stripper oil to about $7.50 while gradually permitting oil produced from wells in production in 1972 to rise to $7.50. To afford a margin respecting high cost oil, my proposal would allow an additional $1.00 price for such oil. Such oil is defined as—

1. that which is produced north of the Arctic Circle as, for instance, the Prudhoe Bay oil;

2. offshore oil;

3. oil produced by tertiary recovery methods; and

4. other oil production which encounters production difficulties not easily dealt with through generalizations, a category which the act would permit the Federal Energy Administration to define subject to Congressional veto.

These four categories of oil could bring prices averaging $8.50 per barrel.

The impact of my program, as you can see, would be to set all domestic oil at prices averaging between $7.50 and $8.50 a barrel. I believe that, if we can stabilize domestic prices at this level, our economy can stabilize over the long run, maintaining sufficient flexibility to adjust to whatever soaring prices the OPEC countries might arbitrarily set. In addition, I believe that this would provide producers a fair price, some even a high return, on their oil investments. When we compare it to the approximate figure of $3.20 that East Texas crude sold for throughout the 1960's, $7.50 to $8.50 should certainly stimulate exploration and production. The oil industry would welcome higher prices, naturally, but I do not believe that a rational argument can be made for the continually escalating prices which we have recently encountered.

Let us take a look at them for a moment. The price of new oil climbed rapidly before, during and immediately after the Arab oil embargo. Here are the figures:

September 1973	$5.12
October 1973	5.62
November 1973	6.17
December 1973	9.51
January 1974	10.35

The average price of new oil is now $12.00.

For the reasons I have set out above I think it is clear that we should establish something like an American price for oil at a different and lower level than the world, or OPEC, price. It seems to me that the only way we can prevent dictation to America by the OPEC countries as to what toll our industry and consumers will pay for oil is to set our own price and stick to it. I think there is reasonable likelihood that the OPEC price will ultimately come to our own. I am not willing to let our price go to theirs. The Arabs, Iranians, Libyans, and Venezuelans are not concerned whether our cities thrive or wither, whether the wheels of our industry continue to turn or not, nor whether inflation in America drives us further into depression. I repeat, we should not slip into a depression on a slide greased with oil.

II. MORE FRUGAL USE OF OIL

The second part of the program deals with energy conservation, the major subject matter of the Ways and Means bill which is to be acted on during the week of June 9 in Congress. Conservation measures are necessary to avoid shortages, protect our national security and balance of payments and protect the environment. While America relies on oil and natural gas to provide the majority of its energy supplies, domestic production of oil and natural gas has been declining in recent years and decreased reliance on imported foreign oil is most desirable.

President Ford's energy program relies almost totally on a plan of decreasing energy consumption through higher prices. The Ways and Means energy bill (H.R. 6860) rejects this approach. I do not think that huge immediate energy price increases will have a substantial positive impact on energy conservation. I do think they will have a substantial negative impact on economic recovery. A sound energy conservation program must rely on something other than price increases.

To attempt to solve the energy problem by higher oil prices is like attempting to solve fiscal problems by higher interest rates. The President's energy program would pay the same kind of ransom to oil companies that President Nixon's fiscal program paid to bankers. The two principal fuels that fired inflation were high energy costs and high interest rates.

I must now repeat what I said before: that it is not enough to say that the Republican program is wrong-headed and dangerous. It is necessary in this area of energy conservation to point out a Democratic alternative which, as I said before, is well conceived and prudent. I shall set out several areas which are addressed in the Ways and Means bill, in the Commerce bill or in other legislation in Congress at this time.

A. Conservation in the Transportation Sector

The transportation sector provides one of the greatest potential areas for energy conservation. Transportation accounts for approximately one-quarter of all energy consumed in the United States and accounts for over one-half of our oil consumption. Moreover, our energy consumption in the transportation sector has increasingly reflected a dependence on the least energy-efficient modes of travel. A comprehensive Democratic platform must call for a reversal of this trend.

A proposal to require automobile manufacturers to meet mandatory fuel economy standards, such as that recently approved by

the House Subcommittee on Energy and Power, is a key element to a transportation conservation program. We must also continue to increase funding for mass transit and decrease America's reliance on its wasteful highway system. We Democrats in Congress are, I think, showing more foresight than a President who voted to oppose the use of highway trust fund money for mass transit in 1973. In addition, as one who has bicycled to work for many years, I believe that bicycle transportation deserves further support.

B. Conservation in Living Patterns and Consumer Use

Energy conservation in the residential and commercial sector is primarily a function of building design. However, because of the structure of the building industry and market imperfections, builders have incentives to keep initial investments low and to forego investments which would be more economical and energy-efficient over the life-cycle of the building. Recommendations to be included in an energy conservation program for the residential and commercial sector must meet this problem of market imperfections and include:

1. consumer education programs which inform purchasers about the life cycle costs of homes or consumer products

2. revision of national building codes and provision for technical assistance to state and local authorities for building code revision

Energy-efficiency labeling of consumer products such as appliances and automobiles can also make an important contribution to reducing unnecessary residential energy consumption.

C. Conservation in the Industrial Sector

The industrial sector accounts for about forty percent of American energy use today, and major energy conservation opportunities are available in this sector. However, since the industrial sector is probably the most responsive to price, government compulsion in encouraging industrial energy conservation is largely unnecessary.

Nevertheless, several major government policies should be adopted. A national program of resource recovery, recycling, and reuse would provide significant energy savings in the industrial sector. For example, it has been argued that returnable glass soft-drink containers use only one-third as much energy as the throwaway. Support for non-returnable bottle legislation, such as I have cosponsored in the 94th Congress, would be an important breakthrough in reducing industrial energy demand.

Increased research and development of energy-efficient industrial technologies is also an extremely important energy conservation goal. Legislation, such as the industrial Energy Conservation Act of 1975, which I have co-sponsored, would further this objective. Economic recovery could be assisted by such legislation by targeting research and development funds to economically depressed regions.

III. DEVELOPMENT OF NEW ENERGY SOURCES

In recent decades, federal energy research and development policy has been widely out of step with society's needs, not only in terms of the paucity of funds but in terms of the allocation of funds. Only one source of energy—atomic power—has been pursued with substantial funding, and our Nation is first beginning to feel the squeeze resulting from this prior neglect.

While legislation enacted in the 93rd Congress provides an important breakthrough in improving the level and allocation of research and development funds, we must continue to recognize the necessity of a strong commitment to energy R & D and of support of diverse technologies. Energy research and development outlays increased from $820 million in fiscal year 1974 to $1.2 billion in fiscal year 1975. Moreover, the Federal Non-Nuclear Energy Research and Development Act of 1974, which I supported, gave increased priority to non-nuclear and renewable sources of energy, such as solar and geothermal power, coal gasification and liquifaction and oil shale production. However, these initial steps forward will be of little value unless a commitment to energy research and development similar to that undertaken in the Manhattan and Apollo projects is continued.

The need for a strong energy research and development program is most striking here in New England where indigenous energy resources are minimal and where heavy reliance is placed on high-priced imported fuels. However, energy research and development needs touch even the most energy-rich areas of our Nation, A dotted landscape of oil derricks and natural gas pipelines should not deceive the distant observer. In fact, a recent study conducted by the University of Houston concluded that my home state of Texas could shift within a decade from the country's leading net exporter of energy to a net importer unless significant steps are taken.

Key components of a Democratic energy research and development program should include:

1. increased assistance for research and development into renewable and non-nuclear energy sources,

2. continued funding of the breeder and fusion nuclear technologies,

3. greater stress on the environmental, health, and safety problems associated with new technologies,

4. increased research of energy conservation technologies,

5. support of greater international cooperation in energy research and development.

Increased research and development of renewable sources of energy is crucial since these sources evidence potential benefits in the short-term for cities in New England and other urban areas across the country. Economic development will be difficult to encourage in areas of energy supply shortages or areas of rapidly escalating energy prices.

However, projects utilizing renewable sources of energy, such as urban wastes and solar energy, demonstrate a means to alleviate some of our short-term energy problems and thus to encourage economic development. Demonstration programs to convert solid wastes to energy can meet the dual need of providing energy and reducing waste disposal problems in many cities. For example, early estimates from a St. Louis project to convert garbage to fuel indicate a fuel-savings of $10 million a year and a reduction in fees paid for landfill disposal or incineration. Solar energy can help to stabilize the economy of many cities by providing more reliable sources of fuel, and by even reducing operating costs. Already federal, state, and local officials have broken ground for a federal office building in Manchester, New Hampshire that will use solar energy, and an experimental solar heating system is supplementing the conventional heating system at the Grover Cleveland Junior High School in Boston.

Funding of research and demonstration programs to develop electrically-powered vehicles is also desirable. Congressman Mike McCormack has argued that the development of electric cars could do more to decrease our dependence on foreign oil supplies than any other single thing we might do.

Funding of nuclear energy technologies must also be continued. There are, indeed, serious questions concerning the environmental, health, and safety hazards associated with nuclear development, but it is the great back-stop of nuclear energy that assures us of plentiful energy in the future when the burning of oil, gas and coal would be like presently burning mahogany in the fireplace. Substantial funds have already been invested in these technologies and wisely so, for their potential benefits to mankind, when environmental, technical, safety, and economic hurdles are overcome, are certainly promising enough to justify continuing sufficient funding for these programs.

IV. NATURAL GAS PRICING AND SUPPLY

Since natural gas supplies approximately one-third of our Nation's energy needs and natural gas shortages and price increases have affected cities throughout the country, a comprehensive survey energy program must consider the complex issue of natural gas regulatory policy. The question of deregulation of natural gas prices and the problem of inequities to intrastate consumers caused by present regulatory policies deserve special consideration.

As is well known, the Federal Power Commission currently regulates the sale of natural gas in approximately 53.5 percent of domestic production. However, President Ford's energy proposals include a deregulation plan which would totally end the FPC's interstate regulation on grounds that such would encourage significant additional gas production. However, forceful arguments have been made which shed doubt that this objective would be met by complete deregulation of natural gas prices. Our recent experience with oil may serve as a guide here to indicate that price-related production increases may be negligible. Further support for this thinking comes from the Project Independence Blueprint. This study assumes deregulation and estimates that gas production would rise less than 10% by 1985 at a cost of billions of dollars to American consumers. Moreover, serious allegations have been raised concerning the withholding of supplies by producers speculating on deregulation and resultant price increases. For example, a Federal Power Commission study released in July of 1974 indicated that there were 168 leases of producible shut-in wells and a total of 8 trillion cubic feet of gas in shut-in status.

A Democratic platform must also address the inequities placed on consumers of intrastate natural gas production. It is often overlooked that 46.5 percent of domestic natural gas production is classified as intrastate and not subject to federal regulation. Consumers in producing states, like my home state of Texas, are especially affected by this inequitable regulatory system. While gas under FPC jurisdiction was priced at an average rate of 28.5 cents per million cubic feet in July 1974, intrastate prices during this period ranged around $1.00 to $1.25. More importantly, intrastate gas prices have already increased by as much as $2.00 per million cubic feet in some cases, as a result of OPEC administered oil prices which have run up all domestic unregulated energy prices without any cost justification.

Regulation of both interstate gas prices and intrastate gas prices at a level somewhat higher than the present interstate prices, but lower than the present intrastate prices, seems clearly desirable. Such a program would provide new certainty and reasonable incentives to producers of interstate natural gas while preventing intrastate natural gas from soaring to the equivalent of cartel-imposed oil prices.

Allocation of natural gas to high-priority end uses is also crucial. While the Federal Power Commission has already stipulated priorities on end-use under cases of curtailment, highly inefficient uses of natural gas such as boiler use should be phased out. Our Nation cannot afford to burn natural gas as a boiler fuel when this energy source is so valuable as a raw material and in direct use.

TRANSITIONAL ASSISTANCE TO CITIES

The fifth major area of energy policy that I think we must consider is transitional assistance for the cities that have been hit by the fuel increases that have already occurred. Much of our economic planning throughout the 1960's and 1970's—particularly in our cities—was based on the reasonable assumption that energy costs, particularly fuel oil that is used to heat our public buildings and energize our mass transit systems, would be fairly constant and moderate throughout the 1970's. The soaring costs of crude oil threw all of these plans into complete disarray, confronting our cities with huge energy costs for which they could not have rationally planned. At the same time, these cities—while losing tax revenues because of growing unemployment—are being called upon to provide greater social services to citizens who have been thrown out of work by our energy-fueled recession. Any energy program thus must provide (1) means to reduce the impact of increased fuel costs on the city and (2) funding to meet the most basic commitments that the cities have made to their citizens.

One approach to reducing the impact on the cities of energy cost increases is to pass more of the cost increases through to gasoline prices and less of it through to distillate and residual fuel oil. A provision of this sort—which I call the 'tilt provision'—is contained in H.R. 7014, the Energy Conservation and Oil Policy Act. It authorizes the President to apportion a greater than proportional amount of oil cost to motor oil and a lesser amount to other petroleum productions. The primary restriction on the President is that the amount apportioned to gasoline cannot exceed by more than 125% the amount that would be apportioned to gasoline if a totally proportional formula were followed. In other words, assuming that a $1 increase occurred in crude oil costs and that 50% of the crude oil were processed to gasoline and 50% to fuel oil, diesel, kerosene, etc., (through FEA), the President could apportion 62.5¢ of the increased cost—rather than a proportionate 50¢—to motor gasoline, and 37.5¢—rather than a proportionate 50¢—to the other side of the barrel. He could never, however, apportion to gasoline more than 62.5% of the total increased cost of oil above the May 1973 level.

I think this tilting approach is both a realistic and a desirable one, and FEA should use it. It is realistic, first, because gasoline has a more elastic demand than other petroleum products such as fuel oil. Increases in gasoline prices can thus be more easily borne by cutting down use than fuel oil increases—and will thus encourage conservation in the area of automobile usage where we most need it. Excess use of automobiles is a direct burden to the cities. Second, gasoline in America is currently priced at levels well below world prices whereas other petroleum products in America, such as residual fuel oil, are priced at or near the world price already. A tilting of oil price increases toward gasoline and away from other petroleum usages is desirable, I think, because it would reduce the impact of the energy crisis on mass transit, on building heating costs, on manufacturing, and on agriculture—all of which are areas of petroleum usage that are absolutely essential to our urban economy.

We must realize, of course, that even if we can reduce the impact of future price increases on the cities, past price increases have already wreaked havoc on our city budgets. To meet this problem, we must consider a range of procedures whereby the federal government can assist cities. One approach is the proposal by Senator Muskie and others to provide intergovernmental countercyclical assistance to the cities. This program would provide targeted emergency financial assistance to hard pressed State and local governments caught in a fiscal squeeze—with funding geared to fluctuate with the unemployment rates. A second approach is to provide emergency loan guarantees for local governments that can demonstrate that they cannot obtain financing because of a depressed recessionary money market. Both of these proposals, as well as similar interim measures, must be given priority consideration today, not just for the 1976 party platform.

VI. INCREASED COMPETITIVENESS

The sixth part of a platform, I feel, must be an effort to increase the competitiveness of the energy industry. According to the final report of the Ford Foundation Energy Project, the degree of concentration within various energy sectors—particularly in oil production—have increased sharply over the last two decades. Between 1955 and 1970, for example, the top 8 oil producers increased their share of oil production from 30% to 50% while the top 8 coal producers increased their share of coal production from 24% to 40%. Should these trends continue, then in the not too distant future we may face a situation in which a few companies can dominate their industry, setting oligopolistic prices.

Even more disturbing than concentration within industries, however, is general concentration of the energy field across the separate energy sources. An example of this situation is the movement of the petroleum industry into coal production. In 1962, the oil industry accounted for only 2% of total coal production; seven years later, in 1969, the oil industry accounted for almost 25% of total coal production. The petroleum companies are expanding similarly in all other branches of energy. In 1974, according to the Ford Study, the four largest petroleum companies had diversified into all branches of energy—gas, oil, shale, uranium, and tar sand. In terms of the ownership of energy resources Federal Trade Commission data shows that the 8 largest oil companies own 64% of the oil and gas resources, 50% of the uranium, and tens of billions of tons of coal.

The picture that this growing concentration in the energy industry presents is a dark one. Energy is the life-blood of the nation's industry and its economy. If a few companies are allowed to gain dominant control of our energy reserves and energy production, they can then set arbitrary domestic energy prices—not only in oil but in coal, nuclear energy, natural gas, and so forth—much as the foreign OPEC cartel can set arbitrary oil prices today, facing nations, and particularly our cities, with economic blackmail. In order to insure reasonable prices, as well as the rapid development of all energy sources, we must move to insure competition in the energy field.

A number of proposals should be considered to offset concentration and increase competition. We have made a correct choice, I believe, in depriving the major oil companies of the percentage oil depletion allowance. But we should continue to provide independent producers with a depletion allowance. In this way we provide the non-integrated oil producers continued incentive to stay in the exploration business, making it less profitable for them to sell out to the majors and thereby decrease competition in the petroleum industry. It is particularly important that we do this if we control the price of new oil, as I have advocated, because independents do about 85% of the wildcatting, and they do not have the cushion to fall back on that the majors have: oil production in all categories which is clearly highly profitable.

They also do not have a great access to capitol, and the depletion allowance is both a real and a psychological advantage and attraction to speculative investors. You New Englanders should be as willing as I am to look past the parochial shiboleths and taboos that commonly influence us regionally. If I can vote against the depletion allowance, generally, because the granting of it to the integrated oil companies makes no sense, you should look at the differences between these giant companies and the independents and recognize the pragmatic reasonableness of affirmatively encouraging diversity and competition.

Second, we should investigate the regulation of pipelines, including gathering lines, to see whether the majors are using their dominance to consolidate their own positions. We are presently considering a preference for royalty bidding on federal leases as a means of encouraging the entry of more companies in the production area.

Also, I think that we should explore methods of preventing horizontal monopoly in the fossil fuel industry. I have cosponsored H.R. 7012, the Promotion of Energy Industry Competition Act, currently pending before the House Commerce Committee's Energy and Power Subcommittee, of which I am a member. Among other provisions, this bill would prohibit the 20 largest major integrated petroleum companies engaged in exploration or production from owning or controlling energy refinery assets, energy transportation assets, or energy marketing assets. It would also prohibit these companies from controlling mineral deposits of coal, uranium, and other fissionable minerals. Our subcommittee is currently planning to schedule hearings on the bill, and I hope that through these hearings we can uncover the full extent of energy-industry concentration that now exists and take such legislative action as appears necessary, after full hearings and consideration, to promote greater competition in the energy field. If we can insure this competition, then our cities can look forward to choosing among a variety of energy sources, all at reasonable, constant prices produced by a competitive marketing system.

CONCLUSION

Energy policy in this country has been dominated for too long by those who view the Nation's fuel supplies as their own personal domain. Our great national resources of fossil fuels are held by government, when it owns the land, or by corporations, when they own it, for the benefit of the people of the United States. In our land, government is not indistinguishable from the people. It is their rights and comfort—that of every single individual soul among them—that must be held paramount by our national government and all the States and their subdivisions. No one holds the great natural resources of energy in our land except in trust for the people.

THE MARIHUANA CONTROL ACT OF 1975—H.R. 6108

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the bill H.R. 6108, the Marihuana Control Act of 1975, currently has 16 cosponsors and I am expecting that figure to grow as more and more Congressmen and Congresswomen discover the true feelings of their constituents with regard to marihuana use and penalties. The bill, H.R. 6108, provides that the possession and not-for-profit transfer of 1 ounce or less of marihuana be punishable by a civil fine of not more than $100.

The following is an analysis of Ravin against State, a decision handed down by the Supreme Court of Alaska. The

analysis was prepared by Peter Meyers of NORML—National Organization for the Reform of Marihuana Laws. The decision reenforces the desirability of the rational approach of the Oregon system of civil penalties embodied in H.R. 6108.

ANALYSIS OF RAVIN AGAINST STATE

On May 27, 1975, the Supreme Court of Alaska ruled unanimously that the possession of marijuana by adults at home for personal use was constitutionally protected by the Right of Privacy. The Court's landmark 54-page decision held that the Right of Privacy in the home is "fundamental" and that the state had not shown sufficient interests to justify prohibiting the use of marijuana in the home. *Ravin* v. *State*, No. 1156, File No. 2135, Sup. Ct. of Alaska, May 27, 1975. This memorandum discusses the background and significance of this case.

The case arose when Irwin Ravin, an Anchorage attorney, was arrested and charged with possession of marijuana on December 10, 1972. Ravin's attorneys, Robert H. Wagstaff and R. Collin Middleton, filed a motion to dismiss the charges before trial, arguing that the Alaskan statute which prohibited possession of marijuana was unconstitutional because it violated the Right of Privacy in both the Federal and Alaskan Constitutions. The District Court Judge held lengthy hearings on the constitutionality of the marijuana prohibition, at which Drs. J. Thomas Ungerleider, Joel Fort, and Lester Grinspoon, among other witnesses, testified. The District Court then denied the motion to dismiss, and an appeal was taken to the Alaskan Superior Court, which affirmed. The Alaskan Supreme Court then granted Ravin's petition for review, and remanded.

The Supreme Court's opinion, written by Chief Justice Rabinowitz, held that the Right of Privacy contained in the Alaskan Constitution was broad enough to protect the possession of marijuana for personal use in the home by adults. This opinion is the first state supreme court decision to recognize that possession and use of marijuana is entitled to constitutional protection. Since the decision was based upon the Right of Privacy contained in the Alaskan Constitution, rather than the Federal Constitution, it cannot be appealed to the U.S. Supreme Court.

The *Ravin* decision begins with a comprehensive discussion of the Right of Privacy, previous Court decisions involving the Right of Privacy, and the tests which Courts have used in judging the constitutionality of laws which allegedly violate that right. The Alaskan Court noted that all previous privacy cases followed a two-tiered test: if the rights involved were deemed to be "fundamental," the statute infringing those rights had to be shown to be "necessary" to furthering a "compelling state interest." If the rights were not deemed to be fundamental, any "rational basis" that might be conceived to justify the legislation was held to be sufficient. In a significant departure from these previous cases, the *Ravin* court formulated a new test, which it set out as follows:

"It is appropriate in this case to resolve Ravin's privacy claims by determining whether there is a proper governmental interest in imposing restrictions on marijuana use and whether the means chosen bear a substantial relationship to the legislative purpose. If governmental restrictions interfere with the right of privacy, we will require that the relationship between means and ends be not merely reasonable but close and substantial."

Applying this test to possession of marijuana in the home, the Court evaluated the governmental interests behind the marijuana prohibition, and the potential dangers caused by marijuana use. The Court examined the testimony presented at the hearing before the district court, and a number of written reports and books, including the Reports of the National Commission on Marihuana and Drug Abuse, the Eastland Committee hearings on the "Marihuana-Hashish Epidemic," The Fourth Annual Report of the Secretary of HEW, a Marijuana Survey prepared by the Drug Abuse Council, Dr. Grinspoon's *Marihuana Reconsidered*, and several works by Gabriel Nahas. The Court stated that there was "no firm evidence" that marijuana use was harmful to the user or to society, and that "mere scientific doubts" cannot justify government intrusion into the privacy of the home. The Court concluded:

"It appears that the use of marijuana, as it is presently used in the United States today, does not constitute a public health problem of any significant dimension . . . It appears that effects of marijuana on the individual are not serious enough to justify widespread concern, at least as compared with the far more dangerous effects of alcohol, barbiturates, and amphetamines."

Based upon this analysis, the Court concluded that possession of marijuana at home by adults for personal use was constitutionally protected. The Court also held that the prohibition against possession and use of marijuana when operating a motor vehicle was valid and constitutional, stating that: "The one significant risk in use of marijuana which we do find established to a reasonable degree of certainty is the effect of marijuana intoxication on driving."

Hinting at a broader definition of "private," the Court's opinion indicated that it would decide in future cases whether the possession and/or use of marijuana in other contexts outside the home would be constitutionally protected. Concurring opinions filed by Justices Boochever and Connor indicated that in their view the right of privacy protects some activities outside the home, but they agreed with the Court's opinion that this should be reserved for future cases depending on the specific facts of the case.

The Court's opinion also indicates that there is no constitutional protection to buy or sell marijuana, and no protection for possession at home of amounts of marijuana indicative of an intent to sell, rather than for personal use. The Alaska Supreme Court has previously held that possession of amounts up to 8 oz.–1 lb. are probably for personal use. The Court also implied that the right to possess in the home might be limited to adults, and might not be extended in future cases to include juveniles, noting that "distinct government interests with reference to children may justify legislation that could not properly be applied to adults."

Another issue which the Alaskan Supreme Court will have to resolve in a later case is the effect of the *Ravin* decision upon the constitutionality of the marijuana decriminalization bill approved by the state legislature 10 days before *Ravin* was decided. The new Alaskan law (S. 350) provides for a civil fine of up to $100 for possession of marijuana in private for personal use and for up to 1 oz. possessed in public. The law also imposes a misdemeanor, criminal fine of up to $1000 for smoking marijuana in public or driving an automobile with marijuana on your person. These new penalties will take effect around Sept. 1, 1975. It would appear that *Ravin* necessarily invalidates the $100 fine for private possession, and at the same time, *Ravin* appears to recognize the constitutionality of the $1000 fine for driving an automobile with marijuana in your possession. The fines for public possession and use will have to await future cases.

The Supreme Court remanded the *Ravin* case back to the District Court for that Court to determine the facts of the arrest—which were not part of the record because no trial was held. The Court will then determine, based upon the facts and circumstances of the arrest, whether the constitutional rights announced in the opinion will be broad enough to require dismissal of the case against Mr. Ravin.

The *Ravin* decision signals the beginning of a new era in marijuana litigation. A state Supreme Court has recognized that marijuana possession and use is entitled to constitutional protection. The closest any Court has come to this in the past was the Hawaii Supreme Court in *State* v. *Kantner*, 53 Haw. 327, 493 P.2d 306 (1972), *cert. denied*, 409 U.S. 948 (1972), where two Justices believed that marijuana possession was entitled to constitutional protection, two Justices believed it was not, and the fifth Justice did not believe the issue had properly been raised. We can now expect other state and federal courts to give these constitutional issues serious examination. In addition, it can be expected that if state legislatures do not move within a reasonable time to decriminalize, other state and federal courts will begin to follow Alaska.

Copies of the *Ravin* decision are available from our Washington, D.C. office. If you would like to receive a copy, please send $2.00 for Xeroxing and mailing costs.

INTRODUCTION OF JOINT CONCURRENT RESOLUTION TO FORM A SELECT COMMITTEE ON ENERGY

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, 2 years ago warnings were being sounded: "Oil prices are going to go up—we have a shortfall."

And no one listened until the Arab nations shut off the spigot pouring foreign oil into this country.

Since that time energy has been a key word around the Capitol and the other end of Pennsylvania, too.

Outside of short term emergency measures little has been done. If a crisis hits once more, we are prepared—through legislation—to go into emergency fuel allocation and gasoline rationing.

We must do more than that. We must look beyond today to tomorrow, to the next decade, and to the year 2000.

To do that we need comprehensive legislation to deal with the total and complex and parallel issues of energy conservation and energy development, including alternative sources.

In our present committee structure we have 11 full committees in the House with 23 subcommittees working in the affairs of energy. The Senate has six full committees all trying to grapple with the energy problem.

With this maze of committees and the resulting confusion of jurisdictional lines, it is no wonder that we have a tangled effort toward effective legislation in energy. With this crossing of jurisdictional lines on such a comprehensive issue, I submit that a comprehensive energy package is impossible.

That is why, Mr. Speaker, I am introducing a bill to form a Joint Select Committee on Energy.

Comprised of 34 Representatives and Senators—selected by the chairmen of energy-related committees and with members of the Joint Committee on Atomic Energy—this committee would

have 18 months to consider and report a bill designed to make the United States self-sufficient in energy no later than 20 years after the date of adoption of the resolution.

Certainly we have seen, in the last year and a half, conscientious efforts by each subcommittee to cope with this problem. But at this time, we must recognize that too many bills have become stifled. We cannot afford to continue with false starts and pablum rhetoric. We must act. And act now.

We must put the 94th Congress on record as an energy action oriented Congress, a Congress responsible and concerned for the use and abuse of our vital energy resources as well as the discovery and harnessing of alternate energy sources.

To do this, we must make a concentrated effort. That is what it took to put a man on the Moon only 12 years after the Soviets fired off Sputnik.

We must get our act together in the same fashion for a resolve to the energy problem.

Mr. Speaker, I plan to introduce this resolution next Monday, June 16, and I would welcome any of our colleagues to join me in sponsoring the resolution at that time. To give the Members of the House an opportunity to review the resolution between now and next Monday, I would like to have the text of the resolution appear following these remarks.

I would like to anticipate one question which I believe will be raised, and answer it at this time. The question is: "Is 18 months long enough to complete a job of this size?" The candid answer is, I simply do not know, and I doubt that anyone here can answer that question today.

I can share with you, though, my reasoning in establishing an 18-month life for this joint committee.

First, and most important, it underscores both for the committee and for the public the urgency we are facing here in coming up with a course of action leading toward a real solution to the energy puzzle. This sense of urgency is what I have detected is lacking in this Nation ever since the lines disappeared from the gas station pumps.

Second, if the job proves to be too big to be accomplished within 18 months, this deadline will require a review by the full membership of the Congress at that time to determine whether the committee should be renewed. That review will give Congress an opportunity to review the direction the committee has chosen to take, and its activities and accomplishments to date.

Finally, the inclusion of a date certain for the termination of this committee will clearly establish that the full Congress intends this committee to do one job and one job only, then dissolve. Once the plan is set forth and action is started, the standing committees of the Congress are fully capable of following through and serving the oversight function.

Thank you, Mr. Speaker, and I would hope and urge that you and our colleagues see fit to move expeditiously on this resolution:

H. CON. RES. —

To establish a Joint Select Committee on Energy

Resolved by the House of Representatives (the Senate concurring),

CREATION OF JOINT SELECT COMMITTEE MEMBERSHIP

SECTION 1. (a) There is created a Joint Select Committee on Energy (hereinafter in this concurrent resolution referred to as the "joint select committee").

(b) The joint select committee shall be composed of 34 members as follows:

(1) The Chairman of each of the following standing committees of the House of Representatives, or a majority party member of each such committee designated by the Chairman of such committee: (A) the Committee on Interior and Insular Affairs; (B) the Committee on Interstate and Foreign Commerce; (C) the Committee on the Judiciary; (D) the Committee on Public Works and Transportation; (E) the Committee on Science and Technology; and (F) the Committee on Ways and Means.

(2) The ranking minority member of each of the standing committees specified in paragraph (1), or a minority party member of each such committee designated by the ranking minority member of such committee.

(3) The Chairman of each of the following standing committees of the Senate, or a majority party member of each such committee designated by the Chairman of such committees: (A) the Committee on Aeronautical and Space Sciences; (B) the Committee on Commerce; (C) the Committee on Finance; (D) the Committee on Interior and Insular Affairs; (E) the Committee on the Judiciary; and (F) the Committee on Public Works.

(4) The ranking minority member of each of the standing committees specified in paragraph (3), or a minority party member of each such committee designated by the ranking minority member of such committee.

(5) The Chairman, Vice-Chairman, the ranking minority member from the House of Representatives, and the ranking minority member from the Senate, or their respective designees, of the Joint Committee on Atomic Energy.

(6) Three members of the House appointed by the Speaker of the House, no more than two of whom may be members of the same political party.

(7) Three members of the Senate appointed by the President pro tempore of the Senate, no more than two of whom may be members of the same political party.

(c) The members of the joint select committee shall elect cochairmen, one of whom shall be a Member of the House and one of whom shall be a Member of the Senate.

FUNCTIONS OF THE JOINT SELECT COMMITTEE

SEC. 2. (a) The joint select committee shall—

(1) review any bill which relates to the development, use, or control of any form of energy and which has been referred to any committee from which Members have been selected for membership on the joint select committee; and

(2) consider and report a bill, in accordance with the provisions of subsection (b), which is designed to make the United States self-sufficent with respect to the development, use, and control of all forms of energy no later than 20 years after the date of the adoption of this concurrent resolution.

(b) Members of the joint select committee who are Members of the Senate shall report the bill described in subsection (a)(2) to the Senate, and members of the joint select committee who are Members of the House shall report such bill to the House.

(c) Any bill and accompanying report of the joint select committee shall be subject to the rules of the House and the rules of the Senate in the same manner as though it had been reported from a standing committee of the House or of the Senate.

POWERS

SEC. 3. (a) The joint select committee may—

(1) sit and act at such places and times during the sessions, recesses, and adjourned periods of the Congress as it considers advisable;

(2) administer oaths or affirmations, and take testimony;

(3) procure printing and binding; and

(4) make such expenditures as it considers advisable.

(b) The joint select committee may require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents. Subpenas may be issued over the signatures of the cochairmen of the joint select committee or over the signature of any member designated by them or by the joint select committee, and may be served by any person designated by the co-chairman or such member.

STAFF; SERVICES

SEC. 4. (a) In carrying out its functions, the joint select committee may, by recorded vote of a majority of the members of the joint select committee—

(1) appoint, on a permanent basis, without regard to political affiliation and solely on the basis of fitness to perform their duties, such professional and clerical staff members as the joint select committee considers appropriate;

(2) prescribe their duties and responsibilities;

(3) fix their pay at respective per annum gross rates not in excess of the highest rate of basic pay, as in effect from time to time, of the General Schedule of section 5332(a) of title 5, United States Code; and

(4) terminate their employment as the joint select committee may deem appropriate.

(b) In carrying out any of its functions, the joint select committee may use the services, information, facilities, and personnel of the departments and establishments of the Federal Government, and may procure the temporary (not to exceed one year) or intermittent services of experts or consultants, or organizations thereof, by contract at rates of pay not in excess of the per diem equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332(a) of title 5, United States Code, including payment of such rates for necessary traveltime.

PAYMENTS FROM CONTINGENT FUND

SEC. 5. The expenses of the joint select committee shall be paid from the contingent fund of the House, upon vouchers approved by the cochairmen, from funds appropriated for the joint select committee.

TERMINATION

SEC. 6. The joint select committee shall expire 18 months after the date of the adoption of this concurrent resolution, or upon completion of the legislative process, including final disposition of any veto message, with respect to the bill reported under section 3, whichever is earlier.

MOORHEAD ANNOUNCES EMERGENCY NATURAL GAS HEARINGS

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, from all indications the natural gas situation in this country is worsen-

ing daily, and most of the experts are expecting a shortage of disastrous proportions this winter if the present trend is allowed to continue.

In recent weeks the House Government Operations Committee's Subcommittee on Conservation, Energy, and Natural Resources has been focusing on two new sources of natural gas which, admittedly, cannot provide the immediate relief we need this winter, but which could make us self-sufficient in natural gas once again in just a few short years.

One possible new source that has been discussed in recent subcommittee hearings is the so-called Devonian gas shales. These shales underlie an area of approximately 250,000 square miles in the middle and eastern part of the United States, extending as far north as Michigan, as far south as Arkansas and Texas, and as far east as New York and Maryland.

The Devonian shales have great potential as a future source of fossil fuel if the technology for developing them can be developed. According to Columbia Gas System estimates, about 285 trillion cubic feet of producible gas lies beneath the States of Ohio, West Virginia, Pennsylvania, Kentucky, and New York. This compares to the 237 trillion cubic feet of proven gas reserves in the United States in 1974.

Columbia Gas has announced that it is initiating an $8.5 million shale research program on its own, contingent upon Columbia being permitted by the Federal Power Commission to recover the costs. This program will involve drilling 50 test wells in Ohio, West Virginia, and Virginia using different extraction techniques to determine which is more effective in recovering the gas locked in the shale. At the present time, massive fracturing of the shale is seen to be the most effective procedure for extracting gas from the shale. While fracturing has been accomplished on a small scale, considerable research will be required to make the process commercial.

Columbia has proposed to the Energy Research and Development Administration—ERDA—that a joint Government-industry program costing $3.3 million be undertaken on three wells in West Virginia. This effort will focus primarily on refinement of the massive fracturing concept.

Another potential natural gas source under study by the subcommittee involves laser fusion. Recently, the subcommittee heard testimony from KMS Industries of Ann Arbor, Mich., on their research efforts to produce natural gas by subjecting tiny fuel pellets to a high-powered laser beam.

Dr. Henry J. Gomberg, the president of KMS Fusion, told the subcommittee that one of the most exciting features of the KMS program is research being conducted for the Texas Gas Transmission Corp. in which energy from laser fusion is used to produce methane, which is a good substitute for natural gas. This process employs a high-powered laser beam to break water down to hydrogen and oxygen and then combining the hydrogen with carbon to produce methane. KMS estimates that the first laser fusion pilot plant for the production of hydrogen and methane should be in operation by 1979 or 1980. Texas Gas has announced that it will pay half of the estimated $80 million of the projected cost of the pilot plant. In addition, KMS Fusion has proposed that ERDA fund a 3-year program of basic laser fusion research at a level of $5[illegible].5 million.

Mr. Speaker, eastern oil and gas shale and laser fusion are two potentially productive areas of natural gas research that deserve close attention by private industry and the Federal Government. The fact that our traditional sources of natural gas are limited is no secret. The rapidly deteriorating natural gas supply situation in this country is a harsh reality that the administration and Congress must come to grips with immediately in order to avoid a major economic disaster this winter. Many industries have been told to expect curtailments of up to 100 percent this winter, and industries in large areas are expected to be without any gas at all. This can only mean more unemployment and more recession, a brutal blow to an already strained and weakened economy.

Mr. Speaker, I have great faith that we can overcome our present gas situation in this country in a matter of a few years through development of new technologies and new resources. But, meanwhile, we have to deal effectively with our present deteriorating gas supply situation. For this reason, the Conservation, Energy, and Natural Resources Subcommittee has undertaken an investigation of the effectiveness of emergency planning efforts being conducted by various Federal agencies to deal with the problem.

The crippling effects of a natural gas shortage have enormous economic, social, and national defense implications. Such a shortage would be a national emergency by anyone's definition of the term. We know the shortage is upon us and we should be developing contingency plans to assure that our economic system can continue to function throughout the winter. This will not be an easy task, and it will certainly require a high degree of coordination between the Federal Energy Administration, the Federal Power Commission, the Office of Emergency Preparedness of the General Services Administration, the Department of the Interior, and other agencies which have energy and defense emergency planning and regulatory authorities.

The first hearing on this subject by the subcommittee will be held on June 12, with the Federal Energy Administration and the Federal Power Commission testifying.

Mr. Speaker, the gas shortage is already being felt in many areas of the country, and many Governors are greatly concerned.

Gov. James A. Rhodes of Ohio has been particularly vocal in warning of the devastating effects of a gas shortage in his State this coming winter. Ohio is underlaid with large deposits of Devonian gas shale formations, and Governor Rhodes strongly advocates an intensive Federal gas shale research and development program to bring this shale into commercial production as soon as possible. Governor Rhodes sees the Devonian shales as a potentially effective and dependable source of gas for Ohio and other Eastern States.

In a recent full-page advertisement which appeared in the Wall Street Journal, Governor Rhodes eloquently stated the dilemma many eastern industrial States face this winter:

Half of all the energy used by industry in America comes from natural gas. And the industries in the Midwestern, Northeastern, and Middle-Atlantic states are being told that there isn't enough gas available to keep them running at full capacity the winter of 1975–76.

Some industries will have to shut down altogether. The problem is so acute that there will be virtually no gas at all for industry in these states in 1976–77.

Governor Rhodes has proposed that ERDA fund a $100 million research and development crash program aimed at bringing eastern gas shale on the line as soon as possible so that future gas shortages can be averted. He goes on to say, with regard to the Devonian shales, that—

ERDA knows the gas is there, and recognizes the urgent need to develop the best extraction techniques.

But they only have $2.5 million a year to allocate to this development. That's like going on an elephant hunt with paper wads. By contrast, the Federal government spends $8.3 million a year on the National Zoo in Washington.

ERDA needs $100 million to do the job now.

Citing effective results of previous Federal research and development efforts, such as the space program, wartime mobilization, and the Manhattan project, Governor Rhodes proposes a Federal gas shale effort of similar magnitude, which he would call the "Appalachia Project."

Mr. Speaker, this very timely article is an excellent statement of the very critical situation we find ourselves in today, and is an indication of the growing national concern over the natural gas situation. Governor Rhodes' call for a strong Federal commitment to develop new sources of natural gas should be thoroughly considered by the Congress, and I recommend that my colleagues take the time to read and study it. Mr. Speaker, I include Governor Rhodes' statement which appeared May 29 in the Wall Street Journal at this point in the RECORD:

NATURAL GAS NOW OR—INDUSTRIAL WASTELAND

The misery of unemployment must not become a way of life in America!

Half of all the energy used by industry in America comes from natural gas. And the industries in the Midwestern, Northeastern and Middle-Atlantic states are being told that there isn't enough gas available to keep them running at full capacity the winter of 1975–76.

Some industries will have to shut down altogether. The problem is so acute that there will be virtually no gas at all for industry in these states in 1976–77.

We are told to look to exotic energy sources such as coal gasification, geo-thermal energy and solar energy.

Fine. Except that none of these sources will be one bit of help to us for the next five or ten years. Maybe longer. We are told we'll have to face curtailment, unemployment and shutdowns because of this natural gas shortage.

This is ridiculous, because we have the gas right here!

We do not need to suffer more unemployment, more misery or frustrating shutdowns.

The federal Energy Research and Development Administration tells us that there are at least 500 trillion cubic feet of natural gas locked in the Devonian shale formations in Ohio, Michigan, Illinois, Indiana, Kentucky, Alabama, Tennessee, West Virginia, Pennsylvania and New York.

That's enough gas to supply the industrial needs of 23 industrial states for 100 years!

What do you think about that, New York? How about that, Pennsylvania, New Jersey, Connecticut, Massachusetts, Rhode Island, Maine, Vermont and New Hampshire? Can the factories in Ohio, Illinois, Indiana, Michigan, Kentucky, Tennessee and Alabama use this gas? And how about Virginia, West Virginia, Maryland, Delaware, Washington, D.C., North Carolina and South Carolina?

There's as much Appalachian shale gas right under our feet as there ever was in the gas-rich South and Southwest. And we don't have to transport it thousands of miles. It's right here, where the jobs are.

The reason it hasn't been fully developed is because of the need to refine the fracturing techniques to release the gas. Science can find the answer.

Once shale technology is developed we'll be able to get all the gas we need.

It will be industrial disaster if we don't go after it!

ERDA knows the gas is there, and recognizes the urgent need to develop the best extraction techniques.

But they only have $2.5 million a year to allocate to this development. That's like going on an elephant hunt with paper wads. By contrast, the federal government spends $8.3 million a year on the National Zoo in Washington.

ERDA needs $100 million to do the job now.

We organized the greatest technological effort in history to put a man on the moon. We accomplished the "impossible" with the wartime mobilization and Manhattan Projects.

Now we're in a war with unemployment, and we need to get the natural gas we know is here to keep our factories open.

We must gather a force of the nation's foremost scientists, geologists and engineers to develop these huge reserves in an immediate "Appalachia Project".

If we are to avoid the unnecessary misery of more unemployment of our hard-working people, we've got to provide ERDA the seed money.

The $100 million isn't very much when you consider the alternatives. Gas-related unemployment compensation will surely cost many times that figure. We have already appropriated $14 million for extended unemployment compensation, and the figure is certain to go higher if we shut down our factories through a lack of natural gas.

The costs of welfare and crime which follow from unemployment will be even higher.

We're treating the symptoms. Not the disease.

Let's give ERDA the money it needs to develop shale gas.

Federal regulations are adding to the gas squeeze!

There are outmoded, absurd and illogical federal regulations which must be changed to let us move the gas. These regulations prohibit the use of the excess capacity of the interstate pipelines for the transport of locally produced gas. These pipelines are running well under their capacity, but we can't use that excess capacity to move our gas. Producers and drillers are willing to pay to use these pipelines.

The whole situation would be laughable if it were not so tragic in its consequences to the needlessly unemployed. The Federal Power Commission must act now to lift these restrictions. And to provide the economic incentives necessary for drillers to sink new wells, Congress must deregulate the well-head price of natural gas.

Fight for full natural gas production!

We want no more jobs lost. No more production lost. No more crippling energy shortages for industry.

Our very strength as a nation is at stake.

The future of America's working men and women depends on our ability to produce enough natural gas to meet our needs now.

The American people want jobs, not handouts. They want to provide for their families in a dignified manner. All of the social ills among able-bodied people come from the lack of jobs. Unemployment is the worst disease ever thrust upon mankind. It must not become contagious in America.

Because of the current recession, one out of every ten American workers is now unemployed.

Unless we begin now to solve our industrial energy problems, millions more will lose their jobs through no fault of their own.

America's social fabric cannot stand this kind of a shock.

Nothing happens until somebody does something. Every day we delay brings America closer to industrial disaster with its harsh consequences to our working men and women and their children.

Let us all join forces now. Government, industry, labor and the scientific community to develop ALL the gas we know is here to keep the flame of American industry burning.

Write, wire or call the Energy Research and Development Administration, the Federal Energy Administration, the Federal Power Commission, and your Congressional delegation to urge a $100 million commitment for the development of shale gas, the opening up of the interstate pipelines to move it, and the deregulation of interstate well-head prices.

Sincerely,

JAMES A. RHODES,
Governor, State of Ohio.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MANN (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. FLYNT (at the request of Mr. O'NEILL), for this week, on account of illness.

Mr. GONZALEZ (at the request of Mr. O'NEILL), for June 9 and 10, 1975, on account of a death in the family.

Mr. KETCHUM (at the request of Mr. MICHEL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, and to include extraneous matter, for 60 minutes, today.

Mr. FASCELL, for 15 minutes, today, and to include extraneous matter.

(The following Members (at the request of Mr. MOORE) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 30 minutes, today.

Mr. EDWARDS of Alabama, for 15 minutes, today.

Mr. JEFFORDS, for 10 minutes, today.

(The following Members (at the request of Mrs. LLOYD of Tennessee) to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. PERKINS, for 10 minutes, today.

Mr. HÉBERT, for 5 minutes, today.

Mr. EVANS of Indiana, for 5 minutes, today.

Mr. AUCOIN, for 5 minutes, today.

Mr. RANGEL, for 15 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. ASPIN, for 5 minutes, today.

Mrs. KEYS, for 5 minutes, today.

Mr. ECKHARDT, for 5 minutes, today.

Mr. EILBERG, for 5 minutes, on June 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. STEIGER of Wisconsin and to include extraneous matter in his remarks during the bill under debate.

Mr. BOB WILSON, and to include extraneous matter.

Mr. ROUSSELOT.

Mr. FASCELL, to extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. MOORE) and to include extraneous matter:)

Mr. KEMP in three instances.

Mr. BROWN of Ohio in three instances.

Mr. BAUMAN in 10 instances.

Mr. ASHBROOK.

Mr. MICHEL.

Mr. SYMMS.

Mr. CONLAN.

Mr. WALSH.

Mr. FORSYTHE.

Mr. SARASIN.

Mr. SHUSTER.

Mr. RUPPE in two instances.

(The following Members (at the request of Mrs. LLOYD of Tennessee), and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. ANNUNZIO in six instances.

Mrs. LLOYD of Tennessee in five instances.

Mr. DOWNEY of New York.

Mr. UDALL.

Mr. MURPHY of New York in two instances.

Mr. MCDONALD of Georgia in four instances.

Mr. NOWAK.

Mr. REES.

Mr. LLOYD of California in two instances.

Mr. BRODHEAD.

Mr. ROSENTHAL in two instances.

Mr. EILBERG in five instances.

Mr. JAMES V. STANTON in two instances.

Mr. HÉBERT in two instances.

Mr. MCCORMACK in two instances.

Mr. RANGEL in 10 instances.

Mr. PREYER.

Mr. SEIBERLING in 10 instances.

Mr. FLORIO.

Mr. DE LUGO.

Mr. AMBRO.

Mr. HARRINGTON.
Mr. ROYBAL.
Mr. BADILLO.
Mr. GAYDOS in two instances.
Mr. SIMON.
Mr. EDWARDS of California.
Mrs. KEYS.
Mr. HEFNER in five instances.
Mr. HIGHTOWER.
Mr. FORD of Michigan in two instances.
Mr. ZEFERETTI.
Mr. OBERSTAR.
Mr. RODINO.
Mrs. SPELLMAN in three instances.
Mr. PICKLE in three instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 371. An act to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America; to the Committee on Banking, Currency and Housing.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on June 6, 1975 present to the President, for his approval, a bill of the House of the following title:

H.R. 5158. An act to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands.

ADJOURNMENT

Mrs. LLOYD of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p.m.), under its previous order, the House adjourned until Tuesday, June 10, 1975, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1186. A letter from the President of the United States, transmitting a draft of proposed legislation to strengthen staff capabilities for providing advice and assistance to the President with respect to scientific and technological considerations affecting national policies and programs (H. Doc. No. 94–179); jointly to the Committees on Science and Technology, and Government Operations, and ordered to be printed.

1187. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend title 27, United States Code, relating to special pay for nuclear qualified officers, and for other purposes; to the Committee on Armed Services.

1188. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 404(d) of title 37, United States Code, relating to per diem expenses of members of the uniformed services traveling on official business; to the Committee on Armed Services.

1189. A letter from the Chairman, Board of Trustees, Public Defender Service for the District of Columbia, transmitting the annual report of the Board for fiscal year 1974, pursuant to section 306 of Public Law 91–358 [§2–2226, District of Columbia Code]; to the Committee on the District of Columbia.

1190. A letter from the General Manager, Washington Metropolitan Area Transit Authority, transmitting a quarterly report on the Metrorail construction program dated May 1975; to the Committee on the District of Columbia.

1191. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed final regulations governing the strengthening developing institutions program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1192. A letter from the Assistant Secretary of the Interior, transmitting a copy of the annual report on the state of the domestic mining, minerals, and mineral reclamation industries, pursuant to section 2 of Public Law 91–631; to the Committee on Interior and Insular Affairs.

1193. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 75–22, that it is important to the national security of the United States to waive the prohibition against extending credit in connection with the sale of certain sophisticated weapons to an underdeveloped country, pursuant to section 4 of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1194. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on the implementation of the proposals contained in section 50(b) of the Foreign Assistance Act of 1974 setting forth policy on the independence of Portuguese African territories, pursuant to section 50(c) of the act; to the Committee on International Relations.

1195. A letter from the Attorney General, transmitting a report on activities of the Interstate Oil Compact Commission and the States under the provisions of the Interstate Compact To Conserve Oil and Gas, pursuant to section 2 of Public Law 92–322; to the Committee on Interstate and Foreign Commerce.

1196. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Motor Vehicle Information and Cost Savings Act to provide authority for enforcing prohibitions against motor vehicle odometer tampering, to authorize appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

1197. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act [8 U.S.C. 1182 (a)(28)(I)(ii)(b)]; to the Committee on the Judiciary.

1198. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens under the authority contained in section 13(b) of the act of September 11, 1957, pursuant to section 13(c) of the act [8 U.S.C. 1255 b(c)]; to the Committee on the Judiciary.

1199. A letter from the secretary, Aviation Hall of Fame, Inc., transmitting the report of the annual audit of the organization for calendar year 1974, pursuant to section 15(b) of Public Law 88–372; to the Committee on the Judiciary.

1200—A letter from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on the Atlantic Coast of Long Island, N.Y., from Jones Inlet to East Rockaway Inlet, requested by resolutions of the Committees on Public Works of the Senate and House of Representatives adopted March 30, 1963, and June 19, 1963, respectively, and in partial response to Public Law 71, 84th Congress; to the Committee on Public Works and Transportation.

1201. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting the first report on the status and progress of noise research and control programs in the Federal Government, pursuant to section 4(c)(3) of the Noise Control Act of 1972; jointly, to the Committees on Interstate and Foreign Commerce, and Science and Technology.

1202. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to eliminate trust fund financing for State capital expenditure review activities and expand the scope of mandatory outpatient services under State medical assistance programs; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

1203. A letter from the Comptroller General of the United States, transmitting a report on users, services, and problems of outpatient health care systems in inner cities; jointly, to the Committees on Government Operations, Interstate and Foreign Commerce, and Ways and Means.

1204. A letter from the Comptroller General of the United States, transmitting a report on progress in planning for America's Bicentennial celebration; jointly, to the Committees on Government Operations, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on June 5, 1975, the following report was filed on June 7, 1975*]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 5546. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; with amendment (Rept. No. 94–266). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 9, 1975*]

Mr. MORGAN: Committee on International Relations. H.R. 6334. A bill to amend further the Peace Corps Act; with amendment (Rept. No. 94–267). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 3979. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1976; with amendment (Rept. No. 94–268). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 492. Joint resolution making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 94–269). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee on Science and Technology. H.R. 7108. A bill to authorize appropriations for environmental research, development, and demonstration (Rept. No. 94–270). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 7703. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN (for himself and Mr. WOLFF):

H.R. 7704. A bill to assure that the discharge of chlorinated fluorocarbon compounds into the atmosphere will not impair the stratospheric ozone layer increasing the risk of disease (including skin cancer) and for other purposes; jointly to the Committees on Interstate and Foreign Commerce and Science and Technology.

By Mr. BERGLAND:

H.R. 7705. A bill to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes; to the Committee on Agriculture.

By Mr. BURLESON of Texas (for himself, Mr. POAGE, and Mr. DOMINICK V. DANIELS):

H.R. 7706. A bill to suspend the duty on natural graphite until the close of June 30, 1978; to the Committee on Ways and Means.

By Mr. JOHN L. BURTON:

H.R. 7707. A bill to amend title XVI of the Social Security Act to prohibit States from reducing their supplementation SSI benefits when cost-of-living increases (or other general increases) are made in such benefits, so as to assure that recipients of such benefits will actually receive those increases, and to prohibit reductions in Federal hold-harmless payments to States as a consequence of such increases; to the Committee on Ways and Means.

By Mr. CARTER:

H.R. 7708. A bill to provide incentives and otherwise to encourage the utilization of home dialysis and to encourage early kidney transplantation under the renal disease program authorized under section 226 of the Social Security Act; to the Committee on Ways and Means.

By Mr. CLANCY:

H.R. 7709. A bill to continue for a temporary period the existing suspension of duty on certain istle; to the Committee on Ways and Means.

By Mr. DE LUGO:

H.R. 7710. A bill to amend the Tariff Schedules of the United States to provide duty free treatment to watches and watch movements manufactured in any insular possession of the United States if foreign materials do not exceed 70 percent of the total value of such watches and movements; to the Committee on Ways and Means.

By Mr. DERWINSKI (for himself, Mr. ANNUNZIO, Mr. CRANE, Mr. HYDE, Mr. MADDEN, Mr. MITCHELL of New York, Mr. MURPHY of Illinois, Mr. RINALDO, Mr. ROE, and Mr. TREEN):

H.R. 7711. A bill to authorize the construction and maintenance of the General Draza Mihailovich Monument in Washington, District of Columbia, in recognition of the role he played in saving the lives of approximately 500 U.S. airmen in Yugoslavia during World War II; to the Committee on House Administration.

By Mr. DRINAN (for himself, Ms. ABZUG, Mr. EDWARDS of California, and Mr. LEVITAS):

H.R. 7712. A bill to prohibit actions by U.S. exporters which have the purpose or effect of supporting restrictive trade practices or boycotts imposed against countries friendly to the United States by other foreign countries; to the Committee on International Relations.

By Mr. DUNCAN of Tennessee (for himself, Mr. CARTER, Mr. MCCOLLISTER, Mr. ASHBROOK, Mr. THONE, Mr. MCCLORY, Mr. RAILSBACK, Mr. SEBELIUS, Mr. SNYDER, Mr. WINN, Mr. DEVINE, Mr. EVINS of Tennessee, Mr. SIKES, Mr. LOTT, Mr. JOHNSON of Pennsylvania, Mr. WIGGINS, and Mr. HINSHAW):

H.R. 7713. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history and on a guaranteed renewable basis; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. FASCELL:

H.R. 7714. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. FULTON:

H.R. 7715. A bill to extend until the close of June 30, 1978, the period during which certain dyeing and tanning materials may be imported free of duty; to the Committee on Ways and Means.

By Mr. GREEN (for himself and Mr. SCHNEEBELI):

H.R. 7716. A bill to amend the Tariff Schedules of the United States to suspend the duty on certain forms of zinc until the close of June 30, 1978; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. FITHIAN, Mr. KEMP, Ms. MEYNER, and Mr. WOLFF):

H.R. 7717. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself and Mr. DERWINSKI):

H.R. 7718. A bill to amend title 39, United States Code, with respect to the ogranizational and financial matters of the U.S. Postal Service and the Postal Rate Commission, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MATHIS:

H.R. 7719. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the disposal of surplus real property to States and their political subdivisions, agencies, and instrumentalities for economic development purposes; to the Committee on Government Operations.

By Mr. MILFORD:

H.R. 7720. A bill to amend the Airport and Airway Development Act of 1970, as amended, to authorize the Secretary of Transportation to make grants for airport development by grant agreements with sponsors and to provide for direct payments to certain types of sponsors during fiscal years 1976 through 1980, to provide national policy for protection and enhancement of the natural resources and the quality of the environment of the Nation in projects for airport development, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. MOAKLEY:

H.R. 7721. A bill to provide for the issuance of a special postage stamp in commemoration of the bicentennial anniversary of the Battle of Dorchester Heights; to the Committee on Post Office and Civil Service.

By Mr. MONTGOMERY (by request):

H.R. 7722. A bill to amend section 521 of title 38, United States Code, so as to continue the allowances for aid and attendance or housebound whenever a veteran's income changes and exceeds the statutory maximum; to the Committee on Veterans' Affairs.

By Mr. NOWAK:

H.R. 7723. A bill to authorize Federal financial assistance for the operation and maintenance of the Theodore Roosevelt Inaugural National Historic Site in Buffalo, N.Y.; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

H.R. 7724. A bill to coordinate State and local government budget-related actions with Federal Government efforts to stimulate economic recovery by establishing a system of emergency support grants to State and local governments; to the Committee on Government Operations.

By Mr. RINALDO:

H.R. 7725. A bill to amend the Federal Metal and Nonmetallic Mine Safety Act of 1966 for the purposes of terminating the Federal Metal and Nonmetallic Mine Safety Board of Review; to the Committee on Education and Labor.

By Mr. ROBERTS (for himself and Mr. HAMMERSCHMIDT) (by request):

H.R. 7726. A bill to amend title 38, United States Code, to set a termination date for veterans educational benefits under chapters 34 and 36 of such title, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SIKES:

H.R. 7727. A bill to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk; to the Committee on Ways and Means.

By Mr. STEPHENS (for himself and Mr. LANDRUM):

H.R. 7728. A bill to suspend until the close of October 31, 1975, the duty on catalysts of platinum and carbon used in producing caprolactam; to the Committee on Ways and Means.

By Mr. SYMMS:

H.R. 7729. A bill to amend the Funeral Transportation and Living Expense Benefits Act of 1974 (88 Stat. 53) to also provide memorial transportation and living expense benefits to the families of deceased servicemen classified as prisoners of war or as missing in action; to the Committee on Armed Services.

By Mr. THONE:

H.R. 7730. A bill to amend the Federal Seed Act; to the Committee on Agriculture.

By Mr. WALSH (for himself and Mr. GREEN):

H.R. 7731. A bill to suspend the duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975; to the Committee on Ways and Means.

By Mr. YOUNG of Florida (for himself and Mr. WOLFF):

H.R. 7732. A bill to amend the Emergency Petroleum Allocation Act of 1973 to provide for the equalization of residual fuel oil prices charged to public, private, and invested-owned utilities and other persons using such oil; to the Committee on Interstate and Foreign Commerce.

By Mr. FITHIAN (for himself, Mr. MCCLORY, Mr. EVANS of Indiana, Ms. SPELLMAN, Mr. SIMON, Mr. HARRIS, Mr. RUSSO, Mr. BERGLAND, Mr. YOUNG of Georgia, and Mr. SOLARZ):

H.R. 7733. A bill to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FORD of Michigan:

H.R. 7734. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FORD of Michigan (for himself, Mr. NIX, Mr. JOHNSON of Pennsylvania, Mr. LEHMAN, Mr. SIMON, Mr. MINETA, Mr. BRODHEAD, Mr. CLAY, Mr. PERKINS, Mr. O'HARA, and Mr. HELSTOSKI):

H.R. 7735. A bill to amend title 39, United States Code, to provide that certain publications of institutions of higher education shall qualify for second class mail rates; to the Committee on Post Office and Civil Service.

By Mr. FORD of Michigan (for himself, Mr. DOWNEY of New York, Mr. COHEN, Mr. LOTT, Mr. RIEGLE, Mr. BONKER, Mr. DIGGS, Mr. ROSE, and Mr. RUPPE):

H.R. 7736. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates; to the Committee on Post Office and Civil Service.

By Mr. HANNAFORD (for himself, Mr. CARTER, Mr. DUNCAN of Tennessee, Mr. SYMINGTON, Mr. BERGLAND, Mr. BURKE of Florida, Mr. ESCH, Mr. PICKLE, Mr. PRITCHARD, and Mr. SANTINI):

H.R. 7737. A bill to amend title XVII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. HANNAFORD (for himself and Mr. VANDER VEEN):

H.R. 7738. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 7739. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. PRITCHARD:

H.R. 7740. A bill to amend title II of the Social Security Act to assure the continuation of the present practice under which payments by States, with respect to coverage of State and local employees under section 218 of that act, are made on a quarterly basis; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 7741. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. SKUBITZ:

H.R. 7742. A bill to amend title XVII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. SKUBITZ (by request):

H.R. 7743. A bill to amend the Pennsylvania Avenue Development Corporation Act of 1972 (Public Law 92-578), as amended; to the Committee on Interior and Insular Affairs.

By Mrs. SPELLMAN:

H.R. 7744. A bill to amend and improve the war powers resolution; to the Committee on International Relations.

By Mrs. SPELLMAN (for herself and Mr. LONG of Maryland):

H.R. 7745. A bill providing for the review of executive agreements; to the Committee on International Relations.

By Mr. MAHON:

H.J. Res. 492. Joint resolution making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations.

By Mr. BELL (for himself, Mr. KREBS, Mr. STEIGER of Wisconsin, Mr. GUDE, Mr. EDGAR, and Mr. HAWKINS):

H.J. Res. 493. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on the products of all foreign enterprises engaged in commercial whaling; jointly to the Committees on Merchant Marine and Fisheries, and Ways and Means.

By Mr. HOWARD:

H.J. Res. 494. Joint resolution authorizing the President to proclaim September 8 of each year as National Cancer Day; to the Committee on Post Office and Civil Service.

By Mr. MCDONALD of Georgia (for himself and Mrs. SCHROEDER):

H.J. Res. 495. Joint resolution to stop the loan of three landing craft (LCM-8's) to Panama, and for other purposes; to the Committee on Armed Services.

By Mr. BRINKLEY:

H. Res. 516. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

By Mr. HAYS of Ohio:

H. Res. 517. Resolution providing for the payment of witnesses for appearing before the House or any of its committees; to the Committee on Rules.

By Mr. MONTGOMERY (for himself, Mr. ROSENTHAL, Mr. MAGUIRE, Mr. HIGHTOWER, Mr. BURKE of Massachusetts, Mr. BRODHEAD, Mr. PASSMAN, Mr. BLOUIN, Mr. PATTISON of New York, Mr. J. WILLIAM STANTON, Mr. ECKHARDT, Mr. BLANCHARD, Mr. DUNCAN of Oregon, and Mr. WHALEN):

H. Res. 518. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

173. By the SPEAKER: Memorial of the House of Representatives of the State of Michigan, relative to economic revitalization of Detroit; to the Committee on Banking, Currency and Housing.

174. Also, memorial of the Legislature of the State of Washington, relative to designating the apple blossom as the official national flower of the United States; to the Committee on House Administration.

175. Also, memorial of the Legislature of the State of New York, relative to the use of small directional signs along interstate and primary highways; to the Committee on Public Works and Transportation.

176. Also, memorial of the Legislature of the State of North Carolina, relative to fuel taxes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DOWNEY of New York introduced a bill (H.R. 7746) for the relief of Anthony Casamento, which was referred to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

148. By the SPEAKER: Petition of the city council, Fort Worth, Tex., relative to the selection of the F-18 as a combat fighter by the Navy; to the Committee on Armed Services.

149. Also, petition of Robert H. C. Knoblach, Allentown, Pa., relative to designating Flag Day and Constitution Day as legal public holidays; to the Committee on Post Office and Civil Service.

150. Also, petition of Robert H. C. Knoblach, Allentown, Pa., relative to broadcasting Flag Day ceremonies in the House of Representatives; to the Committee on Rules.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6792

By Mr. CONYERS:

On page 18, immediately after line 23, insert the following new paragraph:

"(32) Rule 32(a)(2) is amended by striking out 'There shall be no duty on the court to advise the defendant of any right of appeal after sentence is imposed following a plea of guilty or nolo contendere.' and inserting in lieu thereof the following: 'The court shall advise the defendant of any right to appeal after sentence is imposed following a plea of guilty or nolo contendere.'."

And redesignate paragraphs (32) through (35) as (33) through (36) respectively.

By Mr. HUNGATE:

(Technical amendments.)

Page 7, line 2, insert "or nolo contendere" immediately after "guilty"

Page 17, line 25, strike out "witnesses" and insert "witness" in lieu thereof.

Page 16, line 21, insert "or defense" immediately after "government".

By Mr. HYDE:

On page 13, strike out line 18 and all that follows down through the end of line 9 on page 14.

EXTENSIONS OF REMARKS

SENATOR ROBERT C. BYRD DELIVERS CHALLENGING COMMENCEMENT ADDRESS AT ALDERSON-BROADDUS COLLEGE—RECEIVES HONORARY DOCTOR OF LAWS DEGREE

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, June 9, 1975

Mr. RANDOLPH. Mr. President, our able colleague, Senator ROBERT C. BYRD, was awarded an honorary doctor of laws degree during commencement exercises at Alderson-Broaddus College in Philippi, W. Va., on Sunday, May 18.

Alderson-Broaddus, a private Christian liberal arts college, has as its purpose the uniting of excellence in academic achievement with dedication to service and cultivation of strong faith. Dr. Richard E. Shearer is the president of this fine institution.

Other honorary degree recipients included Jim Comstock, editor of the West Virginia Hillbilly, who was awarded a doctor of literature degree; John W. Keck, pastor, Emmanuel Baptist Church, Parkersburg, a doctor of divinity degree and Robert W. Simmons, president of Huntington Alloys Product Division and vice president, International Nickel Co., Inc., a doctor of laws degree. All are West Virginians with constructive careers.

Ground was also broken for a new chapel on the campus and was one of the highlights of commencement weekend.

Jim Comstock, our good friend and gifted writer, spoke at the alumni senior banquet on Saturday. He is completing a comprehensive encyclopedia on West Virginia. Jim is also the founder of the University of Hard Knocks, a mythical university that honors successful individuals who are not college graduates. Alderson-Broaddus will become the home of this university.

C. Shirley Donnelly, chaplain of the Veterans' Administration Hospital in Beckley, delivered the baccalaureate address on Sunday morning. The Donnelly Chair of History was established in his honor.

Our majority whip, Senator BYRD, delivered an eloquent and challenging commencement address. He reminded the 206 graduates, representing 23 separate degrees, of the contributions and sacrifices by their parents and grandparents.

It is "They who have made sacrifices and who have toiled for our country and for you over a period of many years."

Senator BYRD emphasized that these citizens overcame adversities and urged that we must do the same today. "What is needed in this land is not so much the self-fulfilling prophecies of ruin as the bracing realism of those who know that the challenges of our time are no greater than those encountered and overcome by our fathers; and that events are indeed 'soul-size,' and that what matters most is our response to the problems we face," the Senator continued.

The kind of comprehensive domestic and global response which is called for, Senator BYRD stressed, demands vigorous, bold, and innovative leadership—providing hopeful direction not only for our own country but also for the world community—the kind of cooperative leadership which calls forth the spirit of sacrifice. He said that spirit and faith can give us the bracing optimism we need to seek solutions for our problems.

The Senator's remarks are timely. I have read this speech very carefully. And I have reread it. Yes, it is a truly great address. I request unanimous consent, Mr. President, to have this address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS TO ALDERSON-BROADDUS COLLEGE

(By Senator ROBERT C. BYRD)

Dr. Shearer, members of the Faculty, Members of the graduating class, ladies and gentlemen: It is a genuine pleasure to be with you on the Alderson-Broaddus campus and to be a part of these commencement exercises. I thank your president for inviting me.

In the West Virginia Blue Book, this college is described as a liberal arts college having as its purpose the uniting of excellence in academic achievement with dedication to service and cultivation of strong faith. I can think of few more worthy purposes.

I start this address by reintroducing you ladies and gentlemen of the graduating class to some of the most remarkable people you have ever met—people you might want to thank on this graduating day; people to whom you have been so close for so long, that their contributions to your lives may possibly have escaped your consciousness. I refer to your parents and to your grandparents, who have made many sacrifices and who have toiled for our country and for you over a period of many years.

These people—your parents and your grandparents—are the people who, within the past five decades, have increased your life expectancy by nearly fifty percent. They are people who, while cutting the workday by almost a third, have still managed to increase national productivity to almost double what it was fifty years ago.

These same often-maligned people also lived through the greatest depression in history. Many of them know what it is to be really poor, what it is to be cold and hungry; they know what it is to work at tedious and exhausting part-time jobs in order to get an education, because there was no such thing as a college loan or a federal grant-in-aid in their time.

These Americans—your parents and your grandparents—determined that the deprivations they suffered would not happen to you, and they did something about it. And what they did has given you a better life, better food to eat, better living conditions, and vastly greater opportunities to succeed than they had.

Because they did those things, you who are graduating today are the healthiest, the best educated, and probably the best looking generation ever to inhabit these United States.

Your parents and grandparents achieved what they did by having a genuine desire for a better future, and by having the determination and fortitude to work hard to ensure that better future—not only for themselves but also for you. Nobody gave it to them. Yet, self-appointed critics of the last two generations label them as old fashioned and square. But it is because of their discipline, their hard work, and their dedication to old fashioned values that you will work fewer hours for better pay, learn more, have more leisure time, be able to travel to more distant places, and have a much better chance to realize your life's ambitions, than your parents or grandparents had.

On the domestic front, these so-called "old folks" of yours have been builders and healers. They have constructed thousands of schools, and trained and hired tens of thousands of teachers. They helped make higher education possible for millions of young Americans, where it was once the privilege of but a wealthy few. And they made a start toward healing the scars of the earth, and in fighting pollution and the destruction of our environment. They set in motion laws giving conservation new meaning, and setting aside recreation and wilderness areas to be enjoyed by your generation and generations to come.

While they were doing all this, they also achieved the very dubious distinction of becoming the most heavily taxed generation in American history. I have a feeling, however, that your generation will be given a chance to break that record!

Most of you will have read Charles Dickens' great novel of another age of violence and unrest, "The Tale of Two Cities." In reflecting upon my remarks for this occasion. I remembered the majestic opening of that book: "It was the best of times; it was the worst of times. It was an age of wisdom; it was an age of folly."

There you have it—two quite disparate ways of looking at and judging the times in which we live. It all depends on where you stand and what you take into the account, whether the human condition be seen as filled with promise and with hope or overshadowed by darkness and gloom. "Alas, the times and the customs," cried Cicero in a very different spirit, Emerson wrote in 1864—one year after West Virginia had been admitted into the Federal Union and in the midst of a terrible war—"These times of ours are serious and full of calamity, but all times are essentially alike."

All times are essentially alike; that is to say, each generation must confront the problems and challenges of its times with fresh courage and renewed faith. Our liberty and security must be, in effect, rewon in every age by the dedication of people who care deeply for the heritage which is ours as a nation.

America is facing a troubled period, marked by severe economic dislocation at home and abroad, the double-threat of inflation and recession, high unemployment, and the steady weakening of our position in the world at large. I do not deny the gravity of the difficulties with which our country must deal nor do I counsel a kind of pollyana view which supposes that our problems will fade away if we think cheerful thoughts.

However, it is very easy—too easy—to strike a Cassandra role, prophesying woe and cutting the nerve of human response and initiative. Indeed, it is almost fashionable to indulge in pessimistic rhetoric of the "doom and gloom" variety. "I would a thousand times rather be stricken with fever," wrote Voltaire to Frederick the Great, "than think gloomily."

What is needed in this land today is not so much the self-fulfilling prophecies of ruin as the bracing realism of those who know that the challenges of our time are no greater than those encountered and overcome by our

fathers; and that events are indeed "soul-size," and that what matters most is our response to the problems we face.

An eminent political scientist and scholar (Zbigniew Brzezinski) has spoken with penetrating realism on the nature of the crisis we face—unprecedented that it is simultaneously a triple crisis—economic, cultural, and international.

It is economic, in that it combines the evils of inflation and recession with monetary instability, thus making the economic situation almost unmanageable. It is cultural, in that the spiritual and intellectual malaise of our time has seemed to undermine those quantities essential to modern democracy, namely, confidence, civility, and compromise. Social optimism is replaced by a widespread and soul-ravaging pessimism. The crisis is international, in that the system of world politics based on the protective power of the United States—which had come into being after the second world war—now appears to be in jeopardy. Certainly, it is the very painful process of adjustment.

This is the society and the world into which you who are graduating today are entering, and I do not minimize the burdens of responsibility which will be yours as citizens and leaders.

But I am bold to make quite a different prophecy—(of optimism rather than pessimism), not because I cannot see the problems but rather because I also see the nature of America, its promise and its heritage, as well as the hope and faith which animate its men and women today as they did in the past. In the long perspective of history, there is no cause for despair. In fact, that very perspective gives to us as it gave to our forebears a sustaining sense of greatness and the will, under God, to do and to dare.

The kind of comprehensive domestic and global response which is called for demands vigorous, bold, and innovative leadership—providing hopeful direction not only for our own land but also for the world-community—the kind of cooperative leadership which can call forth the spirit of sacrifice. That spirit alone can give us the bracing optimism we need to seek solutions for our problems.

These problems are partially of our own making, and partially the inevitabilities of a changing world. Almost since the days of our Nation's founding, we have been economically and industrially self-sufficient because of the abundance that nature bestowed on our continent. Because of our geographical location between two of the world's great oceans, we have been the beneficiaries of greater territorial security than have countries that are separated from potential aggressors by only a mythical line on a map.

This natural abundance—allied to our capacity for hard work and our scientific and technological genius—produced a standard of living so superior to any other on earth that we have developed a dangerous complacency. Recent events at home and abroad have jolted this complacency, and perhaps not too soon.

We have had our problem periods before, and we have overcome them. There is no reason to think that we cannot do so again. But in order to do so, we will have to rekindle the flame of patriotism and pride in America that were among our most enduring national qualities in the years of our building. Even though international interdependence is now a fact of life, it is no reason why we should forsake in the slightest degree, our traditional pride in our nationhood.

We are about to celebrate the bicentennial of this Nation. It is an appropriate time to take counsel, to reflect upon the past, and to consider the meaning of the present. If such reflection can teach us anything at all, it reminds us of the measure of remarkable progress effected by mankind during its long pilgrimage—and most dramatically, here in these United States.

In 1900, approximately 1 percent of the human race lived above the level of bare subsistence. Today, with a vastly enlarged population, approximately 30 percent live above that level. This represents, I repeat, ground for sober optimism regarding the human condition and unashamed pride in the contribution made by America to the material as well as spiritual well-being of the world.

I have spoken of the long view given by history. We in America are fast approaching an interesting conjuncture of three things—a slump in business activity, a bicentennial celebration, and a presidential election—all in 1976. Precisely, a similar conjuncture occurred one century ago in 1876.

In that year, the economy was entering its third year of slump and unemployment—a condition shared by the nations of Europe. Everywhere at home, there seemed to be a breakdown of moral and ethical standards, a time of confusion and cynicism replacing the idealism of the war years.

History also appears to be repeating itself in the preparations for celebrating the 1976 Bicentennial.

Samuel Eliot Morison and Henry Commager, whose "Growth of the American Republic," many of you may have read in your American history studies, told us in that book that the U.S. prepared to celebrate the centennial of her independence in the midst of political scandal and economic stagnation, not unlike the political and economic woes that currently beset us as our Bicentennial looms ahead.

I daresay the prophets of doom and gloom were at least as active in 1876 as today. Yet, within less than a decade the economy was experiencing revival and prosperity! Moreover, America entered upon a period of immense vitality and creativity as it assumed a new role in the world.

Go back, for that matter, two hundred years to 1776, and consider the situation in which the founding fathers made their act of faith. An infant republic beset by war and rumor of war, facing the gravest of crises, uncertain of the future and wary of the present, undergoing, in Tom Paine's words, "The Times that Try Men's Souls."

These times in which we live are indeed ours if, as has been said, we but know what to do with them. We dare not allow ourselves the luxury of a paralyzing pessimism. If this be the worst of times, it may also be the best of times. Under God, the future is ours to shape as we will.

The Frenchman, De Tocqueville, visiting the United States in 1840, thought that optimism was the most distinguishing characteristic of the American people. He said, "the incredible American believes that if something has not been accomplished, it is because he has not yet attempted it."

Since De Tocqueville made that statement, the incredible American has built 27,000 miles of navigable inland waterways; has attempted—and accomplished—a walk on the moon!

This magnificent courage, boundless faith, and indomitable optimism was never even questioned until the current intellectual malaise. With a plow, an ax, a bag of seed, faith in God and in his country's destiny, the incredible American trudged across the Alleghenies, the Great Plains, and the forbidding Rockies, to build a nation stretching from the Atlantic to the Pacific!

What a heritage they gave us! We must preserve it.

You men and women have completed a significant stage in your lives. Your families and teachers, your friends and colleagues, share in the pride and sense of accomplishment which is yours today. May that shared joy serve also to inspire you to take your part in the ongoing life of our American Democracy, to confront boldly the complex problems we face—not minimizing their complexity, but with confidence in the God-given power of free human beings to direct their destinies.

My closing thought to you now is simply this. The door of the future is open.

We don't have to go through it. It might be easier for us to stay here, back in the old world, with our old prejudices and our old preconceptions and notions, with our favorite habits and fears, and even with our old mistakes to which we have become accustomed. But if you want to, you can walk into the new world through the open of the future. There is always the possibility of a new beginning, of new responsibilities and new visions if we but understand the thrust of history in our own times. "Accusing the Times," wrote Thomas Fuller, "is but excusing ourselves."

I salute you and wish you well in this worst and best of times for America and for the world.

WILL CONGRESS EVER LEARN?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. BAUMAN. Mr. Speaker, the Daily Times of Salisbury, Md., recently spoke out on the serious national problems caused by continued Federal deficit spending. This editorial is worth considering as it raises the question why the Congress cannot apply the same basic economic principles to its actions such as those which govern the lives of individual Americans.

I insert the editorial at this point:

A LESSON TO LEARN

A lesson of the Vietnam war is that you can't have guns and butter while paying for only one.

The Johnson administration used this phrase in the early stages of the war. People were told they could finance the war and also the Great Society program without raising taxes.

Charles L. Schultze, the late President Lyndon B. Johnson's budget director from 1965 to 1967, claims this policy was clearly responsible for the inflation of 1968 through 1971. There may be some residual effect on the current inflation, but he feels price raises of the past couple of years were due largely to other causes.

Thus, the guns and butter concept was responsible for the initial stages of inflation. That's because the country was not willing to pay the taxes needed to finance the whole package and prevent the federal budget from getting out of hand.

Then, other factors, oil and food prices, government economic policies, and dollar devaluations contributed much to the 1973–75 inflation.

Congress did enact a $15 billion tax surcharge in mid-1968, ordered a cutback in spending and cut government workers from the payroll. But the action came too late, experts say, and inflation rolled on, though in much smaller annual increases than we've had in the past couple of years.

It's a mystery how congressmen elected to serve the best interests of the country as a whole wind up going along with continued deficit spending. They must know that one day the government must be held accountable, just as is the average housewife who gets so much for household expenses. The difference is, she can't manufacture the paper the way the federal treasury can.

But then it's no mystery at all when you consider that the average congressman's gut reaction is to do what's best to enhance his re-election. Until we get enough candidates who promise to reverse the trend and keep their word, and then convince enough people that this is the only way to lick the problem, there won't be anything done about it.

THE SABOR SYSTEM OF CROATIA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. McDONALD of Georgia. Mr. Speaker, among the young intellectuals in Eastern Europe a disenchantment with Marxism and Communist colonialism has been growing rapidly. A good example of this disenchantment with Marxism can be found in the program of the Croatian National Movement, which was organized by young Christian Croatian intellectuals in Zagreb in 1967. Widely circulated throughout Croatia through clandestine means, the program has been emulated in Serbia and Slovenia as well. It is vastly encouraging that concepts of representative government, individual liberty and national independence could not be exterminated by tyranny, of either Nazi or Communist varieties.

The "Sabor System" mentioned in the program refers to the historical Croatian Sabor—Parliament—which even predates the coronation of the first Croatian king one thousand and 50 years ago. The ancient, democratically elected Croatian Sabor, with its open discussion and open voting, had parallels in many Eastern European nations.

It can be hoped that the direction of the ideas contained in the program of the Croatian National Movement will be furthered, and extended to other captive nations. The following abstract of the program of the Croatian National Movement is abstracted from the Croatian-language newspaper Danica, published in Chicago, on March 14, 1973:

PROGRAM OF THE CROATIAN NATIONAL MOVEMENT

The Croatian National Movement was organized in 1967 in Zagreb, Croatia's capital. The Movement was active during the "Croatian Spring", but after the events in Karadjordjevo in December 1971, members of the Croatian National Movement continued even more vigorously their underground activities. The Movement consists of two branches: the political (Croatian National Movement) and the military (Croatian Liberation Army).

The goals and principles of the Croatian National Movement are as follows:

1. Croatian Independence—the re-unification of Croatia in its ethnic geographic area.

2. Civil Liberty—the guarantee of personal freedom for all citizens.

3. Equal rights—the guarantee of equality to all citizens without prejudice as to national origin or creed.

4. Social justice—all citizens to be assured of the opportunity to earn sufficient material needs, the opportunity for education, health care and pensions.

The development and well-being of every nation is contingent upon the civil liberties enjoyed by its citizens. In a free Croatia civil liberties such as freedom of thought and expression, freedom of the press, freedom to practice one's religion and others will be guaranteed. It is the intention of the Croatian National Movement to establish in free Croatia a non-partisan and democratic parliamentary form of government ("Sabor System").

A multi-party system, especially in a small nation such as Croatia, undermines the unity and cohesion of the nation's leaders, and curtails the progress of all aspects of national development. Frequently, much time and energy is expended by political parties which rival for power, again to the detriment of national development.

On the other hand, the one-party system militates against the authentic democracy of any nation. By its very nature it divides a nation into three classes of people: (a) the ruling class (the totalitarian minority which possesses all political power); (b) the legally deprived majority (the citizenry, who have no power to elect their own representatives); and (c) the rebellious class (those who stand in opposition to the ruling class and attempt to defend the civil rights of the people). These three classes are present in Croatia today.

It is the intention of the Croatian National Movement to establish the Sabor System, which means that all citizens regardless of national background, creed or sex would have the right to elect to public office individuals of their own choosing. In this way, public officials would be elected on the basis of their experience, abilities, responsiveness and integrity, rather than merely upon their affiliation with a political party.

The Croatian National Movement believes that the Sabor System would be the most efficient and also fully democratic type of government in the future free and independent Croatian Republic, but it is going to be up to the citizens of Croatia to freely adopt the system of government they will prefer to have.

THE DEATH OF TED BLOCK

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. LLOYD. Mr. Speaker, a tragic loss has befallen the community of West Covina, Calif., myself and the family and friends of Ted Block, who passed away June 5, 1975, a victim of cancer.

Ted Block was a fine man, and I was proud to have him as a friend. He came from humble origins in east Los Angeles, and became a successful automobile dealer in West Covina.

He leaves us at the young age of 44, an age when he should have been enjoying the rewards in life for which he worked for many years.

Ted was indeed the epitome of the American ideal; that any person with initiative and desire can achieve his goals. It is indeed tragic that Ted was not able to live a full life. Those of us who knew and loved Ted will always have an empty space in our lives because of his passing.

It is my sincere hope that cancer can be cured in the near future, and that so much suffering can be eradicated. This world needs all the Ted Blocks that we can get.

ELIMINATING THE MEANS TEST FOR SENIOR CITIZENS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. EILBERG. Mr. Speaker, the Philadelphia City Council voted May 29, 1975, to ask the Congress to eliminate the title 20 provision of the Social Security Act. This act requires a means test of senior citizens who request social services. I am inserting in today's RECORD the text of the Philadelphia City Council's resolution for the Members' attention.

Together with Congressman H. JOHN HEINZ III, of Pennsylvania, I have introduced legislation, H.R. 7032, to correct this problem which was created when Congress passed Public Law 93–647, creating a new title 20 of the Social Security Act. I would urge all Members to act to cosponsor and lend their support to this needed corrective legislation. Following is the text of the council's resolution:

RESOLUTION No. 403

Memorializing the President and the Congress of the United States to enact legislation eliminating any "means test" with respect to expenditures for education, transportation, recreation, socialization or associated services for senior citizens

Whereas, the hub of senior citizen activities and life in the City of Philadelphia takes place at the many senior citizen centers throughout the City; and

Whereas, These centers provide free hot meals, nutrition, education, recreation, medical attention, personal counselling, social work services and transportation; and

Whereas, The senior citizens centers are financed by Federal funding granted by the Older Americans Act of 1965 and enabled by Title XX (20) of the Social Security Act of 1974; and

Whereas, The Older Americans Act specifies services be given to persons 60 years of age or over, regardless of income; and

Whereas, Title XX (20) of the Social Security Act applies an income qualification "means test" of 80 percent to 115 percent of the median income of Pennsylvania senior citizens as a qualifying ceiling for receipt of services; and

Whereas, A means test is a degrading and useless invasion of privacy; and

Whereas, The Title XX (20) means test will be required for any senior citizen who desires a minimum of service, such as counselling or socialization; and

Whereas, The Title XX (20) means test of 4 pages and 20 questions in length will consume 40 percent of the work hours of already over-burdened staff personnel; and

Whereas, A means test will destroy the centers because senior citizens will refuse needed services rather than submit to such an examination; therefore

Resolved, By the Council of the City of Philadelphia, That we hereby memorialize the President and the Congress of the United States to enact legislation, particularly Bill H.R. 7429, which will eliminate the aforesaid punitive Title XX regulations reported in the Federal Register of April 14, 1975, Subpart F, Sections 228.60 and 228.61 entitled "Limitations—Individuals Served, Eligibility and Fees."

Resolved, That certified copies of this Resolution be forwarded to the President of the United States, the President pro tem of the United States Senate, the Speaker of the

United States House of Representatives, the two Pennsylvania Senators and the four members of the House of Representatives from Philadelphia.

Resolved, That copies be sent to the Governor of Pennsylvania and President pro tem of the Pennsylvania Senate and the Speaker of the Pennsylvania House of Representatives urging them to add their voice to the said request.

Certification: This is a true and correct copy of the original Resolution adopted by the Council of the City of Philadelphia on the twenty-ninth day of May, 1975.

STRIP MINE BILL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. EILBERG. Mr. Speaker, tomorrow we are scheduled to vote to override President Ford's veto of the strip mine bill. The President's decision to veto this measure—as were his other vetoes—is not in the best interest of the people of the United States and I intend to vote for the override.

At this time I enter into the RECORD a letter I received from the Governor of Pennsylvania, Milton J. Shapp, which very clearly states why the President made a bad decision:

OFFICE OF THE GOVERNOR,
Harrisburg, Pa., June 2, 1975.

Hon. JOSHUA EILBERG,
Rayburn House Office Building,
Washington, D.C.

DEAR JOSH: While President Ford's veto of the strip mine bill came as no surprise, it represents a setback for the entire nation and especially for Pennsylvania.

The measure, as you are aware, is weaker than the one vetoed last year and seeks to meet some of the objections the President registered at that time.

This proposed law means new jobs for Pennsylvania through reclamation. Millions of dollars will flow back into Pennsylvania as a result of the reclamation fund. Useless land and jobless people will be restored to greater economic health. With nine per cent unemployment in Pennsylvania we can use every one of these new jobs.

Yet, the President claims that this bill could cost as many as 36,000 strip mine jobs and decrease the production of coal in the nation. This is ridiculous. There are now fewer than 36,000 mine workers employed altogether in strip mining. I understand that the phone lines from Washington have been burning in an effort to cover tracks as the President's advisors try to get figures to substantiate the veto. The figures don't exist.

The Ford Administration's claim that an effective strip mine law will prevent the extraction of coal through surface mining fails to stand up on examination. The Pennsylvania law is the nation's strongest and our present regulations and enforcement are probably more stringent than will be the case for many other coal states under the proposed federal law.

Yet, the production record in Pennsylvania speaks for itself. In 1971, seven years after the Commonwealth law became effective, 26.8 million tons of bituminous coal were strip mined in Pennsylvania. It took 5,432 strip mine employees to do this job. In 1974, Pennsylavnia's coal production soared to 36 million tons due to many technological improvements. The industry used 6,416 mine employees to produce this coal.

Pennsylvania needs this strip mine law that Congress approved. That law represents a floor for all coal states. Without it, Pennsylvania coal will be at a disadvantage since its surface mine operators and mine workers will be forced to compete with states having far weaker laws than Pennsylvania, or no laws at all.

The commitment to coal in Pennsylvania is no secret. We are third in the production of coal in the Nation. Our law has not hampered production or cost jobs. An economic benefit has resulted while the scars of its achievement have been reclaimed into valuable public and private resources. Pennsylvania's land is producing coal and continues to be productive through reclamation.

For these reasons and to protect the great American natural heritage, I urge you to vote to override the President's veto. We can have the coal we need, more jobs and a truly good earth in these United States if only we make certain that those who disturb our land to extract coal, do not leave the land looking like a moonscape.

Sincerely,

MILTON J. SHAPP,
Governor.

CAROL STASSI'S WINNING ESSAY

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. HÉBERT. Mr. Speaker, I am very pleased to receive the text of an essay by Carol Stassi who won first place in the Daughters of the American Revolution statewide American history essay contest.

Her essay on Nathan Hale, "Listen America, and Fear Not," won the eighth grade division in the State. Her entry last year won in the seventh grade division.

Carol, who is 14 years old, is an honor student at the Clifton L. Ganus School where she is a member of the volleyball and softball teams, a cheerleader, a recipient of the Outstanding Scholastic and Athletic Award, and was inducted into the Hall of Fame.

I am most pleased that she is the daughter of my constituents, Mr. and Mrs. Alunzo J. Stassi, 6051 Chamberlain Drive in New Orleans, La.

This essay by this young girl gives hope to those of us who are concerned about America's future. Her essay is as follows:

LISTEN, AMERICA, AND FEAR NOT

There are brave, loyal Americans who live in fear. They fear our "new generation" cannot hear a voice which has resounded to inspire and challenge Americans for 199 years with fourteen majestic words. They dread our exposure to the sadistic treason and sedition of the Fondas, Davises, Spocks and Ellsworths has done what Sir William Howe's hangman's noose could not do on the morning of September 22, 1776. Frightened Americans sincerely believe today's self-anointed Judas Iscariot's gospel of personal safety in return for boot-licking and pacifying those who would destroy America has silenced Nathan Hale's immortal words, "I only regret that I have but one life to lose for my country."

The fearful suggest that the ravings of emotional pygmies, whose fame is having burned and bombed ROTC buildings and private property in Watts, Detroit and Wounded Knee, harmonizing with the thuds of national heroes falling in shame at places like Chappaquidick and Watergate, and the scraping sounds of our government on its knees offering amnesty to cowards, have robbed our "now generation" of an American heritage. That heritage is an understanding and appreciation of a single sentence which best describes the philosophy of those who died to give life and protection to our Republic. It has echoed from the bloody decks of the Bonhomme Richard to Fort McHenry's fortifications, from an orchard at Shiloh to San Juan Hill, from the Argonne trenches to a beach at Tarawa, from a reservoir near the 38th parallel to a rice paddy in Nam.

We, the youth of America say to you who fear Nathan Hale's voice is silent, "Listen! Listen to his voice!" It does not come from stone lips of statues marking his martyrdom nor supernaturally from the grave. His words resound in 1975, as they have since 1776, from those of us who, like him, love liberty more than life.

Listen, not only to Hale's last words, but to those that tell the story of his life. He was just another American like the teen-ager down your street. His parents were middle class farmers in Coventry, Connecticut. One of his lieutenants, Elisha Bostwick, recalled his Coventry Captain as a pious, tall, good-looking, blue-eyed twenty-one year old, with short blond hair. His voice was sharp and piercing like a quarterback's. His athletic ability would have today's college and pro coaches rushing to recruit him. Because of his mental and scholastic ability, Yale graduated him at eighteen.

Nathan's own words prove he was like many of us in the "now generation". He was restless and wanted to do something important. And he wanted to do it quickly. Two weeks after Concord and Lexington, he resigned from teaching with these words, "At this time there seems to be an opportunity for more extended public service." In April, 1775, citizens of New London, Connecticut heard First Lieutenant Hale tell those he was recruiting, "Let us march immediately and never lay down our arms until we obtain our independence."

Was he offered, as we are, personal safety for boot-licking and pacifying those who would destroy his liberties? Listen and draw your own conclusions. Nathan volunteered for "The Rangers", a unit General Washington hand picked for extremely dangerous duty. Soon afterwards, Washington asked the Rangers' commander, Lt. Col. Thomas Knowlton, for a volunteer to spy behind British lines. Hearing of the request, Nathan returned to his tent to make his fateful decision. A good friend, former classmate and fellow officer tried to talk him out of volunteering. William Hull recounted telling Nathan of all the mission's negatives, predicting he would be captured, humiliated and executed. Captain Hale listened, shook hands and departed with these words, "I will reflect, and do nothing but what duty demands." Sounds like a kid you know, doesn't it?

Was he ever exposed to emotional pygmies? Nathan, disguised as a Dutch schoolmaster, was captured just one mile from the American lines. The British found the information Washington had requested written by Hale in Latin under the inner soles of his shoes. He did not deny his mission, but bravely defended it. Sir William Howe, without a trial, ordered the Rangers' Captain hung the next day. Facing approaching death, Nathan asked for a minister. The British Provost Marshal, an emotional and moral pygmy, refused. Nathan then requested a Bible. Again he was denied. This pygmy in British uniform burned the letters Nathan wrote minutes before his death to his brother and a fellow officer. His excuse for depriving the world of what may have been masterpieces of patriotic literature was to make sure, "the rebels should not know that they had a man in their army who could die with such firmness."

Did any of his national heroes ever fall in shame? His neighbor in Connecticut was a national hero. His name was Benedict Arnold.

You doubt he ever met cowards, deserters or a Judas Iscariot? Recruiting his own company for the "7th Connecticut", he met cowards with excuses. On August 27, 1776, he watched men desert their posts and run from British guns on Long Island. If his cousin, Samuel Hale, had not betrayed his mission and identified him, he would not have been captured or martyred.

None of us in the "now generation" may become what one author called Nathan Hale, "a priceless national possession". But fear not! We will do our thing in children's nurseries, hospitals, court and class rooms, pulpits, laboratories, marketplaces, sports arenas and, if necessary, on fields of battle, "doing nothing but what duty demands".

And with God's help, when death comes, we will echo for future generations of Americans those paraphrased words of Nathan Hale, "I only regret that I have but one life to give in the service of my country."

THE VIEWS OF SOUTHERN ARIZONANS

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. UDALL. Mr. Speaker, Arizona's Second Congressional District is unique in many ways. However, I believe the concerns of my constituents are shared by many other Americans.

For this reason, I would like Arizonans' views on a wide range of questions, indicated to me in a survey, to be available as the Congress drafts legislation.

I mailed 216,000 copies of the survey on March 1. Almost 38,000 persons responded. Many voters said they never had written to a Congressman and were glad to have the opportunity.

A scientific sampling of the questionnaires shows that many of the respondents think the energy crisis phony. But given a choice of how to reduce fuel consumption, a slight majority favors some form of gasoline rationing in preference to higher gas prices. A large majority says Congress should pass a special tax to discourage production of cars with low gas mileage.

My constituents believe that inflation has hurt them more than the recession. When asked about Government spending the respondents split widely, favoring a smaller total budget by a slim margin. The respondents favor more spending on energy research, consumer protection, crime and drug control, social security benefits, and aid to the poor and jobless.

Constituents wrote that wanting more money for some areas and a cut in the total budget was not inconsistent because wasteful spending could be eliminated.

Less money should be spent on defense and aid to business, according to my constituents.

On other domestic questions, the respondents oppose an amendment to the Constitution to prohibit abortions and favor the elimination of distinctions in Federal laws based on sex.

A majority favors achieving racial balance in schools by integrated housing patterns rather than by busing children out of their neighborhoods.

My constituents consider national health insurance a necessity and think no American should have to go to bed hungry, even if that means increased food stamp costs.

They approve of building the Central Arizona project for bringing Colorado River water to the State and most respondents think the city of Tucson should contract to buy CAP water.

In foreign affairs, the respondents say the United States should fully recognize Communist China and restore relations with Cuba.

The majority opposes guaranteeing the security of Israel. Because it is difficult to tell exactly how much support my constituents want to give Israel, future questionnaires will have more specific questions on that topic.

My constituents favor food aid for other countries but a majority think we should send food aid to underdeveloped countries only if they start population control programs.

Below are the responses on these and other questions produced by the scientific sample of the questionnaires. Respondents were given five options on each question in order to precisely express their views:

[In percent]

	Agree strongly	Tend to agree	No opinion	Tend to disagree	Disagree strongly
ENERGY AND THE ECONOMY					
1. Some form of gasoline rationing is preferable to President Ford's proposal to reduce consumption through higher prices	30	23	2	19	25
2. Congress should pass a special tax to discourage production of cars with low gas mileage per gallon	45	20	7	14	14
3. Homes and businesses should pay more per unit of energy as their consumption increases beyond a basic allotment	30	34	4	15	17
4. Construction of additional nuclear power plants should be speeded up, although waste disposal and safety problems remain	28	24	7	22	19
5. Auto makers and other industries should be given additional time to meet pollution standards because of the state of the economy	20	28	5	21	27
6. The Federal Government should make or guarantee loans to financially troubled businesses	7	22	15	31	24
7. Personally, inflation's high prices hurt more than the recession	52	26	10	7	5
8. Federal spending should be increased to combat the recession, even at the risk of feeding inflation and causing larger deficits	6	13	13	33	35
9. Federal income tax changes should primarily aid the lowest income groups rather than all levels	41	23	4	15	16
10. The energy crisis is largely a phoney caused by the oil companies trying to take advantage of higher prices	33	27	10	16	14
FOREIGN AFFAIRS					
1. Congress should send $522,000,000 in additional military aid to South Vietnam and Cambodia	4	7		20	66
2. Any foreign trade agreement with the Soviet Union should be contingent on a relaxation of restrictions on Jewish emigration from the U.S.S.R.	6	17	17	30	29
3. We should give food only to those underdeveloped countries that adopt population control programs	36	28	7	17	12
4. Food aid should go to those countries friendliest to the United States even if they aren't the most desperately in need of it	11	9	9	34	28
5. The United States should guarantee the security of Israel	9	18	11	33	29
6. Communist China should be fully recognized	32	36	9	12	11
7. Foreign investments in the United States should be regulated	51	36	4	5	4
8. Diplomatic and trade relations with Cuba should not be restored	15	15	14	36	20
DOMESTIC POLICY					
1. Citizens have sufficient opportunity to tell State and local governments how to spend Federal revenue sharing money	9	15	11	32	33
2. The U.S. Constitution should be amended to prohibit abortions	11	4	7	16	61
3. The central Arizona project to bring Colorado River water to central and southern Arizona should be built	44	23	14	11	9
4. Tucson should contract to purchase CAP water	33	25	21	11	9
5. Communities should strive to integrate their housing patterns to avoid the possibility of court-ordered busing aimed at achieving racial balance in schools	30	28	14	10	19
6. Busing schoolchildren out of their neighborhoods to achieve racial balance can never be justified	62	17	4	11	5
7. Eliminate the oil depletion allowance	43	17	26	6	7
8. Large oil corporations should not be allowed to own competing energy sources, such as coal mines	51	18	11	11	9
9. The Federal Government should assist the States in developing ways to control growth	24	26	10	18	21
10. Hand-gun sales should be restricted to law enforcement officers and gun clubs	26	11	5	17	42
11. The Federal Government should insure that no American has to go to bed hungry, even if that involves more funds for the food stamp program	43	24	4	12	17
12. National health insurance is necessary to assure that all citizens can afford and receive health care at reasonable costs	47	30	4	10	10
13. Efforts should be made to eliminate all distinctions based on sex in Federal laws, regardless of the progress of the Equal Rights Amendment	52	22	5	12	9

[In Percent

	Much more	More	Same	Less	Much less	Uncertain
Congress should spend:						
1. Consumer protection	21	36	24	7	6	5
2. Crime control	37	35	18	3	3	3
3. Defense	10	15	29	19	23	5
4. Drug control	22	28	26	10	8	6
5. Education	24	26	31	10	7	3
6. Aid to business	5	14	29	24	20	7
7. Energy research	50	36	8	2	3	2
8. Health	30	37	21	6	4	3
9. Mass transit	26	32	18	12	9	4
10. Pollution control	22	26	30	11	7	3
11. Social security benefits	24	32	30	5	6	2
12. Aid to poor, jobless	21	32	27	10	7	2
13. Total budget	5	28	24	21	13	9

[In percent]

1. Sex:	
Male	53
Female	47
2. Age:	
Under 18	1
18 to 24	11
25 to 29	15
30 to 39	18
40 to 49	18
50 to 65	23
Over 65	14
3. County:	
Cochise	10
Pima	86
Pinal	2
Santa Cruz	2
4. Education:	
No high school	2
Some high school	5
High school grad	19
Some college	32
College grad	37

TRADE COMMISSION HEARS ALLEGHENY LUDLUM

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. GAYDOS. Mr. Speaker, the U.S. International Trade Commission recently visited Pittsburgh to collect information on preferential duty-free treatment that may be given imports from developing countries under the Trade Act of 1974.

I am enclosing for the information of my colleagues a summary of testimony given the Commission by Mr. Richard P. Simmons, president of Allegheny Ludlum Steel Corp. on behalf of the Tool and Stainless Steel Industry Committee.

The article follows:

TRADE COMMISSION HEARS ALLEGHENY LUDLUM

PITTSBURGH, April 29, 1975.—Foreign producers of specialty steels are shipping their products to the United States at prices lower than cost, and such imports will ultimately have grave economic and military consequences to our nation if continued, Richard P. Simmons, President of Allegheny Ludlum Steel Corporation, told the United States International Trade Commission here today.

Testifying in behalf of the Tool and Stainless Steel Industry Committee, representing thirteen specialty steel companies and five major steel firms which also produce specialty steels, Mr. Simmons declared, "It is imperative for the United States to make immediate representations to foreign governments to stem the flow of disruptive imports during the lengthy period of forthcoming international trade negotiations."

The head of the specialty steel firm made these additional points at Trade Commission hearings in Pittsburgh:

(1) Tariffs, in themselves, have not prevented foreign producers from doing great harm to the specialty steel producers of the United States and to the general economy of the United States as well;

(2) For over ten years, foreign producers have used the United States market as a means of developing their own specialty steel industry in order to achieve national, economic, and political objectives:

(3) They have done so in many instances at prices lower than cost in order to maintain employment in their own nations and obtain foreign exchange;

(4) By their disruption of our markets, they discouraged expansion of capacity by United States producers of Specialty Steels.

Specialty steels and alloys require the use of expensive alloying additions such as chromium, nickel, cobalt, molybdenum, silicon, titanium, tungsten, vanadium, and zirconium. These alloying agents impart the unique characteristics of corrosion and heat resistance, special hardness, toughness, unusual magnetic properties or combinations of these characteristics. The alloying elements are generally not found in the United States but must instead be imported.

While representing only slightly more than one percent of the total domestic steel shipments in 1974, specialty steels represented nine percent of the dollar value.

"The importance of Specialty Steels cannot be measured in tons alone," Mr. Simmons told the Trade Commission, adding, "Without them our economy would cease to function. You could not have traveled here by plane, train, or auto without heat resistant specialty steels vital for their manufacture or tool steels necessary to fashion the components. There would be no electricity in this building or any other without stainless steels required for the turbines and many other components; or electrical steels required for the transformers. There would be no chemical plants without the corrosion resistant specialty steels. There is no manufacturing activity that we know of that does not rely directly or indirectly on specialty steel in some fashion."

"We believe for these reasons that the United States must be particularly sensitive to any further weakening of the Specialty Steel industry resulting from disruptive imports of foreign Specialty Steels," he stated.

Mr. Simmons turned over to the Commissioners detailed data concerning the increase of imports since 1960 for stainless steel and tool steel, two of the leading specialties. The key facts were:

Stainless steel imports increased from 2.6 percent of the United States market in 1960 to 21.4 percent in 1971. Individual product penetration was as follows: Stainless cold rolled sheet from 1.6 percent to 34 percent in 1970; stainless plates from less than 1 percent to over 23 percent in 1972; stainless wire rod from 6.4 percent to over 66 percent of the market in 1970; stainless wire from 3.3 percent to over 54 percent in 1970.

"That foreign nations sold at unfairly low prices in the United States market during this period was proven in hearings before the United States Tariff Commission which concluded that dumping of stainless steel wire rod and plate had, in fact, occurred," Mr. Simmons said.

"Thus, the pattern is clear. The foreign producer identifies a strategic market; expands capacity to produce and sell at unfairly low prices to capture the market; weakens our domestic industry at the same time and prevent it from expanding capacity sufficiently to meet national needs for that product. When demand increases, the foreign producer can allege that exports of his products are necessary since the United States domestic producers failed to meet the needs of the economy.

"The foreign producer having created dependence on his products by discouraging investment by domestic producers charged what the traffic would bear."

Mr. Simmons described the recent resurgence of specialty steel imports. "In the closing months of 1974 and the first two months of 1975, total stainless imports took more than 20 percent of the American market. So far in the first two months of this year, imports have taken nearly 30 percent of the stainless cold rolled sheet market, 15 percent of the stainless plate market, 20 percent of the stainless bar market, 68 percent of the stainless wire rod market and 57 percent of the stainless wire market. Some of these numbers exceed the worst prior years of 1970 and 1971.

"This has occurred at the same time that output by domestic manufacturers has fallen dramatically. Shipments of stainless steel by domestic producers fell by 40 percent in February over the average of 1974. The result is thousands of specialty steel workers throughout the United States out of work. Further, the balance of trade implications if these import levels are maintained should be of grave concern to every American.

"The American Specialty Steel industry, publicly owned by thousands of American investors including many of its own employees, is not requesting subsidies or government financial assistance in any special form," Mr. Simmons stated. "It asks only that it be given a fair opportunity to compete on the basis of technology, productivity, and cost.

"We believe we are cost competitive with any steel industry in the world at the present time even though our wages are the highest in the world. We are prepared to expand our capacity to meet the needs of the American economy. We must have some assurance, however, that the game is being played fairly by all the participants.

"The United States, in its own self interest, must prevent disruption of domestic markets by nations whose economies serve national purposes far different than ours; whose objectives are intended to make them atrong and us weak."

ENDING CREDIT DISCRIMINATION AGAINST THE ELDERLY

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. ZEFERETTI. Mr. Speaker, one of the most unfortunate and inexcusable situations created by the present credit structure in the United States is the continuing inability of older citizens to obtain credit and loans. Credit agencies and institutions issuing loans have determined that elderly Americans present too much of a risk to warrant payment in the form of loans and credit. And, until recently, little or no effort was made to rectify this state of affairs.

In the past few years, Congress has realized the extreme seriousness of the existing situation. The 93d Congress attempted to alleviate some of the hardships encountered by those who have found it nearly impossible to obtain credit in any form. However, as we now know, their Equal Credit Opportunity Act obviously did not go far enough.

In the past year, Congress discovered that older Americans, all 25 million of them, have been subject of the most discriminatory standards when applying for credit. Often they have been made to pay more for it than necessary. More often, however, they have been unable to obtain it at all. As a result, the lives of our elderly have been made appreciably more difficult. What distresses me most is that older citizens have a hard enough time making ends meet with, in most cases, their sole reliance on social security payments. These payments themselves, hardly reflect the current economic trends in our Nation. Must they also be subject to discrimination in the issuance of credit which could make their lives easier at best?

I am pleased to announce that Congress is currently in the process of changing these anomalies in our Nation. This year, a measure was introduced in the House to facilitate the granting of credit to the older citizens and others who have been unable to obtain it in the past. A few days ago, the House passed that measure and sent it to the Senate for action. I was one of the fervent supporters of H.R. 6516, the Equal Opportunity Act Amendments of 1975, and voted in support of it on the House floor.

H.R. 6516 intends to close some of the existing loopholes on equal credit and expand coverage in the law. It attaches provisions dealing with age to the law enacted last year prohibiting lenders from discrimination on the basis of sex or marital status. Applicants who feel they have been rejected because of sex, marital status, age, race, color, religion, or national origin, would be able to seek court action through the Justice Department. Protection of applicants for loans or credit would be assured due to the provisions in the bill of up to $10,000 in fines for violators of the act and mandatory annual reports by the Justice Department to Congress to prove that it was upholding the law.

What has pleased me most is that Congress has begun to act swiftly to insure that older citizens, in addition to others, discriminated against for so long, will be able to obtain credit on a fair and equitable basis. In a city like New York, where life remains complex at best, it is vital that this legislation be allowed to come to the aid of those living there. Therefore, it is my hope that the Senate follow the example of the House in final passage of H.R. 6516 and to make it possible for a better life for every American.

LEAGUE OF WOMEN VOTERS URGES OVERRIDING PRESIDENT'S VETO OF STRIP MINING BILL

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. RUPPE. Mr. Speaker, the League of Women Voters strongly endorses H.R. 25, the Surface Mining Control and Reclamation Act of 1975 and has urged the Members of the House to vote to override the President's veto. They have prepared a very concise memorandum countering the arguments of the administration, and I would request that it be inserted in the RECORD so that all may benefit from it.

Re: Strip Mining Override Vote, June 10
To: Members of Congress
From: Ruth C. Clausen, President

The League of Women Voters urges Congress to override the veto of the strip mining bill, HR 25. We reject the President's reasoning that HR 25 is anti-energy, anti-consumer and anti-jobs. Energy and employment problems cannot be solved by sidestepping the responsibility for protecting our land and people. The claim that **HR 25 jeopardizes 36,000** jobs is unfounded. Nothing in this bill will prevent continued expansion of the mining industry. With the implementation of the reclamation program, more jobs will be created. Many of these new jobs will be in Appalachia, an area of chronic unemployment. Similar standards in Pennsylvania have not curtailed strip mining operations and production today is greater than ever.

Nor will HR 25 lead to whopping increases in utility bills. Inflation and higher production costs have driven up the price of coal. But, a significant portion of the increase in recent years is the result of the skyrocketing price of oil, the primary competitor of coal for many uses. Members of the League are willing to share with industry slightly increased fuel costs for the protections in HR 25.

This country cannot wait any longer for uniform protection against continued plundering of our resources. We urge Congress to override the veto if strip mining legislation is not to become an exercise in futility.

GOVERNMENT STRUCTURE—PART OF THE DIALOG ON CHANGE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. SIMON. Mr. Speaker, on seven different occasions I shall take a few moments to encourage my colleagues in the House and Senate to celebrate the Nation's Bicentennial by looking more directly at the long-range needs of the United States. I have suggested that we use the Extensions of Remarks in the RECORD as the forum for this dialog. Seven topics will be probed; hopefully answers will be provided by colleagues here and citizens elsewhere. (See CONGRESSIONAL RECORD of June 3 for more details.)

The first topic is Government structure.

Unlike the founders of our Government, who had traditions but could mold a completely new Government structure, we have inherited both structure and traditions. Theoretical arguments must give place to practical realities. One of those realities is that we shall not build a totally new structure, nor is that desirable. But at the marking of our 200th anniversary, we should ask whether these structures have served us adequately and even if the record is generally good—which I believe history will judge it is—where improvements can be made. The design for a small agricultural nation has been changed markedly to accommodate our nuclear and industrial age. But are further changes necessary? Where should they be?

In the executive branch, the sheer size of Government presents problems. In 1776 there were approximately 2.5 million people in the 13 colonies. Today more than 13.3 million work for Federal, State and local governments. Effective management is a problem in any large organization, and government is no exception. How can any executive in government adequately deal with a postal system? How can a clerk in a social security office in Wyoming, who knows that a change in policy is needed, communicate this to the Secretary of Health, Education, and Welfare? I remember going up to the sixth or seventh floor of the mammoth HEW building to have breakfast with Secretary Weinberger and during the course of the breakfast asking him, "Do you ever stop at a lower floor and just drop into an office and ask, 'What do you do here? How can we do a better job?'"

No changes in department titles, or shuffling of personnel will resolve the danger of top executives becoming too remote from citizens generally and from Government personnel. How do we periodically reexamine whether we are adequately responsive? How can we achieve greater openness?

Making Government respond to need, and not become a self-feeding monster that serves itself or powerful special

interests of demagogues is not easy. We select citizens at random in a body called a jury to determine life and death, or freedom and imprisonment. Why not periodically impanel juries of citizens chosen at large who would review Federal programs and agencies and make reports back to the President and Congress. They could recommend abolishing an agency or whatever sweeping changes they might choose, with Congress and the President ultimately faced with the decision of implementing or not implementing the recommendation. But it would have the healthy effect of forcing review, from a considerably different perspective.

The United States has never had a military coup. Our tradition and statutes which maintain civilian control over the military are sound. This fundamental concept appears to be adequately protected. But is it?

And what about the quasi-judicial bodies—such as the Interstate Commerce Commission? Are they protecting the public adequately today? Do the regulatory bodies serve the public interest or special interests, and how can we achieve a proper balance?

Should the relationship between Federal, State, and local governments be altered? In the last decade State and local governments have grown more rapidly than the Federal Government, but the cry I hear from State and local officials is for "more money and less control" or "more money and more input on policy." Can—or should—these things be achieved? And how?

When the contending ideas in the economic field or any other area lead to politically unpopular answers which logically call for more sacrifice, does our structure adequately encourage executive and congressional leadership to assert the bold answers?

In the legislative branch there is no purpose in talking about a unicameral system, which may or may not be desirable, but from a practical viewpoint will not be achieved.

But are there ways of improving Congress? We are backing into some type of response to the energy problem this very day, but have we learned from our failure to anticipate this crisis adequately? And how do we avoid similar problems in other areas? How can we deal with the fragmented approach which sometimes results from several committee having some jurisdiction in a particular problem? By its nature Congress—and any good legislative body—must have built-in delays and inefficiencies. A legislative body is not created for efficiency but for deliberation. But can the quality of our deliberations be improved? As a freshman with less than 6 months in the House, my words perhaps should bear less weight than those of my seniors in experience, bu let immodestly suggest this:

First. No Member should serve on more than one committee.

The schedule of a Member is crowded enough without adding conflicting committee meetings.

Second. The attendance at sessions must be improved.

It will take structure changing, not sermonizing, to bring this about. During recent days the United States Senate has been conducting significant debate on military appropriations. I have read that approximately one-fifth of the Senate has been present for what is probably the most thorough debate on the military posture of the United States in many years. In the House we also find it common to have the essential debate preceding a vote on an amendment, or on final passage, attended by only a small fraction of the House membership. As all of my colleagues have done, I have walked onto the floor and had to ask when an amendment vote faced us, "What is this all about?" It happens much too often. For all its weaknesses, a State legislative body usually does not have this limitation. Perhaps committee meetings should not be slated when the House or Senate is in session. There must be other ways also of stimulating attendance, and I hope someone such as Congressman RICHARD BOLLING will approach this problem.

Third. The trial recess periods instituted by Speaker ALBERT and the House leadership should be continued.

This affords us more effective and thorough contact with citizens and community leaders in the home district than the sporadic weekend trips, when scheduling is often uncertain. Contrary to Congress being criticized for this change, it should be praised for bringing a major improvement in the congressional process and accessibility.

Fourth. Long-range considerations in decisionmaking must be encouraged.

What will be the impact of a particular change on the Nation in 10 years? In 20 years? In 30 years? Once in a while such questions emerge, but all too rarely, and when they do they seldom dominate the decision-making process. Creation of the Budget Committees is an example of a step in the right direction, a move in which clearly more than immediate considerations dictated the decision. How do we achieve that same type of perspective in other areas?

How can we more adequately carry on the new foresight function of committees? Senator JOHN CULVER of Iowa noted the need for "procedural structures more reflective of the dynamics of the society rather than to some explicit or frozen set of current problems." But how do we get there? We shall not take some single giant step toward this—or any—reform, but how can we take the small steps which will move us there gradually? Should the House leadership—or the Government Operations Committee review our activity or inactivity in this field and report to us?

Having referred to the deliberative functions of Congress, it should be acknowledged that with 435 Members, the House is not ideally structure for rational complex decisions by the entire body. In fact the deliberative functions in the House are largely performed by the committees. How can Members who have a strong interest, or considerable knowledge, in an area contribute significantly if they are not members of a committee, other than by testimony—when few members of a subcommittee or a staff may be present? Would the deliberative function of the House be strengthened if each subcommittee chairperson were authorized by the rules to invite up to two nonmembers to sit in on deliberations on a specific measure, without the right to vote?

Are other changes needed? My colleagues who are my senior in years of service, I hope will address this question.

Our judicial system is not widely admired beyond the borders of this Nation. Often people become judges with too little competence and background. At the lower court level, the system is too political. Our court processes are often slow. And some who are arrested and have been found guilty of nothing are held in jail pending trial because they cannot post bail, while others who have been tried and found guilty are walking the streets while they appeal. Our prisons remain medieval.

Many countries require that if you are going to become a lawyer, you study to become a lawyer, and if you want to become a judge, you study to become a judge. Should we consider this? Or should we demand 6 months of special training of anyone who has been designated as a judge, either by appointment or election?

How can we speed the process so that the guilty are imprisoned, the innocent freed, and all litigants know they can expect prompt action?

I hope that my colleagues in the House and Senate who have some thoughts in any of these or other areas which deal with Government structure will insert them in the RECORD on June 18. And other citizens, I hope, will mail responses to me for insertion prior to that date.

The next general area of discussion will be Civil Liberties. I will have some introductory remarks on July 14, and responses on that subject will come on July 23.

CONGRESS SHOULD REACH ACCOMMODATION WITH PRESIDENT ON EMERGENCY HOUSING LEGISLATION

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 6, 1975

Mr. ROUSH. Mr. Speaker, I voted against the conference report on the Emergency Housing Act of 1975. My "No" vote was a vote of protest on the procedures followed by the committee and should not in any way indicate that I am of the opinion that the housing industry of this Nation does not need help. It does need help. Indeed I have voted for and will in the future vote for appropriate housing legislation. In this instance we have a most unusual situation. Two bills have been combined into this one conference report. The bills should be considered separately. Numerous amendments have been added to the legislation by the conference which were not considered in the House. These additions should be debated further and not thrust upon us in this manner. Finally, Mr. Speaker, there seems to be no question but that the President will veto this legislation. In that the President has requested certain emergency housing legislation and in that the Congress is intent on passing emergency housing legislation, does it not make sense that the Congress should try to reach some accommodation with the President on this matter which is of utmost importance to the American homeowner? I believe it does.

CHILDREN'S CLASSICS CINEMA CORP.

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. REES. Mr. Speaker, in an era when television-viewing audiences are subjected to a constant barrage of violence and immorality, it is with great pride that I commend to you a group of individuals who are marketing a television series for children in which not a trace of violence or immorality will appear in any way in the action, the dialog, or the songs.

The company is Children's Classics Cinema Corp., based in Los Angeles, headed by Mr. Max Ruderian, Mr. Albert Spiegel, and Mr. Sid Kuller. They are currently preparing "Fables of the Green Forest," based upon the classic tales written by the late Thornton W. Burgess, through whose pages roam such unforgettable characters as Peter Rabbit, Peter Cottontail, Johnny Chuck, Reddy Fox, and all their neighbors in the Green Forest. Many of you have known and loved these tales, which have delighted young and old readers alike for more than half a century.

It is ironic, but appropriate, to note that it is not an American company but one in a foreign land which first conceived the idea of bringing these great American tales to television. A beautiful, outstanding job of animation has been completed by the Zuiyo Film Co. of Japan, whose work so captivated the Children's Classics Cinema executives that they decided to reproduce the stories for American audiences, with English dialog and songs.

In the new version, the monumental task of creating the characterizations for the many inhabitants of the Green Forest has been done by Jonathan Winters, one of the comedy world's greatest talents. He is doing all of the voices in the series—something never before accomplished.

The motto of Children's Classics Cinema Corp. is "Entertainment With Responsibility." Mr. Speaker, this outstanding television production company is certainly trying to live up to its motto by bringing to the youngsters of America a remarkable series of programs which teach love of nature and love for a fellow man. It is the kind of clean, family entertainment we hope will set an example for other television—and motion picture—producers to follow.

BAN THE HANDGUN—NO. 8

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. BINGHAM. Mr. Speaker, a recent conference of organizations from across the Nation dedicated to gun control declared this month "National Handgun Awareness Month." The national debate on gun control has never been so heated as during the first 5 months of the 94th Congress. Now, as the House Judiciary Subcommittee on Crime nears a decision on gun control legislation, June has been designated as a time to focus public and congressional attention on the handgun dimensions of the gun control issue.

I advocate prohibition of the private possession of handguns. Although there was a time, not long ago, when mine was a lonely position, I have been gratified to see a handgun ban receiving increasing support in the last several months. The gun lobby, on the other hand, has been somewhat less than gratified at recent developments, and has embarked on a massive fund-raising drive to stave off the handgun control movement. In the column below, which appeared recently in the Washington Post, Art Buchwald offers a humorous illumination of the problems faced by gun lobbyists:

REACHING FOR AMMUNITION, OR A SHOT IN THE DARK

(By Art Buchwald)

I have a lobbyist friend who works for the right of every American to own a handgun. His name is Luger and, despite what people say about handgun fanciers, he is not a nut. He does get a little excited though when anyone talks about regulating the sale of handguns and even tends to froth at the mouth. But it's all an act. Luger knows that if there were no attempts to pass handgun laws he wouldn't be paid $50,000 a year to kill the legislation.

The other day he said to me, "You always write the bad things about handguns. Why don't you write the good things as well? Why don't you give both sides of the story?"

"You're right," I said. "I think I should be more objective about gun control. What should I say?"

"You can think of something," he said.

"All right. Handguns are good because they're cheap. They cost less now than they did 10 years ago, and since there are more than 40 million of them you can get a used one for practically nothing. How's that?"

"You can do better," Luger said.

"The nice thing about handguns," I wrote down, "is that if their sale is forbidden in one state you can always go to another state to buy one. You can even send away for parts and assemble your own gun, which any kid could do."

Luger said, "Don't talk so much about how easy it is to get a handgun. Say something about why people should have a right to own one."

"I'm coming to that," I said. "Let's see now. If you have a fight in the family—your husband or your wife or your mother or father—a gun in the house can settle the argument once and for all."

"That's not very funny," Luger said.

"I wasn't trying to be," I said. "Without a gun in the house some family fights could go on for days."

"I would prefer you didn't bring in the family when you talk about possession of handguns. What about if a stranger breaks into your house?"

"Right. It is very important to have a handgun if a stranger breaks into your house because you can shoot him if he doesn't shoot you first. The only way to be sure you can get the drop on him is to leave the gun out on the nighttable, loaded. The one thing wrong with this is that you might reach for it in your sleep and blow your toe off, or shoot your son who is sneaking in the house two hours after you told him to be home."

"It doesn't sound right," Luger said. "Talk about target shooting and how much pleasure it gives Americans."

I thought for a few moments and then started to write. "Target practice with a good handgun is the most pleasurable sport in America. Hitting a tin can at 100 feet is a thrill that no one can ever forget. Shooting a rabbit or a squirrel with a pistol builds character and healthy bodies. How does that grab you?"

"I've seen better," he muttered. "Now what about the foreign conspiracy to disarm Americans of their handguns so the Reds can take over the country?"

"Yoicks, I almost forgot about that. The real reason law-enforcement people in this country are clamoring for controls is that they are working with the Commies, who are waiting for a good gun-control bill to be enforced. Once Americans lose their handguns, the Soviets will make a drop on the United States and arrest everybody who can't defend himself."

"You make it sound stupid," Luger grumbled.

"I do not," I said petulantly. "I'm giving your side of it. Now I need an ending. I've got it! If American males have to give up their handguns they'll lose their manhood. If we don't have handguns we'll all become a nation of eunuchs."

INSIDE FOREIGN POLICY

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. LLOYD of California. Mr. Speaker, I would like to recommend to my colleagues in the Congress a book written by one of my constituents, Dr. John H. Esterline, who is chairman of the Department of Political Science at California State Polytechnic University, Pomona, Calif., and who previously spent 20 years in the United States Foreign Service.

"Inside Foreign Policy: The Department of State Political System and Its Subsystems" is a thorough analysis of how the foreign affairs bureaucracy interacts, both in Washington and at our embassies overseas, to formulate and implement foreign policy.

This fine work appears on the library scene at an extremely appropriate moment. U.S. foreign policy is undergoing reassessment in consequence of momen-

tous events throughout the world. In addition, the Commission on the Organization of the Government for the Conduct of Foreign Policy—the "Murphy Commission, chaired by former Ambassador Robert D. Murphy and authorized by the Foreign Relations Authorization Act of 1972—will make its recommendations to the Congress in June of this year.

"Inside Foreign Policy' 'is an ideal vehicle for demonstrating the unique nature of the foreign policy process. It provides a framework from which to view the work of the Murphy Commission.

HOW THE GERMANS ARE GETTING RICH

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. GAYDOS. Mr. Speaker, the revelation by Newsday that decay, neglect, theft, and other inefficiencies are costing us millions in the maintenance of U.S. military equipment in West Germany means that we have another major scandal on our hands and one more gross abuse of the trusting American taxpayer.

We, in Congress, have received special reprints of the Long Island newspaper's article of Patrick J. Sloyan, a staff correspondent who conducted an exhaustive investigation of waste and mismanagement at our European equipment depots. Much that he learned must be condemned and much also must be taken up by Congress with a demand that the Pentagon make corrections immediately.

But to me the Newsday finding that German civilians are profiting handsomely from this condition has special significance. I have been trying for years to bring attention here to the charges that our military presence in West Germany has been more to the benefit of that country's economy than to any conception, no matter how far stretched, of American and "Free World" security.

Mr. Sloyan discovered that expensive German labor has been hired by the Army to do "excessive overhauls" on U.S. vehicles that required only minor repairs that could have been handled easily by our own servicemen. Thus, we have been using him as another way of enriching our West German allies while, at the same time, easing what otherwise could be a serious unemployment problem in that country, as bad perhaps as our own.

I quote Mr. Sloyan on what he says the General Accounting Office found to be occurring over there:

The General Accounting Office discovered that the Army was shipping to depots hundreds of tanks that should have had minor repairs at lower levels. The depots—where tanks are revitalized through extensive rebuilding—are manned by German civilians whose hourly rates have gone from $5 in 1970 to $19.75 today because of the dollar devaluation.

I ask, Mr. Speaker, what our laid-off Detroit workers might say to that kind of pay?

I quote further from Mr. Sloyan:

The Army continues to lean on Germans and other civilian workers to maintain everything from its mess halls—it employs 2,800 German pot scrubbers—to its tanks, even though the cost of their employment has sky-rocketed as the dollar's value has sunk on the international money market. Currently, there are 52,000 local civilian workers who run up a $455 million-a-year payroll paid by U.S. taxpayers.

Is there little wonder, then, that West Germany has managed to get along much better economically than we Americans—that West German joblessness is far below the percentage rate here—that the German mark continues much stronger than the U.S. dollar in the world's financial affairs? We are pouring our substance into West Germany through the funnels of our Military Establishment there. And, in the greatest of ironies, we are doing so supposedly to protect the prospering Germans from our new détente partners, the Russians.

As of today, we have 300,000 American troops and 250,000 of their dependents in Western Europe at an annual cost to us of $20 billion. Just think what this grand Army and its income and expenditure would mean to our economy if it were brought home. It is safe to say that it would generate enough new economic activity here to move us well along the way out of the recession. Certainly, its costly presence abroad is one of the reasons for our hard times.

Senator MIKE MANSFIELD has been calling for years for a return of our forces from Europe on the grounds that they no longer are needed there in today's numbers and that we can ill afford their cost. He is finding, I am sure, increased support among the public in these difficult economic times. I have been with the Senator on this issue since he first raised it, and I take this means now of reasserting my backing while citing what Newsday has reported.

ARCHITECTURAL AWARD

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. SARASIN. Mr. Speaker, I would like to take this opportunity to draw to the attention of my colleagues a distinctive architectural award that has been given to a house within my district.

I am speaking of the American Institute of Architects' 25-Year Award that was given to the elegant glass house designed by Philip Johnson, FAIA, for his estate in New Canaan, Conn. The award was presented during the institute's annual convention in Atlanta, Ga., during May 18-22, 1975.

The award is given for architectural design of enduring significance, and is restricted to structures at least 25 years old. The eight-man AIA honor awards jury was unanimous in its selection of the Johnson house for the 25-Year Award. Of its decision, the jury stated:

The choice of this house for the 25-Year Award reaffirms the involvement of architects who continue to be concerned with the uses of form and who use the single family house as a viable building type to study the relationship between architectural form and architectural ideas. In this superb building Philip Johnson has clearly demonstrated to younger architects one way in which the problems posed by the house is a vehicle for architectural ideas.

I am pleased to be able to recognize in this manner the achievement of an outstanding architect Philip Johnson and his contribution to the beauty and heritage in New Canaan, Conn. And I also would like to extend to Mr. Johnson my sincerest congratulations.

THE HOUSING ACT

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. FORSYTHE. Mr. Speaker, Thursday I voted against the conference report on H.R. 4485, the Emergency Housing Act of 1975. At a time when we are being flooded with so-called emergency legislation prompted by the current economic situation, I feel that it is especially necessary to examine these measures carefully.

One primary objection I have to legislation inspired by a crisis atmosphere is that such programs tend to long outlive their usefulness. What was envisioned by the Congress as a one-time response to a particular problem often becomes a continuing program deeply entrenched in law and in the taxpayers' pockets. This danger becomes particularly true as election years approach.

H.R. 4485, for example, is designed to provide assistance to the hard-pressed middle-income family in buying houses, thus indirectly stimulating the housing industry and aiding economic recovery. Such assistance both to individual families and to the economy as a whole is highly desirable. H.R. 4485, however, is estimated to cost about $3 billion. In attempting to provide such help, therefore, the bill will substantially contribute to the projected massive Federal deficit. That deficit, in turn, could very feasibly impede the very recovery it was designed to expedite.

When the Federal Government borrows to cover its deficits, it competes with people and businesses who need money to invest in plant construction and housing. These funds for both private and Government borrowing must come from the so-called savings pool—business savings, personal savings, and incoming foreign investment.

The competition of government business, and individuals for the limited money in that pool may well send the interest rates soaring. Think of the effect upon the individual attempting to buy a home—the very individual the bill generally is attempting to help. Think of the ultimate effect upon the housing industry—the industry the bill is hoping to stimulate. The possibility of such an effect led me to vote against House Concurrent Resolution 218, the budget resolution targeting a deficit of $70 billion for fiscal year 1976.

Another possible effect to the legislation, ironically, is that various responsible members of the realty profession predict that it might actually postpone house purchases. The possibility of soon-to-be-available low-interest mortgage money might very well cause potential homebuyers to wait in making a purchase. At a time when the economy is apparently turning around and is about to make the long climb to recovery, such incentive to wait might be disastrous for the recovery of the housing industry again, the very industry the bill attempts to help.

Thus, our present "crisis mentality" has produced an expensive government intervention in an area where such intervention will linger on after the crisis has passed and will ultimately do more harm than good. I had no choice, therefore, as a fiscally responsible Member of Congress but to vote for the long-range interest of my constituents instead of the short-term panacea provided by this bill.

I think a better approach would be an enactment of legislation establishing a tax credit on deposits in home-lending institutions. I have sponsored such a bill in an effort to generate mortgage money and in this way help families obtain the housing they need.

THE ENERGY CONSERVATION AND CONVERSION ACT OF 1975

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mrs. KEYS. Mr. Speaker, the House of Representatives begins debate today on the Energy Conservation and Conversion Act of 1975. My friend and distinguished colleague from Iowa, Congressman BERKLEY BEDELL, has written a very perceptive and concise article which was published in the Des Moines Register June 8, 1975. The article focuses on the need to reduce our country's reliance on foreign oil, provides an excellent analysis of the current problem and recommends a solution. I concur with Mr. BEDELL'S view that the establishment of a Federal purchasing authority would help weaken the stranglehold the OPEC nations now have over petroleum pricing policies. I would like to share this article with the other Members of this body so that it may be given serious consideration before the House votes on the amendment establishing a Federal purchasing authority.

The article follows:

FAVORS SEALED BIDS TO CUT PRICES OF IMPORTED OIL

(By BERKLEY BEDELL)

In his address to the nation May 28, President Ford emphasized the importance of reducing U.S. dependence on foreign sources of oil. I share his assessment of the gravity of this problem and of the need for prompt and decisive action to resolve it. However, I do not believe that his formula for reducing U.S. dependence on imported oil is either wise or necessary.

The President proposes to cut American energy consumption by raising prices. He has increased the tariff on oil imports by $1 a barrel and he has announced his intention to decontrol the price of domestic oil, allowing it to rise in the level of imported oil. In addition, administration officials are attempting to secure an agreement the oil-consuming nations to negotiate with the oil producers for a minimum floor price for foreign oil. This high-price policy is designed to stimulate greater domestic production and to encourage conservation measures.

There is a major flaw in the President's program. It ignores the impact of these higher prices on the American economy.

The primary short-term objective of our national energy policy now should be to reduce our expenditures for oil imports without further damaging an economy in the midst of a recession. Higher and higher oil prices will only prolong the recession and contribute to even greater inflation while further increasing the profits of the international oil companies and decreasing the purchasing power of the American people.

Rather than stoically accepting artificially high oil prices, we should be implementing a program designed to force down the excessively high price of foreign oil. The key to achieving this end lies in disrupting the unity of the OPEC cartel. The mechanism for its accomplishment is the federal purchasing agent plan.

Under this proposal, the federal government would solicit sealed bids from all foreign oil suppliers who are interested in competing for access to the U.S. market: the OPEC countries, national oil companies, the multinationals, independents, brokers and anyone else who has oil to sell.

The sealed bids should encourage oil producer to cut their prices, in order to * * * their share of the lucrative U.S. market, thereby breaking the OPEC cartel and forcing down the price of foreign oil. As it now exists, the international oil companies are negotating prices with the OPEC cartel. With both parties benefiting from higher prices, it is not surprising that price have skyrocketed.

The implementation of the federal purchasing agent plan, by driving down the artifically high price of foreign oil and by passing on the benefit of this price reduction to the American consumer, would ease the strain of reducing our dependence on petroleum imports. If combined with the judicious use of import quotas, it would facilitate this adjustment. It also would complement efforts to encourage greater domestic exploration and research and development on alternative sources of energy, and to promote energy conservation measures.

There is little reason to expect that with oil company profits at record highs and with demand for oil being what it * * * situation being what it is, is there reason to expect that lower prices will diminish the urgency for research and development on alternative sources of energy.

And, finally, it is incorrect to suggest that the administration's high-price program is the only way to effectively decrease domestic energy consumption. Prudent administration of import quotas, when necessary, and the imposition of penalty taxes on fuel inefficiency and wasteful consumption would be much preferable to the highly disruptive and inflationary course proposed by the President.

The United States now is dependent on foreign sources for nearly 40 per cent of its petroleum needs. We are extremely vulnerable to the threat of another foreign oil embargo. It is imperative that we construct a national energy policy that will enable us to gain control of our energy future. It is equally important that such a policy not further aggravate * * *.

WAR POWERS RESOLUTION AMENDMENTS

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mrs. SPELLMAN. Mr. Speaker, I am introducing legislation in the nature of three amendments to the war powers resolution. These amendments relate directly to the President's recent actions concerning the *Mayaguez* and seek to amend and improve the war powers resolution. At present the resolution fails to define in legally binding terms the emergency powers of the President and insist in all other cases that Congress must authorize and initiate the introduction of U.S. forces into hostile situations.

Congress must recapture its most important constitutional prerogative, the power to make war. The Congress has the means to recapture this power. Under the Constitution the Congress can make "all laws which shall be necessary and proper" in carrying out the provisions of the Constitution. And the "necessary and proper" clause goes further, in that Congress can also make laws "for carrying into execution all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof." Especially in areas of the Constitution where the assignment of responsibility is unclear Congress has the necessary power to clarify and define. The Congress can clearly act in the area of war powers to protect its own prerogatives while being careful not to impinge on the President's authority to act in emergencies to "repel sudden attacks."

My first amendment relates to the "Purpose and Policy" section of the war powers resolution. Subsection 2(c) of the resolution cites situations where the President can commit U.S. Forces to a hostile situation without the prior approval of Congress. These situations are: To repel an attack upon the United States or its territories and possessions; and to repel attacks on U.S. Forces stationed abroad. Subsection 2(c) represents the policy of Congress as to the allocation of war powers. At present 2(c) might exclude generally accepted emergency powers of the President. Subsection 2(c) states that in the absence of a declaration of war or a statutory authorization, the President can commit U.S. Forces to battle "only pursuant to . . . a national emergency created by attack upon the United States, its territories or possessions, or its armed services." Present case law strongly supports the theory that the President has the inherent right to introduce U.S. Forces to rescue endangered citizens. The Congress recognizes the traditionally exercised right of the President to rescue endangered Americans. However, it is also clear from the war powers resolution and from the

recent action taken in both Houses on the Vietnam evacuation bill that Congress wants to circumscribe carefully the President's unilateral action. The amendment will satisfy both these considerations.

The first amendment carefully delineates the President's unilateral authority by requiring him to determine: That the citizens to be rescued are being involuntarily held with the express or tacit consent of the foreign government; that there is a direct and imminent threat to the lives of such citizens; that the foreign government in question either cannot or does not want to protect these individuals; and that the evacuation take place as expeditiously as possible and with a minimum of force.

The *Mayaguez* incident also afforded Congress an opportunity to assess the effectiveness of the consultation provision of the war powers resolution. It states:

> The President in every possible instance shall consult with Congress before introducing United States Armed Forces into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances; and after every such introduction shall consult regularly with the Congress until United States Armed Forces are no longer engaged in hostilities or have been removed from such situations.

Little if any real consultation took place prior to the *Mayaguez* military operation. At most a number of Senators and Congresspersons were notified of action already planned or underway. No opportunity was given by the White House to the Congress to provide advice prior to the introduction of forces. This confusion about the word "consultation" should not exist. It needs definition.

The second amendment should clear up any confusion as to the intent of Congress. It would replace the phrase "consult with Congress" in section 3 with the words "seek the advice and counsel of Congress." So that there can be no misunderstanding, I have included a section of definition declaring that the President "shall discuss fully the proposed decision for using the Armed Forces" with designated Members of Congress. This amendment will make certain that, even in emergency situations when the President is operating within his constitutional powers, Congress view will be represented and considered prior to the introduction of forces.

The third amendment is to make certain that the war powers resolution covers all possible uses of force by the President. The amendment would circumscribe the President's use of American civilian combatants in the same manner uniformed Armed Forces are currently circumscribed by the law. With this amendment the President would be bound to report the engagement of American civilians, either directly or as advisers, in a hostile situation within 48 hours. This would include employees of the Central Intelligence Agency.

Mr. Speaker, the Congress must further clarify its responsibilities in the area of war powers. It is my hope that the Congress will give this legislation, which has also been introduced in the Senate by Senator EAGLETON, careful consideration so as to make the war powers resolution a better means to protect the Congress unique power to make war. I included two newspaper articles concerning the need to amend the war powers resolution in my extension of remarks:

[From the New York Times, May 23, 1975]

THE "MAYAGUEZ" INCIDENT AND THE CONSTITUTION

(By Raoul Berger)

CAMBRIDGE, MASS.—Once more Congress has abdicated its constitutional responsibility, carried away by a wave of "rally round the flag" fever. The Senate Foreign Relations Committee hastened to set its seal on the President's "exercise of his constitutional powers" in sinking Cambodian patrol boats in order to regain the captured merchant vessel Mayagüez.

What powers? President Ford invoked his "constitutional executive power and his authority as Commander in Chief." His counsel, Roderick Hills, explained that Mr. Ford "acted under his constitutional war powers to protect the lives and property of Americans."

We are not, of course, at war with Cambodia, so that resort to the "war powers" is farfetched; and those powers were by design very limited.

As to "protection" of Americans abroad, President James Buchanan recognized in 1859 that the power to afford such protection resided in Congress. He advised Congress, "I deem it my duty to recommend the passage of a law authorizing the President to employ the naval forces for the purpose of protecting the lives and property of American citizens passing in transit across the Panama routes."

The Act of July 27, 1868, directs the President, when citizen is unjustly deprived of his liberty by a foreign country, "to use such means, not mounting to acts of war, to obtain the release, and promptly to report to Congress."

Suppose that the patrol boats that the United States sunk, instead of belonging to pygmy Cambodia, had been those of the Soviet Union. Is it for the President alone to make the fateful judgment that may plunge us into war? Such situations call for the "collective judgment" of President and Congress, as the War Powers Resolution of 1973 requires.

That requirement is not satisfied by merely "informing" selected members of Congress of the forthcoming hostilities, but by genuine "consultation" before a decision is made, as is stated in the conference committee report on the resolution.

By his invocation of the "constitutional executive power and that of "Commander in Chief," Mr. Ford apparently signals that he does not consider his "constitutional" powers to be limited by the resolution, a view that seems to be shared by the Senate committee. Of course, if the President possesses the "constitutional powers" to which he lays claim, they cannot be limited by Congress, and the President is free to sink us into yet another Vietnam quagmire.

It is idle to look to the words "executive power for war-making authority, for the powers comprehended therein were painstakingly enumerated by the Framers of the Constitution. In that enumeration the sole grant of "war power" is contained in the words "Commander in Chief," a limited grant.

Because opponents of the Constitution raised the specter of "detested" monarchical power, Alexander Hamilton downgraded the grant, explaining that the words "Commander in Chief" merely made the President "first General."

Louis Henkin, professor of constitutional law at Columbia University, has justly observed that generals "even when they are 'first' do not determine the political purposes for which troops are to be used; they command them in the execution of policy made by others"—by the Congress, as the Founders made abundantly clear.

The power to "declare war," meaning, as Justice Joseph Story stated, the "power to make and carry on war," was lodged in Congress exclusively. The purpose, James Wilson explained to the Pennsylvania ratification convention, was to guard against being "hurried" into war, so that no "single man [can] . . . involve us in such distress." It was designed, said James Madison, to hobble the "executive propensity to war." In addition to "commanding" troops in a war so "declared," the President is authorized to repel an invasion, and by the terms of the War Powers Resolution an attack upon the armed forces. Manifestly, the bombing of the Cambodian patrol boats falls in none of these categories.

Does the President have an "inherent right," as his counsel Mr. Hills postulates, to undertake hostilities for the "protection" of American citizens and property? President Buchanan did not think so. The constitutional records disclose that the Founders jealously insisted on a Federal Government of enumerated strictly limited powers.

Defending the Constitution in the Virginia ratification convention, Gov. Edmund Randolph said that the powers of the Government "are enumerated," that it "has no power but what is expressly given it." In the same convention, it was stated that the "legality of any power" is to be tested by the question, "Is it enumerated in the Constitution." Such citations can be multiplied, and they are reinforced by the pervasive Colonial distrust of executive power. To conjure up an "inherent" executive power in the teeth of the Framers' studied efforts to limit it is to charge them with leaving the barn door wide open.

When the claim to "inherent power" was made in support of President Harry S. Truman's seizure of the steel mills to prevent a strike during the Korean war, it was emphatically rejected by Justice Robert H. Jackson.

In what is considered his finest opinion, Mr. Jackson stated that the Framers "made no provision for exercise of extraordinary authority because of a crisis." Emergency powers, he said, "are consistent with free government only when their control is lodged elsewhere than in the executive who exercises them"—that is, in Congress. Claims of "inherent power" are a euphemism for stepping out of bounds, for exercise of a power that was not conferred. Such claims, particularly when they assert power exclusively lodged in Congress, endanger our democratic system.

The paramount harm that flows from this fresh Cambodian adventure is the disruption of the constitutional allocation of powers, the invasion of powers confided exclusively to Congress. Approval by individual members cannot make such invasion constitutional. The Supreme Court has declared: "One branch of government cannot encroach on the domain of another without danger. The safety of our institutions depends in no small degree on strict observance of this salutary rule."

Richard M. Nixon has taught us anew that power grows by what it feeds on, and that to condone unauthorized expansion is to undermine the foundations of our democratic society.

It is a reproach to Congress that, having just shaken us loose from a disastrous war, sustained in no small part by Congressional acquiescence—it is once more ready to approve a Presidential exercise of its own power. Thereby it gives it sanction to yet another dismal "precedent" that future Presidents will not be slow to invoke against Congress.

[From the Washington Post, May 25, 1975]

(By David S. Broder)

CONGRESS AND WAR POWERS

The Mayaguez incident gave Congress and the President their first test of how an international dispute could be handled under the strictures of the War Powers Act. The example raises some unsettling questions—particularly about Congress.

Under the provisions of that law, passed in 1973 over the veto of President Nixon, the Chief Executive is required "in every instance possible . . . (to) consult with Congress" before taking actions risking hostilities. Any commitment of armed forces must end within 60 days unless their further use is endorsed by Congress.

In a seminar on Congress sponsored by Time Magazine last week, political scientist Alton Frye argued persuasively that the War Powers Act had come through well. The Mayaguez incident, he said, showed that despite all the complaints of Henry Kissinger and his deposed former leader, the executive branch of the American government is not hamstrung by the law.

Second, Frye said, the President, by meetings and phone calls to congressional leaders and a written message to the entire Congress, delivered within the prescribed 48 hours of the initiation of the incident, showed it is possible to comply with the "consultation" requirements.

There has been some dispute on the second point, with Senate Majority Leader Mike Mansfield (D-Mont.) and others strongly insisting that "we were informed, not consulted."

But that seems more of a semantic argument than one of substance. The War Powers Act was not intended to take the initiative in foreign affairs away from the President. Rather, its purpose was to make certain that presidential decisions involving the use of force would be subject to timely review by the legislative branch.

That is what Sen. Jacob K. Javits (R-N.Y.), one of the principal authors of the War Powers Act, meant when he said, on the second day of the Mayaguez incident, that the law "doesn't take away any of the President's powers, but it does give Congress the power to stop him if it feels he's going too far."

That notion of Congress serving as a calm review body would be more plausible, had not the chairman of the Senate Foreign Relations Committee, John Sparkman of Alabama, already put himself on record, by the time Javits spoke, as saying the ship should be recovered "any way we can."

Indeed, rereading the record of that week shows a clear pattern of congressional hipshooting, often on the basis of the most fragmentary information.

On the second day, when Mr. Ford was positioning Marines for possible use, Senate Armed Services Committee Chairman John Stennis was urging Mr. Ford to "be as severe as necessary." Assistant Majority Leader Robert C. Byrd was calling for a 48-hour deadline.

On the third day, when three Cambodian gunboats were sunk in a prelude to the recapture of the Mayaguez, The Washington Post's Senate correspondent, Spencer Rich, wrote: "A handful of members questioned whether military action should have been delayed a bit. . . . But there wasn't any doubt that a strong tide was running in Congress all day for a forceful solution. . . ."

Rep. Wayne L. Hays of Ohio, third-ranking Democrat on the House International Relations Committee, said he was "only sorry they didn't sink 17 (ships) rather than three." And the Senate Foreign Relations Committee unanimously supported the President's use of force.

The fourth day, when the crew was retrieved, the only question for most members of Congress was how to get their words of praise on record fast enought to be noticed. (A notable exception was Sen. Gaylord Nelson (D-Wis.), who continued to question the handling of the Mayaguez incident, as he had, from the earliest days, questioned U.S. policy in Vietnam.) Sen. Henry M. Jackson (D-Wash.), who had opposed the use of force on the second day of the incident, flip-flopped and declared, "The President deserves high marks, and I would be the first to commend him."

Five, six and seven days after the incident began, the kind of information on which Congress ought to base its judgment finally started to emerge. It was learned that the Marines had landed on the wrong island, that casualties had been far heavier than first indicated, that the biggest non-nuclear weapon in the American arsenal had been dropped on a patch of jungle, that a mainland Cambodian oil dump had been attacked some time after the crew had been released, and that B-52s had been alerted for further unspecified massive air attacks.

These are matters that deserve examination, because the next challenge to American rights and interests may be more serious and sustained than the Mayaguez incident. But there is so far no sign that Congress will take them up. That kind of careful appraisal can come only from a Congress that demonstrates considerably more self-restraint than this one did.

ANNIVERSARY OF D-DAY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. FLORIO. Mr. Speaker, today marks the 31st anniversary of the Allied invasion of Normandy, D-Day, June 6, 1944. On this date in 1944, General Eisenhower signaled the start of "Operation Overload" the most tremendous inasion force ever compiled in the history of mankind. The British, Canadian, and American forces, numbering in excess of 3,000,000, in the early morning hours of June 5 began their massive movement from England to the coast of Normandy on an historic note by General Eisenhower when he stated "You are about to embark on a great crusade."

Of course the invasion was a tremendous success, but this success was achieved only through the patriotic and heroic efforts of the American Armed Forces and their allies. We all hope that there will never be an occasion to utilize nor engage in such a military venture in the future. However, should the forces of oppression ever threaten the shores of our country again, I sincerely pray that we too will display the courage and determination of the veterans of this invasion. I think it is a fitting tribute that we take a moment today to honor our World War II veterans and thank them for their remarkable accomplishments on this day in 1944 which insured the continuance of our noble tradition of freedom and democracy in America.

VOTER REGISTRATION LEGISLATION WOULD AID SENIORS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. DOWNEY of New York. Mr. Speaker, one of the greatest and most treasured rights enjoyed by U.S. citizens is the franchise. This right, however great it is, is meaningless to those who are denied it. Among those who are denied the franchise, in practice although not by law, are many of our older Americans. Two measures currently before Congress, H.R. 1686 and S. 1177, are aimed at ameliorating this inequity by facilitating voter registration.

These measures would enable citizens to register to vote by post card. Although this legislation would be beneficial to all, it would be most appreciated by the elderly, the infirm, and the geographically isolated. Currently many seniors who wish to register to vote are confronted with a multitude of obstacles.

These barriers are due largely to the chronic or episodic illnesses from which many senior citizens suffer. Others among the elderly have walking disabilities or are severely handicapped in other ways. A large number of senior citizens do not drive and for many, traveling to voting registration offices by means of public transportation is too taxing on their physical or mental stamina. Many aged who live in rural areas have neither access to public nor private transportation.

In spite of these great difficulties, many seniors persevere and have registered and voted regularly. However, statistics have shown that millions of Americans do not vote because they are unable to register. Citizens are currently able to vote by mail; therefore there is no reason why they should not also be able to register in that manner. It is unfair to put this extra burden on a minority of citizens, who are differentiated from the rest of the population only by their lack of youth and health.

I urge my colleagues to consider the unique problems of the elderly when making their decision on this issue.

The letter follows:

NATIONAL COUNCIL OF SENIOR CITIZENS, INC.,
Washington, D.C., May 1975.

Hon. THOMAS J. DOWNEY,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN DOWNEY: The National Council of Senior Citizens is particularly concerned with the passage of the measures now before the Congress to facilate voter registration, (H.R. 1686 and S. 1177).

Our membership, consisting of three million older Americans, has made post-card voter registration a legislative goal for the 94th Congress. The reasons for its importance are clear to those familiar with the problems of the elderly.

Those elderly who, for whatever reason, find themselves confronted with the prospect of registering to vote are faced with nu-

merous obstacles. Many senior citizens suffer from chronic episodic illnesses. Some have walking disabilities. Even those who are not severely handicapped sometimes lack the physical or mental stamina to handle the strain of travelling by public transportation to voting registration offices. In addition, particularly in cases of the rural aged, there are those seniors who live as far as 50 miles from the nearest registration office and don't have access to either public or private transportation.

It is a credit to their perseverance and sense of patriotism that so many aging Americans have registered and do vote regularly.

It can not be discounted, however, that current voting registration practices are a deterrent to millions of citizens, including among them the elderly and those non-elderly who are infirmed and/or geographically isolated. This fact is conspicuous in statistics reflecting the percentage of eligible citizens who do not vote.

The National Council of Senior Citizens feels that as a nation dedicated by Constitutional commitment to protecting the rights of the minority, we can not overlook granting this very special right. The right to register and vote must become available to all our citizens; not just to those who have the good fortune of health and youth.

Sincerely and respectfully yours,

NELSON H. CRUIKSHANK,
President.

A TRIBUTE TO MRS. ABRAMSON

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. DE LUGO. Mr. Speaker, Mrs. Ann E. Abramson of Frederiksted, St. Croix was recently selected as the Small Businesswoman of the Year by the San Juan District Office of the Small Business Administration. The award is given annually to an outstanding individual who has distinguished him or herself in the field of small business.

In addition to her demonstrated personal abilities and achievements, I would like to point out that Mrs. Abramson is the first woman to be accorded this honor in the more than 15 years it has been given.

Mr. Speaker, I would like to salute publicly Mrs. Abramson on this important achievement, and I would like to share with my colleagues the following article recently printed in the Virgin Islands Daily News:

ABRAMSON NAMED AS BUSINESSWOMAN OF YEAR

CHRISTIANSTED.—Mrs. Ann E. Abramson of Frederiksted has been selected as Small Businesswoman of the Year by the Puerto Rico district office, which includes the Virgin Islands, of the Small Business Administration. She will be the first woman to receive this honor in the more than 15 years in which it has been accorded to those who have distinguished themselves in the business field.

The public is invited to attend the award ceremony for Mrs. Abramson which will be held on Thursday, at 2:00 p.m. at Estate Carlton Hotel. Attending the ceremony will be Randall L. Wood, assistant administrator for congressional and public affairs of SBA in Washington, D.C., Juan C. Lopez, assistant district director in charge of the Virgin Islands SBA and other government officials.

President Ford has designated the week beginning May 25, as Small Business Week and Mrs. Abramson's award is being given in conjunction with this celebration. Ford asked that "all Americans share with me during this week a solemn pride in the great achievements of our nation's small business men and women, and in the contributions they have made to our free way of life."

TAX CREDIT FOR FUEL EFFICIENT AMERICAN CARS WILL SAVE ENERGY AND CREATE JOBS

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. SHUSTER. Mr. Speaker, I urge my colleagues to support enactment of a tax credit for the purchase of fuel efficient American cars.

I plan to offer an amendment to the energy bill which will provide for a 10-percent credit to consumers on the net purchase price of new cars manufactured in the United States and purchased by December 31, 1976.

Research into this matter disclosed the following statistics:

There are approximately 100 million registered automobiles in America of which 75 million are full size cars.

Average miles driven per car annually is approximately 10,000.

Full size cars average 11.6 miles per gallon and subcompact cars average 19.7 miles per gallon. When a consumer shifts from a full size car to a subcompact, a 41-percent reduction in gasoline consumption is achieved without any reduction in miles driven. This amounts to a savings of approximately 8.3 barrels of oil annually per car. Full size cars use 853 gallons of gas annually divided 42 gallons per barrel equals 20.3 barrels per year.

It is not unreasonable to shift at least one-third of the present full size car demand to small car demand through tax incentives. If demand can be shifted for 25 million cars, the annual energy savings would exceed 200 million barrels of oil—25 million times 8.3 barrels per car equals 207.5 million barrels per year.

Past studies of demand elasticity in the auto industry indicate a range of 0.6 to 1.5. If an average demand elasticity of 1 is taken, then a 1-percent reduction in price would achieve a 1-percent increase in demand. It is important to note that, with such elasticity, demand would not only shift to smaller cars, but total unit demand would increase. From its present low level of demand, an increase in total unit demand may well pose a problem for the industry, however, the national objective is to reduce energy consumption and provide a short term stimulus to the economy. This proposal would do both.

A 10-percent tax credit should substantially shift demand to smaller cars as well as increase total unit demand.

According to the Commerce Department, each billion dollars in demand for small cars—250,000 cars—would generate the following stimulus to the economy: $1 billion in the gross national product. The sum of $65 million in compensation to employees—health benefits, and so forth.

The sum of $525 million in wages and salaries: $240 million in the auto industry; $65 million in the primary steel industry; $45 million in the fabricated metal industry; $6 million in the glass industry; $5 million in the upholstery industry; $2 million in the carpet industry.

The total of 60,000 additional jobs generated: 22,000 jobs in the auto industry; 4,800 jobs in the primary steel industry; 1,200 jobs in the fabricated metal industry; 600 jobs in the glass industry; 500 jobs in the upholstery industry, 200 jobs in the carpet industry.

The sum of $750 million in personal income throughout the whole country.

Accordingly, for every 1 million annual increase in small car demand, 240,000 jobs would be created. Decline in large car sales would have to be offset against this.

It is interesting to note that a $400 tax credit on 250,000 cars would generate $100 million in lost tax revenue, however, this would be largely offset by the income tax on 60,000 new jobs created. This applies only for net increase in demand.

The Energy Bill Committee report indicates on page 21 that the bill will generate a net increase in revenue of $7.8 billion into the general fund, thereby providing revenue for this proposed credit.

Those who argue that this will violate our General Agreement on Tariffs and Trade—GATT—fail to point out that those executive agreements are often ignored when it is in the national interest.

Such action was taken by the United States in 1971 when we imposed the 10-percent surtax on imports, by the Japanese when they imposed quotas on industrial and agricultural products, and by the Common Market countries when they subsidized the exporting of chickens and cheese. Surely our current problems are of sufficient magnitude to justify this action.

NEIGHBORING UNITING PROJECT

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mrs. SPELLMAN. Mr. Speaker, a remarkable coalition of citizens in Prince George's County, Md., have added another accomplishment to their already long list. Citizens involved in the neighborhood uniting project have succeeded in obtaining Federal funds for implementation of a legal aid program for senior citizens. The project will provide legal assistance for seniors in Mt. Rainier, Colmar Manor, Cottage City, Brentwood, North Brentwood, and Chillum, Md. The group has obtained a $30,000 grant under title III of the Older Americans Act, and their project will begin operation at the end of this month.

Other accomplishments of the group have included: Needed bus transportation for senior citizens, a walk-in clinic for seniors, and increased police protection for their neighborhoods. They have shown that citizens who take an active role in Government can accomplish their goals.

I salute the neighborhood uniting project.

THE MOST REVEREND DAVID F. CUNNINGHAM

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. WALSH. Mr. Speaker, today we celebrate the 25th anniversary of one of the most distinguished and experienced clergymen in this country, the Most Reverend David F. Cunningham, the sixth Bishop of Syracuse, N.Y.

Bishop Cunningham is marking his 25th year as a bishop, one of the few men who have enjoyed a quarter-century tenure in such a high office in the Roman Catholic Church.

The bishop has a long and varied career of service to the church and the people, a career that goes back 49 years to June 12, 1926, when David Cunningham was ordained to the priesthood by the Most Reverend Daniel J. Curley, the third bishop of Syracuse. After his ordination at Sacred Heart Cathedral in Rochester, Father Cunningham received his first assignment at Saint Ambrose Parish in Endicott near Binghamton.

Three years later, when his superiors began to recognize that Father Cunningham was a man of talent and ability, he was brought here to Washington, D.C., for a year of graduate study in the Code of Canon Law at Catholic University of America.

Upon his return to Syracuse in 1930, he was appointed secretary to Bishop Curley, a post he held for 16 years serving Bishops Curley, John A. Duffy, and Walter A. Foery.

During that time on May 15, 1941, Pope Pius XII appointed Bishop Cunningham domestic prelate with the title, right reverend monsignor.

In February 1946, Monsignor Cunningham left diocesan headquarters in downtown Syracuse and was named pastor of Saint John the Baptist Church on the city's north side. In September of that same year, he was named vicar general of the diocese.

On April 5, 1950, Monsignor Cunningham began his distinguished career as a bishop when he was appointed titular bishop of Lamosacus and auxiliary to the bishop of Syracuse. He was consecrated into the Episcopacy on June 8, 1950, at the Cathedral of the Immaculate Conception in Syracuse by the late Francis Cardinal Spellman, archbishop of New York.

Between 1962 and 1965 Bishop Cunningham participated in the Second Vatican Council and scored an impressive record by attending every single general session of the council.

That Bishop Cunningham was to be the sixth bishop of Syracuse was now becoming apparent to everyone. That appointment came a step closer to reality on June 21, 1967, when he was appointed coadjutor bishop of Syracuse with the right of succession.

Bishop Cunningham was appointed chancellor of the diocese in September of 1969 and 2 months later was elected to the advisory board of the U.S. Catholic Conference.

The apparent became reality on August 4, 1970, when the Most Reverend David F. Cunningham was named the sixth bishop of Syracuse.

It is difficult to find the words to characterize the years of service and dedication that Bishop Cunningham has given the members of the Roman Catholic Diocese of Syracuse. Obviously his life was devoted to those people and the church.

The Old Testament says that God will "renderest to every man his due". In that case, there must be a special place in Heaven reserved for Bishop Cunningham, a place very close to the Lord.

FEDERAL INVOLVEMENT IN PROFESSIONAL LIABILITY INSURANCE OPPOSED BY LOUISIANA STATE MEDICAL SOCIETY

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. HÉBERT. Mr. Speaker, at the request of Dr. H. Ashton Thomas, I am inserting in the RECORD a resolution passed by the Louisiana State Medical Society expressing opposition to the National Medical Injury Compensation Insurance Act of 1975 and the National Medical Malpractice Insurance and Arbitration Act of 1975.

The views expressed in the resolution are also my own on this legislation. I insert the resolution at this point in the RECORD:

RESOLUTION NO. 819

Whereas, the Louisiana State Medical Society is fully cognizant of the implications and severity of the current Professional Liability Insurance problem, and

Whereas, physicians welcome the input of all interested individuals, organizations and public officials but do not believe that an appropriate approach lies in federal intervention, be it therefore

Resolved, that the Louisiana State Medical Society believes that solution to the current Professional Liability Insurance problem must be found at the State level, and be it further

Resolved, that the Louisiana State Medical Society is opposed to federal legislation which would direct or interfere with solution of the Professional Liability Insurance problem at the State level, and be it further

Resolved, that the Louisiana State Medical Society is specifically opposed to "National Medical Injury Compensation Insurance Act of 1975' (S. 215) introduced by Senator Inouye and 'National Medical Malpractice Insurance and Arbitration Act of 1975' (S. 482), introduced by Senator Kennedy, and be it further

Resolved, that copies of this resolution be sent to members of the Congressional Delegation from Louisiana and additionally respectfully request that a member of the Louisiana Congressional Delegation have this resolution introduced into the Congressional Record.

LOTS OF WHEAT NOT MUCH PROFIT

HON. JACK HIGHTOWER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. HIGHTOWER. Mr. Speaker, on the 13th day of May 1975, when the House rejected the motion to override the veto of the President on H.R. 4296, many of us who represent rural areas were much disturbed. At that time we were already receiving reports concerning the prospects for this year's crops. Some of the predictions we made at that time have already begun to take place. The 1975 harvest story is now being written. There is lots of wheat but not much profit. An article appeared in the Wichita Falls Record News of June 3, 1975, which tells what is happening in northwest Texas.

The article reads as follows:

LOTS OF WHEAT NOT MUCH PROFIT

(By Joe Brown)

Six big red Massey Ferguson diesel combines began churning through a field of wheat Monday on the Montgomery-Crumpler Farm in Friberg-Cooper community behind Sheppard AFB.

Paul Crumpler and Jim Montgomery stood watching the $26,000 machines owned by Norman Adrian of Beuhler, Kan., thrash the golden grain. It should have been a joyous moment after a tense month of hail and rain.

But Crumpler sighed, "We're going to drown in wheat, and our only hope is to export it."

He was talking about the falling price for new crop wheat and the fact farmers in the wheat belt had planted fence to fence at the urging of the U.S. Department of Agriculture.

The young farmers—Montgomery is an attorney and Crumpler directly runs the farm—were explaining what they had invested in their 7,000 acres of wheat and what they expect to earn.

"We've got more than $60 an acre invested in the crop. If the market falls to $2 a bushel we'll have to have a 30-bushel per acre yield to just break even. I surely don't need the experience of farming for just the experience," said Crumpler.

The pair said the best thing to happen to them is the fact they contracted part of their crop for a price higher than today's market.

The worst thing is that 3,000 of their acres received hail in recent weeks that lowered their average on those acres by an estimated 10 to 15 bushels per acre.

A test field cut at 3 p.m. Monday indicated yields of 27-28 bushels of Sturdy wheat per acre and it was at the edge of the hail damage. "It didn't get much hail but look through it and you'll see a lot of heads broken off even here," said Crumpler.

The starting harvest date is the latest he can remember. "I've been farming here 19 years and this is the first time I didn't cut some wheat in May."

It was also the 15th year he's had Adrian custom harvest his grain. The Kansas harvester has six new combines and he and his two sons, Kenny and Byron, have six $10,600 trucks to haul the grain from the field to the elevator.

Crumpler said he hasn't talked price with the harvester but figures it will be between $6 and $7 an acre to cut the grain and then 10 cents a bushel to haul it to the elevator.

That's about $10 an acre just for harvesting. Then there are other costs, such as six plowings and the planting of the crop. Two sprayings with insecticide at $3 an acre.

Although they have some of the best farmland in the county the farmers are generous with fertilizer. This year they used 110 pounds of actual nitrogen and 110 pounds of 16–20–0.

They were asked about the $1.25 wheat a few years ago and if the current market (it was $3.05 Monday) isn't much better than that.

"I've received as little as $1.21 a bushel but times have changed. Back then diesel fuel was 14 cents a gallon, today it is closer to 40 cents. Just three years ago we were paying $55 a ton wholesale for ammonia fertilizer and today it is costing $210 a ton wholesale. Many farmers are having to pay as much as $300 a ton for it.

"We can't farm on $3 wheat. It would take 30 bushels just to break even," he said.

Crumpler summed up, "agriculture is in the worst shape we have ever been in."

He said last November he bet a neighbor the biggest steak he could eat that the neighbor wouldn't get $3 a bushel for his wheat at harvest. "If it goes down any more it looks like I'll get that steak."

Montgomery and Crumpler don't own all the 7,000 acres they are farming. A big portion of it is leased or farmed for shares with the owner. "Say we make 30 bushels per acre, the landlord gets one-third. But he has to pay his own combining and trucking. That still just leaves us with a 20-bushel yield and we have the $60 an acre investment in the crop."

The fields were still wet and the combines were forced to make a round and then lift up their headers and drive to the gate to load the waiting grain trucks since the trucks bogged down with a full load in the fields.

Crumpler said their only hope was a couple of weeks of warm weather. Then the whole country could be harvested as all the wheat would be ready as the land dried out.

What about next year? "We're going to run some cattle on the same basis we did this year. We bought them and resold them at the same price at the same time, making our profit from the gains they made. We just can't jump out and buy a couple of thousand steers and gamble on the market. It's just too risky."

If it appears the market is going to be below $3 next year, the pair predicted they would let their land either lay out or would graze it out with cattle rather than try to harvest wheat.

"You just can't make it with $3 or cheaper wheat," he concluded.

ELECTRIC BILLS—NO HELP FOR "ALLEGED POOR"

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. HARRINGTON. Mr. Speaker, during the first 3 months of 1975, regulatory commissions approved $1 billion in rate increases for private utility companies. This figure was the result of a study by the Edison Electric Institute, and reported in an article by Reginald Stuart in the New York Times of June 3, 1975.

Coupled with the $2.2 billion approved last year and the rate increases presently pending, electric bills by the end of this year will be more than 40 percent above 1973 bills.

These rate increases have created real hardship for the workingman, the elderly person on fixed income, the poor, and even the middle-class person who had the misfortune to purchase an all-electric home. For millions of Americans, the money for the electric bill is coming out of the already hard-pressed food budget.

How have the Nation's private utilities reacted to this situation? With very few exceptions, it is business as usual. From my experience, the overriding and sometimes sole concern of our utility executives is the bottom line of stockholder return.

Albert V. Hartl, chairman of the Otter Tail Power Co., summed up the position of the utility industry best when he stated to the Times:

An electric utility is not a social welfare agency, so we should not be asked to make special provisions for the alleged poor.

Perhaps in the insulated, country-club world of Mr. Hartl, he can question, in good faith, whether poor people actually exist. It is likely that he has never had contact with the thousands of Otter Tail Power customers who have to struggle to meet the monthly electric bill. But let me assure Mr. Hartl that the "alleged poor" do, in fact, exist.

Not only do the poor exist, but they have a legitimate right to the electric power they cannot do without, at rates which they can afford. If our private utilities are unwilling to recognize that need, then the Government must step in and provide the power directly.

We are going to have to establish lifeline rates to establish a maximum, affordable price for that minimal amount of electric power which is a necessity of modern life. And we are going to have to revise our rate structures to end the favoritism now shown to the large user of electric power.

But to establish a truly responsive and humane system for the delivery of this essential resource, we may have to restructure the utility industry—away from the narrow, bottom-line perspective that now characterizes the private utility sector, and toward a more democratic, socially oriented structure.

Mr. Speaker, I commend this article to the attention of my fellow Members.

The text follows:

[From the New York Times, June 3, 1975]

UTILITY RATES UP $1 BILLION IN 1975—FIRST QUARTER'S RISES FOLLOW $2.2 BILLION TOTAL OF 1974, TRADE GROUP REPORTS

(By Reginald Stuart)

DENVER, June 2.—Electric rate increases totaling $1-billion were approved by the nation's state utility regulatory authorities during the first three months of this year, according to a report compiled by the Edison Electric Institute, the trade association for the nation's investor-owned utilities.

The rate increases for the investor-owned companies followed the approval of $2.2-billion in rate increases approved last year. That resulted in electric rates for customers throughout the nation going up an average of 25 per cent above the 1973 level.

According to the report, which was not released to the public but was provided upon request, nearly $40-million in increases are still pending.

By this year's end, according to W. Donham Crawford, president of the Edison Electric Institute, utility rates will have risen 40 per cent above their 1973 level.

In addition, Mr. Crawford and other utility executives interviewed here during the opening day of the institute's annual meeting, said that no real reduction in the need for rate increases is in sight for quite a while, unless costs—construction costs, in particular—moderate.

"As long as the cost of facilities go up, there's no way prices can come down," Mr. Crawford said.

Albert V. Hartl, chairman of the Otter Tail Power Company, echoed the sentiments of utility executives here in contending that there was no way out of increased rates. His company has rate cases pending in North Dakota and Minnesota and is planning to file this summer in South Dakota.

"There is going to have to be a reassessment of priorities in every individual budget, just as the nation has to reorder its priorities," said Mr. Hartl. "Our energy needs are something people will not do without."

When asked whether the utilities would embrace such reform movements as rate reform or perhaps flat rates or even energy stamps as advocated by such utilities as the Consolidated Edison Company of New York, Mr. Hartl rejected the issue, saying, "An electronic utility is not a social welfare agency, so we should not be asked to make special provisions for the alleged poor."

TRIBUTE TO A DEDICATED NURSE, MISS KYLLIKKI POHJALA

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. OBERSTAR. Mr. Speaker, I would like to take this opportunity to bring to your attention one of the most outstanding representatives of the nursing profession in the world whose life has been devoted to improving health care and promoting international cooperation and understanding.

Miss Kyllikki Pohjala of Helsinki, Finland, recently celebrated her 80th birthday, still actively pursuing her lifelong interests and spreading her knowledge and understanding on her many trips to other countries. Truly, members of the nursing profession throughout the world, Finland, and the constituents of Finnish ancestry in my district can be rightfully proud of her.

Her nursing career, which began in 1917 in Finland's War of Independence, continued during the war years from 1939 to 1940 and 1941 to 1944. Throughout the years, she worked to improve and strengthen the nursing profession not just in Finland but throughout the world, recognizing the latent power of this profession that spans political boundaries and can do so much toward international understanding.

The list of her achievements and honors bespeaks her indefatigable enthusiasm. To name just a few—bachelor of science degree from Columbia University Teachers College in 1927; editor-in-chief of the Finnish Nursing Journal, 1925–63; President of the Finnish Federation of Nurses, 1935–63; vice president, International Council of Nurses, 1957–61; member of the Finnish Parliament, 1933–62, where she served on both the hospital, nursing, and public health committee and the foreign affairs committee; Finnish delegate to the United Nations General Assembly, 1957–60; member of the Inter-Parliamentary Union, 1945–62; Minister for Social Affairs and Deputy Minister of Foreign Affairs in the Finnish Government, 1962–63; recipient of the Florence Nightingale Medal of International Red Cross, and numerous other decorations and honorary memberships.

Mr. Speaker, the 94th Congress is considering legislation aimed at improving health and nursing care in the United States. I believe some of the comments by this outstanding lady, which appeared in a recent article in the Finnish newspaper Aamulehti, are most timely and appropriate.

A CLEAR INTELLECT, A WARM HEART

Health benefit payments today are accepted as an established practice by Finnish citizens, but it was a different story some years back. As Finland's Minister for Social Affairs in 1962–1963, Kyllikki Pohjala developed the country's first public health insurance law, overcoming opposition from many quarters which wanted to restrict the scope of the act. Today, Miss Pohjala knows that the bill passed by the Finnish parliament has indeed been a good one; practically no amendments have been necessary. She's only unhappy about one thing—prescription glasses were not included. Someone convinced her at the time that the people would have their glasses framed with sparkling diamonds if they were free. "I should have realized that prescription lenses alone would have done it," she says regretfully.

Kyllikki Pohjala considers herself a radical conservative in politics as well as in the health insurance field. She entered the political arena somewhat against her own will when the war veterans wanted her to represent them in parliament. Having represented the Conservatives in parliament for 30 years, she feels her nursing training and war-time experiences made a good basis for political activity. She found it easy to work with people, regardless of political party affiliation, and sums up her motto simply as "live and let live." Above all, she advocates this same principle for international affairs.

While her first years in the Finnish parliament were devoted toward improving hospitals and nursing care, she later became more interested in foreign affairs and served as deputy chairman of the parliament's foreign affairs committee. "Those were the days when it was impossible for a woman to be elected chairman," she explains.

Kyllikki Pohjala still closely follows foreign policy developments. The friendships she has formed over the years in practically every country on her many trips throughout the world enable her to recognize worldwide problems and see them through others eyes. She explains her interest in history by stating that it teaches people much about present-day life and problems.

Miss Pohjala strongly advocates increased training for the nursing profession, advising young people that it is one of the few professions which can be practiced anywhere in the world. In her opinion, a nurse's work teaches human relations, and she urges all nurses to apply that knowledge by taking an active part in public affairs and, working with nurses' associations in other parts of the world, promoting international cooperation and understanding.

Age seems to present no burden or barrier to this 80-year-old energetic woman.

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD another installment of Mr. Levins' articles:

[From the Philadelphia Daily News, Mar. 11, 1975]

SECOND ARSENAL LAW BROKEN

(By Hoag Levins)

WASHINGTON.—Five members of Congress from the Philadelphia area accused the Army of violating a second Federal law with its decision to close the Frankford Arsenal.

The five, led by Republican U.S. Sen. Richard Schweiker of Montgomery County, say the army failed to comply with Public Law 613, which requires "a full report" to Congress before a military installation can be closed.

The Daily News yesterday revealed the existence of an Army plan to eliminate all arsenal production in the country in apparent violation of the Federal Arsenal Act.

The Army had maintained that the final decision on the Frankford Arsenal would not be made final before May 1, after the Army had a chance to digest a rebuttal from Philadelphia officials.

However, on Friday, the Daily News published a confidential letter written Jan. 31 by Army Secretary Howard Calloway that said that the decision to close not only had been made but was "irreversible."

Edwin Greiner, deputy assistant secretary of the Army for installations and logistics, told the Daily News the Army had told Congress all it intended to tell about the decision to close Frankford.

"As far as I know," said Greiner, "we have provided total disclosure of not only all the specific facts but the underlying rationale that goes with them. The Army has furnished all the data that is available."

Schweiker, a former member of the Senate Armed Services Committee and currently on the Senate Defense Appropriations Subcommittee, disagreed.

"Mr. Greiner's is not a fair or an accurate statement," said Schweiker. "They have not yet given us the cost figures involved. At the early meetings we began to ask for them. We have not yet gotten them and it is obvious to me now that the Army does not have them.

"The Army has not complied with Law 613."

Rep. William J. Green (D., Philadelphia) said the Army "has not given us 'a full report of the facts.' The Army may maintain that they have, but up to this point, they have not."

Rep. Joshua Eilberg (D., Philadelphia) feels that the Army never intended to provide the facts behind the arsenal closing. "It is now obvious to me that the decision to close the arsenal was made first and then the Army started to looking around for a justification that sounded good enough."

Rep. Robert N. C. Nix Sr. (D., Philadelphia) flatly charged that "the Army reached its conclusions in secret and has refused to release the information and facts that led to that decision. It is now clear that we are dealing with ploys and placations which are being offered by the Army which intends to close the arsenal no matter what."

The office of ailing Rep. William Barrett (D., Philadelphia) also indicated that Barrett "feels very strongly" that the Army has violated the law.

The only member of the Philadelphia delegation who doesn't feel that the Army is violating the law is Sen. Hugh Scott (R., Philadelphia).

"I feel the Department of the Army has made a full disclosure of the recommendations which they have received and they have notified us that they have not yet acted upon the recommendations," Scott said.

"Therefore, until they are prepared to serve final notice that they've acted on the recommendations, I think they're still within the shelter of the law."

[From the Philadelphia Daily News, Mar. 24, 1975]

PIPE-PUFFER HOLDS KEY?

(By Hoag Levins)

WASHINGTON.—Some Democratic Philadelphia Congressmen feel that the salvation of Frankford Arsenal is "in Room 260, smoking a pipe."

Room 260 in the Old Senate Office Building is occupied by pipe-puffing fellow Pennsylvanian Hugh Scott, Senate minority leader and considered one of the most powerful men in Washington.

At least three Democrats charge that Scott, who likens his power to that of an "affable tiger," has failed to use his Presidential connections to save the arsenal.

"Scott is very close to the President and in a position of great power," said Rep. Joshua Eilberg. "If it were really important to him to save the arsenal, the arsenal would be saved."

Said Rep. William Green: "If anyone had to muscle to save the arsenal, he would."

Rep. Robert N. C. Nix, Sr., who called himself "a friend of the senator," agreed.

Pat Agnew, a Scott administrative aide, characterized the allegations of the Democratic representatives as "political sensationalism."

"The senator has been working very hard for the arsenal. If it weren't for him, the mayor never would have gotten in to see the President."

THE LAW

Here is what Public Law 613 says:

"No camp, post, station, base, yard, or other installation under the authority of the Department of Defense shall be closed or abandoned until the expiration of 30 days of continuous session of the Congress following the date on which the Secretary of Defense or the Secretary of a military department makes a full report of the facts including the justification for such proposed action to Congress."

[From the Philadelphia Daily News, Mar. 24, 1975]

ARSENAL FOE LINKED TO CONTRACT BATTLE

(By Hoag Levins)

The undersecretary of the Army was formerly a private corporate executive whose firm lost an $8 million argument with the Frankford Arsenal—which the Army is now closing.

Herman R. Staudt, previously vice president of management operations for Martin Marietta Co., personally directed that company's battle with the arsenal over a disputed contract that was eventually cancelled under unusual circumstances.

Staudt, now the second most powerful man in the Army Department, was appointed to his military post by former President Richard M. Nixon in October 1973.

Staudt has received a "termination settlement" from the Martin Marietta Co. since assuming his new Army post. According to testimony before the Senate Armed Services Committee, that money was to be paid to the new Army undersecretary "in annual increments." In a phone conversation Friday, Staudt refused to say how much money he had received, terming the matter "private."

Although Staudt's department—and even President Ford—have promised that the arsenal closing decision would be reviewed finally on May 1, the Daily News has learned otherwise.

Two weeks ago, the Daily News obtained and published a confidential Jan. 30 letter from the Army's No. 1 man, Howard (Bo) Callaway. The letter informed the chairman of the House Armed Services Committee that the decision to close Frankford already was made and "irreversible."

Prior to his appointment as the Army's No. 2 civilian, Herman Staudt took part in a bitter, 16-month feud with the contract officials of Frankford Arsenal.

His appointment as Army undersecretary in late 1973 ended Staudt's 19-year employment with Martin Marietta Co. and came within weeks after his company's $8 million claim against the Frankford Arsenal was rejected by the arsenal.

Staudt's involvement with the arsenal started in May 1972, when he was called in from Martin Marietta's New York headquarters to take charge of a "problem" contract.

That problem contract with Frankford Arsenal—which eventually involved $3.3 million in payments to Martin Marietta for a product never produced—was ultimately settled last October. Ironically, that was just a month before the Army Department announced the arsenal closing.

The complex series of events—which pitted the arsenal as a financial watchdog for the Army against the corporate executive who is now second-in-command of the Army—offers insights into the little-known contract-monitoring function of arsenals, a function which involves billions of tax dollars each year.

The feud between Staudt and Frankford centered around a $10.6 million contract from the arsenal to Martin Marietta in 1971. The contract called for the company to make 1,700 laser rangefinders wihch the arsenal had developed in 1966. The rangefinder was expected to be a revolutionary tool for the Army's forward artillery observers.

Forward artillery observers are those soldiers who must creep close to an enemy target which is to be shelled by artillery. Their job is to report back and "guide" the gunner's aim onto the target. In the past, forward observers have had only their eyes and crudely calibrated optical devices to work with. Their job also has been one of the military's most dangerous.

Frankford's 28-pound laser rangefinder allowed a soldier to compute instantaneously the exact distance and location of a target. It was put through an exhaustive series of tests by the Army's Testing and Evaluation Command and earned the military's highest performance rating, Standard "A." In addition, the rangefinder was tested under extreme weather conditions in the Arctic and Panama and was used in a still-classified 1969 project to map sections of Vietnam.

In February 1971, the Martin Marietta Company's aerospace division in Orlando, Fla., was chosen by the arsenal as low bidder on a contract to produce 1,700 rangefinders. That contract, however, was different from standard defense contracts of the past. It contained a new "Pre-production evaluation" clause—an idea earlier pioneered by Frankford to stop the practice known as "buying in" on government work.

On a "buy in," a contractor would bid very low to win a government contract, then attempt to "get well" on the low bid by finding "engineering errors." Under that system, contractors were allowed to charge the Army for correcting "engineering errors" in the original design. Unscrupulous contractors in the past have used "engineering errors" to boost substantially the total price of a finished contract.

Under the new Frankford contract clause, the contractor was given money to make a thorough engineering study of the project before he was bound to the production contract. Once he took the money and started production, any "engineering errors" were his problem.

Martin Marietta wrote Frankford a letter in early 1971 saying it fully understood the new contract clause. The arsenal then gave the company $466,000 to study the rangefinder design.

Martin Marietta took the money, made no complaints about design errors and then was given about $1 million more when it began to set up production lines. The contract said the company had to deliver its first finished rangefinder in a year—by February 1972.

The company set up for production in a plant it had just constructed in Ocala, a small city 70 miles north of its main plant in Orlando. One of the problems at that new plant was that the staff never had worked together before.

Late that year Martin Marietta said it wouldn't be able to make the February deadline and asked for a delay until June. That delay was granted. Then in May, Martin Marietta told the arsenal it wouldn't be able to make the June deadline and asked for a delay to December.

Arsenal officials were angry because Martin Marietta didn't offer the "consideration" that usually went along with a delay request. "Consideration" is a sign of good faith when a contractor is seeking a contract change. Sometimes the consideration involves the incorporation of a small engineering change at no cost to the arsenal. More frequently, the "consideration" is merely a letter which explains the problem and promises to make an effort to correct it.

The arsenal was still making that "consideration" demand and Martin Marietta was still refusing it in May 1972, when Herman R. Staudt entered the picture. Staudt—now Army undersecretary—was then Martin Marietta's corporate vice president of management operations.

Staudt visited Frankford Arsenal and confronted officials there, flatly refusing to offer any "consideration." Staudt said no consideration would be offered, and that his company had no intentions of meeting the new December deadline. Staudt threatened to stop work completely on the rangefinder project unless the contract was renegotiated at a higher price.

Incensed by Staudt's demands and attitude, arsenal officials said unless Staudt's company continued work as agreed under the contract, that the contract would be terminated for "default."

"Default" contract terminations are usually disasters for defense contractors. At that point, a default termination would have required Martin Marietta to forfeit the contract, return $1.44 million it had already received and pay what it would cost, the arsenal to find another company that could do the work.

In the next 16 months, until September 1973, Staudt and arsenal officials engaged in bitter conflict. In letters, official reports, telephone calls and meetings in both Florida and Philadelphia, the two sides kept up a steady barrage of threats and accusations. Meanwhile, not a single rangefinder was produced at the Ocala plant.

Staudt, faced with the steadily growing threat of a default termination, began a massive lobbying effort throughout the higher ranks of the Army Department to discredit the Frankford rangefinder. Staudt claimed the rangefinder didn't work, and suggested to the Army Materiel Command in Washington that the task of design re-engineering be given to his company.

In meetings with arsenal officials, Staudt vowed that "as a stockholder and an employee" he didn't intend to see Martin Marietta lose the fight.

In December 1972, as Martin Marietta missed another deadline, Staudt submitted an "Omnibus Engineering Change Proposal" to the Army. It called for Martin Marietta to be given 58 million to correct "engineering errors" made by arsenal designers.

The arsenal, which had immediate jurisdiction over the contract, rejected Staudt's claim. Staudt again threatened to atop the entire project.

Arsenal officials were outraged at Staudt. They moved to complete the paper work necessary to terminate the contract for default.

On April 23, 1973, in a highly unusual move, the arsenal was ordered by high Army Department officials to terminate the Martin Marietta contract for "convenience of the government."

The difference in termination types is large. Termination for "convenience" usually is done when the government is at fault. The generous terms offered under the procedure often are a financial windfall to contractors. Under a convenience termination, Martin Marietta would be paid millions of dollars instead of being charged for millions.

The teletype order was signed by Gen. John C. Raaen Jr., Commander of the Weapons at Rock Island Arsenal, Ill. Raaen explained, in the teletype, that he had been ordered over the telephone by Gen. Chester M. McKeen to issue the termination. Gen. McKeen was director of requirements and procurement at the Army Materiel Command in Washington.

In June, 1973, Staudt—who had already won $3.2 million in the special termination—again appealed for $8 million more in engineering costs allegedly involved in the aborted rangefinder contract.

The claim was again denied—this time by the Army's judge advocate-general.

On that note, Herman Staudt officially bowed out of the picture. Weeks later, on Sept. 28, 1973, he surfaced as then President Nixon's choice to fill the Army undersecretary post.

Staudt, vice president of a company whose biggest business was defense contract work, was confirmed as undersecretary by the voice vote of the U.S. Senate in October 1973. Noting Staudt's nomination before him on Oct. 8, acting president pro-tem of the Senate, Sen. William Hathaway (D., Me.) said, "Without objection, the nomination is considered and confirmed."

Three weeks later, Martin Marietta once again raised its claim for more money on the canceled rangefinder contract. Instead of $8 million, this time Martin Marietta only asked the Army Department for $3 million.

The haggling continued another year. The dispute was settled finally last October when an out-of-court settlement gave Martin Marietta $100,000 more. That settlement was a technical victory, but represented a financial setback to the company which had spent $1 million more to win engineering control of the contract.

A month after that settlement, the Army Department announced Frankford Arsenal would be closed by July 1977.

Meanwhile, the actual laser rangefinder remains in limbo.

To declare a "convenience" contract termination, the Army Materiel Command had to establish the item no longer was needed by the Army. The special termination automatically put the rangefinder in "obsolete" status—at least on paper.

However, at Ft. Sill, Okla., the Army Artillery Board still wants a laser rangefinder as much as it did a decade ago when it ordered one developed.

Col. Victor Keef, information officer at Ft. Sill, said forward artillery observers are still using the crude optical devices that have inaccurately guided artillery batteries for decades.

"It isn't clear to us why the rangefinder hasn't been produced yet," said Col. Keef. "Apparently the only people who know just what is going on are at Frankford Arsenal."

Curiously, the Army Materiel Command still is trying to clear up the paperwork which justified the unusual contract termination with Martin Marietta. On April 2, Frankford Arsenal is due to file reasons—for the uncompleted technical record—which "explain" why the rangefinder is now "obsolete."

"There is no reason other than, 'The contractor wouldn't make it,' and that is not a normally acceptable reason," said one high arsenal official. "So here we are stuck with a rangefinder which is officially 'obsolete' but which is also a revolutionary breakthrough in the field of artillery rangefinding. You figure it out. We've given up."

PATENTS AND PATENT PROTECTION

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. ROSENTHAL. Mr. Speaker, one of most significant factors contributing to the high price of prescription drugs is the patent law. When the 17-year patent protection period for a new drug ends, prices tend to drop drastically. Until that time, however, the manufacturer has a monopoly on production and distribution.

The drug industry contends that without the incentive of patent protection, many of the new drugs developed in recent years would not have been discovered. There is a need for a degree of patent protection, but the 17-year monopoly seems excessive, particularly in view of the life-and-death nature of medicine. The answer lies in compulsory licensing of prescription drug patents.

That is among the findings of my recent study of prescription drug price competition. The section on patents and patent protection follows:

PATENTS AND PATENT PROTECTION

One aspect of the market structure which is a basic factor in the high price of prescription drugs in the United Satets is the patent system. Most prescription drugs developed in this country are covered by 17-year patents which give the manufacturers a monopoly on their drug products and allow them to set any price they wish without fear of competition. The rationale for this protection is that research and development costs require a compensatory period of competition-free sales.

Manufacturers contend that even during the 17-year period, originally designated as a period in which to recoup losses, their prices are fair and reasonable. The hollowness of this argument can be seen in what happens when a patent expires and a manufacturer is faced with competition—the price drops dramatically.

For example, Upjohn has reduced the price of its brand of tetracycline, Panmycin, by 73 percent since 1966, when its patent expired—from $14.94 per hundred to $3.94 in 1971. Smith, Kline, and French dropped its price of Thorazine (50 capsules, 30 mg) by approximately 16 percent when its patent expired in 1970.[1]

Frequently the patent period outlasts the marketability of the product. Occasionally, the company owning the patent improves or otherwise changes the basic drug so that it is subject to a new patent, thereby prolonging the manufacturer's monopoly.

Aside from the serious moral question of whether it is proper to give a private manufacturer a monopoly on a product of life and death importance and thus the right to charge any price he wishes, "the built-in 17-year patent monopoly on drug products," according to Philadelphia pharmacist Edward Pastor, "forces the poor, aged and sick American patient to pay unconscionably outrageous prices for his prescriptions."[2]

The government, however, has statutory immunity from this problem. For example, the Department of Defense, which spends in the neigborhood of a quarter of a billion dollars annually on drugs and biologicals turns, at times, to unlicensed domestic or foreign manufacturers because their prices are often half those charged by the domestic patent holders and their licensees. The government then has to pay a reasonable royalty to U.S. patent holders. Consumers, however, don't have this advantage and, therefore, pay more.

A recent survey of world patent practices[3] shows that 54 of 80 nations studied deny patent protection for pharmaceuticals. These include Canada, Japan, Switzerland and the Scandanavian countries. In addition, Italy and Turkey deny patents for processes used in the manufacture of pharmaceuticals.

The United States, Belgium and South Africa are the only major nations, according to the survey, "in which it is believed one can obtain claims to medical processes for the treatment of man."[4]

The HEW Task Force on Prescription Drugs reported:

Patents play a prominent role in each of the two main features of competition in the prescription drug industry: first, rivalry in the development of new drugs and drug products; and second, in the promotion and advertising of exclusive specialties. It is the exclusive property rights afforded by patents, and the commercial benefits derived from them, that developed the first of these rivalries and set the stage for the second.[5]

Whoever holds the patent on a product in the United States, controls its manufacture, distribution and sale. If a competitor develops a new process for producing the same product, he is prohibited by the patent law from manufacturing or selling that product, even if he can make it better, more inexpensively and more efficiently. It is self-evident that this runs counter to the basic philosophy behind U.S. patent law—the promotion of science and the useful arts—and it discourages research on processes.

It is undeniable that the developer of a new manufacturing process for a therapeutic drug should be entitled to patent it under a reasonable royalty arrangement and to secure a license for the patent at a reasonable rate. However, an equally valid observation is that a limitation on or abolition of patent protection would directly promote price competition and maximize product rivalry.

University of Houston economist Henry Steele advocates eliminating drug product patents and ordering compulsory licensing of drug process patents at reasonable royalty rates. He also advocates a total ban on trade names for drugs, with the requirement that drugs be identified, labeled, advertised and sold only by use of their generic name and the name of the manufacturer.[6]

The drug industry contends that without the incentive of patent protection many of the new drugs developed in recent years would not have been discovered. This argument is not totally without merit, and a reasonable period of patent protection may be necessary to encourage the development of new drugs and to give the manufacturer an opportunity to earn back his investment (at reasonable rate of profit, as opposed to the present levels).

Most patent drugs tend to pay for themselves in their first three years on the market: "In the industry characterized by rapid product turnover and a high rate of obsolescence, three years of exclusive patent protection is said to be a reasonable period to recoup research and marketing investments and to make a profit," according to the HEW drug study. "Numerous studies—including one by Arthur D. Little, Inc.—have shown that the greatest portion of sales of a new prescription drug product is likely to occur in the first few years after its introduction, even though many such products continue to sell and generate profits for many years after the patent has expired."[7]

With the publication of this report, legislation is being introduced to provide for compulsory licensing of prescription drug patents. (Other legislation also being introduced is discussed in the chapter on Recommendations.) Under this bill, when a company has applied for a license under a drug patent and it is not granted within 90 days, it could apply to the Federal Trade Commission to order such licensing. If the price charged or quoted to druggists by the patent holder is more than 500 percent of the cost of production for the drug in finished form, the FTC could order a hearing on the application.

The Commission could then order the granting of an unrestricted license to make, use and sell the drug. It could even order

---

Footnotes at end of article.

granting an unrestricted trademark license if it feels that is necessary to foster competition.

No such orders could be issued within the first year of the patent and might be delayed up to five years after issuance, if necessary. The licensee would be required to pay the original patent holder a royalty, not exceeding 8 percent of gross sales. If a patent holder refuses to issue a license to FTC orders, he could have his patent cancelled.

This bill would permit major recovery of the investment by the patent holder and help foster price competition among the rival companies. Consumers would benefit by the arrangement and so would manufacturers except that the latter's excessive profits would be replaced by reasonable profits.

Senator Estes Kefauver, after holding extensive hearings over a decade ago on drug prices, concluded: "Free competition has been hampered by patent monopoly control of prescription sales." Reform of drug patent laws is needed, he added, because of the fact that "by any test and under any standard, prices and profits in the ethical drug industry are excessive and unreasonable."

He continued:

Alone among the industrialized nations of the world, we grant product patents on drugs with no provision for compulsory licensing or any other protection to the public interest. Since drugs are vital to the health of the nation, we must recognize that some limitations on patent monopolies are justified by the captive position of the uses and the relationship of drugs to public health.[5]

The HEW Task Force adds:

. . . it has been argued that drug makers should not be allowed to use trademarks and patents in a way that would give them control of the drug markets both at the retail and manufacturing level. It has been asserted that exclusive patents, combined with multi-million-dollar drug advertising campaigns, can keep new or small companies out of the high profit circle and effectively stifle price competition in the marketplace.[6]

The exclusive vacuum created by the patent structure has helped to keep the prices of certain drugs at a high level. Drug manufacturers argue that patent protection provides the incentive for competition in the research and development of new drugs. However, such protection stifles competition in price. This was the conclusion of a former FTC economist who stated that "Concentration in the production of drugs is high because of the patent privilege."[10]

FOOTNOTES

[1] *Handbook on Prescription Drugs*, Richard Burack, M.D., Pantheon Books, New York, 1967, p. 88, and *Blue Book*, 1971.

[2] Personal letter to Congressman Rosenthal.

[3] *World Patent Law and Practice* by W.J. Baxter, Matthew Bender & Company, Inc., New York, 1971, pp. 230-232.

[4] *Ibid.*

[5] *The Drug Makers and Drug Distributors*, *op. cit.*, p. 37.

[6] *Ibid*, p. 42.

[7] *Ibid*, p. 43.

[8] *Congressional Record*, April 12, 1961, Vol. 107, 87th Congress, p. 5638.

[9] *Drug Makers and Drug Distributors*, p. 30.

[10] *Ibid*, p. 39.

CHILDREN'S DAY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. RANGEL. Mr. Speaker, on May 21, 1975, I introduced a resolution proclaiming the second Sunday in June of each year as "Children's Day." It is imperative that we give official recognition to the future adults of our world just as we recognize those individuals responsible for their being here. In addition to my personal interest and fondness for children, the impetus for the designation of the second Sunday of June as "Children's Day" comes from a most distinguished community leader in my district, Dr. Benjamin W. Watkins, who is known as the "Mayor of Harlem."

Dr. Benjamin W. Watkins and the Harlem Mayor Children's Day Committee celebrated their eighth annual commemoration of children on June 8, 1975. Distinguished guests spoke to the youths on topics of providing the necessary guidance for being good citizens and eventually fruitful adults. A traditional "Children's Day Parade" initiated the event and this year Dr. Edythe Gaines, a highly esteemed educator, was the grand marshal of the parade. I, myself, was honored to participate in the event as a guest speaker. I ask of my colleagues, most of whom are fathers themselves, to honor our children by nationalizing Dr. Watkins' "Children's Day." A copy of my resolution follows:

H. J. RES. 469

Whereas our children are the future of the world; and

Whereas our children have a right to quality education, decent housing, comprehensive health care, freedom from hunger, freedom from poverty, freedom from discrimination, and a world at peace; and

Whereas our children are entitled to every opportunity to develop their full potential: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second Sunday in June of each year is designated as "Children's Day" and the President is authorized and requested to issue anually a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities to renew our commitment to guarantee our children a better life.

GUN CONTROL AND THE BILL OF RIGHTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. McDONALD of Georgia. Mr. Speaker, two of the central issues of the debate surrounding gun control are its effectiveness as a means of controlling crime and the peoples right to keep and bear arms.

Thus it is particularly appropriate to consider an address by a professional law enforcement officer on the topic "Gun Control and the Bill of Rights." Presented to the National Rifle Association by Los Angeles Police Chief Edward M. Davis, it also appears in the June 11, 1975, issue of the Review of the News.

In particular, I would like to call the address to the attention of those who advocate gun control as a means of crime control, but are strangely silent on any other proposals to control crime, and who purport to be strong defenders of the people's constitutional rights, except when the second amendment is mentioned.

The address follows:

GUN CONTROL AND THE BILL OF RIGHTS

(An address to the National Rifle Association by Los Angeles Police Chief Edward M. Davis)

Today we stand at the threshold of celebrating the two hundredth anniversary of this government. . . . Our government was sired in a revolution which began on April 19 1775, when a British expedition marched on Concord in an effort to seize colonial arms. Gun control, way back then, started the American Revolution. . . .

You have heard the voices of those who desire to limit your rights and instill government control over your life. One of the basic liberties that seems to raise serious conflict with some critics in the Second Amendment in the Bill of Rights. Let's . . . briefly trace the development of our Bill of Rights.

During the Constitutional Convention between 1787–1789, our founding fathers sought to modify the Articles of Confederation. The convention was composed of two camps of political thinkers. One group, in favor of a strong centralized government, became known as the Federalists. The other group, desirous of states' rights and a loosely knit central government, became known as the Antifederalists.

About mid-way through the convention, a representative from the State of Virginia—a truly outstanding patriot—George Mason, recognized that the Constitution was deficient in providing for the rights of the people. He expressed a desire to preface the Constitution with a Bill of Rights. He said, "It would give great quiet to the people; and, with the aid of state declarations, a Bill might be prepared in a few hours." This was later developed as a motion and it was soundly defeated. As the convention progressed, Mason and others expressed serious concern and reflection over the power this new central government might exert on the states and on the people. In fact, it was through the urging of such men as Mason that the Fifth Article, providing for Amendments to the Constitution, was finally adopted. Governor Randolph of Virginia, George Mason of Virginia, and Elbridge Gerry of Massachusetts refused to sign the Constitution because of its serious deficiencies in freedom. They feared that the Constitution's deficiencies in guaranteeing personal liberty would soon lead this nation to monarchy or tyranny.

This great concern for liberty, coupled with a desire for a Bill of Rights, was nothing new to these men. Each state had its own Constitution and a majority of the states had their own Bill of Rights.

The first Bill of Rights, after considering the Magna Carta, was probably the English Bill of Rights of 1689. It was codified after the English Revolution of 1688, and after James II fled his kingdom. Among the many provisions of this Bill was the right of the people to keep and bear arms. That's back in the British Bill of Rights! Now, with the development of colonial charters and laws in this country, many of these liberties became a part of our law. They were further defined and included in many revolutionary declarations and constitutions. The Seventeenth Amendment to the Massachusetts Declaration of Rights, for example, includes a right to keep and bear arms. So, when George Mason asked the Constitutional Convention to consider a Bill of Rights, his request was made as a result of long-standing practice for the insurance of freedom. He was the author of Virginia's Declaration of Rights and he had a profound love for these basic liberties.

However, as I said, his motion was defeated.

The Federalists, like Hamilton, could not see a need for a Bill of Rights. When the work of the convention had concluded and the representatives left for their home states for the purpose of seeking ratification of this document, the fate of the Constitution was in serious jeopardy. Many of the delegates, like Hamilton, Washington, Jefferson, and Madison voiced concern for the ability of the Constitution to extricate itself from the deep divisions of the Convention.

The first state to ratify the Constitution was Delaware. The vote was unanimous. However, in the second state, Pennsylvania, Robert Whitehill successfully argued for a Bill of Rights. The next states ratifying the Constitution were New Jersey and Georgia. Their ratification did not include a Bill of Rights. Massachusetts was next, and because of the efforts of Samuel Adams and other Anti-federalists, a Bill of Rights was developed by John Hancock, a president of that state's convention. Maryland and New Hampshire also included a Bill of Rights in their ratification of the Constitution.

But the most crucial state in the ratification contest was Virginia. It was, at that time in our history, the largest and most important state. The debates in Virginia's state convention are well recorded. The ratification debates lasted a month. The most profound oratory on behalf of individual liberties was delivered by Patrick Henry and supported by such men as George Mason. Mason expressed a fear that the new government's standing Army, like the British Regulars, might invade the state and keep the people under martial-law. Henry thought that this new government might exercise its "power oppressively" and cautioned about enslaving the people. He asked if the other members were able to recall that France, Spain, Germany, Turkey, and other countries were enslaved by their own people. He agreed with Mason's concern about placing the absolute power of the sword as well as the purse in the hands of this new government. The convention finally adopted twenty provisions for a Bill of Rights. These provisions were later raised by Madison in the Congress.

In the first Congress, the issue of a Bill of Rights was a very crucial concern. There was a talk of a Second Constitutional Convention to modify the existing draft of the proposed Constitution; 210 different Amendments were proposed by eight states. This was finally refined to 22 Amendments, and fourteen were included in Madison's recommendations to Congress. However, the great debate on these liberties continued. The fourteen Amendments submitted by Madison were cut down to twelve. Each of those twelve was debated and defined. Finally, ten Amendments were adopted.

The purpose of our Bill of Rights was perhaps best summed up in the House: "These are essential and unalienable rights of the people designed to protect them from maladministration."

Let's look at the second provision of the Bill of Rights: "A well regulated militia, being necessary to the security of a free state, the right of the people to keep and bear arms shall not be infringed."

When Madison presented that article it read, "The right of the people to keep and bear arms shall not be infringed; a well regulated militia being the best security of a free country; but no person religiously scrupulous of bearing arms shall be compelled to render military service in person."

After some debate on the "religiously scrupulous" portion of this provision in both committee and in the full house, the article came out in final form as we have it today. There was little discussion of this provision in the Senate.

Okay, let's take this article apart and try to define it. The first part says, "A well regulated militia. . . ." Does that mean an Army? Does this mean a National Guard? When you read the debates of these meetings the answer is definitely no! The framers of this provision believed that standing Armies were a threat to peace and liberty. Madison, Mason, and Henry spoke at great lengths about the problems of a standing Army ruling the people or supporting a tyrant. So, what was the militia? Well, according to the framers of the Constitution, and this is supported by dictionaries of that era, it was individual free men, like you and me, who would leave their usual occupations to fight for the town or the state or the government. The officers of the old militia units were often prominent businessmen or statemen. The soldiers were just workers, like you and me, lovers of liberty. . . .

Okay, we are not talking about any Army. We are talking about free men willing to fight. The second half of this Amendment states, ". . . being necessary to the security of a free state. . . ." These Amendments were designed to protect the people against the tyranny of central government. They were concerned about their ability to protect themselves, their families, and their friends from invasion both without and within. Is the danger any less today? I think not. . . .

Let's also consider the threat from within. During the early days of settling our Western states, there was a threat from the powerful Indian Nations. In the 1800s, the Army was most inept at protecting the frontiersmen from Indian raids. By the time the Army heard about an attack and a troop of cavalry traveled a distance of 100 miles, the ashes of the ranch house were cold. The settler-victims were in an advanced state of decomposition. That was less than a century ago and things really haven't changed. Instead of fighting Indians, we are fighting modern hoodlums. The hoodlums and criminals are terrorizing our communities.

Look at crime statistics. Crime increased nationally by 17 percent in 1974. This is the largest annual increase in the recorded history of this country. The largest increase was not in the central city, it was in the suburbs—the small towns and rural areas. It went up 17 percent on the average; about 6 percent in the major cities, about 19 percent in the suburbs, and up 25 percent in the towns under 25,000. I can tell you that todays' law enforcement cannot protect you.

When you call, do the police immediately appear? I don't think that there is any town in which, when you call, the policeman appears like a genie. In order to insure your protection, we would have to hire ten times as many policemen—as they do in many foreign countries. The costs for such an increase would be prohibitive.

So, if the law enforcement agencies can't insure your protection and the protection of your family from hoodlums, it becomes your responsibility. When and if we arrive at a point in time where all the criminals are properly processed through the criminal justice system—properly meaning that the criminal no longer represents a threat to the community—and I am able to insure your protection, then you may want to give up your gun. However, I don't see that secure existence ever presenting itself. The crime rate so far this year is even going up at a higher rate than in 1974.

Okay, I've talked about the threat . . . represented by the criminal element, but I failed to mention the terrorists. Groups like the S.L.A. and the Weather Underground could pose a threat to you. If the police and National Guard are busy battling these terrorists, who is going to protect your home and your family? Again, it comes down to the ability of the individual to provide for his own self-protection.

The final part of this Amendment states, ". . . the right of the people to keep and bear arms shall not be infringed." According to Webster's New Collegiate Dictionary, the word infringe means to "defeat, frustrate; violate, or transgress." The final part of the Amendment, therefore, seems to indicate that, "The right of the people to keep and bear arms shall not be" violated or frustrated or defeated. Patrick Henry speaking before the Virginia Convention stated, "If you intend to preserve your unalienable rights you must have the most expressed stipulation; for, if implication be allowed, you are ousted of those rights. If the people do not think it necessary to reserve them, they will be supposed given up." Patrick Henry's statement tends to sum up the intent of our forefathers in developing this Bill of Rights. So, when they said that this right should not be infringed, they meant that government could not take this right from the people. Mason and Henry and the other Antifederalists had just rid themselves of one King George and they wanted to retain the ability to rid themselves of any future tyrant.

Mason, Henry, Jefferson, and other true patriots had some specific protections in mind when they developed our Bill of Rights. The need for liberties has not become less in our brief 200-year history. The fact that this Amendment was placed second in our Bill of Rights has special significance. Members of the House of Representatives at our first Congress were asked, after debating the Amendments, to arrange them in proper order.

The Bill of Rights starts with Freedom of Speech, Religion, Press and Assemblage, and concludes with an admonition prohibiting the government from taking any powers not expressly granted by the Constitution. It's interesting to note that the Right to Keep and Bear Arms was placed second after the Rights of Free Speech and Religion.

Judicially, the full intent of this Constitutional right has not been tested. In reviewing an old legal textbook, I found this definition of the Second Amendment:

This Amendment means no more than that the right of bearing arms for a lawful purpose shall not be infringed by Congress. It is one of the amendments that has no other effect than to restrict the powers of the National Government, leaving the people to look for their protection against any violation by their fellow citizens of the rights it recognizes to the State power of internal police."

The Supreme Court in the *United States* v. *Miller*, in 1939, sustained a statute requiring the registration of sawed-off shotguns. The court said, "In the absence of any evidence tending to show that possession or use of a shotgun having a barrel of less than 18 inches in length at this time has some reasonable relationship to the preservation or efficiency of a well-regulated militia; we cannot say that the Second Amendment guarantees the right to keep and bear such an instrument. Certainly it is not within judicial notice that this weapon or any part of the ordinary military equipment or that its use could contribute to the common defense." So, the court defined the right to keep only military type equipment.

What these decisions seem to say is that the type of weapon you bear can be regulated by the federal government. Since there is some discussion in these cases about the military relatedness of the weapon, it appears that both sidearms and rifles are included. It would be difficult for the court to argue against the military relatedness of sidearms. History indicates that ever since the first handgun was manufactured they have served as a part of military hardware, starting with the flintlock pistols of the 16th Century and continuing with the .45 caliber automatic and the .38 caliber revolver which have distinguished themselves in two world wars. . . .

Justice William O. Douglas, writing in the New York Law Review stated: "A Bill

of Rights . . . is a reminder to officials that all power is a heady thing, and that there are limits beyond which it is not safe to go. A few provisions of our Bill of Rights, notably the Third Amendment, and its prohibition against quartering of soldiers in private homes, have no immediate connection to any modern problem. Most of the other guarantees of government are, however, as important today as they were when first adopted. 'Many of them are even more important." Considering the continued attack by some against our liberties, including the right to keep and bear arms, it seems clear that our Bill of Rights and its provisions are even more important today.

Let's discuss the thinking and reasoning behind those who desire to compromise our liberties. They cite the misuse of guns as a reason for their abolition. They point out that a certain percentage of all robberies, murders, and assaults are accomplished with firearms. What they seem to overlook is the fact that we are talking about a very small percentage of people. Would it be fair to sanction 99-plus percent of the people in an effort to control one-tenth of one percent of the population?

If such a sanction were imposed on the populace, would it work? Would it be effective? Would it be a viable alternative? Most emphatically NO. Tim Sullivan gave New York one of the strictest gun laws in this country, and it has done little to help New York. Criminals still use guns in New York. As a matter of fact, New York and several other states with strict gun control laws have distinguished themselves with their high crime rate. Yet some officials from these states are now asking the government to ride roughshod over the Second Amendment. They want others to share in the unsuccessful efforts of their gun-control measures. You see, when a criminal makes up his mind to violate one law, like robbery, the violation of another law is a very small thing. A professional criminal—one who makes a living by violating the law—doesn't give a damn about society's rules. He has his own rules. So gun laws, like those in New York, restrict the law-abiding citizen and not the criminal.

Alan S. Krug, an economist formerly with Pennsylvania State University, completed a comparison study of jurisdictions with strong gun laws compared to those with lenient laws. He found that firearms are involved in only 3 percent of all crimes. He found that while the number of guns purchased and owned by citizens has increased significantly during the past decade, the number of deaths resulting from firearms, per hundred thousand population, has remained fairly constant. So, the availability of firearms to the general public is not the cause of abuse. The United States Congress in 1967 also involved itself in a study dealing with the hypothesis that strict firearm licensing laws resulted in a lower crime rate. The study found no correlation between firearm regulations and crime.

The antagonists of our liberties appear to be utilizing a false and emotional argument as a reason for infringing upon our rights. When that is done by government, it smacks of tyranny. King George III is alive and well in the United States today.

Now listen to this king or would-be king. The United States Senate Judiciary Committee of the 93d Congress, headed by Senator Sam Ervin of Watergate fame, drafted a "Layman's Guide to Individual Rights under the Constitution."

Under the Second Amendment, the following quote is provided: "The Right to Bear Arms: The Second Amendment provides for the freedom of the citizen to protect himself against both disorder in the community and attack from foreign enemies. This right to bear arms has become much less important in recent decades as well-trained military and police forces have been developed to protect the citizen." (I'm just departing from the quotes now, but I wonder where in the hell they got that information. I don't know anything about it.) "No longer does he need to place reliance on having his own weapons available."

And so I say no thank you King Sam. This Senate Committee believes that your right is not as important as it once was. I disagree. I believe that this right is just as important today as it was when it was developed. It is an inalienable right of the people promulgated for posterity by our forefathers. It will not be infringed.

Now listen to this would-be king. The new Attorney General of the United States, Edward Levi, in a meeting just a few weeks ago, came out with a proposition that would impose federal gun control on certain cities, at certain times, under certain conditions. To me, it's incredible that this brilliant legal scholar has not heard of the Second and Fifth and Fourteenth Amendments to the United States Constitution. No thanks to you, King Ed.

The answer to gun abuse lies not in abolishing the right of the majority, but in protecting that majority against a few. This end should be achieved by the criminal justice system working with existing law. The proper administration of penalties against those who abuse this right will act as a proper deterrent. I have statistics on the workings of this Criminal Justice System which indicate that the criminal is more often rewarded with probation than censured by punishment. Those who would propose an endorsement for the abolition of our right to keep and bear arms must seriously consider this. Are you listening A.C.L.U.?

They must seriously question their future position on the relinquishment or renunciation of other constitutional guarantees. For to surrender and abandon one liberty might well lead to the surrender of others. When man forsakes his liberties, he becomes a slave.

And now there's the house of lords who would impose something. Listen to what this house of lords has to say. The United States Conference of Mayors just a few days ago endorsed a proposition that would take our bullets away. Now this is the theft of our Second Amendment rights by trick and device—a special form of theft covered in the penal code—and we say: No thank you, lord mayors, we will not have that here. . . .

There is in existence in the beginning of this bicentennial, a well coordinated nationwide effort to strip us of our personal constitutional rights to keep and bear arms. Unless we match the efforts of those would-be tyrants, we will lose these rights. We must alert our fellow countrymen and have them stand with us. Perhaps our badge or lapel pin during the bicentennial period could be serpent forming a circle with a Number Two inside. This would be similar to the Minutemen flag of the Colony of Virginia where Patrick Henry did this great work for us. That flag said, "Liberty or death—Don't tread on me." Let this bicentennial of ours mark the beginning of a new declaration against tyrants. Let this bicentennial mark an awareness of our now inalienable rights. Let this mark a return to a deep reverence for the law, its principles, and our rights, liberties, and obligations.

DEBATE CHAMPIONSHIP

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. BRODHEAD. Mr. Speaker, last May 24 the debate team of Catholic Central High School in Detroit met the Bronx High School of Science team from Philadelphia in the National Catholic High School Debate Championship. Catholic Central's team, composed of Gary May and Dan McCarthy and ably coached by Frank Garlicki, defeated Bronx High and so became the first Michigan school to win the national Catholic debate championship. I want to take this opportunity to congratulate Coach Garlicki, Gary May, and Dan McCarthy on their remarkable achievement. I believe that this championship speaks well of the high academic standards of Catholic Central High School and of its principal, Rev. Franklin Mizzi, C.S.B.

WILLIAM GARNER MILES RETIRES

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mrs. SPELLMAN. Mr. Speaker, on June 13, 1975 the faculty of William Wirt Junior High School will honor their retiring principal, Mr. William Garner Miles. It is my pleasure to call to the attention of my colleagues the record of this outstanding educator and citizen.

Compassion, understanding, and dedication are the threads which have run through the life of William Garner Miles as he traveled from his birthplace in Melfa, Va., to Prince George's County, Md. He earned his B.A. and M.A. degrees from the University of Virginia in Charlottesville.

For 30 years, Mr. Miles' life has been dedicated to helping thousands of children in Prince George's County. During his period of service to the county, he has been instrumental in initiating and developing many creative programs. He began the first program in Prince George's County for academically talented children while he was principal at Glenridge Junior High School.

Mr. Miles first came to Prince George's County in 1945. He was a core teacher at Hyattsville Junior High School for 7 years and became vice principal of Hyattsville Junior High School in 1953. In 1954, he became principal of the new Glenridge Junior High School in Landover Hills, Md.

In the early 1960's, Prince George's County was one of the fastest growing counties in the United States, and during Mr. Miles' tenure at Glenridge the school grew from a student body of 600 to 1,400. This growth and changing population was challenging and required innovative leadership which Mr. Miles provided.

Because Mr. Miles was one of the early junior high school principals in Prince George's County—when junior high schools here were few—and because of his experience during the growth years of the county, Mr. Miles was again called upon to open a second new school, William Wirt Junior High School in Riverdale, Md. For over a decade, Mr. Miles again accepted the responsibilities and challenges of a new community and new student population.

We salute William Garner Miles—a scholar, a teacher, a man, a friend, a human being—who has made outstanding achievements and who has always been dedicated to the service of his fellow man.

THE VITAL ROLE OF WOMEN IN AGRICULTURE

HON. SHIRLEY N. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mrs. PETTIS. Mr. Speaker, I would like to insert a recent article that appeared in the Wall Street Journal. This article is extremely timely in light of the fact that 1975 has been designated "International Women's Year." This article focuses upon the "rural wife" and her contribution and the importance of her work in agriculture.

No matter of how glamorous or publicized many of the "newer" professions may be, we must not forget the importance of women in one of our most vital and oldest industries—farming.

This article not only describes the many long and hard hours which women—as well as men—must put in to provide agricultural goods for our country, but also provides an excellent example of the many women, who for many years, have managed a career and a successful marriage.

The article follows:

[From the Wall Street Journal, June 2, 1975]

THE RURAL WIFE: WHILE KEEPING HOUSE, DONNA KEPPY RANKS AS A PARTNER ON FARM

(By Joann S. Lublin)

WILTON, IOWA.—The tractor's roar breaks the silence of the sunny Iowa day. Ignoring the din, the driver concentrates on plowing a muddy cornfield. Suddenly, the tractor becomes stuck in a quagmire of manure and mud. The driver shifts the throttle, raises the plow and twists the steering wheel about.

But the tires grind deeper. The stench is overwhelming. Finally, after lip-biting effort, Donna Keppy frees the tractor. "I knew that as long as we kept moving, we'd make it," she says.

The statement fairly sums up 37-year-old Mrs. Keppy, too. In her busy, expanded role as a modern farmer's wife, she helps her husband Allen run a prosperous hog and grain farm here. Mrs. Keppy is much more than a field hand, however. Though the roles of America's two million farm wives vary widely. Mrs. Keppy perhaps typifies a new breed. She's her husband's business partner, involved in nearly all aspects of their complex farming operation—from planting to harvesting their 235 acres and from breeding to marketing 2,000 hogs a year.

GROWING TREND

Some agricultural experts believe the long-term outlook for family farms like the Keppy's depends on whether more food producers have partners in marriage who are also partners in farming. Mrs. Keppy represents "the type of farm wife we're going to see more of in the future," says Keith Hefferman, a friend of the Keppys and director of agricultural promotion for the Iowa Development Commission. "That's the only way the family farm is going to make it."

The role of the contemporary farm wife is a far cry from that of a generation ago. Back then, homemaking, raising children, growing and canning produce and possibly feeding chickens consumed most of the farm wife's time. Heavy farm chores were "men's work," as were business decisions such as crop plantings, marketing or equipment purchases. And a farmer's wife who "kept the books" was more likely to handle family photograph albums than farm bookkeeping.

Today, "farm wives are working more with their husbands and at a more sophisticated level," says Calvin L. Beale, who directs population studies for the U.S. Department of Agriculture's Economic Research Service. A recent poll of 12,000 Successful Farming magazine readers confirmed his view; it found, for example, that three-fourths of the wives participate in farm business decisions.

RIPPLING EFFECTS

Effects of these changes are rippling through agribusiness. Farm-equipment makers say that wives' greater role in field work is one reason tractors are being made easier to operate and more comfortable, with such options as power-assisted clutches and air-conditioned, carpeted cabs. Many equipment dealers, now catering to female customers, are setting up ladies' waiting lounges stocked with women's magazines. And some farm wives have become political activists, promoting agriculture and pushing, before legislators and television cameras, for what they consider fair crop prices. Last November, several regional groups formed American Agri-Women, the first nationwide coalition of farm women.

The widening horizons of farm wives reflect, in part, changes in agriculture generally. More and more family farms have reduced their hired hands, gone heavily into debt to expand and mechanize, and emerged as highly specialized businesses. As the number of such operations grows, more of the total food supply is being produced by large farms; in 1973, farms with $100,000 or more in annual sales accounted for nearly half of the nation's food and fiber marketings, up from only 17% in 1960.

Growing complexity and replacement of brute force with managerial talent are contributing to farmers' greater reliance on their wives. In turn, farm women have more time to help farm because modern household conveniences and smaller families have simplified "traditional" homemaking duties.

WHAT THE LIFE IS LIKE

A day in the life of Donna Keppy illustrates these changes. The clock radio clicks on at 5:15 a.m. in the Keppy's small white ranch house, where they have lived for three years. Previously, for 10 years they rented a 143-acre farm from Mr. Keppy's father. Both Allen's and Donna's parents and grandparents lived here in eastern Iowa, near where the family presently farms with only part-time assistance from Mr. Keppy's brother. The home is full of evidence of the Keppy's livelihood: posters of smiling hogs, piggy banks, "Pigs Are Beautiful" buttons and pig-shaped soap holders.

Mrs. Keppy dresses quickly for her chores: corduroy jeans, black rubber boots, gloves, a beat-up ski jacket and head scarf. By 6 a.m., she is working outside with her husband. She shovels manure and feeds, waters and checks the health of the animals in the farrowing house, an old barn where pigs are born and raised for six weeks.

Her duties as "sanitation supervisor," as she jokingly refers to herself, represent the most physically demanding of her chores. "Sooey!" Mrs. Keppy yells, slapping the puppy-sized pigs out of the way so she can pitch 30-pound forkfuls of manure-laden straw out of the barn.

Future projects are the Keppy's main topic at breakfast this brisk spring morning. The four Keppy daughters, aged seven to 15, serve the meal as Mrs. Keppy and her husband discuss selling hogs to cover feed-corn purchases and to meet payment on the farm. But hog prices are rising; so they mull taking out a loan rather than selling hogs at lower prices now.

They decide to sell just a few and hold the rest in the hope that hog prices climb further. (Weeks later, they find their timing was right; hog prices increased $5 a hundred pounds. "We paid back the 30-day note to the bank and made money at it," Mrs. Keppy says.)

Breakfast at the Keppys is a simple fare of cornbread, sausages and orange juice. Mrs. Keppy says she can't take time to fuss with meals. An exception is the noontime dinner, for which she usually bakes and prepares steak or a ham. It isn't unusual for supper to consist of frozen pizza. By contrast, her mother-in-law still cooks five complete meals a day for her farmer-husband. When Viola Keppy's seven sons were growing up, "my responsibilities were centered around the home," she recalls. "(Donna's) responsibilities are spread out more."

Breakfast is also when "Donna gets her assignments for the day," Mr. Keppy says. While he regards his wife as his business partner, he gives the work orders in their traditional household. "He's the boss," Mrs. Keppy concurs.

This doesn't diminish her importance, Mr. Keppy, a strapping 200-pounder, hastens to add. "Without Donna, I'd need an additional full-time man here," he observes. "The timeliness of having a wife in the house to take phone calls, or run a tractor or help load pigs is much more valuable than her trying to add $3 an hour to the family income with a regular job." In fact, when the Keppy daughters were infants, he found it cheaper to hire a babysitter than to replace his wife with a paid field hand.

By 7:30, the farm couple is back outside, inspecting the muddy fields. Mrs. Keppy expresses doubt that they're ready for plowing and concern that if the pace of field work doesn't pick up soon, planting will be delayed. "I agree that the fields don't look quite fit," he tells her. "But I think we should go ahead anyway."

She plows nearly three hours. Her ruddy face and stocky, five-foot-eight-inch, 150-pound frame indicate that she has done her share of farm work since learning to drive a tractor at age 12. As she plows, pop tunes and the morning commodities report blare from the vehicle's radio.

The work seems monotonous and bone-wearying. Yet the dark-haired woman drives the vehicle with the careful attention of someone who loves the land. "I get satisfaction from turning over the old to start the new," she says.

It's now 10:30. Mrs. Keppy bathes and changes clothes because she must take 36 hogs to market. Mr. Keppy's brother has helped him tramp through mud to select and herd the squealing, 250-pound animals onto a hauler's truck. This messy job of "running the gate" is Mrs. Keppy's when she isn't plowing.

"You know, marketing is our bread and butter, the final end of the product," Mrs. Keppy observes as the truck pulls away. "It's good to know this group (of hogs) made it through without being sick." One year, a dysentery-like disease killed 20% of the Keppy's pigs.

She delivers the hogs to an Oscar Mayer & Co. meat packing plant close to Davenport, 25 miles away. At the plant, her friendly kidding with the weighing-office workers suddenly ceases when the hogs prove overweight. That usually means they have too much fat. Lines crease her forehead. But because Keppy animals enjoy a reputation for having a high proportion of valuable lean meat, the packer pays her the full price. She leaves happy.

Since genetics and nutrition are key factors in maintaining livestock quality, Mrs. Keppy keeps informed of latest hog-breeding developments by reading industry publications. This know-how comes in handy

each fall when the Keppys shop for a boar, which can cost $5,000 or more, as well as every few weeks when they choose certain young female hogs to breed rather than market.

A no-nonsense attitude characterizes Mrs. Keppy's approach to farming. She refuses to use the phone for idle social chats, and she gets angry at equipment dealers who lack needed parts. Dealers "aren't business-minded enough around here," she complains. "Our philosophy is that time is money and money makes money."

So, as the empty truck lumbers past grazing hogs, she wonders how farmers can succeed with such old-fashioned pasture feeding (the Keppys own a $62,000 automatic feed-grinding facility). "Their end product isn't much different from ours," she muses. "It's just not as efficient a way to get the hogs to market."

Mrs. Keppy knows what she's talking about. Their farm's annual hog sales exceed $140,000, and last year Mr. Keppy was named Iowa Pork All-American—meaning that he's regarded as one of the state's best hog farmers.

Following midday dinner, Mrs. Keppy returns to plowing and then harrowing. Her work ends at 6:30, more than 12 hours after it began. "It's been a slow day," the farm wife says, wearily climbing down from the tractor. Her fatigue and an aching back make her edgy with her daughters, who are playing softball after having finished their evening chores. "Tie those shoelaces right away!" she yells at seven-year-old Colleen. Without waiting to see if her daughter obeys, she turns and walks slowly into the house.

Even though field work wears her out, Mrs. Keppy's farm heritage has instilled in her a strong sense of purpose. "Farming is hard work, but it's got its rewards, and they're not all monetary," the usually soft-spoken woman says forcefully. "There's a lot of self-satisfaction, too."

Mrs. Keppy's work frequently continues through the evening. When the weather gets warmer and the ground dries, she plows until 9:30 at night. Otherwise, she may spend her evening working on farm records, preparing animal entry forms for state fairs or typing business letters.

In view of the modern efficiency of most of their farming, the Keppys are surprisingly ill-prepared for record keeping, Mrs. Keppy believes. Her "office" consists of a desk in the master bedroom and a file cabinet in the kitchen. To get peace and quiet while discussing grain prices on the telephone, which is located in the busy main hallway, she frequently steps inside the bathroom. Thus, one of her high priorities is a full-fledged office. "We need one if we're going to run this farm like a business," she says.

Last winter found Donna Keppy involved in yet another job: state president of the Porkettes, a women's auxiliary of the National Pork Producers Council. Her leadership has helped it evolve into a group of promotion-oriented "pork pushers," as she calls them. For example, along with other Porkettes and their husbands, the Keppys traveled to supermarkets in several states earlier this year, handing out pork recipes, chatting with shoppers about farmers' problems and appearing on television talk shows.

Her hectic, broadened and more public role as a farm wife developed without any assistance from the women's liberation movement, Mrs. Keppy says. She thinks feminists don't realize how difficult equality of the sexes can be. "You know, we say that a woman's libber never lived on a farm," she observes. "I do a man's job when I'm out there scooping manure or lifting 50-pound bales of hay in the summer." But then she adds with a smile: "Maybe we're the first generation of women's libbers."

CONFIDENCE IN AMERICA'S FUTURE

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. BROWN of Ohio. Mr. Speaker, during Memorial Day ceremonies at Marion, Ohio, on May 26, one of the participants was an outstanding young man named Matt Granger, a graduate of the class of 1975 of Marion Catholic High School, a 1974 delegate to Buckeye Boy's State, and a scholarship recipient for the coming school year at Harvard University.

Matt's experiences as a Marion youth in various school, church, and civic activities, and Buckeye Boy's State, have given him a positive and confident outlook for America's future that I feel illustrates the feelings of the vast majority of today's young adults. I feel it is worth sharing with my colleagues, and therefore, wish to place it in the RECORD at this point:

REMARKS BY MATT GRANGER, MARION, OHIO, MAY 26, 1975

Two hundred years ago, our nation was born of disappointment and despair with the English Crown. The founding fathers were discouraged and confused with their socio-economic conditions. They didn't create these United States as you would a new business venture, contemplating success.

Yet, with confidence in God and in their own direction as free men, they formed a federation with rules and rights fair to all men.

During the past few years and months, a low morale seems to have developed in this country accentuated by the war in Indo-China, the energy crisis, and an inflationary economy.

Yet, I challenge the depression and pessimism felt about our future. I believe we can overcome the paranoia we sometimes feel; and we will remain the leaders and protectors of world freedom and honesty.

I feel confidence because I have seen confidence. I feel optimism because I have seen optimistic action and involvement.

Last summer, I spent ten days at Ashland College in Ashland, Ohio with 1500 other young men from every school in the state, participating in Buckeye Boys State sponsored by the American Legion. At first I wondered just what this Boys State is all about. But it didn't take long before we got it together and by the second day, we were successfully and efficiently running a state government.

We elected a brilliant young black man as governor, a judicial system, and a legislature of which I served. Commissioners and mayors served our local governments and we even had a state highway crew which striped the sidewalks and put up road signs which were enforced by a state patrol.

We seemed to generate a feeling of participation and responsibility in each other which stamped out the apathy with which my generation is sometimes labeled.

Every one of the 1500 young men voted on election day.

Because of what I have seen, felt, and been a part of at Buckeye Boys State, it has become obvious to me that the men of tomorrow have the potential and more importantly the desire to run tomorrow's world.

PRESIDENT FORD AND THE REPUBLICAN PARTY

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. ROUSSELOT. Mr. Speaker, today's Wall Street Journal contained an article by Clare Boothe Luce that deserves the attention of my colleagues:

[From the Wall Street Journal, June 9, 1975]

AN SOS FOR A "LOST CONSTITUENCY"

(By Clare Boothe Luce)

(NOTE.—Mrs. Luce, a playwright and author, has served in Congress and as U.S. Ambassador to Italy and is currently a member of the President's Foreign Intelligence Advisory Board. She is a lifelong Republican.)

What chance does President Ford have of being reelected in '76?

Gerry Ford is an open, honest, commonsensical, optimistic sort of a man. Devoted family man. Unapologetically patriotic. Intellectually unpretentious. Admits his mistakes. Thinks no one should try to be God Almighty except God Almighty. Thinks that when the U.S. gives its word abroad, it should keep it, and that when it gets into a war, it should fight to win it. Record in Congress shows he was for the right of parents to send their children to schools of their choice, for fiscal and monetary responsibility, balanced budgets, limited government, a free market, respect for law, and a strong national defense. A conservative.

There are millions and millions of Americans who "identify" with Ford. By character, convictions, and social background, he appeals to the largest single class in America—the hard-working, productive, tax-paying lower and middle-class, which is today, as yesterday, essentially conservative.

So? So as matters stand, Ford has about as much chance of being reelected as I have of beating Billie Jean King at tennis.

Many conservatives who identify with Ford as a person, do not identify with the Republican Party.

The Republican Party of which Ford accidentally became head has long since ceased to stand for conservatism. Not that it stands for liberalism, either. As a *party*, it stands for about zilch. Oh, every two years, it does stand for "winning." Unfortunately, "winning" has not proven to be a winning issue.

In 44 years, the GOP has controlled only two Congresses, and elected only two Presidents—then a political soldier-hero, General Eisenhower, and the pathologically political Mr. Nixon, nobody's hero. The Republican membership in the Congress is at an all-time low.

The GOP can be called a "major party" today only by courtesy. It isn't dead yet, but it isn't exactly alive, either. A zombie party, it is kept on its feet only by the mysterious force of the American two-party tradition and its quadrennial national convention rituals.

According to a recent Gallup Poll, only 22% of the voters are willing to identify as Republicans, as compared to 46% who identify as Democrats and 32% who call themselves Independents—the fastest-growing class of registrants in America. There cannot be much doubt that the "Independents" represent the lost conservative constituencies of *both* parties.

A SMORGASBORD PARTY

If the GOP stands for nothing, the Democratic Party stands for everything. A smorgasbord party. But its big dish is liberalism, the unmistakable ingredient of which is socialism.

The liberals who dominate the Congress today, thanks to the liberal domination of large, influential sections of the Eastern Seaboard media, see socialism, at home and abroad, as "the wave of the future." Their self-appointed task, as recently expressed by their defeated '72 presidential candidate, Senator George McGovern, is to "ride and reinforce the wave of charge."

The liberal constituencies are (a) the paper-clipping, form-filling-out, pension-oriented, non-productive government bureaucracy, (b) the non-productive welfare sector, which grows on what it feeds on—government handouts, and (c) a far less numerous, but tremendously important constituency—the word-producing "America stinks" constituency. Its members are the utopian ideologists of academe and the media, who would fain "with fate conspire, to grasp this sorry scheme of things entire, and mold it nearer to the hearts' desire." And their heart's desire is to create a great paternalistic government, which will control everything and everybody. But be, of course, itself controlled by the intellectual liberal elite that created it.

The liberals are well aware that the main obstacle on the path to this heady goal is the congenital conservatism of the great, vulgar, low and middle-brow bourgeoisie, who still believe in God, family life, personal liberty, a sound dollar, and the American flag. Who hate and fear this Big Government, Welfare Thing that swells like The Blob as it gobbles its way over America.

But the liberals know that so long as this "silent conservative majority" can be kept without a voice—so long as it remains a lost constituency, so long as it is without a party or a leader to represent it, they don't need to worry. And they don't.

To begin with, the Democratic liberals can always count on the Republican liberals to help. Wonderful allies! They have already done half the job of separating Ford from his natural conservative constituency. They persuaded him to take Nelson Rockefeller for his Vice President.

In middle-class conservative eyes, good ole "Hi-Ya Rocky" is the most hated of all the Eastern Seaboard liberals. The tax-burdened lower and middle-class working people see Rockefeller as a renegade from the class from which old John D. sprang, and a traitor to the very capitalistic system that made him, and all his family, multimillionaires. A man who has forgotten them, and their own up-the-ladder aspirations. Who sold out the free enterprise faith of his fathers in his endless quest for political power.

The Democratic liberals know that Rockefeller and the other Republican liberals can also be counted on from here in to persuade Ford to water down, fuzz over, and compromise any conservative principles he will still have left by election day '76.

It is this process, which has been used by the Republican liberals, year after year, is, believe it or not, called "broadening the base of the party." It has now succeeded in narrowing the base of the party to where only one out of five voters is willing today to confess to being a Republican.

Another thing that Mr. Ford will have going against him in '76, besides his image as a captive of the liberals in his own party, is the traditional and natural voter reaction to the shocking condition that the country's domestic and foreign affairs are in. This reaction is to throw out the man who is *supposed* to be responsible, even if he isn't.

It is not Mr. Ford's fault that the past 30 years of reckless spending has landed the country in a disastrous inflation-depression-inflation spiral. Not his fault that since 1964 the U.S. defense establishment has grown steadily weaker in relation to the U.S.S.R.'s. Not his fault that the war in Vietnam was lost, or that a liberal-dominated Congress tossed 20 million South Vietnamese like a bag of picked bones to the Communists. Not his fault that, as a consequence, America's credibility as an ally has dropped faster than the blue chip stocks on Wall Street, or that the dominoes are beginning to fall, from Portugal to the Philippines. And not his fault that there was Watergate.

No matter. As President Kennedy once observed, with the profundity that characterized all his utterances, "Life is unfair." And when the ship goes on the rocks, the captain gets the blame, even if others plotted the course and it was too late when he took the helm for him to change it.

THE ALTERNATIVE CHOICE

So what alternative will this great conservative middle-class have in '76 except to stay lost—as it did in the '74 congressional elections, when 62% of the qualified voters stayed home, unwilling to vote for either party? It may have the alternative of supporting George Wallace.

Such is the genius, and the vitality, of American democracy that sooner or later a lost constituency finds a way to give tongue to the issues that concern it. It finds a leader, or a leader finds it. He may not be its dream leader, but beggers can't be choosers.

And so it is today. Governor George Wallace has glommed onto the lost constituency, and the three great issues that ring loud bells with it: Big government, massive welfare spending—The Blob, and America's decline as the No. 1 world power. He also voices, in Archie Bunker accents, the deep resentment that the "little guy" feels for the liberal intellectuals, who first let The Blob loose on America. He calls them "the pointy-heads." Somewhat to the dismay of the Democratic liberals as they watch his progress, they note that his followers are represented by even more disaffected Democrats than Republicans.

Wallace's dicey brand of populist conservatism is not, God knows, the responsible, serious, well-reasoned socioeconomic brand of conservatism that Robert A. Taft's GOP once stood for, and that a handful of unhappy, last-ditch members of the Republican Party still stand for. Or that the small young New York Conservative Party proudly stands for. But Wallace speaks to the nation-wide leaderless and partyless condition of middle-class American conservatives.

One must admit that a certain political justice is operating in the Wallace candidacy: Millions of hard-working, vulgar, gutsy, lower and middle-class Americans, despised by the Democratic liberals and ignored by the Republican liberals, sick of bearing the whole burden of a crippled economy, sick of America's crippled defense posture, have at long last found their champion. A vulgar middle-class, gutsy little politician, himself crippled by a would be assassin's bullet. But also like themselves, still in there pitching.

It isn't the first time in this century that a crippled working-class has found charisma riding a wheelchair. The chances that George Wallace will make it to the White House are not brilliant. But if he stays in the race, he is bound to drain off millions of votes from both parties. The Democratic Party can survive the drain. But the anemic Grand Old Party cannot. By 1977 it will have "broadened its base" smack out of the ball park. And the stage will be set for the birth of a new major party, firmly founded on conservative principles.

AUTO EMISSION STANDARDS AND FUEL ECONOMY—NEW DEVELOPMENTS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. BROWN of California. Mr. Speaker, since the beginning of this year we have been given a series of changing recommendations from the Ford administration about auto emission standards. The last time I checked there apparently was no official position on this issue, in spite of a variety of conflicting proposals on the record.

Fortunately, there are other bodies that have looked at this issue, and come to definitive conclusions about the entire range of interconnected issues surrounding automobile emission controls. Among those issues are, most prominently, fuel economy, jobs, and the public health. California, which has one of the highest unemployment rates in the country, concluded that all the evidence together leads to the requirement of stricter auto emission controls. The National Academy of Sciences, which has looked at this issue for years, recently convened their experts to review all of the information. Their report, released on June 5, reiterates the feasibility and the necessity of controlling auto emissions without a loss of fuel economy and a major increase in costs.

Mr. Speaker, since the House is very likely to be considering this issue in the next month, I would like to insert in the RECORD the "Conclusions and Recommendations" of the National Academy group, as well as some related newspaper articles that put this issue in greater context.

The information follows:

REPORT OF THE CONFERENCE ON AIR QUALITY AND AUTOMOBILE EMISSIONS, TO THE COMMITTEE ON ENVIRONMENTAL DECISIONMAKING, MAY 5, 1975

CONCLUSIONS AND RECOMMENDATIONS

1. Emission standards for HC and CO (.41 and 3.4 gm/mi) for the 1978 and subsequent model year light-duty vehicles should be maintained at the current statutory levels. Attaining these levels by 1978 is both feasible and worthwhile. These levels can be achieved while steps are taken to insure against excessive emissions of sulfuric acid and acid sulfates (see Conclusion 4).

2. With respect to nitrogen oxide emission control:

(a) It is probably feasible with catalyst technology to achieve the statutory emission standard for NO_x (0.4 gm/mi) in 1978. There would be less uncertainty today if there had not been a slackening of effort in pursuing this goal.

(b) The costs of achieving 0.4 gm/mi No_x emissions, estimated by the Committee on Motor Vehicle Emissions in its November 1974 report, are summarized in the body of the present report (see p. 9).

(c) Adherence to the statutory NO_x standand (0.4 gm/mi in 1978) will discourage the development and use of technologies (e.g., direct-fuel-injected stratified-charge, diesel) that could be available for limited produce-

tion in the early 1980s and which offer benefits such as better fuel economy. These technologies cannot be in mass production by 1978 and, with them, a high degree of NO_x control is inherently difficult. The statutory No_x standard will necessitate the continued development and use of catalyst technologies which have the potential for meeting this goal by 1978.

The conference participants were not of one mind as to whether the marginal benefits of achieving in 1978 the statutory emission standard (0.4 gm/mi) for NOx exceed the marginal costs. Some members felt that the known marginal benefits would accrue in only a few areas, so the nationwide standard could be relaxed somewhat. Others felt that, as more was learned about the health and other adverse effects of NOx and its reaction products, the marginal benefits of attaining the statutory standards might well exceed the marginal costs; also, they believed, the actual costs might be less than estimated because of a smaller fuel economy penalty than was assumed in earlier calculations.

3. If the statutory emission standard for NOx (0.4 gm/mi) is relaxed, a two-car strategy should be implemented. This would require vehicles that are registered and/or used in areas with more severe pollution problems to meet more stringent emission standards.

4. All of the above can, and should, be done in a manner that does not significantly increase ambient concentrations of sulfuric acid and acid sulfates. Accordingly, to insure that the choice of technology in meeting the HC, CO, and NOx standards is consistent with this goal, a sulfuric acid light-duty motor vehicle emission standard for 1978 and subsequent model years should be established. The conference participants noted that relaxing the statutory HC, CO, and NOx standards in itself is unlikely to result in reduction of sulfuric acid emissions below levels from 1975 model automobiles. Vehicle manufacturers may well choose to continue the use of present catalyst systems, even if the standards are relaxed, for reasons of fuel economy and their investment in catalyst technology.

5. There is no evidence to justify relaxing the existing ambient air quality standards for the regulated pollutants. A short term (one hour) ambient air quality standard for nitrogen dioxide and ambient air quality standards for sulfuric acid and acid sulfates, and perhaps other acid aerosols, should be developed. High priority should be given to a study of the atmospheric chemistry and health impacts of these species.

6. It is important to examine carefully the emissions and the health effects of other nonregulated pollutants from motor vehicles.

7. All of the above could, and should, be achieved while improving fuel economy. A significant improvement can be achieved by changes that are independent of the level of emissions.

8. There is a need to complete the development of emission standards and more effective controls for sources (both mobile and stationary) other than light-duty motor vehicles of HC, CO, NOx and sulfuric acid. Of particular concern are exhaust emissions from heavy-duty vehicles and motorcycles, evaporate emissions from vehicles, and emissions from various stationary sources.

[From the New York Times, June 5, 1975]

RESEARCHERS BACK STRICT RULES ON ACID EXHAUSTS FOR 1978 CARS

(By Harold M Schmeck, Jr.)

WASHINGTON, June 4.—There is no need for delay beyond 1978 in applying strict standards for automobile exhaust emissions, a report from a special committee of the National Research Council said today.

The delays had been sought by the auto industry and earlier this year, by the Environmental Protection Agency. The agency then said that newly recognized problems with sulphuric acid emissions from catalyst-equipped cars warranted a delay of several years.

The report made public today said that a strict standard for sulphuric acid emissions could and should be set for 1978 model cars and that the existing Federal statutory standards for hydrocarbons and carbon monoxide gas for 1978 should go into effect as scheduled.

Attaining the statutory levels for hydrocarbons and carbon monoxide is both feasible and worthwhile, said the report. "These levels can be achieved while steps are taken to insure against excessive emissions of sulfuric acid and acid sulfates," it said.

FUEL ECONOMY

The council's report said that these and other recommendations it had made could be achieved while improving automobile fuel economy. The report said that there was no evidence to justify relaxing standards for the federally regulated pollutants.

The report was less emphatic concerning another class of auto emission pollutants—the oxides of nitrogen. It said the members of the committee that had drafted the report had not all agreed as to whether the benefits of achieving the 1978 standards for nitrogen oxides were worth the cost.

In its recommendations the committee said that adherence to the statutory 1978 standards would discourage the development of new and better technologies that could be available only for limited production for the 1978 model year.

If the nitrogen oxide standard is kept, the report said, a "two-car strategy" should be adopted nationally. This would require that vehicles registered and used in areas that have severe pollution problems meet stricter standards than cars used in areas where the air is cleaner.

The report also called for study of the health effects of other, currently unregulated, pollutants from motor vehicles. The document said that there was a need to develop emission standards and more effective controls for pollution sources, other than light-duty autos, that emit hydrocarbons' carbon monoxide and sulphuric acid.

AREA OF CONCERN

"Of particular concern," it said, "are exhaust emissions from heavy-duty vehicles and motorcycles, evaporative emissions from vehicles and emissions from various stationary sources."

An E.P.A. spokesman said today that the agency welcomed the new information provided by the report and was willing to take a flexible attitude toward mission standards in the light of data and analyses that are becoming available.

A spokesman for Chrysler Motors Corporation said that the company had not seen the report, but that the standards proposed "would cause a significant fuel economy penalty and would put the national goal of a 40 to 50 per cent improvement in fuel economy by 1980 far beyond our reach."

DECLINE TO COMMENT

The Ford and General Motors auto corporations declined to comment, saying they had not yet studied the new report.

Hearings have been held this spring in the Senate on auto emission standards. A House subcommittee, which are also holding hearings, is marking up a bill. Its chairman, Representative Paul Rogers, Democrat of Florida, predicted that the committee would finish its work in about two weeks. He said that the research council's report was encouraging in that it said the strict standards could and should be met.

The National Research Council is the operating arm of the National Academy of Sciences and the National Academy of Engineering, private organizations of leading scientists and engineers chartered to advise the Federal Government.

The Federal emission standards scheduled to go into effect in 1978 would require cars of that model year to emit less than one third the amount of hydrocarbons permitted for 1975–76 model cars. The cut in emissions would be even greater for carbon monoxide.

For nitrogen oxides the 1978 limit would be about two thirds of the current permissible level. In California, emission limits have been more strict than the Federal standards both for current models and 1978 cars.

[From the Riverside (Calif.) Press, May 21, 1975]

TOUGHER EMISSIONS STANDARDS

The U.S. Environmental Protection Agency has agreed to allow California to impose tougher auto emissions standards on 1977 cars than the EPA requires, which seems to show that the federal agency can be flexible, in some matters at least, after all.

The permission seems to settle some of the controversy over catalytic converters, since the new California 1977 standards all but mandatorily require such converters. There were several reports of intolerable excessive sulfate emissions, and EPA Administrator Russell Train cited those reports in recommending the 1977 standards be postponed a year.

Thus, the EPA's go-ahead for California is a tacit concession that those earlier reports were overdrawn. California Air Resources Board Chairman Tom Quinn says Mr. Train admitted as much in a telephone conversation.

How far this state is ahead of the federal government, in the area of auto-emissions controls at least, is conveyed by comparing the 1977 EPA standards, the current California standards and the 1977 California standards.

EPA 1977 standards: hydrocarbons, 1.5 grams per mile (gpm); carbon monoxide, 15 gpm; oxides of nitrogen, 2 gpm.

Current California standards: hydrocarbons, 0.9 gpm; carbon monoxide, 9 gpm; oxides of nitrogen, 2 gpm.

California's 1977 standards: hydrocarbons, 0.41 gpm; carbon monoxide, 9 gpm; oxides of nitrogen, 1.5 gpm.

Clearly, California's current standards are tougher overall than the federal standards for two years hence, and this state had the reasonable expectation that it would be allowed to keep toughening the standards. The air is not getting cleaner so quickly that relaxation can be afforded.

The EPA said it allowed the tougher regulations because this state is a special case, with a more severe smog problem than the U.S. as a whole. True, of course, but the case can be made that instead of treating California as an exception for which allowances should be made, the EPA ought to make its standards as stringent as California's. But short of that, at least the EPA isn't preventing the State ARB from setting tough standards.

[From the Los Angles Times, May 28, 1975]

IS THERE, OR ISN'T THERE?

The public may be forgiven if it is confused about the permission that California has won from the U.S. Environmental Protection Agency to continue having tougher auto emission standards than all the other states.

The EPA's waiver means that cars sold in California in the next few years will continue to be equipped with the same kind of pollution control technology that Russell Train, administrator of the EPA, just a few months ago suggested could pose a risk to public health. The obvious question then becomes: Is there a risk, or isn't there?

The California Air Resources Board thinks that, first, there is yet no evidence of short-term health risks from the catalytic converter antismog device, and that, second, if such evidence is found, the catalysts can be altered quickly to deal with the problem by disconnecting an air pump.

On the basis of these beliefs, the state board successfully pressed ahead to obtain for California the more stringent emission standards. Train's action in granting the waiver implies acceptance of the ARB position, and at the same time raises fresh doubt about his decision last March giving auto makers an additional delay to meet tougher standards for the cars they sell outside California.

What concerned Train in March was the chance that the catalytic converter that was needed to meet the more stringent emission control requirements might itself create a new pollution problem involving sulfates. He conceded that there was "substantial uncertainty" about the size of the risk, but said he preferred to err on the side of caution. For that reason alone, he eased the emissions deadline for non-California cars.

Though in the end Train's prudence may prove justified, right now it appears that he acted too hastily. Some preliminary tests by EPA indicated that catalyst-produced sulfates are less a risk than had been thought. More extensive tests will begin in the fall.

Meanwhile, ARB's own mobile monitoring on Los Angeles freeways has detected no hazardous sulfate levels. Further, ARB is persuaded that means will be available by 1977 to deal with any sulfate problem, either by technology involving the catalytic converter or by changes in the way gasoline is refined.

ARB's move to retain the tougher standards for California was the proper one. Testimony by auto makers and others has indicated that it will be possible to meet the more stringent emission requirements at reasonable cost. If sulfates are no problem, that effort should be insisted upon. If sulfates prove an insurmountable problem, then the California standards can always be lowered. The ARB is on the right course.

MEETINGS OF NUCLEAR BREEDER REVIEW COMMITTEE

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. McCORMACK. Mr. Speaker, to continue my practice of keeping Members of the House advised of the proceedings of the Joint Committee on Atomic Energy's Subcommittee To Study the Nuclear Breeder Reactor Program, I would like to announce that the subcommittee will hold hearings tomorrow, Tuesday, June 10, and Wednesday, June 11. Both meetings will start at 2 p.m. in the public hearing room of the Joint Committee on Atomic Energy.

At tomorrow's hearing the subcommittee will receive testimony on energy growth trends for this country for the balance of this century. Witnesses with a variety of perspectives on this subject will testify. These include Mr. Alan McGowan of the Scientists' Institute for Public Information, Dr. John Holdren, of the University of California at Berkeley, Dr. Bruce Netschert of the National Economics Research Institute, and Mr. Roger LeGassie of the Energy Research and Development Administration.

On Wednesday the subcommittee will receive testimony concerning alternate energy sources, their potential, and dates of availability. We will receive testimony from Dr. Allen Hammond of the American Association for the Advancement of Science, Mr. Mark Messing, of the Environmental Policy Center, Dr. John Teem, Assistant Administrator for Advanced Energy Systems of the Energy Research and Development Administration, and Dr. Joseph Oxley, of Battelle Memorial Institute.

I want to reemphasize that Members of the Congress and their staffs are invited to attend these hearings, as is the general public. I also want to remind the Members that if they have questions concerning nuclear energy, the nuclear breeder program, or the Clinch River liquid metal breeder reactor project, they should contact members of the Joint Committee on Atomic Energy. We will be happy to provide responsible answers and information.

EMERGENCY EMPLOYMENT APPROPRIATION

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. GUDE. Mr. Speaker, a costly boondoggle chock full of programs precariously related to emergency jobs funding is not the appropriate vehicle for an unemployment bill, particularly when economic indicators are just starting to turn upwards.

Our economic situation today was caused, in large part, by the inflationary events of the past several years. We are today paying the price for these events by experiencing a serious recession. Obviously, we have to take antirecessionary action in the short run, and I have already voted for more than $17 billion in emergency programs designed to stimulate the economy. At the same time, however, we have to ask ourselves in each "emergency" case whether the funds appropriated will really meet our economic needs in both the short and long run or whether they represent funds for an agency's or a Congressman's "pet" programs with no regard for their impact on the economy, and, more importantly, whether the effect of additional funding will actually be to create another round of inflation.

Let us make no mistake about it. The American people still regard inflation as our No. 1 problem. Its effects are less obvious than unemployment since it manifests itself in hundreds of relatively tiny increments over an extended period, but the erosion it causes in our standard of living and the whole economic fabric of our society is even more damaging. Inflation impacts on all segments of the society—the employed and the unemployed—but it is particularly damaging to those living on fixed incomes, primarily the elderly. Price increases erode the incomes of the elderly faster than any cost-of-living increases can compensate. This problem may be less dramatic than unemployment, but it is every bit as real, and it must not be forgotten.

Programs which do not contribute to meaningful job creation, programs which themselves have no merit, programs which only permit local government to move its present employees from a local payroll to a Federal one without additional hiring have no place in an antirecessionary program, and it is the responsibility of both Congress and the President to scrutinize each and every item in an emergency bill to see which are valid and effective.

In the case of the recent bill, it is clear that far too many programs in it failed to meet the above requirements. They were expensive, not clearly related to emergency employment needs, and on their own merits were found wanting. Some examples: $150 million for farm operating loans; $226 million for Corps of Engineers work, an environmental nightmare and more than four times what the House Appropriations Committee originally proposed; $43 million for the Bureau of Reclamation, again more than four times what the House committee proposed; $75 million for maintenance of Federal buildings; $3 million worth of electronic surveillance equipment for the Bureau of Alcohol, Tobacco, and Firearms; $5 million for data processing equipment for the IRS; $3.5 million for 529 cars for the Secret Service; and $66 million for the purchase of 18,864 automobiles by the General Services Administration.

These are not new programs. The figures above by and large represent increases in programs Congress has already approved and funded. The programs are, in some cases, worthwhile, but to simply pile dollar upon dollar in an effort to halt unemployment on the assumption that the more you spend the more jobs you automatically have is foolish. If we are not going to think about the problems or examine each program carefully, we might as well just drive down the street tossing money out the window. It would be just as effective.

Programs that will deal effectively with real unemployment are badly needed, and my opposition to the recent bill should not be construed as opposition to effective programs. We can no longer afford a pork barrel Christmas tree as a substitute for an emergency jobs funding bill, particularly since the Commerce Department's index of leading economic indicators rose a record 4.2 percent for April, showing the recession may very well be bottoming out and the economy beginning to turn upwards.

If that is the case, then we must renew our concern over the possibility of overstimulation leading to new inflation. This year, each committee of Congress has tried to do its bit to fight recession. We have had emergency unemployment bills, emergency housing bills, emergency tax cuts, public works bills, and oversized defense bills. The economic impact of any one may be favorable, but the total impact of them all can prove

to be more spending than our economy can tolerate at this time. It is for this reason that the new budget procedure is so important. It is designed to force us to view all these spending programs as part of a whole and to integrate each one into some kind of economic plan.

We have already passed a defense bill that was considerably over the budget target, which means we are going to have to make cuts somewhere else. So long as the budgetary pie was constantly expanding, arguments over the size of various slices were not significant, since everybody was getting a bigger piece. Now however, circumstances have changed and the pie is not growing in the same way as before. A bigger slice for one means a smaller slice for somebody else. This means hard choices for the Congress, and it demands a rethinking of our real priorities. It also has to mean a more careful examination of legislation as it comes before us. Throwing everybody's pet projects into one bill and calling it an "emergency program" is not my idea of good legislative practice.

A better approach, in my view, is one which helps to deal with the immediate unemployment problem within the constraints imposed by inflation. Such a program is contained in the legislation I am sponsoring, which includes the useful and effective provisions of the vetoed bill without any of the unnecessary pork-barrel items. This new bill includes $1.6 billion for public service jobs, $458 million for summer youth employment, $117 million for college work-study programs, $30 million for older American employment, and $70 million for the Labor Department's existing work incentive program.

Funding for many existing unemployment programs ends on June 30—this gives us 3 weeks. Congress must act swiftly and decisively in the direction I have indicated to approve a bill which specifically funds needed emergency employment programs and avoids the repercussions of another $5.3 billion boondoggle.

One of the most cogent commentaries on the problems of the vetoed bill and the need for prompt action on a more effective bill appeared in an editorial in the June 8 Washington Post. I would like to bring it to my colleagues' attention at this point:

UNEMPLOYMENT AT 9.2 PERCENT

The unemployment rate keeps moving upward, dishearteningly, despite the evidence that production is at least no longer falling. The cycle has apparently reached the bottom of the trough. It is normal in a recession, unfortunately, for the unemployment rate to lag behind a general revival of activity. The level of of distress is now extremely high, with 8.5 million people out of work. But it would be a great mistake to conclude that this shocking number justifies all the remedies that anyone can think of, applied simultaneously and indiscriminately—in the manner of the emergency employment bill that President Ford correctly vetoed two weeks ago.

Congress and the President are now trading reproaches with each other for having done nothing to relieve this distress. But in fact they have both done quite a lot. The federal deficit, as a result of the tax cut, is currently running at a rate well over $100 billion a year, an extremely strong pressure to turn employment upward. That deficit will diminish somewhat later in the year, but at the moment it would be most unwise to increase spending merely for the sake of stimulus.

The government's other major instrument of economic control, the money supply, is in the hands of a Federal Reserve Board that has used it over the past year a great deal more cautiously than circumstances required. But while interest rates are still high by any traditional standard, they are now down out of the stratosphere into the lowest range in two years. Conventional fiscal and monetary policy are pushing in the right direction. But even assuming—and it seems likely—that they will shortly produce a return to economic growth and rising production, they leave the country with two large questions.

First, regardless of the speed of recovery, this country is going to have a very high number of people out of work in the coming months. Almost half of them will be under 24 years old. Many will be hunting summer jobs, but some 1.5 million will be just out of school or college, looking for their first permanent employment and finding nothing. What is to be done for them? Second, even a relatively rapid and sustained rate of economic growth is going to leave the country for several years with unemployment far higher than we have traditionally known. What can the country do for those people who will not be immediately helped by this painfully slow recovery?

One preliminary and partial answer to both questions is to enact a better version of the employment bill that Mr. Ford vetoed. About half of its $5.3 billion would have gone into questionable public works and construction projects of the sort that usually create jobs at times and in places where they are least needed. But the other half of the vetoed bill deserves to be revived by Congress and sent back to Mr. Ford. It contained nearly half a billion dollars for summer jobs and, while the money is already very late, it is urgently needed. The bill also contained $1.6 billion for public service jobs that Mr. Ford requested, and $120 million to subsidize part-time jobs for students.

The collision over this bill has not done much for either side. Carl Albert, the Speaker of the House, characterized it as a confrontation between the respective ideals of the two parties. Ideals? The Democrats succumbed to the temptation to load up an emergency bill with pork barrel projects of the crudest sort. Meanwhile the President has again conveyed an impression that he does not see much of an emergency at all. The most useful bill now would be one supporting short-term employment and generous unemployment compensation in the coming months, while the country finds out exactly what sort of recovery we are going to have—and how soon.

THE RUSSIANS ARE COMING—WITH CARS—II

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. ASHBROOK. Mr. Speaker, last week I discussed Soviet plans to export automobiles to this country. The Soviet-made car is currently undergoing tests in this country. If it is certified, there are plans to start selling these cars next year.

Soviet officials have been reported as saying that they will accept up to a 30-percent loss on each car to promote sales in this country. This would seem to be a clear violation of antidumping laws.

At a time that many thousands of Americans are out of work in the automobile industry in this country, I cannot understand why our Government is allowing these plans to go forward. Does détente mean that we must accept the dumping of Soviet goods on the American market at a loss of American jobs?

The U.S. Government through various means has been providing low interest credits to the Soviets—credits that have been branded foreign aid by many.

The American worker is not only asked to subsidize these credits, but also apparently is going to find his job in danger because of Soviet trade practices.

I have written both the Attorney General and the Secretary of State asking about this reported automobile deal. Below are the texts of my letters:

WASHINGTON, D.C.,
June 5, 1975.

Hon. EDWARD H. LEVI,
Attorney General,
Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: It has been reported in the May 31st issue of the Washington Star that the Soviet Union is planning to sell cars next year in the United States. Such cars may be sold at a loss of 30 percent on each car sold.

Would the Soviet Union by such sale of cars at a financial loss be running afoul of federal anti-dumping trade laws?

Sincerely,

JOHN M. ASHBROOK,
Representative to Congress, 17th District.

WASHINGTON, D.C.,
June 5, 1975.

Hon. HENRY A. KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: At a time that the American automobile industry is in a depressed state there are reports that the Soviet Union is planning to sell automobiles in the United States. Soviet officials are reported stating they are willing to accept up to a 30% loss on the sale of their cars.

Are there currently negotiations going on between the United States government and/or companies and the Soviet Union to introduce such cars? Also, if the automobiles are to be sold at a loss of 30%, would this be a violation of federal dumping laws concerning trade with other countries?

Sincerely,

JOHN M. ASHBROOK,
Representative to Congress, 17th District.

STRIP MINE HOAX

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. AMBRO. Mr. Speaker, tomorrow we will vote on whether or not to override the President's veto of the Surface Mining Control and Reclamation Act. The administration has persistently spread the grim news that thousands upon thousands of jobs will be lost should H.R. 25 be enacted. I should like to bring to the attention of my colleagues the following editorial from the Friday, June 6, New York Times, which rebuts that allegation and warns of the error this body will incur if we do not vote to override the President's callous action.

Incidentally, while we rail against the profits of the oil companies, as well we should, this editorial points out that profits by three large coal companies last year ranged from 1,242 to 7,850 percent, figures that seem almost absurd.

The article follows:

STRIP MINE HOAX

An aggressive propaganda and lobbying campaign by the coal industry and the private electric companies has spread panic through the ranks of marginal supporters of the strip-mine regulation bill in the House of Representatives. As a result, although this bill and a similar measure in the last Congress passed by overwhelming majorities, it is uncertain whether the House next week can muster the vote to override President Ford's veto.

The chief themes of the industry campaign are that the bill would cost 36,000 jobs in the coal industry when national unemployment is high and that it would substantially raise everyone's monthly electric bill when inflation is still serious. Both charges are false.

The bill would increase the number of jobs in the coal industry because any jobs lost by the eventual shutting down of small, fly-by-night strip mines would be more than offset by the jobs created by the program to reclaim the so-called "orphan lands" ravaged by earlier strip mining in Appalachia, southern Ohio and southern Indiana. That prospect was acknowledged by Rogers Morton, then Secretary of the Interior and now Secretary of Commerce, in testimony last February.

Electric bills have climbed in many communities because approximately 45 per cent of electricity is produced from coal, and the average price of coal has doubled in the last eighteen months. But coal prices no longer are primarily related to the cost of mining coal. They have soared because in the same period the world price of oil quadrupled. Coal operators have been able to put their prices up nearly $10 a ton because they know that oil, the chief alternative, is even higher. That is why Consolidation Coal Company's profits increased 7,850 percent last year; Island Creek's 3,690 percent, and Westmoreland's 1,242 percent.

With those profit margins, the companies could easily absorb the increase in the cost of business imposed by the new land's reclamation requirements. But even if they insist on passing the whole burden on to the consumer, Senator Jackson of Washington estimates that a residential consumer using 700 kilowatt hours would pay less than 35 cents more per month.

To its discredit, the Ford Administration has joined enthusiastically with the coal and utility industries in perpetrating the hoax of higher costs and joblessness upon Congress and the American people.

Far from being a severe piece of regulation, the bill is opposed by some conservationists as a milk-and-water measure. They want strip mining banned entirely since all of the nation's coal needs can be met from underground mines. Most conservationists, however, do support the bill as a reasonable compromise.

The Administration's rejection of this compromise and its alignment with the reckless greed of the coal industry is deeply disappointing. House members who understand what is involved for the nation's land and water will be careful not to make the same dreary mistake.

MIAMI CORAL PARK SENIOR HIGH SCHOOL BAND VISITS COLOMBIA—AMBASSADORS OF GOODWILL

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. FASCELL. Mr. Speaker, during April 4 through 11, the Miami Coral Park Senior High School Marching Band of Miami, Fla., made a trip to Bogota, Colombia. The student members staged numerous performances to appreciative audiences while serving as unofficial ambassadors of goodwill for the United States. The trip generated much attention in the Colombian press and was a notable success.

As one of the persons involved in the project, E. N. Schneiderman, has noted:

The Band and their chaperones were proud to represent the United States of America, and do hope that their music helped to promote, in some small way, better understanding between the people of Colombia and their own country.

I am proud of the achievement and am happy to bring to the attention of our colleagues a report of the trip:

TRIP TO BOGOTA

Back in the summer of 1974, Mrs. Florence Fox of the Florida-Colombia Alliance/Partners of the Americas, approached Mrs. Al Schlazer (Basha) with a request for a small musical combo group to go to Bogota, Colombia, to help raise monies for hospitals in that area. Mrs. Schlazer, who is the President of the Miami Coral Park Senior High Band Patrons, presented the idea to our Board and from what began as a "small" trip for a "small" group, evolved into a "big" people-to-people project involving the Miami Coral Park Senior High Marching Band. Within our Marching Band, we also have a Concert Band, a Stage-band and a "Rock" group—so that we are most varied and versatile, with an excellent representation of styles and types of American music.

The invitation was accepted by our group and our Band members set to work to raise the necessary funds for the trip! Fund-raising projects included selling Christmas candles, Easter lilies, doughnuts, bagels, candy bars, memo boards, fresh vegetables which they hand-picked in the fields, pizza and many of them held down part-time jobs after school or they baby-sat.

At the eleventh hour, we found ourselves approximately $2,000 short. Our needs were met through a grant from the Bureau of Cultural and Educational Affairs, U.S. Department of State, at the request of the Florida-Colombia Alliance/Partners of the Americas. It is due to the efforts of Mrs. Vickie Albornoz, Mrs. Florence Fox and the marvelous people of the "Partners," that we were able to realize our dream and make the trip.

Friday, April 4th found us excitedly embarking on Braniff International Airlines for Bogota, with a full complement of band members, chaperones, a doctor, instruments, amplifiers and even an electric piano!

We were met at El Dorado Airport by officials of our American Embassy, including Representative Fitzgerald and his lovely wife, as well as Dr. Jaime Gomez and Mr. Arias who worked so hard on this trip from the Colombian end. We were most graciously welcomed and our itinerary was briefly outlined, along with a fascinating lecture about Bogota.

Saturday am., bright and early, found us on three tour busses for an extended tour of Bogota with a hair-raising trip on a cable car to Monserrate, which to our sea-level oriented teenagers, was quite an experience. We also visited the fabulous Gold Museum, which drew oohs and ahhs from everyone. That evening, we presented the first of our fund-raising concerts at the Coliseo Cubierto "El Campin," where our members played a variety of typical American pieces, much to the delight of those who attended. In addition, our majorettes performed, which is a uniquely American art-form.

Sunday was hectic. The day started with a live TV appearance by our entire band and majorettes. Four Marching Band pieces were demonstrated and several of our bandsmen were interviewed. Our Drum Major is of Latin origin and was interviewed at length, much to the obvious delight of the audience in the out-door TV theater and we're sure, to the viewing public of Colombia. Then, back in to the school busses provided by the "Abraham Lincoln School," off to the hotel for a hurried lunch, back onto the busses and away we went to the Soccer Stadium. There we played the Colombian National Anthem for the flag-raising ceremonies, as well as a pre-game entertainment for the 30,000 spectators. Our plans for a half-time show were rained-out, however. Once again, back on the busses, supper and a quick trip to the Teatro Municipal for our major concert of the trip. A well-filled house greeted our bandsmen and a much varied program was presented. Both classical and contemporary works were played, along with some uniquely American music. Also included on the bill were two local school groups, a chorus and a Spanish dance and guitar group.

Monday was a little more relaxing. Our marvelous tour guides took us to visit the Zipaquira Salt Cathedral and an artisan shop where our bandsmen enjoyed themselves shopping for native handicrafts. On our return trip, we made a stop at the "Abraham Lincoln School" where our Stage Band demonstrated American show music and how the different instruments sound individually as well as together. To top it off, our Rock group brought down the "house" with typical American "rock." The teenagers were allowed to mingle and much time was spent asking and answering questions, making friends and generally "rapping," as our young people call it. That evening, we sponsored a party at our hotel and our new found friends Dr. Gomez, Mr. Arias, their wives, children and guests attended. Our Rock group played for dancing and four birthdays were celebrated with an enormous cake!

On Tuesday, we were honored to present a parade in Ciudad Kennedy, where the First Lady of Colombia, doña Cecilia Caballero de López, presented the attending officials with the deed to the property for the hospital. In turn we presented Señora López with a key to the City of Miami and our thanks for the marvelous invitation to her lovely country. Our bandsmen were honored to have her move through their ranks and inspect them as they stood at attention. From there, our buses took us to a fabulous Country Club for lunch, as guests of Dr. and Mrs. Jaime Goméz and our band members spent a couple of very relaxing hours in very beautiful surroundings.

On Wednesday, our group was transported to yet another school, "Nueva Granda," where the Stage Band and Rock group played for the entire student body. Again, our

young people mingled with the students and much enjoyed exchanging information and life-styles. From there, we were transported to our American Embassy, where we were officially greeted and were treated to a fascinating film and information lecture. We were most happy to see our Embassy in action and see how it works. We lunched at a typical Colombian restaurant with an all Colombian-style menu. We were delighted by this unexpected treat. That evening, we held another party at our hotel, which was attended by students from both of the schools we had visited and our Rock group played for their dancing pleasure.

On Thursday, we once again boarded our tour buses for an all day tour to Boyaca/Tunja, which is a colonial Spanish town high in the Andes and had lunch at a beautiful restaurant perched on top of a mountain. On our return trip, we stopped at a Colombian gift shop, so that we could browse and purchase gifts for those back home.

In the evening, our tour guides took us to a Colombian night club where we were the only guests for the evening. Two typical Colombian bands played for us and when the second band took their break, some of our bandsmen asked for and received permission to use their instruments and stage their own "show." This evening was most thoroughly enjoyed and was a fine ending to a most exciting week.

Friday morning saw us at El Dorado Airport once again. Mr. Arias presented each of the girls and female chaperones with a lovely orchid corsage as a going-away present. We boarded our Braniff jet and taxied away, with the thoughts that one week wasn't enough!

We were amazed and delighted at the tremendous amount of newspaper coverage we received while in Bogota. Wherever we went people recognized us and started conversations with us. Although we encountered a little language barrier sometimes, we found that the language of music is international in scope and understood by all.

Wherever we went or whatever we did, we met nothing but kindness and most gracious welcomes. We truly were impressed with the hospitality of the Colombian people and the reception we received.

We wish to thank all those involved with the Florida-Colombia Alliance, the Partners of the Americas and the Bureau of Cultural and Educational Affairs, U.S. Department of State for all they did to aid us and to help us make a dream come true. We also hope that in our small way, we helped to build a bridge of brotherhood and better understanding between ourselves and the people of Colombia. After all, that's what it's all about.

THE QUALITIES OF A GOOD EDITOR

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. PREYER. Mr. Speaker, on the floor earlier today I welcomed the new editorial page editor of the Washington Star, Ed Yoder, to the Capital. As a part of that welcome, I promised to include in the extension of remarks today the following comment on Ed written by his colleague, the editor of the Greensboro Daily News, Bill Snider. Both men are members of a great tradition of journalism which we value highly in Greensboro and North Carolina:

TAR HEEL TALK—THE QUALITIES OF A GOOD EDITOR

(By William D. Snider)

Edwin M. Yoder's departure as editorial page editor of this newspaper as of today leaves a void which we scarcely hope to fill with complete satisfaction. While searching for that ideal and wishing him well, there is occasion to ponder once again, as we have in the past, the qualities of the good editor.

In 1909 the Daily News sprang, Phoenix like, from the ashes of the old Greensboro Industrial News. During its 66-year history it has been blessed with unusual editorial talent. Earle Godbey, who came down out of the western mountains with E. B. Jeffress, started it on its way. The Industrial News, with R. D. Douglas as editor, had been an organ of the Butler faction of the Republican Party. When Jeffress and Godbey took over, they made it "independent", but promised to be kind to Republicans.

A TIME FOR COURAGE

Whether succeeding editors have always managed that feat, the newspaper has never lost its spirit of independence. Lenoir Chambers, writing just before his death in 1970 after a distinguished career here and in Norfolk, recalled his apprenticeship with the Daily News founders in these words:

"Some courage was necessary in the first two decades of this century to be politically independent, to view some Southern problems with understanding and tolerance for minority views, and to insist on printing the news. It was a period of great determination to lift the state not only from the mire of its old roads but from clinging habits of allegiance that had lost their validity."

In that sense Chambers carried on the mission envisioned by Jeffress and Godbey. He had succeeded the gifted Gerald Johnson as associate editor in the 1920's as Johnson went on to fame as Baltimore Sun editorial writer, biographer and man of letters. Later Chambers himself won the Pulitzer Prize in Norfolk for challenging Senator Byrd's bankrupt massive resistance policies in the 1950's school integration crisis.

The point is that the Daily News' traditions of editorial courage and independence—and just plain literacy—were handed down from one individual and one generation to another. For example, the newspaper inaugurated the first weekly book page in North Carolina in 1921. That was a novelty in those days; but by the following year four other Tar Heel newspapers had followed suit.

Succeeding these earlier stalwarts came H. W. (Slim) Kendall, a Shelby native, whose vigor and sanity blended with an unbending concern for North Carolina's people and institutions, especially its voiceless and forgotten. Simultaneously the marvelously gifted and witty William T. Polk, the Warrenton attorney and short story writer, contributed the scholarly, literary touch which has seldom been absent from these pages during more than half a century.

YODER ARRIVES

Into this environment Ed Yoder plunged with almost effortless compatibility and grace. Born in Greensboro and reared in nearby Mebane the son of a schoolmaster, he grew up reading the Daily News. I first met him, as I recall, when he came knocking on my door as a young and difficult Chapel Hill student offering for publication a piece he had written about Thomas Wolfe.

At the University, true to the populist notions of his Catawba County forebears, Yoder bucked Chapel Hill's fervent conventional wisdom about big-time athletics, survived a recall election as editor of the Daily Tar Heel initiated by some of his furious classmates and packed himself off to Oxford as a Rhodes Scholar to sample the outside world.

Afterwards, not unexpectedly for a Yoder, he chose to return to his native North Carolina, although opportunities beckoned in abundance elsewhere. He dabbled for a while as a summer intern for Time, Inc. but ultimately signed on The Charlotte News under the sagacious Brodie Griffith for his apprenticeship in the news business.

It was in 1961, now a full 14 years ago, that Yoder came the Daily News, as the youngest and most militant of a three-member editorial staff. Except for a brief period in the mid-sixties, when he decided to explore academia as a UNC-G history professor, he remained here soaking up and enhancing the eccentricities of this place.

HIS SPECIALTIES

Each of the editors heretofore mentioned contributed his own specialties. Among qualities Yoder brought to these pages was a rare combination of scholarly attainment and trenchant literary style. They constantly illuminated like a lit-up slot machine the usually good, gray columns across the way. Nobody could marshal more compelling arguments, even occasionally in a weak cause. Nobody could put words together with so much bite and gusto, with minimum moralizing and cant, and always laced with wit. The Yoder prose compelled even his most vociferous critics to keep on reading, even as their blood pressure mounted.

It should go without saying that the company of Daily News editors always specialized in an almost iron-clad integrity and detachment from conventional partisanship The Yoder era emphasized decisiveness on issues, always well reasoned. John F. Kennedy's comment about The New York Herald Tribune—that he was reading it more and enjoying it less—often applied hereabouts But readers kept on reading because they were either supremely satisfied or supremely challenged—which, after all, is the purpose of editorials. There were not many servings of boiled watermelon.

In more recent years Ed Yoder's editorial talent has grown both in perception and maturity. But always it reflected healthy independence, unpredictability and stubbornness about marching to anyone else's drummer.

TWO HEROES

It was little wonder, then, that The Washington Star, seeking a worthy adversary for the Post, lit on Yoder for that assignment. When a Time correspondent called him recently to ask about his political views, Ed replied: "Why don't you just describe them as mysterious." When the reporter persisted, Yoder replied: "You can just say that I have had only two political heroes—Adlai Stevenson and Sam Ervin. I am a Stevenson conservative and an Ervin liberal."

That may suffice for Time; but it is a terribly inadequate description of the immense complexities of the Yoder intellect, which have left many of his associates in a state of awe, even when he camouflaged them behind a charmingly impish sense of humor and a sunny, but occasionally explosive disposition.

To say that we shall miss Ed Yoder is a considerable understatement. The Daily News has been lucky he chose to spend a major part of his journalistic career here. His associates are glad that he found the style and substance of this institution compatible. The Washington Star may, indeed, be a new and challenging chapter or even, if economics go wrong, simply a luxurious trip on the Lusitania.

However that may be, Ed Yoder for these 14 years upheld and enriched this newspaper's standards of literacy, independence and courage. The heritage he left, like that of his predecessors, will help strengthen and preserve it.

SUMMER JOBS FOR YOUTH

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. BADILLO. Mr. Speaker, the President's veto of the Emergency Employment Appropriations Act—H.R. 4481—and the failure of the House to pass the bill over the objections of the President will have serious consequences throughout the Nation. With the national unemployment rate now at 9.2 percent, millions of jobless men and women will continue to suffer as a result of this unfortunate situation.

Among the hardest hit by the current economic climate and the veto of H.R. 4481 are young people, particularly minority youth. In May of this year, unemployment among youth was 21.8 percent, an increase of 6.2 percent from only 1 year ago. Among minority youth, the rate of unemployment is an alarming 39.9 percent. With the projected 25.3 million young people entering the work force by July and anticipated layoffs continuing to significantly affect this age group, it is estimated that the unemployment rate for minority youth may approach 50 percent or higher during the summer months.

In recognition of these facts, H.R. 4481 appropriated $458 million to provide 840,000 young people with constructive employment this summer. As a result of the President's veto, there is no appropriation for this vital program at the present time.

Not only is the appropriation needed desperately, but it is needed now in order to avoid further administrative problems for the local agencies responsible for summer youth employment programs. For example, the Youth Service Agency of the City of New York reports that it begins registration of young people for jobs on June 9. The jobs begin in July and last for 9 weeks. Without an immediate appropriation, local agencies across the country will be unable to effectively place youth in jobs, and any further delay would render the program meaningless.

Under these circumstances, the Congress must take immediate action to provide sufficient funds if our Nation's cities are to relieve this catastrophic youth employment situation. The $458 million provided for in H.R. 4481 was insufficient to meet the tremendous need for summer jobs. According to a recent survey by the National League of Cities, approximately 1,140,000 jobs are needed, 300,000 more than provided for in the bill vetoed. In New York City alone, CETA funds already set aside for summer youth employment, together with the appropriation in the vetoed bill, would have employed only one-fifth of the eligible youth. It is incumbent upon this Congress to take steps to adequately treat the problem of youth unemployment, not merely to relieve a small part of the situation.

I am aware that Chairman MAHON and the members of the House Appropriations Committee are preparing legislation to provide needed funds for summer jobs. I urge them in their deliberations to establish $649.7 million as the level of appropriations for the summer jobs program. This increase of $191.7 million over the amount contained in the vetoed bill would reflect the minimum level of assistance needed to provide approximately 1,140,000 summer jobs for youth.

With respect to New York City, where it is estimated that about 500,000 jobs in the private and public sector must be found for young people this summer, the level of appropriations I advocate could mean as much as $45 million for some 80,000 jobs compared to the 50,000 jobs estimated that it would have received under the previous bill. These funds, combined with the $22 million already set aside for the purpose by the city under CETA would mean that approximately 121,000 young people would have jobs this summer.

A LOSS OF HANDS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. FORD of Michigan. Mr. Speaker, a June 8 article which appeared on the front page of yesterday's Washington Post began with the following:

In 1973, in Michigan, there were 307 amputations of hands of workers suffering accidents while operating huge power presses that stamp out variously shaped metal parts.

The article goes on to explain that most of these accidents could be eliminated by the enforcement of what is known as a no-hands-in-dies rule. It also explains that the Occupational Safety and Health Administration, the Government agency responsible for protecting the safety of workers on their jobsites, has revoked a no-hands-in-dies rule on the grounds that it is unnecessary and not feasible.

Mr. Speaker, with 307 workers losing hands in 1 year in the State of Michigan alone, I feel that this rule is far from unnecessary. Further statistics show that 3 out of every 500 workers could expect to lose a hand or portion of a hand every year, and that almost 1 out of every 5 workers would suffer such an injury over a 30-year career. Again, this tragedy is continuing, in large part, because of OSHA's decision to revoke this rule.

It seems apparent, Mr. Speaker, that the Occupational Safety and Health Administration is not utilizing the mandate Congress gave it in legislation we enacted in 1970. Much more progress could be made in protecting our workers from dangerous and hazardous working conditions if the provisions of this act were carried out more thoroughly and more vigorously enforced.

There can be no doubt that improved safety devices for these and other machines are necessary. These devices will cost money, but the Federal Government can well afford the comparatively slight cost necessary to enforce the no-hands-in-dies rule and promotion of safety-improving devices, if it saves human limbs. After all, what price or cost can one attribute to the loss of a hand?

Mr. Speaker, at this point, I would like to insert the text of this article into the RECORD:

[From the Washington Post, June 8, 1975]

A LOSS OF HANDS—RULE ON MACHINES CONTROVERSIAL

(By Hobart Rowen)

In 1973, in Michigan, there were 307 amputations of hands of workers suffering accidents while operating huge power presses that stamp out variously shaped metal parts.

Both the machine tool building industry and the AFL-CIO claim that most of these accidents for which no good data exist but which are widespread can be eliminated by enforcing what is known as a "no-hands-in-dies" rule. The government agency responsible for occupational safety rules has revoked such a rule, claiming that it is unnecessary and not feasible.

A corollary reason given by the government agency, the Occupational Safety and Health Administration, is that it would be too costly to modify many existing machines so they could be operated by hands outside of the dies.

A die is that part of the power press that shapes metal, or other material—and the part that mangles hands, fingers or arms in an accident.

A submission by the tool builders association to OSHA on June 4, 1974, said that three out of every 500 workers could expect to lose a hand or portion of a hand every year, and that nearly one out of every five would suffer such an injury over a 30-year working career.

The tool builders said these figures were drawn from lost-time statistics gathered by the American Metal Stamping Association, a trade association representing metal fabricators.

The state of Michigan, which conducted its own investigation into safety regulations surrounding the use of power presses, decided last year to stay with the "no-hands-in-dies" rule, in the wake of the 307 serious accidents in 1973.

The response at OSHA, when the matter of the 307 accidents in Michigan is brought up, is, in effect, that no one can prove that these amputations resulted from absence of a "no-hands-in-dies" rule.

John Proctor, senior scientist in OSHA's division of safety standards, said that reports on these accidents "did not differentiate between different machines, or between hands in and hands out of dies." New safety standards that OSHA has promulgated, Proctor said, will provide more detailed reporting of accidents.

The "no-hands-in-dies" controversy has reached a bitter stage between the machine tool builders and the companies that use the tools in factories across the country. In general (although there are exceptions) the tool-users resist the "no hands-in-dies" ruling as unnecessary and too expensive.

Moreover, they contest the charge that the accidents are necessarily traceable to the absence of a regulation that would keep hands out of the tool.

The tool builders also have a big financial stake in the outcome of the controversy: after collecting whatever state accident compensation is available, and injured worker usually sues the builder. And the builder usually loses such damage suits in court.

"It's like suing the manufacturer of a hammer if you smash your thumb trying to hit a nail," says Charles Pollack of the Machine Tool Builders Association. "But how

can you win when you're fighting a guy who's lost a hand? You don't—you settle."

In a situation analagous to that facing medical doctors, the tool builders' liability insurance premiums have climbed from $9 million to $156 million in two years.

The chronology of the argument goes back to May 29, 1971, when OSHA (established in 1970) promulgated a "no-hands-in-dies" regulation to become effective Aug. 31, 1974. This had been the voluntary standard evolved on a nearly unamimous basis by an industry group, the American National Standards Institute, on Feb. 17, 1971.

But in November and December, 1972, the Chamber of Commerce and the Organizations Resources Counselors, Inc. (ORC), representing tool users, petitioned OSHA to revoke the "no-hands-in-dies" standard

After extensive hearings, OSHA on Dec. 3, 1974, revoked the rule, and issued substitute regulations that became effective Nov. 1, 1975. The new rules, OSHA says will adequately "protect" employees.

"The universal requirement of 'no-hands-in-dies' was determined as not being technologically possible at present, and the costs of modifiying or replacing presses, tools, and dies would be prohibitive. It was also determined that injury data does not support the need for the restriction," an OSHA statement said.

OSHA's ruling, as published in the Federal Register Dec. 3, 1974, said that "adequate operator protection" could be assured by a single safeguarding device (other than "no-hands-in-dies") and that "redundant" safeguarding—that is, requirement of a second or third back-up device—would not "meaningfully" increase worker safety.

In addition, OSHA said that "no hands in dies" would make "many short production runs economically infeasible."

The situation at the moment, according to Peter Phillipes of Covington & Burling, attorneys for the tool builders, is that there is virtually no meaningful safety standard for existing power presses and will not be until Nov. 1, 1975. New installations have to conform to a portion of the standard issued on Dec. 3, but it won't be fully applicable until Nov. 1, 1975.

The powerful presses, which all including OSHA concede expose the operators to extreme hazards, are widely used in industry to shape not only metal, but wood, plastics and glass. There are no good national statistics on the accident rate, a fact that OSHA relied upon in its revocation ruling.

But according to George Taylor, executive secretary of an AFL–CIO board on safety standards, the 1970 legislation creating OSHA obligates it to prove, when it revises a standard, that it is providing better safety protection.

"But OSHA caved in to the Chamber of Commerce. It's as simple as that," Taylor said in an interview. Taylor also insists, contrary to OSHA claims, that the cost of modifying power presses is relatively low, and that increased productivity would amortize the modification costs over a few years' time.

A machine tool builders' representative conceded that there might be some power presses that could not be modified to fit a "no-hands-in-dies" requirement. But he rejected the suggestion at OSHA that the machine tool industry is pressing for the tighter requirement so that it can sell more tools.

John H. Stender, assistant secretary of labor for occupational safety and health, said in an interview that under the law, "we can't lay controls on top of controls, and still say it's feasible. We have to deal with what's feasible."

Stender said workers on power presses usually get paid on a piecework basis, and said that many of them object to the "no-hands-in-dies" rule because it limits their earnings. "Of course," Stender added, "employers like to get as much out of the machines as they can, too."

Although revoking the "no-hands-in-dies" regulation, OSHA said that its new rules are "strict," including requirements that improve "failsafe" controls and a new requirement for monitors that "will improve the reliability of the braking system" of the presses.

Stender said that he made the decision to revoke the "no-hands-in-dies" ruling on the basis of the record accumulated during OSHA hearings, involving 300 submissions, 90 exhibits, and more than 700 pages of testimony.

Asked why it would not be letter to have the extra protection of "no-hands-in-dies," in addition to other safeguards, Stender said: "By imposing two safeguards, you are imposing unnecessary standards. It's like putting eight wheels on a car."

Last week, the AFL–CIO and the National Machine Tool Builders Association went to court in an effort to get the "no-hands-in-dies" rule restored.

In a brief filed against the Labor Department and Stender in the U.S. Court of Appeals for the Third Circuit by the AFL–CIO, supported by a friend-of-the-court brief of the tool builders, it is charged that OSHA has replaced a "strict national consensus standard with a more lenient standard."

The briefs argued that Stender's revocation of the "no-hands-in-dies" rule "falls woefully short of the statutory requirement" of the act setting up OSHA.

"Safety improving devices (whether associated with hands in dies or hands out of dies) will cost money, but Congress has made the decision that these costs do not outweigh the economic and social costs of continued injuries," the brief says.

In response to OSHA's claim that guards and other protective devices can make the machines as safe as those in which the hands do not enter the die, the brief quoted UAW Vice President Douglas Fraser as follows:

"Logic tells me that if you never expose your hands to the die, it has to be safer . . . The fact that you don't put your hands in the dies at any time, it seems to me makes it impossible to suffer an amputation."

In its revocation ruling, OSHA contended that the accident statistics "are not helpful" in determining whether the "no-hands-in-dies" rule is more effective than an assortment of other safety devices and guards.

OSHA relied on a 1969 statistical study by the Liberty Mutual Insurance Co., which examined 389 "high-cost" accidents to support this conclusion. Using the same study, the AFL–CIO and tool builders make the opposite claim.

The machine tool builders also assert that most of the accidents are caused either by human error or alteration of tools, which bypass built-in safety measures in order to "get more" out of the machine. They suggest that both the companies shaping material and workers operating machines have been guilty of this.

Nonetheless, the builders say, they are hit with the major cost of liability settlements, since state laws generally limit employer responsibility.

They cite as an example the case of a worker in New Jersey who lost two fingers in a 36-ton mechanical power press. Originally, it was equipped with a mechanical foot treadle, which operated the device if it were depressed 3 to 4 inches. Eventually, the employer modified the press so that an electrical foot switch operated the press. The accident happened when the employee slipped, and as he fell his hand entered the die area and his foot hit the switch.

In that case, the worker got $3,600 in workmen's compensation, sued the builder, and was awarded $187,000 in a jury judgment against the builder of the original tool.

FORTY YEARS OF SHIELDING THE SOIL

HON. W. G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. HEFNER. Mr. Speaker, the first soil conservation district in the United States was established in Anson County, N.C., which is not a part of the Eighth Congressional District. And the first chief of the Soil Conservation Service was Mr. Hugh Hammond Bennett from Anson County. Thanks to Mr. Bennett's 40 years of service to soil conservation, our natural resources and rural areas have been preserved. Mr. Bennett, who was buried in Arlington Cemetery in 1960, has been described in the April 1939 issue of Farmland News as "a hero of the war against natural resource waste."

Because the protection of our rural areas and this Nation's natural resources are so important, I would like to share this article on the accomplishments and history of the Soil Conservation Service with my colleagues.

FORTY YEARS OF SHIELDING THE SOIL

It was the spring of 1935. In room 333 of the Senate Office Building in Washington the Committee on Public Lands and Surveys was meeting. It was composed of Senators Hatch, Hayden, Gore, and McGill.

They had summoned Hugh Hammond Bennett to testify. Bennett was known around Washington as "an obscure chap, but apparently well informed." A soil scientist and pioneer in soil surveys, he was probably better informed than anyone, as well as having a feeling for the land. He had spent the better part of 30 years walking over the land, sleeping under the stars, and camping near waterholes in his work of making an inventory of land conditions. Testifying before a Senate committee, however, was a bit out of his line.

In the midst of the hearing one of the Senators said—off the record, of course—"It's getting dark outside. Maybe a rainstorm is brewing."

Another said, "Maybe it's dust."

"I think you are correct, Senator," Bennett said quietly. "It does look like dust."

The group gathered at the window. The skies turned copper color. A cloud of dust rolled in like smog. The air became heavy with grit. Bennett's friends accused him of staging a spectacular show to clinch his case. All day he had been going through report after report in his testimony favoring H.R. 7054 which proposed the Nation's first organized fight against soil erosion. Nature added the touch of drama he needed.

The group went back to the conference table, their plan of action no longer in doubt. H.R. 7054 became Public Law 46, passed by the Congress without a dissenting vote and signed by President Roosevelt on April 27, 1935. It was the foundation of the present-day Soil Conservation Service. Bennett was appointed its first chief.

Some groundwork had been laid earlier. The Buchanan amendment to the appropriations bill for fiscal year 1930 provided $160,000 for soil erosion investigations. Regional erosion experiment stations were set up. By 1931 there were 10 of them. In 1933 a Soil Erosion Service was established in the Department of the Interior.

But all the activity was too slow in catching up with the wind, drought, and deterioration of the Nation's basic resource, the soil. Although 41 demonstration projects and about 50 Civilian Conservation Corps camps had sprung up, the job of helping individual landowners everywhere get started in conservation was not being done fast enough.

Formation of the new Agency, the Soil Conservation Service, in the Department of Agriculture, broadened the program. Demonstration projects and CCC camps had done well in the small areas served by them, but there was need for more local input and participation. So in August 1937, the Secretary of Agriculture decreed that "on and after July 1, 1937, all erosion control work on private lands be undertaken only through legally constituted soil conservation associations."

Thus, the idea of local soil and water conservation districts was conceived. In February of 1937 the President had submitted to all Governors a suggested soil conservation districts law authorizing local landowners to petition for organization of their own districts. The first one—Brown Creek Soil Conservation in Anson County, N.C., was chartered August 4, 1937. It was the first of its kind in history. By July 1, 1945, all 48 States had enacted soil conservations districts laws. Puerto Rico and the Virgin Islands followed suit in 1946, and Hawaii and Alaska in 1947.

Today there are 2,995 conservation districts in the 50 States and territories. They embrace 2.2 billion acres, 98 percent of the Nation's land. Most districts operate under a memorandum of understanding with the USDA Conservation Service. The working arrangement supplies Soil Conservation Service technical help to the district. District officials set priorities and formulate policy.

Forty years ago SCS technicians were showing farmers how to build terraces with horsepower and slipscoops. Now the job is done by local contractors, or landowners themselves, with modern machinery. But the effect is the same: slowing runoff water to protect the soil.

Forty years ago each tree seedling was set by hand with a "planting dibble." Now local districts and others machine plant more than 300,000 acres to trees each year. Over the years nearly 22 million acres have been planted.

From a humble beginning with a few farmers in the fringes of demonstration projects, the job of getting conservation on the land has expanded to 2,300,000 district cooperators in nearly every county. Over the years these people have built 1,257,139 miles of terraces, 1,972,493 ponds, and 11,912 floodwater retarding structures. They have improved 16,806,129 acres of woodland and 74,960,126 acres of pastures and hayland.

SCS has had other jobs assigned since it began "undertaking through legally constituted associations." Upstream flood control work under the Flood Control Act of 1944 became the job of SCS. In 1952 it was given the responsibility for all soil survey work. All USDA flood control and river basin study activities were assigned in 1953.

Other responsibilities added during the 1950's were the Great Plains conservation program and the Watershed Protection and Flood Prevention Act. The Food and Agriculture Act of 1962 again offered new dimensions.

But one thing has not changed. On-site technical help to individuals or groups of landowners or resource users is the keystone of SCS operations. Using available research, soil surveys that give detailed data, farmer experiences gained in day-to-day contacts, and in-depth evaluations by its own staff of experts, SCS brings to each cooperating decision-maker the alternatives in proper management of soil, water, plants, and animals. SCS believes in planning ahead.

Work with each individual landowner is planned in advance, based on the owner's decisions. Each practice is planned before it is established. Great Plains conservation program producers must plan at least 5 years ahead for steps to be taken in specified years. Watersheds, some embracing up to a quarter-million acres, are carefully planned before floodwater structures or other measures are built. Watershed plans must meet the needs of, and be approved by, the people in the watershed, and satisfy environmental requirements. Systems of checks and balances are built into the operation by agency leaders and organizations of local districts.

The names of the conservation practices have not changed much over the years—terracing, tree planting, or whatever. But the practices themselves are constantly undergoing change.

Hugh Bennett, who retired in 1951, died in 1960. He was buried in Arlington Cemetery, a hero of the war against natural resource waste.

Yet one of his feats of showmanship still lives in the philosophy of the Soil Conservation Service.

At a congressional hearing he spread a thick towel on the table and poured half a pitcher of water on it. No water ran off the table. Then he lifted the towel and poured the rest of the water on the bare table top, all of it spilling onto the floor. He did not say anything—he did not need to.

Later he did explain that the towel represented cover on a well-managed land, making it capable of absorbing heavy rains. It still does.

A SALUTE TO THE HONORABLE JAMES A. FARLEY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. RODINO. Mr. Speaker, on Friday, May 30, the Honorable James Farley, Postmaster General for President Franklin Roosevelt, celebrated his 87th birthday. I know my colleagues join me in wishing Jim Farley the happiest of birthdays.

I would now like to share with you an article printed in the Newark Star Ledger, in honor of this occasion:

JAMES FARLEY HOLDS FORTH ON NATION, WORLD, FARLEY

(By Mark Finston)

NEW YORK.—Ever since 1940, each year on the day before his birthday, James A. (for Aloysius) Farley has met informally with the press to discuss the states of the world, the nation and James A. Farley.

Today Farley, the former postmaster general under Franklin Roosevelt, a long-time power in Democrat politics, will be 87 years old.

And it would appear that the state of James A. Farley is considerably more hale than the states of the world and the nation.

The yearly ritual was held yesterday in an 18th-floor conference room of the Coca-Cola company at 515 Madison Ave. Farley is a Coca-Cola director and maintains an office in the building, to which he walks daily from his residence in the Waldorf-Astoria.

He strolled around the table, shaking hands with everyone, greeting old friends, making new ones. It has been said that Farley never forgets a name or a face, can address by name literally thousands of people, some of whom he has only met once.

"My memory is still pretty good," said the balding Farley, who is tall (six-feet, 2½ inches), trim (180 pounds) and who looks 20 years younger than his four-score-and-seven.

"It's a great relief to know you're around at 87. I never thought I'd make it, but here I am."

Farley has been in politics since he was elected town clerk of Stony Point, N.Y., in 1911. He was a delegate to every Democratic National Convention from 1924 through 1968. He was a member of FDR's Cabinet until he resigned in 1940. He didn't think Roosevelt should run for a third term. At last count, in October of 1974, he was a member of 19 social, political and fraternal organizations, and had received 42 honorary degrees and citations.

"I haven't been very active in politics since I retired as New York state chairman in 1944," he said. "I do hear from most of the political organizations when they're collecting funds."

He is known as "genial Jim", and speaks in a kindly tone even when criticizing. He was asked to survey the current political scene.

"With all due respect to the present president, he just doesn't have the spark that President Roosevelt had," said Farley. "Actually, nobody on the national scene does."

"The Democratic candidate in 1976? It's too early to venture a guess. I don't want to make a comment now. I'd like to see them as they move a little further. I'd like to take Ted Kennedy at his word. He said he wouldn't be a candidate, and I don't care what his brother-in-law said. When I say I won't do something, I won't do it.

"The Democratic Party is in a pretty good position nationwide. But if there's another struggle like the one at the 1968 Democratic convention, it will lose its chances. Some of those people don't lose like gentlemen.

"Humphrey indicated he wasn't a candidate, but he also indicated he was in a receptive mood."

Farley shrugged and laughed.

"Muskie would make a good candidate in my judgment, and I think he'd make a good president. Jackson hasn't caught on.

"I don't think this country's in trouble, and it never will be. We'll have good leaders come along."

On a typical day, Farley, whose wife died in 1955, wakes up at 6 a.m., listens to news on the radio, showers, eats breakfast at the Waldorf coffee shop ("Also twice a month I get a haircut on the back of my neck"), and walks to work by 9:15. He stays till 4:30: "I dictate all day long. I keep two secretaries busy."

He goes home, reads the news magazines plus the captions and cartoons in The New Yorker, watches TV news, and goes out to dinner.

"I went to 70 banquets last year," he said.

Are the speeches and food getting any better at banquets?

"I'd rather not comment on that," he twinkled. "Usually I leave before the speeches are over. I try and beat the crowd."

Though his mother ran a bar, at which he was a bartender, he has never drunk intoxicating liquor or smoked.

"When I was young," he recalled, "I smoked a five-cent cigar. It was made in West Haverstraw, N.Y., and was called a 'Young Tar,' I took care of the cigar, then the cigar took care of me. I've never smoked since."

No drinking or smoking. Someone remarked, "I guess that leaves just sex, general."

"Well, I won't discuss that," Farley laughed.

He'll never retire, he says. He goes to baseball and football games, thinks Dempsey is the best boxer who ever lived," and, "I bet a little on the races now and then without too much success."

Today, he'll visit the cemetery in Rockland County where his parents are buried, pass some time with the few families in his birthplace of Grassy Point, N.Y., still living, see some more old friends up there, return to New York and dine with two of his three children. He'll order fettucine.

He pointed out the Farley coat of arms on his tie: "It's an antelope or something," and admired a newsman's green-and-white checked sportscoat: "I wish I had the nerve to wear something like that I only wear dark colors."

Then he cut a cake, shook hands with everyone and grinned, "Press conferences are still as much fun as they always were."

KOREA IS NO VIETNAM

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. MURPHY of New York. Mr. Speaker, June 24 marks the 25th anniversary of the beginning of the Korean war. Also this week, the Congress plays host to six Korean National Assemblymen who are veterans of that fighting.

In that context, I feel it is particularly appropriate that we consider a splendid summary of where Korea stands today. "Korea Is No Vietnam" is a talk that was given by Choong Hoon Park, chairman, Korean Traders Association, on May 19, 1975. He was welcoming the U.S. Trade Mission. In the haunting aftermath of Indochina, this positive report should be considered by all of us in forming our opinions about Asia today.

The article follows:

KOREA IS NO VIETNAM

Deputy Prime Minister Nam, Ambassador Sneider, Mr. Lee, Secretary Trowbridge, members of the U.S. delegation, ladies and gentlemen!

In opening the second joint meeting of the Korean and U.S. Economic Councils, let me extend my sincere and wholehearted welcome to the U.S. delegation (of well over 50 members) and their wives, and tell you how happy I am to have all of you with us today.

The collapse of Indochina has put the rest of Southeast Asia in the grip of fear and uncertainty, no doubt inspired in part by the domino theory. Even in Korea, somewhat removed from the scene, a subtle sense of uneasiness has been felt in the wake of the Indochinese debacle and Kim Il Sung's recent Peking visit. Still, we are greatly heartened by the repeated assurances by President Ford and other ranking officials of the U.S. Administration that the U.S. will stand by its faithful ally, Korea, come what may.

We are told, however, that U.S. policy is not laid down single-handedly by the Administration, but Congress also plays an important part—a Congress which appears increasingly sensitive to public opinion. For me personally, there can be no stronger guarantee than the presence here of a large group of Americans, representing the cream of the U.S. business community which plays such a crucial part in the shaping of American public opinion, and no better reassurance than the knowledge that they are here to offer economic cooperation and to further cement the existing bonds of partnership between Korea and the United States.

I am grateful for your trust and understanding for Korea and want to assure you that such trust and understanding is not misplaced.

Now let me speak a few words on the theme: "Korea is no Vietnam." How and in what ways is Korea different from Vietnam?

The foundation of Korea's strength is, first of all, the stoutly anti-communist nation of 34 million who have had a bitter experience of communism during the Korean War. The nation, moreover, has strong and incorruptible leadership at the top. We have a highly-trained and well-equipped regular defense force of 600,000 man, many with battlefield experience in Korea and Vietnam. It is backed by an organized and alert reserve force of 2.7 million. This formidable defense setup is further reinforced by sizable U.S. military forces carrying out the terms of the Korea-U.S. Mutual Defense Treaty. The presence of U.S. forces in Korea not only serves as a deterrent to renewed aggression in Korea but makes an important contribution to the maintenance of peace and balance of power in Northeast Asia.

You will recall that Kim Il Sung in his Peking communique attacked the supposed lack of freedom of speech and religion and alleged suppression of human rights in the south. Such criticism is ridiculous, coming as it does from the head of a notorious dictatorship under which freedom of criticism, religion and conscience not only does not exist but is unthinkable. As far as freedom is concerned, as a Washington Post columnist recently remarked, South Korea is sunny bright against the pitch-darkness of North Korea.

I view the North-South confrontation in Korea as a contest between the political tenets of communism and democracy, a race in economic development between a socialist system and a capitalist economy. Korea is an arena where the respective contestants are backed, on the one hand, by the United States and Japan, which are friendly to each other, and on the other by the Soviet Union and Red China, who are mutually hostile.

We in the south have full trust and confidence in the superiority of our own institutions which enable us to carry on extensive economic cooperation with other friendly countries and which already have brought us numerous successes and benefits. President Ford sees in Korea a rare instance of success of U.S. foreign aid policy.

Our volume of trade in 1974 was $11.3 billion compared with $1.13 billion in North Korea in 1973. This is a ratio of exactly ten to one. In per capita GNP also, the Republic of Korea reported $513 for 1974 compared with only $313 in the north.

Everyone knows that we are far ahead in the South-North contest. Korea has served as proving grounds where the institutions of liberal democracy have been certified to be indisputably superior to the system of socialist dictatorship. Korea is one spot in the Far East where communism has been steadily losing ground, both militarily and economically. You will find no left-leaning domino in Korea. Korea is no Vietnam.

The entire Korean nation is yearning for unification, and it is our policy to achieve it by peaceful means. For this, we must first build up national strength by rapid exploitation and development of all existing economic potentialities.

Indochina has taught us an object lesson. It has made the entire nation rally around the Government to strengthen the national security posture. The crisis has served to reinforce national unity and the will to fight all communist provocations. In Korea today, to borrow from Mao Tse-tung's aphorism, there is no water for any red fish to swim in. The recent international crisis failed to divert us from our single-minded pursuit of economic development. Our heavy and chemical industry program, our export promotion drive, our Saemaul movement are being pushed with undiminished vigor.

The United States has invested more than $2 billion in equity and credit to speed Korea's economic development. Over a hundred U.S. corporations are carrying on profitable and rewarding business undertakings in Korea. Korea has grown to be the 12th ranking trading partner of the U.S. Our development program requires a heavy input of both capital and technology, and we would like to see as much of these as possible come from the United States.

As many of you already know, Korea's economy is a growing one with a reputation for overcoming seemingly insurmountable obstacles. Even in the midst of the present unprecedented difficulties, the Korean entrepreneur refuses to lose heart but is energetically planning for a brighter, bigger future. In this on-going progress, members of the U.S.-Korea Economic Council have already made great and vital contributions by matching their ample capital and know-how with the vigor, diligence and energy of their Korean partners.

I know all of you are here for business and I hope everyone of you will turn out successful in picking a right Korean partner. I hope you will work jointly with your Korean partners to steer your business ventures in the direction of even greater mutual benefit and common prosperity for both countries.

It is the beginning of summer in Korea, and the hills of Seoul are once again clothed in green. So don't let business deter you from enjoying the scenery and some other delectable amenities that Korea has to offer. I wish all of you the best of luck.

GEARING UP FOR GEOTHERMAL

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. PICKLE. Mr. Speaker, among all the fanfare about turning to the development and use of new energy sources, I am glad to see some firm steps being taken in this direction. For 3 days last week, policymakers, engineers, and other experts gathered at the University of Texas to explore and combine their knowledge about geothermal energy—a great energy source for the gulf coast as well as for many other parts of the country.

The conference was just one part of a multifaceted project which will result in a few short years in the actual use of the vast geothermal resources of the Texas gulf coast. University, government, and industry communities are combining their talents to bring this about. Following are several articles outlining the scope of the conference, and the hopes we have for full use of this new energy source in our area:

[From the University of Texas at Austin News and Information Service, Apr. 24, 1975]

GEOTHERMAL CONFERENCE

AUSTIN, TEX.—A major conference on Geopressured Geothermal Energy Resources: Research and Development will be conducted June 2–4 at the Joe C. Thompson Conference Center at The University of Texas.

Sponsored by the Center for Energy Studies, the Bureau of Economic Geology and the College of Engineering at UT Austin, the first-of-its-kind conference will bring together representatives of industry, universities and the federal government's Energy Research and Development Administration. Authorities consider communication between those groups to be essential for developing geopressured (highly overpressured) geothermal energy processes.

Geothermal energy, heat from within the earth, has potential for partially solving the energy crisis. While that energy source has not been fully developed, large areas of geothermal resources are known to exist in the western United States, and a unique form of potential geothermal energy exists in sands beneath the Gulf Coast.

The conference will address ongoing research and development programs, and the outstanding problems in the geothermal area, as well as investigate areas where additional research is needed.

Major topics to be covered are resource assessment, reservoir research and technology, surface technology and power systems, legal and environmental aspects, and future projections.

Representations June 2 will include:

"The Origin of Resources' and "Detail Occurrence of Resources," Dr. Paul Jones, Louisiana State University.

"Regional Sand Distribution of the Frio Formation: A Preliminary Study in the Search for Geothermal Energy in South Texas," Dr. Don Bebout, UT Austin Bureau of Economic Geology.

"Potential Geothermal Energy: Relationships of Regional Sand Distribution to Pressure and Temperature in the Geopressured Frio Formation of South Texas," Prof. Myron H. Dorfman, UT Austin Petroleum Engineering Department.

"Reflection Seismic Techniques Locate Geopressured Geothermal Anomalies," B. W. Aud, Dresser Industries, Inc., Houston.

Presentations schedule June 3 are:

"Reservoir Mechanics of Geopressured Aquifers," Dr. William J. Bernard, Louisiana State University.

"The Energy Potential of Geopressured Reservoirs: Hydrogeologic Factors," Stavros S. Papadopulos, U.S. Geological Survey, Reston, Virginia.

"Well Information Systems as Applied to Geopressured Reservoir Description," Dr. F. S. Young, Baroid Division of NL Industries, Inc., Houston.

"Drill Stem Testing and Sampling of Deep Frio and Wilcox Reservoirs," J. M. Montgomery, Halliburton Services Research, Duncan, Okla.

"Numerical Simulation of Geopressured Geothermal Reservoirs," Dr. Roy Knapp, UT Austin Petroleum Engineering Department, and Dr. T. David Riney, Systems, Sciences and Software, La Jolla, Calif.

"Gulf Coast Survey for Process Heat Uses of Geothermal Energy," C. D. Hornburg, DDS Engineers, Fort Lauderdale, Fla.

"Heat Exchanger Performance Tests with Low Salinity Geothermal Brines," G. Lombard, San Diego Gas and Electric Co.

"An Analysis of the Potential Use of Geothermal Energy for Power Generation Along the Texas Gulf Coast," Dr. John Wilson, Dow Chemical Company, Freeport.

"Potential Power Generation and Gas Production from Gulf Coast Geopressured Reservoirs," Palmer House, Lawrence Livermore Laboratory, California.

June 4 presentations will be:

"Legal Aspects of Utilizing Geopressured Water as a Source of Energy," Dr. George Hardy, dean of the school of law, University of Kentucky, Lexington.

"Environmental Problems Associated with the Production of Energy from Overpressured Reservoirs," Dr. Eugene Herrin, Southern Methodist University, Dallas.

"Environmental Considerations and Economic Implications in the Development of Geothermal Energy," Frank Moseley, Central Power and Light Company, Corpus Christi.

"The Role of Public Lands in Geothermal Energy," Bob Armstrong, commissioner, Texas General Land Office, Austin.

A panel discussion to summarize the presentations and make projections will be conducted at the end of the conference, beginning at 1:30 p.m., June 4. Discussion participants will include Dr. David Lombard, program manager, Geothermal Energy Research and Technology, Energy Research and Development Administration, Washington, D.C., and Fred C. Repper, vice president, Central Power and Light Company, Corpus Christi. Other participants will include representatives of energy companies, industrial organizations and environmental interests.

Registration fee for the entire conference is $50. Conference Chairman Myron Dorfman asks that checks be made payable to the University of Texas at Austin and mailed to: Engineering Institutes of the College of Engineering, Cockrell Hall 2.102, UT Austin 78712.

[From the Daily Texan, June 3, 1975]

CONFERENCE STRESSES GEOPRESSURE ENERGY

(By Becky Parr)

Rather than being on the energy "wish list" as many policymakers believe, geopressure is a realistic source of energy, Texas Atty. Gen. John Hill said at the opening session Monday of a three-day energy conference.

"There are other sources of energy in Texas besides the great deal of recoverable oil and gas we have," Hill said. "We have tremendous supplies of lignite. Texas is foolish not to take maximum advantage of solar energy. Wind should be able to provide significant amounts of energy. In the Southwest, we are most favored by nature with apparent large resources of geothermal energy in many forms."

The Geopressure Geothermal Energy Resources Conference, sponsored by the Center for Energy Studies, the Bureau of Economic Geology and the College of Engineering of the University, will continue through Wednesday at the Joe C. Thompson Conference Center.

Geothermal energy is the energy that can be extracted from the natural heat of the earth. Common forms are geysers and volcanoes. To harness this energy, wells are drilled down to areas of hot water. The water comes out of the earth in the form of steam. This steam is used to run turbines for electrical power.

"Before this time, the statutes said nothing about geothermal energy," Hill said. "It is an energy resource, yet it was not defined by law. I believe the Texas Legislature took a giant step in the right direction this session by the passage of Senate Bill 685.

"Essentially, the act says that geothermal energy is a unique resource, sets up a regulatory framework in the General Land Office and the Railroad Commission, provides for the protection of the environment in the utilization of that resource and mandates that we set about the job of defining the extent and usability of that resource."

The conference will be determining the feasibility of using the potential energy in geopressured rock underlying the Texas Gulf Coast. Discussion also will center on the scope of research and development leading to exploitation of this resource.

"I will defer to you learned people to show us how to locate, produce and most effectively use the wide range of energy potentials of geopressured geothermal energy. That is no small task considering the fact that the resource is generally three miles under the earth spread among thousands of separate sands in a sort of three-dimensional forest," commented Hill.

In Texas, wells must be drilled 10,000 to 15,000 feet to reach the sources of geothermal energy. There the water is extremely hot (300 to 350 degrees) and under a great deal of pressure. Geologists hope that this water is not salty so that it can be used as steam to run turbines.

The use of geopressured water in the Gulf Coast area offers other benefits, such as the production of natural gas. Upon exposure to atmospheric conditions, the waters will be comparatively fresh and can be used for consumption or irrigation in South Texas with minimal desalination efforts.

One of the problems of the Gulf area facing the conference is assessing the resource, according to Charles Groat, acting director of the Bureau of Economic Geology. The bureau is trying to determine where the water is and what types of soil are between the sources and the surface.

Another problem is how to develop the resource: how to bring it to the surface. After the resource has been brought to the surface, the problem exists of how to convert it into energy. There also are environmental problems, such as wastewater disposal, subsidence and air pollution.

"Geothermal energy has been known about for a long time," Groat said. "It has been used in parts of the world since 1890. But it has only recently been considered as a serious energy source."

[From the Daily Texan, Feb. 27, 1975]

CENTER RECEIVES MONEY FOR GEOTHERMAL SEARCH

(By Ron Hutcheson)

A University study of the feasibility of tapping large geothermal reservoirs under the Texas-Louisiana Gulf Coast has received a $500,000 boost from the federal Energy Research and Development Administration, an agency in charge of investigating new energy sources.

The study is part of a project by the University's Center for Energy Studies which engineers hope will eventually result in the production of enough potential electrical power to support 15 million people for 100 years.

The reservoirs are 10,000 feet below the earth's surface and sometimes extend to a depth of more than three miles, said Dr. Myron Dorfman, the center's associate director for geothermal research. The heat from the earth's core heats the water in the basins to more than 300 degrees.

"It is really a big pressure cooker," Dorfman said. "There's a cover on the top and a burner on the bottom."

University researchers hope to tap this pressure and begin experimental electrical production within three years.

The federal funds will be used to help determine the extent and location of the largest reservoirs and determine the best sites to attempt experimental electrical production.

Dr. Charles Groat, associate director of the Bureau of Economic Geology, will head the two-year feasibility study.

Another purpose of the study is to determine the amount of natural gas which is dissolved in the geothermal water.

"We know the natural gas is there, but we don't yet know to what extent," Dorfman said. He added, however, that even if the natural gas is not as abundant as hoped, it would still significantly increase the state's natural gas reserves.

Earlier this week ERDA granted the center $15,000 to sponsor an informative conference June 2 to 4 in the Joe C. Thompson Conference Center.

The purpose of the conference is to discuss new developments in geothermal research with industrial, academic and governmental leaders. Legal and environmental problems will also be considered.

[From the Austin American-Statesman, Mar. 1, 1975]

GULF GEOTHERMAL ENERGY POTENTIAL STUDIED AT UT

Engineers and geologists at the University of Texas may in the next year be tapping hot, high-pressure water from the Gulf Coast that will provide a new and valuable energy source for Texas.

With receipt of a $500,000 grant from the federal Energy Research and Development Administration this week, the project at UT's Center for Energy Studies is getting into full swing.

The grant will fund two years of resources assessment conducted by scientists from the Bureau of Economic Geology at UT.

Under the direction of Dr. Charles Groat, researchers will be trying to locate areas where a substantial amount of high-pressure high-temperature water is trapped beneath the sands along the Gulf Coast.

Groat said that these beds, which are estimated to be between 10,000 to 15,000 feet below the surface are believed to have the geothermal energy necessary for producing power, and if the water is not too salient many irrigation uses.

Dissolved natural gas is also believed to be trapped in the areas and, Groat explained, those deposits could add significant amounts to Texas' natural gas reserves.

Other segments of the CES project will be developing extraction methods, conversion machinery that will make the energy available to consumers as well as the environmental and legal implications.

"Right now," Groat said, "There are many unanswered legal implications to leasing geothermal energy." And, he added, disposal systems must be devised and determination made as to what kind of effect the extraction will have on the coast area.

Groat said he feels quite optimistic that with the federal grant money and the availability of drilling equipment now in the Gulf, a test site will be extracting heated water from the coast in about a year.

Groat's team of researchers include Dr. Don G. Bebout, research scientists for the bureau and Myron Dorfman, assistant professor of petroleum engineering and CES associate director.

FORD FOUNDATION ENERGY STUDY IS A BLUEPRINT FOR MORE CONTROLS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. SYMMS. Mr. Speaker, we have all been hearing a lot of clamor lately about the recently completed energy policy study by the Ford Foundation. As expected this study recommends greatly expanded Government controls and regulations—not only over energy production and distribution but over all of society. This is not surprising to me since the Ford Foundation has long advocated policies that would lead to a totally controlled society.

The Ford Foundation energy study is in reality a blueprint for income redistribution. In a recent column Gov. Ronald Reagan discussed the Ford energy study; at this time I would like to read the Reagan column for the benefit of my colleagues in Congress:

FORD FOUNDATION ENERGY STUDY IS BLUEPRINT FOR MORE CONTROLS

(By Ronald Reagan)

Big government breeds bigger government—especially in times of crisis. That has become a truism. And the best recent example of this is the so-called energy crisis with which the United States has been beset for the last two years.

Efforts to cope with the "crisis" have bred new agencies at both the state and federal levels. Unfortunately, new agencies mean more than just adding bureaucrats and additional budgets to the cost of government. They also mean new rules, regulations and controls, all part of the self-justification process for continuation of the agencies.

Sadly, long experience shows that these seldom meet expectations and the good they do is not often worth the cost, either in dollars or in loss of freedom.

A few months ago the influential and wealthy Ford Foundation issued the results of a three-year, $4-million study called "A Time to Choose America's Energy Future." It was hailed by various experts, government officials and members of Congress for pointing the way toward a logical, long-range energy policy for the United States.

But does it really?

A closer look and a careful analysis produced by a small, new foundation, the Institute for Contemporary Studies, in San Francisco, takes sharp issue with the Ford study.

Trenchantly titled "No Time to Confuse," the analysis is the work of 10 highly respected economists and political scientists. What it concludes is that the Ford study merely offers us more of the same kind of "solutions" that big government advocates have been handing us all along: controls over production, distribution and prices; mandatory guidelines; and proposals that aim not at finding and developing enough energy sources to allow America to be independent and to continue to grow and expand, but rather at limiting energy consumption and controlling how each one of us uses it.

In fact, "No Time to Confuse" finds that the authors of "A Time to Choose" are more interested in presenting their own views of how they think the world should be than they are developing an energy policy that will function well within the framework of our free enterprise system.

Prof. M. Bruce Johnson, in his segment of "No Time to Confuse," charges bluntly that the Ford study is no more than "a vehicle for authors' views on income redistribution and environmental action."

But even worse, in the view of Prof. William H. Riker, is the kind of ideology that motivates the authors of the Ford study.

"This kind of ideology is used to justify the existence of a planned society which works, if it works at all, only in the context of a police state. Much of the ordinary workaday life would have to be made illegal to force society to make fuel conservation the highest priority. We could make 'energy conservation a matter of the highest national priority' as the report urges Congress to do, but the kind of life for which we conserved it would not be very attractive."

Like his fellow authors of "No Time to Confuse," Riker is a master of understatement. What the authors of the Ford study seem to be looking toward is a society where everything that isn't prohibited is compulsory.

Isn't it time that Americans began to demand that their government leaders seek solutions that liberate us rather than control us? Apparently, the Ford Foundation "experts" don't think so.

STRIP MINING BILL

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. RUPPE. Mr. Speaker, during the course of the hearings conducted last week by the Joint Subcommittee of the Interior Committee on the President's veto of the strip mining bill, H.R. 25, administration witnesses made the assertion that the Pennsylvania statute, the model for H.R. 25, was not as strong as our bill.

I have today received a letter from Mr. Walter N. Heine, the associate deputy secretary for mines and land protection of Pennsylvania. He takes great exception to the statement by John Hill, the Deputy Administrator of the Federal Energy Administration, that their State's law allows a number of variances and exemptions.

I include Mr. Heine's letter in the RECORD at this point so that one more misstatement by the Federal Energy Administration may be corrected:

COMMONWEALTH OF PENNSYLVANIA,
Harrisburg, Pa., June 6, 1975.

Hon. PHILIP E. RUPPE,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN RUPPE: It is my understanding that in testimony given by Mr. John Hill, Deputy Administrator or the Federal Energy Administration (FEA) at the Interior and Insular Affairs Committee hearing on June 3, Mr. Hill stated that: "the Pennsylvania law has a number of key provisions which allow the state regulatory authority to grant variances, or exemptions, or (sic) requirements of the Act, particularly to small miners."

This is totally incorrect. We diligently make every effort to treat all coal operators equally regardless of size. There is no provision either in our law or regulations, nor is it our administrative policy to make special provisions for, or grant variances to, coal operators on the basis of their size of operation.

Mr. Hill may have misread our Act, as amended on October 18, 1973, which exempts small, non-coal permit applicants from obtaining a certificate of insurance or submitting a bond as follows:

". . . for the surface mining of minerals other than anthracite and bituminous coal where . . . the amount of marketable minerals to be extracted does not exceed two thousand (2000) tons. . . ."

It is disturbing that Pennsylvania's statute, regulations, and administrative policies continue to be misrepresented by those in opposition to the Federal strip mine legislation. Please advise your colleagues that they are welcome to consult with me if they have any questions concerning Pennsylvania's law or regulations or administrative procedures.

Sincerely,

WALTER N. HEINE, P.E.,
Associate Deputy Secretary for Mines and Land Protection.

"FREE MONEY IS SOUND MONEY"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. McDONALD of Georgia. Mr. Speaker, I would like to call the attention of those who hail Government deficit spending and inflation as "stimulative" and a means of reviving the economy to the following essay by Prof. Hans F. Sennholz which appears in the June 1975 issue of the Freeman. Dr. Sennholz demonstrates that the Government, by consuming people's savings and devaluing the currency, absorbs and consumes the very substance of economic productivity.

What makes this possible, Dr. Sennholz points out, is the Government's fiat money. A return to free money—that is, where what is to serve as money is determined by individuals through their economic choices in the market—would undoubtedly lead to a gold standard and would prevent the capital-consuming inflation policies of Government.

The essay follows:

FREE MONEY IS SOUND MONEY

(By Hans F. Sennholz)

Recent economic developments reflect and portend the painful convulsions of our fiat money system. The federal government is projecting a budget deficit of $34.7 billion for fiscal 1975 and a deficit of $51.9 billion for fiscal 1976. The U.S. Congress can be expected to boost federal spending even further which, together with the growing deficits of such "off-budget" agencies as the Postal Service and the Environmental Protection Agency, may raise the total federal deficit to more than $100 billion. State and local government deficits are making additional demands for economic resources. To finance such deficits out of the savings of the American people is well-nigh impossible. Therefore, the federal government may be expected to rely increasingly upon its monetary arm, the Federal Reserve System. Only hyper-inflation can finance super deficits.

A budgetary deficit is not just a temporary shortage of money that is readily covered by a loan. It is not primarily a monetary phenomenon that is efficiently handled by monetary authorities and bankers. Instead, a federal deficit means consumption of economic resources—real goods and services—beyond those taken directly from taxpayers. It consumes the real wealth and substance of savers who directly or indirectly buy the new Treasury obligations. The coming $100 billion deficit, in fact, greatly exceeds the annual savings of the American people, which were estimated to be $74.4 billion in 1973 and $76.7 billion in 1974. (Federal Reserve *Bulletin*, February, 1975, p. 57).

REDISTRIBUTING WEALTH

Whenever our savings are consumed by government, they obviously can no longer be used by individuals who would build or buy homes, household appliances, or make some other improvements. More facilities of production are used to serve government demand, fewer are left to cater to private demand. As the U.S. Treasury enters the capital market to sell its bills, notes and bonds, it absorbs and consumes the very substance of economic productivity. Its capital demand is felt as a chronic lack of capital for industry and commerce, for public utilities, for development of more energy, modernization and renovation and new production facilities. It is felt as a universal "shortage of funds" which, in reality, is a shortage of real savings and economic resources. Plagued by such shortages and enmeshed in serious economic difficulties and crises, the federal government then calls on the Federal Reserve System to alleviate the shortages through credit expansion and money creation. Tons of new paper money are thus to take the place of real goods that are consumed by our political organizations.

The inevitable rise in prices of goods, commonly called inflation, then serves to withdraw the resources from certain individuals and redirects them to the spender with the newly created purchasing power, the federal government. Inflation acts as a federal tax on all holders of money and claims to money. It silently and efficiently transfers real income and wealth from millions of individuals to the inflating government. Nor do most of the victims understand the nature of this taxing process. After all, rising prices can be blamed on merchants and industrialists, thus exculpating the government that is withdrawing and consuming the economic resources. The very administration that is conducting such policies may even blame businessmen for the inflation and proceed to impose price and wage controls on its victims.

A TOOL OF POLITICS

In the coming years of galloping inflation the American people may come to understand the true nature of the fiat system that makes government the creator and guardian of money. They may learn what the defenders of gold as money knew all along, that fiat money is political money—an effective tool for the financial aspirations of political parties and administrations. Fiat money serves as an important implement, not only for such policies as "full employment" and "economic growth," but also for massive redistribution of economic wealth from creditors to debtors. Fiat money is the political device ideally suited to achieve the transfer of income and wealth on a gigantic scale.

Inflation that gradually erodes the capital substance of the middle class can be effective in the fog of political confusion and economic ignorance. In a few years of double-digit inflation, the savings bonds, pension funds, life insurance policies and even corporate stock holdings which constitute the very subsance of the middle class, are consumed by government or transferred into the possession of debtors. Massive deficits financed by double-digit inflation thus sustain the redistributive society that heretofore depended mainly on confiscatory taxation of its richer members.

The proceeds of inflation as a tax on monetary assets accrue not only to the government that is actively inflating the currency but also to all other debtors, including corporations and individuals. When the dollar depreciates, all creditors lose while all debtors gain, whether they are political organizations or corporations. Economic property is redistributed universally from a large class of victims, commonly the middle class, to the political institutions and a new class of *nouveaux riches*, which is enjoying the fallout effects of inflation. We need not emphasize here that such policies create new sources of economic conflict and social strife.

YEARNING FOR STABILITY

The yearning of the people of America for "stable money" is a natural reaction to the painful experience of unprecedented instability. The task of philosophers, jurists, historians, and economists is to explain the alternative to the fiat system, to teach the virtues and advantages of natural money which is also honest money. If people who work and trade are free to choose between political fiat and gold or silver, they naturally turn to the precious metals. They choose the gold standard as a monetary system in which gold is proper money and all paper moneys are merely substitutes that are payable in gold. This makes the U.S. dollar a piece of gold of a certain weight and fineness.

But it is a popular mistake that is shared by many historians and economists alike that the gold standard affords monetary stability and that gold coins are endowed with unchanging purchasing power. In a changing world of human action, no money can be neutral or stable. Even a 100-percent hard-money gold standard, in which the currency of each country would consist exclusively of gold, cannot afford stability of purchasing power to its gold coins. Just as the price of an economic good is ultimately determined by the subjective valuation of buyers and sellers, so is the purchasing power of money. Individual valuation of money is subject to the same considerations of demand and supply as that of all other goods and services. People expend labor or forgo the enjoyment of other economic goods in order to acquire money. At times they bid for money, at other times they offer money, and all this bidding and offering ultimately determines the purchasing power of money in the same way as it determines the mutual exchange ratios of other goods.

All plans to make money stable are contradictory to human nature and dangerous to individual freedom, as they would call on government to enforce the impossible. The yearning for "stable money," therefore, is forever futile unless it means to want honest money that is free from the political processes of public treasuries and central banks. The best we can hope for is monetary freedom that embodies the freedom of contract and choice of money. In freedom, the American people once again could express their preference for gold and silver coins over depreciating political fiat.

A CRUCIAL CHOICE

Our choice of a monetary system is of crucial importance. Do we want a system in which government creates and manages money through the political process? Or do we prefer to leave that choice to acting people who are exchanging goods and services on the market? If we rely on government we must be prepared to live with government fiat, which is ideally suited to serve political ends. Fiat money can be expanded or contracted at will, always accommodating the national policy of the moment. Above all, it can be inflated at will to supplement government revenue.

On the other hand, if buyers and sellers are free to make the selection they may choose a great variety of marketable goods as their media of exchange. In the past, in a selective process extending over several thousand years, they chose the precious metals, gold and silver, as their money. Are they no longer to be trusted with such freedom of choice?

Government need not establish the gold standard by any conscious or deliberate act. In fact, the gold standard needs neither rules nor regulations, no legislation or government control, merely the individual freedom to own gold. Of course, this freedom of gold ownership embodies the freedom not only to buy and sell gold for use in industrial production, but also to employ it in exchange.

The gold-coin standard means sound money. It is true, it cannot achieve the unattainable ideal of an absolutely stable currency. But it protects the monetary system from the influence of governments. The

quantity of gold in existence is utterly independent of the wishes and manipulations of government officials and politicians, parties and pressure groups. There are no arbitrary "rules of the game," which people must learn to observe. The gold standard is a social institution that is controlled by inexorable economic law.

FULLY REDEEMABLE

The issuers of money substitutes keep their currencies at par with gold through unconditional redemption. The issuing bank can buy any amount of gold offered to it at the parity rate, and agrees to sell indiscriminately and on demand any amount of gold against its notes or deposits. It thereby renders no national service in the sense of "defending" or "protecting" its currency. It merely fulfills the contract it made when it issued the money substitutes.

Under the gold-coin standard, inflationary policies are not rendered impossible, but they are made difficult. Redemption requirements and the threat of drains of their gold reserves would restrain the issuers of money substitutes from inflationary expansion. For any such expansion would alarm the owners of substitutes and cause them to demand redemption in gold coin, which would spell ruin to the issuer. As the gold standard makes inflationary policies difficult, it avoids the wide fluctuations of economic activity, known as the business cycle. This binds the issuers of money substitutes within very narrow limits, and thus efficiently checks the sort of credit expansion that creates great instability and generates the economic boom and bust cycle.[1]

Professor William Graham Sumner, the great Yale economist of the pre-Federal Reserve era, described the instability of irredeemable paper currency as follows: "Scheme after scheme has been proposed and tried for realizing the gain which it was believed that cheap money would produce for the public; that is, for those who buy and use currency. This gain has been pursued as the alchemists pursued the philosopher's stone, by trial and failure. Whether there be any such gain or not, our attempts to win it have all failed, and they have cost us, in each generation, more than a purely specie currency would have cost, if each generation had had to buy it anew. . . . The revulsions to which the system was subject overwhelmed us in every decade. The notions on which the system was based are proved to have been delusion, disastrous to everybody concerned, including those who tried to profit by them."[2]

A WORLD MARKET

The international gold standard evolved without intergovernmental treaties and institutions. No one had to make the gold standard work as an international system. When the leading nations of the world had adopted gold as their currency, the world had an international money. It is true, the coins bore different names and had different weights. But this hardly mattered as long as they consisted of gold and could be exchanged freely. After all, an ounce of gold is an ounce of gold whether it consists of agles or sovereigns.

The gold standard united the world as it overcame the problem of international payments. It facilitated international trade and finance, and thereby promoted a world-wide division of labor. Countries specialized in producing those internationally traded commodities which afforded them the greatest comparative advantage. But above all, the gold standard encouraged exportation of capital from the industrial countries to the backward areas. Without fear of revaluation losses or transfer restrictions, European capital eagerly sought profitable employment opportunities on all continents. It developed commerce and industry and thus improved working and living conditions all over the globe.

The history of the gold standard heralds the principles and achievements of free and honest money. The history of fiat money is little more than a register of monetary follies and inflations. Current affairs afford but another entry in this dismal register. We may hope for an early return of monetary freedom and sound money, but realization is hidden in the dark clouds of the future. Sound money is the most prominent concomitant of economic freedom and morality; fiat money is an inevitable symptom of their absence.

The duty of each of us is to understand and explain as best he can the principles of economic freedom and honest money. Our future depends on it.

[1] Ludwig von Mises, *Human Action*, Yale University Press, 1949, p. 535 *et seq.*

[2] William Graham Sumner, *History of Banking in the U.S.*, New York: The Journal of Commerce and Commercial Bulletin, 1896, p. 472.

FOOD STAMP ADVERTISEMENT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. MICHEL. Mr. Speaker, earlier in the day during the 1-minute speeches I made reference to a food stamp advertisement appearing in Sunday's Parade magazine and said I would place the full text of the ad in the appendix of the RECORD. The ad follows:

HOW TO SAVE $120 TO $2,400 A YEAR BY PARTICIPATING IN THE U.S. FOOD STAMP PROGRAM

(By Elizabeth Evans)

A government ruling in July of 1974 has extended food stamp coverage to 20,000,000 new Americans. But to date, more than 15,000,000 of these newly eligible citizens have not claimed their benefits. Why?

Obviously, most of these people are not aware of this new ruling. Others think that eligibility is based on gross income. But in reality, numerous deductions lowering your gross income are used to figure food stamp eligibility. And finally, thousands of people who know they are eligible are too embarrassed to claim their benefits.

The embarrassment surrounding food stamps and the old fashioned notion that you must be on welfare to participate are quickly becoming a thing of the past.

A December 20, 1974, Wall Street Journal article reported that more and more middle and upper middle class working families are using food stamps. Donna Marie of 4445 11th Street NW, Canton, Ohio, sums up the feelings of hundreds of thousands of working American families who now use food stamps. "I saw my neighbor eating steaks and using the money she saved to buy a few luxuries. Then I thought of all the taxes I'd paid. It struck me how silly it was not to take advantage of something I'd already paid for. I now use food stamps to serve nutritional and delicious meals for my family. To me it is no different than a tax rebate program."

NO RISK REPORT

The problem of people not knowing if they are eligible has been eliminated with the recent publication of the public information report, 1975 Food Stamp Qualification Guide. This report is being made available on a no risk basis. By ordering this report, you can quickly determine in the privacy of your home if you qualify and for what amount. If you don't qualify, you may return the book. You'll receive a full refund—no questions asked.

EYE OPENING FACTS.

Here are some little known facts regarding the food stamp program. Did you know that:

Workers who are layed off or on strike can collect food stamps.

In some states, you can get your food stamps through the mail.

Hundreds of thousands of senior citizens are eligible.

The elderly can use food stamps to pay for home delivered meals-on-wheels and for group meals for the elderly.

Working families with gross incomes as high as $16,000 a year can qualify for food stamps.

Food stamps are used just like cash.

There are no forms to fill out at the grocery check-out counter.

Food stamps are accepted at almost every grocery store.

It takes only two weeks to receive your food stamps after you qualify.

Several people living in the same house can all separately receive food stamps.

If you are physically unable to apply at the food stamp office, you can have someone else apply for you or have the food stamp office come to your home.

If you move, you can continue to receive food stamps for a 60 day period from your old food stamp area.

If you've recently moved to a new state, you can immediately apply for food stamps.

When your income and resources are being calculated to see if you qualify, your house, lot, one car, your personal belongings and household goods, cash value of your insurance policy, income producing property, and boarders are not counted as resources.

When calculating your income, money from a student under 18, irregular income from part time jobs totaling less than $30 a month, and money from loans is not counted as income.

If you work and must use a day care center or a babysitter, you can deduct this expense.

State and Federal taxes, Social Security, and union dues are deducted from your income.

Medical fees over $10 a month and tuition and mandatory education expenses can be deducted from your income.

Alimony or child support you pay can be deducted. So can unusual expenses due to disasters.

Rent, mortgage and utilities are deductable by using a shelter standard formula.

All information given when you apply for stamps must be kept strictly confidential.

You'll be told if you qualify 30 days after you apply.

If you are refused food stamps and feel you're being cheated, you have the right to a fair hearing appeal. Even if you've been refused long ago, you can still go back for your hearing. And if the food stamp office made a mistake, you're entitled to all the back food stamps you should have collected.

TYPICAL WORKING FAMILIES

Here's an example of a typical family that qualifies for food stamps. Mr. Seagel grosses $192 a week, $10,000 a year. Mrs. Seagel does not work and has a boy, age 5, and a girl, age 10. Mr. Seagel pays $100 per month alimony and child support to his previous wife, has a rent of $130, $8 for phone, $50 for heat and utilities, $35 a month for hospital insurance, and spends $15 a month on allergy medicine.

After making all the necessary deductions outlined in the 1975 Food Stamp Qualification Guide, it was found that the Seagels would receive $150 worth of food stamps for only $113 a month. They'd saved $37 a month. A total of $444 on groceries for the year.

What will qualifying for the food stamp program mean to you? Depending on your income, you could slash your food budget by 20% to 60%. This would mean a savings of $120 to $2,400 a year. You could afford to provide your family with the most nutritional and healthful foods. The money you've saved could be placed in the bank or used to buy anything you'd like. There are no restrictions on what you do with the money you saved. But, best of all, you'd be starting your own personal tax rebate program. You will be getting back some of the thousands of dollars you've paid in taxes by taking advantage of a government program which you've already paid for.

The 1975 Food Stamp Qualification Guide is written in plain, simple language. It will show you step by step how to figure your Food Stamp income. It will make sure you're deducting all the expenses you're entitled to. It will also prevent you from adding income which should not be counted in your total. When you qualify, you'll be told exactly where to go, who to see, and what to do in order to start cashing in on your benefits. A sample form is enclosed so you will waste no time when you go to fill out the real thing. All of this done in the privacy of your home. You'll waste no time hunting down this information, and you won't have to spend a cent on gas.

LOW PRICED SOFT COVER EDITION

As I've said, this public information report is being made available in a special low priced soft cover edition. To get your report, all you need do is write the words Food Stamps on the top of a piece of paper along with your name and address.

Mail to: The Center for Public Information, Government Programs Division, Dept. C-19, 401 Market Ave., N. Canton, Ohio 44702. Be sure to enclose $3.00 plus 50¢ postage and handling charges in cash, check, or money order. Make checks payable to Public Information. Your report will be rushed to you by return mail in a plain unmarked envelope.

If after reading your report you discover that you don't qualify, return the book within 3 weeks. You'll receive a full refund—no questions asked.

You could be one of the 15,000,000 people missing out on the benefits you have coming to you. If you do qualify, you'll receive a $120 to $2400 return on your $3.50 investment. You can find out if you qualify within 3 weeks by mailing in your report request today.

SENATOR MAGNUSON'S SILVER ANNIVERSARY ADDRESS TO NSF

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. McCORMACK. Mr. Speaker, last month the National Science Foundation reached a milestone in the life of any public agency: On May 10, NSF became 25 years old and on May 15 they held a "birthday party."

It was literally a "family affair." The diplomatic reception rooms of the State Department were packed with men and women of note in the scientific and academic worlds. Most of the former members of the National Science Board were in attendance; past Directors of the National Science Foundation were there; captains of industry mingled with former Budget Directors of the Federal Government; and a few present Members of the Congress joined some of our former colleagues as "friends of the family."

As one long interested in scientific affairs, I was delighted to be there—for many reasons—but a highlight for me was the fact that NSF had chosen U.S. Senator WARREN GRANT MAGNUSON to deliver the main address.

For most of us in the Congress and for anyone from the State of Washington, Senator MAGNUSON is always just plain "MAGGIE." But to the world of science, to the National Science Foundation, MAGGIE is much, much more.

While the NSF celebrated a 25th birthday this year, MAGGIE first introduced legislation to establish such an agency of the Federal Government before the end of World War II. From July of 1945 he appears as a sponsor on almost 10 bills introduced in three successive Congresses that would bring that dream to reality.

That was typical of the man whom I honor as my own senior Senator: He has often conceived ideas and programs ahead of the time the general public perceives an issue and doggedly worked them through the Congress.

I could cite a score of such programs from the National Cancer Institute that he fought for right here in this Chamber back in 1937 to no-fault insurance that he is fighting for today.

I have heard MAGGIE speak on countless occasions—at times with true eloquence, at times with great humor, but always with conviction. I was interested in what he might have to say on this occasion about NSF and about their missions in the years ahead.

I was also hopeful that NSF would remember this man who was so responsible for their creation and who, through their formative years, served as chairman of the Independent Offices Subcommittee of the Senate Appropriations Committee that held oversight on the NSF budget. I was not disappointed on either count.

Prior to his introduction of MAGGIE, the Chairman of the National Science Board, Dr. Norman Hackerman, president of Rice University, presented him with a certificate of appreciation on behalf of NSF and the board.

The second paragraph of that certificate captured MAGGIE's role in the life of NSF, and I quote:

His commitment, guidance, and continuing interest have strengthened and stimulated the development of the Foundation as the major instrument of the Federal Government devoted to development of the scientific health and strength of the United States of America.

Most of us in the Congress would be justly proud if we could earn such praise from those we and others respect in some field of human endeavor, but MAGGIE has earned such praise from any number of groups throughout the fabric of our society: The health professions, the hod carriers, captains of industry or captains of fishing boats, scientists searching for new knowledge on the frontiers of the unknown, or students seeking financial assistance so they can enter a community college. I could go on and on, and I would not be able to adequately cover all of the accomplishments of this man so many of us esteem as a colleague.

More important to the future of NSF and to science in our world today, especially here in our own Nation, than any of the words of praise heaped upon Senator MAGNUSON that evening, was the counsel that he gave to NSF and those assembled. Although his remarks were complete with reminiscences of the past, they looked to the future and charted some of the problems, pitfalls and challenges that face all of us.

Mr. Speaker, I would like to place in the RECORD at this time those remarks of Senator WARREN G. MAGNUSON on the occasion of the 25th Anniversary Dinner of the National Science Foundation, May 15, 1975:

REMARKS OF SENATOR WARREN G. MAGNUSON

Dr. Hackerman—your kind comments are very much appreciated, by me personally. While I was there at the creation of the National Science Foundation it was something that many helped bring about.

I introduced a bill calling for the establishment of a National Research Foundation on July 19th, 1945. That Fall Senator Kilgore of West Virginia introduced a bill calling for creation of an N.S.F. It was not until May 10, 1950 that President Truman was able to sign into law such an Act of Congress.

So the gestation period was prolonged and there were times that some favored an abortion!

There were a number of us in the Congress who were convinced that we needed a National Science Foundation. We enjoyed the strong support of Presidents Roosevelt and Truman, along with key members of their immediate staffs.

Vannevar Bush and Isaiah Bowman among the most dedicated advocates from the scientific-academic world. Charles Kettering from General Motors was one of the giants of industrial research who supported our efforts and his help among his colleagues in the business world is largely overlooked.

As I look at N.S.F. today, I'd say that you've lived up to all of the promises that we made in advocating your creation.

NSF has helped to expand the base of fundamental scientific knowledge upon which so much has been accomplished over the past two decades. And upon which future progress is so dependent.

NSF has helped expand the pool of young men and women who have entered into scientific disciplines and who can aspire to become the Van Bushes and the Charles Ketterings of the future.

NSF has helped increase the numbers of public and private institutions in our nation that are truly capable of engaging in the highly sophisticated field of scientific research and the training of those capable of original work in the field.

I could stop right here and just relax and enjoy the evening with you. But I can't pass up this opportunity to remind some of you about those days 25 and 30 years ago, what we faced then and where I view us to be today.

Perhaps more importantly, we can't afford to rest upon whatever accomplishments might be lauded here tonight. We can't afford to smugly believe that all is well, so let's just carry on.

I am not referring to any recent criticisms about specific NSF projects—in fact, if you were not having a few coconuts tossed at you, I'd know that you were either too timid or doing far too little.

Dr. Stever, in his address to the National Academy of Sciences about two weeks ago looked into the future and laid out a number of "challenges" facing NSF, as well as the scientific community. That was an excellent review, Guy—I'll underscore a couple of your points and perhaps add a few.

During the 5 years or so that Congress wrestled with your enabling legislation there were a number of issues that closely divided us. Some were issues that always divide Members of the Congress who must pay some attention to their own home states and their own constituents. It's the way it is and it's the way it should be.

Others were to me even more vital and basic to the creation of such a National Science Foundation, if we were to really progress in the best way towards a better society.

Geographical distribution of your largesse plagued us back then. Yet so much that we hoped to accomplish could not be equated to some geographical basis. Fortunately the legislation that finally became public law did not contain any specific formula or mandate. Like Congress may do with an issue like that—we passed the buck along to you!

I believe that you've done pretty well, but that admonition in your enabling act "to avoid undue concentration of such research and education" remains a heavy burden for all of you on the Board and in the day-to-day operations of NSF.

A closely related and even far more difficult issue back then was elitism. We fought that battle over and over: in reference to the membership of the Science Board; in reference to the award of research grants; and especially in reference to your educational programs.

I could spend an hour recalling the battles that we had over educational fellowships, scholarships and training grants.

In two separate Congresses—one of them controlled by the Democrats and the other by the Republicans—those who favored entry only by the select, by the elite into educational programs in scientific disciplines attempted to impose requirements upon NSF that would have helped to perpetuate such an approach.

On several occasions, by just a one vote margin, those of us favoring a more egalitarian approach won the battle. And we enjoyed bipartisan support. We did not win that war. It is still being waged.

It is an issue that NSF has had to face repeatedly. Almost every Budget that comes up to us in recent years would push us backwards in our efforts to keep those programs open to all. It is an issue that Phil Handler has faced—when he was on the Board here at NSF and over at the National Academy of Sciences—and I applaud him and those aligned with him in these efforts to open up the pathways of opportunity.

When we look at what's been done over these past 25 years to open the gates of opportunity into the various scientific disciplines much has been gained. But there is ample evidence that far too many of the gate keepers still hold that elitist view of their profession.

While NSF can't mandate changes in personal attitudes, there remains much that we all must do and I solicit your continuing concern and assistance.

As Guy Stever noted in his talk—"Whither NSF"—"we need the best people possible in science for the nation to maintain the excellence of its research capability." And I believe that we can do that while keeping the pathways open to the broadest spectrum of all young men and women. NSF has a responsibility to see that is done and I'm confident that you will do your best.

Your mission in the field of Social Science was another issue that divided the Congress 30 years ago. The very best that we could do then was just to "leave the door open" on the Social Sciences.

That's an issue that is still divisive in Congress. No doubt a major reason is the extremely thin base of fundamental research that exists in those disciplines. There is so very little solid ground for general agreement. I know that NSF is trying to do something to build the capital base of research—and institutions capable of doing such work. You'll need the wisdom of Solomon and the luck of Houdini. I wish you luck and get on with it!

When your first Director, Alan Waterman, and I initially met to discuss the N.S.F. missions and your appropriations we were talking about $15 million a year—and we felt that to be a most significant amount.

Two days ago the Senate approved your 1976 authorization of $839 millions and the President's Budget request is $755 millions. You're really in the big leagues now and much has changed with that status.

NSF has emerged from the shadows that might shroud and protect a new and relatively small agency. With your greater responsibilities and public treasure, you run greater risks.

Large or small you've always been held accountable. NSF has always been fair game for constructive criticism and any public agency should be. But even more today the size of your expenditures and the scope of your missions is bound to bring on unfair criticism.

There is no way that you can prevent that, but some of it you can avoid and most of it you can overcome. First, do your work well—do it as well, or better, than you so rightly demand of all your grantees.

At the same time: you need to build broader constituencies; consult your friends in advance; and don't ignore any potential "non-friends" either, but don't become overly defensive of their barbs.

NSF is no longer just the dream of a very few. You've passed through adolescence becoming an adult highly respected by many and fulfilling most all of the hopes of your initial sponsors—in and out of government.

We all expected much of NSF back then and you came through. We owe a great deal to those early Board Members, to Alan Waterman and the three Directors, and to those on the staff.

Today we expect even more—perhaps too much—and that "we" in the Congress is no longer just a few, but many. The public expects far more than the scientific community, justifiably so and again, perhaps too much.

The challenges to NSF today are numerous and to the scientific community more so. I've recited just a few and Dr. Stever outlined a number in his address to the National Academy. I believe that NSF is more than up to the task.

To paraphrase the words of President Roosevelt when he wrote to Dr. Vannevar Bush back in December of 1944—

"New frontiers of the mind are still before us. If they are pioneered with the same vision, boldness and drive with which NSF has discharged its duties over the past 25 years we can create a fuller and more fruitful employment and achieve a fuller and more fruitful life."

Don't be timid—don't be diverted from what you know to be the right things to do—and may your collective wisdom always know what's right.

You've made this parent very proud of what you have become and I hope to be able to help keep you vigorous for some time to come.

THE CORPORATE CITIZENSHIP AND COMPETITION ACT

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. JAMES V. STANTON. Mr. Speaker, on May 22 of this year, I introduced H.R. 7481, the Corporate Citizenship and Competition Act—page 15897—which seeks to correct the influence that oligopolies have on the economy. A recent article by Mr. Ed Zuckerman of the Gary, Ind. Post-Tribune provides an excellent summary of the major points.

I ask that it be included in the RECORD for the information of my colleagues:

U.S. CHARTER IDEA REVIVED TO CHECK INDUSTRY POWER

(By Ed Zuckerman)

WASHINGTON.—An Ohio congressman, dusting off an idea that's been floating around for nearly two centuries, wants to set Uncle Sam up in the corporate chartering business.

And, just to get things off to a sprightly start, he is calling for a massive restructuring of three basic industries—auto, steel and oil—to assure increased competition.

If Rep. James V. Stanton, D-Ohio, has his way, the biggest economic shakeup in history would be in the offing.

At least 17 of the nation's top 25 supercorporations would be immediately affected.

Auto, steel and oil companies occupy the top seven slots—Exxon, General Motors, Ford Motor, Texaco, Mobil Oil, Standard Oil of California, and Gulf Oil—before eighth-ranked outsider General Electric makes the list.

Others in the top 25 are Chrysler, U.S. Steel, Sandard Oil of Indiana, Shell Oil, Continental Oil, Atlantic Richfield, Occidental Petroleum, Bethlehem Steel, Tenneco and Phillips Petroleum.

Stanton, who is serving his third term in the House and is a newcomer to the anti-trust debate, tossed his proposals in the legislative hopper at a time when Congress and the White House are casting suspicious glances at the role big business may be playing as a contributor to inflation.

President Ford is calling for tougher anti-trust law enforcement and more stringent penalties for violators. The Senate Antitrust Subcommittee is drafting legislation to give added muscle to the government's twin enforcers—the Federal Trade Commission's Bureau of Competition and the Justice Department's Antitrust Division.

The long-standing anti-trust issue was rekindled by the Nixon administration's fumbling in the ITT case. It took on a wider dimension earlier this year when the FTC sued for the breakup of American Telephone and Telegraph and declared the case could be tied up in the courts for a decade.

Until Stanton came along, federal chartering and congressionally mandated restructuring of specific industries were not among the prominently mentioned solutions.

The idea of federal chartering was first heard at the constitutional drafting convention. Proposed by founding father James Madison, the idea did not take hold.

By the 1890s, when industrialists were depicted as "Robber Barons," the federal chartering concept was revived, but Congress instead chose to enact the Sherman Antitrust Act.

In the early 1900s, both the Democratic and Republican parties endorsed federal chartering in their presidential campaign platforms. But World War I and enactment of the Clayton Antitrust and Federal Trade Commission Acts defused the issue.

Today, corporations continue to derive their operating charters from state governments, and most businesses flock to the two states—Delaware and New Jersey—which have the least restrictive requirements.

Delaware, Stanton dryly sums up, "specializes in corporate pregnancies."

"One would think that a company operating in all 50 states, possibly even involving our country in entanglements abroad, would be chartered by the United States itself," the Ohio Democrat said.

Delaware reigns supreme over the corporate chartering business, and derives about one-fourth of its total revenue from collection of corporate fees and franchise taxes.

"To attract this business, Delaware has enacted an elaborate code of laws. Reflected in them is a permissive parent," Stanton said.

"In exchange for being supported by its progeny, Delaware will allow corporations to dispense with stockholders' meetings. A liberal policy also has been adopted with respect to payment of corporate dividends, restrictions on sales of assets and indemnification of officers and directors," he said.

Stanton's federal chartering proposal would affect the nation's 100 largest corporations along with lesser companies suspected of profiting from an anti-competitive climate.

Obtaining a federal charter would be as simple as filling out an application form.

But, once chartered, the corporations would be subject to standard federal requirements. Central to Stanton's scheme is public disclosure.

"Just as the time has come for government to be more open . . . so the time is also at hand for corporations to be less squeamish about letting the public examine some of the cards in the deck they heretofore have been free to stack," the Ohio Democrat declared.

A higher standard of disclosure, he contends, would prod corporations to a better class of citizenship.

One complaint frequently voiced against corporations is their hidden ownership of competing firms, and interlocking directorships between them.

"Intercorporate stock ownership should be reported. Where competition is throttled because one entity has holdings in another, this should be known. If such disclosures break up a business romance, I can only say that this is the kind of divorce that public policy should encourage," Stanton said.

Stanton illustrated his point by recalling a celebrated case involving the Morgan Guaranty Trust Co., the nation's largest bank trust.

According to a 1968 report by the House Banking and Currency Committee, Morgan owned 7.5 per cent of the common stock of American Airlines, 8.2 per cent of the common stock of United Airlines and 7.4 per cent of the common stock of Trans World Airlines (TWA).

"No one can question that these major domestic air carriers are in direct competition, and yet each has as its largest stockholder a single banking institution," the House committee's report said.

Another oft-heard complaint against big business is a proclivity for avoiding federal taxes.

To deal with tax avoidance, Stanton's legislation incorporates a proposal by Rep. Charles Vanik, D–Ohio, a member of the tax-writing House Ways and Means Committee. Vanik, an ardent champion of tax reform, wants corporate tax returns to be publicly disclosed.

Vanik has claimed that 10 companies with profits exceeding $1 billion avoided paying a single penny in federal taxes in 1973, and that 20 other companies with combined profits over $5 billion paid less than 10 per cent in taxes—well under the statutory corporate tax rate of 48 per cent.

"I venture to say that public disclosure of inadequate tax payments, and the mechanics by which taxes are avoided, would inhibit corporations from trying to squeeze through each loophole they find," Stanton said.

Stanton said his selection of the auto, steel and oil industries for restructuring does not complete the list of anti-competitive industries. Other industries—such as tires, wholesale bread, breakfast cereals, electric lamps, telephone, flat glass, aluminum, electronic computers, gypsum products, industrial gases, detergents and soaps—could also be eligible.

"The auto, oil and steel corporations are not the only ones who exercise monopoly power—power to disrupt free market forces and to distort the economy of the United States," Stanton said. "However, these industries appear to be on everyone's list of America's public enemies."

Four companies dominate the auto industry—General Motors, Ford, Chrysler and American Motors.

"In 1921," Stanton said, "There were 88 auto companies, each trying to gain a solid foothold in the market. Since that time, as we know the number of firms declined—but not only through absorption of one competing company by another. The fact is that the survival of smaller companies became impossible as the larger ones cast out tentacles in every direction, seizing control of parts manufacturers here and an entire ore field or a rubber plantation there."

In the oil industry, 26 companies own 84 per cent of the nation's oil reserves, 87 per cent of domestic refining capacity and 79 percent of the gasoline sales market.

"However, Stanton said, "It is generally agreed that such figures understate the true degree of concentration in the industry. Oligopoly results, principally, from the long and diverse limbs of the major companies, which embrace one another. They have a relationship that is marked more by fraternization than competition.

"Each of the so-called majors derives competitive advantages from its presence in all four phases of oil enterpreneurship—production, transmission by pipeline and tanker, refining and sales. In fact, the majors are so intertwined with one another in joint ventures and joint enterprises that we find them entering frequently from stage right and stage left as composite figures. It becomes difficult to tell them apart, or to identify an intact individual."

Steel, likewise, is dominated by a handful of giants—U.S. Steel, Bethlehem, National, Republic, Armco, Inland, Jones and Laughlin and Youngstown Sheet and Tube.

"This economic concentration has conferred monopoly power on the steel giants. It expresses itself in a power to fix prices, pegging them at artificially high levels," Stanton said.

EASTERN URBAN DECAY

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. CONLAN. Mr. Speaker, Americans who expect fiscal responsibility in Government are appalled by the urban decay and bankruptcy that years of welfare statism has brought to cities of the eastern seaboard.

Patrick J. Buchanan, one of journalism's most perceptive and articulate nationally syndicated writers, illustrated the sorry state of eastern political liberalism in a recent column published in the Arizona Republic. I would like to include it at this point in the RECORD:

NEW YORK'S CLASSIC CASE STUDY IN URBAN DECAY

(By Pat Buchanan)

The editorial page of the Washington Sunday Star ran a double feature on urban decay. The first piece, "Intolerable Disruptions," dealt unsympathetically with the local militants with the stink bombs whose presence has graced our last three school board meetings. The second, "The Plight of New York," was a mildly sympathetic study of the fiscal basket case that is New York City.

Washington and New York, royal and administrative capitals of the Eastern Establishment; they have so much in common. Both are dominated by liberal communicators and run by liberal politicians. Both practice the secular religion of the welfare state, and preach it to the country.

Both boast high per capita expenditures for public education, and vast municipal bureaucracies. Both believe in "progressive" taxation to provide a sweeping array of cultural goodies, social services and welfare benefits. And both rank among the worst governed cities in the United States.

D.C.'s political crisis dates back to a month or so to a speech our school superintendent delivered to the African Cultural Heritage Association.

Ms. Barbara Sizemore, the lady in question, traced the fiscal pinch in the public schools to "white racists" who "must prove that black leadership is immoral, incompetent or inferior."

"A racist white culture will try to rid itself of black rule," she warned.

Her superiors on the D.C. School Board she divided into a minority of blacks, "trying to kindle a creative energy from soul to soul," and a majority of white racists and black dupes of white racists.

Needless to say, the speech brought the community attention, and the school board into session to relieve Ms. Sizemore of her post. At which point, the superintendent's auxiliaries arrived, 100 strong, to bully the board into inaction.

Whereupon the newly elected City Council stepped in, and receiving a visitation from the same contingent, immediately announced that if the school board fired Ms. Sizemore, the council might dissolve the school board.

All-in-all, the episode has been a case study in the kind of "home rule" which is convincing middle-class blacks by the thousands to trace the footsteps of their white counterparts and flee to the Maryland suburbs.

Still, D.C. has taken only baby steps along the road where the Big Apple leads us all. New York is no less than $13.7 billion in debt; debt service runs to $2 billion a year; the new city budget is $641 million out of balance; and the city fathers are still shuttling from Albany to Washington, from the big banks to the Hill, to beg, borrow or steal enough cash to make the $1 billion in payments coming due in June.

We are victims of an "advanced social consciousness," declares one city apologist.

New York "has been pushed to the wall by the miscarriage of its most generous impulses," declares another. Well, that is one way of looking at it.

Another is that New York politicians for more than a decade have lacked the guts to stand up to the municipal unions and welfare lobbies; and in the process of caving in, they have sold out the interests of the taxpaying public.

New York staffs and runs 19 hospitals where Chicago gets by with one. The fares of the 4 million daily subway riders are subsidized. The city university has "open admissions" policy, pays handsome salaries to professors, and charges no tuition.

More than 300,000 are on the city's payroll and 1 million New Yorkers are on welfare.

Not unexpectedly, the business firms and middle class taxpayers made to subsidize this adventure in urban socialism have been voting with their feet. A quarter-million jobs left the city over the last four years; and one estimate is that 20,000 more are departing each month.

"Generous" may be one term to describe the folks who brought this about; but other nouns and adjectives come more readily to mind.

New York City, circa 1975, represents the natural end product of governing a great city for over a decade according to the strict tenets of political liberalism.

Perhaps, as their town is taken in bankruptcy, the sermonizers from Manhattan will be a little more reticent in lecturing the rest of the country on how to organize and govern itself.

If their excuse is that they are victims of their own "advanced social consciousness," well, that is the privilege of the bankrupt.

CARLOS BUFORD—BOY OF THE YEAR

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 9, 1975

Mr. EILBERG. Mr. Speaker, on May 17 I had the pleasure of presenting the "Boy of the Year" award at the 18th anniversary awards banquet of the Torresdale Boys' Club to Carlos Buford. Very often when awards such as this are presented by an elected official that person has no idea who the recipient is, but in this case I have known Carlos and his father, Charles S. Buford, for many years and was able to personally attest to Carlos' qualifications for this honor.

At this time I enter into the RECORD the proclamation announcing the presentation of the award to Carlos Buford:

BOY OF THE YEAR—1974

"Upon the fields of friendly strife are sowed the seeds
That in other days, and on other fields will bear the fruits of victory."

The boy who has been chosen as "Boy of the Year—1974," has displayed his character and athletic abilities on the playing fields of Torresdale for many years.

He has been honored and recognized many times by his peers and coaches as "Most Valuable Player" and "League All Star." His opponents have grudgingly admired his athletic prowess which so ofttimes proved to be the decisive factor in victory for his Torresdale teams. His teammates, coaches, and opponents are in unison in their praise of his outstanding traits of sportsmanship both on and off the playing field—and this, in the final analysis, is the true measure of a man and an athlete.

This popularity and recognition of his leadership traits did not come easily, for this fine young man through his early years fought to achieve and demonstrate his athletic skills and exemplary character.

The selectee is the personification of Torresdale Boys' Club and its Commitment To Excellence and is a proud and worthy addition to the long green line of past winners of this most cherished award.

We are certain that this boy is destined to be a future leader and a stout defender of his faith and of our great Nation, and great leadership is the essential need of our world of tomorrow.

For it is from you—the youth of today—who will emerge the leaders of tomorrow. This country is in dire need of "men to match its mountains." The wake of Watergate and the tragedy of Southeast Asia have led to much apathy and confusion in the minds of many Americans.

If our Nation is to survive this crisis of the spirit, it is incumbent on youth like our Boy of the Year to pick up the torch of liberty and light the way to a brave new world; to rekindle a true love for our country and a rededication to the ideals of our founding fathers.

We implore our "Boy of the Year"—and each of the youth present—to join in this crusade for the survival of our Nation and to improve the quality of life for all mankind. Your generation has a rendezvous with destiny. The trumpet sounds again, not as a call to military battle, but as a call to lead the struggle against the common enemies of man—poverty, disease, racial and ethnic prejudices and war itself; and to lead the way towards protection of our environment for future generations.

To achieve these goals, you must free your minds of mental stagnation. One of the virtues of being young is that you do not let facts distort imagination. So dream, not the dreams of older men who ponder what might have been, but dream visions of what the future can be, and of your place in this dynamic world of tomorrow.

In Chinese the word crisis is written with two characters, one meaning danger, the other opportunity. I am sure that our Boy of the Year—and all of our youth—will recognize this current crisis as their opportunity to resolve the dilemma of America and to lead the way towards the creation of Sir Thomas More's "Utopia"—a new world where all men will be free to develop and achieve in accordance with their own innate abilities and ambitions.

I now take great pride in presenting to you a "boy for all seasons" and speaking for the Torresdale Boys' Club and the Selection Committee for 1974, we do proudly and unanimously pronounce and proclaim:

"That on this, the seventeenth day of May in the Year of Our Lord, One Thousand Nine Hundred and Seventy Five; the year preceding the grand bi-centennial anniversary of our country and the Eighteenth Anniversary Year of Torresdale Boys' Club, by the powers vested in us by the Torresdale Boys' Club and its Officers, Board of Directors and Members, we do hereby honor as Torresdale Boys' Club "Boy of the Year—1974" Carlos Buford.

HOUSE OF REPRESENTATIVES—*Tuesday, June 10, 1975*

The House met at 11 o'clock a.m.

Rev. Frederick W. Rapp, St. Stephens Church, Port Washington, N.Y., offered the following prayer:

Almighty God, who hast given us this good land for our heritage, grant that we may always be a people mindful of Thy favor and glad to do Thy will. Bless this House with wisdom and nobility of spirit, so that policy decisions will be made, not selfishly, but for the benefit of all Americans. May we possess a proper humility as we confront the problems of our time, and remember the spirit of courtesy and graciousness in dealing with the people of this and every nation. May this House be strong to look for the righteous course, to follow the way of justice, yet never lose the quality of mercy. Save us from hypocrisy and make truth our guiding light. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6573. An act to rescind certain budget authority recommended in the message of the President of April 18, 1975 (H. Doc. 94–109), transmitted pursuant to the Impoundment Control Act of 1974.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4700) entitled "An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes."

REV. FREDERICK W. RAPP

(Mr. WOLFF asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. WOLFF. Mr. Speaker, the Reverend Frederick Rapp, a distinguished cleric I am honored to represent in my home district on Long Island, has just delivered an opening invocation as timely as it is inspiring. We in this House today are privileged with the awesome task of weighing policies and making judgments which will affect our children, and our children's children, and, indeed, all of mankind.

We are now engaged in great debates over how to use and distribute our energy, and the world's energy resources. We are now engaged in debates on the future foreign policy of our Nation, and on our role in the community of man.

We can never lose sight of the higher influences which move the minds and hearts of man, and the Reverend Rapp has provided us today with a framework and spiritual reference which is inspirational to us all.

This is not surprising, for since the Reverend Rapp came to my district in 1960 to serve as rector at St. Stephen's Episcopal Church, in Port Washington, he has set a high standard of devotion to faith and principle. He has become both a spiritual and community leader since teaching at Lasell Junior College in Newton, Mass., before serving at the Cathedral Church of St. Paul in my district in preparation for his post at St. Stephen's.

I take the liberty of thanking Reverend Rapp in the name of this House, and I thank the House for providing the opportunity for Reverend Rapp to share with us today the compassion and strength he is known and loved for in New York.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CONGRESS WILL NOT ACCEPT REPUBLICAN FULL UNEMPLOYMENT POLICY

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I regret the fact that the leadership on the other side of the aisle is not here to hear what I have to say.

President Ford said in his press conference last night that he still cannot decide——

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the distinguished minority leader.

Mr. RHODES. Mr. Speaker, I just want to announce my presence.

Mr. O'NEILL. All right. Mr. Speaker, I shall address my remarks particularly, of course, to the minority leader.

Mr. Speaker, President Ford said last night in his press conference he still cannot decide when to announce his candidacy for 1976.

I hope he is not waiting for better news on the jobs front. The unemployment figures for May were even worse than I had expected. I really did not believe he could mess up the economy as badly as he has. Not only did unemployment exceed 9 percent, but it went up to 9.2 percent. As a result, there are now 8½ million Americans out of work, up 360,000 last month—the worst job picture since 1940. On top of that, 4 million students are out of school this month and looking for summer jobs.

So President Ford has vetoed a bill that would have created 900,000 direct full-time jobs and taken care of 20 percent of the summer jobs. We do not know how many extra jobs that would have meant in the private sector.

He accused Congress of being fiscally irresponsible in creating these jobs. That is a lot better than being socially irresponsible and doing nothing about unemployment. All the business signs and statistics and Republican wishful thinking in the world will not put people back to work.

It takes jobs to do that. President Ford told the press that there does not have to be any more confrontation with the Congress, providing that the Congress does what he says.

Congress does not work for the President. The Congress works for the people. This Congress is not about to accept any Republican economic policy of full unemployment. We continue our work on the job bills for the people and for the economy, and we will send to the Members many more pieces of legislation, hoping that we can stimulate this economy.

PRESIDENT FORD WILL RUN FOR REELECTION

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, it was a pleasure for me to be on the floor at the time that my delightful friend, the majority leader, the gentleman from Massachusetts (Mr. O'NEILL), was asking questions about the future of the President of the United States.

I can assure my good friend that the President of the United States, in due time, will announce his candidacy for reelection. At the risk of offending my good friend, the gentleman from Arizona (Mr. UDALL), who is a candidate for the Presidency, let me announce that I will begin to take bets at that time, that the present President of the United States will be reelected.

The gentleman from Massachusetts (Mr. O'NEILL) has at some length deplored the fact that the President of the United States refused to buy him a year's supply of Band-Aids for the economy in the shape of the leaf-raking jobs bill. The facts are that the economy is in recession and inflation mainly because of the fact that the Democratic Congresses through the years have operated at deficits and caused the inflationary spiral to go right through the roof. That is the reason that we have unemployment. What the gentleman wants to do is to compound the felony by spending more through the public sector, causing more inflation. Apparently he thinks that in some magical way this will cure unemployment in the country. Of course, it will not.

Mr. Speaker, all that the Democratic leadership is doing is again adopting the methods which did not work in the 1930's. The gentleman says that unemployment of 9.2 percent is bad, and it is; but it is not as bad as the 9.9 percent unemployment which we still had when World War II began, after 7 years of the Roosevelt administration, which spent and spent.

Mr. Speaker, I invite the Democratic side to cooperate with the minority in finding some means of helping the private enterprise economy of this country. Mainly, this would be be by doing those things necessary to get the Federal Government out of the position of impeding our economic progress.

COMMUNICATION FROM THE SERGEANT AT ARMS—IN RE UNITED STATES VERSUS FREEMAN COVINGTON, JR.

The SPEAKER. The Chair lays before the House a communication which the Clerk will read.

The Clerk read as follows:

WASHINGTON, D.C.,
June 10, 1975.

Hon. CARL ALBERT,
Speaker of the House, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I am forwarding to you copies of the subpoena and letter received from Chief of Police, James M. Powell, for which he requests any necessary action on the part of the House of Representatives so that he may comply.

Sincerely,

KENNETH R. HARDING,
Sergeant at Arms.

U.S. CAPITOL POLICE,
Washington, D.C., June 5, 1975.

Hon. KENNETH R. HARDING,
Sergeant At Arms, House of Representatives, Washington, D.C.

DEAR MR. HARDING: I have been served with a criminal subpoena *in forma pauperis* for all Capitol Police records in connection with the felony case of U.S. vs. Freeman Covington, Jr., in the Superior Court of the District of Columbia, Docket No. 38203–75. I am, therefore, requesting that you initiate such action as is necessary in the House of Representatives which enables me to comply with this subpoena.

Respectfully submitted,

JAMES M. POWELL,
Chief of Police.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

[Superior Court of the District of Columbia—Docket No. 38203–75]

CRIMINAL SUBPOENA—IN FORMA PAUPERIS

United States *v.* Freeman Covington, Jr.

To: Custodian of Records, U.S. Capitol Police, U.S. Capitol, Washington, D.C.

You are hereby commanded to appear before the Criminal Division, Felony Branch, Building B, Police Liaison Office, of the Superior Court of the District of Columbia at 9:30 o'clock a.m., on the 13th day of June, 1975, as a witness for defendant and bring with you copies of all U.S. Capitol Police reports prepared in connection with the alleged robbery of Officer Anthony G. Leffert, U.S. Capitol Police, at about 11:30 p.m., on May 27, 1975, at 3rd and Pennsylvania Avenue, S.E. This subpoena may be complied with by delivering copies of the above described reports to Ms. Peggy Massey, representative of counsel for defendant and not depart the Court without leave thereof.

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution, House Resolution 519, and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 519

Whereas in the case of United States against Freeman Covington, Jr. (Criminal Case No. 38203–75) pending in the Superior Court of the District of Columbia, a subpena duces tecum was issued by the said court and addressed to the Custodian of Records, United States Capitol Police, directing him to appear as a witness before said court on the 13th day of June, 1975, at 9:30 o'clock antemeridian and to bring with him certain United States Capitol Police records in the possession and under the control of the House of Representatives; Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or any legal officer charged with the adminis-

tration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such order thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That James M. Powell, Chief, United States Capitol Police, be authorized to appear at the place and before the court named in the subpena duces tecum, and take with him copies of the said records; and be it further

Resolved, That a copy of this resolution be submitted to the said court as a respectful answer to the subpena aforementioned.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. DEVINE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 273]

Ambro	Flowers	Mezvinsky
Andrews, N.C.	Flynt	Mikva
Aspin	Fraser	Milford
Brooks	Goldwater	Mitchell, N.Y.
Brown, Calif.	Gonzalez	Mollohan
Chisholm	Hansen	Morgan
Conyers	Hébert	Murphy, N.Y.
Dellums	Henderson	Oberstar
Diggs	Jarman	Rodino
Dingell	Jones, Ala.	Rosenthal
Dodd	Jones, Tenn.	Rostenkowski
Drinan	Landrum	Teague
Edwards, Calif.	Litton	Wilson, Tex.
Esch	Lujan	
Eshleman	McCloskey	

The SPEAKER. On this rollcall 390 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO SIT TODAY DURING PROCEEDINGS OF THE HOUSE

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services be permitted to sit during the proceedings of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SURFACE MINING CONTROL AND RECLAMATION ACT OF 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President on the bill H.R. 25 to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes.

The question is, will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from Arizona (Mr. UDALL) for 1 hour.

Mr. UDALL. Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK. Mr. Speaker, this House is thoroughly familiar with the issues contained in H.R. 25. The subject before the House is the President's veto message.

Mr. Speaker, I think it is important, at the outset, because we have many new Members to point out that, when the bill was vetoed by the President in December, of last year, comments were sent from the White House and from the administration listing its critical objections. Subsequently in the new Congress, the administration submitted its own bill.

The administration's veto message last December listed 8 critical areas and 19 important areas which they sought this Congress to change. This Congress did make those changes. Only in two exceptions did we fail to meet the eight critical objections of the administration, and those were with respect to: First, the ban of strip mining in national forests—which is not a real issue because we do not strip mine in national forests anyway; and second, the other relates to the request by the administration that it be given the right to define all ambiguous terms. To agree to this is to remove opportunity for judicial review before the courts, where it ought to be. We could not agree to this. In all of the other eight critical objections, the bill which was passed by this body and the Senate and sent to the White House met the objections of the administration.

Mr. Speaker, it is also important to bear in mind, that we made an effort to try to obtain the facts and the justifications and the data which underlay the veto message. The subcommittees on Environment and Mines and Mining, the latter of which I chair, called a special hearing and asked the administration to come forward with the data. All day long, from 10 o'clock in the morning until nearly 7 o'clock at night on June 3, we interrogated administration witnesses in an attempt to try to understand the data and the facts and the justification for their huge loss estimates of coal production.

Mr. Speaker, I would like to inform this body that, in the pursuit of this information, we were astounded to be advised, late in the afternoon of June 3, that on many of the points that we were being criticized for, not only did the administration bill, which they sponsored in February, contain identical provisions to ours, but that, in the final analysis, the administration witnesses were informing us that they no longer supported their own bill, and that was why they were objecting to ours!

I think that this is the climate under which this debate must begin, that what the administration is telling this Congress and the people of this Nation is that they do not want any strip mining regulation bill at all and that they now have even repudiated their own bill.

I think the people will not tolerate such a position. It is admitted that we have an energy crisis, and that coal production will need to increase to help meet this crisis. But there is nothing in our bill which will limit coal production or which will curtail the meeting of the target date of 1985 for Project Independence.

Mr. Speaker, if Members will analyze carefully the figures which were given by the administration with regard to even one item: the coal production loss with regard to small mines, you will find that the administration set its coal production loss figures at between 22 and 52 million tons on the basis of permit application requirements which they said were onerous.

What permit application requirements were onerous? The fact is they are identical as those in the administration bill! The bill we sent to the White House had identical permit application provisions to those in the bill which the administration wrote. So how could they be onerous now when the administration as recently as May adopted these same provisions in their own bill?

The same thing can be said about citizens' suits. They criticized our bill for the citizens' suits, and yet the administration bill contained identical language to ours on citizens' suits.

So, Mr. Speaker, I urge this House to override the veto.

The SPEAKER pro tempore. (Mr. MCFALL). The time of the gentlewoman from Hawaii (Mrs. MINK) has expired.

Mr. UDALL. Mr. Speaker, I yield 1 additional minute to the gentlewoman from Hawaii (Mrs. MINK).

Mr. ALBERT. Mr. Speaker, will the gentlewoman yield?

Mrs. MINK. I yield to the distinguished Speaker.

Mr. ALBERT. Mr. Speaker, I congratulate the gentlewoman on her statement, and I commend her for all the hard work which she and the gentleman from Arizona (Mr. UDALL) put into this matter in trying to reach a consensus. They have gone a long way with this legislation, and I hope the Members will follow their leadership in this matter.

It may not suit everybody or anybody 100 percent, but the only way to proceed with legislation is to move when we have an opportunity to do so. This is our opportunity.

Mrs. MINK. Mr. Speaker, I thank the distinguished Speaker for his compliments and for his forceful support of this legislation.

Again I urge the Members to study the facts. All of the data with respect to the hearings were placed in the CONGRESSIONAL RECORD. An expert cited by the administration has repudiated the use of his figures as erroneous and came out strongly in support of this bill. EPA has also repudiated the loss figures the administration used and its report cut the administration figures in half.

Given this kind of "numbers" game which has been indulged in by the administration, it seems to me incumbent that we not adopt a policy of energy at all costs but, rather, a reasoned policy of meeting the energy requirements of the Nation with due regard to the environment of this Nation. That policy is embodied in H.R. 25. I urge your vote to override this veto.

Mr. UDALL. Mr Speaker, I yield 3 minutes to the distinguished gentleman from Ohio (Mr. HAYS).

Mr. HAYS of Ohio. Mr. Speaker, I want to address myself to one point that has been raised by some members of the administration, and that concerns the lost coal production in the State of Ohio as a result of a strip mining law there which is almost or at least in many respects identical to the legislation under consideration.

There has been a loss of coal production in Ohio, but it had nothing to do with the strip mining law whatever. It was a loss occasioned because of wildcat strikes in the deep mines, not in the strip mines but in the deep mines. The deep mines of Ohio have been shut down already this year for 6 weeks by wildcat strikes.

The actual facts of the matter are that some of the biggest strip mine operators in Ohio are now willing to say that the strip mine law in Ohio has not only not hindered them but, through the reclamation they have done, it has provided them in the years to come with one of their biggest assets.

I know of one farm within 2 miles of where I was born in Ohio, as an example. This was a beautiful, productive farm, and it was bought for strip mining. It just came in right under the beginning of the Ohio law. That farm was reclaimed. It was bought for $100,000 from the farmer. They took out 300,000 tons of $30-a-ton coal. They restored the farm. It now has a big crop of clover and alfalfa on it, and I ask you to guess what they are asking for it—$175,000. I know because I tried to buy it only last week.

The price is a little steep for cow pasture, which is what I wanted it for.

Mr. Speaker, I am saying to the Members that if we do not have a national strip mining law, we are going to have tens of thousands of acres in this country totally devastated, which some day the taxpayers are going to be asked to replace and reclaim.

I think we ought to override this veto. I just think that in the long term it will be in the best interests of the country.

Mr. Speaker, I would like to say a word to my colleagues from Ohio. Any Congressman from Ohio who does not vote for this does not have the best interests of the coal operators and miners of Ohio in his mind, because all this is going to do is to make some of our neighbors comply with the same things that the operators in Ohio comply with now. I would not ask for that if it were going to put them out of business or if it were going to hurt them, but it has not put anybody out of business in Ohio. Our strip mining production is going up every year and we are getting in return reclaimed land which, while not quite, in most cases, is as valuable as it was before. However, it is vastly more valuable than if it had been left wasteland and not reclaimed.

Mr. Speaker, I urge a vote to override.

Mr. UDALL. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Speaker, I join in the remarks of the gentleman from Ohio.

Pennsylvania has what is known to be the toughest strip mining law in the United States. I know of no cutbacks in strip mining in Pennsylvania except because of economic conditions, none at all because of the act.

I am afraid that we are now in the midst of a situation which we have been in before. If we do not override, the President will say that it is because this is an unsound piece of legislation. That is an untruth. The real truth is that he feels that this committee and this so-called Democratic House will hand him a nice bill just about the time the election takes place next year. If this committee does that, it has one opponent.

Mr. Speaker, the veto ought to be overridden. There is not one sound reason given by the President or any of his spokesmen based either on economics, on the question of reclamation, or on the question of jobs that will hold up in any kind of court in the land as a factual case against this legislation.

Frankly, this is still part of the overall picture being painted by the President.

His policy is to sell the American people on the fictitious political theory that Congress is unable to act aggressively in the area of urgent need.

My position has always been, when faced with this kind of a Chief Executive:

If the President fools me once, it is his fault.

If he fools me twice, it is my fault.

If he fools me three times, I am a fool, and I refused to accept title heretofore, and I am not to be fooled again.

Mr. UDALL. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia (Mr. WAMPLER).

Mr. WAMPLER. Mr. Speaker, during the long, torturous, and sometimes frustrating consideration of this bill, our distinguished colleague from Arizona (Mr. Udall), and others, have spoken of the urgent necessity for a Federal surface mining reclamation control law as if most of our States were taking no action whatsoever to reclaim land disturbed by surface mining. The President, on the other hand, pointed out in his veto message of this bill the true facts regarding progress by our States to reclaim lands disturbed by the coal surface mining industry. The President stated:

> Since 1971, 21 States which produce over 90 percent of the Nation's surface mined coal have either enacted new environmental legislation governing surface mining or have strengthened laws already on the books.

Virginia is one of these progressive States.

Mr. Speaker, the drafters of this legislation want this body and the people of our Nation to believe that the coal mining industry is ravaging the whole country. In this regard there are some facts we ought to put in perspective: If no reclamation were accomplished—and this is not the case by any means—the total area, nationwide, projected to be disturbed by surface mining through 1990 is 1,316 miles. This amount of land is equal to only five one-hundredths of 1 percent of the land area of the United States. Compare this to the 28,603 square miles of streets and roads in our country, 40 feet or less in width, or the 2,813 square miles of land which has been utilized in our 42,500 miles of interstate highways.

The horror stories that have been fed to this body and the people of our country of the rape of our land by the coal industry come from the same environmentalist groups that delayed the Alaskan oil pipeline, and are gross exaggerations of the facts.

With respect to the charges by the environmentalists as to the status of reclamation in our land, I call your attention to the chart on the floor which was extracted from a recent Department of Interior publication. It reads as follows:

LAND USE, BITUMINOUS COAL INDUSTRY

Ninety-one percent of the land utilized by the bituminous coal industry during the 1930–71 period resulted primarily from surface coal mining.

From 1930 to 1971, the bituminous coal industry reclaimed 1 million acres, or 68 percent of 1,470,000 acres used by the industry.

In 1971, the industry reclaimed 21,400 acres more than the 73,200 acres it used.

Land utilized and reclaimed by the bituminous coal industry, 1930–71

	[Acres]
Land utilized:	
1930–71	1,470,000
1971	73,200
Land reclaimed:	
1930–71	1,000,000
1971	94,600
Percent reclaimed, 1930–71	68

Source: Energy Perspectives, U.S. Department of Interior, February, 1975. Page 164.

Because of Mr. UDALL's efforts on this floor on May 7, 1975, to single out my State's lack of effort at reclamation, I have made a point of researching the true facts on reclamation of surface mining in Virginia. Last week, Mr. William O. Roller, commissioner, Division of Mine Land Reclamation, Department of Conservation and Economic Development, Commonwealth of Virginia, reported the following official statistics to me:

A total of 25,900 acres were disturbed by surface mining in Virginia during the period 1944–66. Of that amount, only 7,900 acres were reclaimed during the period ending 1966, leaving 18,000 acres of orphan land that needed reclamation. In 1966, Virginia passed its first State reclamation law. It has amended that law twice since 1966, the latest act was signed into law in 1972. During the period 1966–74, the coal surface mining industry disturbed 33,676 acres and reclaimed 28,650 acres and in the year 1973, more land was reclaimed than was being surface mined, as will be shown in the detailed report that follows.

Moreover, Commissioner Roller reports, in the year 1974, those in the reclamation effort sowed 435,803 pounds of fescue, annual rye, lespedeza, and other grasses in revegetation, and planted, during the period December 1974 to April 1975, 4,428,000 locust, loblolly pine, poplar and other tree seedlings on reclaimed lands. Also, in enforcing Virginia's statutes during the period 1972–74, the divi-

sion of mine land reclamation issued 252 noncompliance orders, which resulted in 20 bond forfeitures, 18 court cases, and 6 hearings, and permit requests for 1,102 acres for surface mining were denied.

Commissioner Roller also submitted the following statistics on land utilized and reclaimed in surface mining by the bituminous coal industry, 1972, 1973, and 1974 in the Commonwealth of Viriginia:

LAND UTILIZED AND RECLAIMED IN SURFACE MINING BY THE BITUMINOUS COAL INDUSTRY IN THE COMMONWEALTH OF VIRGINIA 1972–74[1]

County	Year by acres		
	1972	1973	1974
Buchanan:			
Disturbed	1,675	1,463	1,687
Reclaimed	1,566	1,608	1,455
Russell:			
Disturbed	698	396	323
Reclaimed	392	763	622
Wise:			
Disturbed	1,936	2,521	2,740
Reclaimed	1,898	2,059	2,504
Lee:			
Disturbed	412	307	276
Reclaimed	349	359	271
Scott:			
Disturbed	18	11	0
Reclaimed	0	0	38
Dickenson:			
Disturbed	1,406	975	569
Reclaimed	1,276	944	718
Tazewell:			
Disturbed	395	225	128
Reclaimed	450	358	72
Total Virginia:			
Disturbed	6,450	5,898	5,692
Reclaimed	5,931	6,091	5,681

[1] Many acres were disturbed in 1 yr, with mining continuing over the period, and will be reclaimed when mining is completed

Mr. Speaker, the foregoing facts speak for themselves. No one disagrees with the need to reclaim and preserve our land and by-and-large this is now being done effectively across our land. I would be among the first to say that we can always improve our reclamation efforts where required. However, there are two things that are not required—outlandish claims of environmental damage of doomsday proportions and environmental legislation of the overkill variety that too often comes before this body.

My State needs coal, this Nation needs coal. It is time we started putting this whole energy-environmental problem into proper perspective, stop the wild charges associated with this most serious problem. It is time we got on with the job of producing plentiful and reasonably cheap energy, provided for under reasonable and prudent environmental safeguards, for our people.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I do have some other requests for time, but at this moment I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the Presidential veto.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I yield 1 minute to the gentleman from Alabama (Mr. BEVILL).

Mr. BEVILL. Mr. Speaker, I thank the gentleman from Arizona for yielding me the 1 minute.

Mr. Speaker, I am just going to point out something that I do not believe has been pointed out, although I know this subject has been discussed at great length. I want to show the Members what the Bureau of Mines has already prepared for us if this bill goes into effect. Some Members possibly have seen these proposed rules and regulations although usually we do not get a chance to see them until after a bill is enacted, but this time the Bureau of Mines went ahead and started preparing them, and thus we have the unusual opportunity to read them in advance.

But I wish the Members could see what we will actually be turning loose on the people of this Nation that is in such great need of becoming self-sufficient in energy.

If the Members could read this, and if they could look through it, I do not think they would be willing to override the President's veto. Instead they would be voting to sustain the President's veto.

Let me point out a few of the things that could happen, because these rules and regulations will be the law. These are prepared by the people who will promulgate the rules and regulations as authorized by this bill.

They say here that they will have to have a map prepared showing all types of things, such as the floor, the quality of the water, the type of water, the amount of acid in the water, the amount of mercury in the water, and the amount of carbon dioxide in the water. These are just a few of the unnecessary and expensive requirements in these rules and regulations that you most likely have not even seen.

The SPEAKER. The time of the gentleman has expired.

Mr. BEVILL. Would the gentleman from Arizona yield me 1 more minute?

Mr. UDALL. I am sorry, but I do not have additional time.

Mr. BEVILL. I urge the Members to vote to sustain the President's veto.

Mr. UDALL. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Speaker, those of us who favor postoperative reclamation of coal surface mines, but who also want our abundant coal resources to remain accessible and mineable, have an obligation to send this bill back to the committee whence it came for redrafting. We need to reclaim strip mined land; we also need the coal.

As a member of the Committee on Interior and Insular Affairs last term, I tried to work with the majority to devise a reasonable bill that would require reclamation without coal shortages. I was then willing to accept an unsatisfactory bill in the hope that the conference committee could work out its differences with the administration. There were objections to assorted ambiguities in the bill, objections to excessively rigid requirements, and conflicting claims about how much coal tonnage would be lost.

This year when the conference report was adopted, I was assured by advocates of the bill that most of the President's objections had been met and I voted for the bill again. It turns out that of 28 specific objections, only 11 were revised by the conferees in a form acceptable to the administration. Only one of these, narrowing the scope of citizen suits, will improve—decrease—the coal production losses. The rest of the improvements deal with haul roads, lesser fees for reclamation of abandoned mines, permit fees, minimizing frivolous petitions, Indian lands, civil penalties, and so forth, none of which were factors in the estimates of the Federal Energy Administration of probable coal losses. The 13 remaining objections relate to provisions which will reduce coal production.

That is a shabby record for conferees who apparently felt they could override the President. They should be put back to work.

For the bill's supporters to then circulate a false claim that four of six Presidential objections had been met, a claim repeated by trusting editorialists, constitutes a willful deception of the Nation.

I have been very much concerned over the FEA estimates of annual coal tonnage that would be lost under H.R. 25, ranging from 40 million tons a year—if courts interpret the bill leniently—to 162 million tons a year—if strict interpretations apply. The Interior Committee held hearings this past week to challenge those estimates. I have studied the transcripts and in my judgment not one ton of coal production has been dislodged from the FEA estimates—either from the high figure or the low figure.

Published articles have circulated the claim that the Environmental Protection Agency has different estimates.

The EPA has been quoted as complaining that the FEA was guilty of some double counting of the same mines under both the small mines category and the steep slopes category. It turns out that Mr. Al Fry, of the EPA, who has personally reviewed the FEA methodology, has concluded that while it would be very difficult to eliminate all such double counting, the FEA staff made a good faith effort to do so.

The committee hearings sought to prove that many of the western strip mines used in the estimate of losses due to the alluvial valley floors section were not on such geological floors at all. In fact this is a spurious attack because the administration counted both mines on alluvial valley floors plus those nearby mines which would adversely affect the hydrology of such regions. The FEA estimates stand up. A miner would never be able to prove in advance that his mine would not adversely affect the hydrology of alluvial valley floors; the mine would be closed.

This leads us into the whole question of the uncertainties of H.R. 25. While it sets rigid standards to be met, it sets them in ambiguities, not in concrete but in silt.

The years of litigation to resolve these ambiguities over what is defined by adjectives like "reasonable," "significant," "appropriate," et cetera, should be of concern to us all. We must recall the interpretations that have abused the intentionally innocuous phrase "nonsignificant deterioration" in the Clean Air Act.

Ironically, if this bill is clear as a bell, then what harm would there be in allowing the Secretary of the Interior to resolve ambiguities. Nothing at all, if there are none. Then why did the sponsors of H.R. 25 refuse to concede that authority? Who is to gain anyway from prolonged and substantial ambiguity? Who gained by delaying the trans-Alaskan pipeline?

Getting down to the bottom line, if actual losses are closer to the administration's least adverse estimates than to the high figure, we will lose 40 million tons of coal production a year. Instead of encouraging electric power stations to convert from oil to coal as a boiler fuel, this bill will require more of them to burn oil. Since the fuel equivalent of 1 ton of coal is just over 4 barrels of oil, 40 million tons of coal a year would have to be replaced by a half million barrels of oil a day. That would pump imports up from 5.5 to 6 million barrels a day.

That would not improve our energy independence, but make it worse. That's a poor energy policy. If future Federal agencies and courts take strict interpretations of the provisions in the bill, the losses would climb toward 162 million tons a year—requiring oil imports of up to 1.8 million barrels a day—I have studied carefully the anlayses of the Environmental Policy Center, the editorials supplied to me by them, the prepared testimony of the Federal Energy Administration, and the Bureau of Mines, as well as the complete transcripts of the postveto hearings. This study compels me to conclude that the estimated coal losses must be taken seriously as the best engineering methodology available to us. It is therefore my duty to vote to sustain the President's veto.

It is a further responsibility of those of us who favor mine reclamation to bring out a bill with less uncertainty and with less coal losses. The House-Senate conferees refused to budge on 13 of 14 key issues affecting production.

In my discussions with the FEA, I have insisted that if the evidence persuades me to vote to sustain this veto, they must move forward with me to produce a more moderate reclamation bill with less uncertainty and less coal prohibition, and they have agreed to do that. I have learned that some environmental groups will oppose such a bill, but I cannot be persuaded by that argument, which is either a case of pique or bluff.

It is time to start over before we regret this measure.

The SPEAKER. The time of the gentleman has expired.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STEELMAN).

Mr. STEELMAN. Mr. Speaker, I have voted to sustain every Presidential veto this year. President Ford has had no more loyal soldier than this one in his battle to fight budget deficits. I shall continue to be at his side in that battle.

Today, however, Mr. Speaker, I shall vote to override. The President vetoed this bill because he said it would result in a loss of jobs; it would result in decreased coal production and increased utility rates. The Subcommittee on Environment and Energy, chaired by the gentleman from Arizona (Mr. UDALL), and on which I serve as ranking minority member, convened hearings to ask some questions to get at the truth, to find out if the administration's objections were legitimate.

We found, Mr. Speaker, that, as always is the case, any decision to veto by any President, Democrat or Republican, is only as good as the information on which he has to base that veto. The President was relying upon Mr. Zarb, and we found upon cross-examining Mr. Zarb that he was relying upon the advice of staff and other so-called experts. We have since found that one of those experts, the West Virginia professor, Dr. Miernyk, upon whose 3-year-old projections the loss of jobs calculations were made, was quoted by the Associated Press 2 days ago as saying that those statistics are old; they no longer apply; and, in fact, that there will be a net increase in employment.

The United Mine Workers, the United Auto Workers, the AFL–CIO—and I am not given to quoting Mr. George Meany as an authority on anything very often, but in this case I find he and I are of the same position, and I have never found him to favor any proposal that would result in a loss of employment for any of his members. The fact is there would be an increase in employment.

Regarding loss of production, much of the administration testimony had to do with alluvial valley floors in the bill. Upon cross-examination we found—the gentleman from Montana (Mr. MELCHER), a member of the full committee, was very helpful in this regard—that of the nine mines that had been used to make these projections three were, indeed, not in alluvial valley floors, and the witnesses were unsure that four others were in alluvial valley floors. So there will not be a net decrease in production of near the magnitude outlined in the President's veto message.

Regarding utility rates, the Federal Energy Administration and the Library of Congress recently issued studies saying that prices of coal are tracking right alongside the cost of other fossil fuels; that is, coal is tracking alongside of oil. It is not increased cost of production that would be caused by this bill. It is not the increased cost of production; it is the price of oil. Coal companies have increased profits of 340 percent.

The SPEAKER. The time of the gentleman has expired.

Mr. UDALL. Mr. Speaker, I yield 1 additional minute to the gentleman from Texas.

Mr. STEELMAN. Coal companies have increased profits of 340 percent during 1974. They should be able to absorb any increases due to reclamation costs.

Mr. Speaker, in conclusion, I intend to vote to override, not only because the administration's statistics are ill founded, and the President's veto message bears these ill-founded conclusions, but because I have found, after living for 3 years with this bill in the Interior Committee, that we can mine coal under this bill. Coal is being mined and land reclaimed in Pennsylvania, in Ohio, and in Texas under conditions that would prevail if this bill were to become law. These regulations are based upon those experiences. I can only say that, in addition to being able to mine the coal, it gives us the best of both worlds. We can now mine coal and discharge our environmental responsibilities.

Furthermore, this will give the energy companies the assurances they need. This will give them the ground rules they need to formulate their plans and to borrow the capital they need to help move the country toward energy independence. I urge my colleagues to vote to override the President's veto.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from New York.

Mr. FISH. Mr. Speaker, I thank the gentleman and I want to compliment the gentleman on his statement. I wish to identify myself with his stand, that the objections in the veto message are not well founded.

Mr. Speaker, serious objections to H.R. 25, the Surface Mining Control and Reclamation Act of 1975 were raised in the President's veto message. Charges that jobs would be lost when our Nation is in a recession; that coal production would be down at a time the national interest is to stimulate such production; that utility rates would go up when our people are suffering from past rate increases are formidable. They deserve our most serious respect and attention.

It is only after satisfying myself that these objections are not well founded that I urge my colleagues to join with me in voting to override the President's veto.

First, it is contended that passage of this measure would result in a loss of 36,000 jobs in the coal industry. However, West Virginia University Prof. William H. Miernyk, on whose work the administration based its figures, says that according to his own calculations, the bill will probably result in a slight increase in employment. This probability was acknowledged by then–Secretary of the Interior Rogers Morton in testimony last February before the House Interior Committee. Secretary Morton said:

There will be a net gain in employment because reclamation is going to require capital investment. It is going to require a work force, so we should have a net gain.

Clearly, the program to reclaim the so-called "orphan lands" ravaged by earlier strip mining in Appalachia, southern Ohio, and southern Indiana will offset any jobs lost by the shutting down of small strip mines.

One would expect that organized labor would object if unemployment would result from the passage of strip mining legislation. Yet, the AFL–CIO and the UMW, which represent over 90 percent of all coal mine employment, as well as the UAW all support the bill because its reclamation requirements would increase the number of jobs in the mining industry.

Second, it is claimed that this bill will result in significant coal production losses. However, this has not occurred in States that have already implemented stringent regulations. Pennsylvania's law and experience is a case in point. In that

State, following enactment of strengthening amendments, there was an increase in production from 29.3 million tons to 36 million tons in 2 years. According to the chief administrator of that law, "today we have more strip mines and more strip mining production than ever before and the industry is making more money." Significantly, it is the Pennsylvania statute upon which the performance standards in the proposed Federal law are based.

Administration witnesses before the Interior Committee admitted that their predictions were based on a worst case analysis—on a presumption that the regulatory authorities and the courts would choose the harshest interpretation of the act in every case. In addition, the administration has projected a 66 million ton loss resulting from the section on alluvial valley floors. However, this is almost 50 percent greater than current production in that category. Witnesses before the Interior Committee gave a list of nine mines on which they based their calculations, yet were subsequently forced to concede that three of the mines were not on alluvial valley floors and that they were uncertain about four others. And finally, administration figures assume that no new mines will be opened during the first full year of implementation, another debatable assumption.

A third objection to this bill is that it will result in increased utility bills. Electric bills have soared in many areas because approximately 45 percent of electricity is produced from coal and the average price of coal has doubled in the last 18 months. However, coal prices are no longer mainly related to the cost of mining coal, but to competitive fuels. Coal prices have simply kept pace with the price of oil which has quadrupled during the same period.

While coal production costs have gone up about 30 percent in the last 2 years, coal company profits are as much as 500 percent higher than in 1973. This means that coal companies could absorb the costs of reclaiming strip-mined land without passing on the costs to the consumer.

The issue is not whether or not strip-mining legislation is needed. This is conceded. The administration has introduced its version. Uncontrolled mining has caused great damage in many parts of our country.

The Congress has labored for 4 years to fashion legislation that takes into account both energy and environmental considerations. The modest Federal standards imposed by H.R. 25 on those engaged in strip mining are needed now.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I want to compliment the gentleman in the well and associate myself with his remarks.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Speaker, I urge each and every one as quietly as I am capable of stating it to override the President's veto on this Federal strip mining bill.

I do not think it was the gut wish of President Jerry Ford for the second veto to take place. I think from the fact he was necessarily absent for 2 weeks when he had to be in Salzburg to look after foreign affairs, that was far more important. Those within the White House, Mr. Zarb, Mr. Falke, and Mr. Burns prevailed upon top staffers; Secretary Morton and those around him, advised not to veto for the second time this altogether reasonable, fair and restrained and compromised piece of legislation.

I have a telegram from all seven western Governors—where the coal is—who plead not to turn the West into a national sacrifice area, as a national report once predicted could occur. The telegram reads as follows:

TENO RONCALIO,
Member of Congress, Wyoming:

We urge Congress to override the President's veto on the Federal strip mining control bill so that we can respond to his challenge of energy independence in a rational manner that will not turn the West into a national sacrifice area, as a national report once predicted could occur. In vetoing the bill today, President Ford said the reclamation measure would reduce coal production, raise unemployment, and impose unnecessary cost upon consumers. We strongly contend the contrary is true. Coal extraction is a vital industry in terms of its role in the national arena as well as being an important asset to our economy. However, coal production can only be allowed to continue and accelerate if the protection of our land is guaranteed. President Ford, by stripping us of the necessary safeguards to see that energy development proceeds in an acceptable manner, forces the States to retrench and inadvertently hinder his program of energy independence. This will result in less coal production and fewer jobs. The President's cost to the consumer arguments is interesting. By his veto, he is imposing the cost of repairing the land on State taxpayers when the cost should be borne by consumers nationally. The veto was an insensitive act, considering that Congress has labored for two years, making compromises at every turn to give the people of this Nation greatly needed protection for their land.

Governor Jerry Apodaca, Chairman, Western Governors' Regional Energy Policy Office, Richard D. Lamm, Governor, State of Colorado; Ed Herschler, Governor of Wyoming; Arthur A. Link, Governor of North Dakota; Cecil Andrus, Governor of Idaho; Thomas L. Judge, Governor of Montana; Calvin Rampton, Governor of Utah.

President Ford said this measure would reduce coal production. That is not a true fact.

The President said it would increase unemployment. That has been proven in error.

The President said it would impose unnecessary costs upon the consumers and that is a distortion.

I have a list of 19 Members of this body who are asking for various considerations in their districts that involve public works. I would ask each of them to again examine their own positions.

Can we in good conscience force upon Wyoming, Montana, South Dakota, Utah, Colorado, and Idaho, the position of no restraints and no controls upon the stripping of their surfaces?

You must not do that to us.

My colleagues, do not put us back in the company store. Do not mortgage our souls to the company store. That is what will happen to the West if we do not get some considerate, fair, decent, strip mining legislation.

Last week we heard the contradiction of every point that President Ford's advisers cited in his veto message. There is not a more classic example of legislation to which we have yielded time after time, to compromise, to conciliate and make possible the reasonable mining of coal.

In Wyoming the coal seams are 80, 90, and 100 feet thick. The production of small acreage numbers into the tens of millions of dollars of gross income. Last year the profits of Consolidated Coal Co. were not 700 percent, but 7,800 percent.

I plead that this is a crucial issue. It will carry or fail by a very few votes. Yours has rarely been as important.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, I voted for this bill originally, but I am deeply disturbed. Just 2 days ago the Environmental Protection Agency said that 90 million tons of coal production would be lost as a result of this bill. I wonder if the gentleman would comment on that?

Mr. RONCALIO. I have no more time, so I ask my friend from Pennsylvania to have faith in me and vote along with me, if you will.

Mr. UDALL. Mr. Speaker, I yield myself 1 minute. I do this to direct an answer to the gentleman from Pennsylvania (Mr. SHUSTER).

The EPA study that was reported in the paper the last few days made an assumption that all strip mining on steep slopes was banned. If we make that assumption, we have a big production loss. This bill does not ban steep slope mining and the EPA figures are not applicable to this legislation.

Mrs. MINK. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentlewoman from Hawaii.

Mrs. MINK. Mr. Speaker, I would also like to point out that in the President's veto message he says that his own bill would cost between 30 and 80 million tons, so the figures of EPA on our bill match exactly to the point the estimates on the administration's own bill. What is the difference?

Mr. SHUSTER. Mr. Speaker, traditionally we have looked to EPA as the leader in setting the pace for environmental protection, so I place great weight on something which the environmental agency says, and this legislation would effectively stop steep slope mining. That would be the end result of the requirements.

Mr. UDALL. But, based on the requirements we put in the bill, we did not ban mining on steep slopes. EPA would be the first to tell the gentleman that their figures are wrong with respect to H.R. 25

Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Mr. Speaker, I rise to urge my colleagues to vote to override the President's veto of H.R. 25, the Surface Mining Control and Reclamation Act of 1975. Quite frankly, I feel the President has voiced some valid concerns especially since the Congress has to date not enacted a comprehensive energy program, whether it be the President's or one of its own; however, this is proceeding now. And delay in one area should not be used as a scapegoat for inaction in the other.

The question really boils down to the issues of whether there will be coal production losses, job losses, and increased utility rates resulting from H.R. 25. The answer in each case is a "no". The administration reaches a different conclusion but it has been affirmatively demonstrated that their projections are based on unreasonable interpretations of the act and misinformation.

We have heard that as many as 36,000 people could lose their jobs as a result of this legislation. That simply is not true. First of all, the administration in large part based its calculations on a study conducted by Prof. William H. Miernyk, the head of the University of West Virginia's Regional Research Institute. However, in newspaper articles of last Thursday, Professor Miernyk is quoted as saying that H.R. 25 would have little effect on employment in the coal fields. He maintains, and I find no reason to doubt him, that the administration confused and misread two separate studies. One, undertaken in 1967 on the relationship between direct and indirect unemployment resulting from strip mining closings, determined that for every 10 miners put out of work, 8 more workers in related industries would lose their jobs. So unemployment could be figured by multiplying the number of miners out of work by a factor of 1.8. The administration correctly used the multiplication factor. However, Miernyk's second study, of 1971, dealing with the abolishment of strip mining, concluded that in such event there would not be a decrease in employment but rather an increase since deep mines are more labor intensive. Strangely enough, the administration has chosen to ignore this latter conclusion, and I find it hard to believe that a regulatory bill could result in more unemployment than abolishment.

The objections that ring the loudest in our ears are that many small operators—those producing less than 50,000 tons per year—will be put out of business and that this Nation's coal production will be drastically reduced upon enactment of this legislation. Both of these assertions completely ignore the Pennsylvania experience where legislation, after which H.R. 25 was modeled, was enacted in 1972. The Pennsylvania Director of Surface Mining Operations, William Guckert, informed by office just last Tuesday that more people are trying to get into coal mining in that State than ever before. He stated "They are driving us crazy with new people wanting to come into the business." As for coal production, in 1972, the year of enactment 26.5 million tons or coal were surface mined in Pennsylvania. In 1974, the figure was 42 million tons. These figures clearly demonstrate that the mining industry can live with regulations and mine coal in increased amounts—in Pennsylvania, over a one-third increase in 2 years.

In his veto message, President Ford estimated a production loss in 1977 alone ranging from 40 to 162 million tons. However, in reaching their top figure, they admittedly used the worst case analysis. They used the most stringent and arbitrary interpretations that could possibly be made. For example, they stated that production losses due to the sections of H.R. 25 relating to the alluvial valley floors could range from 22 to 66 million tons during the first full year of implementation. But that top figure of 66 million tons represents a total ban on mining of alluvial valley floors, and no one can look at H.R. 25 and seriously say it mandates a ban on such mining. It must also be pointed out that the administration witnesses at the hearing provide a list of nine mines that could be affected by the alluvial valley floor section; however, under questioning admitted that three of the mines were not on these floors and they were uncertain of four others. These facts alone make one doubt the accuracy of their estimations of production losses.

I think we must also consider the assumptions underlying the administration's prediction of losses. Let us quickly review them:

First. Coal prices will not increase. They have increased; in some cases coal on the spot market is selling for as much as $60 a ton, and I simply cannot believe that with coal selling for that much in selected areas, the industry will not put every man and every piece of machinery to work to dig out as much as possible.

Second. Mining technology will remain at its present state. In this very bill we authorize funding for State mining and mineral resources institutes, the main purpose of which is to stimulate research into new mining techniques. The fruits of this research, I am confident, will be that we will be able to mine previously unstrippable coal.

Third. New mining areas will be opened in the West. At present, there is a moratorium on the issuance of licenses by the Government for mining on Federal lands. One of the main reasons for this action, or inaction if you will, as voiced by the Department of the Interior, is that they are waiting to see what this legislation looks like. It is obvious to me therefore that enactment will place the Government in a much better posture to lease and to issue permits for mining on Federal lands in the West.

Fourth. Capital investments will not increase in mining and related industries. I would direct the Member's and the administration's attention to the Wall Street Journal. Investments in the mining industries are up, way up, and they are being pushed by Wall Street brokers.

So, I hope you can understand why I question the administration's figures. As I read them, all four of their basic assumptions are incorrect.

Another objection to this bill as stated by the President is that:

Consumers would pay higher costs—particularly for electric bills—when consumer costs are already too high.

I will fully admit here that electricity may rise as a result of this legislation, but I truly think that it can safely be said that the incremental increase will be relatively small. Historically, natural resources have accounted for about 30 percent of our utility costs. Right now the average price of coal in the United States is about $18 to $20 per ton. The highest estimate I have heard as to the impact of this bill is an increase of $2 per ton, or perhaps a 10 percent increase. Remember, this is a worst case analysis. Therefore, for every dollar of electricity, the most an average bill should rise is about 3 cents per dollar. This not an exhorbitant amount that some have shouted about from the treetops. Rather, I maintain that 3 cents per dollar is a small amount to pay to correct the abuses of the past and to prevent those of the future.

Some will say we cannot inflict on the American people these increases which will go to pay for the past irresponsible mining in Appalachia. Well, they are paying for it already. A few weeks ago, this House of Representatives passed a bill to extend the life of the Appalachian Regional Development Act for 2 additional years. During the past 5 fiscal years, we have made appropriations for the commission established by that act to the tune of over $1.5 billion for programing alone.

Irresponsible mining has probably been the prime contributor to the depressed economy of this region of the country. I invite you to fly over portions of West Virginia, Kentucky, and Pennsylvania. You will see the useless acres of brown dirt which remain as evidence of men's disrespect for their natural environment. Because of the avoidable hydrologic imbalances which have resulted, because of the little vital topsoil remaining, and because of other unnecessary mining-related problems, the land cannot be used for agriculture purposes to its fullest extent. Industry is hesitant to locate there, and the general overall morale of the people residing around these abandoned areas has been as depressed as the economy. So the Congress has poured in money—Federal money, your constituents' tax dollars—to correct those situations and to try to stimulate the economy in Appalachia.

I can assure you that if we do not pass this legislation, there will be irresponsible mining in the West—perhaps not as much as in the East—but it will exist—and this Congress will then have to appropriate more tax dollars to correct these wrongs. We are paying for the past already. Let's be honest about it and admit it.

The last of the objections I will address is that 21 States have enacted their own statutes so a Federal bill is not needed. The evidence is painfully clear that many of these statutes are weak and as for the others that are strong, many of them are weakly enforced. This patchwork must end. We must have minimum standards applicable across the country to insure a modicum of uniformity. But, I would emphasize, that there is a realization in the bill that different areas have different problems, and it takes into con-

sideration regional factors such as the steep slopes in the East and water availability in the West.

Mr. Speaker, I have studied the objections of the administration to H.R. 25, and I have come to the conclusion that their reasoning and predictions are not justifiable. They are based on unreasonable interpretations of the act and of other people's scholarly works, and they ignore the current boom in the mining industry. On May 7, 293 of us voted in favor of the conference report accompanying H.R. 25. I would hope that very few would change their votes. The opponents of this legislation maintain that this country cannot afford it at this time. I say there are regions of this country that cannot afford to be without it now and in the future.

John Hill, Deputy Administrator of the FEA, said:

The Pennsylvania law has a number of key provisions which allow the state regulatory authority to grant variances or exemptions, or (sic) requirements of the act, particularly to small miners.

We had a letter back from Walter Heine, Associate Deputy Secretary for Mines and Land Protection of Pennsylvania, who said:

This is totally incorrect. We diligently make every effort to treat all coal operators equally regardless of size. There is no provision either in our law or regulations, nor is it our administrative policy to make special provisions for, or grant variances to, coal operators on the basis of their size of operation.

Their coal operators—regardless of size—are treated alike in Pennsylvania.

Finally, it has been suggested that there would be, because of this legislation, pressure for hikes in utility costs. Let me point out what has happened to the price of coal over the years.

The price of coal from 1931 to 1966 tripled, from $1.50 per ton to $4.50 a ton. It tripled in 35 years. Let me also point out that the price of coal has again tripled—but in 4 years, from $7 per ton in 1971 to $20 per ton in 1975. I would suggest a threefold price hike of coal in the last 4 years alone can in no way be attributed to environmental legislation. The fact is, the price of coal parallels the price of oil, and in no way relates to this or other reclamation bills.

Mr. UDALL. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Speaker, I would like to ask the chairman the question that I asked him on May 7, and at that particular time I asked whether planned housing, and so on, could be put on strip-mined areas, or did it have to go back to the original contour, are there no exemptions for high walls or benches remaining.

The response of the gentleman was: "What we do not encourage is leaving the high walls and the benches as they have been doing in the past years, using the dodge that sometime in the future, maybe 100 years from now, they will need that for home land. But if they do have a particular use and a particular plan, the bill does permit that."

And my question again today—after hearing my legislative assistant tell me that the majority counsel said that is not correct, the minority counsel said that is not correct and the Environmental Policy Center said that is not correct—is that correct? Can you have high walls and benches remaining if you do have a planned home building program for that strip-mined area, or must it be returned to the approximate original contour?

Mr. UDALL. If the gentleman will yield, you cannot build houses up against a high wall. The attempt is to avoid that. But this is based on the Pennsylvania law.

If housing is needed in Appalachia and if the advance mine plan calls for housing, you do not have to return to the original contour if the plan is approved for housing.

Mr. Speaker, I direct the gentleman's attention to section 515(c)(2), which allows for the variance of that very kind.

Mr. GOODLING. I thank the gentleman.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to my colleague from Arizona (Mr. RHODES).

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the President's veto of H.R. 25, the proposed Surface Mining Control and Reclamation Act of 1975.

It is my view that this legislation would be disastrous in its effects on the coal mining industry, and on the consumers of our Nation who use and need the energy coal produces.

Coal is our most abundant domestic natural energy resource, and it is totally illogical for the Congress to impose unreasonably stringent standards on the industry that will restrict its development and force us to rely more heavily on imported oil.

Frank Zarb, the Administrator of FEA, presented documented statistics on the impact of this legislation at a special hearing on June 3 by the Subcommittee on Mines and Mining of the House Interior and Insular Affairs Committee. These statistics include:

A coal production loss of 40 to 162 million tons during the first year of implementation of this legislation;

An increase of oil imports of 450,000 to 1.8 million barrels per day to compensate for the coal production loss assuming that 100 percent of the lost coal is replaced by oil;

Five and six-tenths billion dollars in increased consumer costs that will be brought about by an increase in the prices of that coal that remains in production, and the increased costs of having to replace the lost coal with more expensive imported oil; and

Job losses in the mining industry that range between 9,000 to 36,000 with the heaviest unemployment impact being in Appalachia.

It is completely incomprehensible to me how any Member of this body could vote for a bill that has such a devastating and stagnating impact on the development and expansion of this critical industry when it is this very development and expansion that our Nation so vitally needs in order to meet our goal of self-sufficiency in energy supply. In addition, the further levying of Government-mandated price increases on American consumers who are already struggling with the burden we have placed on them is intolerable. These facts, combined with the job losses that will be brought about by this bill at a time when unemployment is a critical problem, make it one of the worst and most damaging pieces of legislation that could be forced on the mining industry and on the American people.

My concern for the environment is just as strong as any other Member's in this body. I believe that the environmental problems of surface mining can and will be solved at the State level and solved without the Federal intervention and control proposed in H.R. 25. The conference report stated on page 78:

Virtually all of the specific standards set forth in the conference report are already required in one or more of the several States regulating surface coal mining.

I urge my colleagues to join with me in sustaining the President's veto of this legislation.

Mr. RHODES. Mr. Speaker, there has been much discussion during this debate about the various laws of the States. Most people are saying that they are good laws, and I think in most instances they are. But I think we should all understand what happens to those laws if we adopt this bill, if we do not sustain the veto.

This bill, if it becomes law, will preempt the laws of the States. You will not have the State laws that have been doing a good job, rather, you will have a completely untried piece of legislation here which will be substituted for those laws.

Mr. Speaker, I say to my good friend from Ohio (Mr. HAYS) that the people from Ohio would not be well served by a vote to override this veto. Certainly they would be better served by a vote to sustain it and keep their own law which has done a good job, instead of buying this Federal pig-in-a-poke legislation.

Also it has been mentioned that Pennsylvania law is a good law, and there has been a lot of mining under it. There has been. But that law also provides for variances, and there have been many variances granted, I am told. Under this law there is no provision for that type of variance once the plan is set. So I think it is very important to look at all of the facets of the bill and what will happen if this bill becomes law.

The bill is anticonsumer. People are paying up to 18 percent more for power this year, due to costly sources of energy. This bill would add up to another 16 percent to electric power bills, even in the State of Arizona. Utilities must supply power, and they must burn fuel to do so. If they cannot get the coal they need, they will switch to oil. This bill could force us to depend on the uncertain supply from the Middle East to a greater extent than is good for our energy future. It could well triple our needs for Mideast petroleum.

This bill could cost us up to 162 million tons of coal production a year. By 1977, we could lose 24 percent of our expected production. At a time when we need to utilize coal, this bill slams the door on increased production. At a time when we are fighting unemployment, this bill would cause the loss of several thousand jobs. I will not get into the figure of how many, but everybody knows it will not help employment. It will hurt employment.

This bill is anticonsumer, antiemployment and antienergy. Those who vote to override the President's veto are simply telling the American people that they have no interest in consumer electric power rates. They are telling the States they cannot control their own environmental conditions, that Uncle Sam knows best.

Mr. Speaker, I will ask the Members whether they do not think we should let the States, who are doing a good job, continue their efforts instead of sticking our legislative noses into an area in which we are absolutely not needed and not wanted.

We have coal available. It simply does not make much sense to pass legislation to deny the American people the use of this God-given natural resource.

Mr. Speaker, I urge my colleagues to consider carefully the long-range impact of H.R. 25. It is not good legislation. It would not help our people, our economy, nor our energy outlook. I urge that my colleagues join me in voting to sustain the President's veto of this legislation.

Mr. UDALL. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I regret the amount of misinformation that has been coming from administration sources about this bill.

I have a letter that I received this morning from the Audubon Society repudiating the very quote that is contained in a letter to the editor of the Washington Post today signed by Rogers Morton and Frank Zarb in which they quote the Audubon Society as saying this bill is tougher than the bill the President vetoed last year. The fact is, as the Audubon Society points out in their letter, their comment quoted by Mr. Morton and Mr. Zarb refers to the bill before it went to conference between the Senate and the House, and the conference took out the provisions which the House put in and made it a weaker bill.

A lot has been said about putting small strip miners out of business if this bill is passed, and yet the administration spokesmen have not mentioned one single strip mine that has been put out of business by the equally tough laws of Pennsylvania and Ohio. As a matter of fact, the same argument was made before the Ohio law was passed in 1972, and yet here are the facts as to applications for new strip mines in Ohio.

In 1971 there were 190 applications. That was before the law was passed.

In 1972 there were 251 applications; in 1973, 285 applications; and in 1974, 349 applications.

If a tough strip mining law would put people out of business, then why is it that the Ohio applications for new strip mines have gone up every single year since the tough Ohio law was passed?

As a matter of fact, calculations based on the Department of the Interior's, own figures indicate that this bill would generate in 1977 in Ohio 230 additional direct jobs and an additional 500 jobs in secondary employment; and nationwide, 2,100 to 3,100 direct jobs and 4,000 to 5,000 in indirect employment. And by 1985 there would be 5,400 direct jobs and 9,700 indirect jobs, based on the reclamation provisions alone.

Finally, Mr. Speaker, the fact is that this chart that Mr. WAMPLER showed to us does not record the fact that there are still 2 million acres of strip-mined orphaned acres in this country which this bill would make a start on reclaiming.

Mr. UDALL. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. SKUBITZ).

Mr. SKUBITZ. Mr. Speaker, I was born in a coal mining camp in southeastern Kansas—I know the smell of burning sulphur dumps and coal smoke. My father and his father before him worked in the coal mines of southeastern Kansas. My father's death was caused by a mine explosion.

At 16 years of age, I took my place beside my father.

Thank God, I had parents who believed in education and who were willing to make sacrifices that I might go on to college.

For 15 years, I taught in the schools of southeastern Kansas, and 3 years of that time were spent in a community where the major source of tax money was derived from taxes collected from the Pittsburg-Midway Coal Co., which at that time operated the biggest electric shovel in the world.

When the shovel was moved—the coal washer dismantled—the school closed—not because we lacked students but because our tax base was gone.

In my district there are 55,000 acres of good farmland that have been raped by strip operations in bygone years. Our State now has a law which does something about it.

Yes, I know the smell of burning sulfur dumps. I know the economic meaning of strip mine operations.

This is why I sought a place on the Interior Committee on Mines and Mining because of interest in mine safety and in strip mining. I wanted to see that stripped land put to productive use—returned to the tax rolls.

Yes, I am interested in strip mining legislation.

I supported this bill in committee and I was one of the conferees.

I signed the conference report and on May 7, I voted for this bill but expressed grave reservations regarding the timing of such legislation.

I would support this legislation if these were normal times—but these are not normal times—we are in an energy squeeze and coal offers our one source of salvation.

Mr. Speaker, during my service on the committee—during the time strip mining legislation was up for consideration—I heard much testimony by experts who had never mined a pound of coal in their lives. And that included both sides of the controversy.

Mr. Speaker, the President vetoed this bill because his "experts" say that as many as 36,000 people will lose their jobs—that the consumer would pay higher costs for electricity. That our Nation would be more dependent on foreign oil. And that coal production would be unnecessarily reduced at a time when we need more coal.

Now the so-called experts that are demanding an override of the bill present statistics to prove that what the President says "t'aint so!"

During the hearings held after the President's veto—Mr. Zarb and Secretary Morton again appeared before our committee and reiterated their former charges regarding the loss of jobs and production if this bill were enacted in its present form.

Mr. UDALL pretty well summed it up when he said:

You're guessing that we are going to lose all this coal and I'm guessing that we aren't going to lose any.

So we have gotten into a guessing game—a debate of "t'is so" versus "t'aint so"—which leads me to say, Mr. Speaker, that the real issue before us is, whether during this energy crisis such irreparable damage will be done to the land that strip mining should be restricted, or are our energy needs so critical that the mining of coal must go on and every ton produced—and when we see the light of day—so far as energy is concerned—then we go back and reclaim the damaged terrain.

I am going to support the President's position because if the President is wrong then all that can result, is a loss of funds—temporarily—to reclaim orphan lands. It will result in very little despoiling of land since every State that now mines coal has already enacted reclamation laws.

But, if Mr. UDALL is wrong, then we do irreparable damage to our economy through increased cost of fuel—increased prices of the commodities we buy—increased unemployment, and disaster insofar as the production of energy is concerned.

Mr. Speaker, the objectives of the bill are laudable—the timing for its passage could not be worse.

I will vote to sustain the President's veto.

CALL OF THE HOUSE

Mr. SEIBERLING. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic de-

vice, and the following Members failed to respond:

[Roll No. 274]

Adams	Gialmo	Meyner
Addabbo	Gonzalez	Mollohan
Bingham	Hansen	Rees
Conyers	Harsha	Rodino
Drinan	Jones, Ala.	Rostenkowski
Esch	Jones, Tenn.	Smith, Iowa
Flynt	Kindness	Teague
Ford, Mich.	Lujan	Wilson, C. H.
Fraser	Madigan	Wilson, Tex.

The SPEAKER. On this rollcall 406 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Speaker, if this country gets an energy policy, Congress is going to have to do it. President Ford's energy policy is swiss cheese—full of holes.

While oil grabs the spotlight with most of the debate hinging on holding the price of crude oil close to current levels, coal is in the background and will replace much of the oil used by industry. The key to controlling inflation is stabilizing the prices of energy.

Coal is extremely important in helping to alleviate the energy crisis. President Ford's key move on that has been to veto the strip mine reclamation bill as well as the previous bill passed in the last Congress.

All indications from business and from Government sources indicate an increase in coal consumption within the next few years particularly strip-mined coal.

The traditional areas of coal mining in the East will not bear the brunt of the increased coal production for two reasons. First, western coal seams ranging from 20 to 80 feet thick are drawing the larger companies. Second, air quality standards are easier to attain by the utility companies and other plants by burning low sulfur coal. So even though the western coal is lower in Btu it attracts coal companies and utility companies because it is low sulfur and the price is right. Current contracts for coal with 9,000 to 10,000 Btu per pound are running about $5 per ton loaded in the car at strip mines in Montana and Wyoming. Unit trains haul the coal to the destination in the Midwest and in the South.

My State of Montana has over a 100 billion tons of coal reserves and almost one-half of that is strippable. Energy companies interested in western coal make long range plans and huge investments. They realize that reclamation is necessary and that there is need for a national strip mine reclamation bill so that the minimum guidelines are the same in each State.

Furthermore, most of the Western States have considerable Federal land and Indian reservation land and where there are coal deposits under this land it is critical in development of that coal that there be a Federal bill. State law will not apply to those lands unless Congress so directs and in the case of Indian reservations unless Indian tribes would concur with the State law. That does not happen in most instances and, in my judgment, would not happen in this case. Instead of that, the Secretary of the Interior would promulgate regulations. The regulations that have been proposed are weaker than Montana law which would be intolerable. Implementation of any new Federal coal leases or even putting into operation existing coal leases on Federal lands or Indian reservations without a national strip mine reclamation bill will, I believe, be prevented unless such a national bill is passed.

So it boils down to this. The first step in a coal energy policy for western coal is passage of this bill. Failure to override the President's veto means a continuation of the stagnation of this country's coal policy.

We have every reason to override. Coal could replace oil for utility companies and other plants, coal can replace natural gas consumed by similar plants, coal can be used for coal gasification plants. The American Gas Association recognizes these facts and has consistently advised the President to sign the bill of the last Congress and is in support of this bill and encourages an override of the President's veto.

They are not misled by the inaccurate information provided the President by the Federal Energy Administration and the Bureau of Mines. Nor are they misled by the scare tactics some utility companies and REA's are mouthing. I have previously documented the cost of this bill in terms of increases consumers would have to pay in the electric bill for utility companies using western coal. That is 14 cents per month per household. I previously placed in the RECORD the inaccurate information concerning alluvial valley floors and which accounted for 40 percent of the administration's estimate of lost coal production. Now we find that rather than the 66 million tons of lost coal production that the Bureau of Mines estimated from alluvial valley floor production that the Environmental Protection Agency and the private organization, National Economic Research Associates, estimate would be only a million tons. I submit portions of these for documentation and to provide in the RECORD evidence to refute the errors of the President's advisers on this bill.

What is the cost of the strip mine bill to electric consumers? That is a valid question. Here is the answer:

There are three costs in the bill. The first and obvious costs are the incidental costs that go with meeting the requirements of regulations in the bill in the form of developing a reclamation plan, making soil tests and so forth before strip mining commences. These are overhead costs that cannot be avoided.

The second cost is a 35 cents per ton, half of which stays in the area where the mining is done to meet the social impacts such as needs for schools, hospitals, roads, and so forth. Those costs are inescapable and would have to be borne by taxpayers under any circumstances. The other 17½ cents goes to reclaim abandoned strip mined lands, and is a proper investment that will pay off as the land gets back into production.

The third cost is the actual cost of reclamation itself and that varies. In my State of Montana, as well as our neighboring States of Wyoming and North Dakota, the typical coal seam is 40 feet thick. The cost of reclamation is pennies per ton because there is over 50,000 tons of coal per acre; 4 cents a ton provides over $2,000 per acre and current reclamation costs are running less than that.

What does all this mean in terms of cost added to a consumer's monthly electric bill?

The average price of coal right now nationally is running about $18 a ton. In our country, it is much less—around $5 a ton on recent contracts for coal which has a Btu content running from 7,000 to 10,000 per pound. Every 10-cent-per-ton increase in the cost of coal of this type translates into a cost of 0.00006 cent per kilowatt hour. We are talking about an increase in the cost of western coal of about 40 cents per ton. That will mean that utility companies using this coal to generate electricity will pay an additional 0.00024 cent per kilowatt hour. An average home uses 600 kilowatt hours of electricity per month and therefore it means an increase in the average homeowner's bill of 14½ cents per month. That is a bargain. All of us have an obligation to protect the land and pay the real costs of strip mining, which includes restoration of the land.

I include the following:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C.

Subject: Summary Analyses of the Strip Mining Legislation.

BACKGROUND

In order to ascertain low sulfur coal availability for meeting Clean Air requirements for alternative sulfur dioxide strategies, an analysis of the impact of the strip mining legislation on coal supply was made. A detailed description of the analysis is provided in the Appendix. This memo presents a summary of the analysis.

SUMMARY OF ANALYSIS

Production losses

Table I summarizes OPE's estimate of the impact of certain provisions of the strip mining legislation and compares these estimates with estimates developed by NERA and BOM. OPE's worst case assessment is 89.7 million tons production curtailment; NERA's most likely estimate is 86 million tons; and BOM estimates the loss to be between 40–162 million tons.

TABLE 1.—SUMMARY COMPARISON OF PRODUCTION LOSS ESTIMATES DUE TO THE STRIP MINING LEGISLATION

Provision	EPA (worst case)	NERA [1]	BOM [2]
Steep slopes	[3] 76.2	[4] 56	22–52
Small mines	[4] 12.5	29	7–44
Alluvial valley floors	1.0	1.0	11–66
Total	89.7	86	40–162

[1] Estimates by Harry Perry.
[2] As reported to Congress in a letter from Thomas Falkie, dated May 23, 1975.
[3] Assumes ban on production on slopes greater than 20 degrees.
[4] Assumes 75 percent of production of small mines are on steep slopes; 25 percent of production of small mines are on less steep slopes.

OPE's production losses were based on:

An updated analysis of the CEQ estimates for steep slope production curtailments;

An analysis which calculated the percentage of total strip mining production by small mines using the BOM's assumption that 75% of production from small mines is on steep slopes and 25% of small mine production is on less steep slopes; and NERA's estimate of the impact of alluvial valley floors.

NERA's estimates were based on a screening of mining operations on a county-by-county basis to determine how much of the small mine production would be impacted independent of steep slope provisions; an analysis based on OPE and BOM's assumption that 75% of the small mines are on steep slopes; and contacts within the industry to determine alluvial valley floor impacts. NERA assumed that mining operations with deep trenches in alluvial valley floors out West would close.

BOM's analysis assumed that 6 percent to 23 percent of the projected steep slope production would be affected derived from an update of calculations made by CEQ. BOM assumed loss of productivity from nearly every steep slope operation. Small mine estimates were based on the assumption that 40–100% would close with none of this production being replaced by production on less steep slopes. BOM's alluvial valley floor estimates assumed that mining operations in alluvial valley floors as well as mining operations in underdeveloped rangelands and operations in areas considered to be potential farming or ranching lands (before and after reclamation works) could be excluded from mining.

SULFUR DISTRIBUTION OF LOST PRODUCTION

OPE calculated the sulfur penalty attributable to production and curtailment for Districts 7 and 8 (East Kentucky, Tennessee and West Virginia) which accounted for 51.5 million tons out of the maximum loss of 89 million tons. A similar calculation could not be made for the rest of the coal producing districts as OPE did not have access to information which provided sulfur content as a function of slope angle. CEQ and BOM had not previously developed this analysis for the CEQ report.

Table 2 breaks out the sulfur content of the production loss curtailments from Districts 7 and 8 as a function of slope angle.

TABLE 2.—SULFUR CONTENT AS A FUNCTION OF SLOPE ANGLE FOR LOSS PRODUCTION FROM DISTRICTS 7 AND 8

Sulfur content	20–24°	25°	Total	Percent
Less than 1	6,294.9	28,469.4	34,764.3	67
1 to 1.4	3,364.5	10,167.7	13,532.2	26
1.5 to 1.9	868.3	1,626.8	2,495.1	5
2 to 2.9	325.6	406.7	732.3	2
Greater than 3				
Total	10,853.3	40,670.6	51,523.9	100

As shown in the above table more than two-thirds or 67% of the loss production is less than 1% sulfur coal, and roughly 26% has a sulfur content ranging from 1–1.4%.

PROBLEMS WITH ANALYSIS

1. Steep Slopes:

a. OPE's analysis as well as BOM's and NERA's assumes a ban on mining operations on steep slopes. This is the worst case assumption in that experience in Pennsylvania and Kentucky indicates that the modified block-cut method of mining can be used successfully on steep slopes.

2. Small Mines:

a. The estimates of small mine closures overlap with steep slopes, so there is double counting.

b. BOM would not provide OPE the data to eliminate double counting.

3. Closure Analysis:

a. BOM, OPE, and NERA have not done a financial/economic impact analysis of closure by small mines, similar to the analyses that OPE performs with respect to the effluent guidelines. An economic analysis of the impact of the Bill is needed by size of mine and geographical region. OPE believes that the increase in the price of coal as well as the profitability of surface mining will limit closures and losses.

4. Substitute Production: Estimates do not include make-up production from less steep slopes and underground mining. This conflicts with the CEQ report that showed considerable production increases from less steep slopes and underground mining.

CONCLUSIONS

1. Although the data are not available for developing the most likely impact estimates, OPE believes that the impact on production curtailment will be much smaller than indicated in the summary tables.

2. However, due to the deficiencies in the analysis that has been performed to date by both BOM and OPE, OPE is unable to quantify the impact of the Strip Mining bill on the cost of alternative policies for sulfur dioxide control.

RECOMMENDATION

OPE recommends that an economic impact study be undertaken because a strip mining bill will impact disproportionately on low sulfur coal availability for meeting Clean Air Act requirements and because thus far no credible study has been performed. OPE further recommends that the study be a cooperative effort between the Division of Policy Planning and the Division of Economic Analysis.

APPENDIX A—DETAILED SUMMARY OF ANALYSES OF THE STRIP MINING LEGISLATION

(Office of Planning and Evaluation, Environmental Protection Agency, June 6, 1975)

SUMMARY OF ANALYSES OF THE STRIP MINING LEGISLATION

Background

In order to ascertain low sulfur coal availability for meeting Clean Air Act requirements for alternative sulfur dioxide strategies, an analysis of the Strip Mining legislation on coal supply was made. The following presents a detailed description of the analysis, the basis for which was drawn from (1) the CEQ report "Coal Surface Mining and Reclamation;" the data requirements; (2) Form 423, utility coal purchases by sulfur content and (3) BOM Bituminous Coal Report, 1973.

Analysis

The original analysis performed by CEQ focused on the steep slopes and small mine provisions of the Strip Mining Bill. Because physical data on the slope angle distribution of surface mined coal production were not readily available, and state records and mining plans for current mining operations did not provide direct information on slope angles, CEQ developed a stratified sample of model counties to represent all other Appalachian coal producing counties for purposes of analysis. To estimate the slope angle distribution within the sample counties, CEQ/BOM inspected all the surface mining operations in the sample. The sample counties were representative of the following characteristics: (a) counties were located in significant coal producing regions; (b) terrain, production, and strippable reserves in these counties were representative of the general region, both within a state and in neighboring states; (c) a relatively larger number of Appalachian counties in regions of hilly or mountainous terrain were selected to increase the accuracy of statistical estimates of the slope angle distributions of coal production at relatively steep slope angles. CEQ/BOM measured the slope angle at the site of each mining operation, calculated annual production of the mine, and estimated total production in the sample counties as a function of slope angle. In addition to production and slope angle the type of mine (strip or auger) and the sulfur content of the coal were determined. The results from CEQ's analyses were presented in Table G–1 which gives the percentage of coal production by slope angle.

Steep slopes

OPE's analysis commenced with an update of CEQ's Table G–1 using BOM 1973 production figures for select counties, States and Districts. Table 1 provides an allocation of production by slope angle by county. This table takes the 1973 production estimates from BOM and updates the CEQ estimates for selected counties. The production estimates by slope angle were calculated by using CEQ's percentages of coal within intervals for those counties. The percentages are given in Table 2 and come from CEQ's report, Table G–1.

The next step was to determine the allocation and percentage by district given that we had the analysis on a county basis. Summing the county information into districts, OPE derives Table 3 which allocates coal production by slope angle by district based on CEQ's model counties. The percent of production by interval is also given. Table 4 was derived by using the total 1973 production estimates by District. Allocation of coal by slope angle was derived based on the percentages derived in Table 3. We assumed that the percent distribution by district by slope angle for total 1973 production would be the same as the percent distribution by district by slope angle for CEQ's model counties within those districts.

The results of this analysis show that the worst case estimated production loss by slope angle greater than 20 degrees is 76,227.4 million tons with the heaviest impact in Districts 7 and 8 of 51,523.9 million tons. This is the worst case in that it assumes a ban on production for all mining on slopes greater than 20 degrees.

Table 4 is the allocation of total coal production. This includes coal for coking, metallurgical coals and coal for export. Using Form 423 for utilities coal purchases, OPE calculated production loss by slope angle using the same analysis for estimated total production loss. Tables 5 and 5a presents this analysis. Estimated production losses for utility coal by slope angle are 44,385.7 million tons with 27,727.1 million tons coming from Districts 7 and 8.

Small mines

EPA requested data from the Bureau of Mines of the distribution of coal production by size of mine, by slope angle. EPA requested this information because the losses associated with slope angle restrictions contained small mines. OPE met with BOM (Jim Paone). BOM indicated that 75% of the small mines were operating on slopes greater than 20 degrees. BOM was unable to furnish EPA with any data to substantiate this estimate or any other estimates. As a result, OPE attempted its own cut of the data.

The analysis which OPE performed essentially used the 1973 total coal production broken-out by district, by state, by size of mine. DOI defines a small mine as one which produces less than 50,000 tons per year. Table 6 describes coal production (strip and auger) by district and State for the entire U.S. broken-out by small mines (less than 50,000) and all other mines greater than 50,000. Table 7 summarizes this information and indicates that 16% of the total surface coal production or 50,562 million tons is production from small mines which could be impacted by the Strip Mining Legislation.

Since BOM assumes that all small mines will close, then the production loss is 50.5 million tons. The problem with this analysis is that some percent of these mining operations are on steep slopes. Further, OPE does not know the distribution of production from small mines on steep slopes. As a result, OPE cannot use this estimate due to double counting. This problem is further aggravated by the lack of economic analysis on estimating closure by size of mine due to the financial conditions within the industry itself and the front end financial requirements to obtain a permit. No single agency has done such an analysis. For purposes of this analysis OPE used BOM's assumption that 75% of the small mines were operating on steep slopes and 25% of the small mines on less steep slopes. This results in an incremental loss of 12.5 million tons attributable to small mines not on steep slopes.

Sulfur penalty

Using the production loss estimates associated with steep slopes of 51,523.9 million tons from Districts 7 and 8, OPE calculated the sulfur penalty attributable to this loss. This analysis was derived from CEQ's analysis of the sulfur content of Central Appalachian surface mined coal as a function of slope angle. In order to update CEQ's analysis, conversion scale-up factors had to be developed and applied to 1973 production levels. Essentially OPE assumed that the distribution of sulfur content by slope angle remained constant for the incremental increases in production. Table 8 provides the conversion factors OPE used. Table 9 provides the sulfur content as a function of slope angle for loss production from Districts 7 and 8. More than two-thirds of the loss production is less than 1% sulfur coal, and roughly 25% has a sulfur content ranging from 1–1.4%.

A similar calculation could not be made for the rest of the coal producing districts as OPE did not have access to information which could detail sulfur content as a function of slope angle. Neither CEQ nor BOM developed this analysis. Additionally, the sulfur penalty attributable to loss production from small mines could not be calculated because OPE was unable to obtain a break-out of production estimates by size of mine, by sulfur contract, by slope angle.

Alluvial valley floors

OPE has not made an estimate of production loss due to the alluvial valley floor provision. OPE believes, however, that there will be minimal impact, and accepts an estimate developed by NERA (Harry Perry) of a one million ton loss.

Summary

Table 10 summarizes OPE's estimates and compares these estimates with estimates developed by NERA and BOM. OPE's worst case assessment is 88.7 million tons; NERA's is 86 million tons and the BOM's is 40–162 million tons.

TABLE 10.—SUMMARY OF COMPARISON OF PRODUCTION LOSS ESTIMATES DUE TO THE STRIP MINING LEGISLATION, WORST CASE

	EPA [1]	NERA [2]	BOM [3]
Steep slopes	76.2	56	22–52
Small mines	12.5	29	7–44
Alluvial valley floors	1.0	1	11–66
Total	88.7	86	40–162

[1] EPA assumes that the 75 percent of the small mines on steep slopes will close, and that the 25 percent of the small mine production on less steep slopes will also close.
[2] Estimates by Harry Perry.
[3] As reported to Congress in a letter from Thomas Falkie, dated May 23, 1975.

TABLE 1

County	District	Total production	Production by slope angle: 0 to 9.9	10 to 14.9	15 to 19.9	20 to 24.9	Greater than 25
Butler	2	1,085	186	358	152	174	174
Clarion	1	4,595	2,711	1,746	46	92	46
Clearfield	1	5,723	2,118	1,717	1,374	401	114
Somerset	1	3,227	1,259	1,259	387	129	194
Washington	2	1,238	260	681	285	----	----
Garrett	1	1,211	351	545	----	315	----
Belmount	4	9,201	1,289	2,485	2,761	1,012	1,565
Gallia	4	24	8	13	3	----	----
Perry	4	535	----	86	449	----	----
Tuscarawas	4	1,536	154	----	92	968	307
Barbour	3	3,248	----	----	162	3,086	----
Kanawha	8	1,575	63	95	110	32	1,276
Mingo	8	510	----	----	----	56	454
Raleigh	7–8	911	9	9	36	100	756
Bell	8	3,082	----	----	1,880	586	616
Breathett	8	6,354	----	----	----	----	2,415
Carter	8	101	----	----	89	----	3
Laurel	8	306	----	----	67	181	58
Pike	8	4,920	----	----	49	----	197
Buchanan	7–8	2,774	----	----	----	----	111
Wise	8	5,250	----	105	263	84	840
Anderson	8	1,107	----	----	----	44	476
Campbell	8	1,081	32	32	114	335	497
Van Buren	13	218	----	----	----	----	----
Jefferson	13	3,768	1,583	528	603	603	452
Total		63,583	10,022	9,864	9,012	11,989	22,367
Percent			16	16	14	19	35

TABLE 2.—SLOPE ANGLE DISTRIBUTION OF COAL PRODUCTION IN APPALACHIAN COUNTRIES

County	District	Percentage of coal within interval: 0 to 9.9	10 to 14.9	15 to 19.9	20 to 24.9	Greater than 25
Butler	2	17	33	14	16	16
Clarion	1	59	38	1	2	1
Clearfield	1	37	30	24	7	2
Somerset	1	39	39	12	4	6
Washington	2	21	55	23	0	0
Garrett	----	29	45	0	26	0
Belmount	4	14	27	30	11	17
Gallia	4	33	56	11	0	0
Perry	4	0	16	84	0	0
Tuscarawas	4	10	0	6	63	20
Barbour	3	0	0	5	95	0
Kanawha	8	4	6	7	2	81
Mingo	8	0	0	0	11	89
Raleigh	7–8	1	1	4	11	83
Bell	8	0	0	1	19	20
Breathett	8	0	0	0	38	62
Carter	8	0	88	0	3	9
Laurel	8	0	22	19	19	0
Pike	8	0	1	0	4	95
Buchanan	7–8	0	0	0	4	96
Wise	8	0	2	5	16	77
Anderson	8	0	0	4	43	53
Campbell	8	3	3	7	31	46
Van Buren	13	----	----	----	----	----
Jefferson	13	42	14	6	16	12

Note: CEQ table G–I, p. 162.

TABLE 3.—1973 ALLOCATION BY SLOPE ANGLE BY DISTRICT (IN MILLIONS OF TONS) USING CEQ MODEL COUNTRIES [1]

District	1973 production	0 to 9.9	10 to 14.9	15 to 19.9	20 to 24.9	25 plus
District 1	13,545	6,088	4,722	1,807	622	354
Percent	100	0.45	0.35	13	4	3
District 2	2,323	446	1,039	437	174	174
Percent	100	19	45	19	7	7
District 3	3,248	----	----	162	3,086	----
Percent	100	----	----	5	95	----
District 4	11,299	1,451	2,584	3,305	1,980	1,872
Percent	100	13	23	29	18	17
Districts 7 and 8	27,971	104	446	2,598	5,209	19,515
Percent	100	0.3	1.5	9.6	18.6	69.7
District 13	3,968	1,583	528	603	603	452
Percent	100	40	13	15	15	11

[1] Production estimates for districts are solely the sum of 1973 production estimates for the CEQ countries within respective districts.

TABLE 4.—1973 ALLOCATION OF TOTAL PRODUCTION BY SLOPE ANGLE BY DISTRICT

[In millions of tons]

District	Total production	0–9.9	10–14.9	15–19.9	20–24.9	25 plus
District 1	25,346	11,405.7	8,871.1	3,294.9	1,013.8	760.4
District 2	7,204	1,368.8	3,241.8	1,368.8	504.3	504.3
District 3	8,885	----	----	444.3	8,440.8	----
District 4	29,558	3,842.5	6,798.3	8,571.8	5,320.4	5,024.9
District 7–8	58,351	175.1	875.2	5,601.7	10,853.3	40,670.6
District 13	12,056	4,822.4	1,567.3	1,808.4	1,808.4	1,326.2
Total	141,400	21,614.5	42,968.2	64,058.1	27,941	48,286.4

TABLE 4A.—PRODUCTION LOSS BY SLOPE ANGLE

	Tons
Estimated production loss by slope angle greater than 20°	76,227.4
Estimated production loss by slope angle greater than 20° for District 7 and 8	51,523.9

TABLE 5.—ALLOCATION OF 1973 UTILITY COAL PRODUCTION BY SLOPE ANGLE BY DISTRICT

[In millions of tons]

District	Utility coal production	0–9.9	10–14.9	15–19.9	20–24.9	25 plus
District 1	15,945	7,175.3	5,580.8	2,072.9	638	478.4
District 2	6,683	1,269.8	3,007.4	1,269.8	498	200.5
District 3	4,738	----	----	237	4,501	----
District 4	23,910	3,108.3	5,499.3	6,933.9	4,303.8	4,064.7
District 7 and 8	31,401	94.2	471.0	3,014.5	5,840.6	21,886.5
District 13	7,324	2,929.6	952.1	1,098.6	1,098.6	805.6
Total	90,001	14,577.2	15,510.5	14,626.7	16,850	27,435.7

TABLE 5A

	Tons
Estimated production loss of utility coal by slope angle	44,285.7
Estimated production loss of utility coal by slope angle for districts 7 and 8	27,727.1

TABLE 6.—1973 SMALL MINE AND TOTAL SURFACE COAL PRODUCTION BY DISTRICT AND STATE

	Small mine	Surface	Total
District 1 and 2:			
Pennsylvania:			
Strip	13,517	16,312	29,829
Auger	366	----	366
Total	13,883	16,312	30,195
Maine:			
Strip	577	1,066	1,643
Auger	79	----	79
Total	659	1,066	1,722
District 3:			
West Virginia:			
Strip	4,466	13,238	17,704
Auger	1,537	691	2,228
Total	6,003	13,929	19,932
District 4:			
Ohio:			
Strip	1,783	26,744	28,527
Auger	326	705	1,031
Total	2,109	27,449	29,558
District 7 and 8:			
Virginia:			
Strip	4,911	3,789	8,700
Auger	1,621	203	1,824
Total	6,532	3,992	9,524
Tennessee:			
Strip	643	3,593	4,236
Auger	219	129	348
Total	862	3,722	4,584
East Kentucky:			
Strip	4,436	19,235	23,671
Auger	4,972	4,770	9,742
Total	9,408	24,005	33,413
District 13:			
Alabama:			
Strip	580	10,949	11,529
Auger	----	84	84
Total	580	11,033	11,613

TABLE 7.—2D CUT AT SMALL MINES

[In millions of tons]

District	Less than 50,000	Greater than 50,000	1973 total	Percent small mines of total
District 1 and 2	14,539	17,378	31,917	45.5
District 3	6,003	13,929	19,932	30.0
District 4	2,109	27,449	29,558	7.0
District 7 and 8	16,802	21,719	45,521	7.0
District 13	580	11,033	11,613	5.0
All others	10,529	163,687	174,216	6.0
Total	50,562	255,195	312,757	16.0

TABLE 8.—CONVERSION FACTORS FOR SULFUR CONTENT AS A FUNCTION OF SLOPE ANGLE (FROM CEQ) [1]

Sulfur content	Total	0 to 9.9	10 to 14	15 to 19	20 to 24	25 plus
Less than 1	0.62	0.47	0.33	0.13	0.58	0.70
1 to 1.4	.24	.16	.25	.07	.31	.25
1.5 to 1.9	.11	.12	.23	.70	.08	.04
2 to 2.9	.02	.25	.19	.04	.03	.01
More than 3	.005	----	----	.06	----	----

This table is used to calculate distribution of sulfur content by slope angle for district 7 and 8.

TABLE 9.—SULFUR CONTENT AS A FUNCTION OF SLOPE ANGLE FOR LOSS PRODUCTION FROM DISTRICT 7 AND 8

Sulfur content	20 to 24°	25° plus	Total
Less than 1	6,294.9	28,469.4	34,764.3
1 to 1.4	3,364.5	10,167.7	13,532.2
1.5 to 1.9	868.3	1,626.8	2,495.1
2.0 to 2.9	325.6	406.7	732.3
More than 3.0	----	----	----
Total	10,853.3	40,670.6	51,523.9

TABLE 10.—SUMMARY COMPARISON OF PRODUCTION LOSS ESTIMATES DUE TO THE STRIP MINING LEGISLATION WORST CASE

Provision	EPA	NERA [1]	BOM [2]
Steep slopes	[3] 76.2	[4] 56.0	22–52
Small mines	[4] 12.5	29.0	7–44
Alluvial valley floors	1.0	1.0	11–66
Total	89.7	86.0	40–162

[1] Estimates by Harry Perry.
[2] As reported to Congress in a letter from Thomas Falkie, dated May 23, 1975.
[3] Assumes ban on production on slopes greater than 20 degrees
[4] Assumes 75 percent of production of small mines are on steep slopes; 25 percent of production of small mines are on less steep slopes.

Mr. Speaker, Administrator Zarb of the Federal Energy Administration and Secretary Morton of the Commerce Department, formerly of the Interior Department, have added further confusion to their contentions on alluvial valley floor provisions of the bill as evidenced by their joint letter to the Washington Post today.

After all Zarb's and Morton's knowledge on alluvial valley floor conditions depends on specific information from the professionals—geologists, mining engineers, and hydrologists in the U.S. Geological Survey and the Bureau of Mines. Testimony by Richard Hadley before the Interior Committee June 3 disputed the Zarb-Morton chart listing nine western coal mines as being closed down by the bill's alluvial valley floor provisions. What cut down the Zarb-Morton testimony is that Hadley is a professional geologist, a career employee of the U.S. Geological Survey, and one who has inspected three of the nine mines in the chart, knows from his own knowledge that they are not on alluvial valley floors, and has no knowledge or made no judgment that these mines would cause adverse effects on the adjacent valleys.

Why was the chart used to justify the administration's conclusion that 10 to 12 western mines would be closed and that would result in a decreased annual production of up to 66 million tons? Dr. Falkie of the Bureau of Mines, the chief administration apologist for what they admitted was a confusing and improperly labeled chart, said they got the figures from "a consensus of professional geologists and engineers in the Department who sometimes disagreed." Indeed. I too disagree.

The facts add up to this: The advice Zarb-Morton received on their level was in dispute, but the assumption was made at the Falkie level to accept his assessment, relay that to Zarb-Morton who gave the President the word. EPA rejects it. the NERA reject it, but the veto was based on the composite judgment based on disputed fact.

It could only happen by arbitrary action that either is designed to ignore professional judgment or is designed to select opinions that serve a purpose. The latter seems to be the case here. A justification to veto the bill was sought.

The obscure section on alluvial valley floors was used to find the reason, be-

cause, I believe, it would be passed over by the House, the press, and the public. Not so—the falseness of their production loss and hence their job loss claims was revealed because their chart was inaccurate and misleading.

No amount of doubletalk by Zarb-Morton changes that. Of course, their professional staff people do not all agree with their conclusions. The pertinent point is that no professional staff were presented to verify their charts. Falkie, vouched for the consensus, but was not able on June 3 or since then to produce the specific judgments of the experts who had actually inspected the mines—such as Hadley—and could conclude that the mines would not meet the bills' requirements.

In view of that, I have to accept the EPA–NERA judgments as being more accurate. That puts the Zarb-Morton chart down 66 to 1—the difference in the two appraisals on that section of the bill.

The detailed EPA findings follow along with the cost to the consumer in the coal strip mine bill for utilities using western coal.

Mr. UDALL. Mr. Speaker, I yield 2 minutes to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I do hope we can override the veto of the President of the United States. This bill imposes a modest Federal standard for oil and coal companies engaged in strip mining. My earnest belief in this bill is that we tried every manner and means we could to negotiate, to cooperate, to compromise along the line.

The bill is not nearly as strong as the bill we sent to the President last year. To be perfectly truthful, all of us in the House at that time thought that the President was going to sign the bill. We know the President had a bill of his own, and we understand that the President's key energy advisers are even opposed to that bill.

Mr. Speaker, I think the action of the President of the United States on this bill is a soft veto. I heard the gentleman from Kansas speaking, saying he had voted for the bill in two instances and he thought the timing was wrong on this particular bill. Is timing ever good?

I think this is a soft veto. I hope we will override the veto in this matter.

Mr. UDALL. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. GUDE).

Mr. GUDE. Mr. Speaker, President Ford's veto of the Surface Mining Control and Reclamation Act of 1975 is most regrettable. I heartily encourage all Members to join me in voting to override this veto.

The President states that "as many as 36,000 people would lose jobs." Perhaps some miners will no longer be mining coal, but they, and many more, would be put to work reclaiming land that is currently being stripped and reclaiming land that has been destroyed by earlier, uncontrolled, mining activity. This would create more, rather than less, jobs in the mining field. Support of the veto override by the UMW, AFL–CIO, and UAW certainly demonstrates that labor is not fearful of job losses. In fact, automation is a more serious threat to the livelihood of miners than is this act.

President Ford claims that consumers would pay higher electric bills as a result of this bill. There is no reason why our electric bills need to be up significantly with this act. TVA has estimated that coal companies expend less than $10 a ton to surface mine coal and reclaim the land, while, in the TVA area, they were selling it for $20 per ton. A comparison of third quarter profits of coal companies for 1974 and 1973 indicates that some companies have increased their profits by more than 400 percent. These facts strike me as proof that there is no reason for higher coal prices because of this act—the profits are large enough to absorb any costs related to it. One estimate is that the costs associated with this act will be something less than $2.50 per ton, a figure that can be easily accommodated within the above price differences.

The President claims that 6 to 24 percent of the coal production in 1977 will be lost because of this bill. While mining would be prevented in some areas due to excessively steep slopes that could not be reclaimed, one can safely assume that as long as demand for coal is present, the miners will work areas that can be mined within the regulations of this act. There is sufficient coal remaining to be mined so that closing some areas should not reduce the overall annual supply and will not significantly reduce the Nation's available coal reserves.

The President also claims that the Nation's dependence on foreign oil would increase as a result of this act. Since I see no reason why coal production should decrease because of this act, I likewise see no reason for increase in our dependence on foreign oil as a result of this act.

Therefore, I do not agree with the President's rationale for vetoing the Surface Mining Control and Reclamation Act of 1975. I urge my colleagues to join me in telling the President we believe our environment is far more important than any slight extra costs that might result.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. GUDE. I yield to the gentleman from Ohio.

Mr. SEIBERING. I thank the gentleman for yielding.

Mr. Speaker, in their letter in today's Post, Mr. Zarb and Mr. Morton have made the statement that the administration did not claim that the mines whose production it said the bill would curtail were located in alluvial valley floors but that they would affect alluvial valley floors and, therefore, would be curtailed.

This became important because the U.S. Geodetic Survey expert who has actually inspected some of the mines the administration claimed would be curtailed by the alluvial of valley floors sections of the bill were actually not in any alluvial valley floor. However, he also testified that, in his opinion, none of the mines he inspected would affect any alluvial valley floors. The correctness of his testimony was not denied by the other administration spokesman.

Yet these mines were among those whose production was included in the totals of lost production claimed by the administration spokesmen and cited in the President's veto message. This is one more example of the gross inaccuracies and distortions in the administration charges against this bill.

Mr. UDALL. Mr. Speaker, I yield 7 minutes to the gentleman from Arizona (Mr. STEIGER).

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. STEIGER or Arizona. I will be happy to yield to the gentleman.

Mr. MICHEL. I thank the gentleman for yielding.

Mr. STEIGER of Arizona. If I may ask, what is the whip's position on this matter?

Mr. MICHEL. If the gentleman will yield, obviously I support the gentleman's position wholeheartedly in sustaining the President's veto.

Mr. STEIGER of Arizona. That is enough.

Mr. MICHEL. Mr. Speaker, sometimes it seems we work up here in some sort of Lewis Carroll nonsense world, where you can make black white and day night just by passing a law.

Is there anyone here who does not know by now that there is an energy crisis, and that it is threatening the very stability of our economy?

If we go ahead and turn this ill-conceived and ill-timed strip mining bill into law, we will have exacerbated the problem, and turned our back on the most important single public problem facing us today.

Are the Members of Congress so far behind my constituents in their thinking as to be oblivious to the consequences of their actions? I recently conducted a survey in my central Illinois district, and I had the results printed in the RECORD, but let me cite just two of the questions and the responses.

I asked if they were concerned that we are dependent on foreign sources for 40 percent of our oil needs—89.5 percent said yes. But if the strip mining bill becomes law, our dependency will increase.

I also asked them about coal, and 79 percent said they favored relaxing the restrictions on coal to help conserve oil and gas.

But if the strip mining bill becomes law, we will have less coal available for our use, and will continue to waste our precious oil and gas to do jobs that coal can do instead.

And make no mistake about it, that oil and gas is precious. The Federal Energy Administration has just submitted to us the report we require of it on a quarterly basis, and what does it show? Daily average U.S. domestic production of fossil fuels is down. Natural gas production in 1973 was 62 billion cubic feet a day; in 1974 it was 60. Crude oil production was over 9 million barrels a day in 1973 and only 8¾ million barrels a day in 1974.

Down, down, down. And the only place we can go today—not way off in the future when we can bring some of the exotic fuels on stream, but today—the only place we can go for domestic energy is to the coal fields, and what is the response of the supporters of this bill? It is very simply to throw a gigantic monkey wrench into the coal production industry.

Mr. Speaker, 10 years from now our domestic requirements for coal will be double what they are today at a level of 600 million tons. We are not producing that much right now and if this bill should become law, there is no way in which our production will be increased this coming year, but rather reduced. If the more reasonable estimates of an 80 or 90 million ton reduction are correct, it means we have to turn to more foreign oil—4.3 barrels for every ton of coal—and at $11 a barrel, it does not take a mathematical genius to quickly compute the cost at something in the neighborhood of $4 billion.

Every day the problem becomes worse. We have been told that there is no question but that the OPEC countries are expected to raise their oil prices again, and it is only a question of how much. This move is sure to compound the problem for us, and further increase the price of petroleum products in the United States.

Do we not want to do something about these prices? If we do, we can start right now by rejecting this bill and expanding our utilization of coal as a substitute for petroleum.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

Mr. Speaker, I support the veto and I congratulate the gentleman from Kansas (Mr. SKUBITZ) on his statement.

I hope to be able to congratulate the gentleman from Arizona on his statement.

Mr. Speaker, I feel there are compelling reasons to sustain the President's veto of the Surface Mining Control and Reclamation Act of 1975, despite my concern for environmental protection.

While everyone recognizes the value of doing everything that is economically feasible to protect the environment, this bill has too many broad economic implications to be practical. In the midst of an energy problem which has reached crisis proportions, Congress has been unable to produce strong legislation to deal with the energy issue. Instead, it has produced a strip mining bill which will only worsen problems in both the energy and economic areas.

Everyone who pays an electric bill knows that electric rates are up dramatically—18 percent on the average nationally. The principal reason for the increase is the skyrocketing cost of coal. The strip mining bill would bring an additional increase of 10 to 16 percent.

In addition, the Department of the Interior and the Federal Energy Administration estimate that the bill would stop production of between 40 and 162 million tons of coal out of an annual production of 600 million tons.

This would mean that up to 24 percent of expected 1977 coal production would be unavailable to utilities presently burning coal or to those now burning foreign oil or natural gas which should be converting to coal. For every ton of coal that utilities are unable to buy, they will have to import 4 barrels of oil. That is 160 million to 648 million barrels of oil at a current world price in excess of $12 per barrel.

This not only increases our dependence upon unreliable sources of supply, but it also results in significant cost increases to the consumer.

It is estimated that for every 50 million tons of lost coal production, the United States will have to import an additional 215 million barrels of oil a year at a cost of $2.5 billion. By this formula, the strip mining bill could cause up to 645 million barrels of oil imports each year at a cost of $6.9 billion.

This kind of setback would cause our dependence on Mideast oil to triple by 1977. This would be counterproductive in light of our goal of energy independence. It would endanger national security by putting us more at the mercy of foreign energy suppliers, not to mention the adverse effect on our balance-of-payments situation. In a recessionary period, that would be a great impact.

The Department of the Interior also estimates the strip mining bill would cost as many as 36,000 jobs. At a time when unemployment is nearly 9 percent, Congress has no business forcing thousands more out of work.

There is another compelling reason to sustain the President's veto of the measure. Since 1971, the 21 States which produce 90 percent of the Nation's coal have enacted their own strip mining controls. Ohio is one of the foremost among these with a strong and effective law.

Federal legislation and regulation should be restricted to areas that have real national implications or in which the States have shown great reluctance to act. Strip mining is one area which is tailor-made for State consideration because local officials are much better qualified to judge the effect of strip mining on their own peculiar lands. And the States have shown great interest in dealing with the problem, Federal intervention would constitute overkill.

The strip mining bill passed by Congress also contains a number of legislative shortcomings.

Many of its provisions are ambiguous, vague and complex. The bill would lead to years of regulatory delays, litigation and uncertainty, against the best interests of both our environmental and our energy objectives.

There are provisions which enable State governments to ban surface mining of coal on Federal lands, thus preventing a national resource from being used in the national interest.

The bill also contains provisions which would permit the Federal Government to pay private landowners 80 percent or more of the cost of reclaiming previously mined land, leaving title to the land in the private hands. This could produce windfall profits at the expense of coal consumers.

For these reasons, Mr. Speaker, I urge opposition to the attempt to override the President's veto of the strip mining bill.

Mr. STEIGER of Arizona. Mr. Speaker, the debate has run its full course. The Congress of the United States has examined every possible aspect of this bill now before us—the bill that is labeled the Surface Mining Control and Reclamation Act of 1975. The coal strip mining bill.

We have been at this in the House of Representatives for years now. Not only has the whole House been involved in it, but the Interior Committee—of which I am a member—has had hearings and meetings and reports practically beyond anyone's ability to recall them all.

Yet, with all of that, we still have not produced a piece of legislation worthy of approval, worthy of the support of the American public. Twice has Congress sent to the White House a bill the President of the United States has had to veto. He vetoed one last year because it would clearly have been damaging to the Nation's interest if he had allowed it to become law.

Then what did Congress do? We turned right around and sent him virtually the same bill again this year—and he vetoed it again, for the very same good reasons.

Mr. Speaker, the President is absolutely correct in what he did here. Considering America's present energy predicament, there is no way this bill in its present shape could fail to do harm to our Nation.

I support the President on this, Mr. Speaker. When the roll is called a few minutes from now, I will vote with him. I will vote to sustain his veto—and I am confident a sufficient number of our colleagues in the House of Representatives will do the same.

But before that vote, Mr. Speaker, I want to summarize my reasons for opposing this bill now—as I have opposed it all along. I want you to know those reasons, Mr. Speaker. I want the House to know them. I want the people of Arizona, and particularly the people in my own congressional district, to know why the bill we are about to vote on would be bad for America.

I say bad for America, Mr. Speaker, because this bill goes to the very heart of America's ability to survive and grow as a self-reliant nation. It goes to the very heart of our ability to produce the

energy we need to survive and grow as a self-reliant nation.

We have had a lot of discussion here about the environment, Mr. Speaker. And that is good. We need to improve the quality of our air, our water, our land. And we can.

We have had a lot of discussion too about the coal industry, and how strip mining for coal has for years scarred and marred so much of our land. And it has been very good to have that brought before us too, Mr. Speaker. Ordinarily, a rational look at what went wrong can help us produce a rational means of correcting it.

But we have heard and seen a lot of politics as well, Mr. Speaker. And I am not so sure that is at all good. I know next year is a Presidential election year, Mr. Speaker. And I understand why on this bill the temptation is strong for some to play election politics with a few environmental extremists.

But in today's precarious and dangerous world situation, we cannot let the energy needs of this Nation be jeopardized—which is exactly what this bill in its present form would do. That is why I oppose the bill. That is why I tried so hard to amend this bill, in the Interior Committee as well as here on the House floor. That is why the President has twice vetoed this legislation.

I want the American people to know what is wrong about this bill, Mr. Speaker. I want the people of Arizona to know. And I particularly want the people in my own congressional district to know why I will vote here to sustain the President's veto.

Let me quote just a few points from the President's veto message of May 20, 1975. He said that under this bill:

The Nation would be more dependent on foreign oil—when we are already overly dependent and dangerously vulnerable.

Coal production would be unnecessarily reduced—when this vital domestic energy resource is needed more than ever.

Consumers would pay higher costs—particularly for electric bills—when consumer costs are already too high.

Looking to the future, the President went on to say—and it very much needed to be said:

"America is approaching a more serious energy shortage, and we are not facing up to it."

Then, emphasizing the urgent importance of balancing our energy needs and our environmental goals, he added:

We can develop our energy sources while protecting our environment. But this bill does not do that. I have supported responsible action to control surface mining and to reclaim damaged land. I continue to support actions which strike a proper balance between our energy and economic goals and important environmental objectives.

The President is exactly right.

Let us look at the principal effects of this bill on our energy sources—keeping in mind the wild and dangerous experience we had under that Arab oil embargo the winter before last.

This bill—and I am quoting official Government sources here—would cut back America's coal production by as much as 22 percent. That is about 160 million tons a year. Every ton of coal is the equal of more than 4 barrels of foreign oil, with that oil now costing Americans about $11 a barrel.

That is just the first year's loss of coal. The longer term loss insured by this bill is absolutely unacceptable. Again, Government figures show that this bill would prevent us from mining more than 50 percent of the coal we can get by strip mining—so very much of that coal also being the cleaner, lower sulfur coal that can itself do so much for a better environment in both the short term and the longer run as well. Some of us tried hard to head off that result, Mr. Speaker. As you know, immense quantities of coal under privately owned land can be very easily strip mined. But the bill puts so many restrictions on the owner of the surface land that there is no incentive for him to let that coal be mined. I wanted, for example, to let a farmer or a rancher work out his own deal with a coal company, but the congressional majority would have no part of that—and so this bill would just seal off this immense and valuable source of energy when America needs it most.

What of inflation? Should anyone need to be reminded of inflation? Congress own experts tell us that under this bill electric utility rates will go up another 10 to 16 percent. And who pays all that, Mr. Speaker? The American consumer. He will also pay the bills, running into hundreds of millions every year, to carry the new army of Federal bureaucrats that will be recruited to administer this legislation if it becomes law.

And speaking of costs of administration, one of the most costly and painful parts of this bill is the endless litigation it is bound to stir up. When voted against this bill earlier this month I remarked that while the lawyers may need all the business they can get—the American people need all the coal they can get. And, Mr. Speaker, that is still the important thing here.

The dollar cost impact of this bill's detailed requirements on the small coal operator will squeeze many of these essential energy suppliers out of business. I tried very hard, Mr. Speaker, to simplify the burdensome paperwork and records requirements for small coal operators. But there again, the majority would have no part of that either. Clearly, Mr. Speaker—and we pointed this out in the minority report—this becomes an anti-small-business bill, because 65 percent of the coal strip mines are small business enterprises.

What about the effect of coal strip mining on the environment? Mr. Speaker, reasonable and workable regulation could be provided. We could have avoided the excesses of this bill. Thirty-three States now have laws for strip mining; and 21 of those States produce over 90 percent of America's surface coal. So it is not as though we were without regulation now. It is not as though no one has faced up to the need to balance our energy needs with our environmental requirements: 33 of the 50 States are now doing it. Yet, in this bill's reach for Federal control, we were not able to get a single line—not a word—into the bill that would recognize that work the States have done.

This bill claims it is a bill to regulate the strip mining of coal. It does more, Mr. Speaker. For all practical purposes it prohibits—not regulates. And this is an excess America cannot afford. On that, let me just cite a few figures from our committee's minority report—to show how very severely this bill would interfere with America's energy goals:

The Energy Task Force of the National Academy of Engineering predicts that domestic coal production could increase from 600 million tons per year in 1973 to a level of 1,260 million tons per year by 1985. In other words, the coal industry will have to bring into production one deep mine and one surface mine each month for the next 10 years, all of which must average 2 million tons per year, . . . Regionally, this monumental expansion implies the following:

In the East, 140 new 2 million ton per year underground mines.

In the East, 30 new 2 million ton per year surface mines.

In the East, recruit and train 80,000 new coal miners.

In the West, 100 new 5 million ton per year surface mines.

In the West, recruit and train 45,000 new coal miners.

As for coal transportation requirements, the scope of the task ahead of us is even more staggering:

The coal carriers must:

In the East, construct 60 new 2 million tons per year rail-barge systems of 100–500 miles each.

In the West, construct 70 new 3 million tons per year rail-barge systems of 1,000–1,200 miles each.

Construct 4 new 25 million tons per year slurry pipelines of 1,000 miles each.

Construct 2 new 2.5 billion cubic feet per day gas pipelines of 1,000 miles each.

And the transportation equipment manufacturers must:

Design and build 8,000 rail locomotives.

Manufacture 150,000 gondola and hopper cars of 100-ton capacity each.

Obviously, . . . the excessive restrictions on coal production imposed . . . will significantly hamper if not totally prevent the attainment of America's 1985 energy goal, and continue U.S. dependency on foreign energy sources inimical to our national interests.

Clearly, coal is America's No. 1 energy source. We are running out of oil. Oil prices are themselves running out of sight. We depend on others for oil, but we ourselves have the coal. We need that coal, and we can have all the coal we need—if we just have the good judgment to find a rational balance between energy needs and environmental goals. The bill before us does not achieve that balance.

This is a time for reason in the interest of America. Not for emotionalism or for environmental extremism.

In conclusion, Mr. Speaker, let me make two points—points I have previously made on the House floor and in the Interior Committee. Everybody opposed to this bill is not in the coal business. Every citizen who suddenly finds the electric bill has shot up another 15 percent or so has every reason to oppose it. So also those whose jobs are lost, as the President has so forcefully pointed out to all of us. So too all those who see America made dependent, more even than we are now, on costly, uncertain, and at times unfriendly foreign oil sources for the energy we need to fuel our industrial economy and maintain our standard of living.

We need—and we can have—a better environment. We need—and we can have—the coal our energy requirements demand.

The bill before us, Mr. Speaker, fails on all these counts. In America's national interest, therefore, Mr. Speaker, I shall vote to sustain the President's veto.

Mr. Speaker, I would advise the Members that I believe my friend from Arizona plans to make the usual 5-day request for permission for insertion of remarks.

Mr. Speaker, I know there are those who are looking forward to our visit here this afternoon, but I hope—and I know—that there will be many votes changed in the next few minutes. In spite of that certain knowledge, I think the record at least ought to reflect what I suspect may be a new high or low in legislative maneuvering. We have a basic problem as we go into this situation, and that is that most of us—I suspect all of us, but I think most of us—really do not wish to do any harm to the environment and we wish to protect it.

Given that equation as a basis, the proponents of this bill have been able to sell the false equation that if you do not have this bill, you have the destruction of the Earth's surface, which simply is not the case.

What I have seen, much to my despair, is that the gentleman from Arizona (Mr. UDALL) has reached really a fantastic height in distortion and misrepresentation entirely uncharacteristic of him.

Mr. Speaker, I will not pretend I can explain why, because I really do not know why. But the fact is that he has accused the administration people, for example, of behaving in a Watergate-like fashion. I suspect whatever his quarrel with them is is not deserving of consideration. I see the gentleman shaking his head, but I will remind the gentleman that it was in one of the many "Dear Colleague" letters we got or in one of the press releases.

He has also accused the administration people of dishonesty. He has, of course, accused the coal companies and the utility companies. They are targets that we all attack. But the fact is that his basic quarrel with the administration—and, hopefully, the Members will understand this—is that they failed to justify their figures, they failed to justify the basis of their projections of loss, and hence they were the victims of either dishonesty or misinformation.

The problem with that is that at no time has anybody who claimed that the administration figures were wrong given us one single figure to contradict the projections of the administration. In fact, it was only through the hysterical flailing around of the committee staff and the few proponents on the committee that we were able to elicit the fact that EPA, which wants us to vote to override, says the shortfall is going to be 90 million tons.

Not only that, but my friend, the gentleman from Arizona, said they took into account the fact that steep slope mining was banned and it is not banned. I will say to my colleague it is banned. It is banned because it is impossible to conform to the statute and still continue to mine steep slopes.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Arizona. No, I will not yield.

Mr. Speaker, it is impossible to mine and conform to the statutes, hence steep slope mining is banned.

The EPA did not take into account the alluvial floor language which in the opinion of the administration eliminates another 60 million or 70 million tons of coal. Let us say it is 90 million tons. At 4 barrels to the ton, we are looking at a new necessity for 360 million barrels of imported oil. That is more than a million barrels a day, and that is what we are trying to conserve; we do not want to add that onto our burden.

Those Members who support the bill say that Professor Miernyk of West Virginia was misquoted. Professor Miernyk, on the contrary, says:

I was not only not misquoted, but the factor of 1.8 which I, indeed, included in my study was the right factor, and it was properly applied by the Administration.

My friends on the other side invoked NERA because they said EPA was informed by NERA. NERA is the National Economic Reesarch Associates, and just like some of my friends, I never heard of them until this came up. But apparently NERA has a lot of prestige in the narrow world of think tanks.

Mr. Irwin M. Stelzer, the president of NERA, said as follows, and I shall quote exactly:

These "officials" desire to conscript NERA's prestige in their cause belies this statement.

And in an erroneous fashion. This is the president of NERA, and he denies whatever it was that the "deep breathers" attributed to him.

Mr. Speaker, I shall refer to Mr. Zarb, and I wish my friend, the gentleman from Arizona (Mr. UDALL) would listen to this, because the communication is from John Thames, who is professor of watershed hydrology, School of Renewable Natural Resources, University of Arizona. He addresses Mr. Zarb, and he points out the ambiguities in the bill, which are legion. These are ambiguities which are going to invite litigation on every page, ambiguities which are going to give a lot of help to lawyers.

I will advise my friends that it is fine to give some help to our lawyers, but America is going to need all the coal we can get, and we cannot afford to help lawyers at the expense of our energy problem.

Let me read what Professor Thames quotes in his letter:

I could go on, but I hope the point is made. Blanket regulations based on hazy concepts applied in ignorance with no recourse to or regard for rational scientific thinking and facts could ruin us all.

Mr. Speaker, that is exactly what this bill is. It is hazy concepts irrationally applied, and applied nonscientifically.

The SPEAKER. The time of the gentleman from Arizona (Mr. STEIGER) has expired.

Mr. STEIGER of Arizona. Mr. Speaker, I am going to vote to sustain the veto.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Arizona. Yes, I yield to the gentleman.

Mr. SYMMS. Mr. Speaker, last week, a joint session of the House and Senate Interior Committees heard the distinguished Representative from Arizona, (Mr. UDALL) say to administration officials, and I quote:

You're guessing that we're going to lose all this coal and I'm guessing that we're not going to lose any.

Mr. Speaker, the housewife whose husband works in the coal fields and who wants to buy new furniture certainly has to hope that Congressman UDALL is "guessing" right.

The miner who works in the coal fields and who wants to send his child to college this fall certainly has to hope that Congressman UDALL is "guessing" right.

The truck operator who just financed a couple of expensive new coal-hauling trucks has to hope that Congressman UDALL is "guessing" right.

And the local banker who holds the paper on those trucks has to hope that Congressman UDALL is "guessing" right.

The coal mine operator who has purchased new mining equipment and secured new leases has to hope that Congressman UDALL is "guessing" right.

The consumer who hopes that his or her electric utility bills will begin to level off has to hope that Congressman UDALL is "guessing" right.

Utility companies which are renegotiating contracts for future coal deliveries have to hope that Congressman UDALL is "guessing" right.

The local merchants who extend credit to miners and their families have to hope that Congressman UDALL is "guessing" right.

The manufacturers and employees who make air-conditioning equipment have to hope that Congressman UDALL is "guessing" right.

The retail appliance dealer has to hope that Congressman UDALL is "guessing" right.

The consumer shopping for new electrical appliances has to hope that Congressman UDALL is "guessing" right.

And the list can go on and on to include millions of Americans who can only hope that Congressman UDALL is "guessing" right.

But the American public has a right to expect—even to demand—more than just "guessing" from its elected representatives.

Congressman UDALL "guesses" that we will not lose coal production as a result of the enactment of H.R. 25.

But the administration has not "guessed" at all. It has sought the best expert advice available and has come up with concrete estimates of the range of coal productions which will, in fact, be lost if the surface mining bill becomes law.

Mr. Speaker, the Interior Department's Bureau of Mines—which is and has been for years the agency with the greatest concentration of coal mining expertise in the Federal Government—has estimated that from 40 to 162 million tons of coal production could be lost during

the first year of the surface mining bill's implementation.

Over the weekend, the New York Times reported that the Environmental Protection Agency has complied an estimate showing that nearly 90 million tons of coal production would be lost during the first year of the surface mining bill's effectiveness.

The fact remains that every study announced to date does predict loss of coal production—losses totaling tens of millions of tons—despite Congressman UDALL's "guess" that no losses will be experienced.

Enactment of the surface mining bill as now written does mean lost coal production; it does mean lost jobs; it does mean increasing dependence on foreign oil to meet our energy needs; and it does mean an added drain on our national wealth to pay for that imported oil.

We cannot afford to lose even 1 ton of potential coal production, next year or in any future year, if we are to meet our future energy requirements from secure domestic sources and make the most of our massive coal reserves.

We can afford least of all to base our decisions in this Congress on guesswork.

The citizens of this Nation are depending on us for rational decisions based on facts as they have been presented to us by expert spokesmen both within the Government and from outside sources.

We have those facts in hand, and they indicate clearly that passage of the surface mining bill will result in greatly decreased coal production. I urge you to vote to sustain the President's veto, and I urge Congress to go back to the drawing board and write a bill which will assure both sound environmental standards and the increased coal production we so desperately need.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman.

Mr. ASHBROOK. Mr. Speaker, I thank the gentleman for yielding. I will vote today to uphold the veto of H.R. 25, the Surface Mining Control and Reclamation Act.

The goals of this legislation are admirable. We need to regulate surface coal mining. We need to protect our environment from the abuses that have characterized such mining in the past.

H.R. 25, however, fails to strike a reasonable balance between our energy needs and our environmental concerns. In its overzealous environmentalism it does not adequately take account of the economic realities facing our Nation.

The first reality is the energy shortage. If we are to free ourselves from dependence on expensive and unreliable foreign oil we must spur the development of our domestic energy resources. Coal is an indispensable part of those resources.

At a time when we must increase coal production the overly strict provisions of H.R. 25 would sharply reduce production. The Department of the Interior and the Federal Energy Administration estimate that enactment of this bill would cause a production loss of 40 to 162 million tons in 1977 alone. This could mean a loss of about one-fourth of the expected coal production for that year.

Every ton of coal not produced in America means more oil must be imported from abroad. For every 50 million tons of coal not mined we will have to bring in 215 million barrels of oil at a $2.3 billion price tag. The cost of H.R. 25 both in terms of dollars and increased vulnerability to a foreign oil embargo is intolerable.

The second reality is cost to the consumer. Electrical bills in Ohio and other States have skyrocketed during the past several months. This has placed a difficult burden on many people. If H.R. 25 were enacted, consumers would have to pay even higher prices for their electricity.

Two-thirds of our coal is used to produce electricity. H.R. 25, by drastically reducing the amount of coal available as well as making it more expensive to mine, would make a further increase in consumer electric bills inevitable. Americans are having a hard enough time paying their electrical bills without adding on needless costs.

The third reality is jobs. Unemployment is already at the highest level since the Great Depression of the 1930's. Enactment of H.R. 25 would throw an estimated 36,000 more people out of work.

Now is the time to be working on getting our economy rolling and our Nation's unemployed back to work. It is not the time to add even more people to the unemployment rolls. It is not the time to needlessly destroy 36,000 jobs.

Mr. BIAGGI. Mr. Speaker, I will vote to sustain the veto of this bill by the President for one prime consideration—jobs. It is hypocrisy for this Congress to vote for bills to create jobs and at the same time vote for legislation that will eliminate jobs.

I have no objection to the purposes of this legislation. I am as anxious as anyone to see that our lands are returned to their original condition as much as possible after strip mining. I voted for the bill in the past and believe that the legislation is needed, but not now.

Frankly, the announcement that thousands of civil service workers in New York will be laid off—a situation that is unprecedented in our history—has traumatized me. The additional loss of jobs in other parts of the country when our unemployment rate is reaching 9 percent just cannot be permitted. As frightening as the statistics might be, the effect of all this unemployment on the lives of the workers and their families is even more traumatizing. It is the unpaid mortgages, the unpaid car loans, the unpaid tuition costs that frighten me. When I see the results of these statistics—these human statistics—multiplied by the thousands of people affected, I cannot in good conscience vote for any legislation that will add more people to the unemployment rolls.

I have additional concerns about the added costs of electrical power that will result from this bill. I know many argue that the costs are minimal compared to the tremendous environmental benefits that will result, and originally I agreed. But again, with the state of the economy, with the people unable to even buy food and keep a roof over their heads because of unemployment, I cannot justify adding further to their burdens.

New York City is on the brink of financial disaster. Dependent on foreign oil which will again go up in price, it simply cannot bear any additional energy costs.

When the economy improves and the unemployment figures come down to more reasonable levels, I will again support this bill as I have in the past. But for now, I must consider first the lives of our people who are being very adversely affected by the loss of jobs. This was what the President was concerned about in his message. This is what I am concerned about. This is what every Member of this Congress should be concerned about. And I am sure that if we questioned the Americans who are out of work, the Americans who are going to lose their homes or their cars, who are paying the high electricity bills, I am convinced that the vast majority would urge that the veto be sustained as well.

Mrs. SCHROEDER. Mr. Speaker, I rise in support of the vote to override the veto of the Surface Mining Control and Reclamation Act of 1975.

Our deliberations here today would smack of comedy if it were not for the seriousness of the legislation we are considering. As I stand here I am constantly overtaken by feelings of déjà vu. Have I not heard the same dire threats before that H.R. 25 will add to our so-called energy crisis? Have I not before read the same dear colleague letters on the ills and woes which H.R. 25 will cause our industry and consumers? Have I not before been swamped by carefully worded telegrams from the strip mining industry?

It appears that I am remembering things past, and I certainly am.

H.R. 25 represents nothing new at all. It is a bill which is older than my daughter. It certainly has its own being after years of writing and rewriting and crafting and recrafting before our Senate and House Interior Committees and on numerous occasions on the House and Senate floors. This measure has taken the journey to the White House twice. First, to die by constitutional mechanisms while resting on the President's desk last year. Second, in this year to be returned by the President even though his objections of the first time around had been mollified.

The administration objects to H.R. 25 because it claims this bill will cause three "catastrophes." First, it says we will lose coal production, causing an increased dependency on foreign oil. Second; that the consumer will have to pay through the nose to obtain coal. Third, that jobs will be lost.

The objection of lost coal production is less than half of that story. First off, there are three kinds of coal deposits in

the country. Those that only can be deep mined, those that can be strip mined or deep mined, and those which can only be strip mined. Most of the coal we have falls in the first two classes. Other than the few restrictions which H.R. 25 would put on places, for instance, national forests, where strip mining would not be allowed, there is no ban in the bill on stripping coal—only on stripping coal and leaving the environment a mess. The corrolary to this objection by the administration is that it must believe strip miners will not strip coal unless they can leave a mess. Oddly enough, this is not happening in the State of Pennsylvania—which has a law similar to H.R. 25—where stripping has increased. Furthermore, this objection ignores the fact that increased deep mining of coal can readily occur. The deposits are available, and we have many now unemployed deep coal miners with skills to be put to work.

The President's second objection is that the consumer is going to pay the price of reclamation which H.R. 25 would require, as well as the OPEC price for oil which will supposedly be needed to replace our lost coal. First off, while I have seen massive objection by the consumer to the President's oil tariffs, it appears that most consumers know enough about the bad effects of strip mining that they are willing to pay the small charge which the bill requires. Unlike the President, they would rather pay this price than leave it up to their children to pay a greater price in the future. Second, we must remember that coal is an unregulated energy source. It is selling in this country at the equivalent of the OPEC price for oil. It will continue to sell at this price, as this is where the market is. The coal industry is making large profits at this cartel price. I suggest that the administration is more concerned with not cutting into these windfall profits than with the fact that the consumer is already paying artificial prices for coal.

The third objection which the administration has to H.R. 25 is that we will lose jobs. This, again, assumes that no strip mining will take place if H.R. 25 is enacted. It forgets the increased employment of deep coal miners. It forgets that people will be needed to carry out reclamation activities. It is a callous objection by a President who at the same time has vetoed a measure to create 900,000 jobs for this country.

The only possible thing which the House can today do in this chamber is to override this veto of H.R. 25. We would be neglecting both commonsense and the will of our people to do otherwise. We cannot allow this to happen.

Mr. FRENZEL. Mr. Speaker, today I shall vote to override the President's veto of H.R. 25, the Surface Mining Control and Reclamation Act.

I think the President has made some good arguments against the bill. It is flawed, and it will cause an increase in the price of energy. It is also complicated enough so that production may be slowed by lawsuits and other interventions.

But, even while I acknowledge the validity of the President's objections, and while I admit that the bill is not exactly in the form that I would like, I still believe it is not a bad bill. More importantly, I believe that Congress is not going to produce a better bill.

The President vetoed a similar bill last December. In response to specific objections by the President, the Congress modified its previous bill substantially. While it is not wholly clear to me how much of the Presidential objection was actually satisfied by congressional change, it seems to be generally agreed that Congress made a serious attempt to answer about half of the President's objections. That is way above par for the Congress.

If this country is going to develop its abundant coal energy resources, the developers must know the ground rules. To have no Federal strip mining legislation on the books is, in my judgment, more inhibiting than to put this bill on the statute books, even though we know it might inhibit some production.

It is also true that we want to do the best job we can of matching a clean and attractive environment with our energy needs. This bill may indeed lean too heavily toward the maintenance of appearance, but I think it represents an honest effort by the committee to balance our energy goals with our environmental goals. For that reason, and because I believe it is essential that we promptly establish the ground rules under which our needed coal development must take place, I shall vote to override the veto.

Mr. BEDELL. Mr. Speaker, I rise in support of the motion to override the veto of H.R. 25, the Surface Mining Control Act.

If we are to restore confidence in our elected leaders and our system of government, a confidence which has been badly shaken by the conduct of a few in public life, it is critically important that we insist upon absolute candor and honesty in the governmental process.

For the second time in as many months, we are being asked to sustain a Presidential veto on the basis of what has been exposed as misleading information disseminated by the administration in a blatantly political attempt to undermine sound and much-needed legislation.

Last month, we were told that the emergency farm bill would cost the taxpayers $1.8 billion during the coming fiscal year. Only through rigorous investigation and research into the sources of the figures released by the White House, were we able to discover that $1.3 billion of that was in reality commodity loans, which will be paid back either in cash or in crops by our Nation's farmers. If a bank figured its books in such a manner, counting loans as hard costs with no accounting of interest, I doubt if it would stay in business very long. Yet that is why today we have no farm bill, and America's farmers face the possibility of surpluses this fall with no protection against a disasterous market.

Today we have before us another such case. President Ford tells us that the strip mine bill will take 66 million tons of coal out of production next year, and that it could cost 36,000 jobs. The ink was still wet on the White House press releases when the very source of that figure on jobs, Prof. William H. Miernyk of the University of West Virginia, stated publicly that this bill would have little effect on coal mining employment and that his figures were misused. Since there are only 36,140 people employed in strip mining operations today, a loss of 36,000 jobs would certainly be catastrophic to that industry. But I doubt that is actually the case and instead someone downtown lost a few decimal points on his calculator.

In testimony before the Joint Senate-House Interior Committees, administration spokesmen were unable to support the 66 million tons figure under rigorous questioning by committee members.

If there is a case to be made by the big coal companies and the administration then it should be made upon hard facts, not fantasies. If not, then the public should know it, and these critical bills should not be vetoed on such shallow grounds.

This is a rather complex piece of legislation, and there is ample room for confusion by the casual reader. The administration's tactics have added to that confusion, which was probably the strategy all along. But let us not be confused about some basic facts which even the biggest coal baron can't deny.

It is a fact that some 1½ million acres of land and 11,500 miles of rivers and streams have been polluted and degraded by strip mining.

It is a fact that there are no legal requirements to reclaim some 621,887 strip-mined areas, including 26,650 in my own State of Iowa.

It is a fact that without this bill there will be no ban on strip mining for coal in our National Forests, National Parks, National Wilderness Areas, and in alluvial valley floors valuable for agricultural production.

It is a fact that without this legislation State and Federal governments will not be able to make use of $135 million annually for reclaiming abandoned strip mines and providing for population impacts in strip mining areas.

It is a fact that if we fail to override this veto today, farmers and ranchers will have no legal veto power over the strip mining of Federal coal lying beneath their own lands.

It is a fact that if we fail to override, there will be no national policy for requiring reclamation and revegetation of strip-mine ravished lands.

We must insist upon this legislation. We must stand up to the special interests, who would have us believe that a handful of nature lovers are plotting to raise everyone's electricity costs.

This bill is not an Eastern bill nor a Western bill. It does not help the rural folks at the expense of the urban areas, nor does it penalize coal miners and favor oil interests.

This legislation is good for all of America—East, West, North, and South. It is good for our heritage of concern

for the land we inherited, and it is good for our children, who have a right to streams free of acid runoff and mountains unscarred by the bulldozers and drag lines of the coal strippers.

Mr. BROOMFIELD. Mr. Speaker, I rise today to express my support for sustaining the President's veto of H.R. 25, the Strip Mining Control and Reclamation Act.

I take this step with the same sense of regret the President expressed in vetoing the legislation, because action to protect and preserve the environment in the area of surface mining is important. But such action should not ignore the very vital economic and energy issue involved. Despite its good intentions, H.R. 25 fails to give adequate consideration to these issues.

In his veto message, the President raised some very serious questions about the economic and energy impact of H.R. 25.

Coal is, and always has been, our Nation's most abundant energy source. As such, it is vital to our efforts to become more independent in energy. Yet the Interior Department and the Federal Energy Administration have indicated that this bill would cause a production loss in 1977 of 40 to 162 million tons. Ambiguities in the bill could drive that figure even higher.

The result of this decreased production means an increased dependence on imported oil—an estimated 215 million barrels of oil a year for every 50 million tons of coal not mined, at a cost of $2.3 billion. The Library of Congress, in a study of the economic impact of this bill, has translated these figures into an annual cost to American consumers of some $12 billion in higher electric bills and manufactured products. That is staggering when one considers the already inflated cost of electricity and other products.

Add to these figures the estimated 36,000 workers who would lose their jobs as a result of this legislation, and it becomes apparent there will be serious consequences if H.R. 25 becomes law.

In short, we simply cannot afford legislation that will increase unemployment, increase our dependence on foreign oil, and increase inflation through higher consumer costs. These results are not in the best interest of our country and will only serve to aggravate our current economic situation.

I would add that the defeat of this legislation does not provide surface miners with a licensse to ravage the land. As the President has pointed out, the 21 States which produce over 90 percent of our country's surface-mined coal have either enacted new laws governing surfacing mining, or strengthened existing laws, since 1971. So it is not a question of H.R. 25 or nothing, as some have indicated.

Mr. Speaker, I cast my vote in favor of the President's veto in the hope that Congress will go back to work and develop a more clear and balanced approach to the issue of surface mining—one that gives equal consideration to economic, energy, and environmental questions.

Mr. GOLDWATER. Mr. Speaker, the House of Representatives has an opportunity here today to lay to rest a good idea that has unfortunately gone bad. This Nation has a critical need for readily accessible, inexpensive energy. This Nation cannot afford the exhorbitant price the Arabs are charging us for the privilege of buying their oil.

The United States has graphically seen what energy dependence on Arab oil can mean in a crisis. The American consumer cannot afford further increases in his electric bills. Our economy and our citizens cannot tolerate further increases in the unemployment rate, particularly in the mining industry where production and employment are already dropping.

H.R. 25 will not help the United States gain less expensive energy. It will not help the United States become self-sufficient in energy. It will not prevent further increases in electric bills. And, it will not prevent further unemployment in the mining industry. It will make the United States pay dearly for a greater foreign energy dependency, for electric energy generation and for further unemployment. And, given the repeatedly vague terminology of this legislation, it is highly questionable whether it will help the environment.

The Congress can enact a surface mining control bill that strikes a balance between our energy needs and policies, the economic conditions of the times, and our environmental needs. We can strip coal, have cheaper energy and protect the environment. Let us quit being excessive and punitive in our legislation. Let us quit abusing legitimate environmental concerns.

Strike the responsible balance we know is there, and get on with solving our total energy problem.

Mr. ANDERSON of California. Mr. Speaker, I rise in support of the motion to override the veto of H.R. 25, the Surface Mining Control and Reclamation Act of 1975. I feel there is no good reason to deny this act final passage—and many good reasons for its enactment.

The administration simply does not make a good case for the veto of this act. They claim that they are concerned with a loss of up to 36,000 jobs should this bill be enacted. This figure may look impressive, but it is just not born out by the facts. In the first place, there are approximately 36,000 people currently employed in strip mining, and this bill does not eliminate surface mining at all.

Dr. William Miernyk of the Regional Research Institute of Morgantown, W. Va., is the author of the study on which the administration based its job loss figures. Dr. Miernyk has stated publicly that his figures were distorted and misused by the administration, and he is a strong supporter of this bill.

I simply cannot place my faith in the administration position. Coal company profits are up as high as 500 percent over 1973 levels. Coal prices are up, on the average, 180 percent. Yet the cost of producing coal, in the same period, has risen only 30 percent. The reason for this is that coal prices have tended to rise with the price of oil. If the administration is truly concerned about high coal prices, they should look into the price raises that have already occurred, and not at any small raise in price this bill may cause. In fact, the coal companies themselves would be able to absorb the costs of reclamation and still keep a hefty profit.

Claims that this bill will cause us to become more dependent on imported oil for fuel are also without foundation. This assumes that a huge portion of domestic reserves are going to be excluded from production by this act, which is not true. It also assumes that instead of turning to reserves that can be developed, we will simply buy more foreign oil.

I agree with the President in that a proper balance must be struck between our Nation's energy needs and environmental considerations. I do not feel that this balance is achieved by allowing coal companies to continue to destroy the land.

Therefore, I urge my colleagues to join me in overriding the veto of H.R. 25.

Mr. DOMINICK V. DANIELS. Mr. Speaker, this morning's Washington Post contained an excellent article by Colman McCarthy on "Politics and Strip Mining," which deserves the thoughtful consideration of my colleagues.

As my colleagues may remember, the President contended that 36,000 jobs would be lost in the strip mining industry if this legislation were enacted into law. As Mr. McCarthy's article points out, this figure cannot be supported with firm data, and flies in the face of the support for the measure that has been given by such labor groups as the AFL–CIO, the UMW, and the UAW. Even former Interior Secretary Rogers Morton indicated that the bill would create jobs because of the reclamation provisions. There is one more point that we must bear in mind as we consider the possible veto override on H.R. 25—the fact that there are 37,000 strip miners in the entire industry. Does the President really believe that all but 1,000 of the Nation's strip miners will be thrown out of work by this reasonable legislation?

In my view, the 36,000 jobs-loss figure is a scare tactic of the worst kind. It is a falsehood that plays upon the heightened sensitivity and concern of Congress about the problem of joblessness. It has no foundation in fact, cannot be substantiated with data, and ignores the reality that strip mining itself has displaced jobs in labor-intensive deep mining operations.

The other charge that has been leveled by the administration is that H.R. 25 will increase utility bills of America's energy consumers to unreasonable levels. Reclamation costs have not caused the astronomical leap in utility bills. These increases have resulted from the fact that coal and unregulated natural gas costs are closely tied to the price of decontrolled oil. As the price of this oil has gone up to nearly $13 a barrel, the price of unregulated natural gas and coal has also risen accordingly. As a matter of fact, if the President's plan to decontrol "old" oil and regulated natural gas prices goes into effect, we can anticipate an increase of $10 per ton in the price of coal.

I would like to point out to my colleagues that the Tennessee Valley Authority has conducted a pilot strip mining project using the reclamation provisions contained in H.R. 25. The TVA study revealed that total costs of production and reclamation amounted to $8.65 per ton. With coal currently selling for approximately $20 per ton, I believe this leaves a substantial profit margin for coal operators. The 500-percent increase in profit levels of the coal industry certainly bears out this fact.

Mr. Speaker, there can be no trade-off between the best interests of this Nation that would be served by this legislation and the corporate self-interest manifest in the administration's position. We can no longer condone the wholesale degradation of America's vital land resources as a short-term energy expediency. We must ultimately depend upon deep-mining operations to extract 97 percent of the Nation's vast coal reserves. Strip mining is a short-term stop-gap alternative that we can allow only under regulations that insure that future generations will not have to pay the terrible price of irreparably damaged land resources, poisoned water and the human toll that will be extracted through accident and death resulting from these operations.

I urge my colleagues to join with me in overriding the President's veto of this legislation, and I include the Washington Post article on the political machinations that have accompanied the strip mine issue at this point in my remarks:

POLITICS AND STRIP MINING
(By Colman McCarthy)

In the sports world, fans talk about the "two seasons" in such professions as basketball, football or baseball. The competition runs for one seemingly endless season. Then come the playoffs—the second season. This is when owners stand to make money and players win glory, with events in the regular season all but forgotten.

It is much the same in politics, Washington's major sport. A piece of legislation may take months, perhaps years, to pass through the regular season: co-sponsored introductions, committee hearings, committee votes, floor votes, conference committee votes back for House and Senate approval of the conference report, then to the President for signing and, if vetoed, back to Congress for a vote on overriding. Toward the end of this process—the exact moment differs among bills—the second season begins, when the game is played with an intensity that has little to do with the merits of the legislation that had spun out before. A current example of second season politics is the strip mining bill. A veto override vote is scheduled for today in the House.

The legislation finished the regular season on May 20 when the President vetoed it. Mr. Ford spoke of 36,000 jobs being lost, utility bills rising and coal production falling. The President's veto message cast aside in a few words four years of previous debate. The arguments he made were old and tired and had been rejected repeatedly in the House and Senate, even though both bodies had been regularly weakening the bill to please the administration and the energy companies. With the veto message, the issue was suddenly shifted: It was no longer what modest controls would be imposed on the energy companies but whether the President could defeat Congress in a veto battle. An environmental issue became a political one.

Such a confrontation focused attention in Washington in ways that the technical debate on strip mining never did. As a result, the President's talk about jobs, prices and production was the first time the issue had been presented in a concentrated way to many in Congress. According to Congressional Quarterly, 17,528 bills were introduced in the first session of the last Congress, with the Senate taking 594 recorded votes and the House 541. It is commonly known that members often—and necessarily—vote on issues about which they have little knowledge. Unable to keep up with so much legislation, the President's statement—played as the lead story in The Washington Post the next day—was most likely the first time that many in the House gave more than routine thought to the details of the strip mining bill. It is highly probable that some minds were changed. In two earlier House votes on strip mining, in March and May, the margin in favor of the bill was 53 votes and 21 votes over a two-thirds majority. But that was in the regular season. In the second season, many of those who had voted twice *for* the bill were now lining up *against* it. Projections suggested that the veto override was some 20 votes short of the needed two-thirds.

What happened? How did a bill that won easily in the regular season—a bill that was even weaker now than before—suddenly become a losing one when the pressure was on?

First, the lobbies of the energy industry—particularly several large oil companies that have holdings in the West and want to get at the coal with the vigor they once went after oil in the Mideast—stampeded the House. With the President on their side—in the way that Environmental Protection Agency and the Council on Environmental Quality never were—they could persuade many members to change their positions, even though no new arguments were offered.

Second, the House Democratic leadership—Carl Albert, Thomas P. (Tip) O'Neill Jr., and others—failed to act quickly either to refute or question the President's contentions. On the matter of "36,000 lost jobs," not only did this ignore what then-Interior Secretary Rogers Morton told Congress in February (that the bill would result in a net gain in jobs) but it discounted labor union support of the bill. If all those workers would be thrown out of jobs, why did the AFL–CIO, UMW and UAW favor the bill? On higher costs, government data in May revealed that consumers are already paying as much as 50 per cent more for coal this year than last year. Such an increase wasn't because of a strip mine bill from Congress but because coal prices rose along with oil prices. The Environmental Policy Center noted that "while coal production costs have gone up 30 per cent in the last two years, coal company profits are as much as 500 per cent higher than in 1973. This means that coal companies could absorb the costs of reclaiming strip mined land, without passing the costs onto consumers." On production losses, Pennsylvania has had a similar law and production has increased.

An alert House Democratic leadership would have seized the opportunity to publicly refute the "facts" put out in the veto message and thereby keep support from slipping away. Instead, scarce talk from the White House was met with passivity and allowed to circulate with no accountability.

On June 3, joint hearings were held in which administration officials were asked about the information they supplied the President. When Rep. John Seiberling (D-Ohio) discussed some economic impacts of the bill with Commerce Secretary Rogers Morton, the latter said his views had changed, and acknowledged that "I do not have any problem admitting that I was wrong" in testimony four months ago. In February, Morton said that the bill would likely result in a net gain in employment, but now he supported the view that 36,000 jobs might be lost.

As administration witnesses went through their answers, a mood of frustration developed among some committee members, both Republicans and Democrats. They talked of "inconsistencies" and "tortured reasoning," and shook their heads in dismay. Nevertheless, the administration was not going to back down. This was a different season now, and what mattered were the strategies and devices of veto politics. Little mention was made of the brutal effects of strip mining on America's land, people and future. That discussion was long past, and none of it counted now, except to the victims.

It is often said that bills that fail in one Congress will make it through the next one. This happens sometimes, except that for strip mining, this Congress *is* the next one. The bill has been weakened repeatedly. Years have passed without action. If passage doesn't come now, whatever legislation that follows will contain only further concessions to the oil and coal companies. At least now, there is still promise that the public will be given a law of the land that does something about the abuse of the land.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I strongly support the override of the President's veto of H.R. 25.

If the House fails to override the veto it would be a victory for those forces who have used misleading information on production, unemployment and increased utility rates to defeat the strip mining measure. I urge my colleagues to reject these tactics.

The bill was carefully drafted through extensive bipartisan effort to safeguard the environment while aiding the national drive for energy self-sufficiency. The measure is a compromise between those conservationists who want strip mining banned entirely and those people who think it is good for the country if properly regulated.

The defeat of these much needed safeguards can result in the rape of the environment and the further depletion of our natural resources. We can prevent this from happening by voting to override. To do otherwise would support the interests of the coal industry which is trying desperately to continue its dominance in this area.

There is a need to strike a balance between technology and the ecology and I believe this bill strikes such a balance.

Despite the high pressure publicity campaign by the strip mine operators there is no hard evidence that I have seen indicating there would be a significant increase in the price of coal as a result of the passage of H.R. 25.

The long range impact of intensified strip mining without these regulations would be a serious blow to the environment and the people who live in the mining country.

I am presently seeking funds to explore the possible development of the coal resources of Massachusetts. If these tests

prove that mining is ecologically and economically feasible, I would expect that legislation would be approved protecting our people and resources.

In this vein I will vote to protect the people and environment of the Western States where strip mining is now taking place.

I urge my colleagues to vote to override this veto.

Mr. ASHLEY. Mr. Speaker, if I thought the President was accurate in his assessment of the conference report before us, I would vote to sustain his veto.

I would do so because the district I represent, Toledo, and much of Ohio has been seriously impacted by a curtailment in the delivery of natural gas which has already resulted in production cutbacks, the loss of jobs, and the impairment of public services, to say nothing of skyrocketing heating and other utility costs for the hundreds of thousands of Ohio residents who were misled into converting to or selecting natural gas for their residential needs. If, as the President has asserted, a vote to override his veto is a vote to decrease coal production, increase joblessness, and cause higher utility costs, then—in light of the crippling impact of the natural gas situation—I would be constrained to sustain his veto.

But on the basis of the evidence before me, Mr. Speaker, I think the President was misinformed and that his veto was ill-advised. As far as Ohio is concerned—and concerned I am about Ohio—I think it is illuminating to compare the Ohio strip mining bill, which became effective in April 1972, with the provisions of the conference report before us. The conclusion is evident, I think, that the two measures are remarkably similar. It must also be concluded that the Ohio law is a tougher law for strip miners than the measure which the President has vetoed.

I include the following comparative:

COMPARATIVE

NOTE.—Comparison based on highlights of various State mining laws contained in CEQ report. *Coal Surface Mining and Reclamation.* Senate Interior Committee. Serial No. 93-8 (92-43).

OHIO LAW	H.R. 25
1. License required valid for one year.	1. Mining permit required, valid for five years.
2. Fee—$150.00 plus, $30 per acre.	2. Coal exploration permit fee based on review, administrative, and enforcement cost. Surface mining permit based on review, administrative, and enforcement costs.
3. Acceptable mining and reclamation plan required.	3. H.R. 25 requirements the same.
4. Requires an adequate performance bond determined by administering agency. ($5,000 minimum.)	4. Requires performance bond adequate to assure the completion of the reclamation if necessarily performed by a third party. ($10,000 minimum.) Cash, negotiable U.S. Gov't. bonds, or negotiable C.D.'s may be deposited in lieu of performance bond.
5. Operator may not have previously violated the surface mining law.	5. Requires applicant to file a statement of all previous violations.
6. Operators must prevent pollution of state waters from substantial erosion, deposition of sediment, accumulation or discharge of acid water, flooding, accumulation or drainage of acid water into pit.	6. Similar provisions in H.R. 25 which prohibit stream siltation, to the extent possible, and diminution of water quality and quantity in affected areas.
7. Land must be restored to its approximate original contour.	7. H.R. 25 also requires restoration of land to its approximate original contour.
8. Variances include terracing which will permit equal or greater economic or public use, natural condition which will not permit restoration, contouring which would cause soil erosion or acid water conditions which prevent vegetative growth.	8. Variances from original contour requirements of H.R. 25 can be issued for mountaintop mining in which case land may be graded to gently rolling terrain or a level plateau if other land use conditions are met.
9. Reclamation must begin within three months after overburden is removed.	9. H.R. 25 contains no provision which specifically apply a time schedule for reclamation. H.R. 25 does however, extend the liability of the operator for successful reclamation and revegetation and reclamation plan requires a timetable of reclamation.
10. Reclamation must be completed within one year after the operation terminates or after the license year, whichever comes first.	10. Same as above.
11. Whenever possible, reclamation must be concurrent.	11. Same as above.
12. Planting must take place no later than the planting season following completion of backfilling, filling and grading unless time is extended to permit removal of clay or shale uncovered by the coal mining.	12. Same as above.
13. Mining plan must provide for immediate establishment of grass or other plant cover.	13. Same as above.
14. Topsoil must be segregated and replaced.	14. Similar provisions in H.R. 25.
15. Refuse and hazardous materials must be suitably buried.	15. Hazardous materials must be disposed of in a manner which will prevent contamination of ground water or sustained combustion.
16. Performance bond is returned only after inspection indicates reclamation requirements have been met.	16. H.R. 25 also requires compliance with reclamation plan and an inspection to verify the same. In addition, filing for release of bond must be advertised in local paper. No bond can be released until all reclamation requirements of the Act are met.
17. License may be denied if there is reason to believe that required reclamation will not be performed.	17. The Secretary of the Interior or the State regulatory agency may designate lands unsuitable for surface coal mining.
18. License *must* be denied if reclamation procedures on similar land have proven unsuccessful.	18. Regulatory authority can withhold permit until reasonably satisfied that any former violations have been corrected.
19. Ohio provides for revocation of license.	19. H.R. 25 contains similar provisions.
20. Fines: $100–$1,000, first offense. $200–$2,000, second and subsequent offenses; imprisonment up to 6 months may be added for willful misrepresentation and for third and subsequent violations; 5 year revocation for third and subsequent offenses.	20. Maximum penalty for knowingly making any false statements or misrepresentations is up to $10,000 fine or a maximum of 1 year imprisonment or both.
21. Parties adversely affected and the Attorney General may go to court to enjoin violations and require compliance.	21. Any person having an interest which may be adversely affected may commence a civil action on his own behalf against any person including (a) the United States, (b) any government agency who is alleged to be in violation of the Act, (d) the Secretary of the Interior or the State regulatory agency.
22. If State officials fail to enforce the law, any State resident may petition a court to order them to do so.	22. Same as above.
23. A State severance tax of 4¢ per ton of coal generates revenues for State environmental protection activities and reclamation of surface mined lands.	23. For the establishment of an abandoned lands reclamation fund, H.R. 25 places a tax of 35¢ per ton on surface mined coal and 15¢ per ton on underground mined goal.

In light of the above, and because I am certain that Ohio must face the necessity of major conversions from natural gas to coal, I have inquired of the Library of Congress and other sources as to the extent to which coal could fill any energy gaps caused by natural gas shortages in the Toledo area. The figures I have received indicate that major short-term switches to coal generated energy would be difficult to achieve.

According to National Coal Association figures, Toledo Edison Co. operates two steam generation plants, one at Toledo, Ohio, and the second at Oregon, Ohio. The Toledo Edison Co. is responsible for producing most electricity for the metropolitan area. Figures in the NCA publication indicate that 86 percent of the fuel used by Toledo Edison is coal, 8 percent is oil, and 6 percent is natural gas. The oil and natural gas is used for excess power generation in order to satisfy peak demands during peak periods.

According to a spokesman for Toledo Edison Co., much of the natural gas consumed by the city is used for residential heating or is consumed by industry, especially the glass, fiberglass, die casting, and auto manufacturing support industries in processes that could not easily substitute electricity. Based on figures from the National Coal Association publication, approximately 2.1 percent of industrial demands for natural gas is for electric power generation or approximately 9.6 trillion Btu's. Therefore, there is little the electric utilities can do to take up the slack that may be produced in light of another natural gas shortage.

The precise economic impact of H.R. 25 on the Toledo area is difficult to determine. The report prepared by the Council on Environment Quality does provide employment loss estimates for the Cleveland and Columbus, Ohio, areas which, under the high impact scenario, indicate the employment loss to be 0.1 percent and 0.0 percent, respectively. This projection, however, is based upon a 20 percent slope angle prohibition of surface coal mining, not restriction which H.R. 25 would establish. In order to determine what coal production losses were incurred due to the Ohio strip mine law, which became effective April 1972, state monthly production figures for the years 1972, 1973, and 1974 are provided in the following table:

Ohio monthly production

[In million short tons]

	1972	1973	1974
January	3.710	3.852	4.154
February	4.242	3.743	3.862
March	5.386	3.917	3.967
April	[1] 4.358	3.790	4.040
May	4.574	4.254	4.404
June	4.262	3.800	3.619
July	3.444	3.603	3.908
August	4.628	4.198	3.492
September	4.198	3.673	3.880
October	4.458	4.017	4.217
November	4.047	3.732	[2] 2.123
December	3.660	3.206	[2] 2.900
Totals	50.967	45.783	44.566

[1] Law became effective April 1972.

[2] United Mine Workers strike months.

Source: Bureau of Mines, *Minerals Yearbooks*, "Coal, Bituminous and Lignite, 1972, 1973, and 1974."

The figures indicate that, aside from the reduction in tonnage from March 1972—which was the highest month—to April 1972, the production of coal was sustained at a relatively constant, though gradually decreasing rate and that the implementation of the Ohio strip mine law had little if any adverse effect on Ohio coal production.

While it is clear that Ohio must look outside the State for longer range sources of coal, I believe the Ohio experience is relevant. The production of coal with due regard to the environment, based on our experience, will not lower coal production, lose jobs or increase utility rates. These untoward consequences occur when, as in the last 4 years, the cost of coal triples from $7 to $21 a ton, producing the jump in coal company profits over this period of nearly 400 percent.

I urge a vote to override the President's veto.

Mr. VIGORITO. Mr. Speaker, I rise in strong support of efforts today in the House of Representatives to override President Ford's veto of the Surface Mining Control and Reclamation Act.

The legislation we are acting on today would go a long way in reclaiming abandoned strip mined lands and safeguarding huge amounts of land area where strip mining will take place in the future. I feel strongly about this legislation because in my home State of Pennsylvania, which has the Nation's strongest strip mining regulations, it has been proven that coal operators can mine coal, reclaim the land and still make money.

The President claims that this bill could cost as many as 36,000 strip mine jobs and decrease the production of coal in the Nation. His claims are unfounded. It is a fact that there are now fewer than 36,000 mine workers employed altogether in strip mining. Also, the production record in Pennsylvania speaks for itself. In 1971, 7 years after the Commonwealth law became effective, 26.8 million tons of bituminous coal were strip mined in Pennsylvania. It took 5,432 strip mine employees to do this job. In 1974, Pennsylvania's coal production soared to 36 million tons due to many technological improvements. The industry used 6,416 mine employees to produce this coal.

This proposed Federal law will mean even more new jobs for Pennsylvania and other coal mining regions for reclamation. In my own State, millions of dollars will flow back into Pennsylvania as a result of the reclamation fund. Useless land and jobless people will be restored to greater economic health.

In conclusion, I want to reaffirm my strong support for strip mining legislation. What has been done successfully in my State, can be done anywhere else.

Mr. HOWARD. Mr. Speaker, I would like to take this opportunity to add my firm support to an override of President Ford's veto of H.R. 25—the Surface Mining Control and Reclamation Act. I believe it is incumbent on the House to override the Presidential veto of this bill which was so overwhelmingly approved earlier by both Houses. We have just seen in the past week a vitally important piece of legislation—the emergency jobs appropriations which was mandated by the Congress—cancelled by the narrowest of margins in a losing override attempt. We cannot allow another urgently essential work of the Congress to be cancelled by the executive branch. We in Congress must assert ourselves and unite against this veto which was fostered by much false data on the part of the coal industry.

We all must look back carefully in order to realize the many benefits of this act, those benefits which prompted both Houses of the Congress to pass this bill by formidably large votes. The virtues of this bill are manifold. The surface Mining Control and Reclamation Act is the result of over 3½ years of work on legislation to regulate strip mining. After these many hours of hearings, debate, and research I think we arrived at a very sound bill which incorporated some very careful compromise. We arrived at a bill that would carefully regulate strip mining throughout the country and would serve to put an end to the strip mining rip-off of our environment. We all realize the disastrous consequences of strip mining and that is why the vast majority of us voted originally for this bill.

This bill has been supported by many groups and individuals across the country—Interior Secretary Stanley Hathaway, the AFL–CIO, the Consumer Federation of America, Common Cause, the TVA—the list gone on. As we deliberate today I believe we must follow the mandate of this wide support which the President has apparently ignored. In the face of this nationwide support and the great and obvious need for strip mining regulation, President Ford has vetoed this important piece of legislation. In doing so, the President offered four arguments as his basis for rejecting the bill:

According to the President, up to 36,000 people would lose jobs. According to the President, costs to consumers would rise. According to the President, this legislation would make the Nation more dependent on foreign oil. And according to the President, strip mining regulation of this sort would reduce coal production.

The case against the bill rests on assertions that appear on the surface to make a strong case against H.R. 25. But these assertions are according to the President, and not necessarily to the facts necessary for a realistic evaluation of the bill's effects. The President claims that passage of the strip mining bill would result in a loss of jobs. But his own administration officials have testified to the contrary. As then-Interior Secretary Rogers Morton told the House Interior and Insular Affairs Committee, H.R. 25 would actually result in "a net gain in employment because reclamation is going to require capital investment. It is going to require a work force, so we should have a net gain" in jobs.

In further refutation to the Presidents claim, both the United Mine Workers and the AFL/CIO, the unions of some 90 percent of all coal mine employees, have come out in support of a veto override on H.R. 25. Is it conceivable that two of America's most stalwart fighters of anti-employment actions would support legislation which would put their own members out of work? I think not.

Similar to the distortions that the

President has apparently propounded based on coal industry favored data with regard to H.R. 25's effect on employment in the coal industry, his assertion that coal production would be reduced, that the Nation would then become more dependent on imported oil, and that consumers would end up paying higher electric and energy bills are more unfounded claims. This national cataclysm that the President foresees arising from the Congress's sincere attempts to stop the ravaging of our Nation's natural beauty is merely a gross distortion of the available facts.

Coal production can be expected to rise under H.R. 25, if we judge from the experience of the State of Pennsylvania and the way its coal industry has continued to thrive under tough strip mining regulations. Logically, no loss of production means no need to seek additional imports since no shortage must be made up. And claims of increased consumer costs whither in the face of accurate cost data analysis. The reclamation provisions of H.R. 25 would eat into the coal industry's windfall profits which have accompanied the drastic oil price rises, and not into consumers' paychecks. Indeed, major consumer organizations have given strong support to H.R. 25, urging an override of the President's veto.

I too, Mr. Speaker, urge my colleagues in the House to join overwhelmingly in overriding the veto of H.R. 25. As we have supported this bill in the past with strong bipartisan majorities, we must do so again today. The people of this Nation, in their sincere desire for a livable environment for themselves and their children, demand that we do so. The true facts of this issue, which are so familiar to us all at this time, also demand that we do so. We must respond to these demands. In the best interests of the country, based on the realities and not the distortions of the situation, we must override the veto of the Surface Mining Control and Reclamation Act, H.R. 25.

Mr. KEMP. Mr. Speaker, I rise in support of the President's veto of H.R. 25, the proposed Surface Mining Control and Reclamation Act.

I believe my record on environmental protection issues is a very strong one—strongly pro-environment.

I have strongly supported legislation to restore the quality of our environment, including the offering of such innovative measures as the Water Pollution Control Act, the Great Lakes clean-up program and I will support a responsible and constructive strip mining bill.

I intend to continue working for such programs.

Preservation of our environment is not the only goal or objective which we must now seek.

We must also reduce energy costs being paid by consumers and lessen our dependence on foreign oil.

We must also preserve the jobs which exist and recreate others in our economy.

These goals—reduced energy costs, lessening of dependence on foreign oil, and the preservation and creation of jobs—are undercut by the provisions of the bill now before us.

Several major, inevitable effects of this bill, if it becomes law, convinced me that the Nations environmental objectives must here be balanced with our energy and economic objectives. If this bill became law and the program made operational—

Many people would lose jobs when unemployment is already too high and when our goal has to be to reduce unemployment, not make it worse.

Consumers would pay higher costs—particularly for electric bills—when consumers costs are already too high.

The Nation would be more dependent on foreign oil—when we are already overly dependent and dangerously vulnerable in this regard.

Coal production would be unnecessarily reduced—when this vital domestic energy resource is needed more than ever.

The bill's very poorly written—ambiguous, vague, yet complex—provisions—as the record of congressional debate reflects—would lead to years of regulatory delays, litigation, and uncertainty—to the detriment of both our environmental or an energy/economic objectives.

The bill's tax provisions would result in excessive and unnecessary increases in the price of coal, which the ultimate consumer would either pay directly as coal users or indirectly as users of products—from steel to electricity.

And, in a most peculiar provision, the bill would allow State governments to ban surface mining on Federal lands—thus, preventing even in times of national emergency the Federal Government from using its own resources.

The Congress has had ample time in which to address itself to providing adequate energy for the American people—such as removing the burdensome Government controls on oil and gas recovery, manufacture and distribution which have created most of the shortage—but it has not done so. Until these issues are addressed, the status of surface mining control ought to be placed into abeyance.

This bill in its present form is not what our country needs. It is not what it wants. The veto should be sustained. Congress and the executive branch should return to the drafting tables and work together for a responsible strip mining bill.

If that is done, we can meet our three objectives of environmental protection and adequate energy and economic recovery for our Nation.

This is a balanced approach which makes sense for a nation with many needs and that requires us to work together for the good of all.

Mr. McKINNEY. Mr. Speaker, it is not gratifying for me to speak in opposition to the leadership of my party, but I feel that in the case of the veto of H.R. 25 the President was ill-served by his advisors.

I admit I am not fully satisfied with all the provisions of the legislation but I believe we have made a conscientious effort to legislate moderate regulation of strip mining; we have compromised repeatedly with the administration in hopes of garnering their support; and I believe the final product is a workable and needed piece of legislation, a bill that carefully balances our energy and environmental interests.

The arguments supporting the veto have been examined point-by-point and in every case the administration's spokesmen have been unable to support their contentions. The veto message included four basic elements: Job losses, higher costs to consumers, increased dependence on foreign oil and reduced coal production.

As a result of this legislation being enacted, the administration contends that between 9,000 and 36,000 jobs will be lost. These figures were based on a study conducted by Dr. William H. Miernyk of West Virginia University, a noted authority in the field. However, Dr. Miernyk's study assumed a total ban on strip mining—something not included in the bill. Also, these job losses cited by the administration are, in fact, potential jobs which their projections created in the future, not an actual reduction in present employment. Perhaps the strongest argument about the employment element is that Dr. Miernyk himself feels that the demand for coal will result in a net increase in jobs directly and indirectly connected to the mining industry. In testimony last February, Secretary Morton acknowledged this fact. If this bill would result in more unemployment in any spectrum, I do not think the AFL-CIO, the United Mine Workers or the United Auto Workers would be counted among its supporters.

In order to keep these administration figures in proper perspective, it must be remembered that the projected job loss of 36,000 men represented not only lost mining jobs but secondary and tertiary employment as well. Yet the total U.S. surface mining activity in 1973 accounted for 34,000 jobs. Moreover, in a Bureau of Mines paper entitled "Restriction on the Use of Coal," manpower needs of the coal mining industry through 1975, based upon a 2 percent average productivity growth rate, were estimated to increase by 101,735 employees over 1969 figures. This projected employment increase was for mining jobs alone. Hence this manpower demand could easily absorb the 36,000 unemployment figure forecast by the administration, if such a figure were justified.

The effect on the consumer and the increased need for foreign oil should be an increase of 3.4 to 8 percent in utility bills, according to the administration. But even without this legislation we have seen a substantial increase in utility rates as the price of coal has doubled. The reason coal prices have soared during the past 18 months is not at all related to increased production costs, but rather it is tied primarily to the price of the major alternative fuel source, oil. The profit margins in the coal industry are at such a level that any costs to the producers resulting from enforcement of the reclamation provisions of H.R. 25 could be absorbed without having a substantial impact on their profitability. Assuming that the cost increase was passed through to the consumer, however, the average user of surface-mined coal-fired electricity would pay approximately 35 cents more per month or 1 to 2 percent, far less than the effect the President's advisors say would result.

The issue of increased oil imports is also related to the question of reduced production. Mr. Zarb stated that production would fall short of estimated levels for 1977 because the small mine operators are unable to comply with several provisions regarding alluvial valley floors. To support this statement the administration's experts cited nine mines, three of which did not fall under the provisions in question, and there was some doubt about four others. The cost to the small mine operators, it is argued, will be unbearable and will force them to close down production.

Since I have already discussed the doubled price for coal and the improved profitability of the coal producers, perhaps a look at the effect of stringent strip mining regulations on small operators in two States might offer another perspective. Keeping in mind that this type of legislation is supposed to force the small operator out of business, I would call to your attention that in Pennsylvania, the State whose strip mining laws were used as the model for this bill, applications for people trying to enter the business continue to be heavy and coal production in that State in the 10 years since the imposition of these laws has increased by 17 percent. Since new requirements were passed in 1973, employment and production have increased by almost 20 percent. In Ohio, which also has well-enforced strip mining statutes, the number of applications for licenses has almost doubled since the laws were implemented.

While the administration bases much of its prediction of coal production losses on the bill's provisions regarding mining on alluvial valley floors in the West, this charge has been countered by the admission of Interior Department officials that their interpretation of the bill's definition of such floors was "unreasonable." Moreover, the provisions governing alluvial valley floors are identical to the provisions of the bill the administration proposed earlier this year. Also, the Tennessee Valley Authority, which interestingly enough supports this bill, has, in effect, challenged the administration's predicted production loss attributed to the bill's impact on small mines on steep slopes.

The administration's high figure projections regarding coal production losses are based on the extreme assumptions that regulatory authorities and courts would choose the harshest interpretation of the bill in every case and that no strip mine operator would move to another site if forced to close a current mining pit. The actual coal production loss remains to be substantiated and an Environmental Protection Agency report, not yet published, disputes Interior and FEA statistics regarding tonnage reduction; the EPA report concludes that omissions, distortions, and "double countings" occurred in the Interior Department and FEA forecast.

It is an economic fact of life that with a higher price available for coal, more people are interested in mining it. They can—and will—do so under strict regulation. The conditions cited in Pennsylvania and Ohio do not indicate that strip mine laws will increase employment and improve business nor do they support the administration claims that they will cause coal shortages and cause unemployment. What I think these facts do prove is that economic conditions dictate what the coal producers can do. Under present conditions, the small surface mine operator, as well as the large producer, can live with this type of regulation. I believe this bill will actually increase production by ending the uncertainty created by the absence of any Federal regulations over strip mining operations. I think the facts support an override of this veto.

There are shortcomings to H.R. 25 and if there were uniform State regulations strongly enforced in the areas that will be most affected by strip mining operations, I would question the necessity for this legislation. However, the lack of enforcement of State regulations and the fact that 40 percent of the Nation's coal reserves are owned by the Federal Government and not subject to State laws, have convinced me that Congress must take the first step in providing adequate protection for public water and land until more States assume this responsibility.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise to express my intention to vote in favor of the surface mining bill, H.R. 25.

I voted for the bill when it was before us last year and, as a member of the House Interior and Insular Affairs Committee, I have supported the bill again this year both in committee and on the floor of the House.

It is absolutely essential that we insist on the reclamation of mined lands and halt all surface mining on those lands which, for one reason or another, cannot be restored.

While this bill is far from perfect in its treatment of all the aspects of this difficult task, it does, in my opinion, offer a reasonable start toward resolving this problem. It is vital to the future of our Nation that we take a firm stand on the need to protect and, wherever possible, improve the quality of life we live and the quality of the land we live on.

I fully realize that in light of the equally pressing energy needs we face that this is a difficult position to take at this time and I have, therefore, given it considerable thought.

There is no question but that we must take whatever action we can to increase the energy supply in this country from our own sources—and, coal is one of the most important energy sources. On the other hand, we must be careful that we do so in a way that is acceptable in terms of its social costs.

Our plans and goals must be carefully structured to our long-term needs and interests and, therefore, must not sacrifice the future in favor of the present.

Mr. CLEVELAND. Mr. Speaker, I have listened with great interest to the debate on the issue of President Ford's veto of H.R. 25, the strip mining bill. The matter has been of particular concern to me as I had previously voted for the bill, and I am sympathetic to the environmental concerns the legislation seeks to address.

However, developments since its passage back in March and the debate here today have persuaded me that even greater concerns are involved. These include our national energy policy—or a lack of one—the economy, and the serious threats to our Nation posed by our rapidly increasing dependence on petroleum supplies whose source and very availability are controlled by a hostile foreign cartel—OPEC.

The remarks of the gentleman from Kansas (Mr. SKUBITZ)—a former supporter of the bill—the gentleman from Virginia (Mr. WAMPLER), the gentleman from Alabama (Mr. BEVILL), the gentleman from Arizona, (Mr. STEIGER) and others have been quite persuasive. The written testimony of Mr. Zarb, submitted at the special hearings last week, was also convincing.

ENERGY CRISIS

I believe we face an energy crisis—and that an important short term answer is a greater use of coal. For this reason, allegations that this legislation might inhibit coal production, coming after 6 months of congressional failure to act on energy, have prompted me to reconsider my earlier support of H.R. 25.

The technical and complex provisions of this legislation have far-reaching implications for both this Nation's goal of energy self-sufficiency and its environment. There have been a variety of conflicting claims as to this legislation's impact on jobs and the production of domestic coal, but even EPA admits it will reduce coal production substantially.

Certainly, the environmental objectives of the bill are laudable. However, these cannot be considered in a vacuum. Important economic and energy goals also deserve careful consideration. It is necessary to strike the delicate, but proper balance between our energy and economic goals and important environmental objectives. Given the energy and economic factors at this time, I believe the strip mining bill fails to strike such a proper balance.

ENERGY CRISIS REAL

This Nation's energy situation has steadily deteriorated since the beginning of this year. We are becoming increasingly dependent on foreign oil at a time when this dependence threatens our economic stability. At the same time, domestic energy production continues to drop, making us more vulnerable to a disruption of oil supplies today than we were during the Arab oil embargo. Within the past week, this country has been informed by the oil cartel that oil prices may increase significantly at the end of this summer.

There are dismaying predictions of shortfall of natural gas during the coming winter. Nuclear power, although it has some problems, could be utilized more to increase domestic energy production, yet its development is hindered by red tape, needless paperwork, and litigation. The development and exploration of oil resources on the Outer Continental Shelf are progressing very slowly.

COAL IS SHORT TERM ANSWER

Coal is the one abundant energy source over which the United States has total control. It is obvious that coal is the key to the short term achievement of American energy independence. In the face of our deteriorating energy situation, we cannot afford to place restrictions on this vital energy resource unless they are completely justified and absolutely necessary. Given the widely conflicting claims and the divergent viewpoints of the experts regarding this strip mining bill, it seems clear that the restrictions this bill would impose on coal production are not free from doubt or questionable justification.

The administration has predicted that if this bill were to become law, there would be a loss of domestic coal production of 40 to 162 million tons in 1977. This would represent 6 to 24 percent of expected 1977 coal production. This reduction would leave us even more vulnerable to foreign oil-producing nations, forcing us to import over 200 million more barrels of oil per year.

AMBIGUITY—INVITATION TO FURTHER DELAY

Furthermore, today's debate indicates that there are some ambiguous, vague, and complex provisions included which could lead to years of regulatory delays, litigation, and uncertainty against the best interests of achieving either our environmental or energy objectives. This kind of result has occurred with the Clean Water Act.

Hearings held by the Committee on Public Works and Transportation over a number of years have amply documented the tendency for bureaucracies to go beyond the intent of the Congress in issuing regulations to implement the laws we pass. This has been true since long before environmental restrictions came to the fore. Accordingly, I was struck by the discussion of draft regulations offered by our colleague from Alabama (Mr. BEVILL).

Such regulatory lag or drag—to put it kindly—has already been disastrous to progress in cleaning up our waters under Public Law 92–500. And this in a program presumed to be "environmentally positive."

Beyond this, we have the spectacle of recent court decisions in a number of areas under the jurisdiction of the Committee on Public Works and Transportation which concern me greatly. Therefore, I am particularly sympathetic at this particular time to the concerns expressed by the administration with respect to the potential for litigation based on the ambiguities and complexities of this bill, not to mention the regulations to follow.

DANGER OF JUDICIAL OBSTRUCTION

Let us not forget that it was the obstructive misuse of the judicial process which made it necessary for us to pass the trans-Alaska pipeline bill. I submit that the energy crisis before us today confronts us with a situation no less urgent.

President Ford sent to the Congress his energy proposals in February of this year. Since that time, the Congress has done nothing of consequence to rectify the energy situation. In the wake of this congressional inaction, this is not the time to be enacting a law which would have the likely result of making us increasingly dependent on foreign oil. Nor is it the time to enact a law that would likely have a detrimental impact on employment and our present economic condition.

I am convinced that we have great opportunities in the discovery and recovery of new sources of conventional fuels, development of new alternative sources and energy conservation. If those who have concentrated such effort on this strip mine legislation can somehow channel and focus their energies on such positive developments, we might well produce a legislative environment in which many of us could be more inclined to support a bill such as the one before us today.

Mr. PRESSLER. Mr. Speaker, I rise today to speak in support of overriding the President's veto of H.R. 25. I have a tremendous respect for President Ford. I sincerely believe that he is deeply committed to leading our Nation out of the economic chaos and energy difficulties we are currently experiencing. I endorse that commitment and pledge myself to assist the President whenever my personal assessment of the alternatives permits me to do so. Unfortunately, in this instance, my view is contrary to that of the President. I am disappointed by this because I feel we share similar hopes for both the protection of our national resources, and the responsible development of the coal industry.

In my deliberations concerning this strip mining legislation, I devoted the major part of my time to consideration of the arguments projecting job losses, decreased coal production and increased energy costs to consumers. Opponents of the bill insisted these were critical areas which merited investigation; therefore, I set out to examine them fully.

The warning that this bill would cost our Nation 36,000 jobs certainly demanded our attention. If this were, in fact, true, I would have real difficulty supporting this legislation. In reality, the charge is simply false. Prof. William H. Miernyk, the man who authored the research from which opponents of this bill mysteriously extrapolated the figure 36,000, adamantly supports this bill and has publicly stated that his figures were misused. Professor Miernyk even went on to add that he "would disagree that there would be any job losses." His public opinion that there would be no job losses is consistent with Secretary Morton's testimony last winter, when, as the Secretary of the Interior Department, he told Congress this bill with its reclamation provisions would actually increase the number of jobs in the coal industry.

The issue of production losses is a valid concern. The administration has argued that the alluvial floor provisions of this bill will stifle production. Yet, in testimony before the House Interior Subcommittee on June 3, administration witnesses admitted that of the nine mines they listed as being on alluvial floors, three were not on alluvial floors and they were uncertain about four others. Assertions that the bill's definition of alluvial floors is ambiguous were rendered baseless by Richard F. Hadley, the U.S. Geological Survey's professional hydrologist, in his responses to questioning by Representative MELCHER. The witnesses also admitted that their high figures on production losses were founded on the unreasonable assumptions that the regulatory authorities and the courts would choose the harshest interpretation of the bill in every case and that no strip mine operator would move to another site if forced to close a current mining pit.

Satisfied in my own mind that the threats of increased unemployment and decreased coal production were groundless, I turned my attention to the area of increased energy costs to consumers. I knew that this was not an issue that could be dismissed—because it is true the higher cost of coal will translate into additional consumer cost. But how much? To my surprise, I found that, not only does the added cost to consumers come to about 14¢ a month—based on the average home usage figure of 500 kilowatt hours of electricity per month, but, in addition, that the cost of coal has little to do with the cost of coal production. It is related instead to the cost of other fuels. Administration policies on oil will have far more impact on coal prices than will this strip mining legislation.

In South Dakota we have the same energy and environmental problems as many other States. This bill helps us to protect our precious drinking water. It is conscious of the need to protect land that, after it has been peeled back, can be restored and put to agricultural use. These are important considerations and we are grateful for the attentiveness the authors of the bill have shown us.

I think this bill is a responsive, comprehensive and effective piece of legislation. I hope I have a chance to cast my vote for many other bills this session which can be said to be as thorough and responsible as this one. Thank you.

The SPEAKER. The gentleman from Arizona (Mr. UDALL) has 7 minutes remaining.

Mr. UDALL. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, my colleagues will be voting in just a moment, and I do not know whether any votes can be changed at this late hour; but if there are any minds that are still open and undecided, let me try to make just a couple of points, if I can.

It all comes down to this: In these dying hours of the 4 or 5 years of work that have gone into this bill, whom do we believe? What facts and what figures do we believe? We have reached a time, I guess, when people do not always believe their Government every day. I hoped we were getting away from it, but here we are and here are our agencies saying that if this bill is passed, we are going to lose jobs and we are going to lose coal production. Utility bills for hard-pressed customers are going to go up.

Of course, if those charges are true, then this bill ought not to be enacted. Nevertheless, here are people on the committee: The gentleman from Texas (Mr. STEELMAN); the gentleman from Ohio (Mr. REGULA), who was on it before; and many fine people such as the gentleman from Michigan (Mr. RUPPE), who worked on this bill; and all of us who say that these figures are not accurate, that we are not going to lose jobs, that we are not going to lose coal production. God knows that we need more coal production, and we have written a bill by virtue of which we can double coal production in the next 10 years. We ought to do that.

Mr. Speaker, we had these hearings last week. One can read them both ways.

Let me just cite a couple of points from those hearings which are not contested at all. Do the Members know how many people there are in strip mining today all over this country? There are 37,000 jobs. Do they know what the administration's figures are and how many jobs we are going to lose if we pass the bill? Their case rests on 36,000 jobs. Some of those are indirect, they say, but that is the figure.

Rogers Morton, whom we know and who served in this House, testified in February, when we had a much stronger bill, that this bill was not going to cost jobs; it was going to add jobs.

The bill contains a fund of $130 million a year to reclaim land. We said, "Won't that create jobs?" They said, "Oh, no. Through some accounting practice we do not count the jobs added by reclamation."

As to utility bills, whom do we want to believe? The electric utilities and the coal industry have been having these sweetheart pass-through arrangements that have been soaking the consumers for the last year. Do we want to believe the Consumer Federation of America and the AFL–CIO and the people who have a little more notable record for looking out for consumers than does Carl Bagge of the National Coal Association?

It was always a surprise to me that the people who represent the men employed in mines, Arnold Miller and the Mineworkers and the AFL–CIO say they will support the bill and the bill will not cost jobs, when we are told by people who are not notable in their support for workers that it will cost jobs.

Therefore, Mr. Speaker, I do not know. Nobody will know. The truth will come out some day.

If we are wrong and if it is going to cost jobs and drive up prices, it will be very serious for the country. So would it not be nice if we were to say, "Let us do this. Let us take one of our States and let us apply this bill in that State for 3 or 4 years before we apply it nationwide and find out whether it costs jobs and cuts down on coal production?

Would that not be a fair way to sell it? We did that. John Saylor introduced this bill based on the Pennsylvania law which has an original contour requirement and everything else. This bill takes into account the record in Pennsylvania, which is that they are producing more coal and they have not lost jobs, and the utility consumers up there have not been soaked any more than utility consumers any place else.

Mr. Speaker, one thing I want to say to my Republican friends who might have any doubt about this bill, is that the good thing about the conservation movement is that it has been bipartisan. There are names like Roosevelt and Pinchot and John Saylor, as I mentioned, and the gentleman from Pennsylvania (Mr. McDADE), and Governor Scranton and Messrs. STEELMAN, RUPPE, and RALPH REGULA, who wrote the Ohio law. The fights have always been tough, but they have been bipartisan fights, and it has not been until we got into this bill, in this fight in this administration with Frank Zarb playing hardball, that it become a partisan issue.

I say that the President has been very badly advised. I do not think that Mr. Ford has been very well advised. I do not think that he has listened to Russell Peterson, or CEQ or Russell Train or any of the good Republicans who fought with us to get this legislation.

When I look at the administration's record on this issue, I come to the conclusion—and I come to it reluctantly—that the administration not only does not want this bill, it does not want any bill.

Look back to December, when the President vetoed an already compromised bill.

Then we went back to the drawing board and acted on the message sent to the President by Frank Zarb, Russell Train, and Rogers Morton, who recommended five fundamental changes. We gave them most of what they wanted—adopted the administration's citizen suit provision, modified the stream siltation requirements, backed off on the alluvial valley floor provision, which offered vital protections to ranchers and farmers, and lowered the reclamation fee.

And we got another letter from the President, this time with 8 critical changes and 19 important changes. We were responsive to these recommendations. Of the eight critical changes, we adopted three, modified and adopted three, and rejected two. Of the 19 important changes, we adopted 6, modified and adopted 4, and rejected 9.

This was significant compromise and we went more than half way.

But the answer from the White House—another veto.

Finally, last week, the key energy advisors admitted what was already clear—they could not even recommend that the President sign his own bill, even if Congress enacted an energy program fully acceptable to Mr. Ford.

No, it is clear that the energy advisors will never recommend the enactment of any meaningful legislation, they just do not want a bill.

Sure we need jobs, sure we need more coal, but if the White House would take off the pressure on this side of the aisle the industry propaganda would be a joke, and we could pass this as we did in March, as we did in May, and December and last October, with big and overwhelming margins.

So I say to my friends on this side of the aisle with whom I have fought many a battle, and I see the gentleman from Massachusetts (Mr. CONTE) here, I say to them: Do what is right. Remember what Mark Twain said: do what is right, and you will please some people and astonish the rest.

We have taken a whip count, and the Democrats are going to hold the ground, they will have 4 out of 5, not 2-to-1 or 3-to-2. All we need is a fair shake over here on this side of the aisle. We need the people in the Republican Party who voted the right way over the years on the wilderness issues, the clean air bills, and all the rest, so as to help get a balanced bill.

The people have said that they want a clean environment, and we can have both. Let us do the right thing for our country, for the land, so that it can be used for a thousand years from now to produce food, fiber and timber, and still get the coal that is necessary. And then, some day, one will be able to drive up into West Virginia, like we have done, and into Appalachia, and they will be able to look at the mountains and the streams, and they will either be able to see poisoned streams which used to be like those of Colorado and Idaho, or they will be able to see beautiful trout streams. They will either be able to see the tops of the mountains stripped off, like they do in southwestern Virginia, or they will be able to see the land put back like they do in Pennsylvania.

Mr. Speaker, this bill ought to be passed. A Nation that does not love and respect its land does not respect itself.

This is a bill that has been worked on for 4 or 5 years. We have gone into this in three different Congresses, and by different people on both sides of the aisle, and we passed the bill and we want the bill to be passed again, and if we do then you will do the President a favor, you will do the country a favor, and you will do our land a favor—so I urge the Members to vote to override the veto.

Mr. ROYBAL. Mr. Speaker, I rise in support of the motion to override the President's veto of H.R. 25, the Surface Mining Control and Reclamation Act of 1975.

When this bill passed the House on March 18, 1975, it was debated as an environmental protection measure that was deemed necessary to preserve our land and streams. Today, as we debate the President's veto, the bill has taken on a new character. No longer is it seen in terms of environmental protection; no longer is it being judged on its merits. Rather, it has taken on the aura of another round in the partisan struggle in which this President is seeking to establish his political domination over the Congress.

Four years ago, the Interior Committee set about to draft a measure which balanced the interests of the environment and the Nation's need for energy. In the 93d Congress, it produced a strong and effective measure that was passed by both Houses. However, President Ford felt that this measure was too strong, and vetoed it.

Earlier this year, the President announced that he now supported strip mining legislation and the administration submitted a watered-down version of last year's legislation. The Interior Committee again held hearings and acceded to many of the weakening amendments which were backed by the administration. Both Houses passed the bill

by overwhelming bipartisan majorities. Thus, the veto of this compromise bill came as a shock to many of its supporters. In his veto message, the President claimed that there would be a reduction in the amount of coal produced in this country, an increase in dependence on foreign oil, higher utility bills for the Nation's consumers, and the loss of 36,000 jobs. This rationale represents a complete turnabout from the positions taken by administration witnesses during hearings on the bill.

Subsequent to the veto, the Interior Committee held a hearing in which it questioned these same administration officials. The Committee found that the officials had changed their testimony to support the new position taken by the President. However, when the Committee probed deeper, it found that the President's position was based on an unsupported supposition, misinformation, twisting of facts and careless analysis. It became apparent to the Members of Congress that the President had merely used catchall phrases associated with scare tactics to try and stampede the Congress.

The Interior Committee's hearings produced substantial evidence that in States such as Pennsylvania, which already have stringent mining laws, coal production and the number of jobs have in fact increased.

Further, coal prices rose almost 500 percent last year, not because of supply and demand, but rather because the producers knew that their resources could command such prices and still undercut foreign oil. Thus, coal producers have reaped windfall profits which will easily enable them to pay the additional costs associated with compliance under the bill.

Mr. Speaker, the bill before us represents a well thought-out compromise which will enable our country to meet its energy needs while protecting our resources. The States are given the primary responsibility for regulating surface mining, while the Federal Government retains residual enforcement power. The Interior Department must approve State regulatory programs which are to be drawn up according to Federal standards set forth in the bill. This partnership of management between the Federal and State governments assures that local consideration will be taken into account in establishing surface mining standards.

The Surface Mining Control and Reclamation Act of 1975 is a workable one and one which our Nation needs today. We should not allow the power struggle between two branches of our Government to affect the outcome of today's vote. I urge my colleagues to support the override.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 278, nays 143, answered "present" 1, not voting 12, as follows:

[Roll No. 275]

YEAS—278

Abzug	Frey	Nolan
Adams	Fulton	Nowak
Addabbo	Fuqua	Oberstar
Albert	Gaydos	Obey
Ambro	Giaimo	O'Hara
Anderson, Calif.	Gibbons	O'Neill
	Gilman	Ottinger
Anderson, Ill.	Goodling	Passman
Andrews, N. Dak.	Green	Patten, N.J.
	Gude	Patterson, Calif.
Annunzio	Haley	
Armstrong	Hall	Pattison, N.Y.
Ashley	Hamilton	Pepper
Aspin	Hanley	Perkins
AuCoin	Hannaford	Pettis
Badillo	Harkin	Peyser
Bafalis	Harrington	Pickle
Baldus	Harris	Pike
Barrett	Hastings	Pressler
Baucus	Hawkins	Preyer
Beard, R.I.	Hayes, Ind.	Price
Bedell	Hays, Ohio	Pritchard
Bell	Heckler, Mass.	Quie
Bennett	Heinz	Railsback
Bergland	Helstoski	Rangel
Biester	Henderson	Rees
Bingham	Hicks	Regula
Blanchard	Holtzman	Reuss
Blouin	Horton	Richmond
Boggs	Howard	Riegle
Boland	Howe	Rinaldo
Bolling	Hughes	Roe
Bonker	Hungate	Rogers
Bowen	Jacobs	Roncalio
Brademas	Jeffords	Rooney
Breckinridge	Johnson, Colo.	Rosenthal
Brinkley	Jordan	Roush
Brodhead	Karth	Roybal
Brooks	Kasten	Ruppe
Brown, Calif.	Kastenmeier	Russo
Burke, Calif.	Keys	Ryan
Burke, Fla.	Koch	St Germain
Burke, Mass.	Krebs	Santini
Burlison, Mo.	Krueger	Sarasin
Burton, John	LaFalce	Sarbanes
Burton, Phillip	Lagomarsino	Scheuer
Carney	Leggett	Schroeder
Carr	Lehman	Schulze
Chisholm	Levitas	Selberling
Clausen, Don H.	Litton	Sharp
	Lloyd, Calif.	Shipley
Clay	Lloyd, Tenn.	Simon
Cohen	Long, La.	Sisk
Collins, Ill.	Long, Md.	Smith, Iowa
Conte	McClory	Solarz
Corman	McCloskey	Spellman
Cornell	McCormack	Staggers
Cotter	McDade	Stanton, J. William
Coughlin	McFall	
D'Amours	McHugh	Stanton, James V.
Daniels, N.J.	McKay	
Danielson	Macdonald	Stark
Delaney	Madden	Steelman
Dellums	Maguire	Stokes
Dent	Matsunaga	Stuckey
Diggs	Mazzoli	Studds
Dingell	Meeds	Sullivan
Dodd	Melcher	Symington
Downey	Metcalfe	Talcott
Drinan	Meyner	Taylor, N.C.
Duncan, Oreg.	Mezvinsky	Thompson
du Pont	Mikva	Traxler
Early	Miller, Calif.	Tsongas
Eckhardt	Miller, Ohio	Udall
Edgar	Mineta	Ullman
Edwards, Calif.	Minish	Van Deerlin
Ellberg	Mink	Vander Veen
Emery	Mitchell, Md.	Vanik
Esch	Moakley	Vigorito
Evans, Colo.	Moffett	Waxman
Evans, Ind.	Moorhead, Calif.	Weaver
Fascell		Whalen
Fenwick	Moorhead, Pa.	Whitten
Findley	Morgan	Wiggins
Fish	Mosher	Wilson, C. H.
Fisher	Moss	Wirth
Fithian	Motti	Wolff
Flood	Murphy, Ill.	Wright
Florio	Murphy, N.Y.	Wylie
Foley	Murtha	Yates
Ford, Mich.	Myers, Pa.	Yatron
Ford, Tenn.	Natcher	Young, Fla.
Forsythe	Neal	Young, Ga.
Fraser	Nedzi	Zablocki
Frenzel	Nix	Zeferetti

NAYS—143

Abdnor	Ginn	Montgomery
Alexander	Goldwater	Moore
Andrews, N.C.	Gradison	Myers, Ind.
Archer	Grassley	Nichols
Ashbrook	Guyer	O'Brien
Bauman	Hagedorn	Patman, Tex.
Beard, Tenn.	Hammer-schmidt	Poage
		Quillen
Bevill	Harsha	Randall
Biaggi	Hébert	Rhodes
Breaux	Hechler, W. Va.	Risenhoover
Broomfield	Hefner	Roberts
Brown, Mich.	Hightower	Robinson
Brown, Ohio	Hillis	Rose
Broyhill	Hinshaw	Rousselot
Buchanan	Holland	Runnels
Burgener	Holt	Satterfield
Burleson, Tex.	Hubbard	Schneebeli
Butler	Hutchinson	Sebelius
Byron	Hyde	Shriver
Carter	Ichord	Shuster
Casey	Jarman	Sikes
Cederberg	Jenrette	Skubitz
Chappell	Johnson, Calif.	Slack
Clancy	Johnson, Pa.	Smith, Nebr.
Clawson, Del	Jones, N.C.	Snyder
Cleveland	Jones, Okla.	Spence
Cochran	Kazen	Steiger, Ariz.
Collins, Tex.	Kelly	Steiger, Wis.
Conable	Kemp	Stephens
Conlan	Ketchum	Stratton
Crane	Kindness	Symms
Daniel, Dan	Landrum	Taylor, Mo.
Daniel, R. W.	Latta	Teague
Davis	Lent	Thone
de la Garza	Lott	Thornton
Derrick	McCollister	Treen
Derwinski	McDonald	Vander Jagt
Devine	McEwen	Waggonner
Dickinson	Madigan	Walsh
Downing	Mahon	Wampler
Duncan, Tenn.	Mann	White
Edwards, Ala.	Martin	Whitehurst
English	Mathis	Wilson, Bob
Erlenborn	Michel	Winn
Eshleman	Milford	Wydler
Evins, Tenn.	Mills	Young, Alaska
Flowers	Mitchell, N.Y.	Young, Tex.
Fountain		

ANSWERED "PRESENT"—1

Steed

NOT VOTING—12

Conyers	Jones, Ala.	Mollohan
Flynt	Jones, Tenn.	Rodino
Gonzalez	Lujan	Rostenkowski
Hansen	McKinney	Wilson, Tex.

Mr. STEED. Mr. Speaker, I have a live pair with the gentleman from New Jersey (Mr. RODINO) and the gentleman from Alabama (Mr. JONES). Had they been present, they both would have voted "aye." I voted "no."

Mr. Speaker, I therefore withdraw my no vote and vote present.

So, two-thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Rodino and Mr. Jones of Alabama for, with Mr. Steed against.

Mr. Conyers and Mr. Rostenkowski for, with Mr. Flynt against.

Until further notice:

Mr. Gonzalez with Mr. Mollohan.

Mr. Jones of Tennessee with Mr. Hansen.

Mr. Charles Wilson of Texas with Mr. Lujan.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will notify the Senate of the action of the House.

PERSONAL EXPLANATION

Mr. McKINNEY. Mr. Speaker, on rollcall No. 275 I inserted my card in the registry box, and pressed the button so as to vote "aye." The record shows that I am not recorded as voting.

I would like to have the record show that I voted "aye," and I would ask that my statement and explanation appear after rollcall No. 275.

The SPEAKER. The statement of the gentleman from Connecticut will appear in the RECORD.

RE-REFERRAL OF H.R. 4444, H.R. 6497, H.R. 7342, H.R. 7343, AND H.R. 7344 TO COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. REUSS. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Currency and Housing be discharged from the further consideration of the following bills, and that they be re-referred to the Committee on Interstate and Foreign Commerce: H.R. 4444, H.R. 6497, H.R. 7342, H.R. 7343, and H.R. 7344.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, could the gentleman from Wisconsin tell us what these bills are?

Mr. REUSS. Will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield to my colleague from Wisconsin.

Mr. REUSS. These bills are bills relating to lead-based paint poisoning prevention. They were within the jurisdiction of the House Committee on Banking, Currency and Housing in days gone by. As a result of the action of the Select Committee on Committees, their jurisdiction has changed to that of the Committee on Interstate and Foreign Commerce.

Inadvertently, they were referred to the Committee on Banking, Currency and Housing. After consultation with both sides of the aisle, it has been determined that this is the proper thing to do.

Mr. ROUSSELOT. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR SUMMER YOUTH EMPLOYMENT AND RECREATION

Mr. MAHON. Mr. Speaker, pursuant to the order of the House yesterday, I call up the joint resolution (H.J. Res. 492) making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes, and ask unanimous consent that the resolution be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 492

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for emergency employment for the fiscal year ending June 30, 1975, and for other purposes, namely:

DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

COMPREHENSIVE MANPOWER ASSISTANCE

For an additional amount for "Comprehensive manpower assistance", $473,350,000, to remain available until September 30, 1975, of which $15,300,000 shall be transferred to the Community Services Administration for carrying out activities authorized by section 222(a)(13) of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2701 et seq.).

Mr. MAHON. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this is a noncontroversial measure which has been approved unanimously by the Committee on Appropriations. This resolution comes out of the subcommittee headed by the gentleman from Pennsylvania (Mr. FLOOD), and I yield to the gentleman from Pennsylvania (Mr. FLOOD), the chairman of the subcommittee.

Mr. FLOOD. I thank the gentleman.

Mr. Chairman, the resolution before us today contains $473,350,000 for the summer youth employment and recreation programs. This is the precise amount which was included for these programs in H.R. 4481, the emergency employment appropriations bill, which the President vetoed. The $458,050,000 included in the bill for the summer youth employment program will provide 840,000 jobs for young people during the summer. Each job will support 9 weeks of employment with an average of 26 hours per week. This is an increase of about 80,000 jobs over last summer's program. Also included in the total is $1,700,000 for the summer transportation program, and $15.3 million for the summer recreation program. As we indicated in the conference report on H.R. 4481, these funds are to be distributed in a manner which insures that no area will receive fewer jobs than it received last summer.

Mr. Chairman, the summer is now upon us. These funds should have been appropriated long before this. I hope that both the House and Senate will act quickly on this bill so that it can reach the President's desk this week, and summer jobs for young people throughout the Nation can begin as soon as possible.

Mr. MAHON. Mr. Speaker, it should be possible to clear this bill to the President within a couple of days. There is no controversy about the need for the program. This is the amount that was in the vetoed bill for this purpose. It is the most urgent of all the items that were in the vetoed jobs bill.

Mr. Speaker, I urge approval of the resolution.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to my friend, the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding.

I support the resolution, but I would like to ask the distinguished chairman of the committee why this resolution does not include funds for the college work-study program. I ask that question partly because Ohio State University is located in the district I represent. Ohio State is the largest university in the United States located on one campus, with an enrollment of almost 50,000 students.

On May 11 officials of the university ended the college work-study program for 1,141 college students, saying that there was no more money available.

Also I would point out that Ohio State is on the quarter system, and the summer quarter begins on June 23, in just a few days.

Mr. MAHON. Mr. Speaker, if the gentleman will permit me to answer, I realize that he has a particular problem in regard to the college work-study program.

I also realize there are many valued job programs that were in the vetoed bill that we could consider, but this measure before us now was of such great urgency it was determined that we would pass it, and pass it quickly, so that the 840,000 summer youth could begin to participate in the program.

The SPEAKER. The time of the gentleman from Texas (Mr. MAHON) has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 2 additional minutes.)

Mr. MAHON. Mr. Speaker, the matter which the gentleman from Ohio (Mr. WYLIE) has mentioned could be handled in the regular appropriation process.

If we encumber this bill and add to it a large number of additional programs, we would slow it down. This measure ought to have been sent to the President last week. I feel sure we can get it to him this week.

Mr. WYLIE. Mr. Speaker, will the gentleman yield further?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I submit that the college work study program is also a summer youth work program in this context. However, I checked with the Parliamentarian this morning and he indicated that any amendment which I might offer with reference to the college work study program would not be germane.

However, universities like Ohio State and like the university in the chairman's own district cannot plan for the summer with respect to this college work study program.

I would submit that the Ohio State University students feel the college work study program is very important and that an emergency exists. I have before me a copy of the Lantern, which is the Ohio State University student newspaper, which says: "Wylie agrees with President Ford. Vetoes work study aid bill."

The college work study program was only a small part of the $5.9 billion bill on which the veto sustained last week, but to the Ohio State University students, the work study program in the bill that was all-important.

Mr. Speaker, I would ask the chairman when does he think the Committee on Appropriations will get to appropriations for the college work study program?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, this is a matter which could be handled in the regular appropriations process. Final disposition can be made in this manner but I would think it is unnecessary to proceed further with this matter at this time. We do need the pending bill as soon as possible.

Mr. WYLIE. Mr. Speaker, I thank the gentleman and appreciate his interest. I would hope some action on this will come within the next few days.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, I would like to ask the gentleman from Ohio (Mr. WYLIE) how he voted on the veto last week.

Mr. WYLIE. I voted to sustain the veto.

Mr. O'NEILL. I wish the gentleman had as sympathetic a heart at that time as he has now. The truth of the matter is that the chickens are coming home to roost right now, and the Members on the other side are going to see that along the line.

I have noted that the Members on the other side have a motion picture which, I understand, is entitled, "Republicans Are Humans" or "Republicans Are People."

There are an awful lot of people in the same situation as these students the gentleman is talking about. I wish that he had had more concern for them last week, and that goes for the leadership on the other side of the aisle as well.

Mr. WYLIE. Mr. Speaker, I move to strike the requisite number of words.

I would just like to respond to the majority leader's statement.

I voted to sustain the veto last week because the emergency employment appropriations bill appropriated $5.9 billion in emergency employment funds, most of which was to go for a public works program which I did not think could immediately help the unemployment situation. I agreed with the President on that. I think the effect of including the college work study program in that bill was to hold the college work study program captive. I believe the summer youth employment bill and the college work study were included in the employment bill so that it would be easier to pass the bill and override the veto.

I resent the fact that otherwise established worthwhile programs were being held captive by questionable new programs in the emergency employment bill. The college work study program has been in existence since 1965. This is not something new, and we are only talking about $119 million, whereas the bill which was vetoed by the President and on which the veto was sustained last week was a $5.9 billion inflation-packed bill, and I do not apologize to anyone for voting to sustain the veto.

Mr. DENT. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker and Members of the House, the gentleman who preceded me said that he voted to sustain the veto because of the $5 billion-plus for public works.

His concern is for the need of college students.

The public works program is for the needy blue-collar workers. About a dozen years ago we decided that every kid in America had to become a college graduate.

Therefore, today in the United States, with around 9 million admitted unemployed, another 6 million that are unemployed but not seeking jobs because it is hopeless, another 7 million on part-time work, we find at this very moment thousands of jobs that cannot be filled because in the last dozen or so years we have emphasized in every instance higher education moneys, neglecting moneys for the public jobs, the community jobs, the jobs that had to be done by working people, the blue-collar workers.

Yet in the midst of this high unemployment we have not enough trained men in the schools to help this country supply the labor for jobs now needing over 430,000 in the United States.

Give your concern to the men who need the jobs, give your concern to the jobs that would create jobs. Every public job we would put in under that act would have created 2½ to 3 sustaining jobs. No one complained about the public service jobs and the political jobs, but the jobs that take brick and mortar, bread and butter, are discarded like they do not mean a thing, when we are in one of the most devastating recession periods in our history.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DENT. I am happy to yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Speaker, I think I can understand what is bothering the gentleman from Ohio (Mr. WYLIE). The gentleman just happens to have the Ohio State University in his district, which has some 50,000 students, all of whom can choose to vote there if they please, and the student newspaper has really been frying the gentleman from Ohio for his vote on the veto.

So that is really what is bothering the gentleman, and I know it and the Members know it.

I am for giving jobs to college students, but I really do not think that that is going to solve the dilemma of the gentleman from Ohio (Mr. WYLIE) because this recession has not bottomed out yet, and when we look at the figures next week we will find that there are more unemployed then than there were this week, and so on, and then soon some of the rest of the gentleman's constituents will catch up with him, not just the Ohio State University students.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. DENT. Mr. Speaker, I do not have the time to yield to the gentleman from Ohio. I want to finish my remarks.

Mr. Speaker, I lived during the period when "prosperity was just around the corner." Then there were the same general kinds of statements that we are now getting in the papers such as the recession has bottomed out, and then, right on the inside page you see that another factory has folded up.

What did we read last night? "Economic slowdown bottoms out." And then at the same time I noted the closing of another Ford plant that was completely shut down.

The other day the headlines in the Pittsburgh Press said, "We are starting upwards on recovery." Then in the same paper, on the right-hand side, it said that the public transportation system had to lay off 500 more men.

Cannot the Members understand that slogans will not feed people? Cannot the Members understand that there is only one thing that counts in an economy such as ours, and that is jobs, and I do not care where we get them from.

At the same time that Ford closed its plant down it is importing into the United States more trucks than were made at that truck plant, and they were importing them skinned down, with the body in another part of the ship, and Ford labor was on the dock putting the bodies on in order to save 3 percent on the import tariff money.

How darned dumb can this America be? How foolish can we get? Do not think we will ever recover when we give the jobs away.

There is only one thing we need in this country, and that is the production of American goods, and American consumption by American workers.

Mr. MICHEL. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, back to what is involved here in this particular resolution, the $473,350,000 in the bill for summer youth employment and summer youth recreation is $60,650,000 over the budget request, and a like amount over the original House bill for these two items.

The $458,050,000 for summer youth employment will generate about 840,000 jobs for 9 weeks, at an average of 26 hours per week at the minimum wage of $2.10 per hour, and the number of jobs is approximately up 80,000 over last year.

This last-ditch emergency action would not have been necessary had a responsible bill been passed in the first place, rather than a bill loaded down with political gimmicks.

In the editorial words of the Washington Star on Sunday:

> The trouble with the vetoed bill was that it wasn't simply an emergency jobs bill but was a measure loaded with pork-barrel items that had little to do with the immediate creation of jobs.

The Members will recall that when the bill first came up in the House back in March I offered an amendment that included the Labor-HEW section and a few other items but eliminated most of the so-called pork barrel. Had the House adopted rather than rejected that amendment, local officials would know where they stand today and we would not be here still debating the issue.

Last week 78 of us joined the gentleman from Michigan (Mr. ESCH) and myself in introducing legislation which was patterned after my original amendment, which includes not only the items in the resolution before us, but also many for public service jobs, college work-study and the WIN program. These are all items that would have stimulated more immediate employment rather than the "off in the future somewhere" jobs speculated about in the vetoed bill.

I believe this legislation is more comprehensive in a responsible way and would be preferable to the resolution we are debating today. However, due to the urgency of the situation and the indication of the Chairman, the gentleman from Texas (Mr. MAHON) that an arrangement has been made with the other body to expeditiously move this item which is so urgent through the other body, and an agreement could be reached within a matter of hours and sent on to the President, I support this particular resolution. I do so with the reservation, however, that what the Chairman, the gentleman from Texas, has indicated is going to take place in the other body does indeed take place. If not I think all of those Members who joined with me in introducing substitute legislation as we did last week would be perfectly within their rights to insist on our original package and oppose the simple measure that the Chairman has before us today.

As I indicated to the Members, I support the legislation and hope that it would be adopted unanimously and moved over to the other body so that we could quickly resolve this particular issue, and then the matter of public service jobs, college work-study, and the others, can be handled in the regular bill.

In view of our not being able to enact that measure into law before the end of the fiscal year, we can rely upon the continuing resolution to take care of these items, as the Chairman indicated. We will have a full committee meeting, I think, within the next couple of days, to report out a continuing resolution and that will be on the floor of the House within a minimum period of time, I am sure.

Mr. CONTE. Mr. Speaker, I move to strike the necessary number of words.

I want to make sure the record is clear and ask the gentleman from Texas whether or not we take care of the summer youth recreation program and the summer youth employment program which was in the vetoed bill; and the community service employment for older Americans, and the public service jobs, and the college work-study, and the WIN will all be taken care of in the gentleman from Pennsylvania, Mr. FLOOD'S bill, in the HEW appropriation bill, and then with the continuing resolution those will be taken care of.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Texas.

Mr. MAHON. I thank the gentleman for yielding.

If I may say to my distinguished friend, the gentleman from Massachusetts, it is anticipated that numerous other jobs programs which have been mentioned here can be taken care of to some extent in the continuing resolution which will be before the full committee on Thursday. A number of the matters will be taken care of in the continuing resolution, including the public service jobs. Certain funds relating to work-study, and so forth, are or will be provided for in regular bills. It is the intent of the Committee on Appropriations, of which the gentleman from Massachusetts is a distinguished member, to take care of the emergency problems that confront us with respect to jobs, as well as can be done under the circumstances.

Mr. CONTE. I thank the gentleman. That was my understanding in the committee when the gentleman from Illinois (Mr. MICHEL) had come in with his package bill, of which I was cosponsor. But everything will be taken care of through the other methods through the HEW appropriation bill.

Under the bill that was vetoed, that leaves the Farmers Home Administration. We have had some extra money there. I have already spoken to some members on the Committee on Agriculture, and they told me they are going to insert extra money in the agriculture bill for the Farmers Home Administration. The vetoed bill had some extra money for small business, and I understand State and Justice are going to take care of that.

So all that remains of the vetoed bill that will not be taken care of are some large public works projects?

Mr. MAHON. Well, if the gentleman will yield further, the vetoed bill was quite comprehensive and provided some 900,000 jobs. It is not anticipated that we can take care of all the items in the vetoed bill, of course.

Mr. CONTE. I realize that, but I want to direct attention to the point and make it clear that when the majority leader comes up here and chastises this side of the aisle for cutting out jobs and speaks of the unemployed, every job except the large public works jobs will be taken care of, but not one will have gone to Massachusetts. Not only that, but if he was worried and concerned about the unemployed, why did he three times vote against my amendment for $700 million to put 35,000 unemployed workers back to work to take care of railroad beds? Only because the Interstate and Foreign Commerce subcommittee chairman's nose was out of joint because I was trying to put the money for this project in an appropriation bill.

But with one shot, immediately 35,000 could have gone back to work. Then when it was all over with, as I said on this $1.6 billion public service jobs project as the gentleman from Pennsylvania (Mr. DENT) said, when it is all over what have we got, even though I am in favor of it? But if we had appropriated the $700 million for railroad maintenance and the chairman was against me, we would have put 35,000 people back to work; and at the end we would have had a good roadbed in this country which is so badly needed throughout the national rail system.

Mr. MAHON. Mr. Speaker, will the gentleman yield further?

Mr. CONTE. Yes.

Mr. MAHON. We had hoped to pass this bill as soon as reasonably possible, so the House can get on with the energy bill and I would like to move the previous question as soon as possible. But I do not want to cut anybody off.

Mr. CONTE. Well, the gentleman has not answered my question. I do not yield any further.

Mr. Speaker, this was a perfect opportunity for the Democratic side of the aisle to roll up their sleeves and give those people in the blue shirts a job on our railroads, and yet the majority defeated it. The other thing I can say is that they are always blaming this side. I just voted to override the President on the strip mining bill and I notice 57 Republicans on this side of the aisle joined in trying to override the President. Fifty-seven Democrats voted to sustain him. Who has got the votes? Where were these horses when they needed them?

Mr. ESCH. Mr. Speaker, I move to strike the requisite number of words.

I would like to ask the distinguished chairman of the Committee on Appropriations to confirm one or two technical matters which I think are significant from the standpoint of legislative history.

I believe we should have assurance that the summer youth employment funds will be handled in a manner which we previously determined in the previous conference report; that is, that the Department of Labor is expected to distribute the funds in accordance with the title I formula and adjust it to be sure that no area receives less enrollment opportunity than was offered in the summer of 1974.

Second, it should be restated that the Department of Labor shall not require prime sponsors to produce matching funds for any part of these supplemental summer youth employment funds.

Mr. MAHON. Mr. Speaker, it is my understanding this is the plan of procedure.

Mr. ESCH. One other point that should be mentioned, that is that the Department of Labor should not prohibit or penalize prime sponsors who have obligated other title I dollars to establish a summer youth program in anticipation of late funding of this program. I would not want to have those communities that have already moved ahead and expended title I funds to be penalized. I understand that is the intent of this bill.

Mr. MAHON. This was the intent of the committee.

Mr. ESCH. I thank the chairman on this important point.

Mr. Speaker, I rise to give my strong support to this bill which will appropriate funds for the summer youth employment program. It is obviously vital that we take speedy action to get these funds out to the youth around the Nation and I commend the committee for moving promptly on that provision.

However, I am deeply concerned that the committee has failed to include provision in this bill to appropriate funds for the emergency unemployment compen-

sation program. As we are all aware, this appropriation expires on June 30 and new funds are absolutely vital. We have less than 3 weeks before these funds will run out and it is clearly essential that we take action now so that those unemployed citizens who have found public service jobs will not be fired once again.

That is why I am so particularly disturbed that your committee did not include the public service employment funds in this bill. Two weeks ago, the chairman was calling this an emergency jobs bill. I wonder what has happened to the emergency? Why is it that what was an emergency 2 weeks ago is now something on which we can postpone action?

It seems clear to me that the answer to those questions is politics. The committee has been playing politics with this issue over the past 2 weeks—first, by attempting to place more blame than was warranted on the administration with regard to the veto of all the pork barreling that went into the original bill and then by refusal to include emergency unemployment funds in this bill, simply because there was enormous support for that kind of provision on the minority side.

In its exceptionally thoughtful editorial last Sunday, the Washington Post indicated its belief that the immediate answer to our unemployment problems right now is to enact a better version of the employment bill that Mr. Ford vetoed.

About half of its $5.3 billion would have gone into questionable public works and construction projects of the sort that usually create jobs at times and in places where they are least needed. But the other half of the vetoed bill deserves to be revived by Congress and sent back to Mr. Ford. It contained nearly half a billion dollars for summer jobs and, while the money is already very late, it is urgently needed. The bill also contained $1.6 billion for public service jobs that Mr. Ford requested, and $120 million to subsidize part-time jobs for students.

The collision over this bill has not done much for either side. Carl Albert, the Speaker of the House, characterized it as a confrontation between the respective ideals of the two parties. Ideals? The Democrats succumbed to the temptation to load up an emergency bill with pork barrel projects of the crudest sort. Meanwhile the President has again conveyed an impression that he does not see much of an emergency at all. The most useful bill now would be one supporting short-term employment and generous unemployment compensation in the coming months, while the country finds out exactly what sort of recovery we are going to have—and how soon.

I find myself in general agreement with the Post. It is high time we stopped playing politics with this and see that those vital portions of the bill be enacted at once. It is absolutely essential that we take action to assure that emergency public service employment funds will be available 3 weeks from now. We cannot allow the unemployed to suffer simply because we are involved in an internal power debate.

I, therefore, ask the chairman of the committee, Mr. MAHON, for assurances that appropriations for the emergency public employment programs will be brought to the House floor in sufficient time so that they can be passed and signed into law prior to the expiration of the appropriation on June 30.

Mr. MAHON. Mr. Speaker, we have had these problems under consideration. No one can certify or guarantee what the House may do, but the House will have its opportunity to work its will with respect to these various measures. What we are trying to do today is move this bill, as the gentleman has indicated, to the White House as rapidly as possible so that the 800,000 young men and women involved in the program can go to work on the basis which the program provides.

Mr. ESCH. Would the chairman agree that it is equally important for the 310,000 individuals who are on public employment jobs which the $1.6 billion concerns?

Mr. MAHON. I would not equate the two, but in the continuing resolution we will have an opportunity to carry on the existing levels of public service jobs, and we propose to do so.

Mr. ESCH. And that will be brought up before the end of the first year?

Mr. MAHON. The gentleman is correct.

Mr. ESCH. I appreciate the Chairman's assurances on that.

Mr. MICHEL. Mr. Speaker, will the gentleman yield.

Mr. ESCH. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I would just like to make clear that there is no way, under any sets of circumstances, whether we are for or against the concept of public service jobs, are we going to let those 310,000 go off the rolls and become unemployed. That was the reason for the $1,625,000,000, not for new people, just for continuity of that over one fiscal year.

While the Chairman feels, in a sense, as I do, we are not satisfied with it, but we are going to do it. We have agreed with the Chairman, and I think if it does nothing else, it underscores the necessity of the regular bill. We put it in there and in the continuing resolution we make it clear that this is going to take place.

Nobody is going to get anybody, but we are going to do it whether we like the program or not. The Chairman of this committee should make that very clear. If he does not, I will.

Mr. ESCH. I think the time for recrimination should be over. It is time for compromise, and I hope we pass this bill.

Mr. PERKINS. Mr. Speaker, I move to strike the last word.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, we are trying to move along, and I see some other Members seeking recognition. Of course, we could discuss this all afternoon, but I would hope that we could move along and send this to the other body. I think the other body will be very receptive, and we can put this measure to work.

Mr. PERKINS. Mr. Speaker, I certainly am in support of this legislation, but there is one item that I would like to ask the distinguished chairman how he contemplates handling. That is, the work study appropriation to furnish jobs for students this summer. It involves several thousands of jobs.

I just wonder if the distinguished chairman intends to provide a work study appropriation of an additional $119 million in the continuing resolution.

Mr. MAHON. Mr. Speaker, if the gentleman will yield, I will say that the Committee on Appropriations works through its subcommittees, as the gentleman knows. The chairman of the subcommittee handling this type of legislation is the gentleman from Pennsylvania (Mr. FLOOD). So, of course, we are going to have a continuing resolution before the House next week, and we will have an opportunity then to work our will with respect to that measure at that time. There is also opportunity for the House to work its will in connection with the regular appropriations bills which is a preferable procedure.

Mr. PERKINS. I thank the distinguished Chairman.

Mr. GOODLING. Mr. Speaker, I move to strike the requisite number of words.

I want to reply to the majority leader, merely to indicate to him that I could have changed my vote last week on this bill because of the vicious, partisan speech of the majority leader.

I would like to yield to my distinguished colleague, the gentleman from Ohio (Mr. WYLIE), who was the victim of a hit-and-run attack.

Mr. WYLIE. I thank the gentleman for yielding.

I thought I made it clear, when I started to speak a little while ago, that I am in favor of this bill and support the summer youth employment program. The point I was attempting to make is that the college work study program is also a summer youth employment program.

As the gentleman from Ohio (Mr. HAYS) mentioned, I am concerned about a lot of college students, almost 50,000 of them. But I am expected to represent all of the constituents in my district, as all of us are, and a substantial portion of my constituency is made up of college students. This part of my constituency has a legitimate concern about the college work study program. The only reason I engaged in the colloquy with the gentleman from Texas (Mr. MAHON) which we discussed in advance, was to get some assurance that there would be early followup on the college work study program.

I am sorry the gentleman from Ohio (Mr. HAYS) felt that he had to make a personal attack on me because I was expressing concern for some of the students at Ohio State University. I know the gentleman from Ohio (Mr. HAYS) knows his dictrict and he represents it very well. As a matter of fact, he is a prototype of the people in his district and the people he represents. But the real point I wanted to make is that the college work study program has been a proven valuable program, allowing young people, who might not otherwise be able to attend college, to work their way through college. For 10 years it has proven to be a worthwhile, valuable program that must be continued. A similar program was helpful to me when I went to college several years ago. What I really want to say is that I hope we can get on with funding college work study programs within the next few days.

Mr. DOMINICK V. DANIELS. Mr. Speaker, the burden of joblessness weighs heavily on our young citizens, and the statistics reveal only the tip of the iceberg. Close to 22 percent of all 16- to 19-year-olds in the labor force are without work. For minority youth, the rate of joblessness approaches 40 percent. Looking beneath the figures we see a story of frustration and of despair, of young lives being senselessly wasted.

The response of this Congress was a massive appropriations bill, H.R. 4481, designed to create approximately 900,000 jobs. Unfortunately, the callous disregard for the welfare of the American worker was displayed by the administration in its veto of this measure. Today, in an effort to tackle one immediate problem—namely the many thousands of teenagers who will be seeking jobs this summer—this House is considering House Joint Resolution 492. This bill will provide $485,050,000 for summer youth employment and summer youth transportation through title I of the Comprehensive Employment and Training Act. This should finance more than 800,000 9-week job slots at an hourly compensation of $2.10.

Mr. Speaker, I urge my colleagues to support this urgently needed measure. I deeply regret that the action of this administration has forced us to embark on this piecemeal response to the devastating problem of unemployment. Our young people, our elderly, our unskilled, our recently out-of-work Americans need a long-term comprehensive measure to insure a swift recovery from the unempoyment crisis. I am certain that this House will again pass a large-scale appropriations bill to speed an economic upturn and bring hope for a secure future back into the lives of millions of Americans.

Mr. FRENZEL. Mr. Speaker, the summer jobs provided in this appropriation were a part of the emergency jobs bill. I opposed the jobs bill and supported its veto. But I noted at that time that the summer jobs, public service jobs, WIN jobs, community service jobs for older Americans, college work-study, and some other programs, were high-priority projects which should be passed.

I, therefore, support House Joint Resolution 492 and these summer jobs. I only wish this resolution would also include the other needed elements of the Michel bill. I understand, however, that the Michel bill which has a long list of 78 cosponsors, and which could likely be signed, has been held up by the majority leadership.

This kind of leadership attitude has already been described as one which says "If you will not have my jobs plan, you will not have any jobs plan." I believe that the majority group has a responsibility to pass the best jobs plan it can, and I believe it will pass. Instead, it now looks as if the House is sulking in a corner at the public's expense.

Let us pass this bill. It is a little over budget—a final act of spite by the frustrated proponents of the jobs bill—but it is urgent now because of the time wasted on the jobs bill. Then let us quit sulking and pass the other effective programs.

Mr. RANGEL. Mr. Speaker, I rise today to give wholehearted support to House Joint Resolution 492, a resolution providing emergency funds for summer youth employment and recreation programs. It is only through the tireless efforts of Chairman GEORGE MAHON and his Appropriations Committee that we will be able to vote on this crucial piece of legislation today. He and the committee are quite cognizant of the need to provide employment and recreational activities for the thousands of youths who soon will be leaving school for the summer. Their speed in reporting a bill to the House so soon after the President vetoed the emergency jobs appropriation bill reflects their desire, not shared by the administration, to do something positive to provide employment. I applaud them for their efforts.

All of our communities will be benefited by this legislation. With an unemployment rate of 9.2 percent nationally and nearly four times that for youth in some cities across the Nation, we can ill afford not to act favorably on this bill. We must provide the youth of this Nation with constructive activities so that they will have meaningful work and recreation to keep them occupied during the summer months.

The recent failure of Congress to override President Ford's unconscionable veto of the emergency jobs bill makes this legislation mandatory. Although this resolution which we have before us today does not go as far as I would like, it does attempt to provide some relief. Employment would be provided for 840,000 youths, for 9 weeks at an average of 26 hours per week. In my city of New York, we are going to have over 500,000 young people seeking employment. I would be remiss in my duties as a legislator if I did not support this bill which would help my city and others in their attempt to provide employment for the youth. As I see it, the reality of the situation is that jobs do not create inflation, rather they help stem its growth. Unfortunately President Ford has not accepted this economic theorem but some of us in Congress have.

We are presented here with an opportunity to act swiftly and decisively in an area that is of profound importance to us all. Putting people to work should be our first priority. We cannot afford to remain deaf to the cries of our youth. I urge my colleagues to vote "yes" on the final passage of House Joint Resolution 492.

Mr. GUDE. Mr. Speaker, I am pleased to note that speed with which the House is considering House Joint Resolution 492, providing appropriations for an estimated 840,000 summer jobs for youths. The emergency employment bill was vetoed because it was a bad bill, full of unnecessary and expensive programs unrelated to our current economic problems. That the House sustained the veto last week is evidence of our recognition of that fact.

When I voted to sustain the veto I made clear that my opposition to the bill in question should not be construed to mean opposition to the needed emergency employment programs it contained, but rather opposition to those parts of the bill which clearly came from the pork barrel.

One of these needed and useful programs is the summer job program. The $473.5 million contained in House Joint Resolution 492 is intended to fund an estimated 840,000 jobs for young people during this summer. The jobs will be for 9 weeks, with each one averaging 26 hours of work per week. The amount of $15.3 million is also appropriated for the summer youth recreation program. In most instances, the jobs are city or local government related, such as park and recreation, cleanup jobs, and other government services. Young people may also be put to work for nonprofit organizations or community groups.

This is an important program, and I am pleased to support it. There were also a number of other useful programs in the vetoed bill, and I have joined with a number of my colleagues in sponsoring H.R. 7611, which includes them. It is my hope that the Appropriations Committee and then the whole House will act with equal speed on those other programs as well and not play politics with something as serious as our unemployment problem.

Mr. BOLAND. Mr. Speaker, H.R. 4481, the emergency employment appropriations bill which was vetoed by the President, contained a statement that it was the "continuing policy and responsibility" of this Government to do everything in its power to provide for jobs for all Americans able, willing and seeking them. That policy remains the policy of the great majority of this body's Members. It certainly is mine. I join wholeheartedly with the distinguished chairman of the committee, the gentleman from Texas, in supporting this present legislation, House Joint Resolution 492.

All that is contained in our bill is money for summer youth employment and recreational programs. These programs must be funded immediately so that they can be organized in time to provide employment and recreational opportunities for economically disadvantaged youth in a matter of weeks. A total of $473,350.000 is made available for commitment until September 30 for 9 weeks of summer employment. The jobs average 26 hours a week for economically disadvantaged youths aged 14 to 22.

Mr. Speaker, it is my hope that this legislation can be swiftly approved in both Houses and signed by the President. Without this legislation hundreds of thousands of young summer job seekers will certainly fail to find employment. Fully 20 per cent of the country's summer jobs are involved.

I cannot but deplore the President's action in vetoing H.R. 4481, the predecessor emergency jobs bill he found fiscally irresponsible. Among the irresponsible sections of that bill were appropriations for an additional 900,000 full time jobs. Those jobs, like the jobs represented by this bill's appropriations, represent the way out of our current recession. Jobs wipe out unemployment and, business indications to the contrary,

it is payroll checks that feed the families of this Nation, not vetoes.

Mr. MAHON. Mr. Speaker, I move the previous question on the joint resolution.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MICHEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 408, nays 8, not voting 17, as follows:

[Roll No. 276]

YEAS—408

Abdnor	Clay	Gilman
Abzug	Cleveland	Ginn
Adams	Cochran	Goldwater
Addabbo	Cohen	Goodling
Alexander	Collins, Ill.	Gradison
Ambro	Conable	Grassley
Anderson, Calif.	Conlan	Green
Andrews, N.C.	Conte	Gude
Andrews, N. Dak.	Corman	Guyer
Annunzio	Cornell	Hagedorn
Archer	Cotter	Haley
Ashbrook	Coughlin	Hall
Aspin	Daniel, Dan	Hamilton
AuCoin	Daniel, R. W.	Hammerschmidt
Badillo	Daniels, N.J.	Hanley
Bafalis	Danielson	Hannaford
Baldus	Davis	Harkin
Barrett	de la Garza	Harrington
Baucus	Delaney	Harris
Beard, R.I.	Dellums	Harsha
Beard, Tenn.	Dent	Hastings
Bedell	Derrick	Hawkins
Bell	Derwinski	Hayes, Ind.
Bennett	Devine	Hays, Ohio
Bergland	Dickinson	Hébert
Bevill	Diggs	Hechler, W. Va.
Biaggi	Dingell	Heckler, Mass.
Biester	Dodd	Hefner
Bingham	Downey	Heinz
Blanchard	Downing	Helstoski
Blouin	Drinan	Henderson
Boggs	Duncan, Oreg.	Hicks
Boland	Duncan, Tenn.	Hightower
Bolling	du Pont	Hillis
Bonker	Early	Hinshaw
Bowen	Eckhardt	Holland
Brademas	Edgar	Holt
Breaux	Edwards, Ala.	Holtzman
Breckinridge	Edwards, Calif.	Horton
Brinkley	Ellberg	Howe
Brodhead	Emery	Hubbard
Brooks	English	Hughes
Broomfield	Erlenborn	Hungate
Brown, Calif.	Esch	Hutchinson
Brown, Mich.	Eshleman	Hyde
Brown, Ohio	Evans, Colo.	Ichord
Broyhill	Evans, Ind.	Jacobs
Buchanan	Evins, Tenn.	Jarman
Burgener	Fascell	Jeffords
Burke, Calif.	Fenwick	Jenrette
Burke, Fla.	Findley	Johnson, Calif.
Burke, Mass.	Fish	Johnson, Pa.
Burleson, Tex.	Fisher	Jones, N.C.
Burlison, Mo.	Fithian	Jones, Okla.
Burton, John	Flood	Jordan
Burton, Phillip	Florio	Karth
Butler	Flowers	Kasten
Byron	Foley	Kastenmeier
Carney	Ford, Mich.	Kazen
Carr	Ford, Tenn.	Kemp
Carter	Forsythe	Ketchum
Casey	Fountain	Keys
Cederberg	Fraser	Kindness
Chappell	Frenzel	Koch
Chisholm	Frey	Kreba
Clancy	Fulton	Krueger
Clausen, Don H.	Fuqua	LaFalce
Clawson, Del	Gaydos	Lagomarsino
	Giaimo	Landrum
	Gibbons	Latta
	Leggett	Obey
	Lehman	O'Brien
	Lent	O'Hara
	Levitas	O'Neill
	Litton	Ottinger
	Lloyd, Calif.	Passman
	Lloyd, Tenn.	Patman, Tex.
	Long, La.	Patten, N.J.
	Long, Md.	Patterson, Calif.
	Lott	Pattison, N.Y.
	McClory	Pepper
	McCloskey	Perkins
	McCollister	Pettis
	McCormack	Peyser
	McDade	Pickle
	McEwen	Pike
	McFall	Poage
	McHugh	Pressler
	McKinney	Preyer
	Macdonald	Price
	Madigan	Pritchard
	Maguire	Quie
	Mahon	Quillen
	Mann	Railsback
	Martin	Randall
	Mathis	Rangel
	Matsunaga	Rees
	Mazzoli	Regula
	Meeds	Reuss
	Melcher	Rhodes
	Metcalfe	Richmond
	Meyner	Riegle
	Mezvinsky	Rinaldo
	Michel	Risenhoover
	Mikva	Roberts
	Milford	Robinson
	Miller, Calif.	Roe
	Miller, Ohio	Rogers
	Mills	Roncalio
	Mineta	Rooney
	Minish	Rose
	Mink	Rosenthal
	Mitchell, Md.	Roush
	Mitchell, N.Y.	Rousselot
	Moakley	Roybal
	Moffett	Runnels
	Montgomery	Ruppe
	Moore	Russo
	Moorhead, Calif.	Ryan
	Moorhead, Pa.	St Germain
	Morgan	Santini
	Mosher	Sarasin
	Moss	Sarbanes
	Mottl	Satterfield
	Murphy, Ill.	Scheuer
	Murphy, N.Y.	Schneebeli
	Murtha	Schroeder
	Myers, Ind.	Schulze
	Myers, Pa.	Sebelius
	Natcher	Seiberling
	Neal	Sharp
	Nedzi	Shipley
	Nichols	Shriver
	Nix	Shuster
	Nolan	Sikes
	Nowak	Simon
	Oberstar	Sisk
		Skubitz
		Slack
		Smith, Iowa
		Smith, Nebr.
		Snyder
		Solarz
		Spellman
		Spence
		Staggers
		Stanton, J. William
		Stanton, James V
		Stark
		Steed
		Steelman
		Steiger, Ariz.
		Steiger, Wis.
		Stephens
		Stokes
		Stratton
		Stuckey
		Studds
		Sullivan
		Symington
		Talcott
		Taylor, Mo.
		Taylor, N.C.
		Teague
		Thompson
		Thone
		Thornton
		Traxler
		Treen
		Tsongas
		Ullman
		Van Deerlin
		Vander Jagt
		Vander Veen
		Vanik
		Vigorito
		Waggonner
		Walsh
		Wampler
		Waxman
		Weaver
		Whalen
		White
		Whitehurst
		Whitten
		Wiggins
		Wilson, Bob
		Wilson, C. H.
		Winn
		Wirth
		Wolff
		Wright
		Wydler
		Wylie
		Yates
		Yatron
		Young, Alaska
		Young, Fla.
		Young, Ga.
		Young, Tex.
		Zablocki
		Zeferetti

NAYS—8

Armstrong	Crane	McDonald
Bauman	Johnson, Colo.	Symms
Collins, Tex.	Kelly	

NOT VOTING—17

Anderson, Ill.	Howard	Mollohan
Ashley	Jones, Ala.	Rodino
Conyers	Jones, Tenn.	Rostenkowski
Flynt	Lujan	Udall
Gonzalez	McKay	Wilson, Tex.
Hansen	Madden	

So the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Rodino with Mr. Anderson of Illinois.
Mr. Rostenkowski with Mr. Hansen.
Mr. Flynt with Mr. Jones of Alabama.
Mr. Ashley with Mr. Lujan.
Mr. Conyers with Mr. Gonzalez.
Mr. Howard with Mr. McKay.
Mr. Udall with Mr. Jones of Tennessee.
Mr. Charles Wilson of Texas with Mr. Mollohan.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution which was just passed, and that I be permitted to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE WORLD WEATHER PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Science and Technology:

To the Congress of the United States:

People everywhere recognize that weather influences day-to-day activities. People are also mindful that weather, sometimes violent, breeds storms that take lives and destroy property. Coupled with these traditional concerns, there is now a new awareness of the cumulative effects of weather. The impact of climate and climatic fluctuations upon global energy, food and water resources poses a potential threat to the quality of life everywhere.

The World Weather Program helps man cope with his atmosphere. We must continue to rely upon and to strengthen this vital international program as these atmospheric challenges—both old and new—confront us in the future.

I am pleased to report significant progress in furthering the goals of the World Weather Program. This past year has recorded these accomplishments:

—The United States began near-continuous viewing of weather and storms over most of North and South America and adjacent waters through the use of two geostationary satellites.

—The U.S.S.R., Japan, and the European Space Research Organization have taken steps to join with the United States in extending this weather watch to include five geostationary satellites around the globe.

—Computer power devoted to operational weather services and to atmospheric research has been increased appreciably. This leads to immediate gains in weather prediction and to long-term gains in extending the time, range and scope of weather predictions and in assessing the consequences of climatic fluctuations upon man and of man's activities upon climate.

—During the summer of 1974, an unprecedented event in international science occurred with the successful conduct of an experiment in the tropical Atlantic. More than one-third of the Earth's tropical belt was placed under intensive observation by 69 nations using a network of hundreds of land stations, 39 research ships, 13 specially instrumented aircraft and 7 meteorological satellites. The results of this experiment are expected to permit a sound understanding of the role of the tropics as the heat source for the global atmosphere and to provide new insight into the origin of tropical storms and hurricanes.

Senate Concurrent Resolution 67 of the 90th Congress declared the intention of the United States to participate fully in the World Weather Program. It is in accordance with this Resolution that I transmit this annual report describing current and planned Federal activities that contribute, in part, to this international program from which all nations benefit.

GERALD R. FORD.

THE WHITE HOUSE, *June 10, 1975.*

NATIONAL ENERGY CONSERVATION AND CONVERSION PROGRAM

Mr. ULLMAN. Mr. Speaker, I move that the committee resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860) to provide for a comprehensive national energy conservation and conversion program.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6860, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose on yesterday, all time for general debate on the bill had expired.

Pursuant to the rule, the bill will be read by titles.

No amendment in the nature of a substitute for the bill shall be in order, nor any amendment adding a new title to the bill.

It shall be in order to consider en bloc the amendments recommended by the Committee on Ways and Means now printed in each title of the bill following the reading of that title.

Amendments to a pending title of the bill may be considered only if germane to that title, providing those amendments have been printed in the CONGRESSIONAL RECORD of June 4, 1975, or in a previous edition thereof, or if offered by direction of the Committee on Ways and Means, but said amendments shall not be subject to amendment except those offered by direction of the Committee on Ways and Means; and it shall be in order to consider the text of the bill H.R. 7117 if offered as an amendment striking out the provisions of part I of title III of H.R. 6860 and inserting new matter, and said amendment shall be subject to germane amendment.

It shall be in order to debate pending amendments or titles of the bill under the 5-minute rule by offering pro forma amendments.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Energy Conservation and Conversion Act of 1975".

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Amendments of 1954 Code.
TITLE I—IMPORT TREATMENT OF OIL
Sec. 101. Statement of purpose.
PART I—QUOTAS
Sec. 111. Imposition of quantitative restrictions.
Sec. 112. Establishment of import licensing system.
PART II—DUTIES
Sec. 121. Rates of duty on oil.
PART III—ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS
Sec. 131. Import restrictions and rates of duty to be reflected in the Tariff Schedules of the United States.
Sec. 132. Annual reports.
Sec. 133. Definitions.
PART IV—OFFICE OF PETROLEUM IMPORT LICENSING AND PURCHASING
Sec. 141. Establishment of office.
Sec. 142. Functions of the Deputy Administrator.
Sec. 143. Conforming amendment.
PART V—AUTHORITY FOR FEDERAL PURCHASE AND SALE OF IMPORTS OF OIL
Sec. 151. Presidential determination of need for Federal purchase and sale of oil imports.
Sec. 152. Plan for system for the Federal purchase and sale of oil imports.
Sec. 153. Congressional action with respect to proposed plans.
TITLE II—GASOLINE CONSERVATION PROGRAM
PART I—ENERGY CONSERVATION TAXES
Sec. 211. Gasoline conservation tax.
Sec. 212. Special motor vehicles fuels conservation taxes.
Sec. 213. Floor stocks taxes; technical and conforming amendments.
PART II—CREDITS, ETC., RELATING TO ENERGY CONSERVATION TAXES
Sec. 221. Credit for personal use of gasoline.
Sec. 222. Credit for use of gasoline and special fuels in businesses or in work-related travel.
Sec. 223. Repayment of gasoline and special fuels conservation taxes in case of certain uses.
PART III—MISCELLANEOUS
Sec. 231. Technical amendments with respect to certain trust funds.
TITLE III—OTHER ENERGY CONSERVATION PROGRAMS
PART I—AUTOMOBILE FUEL EFFICIENCY TAX
Sec. 311. Automobile fuel efficiency tax.
PART II—INTERCITY BUSES, RADIAL TIRES, AND REREFINED OIL
Sec. 321. Repeal of excise tax on buses used in intercity public transportation.
Sec. 322. Repeal of excise tax on radial tires.
Sec. 323. Rerefined lubricating oil.
PART III—TAX INCENTIVES FOR CERTAIN ENERGY-RELATED IMPROVEMENTS OF BUILDINGS
Sec. 331. Insulation of principal residence.
Sec. 332. Residential solar energy equipment.
TITLE IV—ENERGY CONSERVATION AND CONVERSION TRUST FUND
Sec. 411. Establishment of Energy and Conversion Trust Fund.
Sec. 412. Expenditures from Trust Fund for energy projects and programs.
Sec. 413. Energy Conservation and Conversion Trust Fund Review Board.
TITLE V—ENCOURAGING BUSINESS CONVERSION FOR GREATER ENERGY SAVING
PART I—BUSINESS USE OF PETROLEUM AND PETROLEUM PRODUCTS
Sec. 511. Excise tax on business use of petroleum and petroleum products.
PART II—AMORTIZATION FOR CERTAIN ENERGY-RELATED PROPERTY
Sec. 521. Amortization of qualified energy use property.
Sec. 522. Amortization of qualified railroad equipment.
Sec. 523. Amendments relating to amortization of certain railroad rolling stock.
Sec. 524. Technical and conforming amendments.
PART III—TAX CREDIT CHANGES RELATING TO ENERGY CONSERVATION
Sec. 531. Changes in investment credit relating to insulation, solar energy, and air conditioning.
Sec. 532. Generating facilities powered by petroleum and petroleum products.
Sec. 533. Recycling tax credit.

SEC. 3. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

TITLE I—IMPORT TREATMENT OF OIL

SEC. 101. STATEMENT OF PURPOSE.

The purpose of this title is—

(1) to reduce the dependence of the United States on foreign oil by imposing restrictions on imports of oil so as to reduce such imports as rapidly as practicable without contributing to serious economic dislocation,

(2) to decrease imports of oil so that not later than 1985 the amount of such imports should not exceed 25 percent of the amount of domestic oil consumption, and

(3) to place the United States, as soon as practicable, in a position to deal with any oil embargo by foreign nations through a combination of any strategic reserve for oil which may be provided by law, other available sources of oil, and economies in the domestic consumption of oil which may be effectuated.

The purpose of this title is to be certain that oil conservation which is obtained under this Act results in the reduction of oil imports and not in the reduction of domestic oil production.

PART I—QUOTAS

SEC. 111. IMPOSITION OF QUANTITATIVE RESTRICTIONS.

(a) QUANTITATIVE RESTRICTIONS.—Except as otherwise provided in this section, the maximum average daily quantity of petroleum and petroleum products which may be imported into the United States shall be determined in accordance with the following table:

Calendar year:	Maximum average daily number of barrels (in millions)
1975	6.0
1976	6.0
1977	6.5
1978	6.0
1979	5.5
1980 and thereafter	5.5

In the case of the calendar year 1975, this subsection shall apply only with respect to articles entered or withdrawn from warehouse for consumption on or after the first

day on which the import licensing system established under section 112 takes effect.

(b) AUTHORITY TO VARY SCHEDULE.—

(1) IN GENERAL.—Whenever the President determines that, by reason of variations in domestic consumption caused by economic factors or the weather, by reason of delays in obtaining domestic production of oil or in achieving oil conservation goals, or by reason of other similar factors, it is in the national interest to vary the average daily quantity of oil which may be imported during any period, he shall appropriately modify the figure set forth in subsection (a) applicable to such period.

(2) LIMITATION.—Any modification under this subsection for any period may not change the maximum average daily number of barrels of petroleum and petroleum products which may be imported into the United States during any calendar year to a quantity which is above or below the figure for such calendar year set forth in subsection (a) by more than—

(A) in the case of 1975, 1976, or 1977, 1,000,000 barrels a day,

(B) in the case of 1978 or 1979, 1,500,000 barrels a day, or

(C) in the case of a calendar year after 1979, 2,000,000 barrels a day.

(c) SAVINGS IN DOMESTIC CONSUMPTION TO BE REFLECTED IN REDUCTIONS IN IMPORTS.—The President shall establish quantitative restrictions lower than the quantitative restrictions set forth in subsection (a) to the extent necessary to ensure that savings in United States consumption of oil will be fully reflected by at least equivalent reductions in the imports of oil.

(d) PETROCHEMICAL FEEDSTOCKS.—For purposes of the quantitative restrictions imposed pursuant to this section, petrochemical feedstocks shall not be counted against the maximum average daily number of barrels of petroleum and petroleum products which may be imported into the United States.

(e) NEEDS OF GEOGRAPHICAL AREAS AND INDUSTRIES FOR PARTICULAR PRODUCTS TO BE TAKEN INTO ACCOUNT.—The President shall divide any quantitative restrictions imposed pursuant to this section for any period among petroleum and petroleum products where such division is necessary to avoid substantial adverse impact on the various economic and health needs of geographical areas and industries within the United States.

(f) CERTAIN DISTILLATE AND RESIDUAL FUEL OILS IMPORTED FOR USE AS FUEL.—

(1) MINIMUM QUANTITIES IMPORTED BEFORE 1978.—Nothing in this section shall prevent the importation into the United States for use as fuel (other than for the propulsion of motor vehicles) of distillate fuel oil and residual fuel oil (provided for in item 475.05 or 475.10 of the Tariff Schedules of the United States) in average daily quantities which are equal to 2,000,000 barrels per day in the years 1975, 1976, and 1977, of which not more than 400,000 barrels per day in any such year may be for such distillate fuel oil.

(2) COORDINATION WITH SUBSECTION (a).—Any quantities of distillate fuel oil and residual fuel oil referred to in paragraph (1) which are imported into the United States during any calendar year before 1978 and which are not greater than the applicable minimum quantities set forth in paragraph (1) shall be charged against the quantitative restrictions set forth in subsection (a) which apply for such year.

(g) APPLICATION OF QUANTITATIVE RESTRICTIONS.—No quantitative restriction imposed pursuant to this section shall apply with respect to any quantity of oil which is imported into the United States during any period for storage in any strategic reserve for oil which may be provided by law.

(h) QUARTERLY REVIEW OF QUANTITATIVE RESTRICTIONS.—Not less frequently than once each calendar quarter, the President shall review the quantitative restrictions established by subsection (a) and any modifications made pursuant to subsections (b) and (c).

(i) PROCLAIMING OF QUANTITATIVE RESTRICTIONS; CERTIFICATIONS.—

(1) QUARTERLY PROCLAMATION OF QUANTITATIVE RESTRICTIONS.—Before the beginning of each calendar quarter, the President shall proclaim the aggregate quantities of petroleum and petroleum products which under subsection (a) may be imported into the United States during such calendar quarter (as modified pursuant to subsections (b) and (c)).

(2) CERTIFICATIONS.—The President shall certify any modification made under subsection (b) or (c) to the Secretary of the Treasury and to the Deputy Administrator for Petroleum Import Licensing and Purchasing.

(j) ADMINISTRATION.—The Secretary of the Treasury shall take such actions under the customs laws of the United States as may be necessary and appropriate to ensure that the aggregate quantities of oil imported into the United States during any period do not exceed the quantities established by subsection (a) as modified pursuant to subsections (b) and (c).

SEC. 112. ESTABLISHMENT OF IMPORT LICENSING SYSTEM.

(a) IN GENERAL.—Before December 31, 1975, the President shall establish an import licensing system for petroleum and petroleum products which are imported into the United States. Import licenses issued under this subsection shall be distributed on the basis of public auctions in which bidding is by sealed bids, and such licenses shall be fully marketable.

(b) SEPARATE LICENSES FOR SMALL REFINERS AND INDEPENDENT MARKETERS.—

(1) ESTABLISHMENT OF SEPARATE LICENSING SYSTEM.—

(A) The President shall establish a separate import licensing system for small refiners and independent marketers of petroleum or petroleum products. Except as provided in subparagraph (B), import licenses issued under this subsection shall be distributed on the basis of public auctions in which bidding is by sealed bids. Import licenses issued under this subsection shall not be marketable; except that, under the circumstances and to the extent provided by regulations, they may be resold to the Deputy Administrator for Petroleum Import Licensing and Purchasing.

(B) In any case in which any small refiner or independent marketer establishes to the satisfaction of the Deputy Administrator for Petroleum Import Licensing and Purchasing—

(i) that he has made reasonable efforts to secure the import licenses necessary to carry out his business at its regular level of operation but has not been able to secure such licenses, or

(ii) that the destruction of, or damage to, any of his business facilities or any other emergency situation requires that he be issued import licenses in order to continue his business operation,

the Deputy Administrator may issue one or more import licenses to such refiner or marketer. The price for import licenses issued under this subparagraph shall be the average price for import licenses established at public auctions conducted pursuant to subsection (a).

(2) SMALL REFINER AND INDEPENDENT MARKETER DEFINED.—For purposes of this section—

(A) SMALL REFINER.—The term "small refiner" means a refiner whose total refinery capacity (including the refinery capacity of any person who controls, is controlled by, or is under common control with such refiner) does not exceed 50,000 barrels per day.

(B) The term "independent marketer" means a person who is engaged in the marketing or distributing of refined petroleum products, but who (i) is not a refiner, and (ii) is not a person who controls, is controlled by, is under common control with, or is affiliated with a refiner (other than by means of a supply contract).

(c) PROCEDURES FOR LICENSING SYSTEM.—

(1) IN GENERAL.—The Administrator of the Federal Energy Administration shall establish procedures for the administration of this section through the promulgation of regulations.

(2) REGULATIONS FOR SUBSECTIONS (a) AND (b).—The regulations promulgated under this section with respect to subsections (a) and (b) shall include provisions authorizing the Deputy Administrator for Petroleum Import Licensing and Purchasing—

(A) to schedule frequent auctions during each calendar quarter;

(B) to require that the bidding be for small units, but to permit persons to bid for a number of units;

(C) to establish a maximum limit on the number of units which may be acquired by related persons during any period;

(D) to establish a time limit on the period during which the rights under any import license may be exercised;

(E) to reject bids—

(i) where there is evidence of collusion as to the bidding or as to failure to bid, or

(ii) where such bids are substantially below the market price which exists for the resale of import license;

(F) to deal with identical high bids for any unit by rejecting all bids, by awarding the unit to the high bidder who has acquired fewer units during a specified period than any other high bidder, or otherwise; and

(G) to bar from acquiring or using import license issued pursuant to subsection (a) or (b) persons convicted of committing any felony or misdemeanor under the laws of the United States governing oil imports, oil allocations, or price controls on oil, and to provide procedures for removing such bar in appropriate cases.

(3) ADDITIONAL REGULATIONS FOR SUBSECTION (b).—In addition to the regulations referred to in paragraph (2), the regulation promulgated under this section shall include provisions—

(A) to ensure that small refiners and independent marketers applying for import licenses under subsection (b) are bona fide refiners or bona fide marketers who have established distribution channels, and

(B) to limit import licenses under subsection (b) to such additional amounts of petroleum or any petroleum product as may be necessary to ensure that—

(i) any small refiner can operate his refineries at capacity; and

(ii) any independent marketer can adequately supply his regular distribution channels.

(d) PRESIDENT MAY REQUIRE USER OF IMPORT LICENSES TO REPORT COUNTRY OF ORIGIN.—If the President finds such action to be necessary or appropriate to the national interest, the President may require each person importing petroleum or a petroleum product into the United States under an import license issued pursuant to this section to report to the Deputy Administrator for Petroleum Import Licensing and Purchasing the foreign country of which such petroleum or petroleum product is a product.

(e) REFINERIES LOCATED IN THE POSSESSIONS, ETC.—The President shall take such steps as may be necessary to ensure that refineries located in the territories and possessions of the United States and foreign trade zones of the United States will participate in all appropriate aspects of the provisions of this title upon terms not less favorable than those accorded to refineries and importers of petroleum products located in the customs territory of the United States. Nothing in this subsection shall be treated as removing any quantitative restriction or duty imposed by or pursuant to this title.

PART II—DUTIES

SEC. 121. RATES OF DUTY ON OIL.

(a) STATUTORY RATES OF DUTY.—Effective with respect to articles entered or withdrawn from warehouse for consumption on or after the 60th day after the date of the enactment of this Act—

(1) the rate of duty with respect to petroleum shall be 2 percent ad valorem; and

(2) the rate of duty with respect to any petroleum product described in section 133 (a)(3) shall be 5 percent ad valorem.

Such rates of duty shall replace the rates of duty heretofore provided by, or pursuant to, law.

(b) AUTHORITY TO ADJUST RATES OF DUTY.—Subject to the limitations set forth in subsections (c) and (d), the President may make, from time to time, such adjustments in the rates of duty established by subsection (a), and in the rates of duty resulting from adjustment under this subsection, as he finds are necessary to carry out the purposes of this Act in the light of overall considerations of the national interest; except that the President may not make any adjustment under this subsection before the close of the 2-year period beginning on the date of the enactment of this Act which results in a rate of duty of more than 5 percent ad valorem on any distillate fuel oil or residual fuel oil (provided for in item 475.05 or 475.10 of the Tariff Schedules of the United States) imported for use as fuel (other than for the propulsion of motor vehicles).

(c) LIMITATIONS ON ADJUSTMENTS.—No adjustment made under subsection (b) to any rate of duty may result in a rate of duty which—

(1) is more than the higher of 10 percent ad valorem or $1 a barrel, or

(2) is less than 2 percent ad valorem.

(d) ADJUSTMENTS INCREASING RATES OF DUTY.—

(1) SUBMISSION OF ANY PROPOSED INCREASE IN DUTY TO THE CONGRESS.—The President shall transmit to the House of Representatives and to the Senate on the same day, and to each House while it is in session, a document setting forth any adjustment which he proposes to make under subsection (b) which increases any rate of duty.

(2) TAKING EFFECT OF ANY SUCH INCREASE.—No adjustment proposed to be made under subsection (b) which increases any rate of duty may take effect sooner than the close of the 60th day after the day on which the document relating to such adjustment is delivered to Congress under paragraph (1).

(e) PROCLAIMING OF ADJUSTMENTS TO RATES OF DUTY.—Subject to the provisions of section (d), the President shall proclaim any adjustment to any rate of duty made by him under subsection (b).

(f) COORDINATION WITH OTHER LAWS.—

(1)(A) Section 232(b) of the Trade Expansion Act of 1962 (relating to national security) is amended by adding at the end thereof the following new sentence:

"Nothing in this subsection shall be deemed to authorize the President, after the date of the enactment of this sentence, to adjust imports of petroleum and petroleum products; except that the President may adjust imports of petroleum and petroleum products during any period in which—

"(1) the Congress declares war,

"(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization,

"(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces, or

"(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)),

but any adjustment made pursuant to this exception shall not apply with respect to articles entered or withdrawn from warehouse for consumption on or after the 60th day after the closing date of the hostilities concerned."

(B) Effective with respect to articles entered or withdrawn from warehouse for consumption on or after the 60th day after the date of the enactment of this Act, no adjustment action taken under section 232(b) of the Trade Expansion Act of 1962 before such date of enactment shall have any force or effect with respect to petroleum or any petroleum product.

(2) Section 101 of the Trade Act of 1974 shall not apply to any rate of duty established by, or to any adjustment of any rate of duty made under, this section.

(3) Petroleum and petroleum products shall not be designated by the President as eligible articles for purposes of title V of the Trade Act of 1974.

PART III—ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

SEC. 131. IMPORT RESTRICTIONS AND RATES OF DUTY TO BE REFLECTED IN THE TARIFF SCHEDULES OF THE UNITED STATES.

The President shall by proclamation establish a new part 4 in the Appendix of the Tariff Schedules of the United States (19 U.S.C. 1202) and shall reflect therein any quantitative restriction established by part I and any rate of duty established by part II and any modification of any quantitative restriction and adjustment to any rate of duty made by him under part I or II.

SEC. 132. ANNUAL REPORTS.

On or before March 15, 1976, and on or before March 15 of each year thereafter, the President shall make a full and complete report to the Congress on the operation of this Act. Each such report shall include full and complete information with respect to the economies in the domestic consumption of oil which have been effectuated, the increases in domestic production of oil which have taken place, the factors taken into account in making any modification under subsection (b) or (c) of section 111, and any other information which may be appropriate in assessing the way in which the provisions of this Act are being administered.

SEC. 133. DEFINITIONS.

(a) IN GENERAL.—For purposes of this title—

(1) The term "oil" means petroleum and petroleum products.

(2) The term "petroleum" means crude petroleum provided for in item 475.05 or 475.10 of the Tariff Schedules of the United States.

(3) The term "petroleum product" means any article provided for in part 10 of schedule 4 of the Tariff Schedules of the United States, other than petroleum, natural gas provided for under item 475.15, greases provided for under item 475.55 or 475.60, and mixtures of hydrocarbons in other than liquid form provided for under item 475.70.

(b) ADDITIONAL ARTICLES MAY BE TREATED AS PETROLEUM PRODUCTS FOR PURPOSES OF QUANTITATIVE RESTRICTIONS.—For purposes of this title (other than section 121), the term "petroleum products" may include, but only if the President proclaims such inclusion to be necessary to carry out the purposes of this Act, one or more of the following articles:

(1) Coal tar articles (benzene, cumene, toluene, and xylene) provided for under item 401.10, 401.26, 401.72, or 401.74 of such Schedules.

(2) Mixtures, consisting wholly of two or more of the coal tar articles referred to in paragraph (1), provided for under item 401.80.

(3) Hydrocarbons provided for under item 429.50 or 429.52.

PART IV—OFFICE OF PETROLEUM IMPORT LICENSING AND PURCHASING

SEC. 141. ESTABLISHMENT OF OFFICE.

(a) IN GENERAL.—There is hereby established within the Federal Energy Administration the Office of Petroleum Import Licensing and Purchasing (hereinafter in this title referred to as the "Office").

(b) ADMINISTRATION.—The Office shall be headed by a Deputy Administrator for Petroleum Import Licensing and Purchasing (hereinafter in this title referred to as the "Deputy Administrator") who, in the performance of his duties under this title, shall be under the supervision of the Administrator of the Federal Energy Administration.

SEC. 142. FUNCTIONS OF THE DEPUTY ADMINISTRATOR.

The Deputy Administrator shall—

(1) administer the import licensing system established under section 112; and

(2) administer the provisions of part V (relating to the Federal purchase and sale of imports of petroleum and petroleum products).

SEC. 143. CONFORMING AMENDMENT.

Section 4(c) of the Federal Energy Administration Act of 1974 is amended to read as follows:

"(c) There shall be in the Administration three Deputy Administrators (one of whom shall be Deputy Administrator for Petroleum Import Licensing and Purchasing), who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offices and positions at level III of the Executive Schedule (5 U.S.C. 5314)."

PART V—AUTHORITY FOR FEDERAL PURCHASE AND SALE OF IMPORTS OF OIL

SEC. 151. PRESIDENTIAL DETERMINATION OF NEED FOR FEDERAL PURCHASE AND SALE OF OIL IMPORTS.

Whenever the President determines that the goals of reducing United States dependency on imports of petroleum and petroleum products and the securing of adequate supplies of such imports at reasonable and stable prices will be promoted through the implementation of a system under which all, or a portion, of such imports will be purchased or otherwise acquired, and sold, by the Office, he may, subject to the provisions of this part, implement such a system.

SEC. 152. PLAN FOR SYSTEM FOR THE FEDERAL PURCHASE AND SALE OF OIL IMPORTS.

(a) IN GENERAL.—If the President determines that the system referred to in section 151 should be implemented, he shall, acting through the Deputy Administrator, prepare and submit to the Congress a plan for the establishment and administration of such system, together with the text of any Executive order or regulation proposed to be issued to implement such plan.

(b) PLAN OBJECTIVES.—The plan required to be prepared under subsection (a) shall include such provisions as are necessary and appropriate to achieve the following objectives:

(1) The Office, subject to such quantitative restrictions as may be imposed pursuant to section 111, shall purchase petroleum and petroleum products for importation into the United States at the lowest prices obtainable on the basis of competitive bidding; except that the President may direct, after taking into account the need for obtaining petroleum and petroleum products from secure foreign sources and such other factors as he deems appropriate to the national interest, that quantities of petroleum and petroleum products be purchased or otherwise acquired

by the Office through other means, including—

(A) negotiated purchases from any foreign country; and

(B) exchange of United States products for petroleum or petroleum products of any foreign country.

(2) The Office shall sell petroleum and petroleum products purchased or otherwise acquired by it to private and public persons and entities within the United States in such manner, and under such terms and conditions, as it deems necessary and appropriate.

(3) The plan shall be phased into full operation in such stages, and over such period of time, as the President determines to be necessary to ensure that the Office will efficiently perform its functions under the plan with a minimum of disruption to existing market mechanisms.

(4) The plan may provide for the orderly phasing out of all or part of the import licensing system established under section 112.

SEC. 153. CONGRESSIONAL ACTION WITH RESPECT TO PROPOSED PLANS.

(a) IMPLEMENTATION OF PLANS SUBJECT TO CONGRESSIONAL DISAPPROVAL.—

(1) IN GENERAL.—Any plan prepared by the President pursuant to section 152 shall take effect if (and only if)—

(A) the President transmits to the House of Representatives and to the Senate a copy of the plan (together with the text of any Executive order or regulation proposed to be issued to implement such plan); and

(B) before the close of the first period of 30 calendar days of continuous session of the Congress after the date on which the copy of the plan referred to in subparagraph (A) is delivered to the House of Representatives and to the Senate, neither the House of Representatives nor the Senate adopts by an affirmative vote of the majority of those present and voting in that House a resolution of disapproval.

(2) COMPUTATION OF 30-DAY PERIOD.—For purposes of paragraph (1)(B) of this subsection—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 30-day period.

(3) RESOLUTION OF DISAPPROVAL.—For purposes of this section, the term "resolution of disapproval" means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: "That the ——— does not favor the taking effect of the proposed plan prepared pursuant to section 152 of the Energy Conservation and Conversion Act of 1975, transmitted to the Congress by the President on ———", the first blank space therein being filled with the name of the resolving House and the second blank space therein being filled with the day and year.

(b) PROCEDURE IN EACH HOUSE.—

(1) A resolution of disapproval in the House of Representatives shall be referred to the Committee on Ways and Means. A resolution of disapproval in the Senate shall be referred to the Committee on Finance.

(2)(A) If the committee to which a resolution of disapproval has been referred has not reported it at the end of 7 calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution of disapproval which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution of disapproval), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution of disapproval.

(3)(A) When the committee has reported, or has been discharged from further consideration of, a resolution of disapproval, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate on the resolution of disapproval shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(4)(A) Motions to postpone, made with respect to the discharge from committee or the consideration of a resolution of disapproval, and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decisions of the Chair relating to the application of the rules of the House of Representatives or the Senate, as the case may be, to the procedure relating to any resolution of disapproval shall be decided without debate.

(5) Whenever the President transmits copies of any proposed plan to the Congress, a copy of each plan shall be delivered to each House of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

(6) This subsection is enacted by the Congress—

(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions of disapproval described in subsection (a)(3); and they supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that Title I be considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Chairman, I ask that the committee amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk proceeded to read the committee amendments.

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. MIKVA. Mr. Chairman, reserving the right to object, I have perfecting amendment to title I, as the Chairman knows. I want to make sure that I will be recognized for purposes of offering those perfecting amendments before all of the amendments are voted on en bloc.

The CHAIRMAN. The Chair will state that the gentleman will be protected.

Mr. OTTINGER. Mr. Chairman, I reserve the right to object.

Mr. Chairman, I would like to inquire whether there will be an opportunity to put back in what was part V, this section that was stricken out by the committee amendment; will that be in order?

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, that will be the purpose of the amendment of the gentleman from Illinois (Mr. MIKVA), I understand.

Mr. OTTINGER. Mr. Chairman, that will be in order then?

Mr. ULLMAN. Yes. Please understand that it is in the bill, but the committee amendment strikes it from the bill.

Mr. OTTINGER. But that is one of the amendments that the gentleman is now seeking to put in?

Mr. ULLMAN. Well, that is the subject matter that the amendment of the gentleman from Illinois (Mr. MIKVA) goes to.

Mr. OTTINGER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the committee amendments to title I as follows:

Committee amendments: Page 2, in the item in the table of contents relating to part IV of title I, strike out "AND PURCHASING".

Page 2, in the table of contents, strike out the item relating to part V of title I and the items relating to sections 151, 152, and 153.

Page 9, line 1, strike out "and Purchasing".

Page 10, line 8, strike out "and Purchasing".

Page 10, line 12, strike out "and Purchasing".

Page 11, line 11, after "(B)" insert "INDEPENDENT MARKETER.—".

Page 12, line 3, strike out "and Purchasing".

Page 13, line 10, strike out "regulation" and insert "regulations".

Page 14, line 7, strike out "and Purchasing".

Page 20, line 17, strike out "AND PURCHASING".

Page 20, line 21, strike out "and Purchasing".

Page 21, line 1, strike out "and Purchasing".

Page 21, line 6, strike out "shall—" and all that follows down through line 11 and insert: "shall administer the import licensing system established under section 112.".

Page 21, line 19, strike out "and Purchasing".

Page 22, strike out line 1 and all that follows down through line 24 on page 28.

PERFECTING AMENDMENT OFFERED BY MR. MIKVA

Mr. MIKVA. Mr. Chairman, I offer a perfecting amendment to title I.

The Clerk read as follows:

Perfecting amendment offered by Mr. MIKVA: Amend sections 151 and 152 (page 22, line 3, down through line 8 on page 24) to read as follows:

SEC. 151. FEDERAL PURCHASE AND SALE OF OIL IMPORTS.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that the goals of reducing United States dependency on imports of petroleum and petroleum products and the securing of adequate supplies of such imports at reasonable and stable prices will be promoted through the implementation of a system under which all such imports will be purchased or otherwise acquired, and sold, by the Office.

(b) EFFECTIVE DATE OF FEDERAL PURCHASING AND SALE AUTHORITY.—

(1) Except as provided in paragraph (2), on or after April 15, 1976, no petroleum and no petroleum product may be imported into the United States except in accordance with a plan implemented pursuant to the provisions of this part.

(2) If Congress disapproves, pursuant to section 153, any plan submitted by the President pursuant to this part with the result that no plan is ready for implementation on April 15, 1976, paragraph (1) shall not apply and one or more plans shall thereafter be submitted, and acted upon pursuant to section 153, for implementation pursuant to the provisions of this part and no petroleum or petroleum product may be imported into the United States except in accordance with such plan, except if no plan has been implemented before July 1, 1976, no petroleum and no petroleum product may be imported into the United States on or after such date until such time as a plan is implemented pursuant to the provisions of this part.

SEC. 152. PLAN FOR SYSTEM FOR THE FEDERAL PURCHASE AND SALE OF OIL IMPORTS

(a) IN GENERAL.—Not later than March 1, 1976, the President, acting through the Deputy Administrator, shall prepare and submit to the Congress a plan for the establishment and administration of the system referred to in section 151(a), together with the text of any Executive order or regulation proposed to be issued to implement such plan.

(b) PLAN OBJECTIVES.—The plan required to be prepared under subsection (a) shall include such provisions as are necessary and appropriate to achieve the following objectives:

(1) The Office, subject to such quantitative restrictions as may be imposed pursuant to section 111, shall purchase petroleum and petroleum products for importation into the United States at the lowest prices obtainable on a competitive basis by sealed bids; except that the President may accept or reject any bid, and may negotiate with any bidder to obtain terms most favorable to the United States.

(2) The Office shall sell petroleum and petroleum products purchased or otherwise acquired by it to private and public persons and entities within the United States in such manner, and under such terms and conditions, as it deems necessary and appropriate to insure that such sales will—

(A) encourage competition within the domestic petroleum industry;

(B) result in the equitable allocation of overall supplies of petroleum and petroleum products on a geographical basis; and

(C) insure the maximum utilization of petroleum refining facilities located within the United States.

(3) The plan may provide for the orderly phasing out of all or part of the import licensing system established under section 112.

(C) REQUIREMENTS OF APPROPRIATIONS.—No petroleum or petroleum products shall be purchased in accordance with a plan described in this part unless the amounts required for purposes of such purchases are appropriated by statutes enacted after the date of the enactment of this Act.

Mr. MIKVA (during the reading). Mr. Chairman, since the amendment was printed in the RECORD and it is a rather lengthy amendment, I ask unanimous consent that the amendment be considered as read, printed in the RECORD, and I will explain it.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MIKVA. Mr. Chairman, the United States has become a victim of the OPEC cartel. My amendment would give the United States a mechanism by which we can meet the challenge of OPEC from a position of strength. We do not have to capitulate without a fight to the exorbitantly high oil prices set by OPEC, if we adopt this amendment.

Briefly, my amendment would allow only one entity—the U.S. Government—to purchase oil to be imported into this country. This purchasing agent would assess oil needs throughout the country, based on the stated needs of domestic oil refiners. Then the agent would allow any holder of oil to bid for the right to supply the U.S. market. Bidding would be secret so that no bidder would know the bid of any other participant in the auction. Even if some bidders were to collude, it is unlikely that universal collusion among all bidders could occur, because there would be simply too many potential suppliers to make such cooperation feasible. The suppliers would include not only the OPEC nations but also oil companies, distributors, independents—anyone with oil to sell. The U.S. market is sufficiently lucrative and the oil suppliers are sufficiently diverse in their interests to maintain secrecy in the bidding.

By expanding the number of potential suppliers and by discouraging cooperation among oil suppliers, the United States may be able to rupture the OPEC cartel. The loose confederation known as OPEC is precariously held together by the self-interest of each member and by the policing of the multinational oil companies. As the OPEC nations perceive noncooperation or independent action as in their self-interest, they themselves will be tempted to underbid each other.

Mr. Chairman, there is no guarantee that the purchasing authority will eliminate OPEC or will reverse spiraling oil prices, but the authority will act as a centrifugal force on the OPEC cartel, and the authority may slow down the price increases which have wracked this Nation. I have confidence that the authority will work, and I know that we cannot afford to continue to take the treatment we have received from the OPEC nations in recent years. On that basis, I ask for support of my amendment.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to say that I appreciate full well the position of my good friend from Illinois, but the committee has taken a position that I think is the correct one. Let me explain briefly where we are.

There are four possible alternatives with respect to this U.S. purchase authority. There is the position that the committee finally took, and that is to strike out the U.S. purchase authority altogether. That is the committee position. But, in the bill as it is now printed, before the committee amendment is acted upon, is an authority that is not mandatory in any way, but is permissive, that does give the President the permission to set up the purchase authority.

Now, a further position was represented in an original bill which I introduced, but went one step beyond that.

It mandated setting up a purchase authority, but made it permissive with the President whether he used it or not. It was just a standby authority. That is a third position.

Now, the fourth position is that in the amendment before us offered by my friend from Illinois, which not only mandates the setting up of a U.S. purchase authority, but also mandates its use so that, in the establishment of a quota system, all the oil purchased from abroad would have to be purchased through the U.S. purchase authority.

Mr. Chairman, that exceeds even the position that I had taken in my earlier bill, which mandated setting up the agency but made it permissive whether it was to be used or not.

I will have to say to the members of the committee that the witnesses that came before our committee, with one possible exception, were opposed to mandating U.S. purchases through a purchase authority. They had a feeling that it would not only not help in breaking the cartel system, but might, in a sense, unite the OPEC nations into a common position against the U.S. purchase authority in this regard.

In addition to that, we had some real problems with a mandating position because we worked in our committee bill, in setting up the quota system an auction system for the distribution of import licenses. This auction system is designed to facilitate the maximum degree of coordination with the free market system with a minimal amount of disruption.

If, in fact, we go this ultimate step and mandate the purchases, I think we pretty well negate the free market position.

So, Mr. Chairman, I rise in opposition to the amendment. I hope the amendment is voted down. If it is, then the gentleman has a further clarifying amendment, which we would agree to, and then the vote would lie on the committee amendment which is printed in italics and strikes out part V of the first title in the bill before you. As a result, the vote then will occur on the committee amendment that would strike the sections providing the optional authority. If that fails, then the optional authority would stay in the bill.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman.

Mr. BINGHAM. I would like a clarification. The gentleman previously asked for a unanimous consent request that the committee amendments be considered en bloc. Do I now understand in this case,

if the Mikva amendment does not prevail, that there will be a separate vote on that part of that amendment that deals on this matter?

Mr. ULLMAN. The Committee on Ways and Means amendments will be considered en bloc, but if the committee in any way amends this provision, then the Committee on Ways and Means amendment will be to strike the amended version, and if the committee amendment fails, the amended version will remain in the bill. But the Committee on Ways and Means amendments still will be considered en bloc.

Mr. BINGHAM. If the gentleman will yield further, how do we get a vote on the question of whether the committee was right, in the first instance, or whether the committee amendment is right?

Mr. ULLMAN. All of the other Ways and Means amendments are technical amendments. The only substantive one is this one before us. So, in effect, what we are doing is acting on this specific one.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the last word, and I rise to oppose the amendment offered by the gentleman from Illinois.

Mr. Chairman, as I recall, one of the last actions which our committee took was to vote to eliminate the voluntary approach to the creation of this Federal purchase authority. And certainly if the committee rejected the voluntary approach, there would be even more reason to object to the mandatory approach.

I think the amendment to strike this section was offered by the gentleman from Texas (Mr. BURLESON), and I think it carried by quite a substantial vote. One of the reasons motivating this vote was our concern that we would have a national purchase authority set up which would act against the free enterprise system, as we have had it up to this point in most of our industrial transactions, that it would possibly lead to a nationalization of the oil industry. This is one of the fears that many of us had. And on this matter of nationalization, I think we have had enough experience from what the British have had that we want no part of it.

I think it was this motivation that led the committee to oppose this amendment. Certainly if the committee voted down the voluntary aspect, the committee would be very much in opposition to the mandatory aspect.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Indiana.

Mr. JACOBS. Mr. Chairman, the gentleman said that his amendment passed in committee by a substantial vote. What was that substantial margin?

Mr. SCHNEEBELI. Frankly, Mr. Chairman, I do not recall.

Mr. JACOBS. Was it over three votes?

Mr. SCHNEEBELI. It may have been.

Mr. JACOBS. Eighteen to sixteen; does that sound right?

Mr. SCHNEEBELI. I think it was more than that. Perhaps the gentleman from Texas (Mr. BURLESON), who was there, could remember.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, the gentleman from Indiana (Mr. JACOBS) has raised a question about the history. I think the committee ought to be aware of the history, because this has been argued back and forth and up and down.

As I recall, I first offered the amendment to strike the purchase authority, and that was overwhelmingly defeated. Then the gentleman from Texas (Mr. BURLESON) offered the motion to strike it, and that was defeated. Then suddenly there were enough votes on the last day of the committee's deliberations to revive what otherwise had been a dead horse, and that "dead horse" suddenly came in first.

So the Burleson motion passed by a relatively close margin. I think the gentleman from Indiana is correct, that it was 18 to 16. Perhaps it was 19 to 15.

So this particular aspect of the committee's work has had a checkered past, under the best of circumstances. However, I must say in all honesty that I do not recall at any point that the gentleman from Illinois offered a mandatory approach.

It is true, as the chairman of the Committee on Ways and Means said, that everybody except one of the experts who testified came down on the side of saying the purchase authority is a bad idea. It raises more problems than it solves. It would create, it seems to me, two wrongs in our effort to deal with the Arab nations and the OPEC nations.

Mr. Chairman, I hope the motion to create a mandatory program for the purchase of petroleum products is soundly defeated, and I hope the committee amendment is accepted.

Mr. STARK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to speak in favor of the Mikva amendment. I would like the Members all to recognize that this country needs a constant supply of crude oil, and it needs a constant supply of some foreign oil in order to supply our refineries for more than 20 days.

If we are ever going to deal with one of the OPEC countries or with all of them, we must not break ranks but we must establish some method for procurement of oil supply for the refineries in this country at a fair price.

The chairman of the committee is correct, that we have four alternatives. If we are going to eliminate the authority, then we would be putting the fox, namely, the oil companies, in charge of the hen house, because the oil companies, in fact, the seven majors, are the ones who have been screwing up the country. That is exactly what we will get if we vote against the Mikva amendment.

On the other hand, we could have a voluntary program, but then we would be putting the rooster, in the form of President Ford, in charge of the henhouse. We all know where he will lead us; he would lead us to a position in favor of the oil companies and not in favor of the consumers.

We could do nothing, as the other alternative, and that gives us zero.

Indeed, we should have a purchase authority, which every other major nation in the world has, in order to deal with other nations in allocating crude oil throughout the world. We would be abdicating our responsibility if we do not accept this amendment, because the seven major oil companies have proven how they are operating in this country. They have shown what they can do while they make excessive profits and while the Republicans, through the guise of President Ford, talk about free enterprise making this thing work.

There is no free enterprise system in this country with respect to oil, because we are dealing with the seven major oil companies who fix prices to suit themselves.

I might also add that the experts who were selected to testify were not selected by the task force which dealt with this issue. The task force recommended a purchase authority as the only way to break the cartel and the only hope to break the cartel.

Anybody who does not think the Arabs are working en bloc and bleeding the country should take another look. On this very day they went off the dollar as the basis for purchasing oil and went onto drawing rights as the basis for purchasing oil, and the price of oil went up 35 or 40 cents a barrel today while we sit here.

Mr. Chairman, if we do not vote for the Mikva amendment, we will lose our one chance to control the high prices of oil in the future.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Illinois.

Mr. MIKVA. Mr. Chairman, I thank the gentleman for his support.

As I recall, one of the opponents of the purchasing authority was Exxon. I received some mail from them saying they are unalterably opposed to the purchasing authority. That company used to be Standard Oil of New Jersey.

This is what they say in their official corporate history about this whole problem of foreign production:

> Excess production outside the United States presented some especially difficult problems for Jersey and other companies in the late 1920's. In several countries, operations were on concessions granted by national governments; no nation wanted its production reduced or even the rate of development of new production slowed down. With no way of promoting an agreement among the oil-producing countries, the oil companies faced two alternatives: (1) to enter upon potentially destructive competition or (2) to come to some understanding among themselves to limit output.

Of course, we all know they have done very well with it. They are, in effect, as my colleague says, the purchasing authority.

The real question is, which is going to better serve the interests of the United States, a purchasing authority run by Exxon and its colleagues or a purchasing authority which is responsible to the people of the United States?

Mr. Chairman, I thank the gentleman for yielding.

Mr. STARK. The answer is quite clear: The support of the Mikva amendment

leaves the control of exported oil in the hands of the Government, where it belongs.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. STARK. Yes, I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I thank the gentleman for yielding.

I rise in strong support of the Mikva amendment. We would probably have had that provision in the Commerce Committee before had it not been for the fact that the Committee on Ways and Means was acting in that direction.

Mr. Chairman, I hope the Mikva amendment will be supported.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. STARK. I will be glad to yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I have one question, and I would be interested in what the proponents and opponents of this amendment say.

Does the Government possess or can it obtain the necessary sophistication and expertise to operate this system? The converse of that is, If the Government does do this, will it not end up by simply hiring oil company people to run it and then we will be in the same position as we are if the companies run it directly?

Mr. STARK. To answer the gentleman, he propounds some valid questions. I would say that while I would be terribly nervous for the next 18 months, I am sure the proper action on the part of the American people in November 1976. will obviate any fears he may have, and I would much rather take that risk now.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I yield to the distinguished gentleman from California (Mr. KETCHUM) a member of the committee.

Mr. KETCHUM. Mr. Chairman, I can only say that this amendment is perhaps the most dangerous part of this whole bill in that, in my opinion, this will lead to the nationalization of the oil industry. I say to my colleagues that if they think the Postal Service is great, they are going to think that nationalized oil is wonderful.

Mr. Chairman, I also oppose H.R. 6860. As a member of the Committee on Ways and Means, I had hoped I could stand here and recommend its energy bill to the House. I regret that is not the case.

The popular title for this legislation is "the energy bill." What is it that an energy bill should do but foster the production of more energy fuels? And yet, there is not one single sentence in this bill that will result in more energy sources being brought into line. Everyone agrees that we have a crisis on our hands—a crisis that worsens every day we delay action here in Congress. In my opinion, this bill, which masquerades as an energy policy, is a step backward.

After admitting that the committee bill fails to achieve the purpose of increased production, we are left with a hodgepodge of remedies to induce energy conservation, principally an import quota, a gasoline tax and an auto efficiency tax. These devices are unsatisfactory individually and collectively.

I find it absolutely amazing that the committee majority continues to believe that quotas on imports are not going to produce a major crunch. Just listen to this language from the committee report:

> Your committee does not intend that these import quotas be an energy conservation measure in themselves . . . a comprehensive program of quota restrictions is necessary to be sure that the conservation achieved by other provisions in the bill will result in a reduction in foreign imports rather than a reduction in domestic production.

This premise is so false that it defies comprehension. Domestic production is declining and this pious hope will not stem the decline. On the contrary, other actions already taken by Congress, such as the repeal of the depletion allowance, and actions being contemplated such as a windfall profits tax insure a drop in domestic energy activity. The FEA estimates that, at best, there would be a 1 million barrel a day increase in petroleum production, if a massive development program were underway and oil sold at $11 a barrel. These are optimistic assumptions by anyone's standards. At the same time, assuming a 4-percent increase in demand a year, we will need between 7 and 9 million barrels a day of imported oil, figures well above the 6 million barrel a day quota. So how in the name of heaven can the supporters of this bill say that the quotas would not have a tremendous impact?

The quotas will result, I predict, in a repeat of long lines at service stations, gasless Sundays, and may even require rationing to spread around the artificial shortage we are herein creating. And on top of this shortage, Government is also going to raise the price of gasoline artifically. I doubt the American people are going to stand for this lunacy, especially when we try to say the quotas will have no independent effect.

The gasoline tax is another fraud and outrage. The initial 3-cent tax is nothing more than a mechanism to fill up the trust fund—nobody asserts it is meant to conserve gasoline. That makes the eventual 20-cent tax an inevitability.

The sponsors of this bill seem to believe that there exists somewhere out there in the Republic a whole mass transit system that our citizens can use as an alternative to private automobiles. They do not seem to realize that the automobile is no longer a luxury, but a very real economic and social necessity. Americans need their cars for work, for school, for shopping, and there is simply no other means of transportation for them outside of large metropolitan areas. This necessity preempts choice. People will be forced to pay this new and onerous tax—it is in fact a workingman's tax—because they have no alternative. For this reason I submit there will be no energy savings from this section, just another raid on our constituents' pockets.

The third sorry ingredient for conservation is the automobile efficiency tax. Even in the more reasonable form in which it appears in this bill, the concept of another excise tax to be passed along to the consumer is abhorrent. We are setting up arbitrary efficiency standards, and in effect telling our citizens what they can buy without bouncing into some more prohibitive taxes. Although I find mandatory mileage standards repulsive, they are a more logical means of decreeing good mileage, and if we are in the business of punishing Detroit that may be the road to take.

The numerous other miscellaneous sections of this bill could not stand alone, and should not remain at all if closely scrutinized. By adding in juicy tax credits for home and business insulation and solar energy installation, the bill clutters up the tax code and creates even more lucrative loopholes. If insulation makes economic sense, as I believe it does, people will do it anyway. The same is true of solar heating and cooling. At the current rate, we will soon be raiding the Treasury to give tax credits for brushing your teeth in the morning.

I can likewise see very little reason for the rapid amortization provisions in the bill, or for the recycling credits. These will reduce much needed revenue, without the slightest insurance that they will do anything at all about our energy shortage. If any of these sections were independent bills, I am confident they would be defeated. Surely they should be stricken from this legislation.

Finally, the trust fund established by the bill should be dumped. This new sacred cow will contain billions of dollars of revenues raised by the unnecessary taxes decreed by H.R. 6860. These billions will be spent on energy-related projects under the guidance of a board of trustees who must come from outside any energy industry. It does not take imagination to realize the asinine uses to which vast sums will be put, as everyone scrambled for some free funds.

Anyone who seriously wants to achieve energy independence must realize that the only way to do it is by massive domestic production. This can be achieved by decontrol of oil prices, and the encouragement of large-scale capital investments by energy companies. What we have been served here is a tax increase bill designed to drain what resources we have left, funded by the average American workingman. I have searched in vain for anything that recommends itself to this Congress, and I urge my colleagues to send the dish back. Maybe then we can come up with something that makes some sense.

Mr. FRENZEL. Mr. Chairman, the maker of this amendment, the distinguished gentleman from Illinois (Mr. MIKVA), I think may have left the impression that the only people opposed to this amendment were the oil companies. Of course, if that impression has been left, it is an erroneous one.

Of all of the witnesses who appeared before our committee, I believe that only one was in favor of this strange idea of putting the U.S. Government in the oil business. This means the FEA, the Treasury Department, and the distinguished economists. As we know, whenever we have hearings, we move the Brookings Institution down into the Longworth Building and let all of those

folks share their wisdom with us. In addition to those, we had other academicians from all over the United States who were pretty much unanimous in their opposition to this particular feature.

One of the things that is wrong with it, as the FEA and Treasury Department have pointed out, was that nobody in the world could be a single purchasing agent for all of the various refineries and all of their various consumers. There are all kinds and degrees of crude oil, all kinds of degrees of sweetness, all kinds of degrees of products which the refineries are making for, and which are needed by, their consumers.

The Federal Government, if we take their track record in other areas, would hopelessly botch this situation and lead to greater costs. In the unlikely event the Government operated efficiently, the cost would still rise since the Mikva amendment creates another level of bureaucratic overhead.

One of the things that bothers me about it particularly is that it makes us a setup for the single bidder. Now we are enjoying the purchase of oil from Canada, Venezuela, Nigeria, and other sources, as well as from the Persian Gulf countries. In a bidding kind of situation, obviously, OPEC, if it wanted to, could hit us with a single supplier and make us, of course, just completely vulnerable to an embargo.

So, if you want high-priced oil, if you want Government people to louse up our oil supplies, if you want to be cold in the winter and have all of your gas tanks dry, and to make ourselves totally vulnerable to the Persian Gulf States, then support the Mikva amendment. I am not going to do so.

Mr. VANIK. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Illinois (Mr. MIKVA).

Mr. Chairman, the amendment makes, indeed, a great deal of sense. We are not talking here about small purchases, we are talking here right now about purchases which in the next 11 years will approximate $370 billion. Who do we want to make these purchases for us? Do we want private companies that have interests in producing oil in certain parts of the world? Are we going to put it in the hands of those who have no obligation to the country other than making a profit for themselves?

Let me tell the Members what will occur if we let the law go as is proposed without this amendment: Companies in this country who have interests in producing oil in other parts of the world will provide and buy that oil from the countries or the areas in which they can continue to make these profits.

As far as the American people are concerned, it does not make any difference where the oil comes from, just so that we get it. Those American companies which produce oil in those other areas do not pay any viable taxes to this country. We owe them nothing.

If this country can establish a purchasing authority it can exercise, as a matter of policy of state, what is needed and where it will come from. It is a matter of diplomacy to decide where the oil is going to come from and who will get American dollars.

Let us face reality. We are dealing with a powerful cartel. It is bigger than most nations. We ought to establish our own diplomatic relationship with this cartel, and only a government, and only a strong government, can deal from a position of strength with those who muster so much economic strength against the best interests of our country.

I do not believe that this can be done for us by private American companies who may not always have the best interests of all of the people of the United States in mind.

I do not want our foreign policy made up by Exxon, or by Texaco, or by any other company in the United States. I want our foreign policy and the vital decision as to the countries from which we buy oil be decided upon by the State Department, by the Department of Commerce, by the Congress of the United States, and by the American people. That is why this amendment is so important.

I want to say to my colleague from Ohio Mr. SEIBERLING that I do not think we should fear that we cannot build a capable authority to buy oil for this government. If necessary, we can establish further amendments to this law to make it possible. I certainly do believe that we propose to buy $370 billion of a scarce commodity in this world we had better have the Government of the United States dealing on behalf of the American people.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I am happy to yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I think the gentleman from Ohio has made a very excellent statement.

What it boils down to, in my mind, is this: if we had free enterprise in the countries on the oil-supplying side, that would be one thing; then I would say, well, let us keep to free enterprise throughout. But the fact is we have a cartel of governments——

Mr. VANIK. Right; that is what it is.

Mr. SEIBERLING. And if we are going to match that then the only sensible thing is to have the purchasing done by another government, namely our own. Otherwise we put the oil companies, it seems to me, in a position of self-dealing, because they have dealings all over the world; they do not supply just the United States, and they are going to be trading off in their own interests.

Mr. VANIK. And importing it from wherever it is best for them to do so.

Mr. SEIBERLING. They will want to protect their interests in dealing with the oil-producing countries, instead of seeking the best deal for the consumers in the United States.

Is that not really what it comes down to?

Mr. VANIK. That is exactly it.

Mr. SEIBERLING. There is only one country that protects and represents the entire people of the United States, and that is the Government of the United States. If we are going to deal with a cartel composed of other governments, then it had better be done by the U.S. Government, rather than by private interests.

Mr. VANIK. I heartily agree with what the gentleman says, and that is exactly what is said and found and proposed in the Mikva amendment.

Mr. BURLESON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it seems to me there is a considerable amount of inconsistency in the statements made here in support of this amendment.

First, the concern has been expressed as to how the administration—any administration—would handle this matter and how they could be trusted to see that the American people have a supply of imported energy. That is No. 1. It is said you cannot trust the administration to have an effective program and yet advocate setting up an administrative bureaucracy for that purpose.

The administration has not asked for this authority and does not want it. Why give the President this power? Not only would this amendment give authority to set up a bureaucratic purchasing agency, but directs him to do so—a huge bureaucracy which no one knows to what extent it would finally build. The Government would be in the oil business. Who can believe that a governmental agency can efficiently make judgments as to the kinds and grades of crude oil needed to satisfy the demands of the various types of refineries?

I suggest to Members that the OPEC countries would be happy to deal on a government-to-government basis. Can you imagine the pressures they could, and likely would, put on our Government for political reasons? If oil is already a political weapon—and it is—think what it would be under the circumstances provided by this amendment. The competitive free enterprise system is the safest and best.

The OPEC nations would like nothing better than to deal with an agency of this Government. We have a cartel then on both ends. We have no competition actually. The competition would come from the tickets or the allocation of imports, and that would be determined by the bureaucracy of this Government.

So if we do not trust the administration to come up with a proper solution to imports and to the energy question overall, then it seems to me we are compounding the lack of confidence, or, to put it the other way around, we are trading off something proved for something unseen and unpredictable.

The way this bill came out of the Committee on Ways and Means was by the adoption of this amendment. I do not believe my colleagues on the committee who support this amendment would take issue with that. The vote was 16 to 20. That is the way it got out. Now they want to put things back in the bill by sort of back door methods. They are getting off into something they have not the slightest idea of what the operation is going to be.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I yield to the gentleman from Illinois.

Mr. MIKVA. I thank the gentleman for yielding.

I appreciate the strong disagreement that my colleague, the gentleman from Texas, and I have on this. Let me just reassure him as to which door this is coming in. As he is aware, I opposed his amendment in the committee, as I opposed Mr. Steiger's amendment previously. I have always felt that a purchasing authority is an essential ingredient of the national energy policy.

In all events I would have offered this amendment even if the voluntary purpose that was agreed to in the original bill had been adopted. So I want to assure my colleague, the gentleman from Texas, that I am trying to come in through the front door, and if he will get out of the way, maybe I can do it.

Mr. BURLESON of Texas. The gentleman is qualified. I am not questioning that at all. He is qualified to offer the amendment, but it is contrary to the majority action of the committee. That was the point I was making. Yes, I am well aware that the gentleman did not support my amendment in the committee which removed this provision to establish a government oil purchasing agency and that he is qualified here to attempt to restore it. But it is something sight unseen insofar as this body is concerned, and I urge the defeat of this amendment.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. BURLESON of Texas. I yield to the gentleman from Ohio.

Mr. VANIK. I thank the gentleman for yielding.

I know my colleague, the gentleman from Texas, is interested in maintaining a supply of energy to this country, but the point I want to make is that when we deal with cartels on a nation-by-nation basis, we can put a lot of other things into the discussion. They want to buy from us their agricultural purchases, their munitions purchases, and all of this is in the package.

After all, who is there in the world to guarantee the integrity, the very integrity of the OPEC states to take such economic advantage of this country? This country in the final analysis must stand on its own.

Mr. JONES of Oklahoma. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. My opposition to this amendment does not arise out of fear that this is going to be a first step in nationalizing the oil industry. When this proposal was first made before we began hearings, I supported the concept of a purchasing authority. I changed my mind as the result of 2 weeks or so of hearings among the economic experts and others. As has been pointed out, with one possible exception, not a single person who testified before our committee came out in support of this purchasing authority.

Mr. Chairman, it simply does not work and it simply does not make sense. That is why I am opposing this amendment today.

First of all, I think we should look at the position of the United States in foreign policy in the Middle East. It has been said that we must negotiate on a government-by-government basis. I think that would be absolutely the wrong thing for the United States to do. The other system has worked very well for the United States.

I think if we go back to the 1973 Middle Eastern war we will find that the countries in Europe and elsewhere who had government-by-government negotiating agencies with the Arab countries did not give the United States any assistance whatsoever in our helping the State of Israel in that conflict.

Mr. Chairman, I think it would be absolutely foolish for our foreign policy to be on a government-by-government basis.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, I thank the gentleman for yielding.

The way we purchase this oil now is through the individual action of many buyers and sellers. That is competition. We have to assume that every one of these companies that brings oil to this country is buying at the lowest possible price they can.

Mr. Chairman, there seems to be some fallacious idea that if we establish some governmental agency that it will automatically lower the price of oil. That is not true. Some think that "sealed bids" would be secret.

We will have to assume, if we follow that reasoning, that all the OPEC countries would have no idea at what price this oil is being purchased. We would have to assume they would not know at what price we will bid. That is wrong. There will be no secrets within the OPEC countries or other countries. If we set up a purchasing authority we might drive them into an even more opposing block.

Mr. Chairman, these OPEC chiefs are smart people with more education, sometimes, than some of our folks. If we do not think this would give them an extra advantage, we are thinking in a foolish paradise. The worst thing we can do is establish a Government purchasing authority.

We ought to stay with the chairman of the committee and the chairman on the minority side and vote down this amendment.

Mr. JONES of Oklahoma. Mr. Chairman, I am vitally interested in our Middle East policy. What we would do by establishing a purchasing authority would be to solidify the OPEC block and in my judgment it would work contrary to our foreign policy posture in the Middle East.

Mr. Chairman, there is no antitrust legislation against OPEC. There is no hint that we are going to have secure supplies of oil if we adopt this purchasing authority.

Now, what have we heard today? I appreciate the remarks of my good friend, the gentleman from California, who said that all we are doing is letting the oil companies cut up the hog. We are running out of gasoline he said and the oil companies are running up fat profits.

Well, Mr. Chairman, that is the rhetoric of 1974 and none of those statements can be made in 1975. We have a system that has provided this country with the greatest amount and at the lowest price of oil and energy of any nation on the face of this Earth. What we are doing if we mandate a purchasing authority is saying to the American people, "We don't care what you think out there. We are going to give you more bureaucracy to run your lives and meddle in your business, whether you like it or not."

Mr. Chairman, we had better start listening to Americans and vote this amendment down.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, before I get down to the merits of the amendment before us, I have a couple of general observations about this bill I would like to make.

As I look at H.R. 6860, there is one consoling fact about it, as I see it. That is, it is never going to become law. I cannot really anticipate that the President would sign a bill that, in effect, throws his program to the winds and makes it impossible for him to do the things he has said he is going to do in his energy program.

We have struggled for about 2 years here, and we still do not have a strategy for whipping this energy crisis. We tend to fight the last war with the same tools that we lost the last war with, and, therefore, we are really not making any progress.

Someone said a while ago that there were many sellers of oil and there were many purchasers of oil, and that is half right. There are many purchasers of oil; there is one seller, and that is OPEC. OPEC sets the price and OPEC is working, and I am afraid that unless we do something dramatic, OPEC is going to be with us for a long, long time because there is nothing in this bill and really nothing in the President's program that will break the back of OPEC. It may break the back of this country, but neither one of the strategies will break the back of OPEC because, despite the fact that we consume an awful lot of oil, there are other people in the world who consume an awful lot of oil also, and there will be enough of those purchasers that are going about fighting OPEC in a discoordinated sort of way that will make it possible for OPEC to survive.

Mr. Chairman, I think the Mikva amendment ought to be adopted. Frankly, I would have preferred the committee bill approach which the committee now seeks to strike, but when the administration testified about setting up some kind of purchase arrangement for oil, it said that it was not going to carry it out. It did not support the idea, and there would be no uniform or unified purchasing of oil from the OPEC countries.

Frankly, as I see the problem, we have got to find some way of selectively purchasing from different OPEC countries. We cannot expect the multinational oil companies—as magnanimous as they

are—to go out and allot the oil and selectively purchase the oil in the national interest because, really as fine people as are these multinationals, these particular oil multinationals are captives, or at least semicaptives, of the OPEC countries.

One can have a field over there with a lot of stock certificates in one's hand and signs up, but when one of those OPEC countries wants to nationalize the property, all they have to do is say, "Buddy, you have just been nationalized," and you are nationalized.

So, really our multinational corporations are at least captives of these oil producing countries, these OPEC countries. Unless we as a nation are willing to undertake some kind of strategy such as selective purchasing and buying and large bulk purchasing, playing one country against the other, there is no way in the world—no way in the world—we can ever deal with them. We are just going to be their patsies from here on out.

To send the oil companies out there and expect them to do the kind of job they could do, and perhaps did do before OPEC, is not facing the facts as they are today. One of the most historic events that has ever transpired on this planet was the OPEC nations being able to put together this cartel.

The cartel price went up today, as has been pointed out here, and it is going to go up in October, and we have no strategy yet to defeat it. The Mikva amendment makes sense. If we do not adopt the Mikva amendment, we should at least reject the proposed committee amendment that would strike out the voluntary setting up of a central purchasing agent.

Mr. BEDELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the Mikva amendment. We have talked about free enterprise. I am a believer in the free enterprise system, and it took no small amount of soul searching for me to determine that I should support this idea. I do not believe in Government interference in competitive free enterprise. But we do not have competitive free enterprise in world oil today. We have a cartel which is engaged in price fixing, with artificial prices that have no relation to competition or cost of production—price fixing which would be completely illegal here in America. To simply say that we must accept this, seems to me to be ridiculous. So we talk about this as the first step toward nationalization of the oil industry. How can we accept a statement like this? This is no move to accept nationalization. This is a move to bring some competition to world oil. It can work, and our function should be to restore that competition.

The OPEC countries would like for us to believe that they are a strong cartel, primarily composed of Arab countries, and are invulnerable as they meet today and talk about raising prices even higher. The facts just do not support this assumption.

Let us look at OPEC and let us look at the world oil situation.

OPEC is a loose coalition of 13 individual nations scattered across the globe. Some are wealthy, with small populations; others are very poor and quite populous. The largest producer, Saudi Arabia, cannot spend all its money and has at times argued for lower prices. Iran has a virtually insatiable appetite for more revenues.

Meanwhile, some of the poor countries, like Indonesia and Nigeria, urgently need revenues to finance development. It is difficult to imagine such diverse political groups reaching agreement on the economic questions involved and particularly agreeing on who will cut back their production.

Since they cannot allocate their production, they have depended upon the major national oil companies to perform this allocation.

The purpose of this amendment, above all else, is to break that bond that exists between those major oil companies and the OPEC cartel. This chart shows quite well how that bond exists. Indeed, it is a spider web of those countries. And even with nationalization, we still find that the major oil companies are handling the marketing of that oil.

Under the Mikva amendment, the Government would require sealed bids for the importation of oil, and these bids could be submitted by: First, the OPEC countries national oil companies; second, the multinationals; third, independents; fourth, brokers; and fifth, anyone else who has oil to sell.

It has been said that they would all continue to set a price and sell at one price. American firms would not dare to do so, under our Federal antitrust laws. Is it not time for us to try to bring about some competitive bidding in world oil? They say we should not accept anything new sight unseen. I submit that whenever we accept something new we accept something that is sight unseen. We are not putting the Government in the oil business. We are requiring that they require sealed bids on this oil.

And we say the witnesses opposed it. I have had oil people in my office asking about this, and they said they did not think it was in the best interest of America to see lower world oil prices. I contend that that is in the best interests of the American consumers.

If this is good legislation; if it is good for us to indeed try to build competition in world oil, then I urge us to support this Mikva amendment. And if it is a good thing to do, then certainly we should mandate that this be done. Certainly we should stand up with the courage to say we believe this is what should be done and accept that responsibility. I urge the Members to accept this amendment.

Mr. QUILLEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I feel this amendment should be defeated. I also rise at this time in opposition to the bill.

Mr. Chairman, we have before us for consideration a bill, H.R. 6860, which pretends to be a comprehensive energy program for the American people. It is not. This bill, as now drafted, fails to provide the solutions which are required for adequately dealing with this country's energy problems. The Nation suffered a great crisis in energy more than a year and a half ago. Today we are more vulnerable than we were then. And what does this bill propose? I will tell you what it proposes—an enormous and horrendous confiscatory Federal tax on gasoline, and at the same time no genuine incentives to encourage and to stimulate the increase in the production of domestic crude oil which is absolutely the only way that we can reduce our dangerous dependence on foreign sources of supply.

I know that the members of the Committee on Ways and Means, on both sides of the aisle, have worked hard and they have tried their best to fulfill their responsibilities to the House and to the American people. They have been working on this bill almost since the beginning of this session. They have worked often and they have worked late. They have labored mightily; they have argued the merits and demerits of numerous schemes; they have pushed and they have pulled. But they have not, after all that time and after all that work been able to produce a bill that is going to do what needs to be done.

The Energy Conservation and Conversion Act is a bad piece of legislation. It is not a complete program. It is not a comprehensive program. I do not question the sincerity of the members supporting this bill. But this bill, as it is now written, does not give this country the energy program that it needs. And I believe it is time that we all faced up to this fact, and understand what that means.

The Nation was subjected to a great energy crisis more than a year and a half ago. The United States is dependent on foreign sources of supply for about 37 percent of its present petroleum needs. The President has presented his energy program, and it is a good and comprehensive program. What has this Congress done, with its lop-sided Democratic majority? It has, in my view, moved in a negative way on several previous occasions. While domestic oil production is going down; while natural gas production has already declined; this Congress has removed the oil depletion allowance, this Congress has attempted to prevent the President from doing anything on his own, this Congress has passed a strip mining bill which would have reduced domestic coal production instead of increasing it and also put thousands of people out of work, but, fortunately, the President vetoed the measure. And, thankfully, the House sustained the veto. Now, with this bill as now drafted, we are being asked to work yet another injury on our weakened economy. And we are told that we must do this to conserve energy. But this bill is not going to conserve energy. It is only going to make energy more expensive.

This bill has serious deficiencies. It is not comprehensive. It contains no provisions to increase the production of domestic crude oil, or of natural gas. It provides for a gasoline tax, only part of which will be recycled back into the economy, and which is the equivalent of about

$10 per barrel. It imposes a grossly unfair burden on the working men and women who must drive their cars to and from work. And this bill also conflicts in many areas with legislation now before another committee of the House.

As now drafted, this energy bill will drastically raise gasoline taxes and tax the use of energy by business. That is all. It would not do anything except tax, tax, tax. We all know that we do have an energy crisis. We all know that we need an energy bill, but the energy bill which we adopt should be setting national self-sufficiency in energy as the goal. H.R. 6860 does not do this; it only forces the American people to pay more for the energy they have to use. I say the gasoline tax is not the answer. It puts a terrible burden on working people. Working people have too many tax burdens now. We do not need more taxes in this country. The people will not tolerate this tax, and the people are right.

Somewhere along the way a totally false and unfounded assumption crept into this bill. That is that if you raise the federal tax on gasoline high enough, people will stop buying it. I am here to say that all that will happen is that the working men and women in this country will be victimized and forced to pay the added tax. If this bill becomes law as it is now written, there is going to be a Federal gasoline tax of 23 cents per gallon in April of 1977.

Some members may want to go back home to their constituents and explain to them why gasoline priced at something like 80 cents or more a gallon is good for them. If so, I invite them to do so, and I wish them luck for they will need it. But I am here to say that the people are not going to stand for it.

The supporters of this bill tell us that there is only a 3 cent per gallon increase in the Federal gasoline tax, and that the additional 20 cents per gallon tax will not be triggered unless gasoline consumption rises above a certain specified level. But everyone that I have talked to, with precious few exceptions, believes that the only thing that will prevent consumption from exceeding that level is an accelerated and more severe deterioration of the national economy.

So those who are saying that the additional 20 cents tax is not going to be triggered are really assuming that economic depression, or at least prolonged and severe recession is what lies ahead. I do not believe that, and I do not think this Congress ought to enact legislation that is based on gloomy and pessimistic predictions like that.

I think it is almost a unanimous assumption in the House that the 23 cent per gallon Federal gasoline tax will go into effect. There is going to be an outcry when that happens, and Members who support this bill had better be prepared for it. On April 15, 1977, when the price of a gallon of gasoline skyrockets up 20 cents in 1 day, the American people are going to look around and they are going to demand to know who did this to them. And when the hard working men and women in the First Congressional District of Tennessee ask: "Who did this to me?" I am glad that I can say to them that it was not JIMMY QUILLEN.

If this bill's supporters really believe that an increase of the Federal gasoline tax by 23 cents is going to conserve gasoline, and that it is good for the people, then why does this bill give us a 3-cent increase right away, and yet delay the additional 20-cent increase until after the 1976 elections? If this bill is enacted as it is now written, then I think it is unfortunate that the additional 20-cent tax does not go into effect immediately. Or at least by October of 1976, so that the people can reward the supporters of this tax with the vote they deserve on election day.

If some Members of this House want to take this preposterous tax issue to the country as a part of their campaign platform, they are welcome to do so. I hope they do. But whether they do or not, I am not going to go back to the people in my district and tell them that paying 80 cents a gallon is good for them. And if this bill becomes law as it is now written, I am not going to let the people in my district forget who placed this horrendous and odious tax on their shoulders.

How can this ludicrous tax be defended? I challenge the supporters of this gasoline tax to declare openly before the House why they think this tax is good for the American people. The hard-working and overtaxed people in this country have a right to hear these Members, and they will not want to forget the Members who dare to argue the merits of such a proposition.

Have not we learned over the past year and a half that higher gasoline prices are not going to stop people from buying it. People have to drive their cars to work in most parts of the country. There is simply no other way to get there and then return home again. Many people are joining together in car pools, and there are other conservation efforts and programs that are going forward. They are also insufficient. But in most areas of the country, you have just got to use the automobile in order to earn a living.

When this tax goes into effect, if it does—and I hope that it does not—people are just going to have to pay it. They will not be able to do anything else, and no amount of wishing, and hoping, and dreaming is going to change that. That is just a fact of life in America when you look at the transportation system that we have in this country. Only the poor and lower income people in this country are going to have to reduce their gasoline purchases because of this tax. And it is going to be a real hardship on retired people who are already struggling to exist on their fixed incomes. I do not want to associate myself with any policy that will actually make life more difficult than it already is for poor people in this country. This bill manages to do that mischief too.

Some of the supporters of this bill will still say that it will help to conserve energy because of its import quota provisions. But I think that in light of the fact that during the discussions held before the Rules Committee, it was clearly demonstrated that the oil import quota sections are so completely riddled with exceptions and give the President such wide discretionary powers to adjust the import quota upwards, that we are not going to get any significant conservation in our total oil consumption from this bill.

There is just no equity in this bill. Automobiles consume approximately 13 percent of the total energy we use in this country. And yet, this bill would place almost the entire tax burden on car drivers. I do not see how this House can allow this bill with this gasoline tax to be approved.

And I also do not see how this House can allow to be approved an energy bill which has been widely advertised as a comprehensive solution, but which in fact does not contain any provisions to stimulate and to encourage an increase in the domestic production of crude oil. I think this question can be stated very briefly and very clearly: What is the use of an energy program if it does not produce more energy?

I want to remind Members that domestic crude oil production has declined about 12 percent in the last 3 years. According to the most recent FEA figures, domestic production has declined from an average of 9.6 million barrels per day to 8.4 million barrels per day since 1972. What we have to do in any energy program that we adopt for this country, is to reverse those frightening figures. This bill is not going to do that.

Here we are in the midst of a very real and very serious energy crisis talking about a bill which has reached the floor—and yet this bill does nothing to increase the production of energy in this country. In fact, I am afraid that this bill will do just the opposite—which is progress of sorts, but progress in the wrong direction. I am afraid that this bill, because it is partial and inadequate, will actually propel America down the road toward energy scarcity and shortage rather than toward assuring the increase of our energy supply that we are going to need.

I believe that this Congress has a responsibility to provide an energy program for this country which will guarantee an increase in our domestic energy production. In committee, House Rules, I repeatedly and persistently asked members testifying in support of this bill what the bill does to provide for an increase in domestic energy production. I must report to the Members of the House, that I was unable to obtain a satisfactory answer.

I think almost everybody feels that the most important single action that we can take toward providing the economic incentive that will result in an increase in our domestic crude oil production is decontrol. What this country needs is an energy program that is going to encourage the people involved to find and produce more crude oil. We do not have that incentive in this bill. There is nothing in this bill that will encourage the exploration, discovery, and production of one barrel of oil.

Sometimes I get a little bit discouraged and frustrated, and when I read this bill before it came up to the Rules Committee, I was both. I am discouraged now that this energy bill has reached the floor as it is now written, and with the rule it was given by my committee. All too often, it seems to me, the Congress is doing things that will make things worse, rather than better. Here we are at a time when the national economy is not healthy, and when we face a serious energy problem.

And yet we find ourselves, after all these months of waiting for an energy bill—we find ourselves talking about a bill that has finally reached the floor. And what do we find? We find a bill that does nothing to conserve energy, a bill that will inflict a completely unnecessary and punitive tax burden on the working people of this country, a bill which does not provide for an increase in energy production, and a bill which will, in my judgement, and in the judgement of a great many other Members on both sides of the aisle, further aggravate and injure an already weak economy. Perhaps some Members can find solace and comfort in all of this, but I cannot.

Why do not we move forward in the right direction? Why do not we strike out this odious gasoline tax? Why do not we move forward and provide some genuine incentives for an increase in production? Why do not we move forward and enact an energy program that will provide for the decontrol of old oil and for a windfall profits tax with a plowback mechanism that will finance new exploratory and production work? Why do not we do these things? I do not understand why not.

As this piece of legislation began to take shape in committee and as it moved along the erratic course of its existence, there have been many Members on both sides of the aisle who have repeatedly warned the bill's captains in their towers that the ship was dangerously off course. The captains have turned a deaf ear to these warnings, and now, unless I am very much mistaken, they have got on their hands a mutiny from stern to bow. I have seen it coming, and it is here. I ask my colleagues: Which side are you on? I am against the bill.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all I would like to commend the gentleman from Illinois (Mr. MIKVA) and the others who have spoken in favor of this amendment for a mandatory U.S. Government purchasing agency for imported oil.

I really do not believe that I have heard before in the House on any amendment a more compelling case than these Members have made. The gentleman from Iowa (Mr. BEDELL) has presented some especially cogent arguments. I think the case is overwhelming.

I really have nothing much to add to it except this point: I am convinced that the purchasing authority offers the only chance we have of breaking up the OPEC cartel. I do not know of any other way. None of the Members who oppose this amendment has offered any answers. We cannot guarantee that the objective will be accomplished by a purchasing agency, but at least we have a chance.

On the point of the degree to which the major oil companies are tied in with the producing countries, I would like to tell one little story from a visit to Dhahran which I made early last year.

The Aramco company, as we know, was originally owned by four major American oil companies. Saudi Arabia has been gradually taking it over, but in early 1974 it was largely owned by the four American companies. Aramco had put out an elaborate book which they showed us with price containing a lot of information, including the history of the company. This was an elaborate book; it must have cost tens of thousands of dollars to produce. In the first few pages, there was included a map of the Middle East. We looked at this map of the Middle East, and—believe it or not—we could not find the State of Israel included on the map; it just did not exist. This was an official publication of a company owned by four American companies.

I ask the Members this: What kind of independence can the major oil companies show in relation to their dealings with the producing countries?

Sure, this purchasing agency is going to be a difficult thing to do. Sure, it is going to have a lot of problems. It is not going to be easy. But nobody else knows the answer to the question of how we are going to break the OPEC cartel.

Mr. Chairman, I urge the Members to support the Mikva amendment.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Chairman, is it not true that the oil companies had import quotas since 1958 which were administered much as this would be in the absence of adopting the Mikva amendment?

Mr. BINGHAM. If they did, they certainly did not use those quotas for the benefit of the American people in forcing the price down.

Mr. HARRIS. Mr. Chairman, I think this is obvious. I think it dictates to us why we should have a U.S. purchasing authority as provided in the Mikva amendment to provide oil for the benefit of the American people and not for the benefit of just a few oil companies.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I strongly support the Mikva amendment. The point has already been forcefully made that the oil companies have conflicts of interest and cannot be independent in their dealings with the OPEC countries in terms of purchasing oil at low prices for the American consumer.

It is obvious that these companies cannot deal at arms' length with the OPEC countries in their oil purchases. This is the reason for which there must be a central U.S. governmental agency to purchase oil from the OPEC countries. This is the only way that the American consumers have any hope of getting OPEC oil at reasonable prices.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Chairman, I listened to the gentleman's comments, and I agree with much of what he said.

There is one thing that bothers me, and I have been looking at this chart. We notice that there are seven companies that tend to dominate international oil. I think of them as American companies.

Yet I have listened to the gentleman's description of the relationship of these companies with the Middle Eastern oil countries. I understand now they are the captives of those production countries.

Can it be that they now become the tool or the extension of the diplomacy of the Middle Eastern oil-producing countries?

And that, indeed, they could be working against the best national interests of the people of the United States of America? Do we, indeed, have a hand reaching into our country from abroad, and concealing that hand are the multinational oil companies? Could this be possible?

Mr. BINGHAM. I certainly think the gentleman has made an excellent point.

Mr. TRAXLER. I want the gentleman to know that I am going to support the amendment. On that basis, I think other patriotic Americans ought to do it also.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Ohio.

Mr. VANIK. Does the gentleman concur, then, that, indeed, the source of our oil has become a policy of state, in which the State Department should have a very deep interest?

Mr. BINGHAM. I would go further and say that it is a matter of national survival.

Mr. VANIK. Mr. Chairman, I thank the gentleman.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, would the gentleman tell me, in line with his remarks on helping the consumer, whether there is any other country in the world that has this purchasing authority and that has prices for their consumers that are any lower than those in the United States?

Mr. BINGHAM. I heard the gentleman's comment previously about the relative bargaining power of European countries during the crisis. I do not think it was the existence of the purchasing agency is what put them on the spot. The trouble was that they were totally dependent on Arabian oil and had no leverage.

Mr. SIMON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members of the House, I think that the gentleman from Florida (Mr. GIBBONS) pretty much hit the nail on the head when he said that we are spinning our wheels, that we are not getting anywhere on energy policy.

I do not sense that we have any feeling about the urgency of what we are doing. We are acting as though we are not at war. We have to move and move rapidly.

The gentleman from Oklahoma (Mr. JONES) in talking about the Mikva amendment, said that this would solidify the OPEC nations. They are solidified right now. I do not see how we can do anything that can solidify them more than they are right now.

We have fundamentally, two choices: One is to continue our present conduct: just to lie down and let them roll over us. The other is to stand up and, hopefully, to lower those prices.

Mr. Chairman, I am not confident that the Mikva solution will work. I think it might. I think it is worth a try, and I am going to support a move in that direction.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I will be happy to yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, a number of Members have raised a question about the Mikva amendment which ought to be clarified. They ask whether OPEC countries will be willing to cut prices under a sealed bid system if the other OPEC countries can ascertain that they have broken the price.

Is my understanding correct that under the Mikva amendment a broker or dealer could, in fact, issue the bid of a country, so that one of the OPEC countries could break the price without its becoming apparent to other OPEC countries?

Mr. SIMON. That is correct. If you, in fact, restrict the possibilities, as I hope this bill will, there will be a restriction of the amount of import. When one combines that with the Mikva amendment, I think we have the possibility of lowering the prices.

Mr. ARCHER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Mikva amendment.

I am sure that my friend, the gentleman from Illinois (Mr. MIKVA), is well intentioned in offering this amendment. However, the facts just do not support him, nor do they support the wishful allegations of those who have risen in favor of the amendment.

The expert testimony before our committee, as the Members have already heard, given by persons of many diverse persuasions, was uniformly in opposition to this proposal.

Why? Because, while the creation of a monopsony—buyers' cartel—appears a seductive means to break the power of OPEC in the abstract, there are a number of reasons why the establishment of an exclusive U.S. import authority would not produce significant pressures on OPEC.

No. 1, OPEC members are well aware that they can afford to boycott the U.S. petroleum market far more readily than the United States can forgo the 1.24 million barrels a day of crude oil and products it imports from the Arab States.

No. 2, U.S. imports for 1974 were 6 million barrels per day, while OPEC production was 30 million barrels per day. The impact of a unilateral U.S. initiative would therefore be extremely limited. The U.S. consumption of OPEC oil is surely not that important to OPEC.

No. 3, there is no guarantee that OPEC members would participate in a sealed bid system. What if we gave an auction and there were no bids, or, conversely, all the bids were identical?

No. 4, the premise of the purchasing authority is that OPEC members will cut prices to maintain production and market outlets. The evidence of the past 6 months, however, is overwhelmingly to the contrary. OPEC members are currently shutting in 12.8 million barrels a day of productive oil capacity. They could produce 38.8 million barrels per day, but have accepted production of only 26 million barrels per day.

No. 5, OPEC members are extremely sensitive on price issues. Reduction in the real price of OPEC oil will be far more likely if concealed in stretched-out credit terms and the maze of normal commercial transactions than in a confrontational price showdown with the USG purchasing oil on a cash-and-carry basis.

No. 6, while it is true that petroleum companies at present must often subordinate price to assure access to supply, the international petroleum industry is competitive, and no company can ignore price for very long or over very large ranges. Moreover, when the price is compromised in favor of secured supply, companies are making a choice which the U.S. Government itself admits is a difficult one, that is, tilting our imports toward secure sources in relation to price criteria.

No. 7, the purchasing authority therefore offers no probability of success in forcing or inducing OPEC to cut prices. In fact, it runs the risk of discouraging OPEC price sharing by injecting a tone of political confrontation.

By injecting this note of political confrontation into petroleum purchasing, the authority might very well increase the risk of future embargoes for political purposes.

In the event of another embargo, the flexibility of international supplies would be severely hampered by the purchasing authority. Whereas a private U.S. company might be able to retain access to Arab crude during an embargo, and then swap that oil for an unembargoed crude, a U.S. purchasing authority would probably not have that flexibility.

Petroleum purchasing is an enormously complex process. Crude oil is not a single, uniform substance, as my colleague, the gentleman from Minnesota, has mentioned earlier. Refineries have often unique requirements for individual crude oils, and that crude oil must be broken down by gravity, sulfur content, metals content, pour point, catalytic reforming characteristics, and special yield characteristics.

In addition, transportation logistics are complicated. One cannot assume that it will always be possible to deliver crude oil from the point of origin to a given U.S. market. Even if technically feasible, costs can be prohibitive. For example, Persian Gulf crude oil to the west coast.

That is the kind of expert testimony that we have heard time after time before our committee. And yet because of a few, as I said, well-intentioned statements on the part of others on the floor we are about to adopt something totally unworkable, and that something can work in reverse to what we want to accomplish, and that is a lower price for the consumers of this country.

So, Mr. Chairman, I urge the Members of the Committee to vote down the Mikva amendment.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. BURLESON of Texas. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Texas.

Mr. Chairman, it has been said here earlier this afternoon that we have to compete with a cartel, but I suggest that if we are interested in the free enterprise system, we do not create another cartel which is owned by the U.S. Government and hope at the same time to preserve the free enterprise system. There is no reason to believe that on a government-to-government basis we can improve the situation which exists now; in fact, the record is very much to the contrary.

To authorize the establishment of a government purchasing authority on a permissive basis is bad enough, but it is intolerable to mandate the creation of such a purchasing and marketing agency.

The gentleman from Oklahoma (Mr. JONES) a few moments ago at the close of his colloquy with the gentleman from New York (Mr. BINGHAM) asked a question which did not get an answer that is in any way satisfactory when he asked the gentleman if he could tell him where there existed a government purchasing agency which had succeeded, and he could not, of course, do that. The record speaks for itself.

Americans—and for a very special reason—have more petroleum available at a cheaper price to meet their energy needs than anybody on the face of the earth, and the reason stems from the fact that we have a competitive free industry and market—at least, we have had until now—with regard to petroleum.

This Congress seems to be what I guess one would call in school classified as "slow learners." In 1973 when we had the allocation legislation, the idea was that we had a panacea: create this allocation authority, let the Government control it, and we will not have any gas lines. We will have no more problems. What a help that was.

Some of us again tried to tell the Members that only two things would happen if we created this allocation authority, and they would be to disrupt supply and raise prices. Nothing else could or has happened. This would we said further aggravate the situation. Those who presume, first of all, that they can make this Government purchasing authority work, base it upon the premise that the Government has more know-how and more capability than anybody else, and the only thing that Government can do if we establish such an ill advised purchasing authority is go hire somebody from industry to run it, because the ability does not exist in the U.S. Government today.

Let us go over some of the same points, I guess—and maybe I will be redundant—that the gentleman from Texas (Mr. ARCHER) just reviewed for us. If you do not believe they are so, listen to me, take a position to the contrary, and then answer to your constituents a few years down the line, because they are wrong; they are in advocating a Federal purchasing authority dead wrong. Everywhere that they have tried Government control of the industry, we have a bankrupt Government and a bankrupt industry, and no energy, and we are going to provide the same impetus for the same thing. But the proposal is significantly overstated.

First of all, it assumes that the bargaining strength of the United States will be improved. It understates the negotiating position and the incentives that exist within the OPEC cartel. It ignores the OPEC incentives to maintain unity and to maintain high oil prices which will be strengthened, not weakened, by the formation of a United States purchasing agency.

It assumes that the OPEC countries will be more concerned with short-term revenues than long-term oil income.

It ignores the fact that while the U.S. imports only amount to one-sixth of OPEC's market and only one-twelfth of the Persian Gulf crude outlet, that the United States has no alternative to OPEC.

It ignores crude quality limitations. It limits U.S. negotiating ability.

The Government purchasing agency could work and would work, I believe, at cross purposes with U.S. foreign policy and would require cumbersome, costly, and politically controversial control mechanisms to match imports with the crude and product qualities and quantities which U.S. refiners and marketers require.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WAGGONNER was allowed to proceed for 5 additional minutes.)

Mr. WAGGONNER. Mr. Chairman, there are a number of other reasons for concern. The bargaining position of the United States would not be improved. OPEC has stronger incentives, I submit, to maintain unity and not have a price cut to the United States. It operates from a stronger power base: 80 percent of the free world's oil reserves and half to two-thirds of the free world production for the next decade or more. Resource-rich Mideast nations, in particular, Saudi Arabia with one-quarter of the world reserves, are under pressure to share their wealth, and to maintain common pricing policies. Thus, they have every incentive to keep prices up.

Producing nations less well-endowed are unlikely to risk general price decline and thus their long-term development plans in search of short-term income.

Secrecy would not change the incentives, and would be impossible to maintain.

World prices would be higher and supply instability would be greater, with this purchasing authority.

The concentration of U.S. buying power under Government control would spur coordination of OPEC actions to obtain the best commercial terms available to any member.

Substitution of Government for the private sector in commercial purchase negotiations would reduce the important role of competition in obtaining the best prices and other terms and would reduce this competition.

Professional private company traders, who have a strong competitive incentive, bargain hard on complex commercial arrangements to take advantage of relative quality, location, volume and other differences between OPEC nations, such as in today's market. A monolithic authority buying through less diversified transactions could not accomplish this.

A government purchaser committed to specific sellers would not have the flexibility in time of emergency to shift its sources of supply.

Again I say, it would work at cross purposes to our foreign policy.

Mr. Chairman, to the gentleman from New York (Mr. BINGHAM), who I hope will listen to this, who is rather well versed in foreign affairs, it would aggravate the foreign policy of the United States by creating this purchase authority. If we think we have problems in the Middle East now, to create this purchasing authority will give us more problems than we ever dreamed we would have. The authority would commit the U.S. Government to force something that will not work. It would commit the U.S. Government to supervising the demise of the free enterprise system with regard to energy in this country.

Mr. Chairman, when nations go socialist, when they nationalize industry, they nationalize four segments of industry; first, energy, then communications, transportation, and steel.

To my colleague who said all loyal Americans, or words to that effect, should support this purchasing authority. I want to equate that statement with my statement that if we are pro-American and want the free enterprise system, I submit we will vote against this amendment. It is not in the best interests of the country, but this Congress is slow to learn.

Mr. KARTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all, not to obviate the question that is before the committee at this point as to whether or not we want to have a Federal purchasing agency, but I think to set the record straight on some very important and, I might say, misleading inferences that were left on at least two occasions, so that we understand exactly what we are talking about, I have chosen to take this time.

Mr. Chairman, first of all let me begin by saying I am somewhat embarrassed, as are perhaps most of the members of the committee, when here we are on one of the most important national policy questions that will face this country, not only during the time of this Congress, but for many years to come, and we as committee members, are speaking to each other. One of the previous speakers said that we probably are faced with more problems than we have ever dreamed of. I think that is true under the existing circumstances we are in.

We are faced with more important problems than we have ever dreamed of under the situation that exists at the present time, and there are too many who do not want to change it. That is what I really find most offensive.

Mr. Chairman, the question was asked in the colloquy between the gentleman from New York (Mr. BINGHAM) and the gentleman from Oklahoma (Mr. JONES), and had we all been listening to the Chairman's opening remarks, I think we would have heard the answer, which was loud and clear.

Let me reiterate it for the record and for those who are interested in hearing what the answer to the question asked by the gentleman from Oklahoma really is. Of course, the price of gasoline in other countries of the world is higher than it is in America, but let me tell the Members the reason why it is higher. That is because most of that money is taken in taxes by those governments to reduce consumption and it has done so very dramatically.

That is why, in the Chairman's opening remarks, Mr. Chairman, in France, for example, he said that drivers paid $1.30 per gallon for gasoline; but 74 cents of it is tax. In Italy, they pay $1.70 per gallon for gasoline, and $1.16 is tax. In West Germany, they pay $1.17 for a gallon of gas, and 74 cents is tax.

Yes, in Germany the consumer gets a better deal than he does in America. If anyone is interested in knowing, and I guess that question was propounded also, because if we subtract the tax from what they pay in Germany, they are buying gasoline for something like 43 cents a gallon, and I have not been able to buy it for 43 cents a gallon for some time, plus the average State and Federal tax.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. KARTH. I am happy to yield to the gentleman.

Mr. SCHNEEBELI. Mr. Chairman, let us subtract the tax in the United States.

Mr. KARTH. I did.

Mr. SCHNEEBELI. The price of gasoline in my area is 55 cents, less 13 cents tax, which makes it about 42 cents.

Mr. KARTH. The gentleman in his area gets a very good deal. I do not know who he buys it from, perhaps that is the price, but I do not go to Pennsylvania

to buy my gasoline. I have to buy it here. I have been paying 58 cents, 59 cents, 60 cents for regular grade gasoline.

If we subtract the average tax in this country, Federal and State, of 12 cents, it still gives us 46 cents a gallon, but let us not argue over a couple of pennies. The fact of the matter is that the answer to the gentleman from Oklahoma is that most of these dollars and cents per gallon are taken instead by the governments. They are not paid to the cartel in terms of the market price.

In addition to that, Mr. Chairman, there is one other thing. I understand that France, for example, is a big stockholder as a government in their own oil companies. I am not so sure, under these circumstances, that they are interested in holding down the price, and I will admit that. But the fact of the matter is, that we do not have the greatest price in the world here in petroleum, and if we do in some instances, it is only because of the suffrage of this Government which has been very lenient in taxing this very precious commodity. We have, indeed, frivolously used it and wasted a great deal of it.

The chairman of the committee is absolutely right. In this bill, where we ask for 23 cents a gallon only over a period of 5 years and only, Mr. Chairman, if consumption in this country exceeds the highest consumption in the history of this nation, only then will it be 23 cents. I do not think that is asking too much.

I am one of those who very firmly and very strongly believes—and I think most Americans do—that within a very short period of time gasoline in this country is going to be $1 a gallon. Everybody admits that within just 1½ or 2 years, it is going to be 70 cents a gallon. It may be that much when the OPEC countries get through raising their prices—and we do not know what it is going to be in the next few months. The fact is that this Government ought to get something going to develop alternative sources. Perhaps that is the way we ought to compete with the OPEC countries.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. KARTH. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I would agree that taxes in the other countries the gentleman has mentioned are higher than those of the United States.

Mr. KARTH. That is the understatement of the year.

Mr. JONES of Oklahoma. Because they are supporting more bureaucracy and more government. I do not want to be a part of congressional action that increases bureaucracy in this country, which requires those large taxes to support it.

Mr. KARTH. I do not really think that is the answer, and the gentleman knows it.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise because I have questions in my mind about whether or not this proposal is really the right thing to do.

I rise principally to ask those questions, and in the end, perhaps, I will vote for this amendment because all my instincts are in the direction of voting for this amendment. But I thought, as long as I did have this on my mind, someone who does not have a reputation, in any sense of the word, of being on the side of the oil companies, perhaps I would raise these questions. And I would like, if I may—that being the case—to have a colloquy with the sponsor of this amendment, in just one second.

I would like to say something first. The gentleman from Florida (Mr. GIBBONS), as a speaker before me said, I think hit the nail on the head when he was speaking, but for a different reason. As I understood what the gentleman from Florida (Mr. GIBBONS) had to say at that time, he was saying we ought to be reaching out for a middle ground in this area, and that middle ground ought to be a kind of authority to begin to proceed with this process, rather than mandating it right at this minute.

What are the potential problems with this? As I see it, there are some. Perhaps there are some good answers for these questions, and if there are some good answers for them, I will vote for the amendment, because something has to be done to straighten out the oil situation in this country. We can and must do better—we must find new ways.

I have been told, however—and I do not know if it is right or wrong—that mandating this system creates problems. Let us say you, or me, or anyone else here, are an oil company, large, small, independent, major, or whatever, and we have a refinery and we need imported products, but my refinery refines No. 1 oil and your refinery refines No. 7 oil and your refinery refines No. 6 oil—and I am assigning arbitrary numbers because I understand there are different kinds of oil with different kinds of sulfur content, and so forth, with different kinds of refineries required to process that oil as it comes in.

What is the Government going to buy? Is the Government going to buy enough No. 3 for me, or enough No. 7, or enough No. 1 for someone else? I will ask the gentleman from Illinois (Mr. MIKVA) to tell me about this. What is the Government going to be doing, buying all of the oil this country needs in one fell swoop, or how is this going to work?

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. GREEN. Yes, I will yield to the gentleman.

Mr. MIKVA. The purchasing authority would operate exactly the same way as the refinery operates today, whether it is a major company or anyone else. That is, if someone wants No. 3 oil in a certain quantity over a certain period of time, the Government would require that bids be taken.

Mr. GREEN. From whom?

Mr. MIKVA. From whoever is willing to bid on that offer for foreign oil.

Mr. GREEN. For all foreign oil.

Mr. MIKVA. But the gentleman must understand that the purchasing authority engages in what, in effect, would be a paper transaction—the authority would not take delivery of the oil or store it. The jurisdiction of the authority would be limited to the price bidding procedure.

Mr. GREEN. Suppose I want to buy a certain quantity oil. I come in and I say to you, "I want No. 3 oil for my No. 3 refinery, and I need 100 million gallons." What do I do? Bid to you?

Mr. MIKVA. The Government would advertise for bids on that basis for that type of oil, on a sealed bid basis, and accept the lowest bid for that amount of oil.

Mr. GREEN. Suppose, for some reason, someone wanted to bid on just No. 3 oil. What would happen?

Mr. MIKVA. It would be for No. 3 oil.

Mr. GREEN. No. I mean suppose, for example, instead of just shutting off all of the valves, they just shut off one valve on one kind.

Mr. MIKVA. Let me make this clear. Right now, if OPEC has all of the power we sometimes worry about, it, of course, could put us behind the door; and during the boycott they did, in fact shut off all the valves.

Mr. GREEN. If you take the entire purchasing authority for all oil to come into this country and centralize it in such a fashion, and there is an embargo, where will the leaks be? The last time we had hundreds and hundreds of purchasers and there were leaks because people were able to make side deals, separate deals. I think there were rip-offs, and they should be investigated. I want to make that clear.

But where are the oil companies going to procure oil if the Government is the only purchaser?

Mr. MIKVA. From the same place, the identical place.

Mr. Chairman, the leaks were, in fact, from the various OPEC countries cheating on some of their colleagues who were selling it to brokers who were selling it in turn to other buyers.

That is what this would seek to encourage. It would seek to encourage the OPEC countries who were cheating or those who were selling oil to other parties, and under this amendment the allocation of imported oil would be administered by the Government rather than having it administered by the oil companies.

Mr. GREEN. Mr. Chairman, if there were only one purchaser of their imports, I find that very hard to understand. Where the leaks or separate deal will come from.

If the gentleman is saying to me that we are going to have the same kind of system we have had, what is the benefit of this system that is proposed and in fact mandated?

Mr. MIKVA. Mr. Chairman, if the gentleman will yield further, the benefit of it is that right now the allocation of how much oil each country will sell is being performed by the American oil companies. They are in effect policing and administering the purchase authority.

Under this purchase authority amend-

ment, there would be no such administration by the oil companies.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Illinois (Mr. MIKVA).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MIKVA. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 152, noes 265, not voting 16, as follows:

[Roll No. 277]

AYES—152

Abzug	Foley	Nedzi
Adams	Ford, Mich.	Nix
Addabbo	Ford, Tenn.	Nolan
Ambro	Fraser	Nowak
Ashley	Gaydos	Oberstar
Aspin	Gibbons	Obey
AuCoin	Green	O'Hara
Badillo	Gude	Ottinger
Baldus	Hall	Patten, N.J.
Barrett	Hanley	Patterson, Calif.
Baucus	Harkin	Pattison, N.Y.
Beard, R.I.	Harrington	Pike
Bedell	Harris	Price
Bennett	Hawkins	Rangel
Bergland	Hayes, Ind.	Reuss
Biaggi	Hechler, W. Va.	Richmond
Bingham	Hicks	Riegle
Blanchard	Holland	Rooney
Blouin	Holtzman	Rosenthal
Boiling	Howard	Roybal
Bonker	Hungate	Russo
Brademas	Jacobs	Ryan
Breckinridge	Jenrette	St Germain
Brodhead	Jordan	Sarbanes
Brown, Calif.	Karth	Scheuer
Burke, Calif.	Kastenmeier	Schroeder
Burton, John	Keys	Selberling
Burton, Phillip	Koch	Sharp
Carney	Krebs	Shipley
Carr	LaFalce	Simon
Chisholm	Leggett	Slack
Clay	Lehman	Smith, Iowa
Collins, Ill.	Levitas	Solarz
Cornell	Long, Md.	Spellman
D'Amours	McCormack	Staggers
Daniels, N.J.	McHugh	Stanton, James V.
Davis	Madden	Stark
Dellums	Maguire	Stokes
Derrick	Meeds	Studds
Dodd	Meyner	Thompson
Downey	Mezvinsky	Traxler
Drinan	Mikva	Tsongas
Early	Miller, Calif.	Vanik
Eckhardt	Mineta	Waxman
Edgar	Mink	Weaver
Edwards, Calif.	Mitchell, Md.	Wolff
Ellberg	Moakley	Yates
Evans, Ind.	Moffett	Young, Ga.
Fascell	Mosher	
Fisher	Moss	
Fithian	Mottl	
Florio	Neal	

NOES—265

Abdnor	Broyhill	Crane
Alexander	Buchanan	Daniel, Dan
Anderson, Calif.	Burgener	Daniel, R. W.
Anderson, Ill.	Burke, Fla.	Danielson
Andrews, N.C.	Burke, Mass.	de la Garza
Andrews, N. Dak.	Burleson, Tex.	Delaney
Annunzio	Burlison, Mo.	Dent
Archer	Butler	Derwinski
Armstrong	Byron	Devine
Ashbrook	Carter	Dickinson
Bafalis	Casey	Dingell
Bauman	Cederberg	Downing
Beard, Tenn.	Chappell	Duncan, Oreg.
Bell	Clancy	Duncan, Tenn.
Bevill	Clausen, Don H.	du Pont
Biester	Clawson, Del	Edwards, Ala.
Boggs	Cleveland	Emery
Boland	Cochran	English
Bowen	Cohen	Erlenborn
Breaux	Collins, Tex.	Esch
Brinkley	Conable	Eshleman
Brooks	Conlan	Evans, Colo.
Broomfield	Conte	Fenwick
Brown, Mich.	Corman	Findley
Brown, Ohio	Cotter	Fish
	Coughlin	Flood
	Crane	Flowers
	Daniel, Dan	Forsythe
	Daniel, R. W.	Fountain
	Danielson	Frenzel
	de la Garza	Frey
	Delaney	Fulton
	Dent	Fuqua
	Derwinski	Giaimo
	Devine	Gilman
	Dickinson	Ginn
	Dingell	Goldwater
	Downing	Goodling
	Duncan, Oreg.	Gradison
	Duncan, Tenn.	Grassley
	du Pont	Guyer
	Edwards, Ala.	Hagedorn
	Emery	Haley
	English	Hamilton
	Erlenborn	Hammer-schmidt
	Esch	Harsha
	Eshleman	Hastings
	Evans, Colo.	Hays, Ohio
	Fenwick	Heckler, Mass.
	Findley	Hefner
	Fish	Heinz
	Flood	Helstoski
	Flowers	Henderson
	Forsythe	Hightower
	Fountain	Hillis
	Frenzel	Hinshaw
	Frey	Holt
	Fulton	Horton
	Fuqua	Howe
	Giaimo	Hubbard
	Gilman	Hughes
	Ginn	Hutchinson
	Goldwater	Hyde
	Goodling	Ichord
	Gradison	Jarman
	Grassley	Jeffords
	Guyer	Johnson, Calif.
	Hagedorn	Johnson, Colo.
	Haley	Johnson, Pa.
	Hamilton	Jones, N.C.
	Hammer-schmidt	Jones, Okla.
	Harsha	Kasten
	Hastings	Kazen
	Hays, Ohio	Kelly
	Heckler, Mass.	Kemp
	Hefner	Ketchum
	Heinz	Kindness
	Helstoski	Krueger
	Henderson	Lagomarsino
	Hightower	Landrum
	Hillis	Latta
	Hinshaw	Lent
	Holt	Litton
	Horton	Lloyd, Calif.
	Howe	Lloyd, Tenn.
	Hubbard	Long, La.
	Hughes	Lott
	Hutchinson	Lujan
	Hyde	McClory
	Ichord	McCloskey
	Jarman	McCollister
	Jeffords	McDade
	Johnson, Calif.	McDonald
	Johnson, Colo.	McEwen
	Johnson, Pa.	McFall
	Jones, N.C.	McKay
	Jones, Okla.	McKinney
	Kasten	Macdonald
	Kazen	Madigan
	Kelly	Mahon
	Kemp	Mann
	Ketchum	Martin
	Kindness	Mathis
	Krueger	Matsunaga
	Lagomarsino	Mazzoli
	Landrum	Melcher
	Latta	Michel
	Lent	Milford
	Litton	Miller, Ohio
	Lloyd, Calif.	Mills
	Lloyd, Tenn.	Minish
	Long, La.	Mitchell, N.Y.
	Lott	Montgomery
	Lujan	Moore
	McClory	Moorhead, Calif.
	McCloskey	Moorhead, Pa.
	McCollister	Morgan
	McDade	Murphy, Ill.
	McDonald	Murphy, N.Y.
	McEwen	Murtha
	McFall	Myers, Ind.
	McKay	Myers, Pa.
	McKinney	Natcher
	Macdonald	Nichols
	Madigan	O'Brien
	Mahon	Passman
	Mann	Patman, Tex.
	Martin	Pepper
	Mathis	Perkins
	Matsunaga	Pettis
	Mazzoli	Peyser
	Melcher	Pickle
	Michel	Poage
	Milford	Pressler
	Miller, Ohio	Preyer
	Mills	Pritchard
	Minish	Quie
	Mitchell, N.Y.	Quillen
	Montgomery	Railsback
	Moore	Randall
	Moorhead, Calif.	Rees
	Moorhead, Pa.	Regula
	Morgan	Rhodes
	Murphy, Ill.	Rinaldo
	Murphy, N.Y.	Risenhoover
	Murtha	Roberts
	Myers, Ind.	Robinson
	Myers, Pa.	Roe
	Natcher	Rogers
	Nichols	Roncalio
	O'Brien	Rose
	Passman	Roush
	Patman, Tex.	Rousselot
	Pepper	Runnels
	Perkins	Ruppe
	Pettis	Santini
	Peyser	Sarasin
	Pickle	Satterfield
	Poage	Schneebeli
	Pressler	Schulze
	Preyer	Sebelius
	Pritchard	Shriver
	Quie	Shuster
	Quillen	Sikes
	Railsback	Sisk
	Randall	Skubitz
	Rees	Smith, Nebr.
	Regula	Snyder
	Rhodes	Spence
	Rinaldo	Stanton, J. William
	Risenhoover	Steed
	Roberts	Steelman
	Robinson	Steiger, Ariz.
	Roe	Steiger, Wis.
	Rogers	Stephens
	Roncalio	Stratton
	Rose	Stuckey
	Roush	Sullivan
	Rousselot	Symington
	Runnels	Symms
	Ruppe	Taicott
	Santini	Taylor, Mo.
	Sarasin	Taylor, N.C.
	Satterfield	Teague
	Schneebeli	Thone
	Schulze	Thornton
	Sebelius	Treen
	Shriver	Udall
	Shuster	Ullman
	Sikes	Van Deerlin
	Sisk	Vander Jagt
	Skubitz	Vander Veen
	Smith, Nebr.	Vigorito
	Snyder	Waggonner
	Spence	Walsh
	Stanton, J. William	Wampler
	Steed	Whalen
	Steelman	White
	Steiger, Ariz.	Whitehurst
	Steiger, Wis.	Whitten
	Stephens	Wiggins
	Stratton	Wilson, Bob
	Stuckey	Wilson, C. H.
	Sullivan	Winn
	Symington	Wirth
	Symms	Wright
	Taicott	Wydler
	Taylor, Mo.	Wylie
	Taylor, N.C.	Yatron
	Teague	Young, Alaska
	Thone	Young, Fla.
	Thornton	Young, Tex.
	Treen	Zablocki
	Udall	Zeferetti
	Ullman	
	Van Deerlin	
	Vander Jagt	
	Vander Veen	
	Vigorito	
	Waggonner	
	Walsh	
	Wampler	
	Whalen	
	White	
	Whitehurst	
	Whitten	
	Wiggins	
	Wilson, Bob	
	Wilson, C. H.	
	Winn	
	Wirth	
	Wright	
	Wydler	
	Wylie	
	Yatron	
	Young, Alaska	
	Young, Fla.	
	Young, Tex.	
	Zablocki	
	Zeferetti	

NOT VOTING—16

Conyers	Hansen	O'Neill
Diggs	Hébert	Rodino
Evins, Tenn.	Jones, Ala.	Rostenkowski
Flynt	Jones, Tenn.	Wilson, Tex.
Gonzalez	Metcalfe	
Hannaford	Mollohan	

So the perfecting amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Conyers for, with Mr. Rodino against.
Mr. Diggs for, with Mr. O'Neill against.
Mr. Mollohan for, with Mr. Hébert against.

The result of the vote was announced as above recorded.

PERFECTING AMENDMENT OFFERED BY MR. MIKVA

Mr. MIKVA. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. MIKVA: On page 24, after line 8, insert the following:

"(c) REQUIREMENTS OF APPROPRIATIONS.—No petroleum or petroleum products shall be purchased in accordance with a plan described in this section unless the amounts required for purposes of such purchases are appropriated by statutes enacted after the date of the enactment of this Act."

Mr. MIKVA. Mr. Chairman, I have reason to believe there will be no opposition to this amendment; but since there is a goodly attendance and since this continues to deal with a very important part of the bill, I would ask the indulgence of the committee to explain for a moment or two the purpose of this perfecting amendment.

Mr. Chairman, as I indicated in the debate on the previous amendment, the bill as it was originally proposed and considered in the committee contained a section which provided for a voluntary purchase authority, a permissive, discretionary purchase authority. On the day prior to the final passage of the bill out of committee, an amendment was adopted in the committee which struck that section. That is one of the committee amendments which will be offered very shortly.

Mr. Chairman, in the hope that that committee amendment will be defeated and there will be an effort made to defeat that amendment, this is a perfecting amendment to make sure that the bill will not be subject to a point of order in that no moneys will be spent by the purchase authority, if there is one, unless and until an appropriation bill is passed. It is purely a technical perfecting amendment.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I am happy to yield to the chairman.

Mr. ULLMAN. Mr. Chairman, I would say to the gentleman, it is my understanding that this amendment conforms to the desires of the committee and that it conforms to the rule of the Budget Control Act against appropriations in regular legislation. Therefore, we support the amendment.

Mr. SCHNEEBELI. Mr. Chairman, we have no opposition to the amendment on this side of the aisle.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Illinois (Mr. MIKVA).

The perfecting amendment was agreed to.

The CHAIRMAN. The question is on the committee amendments.

Mr. MIKVA. Mr. Chairman, I rise in opposition to the committee amendments.

Mr. Chairman, I do not propose to elongate this debate beyond reasonable parameters; the amendment I just offered, which was recently defeated, called for a mandatory purchasing authority; but the original committee bill called for a voluntary purchasing authority which the President could set into operation if he deemed it useful and advisable in dealing with OPEC.

Now, OPEC is not going to go away just because we pass this bill. We are going to continue to be faced with the threat and the pressure of a cartel that is squeezing us where it hurts the most.

Mr. Chairman, it seems to me, and I particularly address my remarks to my colleagues on the other side, that they ought not to be so free to deny a necessary tool to the administration in dealing with this problem that will not go away.

I am aware why the oil industry opposes the purchase authority. I can even understand why some people object to mandating it on the administration, whether they want it or not; but it seems to me there is a very respectable middle position which the committee originally had taken to provide a very necessary tool to the administration, if they desire to use it. If this administration or any future administration does not think it is necessary, they do not have to implement it; but I think we are kidding ourselves and kidding the American people if we say that we have adopted a comprehensive energy package that does not include at least the capacity on the part of the President, the potential on the part of the President, to establish such a purchase authority, so that when we are dealing with a cartel acting at its worst, we have a position of strength from which to deal.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, I rose a few minutes ago, as the gentleman knows, because I had questions about whether or not we ought to mandate a U.S. purchase authority by amendment.

It is now, however, clear that we should vote down the committee amendment and we should have the option of giving this President or giving any President in the future the option to set up some kind of purchase authority. The questions I had about it if we mandated it are going to be mooted by giving the Chief Executive an opportunity to set it up so that some of the problems that might be existing in the mandatory system will not exist, so that we can proceed to have some other alternative to the method of purchasing oil which we now have in this country. It would be extremely shortsighted, in my judgment, for us not to vote for the gentleman from Illinois in this instance.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the last word, and rise in favor of the committee amendments and in opposition to the position taken by the gentleman from Illinois (Mr. MIKVA).

The same arguments that pertained relative to the mandatory approach apply also to the voluntary approach. As was stated in the debate previously—and I do not know that we need to debate this on as lengthy a basis as we did the previous amendment—everybody who came before the committee to discuss this problem, from the Brookings Institution to the administration and the business world, were all in opposition to having a Federal purchase authority.

This is sort of a shell game. We have already voted down the mandatory approach; now they are trying to put it on the Presidency. The President and the administration indicated that they want no part of this and all the testimony we received in the committee was in total opposition.

The committee voted against this voluntary approach, and I think the same vote would pertain on a voluntary basis as though it was on a mandatory basis.

Mr. BURLESON of Texas. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Texas.

Mr. BURLESON of Texas. Mr. Chairman, I thank the gentleman for yielding to me. I certainly agree with the statements that the same arguments that we heard earlier would apply. We do not trust the administration for an effective program, and here we are giving them this authority to set up another huge new bureaucracy.

Somebody said that it only takes 60 people to administer such a program. Nobody knows, of course, how many it would take, but we know that when we start out on a thing like this, it gets bigger and bigger and bigger. We are suggesting, in a way, the very amendment we voted down in the committee. We are saying, "Yes, this is right, let's put the Government in the oil business."

Whether it is this administration or some other, it will decide.

I see no reason in the world, when we have decided we do not want a Government purchasing agency, to come in now and say that maybe we do.

Mr. SCHNEEBELI. I thank the gentleman for his contribution.

There are so many Federal agencies now in the energy area which are not doing the job they are supposed to be doing, and we don't need any more. The American public and the Congress are getting very critical of Federal agencies generally. Here we are, entertaining the thought of setting up a new one, and we have already voted it down 5 minutes ago.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I would urge my colleagues to look at the language of the provision which would remain in the bill if the committee amendments are voted down:

Whenever the President determines that the goals of reducing United States dependency on imports of petroleum and petroleum products and the securing of adequate supplies of such imports at reasonable and stable prices will be promoted through the implementation of a system under which all, or a portion, of such imports will be purchased or otherwise acquired, and sold by the Office, he may, subject to the provisions of this part, implement such a system.

Frankly, I do not kow how anybody on the Ways and Means Committee can understand what reasonable and stable price the President is supposed to use in making a judgment. I think it is a very bad precedent. I concur completely with the remarks of the gentlemen from Pennsylvania and Texas.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the last word.

I repeat the position I started off with. I think we should adopt the committee amendments.

Mr. ULLMAN. Mr. Chairman, I move to strike the last word, and I rise in support of the committee amendment.

Mr. Chairman, let me make a plea to the House. I think we have spent a great deal of time debating the prior amendment, and I think that was time well spent, because we put the issue into focus. I think we now clearly understand what the issues are. A vote for the committee amendment is a vote to strike the voluntary U.S. purchase authority that was in the bill and stricken by the committee amendment. A vote against the committee amendment is for the voluntary authority.

We went up and down this road in the committee. We have already had our debate here. We could certainly make an argument for some kind of purchasing authority. Just handing the authority to the President, however, may not be the right way to do it. I would hope we could support the committee amendment and then take another look at this after we have had experience with our quota system. Remember, this title has a quota system in it that is extremely helpful to us in determining where oil is coming from. The quota system will be administered through an auctioning of import licenses so that the private economy will bid in an auction for imported licenses. As a result, for the first time we will be able to know exactly where all of the oil is coming from that is imported into this country. Today we have no such information, indicating that this is a tremendous important step.

So I think if we allow the quota system to work for a while, through a free auction system, then I think perhaps we will be in a better position to know whether in fact we need the purchasing authority.

I urge the committee amendment be adopted.

Mr. GIBBONS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall be brief. There is a great deal of difference between the Mikva amendment and this amendment. The Mikva amendment gave the President no opportunity to exercise any discretion. He had to set up a mandatory purchase arrangement. This provision that is in the committee bill, that the committee now seeks to strike and which I urge the Members to vote "no" on, merely gives the President an opportunity to work with a very complex problem. I think we ought to trust our President that far, and I think it is a step in the right direction. I would urge the Members here present today, the members of this Committee, to vote "no" on this motion to strike.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman.

Mr. CORMAN. I thank the gentleman for yielding.

I join my colleague in urging a "no" vote on this amendment.

There was a great deal of discussion, and we voted twice in the committee,

rather substantially, to keep this authority at the disposal of the President. It was at the 11th hour there were some changed votes and it was taken out.

Mr. Chairman, I say to my colleague from Wisconsin, what kind of judgment might the President use to decide he would put this into effect?

I would say I would hope more judgment than he used in imposing an additional dollar tariff on oil.

There is no question that we are dealing with a governmental entity at the other end of the line. We need a governmental entity protectionally at this end of the line.

I urge my colleagues to vote "no" on this 11th hour switched vote committee amendment.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman.

Mr. MATSUNAGA. I thank the gentleman for yielding. Is it not true that the President says he does not want this authority?

Mr. GIBBONS. Yes. But Presidents have been known to change their minds.

Mr. MATSUNAGA. Why give him authority he does not want and will not exercise? Why give it to him?

Mr. GIBBONS. Mr. Chairman, the gentleman from Hawaii knows that as conditions change, people do change their minds. I would hope that the President who occupies the White House is a broadminded person.

Mr. CORMAN. Mr. Chairman, if the gentleman will yield further, sometimes nations have been known to change positions.

Mr. GIBBONS. That is true also.

The CHAIRMAN. The question is on the committee amendments.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ULLMAN. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 216, noes 196, not voting 21, as follows:

[Roll No. 278]

AYES—216

Abdnor	Byron	English
Anderson, Ill.	Carter	Erlenborn
Andrews, N.C.	Casey	Esch
Andrews, N. Dak.	Cederberg	Eshleman
	Chappell	Fenwick
Archer	Clancy	Findley
Armstrong	Clausen, Don H.	Fish
Ashbrook		Flood
Ashley	Clawson, Del	Flowers
Bafalis	Cleveland	Forsythe
Bauman	Cochran	Fountain
Beard, Tenn.	Collins, Tex.	Frenzel
Bevill	Conable	Frey
Biester	Conlan	Fuqua
Boggs	Coughlin	Gilman
Bowen	Crane	Ginn
Breaux	Daniel, Dan	Goldwater
Broomfield	Daniel, R. W.	Gradison
Brown, Mich.	de la Garza	Grassley
Brown, Ohio	Derwinski	Guyer
Broyhill	Devine	Hagedorn
Buchanan	Dickinson	Haley
Burgener	Downing	Hamilton
Burke, Fla.	Duncan, Tenn.	Hammer-schmidt
Burleson, Tex.	du Pont	
Burlison, Mo.	Edwards, Ala.	Harsha
Butler	Emery	Hastings
Hefner	Mazzoli	Shipley
Heinz	Melcher	Shriver
Henderson	Michel	Shuster
Hightower	Milford	Sikes
Hillis	Miller, Ohio	Sisk
Hinshaw	Mills	Skubitz
Holt	Mitchell, N.Y.	Smith, Iowa
Horton	Montgomery	Smith, Nebr.
Hubbard	Moore	Snyder
Hutchinson	Moorhead, Calif.	Spence
Hyde		Stanton, J. William
Ichord	Mosher	
Jarman	Murtha	Steed
Jeffords	Myers, Ind.	Steelman
Johnson, Colo.	Myers, Pa.	Steiger, Ariz.
Johnson, Pa.	Natcher	Steiger, Wis.
Jones, N.C.	Nichols	Stephens
Jones, Okla.	Nix	Stuckey
Kasten	O'Brien	Sullivan
Kazen	Passman	Symms
Kelly	Patman, Tex.	Talcott
Kemp	Patten, N.J.	Taylor, Mo.
Ketchum	Pettis	Taylor, N.C.
Kindness	Peyser	Thone
Krueger	Pickle	Thornton
Lagomarsino	Poage	Treen
Landrum	Pressler	Udall
Latta	Preyer	Ullman
Lent	Pritchard	Vander Jagt
Litton	Quie	Waggonner
Lloyd, Tenn.	Quillen	Walsh
Long, La.	Railsback	Wampler
Lott	Randall	Whalen
Lujan	Regula	White
McClory	Rhodes	Whitehurst
McCloskey	Risenhoover	Wiggins
McCollister	Roberts	Wilson, Bob
McDade	Robinson	Winn
McDonald	Rose	Wright
McEwen	Rousselot	Wydler
McKay	Runnels	Wylie
McKinney	Ruppe	Yatron
Mahon	Sarasin	Young, Alaska
Mann	Satterfield	Young, Fla.
Martin	Schneebeli	Young, Tex.
Mathis	Schulze	Zablocki
Matsunaga	Sebelius	

NOES—196

Abzug	Dodd	Lehman
Adams	Downey	Levitas
Addabbo	Drinan	Lloyd, Calif.
Alexander	Duncan, Oreg.	Long, Md.
Ambro	Early	McCormack
Anderson, Calif.	Eckhardt	McFall
	Edgar	McHugh
Annunzio	Edwards, Calif.	Macdonald
Aspin	Elberg	Madden
AuCoin	Evans, Colo.	Madigan
Badillo	Evans, Ind.	Maguire
Baldus	Fascell	Meeds
Barrett	Fisher	Metcalfe
Baucus	Fithian	Meyner
Beard, R.I.	Florio	Mezvinsky
Bedell	Foley	Mikva
Bell	Ford, Mich.	Miller, Calif.
Bennett	Ford, Tenn.	Mineta
Bergland	Fraser	Minish
Biaggi	Gaydos	Mink
Bingham	Giaimo	Mitchell, Md.
Blanchard	Gibbons	Moakley
Blouin	Green	Moffett
Boland	Gude	Moorhead, Pa.
Bolling	Hall	Morgan
Bonker	Hanley	Moss
Brademas	Hannaford	Motl
Breckinridge	Harkin	Murphy, Ill.
Brinkley	Harrington	Murphy, N.Y.
Brodhead	Harris	Neal
Brooks	Hawkins	Nedzi
Burke, Calif.	Hayes, Ind.	Nolan
Burke, Mass.	Hays, Ohio	Nowak
Burton, John	Hechler, W. Va.	Oberstar
Burton, Phillip	Heckler, Mass.	Obey
Carney	Helstoski	O'Hara
Carr	Hicks	O'Neill
Chisholm	Holland	Ottinger
Clay	Holtzman	Patterson, Calif.
Collins, Ill.	Howard	
Conte	Howe	Pattison, N.Y.
Corman	Hughes	Pepper
Cornell	Hungate	Perkins
Cotter	Jacobs	Pike
D'Amours	Jenrette	Price
Daniels, N.J.	Jordan	Rangel
Danielson	Karth	Reea
Davis	Kastenmeier	Reuss
Delaney	Keys	Richmond
Dellums	Koch	Riegle
Dent	Krebs	Rinaldo
Derrick	LaFalce	Roe
Dingell	Leggett	Rogers
Roncallo	Simon	Tsongas
Rooney	Slack	Van Deerlin
Rosenthal	Solarz	Vander Veen
Roush	Spellman	Vanik
Roybal	Staggers	Vigorito
Russo	Stanton, James V.	Waxman
Ryan		Weaver
St Germain	Stark	Wirth
Santini	Stokes	Wolff
Sarbanes	Stratton	Yates
Scheuer	Studds	Young, Ga.
Schroeder	Symington	Zeferetti
Selberling	Thompson	
Sharp	Traxler	

NOT VOTING—21

Brown, Calif.	Gonzalez	Molloban
Cohen	Goodling	Rodino
Conyers	Hansen	Rostenkowski
Digga	Hébert	Teague
Evins, Tenn.	Johnson, Calif.	Whitten
Flynt	Jones, Ala.	Wilson, C. H.
Fulton	Jones, Tenn.	Wilson, Tex.

So the committee amendments were agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Rodino against.

Mr. Flynt for, with Mr. Charles H. Wilson of California against.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. GIBBONS

Mr. GIBBONS. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. GIBBONS: Page 4, strike out line 23 and all that follows thereafter down through line 19 on page 14.

Page 15, line 4, strike out "133(a) (3)" and insert "123(3)".

Page 18, line 19, strike out "any" and all that follows thereafter down through line 23 and insert the following: "any rate of duty established by part I and any adjustment to any rate of duty made by him under part I."

Page 19, lines 6, 7, and 8, strike out "the factors taken into account in making any modification under subsection (b) or (c) of section 111,".

Page 19, line 12, strike out "(a) In General.—".

Page 20, strike out line 1 and all that follows thereafter down through line 23 on page 21.

Redesignate the parts and sections of title I of the bill accordingly.

Mr. GIBBONS (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GIBBONS. Mr. Chairman, there are a great many favorable things I can say about my amendments and will say about them. One of the favorable things I can say is that if the Members will adopt them, they will shorten the debate on title I by a great deal this evening. These will be amendments that will get us into title II very rapidly and will stop a great many other perfecting

amendments to title I, because the amendments I have submitted strike the quota provision from title I. That is a very serious amendment. It is a very serious provision in the bill.

The proponents of quotas seem to forget the past history of this country, that we really have had an energy policy for many, many years. That energy policy was, "Drain America first, use up U.S. oil before you use anybody else's oil and to hell with the future."

I think that is real poor policy. I think we should strike the quota provision from this bill because it is the same tool that we used to fight the last war that we just lost, and that is the war with OPEC and with the OPEC countries.

Now, oil is a very precious commodity. If we call up the Federal Energy Agency and ask them how much oil there is in the United States within the 50 States, the safe 50, they will tell us there are about 4,000 days of oil left in this country.

If we call up the U.S. Geological Survey and say, "How much oil is left in this country, oil we know is here and oil we hope is here and how long will that last at the present rate of consumption?" They will tell us oil we know is here and oil we hope is here and oil we know is on the Outer Continental Shelf and oil we hope is on the Outer Continental Shelf, all that oil will last for all of 35 years.

Now, how old will we be when that oil runs out and how old will our children and grandchildren be when that oil runs out? What kind of heritage will we be leaving for ourselves and what kind of heritage will we be leaving for our children and for our grandchildren? What kind of position are we putting the United States in as far as bargaining just down the road? What kind of position are we putting the United States in as far as national security is concerned?

Our answer to all those questions has got to be that we are putting them in the worst possible position that we could dream of. What worse position could we get ourselves in than to use up our most precious natural resource before and at a much more rapid rate than we should be exhausting it.

If we put on quotas, that is the only result that can happen. The only reason for quotas is to protect domestic production and to make domestic production run at its top rate, while the rest of the world goes on with its oil resources.

To isolate us more and more as we go down the road from reality, the reality that there is only a finite amount of oil available in the United States and that it is a rapidly depleting asset that we should be conserving, conserving it not only by all means of conservation, such as cutting down on our wasteful practices, but we should be using oil from any place in the world we can get it, as long as we can get it at a reasonable price. The quota system does not insure that we will get oil from any place else in the world at a reasonable price. In fact, quotas insure and give the OPEC countries a mechanism they need to carry out their cartel.

How foolish can we be to take the plan of the people who are frankly trying to bankrupt us and say, "We will administer it for you. We will administer it for you through a set of quotas. Oh, sure, we are going to use our own resources first and pay you the highest price for your product."

When the end of our oil comes 35 years from now, which is the most optimistic prediction that I have seen by any responsible resources expert, we are not going to have a thing left, nothing for ourselves, nothing for our children, nothing for our grandchildren, not a bargaining chip will we have. We will have given away everything in our rapid desire to use up our resources first and drain America first.

Mr. Chairman, this amendment should be adopted.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose the amendment.

I do so because I think this is an integral part of this bill, this quota, and because the quota was put into this bill with such precision and with such care to begin with.

We were very concerned when we began to talk about quotas that we would have a quota that would be so restrictive that if there was economic recovery in this country, it would not be able to take place because it would not have the fuel it needed. So, we tailored as carefully as we could to what we thought the anticipated needs of this country would be as we come to grips with the energy crisis in this country.

At the very outset, virtually every Republican leader and every Democratic leader in this country agreed on the two basic facts. One was that we could no longer be dependent upon foreign oil. We could no longer have the OPEC countries of this world have a stranglehold on our source of supply, and that we needed to become independent.

If we strike this provision for a quota, we leave the only possible mechanism, price, and that has not proved a satisfactory answer.

Everyone also agrees that the United States can no longer continue to have staggering balance of payments deficits, and unless and until we get to the point where we are not so dependent on foreign suppliers for energy, we are going to continue to have staggering balance of payments deficits in this country, which we cannot afford.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

(By unanimous consent, Mr. GREEN was allowed to proceed for 5 additional minutes.)

Mr. GREEN. I am happy to yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, I was just going to say, the gentleman talks about staggering balance of payments deficits which we have. I am not aware that we have a staggering balance-of-payments deficit.

Mr. GREEN. In oil, in energy. I would ask the gentleman about energy.

Mr. GIBBONS. Certainly we have one in energy and we are always going to have one in energy, but worldwide we do not have a balance-of-payments deficit.

Mr. GREEN. We are hoping that we can begin to construct a policy in this country where that is not going to be the case. If we sit back and say to ourselves that we always are going to have one in energy, the gentleman can be darned sure that we will. If we do not begin to stop importing so much of our fuel needs, we are going to be in trouble and more dollars will flow out of this country. That is why this carefully tailored quota system should be given a chance.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, one question I would like the gentleman to address himself to is the charge that has been made that this quota system is really forcing us to use up our own oil reserves at an accelerated pace. If that is true, I think it is wrong.

Mr. GREEN. I could not agree with the gentleman more. What we did in the past—as I was just about to discuss, and I made the same point in this well in the past when we were here discussing oil depletion—we claimed we had a problem in this country when Arabian oil was cheaper than oil in the United States. We put on a quota, and this was how we used it in the past, to help the oil companies, and it was the wrong thing to do. And it did work to drain America dry. But the fact of the matter is that we are now dependent on foreign oil. At that time, we did not need it. We had plenty of domestic supply, and we drained America dry at that time.

Every country in the world is running out of oil, and we have to find alternate sources of energy. That is one of the things this bill has tried to do, to stop being energy hogs to serve notice that we intend to discipline ourselves. We have very carefully tailored this quota, and we have time in the future, if we have made a mistake, to correct it.

The quota that would be in effect this year will not be reached, and if it were and we were in some kind of a tight bind and needed oil, we have given the President an additional 1 million barrels a day for the next 2 years, discretionary authority. By balance, I think we have built in the kind of flexibility we need to begin to come to grips with this problem. American oil is drying up with or without a quota. We cannot afford the dependence today. We must develop our own sources.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I just wanted to point out something else which I think has not been mentioned. When we talk about draining the re-

sources of our country, we also should be considering the fact that we are encouraging other oil companies in this country to go out and explore. By this proposal we are encouraging this, which is also a very important facet of this program, it seems to me.

Mr. GREEN. I thank the gentleman for his contribution.

Another thing that we really ought to be doing is that we ought to be restoring to the Congress, which this provision does, some of the authority in this area. It did not take this Congress very long at all to override what the President first tried to do when he put on his dollar a barrel, because we thought that was the wrong policy. The President has for far too long been able to willy nilly use national security as a reason for taking actions in this area, and this provision, this quota provision, does away with that over broad authority. We cannot allow our answer to be price alone in this country. We decided that when we acted to repeal the President's dollar a barrel. There is not anyone in this country who does not know today that tomorrow morning the President could change his mind concerning what he did by putting a dollar a barrel on in the first place, particularly if the Arabs turn around and the OPEC countries turn around in the next week or two and put an additional $2, $3, or $4 a barrel.

We have to come to grips in this country with the fact that we have wasted energy. We have got to come to grips with the fact that we are going to have to find alternate sources of energy. The fact of the matter is, as the gentleman from Florida has pointed out, we are running out of energy. Suppose his amendment means we pump just a little less oil out of our own country and, in effect, do not drain America dry quite as quickly. There are estimates of 25 years, 30 years, or 40 years and we are going to be out of oil altogether. If we want to look to the future, we have to come to grips with the energy crisis and put this bill into effect and begin to become energy independent and to begin to stop the drain of dollars out of this country.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I will yield to the gentleman.

Mr. WEAVER. I thank the gentleman for yielding. I just want to comment on the balance of trade payments situation. The balance of trade has been in our favor because of huge farm exports. This year, farm prices are falling sharply. Last year we exported $24 billion worth of farm goods. This year we will be lucky to export half of that, and our balance of trade will be against us because of the oil purchases.

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. GREEN. Yes, I will yield to the gentleman.

Mr. STARK. I thank the gentleman for yielding. Currently, our negative balance of payments because of oil is $25 billion a year. Our net balance of payments is a negative $4 billion, but it would be a much better situation if we would limit the amount of money. The biggest drain on our balance of payments is purchasing export oil.

Mr. GREEN. Mr. Chairman, I just want to make one more point. We have tailored this thing as carefully as we could. We have put in special authority for the President if we should run into some sort of crunch because of economic recovery. We have provided as much as we could for the needs of the various sections of the country that might be hit hardest by giving the President authority to address himself to the particular economic and health crisis that might be caused by this quota system for any and all regions of this country.

We must come to grips with this problem, and I think this is a good beginning. I hope the Members will not support the amendment.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in favor of the amendment.

Mr. Chairman, as the chairman of the committee, the distinguished gentleman from Oregon, told us yesterday, a quota, as it was first devised by the committee and by the drafters of the bill, was designed to show us where we would save oil, not how we would save oil. The bill was put together in such a way that it had conservation measures in it to tell us how much oil we would save, and then we would rely on the quota to make sure the saving came from our imports.

I do not think there is a member of the committee, other than the gentleman from Florida (Mr. GIBBONS), who objected to that theory. We may have objected to the way it was set up and the way the quota worked, but at least the theory seemed reasonable, and I think the committee acted in a responsible way.

However, some things have happened to change the way the quota works, and some things are going to happen to change the way the quota works.

The first thing that happened was that we adopted the amendment offered by the distinguished gentleman from Massachusetts (Mr. BURKE) in the committee that provided that residuals and distillates would get special treatment under the quota. Under that amendment, if the quota ever itself became the conservation mechanism, only those areas of the country which import crude oil would suffer. Those areas which import refined product would not. Therefore, we have set up a massive inequality throughout the United States.

That was one thing, but a worse thing is going to happen because we are going to eliminate the gasoline tax—at least I believe we are going to eliminate the gasoline tax—which provides 60 percent of the conservation mechanism within this bill.

At that point, without conservation, the quota itself will bite, and it will bite without discrimination.

So we have set up a scarcity straitjacket for ourselves with no way in the bill to allocate where this quota-imposed scarcity is going to occur.

Mr. Chairman, it is true that the President has discretion under this bill to raise the quota by as much as 1 million barrels a day. Nevertheless, with the conservation mechanism dragged from this bill, in my judgment, we are in great danger. And if that happened, if we remove the gasoline tax, under this quota system we will find ourselves with a self-imposed scarcity and we will have no way to allocate that scarcity around the United States.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Minnesota.

It seems to me that this amendment should be supported. If the quota is in fact to bite, we are going to find ourselves in deep trouble trying to allocate the build-up scarcity. We do not want to lock America into a scarcity without any guidance on how to handle it. Quotas generally are a poor device.

This quota supposedly has enough flexibility so that it will not bite, but if the gasoline tax is eliminated, I do not think there is any doubt that the quota, as a quantitative limitation, would in fact come into play and cause serious problems in the administration of the resulting scarcity. Quotas here are not supposed to be conservation measures in themselves, but assurance that other conservation measures will reduce imports rather than on reliance in domestic production. I hope my colleagues will keep this in mind, rather than putting undue reliance on possible bite by the proposed quotas. Such reliance is dangerous because of the problems it would create.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for his remarks.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Illinois.

Mr. MIKVA. Mr. Chairman, I have a great deal of respect for the gentleman from Minnesota. After hearing him speak out against this quota section I understand, that he is also against the gasoline tax. After we read the title, I wonder if there is any part of the bill the gentleman from Minnesota is prepared to support.

Mr. FRENZEL. Mr. Chairman, just because I did not support the gentleman from Illinois (Mr. MIKVA) when he offered his amendment does not mean that there are not a number of portions of the bill which I do support. To tell the truth, I think the bill is almost irreparable, and I would prefer not to have this section foisted upon the country.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I wish to associate myself with the remarks of the gentleman from Minnesota.

Mr. Chairman, today the House is considering amendments to the Energy Conservation Act. The looming question is how high taxes must be raised to force Americans to use less gasoline. Some feel that a tax of 20 cents per gallon is not too high.

Frankly, I feel that increasing taxes is the wrong approach. In fact, I believe that this entire debate is based upon an unrealistic premise.

The whole idea that the largest and wealthiest industrial Nation in the world can or should attempt to make itself self-sufficient in all forms of energy smacks of the isolationism which swept our country a half-century ago at the end of World War I. These neoisolationists, battered by our loss of prestige in Asia and the humiliating oil embargo in the Middle East, believe that the United States should close up tight like a clam. They forget that relentless pressure can destroy the clam's protection, just as it can our own.

If the United States, as the world's leading trading Nation, attempts to isolate itself from foreign oil supplies, this action inevitably will weaken its position of international influence and trigger counter-moves which carry the danger of hostility.

I do not believe that the United States can afford to pursue such a policy, and I think it would be especially disastrous as it concerns the production and consumption of energy. Ever since the oil embargo of almost 2 years ago, we have been implored to cut down on the amount of foreign oil we consume. Speed limits have been lowered to 55 miles per hour; smaller economy cars have become more popular; car pooling is encouraged; lower temperatures in winter have become the rule in many homes; and higher air-conditioning temperatures in summer; and millions of dollars have been spent to tell the public thousands of ways to conserve energy. The result of this massive effort to lessen our dependency upon foreign oil is less than nothing. Today, our Nation actually is more dependent upon foreign oil than it was during the oil embargo. When the economy recovers, it will become even more so.

If we are going to meet successfully the challenge of maintaining adequate energy supplies, we must start from realistic premises which will allow us to achieve realistic goals.

Instead of attempting to isolate ourselves oil-wise from the rest of the world, we should be attempting to secure an adequate supply of oil in other ways.

First, we must do everything possible to encourage the exploration and development of new energy sources, especially petroleum. Second, we must do what we can to assure that existing supplies of foreign oil will not again be cut off.

Two economists writing for Resources for the Future, a nonprofit research and educational corporation, suggest in their new book "U.S. Energy Policy Alternatives for Security" that what the United States should be doing is encouraging foreign oil producers to invest their petroleum dollars in U.S. capital markets—industry, financial investments, land, and capital development.

In this way, the Arabs and others will have an ever-increasing stake in continued American prosperity. With each dollar they reinvest in the United States, they will create jobs for Americans, help our balance of payments, and make it much more difficult to reimpose an oil embargo which would jeopardize their investment in America.

As they become U.S. investors, Arabs and other suppliers will acquire a special self-interest in the stability of the U.S. dollar. They can then justify moderation in pricing oil in order to protect their own investments.

Douglas Bohi and Milton Russell, the authors of this sound approach to the problem, feel that global interdependence, not "Project Independence," should be the goal of the United States. I agree.

The Jacksonville Journal Courier recently published an editorial summarizing their approach to this critical problem, and because it is so well written I would like to include it in the CONGRESSIONAL RECORD for all to read:

ENERGY: AN ALTERNATIVE TO INDEPENDENCE

Global interdependence, not "Project Independence," is the goal the United States should be pursuing in the matter of energy.

So at least urge two Southern Illinois University economists, Douglas R. Bohi and Milton Russell, in a recently published book, "U.S. Energy Policy—Alternatives for Security."

Instead of attempting such political strategies as tariffs and import quotas to attain energy independence, they argue that the United States should be encouraging energy-rich nations to invest their money in the American marketplace—to buy into land, banks, corporations and American expertise.

Such investments, they claim, would allow these countries to diversify their economies and guarantee them greater future returns on the money they now earn selling their energy resources, notably oil. An interdependent approach would mean:

More countries, such as the Arab nations, would be willing to manufacture and export more petroleum products because of newly created investment opportunities for income on those exports. The price of oil would drop;

In addition to the worldwide availability of more oil at a lower price, America's prospects for secure, affordable petroleum products would be much brighter.

What makes them so sure the price of oil would come down?

Very few of the Arab countries have many internal investment opportunities, they point out. If they were assured of safe external investment opportunities at competitive rates, they would be less willing to restrict their oil output and lower prices would result.

The economists concede that America can achieve energy self-sufficiency, but the price we would have to pay "would be horribly high and the things we would be forced to do without would be considerable." And if we strive for independence to the exclusion of others, there is nothing to stop the oil-exporting countries from cutting us off again for some reason in the future.

"On the other hand, if we were to encourage a country such as Saudi Arabia to invest billions of dollars in the United States, can you imagine that country cutting off our oil supplies?"

At a time when the President and Congress, and presumably the American people, seem bent on achieving energy self-sufficiency one way or another, and in view of the fears that have been expressed about the Arabs "buying up the country," Bohi's and Russell's proposal amounts to a radical shift in policy. They don't expect it to get very far.

"There is a definite mind-set in this country which is tied up in the idea of independence," says Bohi. He doubts if many politicians would be willing to support the "massive educational process" that would be necessary to change the public's point of view.

Mr. FRENZEL. Mr. Chairman, I would like to sum this up by saying that the quota concept was an excellent idea. As originally drawn, it was acceptable and workable.

However, with what has happened already and what is likely to happen, it is going to result in a national disaster, and, therefore, I urge that the amendment offered by the gentleman from Florida (Mr. GIBBONS) be adopted.

Mr. CORMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there are 2 issues that we must address in considering this amendment.

First, is there any reason for us to concern ourselves with our rapidly growing dependence on oil imports? Almost everybody says that there is a reason to be concerned about that. The gentleman from Florida differs from that.

I completely endorse the remarks made by the gentleman from Pennsylvania (Mr. GREEN). He has stated it adequately, that for financial reasons we ought to be concerned.

There is another reason, and that is the international political reason. We now depend for between 35 and 40 percent of our oil consumption on oil imports, much of them coming from the Middle East. Everyone says that figure will go up to half or more.

What would happen at that time if there were an embargo, which there could easily be?

What kind of influence would that have on international decisions made by this country? That is not the primary reason for concern, but it is a significant reason for concern.

If one answers the question by saying yes, we ought to be concerned about the growing demand for imports, then the question is, how does one do it?

The administration says, "Do it by price. If you do it by price, there will be no scarcity."

Of course, there will be no scarcity for anyone who can afford the price, but there will be a tremendous scarcity for the people who cannot afford the price.

Further, the decision as to whether to import or to develop domestically will, in large part, be controlled by the major oil companies because they control both a significant portion of domestic production and a significant portion of foreign production. Moreover, they have control over where investments are made to find new oil; and if they are faced with import quotas, they will spend that money to find oil within this country and on the Continental Shelf.

Mr. Chairman, I suggest to the Mem-

bers that it is a much wiser course if we agree that we must not be dependent on foreign oil. If we must cut back on those imports or, at least, hold them where they are, then clearly the sensible way to do it is through an import quota. It will be the incentive for investing in domestic exploration and production. If we do it merely by price, we will further bloat the profits of the oil companies, and we will leave totally within their discretion where exploration money is spent.

Mr. Chairman, I urge that the Members vote no on this amendment.

Mr. PIKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this has been a very stimulating and a little bit of an emotional debate on this issue. I would like to suggest that it really does not matter all that much whether this particular amendment passes or not.

As the gentleman from New York (Mr. CONABLE) said, we tried to arrange these quotas so they would not pinch on anybody. We tried to arrange these quotas so they would be high enough so that nobody would feel them. To the extent that nobody feels them, to the extent that they are that high, they are not really quotas; and to the extent that they are that high, they are not really doing anything.

Where I come to the point, however, at which I disagree with the gentleman from Florida—and I am opposed to his amendment—is that I think they may just pinch a little, tiny bit. We may have made the quotas just a little bit lower than we might otherwise go in importing oil. I happen to agree with the gentleman from Pennsylvania (Mr. GREEN) that it is time we did something about conserving energy in this country. If these things pinch just a little, tiny bit, if we make the President, for example, use his extra million barrels a day—and that goes up to a million and a half and it goes to 2 million later—but if we make him use that flexibility and rub the nose of the American people in the fact that we are not conserving, rub their nose in the fact that we are failing to do anything about cutting down the consumption of oil, then I think the quotas will do a little, tiny bit of good. They will add a little, tiny bit to the conservation momentum that we ought to be concentrating on in our energy bill.

Frankly, there is very little of conservation in this energy bill, and I would hate to see us lose even the tiniest little bit, so I oppose the amendment.

Mr. JONES of Oklahoma. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the debate so far has posed the question of draining America dry of its own national energy resources. The direction of a national energy policy comes down to a relatively close question, in my judgment. Basically, we have two alternatives. On the one hand, we can go ahead and not increase the production of energy resources in this country, and that means we will have to import more oil from overseas. If we opt for that particular policy we will have to tell the American people without a doubt that the consumers are going to pay considerably more for all of their energy requirements. We are going to have to tell the American people that we will become more dependent upon, most likely, OPEC for our energy supplies. We will have to tell the American people that we run a grave national security risk by increasing our reliance on imports.

Right now we are importing roughly 40 percent of our energy use on a daily basis from other countries. This is going to continue to increase if we do not do something both to reduce the waste of energy in this country and, second, to increase the production of energy in this country. So this is one of our options for a national energy policy, to do nothing to increase domestic supply and to increase the size of our imports. The second option is the policy that we have begun with this bill before us today, and that is to reduce the percentage of imports by basically freezing the level of imports at todays' levels and, at the same time, to put in motion things that will bring about a conservation of our energy supplies and to increase domestic supplies.

To do that, if that is the option we choose, we have two options. One is the quota system that is in the bill, which establishes a number, an amount of imports that are going to come into this country. The other option is through a tariff system which adds a certain amount of money onto the amount of each barrel of imports coming into this country.

Of those two options I prefer the quota system because it is the most direct way to reduce the level of imports. Also, in my judgment, it has the least inflationary impact, less than a $3 tariff would have on each barrel of oil.

So those are our options. We are living with some difficult choices.

I think we ought to opt to increase our domestic resources and to reduce the amount of imports, the percentage of imports we use on a daily basis, and we ought to do it by the quota system.

The economists who appeared before our committee said that whether we go to a quota system or a tariff system, we end up in conservation at just about the same level. But there is general agreement that in reaching that, if you go to the tariff system, it will cost the consumers more, and the inflationary pressures on this country will increase.

So, Mr. Chairman, I would hope that this amendment will be defeated, so that we can get on with the passage of this bill.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the amendment offered by the distinguished gentleman from Florida (Mr. GIBBONS), to strike part I of title I, which would establish an oil import quota program.

The quota provisions of title I are being justified on the grounds that we need to reduce oil imports. I have no argument with the need to reduce imports—if we can. But the only logical way to reduce imports is to reduce demand for oil. As the demand for oil drops, imports will correspondingly be reduced as purchases of our marginal source of oil—the imported barrel—are cut. In brief, if the committee's proposals to cut demand prove to be effective, a specific volumetric limit on imports of petroleum year by year will prove to be unnecessary, for imports will go down. If the committee proposals do not work, then a quota will simply create shortages and hurt our economy.

Such limits, it is argued, will force a reduction in imports and thus achieve a measure of "independence" from imported oil energy supplies. The problem with the quota approach, is that it would cause artificial shortages which would result in higher prices and in the need for more Government regulations and supervision. To distribute such artificial shortages equitably, we will need a much larger Federal Energy Administration.

We know from experience that bureaucratic efforts fall short of the mark, and that quota limitations will do nothing but worsen the current economic recession.

The basic fact is that we are not importing any oil today which we do not need. In the use of heavy industrial fuel, jet fuel, home heating oil, and diesel fuel substantial conservation efforts have already been made. Further curtailment of supplies of these vital fuels will only serve to create public health problems or cause factories and services to shut down.

The Nation's experience with quotas from 1959 to 1973 should have taught us that a quota policy is a bankrupt policy.

Mr. Chairman, part I establishes a quota of 6 million barrels daily of imports for the next 2 years, and a quota of 6.5 million barrels daily in 1977. It then declines quickly. These specific limits are set arbitrarily and bear no relationship to the real world. They look to me as though they are based on Project Independence data. They are far too low.

But imports are rising, not declining. And imports will continue to increase through 1979, according to a projection prepared recently by the Petroleum Industry Research Foundation. Moreover, this report does not take into account increased demand due to curtailment of natural gas supplies or very cold weather.

Some of my colleagues may look at our current import level of about 5½ million barrels daily, and say that the new quota ceiling will allow plenty of room for growth. But they forget that this is always the lowest quarter of the calendar year for oil use. A look back at the first quarter—January, February, and March of this year—tells a different story. Imports in those months averaged 7 million barrels daily. That level was needed despite conservation, despite a warmer than normal heating season in the Northeast, and despite our economic recession.

What will happen later this year if we have a cold winter and if our economy is moving up again? I will tell you what will happen. We will need more oil, perhaps 1.5 million barrels daily more oil than we used in the first quarter of this year. With domestic production falling, any added demand will have to be imported. But if this quota is in effect, that is the amount we shall be short.

If you think I am painting a bleak picture, you have heard only half the story. Take a look at natural gas production. It is going down fast. Last winter, natural gas curtailments reached an oil equivalent of about 900,000 barrels daily. This winter curtailments could soar to the equivalent of 2 million barrels of oil daily, and the following winter gas cutbacks would amount to 4 million barrels a day. With quotas, the oil needed to replace natural gas shortfalls could not be imported to fill the gap.

Who will be hurt? Not New England and not the east coast, even though we are doing most of the talking. No, the States that depend on natural gas as boiler fuel to run their industry, their factories, their schools and hospitals—those are the States that will be hit and hit hard.

In that broad band of States from Texas and Louisiana on the gulf coast, to Minnesota and Wisconsin on the Canadian border, and from the Rocky Mountains to the Alleghenies, more than half of all industry is powered by natural gas. That is the heart of America I am talking about. That is the area that will be crippled by this oil import quota.

I would ask my colleagues from that broad group of States, to consider two questions:

First. Does limiting imports have a higher priority than getting our economy moving and preventing shortages of energy in your State? and

Second. Does limiting imports have a higher priority than putting people back to work?

I think not. Yet, a vote for a quota is very likely a vote to put our economy into a permanent recession and condemn millions of people to permanent unemployment.

There is no other way to say it. A quota is a self-imposed embargo. Surely, imposing an embargo on ourselves so that others will not be able to impose one on us from outside is the height of foolishness.

Mr. Chairman, if we are concerned with our import vulnerability, let us attack that question head on. Let us build some strategic petroleum storage to limit our vulnerability and give ourselves time to solve the political problems attendant to an embargo. If we are convinced something must be done, let us do something that makes sense. Quotas do not make sense. Quotas are the worst possible "solution" to our energy problem.

Mr. Chairman, I strongly urge the adoption of the Gibbons amendment.

Mr. KOCH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know that in a complicated bill, which this is, on a very serious matter, one should be reluctant to participate in the debate if one is not part of the committee and privy to all the testimony that took place; but it is such an important matter I thought I would take a chance, anyway, because in my gut I believe that a year from now and 5 years from now, if this is the bill that we are depending on to get us out of the mess that we are in, it will not do the job and we will be very distressed and we will be worse off than we are today. All because we failed to take advantage of a situation to provide the appropriate legislation.

Mr. Chairman, I am going to support the bill ultimately because it is better than nothing. I am going to support the bill and oppose this amendment.

The world, I am told as I read the various weeklies and the dailies, is swimming in oil—swimming in oil. I cannot understand why we do not do what I am told the French do, which is to say that we are going to spend a certain amount of money, not limit it by quota in terms of barrels, but we are going to spend a certain amount of money annually for imported oil and we are not going to allow any country to supply more than a fixed percentage of that oil. We are going to spend so much and allow the oil export countries to bid, whether it be Nigeria or Saudia Arabia of any of the other countries. I repeat the world is swimming in oil and if we take sealed bids, we will find the cartel will disappear; but we are not doing that. We are saying that we will buy a certain amount of barrels a day. We will not break any price barrier that way.

Mr. Chairman, before I conclude, I hope to ask a question or two of the chairman.

There is something even more basic. We are the largest owners of coal and oil shale, as I understand it, in the whole world. There is not any question but that the technology exists to free that oil shale and coal so as to make them usable in the same way that oil is usable, except for price. The technology is there and I am told that today's price for oil, in fact, makes it economical to use. If we could be sure that if an investment in building the plants to convert shale and coal were made and that 5 years down the pike the producers would still be able to sell that oil shale and coal if the price of oil fell and they could not, because they cannot compete in a true market, a free market with the price of oil. Therefore, they are not able to invest the money to create the oil from the oil shale and the gas from the coal.

Mr. Chairman, what is wrong with our guaranteeing the producers of the oil from oil shale and the gas from coal that they will have a price which will meet the oil competition, even if the oil producers across the world decide they were going to break those producers simply by lowering their price? What is wrong in our doing that? That is my second question.

Mr. Chairman, my third question is this. Why have we permitted the oil producers to own the coal companies, to own the nuclear energy companies, to own every competing form of energy, so as to stifle competition? Why have we permitted there to be vertical domination in an industry, so that the oil companies own not only the oil, but the very locations from which we buy our gasoline.

Why have we permitted that, so I would like to ask our chairman, if I may, why it is that we do not use a dollar system in terms of the oil that we are importing instead of barrels. Why it is that we do not enter into some form of guarantee so that those who engage in the technology presently available will have a market guaranteed so that they will not lose all their investment if it is put into oil shale or into gasification of coal?

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent Mr. KOCH was allowed to proceed for 3 additional minutes.)

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, the gentleman's last two questions referred to matters that are not within the jurisdiction of the Ways and Means Committee. He asks why we do not guarantee the price of oil, and that comes under another committee's jurisdiction. But the gentleman knows we will not do it.

If the gentleman is concerned about developing oil shale, then this provision, this quota provision which limits imports, is his best assurance that we will develop oil shale in this country and develop all the other alternatives in resources.

Mr. KOCH. There is one area that is within the gentleman's jurisdiction. Why is it we use barrels of oil as the quota instead of dollars?

Mr. ULLMAN. Let me say that the demands of this country are rather finite, and when we begin computing what the future needs of the country are with respect to oil, we have to think in terms of barrels of oil. What we have fed into this quota system is as accurate an estimate as we can possibly put together as to what our minimum needs are going to be with our conservation program in terms of barrels. If we put it in terms of dollars, there is no way we can come to an accurate answer.

Mr. KOCH. The gentleman is losing the point of my argument. It is not a question of importing enough oil to meet our demands barrel for barrel. The question is of dealing with the oil cartel by saying to them, as they do, as I understand it, in France, "You can bid against the dollars we are spending. No country may sell to us more than a fixed percentage," and then we have those countries now in an oil cartel sending in sealed, secret bids in order to get our business. Did the gentleman's committee consider that, and if it did, what was its conclusion?

Mr. ULLMAN. Let me say that the oil production problem in America is totally different than in France. We have a vast production here in this country. We looked at all of the alternatives. The only way we could find a feasible way of facing up to the problem is laying out the numbers of barrels, as we have here. Oil is a finite commodity. The gentleman says we have a glut of oil, but the world will be out of oil in 20 or 30 or 35 years. There is no long-range glut of oil, and in terms of history that is a very short time.

This country peaked out in production 5 years ago, and production has gone down each year since. The best possible way of developing alternative sources and assuring that there will be a market is to establish this kind of quota system. This is the heart of the bill.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, the gentleman from New York has made a very thoughtful and instructive statement, as he always does when he takes the well. I would like to point out that the quota system which we are about to adopt here will guarantee that there will never be another oil refinery built in this country. There will never be the things done that the gentleman wants. Nobody is going to build an oil refinery here unless he can guarantee that he is going to have some oil to run through it, and yet he has to go into the market and bid for quotas. He is never going to build. It will concentrate ownership of oil and production facilities even more .

Mr. EMERY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I was very interested in the remarks made by the gentleman from New York, the previous speaker. I will take this opportunity, very briefly, to inform the gentleman and other Members here this afternoon that I have an amendment which essentially addresses itself to the very point the gentleman just raised—that is, the question of establishing a dollar limitation on imported petroleum rather than a quota or volume, which I am very much opposed to.

This is not the proper time for me to get into the details of that particular amendment, but I would like to take the opportunity to inform the gentleman from New York and others who may be interested that at least one other Member of this House is interested in that approach. I feel that this may be the only viable method we can devise that will effectively let us compete economically for oil and thereby possibly breaking up the oil cartel.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Speaker, I rise in opposition to the amendment and in support of the committee's position.

Mr. Chairman, that may come as a surprise to some Members of this body who are mindful, I believe, of my strong opposition to the Emergency Mandatory Allocation Act. I still wish we did not have that program and that it would not have come about. But we are talking now about a different proposition. That is, how can we conserve energy?

Mr. Chairman, if we are in agreement that the problems we face in this country are primarily those of an economic nature, brought about by the shortage of energy—and I think it is, and I do not believe there is any dispute about it—then we have to decide how we can conserve. How can we change that picture?

We can do it, perhaps, in one of two ways. As we go forward in the months ahead, we may find there is some other approach; but it is, basically, going to be done by the tariff or the pricing mechanism, or it is going to be done by the quotas, or a limitation of imports.

I think we have to make a choice. Indeed, as much as some of us may not like it, the quota is the very heart of this bill. Take the quotas out, and we might as well, like the Arabs, they say, fold the tents and steal away. We would have no bill.

I do not think the Members want that to happen. Some may want to argue the merits of the quotas in barrels or in dollar limitations. But either way you look at it, we must have one of these two vehicles.

The Members ought to ask themselves this: Has the tariff as imposed by the President reduced imports? I think the Members have to admit that it has not. As a matter of fact, imports have increased each month in the last 2 or 3 months. Indeed, the last month, much more heavily than the others.

I would have to say that may not necessarily be the pattern, because perhaps they were trying to get under the $1 tariff, and ahead of the $2 tariff. But no matter. Imports have increased in the last month almost 40 percent over the previous month. It has been estimated if this continues, imports by the next 10 years will increase perhaps 50 percent for our oil supplies rather than 35 percent.

Is that what we want? Is that what the American people are willing to accept?

We can ask ourselves this further question: If our problem and our deficit is brought about by the shortage of energy, we have to recognize that it is taking money out of our economic mainstream and sending it abroad. We are spending some $25 to $30 billion a year, money going out of this country. If we want to stop that, we have to think in terms of limiting the imports. It seems to me that we really have very little alternative.

One other thing. It is good and it is easy for us to say we are going to conserve, and that the American people are going to wish it that way, and conservation is going to happen. We tried that last fall, when the President recommended a voluntary conservation program. We did not conserve 1 barrel—or at least very little.

Mr. Chairman, we put in the tariffs, and that did not cause us to conserve. I rather imagine that all of us will admit to ourselves, if not publicly, at least individually, that about the only way we are going to conserve is if we are forced to conserve and if we set up the machinery where we have to stay within certain limitations.

I will say, finally, that we ought to ask ourselves this question—and really this is the question the American people will have to answer—Do we want to conserve? Do we want to change our lifestyles? Are we willing to tighten up and not use as much foreign imports, or do the people really want to go ahead and bring in this oil in unlimited amounts?

I really think that is the heart of it. Do we want to conserve? Do the people want to conserve?

Sometimes I get to think that perhaps they would rather pay the price, gripe about it, fuss about it, and cuss the Congress and the oil companies, but still pay the price and get the oil and the gas and go along our merry way. If that is what we want, that is what we will get, if we take the quota out. I think the quota is an integral part of this bill.

The CHAIRMAN. The time of the gentleman from Texas (Mr. PICKLE) has expired.

(By unanimous consent, Mr. PICKLE was allowed to proceed for 2 additional minutes.)

Mr. PICKLE. Mr. Chairman, I do not agree at all with some of the statements made earlier that the quotas or the imports the past 25 years were the worst things that ever happened in this country. I would disagree strongly with some of the speakers, but I will not go into that argument now. I would say, thank goodness we had some kind of a quota or import system, because if we had not had such a system, we would not have had any drilling going on in this country, and we should just stop and think how totally dependent we would have been in that event.

But aside from that, that was the situation that existed 25 years ago. I think we adopted the right course. In spite of it, though, we kept bringing oil in and bringing more oil in. It does us no good to go back now and reargue that old debate about whether the imports should or should not have been limited or whether we should have ever established any kind of a quota. We did establish a quota, but we also started the practice of bringing in more and more oil—of raising the quota to take care of demand and assuring us of our standard of living.

This is 1975. The situation has changed. We now have a shortage.

Mr. Chairman, I submit that if we are going to conserve, we must use one of two weapons: Either we continue with the tariffs and the prices, which have not reduced the imports, or we must go to a quota.

I really think perhaps when it is over with, we may go to both. We may take a bit of the tariff and a bit of the quota or a heavier dose of both. I think sometimes perhaps that will be the answer, because we must reach some kind of accommodation if we are going to attain any kind of independence from foreign imports.

Mr. Chairman, I submit that the committee position is the fairest way to proceed under the circumstances, and that we ought to support the chairman of the committee.

Mr. FISHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to speak very briefly in opposition to the amendment offered by my colleague, the gentleman from Florida (Mr. GIBBONS).

The gentleman's amendment would eliminate the quota section of this bill which I regard as the beginning and the heart of the bill. Without it there is almost no motive left for either conservation in this country or for incentive to discover more oil and convert other forms of energy to liquid fuels.

As I say, without the quotas we remove almost entirely the reason for conservation and the reason for increasing domestic supplies. It just will make it impossible for us to have an energy policy worth the name.

This amendment would result in eliminating the quotas. It would open the floodgates to imports from the Middle East and other places, and at prices that they will force upon us. We would be removing our best defense against the gouging high prices that we will have to pay.

This amendment, of course, would seriously increase the outflow of U.S. funds, which is already very great, on oil accounts. This amendment would jeopardize even the national defense of the country.

It would cause a partial dismantling of the domestic industry, and it would not be easy or quick to put the industry together again.

This amendment would place us further in thrall to the OPEC countries. It would, in short, leave this country with no energy policy and no oil policy. It would remove the centerpiece of the whole thing. It would be a most serious mistake to enact this amendment, in my judgment.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Yes, I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I thank the gentleman for yielding.

I have been listening to the debate on this. I am not a member of the committee. I really do not know which way to go, but I have not heard a single member of the committee in opposition to the amendment yet deal with the basic premise of the gentleman from Florida (Mr. GIBBONS). That was that we are going to run out of oil sometime between the year 2000 and 2010.

I have not heard one member of the committee really get down to answering that. I wish somebody would before the debate is concluded.

Mr. FISHER. Mr. Chairman, I would like to speak to that.

The gentleman from Florida (Mr. GIBBONS) based his case for eliminating the quotas and using foreign oil on the fact that we have, I think he said, a 4,000-day supply left. That would be about 13 years.

When I was in high school, I remember engaging in a debate on this subject. In those days we had, believe it or not, 13 years in reserve. That is some time ago, I am sorry to say. The reason is the way this figure is arrived at. It is based on known reserves, as reported by the companies, of how much oil could be got up with known technology and sold profitably at existing prices.

This does not include undiscovered oil in the country or offshore oil. It does not include a great deal of oil that is known to exist in the North Slope of Alaska. It includes no oil that would be derived from coal or oil shale. The oil remaining in this country is much greater than a 13-year supply.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Yes, I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, the figure I used in debate was 35 years. It is from the U.S. Geological Survey. It includes oil that is known and oil is hoped for, and nobody will give us any figure past 35 years, even if we were to pay $1,000 a barrel for oil. That is what we are up against.

Mr. FISHER. Mr. Chairman, I am aware that the gentleman did, at the end of his remarks, use the 35-year figure, but he used the 4,000-day figure several times in the earlier part of his remarks.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Yes, I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, it seems to me that one of the answers to the question the gentleman is raising, if I may say this to the gentleman, is that the fact of the matter is that we are going to run out of oil at some point, and unless we begin to develop alternate sources of energy in this country, we are in trouble.

Let us say it is 35 years, 13 years, or 42 years, or let us say it is 112 years. The fact of the matter is that we are going to run out of oil in this country, and we cannot, in the meantime, continue to be dependent and be placed in a position where the OPEC countries can strangle the United States of America. Unless we begin to put a quota on as to how much we are going to take, and unless we begin to develop alternate sources of energy in this country, we can quibble as to whether it is 35 years, 13 years, or 50 years, but we have to get down to doing the job that is necessary.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I have listened very carefully to the arguments today, and I must say that I am somewhat confused by the logic here.

On the one hand, I have heard the argument that we do not have to worry about the quota system because the bill is carefully scaled so that the quota system will not have to come into being. Then, on the other hand, we are told that the quota system is the heart of the bill, and the bill will not work and that the bill has nothing in it if we do not have the quota system.

I would like to examine these arguments and try to see how they stand up under analysis.

Some say that the quota system will not be actually used. That demand will be scaled down. Let us take a look at that argument. The committee has argued that quotas would follow demand downward somehow, that the quotas are not intended to be an "energy conservation measure in themselves", but that they will make sure the oil savings resulting from other measures in this omnibus bill will be reflected in reduced imports. If this is in fact what would happen, then the quota section is superfluous—it is not needed. Surely we do not need quotas to make sure savings through conservation are reflected in imports reduction. Since imports are more expensive—and I note the Shah of Iran wants another major price rise—we would be foolish to pay a higher price. This is elementary economics.

I would say that we do not need the quota system only if the argument of the gentleman from Florida is correct, that we do drain America dry and if we do not need it, that will be the only reason that we will not need it.

I have heard the argument that it would hurt our strategic defenses, if we did not have a quota system. On the contrary, because it will put tremendous pressure against building strategic reserves if we do have a quota system, who will want to suffer the unnecessary consequences by putting the oil into strategic reserves if we do not have enough under the quota system for domestic consumption? It would be a very hard decision to make. This is especially true when the other fallacies of the quota system are examined.

Second, I have heard the arguments about when we will run out of oil. This is of course, a matter of serious concern. It is of special concern when we look at the figures the committee relies on to say we will not need the quota system. They give us figures of 4.7 million barrels of oil a day in 1985 to make up for reduced demand on foreign oil. This oil, to come from somewhere, we do not know where, whether offshore drilling, or from the Alaskan naval petroleum reserves.

It is my understanding that there is only right now 100 million barrels of proven reserves in those areas, yet we are estimating these tremendously vast amounts, 4.7 million gallons a day, will come about to replace foreign oil supplies. It appears clear to me that not only will the quota systems come into play, but with the severest impact.

The argument is that we need a quota system in preference to a higher pricing system. But the quota system is a pricing system if it comes into play. If you do not have the supply to meet demand, and you have the auction system, it will obviously bid the prices up, and the price of domestic oil will go up, and thus you will have a higher pricing system.

But not only does it drive the price of oil up, but then you have all of the problems incumbent with a quota system.

We have no allocation plan in this bill. As has been argued we are not going to see refineries built.

We will drive out the independent operators in this country, drive them out of business because they cannot get in and compete successfully in the auction market.

We, in New England, fought for 10 years to eliminate an oil import quotas system which had the effect of reducing the number of independent deepwater refined petroleum product wholesalers from 22 to 6, reducing the independent's share of the wholesale fuel oil market in New England from 70 percent to 40 percent, and reducing the number of independent retail heating oil distributors from over 4,000 to 2,400. So quotas have proven themselves to be an anticompeti-

tive device in the recent past in our area of the country. Is there any reason to think this will not again be the case if we enact another such plan?

It will raise the price on oil and, furthermore, when we have price increases without price controls then we will have windfall profits. But this bill does not have a windfall profits tax.

This bill is very incomplete if it comes into play, and it certainly is going to come into play.

In my thinking there are four ways to try to face the dilemma, and this is the fourth in order of my priorities.

One would be oil consumption reduction, including alternative sources to oil, and this bill approaches this area very weakly.

Second, we could have a gasoline tax which hits use where there is more flexibility than in an across-the-board approach, with price increases or taxes on heating fuel.

Third, we can have the President's pricing system which does of course increase prices across the board, and to me does create problems.

The fourth is the quota system, and then you get the price increases with all of the other problems set forth above.

So I would say to my colleagues, we should support the amendment because I think the quota system should be fourth in our priorities, not first.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, first I would like to announce that we hope to finish this title this evening. I think we can finish it in another hour, but if it continues beyond that we will attempt to close down around 7 or 7:30. That is just for the information of the Members.

Now, let us go to the Gibbons amendment that would strike the quota and import licensing provisions of title I. Title I is certainly the centerpiece in our effort to become less dependent on foreign oil. If that is our objective, if we believe that we need to be less dependent on foreign oil, then we have to have title I. This has to be in the bill.

You know, we can argue about how much oil there is left in the world, but it really does not make any difference insofar as this particular title of the bill is concerned. The issue is not how much oil is left in the world. We know how much we have in this country. We peaked out several years ago. Our production has declined each year since.

The fact of the matter is that we have doubled our imports in the last 5 years, and we have gone in the last 5 or 6 years from annual expenditures for oil imports of $3 billion to $25 billion. If they raise the price of oil $4, which they are talking about, then the same amount of oil that we are importing this year would cost $34 billion next year.

We assume that we will buy some more. The fact of the matter is, that if we continue on the assumption that we can go on importing foreign oil without restrictions, no matter what the cost is, our days in this country are numbered. There is no way for us to do it economically and, second, there is no way that we will place the destiny of this Nation in the hands of foreign suppliers.

By having a quota system we are telling the world we are not going to buy unlimited oil. We are not going to continue going down the road of wasting our energy. We are going to abide by some reductions. A specific amount we are going to import—and no more—and we are going to put into place a whole series of conservation measures that is going to make it possible for us to meet these objectives. This is a national goal; this is a national policy. This is what the American people want. If we take the quotas out, we take out much of our energy, and we then will go on wasting our energy as we have in the past.

Believe me, when we look at the whole problem of energy—I know all of us have problems with it and all of us think there is a better way of doing it—we have to begin with the problem of imported oil and we have to face up to our need for an import quota. This is the beginning, and I think we have worked the quota system out in a flexible way so that it fits into our free economy.

We have an auction system. We allow people to bid on import licenses. An auction system will allow the best possible interplay of a quota system with a free market.

We have talked a great deal about the problem of getting a handle somehow on the oil companies. It is true that today we do not know where the oil is coming from. We do not have records. This will give the U.S. Government accurate records of where all the oil is coming from, that alone would be worth the price we will have to pay, but that is only an incidental benefit. This nevertheless, is a part of the bill.

If the Members believe in having a U.S. energy policy, if they think that we in Congress have an obligation to the people in America, this is where we must begin. We must begin by voting down the Gibbons amendment.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I shall not use my 5 minutes in support of the Gibbons amendment.

Mr. Chairman, we have heard so much here today about the conservation of energy and about creating the United States as an independent entity. This is simply a fact that cannot be realized in our time, and I think most of us know it.

During the course of debate in the committee; my friend, the gentleman from Florida (Mr. GIBBONS) made a comment in sort of an aside which really should be the title of this bill. He said this bill, and I quote, "should be called the Drain America First Bill." And he is correct, because if we will look at this bill, all 134 pages of it more or less, we will find not one word of encouragement for domestic production of petroleum. If we will read the statement of purpose of the bill, we will find the only reference to domestic production, and it is on line 19. It says:

The purpose of this title is to be certain that oil conservation which is obtained under this Act results in the reduction of oil imports and not in the reduction of domestic oil production.

This pious pronouncement does nothing, does nothing to stimulate production of oil or gas in this country. This bill, No. 1, creates a shortage and will probably result by the year 1985 or thereabouts in a 3 million barrel-per-day shortfall.

In title I, subsection 3, it says, "to place the United States as soon as practicable in a position to deal with any oil embargo"—and, Mr. Chairman, I submit that this bill will do that, because by creating a shortage and then taxing it, we are going to convince the American people how to handle an embargo because we are going to create our own embargo.

If we think that is going to intimidate the OPEC nations in any way, shape or form, we are sadly mistaken.

Mr. Chairman, I strongly support the Gibbons amendment and recommend its passage.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are at the critical point in this bill, as the chairman of the committee pointed out. We are about to take that big step and decide whether we are going to bite the marshmallow.

As my good friend, the gentleman from Texas, pointed out, if we do not pass this particular provision, like the Arabs we should fold our tents and steal away. There is one major difference. When the Arabs fold their tents and steal away, they take all our money with them. If we fold our tents, we will be left without energy policy, without an energy bill.

We at the present time are transferring our assets to the OPEC countries at the rate of $25 billion a year; but the European countries and Japan, when added to the transfers we are making, are transferring assets to the OPEC countries, primarily to the Arab countries, at the rate of $100 billion a year. That is $2 billion a week. That gives the OPEC countries a leverage over the free world economy that is unparalleled and intolerable.

The other free countries of the world are watching what we do here. They themselves are taking much more drastic conservation efforts than we are. If we do not bite this marshmallow—and I say marshmallow because this provision is not nearly as strong as it ought to be, it maintains that $25 billion a year transfer, the same 6 billion barrels we now import—if we do not at least impose the quotas in this bill, the other free world countries are not going to take our conservation efforts seriously. They will say that if the United States is not going to take some action to reduce imports, why should they? We will put ourselves in the greatest peril we have ever seen, and the free world has ever seen, without a shot being fired.

Mr. Chairman, I believe very strongly this is the minimal step we must take.

We have to make some hard decisions. For those people who do not want to achieve conservation on the basis of price because the poorest people are the ones who would have to conserve—to those who do not want to go along with the President's policy to increase tariffs and decontrol of old oil—and if we want to do anything to prevent the outflow of capital to the Arab nations, then we have to support an import program. It is critical. If there is any way the committee bill is not satisfactory, it is because it is not strong enough, not that it is too strong.

Mr. Chairman, I strongly urge that we adopt this amendment. I think it is the heart of the bill.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I will be glad to yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, will the gentleman tell me what is the mechanism of all this? Suppose we reduce our imports by say 20 percent, what is going to stop the OPEC countries from increasing the price 20 percent?

We pay out the same amount of money and yet get less oil. I do not see the rationale of the gentleman's statement. I do not want to pay out any more American dollars, but as long as their monopoly works and we are doing nothing in this bill to stop it, we reduce our supply and they force up the price and they get the same amount or more money.

Mr. OTTINGER. Mr. Chairman, to answer the gentleman, if there is a hope of breaking the OPEC price cartel it will be on the basis of reducing the amount we import together with the European countries and Japan. At some point, and we have come very close because we have seen some signs of breaking the cartel at the present time, the Arab countries are just going to get sick of cutting down production. They need capital. They need capital desperately and if they see that the free world is taking remedial action, I think we will be successful in breaking the OPEC price.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I gladly yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I am puzzled by the question asked by the gentleman from Florida. The OPEC countries can raise the price on a lesser amount of oil, it would seem to me, just as they would raise it now on a greater amount of oil.

Mr. OTTINGER. I thank the gentleman for his comment.

Mr. GIBBONS. They raised it today.

Mr. ECKHARDT. I know they have raised it today. They are asking as much as they can possibly get, so it seems to me the question of the quota system makes no difference with respect to price.

Mr. OTTINGER. I agree with my friend from Texas. I would like to point out also, with respect to prices on oil produced in the United States, we can manage to insure our own domestic oil supply at a reasonable price.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent Mr. OTTINGER was allowed to proceed for 2 additional minutes.)

Mr. OTTINGER. My friend from Texas is going to offer in the Commerce Committee a measure which he offered and for which there was actually a majority on the Energy and Policy Subcommittee to control the price of domestic oil at a reasonable rate. We have in the bill which is coming up from the Commerce Committee providing allocations, so that if import quotas create some shortfall, and it may well do that at some time in the future, we will be able to manage that and the President will have the authority to make the necessary allocation.

We have got to take some hard decisions in this House, and—any way we turn is hard. If the decision is to go the price route, it means everybody is going to pay huge increases in price for everything in our economy. If we decide to do nothing to conserve, we are going to have this absolutely horrendous transfer of assets to the OPEC countries. Quotas and allocations with price controls is by far the best alternative.

I think this is at the heart of the bill. Regardless of what people do on the gasoline tax, if we have a quota in place, we will have a meaningful congressional energy policy. I hope that this committee will support the Ways and Means Committee and will vote down the amendment—albeit very sincerely offered by the gentleman from Florida (Mr. GIBBONS).

Mr. DELLUMS. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, members of the Committee, I too have tried to listen diligently to this debate. The question I would raise is whether this provision of the act is based upon sound and rational conservation theory, or whether or not it is based upon an anachronistic and unrealistic foreign policy calculation.

The question I would raise with all my colleagues on the floor is whether we are cutting off our noses to spite our collective faces. First of all, the thrust of this legislation, the specific thrust of this provision of the act, is for the United States to become energy independent. The way that this is done is to decrease the demand for foreign oil. If we were to decrease the demand for oil in this country, what will we do?

We would find an alternate way to live or, in other words, we would radically change the nature of our consumption patterns, but we have not addressed that question. We would pass some efficient land use legislation; we have not done that. We would place an extraordinary amount of our resources into mass transit as opposed to highway funds; we have not done that. We would do something about redirecting the dollars in this country that are going away from the urban centers into suburban areas to create greater sprawl, greater dependence on energy; but we have done virtually none of these things.

Finally, we would spend an extraordinary amount of our general revenue to find an alternate source of energy, but we put a few dollars into that question.

Now then, what does the import quota actually do? The theory of it is that we are utilizing too much foreign oil, but with mandatory quotas on imported oil we would reduce America's consumption, but what would really happen? We would stimulate more drilling, more exploration, more production. We would run out even faster.

We would stimulate higher costs in inefficient wells. And, finally, we would in fact increase prices.

Let us for a moment assume that OPEC nations are as intelligent as we are—and sometimes I think our patronizing approach to other people assumes that they are not as bright as we are. If we assume that oil sellers, OPEC, operate in a rational manner and thus attempt to maximize their returns, for example, their revenues, from the sale of oil, they must then multiply the amount they figure they can sell by the price they charge.

Take, for example, the current price of oil, and multiply it by the current use of imported oil, you arrive at a figure that would be the collective revenue going to OPEC nations.

If, based upon import quotas, we move back, away from existing quantity, in order for the OPEC nations to stay current and maximize their revenues, they have only one alternative, and that is to expand their price.

So the gentleman from Florida is perfectly correct. If, with current prices and current quantities, we come up with a dollar figure, and we assume intelligence on the part of OPEC nations, then I would say that if we cut back on the quantity, that simply continuing to want to maximize their revenue they have only one alternative, and that is to raise the price.

I would say to the Members that if you raise the price as a result of American action, there would be one price around the world and you would raise the price of oil for the entire world, which means the third world, the underdeveloped nations, would also be paying through the nose.

That is why I raised the rhetorical question: Is this provision of the act really calculated to address itself to the conservation of energy, or have we become caught up in our own egotistical foreign policy calculations in our desire to strike back at the OPEC nations? Are we in fact cutting off our nose to spite our face?

I think that will raise the price of oil in this country and it will raise the price of oil around the world.

My basic assumption is that OPEC nations are as intelligent and as rational as we are, and if they are out to maximize their revenues, then this provision of this bill is not going to reduce consumption, it is not going to change the nature of our lives as we gluttonously and greedily consume oil, but it is going to raise the price of oil that is in no way elastic in this country.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ECKHARDT and by unanimous consent, Mr. DELLUMS was allowed to proceed for 1 additional minute.)

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I will yield to the gentleman.

Mr. ECKHARDT. I thank the gentleman for yielding. I agree with the gentleman in the well on half of what he says.

Mr. DELLUMS. I thank the gentleman.

Mr. ECKHARDT. That is, if we restrict the amount of oil used by the United States by any means, we do tend to raise the price unless we control it, which I think we should do. But I do not agree with the gentleman in the well that merely because we purchase a decreased amount of OPEC oil, we will have to pay more for it.

Take an extreme example. If we reduced our purchases to half, the OPEC countries cannot charge twice as much for the half remaining.

As a matter of fact, I have never heard the theory that a decrease in use—and we would decrease use if we put on quotas—would raise the price.

Mr. DELLUMS. Will the gentleman respond to this: If the United States, as the largest purchaser, arbitrarily limits the amount it will purchase, and assuming that all other things stay constant, I think we are going to have to agree, if we are going to have a logical debate here, then for the sellers to continue maximizing their revenues they do have to increase prices just to stay even.

Mr. ECKHARDT. Unless they sell elsewhere. But why do they not double it, if they can get twice the price? Of course, we will be paying $16 in the fall if things continue the same as they are now.

Mr. DELLUMS. The gentleman also assumes they will increase the price as much as the traffic will bear, it seems to me, is the reasonable theory that they operate under. And slowly but surely that price is going up. And the question I am raising, is this so much rhetoric that ultimately will harm us?

Or is this in fact a serious mechanism that we can demonstrate will in fact conserve energy? And I am not sure that I hear that answer.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, we are faced with a question here which has no good and no satisfactory answer. Indeed it is an issue that has two sides. No matter what position each Member takes, it is an issue wherein someone argues the need and the desirability for conservation.

The gentleman from Ohio (Mr. HAYS) asked a question some time ago that I would like to provide an answer for. The gentleman from Florida (Mr. GIBBONS), the author of this amendment, has quoted the U.S. Geological Survey in saying that our known reserves, as well as those that we think are there but which have not yet been discovered, will be depleted in 35 years.

I do not know what the hopes and aspirations of other Members are, but I hope to be alive in 35 years. If my family history means anything, I might just be able to do that.

So the question is: Whose reserves are we going to conserve first, ours or those of the rest of the world? I personally would rather conserve ours first. I would rather conserve ours first because I do not want this country to wind up at a later date in the same position that some of our trading partners are already in, such as England and some of the emerging nations to whom we have lent an awful lot of assistance.

We must keep this in mind as we attempt to try to provide an energy policy: that we have got to provide energy for our economy, because our economy cannot grow without energy. In every case where we see Nations who have problems with the economy, we find that they have bigger problems with regard to the overall supply of energy than ever.

Let us talk about the supply-and-demand situation as it actually is today. We have got to talk about numbers to a point. Here we have a nation that is using about 17 million barrels of petroleum and petroleum products a day. We are importing in excess of 6 million barrels per day of petroleum and petroleum products. We are talking about providing quotas to induce conservation, and the idea is, to a point, good. But I believe that the quotas which have been set forth in the bill constitute a plan for economic disaster.

I think that the quotas are too low. I have already mentioned that we are using in excess of 6 million barrels of imported product per day. The quotas set forth in the bill call for us in 1975 to put a ceiling of 6 million barrels a day on our imports. In 1976 it would be 6 million; it would go up to 6½ million in 1977; it would revert back to 6 million in 1978; it would be reduced to 5½ million in 1979; and it would remain at 5½ million in 1980 and thereafter.

Mr. Chairman, some people have questioned the validity of industry's statistics in years gone by, statistics put out in regard to the industry. But the industry figures and projections have been far more accurate than have been the projections of anyone else. And now even those who have questioned the validity of the industry figures must be shocked to hear that the U.S. Geological Survey comes along and says now we do not have what we thought we had, that we have only got about half of what we thought we had. So that lends some credence, in spite of criticisms that have been leveled at the industry, to the projections put out by the industry.

Here is what industry projects that America will use and must have by 1980 if we are not going to destroy the economy of this country. Industry projects that we are going to have to have in 1980 about 21.3 billion barrels of petroleum and petroleum products a day.

That might not be too bad if we had a static condition even here at home or a situation which we could look to for improvement, but that is not going to be the case either. What we are going to be faced with here at home in 1980 is a domestic production of somewhere in the vicinity of 9 million or maybe even 10 million barrels a day, and that is predicated upon our bringing into production and further developing Alaskan oil.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. WAGGONNER) has expired.

(By unanimous consent, Mr. WAGGONNER was allowed to proceed for 5 additional minutes.)

Mr. WAGGONNER. Mr. Chairman, as I was saying, that is predicated upon our being able to produce the Alaskan oil, to get it here, and to produce the oil which we think is on the Outer Continental Shelf of the Atlantic and Pacific together, along with that which we are producing on the Outer Continental Shelf in the gulf.

Members of the House, the facts of life are this: Domestic production is decreasing. In Louisiana, for example, in 1974 that State was producing 1,303,000 barrels of crude oil a day. That figure was reduced last year to 888,000 barrels a day. That is a drastic reduction.

Natural gas, about which one gentleman spoke, was produced in Louisiana at a rate of 15.06 billion cubic feet a day in 1970. Last year that was reduced to 11.77 billion cubic feet a day.

That is what is happening to domestic production in this country, with no more domestic production than we are going to have in 1980, about 9 million or maybe even, let us assume, 10 million barrels a day, with an import quota of only 5.5 million barrels a day.

With the authority granted the President for his first year, in 1980, to exceed that quota by 2 million barrels a day, we will be inducing a shortfall of petroleum into the economy which will totally disrupt the economy and will produce all over again the gas lines that we had with the embargo of 1973. We will then have to allocate shortages and eventually ration severely.

Mr. Chairman, the people in this country will not stand for it, and the economy will not bear it.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. Yes, I yield to the gentleman from Texas.

Mr. ECKHARDT. Will the gentleman tell me just how we are inducing this by doubling the price of crude oil?

Mr. WAGGONNER. I have not made that argument. Please do not raise strawmen. Let us talk about facts and figures. I am not talking about raising the price of crude oil. We do not control the price of crude oil. Somebody else does. They know they have us across the oil barrel, and it will be double if we use ours first and leave theirs untouched.

Mr. ECKHARDT. If the gentleman will yield further, I want to just thank him for making that statement. I do thank him for saying that there is not any free market price of oil as a result of OPEC.

Mr. WAGGONNER. There is a free market price in this country, but we do not control the import price. That is one of the problems. We only try to regulate the price with respect to our own people. We want our own people to increase domestic production, but we will not let them make the money, if we do what the

gentleman from Texas (Mr. ECKHARDT) advocates: if we regulate their price.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield again?

Mr. WAGGONNER. I will be happy to. The gentleman cannot win this argument.

Mr. ECKHARDT. Perhaps I cannot, but I shall try.

Why does the gentleman feel that we are not getting enough for oil when the average price of domestic oil has gone up from $3.90 in May 1973, to an average price today of $8?

Mr. WAGGONNER. Let me answer the gentleman's question right at that point. He has gone far enough.

The reason we are not getting enough is that domestic production is decreasing and exploration is decreasing. Domestic production is in trouble. If we were getting enough there would be more exploration.

Mr. ECKHARDT. Actually, there is an increase which took place in 1974, both in drilling wildcat wells and in wildcat productive wells. There were 379 productive wildcat wells drilled in 1973 and 438 productive wildcat wells drilled in 1974, according to Oil Weekly, February 15, 1975.

Mr. WAGGONNER. Yes, but in 1975, by the ill-advised action on the depletion allowance, we destroyed all of that gain provided by the increase of exploration and production in 1974.

Mr. ECKHARDT. All right, I shall attempt to refute it.

Mr. WAGGONNER. Will the gentleman cite his statistics?

Mr. ECKHARDT. Yes. I will attempt to refute it.

In increasing the price of domestic oil by double we have greatly stimulated discovery last year. That discovery——

Mr. WAGGONNER. I am talking about 1975, the gentleman is talking about 1974.

We had the incentives in 1974, we do not have them in 1975.

Mr. ECKHARDT. We have increased average prices of domestic oil from $7.32 in January of this year to $8 presently, and we are going up further.

Mr. WAGGONNER. And we are still getting less production.

Mr. ECKHARDT. As a matter of fact, the price of new oil has gone up from $10 to $12 in a very short time.

Mr. WAGGONNER. Mr. Chairman, I decline to yield further.

The facts of life——

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. GREEN, and by unanimous consent, Mr. WAGGONNER was allowed to proceed for 4 additional minutes.)

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Pennsylvania.

Mr. GREEN. I thank the gentleman for yielding.

The observation I would like to make is that no one with any sense of accuracy whatsoever can use any statistics available to determine what the effect of the removal of the depletion allowance has been, because there are no statistics available since after repeal of the depletion allowance went into effect, so that any attempt to use the repeal of the depletion allowance as one of the reasons or excuses for declining production of oil in this country are utterly fallacious. No such statistics could possibly have been put together.

Further than that, there has been some evidence that because if the intangible drilling oil allowance is still on, and the only way the owner companies can pay taxes is by doing more drilling and exploration, so that has probably been increased by the repeal of the depletion allowance.

Mr. WAGGONNER. The gentleman from Pennsylvania knows as well as I do that the oil companies will do just exactly what every other business does; they will pass on whatever taxes are levied against them; they will pass them on to the users of their product. Businesses do not pay taxes, people do.

Mr. GREEN. And I can say to the gentleman from Louisiana that perhaps the taxes that the oil corporations have to pay are going to get passed on to the public.

Mr. WAGGONNER. The gentleman can bet his bottom dollar on that.

Mr. GREEN. I would say that the little old lady who never drives a car, and lives on a fixed income in an apartment, and has to pay a heating bill, should not be forced to subsidize people who do use gasoline.

Mr. WAGGONNER. I do not think, on the other hand, that everything ought to be adjusted against gasoline.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, I would like to see if we could get this debate back again to where it started out. I do not know how it got all the way over to where it is now.

The thrust of this amendment is that if speculative short-term gains in America are going to kill off the only energy asset we have, to make sure that we run out of oil before anybody else in the world does, and leave ourselves with no bargaining position at all, I think that we ought to have a little longer-range approach to our own future, as well as to the future of our country.

If the quotas work they are going to create a shortage, and maybe use up the do not work, they will just increase prices and be another Government harassment.

So, no matter which way you want it, they are not that great.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, on the subject of the amendment we are talking about, the gentleman from Florida says that he is against the quota system because it will increase the cost and consumption with our short supply of oil.

Mr. GIBBONS. That is correct. If there is any need for quotas, if the quotas work, it means it will only be more painful and will create a tighter supply situation, and we will be raising the prices and using the finite resources that we have all the faster, which means that instead of perhaps using our supply over 35 years, we might get lucky and use it all up in 25 years. That is what we do if the quotas really work.

Mr. EVANS of Colorado. Mr. Chairman, I did not really have a chance to ask my question, and I wonder if the gentleman from Louisiana will yield further?

Mr. WAGGONNER. I will yield to the gentleman briefly, and then I want to finish my statement.

Mr. EVANS of Colorado. Mr. Chairman, my question is: Would the gentleman from Florida support a law that would limit the amount of production we could get out of this country so that we could conserve all of our present reserves, and increase our purchases abroad?

Mr. GIBBONS. The gentleman is asking an entirely different question and, frankly, I do not know the answer to it, and I do not believe there is anybody in this country who is smart enough to give him a correct answer as to whether we ought to try to stretch out what we have. Certainly we should not put economic pressure on making us use up our own resources much faster than we are going to anyway. Oil is a very precious resource, not only for energy but for lubrication and for the petrochemical industry. We are going to need all the bargaining chips we have.

The thesis of my argument is, Let us not be penny-wise and pound-foolish. Let us not look at tomorrow and say, We have got to forget about next year. Let us not look at next year and say, We can begin about 10 years from now. We have got to have a longer-range attitude toward our problem, and quotas will not work. If they do work, we are just going to use up our finite resources much quicker.

Mr. WAGGONNER. Mr. Chairman, the situation is exactly this. Domestic production is decreasing; demand is increasing. The quotas are too low. We are going to induce a shortage which is going to lead to allocations, will lead to gas lines, will lead to rationing, will lead to further disruption of the economy, and it is bad for the economy of this country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VANDER VEEN. Mr. Chairman, I move to strike the last word.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. VANDER VEEN. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

I hope that we can wind this down in the next few minutes.

Let me say that the quota schedules were worked out very carefully and very scientifically. They are based on data with which the FEA agrees. If the Members will look at the report on page 20, they will see that we have projected them out to 1985. Over and above the numbers that the gentleman from Louisiana (Mr.

WAGGONNER) read into the record, we have given the President additional leeway.

We begin with an additional leeway of a million barrels per day, and out a few years we extend that to 2 million barrels per day. So we have the kind of flexibility there that is not going to create an energy crisis. This is not intended as a crisis mechanism.

We have interacting discipline between the quotas and the energy conservation programs and with the auction system, we can keep a taut line. We simply cannot go down the road of increasing dependence on foreign supplies of oil. There is no way our economic or energy programs can tolerate that.

Insofar as supply is concerned, our best, long-range supply of petroleum in this country is in oil shale. I want to tell the Members that the best way of assuring that we are going to get some oil shale development is to enact this kind of an import quota so that the oil shale investors down the road can be sure that they can get a return on their investment. The same thing can be said for developing our coal resources. This is the answer to a sound energy policy in this country.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. VANDER VEEN. I yield to the gentleman from California.

Mr. BELL. I thank the gentleman for yielding.

I think one of the best things in this debate we are having here is it is true it is possible we will deplete our resources if we start and continue to produce them. However, what nobody seems to mention is that there are reserves that we can get to, such as in Alaska and our reserves we can get to offshore. There are reserves of oil shale and coal, millions and billions of barrels.

The point is I think we can bring ourselves back in our production so we will not deplete so rapidly if we get to the business of exploring and developing our resources as we have them. I think that is where the biggest problem is. We are talking about depleting all the time and not talking about getting into the development of our production, and not only oil production but coal and other resources that we have in this country.

I think one of the big problems we have is moving toward developing these.

Mr. VANDER VEEN. Mr. Chairman, I simply want to say that I feel after having listened to several months of consideration of this approach of the committee and the debate here that has taken place today that the way to decrease our dependency upon foreign imports is through the quota system.

Mr. Chairman, I, therefore, urge that amendment offered by my colleague, the gentleman from Florida (Mr. GIBBONS) be defeated.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. VANDER VEEN. I yield.

Mr GIBBONS. Certainly we have got all those, and they are going to last 35 years, according to the best and official estimate we have got. If we get unlucky, we can use it up in 25 years.

Mr. BELL. If the gentleman will yield further, the point I am getting at is, there is nothing in this bill that particularly encourages development. That is what we should be thinking of. The gentleman says 35 years. How do we know what another crude oil bay will last? How long will that last—probably 50 or 60 years.

Mr. HALEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have stood here for some time and listened to the debate. It is quite enlightening in a way, but I would just like to say this. Regardless of the fact whether we have 13 years or 35 years of oil supply in this country, I think what the American people today are looking to this Congress for and want them to do is, what are we doing about developing other sources of energy?

I think that is the thing we should be thinking about and we had better get on to that job, because this is just going round and round the mulberry bush.

Mr. KARTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will try not to take the whole 5 minutes, but I could not agree more with anything that has been said than what was just said by the gentleman from Florida (Mr. HALEY).

The distinguished chairman said until the American people feel there is some kind of pinch, regardless of how slight a pinch it is, they are not really going to believe that this finite resource we have is, in fact, running out, whether it is 35 years, 13 years or 50 years.

The fact of the matter is that we have to make sure that the American people do, in fact, feel the pinch. The only way that we will be forced, I think, unfortunately, the only way that Congress will be forced to do something about it is to have the American people feel the pinch and force the Congress to do something about it; that is, to develop alternative sources of energy on a crash program basis.

Let me say further, Mr. Chairman, that OPEC countries, and particularly the Arabic countries, I do not think are going to want to sell us petroleum for many more years, regardless of how much supply they have. They are not going to want to because, as has been said a dozen times, it is a finite resource. As soon as they develop a good across-the-board petrochemical industry in their own countries and they can manufacture a high nitrogen content fertilizer that they can sell to us at $250 a ton or to anybody else, as soon as they develop that petrochemical industry in their countries they will not want to sell us any oil. That might well be within the next 10 years.

We know that our biggest exporter of oil, the country we import most of our petroleum from today, said:

After 1980 do not expect to buy another drop from us.

That is our neighbor to the north, Canada. They want to save this resource for themselves.

So if this import quota has any effect at all, it has the effect, I think, of signaling not only to the American people, but to the rest of the world that some place along the line we have to stop the frivolous and useless waste, if I may say, of this finite commodity, petroleum. We must, in fact, develop alternative sources. The quota section signals our intention to do that.

Mr. Chairman, I certainly hope that the Gibbons amendment is defeated.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. KARTH. I yield to the gentlewoman from New Jersey

Mrs. FENWICK. Mr. Chairman, I do share the gentleman's remarks. The only thing I want to speak for is the public. I do not think the best way to convince the public if we, indeed, have a problem, is to pinch them. I think it is arbitrary to pinch them by the shortage or the pressure of price.

I think what will convince them far better would be a genuine effort to develop alternative sources of energy, which we are all aware we must have.

If, in other words, every single one of our job programs had been directed in this direction; if we had said that we must be building garbage plants which are burning 2,000 tons of garbage a day and producing 60 billion kilowatts of electric energy a year at a price that is competitive with oil and coal, this is what would convince them.

Mr. KARTH. The gentlewoman is exactly right. Let me just say that the point I was attempting to make is that until this country really feels the pinch, I do not think it is going to rise to the occasion and do what needs to be done. However, once the pinch is felt, this country has a good habit indeed of doing what needs to be done.

Mrs. FENWICK. We could convince them.

Mr. KARTH. I think it will be done only under those circumstances

Mr. YOUNG of Georgia. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, as we have been struggling with an energy policy now for several months, it seems to me that one of the things that we have been doing is developing a defensive policy. We have been developing a policy that was, in large measure, an outgrowth of an emotional reaction to an Arab oil embargo.

I think that this emotional policy in this particular point in the bill, I think we become more vulnerable in giving in to that emotional policy, and it does not take into consideration what the actual facts of our energy situation have been in terms of oil imports.

In the first quarter of this year—certainly in the months of January and February—we did not receive the majority of our imported oil from the Arab nations. We received the majority of our imported oil from good trading partners. We received our imported oil from Canada, Venezuela, from Nigeria, and Indonesia. We received less than 20 percent of our oil imports during that quarter from the Arab countries.

It seems to me that what we are doing in this part of the bill is developing an anti-Arab point of view and not taking into consideration what our actual situation is. I think the gentleman from Florida is quite right. I do not think we need to create an artificial shortage in the midst of the Arab embargo. Our good trading partners, mainly Nigeria, Canada, and Venezuela, they did not cut off the supply of oil. In fact, they increased the supply of oil as fast as their technology would allow them to do so, and there is no reason to believe that they are going to follow an anti-American policy or totally OPEC political policy. They have demonstrated their willingness to follow OPEC only on the basis of price.

In spite of the tremendous increase in the production of oil, we as a nation have not suffered a negative balance of payments. We have not suffered a negative balance of payments because American industry has had a very positive and aggressive policy in spite of the fact that we in the Congress have done nothing to help them.

What I would rather see us develop out of this is an aggressive, offensive approach to the balance of trade rather than a defensive approach, which is implied by quotas or by restricting the import of oil by price. I think that this is basically a good bill, and we are right in trying to do something about conservation, but I do not think we are right in trying to create artificial shortages, either by quotas, as the bill does, or by a $1 a barrel tariff as the President does. Both programs are wrong. Both are going to have a negative impact on American industry.

We are all going to catch it because of either one of those policies. I would rather see us move on past the amendment offered by the gentleman from Florida and move on to those features in the bill which do provide for legitimate conservation measures, which do provide for reduction in the luxury use of our automobiles and which do provide for a trust fund for the development of alternate sources of energy. I do not think we will gut this bill by voting for the amendment offered by the gentleman from Florida.

I think we really are taking ourselves out of the posture of defensive energy policy and making it possible for us to develop an offensive policy. As those Members who have been more athletically inclined always know, a good offense will always carry over a good defense.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

This afternoon I had the distinction of meeting with experts, industrial gas people, energy people, with the members of the Pennsylvania delegation. After spending about 2 hours, we got down to the nitty-gritty with a person there who represents the natural gas industry, and we were talking about projects for gasifying coal. He spoke up and said, "If you do all of this, what happens to the natural gas industry?" And pretty soon we learned that if we would want, that the decontrol, deregulation, the gas supply that we might be able, I am led to believe, that we would have gas flowing sufficiently enough to meet the demands in the gas fields which are now, of course, not being met by the gas users.

Forty plants scattered in certain strategic places in the United States, and a plant that has now been built in 14 countries by an American corporation, that is, 40 plants costing approximately $14 billion, would in a period of time it takes to build all of them, somewhere between 8 and 13 years, eliminate the need for using 1 gallon of oil for energy purposes outside of the purposes that oil ought to be restricted to. There is absolutely nothing in this problem that cannot be resolved if these United States would go back to funding self-liquidating emergency projects without the necessity of paying 8 or 10 percent interest.

I have had the pleasure of sitting in a meeting with one of the most learned men, in my mind, in money manipulation and creation, by reading one of his early books and one of his later books, the distingiushed gentleman from Texas (Mr. PATMAN), and what he talked about 40 years ago is what we need very definitely now.

I am going to say to all of the Members, as I have said for a good many years—and I say now more seriously than I have ever said before—unless we quit talking back and forth to each other and pass some kind of a bill that will give people some kind of relief that we can operate in this body, put the bill out, and if it is bad, it comes back, like all bad legislation, and we change it with amendments—we will never pass it with 140 or 150 amendments at the table, each one of us trying to write a law on one of the most serious issues before us today—if we do not do something, I predict, without any fear of being wrong, that within 5 years this Nation will be in the worst condition any nation in the world is in.

We have today something like 89 million Americans who, in part or in whole, are receiving some or all of their sustenance from the Treasury of the United States.

The $14 billion required will not even buy the oil we are buying from the Arabs and from all of the OPEC nations for this year's supply of oil.

We are not dependent upon oil. We have the know-how. We have production plants ready to be started to be built tomorrow for the gasification of oil, for gasification and liquefaction of oil. Who is holding it back? Greed is holding it back, an attempt to try to slush over the burden so they can still hold onto their market for the particular type of fuel they are selling.

Mr. Chairman, we have in the United States within our reach something that every nation in the world would like to have: an almost unlimited supply of coal which can be used as fuel. But where are we? We fought today and defeated a piece of legislation aimed at increasing, under the proper kind of regulations, the coal supply of America.

Mr. STUDDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know it is late and I know Members are anxious to vote, but for many of us, particularly those of us from New England, this is an agonizingly difficult vote. I have listened to every speaker for the last 2 or 3 hours, and I would like, if I may very briefly, to propound a question or two to the chairman of the committee or to a member of the committee.

Earlier speakers said we must make the people feel the pinch. That would not be received very well in some parts of our country, and certainly not in New England, because the people have more than adequately felt the pinch. Our prices for imported oil have roughly quadrupled in 24 months, and we are very, very effectively pinched.

I desperately want to cast something other than a regional vote on amendments and on this bill. Therefore, I wonder if the chairman of the committee can give those of us from areas who are enormously reliant on imported oil for the generation of electricity and for the heating of our homes any assurance that the quota section will not fall disproportionately on these sections of the country.

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, we spent a great deal of time in the committee discussing the problems in New England. As the gentleman knows, the gentleman from Massachusetts (Mr. BURKE), a member of the committee, and the gentleman from Connecticut (Mr. COTTER), a member of the committee, made us fully aware of these problems in the committee, and in our hearings we also took this into consideration.

We agreed to two amendments in this title of the bill that are designed to alleviate not just the problem of New England but to alleviate their problem along with others. One of them has to do with the amount of residual oil in the quota, and we put a provision in that section of the bill to an allowance of 2 million barrels per day of residual oil through 1977.

The second of these amendments that the committee agreed to put a limitation on the rate of duty on residual oil for a period of 2 years.

Mr. STUDDS. Mr. Chairman, I thank the chairman of the committee for his explanation. I see that provision on page 7.

It is my understanding from the committee that that figure is perhaps a little bit more than the current imports for current use.

Mr. ULLMAN. It is very close to the current figure.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, it is not only close to the current amount, but it exceeds the current amount. In fact, it approaches the highest amount ever used at peak times.

Mr. STUDDS. Mr. Chairman, my next question then will be this:

We have heard almost universal predictions of large-scale natural gas curtailments in the very near future. If that should occur, and assuming the demand is going to be significantly greater for more petroleum and petroleum products if that occurs, in the absence of any assurance of an allocation act, would we not be receiving a disproportionate regional penalty?

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield further, that is why we allowed more than the present use in

our allocation of 2 million barrels of residual. We think that takes care of any circumstances that might occur.

But in addition to that, let me say to my friend from Massachusetts that the New England utilities have been extremely slow in getting the job done of converting to coal. Only 3 percent of New England's electrical production is obtained from coal.

Mr. STUDDS. I appreciate that.

Mr. ULLMAN. These utilities have been reluctant to convert to coal utilization and permit the conservation of natural gas.

Mr. STUDDS. It is true that the New England utilities have been more prone to raise their prices than they have been to convert to other fuels.

I have one further comment. With regard to this section and this title which provides for establishment of an import licensing system, I do not see why that would not be a significant inflationary factor.

If we are going to auction the right to import petroleum products by competitive bidding, with the bid going to the highest bidder, why would not that also add to what are already dangerously high prices?

Mr. ULLMAN. Because if it is handled as it is intended to be handled, the quotas should not bite at all, or should bite only slightly.

If the conservation we seek is achieved, the price of the import tickets would be very low, certainly far below 25 cents a barrel. We would not expect, even if the quota bites, for the price to go above 50 cents per barrel. We do not think that this is inflationary. We think that this is a sound conservation procedure.

Mr. STUDDS. Is the suggestion, then, that these quotas really will not constitute a pinch, and consequently, the competitive bidding will not be at a high price?

Mr. ULLMAN. That will be a national goal. They will be a restraint. They are not intended as a crunch mechanism. These are interacting disciplines. We put the conservation program into place. That is how we cut back on use. We have the quota system so that we can keep a taut line. We think that is a good, sound pair of disciplines that America needs.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. Yes, I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, I would say to the gentleman from Massachusetts (Mr. STUDDS) that he has raised some very good questions. However, let me say this, that the relief provision in there for New England expires in 2½ years, and the pinch will just be delayed 2½ years on New England.

Mr. STUDDS. Mr. Chairman, I thank the gentleman.

I must confess some confusion as to the intention of the proponents of the bill, as to whether their intention is that the quotas in title I shall constitute a pinch. It seems to me that if, indeed, they constitute a pinch, and they have been defended on that basis, that we would have quite high competitive bidding going on there.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. Yes, I yield to the gentleman from Pennsylvania.

Mr. GREEN. I will say to the gentleman that we are trying to set a national goal in this country. We tried to balance this out. We started with 6 million barrels a day. Next year we take at 6 million barrels a day. The year after that we take at 6.5 million barrels a day. In case we have an economic recovery, we are going to have the fuel we need in this country without socking it to people. To make doubly sure that New England does not get hurt, we provide for 2 million barrels per day in residual oil for heating.

The fact of the matter is that New England and every other section of the country are going to have to do something to come to grips with this problem. As the chairman said, the New England refineries use about 3 percent of the total for their production. They are going to have to shape up, as this whole country is, in the next few years.

Mr. McKINNEY. Mr. Chairman, like so many of my colleagues, I have been troubled by the need to make a statement which would explain to my constituents my views on the bill before us today, the Ways and Means Committee's Energy Conservation and Conversion Act.

Over 5 months ago President Ford put forth a proposal in his state of the Union message, which I honestly believe he felt the Congress would not adopt. It was, in many respects, an unpalatable program but it was meant to spur us to a frank and open consideration of the problem. Working together, the administration and Congress would then find ways to reduce domestic consumption of energy while developing new sources which would make us less vulnerable to alien embargo.

Frankly, Mr. Chairman, at this time I don't know what to tell the people of Fairfield County. The President's plan has faults but the bill before us today is so hopelessly inadequate that it already has over 100 amendments pending, many of which would make the bill even less capable of guiding the nation to achieving the goal of energy conservation.

The people of America know that we must become self-reliant in the field of energy and that this will require sacrifice. In fact, from my mail and visits with constituents I am confident the American people are ready to make those sacrifices provided they have assurances that the program they are asked to support is well-reasoned, fair and, above all, equitable.

Does the bill before us today possess these criteria? To begin with, the Energy Conservation and Conversion Act is not a comprehensive energy program but, instead, a sizable tax on gasoline at the pump. It fails to come to grips with our energy emergency because it focuses negatively on reducing consumption of gasoline and not at all on increasing supplies. There is a complete lack of incentive for exploration and development of new petroleum sources, or alternate energy supplies.

Some argue that by taxing gasoline we can strike at the most elastic use of petroleum since it is far easier for most Americans to cut down on their driving than to go without heat in their homes. However, the assumption that higher prices will dampen gasoline demand has just not been proven. The initial 3-cent-a-gallon tax is not going to curb gasoline consumption. It is a nuisance tax which most will pay. To make this bill work, the full 23-cent increase would have to be imposed now. Many of my colleagues have aptly termed this bill the Job Tax Act of 1975 because about one-third of all gasoline consumed in the United States goes to citizens commuting to work. Those who can "afford" the tax will not be hurt; those who cannot afford it, but may pay it, will be severely hurt and those who just cannot pay it will be devastated. The low-income families who generally operated second-hand gas guzzlers, fixed-income pensioners and the unemployed; all those who live in suburban and rural areas, or in cities where there is no effective transportation alternative would be forced to shift money from staples such as food or clothing to gasoline—leaving nothing for savings.

In response to the President's January message, I proposed an alternative to the discriminatory and counterproductive price or money route to conserve fuel in favor of a realistic import quota system and equitable petroleum allocation. I still believe a comprehensive program of import controls for oil is the only fair and effective way to reduce our dependence on foreign petroleum. However, the committee has chose the worst aspects of both the price and supply methods by including an import quota system in this bill as if to admit their own lack of confidence in the ability of higher prices alone to curb our appetite for oil. Its this kind of hybrid policy which will drive the price of gas even higher, as the quotas create shortages and the proposed import licenses become independently valuable.

Another basic problem is the lack of a provision in the tax credit section whereby those persons in rural or remote areas, or in areas where no mass transportation or public transportation exists, would be eligible for a large credit. To make matters worse, tax credits for gas would be available to each and every person over age 16 and would equal the extra gas tax times 40 gallons per month. Rebates would not go to just licensed drivers or to owners of vehicles, but to everyone over the age of 16 regardless of gasoline consumption. In other words, as one of my colleagues so succinctly put it, "This is a tax on the driving public for the purpose of shoveling our dollars to nondriving, non-gas-tax-paying people." This bill is a form of income redistribution in that those who buy gasoline—including those who must buy it—would be giving up to $100 a year to the 20 percent of the population which does not hold a driver's license.

It is also ludicrous to tax gasoline while other fuels, such as diesel, remain untouched. A 23 cent-a-gallon-gasoline tax hike would therefore be sufficient to encourage a family's purchase of a diesel-powered automobile. The point, simply put, is that a tax on any one refined product, such as gasoline, will encourage consumer substitution of other products with a lesser tax. This will, in turn, help to undermine the primary objective of the gasoline tax—to reduce overall crude oil import demand.

Since the embargo-induced gas lines plagued our streets in 1973, Congress has had before it a proposal to impose a progressive tax on fuel-efficient automobiles. Such a measure is needed to stimulate the production of more efficient cars, as well as price the gas-guzzler off the market. However, I cannot support the committee's version of this device because it would be unfair to the individual taxpayer and yet too weak to achieve tangible fuel conservation.

The bill imposes an immediate tax on gasoline—a tax almost certain to reach the 23 cent maximum, yet it provides only a token stimulus for carmakers and carbuyers to shift their preference from big, gas-hungry cars. The result is the unfair taxation of gas usage without concurrent efforts to guarantee the availability of a domestically produced, fuel-thrifty car in which to undertake neoessary travel.

Assuming the high price of gasoline will immediately deter auto use, can the labor force ride nonexistent mass transit? Is the intent of the bill to require that more and more of the family budget go toward the purchase of gasoline? Certainly not, say proponents of this bill. Yet the measure's unrealistically low efficiency standards will inevitably aggravate unemployment and frustrate economic recovery.

When this session began, I introduced legislation to impose a stiff, progressive excise tax on automobiles which did not meet a 25-mile-per-gallon standard by 1980. While H.R. 6860 would base the tax on the average efficiency of the automaker's entire fleet—thereby passing the cost of inefficiency to buyers of small as well as large cars—my bill would add a percentage to the sticker price of each inefficient model only. In this way, the gas-guzzler would become prohibitively costly while smaller, more efficient cars would be more economical to buy as well as operate. This is the type of gas-guzzler tax that would provide the American taxpayer with an efficient means to get to work, to shop, and to conserve. This is the plan I had hoped to find in this bill.

The tragedy and the shame of this portion of the legislation lies in the fact that these efficiency standards are no tougher than those generally seen as the product of normal development by the auto industry. I cannot support a proposal which asks the individual to bear a heavy burden but asks the automakers to do nothing.

In conclusion, Mr. Speaker, I view this bill with a sense of embarrassment. It is clearly a product of a legislative body whose members did not choose to face up to the issues confronting the Nation today—to face up to the one issue which will determine the direction of America's economy for generations to come—and to make the hard decisions that are necessary. Indeed, the decisions that are demanded may impose hardship, sacrifice and inconvenience to the American public—but they are decisions that must be made. I realize it is not easy to enact legislation which will have a shock effect on our citizens, an effect that may translate into votes in the wrong column on election day. But the people are looking to us and if Congress is to regain its position as a coequal branch of Government, then we must face up to our responsibility and enact realistic legislation, and not just leave it to the executive branch to make the hard decisions, and then decry the decisions as too harsh.

Mr. BEDELL. Mr. Chairman, one of the most distressing aspects of national energy policy debate is the wide acceptance of the assumption that we can do nothing about the international price of oil except leave it in the hands of the OPEC cartel. I believe that accepting this notion is a dangerous mistake, and I suggest the idea of establishing the Government as the sole purchasing agent for imported oil as an alternative to it.

While the present international economic crisis is complex, its principal cause has been the revolutionary rise in crude oil prices. In the last 18 months, the OPEC cartel has increased the price of oil fivefold, and it has just announced that it plans another increase for September. Our escalating oil payments during this period have placed a heavy burden on our domestic economy by draining off critical purchasing power and exacerbating recessionary pressures. Rather than stoically accepting these artificially high oil prices and attempting to adjust to them, we should be implementing a policy designed to force down the high price of foreign oil. Higher and higher prices may help reduce oil consumption, but at a terrible cost in prolonging the recession and disrupting industrial production.

The primary short-term objective of our national energy policy at this point in time should be to reduce our expenditures for oil imports without further damaging an economy now in the midst of a recession. This objective is not inconsistent with the longer range goals of increasing incentives for domestic exploration, of expanding research and development on alternative sources of energy and of reducing domestic energy consumption.

The key to forcing down the artificially high price of foreign oil lies in disrupting the unity of the OPEC cartel. The mechanism for achieving this end is the Federal purchasing agent plan.

This proposal seeks to introduce the potentially divisive element of competitive bidding into our purchase arrangements with foreign oil suppliers in an attempt to weaken the unity of the cartel and force down the price of foreign oil. It rejects the notion that the United States must take a passive stance viz a viz OPEC, and suggests positive action for restoring a greater degree of competition to the international oil market.

OPEC is potentially vulnerable to actions by the United States for several reasons. First, it has a large enough membership to cause serious coordination problems. But, more importantly, its members have widely differing interests, both political and economic. It is tempting to picture OPEC as a political organization dedicated to the promotion of Third World ideological goals and united against the forces of capitalism. But, in reality, there is little common bond between the OPEC members other than the more mundane interest in maximizing national profits.

The cartel is a loose coalition of 13 disparate nations scattered halfway around the globe. Some are extremely wealthy and have small populations. Others are horribly poor and quite populous. The largest producer Saudi Arabia, cannot sensibly spend all its money and has often argued for lower prices, while the second largest producer. Iran, has a seemingly inexhaustible appetite for more revenues. Meanwhile, some of the poorer nations, like Indonesia and Nigeria, want to squeeze all the money they can out of their relatively small crude reserves as fast as they can in order to maximize profits and finance development. It is difficult to imagine such diverse political entities reaching agreement on fundamental economic questions.

OPEC is quite like any other cartel in the it must restrict the output of its members in order to keep prices high. It is also like any other cartel in its dependence on the elasticity of demand to price changes.

In order to increase prices fivefold in the last year and a half, OPEC has had to dramatically restrict output. And, this sharp escalation of petroleum prices has not been without its impact on OPEC production levels. By aggravating economic recession in every industrial State, it has served to decrease consumer demand, thus exerting countervailing pressure to restrict production still further. As a result of these factors, current OPEC output is estimated at 26 million barrels a day, or nearly 40 percent below capacity.

Excess capacity presents some very serious problems for the OPEC cartel. A prime element in the success of any cartel is cohesiveness of participating parties, particularly in their ability to limit supply. In most successful cartels, there is usually agreement on how production cutbacks are to be divided. However, it is often easier to agree on the higher prices each member will receive than on the amount of production everyone will sacrifice. Such is the case with OPEC.

OPEC has historically been unable to reach agreement on apportioning production cutbacks. As a result it has allowed the international oil companies to perform this essential function. The appearance of OPEC solidarity has, in turn, been greatly enhanced by the maneuverings of the multinationals. The system of interlocking joint ventures between these companies within the various OPEC nations allows them to play a major role in providing a degree of coordination in controlling price and output which the OPEC countries could not provide on their own.

The Federal purchasing agent proposal recognizes that excess capacity has placed the OPEC nations in a highly vulnerable position and that the time is right for exerting some kind of competitive pressure on the oil producing nations to drive down the artificially high price of foreign oil. It also recognizes that the international oil companies, which currently import the great majority of our foreign crude oil and which have an interest in maintaining high prices, are a major obstacle to lower world oil prices.

Under this program, the Federal Government would solicit sealed bids from all foreign oil suppliers who are interested in competing for access to the U.S. market—that is the OPEC countries' national oil companies, the multinationals, independents, brokers, and anyone else who has oil to sell. The sealed bids should encourage the oil producers to cut their prices in order to increase their share of the U.S. market, thereby breaking the OPEC cartel and forcing down the price of foreign oil.

The evidence of the vulnerability of the cartel is substantial, and the opportunity to break its unity is present. The task is thus to implement a program that would prevent the international oil companies from performing the apportioning function in the cartel and that would reduce the confidence each member of the cartel has in the other members' adhering to price agreements. The Federal purchasing plan would achieve both these goals.

I believe that the authority for Federal purchase and sale of oil imports should be included in the Energy Conservation and Conversion Act of 1975. The immediate short term objective of our national energy policy must be to reduce our expenditures for foreign oil without damaging an economy currently in the throes of a recession. Implementation of the Federal purchasing agent plan, by driving down the price of foreign oil and by passing on the benefit of this price reduction to the consumer, will do just that. And, combined with the judicious use of import quotas, it will complement our efforts to reduce our dependence on oil imports.

Adoption of the Federal purchasing agent plan does not preclude intensified efforts to encourage greater domestic exploration and research and development on alternative sources of energy. Nor does it prevent action to promote the reduction of domestic energy consumption. It simply seeks to provide some immediate relief and some added flexibility to an economy which is in a very delicate and precarious state of transition. I urge you to vote to include mandatory authority for the establishment of a Federal purchasing agent in the Energy Conservation Act of 1975.

Mr. FRASER. Mr. Chairman, I am very sorry that the House has not seen fit to permit our Government to have discretionary authority to participate in international oil transactions and to act as the purchasing agent for a portion, or all, of the oil imported into the United States. The Krueger Report to the Federal Energy Administration on "International Petroleum Options" concludes that the existence of Federal authority to enter into foreign oil supply contracts could have a beneficial effect, even if that power were not invoked.

I would like to add a few remarks in support of the amendment offered earlier by my colleague from Illinois (Mr. MIKVA), an amendment which the House has also rejected.

The President's energy policy seems to be founded on the premise that nothing can be done about OPEC dictation of world oil prices. What is worse, his policy appears to be designed to keep world oil prices high and to bolster the continued existence of the OPEC cartel.

Eighty Members of the House and 17 Members of the Senate believe that there is something we can do about world oil prices. We have proposed that the Federal Energy Administrator be given sole responsibility for importation of crude oil and refined products into the United States.

The major thrust of our proposal would be to put between the American consumer and the OPEC cartel an agent that does not have a stake in the cartel and in a high price for crude oil. The multinational companies which presently import the bulk of our foreign crude oil act as the cartel's agents with a clear interest in maintaining high prices. Moreover, it has become increasingly clear in recent months, that the multinational companies are performing a service essential to the cartel's continued existence—prorationing of production within the cartel.

The key elements in the success of any cartel are the ability to raise price and to limit supply. Naturally it is easier to get agreement upon what is gained in revenues than on what is given up in production cutbacks. If OPEC were unable to rely upon the multinational companies to apportion production shares among member nations, the cohesiveness of the cartel might suffer.

Under our proposal, any individual, company or sovereign state wishing to sell oil in the United States would have to submit sealed bids to the Federal Energy Administrator, who, in turn would allocate the oil, by sale, to refiners and other purchasers within the United States.

We do not intend that the Government get into the oil business as such. The companies would continue to act as producers, buyers, transporters, and importers. The difference would be that in order for foreign oil to enter the United States, it would first have to pass through a secret offer market by means of what would be essentially a paper transaction. The oil would remain in private hands. The fact of this market's existence, however, would make it more difficult for the international companies to allocate production cutbacks among OPEC members. It could also undermine the confidence of OPEC members in mutual adherence to the fixed high price for oil.

The governments of the producing nations now control international oil operations. The multinational companies are their willing agents. Those who reject interference with the free-market operation forget, or ignore, that there is no free market in the international context. There are real questions as to whether the relationships of the multinationals with our own Government and with the oil-producing nations are in the best interests of our country.

Our proposal is not based on an assumption that the Government would be an effective bargain-seeker. Rather it supposes that the secret offer market would significantly affect the ability of the multinational companies to allocate production cutbacks and would lessen the mutual confidence of OPEC members by inducing one or more of them to shave prices a bit. Any lowering of price in this way would instantly be translated into a larger share of the U.S. market.

By having the Federal Government invite sealed bids from the oil-producing countries, we introduce a potentially divisive element to international oil transactions. Our intent is to induce competitive bidding for the right to sell to the huge U.S. market. This approach could drive a wedge into the OPEC cartel and reduce the price of imported oil.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. GIBBONS).

The question was taken; and the Chairman being in doubt, the committee divided.

Mr. GIBBONS. Mr. Chairman, I ask for a recorded vote.

The CHAIRMAN. The Chair is counting, and a division vote in progress cannot be interrupted by a demand for a recorded vote.

The Chairman having announced that he was in doubt, and the committee having divided, there were—ayes 77, noes 66.

RECORDED VOTE

Mr. ULLMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 224, not voting 24, as follows:

[Roll No. 279]

AYES—185

Abdnor	Conable	Hagedorn
Anderson, Ill.	Conlan	Haley
Andrews, N. Dak.	Conte	Hamilton
Annunzio	Crane	Hammer-schmidt
Archer	D'Amours	Harrington
Armstrong	Daniel, R. W.	Harris
Ashbrook	Dellums	Harsha
Aspin	Derwinski	Hastings
Bafalis	Devine	Hawkins
Bauman	Dickinson	Hays, Ohio
Beard, R.I.	Dodd	Heckler, Mass.
Blouin	Drinan	Heinz
Boggs	Duncan, Tenn.	Hillis
Boland	du Pont	Hinshaw
Breaux	Early	Holt
Broomfield	Edwards, Ala.	Horton
Brown, Mich.	Emery	Hubbard
Brown, Ohio	Erlenborn	Hutchinson
Broyhill	Esch	Hyde
Buchanan	Eshleman	Jacobs
Burgener	Fenwick	Jarman
Burke, Fla.	Findley	Jeffords
Burleson, Tex.	Fish	Johnson, Colo.
Burton, John	Ford, Mich.	Johnson, Pa.
Byron	Forsythe	Kasten
Carter	Fraser	Kastenmeier
Casey	Frenzel	Kelly
Cederberg	Frey	Kemp
Clausen, Don H.	Gibbons	Ketchum
Clawson, Del	Gilman	Kindness
Cleveland	Ginn	Krueger
Cochran	Goldwater	Lagomarsino
Collins, Tex.	Gradison	Landrum
	Gude	Latta
	Guyer	

Lehman	Murphy, N.Y.	Stanton, J. William
Lent	Myers, Ind.	Steiger, Ariz.
Long, La.	Nedzi	Steiger, Wis.
Lott	O'Brien	Stephens
Lujan	O'Hara	Stuckey
McClory	O'Neill	Studds
McCloskey	Passman	Symms
McCollister	Pettis	Talcott
McDade	Peyser	Taylor, Mo.
McDonald	Pressler	Teague
McEwen	Quillen	Thone
McKinney	Rhodes	Thornton
Macdonald	Rinaldo	Treen
Madigan	Robinson	Vander Jagt
Mahon	Rousselot	Waggonner
Martin	Ruppe	Walsh
Mathis	St Germain	Wampler
Melcher	Sarasin	Whitehurst
Milford	Schneebeli	Wiggins
Miller, Ohio	Schulze	Wilson, Bob
Mink	Sebelius	Winn
Mitchell, N.Y.	Shriver	Wydler
Moakley	Shuster	Wylie
Moffett	Sikes	Young, Alaska
Montgomery	Skubitz	Young, Fla.
Moore	Smith, Nebr.	Young, Ga.
Moorhead, Calif.	Snyder	Young, Tex.
Murphy, Ill.	Spence	

NOES—224

Abzug	Giaimo	Patman, Tex
Adams	Goodling	Patten, N.J.
Addabbo	Grassley	Patterson, Calif.
Alexander	Green	Pattison, N.Y.
Ambro	Hall	Pepper
Anderson, Calif.	Hanley	Perkins
Andrews, N.C.	Hannaford	Pickle
Ashley	Harkin	Pike
AuCoin	Hayes, Ind.	Poage
Badillo	Hechler, W. Va.	Preyer
Baldus	Hefner	Price
Barrett	Helstoski	Pritchard
Baucus	Henderson	Quie
Bedell	Hicks	Railsback
Bell	Hightower	Randall
Bennett	Holland	Rangel
Bergland	Holtzman	Rees
Bevill	Howard	Regula
Biester	Howe	Reuss
Bingham	Hughes	Richmond
Blanchard	Hungate	Riegle
Boiling	Ichord	Risenhoover
Bonker	Jenrette	Roberts
Bowen	Johnson, Calif.	Roe
Brademas	Jones, N.C.	Rogers
Breckinridge	Jones, Okla.	Roncalio
Brinkley	Jordan	Rooney
Brodhead	Karth	Rose
Brooks	Kazen	Rosenthal
Burke, Calif.	Keys	Roush
Burke, Mass.	Koch	Roybal
Burlison, Mo.	Krebs	Runnels
Burton, Phillip	LaFalce	Russo
Butler	Leggett	Ryan
Carney	Levitas	Santini
Carr	Litton	Sarbanes
Chisholm	Lloyd, Calif.	Satterfield
Clancy	Lloyd, Tenn.	Scheuer
Clay	Long, Md.	Schroeder
Collins, Ill.	McCormack	Seiberling
Corman	McFall	Sharp
Cornell	McHugh	Shipley
Cotter	McKay	Simon
Coughlin	Madden	Sisk
Daniel, Dan	Maguire	Slack
Daniels, N.J.	Mann	Smith, Iowa
Danielson	Matsunaga	Solarz
Davis	Mazzoli	Spellman
de la Garza	Meeds	Staggers
Delaney	Metcalfe	Stanton, James V.
Dent	Meyner	Stark
Derrick	Mezvinsky	Steelman
Dingell	Mikva	Stokes
Downey	Miller, Calif.	Stratton
Downing	Mills	Sullivan
Duncan, Oreg.	Mineta	Symington
Eckhardt	Minish	Taylor, N.C.
Edwards, Calif.	Mitchell, Md.	Thompson
Ellberg	Moorhead, Pa.	Traxler
English	Morgan	Tsongas
Evans, Colo.	Mosher	Udall
Evans, Ind.	Moss	Ullman
Fascell	Motti	Van Deerlin
Fisher	Murtha	Vander Veen
Fithian	Myers, Pa.	Vigorito
Flood	Natcher	Waxman
Florio	Neal	Weaver
Foley	Nichols	Whalen
Ford, Tenn.	Nix	White
Fountain	Nolan	Wilson, C. H.
Fulton	Nowak	Wirth
Fuqua	Oberstar	Wolff
Gaydos	Obey	Wright
	Ottinger	Yatron
	Patman, Tex	Yates
	Patten, N.J.	Zablocki
	Patterson, Calif.	Zeferetti

NOT VOTING—24

Beard, Tenn.	Evins, Tenn.	Michel
Biaggi	Flowers	Mollohan
Brown, Calif.	Flynt	Rodino
Chappell	Gonzalez	Rostenkowski
Cohen	Hansen	Steed
Conyers	Hébert	Vanik
Digga	Jones, Ala.	Whitten
Edgar	Jones, Tenn.	Wilson, Tex.

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Rodino against.

against.

Mr. Whitten for, with Mr. Mollohan against.

Mr. Flynt for, with Mr. Rostenkowski against.

The result of the vote was announced as above recorded.

Mr. ULLMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. GOODLING. Mr. Speaker, it has come to my attention that I was not recorded by the electronic voting system on rollcall No. 278. I did, in fact vote "aye," and I regret to learn that the vote did not record. I want to make this statement for the record so that my position may be known.

PERMISSION FOR SUBCOMMITTEE ON GENERAL OVERSIGHT AND RENEGOTIATION OF COMMITTEE ON BANKING, CURRENCY AND HOUSING TO SIT JUNE 11, 1975, DURING 5-MINUTE RULE

Mr. FLORIO. Mr. Speaker, I ask unanimous consent that the Subcommittee on General Oversight and Renegotiation of the Committee on Banking, Currency and Housing may be permitted to sit tomorrow during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, JUNE 11, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 a.m. tomorrow, Wednesday, June 11, 1975.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WYDLER. Mr. Speaker, reserving the right to object, could the majority whip tell the House what is the schedule for tomorrow, so far as is known at this time?

Mr. McFALL. This will facilitate our further consideration of the energy bill, which, as far as I know, will be the first item of business after the usual preliminaries in the morning. Hopefully, this will help us get through at an earlier time this week.

Mr. WYDLER. So this will be the only item of business, then, on tomorrow? Is that the understanding?

Mr. McFALL. That is correct.

Mr. WYDLER. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

WHAT IS OUR PERSPECTIVE WITH RESPECT TO THE ENERGY PROBLEM?

(Mr. HIGHTOWER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HIGHTOWER. Mr. Speaker, I believe we must ask ourselves a question in the midst of our discussions on energy: What is our perspective?

Timing of our discussions today makes this question difficult to answer.

Many of our constituents believe we are attempting to find solutions to a problem that does not exist.

We no longer have to wait up to 3 hours in line to get a full tank of gasoline at the service stations. Prices for that gasoline are higher than they were, but they are not completely out of reach. We receive reports from service station operators that they are being urged by their suppliers to sell, sell, sell.

A major newspaper in my district polled some of its readers recently and learned that many of them believed the energy problem was a conspiracy by the oil companies to force higher prices for their products.

But we are acutely aware that the problem exists.

The Federal Energy Administration announced only last week that we would suffer a 20-percent shortfall of natural gas over the next several months. Curtailments are announced almost daily. Utilities are being forced to convert, at almost prohibitive expense, to coal-fired furnaces. Southwestern Public Service Co., a public utility that supplies a major portion of the 13th Congressional District, estimates it would cost $576 million to convert, and the company's total capital investment is $604 million. Oil production declined last year for the first time in history. OPEC nations have made it clear that we can anticipate another price increase for imported crude oil later this year.

We know we must conserve our present resources. We are told that the bill before us today is intended to help accomplish that objective.

We know we must develop alternate resources. The trust fund provision of the bill under consideration is designed for that purpose. Coal, even though in abundant supply, cannot last forever. Despite large present and undiscovered pe-

troleum reserves, oil is depletable. Until such time as we can attain self-sufficiency, our dependence upon almost 40 percent of our oil supply from foreign sources is shocking. Another embargo would strangle our attempts to recover from the recession and plunge us deep into a depression.

We know we must accept the fact that only oil will continue to provide the bulk of our energy requirements while we attempt to conserve and find alternate resources.

We must provide incentives for further exploration and development of our oil reserves, and the bill under consideration today does not accomplish that objective.

Oil is the single largest source of our world's energy. It satisfied 46 percent of the world's energy needs in 1970, and it is likely to be required for an even larger proportion by 1985. Demand increased at an annual rate of approximately 7.5 percent from 1955 to 1970. Depending upon whose figures you use, demand will continue to increase at a rate of 4 to 6 percent for the next 15 years, the lower rate optimistically predicated upon the assumption that the world's population will practice conservatism. Despite the slower rate of consumption, accumulated consumption will amount to more than 2½ times actual usage in the 1955 to 1970 period.

To satisfy market needs and also build up the world's reserves by 225 billion barrels, the petroleum industry must find and develop nearly 50 percent more oil than was actually found and developed in the preceding 15 years.

The amount of capital required to accomplish this objective is mind-boggling.

Based on 1970 dollars, investment needs are projected to exceed $1.2 trillion, more than triple the $375 billion actually expended in the preceding 15 years. With 5 percent inflation, the industry's needs would be $1.6 trillion. With 10 percent inflation, $2 trillion would be required.

Why so much? Using 1970 dollars as a base, studies indicate at least $400 billion will be necessary for capital and exploratory purposes. Another investment of $370 billion will be required for such essentials as refineries and other processing facilities, tankers, pipelines, market distribution systems, and costly equipment to achieve and maintain environmental standards. In addition, shareholders must be paid for the use of their money. Debt must be repaid. For all these additional purposes, an estimated $400 billion will be required.

These are the people's needs, Mr. Speaker, not just the petroleum industry's needs. This is what is required to keep us even with consumption and build a minimum reserve. There are not financial shortcuts. All costs must be paid.

Despite the aforementioned, facts, our perspective, I am afraid, is perilously narrow.

We must pass a measure that will encourage, if not mandate, conservation.

We must provide the financial means and incentives for development of alternate sources of energy.

Despite the inability to accomplish the objective with this bill, we must provide the incentives for the oil industry to explore and develop our petroleum reserves.

More importantly, Mr. Speaker, we must combine these imperatives and broaden our perspective to achieve a national commitment to achieve energy self-sufficiency.

We must create an awareness among our constituents that the energy problem is real. We must have their support to solve it.

EXPLANATION AS TO VOTE

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DANIELSON. Mr. Speaker, late on Thursday afternoon, June 5, and on Monday, June 9, 1975, I was absent from the House and missed six votes. I now state how I would have voted on each of those questions had I been present:

THURSDAY, JUNE 5, 1975

Rollcall No. 266. An amendment to H.R. 4035, which sought to strike language which extends the Emergency Petroleum Allocation Act of 1973 from August 31, 1975, until December 31, 1975. I would have voted "no."

Rollcall No. 267. Passage of H.R. 4035, to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocation Act of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring authorization. I would have voted "yea."

Rollcall No. 268. Motion to recommit H.R. 4925, to amend the Public Health Service Act and related laws to revise programs of health revenue sharing and health services. I would have voted "nay."

MONDAY JUNE 9, 1975

Rollcall No. 270. A motion that the House disagree to the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 107—relating to a program of grants to railroads—to H.R. 5899, making supplemental appropriations for the fiscal year ending June 30, 1975. I would have voted "yea."

Rollcall No. 271. Previous question on the rule to accompany H.R. 6860, the Energy Conservation and Conversion Act of 1975. I would have voted "yea."

Rollcall No. 272. Passage of S. 818, to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East. I would have voted "yea."

PERSONAL EXPLANATION

(Mr. MIKVA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MIKVA. Mr. Speaker, I was not present yesterday for three record votes which occurred on a motion to disagree with the Senate amendment to the second supplemental bill, the rule to provide for consideration of the energy bill and a bill to authorize U.S. payments to the United Nations for peacekeeping forces in the Mideast. Had I been present, I would have voted "nay" on rollcall No. 270, the motion to disagree; "yea" on rollcall No. 271, the rule for the energy bill; and "yea" on rollcall No. 272, the U.N. peacekeeping forces bill.

Further, it has come to my attention that I earlier missed a vote on the rule for the consideration of the Surface Mining Control and Reclamation Act and did not announce my position in the RECORD. Had I been present on March 14, I would have voted "yea" on rollcall No. 51, the rule to consider H.R. 25.

ANNOUNCEMENT OF HEARINGS ON FOREIGN STUDENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that the Subcommittee on Immigration, Citizenship, and International Law of the Committee on the Judiciary will begin public hearings on Thursday, June 12, to commence a review of the problems related to foreign students. The hearing will be held in room 2237, Rayburn House Office Building and will commence at 10 a.m.

Testimony on this matter will be received from: Members of Congress who wish to appear, and representatives of the Department of Justice.

ANNOUNCEMENT OF WAYS AND MEANS OVERSIGHT SUBCOMMITTEE HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, I would like to take this opportunity to announce two hearings by the House Ways and Means Oversight Subcommittee.

The first hearing will be a public review of the findings and recommendations of the Joint Committee on Internal Revenue Taxation's just-released report on the IRS Special Services staff. This hearing will be held on June 19 at 10 a.m. and is tentatively scheduled for the main hearing room of the House Ways and Means Committee.

The second hearing will be on Tuesday, June 24, at 10 a.m. in the committee's main hearing room on the subject of the administration of section 2991 of Public Law 92-603, the kidney disease program. This hearing is the first in a series of inquiries which are being held in coordination with Chairman DAN ROSTENKOWSKI's Health Subcommittee into the implementation of the Medicare Amendments of 1972.

SECRETARY BUTZ URGED TO RAISE CORN AND WHEAT LOAN RATE AND RESTORE SOYBEAN LOAN PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SMITH) is recognized for 10 minutes.

Mr. SMITH of Iowa. Mr. Speaker, I am making this statement on behalf of myself, Congressman ROBERT BERGLAND of Minnesota, and Congressman JOHN MELCHER of Montana.

We have sent a letter to Secretary of Agriculture Butz urging him to immediately raise the 1975 corn and wheat loan rates and to restore the soybean loan program at a comparable rate level. The Department of Agriculture has full authority to do this without any new or further farm legislation.

The time for the Secretary to act is now. Wheat farmers in the Southwestern United States will be harvesting their wheat within a matter of days. Estimates are for a bumper crop. It is not fair to them for Secretary of Agriculture Butz to deprive them of an opportunity to participate in an effective orderly marketing program at a decent loan rate while he waits for the market price to fall to disaster levels. As an excuse for opposing a loan on the 1974 crop, the administration said it would be unfair to those who had already marketed part of the crop. If they do not raise the loan rate to realistic levels now, they will probably again use their own failure to act timely as an excuse for not acting at all.

Also, Secretary Butz used as an excuse for opposing the emergency farm bill that it would encourage surplus production. Well, the crop is now planted so he no longer need hold back on announcing a loan program for that reason.

After an early wet spring, corn, soybean, and cotton farmers finally completed their spring planting, and with abundant moisture, yield prospects for corn and soybeans at this time of year seldom have been better. However, farmers did cut corners and some are now suffering from infestations of wire worms for which treatment costs $9 per acre. Producers have been canceling farm machinery so fast that 7,000 farm machinery plant workers were laid off in 1 week. The insurance a cost of production loan program would provide is desperately needed.

To a nation concerned about food supplies, big crops are good news indeed. But to farmers faced with record production costs and a gutted USDA loan program for them it could result in harvest market glut and a price debacle. Wheat prices in Iowa already are down to around $2.65 per bushel with the harvest not yet here. Some market observers are predicting that a good crop will mean $3.50 soybeans and $1.60 corn at the farm at the height of harvest. A bad crop is also bad news for those who have less bushels to sell.

Economists say it is hard to predict how low harvest prices will fall. We never have had anything approaching this potential fall market glut without a soybean commodity loan program and with the wheat and corn loan rates so far below the cost of production.

During the past year, out-of-pocket cash costs in the production of corn and soybeans have gone up sharply—variable cash costs per bushel for corn for 1975 are estimated by the USDA to be more than two-thirds higher than in 1973 as a result of higher prices for fertilizer, seed, fuel, and so forth.

When one also takes into account the higher machinery depreciation and the greater overhead costs resulting from the general inflation, plus the increase in land rents, it should be apparent to all that the $1.10 national corn loan rate set in the early 1970's is totally inappropriate for today's farm cost situation. A similar situation exists with wheat.

And with soybeans, there is not any loan rate at all as a result of Secretary Butz's decision to terminate a soybean loan program for the 1975 crop. Soybean loans even though not required by law, heretofore, has been available to producers every year since World War II.

The commodity loan program since its inauguration in the days of Henry Wallace has served a basic purpose of providing a means of financing the orderly marketing of our grain crops—so producers do not have to dump their crops on the market at harvest time but can store them for later sale after the harvest glut has passed.

Farmers in Iowa and other Farm Belt States need to have the assurance of an adequate loan program. Without it, they cannot make the necessary financial planning to provide on-farm storage facilities needed to adequately handle the harvest glut. These things cannot wait while Secretary Butz dilly-dallies and looks for new excuses.

That is why time has become "of the essence." That is why Secretary of Agriculture Butz should act now to restore the soybean loan program for farmers and to raise the loan rates for corn and wheat to levels which will permit farmers to finance an orderly marketing at harvest time. Secretary Butz's own Department of Agriculture is predicting lower grain prices and lower net farm income for 1975. The only way to mitigate this economic slide for farmers is to restore the soybean loan program and raise the corn and wheat loan rates . . . and do it now.

We suggest that Secretary Butz set the grain and soybean loan rates at least as high as those in the 1975 emergency farm bill vetoed by President Ford. At the time of that action, it was hinted by various spokesmen for the administration that the main objection of the Ford administration to the vetoed bill related to its cotton and dairy provisions. In fact, in the course of the debate over the motion to override the veto, it was stated that if grain prices were endangered, the administration would raise them.

Now is the time for Mr. Butz and Mr. Ford to act on grain loan rates and restore the soybean loan program and fulfill their obligations to American producers.

VOTE CLARIFICATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. EVANS) is recognized for 5 minutes.

Mr. EVANS of Indiana. Mr. Speaker, on the vote taken May 21, 1975, on Representative ARMSTRONG's amendment to the legislative appropriations bill for fiscal year 1976, I am recorded as absent. I was in a conference meeting and unable to reach the floor in time to record my vote. Had I been present I would have voted "yea" to eliminate the additional appropriations for Members' allowances.

OIL IMPORT DUTIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Moss) is recognized for 5 minutes.

Mr. MOSS. Mr. Speaker, I would like to bring to the attention of Members a very illuminating article published in the Washington Post, June 1, 1975, and written by Hobart Rowen.

As we consider the issues of energy and oil and their effect on the economy, particularly with proposals to decontrol "old" domestic oil, this article presents a very penetrating and useful analysis by stripping away the rhetoric of the administration and getting down to the facts.

The article draws heavily upon a study done by Lawrence Kumins of the Congressional Research Service, and it shows that each dollar added as an import oil charge costs consumers and industry $6.1 billion on an annual basis.

Representative TOBY MOFFETT released this study, and his analysis shows that the 89 percent of the overall costs to consumers would go to oil, coal, and gas producers as extra profits. I would commend this article and the Congressional Research Service Report to Members for their reading.

A copy of the article follows:

THE BILL FOR OIL IMPORT DUTIES, DECONTROL

(By Hobart Rowen)

President Ford is playing the confrontation role of the late Harry Truman to the hilt in his squabble with Congress over its "do-nothing" role on energy. And many Democrats have been playing cheap politics with energy, betting that any gasoline price rise next summer can be saddled onto Mr. Ford.

But if you put aside the political brinksmanship and look at what the President has done and proposed, the only conclusion is that it adds up to economic disaster.

President Ford has not only tacked on another $1 a barrel to crude oil import duties (making it $2 in all, thus boosting the average price of a barrel of imported crude oil to about $13.50) but will send a plan to Congress for the decontrol of "old" domestic oil, now $5.25 a barrel.

These steps, rationalized as a way of cutting demand and providing a stimulus for increased production, actually will have an enormous inflationary effect on the economy. They also raise serious questions about recovery from recession.

Administration assurances that price rises and decontrol will have a minimal impact on inflation are totally unrealistic. A "fact sheet" put out by the Federal Energy Administration, for example, claims that decontrol would result in no change at all in the coal and natural gas prices!

A new study by Lawrence Kumins of the Congressional Research Service of the Library of Congress shows that each $1 added as an import oil charge costs consumers and industry $6.1 billion on an annual basis. This includes the impact on that part of domestic oil production which is uncontrolled, and parallel rises in unregulated natural gas and in coal.

A similar calculation is made by former Budget Director Charles Schultze, now at the Brookings Institution.

Thus, the $2 worth of import duties so far promulgated by President Ford will cost about $12 billion. If you count the "ripple" effects as these basic higher fuel prices work their way through the economy, Kumins estimates the bill at $18 to $24 billion on an annual basis.

But there's more: If the President succeeds in getting $5.25 "old" oil decontrolled over a two-year period (and legislative possibilities are that he probably can accomplish that), old oil would of course rise $8.25 a barrel to the $13.50 price.

"Old" oil production has been running at about 5.5 million barrels a day. The increased cost would amount to $16.5 billion (and coal and unregulated gas would go up some more).

Adding in the ripple effects, Kumins put the cost of decontrol at $24 billion a year, worth 2¼ to 3 points on the inflation index.

Meanwhile, each $1 of added import charges could push the index up 0.7 to 0.9 per cent, making the total inflationary impact a potential 3.75 to 4.75 per cent when all costs are fully effective at the end of a two-year decontrol program.

Rep. Toby Moffett (D-Conn.), who released Kumins' study, said that 89 per cent of the over-all cost to consumers would go to oil, coal, and gas producers as extra profits.

It should be remembered that, when President Ford originally presented his decontrol scheme, plus new import duties of $1, $2 and (ultimately) $3 a barrel, the enormous drain of purchasing power from consumers, corporations and government entities was to be offset by an elaborate, Rube Goldberg tax rebate system.

But there are no offsets to the $1 that was imposed on Feb. 1, and none proposed for the $1 that will be imposed today, along with 60 cents a barrel on refined product imports.

Moreover, the windfall profits tax that the President proposed in January, when he first put forward decontrol of "old" oil, now has been modified to include a plow-back provision, which simply means that there will be no meaningful windfall profits tax on those who reinvest in energy production—which they would be doing anyway because of the incentive of high prices.

The ultimate absurdity, of course, is that, if the Organization of Petroleum Exporting Countries makes good on a rumored $2-a-barrel price increase of its own, that will boost the price to $15.50. Such a level is so outrageous that Mr. Ford might be forced to withdraw $1 or $2 of the imported duties.

But how, then, could he complain of an OPEC $13.50 price, which merely would be at the level he himself had set?

The essential elements of a real energy program still include some direct limitation on imports so as to weaken the cartel; government action to allocate reduced supplies; a legislated efficiency requirement for gas-guzzling cars; other conservation measures in heating and air-conditioning; and a shift to other forms of energy, especially coal, while new sources of oil are being developed.

This would require a dramatic change in American life-styles that are based on brutally wasteful energy practices. Ford's program will do nothing to bring about such a change. It will only raise hell with the economy.

IS AMERICAN PUBLIC BEING DECEIVED ON BRITISH-FRENCH CONCORDE?

The SPEAKER pro tempore. Under a previous order of House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, last week I brought to the attention of this House serious evidence of constitutional and legal violations by the White House, State Department, and the National Security Council in committing the United States to a foreign aircraft in defiance of the doctrine of separation of powers, and in defiance of the express will of Congress as stated in the National Environmental Quality and Noise Control Acts.

Today, I present for the consideration of my colleagues the last in a series of damaging incidents showing once again that the executive branch knows the truth about the British-French Concorde supersonic aircraft, but that the executive branch will use any tactic possible—including outright deception—to keep the truth from the Congress and from the American people.

I was able this week to compel the Council on Environmental Quality to release its report on Concorde, which is highly critical not only of the aircraft, but also of the alleged study conducted by the FAA and DOT on the aircraft.

When my office contacted the Council, a person who later said he was involved in writing the report at first denied its existence, then, when read direct quotes from a British—that is right—from a British newspaper, which proved that the report was very real indeed, tried to claim that the report had not been sent. Finally, an official of the Council, which, as you know, works for the President, admitted the report went out with a full covering letter on May 22—nearly 3 weeks ago.

To give credit where it is due, this last Council employee saw to it that the report was released to me in full, and I received it in this morning's mail. At the conclusion of my remarks, I will present the Council report, with its covering letter, for your detailed study.

Just let me take a few moments, Mr. Speaker, to outline some of the points made by the President's scientific advisors, because I think you will agree that if we can not trust these men, then we can trust no one in the executive branch to tell us the truth about Concorde.

The report, and I quote, calls Concorde "at least twice as loud as most present subsonic aircraft." Further, it confirms charges which I have repeatedly documented to this House since January, namely, in CEQ's words that—

> It is clear that there would be a serious danger of skin cancer to humans if a large fleet of Concordes were to cause a depletion in the protective ozone layer.

The Council report repeatedly criticizes the DOT and FAA for what the White House staffers obviously feel are deliberate attempts to cloud the facts on Concorde. I am sure we all recall the highly optimistic publicity released by the FAA and DOT in January when announcing the Concorde landing recommendations. Many normally careful press organizations and nationally syndicated columnists were duped by this totally misleading "executive summary" which bordered on outright dishonesty. And, as the White House report I am releasing today notes, the DOT/FAA summary "has been severely criticized by the academic community for not reflecting the text of the report."

The FAA now plans to complete its final environmental impact statement by late September or early October, after which the Council on Environmental Quality, as mandated by the National Environmental Policy Act, has 30 days to file its final recommendations.

Unfortunately, as FAA and EPA employes have frequently told my office, the environmental and scientific aspects of the Concorde decision could take second place to the diplomatic and political process.

The British press report which uncovered the White House comments on Concorde concluded that, and I quote from the excellent article by Simon Winchester in the June 2 Manchester Guardian:

> The assumption here (Washington) is that politicians and diplomats will eventually win the day and that Concorde, in spite of being what the White House admits is a very noisy aeroplane, will be permitted to come and go, beginning later this year . . .

There is a solution to this dilemma, Mr. Speaker, and I take the liberty of suggesting it once again to my colleagues of the House. My legislation, H.R. 4933, would require all supersonic aircraft, and not just Concorde, to meet the noise levels presently being required of subsonic aircraft by Federal Aviation Regulation, Part 36. I add parenthetically that my legislation cannot be objected to even by our State Department, because it clearly does not discriminate against Concorde, or subject it to unfair regulations. These are both fears—and claims for leniency—which the State Department has been advancing in its role as unofficial commercial attache for a foreign aircraft manufacturer.

My legislation, which I was honored to present last March with the unified support of the Democratic Delegation from New York, as well as distinguished colleagues from across the aisle, and from across the Nation, would require that all SST's meet FAR 36. There is no discrimination, or unfair treatment, here, Mr. Speaker, just a decent regard for the health and welfare of the American people.

If my legislation, or some similar legislation, is not passed, and passed as quickly as possible, I am afraid that Mr. Winchester's prediction may prove all too accurate. It is clear that the executive branch means to overrule, if possible, the mandate of Congress as expressed by the Environmental Quality and Noise Control Acts. We cannot let them do this, and my legislation is specifically designed to forbid them.

The Aviation Subcommittee of Public Works, chaired by our distinguished colleague from California (Mr. ANDERSON) is scheduled to hold hearings on the entire issue of aircraft noise sometime in July. I urge full participation by this House in these timely and valuable hearings.

Mr. Speaker, as I noted at the beginning of my remarks, last week I joined

with my distinguished colleagues from Long Island (Mr. DOWNEY and Mr. AMBRO) in asking that the oversight functions of the Government Operations and Public Works and Transportation Committees be utilized to get to the bottom of the Concorde story.

As I said last week, we now know that the White House, State Department, and National Security Council are violating the constitutional provisions of separation of power, and specifically, are violating a 1973 district court opinion on enforcement of the National Environmental Policy Act, by a series of pro-Concorde actions taken since 1971.

We know that then-President Nixon wrote letters in early 1973 to the leaders of Britain and France which the present administration is using as evidence for actual commitments on Concorde in letters this April to the Governors of New York and New Jersey, who have the ultimate power to allow Concorde into John F. Kennedy Airport. I should note that the letters to the Governor of New York, our esteemed former colleague, Hugh Carey, and to Mr. Byrne, themselves violate a court ruling that "foreign policy mystique" cannot be used to get around the mandate of Congress.

I have no doubt, Mr. Speaker, that Mr. Nixon's letters are typical of his usual efforts, and can be read at least four different ways. But the point is that the White House has refused to allow us to see the letters while at the same time using them to claim firm commitments on Concorde—commitments, I need hardly add, which neither the White House nor the State Department have the constitutional power to make.

I now present for the RECORD a copy of the Council on Environmental Quality report on Concorde, with its letter of transmittal, and Mr. Winchester's article.

COUNCIL ON ENVIRONMENTAL QUALITY,
Washington, D.C., May 22, 1975.

HON. BENJAMIN O. DAVIS, Jr.,
Assistant Secretary for Environment, Safety and Consumer Affairs, Department of Transportation, Washington, D.C.

DEAR GENERAL DAVIS: The Council has reviewed the draft environmental impact statement (EIS) prepared by the Federal Aviation Administration (FAA) for the proposed amendment to British Airways and Air France operations specifications to permit these carriers to conduct limited commercial service with the Concorde aircraft. As proposed, service would be limited to four daily flights to John F. Kennedy International Airport in New York and two to Dulles International in Virginia. The draft EIS focuses on the potential stratospheric and noise impacts of the Concorde. Our comments cover both of these issues; the noise comments are more detailed because of the more immediate and measurable impact.

Regarding the stratospheric impacts, it is clear that there would be a serious danger of increased incidence of skin cancer in humans if a large fleet of Concordes were to cause a depletion in the protective ozone layer. This potential risk has been the subject of a detailed report by the Climatic Impact Assessment Program (CIAP) of the Department of Transportation. It should be noted that the Executive Summary of the CIAP report has been severely criticized by the academic community for not reflecting the text of the report. The final EIS, therefore, should cite the full text, not the Executive Summary, when relying upon the report.

Regarding the noise impacts of the Concorde, we believe that the final EIS should clearly state the relative and absolute increases in noise levels caused by the Concorde. This is not done to our satisfaction in the draft EIS, although it appears that the Concorde is at least twice as loud as most present subsonic aircraft. The final EIS must give more information on this point, as well as other issues involving the comparative noise impacts of other aircraft under various noise retrofit options, curfews and night noise, and alternate airport use. Detailed comments on each of these issues are attached.

Please let me know if you have questions regarding our comments. I also hope that you will feel free to consult with the Council on any procedural questions that might arise during the remainder of the environmental impact statement process.

Sincerely,

STEVEN D. JELLINEK,
Staff Director.

COMMENTS ON NOISE IMPACTS: FAA DRAFT EIS, CONCORDE SST

1. The Concorde is a very noisy airplane. We question whether the draft EIS is fully descriptive of the noise created. The following points are illustrative of this concern.

(a) Concorde low frequency noise will be five times greater than that produced by conventional airplanes (p. 41). Various charts, specifically those on pp. 38–40 and 106–108 of the draft EIS use EPNdB as a measurement of airport noise. The EIS should state the extent to which this scale is adequate to reflect the Concorde's low frequency noise; to the extent it does not, other impact estimates should be used.

(b) The draft EIS (p. 41) states that building vibration could occur as the result of Concorde's low frequency noise. It appears that this noise will be heard as a low rumble similar to distant thunder. It is, of course, relevant whether the vibrations will damage structures, but the statement should also address the extent to which the low frequency noise will cause indoor or outdoor discomfort and annoyance.

(c) On page 42, the draft EIS states that noise differences between the Concorde and subsonic aircraft measured indoors were as much as 4 dB greater than the difference measured outdoors. "However, this difference is barely discernible." What is not stated is that when the outdoor noise difference between Concorde and conventional airplanes is added to the indoor noise difference, the Concorde is approximately twice as noisy as a conventional airplane to the indoor listener. For example, the EPA document "Recommended Notice of Proposed Rulemaking on Aircraft Noise Requirements: Civil Supersonic Airplanes", page 18 (February, 1975), states that the indoor noise levels for the Concorde were greater by more than 6 dB on landing and more than 11 dB on takeoff.

(d) The presentation on pages 34 through 39 of the draft EIS is confusing. On page 36 the Concorde is compared to the B/707–300, the DC–8–60 and the 747–100. It appears that the sideline noise of the Concorde is more than twice as loud as the other planes. But, on page 39, "Sideline Noise", the impression is given that the Concorde is not much louder than other aircraft. Of the airplanes listed on page 36 only the 747–100 is included on page 39. Further, the airplanes shown on page 39 as being nearly as noisy as the Concorde are planes which do not comply with FAR 36. The comparison is relevant if these models constitute a large part of the current jet fleet, but it should be carefully explained how many of each type are presently in operation, what percent of the existing fleet is of each type, and the frequency with which each type presently lands at JFK or Dulles. In addition, comparison should be in this section with those models listed on page 36.

(e) On page 35, Figure 10, there is a graph showing the effect of reduced engine thrust within the 3.5 nautical mile measurement zone. It is not clear from the draft EIS whether this is a voluntary operational procedure or one that is compulsory. If the thrust cutback is voluntary, the sound measurement at the 3.5 nautical mile station without reduced engine thrust should be included.

(f) Illustrations on pp. 106–08 of the draft EIS compare Concorde noise levels to those required by FAR part 36, which will presumably be met by the existing jet fleet after 1980. This difference as perceived by a listener in terms of dB(a) should be specified; it appears that the Concorde will be perceived as being twice as noisy as a DC–10–30 with retrofit.

2. The draft EIS shows the projected noise impact of the Concorde on the population and land adjacent to JFK and Dulles in terms of NEF (Noise Exposure Forecast) 30 and NEF 40. Although this standard of measurement is meaningful and necessary, it does not fully address the impact of the Concorde upon public health and welfare. EPA has developed various documents related to noise levels pursuant to the Congressional mandate of the Noise Control Act. Chief among these is "Information on Levels of Environmental Noise Requisite to Protect Public Health and Welfare with an Adequate Margin of Safety" (March, 1974). This document states noise exposure levels in terms of Leq and Ldn (equivalent sound level and day-night level) setting a level of Leq 70 as necessary to protect hearing and a level of Ldn 55 as a desirable outdoor residential level. To make meaningful comparisons between the EPA levels document and the Concorde draft EIS, one should know the relationship of NEF to Leq and Ldn, and how the NEF 30 and 40 areas shown in the EIS would overlay upon comparably constructed Ldn 55 areas. If the entire area is already impacted to this extent, then the amount of sound generated by the airport, independent of other sources, should be shown. To fully treat these concerns, similar diagrams to those presented on pages 109–13 should be presented showing Ldn or an equivalent NEF:

(a) with SAM (sound absorbing materials) retrofit and without Concorde;

(b) with SAM retrofit and with Concorde flights as proposed;

(c) with SAM retrofit and with expanded Concorde fleet;

(d) without SAM retrofit and without Concorde;

(e) without SAM retrofit and with Concorde flights as proposed;

(f) without SAM retrofit and with expanded Concorde fleet.

Information should also be presented showing any population which is now exposed to Leq 70 dB or equivalent NEF that will be affected by Concorde flights. This information should be given to show the effect of the proposed Concorde flights and any enlarged Concorde fleet upon this population.

3. It is assumed that no curfew limitations need to be imposed on Concorde flights. There is no discussion to support this. If the airlines have tendered flight schedules they should be set forth in the EIS. Since nighttime noise is considered more bothersome than daytime noise there should be a complete discussion of nighttime noise effects if there are no curfew restrictions.

4. There is no discussion of the number of times per year the Concorde will have to land at alternate airports. The names of some proposed alternate landing sites are listed in the appendix. The EIS should discuss the

contemplated frequency of use of each airport likely to be used as an alternate and the contemplated impact upon the population and land around each.

[From the Guardian, June 2, 1975]

CONCORDE FLIES INTO STORM OF CRITICISM BY FORD'S ADVISERS

(By Simon Winchester)

The future of the Concorde as a transatlantic commercial jet airliner received yet another blow today as an important group of technical advisers to President Ford sharply criticised the plane as "at least twice as loud" as most present subsonic aircraft.

The comments, presented by the President's Council on Environmental Quality, have considerable weight, and could count heavily in any final Government decision on the Anglo-French aircraft.

The CEQ's unpublished report on Concorde—a copy of which was made available to the Guardian at the weekend—is sharply critical of the Federal Aviation Administration's reasoning behind its recommendation of last March to allow Concorde to fly in and out of New York City four times daily and in and out of Washington Dulles Airport twice daily.

The FAA's draft statement, which concluded, basically, that the environmental effect of the Concorde fleet would be too insignificant to deny its entry to this country led to a series of public hearings last month in Washington and New York.

A final statement on the subject is expected from the FAA within the next six weeks and this, barring any threatened court action, will give the definitive yes or no to petitions by British Airways and Air France to fly the plane to this country.

During the public hearings Concorde came in for a rough time from foes based both here and in Britain; as a result the hearings attracted a great deal of publicity and at the time seemed extremely important in determining Concorde's future. Now the CEQ's criticisms, which represent White House technical thinking on the subject will not bring much cheer to the aircraftmakers in France and England.

The CEQ's report is highly technical, but two basic points can be made. First, the Council believes Concorde to be much noisier and irritating than either the British, French, or American Government have so far allowed and second; it, implied that the FAA assessment of Concorde was so badly written and presented that it must be suspected that international politics played a major part in its creation.

The United States Government of course, does not want to offend Whitehall or the Quay d'Orsay by refusing permission for Concorde to land here, and in any case international agreements like the 1947 Bermuda Convention might well prevent any American refusal. So the tone of the original FAA recommendation was generally favourable to Concorde, and it is this tone that is subject of severe criticism by the scientists at the White House.

On the question of noise, the President's advisers note for instance that, rather than Concorde's noisiness being as the FAA states, "barely disernible" from that of subsonic jets, "when the outdoor-noise difference, between the Concorde and conventional aeroplanes is added to the indoor noise difference, the Concorde is approximately twice as noisy as a conventional aeroplane to the indoor listener."

Again, "Concorde's low frequency noise will be five times greater than that produced by conventional aeroplanes."

On the cosmetics that have been applied to the original FAA statement, the CEQ officials note that "Concorde is a very noisy aeroplane. We question whether the (FAA's) draft impact statement is fully descriptive of the noise created."

In parts the FAA's report is attacked for being "confusing"—in particular, by comparing Concorde's performance with only specially selected jet airliners so as to produce the most favourable picture for the Anglo-French plane.

A chart of comparative sideline engine noise, for instance, compares the Concorde only with the Boeing 747–100 and omits from the chart—all mention of two other popular planes the Boeing 707–00 and the Douglas DC 8–60, both of which are considerably less noisy than the supersonic plane.

The FAA's report, although open for official comment and inspection, was technically made for the White House and CEQ, and today's reply by the CEQ is thus the last set of comments for which the FAA has been waiting. Now that the Presidential advisers have made their feelings known, the FAA can re-write its recommendations on the basis of technical evidence, there would now seem to be a strong case for believing Concorde could be killed here.

But then technical grounds alone will not decide Concorde's future. The assumption here is that politicians and diplomats will eventually win the day and that Concorde, in spite of being what the White House admits is "a very noisy aeroplane," will be permitted to come and go, beginning later this year, and in full commercial service starting soon after Christmas.

COMPREHENSIVE REMEDIAL SSI LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 15 minutes.

Ms. ABZUG. Mr. Speaker, in the last Congress I introduced legislation to make a limited attempt at remedying some of the inadequacies which became obvious almost immediately upon the inception of SSI, and I testified on that bill before the Senate Special Committee on Aging a year ago. I reintroduced that bill in the 94th Congress as H.R. 165.

Today I am introducing a revised version of H.R. 165, in time for consideration by the Subcommittee on Public Assistance of the Committee on Ways and Means, because I believe that fundamental inequities continue to exist within the program which require urgent legislative redress.

I would like to address myself to three areas of concern in the process of detailing the provisions of my bill. The first is that the intent of Congress and the administration of federalizing the income maintenance system should really be the objective of any specific reforms in the supplemental security income program. The mechanism by which this should be accomplished must include both gradual removal of the States fiscal role in the program and assurance that the flat grant is at a level which could meet at least the basic needs of the individual participants while reflecting appropriate variation in the real cost-of-living in different geographic areas.

At the same time it must insure—whether by direct administration or by delegation to the States—that emergency needs and that the special servicing problems inherent in the SSI population can be met.

The third issue of importance is that until this system is fully federally funded, we must insure that every percentage increase in cost-of-living is passed through at the percentage level to the recipient.

Let me say first a few words about the federalizing issue. There are two reasons for federalizing. The first is that the Federal Government clearly has a better tax base to cope with the financial burdens which are becoming increasingly more unmanageable for the State treasuries. The program has already been partially federalized, the principles of the program presume a totally federalized program and Congress ought to finish the job of accomplishing that. Second, there is little rationality in differences in grant levels based upon State boundaries. There should be substituted a program which would prescribe benefit levels on social utility in different geographic areas—urban, rural, and different metropolitan areas.

I have two recommendations to accomplish federalization. First, Congress ought to begin to develop a realistic national index of necessary income on which this program could be based. Second, Congress could mandate additional increases in the Federal floor without allowing for any pass-through to accelerate the Federal dollar assumption of the whole program.

However, until there is a complete Federal assumption of the SSI program, it is important that the law permit that the percentage increase in the Federal floor due to cost-of-living increases be passed through to the State floors—which is what my bill would do.

Section 2 of my bill seeks to have both the Federal Government and the States maintain their level of assistance in the face of inflation that appears to have become a permanent fixture of our society. It is not necessary to belabor the point that those individuals who must rely on the SSI program are the most vulnerable to inflation. What I will belabor is the means by which we address that cruel fact.

First, it mandates a percentage pass-through of cost-of-living increase applied to the Federal floor so that the State and recipient can take advantage of these increases. The fundamental problem with the SSI program arises because the present Federal floor, currently at $146 and due to rise July 1 to $157, is inadequate to meet the minimum needs of the SSI population in all of the States. Consequently this program is being supplemented in about one-half of the States under a hold harmless formula, which supposedly holds the States harmless from an increase in State costs because of increased caseloads beyond what they were contributing in 1972 when Public Law 92–603 was passed.

Unfortunately, the Federal protections under the hold harmless formula were more imaginary than real because they provided for Federal support of a State floor established at 1972 dollars. Any increase in the State floor must take place entirely at the State's expense. This is so even though there is currently a provision which mandates that the

Federal floor rise with the cost-of-living increases provided under section 1617 of the Social Security Act. States with State supplementation programs are denied the benefits of these increases. For instance, when the Federal floor rises from $146 to $157 in July, the supplementation in New York will decrease from $60 to $49 and the State floor will remain constant at $206.

Section 2(4) of the bill would permit SSI recipients grandfathered in at levels greater than either the Federal floor, or in States with supplementary programs at levels higher than the State floor, to receive the percentage cost-of-living increases also.

I would like now to detail the emergency benefit provisions in section 1 of my bill. First, it is crucial to understand that any interruption in payments is a crisis of major proportions for the aged, blind, or disabled. These are not gratuities we are offering; these are payments to individuals whose basic income allotment is barely enough to survive, and who, when that monthly allowance is late or unreceived, or any new expenses are incurred above it, have no cushion to save them from outright destitution. Furthermore, this is a population for whom the mere provision of a meager dollar amount does not begin to respond to the difficulties of coping with what are simple daily problems for other individuals.

Traditionally, the responsibility for emergency needs and social services has rested with the States or localities. Unfortunately, with the SSI program, precisely because it is a federally administered program enormous confusion currently exists as to where responsibility lies for redressing these problems. The States claim under the aegis that the SSI program is "Federal takeover of the AABD program," that this is a Federal responsibility. The Federal Government claims the SSI program is merely a flat grant cash assistance program, and not designed to respond to individual needs.

The original assumption of the SSI program was that the aged and disabled population would be more susceptible to a simple cash assistance program than the AFDC program because it was a more stable population with fewer individual problems. In fact, the aged population has its own special problems which under the SSI program are not about to be adequately dealt with.

And there is an urgent need for Federal legislation to clarify not only what their benefits ought to include but where they ought to be administered.

The problem of emergency payment was probably the first to be recognized upon inception of the Federal conversion in January of 1974. The failure to provide the Secretary of HEW with authority to make emergency payments to recipients who did not receive their monthly payments, was evidenced when starting with that first month of operation, I, and every other Member of the House was deluged with letters and telephone calls from anguished elderly, blind, and disabled SSI recipients. Fortunately, at that time the Secretary was able through imaginative use of his authority under section 1631(a)(4)(A) of the act to make advance payments of $100 in the first month's benefits using what are known as "prepositioned checks" thereby partially rectifying the mixup of the transition. That advance payment mechanism was of course available only once for each recipient on the rolls.

Thus, the first problem is that if an individual is no longer an "initial applicant" and through no fault of his or her own does not receive the regular monthly SSI check, the Secretary has absolutely no authority to make an emergency payment. Section 1 of my bill provides that authority. It also extends beyond that and attempts to address many of the problems which have evidenced themselves since that initial crisis, and fold them into the Federal flat grant system. I would like to draw your attention to the fact that in the new version I have amended section 1611 of the act, specifying individual payment levels, to authorize, as part of the flat grant, payments to cover eight different emergency or special situations.

They include the authority to replace lost, stolen, or undeliverable benefit amounts within 24 hours, to replace furniture and clothing which has been destroyed by disaster, to pay the costs of moving from an institution to an independent setting or for a variety of other forced moves. Many of us in the House have seen in our own districts the devastating effects of forced moves into more costly housing or those problems experienced when leaving a nursing home or similar situation. This provision is intended to facilitate that sort of move.

The section also includes provisions for additional payments for individuals required to follow medically prescribed special diets. Just last month my staff in New York reported to me the case of an elderly man, who because of his diabetes is forced to buy slightly higher costing foods and as a consequence makes it each month to about the middle of the month and literally starves himself till the next check. There is also a provision to enable an individual to keep his apartment or house during a temporary confinement to hospital, convalescent home, or the like, which would ultimately save many more tax dollars than what might be needed to store furniture or start a new home at the end of that confinement. And finally I have included as currently exists in New York State law, a provision to provide emergency assistance to avoid destitution.

I have then amended section 1631 of the act, dealing with payments and procedures, to authorize the Secretary of HEW to enter into an agreement with the State to administer, with direct reimbursement, those emergency provisions which are unwieldy to administer at the Federal level. For instance, one of the problems inherent in a Federal flat grant system is the absence of the kind of trained personnel to make eligibility determinations in situations which require on site caseworker response. And the benefit of legislating in this manner is that the basis may be set in the law for recapturing, on a reimbursement basis, some of the other capabilities which are lost to the Federal system but still exist at the local level.

I would also like to highlight some of the other sections of my bill. Sections 4 and 5 are closely related provisions designed to improve upon the statutory provisions relating to representative payees. Section 1631(a)(2) of the Social Security Act now imposes an inflexible requirement that any disabled recipient who, in addition to other infirmities, also suffers from alcoholism or drug addiction and must have his SSI payments made to a third person called a representative payee. That person will then manage the recipient's grant and insure that landlords, grocers, et cetera, are paid.

My amendment to this provision would allow the Secretary to lift this requirement when such a recipient is receiving rehabilitation treatment and when the chief medical officer of the treatment facility certifies in writing that direct payment to the recipient would have therapeutic value to him or her; and that the medical officer certifies that there is a substantial reason to believe that the recipient would not misuse or improperly spend his or her SSI payment. Such authority is necessary to assist rehabilitation facilities in achieving full rehabilitation of their patients.

During the course of treatment, it is necessary to give increased personal responsibility to the patient, under supervised and controlled conditions, to insure personal growth. Our present inflexible rule now serves only to frustrate laudable goals of rehabilitation that we seek to achieve by imposing the requirement that such a recipient accept rehabilitation treatment.

In addition, the problem in finding third party payees since the enactment of the law has been formidable. Authorization for removal of the restriction in these certain cases where it is useful for other reasons, can only help to assist a troublesome situation.

Section 5 clarifies an important aspect of SSI recipients appeal rights with regard to representative payee situations. Although the Secretary is under no compulsion to do so, he has adopted regulations which deny recipients the right to challenge the Secretary's choice of a representative payee. When we deprive a person of the right to manage his or her own affairs, we should recognize that we are treading upon very sensitive and important rights of personal freedom. Any affected recipient may grudgingly accept this deprivation if someone other than the person chosen by the Secretary is the representative payee. Now, because of the Secretary's regulations, the Secretary's choice cannot be questioned. Such dictatorial power should not exist in such a sensitive area of personal freedom.

Section 6 deals with an important omission from present law. Presently, there is absolutely no period of time within which HEW must act upon an application. As far as the law is concerned, HEW can take 6 months, or even 6 years. Though the waiting period in the early stage of the program was absolutely shocking, Commissioner Cardwell has

now testified that the national average is about 38 days in assistance for the aged.

Precisely because most applicants have no other means by which to live, we had, from 1950, imposed a "promptness" requirement on the States under the former grant-in-aid programs. We required the States to act on all applications within 30 days, except for disability claims which were allowed 60 days. We should require no less of the Social Security Administration. I have added in fact a condition on the 60-day limit for disability claims which would require a decision on presumptive eligibility within 20 days. Surely, in light of its more sophisticated managerial techniques, including highly sophisticated computer equipment, it should be able to act more swiftly than the States. For years prior to enactment of Public Law 92–603, HEW Secretaries, Presidential counselors, and the President himself constantly reminded us of the wisdom, necessity, and cost savings of a uniform nationally administered system. If they did not intend a cruel hoax, they certainly can live with the time limits that the States learned to live with.

On the question of food stamps, we are well aware of certain of the problems inherent in Public Law 93–86 and the need to continue the program under the provisions available in Public Law 93–335.

I propose, first, that we make permanent the State option to cash-out food stamps, as embodied in Public Law 93–233, section 8.

The problem with which I am most concerned is that those individuals who are receiving the bonus value of food stamps under the "cash-out" option, receive the same equivalent value as if they were participating in the direct food stamp program, and that the States be permitted to include this value in their adjusted payment level.

There has been much discussion, because of the inequities of the cash-out option that individuals be given the choice of electing food stamps or the bonus value of the stamps. I think providing this choice serves little purpose. First, as has been suggested by many of the program experts, this would be administratively terribly cumbersome. Second, there is evidence that only about half of those eligible for food stamps elected to use them before the implementation of SSI, and many would prefer the flexibility of the cash on such a meager income, as long as the bonus value continues to be reflective of inflationary trends.

In addition, section 7(e) of my bill allows more than the original five States to enter the system as "cash-out" States. Under section 7(f) the bonus value of food stamps in States electing to give the cash-out value to SSI recipients, would be included within the adjusted payment level formula. This is necessary so that States with an optional State supplementation program can receive Federal reimbursement within the restriction of the hold harmless formula.

Finally, under present law the cash-out bonus value of food stamps is frozen at the January 1, 1972, value which in New York is $10.

Because the bonus values will change due to inflation, we should provide for such changes. Otherwise, recipients in those States which have chosen to retain food stamp eligibility will get increasingly larger benefits while those who opted for the cash-out will be locked into the bonus value of the food stamp program of January 1972. Section 7(g) accomplishes this.

Section 8 of my bill would amend section 1614(b) of the act to provide that the fact of the continued existence of a marital relationship be determined relative to the facts of the particular case. Presently, the statute conclusively presumes that a couple who have decided to sever their marital relationship are still living together. When they are living together, they each get a check for 50 percent of a couple's grant. Under present levels each gets $109.

The gross unfairness of section 1614 (b) is that each member of an actually separated couple continues to receive only half of a couple's grant, $109, instead of an individual's grant, $146, for a full 6 months from the date of separation.

I suspect that the provision got into the law at the request of HEW. Such an automatic rule is, in effect, much easier for bureaucrats to administer. With it, they do not have to make an individual determination of the likelihood of the permanence of the separation.

Section 9 of my bill seeks to clarify an important aspect of SSI recipients' appeals rights. Presently, section 1631(c)(3) provides for judicial review of the Secretary's decisions in the administrative appeals process, "except that the determination of the Secretary after such hearing as to any fact shall be final and conclusive and not subject to review by any court." The Administrative Procedure Act which applies to such review, requires that "there be substantial evidence to support a finding of fact of any administrative agency." We are carrying on that requirement by allowing for the factual information to be subject to judicial review.

Section 11 lifts the absolute one third reduction in grant level for individuals living with others.

We in Congress have been devoting a great deal of energy recently to encouraging a variety of shared living arrangements for the elderly, especially in light of the shocking revelations about much of the nursing home industry. By allowing less than the full one-third reduction in certain cases as this section does, we might encourage certain companioned living arrangements.

Section 10, 12, and 13 all deal with making more real and equitable the measure of an individual's resources for purposes of determining income. Section 10 would mandate that the value of an individual's home be measured with respect to the value of any encumbrance; that is, a mortgage, on it. Section 13 adds additional items to educational grants and benefits to those already in the law which may be excluded from countable income.

Finally, section 14 adds additional language to the rules governing hearing on SSI recipients under the new title XX.

In New York City we have a rent ceiling for the large number of elderly persons living in rent controlled housing. A ceiling certainly should apply to all poor elderly, blind, and disabled.

I have tried to suggest ways in which we can move toward a guaranteed minimum income for all of our citizens—the beginnings of which may be available if we make necessary and urgent reforms in our supplemental security income program.

VETERANS' BENEFITS PAYMENTS—THE PENDING SECOND SUPPLEMENTAL APPROPRIATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BOLAND) is recognized for 5 minutes.

Mr. BOLAND. Mr. Speaker, I would like to take just a minute to comment on the appropriations pending for veterans' benefits payments. As you know, there is $425,000,000 contained within the second supplemental bill for GI education benefits. Because these funds have been delayed, approximately 158,000 veterans' checks are now overdue. Obviously, this can cause special hardships on those veterans who must depend on their VA payments for the basic necessities of life. We regret that hardship, but it is important to point out that the subcommittee which I chair, and the full House Appropriations Committee, have consistently acted in a forthright and expeditious manner to provide all GI benefits.

Fiscal year 1975 has been unique because legislation passed by Congress increasing veterans' benefits has combined with a poor economy to increase supplemental education requirements by almost $2 billion. The first piece of this $2 billion, a total of $812,200,000, was provided in an urgent supplemental passed last December. I think it is interesting to note that the budget request for these funds was transmitted to the Congress on December 4, 1974. On December 17, the Appropriations Committee reported the bill; it was passed on December 18; the Senate passed the bill on December 19; and it was signed into law on January 3, 1975. It took the Congress just 14 days from receipt of the budget request until final passage.

This spring the Congress approved an additional $638,000,000 in a further urgent supplemental for veterans' benefits. In that case, the request was forwarded to the Congress with the 1976 budget on February 3, 1975. On April 10, the committee reported a special urgent supplemental. It passed the House on April 15. It passed the Senate on April 18 and became law on the 24th.

The $425,000,000 of additional GI educational requirements was requested by the President on April 28—only 4 days after the previous urgent supplemental became law. That request came too late to be considered by the House and was referred to the Senate where the funds were approved on May 20. The holdup of course, has been over an issue totally nongermane to any question concerning the veterans' benefits.

I think that the record is clear, however, that this committee has always acted promptly in response to any supplemental requirement for veterans' benefits. The problem faced today has nothing to do with money for veterans. It is a problem that is separate and distinct. The problem can be easily resolved by the other body of the Congress. The Senate should recede and concur with the recommendation of the House on the only point in the second supplemental appropriation bill that has delayed payments to veterans and is causing increasing hardship to thousands of veterans across the Nation. I trust the Senate will take this action today.

ENERGY LEGISLATION A MAJOR PRIORITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, on May 16 the able chairman of the Committee on Ways and Means (Mr. ULLMAN) delivered a most perceptive speech at Boston University.

Demonstrating as keen an appreciation for the city of Boston, as for the energy problems confronting the Nation, and for the workings of Congress, AL spoke honestly and straightforwardly. In particular, AL explained why it is both difficult and essential that Congress pass sensible, yet tough, energy legislation.

AL outlined the challenge facing us all. Let us try and live up to it in the difficult decisions that we will have to make during the next few days.

I include the text of AL ULLMAN'S speech:

SPEECH BY CONGRESSMAN AL ULLMAN, BOSTON UNIVERSITY, MAY 16, 1975

I am pleased, proud and am honored to become a part of this great university that was founded in the finest liberal and humanist tradition.

Boston is a special place. Our revolution was really born here. Not far away, the Pilgrims landed. You have sent great men into history—and they carried the oldest traditions of America with them. These traditions continue—and over the years they have spread across the nation.

My home is 3,000 miles to the West. A town called Baker. I represent a rural constituency that would easily fit into Boston's city limits. Yet my Congressional district in Eastern Oregon is larger in size than the six New England states all put together.

But for all the distance we are no less aware of our traditions than any other part of the country. What does vary, though, is our vantage point. We have special hardships. Special desires. Special goals.

Such is the Congress today—535 men and women, Republicans and Democrats. Liberals and Conservatives—from all parts of the country. All terribly aware of the pace of change and often frustrated that we can't stop the world for a week or so to give us a chance to sort things out.

Unfortunately, though, we will always have bulletins of ships lost or negotiations broken or border tension to distract us and limit our visions.

We are a nation that seems to stumble from one crisis to another. That's usually what we remember best about history. We remember Presidents more for their wars than for their peace. And depressions are always more memorable than abundance.

When I graduated from college we all walked off the stage with our diplomas and right into the Depression. Back then unemployment was running about 25 percent. Millions of people were living off one meal a day—and an occasional odd job. And then came World War II.

A good many of your parents will tell you that they were the days of real crisis.

Well, the real crisis of the 30s and the 40s finally faded away, but the roots never died. Because today we are fast approaching a day of reckoning with our past.

Let me read from a speech given by Wendell Phillips, a Boston reformer, more than a century ago:

"Revolutions are not made; they come. A revolution is as natural a growth as an oak. It comes out of the past. Its foundations are laid far back".

He was talking about abolishing slavery—a pretty revolutionary idea back in 1852. But the issue is immaterial. The point is that revolution—or crisis—comes with time. It is the final realization that what we have created over a generation has turned on us. And that's sadly what we face today—a crisis that has been mounting since the day we left behind the last crisis.

Today's crisis is almost invisible. Its indicators go unnoticed by most people. Longer lines Monday morning at the unemployment office. More price hikes. Increasing balance of payments deficit abroad. Decreasing fuel supplies at home. There are many more that don't make the front pages. But added up they become a serious warning.

A combination of "givens" in formulas we have counted on for years suddenly seem not to work anymore. What we've got to do is take a very hard look at our national way of life before we become its victims.

We have just seen a lot of armor knocked off invincible America. The embargo. Domestic corruption. The dollar. Middle-East peace talks, and finally, Vietnam.

These are the graphic results of a way of life that was created at another time—a way of life controlled by bulls and bears and crisis.

The critical question is—how long will it take us to change our old ways? How long will it take us as a nation to repaint the American Dream? How many years before the longest car and the thickest carpet are no longer measures of the Nation's health?

It's not going to be easy after growing up—as many of you have—in relative affluence. It's a jolt to the American psyche to become suddenly aware that we've reached the ceiling—that growth and fortune have their limits.

This is a hard lesson for a lot of people conditioned for years to a concept that everything is onward, upward and unlimited, that a free market would determine what's best. As consumers, we had cheap copper from Peru, cheap chromium from Rhodesia and cheap oil from Saudi Arabia, and corporations sold America the biggest and the brightest products money could buy—year after year after year.

We went out and bought all-electric homes, electric pencil sharpeners and boats powerful enough to pull a chain of skiers.

Well, the Peruvians and the Rhodesians and the Saudis have changed the rules.

For two weeks this spring the Ways and Means Committee listened to the Nation's best energy minds collectively explain one simple fact—that we use more energy than we produce—and that we are going to pay a terrific price unless we close that margin.

We also learned that we have taken out most of our cheap fuel and what easy oil we have left won't last more than a decade at the rate we're using it up. We learned that nuclear energy is not the quick miracle answer. And we learned that recession is largely due to bad energy planning. In short, we learned the nature of the beast.

Putting it on a leash is another matter. To do that we need an energy policy. Congress and President Ford agree on that point. We also agree that we need to reduce the amount of oil we import from abroad. The question is how? How do we go about making a country change its ways?

The President immediately wants to raise tariffs on imported oil and decontrol the price of domestic oil and gas. He believes that the more people pay, the less gas and oil they're going to consume.

He figures that if you have to pay 10 cents more for a gallon of home heating oil, you'll use less. Well, you and I know that New England has turned down its thermostat as low as it will go. And you're going to be hit harder than most by the President's program.

We take another approach—beginning with a limit on imported oil and a 3-cent tax on gasoline. The tax will go toward developing better mass transportation and new energy technology.

Two years later we add what amounts to a luxury tax on gas-guzzling cars. It's not much at first. But it gets pretty stiff as it goes along—but only if we don't check our gasoline consumption.

If anything, we have sounded a warning—that those who don't meet the gradual conservation standards will pay a bigger and bigger price for their excesses.

We want to make energy saving part of our way of life. It's difficult while gas wars go on and Detroit keeps on trying to lure us into big cars. But I think those are the last gestures to an era—the golden age of cheap and plentiful energy. But no matter what we do in Congress or in the board rooms or the marketplace, America will never be the same. The energy crisis is only one flaw.

What about education, double-digit inflation, health, free enterprise, or defense? If we don't look—if we don't do more than paint over the cracks—we're in real trouble.

Each generation thinks of its crisis as the worst of an age—or even a century. The Great Depression. World War II. Vietnam. At least we could identify them. They arrived, we suffered, and we put them behind us. They were sharp corners in our history.

But the invisible crisis is much tougher to combat. It has arrived over generations. It is the result of slogans like: "Buy now, pay later. Low interest, easy terms. There's plenty more where that came from"—and the self-description that they bring not only to a single family, but to the nation. We're still borrowing, still gambling that things will work out with the old cliches.

"Sure, there are bound to be some casualties," people say. "But that's the great American risk. We'll bounce back."

Well, bouncing back in 1975 is a lot harder than bouncing back in 1954 or 1961 or 1965. The joints of the economy—both here and abroad—are a bit stiffer. We're carrying a lot more weight. But we can handle it if we sharpen our perspectives.

I remember seeing Babe Ruth and Ted Williams near the end of their careers. They may have lost some of their early trim. They weren't so fast around the base path, but they had developed the finest eyes in the game. And they learned to hit a long ball.

Well, Congress is beginning to understand that speed and the ability to keep up are no longer enough. We've got to start looking well into the future and reacting to issues with a broader perspective. And we are.

Energy is one area.

And now for the first time, Congress is sitting down and scientifically looking at how much money has to be spent. Until now Congress appropriated money in pieces. The Armed Services Committee ordered so much spent for defense. The Agricultural Committee ordered so much for farm subsidies. And so on.

It was like letting everyone write checks on the same account without figuring out a new balance each time. They were the days when the Nation assumed that we could pay for anything.

Well, now we have a budget mechanism that looks into the future to see just how

much we can afford to spend. For the first time, we are forced to live up to realistic priorities with limited finances.

Only by establishing a new discipline can we expect the rest of our traditions to survive and evolve.

We are learning that what young people set out to look for a few years ago—a simpler, less wasteful way of life—are not strange values to America. If anything, they symbolize what we once had, but lost.

It is hard to imagine that anything taken from New England's spare earth two centuries ago would have been wasted. For much of the country New England remains a symbol of resourcefulness and patriotism. It was the crucible in which so many of our values were tested—both our will to be free and the responsibilities that attend that freedom.

The discipline brought on by early hardships is so sorely needed today. If we don't take stock of our real situation—and recognize that discipline has given way to excess—we're not going to carry the Constitution and a free economy into the next century.

Now we can establish some rules, some controls. We won't have that choice in a few years. We simply can't wait for crisis to force change.

When I got out of college in mid-Depression we were at a turning point nearly as momentous as today's. This time, though, we're going to have to do a much better job of making the hard decisions. The easy ones no longer work.

The marches and violence signaled that an age was coming to a sad end.

Instead of making a clean, sharp break with the war back in the mid-60's, we suffered a decade of humiliation and division.

It took a war to shatter assumptions that we had not questioned in years.

We grew up with an abiding belief in our manifest destiny—that wherever America chose to go, it conquered—that whatever we planned worked.

Suddenly some very old truths began to sink in. We found that there's no way to separate our own destiny from the rest of the planet. We found that our world is a very delicate mechanism, with a very delicate balance between man and resources.

A few simple axioms became all too clear:

That our most critical energy resources can't be retrieved. And that the nations that have these resources are not going to part with them cheaply—axioms like it's easy to kill a river or a forest, but not to revive it.

We were wrong. Our teachers were wrong. Our leaders were wrong. Not because we intended to be, but because we never really stopped to ask ourselves whether we were right. We just assumed we were right. They were painful lessons. We're just now accepting our mistakes. What remains is to correct them.

The fact is that more and more of us are ready to make the hard decisions now than we were a year ago. My judgment is that people today are much more willing to face up to the hard answers than their representatives think.

It's a tough message to get across—that we have come to an end of an era—that unless we make basic changes in the way we live we will have to give up many of our freedoms.

I hope you'll help to turn this nation around.

Part of that challenge is ours who are still in the arena. But much of it now is yours who are about to leave the relative sanctuary of the university.

The easy answers have been used up. The discipline that lies ahead will be difficult.

But I am convinced that we can and will create a healthier nation sensitive to its resources and its needs—a nation of new Americans with values born more than 200 years ago.

Congratulations and God speed you on your course.

PERSONAL EXPLANATION BY MR. YATES

(Mr. YATES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. YATES. Mr. Speaker, upon checking the CONGRESSIONAL RECORD today, I was amazed to note that the bill S. 818 was considered and voted on last night. It had been my understanding after checking with the majority whip that the bill would not be taken up until today or later this week. Upon that understanding, I left my office early inasmuch as I had a bad cold.

I regret having missed the vote on the bill. Had I been present, I would have voted "aye."

THE SUPPLEMENTAL SECURITY INCOME PROGRAM

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, on June 5, my colleague, the gentlewoman from New York (Ms. HOLTZMAN), appeared before the Subcommittee on Public Assistance of the House Ways and Means Committee and presented an excellent analysis of the inadequacies of the supplemental security income program. She also outlined a proposed legislative solution to the major SSI problems embodied in the Holtzman-Bingham bill, H.R. 4308, which is cosponsored by an additional 62 Members from 21 States. While the problems with SSI are especially acute in areas like New York where there is a high concentration of needy aged, blind, and disabled, it is clear that the program's deficiencies adversely affect potential and actual SSI recipients in every State. I commend Ms. HOLTZMAN's testimony to everyone who is or should be concerned about the inadequacies of this congressionally initiated program. The full text of Representative HOLTZMAN's statement follows:

STATEMENT BY REPRESENTATIVE ELIZABETH HOLTZMAN

I. INTRODUCTION

Mr. Chairman, Members of the Subcommite, I appreciate your giving me the opportunity to appear before you today.

You have already heard—and in the course of these hearings you will hear a great deal more—about how the inadequacies of the SSI program have caused great hardship and suffering to poverty stricken, aged, blind and disabled Americans. In my own experience with constituents I have encountered cases of elderly and disabled persons who are left with $50 or less each month to pay for food and other necessities, who are threatened with starvation because of a $15 rent increase, who have no money to buy a radio, travel the subways or buy clothing, who are trapped in deteriorating buildings and frightening neighborhoods because they can't afford to move, who are evicted and forced into nursing homes, who have no money to live on for weeks because their checks were stolen or never arrived.

In the nearly 18 months that SSI has been in operation, my district office has handled more than 500 cases of constituents who have had problems or have faced severe deprivation because of SSI. And this does not include the hundreds who have written simply to express their desperation, aware that at the present time the law offers no solution to their plight.

II. SOURCE OF PROBLEMS—SWITCH FROM WELFARE

SSI has caused this hardship for the elderly and disabled poor for two primary reasons. First, the changeover from welfare to SSI constituted a switch from needs-based program to an income program. The SSI recipient gets a monthly benefit based not on what he or she needs in order to live, but based on some average of the needs of elderly or disabled persons within the particular state or the nation at large. As a result, many elderly and disabled persons simply do not get an adequate monthly benefit.

The second source of hardship is that the partial entry of the federal government into the area of direct income maintenance has created confusion about the responsibilities of the three levels of government for the welfare of beneficiaries. Formerly the state determined benefit levels, put through cost of living increases, and provided for emergency and social services through state and local welfare offices. The costs were shared among jurisdictions. Now, the federal government has set a minimum payment and a cost-of-living increase. The states and localities may supplement this benefit at their own expense and pass through the increases. Social services are still provided through state and local welfare offices, but federal funding for some forms of assistance has been ended.

The result has been that no jurisdiction has primary responsibility for the elderly and disabled poor. This means that while everyone recognizes SSI's failure no one does anything about them.

The states say that the federal government has taken over and it is responsible for the program. The federal government says that the states and localities may adapt the program to meet local needs and to provide locally required services. In the meantime, people do not receive an adequate living allowance and some services (such as the provision of emergency living allowances to persons who have not received their monthly benefit checks, or the replacement of furniture and household goods which have been destroyed by fire) have been lost entirely. The net effect is that these already helpless people suffer further deprivation while governments squabble over who should care for them.

I have gone through this lengthy introduction because I believe that in order to find solutions to the problems created by SSI, we must understand their causes.

I believe that solutions are available. I have introduced, together with Congressman Bingham, legislation which will assure a decent and reliable standard of living to the poverty-stricken aged, blind and disabled. This bill, H.R. 4308, has now been cosponsored by an additional 62 Members from 21 states.

Let me stress at the outset that this bill is not intended to provide a luxurious standard of living. It contains no frills. It is not even an effort to make a tolerable situation better. It is, rather, legislation that can make the difference between survival and despair for many of this nation's 4 million elderly disabled poor.

III. NEED FOR ADEQUATE LIVING ALLOWANCES

The primary goal of the program must be to provide adequate income to all SSI recipients.

Present SSI benefits are extremely low. The basic federal benefits are now $146 a month for individuals and $219 a month for couples. In 27 states this is what all but a very few persons on SSI receive. In 48 states, the annual income of a couple on SSI is below what the Department of Labor estimates is necessary for a low income urban retired couple. In 32 states, the total income of SSI recipient couples is below the poverty line. It is important to realize that I am not talking only about SSI benefits here, but of the total income of couples on SSI—including any support from children, and including social security, veterans and other pension benefits. In 8 states, an elderly or handicapped couple on SSI can receive less in monthly living allowances than they would on welfare.

This is disgraceful.

My bill would place the primary responsibility for ensuring aged, blind, and disabled Americans an adequate standard of living on the federal government. It would do this by:

1. Assuring that all SSI recipients get the benefit of federal cost-of-living increases;
2. Making benefit levels more responsive to the needs of individual recipients through a supplementary housing allowance and a food stamp option; and
3. Guaranteeing that increases in recipients' Social Security benefits do not result in reduced SSI benefits.

Cost of living increases

Federal law now provides for SSI cost of living increases. Thus on July 1, the basic SSI benefit will increase by $11.70. Most states, however, supplement the basic federal benefit, and there is nothing to stop a state from lowering its supplement as the federal benefit goes up. In this way, a state may keep the entire benefit of the federal increase to itself, giving nothing to recipients.

For example, in July 1974, the federal benefit rose $6. 18 states did not pass this increase through to recipients, but instead used it to lower state expenditures. Another 6 states passed it through to only some recipients. Thus, only an estimated 35% of SSI recipients actually received the $6. increase. The July 1975 increase is likely to meet the same fate.

My bill, H.R. 4308, will require states to pass through federal increases in benefits. This provision will cost the federal government nothing. It will, however, assure that the elderly and disabled poor actually receive the increases that they need so desperately in a time of crippling inflation.

In addition to the states which did not pass through the federal increase, six states received no benefit from the increase at all. It went neither to the state government nor to the recipients. This is due to the so-called "hold-harmless" clause of the law which was originally intended to protect states from increased expenditures due to increased case loads as more persons took advantage of SSI than welfare. This clause has, instead, operated to keep benefits in these six states at 1972 levels, or has required these states to pay the full cost of any benefit increases themselves. Thus, while the cost of living has risen 28.8% since January 1972, and by July 1 SSI benefits will have increased 20.1% over the amounts initially established by H.R. 1, the aged, blind and disabled poor in California, Hawaii, Massachusetts, Nevada, New York and Wisconsin will not have received one dollar of a federal increase, nor will their states. Recipients in these states have been, for the most part, held to 1972 benefit levels.

H.R. 4308 assures that cost-of-living increases will go to SSI recipients in these states, on the same basis as they do in the rest of the nation.

Supplementary housing allowance

The next problem is how to make SSI more responsive to individual needs without going back to the enormous administrative cost and burden of a welfare system. I believe the answer is in a supplementary housing allowance.

On the basis of experience with my own constituents, I have found that the greatest disparity in living costs among the elderly and disabled poor is in the cost of housing—either for rent, or for mortgage payments, taxes and heat. In my district, for example, I have encountered elderly individuals living alone paying rents as high as $150 or $160 a month. I might add that such a rent is not unusual nor does it represent luxury housing. A person in those circumstances, whose maximum monthly income is $227 may, after paying for gas and electricity, a telephone, and personal necessities such as soap, aspirin, toilet paper and laundry, have less than $1 a day with which to purchase food.

Let us look at the case of Mrs. X, an elderly constituent of mine. Mrs. X moved to Brooklyn from the Bronx—giving up a rent-controlled apartment—after being mugged several times. Mrs. X found an apartment in Flatbush which rents for $160.95 a month—a reasonably low rent in a middle class neighborhood.

She receives a monthly SSI benefit of $206.85. After paying her rent, she has $45.90 a month—about $11 a week—to pay her Con Edison bill, her telephone bill, to pay for transportation, to buy food, clothing, and anything else that she may need. She simply cannot survive on this amount.

This situation is not unique to New York. An elderly person in Nashville, paying $90 rent out of a $146 benefit and a blind couple in St. Paul, paying $130 out of a $258 benefit are in the same desperate condition.

Since there is clearly not enough low cost housing now available to the elderly and disabled poor, it is unfair and unrealistic to expect this disparity to disappear. Nor should we undertake the enormous expense of a general increase in benefits in order to help the relative few who cannot survive because of high housing costs.

H.R. 4308 would solve this problem by providing a housing supplement of up to $50 a month to persons whose rent exceeds one-third of their gross income. Thus, the person paying rent of $160 a month, and whose income from all sources including SSI is $226 a month, would receive an additional $50.

I want to stress again that this is not a giveaway provision. It uses 33⅓% of gross income as a trigger, while public housing requires tenants to pay no more than 25% of an adjusted income. The food stamp income guideline for rent is $30, and the Department of Labor cost estimates of rent for a low income couple is 27%. The housing supplement would not, therefore, be a luxury, but would make the difference between severe deprivation and a subsistence level income. It will retain the basic structure of SSI as an income program but give it the flexibility to meet the needs of recipients, while avoiding a costly general benefit increase.

Some might argue that a housing allowance would cost too much. Although it is difficult to make an exact estimate for this provision, one guess is that the cost might be as high as $400 million a year. But the federal government has already accepted, in its public housing programs, the obligation to provide housing for the poor at more than 25% of their monthly incomes. All this provision asks is that, until the federal government meets that obligation, it guarantee that the aged, blind and disabled poor—those who have the least real hope of easing their poverty—do not have to pay more than 33⅓% of their incomes for housing.

Food stamp option

H.R. 4308 would allow recipients in cash-out states to elect to receive food stamps. As you know, in five states SSI recipients are not eligible for food stamps but receive instead a $10 cash-out payment as part of their benefits. For most SSI recipients in these states this payment accurately reflects the bonus value of food stamps—that is, the difference between the $46 value of food stamps and the $36 purchase requirement. Some recipients, however, because of high housing, medical or other special expenses, would not have to pay $36 for $46 worth of food stamps, but perhaps only $30 or $20 and thus receive a $16 or $26 bonus value.

My bill would allow these people to give up the $10 cash-out payment and purchase food stamps instead.

In addition, the cash-out payment was intended to compensate recipients for the loss of food stamps under SSI. But, because food stamp values are adjusted upward every six months due to the sharp increases in food prices, the $10 cash-out payment based on 1972 values is not, for many recipients, satisfactory compensation.

Finally, this provision would allow the purchase of food stamps by persons who find them a useful budgeting tool.

This provision would not affect a great many people—most would probably choose to retain the cash-out payment. But it would add greater flexibility to SSI, and it would help those people who, because of high expenses, are having the greatest difficulty in surviving on their SSI benefits.

Protecting social security increases

The bill assures that SSI benefits will not be reduced when Social Security benefits rise. Last year, persons eligible for social security benefits received increases of 11 percent. Those social security recipients whose incomes were so low that they were eligible for SSI, however, received no increase because their SSI checks were reduced by the exact amount of the social security increases.

Unless the law is changed this will happen again in July 1975 in as many as 30 states.

There can be no excuse for the gratuitous cruelty of promising the elderly and disabled poor increases, increasing one of their benefit checks, and then reducing the other. Moreover, it is clearly unfair that the law provides cost-of-living increases to social security recipients who are sufficiently well off that they do not need SSI, but denies increases to those who are poorer. H.R. 4308 would prevent this cruel and senseless result. It is important to note that the bill does not provide double increases. Persons will get either the SSI or Social Security cost of living increase, not both.

IV. EMERGENCY ASSISTANCE

Once the aged, blind and disabled poor have been guaranteed an adequate income, it is next necessary to assure that they will not be left helpless in emergencies, and not be the incidental victims of jurisdictional confusion among the federal, state and local governments.

For the average person, the loss or theft of a paycheck or the destruction of a house or belongings by fire causes great hardship. For the elderly or disabled person living on meagre SSI benefits, emergencies spell disaster because that person simply has nowhere to turn for help.

Under the old welfare system, if a check did not arrive, if eviction was threatened, or if one's belongings had been stolen, help was usually available at the local welfare office. Now, except in a few States, and then only in extremely limited circumstances, the elderly or disabled SSI recipient has no hope of assistance.

This absence of emergency assistance causes cruel and totally unnecessary suffering for the most helpless people in our society. These people have no financial cushion to draw on—they are permitted only $1500 in savings and certainly cannot afford insurance premiums on their monthly benefits.

In addition, the lack of aid places an extra burden on the taxpayer by denying to the

elderly and disabled the assistance they need in order to live independently. For most SSI recipients, the alternative to living at home is a nursing home, state hospital or other institution. Such institutional care is extremely costly to the taxpayer. In New York, for example, it can cost the state and federal governments up to $1,278 a month to keep an elderly couple in a nursing home, as compared to $295 a month if they live on their own. In Michigan, nursing home care for a couple costs the government $641 a month, compared with $225 a month if they live independently.

This problem is illustrated by the case of my constituent Mrs. Y., who spent several months in a nursing home, convalescing from a broken hip. While Mrs. Y was in the home, SSI would not pay the rent on her apartment. After she had exhausted her savings, Mrs. Y feared she would lose her apartment and would have to remain in the nursing home—at public expense. Fortunately, my staff was able to convince a very understanding landlady to allow Mrs. Y. two months credit, and Mrs. Y was able to return to her apartment—to her great relief and to the benefit of taxpaying New Yorkers.

It is thus, in the interest of the taxpayer as well as the recipient to provide the necessary assistance to allow the aged, blind and disabled poor to live on their own. H.R. 4308 provides such assistance, by making available funds to aid in setting up a household when a person has been forced to change residences or has left a nursing home or other institution, to prevent threatened eviction, to maintain a household while a recipient is convalescing from illness, to replace furniture or clothing which has been stolen or destroyed.

In addition, the bill provides for the emergency replacement of lost, stolen or undelivered SSI checks or cash. At the present time, it usually takes at least two weeks for persons to receive replacement SSI checks, leaving many recipients with no money for food or rent in the interim. This is intolerable. In January 1974, under prodding from Congressman Rangel, myself and other members of the New York delegation, the Social Security Administration demonstrated that it could issue emergency replacement SSI checks within 24 hours. This should be done as a matter of course because we are dealing with the most basic living needs of the elderly and disabled poor.

One final note on the problem of emergency assistance, H.R. 4308 would provide such assistance entirely at federal expense, administered by the federal government. An alternative would be a program in which costs are shared among the federal, state and local governments, in the manner of AFDC and social service programs. The states, then, could provide emergency assistance through local welfare offices as they have done traditionally.

I believe the full federal approach is superior for several reasons. First, state and local budgets have already been stretched to the breaking point. Second, the federal portion of a shared cost program might come under the nationwide social service spending limit, and therefore, require cuts in such important areas as day care and senior centers. Third, the federal program would not force recipients into local welfare offices, to which many, particularly the elderly, are ashamed to go.

Regardless of which approach is chosen, however, it is essential that the federal government act quickly to assume some financial and programmatic leadership in providing emergency assistance. Until it does, both the SSI recipients and the taxpayers will remain helpless victims of a system in which no level of government is responsible.

V. OTHER PROVISIONS

I have concentrated this morning on what I believe to be the most serious problems created by SSI, and their solutions. H.R. 4308 also contains several other provisions which I would like to summarize briefly.

One great inequity of the SSI program is in the fact that persons who are grandfathered-in to SSI from public assistance—because they have turned 65 or become sufficiently disabled to meet the rigorous Federal standards—often lose very substantial amounts of benefits. Congress recognized this problem when it required that persons grandfathered-in, when the SSI program began in January 1974, suffer no loss in benefits. Surely persons newly transferred to SSI deserve the same protection.

Another section would require that SSI applications be acted upon within 30 days of filing, or, in the case of applicants on the basis of disability, within 60 days. At the present time it can take six months or more for benefits to begin, and in the interim, applicants may have only one $100 advance payment to live on. In one such case, my staff had to buy food for a handicapped woman who had totally run out of funds after 4 months of waiting. It is intolerable that the elderly and disabled poor should have to suffer while their applications are tied up in bureaucratic red tape.

A third provision would require that the value of a home which may be owned by an SSI receipient be based upon the relative value of homes in the area in which it is located. The present flat $25,000 limit—or any single nationwide limit—is unfair. Real estate values differ so widely that an amount that will buy a luxurious house in one area may not buy a shack in another. The law should recognize this fact.

A fourth section would remove the requirement that spouses be living apart for six months in order to qualify for separate benefit payments. This section requires little comment other than to note that the aged, blind and disabled do not have the kind of mobility that would allow them to repeatedly and frivolously to separate. In addition, to the extent that the provision is aimed at preventing fraud, we should note that whatever device is used to maintain a fraudulent separation can work as well for six months as for one, and would have to be sustained for many months in either case in order to benefit recipients.

Finally, the bill ends the automatic one-third reduction in benefits for a person living in the household of another and receiving support and maintenance. You have already heard substantial testimony on this issue. I would only add that since the Social Security Administration is responsible for determining the actual value of support or maintenance in other SSI cases, it is equally capable of making such a determination in these cases.

VI. CONCLUSION

Mr. Chairman, I am grateful for your time and patience this morning, in listening to a rather technical analysis of SSI problems and potential solutions. I realize that the complexity of the SSI program, and the many needs of the elderly and disabled poor, make your work in trying to solve all of these problems extremely difficult. I would like, however, to close with an illustration of the simplest and most important problem of SSI.

Several weeks ago I received the following letter, dictated by a blind SSI recipient:

DEAR CONGRESSWOMAN HOLTZMAN: The news media has it that the President is "damned mad" over the Nation's protest to his program to aid the Indo refugees. We, the needy elderly, blind, and disabled are "damned mad" too. Where is his concern for his fellow Americans?

Since we are unable now to be self-supporting—our only income is from Social Security and SSI payments. An individual receives a combined total of $226 monthly—regardless of rent in a state where there is a law such as Vacancy Decontrol.

I had to relocate recently—I am paying $150 for an apartment I rented in March. In January the same apartment rented for $90.

After I pay the rent and utility bills—I don't have enough to purchase a month's supply of food. Consequently, between receipt of checks—I am penniless—and go without food. There's never a penny left to buy an article of clothing—or a new pair of shoes when the old is beyond repair.

This Braille paper used to cost $3.00 a package—it now costs $6.00. Yesterday I purchased a bottle of Saccharin (sugar is a luxury!) I paid $1.25 for it—in December 1974 the same saccharin cost $.59—I also needed aspirins—a bottle of 100 for which I paid 59¢ in 1974 now cost 95¢. I am receiving no more in my payments (Social Security and SSI) to meet the higher cost of commodities so where is it coming from—my food money.

My radio broke down six months ago—I am still without one—I can't buy the cheapest of the smallest transistor type because I never have a penny left at the end of the month. I used to read by talking books (records)—my only form of recreation. The machine is electrically operated and I no longer can afford the higher electric bills. And the President is "damned mad!!!" First spending billions to send men to the moon when people on earth don't have vital necessities. And now millions of the refugees, the bureaucracy has for too long overlooked our problems—and seldom hear our voices. Hopefully the day will come when Legislators will recognize we are not third class citizens.

Thank you.

Mr. Chairman, I believe that our responsibility in the Congress is to keep the SSI program from making third-class citizens out of the poverty-stricken aged, blind and disabled. The federal government must take the responsibility of providing these, the most helpless people in our nation, a decent standard of living.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MOORE) to revise and extend their remarks and include extraneous material:)

Mr. COUGHLIN, for 30 minutes, on June 16, 1975.

Mr. JEFFORDS, for 10 minutes, today.

Mr. HASTINGS, for 20 minutes, on June 11, 1975.

Mr. TALCOTT, for 5 minutes, today.

Mr. CLEVELAND, for 10 minutes, today.

(The following Members (at the request of Mr. FLORIO) and to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

Mr. SMITH of Iowa, for 10 minutes, today.

Mr. EVANS of Indiana, for 5 minutes, today.

Mr. MOSS, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. DRINAN, for 5 minutes, today.

Ms. ABZUG, for 15 minutes, today.

Mr. O'NEILL, for 5 minutes, today.

Mr. BOLAND, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BINGHAM, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $625.50.

Mr. SYMMS to follow the remarks of Mr. STEIGER of Arizona on veto override today.

Mr. ASHBROOK to follow the remarks of Mr. SYMMS on veto override today.

Mr. MCKINNEY, remarks immediately preceding vote on Gibbons amendment.

(The following Members (at the request of Mr. MOORE) and to include extraneous matter:)

Mr. SHUSTER.

Mr. SARASIN.

Mr. RHODES.

Mr. FORSYTHE.

Mr. TALCOTT in two instances.

Mr. MCCLORY.

Mr. BROOMFIELD.

Mrs. HOLT.

Mr. GRASSLEY.

Mr. BOB WILSON.

Mr. GRADISON.

Mr. WALSH.

Mr. KINDNESS.

Mr. SYMMS in two instances.

Mr. BROWN of Michigan in two instances.

Mr. DICKINSON.

Mr. BURGENER.

Mr. ASHBROOK in two instances.

Mr. PRESSLER in four instances.

Mr. MCKINNEY.

Mr. KEMP.

(The following Members (at the request of Mr. FLORIO) and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. SIMON.

Mr. DOWNEY of New York.

Mr. DOMINICK V. DANIELS.

Mr. LEHMAN.

Mr. MATSUNAGA.

Mr. EVINS of Tennessee in three instances.

Mr. SOLARZ in three instances.

Mr. TEAGUE in two instances.

Mr. RANGEL in three instances.

Mr. EDWARDS of California.

Mr. MOSS.

Mr. RUSSO.

Mr. HALL in two instances.

Mr. HARRINGTON in two instances.

Mr. BEARD of Rhode Island.

Mr. OTTINGER.

Mr. JOHN L. BURTON.

Mr. NIX.

Mr. MCDONALD of Georgia in four instances.

Mr. YOUNG of Georgia in three instances.

Mr. HOWARD in two instances.

Mr. FISHER.

Mr. BEDELL.

Mr. HARKIN.

Mr. BLOUIN.

Mr. DRINAN.

Mr. CHARLES H. WILSON of California.

Mr. BOLAND.

Ms. ABZUG.

Mr. HUBBARD.

Mr. DODD.

Mr. KOCH.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and Joint Resolution of the Senate of the following titles:

S. 818. An act to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes; and

S.J. Res. 92. A joint resolution to honor America.

ENROLLED BILLS SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3109. An act to authorize appropriations for the saline water conservation program for fiscal year 1976; and

H.R. 4700. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 3109. An act to authorize appropriations for the saline water conversion program for fiscal year 1976; and

H.R. 4700. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

ADJOURNMENT

Mr. FLORIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 7 minutes p.m.), under its previous order, the House adjourned until Wednesday, June 11, 1975, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1205. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority for fiscal year 1975 as of June 1, 1975, pursuant to section 1014(e) of Public Law 93-344 (H. Doc. No. 94-180); to the Committee on Appropriations and ordered to be printed.

1206. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Act No. 1-16, "To amend the Act of August 30, 1964 to declare the birthday of Dr. Martin Luther King, Jr. to be an official holiday," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

1207. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Thomas A. Clingan, Jr., and his family, pursuant to section 6 of Public Law 93-126; to the Committee on International Relations.

1208. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to the Government of Iran, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1209. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

1210. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to provide financial assistance to States to enable States to provide free meals to needy children; jointly Committees on Education and Labor, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHARLES H. WILSON: Committee on Post Office and Civil Service. H.R. 2659. A bill to amend title 39, United States Code, to apply to the U.S. Postal Service certain provisions of law providing for Federal agency safety programs and responsibilities, and for other purposes (Rept. No. 94-271). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITE: Committee on Post Office and Civil Service. H.R. 7222. A bill to increase the contribution by the Federal Government to the costs of employees' group life insurance (Rept. No. 94-272). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEDZI: Committee on House Administration. H.R. 6673. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; with amendment (Rept. No. 94-273). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 524. Resolution providing for the consideration of H.R. 3884. A bill to terminate certain authorities with respect to national emergencies still in effect, and to provide for orderly implementation and termination of future national emergencies. (Rept. No. 94-274). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 525. Resolution providing for the consideration of H.R. 5272. A bill to amend the Noise Control Act of 1972 to authorize additional appropriations (Rept. No. 94-275). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 526. Resolution providing for the consideration of H.R. 5358. A bill to amend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Act to authorize additional appropriations, and for other purposes. (Rept. No. 94-276). Referred to the House Calendar.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 527. Resolution providing for the consideration of S. 555. An act to amend the Consolidated Farm and Rural Development Act. (Rept. No. 94-277). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 7747. A bill to establish the Federal Municipal Credit Corporation to alleviate pressures of indebtedness on local municipalities through the purchase, refinancing, and remarketing of outstanding municipal debts; to the Committee on Banking, Currency and Housing.

By Mr. BRECKINRIDGE (for himself, Mr. BEDELL, Mr. HAGEDORN, Mr. TRAXLER, Mr. ROSE, Mr. SIKES, Mr. HARKIN, Mr. SANTINI, Mr. MCKAY, Mr. BALDUS, Mr. JENRETTE, Mr. BROWN of California, Mr. LOTT, Mr. ANDREWS of North Dakota, Mr. WEAVER, and Mr. BERGLAND):

H.R. 7748. A bill to provide that the budget of the U.S. Government for the fiscal year 1977 and subsequent fiscal years shall contain the same functional categories as those that were in effect for fiscal year 1975, including the functional category of "Agriculture and Rural Development" and "Community Development and Housing", and for other purposes; to the Committee on Rules.

By Mr. BYRON:

H.R. 7749. A bill to provide that, after January 1, 1975, Memorial Day be observed on May 30 of each year and Veterans' Day be observed on the 11th of November of each year; to the Committee on Post Office and Civil Service.

By Mr. DANIELSON (for himself, Ms. ABZUG, Mr. BELL, Mr. EDGAR, Mr. GIAIMO, Mr. HANNAFORD, Mr. HICKS, Mr. HINSHAW, Mr. O'HARA, Mr. RICHMOND, Mr. SOLARZ, Mr. STARK, and Mr. THOMPSON):

H.R. 7750. A bill to amend the Copyright Act of 1909, and for other purposes; to the Committee on the Judiciary.

By Mr. DELANEY (for himself, Ms. ABZUG, Mr. ADDABBO, Mr. BADILLO, Mr. BIAGGI, Mr. BINGHAM, Ms. CHISHOLM, Mr. GILMAN, Mr. HANLEY, Ms. HOLTZMAN, Mr. KOCH, Mr. LAFALCE, Mr. MITCHELL of New York, Mr. MURPHY of New York, Mr. NOWAK, Mr. OTTINGER, Mr. PEYSER, Mr. RANGEL, Mr. RICHMOND, Mr. ROSENTHAL, Mr. SCHEUER, Mr. SOLARZ, Mr. WOLFF, and Mr. ZEFERETTI):

H.R. 7751. A bill to authorize emergency loan guarantees to units of government; to the Committee on Banking, Currency and Housing.

By Mr. FREY:

H.R. 7752. A bill to protect purchasers and prospective purchasers of condominium housing units and residents of multifamily rental structures being converted to condominium units, by providing for the establishment of national minimum standards for condominium sales and conversions (to be administered by an Assistant Secretary for Condominium Housing, Department of Housing and Urban Development); and to insure that financial institutions engaged in the extension of credit to prospective purchasers of condominium units make credit available without discrimination on the basis of age, sex, race, religion, marital status or national origin; to the Committee on Banking, Currency and Housing.

By Mr. GUYER:

H.R. 7753. A bill to amend the Federal Aviation Act of 1958 to permit the continuation of youth fares, to authorize reduced-rate transportation for the elderly, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HICKS (for himself, Ms. ABZUG, Mr. BEARD of Rhode Island, and Mr. PEPPER):

H.R. 7754. A bill to amend the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically disabled because of such disability; to the Committee on Education and Labor.

By Mr. JACOBS:

H.R. 7755. A bill concerning the coverage of certain Indiana State employees under section 218 of the Social Security Act; to the Committee on Ways and Means.

By Mr. JARMAN:

H.R. 7756. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. JEFFORDS:

H.R. 7757. A bill to amend section 316 of the Consolidated Farm and Rural Development Act to allow for the consolidation of Farmers Home Administration Operating Loans; to the Committee on Agriculture.

By Mr. LEHMAN:

H.R. 7758. A bill to amend the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically handicapped because of such handicap; to the Committee on Education and Labor.

H.R. 7759. A bill to amend the Internal Revenue Code of 1954 to permit a parent who supports a handicapped child to take a personal exemption for that child even though the child earns more than $750; to the Committee on Ways and Means.

By Mr. LEHMAN (for himself, and Mr. FREY):

H.R. 7760. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for cooperative housing corporations and condominium housing associations; to the Committee on Ways and Means.

H.R. 7761. A bill to amend the National Housing Act to prohibit Federal Housing Administration insurance of blanket mortgages on condominium projects, and Federal National Mortgage Association purchases of conventional condominium mortgages, where the developer retains or will retain a leasehold interest in the common areas and facilities of the project involved; to the Committee on Banking, Currency and Housing.

By Mr. MATSUNAGA (for himself, Mr. YOUNG of Georgia, Ms. LLOYD of Tennessee, and Mr. WOLFF):

H.R. 7762. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; to the Committee on Ways and Means.

By Mr. MEEDS:

H.R. 7763. A bill to encourage conservation of natural resources, to authorize grants to the States for land use programs, to coordinate Federal actions concerning land use, to require land use planning for the public lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. MINK (for herself and Mr. WOLFF):

H.R. 7764. A bill to provide that time spent by American civilians in enemy prisoner-of-war camps and similar places shall be creditable (as though it were military service) toward pension, annuities, or similar benefits under various Federal retirement programs; to the Committee on the Judiciary.

By Mr. MOAKLEY:

H.R. 7765. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. MOLLOHAN:

H.R. 7768. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

By Mr. MONTGOMERY (for himself, Mr. ROBERTS, Mr. TEAGUE, Mr. HAMMERSCHMIDT, Mr. WYLIE, Mr. SATTERFIELD, Mr. EDWARDS of California, Mr. CARNEY, Mr. DANIELSON, Mr. WOLFF, Mr. BRINKLEY, Mr. MOTTL, Mr. CORNELL, Mr. HEFNER, Mr. HANNAFORD, Mr. FORD of Tennessee, Mr. BEARD of Rhode Island, Mr. EDGAR, Mr. WALSH, and Mr. GUYER):

H.R. 7767. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MOORE:

H.R. 7768. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide for the revocation of such lower evaluation and recapture of unpaid taxes in appropriate circumstances; to the Committee on Ways and Means.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 7769. A bill to amend titles 10 and 14, United States Code, and certain other laws to modernize the retirement structure relating to members of the uniformed services; to the Committee on Armed Services.

By Mr. RYAN (for himself, Mr. JOHN L. BURTON, Mr. DELLUMS, Mr. MILLER of California, Mr. MINETA, and Mr. STARK):

H.R. 7770. A bill to amend the Service Contract Act of 1965 to prohibit contractors from replacing certain employees participating in a strike, and for other purposes; to the Committee on Education and Labor.

By Mr. WHITEHURST:

H.R. 7771. A bill to include in the definition of law enforcement officer contained in title 5, United States Code, employees whose duties include both the investigation, apprehension, or detention of criminals and the protection of human lives and property; to the Committee on Post Office and Civil Service.

By Ms. ABZUG:

H.R. 7772. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increases in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Mr. HAWKINS (for himself, Mr. AUCOIN, Mr. BEARD of Rhode Island, Mr. CARR, Mr. CORNELL, Mr. DOWNEY of New York, Mr. DUNCAN of Oregon, Mr. EDGAR, Mr. FORD of Michigan, Mr. KASTENMEIER, Mr. MCFALL, Mr. MOFFETT, Mr. MOORHEAD of Pennsylvania, Mr. ROE, Mr. RUSSO, and Mr. TSONGAS):

H.R. 7773. A bill to establish a national policy and nationwide machinery for guaranteeing to all adult Americans able and willing to work the availability of equal opportunities for useful and rewarding employment; to the Committee on Education and Labor.

By Ms. HOLTZMAN:

H.R. 7774. A bill to make all supplemental security income recipients eligible for food stamps; jointly to the Committees on Agriculture, and Ways and Means.

By Mr. HUBBARD:

H.R. 7775. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, and Mr. LAGOMARSINO):

H.R. 7776. A bill to amend the Internal Revenue Code to encourage the continuation of family farms, and to provide that farmland, woodland, or open land which comprises part of an estate may be valued, for estate tax purposes, as such rather than at its fair market value, and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. O'HARA:

H.R. 7777. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. ROONEY:

H.R. 7778. A bill to help improve and maintain an adequate transportation system through the systematic collection and publication of statistics with respect to the transportation of passengers and freight by railroad and other modes, to establish a National Center for Transportation Statistics, and for other purposes; jointly to the Committees on Public Works and Transportation, and Interstate and Foreign Commerce.

By Mr. WHALEN:

H.R. 7779. A bill to raise the maximum pay ceiling for General Schedule employees, and to increase the rates of basic pay for certain Federal executive and judicial offices and positions; jointly to the Committees on Post Office and Civil Service, and the Judiciary.

By Mr. BELL (for himself, Mr. MOFFETT, Mrs. MEYNER, Mr. SOLARZ, Mr. ROE, and Mr. RYAN):

H.J. Res. 496. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on the products of all foreign enterprises engaged in commercial whaling; jointly to the Committees on Merchant, Marine and Fisheries, and Ways and Means.

By Mr. ICHORD:

H.J. Res. 497. Joint resolution proposing an amendment to the Constitution of the United States relating to the term of office of President and Vice President of the United States; to the Committee on the Judiciary.

By Mrs. SCHROEDER (for herself and Mr. MCDONALD of Georgia):

H.J. Res. 498. Joint resolution to stop the sale of one landing ship (LST) to Ecuador, and for other purposes; to the Committee on Armed Services.

By Mr. FRASER (for himself Mr. BINGHAM, Mr. ADDABBO, Mr. ASHLEY, Mr. AUCOIN, Mr. BADILLO, Mr. BALDUS, Mr. BELL, Mr. BRODHEAD, Mr. BROWN of California, Mr. PHILLIP BURTON, Mr. CARR, Mrs. CHISHOLM, Mr. COHEN, Mr. COLLINS of Texas, Mr. CONTE, Mr. CONYERS, Mr. CORMAN, Mr. DELLUMS, Mr. DRINAN, Mr. EDGAR, Mr. EDWARDS of California, Mr. FASCELL, Mrs. FENWICK, and Mr. FISHER):

H. Con. Res. 301 Concurrent resolution expressing the sense of the Congress with respect to International Women's Year; to the Committee on International Relations.

By Mr. FRASER (for himself Mr. BINGHAM, Mr. FLORIO, Mr. FORD of Tennessee, Mr. GUDE, Mr. HARRINGTON, Mr. HAWKINS, Mrs. HECKLER of Massachusetts, Mr. HOLLAND, Mr. HORTON, Mr. HOWARD, Mr. HOWE, Mr. LONG of Maryland, Mr. MCCLOSKEY, Mr. MCHUGH, Mr. MAGUIRE, Mr. MAZZOLI, Mr. METCALFE, Mrs. MEYNER, Mr. MINETA, Mr. MITCHELL of Maryland, Mr. MOSS, Mr. NIX, Mr. KOCH, and Mr. OTTINGER):

H. Con. Res. 302. Concurrent resolution expressing the sense of the Congress with respect to International Women's Year; to the Committee on International Relations.

By Mr. FRASER (for himself Mr. BINGHAM, Mr. PATTEN, Mr. PEPPER, Mr. PEYSER, Mr. PICKLE, Mr. PREYER, Mr. RODINO, Mr. ROSE, Mr. ROSENTHAL, Mr. RYAN, Mr. SIMON, Mr. SYMINGTON, Mr. TSONGAS, Mr. UDALL, Mr. ULLMAN, Mr. VAN DEERLIN, Mr. WHITEHURST, Mr. CHARLES WILSON of Texas, Mr. WINN, Mr. BIESTER, and Mr. DIGGS):

H. Con. Res. 303. Concurrent resolution expressing the sense of the Congress with respect to International Women's Year; to the Committee on International Relations.

By Mr. ASHBROOK:

H. Res 520. Resolution creating a Select Committee on U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

By Mr. ASHBROOK (for himself, Mr. HINSHAW, Mr. HAMMERSCHMIDT, Mr. DEL CLAWSON, Mr. GOLDWATER, Mr. BURLESON of Texas, Mr. DERWINSKI, Mr. BURGENER, Mr. YOUNG of Florida, Mr. MITCHELL of New York, Mr. HAGEDORN, Mr. STEIGER of Arizona, Mr. BAFALIS, Mr. GUYER, Mr. ROBINSON, Mr. WAGGONNER, and Mr. CLANCY):

H. Res. 521. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. BADILLO (for himself, Mr. GONZALES, and Mr. STEED):

H. Res. 522. Resolution expressing the sense of the House of Representatives that it does not favor certain proposed amendments to the rules and regulations of the Small Business Administration pertaining to the imposition of maturity fees and other fees and charges for application preparation; to the Committee on Small Business.

By Mr. BIAGGI:

H. Res. 523. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on International Relations.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6799

By Ms. ABZUG:

On page 20, immediately after line 11, insert the following:

(35) Rule 32(f) is amended to read as follows:

"(f) REVOCATION OF PROBATION.—The court shall not revoke probation except after a hearing at which the defendant shall be present and apprised of the grounds on which such action is proposed. The defendant shall be entitled to be represented by counsel at any such hearing. The defendant may be admitted to bail pending such hearing.

And also on page 20, line 12, strike out "(35)" and insert "(36)" in lieu thereof.

By Mr. DRINAN:

Page 19, line 18, strike out "unless" and insert in lieu thereof the following: "but not to the extent that".

By Ms. HOLTZMAN:

Page 6, beginning on line 24, strike out "Except as otherwise provided in this paragraph, evidence" and insert in lieu thereof the following: "Evidence".

Page 7, beginning on line 6, strike out everything after "or offer." through line 9.

Conforming amendment: Page 5, beginning on line 16, strike out everything after "pleaded" through line 19, and insert in lieu thereof a period.

Page 8, beginning on line 13, strike out "and the names and addresses of the witnesses upon whom he intends to rely to establish such alibi".

Page 8, line 18, insert immediately after "directs," the following: "upon a request by the defendant,".

Page 8, line 24, insert immediately after the end of the sentence the following: "If the defendant requests disclosure under this subdivision, the defendant, upon compliance with such request by the government, shall furnish to the attorney for the government the names and addresses of the witnesses upon whom the defendant intends to rely to establish his alibi."

Page 9, line 3, strike out "(a) or".

Page 9, strike out line 8 through "offense." on line 10, and insert in lieu thereof the following: "may take such action as is provided in Rule 16(d)(2) which the court deems appropriate under the circumstances.".

Page 12, immediately after line 20, insert the following new subsection:

(19) Rule 16(a)(1)(A) is amended to read as follows:

"(A) STATEMENT OF DEFENDANT.—Upon request of a defendant the government shall permit the defendant to inspect and copy or photograph: any relevant written or recorded statements made by the defendant, or copies thereof, within the possession, custody or control of the government, the existence of which is known, or by the exercise of due diligence may become known, to the attorney for the government; the substance of any oral statement which the government intends to offer in evidence at the trial made by the defendant whether before or after arrest; and recorded testimony of the defendant before a grand jury which relates to the offense charged. Where the defendant is a corporation, partnership, association, or labor union, the court may grant the defendant, upon its motion, discovery of relevant recorded testimony of any witness before a grand jury who was, at the time either of the charged acts or of the grand jury proceedings, so situated as an officer or employee as to have been able legally to bind the defendant in respect to the activities involved in the charges."

And renumber the subsequent subsections of Section 3 of the bill accordingly.

Page 19, beginning on line 20, strike out ", sources of information obtained upon a promise of confidentiality,".

Page 17, line 13, strike out "request" and insert in lieu thereof "motion".

Page 17, line 16, strike out "judge alone" and insert in lieu thereof "court in camera".

Page 17, line 17, strike out "an ex parte" and insert in lieu thereof "a".

Page 17, line 18, strike out "shall be sealed and" and insert in lieu thereof the following: "may be sealed and shall be".

By Mr. HYDE:

On page 13, strike out line 18 and all that follows down through the end of line 9 on page 14, and insert in lieu thereof the following:

"(21) Rule 16(a)(1)(E) is amended by striking it out."

SENATE—*Tuesday, June 10, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. FLOYD K. HASKELL, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, who hast watched over this Nation from generation to generation, give us thankful hearts for Thy gracious dealing with us. We thank Thee for prophets and patriots, for philosophers and poets, for statesmen and educators, for diplomats and soldiers. We thank Thee for the instruments of government which have borne the test of time and serve us well this day. Be to us now our guide, our strength, our source of power and wisdom. May we follow Thee with the steadfast purpose and sense of mission possessed by our forefathers that in this age we may labor to complete the revolution they began. Lord God, our Redeemer and Friend, be with us this day and all our days.

Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 10, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. FLOYD K. HASKELL, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HASKELL thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, June 9, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today until 12:30 p.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESCISSION OF CERTAIN BUDGET AUTHORITY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 169, H.R. 6573.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6573) to rescind certain budget authority recommended in the message of the President of April 18, 1975 (H. Doc. 94–109), transmitted pursuant to the Impoundment Control Act of 1974.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with an amendment on page 2, beginning with line 13, to strike out:

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

Appropriations provided for construction under section 201 of the Community Mental Health Centers Act for fiscal year 1975 in Public Law 93–324, as amended, are rescinded in the amount of $14,250,000.

HEALTH RESOURCES ADMINISTRATION

MEDICAL FACILITIES CONSTRUCTION

The unobligated balance of funds appropriated for grants under this head in the Department of Health, Education, and Welfare Appropriation Act, 1972, pursuant to the authority of the District of Columbia Medical Facilities Construction Act of 1968 (Public Law 90–457) is rescinded in the amount of $2,000,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Michigan seek recognition?

Mr. GRIFFIN. No, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Georgia (Mr. TALMADGE) is recognized for not to exceed 15 minutes.

SENATE JOINT RESOLUTION 93—PROPOSED AMENDMENT TO THE CONSTITUTION PROHIBITING BUDGET DEFICITS

Mr. TALMADGE. Mr. President, I introduce today a joint resolution proposing an amendment to the U.S. Constitution to provide that, except in a time of war or an extraordinary national economic emergency declared by the Congress, the aggregate expenditures of the Federal Government shall not exceed the net amount of its revenues in any fiscal year.

Put another way, my resolution would establish as the supreme law of the land the principle that the budget of the U.S. Government must be balanced. The Federal Government would be prohibited from incurring a budget deficit, except as deemed absolutely necessary by the Congress in emergencies of exceptional proportions.

Why is there a need for this measure?

Stated in simple terms, Mr. President, virtually everything is under Federal control nowadays except the Federal budget.

In 38 of the last 44 years, we have spent more money than we received in revenue. One hundred and sixty-five years after the birth of our Republic, in the war year of 1941, the United States had its first $10 billion budget. Twenty-five years later, in the war year of 1966, we had our first $100 billion budget. Today, only a decade later, the President is calling for expenditures in excess of $350 billion. He proposes a deficit which, by itself, is larger than the entire budget for the Federal Government in 1956, the year I was first elected to the U.S. Senate. He proposes that we pay more in interest on our national debt than we spent on all Federal operations in 1948, the year that President Ford was first elected to the House of Representatives.

Why has this happened?

Oddly enough, everyone agrees on the need to get a tighter grip on Federal expenditures. However, we continue to spend money we do not have on programs we do not need in the hope of being all things to all people, both at home and abroad. Today, Federal dollars are squandered in every nook and cranny of America. They are scattered in every corner of the world and have found their way into the hands of allies and adversaries alike.

Yet, our efforts to make the world over in our own image have only succeeded in breeding contempt for our prosperity and our generosity. Our Nation has been on a spending spree like the proverbial drunken sailor on a weekend pass. Now, we are trying to recover our dissipated wealth and renew our diminished influence by spending even more. We should have learned long ago, Mr. President, that just as a man cannot drink himself sober, a nation cannot spend itself rich.

Historians have noted that each of the 16 great civilizations of the past fell because of internal economic and political strife, not because of invasion or attack by an external enemy. In light of the fact that 8½ million Americans are out of work, double digit inflation, and the worst recession since the Great Depression are ravaging our economy, and Government seems entangled in its own inefficiency and ineptitude, one must ask if we are now sowing the seeds of our own destruction.

We cling to the perverse attitude that regardless of which economic ill plagues our Nation at any given time—inflation or recession or what has come to be known as stagflation—the only remedy is to spend more. Fearing for our political lives, we refuse to raise taxes. We simply borrow the money instead. As a result, we have reached the point that deficit spending at the Federal level has become a way of life. I submit, Mr. President, that such a lifestyle is at best unhealthy and at worst suicidal.

Bringing Federal spending under control goes hand in hand with stabilizing our economy. These are the most important issues and the greatest challenges facing American Government. At stake, Mr. President, is the confidence of the world in our economy. In recent years, our preeminence in monetary soundness has been eroded. The American dollar has come under savage attack and has taken severe beatings in world money markets. Also at stake is the confidence of the American people in their Government and, to a large degree, the confidence of our people in themselves. This confidence, as we all know, has been sorely lacking.

What does all of this mean to our constituents?

It means that they must work from January 1 until May 1, more than one-third of the year, just to meet their local, State, and Federal tax obligations. They are outraged with the inequities of the Internal Revenue Code and the amount of Federal taxes they must pay. They demand tax reform and tax relief and I do not blame them one bit. I agree with them completely.

But, Mr. President, let us not confuse the issue. If the Congress enacted every "soak the rich" tax reform proposal the mind of man can conceive, the revenue gain to the U.S. Treasury would be a mere drop in the bucket compared to the proposed Federal budget deficit for this year.

For example, the Joint Committee on Internal Revenue Taxation estimates that if the Federal Government confiscated all individual incomes in excess of $100,000, we would gain approximately $1 billion in revenue. If we confiscated all individual income in excess of $20,000 we would generate an additional $8 billion—no small amount, mind you, but only a fraction of the fiscal year 1976 budget deficit which, at last count, will be $68 billion.

Other so-called tax reform approaches have been suggested. We could remove the tax exempt status of interest earned on State and local bonds, a tax loophole that denies the Federal Treasury of $4.7 billion each year. But, by taking this action, we do irreparable damage to these governments' ability to finance their operations and would force them to increase taxes on their citizens to make up the difference.

We could do away with the $5.2 billion tax break now available to religious, educational, and charitable organizations and institutions and their contributors. But, Mr. President, where would that leave our churches, our schools, and our charities which depend on gifts and donations as their lifeblood?

We could end the Federal income tax deduction for mortgage interest payments by people who are trying to buy their own homes. We could repeal the deduction for the medical, hospital, and drug expenses of the sick, the disabled, and the elderly. We could go on and on with this crusade. We could march triumphantly through the Internal Revenue Code, leaving in our wake the crushed remains of so-called tax shelters and the tightly closed remnants of so-called tax loopholes. But, Mr. President, is revision of the Internal Revenue Code the real answer? In fact, Mr. President, are our tax laws the real problem?

We have already tried tax revisions. We have already tried tax reductions. We have already tried tax increases. In fact, in a period of 3 months, the President of the United States advocated them all. Understandably, as elected public officials, we are always in search of some reason to justify our enacting some form of tax relief. In my judgment, the best and most justifiable reason is that taxes at all levels of Government are too high. Yet, we cut taxes in 1971 for the announced purpose of fighting inflation. We cut taxes this year for the purpose of fighting the recession. Predictably, while the economic problems were entirely different, our solutions were identical—tax less, spend more, borrow to the hilt.

My purpose is not to deny that Congress should take a long, hard look at our tax laws. On the contrary, I strongly feel that we must launch a comprehensive review of the code with an eye toward closing loopholes which exist and requiring each citizen, individual and corporate alike, to carry a fair share of the burden.

However, as badly as we need tax reform, we need spending reform even more.

We need spending reform because our constituents want relief from the most cruel form of taxation—inflation—the major cause of which is excessive Federal spending. Even though their paychecks may be increasing fairly steadily, workers find that they are actually backsliding on two fronts: Their dollar is buying less—36 percent less than in 1967—and they are paying more in taxes, having moved into a higher income bracket.

We need spending reform because in the decade beginning in 1966 and ending in 1975, Federal expenditures mushroomed by almost $200 billion, far outstripping Federal revenues. We have had unbalanced budgets during Republican and Democratic administrations alike. The blame lies not only with the executive branch, but with the legislative branch as well. In this respect, blame is a nonpartisan matter and there is plenty to go around.

We need spending reform because our buy now pay later policy could take on a new, more disastrous dimension. Americans are now paying exorbitant interest rates on consumer loans and home mortgages. This situation could be grievously aggravated if the Federal Government must become more deeply involved in the private credit markets in order to finance the horrendous budget deficits of this year and next. Massive borrowing by the Federal Government may crowd working people and small businessmen out of the credit market altogether or may place the Treasury Department in open competition with them for every available credit dollar.

The results could be catastrophic: even more credit shortages and even higher interest rates. This is foolish. This is insane. This is irresponsible.

Clearly, Mr. President, we cannot continue on this course of unrestrained spending and festering budget deficits, and the economic upheaval which they cause. We have gone too far down that road already.

I offer my resolution to turn our Nation's fiscal policy around by compelling the Congress and the President to appraise our national priorities realistically and to allocate our national resources responsibly. Since the luxury of falling back on deficit financing would not be easily available, we would be insulated from the day-to-day pressures and demands which, along with our own spendthrift tendencies, have plunged the United States into unprecedented debt.

The mechanics of my proposal are simple and straightforward. Only war or an express congressional declaration of a national economic emergency would permit a return to deficit spending. In determining whether an extraordinary crisis exists, the Congress would have to consider the extent and rate of unemployment, industrial activity, and inflation, and such other economic indicators as it deems appropriate.

Thus, in the event of a genuine economic emergency, such as we experienced during the Great Depression, budget deficits could be authorized as a means of stimulating economic recovery.

I am convinced of the need for this resolution. We have persistently embraced the notion that the best and only way to solve a problem, any problem, is to bury it under a pile of Federal money. We have lost sight of the fact that virtually all Government revenues are tax dollars—dollars that are far too hard to come by for the working man and woman, but far too easily frittered away by a Federal bureaucracy gone fiscally amuck.

We need this resolution as a major weapon against inflation which frustrates the taxpayer, robs the worker of the fruits of his labor, denies the small businessman a fair return on his investment, and deprives the elderly of the full benefit of their savings and retirement benefits.

Undoubtedly, some will say that my approach is bad economics. Some will say that my approach is bad politics. There are even those who will say that it is both. I submit, Mr. President, that we have followed their advice in the past, and where has it gotten us? They have had their way and their way has taken us to the brink of economic collapse and political rebellion.

Undoubtedly, these people and others will say that the approach I suggest is drastic. If the action I propose is drastic, Mr. President, then that is what is needed. The economic spasms we are experiencing defy ordinary remedy.

When the debt of the U.S. Government is far greater than the combined debts of all other governments of all other nations of the world, drastic action is called for.

When 8½ million Americans are out of work while the combined unemployment in Japan, West Germany, France, England, Italy, and Canada is less than 2 million, drastic action is called for.

When one-third of the gross national product of the United States is consumed in Federal, State, and local taxes, drastic action is called for.

When the President of the United States commits himself to balancing the Federal budget and 5 months later submits the largest budget deficit in the history of our Republic, drastic action is called for.

Mr. President, we cannot, we must not be lulled into a false sense of security. Through reckless Federal spending and borrowing policies, we have almost bankrupted our Nation, the most powerful, the most wealthy, the most generous society the world has ever known. We have alienated our constituents. We have mortgaged our children's future.

We have no recourse. The time has come for us to revoke the Federal Government's credit card and close its open-ended charge account. That is the purpose of my proposed amendment to the Constitution.

Also, Mr. President, the measure I introduce today imposes a mandate on the Federal Government, a mandate to exercise a degree of discipline and responsibility in managing the fiscal affairs of our Republic. Our past mistakes have been numerous, perhaps too numerous to count. Our people now challenge us to do better. And do better we must. To shirk our duty at this crucial time would be a shameful violation of our public trust.

Mr. President, I ask unanimous consent that the text of my resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 93

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Except as provided in section 2 of this article, the aggregate amount of expenditures made by the Government during any fiscal year shall not exceed the net amount of revenue received by the Government during that fiscal year.

"SEC. 2. The provisions of section 1 shall not apply to any fiscal year—

"(1) if at any time during that fiscal year the United States is in a state of war declared by the Congress pursuant to section 8 of article I of this Constitution, or

"(2) if, with respect to that fiscal year, the Senate and the House of Representatives agree to a concurrent resolution stating, in substance, that a national economic emergency requires the suspension of the application of section 1 for that fiscal year.

In exercising its power under paragraph (2) of this section, the Senate and House of Representatives shall take into consideration the extent and rate of industrial activity, unemployment, and inflation, and such other factors as they deem appropriate.

"SEC. 3. The Congress shall have power to carry this article into effect by appropriate legislation.

"SEC. 4. This article shall take effect on the first day of the first fiscal year which begins after the date of its ratification.

"SEC. 5. This article shall be inoperative unless it is ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress."

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the special orders have been completed this morning, the distinguished Senator from Utah (Mr. Moss) be recognized to call up a conference report.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Iowa (Mr. CLARK) is recognized for not to exceed 15 minutes.

REAPING THE HARVEST: CORRUPTION IN THE GRAIN TRADE VI

Mr. CLARK. Mr. President, this Nation is facing yet another major scandal, this time in the grain trade, and its consequences are frightening.

The dimensions of the corruption have only begun to unfold. Grand juries have indicted federally licensed grain inspectors—15 in New Orleans and 5 in Houston. Five already have pleaded guilty to accepting bribes for letting ships and U.S. grain pass inspection even though they did not meet Federal standards.

At first glance this kind of corruption might appear to be nothing more than a parenthesis in any public account, but it has reached headline proportions in investigations by the Des Moines Register and the New York Times. The attention is not difficult to understand given the implications of the corruption.

The United States depends on agricultural exports to maintain a balance of trade, and the American farmer depends on agricultural exports for income—without a strong export market, there would be disastrous surpluses.

In Iowa, the process begins in the spring when the corn and soybeans are planted. At harvest, the produce is sold to county elevators and moved by barge, rail, and truck to ports in New Orleans and Houston. Almost from the time it leaves the farm, the commodities are in the hands of the few large grain companies. The foreign buyer, the U.S. consumer, the American farmer—they all have little to say about what happens in a market process that has a tremendous impact on their livelihood.

It is a frustrating situation—frustrating and dangerous. And the farmer knows that better than anyone else. At a meeting with soybean producers in Hudson, Iowa, just a few days ago, one bitter and angry farmer told me:

We produce a good clean product—in demand throughout the world—and we spend our own money to promote the sale of that product. I'll be damned if we're going to let petty bribery, sloppy work, and greedy exporters throw it down the drain.

U.S. agricultural exports are too important to let the charges go uninvestigated and the abuses uncorrected.

BRIBERY INDICTMENTS

The indictments are but the tip of the iceberg. We already know that important grain shipping companies and elevator operators paid the bribes, often laundered through middlemen. Some of the elevators are owned by the world's principal grain trading companies. The indicted inspectors were employees of several private agencies, including the New Orleans Board of Trade. Among the board's members and directors are officials of the major shipping and grain companies. Another agency with indicted inspectors is the Delta Weighing & Inspection Bureau, Inc., in Myrtle Grove, La. Delta inspects grain for weight and grade, and it inspects the fitness of ships for the Mississippi River grain elevator owned by Ditta Feruzzi, Sarfino & Co.

The Feruzzi firm reportedly ships over one-half of all the corn exported from the United States to Italy, and its elevator in Myrtle Grove has a storage capacity of 3 million bushels.

Other inspectors who have been indicted were employees of another New Orleans agency, the Destrehan Board of Trade. This agency is responsible for the certification of grain and the loading of ships from elevators owned by two of the largest international grain trading companies—Bunge and Cook. The Bunge elevator has a storage capacity of 8.63 million bushels and a loading rate of 120,000 bushels an hour. Cook's elevator can store 4.5 million bushels and load at a rate of 70,000 bushels an hour.

The magnitude of grain shipments which may be involved is awesome. Just two sets of elevators in one port can hold a year's corn production from an entire Iowa county.

The story is not confined to New Orleans, and so the national impact is much greater.

Secretary of Agriculture Earl Butz was quoted in the New York Times as saying that the evidence suggested corruption in the handling of grain in every major port in the country. He subsequently denied those remarks, but he did confirm that the investigation by the Department of Agriculture and the FBI is moving to other major ports besides Houston and New Orleans.

The charges disclosed so far have been restricted to the payment of bribes for "special" handling of grain. The fraudulent practices involve grain weighing and grading and the certification of ships by grain inspectors employed by private agencies and shipping companies. However, midlevel management people of the agencies are now under investigation as well, and some representatives of the shipping and grain trading companies have testified before Federal grand juries. Charges of organized crime involvement and damaged or nonexistent deliveries at terminals within the United States and abroad also are under investigation.

All of this is bad enough, but there are other allegations just coming to light with even more serious implications.

THE BONUS SYSTEM

I have learned of a pervasive system of bonus payments to grain elevator operators who cheat customers—both buyers and sellers—by holding excess grain that goes unreported. Many of these operators are full-time employees of the major grain trading companies. As I understand the practice, a company owning the elevator will reward its elevator manager with an annual bonus for grain that it has been able to accumulate by "shaving" on reported shipments.

Operators have a number of techniques at their disposal. They can tip the scales. mix or blend beyond the limits of what is acceptable under U.S. standards. They can misreport loading so that either the night or the day shift in the elevator becomes totally confused about the size of shipments. Or they can bribe the agency, and perhaps even the Federal inspector, to misgrade or misweigh the grain going out of his elevator regardless of the method used.

The net result is stock that can be sold twice. For the elevator operator, it means a substantial bonus and for the company owning the elevator it means that this "leftover stock," or "overage" as it is called, is 100-percent profit.

On June 1, the Kansas City Star reported that there was a discrepancy of at least 115 million bushels between grain receipts and grain exports in the statistics of the New Orleans Board of Trade. On June 4, the Des Moines Register reported that Spanish importers said they had suffered losses from "habitual" short-weighting of ship cargoes, especially in soybeans.

How does this happen? It seems that a good part of the answer lies in the bonus system.

What distinguishes "bonuses" from bribes as an industry practice of corruption? Bribes are paid to somebody else's employees. Bonuses are paid for special purposes to a company's own employees. The main difference is the role of the major exporters. While apparently connected with the bribery scandal only by indirect association, they may be directly involved in the bonus fraud since it is the exporters who own the majority of the main terminal elevators in this country.

A Purdue University study found that six major grain exporting firms accounted for 44 percent of the port grain elevators and 56 percent of the storage capacity in major U.S. grain shipping ports in 1968. This same study also found a disturbing tendency for these six firms to extend their ownership and operations down into the local level. It is a trend that continues.

Given the indictments, the charges, and the possible impact on U.S. agricultural exports and U.S. foreign relations, we would be remiss not to investigate the extent to which the huge international grain exporters are involved. In 1970, the U.S. Government filed antitrust suits—later settled by consent decrees—charging four grain exporting companies with making illegal agreements for exclusive stevedoring services at grain elevators in Destrehan, La., and Beaumont, Tex. The defendants named in the two suits were Bunge Corp. of New York, Archer-Daniels-Midland of Minneapolis, Garnac of New York, and Continental Grain of New York.

These are the same companies, plus Cargill and Dreyfus, which account for roughly 90 percent of U.S. exports in feedgrains. They are the companies which account for almost 70 percent of the handling of U.S. wheat in this country and abroad. As the grain moves toward port, these firms' ownership of facilities and of the grain itself increases—as does the possibility of their involvement and influence in this particularly damaging form of corruption.

GOVERNMENT RESPONSE

The charges of grain company participation in bonus payments to elevator operators for trading irregularities are now public, and the Subcommittee on Multinational Corporations' investigation of the grain trade will look into this matter more extensively as part of its comprehensive investigation. In the meantime, there is immediate remedial action which can and should be taken to discern exactly what our export position is, what stocks have been accumulated by cheating over the past year, what the earnings are for terminal elevators, and the impact of all of this on the American farmer and American foreign policy.

I am requesting USDA to initiate a prompt and comprehensive audit of terminal elevators where grain is rerouted or transshipped and of port authorities where U.S. grain is exported and report to the Congress on their findings, particularly a comparison of grain reported sent into the elevators and grain reported sent out.

Under the U.S. Warehouse Act, the Transportation Division within USDA has responsibility for checking bonded warehouse inventories. Participation under this act is voluntary, but 60 percent of our grain storage capacity is federally bonded and subject to inspection by federally licensed inspectors. We should, therefore, be able to get some data since all the major exporters have their elevators bonded. The problem, of course, is that the inspectors licensed under the Warehouse Act are most frequently the same inspectors licensed under the Grain Standards Act. If there is misgrading, improper weighing or inspection by private inspectors, there also may be false documentation of the weighing and grading of grain as it is loaded into or out of any bonded warehouse.

There is little recourse but to have the audit conducted by the office of audit within USDA, making whatever use it can of the information available from reports to the Transportation Division.

While complete disclosure of the bonus payments, as well as other charges of corrupt practices must await the findings of congressional and Federal investigations, there are a number of tentative conclusions which come to mind. They center around the Federal grain inspection system itself.

The system of grain and ship inspection—now embodied in the U.S. Grain Standards Act of 1968—has remained virtually intact since 1916. There is nothing objectionable in the "old way," particularly if it has stood the test of time. But unfortunately, our system of grain inspection has failed that test. At least as far back as 6 years ago, there were complaints from European governments about the quality of U.S. grain shipments. Starting in 1973, just in the wake of the Soviet wheat deal which created such a severe shortage on the market and caused prices of grain to rise dramatically, there was a series of complaints about the quality of U.S. shipments.

In its excellent articles on this subject, the Des Moines Register has cited complaints from such important importers as India, Nicaragua, Great Britain, Venezuela, West Germany, and Israel. These complaints were brought to the attention of the Grain Division at the Department of Agriculture, but no significant action was taken.

The ultimate responsibility for any failure to act rests with the Secretary of Agriculture and his Department. In my judgment, Secretary Butz—and his predecessor, Secretary Hardin—should explain why the Department did not use the Office of Inspector General within USDA, and later the Office of Audit and Office of Investigation to follow up on these foreign complaints. It is hardly comforting for Secretary Butz to say, as he was quoted by one newspaper, that he was unaware of the fact that Department officials had been warned as early as 6 years ago of the possible bribery schemes.

POSSIBLE REFORM

Given past charges of conflict of interest within the Department raised at the time of the Russian wheat deal, given the recent performance of USDA with regard to the inspection agency, and given the established indifference of the Department to the needs of the American farmer, it may be best to set up a semi-independent agency to supervise the handling of all U.S. grain. In making this suggestion, I do not impugn the motives of those civil servants within USDA who have been working so effectively in this area. In fact, any such agency would have to call upon the skills of people in the Department.

Setting up an interdepartmental grain agency would raise its importance and enforcemert capability, as well as shield it from any possible economic or political pressures or administrative indifference.

The issue of conflict of interest is particularly germane to the current procedure of issuing Federal licenses to private inspection agencies. Federal agents act almost exclusively in a supervisory capacity. They rarely inspect grain and ships themselves and seldom become involved except when any inspector's certification is appealed.

Three thousand private inspectors, working for agencies with their income governed in part by how rapidly the grain companies can move grain, determine the degree of fairness and consequently the success or failure of the system. And that is the problem.

Section III of the Grain Standards Act which deals with the prohibition of certain conflicts of interest, specifically rules out a Federal license for any person "financially interested—directly or otherwise—in any business entity owning or operating any grain elevator or warehouse or engaged in the merchandising of grain." This prohibition has little relevance when one considers the extent to which there is an indirect "financial interest" between these agen-

cies and the major multinational trading companies.

To protect individual inspectors from these considerable pressures and to make the system more uniformly applicable, there is a need for a completely federalized grain inspection system. In that regard, I commend Congressman MEZVINSKY for introducing H.R. 7442 which would require that inspections under the Grain Standards Act be made by Federal employees. In addition, there should be higher standards written for these employees, special training programs, and a supervisory bureau to insure dependability and honesty for Federal inspectors.

Another gap in the present program is our inability to trace complaints about U.S. shipments when they arrive in foreign ports. Legislation must close this loophole because many shipments leave U.S. ports with a certification that they meet U.S. standards, yet they arrive at their foreign destination in substandard condition. Any grain inspection system must be equipped to look into these allegations and when the substandard shipments are of any significant size, a report of their findings should be made to Congress.

Our grain inspection system has been in place for a long time, and it should not be readily discarded until there is a workable substitute.

I look forward to the hearings of the Foreign Agricultural Policy Subcommittee, and I hope we can fashion appropriate legislation. Senator HUMPHREY's proposals for an interim approach to the problem are welcome. As he and I both have noted in the past, however, the questions are broad and complex, and we must look toward comprehensive reform.

The Subcommittee on Multinational Corporations' investigation of the grain trade will go beyond the corruption in the inspection system to cover the total operations of the multinational grain companies and in so doing examine the strengths and weaknesses of the present system.

Plato is supposed to have said that "you cannot understand politics until you understand the politics of wheat." One might add that you cannot understand and deal with international politics and international relations without a first-hand knowledge of the grain trade. The Multinational Corporations Subcommittee investigation will study the intricate operations of the grain companies worldwide, their impact at home, and their relevance to this country's foreign and domestic policies.

Mr. President, the projections for this year's wheat and corn harvest are good. In the absence of a fair and coherent domestic agricultural program, in the presence of corrupt grain export practices, and with increasing monopolization of the grain trade, there are no assurances that this bounty will have its full effect once it leaves the farm.

There are different ways to reap a good harvest. When it comes to the export of grain, I fear the way we have now may not be the right way.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Indiana (Mr. BAYH) is recognized for not to exceed 15 minutes.

PRIVILEGE OF THE FLOOR—SENATE RESOLUTION 166

Mr. BAYH. Mr. President, I ask unanimous consent that Barbara Dixon of my staff be granted privilege of the floor during my speech this morning and for all debate and votes on Senate Resolution 166.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

DISCRIMINATION AND INDIVIDUAL RIGHTS

Mr. BAYH. Mr. President, for some time now there has been an expression of rising concern both in the Congress and in the country at large over the administration's failure to enforce existing laws and regulations to ban discrimination and to protect individual rights.

This past week, those who are alarmed over this administration's lack of commitment to individual rights received further justification of their well-founded concern. On June 4, the Department of Health, Education, and Welfare released two sets of regulations relating to the Department's obligation to enforce existing legislation banning discrimination in programs receiving Federal financial assistance.

The first set of regulations was promulgated under title IX of the Education Amendments of 1972. This landmark legislation banning sex discrimination in all federally assisted education programs was enacted by the Congress in 1972, almost exactly 3 years ago.

As the author of title IX, I found this long wait rewarded with singularly disappointing results. The final regulations which emerged from this unduly long promulgation period fall several steps short of mandating full equality for women, and in some instances appear to simply reinforce existing patterns of sex discrimination.

While I was sorely disappointed in the final regulations issued under title IX, I was even more disturbed by the second set of regulations issued by HEW on June 4. Secretary Weinberger, at the same time he was releasing the long overdue title IX regulations, surprised us with an unanticipated and unwelcome new procedural regulation governing all of the Department's civil rights enforcement activities.

This new enforcement procedure would disallow investigation by the Office for Civil Rights, of individual complaints of discrimination, thereby rendering the title IX regulations impotent before they can even take effect, and, at the same time, grievously undercutting the congressional intent in other major laws banning discrimination on the basis of race, national origin, and even those laws prohibiting this Nation from discriminating against the physically disabled.

Mr. President, it is both ironic and incredible that on the very same day, the Department would issue a set of regulations designed to prohibit sex discrimination throughout our Nation's educational system and a procedural guideline gutting the effective enforcement of such nondiscrimination guidelines designed to protect the rights of individuals.

This inconsistency is, to me, inconceivable. Under the new procedural regulations, the Office for Civil Rights would abrogate its proper and legal responsibility to investigate and take appropriate action on individual bias complaints.

If this new directive were to be permitted to take effect, it would apply not only to the new title IX regulations banning sex discrimination in educational institutions, but to the Office for Civil Rights' responsibilities under title VI of the Civil Rights Act of 1964 which prohibits discrimination on the basis of race, color, creed, or national origin in all federally assisted programs; under titles VII and VIII of the Public Health Services Act which prohibits sex discrimination in the admissions and practices of federally assisted medical schools; under section 504 of the Rehabilitations Act which prohibits discrimination against the handicapped in all federally assisted programs; and under all other existing civil rights mandates given the Department by the Congress.

The only exception to the new procedural regulation is in the Department's compliance efforts with Executive Order 11246, banning sex discrimination by Federal contractors.

In defending this new procedural regulation, the Office for Civil Rights decries the growing burden of civil rights enforcement responsibilities that have accrued over the years. According to the Office for Civil Rights, this growing burden has resulted in the Department responding to complaints in a haphazard and inefficient manner.

The priorities of the Office for Civil Rights, according to Secretary Weinberger, were "dictated by the morning mail." According to the Secretary, this "mailbag method of investigation" left many large-scale areas of discrimination uninvestigated. By allowing the Department to concentrate on doing occasional compliance reviews—presumably aimed at removing systematic discrimination—the Secretary says that the Department would be able to keep pace.

Mr. President, I find this a strange answer to the problem of efficiency. Instead of responding to the growing number of complaints by requesting sufficient staff and funds to perform its mandated obligations under the law, both through compliance reviews and through the consideration of individual complaints, the administration's response is to simply abandon its responsibilities.

The answer to the problem, according to Mr. Weinberger, is not to attempt to increase the efficiency of the department, but rather to just rid the department of the obligation of having to handle individual complaints altogether—simply push these complaints on to the shoulders of other agencies or on to the courts or ignore them completely. Surely this cannot be a responsible agency's answer to a serious problem.

We have a growing lack of faith in the minds of too many people, a lack of faith in our country, in our political institutions, a lack of faith to work within our political institutions to affect our futures. This is an unfortunate condition which I think we need to strive to overcome and correct, to restore faith, to restore confidence in our political processes.

Indeed, if the Office for Civil Rights fails to investigate and to take action on individual complaints of discrimination, this will merely reenforce the growing disillusionment and lack of faith in our governmental institutions.

Compliance reviews—if they are conducted thoroughly and enforced properly—can be helpful in attacking systematic discrimination, but they are not a guarantee that justice is being met for an individual or for a particular set of individuals in a given case. Indifference to the individual is not the answer to solving the problems of discrimination.

The frustration and disillusionment born of such indifference will be justified. Let us not forget that it is exactly this kind of frustration and disillusionment with the processes of Government that holds the greatest threat to the survival of our democracy. What good are our country's basic constitutional rights unless they have meaning to individual citizens?

The individual American is the most important ingredient in our society. We must take the steps wherever we can and whenever we can to see that those rights and the recognition of the individual himself receive a higher order of priority in our national business today.

The tragedy inherent in this situation, Mr. President, is made all the worse by the sad realization that the true motivation for this so-called procedural change is not to ease an administrative problem, but rather to retreat significantly from our long-standing commitment to protecting the right of all Americans, collectively and as individuals.

It is important to note that the courts have been critical of the administration's attitude toward individual bias complaints. In both Adams against Richardson and in a more recent case, affirming that decision, Adams against Weinberger, the court found HEW to be sadly lacking in its enforcement efforts with regard to title VI of the Civil Rights Act of 1964.

Specifically the court held that HEW "has often delayed too long in ascertaining whether a complaint or other information of racial discrimination constitutes a violation of title VI. HEW has also frequently failed to commence enforcement proceedings by administrative notice of hearings or any other means authorized by law."

The court held that with regard to individual bias suits under title VI, HEW must take some form of action on an individual complaint within 90 days. Fortunately, the courts of this Nation place a greater importance on assuring equality, justice, and individual rights than those now charged with the responsibility of insuring these rights in the executive branch.

Mr. President, I would hope that this body and this Congress would be equally concerned as the court has been, with taking steps we can and must to insure the rights of individuals in this country.

Congress and the people of this Nation have expressed a commitment to end discrimination—be it discrimination against women, against racial or ethnic minorities, or against the handicapped. Simple justice requires that public funds, to which all taxpayers contribute, not be spent in any fashion which encourages, entrenches, subsidizes, or results in discrimination.

This is what we are talking about, Mr. President. It is not our own personal habits, not our own personal desires, but the way we spend the taxpayers' money generally. We must not spend these dollars in a way which aids and abets discrimination.

The plan to issue procedural regulations such as those announced last week by the Secretary must inevitably call into question this administration's commitment to ending discrimination and to protecting those individual rights secured by our Constitution.

As was the case with the Nixon administration, these procedural regulations are but one instance of what is becoming a clear pattern of indifference in the Ford administration—indifference to the Congress, to the courts, and most importantly, to those men and women who still must face the battle of discrimination without the full protection of the laws of our land.

One does not have to look far beyond the procedural regulations on enforcement to find other examples of indifference. The title IX regulations are another unfortunate example. After taking 3 long years to draft title IX regulations, Secretary Weinberger unveiled final regulations that are considerably weaker than the first draft issued a year ago, particularly in assuring equal participation in athletic competition involving so-called contact sports.

In addition to taking 3 years on title IX, HEW has also been remiss in its responsibility to draft regulations to enforce title VII and title VIII of the Public Health Services Act, prohibiting sex discrimination in admissions to medical schools receiving Federal funds.

The Congress enacted this legislation in 1972, and the Department has yet to issue final regulations. Preliminary regulations, issued last November, were soundly criticized by the U.S. Commission on Civil Rights as lacking meaningful enforcement requirements.

This lack of concern over enforcing existing legislation relating to discrimination and individual rights does not rest with the Department of Health, Education, and Welfare alone. Other agencies of the executive branch—most notably the EEOC and the Office for Federal Contract Compliance at the Department of Labor, have demonstrated a similar unwillingness and incapacity to carry out their mandate to end discrimination.

Congressional investigations of the EEOC disclosed horrifying conditions. The condition of the EEOC caseload is nothing short of scandalous. The EEOC is now carrying a backlog of more than 100,000 cases. Last year, a Senate committee investigating the inefficiency of the EEOC discovered that despite this backlog, 20 percent of the openings for investigators and conciliators remained unfilled.

A backlog of cases of 100,000, Mr. President, and yet EEOC is 20 percent below the major effort mandated and possible, as Congress has provided.

In addition, the committee discovered that when the EEOC passed a case along to the Justice Department for litigation, Justice often had to reinvestigate the case, because staff work at the EEOC had not met the proper standards for court action.

The OFCC fares little better. This agency is charged with the compliance enforcement of Executive Order 11246, prohibiting discrimination on the basis of sex, race, creed, or national origin by Federal contractors. A recent study by the General Accounting Office has judged the enforcement efforts of the OFCC to be woefully inadequate and riddled with inefficiencies.

For example, GAO cited the fact that most of the Federal agencies the OFCC is charged with monitoring do not even maintain a complete list of contractors for whom they are responsible. The OFCC has been inexcusably lax in monitoring Government agencies—GAO investigators discovered that 70 percent of the affirmative action plans approved by the General Services Administration failed to meet minimal Federal standards under the Executive order banning discrimination.

Even in areas as precious to individual rights as the franchise, the administration has shown its disinterest. The extension of the Voting Rights Act to cover those non-English-speaking Americans—the Chicano, the Puerto Rican, the Chinese American, and many others who have faced discrimination at the ballot box—is opposed by this administration.

Surely we have no more serious obligation to fulfill than to do everything we can to make certain that every American of every race, of every national origin, and of every religion has full and free access to the franchise.

In an era when the executive branch is all too willing to forego its obligation to aid in the protection of individual rights, the Congress faces a special responsibility. Not only must we continue to support and enact legislation designed to foster individual liberty, we must remain vigilant against the insensitivity and irresponsibility of the executive branch.

Passing legislation will not, of itself, restore faith among our citizens in their Government's desire to protect individual rights. Passage of legislation must be coupled with effective enforcement of the law. While the Congress cannot remove the enforcement responsibility from the executive branch, we can do much more to demand a higher allegiance to the principles of this Nation.

Accordingly, I have spoken to the able chairman of the Appropriations Subcommittee on Labor-HEW, Mr. MAGNUSON, on which I am privileged to serve, and he has agreed that the subcommittee

should hold a special hearing to ask HEW and OCR officials about the proposed procedural regulation.

In doing so, we can inquire as to whatever budgetary or staffing problems OCR may have that has resulted in a so-called procedural change which will actually have major substantive consequences by eroding the enforcement of a wide range of civil rights legislation.

Efficiency in Government is important. But I object loudly and vehemently to those strategies which use efficiency as an excuse to deny basic individual rights to those American citizens who are women, blacks, Spanish-speaking, or handicapped persons.

I intend to do all I can in the coming days and weeks to prevent final implementation of the Department's proposed plan to abandon the investigation of individual complaints of discrimination.

All of us in the Senate who are concerned about reinforcing the true meaning of America as we approach our 200th birthday must dedicate ourselves to working with all Americans who share our hopes and concerns for the future.

Failure to unequivocally pursue the goal of first-class citizenship for all, would be a tragic 200th birthday present for millions of Americans.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Utah is recognized.

NASA APPROPRIATION AUTHORIZATION, 1976—CONFERENCE REPORT

Mr. MOSS. Mr. President, I submit a report of the committee of conference on H.R. 4700, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. STEVENSON). The report will be stated by title.

The second assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4700) to authorize appropriations to the National Aeronautical and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of June 4, 1975, at page 16876).

Mr. MOSS. Mr. President, I ask unanimous consent that the printing of the conference report as a Senate document be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, the conference agreement authorizes to the National Aeronautics and Space Administration for fiscal year 1976, $4,562,310,000 and for the transition period to the next fiscal year, $925,150,000 for a total in the bill of $4,487,460,000. The total amount authorized by the conference report is $10,440,000 below the NASA budget request, $12,850,000 above the Senate bill, and $20,363,000 below the amount originally authorized by the House. Of the total amount agreed upon for fiscal year 1976, $2,687,180,000 is for research and development, $99,130,000 is for the construction of facilities, and $776 million is for research and program management. Of the $925,150,000 agreed to for the transition period, $700.6 million is for research and development, $10,750,000 is for the construction of facilities, and $213.8 million is for research and program management. The actions of the conferees on the differences between the House and Senate bills are recorded in the joint explanatory statement accompanying this conference report.

Mr. President, I believe the conference report now before the Senate reflects a good program for the National Aeronautics and Space Administration for the fiscal year 1976 and for the transition period. In particular, I think the conferees agreement for added effort in the space applications field involving weather satellites, earth observation satellites and similar activities is significant to the continued application of space technology to the improved management of our resources and the protection of our environment. Personally, I am pleased to report that the conferees agreed to the Senate amendment authorizing and directing NASA to undertake to develop and carry out a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere so as to provide an understanding of and to maintain the chemical and physical integrity of the Earth's atmosphere. This, of course, is directed toward ascertaining the facts of the "ozone problem" and I think it is an area in which NASA is singularly equipped to make a contribution to a significant area of concern.

Mr. President, this matter has been fully heard, discussed, and agreed upon by all members of the Senate committee. There are no objections to it that I know of, and I therefore move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business, for the purpose only of introduction of statements, bills, resolutions, and memorials.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOOD STAMPS FOR SSI RECIPIENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the hour of 12:30 p.m. today the Senate proceed to the consideration of Calendar No. 134, S. 1662, a bill to amend the Food Stamp Act of 1964.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROCKEFELLER COMMISSION ON ASSASSINATION PLOTS

Mr. ALLEN. Mr. President, last night the President in his press conference mentioned the possible information that may have been uncovered by the Rockefeller Commission on assassination plots.

Of course, I do not know what information on assassination plots was uncovered by the Rockefeller Commission, nor what good could be accomplished by releasing the information to the public. However, the President said that he is releasing the information to House and Senate committees, and, given their track record for leaking information, he might as well have released it on national television; in my judgment.

I do not approve of assassinations as a part of national policy, but I do fear that we are going too far in publicly flogging the CIA and the FBI. Can you imagine information on the activities of the Russian KGB being made public by the Kremlin. We need a strong and respected CIA and FBI, and those in charge of these Agencies must not exceed the scope of operations provided by their charters, but at the same time we must not destroy them with a series of highly publicized witch hunts.

SECOND SUPPLEMENTAL APPROPRIATIONS BILL—H.R. 5899

Mr. ALLEN. Mr. President, later on today I assume we will have up for consideration another House message with respect to the second supplemental appropriations bill H.R. 5899.

This bill has an interesting history. It appropriates as a supplemental appropriation some $15 billion for various agencies of the National Government.

The bill was in conference, and both Houses agreed on all of the items aggregating almost $15 billion, except one particular item of $700 million for work on railroad roadbeds.

The Senate had put in this amendment. The House of Representatives refused to accept it. One reason was that the program had not been authorized; therefore, appropriations should not have been made prior to authorization.

So the various items of the appropriations bill, as agreed to in conference, were approved with some $15 billion ready to go into the economy. It covered such items as veterans benefits.

In the press this morning the Veterans' Administration is quoted as saying that it borrowed from its pension funds June 1, to pay some 900,000 of the 1.4 million veterans getting educational benefits, but the other 500,000 would go without checks until the bill is passed.

Also, Mr. President, as part of the tax reduction and tax rebate bill, Congress voted $50 for each person on social security, railroad retirement, or SSI. Those checks are ready to go out, but the money is not available.

This bill could have been passed in the Senate. On May 22, it was before the Senate. The Senate conferees agreed to recede from their amendment on $700 million, but the Senate chose to insist on its amendment. When it went over to the House of Representatives, the House cut this $700 million down to $5 million. It came back to the Senate. There was not the proper motion to move to concur in that amendment, or there were other prior motions ahead of it.

So, the Senator from Alabama, in order to try to get this money pumped into the economy, sought to offer an amendment that would be acceptable to the House of Representatives.

The sponsors of the $700 million program had cut their demand down to $175 million and were willing to send that back to the House of Representatives.

The Senator from Alabma offered an amendment for $10 million, feeling confident the House would accept, and then when that lost, he offered an amendment seeking to set the program at $50 million, and that was defeated. So the $175 million offer went over to the House of Represenatives. The House refused to act on the $175 million effort of the Senate.

The matter is going to be before the Senate later in the day, and I am hopeful that the Senate will concur in the House amendment, setting this program at $5 million, which would be sufficient, I assume, to authorize a study, rather than just get out and go to the first railroad track they might see and start rebuilding it. I believe that some little study should be made of this program before the money is appropriated.

I am hopeful that later in the day we will go along with the House on its amendment, so that the GI benefits can be paid, so that the payments to the elderly can be made under the tax reduction program, and this $15 billion can be put into the economy, and not continue to contend for the $700 million that has not been authorized.

Mr. President, I believe the Senate has fumbled with this bill long enough. The economy is hurting; the beneficiaries of these various programs are hurting. Yet, the Senate continues to dawdle with the bill. As I have stated, it could have been passed on May 22, if the Senate had done what the conference committee recommended, which was to recede from its amendment. Now the parliamentary situation is such that the prior motion will be to recede from our amendment and to concur in the House amendment. I hope that the Senate will take that action when this bill is called up.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the ACTING PRESIDENT pro tempore (Mr. HASKELL) laid before the Senate a message from the President of the United States submitting sundry nominations which was referred to the Armed Services Committee.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE WORLD WEATHER PROGRAM—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. HASKELL) laid before the Senate a message from the President of the United States submitting a report on the progress in furthering the goals of the world weather program, which, with the accompanying report, was referred to the Committee on Commerce. The message is as follows:

To the Congress of the United States:

People everywhere recognize that weather influences day-to-day activities. People are also mindful that weather, sometimes violent, breeds storms that take lives and destroy property. Coupled with these traditional concerns, there is now a new awareness of the cumulative effects of weather. The impact of climate and climatic fluctuations upon global energy, food and water resources poses a potential threat to the quality of life everywhere.

The World Weather Program helps man cope with his atmosphere. We must continue to rely upon and to strengthen this vital international program as these atmospheric challenges—both old and new—confront us in the future.

I am pleased to report significant progress in furthering the goals of the World Weather Program. This past year has recorded these accomplishments:

—The United States began near-continuous viewing of weather and storms over most of North and South America and adjacent waters through the use of two geostationary satellites.

—The U.S.S.R., Japan, and the European Space Research Organization have taken steps to join with the United States in extending this weather watch to include five geostationary satellites around the globe.

—Computer power devoted to operational weather services and to atmospheric research has been increased appreciably. This leads to immediate gains in weather prediction and to long-term gains in extending the time, range and scope of weather predictions and in assessing the consequences of climatic fluctuations upon man and of man's activities upon climate.

—During the summer of 1974, an unprecedented event in international science occurred with the successful conduct of an experiment in the tropical Atlantic. More than one-third of the earth's tropical belt was placed under intensive observation by 69 nations using a network of hundreds of land stations, 39 research ships, 13 specially instrumented aircraft and 7 meteorological satellites. The results of this experiment are expected to permit a sound understanding of the role of the tropics as the heat source for the global atmosphere and to provide new insight into the origin of tropical storms and hurricanes.

Senate Concurrent Resolution 67 of the 90th Congress declared the intention of the United States to participate fully in the World Weather Program. It is in accordance with this Resolution that I transmit this annual report describing current and planned Federal activities that contribute, in part, to this international program from which all nations benefit.

GERALD R. FORD.

THE WHITE HOUSE, *June 10, 1975.*

MESSAGES FROM THE HOUSE

At 9:50 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed without amendment the bill (S. 818) to authorize U.S. payments to the United Nation for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes; and the joint resolution (S.J. Res. 92) to honor America.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 3109) to authorize appropriations for the saline water conversion program for fiscal year 1976.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and

for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. PRICE, Mr. HÉBERT, Mr. BENNETT, Mr. STRATTON, Mr. ICHORD, Mr. NEDZI, Mr. RANDALL, Mr. CHARLES H. WILSON of California, Mr. BOB WILSON, Mr. DICKINSON, Mr. WHITEHURST, and Mr. SPENCE were appointed managers of the conference on the part of the House.

At 12:30 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (S. 66) to amend title VII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training and to revise and extend programs of health revenue sharing and health services, with amendments in which it requests the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 818. An act to authorize U.S. payments to the United Nations for expenses of the United Nations peacemaking forces in the Middle East, and for other purposes.

H.R. 3109. An act to authorize appropriations for the saline water conversion program for fiscal year 1976.

H.R. 4700. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

S.J. Res. 92. A joint resolution to honor America.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore.

At 4 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the bill (H.R. 25) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes, returned by the President of the United States with his objections, on reconsideration by the House and two-thirds of the Members thereof not agreeing to pass same, failed of passage.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HASKELL) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a secret report entitled "Effectiveness of Testing of Selected Major Weapon Systems" (with an accompanying report); to the Committee on Government Operations.

PROPOSED LEGISLATION BY THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to provide financial assistance to States to enable States to provide free meals to needy children (with accompanying papers); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to eliminate trust fund financing for State capital expenditure review activities and expand the scope of mandatory outpatient services under State medical assistance programs (with accompanying papers); to the Committee on Finance.

REPORT SUPPLEMENT BY THE CONSUMER PRODUCT SAFETY COMMISSION

A letter from the Chairman of the Consumer Product Safety Commission transmitting a supplement to the report submitted on December 23, 1974 (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF THE WATER RESOURCES COUNCIL

A letter from the Director of the U.S. Water Resources Council transmitting, pursuant to law, a report on the Water Resources Council on the comprehensive basin study of the water and related land resources of the Big Black River (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORTS OF THE COMPTROLLER GENERAL

Three letters from the Comptroller General of the United States each submitting a report, pursuant to law, entitled "U.S. Fishing Industry Can Be Strengthened by Developing Underutilized Fish Resources"; "Improved Planning—A Must Before a Department-wide Automatic Data Processing System Is Acquired for the Department of Agriculture"; and "Improving the Pay Determination Process for Federal Blue-Collar Employees" (with accompanying reports); to the Committee on Government Operations.

REPORT OF THE ATTORNEY GENERAL

A letter from the Attorney General of the United States transmitting, pursuant to law, a report consenting to an extension and renewal of the Interstate Compact to Conserve Oil and Gas (with an accompanying report); to the Committee on Commerce.

PROPOSED LEGISLATION BY THE PRESIDENT

A communication from the President of the United States transmitting a draft of proposed legislation entitled "Presidential Science and Technology Advisory Organization Act of 1975 (with accompanying papers); to the Committee on Aeronautical and Space Sciences, the Committee on Commerce, and the Committee on Labor and Public Welfare, jointly, by unanimous consent.

Mr. CANNON. Mr. President, I ask unanimous consent that a communication from the President, proposing legislation to create in the Executive Office of the President an Office of Science and Technology Policy be referred jointly to the Committee on Aeronautical and Space Sciences, the Committee on Commerce, and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. HASKELL):

A petition from a citizen of Nebraska seeking a redress of grievances; to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations, with amendments:

S. 824. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes (Rept. No. 94–188).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

Philip C. White, of Illinois, to be an Assistant Administrator of Energy Research and Development.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. MANSFIELD. As in executive session, Mr. President, I submit the nomination of Mr. Thomas A. Clingan, Jr., to be Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, for the rank of Ambassador, approved by the Committee on Foreign Relations, together with a political contribution statement, pursuant to section 4 of Public Law 93–475, approved October 26, 1974.

The PRESIDING OFFICER. The nomination will be received and placed on the Executive Calendar, and the statement will be printed in the RECORD at this point.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTION STATEMENT

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Thomas A. Clingan, Jr.

Post: Ambassador, nominated March 26, 1975.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses, none.
4. Parents, none.
5. Grandparents, none.
6. Brothers and spouses, none.
7. Sisters and spouses, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

THOMAS A. CLINGAN, Jr.

Subscribed and sworn (or affirmed) before me this 9th day of June A.D. 1975, at Washington, District of Columbia.

[SEAL] MARY G. MISSAKIAN, *Notary Public.*

Commission Expire April 30, 1976.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that today, June 10, 1975, he presented to the President of the United States the enrolled bill (S. 818) to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes; and the enrolled joint resolution (S.J. Res. 92) to honor America.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BUCKLEY:

S. 1903. A bill to establish a program for the removal of drift and debris from publicly maintained commercial boat harbors of the United States and from the land and water areas immediately adjacent thereto. Referred to the Committee on Public Works.

By Mr. HATHAWAY (for himself and Mr. MUSKIE):

S. 1904. A bill to amend the Tariff Schedules of the United States in order to change the customs treatment of certain woven fabrics of wool if products of an insular possession of the United States but imported into such possession as fabric for further processing. Referred to the Committee on Finance.

By Mr. MAGNUSON:

S. 1905. A bill to minimize duplication and to maximize efficiency in health planning and resource development, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. CHURCH:

S. 1906. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program. Referred to the Committee on Finance.

By Mr. SPARKMAN (by request):

S. 1907. A bill to provide for the participation of the United States in the Financial Support Fund. Referred to the Committee on Foreign Relations.

By Mr. TUNNEY (for himself, Mr. HOLLINGS, Mr. MAGNUSON, Mr. Moss, and Mr. STEVENSON):

S. 1908. A bill to regulate commerce by directing the Secretary of Commerce to establish and maintain an industrial energy conservation program, and for other purposes. Referred to the Committee on Commerce.

By Mr. INOUYE:

S. 1909. A bill to amend section 5066 of the Internal Revenue Code of 1954 with respect to the withdrawal of distilled spirits from foreign trade zones for domestic consumption by foreign diplomats. Referred to the Committee on Finance.

By Mr. INOUYE:

S. 1910. A bill for the relief of David Parkin. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself and Mr. STONE):

S. 1911. A bill to amend title 38, United States Code, to provide certain persons insured under Servicemen's Group Life Insurance (SGLI) with a choice of conversion to either an individual term or whole life insurance policy or Veterans' Group Life Insurance policy upon the expiration of their Servicemen's Group Life Insurance coverage, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. ROTH:

S. 1912. A bill to provide for the issuance of a special postage stamp in commemoration of Return Day in Georgetown, Delaware. Referred to the Committee on Post Office and Civil Service.

By Mr. TALMADGE (for himself, Mr. NUNN, Mr. THURMOND, and Mr. HELMS):

S.J. Res. 93. A joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year. Referred to the Committee on the Judiciary.

By Mr. PROXMIRE (for himself, Mr. TOWER, Mr. CRANSTON, and Mr. SPARKMAN):

S.J. Res. 94. A joint resolution to extend by ninety days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for ninety days. Considered and passed.

By Mr. BAKER (for himself and Mr. BROCK):

S.J. Res. 95. A joint resolution providing for the designation of the month of September of each year as "National Gospel Music Month." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUCKLEY:

S. 1903. A bill to establish a program for the removal of drift and debris from publicly maintained commercial boat harbors of the United States and from the land and water areas immediately adjacent thereto. Referred to the Committee on Public Works.

HARBOR DRIFT REMOVAL ACT OF 1975

Mr. BUCKLEY. Mr. President, I send to the desk the "Harbor Drift Removal Act of 1975." This is legislation to establish a national program to collect and remove drift and other debris material that fouls many of our Nation's harbors, while threatening the safety of commercial and pleasure boats.

This bill would at the same time encourage local communities to act cooperatively with the Federal Government in projects to spruce up harborfront areas. This could be accomplished by cleaning drift material off shorelines and by removing dilapidated piers and other sources of future drift.

This is not a minor problem. The U.S. Army Corps of Engineers has estimated that 10,000 vessels collide annually with drift material; these accidents cost the owners $5,900,000.

The Corps of Engineers has estimated benefits to marine safety and in improved harbor environments totaling $23,768,000 a year from such a harborfront improvement program. The removal of dilapidated wharves and the raising of vessels and other sunken object would bring benefits in, for example, the Detroit area of $3,800,000 a year, the corps has estimated. Annual benefits to the Galveston area would total $640,000; the total would be $850,000 in the Seattle area; they would exceed $220,000 in Alaska.

This is legislation that should reach to the cause of harbor drift. It is a bill that will reduce future collection costs, which now run to several millions a year under the corps' general authority to remove hazardous obstructions from Federal navigation channels.

While the Army Corps of Engineers has broader authority in five specific harbors, including New York, to collect material in the water that may float into a shipping channel, the Federal Government lacks the general responsibility to remove material about to slough into the harbor, where it proves far more troublesome to collect and remove.

The one exception is New York Harbor, where authority was provided by special legislation in the 1970 and 1974 Omnibus Acts. This New York project covers 755 miles of shoreline; 460 of those miles are in New York, the remainder lie in New Jersey. The project directs removal of an estimated 29,200,000 cubic feet of drift and debris, including 1,972 derelict vessels.

But progress has been slow. The estimated Federal cost of this project is $25,700,000, with another $27,800,000 to be contributed by local governments.

We are all pleased that design work is progressing well on Liberty Park near the Statue of Liberty along the New Jersey shoreline. The State of New Jersey, I understand, has agreed to pay the local share of the cost for removing many dilapidated piers, as well as abandoned and sunken vessels, and using landfill to turn the site into a 2-mile long park.

Work on the New York portions, unfortunately, has not advanced as rapidly. The State of New York only recently responded with the necessary official letter of intent to provide the local share of the cost; so far New York State has not provided any indication of actually beginning any specific work. Several projects along the Brooklyn waterfront are ready to move forward, except for this necessary local money.

I hope this logjam can be broken. The administration has requested $1.4 million for the New York Harbor project during the 5 quarters covered by the new budget. Inaction now seems particularly unfortunate as this project has a strong return, generating an estimated $5.70 in benefits for every $1 to be invested.

Section 8 of this bill would raise the authorized Federal contribution to the New York Harbor project to the sum which the corps now estimates will be needed.

This project was one that was developed outside any national policy on drift and debris removal. It has long been my position that the Congress too often legislates ad hoc answers outside any national policy or program. This is particularly so in water resource development. We too often stumble into a pattern of trying to solve specific problems with special provisions. The purpose of this bill is to expand the New York program and make it available on a national basis.

As I have indicated, I believe this problem of navigational debris is more severe than is generally recognized. Section 210

of Public Law 90–483 directed that the Corps of Engineers study the drift-debris problem. In a 1970 report, the corps concluded that:

Difficulties of some degree occur in over 250 harbors or channels.

The corps found a need to remove "an estimated 3,200 wrecks and countless deteriorated structures, ranging from piles and pile clusters to abandoned piers." While the estimated cost at that time would be $100,000,000, the corps calculated the annual benefits I mentioned earlier, resulting in overall program benefits of $2.20 for every $1 invested.

Such a program of drift and debris removal—at the source, the harbor-front—offers a real opportunity for the Federal Government to work with State and local governments to improve the urban environment. Implementation will both enhance navigational safety and provide a stimulation to removing waterfront decay.

The 1970 corps study included this analysis:

In addition to causing damages and loss to navigation traffic, accumulation of drift hampers the unrestricted use of some waterfront facilities in the area such as marinas and loading docks. It is also a hazard to life and health. It has an unpleasant esthetic effect on the shore front cluttered with debris, decaying marine structures, and abandoned vessels. The full and economic use of the short front for commercial and recreational purposes is hindered.

Present operations are adequate for removal of obstructions to navigation from main ship channels. The need now exists to clean up peripheral areas where drift, debris, deteriorated structures, sunken vessels, and other refuse constitute a hazard to small craft, contribute refuse to channel areas and produce pollution and unsightly conditions.

There is a need for a more extensive program that would extend the operations to include all areas of the harbors and associated channels where debris may be found and including sources of debris onshore that is subject to entering the harbor on high tide or during floods. Those areas above the ordinary high waters are a common depository for refuse material. Under combined high water and wind conditions much of this material enters the waterway. Experience has also demonstrated the need for more positive control of all sources of debris.

Removal of derelict vessels and deteriorated shore structures would substantially reduce floating drift in navigable waters resulting in savings by reducing damages to commercial, public, and recreational vessels due to collision with drift; would enhance the value of certain shore property; would reduce future costs for removal of drift under existing projects; would reduce related costs including demurrage, loss of revenue, crew claims, pilotage, extra stewarding charges, barging, and boat hire.

The goal of any debris-removal program will be the control of drift at its source. And once present sources are removed, future sources could be controlled effectively by local ordinance. It would be my expectation that any community where such a project was developed would have to assure continued maintenance with adequate authority to prevent future deterioration and abandonment.

Section 6 of the bill gives priority to those communities that make known owners of dilapidated piers or other sources of debris repair or clean up that source, then agree to maintain it so that it will not become a future source of drift.

My bill establishes two types of project approval, similar to that provided in other areas of corps authority. In localities where the work could be accomplished for $400,000 or less, the Chief of Engineers could approve the projects administratively, up to a national total of $4,000,000 each year. Projects beyond those limits would have to be submitted for approval by the Congress in the normal pattern.

This bill also requires that the local community provide one-third of the cost of the project, since many of the benefits will be essentially local in character. That is a percentage share identical with that provided in the New York Harbor projects.

Mr. President, I believe this approach is sound. I believe that it deserves careful study. I look forward to having this bill included among those to be considered later this year in hearins for an omnibus water resources development bill. And I hope that this proposal may have an impact in stimulating action on the dormant New York Harbor project.

By Mr. MAGNUSON:

S. 1905. A bill to minimize duplication and to maximize efficiency in health planning and resource development, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. MAGNUSON. Mr. President, I send to the desk two amendments to the new health planning law—Public Law 93–641. The health planning organizational process of Washington State is well underway. Our experience leads me to believe Washington needs these amendments to facilitate implementation of Public Law 93–641.

The new health planning statute—Public Law 93–641—establishes a maximum population for a health service area of 3 million and minimum population of a health service area of 500,000 to be served by a health systems agency. The population of an area may be more than 3 million if the area includes a standard metropolitan statistical area of larger than 3 million. It may be less than 500,000 if he area is a State of less than that population. Also, a waiver may be granted by the Secretary of HEW at the request of a Governor to have a health service area of less than 500,000 under 000 if the area is a State of less than 200,000 under "highly unusual" circumstances. However, there is no authority in the law for the Secretary of HEW to grant a waiver from the upper limit of 3 million in areas without a SMSA of more than 3 million.

The 3 million maximum population limit for a health service area is a somewhat arbitrary limit. This amendment to the health planning law proposes a simple change to provide authority for the Secretary of HEW to grant waivers from this limit "in unusual circumstances" if it is requested by the Governor of a State. In the State of Washington a high percentage of the population of the State lives in the Seattle area. There are substantial questions whether tertiary medical care issues can be adequately addressed for areas outside the four county Seattle-Tacoma region if there is more than one health area.

The Governor believes that designating the entire State as one health service area would best suit the State of Washington's situation. The use of subarea councils within the State and the proposed waiver authority of these amendments would assure: local community input into and decentralization of the health planning process; the maximum effective utilization of health planning agencies; and the elimination of undue duplication in health planning.

Twenty-six States have a population of less than 3 million people and thus meet the population criteria to allow for designation of the entire State as one health service area. Many of these 26 States, and especially the 11 with a population of less than 1 million, see a statewide designation as the most viable and rational health service area designation. These same States plan the establishment of subarea advisory councils, which are provided for in the existing statutory language, to advise the governing body of the health systems agency serving the health service area.

But under current law there is no recourse for States which designate a statewide health service area from the requirement that there be two planning staffs for statewide health planning—one with the Statewide Health Systems Agency and another with the State Health Planning and Development Agency. There is also no recourse in the current law from the requirement that two councils with decisionmaking authority for health planning and resource development be created on a statewide basis. The law requires a governing board of the Statewide Health Systems Agency plus a Statewide Health Coordinating Council with 60 percent of its membership drawn from the Health Systems Agency governing board.

Instead of specifying exactly in statute how this dilemma can be solved my amendments provide authority for the Secretary of HEW to grant waivers as specifically requested by a Governor.

I ask unanimous consent that explanatory materials provided by the Governor of Washington State be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HEALTH SERVICE AREA DESIGNATION PLAN

This Area Designation Plan transmits the official designation of health service areas for the State of Washington made by Daniel J. Evans, Governor, under the provisions of the National Health Planning and Resources Development Act of 1974 (PL 93–641).

STATEWIDE ASPECTS OF THE PLAN

In this official designation, the geographical area circumscribed by the boundaries of the State of Washington is designated as the single health service area (HSA) for Washington. The boundaries of this geographical area are shown in Map 1 on the next page. This designation is made recognizing that such a designation is not allowable under PL 93–641 as currently written. However, as discussed later in this plan, efforts are underway to amend PL 93–641 in ways that would allow a single state HSA for Washington State. Note also that this designation

requires a waiver to divide the Portland SMSA in order to include Clark County in a Washington HSA.

Basic argument

Designating the State of Washington as a single HSA is supported by six basic arguments. Each of these arguments is presented below.

1. The likelihood of implementing an effective health planning and resources development system in Washington will be significantly increased to the extent that function is addressed before structure. A statewide HSA provides maximum flexibility in aligning functional responsibilities in appropriate organizatonal structures as the functions in PL 92-641 become better known through federal regulations, amendments to the act, and further public discussions. As currently written, PL 93–641 emphasizes developing structures before functions are well understood and, consequently, potentially forecloses the opportunity to develop more effective and efficient structures for performing the functions in the act.

2. Health care is a public issue. Decisions affecting health services and resources must solicit public participation, must be made by decision-makers who are accountable to the public, and must be addressed in a setting where the allocation of resources to health is considered in relation to the allocation of resources to other (competing) human concerns. A statewide HSA increases the likelihood that publicly-accountable entities will assume a principle role in HSA and sub-area decision-making. This is true, in large part, by virtue of the fact that the organizational flexibility of a statewde HSA (especially under proposed amendments to PL 93–641) increases the likelihood that conventionally-organized public entities will be able to perform—and thus will be interested in performing—HSA and sub-area health planning and resources development functions. This situation contrasts with the more unorthodox public entities that would have to be created under PL 93–641 to perform such functions if the statewide HSA option were not exercised. In addition, a statewide HSA encourages increased public accountability by permitting a more publicly-accountable process for designing Washington's health planning and resources development system which is described later in this plan.

3. Effective, efficient, and equitable provision of health services requires that health planning and resources development be integrated with other human resources policy development and programming activities. This integration also must occur in the context of a federal-state-local partnership which recognizes the interdependence of policy development and programming at these three levels. Although the single purpose planning and private incorporation orientations of the health systems agencies under PL 93–641 work against such integration, this situation is mollified by a statewide HSA. The Washington health systems agency (serving the statewide HSA) will encourage integration through its statewide perspective and through its position as a "fulcrum" in the federal-state-local partnership described above. Integration will be further increased to the extent that the flexibility in organizing a statewide health systems agency encourages functions being performed by multi-purpose planning entities at the sub-area level.

4. Tertiary health services development and quality of care (in cooperation with Washington's statewide PSRO) are statewide issues in Washington. A statewide HSA enhances a statewide perspective in these areas while encouraging increased sub-area attention to primary and secondary care issues. This is a highly desireable situation in view of the fact that the major focus of sub-area planning and resource development activities will be on precisely those issues which most significantly influence the realization of the national priorities specified in PL 93–641. Furthermore, in view of the fact that people are generally more familiar with primary and secondary care issues, focusing sub-area decision-making on these issues increases the likelihood that the most highly participatory aspect of the new planning and resource development system will be addressing decisions on topics the participants know the most about.

5. A statewide HSA with appropriate sub-area arrangements provides increased sensitivity to both metropolitan and non-metropolitan health areas by not forcing the merger of metropolitan and non-metropolitan areas just to accommodate arbitrary population requirements. A concrete example of this situation is the increased flexibility of a statewide HSA for avoiding the situation in which the four northwest rural counties would be included in the HSA serving the central Puget Sound urban core (which would be the case under any other feasible HSA designation plan). This situation is repeated in other areas of Washington and constitutes a major argument in support of a statewide HSA.

6. A single health systems agency serving a statewide HSA promotes increased efficiency in the use of health planning and resource development resources. More efficient use of planning resources follows from the need to incur fixed costs (i.e. "set-up" costs) for only one as opposed to multiple health systems agencies. This allows the "savings" to be allocated to other planning and resource development functions. More efficient use of resource development resources follows from the flexibility to allocate health systems agency resource development funds and technical assistance to projects around the state based on their merits without being constrained to allocating those resources to sub-state areas following an a priori allocation formula based on population (as would be the case with multiple HSA's).

Consultation

Approximately 800 groups and individuals were formally invited to participate in the process used by the Office of Community Development (OCD) to solicit input regarding HSA designation. This input was made through written comments to the Governor and OCD and through eight public meetings held by OCD throughout Washington (4 in Eastern and 4 in Western Washington).

DEVELOPING THE HEALTH PLANNING AND RESOURCES DEVELOPMENT SYSTEM FOR WASHINGTON

Proposed amendment to PL 93–641

Designation of a statewide HSA and organization of an appropriate health systems agency requires amendments to PL 93–641. The Office of the Governor, in conjunction with the National Governors' Conference (NGC), is proposing the necessary amendments. These amendments are found on the next page. In addition, the Office of the Governor and NGC are actively involved in the development of rules and regulations which are consistent with the proposed amendments.

Basically the amendments address two sets of provisions in PL 93–641 that prohibit the designation of a statewide HSA and the organization of an efficient and effective health systems agency. The first amendment provides for a waiver by the Secretary of HEW of the three million population maximum for an HSA. The second amendment provides for waivers to the structural provisions of PL 93–641 in order to achieve greater flexibility in rationalizing the organizational structures of a state's health planning and resources development system in the case of a statewide HSA. Both amendments are necessary to allow the Secretary to designate a statewide HSA for Washington and to develop a health planning and resources development system meeting the basic tests in the arguments discussed earlier. It is expected that the amendments will pass Congress in time to allow the Secretary of HEW to designate a statewide HSA for Washington in August.

Process for developing the health planning and resources development system for Washington

In order to develop a health planning and resources development system meeting the criteria discussed earlier in the basic arguments, it is essential that local government be an active participant along with the Governor and State Legislature in the process of developing the system. The process to be followed by the Office of the Governor satisfies this need by providing elected officials of local general purpose government with the opportunity to assume major responsibilities in the design of the system.

Basically, the process has two phases which will be conducted simultaneously. This situation follows from the need to address two distinct but highly interdependent sets of decision issues. On the one hand, the Governor and State Legislature must provide the statutory base for the "State Agency" and "Statewide Health Coordinating Council". On the other hand, it is the intent of the Office of the Governor to have local elected officials take a leadership role in addressing the decisions involving sub-area health planning and resources development activities. That the two decision processes must be conducted simultaneously in full view of each other follows from the fact that decisions regarding sub-area activities directly affect the state level decisions and vice versa. Each phase of this process is now discussed in more detail below.

With respect to providing the statutory base in state law for the state level entities required by PL 93–641, the Office of the Governor intends to work with the Legislature to develop a mutually-acceptable proposal that can be considered as early as possible in 1976. As noted above, however, the substance of this activity depends heavily on the sub-area decision issues. For example, the nature and existence of the "Statewide Health Coordinating Council" relates directly to the decisions regarding the nature and existence of the governing board for the statewide health systems agency. The process will continually emphasize such relationships.

With respect to developing the sub-area elements of the health planning and resources development system—including the elements with state level implications—the Office of the Governor intends to rely on local government to manage the public discussion leading to the development of those elements. Basically, local general purpose government elected officials, with the assistance of the Office of the Governor, will be asked to conduct a public discussion and to make recommendations regarding the implementation of PL 93–641 as it affects sub-area decision-making. Examples of decisions to be made include:

1. What are the appropriate functions to be performed at the sub-area level?

2. How should sub-area health planning be integrated with other human resources planning?

3. How can the system be organized to remain sensitive to both metropolitan and non-metropolitan health needs?

4. What organization should be the decision-maker in the performance of sub-area functions?

5. What should be the relationship between the "Statewide Health Coordinating Council" and the governing board of the health systems agency?

In order to address these largely structural issues based on a clear understanding of functions to be performed, a systematic public information campaign and public discussion must be conducted. Local officials will

be asked to manage this discussion, with the assistance of the Office of the Governor, during the summer and early fall. This will lead to recommendations from local government and to decisions regarding the desired health planning and resources development system and the designation of the health systems agency by late fall.

In sum, the process will address two interrelated sets of decisions in two largely simultaneous phases. It will emphasize the development of structure based on function and will be conducted in a public forum managed by accountable public officials. Only in this way can there be any assurance of developing a health planning and resource development system for Washington meeting the six basic criteria discussed at the outset of this plan.

By Mr. CHURCH:

S. 1906. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program. Referred to the Committee on Finance.

THE 8½-PERCENT NURSING DIFFERENTIAL UNDER MEDICARE

Mr. CHURCH. Mr. President, in April the administration announced its proposed plans to terminate the 8½-percent inpatient nursing cost differential for medicare beneficiaries. These regulations were issued last month and will become effective July 1, 1975.

The 8½-percent nursing differential reimbursement originated under regulations promulgated by the Social Security Administration in 1969 to recognize that the cost of providing nursing care for aged patients under medicare was generally greater than providing care for younger patients. This regulation replaced a 2-percent overall allowance for increased costs. A recent study by the Kaiser Foundation revealed that medicare beneficiaries require 14 to 18 percent more nursing care than nonmedicare patients.

Now, 6 years later, administration policy is to change once more. This time, however, no substitute plan is being offered—just complete elimination of the nursing reimbursement provision. Without actual study of the possible ramifications, the administration has arbitrarily reached the conclusion that the differential is no longer justified. They base their decision on two premises: First, there are younger persons now receiving medicare benefits—such as those with chronic renal diseases and the disabled, and second, there has been an increase since 1969 in the number of special care beds where more intensive nursing care is provided.

Even though medicare coverage is now available to disabled persons under 65, this group constitutes less than 8 percent of all medicare beneficiaries. Moreover, no studies have been undertaken to show that these individuals require substantially less nursing attention than aged medicare patients. In the same vein, it has not been demonstrated that the larger number of intensive care units has lessened the amount of attention patients in general care require. In any event, under existing regulations, the nursing differential is not even applied to special care units. The administration's logic is further subject to challenge, because the additional intensive care units are located primarily in larger urban hospitals. These special units are the exception rather than the rule in our smaller rural hospitals. In fact, the majority of medicare patients are still being treated in regular care facilities.

The administration further indicated that the elimination of the differential would result in a savings. It takes only commonsense, however, to recognize that the costs of providing the extra care necessary for elderly patients will not just evaporate into thin air. If the Federal Government reneges on its commitment to pay full costs for all medicare beneficiaries, these expenses will be transferred to other payors—private patients, third-party payors, and medicaid. So it would not be a real saving, but a superficial one.

It is clearly evident that the termination of the nursing differential will have the greatest impact on the rural hospitals which ordinarily do not have special care units. They will experience a greater burden proportionately for each Federal dollar that is withdrawn.

In Idaho for instance, a majority of the hospitals have under 40 beds. They do not have the financial capacity for picking up losses under the medicare program, nor should they be asked to accept such a burden. Several hospital directors have indicated that this administration's policy on medicare is placing Idaho's health care system in jeopardy. As the administrator of the Caldwell Memorial Hospital, Donald Francis, put it to me bluntly:

All hospitals find it impossible to come out even on Medicare, utilizing every crumb tossed us by HEW and Social Security.... But where we (Caldwell Memorial) might live with it (elimination of the 8½ percent differential) by raising prices to regular patients, some smaller, rural hospitals could go under.

In addition, Mrs. Pearl Fryar, administrator of the Caribou Memorial Hospital in Soda Springs, Idaho, recently wrote the Social Security Administration and expressed her opposition to eliminating the 8½-percent differential:

We enjoy taking care of the Medicare patients. They are senior citizens who have given much to the communities in which we live during their productive life time. They deserve the best treatment that we can give them. A reduction in the reimbursement from Medicare of the 8½ percent nursing differential would eliminate the possibility of putting extra help on to provide these extra needs that the Medicare patient has. It would lower the quality of patient care for the Medicare patient. Please do not do this to the hospitals and the patients dependent upon the Medicare program.

The legislation I introduce today would amend medicare to insure that a nursing differential of at least 8½ percent be an allowable reimbursement. Similar legislation has been introduced by Representative HANNAFORD. Over one-third of the House Members have sponsored this proposal. In addition, it is supported by the American Hospital Association, the National Retired Teachers Association-American Association of Retired Persons, the American Nurses Association, and numerous other groups.

The retention of the 8½-percent nursing differential is absolutely vital if we are to have adequate care for elderly patients in rural hospitals. Although urban hospitals would probably not close their doors without these payments, the quality of care for medicare patients would definitely suffer, or the burden of care support would be shifted to other parties; neither alternative is desirable; neither is consistent with the basic purpose of medicare.

During hearings before the Senate Special Committee on Aging on "Barriers to Health Care for Older Americans," it has been determined that the quality of care for seniors must be improved. It is evident to me that the administration's proposal to delete the nursing reimbursement bonus would create only a further impediment to quality health care for medicare patients.

Mr. President, the president of the American Hospital Association, John Alexander McMahon, has written an excellent letter to President Ford outlining the arguments in support of retention of the 8½-percent differential, and I ask unanimous consent that letter be printed in the RECORD.

In addition, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

APRIL 21, 1975.

DEAR MR. PRESIDENT: On behalf of this country's hospitals, and the patients they serve, I urge you to direct the Social Security Administration to withdraw its proposal to terminate the nursing salary cost differential for aged Medicare patients. (40 *Federal Register* 14934, April 3, 1975.)

The Congress has mandated that Medicare costs are to be borne by the Medicare program; Medicare costs are not to be shifted to non-Medicare patients or to providers of health care. The Medicare law, P.L. 89-97, clearly states that "the costs with respect to individuals covered by the [Medicare] insurance programs . . . will not be borne by individuals not so covered . . ." (Section 1861(v)(1). Emphasis is mine.)

By proposing to eliminate the nursing salary cost differential for aged Medicare patients, the Social Security Administration (SSA) apparently intends to do what Congress has expressly forbidden it to do: it proposes to shift, according to its estimates, $120 million of Medicare costs per year to non-Medicare patients or to hospitals. Such a step would be inequitable and unlawful. Non-Medicare patients and the hospitals of this nation can ill afford to assume the financial burden of the Medicare program.

SSA has recognized that aged Medicare patients require greater than average amounts of routine nursing care. Indeed, this fact of hospital life has been an important feature of the Medicare program since July 1, 1969. Because "of the above average cost of inpatient routine nursing care" furnished to aged Medicare patients, the Medicare regulations have provided an 8½ percent salary cost differential on routine nursing provided to these patients. (See 36 *Federal Register* 12306, July 2, 1971). These regulations say:

"Studies have indicated that aged patients . . . on the average, receive inpatient routine nursing care that is more costly on the average per day basis than the average of the remainder of the adult non-maternity patient population. *It is appropriate that the greater costs of providing these services, which are attributable to caring for [Medicare] beneficiaries and which are sufficiently supported by studies,* be recognized by the program and its reimbursement." (Emphasis again is mine.)

What SSA acknowledged in 1971 remains true today. Aged Medicare patients continue to require disproportionately large amounts of nursing care; they continue to incur greater than average routine nursing costs. Yet SSA now proposes to terminate this necessary 8½ percent nursing care differential—without apparent benefit of a single study or a single fact which justifies such action.

SSA offers three explanations for its proposal. (40 *Federal Register* 11934, April 3, 1975.) However, not one of the explanations is relevant, let alone a justification of the action which SSA proposes.

First, SSA notes that since 1972, Medicare benefits have been extended to certain disabled persons and to persons with end-stage renal disease, beneficiaries who are not aged, and who may not require above average routine nursing care. The Medicare program has been so extended. But SSA appears to overlook the fact that only care for *aged* beneficiaries—and not these new Medicare beneficiaries (save a few maternity or pediatric patients)—qualifies for the nursing care differential. Moreover, these new Medicare beneficiaries constitute a very small portion of the Medicare population. There are about 21.4 million aged Medicare beneficiaries, less than 1.8 million disabled Medicare beneficiaries, and only about 21,500 end-stage renal Medicare beneficiaries.

Second, SSA suggests that aged Medicare patients now receive more treatment in intensive care, coronary care and other special care units, where the higher unit nursing costs for such patients are built into the reimbursement formula for treatment in such units. However, the existing regulations expressly take this into account: no routine nursing care differential is now paid for such patients. The growth of special care units provides no justification to eliminate the routine nursing care differential with respect to aged beneficiaries who continue to receive treatment in regular care facilities. Indeed, the vast majority of aged Medicare beneficiaries are still treated in such facilities.

Third, SSA claims that the 1972 changes in Medicare cost apportionment requirements somehow eliminate the need for the nursing care differential. To the contrary, the 1972 changes in cost apportionment—which require separate calculation of routine cost and special care unit cost—assure that the nursing care differential is paid only for routine nursing care of aged beneficiaries. This refined application of the differential is hardly a reason for its elimination. It is an additional compelling reason for its retention.

In short, the nursing care differential is now paid only where it is required, that is, to reimburse hospitals for the disproportionately large amounts of routine nursing care required by aged Medicare beneficiaries. If the Medicare program is to function in accordance with intent of Congress and the Medicare law, if Medicare is to pay its rightful share of hospitals costs, then this differential must be retained.

When the nursing care differential was first adopted, SSA proposed to undertake further studies "to ascertain what variations in differentials should be established" in the future and "to obtain other pertinent data on nursing care costs" in order to assess the continued appropriateness of the 8½ percent factor. 20 C.F.R. § 405.430(c)(1). SSA stipulated that such studies would be a condition precedent to any modification of the differential. To our knowledge, SSA has not conducted any such studies. The American Hospital Association stands ready to cooperate with SSA in planning and executing such studies. But AHA and its members cannot accept elimination of the differential without so much as a single study or other credible evidence showing that it should be modified in any fashion.

On behalf of the hospitals of the United States, I respectfully urge you, Mr. President, to withdraw this baseless, unlawful proposal. Because of their interest, I have taken the liberty of sharing this letter with Caspar W. Weinberger, James B. Cardwell and James T. Lynn.

Sincerely,

JOHN ALEXANDER MCMAHON,
President.

S. 1906

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 1861(v)(1)(A) of the Social Security Act is amended by striking out "and (ii)" and inserting in lieu thereof the following: "(ii) provide in any event for the allowance of an inpatient routine nursing salary cost differential of at least 8½ per centum, as a reimbursable cost of inpatient nursing care, in recognition of the above-average cost of furnishing such care to aged patients, and (iii)".

By Mr. SPARKMAN (by request):

S. 1907. A bill to provide for the participation of the United States in the Financial Support Fund. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to provide for the participation of the United States in the Financial Support Fund.

The bill has been requested by the President of the United States and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD, together with the letter from the President to the President of the Senate dated June 6, 1975.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1907

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Financial Support Fund Act."

ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the new international financial organization (hereinafter referred to as the "Support Fund") provided for by the Agreement Establishing a Financial Support Fund of the Organization for Economic Cooperation and Development (hereinafter referred to as the "Agreement").

ISSUANCE OF GUARANTEES

SEC. 3. (a) The Secretary of the Treasury (hereinafter referred to as "the Secretary") is authorized to issue guarantees, backed by the full faith and credit of the United States, for the purpose of carrying out the financial obligations of the United States under the terms of the Agreement.

(b) There are hereby authorized to be appropriated to the Secretary, without fiscal year limitation, such sums as are necessary to meet obligations on guarantees issued under subsection (a) of this Section, but not to exceed an amount of dollars equivalent to 5,560 million Special Drawing Rights.

LIMITATION ON UNITED STATES OBLIGATIONS TO THE SUPPORT FUND

SEC. 4. The combined total of all obligations of the United States to provide financing to the Support Fund, and payments made under such obligations, shall not exceed an amount, outstanding at any time, of the dollar equivalent of 5,560 million Special Drawing Rights.

AMENDMENTS TO THE AGREEMENT

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall, on behalf of the United States, agree to any amendment of the Agreement which increases the quota of the United States or which otherwise increases the obligations of the United States, or would change the purpose or functions of the Support Fund.

JURISDICTION AND VENUE OF ACTIONS

SEC. 6. For the purpose of any civil action which may be brought within the United States, its Territories or possessions, or the Commonwealth of Puerto Rico, by or against the Support Fund in accordance with the Agreement, the Support Fund shall be deemed to be an inhabitant of the Federal judicial district where it has appointed an agent for service of process, and any such action to which the Support Fund shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States, including the courts enumerated in title 28, section 460, United States Code, shall have original jurisdiction of any such action. When the Support Fund is defendant in any action in a State court, it may, at any time before the trial thereof, remove such action into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

UNITED STATES REPRESENTATION TO THE SUPPORT FUND

SEC. 7. The Secretary shall represent the United States on the Governing Committee of the Support Fund. The Secretary may delegate this function pursuant to Reorganization Plan No. 26 of 1950 (5 U.S.C. App. 544), and may select an alternate.

STATUS, IMMUNITIES, AND PAIVILEGES

SEC. 8. The Agreement, and particularly article XVII, shall have full force and effect in the United States, its Territories and possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in, and the establishment of, the Support Fund.

SECURITIES ISSUED BY THE SUPPORT FUND AS INVESTMENT SECURITIES

SEC. 9. (a) The last sentence of paragraph 7 of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), is amended by striking the word "or" after the words "the Inter-American Development Bank" and inserting a comma in lieu thereof and by inserting after the words "the Asian Development Bank" the words "or the Financial Support Fund".

(b) In order to implement Article VIII, Section 6(c) of the Agreement, any obligations or securities issued by the Support Fund are deemed to be lawful investments of any person, partnership, association, fund, institution or corporation, to the same extent as obligations of the International Bank for Reconstruction and Development are lawful investments, any other law notwithstanding.

SECURITIES ISSUED BY THE SUPPORT FUND AS EXEMPT SECURITIES; REPORT FILED WITH SECURITIES AND EXCHANGE COMMISSION

SEC. 10. (a) Any securities issued by the Support Fund shall be deemed to be ex-

empted securities within the meaning of paragraph (a)(2) of section 3 of the Act of May 27, 1933, as amended (15 U.S.C. 77c), and paragraph (a)(12) of section 3 of the Act of June 6, 1934, as amended (15 U.S.C. 78c). The Support Fund shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Support Fund and its operations and necessary in the public interest or for the protection of investors.

(b) The Securities and Exchange Commission, acting in consultation with such agency or officer as the President shall designate, is authorized to suspend the provision of subsection (a) at any time as to any or all securities issued by the Support Fund during the period of such suspension. The Commission shall include in its annual reports to Congress such information as it shall deem advisable with regard to the operations and effect of this section and in connection therewith shall include any views submitted for such purpose by any association of dealers registered with the Commission.

THE WHITE HOUSE,
Washington, D.C., June 6, 1975.

DEAR MR. PRESIDENT: I am today transmitting legislation to authorize participation by the United States in a new, $25 billion Financial Support Fund. This Fund would be available for a period of two years to provide short- to medium-term financing to participating members of the Organization for Economic Cooperation and Development (OECD) which may be faced with extraordinary financing needs.

The proposal for a Financial Support Fund originated in suggestions put forward independently by the United States and the Secretary General of the OECD as part of a comprehensive response to the economic and financial problems posed by severe increases in oil prices. Establishment of the Support Fund has been agreed upon, subject to necessary legislative approval, by all members of the OECD except Turkey, which has not yet signed the Agreement. The Support Fund represents, in my view, a practical, cooperative and efficient means of dealing with serious economic and financial problems faced by the major oil importing nations.

A Special Report on the Fund, prepared by the National Advisory Council on International Monetary and Financial Policies, accompanies this legislation. I fully endorse the Council's strong recommendation for U.S. participation in the Fund, and I urge prompt Congressional action to authorize that participation.

The financial problems arising from the oil price increases are expected to be transitional, although the real costs imposed by those price increases will remain. These financial problems do not reflect the inability of oil-importing nations as a group to obtain needed financing, because the investable surpluses of the oil-exporting nations are available to them in the aggregate. Rather, the problems arise from the possibility that despite satisfactory operation of the system as a whole, an individual nation will not be able to obtain, on reasonable terms, the external financing it needs to maintain appropriate levels of domestic economic activity. This inability might also lead to imposition of inappropriately restrictive policies on international trade and capital movements. If permitted to begin, recourse to such policies could spread quickly, severely disrupting the world economy and threatening the cooperation of oil-importing nations on energy matters and broader economic issues.

The private financial markets and other existing sources of financing are expected to continue to perform well, and it is our hope that these potential dangers will never materialize. However, this risk remains. It is common to all countries, and it must be faced. The Support Fund is designed to encourage cooperation among the major countries in energy and general economic policies, and to protect against this common risk by assuring fund participants that needed financing will be available on reasonable terms.

In essence, the Financial Support Fund represents an arrangement under which all participants agree to join in assisting one of their members if an extreme need develops. As such, the Financial Support Fund will serve as an insurance mechanism or financial "safety net," backstopping and thus strengthening other sources of financing. Its objective is to provide assurance that financing will be available in a situation of extraordinary need, rather than to supplant other financing channels or to provide financing on generous terms.

Participants must make the fullest appropriate use of other sources before turning to the Support Fund. Loans by the Support Fund will be made on market-related terms and will require specific policy conditions in the energy and general economic areas. Support Fund loans will thus contribute directly to cooperative energy policy and to correction of the borrower's external financial difficulties. A further provision, of major importance in such a mutual support arrangement, requires that all risk involved in loans by the Support Fund will be shared equitably by all participants on the basis of pre-determined quotas, as will all rights and obligations of members with respect to the Fund. The terms of the Financial Support Fund therefore assure it will not become a regular operating part of the world's financial machinery or be used as a foreign aid device.

The proposed United States quota in the Support Fund—which will determine U.S. borrowing rights, financial obligations, and voting power in the Fund—is 5,560 million Special Drawing Rights (SDR), or approximately $6.9 billion. This quota represents 27.8 percent of total quotas in the Fund. The legislation I am proposing today will permit the United States to participate in the Fund up to its SDR quota, by authorizing the issuance of guarantees by the Secretary of the Treasury. It is intended that any United States contributions will be primarily, if not exclusively, in the form of guarantees to permit the Support Fund to borrow in world capital markets as necessary to meet its lending needs. Most other members also intend to use this guarantee technique. This approach removes the need for the $7 billion in 1976 appropriations for the Support Fund, as proposed in the budget, and will also reduce outlays by $1 billion.

Only if a borrower from the Support Fund failed to meet the payments on its obligations would the United States be required to transfer funds as a result of its guarantees. In that unlikely event, the resources of the Exchange Stabilization Fund (ESF) would be used to fulfill the requirements of immediate payment on the guarantees. Should it appear desirable, in light of economic and other conditions, for the United States to make direct loans to the Support Fund, these could also be provided from the ESF in accordance with existing statutory authority. This new legislation provides for appropriations to be used to replenish ESF resources to the extent the Stabilization Fund is used for these purposes. In no event will U.S. financial obligations to the Support Fund exceed the dollar value of its quota.

The Financial Support Fund Agreement was signed on April 9. OECD member countries are now seeking legislative and other authority needed to enable them to participate. While the problems the Support Fund is designed to deal with are temporary, the need for the Fund is nonetheless real and immediate. I urge the Congress to act promptly to enable the United States to join in this major instrument of international financial cooperation.

Sincerely,

GERALD R. FORD.

By Mr. TUNNEY (for himself, Mr. HOLLINGS, Mr. MAGNUSON, Mr. Moss, and Mr. STEVENSON):

S. 1908. A bill to regulate commerce by directing the Secretary of Commerce to establish and maintain an industrial energy conservation program, and for other purposes. Referred to the Committee on Commerce.

INDUSTRIAL ENERGY CONSERVATION ACT OF 1975

Mr. TUNNEY. Mr. President, today I am introducing, on behalf of myself and Senators MAGNUSON, HOLLINGS, Moss, and STEVENSON, the Industrial Energy Conservation Act of 1975. This act would stimulate energy conservation in the industrial sector in several ways. First, a program under the Secretary of Commerce would provide for surveys of major industrial energy-consuming industries and identify, on the basis of those surveys, possibilities for significant energy conservation in those industries. Goals and targets would be established on the basis of those surveys and the industrial firms would be required to report progress toward achieving those goals to the Secretary of Commerce. Second, a supportative program administered by the Energy Research and Development Administration would provide basic and applied research and development required to assure achievement of maximum conservation potential. Demonstrations of R. & D. results would also be provided for under this program. The third program would provide financial incentives, in the form of loans and loan guarantees, to promote industrial conversion to proven energy-efficient technologies.

The potential for energy conservation in industries is very large. The industrial sector as a whole uses about 40 percent of the energy consumed in this country and two-thirds of that is attributable to the activities of just six major industries. This means that even small-percentage improvements in the efficiencies of these industries will mean savings of large amounts of energy. An American Physical Society study in 1974 points out that most industrial processes fall far short of the theoretical limits for most efficient operation. Without going into the details of that study I can illustrate where some of the potential for improvement exists. Many processes involve the use of large amounts of steam. At the output end of the process the used steam is often discarded when it still has a very large energy content. In some cases this could be used for other heating purposes inside the plant or could even be used to generate electricity to fill in-house requirements. The potential for saving in such a procedure—known as cogeneration—is large enough that some firms could actually sell electricity as a byproduct of their operation. A study just being completed for the National Science Foundation finds that as much as 700,000 barrels of oil per day could be saved by industrial cogeneration of electricity.

Since the potential for energy conservation is so large in the industrial sector, the financial savings which go along with that savings are also considerable. This should be a natural incentive for the adoption of conservation measures by industries. In many cases that incentive will be great enough that once the potential is made known—through the survey mechanism—the initiative to act will be automatic. In some cases however there will be substantial capital requirements to adopt energy conserving processes which will discourage that adoption. The loan and loan guarantee provisions of this act would help overcome that disincentive.

A report of the Thermo-Electron Corp. estimates that the capital costs which would be required to effect approximately a 25-percent energy savings across the board in the industrial sector would be at least $25 billion less than the capital costs required to keep the old technology and develop corresponding new supplies of energy. It is quite clear that even as we search for new energy sources our national interest requires energy conservation.

Mr. President, this bill represents one component in the effort our Nation must put forth in dealing with our energy problems. It is a very important component, and I hope that it will receive priority consideration by the Congress. Mr. President, I ask unanimous consent that the text of the Industrial Energy Conservation Act of 1975 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Industrial Energy Conservation Act of 1975".

DECLARATION OF POLICY

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) The energy producing facilities and resources available to American industry are and will remain essentially limited.

(2) Intensive exploration for, and development of, new and alternative energy-producing facilities and resources are essential, but they will not meet the Nation's demand for energy if that demand continues to increase at the same rate as it has.

(3) As a consequence, the conservation of energy is absolutely necessary.

(4) Industry consumes more energy than any other sector of American society. Industry accounts for an estimated 40 percent of present energy use.

(5) Substantial energy savings can be achieved by industry by implementing more efficient operating practices with respect to existing and currently used equipment and technologies, and by adopting known new energy efficient technologies. Fuel consumption by major sectors of industry could thus be reduced by as much as one-third.

(6) Other important energy conserving industrial technologies could be readily made available with further research and development, and, these new technologies could result in even greater energy savings by industry.

(7) Rapid development and cost-effectiveness demonstrations, and widespread application by industry, of energy efficient technologies can be facilitated by Federal financial assistance in the form of research, development, and demonstration projects and through incentives to companies that invest in such technologies.

(b) PURPOSES.—It is the purpose of the Congress in this Act to provide for such reports, targets, monitoring, research and development, and financial assistance as may be necessary—

(1) to increase the energy efficiency of industrial activities in the United States by at least 15 percent by January 1, 1980, and by 30 percent by January 1, 1985, by comparison with the energy efficiency of comparable activities during 1974;

(2) to reduce the amount of energy utilized in the United States by the maximum amount technologically and economically feasible within each major industry in the manufacturing sector, consistent with economic recovery; and

(3) to foster and promote, through Federal financial assistance, innovation and experimentation in the development of energy-efficient industrial technologies, and joint and cooperative efforts between government technicians, engineers, and researchers and their counterparts in private industries and institutions, for the purpose of (A) determining and analyzing industrial energy usage patterns; (B) promoting research into, and general adoption of, viable energy-conserving industrial technologies; and (C) exploring new ways for reducing industrial consumption of scarce energy resources without diminishing output or productivity and without further impairing currently depressed sectors of the economy;

DEFINITIONS

SEC. 3. As used in this title, the term—

(1) "Administrator" means the Administrator of the Energy Research and Development Administration;

(2) "chief executive officer" means the person with top operational responsibility within a major company;

(3) "depressed industrial area" means an area, as designated by the Secretary of Labor, with a population of not less than 5,000 persons, in which—

(A) the rate of employment, as determined by such Secretary of Labor,

(i) is greater than 6.5 percent; or

(ii) has been at least 50 percent above the national average for 2 of the preceding 3 calendar years; or 60 percent above the national average for 3 of the preceding 4 calendar years; and

(B) there exist industrial sources of employment which have reduced the number of persons employed due to adverse economic or commercial circumstances, and which sources may be expected to increase labor employment upon receipt of such assistance as may be available under this Act.

The Secretary shall compile a list of such areas and shall periodically add to such list, but no area, once listed, shall be removed therefrom unless and until the rate of unemployment in such area has fallen below 5 percent.

(4) "energy efficiency" means the amount of industrial output, as defined by the Secretary, divided by the amount of energy or fuel required to produce such output;

(5) "industry" means that classification of an economic unit set forth in the Standard Industrial Classification (SIC) Manual by an SIC industry code number on the basis of its primary activity which the Secretary determines is the classification best suited to carry out the purposes of this Act;

(6) "major company" means a company which spends at least $500,000 a year for fuel and electricity;

(7) "paragraph" means a paragraph of the subsection in which the term is used;

(8) "Secretary" means the Secretary of Commerce or his delegate; and

(9) "subsection" means a subsection of the section in which the term is used.

INDUSTRIAL ENERGY EFFICIENCY PROGRAM

SEC. 4. (a) IDENTIFICATION OF INDUSTRIES.—The Secretary shall, within 30 days after the date of enactment of this Act, identify those industries for which energy efficiency surveys shall be conducted in accordance with subsection (b). The Secretary shall also establish a priority ranking of such industries for the purpose of determining the order in which such surveys shall be conducted.

(b) ENERGY EFFICIENCY SURVEYS.—The Secretary shall conduct energy efficiency surveys in accordance with this subsection, for the purpose of compiling information with respect to—

(1) the major energy consuming industrial processes utilized within each industry identified by the Secretary under subsection (a). Relevant data, information, and comments thereon shall be requested from each such industry and from each major company within each such industry;

(2) the levels of energy efficiency currently achieved with respect to each such process within each such industry and company;

(3) the maximum levels of energy efficiency which it would be technically and economically feasible for each such industry and company to achieve with each such process, or with an alternative and equivalent such process, by January 1, 1980; and

(4) the prerequisites to achieving such improvements in energy efficiency by such date, including the technologies that would be uesd, any capital requirements or conversion expenses necessary to begin using such technologies, and any obstacles to be overcome and problems to be solved before such technologies could be used and such improvements in energy efficiency achieved.

Such surveys shall be conducted (A) within 90 days after the date of enactment of this Act, for at least six of the industries identified by the Secretary under subsection (a); and (B) within one year after the date of enactment of this Act, for all industries so identified. Other Federal agencies, industrial firms, and trade associations shall cooperate with the Secretary by providing needed information. The Secretary shall seek the cooperation and assistance of, and request comments from, appropriate professional and technical societies, members of the academic community, and other interested persons. Each such survey shall be continuously reviewed, evaluated, and updated upon the basis of new research, data, and other information.

(c) INDUSTRIAL ENERGY EFFICIENCY TARGETS.—Within 60 days after the energy efficiency survey for an industry is completed, and upon the basis of the information developed, collected, and compiled under subsection (b), and comments thereon, the Secretary shall set and publish an Industrial Energy Efficiency Target for such industry, and, where appropriate, for some or all of the major energy consuming industrial processes utilized within such industry. Each such target shall represent the maximum energy efficiency which is technologically and economically achievable by the applicable industry or process by January 1, 1980, and by January 1, 1985. In setting any such target, the Secretary shall give due regard, to cost and benefit assessments as to alternative approaches, designs, methods, applications, and consequences. The Secretary may, for cause shown, modify any such target from time to time.

(d) ENERGY CONSERVATION REPORT.—The chief executive officer of each major company shall, on January 1, 1976, and annually thereafter, report to the Secretary on the progress made and expected to be made, by the company of which he or she is the highest officer, toward meeting the purposes of this Act and such company's proportionate share of any applicable Industrial Energy Efficiency Target. Each such report shall be

made on a simplified form to be provided by the Secretary. Each such officer shall personally attest, as part of each such report, that the company involved has instituted, and is conducting, specified energy savings programs that are designed and expected, at a minimum, to achieve such purposes and proportionate share.

(e) ANNUAL REPORT.—The Secretary shall prepare and submit to the Congress and the President an annual report on industrial energy efficiency developments and projections. Such report shall be submitted by June 1 of each year, starting in 1976, and shall include, but not be limited to—

(1) a summary of the progress made since any previous such report toward achievement of the national goal set forth in section 2(b)(2) of this Act;

(2) a summary of the progress made since any previous such report, toward meeting each applicable Industrial Energy Efficiency Target established in accordance with subsection (c); and

(3) recommendations for any additional legislation or other action.

(f) ASSISTANCE.—The Secretary shall establish and maintain a clearinghouse for information, technologies, techniques, data, and ideas for improving industrial energy efficiency. The Secretary shall provide such assistance as may be necessary to State and local government entities, trade associations, and companies requesting assistance in improving industrial energy efficiency and in meeting any Industrial Energy Efficiency Target. The Secretary shall coordinate the activities of the Department of Commerce with the relevant energy conservation and developmental activities of the Federal Energy Administration. The Energy Research and Development Administration, and other Federal, State, and local government agencies, and of private industry, in order to avoid duplication of effort and misuse of resources.

(g) ENFORCEMENT.—The chief executive officer of each major company who fails to complete and submit to the Secretary an annual progress report in accordance with subsection (d) shall be subject to a $10,000 civil penalty upon a determination by the Secretary of such failure. Such a civil penalty may not be paid by the company of which such violator is the chief executive officer.

PUBLIC DISCLOSURE OF INFORMATION

SEC. 5. The Secretary shall disclose to the public the information obtained under this Act except that any information which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, which, if disclosed, would result in significant competitive damage, shall not be disclosed to the public (other than to officers or employees concerned with carrying out this title). Nothing in this subsection shall authorize any information to be withheld by the Secretary, or any person subject to the Secretary's direction or control, from any duly authorized committee of the Congress.

RESEARCH AND DEVELOPMENT

SEC. 6. (a) GENERAL.—The Administrator shall establish and maintain a comprehensive program for research, development into, and demonstration of, energy conserving industrial technologies. This program shall include—

(1) basic and applied research into such technologies to be conducted by, or sponsored by the Administrator;

(2) the construction, fabrication, or other development by the Administrator, or by private persons or organizations under contract with the Administrator, of prototypes or demonstration models of such technologies and associated facilities;

(3) the making of grants to private organizations and businesses to facilitate the incorporation of such energy conserving technologies into ongoing commercially conducted industrial enterprises and processes, on the express condition that—

(A) grant recipients allow such incorporation to serve as a model or demonstration facility for other persons in the same or other industrial fields; and

(B) grant recipients will be responsible for that part of such facility or process or any part thereof which may be deemed conventional, the Administrator funding only those parts of such facility which may be designated to be for the purpose of research, development, or implementation of innovative, experimental, or non-conventional energy conserving industrial technologies. However, nothing in this section shall be deemed to prohibit total funding by the Administrator should the Administrator certify that special circumstances warrant such funding.

(b) PRIORITIES.—In reaching decisions regarding the directions, priorities, activities, and operation of the industrial energy conservation program, and in selecting contract and grant recipients thereunder, the Administrator shall give due regard, wherever possible, to the following factors and criteria:

(1) the extent to which a given project, contract, or grant shows potential for contributing toward a realization of any industrial energy efficiency target established pursuant to this Act for those industries which are the most energy intensive, including but not limited to—

(A) the extraction and production of iron, steel, and aluminum;

(B) petroleum and petrochemical refining;

(C) the manufacture of paper, paperboard, cement, plastics, glass, styrene butadiene rubber, fertilizer production; and

(D) food processing;

(2) the extent to which a given demonstration project is directed at encouraging the widespread adoption of applicable technologies and processes which are temporally close to commercialization with special emphasis on the following areas:

(A) heat transfer technology and waste heat recovery;

(B) low temperature heat applications;

(C) industrial steam and combined steam electricity production technology;

(D) new manufacturing processes;

(E) increased operational and procedural efficiency; and

(F) decentralization of electrical generation;

(3) the extent to which a given project, contract or grant will result in benefits to health, safety, or the environment.

(c) REGULATIONS.—In furtherance of the above cited objectives and goal, the Administrator shall promulgate such rules and regulations, as in the Administrator's discretion, may be deemed necessary to implement the purposes of this Act.

(d) COORDINATION.—In the promotion and development of the program required by this section, the Administrator shall cooperate and coordinate his activities with those of appropriate Federal, State, and local agencies and institutions, and with other public and private organizations and institutions.

LOANS AND LOAN GUARANTEES

SEC. 7. GENERAL.—The Secretary is authorized, in accordance with the provisions of the Act, to make loans, and to guarantee the payment of loans and other obligations, for the purchase, construction, operation, or maintenance of energy efficient equipment or facilities.

PRIORITIES FOR LOANS AND GUARANTEES

SEC. 8. In selecting recipients for loans and loan guarantees under this Act, the Secretary shall give due regard, wherever possible, to the following factors and priorities:

(1) the extent to which a given loan recipient is located within a depressed industrial area, as defined in section 3.(3), and the extent to which the making or guaranteeing of a loan will contribute to the achievement of a target established pursuant to section 4.(c) of this Act, and will alleviate unemployment and contribute to general or local economic development recovery;

(2) the extent to which a given loan or loan guarantee is directed at encouraging the widespread adoption of applicable technologies and processes which are temporally close to commercialization with special emphasis on those areas specified in section 6(b)(2) of this Act;

(3) the extent to which increased energy efficiency may be attained by the modernization of existing plants and equipment, rather than by replacement, with a focus on fuel management and the introduction of fuel-conservation-oriented equipment;

(4) the extent to which a given loan will be recoverable by the Federal Government, either directly, by the repayment of loans, and indirectly, by an increase in Federal revenues resulting from the economic or industrial growth induced by such loan;

(5) the extent to which a given loan will afford small businesses every reasonable and adequate opportunity to participate in the economic and technological benefits of the overall program; and

(6) the extent to which a given loan will result in benefits to health, safety, or the environment.

LOAN AND LOAN GUARANTEE REGULATIONS

SEC. 9. (a) In furtherance of the above cited factors and criteria, the Secretary shall—

(1) to the extent reasonable and practicable, allocate at least 60 percent of the funds available for loans and loan guarantees pursuant to this Act to recipients located within depressed industrial areas;

(2) promulgate and enforce such rules and regulations as may be necessary to avoid unjust enrichment, fiscal irresponsibility, and economically irrational allocations of resources, and necessary rules and regulations governing the allocation of, qualifications for, obligations to be incurred, and conditions to be imposed with respect to loans, including, but not limited to, rules and regulations specifying—

(A) conditions governing the eligibility and selection of, and performance standards for, each type or category of loan recipient;

(B) requirements for partial or complete matching contributions of funds, facilities, or resources for receipt of such forms or types of loans as the Secretary may specify;

(C) rates of interest, time and method of repayment, and other terms and conditions of loan obligations;

(D) methods and criteria for the cancellation or compromising of such loan obligations, such cancellation or compromising to be limited to those situations where and to the extent that, in the judgment of the Secretary, a loan recipient requires such cancellation or compromise because of insolvency resulting from the failure of the energy conserving technology implemented by such recipient to be or to prove economically viable, or to produce a reasonable return on the recipient's investment in such technology;

(E) reporting, demonstration, and monitoring requirements for loan recipients;

(F) conditions for visits to the plants or facilities of loan or loan guarantee recipients by the Administrator and others; and

(G) penalties for violation of any rule or regulation, or of any loan condition, which penalties may include—

(i) immediate cancellation of such loan, with recovery of part of all of any funds advanced to a recipient thereof; and

(ii) a civil penalty not to exceed $5,000 per violation.

(b) LOAN GUARANTEES.—The Secretary is authorized, in accordance with the provisions of this section and such rules and regulations as he shall prescribe, to guarantee and to make commitments to guarantee the payment of interest on, and the principal balance of, a loan or other obligation incurred by any institution, organization, corporation, partnership, or individual for the purpose of financing installation or construction of full-scale operational energy efficient equipment or facilities: *Provided*, That (1) the outstanding indebtedness guaranteed under this Act shall at no time exceed $500,000,000; and (2) no guarantee or commitment to guarantee shall be undertaken under this Act after September 30, 1977. Each application for such a guarantee shall be made in writing to the Secretary in such form and with such content and other submissions as the Secretary shall prescribe to reasonably protect the interests of the United States. Each guarantee and commitment to guarantee shall be extended in such form, under such terms and conditions, and pursuant to such regulations as the Secretary deems appropriate. Each guarantee and commitment to guarantee shall inure to the benefit of the holder of the obligation to which such guarantee or commitment applies. The Secretary is authorized to approve any modification of any provision of a guarantee or of a commitment to guarantee such an obligation, including the rate of interest, time of payment of interest or principal, security, or any other terms or conditions, upon a finding by the Secretary that such modification is equitable, not prejudicial to the interests of the United States, and has been consented to by the holder of such obligation.

(c) CRITERIA.—The Secretary shall make a guarantee, or a commitment to guarantee, under subsection (a), with respect to a facility, only if such facility will be constructed, operated, and maintained in accordance with any applicable standards or regulations duly issued by the Secretary, and upon a finding by the Secretary that no other means of financing or refinancing such facility is reasonably available to the applicant.

(d) CHARGES.—(1) The Secretary shall charge and collect such amounts as he may deem reasonable for the investigation of applications for a guarantee, for the appraisal of properties offered as security for a guarantee, and for the issuance of commitments to guarantee.

(2) The Secretary shall collect such reasonable fees and charges as he shall determine for a loan or other obligation guaranteed under this section.

(e) VALIDITY.—No guarantee or commitment to guarantee an obligation entered into by the Secretary shall be terminated, canceled, or otherwise revoked, except in accordance with reasonable terms and conditions prescribed by the Secretary. Such a guarantee or commitment to guarantee shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Such a guarantee or commitment shall be valid and incontestable in the hands of a holder as of the date when the Secertary entered into the contract of guarantee or commitment to guarantee, except as to fraud, duress, mutual mistake of fact, or material misrepresentation by or involving such holder.

(f) DEFAULT.—(1) If there is a default by the obligor in any payment of interest or principal due under an obligation guaranteed by the Secretary under this section, and such default has continued for 60 days, the holder of such obligation or his agents have the right to demand payment of such unpaid amount from the Secretary. Within such period as may be specified in the guarantee of related agreements, but not later than 45 days from the date of such demand, the Secretary shall promptly pay to the obligee or his agent the unpaid interest on, and the unpaid principal of, the obligation guaranteed by the Secretary as to which the obligor has defaulted, unless the Secretary finds that there was no default by the obligor in the payment of interest or principal or that such default has been remedied.

(2) If the Secretary makes a payment under paragraph (1), he shall have all rights specified in the guarantee or related agreements with respect to any security which he held with respect to the guarantee of such obligation, including, but not limited to, the authority to complete, maintain, operate, lease, sell, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements.

(3) If there is a default under any guarantee or commitment to guarantee an obligation, the Secretary shall notify the Attorney General. Upon such notification, the Attorney General shall take such action against the obligor or any other parties liable thereunder as is, in his discretion, neccessary to protect the interests of the United States. The holder of such obligation shall make available to the United States all records and evidence necessary to prosecute any such suit.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 11. (a) There are authorized to be appropriated to the Secretary for carrying out the provisions of sections 3, 4, and 5 of this Act such sums as are necessary, not to exceed $2,000,000 for the fiscal year ending June 30, 1976, not to exceed $500,000 for the transitional fiscal quarter ending September 30, 1976, not to exceed $2,000,000 for the fiscal year ending September 30, 1977, and not to exceed $2,000,000 for the fiscal year ending September 30, 1978.

(b) There are authorized to be appropriated to carry out the purposes of section 6 of this Act, funds not to exceed $55,000,000 for the fiscal year ending June 30, 1976, not to exceed $20,000,000 for the transitional fiscal quarter ending September 30, 1976, and not to exceed $100,000,000 for the fiscal year ending September 30, 1977.

(c) There are authorized to be appropriated to the Secretary for the purpose of making loans under this Act, such sums as are necessary not to exceed $22,500,000 for the fiscal year ending on June 30, 1975; $45,000,000 for the fiscal year ending on June 30, 1975; $22,500,000 for the transitional fiscal quarter ending on September 30, 1976; and $45,000,000 for the fiscal year ending on September 30, 1977.

(d) There are authorized to be appropriated to the Secretary such sums as are necessary, not to exceed $500,000,000, to pay any amount required to be paid by reason of a default on any loan or other obligation guaranteed under section 10 of this Act.

By Mr. INOUYE:

S. 1909. A bill to amend section 5066 of the Internal Revenue Code of 1954 with respect to the withdrawal of distilled spirits from foreign trade zones for domestic consumption by foreign diplomats. Referred to the Committee on Finance.

Mr. INOUYE. Mr. President, I am introducing today for appropriate reference a bill to amend section 5066 of the Internal Revenue Code of 1954 to permit the withdrawal of distilled spirits from foreign trade zones for domestic consumption by foreign diplomats and their families. Under the current law, which was amended in 1970, distilled spirits were allowed to be withdrawn from customs bonded warehouses for this purpose. However, through some oversight, foreign trade zones were omitted from the act. This bill is simply designed to extend to trade zones the same treatment which is currently accorded bonded warehouses.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1909

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5066 (b) of the Internal Revenue Code of 1954 is amended to read as follows:

"(b) WITHDRAWAL FROM CUSTOMS BONDED WAREHOUSES OR FOREIGN TRADE ZONES.—Notwithstanding any other provisions of law, distilled spirits entered into customs bonded warehouses under the provisions of subsection (a), domestic distilled spirits transferred to customs bonded warehouses under section 5521 (d)(2), distilled spirits bottled in bond for export under the provisions of section 5233 and withdrawn from bonded premises under section 5214 (a)(8) for transfer to a foreign trade zone, or distilled spirits stamped or restamped, and marked, especially for export under the provisions of section 5062 (b) and shipped to a foreign trade zone, may, under such regulations as the Secretary or his delegate may prescribe, be withdrawn from such warehouses or from such foreign trade zones for consumption in the United States by and for the official or family use of such foreign governments, organizations, and individuals who are entitled to withdraw imported distilled spirits from such warehouses or zones free of tax. Distilled spirits transferred to customs bonded warehouses or foreign trade zones under the provisions of this section shall be entered, stored, and accounted for in such warehouses or zones under such regulations and bonds as the Secretary or his delegate may prescribe, and may be withdrawn therefrom by such governments, organizations, and individuals free of tax under the same conditions and procedures as imported distilled spirits."

(b) Section 5066 (c) of such Code is amended by inserting immediately after "warehouses" the following: "or foreign trade zones".

(c) Section 5066 (c) is amended by inserting immediately after "warehouses" the following: "or foreign trade zones".

(d) The amendments made by this Act apply with respect to distilled spirits entered into a foreign trade zone after 90 days after the date of enactment of this Act.

By Mr. HARTKE (for himself and Mr. STONE):

S. 1911. A bill to amend title 38, United States Code, to provide certain persons insured under servicemen's group life insurance, SGLI, with a choice of conversion to either an individual term or whole life insurance policy or veteran's group life insurance policy upon the expiration of their Servicemen's Group Life Insurance coverage, and for other purposes. Referred to the Committee on Veterans' Affairs.

VETERANS INSURANCE AMENDMENTS ACT OF 1975

Mr. HARTKE. Mr. President, today I introduce, for myself and for the diligent chairman of the Subcommittee on Housing and Insurance (Mr. STONE), a bill to be known as the Veterans Insurance Amendments Act of 1975. Senator STONE, who has shown a keen interest in veteranes legislation since his appointment to the committee, which I am privileged to chair, has indicated that he intends to hold general oversight hearings on the insurance program as well as this measure in the near future.

Mr. President, the bill which I introduce today would make a number of amendments some technical in nature, to further improve the veterans' insurance program. As my colleague will recall, the Veterans' Affairs Committee conducted

extensive hearings last year which resulted in the adoption of my bill, the Veterans Insurance Act of 1974 (P.L. 93-289). As enacted, Public Law 93-289:

First, provided full-time coverage under servicemen's group life insurance for all members of the Ready Reserves, National Guard, and certain members of the Retired Reserves who are under 60 years of age and have completed at least 20 years of satisfactory service;

Second, provided for the automatic conversion of servicemen's group life insurance to a nonrenewable 5-year term policy to be known as veterans' group life insurance effective the day coverage under servicemen's group life insurance expires for the veteran—120 days after discharge from military service. Also any person whose coverage under servicemen's group life insurance terminated less than 4 years prior to the date veterans' group life insurance became effective shall be eligible for coverage under veterans' group life insurance for a period equal to 5 years less the time elapsing between the termination of his servicemen's group life insurance policy and the effective date of the veterans' group life insurance;

Third, increased the maximum amount of life insurance coverage under servicemen's group life insurance and veterans' group life insurance from $15,000 to $20,000;

Fourth, authorized the return of excess premiums paid by Korean conflict veterans for veterans' special term life insurance as a dividend to the insureds; and

Fifth, provided permission to the service Secretaries of the Army and Air Force to establish an allotment system for members of the National Guard if requested by the separate States for the purpose of paying group life insurance premiums sponsored by the State military department or the State Guard Association. However, no Guardsman would be required as a matter of law to take the State- or Guard-Association-sponsored life insurance or to use the allotment provision.

Mr. President, briefly, the measure introduced today would improve upon that act by accomplishing the following: First, it would amend current law to provide that in exercising statutory conversion rights from a Government-administered life insurance to a policy offered by a participating commercial life insurance company, a veteran has the option of choosing a term policy in addition to a whole life policy currently authorized. Second, S. 1911 would clarify congressional intent by specifying that these statutory conversion rights also become operative immediately following a veteran's declining coverage under veterans group life insurance, VGLI. The VA presently interprets the law in such a manner that if a veteran declines VGLI coverage he does not have the right to convert to a private policy generally until expiration of the normal 5-year period, which VGLI is intended to cover.

Finally, the bill would extend for an additional year the period in which veterans made retroactively eligible for VGLI coverage by the Veterans Insurance Act of 1974 may apply for such coverage.

Mr. President, I believe it would be valuable to briefly examine each of these proposed amendments.

First, the bill introduced today would expand options available to the veteran when exercising his statutory conversion rights to purchase a policy offered by a participating private life insurance company following termination of his Government-supervised term life insurance. My colleagues may recall that servicemen's group life insurance, SGLI, was first authorized in 1965 by Public Law 89-214. Under this program low-cost term insurance, which is administered by private insurance companies and supervised by the Veterans' Administration, is offered to all active duty servicemen. Any additional cost occasioned by hazardous military duty is absorbed by the Government so that the insured serviceman continues to pay regular low term rates. The servicemen's group life insurance program is administered by Prudential Life Insurance Co., Newark, N.J., as primary insurer through a contractual arrangement with the Veterans' Administration. This insurance is reinsured on a formula basis prescribed by the Administrator with as many qualified commercial companies as elect to participate. Currently over 584 companies are participating in this program as reinsurers and converters. Under current law, once either SGLI or VGLI insurance coverage is terminated, the veteran has 120 days within which he may convert all or part of his Government-supervised term insurance coverage to a cash value policy with one of the nearly 600 participating commercial life insurance policies without evidence of insurability.

In exercising these statutory conversion rights, however, a veteran is limited to what is known as a whole life or permanent plan insurance. The veteran does not have the statutory option of choosing term insurance if he desires it.

A close examination of the legislative history of the original enactment of servicemen's group life insurance in Public Law 89-214 fails to reveal any discussion as to why the veteran was limited to whole life insurance and not permitted the option to choose term coverage as well. Public Law 89-214, of course, was developed following close consultation by Government officials with members of the private insurance industry. More than likely to the extent that any thought was given to the matter at all, the restriction to dividend paying insurance probably reflected the commonly shared bias that whole life insurance was a "preferred buy." Nor would it surprise me if at the time certain Government officials were also influenced by the loud complaints of many World War II veterans who having elected term coverage immediately following World War II under Government-administered life insurance policies were then being confronted by high increases in term premiums as they advanced in age. Whether this is a correct assessment or not, it is clear that the official record gives no rationale for excluding term insurance as a possible statutory conversion option. And upon reflection I believe that none exist.

In this connection I want to insert two articles which recently appeared respectively in the Washington Post and Forbes magazine. They bear on the issue of the relative merits of term versus whole life insurance and implicitly on the need for freedom of choice in this matter.

Mr. President, I ask unanimous consent that the articles be printed in the RECORD at this point.

There being no objection the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 8, 1975]

LIFE INSURANCE: WHY THE POOR PAY A PREMIUM

(By Philip M. Stern*)

Imagine, if you will, the public reaction to a news story such as this:

DETROIT—The U.S. auto industry today announced new sales rules that will bar the lowest-income car buyers from purchasing basic sub-compact autos with minimal accessories.

Under the new rules, these poorest customers will only be allowed to purchase larger, elaborately equipped cars carrying price-tags three to five times those of the smaller, more sparsely outfitted models.

The reason for the new policy, industry spokesmen explained, was that it has been found uneconomical to market the smaller cars to low-income buyers.

If this news story were real, it would doubtless provoke cries of anger as well as incredulity.

Yet the U.S. life insurance industry maintains sales practices that have substantially the same effect as that described in the news story—without any public outcry.

Under industry practices, it is impossible—or at best extremely difficult—for poorer insurance buyers to purchase what amounts to the "stripped-down" model of a life insurance policy (called term insurance). As a result, they are generally obliged to buy whole-life or cash-value insurance—for which the annual premiums are three to five times as great.

For the well to do, however, not only is the stripped-down model readily available, it can be bought at special cut-rate prices.

This results in a terrible irony: While a tolerably well-heeled man of 30 or 35 may be able to buy life insurance for $2.50 to $3 a year per $1,000, working class insurance buyers must pay $20 to $30 per $1,000 and the inner-city poor may have to pay up to $70 per $1,000.

There is another sad result: Because they must pay so much and can afford so little, most lower income insurance buyers end up with pitifully small, private insurance protection. Working class customers typically buy $2,500 policies (rarely more than $5,000), which leaves their survivors with only a few months' income at best (if anything is left over after paying doctors' and funeral bills). For the very poorest insurance buyers, the situation is far worse: In 1973, their average policy size was just $530 and the average death benefit per policy was even smaller: $485. That's not enough to pay funeral expenses, in most cases.

These paltry averages apply to what the insurance industry calls "industrial" insurance, which is sold door to door to individuals and families, largely to inner-city poor and largely in the South, who pay their premiums to an agent who comes to the door once a week to collect. In 1973, such agents collected the staggering total of $1.3 billion in premiums. At the end of that year, there were about 75 million weekly-premium policies in force (often there are more than one policy per family).

For these poorest insurance buyers, the stripped-down type of policy—pure term insurance—is not offered. So these lowest-income customers have no choice but to put their dimes and quarters into whole-life (or other cash-value) insurance—and ferociously expensive whole-life at that. Only study showed that $1,000 of insurance protection cost from 42 to 67 per cent more for weekly premium customers than for the better-off buyers of ordinary whole-life insurance.

HIGH PROFITS

The large price differences are often explainable in part by extraordinary company profits on this type of insurance (although the high cost of weekly collections and the small size of the policies are also contributing factors). Indeed, for many companies, selling weekly-premium (industrial) life insurance to the very poor appears to be unusually lucrative—up to three times as profitable as the sale of ordinary-payment insurance to more well to do customers—as the following figures show:

1973 profits as percent of premiums collected

	Ordinary	Industrial
Life of Virginia	16.1	51.6
Monumental	16.5	42.1
Home Security	9.3	26.5
Pilot Life	12.8	28.3
Independent Life & Accident	6.7	17.0
Southland Life	15.1	29.3

Why isn't pure term insurance offered to weekly-premium customers? Most insurance officials do not have a reasoned answer to that question. Their usual response: "It never has been offered."

Buyers of insurance with somewhat higher incomes who pay premiums to home collection agents on a monthly rather than a weekly basis buy what is called "monthly debit" insurance.

Since the industry does not collect separate statistics for this, there exists no accurate measure of its overall magnitude, but it is substantial. Special data collected by the Senate Antitrust and Monopoly Subcommittee showed that in 1971 some 25 leading companies (there are about 90 in the field) sold nearly 2 million monthly debit policies in 1971.

For these customers, pure term insurance is available in theory; in actual practice, that less expensive form of insurance has, in the past, at least, almost never been sold to them. According to the information submitted to the Senate committee, of the 2 million policies sold in 1971, only nine-tenths of 1 per cent were pure term policies. The other 99 per cent were of the whole life type.

In the case of two giants in the field, the John Hancock and the Combined Insurance Company of Chicago, who together sold 400,000 monthly-debit policies in 1971, not one of those was a pure term policy. All were of the more expensive whole life variety.

A third insurance colossus, the Prudential, broke ranks ever so slightly. Only 99.7 per cent of its monthly debit policies that year were whole life; and the other three-tenths of 1 per cent were pure term.

And, as with weekly premium insurance, monthly debit policies are often considerably more expensive than comparable policies bought by more well-to-do buyers. In 1972, for example a $10,000 policy bought from the Sun Life Insurance Co. had an average annual cost of $64.80 to a monthly debit customer, while the same policy from the same company cost just $35.50 a year on the average, if sold to an ordinary payment buyer of the same age.

"CATCH-22" RULES

But if a person can get three to five times as much death protection buying pure term instead of whole life insurance, how do the insurance companies manage to sell such a preponderance of whole life to lower-income buyers?

There are many explanations, but at least part of the answer lies in the Catch-22-like rules applicable to monthly debit sales.

Imagine, for example, that you are an impoverished but exceptionally well-informed insurance prospect (which makes you a rare exception) determined to buy term insurance if you possibly can.

Your opportunity comes (you think) when a John Hancock salesman knocks at your door. Opening his brief case, he explains that he will sell you a whole-life policy as small as $500 and will, moreover, be willing to come in person once a month to collect the relatively meager $1.33 premium.

At this, you express surprise, since, in the process of becoming exceptionally well-informed you had been given to understand that one of the main reasons insurance companies do not sell pure term insurance on a door-to-door collection basis was that the premiums were to small to justify the collection expense. But here is the agent telling you he will come by monthly to collect a premium as small as $1.33.

Encouraged, you tell the agent that you are bent on buying term insurance and will he please sell you as much of it as $1.33 a month will buy.

Ah, the crestfallen insurance man responds, that he cannot do.

But why not, you ask—if he will collect $1.33 a month on a whole-life policy, why not on a term policy?

Because, he explains, $1.33 a month will buy more than $5,000 of term insurance, which is the most Hancock will sell to door-to-door premium payers.

Now it's your turn to be crestfallen, but not defeated. All right, you say, sell me $5,000 of term insurance.

But the salesman shakes his head. He cannot. Why? Because the premium on that small a term policy would be too low to justify his once-a-month visits. Catch-22.

If you were to *insist* on buying term insurance, John Hancock would sell it to you if you would pay by mail. But judging from 1972 statistics, salesmen do not push that option with vigor. Only 8.7 per cent of Hancock's monthly mail-pay policies that year were pure term policies.

But the reason why so much of the expensive whole life and so little of the cheaper term insurance is sold to the poor (and the public generally) is far deeper than those rules, for there exist companies who are eager to sell term insurance. Why don't more people seek them out?

The basic reason lies in public reticence and ignorance in the matter of buying life insurance, which is summed up in a favorite industry slogan (supported by decades of experience): "Life insurance is not bought; it is sold." That is, very few people go out to buy insurance the way they might go out to buy groceries or a car. Almost everyone buys only at the behest of an insurance salesman who seeks them out and who has strong economic incentives to push whole-life and soft-pedal the subject of term insurance.

First, his commission is a higher percentage of the customer's premiums—sometimes more than twice as high—for whole life sales. And since premiums are three to five times what term premiums are, for a given amount of insurance sold, the salesman might get six to 10 times as much commission on his cash value sales.

In addition, some insurance companies give their salesmen little or no credit for their term-insurance sales when computing retirement benefits. And in the winning of much sought after memberships in million-dollar clubs (made up of salesmen who have sold a million dollars of life insurance in a single year), cash value sales are given full credit, while term sales earn only fractional credit.

MONEY TO INVEST

Besides being passive, most insurance buyers are poorly informed and ill-equipped to evaluate the pro-whole-life arguments with which the salesman deluges them. A 1972 industry survey of public opinion on insurance showed that 43 per cent of the population as a whole felt unable to state a preference as between term and whole-life, which prompted the authors of the study to observe, "Clearly, many respondents do not really know the difference between the two."

Particularly is that true of the poor: while just 37 per cent of the best-heeled people surveyed could not state a preference between the two types of insurance, 55 per cent of the poorest respondents felt unable to make a choice.

All in all, the insurance salesman has a significant economic incentive to keep all references to term insurance at the bottom of his brief case and out of the sales conversation. Whether or not that serves the consumer's interests, it makes economic sense from the companies' point of view, for to them, whole life policies have one distinct advantage over term insurance: they give the companies money to invest (since in general, the whole life premiums substantially exceed the cost of pure death protection) and the companies put the excess "to work," investing in stocks, bonds, mortgages and the like.

The industry's successful emphasis on selling whole life insurance has enabled its companies to amass assets now totalling a quarter of a trillion dollars. In 1973, insurance companies took in $14 million that came, not from the sales of insurance, but from the investment of their monumental assets.

THE DROP-OUT PROBLEM

One sad (and costly) aspect of insurance sales to the poor is that the lower income buyers appear to be particularly vulnerable to the well-practiced sales pitch, and easily persuaded to buy policies they can't afford or that otherwise quickly prove unsuitable—policies they drop, at great expense to themselves, within a few months of buying them.

Ordinarily, statistics on these early drop-outs are closely held by the insurance industry. But in 1973, the Senate Antitrust and Monopoly Subcommittee got leading insurance companies to submit the usually-secret figures, and they revealed dramatic differences between the early drop-out rates for customers paying on a home-collection basis (typically lower-income buyers) and better-off customers paying by mail. The following figures show the 1971 drop-out rates in the first 13 months of policy ownership for each company's best-selling home-collection whole life policy (the so-called 'monthly debit" insurance) compared with its best-selling ordinary-payment policy.

Percent who dropped policy in first 13 months

	Home collection	Ordinary payment
Coastal States	56	24
Kentucky Central	54	23
Gulf Life	40	25
Life of Georgia	39	17
Monumental	39	19

These early policy lapses impose a heavy cost on the buyer, a cost which, the comparative figures suggest, falls far more heavily on low-income buyers than on others. It

*Stern, author of "The Great Treasury Raid" and other books, has been writing about the insurance industry for the Washington Post.

arises from the industry practice of devoting all of the first year's premiums and most or all of the second year's to paying salesmen's commissions and other sales expenses, so that none of those early premiums is used to build up cash value, redeemable when policy is dropped.

As a result, for these early lapsers, the promise that in cash value insurance you get some of your money back (which salesmen say is the prime selling point for whole life over term insurance) proves to be an empty, if not cruel, promise. For the 56 per cent of Coastal States customers who dropped their monthly debit policies in the first year, every penny that the customer might have thought would go to build up cash value evaporated (although it rematerialized in the salesman's pocket in the form of commissions).

"The net effect," says Dean E. Sharp, former counsel to the Senate subcommittee, "is that these people have bought hugely expensive term insurance for the few months they owned their policies."

These early dropouts appear to result mainly from high-pressure salesmanship. Alfred G. Whitney, a retired insurance research official and an expert in policy lapses, told the Senate subcommittee that "the major cause of most early lapsation is an inappropriate sale."

THE TROUBLE WITH TERM

Insurance officials offer a variety of reasons why term insurance is not widely sold to the poor:

Experience has shown that people seeking the cheapest insurance protection (pure term insurance) are poorer risks than others (apparently they correctly sense impending illness or death), and, on the small policies the poor can afford, it would not be economic to screen out the good risks from the bad.

Term insurance (the insurers say) is easier to discontinue than whole life; hence, term policies tend to be dropped more quickly, and companies don't get back their initial sales expenses.

Some state laws set very low ceilings on the amount of insurance that may be bought on a home-collection basis—so low that term premiums would be infinitesimal and not worth collecting.

Salesmen tell their companies that lower-income buyers don't like to buy term insurance (where their money seems to just disappear), preferring a policy that promises them some of their money back if they cancel.

A BETTER BARGAIN

To some observers, the life insurance that private companies sell to the poor becomes particularly questionable when compared with the social security protection that now extends to nearly all Americans. Social security seems to be an enormously better bargain, from the point of view both of cost and of the protection it affords.

As to cost, Prof. Richard E. Johnson of the University of Georgia points out that only 2 per cent of social security "premiums" are devoted to administrative costs, while 15 per cent goes for expenses and profits in the private life insurance industry taken as a whole. (For the small policies typically sold to the very poor, as much as 65 per cent can go for expenses and profit.)

As to protection, social security typically provides survivors benefits equivalent to those resulting from a life insurance policy of $80,000 to $100,000. By comparison, the added protection afforded by most privately sold policies bought by the poor—averaging about $500 for industrial insurance and typically less than $5,000 for buyers of monthly debit insurance—seems minuscule.

All in all, the contrast between the prices the poor must pay for life insurance and those available to the very rich is striking. Not only are the well-to-do able to buy the stripped-down version of life insurance (term insurance), as the poor generally cannot, but they, unlike the poor, are not dependent on the first door-to-door salesman who comes along, but can avail themselves of savvy insurance brokers who can shop around for smaller and lesser known companies that specialize in selling low-cost term insurance. If they are wealthy enough to buy $100,000 of it, they get what amounts to a quantity discount; and if they are in a position to leave some front-money with the company (and sacrifice it if they cancel the policy prematurely) they can get another special discount.

It's in this way that a well-off insurance buyer can purchase life insurance protection for $2.50 to $3.50 per $1,000, while the poor may find themselves paying 20 times as much.

[From The Washington Post, June 8, 1975]

PICKING A POLICY: TERM OR WHOLE LIFE

(By Philip M. Stern)

There are, basically, two types of the insurance: term and whole-life.

Term insurance, like fire or homeowners insurance, provides protection for a limited period of time. Let's say you buy a $10,000 one-year term policy. If you should die within one year, the company would pay your family $10,000. If you don't die in that year, the company keeps the premium you paid just as it keeps your fire insurance premium if your house doesn't burn down that year. You don't get anything back—but you've gotten what you paid for: your family, like your house, has been protected during that year.

With term insurance, you are buying pure death protection—so the premiums are comparatively low, especially when you're young and unlikely to die soon (at 1974 rates, a man 25 could buy $10,000 of term insurance from Aetna for $27.30 a year): As you grow older and the chances of your dying soon increase, the term premiums become gradually, then steeply, more expensive; at age 60, $10,000 of term insurance from Aetna costs $201.50 a year; at age 65, it costs $316.50. And most companies, though not all, will not sell you term insurance at all after you've reached 70.

To get around the problem of prohibitive insurance premiums (and ultimate uninsurability) in your later years, companies sell so-called whole-life insurance, for which you pay a level (i.e., unchanging) premium every year of your life (the amount depending on your age when you first buy the policy). Under a $10,000 whole-life policy, the company promises to pay your beneficiary $10,000, regardless of when you die.

In order to keep the premiums level throughout your life, insurance companies must charge you considerably *more* than you would pay for term insurance in your younger years, so as to be able to charge *less* than term rates in your later years. For a man 25, $10,000 of whole life insurance from Aetna would, at 1974 rates, cost $138.50 a year—about five times as much as term insurance costs at that age. As you grow older, of course, the gap between whole-life and term permiums narrows—although with most companies, if you bought a whole-life policy at age 25, yearly premiums would continue to be higher than comparable term insurance premiums until you reached your middle or late 50s—a fact of which most insurance buyers are not aware.

There are two other key differences between whole-life and term insurance:

First, unlike term policies, most whole-life polices begin, after a few years, to build up a "cash surrender value," which the company stands ready to pay you if you elect to surrender your policy before you die. Because of this feature, whole-life insurance and other variations of it (where your policy becomes fully paid at a certain age or after a certain number of yearly payments) are grouped under the label of "cash-value insurance."

Second, most insurance companies will allow you to use your whole-life policy as the basis for borrowing money from the company (although whatever you borrow lessens the amount your beneficiaries will be paid if you die before repaying the loan).

In summary: When you buy term insurance, you are buying death protection and nothing else. When you buy whole-life insurance, you are, in effect, buying death protection *plus* a savings account. That is why whole-life premiums are three to five times greater per $1,000 of insurance in your younger years than are term premiums.

[From Forbes Magazine, Mar. 15, 1975]

TERM INSURANCE VERSUS WHOLE LIFE

Critics of whole life insurance savor this story:

Two men in their mid-40s, with children about to enter college, die days apart. Over the same period both had paid roughly the same amount for life insurance—Smith for a simple term policy featuring pure death protection; Jones for a whole life policy accumulating a cash surrender value. Smith"s widow collects $125,000 from her husband's term policy. But Jones' widow receives only $25,000. Her children tear up their college applications.

The moral the critics like to draw is that a man would be crazy to buy whole life when, for the same money, he could leave his family with so much more term coverage. Doubly crazy, they add, when he could buy an equal amount of terms, invest the premium difference and with any luck at all exceed a whole life policy's cash value buildup.

If that's true, there are a lot of crazy people around. Whole life sales have never been greater—rising last year from $86 billion worth to more than $97 billion worth. Though term has been growing a bit faster, whole life remains the bread and butter of the life insurance industry. It still accounts for two-thirds of the $1 trillion worth of ordinary life insurance in force, and even more of the industry's $10-billion profits.

TWO SIDES

There are very few Americans today who don't know that they can buy a given amount of insurance for much less money through term insurance than they can through whole life insurance. Why, then, do millions of Americans go on buying the old-fashioned whole life insurance policies? The answer is that there are two sides to the term-*vs.*-whole-life argument. Not all the buyers of whole life insurance are weak minded innocents nor are all the salesmen unscrupulous or ill-informed.

The argument *for* whole life begins with its automatic renewability. Sure, a $25,000 whole life policy might cost over $400 a year in premiums at age 25, against only around $100 for term. But term must be continually renewed at steeply higher premium rates. At 55 a $25,000 term policy might cost over $500 a year, at 60 over $750 a year. Meanwhile, the man who bought whole life decades earlier still pays only $400.

Meanwhile, too, the whole life policyholder has accumulated a tidy nest egg in the form of his cash surrender value; the term buyer has only his canceled checks. The cash value feature of whole life can act as an efficient, if low-yielding, method of forced savings—in a sense making a policyholder's insurance dollars do double duty.

Finally, there is the flexibility argument. Cash value can be borrowed, even to pay premiums. Dividends can be used to reduce premiums. Or instead of whole life one can buy a 20-payment or paid-up-through-65 policy, on which the premiums are higher. Now, too, some companies are selling low-premium cash value policies that essentially combine whole life with decreasing term insurance. We are concerned here, however, only with regular level-premium whole life policies.

There's no question, though, but that you *pay* for advantages of whole life insurance. Just about any way you slice it, it can wind up costing more than term insurance.

Let's take one of the better whole life policies, a $25,000 nonparticipating (nondividend-paying) Allstate policy issued at age 35. The level annual premium is $375, or a total of $11,250 paid through age 65. Now take the same amount of five-year renewable term from Franklin Life. The initial premium is $125, the final one $762. The total outlay when renewed through age 65 is $10,633—about $600 less than the whole life policy. If the time value of the annual premiums is figured in, the cost of the term policy improves in relation to the whole life policy, since the whole life premiums are higher than the term premiums until the policyholder gets into his 50s.

Of course, for this somewhat higher price, you do get the savings feature with *whole* life. Does this tip the balance back to whole life? The answer is both yes and no.

It is true that the buyer of the Allstate policy will have about $15,000 in cash value when he reaches 65; the term buyer will have nothing. However, the whole life buyer won't have $25,000 in life insurance any longer. If he reads the fine print, he will find out that what he has is a $15,000 "savings" account (held by the insurance company) plus about $10,000 in actual insurance protection from the company. For in a whole life policy, as the cash value goes up, the amount of insurance goes down; that $25,000 face value refers to combined value of the "savings" and the insurance.

In addition, the cash value does not build up at a compound rate of interest, as in a bank savings account but by roughly the same set dollar amount each year. Any interest earned from investing it goes to the company, not the policyholder (which is why cash value isn't taxed).

Aha, you say. So, the whole life policy, for only an extra $600 in premiums, gets you $15,000 in cash over 30 years. Sounds like a good buy, doesn't it? But wait a minute. Remember this. In the early years of the term plan, your premiums were low: just $125 a year. Suppose during those early years you had taken the premium difference—$250 a year—and invested it in some kind of a savings account. Assume a 5% interest rate. Had you done that you would have accumulated a good deal of money in the early years. Given the power of compound interest, that premium difference would create enough in savings not only to pay the higher term premiums of later years, but to leave you with a substantial cash accumulation, about $7,000.

Suppose the insured dies in the final year. Who is better off? In sheer dollars, the man who invested in *term* is better off. His heirs collect the $25,000 insurance and have $7,000 in the bank. Heirs of the whole life insured get just $25,000, which includes the $15,000 cash value.

Confusing? Yes. Term insurance is unquestionably cheap as sheer insurance protection. But supposing, instead of dying at age 65, the insured retires. He decides he doesn't need any more insurance. Who, then, is better off? The man with whole life is better off. He can cash in his policy for about $15,000, while the term insured man has only his $7,000 net savings and interest.

Experts who have done the calculations on a broad sampling basis have concluded that term probably is good if you can invest the difference elsewhere to earn 5% or more *after taxes*. If you can't, they say, then whole life is probably better.

But who can guarantee earnings over 5% after taxes year in, year out? You may have a great little deal going now that brings in 8% after taxes. But will you still have that great little deal five or ten years down the road? Back in the Sixties whole life critics abounded who counseled buying term and putting the premium difference into mutual funds or the stock market. These people are very, very quiet nowadays.

It boils down to this. For sheer insurance, term is best. But for insurance-cum-savings, there is a lot to be said for whole life.

Experience shows that most life insurance policies are bought for death protection, and that once in force for ten years they tend to stay in force until death. If prior to dying, the insured borrows against whole life, he thereby reduces the amount of his death benefits by the amount of the loan; the term insurance buyer, by contrast, can draw on his savings account without reducing the amount of his insurance.

In the end, then, the question a buyer should ask himself, is: Do I want simple life insurance or do I want life insurance with an optional savings feature? If it is the latter you want, there is a further benefit in whole life: The cash buildup is tax-free; with the term, plus outside savings, the *interest* will be taxable. Thus for a man in a high tax bracket, whole life can be an attractive if rather low-yielding investment.

A DIFFICULT CHOICE

In short, there is no easy answer to the question: Term? Or whole life?

There is another difficult choice that insurance buyers must make: Which company to buy from? In actual practice the cost of both kinds of policies varies all over the lot. How do you make the choice? Where do you get the information? That is a bit easier to learn nowadays, thanks to the better cost disclosure brought about by reformers like Ralph Nader, former Pennsylvania Insurance Commissioner Herbert Denenberg, Senator Philip Hart (Dem., Mich.) and others. Today most life insurance agents can produce, on request, interest-adjusted cost figures for their policies. The Pennsylvania Insurance Department will provide a "Shopper's Guide" containing interest-adjusted cost rankings of various policies for companies doing business in that state, though the rankings have not been updated since Denenberg left office in 1974. *Consumer Reports*, for one, recently published an excellent interest-adjusted cost study.

The major shortcoming of most of these interest-adjusted cost surveys is that their cost indices are predicated on cashing in the surrender value, when, in fact, experts say most policies are bought for death protection. Subtracting the cash value makes the cost figures for whole life policies appear far lower than those of term policies. As we have seen, that is not necessarily true. Allstate, the big Sears, Roebuck insurance subsidiary, is currently spearheading a movement to reveal "death cost" figures as well as "surrender cost" figures for whole life policies.

The present interest-adjusted figures do, however, reveal one very interesting fact about whole life insurance. The policies of the very biggest companies, who sell the bulk of the nation's life insurance, rarely rank among the least costly ones. An exception is Northwestern Mutual, the seventh-largest life company and one of the biggest sellers of individual whole life policies. NML's whole life policies more often than not rank well.

On that evidence alone it is safe to conclude that a great deal of the $97 billion worth of whole life sold last year was bought unwisely. Whether a large amount of term should have been bought instead, or merely some other companies' lower cost whole life policies, is impossible to say, what with 1,833 companies selling thousands of different policies.

About the best blanket advice that Forbes can give, then, is this: Shop for life insurance as carefully as you would shop for a new home or an education for your children. As with these, a life insurance policy is a lifetime investment.

[From the Forbes magazine, Mar. 15, 1975]

HOW THEY STACK UP

You can look at life insurance two ways: 1) What have you got while you are still alive, and 2) What will your survivors get? In the comparison below, the whole life policyholder has $15,500 after 20 years if he borrows his cash value and withdraws his accumulated policy dividends. The term policyholder, buying the same face amount of insurance and investing the premium difference, has only $13,100. However, at the 20-year point the term owner still has $25,000 of protection, while the whole life owner has only $15,700 (the face amount less his cash value). If the whole life owner cashes in his policy, rather than borrowing the cash value, his protection ends altogether. In the event of death, the term policyholder receives more, although his accumulated interest on the premium difference is taxable while the whole life cash value is not. Which is best? It all depends.

WHOLE LIFE

[A typical $25,000 participating policy taken out at age 35 with policy dividends left to accumulate interest at 5 percent annually]

Policy year	While alive policyholder has— Cash value and accumulated dividends	Actual insurance protection [1]	Upon death his survivors receive: Death benefit [2] and accumulated dividends
1	75	24,975	25,050
5	2,150	23,300	25,450
10	5,800	20,700	26,500
15	10,100	18,300	28,400
20	15,500	15,700	31,200

[1] Policy amount less cash value.
[2] Includes return of cash value.

TERM

A typical $25,000 5-year renewable policy taken out at age 35 with premium difference invested to earn 5 percent annually]

Policy year	While alive policyholder has— Invested premium difference	Actual insurance protection	Upon death his survivors receive: Death benefit and invested premium difference
1	475	25,000	25,475
5	2,600	25,000	27,600
10	5,700	25,000	30,700
15	9,200	25,000	34,200
20	13,100	25,000	38,100

[From the Forbes Magazine, March 15, 1975]

IT'S AN ILL WIND

Does inflation favor whole life insurance or term?

It erodes the fixed-dollar death benefits equally. If there has been a 50% inflation over the life of a policy, the purchasing power of the death benefit will be cut in half, whether it's from term or whole life.

But what about the premiums paid in? On a whole life policy they are much larger in the earlier years, so the insured pays in a higher proportion of more valuable dollars. This all washes out, however, if it is the policyholder's plan to buy term and invest the premium difference in a side fund. The number of dollars exposed to inflation is the same. Its effect depends on the side fund's return.

The fact is, life insurance of either type is vulnerable to inflation. It used to be a popular theory that you could beat the rap by buying term and investing the difference in stocks and mutual funds or in real estate. Alas, most such investments have fared even worse than fixed-dollar investments. And so,

there is no easy way out if you want to provide for your family. Interestingly, the hopelessness of it all has helped life insurance salesmen sell bigger policies. It makes sense—sort of. An inflation-conscious public feels that it will take more dollars in the future to provide a reasonable nest egg.

[From Forbes magazine, Mar. 15, 1975]

WHEN AN AGENT CALLS

Life insurance salesmen do at least two things with ease. They drink many cups of coffee. And at the same time, they talk in a bewildering jargon about a variety of policies, all of which are priced differently from those of their competitors. You are probably convinced you need a policy—otherwise you wouldn't be making coffee for them—but you have no idea what it will cost.

Here are some questions to ask:

What is the interest-adjusted cost?

Most agents now carry interest-adjusted cost figures for their policies. They take into account the time value of premiums and policy dividends. Most of the present figures show the "surrender cost"—the cost if the policy is cashed in after five, ten or 20 years. If you intend to hold the policy until death—most people do—ask them for the interest-adjusted "death cost," not including the return of the cash value. Very few agents carry that figure. It is available, however, and you should ask the insurance agent to get it. If he refuses to provide it, move on to another company.

What is the company's dividend record? The dividends he will quote on participating policies are not guaranteed. They depend on the company's operating experience. Ask what the company's actual experience has been *vs.* its illustrated payouts. Some do better, some do not.

How does the term cost compare over a lifetime? Invariably an agent will try to sell you whole life, since the larger premium means a larger commission. He will argue that term premiums go up sharply in the later years. But how sharply? Ask him to show you the interest-adjusted term cost renewed through age 65 against the whole life "death cost." Though term seems very costly to renew beyond age 50, its cost over a lifetime actually may be lower.

Many companies have combination policies with unique features that seem to lower the premiums and make them impossible to compare with others. Remember this: The interest-adjusted cost figure is usually a good common denominator.

Mr. HARTKE. Mr. President, quite simply, veterans should have the opportunity to convert to private term insurance as well as whole life insurance, following termination of either their SGLI or VGLI policies. Whether one chooses a term policy, a whole life policy, or no insurance policy at all is dependent upon the circumstances and goals of each veteran. What is clear is that the veteran should be able to choose any of these alternatives or elect no coverage at all. The Government's concern in this situation I have mentioned on previous occasions should be to insure that the veteran has ready access to accurate, adequate, and relevant information as to the price of benefits of any policy issued by qualified commercial life insurance companies participating in the SGLI or VGLI program. I will have more to say on this in the near future.

The second principal amendment contained in the Veterans' Insurance Amendments Act of 1975 would be to extend by 1 year the period in which veterans made retroactively eligible for veterans' group life insurance may reapply for such policies. The Veterans' Insurance Act of 1974 as noted previously, created the new maximum 5-year limited term policy known as veterans' group life insurance. It is designed to provide low-cost insurance protection during the readjustment period experienced by Vietnam-era veterans following a separation from active military duty.

VGLI is closely patterned after the SGLI insurance program. As with SGLI, veterans' group life insurance offers low-cost term insurance in the maximum amount of $20,000 for up to 5 years during a veteran's readjustment transition period. Insurance is provided by private insurers as part of a group VGLI contract awarded by the Veterans' Administration and supervised by that agency.

Following the 5-year period of coverage the veteran policyholder has a statutory right—as he does under SGLI—to convert his insurance to a commercial whole life policy with one of the nearly 600 private insurance companies participating in the VGLI program. All servicemen separated from the service after the effective date of the act were automatically made eligible for VGLI insurance.

Public Law 93-289 also authorized VGLI to be offered on a retroactive basis, to Vietnam-era veterans previously separated from service, who have not converted their SGLI policies or whose commercial policies had lapsed from nonpayment. Consistent with the concept of the 5-year readjustment period, VGLI was authorized to be issued for a 5-year period less any time lapsed from the termination of the applicant's servicemen's group life insurance and the effective date of the VGLI program. For example, a veteran discharged a year previous was entitled to veterans' group life insurance for a period of 4 years while a veteran discharged 2 years ago was entitled to VGLI for a period of 3 years, and so on.

In responding to concerns expressed by the Veterans' Administration, however, the committee agreed to limit the application period to 1 year following the effective date of the measure. There are approximately 2.7 million veterans who were discharged between April 3, 1970, and August 1, 1974, and currently eligible who must apply by midnight August 1, 1975, if they want low-cost veterans' group life insurance.

The bill introduced today would extend the application period for another year in order to permit a more comprehensive outreach program to be directed by the VA to eligible veterans concerning the existence, terms, and conditions of the VGLI program. While there have been a number of information releases concerning the VGLI program, both prior and subsequent to committee inquiries concerning VA outreach efforts it is my conviction that more needs to be done.

First, information dissemination by newspapers and other media, while useful, has inherent limitations. It is dependent, first, upon whether or not a paper decides to carry the information, the amount of coverage it devotes to it and where such information is placed within the newspaper. Second and more important, it is dependent upon an eligible veteran actually reading the story. Consequently, while a number of information releases have been issued by the Veterans' Administration concerning the VGLI program, there is little information as to how many newspapers printed stories about this information or how many veterans read about or understood the VGLI program. Further, in at least one case a VGLI news release issued by the Veterans' Administration, which to my knowledge did receive some press attention, may have unintentionally conveyed the impression that veterans discharged prior to August 1, 1974, were not eligible for VGLI.

As you also know, Mr. President, Congress has for some time by statutory amendment and otherwise encouraged the Veterans' Administration to conduct more active outreach programs concerning veterans' benefits which involve personal contact or contact by phone or direct mail. I believe more can be done in this area. A sample pilot study done by the Veterans' Administration earlier this year in which veterans were contacted directly by mail concerning VGLI resulted in applications for the insurance at a rate of seven times the application rate of veterans not so contacted.

I understand that additional direct mail programs are underway to contact veterans, which I support. VGLI information slips which could accompany educational checks as well as active outreach efforts by veteran representatives on campus are two other ways in which increased outreach might result in greater participation in the VGLI program. In any event I believe the record is unclear enough to at least warrant an additional year within which veterans may be given the option to elect VGLI coverage if they so choose.

Finally the bill would correct an unintended operation of amendments contained in the Veterans' Insurance Act of 1974. In enacting the Veterans' Group Life Insurance program it was assumed the servicemen terminating SGLI coverage would ordinarily elect VGLI coverage following which they would exercise their statutory conversion rights to elect coverage under a policy offered by a participating private insurance company. The Veterans' Administration has interpreted the amendments however to rule that statutory conversion rights do not immediately attach to a veteran who specifically declines coverage under VGLI. To the extent that the amendments compel such a determination, this was an oversight and not in accord with my understanding of the effect of the provisions which I drafted. Accordingly language has been included in this measure to eliminate that problem.

Mr. President, as I have indicated before, I believe we can act quickly on this measure.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1911

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Veterans' Insurance Amendments Act of 1975".

SEC. 2. Section 768 of title 38, United States Code, is amended by adding at the end thereof a new subsection (c) as follows:

"(c) A member who is eligible for automatic conversion of Servicemen's Group Life Insurance to Veterans' Group Life Insurance under conditions prescribed in subsection (b) and who elects not to be insured under Veterans' Group Life Insurance may, effective the day after his Servicemen's Group Life Insurance would cease convert such insurance to an individual policy of term or whole life insurance, under the terms and conditions set forth in section 777(e) of this title for conversion of Veterans' Group Life Insurance."

SEC. 3. Subsection (e) of section 777 is amended by inserting in the first sentence "term or whole" immediately before "life insurance".

SEC. 4. Subsection (g) of section 777 of title 38, United States Code, is amended by striking from the first sentence "one year" and inserting in lieu thereof "two years".

By Mr. ROTH:

S. 1912. A bill to provide for the issuance of a special postage stamp in commemoration of Return Day in Georgetown, Del. Referred to the Committee on Post Office and Civil Service.

Mr. ROTH. Mr. President, I am today introducing a bill to provide for the issuance of a special postage stamp in commemoration of Return Day in Georgetown, Del.

Each 2 years, on the Thursday after the national and State elections, an historic tradition continues in Georgetown—Return Day. Commemorated nowhere else in our Nation, this occasion historically recreates the manner in which the State's citizens were made aware of the election winners and ballot returns. This day was first begun in Georgetown in 1830 before the widespread dissemination of news by large circulation newspapers and the telegraph Then, as now, it is the embodiment of America's concern with its democratic cornerstone; the cherished fair and open election of those who will govern our cities, States, and the Nation.

As Georgetown was the county seat, ballot returns from so-called "individual 100's," analogous to our precincts of today, would be sent there on the Wednesday following elections. They would then be counted, and on Thursday the results would be announced by the town crier on the court house steps to the assembled county population. Even with the advent of the telegraph and radio, the tradition of returning to Georgetown continued, with the emphasis more on a commemorative homecoming, or "return" to Georgetown and to the awareness of its citizens' heartfelt concern with the election process. Consequently, the name "Return Day" is most applicable.

Presently, Return Day marks more than the revival of a local custom. All persons who ran in any State or local election participate in a parade through Georgetown with both winners and losers riding together in horse-drawn carriages. This is accompanied by an ox roast, concerts, historical exhibits, and various other activities during the course of the day.

As a long-time observer and more recently participant in Return Day activities, I highly recommend the commemoration of this day by the issuance of a special postage stamp, not as a tribute solely to Delaware, but to our vigilant concern for and celebration of our cherished birthright, the unfettered freedom to vote.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to issue, during calendar year 1975, a special postage stamp in commemoration of the continuing bi-annual celebration of Return Day in Georgetown, Delaware, the only Community in America carrying on this celebration of our national cornerstone, free and democratic elections.

By Mr. TALMADGE (for himself, Mr. NUNN, Mr. THURMOND, and Mr. HELMS):

S.J. Res. 93. A joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year. Referred to the Committee on the Judiciary.

(The remarks of Mr. TALMADGE on the introduction of the above joint resolution are printed earlier in the RECORD.)

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 672

At the request of Mr. HUMPHREY, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 672, a bill to authorize any employee of the United States to accept the voluntary services of students.

S. 1183

At the request of Mr. HARTKE, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 1183, a bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder.

S. 1189

At the request of Mr. ROBERT C. BYRD, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 1189, a bill to amend the Public Works and Economic Development Act of 1965.

S. 1254

At the request of Mr. MCGOVERN, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1254, a bill to establish new regionalized board for the review of other than honorable discharges and dismissals granted former members of the Armed Forces, and to establish new procedures and standards for determining the equitability of these discharges and dismissals.

S. 1774

At the request of Mr. PERCY, the Senator from Georgia (Mr. NUNN), the Senator from Tennessee (Mr. BROCK), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Delaware (Mr. ROTH), the Senator from Oregon (Mr. HATFIELD), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) were added as cosponsors of S. 1774, a bill to reorganize the executive branch by abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review and transferring its powers and functions to the Secretary of the Interior.

S. 1761

At the request of Mr. MATHIAS, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of S. 1761, a bill to provide foreign assistance to Cyprus.

S. 1843

At the request of Mr. DOLE, the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Dakota (Mr. YOUNG), and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of S. 1843, a bill to amend and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters.

S. 1878

At the request of Mr. TOWER, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1878, a bill to amend the Federal Water Pollution Control Act.

SENATE RESOLUTION 152

At the request of Mr. DOLE, the Senator from Utah (Mr. GARN) was added as a cosponsor of Senate Resolution 152, a resolution requiring all standing committees of the Senate (other than the Committees on Appropriations and Budget) to conduct special oversight activities relating to their areas of jurisdiction and to report to the Senate thereon, no later than December 31, 1975.

SENATE RESOLUTION 178—SUBMISSION OF A RESOLUTION AUTHORIZING ADDITIONAL COPIES OF THE REPORT ENTITLED "DEVELOPMENTS IN AGING: 1974 AND JANUARY–APRIL 1975"

(Referred to the Committee on Rules and Administration.)

Mr. CHURCH (for himself and Mr. FONG) submitted the following resolution:

S. RES. 178

Resolved, That there be printed for the use of the Special Committee on Aging nine hundred additional copies of its report to the Senate entitled "Developments in Aging: 1974 and January–April 1975."

AMENDMENTS SUBMITTED FOR PRINTING

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATIONS, 1976—S. 598

AMENDMENT NO. 553

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY. Mr. President, last Friday I submitted amendment No. 544, intended to be proposed to S. 598, the Energy Research and Development Administration authorization request for fiscal year 1976. Unfortunately, the amendment I submitted failed to include one of the items that had been intended. I am, therefore, submitting a corrected version of amendment No. 544. I ask unanimous consent that the amendment, as corrected, be printed in the RECORD with its new number.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 553

On page 18, line 15, strike "$3,476,729,000.", and insert in lieu thereof "$3,382,629,000.".

On page 25, line 10, after the word "authorized" insert "for fiscal year ending September 30, 1976".

On page 27 after line 10, insert the following:

"(d) No funds authorized by this section shall be expended for on-site construction of the Clinch River Breeder Reactor demonstration plant or for procurement of any plant component, related items, or of long-lead items for such plant.

"(e) The Office of Technology Assessment is required to assess and report to the Congress not later than one year from the date of enactment of this Act on the following: national electrical energy demand projections; the availability of uranium and the factors which affect uranium supply; the optimal mix of nuclear reactors to extend uranium supplies; the avantages and disadvantages of each type of breeder reactor; the costs and benefits of the Liquid Metal Fast Breeder Reactor program; the environmental impacts of the Liquid Metal Fast Breeder Reactor program; the safety implications of the design of the Clinch River Breeder Reactor demonstration plant; the utilization of foreign technology in the effort to extend uranium resources and in the development of the Liquid Metal Fast Breeder Reactor; and the costs, benefits and feasibility of alternative energy resources. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection."

NATURAL GAS REGULATORY ACT OF 1975—S. 692

AMENDMENT NO. 554

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY. Mr. President, I am today resubmitting my amendment in the nature of a substitute to S. 692 with several modifications over earlier versions. I would like to thank Commissioner Don Smith of the Federal Power Commission for his helpful suggestions. In addition to technical improvements, this amendment differs from earlier versions in that it includes a priority for agricultural production uses of natural gas. The definition of agricultural production uses is the same as that promulgated by the Federal Energy Administration and in effect as of June 1, 1974.

Mr. President, this substitute amendment aims at reversing the decline in natural gas discoveries and production by allowing deregulation of new natural gas produced onshore and by providing revised regulation of natural gas produced from reserves located in the Outer Continental Shelf.

The time has arrived for the limited deregulation of new natural gas. As growing shortages endanger millions of jobs, threaten homeowners with expensive conversion to electric appliances, and pose a worsening threat to air quality standards, the three major newspapers in America have editorialized in support of the policy expressed in my amendment.

On May 8, 1973, the New York Times, in an editorial entitled, "Challenge and Crisis," said:

If . . . the floating prices are to be confined to so-called "new" gas—that is from wells not yet drilled or operating—then they should serve the purpose of encouraging greater production without too sharp a price hike to consumers.

On April 3, 1975, the Washington Post in an editorial entitled, "Gas Prices and Jellybeans," said:

The way to deal with the gas shortage is to deregulate the price. In present circumstances, it ought to be done in stages, over several years, to cushion the impact.

"Natural Gas: What to Do," was the title of the May 26, 1975, Los Angeles Times editorial, which said:

No Californian would like having to spend $1,000 or more to convert from gas to electric cooking and heating. And the electric utilities might not have the power to spare. . . .

The answer is to encourage new gas supplies. And the best way to do that is to allow prices for newly discovered natural gas in onshore fields to float up in a fundamentally free market.

Not only the major newspapers of America, but also major industrial consumers have supported deregulation of new natural gas. In my State, virtually every major agricultural and manufacturing consumer of natural gas has gone on record in support of new gas deregulation. The reason is simple—deregulation of new onshore natural gas and reregulation of new offshore natural gas represents the least expensive means of assuring adequate natural gas supplies for the future.

The amendment I am today submitting also provides that the Federal Power Commission shall, to the maximum extent possible, prohibit interruption of natural gas supplies needed for agricultural production. This element is critical since the basic ability of people to survive depends upon full food production in the United States. We must assure that all sectors of the agricultural producing and processing industry receive the natural gas which is essential to maximum domestic food production. The most efficient way to accomplish this objective is by providing a high priority for natural gas used in agricultural production as defined in the allocation regulations promulgated by the Federal Energy Administration and in effect as of June 1, 1974. Unlike alternative suggestions embodied in S. 692 and substitutes thereto, this approach has the benefit of insuring that those agricultural industries which are entitled to priority in the allocation of other petroleum products will be guaranteed priority in allocation of natural gas. Thus, my amendment insures consistency in the Federal Government's recognition of the special place agriculture has in the domestic economy.

Mr. President, at this point I ask unanimous consent that the amendment, a section-by-section analysis and copies of the New York Times, the Washington Post, and the Los Angeles Times editorials be printed in the RECORD.

There being no objection, the amendment and material were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 554

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Natural Gas Regulatory Act of 1975."

SEC. 2. Section 1(b) of the Natural Gas Act is amended by inserting before the period at the end thereof the following: "or to the sale or delivery by a producer to a natural gas company after December 31, 1974, of natural gas from natural gas reserves located on lands other than offshore Federal lands which sale or delivery is (i) of natural gas not theretofore dedicated to interstate commerce; or (ii) of natural gas produced from wells commenced after December 31, 1974: *Provided, however,* That with respect to all sales or deliveries of natural gas in interstate commerce which are not exempt under subsections (b) and (c) of this section, the Federal Power Commission shall continue to exercise its regulatory jurisdiction over all such sales and deliveries.".

SEC. 3. Section 4 of the Natural Gas Act is amended by adding subsections 1(f), 1(g), and 1(h) of the following:

"(f) The Commission shall have no power to disallow, in whole or in part, in the rates and charges made, demanded, or received by any natural gas company the amounts actually paid for natural gas exempt from the Act pursuant to section 1(b) as amended herein, except as otherwise provided in subsection (1)(g).

"(g) In any case where a natural gas company purchases natural gas from an affiliate or produced natural gas from its own properties, the Commission may not disallow any portion of the cost thereof in the rate or charge made by such company which is not in excess of current prices paid for comparable gas to nonaffiliates.

"(h) Where the rate or charge for the sale or delivery of natural gas by any person not engaged in the transportation of natural gas in interstate commerce shall have been previously determined by the Commission to be just and reasonable and such determination has become final and no longer subject to judicial review, the Commission shall have no power to order thereafter a decrease in the rate of charge made. The Commission shall, in any case, retain the power to adjust any such rate or charge in any manner which it deems advisable upon its finding that facts presented to the Commission relative to a determination of such rate or charge and upon which a determination of such rate or charge was based in whole or in part were in fact false or misleading at the time of presentation and were known to be false or misleading to the person or persons supplying such facts.".

SEC. 4. Section 2 of the Natural Gas Act is amended by adding at the end thereof the following:

"(10) 'Affiliate' means any person directly or indirectly controlling, controlled by, or under common control with such another person as determined by the Commission pursuant to its rulemaking authority.

"(11) 'Producer' means a person who is engaged in the production, gathering, or processing of natural gas from wells or reserves in the United States and whose annual gross revenue from the operation of a pipeline for the transportation and sale for resale of natural gas in interstate commerce do not exceed 10 per centum of its total annual gross revenues.

"(12) 'Offshore Federal lands' means any land or subsurface area within the Outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)).".

"(13) 'Agricultural production' means the activities included in the definition of 'agricultural production' in Section 211.51 of the Mandatory Petroleum Allocation Regulations issued by the Federal Energy Administration and in effect on June 1, 1974.

SEC. 5. The Natural Gas Act is further amended by adding at the end thereof the following new section 25:

"SEC. 25. (a) With respect to the sale or delivery of natural gas which is dedicated to interstate commerce after December 31, 1974, and which is produced from natural gas reserves located on offshore Federal lands, the Commission shall, as soon as practicable and pursuant to rulemaking procedures under section 553, and the following, of title 5, United States Code, by regulation establish for each region a ceiling for rates and charges for such sales using the following criteria, and only those criteria:

"(1) the rates and charges necessary to encourage the optimum level of exploration, development, production, gathering, and maintenance of proved reserves of natural gas;

"(2) the rates and charges that will protect consumers of natural gas from price increases that would, in the absence of actual or anticipated shortages, exceed the rates and charges necessary to achieve the objectives of paragraph (1) of this subsection; and

"(3) the degree to which natural gas is found in association or conjunction with oil or other commodities and thus the rates and charges necessary to achieve the objectives of paragraph (1) of this subsection are reduced.

"(b) As used in this section, 'region' means a separate and distinct geological area of the Outer Continental Shelf, as defined by the Commission.

"(c) The Commission shall, no less often than biennially after its first determination, review ceilings set in accord with subparagraph (a) above.".

SEC. 6. Except to the extent that natural gas supplies are required to maintain natural gas service to residential users, small users, hospitals, and similar services vital to public health and safety, and notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Commission shall, by regulation, prohibit any interruption or curtailment of natural gas and take such other steps as are necessary to assure as soon as practicable the availability in interstate commerce of sufficient quantities of natural gas for agricultural production.

SECTION-BY-SECTION ANALYSIS OF TUNNEY AMENDMENT TO S. 692

Section 2 provides for the deregulation of the wellhead price of onshore natural gas produced from wells commenced after December 31, 1974 and for the deregulation of onshore natural gas dedicated to interstate commerce for the first time after December 31, 1974.

Section 3 would forestall the Federal Power Commission from disallowing the deregulated wellhead price in setting pipeline rates, and it would prohibit the Commission from ordering retroactive reduction in rates after the Commission has determined such rates are just and reasonable and this determination has become final and no longer subject to judicial review. In cases of fraud, however, the Commission would retain its power to adjust rates.

Section 4 defines "Affiliate," "Producer," "Offshore Federal Lands," and "Agricultural Production".

Section 5 provides that the Federal Power Commission shall abandon existing regulatory principles for natural gas dedicated to interstate commerce after December 31, 1974 and produced from reserves in the Outer Continental Shelf and shall substitute regional price ceilings which the Commission shall set using there criteria. These criteria are: (1) the rates and charges necessary to encourage the optimum level of exploration, development, production, gathering, and maintenance of proved natural gas reserves; (2) the rates and charges that would protect consumers of natural gas from price increases that would, in the absence of actual or anticipated shortages, exceed the rates and charges necessary to achieve the objectives set forth in the first criterion; (3) the degree to which natural gas is found in association or conjunction with oil and thus the rates needed to achieve the objectives set forth in the first criterion are reduced. Taken together, these criteria are a mandate to the Federal Power Commission to set regional ceilings which are based, not on historic costs of production, but on a free market level adjusted so as to discount unusual or spot prices and so as to take into account the extent to which the joint discovery of oil and gas reduces the ceiling level necessary to encourage optimum levels of exploration, development, production, gathering and maintenance of proved reserves.

Section 6 provides that, except to the extent natural gas is required for residential users, small users, hospitals, and services vital to public health and safety, the Commission shall ensure the availability of natural gas for use in agricultural production.

[From the New York Times, May 8, 1973]

CHALLENGE AND CRISIS

The White House has come to grips with some of the energy problems which faced the nation in the 1960's. What still seems to elude the capabilities of the Federal Government is the crisis now building for the 1970's and 1980's.

"Crisis" is an overworked term these days, and much of the energy crisis, at least, has long been self-serving scare talk. If there is hardly need for panic reactions that might bring immediate profit to a few, there is pressing need for rational and measured decisions that could avert a crisis of energy supply and demand in the future. Unfortunately, President Nixon has chosen to make some technical adjustments where what is required in decisive commitment.

The major disappointment in the President's recent energy message is that he deferred the most important decisions which the Government and the country will have to make. An "energy conservation ethic" is rightly called for, but the President makes no serious move to define what such an ethic would demand in everyday practice. Use of vast resources on public lands is envisaged but a long-term program for equitable assignment of this national treasure is only now to be started. Massive efforts to develop alternate energy sources—even relatively conventional ones like oil shale, geothermal processes, gasification of coal—cannot be launched without further study, Mr. Nixon said. Instead of culminating a process of Federal Government deliberation, as the long-heralded message was supposed to do, it presents little more than an interim report of cautious Government thinking on crucial choices yet to be made.

The energy message does provide significant answers to two old issues that dominated the debates of a decade past. Termination of the fourteen-year-old oil import quota system came as an anticlimactic whimper, long after even many of those who stood to benefit had given up the once-emotional cause. The need for vastly increased oil imports is now inexorably upon the United States; abolition of the quotas simply sweeps away the decay of a protectionist system which has long since been exposed as a hopeless failure.

More controversial will be the President's proposal to lift Federal controls on the price paid to producers of natural gas. There are many valid reasons why, even in this period of rampant inflation, the cost of this now scarce fuel should be allowed to rise above the artificially low level which encourages its profligate use. The validity of the measure will depend on the precise terms of the ultimate legislation.

If, as Mr. Nixon implies, the floating prices are to be confined to so-called "new" gas—that is, from wells not yet drilled or operating—then they should serve the purpose of encouraging greater production without too sharp a price hike to consumers. But Congress should insist on tight rules against converting "old" price-controlled gas into more profitable "new" gas by any of the technical chicanery with which some oil and gas producers have already shown themselves conversant.

Perhaps it was wise at this time for the President to choose reticence on the sticky foreign policy problems inherent in greater reliance on imported oil. These problems involve United States relations with not only Israel and the Arab world, but also with Western Europe and Japan—potential competitors for Middle Eastern oil. An explanatory document accompanying the message made bold to refer to the oil-producing countries—accurately—as a "cartel"; but there were few specifics about how the mounting economic power of these governments might be curtailed. A proposal to stockpile buffer oil supplies—an elementary precaution which this country has incredibly not taken—is only submitted for study.

Low-keyed and timid, the Administration's report acknowledges that there are problems in the supply and distribution of energy for the nation's needs. Mr. Nixon calls it an energy challenge. So far there is little ground for confidence that the challenge will be met before it becomes a crisis.

[From the Washington Post, April 3, 1975]

GAS PRICES AND JELLYBEANS

As the shortage of natural gas grows more serious in the Washington area, some cus-

tomers are being forced to convert to oil. Nobody converts voluntarily. The price of gas to a large customer is $1.60 per thousand cubic feet. The equivalent energy in the form of fuel oil is now up around $2.60. That difference is, in fact, the explanation of the gas shortage. There are three basic fuels. Congress insists on holding the price of gas far below the prices of oil and coal. That is the heart of the controversy over the deregulation of natural gas.

The local distributor, Washington Gas Light, has accepted no new customers for three years. The pipeline companies supplying the Washington area have cut back deliveries and, in turn, Washington Gas Light is dropping service to its interruptible customers—those that got a lower rate for signing a conditional contract. Most of them are big apartment houses and office buildings, but the list includes some schools and colleges. Next in jeopardy are the industrial customers. Some of them would have been cut off months ago if the weather had been normal. But for the second year in a row this region was lucky. It was a warm winter. What about next winter?

Gas is the cleanest of all the major fuels, and ought to be sold at a premium on environmental grounds alone. Instead, as the cheapest of the three competing fuels, it is used to fire boilers by any industry or utility that can get it. With the enormous increases in oil prices over the past two years, the disparity has become increasingly severe. By last summer, to use a standard comparison, the gas delivered to utility generators throughout the country cost only 26 per cent as much as their fuel oil. Coal cost 38 per cent as much but was rising fast, as contracts expired or were renegotiated. Soft coal went for about $5 a ton throughout the 1960s, but prices now range from $15 to $25 and are climbing. The wider the price gap between gas and the other fuels, the more severe the gas shortage will be.

It is as though Congress were keeping down the price of red jellybeans, to protect the consumers—but not the prices of black or white jellybeans which, in the current inflation, are rising. In time you would find it increasingly difficult to get red jellybeans, although there would be plenty of the others in the stores. In Congress, the defenders of the consumer would explain that the rapacious and monopolistic jellybean industry was willfully withholding red jellybeans from the public. That, of course, would be an outrage. Several senators would promptly introduce bills establishing intricate rules for allocating the dwindling national supply of red jellybeans—and maybe extending price controls to the black ones as well, since they are getting increasingly popular.

In the Senate Commerce Committee, Sens. Warren G. Magnuson (D.-Wash.) and Adlai E. Stevenson (D.-Ill.) are currently drafting a bill to resolve the natural gas issue pretty much along the lines of the jellybean case. Their bill would greatly expand and refine the system of allocation and price control that is already in effect. It would extend price ceilings for the first time to gas burned within the state where it is produced. The uncontrolled intrastate prices are currently running almost four times as high as the present federal maximum for gas crossing state lines.

The Commerce Committee's draft bill is pursuing a principle that deserves attention. It would raise the present ceiling price, but deliberately keep it far below the comparable price for oil. The price of oil has been jacked up artifically high, the argument goes, by a cartel of foreign governments. If the U.S. government has lost control of oil and coal prices, why should it voluntarily permit gas prices to accompany them to such unreasonable heights? This view is not a frivolous one. It reflects a well-considered conviction that, as a matter of social justice, it is better to have shortages—managed by various allocation and rationing systems—than high prices.

But keep in mind that any price ceiling turns out to be a subsidy paid by somebody. As people in the Southwest point out, a low ceiling on natural gas means that relatively low-income states like Oklahoma and Louisiana are subsidizing the standards of living in much wealthier states of the northeast—not to mention metropolitan Washington. To help the poor and the elderly in times of rapidly rising prices, the most effective remedies are those that directly increase the amounts of money in their pockets. Straightforward income redistribution is infinitely better than trying to fiddle and distort the mechanisms for pricing each of the hundreds of commodities that are, to one degree or another, necessities of life.

The way to deal with the gas shortage is to deregulate the price. In present circumstances, it ought to be done in stages over several years, to cushion the impact. No one can exactly say where fuel prices will be several years from now. But they certainly will not return to the level of two years ago. The basic reason for the great upswing in fuel costs is not the producers' cartel but a worldwide surge of demand for cheap fuel. Higher prices are a signal that supplies are not unlimited and we have to begin conserving. Price controls merely suppress that warning signal. Natural gas currently provides one-third of this country's energy supply. We can afford to make mistakes in our national policy on jellybeans, but not on basic fuels.

[From the Los Angeles Times, May 26, 1975]

NATURAL GAS: WHAT TO DO

The Senate Commerce Committee wrestled for weeks with the question of taking price controls off natural gas producers, and approved a bill that contributes little or nothing to the main goal: to spur the development of additional supplies of gas in time to avoid a serious shortage. We believe that Congress can do better.

As Sen. John V. Tunney (D-Calif.) has pointed out in defense of his support of deregulation, cheap gas won't do consumers much good if there isn't enough gas to go around. And there won't be if the law isn't changed.

The Federal Power Commission has done a good job of holding down natural gas prices. Gas moving in interstate commerce is markedly cheaper than coal or oil. Even with the increase approved by the FPC last year, the ceiling price for new gas is 51 cents per thousand cubic feet. If oil were similarly priced in terms of equivalent heating value, it would be selling for $3 a barrel; instead, imported oil is $12, and even price-controlled domestic oil from "old" wells sells for $5.25.

Artificially depressed prices have made natural gas a bargain for consumers, but have created a growing disincentive for its production.

Natural gas met 13% of the nation's energy needs in 1946; it now accounts for a third of consumption. Discoveries of new supplies are not keeping pace, however. For the past several years consumption has been outrunning discoveries almost 2 to 1.

And most new gas supplies are being sold in the states where produced rather than to the interstate pipelines because the price for gas in the unregulated intrastate markets, at $1.50 to $2 a thousand cubic feet, is three to four times the price the interstate pipelines are allowed to pay.

Interstate gas supplies have fallen short of the need for the past three winters, forcing interruption of service to many electric power companies and industrial users in California and elsewhere. The energy laboratory of the Massachusetts Institute of Technology has estimated that, if artificially low pricing continues, by 1980 there will be a 30% shortage. If so, owners of new houses will find it hard to get gas. And even many existing customers could be cut off or rationed.

No Californian would like having to spend $1,000 or more to convert from gas to electric cooking and heating. And the electric utilities might not have the power to spare. Even if they did, it would not be cheap power, because the generating plants would be burning fuel oil costing up to $16 per barrel, several times today's natural gas prices.

Local gas utilities may be able to cushion the shortage by making deals for Alaskan gas, but not at a wellhead price of 51 cents. They might turn to liquefied natural gas imported from abroad. But this would bring new dependence on foreign sources, and the price would be several times higher than today's level.

The answer is to encourage new gas supplies. And the best way to do that is to allow prices for newly discovered natural gas in onshore fields to float up in a fundamentally free market. Deregulation should be accompanied by a windfall-profits tax to be imposed if the producers failed to plow most of the profits back into the hunt for new supplies.

Deregulation of newly discovered gas supplies has been proposed by the Ford Administration; it is supported by four of the five FPC members and by many outsider experts. However, it is opposed by consumer groups and many if not most Democratic members of Congress because of the impact on consumer pocketbooks.

Although deregulation probably would mean that the price of new gas entering interstate markets would quadruple to $2 per thousand cubic feet, it would not mean that consumers would pay four times as much for their gas.

The wellhead price accounts for only 17% of the ultimate cost to the consumer. Only new gas supplies would be deregulated; existing supplies would continue to be sold at much lower contractual prices which currently average about 30 cents per thousand cubic feet. Since only about 5% of the gas entering interstate markets in any given year is newly discovered gas, the impact on consumers would be spread over a period of 10 to 20 years.

A so-called compromise has been approved by the Senate Commerce Committee, and awaits action on the floor. It would deregulate independent producers, but would allow the 23 largest companies—which account for 80% of natural gas production—to sell their gas for no more than 75 cents per thousand cubic feet. In addition, the measure would extend federal controls to intrastate sales of gas, thereby forcing an actual rollback of prices from current levels.

This is a bad piece of legislation. It might comfort consumers in the short run. But since it would do little or nothing to increase gas supplies—and might even cause a further contraction—it would hurt consumers in the long run.

The committee bill is aimed less at encouraging new gas production than at forcing a restructuring of the oil industry to reduce the market power of the major oil companies. This may or may not be a laudable goal, but it deserves much more serious study than given by the Senate Commerce Committee.

The choice is not between cheap and expensive natural gas, because there is no such thing as a plentiful supply of cheap gas. The choice is between supply and scarcity, between paying higher prices to go to foreign governments or to domestic producers. Congress take note.

ADDITIONAL STAFF MEMBERS FOR SENATORS—SENATE RESOLUTION 60

AMENDMENTS NOS. 557 AND 558

(Ordered to be printed and to lie on the table.)

Mr. McCLELLAN submitted two amendments intended to be proposed by him to the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

AMENDMENT NO. 559

(Ordered to be printed and to lie on the table.)

Mr. GRAVEL submitted an amendment intended to be proposed by him to the resolution (S. Res. 60), supra.

AMENDMENT NO. 560

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself and Mr. BROCK) submitted an amendment intended to be proposed by them jointly to the resolution (S. Res. 60), supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 25

At the request of Mr. ROBERT C. BYRD, the Senator from Tennessee (Mr. BAKER) was added as a cosponsor of Amendment No. 25, intended to be proposed to the bill (S. 598), the ERDA authorization bill.

NOTICE OF HEARINGS

Mr. PERCY. Mr. President, hearings on S. 1774, a bill to reorganize the executive branch by abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review and transferring its powers and functions to the Secretary of the Interior are scheduled for Wednesday of this week, June 11, at 10 a.m., in room 224 of the Russell Senate Office Building.

Mr. President, this legislation is a small but important step to eliminate waste in the executive branch. The Board was created in 1966, pursuant to Public Law 89–577, to provide an administrative hearing for appeals from noncoal mine operators ordered by the Mining Enforcement and Safety Administration to close their mines for safety reasons. An additional process of appeal exists with the Office of Hearings and Appeals in the Department of the Interior. The only real difference between the two appeals procedures is that the law specifically provides for court review only upon an appeal to the Review Board. Basically, however, the two processes needlessly overlap. I think we can abolish the Board at a savings to the Government of $60,000 per year and simply provide for court review of appeals to the Secretary of the Interior.

HEARINGS ON COUNCIL ON INTERNATIONAL ECONOMIC POLICY

Mr. STEVENSON. Mr. President, previously announced hearings of the International Finance Subcommittee on S. 1262 and other matters relating to the Council on International Economic Policy for June 17 have been canceled and will take place on July 8 instead in room 5302, Dirksen Senate Office Building. Interested persons should contact Stanley J. Marcuss, counsel to the subcommittee, at room 5302, Dirksen Senate Office Building, Washington, D.C. 20510, telephone 202–224–8813.

INFORMATION MANAGEMENT HEARINGS JUNE 24, 25

Mr. METCALF. Mr. President, the Government Operations Subcommittee on Reports, Accounting, and Management will conduct hearings on information management by independent regulatory agencies on Tuesday, June 24 and Wednesday, June 25. Hearings both days will begin at 10 a.m. in 3302 Dirksen Senate Office Building.

The purpose of these hearings is to study and investigate the collection, tabulation, use, evaluation, and dissemination of information filed with the regulatory agencies by companies subject to Federal reporting requirements.

We shall seek the answers to two central questions:

How good is the data upon which Government regulatory decisions are based? How can its accuracy, adequacy, timeliness and availability be improved?

The hearings will focus on the independent regulatory commissions which were established as arms of the Congress. These commissions include the Civil Aeronautics Board, the Consumer Product Safety Commission, the Federal Communications Commission, the Federal Maritime Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Nuclear Regulatory Commission, and the Securities and Exchange Commission. In the course of the hearings and subcommittee investigation we shall look for exemplary information management systems—wherever they may be found—which are worthy of wider use.

It is my belief that the independent regulatory agencies have recognized deficiencies in their information management systems, that they are attempting to improve them, and that congressional oversight is an essential part of the improvement process.

Here are some of the questions to which we seek answers:

First. What are the "information gaps" which hamper regulatory agencies and users of the information they collect?

Second. Is information that is publicly available—although perhaps obtainable only by going to many sources at considerable expense—not conveniently available to State regulatory agencies and to the public from the Federal agency which collects it?

Third. Is the information available only on an aggregated industry basis? If so, how can an agency and the users ascertain that aggregates and averages are correct if they do not see individual company data on which the aggregate information is based?

Fourth. To what extent is reported data verified by the agency which collects it?

Fifth. How often is basic data regarding company operations, management, assets, liabilities, capitalization, and control collected? Should information now collected only as part of occasional "benchmark surveys" be available on a more regular basis?

Sixth. What is the regulatory lag between the time information is attainable within the firm making the report and the time it is available to the agency and those parties to whom the agency makes it accessible?

Seventh. What is the regulatory lag between the time that agencies receive reports and the time that statistical compilations are published? What are the reasons for delay?

Eighth. Should agencies provide more analysis and evaluation of statistical data than are now available?

Ninth. What do the agencies do to help guide the public to information in their files? How can those procedures—or publications—be improved? Is inaccurate or outdated data flagged?

Tenth. What charges are levied by the agencies for reproduction of reports? What are the reasons for the disparity of these charges?

Eleventh. Prior to enactment of the Hart amendment to the Alaska Pipeline Act, regulatory agency questionnaires to 10 or more firms were subject to veto by the Office of Management and Budget. Now they are subject to review by the General Accounting Office. Is the revised procedure working out satisfactorily from the viewpoint of reporting companies, the agencies, and the using public? Should data sought by Congress from executive departments whose questionnaires are not approved by the executive branch be collected by independent regulatory agencies?

Twelfth. What progress is being made to reduce business burden—while maintaining or improving the accuracy, adequacy, timeliness, and availability of reports—by interagency development of uniform reporting requirements regarding company operations, management, assets, liabilities, capitalization, and control?

Mr. President, during these initial 2 days of hearings the subcommittee intends to receive testimony from witnesses who can help pinpoint the problem areas and provide expert testimony regarding their solution. Staff investigation and followup work with the agencies will be followed by further hearings, planned for this fall, at which agency heads will be invited to testify.

Persons who wish to testify or submit statements should communicate with the subcommittee staff. The majority staff is in 161 Russell Senate Office Building (224–1474). The minority staff is in A602 Immigration Building, 224–1480.

NOTICE OF HEARINGS: MAJOR SYSTEMS ACQUISITION REFORMS

Mr. CHILES. Mr. President, the Government Operations Subcommittee on Federal spending practices will continue its hearings on reforming major systems acquisition programs—both defense and civilian—beginning on Monday, June 16.

Further background information was provided in my original announcement on May 12 (CONGRESSIONAL RECORD, p. 13812).

The schedule of hearings follows:

MONDAY, JUNE 16

Hon. William Proxmire, Senator from Wisconsin.

E. Perkins McGuire, former chairman, Commission on Government Procurement.

Donald E. Sowle, former director of Studies, Commission on Government Procurement.

Professor Robert R. Judson, naval postgraduate school.

FRIDAY, JUNE 20

Hon. Alan Cranston, Senator from California.

Hon. David Packard, former Deputy Secretary of Defense and chairman of the board, Hewlitt-Packard Co.

MONDAY, JUNE 23

Robert Perry, the Rand Corp.

David G. Soergel, DGS Associates.

Russell Clark, former chairman, Major Systems Study Group, Commission on Government Procurement.

THURSDAY, JUNE 26

Hon. Elmer Staats, Comptroller General of the United States.

Adm. Joseph M. Lyle, president, National Security Industrial Association.

Karl G. Harr, Jr., president, Aerospace Industries Association.

V. J. Adduci, president, Electronic Industries Association.

Hearings are scheduled to continue July 8, 9, 10 and July 22, 23, 24. Witnesses expected to appear but not yet scheduled by day include:

Hon. Jack Kemp, Congressman from New York.

Hon. Hugh E. Witt, administrator, Office of Federal Procurement Policy, OMB.

Agency representatives from: Department of Defense; Department of Transportation; National Aeronautics and Space Administration; and Energy Research and Development Administration.

RESCHEDULING OF HEARING

Mr. HUMPHREY. Mr. President, when I introduced Senate Joint Resolution 88 last week, I announced that the Subcommittee on Foreign Agricultural Policy of the Committee on Agriculture and Forestry would call Secretary Butz before it June 19 to discuss the resolution and the irregularities in the grain inspection system. Because of scheduling difficulties, the hearing has been rescheduled for Friday, June 13, at 1:30 p.m. at which time the Secretary will appear. The hearing will be in room 324, Russell Office Building.

ADDITIONAL STATEMENTS

DOES PAPA KNOW BEST?

Mr. FANNIN. Mr. President, recently a bill was introduced to create a new Federal superagency to conduct national economic planning. Its proponents claim that we need a central authority to supervise and direct our country's economic resources so that we can avoid periods of recession and inflation, the booms and busts which have occurred from time to time in our unmanaged economy and for which we have often been unprepared.

Of course, there is nothing new in this idea. The myth that central planning will achieve universal prosperity, welfare, and happiness has been fostered by social planners for years. There are a number of economists, intellectuals, and labor leaders who periodically advocate creating another Federal agency or board—made up of these same economists, intellectuals, and labor leaders, of course—to direct our industrial energies along what they consider the most socially beneficial lines. Many of these people have become disillusioned with liberal economies and the social welfare state they once espoused, and some, like the economist John Kenneth Galbraith, are now advocating a form of socialism for America. Apparently they do not learn the lessons that other countries have to teach us, like England, which, in the view of many observers, is now paying the awful price of social welfarism and national economic planning.

Mr. President, for many years the Socialist countries have attempted to plan and control their own economies. Consistently they have failed to meet the national goals and priorities they set for themselves. The record of failure of the 5-year plans adopted in the Communist bloc is unblemished and unmatched.

By contrast, the genius of our free enterprise system is that our national resources are directed toward consumer demands and society's needs, without the controls and inefficiencies posed by a "big brother" agency of experts and central planners. Within the context of free and democratic institutions, we have been able to achieve the highest standard of living this world has ever known, with the benefits enjoyed and shared by all.

That is why this proposal for a new planning agency concerns me greatly. Not only would the envisioned agency add to the existing array of Federal regulatory bodies concerned with various segments of the economy, but if enacted, this legislation would establish unprecedented governmental control over the entire American economy, which has been guided by the free and voluntary interaction of buyers and sellers in the marketplace.

Mr. President, it has long been my contention that governmental regulation throws the free enterprise system out of balance in meeting society's needs and demands. As a consequence it may seem to some observers that the American brand of capitalism is no longer working properly and the whole economic setup needs revamping and reshaping. What is really needed, in my view, is a comprehensive review of Federal regulatory agencies and a thorough examination and reassessment of the whole regulatory process.

We need to reform or abolish many of our existing regulatory bodies and Federal laws governing the economic life of our Nation so that the free enterprise system can function properly. Another layer of bureaucracy, another group of bureaucrats, however high-minded the purpose, is not the answer to our economic ills.

Mr. President, I call the attention of my Senate colleagues to the article "Does Papa Know Best?" by Howard Flieger, which appeared on the editor's page of U.S. News & World Report of June 9. Mr. Flieger discusses the proposal for a Government agency to direct national economic planning and finds it wanting. The questions he raises about the "papa-knows-best" approach to solving our national problems merit serious consideration by those intrigued with the idea of a new Federal planning agency, board, or commission. The examples he cites, including the Consumer Protection Agency recently approved by the Senate, should be studied carefully before we launch into a new Government enterprise.

As Mr. Flieger notes:

Perhaps Government can do better. It doesn't have a very impressive record so far. Maybe adding another layer of Washington bureaucrats and a few more strands of official red tape will fix everything up just fine. Maybe.

Mr. President, I ask unanimous consent that the full text of the U.S. News & World Report article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOES PAPA KNOW BEST?

(By Howard Flieger)

Now the talk is of having Government direct "national economic planning."

Two veteran Senators—Democrat Hubert Humphrey of Minnesota and Republican Jacob Javits of New York—have introduced legislation to establish an agency to "guide the economy in a direction consistent with our national values and goals."

Their idea has backing from an impressive group of businessmen, labor leaders, economists and scholars. The Senators hope their bill will inspire a national debate on the subject.

The odds are almost overwhelming they will get their wish. For starters—

Wassily Leontief, the economist and Nobel Laureate, says the job of keeping the U.S. economy running in good order "requires lifting the hood, observing and, if necessary, adjusting the operation of all moving parts of the engine, and occasionally replacing those that turn out to be defective."

Banker Walter B. Wriston, a student of bureaucracy, says: "Those wonderful people who brought us wage and price controls, which so severely disrupted our economy, now wish to extend the chaos on a permanent basis. The intellectual arrogance of those who would substitute their judgment for that of the American people is amazing."

Actually, common sense tells you there is nothing wrong with planning, if the term means looking ahead, anticipating problems and solutions. The present energy crisis is a classic example of what can happen when everybody involved knows for years that we're going to run short of fuel at some point and does nothing beforehand to prevent it.

But does the planning have to be done by a Government bureaucracy? There are quite a few agencies in that business already—more than 50 federal offices collecting economic data that is often contradictory and frequently out of date. Will adding on one more help?

Backers of national economic planning say the agency they envision would not control and police the private-enterprise system—only advise it for the good of the country.

As an example, it is pointed out that the new bureau would not give the automobile industry orders on how many cars to produce. It would determine how many are needed.

Does it take officials and consultants in Washington to do that? It seems as though the customers have been doing quite an impressive job on their own the last year or so. Detroit's assembly lines didn't slow down because the Government suggested it. They did so by management decision because they were making more cars than people were buying.

It may be naive to think so, but one feels a sort of Alice in Wonderland atmosphere in a lot of the discussion about depending on the Government as the "Papa-knows-best" about everything for everybody.

Arguments over creating a Government agency to "protect" consumers are an example. Who is a consumer? Everybody is, including you and the people who would protect you from the pitfalls of being one.

If a consumer—that is, a customer—gets cheated on a product and then buys the identical thing a second time, he doesn't need a Government camp counselor to hold his hand. He needs to have his head examined.

In their own self-interest, consumers protect themselves. The maker of a faulty mouse trap doesn't close down because the Government locks his door. He goes out of business for the very practical reason that his mouse traps are no good and people won't buy them. No sales, no production.

That sort of thing regulated most of our economy for nearly 200 years. Perhaps Government can do it better. It doesn't have a very impressive record so far. Maybe adding another layer of Washington bureaucrats and a few more strands of official red tape will fix everything up just fine. Maybe.

THE DEATH OF STEVE PREFONTAINE ON MAY 30, 1975

Mr. JACKSON. Mr. President, on May 30, only a few hours after winning a 5,000-meter race in the second fastest time ever run by an American, Steve Prefontaine was killed in an automobile accident.

All of us in the Pacific Northwest, across the United States, and around the world were shocked and saddened to learn that this outstanding athlete—one of the best distance runners in the world—was dead. He was 24 years old.

In this most demanding of sports—for a runner does not begin to reach his peak until he has run literally thousands of miles and competed for years—Steve Prefontaine was a fierce and engaging anomaly. Most distance runners are quiet and introspective, and they confirm our belief in their "loneliness" by the monastic, austere life they lead. But Prefontaine was different; brash, confident, precocious. But he backed up his outspokenness with victories. He grew up in the logging and fishing town of Coos Bay, Oreg., where as in similar towns along the coast and waterways of the Pacific Northwest, hard work and a tenacious spirit are the norm. One had to prove himself, and Steve Prefontaine proved himself in sport.

His exploits are legendary: a national high school record of 8:41.5 for 2 miles, four NCAA 3-mile championships and three cross-country titles while at the University of Oregon. He ran nine sub-4-minute miles, his fastest in 3:54.6. He set an American record on 14 different occasions and holds U.S. records at 2,000 meters (5:01.4), 3,000 meters (7:42.6), 2 miles (8:18.4), 5,000 meters (13:22.2), 6 miles (26:51.4), 10,000 meters (27:43.6); and everyone agreed his best races were still to come.

Yet, his athletic accomplishments, as awesome as they are, do not give us a total picture of the man. Prefontaine, while preparing to win a gold medal in the 5,000 meters in the 1976 Olympic games in Montreal, and to defeat—soundly thrash as he would have put it—every other great distance runner in the world along the way, had another goal in mind. In the words of his first track coach at the University of Oregon, also the 1972 U.S. Olympic track and field coach, Bill Bowerman, "Steve wanted emancipation—freedom for U.S. athletics—freedom of competition for all athletes of the world."

Today, the United States is blessed with thousands of gifted, dedicated amateur athletes who compete and live within a most narrow, selfish athletic system. While other athletes in other nations are able to compete, to reach their fullest potential, the American amateur athlete is relegated to a world of poverty. Once out of college there is no source of assistance, or encouragement, and the athlete is never able to realize his or her aspirations. As a result, the American athlete is rapidly losing the chance to be the best.

Steve Prefontaine died before he was able to realize that goal, but we can help. In the last session of Congress the Senate passed legislation designed to modernize the archaic amateur system and to end the feuding that was hurting those—the American athletes—for whom the system was conceived.

One result of this legislation, was the creation of a Presidential Commission to study the state of amateur sport in America and the recommended changes; unfortunately, it has not begun to function. I urge the President to act so it can begin this task.

Americans have witnessed the tremendous good that can be won through sport. Track and field is a sport that knows no national boundary and it has broken down barriers when other forms of diplomacy have failed. Soviet and American athletes have competed all over Russia and the United States, and a contingent of American athletes has just returned from a 3-week stay in the People's Republic of China.

Athletic competition has enabled men to come together, regardless of ideology. It is one of the most potent weapons for good, and for understanding.

Steve Prefontaine was an example of the type of individual who broke through those barriers. Steve Prefontaine was an example not only to athletes in the United States, but to aspiring and accomplished sportsmen all over the world. Bill Bowerman said he left us a legacy so that "the good things of track and field and other sports may be freely enjoyed by athlete and spectator, won by truth, honesty, and hard work."

Bowerman pledged to Prefontaine and invited all true sportsmen to join him, to fulfill his great dream—to preserve and further the freedom to meet in international sport and friendship. It is a goal worth achieving.

HEADSTART—10TH ANNIVERSARY

Mr. JAVITS. Mr. President, I would like to pay tribute to the Head Start program, which is celebrating its 10th anniversary. It has shown remarkable growth and success. In the past, I have supported increased appropriations for this worthy project. I was the coauthor of the Head Start, Economic Opportunity and Community Partnership Act of 1974, Public Law 93-644, which included authorizations for the Head Start program. We can all look with gratification at its accomplishments since its inception in 1964.

Two articles in this past Sunday's New York Times attest to Head Start's far-reaching positive effects. According to these reports, Head Start serves 350,000 children annually, four-fifths of them on a full-year basis. It now operates out of 9,400 centers run by 2,200 recipients of grants, two-thirds of which are local community action agencies. Other sponsors include churches, YMCA's, and local school systems.

Head Start has had especially notable effects in two specific areas.

First, the impact on Head Start has been considerable. Lillyan Jackson, a Head Start supervisor in New Orleans, says of the program's effect on the parents:

They're interested in the children's education more. They're reading to the children. It's developing them, too.

In addition, Head Start puts a premium on volunteers and paraprofessionals. This has widened the horizons of many parents. There are estimates that 10,000 Head Start parents have gone on to receive teacher certification.

A second major accomplishment of the Head Start program is its introduction of low-income families to sources of health care in the community. The combination of Head Start's comprehensive health program for children and its emphasis on prenatal involvement has acquainted parents with community health care facilities. Not only have they learned to use these facilities for themselves and other children in the families, in some cases they have even spread the word to relatives, friends, and neighbors.

The statement in the Times by Dr. Urie Bronfenbrenner of Cornell University simply and eloquently points out the significance of the Head Start program:

To the extent that American society has awakened to the importance of children as a national responsibility, Head Start has been the vehicle. It is keeping alive the notion of saliency and importance of children in this society. So long as there is Head Start, there is a rallying point around which you can ask who's taking care of kids

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point, a copy of an article written by Edward B. Fiske in the New York Times of June 8, entitled "Head Start: After 10 Years, Planning Experiments," and a copy of an article in the New York Times of June 8 entitled "Ten Years of Health Care Called a Success," by Jane E. Brody.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

HEAD START: AFTER 10 YEARS, PLANNING EXPERIMENTS

(By Edward B. Fiske)

Last Christmas, as a result of a course she has been taking on early childhood development, Louvenia Palmer and her husband cleaned out the "junk room" in their home in New Haven, painted it bright yellow and turned it into a playroom for their three young children.

"I learned that having a place like this for them to go to is important," she said. "Even the color makes a difference."

Mrs. Palmer, the wife of a warehouseman, was eligible for the course because she is a Head Start mother, and her new insights into what can help her children develop is typical of the effects of one of the most durable—and, in the opinion of most observers, generally successful—social programs to be undertaken by the Federal Government.

Since it began full-scale operations 10 years ago this month, Project Head Start has grown from a hastily arranged summer program into an on-going $392-million operation that serves 350,000 children annually, four-fifths of them on a full year basis.

HOPE AND BETTER LIVES

It has shaped the attitudes of professionals and laymen alike toward early childhood education, brought hope and better lives to millions of poor children and their parents and, in the process, carved out a political constituency that has made it the one sure survivor of President Johnson's War on Poverty.

It has also been criticized for failing to fulfill expectations of lasting cognitive growth for its "graduates," and even supporters who reject such charges acknowledge that some of its initial assumptions were naive.

The result is that as it enters its second decade—it has been extended by Congress for another three years—Project Head Start has embarked on a series of experimental programs that have placed it as much at the center of debate over early childhood intervention as it was when it began.

Project Head Start was spawned by the Economic Opportunity Act of 1964, which, as amended in 1967, required it to offer "comprehensive health, nutritional, education, social and other services" to poor preschool children. It also called for "direct participation" of parents in running the program.

ENVIRONMENT AND LEARNING

Though conceived as a comprehensive developmental program, Head Start came when there was considerable interest in the effects of the environment on learning potential, and to many people it became primarily an educational endeavor. Some saw it as a way of getting at the reform of public schools by providing a new pre-school base.

During the planning stages, consultants suggested beginning with a small demonstration project, but Sargent Shriver, director of the Office of Economic Opportunity, argued for a big plunge.

"We want to write Head Starts across this land so that no Congress or President will ever destroy it," he said.

The result was that, with only seven months of planning time in 1965, 561,000 children were enrolled in an eight-week summer program budgeted at $96.4-million. In August, President Johnson announced that it would become a full year program. The enrollment reached 733,000 the following year and then settled at slightly below 700,000 for the next three years.

In 1969, the Nixon Administration shifted responsibility for Head Start to the newly created Office of Child Development in the Department of Health, Education, and Welfare. A decision was also made to de-emphasize the summer program and to serve fewer childdren, but in more depth, in year-long projects.

RETROSPECTIVE OPINION

"In retrospect we can see that it was not sensible to expect a significant impact when children were only available for a short period of time," said James Robinson, the current director of Head Start.

Head Start now operates out of 9,400 centers run by 2,200 recipients of grants, two-thirds of which are local community action agencies. Other sponsors include churches, Y.M.C.A.'s and local school systems.

In a broad sense, the major accomplishment of Head Start has been to raise public consciousness about the potentials of programs directed to preschoolers.

"There's no question in my mind that Head Start triggered the great growth in day care," said Julie M. Sugarman, the second director of the program.

For many middle class parents, ineligible because of their income levels, Head Start nevertheless became a model for privately sponsored pre-school projects. Elsewhere the effect has been to change attitudes not only of the poor but also about them.

"Head Start was one of the few programs that did not take a patronizing attitude toward the poor," said Martha Rinaldo, assistant director of the Foundation of Early Childhood Education in Los Angeles.

HEALTH CARE DELIVERED

Regulations require that each Head Start child receive a medical and dental examination and a hot meal each day, and these procedures alone have made Head Start the first organized national program to deliver standardized health care to young children in poverty areas.

The effect on parents of Head Start has been considerable. Lillyan Jackson, a Head Start supervisor in New Orleans, said that the program has "taken the pressure" off the children's mothers, many of whom are domestic day workers.

"They're not as harassed," she said. "They're interested in the children's education more. They're reading to the children. It's developing them, too. They come to these centers and they see things that are going on. Every Christmas I'm always getting requests for lists of the right toys."

Head Start puts a premium on a volunteer and paraprofessional basis, and for some parents this has opened doors. It is estimated that 10,000 Head Start parents have gone on to receive teacher certification. In Los Angeles, Calara Godbound, a mother of 10 who dropped out of school after the eighth grade, resumed her education and is now enrolled in law school.

CONSIDERABLE IMPACT

As a force for community action, Head Start has had considerable impact, especially in its early years. A study of 58 communities completed for H.E.W. in 1970 by Kirschner Associates found that local educational and health institutions were considerably more responsive to the needs of the poor in Head Start programs than those communities without them.

The reformers' goal of fundamentally changing public school structures has clearly gone unfullfilled, but in some cases parents' experience in governing Head Start has changed their relationship to schools.

"Parents are no longer afraid to go to school and ask the teacher why their child doesn't have homework," Mrs. Rinaldo said.

Finally, there has been the effect on the children.

"Our 5-year-olds are much more sophisticated now," said Pearlie H. Ellaie, a Head Start director in New Orleans. "They are much more self-assured, aware of themselves as people. They are better able to deal with adults, and they do it not out of fear but just to communicate."

For children with special problems, such as those with handicaps or from non-English-speaking backgrounds, the changes have often been significant.

A BIG STEP FORWARD

"To learn to know what it means when the teacher says 'let's all sit in a circle' may seem like nothing at all to an adult," said Joseat Vazquez, a parent who teaches painting at a Head Start center in Los Angeles. "But to a 4-year-old from a faraway country who has never ventured outside his family's tiny apartment, it is a big step forward."

But it is just this area—the effects on the children involved—that has plunged Head Start into its deepest controversies and reassessments.

In 1969, the Westinghouse Learning Corporation released a study of Head Start "graduates" that found that, in terms of both intellectual and effective growth, the program produced only marginal long-term gains. It was a serious blow to those who had believed that putting children in a new environment for a time would make up for any past deprivation.

Some Head Start proponents had questioned the methodology of the survey before it was conducted, and others responded that Heard Start could not be blamed for destructive aspects of schooling that occurred after children left the program.

Still others questioned whether goals such as raising I.Q.'s while easily measurable and thus attractive to researchers, were valid objectives in the first place.

DIFFICULT TO MEASURE

"Head Start was never intended to create intellectual warriors who would go off to Harvard and Radcliffe," said Jack Shaefer, a Head Start director in Los Angeles. "Head Start was designed not only to help a child do better in reading and math but to improve his relations with his family and peers and give him a better self-image. But these gains are difficult to document on standardized tests."

The Westinghouse study bolstered the Nixon Administration policy of cutting back on Federal involvement in social welfare programs, but efforts to do this to Head Start—the policy said one high-ranking official, was "to strangle us gradually"— proved to be politically impossible.

With operations in every Congressional district and a large group of enthusiastic parents behind it, Head Start had clearly developed a strong political constituency. It was, and is, generally perceived as a good example of an effective Federal program. Besides, as virtually everyone questioned on the subject responded, "How can you be against little children?"

IMPROVEMENT PROGRAM

Nevertheless, the period following the Westinghouse report saw the beginning of some major changes in direction. The community action programs praised by the Kirschner Report fell off considerably, and the programs began to look more like traditional educational and social services.

Four years ago, on the initiative of Edward Qigler, the director of the Office of Child Development, Head Start began an Improvement and Innovation program that involved the drawing up of more precise performance standards for local programs and introduced a series of experimental demonstration projects.

Five per cent of Head Start children are now involved in these experimental efforts, which are designed to introduce flexibility in meeting the needs of children and families. Under the Homestart program, for instance, trained personnel have for the last three years visited homes and worked with parents, and the results have been comparable with those of enter-based programs.

"The main mistake we made was the failure to realize the truth of what we were saying: the importance of the family and the circumstances of life in which they live," said Urie Bronfenbrenner, an original planner of the program.

As it moves into its second decade, Head Start faces other continuing problems. One is inflation, which has made it difficult to continue at the current level of operations despite consistent increases in funding.

Head Start has found it hard to comply with the Congress' mandate of two years ago that it accept severely handicapped children, and a General Accounting Office audit last month found that it has had only "limited success" in obtaining parental involvement. The audit also found that the program had accepted more than the authorized level of 10 percent of children from homes above the poverty line.

More complex, however, are the underlying philosophical problems. With its new family-oriented experimental programs, Head Start has once again moved into the center of the national debate over how to go about early childhood education.

Burton White, a psychologist at Harvard, takes the Westinghouse results seriously and argues against any trend toward "downward schooling." Early intervention, he says, should be limited to "acculturative" goals such as bringing a child out of the home and introducing him to "the community of strangers, to the community of relevant others."

Others believe that significant results can be achieved, both in a narrowly educational and broadly social sense, through the new family-oriented approaches. Toward this end, Start will soon embark on a five-year effort to develop measures of "social competency."

To many observers, this debate itself is a tribute to the success of Head Start over the last 10 years.

"The United States is not the child-oriented society that it thinks it is," said Dr. Bronfenbrenner, "We are, for instance, the only industrialized nation in the world without a national health program for young children or minimal income maintenance for families with young kids.

"But to the extent that American society has awakened to the importance of children as a national responsibility, Head Start has been the vehicle. It is keeping alive the notion of the saliency and importance of children in this society. So long as there is Head Start, there is a rallying point around which you can ask who's taking care of kids."

---

10 YEARS OF HEALTH CARE CALLED A SUCCESS

(By Jane E. Brody)

While there has been considerable public and professional evaluation of Head Start's controversial educational and social gains, little has been said about its unequivocal achievements in improving the health status of the millions of low-income children who have participated in the program.

From the outset, the Head Start concept included physical and psychological well-being as essential parts of a child's development. Ten years and countless immunizations, well-balanced meals, filled teeth, eyeglasses and hearing aids later, those who operate the program say that it has clearly helped the children directly involved.

Officials report, on the basis of incomplete figures, that more than two-thirds of participants in full year programs have received the mandated medical and dental examinations. Of those identified as having problems, they say, more than half received the prescribed follow-up.

Perhaps Head-Start's greatest accomplishment, though, they add, has been the broader one of introducing low-income families to community sources of health care that they can use for the rest of their lives.

"MAXIMUM POTENTIAL"

"We were interested in helping children to realize their maximum potential," recalled Dr. Robert E. Cooke, the pediatrician who headed the committee that established the first Head Start programs. "If health problems knock the child down, that's destructive to our goal."

Dr. Cooke, who is now vice chancellor for health services at the University of Wisconsin, explained that "the statistics were very clear—young children of the lower socioeconomic level had a much higher frequency of several problems," including no protection against infectious diseases, unattended chronic illnesses and disabilities, tuberculosis, neurological diseases and nutritional deficiencies.

Parents in low-income families often fail to recognize the child's problem or consider a problem such as deafness "an act of God" about which nothing can be done. And even when they know a correctable problem exists, they may have no idea where to go to have it taken care of, since they cannot afford private medical care.

Therefore, the Head Start program has emphasized parental involvement, and parents who have become acquainted with community health care facilities have learned to use them for themselves and for other children in the family and, in some cases, have even spread the word to relatives, friends and neighbors.

NUTRITIONAL EDUCATION

The parents have also been included in nutritional education programs and discussions on preparing nutritious, low-cost meals. Head Start children, who are also taught about good nutrition, often reinforce the message.

After completing a unit on nutrition, a four-year-old in the Head Start center in the Watts section of Los Angeles told his mother that instead of candy bars for breakfast and lunch, it would be more healthful if the family ate beans and rice. The mother took the advice and, according to Mrs. Effie Wright, a volunteer at the center, "the kids have never looked better."

Head Start teachers in New Orleans have noted that as the word about good nutrition has spread, the children, and their siblings, are growing taller and sturdier. "Our five-year-olds look like the kids of six did some years ago," reports Mrs. Pearlie H. Ellaie, director of education at Total Community Action, Inc., which operates the program.

According to Dr. Linda Randolph, director of health services for the United States Office of Child Development, the Head Start health program includes a thorough physical examination, with blood and urine test, vision and hearing tests, a dental examination and other tests deemed necessary, such as tests for intestinal parasites, lead poisoning or sickle cell anemia.

PROVISION FOR CARE

The program is also set up to see to it that any needed care is provided, either by free community resources, under Medicaid or with Head Start funds. Under a contract with the American Academy of Pediatrics, each local program has a pediatric on consultant to help define the program's needs and identify sources of care. Similar consultation in the dental area is provided for under a contract with the Division of Dental Health of the National Institutes of Health.

Each program is also supposed to provide mental health services when needed. In providing health care, Head Start has pioneered in the use of new types of paraprofessional health workers, including preventive dentistry technicians.

Dr. Randolph conceded that all the Head Start programs have not offered as complete medical services as they should. However, under a new plan, all the programs will now have to document that they provide all the required services or risk losing their funding.

Further improvements are expected through a new Medicaid program of early childhood preventive health screening which will provide even more complete examinations for Head Start children and their siblings.

IS SOCIAL SECURITY SOUND?

Mr. HARTKE. Mr. President, since May 19, Sylvia Porter has explored the question of the financial soundness of the social security system in a series of articles in her column "Your Money's Worth."

I, for one, have been receiving many letters and phone calls from constituents about this subject. Ms. Porter's articles provide basic information to the debate on this issue and I ask unanimous consent that her five articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

IS SOCIAL SECURITY SOUND?—1

(By Sylvia Porter)

The mounting attacks on our Social Security system are not new.

But today, the hackneyed claims that the system is "basically unsound," "headed for bankruptcy," "doomed to collapse," "a deception foisted on the people" come at a particularly bad time.

Watergate, Vietnam, galloping inflation and soaring unemployment have shaken public confidence in our government institutions. The deepest and longest slump of the entire post-World War II period has created widespread fear of the future.

This is a grim background against which to circulate vicious attacks on Social Security—attacks made up of slashing half-truths and untruths.

This is a most unfortunate atmosphere in which to have administration officials in charge of running the system make "less than effective" (to put it gently) responses to comments which are not only clearly inaccurate but also extremely biased.

On top of all this, the trustees of the Social Security trust funds had to make an announcement that revisions in the long-range estimates of Social Security income and outgo were required. It sounded ominous. Changes in our lifestyle—the Pill and the declining birth rate—would result, apparently, in a lower-than-expected number of Americans of working age in the next century, just about the time that the large numbers born during the post-World War II baby boom will be reaching retirement age.

The Social Security contributions of the reduced work force, beginning in the year 2010, might not be enough to cover the cost of paying benefits to the swollen numbers of retired.

That there are offsetting factors has not been made clear. Nor has it been emphasized that the long-range estimates are indeed no more than "estimates," subject to many unforeseeable changes in our total economy, way of life and the Social Security program itself.

Meanwhile, the Advisory Council on Social Security was conducting the review of the entire Social Security program required by law every four years. During the review, a short-range financing problem came to light—a result of the nightmare coincidence of an inflation spiral and slumping payrolls. The problem: The cost of keeping SS benefits up-to-date with cost-of-living increases was outrunning the additional income from higher wages.

Next, when President Ford proposed to place a ceiling on the cost-of-living increases due beneficiaries, older people swamped Social Security and congressional offices with pitiable protests. Younger working people saw the threat of increased Social Security taxes and the spectre of no pay-off in their own retirement years.

Deeply concerned over the anxiety caused by the scary headlines and the attacks, a bipartisan group of five former secretaries of Health, Education, and Welfare and three former Social Security commissioners joined in issuing a white paper, "Social Security: A Sound and Durable Institution of Great Value." It provides a basis for an informed, objective debate on keeping the system sound.

This week's series of columns is designed to kick off that informed debate on the system's financial problems and how they may be solved.

Is Social Security Sound?—2

(By Sylvia Porter)

For the 31 million Americans—aged, disabled, young widows, children—who receive Social Security benefit checks each month, a nightmare closing in is that their payments might be drastically cut or stopped.

For the 100 million of us working and paying Social Security contributions, the fear is that while our Social Security taxes will increase, funds to pay us benefits will be exhausted when we reach retirement age.

How serious are these financing problems? How can they be met with minimum disturbance?

To put the financing issues in perspective, no one need fear that Social Security benefits will not be paid when they fall due, declares a "white paper" issued earlier this year by as responsible a group of experts as the United States has: Former Health, Education, and Welfare Secretaries Elliot L. Richardson, Wilbur J. Cohen, Robert Finch, John W. Gardner and Arthur Flemming; former Social Security commissioners Robert M. Ball, William L. Mitchell, and Charles I. Schottland.

There are two separate financing problems, shorter-term and long-term. Taking up the short-term problem first, this has resulted from the extraordinary, unprecedented combination of a galloping rate of inflation and a slump-induced plunge in employment and paychecks. This will not last.

In the 1972 amendments to the Social Security law, Congress provided that SS benefits were to rise automatically with the cost of living.

The assumptions in the estimates prepared at the time of the '72 changes were that the cost of living would rise at an average rate of about 3 percent and that wages would go up at an average rate of 5 percent. The additional income from Social Security taxes paid on the higher wages of workers would be available to finance the cost of living increases in benefits.

But the rate of inflation since '72 has far exceeded 3 percent. At the same time, record-high unemployment has been eroding revenues from contributions. Because of this combination Social Security will pay out $3 billion more in 1975 than it will take in.

This is scarcely a basis for panic. The SS system has about $55 billion in reserve funds—$46 billion for the cash benefits program and $9 billion for Medicare's hospital insurance. The purpose of these reserves is to create a pool that may be drawn upon during a business recession such as today's.

In fact, former commissioner of Social Security Robert M. Ball thinks that with our still drooping economy, it is probably a good thing to have Social Security paying out more than it is collecting. With these billions still in reserve, Ball explains, there is no immediate need to require higher Social Security contributions. To hike SS tax rates against today's economic background would be dramatically inconsistent with the income tax rebates we are getting.

"It is obvious, however," Ball told me, "that a situation in which the system gives out more than it takes in cannot be allowed to continue." When the economy has perked up (but no earlier than 1977), Ball proposes the maximum amount of earnings subject to SS taxes be raised to $24,000. This would mean higher taxes for only about 15 percent of SS contributors; it also would substantially increase the level of their future benefits.

Among other proposals by the Advisory Council on Social Security is one to make the hospital insurance part of Medicare dependent on general U.S. Treasury revenues. But this, warn Social Security officials, raises the danger of introducing a "means test" into the program and undermining the concept of a system in which your contributions earn you a right to benefits, including health care, in your older years.

The fundamental point is that the short-range financing problem in no way constitutes a financial crisis and Congress is studying various solutions to the problem.

Is Social Security Plan Sound?—3

(By Sylvia Porter)

In 1940, there were 14.7 Americans 65 or over for every 100 of working age; today, there are 18.3 for every 100; in the next century, according to estimates by Social Security actuaries, there will be close to 30 Americans 65 or over for every 100 aged 20 to 64.

Why? Because beginning with the year 2010, the babies born during the post-World War II baby boom will be reaching 65 and collecting Social Security benefits.

After the 1950s, the birth rate began to drop precipitously. And since 1960, the national fertility rate—which measures the expected number of births per woman for all women between 15 and 44—has plunged from 3.7 to 1.85—substantially below the Zero Population Growth level of 2.1 children.

"This decrease," says a recent report by a special Senate Finance Committee panel, "undoubtedly reflects increased attention to family planning, more and better birth control methods, and major changes in life styles of some segments of our society."

Should this trend persist, the population 20 to 64 years of age would stabilize early in the next century, but the number of elderly would continue to expand for some time. It then would take a higher proportion of goods and services produced by active workers to support the over-65 in the 21st Century than it has in the 20th.

And "this is true," emphasizes the "white paper" prepared by five former Health, Education and Welfare secretaries and three former Social Security Commissioners, "quite aside from Social Security"—meaning it includes private pensions, public assistance, etc.

But there will be offsetting factors:

1. If the burden of supporting the over-65 is increased, the burden of supporting and educating children will be reduced—and with smaller families, more women will be able to earn paychecks. But we also should not accept so blindly estimates stretching so far into the future and subject to so many unpredictables.

As the Senate Finance Committee's panel report notes, "With the humility learned from many past experiences, demographers agree that it is hazardous indeed to forecast future fertility rates." And sure enough, the steeply declining birth rate seems to be slowing, the National Center for Health Statistics suggests.

In 1974, for the first time since 1970, the number of births rose—even though by only 1 percent. And recent surveys show that young married couples are planning to have enough children to produce a national fertility rate somewhat above today's.

2. Another unforeseeable is what actually will happen to wages and prices during the next 75 years. If, for instance, prices were to rise at an average annual rate of 2 percent and wages at a rate of 5 percent (unlikely but not impossible; it has happened before), the present financing of Social Security would be entirely adequate. This would hold true even with the changed ratio of retirees to working people.

But under other assumptions, there will be a need for some additional income to the system in the long run.

And if that turns out to be the case, almost certainly there will be a gradual introduction of funds from general revenues, beginning around 1990. Both former Social Security commissioner Robert M. Ball and former HEW Secretary Wilbur J. Cohen point out that it is usual in most other countries for Social Security to be financed via various sources.

The usual and well-tested combinations of financing in other lands: Part by direct contributions of workers, part by contributions of employers, part by contributions from the federal government's general revenues.

The long-range costs of the program also would be substantially less than now estimated if Congress were to change the benefit increase formula to assure that benefits would be tied more closely to increases in wages and not so closely to price increases. The "white paper" signers propose that Congress consider substituting a formula which assures that protection will automatically keep pace with wages, but not exceed increases in wages.

This change also would provide you, as a worker, with a greater certainty that your benefits would reflect your level of living at the time of your retirement.

When objectively examined, neither the short-term nor the long-term financing problems seem a cause for panic, do they?

Is Social Security System Sound?—4

(By Sylvia Porter)

When Social Security taxes were first deducted from workers' pay in 1937, the tax rate was 1 percent matched by 1 percent from the employer. On schedule was a rise to 3 percent on each side by 1949, considered more than adequate to finance the program well into the future. The maximum earnings base was $3,000, so the maximum any worker paid was $30, and most paid less.

The reasoning was that those with more than $3,000 a year would have sufficient excess income to provide a supplementary retirement cushion for themselves. Social Security's protection floor was not to be raised to replace earnings at a level above $3,000 a year.

The benefits were to range from $15 to $84 a month, depending on the worker's average earnings, and were to be payable only to the retired worker himself. No benefits were to go to a dependent wife, nor his widow and children if he died (except for a return of his contributions). There were no disability benefits if he became incapacitated for work, and of course no Medicare.

Today, the SS contribution rate is 5.85 percent each on employe and employer and the upper limit on earnings subject to the tax and creditable toward benefits is $14,100.

Today, about 15 percent of all workers have earnings above this maximum earnings base against 3 percent above the maximum in 1937.

Today, benefits for an individual worker now on the retirement rolls range from a minimum $93.80 to $316, while benefits for a worker retiring in the future with average earnings of $14,100 will amount to $484 a month. For families now on the benefit rolls, payments range from $140.80 to $574 per month and can be as high as $847 for those coming on the rolls a few years from now.

The original intent to exclude upper earnings from the tax and the computation of benefits has backfired. For example, the head of a family with earnings of only $5,000 a year now pays nearly $300 in Social Security taxes, but only about $100 in income taxes. But the person earning as much as $1 million a year escapes paying Social Security taxes on all but the first $14,000 of his earnings.

If Social Security taxes were progressive, like the income tax, the millionaire would pay a share according to his income and the low-income worker would pay according to his.

The charge (with which I sympathize) is that the SS tax structure is appallingly regressive. But the Social Security "white paper," signed by a bipartisan group of eight former Health, Education and Welfare secretaries and Social Security commissioners, strongly disagrees with this argument.

The benefit formula, says the white paper, is designed to give a larger return for each dollar of contributions to the low-income worker than the higher-paid. The net impact is to transfer some income from the more affluent to the less affluent. The paper continues:

"It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding the benefit payments, that the system as now structured is regressive."

What's more, the experts say, while an eventual government contribution to pay part of the cost of SS system makes sense, the main support should come from contributions of workers and employers. If the principle of contributions is abandoned, a system financed out of general revenues would almost inevitably lead to a means test, so that you would not receive benefits until after you had become impoverished.

Without the tie between benefits and contributions, what would be the basis for paying those above the poverty line? We might find Social Security turned into a welfare or negative income tax program designed to help only the very poor.

One solution might be along the lines of the one-shot tax credit in the 1975 tax law to help low-income workers with children offset their SS taxes, suggests former SS commissioner Robert M. Ball.

Our Social Security . . . Is It Sound?

(By Sylvia Porter)

Q. Is it true that Social Security is over one trillion dollars in the hole and that it's increasingly probable that there won't be enough money to pay benefits in the future?

A. This is so crucial a question that it must be answered with complete objectivity and in detail. So here goes:

1. Since the payment of monthly SS benefits began 35 years ago, the system has been self-supporting. Contributions from employes, employers and the self-employed have been sufficient not only to cover all benefit payments and administrative costs, but also to build up trust funds which provide contingency reserves.

2. Although benefit levels have climbed steadily and new benefits have been added, Congress has conscientiously amended the SS tax schedules to bring in the money to finance the benefit improvements and thus to keep the program self-supporting. Congress also has made it clear by statements and actions year after year (including '75) that it intends to keep the program financially sound and to assure that all benefits will be paid as they fall due—tomorrow or 20, 30, 100 years from now.

3. Headlines implying that SS is "going broke" or is "over a trillion dollars in the hole" imply a panic situation which does not exist. Each year by law the trustees of the SS trust funds report to Congress on the short- and long-range financial status of the program. The purpose is to detect trends and enable Congress to take steps well ahead of time to keep the program sound.

Every four years, the law also requires that an Advisory Council on Social Security assess the financing and this Advisory Council submitted its report in March.

The estimates are always deliberately conservative—if not always pessimistic—on income and outgo. The current panic forecasts are based on the assumption that the birth rate will continue to drop (in 1974, there were the first signs of a reversal), that there will be fewer productive workers paying SS taxes and that inflation will continue at a galloping rate into the future.

If all these assumptions turn out accurate, SS benefits will exceed contributions over the 75-year period to the year 2050 by an average 5 percent of estimated taxable payrolls. That 5 percent applied to the payroll estimates in each of the next 75 years does indeed produce a deficit of about one trillion dollars.

4. But how ridiculous and cruel to go from this to a yell of panic! For the deficit estimate is also based on the assumption that there will be no correction of a fluke in the formula in the '72 law by which SS benefits are automatically increased as the cost of living rises. If there is a relatively low inflation rate in the next 75 years, the present provisions would work. If the inflation spiral persists, an odd and unjustified result would be that a large proportion of retirees in the 21st century would get SS benefits higher than the top wages they had ever earned!

5. Congress would never permit this and, now that it has been alerted so early, there is no doubt that this defect will be corrected.

6. One proposal of the Advisory Council would base SS benefits on a system of wage-indexing—to adjust your earnings to reflect increases in your over-all average earnings over your lifetime.

Another Advisory Council proposal would have Part A of Medicare—the hospital insurance part—financed out of general federal revenues, freeing this portion of SS contributions for other benefits.

Meanwhile President Ford has asked Vice President Rockefeller to direct the White House Domestic Council to explore "alternative approaches to financing and make appropriate" proposals.

The Senate Finance Committee has appointed a subcommittee under Sen. Walter Mondale (D.-Minn.) to study the whole question. The newly established subcommittee on Social Security of the House Ways and Means Committee, under Rep. James Burke (D.-Mass.) has set up a task force on SS financing.

Against this background, to spread terror about SS among defenseless Americans seems malicious mischief. Under any circumstances, the problems would not become serpous until the 21st century. Long before this, Congress will have made the necessary adjustments to wipe out any threats.

INTERNATIONAL TERRORISM

Mr. FANNIN. Mr. President, one of the most difficult problems confronting the free world today is the problem of international terrorism. Small groups of political fanatics, operating in a carefully organized and disciplined manner, have robbed banks, kidnapped businessmen and held them for millions of dollars of ransom, assassinated military and diplomatic representatives, seized embassies, and ruthlessly shot down scores of innocent civilians, including women and children.

In 1972, after the massacre at the Munich Olympics, the President asked the Secretary of State to chair a Cabinet Committee to consider, in the President's words—

> The most effective means to prevent terrorism here and abroad.

The Cabinet Committee consists of the Secretary of State, the Secretaries of Treasury, Defense, and Transportation, the Attorney General, the U.S. Ambassador to the U.N., the Director of the FBI, the Director of the Central Intelligence Agency, and the President's assistants for national security and domestic affairs. Thanks to the efforts of this Cabinet Committee, we have made some progress in improving the protection of American diplomats and American businessmen in other countries. But kidnapings and assassinations are still going on, and the current trial in West Germany of a group of anarchist-terrorists dramatically illustrates how much social and human havoc can be wreaked by a small group of determined fanatics.

Mr. President, it is mandatory that we try to understand this problem better and that we devise more effective methods and laws and international machinery for coping with it. From this standpoint, I believe that the Congress owes the Senate Subcommittee on Internal Security a debt of gratitude for the series of hearings in which it is now engaged on the subject of political terrorism, national and international.

On May 14, the subcommittee, in a hearing dedicated to the general question of international terrorism, took the testimony of two of the most knowledgeable people in the free world in matters relating to political terrorism. The first of their witnesses was Mr. Robert A. Fearey, special assistant to the Secretary of State and coordinator of the Cabinet Committee for Combating Terrorism. The second witness was Mr. Brian Crozier, director of the Institute for the Study of Conflict in London, who enjoys a reputation as one of the foremost experts in the free world on the subject of terrorism.

I invite the attention of my colleagues to Mr. Crozier's statement before the Subcommittee on Internal Security, because it contained much information that I have not seen in our daily periodic press, and because of the remarkably cogent

manner in which he dissected the problem.

Mr. Crozier defined terrorism as—

Motivated violence for political ends—a definition that distinguishes terrorism from both vandalism and non-political crime.

He made the point that—

A striking aspect of the new wave of terrorism that faces us today is that the great majority of the proliferating terrorist groups receive help of one kind or another across international boundaries, either from other terrorist groups or from governments that support what they are doing or the objectives which they claim to be furthering.

Mr. Crozier distinguished between disruptive terrorism and coercive terrorism. The aims of disruptive terrorism, he said, are—

Self-publicity; to build up the movement's morale and prestige, to discredit and demoralize the authorities; to provoke the authorities into taking excessively harsh repressive measures. . . .

The aims of coercive terrorism, said Mr. Crozier, are—

To demoralize the civil population; weaken its confidence in central authority and instill fear of the terrorist movement; to make an example of selected victims by torture and/or death; to force obedience to the leadership of the movement.

Mr. Crozier said that the political terrorists of today could be divided into 5 major categories:

First. The ethnic religious or nationalist groups.

Second. Marxist-Leninist groups.

Third. Anarchist groups.

Fourth. Pathological groups or individuals.

Fifth. Neo-fascist and extreme right wing groups.

But it was clear from his analysis that he considered the Marxist-Leninist groups and the anarchist groups to be by far the most active and the most dangerous.

Mr. Crozier spoke with unusual candor about the role played by the Soviet Government and other Communist governments and by a number of other countries of left-wing or revolutionary tendencies, in supporting and encouraging terrorist movements in other countries. Let me quote here a few paragraphs from the remarks he made on this subject:

By far the greatest subversive centre in the world is the USSR, which is actively supported in Eastern Europe, especially by East Germany, Czechoslovakia and Bulgaria. The Chinese People's Republic is also involved as a subversive centre in support of groups in South and East Asia, in the Middle East and in Africa. North Vietnam is similarly involved, in Laos, Cambodia and Thailand. North Korea's involvement in subversive support has had a bizarre geographical spread, including Mexico and Chile. Cuba under Fidel Castro has likewise exported subversion and terrorism to most other countries in Latin America, on a very minor scale in the United States, and in certain African countries, and even in the Middle East.

It should not be supposed that the activities of these Communist countries are necessarily coordinated. On the contrary, they are often conducted in rivalry with one another, and I have termed this phenomenon "competitive subversion." There has been competitive subversion between China and Russia, especially in Africa and the Middle East. But it would be a mistake to suppose that these rivalries are entirely to the benefit of threatened countries. The Russians and Chinese may currently be pursuing policies of mutual hostility, but all Communist states that are involved in subversion are aiming at the same objectives—the elimination of "colonialism," "neo-colonialism," "imperialism," and "capitalism." The proliferation of revolutionary groups, regardless of their allegiance or the degree of their autonomy merely complicates the job of security forces and intelligence services in the target countries.

I should add in fairness that the Russians hold ambiguous views on terrorism. They are on record as opposing the hijacking of international airliners, for instance—not least because this kind of action has happened in the USSR itself. But they are in the terrorist business on a large scale, and this fact should be remembered at a time when "detente" is supposed to be the order of the day.

I commend Mr. Crozier's statement on international terrorism to the study of all Members of Congress, and I ask unanimous consent that the full text of his statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TRANSNATIONAL TERRORISM

I am going to begin with definitions, for I believe that it is important that we should know what we are talking about. You will notice that I use the term "transnational terrorism", rather than "international terrorism". The distinction between the two may seem pedantic to some people, but to my mind it is a real one. "International terrorism" might imply the existence of a "terrorist international" in the sense of an international body coordinating the activities of terrorists in different countries. There is really no such thing, although a number of terrorist groups are affiliated to the Trotskyist Fourth International with its headquarters in Brussels. However, a striking aspect of the new wave of terrorism that faces us today is that the great majority of the proliferating terrorist groups receive help of one kind or another across international boundaries, either from other terrorist groups or from governments that support what they are doing or the objectives which they claim to be furthering. With these few preliminary remarks, I propose the following brief glossary:

Terrorism.—Motivated violence for political ends (a definition that distinguishes terrorism from both vandalism and non-political crime).

Terror.—Measures of extreme repression, including torture, used by States to oppress the population or to repress political dissenters (the converse of terrorism).

Extremist.—Prepared to break the law, with particular reference to political violence.

Subversive centres.—Countries that provide assistance, whether with money, training, arms or various facilities, to extremist movements engaged in challenges to the security of other States.

Guerrillas (urban or rural).—Groups or individuals practicing guerrilla warfare. The term "urban guerrillas" is often a misnomer for "urban terrorists".

Revolutionary war.—A form of warfare in which the ultimate objective is the total destruction of the society in which the conflict is occurring, and of the government and administration of the area.

Subversion.—A systematic attempt to undermine a society with the ultimate objects of bringing about a total collapse of the State by bringing a regime into disrepute, causing a loss of confidence on the part of the ruling establishment, institutions and government, and provoking a breakdown of law and order.

SUBVERSION AND TERROR

It is very important to understand that terrorism, which is our main concern today, may or may not be a phase in a subversive campaign or in a revolutionary war. The relationship between subversion and terrorism is the same as that between the whole and the part. A revolutionary war, essentially based on the pattern developed by Mao Tse-tung in China and by Truong Chinh and Vo Nguyen Giap in Vietnam, and later practised in Algeria and other countries, usually goes through various phases. It will begin with the creation of a subversive apparatus; the second phase will consist of terrorism; there will be a third phase of guerilla war; and a final phase of full-scale war leading (if the revolutionaries are successful) to the "revolutionary final offensive"—of which we have just witnessed a tragically successful example in Vietnam.

Now the point I want to make is this, that terrorism is in the final analysis much more grave and important if it is a phase in a process of subversion or revolutionary war than if it is practised for its own sake as an isolated phenomenon. It is a very important element in the counteraction to terrorism to be certain in diagnosis of the challenge. If the terrorists have ultimate revolutionary objectives, they must be prevented from reaching Phase 3 and at all costs Phase 4.

One of the most striking and curious aspects of the contemporary wave of terrorism, however, is that in a number of cases there appears to be no discernible ultimate political objective. Terrorism becomes a way of life. I am not making the mistake of suggesting that such forms of apparently unmotivated terrorism are unimportant. On the contrary, they contribute to the erosion of liberties and of the fabric of society. They must not be allowed to go on, but it must be borne in mind that the ultimate beneficiaries—if any—of such terrorism are unlikely to be those that actually practise it.

THE OBJECTS OF TERRORISM

I think it is fair to say that there is no absolute unanimity among specialists on the aims or objects of terrorism. I myself have always distinguished between two main categories of terrorism: disruptive and coercive.

The aims of disruptive terrorism are: self publicity; to build up the movement's morale and prestige; to discredit and demoralise the authorities; to provoke the authorities into taking excessively harsh repressive measures, likely to alienate the population and force a rising spiral of official expenditure in arms, lives and money, resulting in public clamour for the abandonment of counteraction.

The aims of coercive terrorism are: to demoralise the civil population, weaken its confidence in central authority, and instill fear of the terrorist movement; to make an example of selected victims, by torture and/or death to force obedience to the leadership of the movement.

There is an important observation to be made at this point: terrorism is a *weapon of the weak*. This, at any rate, was the normal experience in the recent past. Usually, terrorists graduated to guerrilla war and then to outright war when and if they felt strong enough. If they abandoned guerrilla war to return to terrorism, this could normally be taken as a sign of returning weakness. It must be stressed, however, that the contemporary wave of terrorism provides many examples that do not conform to this facile rule; and it may well be that the readiness of terrorists to stick to terrorism even when

they are visibly growing in strength, may help the security forces to determine whether the prevailing terrorist situation represents an end in itself or is a phase in a wider revolutionary action. There are many examples, but the ones that have struck me most forcibly are those of the Red Army Group (the Baader-Meinhof gang) in the Federal Republic of Germany; and the prolonged terrorist activities of the Ejército Revolucionario del Pueblo (ERP) and the Montoneros in Argentina.

Two more observations are called for at this point. One is that terrorism is a barometer of success or failure, and a fairly precise indicator of public support or its absence. Whenever terrorists find it necessary to kill more people on their own side than on the enemy side, it must be presumed either that their cause is widely opposed, or that at least it leaves the population indifferent. In many situations I have studied, the terrorists normally killed more of the presumed supporters than of the supposed enemy. The other observation is that terrorism, in general, appears to be a useful auxiliary weapon rather than a decisive one. It may even be counter-productive, by alienating the population.

THE MAIN STRANDS OF TERRORISM TODAY

Any classification of terrorist groups is bound to be arbitrary, in that overlapping is inevitable. In recent study groups and conferences of the Institute for the Study of Conflict, we have been in broad agreement on the following classification of the main categories of terrorist groups. We had Western Europe primarily in mind, but these categories are operative all over the world, including the Western Hemisphere:

1. *Ethnic, religious or nationalist groups.* In general, these are minority groups which feel themselves different from the majority of the population, on ethnic, religious, linguistic or cultural grounds. They include the *Provisional* wing of the *Irish Republican Army* (IRA), the Palestinian group *Al Fatah* with its extreme terrorist wing, Black September, and on this side of the Atlantic, the *Front de Libération du* Québec (FLQ). At different times, of course, you have had Black extremist groups in this country as well. You will note that these ethnic or religious groups may be either "right-wing" or "left-wing". Initially, both the Provisional IRA and Al Fatah were to the right rather than to the left. On the other hand, the FLQ and the *Official* wing of the IRA, which is Marxist, are of course left-wing.

2. Marxist-Leninist groups. I should like to emphasize the important point that although a number of revolutionary groups of the extreme left, such as the Trotskyists, are often at loggerheads with each other and usually violently opposed to the Moscow-line Communist Parties, they are all nevertheless branches from the same mother tree, in that they are all Marxist-Leninist. The same obviously applies to the so-called Maoist groups, which may or may not be affiliated to the Chinese People's Republic. The Guevarists and Castroites must also be considered in this group. The Official wing of the IRA certainly belongs in this group as well as in group 1; along with the Portuguese Maoist Reorganisation Movement of the Party of the Proletariat (MRPP), the Basque ETA (VI Assembly) and the Maoist Brigate Rosse in Italy. It should be remembered that most of the orthodox Communist parties are more or less responsive to the current Soviet line in favour of a "constitutional path to power". Nevertheless, there are a number of striking examples of Communist parties that have latterly been involved in violent action. These include the Portuguese Communist Party (for about two years until May 1973, through the terrorist ARA); the North Vietnamese (Lao Dong); the North Korean and the Cuban parties. Nor should it be overlooked that Moscow, while in general advocating "constitutional" methods is nevertheless engaged in clandestine assistance for a number of terrorist groups, not limited to those of Marxist persuasion.

3. Anarchist groups. These are neither as numerous nor as important as the groups in our second category, but Anarchism may now be on the increase. In Spain, which has a strong Anarchist tradition, the Movimiento Ibérico Libertario has emerged recently in Catalonia. The German security authorities classify the Baader-Meinhof gang as "Anarchist", but this is arguable. The "ideology" of the gang is confused and eclectic. To the extent that it possessed an ideology at all, the Angry Brigade in the United Kingdom could be classified as "Anarchist".

4. Pathological groups or individuals. Where group violence appears to be a way of life, in that the political objectives are never clearly spelt out, it may be helpful to regard such groups as pathological rather than political. Some experts would hold that such American groups as the Weathermen or the Symbionese Liberation Army, are organisations that may be considered analagous to the group responsible for the Manson killings. The motivation may have more to do with personal inadequacy, hatred of family, or a specifically white middle-class guilt-feeling than with an acquired ideology.

5. Neo-fascist and extreme right-wing groups. In Latin America in recent years, a number of groups that may be regarded loosely as "right-wing" and that appear to have enjoyed the tacit support of the authorities, have sprung up in reaction to left-wing terrorism. Examples include the Eye for an Eye (Ojo por Ojo) in Guatemala and the Death Squad (Escuadrão da Morte) in Brazil. There has in fact been very little true right-wing terrorism in most Western countries, with the important exception of Italy, during the past two years or so.

6. Ideological mercenaries. This is a true "transnational" phenomenon. Traditionally, mercenaries sold their military talents for money; the ideological cause. A pioneer in this field is the Japanese United Red Army (Rengo Segikun).

THE SUBVERSIVE CENTRES

Relatively few terrorist movements are entirely home-grown and self-sufficient, although it is equally true to say that unless a group has roots in its home territory, it is unlikely to flourish, regardless of foreign support. The point, however, is that foreign support does enable such groups in many cases to increase their effectiveness and pursue their efforts until final victory. Recent history has brought dramatic examples of this proposition. For instance, the victory achieved by the North Vietnamese forces and the Vietcong would not have been possible without massive supplies of sophisticated armaments from the Soviet Union. This was equally true, incidentally, of the Vietnamese Communist victory over the French forces at Dien Bien Phu in 1954. Again, the anti-Portuguese terrorisst and guerrillas in Mozambique and elsewhere would probably not have achieved their final political victory without substantial support in money, arms and training from the Soviet Union, China and certain Western countries, among them Sweden.

As my earlier glossary puts it, countries which provide such assistance for movements in other countries must be regarded as subversive centres. By far the greatest subversive centre in the world is the USSR, which is actively supported in Eastern Europe, especially by East Germany, Czechoslovakia and Bulgaria. The Chinese People's Republic is also involved as a subversive centre in support of groups in South and East Asia, in the Middle East and in Africa. North Vietnam is similarly involved, in Laos, Cambodia and Thailand North Korea's involvement in subversive support has had a bizarre geographical spread, including Mexico and Chile. Cuba under Fidel Castro has likewise exported subversion and terrorism to most other countries in Latin America, on a very minor scale in the United States, and in certain African countries, and even in the Middle East.

It should not be supposed that the activities of the Communist countries are necessarily coordinated. On the contrary, they are often conducted in rivalry with one another, and I have termed this phenomenon "competitive subversion." There has been competitive subversion between China and Russia, especially in Africa and the Middle East. But it would be a mistake to suppose that these rivalries are entirely to the benefit of threatened countries. The Russians and Chinese may currently be pursuing policies of mutual hostility, but all Communist states that are involved in subversion are aiming at the same objectives—the elimination of "colonialism," "neo-colonialism," "imperialism," and "capitalism." The proliferation of revolutionary groups, regardless of their allegiance or the degree of their autonomy merely complicates the job of security forces and, intelligence services in the target countries.

Apart from the Communist countries, a number of other countries, mostly of left-wing or revolutionary tendencies, have also been involved in the export of subversion and terrorism in recent years. These include, or have included, Algeria, Tanzania, Zambia, the Republic of the Congo (Brazzaville) and Zaire; the Popular Democratic Republic of Yemen (PDRY), Iraq, Syria and the Lebanon (the latter probably involuntarily). An important newcomer in the field has been Libya under the Ghadaffi regime, which has involved itself in terrorism in many places, including Northern Ireland, Chad, and even the Philippines.

I am now going to tread on more controversial ground. The terrorists of yesterday quite often turn into the respected citizens of today. This is clearly happening in Mozambique, and Guinea-Bissau, and will shortly happen in Angola. It is a curious fact, nevertheless, that during the period when such movements as FRELIMO were involved in terrorist activities against the Portuguese authorities, a number of private organisations—most prominently, the World Council of Churches—and various Western governments provided financial assistance to the terrorists. These included Sweden, Denmark, Holland, Norway and Finland. In all cases, the aid provided was said to be "humanitarian" in character (that is, destined for medical supplies, schools, etc.) and not military. To the extent that such assistance relieved the budgets of FRELIMO and other organisations, they were enabled to increase their purchases of military material.

I end this section with some remarks about Soviet bloc involvement in support for terrorist movements. The year 1968 was a turning point. In that year, three major events focused the attention of Soviet ideologists and policy-makers on political violence and in particular on the so-called New Left. These events were: the Prague Spring in Czechoslovakia, which in a sense brought a New Left government to power, forcing the Soviet armed forces to occupy the country; the Tet offensive in Vietnam and President Johnson's decision not to seek re-election, which could be attributed at least in part to the protest movement; and the disorders in Paris in May and June, which almost brought down the government of General de Gaulle. A new policy and attitude toward the extreme left originated in Moscow at that time. It was a very sophisticated policy, which amounted to this: that the orthodox parties everywhere

could denounce the extremism of the left and advance their own credentials as the alternative government and the party of order; whereas Soviet assistance to terrorist groups, including some ideologically incompatible with the Moscow line, could continue on a clandestine basis. A striking example of this came to light with the seizure at Schiphol airport in Holland in the autumn of 1971, of a large shipment of Czech arms destined for the Provisional (that is, non-Marxist) wing of the IRA. The Russians have also been involved in support of terrorist activities in Portugal, in Mexico, in Colombia and in Chile, among other places.

The Portuguese example is particularly relevant. I have already mentioned the Portuguese Communist Party's involvement in violence through the ARA. The point is that the PCP has always been entirely responsive to Soviet directives. It has never questioned Soviet policy, even on such traumatic issues as the Nazi-Soviet pact, the invasion of Finland, the occupation of Hungary or the occupaton of Czechoslovakia. The Soviet Union was also involved for many years in the training of terrorists and guerrillas from African countries, including the Portuguese territories.

In addition, Soviet weapons have reached the Palestinian groups and the Turkish People's Liberation Army some years ago. In fact, the USSR offers courses in terrorism, sabotage and guerrilla warfare in two distinct streams, according to whether the candidates are members of a Moscow-line Communist party or of a "national liberation movement". The Communists attend courses run by the Lenin Institute, otherwise known as the Institute of Social Sciences, the Institute of Social Studies and the International School of Marxism-Leninism—the terms being interchangeable and all referring to the same organisation controlled by the Central Committee of the Soviet Communist Party. Each course lasts about six months and at any given time between 300 to 600 men and some women are enrolleed. The largest group is from Latin America; next come the Arabs, but Europeans, Asians and Africans are present in smaller numbers.

The second stream—national liberation movements—is channelled through the Patrice Lumumba University in Moscow, and eventually finds its way to training camps at Tashkent, Odessa, Baku and Simferopol.

I should add in fairness that the Russians hold ambiguous views on terrorism. They are on record as opposing the hijacking of international airlines, for instance—not least because this kind of action has happened in the USSR itself. But they are in the terrorist business on a large scale, and this fact should be remembered at a time when "détente" is supposed to be the order of the day.

THE RESPONSE TO TERRORISM

In all advanced industrial countries, there are wide and deep divergences of opinion about the nature of society and the desirability of change. But there is a broad consensus that terrorism cannot be tolerated. Even if change is needed, it cannot be change imposed by the force of a fanatical minority. If society tolerates the assassin or the bomb-thrower or does not react to terrorism with sufficient awareness and determination, then by degrees the terrorist may appear to be the spokesman for legitimate pressure groups. Terrorists act in defiance of the law and of the social consensus; the rule of law must be enforced against them. It may well be that the terrorist group has fastened on a genuine social or minority grievance. Any intelligent counter-action must take steps to remove the grievance that is exploited by the terrorist group, as well as to suppress those practising terrorism.

Inevitably, the terrorist has the initiative, since they can attack places of their own choosing and in their own time. It is essential, therefore, to penetrate the terrorist organisation or acquire reliable intelligence about its plans. The terrorists must be isolated, by being denied the essential aids they need, such as food, money, medical treatment and safe houses.

A successful counter-action must be coordinated. The brunt of it will fall on the national police force and on the internal security and external intelligence services. But paramilitary organisations of the state, and other state organisations—such as immigration control, frontier and coastal guards, and any official information services that may exist—will also be involved. In the last resort, the armed services may also have a part to play, when the incidence of terrorism has escalated to a level that is beyond the competence of the police to deal with. In terms of organisation, the various ministries and agencies involved must be brought under a single authority, who may be the Prime Minister or the President or Head of State.

The role of intelligence is absolutely crucial. All intelligence gathered by separate agencies must be pooled, computerised if necessary and centrally assessed. In any anti-terrorist campaign, it is desirable to set up a national task force drawn from the various agencies involved, and dedicated to research, investigation and the coordination of counter-measures. One of the most successful examples of anti-terrorist action in recent times was the incident in Holland on 31 October 1974. Fifteen hostages held by armed criminals in Scheveningen gaol were released by a commando assault by a Dutch counter-terrorist squad. The psychological methods included noise, flares, smoke bombs and sirens, and skilled marksmanship played its part.

A particularly important aspect of a counter-campaign is information and publicity. Especially in an open society and a representative democracy, the public must be fully informed about the need for counteraction and—as far as is consistent with security—the need for certain measures. In practice, the media, especially television, have usually provided a one-sided account of terrorism and the response to it—one-sided in favour of the terrorists. This is not entirely the fault of the professional media people, but is inherent in the nature of television. All counter-measures can be presented, with a special focus on anything that may be described as police brutality, or excesses on the part of the authorities. The terrorists, on the other hand, do not normally invite television teams to witness people being beaten up, or tarred and feathered or (as in Vietnam) the disembowelling of recalcitrants. Certainly, television interviewers have been known to present terrorists in a sympathetic light. But if society is to be protected from terrorism, it is incumbent on the authorities to make the extra effort needed to enlist the cooperation of media personnel—not to present a distorted view in favour of official action, but merely a fair presentation of the need for counter-measures in the common interest.

Much remains to be done in preventing terrorists from gaining access to explosive materials and to weapons. I realise that in the United States you have a special problem because of the wide availability of guns. But the availability of explosive materials can be limited. Companies entitled to stockpile such materials should be required to guard their supplies.

As regards such crimes as the hijacking of passenger aircraft, very inadequate progress has been made in international law. The use of new technology and the rigorous enforcement of security measures, especially in the United States, has drastically reduced the incidence of hijacking on internal flights. On international flights, no real progress will be made until countries offering a safe refuge for hijackers are suitably penalised.

This statement does not, of course, pretend to be exhaustive. I have sought to analyze the problem in its principal aspects. It is a problem that is still growing in scope and danger. And it is a problem that cannot be solved in one country alone: international as well as national action is required.

REPORT ON THE INDOCHINA REFUGEE RESETTLEMENT PROGRAM

Mr. KENNEDY. Mr. President, the Subcommittee on Refugees, which I serve as chairman, has exercised close oversight of the President's program for resettling refugees from Cambodia and South Vietnam. Yesterday, the subcommittee received a preliminary report of a recent study mission which visited the Philippines, Guam, and Camp Pendleton.

Based on this field investigation, as well as six hearings before the subcommittee, consultation with members of the executive branch and representatives of the voluntary agencies, the study mission outlined a series of recommendations to help break a number of roadblocks which currently stall the resettlement process. I would like to share those recommendations, as well as a summary of the study mission's findings, with Members of Congress.

Mr. President, the record to date suggests that the same sense of urgency and high level concern attached to the evacuation from Cambodia and South Vietnam is not now being given to the compassionate and speedy resettlement of the evacuees who choose to remain in the United States.

Especially in the administration's support of the private voluntary resettlement agencies, there has been drift and confusion. The report states:

In the main, a sloppy, laissez-faire approach marks the President's refugee program, and the question of who's in charge arises in the minds of many Americans concerned over our special obligation to the refugees, and their welfare and resettlement in the United States.

Mr. President, I am sure our goals are all the same: The speedy and humane resettlement of these refugees who have come to our shores. Countless people have worked countless hours to achieve this goal, and the military services all along the line have performed extraordinary tasks extraordinarily well in receiving, housing, and caring for tens of thousands of people.

At the Inter-Agency Task Force I know scores of people have worked sleepless nights attempting to get the job done. But they have been asked to do by themselves what is impossible to do alone. They have not been given the support and strong leadership from the top to help them cut through the roadblocks.

It is my hope that the recommendations of the subcommittee will strengthen their hands, and give support to the voluntary agencies, in order to fulfill our country's humanitarian responsibilities to the refugees from Vietnam and Cambodia.

Mr. President, I ask unanimous consent that the text of the subcommittee's study mission recommendations, the summary of its findings, and the preface I have written to the report, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INDOCHINA EVACUATION AND REFUGEE PROGRAM

RECOMMENDATIONS

Over the coming weeks and months—as they have for more than a decade—the Chairman and members of the Subcommittee will continue to be as tenacious in their concern and suggestions for action as they feel the important humanitarian problems of Indochina warrant.

The primary concern of this report is the care and resettlement of Indochinese refugees in the United States—tens of thousands of whom have come to our shores under the President's evacuation plan. Given the constraints within our society, economically and otherwise, it is not realistic to assume that a magic formula for the immediate resolution of the refugee problem exists. In terms of present needs and possibilities, however, the President's program is without question deficient, and urgent steps are needed in a number of areas.

The Chairman and the Study Mission make the following recommendations relating to this primary concern, as well as to the relief and rehabilitation of the people and nations of Indochina and to other matters of policy and concern to the American people and Congress.

1. UP-GRADING THE RESETTLEMENT PROGRAM

On an urgent basis, the President should immediately up-grade the level of responsibility and the official concern for his program to resettle the refugees from Cambodia and South Vietnam.

The same sense of urgency and high level concern attached to the evacuation from Cambodia and South Vietnam, must also be attached to the compassionate and speedy resettlement of the evacuees who choose to remain in the United States.

Because this has not been done, the resettlement program is scarcely off the ground. Sponsorships are lagging. Bottlenecks persist. Voluntary agencies are too often ignored. Federal resources for this federal program have barely been tapped. And unless new initiatives are taken soon to translate good intentions into a definitive and humane program of action, refugees could remain in camps for months or even years.

The situation today threatens a human tragedy of alarming proportions.

The spirit, initiative, and dignity of individual refugee families as well as their potential for integrating in their adopted communities, is not being enhanced by a prolonged stay in refugee camps or by a laissez faire national policy of "dumping" the refugees on the goodwill of the American people.

The resettlement objective is to help the refugees help themselves to become productive and contributing members of our society. Programs to truly accomplish this end must finally be implemented. This will be good for the welfare of the refugee, the welfare of the resettlement communities, and the success of the President's program.

2. RESETTLEMENT IN OTHER COUNTRIES

In the early stages of the refugee movement, Administration officials suggested that some 20,000 of the refugee under U.S. control would resettle in other countries. Later this estimate was revised down to some 15,000.

As of June 5, the total number of refugees "released to other countries" was little more than 1900. The bulk of these refugees—nearly 1400—went to Canada.

As is true in other phases of the President's program, efforts to resettle refugees in other countries are lagging far behind the optimistic projections of the Task Force. The gap must be closed.

3. VOLUNTARY REPATRIATION TO CAMBODIA OR SOUTH VIETNAM

In addition to integration into initial receiving areas and resettlement in other countries, voluntary repatriation is a viable alternative to the plight of individual refugees. For personal reasons, many refugees from Cambodia and South Vietnam may wish to seek repatriation to their native land. The Study Mission's field study in early May and developments since then fully support this finding.

The Administration's belated recognition of the need to provide better opportunities and viable alternatives for the refugees to sort out their future—including voluntary repatriation—was a welcome development. And the efforts of the United Nations High Commissioner for Refugees to promote this end deserve the full support of all parties concerned.

4. BETTER STRUCTURING OF INTER-AGENCY TASK FORCE AND TRANSFER OF RESETTLEMENT RESPONSIBILITIES TO H.E.W.

Given the direct interest or involvement of several departments and agencies of government in the Indochina refugee problem, an Inter-Agency Task Force, headed by a Presidential appointee, must necessarily continue.

Because little structuring has been evidenced in the current Task Force, and because of the ad hoc character of its operations, "task units" are urgently needed to deal with foreign relations matters, logistics and transportation, voluntary agencies, procedures and processing, health and welfare, and the many other areas involved in the President's refugee program.

However, the President should immediately assign the primary responsibility for the care of the refugees in the United States from the Secretary of State and the President's Advisor for National Security Affairs, to the Secretary of Health, Education, and Welfare (HEW). As in the case of refugees from Cuba, HEW should become, without delay, the *clearly defined* focal point and coordinator for the planning and implementation of all programs and activities relating specifically to the resettlement and integration of the refugees in the U.S.

5. MOVING REFUGEES FROM GUAM

Given the deteriorating living conditions among the refugees on Guam, the serious threat of catastrophic tropical storms of typhoons in the days and weeks ahead, and other factors, the President and the Task Force should give immediate and serious consideration to the early transfer of substantial numbers of refugees on Guam to reception areas in continental United States. Because of the slow resettlement rate among refugees currently living at Camp Pendleton, Fort Chaffee, Eglin Air Base and Indiantown Gap, additional reception centers will be needed to house and care for any refugees transferred from Guam.

6. ROLE OF VOLUNTARY AGENCIES

The indecision of the White House and the Task Force on the crucial issue of the role and importance of the private voluntary agencies has impeded the resettlement process. And, regretably, the lack of faith in the integrity and capability of these agencies—so clearly evidenced by the Task Force in the early stages of the refugee program—continues in some quarters of the Administration today.

The President, his National Advisory Committee on Refugees, and the Task Force must speedily resolve the issue.

The primary channel and basic mechanism for resettling the bulk of refugees should be the private voluntary agencies designated for this purpose. These agencies—with long experience in the resettlement of migrants and refugees—must finally be given full recognition, maximum support, ample resources and more flexibility in pursuing the very difficult resettlement task.

Other private groups—including service organizations, farm and labor and business groups, youth groups, Asian-American groups, and others—can and should assist and support the resettlement efforts of the voluntary agencies. But for the bulk of the refugees without family ties or immediate employment opportunities in the U.S. the major resettlement effort should focus on the experienced efforts of the voluntary agencies.

Viable sponsorships for refugee families, employment opportunities, and other forms of assistance compiled by the Task Force should, to the maximum degree practicable, be worked into the resettlement efforts of the voluntary agencies—and not through service groups, state and local governments, or others unfamiliar with the process of resettlement.

7. SYSTEMATIC REGISTRATION PROCEDURES AND COMPREHENSIVE DATA ON THE REFUGEES IS NEEDED

An elementary and indispensable task in any refugee program is the systematic registration of the refugees, uniform procedures and guidelines in all registration and processing centers, and the compiling of complete and accurate information on the new arrivals. This is essential to effective resettlement planning, family reunion, the proper counseling of refugees, and their speedy and orderly resettlement.

The Task Force has been grossly negligent in establishing, on a high priority basis, uniform registration procedures, and in compiling information on the refugees. Recent initiatives to accomplish this end are scarcely off the ground. And some of these initiatives have been so poorly conceived, that they have only generated more confusion, and have impeded the work of the voluntary agencies and the resettlement of many new arrivals.

Apart from the confusion existing in the registration process, little information is currently available on the number and size of refugee family units, the make-up of these units, the number of children, the number of unaccompanied children in the care of friends, the age span of the refugees, their education, their language proficiencies, their occupational capabilities and skills, their medical histories, and so forth.

The apparent failure of the Task Force to take seriously the early need for uniform registration procedures, and for compiling information on the refugees, is inexcusable and hard to understand. Immediate steps must be taken to overcome this impediment to the work of the voluntary agencies and to the orderly resettlement of the refugees.

8. REIMBURSEMENTS TO STATE AND LOCAL GOVERNMENTS FOR REFUGEE EXPENSES

Spokesmen for the Executive Branch have repeatedly assured committees of Congress that the Federal Government will reimburse States 100% for any public assistance and related expenses incurred in the resettlement of refugees.

But despite these assurances, and the availability of congressionally appropriated funds to fulfill them, no definitive policy exists, or has been clearly communicated, for reimbursing state and local governments for any potential public assistance, medical, and related costs incurred following the resettlement of refugees. And many state and

local government inquiries on this issue remain unanswered.

The Administration's indecision over the basic policy to be followed is another impediment to resettlement.

The time is long overdue for the President and the Task Force to state clearly and definitively a positive national policy on reimbursing state and local governments for justifiable expenses incurred in meeting potential public assistance and other needs among resettled refugees. Federal payments to State and local governments should not, however, be open-ended, and the level of assistance provided any refugee should generally be established according to local guidelines and standards.

In this connection also, where available and needed, federally sponsored programs in manpower training, bi-lingual education, legal aid, and other areas should be open to resettled refugees.

9. TRAINING PROGRAMS FOR REFUGEES

English language and other training programs, including refresher courses for certain professionals, will facilitate the employment and effective resettlement of many refugee families.

There are, for example, many doctors, dentists and pharmacists among the refugees. And in the case of doctors, at least two Universities—the University of Oklahoma and the University of Miami—have offered their facilities and resources, with federal government support, to prepare doctors for professional accredition in the medical field.

If the Task Force and the federal bureaucracy would move positively on the offers of these two universities, several hundred refugees in the medical field could immediately leave the camps and begin their adjustment and integration in the United States.

The indecision of the Task Force and the bureaucratic roadblocks must be remedied to get such programs underway.

10. PUBLIC INFORMATION ON THE REFUGEE PROBLEM

The need for a broader and more sustained public understanding of the refugee problem has been neglected by the Executive Branch.

The President's National Advisory Committee on Refugees—in cooperation with the voluntary agencies, labor organizations, business and professional groups, State and local governments, and other—should immediately undertake a public information campaign to inform the American people of the refugees and the need for resettlement opportunities. Such an informational program is essential to the implementing of a successful resettlement program.

The new arrivals from Cambodia and South Vietnam continue the oldest theme in our Nation's history. We have a special obligation to these refugees. And we must welcome them, as we have welcomed others from the earliest days of our Republic. We must be sensitive to their individual needs, and compassionate in helping them to build new lives. This will truly reflect the moral foundations of our country, and our heritage as a nation of immigrants and refugees.

11. IMMIGRATION STATUS OF INDOCHINESE REFUGEES

As in the case of earlier refugee movements to the United States, the Indochinese refugees entered the U.S. in "parole" status under Section 212(d)(5) of the Immigration and Nationality Act, as amended.

The appropriate committees of Congress should give early consideration to special legislation authorizing an adjustment of the refugees' immigration status to that of permanent resident alien.

The enactment of such legislation would provide the opportunity for the refugees to become American citizens, and promote their integration into their adopted communities.

The Executive Branch should support this effort for refugees in "parole" status, and also facilitate the adjustment of status of other nationals from Indochina countries who are in the U.S. on non-immigrant visas and who choose to remain.

12. DIPLOMACY OF RECONCILIATION AND NORMALIZATION IN INDOCHINA

Our country must chart some new beginnings in its relations with Indochina.

The President should establish a policy to reflect the new realities in Indochina, and initiate a diplomacy of reconciliation and normalization with the governments in Hanoi, Saigon, and Phnom Penh. Relations with Vientiane should continue.

Through such a policy the United States can contribute positively to the welfare and progress of the people of Indochina, and pursue as well such humanitarian issues as the reunification of families, the free exchange of communications and parcels between people living in the United States and those living in Indochina, and the gathering of information on American servicemen still considered missing in action.

13. HUMANITARIAN ASSISTANCE TO THE PEOPLE AND NATIONS OF INDOCHINA

In extending a welcome to the new arrivals on our shores, America must not forget the humanitarian needs of the millions of war victims who remain in Indochina. We must do what we can in meeting our clear responsibility to help salvage their battered lives. We cannot ignore the millions of war victims. And we cannot ignore the need for rebuilding hamlets and villages, and schools and hospitals, and the other kinds of facilities needed to help normalize the lives of the people in the war affected areas of Indochina.

Regrettably, our clear humanitarian responsibilities toward the people of Indochina have been met with a national policy of silence.

The time is past due for the President and the Congress to respond to the appeals of the United Nations, the International Red Cross and other organizations for international contributions to assist the relief and rehabilitation efforts for the people and nations of Indochina. The speedy enactment of S. 1350, or similar legislation, will help accomplish this end.

SUMMARY OF FINDINGS

I. Evacuation from Saigon

1. The President's plan to evacuate "tens of thousands" of Vietnamese was, from the beginning, less of a plan, than a vague intention, barely stated. As events have shown, whatever plan did exist, it was implemented badly, plagued with disorganization, and undertaken with little command control in the field. Moreover, events rapidly overtook whatever decisions were made.

2. There is, for example, little relationship between the categories of Vietnamese targeted for evacuation and parole, and the refugees who are under U.S. control. In fact, the whole process in April of defining parole categories, ceilings, and guidelines, was little more than a charade, and a very misleading ingredient in the President's evacuation plan. Too often an "American connection" was more important than officially stated policy. Too many of those targeted to get out did not, and too many who did, probably should not have. And such problems were readily known to high officials in our government from the first days of the evacuation.

II. Refugee movement

1. So far, more than 130,000 refugees have come under U.S. control, with additional thousands in other countries.

2. No complete census has been made of the refugee population. But it is apparent that the early arrivals came from upper income and education groups, while the later arrivals were generally poorer, less educated, and often from rural areas.

3. The military services have been charged with the movement and initial care and maintenance of all refugees, and the services have performed their task extraordinarily well. With belated orders and few guidelines, the commanding officers at bases all along the line have moved compassionately and effectively in receiving the refugees and in providing food, shelter, and needed health care.

4. Meant to be short-term staging areas, the temporary facilities on Guam and Wake Island are turning into longer-term camps, with increasing problems of sanitation and shelter. Furthermore, the growing delay in onward movement is holding some 40,000 refugees in tent cities vulnerable to the increasing chance of devastating tropical storms and typhoons.

5. From the start the President's Inter-Agency Task Force, and its predecessor, has been characterized by a failure of leadership, poor organization, inadequate planning, and belated decision making. Unlike the military services, the civilians on the Task Force allowed too many wasted days to slip by—permitting events to overtake plans, and actions to fall behind requirements.

6. In the main, a sloppy, laissez-faire approach marks the President's refugee program, and the question of who's in charge arises in the minds of many Americans concerned over our special obligation to the refugees and their welfare and resettlement in the United States.

III. Refugee resettlement and voluntary repatriation

1. For all intents and purposes, the resettlement program has not really begun. Most refugees who have been resettled to date, have merely joined family members in this country. The real refugee still sits in the camps.

2. Although the Administration has bitterly complained about the lack of an international response to the refugee problem, here at home the Task Force has been slow to fully involve and utilize the resources of such agencies as the Inter-Governmental Committee on European Migration (ICEM) and the U.N. High Commissioner for Refugees (UNHCR). So far, little more than 1,900 refugees under U.S. control are pursuing resettlement in other countries, although the work of ICEM has barely begun in the camps in the U.S.

3. Voluntary repatriation is being facilitated by the UNHCR, who now has representatives at the refugee camps. Thus far, some 2,000 Vietnamese refugees have, for personal reasons, opted for repatriation. The time-frame involved in returning remains unclear.

4. From the beginning there has been a basic failure on the part of the Task Force to consult, involve and fully support the activities of the voluntary settlement agencies. The Task Force's record over the past few weeks is one of unfulfilled promises to negotiate and sign reasonable contracts with agencies, and to begin the flow of needed funds for resettlement purposes.

5. Because the Indochina refugee evacuation was a decision made by the President and by the Federal Government, the successful resettlement of them remains an obligation, first of all, of the government. Although the government has stated that all state and local costs incurred would be eligible for 100% reimbursement, the specifics of this policy have yet to be communicated clearly to state and local governments. For example, the Administrator of the Nation's largest social welfare program has yet to receive any official notification on any aspect of the resettlement

program, and the office of a New England Governor remains in the dark, aside from a preliminary May 3 cable from the Task Force.

6. The Task Force has identified a long list of governmental and social services that must be mobilized and made available to assist the refugees. But while they look good on paper, few have gotten off the ground.

E. Continued processing problems plague the refugee problem, bringing the resettlement effort to a near standstill during the month of May. 80% of all the refugees are still in camps awaiting final processing for resettlement. Some slight progress has been reported the first week of June, but at the rate refugees are currently moving out, it will take more than six months to empty the camps. But some officials involved estimate that the time frame will more likely be up to a year or more. What should have been an orderly, expeditious and relatively straight forward procedure for processing refugees, has turned into a nightmare for officials and refugees alike.

8. The voluntary agencies estimate over the near-term that they can resettle up to 65,700 refugees. Since this preliminary projection leaves almost half the refugees unsettled, there are growing pressures within the Task Force to go around the agencies and seek sponsorships through service clubs and local municipalities. The danger of such a dumping policy is that only the voluntary agencies have a proven record of following up refugee resettlement, when or if the resettlement situation breaks down. The voluntary agencies can do more—resettling many more refugees—if and when they are given the funds and the support necessary to do the job.

PREFACE

(By Senator EDWARD M. KENNEDY, Chairman)

There is no more enduring theme in our Nation's history than our tradition of compassion and humanitarian concern for the homeless of the world. As tens of thousands of refugees from Indochina reach our shores, we are reminded once again that we are a nation of immigrants and refugees, and that much of our heritage has been built upon the lives and spirit of those who have come seeking hope, freedom, and an opportunity to build new lives in a new land.

To the new arrivals on our shores, we have a special humanitarian and moral obligation above and beyond our traditional humanitarian response. In a very real and direct way, we share in their plight for we were long involved in the tragedy and suffering caused by the Indochina war. We have a special responsibility today to help restore their lives, not only because we participated in a long war that helped to destroy the life they once knew, but also because our planes and ships helped the refugees to reach our shores.

From the many calls and letters I have received, I am confident America will extend a warm and helping hand of friendship to the refugees. The numbers involved—even the highest projected figures—are manageable with proper resettlement planning. In fact, the numbers are small compared to the 400,000 regular immigrants we absorb into our society each year, and the estimated one million illegal aliens who also remain each year. An effective resettlement program for little more than 100,000 refugees from Indochina will not overburden our communities or heavily tax our resources.

But it does require of our government, careful planning, organization, and coordination, and a close working relationship with the private voluntary agencies. Regrettably, as this special Study Mission report documents, most of these ingredients for a succesful program have been in short supply at the Inter-Agency Task Force. And for too many weeks, the President's refugee program has been little more than a holding operation, and a logistical pipeline for moving people from one place to another.

Apart from providing opportunities for voluntary repatriation, an elementary objective in any refugee program is the speedy and humane resettlement of the homeless families. But this is precisely what is not being done today. As a result, bottlenecks will grow, and the refugee problem will remain with us longer than it should—causing more suffering to people who have already suffered too much for too long.

As the recommendations contained in this report indicate, the agenda for action is clear.

For a decade, the Indochina war has cut deeply into American life, and has poisoned the spirit of our country and its people. But the war is now behind us. And we must finally get on with the task of healing the wounds of this war, and of meeting the other challenges now facing our country, at home and overseas. In extending a warm welcome to the new arrivals on our shores, we must not forget the needs of the millions of war victims who remain in their native lands.

We must pursue a diplomacy of reconciliation and normalization with the Governments of Indochina. And we must do what we can in meeting our clear responsibility to help salvage the battered lives of those who live there. We cannot ignore the millions of war victims—many of whom were benefiting from our direct assistance a short time ago. We cannot ignore the plight of the homeless, whose dwellings and lands have been ravaged by years of war. We cannot ignore the needs of orphans, of the wounded and maimed, and of the countless other war victims who cry out for relief and help. And we cannot ignore the need for rebuilding hamlets and villages, and schools and hospitals, and the other kinds of facilities needed to help normalize the lives of the people in the war affected areas of Indochina. We have humanitarian responsibilities to the people of Indochina, and the time is past due for the President and Congress to declare our country's support of international efforts to help rehabilitate their lives.

PROCLAMATION ON 30TH ANNIVERSARY OF THE YALTA AGREEMENTS

Mr. TAFT. Mr. President, I ask unanimous consent that a proclamation by the European Coordinating Council of the Slovak World Congress, regarding the 30th anniversary of the Yalta Agreements, be printed in the RECORD. This statement appeared in the April issue of "Horizon," a noted Slovak publication. I commend this article to the attention of my colleagues.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

PROCLAMATION ON THE OCCASION OF THE 30TH ANNIVERSARY OF THE YALTA AGREEMENTS

More than 30 years ago, as World War II neared its end, leaders of the principal Allied powers—the United States, the Soviet Union and Great Britain—met at Yalta to draft, among other things, a Declaration on the political future of liberated Europe.

In this Declaration they promised that, at the end of the war, they would help the European nations and, in the spirit of the Atlantic Charter and in its democratic principles, would also aid in the establishment of those political, social and economic systems which the people of the liberated countries desired.

According to this Declaration the nations of Europe would in a short time, hold free elections to determine the will of their people. These fine Yalta agreements quickly became "paper promises" because the Soviet Union, in collusion with various communist parties, quickly deprived the nations of central and eastern Europe of all their rights, including the basic human and national freedoms and forbade them any self-determination. Free plebicites, where the people could choose the form of their new states and their political parties, were either disallowed, ignored or manipulated.

The fact is that today, thirty years later, not one single nation of central and eastern Europe has its own freely-elected government! These nations were forced to accept foreign regimes which flouted the will of the people. Proof of this oppression manifested itself in the revolutions that occurred in East Germany in 1953, in Poland and Hungary in 1956 and in the Czech and Slovak lands in 1968 and in the brutal suppression of all these movements.

Our nation at home does not have the freedom to reproach the signatories of the Yalta agreement under these circumstances. That is why we who live in the free world must protest. The Soviet Union continues to violate the Yalta agreements and, therefore, any détente between these nations and the Great Powers remains illusory.

Representatives of European states are meeting at this time in Geneva to try to promote further peaceful coexistence. We would like to remind them not to forget Yalta! The Yalta agreements need to be honored first and only then will peace and security in Europe become possible. If, however, Yalta continues to remain the basis for the division of Europe into spheres of influence, all such conferences will be meaningless.

On behalf of the Coordinating Council of the Slovak World Congress, Geneva, January 30, 1975. Dr. F. Braxátor, Dr. Ivan Fiala and Dr. A. Grébert.

SOME IMPORTANT ADVICE FOR CONFEREES ON MILITARY PROCUREMENT AUTHORIZATION BILL

Mr. HUMPHREY. Mr. President, I call to the attention of my colleagues, and especially those who will be serving as conferees on the military procurement authorization bill, today's lead editorial in the New York Times. That editorial praises the achievements of the Senate and House in drafting and passing strong but reasonable defense bills. But it cautions against bargaining away accomplishments, and particularly the Senate's MaRV flight-testing ban, in conference.

I strongly concur with the judgment of the Times, that whatever else the conference committee does, it must not sacrifice the MaRV flight-testing ban. As the debate over the measure on the Senate floor indicated, the prohibition against MaRV flight-testing voted by the Senate is a reasonable prohibition. It is not absolute. Should it become essential to our national security to test MaRV, the amendment provides a way for that testing to be done. Furthermore, as both the debate and testimony before the Armed Services Committee indicated, testing of evasive MaRV now is not essential to our national security, and could undercut all chances of heading off the more deadly high accuracy MaRV. Quite simply, the only sure way to give our negotiators a chance to achieve a MaRV ban is to keep from crossing the critical testing threshold on either system.

I do not think that it is possible to overstate the significance of this amend-

ment. It provides both the Soviets and ourselves with an incentive to reach an MaRV ban agreement while we both still have confidence that the other side has not developed and started to deploy this deadly system. It challenges the Soviets to practice restraint in their weapons programs and makes clear to them that, if they do not practice restraint, they can expect to face an even greater challenge from us in the future. This, as you may recall, is one of the chief arguments by which the Secretary of Defense justifies many of our strategic weapons programs.

I would remind my colleagues that this amendment will not terminate our R. & D., but instead would encourage it up to the point of flight testing. Since we could detect Soviet flight testing almost immediately, we could begin our own MaRV testing at once, if it becomes necessary. Furthermore, since it would take approximately 5 years to go from flight testing to deployment, we would be at no disadvantage should the Soviet Union begin MaRV testing 1 week or even 1 month before us.

I urge my colleagues who will be serving as conferees on the military procurement authorization bill to heed the advice to preserve the MaRV flight testing ban.

Mr. President, I ask unanimous consent that the New York Times editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 10, 1975]

CONTROLLING DEFENSE

The many compromises necessary in drafting a defense procurement bill and negotiating its passage through Congress make some imperfections inevitable; but two overriding accomplishments distinguish the slightly different versions of the defense bill now adopted by the Senate and House. It is vital that neither be lost in further compromises when the conference committee begins its work this week.

Significant reductions were made in Administration requests—an unusually large 9 per cent in the $25-billion Senate bill and somewhat less in the $26.5-billion House version. But both houses wisely rejected the kind of meat-ax cuts that other nations would view as a signal of American withdrawal from the world. They also wisely rejected unilateral cutbacks in American troops in Europe.

In all the vigorous debate in the Senate over the nation's future foreign and defense policies, few isolationist sentiments were heard. There was overwhelming consensus that withdrawal from Indochina and post-Watergate divisions in Washington must be counterbalanced by actions—not just words—that would assuage fear by allies and deter possible adventurism by adversaries on false assumptions of American weakness. As voted by House and Senate, the defense authorization bill is perhaps the most important of such possible acts.

This achievement is unlikely to be lost in the work of the conference committee, but a second major accomplishment might easily be. For the first time, both houses attempted to impose some limitations on the Pentagon's multiple programs to acquire a first-strike capability for American long-range missiles against the silo-based ICBM's of the Soviet Union.

If the United States and the Soviet Union acquire an ability to knock out the bulk of the other's land-based missiles with only a portion of its own force—while holding a large force in reserve to deter retaliation—a situation of hair-trigger nervousness would be created. In a crisis, fear that the other side would shoot first might precipitate the ultimate catastrophe.

There is still a chance that the Soviet-American strategic arms limitation talks (SALT II) could lay the basis for missile reductions that would head off such a first-strike capability on the Soviet side—a capability neither side possesses. It would be a disaster for the United States to prejudice this outcome in advance by prematurely rushing ahead with programs that might convince Moscow that it is too late to head off such a first-strike capability on the American side.

The most dangerous of such American programs involves development of the MaRV missile warhead—a maneuvering reentry vehicle that could attack Soviet missile silos with precision-guided accuracy. Long efforts by Senator McIntyre of New Hampshire on this issue have finally begun to bear fruit.

The House has voted against research and development funds for one of two proposed MaRV programs. The Senate, while approving research funds for both, has imposed a prohibition on flight-testing any MaRV—the critical threshold beyond which the Soviet Union would have to assume that the United States could deploy such a system.

A minimum measure, voted on urging of Senator Humphrey, the ban on flight-testing is absolutely essential to gain time for further arms control measures. Whatever else the conference committee does, it must not sacrifice this achievement.

ESTABLISHING A COASTAL ZONE TO PROTECT OUR OCEAN FISHING RESOURCES

Mr. PACKWOOD. Mr. President, two recent events have brought the subject of fisheries protection into national focus again. The first is the continued failure of the United Nations Law of the Sea Conference to give the world's coastal countries jurisdiction over their contiguous fishing grounds. The most recent session of that Conference adjourned in Geneva May 9, 1975. The second event bringing the fisheries issue into prominence again is the commencement of hearings before the Senate Commerce Committee on S. 961, a bill I am cosponsoring which would give the United States unilateral fisheries protection jurisdiction out to 200 miles until the Law of the Sea Conference makes this vital objective a reality throughout the world. I testified on behalf of this bill last Friday when the hearings opened and would ask unanimous consent that my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR PACKWOOD BEFORE THE SENATE COMMERCE COMMITTEE ON JUNE 6, 1975

Mr. Chairman. Most of the witnesses here this morning have addressed themselves on the issue of a fisheries protection zone before, I have done so many times. Last year on the Senate floor I outlined the reasons for my support of a 200 mile fisheries zone, paying particular attention to the failure of the Law of the Sea Conference to provide such protection. Many times this year I have expressed my alarm over the increased number of foreign fishing vessels working off the West Coast—during the month of April alone there were 47 more than April of last year. Last month I chastised the latest session of the Law of the Sea Conference which adjourned May 10 without making further progress toward fisheries protection.

I recently asked Oregon's commercial fishermen to comment on S. 961. The response was overwhelming. In the past two weeks I have received over 400 letters clamoring for this committee, this Congress and this administration to take immediate, effective action to protect our dying commercial fishing industry. I know that those here to testify this morning are filled with this resolve, however, for those who question the need for fisheries resource protection, let them hear it told like it is from one Oregon commercial fisherman who is out there every day competing shoulder to shoulder with foreign adversaries for his catch:

"I have been a commercial fisherman for a few years and all this time I have watched the few Russian trawlers off the Oregon and California coast become a fleet that should, and I'm sure would, scare hell out of you people in Washington. These boats have turned from a few to fleets of 50 to 100 in many parts of our coast.

"On May 14, 1975, I left Brookings, or, for California fishing ground; myself and two other commercial boats. We ran until 10:00 p.m. and drifted off Trinidad, California, while running south of Trinidad, my engine quit and I started it and put it in gear and it died again—next morning I found I had a large piece of trawl net tangled in my propeller and rudder. It took me about 2 hours with a fish knife wired to buoyhook to free gear. Luckily my boat is a double-ender; otherwise I would have had to call the Coast Guard for assistance. I took part of it into Eureka and a local drag fisherman advised me he felt that it was a piece of discarded Polish net. These pieces of net thrown into the sea by foreign fleets, float and the piece I picked up was about 60 feet long, ¼ inch polypropolene and nylon which does not deteriorate and is a hazard to navigation.

May 15, 1975 I was fishing off the California coast around the 2600 loran line at about 30 to 35 miles off shore. There were about 19 to 25 Russians, probably other countries boats in this area. The only place any of the American trollers could catch salmon was around the Russians. The National Marine Fisheries agents say that the Russians are taking only a few salmon—well, either these people are idiots or are afraid to check. While fishing that day I caught nothing but salmon, no hake or any other species.

"For example, last fall in September, 1974, the American troll craft located the large, mature Chetco River fish on the Oregon coast off Port Oxford approximately 18 miles. This area is called the high spot, as bottom comes up to about 65 fathoms. American fishermen caught large, mature Chinook salmon—two days after the American boats found the fish, 8 Russians moved onto the spot and not only took most of the salmon but harassed two Americans boats to be the Margaret T-Harbor, owner Earl Appleton and the Eileen—owner Leroy Taylor also Harbor. The fall of 1974 (Oct., Nov., Dec.) was supposed to be the best year (bumper crop) according to the Fish Commission, but turned out to be sour.

"The Russians must think that the Americans are the most gullible and stupid nation to allow this annihilation of brood fish.

"While fishing May 15, 1975 around the 2600 loran line I observed 25 Russian trawlers and one large mother ship about 600 to 700 feet in length. The trawlers are at least 250 feet long. That day I caught no hake or other species; only 90 salmon, both silvers and Chinook salmon. The Russians fish 24 hours a day. So you have to figure if a small troller like mine, 38 feet long, can catch 90 salmon one day with gear like we use, the Russians with their sophisticated electronic equipment and nets the size of football fields, which they pull through the water at speeds of 12 to 15 knots. . . . Then we must assume that one of these 250 foot trawlers catch more fish in one 24-hour period than 50 United States trollers in one season. They pull their nets faster than my boat will travel full speed running (not fishing, traveling to bite). We were fishing within the Russian fleet all the time.

"I talked to the skipper of either the Wasp—Eureka or Mangoe—port unknown and they stated that they observed a Russian trawler pulling his net so got within 100 yards of the stern ramp and watched him pull his net aboard. Advised that he took pictures but the mesh in the drag net of the Russians is so small that he could not tell exactly what species he had in the net, but it looked like all salmon to him. Hake have a golden hue, not silver when freshly caught. If you can imagine a net the size of a football field full of fish—salmon—how long can the Pacific Coast stand that kind of fishing pressure? We will soon have another East Coast situation—barren of fish. The Russian fleet worked Eureka about a month, then Coos Bay for about 10 days, now they are concentrating on the Heceta Banks taking salmon. The Russians have fishing here much better than the United States fishermen—they need no license, they fish with any kind of gear, they keep all the fish they catch. American fishermen are restricted as to type of gear, must buy licenses (which have increased from $53 for '74 season to $210 for '75 season in Oregon) and have a size limit. . . . Any infraction of the above can result in a fine and/or jail sentence; the above is strictly enforced by all states."

From the letters I've received, I can tell you Mr. Pommarane has plenty of company. Our fishermen simply cannot compete with foreign fishing enterprises. From a practical standpoint, they have neither the equipment nor the finances with which to procure the equipment to be competitive. From a legal standpoint, our fishermen are likewise at a tremendous disadvantage. Strict laws and regulations govern the fishermen of Oregon and other states when they go out to sea. Some of these requirements are imposed on the fishermen as citizens of a particular state and must be abided wherever those fishermen go for their catch. Other restrictions are imposed on those who land fish in a particular state, but the important point is that foreign fishermen, who do not land their catch on U.S. shores, can fish whenever they want, with every type of equipment they choose, and for any species of fish.

I hold here in my hand the commercial fishing laws and administrative rules for the State of Oregon; 50 pages of laws and 68 pages of regulations governing the activities of Oregon commercial fishermen. I am furnishing this copy to the committee, but let's just examine one of these pages. For example, take page 1 of the regulations, rules for the protection of salmon. All over this page you see restrictions on the type of gear that can be used, the size of salmon which may be taken, and the season during which they can be caught. These regulations don't apply to the Russians, the Canadians can thumb their noses at them, the Poles likewise, together with all the other foreign countries fishing off our shores.

It is highly commendable that Oregon and other states have taken action to protect their fishery resources. It is beyond contemptible that we in Congress have not taken the step that Oregon and the other states cannot—that is to make all fishermen play the game by the same rules.

S. 961 will give us the authority to make those needed rules and an umpire, the Coast Guard, to enforce them. Those of us who support the bill would hardly guarantee that it contains all the answers. However, it will introduce some meaningful equity into a very lopsided situation.

In the future, we are going to rely increasingly upon the oceans of the world as a food source. If we do nothing now, we may very well open the cupboard door in the years to come—and find nothing inside.

CONSUMER ACTION NOW

Mr. MOSS. Mr. President, on May 15, 1975, Mrs. Lola Redford, who is co-director of a nonprofit environmental/consumer organization called Consumer Action Now—CAN—a member of my Consumer Subcommittee Advisory Council, and a resident of the State of Utah, testified before the Subcommittee on Energy Research, Development and Demonstration of the House Science and Technology Committee, on the subject of solar energy.

With the reminder day-to-day of our energy crisis and the urgent need for developing different energy sources, I thought that Mrs. Redford's statement would be of interest by both educating us as to what steps have already been taken in developing sources for utilizing solar energy, and by giving us an insight as to what can be done by both industry and the consumer for further developing the potential uses of solar energy.

Mr. President, I ask unanimous consent that the testimony of Mrs. Redford be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF LOLA REDFORD

My name is Lola Redford, I am co-director of Consumer Action Now (CAN) an environmental/consumer organization which is based in New York City. CAN was formed five years ago by a group of women who were concerned about the deteriorating environment. We were, and are, particularly interested in how the consumer affects the environment.

This point of view has given CAN a wide scope of interests, from air pollution and pesticides to household cleaning products and no-fault insurance. For three years we published a widely distributed newsletter which explored a different environmental/consumer topic each month.

About two years ago it was clear that the level of public awareness of environmental problems had increased significantly, so we decided to discontinue the newsletter and concentrate on other projects. It was at this point that we formed a tax-exempt sister organization, Friends of CAN, whose primary purpose was to develop educational projects. "Friends" first endeavor was a pilot project in a variety of schools in the New York area. It was funded by a grant from the Department of Environmental Education at HEW and its success has encouraged us to try to broaden the geographic scope of the program.

Of the many topics that CAN had covered in the past five years however, energy has been one of our major concerns. Along with many other environmental organizations we were alarmed about the energy crisis long before it became a national issue. Last year we decided to focus most of our efforts on working towards potential solutions. This is precisely what led us to the study of solar energy. We believe that coupled with a massive program for energy conservation, natural renewable energy resources are the long term answers to our nation's desire for energy independence.

In order to promote this point of view on a national scale, we have established a solar energy education project. We raised the funds for this ambitious undertaking in March and are now in the first phase of that project.

Concurrent with my professional interest in solar energy, my husband and I are in the process of designing a ranch in Utah which we hope will soon be completely self-sufficient. Our home will utilize the best conservation methods of construction we know how. It will be heated with solar energy from a collection and storage system, and a passive system which the design of the house affords us. We have also installed on our building site an anemometer from which we have been recording wind speeds. We will use the power from the wind to either generate electricity and store in batteries, or we will use wind power to pump water to a large pond located above our building site. From this higher pond we could run the water to a lower pond at a sufficient pressure to generate electricity.

With a major portion of both my professional life and personal life devoted to learning about the utilization of renewable energy resources, I am aware not only of its promising potential, but also its problems and unanswered questions.

While CAN was formulating the ideas for our solar energy project, many of these questions became apparent to us. One of the first was whether there would be enough public interest in solar energy to warrant the amount of time and money we were willing to put into this program. Our first testing of public interest came when during the fund raising for our solar project, I was CAN's representative on the Today Show and the Mike Douglas Show. Our topic: Solar Energy. Our response? Overwhelming. CAN received from these two shows over 7,000 letters. (The Today Show informed us that they consider 1,000 letters a large response. They said that the last time they knew of such a public response was when some man was offering free wine . . .) There is only one conclusion we can draw from this: The public is extremely interested in solar energy.

Needless to say we were totally unprepared for this kind of response. We were excited but we also realized that it was important to provide as much helpful information and direction as possible. Obviously we couldn't answer each of these letters personally. Fortunately, however the letters seemed to fall into two categories: those who just wanted to know more about solar energy, and those who were specifically interested in solar energy for use in their present homes or in houses they were planning on building. To answer all of these letters we wrote a covering form letter; a special fact sheet on what the individual "CAN DO"; and enclosed a general energy statement. Additionally for those requesting building information we divided their letters by geographic regions; compiled a list of architects and builders who were interested in or who had built or designed solar homes in that region and enclosed a list of manufacturers which we also compiled. This has been a terribly time consuming job, in fact it has taken us two months to finally get the last letter answered. We believe that these 7,000 people will form a nucleus from which we can generate even greater interest and awareness.

Another question that CAN began to consider is what the government should do to help with the development of a viable solar energy market. Obviously there is increasing governmental interest in solar energy as witnessed by the recent laws which have been enacted and many which have been introduced. We were familiar with P.L. 93-409, and in fact had mentioned its passage on the Today Show. We received many letters requesting information about this law but these specific questions have gone unanswered because we were waiting to see just how the law would be implemented. It was therefore with great interest that I read the Interim Report on the National Plan for Solar Heating and Cooling. Unfortunately after reading the interim report I still don't

have the answers to many of the questions that have been asked.

Putting myself in the position of these many, many people who have written to CAN, I must confess that the plan is basically difficult to comprehend.

For example, if I were to try to explain how the demonstration plan was going to be implemented by the time I got through explaining the RFP, the RFI, the matrix, Cycles I, II, III, IV and V of Levels I, II, III with the lead responsibility, joint responsibility, consultation/coordination, and "Utilizing the services of . . . . and supervision by ERDA, HUD, NASA, FEA, DOD, NSF, GSA, NVS, USPA, NOAA, HEW, OMB, and AID the reply from the public would no doubt be a resounding S.O.S.

This is not a plan that is going to help the do-it-yourselfer from Nevada, nor the small businessman from Florida, nor the community planning board in California. Is it, as a matter of fact, a plan for anyone except Washington specialists in "bureacratese"?

The weaknesses of the interim report are not the fault of the Congress which drafted a very fine piece of legislation. That legislation provided a bright, fresh mandate to push solar energy ahead rapidly. Yet it seems to me this interim plan takes a slow red-tape approach every chance it gets. Its basic goal is 1% of the new houses by 1980, a pitiful goal to anyone who really believes in solar energy.

Its major shortcoming is that it ignores the thousands of people who I believe want to invest in solarizing their homes today. The report, in fact, assumes consumer acceptance as a major problem.

The plan sets up a tight little circle made up of a lot of government agencies and a handful of contractors. A grass roots people oriented approach is ignored. All red tape presently in the building industry is specifically preserved in each and every demonstration program proposed.

The program as presented is almost bound to make solar energy into the Edsel of the energy industry because the contractors will be on a cost-plus basis with no incentives to keep their costs down. An alternative approach would be to subsidize people who want to solarize their homes and bear some of the cost in exchange for the benefits of lower fuel bills. Such a program would spread the available dollars so that more demonstrations could be built.

The plan places more emphasis on data and other technical features than the demonstration value of the building selected. I submit that selecting people interested in solar energy who will then use their homes as a show place to promote solar energy would be more in keeping with the spirit of this legislation than the Government-Industry closed circle approach of the present plan.

I feel strongly that there should be a solar demonstration home in every state of the Union. The interim report does not give me any assurance that this will happen. We need to know how solar energy functions in each State and to permit the greatest number of people to see solar homes with their own eyes, being lived in by real people who have put part of their own resources on the line to prove the utility of solar energy.

I don't intend to infer, however, that the plan isn't necessary or won't serve a valuable function. It appears to be a good plan for explicit, tightly controlled data gathering, and as such should provide some useful information. But I think the public must be told exactly what the plan intends to do, who it will involve, and who is left out. I am concerned that this plan may not encourage public involvement and may ignore the many people who have written CAN asking how to participate in a solar program. It appears that only the conventional government contractor-builder-developer who has had experience in wading through the complexities of such plans, or the industries who may have a vested interest in the rapid exploitation of the solar market may be able to participate effectively within the structure.

In conclusion let me suggest another reason for enlarging the small Government-Industry circle being promoted in the interim report. I am fearful that the solar pioneers who know the most about solar technologies and who are for the most part unconventional in their approach, will not be participating in the national plan because very often these pioneers serve as their own engineers, designers, consultants and builders. Will there be room for really creative and innovative thinkers? They have already built over 100 solar homes in the country today and have given us the initial hope that this technology can work. It would be a great loss if somewhere out there is the "Solar Thomas Edison" who couldn't go forward with his plans because his methodology doesn't fit into "the plan".

PORTUGAL: SELF-FULFILLING PROPHECY?

Mr. KENNEDY. Mr. President, since the Portuguese elections on April 25, many of us have been following events in Portugal closely, to see whether it will, indeed, be possible for democracy to survive in that country. A number of developments have led some observers to express pessimism about the future of Portuguese democratic institutions, and the possible drift of that country away from the hopeful promise of a year ago.

For several months, I have joined with many of my colleagues in the Senate in expressing support for democratic elements in Portugal. We were heartened by the results of the elections for a constituent assembly, which clearly demonstrated the desire of the vast majority of the Portuguese people for a free and democratic society.

Because of our concern that Portugal should have a chance to regain its rightful place among democratic West European nations, the Congress voted $15 million in economic aid for Portugal, and another $10 million to aid those African States emerging from colonial rule. I trust that every effort will be made by the administration to see that these moneys are obligated before the end of the fiscal year.

Yet the United States has still not done enough to help support those people in Portugal who are struggling to make its democratic experiment succeed. It was unfortunate that President Ford visited neighboring Spain during his recent trip to Europe, instead of going to Lisbon, where he could have made clear that the American people are prepared to support efforts to secure freedom, liberty, and democratic institutions.

For I believe this is no time to despair of the future of Portugal. It is rather a time to reaffirm the ideals of our own Nation, and the commitment we have to all the member states of NATO, under the North Atlantic Treaty, to support those Western democratic ideals that are the true strength of our alliance—the true strength of Western civilization.

In the coming weeks and months, we will have many opportunities to indicate that the United States does, indeed, welcome the hopeful developments begun in April 1974, and that we are prepared to join with concerned governments and peoples in Western Europe in providing what help we can to the success of Portuguese democracy.

Last Wednesday, Prof. Arthur Schlesinger wrote a forthright article on this subject for the Wall Street Journal. It is, I believe, an important message to the American Government. I commend it to my colleagues, and ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 8, 1975]

PORTUGAL: SELF-FULFILLING PROPHECY?

(By Arthur Schlesinger Jr.)

The hints and whispers and mumbles from Washington are that Portugal is about to go Communist, that it will constitute a fifth column within NATO, that it will give the Russians an opening to the Atlantic; and oh if the CIA were only alive and well in Lisbon.

Portugal going Communist is not a happy prospect. It is also a considerable exaggeration. The immediate prospect, if the democratic forces fail to sustain themselves, is not a Communist takeover. It is rather the establishment of a military regime, Nasserite in its model and neutralist in its foreign policy, using the Portuguese Communist Party for counsel and support. Such a regime might well deny military bases to the United States, but there is no reason to suppose that, any more than Egypt or Peru, it would turn overnight into a Soviet satellite.

Moreover, if such a regime comes to power, it would be against the wishes of the Portuguese people as expressed in the recent election—and this is why the pessimism spilling out of Washington is so depressing. President Ford and Secretary Kissinger appear to have given up the battle for Portugal; the Portuguese people have not. In the election, the Socialists took 38% of the vote, the Popular Democrats, a center party, 26% and the Communists a wretched 12.5%. But, where the Communists are giving the dominant Armed Forces Movement unconditional support, the Socialists, under the leadership of Mario Soares, have irritated the military by their demands for democratic liberties. So, when Communist printers shut down the respected Socialist newspaper Republica, the military, despite mass Socialist protests, decided to go along with the Communists.

The question now is what the Western democrats can do to help the Socialists in their struggle to keep Portugal in the democratic world. On this question there are two divergent approaches: the American strategy and the Western European strategy.

Our strategy derives from the fact that we (i.e., our masters in Washington) really preferred the old regime in Portugal—the rightwing dictatorships of Salazar and Caetano. We found it convenient to deal with them, and we supposed that Portuguese authoritarianism had unlimited life expectancy. Our policies both toward Portuguese Africa and Portugal itself were based on this supposition. Our intelligence was gravely mistaken. The Portuguese army was a good deal less sanguine than we were about the Portuguese capacity to hold on to its African colonies, and Portuguese generals eventually led the revolution against the regime we had so stoutly supported.

TAKEN BY SURPRISE?

When the revolution occurred, we were evidently taken by surprise. The Common Market countries of Western Europe promptly welcomed the emergence of "a democratic Portugal." The United States maintained a sullen silence for three weeks until our ambassador was finally instructed to deliver a good-will message to the new government. That was a year ago; and since then we have been acting as if we thought a Communist Portugal to be inevitable.

Our first ambassador after the revolution, Stuart Nash Scott, was quickly recalled because he rejected State Department defeatism and wanted to work with democratic elements in the new regime. His successor, Frank Carlucci, has reportedly had difficulties because he also sees possibilities for positive action. But the Secretary of State has taken a sour line almost from the start, expressing a concern for democratic processes in Portugal that he had ably concealed during the Salazar-Caetano years. In April he told a group of Western European journalists, according to The New York Times, that "he believes that by next year Portugal will be a Communist nation or a neutralist nation under heavy Communist influence." On May 23 President Ford himself threatened the Portuguese government (in a statment that Dr. Kissinger felt obliged to qualify the next day) with excommunication from NATO if it does not shape up and ship out its Communists.

The argument for this, I imagine, is that lectures from such exalted personages will shock the Portuguese military into good behavior. This notion displays our usual gross misunderstanding of the psychology of small revolutionary states. Little is better designed to strengthen the extremists than the kind of rhetoric now spilling out of Washington. I trust that it will stop at rhetoric. But Senator Buckley now solemnly informs us that Portugal confronts the United States "with the most profound crisis since the end of World War II" and calls for appropriate action. One hopes that the Ford administration, after proving to the world that the United States is stronger militarily than Cambodia, will not be rendered dizzy with success and send the Marines on to Portugal.

The Western European strategy is very different. It deserves a hearing if only because it is Western Europe after all that would be most immediately threatened by untoward developments in Portugal. The delusion that Washington, thousands of miles away, knows better than the people in the neighborhood got us into enough trouble in Vietnam. There seems no great need to carry it forward into Portugal.

The Western European view is that the struggle for Portugal is far from over. Many West Europeans see the events in Lisbon as a salutary reminder of the limits of detente. The fact that, for diverse good reasons, the United States and the Soviet Union have a stake in avoiding nuclear war does not mean that communism has become a benign and ennobling faith. Indeed, the big losers in the short run have been the Communist parties of Italy and France. These parties have recently presented themselves as national and parliamentary parties which, if trusted with power, would devoutly respect the rules of the democratic game. Such claims look a little tattered now. The ambition of the Italian Communists to join the government has been very considerably set back; and, while the French Socialist leader Francois Mitterand will certainly continue the Socialist-Communist electoral coalition, this is only because he feels, perhaps rightly, that he is wilier than his Communist allies and will use them more than they can use him.

Within Portugal the West Europeans reject the American idea of giving up the fight and are trying instead to stay in close and to help the Socialists. Two days after Mr. Ford's statement, the Common Market countries agreed to offer Portugal better trading opportunities, financial aid and industrial cooperation so long as such help might encourage the maintenance of democracy. Privately Common Market diplomats called Ford's intervention "clumsy" and "inopportune." Henry Brandon, the well-informed correspondent of the London Sunday Times, reports that NATO officials similarly think that ostracizing Portugal "would only help the Communists." The Ford administration's bright idea of inserting Spain into NATO as a substitute for Portugal has gone down in Western Europe, even in Bonn, like a lead balloon.

It is hard to see why we should not give the West European strategy a chance. It makes little sense to begin with drastic weapons. Keep them in reserve. If the West European approach fails, we can always fall back on ostracism and excommunication.

What could we do to help strengthen the democrats in Portugal against the Communists? Washington officials say that the attack on the CIA has deprived the United States of its best weapon in situations of this sort. It is undoubtedly true that a year or two ago CIA would have been active in Portugal, not, I would hope, in trying to overthrow the regime in our Chilean style but rather in offering money and technical assistance to the non-Communist left, as we did in Western Europe generally 25 years ago. It is also undoubtedly true that the Soviet Union has been giving such support on a lavish scale to the Portuguese Communists. The sterilization of CIA, it is argued, means that the Soviet government helps its friends while we piously decline to help ours.

HELP FROM LABOR?

There is something to that argument. The CIA problem is more complicated than some of the CIA's critics think. On the other hand, it is probably better, given the recent CIA record, to terminate the policy of covert political operations abroad. What we may lose in Portugal we will gain elsewhere in the world. Nor is CIA assistance the only kind available. It is ironic that the Swedish government of Olof Palme, abused by Richard Nixon as pro-Communist because it dared disagree with his Vietnam policy, is now taking the lead in helping the Socialists against the Communists in Portugal. Why should not the American labor movement be helping too? If Walter Reuther were alive and David Dubinsky active, one would certainly see more positive support for Portuguese democracy from American trade unions. Even now George Meany could make a difference if he would spend less time bemoaning General Thieu and more time helping Mario Soares.

And where are the Portuguese Americans? In similar situations the Jews, Greeks, Italians, Irish in the United States have bestirred themselves to considerable effect. If the Portuguese voters were as well organized, Capitol Hill would be ringing with denunciations of our defeatist policy.

Such reactions outside government are all the more essential since the Ford administration seems determined to consign Portugal to communism and thereby assure the fulfillment of its own prophecy. Why our government has given up so readily, I do not know. But one can't help thinking that it is connected with our preference for the authoritarianism, however retrograde, of Salazar and Caetano over the untidy, volatile, untutored democracy of the first year of the revolution. And this preference goes back to the prevailing official conception of international relations.

The Kissinger idea of diplomacy is as of a chess game played by masters in a sealed room. Legislatures, newspapers, public opinion are nuisances and irritations; they simply distract the mind and jog the elbow of the master as he prepares his next move. This style of diplomacy naturally finds it easier to deal with authoritarian states (rightwing if the states are small, leftwing if they are great powers). This is not because authoritarianism is regarded as philosophically superior but because authoritarian governments can deliver their countries without having to worry about a fractious opposition or a rambunctious press.

A PRECIOUS ASSET

Diplomacy, alas, is no longer a chess game in a sealed room. For better or worse, the people, rancid and unwashed, want to play too. One of the advantages of the American diplomatic tradition is that we have always, at our best, understood this and understood that our most abiding influence in the world has come, not from our arms and money, but from the intermittent sense ordinary people in other lands have had that America is on their side. We have seen great diplomatic virtuosity in Washington in recent years. But much of it has been at the expense of what has historically been this most precious international asset—the bond that once ran between the United States and the democratic aspirations of ordinary people around the world.

We are in trouble in Portugal today because we did not give a damn about the Portuguese. This meant that, when an unpopular dictator was thrown out, the Americans were identified with the idea of dictatorship and the Communists with the idea of liberation. Since then, instead of helping the democratic forces in the revolutionary regime, we have acted as if there were no middle ground between Caetano and communism. Almost as if in a state of pique over the downfall of our dubious friends, we hint and whisper and mumble that Portugal is irretrievably on the road to communism. Maybe it is; but it would not be if the United States had remained true to its deepest instincts and had shown any interest over the last generation in the fate of the plain men and women of Portugal.

HONOR FOR ALL TO SHARE

Mr. MANSFIELD. Mr. President, it is with a great deal of pleasure that I announce to the U.S. Senate that Billings Senior High School in Montana has been selected for the 35th annual Bellamy Flag Award. This award is made annually in memory of Francis Bellamy, author of the Pledge of Allegiance to the Flag of the United States.

People of the Treasure State and the Big Sky Country are, indeed, proud that Billings High School has been selected for this award. This high school has an outstanding faculty and a student body which has continuously ranked high in academic achievement and extracurricular activities. I wish to take this opportunity to personally acknowledge this tribute and I ask unanimous consent to have an editorial from the Billings Gazette of May 20th and the text of a descriptive display printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Billings (Mont.) Gazette, May 20, 1975]

HONOR FOR ALL TO SHARE

All of Billings take pride in and shares the honor paid to Billings Senior High School in its being selected for the 35th annual Bellamy Flag Award.

As such, Senior High will be the designated standard bearer and representative of all quality schools in Montana for a 50-year period starting with the Bicentennial year of 1976.

The award is made annually to one high school in the nation in the memory of Francis Bellamy, author of the Pledge of Allegiance to the Flag of the United States

of America. It is based on recognition for an outstanding program of citizen education as demonstrated by the achievements of the alumni, the activities of the present student body and the leadership and dedication of the faculty.

The community, too, shares in the honor paid to Senior High, Principal A. R. Collins and Superintendent Paul T. O'Hare of the Billings school district by the national selection committee.

It is the community which provides the fertile soil in which quality education grows. The selection of one of its schools as standard bearer and representative of all quality schools in Montana does not detract but rather enhances the recognized high standards of others.

The achievements of Senior High have been many. This is not fully realized until a formal listing is made. It shows the desire of the students, teachers, administrators and school patrons to be good citizens.

This is what schools are supposed to be all about. The national recognition of Senior High and Montana for the Bellamy Flag Award honors will serve as a guide for action and an inspiration.

BILLINGS SENIOR HIGH SCHOOL—1976 NATIONAL BELLAMY AWARD WINNER

The National Francis Bellamy* Award makes no pretense at selecting a "best school" in a state. It simply selects a school representative of all fine public high schools in a chosen state. Thus Billings Senior High School has been chosen and designated as the standard bearer for all Montana schools. It will retain that honor for a fifty year period in the distinguished group of outstanding and representative secondary schools throughout the nation.

Billings Senior High School has earned the Bellamy Award as the result of the realization that this is a challenging opportunity to be in an exemplary position to honor and preserve some of the foundation values of our great American heritage.

This award is represented by an outdoor flag which will fly over the Capitol building in Washington, D.C. on May 18, 1976, and will be formally presented to the school in October during the Bicentennial year, 1976.

The 35th annual Bellamy Flag Award, which identifies Francis Bellamy as author of the Pledge of Allegiance to the Flag of the United States of America, and honors the public schools of the nation, will be presented to the Billings Senior High School in October during the Bicentennial year of 1976. Senior High School has been designated the standard bearer and representative of all quality schools in the state of Montana for a fifty year period for these specific reasons—

1. The proficient performance of duty by the administration: Mr. A. R. Collins, an "educator" principal, is cited for being an active, progressive officer in educational associations; for his positive philosophy that "education must prepare our youth for constructive, participating citizenship in our democracy;" a man who takes a firm stand in all he believes to be right for his school; who meets each new challenge in bringing forth proper conclusions with benefit for all.

Mr. Paul T. O'Hare, superintendent of schools, is cited for his warmth and fairness; for his philosophy of education: "In the process of obtaining knowledge and developing appreciation and ideas, he (the student) should gain respect and consideration for people—their rights, their opinions, and their feelings."

2. Teachers who promote a high level of critical thinking in their students—a faculty with an enormous academic background, an entire department holds Masters degrees and 52% of the entire staff has initial Master's degrees and are undergoing advanced studies, showing quality leadership in the academic and cultural aspects of education; highly accomplished in individual fields who continuously further learning experiences for themselves and their students.

3. Constant achievement by students unexcelled in bringing honor to their school—(1972–75) the only school to have governors elected at both Boys State and Girls State in the same year; both boys and girls tennis teams first place winners in the state; state champions: wrestling, boys gymnastics, girls golf, tennis singles, girls diving; Jazz Band first place in State Jazz Festival; areawide Elks Leadership and Most Valuable Student awards to boys and girls; 17 National Merit Finalists and five Merit Scholars; the only school in the nation with two Key Clubs: "Yellowstone" received the State Achievement Award and Parents Magazine Youth Achievement Award, and "Billings" won the Single Service Award.

4. The domestic exchange program and strong interchange American Field Service program: Billings Senior High School founded the Domestic Exchange Program with Pasadena, California schools. It proved so successful that AFS established it as a national program. In the past 20 years 28 students have come to Billings from 22 different foreign countries and 31 students have been ambassadors to foreign schools.

5. An accomplished and distinguished alumni—along with two Rhodes Scholars they have excelled in all fields of endeavor, among them the arts, athletics, education, law and government, journalism, medicine, the armed forces, science, and the ministry.

6. The Charles E. Borberg Humanities Series—"an experience in learning" with voluntary attendance and no grades offered. It has been incorporated into the regular curriculum. This series was the inspiration of former principal Borberg and members of the faculty who desired to provide an experience for students purely for the sake of learning. Meaningful series topics give the program a "today" look: European Backgrounds, The Alienation of Man, Man and His God, The Arts in Billings, Montana, and The Problems of Youth.

7. The concern and care for the physically handicapped: an elevator, wide halls, and special lavatory facilities assist the physically handicapped.

8. A strong emphasis on physical education from the early beginnings of the Billings High School at the turn of the century.

9. A cooperative community shown by civic organization activities promoting leadership qualities in youth—a fine rapport with an active, interested and working Chamber of Commerce; specialized leadership programs designed by the Kiwanis, Rotary, Exchange, Optimist Clubs, Zonta, among others; and strong support from the electronic media.

10. A school that take pride in being "goal-oriented"—for being an innovative, creative school offering students significant and varied programs academically, vocationally and extra-curricularly.

*Francis Bellamy: Author of the Pledge of Allegiance to the Flag in 1892.

CYSTIC FIBROSIS

Mr. MORGAN. Mr. President, cystic fibrosis and related lung and digestive diseases take a terrible toll on our Nation's children. Thousands upon thousands of children are born each year who will be afflicted with diseases in their youth—Adults suffer as well: it is estimated that 36 million adults suffer from some form of chronic pulmonary disease.

I have learned that, in spite of the fact that we have developed research and service programs to seek a control or cure of these diseases, and to provide medical and other care for these youngsters, the administration's proposed fiscal year 1976 budget would reduce both research and care programs.

I recently requested Mr. Robert D. McCreery, president of the Cystic Fibrosis Foundation, to analyze the proposed budget to see the impact on children with these diseases. His answer came to me in a letter, and because it is such an excellent analysis, and because he was so thoughtful to include an analysis of the impact on other States besides North Carolina, I ask unanimous consent that the letter be printed in the RECORD, so that my colleagues will have the opportunity to see the impact on programs in their own States.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CYSTIC FIBROSIS FOUNDATION,
Washington, D.C., June 4, 1975.

Senator ROBERT B. MORGAN,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR MORGAN: This is in answer to your inquiry regarding the effect of the President's proposed FY 1976 budget upon children who have serious lung and digestive diseases, and in particular upon children with cystic fibrosis.

Following, I discuss cutbacks on NIH programs, where the basic research so necessary to finding a cure for this disease is primarily funded, and on Maternal and Child Health and Crippled Children's programs, which provide so many services to the afflicted children.

NATIONAL INSTITUTES OF HEALTH

Many of the basic and applied research programs of NIH are related to our field of endeavor. Several of the Institutes are of particular importance to us, and our concerns about them are detailed below.

However, I would like to say a few words about the general funding levels for NIH. As you know, the Fiscal Year 1975 appropriations agreed to by Congress was a little more than $2 billion. The Administration's requested budget for Fiscal Year 1976 is for $1.8 billion. This 10% reduction overall in the NIH budget, simply, is unreasonable. The Administration certainly must know that we have had more than a 10% inflation rate this past year, and will have probably a similar rate this year. Thus, rather than a next year reduction of 10% overall, the inclusion of the 10% inflation rate would mean that NIH programs are in fact being cut back at least 20%.

Now I would like to comment on the funding levels for the various institutes which fund projects in our area of concern.

NATIONAL HEART AND LUNG INSTITUTE

This institute provides the largest amount of funding for the study of pediatric lung diseases, and a reasonable level of funding is mandatory, if we are to make any progress in the field. However, for the total Institute the Administration has requested an appropriation of $292,794,000 for Fiscal Year 1976, down from $324,130,000 in Fiscal Year 1975, a drop of over $21 million, or just about 10%. However, in the area of pediatric pulmonary disease, the 1976 figure requested is $3,290,514 as compared with $3,708,250, a decrease of $417,746, more than 11%.

Such a cutback, added to inflationary increases, will simply mean that in fact about 20% less research will be done next year than the present year if the Administration requests are permitted to stand. We are aware that the Administration has given justification for this Institute's appropriation request because they have stated that "Pediatric pulmonary diseases present health problems of national dimensions". It is hard to understand why, if this is so, such a severe budgetary cutback is requested.

Of course, research going on in other areas of lung disease are important to us as well, and as we study the Administration recommendations for appropriations for next year for all of them, we see that the cutback has been just about the same, percentagewise, for each of them, including studies on the structure and function of the lung, emphysema and chronic bronchitis, fibrotic and immunologic lung disease, respiratory failure, and pulmonary vascular disease.

We believe that rather than cutting back the appropriation this year, in fact the budget should be increased to a more reasonable $370 million.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

In this Institute, the Administration proposes a cutback from the level of $119 million this year to $108 million next year, a decrease, again, of just about 10%. This Institute has a number of research programs of interest to us, concerned as it is with allergic, immunologic, and infectious diseases.

We know how severely this Institute is strained by the decreasing personnel levels. Programs simply cannot be administered without a steady personnel base. Yet the Administration's budget would propose that the total number of permanent positions be decreased from 593 in the present fiscal year to 587 for next year.

Our recommendation is for a funding level of at least $140 million.

NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASE

Cystic fibrosis is also a metabolic disorder, and NIAMDD has a number of research programs of interest to us.

NIAMDD's current appropriation is $173 million, and the Administration would reduce that level to $148 million next year, a decrease of $25 million, which is a decrease of nearly 15%. In the area of metabolism studies, we find a reduction of from $22 million last year to $19 million proposed for next year, a $3 million decrease.

We recommend that the current appropriation of $173 million be increased to at least $195 million.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

This Institute deals, as part of its task, with research in the area of genetics. Inasmuch as cystic fibrosis, and some other respiratory disorders, are genetically inherited, this work is vital to us. The Administration budget would decrease the budget for this Institute from $187 million to $161 million, a cutback of about $26 million.

The study of the human cell and its genetic system is basic research that is fundamental to our hopes for eventual prevention of the disease. To cut back now on these funds, when the entire field of cell biology is exploding with new discoveries, would be unfortunate in the extreme.

We recommend that the current appropriation for this Institute be at the level of at least $210 million this year.

MATERNAL AND CHILD HFALTH AND CRIPPLED CHILDRENS SERVICES

These programs have been, for many years, the backbone of service for improving the health of children in this nation.

We have reviewed extensively the budget justification submitted to the Congress on behalf of the Administration for Maternal and Child Health and Crippled Children's programs, recommending an $83 million decrease in the appropriations level from FY 75. This decrease of approximately 28% is in theory to be absorbed by states, but as we know, their financial burdens are equally as difficult as those of the Federal government. We also believe that this significant decrease would effect many fine programs that have been established and funded and are providing care to thousands of mothers and children on an annual basis. It will be necessary for the Congress to enact a continuing resolution to support ongoing programs while it is considering the entire appropriation for FY 76. The continuing resolution this year is a very important piece of legislation since the level of support for established programs depends directly on it. We would urge the Congress to consider the resolution carefully and incorporate such language as will allow the programs to operate at least at the 1975 level. If this can be accomplished, health care can continue without interruption.

We further understand that the proposed funding level for FY 75 to accomplish current program objectives under the Maternal and Child Health programs and to provide for appropriate inflationary increases would mean that an authorization level of $346.6 million would be needed for FY 77.

Also, it is becoming clear that despite the excellent support of the Congress for this program, the Department of Health, Education, and Welfare has not been able to implement it properly. And for what reason? Specifically, we have observed over the last several years the decrease in staff support available to states and potential grant applicants to receive assistance from HEW personnel. It is our understanding that within the past two to three weeks 58 positions made available to the Maternal and Child Health programs were restored. This partially implements the Congressional intent. The programs supported by Title V appropriations have traditionally provided care of the highest quality. In order to maintain that excellence, it is essential that regional and central office consultants be highly specialized in their fields. Consultations provided to the grantees responsible for carrying out the programs in the recent past have been less than satisfactory. This has been due, in part, to the decrease in regional and central office staff as mentioned before. It also is due to the manner in which staffs are organized and used. At present specialized consultants, such as pediatricians or nutritionists, are called on to provide generalized consultation ranging from legislation to financing, to program management, and tasks foreign to their training, experience, and interest. Also, no nutrition visits were made by central office specialists to the regional offices or to the states in FY 75 because of the lack of travel funds and the loss of staff.

The Congress expressed its intent regarding Title V staffing and organization in Senate Report 93–1146 from the Committee on Appropriations, and in which the following statement may be found:

"The Committee also wishes to be on record with the Department that there be no position reduction in the maternal and child health program. In addition, the important Pediatric Pulmonary Centers program shall be continued at least at the level provided for in fiscal 1974.

"The Committee concurs with the House direction that a cadre of Maternal and Child Health staff be maintained within the Department to assist the States in developing a program of projects which will include maternal and infant care, children and youth, dental care, newborn intensive care, and family planning projects. The Committee is particularly concerned that sufficient regional health staff be available and directs that 58 positions and $900,000 in supporting costs, previously assigned to the Maternal and Child Health program be utilized exclusively for Maternal and Child Health activities.

"This staff is necessary to assist the States in the administration of the formula grants and fulfilling the program of projects requirement."

Senator Morgan, we have recently been informed that the Pediatric Pulmonary Centers currently being supported by the Maternal and Child Health Services program will be funded for at least one additional fiscal year beginning July 1, 1975. As I am sure you are well aware, the Centers program for several years has been supported by Federal grants in an almost haphazard way. In recent years funding came through the Regional Medical Programs, and recently, with the phasing out of that program, the Maternal and Child Health Services Program has undertaken the funding responsibility. But that program itself has suffered from the impoundment, rescission, and cutback activity of the Administration, so much so that it is not until very late in the fiscal year do we know whether the centers will be funded for the upcoming year. As you are well aware, this creates very great uncertainty in the centers, even as to whether they will be continued the next year. Personnel are upset, not knowing whether they will be retained. Patients and their families are upset, because they do not know whether the excellent care given in the centers will be continued, and because they fear that if Federal support is removed, the reduction in quality and quantity of care may well cause the illness to become more unmanageable, and perhaps fatal.

It seems to us that a stable base of funding at a reasonable level is required. We are entirely supportive of the proposal by the Association of Pediatric Pulmonary Centers in their testimony before the Senate Subcommittee on HEW appropriations that there be earmarked this year a $3.6 million appropriation for these centers, and we hope that this committee will include in the appropriation bill report specific language stating that these programs shall be continued and be given some stability. That appropriation would permit the ten programs now in existence to continue, and would permit, in addition, the establishment of two new centers in areas of this country needing the services of an expanded pediatric lung disease center.

NORTH CAROLINA AND OTHER STATES

As to your question regarding the cutbacks of the program as they would affect North Carolina, you would certainly like to know that the cutback of maternal and child health funds would be from $6,126,000 in FY 1975 to $5,438,500 in FY 1976. The cutback in Crippled Children's programs would be from $2,033,300 in FY 1975 to $1,409,600. You are aware of the excellent program that exists in North Carolina, and what the impact would be of the total cutback in the two programs of over $1.3 million.

Attached is a table which shows the impact on all other states. Perhaps your fellow senators might be interested in these figures.

We deeply appreciate your concern for children with lung and digestive diseases, and in the Cystic Fibrosis Foundation. If there is any further way we might be helpful, please call on us.

Sincerely,

ROBERT D. MCCREERY,
President.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
HEALTH SERVICES ADMINISTRATION, BUREAU OF COMMUNITY HEALTH SERVICES

MATERNAL AND CHILD HEALTH SERVICES—FORMULA GRANTS (13.232) TITLE V, SOCIAL SECURITY ACT

	Budget fiscal year 1975	President's proposed budget fiscal year 1976
Region I:		
Connecticut	$1,452,300	$1,108,700
Maine	1,138,900	1,034,900
Massachusetts	2,937,400	2,444,800

MATERNAL AND CHILD HEALTH SERVICES—FORMULA GRANTS (13.232) TITLE V, SOCIAL SECURITY ACT—Con.

	Budget fiscal year 1975	President's proposed budget fiscal year 1976
Region I—Continued		
New Hampshire	$666,000	$633,100
Rhode Island	547,400	425,500
Vermont	561,100	520,000
Region II:		
New Jersey	3,669,400	2,611,100
New York	8,712,300	7,703,300
Puerto Rico	4,592,200	4,451,100
Virgin Islands	247,800	195,400
Region III:		
Delaware	578,300	461,000
District of Columbia	477,500	411,200
Maryland	3,606,400	2,865,100
Pennsylvania	8,464,400	7,327,500
Virginia	4,317,800	3,671,100
West Virginia	2,007,700	1,890,200
Region IV:		
Alabama	4,065,800	3,562,100
Florida	5,245,500	4,415,100
Georgia	5,423,400	4,865,600
Kentucky	3,912,000	3,548,800
Mississippi	3,479,200	2,992,800
North Carolina	6,126,600	5,438,500
South Carolina	3,780,500	3,403,900
Tennessee	4,096,900	3,486,300
Region V:		
Illinois	5,817,300	4,782,200
Indiana	4,459,900	3,765,900
Michigan	6,627,200	5,267,700
Minnesota	3,111,700	2,479,000
Ohio	7,770,200	6,780,400
Wisconsin	3,496,400	2,966,200
Region VI:		
Arkansas	2,287,200	2,002,100
Louisiana	4,397,800	3,702,800
New Mexico	1,123,300	1,021,200
Oklahoma	2,064,300	1,887,400
Texas	8,732,400	7,735,600
Region VII:		
Iowa	2,435,600	1,934,400
Kansas	1,591,300	1,257,500
Missouri	3,826,700	3,276,000
Nebraska	1,170,500	1,003,100
Region VIII:		
Colorado	1,658,100	1,318,500
Montana	696,400	640,300
North Dakota	668,300	482,800
South Dakota	734,100	627,000
Utah	1,424,100	1,249,000
Wyoming	330,200	297,900
Region IX:		
American Samoa	162,900	160,100
Arizona	1,383,700	1,337,600
California	10,268,300	8,039,100
Guam	264,400	242,200
Hawaii	686,600	443,200
Nevada	347,100	321,900
Trust territory	336,900	354,200
Region X:		
Alaska	368,300	350,800
Idaho	787,900	729,000
Oregon	1,892,600	1,528,600
Washington	2,918,700	2,333,700

CRIPPLED CHILDREN'S SERVICES—FORMULA GRANTS (13.211) TITLE V, SOCIAL SECURITY ACT

Region I:		
Connecticut	$542,100	$410,300
Maine	379,400	268,700
Massachusetts	982,300	735,700
New Hampshire	249,500	212,400
Rhode Island	261,300	223,000
Vermont	204,000	184,500
Region II:		
New Jersey	1,100,600	783,300
New York	2,594,400	1,924,800
Puerto Rico	1,484,300	1,122,500
Virgin Islands	151,300	147,900
Region III:		
Delaware	219,100	194,600
District of Columbia	229,600	201,400
Maryland	851,100	599,100
Pennsylvania	2,814,400	1,936,200
Virginia	1,402,500	960,400
West Virginia	740,000	510,900
Region IV:		
Alabama	1,307,500	895,600
Florida	1,537,200	1,083,800
Georgia	1,596,500	1,124,600
Kentucky	1,221,700	857,900
Mississippi	1,072,600	733,600
North Carolina	2,033,300	1,409,600
South Carolina	1,132,500	796,500
Tennessee	1,353,300	932,900
Region V:		
Illinois	1,872,600	1,333,200
Indiana	1,494,600	1,053,900
Michigan	2,120,900	1,455,000
Minnesota	1,102,800	766,700
Ohio	2,516,700	1,771,600
Wisconsin	1,313,800	930,100
Region VI:		
Arkansas	$763,400	$543,400
Louisiana	1,315,500	927,200
New Mexico	377,500	278,700
Oklahoma	737,800	523,900
Texas	2,840,500	2,019,600
Region VII:		
Iowa	889,300	613,100
Kansas	569,800	400,900
Missouri	1,198,100	836,200
Nebraska	431,600	303,000
Region VIII:		
Colorado	548,400	391,800
Montana	261,400	208,400
North Dakota	256,000	200,600
South Dakota	273,600	205,000
Utah	341,100	267,600
Wyoming	188,500	173,500
Region IX:		
American Samoa	146,200	144,300
Arizona	496,600	364,200
California	2,844,900	2,081,200
Guam	155,100	150,600
Hawaii	254,200	218,000
Nevada	213,100	191,000
Trust territory	160,000	154,000
Region X:		
Alaska	192,400	175,600
Idaho	290,500	216,100
Oregon	587,500	422,400
Washington	812,600	569,000

HUMAN KINDNESS DAY—WASHINGTON, D.C.

Mr. KENNEDY. Mr. President, recently controversy mounted in the Nation's Capital concerning the events which occurred during a rock concert held on the Washington Monument grounds on Saturday, May 10 during the Human Kindness Day celebration. Of the estimated 125,000 persons who gathered on the grounds to hear well-known rock groups—with special guest star Stevie Wonder—several hundred were robbed of wallets, cameras, watches, and bicycles. Some were beaten and hospitalized, and one man was blinded in one eye.

It is unfortunate that these incidents occurred. But it is even more unfortunate that we are not assured of ways to prevent similar episodes in the future. Many people are not even aware that the concert held on the Monument grounds was only one phase of the Human Kindness Day celebration, which was originated 3 years ago to foster community solidarity and brotherhood. In all, there were 10 phases which included such activities as art and writing contests, a run for Human Kindness, a family luncheon and other activities. Although most publicized, the free concert was only phase seven.

The success of the other nine phases has not received the attention that the concert attracted.

A young member of my staff who attended the concert said that she felt the concert was a success. Although she admits that she witnessed some of the vandalism that took place, she was even more aware of the camaraderie that spread among the thousands of gatherers. She saw many people who came to the aid of those who were attacked. And many others attempted to fend off those who appeared to be embarked upon destructive goals.

Bill Raspberry wrote in the Washington Post that too many of these youths took advantage of the knowledge that they could get away with unlawful behavior.

Perhaps the real question then is what steps can be taken to encourage bystanders to offer assistance when help is needed?

All of the victims, whether they were blacks or whites were frightened and intimidated. And they all wanted protection from those who were set on practicing lawlessness.

And so, the lesson of Human Kindness Day must be to seek to provide safeguards for all people who wish to participate in programs of this type in our Capital City.

It is my hope that all the people in this community who wish to participate in activities of this type may be able to do so. We must renew our strong commitment to insist upon protection for every citizen, whether black or white. The behavior of Human Kindness Day is in no way excusable. All of us in the Washington, D.C. community must strive to work cooperatively in ways that can insure maximum protection and freedom of movement for everyone.

Let us remember Human Kindness Day not because of the tragic episodes that seemed to be senseless, but rather let us strive to produce conditions where violence is minimized.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, there are a few rights which are so fundamentally part of every human being's existence that a denial of them is almost always wrong. We may say that human beings always have these rights, or, in the words of our Founders, some rights are inalienable. Governments may refuse to recognize certain rights, governments may disparage them, but the rights exist. The most fundamental of these rights is the right to live as a person within one's religious, national, ethnic, or racial community. Our history as a people has been marked by respect for this right. We have been faced with many challenges to affirm our belief that man's dignity requires that he be allowed to retain his life within the community of his choice, and we have met almost all of those challenges.

We are asked to affirm our commitment to these values again, by ratifying the several treaties regarding human rights which have been developed by the United Nations. We should welcome every opportunity to demonstrate to ourselves and our neighbors that America's adherence to the freedom and dignity of man will not be shaken, but will be affirmed in word and in deed, every day.

Mr. President, the failure of this body to ratify many of these conventions, especially the Genocide Convention which states the basic commitment to the individual's right to life in the community of his race, religion, ethnic group, and nation, betrays this Nation's historic stand for the dignity of human beings. It repudiates the ideals of the Republic. After 26 years, the failure to ratify the Genocide Convention ranks as one of the greatest failures of this body.

I urge my fellow members to expunge this disgrace to our Nation, by ratifying the Genocide Convention as soon as possible.

BATTERY-POWERED VEHICLES

Mr. MOSS. Mr. President, a few days ago, the House Committee on Science and Technology opened hearings on electrically powered motor vehicles. At that time, a number of these battery-powered cars were displayed here at the Capitol and many of the Senators and Representatives had an opportunity to drive an electric powered car. This may very well be the wave of the future for cars in densely populated areas. It certainly would be a great advance in controlling air pollution and noise pollution and could serve to conserve on petroleum fuel.

Dr. Ronald S. Gordon is carrying on research on a sodium-sulfur battery which weighs considerably less than the traditional lead-acid battery and can store large amounts of energy which will give an electric car a much longer range and much more power for acceleration. I ask unanimous consent that a release concerning the work being done at the University of Utah, and financed by the National Science Foundation, on this new battery be printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

SODIUM-SULFUR BATTERY

A unique type of battery, which will power the electric car of the future, is being developed by a University of Utah engineering team financed by the National Science Foundation under a sub-contract with the Ford Motor Company.

Dr. Ronald S. Gordon, Professor of Materials Science and Engineering and director of the Utah team, noted that the concept for a sodium-sulfur battery originated at Ford some ten years ago. Constructed in opposite fashion to the traditional lead-acid battery, the new sodium-sulfur battery weighs considerably less and, therefore, can store larger amounts of energy per pound of battery. This asset is important for the electric car since a small, light, and efficient battery will be easy to transport.

"The final product," said Dr. Gordon, "will probably be no larger than a normal-size internal combustion engine. A vehicle powered by such a battery will be capable of speeds up to 60–70 miles per hour, with acceleration rates comparable to the gasoline powered vehicles, and will travel about 300 miles between rechargings."

While a battery-powered car is unlikely to completely replace gasoline-powered vehicles, it could prove useful for commuter or in-town driving. The willingness of motorists to partially sacrifice the power and luxury of the gasoline-driven auto will determine what role the electric car can play as an urban pollution fighter and fossil-fuel saver.

"Of course," stated the Utah engineer, "the electric car will not eliminate air pollution entirely; however, the localization of wastes at centralized power generating stations makes control easier than when exhaust issues from individual automobiles."

"Since petroleum-based products are in short supply, a wider variety of energy sources must be tapped," commented Dr. Gordon. "Hydro-electric power, coal, and nuclear fuels are all possible forms of energy which can be used in electric power generation and subsequently as a source of energy for the battery-powered car."

An even more immediate industrial use for the sodium-sulfur battery will be in electric utilities themselves as load-leveling storage systems.

"Load-leveling simply means the storage of electrical energy generated during off-peak hours at night—so that it can be used during peak consumption periods, particularly at dinner time," noted Dr. Gordon.

"At the present time, power plants are servants of the whimsical public need. A plant must be designed to meet peak consumption for part of the day. During low demand periods, expensive equipment stands idle."

"The ideal situation would be to operate a generating station so that it produces a constant—or level—amount of power around the clock. Thus a plant can be designed around average power consumption at a lower capital investment, using sodium-sulfur batteries to store excess electrical energy when demand is low. During peak demand, the energy can be rapidly recovered from the batteries and added to normal energy production."

"Energy storage," Dr. Gordon added, "will be particularly attractive for the nuclear power plants of the future."

Production costs of the new battery should eventually be reasonable. At the present time, all three battery materials can be obtained from low cost raw materials. Sodium can be made from ordinary salt brines, sulfur can be extracted from the earth or from gaseous pollutants such as those emitted from the Kennecott copper smelting process, and beta-alumina can be processed from plentiful aluminum raw materials, such as bauxite.

The primary responsibility of the Utah team is to develop economical manufacturing methods for the beta-alumina membrane that is the heart of the sodium-sulfur battery.

"Right now the processing techniques for the ceramic membrane are very expensive," reported the professor. "The purpose of this National Science Foundation contract is to fabricate beta-alumina into tubing by low cost techniques," he said, "which are commonly used in the ceramics industry."

The Utah research team consists of undergraduate and graduate students, post-doctoral research associates, and faculty all working together on the solution of a current technological problem.

"An important by-product of this project is the practical educational experience provided," observed Dr. Gordon.

BOSTON 200 PROJECT

Mr. KENNEDY. Mr. President, I want to bring to the attention of my distinguished colleagues in the Senate, an article that appeared in Sunday's Washington Post on Boston 200, our Bicentennial program in Boston, Mass.

As this article points out, we are very fortunate to have directing this program an outstanding community leader, Kathy Kane. While others were still thinking about how to celebrate the Bicentennial, Kathy Kane was developing plans and projects that would serve the citizens of Boston as well as the hundreds of thousands of tourists who will visit the Commonwealth of Massachusetts during the next year. While others started planning, Kathy Kane had already found the financial assistance, the expertise, and had encouraged the enthusiasm of all Boston residents to get the program off to an enormously successful start. Now while others are faced with too little time, too little money, and dwindling possibilities of a meaningful celebration, Kathy Kane and her bright and hard-working staff are enjoying the praise and gratitude showered on them by everyone who has already participated in Boston 200.

We are enormously proud of Kathy Kane and of Boston 200. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BOSTON: THE 200TH PROJECT

(By Margot Hornblower)

BOSTON.—In the public library on Meridian Street there is a modest exhibit entitled "East Boston Is Not an Airport!" Displayed on several panels are modern political cartoons decrying the relentless expansion of nearby Logan Airport. Next to them are turn-of-the-century photographs of the neighborhood's trolley cars, Victorian homes and churches.

The exhibit is not a major tourist attraction, but it is the way the East Boston Bicentennial Commission chose to celebrate the nation's 200th anniversary. And, in its exuberant defiance, it expresses the growing sense of identity of this Italian working-class neighborhood, united in a decade-long battle against the airport.

That East Boston cares to be involved in the Bicentennial is the work of Boston 200, the city's Bicentennial office, which raised $50,000 from the National Shawmut Bank to finance 19 exhibits in Irish, black, Chinese, Italian and "Brahmin" neighborhoods here.

The exhibits are but one aspect of what appears to be one of the nation's most successful, community-oriented and well-financed Bicentennial celebrations. In the face of a national Bicentennial which has suffered from dissention and a lack of money and inspiration, Boston has put together a program that is the envy of other cities.

Its Bicentennial officials have known all along that:

Federal funds would not be available for ambitious social programs like rebuilding riot corridors.

Corporate funds can be raised for "high visibility" projects like festivities, historical or cultural events.

Strong leadership and operational funds must come from city hall.

The Bicentennial can be used to boost not only civic pride, but the tourist industry and, consequently, the local economy.

The celebration needs an aggressive relations effort.

Boston 200, founded in November 1972, is housed in a sleek skyscraper at 1 Beacon St. in the heart of historic downtown Boston. Its offices, carpeted and decorated with modern furniture, are rent-free through 1977, courtesy of the Commercial Union Assurance Company.

The offices courtesy of Commercial Union and the neighborhood exhibits from National Shawmut Bank are the results of a persistent, professional fund-raising effort that has already brought in more than $6 million in corporate funds for Boston 200 projects.

Most of the money was personally raised by Boston 200 director Katharine D. Kane, a former state legislator who headed "Summerthing," the city's neighborhood festival program.

"Everything Kathy Kane touches turns to gold," said City Councilman Lawrence Di Cara.

Mrs. Kane attributes her success to being well prepared. "You have to lead the corporate community," she said, "We would do research on the corporations beforehand. We came in with specific programs. We got them to make a commitment early. It snowballed."

"The companies aren't going to make much money out of it," said Stephen H. Clark, Mrs. Kane's funding assistant. "But there is pro-

motional value. They get to share in what's going to be a very successful venture.

"I've received calls from companies saying, 'Please give us a project.' An airline called the other day and said, 'We want to restore a building.' We'll give them one. I haven't figured out which one yet."

The most spectacular Bicentennial projects are four exhibits, individually sponsored by the Prudential Insurance Company, the Gillette Company, the Rouse Corporation and the Raytheon Company. The exhibits will charge admission and the companies are hoping to break even on their investments.

An exhibit on the American Revolution will open in August in the historic Quincy Market, which is part of a $23-million city redevelopment program. Rouse, which is the developer for the historic restoration, is putting up $400,000 for the exhibit.

After immersion in recreated sights and sounds of the 18th century through simultaneous screen projections and tapes, the visitor will be given a ballot. He will listen to Tory and Patriot arguments and then vote on such issues of the day as whether to resist taxation, harass British soldiers, boycott British goods. A computer will analyze the votes to determine whether they resemble the views of, for example, Samuel Adams, the Revolutionary, or Thomas Hutchinson, the Royal Governor.

Raytheon, an electronics firm which also makes weapons, is underwriting a $1.3-million theater museum to house an audio-visual presentation on the Battle of Bunker Hill.

Gillette, the safety razor company, is sponsoring the $500,000 exhibit on 19th-century Boston and its inventions. Prudential is investing $1.2 million in a 300-seat theater for a multi-media presentation on 20th-century Boston and an orientation center for Boston 200 trails, exhibits and historic sites.

"One of the reasons for our success," said Clark, "is that we started with a plan in 1973 and we stuck to it." The plan, an inch-thick document, details the central theme of the Boston Bicentennial, "Citygame: The city is the exhibit."

The idea is that, rather than plan any giant exposition or expensive redevelopment, the Bicentennial would enhance the existing resources of the city and make them more available to both residents and tourists.

"We're terribly excited about it," said Mrs. Kane. "We hope people will focus on their own city. We're talking about a sort of civic pride, a consciousness about Boston."

To foster this consciousness, Boston 200 set up 21 neighborhood Bicentennial committees from Beacon Hill to Chinatown, and 20 special task forces from "Medicine and Health Care" to "Women" to "Polish History" to "Banking and Finance."

From the hundreds of meetings have emerged programs that seem to involve just about every sector of Boston society.

The city's numerous historic sites have been tied together in eight new walking trails, based on the already existing Freedom Trail of Revolutionary-era monuments. An official Bicentennial guidebook, on sale throughout the city for $1.50, gives detailed maps and descriptions of each trail, from the Waterfront Trail tracing Boston's history as a port to the Black Heritage Trail marking sites of important black activities.

More than 200 permanent explanatory markers for the trails are funded with a $50,000 gift from Liberty Mutual Insurance Company. Neighborhood Bicentennial Committees have set up local trails, for which markers will be funded with $25,000 from the Boston Gas Company.

Also in the neighborhoods, elderly residents have been interviewed on tape and their colorful recollections are being compiled in 15 oral history booklets.

If the success of Boston's Bicentennial is mainly due to its substantive projects and solid financing, an equally essential ingredient is its professional—some might call it slick—public relations effort.

With an in-house staff of nine, including an experienced public relations director, and the outside services of a Boston advertising agency and a New York public relations firm, the promotion of Boston's Bicentennial is handled with the efficiency of a large corporation selling its products.

"What good is it to have a great program if no one knows about it?" asks Public Relations Director Lewis A. Carter Jr. With this year's public information budget at $278,320 and the visitor services budget at $231,600, Boston 200 spends more on promotion than any other Bicentennial agency, he said.

Promotional activities include:

Use of the blue and white star-shaped Boston 200 logo on everything from an enormous gas storage tank that can be seen for miles, to the bottom of the Sonesta Hotel swimming pool, to decals on construction workers' hats.

Local advertising campaigns designed, Carter said, "to build up chauvinism among our citizens and show what a fine place Boston is." The campaigns, with humorous slogans and skillful graphics, included a series on things that happened first in Boston ("Shhhh the first free public library—1854") and a series inviting people to the re-enactment of the Boston Tea Party ("The Irish are coming . . . The Italians are coming . . .").

A national advertising campaign to attract tourists to the city. This included a 20-page supplement in The New York Times in March, ads in magazines and other newspapers along the East Coast and in national travel publications.

Four major information centers including one in City Hall with a child care facility; information kiosks around the city; a training program for Bicentennial guides; a 24-hour telephone recording of Bicentennial activities and a 10-hour-a-day staffed phone bank to answer visitors' questions and help with any problems.

FEDERAL DEFICITS AND THE NATIONAL DEBT: A LAYMAN'S EXPLANATION

Mr. HUMPHREY. Mr. President, last week the Office of Management and Budget presented its midyear review of the 1976 budget. This document calls for outlays in fiscal 1976 of $358.9 billion and receipts of $299 billion, yielding a deficit of $59.9 billion. The document estimates that the unemployment rate will average 8.7 percent in 1975 and almost 8 percent in 1976.

I would like for my colleagues to note that this is the President's budget. It represents the President's legislative proposals and it virtually ignores the concurrent resolution that has been adopted by Congress. This document does not include some of the measures Congress has endorsed to help get the economy moving and to help get the jobless back on the payrolls. Indeed, the President has vetoed such legislation and I think we can anticipate further vetoes for congressional initiatives that are not included in the President's program.

This midsession review contains absolutely no policy initiatives that were not presented in the February budget. All this document does is update the estimates of budget receipts in light of more recent developments, and serious estimating errors made by the Department of Treasury, and it revises the outlay estimate, assuming new effective dates for the President's energy program with other minor changes. The administration continues to argue that the Federal deficit threatens to cause serious strains in the capital markets. Looking at their longer-range projections, it is clear that they continue to subscribe to the position that a balanced budget, or even a budget surplus, must take precedence over employment.

Earlier this year Congress enacted its first concurrent resolution on the budget. That resolution set spending at $367 billion for fiscal 1976, approximately $30 billion less than the Appropriations Committees requested. This represents highly responsible and rather conservative action by the Congress. When combined with estimated receipts of $298.18 billion, the deficit is estimated at $68.82 billion.

The Federal deficit that has been estimated by the Budget Committees is a far more realistic figure than the one contained in the midyear review of the budget. This midyear review continues to assume that receipts from the sale of offshore oil leases will be unrealistically high, that Federal pay will be limited to a 5-percent increase, that the President's energy program will be enacted, and that numerous other rescissions which the President has requested will become effective. If realistic adjustments were made in these assumptions, the estimate of the deficit would be much closer to the congressional estimates.

The point that has not been sufficiently stressed in the entire discussion of budget deficits is that these deficits are the product of our current recession. As the economy moves into a recession, tax receipts fall off and expenditures for unemployment compensation and other programs rise, automatically creating a large Federal deficit. The more severe the recession, the larger the deficit. During these periods, a deficit is the appropriate policy because it helps arrest the decline and eventually move the economy back in the direction of full employment.

There are many in our Government and in the public at large who do not understand that there are times for deficits, there are times for surpluses, and there are times for balanced budgets. No one policy is the right policy under all circumstances.

Because of this lack of understanding, I have asked the staff of the Joint Economic Committee to begin preparing a staff study explaining in terms that a noneconomist can understand just how this all works. One section of this study—explaining when deficits are appropriate and when surpluses are appropriate—has been completed.

I want to furnish my colleagues with a copy of this analysis with the hope that it will be found to be both reasonable and understandable. When the entire study is complete, I will be pleased to make it available.

Mr. President, I ask unanimous consent that this section of the JEC staff study be printed in the RECORD.

There being no objection, the section

was ordered to be printed in the RECORD, as follows:

ECONOMICS OF DEFICIT SPENDING AND THE NATIONAL DEBT

Understanding how the Federal Government can continue to pile up deficits year after year without seriously weakening our entire capitalistic system is not easy. However, it is crucial that we understand the meaning and economic implications of deficit spending and national debt if we are to pursue the best policies to encourage real economic growth. This paper attempts to explain the significance of government deficits and the national debt and to show how the significance of any deficit depends on the economic environment in which it occurs.

Everyone knows that if he spends more than he earns or has available from savings he will be left with a debt which must be repaid at some point in the future. Therefore, the question naturally arises: If the government spends more than it taxes won't it be left with a debt to be repaid at some future date?

To understand the answer to this question we should first ask whether things that are true for individuals are also true for large groups of individuals. Consider a consumer who incurs installment debt using a credit card. He will have to repay that debt, but as he repays someone somewhere else is borrowing. Although each individual must repay his debts, consumers as a group do not repay their total debt. In fact consumer debt has risen over the past two decades from $94.9 billion in 1954 to $532.9 billion in 1974.[1]

Is the rising consumer debt a cause for concern? This depends on two things: first we must see how the debt has been used; and second we must see if consumers as a group have enough income to support their debt. No one becomes excessively concerned if a family earning $15,000 per year incurs a debt of $30,000 in order to purchase a home. The reason is two-fold: first the debt has been used to purchase an asset which serves as security for the debt and second the family has an income which is adequate to support the $30,000 debt. For consumers as a group, their rising debt has been overwhelmingly used to finance consumer investment. As long as growing consumer debt is one side of the coin with growing consumer assets as the other side, this process can continue. The second consideration is consumer income. While consumer debt rose 461.4 percent between 1954 and 1974, personal income increased 296.6 percent.[2] Thus, interest on their debt has required a larger share of consumers' income.

What about individual businesses? Should they always repay the debts incurred when they spend more than they earn? The answer again depends on the use of the borrowed funds and the company's earning ability. If a company borrows money in order to expand its productive capacity, it will not only have an increase in wealth parallel to the increase in debt, but it will also have increased its earning capacity and thus its capacity to support its debt. When corporate debt falls due, many well-managed firms choose to refinance their debt rather than sell assets in order to repay it. As long as earnings are adequate, this is regarded as sound business practice.

Consider, for example, AT&T and General Motors Corporation. The outstanding debt of AT&T increased from $5.4 billion in 1954 to $41.5 billion in 1974; GM's debt increased from $1.6 billion in 1954 to $7.9 billion in 1974.[3] When each individual bond falls due it is honored but new bonds are issued so that the total rises.

Having considered deficit spending and the accumulation of debt by individuals, groups of individuals, and businesses, we can now tackle the government.[4]

Footnotes at end of article.

A good place to begin is to separate the terms national deficit and national debt. The deficit is the difference between tax receipts and spending in any one year. In fiscal year 1976 the President's budget estimated that if the President's programs were adopted the Federal deficit would be $51.9 billion in the unified budget plus $10.6 billion in Federal agencies outside the budget. In actual fact the deficit will be larger, but these numbers will serve for illustrative purposes. The national debt is the cumulative result of past year's deficits. In fiscal year 1976 it is estimated to be about $617 billion. Both the deficit and the debt are matters of concern, but for different reasons. First let us consider the deficit.

The Federal deficit is the result of economic conditions as well as tax and spending policy. For example, if the rate of inflation is high causing money income to rise, people will be pushed into higher tax brackets and Federal tax receipts will rise. If the economy is depressed so that personal income and profits decline, then Federal tax receipts also decline. If the unemployment rate is high, Federal spending for unemployment compensation and other income support programs will rise. In order to assess the consequences of a deficit we must consider the state of the economy at the time the deficit occurs.

Suppose, for example, that the economy is operating very close to its potential growth path[5] with low unemployment rates and reasonable rates of inflation. This is a situation which fiscal policy should be aimed at sustaining. Growth of the budget deficit tends to stimulate demand and would move the economy above the optimum path. Similarly, a rising budget surplus would dampen and restrict the growth of economic output. Under these conditions, a fiscal policy aimed at holding the budget surplus constant—and not too far from zero—would be the most appropriate policy. A small surplus might be desirable to help finance private investment.

Alternatively, suppose that the economy is operating above its optimum level. Under these conditions fiscal policy should be used to move the economy back down toward its optimum level, thus bringing supply and demand into balance and relieving the excessive inflationary pressures. Some rise in the budget surplus would be desirable in this situation.[6]

Unfortunately, there have been relatively few times when the economy moved along or above its potential growth path for an extended period. Our most recent experience extended from late 1965 to late 1969. Throughout most of 1966 the economy was slightly above its optimum growth path, in 1967 it moved along that path, and in 1968 it again moved above that path. Under these conditions a constant or rising budget surplus would be most appropriate. This policy was not pursued. From 1965 to 1966, the budget surplus was allowed to disappear. From 1966 to 1967 when a balanced budget or a small surplus would have been appropriate, the actual deficit was over $12 billion. After allowing the budget to be overly stimulative, policy reversed and the deficit moved in the restrictive direction by about $6 billion from 1967 to 1968 and another $14 billion from 1968 to 1969.

The third possibility is for the economy to be below its long-term growth path. This situation is characterized by high unemployment rates and relatively stable prices.[7,8] In these circumstances a desirable fiscal policy would reduce the unemployment rate without excessively increasing inflation. A budget deficit designed to move the economy up towards its optimum growth path would be the appropriate policy.

This third possibility has prevailed in 15 of the last 20 years. Chart 1 traces the movement of actual GNP relative to our long-run potential growth path. As illustrated by the chart, the economy is presently farther below its potential than at any other time shown. A review of fiscal policy over these years shows erratic movements. From 1955 to 1965 the actual budget was in surplus as much as it was in deficit. The deficits which occurred were the result of low operating rates in the economy rather than discretionary fiscal policy. Discretionary policy moved in the direction of restraint as often as in the direction of stimulus.

Reviewing these three sets of possible circumstances, we can see that the desirability of a balanced budget, a deficit, or a surplus depends on the economic environment in which it occurs. It is also clear that discretionary fiscal policy has often been misdirected. Before making a statement about the desirability of a deficit or surplus, we must assess the performance of the economy in relation to our stated goals of maximum economic growth with low unemployment rates and reasonable amounts of inflation.

Within certain limits, the changes in the surplus or deficit prescribed above have been automatically incorporated in our taxing and spending systems. As mentioned earlier, Federal spending increases with increases in unemployment and tax receipts fall with falling incomes and profits. Thus, when the economy is in a severe recession such as late 1974 and 1975, the budget deficit increases automatically and provides stimulus. However, the tax system's automatic response to inflation may operate in the opposite direction. When inflation causes nominal wages to rise, people are pushed into higher tax brackets and Federal receipts rise. When inflation and recession occur simultaneously, the automatic effects are somewhat offsetting.[9]

If the economy fluctuated symmetrically around its potential growth path, then the surplus necessary in one period would be just balanced by the deficit necessary in the next. The result over a long period would be no accumulation of either surplus or debt. If the economy moved steadily along its growth path, the balanced budget appropriate would likewise result in no accumulation of surplus or debt.

Neither of the above events, however, has actually occurred. Our experience has been that in 15 of the past 20 years the economy has operated below its potential growth path, 3¼ of the past 20 years it has been above its potential growth path, and for 1¾ years it moved along the path. Further, the gap between actual performance and potential ability has been wider when the economy was below its potential than when it was above. This experience would have dictated a fiscal policy which would have resulted in an accumulation of national debt regardless of other events such as wars or other national emergencies.

The national debt that results from these deficits is the more fundamental concern of most people. The concern over the deficit is often really a concern over the addition to the national debt that will be required.[10] The basic cause of this concern is the presumption that the debt must be repaid. Further, if the debt is not repaid by one generation, it becomes a burden on the next. These two notions—first that the debt must be repaid and second that it represents some kind of burden are examined below.[11]

In considering whether the Federal Government must repay its debts, recall that consumers as a group do not repay their debts and that many individual businesses do not repay their debts. The crucial factors in determining whether this is a safe practice were 1) is the increased debt matched by increased assets? and 2) is personal income or business earnings adequate to support the debt?

A similar analysis can be applied to the Federal Government but there are impor-

tant differences. The increase in assets that accumulate as the government debt increases are not limited to just those assets owned by the government. It is true that if the government borrows and then spends the money on a new Federal building, a PT boat, or a housing project, an asset will have been created which matches the new debt. However, unlike an individual or business which must depend on the earning capacity of its own assets and abilities for its income, the Federal Government drives its income from the productive capacity of the entire nation. Because the government has the power to levy a compulsory tax on the assets of the whole nation, it is always assured that its "earnings" will be adequate to support its debt.

The fact that government income is collected through compulsory taxation makes lending to the government a very safe proposition. As long as the government is stable and the economy from which it draws its income is sound, creditors will be willing to lend to the Government.

Another crucial difference between government and private borrowing is the relationship between borrower and lender. In the case of private borrowing, the lender is "someone else." That someone else has a claim against the assets of the borrower and could, under certain conditions, possess them. The government, however, is merely the representative of the people. People lend to the government, they pay taxes to the government and they receive part of their taxes back in the form of interest on the loans they make. In a certain sense, when the government incurs debt, we owe the money to ourselves.

While it is true that consumers and individual businesses do not need to pay off their debts, it is even more true of the government. Maintaining interest payments causes some redistribution of income from those who do not own Federal securities to those who do, but it is not a net burden on the nation as a whole. The assets of the nation certainly outweigh the debt incurred by government.[12]

There is one important exception to the above discussion—debt that is not accumulated through internal borrowing. If the U.S. Government borrows money from foreign citizens of foreign governments this represents a fundamentally different situation. When we collect taxes from our citizens and pay interest to our citizens we really just reshuffle the money within our own country. But our government does not collect taxes from foreigners so when we pay them interest, it represents a real drain on our economy. When foreigners hold Treasury bonds, in some sense they do hold a claim against our assets and our productive capacity.

In recent years, the proportion of the U.S. public debt owned by foreigners has increased substantially. In 1954 foreigners owned 2.3 percent of the government's debt. Throughout the 1960's, the amount of debt owned by foreigners fluctuated between four and five percent. As shown in Table 3, this proportion made a large jump in 1971 to 11.4 percent and in 1974 it stood at 12 percent.

Many people inside and out of the Federal Government have professed great concern and alarm about the size and growth of the public debt. However, as shown above, the size of our debt in relation to the size of our economy, the assets that debt has helped accumulate and our ability to support debt is quite reasonable. The more important cause for concern is the great increase in foreign-held debt. While 12 percent is probably not excessive given our strong economy and our ability to earn foreign exchange through our exports, this part of our debt has the greatest potential for creating problems.[13]

If it is true that the national debt is such a small problem as implied above, why is so much attention and concern directed toward it? Part of the answer may be that the debt is popularly regarded as a burden on ourselves and future generations.

Consider the size of this "burden." In 1954 the Federal debt held by private investors was $204.2 billion; by 1974 it had risen to $280.1 billion. Private debt outstanding in 1954 was $374.8 billion and by 1973 it had risen to $2,156.9 billion. Thus, while the Federal debt rose 31.5 percent in the 20-year period, private debt rose 475.5 percent. If these figures are adjusted to reflect constant prices the difference is far more dramatic: while Federal debt has *declined* almost 24 percent, private debt has *risen* approximately 234 percent. Another way to view the debt is in relation to the total economy. As the economy grows and is capable of producing more, it should be capable of supporting larger amounts of debt. From 1954 to 1973 the economy grew 255 percent while the debt grew 31.5 percent; adjusted to reflect constant prices, the economy grew 106 percent while the debt declined 24 percent. The unavoidable conclusion is that over the past 20 years, the burden of the public debt has grown considerably lighter while private debt has more than filled that vacuum.

A popular way to look at the national debt is to say that if you take the debt and spread it over our whole population, we owe $1,322 for every man, woman and child in this country. Alternatively you could say, that on the average, every man, woman and child in the U.S. owns $1,322 worth of the best and safest securities in the world. The latter viewpoint is rarely emphasized in public oratory.

Does all of this argue that there is really no "burden" from the public debt? No, it is not intended to make that argument. The point is that the real burden—if there is one—is different from the popular conception of that burden.

One situation where government spending could legitimately be considered a burden would be when a dollar's spending by the government actually displaces a dollar spent by the private sector. If the economy is operating at high levels of output with its productive capacity fully employed, then each extra dollar spent by government means that a dollar must be taken away from the private sector (either through taxing or borrowing) where those dollars are being fully used. But consider the situation where the economy is not fully using its productive capacity—where workers and factories are idle and dollars are not being fully used. Then extra government spending will not take from the private sector, but instead will use some of the resources lying idle. In this latter situation, extra spending is in no sense a burden on the country.

Even when government spending takes away from the private sector it is not clear that this is burdensome. Suppose, for example, that the private sector would have invested in luxury automobiles, whereas the government invested in schools and hospitals. Is the country burdened because the government took away from the private sector? Alternatively, suppose the government spends the money for fancy carpets and draperies in some bureaucrat's office whereas the private sector would have used it to build houses. Now, is the country burdened by government spending? Clearly whether government spending—even when it takes away from the private sector—is harmful depends on whether the alternative private use of the resources would have yielded a greater benefit to society.

We often hear concern expressed that the debt not repaid is passed along to future generations and becomes a burden to them. But remember that while future generations inherit the obligation to repay the bonds and the interest on the bonds, they also inherit the bonds themselves. The only way a real burden might be inherited by future generations is if the government had taken the resources and used them in a less productive way than the private sector. Then the productive capacity of future generations would have been diminished.

A second sense in which the national debt might be regarded as a burden is in servicing—or paying interest—on the debt. As shown earlier we certainly have the ability to pay interest on the debt without any problems. But if the Federal debt is held largely by upper-income groups, and the taxes levied to pay interest on that debt fall on the public at large, then the interest payments will transfer funds from middle- and lower-income taxpayers to upper-income bondholders. This regressive redistribution of income might be regarded as a burden associated with the national debt.

The third way government debts are burdensome is when those debts are accumulated by borrowing abroad. In order to repay principal and interest, goods and services produced by our economy will have to be sent out of the country. If the government borrowed abroad and did not use the funds to increase our productive capacity, then this would indeed represent a burden on future generations.

FOOTNOTES

[1] Source: Federal Reserve; Figures are not exact because accurate breakdown of mortgage debt is not available.

[2] In recession periods like 1974 debt tends to rise more rapidly than income. This process is reversed when strong economic growth returns.

[3] The figures for AT&T and GM were taken from Moody's Public Utility News Report and Moody's Industrial Manual respectively.

[4] The term government is used here to mean Federal Government. Most State and local governments are not permitted to run deficits.

[5] The potential or optimum level of output is the amount the economy is capable of producing when all of its resources are fully utilized. If resources were fully used this optimum level would grow over time because our resources—primarily the labor force and industrial capacity—are growing. This growth path is referred to as the optimal or potential growth path.

[6] Some economists have argued that a rising surplus due to the impact of inflation on tax receipts does not help reduce inflation. Although the excess stimulus will be removed, if workers demand higher wages to compensate for higher taxes, some of the inflation will be perpetuated.

[7] For reasons not explained here, prices in our economy tend not to fall very much even in periods of excess supply.

[8] As noted in footnote, prices and inflation discussed here are those that result from fiscal policy. Our recent experience has shown that inflation resulting from other sources can and has accompanied high unemployment rates. For a discussion of the sources of U.S. inflation in 1973–74, see *Studies in Price Stability and Economic Growth, Paper No. 2*, Joint Economic Committee, April 7, 1975.

[9] There is actually an important timing difference that must be considered. Both spending and tax receipts respond automatically to inflation, but tax receipts respond almost immediately whereas spending responds with a three-month to one year lag. If inflation occurred at a constant rate over an extended period, this timing difference would disappear. When the inflation rate increases then decreases, tax receipts respond quickly and exert some restraint as inflation is increasing. However, if the inflation rate then declines, spending will increase in response to the previous faster rate of inflation while taxes increase more slowly in response to the current slower rate of inflation. Thus, the automatic tax and spending response will provide less restraint when the rate of inflation increases than stimulus when the rate of inflation subsides.

[10] The concern expressed in 1975, that the FY 76 deficit will have adverse impacts on U.S. capital markets is somewhat unusual. This is discussed in the last section.

[11] Several different statistical series are available on government debt. This difference results from separating the different owners of the debt. For example, when the social security trust fund receipts exceed expenditures, the surplus monies are invested in Treasury securities. The Treasury then pays interest on this debt to the trust fund. In fiscal 1976, trust funds are estimated to earn about $8 billion in interest on the Federal securities that they hold. In addition to Federal securities held in government accounts, the Federal Reserve System, which is technically not a part of the executive branch of government, owns a large portfolio of these securities—approximately $80 billion in 1974. These securities are used in the management of the money supply.

To consider the economic implications of the national debt, only that portion of the debt privately held should be considered. Debt held by government agencies does not represent funds that have been withdrawn from the private capital markets but rather the surplus in one government account offsetting part of the deficit in another. The total amount of funds available for investment are not affected by these transactions. Therefore, the statistics used in this paper are those for the privately held portion of the Federal debt. These describe most accurately the economic implications of the debt.

[12] As a matter of fact, even the government-owner assets—estimaed in excess of $454 billion as of June 30, 1972—exceed national debt—$427 billion in the same year.

[13] Foreign purchase of government securities is, however, helpful in that it makes more funds available in this country for private investment, and it helps keep interest rates lower than they would otherwise be.

TABLE 1.—ESTIMATED FEDERAL AND PRIVATE DEBT IN CONSTANT DOLLARS[1]

[In billions of dollars]

Year	Privately held Federal debt	Private debt outstanding
1954	394.11	723.36
1955	395.26	837.62
1956	372.88	884.14
1957	361.82	916.19
1958	366.41	957.47
1959	378.05	1,032.06
1960	369.58	1,093.42
1961	374.62	1,163.24
1962	378.76	1,246.78
1963	376.15	1,348.87
1964	376.82	1,456.48
1965	365.47	1,567.51
1966	357.18	1,666.71
1967	363.07	1,758.12
1968	348.79	1,856.39
1969	317.98	1,960.21
1970	310.70	2,008.89
1971	321.43	2,133.56
1972	329.28	2,330.81
1973	300.83	2,415.73
1974	280.10	[2]

[1] Expressed in December 1974 prices measured by the Consumer Price Index (all items).
[2] Not available.

Source: Treasury Department; Bureau of Economic Analysis; Department of Commerce.

TABLE 2.—RELATIONSHIP BETWEEN PUBLIC AND PRIVATE DEBT

[Billions of dollars]

Year	Federal debt held by private investors	Private debt	Total privately held debt	Federal debt percent of total	Percentage of foreign-held Federal debt
1954	204.2	374.8	579.0	35.3	3.1
1955	204.8	434.0	638.8	32.1	3.7
1956	199.4	472.8	672.2	29.7	3.9
1957	198.8	503.4	702.2	28.3	3.8
1958	204.7	534.9	739.6	27.7	3.8
1959	214.8	586.4	801.2	26.8	5.6
1960	212.4	628.4	840.8	25.3	6.1
1961	217.8	676.3	894.1	24.4	6.2
1962	222.8	733.4	956.2	23.3	6.9
1963	223.9	802.9	1,026.8	21.8	7.1
1964	227.0	877.4	1,104.4	20.6	7.4
1965	225.6	967.6	1,193.2	18.9	7.4
1966	227.5	1,061.6	1,289.1	17.6	6.4
1967	237.3	1,149.1	1,386.4	17.1	6.7
1968	238.9	1,271.5	1,510.4	15.8	6.0
1969	232.1	1,430.8	1,662.9	14.0	4.8
1970	239.0	1,545.3	1,784.3	13.4	8.6
1971	255.1	1,693.3	1,948.4	13.1	18.4
1972	269.9	1,910.5	2,180.4	12.4	20.5
1973	268.6	2,156.9	2,425.5	11.1	20.7

Source: Treasury Department, Bureau of Economic Analysis

CAMPOBELLO ISLAND

Mr. MUSKIE. Mr. President, Donald R. Larrabee has recently written two articles on the Roosevelt Campobello International Park. As a member of the Campobello Commission, I was delighted to read his enthusiastic description of his recent visit to Campobello. Campobello is surely one of the most beautiful and serene places on our Continent, and I would be pleased to see more Americans, including the distinguished Members of this body, visit this idyllic and historic island.

For the benefit of my colleagues who might be so tempted, I ask unanimous consent that Don Larrabee's article in the Bangor Daily News of May 31 and his article in the Maine Sunday Telegram of June 1 be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Bangor Daily News, May 31, 1975]

THE REAL POWER

(By Donald R. Larrabee)

LUBEC.—Sumner Pike, elder statesman and citizen of the world, sat in wonderful serenity looking out a window at the birds who gather at his feeder constantly. We were both 20 years younger when we last talked over dinner at the Metropolitan Club in Washington. He seemed even wiser now.

At 84, Sumner Pike is mentally as sharp as ever. It was a treat to reminisce in the living room of the family home. I had come to Washington County, first time ever, to give the commencement address at the University of Maine in Machias and to visit the Roosevelt Campobello International Park. Sumner Pike—all the Pikes—have contributed to the preservation of FDR's "Beloved Island" and to the beauty of this place.

In my talk at Machias, I noted that most people in government are immersed in their own importance and it is the happy, successful public figure who learns humility at the start and somehow manages to keep it. The best thing Washington-types can do is remind themselves that the real power of America lies not within the geographic bounds of the Federal City but with the people who live beyond it.

Sumner knew power in Washington. He was there for a dozen years, on the Securities and Exchange Commission and with the Atomic Energy Commission in its formative period in the early years of the nuclear age. We wondered if he missed that excitement.

"I never got infected with Washington fever," he replied. "If anything, I had a Washington allergy. I always felt I was just camping out there.

When he came back to Maine, Pike served in the legislature, resisted temptation to seek the governorship and found pleasure in such pursuits as serving on the International Campobello Commission. Along with Sen. Edmund S. Muskie and Franklin D. Roosevelt, Jr., he was appointed to the original Commission ten years ago.

Last December, physically-restricted from traveling far from home, he tendered his resignation to President Ford. Somehow, the fact that he had resigned escaped public notice last winter. Curtis Hutchins, Chairman of the Board of Dead River Co., was named to fill the vacancy.

Sumner unfolded a letter from President Ford. "The Commission has benefitted greatly from your experience and judgment and I am sure it will continue to benefit from your counsel as a neighbor and friend of the Park."

Of that, there can be no doubt. Sumner may not venture far from the old homestead but he has many ways to communicate his ideas, not the least of which is through his devoted brothers and his sisters who are all close enough to gather in the living room for "cocktails" every day at 5. Sumner doesn't indulge any more but he enjoys the fringe benefits.

We had the delightful experience of getting to know Radcliffe (Rad) Pike, roughly 72 and filled with the joy of living. Rad had just returned from London where he conferred with fellow-naturalists and horticulturists. He is an adviser on landscaping at the University of New Hampshire and ranking authority on the flora and fauna of Washington County and nearby Campobello. Rad was executive secretary of the Park Commission, now serves as naturalist consultant.

Another brother, Moses Pike, at 78, still operates the most successful sardine and fish canneries in an area which has seen them go down the drain, one by one. He is active in business, loves ice fishing and hunting. Alger Pike, 76, is the gardener of the family, with a host of interests as varied as those of his brothers. Sister Marjorie (McCurdy) is 79—"just a girl," says Rad.

When Rad is away, Linnea Calder comes in to cook the meals and keep an eye on things in the Lubec home. Mrs. Calder, who grew up in the Campobello world of the Roosevelts where her mother was the housekeeper, is practically a member of the Pike family.

Here at Passamaquoddy Bay, where the tides move quickly and more powerfully than anywhere in the world, we couldn't resist asking Sumner Pike about the energy that lies within reach. They've been talking about the Quoddy tidal power project since he was a young man. Did he think Quoddy would ever become a reality?

"We ought to keep it alive," he said, "but, no, I doubt if it will ever be built. With the cost of oil as high as it is, that helps the benefit-cost ratio of the project but, of course, you've got higher construction costs, too. And the impact on the fisheries is something that will concern Canada, perhaps now more than ever."

Rad Pike remarked later that his brother seemed a bit too pessimistic about Quoddy. Rad wouldn't write it off just yet.

The jury also still seems to be out on a refinery for the area—but the Pikes clearly

would just as soon not see it come to their beloved Bay. Sumner is slightly amused with the heavy—almost complete—emphasis at environmental hearings on the impact of oil spills from such a project.

"The Pittston people would bring in Middle East oil for desulfurization. The refinery would emit a chemical which when mixed with the fogs around here would become sulfuric acid and that would be sprayed all over the countryside."

Rad Pike winced at the thought. He has found rare ferns and mosses, bushes and shrubs, blossoms and berries in the unique ecology of their homeland that would suffer possible extinction from the daily emissions of such a refinery.

And it comes as a disturbing thought also to a first-time visitor who saw Spring come to the Nation's Capital a few weeks ago—but never with anything like the beauty of its arrival in Washington County. The clean, clear unspoiled grandeur of this garden spot is worthy of the dedication of its native sons and daughters—the Pikes and their neighbors and friends.

No wonder Sumner Pike never let Washington, D.C. get to him. He had Washington County to come back to—and preserve. Little wonder, too, that FDR shed a tear when he realized he could no longer sail these waters and tramp the woods, bogs and beaches of his "Beloved Island."

[From the Maine Sunday Telegram, June 1, 1975]

CAMPOBELLO: FDR'S BELOVED ISLAND IS A JOY TODAY

(By Don Larrabee)

WASHINGTON.—It was 13 years ago this summer that President John F. Kennedy visited Maine for a leisurely sail along the coast and suggested the creation of a park at Campobello. A bridge had just been opened between Lubec and the Canadian island, the summer home of President Franklin D. Roosevelt until he contracted polio in 1921. Kennedy saw it as a vehicle to draw the two countries closer together and he spoke tentatively of an international park.

It was Maine's Sen. Edmund S. Muskie then in his first term, who put the bee in Kennedy's cap. Muskie went sailing with JFK and mentioned it often.

As it turned out, Eleanor Roosevelt was paying her last visit to the family cottage about the same time. She was weak when she arrived but said she found her strength renewed in the peace and quiet of FDR's "beloved island." The old Roosevelt cottage by that time was owned by Dr. Armand Hammer and his brothers who were trying to restore the 34-room "cottage" to its special turn-of-the-century grandeur.

Neither Kennedy nor Mrs. Roosevelt lived to see FDR's "second home" become an international park, but they would be delighted with the way a handful of dedicated Americans and Canadians have built on the gift of the Roosevelt cottage from the Hammers to create a 2,600 acre joint memorial to the late U.S. president during the past decade. President Lyndon Johnson helped lay the cornerstone of the Reception Center nine summers ago and Queen Elizabeth officiated at the opening a year later.

We had the opportunity to see the progress that has been made during an all-too-brief visit last weekend and now we know why Rogers C. B. Morton, the former U.S. Secretary of the Interior, told associates last summer that the National Park Service could learn a thing or two from the way the Roosevelt Campobello International Park Commission had labored to protect the rugged island's beauty in its natural state.

Muskie, Franklin D. Roosevelt Jr. and Lubec's elder statesman, Sumner Pike, were the original commission members on the U.S. side. Pike, no longer able to travel freely at 84, resigned last December to be replaced by Curtis Hutchins of Bangor's Dead River Company.

Thanks to the Hammers, much had already been done to retain the furnishings and atmosphere of the original Roosevelt cottage with its breathtaking view out over the bay to Eastport. The rooms are filled with such memorabilia as FDR's crib, the family telescope, megaphones for hailing boats offshore, personal china from the White House, a small painting of a sailboat painted by young FDR, children's games and books that are kept close at hand for the rainy days at any summer cottage.

We were greeted by an extraordinary woman who watched the Roosevelts at play through a little girl's eyes many years ago and who remembers almost every detail of every room. She is Linnea Calder, an indispensible fixture of the permanent park staff, whose mother was housekeeper for the Roosevelts.

When she walks through the kitchen or the upstairs bedroom corridor, she straightens pictures and quickly notices when an item isn't in its proper place. She makes the "cottage" come alive again and you can almost hear the vacation sounds of a close family packing the picnic basket and collecting gear for a sail or a hike in the woods or along the ponds and beaches.

She began helping out in the kitchen and fussing with the "temperamental" wood stove when she was 12 and today, she delights guests with authentic tid-bids of a by-gone era. She can readily tell you which wallpapers, curtains and rugs are the originals and which are reproductions. Here is a rare person with indelible links to an American past that may be erased if she fails to put it all done on paper or on a tape recording.

There are others at Campobello who love it and keep it lovely.

The park superintendent and executive secretary is Harry Stevens, a sensitive native of the area who probably never laid eyes on the senior Roosevelts but who can communicate with those who did and who shares their dedication to preserving Campobello's life style.

Harry took over the supervisory chores from Radcliffe (Rad) Pike, 72-year-old younger brother of Sumner, Rad is a sometime adviser on landscaping at the University of New Hampshire. He is the ranking authority on the flora and fauna of Washington County and nearby Campobello.

If you want to relive the outdoor life of young FDR and his family, go with Rad on a walk or travel through the wooded paths and drives (don't call them "roads" in his presence) to capture the vista of islands and shores of Passamaquoddy and Cobscook Bays in New Brunswick and Maine.

Lake Glen Severn, Herring Cove, Raccoon Beach, the duck ponds and the bogs and fog forests are Rad's domain. He can explain the lichens on the bark of the spruce firs and he knows where there is a hemlock tucked in among the other trees—"extremely rare."

We had glorious sunshine for a steamed clam picnic at the Lower Duck Pond with its large and colorful cobbles and piles of driftwood. Back through the woods, Rad talks poetically of fog enveloping the forest "like a Japanese silk screen" and he speaks of long-range plans to develop foot trails "so that hundreds of people can be here and think they're alone."

"You can't have things for everybody to go see in a car," he remarks assuredly. "You need trails that stimulate you along the way and make you think. I hope we can create something that will attract students who want to observe the changes in the woods."

The dead wood and the fallen timber must be gathered often but never burned. Rad mentions that Campobello had a "no burning policy, long before it was fashionable."

The park is open now and until mid-October, seven days a week. There is no admission charge and there are tourist facilities in the Campobello villages of Welshpool and Wilson's Beach. Soon there will be a book available on the history of FDR's "beloved" outer island. Senator Muskie, who has had a love affair with Campobello for a long time has written the introduction.

In the living room of the family home in Lubec, we talked with Sumner and Rad Pike about projects that might destroy the peace and virginity of the area. The Pikes would be happy not to see a refinery come to their back yard.

Sumner seemed a bit amused with the heavy—almost complete—emphasis on the impact of oil spills from such a project. He notes that the plan for Eastport calls for bringing in Middle East oil for desulfurization. The refinery would emit a chemical which, when mixed with steady fogs, would become sulfuric acid—a liquid spray that the countryside has never known.

Rad Pike winces at the thought. He has found rare ferns and mosses, bushes and shrubs, blossoms and berries in the unique ecology of their homeland that would suffer possible extinction from the daily emissions of such a refinery.

And it comes as a disturbing thought, also, to a first-time vistor who saw spring burst upon the nation's capital a few weeks ago—but never with anything like the beauty of its arrival in Washington County and environs. The clean, clear unspoiled magnificence of this northeastern garden spot is worthy of the dedication of its native sons and daughters—the Pikes and their neighbors and friends.

No wonder Sumner Pike left Washington, D.C.'s stifling atmosphere before it got to him in younger days. He had Washington County to come back to—and preserve. Little wonder, too, that FDR shed a tear when he realized he could no longer sail the adjacent waters and tramp the woods, bogs and beaches of his "beloved island."

THE INITIAL RECOMMENDED DECISION OF THE POSTAL RATE COMMISSION'S CHIEF ADMINISTRATIVE LAW JUDGE

Mr. McGEE. Mr. President, a superficial reading of the news reports on the May 28 examiner's decision on postal rates has left many people with the misguided impression that this would be of benefit to the American consumer. It would not.

The average American household, according to the best market research available, sends 3.2 first-class letters in a typical week, making its savings if the price of a stamp were cut to 8.5 cents about $2.50 a year. Even if we allow for the nontypical circumstances that arise, particularly around the Christmas holidays, it is clear that private citizens would be saved but a few dollars by this recommended reduction in first-class postage.

That saving would be quickly wiped out, however, by the direct and indirect costs that would be levied on the consumer by steep boosts in the price of other postal services, including a 67.5-percent increase in parcel post rates and increases of more than 100 percent in second-class rates for newspapers and magazines.

If the household also mailed but four parcels a year, its average costs in that

category alone would be increased $5.28, since the average cost of mailing a parcel would go from approximately $2 to $3.32 under the initial recommended decision of the Postal Rate Commission's Chief Administrative Law Judge, Seymour Wenner.

Not only would the wholesale redistribution of postal costs among the classes of mail, as proposed in the examiner's decision, not benefit the typical citizen as a postal customer, it would cost him as a taxpayer. By shifting a much greater burden to those classes traditionally subsidized and which still benefit from provisions of the Postal Reorganization Act intended to phase-in full rates over a period of years, the decision would have the effect of transferring a goodly portion of the revenue burden from mail users to the taxpayer. The best current estimate, based on a fiscal 1975 test year, is that the payment out of the Treasury for revenue foregone would be increased by at least $370 million.

With all that, there would be no benefit to the Postal Service. Indeed, based on my personal experience and as chairman of the Committee on Post Office and Civil Service, I have to admit to a deep concern that Judge Wenner's decision, if it were to be sustained, might do violence to a key portion of the postal policy of the United States, which Congress stated in section 101 of title 39, where it says:

> The costs of establishing and maintaining the Postal Service shall not be apportioned to impair the over-all value of such service to the people.

Overall, I believe that Robert J. Myers, publisher of the New Republic, was correct when he observed in an editorial in that magazine's current issue that:

> The gainers in the revision of rates would for the most part be the largest users of first-class mail, namely banks, utilities, oil companies and department stores.

The New Republic and, I would imagine, its subscribers, would be deeply affected. I haven't any idea what its additional costs would be, but, I have other examples, including a South Carolina newspaper which would see its second-class postage costs, now $121,700 a year, climb to $377,812, and a popular weekly published in Pennsylvania, which would experience an escalation in its postage costs from $1.3 million in 1974 to about $3.8 million in 3 years' time if this decision were to be sustained.

Mr. President, the revenue lost to the Postal Service by a cent and one-half reduction in first-class postage would be about $900 million. One with a background in this area must seriously question whether that loss could be recovered from other classes, notably second and fourth, in the face of greatly increased rates. The large commercial users of parcel post will shift their traffic to United Parcel Service or other carriers, leaving the U.S. Postal Service with little else but the high-cost, low-volume traffic generated by private individuals. Indeed, one large shipper based in Minnesota has served notice already that the initial recommended decision, if accepted, would cause it to shift its $7 million budget for parcel delivery entirely to the Postal Service's competition in the coming fiscal year. Right now, that company's budget is drawn to allocate $6 million of that business to the Postal Service.

The Post Office and Civil Service Committee, in 1970, specifically rejected proposals to require parcel post to recover its fully allocated costs. The Postal Reorganization Act does not require any particular class of mail to recover a designated portion of its cost beyond its incremental cost. Indeed, the committee and the Congress recommended no particular cost accounting system, expecting rates and classification decisions to be made upon expert consideration of the overall value of service and the allocation of costs on a scientific or quasi-scientific basis so as "to preserve the public interest and public investment in the largest civilian agency of the Federal Government," as was stated in the committee's report on the legislation which resulted in reorganization of this country's postal system.

Mr. President, I hope these remarks have helped to shed some light on the subject of postal rates as they relate to the public interest. In light of Congress' stated policy emphasizing the overall value of postal service, in view of the minimal benefit if any that the Initial Recommended Decision might mean to the individual postal customer and taxpayer, and because of the possibly catastrophic impact that reductions in mail volume, and hence revenue, might have on the public investment in the U.S. Postal Service at this pivotal point in its development, it is my belief that the Postal Rate Commissioners will closely examine the recommendation of their examiner and heed their mandated responsibility to work toward achievement of a truly effective postal service for the United States. The decision of the Commissioners is still some time away.

To further assist my colleagues, I ask unanimous consent that a more detailed comparison of the rate proposals of the Postal Service and the Chief Administrative Law Judge that I have outlined be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPARISON OF ADMINISTRATIVE LAW JUDGE'S RATE PROPOSALS WITH POSTAL SERVICE REQUEST

FIRST-CLASS LETTERS

The postage rate for mailing a one-ounce first-class letter at the time the Postal Service filed with the Postal Rate Commission for an increase (1973) was 8¢.

The rate requested by the Postal Service and placed in effect on a temporary basis March 2, 1974, was 10¢.

The first-class letter rate proposed by Judge Wenner is 8.5¢—an increase of six per cent over the rate in effect when the filing was made (1973).

FIRST-CLASS POST AND POSTAL CARDS

The rate for mailing a first-class post or postal card at the time of the Postal Service filing was 6¢.

The rate requested by the Postal Service and placed in temporary effect March 2, 1974, was 8¢.

The first-class card rate proposed by Judge Wenner is 5¢—a decrease of 17 per cent from the rate in effect when the filing was made.

AIR MAIL LETTERS

The rate for mailing a one-ounce air mail letter at the time USPS filed with the Rate Commission was 11¢.

The rate requested by the Postal Service and placed in temporary effect was 13¢.

The air mail letter rate recommended by Judge Wenner is 15¢—an increase of 36 per cent over the rate in effect when the filing was made.

AIR MAIL AND POSTAL CARDS

The rate for mailing an air post or postal card at the time the Postal Service filed with the Rate Commission was 9¢.

The rate requested by the Postal Service and placed in temporary effect was 11¢.

The rate recommended by Judge Wenner is 10¢—an increase of 11 per cent over the rate in effect when the filing was made.

IN-COUNTY PUBLICATIONS

The full approved rate for in-county newspapers and other publications at the time of the Postal Service filing was 1.5¢, with a per piece charge of 1¢.

The full rate requested by the Postal Service was 2.1¢ per pound plus 1.5¢ per piece, to be effective in 1987, of which 1.6¢ per pound plus 0.3¢ per piece is currently in effect on a temporary basis.

The full rate recommended by Judge Wenner is 5.4¢ per pound plus 3.6¢ per piece to be effective in 1987, an average increase of 250% over the pre-filing rate.

OUTSIDE-COUNTY PUBLICATIONS*

The full per pound rate for most mailings of newspapers and other publications outside the county at the time of the filing was 7.2¢ for editorial matter and 9.1¢ for advertising with a per piece charge of 1.6¢.

The full pound rates (in 1979) requested by the Postal Service were 7.7¢ for editorial matter and 9.6¢ for advertising matter plus 3.4¢ per piece. The current temporary rates are 5.4¢ and 7.3¢ plus 1.1¢ per piece.

The full rates (in 1979) recommended by Judge Wenner are 15.7¢ for editorial matter and 21.5¢ for advertising matter plus 3.5¢ per piece, an average increase of 121% over the pre-filing rate.

NON-PROFIT PUBLICATIONS*

The full rate for most non-profit publications at the time of the filing was 5¢ a pound for editorial matter and 7.8¢ for pound-zoned advertising matter with a per piece charge of 1.5¢.

The full rate (in 1987) requested by the Postal Service was 5.5¢ for editorial matter and 8.3¢ for advertising matter, plus 2.2¢ per piece, of which temporary rates of 2.9¢ and 5.1¢ plus 0.4¢ per piece respectively, are now in effect.

Judge Wenner's recommendation for full rates (in 1987) is 11.8¢ for editorial matter and 21¢ for advertising matter plus 3.4¢ per piece, an average increase of 132% over the rate when the filing was made.

CONTROLLED CIRCULATION PUBLICATIONS

The full rate in effect when the filing was made for controlled circulation publications was 15¢ a pound or a minimum of 5¢ per piece.

The rate proposed by the Postal Service was 18¢ per pound or 6.3 per piece minimum (in 1979), of which a rate of 16¢ and 4.6¢ respectively are in effect temporarily.

Judge Wenner's full rate recommendation (1979) is 27.8¢ per pound or a minimum of 9.3¢ per piece, an average increase of 85% in the pre-filing rate.

THIRD-CLASS BULK RATE

The regular third-class bulk rate when the filing was made was 26¢ a pound for

---

*Applies to mailings in zones 1 and 2—distances up to 150 miles.

advertising circulars, and 22¢ per pound for catalogs. The minimum charge was 4.8¢ for the first 250,000 pieces each year and 5¢ for each piece in excess of 250,000.

The Postal Service proposed a rate of 32¢ for circulars and 28¢ for catalogs with minimums of 6.1¢ or 6.3¢, and those rates were placed in effect on a temporary basis.

Judge Wenner recommended rates of 38¢ for circulars and 36¢ for catalogs with minimum charges of 6.3¢ or 6.5¢, an average increase of 35% in the pre-filing rate.

THIRD-CLASS NON-PROFIT BULK RATE

The non-profit third-class bulk rate was, when the filing was made, 13¢ a lb. for circulars and 11¢ for catalogs with a minimum of 2.1¢ per piece.

The full rate (in 1987) recommended by the Postal Service was 15¢ a pound for circulars and 13¢ for catalogs with a minimum of 2.5¢ per piece; of which 11¢ for circulars and 9¢ for catalogs with a 1.8¢ minimum are in effect temporarily.

The phased rate recommended by Judge Wenner (1987) is 22¢ for circulars and 20¢ for catalogs with a 3.7¢ per piece minimum—an average increase of 73% over the pre-filing rate.

FOURTH-CLASS PARCEL POST

The pound-zoned rate for a two pound parcel to be mailed up to the second zone (up to 150 miles) under rates effective when the filing was made was 65¢.

The rate recommended by the Postal Service to the Postal Rate Commission was 72¢, which was placed into temporary effect.

Judge Wenner's recommended rate is $1.09—an increase of 67.6 per cent over the rate in effect when the filing was made.

SPECIAL FOURTH-CLASS (BOOKS AND RECORDS)

The full special fourth-class rate for mailing books and records when the filing was made was 21¢ for the first pound and 10¢ for each additional pound.

The full rate (in 1979) recommended by the Postal Service to the Postal Rate Commission, was 30¢ for the first pound and 10¢ for each additional pound. The temporary rate, now in effect, is 18¢ for the first pound and 8¢ for each additional pound.

Judge Wenner's recommended increase (1979) is 40¢ for the first pound and 20¢ for each additional pound—an average increase of 96% over the pre-filing rate.

WHY WE NEED OUR OLDER WORKERS

Mr. CHURCH. Mr. President, many false stereotypes exist today in private industry and government concerning the work capabilities of older Americans.

However, many studies have revealed that older workers perform as well—and in some cases noticeably better—than their younger counterparts.

They are less likely to be absent for trivial reasons. They have experience and good judgment. And they are more inclined to continue working with the same employer.

Occupational advancement should not be thwarted simply because an individual's hair is turning gray.

A job should not become off limits solely because applicants may be in their late 40's or early 50's.

Our Nation needs the skills, expertise, and experience of older Americans.

It is high time that we put an end to the notion that mature workers must drop out of the labor force to make way for younger persons. What is needed is a clear-cut and effective national policy to maximize job opportunities for all workers, whether they be young, middle-aged, or older.

"Age-ism" in employment can be just as vicious and self-defeating as other forms of discrimination. No nation can hope to achieve its full potential if some of its most talented citizens are denied the opportunity to work.

Mr. President, the most recent edition of Parade includes a very compelling article by Norma Levy, which tells in very human terms why America needs older workers. It is a very thought provoking account which should be of concern to all Americans.

For this reason, I ask unanimous consent that the article—entitled "Why We Need Our Older Workers"—be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY WE NEED OUR OLDER WORKERS

(By Norma Levy)

Abraham Beame, mayor of New York, is 68; John De Lury, head of New York's powerful Sanitationmen's Union, is 70. These two "older workers" tried to solve their city's financial crisis by getting rid of government employees 58 and over—themselves excluded. Calling it "early retirement," they attempted to make older workers bear the brunt of the economic recession.

Such a solution to economic problems is neither new nor surprising. As Dr. Harold Shepard of the Upjohn Institute says, every recession in this country has been followed by a reduction in the older work force. In this youth-oriented society, the old are dispensable.

But this time the solution was thwarted—not because of an outcry against injustice, but because it was illegal. Times may be changing. In the work force, as elsewhere in society, old people's liberation has begun.

And just in time too. Older workers have been increasingly denied a fundamental right of citizenship—the right to work. Through a combination of discriminatory employment practices and economic incentives not to work, many still capable workers have been forced into an old age of unhappy unproductiveness and economic insecurity.

The phenomenon is a product of the change from an agricultural to technological society. In 1900, when agriculture was the traditional way of life, 68 percent of all men over 65 worked; today, only 23 percent do.

Contrary to the belief of most Americans, old age does not mean infirmity and senility. People age differently. Some seem "old" at 25; others have the gift of optimism and openness that keeps them "young" until death. On-the-job studies have shown that, except for physically demanding or high pressure work, older workers are as good as—if not better than—their younger counterparts. They are more likely to be stable and happy; they make fewer mistakes, have fewer absences; and they are far more dependable.

EARLY DISCRIMINATION

Nevertheless, potentially productive older people are being forced out of jobs. Discrimination starts long before the traditional time for retirement. From the age of 40, an unemployed worker often finds job hunting a nightmare. Employers frequently prefer a younger worker—sometimes because of prejudice, sometimes because they come cheaper. Once out of work, workers over 40 are likely to remain unemployed much longer than their younger co-workers. Older workers also face on-the-job discrimination. They're passed over for promotion; and they're often the first fired; sometimes to protect a company's pension funds, sometimes to save on salary costs.

Finally, there is the problem of retirement. Today, half of all workers face mandatory retirement, especially salaried employees in large companies. To employers, it's a socially acceptable way to get rid of older, more expensive employees. Unions like it because it opens up slots for impatient younger members. The only ones to object are the retirees who, in the past, have been too unaware and too unorganized to protest effectively.

Today, more and more people, in and out of government, are questioning society's attitudes and policies toward the older worker. Congress took an important first step when it passed the Age Discrimination in Employment Act of 1967—a little-known law that makes it illegal to discriminate against workers aged 40 to 65 on account of age. Although inadequate, it was enough to stop Mayor Beame's attempt to solve New York's problems on the backs of the older workers. It was also enough to force Standard Oil of California to reinstate 120 older workers and to give $2 million in back pay to 160 others—the largest age discrimination settlement ever.

Yet, as it now stands, the act is not enough. For it is difficult to prove age discrimination, especially in hiring, and Congress has not been willing to spend much money on enforcement.

Most significantly, the act provides no protection beyond the age of 65; in effect, it authorizes discrimination against the over-65 worker.

Some powerful people are becoming concerned about these injustices, and changes may well be forthcoming. Democratic Sens. Hiram Fong of Hawaii and Frank Church of Idaho will soon seek to eliminate the age 65 ceiling. Says Church: "I think it's high time that we take down the arbitrary stop sign which now suggests that 65 is the end of the road for employment opportunities and advancing age is the stop-off point for occupational advancement. One's year of birth really should be irrelevant in determining whether he is hired, fired, promoted, or demoted. Functional capacity, not chronological age, should be the controlling factor."

According to attorney Robert Manning of Los Angeles' National Senior Citizen's Law Center, several lawsuits are now pending to challenge the constitutionality of mandatory retirement. A victory in the courts could go far to end the present pattern of indifference.

A few recent efforts have been made to find useful work for older people. A few federal programs have been started, but most are voluntary and pay little or nothing. The only one providing a regular salary, the Senior Citizens Community Service Employment Program, offers part-time employment to people 55 years and over with incomes below the poverty level. They're engaged in socially beneficial work, serving as senior aides and conservation workers.

PART-TIME JOBS

The oldest program, Foster Grandparents, is a part-time operation that pays about $1.60 per hour for low-income older people to provide services to children in institutions, especially the mentally retarded, handicapped and delinquent. About 12,500 people throughout the country participate. In a newly created Senior Companion program, they work with older adults to prevent the institutionalization of these people. Finally, there is an all-volunteer program called RSVP (Retired Senior Volunteer Program).

In addition, some 700 local projects now exist involving 125,000 volunteers performing a variety of services throughout the country. The speed with which such projects have mushroomed suggests the extent to which older people desire to feel productive and useful. Older Americans are by no means dropouts; they just don't know how to get back in again.

As important as these programs are, they are not enough to fill the enormous need. Says Maggie Kuhn, head of the Gray Panthers: "They're lovely, but they're tokens."

SEEK POLITICAL ACTION

The Gray Panthers, a grass roots organization with chapters throughout the country is one of a number of organizations committed to eliminating injustices toward older people through increased awareness and political action. The 65-year age ceiling is also being fought by such groups as the American Association of Retired People and the National Council of Senior Citizens.

But this might be just a beginning. Right now, 20 million Americans, or 10 percent of the population, are over 65. By 2030, it is estimated that the total will reach 51 million, or 17 percent. Obviously, if they organized and focused their energies politically, the over-65 group could become a powerful force in the country. And they could well be a force for the best interests of all. For besides their capacity to work, which we've shamefully neglected, our older people have a good deal of accumulated wisdom—a rare commodity that should not be wasted.

KENNETH KEATING

Mr. PHILIP A. HART. Mr. President, what, indeed, can be said of a former colleague which would capture in some way the respect and fondness felt? Certainly the first thing recalled by those who ever met Ken Keating would be his striking appearance—the white hair and good looks making him a perfect "central casting" choice for a U.S. Senator or an ambassador.

But there was another and more important quality that made him an outstanding public official: a quality of sincerity and decentness.

Those of us who worked with him during his years in the Senate knew that that aura was no act. He was a kind man, a responsible man, an intelligent man, a man who cared for people—a man who listened to the facts before he made up his mind.

Perhaps that is exactly the best thing to say: Kenneth Keating was a decent man—and the world is less because he is no longer in it.

WHEN MORE IS LESS

Mr. EAGLETON. Mr. President, in recent weeks there has been a great deal of interest in a study prepared by the Public Interest Research Group—PIRG—in Michigan which indicates that military spending does not create the number of jobs we assume it will. The study illustrates that often the exact opposite is true—that military spending creates a loss of jobs in other sectors and can have a depressive effect on the overall economy of a State. This study, entitled "The Empty Pork Barrel," was cited by a number of Senators during the recent debate on the defense authorization bill.

On May 8, 1975, the St. Louis Post-Dispatch had an excellent editorial entitled "When More Is Less," which discusses the implications of the PIRG study. The Post-Dispatch also published an article by Marion Anderson, legislative director of the PIRG, summarizing the results of the study. Her article highlights the statistics which support the study's conclusions. I commend these articles to my colleagues.

Mr. President, I ask unanimous consent that the Post-Dispatch articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch, May 8, 1975]

WHEN MORE IS LESS

The House Armed Services Committee has cut 3.7 billion dollars from the Pentagon's request for 29.8 billions for new weaponry, and while that is a sizable sum the action ought not to be regarded as a sure sign that this year the gross imbalance between the nation's military spending and its spending on human needs at last is about to be corrected.

For one thing, of the 3.7 billions, more than one third was money which the Defense Department had intended to send to South Vietnam. For another, the current 8.9 per cent unemployment rate apparently has sufficiently alarmed some liberal members to support weapons projects, which they otherwise might have opposed, on the assumption that larger defense contracts mean more jobs.

In this connection, the committee approved full funding for a B-1 bomber project, the cost of which last year alone increased by more than 3 billion dollars. It is estimated that were the B-1 to go into production, more than 4000 subcontractors would receive some share of the project's overall cost. Yet tempting as it may be to regard such major defense projects as beneficial to the overall economy, there are persuasive reasons to believe that just the opposite is true.

The commonly held assumption that economic stimulus is a happy by-product of military spending in fact appears to be a drastic oversimplification. An analysis undertaken by a Michigan research group has concluded that military spending has meant more unemployment rather than more jobs for most states. The methods used in the study were developed by Dr. John Henderson, former director of graduate studies at Michigan State University's department of economics in co-operation with several other respected university and government economists.

The staff of the Public Interest Research Group in Michigan, a student-sponsored public interest lobby in Lansing, Mich., began with the work of Professor Bruce Russett of Yale University who has demonstrated direct correlations between fluctuations in military spending and levels of spending by state and local governments and in the private economy. Basically, what he found is that as military spending goes up, spending for durable goods (automobiles, etc.), residential construction, government and private services and several other categories is depressed.

The researchers concluded that between 1968 and 1972 when annual military budgets averaged about 80 billion dollars, 27 of the 50 states were losers in terms of jobs and the nation as a whole lost 884,000 jobs.

Missouri was one state which gained employment; it gained 1500 jobs while the bordering states of Nebraska, Iowa, Arkansas and Illinois lost more than 227,000. New York was the biggest loser—426,000 jobs—compared to Texas, the big winner, which gained 133,000 jobs.

Using government-supplied figures the researchers also demonstrated that dollar-for-dollar military spending creates fewer civilian jobs than any other category of government expenditure except the space program.

The implication, therefore, is clear. The most effective kind of economic stimulus cannot come from building bigger and better planes, ships and tanks, but from cutting the federal budget and using the savings for other federal programs or turning the money back to the public.

[From the St. Louis Post-Dispatch, May 18, 1975]

THE EMPTY PORK BARREL—MILITARY SPENDING IS NOT AN ECONOMY BOOSTER

(By Marion Anderson In WIN—War Resisters League)

(NOTE.—*The author is legislative director of the Public Interest Research Group in Michigan.*)

Contrary to popular and long-held beliefs, a high level of military spending creates unemployment. An analysis of the years 1968 through 1972 indicates that the net annual job loss nationwide, when the military budget averaged about 80 billion dollars, was about 840,000 jobs.

This finding comes from a statistical analysis in Bruce Russett's book, "What Price Vigilance?" of the negative impact of military spending upon major sectors of the U.S. economy, durable goods, nondurable goods, residential and nonresidential construction, state and local government expenditures, services, exports, imports, federal civil purchases and producers' durable equipment.

It was found that when spending on the military went up, expenditures on these civilian categories went down by certain definite percentages. The present analysis translates the expenditures foregone between 1968 and 1972 because of the 80-billion-dollar military budgets into jobs foregone during these years.

The extent of the job losses was unexpected. Twenty-six states, containing 60 per cent of the U.S. population, lost more jobs than they gained. Every major industrial state in the nation with the only exceptions of Texas and California lost jobs—most very heavily. New York alone suffered a net loss of 426,000 jobs. Michigan, Illinois and Ohio together lost 492,000 jobs. Most of New England, all of the Middle Atlantic states, and all of the North Central states lost heavily. This was in spite of the fact that some of these states had substantial military contracts and large bases. The negative impact of Pentagon spending upon their industrial base far outweighed the jobs they gained through military contracts and bases.

Military spending creates unemployment in another, more indirect way. It creates fewer jobs per billion dollars spent than any other government spending except the space program. The job-creating differential between spending 1 billion dollars on the Pentagon and 1 billion on public service employment, for example, is about 57,000 jobs, according to the Department of Labor.

A major reallocation of jobs comes from the decision at the federal level to spend money upon the military. The following table indicates how many jobs are created by different ways of spending 1 billion dollars:

Job Corps, 151,00 jobs; Teachers, 100,000 jobs; Nurses, 77,000 jobs; Public housing, 76,000 jobs; Sewer construction, 78,000 jobs; School construction, 50,000 jobs; Defense (non-DOD civilian), 55,000 jobs.

State and local government expenditures nationwide, generate about 100,000 jobs for every billion dollars spent, according to the Department of Labor.

If the analysis is done by sector of the economy, the following table shows, for each billion dollars spent on the military, the amounts not spent in other sectors:

$187,000,000 on services;

$163,000,000 on durable goods;

$128,000,000 on state and local government consumption;

$114,000,000 on residential structures;

$110,000,000 on producers durable equipment;
$97,000,000 on exports;
$71,000,000 on nondurable goods;
$68,000,000 on nonresidential structures;
$48,000,000 on federal civil purchases; and
$25,000,000 on imports.

The figures on net jobs foregone by states take on a more human meaning when compared to their average employment during the years studied. For five of the largest industrial states—New York, Illinois, Michigan, Ohio and Pennsylvania—the jobs foregone because of high Pentagon budgets averaged 85 per cent of their total unemployment between 1968 and 1972. This means that military spending had an enormous impact upon their unemployment situation, their welfare expenditures and the states services never provided because of a lowered tax base and higher welfare costs.

A net increase in employment could follow a Defense Department budget cut. As Dr. John Henderson, professor of economics at Michigan State University, said, "In addition to the reallocative effects of military spending, there is also the fact that for every dollar spent in that direction there are fewer jobs created than if the money were spent by consumers and the private sector including state and local government. Where military expenditures go for military hardware, the labor input is a small component compared to the production of civilian goods and services."

If money were taken out of military contracting and either through a tax cut or reallocation to other federal programs, put toward civilian needs, the nation's economy would benefit. Depending on exactly how the money were spent, at least 10,000 more jobs per billion dollars transferred could be created.

If there were cuts in armed forces personnel, both civilian and military, and the number of firemen, teachers, state parks personnel and other government employes were raised, the economy would gain 21,000 jobs per billion dollars transferred to state and local government.

Either way, more jobs will be created in the United States. The belief that spending by the Department of Defense has been good for the economy has been a myth.

STATES IN ORDER OF NEGATIVE EMPLOYMENT IMPACT OF MILITARY SPENDING, ANNUAL AVERAGE, 1968–1972

Number of jobs foregone or gained

State	
1. New York	−426,000
2. Illinois	−174,000
3. Michigan	−172,000
4. Ohio	−146,000
5. Pennsylvania	−127,000
6. Wisconsin	−72,000
7. Indiana	−57,000
8. New Jersey	−53,000
9. Minnesota	−47,000
10. Tennessee	−40,000
11. Iowa	−37,000
12. Massachusetts	−35,000
13. Oregon	−33,000
14. Florida	−23,000
15. West Virginia	−22,000
16. Nevada	−15,000
17. Arkansas	−12,000
18. Connecticut	−9,000
19. Louisiana	−9,000
20. Vermont	−4,400
21. Nebraska	−4,200
22. Idaho	−4,000
23. Maine	−3,800
24. Delaware	−1,000
25. Wyoming	−1,000
26. South Dakota	−100
27. Missouri	+1,500
28. Montana	+2,000
29. Rhode Island	+4,800
30. New Hampshire	+5,500
31. Arizona	+7,700
32. Maryland	+8,000
33. Alabama	+9,000
34. New Mexico	+10,000
35. North Dakota	+10,000
36. Kentucky	+14,000
37. Kansas	+16,000
38. Mississippi	+17,000
39. Utah	+19,000
40. Washington	+25,000
41. Colorado	+25,000
42. Alaska	+29,000
43. Oklahoma	+32,000
44. North Carolina	+33,000
45. South Carolina	+36,000
46. Hawaii	+38,000
47. Georgia	+55,000
48. Virginia	+56,000
49. California	+97,000
50. Texas	+133,000
U.S. total	−844,000

GEORGE MEANY ON HUMAN RIGHTS

Mr. HARTKE. Mr. President, on March 4, George Meany was awarded the National Brotherhood Citation of the National Conference of Christians and Jews. At the award ceremony, Mr. Meany presented a most interesting and thoughtful speech.

I wish to call his remarks to the attention of my colleagues and to publicly congratulate George Meany and the whole membership of the AFL–CIO on their many accomplishments in the areea of human rights.

Mr. President, I ask unanimous consent that Mr. Meany's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

SPEECH BY GEORGE MEANY

I am delighted to be here and, of course, deeply honored to receive the annual Brotherhood Award of the National Conference of Christians and Jews.

I'm particularly honored to be introduced and presented here tonight by the Vice President of the United States, who I have known for many, many years. I have been reading about him lately. I see where he is trying to bring the United States Senate into the 20th Century. And I would say, if he was scarred a little bit in the attempt, not to worry about it. They are very honorable scars.

I take this Award—not for myself—but in behalf of the organization I have the honor to head, the AFL–CIO—in behalf, really of the American labor movement which, I believe, perhaps immodestly, is the most effective human rights movement in this country.

You know—in the final analysis—human rights rest on human dignity—on a common recognition of the worth of the human personality.

If we lose that sense of self-worth—of dignity, we become careless of the rights of others and we fail to claim our own rights as well. Before we know it, we have passively acquiesced in our own enslavement.

It is not surprising, therefore, that totalitarian governments must rob their citizens of dignity.

The business of dictatorship is to dictate—to control all the way—including the thought processes of its victims. In carrying on its business, it destroys the dignity of all those under its control by telling them that they are not whole human beings in themselves—that they are fulfilled as persons only through service to the State—or only through subservience to an ideology or doctrine. Their own humanity is not sufficient—they need Big Brother—be he named Adolph, Josef or Leonid.

But dictatorship is not the only enemy of human dignity. Poverty, hunger, disease, unemployment—these are also things that demean the human personality. These are also the things that make people feel less than whole.

That is why a man who is out of work—a man who can not properly feed or clothe or shelter his family does not feel like a whole man—and the same goes for women who bear like responsibilities.

And, I believe, the labor movement has done more than any other single force in American life to enhance the economic security of the great mass of America's working people. I also believe it has done more than any other segment of our society to build the broad base of dignity that supports the human rights we often take for granted.

In this sense, the labor movement is a human rights movement—no less than the National Conference of Christians and Jews or the NAACP.

And yet, much of what we do in the field of human rights does not carry a human rights label. It is a natural by-product of our day-to-day role in the world of work.

For example, we do not recruit to the ranks of organized labor on the basis of race, creed, sex or ethnic background. We do not have quotas in the labor movement.

We don't ask a man where he comes from or what his political views are before he joins a union. All we want to know is—does he work here and what kind of work does he do and—if he works for a living, we feel he belongs in the union.

And, despite all of the anti-union propaganda that has been beamed into the black community, the latest studies show that black workers are more prone to join a union than are white workers.

And, no wonder—the earnings of unionized black workers are, on the average, substantially higher than among their non-union counterparts.

I contend that when you substantially raise a man's earnings—especially if he is a poor man—you don't just put more meat on his table—you help him hold his head a little higher.

And that is what the labor movement is in the business of doing—helping people hold their heads a little higher. Helping people become more human in the highest sense—and therefore more conscious of their human rights.

But, these days—we must admit—our job is getting more difficult each day—and you all know the reason.

It is not because we have stopped trying. It is because the policies of the Administration that has been in power in Washington since January, 1969 have thrown this nation into an economic crisis worse than anything we have known since the Great Depression of the 1930s.

Unemployment is feeding on unemployment. 8.2 percent of our workforce is jobless—according to the official figures, which very much understate the problem.

But, while the official overall rate is 8.2 percent, it was 13.4 percent for blacks in mid-January. It was 14.3 for the unskilled and 13.1 for the semi-skilled. It was 20.8 for teenagers and 41.1 for black teenagers.

Now, I submit—contrary to what Arthur Burns may think—that these are not just statistics. This is a human tragedy. Millions of disadvantaged Americans who began to make real progress in the 1960s are now being thrust back to where they were ten or fifteen years ago.

I believe that we are sitting on social dynamite. As the recession deepens—and all signs point in that direction—racial and social tensions are bound to rise, posing a threat to the real accomplishments of organizations like the National Conference of Christians and Jews and so many others that have labored so hard to eradicate bigotry and prejudice from the land.

I did not come here to present the AFL-CIO's program to deal with the economic crisis—although I do want you to be aware that we have one. We think it is a better one than the President has offered—and, certainly, it is more comprehensive than what the Democrats have offered.

The point I want to make is that all of us who are deeply concerned about human rights and human relations must turn our attention to the economy—because if it continues to go downhill—it can become the breeding ground of ugly social impulses and emotions—among them the ancient curse of anti-Semitism.

I am not an alarmist but I do read history—and we know from history, that anti-Semitism seems to intensify in times of severe economic and social stress.

Today, we have an additional danger. Not only does our deteriorating domestic economy provide an all-too-rich soil for scapegoating and demagoguery but, we are faced—on the international scene—with powerful waves of anti-Semitism emanating from the Middle East.

And, make no mistake about it—the Arab fanatics are not just anti-Israel or anti-Zionist. They are anti-Jewish. They are plain, old-fashioned anti-Semites in the spirit of Adolph Hitler.

But, the most outrageous thing is that the venom with which they have poisoned their own societies they now seek to inject into our society.

I think President Ford is to be commended for speaking out so clearly against the Arab blacklist. The idea that any foreign investors would discriminate against Americans who are Jewish or who do business with Israel is a monstrous abomination.

But, what is worse is the fact that there are American Government agencies that cooperate in this despicable practice.

Imagine! The Army Corps of Engineers admits that it goes along with the demands of the Arab States that no Jews be sent into their countries.

And, then we learn that our Department of Agriculture—you know Earl Butz' Department of Agriculture—you know Earl Butz—holds a 6.5 percent interest in the Intra Investment Company of Beirut, Lebanon—a company that boycotts banks that give economic assistance to the Israelis.

I think we have to go farther than the President's statement. I think we have to let the whole world know that in the United States of America, that in our country, human rights still take priority over the dollar.

I think we should tell the Arabs that any would-be investors from any country who subscribes to the blacklist are henceforth barred from doing business in the United States.

There is some business we don't need.

Throughout the world today there is great confusion about what the United States of America stands for—or whether we stand for anything at all.

In the American Congress, a very strange discussion is taking place. It has to do with whether we should give South Vietnam the remaining $300 million of the $1 billion originally authorized for military assistance. In other words, should we keep our commitment. According to many experts, the survival of the country may be at stake.

Many voices are raised against further aid. The Thieu regime is too repressive, they say. It is also too corrupt. It is intolerant of press criticism. It manhandles demonstrators. It even sometimes arrests union leaders and Buddhists. Its elections are not nearly as democratic as ours.

I can understand these criticisms—although I don't agree with the conclusions some people come to. But, what I can't understand is how the same people who want to cut off aid to South Vietnam because its government is too repressive—turn around and argue for 6 percent U.S. credits for the Soviet Union—where there are NO demonstrations, NO unions, NO elections—and the most degrading form of corruption—the complete monopoly of all power—political, economic and military—by a single ruling clique over the lives of every single person within the Soviet Union.

Incidentally, on the issue of governmental corruption in high places, we here in the United States should guard against any feeling of excessive self-righteousness.

We should give some thought and contemplation to our own recent experience with corruption at the very highest level.

If the stupid Watergate break-in had not accidentally come to light—how far would the Fascist mentality that prevailed in the White House have carried us down the road to repression of individual human rights—to harassment and control of the press—to the manhandling of demonstrators and all the rest of those evils of dictatorial regimes which we so readily deplore?

How much of a step would it have been from the promulgation of an enemies list to the complete monopoly of power over the social, economic and political life of our nation?

The air has been filled recently with talk of detente. That's a lovely word. I couldn't find it in the American dictionary, but, it's in the French dictionary. Detente not only with the Soviet Union and China but with the East European puppet regimes. Trade with these countries from the United States is aid to them. Yet, which of these governments comes anywhere near being as democratic as South Vietnam?

So, as you look at our policies in Southeast Asia—where the first bitter fruits of a false detente can be tasted—and as you look at our policies toward the Soviet Union—where our guiding moral principle—and "moral" has to be in quotes—is "no interference in their internal affairs", not even in defense of human rights—and then as you look at our policies in the Middle East—where we are supplying various Arab governments with fancy aircraft, nuclear reactors—and God knows what else—what other goodies Henry hands out—at the same time those Governments remain pledged to destroy Israel, the only democratic state in the Middle East—as you look over all these policies, is it any wonder that nobody knows anymore what this country believes in—or what it stands for?

It used to be thought that we had a clear commitment—a vested interest—in the growth and expansion of democratic societies throughout the world. It used to be thought that this commitment was not just a matter of sentimental idealism but was based on a recognition that totalitarianism—whether of the left or the right—posed an ever-present threat to our own way of life.

One doesn't hear much of this kind of talk any more. It is buried under mountains of propaganda about detente and peaceful coexistence. And, in this climate, talk about democracy and human rights becomes an embarrassment. It makes people feel uncomfortable. It makes them feel awkward.

Frankly, I think that this is a terrible thing. We have come to a sorry pass in the history of this great experiment in democratic self-government whose 200th anniversary we shall soon celebrate.

There is no doubt in my mind but that this world-wide confusion about the credibility, the commitment and the cardinal purposes of the United States in world affairs today is a major factor contributing to the financial and political instability that has shaken so much of the Western world and threatens to alter the international balance of power with frightful consequences.

But, while the immediate future looks glum, in the long run, I am not a pessimist. Increasingly, thoughtful Americans are beginning to realize that the pendulum has swung too far in the direction of wistful delusion.

A new realism is bound to set in—and with it—a new set of policies. The greatest enemies of genuine detente will prove to be—not the so-called Cold Warriors like George Meany, but the inability of the Soviet Union—given the system by which it is governed—to renounce its fundamental ambitions and values.

Those ambitions and values may be temporarily accommodated by some of our businessmen who are at home wherever there is a buck to be made—whether in Texas or Siberia—but we, in the labor movement, can not make that cozy accommodation.

We cannot survive as a trade union movement except where there is democracy. Human rights are the very life blood of our movement.

Take away the freedom to speak, the freedom to associate, the freedom to assemble, the freedom to criticize the government, if you please, the freedom to strike—take these away and you can perhaps still run a corporation but you can't run an institution such as a trade union dedicated to the welfare of the ordinary citizen who works for wages—NO WAY! Come to think of it, when and where workers lose these freedoms, somehow all the other segments of society are likewise adversely affected.

This is why—no matter what Administration is in power, or who the Secretary of State may be—the Trade Union movement has—and must have—a continuing and consistent commitment to human rights and democratic values.

Ten years ago on the 7th of this month, an event took place in Selma, Alabama, which will not soon be forgotten.

On that "Bloody Sunday", hundreds of people who were peacefully demonstrating for voting rights were set upon by Alabama Highway patrolmen and brutally beaten.

That was a horrible day in our history. But, six months later—on August 6, 1965, President Lyndon Johnson signed the Voting Rights Act into law.

Many people sacrificed life, limb and security on behalf of the cause of civil rights in the 1960s. But the point is, their sacrifice was not in vain. They actually WON. And, because of their victory, Selma seems far off today—a long, long time away.

The American labor movement was part of that struggle—as you would expect. Not enough people know, however, that labor's influence on Capitol Hill was probably the most important single factor in winning the passage of that 1965 Voting Rights Act.

So, when you hear people talking about "powerful big labor"—yes, we have power—but we like to think that we use our "labor power" on behalf of human rights.

And, we say—FLAT OUT: What we want for ourselves as American workers, we want for all the people of this world—the entire human family.

All peoples—not just Americans—should have the rights that were won in Selma, Alabama—ten years ago—the rights we are still fighting to protect and expand.

All people should have these rights—and, if saying that is interfering in the internal affairs of other countries, then I would take my stand with Aleksandr Solzhenitsyn, who said:

". . . All Internal Affairs have ceased to exist on our crowded Earth! The salvation of mankind lies only in making everything the concern of all."

In this spirit of brotherhood, I thank you again for your annual award, which I am proud to accept on behalf of the AFL–CIO.

RULES OF THE SPECIAL COMMITTEE ON AGING

Mr. CHURCH. Mr. President, in accordance with section 133B of the Legislative Reorganization Act of 1970—which requires Senate committees to publish their rules of procedure in the CONGRESSIONAL RECORD—I submit the rules of the Senate Committee on Aging, and ask unanimous consent that the committee's rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF THE U.S. SENATE SPECIAL COMMITTEE ON AGING

(As adopted June 12, 1963, as amended February 28, 1973)

RULE 1

Convening of meetings. The Committee shall meet at the call of the Chairman or at the request of five members of the Committee. The Chairman may, upon proper notice, call such additional meetings as he may deem necessary. Regularly scheduled meetings of the Committee may be postponed or cancelled by the Chairman should there be insufficient business before the Committee to warrant such a meeting. Subcommittee Chairmen may call meetings of the Subcommittees at such time as they deem necessary except that no such meetings may be called at a time when the full Committee is scheduled to meet. Special meetings may be called by a majority of all Committee or Subcommittee members upon written notice to the Clerk of the Committee. The Clerk shall give at least 24 hours notice to every member of the meeting, time, and place.

RULE 2

Presiding officer. The Chairman of the Committee (or Subcommittee) or if the Chairman is not present, the ranking Majority member present shall preside at all meetings.

RULE 3

Quorum. A majority of the Committee or any Subcommittee shall constitute a quorum sufficient for the conduct of business at executive sessions. One member shall constitute a quorum for the receipt of evidence, the swearing of witnesses and the taking of testimony at hearings.

RULE 4

Subcommittees. Matters referred to the Committee shall be considered initially by the full Committee or by such Subcommittees as the Chairman, with the approval of the Committee, shall designate. Subcommittees may be established and their size determined by vote of a majority of all members of the Committee. The Chairman of the full Committee and the ranking minority member shall be ex officio members of all Subcommittees. Party membership of each Subcommittee shall be proportionate to Party membership on the full Committee. Each Subcommittee is subject to these rules and any limitations imposed by the full Committee and is authorized a) to hold and report hearings; b) to sit and act during meetings of the Senate and during recesses or adjournment of the Senate; and c) to require by subpoena or otherwise the attendance of witnesses and the production of documentary evidence.

RULE 5

Agenda and voting at meetings. The business to be considered at any meeting of the Committee or a Subcommittee shall be designated by its Chairman and any other measure, motion or matter substantive or procedural within the jurisdiction of the Committee or a Subcommittee shall be considered at such meeting and in such order as a majority of the members of such Committee indicate by their votes or by presentation of written notice filed with the Clerk. Voting by proxy shall be permitted in the full Committee and all Subcommittees.

RULE 6

Right to counsel. Any witness subpoenaed to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

RULE 7

Amendment of rules. The rules of the Committee may be changed, modified, amended, or suspended at any time, provided, however, that not less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.

RULE 8

Reports. Staff reports and Committee reports shall be printed only with the prior approval of a majority of the full Committee. The printing, as Committee documents, of materials not originating with the Committee or its staff shall also require prior approval of a majority of the full Committee. The printing of a Subcommittee report shall require prior approval of a majority of the Subcommittee concerned. With respect to the printing of Staff reports, the Chairman is authorized to conduct a poll of the Committee. In such cases, the Minority shall have the right to request reconsideration of the result of such poll at the next meeting of the Committee.

INCREASING FOOD PRODUCTION

Mr. HUMPHREY. Mr. President, I wish to point out two articles published in the May 9 issue of Science. Harry Walters approaches the world food problem in terms of the importance of food policy, commenting upon the developments which led to the world food crisis. The other article by Pierre Crosson is directed toward a discussion of the institutional obstacles to expanding food production in the developing countries.

The major problems of the food crisis are malnutrition, the existence of inadequate food stocks necessary to forestall emergencies, divergent policies among the international food market participants, and an imbalance in food production between the developed and developing nations.

The major concern for now is the stimulation of food production in the developing countries. The food gap there appears to be less the result of declining productivity than an inability to keep pace with rapidly increasing population.

As Walters points out, a study of the past two decades reveals an annual growth in food production of 2.8 percent in both the developed countries and the underdeveloped nations. This figure is misleading, however, since the population growth figures of the developed countries show a 0.9-percent annual increase compared with a 2.5-percent increase for the developing nations.

Thus, the per capita growth in food productivity increased by 1.5 percent in the developed countries compared to less than 0.4 percent, in the developing countries.

With 86 percent of the population growth occuring in the underdeveloped nations, disruptions in world food production can be very serious for these countries.

The development of increased food yields in the developing countries, according to Crosson, is dependent upon the existence of the necessary technology, the effective distribution of this information and the existence of adequate incentives to utilize what is known.

The adoption of the new technology depends in large measure on the institutional structure of the developing countries. The new technology involving high yield variety grains, fertilizers, and pesticides has already improved productivity tremendously.

The fact that there are many areas which have not been influenced by the Green Revolution seems to be the fault, not of subborn traditionalism on the part of the farmers, but the failure of country institutions to encourage acceptance of the new technology. It has been shown that the technical requirements of the new technology are not above the average farmer's capabilities, but the price offered for his product is often held down, thereby discouraging innovation.

While this situation is caused in part by exorbitant costs encountered in capital-intensive industries such as fertilizer and seed production, much of the blame falls on the country institutions which set priorities without considering the interests of the farmer.

Walters suggests that, in the past, development policies have been geared toward the encouragement of industry. Along with this went the assumption that such development was facilitated by depressed food prices.

However, we have come to realize that food policy should be given a higher priority, and that "cheap food" policies act as a disincentive to increased food production.

If the effort is not made to stimulate the acceptance of the new technology through investments in agriculture and appropriate policies, the enormous potential advances in food production will not be realized.

Mr. President, I ask unanimous consent that these two article be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

DIFFICULT ISSUES UNDERLYING FOOD PROBLEMS

(By Harry Walters)

World food problems developed with disturbing suddenness in 1972. Two decades of sufficient food—indeed surpluses, stable or declining food prices, large grain stocks, and large amount of food aid seemed to indicate an increasing capacity to produce more food more efficiently. But in 1972 food prices rose sharply, food shortages developed, food aid shipments declined, and grain stocks fell to dangerously low levels. Subsequently, fears were expressed that the world might be nearing the limit of its capacity to increase food production while population continues to increase, so that some must starve[1] or the world's rich will have to share their food with the world's poor.[2] In the background,

Footnotes at end of article.

climatic changes have been predicted that suggest even more ominous prospects.[3]

Surprisingly, major studies carried out in 1974 to investigate the causes and character of present world food problems—one of them being the United Nations' own assessment for the World Food Conference in Rome in November 1974—did not reflect these cataclysmic anxieties.[4] While the problems are serious, these studies all concluded that over the next decade more food can be produced and that the conditions existing now can be corrected.

The differences between the issues that attract popular attention and the conclusions drawn from them and those that surfaced in these studies have been attributed to the differences between "pessimists" and "optimists." But concern about food problems and solutions is shared by both groups; what differs is the explanation of the causes of the problems and the types of solutions proposed.

Among the major food problems the most important are an imbalance in the growth of food production between the developed and developing countries, inadequate food stocks to insure against serious disruptions in food production, malnutrition, and an imbalance in food policies among countries. Neither the causes nor the solutions of these problems are simple. A much better understanding of these problems is needed as a preamble to sound, lasting solutions. Such understanding requires an appreciation of how people respond to the commodity food and how the commodity food is affected by the economic forces that operate on it and on other commodities. It also requires an understanding of the combination of factors that came together in 1972 to 1974 to produce the food problems the world faces now.

FOOD, THE "SPECIAL" COMMODITY

Food, like water and air, is the staff of life. When we have less than we need we are hungry, our growth is stunted, and our capacity to deal with living itself is impaired. There are an estimated 460 million malnourished people in the world for whom these conditions apply in varying degrees. Below a certain minimum, people starve. Looked at this way, food is special.

While food is the staff of life, it is also a commodity. At most times and in most places, the same forces that determine the supply and demand for other commodities also give shape to how much food is produced and what kinds and how much is consumed. How much farmers receive for their produce compared with what it costs them to produce it determines the supply in most cases. How much income consumers have to spend on food determines to a very large extent the kinds and qualities of food different people consume. While our sense of food as the staff of life tells us that food should be special, its behavior as a commodity is special in only certain ways. Also while we may think of food as the combination of land, water, and labor—and somehow uniquely limited by these—the resources we use to produce many other things also produce food. How we allocate all our resources therefore partly determines how much food is produced. Much the same is true of our consumption patterns. While it seems logical to think in terms of sharing food, it is the difference in people's incomes that determines differences in food consumption.

The demand for and supply of food do have special properties which are important to an understanding of present problems. The demand for food grows fairly uniformly and predictably with population and income growth. For example, the world's demand for grain is now increasing at about 25 million tons per year. This growth rate is fairly predictable, when grain prices are relatively stable, because of the rate of population growth, income growth rates, and the distribution of income around the world. The supply of food, however, can be unstable because of weather, other natural phenomena, and human and governmental decisions. As a consequence, the quantity and quality of food demanded is rather rigidly confined within limits and is therefore said to be inelastic.[5] When supply falls below this limit (in the absence of stocks), people will sacrifice a great deal for food and its price will rise sharply. But when supply rises above this limit, people will have little use for additional food and be willing to pay very little for it.

Therefore, in periods of oversupply (when the surplus is not accumulated as stocks) food prices can fall sharply. Moving down the income scale and toward basic foods this characteristic becomes accentuated. Poor people spend much of their limited income on food and much of this on basic foods (primarily cereals and pulses). The poor have the least flexibility to shift their consumption pattern. Basic foods therefore exhibit the least flexibility in demand and thus can experience the greatest fluctuations in prices.

ORIGINS OF PRESENT PROBLEMS

Three distinct but related sets of developments came together to produce the food problems that appeared so abruptly in 1972 to 1974: fundamental weaknesses in the world's food system which were emerging over the past two decades; a special combination of developments during the 1960's that created conditions that made the world especially vulnerable to unexpected shocks; and the rather unique and unpredictable appearance of these very shocks in 1972 to 1974.

Contrary to what might be thought, food production grew at about the same rate in both the developing and developed countries during the past two decades—about 70 percent in both areas, or 2.8 percent annually. This growth of food production exceeded substantially the 2 percent annual growth in world population. On the average therefore, the 3.8 billion people alive in 1973 ate 21 percent more food per person than was consumed by the 2.7 billion people living in 1954.

But annual population growth in the developing countries increased from 1.9 percent in 1950 to 2.5 percent by 1964 and has stabilized at that level since. In the developed countries, population growth was relatively stable at 1.3 percent throughout the 1950's but declined during the 1960's to 0.9 percent at present.

Rapid population growth in the developing countries thus limited per capita food production to less than 0.4 percent annually, while it rose at 1.5 percent per year annually in developed countries. Some developing countries and some groups in many countries did not, of course, experience any improvement.

With 86 percent of the world's population growth now taking place in the developing countries, most people are born in areas where little improvement in per capita food production is taking place. Disruptions of food production in these areas quickly reduce the supply of food per capita to the low level of previous years, and this can turn into real hunger or famine for some groups.

FOOD "GAPS" AND FOOD SURPLUSES

A manifestation of this disproportionate growth in per capita food production is that two decades ago the developing countries were slight net exporters of cereals. By the early 1960's they had become net importers of about 13 million tons annually, and in 1969 to 1971 their imports averaged 20 million tons annually. In the difficult year of 1973–1974 their imports rose to more than 30 million tons.

For different reasons another food "gap" has emerged from the planned economies. Prior to 1960, these countries—primarily the U.S.S.R. and China—were also, on balance, net exporters of cereals. During the 1960's, however, they began to turn to the developed grain-exporting countries for large amounts, but at unpredictable times. In 1963–1964 their imports peaked at nearly 15 million tons and then declined to relatively low levels in the late 1960's only to peak again in 1972–1973 at more than 32 million tons.

This increasing dependence on imported grain is often seen as an indication that both the developing countries and the planned economies are rapidly losing their ability to produce enough food. But this is too simple an explanation. It obscures the role played by the food policies of these countries and by food surpluses, which existed also partly as the result of policy decisions, of the developed countries.

The developed countries emerged from World War II with their own problems. Feeding Western Europe and Japan was an important issue; and the United States, Canada, and Australia, undamaged by the war, rapidly increased grain production to fill these needs. Part of this food transfer was helped by various relief programs. With recovery, both Europe and Japan were launched on a course of rapid economic growth.

As Europe and Japan became more self-sufficient in food, partly through policies that protected their farmers from imports and insulated their farm prices from world price levels, the grain-exporting countries found themselves with dwindling markets and declining prices. Pressures to maintain farm incomes caused them also to adopt measures that included supported farm prices. These price levels resulted in the accumulation of grain surpluses, which characterized the past two decades. It was thought that food (mostly grain) stocks would be released in times of shortage and accumulated in times of surplus, but releases proved politically more difficult than accumulations, and the stocks grew.

Malnutrition in the developing countries existed during the 1950's, but the relatively modest import deficits of these countries could be easily satisfied by food aid shipments from the large surpluses in developed countries, and such aid helped to reduce the surpluses. Moreover, the priority in economic development in the developing countries (by their governments and by assisting developed countries) was the expansion of industry, which was thought to be facilitated by low food prices. This industrial orientation and low consumer prices for basic foods has also been characteristic of the development policy of most planned economies.

The availability of food therefore was not a high priority, and it was convenient from many points of view to rely on the inexpensive surpluses of the developed countries. A climate was therefore created by 1960 in which grain was relatively inexpensive in export markets while its price within exporting countries and many importing developed countries was relatively high. In developing countries, grain prices were low because much of the production and consumption was internal, policies were oriented toward low costs of cereals to the consumers, and agriculture was often an important source of tax revenue to the governments.

POLICY CHANGES AND FOOD SUPPLY RESPONSE IN THE 1960'S

At the beginning of the 1960's a dominant concern of the grain-exporting developed countries was to reduce surplus stocks and to increase markets. Grain stocks were between 70 and 80 million tons above a level of 100 million tons, which is considered a normal "pipeline" level, and equal to 1 year's normal exports (Table 1). There was widespread feeling that these stocks were a burden on taxpayers and an inefficient use of resources.

WORLD FOOD FAMINE AND RAPID PRODUCTION INCREASES (1963 TO 1966)

The efforts to reduce stocks were interrupted by other events. The Russians had

major grain crop failures in 1963 and 1965. Unlike their earlier response to these shortfalls, the U.S.S.R. imported large amounts of grain after both crop failures. China also began to import wheat by 1960. India experienced major crop failures in 1965 and 1966 and imported large amounts of grain, much of it as food aid on concessional terms. The combined effect of these events raised grain exports sharply, and world grain stocks fell dramatically to about half of 1 year's annual exports (Fig. 1 and Table 1).

There was widespread fear of an approaching "World Food Famine" in the early 1960's (6). The major exporting countries expanded wheat production sharply (Fig. 2). The fertilizer industry responded with a dramatic 20-million-ton increase in capacity, assisted by important technological and transport improvements and low energy costs.

Serious attention was devoted to increasing food production in developing countries through the Green Revolution. The "revolution" depended primarily on high-yielding wheat and rice seeds and the concomitant use of fertilizer on well-irrigated land. But a crucial feature was special incentives to developing country farmers such as subsidized credit and input packages, and incentive prices for target groups of producers.

SURPLUSES AND LOW PRICES (1967 TO 1972)

By 1968–1969 "famine" had been turned back into "surpluses." Grain exports fell and world grain stocks reached a new peak (Fig. 1). It is difficult now to recall the sense of pessimism about the future of food grain markets that prevailed from 1968 to 1971. Studies at that time projected long-run surpluses and falling prices for wheat and rice. Only feed grains seemed promising. The re-emergence of "surpluses" caused the major grain exporters to reduce their wheat areas dramatically, shifting to feed grains or eliminating grain entirely and their wheat production fell from more than 81 million tons to less than 60 million by 1971. World grain production held constant between 1968 and 1970, the declines in exporting countries being offset by growth in others (Fig. 3). Grain consumption continued to rise, however, with the effect that world grain stocks by 1971 had fallen sharply (Table 1).

TABLE 1.—WORLD PRODUCTION, CONSUMPTION, TRADE, AND STOCKS OF MAJOR GRAINS (EXCLUDING RICE AND MINOR GRAINS) FROM 1960 TO 1973; MMT, MILLION METRIC TONS

Marketing year	Area harvested (million hectares)	Yield (quintol per hectare)	Beginning stocks [1]	Production (million metric tons)	Total exports (million metric tons)	Consumption total [2] (million metric tons)
1960 to 1961	473.5	13.9	169.8	657.0	69.9	640.6
1961 to 1962	466.9	13.4	182.7	624.2	80.8	648.1
1962 to 1963	468.0	14.3	156.0	671.3	78.0	664.8
1963 to 1964	475.1	13.9	159.6	661.7	94.1	664.5
1964 to 1965	480.0	14.5	154.8	696.3	92.4	686.0
1965 to 1966	476.3	14.7	157.7	701.9	108.1	734.7
1966 to 1967	475.6	16.2	122.2	771.1	100.0	744.1
1967 to 1968	485.7	16.2	151.1	785.6	97.4	767.4
1968 to 1969	491.1	16.7	163.1	822.4	89.7	794.4
1969 to 1970	487.4	16.9	191.3	825.7	102.1	839.3
1970 to 1971	476.1	17.3	168.6	823.7	109.2	855.5
1971 to 1972	484.4	18.8	131.5	911.4	111.2	892.8
1972 to 1973	479.4	18.5	149.3	888.1	141.8	925.4
1973 to 1974 [3]	499.6	19.4	[4] 108.1	970.4	151.0	959.5

[1] Stocks data are only for selected countries and exclude such important countries as the U.S.S.R., the People's Republic of China, and part of Eastern Europe, for which stocks data are not available; the aggregate stock levels have, however, been adjusted for estimated year-to-year changes in U.S.S.R. grain stocks.

[2] For countries for which stock data are not available, or for which no adjustments have been made for year-to-year changes, consumption estimates assume a constant stock level.

[3] Preliminary.

[4] 100,000,000 tons is generally considered a worldwide minimum pipeline stock level below which there is no contingency reserve.

This rapid reduction in grain stocks contributed to a further lowering of already low grain prices. In many grain-exporting developed countries, especially the United States, farmers continued to receive the prices for grain that they had been receiving; but grain users, livestock feeders, and importers paid much lower prices because support policies had been changed. This stimulated both the feeding of grain to livestock in many developed countries and led to greater dependence on imports by developing countries, planned economies, and importing developed countries. Low prices of grain and food and reduced production of grain lowered the demand for fertilizer, which was then in oversupply, thereby causing fertilizer prices to fall to extremely low levels during the period from 1967 to 1971.

In this environment, anxiety about a "world food famine" was quickly displaced by enthusiasm about the unbounded success of the Green Revolution, which, still in its infancy, was experiencing by the early 1970's an erosion of the incentives previously provided. Despite the underlying weaknesses that were evident, the world food situation from 1967 to 1971 seemed to be characterized by inexpensive food and fertilizer. The potential vulnerability inherent in low grain stocks throughout the world received little attention in the face of such conditions and in the face of the recent large increase in production.

THE SHOCKS OF 1972 TO 1974

The most dangerous thing that could have happened in the face of these conditions did happen—world food production fell in 1972 for the first time in two decades. World grain production fell even more sharply, about 35 million tons, compared with an annual increase in world consumption of about 25 million tons.

The dispersed impact of crop failures from 1972 to 1974 produced large imports by the U.S.S.R. in 1972 at the still low prices then prevailing, and by the developing countries in 1973 at higher prices. Grain exports rose 36 million tons above the 1971–1972 level and 47 million tons above the average for 1966 to 1970. Stocks fell to a level generally considered to be at or below the minimum to cover normal annual usage.

Without stocks to cushion the effect of the inelastic demand for cereals, wheat prices rose from $60 to $200 a ton, and rice prices increased from $130 to more than $500 a ton between 1972 and 1974. While this provided a tremendous stimulus to production, the stimulus fell on a fertilizer industry which, by 1972, had exhausted the surplus capacity it had built up during the early and mid-1960's, and fertilizer prices rose almost as sharply—from $50 to $75 a ton in 1972 to $300 to $400 a ton in 1974.

Shipments of food and fertilizer as aid, which were dependent in large part on surpluses of both, dwindled as grain was drawn out of the United States, the largest supplier of food aid and the world's largest grain exporter. Food prices for the poor, who depend largely on cereals, rose sharply while food aid was dwindling.

The oil crisis, the devaluation of the U.S. dollar, rapid worldwide economic growth in 1972 and 1973, and inflation also played a role in these developments, but their role was primarily contributing rather than determining.

FUTURE POSSIBILITIES AND ISSUES

Developments over the past two decades point up four essential facts about food. (i) There is not one but many food problems, and a surprisingly large number of them are the result of human and governmental decisions rather than of immutable forces; (ii) food production can be and has been increased or decreased quite rapidly in "normal" conditions; (iii) food supply and price stability depend largely on stocks of food large enough to overcome shortfalls in production; and (iv) when food prices rise sharply, the poor are adversely affected.

PROBLEMS AND POSSIBILITIES

All of the major studies of the world food situation in 1974 lead to generally the same conclusions.

1) There are sufficient resources—of land, labor, water, fertilizer, technology, and other capital—to increase food production substantially, at least in the next decade or two.

2) The major problem is to increase food production in those developing countries that have the potential to do so and that are facing the most severe food deficits.

3) If the trends of the past are not changed: (i) the food deficits of the developing countries will rise from about 20 million tons in 1970 to somewhere between 55 million and 85 million tons by 1985; (ii) the surpluses of the developed countries will match or exceed these deficits; but (iii) the transfer of much of this surplus to deficit poor countries would have to take place on concessional terms, which seems neither desirable nor likely.

4) Neither famine relief nor world food stability is possible without sufficient stocks of food to overcome unexpected and unpreventable disruptions in supply.

5) Malnutrition is a major problem that results largely, but not entirely, from low incomes. To correct this problem requires either an increase in the incomes of malnourished groups, an increase in the food production capacity of those within these groups who are farmers, or transfer of food to these groups. It will probably involve all three.

If these are the problems and the possibilities, it is worthwhile to consider their relation to the more popular concerns that have received such attention.

ARE THERE SUFFICIENT RESOURCES TO INCREASE FOOD PRODUCTION?

Although concern has been expressed about the possibility that the world has reached or is nearing the limits of its food-producing resources, a number of recent studies on this question have indicated that there is about twice as much land on which to produce food as is now used—3.2 billion compared with 1.4 billion hectares. To bring this land into production would involve costs and much of such land is in Africa and Latin America

where population densities are low. But the land resources exist.

A more important point is that land, as such, becomes progressively less important in food production as production methods are improved. In the developed countries over the past decade or more, land inputs decreased not because land was not available but because productivity (yield) increases were a more efficient means of raising production (Fig. 3). During the same period, yield increases in the developing countries accounted for about 60 percent of the production increase. Yield increases will account for an even larger proportion of the increase in future production in the developing countries.

This realization has drawn attention to the future availability of fertilizer, which has recently been in short supply and experienced high prices. The energy crisis in conjunction with these developments has raised doubts about the availability and cost of fertilizer in the future. Two quite independent studies of this issue in 1974 indicated that the major cause for present shortages and high prices was the exceptional high demand and the present capacity limitations of the fertilizer industry (7). New fertilizer plants now under construction are expected to increase fertilized supplies substantially, so that prices should fall within a year or two. Prices are not expected to fall to the very low level prevailing in 1967 to 1971, but costs of higher energy and plant construction are not expected to cause fertilizer prices to remain high over the long term.

SOURCES OF FOOD PRODUCTION INCREASES

The crucial questions are not whether there are sufficient resources and techniques to increase food production, but whether the increases will come where they are most needed. While progressively larger food surpluses are projected in developed countries, it seems neither feasible nor desirable that the developing countries—primarily the grain-exporting countries—could or should produce large surpluses to be transferred to needy developing countries.

Food self-sufficiency in all countries is neither a desirable nor an efficient use of resources. The grain-exporting countries are undoubtedly efficient producers and can and should continue to increase production and exports. But it is equally clear that certain developing countries must improve their food production. Whether they can do so depends on whether they have the resources and techniques: whether they will be able and willing to devote sufficient resources to accomplish this; and whether the developed countries are willing to provide productive assistance.

Developing countries are not a homogeneous group. Some have large unexploited food production resources while others do not. Some are food exporters and some are and should be food importers. For some countries, especially the poorest in Africa, slow food production growth is only one manifestation of a very complex set of economic and social problems associated with traditional societies.

Countries, like India and Bangladesh, that have severe land limitations and extremely large populations face many other development constraints. The largest number of the world's poor are found in these and other South and Southeast Asian countries, countries where the availability of food is largely a function of rice production, and rice production is in turn a major source of income. For countries such as these the issue is how to raise the existing, extremely low yields of rice (1 to 1.5 tons per hectare compared with 5 tons per hectare in developed countries) (Fig. 4).

On their own, it is not likely that countries such as these will have the resources to bridge this gap. Combinations of food and fertilizer aid and productive technical assistance will be needed for a long time.

Many of the basic techniques to raise yields in developing countries are known, but to transfer these techniques is extremely difficult. The early development of the Green Revolution (1950's and 1960's in Mexico and 1967 to 1972 in Asia) demonstrated that the adoption of new production techniques is a long-run process in which the benefits accumulate. The full benefits are not obtained until the country itself is able to develop an internal mechanism for adopting, modifying, and constantly improving the new techniques. The Green Revolution also demonstrated that new inputs—such as fertilizer and insecticides—are not readily adopted unless they are available, their use is understood, and the benefits of using them clearly exceed the costs.

One of the more disturbing facets of the world's food problems is that, despite poverty and the low levels of productivity in many developing countries, the adoption of production increasing techniques often does not seem profitable because there is a limited market or the prices that farmers receive are too low to justify their use. A study of rice and fertilizer prices in 1971 demonstrated that in the major rice-producing Southeast Asian countries the farmer's price of rice relative to the price of fertilizer was far less favorable than in developed countries.

FUTURE STABILITY OF FOOD SUPPLIES AND PRICES

The stability of food supplies and prices during the two decades prior to 1972 was the result of uninterrupted growth in production, the existence of large grain stocks, and the absence of severe weather or import shocks to the world food system. While the evidence is not sufficient to support dire predictions of climatic change, 1972 and 1974 demonstrated that weather fluctuations can seriously reduce production. In 1974, much hinged on a good grain crop in the United States, but the weather turned bad and thus prevented a rebuilding of stocks and a reduction in grain prices. However, many farm prices have declined during the past few months and can be expected to decline still further if 1975 is a good crop year.

The world's use of grain is now much greater than it was a decade or two ago and so is its interdependence. It seems self-evident that reserve food stocks are needed. But the past two decades have demonstrated that the maintenance of an appropriate level of stocks—in such a way that costs are not exorbitant, that both farmers and consumers are fairly treated, and that incentives to produce food where and when it is needed are not dampened—is an extremely complex undertaking involving both economic and political decisions that often need to be reevaluated. While such a system is being worked out,[2] it would seem wise social policy to accept the need for stocks and absorb the costs of unexpected accumulations.

DOES "RISING AFFLUENCE" IMPOSE A RESTRICTED DIET ON THE POOR

This is one of the most crucial questions that has been posed in the past 2 years. Many people in the developed countries have been shocked when they realized that they individually consume about 1 ton of cereals per year, most of it indirectly in the form of meat, eggs, and milk, while in the developing countries the average consumption of cereals is one-tenth of that, and very few livestock products are consumed.

When 460 million people are malnourished and it would require only 25 million to 40 million tons of cereals (between 1.5 and 3.0 percent of the total world production to feed these people adequately, it is tempting to think that forgoing meat would free grain for the hungry. But the problem is not that simple. The malnourished and hungry face this problem essentially because they are poor—their incomes are low and their access to resources to earn a living are limited.

Food forgone in the developed countries would not reach these people unless it were directly transferred to them, and then only if the food were bought and transferred through institutions directly designed to do so. Moreover, a massive relief operation is not the most desirable solution. What is needed is income-generating employment for the malnourished where they live, combined with well-designed food assistance for clearly needy groups while this is accomplished.

The issue is not basically one of transferring food but increasing assistance of many kinds to poor people in poor countries. This will need the cooperation of the governments in those countries and governments in those countries and governments in the developed countries. While individuals can directly assist the malnourished through contributions to food relief agencies, the more important contribution would be to exert pressure on their governments to undertake a strong involvement in such an effort.

The growing imports of food by developing countries, the sporadic but increasingly large grain imports by the planned economies, and the persistence of food surpluses in developed countries all point to the need for major readjustments of agricultural and food policies in many countries. At the root of the world's food problems are serious imbalances in the availability of resources, the distribution of incomes, and the conditions under which food is produced and traded. Each of these is affected by policy decisions of governments but none more than the last.

It will obviously not be a simple matter to change that long-standing agricultural and trade policies of the developed, developing, and planned economies. The supported prices of the developed countries have grown out of a long history of political accommodation to domestic farm and consumer interests. Those of the planned economies have been central to their developmental philosophy.

For the developing countries, the problem is especially difficult since the implication is that basic farm prices should rise somewhat. This would conflict directly with the desire of many developing country governments to keep prices low for poor, urban consumers. But the increase in *long-run, real* farm prices above the low levels of the past would be relatively small, much less than the present high level. If it is desirable to subsidize prices to some consumers, this can be done without affecting farm prices, and need not be done for all consumers. Since half or more of the labor force in many developing countries depends on agriculture, the improvement in incomes would be widely distributed.

A far better use of the world's resources could be achieved during the coming decade if the developed, developing, and planned economies realize that they had come to depend on a system of food production and distribution that has basic flaws. An abrupt change in this system would be painful and could produce uneconomic efforts to become self-sufficient in food at any cost. But now is the time to begin to make the necessary changes. The developed countries, through food aid and technical assistance, can facilitate this change. The oil-producing countries could also assist through financial and fertilizer aid. But this effort would be of little use unless the developing countries give a consistent priority to food production in their own use of resources.

REFERENCES AND NOTES

[1] Declaration on Population and Food, The Environmental Fund, Washington *Post*, 25 October 1974.

[2] L. R. Brown with E. P. Eckholm, *By Bread*

Footnotes at end of article.

Alone (Overseas Development Council) (Praeger, New York, 1974).

[2] R. Bryson and T. Alexander, "Ominous changes in the world's weather," *Fortune* 89 (No. 2), 85 (February 1974).

[4] *A Hungry World: The Challenge to Agriculture*, University of California Food Task Force, Berkeley, July 1974; *Assessment of the World Food Situation, Present and Future*, United Nations, Rome, October 1974; *The World Food Situation and Prospects to 1985*, Foreign Agricultural Economics Report No. 98, Economic Research Service, U.S. Department of Agriculture, December 1974.

[5] The price elasticity of demand is a measure of the percentage increase or decrease in the quantity purchased of a commodity resulting from a 1 percent decrease or increase in the price of the commodity. Demand for a commodity is inelastic when either a 1 percent increase in its price results in a decrease of less than 1 percent in the quantity purchased, or a 1 percent decrease in its price results in an increase of less than 1 percent in its purchase.

[6] *The World Food Problem*, Report of the President's Science Advisory Committee, White House, May 1967, three volumes.

[7] R. B. Reidinger, *The World Fertilizer Situation: 1975, 1976 and 1980*, Economic Research Service, U.S. Department of Agriculture, December 1974; World Bank, *Fertilizer Requirements of Developing Countries*, Report No. 446, World Bank, Washington, D.C., September 1974.

[8] The World Food Conference in Rome in November 1974 endorsed the International Undertaking on World Food Security which is a beginning toward the development of minimum stocks to provide emergency famine relief.

[9] *The World Food Situation and Prospects to 1985*, Foreign Agricultural Economics Report No. 98, Economic Research Service, U.S. Department of Agriculture, December 1974.

Institutional Obstacles to Expansion of World Food Production

(By Pierre R. Crosson)

Over the next several decades the most pressing problems in expanding world food production will be in the less developed countries (LDC's). It is in those that demand is likely to grow most rapidly, reflecting both relatively high population and income growth and a drive to improve nutrition, and where the mobilization and effective deployment of the needed resources will be most difficult. Consequently, this article deals with institutional obstacles to increasing food production in the LDC's. The institutional situation in the developed countries is treated only insofar as it might affect the flow of resources needed by the LDC's to stimulate their rates of increase in production.

It is generally accepted that over the next several decades a rising share of the growth of food production in the LDC's will come more from increasing yields and less from bringing new land under cultivation. The argument is that the amount of land economically suitable for cultivation is now much more limited relative to prospective demands than it was 20 years ago. The essential condition for increasing yields is that farmers increase their use of nonland inputs per unit of land, principally fertilizers, pesticides, improved seeds, water, and often machinery. The focus here, therefore, is on the conditions affecting the use of these inputs by farmers in the LDC's.

Conditions for adopting new technology

Three conditions must be satisfied if farmers are to increase their use of fertilizers and the other ingredients of modern agricultural technology: (i) the technology must be invented; (ii) the farmers must know how to use it efficiently; and (iii) they must have incentives to use it efficiently. Incentives are determined by the price and productivity of the technology relative to the prices of the goods it produces, by the ability of the farmer to acquire the ingredients of the technology when, where, and in the quantities he wants, and by the cost to the farmer of moving increased output to market.

The extent to which these three conditions are satisfied depends on the institutional structure within which the farmer lives and works. The more this structure encourages the flow of resources into development of and dissemination of knowledge about new technologies and strengthens farmers' incentives to adopt them, the faster will be the pace of agricultural development. Viewed in this way all obstacles to technological advance are institutional and all institutions may in principle be limiting. It is unlikely, however, that at any given time and place all institutions will be equally limiting. This suggests that a fruitful point of departure in assessing the ability of the LDC's to accelerate the growth of food production is to seek to identify the set of institutions most likely to limit the adoption of new technologies.

Search for institutional limits: the problem of theory

The search is greatly complicated by the lack of an adequate theory of the relation of institutions to technological change. All students of the subject agree that the relation is important, and probably most would agree that it is reciprocal, institutions serving to limit the pace of technological change at any given time and themselves undergoing modification over time under the impact of new technology. This view underlies all the work of Veblen and of his intellectual heirs among the institutional economists. A similar theory, and with specific reference to agriculture, has been developed more recently by Hayami and Ruttan [1] building on earlier work by T. W. Schulz.[2] In this argument the development of new technology is the sine qua non of the breakout from agricultural underdevelopment. Without new technology, attempts to stimulate agriculture through reform of other institutions such as those relating to land tenure, extension, education, factor and product markets will avail little because the economic return to farmers of these reforms will be low. With respect to land tenure reform, for example, Hayami and Ruttan [1] assert that it had little impact in stimulating agricultural modernization in the 1950's and 1960's and attribute this to the fact that, in the absence of appropriate technologies, the economic returns to reform were insufficient to induce the political effort needed to make it effective (1, p. 263).

The Hayami-Ruttan theory that new technology creates a demand for institutional change by opening up productive opportunities unrealizable without such change is persuasive. The theory falters, however, in explaining the institutional supply response. The reference to political effort needed to achieve effective land reform suggests the source of the problem. That some minimum political effort was needed to achieve the reforms required to exploit new technological opportunities implies that some social group, namely, those to be "reformed," saw the new technology not as an opportunity but as a threat. Hence they resisted, as indeed they continue to resist in many parts of the less developed world. It follows that a fully adequate theory of the relation of technological and institutional change must include an account of how the resistance of those who stand to lose from change is somehow overcome.

Since no such theory presently exists, the search for institutional limits to technological advance in the LDC's over the next several decades must be halting and the conclusions tentative. I believe, however, that available theoretical and empirical materials are sufficiently strong to support some useful speculation. The focus is on the near-to-medium term—say to 1985—because this is the period of most immediate present concern. However, the concluding remarks contain some comments about the longer term situation.

Categories of institutional limits: a question of priorities

In my judgment institutions affecting farmers' incentives to innovate will be more important than those affecting the supply of new technology or the technical abilities of farmers. There appears to still be considerable potential for expansion of production based on the technology underlying the Green Revolution. The key ingredient in this technology is the high yielding varieties (HYV's) of wheat and rice. There is reason to believe that, with the HYV's now in use or under development in the various national and international research centers, large additional increases in production can be obtained, both by planting more acres to these varieties and by increasing their yields on land where they already are used.

Dalrymple [3] indicates that in non-Communist Asia in 1972–1973 roughly 35 percent of the land in wheat and 20 percent of that in rice was in the HYV's. In Mexico almost all wheat land was in HYV's (rice being relatively unimportant), but in the rest of Latin America and in Africa the area sown to these varieties was relatively small. So far, the adoption of the HYV's, particularly in India and Pakistan, has been rather highly concentrated in certain areas. The reason, however, seems to be availability of irrigation rather than limits to the adaptability of the varieties which, according to one observer, have been "surprisingly wide." [4] The international research institutes continue to develop new varieties adapted to an increasing range of climatic and soil conditions, and they are giving high priority to support of the national research programs needed to produce even more location specific varieties. Some of these national programs already are strong, for example, almost all the HYV's of wheat and rice now grown in India were adapted by Indian research.[4]

The potential from higher yields on lands already planted to the HYV's also looks promising. In the Philippines, even before the Green Revolution varieties became available, under fully irrigated conditions, average yields of rice often exceeded 3.0 metric tons in the wet season and 3.5 metric tons in the dry season.[5] On farms participating in contests or under experimental conditions the figures for comparable yields for wet and dry seasons range from 4.0 to 4.5 metric tons to 5.0 to 6.0 metric tons. In recent years, the ceiling yields, under ideal conditions, have risen to about 8 to 10 tons. But at any given time yields on the average farm will never equal those achieved under experimental conditions. However, much of the difference is attributable to the average farmer's limited access to a controlled water supply and to the price and availability of fertilizers and pesticides. These conditions reflect institutional limitations affecting farmers' incentives rather than technological limitations. If incentives can be improved, the technology will permit average yields for the HYV's considerably above those now achieved.

The principal reason for believing that the technical ability of farmers will not be a major limiting factor over the next 5 to 10 years is the speed with which the Green Revolution spread and the demonstrated ability of small, poor farmers to use it effectively. Hertford's work on Mexico shows that, where irrigation was available and other conditions for adoption were favorable, the *ejidatarios*, beneficiaries under Mexico's land reform program, shared substantially in the rapid spread of new technology among Mexican farmers over the last several decades. The *ejidatarios* achieved this despite the fact that their farms were on average small (about 15 acres in 1960), their soils were generally of poorer quality than on private farms, their formal education was scant (average of 3.4 years in 1965), and most of them lacked farm management experience before receiving land [6] (pp. 7, 40, 41). A study sponsored by the International Rice Research Institute (IRRI) [7] indicates a similar capability of small farmers in Asia to adopt and profit from the new rice technology where irrigation was available and input and product market conditions were favorable. Other studies point to the same conclusion.[8 9]

The evidence on the ability of small farmers in Mexico and Asia to employ and profit from HYV technology should not be interpreted to mean that managerial capacity of these farmers is generally high. It does suggest, however, that lack of managerial capacity has not been a major factor so far in limiting the spread of the new technology. There still are millions of farmers in the LDC's as yet untouched by the Green Revolution. I suggest this has more to do with their lack of incentive to adopt the new technology than with their technical ability to use it productively.

Incentives

It sometimes is argued, although less frequently now than a decade ago, that because of the force of tradition, farmers in the LDC's will not respond to new technology, even when it is available on favorable terms and they know how to use it. In my judgment the evidence is overwhelmingly against this view. There is not space here to develop the counter argument. For some representative sources see [1 6 10].

Input-output price relations. Future food prices in the LDC's will depend on the growth of demand as well as on government policies. With population expected to grow at 2.7 percent annually, per capita income growth of 2.5 percent, if widely shared, could provide steady long-term annual growth in food demand of 3.5 to 4.0 percent, well above the historical growth of food production in the LDC's and enough to provide strong positive incentives to invest in new technology.

Whether per capita income grows at the indicated rate will depend in part on the success of agriculture, but also very much on the entire development effort in the LDC's, a theme beyond the scope of this article. The point of interest here is that the growth in demand for food should be sufficient to support attractive prices for farmers if overall growth targets are achieved. In the past many governments in the LDC's have attempted to repress food prices to hold down the cost of living. Persistence of such policies could weaken the incentives farmers otherwise would receive from healthy growth in demand for food.

High prices of key modern inputs may be a more serious obstacle to continued expansion. About one-third of the fertilizers consumed by the LDC's (one-half excluding the Communist countries of Asia) are imported. These countries have been hard hit by the sharp increases in fertilizer prices in the last few years. A recent study [11] (p. 62) suggests that fertilizer prices may decline over the next decade as new capacity comes on line. This assumes, however, that the LDC's themselves will achieve sizable increases in fertilizer production, a matter treated below.

The LDC's clearly are not going to have much leverage on world fertilizer prices over the next decade, and except for those few included in OPEC (Organization of Petroleum Exporting Countries), they will have even less on energy prices, also significant because of the importance of petroleum in fueling tractors and driving irrigation pumps. The high price of fertilizer is primarily due to the uneven pace of capacity expansion in that industry rather than to institutional obstacles. The present price of energy, on the other hand, clearly reflects the power of OPEC as an institution. The significance of OPEC and its policies is not limited, however, to their effects on the costs to farmers of energy and fertilizer. Because of high prices, petroleum now absorbs a much greater proportion of foreign exchange than before, thereby limiting the capacity of the LDC's to import fertilizer and other modern farm inputs.

Availability of inputs. Increased domestic production of fertilizer and other inputs would be one response to the reduced ability to import, and many of the LDC's already are moving in this direction. In doing so, however, they face a number of obstacles, some of which appear to be institutional. Lead times for bringing new fertilizer capacity on stream have generally been longer in the LDC's than in developed countries, and capacity operating rates have been lower. As a consequence both capital and operating costs in the LDC's are higher.[12] Fertilizer production is capital-intensive and complex, requiring high levels of technical and managerial skills to achieve efficient operation. Shortage of these skills may be one of the important reasons why the efforts of the LDC's to expand low cost fertilizer production have faltered.

Pesticide capacity in the LDC's is low relative to demand. Although plans to increase capacity are not known, it seems unlikely that domestic production of pesticide ingredients will satisfy more than a small, if rising, proportion of total demand over the next decade. Seed production capacity may also pose a problem. Few of the LDC's have a highly developed seed industry, leading the Food and Agriculture Organization to suggest that lack of a commercial supply of high quality HYV's has been an important factor limiting the spread of the Green Revolution.

Marketing. Institutions linking the farmer to suppliers of his inputs and final consumers of his products can also have important effects on his incentives. The operation of input and product market institutions in the LDC's has been little investigated, in the case of inputs perhaps because their use in large volume is relatively recent. At a very general level, the rapid spread of the Green Revolution could be taken as evidence that, although we know little about the performance of these institutions, it appears to have been good. The fast increase in acreage planted to HYV's already has been noted. Fertilizer consumption in the LDC's grew at an average annual rate of almost 14 percent between 1961 and 1963 and 1972 to 1973. Less is known about the growth of pesticide consumption, but apparently it lagged not far behind the rate for fertilizers [13], (p. 39). These are very fast rates of increase, comparing favorably with the experience of any of the developed countries at similar stages of agricultural development. They suggest that, however primitive input marketing institutions may have been, they worked.

With respect to institutions marketing farm products, a study by Hayami and Ruttan [1] (p. 267) of rice and corn marketing systems in Southeast Asia showed that the system was very effective in transmitting information between producers, wholesalers, and retailers. Hayami and Ruttan cite other studies to the same effect, and conclude that the elasticity of supply of services in these markets was high [1] (p. 267).

Other recent work supports this view. In Sonora, Mexico, urban based marketing of farm inputs and products expanded rapidly in response to the growth and modernization of agriculture there.[14] Most of the expansion of the marketing activities was in private hands and was "spontaneous," that is, not planned or directly supported by government. The principal public role was to develop the technology on which agricultural development was based, to provide large supplies of irrigation water and a road-rail networking linking the state with principal markets in Mexico and abroad, and through imports and domestic production to assure an adequate supply of attractively priced fertilizers, pesticides, and other modern inputs.

Gibb,[9] in a study of central Luzon, Philippines, where the Green Revolution was widely adopted, found rapid expansion of both input and product marketing services provided to farmers. He concluded that the expansion was a response to the increased demand for these services following adoption by farmers of the new technology. Private initiative was the motive force for the growth of these services, the role of government apparently being similar to that in Mexico.

Analyzing the experience of the Pakistan Punjab in the second half of the 1960's, Child and Kaneda [15] found rapid growth of small-scale industry providing diesel engines, pumps, and other hardware to farmers in that region. The growth was a response by private initiative to the spread of the Green Revolution and the associated increase in demand for tube wells and equipment. Development was spontaneous, with no subsidies, no tax concessions, no special credit arrangements, and no technical assistance.

Credit. The failure of credit institutions to provide adequate financing to farmers, particularly small farmers, is frequently cited as a major obstacle to the adoption of new technology. There is no question that adoption requires increased funds to purchase the needed inputs. It is also clear that formal credit institutiona discriminate against small farmers in allocating loans. What is not clear is whether the elasticity of the supply of funds is as low as commonly thought. Hayami and Ruttan [1] cite evidence from the Philippines, Taiwan, and Korea which shows, in their judgment, that the elasticity of supply of rural savings has been grossly underestimated. They argue further that concern with formal credit institutions has led to underestimation of the importance of informal credit sources: suppliers of inputs or purchasers of outputs, friends, relatives, or local moneylenders. The IRRI study [7] also turned up evidence of the importance of informal credit sources despite increased government efforts in each of the six countries to strengthen formal credit institutions. The author of the study found that credit was a constraint in many places, but drew no conclusions concerning its importance relative to other constraints.

Land tenure. Probably no institution has been more written about as an obstacle to technical progress in agriculture in the LDC's than systems of land tenure. The argument takes a variety of forms, but the common core is that in largely rural societies control of land conveys political power and that this power is used to shape the whole structure of a nation's agricultural policies and institutions to favor the interests of large landowners [1 16]. Obviously these interests, as the large landowners perceive them, are not necessarily those of small farmers or of the nation as a whole. While the large farmers may have been innovative, they have tended to adopt capital intensive technolo-

---

Footnotes at end of article.

Footnotes at end of article.

gies, even though in the LDC's rural labor is abundant and capital scarce. Moreover, the structure of policies often has weakened the incentives of small farmers to innovate.

There is no question that these arguments about land tenure systems as obstacles to technical change in LDC agriculture have weight. The problem is that their weight varies from place to place and time to time in imperfectly understood patterns. A number of countries that have made significant progress in agriculture, for example, Taiwan in the postwar period, and Mexico, also have had significant land reforms. However, Taiwan also enjoyed impressive technical progress from the early 1920's until about 1938, before the land reform.[5] Hertford[6] credits the Mexican land reform as an important factor in Mexico's good showing, but he points out that irrigated *ejidos* have performed much better than those lacking irrigation. Then, of course, there are countries, or parts of countries, where substantial technical progress has occurred in the absence of significant land reform, for example, India, Pakistan, the Philippines, and Thailand.

We have too little understanding of the relationship between systems of land tenure and technological innovation to predict how important present tenure systems may be as obstacles to future technical progress in LDC agriculture. That they may impede progress seems certain, but it is equally certain that land tenure reform is not a generally necessary condition for innovation. This discussion of land tenure systems thus ends on a note of uncertainty. I will return to it briefly in some concluding comments below.

Irrigation institutions. It is a commonplace that irrigation is a key ingredient in the Green Revolution technology. The institutions determining the availability of irrigation water to farmers in the LDC's may increasingly impede the rate of technical innovation in those countries. The institutions are of two general sorts: (i) those concerned with mobilization of the resources needed to increase the supply of irrigation water, and (ii) those concerned with the allocation of water to farmers and their management of it. I will call these irrigation building and irrigation management institutions, respectively. By and large, irrigation building institutions have performed better than irrigation management institutions. Investment in irrigation projects in arid zones of Asia, Latin America, and Africa increased rapidly in the decades after World War II with corresponding increases in the amount of land at least nominally irrigated. The managament of these projects, however, has frequently been inefficient in two senses: (i) the amount of land actually receiving water is a small proportion of the design amount,[17] and (ii) the productivity of the water received bears little relationship to its social cost.[18 19]

The reasons for these inefficiencies are complex, but a major element is that the management of large irrigation projects is generally in the hands of public officials who are too far removed from the on-farm situation to know the conditions of efficient use, who lack economic incentives to achieve it even if they knew how, and who typically are bound by inflexible operating rules of water allocation impeding their response to economic incentives even if they had them. The inflexibility of operating rules is the most obvious of these limitations and in itself would be sufficient to explain inefficient use of water.[18 19] The institutionalized rigidities in irrigation management systems may become increasingly important obstacles to the spread of new agricultural technology. More land clearly will have to be brought under irrigation, but the real costs of doing so by building new projects is likely to be far higher than in the past. For example, existing irrigation works in Southeast Asia are inadequate to support the continued rapid spread of the Green Revolution; because the terrain in the principal rice-growing regions is characterized by broad river valleys and plains, particularly large investments in storage, transportation, and drainage works will be required.[8]

There is much evidence that, because of the high and rising costs of building new irrigation projects, the payoff to improved management of existing ones will look increasingly attractive.[13] It is difficult, however, not to be pessimistic about the likelihood that significant improvements in irrigation management institutions in the LDC's will be achieved. These institutions reflect a deep-seated view that patterns of water use hold more potential for social conflict than those of other agricultural resources; hence, water management requires a greater measure of social control. There is an important truth in this view. Unlike fertilizer or tractors, water is a moving, or "fugitive," resource. Consequently, it is difficult for any individual to establish an unambiguous property right in it, but many individuals may establish many ambiguous rights. This is the source of potential conflict.

There obviously is a case for a greater degree of social control in water management than in management of other agricultural resources. It seems apparent, however, that water managers have given far greater weight to avoidance of conflict than to capturing the full economic gains from efficient use of water. Unless there is a shift in the balance, more efficient use will not be achieved. There is no obvious mechanism by which to effect this shift since public managers would reap no direct economic benefits from improved efficiency.

Perhaps the best hope for achieving the needed institutional changes is the rising economic value of water and hence the increased payoff to improved management. This is the essence of the Hayami-Ruttan[1] theory of institutional change. Its weakness in this instance is the one noted above: Public water managers would not capture the economic gains from greater efficiency. Hence this powerful incentive to change is inoperative.

The persistence of inefficient management institutions may also be partly explained, however, by ignorance of the rising economic value of water. Since water markets are rare, there are no obvious measures of its economic value. The increasing importance of groundwater as a source of irrigation may help to heighten public awareness of the value of water, however. Private initiative, for example, in the Punjab region of Pakistan and India, has played a far greater role in development of groundwater than of surface water. So far as I know, studies have not been made of the cost to farmers of this source of water, but it must have been greatly above the charges for water from publicly managed surface systems. That the investments were nevertheless undertaken indicates that the value of the water obtained was well above the prices charged for surface water. If private development of groundwater continues perhaps the significance of this fact will eventually heighten public awareness of the high value of irrigation water and hence of the payoff to improved efficiency in water management.

Development of groundwater deserves more attention in its own right. A recent survey stressed the advantages of groundwater because its social costs generally are lower than those of surface systems.[12] The much greater role possible for private initiative also makes groundwater development look attractive because it avoids the institutional rigidities built into surface management systems. It is noteworthy that the tube well phenomenon in the Punjab penetrated even into areas with well-developed surface irrigation systems, quite possibly because the tube well gave the farmer command over a reliable supply of water when and in the quantities he wanted, something the publicly managed surface system did not provide.[19]

A strategy giving increased emphasis to groundwater development thus may be the most promising way for reducing the now powerful institutional obstacles to more efficient irrigation management. Not only would it reduce the relative importance of rigidly managed surface irrigation systems but it could also serve to heighten public awareness of the rising economic value of water, thus generating pressure to move those systems toward greater efficiency.

CONCLUSIONS

It was argued that over the near-to-medium term—roughly to the mid-1980's—there is enough potential for growth in existing Green Revolution technology and in technical capacity of farmers that institutions affecting these two sources of increased food production probably will not be seriously constraining. The principal bottlenecks likely will be found among those institutions affecting farmers' incentives to innovate. There is impressive evidence that when other conditions for innovation are favorable the supply of marketing services, for both inputs and outputs, is quite elastic. This seems to include the supply of funds from rural saving and informal credit sources, although the evidence is less clear in this respect.

The situation concerning price relations and availability of inputs appears mixed. If national income growth targets are achieved, then the growth in total demand for food in the LDC's should be fast enough to support incentive prices for farmers. This advantage could be lost, however, if governments adopt policies to suppress food prices to keep down the cost of living. The price of fertilizers is expected to fall from the high levels of 1974, the amount of the fall depending in good measure on the success of the LDC's in increasing fertilizer production. Historically, their efforts to expand capacity have been relatively inefficient. Moreover, many countries still lack adequate capacity to produce the HYV's and pesticides.

Even with good progress in expanding domestic production of inputs, imports will continue to be an important source of supply. Maintenance of present high prices of petroleum products could be a major obstacle to financing these imports on the necessary scale because of the drain it would place on available foreign exchange. I conclude, on balance, that prices and availability of fertilizers, pesticides, and seeds could have important negative effects on farmers' incentives to adopt Green Revolution technology.

Rigidities in water management institutions may be even more limiting, for reasons noted in the previous section. The role of existing land tenure institutions is not clear. The tentative conclusion, however, is that over the near-to-medium term the maintenance will not be a major obstacle to further spread of the Green Revolution. Over the longer term, it could become more seriously limiting. The reason is that continued expansion of food production will eventually require the invention and adoption of new technologies and a higher level of technical and managerial skill than most farmers in the LDC's now possess. To do this will require substantial investments in domestic research and extension institutions and in rural education. In countries where a small class of large landowners wield substantial political power, these investments may not occur on the necessary scale because the large farmers have their own means of acquiring the technology and little perceived interest in supporting the upgrading of the skills of small farmers.

This review of institutional obstacles to expansion of food production in the LDC's must end on a tentative note. The review does suggest some observations about the process of institutional change, however. There is impressive evidence of strong latent potential in the private sector of the LDC's for mobilizing the resources and effort needed for agricultural progress when the private economic rewards for doing so are high. Under these circumstances, needed changes in the institutions required to mobilize the resources and direct the effort seem relatively easy to achieve. Institutional resistance is stronger in situations where influential interests perceive change as a threat or where there is no direct personal economic reward to change, as in the typical public institution.

The latter point is particularly important because the performance of public institutions is critical. Development of new technology, the fundamental condition for continued long term growth, is basically a public responsibility because the gains from adoption usually cannot be sufficiently captured by private institutions to justify their assuming the cost. Although private firms often have incentives to impart technical knowledge to farmers as a way of widening the market for their products, the broadening and strengthening of the institutional structures concerned with both the general and technical education of farmers is a public responsibility. This is true also of the development of large irrigation systems, both because of the scale of the needed investments and the potential for social conflict in water management. The lack of a well-defined mechanism that would link responses of public institutions to the large social payoffs to increased public investment in irrigation, new technology, and technical abilities of farmers may prove in the long run to be the most important single obstacle to adequate growth of food production in the LDC's.

REFERENCES AND NOTES

[1] Y. Hayami and V. Ruttan, *Agricultural Development: An International Perspective* (Johns Hopkins Press, Baltimore, 1971).

[2] T. W. Schultz, *Am. J. Agric. Econ.* 50, 5 (1968).

[3] D. Dalrymple, *The Green Revolution: Past and Prospects* (U.S. Department of Agriculture and U.S. Agency for International Development, Washington, D.C., 1974).

[4] R. Cummings, Jr., discussion of R. Evenson, "International diffusion of agarian technology," *J. Econ. Hist.* 34 (No. 1) (1974).

[5] V. Ruttan, in *Inducing Technological Change for Economic Growth and Development*, R. A. Solo and E. M. Rogers, Eds. (Michigan State Univ. Press, East Lansing, 1972), and private communication.

[6] R. Hertford, *Sources of Change in Mexican Agricultural Production, 1940–65* (U.S. Department of Agriculture, Foreign Agricultural Economic Report No. 73, Washington, D.C., 1971).

[7] International Rice Research Institute, excerpts from *Changes in Rice Farming in Selected Areas of Asia, Los Baños, Laguna, Philippines* (September 1974).

[8] F. R. Frankel, in *Food, Population and Employment: The Impact of the Green Revolution*, T. Poleman and D. K. Freebairn, Eds. (Praeger, New York, 1973); National Council of Applied Economic Research, *Additional Rural Incomes Survey*, New Delhi (May 1974).

[9] A. Gibb, "Agricultural modernization, nonfarm employment and low-level urbanization," in preparation.

[10] L. J. Atkinson, "Colombia: Traditional and changing agriculture," in *Economic Progress of Agriculture in Developing Nations* 1950–68, Foreign Agricultural Economic Report No. 59 (U.S. Department of Agriculture, Washington, D.C., 1970); P. Crosson, *Agricultural Development and Productivity: Lessons from the Chilean Experience* (Johns Hopkins Press, Baltimore, 1971); A. Niehoff, in *Inducing Technological Change for Economic Growth and Development*, R. A. Solo and E. M. Rogers, Eds. (Michigan State Univ. Press, East Lansing, 1972)

[11] *The World Food Situation and Prospects to 1985*, Foreign Agricultural Economics Report No. 98 (U.S. Department of Agriculture, Washington, D.C., 1974).

[12] R. B. Reidinger, *The World Fertilizer Situation: 1975, 1976, 1980* (Economic Research Service, U.S. Department of Agriculture, Washington, D.C., August 1974).

[13] Food and Agriculture Organization, *Assessment of the World Food Situation, Present and Future*, Item 8 of the Provisional Agenda for the United Nations World Food Conference, Rome, 1974.

[14] P. Crosson, "Impact of irrigation investments on regional and urban development," paper presented at the international symposium on Planning of Water Resources, Mexico City, 1972.

[15] F. C. Child and K. Hiromitsu, "Links to the Green Revolution: A study of small scale, agriculturally related industry in the Pakistan Punjab," *Econ, Devel, Cultural Change* 23 (No. 2) (1975).

[16] S. Barraclough, *Agrarian Structure in Latin America* (Lexington Books, Lexington, Mass., 1973).

[17] *The World Food Problem: Proposals for National and International Action* (United Nations World Food Conference, Rome, 1974).

[18] P. Crosson, "Water use and water law in the Andean countries: An economist's view," paper presented at a seminar on Water Legislation and Management in the Andean Pact Countries, Quito, 13–19 January 1974.

[19] R. B. Reidinger, *Econ. Devel. Cultural Change* 23 (No. 1) (1974).

Footnotes at end of article.

NUCLEAR SPREAD: BEATING PLOWSHARES INTO SWORDS

Mr. RIBICOFF. Mr. President, recent events in the international nuclear trade have focused attention on the weapons potential of peaceful nuclear technology.

Brazil, Argentina, Taiwan, South Korea, and Pakistan—all nations suspected by U.S. officials of wanting to develop atom bombs—are in the process of closing deals with France or West Germany that will give them the nuclear fuel facilities they need to produce A-bomb material.

Each of these nations either have, or are about to get, nuclear power reactors that—in addition to producing electricity—will provide the spent fuel rods from which plutonium can be separated.

The largest of today's reactors—generating 1,000 megawatts of electricity, also generates 550 pounds of plutonium a year, or enough for about 25 atom bombs.

Meaningful nuclear export controls are insufficient or absent throughout the world—our own are only slightly better than French or West German controls. International safeguards over exported facilities are probably inadequate to prevent diversion by a nation intent on stockpiling plutonium.

A recent bulletin of the International Atomic Energy Agency—the unit responsible for designing and administering the safeguards—acknowledged that the technology does not yet exist to routinely monitor the amounts of enriched uranium in reactor fuel rods, or the amounts of plutonium byproducts in those rods after removal from a reactor. That means that the IAEA inspections amount to little more than auditing the nuclear-materials records of the nations owning and operating the reactors.

Safeguards over plutonium reprocessing plants do not now provide a meaningful check against diversion of materials from a reactor or after the spent fuel reaches the plant.

No less an authority than the Inspector General of the IAEA has stated that "one has to run, at least" to develop effective safeguards over plutonium separation. He warned that the situation will not be brought under control so long as nations treat plutonium reprocessing like a business.

The business of selling plutonium reprocessing and uranium enrichment plants will no doubt produce satisfied customers. Of the five nations which I have just cited, only one of them—South Korea—has ratified the Nuclear Nonproliferation Treaty. This means that the other four have not taken the NPT pledge against developing nuclear explosives; nor have they pledged to open all of their nuclear facilities—particularly those they will build themselves later on—to international inspection. If they really want to build the bomb, they will have the materials at hand.

Even an NPT nation like South Korea can drop out of the treaty to join the nuclear club on only 3 months' notice.

This morning's New York Times contains a discouraging report out of Bonn describing West Germany's refusal to reconsider the export of nuclear fuel facilities to Brazil as part of a $4 billion reactor deal. The article by Craig R. Whitney points out that West Germany was unable to get the Brazilians to agree to put their entire nuclear fuel cycle—including enrichment and reprocessing facilities they may later build themselves based on German designs—under international safeguards. The article also notes that although the United States has been attempting to influence West Germany not to go ahead with the entire fuel-cycle transaction, it quotes West German officials as saying that the matter was not discussed by President Ford and Chancellor Helmut Schmidt at the recent NATO meeting in Brussels.

This is very unsettling news, Mr. Chairman, because it raises the question whether the White House is giving nuclear proliferation problem the high-priority attention it deserves.

I ask unanimous consent that the Times article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BONN IS PRESSING BRAZILIAN A-PACT

(By Craig R. Whitney)

BONN, June 5.—West Germany plans to go ahead and sign a multibillion dollar nuclear technology agreement with Brazil on June 27 despite American fears that the Brazilians may use the technology to build atomic weapons, according to officials here.

The West Germans acknowledge that they have been able to get the Brazilians to agree to many but not all the international controls that the United States had pressed for in meetings in Bonn and Washington this spring.

In particular, West German officials concede, the agreement would not bind the

Brazilians to agree to international supervision of the process that yields fissionable enriched uranium if they developed their own equipment. Only what they buy from the West Germans will be submitted to such control.

The United States, according to a West German Government spokesman, "expressed disappointment," but is not expected to make further efforts to thwart the treaty. Senator John O. Pastore of Rhode Island had called for American-German negotiations at the highest level to call the agreement off. President Ford saw Chancellor Helmut Schmidt in Brussels at the recent North Atlantic Treaty Organization meeting, but West German officials say the Brazilian treaty was not discussed.

West German Government spokesmen are telling the domestic press that the Congressional concern reflects intense lobbying efforts by disapointed American companies who competed for the Brazilian business. It was only after Brazil was rebuffed by the United States last year that she turned to the West Germans.

The United States Government reportedly feared that Brazil, which did not sign the treaty to halt the spread of nuclear weapons, might want to use a nuclear fuel enrichment system to make bombs and become South America's first nuclear power.

SIGNED JUNE 27

To Be! The West German agreement, approved by the Bonn Cabinet last April 30, will run for 15 years, and will be signed June 27 after a two-day visit by the Brazilian Foreign Minister, Antonio F. Rancisco Azereido da Silveira, according to officials here.

It could mean more than $4-billion in orders for the West German nuclear technology industry. It provides for delivery of up to eight nuclear power plants to Brazil in exchange for supplies of uranium the West Germans need to run their own atomic generators.

The part that American officials regard as potentially dangerous would allow West German companies to supply Brazil with nuclear fuel enrichment and recycling equipment. This produces highly enriched uranium, or plutonium, which can be used to make nuclear weapons.

This equipment is called a "complete nuclear fuel cycle." The United States twice expressed concern to Bonn about it.

Partly as a result of these expressions of concern, the West Germans said today, they got Brazil to agree to a pledge not to use the technology for nuclear weapons; to submit all the equipment and technological know-how they get from the West Germans to the security controls of the international atomic Energy agency in Vienna.

But they were not able, as the American officials wished, to get the Brazilians to agree to the control of the "complete nuclear fuel cycle" by the Vienna organization. According to an official of the West German Economics Ministry, this means that if one day the Brazilians built their own processing facilities, using West German technology, they would not be under international control and could produce fissionable material for nuclear weapons.

Bonn officials nevertheless regard the controls as far more extensive than those required by the nonproliferation treaty, which Bonn ratified this year. A State Department spokesman in Washington said yesterday that the United States was "gratified that this is the case," but added: "We were concerned by the precedent and the extent of this particular agreement."

Mr. RIBICOFF. Mr. President, during the past week there has been an array of articles, columns, editorials and television commentary indicating a new public awareness of, and deep concern over, this problem. The root of this concern was perhaps best expressed in an interview of Dr. Theodore Taylor by CBS correspondent Robert Schakne. Dr. Taylor once designed the largest and the smallest atom bombs produced by the United States. He said:

Getting the raw plutonium is really the hard part of making a bomb. That's what made the Manhattan Project the huge enterprise it was. It was getting that plutonium. The bomb itself was a relatively simple matter.

At the conclusion of his commentary, Mr. Schakne states:

We once called our civilian nuclear program "Atoms for Peace"—a modern version of beating swords into plowshares. But this could be the case where the plowshares will be beaten back into swords.

Mr. President, I ask unanimous consent that the entire transcript of Mr. Schakne's report, which appeared on the CBS Evening News with Walter Cronkite, June 3, 1975, be printed in the RECORD at the close of my remarks.

I also ask unanimous consent that the following articles be printed at the same place in the RECORD: a New York Times editorial, "Nuclear Peril—and Its Preventives," June 9, 1975; a Washington Post editorial, "Nuclear Power: The High-Priced Spread," June 9, 1974, and a Science magazine article, "Peaceful Nuclear Explosions: Promises, Promises," June 6, 1975.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIBICOFF. Mr. President, for my colleagues and the general public who wish to pursue this problem—and I am convinced that it must be pursued—I also direct you to a Washington Post article by Marilyn Berger inserted by Senator TUNNEY at page 17691, June 6; a column by James Reston of the New York Times, inserted by Senator GLENN at page 17033, June 4, and another column by Mr. Reston, inserted by Senator PERCY at page 14632, May 15. The statements of my distinguished colleagues express their deep concern and keen insight into the proliferation problem.

On June 3, the distinguished chairman of the Joint Committee on Atomic Energy, Senator PASTORE, made an important, forceful statement on the problem. No Member of the Senate has shown greater concern and has a greater knowledge of the proliferation problem than my good friend, Senator PASTORE. His remarks, including an excellent colloquy with Senators SYMINGTON and GLENN, begin at page 16581. My own subsequent statement appears at page 16592.

I also call attention to a 1,400-page compendium, "Peaceful Nuclear Exports and Weapons Proliferation," which was recently issued by the Senate Government Operations Committee as part of its consideration of S. 1439, the Export Reorganization Act of 1975. The compendium deals with all aspects of nuclear export controls, international safeguards and proliferation.

Mr. President, I cite these very recent references on the problem of nuclear spread to demonstrate to the executive branch, and to the State Department in particular, that something must be done to bring this situation under control—and soon.

An agreement for meaningful export controls and safeguards must be reached without further delay by the nuclear-supplier countries.

As the Washington Post editorial states:

For the shorter term we believe that the IAEA machinery should be strengthened and that—above all—the supplier countries (the United States, Canada, the Soviet Union, France and Germany principally) should undertake an urgent effort to contrive among themselves uniform standards of safety and prudence to apply to their transactions. The element of adding attraction by adding danger must be removed from the commercial competition, and we believe this can be done in a way that will not create a substantial disadvantage to any supplier-country.

The New York Times editorial stresses the same need for action on the diplomatic front:

Yielding to the German and French business-as-usual attitude would be a tragedy, setting off a competition in which nuclear arms control would vanish.

What is needed is maximum exercise by the President of his powers of persuasion to bring West Germany, France and the other principal suppliers to early agreement on common rules—rules designed to inhibit, rather than ease nuclear spread.

The Times editorial makes the important technological point that there is now no commercial need for plutonium reprocessing plants:

The only significant use for plutonium now is for nuclear weapons or other explosive devices indistinguishable from weapons. Commercial use of plutonium as a power reactor fuel depends essentially on perfection of the breeder reactor, which is not expected for fifteen to twenty years.

Marilyn Berger's article in the Washington Post gives a grim picture of world nuclear anarchy in the event that widespread plutonium reprocessing leads to widespread nuclear explosives:

"When six or more countries start having nuclear explosives," one expert said, "You'll have Germany and Japan rethinking the situation. Then you'd have a really different world. They took an oath of self-denial after World War II for the peace of the world, but it would be a different thing when a half dozen others had their own weapons.

"Think of the effect it would have on alliance relationships," he continued. "It's one thing for the United States to provide a 'nuclear umbrella' to protect allies from the danger of attack by the Soviet Union or China, but when a bomb could be coming from any of 10 places, would it want to maintain that umbrella? And would any ally rely on it?"

Dr. Fred Ikle, Director of the Arms Control and Disarmament Agency, has described the problem succinctly:

We are basically defenseless against threats of nuclear attack that could come from a great many different sources rather than from one or two principal adversaries.

It is crucial, therefore, that all the nuclear suppliers agree to discourage the development of nuclear explosives by other nations. Offering a reliable supply of inexpensive fuel through large multinational facilities is one reasonable alternative to proliferation of nationally controlled enrichment and reprocessing facilities.

A nation insisting on owning and controlling such facilities in order to develop "peaceful nuclear explosives"—so-called PNE's—should be suspect. There is no discernible difference between a PNE and an atom bomb. And, as Luther J. Carter's article in Science magazine points out, recent U.S. studies have found no technological or economic advantage to PNE's over conventional high explosives.

Dr. Ikle, in recent testimony before the Government Operations Committee, discussed one possible use of nuclear explosives—terrorism. He stressed the need for an international convention to upgrade physical security at nuclear facilities throughout the world. He also described the consequences of a nuclear explosion at the hands of skilled terrorists in the event they steal plutonium and fabricate a crude atom bomb:

It is an event that would change the world.

Mr. President, much remains to be done, and little time remains to do it. Our State Department—and the foreign ministries of the other nuclear suppliers—must deal with the problem of nuclear spread as a world crisis. The President and the leaders of the other supplier nations—particularly the Soviet Union—should focus on the problem as one that threatens us all.

It is by no means clear, Mr. President, that we can bring the problem under control. I close by quoting James Reston's somber observation at the close of his June 4 column:

This is only one of many fundamental domestic and foreign policies President Ford has not had time to resolve, but in the long run it could be more important to the peace, safety and development of the world than most issues lately in the headlines.

EXHIBIT 1

CBS EVENING NEWS WITH WALTER CRONKITE

CRONKITE. During the Senate's defense and foreign policy debate, Rhode Island Democrat John Pastore strongly criticized West Germany for an impending agreement to provide nuclear reactors to Brazil. Calling this—quote—"a grave, new peril, right under the belly of the United States," Pastore urged Bonn not to proceed with the deal.

The reactors are meant for peaceful power uses, but more and more concern is being expressed about the number of nations attaining this nuclear capability. More on this from Robert Schakne.

ROBERT SCHAKNE. The peaceful use of atomic energy—a nuclear power plant being dedicated in Japan, one of six-hundred-and-fifty in operation, under construction, or being planned in thirty-nine different countries.

But as more and more countries build these nuclear reactors for research or to produce electricity, the fear is growing that some countries will use the same technology to build the atom bomb. Specifically, CBS News has learned that the United States is concerned about possible nuclear weapons intentions of seven nations—Israel, South Africa, Argentina, Brazil, Pakistan, South Korea, and Taiwan. While not naming the countries publicly, one U.S. official says that several nations appear to be making determined efforts to acquire the capability to build their own atomic bombs.

FRED IKLE [Director, U.S. Arms Control and Disarmament Agency]. The principal concern is that more and more countries and more and more places on this globe will have the capability to build nuclear explosives—not because they necessarily go directly to get a bomb but because they acquire reactors, reprocessing plants, fuel, which could, if they so decided, be manufactured into bombs later on.

SCHAKNE. The basic cause of concern is the inescapable fact that every nuclear reactor built for peaceful purposes—for research or to generate electricity—also produces plutonium, and plutonium is what atom bombs are made of. Most power plants being built will produce enough plutonium to make a Hiroshima-sized atom bomb every two weeks.

To build a weapon, a country would also need a facility for extracting the plutonium from spent reactor fuel, but that's not difficult to develop, according to physicist Theodore Taylor, one of America's leading experts on nuclear weapons design.

THEODORE TAYLOR [physicist]. The additional facilities they need are much easier to build with their own resources than the power plants themselves. Getting the raw plutonium is really the hard part of making a bomb. That's what made the Manhattan Project the huge enterprise that it was. It was getting that plutonium. The bomb itself was a relatively simple matter.

SCHAKNE. Of the seven countries whose nuclear intentions are suspect, Israel is the only one thought capable of assembling atomic weapons immediately and may already have done so. Israel's Dimona Reactor by now could have produced enough plutonium for ten bombs, and Israeli leaders say if the country needs atomic weapons, it will have them.

It's estimated that the other six nations on the list would need more time—most of them, several years—to develop nuclear weapons. All of them deny plans to build such weapons but all have taken actions that worry other countries. Among other things, Israel, South Africa, Brazil, Argentina, and Pakistan have refused to sign the Nuclear Weapons Non-Proliferation Treaty. In addition, South Africa has developed a still-secret process for enriching uranium. Enriched uranium can also be made into a bomb. The other five countries—Brazil, Argentina, Pakistan, South Korea, and Taiwan—have all tried to develop or buy their own plutonium processing facilities. A nation with such facilities would be capable of making nuclear weapons.

There's concern as well about countries like Spain, with a nuclear power program outside the international inspection system, and about future Middle East nuclear programs. What will happen in five years, when Iran and Egypt are scheduled to put nuclear power plants into operation? The experts also worry that the advanced industrial countries, like West Germany, Japan, Sweden, or Canada, might change policies against building atomic weapons if the less developed countries in any number started joining the nuclear weapons club. The world's strategic balance would have been changed.

Up to now, to prevent the secret building of bombs, the world has relied on the nonproliferation treaty and a system of international inspection of atomic power plants. But no one is sure that the inspection system is foolproof and, more importantly, twenty-nine countries have not signed the treaty.

Those who studied nuclear proliferation problems tend to be very pessimistic. They point to the failure of Russia and the United States to cut back on their nuclear arsenals. They point to international commercial rivalries, countries like the U.S., France, West Germany, and Canada, competing to sell atomic technologies to less-developed nations. We once called our civilian nuclear program "Atoms For Peace"—a modern version of beating swords into plowshares. But this could be the case where the plowshares will be beaten back into swords.

[From the New York Times, June 9, 1975]

NUCLEAR PERIL AND ITS PREVENTIVES

The world now stands on the brink of a major breakdown in the long struggle to halt the spread of atomic weapons. Ironically, the peril comes on the heels of a hopeful 65-nation conference in Geneva that reviewed the five-year-old Nuclear Non-Proliferation Treaty, endorsed its tightening-up and proposed new, far-reaching safeguards and institutions.

Even while the conference was meeting, however, secret negotiations were being completed by West Germany with Brazil and by France with Pakistan and South Korea for multibillion-dollar sales of nuclear technology. These projected sales include plants to separate weapons-grade plutonium from spent fuel rods—sales which the United States earlier had turned aside. Such plants could enable Brazil, Pakistan and South Korea to make nuclear weapons.

The only significant use for plutonium now is for nuclear weapons or other explosive devices indistinguishable from weapons. Commercial use of plutonium as a power reactor fuel depends essentially on perfection of the breeder reactor, which is not expected for fifteen to twenty years.

No commercial plutonium separation plant is now operating in the United States; the 52 American power reactors store their spent fuel rods for possible future use. It would take a $500 million chemical reprocessing plant serving thirty giant nuclear-power reactors to achieve the economies of scale that might make plutonium recycling commercially feasible.

It is evident that there is no valid commercial reason now for South Korea, Pakistan or Brazil to buy plutonium separation plants. No existing safeguards are adequate to prevent diversion of fissionable materials once these countries move into the nuclear field.

The United States has urged West Germany, France and other advanced nations, which supply nuclear reactors and other equipment to the world, not to export plutonium separation plants. It also seeks an agreement on other common rules to keep safeguards from being discounted in international commercial competition. One specific proposal, put forward by Washington and endorsed at last month's Geneva conference, would restrict plutonium separation plants to large-scale regional or multinational reprocessing centers. There plutonium could be extracted, adulterated against weapons use and the fabricated into new fuel rods economically with maximum security against theft or diversion to weapons production.

Since such centers are years away and American efforts to dissuade Bonn from the full Brazilian deal have failed, the United States now is urging both West Germany and Brazil to arrange joint management, if not ownership, of the Brazilian facilities to give them a multinational character. What concerns Washington especially about this deal is that it not only involves power reactors and plutonium separation technology, but facilities for uranium enrichment and fuel reprocessing, which will mean Brazilian possession of a complete fuel cycle—the first ever sold to a non-nuclear country.

A major danger in the German-Brazilian accord is the precedent it would set for other countries, particularly Iran, which is also seeking a plutonium separation plant. A $7-billion deal for the sale of giant American reactors has been delayed by American insistence that fuel-rod reprocessing, when

necessary, shall be in facilities to be agreed on by both countries. France and West Germany are reportedly offering Iran easier terms.

Egypt and Israel, which are not parties to the nonproliferation treaty, have been told by Washington that they can buy American reactors only if they commit themselves in advance to send their spent fuel rods abroad for reprocessing. But there are reports that Egypt is seeking less onerous terms from France.

The Soviet Union, which claims to be just as concerned about proliferation as the United States, sold a research reactor to extremist Libya a few days after Libya's ratification of the nonproliferation treaty last month. Washington earlier refused to permit an American sale.

The result has been complaint by American companies about a competitive disadvantage in the nuclear power market and the Ford Administration is split on the issue. Yet, yielding to the German and French business-as-usual attitude would be a tragedy, setting off a competition in which nuclear arms control would vanish.

What is needed is maximum exercise by the President of his powers of persuasion to bring West Germany, France and the other principal suppliers to early agreement on common rules—rules designed to inhibit, rather than ease, nuclear spread.

[From The Washington Post, June 9, 1974]

NUCLEAR POWER: THE HIGH-PRICED SPREAD

"The news on nuclear proliferation is bad," Fred Ikle, the Director of the Arms Control and Disarmament Agency told a conference audience not long ago. "Several countries, not now nuclear-weapons states, appear to be making determined efforts to acquire a capability that would enable them to build their own atomic bombs." The news has in fact gotten worse since Mr. Ikle made his remarks early in April. West Germany has evidently decided, in a breathtakingly rash move, to supply Brazil with the technology required to produce a nuclear bomb.

Needless to say, the transaction is not described that way by the parties involved. On its face, the deal to provide the Brazilians with the component machinery for a complete nuclear fuel cycle is intended to do no more than enable Brazil to utilize its plentiful supply of natural uranium as a source of energy. And the West Germans, bound as they are by the terms of the nuclear Nonproliferation Treaty, are obliged to condition the transfer of this equipment on the Brazilians' acceptance of monitoring by the International Atomic Energy Agency (IAEA), the Vienna-based group charged with ensuring that no part of the nuclear fuel used in such transferred equipment is diverted to the manufacture of explosives.

But that is only part of the story, and the rest is not so reassuring. In adding to the sale of power reactors not only a chemical reprocessing plant, but also a uranium enrichment facility, the West Germans will have gone well beyond the limits other suppliers of such technology have imposed upon themselves in these deals so far—making it immeasurably easier than it would otherwise be for the Brazilians to produce nuclear weapons. Moreover, the IAEA monitoring can guarantee only that *this particular* equipment will come under international scrutiny. This is because Brazil (like Argentina) has contrived to stay outside the terms of both the Latin American regional treaty renouncing the acquisition of nuclear weapons and the worldwide Nonproliferation Treaty. As a consequence, unless some special provision is written into the terms of its deal with the Germans, it will be free to duplicate the facilities the Germans provide, and no IAEA monitoring whatever would be required for such duplicate facilities. Presumably any acquisition of nuclear explosives would be a time in coming for Brazil (and Argentina and a number of other countries now acquiring nuclear power facilities). But over the years, Brazil—and many of those other countries—have created a record of statements that are at best ambiguous in relation to their intentions, and the prospect of their ultimately joining the nuclear club in some fashion is very real.

There is a lot of worry these days—and justifiably so—about this prospect. The plain fact is that the workings of the oil cartel have added new impetus to the quest of nations all over the world for nuclear energy, and the fuel and technology essential to providing such energy are readily usable to produce explosives. In addition, present regulations on suppliers are a mish-mash of voluntary and imposed restraints, some dictated by technological limitations of the suppliers and others by the treaty obligations of the various parties. The result has been that given the enhanced interest of a great number of countries in acquiring nuclear power and research facilities, some of the commercially competitive suppliers have taken to making their wares more attractive by offering to provide material that is very difficult to safeguard against misuse. The Brazilians, for example, might have purchased their reactors from the United States if we were also in the business—which we are not—of selling the reprocessing plants necessary to get at weapons-grade plutonium, and if we did not have a self-imposed ban on the export of the technology and information required from uranium enrichment (which can also produce weapons-grade fuel).

Since it is idle to suppose that the quest for nuclear energy can or even should be turned back, the question becomes one of governing the development of these facilities and on contriving genuinely adequate safeguards for the growth—worldwide—of this technology. In the relatively long term, it seems obvious to us, the kinds of multinationally owned and internationally supervised fuel cycle facilities that are under discussion in various forums among the concerned would be a good and important development. For the shorter term we believe that the IAEA machinery should be strengthened and that—above all—the supplier countries (the United States, Canada, the Soviet Union, France and Germany principally) should undertake an urgent effort to contrive among themselves uniform standards of safety and prudence to apply to their transactions. The element of adding attraction by adding danger must be removed from the commercial competition, and we believe this can be done in a way that will not create a substantial disadvantage to any supplier-country. Again, those concerned with this risky business should be thinking in terms of establishing some orderly control over fuel supply as well—long term control that will become increasingly essential.

Some of these steps have already begun to be taken, but in a way far too desultory to meet the urgency of the situation. It may be true that the day when nuclear weaponry has spread beyond control is nowhere at hand. But the decisions are at hand—e.g. the German-Brazilian transaction and the negotiations going forward with a host of other countries—that can make such spread a foregone conclusion.

[From Science magazine, June 6, 1975]

PEACEFUL NUCLEAR EXPLOSIONS: PROMISES, PROMISES

(By Luther J. Carter)

Many arms control specialists have long been saying that programs for "peaceful nuclear explosions" (PNE's), either here or abroad, do not hold enough promise to compensate for the seemingly impossible difficulties they put in the way of achieving a comprehensive treaty to ban the testing of nuclear weapons. Now, two contract reports prepared for the Arms Control and Disarmament Agency (ACDA) indicate that, even if the U.S. government reinvigorates its now quiescent PNE program, commercial application of PNE's will not come before the 1990's, if indeed it ever comes.

One of the reports was done by the Gulf Universities Research Consortium (GURC) at Galveston, Texas, under a $113,000 ACDA contract. Principally, what GURC did was to examine the feasibility of what is regarded as the three most promising PNE applications, namely, detonating nuclear devices to (i) prepare oil shale for in situ retorting, (ii) stimulate the flow of natural gas in "tight" rock formations, and (iii) create storage caverns for natural gas and oil.

The other report was prepared by a panel chaired by Franklin A. Long, professor of science and society at Cornell University. The Long panel used the GURC study as the jumping-off point for its own brief analysis of the economic and technical feasibility of a wide variety of PNE applications. And, as in the case of the GURC report, its study encompassed only technical and economic factors, with political considerations left aside. Although it generally embraces the GURC report and its conclusions, the report of the Long panel is broader and in some respects more skeptical. Yet the panel was by no means dominated by individuals who might be suspected of an arms controller's bias against PNE's. The chairman and two other panel members have been closely identified with arms control issues, but the other five members of the group were specialists in petroleum engineering or marketing.

The Long panel points out that the United States has spent about $160 million on PNE experiments since the PNE program began in the late 1950's. Two-thirds of that amount has been spent on earth-moving or cratering experiments; most of the remaining third has gone for a series of tests to stimulate natural gas.

It was these gas-stimulation shots—Gas Buggy in New Mexico and Rulison and Rio Blanco in Colorado—that led to the first vigorous public opposition to PNE's in the United States. The opposition has been so intense that Colorado has amended its constitution to forbid such shots without approval of the electorate, and Congress in the current appropriations act has declared that no money shall be spent on "field testing of nuclear explosives in the recovery of oil and gas." The latter injunction was gratuitous, however, because interest in the PNE program has fallen to such a low level that the only money budgeted for it is about $1 million to study the effects of the Rio Blanco shot.

The Long panel report indicates that PNE applications are likely to come off second best when compared to alternative ways to achieve the same ends. For instance, after recalling the discouraging results of all the previous gas-stimulation shots, the panel noted GURC's finding that industry believes an alternative technique, massive hydraulic fracturing (MHF), holds more promise.

With respect to preparing oil shale for in situ retorting, the panel again compared the proposed PNE technique to the more conventional (though also unproved) technique known as the Garrett process. In each case, the aim is to create, within deeply buried beds of shale, tall "chimneys" of rubbled rock in which the retorting can occur. One problem is using PNE's lies in the danger of "blowing through" from one chimney to another if the chimneys are placed close enough together to permit recovery of even 25 percent of the shale oil.

The "most straightforward" and proven of the PNE uses, according to the panel, is that of creating storage cavities or caverns for oil or gas. But the panel concurred with GURC's view that the probability of such a PNE application by 1990 is small. The most convenient places to store oil and gas are those near populated areas, where use of PNE's would be unacceptable. Also, there are attractive alternatives to PNE-created storage cavities, such as abandoned coal or salt mines.

By far the most ambitious of the other PNE applications considered by the Long panel was the one now going under the name of Project Pacer. The Pacer concept (*Science*, 11 April), which represents a possible shortcut to fusion energy, would be expected to produce electricity and to breed fissionable material. Thermonuclear devices would be fired inside huge, partly water-filled cavities leached out of salt domes.

Through use of a heat exchanger, the radioactive steam from the cavity would be used to make secondary steam to operate the power turbines. At the same time, the primary steam would be "milked" of the uranium-233 or plutonium-239 it contains as a result of the thorium or uranium included in the explosive device. For a 2000-megawatt facility, two 50-kiloton devices would be detonated each day, or roughly 750 each year, all within the same cavity.

The panel did not dismiss Pacer as out of the question, but it pointed out that this project—now under consideration by the Energy Research and Development Administration (ERDA)—would face perhaps insuperable technical problems.

Originally, the GURC report, on which much of the Long panel report was based, was to have been a government document representing a consensus of view of all the interested agencies, chiefly ACDA and ERDA. As such, the report could have become one of the official documents of the Non-proliferation Treaty (NPT) review conference now going on in Geneva. But, as work on the report progressed, it seemed to officials such as Harold B. Curtis (now in ERDA's conservation program, but formerly chief of special studies in the old AEC's division of applied technology) that the report was reflecting an ACDA bias against PNE's. For instance, there was a feeling that, in the discussion of alternatives such as MHF, much was made of their advantages but very little was said of their drawbacks. Accordingly, what finally happened was that there was no inter-agency agreement about the aid of their drawbacks. Accordingly, there was no interagency agreement about the report, and it was made public simply as a contract study.

Actually, neither the GURC nor the Long panel report comes across as an anti-PNE document, however much they may lay bare the PNE's disadvantages. Indeed, the Long panel recommends more economic analysis of PNE technology and, if the outcome of such analysis is encouraging, more research to perfect the technology. The report will be criticized by some arms controllers for not taking a hard line against PNE's. Besides complicating efforts to achieve a comprehensive test ban, the PNE issue militates against wider adherence to the NPT. Nations such as Brazil, Argentina, and India have used past promises of successful PNE's as justification for not signing the treaty.

FORMER SENATOR KENNETH B. KEATING

Mr. MOSS. Mr. President, few men have had an opportunity to serve their country in every branch of their government, and to perform as brilliantly in each of them as did our former colleague, Kenneth B. Keating, who died unexpectedly last month in New York after what was thought to be only a mild heart attack.

His broad range of public service included six terms in the U.S. Congress, a term in the U.S. Senate, election and service as associate justice to New York State's Court of Appeals—its highest court—and Presidential appointments and distinguished performance as U.S. Ambassador first to India and then to Israel.

He was also one of the most patriotic and courageous of Americans—serving his country in two world wars. He enlisted in World War I as a private and was mustered out a sergeant. He went back into service in World War II, emerging as a brigadier general. During these two periods of military service, he won many decorations.

Ken and I were elected to the U.S. Senate in the same year—the class of 1958. Although we sat on different sides of the aisle, I always felt that he was one of my especially good friends. I had a warm and affectionate regard for this gifted man who became such an outspoken expert on both national and international affairs—and never pulled any of his punches. We all remember his liberal and progressive stance on civil rights, and his strong defense of the Supreme Court desegregation decisions. He had a knack for finding the right phrase, and his oratory is legend.

Ken Keating was one of the most jovial and affable persons who ever lived. His wit was delightful. He always conducted himself with dignity and poise, and stood proudly for the things in which he believed.

Ken made an outstanding record as American Ambassador in the sensitive post of India, and at the time of his death was dedicating himself to a search for peace in the Middle East as Ambassador to Israel.

We have missed him in this Chamber ever since his departure from it, and now the whole Nation—the world as a whole—will miss him. His ability, dedication, and talent will be hard to replace.

AMERICAN MISSIONARIES IN VIETNAM

Mr. HUMPHREY. Mr. President, a number of Members of the Senate, like myself, have been most concerned about the whereabouts of nine American citizens who have been missing in the highlands of South Vietnam for more than 6 weeks. Those of us who have followed this case and who have sought to obtain information concerning their whereabouts were delighted to learn that eight of the nine Americans are reported alive and well, although under detention, in Pleiku province in South Vietnam. Unfortunately, there was no news of a ninth American, James Lewis, an American Consular official, who was reported to have been captured at Nha Trang.

Upon receiving this report filed by the UPI from Saigon on June 5, I immediately dispatched a telegram to the Provisional Revolutionary Government Embassy in Paris. In that telegram I urged that the new Saigon authorities arrange, by whatever means they chose, for the early return of these American citizens.

I know that all Members of the Senate will join me in expressing satisfaction that these Americans have been cared for and in hoping that an early return can be arranged.

RABBI ISAAC C. AVIGDOR

Mr. RIBICOFF. Mr. President, Rabbi Isaac C. Avigdor is a spiritual leader of the United Synagogues of Greater Hartford. The rabbi is an old and dear friend of mine. He is an outstanding religious leader who has the respect of his congregation and the entire community.

His book, "From Prison to Pulpit" has recently been published. It is an outstanding book that deserves wide reading. Marjorie Harthan Fay reviewed it in the Hartford Times of Saturday, June 7. I ask unanimous consent that the review be printed in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

SURVIVOR RECOUNTS NIGHTMARE OF CAMP

(By Marjorie Harthan Fay)

When an adult Jew is identified as "A Survivor" there is only one universal meaning—that Jew survived the 20th Century's attempt to eliminate a race of people in German death camps.

Thirty years ago last month, Isaac C. Avigdor was released from the Matthausen camp and now, in a privately published book, he has recalled his youth and young manhood as a member of an upper class Jewish family in Poland, his ultimate capture and incarceration, and near death and survival.

Looking back at those days from an affluent American suburb, Rabbi Avigdor can hardly believe it happened to him. Now spiritual leader of the United Synagogues of Greater Hartford, Rabbi Avigdor says he is fulfilling the pledge to so many of those who perished that the story must be told and never forgotten.

His book "From Prison to Pulpit," is not exclusively devoted to his prison life, but rather includes sermons especially for each religious holiday; a series of tributes to his father, a rabbi who after the war was chief rabbi of Mexico, and appeals to contemporary Jews to remember their religious heritage.

Rabbi Avigdor's recollections are fresh and poignant. He was able to keep many of the diaries he wrote as a young man in a death camp. His diaries and observations answer many compelling questions.

One that occurs to many Americans was the apparent passivity of Jews who seemed to accept their fate without a murmur.

Rabbi Avigdor cites answers: the Warsaw uprising, where resistant fighters battles 42 days knowing they could not win.

He writes about the 1943 battle. "Their (the fighters) greatest tragedy was that they stood alone. As throughout history, no one offered a hand to help the Jewish fighters in their struggle against the oppressors. Yet they were not discouraged."

Rabbi Avigdor also writes about resistance: "I am positive, though a lot of people may disagree, that had we undertaken an open armed revolt against Hitler, there could not have been any Jews left in Europe at all. There were none left in the Warsaw ghetto.

"We know now that in spite of the great historical value of the Warsaw ghetto uprising, as one of the sublimist deeds in our long and tragic history, it did not awaken the conscience of the Alliance. The desperate cry for help of the Warsaw fighters remained unanswered."

Rabbi Avigdor still lives with two rather devasting conclusions.

"I learned that culture, civilization, progress—call it what you will—can raise the moral and ethical level of individuals, perhaps, but never of society as a whole.

"Nations and countries will always remain primitive beasts in their human family relations. They will utilize culture and civilization only as a means of exterminating one another more efficiently and more speedily."

He has also learned "how relative are the words 'good fortune.' In concentration camps and ghettos, yesterday's salvaged morsel of dried bread was the greatest treasure imaginable, far above the most extravagant comforts and luxuries of normal times.

"Devoid of a future, faced perpetually with a death warrant, our entire fate centered upon that infinitesimal fraction of time, that elementary fleeting moment in the present, revolving around that untouched morsel of bread."

Yet earlier in his recollections, Rabbi Avigdor writes "No matter how much the enemy was scourging or torturing us, there was never any pessimism or despair of that kind that would bring about the thought of self-destruction.

"So mightily were we all nerved, by our will to live, by the inner knowledge that eventual victory was on our side, that we considered living an extra day or even a few hours, the greatest heroism . . . we practiced the art of restraint, though it came to us at a high price of humiliation."

Rabbi Avigdor's greatest fear that "even we who were there are beginning to forget."

Rabbi Avigdor writes that "It is no longer a secret that the world knew and remained silent. America, England, the Pope, famous scientists and scholars—they knew well all the details of the horrors being perpetrated by Hitler and the Nazis.

"Neither is there any longer any doubt that if there had been a desire to do so, hundreds of thousands of Jews could have been saved. There are official documents that detail the world's crime of silence. The world's silence was a son of almost the same magnitude as the murder committed by Hitler's henchmen. Those who remained silent were accomplices to, and share the guilt for the murder."

AMBASSADOR SCHNYDER SPEAKS IN INDIANAPOLIS

Mr. HARTKE. Mr. President, on April 6, the Eisenhower Scholarship Foundation in Indianapolis, Ind., had the great honor of hosting the distinguished Ambassador to the United States from Switzerland, His Excellency Felix Schnyder.

Ambassador Schnyder's remarks to the awards ceremony audience describe the many contributions the Swiss settlers have made in Indiana and throughout America, and the great achievements of President and General Eisenhower.

Mr. President, I ask unanimous consent that Ambassador Schnyder's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY FELIX SCHNYDER

My wife and I are both delighted to be here with you in Indianapolis today and we are grateful to you for receiving us to kindly.

We have dear friends among the men who very ably represent the State of Indiana in Washington, D.C. Listening to them we know that this is one of the finest States in the Union. That this is so is also shown by the fact that, in the past, many Swiss have come here. They found great opportunities in this land and they, in turn, certainly also contributed to its growth. Swiss have settled down in a city they named Vevay, in Switzerland County. When they came here at the beginning of the last century they were among the first in America to introduce the art of wine making and wine drinking. I am told that this joyful achievement is still celebated every year in a great Wine Festival. Yesterday, we had a friendly visit with the Mayor of a city not far from here that bears the name of Bern, the Capital of Switzerland. We are very proud too that there is even a town in your State called Tell City after the national hero of Switzerland.

But most of all, we are gratified to be associated today with the magnanimous endeavors of the Eisenhower Memorial Scholarship Foundation, giving promising and bright youngsters the most valuable gift for their future life.

I have been told that, on this lofty occasion, I would be allowed to say a few words about the Swiss peoples attitude and feelings towards the late President Eisenhower and the importance of a free world. Let me try.

When, talking with a Swiss, you mention the name of Eisenhower, two prominent facts are likely to come to his mind right away:

Firstly, the fact, of course, that as Commander in Chief, he led the Allied forces to their victory, thus ensuring the survival of freedom in Europe. Miraculously, the lonely fortress of the neutral country of Switzerland in the center of Europe, defended by its armed citizens, held through the years of menace. We recognize with gratitude that what America and General Eisenhower did for freedom in Europe was vital for us too.

Secondly, we Swiss particularly well remember the Summit Conference in Geneva in July 1955, where President Eisenhower went in the belief that it was necessary and possible to get along with the Russians and to find a way with them to master the potential dangers of nuclear warfare.

Thus, I think, the Swiss well grasp the historic role of Eisenhower as, on the one hand, a heroic military leader and, on the other hand, a statesman dedicated to the cause of peace.

During his whole Presidency, Eisenhower indeed showed his determined will to work for peace.

We Swiss have a special reason to recall that, at the beginning of his Presidency, he brought the war in Korea to an end. Five countries, including Switzerland, were then asked to participate in two Neutral Nations Commissions, one of which still exists in the Demilitarized Zone. Even if hardly anybody talks anymore of this Commission and even if it really has not much practical work to do any more, we feel that, as a member of the Commission, the Swiss team still has an opportunity to serve at least as a symbolic element of peace in that remote land.

We still sometimes met distinguished people in Washington, D.C. who, during the Eisenhower Presidency, worked closely with him and who speak of him in terms of deep respect and admiration. One of them in a conversation recently referred to the most striking aspect of Eisenhower's role. Accord- to him, the most remarkable feature of his Presidency can be seen in his attitude towards power. Evidently, what was meant was the use of power by officials in the Government and the use of power by the Government: Eisenhower's concept of power, rather of the necessity of restraint in the use of power, can indeed serve as a key to a deeper understanding of Eisenhower's stance nationally and internationally.

He never forgot that, as President, he was not the ruler but the first servant of the Nation. This is very much in line with what we expect from our officials in Switzerland. This corresponds to the basic principles of our Constitution which, as you may know, was indeed originally inspired by the American Constitution.

The Swiss also fully share his conviction that power, however necessary as a means to ensure peace and security, must not be used in international life by countries to impose their will on each other. Eisenhower stood up for the idea of international law.

He was ready to appeal as far as possible to the international institutions to deal with conflicts as well as for the development of international cooperation.

Considering the harsh critics which the United Nations and UN actions often meet, and however justified or unjustified such critics may be, it is noteworthy to see to what extent the positive approach of President Eisenhower towards the World Organization has repeatedly proved to be effective.

In this context the most striking example is the Suez Crisis in 1956. Eisenhower opposed onesided use of military power to settle international problems, and stood up against the British-French action there. He backed up the intercession of the United Nations that led to a quite smooth withdrawal of the invading forces.

When, in 1958, Eisenhower decided to send troops to the Lebanon, he did so at the urgent request of the Government of that country and right from the beginning with the understanding that as soon as possible the UN should step in and after a few months the latter indeed made it possible to terminate the US action in the Lebanon.

Finally, in 1960, when the Congo Government addressed a pressing request for direct military assistance to the US, Eisenhower told them: "Do it through the United Nations". He well understood that big power intervention in the Congo crisis could lead to very dangerous world tensions. He favored the creation of an UN-Presence, thanks to which the Congo finally regained its unity and inner peace.

The whole series of these events—and also President Eisenhower's decision not to intervene with US-forces in Vietnam—give quite a consistent picture of the firm and wise posture he took in world affairs.

When, years later, in his work published under the title "Waging Peace" Eisenhower spoke of his Suez decision he said himself very eloquently:

"And if the day ever comes when the nations of the world will obey the mandates of international law, whether they approve of them or not, the end of international conflicts as we know them, will also not be far off".

President Eisenhower took the same constructive open-world stand with respect to economic and social problems. In a speech, when accepting renomination for the Presidency in 1956, he pointed out:

"There can be no enduring peace for any nation while other nations suffer privation, oppression, and a sense of injustice and despair. In our modern world, it is madness to suppose that there could be an island of tranquillity and prosperity in a sea of wretchedness and frustration."

President Eisenhower did not hesitate either to give practical effect to this view. I am not going to illustrate this with an unending list of examples.

But we have to single out one shining and tremendously important example, that of President Eisenhower's Atoms for Peace Program which, finally led to the creation of the International Atomic Energy Agency in Vienna.

Another of the fields of international cooperation strengthened by President Eisenhower's policy, which I am going to highlight, is the international work for refugees. I hope you will forgive me for insisting on this particular topic in which I have a special personal interest since I had the opportunity to serve as United Nations High Commissioner for Refugees in Geneva during five years from 1961 until 1965.

It was President Eisenhower who, in 1953 after a contact with Queen Juliana of the Netherlands, made possible renewed concerted international actions for refugees, still unsettled in the aftermath of the Second War. It is gratifying to read the following short paragraph of a letter President Eisenhower addressed to Queen Juliana on April 4, 1953:

"Present efforts to re-establish refugees either through integration in their present countries of residence or emigration, should be intensified. I am confident that the free world will respond to meet the challenge which the refugees present not only because they are human beings whose dignity and self-respect are at stake, but because they desire with us to play their part in achieving peace and order in the world."

Then, in the Fall of 1956, when the UN did not succeed in holding up the dramatic events in Hungary, at least the over 200,000 refugees, victims of these turmoils, were not abandoned. In that instance, the U.S. Government under President Eisenhower made very essential financial efforts.

Furthermore, President Eisenhower was able to ensure the admission of 37,000 Hungarian Refugees to the U.S. These refugees were received in many States of the Union, many of them also right here in Indiana.

All this makes for a fine chapter in the story of Eisenhower's Presidency. But there is something else I would particularly like to stress on this occasion.

It has been and still is of essential concern to the United States that international aid and international cooperation should not be loaded too onesidedly on the shoulders of this great country and its citizens. The postulate of "Burdensharing" well characterizes his concern.

In the tragic circumstances of the Hungarian Refugees, this postulate of "Burdensharing" was well met; thanks to an unparalleled generosity of the international community all the over 200,000 refugees found asylum in many countries and received help to start a new meaningful life.

What the U.S. did in this instance not only directly benefited a great number of uprooted people in dire need but it also encouraged the other nations to do their part so that the whole refugee problem was effectively solved in a remarkably short time.

With his very humane, constructive and on the whole quite successful international role, President Eisenhower has certainly helped to lay the ground for a beneficial longer term orientation of the American foreign policy. Of this, we are quite aware when we now hear President Ford, as in his speech a few days ago, at the prestigious University of Notre Dame in South Bend, Indiana, appeal for continued foreign aid and other forms of international solidarity, stressing that "America cannot go it alone".

Secretary of State Henry Kissinger, expressing his views on the more and more urgent imperatives of our time—and having of course especially the energy crisis in mind—likes to use the terms of the "Interdependence of Nations". With this too, President Eisenhower would have certainly agreed.

Looking back from the vantage point of the historic distance of hectic years past since Eisenhower's Presidency, his views and actions still make very good sense.

I am approaching the end of my remarks. But before concluding I would like to make one point that, it seems to me, is of particular importance to all of us.

I have tried to base my remarks on the fact that Dwight D. Eisenhower, the man in the position of greatest power in his time, made restraint of power such an essential guideline.

I am convinced that this attitude can only be explained by Eisenhower's humility and his deep respect for the real values of human life. He understood that only in a free society can humans find their fulfillment and that, in turn, the society of human beings cannot grow without the creative strength of free people. He knew that Government must give widest possible leeway to the spirit of free initiative and the pride of selfreliance of its citizens.

This, we should particularly keep in mind at our difficult time when sometimes insensitive forces of modern society more and more tend to overwhelm the freedom of the individual and when burning social and economic pressures put the real strength of the Americans, like the Swiss—the ability and the will of our peoples to stand on their own feet—to such a hard and painful test.

Thank you.

RURAL ELECTRIC COOPERATIVES LAUNCH EFFORT FOR IMPROVED RURAL HEALTH

Mr. HUMPHREY. Mr. President, I have often praised the Rural Electrification Cooperatives for the role that they play in furthering development and improving the quality of life in rural America.

I am happy to report their determination to play a constructive and helpful role in improving rural health care in this country.

I wish to point out an editorial and three articles from the June issue of Rural Electrification, "Agony in Rural Areas," "Helping Comes Naturally," and "Learning and Caring," which expand on this program.

I have written to Mr. William Murray, coordinator of the program, congratulating him on this effort.

Mr. President, I ask unanimous consent that these articles and my letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRESCRIPTION FOR GOOD HEALTH CARE

For nearly 15 years, rural electric cooperatives have actively supported efforts aimed at reversing migration of rural people. It is estimated that some 30-million farm and other rural residents left rural America between 1940 and 1970.

These efforts on the national level have focused on alerting Congress to major needs of rural areas and seeking legislation to deal with them. High on the priority list over the last decade and a half has been legislation to develop new job opportunities, community facilities and housing. The results have been extremely beneficial to both rural communities and rural electrics and their members, with the potential of even greater impact in the years ahead. An indication of the benefits is reflected in this year's USDA budget for rural development loans and grants of approximately $6.5-billion. This compares to $1.8-billion in 1969.

Through their national association, rural electrics took the lead not only in convincing Congress of the needs for increasing rural development financing, but in expanding the kinds of projects for which federal loans and grants could be obtained. Foremost among these were projects that created jobs for which the USDA budget is providing $350-million this year. Also of major significance is the authority for financing essential community facilities of all kinds ranging from firehouses to health facilities. Until the passage of the Rural Development Act of 1972, there was available very little credit for job-creating enterprises. For instance, the Economic Development Administration, a principal source of this kind of financing in rural areas, had only $15-million last year—and USDA community facility loans were limited to water and sewer systems.

While the implementation by the administration of the rural development legislation leaves much to be desired, it obviously has made a significant contribution by providing thousands of new housing units, new jobs and badly needed public facilities.

Partly as a result of what rural electrics have been able to do nationally and locally, rural areas are gaining population and outmigration has virtually stopped. During the first three years of the 1970s, nonmetropolitan counties have experienced a net growth of 1,100,000 people.

Although economic growth and community facilities remain high on the rural development agenda list, another item was designated top priority by rural electrics at their last annual meeting; namely, health and medical care.

It is a serious problem in both rural and urban areas and one that is receiving major attention from the administration and Congress. Unfortunately, the solutions that are being proposed are designed mainly for urban areas. For example, a national health insurance plan that is limited to paying for health care would be of questionable use in many rural places until enough health care facilities and health manpower are available to deliver the services. Several of the existing laws discriminate against rural areas in a number of ways and contain an "urban bias."

While there is sufficient knowledge and technology to establish an adequate health delivery system for most of rural America, archaic laws, apathy and vested interests are some of the roadblocks keeping it from happening. The doctor shortage, contrary to what many may believe, is not the main impediment.

In the meantime, the rural health care system continues to deteriorate as evidenced by the increasing shortage of doctors, dentists and other health workers; by the closing of small hospitals, and by the approximately 500 counties classified as "critical shortage areas" of which 140 have no physicians at all. A critical shortage area is one where there is only one doctor per 4,000 residents. The national average is one doctor per 650.

Last October, during hearings on rural health by the House Subcommittee on Rural Development, Rep. Bill Alexander (D-Ark.) summarized pointedly what must be done. He said: "One thing already seems clear from this subcommittee's study. Programs in health care for the countryside need a grassroots constituency movement. Local community leaders need to join with their neighbors from state to state across the land. They need to make their voices heard in the solemn halls of Congress and the carpeted offices of the executive branch on behalf of better health care for themselves and their children."

The resolution adopted by the NRECA membership three months later accepts this challenge in the four major objectives it sets for a national rural health campaign and it calls upon its national association to:

Focus national attention on the health care needs of rural areas and enlist the support of interested groups in providing for these needs;

Develop an effective constituency for adequate rural health care;

Coordinate the efforts of the membership and advocate equitable legislation and administrative implementations.

If rural electrics and others concerned with the future of rural America are not successful in solving this critical problem, then a new wave of outmigration is likely. Adequate health care is something people cannot do without.

AGONY IN RURAL AREAS

Howard Bethel remembers vividly an active seventh-grader stricken with acute appendicitis in the schoolyard in Willcox, Ariz.

Terrified parents racing 60 miles over bad roads to the nearest hospital, their son in agony on the back seat.

Howard Bethel survived that appendicitis attack was graduated from Willcox high school, won a scholarship to Arizona State University, served in the U.S. Army Medical Corps and returned home to work for the local rural electric cooperative.

Today Bethel is manager of Sulphur Springs Valley Electric Cooperative with headquarters in the old elementary school building. Co-op trucks now park on the old playground. And on the outskirts of Willcox a modern 24-bed hospital stands ready to meet the medical needs of the town and surrounding rural areas. No 50-mile rides to a hospital now, thanks in large part to Howard Bethel's contributions to a community hospital construction campaign.

"When I returned from the service there still was no hospital in Willcox," Bethel remembers. "But I felt that my training in the Army Medical Corps, combined with the skills and responsibilities of a co-op manager, gave me a unique background to help lead a community campaign for a new hospital.

His skills led to his election as president of the Northern Cochise Community Hospital and secretary of the Northern Cochise Hospital District. Bethel has served as board president since the hospital opened in 1965.

Bethel explains the usefulness of his army experiences: "Advanced electronic technologies are used every step of the way to communicate between paramedical personnel on the front lines and doctors in rear areas. Innovative use of helicopters in combat moves patients quickly from first-aid stations to field hospitals to huge medical centers giving medical care as needed. The use of paramedical personnel was especially helpful in getting medical care to isolated areas and in assisting doctors and registered nurses all along the chain of medical care."

A three-year community drive with Howard Bethel and the Sulphur Springs Valley Electric Co-op actively involved paid off when the new 24-bed community hospital opened in 1965.

The Northern Cochise Community Hospital incorporates many elements of the military approach to deliver first-rate medical care to patients from Willcox and surrounding rural areas. Helicopters are used to evacuate injured or sick patients from isolated farms and ranches in Cochise County and to transport patients to special care at larger hospitals in Tucson or Phoenix. Doctors fly into Willcox in private planes to conduct clinics or perform emergency surgery. Modern electronic equipment is used in consultation between the community hospital and specialists in Phoenix. In-service training for nurses and paramedical personnel is a continuing education requirement for hospital staff.

No doctor in Willcox is denied access to medical information or advice because of distance or time. Physicians at the small hospital can dial into the university medical library for research or instruction. An electronic network keeps the hospital staff in instantaneous contact with the University of Arizona Medical School or out-of-state facilities. The community hospital trains and relies heavily on paramedics to insure total health care for patients. Paramedics are persons trained as doctors' assistants. With the critical shortage of doctors, paramedics are a new and innovative approach to health care in rural health centers.

Nurse practitioners are trained at the hospital and sent to rural areas without a doctor to conduct clinics and diagnose cases for referral to the hospital. The 22-bed nursing home attached to the hospital building serves the aged of Cochise County.

An extensive program of preventive medicine is underway with clinics manned by doctors and specialists from Phoenix and other cities scheduled several times weekly.

The community hospital has solved many of the area's health requirements but some problems remain. According to Tom Jackson, hospital administrator, the biggest problem in any rural area has been and still remains the challenge of attracting and keeping physicians.

Looking back, Bethel says, "Working for construction of the hospital and now being president of the board involved in future expansion have been among the most rewarding experiences of my life. When I drive past the new hospital, it's a good feeling to know that my family, my neighbors and co-op members have the security of having the best medical care available.

"It's been worth all the hard work and sweat."

COCHISE AND THE CO-OP

Arizona's Cochise County is a living museum of Southwest heritage. Its history spans the ages from ancient Indian culture, Spanish conquistadores, frontier forts, Indian wars and cowboys to modern farms and superhighways.

The beauty of the land combined with its rich history has helped make Cochise County a vacation mecca for many years. When county officials began plans to build a visitor's center and museum of the Southwest in 1970, they looked to Howard Bethel for leadership. Bethel qualified on three counts: He had the administrative ability; he was a native who knew and loved the county's rich heritage; he was willing to lend his time and talents.

Bethel was elected president of the museum board during preconstruction planning and still serves in that post today.

One of the museum's best attractions is a living one, Nino Cochise, grandson of the famed Apache chief, Cochise. Age 101, he greets visitors to the museum with first-hand accounts of the great Apache wars that ravaged the county until the 1880s.

The striking modernistic visitors' center and museum building on the outskirts of Willcox along Interstate highway 80 is visited by thousands of motorists heading west annually. School children tour the muesum as their first introduction to the history of the Southwest. Many tourists stay on to make Willcox their base for exploring the scenic, historic and recreational attractions of Cochise County.

The growth of tourism has become an increasingly important economic factor. Sulphur Springs Valley Electric Cooperative, with headquarters in Willcox, serves over 16,000 members spread across an area larger than three of the New England states. Irrigated farming is the basic industry in the area. The electric co-op serves all the county's farms and ranches, and most of the historical attractions in a service area that stretches from the New Mexico state line to the east, south to the Mexican border and west along highway 80 halfway to Tucson.

All of Cochise County is electric co-op country. Howard Bethel sees his involvement in community projects as a natural extension of his co-op duties and philosophies.

"The hospital, the museum and the electric co-op are places where I can use my skills and talents to contribute to making Cochise County a better place for our children's future."

HELPING COMES NATURALLY

C. A. (Bud) Nordquist began working at the electric cooperative and for a community hospital at about the same time.

When he joined the Navopache Electric Co-op at Lakeside, Ariz., in 1949, there was only one small hospital to serve the rural people scattered across almost 500 square miles. A small company clinic served the lumber industry in McNary.

For 25 years Nordquist has lent his untiring leadership and special talents to a community medical drive that still continues. Navopache District Hospital, a fully accredited, modern 34-bed hospital, now serves the area but he remains active in plans for future expansion.

"It's natural for a co-op manager to become active in community development projects. His training and experience give him unique qualities for leadership and his skills in administration, accounting and dealing with federal red tape are vital for a small rural town attempting to put together something as complex and demanding as a community hospital," Nordquist feels. "It's all part of the co-op philosophy of helping people. You contribute what you know and work together for a common goal."

The first organizational meetings for hospital planning were held in the Navopache Electric board room.

The co-op board voted to advance funds for preconstruction surveys and planning. Funds advanced to initiate the community hospital project were repaid when the hospital opened.

Nordquist was named secretary of the hospital fund drive. Today he remembers this as some of the hardest, most demanding work of his life. "I was responsible for raising and disbursing funds during construction. Making sure we met federal regulations was a real chore. The maze of red tape and the mountain of paper work were staggering. But my background in co-op management was invaluable in getting the job accomplished."

A plaque unveiled during the Navopache Hospital dedication cites the work and devotion of Nordquist and others who pooled their energies and talents to make the hospital a reality.

The hospital has done wonders to increase community morale according to hospital Administrator Dura Jones. "In a rural community a hospital touches almost everyone's life. People have a real pride in this hospital; it's theirs and they support it actively."

Hospital Administrator Jones had words of praise for the active involvement by Navopathe Electric and Nordquist.

"The co-op was the first organization to step forward when plans for the hospital began. And it came through time after time during the long haul. Its initial interest and support gave momentum to the success of the whole project. Bud Nordquist was invaluable to us. He gave unstintingly of his time and his unique talents when we needed them most."

Nordquist stays active in the community hospital as secretary of the board of directors. One point he stresses is speaking up for rural needs in hospital policy. "I feel I represent our rural members and their medical requirements. I can give advice and educate medical leaders on the special needs of rural people."

LEARNING AND CARING

A small rural clinic in northern Florida has been turned into a working medical classroom in an innovative effort to bring primary health care to rural residents.

The setting for this university medical school/community health venture is at the Lafayette County Health Center on the outskirts of the county seat at Mayo, Fla. (Not to be confused with the Rochester, Minn., Mayo Clinic, which it sometimes is.)

Tessie Stephens, who drives over 30 miles from her farm for check-ups, calls the clinic "a blessing; I don't know what my family would do for medical care without this clinic." Like many rural people, the Stephens family has no health insurance. In the past they did without medical care. Mrs. Stephens says she and her seven brothers and sisters never went to a doctor while they were growing up on a farm in Lafayette County.

C. F. Hart, president of the board of Suwanee Valley Electric Co-op, which serves Lafayette County and three other northern Florida counties, remembers community campaigns to recruit a doctor for the area. "The old country doctor died in 1959 and for the next ten years we tried in every way we could to get a doctor to replace him. We came close but never succeeded. I had almost given it up as impossible when the health center was built."

From its opening six years ago, the Lafayette County Health Center has been a working classroom with student nurses and medical students from the University of Florida Medical School at Gainesville serving at the center as part of their medical education. The center's stated goals have been twofold:

Provide primary health care to an area that was without a doctor; provide a setting for training in primary health care for medical students from the University of Florida's schools of medicine and nursing.

The Lafayette County Health Center opened in January, 1969, to offer the best possible primary health care at reasonable cost to all the people of Lafayette County and to establish a setting in which students and staff from the University of Florida medical schools could participate in delivering health care to a rural, low-income community. The health center operation is shared jointly by the colleges of medicine and nursing and the citizens of Lafayette County. The county commission owns and maintains the grounds and buildings and subsidizes the clinic annually.

In establishing the health center the following points were stressed:

There would be a fee for service. The rates would be, at most, comparable to those of surrounding areas. Patients who can afford to pay, or have third party insurance coverage, would be expected to pay for services.

No patient would be turned away, regardless of ability to pay.

There would be regular clinic hours, six days a week. Emergency coverage would be provided around the clock, seven days a week.

House calls would be made for patients unable to come to the clinic.

Efforts would be made to provide as comprehensive a health care program as possible.

The benefits for the rural patients, who include a number of out-of-county residents, are obvious but it also has been a rewarding learning experience for the student nurses and doctors who spend time at the clinic. Students, most of them from urban backgrounds, are enthusiastic about the clinic's learning schedule.

"I always wanted to be a doctor," second-year med student Cheryl Webb of Atlanta says, "and this is the first opportunity to really practice medicine and I love it. My two weeks at the clinic have been a rewarding chance to put into practice for people what I've learned in the medical classroom." After her experiences at the health center, Webb says she would consider practice in the rural area when she graduates.

For most of the med students, training at the health center is their first exposure to rural people. Med student Dan Jacobson grew up in Jacksonville and his two weeks at the center have shown him a Florida he did not know existed. "This training has given me a real insight into the real world of medicine," he says, "and to the people who need our services."

The medical students treat a wide range of medical cases under supervision of university faculty and resident physicians. Doctors from the university or Jacksonville Naval Air Station, 80 miles to the east, serve in residence on a rotating basis.

A group of young women unpack cars and carry luggage to a trailer that will be their home for the next nine weeks. They are student nurses from the University of Florida's School of Nursing beginning a work/classroom course at the health center. The young nurses will be on 24-hour call from their trailer-home as they complete credit for a public health training course.

Robbyn Kay, a student nurse who grew up in Miami and hopes to practice in New York, is excited about the opportunity to work at the rural clinic. "All the girls who come back from this training course are happy for the chance to serve and feel needed as nurses."

The young med students and nurses are needed; they have helped turn a doctorless area into a model for rural health care.

AND WHAT ABOUT TEETH?

When plans for adding a dental clinic to the existing health center started, Quentin M. Smith, professor and chairman of University of Florida's Department of Community Dentistry, made his first calls to the Suwannee Valley Electric Co-op at Live Oak, Fla. Dr. Smith asked co-op Manager Arnold Smith for help in conducting a personal survey of dental needs of all rural residents. With the board's approval, Smith used the co-op's mailing list to send a dental questionnaire to 8,000 members in four counties. "These are our people and I felt we had a chance to help them get dental care by cooperating with the university. It was an opportunity for service beyond supplying electricity and a byproduct of what a co-op can do for the general health and welfare of its membership," Smith feels.

The proposed dental clinic, like the existing health center, will use medical students in training at the University of Florida to help meet the critical shortage of dental care in rural Lafayette County. It also will become a working dental classroom under supervision of university faculty and practicing dentists.

Quentin Smith D.D.S., commented on the dental needs in the area. "Today there is no dentist in Lafayette County. Like the rest of the nation, Florida has a maldistribution of dentists. Large urban areas and suburbs have the dentists; it's common for rural counties to have no dentist. The dental needs are increased in rural areas because of the general lack of preventive dental care. We know the need but it's always been a problem to answer it. We feel that use of university dental students in rural health care centers will be a big step in correcting this imbalance."

Only one of the four counties served by the Suwannee Valley Electric Co-op has a dentist and his practice in Dixie County must meet the dental requirements of over 8,000 people.

COMMITTEE ON AGRICULTURE AND FORESTRY,
Washington, D.C., June 6, 1975.

Mr. WILLIAM E. MURRAY,
Coordinator, Rural Health Campaign, National Rural Electric Cooperative Association, Washington, D.C.

DEAR BILL: I have just completed reading your fine special edition of RURAL ELECTRIFICATION magazine devoted to rural health care, and it is wonderful.

As you point out in the editorial, the rural electrics were the front line troops insofar as getting acceptance of the Rural Development Act of 1972. That is why I am so encouraged that you intend to branch off into the health care field, where rural people are not getting fair and equitable treatment.

Please express my congratulations and thanks to Bob Partridge for initiating this effort by the rural electric cooperatives, and for having the good judgment to place you at the head of this effort.

NRECA and the rural electric cooperatives have accomplished wonderful things for rural America through the years. This new commitment is certainly at one with the tradition which you have already established.

With every best wish.

Sincerely,

HUBERT H. HUMPHREY.

KENNETH B. KEATING SERVED HIS COUNTRY WELL

Mr. RANDOLPH. Mr. President, I join in tribute to our former beloved colleague, Kenneth B. Keating. And I share in the gratitude of people who knew him for the accomplishments of this wise and good man.

Kenneth Keating served well. He was a man of intellect and dedication. He held a broad range of public service, including that of attorney, U.S. Representative, U.S. Senator, judge, and U.S. Ambassador to two nations.

It was my privilege to serve with Senator Keating during his term in this body from 1959 until 1965. He had the ability to present facts in an incisive manner. Ken was the first person to tell the Senate of the Cuba missile buildup and on August 31, 1962, he informed his colleagues that construction had already begun on at least six sites in Cuba for the launching of intermediate tactical missiles. These, he said, were capable of reaching either the United States or the Panama Canal. This warning occurred 12 days prior to the President's news conference on the Cuban crisis.

Following his defeat by Senator Robert F. Kennely for reelection to the Senate in 1964, Kenneth was elected to the New York State Court of Appeals. He served there until his resignation in 1969 to become U.S. Ambassador to India.

He was revered for his determination to achieve peace among all nations and all peoples.

He was a popular figure in India and was often at odds with the administration over policies toward India and Pakistan during the conflict in Bangladesh.

At the time of his death Ken served as our Ambassador to Israel. He had returned to the United States to participate in talks on the reassessment of American policy in the Middle East, when he died.

Mary and I extend to his wife, Mary, and his daughter, Judy, our sincere sympathy.

ENJOYMENT OF HISTORY: COMPLIMENTS OF THE DU PONT FAMILY

Mr. BIDEN. Mr. President, I am delighted to call to my colleagues' attention an article from the Washington Post of June 8, 1975, written by Shirley Elder presenting three "gifts" of the Du Pont family in Delaware to the American people.

The article maps out an excursion to Delaware well worth the time to anyone interested in "Americana."

Those DuPonts are something else. When Henry Francis duPont decided to collect antique furniture, he gathered it up by the roomful—walls and all. When Pierre Samuel duPont decided to cultivate flowers at his

country estate, he wound up with 1,000 acres and one of the outstanding garden displays in the country. And when several members of the family decided to commemorate the 150th anniversary of the year Eleuthere Irenee duPont de Nemours opened a business in this country, they developed a 185-acre museum and library of American industrial development that is now hailed by scholars and tourists alike.

This describes the Winterthur Museum of early American architecture and furnishings, the gardens of Longwood, and the Hagley Museum.

We in Delaware—those who are Du Ponts and those who are not—are very proud of these achievements, and hope everyone will take the opportunity to come and enjoy them.

Mr. President, I ask unanimous consent that the Shirley Elder article from the June 8, Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 8, 1975]

A DU PONT FAMILY TRADITION: HOUSES, GARDENS, MUSEUMS—AND MORE

(By Shirley Elder)

Those Du Ponts are something else.

When Henry Francis Du Pont decided to collect antique furniture, he gathered it up by the roomsful—walls and all. When Pierre Samuel Du Pont decided to cultivate flowers at his country estate, he wound up with 1,000 acres and one of the outstanding garden displays in the country. And when several members of the family decided to commemorate the 150th anniversary of the year Eleuthere Irenee Du Pont de Nemours opened a business in this country, they developed a 185-acre museum and library of American industrial development that is now hailed by scholars and tourists alike.

Today all three of these achievements—the Winterthur museum of early American architecture and furnishings, the gardens of Longwood and the Hagley Museum—are open to the public and shouldn't be missed.

All are within easy distance of Wilmington, Del., the capital of the Du Pont dynasty and fortune. And, although it's a fairly long drive (or train ride) from Washington, about 120 miles, it's well worth the trip for anyone interested in Americana.

We approached them in reverse order, Hagley first. We went through Wilmington and out on Rte. 52. A right turn onto Rte. 141 took us near the entrance. Museum buildings, including the home E. I. Du Pont built for his family in 1803, are strung out along the Brandywine River. Admission is free.

The main building is a former cottage spinning mill bought by E. I. Du Pont in 1814 and converted to the manufacture of kegs for the gunpowder he was producing just down the road.

Exhibits here tell the story of the industrial development of the Brandywine Valley, particularly the black powder operations of Du Pont's Eleutherian Mills. The home and offices have been restored but are open only for eight weeks in spring, the month of October and Christmas week.

But for most of the rest of the time visitors can see water wheels and the first machine shops, a barn with 19th century tools and other exhibits. Jitney buses (50 cents a ticket) take tourists on a four-mile trip through the area.

The purpose of the museum is to preserve and interpret this particular industrial site and to relate it to similar developments throughout the country. Its rooms are deep in a Du Pont family tradition of having things, and the family library, kept for years at Longwood by Pierre Du Pont, has been absorbed into Hagley Foundation activities.

In the 23 years since the foundation and museum were created, the library has grown to hold more than 100,000 books and 5 million manuscripts.

Ties to the University of Delaware and other institutions keep a steady flow of scholars through the library, which has grown from a family collection to a respected research center of business and industrial archives.

Just down the road from Hagley on Rte. 52 is Winterthur, built in 1839 by a daughter of E. I. Du Pont and her husband, James A. Biderman. At her death Mrs. Biderman willed the estate to her brother, Henry, who passed it to his son and eventually to his grandson, Henry Francis Du Pont, who started installing his ambitious antiques collection in the mansion in 1927, the year he inherited it.

By 1951 Du Pont found he had a museum, not a home, and moved out. Room after room in the mansion had been converted into separate slices of early history with the installation of complete interiors from old homes up and down the Eastern Seaboard.

Like the big house at Hagley, this main museum is not open all the time. Approximately 30 of the 200 rooms are open to the casual visitor only during what they call the "Spring Tour," mid-April to Memorial Day.

Advance reservations are required the remainder of the year, with about 100 rooms shown on a morning ($4) tour and another 100 rooms shown on an afternoon (additional $4) tour. Only 96 persons a day, 48 on each tour, and no children are allowed.

But Du Pont also left an annex, the South Wing, with 14 smaller but equally interesting rooms arranged chronologically to show the development of architecture and furniture styles from 1684 to 1840. The South Wing is open daily, except Mondays, during the summer and fall for a $1 admission fee.

It costs another dollar to tour the gardens at Winterthur, which also were developed chiefly by Henry F. Du Pont, who planted bulbs and trees, azaleas and rhododendrons in formal arrangements around the mansion.

The best time to visit probably is spring when you can tour the South Wing, gardens and part of the main museum for a flat $3.50 per person (50 cents for children), and when some of the loveliest flowers are in bloom.

One could spend easily a full day both at Hagley and at Winterthur. We tried to squeeze Longwood Gardens in at the end of Winterthur, and simply ran out of time. Longwood Gardens is several more miles down Rte. 52 to Kennett Square, just across the line in Pennsylvania. Pierre S. du Pont started developing the gardens in 1906, when he acquired the property for his personal use. It was opened to the public in 1924.

There are conservatories, an arboretum, fountains and all kinds of special displays, since flowers bloom at different times of the year. In addition, there are organ concerts Sunday afternoons and half-hour displays of the illuminated fountains at 9 p.m. Tuesdays, Thursdays and Sundays during the summer.

Like Hagley and Winterthur, Longwood offers a scientific, scholarly approach to the subject at hand. Directors note that it is not a public park but rather an exhibit of living plants. Dogs are not allowed and picnicking is limited to an area outside the main gates. "Proper" attire, including shoes and shirts, is required.

Longwood is open every day of the year 9 a.m. to 6 p.m. Weekday adult admission is $1; Saturdays, Sundays and holidays, $1.50; children 50 cents.

Wilmington may seem a long way to go for a weekend, but it's worth it even if you don't like museums. And if you do like them, there are more in and around Wilmington—the Delaware Museum of Natural History, Rte. 52, which boasts 100,000 sets of birds' eggs, among other things; the Magic Age of Steam, Rte. 82 at Yorklyn, which claims the largest collection of Stanley Steamers in the world (with rides for the kids); Delaware Art Museum, 2301 Kentmere Parkway; the Brandywine River Museum at Chadds Ford, Pa.—and more. State travel officials (45 The Green, Dover, Del., 19901) are happy to provide additional details.

Wilmington seems to have the usual complement of motels and an old hotel named (appropriately) Hotel Dupont. We went further down the road, however, again looking for something different. We wound up at the Red Fox Inn, five miles south of Longwood on Rte. 1 at the Toughkenamon exit.

Again, as so often lately, we found the place under relatively new management and expanding. Starting with a house built in 1734, the owners have added a large dining room out back and a 20-room motel unit off to the side. The food is very good. A golf-course is being developed to PGA standards, and a handsome old barn is being remodeled as a banquet hall.

OMB CUTS IN EXPORT PROMOTION PROGRAMS

Mr. INOUYE. Mr. President, I ask unanimous consent that two articles dealing with the subject of export promotion by the American Government be printed in the RECORD. These two articles, which appeared recently in the Washington Post and the New York Times discuss export promotion, a subject which ordinarily receives little public attention, in large part, I suspect, because the topic is considered politically mundane.

However, foreign trade is a growing part of our gross national product. Last year exports and imports totaled 15 percent of our gross national product, with each accounting for approximately $100 billion in volume. Exports rose 38 percent and imports 45 percent over 1973. Increasingly, large segments of American industry and agriculture have become dependent on world trade. Although there seemed to have been moments of concern about the role of Government in encouraging American exports—most notably in 1971, when the United States suffered its first merchandise trade deficit since 1893—this interest appears to have dissipated. Yet, the importance of foreign trade in our economy has grown, not lessened.

Recently, the Office of Management and Budget prepared an interagency report on U.S. Government export promotion programs, which are located principally in the Export Import Bank and the Departments of Commerce and State. The main thrust of the report is that the Government should reduce its role in export promotion activities. The conclusions of the report have been strongly criticized by some agencies and nearly all private commentators, including the President's Export Council, which was not even consulted when the report was being prepared. The final document has been embargoed and has not yet been officially released to the public.

Although the report is still unofficial, its initial impact has already been felt. The OMB has ordered the Department of Commerce to reduce export promotion expenditures and to impose a full cost recovery requirement on companies which use Department of Commerce programs. The Subcommittee on Foreign Commerce and Tourism, of which I am chairman, recently held hearings on this subject, and a report of our findings will be issued shortly.

In addition to the budgetary issues involved, I must also bring to the attention of my colleagues another distressing aspect of this controversy. The OMB report has some extremely serious implications concerning the Government's relationship to American exporters, and if the changes promised in that report are effected, it will mean significant changes in American policy. It is precisely because of these far-reaching changes that the report has engendered such strong internal disagreement.

However, what we have seen in this instance is that the OMB has managed to implement its policy ostensibly through the budgetary process by ordering wholesale reductions in the export promotion programs of the Department of Commerce and implementing an operational change which will have the effect of ending many companies' participation in U.S. Government-sponsored programs. Moreover, through its power over the Executive witnesses' testimony, it is able to stifle criticism of its decisions. In this instance the OMB is grievously overreaching.

Mr. President, I ask unanimous consent that the two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SECOND THOUGHTS ABOUT EXPORT AID

By Edwin L. Dale, Jr.

WASHINGTON.—A kind of intellectual fog has descended upon the Capitol about the Nation's foreign trade and some other parts of its international economic policy. The fog, as usual, has been thickened by an inconclusive academic debate.

The Administration's highest economic policy-makers, in their hats at the Economic Policy Board, are about to debate whether the Government should continue to support exports in the present rather modest ways—in effect, to debate whether exports are a "good thing." They are likely to decide that exports are still desirable, bu the very existence of the question indicates the new atmosphere.

In another and related area, while there remains strong support in the Government for floating currency-exchange rates, there is much more ambivalence over whether it is a "good thing" or a "bad thing" when the dollar goes up or down against other leading currencies. And there is at least some questioning now about whether floating is really the ideal long-term system.

In a separate field, while Secretary of State Kissinger has indicated recently more sympathy on the part of the United States for international raw materials commodity agreements, there are doubts here whether they will work or are good for the United States or even "needed" by the less-developed countries.

None of this doubt and uncertainty should be attributed to "bureaucratic bungling" or "pressure groups" or the familiar scapegoat of an inadequate Government organization in international economics. Many good minds are at work, and they are able to communicate. The problem is that the right answers are anything but self-evident.

As far as Congress is concerned, the matter is currently coming to the forefront over an absurdly small—in Washington terms—$6-million to support the participation of American business in overseas trade fairs, trade missions and the like.

The Office of Management and Budget, which could not cut such things as the $70-billion Social Security program or the $26-billion of interest on the national debt or any of the other "uncontrollables," found $6-million it could reduce for export promotion in the Commerce Department's fiscal 1976 budget. The resulting storm has made the reduction seem like $6-billion.

That is partly because of the release, under the Freedom of Information Act, of an O.M.B. study of the whole question of export promotion in a world of floating exchange rates and—when the report was begun—serious domestic inflation and shortages. Also under challenge and questioning were some of the activities of the Export-Import Bank and the tax subsidy for exports known as Domestic International Sales Corporations.

The study contains this seemingly heretical statement: "Simply increasing exports should not be a priority national objective in and of itself because higher exports impose real costs on the economy that may or may not be balanced by corresponding national benefits."

The study, which has received a fair amount of publicity and has been challenged particularly by the Commerce Department and the Eximbank. They argue that export business helps keep American industry competitive and, other things equal, helps reduce inflation by strengthening the dollar's exchange rate.

The study has no great standing by itself and is in part out of date. The basic issues are about to be revised at a much higher level, the Economic Policy Board. And Congress is likely to reverse the $6-million reduction in the Commerce Department's export-promotion budget, a saving to be achieved largely by making established exporting companies pay their full share of the cost of export promotions such as trade fairs.

There is accumulating evidence that the exporting companies simply will not do so and thus would not participate. Whether this would make much difference to American exports is an open question, though the Commerce Department is convinced that there will be a real loss and that the symbolic reduction in Government support will raise business doubts about the nation's intentions.

Such doubts are legitimate. The Treasury is evidently having second thoughts about DISC, where the revenue loss (while small at about $1-billion a year) is much larger than forecast and where export increases are hard to prove.

And the Eximbank is in a constant struggle to obtain support within the Government for doing what it thinks is its proper job—to be at least competitive with the export-credit agencies of other industrial countries and to meet all legitimate export-credit needs.

Despite all this, the probability is that the Government will continue to regard exports as desirable. Now that they are running at a rate of more than $100-billion a year, there is no doubt that the United States will continue to be a major exporter no matter what happens to Government-support programs.

But the debate over the $6-million illustrates that in a world of floating-exchange rates—with much less concern for the balance of international payments—some of the old verities are subjected to at least some doubt.

CUTS IN EXPORT AID FOUGHT—BUSINESS, COMMERCE DEPARTMENT OPPOSES PLAN

(By Carole Shifrin)

Businessmen, aided unofficially by Commerce Department officials, are waging an intense fight to increase the federal budget allocations for exports expansion programs, which the President wants to cut.

In President Ford's budget for fiscal 1976, submitted to Congress in February, the trade expansion activities of the Commerce Department are reduced by $6.5 million to $28 million from $34.5 million in the current fiscal year. Staff positions would be reduced from 993 to 829. Commerce had sought an increase in the export programs budget to $36.1 million and an increase in the staff to 1,026.

The Commerce Department programs involved are designed to encourage and assist U.S. businessmen in exporting their products. The programs do this by sponsoring trade promotion events overseas such as trade fairs, trade center shows, trade missions and department store promotions of U.S. consumer goods in both developed and emerging nations, as well as by an extensive information gathering and dissemination program.

Through regional offices and publications, the department attempts to interest American firms in, and educate them about, the export opportunities available. One series of Commerce publications, for instance, focuses on overseas marketing opportunities for U.S. supplies in selected industries such as electronic components. Another series focuses on specific countries and opportunities there for American producers.

At the heart of the proposed budget reduction in these programs is a general administration policy to recover the costs when possible of government services which provide special benefits to certain groups from those groups instead of letting the taxpayers foot the bill.

In this case, those who benefit are American companies engaged in marketing their products abroad who utilize the U.S.-sponsored trade shows and other activities as a marketplace, and some of the companies are being asked to pay more for services they are now getting free or at a reduced cost.

Some fees have been charged in the past for services rendered; a company, for instance, is charged a fee for space at a trade fair, but these fees did not generally cover the actual cost of the use of the facility; thus, it was subsidized by the government. This will be changed if the President's budget plans for Commerce are adopted.

"Trade promotion programs are being redirected in 1976 toward aiding new exporters," the budget says. "Services to experienced exporters will continue to be provided, but only on a full-cost reimbursement basis." To put this into effect, the Office of Management and Budget has directed the Commerce Department to charge experienced exporters—those established in a market three or more years—the full cost of services provided to them.

The increased revenue from established exporters is to be used to offset the reduction in the appropriated funds.

Neither the businessmen who would be affected nor the government officials who administer the programs are taking the prospective cuts laying down. In prepared testimony to the Senate Commerce Subcommittee on Foreign Commerce and Tourism last month, State and Commerce department officials gave lip service to support of the President's program but, in questions and answers that followed, they made it clear that they do not personally agree with the cutbacks and predicted dire consequences if they are affected.

Along with state economic development officials and businessmen, they complained to a receptive Sen. Daniel Inouye (D-Hawaii), chairman of the subcommittee, that the cutbacks would mean reduced export sales and thus fewer U.S. jobs, a loss of gross national product, a loss to the government in federal tax receipts and harm to a favorable balance of trade.

Because of the "full cost recovery" pro-

UMI

gram, fees charged to businesses for participation at trade fairs and shows would be significantly raised for many of the exporters, encouraging them to drop out of the promotional activities, they argued.

This, in turn, would lower attendance at the shows and fairs, and therefore export sales, because the drop-outs would be the larger, more established exporters who don't need Commerce Department help but are the drawing cards, bringing in the foreign buyers to the U.S. programs.

Although they admittedly have no experience with the program yet, Tilton H. Dobbin, assistant commerce secretary for domestic and international business, told the hearing that feelers to the companies involved indicate to them they would have an 85 percent loss in participation if the increased fees are put into effect. "The increase is so great," Dobbins said.

Indiana Lt. Gov. Robert D. Orr, who had been in a small manufacturing business, suggested that it didn't take much to discourage small businesses from venturing outside the U.S. to sell products, and that higher fees and reduced Commerce aid could do it. "I know how difficult it is to mount an effective overseas marketing effort," he said.

"Strange territory, unfamiliar customs, language barriers, concern as to credit, tariff problems, confusing exchange rates, expensive travel for customer contact, unfamiliar financing terms, patent protection, different laws—it's easier to stay home and avoid risk . . ." he said.

James N. Farley, president of Speedfam Corp. of Des Plaines, Ill., a machine tool producer, agreed. He said the new fee schedule would price his company "out of exhibiting," and the higher fees for booth space would have tipped the balance against the company's first participation in a British exhibition 10 years ago.

He said Speedfam and annual sales of $700,000 and 12 employees when it read about the British exhibition in a Commerce publication and decided to participate. The initial $4,000 investment—$425 to Commerce for a booth at the show and the rest for shipping, air travel and living expenses—resulted in sales of $30,000 in machine tools to Britain that year, and $80,000 in sales the next, he said.

"That first show got us started," Farley said. Now the company has 45 employees and sales of $4 million a year—about $1 million of it as exports.

Under the new program, he said, an experienced exporting firm of his size would have to pay Commerce an average fee of $5,012 for participation in a trade show in fiscal 1976 compared with the current average fee of $1,200. This is in addition to an estimated $3,800 in travel, shipping, living and other expenses, he added. ". . . I doubt very much that my company will be able to afford to participate in very many future shows and exhibitions abroad," he predicted.

A number of state officials complained that the reductions in the Commerce trade expansion budget would seriously harm their own efforts because they work so closely with Commerce.

"The federal government has to be involved," said James H. Harwell, executive director of the Texas Industrial Commission. "We can't do it on our own." With Commerce help in terms of contacts and information, Harwell said, he took some Texas companies on a trade mission to Egypt and Kuwait in December, and "came back with over $25 million of business."

Urging that the original Commerce budget request be reinstated, witnesses argued that all these export sales will go to some of our more vigilant trading partners who are expanding their trade efforts unless the U.S. stays competitive.

No one disputes the fact that other countries have traditionally been more export-minded that the U.S. They have had to. Blessed with fewer natural resources than the U.S., other countries have had to buy what this nation could produce, and they paid for it with dollars their exports could bring in. With the U.S. itself the most lucrative market in the world, U.S. producers have not traditionally needed to look beyond this country's boundaries to sell their wares.

At the present time, Commerce Department officials estimate that just 20,000 American firms—8 per cent of the nation's 250,000 companies—do any exporting. At least another 20,000 have products appropriate for export, and "could be and should be encouraged" to sell products abroad, Charles Hostler, deputy assistant commerce secretary for international business, told the hearing.

Walter D. Scott, associate director of the Office of Management and Budget for economics and government says the President and everyone in government agrees that exports are important to the economy and that the government should do what it can to encourage the private sector to sell goods abroad. But he has a vastly different view of the consequences of the proposed budget reductions on the economy, the trade promotion activities involved and the companies participating in them.

"We decided we should continue to support companies going into new markets and companies new to exports by subsidizing support services for the first three years," he explained. "Afterwards, they will pay," he says, a position he contends is logical.

If sales to a given nation are not profitable to the company and the U.S. after three years, continuing to subsidize the sales makes little economic sense, he suggested. If, on the other hand, the sales are profitable, the company should want to continue them in spite of the loss of the subsidy.

"I can't believe the companies would forgo the profits because have to pay $6 million more in fees.

"If the cost is as relatively modest as it is and this is the best way to market these products, I feel the companies will continue to use these services," Scott said. "We suspect that there won't be much loss."

Acknowledging that there is "lots of screaming" about it right now, Scott said, "Obviously, this is a subsidy, and people don't like to give up subsidies."

He raised a number of questions about other contentions of the new program's critics.

Charges that the nation will lose export sales, tax revenues, and jobs and the numbers being bandied about that "terrifying" and greatly overstated, Scott said. "How could a $6 million cutback result in a loss of $2 billion in sales?" he exclaims about one of the claims. "The assumptions that bear here are that the companies would do nothing different if the programs are cut out, and that on the surface seems unlikely." He noted that private industry now can do some of the things Commerce is doing. For instance, Dun and Bradstreet now produces reports similar to those put out by Commerce on export opportunities. "Why do in government what can be done in the private sector as well?" he asked.

It's too soon to tell who will win the budget battle. No one who favors the "full-cost recovery" program was called to testify before the hearing, and Sen. Inouye, who also sits on the Senate Appropriations Committee, promised to do what he could to overturn the OMB funding plans.

The administration normally relies on its executive branch departments to support enthusiastically the President's budget before Congress—something that clearly is not happening on this issue. Cott admitted wryly during this hearing that the commerce officials' enthusiasm seemed limited.

"This was a presidential decision," Scott says. "Clearly, he made it because he believed it was right. Obviously, we could save $6 million somewhere else with less heat. $6 million isn't a lot of money—but he felt this was the right place to save it."

REFLECTIONS ON THE AMERICAN CHARACTER

Mr. HUMPHREY. Mr. President, I recently had the privilege and the honor of delivering the commencement address at St. John's College in Collegeville, Minn.

At a time when many of us will extol the history of this Nation's first 200 years, and its influence in developing the American character, it is appropriate to reflect for a moment on the adversity and turmoil which this country has encountered since its birth. It is a history strewn with conflict, adversity, and tension. However, as we reflect on that side of our history we also have a responsibility to review the more positive aspects of the American character; that of the great pioneering spirit of our people, their courage, compassion, commitment, and self-sacrifice which has long been synonymous with that American character.

Too many times, I believe, we find ourselves being too self-critical, dwelling on our national and individual shortcomings, to the point of creating a self-doubt, which can become self-defeating. I would encourage my colleagues, the press, and the American people to maintain a healthy balance and sense of worth, while at the same time maintaining our ability to acknowledge, and learn from our failures and mistakes.

Mr. President, I ask unanimous consent that my prepared address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

You do not have to be reminded that we are heavily into the bicentennial season.

I suspect that scarcely a commencement speech will be delivered this year and next that does not extol the virtues associated with our country's moment of independence.

Well, mark this speech down as an exception—almost.

Without question, the lessons of those revolutionary times are important. I have no doubt that Americans can—and will—learn much of value in comprehending and overcoming our current agenda of national problems.

But there is a time in early American history that is even more relevant than the revolutionary period to our present circumstances. Despite the problems that the first Americans faced in severing our colonial ties with Great Britain, this historic decision was made easier by the realization that at last America's destiny would be her own.

The slate was clean. The injustices that caused the revolution were over. It was a moment of hope, expectation, and near euphoria for our revolutionary leaders.

How different it was a decade later.

The unity that bound the states together during the War of Independence had all but vanished. States were regarding each other as something akin to foreign powers. Commerce was nearly at a standstill. Accusations and recriminations resounded in Congress, and the Articles of Confederation offered no system for resolving these bitter disputes.

The optimism and confidence that launched our experiment in self-government had all but vanished. A federal convention was called for May, 1787, to consider how the Articles could be made to work. But James Madison voiced grave doubts as to the probable outcome of this gathering.

In 1787 he wrote: ". . . No very sanguine expectations can be indulged. The probable diversity of opinions and prejudices . . . renders the issue totally uncertain. The existing embarrassments and mortal diseases of the Confederacy form the only ground of hope, that a spirit of concession on all sides may be produced by the general chaos. . . ."

A year earlier, George Washington had urged his countrymen to focus their attention on the broader purposes of their common endeavor. He wrote: "Let prejudices, unreasonable jealousies, and local interests yield. . . . Let us look to our national character, and to things beyond the present moment. No morn ever dawned more favorably than ours did; and no day was ever more clouded than the present. Wisdom and good examples are necessary at this time to rescue the political machine from the impending storm."

The political crisis that led to the Federal Convention of 1787 and ultimately produced the Constitution tested the American character to a far greater degree than the War of Independence. And the mixture of despair and self-confidence that characterized the labors of the founding fathers during the spring and summer of 1787 in Philadelphia is a far closer approximation of the attitudes that have been decisive throughout American history.

What course did the founding fathers follow? Despite their monumental differences of opinion and interest, it was never one of defeatism or discouragement.

To the contrary, the founders seized the moment to design a new system of government capable of bringing order and justice to the United States.

It has been noted that the delegates to the Federal Convention exceeded their authority in taking this decisive step, for they had been charged only with amending the Articles of Confederation. Yet they were willing to risk the consequences because they understood that to do less was to make dissolution certain.

It was the founders' willingness to risk, buttressed by their optimism, faith and confidence in the ultimate wisdom of their actions, that saved the Union—scarcely a decade after the separation from Great Britain.

It has been these two characteristics—a sense of adventure and a willingness to risk, combined with a mature self-confidence and optimism—that historically have been at the roots of the American character.

But one more ingredient was essential in the spring and summer of 1787 in Philadelphia: a willingness to compromise on the substance of the new Constitution.

The compromises between large and small states, between states concerned primarily with manufacturing and those concerned with agriculture, were not easily reached. More than once the enterprise almost collapsed. But the acrimony and bitterness slowly drained away as the delegates found, much to their surprise, that compromise solutions could be hammered out and accepted.

In the shadow of his remarkable life, Benjamin Franklin—then 82 years of age—captured this spirit of accommodation in his historic address to the Convention after the final draft had been completed and as the delegates were faced with the ultimate decision of whether or not to sign.

Franklin said: "I confess that I do not entirely approve of this Constitution at present, but, sir, I am not sure I shall never approve it. . . . When you assemble a number of men to have the advantage of their joint wisdom, you inevitably assemble with those men all their prejudices, their passions, their errors of opinion, their local interests, and their selfish views. From such an assembly can a perfect production be expected? . . . Thus, I consent, sir, to this Constitution because I expect no better, and because I am not sure that it is not the best. . . ."

I mention these events surrounding the writing of the Constitution because I believe they are at the heart of America's continuing experiment in self-government—a willingness to risk, to pioneer—a sense of optimism and self-confidence—a capacity for compromise and accommodation.

Time and again, these three characteristics have brought us through national trials and difficulties far more imposing than anything that confronts us today.

One is tempted to recite a litany of national adversity.

There were secessionist movements in the early 1800s, long before the Civil War. The first Chief of Staff of the U.S. Army was accused of being in the pay of the Spanish Emperor. We had corruption and land scandals. Immigrants to our shores were herded together in our cities, exploited, and subjected to violence and discrimination.

We invaded Mexico in an act of open aggression, and we fought a bloody and nearly catastrophic Civil War. We created a cruel and vicious caste system in the aftermath of this war, and for fully a century maintained a system of legally sanctioned exploitation of blacks and other minorities.

We had post-Civil War corruption, the rape of our natural resources, the plundering of land and people by the railroad barons. The industrial revolution brought huge trusts and monopolies that functioned with little regard for the public interest. Children were exploited in sweat shops and factories.

We refused to join the League of Nations and closed our eyes to Hitler's incredible inhumanity toward Europe's Jews. We lived through a Great Depression that brought our economic system to the brink of collapse.

We fought a tragic war in Vietnam.

All this and more is part of our history.

But if we are honest with ourselves, we also must recognize that the attitudes and beliefs that saved the Federal Convention of 1787 existed concurrently with this darker side of the American character.

We survived these adversities and progressed as a free nation by risking greatly, by retaining our self-confidence and optimism, and by compromising what seemed to be totally hostile and incompatible points of view.

As a result, the injustices were rooted out, our democracy refined, and the security and happiness of our people advanced.

But what of the American character today?

On the one hand, there is abundant evidence that we may be experiencing a fundamental change in our national attitude and outlook.

We find ourselves in a national mood that is both reticent and negative. We know too many people today who want to play it safe—who avoid adventure in their lives and careers—who are unwilling to try something new. This is true in education. It is true in corporate life. And it surely is true in government.

Every opinion poll tells us of the public's growing cynicism and disenchantment with all of society's institutions; the Presidency, Congress, the courts, business, the church, the educational establishment, and so on down the line.

Where is the sense of optimism and self-confidence that always has set America apart from other nations?

And, finally, we encounter a growing unwillingness to accept the compromises and accommodations that ultimately permit a nation of this size and diversity to function.

The sense of community that makes compromise possible seems to be ebbing away. In its place we encounter a very disturbing trend toward self-aggrandizement—a determination to look out for Number One, regardless of all other considerations.

This is the picture of America that increasingly dominates the mass media and, I suspect, it is a picture that more and more Americans believe to be accurate.

But is it? I recognize it as only a partial and very incomplete picture of the United States I know.

One of the most unfortunate habits of the mass media—motivated, I'm sure, by a desire for objectivity and independence—is a constant repetition of our national and individual shortcomings.

My concern is that the duty to expose corruption and abuse of power—to probe for shortcomings and injustice in our society—is not balanced in the mass media by reports of the other America that most of us encounter daily—an America of compassion, of courage and commitment, of self-sacrifice.

There is another side to the American character that we seldom find reported in the press or covered by television. We experience this America in our own lives, and we see it in our communities.

It is an America that openly acknowledges failures and imperfections—as this country surely did in Vietnam—but that also recognizes our country's continuing ability to learn from mistakes—to become more forward-looking in the aftermath of defeat—to use adversity as an instrument for progress.

These, surely, were the attitudes that sustained our founding fathers in 1787. And they have been recaptured in the words and actions of all great American leaders since then.

I recall particularly the admonition of Franklin D. Roosevelt as he assumed the Presidency during one of the nation's darkest hours. He said: "Our country needs bold, persistent experimentation. It is common sense to take a method and try it. If it fails, admit it frankly and try another. But above all, try something."

It also was Roosevelt who observed: "The only limit to our realization of tomorrow will be our doubts of today."

This attitude, I truly believe, is one of the essential ingredients in building a nation that merits our pride and that commands our participation and support.

We live in the worst of times, but also in the best of times. But that almost always has been true in America.

Each generation has found itself confronted with great challenges and great opportunities. Each generation has faced the same doubts and discouragement that many of you experience and that today occupy so prominent a place in our national life. But each generation has made its contribution.

And as from our country's earliest moments, the willingness to risk, supported by a robust self-confidence and faith, tempered by a capacity to compromise, have been the decisive factors in sustaining the American experiment.

It is the realization of these qualities in your lives and among your generation of Americans that, once again, will decide the issue.

But let us cherish no illusions. The future, as always, is uncertain and dangerous, even as our spirit is bright and resilient.

John F. Kennedy said it well. Listen to his words: "Peace and freedom do not come cheap, and we are destined—all of us here

UMI

today—to live out most, if not all, of our lives in uncertainty and challenge and peril."

Join me in saying: So be it.

BUSING BACKFIRED

Mr. BIDEN. Mr. President, Prof. James S. Coleman's famous 1966 study of school integration and equal educational opportunity has often been used to justify massive school busing programs. Following his most recent study, Professor Coleman has concluded that such court-ordered busing has not led to the expected gains either in educational achievement or racial harmony.

As quoted in a recent issue of the National Observer, Professor Coleman said:

I think that courts are the worst of all possible instruments for carrying out a very sensitive activity like integrating our schools.

Furthermore, according to Coleman, the so-called "white flight" which has occurred in our cities is not based on racism.

They are fleeing a school system that they see as too large, as unmanageable, as unresponsive, to find a smaller, more responsive system. If the system is made even larger, covering the whole metropolitan area, many parents will find ways to escape it, either by moving even farther out or by use of private schools.

Mr. President, like Professor Coleman, I believe in equal educational opportunity. However, again like Professor Coleman, I do not believe busing is the answer to the problem of achieving such opportunity.

I commend the Coleman interview to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

A SCHOLAR WHO INSPIRED IT SAYS—BUSING BACKFIRED

School busing for racial balance found its scientific rationale in the 1966 "Coleman Report," which found that black students did somewhat better in those schools that were already integrated. Its principal author was Professor James S. Coleman, who now says it was a mistake for the courts to base major social change on his Government-sponsored report. A sociologist at the University of Chicago, Coleman is now studying the effects of integration for the Urban Institute, a research organization based in Washington, D.C. In this interview with Staff Writer Mark R. Arnold, Coleman draws on his recent findings to argue that forced integration in large cities is reinforcing the racial isolation it was meant to overcome.

Mr. Coleman, I understand you have been involved in studying school racial patterns nationally. What are your findings?

Overall, there are two conflicting forces at work. First, there is a force toward school integration being provided by governmental bodies such as school boards, legislatures, and particularly the courts. Second, there is a force opposed to integration reflected in individual actions. This occurs as whites move from a district in which there is a high degree of integration to a district in which there is a low degree of integration.

What is the net effect of these two forces?

The net effect isn't entirely clear. The integrating actions generally come all at once if, for example, a court orders a district to overcome previous discrimination by creating a more integrated school system. It's only then that the segregating actions begin to take place. In some cities it seems to be an issue of how long before the segregating actions completely overcome the results of the integration, leading to a system that is more segregated than was the case before.

How many school districts have you examined? And how have you examined them?

Basically, what I've done is take the data collected by other people and analyze over a five-year period (1968 to 1973) how the movement of whites out of a school system depends on changes in the proportion of blacks in the system. I've looked in detail at figures in the 20 largest school districts in the country and the 50 next largest. Then, in general, I've looked at racial trends all the way down the line to the smallest districts, something like 12,000 districts in all.

Is this pattern the same for all school systems?

No. There is a distinction between large cities, by which I mean the 20 largest central-city school systems in the United States, and the others. In the large cities, what I call induced integration, usually brought about as a result of court action, seems to be self-defeating.

Because of white flight?

Because of white flight, either through whites moving to suburbs or putting their children in private schools.

What about cities other than these 20?

In cities smaller than the size of, say, Indianapolis (population 1.1 million), desegregation does not seem to have the same consequences. There's some white flight from cities of all sizes, simply as a consequence of the proportion of blacks in the city. That is, the more blacks, the faster the white outmigration. But there doesn't seem to be an independent increase in white outmigration as a result of school desegregation except in the largest cities. The statistical evidence suggests that integration can work, in the sense of maintaining a stable racial balance, in a small district and has a very difficult time working in a large district.

What do you think accounts for the difference between the largest and the other cities?

I'd have to speculate on that. I'd say it has to do with the degree of security that parents have about their children in the two situations. In large cities where the system often seems out of control, there's a much greater feeling of inability to have any impact on the schools, a feeling that schools cannot maintain order, and a feeling that the schools cannot protect the child. In other words, a large portion of the white flight has to do with the unresponsiveness of large school systems, with the whole question of order and discipline in the schools, and with an undifferentiated sense of fear of disorder.

Fear of disorder?

In the sense that disorder clearly comes from lower-class schools. For example, many observations of ghetto-school classrooms describe an enormous degree of disorder in those classrooms. It is very hard to blame any white parents, or any black parents for that matter, who would like to see their children out of that classroom, given the degree of disorder and the degree to which schools as they're presently constituted have failed to control lower-class black children. So I think it's quite understandable for families not to want to send their children to schools where 90 percent of the time is spent not on instruction but on discipline.

Wait a minute. Let's step back for a minute. Isn't the argument for school integration that first it will increase black achievement and, second, it will promote racial harmony? Are you saying it's not doing either?

No, I'm not saying that. The theory is that children who themselves may be undisciplined, coming into classrooms that are highly disciplined would take on the characteristics of their classmates, and be governed by the norms of the classrooms. So that the middle-class values would come to govern the integrated classrooms. In that situation, both white and black children would learn. What sometimes happens, however, is that characteristics of the lower-class black classroom, namely a high degree of disorder, come to take over and constitute the values and characteristics of the classroom in the integrated school. It's very much a function of the proportion of lower-class pupils in the classroom.

How so?

The proportion that creates a basically antischool atmosphere differs from school to school. But you can see if 70 or 80 per cent of the children are undisciplined in their ordinary behavior pattern, then the values of the classroom are going to be undisciplined. If 70 or 80 per cent are disciplined, then you're all right, unless you have a situation in which white teachers are afraid to discipline lower-class black children, which sometimes happens too.

But when courts order desegregation—based on discriminatory pupil assignment patterns or whatever—they don't take into account what the likely effect will be in the classrooms, or the possibility that their order may cause white flight and resegregation.

Well, that's why I think that courts are the worst of all possible instruments for carrying out a very sensitive activity like integrating schools.

But that's, in effect, what we're doing in this country, isn't it?

That's in effect what we're doing, and I think it is exactly the wrong thing to do.

Is there more or less racial integration in the schools now than there was a few years ago? I think your latest studies use 1968 as a benchmark.

There's more integration now than in 1968. But that's primarily due to desegregation of schools in the South. In some regions of the country, there's slightly less racial integration than there was then, in the Middle Atlantic states, for example: New York, Pennsylvania, New Jersey, Delaware.

And that's the result of resegregation?

Right.

What do you expect to happen in the future?

From now on, I suspect that we will see a general resegregation in all regions of the country, now that desegregation activities in the South are pretty well complete. The resegregation will take place primarily in the larger cities rather than in small towns. And a much higher proportion of black students are in school districts in large cities. School integration is just not stable where the proportion of blacks in the district is very large.

So the over-all effect, barring some dramatic turnaround in the trends, will be for increasing racial isolation in the public schools?

Yes.

Because blacks are concentrated in larger urban areas?

Right. The most important result of this research is that the desegregation actions of the courts in larger cities has been such as to speed that process by which central cities become black and whites flee to the suburbs.

If that's the trend, couldn't it be countered if the courts were to order metropolitanwide desegregation?

I don't think so. I believe it's not entirely lower-class blacks that middle-class whites are fleeing. They are fleeing a school system that they see as too large, as unmanageable, as unresponsive, to find a smaller, more responsive system. If the system is made even larger, covering the whole metropolitan area, many parents will find ways to escape it, either by moving even farther out or by use of private schools. More generally, I would say that any solution must obtain the active co-operation of the middle-class families that are necessary to school integration. Otherwise, the higher a family's income, the more likely it is to flee from integration, as is now the case.

In light of your discouraging appraisal of the trends in integration, how do you view the situation in Boston?

Boston is a peculiar kind of metropolitan area, with a large proportion of the metropolitan area outside the central city, including most middle-class whites. The desegregation order was, of course, limited to Boston proper, which meant that it involved primarily lower-class communities with strong ethnic ties, whites and blacks. Now under those circumstances, with most of the higher-achieving middle-class schools in the suburbs, one could hardly expect integration to have beneficial effects on achievement.

But the courts acted, did they not, on a finding of official patterns of discrimination?

That's right. It found that the Boston school board had in the past acted to increase the segregation of blacks and whites. Following recent court decisions, the court said if any action of the school board increased segregation, then all segregation in the system, even that resulting from factors other than official action, must be eliminated. I think that's where the courts are wrong.

How so?

I think the courts Constitutionally should limit their actions to undoing the effects of official discrimination. But the very large proportion of school segregation by race and by social class is due to individual action, and I think courts overstep their bounds when they try to counterbalance those individual actions. They impose a system-wide remedy to correct what is legally a localized wrong. That's where I believe the mistake lies, for the same individual actions that led to the segregation initially will lead to it again. What is necessary is to remove the cause of that segregation, which I believe lies in two places: in racial prejudice on the part of many whites and in undisciplined and violent behavior on the part of some black children. Unfortunately, these two things reinforce each other.

Mr. Coleman, you were the senior author of the landmark 1966 study, undertaken for the U.S. Office of Education, which concluded among other things that achievement of disadvantaged black children would be improved by putting them in middle-class white classrooms. That study became the rationale for the massive busing programs we have had in the past decade. Do you feel a sense of remorse or guilt, some responsibility for what has happened in the past few years?

The report did imply that blacks in integrated classrooms would perform better than their counterparts in wholly black classrooms. But it was published before there was massive school desegregation so that it couldn't say what the results of massive busing would be. I think the mistake was in the functioning of the courts. I think the country would have been better off if the report had not led to that result [busing]. But again, I think the problem is not with the report but with the courts, which have used the expected benefit as a rationale for reorganizing school systems.

But the report gave them the rationale.

No, the evidence in my report is not relevant in any way to the question properly before the courts. That question is whether school systems have acted in a way that deprives students of their Constitutional rights. That's a legal question, not a question of achievement levels. I think the courts were wrong to consider the report in any way. It's appropriate for school boards to consider such evidence but not courts.

Why not?

Well, consider what would have happened if the report had said that segregated classrooms improved pupil performance. Would the courts have been justified in ordering busing to create racial imbalance? Of course not. Courts are taking a very precarious path when they make research results about the achievement consequences of school integration a basis for reorganizing a school system. That's not their function, in my view.

What then do you think is the way to promote integration, assuming that you do consider it a desirable goal?

I think there has to be an incentive, either in Government money and assistance or in attractive programs. I recently learned of a school in Lawton, Okla., that is very stably balanced racially, and the reason is that it offers something the children can't get elsewhere. It's a school for the children of families where both parents work, and consequently it runs from before the work day begins, beginning with a breakfast, until after 5 in the afternoon. It provides an extra service that makes the parents overlook the fact that the student composition of the classroom is possibly what they might not consider ideal. What you need is positive inducements for families to keep their children in integrated schools. You can't create integration by court edict. In the larger cities, certainly, it's a very temporary matter. More generally, school desegregation is not the only way to promote social integration. Nor is it, I believe, the best way. For example, activities that encourage racial intermarriage could be much more effective in creating stable forces for social integration.

I'd like to sum up. Do you think it's time for a national reassessment of our policy?

I think it's time for a national reassessment of where our educational policies are leading us, yes. We have acted as if school desegregation were the first national priority. I don't think it is. If we ask ourselves what are the motives that underlie policies of school integration, I think we'll find it is to encourage social integration. If that is so, and I think it is among blacks and whites both, then we must ask ourselves whether the policies we follow are promoting it, and I think they are not. In many cases, they seem to be accelerating the very racial isolation we are trying to overcome.

JUSTICE FOR JIM THORPE

Mr. ABOUREZK. Mr. President, as the chairman of the Senate Subcommittee on Indian Affairs I have noted many past injustices to the American Indian.

One of the most blatant injustices perpetrated against an individual Indian that I know of was to a Sac and Fox Indian athlete named Jim Thorpe. After winning the decathlon and pentathlon in the Olympics in Stockholm, Sweden, in 1912, he was humiliated and stripped of his honors and medals because he played baseball for expenses while on summer vacation from Carlisle Indian School in Pennsylvania.

It is long past time to restore the records of this great American to the 1912 Olympic books. But, in order to restore his records he must first be acknowledged an amateur athlete.

Therefore, it gives me a great deal of pleasure today to cosponsor Senate Resolution 144, submitted by my colleague from North Dakota (Mr. BURDICK) which states that it is the sense of the Senate to restore to the late Jim Thorpe, Sac and Fox Indian athlete, the status of amateur.

I am enclosing also for the RECORD an article written by Bob Addie which appeared yesterday, June 8, in the Washington Post. This article, "Justice for Thorpe All Daughter Asks," except for getting Jim's "tribe" wrong, gives good, factual information.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 8, 1975]

JUSTICE FOR THORPE ALL DAUGHTER ASKS

(By Bob Addie)

There is a woman on Capitol Hill, Grace Thorpe, seeking justice for a part Indian once known as Bright Path but more familiar as Jim Thorpe.

Grace Thorpe is Jim Thorpe's daughter. She is an intern with the Senate Subcommittee on Indian Affairs in the office of Sen. James G. Abourezk (D-S.D.).

Several senators recently drafted a resolution urging the Amateur Athletic Union restore to the late Thorpe the status of amateur athlete and that the International Olympic Committee "officially recognize the achievements of said Jim Thorpe during the 1912 Olympic Games."

"What we're trying to do," said his daughter, "is get back Dad's amateur status from 1909 to 1912. He did become a professional athlete in 1913."

Thorpe was one of twin sons (his brother died at nine) born to an Indian-Irish father and a mother who was the granddaughter of the famed Chippewa, Black Hawk, in the Oklahoma Territory in 1888. It was his mother who gave him his Indian name of "Bright Path" because of his early athletic achievements.

Thorpe was sent to the Carlisle Institute in Carlisle, Pa., then an Indian school that took in children from the first grade right through college.

Thorpe high-jumped six feet the first time he ever tried the event. He could long-jump 23 feet and was equally proficient at football, archery, swimming, baseball, hockey, rifle shooting, canoeing, basketball, lacrosse, squash, handball, and horsemanship.

He was a football star at Carlisle when coach Glenn (Pop) Warner urged him to try out for the 1912 Olympic Games in Stockholm, Sweden. Thorpe won the pentathlon, capturing four of the five events and finishing third in the other. He also won the decathlon, scoring 8,412 points out of a possible 10,000.

King Gustav of Sweden called Thorpe "the greatest athlete in the world" and both the king and Czar Nicholas of Russia gave Thorpe jeweled trophies.

A month later, Thorpe was charged with being a professional because he had played pro baseball with the Rocky Mount Club in the Eastern Carolina League for $60 a month during the summer.

"They stripped Dad of all his medals," said his daughter. "He immediately returned all his Olympic trophies and they were awarded to H. K. Wieslander of Sweden. Dad's nearest competitor. But Wieslander was a real sportsman. He never opened the box and sent the trophies back to the U.S., with the comment: 'I didn't win the Olympic championship. James Thorpe won it. I don't know about your American rules but I do know that Thorpe is the greatest athlete in the world.'

"Now Dad received many honors when he was alive. He was among the first inductees in Pro Football Hall of Fame and he was named the greatest athlete of the half-century in

1950. But he once told me: 'That gesture by Wieslander was the greatest thrill of my life. I knew then in my heart that I deserved the medals.'

"By the way, everybody talked in the 1972 Olympics about the extraordinary feat of Mark Spitz in winning seven gold medals. For the record, Dad won eight but they were expunged from the book. We're not seeking the return of the medals—at least not now. We want to restore Dad's amateur standing and clear his name. That's the purpose of the resolution and I wish people would write in to members of the Senate Foreign Relations Committee (to which the resolution has been referred) in support of it."

Grace Thorpe said she never realized how famous her father was until he died in 1953, at the age of 64, after a heart attack: "The family received a telegram from President Eisenhower," she remembers, "and Dad's enormous popularity and fame must have hit me for the first time."

"I'm determined to fight for Dad's reputation until his records are restored. I'm getting great training here. I recently received my para-legal degree from Antioch (Ohio) College and I'm having a great time in Washington.

This is where all the action is. I'm doing things that will affect American Indians 50 years from now. "I hope it won't take that long for Jim Thorpe's name to be cleared."

FACTS, NOT EMOTION, NEEDED ON REDLINING

Mr. TOWER. Mr. President, financial institutions have been accused of discriminating—redlining—against mortgage applicants on the basis of where their property is located regardless of the financial ability of the applicant, the condition of the property, or the institution's actual loss experience in the area. This has raised demand for public disclosures of where banks write mortgages.

The response to this outcry has varied. The Senate now has before it S. 1281, which would address the problem by requiring disclosure by mortgage lending institutions located in all Standard Metropolitan Statistical Areas—SMSA—of their mortgage lending by census tract.

In contrast, Carol S. Greenwald, Massachusetts Commissioner of Banks, is taking a more selective approach to the problem. The Massachusetts Banking Commissioner has sent out regulations to all State chartered financial institutions in the Boston Standard Metropolitan Statistical Area requiring disclosure of deposits and mortgages by geographic area. For cities with populations over 75,000, the data must be provided by census tract and for other towns, the data could be by zip code. Banks outside of the Boston SMSA that are under $20 million in deposits, will receive a letter requiring the same information if requested by 25 percent of their depositors.

The Boston area is being treated differently from the rest of the State because it is only there that there have been public complaints of redlining.

The Massachusetts banking commissioner does not agree with community groups that redlining occurs when the mortgages made in a geographic area are less than the deposits taken from that area. As she sees it, banks are financial intermediaries, not credit unions; that is, they neither owe their depositors loans nor are they limited to lending to depositors. The citizens of the Commonwealth of Massachusetts are best served by a free capital market which allows financial intermediaries to be intermediaries between geographic areas. However, it is important that banks also recognize their social responsibilities in making mortgage loans.

Commissioner Greenwald feels that it is important that community groups not be the only ones to analyze bank lending practices if we are to insure that the data are honestly examined. Accordingly, her department will either commission a disinterested expert to analyze the data collected from the Boston SMSA's or will analyze it itself. In writing the preliminary disclosure regulation, the commissioner has tried to determine what information would be needed for accurate research on redlining.

The commissioner feels that a number of benefits can come from the type of disclosure she is advocating.

First, mortgage funds may be somewhat more available in certain areas simply from the political leverage created by disclosure; and, second, if there is a redlining problem, the banking department will have some basis for determining its extent and for devising appropriate legislation.

Because Commissioner Greenwald's rational approach for disinterested expert analysis of data to be collected before embarking upon permanent legislation offers a viable alternative to S. 1281 which this body will be called upon to consider in the near future, I ask unanimous consent that the editorial comment and extracts from Commissioner Greenwald's speech, appearing in the May 28, 1975, edition of the American Banker, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the American Banker, May 28, 1975]

FACTS, NOT EMOTION, ON REDLINING

In raising the redlining issue, "the public is charging that the banks are discriminating on the basis of fear rather than reality," observed Carol S. Greenwald, Massachusetts Commissioner of Banks, in telling a group of bankers why she was asking for detailed information on their mortgage practices. The public wants to know where banks make their mortgages and where they get their deposits, "because in the public's mind, there should be a commitment of a financial institution to service the community from which it draws its deposit base."

Mrs. Greenwald disagrees; and, in order to bring rationality into an emotional argument, has asked for basic facts.

"If redlining is a problem, it is not because only a few banks practice it," she informed a Massachusetts Bankers Association management seminar. "If it is a widespread banking practice, we need to know it so appropriate regulations and legislation can be drafted.

"Implicitly, community groups are defining redlining to occur when the mortgages made in a geographic area are less than the deposits taken from that area. I do not subscribe to that view," she said. (Her speech is reprinted in the adjacent column as Required Reading.)

"To me, redlining would appear to be occurring when a disproportionate amount of home sales are financed outside of the conventional credit system. In general, since financing through the traditional credit network is easiest, if it is not done that way, it may well mean that conventional credit is not available," she noted.

"The major problem in defining redlining is the expectational base line," Mrs. Greenwald explained. "If the Boston banks treated everyone equally, what proportion of their mortgage portfolios should they have in Boston? If redlining were not occurring, then the proportion of a financial institution's mortgages in any given area would equal the proportion of homes that area represents in the bank's market.

"It is important that community groups not be the only ones to analyze bank lending patterns if we are to insure that the data is honestly examined," she emphasized, "The banking department will either commission a disinterested expert to analyze the data collected from the Boston SMSA or will analyze it itself.

"In writing this regulation, I have tried to determine what information would be needed for accurate research on redlining. I could not limit the study to the large Boston banks nor could I handle the whole state. The banking department does not have the staff to analyze town data for the entire state and outside research organizations I have approached also felt that data from the Boston SMSA would provide sufficient information.

"Data from just the large Boston banks would be insufficient. Data from suburban areas in which there is no question of redlining is needed, in order to determine the normal relationship between depositors and mortgage lending," she pointed out. "The test for the existence of redlining must be geared to the proportion of mortgages you would expect a bank to write in a given area if it were not discriminating.

"By examining both urban and suburban banks, we will gain a clearer picture of a bank's normal relationship to its own customers and area. Deposit information is relevant to mortgage lending, but it is not the simple relationship projected by community groups. We need data from a variety of communities. Banks are financial intermediaries, not credit unions; i.e., they neither owe their depositors loans nor are they limited to lending to depositors," she insisted.

"I am discussing the disclosure regulation with you because I want the financial community to know that there need not be any close relationship between deposits from a given area and mortgages made in that area and that the citizens of the Commonwealth are best served by a free capital market which allows financial intermediaries to be intermediaries between areas." Mrs. Greenwald affirmed.

But she also insisted that it is "important that commercial banks also recognize their social responsibilities in making mortgages."

She expects two good things from her program of disclosure:

"First, mortgage funds may be somewhat more available in certain areas simply from the political leveraging created by disclosure;

"Second, if there is a redlining problem we will have some basis for determining its extent and for devising appropriate legislation."

[Reproduced in the American Banker, May 28, 1975]

EXTRACTS OF SPEECH OF CAROL S. GREENWALD

Now, let us shift gears and think about a whole different area of bank problems: redlining. As you know, financial institutions have been accused of discriminating against mortgage applicants on the basis of where their property is located, regardless of the financial ability of the applicant, the condition of the property, or the bank's actual loss experience in this area. Thus the public is charging that the banks are discriminating on the basis of fear rather than reality. As a result of these allegations, there has been a demand for public disclosure of where banks write mortgages. This has been coupled with a demand for public disclosure of deposits by geographic area because in the public's mind, there should be a commitment of a financial institution to service the community from which it draws its deposit base.

In response to this public outcry and charge of discrimination, last Friday I sent out a regulation to all state chartered financial institutions in the Boston standard metropolitan statistical area requiring disclosure of deposits and mortgages by geographic area. For cities with populations over 75,000, the data must be provided by census tract for other towns the data could be by zip code. This data is to be filed with the department of banks and must be available upon request to the public at all bank offices. The freedom of information act would give the public access to this data once it was in the department's files so it seems sensible to have the Boston area banks provide it on request to the public. Banks outside of the Boston SMSA or under $20 million in deposits will receive a letter, requiring that the same information be provided at the request of 25 depositors.

The Boston area is being treated differently than the rest of the state because it is only here that there have been public complaints of redlining. Rather than allowing community groups to choose the banks from which they want disclosure, and possibly thus presenting a distorted picture of mortgage lending patterns, I believe it is preferable to obtain a total picture of financial flows in the Boston market. If redlining is a problem, it is not because only a few banks practice it. If it is a widespread banking practice, we need to know it so appropriate regulations and legislation can be drafted.

Implicitly, community groups are defining redlining to occur when the mortgages made in a geographic area are less than the deposits taken from that area. I do not subscribe to that view.

To me, redlining would appear to be occurring when a disproportionate amount of home sales are financed outside of the conventional credit system. In general, since financing through the traditional credit network is easiest, if it is not done that way, it may well mean that conventional credit is not available. To determine this, the banking department will this Summer study the pattern of financing home sales in a variety of areas within the Boston SMSA during the last year to determine whether the proportion of bank financing differs significantly among areas.

The major problem in defining redlining is the expectational base line. If the Boston banks treated everyone equally, what proportion of their mortgage portfolio should they have in Boston. If redlining were not occurring then the proportion of a financial institution's mortgages in any given area would equal the proportion of homes that area represents in the bank's market, adjusted of course, for different turnover rates between areas. As a first approximation, if the number of 1–4 family residences in Boston is 10% of those in the Boston SMSA, then Boston banks should have 10% of their mortgages in Boston. One could argue that Boston banks should have a bigger share than this to make up for the fact that suburban banks concentrate heavily on their local areas.

It is important that community groups not be the only ones to analyze bank lending patterns if we are to insure that the data is honestly examined. The banking department will either commission a disinterested expert to analyze the data collected from the Boston SMSA or will analyze it itself. In writing this regulation, I have tried to determine what information would be needed for accurate research on redlining. I could not limit the study to the large Boston banks as some representatives on the banking committee suggested nor could I handle the whole state. The banking department does not have the staff to analyze town data for the entire state and outside research organizations I have approached also felt that data from the Boston SMSA would provide sufficient information.

Data from just the large Boston banks would be insufficient. Data from suburban areas in which there is no question of redlining is needed in order to determine the normal relationship between depositors and mortgage lending. Since the Boston savings banks all continue to do some mortgage lending throughout Boston, the test for the existence of redlining must be geared to the proportion of mortgages you would expect a bank to write in a given area if it were not discriminating.

By examining both urban and suburban banks, we will gain a clearer picture of a bank's normal relationship to its own customers and area. Deposit information is relevant to mortgage lending, especially in periods of tight money when only depositors get mortgages, but it is not the simple relationship projected by community groups. We need data from a variety of communities. Banks are financial intermediaries, not credit unions, i.e., they neither owe their depositors loans nor are they limited to lending to depositors. Downtown banks, because they are larger and are in the business area, have a much wider distribution of property than suburban banks. The competitive function of larger banks is to prevent local monopolies. For example, if the Boston Five Cents Savings Bank did not lend in Belmont, the Belmont Savings Bank would be a local monopoly.

I am discussing the disclosure regulation with you because I want the financial community to know that I know that there need not be any close relationship between deposits from a given area and mortgages made in that area and that the citizens of the commonwealth are best served by a free capital market which allows financial intermediaries to be intermediaries between areas.

I also believe that it is not irrelevant to discuss this issue with commercial banks because virtually all commercial banks have a mortgage portfolio and while residential mortgages may not be the primary asset of the bank, it may well be a significant factor in mortgage availability. Thus, the First National Bank of Boston may only have $30 million to $40 million in residential mortgages and this is a very small item in its portfolio, but this is a larger mortgage portfolio than half the cooperative banks in Massachusetts have. It is, therefore, important that commercial banks also recognize their social responsibilities in making mortgages. While the regulations issued by my office can only require disclosure from state chartered banks, I am asking national banks to voluntarily provide this data as an act of goodwill, to show that they have nothing to hide. Doing this voluntarily now, before the bill sponsored by Senators Proxmire and Brooke requires disclosure from national banks, could provide a significant public relations benefit.

What good can come of disclosure? First, mortgage funds may be somewhat more available in certain areas simply from the political leveraging created by disclosure.

Second, if there is a redlining problem we will have some basis for determining its extent and for devising appropriate legislation.

As many of you are aware, I have suggested a program called in the press a "fair plan" for mortgages which would reduce the risk for any individual bank in making mortgages in marginal neighborhoods by providing an insurance fund for these mortgages. I believe that providing funds for urban areas should involve all financial intermediaries: savings banks, cooperative banks, commercial banks, credit unions and insurance companies. This can be done by creating an assigned risk pool for mortgages in redlined areas as was done in the "fair plan" for insurance in redlined districts.

The new agency would be called the Massachusetts mortgage agency. The existence of this agency would enable the bank to separate the three parts of normal credit standards: the financial ability of the applicant, the condition of the property, and the expected future resale value of the property. An applicant for a mortgage on property in an area with a paucity of mortgage fund availability would have to meet normal credit standards as do his ability to meet monthly finance charges and the condition of the property. If a mortgage applicant could not get FHA financing because of FHA's adherence to geographic discrimination, then the bank could make the mortgage knowing that the Massachusetts mortgage agency would guarantee any losses.

Membership in the Massachusetts mortgage agency would be mandatory on all financial institutions which would be assessed up to a certain proportion of their profits to make up the insurance fund. The Massachusetts mortgage agency would be authorized to insure first mortgage and home improvement loans given for the purpose of acquiring a dwelling, refinancing an existing loan or for rehabilitation work.

In insuring loans, the Massachusetts mortgage agency would consider: the degree to which conventional financing for purchasing mortgages or home repair loans is available; the financial ability of the proposed borrower must be demonstrated; the property is owner occupied and does not exceed four units; the down-payment is at least 10% of the sales price, and the maximum mortgage does not exceed $35,000; the proposed borrower must have been refused financing by the VA or FHA because of the neighborhood's lack of soundness or because the federal agency appraised the property at less than the selling price; the proposed borrower must agree that if a mortgage is to be insured, it cannot be assigned or assumed.

The Massachusetts mortgage agency can insure up to 100% of the unpaid principal. For this insurance, the MMA may charge ½% insurance premium on the mortgage. Mortgages insured by this agency in all other respects must carry the same interest rate as the banks normal rate with that downpayment and maturity.

The Massachusetts mortgage agency would have the right to call on every financial institution doing business in the commonwealth for up to 1% of its time and savings deposits for insured loans. The MMA would be able to require a lending institution to make such an insured loan. The lending institution need not be located in the municipality in which the assumer property is located.

The MMA will establish an insurance fund to reimburse lenders for defaulted loans. The MMA will be able to assess all lending institutions doing business in the commonwealth for contributions to the insurance fund to cover insurance obligations.

Annual contributions will not exceed 2.5% of the capital and surplus accounts of the participating institutions.

To provide liquidity for the banks making these loans, insurance companies will be required to purchase up to $100 million of these loans insured by MMA in any given year, up to a portfolio of $250 million.

While on the surface it appears that the banks are being asked to subsidize a social function, in fact the cost of this program will be borne by all homeowners in the common-

wealth. I fully expect an economic analysis would show that any losses incurred by this program will be reflected in higher interest rates on all mortgages, because the mortgage market is the area with the least number of alternatives as long as all banks are participating.

Losses cannot be reflected in lower rates on deposits because depositors will withdraw their funds to open market instruments. They will not be reflected in lower profits because that will increase the problems of attracting capital. So necessarily it will be reflected in a higher price and because all institutions will be participating, it will end up as a somewhat higher mortgage rate because Massachusetts home buyers will have no alternative sources of mortgage money.

MUNICIPAL CLERKS' WEEK

Mr. INOUYE. Mr. President, the mayor of the city of Los Angeles, Calif., has recently proclaimed the city's support of Senate Joint Resolution 45, which I have introduced to designate the second week in May as Municipal Clerks' Week.

I ask unanimous consent that this proclamation be printed in the RECORD.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

CITY OF LOS ANGELES PROCLAMATION

Whereas, Municipal Government, in order to best serve the needs of the citizenry, must be operated with efficiency and in an orderly manner; and

Whereas, the efficiency and order with which Government carries out its public functions is strongly reliant on procedures and records; and

Whereas, the Municipal Clerks administer the procedures and keep the records; and

Whereas, an organized source of knowledge about a community and its government activities is vital to the smooth governing of that municipality, and

Whereas, the Municipal Clerks provide and maintain such a body of knowledge; and

Whereas, Municipal Government must be conscientiously represented in affairs of its community; and

Whereas, the Municipal Clerks provide an important part of this representation; and

Whereas, the Strength of local government depends upon the citizens' opinion of it, and such opinion is formed largely by the image set forth by the Municipal Government employees; and

Whereas, the Municipal Clerk is the Municipal Official most closely in daily contact with the citizenry, and therefore in a key position to mold sound public opinion:

Now, therefore, I, Tom Bradley, Mayor of the City of Los Angeles, do hereby proclaim the week of May 12 through May 17, 1975, as Municipal Clerks' Week in recognition of the vital services they perform and their outstanding dedication to the communities they represent.

Mr. INOUYE. Mr. President, the city council of the city of Gibson, Ill., has recently passed a resolution in support of Senate Joint Resolution 45, which I have introduced to designate the second week in May as Municipal Clerks Week.

I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION No. 1391

Whereas, it is recognized that the City Clerk performs the highly valued functions of administering the procedures and keeping the records of the City; and

Whereas, it is further recognized that the City Clerk provides and maintains an organized source of knowledge about the community; and

Whereas, the City Clerk provides conscientious representation of the municipal Government in the affairs of the community; and

Whereas, the City Clerk helps mold public opinion of local government through daily contact with the citizenry.

Now, therefore, be it resolved that the City Council of the City of Gibson does hereby support the national movement to recognize the importance of the position of City Clerk with the passage of joint congressional resolutions proclaiming the second week in May as "Municipal Clerk's Week"; and

Be it further resolved that the City Council of the City of Gibson does hereby encourage the Senate Committee on Judiciary and the House Post Office and Civil Service Committee to give Senate Joint Resolution 45 and House Joint Resolution 227 respectively, favorable hearings.

WILMINGTON'S INNOVATIVE READING PROGRAM

Mr. BIDEN. Mr. President, from time to time I have spoken about Delaware's tradition as the "first State." Since ratifying the U.S. Constitution, Delawareans have had many firsts, and many innovations.

Now we have a new and exciting reading program being conducted in the Wilmington Public School District. Students in Wilmington, Del., are improving their reading skills by using television as a reading text. Using such shows as "Kung Fu" and "Gilligan's Island," the students view the video taped programs while reading the program scripts. The result is that the student reads on paper what he or she is hearing and watching on television.

The program is financed by a Federal grant, and it appears to be having a significant effect. Probably the most pressing educational problem we face today is the inability of our young people to read with facility, and the Wilmington program is beginning to solve that problem.

In this regard, I would like to bring to the attention of my colleagues an article which appeared in the Washington Post on Sunday, June 8, 1975, entitled "Medium Message: TV as Text," by Bart Barnes.

Mr. President, I ask unanimous consent that the text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 8, 1975]

MEDIUM MESSAGE: TV AS TEXT

(By Bart Barnes)

WILMINGTON, DEL.—In a second-floor classroom at Bancroft Middle School in a black neighborhood of East Wilmington, 14-year-old Jesse Griffin stares down at a printed page. A switch is thrown on a large television set at the front of the room and soon figures flash on the screen. Griffin is into his reading lesson for the day: a script and video cassette from an episode of the television program, "Sanford and Son."

Across town at Pierre S. Dupont High School, students in a 9th-grade class taught by Arabella Stallings are zeroing in on "Gilligan's Island" in an effort to sharpen up their reading skills.

And at Howard High School in another part of town a group of students watches a segment from "The Rookies" on a video cassette, then, scripts in hand, prepare to produce their own video tape of what they've just seen.

All three incidents reflect a new, and what many educators hope may be a significant, way of grappling with one of the most pressing issues facing the nation's public schools: teaching minority students in inner city schools to read.

For years, as the nation's cities have become increasingly black and Spanish speaking, reading-test scores have dropped sharply and the gap between inner city schools and those in the suburbs has widened. Now, in a small but growing number of school systems ranging from Philadelphia, to Jacksonville, Fla., to Mount Vernon, N.Y., educators are turning to popular television programs as a way of stimulating student interest in reading.

Using such television shows as "Kung Fu," "Fat Albert" and the movie "Brian's Song," the schools have obtained scripts and video cassettes of the television programs. The tapes are played in class and each student is provided with a script so he can read on paper what he's hearing and watching on television.

"It's a gimmick. We don't pretend it's anything else," says Morton Witlin, a Wilmington school administrator who won a $33,900 federal grant to test the success of the television reading program in the city's schools.

"What we're doing is taking television, something the kids are interested in and involved in, and then using it to teach them something they need to know—reading. How else do you get 8th- and 9th-grade students interested in learning to read when they have missed the boat for so long?"

There are 750 8th- and 9th-grade students participating in Wilmington's television reading program this year and Witlin is currently awaiting test results to see if reading skills have improved. Wilmington's schools are 84 per cent black and 4 per cent Puerto Rican, so most of the children in the program are black or Puerto Rican.

But there are indications from other cities that reading skills do, in fact, improve when students study such fare as "The Lucy Show."

In Mount Vernon, N.Y., a year ago the television reading program was tried on 28 7th-graders for five months. In that period, one child advanced four years in reading skills, four advanced three years, 10 gained two years, six gained one year and three made less than a year's gain, according to Ruth Cafarella, reading supervisor for the Mount Vernon schools. "The students were really motivated," she said. Before the program began, the 7th-grade students were reading at a 2d-, 3d-, or 4th-grade level.

In Washington, school officials have heard of the television script approach to learning reading, but the city has not used it in any of its schools and it is not under active consideration. Washington's schools are currently in the last year of a three year "competitive partnership" approach to reading. In that program, the schools are evaluating material supplied by three publishers, D. C. Heath, Random House and McGraw-Hill to see which is most effective in raising reading test scores.

The idea to use television as a reading text originated in Philadelphia, and, the program is being used in 25 schools there this year. Students enrolled in it have been found to have made "educationally significant and statistically significant gains," according to Bernard Solomon, who first thought of the idea three years ago while teaching a class of black and Puerto Rican children at the city's Masterman School.

There were a number of children who had been testing as low as the 16th percentile, Solomon said, whose reading skills were at the national norms after a year in the television program.

"This proves something very fundamental," Solomon said. "it proves that children in the inner city, although they may be failing, do have a great desire to learn how to read."

Solomon said he turned to television as a possible reading text because many of the children seemed bored and uninterested in the conventional materials. Television was the common thread running through everyone's life. "All the children watched television."

So, using a video tape recorder owned by the school system, Solomon began to spend evenings at school making videotapes of popular television programs as they were broadcast. Then, tediously, he would play the tapes back over and over again, taking down the script by hand.

"Of course, it was illegal. We had no right to do it. But we did it anyway," Solomon said.

Eventually, Solomon did get permission from the networks to use tapes and scripts of their shows and the networks even gave him copies of their own scripts, which included stage directions, too.

The program was such a success in Solomon's classroom the first year he tried it that he was taken out of the classroom and told to direct a similar effort at other Philadelphia schools. Since then he's become a consultant to other school systems as they go about setting up their own television reading programs.

Just this spring, for example, Solomon, the public schools of Jacksonville, Fla., and television station WJXT (a Post-Newsweek station) put together a 12-part series that was broadcast over three weeks in April 6th and 7th graders.

All 18,000 students were supplied scripts of the series—a 1934 science-fiction movie serial called "The Vanishing Shadow"—and they were urged to watch the program on their television sets at home. The program was broadcast at 7 p.m. Monday through Thursday on three successive weeks and samplings indicated its viewing audience outdrew the combined total of all other programs on the air at the same time.

While the students had scripts, teachers were supplied with lesson plans and guides aimed at using the scripts to stress such skills as comprehension, grammar, punctuation and vocabulary.

The experiment drew an endorsement from the National Education Association which said it had "learning implications which warrant national attention."

At this point there is a wide difference in the way various teachers use popular television in the classroom but, almost invariably, they say it has reduced discipline problems and increased motivation to learn.

At Bancroft School in Wilmington, eighth grader Jesse Griffin thinks it's "good. It's very good. It's an interesting way to learn reading." He feels that his reading skills have improved this year.

His teacher, Lorel Meanor, says "It's very motivating. The students really enjoy having something they can identify with." In addition to "Sanford and Son," her class has studied video tapes and scripts of "Brian's Song," "The Autobiography of Miss Jane Pittman" and "The Rookies."

Typically, Mrs. Meanor will play a tape for no more than five or 10 minutes in a class period while the students follow along with their scripts. Then the rest of the time will be spent in discussion of vocabulary or of what they've just read or students may read from the script, each taking a different part.

Over at Dupont High, Arabella Stallings, as part of the "Gilligan's Island study, has her children write little essays on what they might expect to find if they were ever stranded on Gilligan's Island.

"You can get these kids to do just about anything you want them to do just by using television," Mrs. Stallings said.

And at Howard High School, 16-year-old Chris Farrare and his classmates will spend about five minutes watching a tape of "The Rookies" and following the action in the script. Then they will walk across a hallway to the school's TV studio where they will read their parts for their own video tape.

"It helps us to learn by acting out these parts," Farrare said.

His teacher, Lucille Morris, says the program is "just about the most exciting thing I've run across as far as motivating students. It's something they have experienced because they all watch television no matter what their economic background."

THE 87TH BIRTHDAY OF JAMES A. FARLEY

Mr. WILLIAMS. Mr. President, as I am sure most of us know, James A. Farley celebrated his 87th birthday on May 30. I think that we share great admiration for Mr. Farley, regardless of our party affiliation. He is a man who fights hard for what he believes in but always fights fairly. He is a man whose whole life has been devoted to helping the country he loves so dearly.

The outstanding, syndicated columnist, Ernest Cuneo, wrote an excellent column marking Mr. Farley's birthday. I think that that column very much captures the essence of this living legend. Therefore, I request unanimous consent that Mr. Cuneo's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARLEY AT 87 STILL A PRODIGIOUS LETTER WRITER

(By Ernest Cuneo)

NEW YORK.—Four score and seven years ago James A. Farley was born at Grassy Point, Rockland County, N.Y. Four score and seven years was the exact age of the Republic when President Abraham Lincoln delivered his Gettysburg Address in 1863. Twenty five years later, Jim Farley was born.

This measures not how old Jim Farley is but how young is our country: Jim Farley has been breathing its air of freedom for more than 40 per cent of the time since its independence was declared in 1776.

At 87, the Hon. James A. puts in a five day week; his half-day on Saturday he doesn't count. From this, it is clear that, like Sir Thomas Lipton, Farley believes there's no fun like work.

The most prodigious letter writer in history, he still tosses off between 50 and 80 a day, down a bit because many of his friends didn't reach his age. However, he received better than 2,000 messages on his recent birthday.

His 6 feet 2½ inches are ramrod straight and his curous gait of rapid small steps still moves his slim 180 pounds faster than the sidewalk current of New York. His face is more familiar to New Yorkers than the face of the Statue of Liberty. Last week, for example, he attended five large business luncheons, three banquets and squeezed in a TV symposium along with Franklin D. Roosevelt Jr.

Farley, the nation's onetime postmaster general, insists that he was born an optimist. But, he adds, how could anyone born before the automobile, the airplane, wireless and TV, and who saw their arrival, be anything but optimistic about the greatness of the American people.

A most religious man, he makes no effort to disguise that he thinks these United States is the greatest miracle of all.

Once known nationally as "Mr. Democrat," he is now famous internationally as "Mr. U.S.A." Included in his personal correspondence are the presidents, prime ministers, kings and queens of more than half the countries of the earth, and the leaders of even wider fields, including the Popes for the last 40 years. But his vast correspondence with Democratic party workers continues.

His easy manner and total approachability have obscured the fact that he is probably ths greatest organizer of massive sales forces in all of recorded history. His political canniness has been hailed as his principal attribute, i.e., the master politican. This is true enough, but it is merely the surface of a tremendous personal following.

His following is born of this glad heart, not the conventional Glad Hand. In the Emersonian equation, people truly love him because he truly loves people. He's never had an alcoholic drink in his life. His major vice was vanilla ice cream, but when his doctors advised against it, he took the heavy blow manfully.

He is the country's greatest baseball fan. First thing every morning he reads and studies the box scores of every major league game. His secretaries say this is the only time it is dangerous to disturb him.

A young Democrat in an overwhelmingly Republican town, Farley won his first office, that of town clerk, because he had written a letter to a family on the death of their young daughter. The Republican family voted en masse for their friend. "Stretch" Farley, first baseman of the Alphas. This provided the margin of victory. James A. promptly took to the bottle—the green ink bottle. From then on, letters covered Rockland County like a Catskill snowstorm. He was elected Rockland county chairman and was the first to tell Al Smith he should run for governor. Smith did and won.

Farley enveloped New York State in a blizzard of letters during FDR's gubernatorial campaign. FDR was swept into office by three-fourths of a million majority—by Jim Farley's 6,000 regulars in the 62 counties of New York State.

For the presidential nomination, Farley organized 150,000 workers in the 3,000 odd counties of the United States. He spent six hours a night signing letters to these people, most by their first names. He averaged about 2,000 signatures a night, prepared by six secretaries.

It was both natural and poetic justice that when FDR was elected President, his first appointment was that of James A. Farley as postmaster general. Farley repeated his pattern: From mailmen to postmasters, thousands got personal letters signed with the famous signature in green ink.

There were 2,000 key leaders throughout the Union. Their reports were the basis for his historic prediction in 1936 that FDR would carry 46 of the 48 states.

Actually, young Farley's poll of the New York delegates had been decisive in the defeat of Boss Murphy by Al Smith in 1922. On the basis of Farley's poll, the great Murphy threw in the sponge. Farley's polls, long before Gallup and Harris, so flatly contradicted that of the Literary Digest in 1936 that that famous magazine collapsed, the first mortality by mortification.

Far more than it is realized, FDR, and Farley were the chiefs of a working team during the first two terms. FDR declared so in writing; He said he and "Dear Jim" were the most effective White House duo since Cleveland and Lamont.

Just about every honor this Republic has to bestow has been showered upon Farley,

above all the respect and affection of the American peope as a whole. Said one foreign diplomat, "The Hon. James A. Farley combines the best features of an American: He has his eyes on the stars—and his feet on the ground."

New Yorkers say it in their Newyorkese, "Of all great guys, Big Jim is the greatest."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RECESS UNTIL 12:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 12:30 p.m. today.

There being no objection, the Senate, at 10:42 a.m., recessed until 12:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BUMPERS).

UNANIMOUS-CONSENT AGREEMENT—H.R. 4485

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the Emergency Housing Act conference report, H.R. 4485, to be called up later in the afternoon, there be a time limitation of 1 hour to be equally divided between the distinguished Senator from Texas (Mr. TOWER) and the equally distinguished Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR COMMITTEE ON ARMED SERVICES TO MEET UNTIL 1:15 P.M. TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Armed Services have permission to meet until 1:15 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Will the Senator yield

Mr. MANSFIELD. I yield.

90-DAY EXTENSION OF EXPIRATION DATE OF DEFENSE PRODUCTION ACT OF 1950 AND 90-DAY EXTENSION OF FUNDING OF NATIONAL COMMISSION ON PRODUCTIVITY AND WORK QUALITY

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the joint resolution (S.J. Res. 94) to extend by 90 days the expiration date of the Defense Production Act of 1950 and to extend for 90 days the funding of the National Commission on Productivity and Work Quality.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S.J. Res. 94) to extend by 90 days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for 90 days.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read the second time at length, and the Senate will proceed to its consideration.

Mr. PROXMIRE. Mr. President, I think I can discuss this in about a minute and a half.

This resolution, Mr. President, is necessitated by the fact that the basic legislation to extend the Defense Production Act is still pending before the Banking Committees in both Houses. It does not appear likely that we will be able to hold the necessary hearings, markup the bill and report it to the floor before the act expires on the 30th of this month. We have already been forced to postpone Senate hearings on the basic legislation during last week's consideration of the military appropriations authorization bill.

If, however, the act is allowed to lapse on June 30, a variety of important preparedness and mobilization programs will lose their authority. Among these programs are the defense materials systems, the defense priorities system, the national defense executive reserve, and the Defense Production Act stockpile of minerals and materials.

We have rescheduled hearings in the Senate on the basic legislation on the day immediately following the Fourth of July recess. Hearings are also scheduled in the near future in the other body. It is our hope to have this basic Defense Production Act legislation reported to the floor for debate before the end of July. This 90-day extension would carry us through that time and provide an extra margin for safety.

Last year—for reasons having to do with the National Commission on Supplies and Shortages—it became necessary to ask for two short-term extensions of the Defense Production Act. It is my intention to avoid a repetition of this process by seeking at this time a single 90-day extension, or until September 30, 1975.

The other function of this resolution is to continue funding for the National Commission on Productivity and Work Quality while the Congress considers two bills—S. 765 and S. 937—which would give this institution the permanence and the organization it requires to fulfill its mandate effectively. There has been solid bipartisan support for this concept and we believe that 90 days will be adequate to wind up consideration of these bills.

The joint resolution (S.J. Res. 94) was ordered to a third reading, read the third time, and passed as follows:

S.J. RES. 94

To extend by ninety days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for ninety days.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 717(a) of the Defense Production Act of 1950 is amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1975".

Sec. 2. Subsection (j) of Public Law 93-311 is amended by adding at the end thereof the following new sentence: "In addition, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section during the period from July 1, 1975, through September 30, 1975."

FOOD STAMPS FOR SSI RECIPIENTS

The PRESIDING OFFICER. Pursuant to the previous order, the Senate will proceed to the consideration of S. 1662. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1662) to amend the Food Stamp Act of 1964.

The Senate proceeded to consider the bill which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert the following:

That effective for the 12-month period ending June 30, 1976, section 3(b) of the Agriculture and Consumer Protection Act of 1973 is amended to read as follows:

"(b) Section 3(e) of the Food Stamp Act of 1964 is amended by striking out 'No person who is eligible (or upon application would be eligible) to receive supplemental security income benefits under title XVI of such Act shall be considered to be a member of a household or an elderly person for purposes of this Act.' and inserting in lieu thereof the following: 'For the 12-month period ending June 30, 1976, no individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household or an elderly person for purposes of this Act for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.' ".

Sec. 2. Effective for the 12-month period ending June 30, 1976, section 4(c) of the Agriculture and Consumer Protection Act of 1973 is amended to read as follows:

"(c) For the 12-month period ending June 30, 1976, no individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household for any purpose of the food distribution program for families under section 32 of Public Law 74-320, section 416 of the Agricultural Act of 1949, or any other law, for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.".

Sec. 3. The last sentence of section 416 of the Act of October 31, 1949, shall not be effective for the 12-month period ending June 30, 1976.

Sec. 4. For purposes of section 3(e) of the Food Stamp Act of 1964 (as amended by section 1 of this Act) and section 4(c) of the Agriculture and Consumer Protection Act of 1973 (as amended by section 2 of this Act), the level of State supplementary payments under section 1616(a) of the Social Security Act shall be found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps (a) only if, prior to October 1, 1973, the State has entered into an agreement with the Secretary or taken other positive steps which demonstrate its intention to provide supplementary payments under section 1616(a) at a level which is at least equal to the maximum level which can be determined under section 401 (b)(1) of the Social Security Amendments of 1972 and which is such that the limitation on State fiscal liability under section 401 does result in a reduction in the amount which would otherwise be payable to the Secretary by the State, and (b) only with respect to such months as the State may, at its option, elect.

Sec. 5. The provisions of this Act shall be effective on July 1, 1975.

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and suggest that the time be charged equally to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROLLCALL VOTES ON AMENDMENTS AND MOTIONS TO S. 1662 TO FOLLOW VOTE ON TABLING MOTION ON SENATE RESOLUTION 60 AT 2:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if any rollcall votes are ordered on amendments in connection with the food stamp bill, or motions in relation thereto, such rollcall votes will follow in sequence immediately after the rollcall vote on the tabling motion, which is to occur at 2:30 p.m.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is granted.

Under the previous order, there it a time limitation of 1 hour on this bill. Who yields time?

Mr. ALLEN. Mr. President, I yield myself 10 minutes.

Mr. President, the bill now before us, if enacted, would extend for 1 year the eligibility of supplemental security income—SSI—recipients to receive food stamps. Failure to enact this bill before June 30, 1975, would mean SSI recipients in those 45 States that have not cashed out food stamps would no longer be eligible to receive or purchase food stamps beyond that date.

According to the Social Security Administration, over 4 million persons received SSI payments as of January 1, 1975. About 1.5 million of these recipients participated in the food stamp program as of this date. Another 1.1 million of these SSI recipients were in the 5 cash-out States—California, Massachusetts, New York, Wisconsin, and Nevada—where the cash equivalent of the bonus value of food coupons are provided.

They do not get the food stamps but they have added to their SSI payment the monetary value of the food stamps.

This, of course, means that these particular recipients are not eligible for food stamps. That is in the five cash-out States, so-called, that I have enumerated.

Mr. President, the committee amendment strikes out all after the enacting clause of S. 1662, and inserts in lieu thereof an amendment in the nature of a substitute. The committee amendment is only technical in nature. As introduced, S. 1662 would have continued through June 30, 1976, the current regulations of the Secretary of Agriculture governing the eligibility of SSI recipients, to receive food stamps, and where applicable, to participate in the family commodity distribution program. The committee amendment merely continues through June 30, 1976, a period of 1 year, the substantive provisions of law under which the Secretary issued his regulations.

Mr. President, I move that the Senate agree to the committee amendment, and that the bill as thus amended be treated as original text for the purpose of further consideration and possible amendment.

The motion was agreed to.

Mr. ALLEN. Mr. President, one might ask, why another temporary extension of these SSI/food stamp provisions? Let me respond to that question, because this proposal does continue, not the basic food stamp program, but food stamps to beneficiaries of SSI.

On February 5, 1975, the Senate adopted Senate Resolution 58, submitted by the distinguished Senator from Kansas (Mr. DOLE), which directed the Secretary of Agriculture to make a study of the food stamp program and to submit his legislative recommendations regarding possible review of this program to the Congress no later than June 30, 1975.

The receipt of that study and those recommendations is imminent. Permit me to read the full text of that resolution:

Resolved, That the Secretary of Agriculture is hereby directed to make a study of the food stamp program and on the basis of such study to provide the Congress by June 30, 1975, recommendations for legislative changes which will: (1) disqualify families who have adequate incomes from receiving stamps; (2) reduce administrative complexities which make joint operation with other Federal assistance programs difficult; (3) tighten accountability for procurement, shipping, and handling of food stamps; and (4) increase penalties for those who abuse the program. The Secretary may make such other recommendations as he deems desirable.

When questioned recently about the status of this particular study, Assistant Secretary of Agriculture Feltner indicated to our committee that the study, including the Secretary's legislative recommendations, has been completed and is about to be submitted to the Congress for consideration. Our committee, on receipt of this study, is prepared to move as soon as possible on the recommendations in this regard no later than July of this year, or sooner, depending upon when we actually receive the Secretary's study and recommendations.

The House Agriculture Committee also, I am informed, has committed itself to conduct a major comprehensive review of the food stamp program later this year. Hopefully, the Congress will complete its review and deliberations regarding this important national program well before June 30, 1976.

Included in this review, of course, will be an examination of the SSI food stamp provisions, which hopefully will result in a more permanent solution of the issues involved regarding these particular provisions, and it will not then be necessary, we hope, to come back to Congress every year for a temporary renewal of the food stamp provisions as applied to SSI recipients.

Mr. President, at the proper time I shall urge the passage of the bill. I believe there is really no objection to extending this program for another year, though I understand possibly amendments will be offered. So I reserve the remainder of my time.

Mr. HUDDLESTON. Mr. President, the supplemental security income program was enacted as a part of the Social Security Amendments of 1972. The SSI program provides cash benefits for aged, blind, and disabled Americans. The Department of Health, Education, and Welfare estimates that there are about 7 million who fall into this category.

It was the original intent of Congress that the SSI program would "cash out" food benefits for recipients of cash assistance. It was anticipated that the increased cash assistance received by those in the SSI program would cover any loss of food assistance benefits previously received under the food stamp and food distribution programs.

However, because the equity of restricting this particular group of low-income people from receiving food stamps or free commodities was questioned, a compromise law, Public Law 93-86, was enacted. It stated that food program eligibility for SSI recipients would be retained if the recipient fails to receive cash benefits commensurate with the total of the welfare benefits plus the food stamp bonus for which he would have been eligible in December 1973.

Because of the difficulty of administration and inequity of this law, it was suspended.

Accordingly, SSI beneficiaries were not ineligible for food stamp benefits during the months prior to July 1974. Public Law 93-335 extended for 1 year the eligibility of the SSI recipient for food stamps until June 30, 1975.

The Social Security Administration indicates there are 4 million persons who receive SSI benefits. Of this number 1.1 million are not eligible for food stamps because they reside in cash-out States. Of the 2.9 million who are eligible to participate in the food stamp program about 1.5 million were doing so in January 1975.

S. 1662 would continue for 12 months the substantive provisions of the existing law and thus avoid the complexities of administering the provisions of Public Law 93-86.

Mr. President, in an effort to provide continued fair and equitable treatment of SSI recipients, I urge adoption of this measure.

PRIVILEGE OF THE FLOOR

Mr. DOLE. Mr. President, I ask unanimous consent that Kathy Bishop, Marshall Matz, and Kim Wells of the staff of the Senate Select Committee on Nutrition and Human Needs be granted the privilege of the floor during the consideration of this measure and any amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I yield myself 10 minutes.

Mr. President, I have listened with interest to the statement of the Senator from Alabama. I think he correctly states that there is no real objection to S. 1662. With reference to when we may expect the study as required by Senate Resolution 58, introduced by me and agreed to unanimously by the Senate, I have been informed this morning that we may expect to have that report on or about June 16.

Also, the distinguished chairman of the Committee on Agriculture and Forestry (Mr. TALMADGE) indicated this morning that as soon as that report is available, the Committee on Agriculture and Forestry will start a thorough reassessment and review of the food stamp program, with the thought in mind of tightening it up wherever possible.

All S. 1662 does, in effect, is extend through June 30, 1976, the current regulations of the Secretary of Agriculture governing the eligibility of SSI recipients, for example, the aged, the blind, and the totally disabled, to receive food stamps and participate, where applicable, in the family commodity distribution program.

INELIGIBLE SSI RECIPIENTS

In general, under the existing law and regulations, no SSI recipient is considered a household member—or an elderly person—and eligible to participate in the food stamp program if he resides in a State with respect to which the Secretary of Health, Education, and Welfare has determined—pursuant to Public Law 93–233—that the State provides a supplementary payment that has been specifically increased to include the value of bonus food coupons. The Secretary of Health, Education, and Welfare on January 16, 1974, determined that the States of California, Massachusetts, Nevada—only applies to aged and blind—New York, and Wisconsin were providing supplementary payments which have been specifically increased to include the value of bonus food coupons.

ELIGIBLE SSI RECIPIENTS

In all except the five named States, SSI recipients are considered household members or elderly persons.

If otherwise eligible under the food stamp program regulations, households consisting solely of SSI recipients are eligible to participate in the program without regard to the income and resources of the household.

Households which consist of SSI recipients and individuals who are not exclusively recipients of federally aided public assistance or general assistance are subject to the regular program income and resource standards of eligibility.

There is no objection to the bill itself, as I have indicated. There will be an amendment offered by the distinguished Senator from Pennsylvania (Mr. HUGH SCOTT), and there will be an amendment offered, as I understand, by the distinguished Senator from Ohio (Mr. TAFT). On behalf of myself, Mr. MCGOVERN, Mr. HUGH SCOTT, Mr. CLARK, Mr. PHILIP A. HART, and other Senators, I intend to offer an amendment, and on that amendment I assume there will be some difference of opinion.

So, Mr. President, I reserve the remainder of my time, and suggest the absence of a quorum so that we may notify the Senator from Pennsylvania (Mr. HUGH SCOTT).

The PRESIDING OFFICER. On whose time?

Mr. DOLE. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HUGH SCOTT) proposes an amendment.

The amendment is as follows:

On page 4, between lines 16 and 17, insert the following new section:

"SEC. 5. Section 10 (h) of the Food Stamp Act of 1964, as amended, is amended by deleting the first sentence and inserting in lieu thereof the following:

"Subject to such terms and conditions as may be prescribed by the Secretary in the regulations issued pursuant to this Act, household members of persons who are elderly, housebound, feeble, physically handicapped, or otherwise disabled, to the extent that they are unable to adequately prepare all of their meals, may use coupons issued to them to purchase meals prepared for and delivered to them by a political subdivision or by a private nonprofit organization which: (1) is operated in a manner consistent with the purposes of this Act; and (2) is recognized as a tax exempt organization by the Internal Revenue Service."

Mr. HUGH SCOTT. Mr. President, this amendment to the Food Stamp Act of 1964 represents a long-term goal of mine, something I had originally proposed in 1969. In essence, this amendment will allow all those already eligible for food stamps to use them to purchase meals on wheels.

When I introduced this bill in 1969 to authorize the elderly to exchange food stamps for meals prepared by private, nonprofit organizations, it was made a part of a more comprehensive bill adopted by the Senate. Unfortunately, the House failed to take action.

The amendment I offer today is designed to do the same thing; namely, to allow meals on wheels to be purchased with food stamps for those already receiving food stamps.

I ask for immediate action on the amendment.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. ALLEN. Mr. President, the distinguished Senator from Pennsylvania was kind enough to submit the amendment to us. We have considered it and have discussed it with the chairman of the committee. We see no objection to the amendment. In fact, we feel it is a good amendment.

We commend the distinguished Senator for submitting the amendment. We are willing to accept the amendment.

Mr. HUGH SCOTT. Mr. President, I thank the distinguished Senator and yield to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, the Senator from Kansas also discussed the amendment with the distinguished Senator from Pennsylvania and with the chairman of the subcommittee. He certainly has no objection to the amendment.

It is a good amendment. As I said, we have no objection.

Mr. President, I ask unanimous consent that an editorial from today's Washington Post on the food stamp bill be inserted at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SPEEDING THE FOOD STAMP PROCESS

When it became clear several months ago that the recession would cause the number of Americans using food stamps to swell to an unprecedented 20 million, simple logic would have suggested that the government ought to take measures to speed the rate at which new applications were being handled. Instead, the same cumbersome procedures that had been criticized in the past remained in effect. In some areas, citizens in need are forced to begin lining up at 5 a.m. and those who arrive on the food stamp applications lines at 7 a.m. are not processed that day. Some applicants often have to come back again and again. In some places, three and four months pass between the time a family begins seeking food stamps and the time it receives its first allotments.

Pressure on the Department of Agriculture and on the state and county agencies has helped in some instances. But the problem remained so serious that Sen. Robert Dole, the Kansas Republican, led an effort in the Senate Agriculture Committee a month ago to change the procedure by law, something that was only necessary because the bureaucracy appeared unmovable otherwise. Sen. Dole urged his fellow Republicans to join his effort because it was the right thing to do and to "show that Republicans are not anti-people." Despite his efforts, the Senate Agriculture Committee defeated his proposal by two votes.

Now, Sen. Dole is going to the floor with his fight to ease the burden on the poor, and he has some new allies, among them Senate Minority Leader Hugh Scott. In addition, Sen. George McGovern and other Democrats are supporting the change in the food stamp procedures. Between the Republican leadership and the Democratic supporters of the food stamp changes, there should be enough votes when the issue faces its next test on the Senate floor today.

If the change is brought about, it will mean that when a family files a food stamp application that meets the eligibility requirements, the purchase of stamps is authorized immediately. If, after checking out the family's claims, the family is found to be ineligible, it would have to repay the money. If, on the other hand, the family is found to be eligible, it would simply continue to receive food stamps. In other words the change in the law would transfer the burden of proof from the applicant to the government. Now, the presumption is that a family is ineligible until proven to be eligible. Sens. Scott, Dole and McGovern want the presumption to be that if a family has a prima facie case of need, it should be helped immediately while the bureaucratic machinery lumbers through the process of certification.

In light of the current swelling of the ranks of those who need the assistance of the food stamp program, this is a change that makes sense—despite the contrary view of the Ford administration and the Department of Agriculture. The argument against making the change is that it will increase food stamp fraud. Since the most reliable measures of fraud in that program to date show that it involves less than 1 per cent of the total benefits there is little reason to believe this change would alter that figure significantly. Besides, those families that attempt to take advantage of the program would ultimately be called to account if their action is found to be fraudulent. So this objection does not strike us as reason enough to disregard the fact that Congress intended that needy families receive food stamp assistance promptly. The evidence is that this has not been the case in many, many parts of the country. That is why the change should be adopted.

The PRESIDING OFFICER. All Senators yield back the remainder of their time.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUGH SCOTT. Mr. President, I thank the Senators.

The PRESIDING OFFICER. The bill is open for further amendment.

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end thereof, add the following:

"The Food Stamp Act of 1964, as amended, is amended by adding a new subsection to subsection 10, as follows:

"(j) Notwithstanding any other provision of this Act in order to insure the participation of eligible households and to provide for the effective and efficient administration of the food stamp program, the Secretary shall provide certification procedures for applicant households. The Secretary shall provide for such certification procedures in regulations issued not later than thirty days after enactment of this subsection. Such certification procedures shall provide for the following: (1) each potential applicant to have an opportunity to file an application for participation in the food stamp program on the same day of such person's first reasonable attempt to make a request for food stamp aid; (2) immediate thirty-day certification, and issuance of an authorization to purchase card, to any household which meets the uniform national standards of eligibility on the face of the application; without requiring verification of income, household deductions, and resources, subject to the provisions of subparagraph (3) and section 14; (3) verification of each application within thirty days after certification: *Provided*, That a household's certification shall not expire prior to the State agency completing verification: *Provided further*, that households shall cooperate with the State agency in verifying eligibility factors; (4) minimum subsequent continuous certification and recertification periods of four months: *Provided*, That households containing an elderly, blind, or disabled recipient, shall be certified for minimum subsequent continuous certification and recertification periods of six months: *Provided further*, That in determining the effectiveness and efficiency of the administration of the program by the State, the accuracy of eligibility determinations shall be judged as of the time of the certification, recertification or reported changes in eligibility status by the household; and (5) convenient, adequately staffed certification centers.".

Mr. DOLE. Mr. President, I say at the outset that there will be, as the Senator from Kansas previously indicated, some opposition to this amendment.

The amendment I offer today, on behalf of the Senator from South Dakota (Mr. MCGOVERN), the Senator from Pennsylvania (Mr. HUGH SCOTT), and 13 other Members of the Senate mandates the establishment of expedited food stamp certification procedures designed to make the food stamp program more responsive to needy persons, many of whom have recently lost means of support due to the recession.

I am pleased to sponsor this legislation and I would like to briefly explain its provisions and the administrative situation to which it is addressed.

Mr. President, let me make it clear at the outset, that this amendment in no way expands eligibility. This in no way condones abuses of the present food stamp program. But it is an effort to assure that those in need not have to wait for a month or 2 months, and some cases 4 months, for certification.

All of us are concerned about how rapidly the food stamp program is expanding. I would guess that every Senator is concerned about the abuses in the food stamp program. But I know of no Senator who feels that those who are entitled to the program benefits should not be qualified as quickly as possible.

I think we should tighten up the program in many areas, as the Senator from Kansas has indicated in his resolution, asking for a study which will be available within the next 10 days from the Department of Agriculture. This study will be followed by extensive hearings in the Committee on Agriculture and Forestry.

I hope and believe that there is widespread support in the Senate that the ultimate outcome of those hearings will be a tightening up of the program. But the Senator from Kansas makes it very clear at the outset that that is not the purpose of this amendment.

The purpose of this amendment is not to make one additional person eligible. It simply is to enable that person, if he is eligible, or that family, if they are eligible, to qualify for benefits immediately.

Principally as a result of increases in food stamp caseload due to job layoffs and the general state of the economy, lengthy delays in obtaining food stamp assistance have been encountered in almost every part of the Nation. These delays are attributable to present food stamp certification procedures which involve waiting periods of from several days to several weeks before needy persons can obtain food stamps. The amendment I offer today will reform these time-consuming application procedures by initiating a new food stamp certification system which is both speedy and reliable.

The amendment requires that—

Each potential applicant [shall] have an opportunity to file an application for participation in the food stamp program on the same day of such person's first reasonable attempt to make a request for food stamp aid.

This provision is designed to remedy the situation which exists in some parts of the Nation in which applicants must often return to certification centers day after day just to obtain a food stamp application form.

During the initial contact with the food stamp certification office, the applicant will fill out, under strict penalty of law, the food stamp application form. Under the provisions of the amendment, those households which meet the national income guidelines established by the Department of Agriculture will be provided with an authorization of purchase card which permits them to obtain food stamps for 30 days. No verifying documentation, except, of course, for personal identification and proof of residency, would be required at this point.

Within 30 days of the application, the food stamp certification worker will verify the household's eligibility for food stamps. Under the terms of the amendment, the applicant who has received his temporary 30-day, authorization to purchase card must "cooperate with the State agency in verifying eligibility factors."

If the necessary verification is provided, the household will remain eligible for food stamp assistance for a minimum period of 4 months after the initial verification requirements have been completed; for elderly, blind, and disabled recipients, the minimum subsequent certification period will be 6 months. Hopefully, these certification periods will help reduce the backlogs in administrative work by requiring recertification only two or three times a year rather than the four or more times required under the current procedures.

Mr. President, no new certification system would be acceptable—and I certainly would not support it—if it encouraged program fraud. According to the Agriculture Department's latest food stamp program data on this issue, the incidence of program fraud is extremely low. Responding to a question from the Senate Agriculture Committee regarding the bill we are considering today (S. 1662), the USDA stated that—

Approximately eight hundredths of one percent (.08) of the average monthly participating caseload was found to be participating on a fraudulent basis in fiscal year 1974.

That translates into 800 cases of fraud for every 1 million program participants, a very low fraud rate for a program

which has expanded so rapidly over the past recessionary year.

I fully expect that the new certification procedure established by the amendment not only will maintain those low fraud rates but also will tend to reduce the number of administrative errors and the administrative cost in the program, because a large part of the cost of the food stamp program is in the administrative end. However, if anyone fraudulently seeks to obtain food stamps under the new certification process, stiff criminal sanctions will be imposed. Under section 14 of the Food Stamp Act, anyone who fraudulently obtains food stamps is subject to penalties of up to 5 years imprisonment and a $10,000 fine. Thus, the likelihood of increased fraud under the new certification system is minimal since the risks of severe criminal punishment far outweigh the temptation to wrongfully obtain food stamp assistance.

There has been some talk that a person might go to six different areas in one city and apply for food stamps and there would be no protection. But the modified amendment which we are considering now requires proof of residency and identity. We think we have taken care of that objection, which was a valid one, raised in the committee, and we believe that is an improvement in the amendment.

Moreover, under existing Federal regulations, State agencies are empowered to recoup, or collect, food stamps from individuals who wrongfully obtain them. Consequently, if it appears—during the verification process—that a person received food stamps without being entitled to such relief, the State administrative agency will have full authority to recoup all of the wrongfully issued food stamps.

DECREASE PROGRAM ERROR

Mr. President, under the current food stamp certification system, there is constant pressure for speedy eligibility determinations since certification offices are often deluged by applicants. Not only are applicants in a rush to receive initial food stamp certification, but households seeking recertification four or more times every year add to the pressure on local administrators. Under such a pressure packed environment, it is natural that erroneous eligibility determinations are made by program officials. The amendment—by providing applications upon the first request for assistance, by providing authorization to purchase cards quickly, by reducing the number of times that households must be recertified each year, and by requiring that certification centers be adequately staffed—will minimize this pressure on local administrators, thereby reducing the number of errors made in the operation of the program.

Mr. President, the amendment I offer today will streamline the food stamp certification process. It responds affirmatively to the immediate needs of our fellow citizens who, because of economic dislocations caused by the recession require food assistance. And it does this without any direct increase in program costs.

The Senator from Kansas believes that the amendment deserves the support of the Senate.

Mr. WEICKER. Mr. President, during 3 days of hearings held by the Federal Spending Practices and Efficiency Subcommittee on food stamp program efficiency, testimony by various witnesses made it painfully clear that administrative redtape has made it more difficult for needy families to receive a nutritious diet.

The main concern of my subcommittee and of many of the witnesses who testified was that the present food stamp program's administration fails to adequately meet the needs of eligible food stamp recipients.

One of the major problems troubling many of the witnesses was that the application process to receive food stamp benefits was so troublesome and time consuming that the applicants face considerable difficulties in making their initial application. In fact, such delays often extended beyond the 30-day legal limitation on application procedures.

Testimony illustrated many cases where people applying for food stamps faced undue hardships down the entire line of the application process.

First. At the initial stage of applying, applications were not made available immediately.

Second. Sometimes two or three visits were necessary to complete the application.

Third. Delays were encountered in having an application processed.

Fourth. Once the procedure was completed, additional delays resulted before notification of program acceptance and issuance of an authorization to purchase card.

The features of the amendment offered by Senators DOLE, MCGOVERN, HUGH SCOTT, and PHILIP HART are designed to help alleviate the inefficient and cumbersome procedures inherent in the present program certification process. It will insure prompt attention to application requests. The present delays are totally unacceptable.

Recent growth in the unemployment ranks has only served to add to the chaos and complexity of the certification process. The amendment offered today to the bill extending food stamp benefits to SSI recipients is a necessary first step in the direction of humanizing the certification process for food stamp applicants.

Mr. CLARK. Mr. President, I rise in support of the Dole amendment to S. 1662 to end the delays of weeks and months that many households all across the country face in security food stamp benefits which rightfully belong to them by law. This amendment would establish new food stamp certification procedures throughout the country, and by so doing, enhance the effectiveness of the program in getting food aid to people when they are most in need of it.

The amendment provides that any applicant must be given an opportunity to file a food stamp application when the applicant makes his or her first appearance at the local food stamp office for the purpose of seeking food stamp aid. This would end the practice now prevalent in many areas of turning away persons who come to food stamp offices and telling them to try again another day or to come back at some later date for an appointment.

Under this amendment, a person appearing at a food stamp office immediately must be given an application and encouraged to fill it out right there at the food stamp office and then to submit it. The food stamp office must review the application as soon as it is handed into them and make an initial determination based on the information appearing on the face of the application. The determination would, under this amendment, be made immediately and without any wait for verification of income resources, or deductions. Verification would be done subsequently during the ensuing 30 days.

If from the face of the application, the applicant meets the national eligibility standards for food stamps—including the public assistance eligibility standards for public assistance and SSI households, and the particular eligibility standards prescribed by the Secretary for use in Alaska, Hawaii, Puerto Rico, and other territories—then the applicant must immediately be certified for food stamps and immediately be given an authorization to purchase card—or other document used by a State for food stamp issuance purposes—for a 1-month allotment of food stamps.

In short, an applicant who goes to a food stamp office immediately must be given an application, allowed to fill it out, have the application reviewed, and be given a document entitling him to purchase a 1-month allotment of food stamps if the information on the application shows his or her household to be eligible.

This process of completing the application on the spot should be readily accomplished by most food stamp applicants. Under this process, the applicant provides information on household composition, resources, and income. In the income area, this means that an applicant reports actual earnings and benefit payments, but not vendor payments made by an outside source on behalf of the household since these are not to be considered income—with the sole exception of in-kind housing benefits provided by an employer to an employee, which must be counted as food stamp income under Public Law 93-86.

This amendment requires households to cooperate with the food stamp office in supplying necessary documentation during the ensuing 30 days so that the application can be verified fully during this time. If, despite the applicant's cooperation and provision of necessary documents, the food stamp office has not completed the verification process in 30 days, then the applicant should be continued under the food stamp program until verification is completed. In such instances the applicant is continued on the program—without any interruption or hiatus—at the same level and basis of issuance he was on for his initial 30-day certification period.

If the verification process confirms that the applicant is eligible, the applicant must be recertified at the end of the initial 30-day period for a minimum certification period of 4 months—and for a minimum period of 6 months for households containing an aged, blind, or disabled person. In addition, all future certification periods also must be for no less than 4 months and for no less than 6 months for households with an aged, blind, or disabled member. Participants assume the obligation to report within a reasonable period of time significant changes in household size, income, or resources that occur during a certification period.

One of the important aspects of this amendment is its requirement that certification periods remain continuous, and that there be no gap or interruption of food stamp benefits between certification periods. To this end, the States would be required to send recipients a written notice about 30 days prior to the end of all certification periods—except the initial 30-day period—advising recipients when their certification will expire and notifying recipients of what steps they must take to be recertified.

If a recipient seeks recertification prior to the end of his certification period, and if his responses on the face of a recertification application indicate continued eligibility, then the recipient must be provided with a new authorization to purchase card no later than the last day of the prior certification period. The operative principle here is that certification must remain continuous and that there can be no gaps in the provision of food stamp benefits to eligible households either during a certification period or during a transition from one certification period to another.

If the recipient's responses on the face of the recertification application indicate a change in the food stamp basis of issuance, then the new ATP card should reflect this change. Otherwise the basis of issuance should remain unchanged from the prior certification period. If the applicant's recertification statement results in any increase in assistance, then the applicant will bear the responsibility to verify within 30 days the changes causing this increase. Any other verification required by the State for recertification also must be accomplished within 30 days after the recipient makes his recertification statement. Food stamp aid must remain continuous during this period unless the statement given by the recipient indicates that the recipient no longer qualifies for food stamps.

Nothing in this procedure should be construed to eliminate or limit a recipient's right to a hearing before any adverse action is taken against him either during any 4-month certification period or during any transition from one certification period to another. The sole exception to this right to a hearing prior to the implementation of adverse action is if adverse action is taken during or at the end of a subsequent certification period solely on the basis of statements made on the face of an application by the recipient.

Should a recipient leave the food stamp program—for any reason—after a 4-month certification period, then such a person becomes like any other new applicant if and when he should reapply for food stamps. Such a person would go through the initial 30-day certification period like any other new applicant.

It should be noted that in certifying households for the food stamp program, States would be required to continue current practices of determining eligibility by looking at a household's income for the period most likely to reflect its income for the upcoming certification period. This means, in most cases, using the household's income for the most recent 30-day period. For persons who are laid off, it means using their income status as of the time of application for food stamps because using the most recent 30-day period might include a period before they were laid off. In the case of self-employed farmers, income generally would be examined over a longer period than 30 days. In sum, the amendment neither makes nor intends for changes to be made in existing arrangements for determining the level of household income.

A final aspect of the amendment is its requirement for convenient, adequately staffed certification centers. This provision means that to be in compliance with that part of the Food Stamp Act requiring States to employ enough personnel to run the food stamp program efficiently and effectively, States would have to employ enough staff so that everyone coming to a food stamp office immediately gets: First, an application; second, an on-the-spot review of the application as soon as it is submitted; and third, an ATP card if the application indicates eligibility.

This provision also means that certification centers must be open convenient hours, including several evenings a week and 1 day each weekend, and that certification centers must be conveniently located, meaning that no applicant should have to travel more than 1 hour round trip to a certification office, and that most applicants should have access to the office through low-cost transportation. Mobile certification units and "circuit riding" by certification workers who set up temporary offices in churches, community centers, libraries, or other locations are acceptable means of satisfying this requirement.

This requirement for convenient and adequately staffed certification centers is a component of a broader requirement in this amendment—the requirement that the Secretary and the States insure the participation in the food stamp program of all eligible households. This means that the Secretary and the States must remove administrative obstacles that now bar participation by some eligible households and must act affirmatively to bring eligible households into the program.

This amendment would take effect quickly in order to enable the large numbers of recently unemployed households to get food stamps without further delays. The amendment requires the Secretary to promulgate final regulations for its implementation no later than 30 days following its enactment. These regulations, in turn, would have to provide for immediate State implementation—no later than 60 days following the issuance of the Federal regulations—of this important amendment.

Mr. President, I believe this to be a good amendment, one that seeks to help people. I should note that anyone fraudulently seeking food stamps under the amendment will be prosecuted, and that food stamp benefits incorrectly provided during the initial 30-day period to persons subsequently determined to be ineligible can be recovered. I should also note that the USDA's own statistics show that only eight-hundredths of 1 percent of all households in the food stamp program participate fraudulently, and that 99.92 percent of all food stamp households are not guilty of any fraudulent practices. Therefore, let us proceed with this important amendment and end the spectacle of long waiting lines forming before dawn and 2 month waits for appointments that are all too common right now. I urge the Senate to adopt this amendment.

WE MUST HALT LONG RED-TAPE DELAYS IN FOOD STAMP AID TO PEOPLE IN NEED

Mr. HUMPHREY. Mr. President, this amendment to S. 1662 is one of the most important matters that we have dealt with in relation to the food stamp program. I believe that it is fair to call this amendment a "people's amendment"—legislation that is designed to remedy some of the worst facets of the food stamp program's operations that hurt poor people. I am pleased to support this legislation and I would like to explain why it is necessary.

Currently there are incredible delays that people are facing when they seek certification for food stamp aid. These delays can be characterized by the following general description of certification situations evident in many areas around the country.

Impoverished and recently unemployed people line up outside the food stamp certification office early in the morning, often before 6 a.m. By the time the food stamp office opens several hours later, too many applicants are on line to be serviced on that day. Thus, people in the middle or at the end of the line—indeed, in some localities, even people near or at the beginning of the line—are told that they will not be permitted to make their application on that day; instead, an appointment is given for several weeks later at which time the application form will be filled out.

On the day the application form is filled out, the certification worker requests that the applicant produce a large number of verification documents. Such documents include: pay stubs, rent receipts, utility bills, medical bills, social security checks, child care payment receipts, drug bills, and other miscellaneous documents. If any of these documents are not brought, the applicant must come back yet another time—once again sometimes several weeks later—with the missing papers.

Only after the application form has been filled out and the verification documents have been produced will the State agency process the food stamp applica-

tion. According to Federal regulations, such application processing must be accomplished within 30 days. In many areas of the country, however, such processing takes considerably longer than 30 days.

Although these long delays, that poor people suffer when they apply for food stamps, are contrary to Federal regulations and instructions, it is clear that an immediate overhaul of the certification process is necessary. We must take quick and decisive steps to remedy the delays that poor people now face when they seek food stamp aid. These quick and decisive steps are incorporated in this amendment.

Under the amendment, the Secretary of Agriculture is required to promulgate regulations in final form within 30 days after the bill has been enacted. Thereafter, the State agencies that administer the food stamp program must quickly implement the amendment's and regulations' requirements. Certainly such implementation must be accomplished in every State by no later than 60 days after the promulgation of the Agriculture Secretary's regulations.

The application of our amendment is both permanent and nationwide. Although we have described these regulations as being "emergency certification procedures," we do not mean to imply that the new certification system required by the amendment be implemented in limited areas for a short period of time. We have determined that the food stamp program's certification system needs an entire and refreshing overhaul if the program is to respond to the needs of hungry people. The amendment is viewed as an emergency measure so that the Department of Agriculture, and the State and local agencies that operate the program, quickly implement the important certification changes mandated by the amendment.

The thrust of our amendment is "to insure the participation of eligible households." We wish to make sure that all hungry and needy people—be they in public assistance or nonpublic assistance households—obtain their food stamp entitlements and, therefore, our amendment is directed to all of those impoverished households. It is our intention that USDA require State and local administering agencies to eliminate all obstacles to program participation; administrative details, procedures, and operations must be established with one basic purpose in mind: encourage, permit, and assure that all needy people receive food stamp aid so that hunger and malnutrition is ended in our country.

In essence, like the act's outreach and participation assurance provision that we enacted in 1971 (sec. 10(e)(5)), we place an affirmative obligation on food stamp administrative agencies to bring all eligible households into the food stamp program. This amendment does not countenance any changes in eligibility factors for program eligibility, but it does emphasize the need to provide aid promptly to all people who are eligible based on current eligibility conditions.

There are five essential parts to our amendment. In order that the amendment is explained fully and properly, I will explain these parts one at a time.

The first portion of the amendment requires that:

> Each potential applicant [shall] have an opportunity to file an application for participation in the food stamp program on the same day of such person's first reasonable attempt to make a request for food stamp aid.

This means that any person, who goes to the food stamp certification office for purposes of expressing his desire to obtain food stamp aid or who seeks a food stamp application form, must receive his application form on that day. The act of going to the food stamp certification office for purposes of seeking nutrition assistance clearly constitutes "such person's first reasonable attempt to make a request for food stamp aid."

This means that absolutely no one can be turned away from the doors of a certification office without having an opportunity to fill out a food stamp certification application. We make this requirement fully mandatory and we expect no exceptions to this rule. Indeed, its amendment would become an entire nullity if this requirement were not fully and faithfully implemented.

Aside from making sure that no one is turned away from certification offices, State and local program administrators must make sure that certification applications are handed out promptly. It is unfair and inconvenient for people to wait around for several hours before they receive an application form; consequently, we require that these forms be distributed quickly.

When the application form is given to persons seeking assistance, those persons should be encouraged to fill out their applications right away at the certification center. Such persons should be informed that if their application responses—based exclusively on the answers on the application form as filled out by the applicants—indicate that they are eligible for food stamps, they will receive their "authorization to purchase cards" immediately on the very same day.

To make this requirement meaningful, it is obvious that people needing assistance in filling out their application forms must receive such help right away from food stamp certification workers; persons should not be denied the opportunity to receive food stamp assistance on the same day they make their "first reasonable attempt to make a request for food stamp aid" solely because of their inability to fill out the application form.

Moreover, once the application form is filled out—whether it was filled out without assistance or with the aid of certification workers—that form must be immediately scrutinized by State or local program personnel so that an immediate determination is made concerning the applicant household's eligibility for food stamps.

This, then, leads us to the second part of the amendment—that is that all eligible households shall immediately receive 30-day "authorization to purchase cards" if their application answers reflect that they are eligible for assistance. Several aspects of this portion of the amendment must be stressed.

First, the determination of eligibility must be based exclusively "on the face of the application" without verification of eligibility factors. Since verification of eligibility factors takes a fair amount of time, and since we want needy and hungry people to obtain food stamp assistance without delay, it is imperative that the 30-day eligibility determination be based exclusively on the application responses provided by the applicant. Verification of eligibility factors is to occur during the following 30 days.

Second, the application questions must seek to determine eligibility based on the latest income factors of the applicant household. We want to make sure that persons who have become unemployed recently, for whatever reason, be provided with food stamp aid right away. We do not want those persons to go hungry for 1 month, 1 week or even 1 day. Thus, eligibility questions must relate income determinations to the most recent income situations of applicants. Of course for persons who have varying seasonable incomes, the application should permit them to indicate their anticipated income situation for the ensuing 1 month and subsequent 4 or 6 month periods.

Third, the 30-day "authorization to purchase cards" should be issued on the same day that eligible applicants make their "first reasonable attempt to make a request for food stamp aid." These ATP cards should be issued quickly, on the same day, so that people do not have to wait a long time at the food stamp certification office. This requirement is unequivocal: we want absolutely no delays in the provision of food stamp aid to needy people and the speedy issuance of ATP cards guarantees that this requirement is fully implemented.

This, then, leads us to the third part of the amendment—the verification process. We require that the verification process be completed within 30 days after the 30-day ATP card has been issued to the applicant. This responsibility is one that State and local program administrators must fully comply with. However, in fulfilling this responsibility, we require that applicants must cooperate with those administrators in verifying eligibility factors that must be verified under current Federal regulations.

If, for any reason, except the lack of cooperation by an applicant, State and local administrators do not complete the verification process within 30 days, then an additional 30-day ATP card must immediately be provided to the applicant household. Our amendment requires that aid be provided in a "continuous" manner and, as a result, such an additional 30-day ATP card must be issued prior to the end of the first 30-day period. There should never be an interim period in which a needy household is without an ATP card.

The fourth part of the amendment establishes the length of certification and recertification periods in the program and reestablishes the principle that aid be provided in a "continuous" manner. Under this part of the amendment, we require that—after the initial 30-day certification period—no household or person shall receive a certification or recertification period that is less than 4 months in duration. In addition, no household that has one or more elderly, blind, or disabled persons, regardless of the total number of people in that household, shall receive a certification or recertification period that is less than 6 months in duration—after the initial 30-day certification period. Certification periods may be provided in excess of the 4- and 6-month minimums.

Since aid must be provided in a "continuous" manner, the issuance of the 4- and 6-month ATP cards must be accomplished prior to the expiration of the initial 30-day period. This is necessary so that there is no gap in the provision of food stamps to eligible families. This principle, naturally, also is applicable to the transition from one 4-month certification period to another and from one 6-month certification period to another.

To make this requirement functional, it is necessary that State and local program administrators inform food stamp recipients—about 1 month in advance—that their certification periods will soon expire. Such a notification should be in writing and must inform households of the need to fill out recertification forms if they want to continue receiving food stamp aid. The Secretary of Agriculture should strictly require the State and local agencies to send out these notices in a timely manner so that there is a minimum of administrative chaos during the recertification process.

Anyone who applies for recertification prior to the end of the certification period must receive his 4- or 6-month ATP card right away. Since we permit no delay in the initial certification process, there is no reason to permit any delay in the issuance of 4- to 6-month ATP cards when individuals seek recertification. Such recertification ATP cards must be issued to recipients prior to the expiration of their preceding certification period.

For households, however, that make their first reasonable attempt to make a request for recertification of food stamp assistance subsequent to the expiration of their certification period, they will be treated like initial applicants. However, since we want smooth switchovers from one certification period to another, we would expect that most, if not all, people will reapply for food stamps prior to the end of their certification period. Toward this end, USDA must strictly enforce the requirement that written notices be sent out by the State and local agencies, at least 1 month before the end of the certification periods, informing recipients of the need to reapply for food stamp aid.

Our requirement that aid be provided in a "continuous" manner also reaffirms through legislation what is required by the Constitution's due process clause. Specifically, no household's assistance is to be denied or reduced—based on an administrative determination—before the affected household has had a reasonable opportunity to obtain a prior hearing on any proposed adverse action. This principle is applicable within all certification and recertification periods and in transition from one certification period to another. This means that administrative fair hearings are to be made available to impoverished households who are on the Food Stamp Program so that—within a reasonable time period, no less than 15 days—the current time period under Federal regulations—they have an opportunity to request, and thereafter to receive, a fair administrative hearing prior to the termination or reduction of food stamp assistance.

If a person, near the end of certification period, reapplies for food stamp aid and indicates—through his written answers on the face of the application form—that he is ineligible for assistance, then assistance can be terminated without the right to a prior hearing. The same immediate reduction of aid can be provided, without an opportunity to a prior hearing, if a person's written reapplication responses, on the face of the application, indicate that the current assistance level is too high.

However, this sole waiver of a household's prior hearing rights—where a person's facial written application responses clearly indicate that aid should be terminated or reduced—constitutes the only exception to recipients' rights to a prior hearing before the taking of adverse and administrative actions. Although few people may avail themselves of the opportunity, all recipients under our amendment must have the opportunity to obtain a hearing prior to the termination or reduction of food stamp assistance, regardless if the proposed adverse administrative action is contemplated in the middle of a certification period or in transition from one period to another.

The fifth and final part of the amendment requires the establishment of convenient, adequately staffed certification centers. Without this part of the amendment, virtually all of the other parts would be rendered meaningless. If poor people are to have access to the food stamp programs, certification centers must be established at locations that are close to all potential recipients; similarly, certification offices must be staffed with sufficient numbers of people so that all of the certification requirements set forth in this amendment can and will be implemented.

We expect certification centers to be readily accessible to all eligible people so that no one has to travel more than 20 to 30 minutes to the nearest center. If, in sparsely populated rural areas, it is impossible to establish permanent certification centers within 20 to 30 minutes' traveling distance from potential food stamp recipients, then it is necessary that mobile certification units be utilized with sufficient regularity so that poor people can conveniently be certified by personnel in those mobile units. Such use of mobile units is necessary under this amendment if permanent certification centers cannot be established near the residences of potential food stamp applicants and recipients; without such a requirement, many thousands of poor people will remain hungry and will not be aided by the food stamp program.

Certification centers must be kept open during times that are convenient for all potential applicants. Particularly, this requirement is of importance to working poor people; they should not be excluded from the program, if eligible, just because they have a job. To prevent this, we expect that certification centers will remain open on weekdays, at least 2 nights during the workweek, and at least 1 day during the weekend. This requirement under our amendment will guarantee the program's accessibility to the working poor.

Each certification center must be adequately staffed. The clearest measurement of whether a center is adequately staffed is based on its performance under the first four parts of our amendment. State and local agencies have an affirmative obligation to make sure that each certification center hires and utilizes sufficient personnel to fulfill all of the amendment's requirements. If any State or local agency fails to comply with this mandate, the sanctions of section 15(b) of the act—that is, the withdrawal of the Federal Government's 50-percent reimbursement of administrative expenses—is applicable.

Mr. President, there has been a great deal of confusion over the issue of fraud in the food stamp program. However, the Agriculture Department's latest food stamp program submission on this issue to the Senate Select Committee on Nutrition and Human Needs noted that:

The percentage of bonus coupons issued through fraudulent activity in relation to total bonus coupons issued is 11 hundredths of one percent;

The percentage of these losses in terms of total coupons issued in 6 hundredths of one percent; and

The percentage of fraudulently participating households, as related to total participating households, equals 24 thousandths of one percent.

It is expected that the new certification procedure established by Amendment No. 429 will maintain or improve on these low fraud rates, and stiff criminal penalties will be imposed against anyone who commits food stamp fraud under the new certification process.

We have called upon the Department of Agriculture to submit recommendations by June 30 to deal with any program abuses. And we will deal with those recommendations as soon as they are received.

It is clear that there are many needy people who are entitled to receive food stamp benefits. And this is increasingly true with the unemployment rate now up to 9.2 percent.

But we also must make certain that the benefits of the program go to those who need them.

Mr. President, I look on this amendment as a "people's amendment." It is designed for the needy and it must be implemented in a manner that helps the needy. This amendment is very important for the proper operation of the food stamp program and I hope that it will receive very favorable consideration from the Members of this Senate.

Mr. PHILIP A. HART. Mr. President, I am pleased to be a cosponsor of the amendment we are now considering. In every sector of the country, there are long lines in front of food stamp certification centers. In every region, poor people and newly unemployed individuals are being subjected to massive delays in obtaining nutrition relief through the food stamp program. Now, as a result of the slumping economy, is the best time to correct these problems. We need to make changes quickly and responsibly because, if we don't, countless numbers of people will be harmed by the food stamp program's inability to deliver food aid speedily and continuously.

The amendment before us is designed to end the unfortunate, and frequently illegal, delays that have harmed poor people in the past. Because of the seriousness of the problem, we have termed the certification changes mandated by our amendment as "emergency procedures." To meet this situation, our amendment would require the Secretary of Agriculture to promulgate regulations in conformity with our legislation, almost right away. Within 30 days from the passage of this bill, the Secretary is to promulgate regulations in final form that incorporate the amendment's specific requirements and that include our intentions and purposes under the amendment. Within 60 days thereafter, at the very latest, we expect that the Secretary's regulations will take full force and effect in all of the States and that of all of our mandated certification requirements are fully implemented on a permanent, nationwide basis.

As we state in our amendment, we seek "to insure the participation of eligible households" in the food stamp program. Thus, the certification procedure that we have developed is designed to eliminate administrative impediments to participation in the food stamp program. It is our intention that State agencies assume an affirmative obligation to bring all needy and hungry families into the program.

The new certification procedure that we envisage under this amendment is triggered by a person's "first reasonable attempt to make a request for food stamp aid." Such a "first reasonable attempt," at a minimum, includes an individual's effort to enter a food stamp certification office for the purpose of expressing a desire to obtain food stamps in obtaining a food stamp application form. Under our amendment, four steps must be taken immediately by a State food stamp agency—on the very same day—when a person makes such a "first reasonable attempt." First, the person must be handed a food stamp application form. Second, that the person must be permitted and encouraged to fill out the application form at the certification center, and assistance must be provided to anyone who has difficulty filling out his or her application form. Third, the filled out application form must be scrutinized by the State agency staff to determine whether the written application indicates that the applicant is eligible for food stamp aid. Fourth, if, solely based on the written answers on the application form, without verification of income, resources, or deductions, it appears that the applicant is eligible for food stamp relief, a 30-day "authorization to purchase card" must be issued to the applicant for his or her household.

All of these things must occur on the same day that the applicant makes a first reasonable attempt to make a request for food stamp aid. These steps should be taken quickly so that people do not have to spend lengthy periods of time at the certification office. Obviously, under this procedure, we prohibit a State food stamp agency from closing its doors on an applicant and no one can be turned away from the food stamp certification office until the agency has completed all of the four steps that I just outlined. This is true for public assistance and non-public assistance households alike.

Information requested on the food stamp application form should be simple to understand and answer; although people who need help in filling out their application forms are to be given such assistance, it is our hope that the application forms will be simplified so that the answers can be completed in a minimum of time. To accomplish this, we expect that the Agriculture Secretary will have no need to change any of the eligibility criteria, and it should not be inferred that this amendment seeks or permits the Secretary to make substantive changes in the eligibility factors. We want eligibility information to be based on the most immediate set of economic circumstances confronting an applicant so that a person, who just lost his or her employment immediately can obtain food stamp relief. However, for households with varying seasonal incomes—such as farmworkers—income determinations should be based on the amounts of income that such households will make during the succeeding 1-month and 4-month certification periods. Like the responses of other applicant households, the application responses of farmworker applicants—or other seasonal workers—should be accepted as answered on the applicant form.

The authorization to purchase card that applicants receive on the day they make their first reasonable attempt to make a request for food stamp aid should be good for a 30-day period. These ATP cards should permit an applicant to obtain food stamp aid on the very same day. Like the eligibility determination, the size of the coupon allotment and the purchase price, for the 30-day certification period, must be based exclusively on the answers set forth on the face of the application form.

The verification of eligibility and benefit size must be accomplished with speed by the State food stamp agency. We require the applicant household to cooperate with the State agency in verifying the various eligibility factors. Toward this end it is important that the State agency fully and specifically inform all households about their responsibilities under the verification requirement. Moreover, we require the State agency to complete the verification process within 30 days. If, however—despite the provision of verification information by the applicant household—the State agency has failed to complete the verification process within 30 days, a new 30-day ATP card must be issued immediately to the applicant household. Since aid is to be provided continuously, such an additional 30-day ATP card must be issued to the applicant household before the end of the first 30-day period.

Similarly, the issuance of all subsequent ATP cards—be they for 4- or 6-month periods of time or even longer—must be accomplished before the expiration of the prior certification period. All eligible households must receive subsequent certification periods that are no shorter than 4 months long. For all households containing one or more elderly, blind, or disabled persons, the minimum subsequent certification period must be 6 months. Longer certification periods may be provided to households as is currently the case, if the household's income is likely to remain constant for a longer period of time.

At least 1 month prior to the end of any 4- or 6-month—or longer—certification period, it is our expectation that the State agency will notify, in writing, the recipient household concerning the need to reapply for assistance if food stamp aid is to be continued. Such a notice should clearly inform the recipient household, in every respect, is to be lowed for certification for food stamp aid. If the recipient reapplies for food stamp aid before the end of the certification period, then the State agency should issue the subsequent 4- or 6-month—or longer—ATP card prior to the expiration of the prior certification period. If a recipient household reapplies for food stamp aid after the expiration of the prior certification period. then that household, in every respect, is to be treated like an initial applicant.

By requiring the provision of continuous aid to households, we require State agencies to comply and enforce participants' rights to prior hearings before adverse administrative actions are taken by such State agencies through the termination or reduction of food stamp assistance. This prior hearing requirement that aid be provided continuously pending a fair hearing is applicable both within 4- or 6-month—or longer—certification periods and during the transition of succeeding certification periods. Since poor people have a reasonable expectancy that aid, once provided, will be continued, and since they plan their budgets on this reasonable expectancy, reductions or terminations of aid can only be accomplished after the opportunity for a prior hearing, and a decision thereon, has been provided—even if proposed terminations or reductions of aid are intended to be accomplished at the outset of new certification periods.

We can foresee one set of circumstances, however, when a household must be deemed to have waived its rights to a prior hearing. If, when a recipient reapplies for food stamps, he or she, in writing, indicates—on the face of the reapplication form, through his or her responses on that form—that the household is no longer eligible for food stamp

aid, or that the size of benefits should be reduced, then that household's right to a hearing, prior to such termination or reduction of assistance, must be deemed waived. Only under this singular circumstance is one's right to a prior hearing deemed waived. Consequently, any and all other proposed terminations or reductions of assistance can be implemented only after reasonable opportunities for prior hearings have been provided to recipient households.

State food stamp agencies, under the amendment, must establish certification centers in convenient locations. Under this requirement, it is our intention that applicants should have to travel no more than 20 to 30 minutes to the nearest certification center. If it is impracticable to establish permanent certification centers in certain sparsely populated and rural areas, State agencies should comply with this location requirement by using mobile certification units, or circuit riders, or devise other effective methods in these areas, so that no applicant need to travel more than 40 minutes to an hour, round trip, to certification centers. These mobile units should make frequent and scheduled visits to these areas so that people have certification centers nearby to them on a regular basis.

The requirement that certification centers be established in a convenient manner for recipients includes the necessity that such centers be kept open during hours that effectively insure the participation of eligible households. We expect the certification centers to remain open during working hours every weekday. Moreover, under our amendment, it is our expectation that certification centers will remain open during at least 2 workday evenings per week and at least 1 day during each weekend. By complying with our intentions in this regard, it is our belief that the program will operate more efficiently and conveniently.

The amendment also requires that all certification centers be adequately staffed. State agencies must hire and use sufficient certification workers and other personnel at each certification center so that all of the procedural requirements, set forth in the amendment, are followed. Any State agency that fails to follow the amendment's directive, in this regard, stands liable to lose all of its administrative cost reimbursement claims as set forth under section 15(b) of the act.

As one can readily see, this amendment does much to improve the food stamp certification system. The changes contemplated by this amendment are urgently needed. I, therefore, hope that the amendment will receive the strong and swift support from this body that it so clearly deserves.

Mr. GARY W. HART. Mr. President, the current economic condition of the country has thrown many millions of people out of work, and, unfortunately, shows no convincing signs of improving. Millions of Americans face severe personal hardships as a result. Their hardship is manifested in stark personal terms; one of the worst experiences they must face is the inability to provide full meals for their families. The Federal food stamp program is designed to help such people. It is a good program and I have long had confidence in it. Recently, however, it has become apparent that the program is not responding properly to unemployed people's needs for speedy food stamp aid due to delays in the certification system. The consequence has been that many needy people—who in better times have contributed their tax dollars to support the program—now cannot fight their way through the long lines and the redtape when they need food stamps the most, and are, therefore, going hungry. I think this needs to be changed.

The amendment we are considering now will bring about a turnaround in this deplorable situation. By the terms of the amendment, the Secretary of Agriculture is required to issue regulations in final form, no later than 30 days following enactment and it is our intent that such regulations be fully implemented by the State agencies within 60 days from the promulgation of the Secretary's regulations. These new certification procedures are intended for nationwide implementation on a permanent basis and they must be applied equitably for public assistance and nonpublic assistance households. The general purpose behind the amendment is "to insure the participation of eligible households," thereby causing States to remove obstacles to program participation faced by needy persons. State agencies must act affirmatively to bring eligible people into the program.

The amendment requires, in subsection (1):

> That each potential applicant shall have an opportunity to file an application for participation in the food stamp program on the same day of such person's first reasonable attempt to make a request for food stamp aid.

This means that any potential applicant who goes to a food stamp certification office for the purpose of seeking food stamp certification has a right to fill out and file an application form on the spot, on the same day. This is true even if the potential applicant is forced to stand in a line outside the office. By virtue of being on line that person has a right to file an application that day. Moreover, as I shall discuss in a moment, I would expect such long lines to become a thing of the past since by another provision of this amendment, food stamp certification offices must be staffed at levels adequate to eliminate such lines. It should also be made clear that we intend food applicants to be provided with personal assistance, if they require it, so that they are able to complete the application form. Such assistance should also include making available written explanations as to how the program operates and how to fill out the application form.

Once the applicant has completed the application form, subsection (2) of this amendment requires that an official at the certification office read the application immediately, and if the application is deemed to be eligible, solely on the basis of the information on the face of the form, then the applicant must be certified immediately for a 30-day participation period. Any authorization-to-purchase card is to be issued on that day to the applicant so that he or she can go right away to an issuance location and buy food stamps.

Our amendment does not envisage any change in the eligibility criteria for program participation. The prompt certification process should be easy to implement, and applications will only have to list all of the income items that are directly received by them and controlled by them. The only exception arises where, under the current statute, an individual receives a $25 monthly payment in kind in the form of housing provided by an employer in lieu of wages. Other than this so-called in-kind income, no other types of vendor payments or in-kind payments are supposed to be counted under the Food Stamp Act.

In determining eligibility for the program, it is anticipated that the latest income situation of an applicant will be used to determine such applicant's eligibility for food stamp aid. Consequently, any applicant who becomes unemployed immediately will be eligible for Food Stamp Program aid. For households with seasonal income, eligibility will be based on expected income levels during the 4-month certification periods.

Subparagraph (3) requires that verification, of the information provided on the application form, to be completed within 30 days after certification. The recipient must cooperate with the verification process. But if, through no fault of the recipient, the food stamp office does not finish the verification process before the 30 days expire, then the recipient is entitled to another 30-day authorization-to-purchase card so that food stamp aid is not interrupted. Upon completion of verification, if this applicant household is eligible for food stamps, then it must be given an authorization-to-purchase card for a full certification period prior to the expiration of the initial 30-day period.

Subparagraph (4) establishes the requirement that recipients be given "continuous certification and recertification periods" no shorter than 4 months long except in the case of households containing at least one elderly, blind, or disabled person—in which case the certification and recertification periods are to be at least 6 months long. To make sure that aid is provided continuously, we expect the State agencies to notify recipient in writing, 1 month before the end of a certification period, about the need to reapply for food stamp aid. Those who reapply before the end of the certification period will receive their next authorization-to-purchase card before their certification periods expire; those who reapply after the end of their certification periods will be treated like new applicants.

Our amendment requires that aid be provided in a continuous manner and we, therefore, expect that people's rights to prior hearings—before adverse agency actions are taken—will be fully enforced. These prior hearing rights are applicable

for proposed reductions or terminations of assistance that are intended to be implemented in the middle of certification periods or in transition from one certification period to another. The only exception to this rule would be if a recipient stated information, on the face of the recertification application, that disclosed the necessity of eligibility termination or benefit reduction. In such an instance, but only under that circumstance, the recipient should be deemed to have waived his or her rights to an administrative hearing prior to benefit termination or reduction.

Finally, subsection (5) requires the State agency to operate conveniently located and adequately staffed certification centers. This means that certification offices must be so situated as to allow applicants and recipients to reach an office after no more than a half hour's travel. If that is not possible in rural areas, then the State agency should use mobile certification vehicles or other means to fulfill our intentions. The subsection also contemplates that offices should be kept open for longer than just routine business hours. At a minimum, we intend that offices be open at least two nights a week, and 1 day on weekends. In addition, subsection (5), along with the existing provisions of section 15(b) of the Food Stamp Act, require that State agencies immediately hire sufficient personnel to carry out the provisions of this amendment. If this amendment is not fully implemented, then the State will not be operating in an efficient and effective manner in compliance with section 15(b) and it renders the State liable to a cutoff of Federal administrative funds as provided by that section.

This amendment is one of the most important ones we have considered under the Food Stamp Act. I shall gladly vote for it and I urge all of my colleagues who are concerned with aiding the Nation's jobless to join me in supporting this health-vital measure.

Mr. KENNEDY. Mr. President, in Massachusetts and throughout the country today, the food stamp program has become bogged down in red tape. Numerous long lines of applicants wait outside food stamp certification offices for appointments. The offices are understaffed. The verification and certification process is slow and complicated. Applicants must wait months, in many areas, before they are told that they have been approved for food stamps. Once in the food stamp program many recipients find that they are required to go through the recertification process as often as every month or 3 months.

The amendment we are considering today would change this situation. I believe strongly that we must adopt it if the food stamp program is to truly serve the needs of all our economically disadvantaged people.

This amendment establishes a wholly new certification system under which any person who goes to a local food stamp certification office will be given an application form right away, without waiting in line, and must be given the opportunity to fill out the form at the office on that day and return it to the food stamp officials for immediate filing. Applicants will receive written explanations of how to fill out the forms and personal assistance will be available to help applicants with the information requested. Once the application form is filed, it is to be examined on the same day by an official authorized to make eligibility determinations. Eligibility can be determined solely on the basis of information stated on the face of the application form, and the applicant immediately must be certified for an initial participation period of 30 days and given an authorization-to-purchase card on the same day

It is our expectation that this process would take no more than an hour or two from the time a person first enters a food stamp certification office. Seeking to enter such an office, even if confronted with a waiting line outside the door, constitutes a person's "first reasonable attempt to make a request for food stamp aid," and such a person should be given the opportunity to both file an application and, if eligible, receive an authorization-to-purchase card on the same day.

Determinations of eligibility for program assistance should be based on the most recent income status of an applicant household. This is particularly important in the case of an applicant who has just recently become unemployed. The only exception, of course, would be for seasonal workers. In their case, the income calculations should be based on a projection of the applicant's income during the 4-month certification period. It should be pointed out in this context, however, that we expect the U.S. Agriculture Department and State food stamp officials to continue applying uniform national standards of eligibility. Our amendment does not legislate any changes in the program's eligibility criteria. Thus, the statutory requirement—that the only in-kind or vendor payment that may be included as income is the maximum $25 a month of in-kind housing benefits provided by an employer in lieu of wages—is left untouched as are the regulatory income education requirements.

Once an applicant-household has received its first authorization-to-purchase card, the household may participate in the food stamp program for an initial 30-day period. It is during this period that food stamp officials will undertake to verify the information contained in the initial application. Each recipient would, of course, be expected to cooperate fully in the verification process. When verification is completed the recipient is given an authorization-to-purchase card that is good for at least 4 to 6 months. If, however, through no fault of the recipient, the verification process takes longer than 30 days. the recipient must be given another authorization-to-purchase card before the expiration of the first 30-day period.

Upon the completion of verification, if the recipient is eligible for food stamps, then the recipient must be issued an authorization-to-purchase card before the initial 30-day period is completed. The recipient is entitled to a certification period of no less than 6 months in duration if the household contains one or more persons who are elderly, blind, or disabled. If the recipient household has no such persons, then the household is entitled to a certification period that is no shorter than 4 months long.

Of course, longer certification periods are permissible if the State agency decides they are warranted, pursuant to applicable Agriculture Department regulations.

Once a recipient is deemed eligible for food stamp aid, the recipient's benefits cannot be terminated or reduced by official action without the recipient being afforded the opportunity to challenge such action in a fair hearing held prior to any such adverse action. This is true whether the recipient was in the middle of a certification period, at the end of a period, or even in transition from one period to another. This amendment establishes the right to continuous receipt of benefits by eligible households. The full meaning of that right can only be protected by providing fair hearings to all recipients prior to adverse actions regardless of where they are in the certification-recertification cycle. The only exception to this prior-hearings rule would occur in the instance where a recipient has set forth, in writing on the face of a recertification application, information that specifically indicates that reduction or termination of assistance is warranted. In such an instance, the recipient would be deemed to have waived the right to a hearing, prior to the termination or reduction of assistance.

To make sure that that recertification process operates in an orderly and efficient manner, it is essential that State and local food stamp officials provide written notices to recipients, 1 month prior to the expiration of their certification periods, informing them that it is necessary to seek recertification if continued participation in the program is desired. If a recipient reapplies for aid before the end of the certification period, then an authorization-to-purchase card should be issued in a timely manner so that there is no interruption in the provision of food stamp aid. If a recipient reapplies for assistance after the end of the certification period, then the recipient should be treated as an initial applicant.

A very important part of the amendment is contained in subsection (5), which requires "convenient, adequately staffed certification centers." This principle is intended to instruct State and local food stamp officials to make a substantial expansion in the number of certification offices and the hours of their operation. As regards the number and location of offices, it is our intent that no applicant be required to travel more than 30 minutes to reach a certification office.

If food stamp officials find that they cannot open sufficient offices to accomplish this purpose in rural areas, then they should use mobile certification vans or other means to accomplish the objectives of this amendment. In regard to office hours, our intent is that all food stamp certification offices be operated on a full normal business hour schedule during weekdays and that they should be open during evenings at least twice a week and for 1 full day during the weekend.

As is also made clear by subsection (5), these centers must be adequately staffed. I should note that this is also required by section 15(b) of the Food Stamp Act. Both provisions of law mandate that sufficient personnel must be utilized as will carry out the provisions of this amendment and the Food Stamp Act. I want it to be clearly understood that subjecting needy people to long lines and unreasonable waits at food stamp certification offices will no longer be tolerated.

Because of the importance of this amendment, it should be implemented in the shortest possible time. Accordingly, as stated in the amendment, the Secretary must issue final regulations no later than 30 days after the enactment of this amendment. Equally important is the immediate implementation of those regulations by State agencies. Accordingly, it is our intent that such regulations be fully implemented by the States no later than 60 days following the promulgation of the Secretary's regulations.

This new certification system is to be implemented in every area of the country on a permanent basis. Its provisions are to be applied for all eligible households. In its essence, this amendment seeks to insure the participation of eligible households and provides State agencies with the affirmative obligation to streamline food stamp certification procedures so that obstacles to program participation are removed for all program eligibles.

Because of the urgent nature of this amendment, I urge its immediate adoption. It is an important amendment and it will substantially improve the program's efficiency.

FOOD STAMP CERTIFICATION

Mr. PACKWOOD. Mr. President, although the unexpected and sudden increase in applicants for food stamps during the last 6 months placed a severe strain on State and local governments, these agencies completed certifications which added 5 million people to the food stamp rolls between September 1974 and March 1975. In December 1974 alone, the State and local agencies did a commendable job in completing certifications which enabled over 1.5 million additional persons to participate in the program.

A random check made just this morning demonstrates improvements in certification time:

South Dakota: In Pierre, S. Dak., 90 percent of the household applications are handled in 10 days or less. There are no serious problems. The situation is the same as it was 5 months ago.

Pennsylvania: Households coming in are given an appointment between 1 and 12 days later. Decision on certification is generally made at the time of the appointment and manually issued authorization-to-purchase cards are given at the time eligibility is established. Currently the waiting time for appointment is:

Philadelphia

	Days
Tioga District	9
All Others	5
Bucks County	9
Blair County	5
Berks County	8
Elk County	8
Lancaster County	4
Laurence	9
Monroe	12
Pike	8
Perry	1
Warren	9
Wyoming	1

Five months ago the waiting period in Philadelphia was over 20 days and in Lancaster County, 23 days. Currently the State agency has established a 5-day standard for processing applications. Five months ago the standard was 8 days.

The State and local agencies have been able to maintain their quality of service through excessive overtime and relocation of staff.

Michigan: In Detroit nonassistance households are certified within 2 weeks compared to 30 to 60 days 5 months ago. In Lansing, all households are certified in 3 days now.

Iowa: In Des Moines, households are interviewed on arrival and certified if eligible. Authorization-to-purchase cards are issued the next day; for emergencies the cards are issued on the same day.

Kansas: In Wichita, households are certified within 1 to 2 weeks. The situation was the same 5 months ago.

Mr. BELLMON. Mr. President, I oppose the Dole amendment as being unnecessary and because it would open wide the door to abuse and even fraud. The Food Stamp program is already under attack because of widespread misuse. This amendment would hurt the program by causing further criticism.

The amendment is unnecessary since State administrations already have ample authority to end the administrative delay which exists in some States. For instance my own State of Oklahoma has developed an emergency plan in order to provide the assistance to the needy family as soon as possible. In emergency cases, Oklahoma welfare caseworkers are on the scene investigating the applicant who has provided the caseworker with collateral references. These references are contacted in order to determine the applicant's eligibility to receive food stamp assistance promptly. Cases in all of Oklahoma's 77 counties are basically handled in the same manner.

The proposal that if a family is found ineligible, it would have to repay the money, how would this be done? In most cases would not this involve even more bureaucratic bungling than the process of food stamp certification we presently have?

For these reasons, Mr. President, I oppose the amendment. I favor the food stamp program and will support changes which clean up abuses and which make the program better serve those in need. This amendment would serve to weaken a program that is already subject to frequent and widespread charges of abuse.

Mr. TALMADGE. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I yield.

Mr. TALMADGE. The Senator serves on the committee with us. Is this the same amendment that the committee considered and rejected?

Mr. DOLE. It is the same, with the exception, as I have indicated, that we have made certain that the residence and the identity of the person are established.

Mr. TALMADGE. Is this the amendment that would permit a citizen to walk off the street into an office and certify himself as being eligible for food stamps?

Mr. DOLE. That would be the effect of the amendment.

Mr. TALMADGE. Does the Senator think it is in order at this time to issue blank checks to more than 200 million American citizens, without any verification whatsoever?

Mr. DOLE. If the Senator will look at the alternative, a 2- or 3-month waiting period, I think it has merit, yes.

Mr. TALMADGE. The Department of Agriculture submitted to report this morning that in Wichita, Kans., households are certified within 1 or 2 weeks. The situation was the same 5 months ago. There was some delay in certification in some States earlier, but it has been remedied in virtually every State. I know it has been remedied in mine, and I have heard no complaints about it recently.

Mr. DOLE. With reference to Wichita, the unemployment rate there has been very low. We have been very fortunate in that area. They have not had the caseload. The unemployed have not been in line, waiting for application forms. In other areas, such as Detroit, where they have heavy population, with the unemployed auto workers and others, I would guess that the certification period would extend well beyond 1 month.

Mr. TALMADGE. I have a report here. In Pierre, S. Dak., 90 percent of the household applications are handled in 10 days or less. There are no serious problems. The situation is the same as it was 5 months ago. In Philadelphia, in the Tioga District, it is 9 days; in other districts it is also brief.

The PRESIDING OFFICER. The Senator's 10 minutes on the amendment have expired.

Mr. TALMADGE. Mr. President, will the Senator yield to me for 2 minutes on my time?

The PRESIDING OFFICER. The Senator has no time.

Mr. DOLE. Mr. President, I yield 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. TALMADGE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement from the Department of Agriculture summarizing the delay in various parts of the country on food stamps; also, a State-by-State summary taken from the General Accounting Office report, pages 29 and 30 of appendix 2, giving a breakdown of States that are presently drawing food stamps,

showing the percentage of those ineligible.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FOOD STAMP CERTIFICATION

Although the unexpected and sudden increase in applicants for food stamps during the last six months placed a severe strain on State and local governments, these agencies completed certifications which added five million people to the food stamp rolls between September 1974 and March 1975. In December 1974 alone, the State and local agencies did a commendable job in completing certifications which enabled over 1.5 million additional persons to participate in the program.

A random check made just this morning demonstrates improvements in certification time:

South Dakota: In Pierre, South Dakota, 90 percent of the household applications are handled in 10 days or less. There are no serious problems. The situation is the same as it was five months ago.

Pennsylvania: Households coming in are twelve days later. Decision on certification is generally made at the time of the appointment and manually issued authorization-to-purchase cards are given at the time of eligibility is established. Currently the waiting time for appointment is:

Philadelphia

	Days
Tioga District	9
All Others	5
Bucks County	9
Blair County	5
Berks County	8
Elk County	8
Lancaster County	4
Laurence	9
Monroe	12
Pike	8
Perry	1
Warren	9
Wyoming	1

Five months ago the waiting period in Philadelphia was over 20 days and in Lancaster County, 23 days. Currently the State agency has established a five-day standard for processing applications. Five months ago the standard was eight days.

The State and local agencies have been able to maintain their quality of service through excessive overtime and relocation of staff.

Michigan: In Detroit non-assistance households are certified within 2 weeks compared to 30 to 60 days five months ago. In Lansing, all households are certified in 3 days now.

Iowa: In Des Moines, households are interviewed on arrival and certified if eligible. Authorization-to-purchase cards are issued the next day; for emergencies the cards are issued on the same day.

Kansas: In Wichita, households are certified within one to two weeks. The situation was the same five months ago.

APPENDIX II

PERCENTAGE OF SAMPLED PARTICIPATING HOUSEHOLDS CONSIDERED INELIGIBLE AS A RESULT OF STATES' QUALITY CONTROL REVIEWS OF NON-PUBLIC-ASSISTANCE CASES

State	January to June 1973	July to December 1973	January to June 1974
Alabama	21	27	18
Alaska	14	19	19
Arizona	16	15	11
Arkansas	9	13	14
California	20	18	15
Colorado	25	37	22
Connecticut	17	18	21
Delaware	(1)	(1)	17
Washington, D.C.	34	31	23
Florida	33	30	23
Georgia	32	35	32
Hawaii	2	8	8
Idaho	10	7	9
Illinois	12	(1)	22
Indiana	(1)	21	11
Iowa	(1)	33	25
Kansas	(1)	11	15
Kentucky	29	26	23
Louisiana	23	24	17
Maine	11	6	5
Maryland	24	30	27
Massachusetts	(1)	31	27
Michigan	20	23	22
Minnesota	(1)	(1)	29
Mississippi	19	15	9
Missouri	30	29	20
Montana	31	(1)	41
Nebraska	(1)	(1)	11
Nevada	(1)	23	10
New Jersey	18	21	17
New Mexico	27	26	27
New York	14	18	23
North Carolina	20	17	18
North Dakota	(1)	10	7
Ohio	(1)	22	16
Oklahoma	7	8	4
Oregon	20	25	27
Pennsylvania	28	28	20
Rhode Island	33	26	16
South Carolina	23	30	27
South Dakota	7	26	15
Tennessee	22	27	26
Texas	18	14	7
Utah	20	12	8
Vermont	30	25	27
Virginia	(1)	(1)	10
Washington	11	11	5
West Virginia	10	8	7
Wisconsin	5	10	14
Wyoming	(1)	13	14

[1] Did not report.

Mr. TALMADGE. Mr. President, a report of the General Accounting Office indicates that 18 percent, or almost 1 in 5, of the active cases examined of people on food stamps at the present time are considered to be ineligible.

I yield the floor at this time, and I thank the Senator for yielding.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I yield myself 1 minute on the bill, to point out that the certification procedure that is mandated by this amendment simply extends to paying food stamp recipients the same certification system presently permitted for nonpaying recipients.

Section 2313 of food stamp regulations presently provides that all households which have zero income and which are determined to be in immediate need of food assistance may be certified for food stamps and subsequent verification eligibility.

It seems anomalous that some persons who have some income—very little, but not zero—and who must pay for their food stamps should not also be eligible for immediate certification, instead of having to wait for several weeks. That is the purpose of the amendment.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. DOLE. I yield myself 2 additional minutes, and I yield to the Senator from Georgia and then to the Senator from New York.

Mr. TALMADGE. Is the Senator aware that in Monmouth County, N.J., where certification was tried in 1961, that experiment resulted in an error rate 66 percent higher than that in the rest of the State?

Mr. DOLE. The Senator is aware of the unauthorized test program.

The Senator from Georgia has correctly pointed out that the error rate in the food stamp program is much too high, but the fraudulent rate is less than eight-hundredths of 1 percent. We want to tighten up the program and not deny those families benefits for 2 or 3 weeks if we can help it.

Mr. TALMADGE. Is the Senator aware that when Wilbur Cohen was Secretary of Health, Education, and Welfare, he authorized people to certify themselves for public welfare, and the error rate was so great that the procedure had to be rescinded?

Mr. DOLE. I understand that. When a person walks into the certifying office, he fills out an application, gives his residence, and identifies himself. If he is later found to have fraudulently put information on the application, he is subject to a fine of $10,000 and imprisonment for 5 years. The penalty is there and the pressure is there to be honest in completing the application.

Mr. JAVITS. Mr. President, I am pleased to hear the colloquy and I think the Senator is absolutely right. I am a cosponsor of the amendment.

We must remember that the object of the proposed legislation is people in very real and very honest distress. Therefore, we have to keep our eye on the ball.

If the administration is deficient in some respects, it is our job to tighten up. We are writing law to deal with deeply human emergency situations. That is why I think the amendment is adjusted exactly to that point. We will deal with the other things under the existing law. The amendment seeks to reach a situation which cannot be remedied unless we do it this way.

Mr. President, as we all know, the Nation is beset with severe economic difficulties. Millions of taxpaying citizens are unable to find jobs and are facing serious problems in caring for their families. One of the most agonizing problems they face is an inability to afford the food they need for even a minimally adequate diet. The irony of this situation is that the Federal food stamp program is intended to provide assistance to all of the Nation's needy people so that no one must endure the suffering of hunger and malnutrition. The uncomfortable truth, however, is that millions of needy, hungry American families are unable to obtain assistance from the food stamp program because of the red-tape and bureaucratic delays that permeate the program.

The amendment we are considering will establish new expedited certification procedures for the food stamp program so that needy people can obtain immediate food assistance.

The long lines that have prevented many needy families from filing food stamp applications will be eliminated; the cumbersome certification procedures that require many applicants to wait months for food stamp assistance will be streamlined; and food stamp offices will be required to operate at times and places that are more suitable to the needs of applicants.

The amendment requires that food stamp applicants are to have the opportunity to file a food stamp application on the "same day as such person's first reasonable attempt to make a request for food aid." This means that any person who goes to a food stamp certification office shall be able to obtain an application form immediately. The certification staff must offer personal assistance to the applicant along with a clearly written, easily understood explanation of how to fill out the form. The applicant must then be able to file the form immediately upon its completion. At that time a food stamp official must review the completed application and—if it establishes on its face that the applicant is eligible for food stamps—the applicant must be certified, then and there, for an initial food stamp assistance period of 30 days and must immediately be issued an "Authorization To Purchase—ATP" card for such 30-day period.

It is the intent of this amendment that such food stamp certification office will be sufficiently well staffed so that the application process just described does not require any applicant to spend more than a few hours at a food stamp office, and, in no event, more than half a day. Food stamp officials must make sure that no one attempting to get into a certification office is turned away. Indeed, any attempt by a person to enter a food stamp office qualifies as "such person's first reasonable attempt to make a request for food stamp aid" under this amendment.

In implementing this new expedited certification system, food stamp officials must devise application forms that compute eligibility for food stamp aid in accordance with the true need of applicants, like the recently unemployed, by basing income calculations solely upon a household's income status on the day of application. For seasonal workers, however, food stamp officials should base income calculations on such applicants' projected earnings during the initial 30-day and subsequent 4- or 6-month certification periods. In addition, State and Federal food stamp officials must make every effort to shorten and simplify food stamp application forms.

In developing shorter application forms, and in otherwise implementing this amendment, the Department of Agriculture and the State agencies operating the program must not make any changes in poor peoples' present eligibility rights under existing regulations. Thus, as an example, our amendment does not contemplate any changes in the income deductions currently established under Federal regulations. In addition, we make no changes in the statutory requirement that the only "vendor" or "in-kind" payment countable as income under the act is the $25 monthly payment "in-kind" for housing provided by an employer where such housing is provided in lieu of wages. These substantive Federal rights are unaltered by our amendment.

It is very important to note that the new 30-day certification procedure that this amendment establishes does not in any way make the program more vulnerable to fraudulent applications. The amendment makes clear that each initial certification is to be verified during the initial 30-day certification period, and every recipient is expected to cooperate fully with State officials in establishing such cerification. If it should develop that the information contained in the application cannot be verified in 30 days, then the recipient's eligibility for food stamps would not expire at the end of such 30-day period. Under those circumstances—where the recipient has cooperated in the verification process but the State agency has not completed that process—the recipient immediately shall be provided with another 30-day "Authorization To Purchase—ATP" card.

When verification has been satisfactorily completed, the recipient would be provided with a new "Authorization To Purchase—ATP" card that is valid for either a 4- or 6-month certification period. All households composed of at least one person who is elderly, blind, or disabled are entitled to receive a minimum certification period of 6 months, upon completion of the verification process. All other households shall receive a minimum certification period of 4 months. If, in the discretion of State officials, longer certification periods are appropriate, then such periods may be provided to recipients in accordance with the applicable regulations of the Department of Agriculture.

An important requirement in this amendment is the principle that households shall receive their food stamp assistance in a "continuous" manner. This means that "Authorization To Purchase—ATP"—cards, after the initial 30-day assistance period, must be issued prior to the expiration of the previous certification period. This principle is applicable in transition from 1- or 6-month certification period to another. This requirement essentially enforces our intention that there be no interim periods in which impoverished people are without food stamp program relief.

In order to carry out this principle, State and local food stamp officials must provide written notices to participating households 1 month prior to the expiration of their certification periods, informing them that they must undergo recertification procedures if they wish to stay in the program. These notices would help to assure that recipients seek recertification in a timely manner.

Clearly, if a recipient household goes to local food stamp officials prior to the conclusion of its certification period and seeks recertification, then the officials must complete the recertification in time to give new "Authorization To Purchase—ATP" cards to the household before the expiration of the household's current certification period. However, for households that do not seek recertifications prior to the end of the certification period, such households, in every respect, shall be treated like initial applicants.

Under the amendment, it is intended that recipients will be afforded the opportunity to have hearings prior to any proposed reductions or terminations of assistance. This principle is equally applicable for recipients whose aid is proposed for termination or reduction in the middle of a certification period or whose aid is proposed for termination or reduction during the transaction from one certification period to another. However, one exception to this prior hearing rule exists: If food stamp officials wish to deny or reduce food stamp assistance based exclusively on the written statements made by a recipient on the face of the reapplication form, then benefits may be reduced or terminated prior to the granting of a hearing. Before any other terminations or reductions of assistance occur, recipients must have an opportunity to obtain a prior hearing and a decision thereon.

This new certification system is of crucial importance to America's needy people. I wish to make quite clear that due to the important nature of this amendment, we expect the Department to issue implementing regulations in final form no later than 30 days following this amendment's enactment. Such regulations should be effective on the day of publication and they should require that State agencies carry out a full implementation of this new system by no later than 60 days following the promulgation of the Federal regulations.

I also wish to point out that this amendment is to be implemented in all areas of the Nation which operate the food stamp program and it is to be implemented on a permanent basis. This is not a pilot or experimental system of limited application. The entire Nation needs this system now. This amendment will make the nationwide operation of the food stamp program more efficient and effective.

Critical to the new certification process is the requirement in the amendment that certification centers be conveniently located and adequately staffed. Under this provision of the amendment, it is my expectation that certification centers will be opened during daytime hours on weekdays, about 2-weekday evenings per week, and on 1 day every weekend. The certification offices should be conveniently located. If convenient office location is not possible in rural areas, then mobile certification vans, circuit riders, or other similar certification systems should be developed in those areas.

It is also the intention that certification centers be adequately staffed so that applicants and recipients are not forced to stand in long lines, or required to wait longer than a few hours for certification, or verification, or recertification functions to be performed.

I urge the passage of this amendment. The passage of this amendment will do much to improve the program's administration and to streamline the entire certification process.

Mr. DOLE. I thank the Senator from New York.

How much time does the Senator from Kansas have on the bill?

The PRESIDING OFFICER. The Senator has 17 minutes.

Mr. DOLE. I yield to the Senator from South Dakota 5 minutes.

Mr. McGOVERN. Mr. President, I commend the Senator from Kansas for his description of this amendment. In many respects, this amendment could be known as the anti-redtape amendment, the anti-needless delay amendment. It in no way changes the criteria of qualification for the food stamp program.

I say to the Senator from Georgia, the distinguished chairman of our committee, Mr. TALMADGE, that I agree with him that this program has to be tightened up in terms of some of the present malpractices. There are people participating in the food stamp program who do not belong under the terms of that program. This amendment does not speak to that question.

We do have a study under way now, under the instructions of Congress, by the Department of Agriculture, to deal with the problems that the Senator from Georgia has very properly identified; that is, the irregularities that exist in this program. I, for one, as a strong believer in the food stamp program, feel especially resentful of those who have exploited the program and have misused it. I strongly support the study that has been ordered by Congress that was authored by Senator DOLE some weeks ago.

I would even be prepared to say that we should consider some of the income qualifications that are in the existing program. Perhaps they are too high. We ought to consider some of the exemptions in the program that permit administration that may be too loose.

What this amendment does today is clear up the needless delay that exists in certifying honest people who are entitled to this program. I think it is fair to say that this amendment is before us, because of the problems that developed in high unemployment States, especially in the Detroit area, where thousands of automobile workers were laid off, and in similar high unemployment situations where we had a condition where, for many years, those people had been financing the program. They had been paying their taxes. They had held steady jobs, and they had financed the food stamp program and other Government programs for other people. Now, for the first time in their lives, they suddenly discovered that they are out of work, that their income has disappeared. But when they went to qualify for the food stamp program, they were confronted with long lines and a complicated certification process that kept them coming back time after time. What this amendment does, in effect, is say that if a person will sign the statement that his income is below a certain level and they are in need of this program and they meet the statistical requirements for the program, they should be automatically certified, but only for 30 days. During that 30-day period, while they are experiencing the benefits of the program, they can be checked out.

I submit, Mr. President, that we can actually reduce the errors by that more systematic check that would be provided by the 30-day period than the present situation, where we have a long line of people waiting, urging that they be approved and where the pressure is on for quick approval. This is a more orderly way to run the program. I am very hopeful that the Senate will adopt this amendment.

Again, I stress that the Senator from Georgia is right in saying that that is only part of the problem; what we then need to do is see that the Department of Agriculture carries out the study that we have instructed them to do. I think that will then shed some light on where we need to go from here to tighten up the irregularities of this program

Mr. President, the amendment before us is an extremely important provision to hungry people throughout the country. It is crucial because it deals with one of the most difficult problems that food stamp applicants must now face as they seek adequate nutrition: Long lines at food stamp offices. These long lines have caused massive delays in the delivery of much-needed food relief—delays which have deterred and frustrated thousands upon thousands of Americans.

This amendment would enable needy families to obtain food stamp assistance as much as 3 months sooner and to continue receiving such aid continuously, without interruption, thereafter. This amendment instructs USDA that redtape, bureaucratic delays, and administrative convenience must take a backseat to the peoples' need for responsive and undelayed assistance. Food stamp relief can mean the difference between an adequate diet and hunger.

Frequently, hungry applicants have to wait 2 or 3 months before they are determined eligible for food stamps. In many areas you must call for an appointment. Then, often you have to make several trips to the certification office before the necessary paperwork is completed. Throughout this time, family members remain hungry, malnourished and in poor health. Such a situation is bad enough during normal times, but the economic slump that has caused high unemployment has made this situation intolerable. Recent testimony before the Government Operations Committee indicates the process is so time consuming, other Government programs are starting up to fill the vacuum.

As a result of these circumstances, this amendment directs the Secretary of Agriculture to take immediate action to help rectify the situation on a permanent and nationwide basis. Within 30 days after the enactment of this amendment, the Secretary is to promulgate regulations in final form that will implement the certification procedures set forth in our amendment. We expect all of the States and localities to implement these new procedures with equal promptness but certainly no later than 30 to 60 days after the Secretary's regulations have been promulgated. This anticipated time schedule will assure that the new and critical certification system changes are implemented as soon as possible for public assistance and nonpublic assistance households alike.

The new certification system will help to insure the participation of eligible households but will not change program eligibility and benefit standards. Currently, less than half the people in need of, and eligible for, food stamp assistance are getting such aid. Thus, as in section 10(e)(5) of the act, we are requiring program administrators to remove all obstacles to participation in the food stamp program for everyone who is eligible for food stamp relief.

The specific certification requirements contained in our amendment are part of the overall statutory scheme that establishes an affirmative obligation on program administrators to bring all eligibles into the food stamp program.

The operation of our amendment, though important, is very simple to administer. Applicants, upon their "first reasonable attempt to make a request for food stamp aid," shall immediately be provided with an application for participation in the program, and shall be permitted and encouraged to fill out the application on that day for submission to the State agency. Such a "first reasonable attempt to make a request for food stamp aid" includes, at a minimum, any attempt to enter an appropriate food stamp certification office for purposes of seeking food stamp aid or a program application. No one should be turned away from a certification office.

On the same day, the State agency shall make a determination based exclusively on the applicants' responses "on the face of the application," without verification of income, resources, and deductions—concerning such applicants' eligibility for food stamp aid. An "authorization to purchase card" would then be issued for 30 days to all households which meet the national eligibility guidelines, as is currently the procedure for zero purchase households.

In short, an applicant who goes to a food stamp office must on the same day be given an application, allowed to fill it out, have the application reviewed, and be given a document entitling him to purchase a 1-month allotment of food stamps if the information on the application shows his or her household to be eligible.

The process of completing the application on the spot should be readily accomplished by most food stamp applicants. Under this process, the applicant provides information on household composition, resources, and projected income. In the income area, this means that an applicant reports actual earnings and benefit payments, but not vendor payments made by an outside source on behalf of the household since these are not intended under the act to be considered income—with the sole exception of in-kind housing benefits provided by an employer to an employee, which must be counted as food stamp income under Public Law 93–86.

After the 30-day "authorization-to-purchase card" has been given to the applicant-recipient, he or she should be informed of the obligation to cooperate in verifying the various eligibility factors. The State agency should be specific and clear about the applicant-recipient's responsibilities under the verification requirement so that there is no confusion about those responsibilities. If the applicant-recipient unreasonably fails to

verify the necessary eligibility factors, his household's eligibility for food stamps will expire at the end of the 30-day period. However, if the verification procedure has not been completed within 30 days and the applicant-recipient has cooperated in providing verification documentation, then the authorization to purchase must be extended. Clearly, the policy of our amendment is that no one should have his benefits for food stamps denied or delayed due to administrative difficulties or problems; food stamps are to be provided immediately and continuously, without interruption.

Once the verification process has been completed, the applicant-recipient would receive a new "authorization-to-purchase card." For all households that have no elderly, blind or disabled individuals therein, the length of the certification and recertification periods—after the initial temporary period—shall be no less than 4 months long; for all households containing one or more elderly, blind or disabled individuals, the length of the subsequent certification and recertification periods shall be no less than 6 months long. If State agencies, in compliance with USDA regulations, deem it appropriate to provide certification and recertification periods in excess of the 4- and 6-month minimums, they, like before, will be permitted to do so. Regardless of the length of the certification period, all households retain the responsibility of reporting any changes in household eligibility criteria. In determining the effectiveness and efficiency of the administration of the program by the State agency, for purposes of section 15(b), the accuracy of eligibility determinations shall be judged as of the time of the certification, recertification, or reported changes in eligibility status

All "authorization-to-purchase cards" should be issued prior to the expiration of the prior certification period so that there is no gap in program participation. To do so, the State agency will have to send notices to recipients, about 1 month prior to the expiration of their certification period, notifying them of their obligation to seek recertification if they want to continue receiving food stamp aid. This will provide recipients with an opportunity to become recertified before the end of the certification period.

It should be noted that nothing in our amendment is intended to be construed as eliminating or limiting a participants' due process rights to a hearing prior to the taking of any adverse actions—such as terminating or reducing food stamp assistance—either within the first 4-month certification period, or during any subsequent 4-month recertification period, or in transition from one certification period to another. Indeed, under the amendment, it is our intention that aid be provided continuously, without interruption, and that any contested adverse action be preceded by an administrative fair hearing before the contemplated adverse action is implemented.

To make those procedures feasible, our amendment requires that certification centers be located in "convenient" areas and that such centers be "adequately staffed." This means that certification centers, mobile certification units or other reasonable means must be used to make the certification system accessible to all. As a yardstick for measurement, no poor person should be required to travel more than 30 minutes to get to the nearest certification center. Moreover, certification centers should be open at hours that are convenient to poor people, including the working poor. Thus, in addition to keeping certification centers open during daytime hours on weekdays, such centers should be open on weekday evenings and on weekends if necessary to serve the community.

In addition, it is obvious that sufficient personnel must be hired by State agencies to carry out all of our requirements under the amendment. There is absolutely no reason why sufficient personnel cannot be hired in order to make sure that there is full and faithful compliance with our amendment's requirements. This is particularly true since the Federal Government pays 50 percent of all program administrative costs and 100 percent of all program benefits. Any State that fails to hire the personnel necessary to fulfill all of the requirements under this amendment are subject to the sanctions of section 15(b) of the act.

CONCLUSION

Mr. President, I fully believe that this amendment represents a reasonable effort by a bipartisan group of our colleagues to respond to a major problem affecting many Americans. I am pleased by the active support it has received from both sides of the aisle.

This amendment does not raise the maximum allowable income or increase the amount of allowable resources. It is an attempt to operate responsively and effectively a program which the Federal Government holds out to millions of Americans, but yet, only reaches less than half of those eligible.

I urge its immediate adoption.

THE ATLANTA CONSTITUTION AND FOOD STAMPS

The articles on food stamps recently appearing in the Atlanta Constitution are startling and dramatic. Unfortunately, they are filled with misleading quotations, sloppy research, and factual errors. The food stamp program as presented in these articles bears little resemblance to the food stamp program as it functions in real life.

The major thrust of these articles is that the food stamp program is now filled with middle-income families. The evidence cited in support of this conclusion is:

First. That HEW Secretary Weinberger said that only half of those getting food stamps are at or below the poverty line.

Second. That Bill Shipp, the executive city editor of the Atlanta Constitution, was told he qualified for food stamps.

Third. That the food stamp caseworker told Shipp that a lot of people who own boats and even a few who have a airplanes can get food stamps.

All three pieces of evidence cited are faulty. Secretary Weinberger is guilty of gross distortion in his claim that half of those getting food stamps are at or above the poverty line. What Weinberger is clearly referring to is data developed by the Census Bureau that shows that 44 percent of those getting food stamps in a given month have annual incomes above the poverty line for the previous 12-month period—during which time they may not have been getting food stamps. Someone who becomes unemployed and begins getting food stamps is, under these calculations, counted as being above the poverty line because he had a job for most of the previous 12-month period.

Weinberger's statement is highly misleading, because it incorrectly implies that half of those getting food stamps have incomes at or above the poverty line during the period they are getting food stamps.

What the official statistics show, in fact, is a picture almost dramatically opposite from that presented by Weinberger and Bill Shipp. Nearly everyone getting food stamps is, in fact, poor or near-poor while they are getting stamps. The Chilton survey—conducted for the U.S. Department of Agriculture and released last year—found that 96.8 percent of all households in the food stamp program had incomes—before all deductions except taxes—of less than $600 per month and that 93.3 percent had incomes below $500 per month.

The Chilton survey is the most authorative study of this question that has been performed. Its results speak for themselves, and show that the notion that many middle-class families are getting food stamps is a myth.

The survey shows that among families of four, for example, only 3.25 percent of those in the program had monthly incomes of $600 or more, and that only 6.5 percent had incomes above $500 a month.

Census data yield the same results as the Chilton study. Less than 1 percent of all households with gross incomes of $6,000 or more participated in the food stamp program in 1973. Only 5 percent of families in the $5,000 to $6,000 range participated, and only 10.6 percent of those in the $4,000 to $5,000 range participated.

BILL SHIPPS' APPLICATION FOR FOOD STAMPS

Bill Shipp, on the other hand, claims that he told the Atlanta food stamp office that he earned over $400 a week—or over $20,000—a year—and that he was still found eligible for food stamps because he had large deductions. To qualify for food stamps, Shipp would have needed deductions of over $1,100 a month—a level unheard of in the food stamp program as the Chilton Survey data proves. How did Shipp get such large deductions? He lied. Shipp acknowledged:

> Not everything I told her was exactly true.

In short, Shipp committed fraud, for which he could and would have been prosecuted, and was then told he could qualify for stamps.

Shipp notes the deductions he was given:

> Taxes, loan payments, work-related travel expenses, school expenses, doctor bills.

Loan payments, however, are not counted as a deduction. If Shipp's caseworker counted them, she was guilty

of a serious error. The deduction for work-related expenses is limited to only $30 a month. So to get his enormous deductions, Shipp must have claimed that he had nearly $1,000 a month—or $12,000 a year—in medical bills and college tuition.

Shipp also notes that he said he had two late model cars. Only one car is exempt under food stamp regulations, unless the second car is needed for purposes of employment. Since Shipp did not say his wife worked, he probably lied here too, and said he needed to have another car for employment reasons. Since no household can have more than $1,500 in countable assets, Shipp's late-model car would have disqualified him had it been counted.

Most likely, Shipp also lied in reporting he had less than $1,500 in the bank, stocks, bonds, et cetera.

In addition, either Shipp misquotes the welfare worker on the issue of boats and airplanes, or else the worker has no knowledge of food stamp rules. Boats and planes are counted as assets. Therefore, any boat or plane worth $1,500 or over disqualifies someone from getting food stamps. As a result, virtually no households with boats or planes can ever qualify for food stamps.

Shipp ends up speculating that almost everyone in his newsroom would qualify for stamps. In fact, probably no professional employee in his newsroom could pass both the food stamp income and assets tests.

STUDENTS

The Atlanta Constitution also devotes much attention to all the students getting food stamps. It fails to note that an amendment signed into law in January, and now going into effect, eliminates from the program all students who are claimed as tax dependents by households that are not themselves eligible for food stamps. The only students who will now remain eligible are those who both have low enough income and assets and who are not supported by their parents.

The newspaper ignores this important fact and implies that students supported by their parents can get food stamps.

The newspaper also gives the example of a student couple with income of $542 who qualify for food stamps because of a deduction for tuition. The paper neglects to tell us whether part of the $542 is a grant that is earmarked for tuition. Would the Atlanta Constitution have the grant counted as income, the tuition denied as a deduction? This is what its argument here implies.

In addition, one student quoted in the article points out that most students now getting food stamps are married and have children.

ERROR RATES

The Atlanta Constitution also discusses Georgia's food stamp "error rates." Thirty-two percent of those receiving food stamps in Georgia are ineligible, the paper reports.

The paper neglects to mention that nearly half of this 32 percent are households that really are eligible for food stamps but are counted as ineligible only because no work registration card could be found in the files for them. These households properly met all income and resources tests.

The paper also fails to say that the remaining 17 percent includes households termed ineligible solely for technical reasons such as the lack of a signature at the bottom of the application form.

Finally, the paper fails to mention that 10 percent of those who were refused food stamps by the Georgia Welfare Department were in fact eligible. Thus, the amount by which the number of those improperly getting stamps exceeds those improperly refused stamps in Georgia is only 7 percent, not 32 percent.

RIPOFFS

A final claim made by the Atlanta Constitution, without substantiation, is that food stamp ripoffs are increasing. In fact, the U.S. Department of Agriculture just last month reported to the Senate Agriculture Committee that only eight-hundredths of 1 percent of all food stamp households participated in a fraudulent basis in fiscal 1947. USDA also reported that less than fourteen-hundredths of 1 percent of all bonus food stamps issued in fiscal year 1974 were issued to fraudulently participating households.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "The Great Food Stamp Foul-Up" which was published in Good Housekeeping magazine in June 1975.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GREAT FOOD STAMP FOUL-UP

(By Charles and Bonnie Remsberg)

Just when more families than ever need food aid, it keeps getting harder and harder to come by. Here are the shocking reasons why. Millions of Americans—and you may be among them—are missing out on valuable help in the battle against runaway food costs. It's help their taxes have paid for and that the law "guarantees" to them.

These people, including unemployed executives, retirees, low-paid workers, and average wage earners with large families or unusual expenses, are entitled to receive dollar-stretching Federal food stamps issued by the U.S. Department of Agriculture. But because of shocking practices by Federal, state and county bureaucrats, from one-half to two-thirds of the persons qualified for this important aid are failing to get it.

According to an estimate by Senator George McGovern's Select Committee on Nutrition and Human Needs released last March, at least 38.6 million persons are eligible for stamps. Other expert opinion places the eligibility figure as high as 50 million, nearly one-fourth of the U.S. population, with the number climbing as the economy worsens. Yet the latest government statistics show only about 18 million persons actually getting food-stamp aid.

Paradoxically, though, the problem cuts both ways. While at least 20 million Americans are not getting the stamps to which they're entitled, many other unqualified families are getting them. A recent study conducted by the U.S. Department of Agriculture indicates that more than 12 percent of the households receiving stamps last year were, in fact, ineligible and that another 26 percent were receiving more stamps than they deserved.

This is not necessarily a matter of deliberate fraud. More likely it is the result of the same problem that has created under-issuance: mismanagement on a massive scale.

As the recession deepens, weaknesses in the program that have kept it a source of controversy between Congress and administrative agencies are now reaching a crisis point. Overwhelmingly, the evidence suggests that the program is falling down on its responsibilities because:

Food-stamp officials who are obliged by law to seek out and enroll eligible persons have actually tried to keep the program secret. Repeatedly people in desperate need—a nearly blind man in Arkansas surviving largely on mashed potatoes and rice . . . an old woman in Florida struggling to stay alive with only $8 for food for a month—have had no idea that help was available until reporters or private researchers happened to tell them. Officials have been especially lax in publicizing the program to non-welfare families, who are believed to constitute the vast majority of potential users.

Applicants for stamps are commonly subjected to painful delays, the result of red tape and chronic under-staffing. In Denver, at this writing, it takes three weeks to process *emergency* cases—families with no food or money to buy it. In one North Carolina county last January, appointments were being made for June for would-be applicants. In Hawaii, where the delay has at times stretched to 16 weeks, at least one elderly resident died waiting for an interview. In Detroit a group of bewildered applicants spent more than a year trying to find out what had happened to their applications before it was discovered that overworked staffers had hidden 5,000 forms under a desk.

Indifference and even abusiveness by food-stamp employees often discourage participation, especially among the elderly. Senior citizens in Jacksonville, Fla., have complained of being refused the use of rest rooms and telephones in the food-stamp office, refused help in filling out confusing applications, refused copies of completed forms.

Poorly trained certification workers and complex eligibility requirements compound the normal rate of error in processing. When the USDA sampled 46 states it found that even in Washington, one of the more efficient ones, at least 16 percent of the cases contained errors.

Often those who survive the qualification process find then that they cannot make use of the stamps because they have to be purchased in bulk lots, requiring a sizable outlay of cash. Recently we visited a suburban couple in Michigan, parents of ten children. Until a sudden layoff, the husband had been a $19,200-a-year automobile executive. They had just received a card authorizing them to buy $177 worth of food stamps, but they needed $149 cash to do so—and they hadn't been able to save that much money in weeks.

The $4.5-billion stamp program began as a pilot project in 1961. By last July it had been extended by Congressional order into every county of the country. Under Federal law, everyone with cooking facilities who meets certain financial criteria is entitled to buy packets of coupons. Printed in denominations of $1, $5 and $10, but costing less than their face value, the stamps are accepted as cash at most food stores and can add from 20 to 50 percent to a family's food-buying power. In theory, this coupon "bonus" stretches grocery dollars far enough to provide adequate nutrition for hard-pressed families, even in times of inflation.

Through the USDA, the Federal government regulates the states' administration of the program, pays half the operating expenses and subsidizes all the cost of the bonus-coupon allotments.

Who is eligible?

Persons on welfare qualify automatically. For others, eligibility is determined by a complex formula that weighs income against family size, after various expenses (including medical and educational) have been deducted. What's important is not so much the size of a family's paycheck as what's left after the allowable expenses have been met. On an average, permitted deductions reduce gross income by about 20 percent, but in individual cases the cut can be sharper.

ELIGIBILITY IS A FAR CRY FROM GETTING STAMPS

For example, a family of four can qualify with net earnings (i.e., earnings after deductions) as high as $513 a month; of seven, $793; of 12, $1,178 and so on. Once qualification has been established, the amount a family will have to pay for its stamps depends on how much less than these maximums it earns. Currently, a family of four with $310 net monthly earnings can buy $154 worth of stamps for $89, a bonus of $65. The same size family earning $400 would pay $113 for the same amount of stamps, reducing its bonus to $41.

Because inflation has driven up the prices of deductible items along with everything else, "a family of four grossing $8,000 a year might easily be eligible for food stamps," says Jay Lipner, an attorney with the Food Research and Action Center, a New York antihunger group. "And a family of six could easily be qualified earning $10,000, and in some cases $15,000 or more." In periods of financial flux, a family might qualify one month and not another.

As inflation and unemployment spiral, more and more working and middleclass men and women are becoming eligible for the program—at least temporarily.

Being eligible, however, is a far cry from having stamps to spend.

By law each state, under USDA monitoring, is obligated to take *effective* action to reach out to low-income households to *ensure* their participation. Yet, Federal Judge Miles Lord ruled in Minneapolis last October, that "virtually all" state plans for "outreach" are inadequate, and that the USDA has failed to take "any forceful [enforcement] action even in those states most derelict."

Few stamp offices have even staffed up to try to reach the uninformed. Oregon, for example, earmarked for the job only 24 minutes a week by one secretary, two hours by her boss and a few more hours a month by a volunteer—this in a state where an estimated 117,000 eligible persons have not signed up for stamps. In New York, where more than a million eligibles are unenrolled, a ludicrous total of only $1,774 was earmarked for outreach in a recent fiscal year. Ted Niedziela, an electrical-union official in Buffalo, recalls asking local food-stamp administrators why information was not being distributed in Polish, German and Italian to ethnic communities hard-hit by the area's high industrial unemployment. "They [the administrators] said, 'These people would shy away from taking food stamps, so we decided not to do anything.' And people in trouble were calling me up looking for *anything* that would help!"

The Department of Agriculture, under orders from Judge Lord, has agreed to require all states to implement new outreach plans before the end of the summer. But effective enforcement will demand "substantial changes in the Department's past track record," says Jay Lipner. If things continue as they have been, another private watchdog group reports, "most of the uninformed may *never* learn about food stamps."

Would-be applicants who manage to hear of the program and want to check out their own eligibility frequently encounter cruel obstructionism.

Commonly, many offices refuse to give out applications—or even information—except during an interview with a certification worker. And that may involve a wait of several months. As a result long lines, reminiscent of Depression-era bread lines, have been forming lately outside many food-stamp offices as men and women wait to be interviewed in the places of no-show appointment-holders. Last December in Phoenix, where the food-stamp offices opened at 8 a.m. the line began forming at midnight. "Those who came after three in the morning didn't stand a chance of being seen that day," says one observer.

By the time applicants clear the appointment hurdle, their financial status may have changed and they may no longer be eligible. Many are forced to make numerous trips to the stamp office, losing time from work and pay that could, ironically, have been spent on food.

"The elderly would rather go hungry than endure the insults"

Jerry Hall, the unemployed automobile executive mentioned earlier, and his wife, Jackquie, told us how they stood outside of the food-stamp office, sometimes in near-zero weather, only to see the line cut off just as they reached the appointment desk. They were finally certified for stamps after waiting "only" 5½ weeks. "When you have children who are hungry, that can seem an eternity," says Jackquie.

While they waited, they had to try to feed their family of 12 and to pay other bills on Jerry's $106 a week unemployment compensation. With no savings, they resorted to begging food at churches, floating checks, drastically cutting down on eating and, in perhaps their lowest moment, allowing a friend to collect cash donations for them. "I've been a taxpayer and a good citizen," Jerry says, "and the kind of thing we confronted when we needed help—like we were asking for something we weren't entitled to—stirred up some very primitive and very violent feelings."

Indeed, the atmosphere that seems to pervade many food-stamp offices is a major factor in discouraging participation, critics of the program claim. "The elderly give up first," says Kay Kosow, a project coordinator at the Food Research and Action Center. "They would rather go hungry than endure the insults—and they do."

Applicants we talked to complained that certification workers always seem to assume you are lying about your income and deductions." At a food-stamp office in Rhode Island where workers speak only in English, a group of Portuguese-speaking applicants brought a nun as their interpreter and became so outraged when a worker accused her of lying for them that thereafter they tried to discourage others from even applying for stamps

Catch-22-type runarounds are commonplace. Mrs. Eleanor Josaitis, head of the mayor's task force on hunger and malnutrition in Detroit, recalls the case of a young mother who had been sent home twice by a certification worker for additional receipts and other documentation. When she asked in exasperation for a list of everything she would need so she could avoid further trips and delays, the worker snapped: "Just go and come back when you have the right information."

HOW MISTAKES HAPPEN

Often, poorly trained certifiers make serious mistakes in interpreting eligibility requirements. In figuring an unemployed West Virginia coal miner's income, a food-stamp worker wrongly included the money he had *borrowed* since losing his job. In Illinois, a couple with seven children and $175 a week income were told, incorrectly, that they were automatically ineligible because the wife is drawing unemployment insurance. In Michigan, a destitute applicant was informed he couldn't get stamps because he had no income, while in fact he was entitled to them free.

A recent study by the General Accounting Office, an investigative arm of Congress, concludes that "a significant number" of applicants for stamps are turned down improperly while nearly two in five of those approved are required to pay incorrect amounts for the stamps they receive.

This may be the result of the fact that at all levels of government there is strong emphasis on "quality control," that is, making sure that recipients do not bend the law to get stamp benefits to which they are not entitled. The USDA contends that this close monitoring is necessary because sampling suggests that a significant portion of bonus subsidies winds up in the pockets of unqualified persons. Independent observers, however, insist that the department exaggerates the problem. Barbara Bode of Washington's Children's Foundation charges, "The government has gotten so caught up with the small minority who might be chiseling that the program has become almost impossible to administer."

Some food-stamp offices require frequent recertification of users, sometimes as often as once a month. But independent experts say there is little or no attention to whether stamp *workers* are performing in accordance with the law. In fact, Senator McGovern, a vigorous stamp supporter, has charged that stamp personnel, even at the highest levels, are "daily violating" regulations. A classic example: when the county of Choctaw, Miss., abandoned hundreds of impoverished families by illegally suspending its stamp program last year because it was "tired" of the expense, it was a private anti-hunger organization, not state or Federal food-stamp administrators, who filed suit to force the program back into operation.

BUYING STAMPS BECOMES A LOGISTICS NIGHTMARE

An applicant's problems do not necessarily end with being approved as a food-stamp recipient. Computer errors have been known to knock families off eligibility lists. Even after an "authority-to-purchase" card has been issued, buying stamps sometimes becomes a logistics nightmare—especially for the aged and disabled. In Detroit, for example, food stamps are sold at post offices, but postal stations in some high-poverty and high-crime areas refuse to handle the coupons for "security" reasons. Where stamps are available, recipients may be required to have *exact* change, or are forced to stand by while "regular" postal customers are served; many are referred back to the food-stamp office because clerks don't understand the forms.

Beyond mere aggravation, however, is the problem of how far the stamps actually go toward providing the kind of diet Congress created them for.

Under the law, stamp allotments are supposed to meet "the cost of a nutritionally adequate diet." But given the difficulty of planning such a diet on a cruelly limited budget, this is not likely to happen.

Complicating the problem in recent months has been the skyrocketing inflation in food. Twice a year the USDA is required to revise food-stamp allotments, supposedly to compensate for increases in grocery prices. But because of the cumbersome machinery involved, the new allotments to take effect this July, for example, will be based on prices that are already four months out of date. The allotments will then remain frozen at that obsolete level for another six months. One sampling of food-stamp families revealed that their allotments lagged from about 25 percent to nearly 40 percent behind the actual cost of the foods to be purchased.

Average families confronted with inflation are able to "trade down" in grocery buying, switching to cheaper cuts of meat, say, to save money. But most families on food stamps already are eating the cheapest foods. So their weapons against inflation are either to supplement the stamps by "stealing" money for food from other portions of their already strained budgets or to eat less—or both.

Pat Peters, the wife of a medically disabled former cab driver, told us in Detroit

that she has been struggling unsuccessfully to make her food stamps keep pace with prices ever since her family went on the program in 1969. "A year ago," she says, "our stamps seemed to go at least a third farther than they do now, but they've never been enough." With six children to feed and an income of $623 a month government aid for her husband's disability, she must constantly "rob Peter to pay Paul." Recently her husband, Lewis, begged clothes for the children from churches so that clothing money could be used for food.

"EVERY OTHER DAY WE TRY TO HAVE A MEAL WITH SOME FOOD VALUE"

In the last year, the amount of meat and fresh vegetables in the Peterses' diet has dwindled sharply. "We try to have salad a couple or three times a week" says Lewis, "and sometimes we buy fruit on sale just before its ready to spoil." But the menus for the family's one main meal a day are heavy with stew, biscuits, soup, spaghetti, potatoes, noodles and rice. "We try to fluctuate the meals so that every other day we have one with some food value," Peters explains.

Lewis, who suffers from severe arthritis, heart trouble and diabetes, has been told by his doctor that he must have a special diet. But food-stamp regulations make no allowances for that, and the one time that the Peterses bought the more expensive foods Lewis needs, Pat recalls, stamps for groceries for the rest of the family ran out eight days ahead of schedule. "Since then, I eat what everyone else eats," Lewis says. "And I try to avoid going to the doctor because if I do he's going to tell me I'm killing myself. I'm worried enough without listening to that!"

The Peterses are entitled to buy $133 worth of stamps for $90 every two weeks, but when emergencies arise they can't get all the cash they need together at once. Like many stamp users, they then must forgo the coupons and buy whatever food they can with whatever money they have. "We try like hell not to miss two months in a row," Lewis says. "If you do, the food-stamp office cuts you off the rolls for not being 'interested' in the program."

Officials often seem puzzled about why families sometimes fail to buy their stamps. If they'd talk to the Peterses they'd find out.

PROGRESS IN BUFFALO

In Buffalo and surrounding Erie County, N.Y., concerned citizens decided last year that the best way to get improvement in the food-stamp program was to organize and bring pressure on local stamp administrators. The result is the Buffalo Hunger Task Force, headed by a 42-year-old former schoolteacher, Genevieve Collins, and drawings on energies of some 80 volunteers.

The Task Force has generated and maintained its own massive "outreach" publicity campaign. Besides stimulating newspaper stories, it has persuaded labor unions and churches to alert their members to the availability and benefits of stamps. In addition, workshops are held regularly to acquaint interested people with stamp procedures and would-be applicants are assisted in the certification process. Periodically, volunteers also sit incognito in the food-stamp waiting room to check on what goes on.

The Task Force has effected a number of important changes: More phone lines and staff members have been added to the stamp office; hostility on the part of personnel has been reduced; a new computer has been installed to speed up processing; branch stamp offices have been opened in outlying sections; at least one office is now open evenings. All these measures have cut the average certification wait to no more than two weeks.

In just three months last winter, some 4,600 eligible new households, with more than 15,000 members, were brought into the stamp program in Erie County, and officials concede that the Task Force "has been the catalyst" responsible. Says Marthe Lane, food editor of the Buffalo Courier-Express, who has been active in the campaign, "Officialdom never voluntarily does anything. It responds only to pressure and exposure."

Mr. ALLEN. Mr. President, first, on a different matter than the bill under discussion, I yield 1 minute to the distinguished Senator from Mississippi (Mr. EASTLAND), after which I yield 10 minutes to the distinguished Senator from Georgia, chairman of the Committee on Agriculture, Mr. TALMADGE, 5 minutes on the amendment and 5 minutes on the bill.

AMENDMENT OF THE FOREST PEST CONTROL ACT—S. 441

Mr. EASTLAND. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 441.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 441) to amend the Forest Pest Control Act of June 25, 1947, with an amendment to strike out all after the enacting clause and insert:

That the first sentence of section 5 of the Forest Pest Control Act of June 25, 1947 (61 Stat. 177; 16 U.S.C. 594-1 through 594-5), is amended by changing the period at the end thereof to a comma and adding the following: "such sums appropriated for fiscal year 1975 and thereafter to remain available until expended.".

Mr. EASTLAND. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

FOOD STAMPS FOR SSI RECIPIENTS

The Senate continued with the consideration of the bill (S. 1662) to amend the Food Stamp Act of 1964.

The PRESIDING OFFICER. The Senator from Georgia is recognized on the amendment.

Mr. TALMADGE. Mr. President, 10 years ago, we started the food stamp program. I thought it was an outstanding program. I am one of the principal authors of most of the law that is on the books. It has been expanded far beyond the scope of what I had originally intended and the ceiling on incomes has been raised all out of proportion to reality. We have millions and millions of poor people in America, some of them aged, with no one but themselves, drawing a pittance from social security, sometimes with limited welfare. Food stamps for them have been a source of virtual survival. But we have had many things creep into the program since that time. We have had many amendments that this body has agreed to that they should not have, providing for disregards in the food stamp bill.

I hold in my hand an advertisement, "How to save $120 to $2,400 per year by participating in the U.S. food stamp program. Taxpayers making up to $16,000 a year are now eligible." If you want to find out how to do it, "Mail to the Center for Public Information, Government Programs Division, Department C-19, 401 Market Avenue, New Canton, Ohio. Be sure to enclose $3 plus 50 cents postage and handling charges in cash, check, or money order."

I ask unanimous consent that this advertisement be printed in the RECORD, Mr. President.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

HOW TO SAVE $120 TO $2,400 A YEAR BY PARTICIPATING IN THE U.S. FOOD STAMP PROGRAM—TAXPAYERS MAKING UP TO $16,000 A YEAR NOW ELIGIBLE

(By Elizabeth Evans)

A government ruling in July of 1974 has extended food stamp coverage to 20,000,000 new Americans. But to date, more than 15,000,000 of these newly eligible citizens have not claimed their benefits. Why?

Obviously, most of these people are not aware of this new ruling. Others think that eligibility is based on gross income. But in reality, numerous deductions lowering your gross income are used to figure food stamp eligibility. And finally, thousands of people who know they are eligible are too embarrassed to claim their benefits.

The embarrassment surrounding food stamps and the old fashioned notion that you must be on welfare to participate are quickly becoming a thing of the past.

A December 20, 1974, Wall Street Journal article reported that more and more middle and upper middle class working families are using food stamps. Donna Marie of 4445 11th Street NW, Canton, Ohio, sums up the feelings of hundreds of thousands of working American families who now use food stamps, "I saw my neighbor eating steaks and using the money she saved to buy a few luxuries. Then I thought of all the taxes I'd paid. It struck me how silly it was not to take advantage of something I'd already paid for. I now use food stamps to serve nutritional and delicious meals for my family. To me it is no different than a tax rebate program."

NO RISK REPORT

The problem of people not knowing if they are eligible has been eliminated with the recent publication of the public information report, 1975 Food Stamp Qualification Guide. This report is being made available on a no risk basis. By ordering this report, you can quickly determine in the privacy of your home if you qualify and for what amount. If you don't qualify, you may return the book. You'll receive a full refund—no questions asked.

EYE OPENING FACTS

Here are some little known facts regarding the food stamp program. Did you know that:

Workers who are laid off or on strike can collect food stamps.

In some states, you can get your food stamps through the mail.

Hundreds of thousands of senior citizens are eligible.

The elderly can use food stamps to pay for home delivered meals-on-wheels and for group meals for the elderly.

Working families with gross incomes as high as $16,000 a year can qualify for food stamps.

Food stamps are used just like cash. There are no forms to fill out at the grocery checkout counter.

Food stamps are accepted at almost every grocery store.

It takes only two weeks to receive your food stamps after you qualify.

Several people living in the same house can all separately receive food stamps.

If you are physically unable to apply at the food stamp office, you can have someone else apply for you or have the food stamp office come to your home.

If you move, you can continue to receive food stamps for a 60 day period from your old food stamp area.

If you've recently moved to a new state, you can immediately apply for food stamps.

When your income and resources are being calculated to see if you qualify, your house, lot, one car, your personal belongings and household goods, cash value of your insurance policy, income producing property, and boarders are not counted as resources.

When calculating your income, money from a student under 18, irregular income from part time jobs totaling less than $30 a month, and money from loans is not counted as income.

If you work and must use a day care center or a babysitter, you can deduct this expense.

State and Federal taxes, Social Security, and union dues are deducted from your income.

Medical fees over $10 a month and tuition and mandatory education expenses can be deducted from your income.

Alimony or child support you pay can be deducted. So can unusual expenses due to disasters.

Rent, mortgage and utilities are deductible by using a shelter standard formula.

All information given when you apply for stamps must be kept strictly confidential.

You'll be told if you qualify 30 days after you apply.

If you are refused food stamps and feel you're being cheated, you have the right to a fair hearing appeal. Even if you've been refused long ago, you can still go back for your hearing. And if the food stamp office made a mistake, you're entitled to all the back food stamps you should have collected.

TYPICAL WORKING FAMILIES

Here's an example of a typical family that qualifies for food stamps. Mr. Seagel grosses $192 a week, $10,000 a year. Mrs. Seagel does not work and has a boy, age 5, and a girl, age 10. Mr. Seagel pays $150 per month alimony and child support to his previous wife, has a rent of $130, $8 for phone, $50 for heat and utilities, $35 a month for hospital insurance, and spends $15 a month on allergy medicine.

After making all the necessary deductions outlined in the 1975 Food Stamp Qualification Guide, it was found that the Seagels would receive $150 worth of food stamps for only $113 a month. They'd saved $37 dollars a month. A total of $444 on groceries for the year.

What will qualifying for the food stamp program mean to you? Depending on your income, you could slash your food budget by 20% to 60%. This would mean a savings of $120 to $2,400 a year. You could afford to provide your family with the most nutritional and healthful foods. The money you've saved could be placed in the bank or used to buy anything you'd like. There are no restrictions on what you do with the money you saved. But, best of all, you'd be starting your own personal tax rebate program. You will be getting back some of the thousands of dollars you've paid in taxes by taking advantage of a government program which you've already paid for.

The 1975 Food Stamp Qualification Guide is written in plain, simple language. It will show you step by step how to figure your Food Stamp income. It will make sure you're deducting all the expenses you're entitled to. It will also prevent you from adding income which should not be counted in your total. When you qualify, you'll be told exactly where to go, who to see, and what to do in order to start cashing in on your benefits. A sample form is enclosed so you will waste no time when you go to fill out the real thing. All of this is done in the privacy of your home. You'll waste no time hunting down this information, and you won't have to spend a cent on gas.

LOW PRICED SOFT COVER EDITION

As I've said, this public information report is being made available in a special low priced soft cover edition. To get your report, all you need do is write the words Food Stamps on the top of a piece of paper along with your name and address.

Mail to: The Center for Public Information, Government Programs Division, Dept. C-19, 401 Market Ave., N. Canton, Ohio 44702. Be sure to enclose $3.00 plus 50¢ postage and handling charges in cash, check, or money order. Make checks payable to Public Information. Your report will be rushed to you by return mail in a plain unmarked envelope.

If after reading your report you discover that you don't qualify, return the book within 3 weeks. You'll receive a full refund—no questions asked.

You could be one of the 15,000,000 people missing out on the benefits you have coming to you. If you do qualify, you'll receive a $120 to $2400 return on your $3.50 investment. You can find out if you qualify within 3 weeks by mailing in your report request today.

"A July 74 ruling extended food stamp coverage to over 20,000,000 new Americans. To date, over 15,000,000 of these newly eligible citizens have not claimed their benefits which their personal taxes have already paid for."

Mr. TALMADGE. Our committee considered the amendment by the distinguished Senator from Kansas, and we decided that this amendment would authorize more than 200 million American citizens to just walk in off the street, sign their names, and be entitled to food stamps on their own word. Who in this body would issue a blank check to anyone? I am sure that the distinguished Senator from Kansas would not issue a check to HERMAN TALMADGE and say, "HERMAN, you fill it in for any amount you think is appropriate."

I am sure no other Senator in this body would do the same. But here he is offering an amendment, when we have 20 million people at the present time who are drawing food stamps, at a cost of $6 billion a year, and he says, "Come on; that is not enough. Walk in off the streets, certify yourself. Get on the food stamp dole." That is what this amendment would do.

I do not think the Senate should agree to any such thing.

There was a time when we did have long waiting periods for people who really needed food stamps, particularly in the Detroit area. At one time, it took from 30 to 60 days to get certified. But that is no longer true. At one time, we had waiting lines in Georgia. That is no longer true.

I have had the Department of Agriculture make a check today and I have put it in the RECORD. There is no area in the United States today where it takes more than just a few days' time to get certified for food stamps. The days of the delay are over. We ought not to issue a blank check to any Tom, Dick, and Harry to just walk in and say, "I want the Government to give me this," and he is eligible to take it on his own word, without any verification from anyone but himself.

Mr. President, the Atlanta Constitution has recently written a long series of articles on abuses in the food stamp and the welfare program. The distinguished city editor of the Atlanta Constitution, Mr. Bill Shipp, who earns $400 a week, walked in to see if he could get certified for food stamps. And you know what? He was told he could be certified. He is eligible.

So he wrote me a letter thanking me for what I was trying to do for him. I wrote him back that I did not intend Bill Shipp, with his $400 a week income, to be eligible for food stamps.

Now, if they can do that under existing law—under existing regulations—what do we think they can do under the Dole amendment, when all they have to do is certify themselves?

Mr. President, the Atlanta Constitution is to be commended for its indepth examination of the administration and application of welfare programs in the State of Georgia.

The result of this extensive study was a series of articles very aptly entitled, "The Welfare Mess." Constitution reporters found mismanagement, abuse and outright cheating, cases where people in genuine need were not being assisted properly and other cases where people not in need were exploiting the system, either through inefficient administration or loopholes in the law—all this at enormous cost to the taxpayer.

I commend the Atlanta Constitution and its team of reporters for focusing this attention on the welfare mess. It is long overdue, not just in Georgia but in every other State. I have long regarded welfare as one of the biggest and most costly messes in Government today.

From time to time, somebody comes forward with a plan to "reform" the welfare system. Generally, these schemes have more to do with welfare expansion than they do with true welfare reform. I have long maintained that the way to welfare reform cannot be found by continually liberalizing the law and thereby making it more profitable to draw the dole than to work. True welfare reform can only be achieved, and will only be achieved, when we have comprehensive programs to expand educational opportunities and increase job training. This can best be accomplished by establishing a better working partnership between the Government and private industry.

No one is opposed to helping the aged, the disabled, or needy children who are the unfortunate victims of circumstances beyond their control. But, I am unalterably opposed to giving the taxpayers' money to able-bodied people who can work but who are unwilling to do so.

The Atlanta Constitution series devoted a major part of its study to the food stamp program and its enormous ex-

pansion since its creation about 10 years ago. The food stamp program is riddled with abuse, partly because the law itself and partly because of mismanagement at the State and local level. Moreover, there has been promoted throughout America an attitude that people are entitled to food stamps whether they are really needy or not. Organizations take advertisements in magazines and newspapers, urging people to get on the bandwagon and draw food stamps as though it were some kind of inherent right.

To my way of thinking, Mr. President, there is no right to take the tax money of working people and turn it over to other people who are not in real need.

Loopholes in the food stamp law ought to be closed. The work incentive program, which I was instrumental in strengthening 3 years ago, ought to be implemented and enforced in every State, in every local welfare office, to the fullest extent possible.

If we continue on the present road, we will soon have an intolerable situation where half the people in this country will be living off the other half.

I commend the Constitution's series to the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the series of articles was ordered to be printed in the RECORD, as follows:

TO THE READER:

We set out to find out about public welfare and discovered a monster.

We talked to the nation's welfare chief who said: "At the moment, local, state and federal governments consume about 36 per cent of the gross national product. . . . If we keep going at the rate we are now, domestic social programs alone in 25 years will consume over 50 per cent."

We talked to the state's welfare chief who said: "The welfare program is a mess because basically this country is ambivalent—nervous about what it wants to do for the poor. We swing from being guilty about doing too little to being afraid we're doing too much."

We talked to a presidential candidate who said: "I can tell you from direct personal experience that nobody on the face of the earth could make the present welfare system work fairly or efficiently. We now have about two million employes trying to administer over 100 separate programs to about 12 million chronic recipients."

We talked to a welfare caseworker who said: "I was going to be the savior of the poor people. . . . But when you're a social worker you have to remember you're not a member of the God club."

We found well-heeled office workers and college students who get food stamps. We found poor and elderly who could not. We found that for every six welfare recipients there is a welfare bureaucrat. We found that the cost of welfare medical and dental services soared 800 per cent nationally since 1966.

We found that one of every 10 persons living in the city of Atlanta resides in public housing. We found that one of every four Georgians is eligible for welfare.

We found that at least $21 million for welfare in Georgia is spent erroneously because of fraud, ineligible recipients, overpayments or underpayments. We found that the federal government considers Georgia's welfare error rate the second worst in the nation.

We found a governor who is committed to instituting reforms.

We found much more, too—startling facts, poignant stories, tales of dead-beats and deadwood, and cases of people who needed help but couldn't get it.

But mainly we found a Welfare Mess—a bureaucratic boondoggle growing bigger and more complex by the day.

It is not a Vietnam War. Nor a Watergate. But it is a problem that will surely overwhelm our national economy if it continues to go unchecked.

In the coming week, The Atlanta Constitution will chart the depths of the mess.

Constitution reporters Sharon Bailey, Frederick Allen, Beau Cutts, Jim Stewart and Special Assignments Editor Lewis Grizzard pieced together the shocking story of the mismanagement of our public assistance programs. We hope you will read their series. It is important.

BILL SHIPP,
Executive City Editor,
The Atlanta Constitution.

WELFARE BREAKDOWN: SOMETHING FOR EVERYBODY

What is "Welfare" anyway?

Welfare is the catch-all term for help for the needy from the government—in cash or services—and it comes in a variety of forms:

1. Aid to Families with Dependent Children (AFDC): Directed at children whose parents can't support them. It comes in cash, primarily from the state. In Georgia, there were 359,510 parents and children getting AFDC payments in March, at the rate of $11.67 million a month.

2. Supplemental Security Income (SSI): The new name for aid to the aged, blind and disabled. The money comes directly from the federal government. In Georgia, this past March, SSI payments were going to 138,625 people. A family can get both AFDC and SSI if, for example, the father is crippled—he would get SSI and the kids would get AFDC.

3. Medicaid: This is a service—rather than cash—form of welfare. If you are getting AFDC or SSI, you qualify automatically for Medicaid, which provides free medical and dental care. Some children in other state programs also get Medicaid, bringing the number of Georgians eligible to about half a million. The money, about $183 million in Georgia last year, goes to the "providers"—the doctors and dentists, etc.

4. Food Stamps: This program allows people to get more food for their dollars. For example, a family might buy $150 worth of food stamps for $100. For the very, very poor, the stamps are free. In Georgia, some 560,000 people are in the program, though more than a million are eligible. Last year in Georgia the program cost more than $127 million.

5. Public Housing: This is administered by local housing authorities with federal backing. Aid ranges from low rent to no rent at all. State officials estimate there are slightly more than 50,000 units of public housing in Georgia, more than 15,000 in Atlanta alone.

Smaller programs include "general assistance," a supplement provided by 43 of Georgia's counties; two state foster care programs for children; two state programs for the elderly, and a raft of special programs for special circumstances.

But the Big Five, as they might be called, are AFDC, SSI, Medicaid, Food Stamps and Public Housing.

$30 BILLION MONSTER

"If you think welfare is a mess, you're right."

That comes from a man who should know: T. M. (Jim) Parham, career welfare administrator and presently acting commissioner of the Georgia Department of Human Resources.

"The welfare programs in this country are not worth preserving or even trying to tinker with."

That from a man who should know even better: Caspar W. Weinberger, secretary of the U.S. Department of Health, Education and Welfare.

This bureaucratic mess called welfare—cursed from the highest echelons of government to the lowest, poorest family in the nation—laps up $30 billion in tax dollars every year. In Georgia alone this fiscal year, public assistance and the cost of spooning it out totals more than $725 million.

It took the state Department of Human Resources some 100 man-hours just to calculate the amount of welfare money it handles.

And the state did better than the federal government. Mrs. Rosalie Griffin, an official of the Social Security Administration, refused to estimate the cost of administering help to the aged, blind and disabled. "Very simply," she said, "we don't have it."

One source in HEW says it takes one welfare bureaucrat to serve every six recipients.

And those expenses don't include all the rip-offs by thousands of cheats and thieves ($200,000 in welfare checks stolen in Atlanta alone in 1974) who prey on the shaky contraption of public assistance.

From December to January—a single month—the federal payments for Aid to Families with Dependent Children (AFDC), food stamps, Supplemental Security Income (SSI) and Medicaid rose a staggering $228 million. That represents a tax dollar from every man, woman and child in the United States.

"If we keep going at the rate we are now, domestic social programs in 25 years will consume over 50 per cent of the entire gross national product—without anything at all being said about defense or any other function of government, just domestic social programs," Weinberger said in a recent interview.

"We've got a totally uncoordinated, inequitable system. We've got to do something new," he added.

Georgia has a lot of poor people, people who need help. More than a quarter of the families in the state live below what the government considers poverty level ($5,050 a year for an urban family of four according to the Office of Economic Opportunity).

Many who need help can't get it because of quirks in the system.

Parham: "As we try as a society to protect ourselves against those who would rip the system off, we've created a maze of complexities that sometimes works in reverse.

"I think the most obvious example is the way we treat the unemployed father. In our state, we can provide help to a child whose father is dead or whose father has deserted him. But if the father is just unemployed or just doesn't make enough money or loses his job and doesn't have unemployment compensation, then we can't provide help for that child.

"They may live in the same apartment building. They may live across the wall from each other, and they get just as hungry, but in Georgia we can help one and not the other."

Whom do we help then?

Fulton County welfare caseworker Joan Lardin describes a typical client: She is a black woman, about 24, with two or three children, never been married, lives in public housing for $15 a month, has no car, receives food stamps, free medical and dental care through Medicaid, and has a boyfriend who slips her money for sexual favors and a place to sleep.

"What do they (the welfare mothers) do all day?" Miss Lardin responds to a question. "They are positively inert. They watch

television all day. They gossip, and they go to Grady Hospital.

"We can visit eight homes in one day and keep up with every soap opera on television. It's easy to say it's their fault, but it's not. They're trapped. What else can they do? They leave their apartment and it gets ripped off. They get a job and they're dropped from welfare and end up getting less than they do now."

Our system also helps the aged, the infirm, the disabled. We help mothers who are trying desperately to break out of the welfare cycle. And we give food stamps to people with homes, cars and middle-class incomes. We pay for medical and dental services that would never be considered if private health insurance or direct patient payments were involved. We induce welfare recipients to commit fraud by giving them such small amounts of money that they must cheat. And then we turn our backs on the great majority of cheaters.

GROWTH OF WELFARE IN GEORGIA

Fiscal year	Individuals getting public aid in Georgia	State and Federal funds spent in Georgia	Per capita income of Georgians	Population of Georgia	Percent of Georgians getting assistance
1938	42,693	$3,240,578	$290	[1] 3,068,000	1.4
1940	39,153	3,455,784	340	3,123,723	1.3
1945	78,289	10,589,295	882	[1] 3,263,000	2.4
1950	142,296	33,709,923	1,034	3,444,578	4.1
1955	163,961	62,247,686	1,375	[1] 3,694,000	4.4
1960	182,332	$85,928,142	$1,630	3,943,116	4.6
1965	196,841	90,141,240	2,183	[1] 4,332,000	4.5
1970	352,062	268,508,308	3,318	4,589,575	7.7
1974	[1] 639,340	[1] 590,301,000	[1] 4,395	[1] 4,881,000	13.1

[1] Estimated.

Sources: Georgia Departments of Human Resources and Labor, U.S. Bureaus of the Census and Labor Statistics.

"They all consider and act on—and usually increase—the benefits or widen the eligibility of the programs before them. Nobody steps back and looks at what this is doing to the overall cost and fiscal problems. It is something we should have done long ago and something we have to do now."

Georgia's Sen. Herman Talmadge, chairman of the powerful Senate Agriculture Committee and author of most of the nation's food stamp legislation:

"It is not only a question of laws, but it is a question of execution of laws. Congress can make laws but they are executed by the executive branch . . . If I could get the votes (in the Senate) I could do more, but I can't . . . If the abuses continue, the productive citizens are going to rise up and rebel. It is just a matter of time. They are already rebelling . . . Thus far, it (the rebellion) hasn't made itself very effective in the Congress or the executive branch."

Georgia's Sen. Sam Nunn, who ran for the upper chamber on a plank of "Get tough in Washington," was asked how he planned to get tough on welfare waste:

"I don't think there is any one bill that can correct the abuses in the welfare system. It is going to take a tremendous number of studies . . . I am not even on a committee dealing with any of these subjects. I can't neglect the responsibilities I have on the Armed Services Committee which is also rather important."

However, the junior senator in his first term was successful in getting passed into law a bill to track down runaway fathers who refuse to support their children.

DHR's Parham:

"It's a mess because its responsibility is shared by three levels of government—federal, state and local—where each can blame the other if things go wrong. It's a mess because the basic statutes allow 50 different welfare programs with 50 different standards—where the same family in Mississippi gets $60 a month, in Georgia $160 and in Michigan $364 a month.

"It's a mess because the combination of federal laws, federal regulations and court imposed requirements make it incredibly complicated . . . Our eligibility workers now have to be familiar with four different manuals: The AFDC program run by HEW, the food stamp program run by the USDA, the SSI program run by the Social Security Administration and the Medicaid program.

"Finally, the welfare program is a mess because basically this country is ambivalent—nervous about what it wants to do for the poor. We swing from being guilty about doing too little to being afraid we're doing too much."

Fulton County caseworker Joan Lardin: "Here's the trouble—we don't have the authority to do a damn thing to help these people."

Atlanta welfare recipient Leida Knox (not her real name), 62, whose grown daughter lives with her along with three of her daughter's four children: "Oh, the bills are so high—so high, I've been getting a light bill of $10 or $11 and it used to be no more than $8. My food is higher, my clothes go up, but I don't get no more.

"Some folks are turning to sell liquor. But I can't do that. My daughter would drink up all she could get . . ."

URBAN

(By Sharon Bailey)

All names of welfare recipients used in this story are pseudonyms.

Susan Knox is a pretty, brown-haired woman of 26. Four years ago, she graduated from Converse College in Spartanburg, S.C., a small women's school, with a degree in sociology and big plans to save the world.

Or at least that corner of it she was assigned to as a caseworker with the Fulton County Department of Family and Children Services.

Years of grappling with the welfare bureaucracy and visiting scores of clients in such places as Atlanta's giant Perry Homes public housing project have tarnished her idealistic dream.

"I was going to go in and save all of Perry Homes. I was going to be the saviour of all these poor people," recalls the pleasant, soft-spoken social worker.

Miss Knox still cares—very much.

But she doesn't expect to save all of Perry Homes. Not any more.

It's a bright, sunny morning and Miss Knox, garbed in camel-colored slacks and wearing her hair in an attractive bob, gets into her blue Dodge and takes off for Perry Homes.

Before the day is over (at 7 p.m.), Miss Knox will have visited nine welfare families. The youngest client to be visited: a one-year-old toddler whose mother may be pregnant with her third illegitimate child. The oldest: a 79-year-old stroke victim.

Usually, Miss Knox does not spend all day visiting families, but this day she is helping a reporter to understand the kinds of people on welfare and the problems they face.

Usually, Miss Knox spends her morning visiting perhaps four or five clients (always with advance notice—there are no "surprise" visits that might be construed as "checking up").

Then she spends her afternoon—all afternoon—writing up case reports and complying with the voluminous red tape mandated by the nation's stacks of welfare regulations.

Her job is not to certify people for welfare or check their eligibility—other welfare workers do that—but to provide "social services" and help her clients solve a variety of problems.

She does indeed help her clients solve a variety of problems.

She might help them solve even more if she didn't have to spend half her working day filling out government paperwork.

First stop: the apartment of Vera Brown, a 79-year-old stroke victim (partially disabled but able to get around), her 35-year-old daughter Selma Brown, and Selma's illegitimate daughter Sallie, who may be three or four. The mother gives one age; the caseworker thinks the child may be older.

The two women, both dressed in print housedresses and bedroom scuffs, are sitting on the front porch. Selma Brown is braiding her daughter's hair.

Certainly not all, but some people on welfare "want everything their way and on a silver platter. They don't want to have to pay for it or be inconvenienced by having to do anything for themselves. They get a demanding attitude: 'It's your job to do this and do that—you ought to give me more money,'" sighs Miss Knox.

The Browns, she says, are such people. She doesn't expect the family to make any progress toward self-sufficiency, at least not for a long time.

They are what she euphemistically describes as a "maintenance" case—a family she won't be able to help much, if at all. Others, less tactful, might call it hopeless.

In addition to the $231 a month the two women receive in welfare payments, the Browns live in low-rent public housing and receive Medicaid. But not food stamps.

"It's a real tough thing to get them to apply for food stamps, because they were real angry that you have to pay for them," explains Miss Knox.

Soon it will be time for Sallie to enter a pre-school program, and then her mother will probably be required to seek employment. But Miss Brown isn't much interested in a job or job training. Why not?

"She won't give me a concrete answer; she's just not interested. She says she has to stay home and take care of momma, but momma seems to be running the household pretty well. They are just very relaxed and comfortable living off their welfare," comments the social worker.

The elderly Mrs. Brown needs new glasses and regulations say that because her visual

Whom do we blame for this debacle?

HEW's Weinberger blames the current "welfare mess" squarely on Congress, which he says is adding or expanding assistance programs in "a totally uncoordinated fashion."

He adds: "We (in HEW) go and report to about 21 committees and subcommittees of the Congress on welfare. No one of those committees knows what any other committee is doing or, at least, they don't seem to.

problems are diabetes-induced, she must get them at Grady Hospital. But so far she has not gone to get the glasses, even 'though a special van for the elderly provides transportation between the housing project and the hospital.'

"She says you have to wait a long time at Grady. I think she wanted to go to a private doctor because she felt it was her right," says Miss Knox.

"This is government housing—but nobody, no government people—come around to ask us if we need anything," the elderly Mrs. Brown complains to a visitor, as the government caseworker prepares to leave.

Miss Knox has a caseload of approximately 150 welfare families.

They include old people, blind people, disabled and crippled folk, retardates, unmarried mothers and their children, mothers who have been very much married but are widowed, divorced or deserted by their mates.

They include the so-called "deserving" poor and the so-called "undeserving" poor: those who can't help themselves, those who won't, and those who can and are doing everything possible to get themselves off the welfare rolls.

How does a social worker cope with a caseload of 150 families? "It's very much too high. It's impossible to work with that many families at one time and keep up with them and do very much with them," Miss Knox admits candidly.

So she tries to spend more time with families that want help and will use it, and rather less time with families that—after several months of effort on her part—remain apathetic.

"When you're a social worker, you have to remember, that you're not a member of the God-club," says Miss Knox. "You can't make them do what you want them to do. You have to find out what their goals are and help them reach their goals, if they're serious about it."

One household that's serious about making it is the Clingman family. Miss Knox is proud of the family's endurance in the face of adversity. And though their accomplishments may seem small to the outsider, they are "really amazing" in view of the circumstances, says the caseworker.

Unlike many welfare families, the head of this family is a man: Fred Clingman, a 44-year-old truck loader who has eight children and makes a top salary of about $90 a week. His wife, a cancer victim, died about a year ago.

Ironically, because his wife is dead, Clingman is eligible for badly needed welfare assistance in raising his large family, even though he is an able-bodied and gainfully employed male. The government gives him an extra $63 a month to help support his seven minor children; his 19-year-old daughter and her baby son, also living in the home, receive an additional $85 a month.

The caseworker stops by to visit the Clingmans late in the afternoon, when the father has returned home after completing his 7 a.m. shift at the cabinet factory. Clingman is on the yard, hacking at some sporadic grass with a hand scythe. He is worried about occasional lay-offs at his plant, where he has worked for 11 years.

A thin man in a yellow shirt and blue pants, Clingman is quiet, reserved, until a visitor asks about the lay-offs.

"I get so worried sometimes I don't know if I'm going to make it through to the next day. I don't think I can ever forget it. I lay down sometimes and I can't sleep," the father says, cuddling a three-year-old daughter.

"Do you ever get away on a vacation, like a weekend fishing trip?" wonders the visitor, remembering friends of her own who are barely able to to cope with one child—much less eight plus a gandson.

"I just never have had the spirit of a vacation. When the plant's closed I stay home and help with the family. You know, it's like this. If I went somewhere and something happened to the family, maybe the neighbors would say, "Well, if he had stayed home maybe nothing would have happened. Maybe his kids wouldn't have gotten into something," Clingman responds.

The fact that Clingman and his 19-year-old daughter Sara, who does most of the cooking and cleaning, have managed to hold the family together seems like "a miracle" to Miss Knox.

"It's not that hard because everyone helps. I'm about used to it now," explains Sara. She has just finished cooking dinner for 10 people: pork neckbones, cabbage and made from scratch cornbread. Family members will come in and out to eat, since they can't all fit around the table at once.

The caseworker has provided counseling to father and daughter to help them resolve "different ideas on how the house should be run," helped them get such assistance as food stamps, and encouraged the children to become active in youth groups.

When her infant son is a little older Sara wants to enroll at the Atlanta Area Technical School so she can eventually get a good job. She is depending on Miss Knox to help her find a qualified day-care center to care for her boy while she's in school.

As his company leaves, Clingman picks up his scythe and resumes his yard work.

Miss Knox started her career with the Fulton County Department of Family and Children Services as an eligibility worker—one of those legions of employes who take welfare applications and decide whether a family qualifies and, if so, how much they receive under the regulations.

That was bad enough, she recalls now, because she couldn't see how anyone could really live on what current welfare standards provide. But at least it was cut-and-dried mathematics.

Working as an "out-in-the-field" social worker is different. There, you're eyeball to-eyeball with poverty and all its attendant ills.

Her first three months as a caseworker in Perry Homes and nearby neighborhoods, "I was very depressed because most of my cases made very little progress," recalls Miss Knox. Then she figured out that an accomplishment that wouldn't mean much in affluent circles could mean a great deal to a poor family. A few success stories each year keep her going.

How would Miss Knox change the welfare system, given a carte blanche opportunity?

She would increase the amount of financial aid: "A mother and child get $85 a month. They've just got to have more support . . ."

She would provide "some sort of incentive" for welfare clients potentially able to work "to stay in school or go back to school or get training—incentive pay, and enough so they'd finish the program.

"If they could stay in training for, say, for a year and a half, they might be able to make $400 or $500 a month. In the long run we'd be saving money, they'd be earning enough to kiss us goodbye."

Finally, she favors free child care for poverty mothers with children from three months to three years old:

"The time to catch a welfare mother is when she first becomes a welfare mother. It takes just about a year for them to get very, very comfortable on the income they have coming in," explains the caseworker, stressing that she is not talking about all her clients but those most likely to end up as a permanent part of the welfare cycle.

"Neighbors might say, 'Why do you work? Welfare's taking care of you, you're a fool to work.' But we find that working mothers are usually the ones who produce the most successful children," she adds.

Mrs. June Brockett is a 52-year-old Perry Homes resident who ended up on this public assistance rolls after a degenerative disc disease in her spinal cord ended a life-long career as a maid.

Over the years, Mrs. Brockett has had her share of trouble. Born on a farm in Randolph County, the youngest of 13 children, she was two when her father died, 11 when her mother died.

She recalls that her mother "started me on cooking, chopping cotton all day long" when she was five. "We worked for 10 cents an hour." But Mrs. Brockett doesn't complain about that; she says she's grateful her mother taught her the value of work.

Mrs. Brockett never took any welfare during the years she was raising her daughter Susan and working as a maid. And when Susan had an illegitimate baby and turned the child over to her mother to rear—before running away with the father—Mrs. Brockett still didn't go to the welfare department, although she could have.

Eventually, however, she developed the disc disease and "at one time she was totally unable to walk, clean, cook or sit. She was in pain all the time," says Miss Knox. So Mrs. Brockett gave in and asked the government for help.

Amazingly, her application was rejected.

A state medical team claimed Mrs. Brockett's disability was "not demonstrable," even though she could hardly get to the Dempster Dumpster to get rid of her garbage. "It was a very unfair ruling," declares the caseworker.

Nine months of appeals, reapplication and red tape later, Mrs. Brockett was finally certified for assistance. She now lives on $146 a month welfare for the disabled.

But her troubles aren't over. Two years ago, Susan and the man she married returned to claim the granddaughter, then 11. Mrs. Brockett had been the only mother the child had ever known—but the couple wanted her back, at least in part to help care for a pre-school half-sister.

"Everything just hit bottom when they took her. She was my child, my baby. It was a long time before they'd let her call me. I taught her to cook and clean, and I won her to Christ, too, my granddaughter," the grandmother says now.

Miss Knox is certain that the granddaughter, Carolyn, would have made it through college had she been allowed to remain with Mrs. Brockett. Now her future seems uncertain. There is little the caseworker can do—legal custody belongs to the parents—but she attempts to counsel the family.

Mrs. Brockett's apartment is spotless; there are two copies of the Bible on her coffee table. She is very religious and teaches Sunday School. "I've read the Bible through two times and I'm starting on my third. I really enjoy that—it does something to me," she smiles. "If I didn't know the Lord, I'd be dead."

With the help of a neighbor, she also manages to get to high school equivalency classes twice a week and hopes to earn a diploma. "I enjoy going to school because I didn't get a chance to finish. School is really wonderful; it gets your mind off your troubles."

Short of having her granddaughter back, what would Mrs. Brockett like to have? More money, clothes, furniture, a fancier place to live?

A class ring when she finally graduates from high school.

Before the day is over, Miss Knox will also have stopped at the homes of:

—An elderly couple whose household includes anywhere from 11 to 44 kinfolk, many of them retardates, including a 12-year-old mongoloid grandson who also suffers from a heart condition and fingernail infection made worse by the filth in which the family lives.

—Another elderly woman who worked as a maid all her life, suffered a stroke, moved in with a sister who abused her, and finally was relocated into a public housing unit.

—A 40-year-old divorced mother of three children who works hard at her job as a mail clerk and hopes very soon to be off welfare entirely. Two of her children are honor-roll students; the third has suffered from schizophrenia.

—A 70-year-old man, totally blind, whose latest problem has been getting money for a new roof for his somewhat dilapidated frame house.

—A 62-year-old mother, her grown but alcoholic daughter, and three of the daughter's four children—another "crisis" family in which the adults complain constantly about their economic hardships, but refuse even to discuss budgeting.

—And another mother, her 19-year-old daughter, and the daughter's two illegitimate infant sons—both of whom are obviously loved very much, even though the home itself is less than appealing (an odor combining greasy cooking smells and baby urine pervades the living room and roaches crawl up the walls).

Miss Knox still cares—very much.

But now she measures progress in inches, not miles.

RURAL

(By Lewis Grizzard)

DARIEN, GA.—Fifteen or 20 minutes to the south, down the more convenient Highway 17 or the speedier Interstate 95, is Brunswick and the accompanying coastal opulence of Georgia's Golden Isles. There may be found the Good Life in condominiums overlooking fairways or at various encampments that can command half-a-hundred a night without a blink.

Darien—"beautiful and historic" Darien, according to a welcome center brochure—is another world.

The coastal beauty here wears no makeup. While another condominium complex goes up on another golf course on Sea Island, the courthouse in Darien, seat of McIntosh County, is getting a new face of tabby to restore the 18th century appearance brought by Scottish Highlanders who settled the area.

Here is the stump of the Oglethorpe oak, once Georgia's state tree. Lightning reduced it. Here is ancient Fort St. George, built in 1721. Here are the shrimp docks that smell like it. Here are dirt roads, shady lanes, lazy days and—on paper, at least—the poorest people in the state of Georgia.

A computer print-out from a state capital office 300 miles away sentences McIntosh County, population 9,000-some, to dead-last on a 159-county listing of per capita incomes. The average yearly income in McIntosh is $2,385, lowest in all of Georgia.

There is a hitch, however, from further investigation of the computer's cold numbers. McIntosh and Darien are no boom areas, to be sure; but there is little evidence of a poverty over-run—as the figures suggest—either.

For one thing, the labor force in McIntosh County is made up of a small percentage of the total population, according to state Labor Department documentation. The explanation is that the number of non-working wives, children and elderly brings down the per capita income figure.

Also, many of the workers are employed seasonally by the area's No. 1 industry, May-December shrimping, an industry ravaged by inflation at the moment. Even ice has gone up.

"What it is," explains Charles Williamson, editor of the weekly Darien News, "is that we don't have a lot of rich people, but we don't have a lot of extremely poor people either. Folks here just seem to get along."

That, of course, is a generalization. McIntosh County, despite its low per capita income, "ain't ready for takin' us all to the po-house yet," according to one of the local snuff set. But layoffs from plants in nearby Brunswick, and seasonal shrimping, have shot the unemployment rate up from 4.3 per cent in January to 12.3 per cent in March.

And with the large number of dependent children and elderly, and the usual run of desertion, divorce, separation, illness, etc., there is of course need for public assistance.

The welfare scale and scene here is far removed from the maze-like, mass-production metro programs, but in March alone there were 911 individuals in McIntosh receiving assistance from the Department of Family and Children Services at a tax dollar cost of $28,563.

The welfare office in Darien is a red brick structure that used to be the American Legion Hall. "Free Picnic Area" is offered on the shady front lawn.

Inside on a spring Saturday morning sits 26-year-old John Guthrie, the department director. He and 10 others administer welfare to the good citizens of McIntosh. Guthrie is a native of Rae City, Ga. He is a graduate of Valdosta State.

He was doing construction work in Thomasville a few years back, but the 60- mile drive from his home and the Nixon price freeze got to him. He applied for and got a job with the Clinch County welfare department and the ladder led here.

John Guthrie admits he is young for his job, but says he likes it. He thinks welfare is a good idea and helps the needy, but the entanglements of bureaucracy—too many supervisors, too many regulations and too many changes in regulations—often give him a headache.

"We have a public assistance manual, a service manual, a child welfare manual, a finance and statistics manual, and a personnel manual," he begins. "And hardly a day passes, we don't get a stack of changes. It's impossible for anybody—myself, especially—to learn everything I'm supposed to know. This is a small county compared to the State of Fulton,' but they still require us to go through the same procedures."

Guthrie says, quite frankly, that an individual in his position—even at this coastal outpost—is caught squarely in the middle of the administrative welfare hassle. There are the feds, the state and area supervisors with which to contend, for instance.

Later in the day, Guthrie is going to get in his boat and ride up and down the river.

Manifestations of the "welfare mess" do surface here, the red-tape dilemma already described by Guthrie being one. And the food stamp program, for example, can get sticky especially when the shrimp season ends in December. Guthrie reports more than 90 new applications for both February and March.

Some shrimp workers do get involved in shad fishing after their season, but Guthrie says that with his small staff, it is difficult to focus accurately on who might or might not be eligible for benefits.

Fraud? Guthrie says there have been only three cases he can remember, but he hastens to add, "I'm sure there are probably more, but we don't have the staff to investigate."

There are the same general criticisms against the welfare program here that can be found anywhere—especially from middle-class working whites who are asked to support such programs.

Guthrie bristles at the mention of such criticism.

"The problem is that all people see is the bad. I'll hear somebody say about one of our AFDC (Aid to Families with Dependent Children) cases: 'She's just sitting out there, fishing all day,' 'She's on her porch rockin watchin soap operas all day.' Some of them just can't get work and don't have anything else to do. We try to find at least part-time work for them if we can."

"People are usually in a last-ditch effort when they come in for help anyway. People are proud. They don't like to be associated with this. But they've got to eat. We had a woman whose husband had left her with three children. She had no job. She finally applied for food stamps, but went three months without any money payments. But with inflation, she just couldn't make it. She had to have help. I'm glad we could give it."

McIntosh County is 60 percent black. Racial harmony, says editor Williamson, is something the county has long been proud of. There are two Episcopalian churches in Darien, he points out, with one minister. He is white.

The principal of the public elementary school in Darien is a black man, Chester A. DeVillars, a native of the county. "We have never had a march here," he says, "but that is not to say we couldn't have speeded things up if we'd had a couple."

Race can become an issue in casual conversation concerning welfare in McIntosh County.

Tee-shirted Buck Thompson is working on his boat down at the Darien shrimp docks. Buck owns Thompson's Seafood Company. It is a hot day and the mention of unemployment compensation and food stamps makes Thompson, chairman of the McIntosh County Commission, even more uncomfortable.

"Lot of people need some help, I know," he says. "But a lot of these colored people around here just don't want to work. I could use some help right now, but you can't find anybody. They even come around down here and brag about how they've got it made drawing those checks. Why should they work? The shrimp business is what you make out of it, and you have to go at it hard to get something back.

"You just can't find help willing to do that. And go up there to town on Saturday, and you'll find 30 or 40 just hanging around, most of them on welfare.

"I'm tired of pulling the weight. And there's a lot of others feel the same way. It's bad everywhere."

The other side of the coin can be found here, too. The most glaring example is only a few miles away from the docks, up the river.

There, under an I-95 bridge, lives a 60-year-old white man. For shelter, he has constructed a lean-to of sorts, side boards with a tent canvas stretched across. For company, he has two dogs. One is missing a hind leg. He has a boat docked a few feet from his shelter on the river. He fishes some.

"Somebody was on the river and saw him and brought him in," says Guthrie. "We have given him food stamps. I also found out he's probably eligible for a social security disability check, and he can get some suitable living quarters if he wants to."

He doesn't want to.

The man under the bridge also doesn't want an afternoon visitor to know his name.

"I've got a family," he says over the rumblings of Florida-bound traffic on the bridge above and the rather savage barks of his two companions. "If they knew I was here, they'd find a way to make me leave. I stayed with some of 'em a while, but they didn't want no crippled, bald-headed, sick old man. I'm independent, I ain't bothering nobody here, and the only time somebody bothered me, these dogs chased 'em over that barbed wire fence."

The man under the bridge is wearing tattered clothes. He recounts his problems, but they are difficult to follow. He was in the

Navy. He has heart trouble, back problems, and no circulation below the knee in one of his legs, he says.

He says he has cancer of the mouth. He has been under the bridge since last August. A camping stove kept him warm during the winter. He tells of falling out of his boat—a fainting spell—but one of his dogs got him to shore and saved his life.

"I had a little money one time, but I got beat out of it."

With no income whatsoever, the man gets his food stamps free. The boat is his transportation into Darien to redeem them. He eats mostly chicken backs.

"I ain't gonna ever get that disability check. I went to a doctor one time to try and get it, but he was crooked. I never got a penny."

There is a fence between the man and the visitor. He accepts a half-empty pack of Marlboros.

He refuses a five-dollar bill.

He had made his point earlier. The food stamps, he takes. A man has to eat.

"But I don't want no welfare."

Hon. Herman E. Talmadge,
Chairman, Senate Agriculture Committee,
Washington, D.C.

Dear Senator Talmadge: Just wanted to let you know how your Food Stamp program is coming along, and to thank you for trying to help me and my family.

I went down to the welfare office the other day and asked to sign up. I told the welfare lady I had a gross income of more than $400 a week, a $40,000 house, a three-acre lot, two late-model automobiles, and a wife and three children, one of whom will soon be going off to college.

She asked me if I owned a boat or an airplane. I told her no because I didn't think anybody who owned a boat or an airplane could qualify for food stamps. She said that wasn't true. A lot of people who own boats and even a few who have airplanes can get food stamps.

Anyway, we figured out all my deductions. Taxes, loan payments, work-related travel expenses, school expenses, doctor bills, etc. And she said I could qualify for $180 worth of food stamps each month at a cost to me of $140.

Not everything I told her was exactly true. But I was truly surprised that a fellow like me could qualify for your program. I told another welfare lady that I bet everybody in our newsroom would be eligible for food stamps. And she said: "Tell them to come on down and apply."

Yours truly,

Bill Shipp,
Executive City Editor,
The Atlanta Constitution.

U.S. Senate,
Washington, D.C.

Mr. Bill Shipp,
Executive City Editor,
The Atlanta Constitution,
Atlanta, Ga.

Dear Mr. Shipp: The Atlanta Constitution is performing an outstanding public service in its excellent series of articles on welfare. I am delighted that you have discovered the welfare mess and that you're casting a spotlight on its abuses, shortcomings, and cost to the taxpayers.

As the Constitution's articles, and your personal front page letter to me, so correctly illustrates, the Food Stamp program constitutes a major part of the welfare boondoggle. It is true that 10 years ago I was instrumental in the enactment of Food Stamp legislation.

My efforts then were directed toward developing a reasonable public assistance program to insure adequate nutrition for people in genuine need. However, to attempt to compare the Food Stamp Law, regulations, and administration today with the program as it was conceived and put into operation a decade ago is mixing apples and oranges. They just aren't the same.

Nothing demonstrates this more dramatically than your own personal experience in being certified for Food Stamps. There is nothing in the law or the legislative history of the Food Stamp Act which contemplates that people in your financial situation were ever, under any stretch of the imagination, intended to be eligible for Food Stamp benefits.

The Food Stamp program, as it is being implemented today, is not my program as I envisioned it a decade ago. Your expression of personal appreciation to me for "trying to help" you and your family is misplaced. I would not certify you for Food Stamps. I do not support all the regulations or deductions you were allowed which purportedly qualified you for Food Stamps. My own feeling is that anyone who draws a good salary, who is able to work, and who has the necessities of life ought not to be eligible for public assistance, at the working taxpayers' expense, of any kind.

The trouble with the Food Stamp program primarily is twofold: Sloppy and inept administration by federal, state and local governments, and, amendments to the law which have liberalized the program to the point of absurdity. Because most Senators and Congressmen are fearful of being labeled "anti-poor," they vote to expand and complicate further the bureaucratic welfare maze rather than offer and support meaningful reform.

Throughout consideration of Food Stamp legislation over the past few years, I have fought irresponsible amendments to the law, the enactment of which, over my objections, promoted the kind of abuse reported in your articles. Further, I have been successful in defeating some amendments which would make these abuses even more severe and costly than they are now.

For example, I helped defeat on the Senate floor in 1973 a Kennedy Food Stamp self-certification amendment. More recently, as Chairman of the Committee on Agriculture and Forestry, I led the opposition and defeat in committee of a Dole amendment in yet another attempt to allow people to walk in off the streets, and certify themselves for Food Stamps. Sponsors of this amendment have indicated that they intend to offer it on the Senate floor.

I will again fight this proposal but, based on the Senate's past performance, I fear it might be adopted. If you think the Food Stamp is costly now, wait till something like this gets put into effect.

Moreover, I will continue to do everything I can to secure legislation to tighten up the Food Stamp program. To this end, I wish your series of articles could be published in the states of Senators who vote so readily for welfare expansion, not just in the Food Stamp program, but in all its other aspects.

I might point out that I played a leading role in the defeat of President Nixon's guaranteed annual income plan in 1970. However, I was successful in the adoption of the Talmadge-Work Incentive Program which has been the only true welfare reform adopted by Congress in recent years. The Talmadge "Workfare" program requires that able-bodied adults register for work or job training before they receive welfare payments, and reports are coming in from various parts of the country that this program is successfully removing people from welfare rolls. Also, as part of my "Workfare" program, I secured an adoption of an amendment to the tax laws to allow a 20 per cent tax credit to employers who hire and train welfare recipients. This is my idea of welfare reform, not welfare expansion.

Again my congratulations on this excellent series and with every good wish, I am

Sincerely.

Herman E. Talmadge.

The Welfare Mess

The modern-day Food Stamp program, fathered by Senate Agriculture Committee Chairman Herman Talmadge, has grown into a welfare Frankenstein.

In 1966, fewer than one million persons participated in the Food Stamp program nationwide. By 1974, that figure had zoomed to 13.5 million. And the cost had more than quadrupled—from $70.4 million to $2.9 billion.

That $2.9 billion, however, will appear small compared to the estimated $6.9 billion taxpayers will have to shell out to fund the program in the fiscal year beginning July 1, when benefits will go up slightly through a cost-of-living adjustment.

Purpose of the program: ". . . to raise the nutritional level among low-income households whose limited food-purchasing power contributes to hunger and malnutrition among members of such households," according to Paragraph No. 1 of the ever-changing U.S. Department of Agriculture Food Stamp Certification Manual, Transmittal No. 3.

Says Talmadge:

"I was the principal author of the food stamp laws that exist at the present time except for some modifications or amendments that were agreed to by the Senate and proposed by Sen. (George) McGovern and Sen. (Jacob) Javits and others.

"The strengths of the food stamp program are that it improves the diet and no doubt preserves many of the lives . . . of poor unfortunate people, many of whom are elderly, trying to get by on Social Security or welfare assistance."

Says Caspar Weinberger, secretary of the U.S. Department of Health, Education and Welfare:

"Only about half of the people who are eligible are now drawing them. On the other hand, only half of the people who are getting food stamps are at or below the poverty line."

Welfare workers throughout Georgia agree that in many cases, the people who need food stamps most cannot qualify for them. And if they qualify, they cannot afford to buy them.

"Many elderly live on fixed incomes. Rent and utilities simply have gone up and they don't have the money to buy the stamps," says Miss Mary Collier, director of the Clarke County Department of Family and Children Services.

Meanwhile, 375 University of Georgia students have qualified legally for food stamps in Athens. The Clarke County department apparently is the only agency keeping specific records on students receiving such aid, however.

In Atlanta, a county spokesman estimates that several thousand students from the college complexes around the city legally receive food stamps. Another says, "We have so many applicants, it's just not possible to say exactly how many students are on the program. We do not keep such records. They do it in Clarke for a reason—they want to know for their own information."

James Huddleston of the Carroll County Department of Family and Children Services said his office has no accurate records of the number of food stamp recipients at West Georgia College. He estimated a possible "200 or 250" out of the 5,000 enrollment.

A spokesman at the Peach County office said there were "quite a few" Ft. Valley State students on the food stamp lists, but "we just wouldn't have the manpower to pull all our records and check and see how many students. But it's certainly not uncommon to have students on the program."

Teresa Holland, 18, is a sophomore at Georgia State University in Atlanta. She lives with her mother (who is getting unemployment) and plus down $43 a week in take-home pay from a part-time job. She has qualified to receive $46 worth of food stamps for $21 each month.

Says Teresa: "I think a lot of people qualify but won't get the stamps because they wouldn't lower themselves. But the last thing I am is ashamed.

"I know some students—their parents pay for everything. Their parents probably even pay for their food stamps. But most of them are married and have kids."

Without the stamps, she says, "I just wouldn't spend so much money. I'd do with less. It probably wouldn't affect what I eat, just how much."

Of all the student food stamp recipients contacted in Atlanta, Teresa Holland was the only one willing to talk for publication.

At the end of Teresa's street in the Virginia Highlands neighborhood is a Superior Foods store, an independent grocery. Manager Charles Nastopouluos thinks some of his food stamp shoppers are taking advantage of the system:

"Some of the young folks—now, if they're working their way through school it's okay—but some other people shouldn't have them."

He says he likes the stamps, since "now that money's tight, people are getting food stamps and they can buy more food."

Says Miss Collier, "At one point, I think the food stamp program almost got to be like swallowing gold fish. What is the word the kids use? It was a rip-off."

A typical student couple in Athens (the welfare worker is not allowed by regulations to verify whether they are married) claimed an income of $542 a month. After deductions that included their college tuitions, they were certified for $122 worth of food stamps at a cost of $88, giving them $34 a month in free food.

In another instance, an elderly couple (both husband and wife were over 70) had an income of $335 a month, but could claim no big deductions like college expenses and did not qualify for stamps.

Talmadge: "I hope that the Congress can correct some of the abuses that we hear about from time to time. Many people now, not of low incomes, but moderate to upper-moderate incomes, are getting on food stamps. It wasn't intended for that purpose."

While Georgia's senior senator can claim credit for writing the basic food stamp laws, his home state can take blame for having the second worst-run food stamp program in the nation.

In a report issued Feb. 28, the U.S. General Accounting Office (GAO)—the watchdog investigative arm of Congress—slammed the administration of Georgia's program. Not only were abuses high, but the administrative machinery was so faulty it could not determine how bad the situation is, the GAO said.

A GAO sampling taken between January and June of 1974 found an astounding 32 per cent of households surveyed in Georgia actually were ineligible for their stamps.

The percentage of ineligibles in the July-to-December 1973 sampling was even higher—35 per cent.

The survey showed Georgia as second only to Montana in the percentage of ineligibles participating in the program.

"Georgia was below the national average in all kinds of welfare error," says Jim Parham, acting commissioner of the state Department of Human Resources (DHR). "But the food stamp crunch—where we have had just literally thousands of new applications—has caused our error rate to go up."

In 1966, when only a handful of Georgia counties chose to go on the food stamp program (in lieu of the old commodities distribution plan), 7,300 food stamp recipients were listed on welfare rolls.

By March, 1975, the state was handing out food stamps to 559,000 Georgians at a cost to the taxpayers of $69.9 million. That figure does not include what the recipients paid for the stamps.

Gov. George Busbee, who says welfare costs in Georgia must be cut or he will have to call a special legislative session to enact more taxes, declares:

"It is a very frustrating experience to be caught in red-tape regulations like on food stamps. You're dealing with so many federal bureaucracies. I'd like to cut off some of the bureaucracy we have at the federal level."

The food stamp program starts with the U.S. Department of Agriculture in Washington and ends up in the same place after wending its way through federal, state and county governments—plus private enterprise. Even the Federal Reserve System plays its role.

Here's the life story of a single Food Stamp:

1. USDA contracts with a private printer in New York to print the stamp.

2. Then it goes back to USDA. From there, Agriculture ships it to the county.

3. It is deposited with a post office, bank or individual authorized to sell stamps, depending on the particular system in each county.

4. Meanwhile, a certification worker, employed by the welfare department, decides who is qualified to buy the stamp. The certification is based on a 200-plus page manual which spells out in excruciating detail who shall and shall not have stamps.

5. In Fulton County, after more than a month's wait, the eligible applicant gets an authorization card which allows him to purchase the stamp.

6. Then he takes it to a store authorized to treat the stamp as money for food—but not for booze, tobacco, pet foods, soap, household supplies and other non-food items.

7. The grocer generally bundles up the stamp with the rest of his cash receipts and checks and deposits it in his commercial bank. The stamp is credited to his account just as if he had left cash.

8. The bank separates the stamp and ships it off to the regional Federal Reserve Bank. There the stamp dies in a furnace—but not before the commercial bank gets credit from the Federal Reserve for the stamp.

9. Although the stamp is dead, its legacy lives on. Enter the U.S. Treasury department, which credits the Federal Reserve Bank for the stamp and charges its worth back to the United States Department of Agriculture.

Stores get authorization to exchange stamps by first applying to the Food and Nutrition Service (FNS), a branch of the USDA. The store owner is sent detailed copies of food stamp regulations—which he reads and later is quizzed on by FNS people.

If his application is accepted and he goes into the food stamp business, according to Barbara Rochelle of the Atlanta FNS office, his store will be monitored by computer.

"We compare each store to others in the neighborhood," she explains. "If one store were to have an uncommonly high food stamp sales in comparison to others, we might suspect something."

The USDA can impose strict penalties, depending on the severity of the violation. Maximum punishment can be a $10,000 fine or five years in prison or both.

It is difficult to pin down the exact figures, but estimates are that counties, states and the federal government will plunk down more than $500 million in tax money just to administer the food stamp program in the coming fiscal year.

HEW's Weinberger: "We have enormous inequities in the food stamp program. It also has the biggest overhead and is the least efficient of all the (social welfare programs.)"

Inequities?

Rep. Jack Brinkley recently got this letter from a woman in his district:

"I am asking for your help. I have three boys. We are all going hungry. I went to the welfare here. They tell me I can't get any help except food stamps, and I would have to pay $59 to get them. I don't have the money to buy them with. I have tried to talk with them but they say they are sorry. They tell me they are sorry but there is nothing they can do . . .".

Brinkley's office checked. The woman's husband had left her. She went to work in a canning factory, bringing home $79 a week. After paying rent, utilities, an insurance premium and buying gas for a rundown car, she had $34 a month left over for food.

Then there was the guy who got his food stamps and tried to use some of them to buy pet food. Brinkley got a person-to-person call in Washington from an irate taxpayer who watched what happened:

"I saw a man with food stamps try to buy several different brands of expensive cat and dog foods. The cashier said he couldn't use the stamps for pet food, so this guy put them back and picked out beef stew cuts for his dog and frozen shrimp for his cat."

The nation's first food stamp program started in 1939 as an experiment in Rochester, N.Y., and was phased out in early 1943.

A new pilot program was initiated under the Kennedy administration in 1961. Congress approved the modern stamp plan in August 1964 and extended it throughout the country. Localities were given the choice of offering food stamps, free agricultural surplus commodities (flour, peanut butter, rolled oats) or having no program at all.

By June, 1974, Uncle Sam required every county in the nation to establish a food stamp program. And the long lines, the red tape and the rip-offs grew and grew and grew.

No one interviewed in official Washington or Atlanta would disagree that the food stamp program—which began as a method of feeding the poor—is now feeding many who are not poor and depriving many who are.

But what can replace it? Is there a better way to give away food to those who need it and still keep the taxpayer from being bankrupted by the cost?

Talmadge: "I fought the amendments that were agreed to by the Senate . . . to get it up in the middle American level. I don't think that people who are capable of paying for their own food ought to expect the government to buy it for them. . . . We (the Senate Agriculture Committee) are looking into various aspects of the program.

"We haven't proposed a firm bill as yet. We want to get all the ideas." Talmadge says he hopes his committee will report out a bill later this year to reform the program.

DHR's Parham: "There is no reason to condemn the whole program because a few college students have learned to beat the system and take advantage of it.

"I think the lawmakers ought to take a look at it and pass an amendment. . . . If I had my druthers, I would cash out the food atamp program and just avoid the extra expense of printing all that paper and going through a separate set of eligibility guidelines that it requires. I'd also like to see the

program taken over and operated by the federal government."

HEW's Weinberger: "In a couple of years if we keep going, half of the population in the country will be eligible for food stamps."

The HEW secretary favors abolishing the food stamp program, along with several other welfare plans, and "substituting a single, simple cash grant program based entirely on the need of the person, measured by his income and his assets. . . ."

Georgia Sen. Sam Nunn: "I don't think many people advocate cutting out the entire program. . . ." Instead, Nunn proposes that the current system of itemizing deductions be replaced with a simplified form that would allow a uniform, standard deduction.

FOOD STAMP GROWTH

	Number of recipients yearly average	Federal funds for food stamp bonus and operating cost	Portion of food stamps paid by recipients
State: [1]			
1966	7,373	$302,351	$442,681
1967	19,530	865,768	1,231,206
1968	41,292	2,439,866	3,055,487
1969	72,538	4,845,680	7,111,747
1970	141,343	11,549,207	10,016,684
1971	251,029	37,932,763	24,180,062
1972	282,253	44,735,480	31,121,695
1973	313,753	155,908,097	39,797,667
1974	347,093	69,938,173	46,469,290
Nation (millions): [2]			
1966	864,344	70.4	109.4
1967	1,447,105	115.5	190.5
1968	2,211,474	187.1	278.7
1969	2,878,113	250.3	374.5
1970	4,340,030	578.1	540.3
1971	9,367,908	1,576.5	1,190.5
1972	11,109,074	1,912.0	1,511.4
1973	12,165,682	2,495.7	1,752.6
1974	13,500,000	2,864.9	2,000.0

[1] The March 1975 total number of recipients in Georgia—559,531.

[2] The February 1975 total number of recipients in United States—16,400,000.

Source: U.S. Department of Agriculture.

Do You Qualify?

Wonder if you're eligible for food stamps? You are:

1. If you are already on some form of welfare.

2. If you can come up with enough allowable deductions from your present income and assets.

That's not as difficult as you might think.

For instance, the welfare lady, following federally-mandated rules, exempts your house and lot. So you could own a $500,000 mansion and still be in the running for food stamps.

She'll also exempt such things as:

One licensed vehicle (could be a Rolls Royce), and any other vehicle you say you need for employment (could be another Rolls), farm machinery (say a couple of tractors), tools of your trade, cash value of life insurance policies and certain real estate. Plus some other things.

After all these exemptions, you can still have up to $1,500 in financial assets (say a few shares of stock or some money in the bank) unless someone in your family is 60 or older. Then you can have up to $3,000.

The second hurdle for stamps is your income. And you've got a cornucopia of deductions here, too.

You can write off tuition to a private school for any or all of your children, union dues, taxes (federal, state and local), Social Security taxes, medical costs over $10 a month, court-ordered alimony and child-support, damage by theft or fire or storm, funeral costs, some types of garnishments, mandatory pension plan payments, cost of child care—and so forth and so on.

But you've still got a way to go.

After the deductions listed, you lop off another 10 per cent of your income up to a maximum of $30 per month. Now you've got your net income. And now you add up your utility bills, real estate taxes and mortgage and rent payments. If they are more than 30 per cent of your net income, you can deduct the amount over 30 per cent.

If, after all this, you can make your net income (for a family of five) come out to $606 or less per month—Congratulations!—you're in the food stamp game.

The Welfare Mess

Mr. and Mrs. Tommie Smith have their home in northwest Atlanta. They go to church every Sunday, and they are loving parents. In winter, Mrs. Smith likes to have a fire roaring in the fireplace. Perhaps that is why she refuses to have the gas connected.

"They are a fascinating family," says a county welfare worker who visits them once in awhile.

The Smith family (not their real name) ranges in size from 11 to 44 members, depending on when you happen to drop by. They live in a six-room ramshackle frame house.

Five of their 12 children (two are now dead) were reared at Gracewood hospital for the mentally defective.

Their water has been turned off for nine months.

They receive free medical treatment through Medicaid, but the Smiths do not trust doctors. So they seldom use Medicaid.

They do not like their children or grandchildren to go to school because they don't want them to associate with black children.

One grandchild is a mongoloid who could not speak until he was 10 years old. His mother had six children and gave away five of them. Now she and her second husband are living with the Smiths.

Ask and you will get a tour of their home. There are beds, couches, bunks in every room. Beds practically spill from the windows.

But the Smiths are proud; they have licked the rat problem. Shortly before Christmas an exterminator spread poison around their house. "There were dead rats all over the yard," says Mrs. Smith. Comments one of her adult daughters: "They were this big, without the tail!" She is holding her hands nine inches apart. . .

The Tommie Smiths are part of a growing segment of the American—and Georgian—populace. They are what is known in the language of bureaucrats as an AFDC family. That means they receive welfare payments under a program administered by the state, known as Aid to Families with Dependent Children.

The Smiths also get free medical care, free school lunches, free legal counsel and free (but mostly ignored) advice from a social worker. They are also eligible for public housing and food stamps.

The Smiths get other kinds of welfare payments because Mr. Smith is disabled.

But this is mainly about the Smiths and people like them who lean heavily on AFDC, America's largest and most costly welfare program.

And it is growing. As of January 1975, there were 11,147,071 Americans drawing money from AFDC. Eight million were children. In Georgia, 353,843 individuals were getting AFDC payments.

By March, that figure in Georgia had jumped to 359,510, despite federal orders to Georgia welfare workers to crack down on eligibility rules or face the loss of millions in federal funds. Georgia's AFDC cost in March: $11.6 million.

Fulton County in March led the state in AFDC recipients: 70,353 at a cost of $2.38 million. Towns County had the fewest: 156 at a cost of $4,617.

"Obviously, the welfare rolls are being affected by present economic conditions, especially the job market for a low-skilled mother with families," says James S. Dwight Jr., administrator of the Social and Rehabilitation Service of the U.S. Department of Health, Education and Welfare.

In Georgia, Jim Parham, acting commissioner of the Department of Human Resources (DHR), estimates that AFDC rolls tripled during the administration of former Gov. Lester Maddox.

Parham blames the increase on federal court decisions, primarily on the reversal of strict policies by Georgia and other Southern states against giving welfare payments to any household that includes an able-bodied man, be he husband, boyfriend, lover or visitor.

Now a welfare mother with children can marry a $1 million-a-year downtown lawyer and still draw AFDC for her offspring.

"You take a 15- or 16-year-old girl brought up in a large welfare family, never had money for clothes to look sharp for school, never had spending money.

"She knows that if she has a child, she will be accepted by her own community and that she'll get a welfare check of her own.

"Many times, you'll see such a girl taking her check of $85 and spending $20 on the child, the rest on a slick outfit for herself. When they get older and have more children, they become more responsible . . ."—Miss Susan Knox, caseworker, Fulton County Department of Family and Children Services.

In Georgia, the maximum direct payment from AFDC is $199 for a mother with six children. No matter how many more children she has, that is the limit of her AFDC payments.

However, a welfare mother qualifying for any AFDC at all gets free medical care for herself and her children, plus food stamps.

Eighty-four per cent of the people surveyed in Georgia in 1973 felt the welfare payments in the state were high enough, according to a study by the University of Southern California.

The Department of Human Resources figures out a "minimal budget" for every AFDC family. For example, the state says a family of four needs, per month, $120.12 for food, $27.20 for clothing, $1.50 for lights (a figure, like some others, that has not changed since 1969), $3 for water, etc., totaling $226.42.

However, the state gives this mom and her three little ones $153 a month—67 per cent of the amount the state says the family needs for survival.

"The state doesn't appropriate enough money to meet the minimal need," says Miss Frances Bishop, a Fulton County welfare official. "They are able to get by because they get a larger bonus in food stamps, because they get Medicaid and because many AFDC families live in public housing."

Because of the low welfare payments, DHR's Parham says:

"Say you're on welfare and you make a little money and you begin to move up. There is always a point where if you earn one more dollar they are either going to kick you out of public housing or you're off welfare and you've lost your Medicaid, which could be worth thousands of dollars a year to you. Well, do you tell your boss not to give you that extra dollar?

"Obviously, some fail to report because the temptation to get a little more is more than they can resist. Payment levels being as low as they are, it is hard to give up even a few dollars."

36-YR STATE FIGURES SHOW GROWTH OF AFDC ROLLS, FUNDS

	AFDC individuals	State and Federal funds in Georgia
Fiscal year:		
1938	10,959	$714,075
1940	9,799	914,586
1945	9,851	1,181,961
1950	38,969	6,874,229
1955	53,098	12,562,369
1960	56,387	16,050,238
1965	74,757	18,553,347
1970	224,454	66,458,636
1974	342,360	129,424,871

Miss Susan Knox, the Fulton caseworker, visits an AFDC family—one of 150 such families she is required to see at least once every six months. While she interviews the family and fills out necessary paperwork, roaches start crawling over the forms and up her arms. She is revolted by the insects, but manages to stay calm and finish the interview. While she is driving away, she feels something in her hair.

It is another roach.

Susan Knox is one of 4,142 eligibility and caseworkers assigned to ride herd on Georgia's 760,000 welfare cases of all categories. She and those like her can expect a starting salary of $746 a month, with raises bringing that up to $975 a month in Fulton County. (Fulton pay is tops in Georgia because the county supplements its salaries with local funds.) The basic starting salary in Georgia, without local supplement, is $683 a month.

Caseworker Joan Lardin: "Who are we, little WASP caseworkers, to go into some of the toughest neighborhoods in Atlanta—places where (John) Inman and (Reginald) Eaves wouldn't go without an armed guard? And we see a guy sitting in front of our client's television, smoking a cigar and drinking a beer.

"The woman says, 'Oh, that's my uncle.' Or 'That's my cousin Joe who is visiting from Chicago.' Who are we to say, 'All right, fella, we know you're living here and helping to support her?' You know what that would bring."

Says another local caseworker: "It's dangerous and getting worse. They're getting mad. They're out of work and can't get any. But normally, you're not afraid. You're just a little sick to your stomach. Gangs of boys hang around your car, whistle and make wisecracks. But they know you're a caseworker and don't give you any trouble."

Most caseworkers are so overloaded, particularly in urban areas, that they try to divide their cases into two categories—those they can help and those they can't.

Miss Knox: "What I've learned to do is identify what you call deadwood. These are people that no matter how many times you tell them what to do they won't do it.

"So you get to the place where you visit them once every six months and ask, 'Did you do so-and-so?' They'll say no. Then you suggest again they do it. They say they will and you leave. When you come back again, they still won't have done it."

Miss Knox and other caseworkers admit freely that this kind of welfare family gets the quick-rush treatment, after the caseworkers determine that these families can not be helped.

Then there is another kind of case—the mother who genuinely is struggling to help her children and get their names erased from the welfare rolls.

Mrs. Maxine Lincoln (not her real name), a working mother of three, was thinking of killing herself because she was so worried about her 11-year-old schizophrenic son.

"If it hadn't been for my caseworker, I honestly don't think I could have gone through it," she says. "There were days when I would go in the bathroom and carry on for hours, he was suffering so much."

The child's problem rose unexpectedly. His older brother and sister were honor roll students despite their impoverished background.

Caseworker Knox and Mrs. Lincoln at first thought the youngster suffered from a simple learning disability. Miss Knox asked the Atlanta school system to test the child to determine the trouble. She was told there would be a two-year wait before the tests could begin.

Then Miss Knox tried Medicaid. But finding a psychologist who would accept a Medicaid patient was not easy. Finally, the school people provided a name. The boy was tested. He was hearing voices, he was schizophrenic and needed treatment desperately.

Says Mrs. Lincoln: "Sometimes he used to sit in the corner of the living room screaming that the voices wouldn't let him sleep. One day he tore out the dresser drawers and dumped them all in the floor, and pounded the floor with a curtain rod. He'd do things like that.

"But now he is doing beautifully. He is just like a normal child to me."

A caseworker: "It is still true to some degree that in the low-income black community masculinity is equated with impregnating women.

"The birthrate among my clients had been dropping, but now it's picking up again, especially among the younger girls. Grady has told us the birthrate was really going up again, and that they will soon start another campaign on family planning. To most of these young girls, having babies is just like breathing. They don't see they're just adding to their troubles, adding company to their misery.

"I guess it is true that poverty breeds poverty breeds poverty breeds poverty."

In the most recent study available, 34.2 per cent of mothers drawing welfare for dependent children in Georgia had not been married. Another 40 per cent of the households were left without a working man in the house by desertion, separation or divorce.

There were 11,529 illegitimate live births in Georgia in 1973, the most recent year for which such figures are available. Of that number, 9,491 were non-white. Fifty-two per cent of those births were to teen-age mothers, a figure on the rise since the '60s.

DHR's Parham: "Regardless of how you feel about welfare, I can tell you that recipients are not living it up on the high payments, and women are not having more babies to get more money. That is just not the reason people have babies—even poor people."

The average AFDC family in Georgia consists of a mother and two or three children, often of pre-school age. Seventy per cent of AFDC mothers do work outside the home.

The incentive to work—once the children are old enough for kindergarten—is better than it was. Parham recalls the time when every dollar a welfare mother earned came straight off her check.

Now she gets to keep the first $30 of her paycheck, plus a third of her salary above that, with no cut in assistance.

In recent months, there has been an accelerated effort to retrieve fathers who flee the task of supporting their children.

Georgia Sen. Sam Nunn claims success in getting congressional approval for a bill authorizing the Internal Revenue Service to track down runaway fathers.

However, the administrator of the program, James S. Dwight Jr., says it was Louisiana Sen. Russell Long who authored the bill.

In any case, some experts doubt that the $68 million set aside for pursuit of runaway daddies in fiscal 1976 will generate enough child support to make a significant reduction in welfare rolls.

In signing the legislation last January, President Ford seemed none too pleased, "It went too far in injecting the federal government into domestic relations," he said. And the provision allowing access to all federal records to catch hiding sires "raises serious privacy and administrative issues," he added.

Meanwhile, HEW has proposed cutting off payments to welfare mothers who refuse to help identify and track down the fathers of their children. For cooperative mothers, the government is offering to pay cash bounties of up to $40 a month.

DHR's Parham: "At best, AFDC is a mixed blessing. To get it, a recipient has to prove she is a failure. At least every six months she has to repeat that proof—against assumptions that she may be misrepresenting the facts.

"She is aware of the resentment and skepticism of her fellow citizens. Her children are aware of it. They learn that to be poor in this country is considered the same as being inferior—unless one is old or physically disabled.

"This whole process frequently infects the entire family with a pernicious 'failure virus' and they too believe they can't make it. Welfare becomes a way of life that guarantees repeated generations of dependents."

The Welfare Mess—Cheating and Blundering at a Cost of Millions

This is about welfare cheaters. Mothers who lie about their income and are caught. People who falsify their applications for food stamps and are caught. Even welfare workers who try to steal benefits for themselves and are caught.

And it is about monumental blunders in bookkeeping and administration which misdirect millions of dollars every year.

It is *not* about doctors, dentists, nursing homes and hospitals reaping millions of tax dollars every year from Medicaid. It is not about any of them who may cheat, for none has ever been prosecuted for stealing welfare dollars.

Gov. George Busbee can truthfully boast that he has doubled the state's manpower in catching and helping prosecute welfare cheaters.

Instead of one Human Resources Department attorney checking out fraud, the state now has two.

Mrs. Mary D. Pallotta and Thomas G. Moran, attorneys, spend 60 per cent of their working time looking for possible fraud—among the nearly 800,000 welfare cases in Georgia's 159 counties.

A law against welfare fraud has been on the books in Georgia since 1937. Not a single case was prosecuted until 1972, according to Eugene W. Owen, director of the DHR's office of special administrative service. Since then about 350 welfare cheater cases have been taken to court for prosecution, lawyer Tom Morgan says.

Many other cases are settled out of court "administratively" with the cheater promising to repay the money illegally gained.

But only a small amount of the welfare money going astray is due to cheaters and thieves. Much of the welfare money is misspent because of plain error, and the amount is astounding.

Caspar Weinberger, secretary of the U.S. Department of Health, Education, and Welfare, estimates that 40 per cent of the tax money flowing through the welfare system—40 per cent—is being incorrectly dispersed through administrative error, overpayments, ineligible recipients and "a comparatively small part through fraud."

Based on data from HEW, the total amount of money wrongfully paid to AFDC (Aid to Families with Dependent Children) recipients in Georgia in January was $1.8 million.

Projected on an annual basis, that comes to more than $21 million in tax money that should not have been dispersed in Georgia.

In fact, the total may be even higher. According to Bob Hinrichs, a regional HEW official, Georgia's error rates currently are a whopping 10.7 per cent for ineligibles and 27.8 per cent for overpayments.

At that rate, Hinrichs says, Georgia will have erroneous payments of $24,068,000 in fiscal 1975, which ends in June.

Almost $18 million of that is federal funds, and the federal government is threatening to cut off that amount next year if Georgia can't lower its mistake rate.

The federal targets are 3 per cent for ineligibles and 5 per cent for overpayments. And federal officials have doubts Georgia can make it. Says one HEW source: "Georgia is worse off than most states. It has some serious problems."

Says Gov. Busbee: "I don't know if we will be able to come down to the 3 per cent federal goal that has been set. We have more welfare than many other states and more illiteracy and less educated people.

"But I do know we can improve on the figure we have. . . . We have 10 per cent ineligibles and 27 per cent of our recipients are overpaid. To me, this is high. That's the reason I immediately jumped into the program."

DHR's Parham estimates Georgia's overall welfare error rate (including underpayments along with overpayments and ineligibles) at about 45 per cent. Federal estimates peg that figure at nearly 50 per cent.

Busbee has added 439 new welfare eligibility workers across the state, plus the one new fraud lawyer. As this series was being written, the governor also announced he will add an assistant legal services officer and a stenographer to the fraud team.

Despite the additions, the DHR staff recommended double the 439 eligibility workers to lower the error rate.

Who is making all these million-dollar blunders?

In January through June, 1974, HEW said it found that 40.4 per cent of the error cases were caused by state agency personnel and 59.6 per cent by the recipients.

Why can't Georgia welfare workers keep their cases straight?

Says Jack Watson, chairman of the DHR board: "Case workers in county welfare departments are frequently young people in their first job after college. Pay levels are low. . . . To do eligibility work, they must learn three sets of complex regulations and procedures AFDC, food stamps and Medicaid.)

"The work is difficult and frequently unpleasant. Because of the very nature of the system, case workers are forced in many cases to take an almost adversary relationship with applicants and recipients.

"As a consequence of all these factors, there is an average 28 per cent turnover in staff every year. . . . The overall situation with respect to welfare eligibility and level of payments determination is virtually unworkable."

Back to fraud. The State versus Brenda White.

On June 8, 1970, Miss White signed up for welfare, swearing she had no income or wages. But in fact, Miss White, who gave a Scottdale address, began work Feb. 16, 1970 for $210 a month—and continued working for 12 months before she quit.

She was indicted by a DeKalb County grand jury on 13 counts of fraud for failing to report she had a job. She was sentenced to 10 years probation and ordered to repay $2,478 during her probationary period.

"It was a horribly embarrassing thing to happen," says Mrs. Pallotta, the welfare fraud lawyer. "As it turned out, she was working for the Department of Human Resources and denied it."

State officials admit that they never bother to prosecute a welfare fraud case unless they've got a sure winner. As a result, welfare fraud prosecutors bat nearly 1.000.

"Somebody on the staff said to me, 'You've got a great record. You never lose.' And I said, 'We don't intend to,'" says DHR administrator Owen, whose division includes the fraud investigators.

Catching welfare fraud is tough. Fulton County caseworker Joan Lardin says:

"It's ridiculous. The clients can tell us just about anything they want to, and we don't have the authority or the time to check up on it. If she says she has six kids, then that's that. If she says she doesn't work and has no income, we have to take her word for it."

Says Mrs. Pallotta:

"All cases are not good cases for prosecution. What if we get an 85-year-old lady who is blind and not telling the truth?

"You can find all sorts of people with terrible misfortunes, and maybe they are just as crooked as can be, but you can't take those cases to court."

In addition, county prosecutors are usually less than enthusiastic about welfare prosecution.

DHR's Owen: "Let's face it. We are only scratching the surface on this fraud thing. Who wants to try welfare fraud cases? These district attorneys make speeches before the Civitan Club and cry, 'Why don't these welfare administrators do something about all these cheaters?' But they are the ones who have to do something. Our hands are tied."

Morgan and Mrs. Pallotta do not prosecute. They screen cases for fraud and pass them along to district attorneys for court action.

Mrs. Pallotta recalls that she recently prepared a case in which an opthamologist and an assistant entered a nursing home in Fulton County and gave eye examinations—without being requested to do so—to 17 residents of the home. They told the residents not to worry, Medicaid would pay the bill.

Mrs. Pallotta says she passed the case to Fulton County Dist. Atty. Lewis Slaton, who refused to prosecute. "I didn't prosecute because there was no criminal action involved," Slaton responds. "These people were authorized to make the examinations."

The State versus Mrs. John H. Luke.

This is one of the first and largest welfare fraud cases ever prosecuted in the state, according to Owen. It involved $9,719.78.

By falsifying the financial status of Mrs. Luke's mother (now deceased), the Lukes were able to acquire $1,209 worth of food stamps and $8,510.78 in Medicaid care for Mrs. Luke.

In September, 1972, the Lukes were sentenced in Richmond County to serve a year each in jail.

The amount of welfare cheating is hard to estimate. It depends on who does the estimating.

Owen believes that fraud may be involved in as many as 10 percent of the cases in Georgia, causing losses of up to $10 million a year.

"It may be more than that, but that is the best estimate we can come up with," he says.

In 1974, acting DHR Commissioner Jim Parham said in a speech: "Last year, our county departments referred only 1,248 cases of suspected fraud to the state office. This is less than 1 per cent of all the cases we handled last year. We chose 354 for prosecution."

Owen said in a recent interview: "The caseworkers receive a great deal of emphasis in their traning on finding fraud and reporting it. That is something Jim Parham has made very clear to me.

"You know, he is a great humanitarian and social worker and he once told me, 'You know, I'm a bleeding heart. But we've got to put a stop to all this fraud.' And that's my job . . . to put an end to it."

Caseworker Joan Lardin: "We are not encouraged to locate and prosecute fraud. Why? It all boils down to the fact that Eugene Owen and Jim Parham don't want to get their fannies spanked by Washington . . .

"They want us to cut errors, but the frauds are part of the error rate and they're not encouraging us to cut them at all."

She estimates that one out of every five clients cheats in some manner.

The State versus Mrs. Willie Jones, wife of a former Atlanta Falcon.

Mrs. Sherri A. Bauknight Jones of Lowndes County married Iowa State football star Willie Jones and they had two children. Jones, a Valdosta native, was a 15th round draft choice by the Falcons in 1974, but was later cut from the squad during the last part of summer practice.

As a draft choice, he was paid a bonus and salary while with the professional football team. His wife also worked. She gave false information concerning her marital status and income and illegally collected $2,531.74 in welfare.

She was given three years probation, a $500 fine and was ordered to make restitution.

The Department of Human Resources is anything but shy when it comes to talking about fraud convictions.

Owen says: "You publicize one good case, and after that you'll get calls all day saying, 'Hey, my husband came back home. I forgot to tell you.'"

He cites an example in DeKalb County when 200 welfare mothers voluntarily withdrew themselves from the rolls in one day after a bevy of armed deputies descended on a public housing project to serve fraud warrants.

"What we need to do is go after these frauds, put some of them in jail, get the money back, publicize it. Then you wouldn't have to cut the payments because of all the money you'd be saving," says a caseworker.

The State versus Bonnie Jean Hawk Thornton.

Miss Thornton swore to the welfare office that her monthly check had been stolen in Fulton County. A duplicate check for $114 was issued. It was discovered later that Miss Thornton had endorsed and cashed the check she said had been stolen.

Fulton Superior Judge Luther Alverson sentenced her to two years probation, fined her $200 and ordered her to make restitution.

But real thefts do occur. U.S. Postal Inspector Earl McClure says some 2,000 welfare checks are stolen each year in metropolitan Atlanta, representing more than $200,000 in losses to the taxpayers.

There are two or three organized gangs of check snatchers in the city, but most are free-lance culprits, McClure says.

Besides grabbing checks from mailboxes, thieves also break into at least 10 postal trucks a year, pilfering bundles of checks.

To combat the rising tide of welfare check thefts, McClure and his men saturate public housing areas at check mailing time around the first of every month. They are assisted by Atlanta police who patrol the areas and circle overhead in helicopters.

The typical theft happens this way: The would-be thief carries a magazine or shopping bag and discretly follows the mailman on his rounds. After the check has been dropped, the thiefs knocks on the door.

If no one answers, he slips the check out of the mailbox and into his magazine or shopping bag and highballs it to the nearest "wholesale check dealer."

Wholesale dealers will buy the check from the thief—usually a youngster—for about 25 per cent of its face value.

The wholesaler then forges a signature on the back and deposits it in his account. Eventually, the government will demand the money back and get it from the account, McClure says, but meantime the wholesaler has had the benefit of the capital and used it to float loans and borrow more money.

In many cases, the wholesaler escapes prosecution, claiming that he didn't know the check was forged and that he was himself a victim of deception. "We have never been able to fully understand how they make money on this thing," McClure says, "unless it's just to generate working capital."

In the past three years, he says, only two wholesalers in the Atlanta area have been arrested.

Thieves are not the only ones lurking about when check time comes.

Says caseworker Lardin: "Some of us have seen pimps in Cadillacs drive up and collect four and five checks from girls working for them. You know some of the women are prostitutes, but what can you do? One even frankly admitted it to a caseworker, but the worker didn't know how to list 'fees from boyfriends' on the (welfare) budget sheet."

And then there are some insurance men. Lardin says: "It seems like everyone has an insurance policy, and they'll scrimp and save on everything else to keep that policy up. We've learned that many of the insurance salesmen are telling them that if they die and don't have an insurance policy, their body will go to Emory as a cadaver (for the medical school). That's ridiculous. The county takes care of them."

Says Owen: "There is no doubt in my mind that welfare could be cut by increased emphasis on fraud.

I've told the legislature time and again that I can return $60,000 net of cost a year to the state for every new fraud attorney I get."

Parham says: "When you are living on a very, very tight margin, the temptation not to report casual or occasional earnings is very strong.

"And how many people do that? I don't know. How many people do the same kind of thing on their income tax? Three out of every four returns that are audited contain errors . . .

"I wouldn't think poor people are any more dishonest than the rest of us."

TALMADGE SEEKS STAMP CHANGES

U.S. Sen. Herman Talmadge of Georgia Tuesday said he and fellow senators will "do our dead level best" to correct the nation's food stamp program.

Talmadge, the chief author of food stamp legislation, said, "People who have the ability to buy their own food should not expect the government to buy it for them."

The senator, chairman of the Senate Agriculture Committee, was responding to The Atlanta Constitution's "The Welfare Mess" series, in which it was reported that fully a quarter of all Georgians are eligible for food stamps.

"On the floor of the Senate," Talmadge said, "some amendments were proposed that I resisted, but unsuccessfully, that added many deductions to the eligibility of individuals and families, and really got it up to where people above the poverty level under certain conditions could get food stamps."

Talmadge also criticized state officials in Georgia for having a 32 per cent food stamp ineligibility rate.

THE WELFARE MESS—MEDICAID: HOW THE POOR MAKE THE RICH RICHER

One day in 1973, Miss Annabelle Stafford dropped by the office of her dentist, Dr. Charles Lee Johnson of 1761 Gordon St. SW.

Ten months later, Dr. Johnson completed work on the teeth of Miss Stafford, who was eligible for free dental and medical benefits through Medicaid.

Dr. Johnson reported to the state Department of Human Resources that he had pulled, capped or crowned 28 of Miss Stafford's 32 teeth. The cost to the taxpayers for her dental work: $5,892.

That was considerably less than Dr. Johnson had asked. The agency which reviews dental Medicaid claims originally got a claim for $7,245 for the work on Miss Stafford's teeth.

Miss Stafford is a real Medicaid patient, but Stafford is not her real name. Dr. Johnson is a real dentist, and Johnson is his real name. Last year was a very good year for Dr. Charles Lee Johnson, one of 18 Georgia dentists who drew more than $100,000 in Medicaid payments from the state in 1974.

Dr. Johnson could not be reached for comment about his Medicaid practice or his $6,000 "Hollywood job" on Miss Stafford's teeth.

He did not respond to any of the phone calls placed to his office during a five-day period.

Georgia dentists last year reaped a total of $11.9 million in Medicaid payments.

But they were pikers compared to doctors, nursing homes and hospitals.

Nursing homes accounted for $69.6 million. Fourteen of them drew more than $500,000 each. Hospitals picked up more than $50 million in welfare money, and they weren't all public hospitals either. Bolton Road Hospital Inc. of Atlanta got $619,500.

Physicians drew $28 million from the Georgia Medicaid pot. Six doctors got more than $100,000 each in 1974.

Despite these figures, Gov. George Busbee chose to zero in on the dentists for a massive investigation of possible abuses.

A reexamination by the state of 924 dental patients revealed discrepancies or exceptions in 212 cases, ranging from improperly done work "to work allegedly done which was not evident in the patient's mouth."

"It is just astounding that we had this number of discrepancies," Busbee said. "This is just the beginning. We are going to look into every phase of Medicaid and do everything possible to reduce abuses."

Medicaid began in Georgia in 1967. It is a program which provides tax-paid health services to the poor.

In many areas, such as dentistry, Georgia Medicaid regulations provide better care for welfare recipients than the state's middle-income and even upper-middle-income folks can afford.

Although Dr. Johnson couldn't be reached to talk about his $6,000 case, Dr. Alfred K. Williams, associate dean of the Emory University School of Dentistry, had this to say about expensive Medicaid work:

"You multiply that $6,000 by all the indigent people in Georgia . . . then that's fiscal irresponsibility, but the state told him to do it. The only abuse that could possibly occur would be putting in an application for treatment that wasn't rendered. The rest of it was authorized by the state."

Busbee froze dental Medicaid for a time, then reinstated it with some charges to patients attached.

Dr. Williams, who also is president of the Dental Society of the Northern District of Georgia, said Busbee's month-long freeze may have bordered on cruelty.

"This is the horrible thing. They cut out all care for anyone over 21, even if they were in pain," Dr. Williams said.

Gov. Busbee: "We've got 1,500 dentists in Georgia, and we only have 850 of them who will even take a medicaid patient. You get to the point where you have so many doctors and dentists thinking, 'If you have to go through all this, then I'm not even going to treat a Medicaid patient.'

"We're having some difficulty at this time getting good, decent doctors who will treat Medicaid patients. I don't want to destroy the Medicaid approach. . . . But I do want to get a handle on every one of these programs."

Aubrey T. Villines headed the state's Medicaid program from September 1973 to June 1974, when he resigned after collapsing from exhaustion caused by working an average of 16 hours a day.

Says Villines: "I resigned reluctantly because I came to the conclusion that no one could operate in the atmosphere over there. I did not have either adequate people or resources to do an adequate job. . . . The Georgia Medicaid program grew like topsy-turvy."

And it is no wonder, says Villines, that many Georgia dentists pass up the lucrative Medicaid trade:

"There are a couple of reasons for that. A Medicaid patient is very bad about breaking appointments. And appointments are dollar signs to dentists. And then, a mother may be bringing little Johnny in for an appointment, and when she brings little Johnny, she'll bring the other 11 kids, too, and swamp his office."

Longtime king of the Medicaid practitioners among physicians is Dr. W. V. Gillikin of Twin City (pop. 1,119). According to state records, Dr. Gillikin last year received $144,-144.02. He submitted 29,052 claims. Dr. Gillikin, who has a solo practice, turned in more claims than any other doctor in the state.

He refused to talk about his mammoth Medicaid practice. But if Dr. Gillikin worked 10 hours a day, seven days a week, 52 weeks a year, he spent less than eight minutes on each Medicaid claim.

Dr. Gillikin's Medicaid practice generated money for another big business in Twin City—the Twin City Drug Co. down on 4 Railroad Avenue, which ranks in the top 10 for Medicaid claims among pharmacists and druggists in Georgia. Last year, Twin City Drug raked in $92,349.09 from Medicaid prescriptions.

(Twin City is located in Emanuel County, pop. 18,189.)

Keith Faulkner, who bought the drugstore five months ago, explains, "It's located near the doctor's office."

No. 1 among druggists is Bullard's Blount Street Pharmacy of East Point—$135,953.14 for 44,630 claims. It has no walk-in business and serves nursing homes exclusively. Manager David Gamadanis says, "We didn't make that much money. If you divide that by 11 employes (paying their wages), we're not getting that much.

"We serve nursing homes, and that is why the volume is so high. About 80 per cent of our business is Medicaid because we do a 100 per cent nursing home business."

Back in 1970, when Dr. Gillikin made only $104,601.59 and ranked No. 2 among the welfare doctors, he told a reporter:

"I haven't had a vacation in the 15 or 16 years I've been practicing here. I go day and night. And I'm in a solo practice. It's just not worth it. Oh, there's pecuniary gain, but still, it's just not worth it."

High man on the 1974 Medicaid doctor's

list is Dr. Richard L. Hanberry of Hemlock Street, Macon.

When a reporter first tried to reach Dr. Hanberry—$152,517.16 for 7,052 claims in 1974—he was told Dr. Hanberry was out. Mrs. Hanberry described her husband's practice:

"In the first place, as far as I know, there is no other doctor in Macon—all the other doctors refuse to see Medicaid patients except in an emergency or as a token.

"Most of the OB-GYN (obstetrics and gynecology) patients are referred to my husband, simply because the other doctors will not see or treat them.

"If anybody calls my husband's office, they can be seen within 24 hours, if they're willing to sit in the office and wait.

"Richard stays there day and night. This is what upsets me. He's been helping the same people for 19 years whether they could pay or not. I've seen him care for bankruptcy after bankruptcy after bankruptcy. And I asked him, 'Why do you do it?' And he says, 'Nobody else will, and they've got to see somebody.' I know for a fact that he buys vitamins and four gives them away to these people.

"You ought to be down on your hands and knees thanking this man."

Later, Dr. Hanberry was contacted at his clinic on a Saturday morning. "I work seven days a week and seven nights a week," he said. "The only time I leave town is for a medical meeting. These guys (other doctors) don't want to fool with them (Medicaid patients). I know about every poor person in Macon. If they are sick, no one want to see them. They come to me and tell their friends to come."

The governor's brother, Dr. Perry Busbee of Cordele, estimates that his practice generates about $25,000 annually in state Medicaid payments.

Dr. James S. Snow of Darien is by far the largest Medicaid collector among osteopaths (doctors who specialize in manipulative therapy). He turned in 18,119 claims to the state last year, approximately twice as many as any other osteopath, and received $100,183.80.

(His nearest competitor was Dr. Donald Gross of Hampton, who drew $59,652.17 on 9,070 claims.)

Says Dr. Snow:

"I am the only physician in a county of 8,000 (McIntosh). I do the same thing, the same practice as any general practitioner would do.

"We also serve about one-third of the county to the north of us, Liberty County. "We have about a 12,000 patient drawing area. It's about 70 per cent black and is at least 50 to 60 per cent Medicaid and Medicare oriented. . . . This is an indigent area."

Dr. Snow says the state has been reviewing his work closely in the past two months.

"They've reduced an awful lot for services that should have been granted," he said. For example, he said, he has been told that he can't do more than one diagnostic urine analysis per week for a woman with a urinary infection, and that he must cut back the manipulative therapy for a young man who couldn't walk when he first came in.

"They (the auditors) haven't seen this man," he said. "They haven't examined his record. They haven't looked at his X-rays. And yet, on the basis of their paperwork, they are telling me I can't treat him. It's disgusting.

"I can drop Medicaid tomorrow and make a damn good income. I'm not running a Medicaid mill and never intend to."

If the taxpayers are being cheated by Medicaid, all the blame does not fall on the shoulders of the providers or the state. The "grunters" consume lots of time and money, and they are not even ill.

Dr. H. K. Heath of Waycross, the state Medicaid champ of 1970 (he doesn't even rank among the top 25 now), says:

"When you get a vast federal program, somebody is going to cheat. The bad, bad grunter—the patient that comes into the office two or three times a week—are in a way mentally ill. But they're shamming it up so bad that they are hard to classify. This patient makes up only a small percentage, but you have a steady trickle of them and boy, do you remember them."

Dr. Heath says the days of charity by doctors is not over, despite Medicaid. But the free medical work now often goes to the working poor, those who have jobs but not enough money. "If they get a sick baby," says Dr. Heath, "you don't run them out. But if they come in for a check-up without money, that's different. It's a matter of degree."

When it comes to Medicaid payments, nursing homes are more than welfare centers. They are big business and getting bigger by the day.

Nursing home care (which involves less than 7 per cent of Medicaid patients) now accounts for nearly 40 cents of every tax dollar spent on Medicaid in Georgia.

There are 23,000 nursing homes in the United States, with more than a million elderly Americans calling them home. In 1960, before Medicaid and Medicare, there were fewer than 10,000 nursing homes in the nation.

In Georgia, more than 400 nursing homes are licensed to participate in the nursing home program. Nearly 30,000 elderly Georgians live in these facilities, thanks to Medicaid.

The cost of caring for these old folks has skyrocketed.

The average monthly Medicaid payment in skilled nursing homes (which provide maximum service) per patient rose from $183 in 1968 to $505 in 1974.

Even more dramatically, the average per-patient monthly cost in intermediate facilities jumped from $85 in 1968 to $263 in 1974. And experts say those costs are continuing to soar.

Ray Moore, business manager of Gracewood State School and Hospital, a state-run nursing facility for mental retardates, says:

"Basicaly, I think it is due a lot to federal requirements—fire regulations and nurses have to get so much per hour and so forth. And you've got to get a license.

"Federal requirements are getting so stringent. You can only have so many beds per square feet. As a result, your costs keep going up tremendously, just mushrooming."

A U.S. Senate subcommitte recently completed an investigation of the $8 billion-a-year nursing home industry in America and concluded that more than 50 per cent of the facilities are substandard.

"Long-term care of older Americans stands today as the most troubled, and troublesome component of our entire health care system," the report charges.

Nearly any nursing investigator can recite horror tales ranging from a lack of sanitation facilities to diets that border on the starvation level to cruel and abusive treatment.

Many nursing homes, of course, do a good job of caring for the elderly.

Many nursing homes are also having some tough money problems.

Troy Athon, executive director of the Georgia Association of Nursing Homes, says:

"I can tell you that nursing homes operate under a basic cost-plus formula. Medicaid would be lucrative—if there weren't a ceiling on payments. There is a maximum $550 a month payment for skilled care and $500 for intermediate care. That's a little over 70 cents an hour on a 24-hour basis. You can't hire a baby-sitter for that.

"Compare it to a hospital or a hotel, and it doesn't look too lucrative," he adds.

Athon admits that Medicaid helps fill up nursing homes and keeps some of them solvent. "You've just about got to run 90 to 100 per cent full to run in the black," he says. "It is a benefit."

Two out of every three nursing home patients are there because the government pays their cost and expenses to the institutions' operators. Taxes pay $3 of every $4 going into the nursing home coffers.

Despite the rising burden on the taxpayers, dozens of nurses, administrators and patients from a nursing home chain recently stormed into Gov. Busbee's office to demand a check for $114,000 that they claimed the state owed in back Medicaid payments.

Sam Thurmond, state Medicaid director, noted at the time: "The state's antiquated and at times unresponsive" Medicaid program can cause problems in payments to some nursing homes.

Athon denies any massive abuses of Medicaid by nursing homes:

"Any time you've got 300 nursing homes with 29,000 beds . . . you're going to have some abuse. However, by and large, there is not much room for abuse. And if there is any, it's completely the state's fault. The rules and regulations are set down. The state certainly can control what they pay."

In a memo to the Georgia House of Representatives M dated Oct. 30, 1974, board chairman Jack Watson wrote:

"The Medicaid program in Georgia is replete with deficiencies, problems and a general lack of effective controls . . . In my opinion, solution of these problems requires nothing less than a fundamental overhaul of the entire system of administration for the Medicaid program.

"Unless and until we take bold and decisive steps to implement a proper set of controls for administration of the Medicaid program in Georgia, it will continue to be one of our biggest problems."

$1 Million Withheld From State Medicaid

(By Frederick Allen)

Federal officials have withheld more than $1 million from Georgia's Medicaid program and seek to recoup several million more for overpayments to physicians, according to federal documents obtained Thursday.

Officials of the U.S. Department of Health, Education and Welfare said overpayments to physicians since 1969 total nearly $5 million in federal financial participation alone. The federal government picks up about two-thirds of Georgia's Medicaid costs.

In essence, regional HEW officials have charged that the state Department of Human Resources (DHR) used a faulty standard for setting physicians fees for services rendered to the poor under Medicaid.

In particular, federal officials want the DHR to repay $1,740,138.42—and they have withheld $1,094,842 of that amount so far.

The $1.74 million represents what HEW officials claim to be the federal share of overpayments to physicians over an 18-month period.

The federal officials estimate their share of the overpayments for the remainder of the period since 1969 at more than $3 million—bringing Georgia's potential loss of federal funds to about $5 million.

The state has contested the federal findings, and the matter currently resides with James S. Dwight Jr., the administrator of HEW's Social and Rehabilitation Service section (SRS) in Washington. The SRS is the arm of HEW which oversees administration of Medicaid by states.

Acting DHR Commissioner T. M. (Jim) Parham said Thursday, "If he (Dwight) turns us down, we intend to sue, because we don't think the audit (of payments to physicians) applied the regulation in question correctly."

Sam Thurmond, director of Georgia's Medicaid program, charged that HEW officials failed to use their own standards in the review in which they claimed to find overpayments by Georgia.

The controversy began when regional SRS officials hired an outside accounting firm to review Georgia payments to physicians under Medicaid for the four quarters of 1972 and the first quarter of 1973. The consultant firm later reviewed the first quarter of 1974 as well.

Initially, the firm reported the federal share of overpayments at $2.8 million, but that figure was later revised downward because of a flaw in the firm's method of surveying physicians' fees.

As a result of the revision, SRS officials calculated that the federal share of overpayments for those six quarters came to $1.74 million.

According to Jack Conort, associate regional commissioner for management services in SRS, federal guidelines require states to reimburse Medicaid physicians at the lowest of four rates:

—The physician's actual charge.

—The median charge for his service based on his claims of the prior calendar year.

—The charge for the service outlined by Medicare (health insurance for the elderly) regulations.

—The 75th percentile of the customary charge in the physician's locale.

According to Conort and Perry Childers, an SRS official in charge of the Georgia matter, the lowest charge usually is the Medicare charge. However, they said, Georgia had been repaying physicians, for the most part, at the rate which the physicians themselves charged.

(The federal government pays about two-thirds of Georgia's Medicaid expenditures, based on a formula involving Georgia's per capita income. The amount of overpayment charged by SRS involves only the federal share; thus, SRS figures Georgia overpaid physicians by about another $2.5 million, representing the states share.)

Conort and Childers said SRS will also review the remaining months in 1973 and 1974 (six quarters in all). They said they expect the federal share of overpayments for that period to run at least $250,000 per quarter, totaling another $1.5 million.

In addition, they said, SRS has the option of looking at the 11 quarters preceding 1972. Medicaid was a smaller program back then, but they said overpayments could run at about $100,000 per quarter for those 11 quarters.

Finally, the federal agency has 1975 to examine, and could find another half-million dollars in overpayments for this year.

Thurmond, the state's Medicaid director, said Georgia is now in compliance with federal regulations. However, Conort and Childers said it is not.

According to Parham, "We fully intend to follow this thing out. You can't find three people in the country who understand it (federal Medicaid regulations).

"We still argue that the audit was incorrectly done and that the regulation was not properly applied."

Thurmond charged that SRS officials failed to use their own criteria (the lowest of four charges) in the review in which SRS charged the state with overpayments.

"We think we understand it better than they do," Thurmond said. "We're not going to let them get away with it because we think they're dead wrong."

Childers disputed the complexity of regulations complained of by Parham and Thurmond.

"If you're willing to sit down and read what the regulations say . . . you don't have to be terribly astute to write a (computer) program that will do it," he said.

On the question of whether Georgia is now in compliance with SRS regulations, Thurmond said: "According to their definition, they tell us we're not in compliance, but we say we are."

There is at least some indication that Georgia's Medicaid program could be bankrupted if the state loses its appeal of the regional SRS decision.

In a letter to Dwight dated Feb. 20, 1974, then-DHR Commissioner Richard Harden wrote:

"The directive (ordering the state to restore federal funds) ignores the complexity of this case and the very real possibility that because Georgia cannot meet the arbitrary burden, its Title XIX (Medicaid) program will not be able to continue."

He also wrote, "Attempting to respond to unrealistic deadlines such as those imposed by Mrs. Smyth (regional SRS commissioner) prevents the department from moving forward in a logical and sytematic fashion."

In a letter to Dwight from Mrs. Smyth dated a few days earlier, she wrote:

"This review (of the first quarter of 1974) revealed that the state agency (DHR) has not taken the necessary action to correct the deficiency which resulted in overpayments for physicians' fees. As of this date, the state agency has not taken corrective action."

According to Conort, the SRS found similar problems in the Medicaid programs of the seven other states in HEW's Southeast region, but he said the other states have now come fully into compliance.

The Welfare Mess—Assistance More Than Money . . . It's Housing, Help for Jobless

Welfare is more than help for an unmarried mother with several children, more than stamps that help the poor—and sometimes the not-so-poor—buy groceries, more than a card that gives free medical and dental care.

Today, public assistance is low-cost housing for the underemployed and the unemployed.

Today, public assistance is compensation for the jobless—men and women who have been solid middle-class citizens for years and now find themselves standing in line waiting for a government check to help keep them going.

Today, public assistance is help for the elderly, seeing to it that they have money, food and a place to live. And it is help for people who are blind and disabled.

Public welfare is so complex and convoluted that Gov. George Busbee says in an interview on the subject: "Please, don't make me look dumb."

There are hundreds of esoteric, specialized assistance programs, but a few affect large segments of the populace:

Public Housing: In Atlanta, more than 52,000 citizens live in public housing—one of every 10 people inside the city limits. Their average monthly rent is $33. About 300 families pay no rent at all.

In Atlanta:

—82 per cent of the public housing residents are black.

—50 per cent of the residents are on welfare.

—50 per cent are children.

—82 per cent of public housing households are headed by women.

—70 per cent of all families living in public housing have an income under $3,000 a year.

—Five years is the average stay in public housing for an Atlanta family.

"People in public housing are nice folks. We have our share of crooks and ignoramuses, but we don't have more than Driud Hills or any place else. There are just as many human disasters among the rich as among the poor, and probably more," says David E. Warner, an Atlanta Housing Authority official.

"The basic philosophy of public housing is that people have to have some place to live, and the whole community benefits if people don't have to live in crummy, run-down shacks," he adds.

What is it like living in public housing?

Welfare caseworker Joan Lardin, who spends much of her time visiting welfare clients in public housing, says some families keep their apartments spotless. But many others do not.

"The smell of some of those places will just slap you in the face during the summer. . . . An aura of grease hangs over the developments. The grease is everywhere, from pork chops, collards and fatback," Miss Lardin says.

"Word gets around when we go into a development and some people try and clean up. Others try and hide liquor bottles and drugs. I don't know why. We have no authority to stop them from using them."

The first public housing project in the United States—Techwood Homes—opened in Atlanta in 1936, and "it's still in good shape," according to Warner.

Nevertheless, since their inception, the public housing programs of America have been mired in controversy.

Trying to build a housing project outside a slum area always touches off a storm of protests.

"A lot of do-gooders who bleed over the condition of the poor people don't want anything to do with them. They'll pray for them, but they don't want them as neighbors a block away. They think poor people are undesirable, which is not true," AHA's Warner says.

While court battles rage and community groups gather to stop dispersal of additional public housing in the Atlanta area, 4,000 families are on a waiting list to get into projects, according to Les Persells, AHA's director.

One example of an attempt to forestall construction of a public housing project: For years, residents around the intersection of Howell Mill and Collier roads in fashionable northside Atlanta banded together to fight rezoning for a shopping center in the area.

But when U.S. District Judge Newell Edenfield released a list of proposed sites for dispersed public housing with the shopping mall corner high on it, opposition to the shopping center faded. In fact, some residents of the area appeared at public hearings to argue in its favor.

A similar fight over public housing is raging in Ansley Park, with some of Atlanta's most widely publicized "liberals" leading the battle against it.

Once a public housing project is built, it immediately becomes a fertile ground for politicians to howl for reform and improvement, often with some justification.

Example: Mayor Maynard Jackson, after a series of rock-throwing incidents in the area of Bankhead Courts, visited the project and declared that "living conditions were intolerable and sickening." He cited filth, rats, eroded grounds, runaway vandalism and buildings in disrepair. He said he believed Bankhead was typical of public housing throughout the city.

Federal officials later admitted that indeed there were serious drainage problems at the Bankhead site—problems that were identified before the project was even built.

AHA officials, however, play down the troubles at Bankhead and other projects.

"There were five to six apartments at most that were too low and had water seepage, but hundreds of others are beautiful, nice and secure," says Warner. "Our public housing is something to be proud of."

Unemployment compensation: In 1973, Georgia workers enjoyed the good times. There were plenty of jobs and not many jobless. The state Department of Labor paid out a total of $30 million in unemployment compensation that year—less than $1 million every week of the year.

"It's still hard to believe," recalls Jack Cox, manager of Labor's Americus office. "Things were rolling along just great less than a year and a half ago. I mean, if anyone had the incentive and wanted a job, then there was hardly a problem to find one."

Then disaster:

In 1974, $84 million in unemployment compensation checks went out from the Labor Department.

By year's end, the checks were rolling out at a $6 million-a-week clip.

By April of this year, the state's 1975 checks had already hit $109 million, more than three times the amount paid in all of 1973.

The jobless rate had hit double digits, more than 10 per cent.

Some are now optimistic: "We are finally beginning to see an economic shoreline through what has been the gloom-fog of this crisis," says Gov. Busbee.

Others aren't so sure: "I'm no soothsayer. The record of economic forecasting over the last several years has been so bad, I don't care to get into it. If someone else chooses to, that's fine," says John Dunlop, secretary of the U.S. Labor Department.

The first bill Gov. Bushee signed into law extends jobless benefits to those whose time on the Labor Department's dole roll is running out.

A Georgian without work can now draw a maximum of $70 a week for 26 weeks with a possibility of three 13-week extensions. On July 1, the weekly maximum unemployment check goes to $90.

"If you don't think the computer has gone crazy trying to answer requests for all these things, then you must be crazy," sighs a Labor official.

Like welfare workers, Labor Department officials have found themselves suddenly overwhelmed by ever-changing and expanding regulations, work loads that are impossible to cope with and cries of anguish from the unemployed about the snail's pace of processing jobless claims.

In the first week of May, 4 the state paid jobless claims to nearly 126,000 Georgians.

"I never thought I'd be out of work this long. I thought I'd get my old job back, but I didn't. I didn't get anything. And I'm looking too," said an unemployed white-collar worker in the jobless line on Marietta Street.

Angry demonstrators, led by self-avowed communist Ron Carter, recently marched on the office of Labor Commissioner Sam Caldwell. They chanted:

"They say 'de-lay'
"We say, 'No Way.' . . .
"There's only one way,
"Gotta make the state pay."

Supplemental Security Income: SSI means financial aid to the aged, blind and disabled.

Example: Mrs. Lisa Groer, 69, who worked for 38 years as a maid in New York, suffered a stroke and had to retire. Mrs. Groer (not her real name) moved to Atlanta about 18 months ago after her sister had invited her to come south.

Once here, Mrs. Groer found that her sister expected her to pay half the rent and shop for her own food, even though she's partially paralyzed.

The sister also complained about Mrs. Groer's kitchen habits and physically abused her.

"She didn't have the right food. She didn't have enough food. It was terrible. She was an absolute nervous wreck," said caseworker Susan Knox.

Miss Knox got Mrs. Groer into an apartment in Perry Homes which she keeps spotless. Economic Opportunity Atlanta helped get her some furniture. She draws monthly SSI benefits of $65.50 plus $78.50 in regular Social Security, giving her a total monthly income of $144.

"I am just doing fine," smiles the old lady. "And I'm just praying so much for you all for being so good to me. I hate to worry anybody."

SSI is the least controversial of all the nation's welfare programs. Almost no one objects to aid to the old and crippled.

"We're fairly clear about the deserving poor—like old folk, blind and otherwise crippled," says acting Department of Human Resources Commissioner Jim Parham.

But like the other public assistance programs, SSI is a huge ball of bureaucratic red tape.

In January 1974, the U.S. Social Security Administration took over administration of SSI from the state and county welfare departments, but:

The state still must process Medicaid and food stamp applications for SSI recipients.

The state and county still must provide caseworker help for SSI.

Mrs. Betty Bellairs, DHR's payments official, says: "If a person qualifies for SSI, he automatically receives Medicaid, but we still have to get information about the person from the Social Security Administration in order to send out Medicaid cards.

"They send us a list of people monthly, a computer printout. But sometimes it is late in arriving, and sometimes it gives incorrect information."

The federal takeover of the SSI program resulted in mass confusion and delays in payments to recipients, according to Mrs. Bellairs. But she said the process is now working smoothly.

However, Social Security officials are not too happy about the way things are going.

Just as in other state programs, the feds have discovered a high rate of error in SSI cases they took over from Georgia.

A Social Security spokesman said a survey revealed 6.2 per cent of Georgia's SSI recipients were ineligible for aid, and another 9.3 per cent were being paid too much.

But Jim Dougherty, the Social Security man, couldn't say how many Georgians had been underpaid.

Nationally, 38,000 checks recently were mailed to SSI recipients to make up for underpayments.

"How many were sent to Georgia, Jim?" Dougherty was asked.

"We should have that in about a week. Only the computer knows, and the computer hasn't spit out a total yet," he said.

Cutback Protests To Go On

(By Alexis Scott Reeves)

Members of the Welfare Mothers' Fightback Committee, a group which recently organized to protest cutbacks in welfare payments, declared Thursday that they would continue to demonstrate "throughout the summer" or until they meet with Gov. George Busbee to prevent further reductions.

"We're fired up and fed up," said Mrs. Phyllis Randolph, chairman of the committee, who is also the mother of five children and receives $103 per month through the Aid to Families with Dependent Children (AFDC) program.

Cuts were made in payments through the AFCDC program this month, and another cut is expected in September if welfare rolls continue to increase, state officials said this week.

According to state officials, the cuts came as a result of an "economic crunch" that is occurring not only in the state's welfare department, but in all departments in state government.

Mrs. Randolph and some 300 other welfare mothers and their children demonstrated in front of the state Capitol for more than two hours Monday to protest this month's cut and any future reductions.

Gov. Busbee did not meet with the group at that time, because neither side could agree to the type of meeting to have. The governor offered to meet with four representatives from the group, but the group wanted Busbee to meet outside with the entire group.

Thursday, a spokesman for Busbee, who is out of the city, said the governor's offer to meet with a representative number from the group still stands.

"The offer still stands to meet with several spokesmen from the group. His (Busbee's) thinking was that a far more rational give-and-take discussion could take place, rather than him addressing the group outside the Capitol," said Duane Riner of the governor's office.

But the welfare mothers were adamant Thursday in their demand to have Busbee speak to the entire group. However, they said the demonstrations would be peaceful and limited to 50 demonstrators every other Wednesday.

"We don't want this (demonstration) to get out of hand, but this is going to be a long, hot summer, and the crowd is very angry," Mrs. Randolph said.

"We want Busbee to come out and talk with the mothers about the cutbacks and tell them something, even if he tells them a lie," she added.

Mrs. Randolph said the second demonstration is scheduled for June 4 at 11 a.m. "We're going to demonstrate from now until September unless Busbee meets with us. We might go to the mansion if necessary."

The Welfare Mess—Needed: Cutbacks, Cold Cash and Birth Control?

"The poor you always have with you . . ."

So wrote the Apostle John, and nearly 2,000 years of history have proved him absolutely correct. At the peak of affluence and prosperity, we still live in a society burdened by a growing segment of people who can't cope.

The welfare people: The impoverished, husbandless mothers, the hungry, the old, the sick, the afflicted, the jobless, the plain poor and the plain lazy.

One of every four Georgians is eligible for welfare. The state tries to help them by funneling $521 million a year to the needy through a gigantic bureaucratic maze—the 24,000-employe Department of Human Resources.

Gov. George Busbee has moved to cut back on the department's budget by removing one layer of the bureaucracy and saving a comparatively piddling $500,000. The annual payroll for state and county welfare administrative personnel now exceeds $47 million.

The federal welfare tab is $30 billion a year and going up. Uncle Sam administers more than 40 welfare programs through numerous departments answerable to 21 committees and subcommittees of the Congress.

Millions of Americans are on the federal dole, but no one in the welfare bureaucracy seems to know exactly how many.

"I don't know where we could go to get a figure like that. You get into so many different agencies, and there's so much overlapping, I am not sure how it could be calculated," says Jim Rooks, a regional official of the U.S. Department of Health, Education and Welfare.

Our foreign allies chuckle at our stumbling efforts to untangle the welfare mess. But what are *they* laughing at?

According to a study by the tax-exempt, non-profit Institute for Socioeconomic Studies of New York, the "welfare states" of northern Europe just aren't working.

"It's no longer worth working. We have had 10 per cent growth in welfare and 5 per cent growth in production. We can't keep that up," said a Danish cabinet minister quoted in the study.

In Sweden, a family of four earning $12,500 a year pays 55 per cent of its income in taxes. The percentage of the growth of the gross national product given to social programs soared 43 per cent in just five years (1965–70), the study found.

Although Scandanavian countries remain proud of their welfare states, tax rebellion has become endemic within them and, in fact, rioting erupted in Danish working communities over new excise taxes imposed last year.

America faces the same kind of problem. "If we keep going at the rate we are now, domestic social programs in 25 years will consume over 50 per cent of the gross national product," says HEW Secretary Caspar Weinberger.

Every bureaucrat and seemingly every politician says he knows what should be done.

For instance, Georgia's congressional delegation is noted for its impassioned pleas before civic clubs for cost-cutting in federal spending programs.

But how do they vote?

The only recent major vote on cutting welfare costs occurred on March 10. President Ford proposed a $912.3 million reduction in HEW's 1975 budget. That proposal was quickly shot down in committee. A compromise cut of $259.4 million was offered on the floor of the House.

Only three Georgia congressmen—John Flynt of Griffin, Dawson Mathis of Albany and W. S. (Bill) Stuckey of Eastman—voted in favor of the cut.

Four Georgians, Reps. Bo Ginn of Millen, Elliott Levitas of Decatur, Andrew Young of Atlanta and Robert Stephens of Athens, voted against reducing spending that included a $2.5 million welfare cut.

Georgia's three other congressmen did not bother to vote. They were Jack Brinkley of Columbus, Larry McDonald of Marietta and Phil Landrum of Jasper.

(In addition to cuts in welfare, it should be noted that the bill would have taken $1.4 million away from the Center for Disease Control and also cut other health services.)

More than one expert on the impoverished believes birth control is the long-term answer to reducing the welfare rolls.

A recent University of Southern California study revealed that 65 per cent of the Georgians polled believed one of the top priorities of the nation's welfare system should be "family planning," i.e., birth control.

But talk of mandatory birth control and sterilization of the poor or retarded often generates fear of government control over the rights and morals of individuals.

In 1973, Dr. Clovis H. Pierce of Aiken County, S.C., issued an ultimatum to a welfare recipient that she would have to submit to sterilization if she expected him to deliver her fifth baby.

Dr. Pierce was immediately disqualified by the federal government from participating in any further Medicaid programs.

The U.S. Department of Justice, the South Carolina Medical Association and the South Carolina Social Services Department announced investigations of welfare obstetric treatment in Aiken County.

A single, small group calling itself the Silent Majority came to the defense of Dr. Pierce. "People like her (the mother) should not have any more babies if the taxpayers have to pay for them," said William R. Bland, an Aiken druggist who headed the Silent Majority.

Federal regulations permit a mentally competent welfare mother of 21 or older to be sterilized voluntarily, provided two physicians certify she fully understands the procedure and its objective.

However, a retarded man or woman cannot be sterilized under the Medicaid program even if the parents or guardians request the procedure.

"I am aware of the inconsistencies and lack of logic in this policy. It was national publicity about a couple of situations that occurred. HEW totally overreacted," says Georgia Medicaid official Tom Smith.

Ask Georgia's leading politicians what they think of mandatory birth control as a means of cutting the welfare burden on their constituents.

Sen. Herman Talmadge: "I don't think I would go for that—to say that a man can't procreate species simply because he is on welfare."

Sen. Sam Nunn: "I am certainly not prepared to recommend that step. That is a dramatic government intervention in what I think is a very sacred freedom in this country. I do believe that people who bear these children, to the extent of their capabilities, must be made to pay the bills rather than shifting the burden to the taxpayer."

In Montgomery, Ala., two young girls, aged 12 and 14, (one was mentally retarded) were sterilized after their illiterate mother signed an X on a surgical consent form. She claimed later in litigation she thought she only had authorized the girls to get some shots.

At the time, then-Rep. Julian Bond of Atlanta said the sterilizations smacked of a philosophy "whose only precedent is Nazi Germany."

But there's more to welfare reform than talk of population control.

HEW Secretary Weinberger believes a top-to-bottom overhaul in the whole welfare concept is in order.

He would junk all our present major welfare programs.

Then, says Weinberger, "In the place of those and hopefully some others later, we would substitute a single, simple cash grant program that is based entirely on the need of the person, measured by his income and his assets. The whole thing would be undergirded by a strong work requirement for people able to work."

Starting cost of Weinberger's giveaway program would be about $3 billion higher than present public assistance programs.

"But the thing you have to look at is the projection trendline of the existing program," Weinberger argues, "plus all of the new things the Congress thinks it has to adopt because we don't have the kinds of public assistance programs that benefit all the people who most need it."

The HEW secretary said the new plan is not like the guaranteed income proposal pushed in 1972 by Sen. George McGovern, then running for president.

"The program that we have is a program that is based entirely on need," Weinberger says. "The McGovern program (would have given) dollars to everybody."

However, the HEW chief concedes the cash grant approach would be a type of negative income tax. "Everybody who earns below an amount would get a graduated public assistance until he was brought up to that point. Anything above that, he would have to pay taxes."

It would be up to Congress to set the dividing line, he adds. For a family of four, "We were talking about $3,600 or $3,800 last year. Cost of living has gone up. I don't know what they (Congress) would do."

Indeed, there are several roadblocks that stand between the plan and implementation. One, potentially, is President Ford. Weinberger said Ford would not allow the plan to be submitted to Congress this year because of the presidential decree for no more new spending programs, except for energy conservation and development.

"I am very hopeful that the President will want to submit it as he plans to submit our other program, the national health insurance, next year. But that is entirely up to him," Weinberger says.

Since Ford plans to seek election to a four-year term next year, the political decisions on the cash grant program will be significant.

Even if it is proposed with the full backing of the administration next year, the independent, Democratic Congress—also mindful of the presidential election and, for many members, their own—would certainly move carefully before adopting such a fundamental change in government policy.

Sen. Talmadge is chairman of the powerful Senate Agriculture Committee and author of legislation that got the food stamp program rolling.

What would he do to turn around the welfare problem?

Talmadge favors tax incentives to businesses that will hire persons off the welfare rolls. This would save taxpayers' money, he says.

"I have tried to help the purely needy, and I am going to continue to do that. I have no quarrel with a disabled woman that can't support herself. As long as I am in the Senate, I am going to try to help provide. What my quarrel is—some able-bodied individuals who could do for themselves, but what they want is for the government to do for them."

Talmadge takes credit for the "WIN" program (standing for Work Incentive), passed in 1971, which forces able-bodied welfare recipients to register for job training and employment.

The program is costing Georgia some $7 million this year, but has had little impact: In its first two years, WIN got jobs for only 3,423 Georgians.

Bill Jamieson, a Human Resources aide, calls WIN results "pretty dismal." He noted that the sagging economy "makes it hard to get anybody jobs." And he added, there has been little cooperation between HEW and DHR on cranking WIN up.

One member of the Georgia delegation, Sen. Sam Nunn—who ran for election on a "Get Tough in Washington" platform—has gotten tough with papas who run away from the responsibility of supporting their offspring.

Nunn helped win passage of Sen. Russell Long's bill, effective July 1, which allows the feds to chase down fleeing fathers and make them pay child support.

But what would Get-Tough Sam do about the total welfare mess?

"Unless welfare reform becomes an issue in the next election, I don't see much hope of getting anything done. . . . I think you have to have the president of the United States begin an all-out program on that. . . . Since I've been up here, I haven't seen the subject brought up by HEW or the President in any big way. . . . As far as an individual congressman or senator being able to change

the whole welfare system, it won't happen. You can't do it."

* * * * *

There is evidence welfare reform may emerge as a major issue in next year's election.

President Ford has already called for massive cuts in welfare programs and denounced the Democratic Congress for failing to follow his recommendations.

Democratic presidential hopeful Sam Lloyd Bentsen of Texas participated in an exhaustive study by a congressional panel last year on "Income Security for Americans and Public Welfare."

At the conclusion of the study, Sen. Bentsen noted: "I agree that a major overhaul of these (welfare) programs is long overdue. I do, however, reserve judgment on the subcommittee's recommendations for welfare reform.

"In my view, there are serious policy questions involved in a universal coverage cash program funded and administered by the federal government. . . ."

Sen. Henry M. (Scoop) Jackson of Washington, a candidate who has spent most of his time plugging for more defense spending, has also called for welfare reform, as has Alabama Gov. George Wallace.

The most vocal candidate on the subject thus far, however, has been former Georgia Gov. Jimmy Carter.

Says Carter: "Despite what the people in Washington would apparently have us believe, the problem is not with workers at the state and local level. The problem is right there under their noses in Washington.

"I can tell you from direct personal experience that nobody on the face of the earth could make the present welfare system work fairly and effectively.

"We now have about two million employes trying to administer . . . to about 12 million chronic recipients. The programs are confused, overlapping and uncoordinated. The rules and regulations are unbelievably complex and rapidly changing."

Carter proposes a mass simplification and consolidation of welfare programs that would include strong job incentives. However, Carter's proposal does not include specifics.

Acting DHR Commissioner Jim Parham: "Nobody is very clear as to what the answer is. I think the answer will eventually be to go into a national program that will guarantee the citizens a minimum level of living, and leaving everybody free to move forward from that.

"Right now the minimum level for this country is right at zero. Nobody can survive on zero. If you don't happen to fall into a particular category (such as being old, disabled, or an impoverished mother without support) then you just fall through the cracks.

"For instance, there's hardly anything for people from age 18 to 64 who have no income or are unemployed. One of the common cases around here is that someone will come up to me and say, 'Jim, there's this 64-year-old woman who doesn't have any Social Security. She can't work, and her husband is dead.' Well, there's nothing I can do until she is 65."

What is welfare? It depends on who you talk to and whom you are talking about.

REPORTER.—"What about the people who are out there busting their tails picking up the tax bill? Is there no consideration for them?"

PARHAM.—"You don't think they get assistance from the government? We are all beneficiaries. For example, when I claim the interest on my house mortgage payments, the people who rent can't deduct their rent. That is to me. And it is set up as public policy as a benefit . . .

"The country has said that if you have certain economic circumstances, you have a right to certain assistance. It's not to be a moral judgment on my part, as to whether a person is a good person, and raises his kids like I think he should. It is not a moral question."

In 1952, the state welfare budget was $4.1 million. In 1952, it was up to $15.4 million. In 1962, $22.4 million. In 1972, it zoomed to $85.9 million.

In fiscal 1975, the state's welfare budget has soared to $138.8 million. But keep in mind, that is only the state's share (representing more than 8 cents of every dollar you pay in state taxes). The federal government threw another $414.8 million into the Georgia welfare kitty.

Nearly 10 cents of every federal tax dollar goes for welfare payments and administration. And that figure will continue to grow and grow even if no new programs are instituted.

In view of the growing demand for more help for the needy in a depressed economy, the question is: How do we provide that help without bankrupting the taxpayer and the economy?

"We've got a totally uncoordinated inequitable system. We have got to do something new, says Weinberger.

WHAT YOU ARE SAYING

Georgia's Congressional delegation is short on ideas for substantial alteration of the welfare mess—but their constituents have flooded The Atlanta Constitution newsroom with phone calls and letters demanding that something be done. And a few have their own suggestions. Here are excerpts from some of the letters.

". . . I think it is high time that someone had the guts to check into this mess and call the cards as they are . . . but then what is not in a similar mess as long as it comes out of Washington? I hate to think of what it will be during the next several years.—Fred S. Crumbley, McDonough.

"Solutions?

Erase the stigma of welfare—let every adult file a simplified income tax return, with advantages for the rich removed, and essential aid given on this basis.

Stop making it necessary for a low-income father to leave home in order for his family to survive. This is one of the biggest causes of illegitimacy.

Recognize and reward initiative. Study means of changing the system and the peoples' attitudes that now encourage dependency.

Provide adequate services to reach the disfunctional through public health, mental health, vocational rehabilitation as well as . . . by trained and dedicated personnel. These people can and do help the disadvantaged to function to the best of their ability, but are desperately understaffed, undertrained, bogged down with red tape and lacking in basic research as to the most efficient means of fighting welfareitis.

Money spent here is the money that can save money—the way out of the welfare mess."—Susanne Dabney, DeKalb County.

"As a working mother with two children, I am unable to join mothers on welfare payment in their march for increased benefits. They speak loudly of their poor starving children, but all the women look extremely well nourished. I would suggest that they take a little food out of their mouths and put it in their children's stomachs."—Name Withheld.

"It might sound a little radical, but I believe mandatory sterilization in the case of some of these so-called welfare mothers would cut back our welfare rolls considerably . . ."—P. T. Morten, Clarkston.

"We are having one hell of time with welfare here in Toombs County. My husband has not worked since January, and I can't work because of a little girl with a birth defect. But we have applied for help from our AFDC here and was told we could sell our car and truck and the little bit of land we have. But because we have to live with my husband's mother right now, we were told we were ineligible.

But then how do you get out into a house without help?"—Mrs. Jerry Holland, Lyons.

". . . How they expect a mother and her three kids to live on $153 a month is beyond me. It's criminal . . .—R. W. Manderson, College Park.

"Read Leviticus, 19:9th and 10th verses; If enough interested people would do this in all walks of life, each individual (would) help the poor and needy in their area, the government handouts would not be necessary and our people would all be well taken care of and our country would really be a Utopia."—Mrs. C. M. Turner, Carrollton.

". . . Social Security is another subject due for a down-to-earth analysis."—W. L. Kinard, Atlanta.

"I have just finished reading your front page editorial masquerading as a letter to Sen. Talmadge. What you seem to be saying is that you lied to the welfare lady, and then were terribly shocked when she said that you qualified for a small reduction in your grocery bill through food stamps . . ."

"So what else is new? Thank goodness more lying newspaper people don't walk into the welfare offices and take up those nice people's time."—W. M. Eastman, Jonesboro.

"As one of Social Security's front line troops in its share of the Welfare Mess . . . I am fed up with burning the midnight oil for an employer who gave me only 12 weeks of training for a job as complex as that of a full-fledged lawyer, who demands that I be instantly capable after that 12 weeks—with no chance to find my wings slowly—of deciding the fate of American citizens wholly upon my own supposedly magnificent professional strengths without the need of supervision or further training . . ."—Jess Roberts, Greenville, S.C.

"As you know very well, a high percentage of people reading this ("The Welfare Mess") are going to read and remember what they have already believed about it. They will see the cheats and the chiselers and will ignore the part about the people who really need it, whether they can or cannot receive money.

The emphasis among these people is of course how much am I paying out of my hard-earned money? A lot of this screaming is coming from farmers who are receiving thousands of dollars in 'welfare' for not growing crops.—Name Withheld, Americus.

"Why don't some of our congressmen dream up a welfare program that would help the people who really need it—the poor middle class?"—B. L. Forester, Macon.

"The simplest answer, of course, is to reduce the size of the gigantic bureaucracy by creating a simple, direct cash program.

"But this would eliminate millions of civil service jobs and what politician in his right mind would agree to that?

"Besides, who wants to return to a patronage system in which political hacks could be fired willy-nilly?"—H. P. Clugman, Atlanta.

Mr. TALMADGE. Mr. President, when we pass legislation for the ill, the infirm, the halt, the lame, the aged, spending taxpayer's money, no one objects. I think every Member of the U.S. Senate, certainly every member of the Committee on Agriculture and Forestry, wants everyone who is entitled to food stamps to get them, to be certified, and to be certified immediately.

But I think also everyone in this body ought to use reasonable restraint, to exercise reasonable restraint, so that no one who wants to impose on his Government will be eligible to do so.

Under the terms of this amendment every college student in the United States could walk in and be certified for food stamps. To the discredit of our own State, 350 University of Georgia students right now are on the food stamp dole. Some of them have parents who are millionaires.

This would be an invitation to every college student, every member of a commune in the United States, everyone who has utter disregard and contempt for the law, to come in and certify himself and become a recipient of food stamps without any investigation except on his own word.

Mr. President, the people of this country are fed up with people who will not work for a living and are ablebodied. They are fed up with about half the population of this country supporting the other half, sometimes the other half unwilling to work.

No one wants to harm those who are honestly in need. Mr. President, I have seen in my own State two families side by side, one working hard, diligently, trying to eke out an existence for his family, trying to support them by the labor and the sweat of his brow.

Alongside of that same family you will have living another family just across the street with two or three ablebodied people in it and not one of them hitting a lick at the snake. Welfare, food stamps, medicaid, every "give me" program there is, and if you check them all up you will find when you add them all together it will be amazing amount of people who are entitled to draw benefits from their Government without any consideration whatever.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. TALMADGE. I will after I have completed my statement.

Mr. President, I am sympathetic with the problems that this amendment seeks to solve.

But I cannot sympathize with what this amendment actually would do.

No one of us wants to force truly eligible people, really hungry families, to stand in long lines and wait long weeks to get food stamps.

The amendment is designed to end those long waits.

But it also would throw the food stamp program wide open to even more widespread abuse than already exists.

This amendment proposes to allow 212 million Americans to walk in off the street, sign up with their local food stamp offices, and get a month's subsidized food.

It would be awfully tempting for a large number of people. And because of the administrative complexities built into the present program, it would result in unintentional abuse by a huge number of well-intentioned people.

Mr. President, the food stamp program has grown enormously in the past several months. This rapid growth is, as I understand the reasons of the sponsors, generally responsible for the long lines and long waits that stimulated this amendment.

Nearly 20 million Americans are receiving food stamps today. They get monthly food subsidies ranging from $18 per family each month all the way up to $300 for a large family with no income.

The cost of this program is running at an annual rate of more than $6 billion.

This is $6 billion in a Federal budget that is more than $60 billion out of balance.

We have to be looking for ways to trim Federal spending in ways that will not hurt the legitimately needy, not for gimmicks to increase Federal spending in ways that will benefit those who are not in need.

Under Federal court interpretation of existing law, the Secretary of Agriculture has to conduct "outreach" projects to inform people about the availability of food stamps.

This program has taken the form of radio and television commercials and direct mail asking people to come in and apply. In one case called to my attention, a Federal judge earning $42,500 annually, received two letters asking him to come in and apply.

Faced with such invitations, it is only reasonable to conclude that a self-certification procedure will attract enormous numbers of people who will believe they are eligible. We would be writing a blank check for anyone who wanted a month's supply of food stamps. In some cases, people would get several allotments of food stamps simultaneously.

The potentially enormous cost and high rate of abuse that would result from this amendment can be demonstrated from past experience.

Several years ago, the Department of Health, Education, and Welfare tried to institute a self-certification procedure in its program of aid to families with dependent children (AFDC).

The rate of error in self-certification was exorbitant. The Department's own quality-control program found that out. So did the Congress. So did the State administrative agencies. And so, I might add, did the press.

As a result, HEW threw out its experiment at self-certification.

In fact, the Department of Agriculture does have a limited program of self-certification for some food stamp recipients, and it is not working very well either.

Assistant Secretary of Agriculture Richard Feltner, in an appearance before the Committee on Agriculture and Forestry on May 7, told of a self-declaration program for those families who are really destitute, who obviously have so little income that they will qualify.

He told the committee that, in cases of families in the self-certification category:

The error rates involved have been much higher, proportionately much higher, than the error rates for those that go through the regular certification procedure. They are the most error-prone cases of all of our food stamp applicants.

Mr. President, I find that fact significant—"They," meaning the self-certified recipients, "are the most error-prone of all of our food stamp applicants."

Take another case in point—Monmouth County, N.J., where self-certification was tried in 1971. That experiment resulted in an error rate 66-percent higher than that for the rest of the State—and $55,000 in program losses during a 6-month period.

I submit that we should not be inviting more error, more fraud, in a program that already is rife with problems.

The concept of the food stamp program is a good one. It makes a decent diet available to those, who through no fault of their own, cannot afford it. This concept means a stronger economy for our country, and equity for the food stamp recipient.

But if we continue to open gaping loopholes in the law, if we encourage additional fraud and abuse, this program will lose whatever public support it enjoys.

And if its public support should evaporate, as it is fast doing, the heavy losers will not be the fraudulent recipients and the middle-income workers who have become recently eligible.

The biggest losers will be the poor, the unemployed, the hungry. I think the advocates of this amendment should stop and think about that for a moment.

It is unfortunate that the sponsors of this amendment chose to add such a controversial proposal to a "must bill." The committee bill is necessary to prevent 1.5 million elderly people from being thrown off the food stamp rolls on July 1.

The administration has expressed strong opposition to the self-certification amendment. President Ford, will, in the interest of responsible government, have to veto any bill that includes self-certification. I hope that the 1.5 million older Americans who lose their food stamps at the end of this month will write and call the authors of this irresponsible amendment.

This amendment, if it ever had merit, would have been more appropriate 3 or 4 months ago when the lines were long, the wait for certification endless, for many applicants.

But the rate of unemployment is slowing, and the rate of increase in food stamp applications has abated.

The time for this amendment, if there ever was one, is behind us. It has not had the benefit of public hearings. It has not been thoroughly discussed. It was rejected in the Committee on Agriculture and Forestry.

The committee has pledged to hold a thorough review of the overall food stamp program. Within a few days, we expect to have a detailed analysis from the Department of Agriculture, complete with recommendations for legislative actions which would make this program a better program—to refocus its aim on the people among us who really need it.

I would hope that the advocates of this amendment would submit it to the hear-

ing process along with our overall consideration of changes in the food stamp program.

That would be the proper time to offer this amendment. The Senate floor is not the place for this amendment, and this is not the time.

I urge that it be rejected.

Mr. CURTIS. I thank my chairman for yielding.

Is it not true that under the food stamp program families that are very, very poor, without income, receive food stamps at no cost?

Mr. TALMADGE. That is correct.

Mr. CURTIS. From there on if they are eligible it is on a sliding scale?

Mr. TALMADGE. Graduated basis; the Senator is correct.

Mr. CURTIS. I am informed by the Department that for those families which are in destitute circumstances to the extent that they would be eligible for stamps at no cost there already is a procedure now for immediate certification of that family.

Mr. TALMADGE. Everyone who is on public welfare can be immediately certified without any delay.

Mr. CURTIS. Yes. So this amendment, if it goes over and is not adopted but is considered at a time when general food stamp legislation is considered by the Committee on Agriculture, such action will not deprive the extremely poor people of the benefit of food stamps.

Mr. TALMADGE. The Senator is eminently correct. The bill the Senator from Alabama (Mr. ALLEN) is managing today that was reported unanimously by your committee guarantees all SSI recipients continue to get food stamps.

Mr. CURTIS. I thank my colleague.

Mr. TALMADGE. I yield to the Senator from Arizona.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. ALLEN. Does the Senator desire recognition in his own right or does he wish to propound a question?

Mr. GOLDWATER. I seek recognition in my own right.

The PRESIDING OFFICER. Is the Senator from Alabama yielding on the bill or on the amendment?

Mr. ALLEN. I yield 4 minutes on the bill to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am glad the Senator from Georgia put the advertisement in the RECORD, something that I had proposed and thought of doing myself. But this is one of the most damning things I have ever come across.

The Senator from Georgia has raised a very legitimate question. How long can half the people support the other half? Is there not a point that we reach someplace in every economy when so many people cannot support so many other people? I suggest, Mr. President, that we are fast getting to that point. As a taxpayer, I do not mind my tax money being used for legitimate purposes, including the proper use of food stamps. But I am getting sick and tired of things like those reported in this ad:

Taxpayer making up to $16,000 a year is now eligible.

Workers who are laid off or on strike can collect food stamps.

The elderly can use food stamps to pay for home delivered meals-on-wheels and for group meals for the elderly.

Working families with gross incomes as high as $16,000 a year can qualify for food stamps.

Several people living in the same house can all separately receive food stamps.

When your income and resources are being calculated to see if you qualify, your house, lot, one car, your personal belongings and household goods, cash value of your insurance policy, income producing property, and boarders are not counted as resources.

When calculating your income, money from a student under 18, irregular income from part-time jobs totaling less than $30 a month, and money from loans is not counted as income.

Mr. President, here is a typical working family that this advertisement lists.

Here's an example of a typical family that qualifies for food stamps. Mr. Seagel grosses $192 a week, $10,000 a year. Mr. Seagel does not work and has a boy, age 5, and a girl, age 10. Mr. Seagel pays $150 per month alimony and child support to his previous wife, has a rent of $130, $8 for phone, $50 for heat and utilities, $35 a month for hospital insurance, and spends $15 a month on allergy medicine.

After making all the necessary deductions outlined in the 1975 Food Stamp Qualification Guide, it was found that the Seagels would receive $150 worth of food stamps for only $113 a month. They'd saved $37 dollars a month. A total of $444 on groceries for the year.

Now, Mr. President, I participated in a debate last week on military authorizations, and I was constantly amused—yes, amused almost to the point of laughter—when colleagues of mine would stand up and say the state of the economy is a thing that bothers them; the value of our dollar bothers them, implying that what we spend on the military is slowly destroying our dollar.

Mr. President, what is slowly destroying our dollar and is destroying our economy and increasing more and more inflation is exactly what we have been doing under the food stamp program and, Mr. President, instead of amending it I wish we had the courage in this body to stand up and say let us get rid of the whole thing and let us start over. To me——

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. GOLDWATER. I could not hear the Chair.

Mr. TALMADGE. I give the Senator 2 more minutes.

The PRESIDING OFFICER. The Senator is given 2 more minutes.

Mr. GOLDWATER. I thank the Chair.

The American people are fed up with this, and I think they are going to speak at the next election. As a Republican maybe I ought to be happy about that, but I am not because I think the end of our country is in sight because we have been wasting, giving away, losing billions of dollars every year on plain giveaway programs to foreign countries and to our own people, people who will not work. People who cannot work, we will help those people. But to the man who will not work I do not think we owe him a dime, and I think it is time that the collective courage in this Congress be called on to begin stopping the crazy welfare state that we have gotten this country into.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. I yield myself 4 minutes on the bill.

Mr. President, I appreciate the comments of the distinguished Senator from Arizona and the distinguished Senator from Nebraska and, of course, the statement of the distinguished Senator from Georgia. They all focus on a very central problem in the food stamp program. But that is not the issue in this amendment. It is not a question of 200 million people walking off the street and certifying themselves for food stamps. As the Senator from Georgia indicated, anyone on welfare is automatically eligible now. As I indicated earlier, if you have zero income you are certified immediately, but if you have $5 above zero income, after taking into account certain deductions, then you are not immediately eligible; you have to wait for 1 week, 2 months, or 3 months in some cases for certification.

The Senator from Kansas does not believe a single Senator in this body wants anyone who should not be on the food stamp rolls to become eligible. But on the other hand, I have the same feeling that everyone in this body wants those who are eligible, those who are in need, those who have families, to receive that assistance as quickly as possible.

Let me suggest and let me emphasize, as I have before, the amendment we are considering today in no way expands the number of people eligible for food stamp assistance. It simply mandates reform in the certification process to assure truly needy persons receive prompt assistance without waiting for weeks to qualify.

No doubt some guidelines as far as qualifications are concerned are needed. The Senator from Kansas was just as disturbed and frustrated with the item in Sunday's Parade as was the Senator from Arizona and the Senator from Georgia. That is not the problem here. That is not the issue and I hope it is not made the issue.

I would repeat that the USDA study is about to be completed. There will be hearings in the committee, and, hopefully there will be reforms made.

Mr. President, I ask unanimous consent at this point to have printed in the RECORD a copy of the food stamp application form. The Senator from Kansas is not certain how many Senators have read the application form, but in that application there is a certification. The certification requires that those answers be true and correct, that certification sets forth the penalties which, as I said earlier, are a $10,000 fine and up to 5 years in jail.

There being no objection, the application was ordered to be printed in the RECORD, as follows:

APPLICATION FOR PARTICIPATION IN FOOD STAMP PROGRAM

1. Name of head of household (Last, First, Middle).
2. Date.
3. Case number (Worker completion only).
4. Telephone number (Home and Business).
5. Mailing address (Number, Street, Route Number—City, County, State, Zip Code).
6. Address where residing (If different from above) (Number, Street, Route Number—City, County, State, Zip Code).
7. Directions to home (Worker completion only).
8. Give the following information for all persons living in your household, except roomers, boarders or persons who provide nursing care, housekeeping service, or child care. List these exceptions in No. 9. (List any additional members on a separate sheet and attach).
Name (Last, First, Middle).
Birthdate.
Age.
Relationship to Head of Household (son, wife, mother-in-law, etc.). If unrelated, enter "None."
Citizen or Alien Status (1–2–3–4 below left).
Employment Status (A–B–C–D–E–F–G–H below right).
Form FNS–284 completed for each member marked "H." Yes; no.
Citizen and alien status:
1. U.S. Citizen.
2. Permanent Alien..
3. Temporary Alien.
4. None of the Above.
Employment status codes:
A. Mother or other household member with responsibility for care of sick or disabled or dependent children under 18.
B. Students enrolled at least half time in a school or training program.
C. Persons working at least 30 hours per week.
D. Persons unable to work for mental or physical health reasons.
E. Persons self-employed on a full-time basis.
F. Under 18 years of age.
G. Over 65 years of age.
H. Available for employment (Such person must complete Form FNS–184, Work Registration, before eligibility for Food Stamps can be established).
9. A. Do any of the persons living in the home pay for board, room or both? Yes; no.
If yes, give this information:
Name (Last, First, Middle).
Room; board; both.
Amount paid.
How often? Weekly; monthly; Other.
9B. Does any member live in the home to provide nursing care, housekeeping services, or care for children so that you or other members of the household can work? Yes; no.
If "Yes," give this person's name.
9C. Do any other persons live in the home? If so, give names and status—for example, do they share the home or rent? Do they live as a separate household unit? Explain fully.
10. Do you have a place to prepare cooked meals where you live? Yes; no.
11A. Are you or your spouse unable to prepare meals because of health problems? Yes; no.
If "Yes," do you receive meals from either:
A. Meals on wheels program? Yes; no.
B. A communal dining facility? Yes; no.
11B. Are you, or any member of the household, a member of a drug addict or alcoholic rehabilitation treatment center? Yes; no.
If "Yes," give the name.
Do you participate on a resident or non-resident basis?
12. School or training program. Give the following information for persons listed under item 8 as students (B).
Name of household member (Last, First, Middle).
Name of School or Training Program.
Number of hours attending each week.
13A. RESOURCES. Resources include cash on hand, money in checking or savings accounts, (including credit unions) stocks, bonds and other items which can be easily changed into cash, as well as real property, buildings, and personal property (such as campers, snowmobiles, boats, motors, etc.). Do not include your home, personal items (clothing, books, etc.) household goods, or one licensed automobile.
Name of person who owns the resource. (Last, First, Middle).
Type of Resource.
Value.
Amount you owe on resource.
13B. Money-Making Resources. List all resources used to produce income such as rented property, real estate or personal property, etc. If none, write "NONE."
Name of person who owns the resource. (Last, First, Middle).
Type of Resource.
Value.
Amount you owe on resource.
Monthly Income.
14. Income (List all income from all sources). Income includes, but is not limited to: public or general assistance (welfare) payments, supplemental security income, social security or railroad retirement benefits; vacation pay; unemployment compensation; strike benefits; cash gifts, awards and prizes; scholarships and educational loans, dividends and interest; earnings from employment or training, including free housing provided by your employer; foster care payments; annuities and pension; and alimony. If none write "None."
Name (Last, First, Middle).
Age.
Source of income (Name of agency, firm, employer).
Gross amount.
How often?
Weekly, every 2 weeks, twice monthly, monthly.
Deductions (from earned income).
Taxes: List separately.
1. Federal.
2. State.
3. City.
Social security.
Other (Union Dues, Retirement, etc.).
NOTE. Wage stubs or other documents which can be used to verify the amount of income from employment and mandatory deductions or income from other source, must be attached or made available upon request.
If any member of the household has income from self-employment or farm operations, a supplemental form must be filed. The food stamp office will, upon request, provide you with a form to be used to report this income.
15. Expenses:
Give the following information about your household expenses.
These expenses are only those that you actually pay. Expenses paid by another person or source are to be included.
Important: This will enable us to give full credit for all allowable expenses.
How often expenses are paid:
Amount.
Weekly, every 2 weeks, twice monthly, monthly.
Number of months to be paid (if less than 12).
A. Shelter:
1. Rent or mortgage payment on home.
2. Utilities (if not included in rent).
(a) Heating and cooking fuel.
(b) Electricity.
(c) Telephone (basic charge for one).
(d) Water.
(e) Sewage disposal fees.
3. Taxes and assessments—(Yearly payments).
(a) Real estate taxes on home.
(b) Special assessments (if required by law).
B. Medical:
1. Physician and dental services.
2. Hospital or nursing care.
3. Health insurance and medicare.
4. Prescription drugs.
5. Other (specify).
C. Unusual:
1. Replacement or repair of property damaged or lost through vandalism, fire, theft, flood, storm, etc.
Explain:
2. Funeral expenses paid by a member of the household.
Explain:
D. Other:
1. Payments for the care of a child or another person when necessary for a household member to work outside of the home.
2. Tuition and mandatory fees for education (Do not include cost of books or materials).
(a) When paid?
(b) For whom paid?
(c) To whom paid?
(d) Period covered by payments:
From
To
E. Does someone who is not a member of the household pay for any of these or other expenses? Yes; no. If yes, give the following information:
Name of person (Last, First, Middle).
Type of expense.
Amount paid.
16. Do you expect any change in your household circumstances—income, resources, living arrangement or other circumstance addressed above—in the near future? Yes; no.
If "Yes," explain in detail.
17. Certification:
I certify that this application has been examined by me (or read to me) and that the information given is true and correct to the best of my knowledge and belief. I agree to provide the county food stamp office information necessary to verify any statements given in this application and hereby give permission to obtain such verification. I will also cooperate fully with state and federal personnel in a quality control review.
I agree to inform the county food stamp office promptly (within 10 days) of changes in income and/or deductions of more than $25.00 per month, resources, living arrangements or other information which I have given since such changes may affect eligibility to purchase food coupons or the amount to be paid for them.
I understand that when I plan to move to another county participating in the food stamp program, it may be possible for me to purchase food coupons in the other county without making application immediately, PROVIDED that I report the move to the food stamp office in the county from which I am moving.
Nondiscrimination: This application will be considered without regard to race, color, religious creed, national origin, or political beliefs.
I understand that I have a right to a hearing if I am not satisfied with the action taken on my application by the food stamp office.
Before you sign your name go back and check to see that each item that applies to your household has been answered accurately.

Penalties for fraud: The state and federal law provides penalties including a fine, imprisonment or both for persons found guilty of obtaining food stamps for which they are not eligible by making false statements; or

Failing to report promptly any changes in their circumstances. If evidence indicates that such individuals have willfully violated the law, they will be referred to the proper law enforcement authority for investigation and possible prosecution.

Anyone who aids another person to obtain food stamps fraudulently is subject to the same penalties.

Signature (Head of Household or Spouse), date.

Signature (Authorized Representative), date.

If Signed by "X":

1. Signature of Witness, date.
2. Signature of Witness, date.

Signature of person (if any, helping to complete form), date.

Address.

If you would like to have someone else purchase your coupons for you, give his name and address.

FOOD STAMP APPLICATION WORKSHEET

Case name.
Case number.
Address.
Number in household.
Type of household: PA; NA.
I. Resources:
1. Liquid Resources.
2. Non-Liquid Resources. (Do not list excludable resources).
3. Total Resources for FS.
4. Allowable Resources for Household Size and Composition (consider age of members).
5. Eligible based on resources? Yes; No.
II. Income:
A. Monthly Earned Income from Employment.
1. Gross Salaries, Wages, Training Allowances: (Monthly. Do not include earnings of child attending school, or other excludable income.)
2. Less 10 percent of Line 1: (Not to exceed $30 per month).
3. Total earned income (Line 1 minus Line 2).
4. Less Mandatory Deductions.
5. Adjusted Earned Income.
B. Other Monthly Income:
1. Boarded Payments.
2. Less Coupon Allowance (Monthly one-person allotment.)
3. Total Boarder Income (Line 1—2).
4. Roomer Payments.
5. Self-employment Income (Monthly as prorated.) Includes Farm.
6. Student Loans, Grants, Scholarships (Prorated Monthly).
7. PA Grant, Social Security, SSI, Railroad Retirement, Pension.
8. Other Income.
9. Total Other Income.
C. Total Food Stamp Income (Line A5 plus Line B9):
D. Deductions from Income:
1. Live-in Attendant (child care or medical).
2. Plus Coupon Allowance (Monthly one-person allotment).
3. Medical (only if over $10 per month).
4. Child care.
5. Mandatory Education Expenses.
6. Support or Alimony.
7. Unusual Expenses (requires supervisory approval below).
8. Total Deductions Other Than Shelter.
E. Shelter Adjustment:
1. Food Stamp Income before Shelter Adjustment (from Line C).
2. Deductions (from Line D8).
3. Net Food Stamp Income.
4. Total Shelter Cost (include utilities, etc.).
5. Less shelter standard (use table or 30% of Line E3).
6. Shelter Deduction, if any.
7. Net Food Stamp Income (from Line E3).
8. Less Shelter Adjustment (from Line E6).
9. Adjusted net food stamp income.
III. Eligibility determination:
A. Allowable income for household size.
B. Adjusted net food stamp income (*from Line II E9*).
Certification period: From ——— to ———.
C. Eligible for food stamps on the basis of resources and income? Yes; no.
D. Frequence of issuance: monthly; semi-monthly.
E. PAW option: Yes; no.
Purchase requirements.
Total coupons.
Certified by:
Signature.
Date.
Approval for unusual expenses by:
Supervisor.
Date.

Mr. DOLE. The Senator from Kansas would again say, yes, there is a great error in the food stamp program, 18 to 23 percent, but the rate of fraud is .08, not .8, but .08 of 1 percent—800 people out of every million applications.

It seems this is an area that needs permanent attention.

Mr. NUNN. Will the Senator yield for a question?

How many cases of fraud have been successfully prosecuted under the program?

Mr. DOLE. I do not know how many. I think the Senator from Kansas asked that same question of the USDA when we were working on our resolution.

Mr. NUNN. Does the Senator really believe there will be fraud prosecutions under a self-certification program with complex rules to determine eligibility? Does the Senator really believe there will be any fraud prosecutions under the Senator's amendment?

Mr. DOLE. Well, one of the questions posed to the Department of Agriculture, and I will read the question first:

What is the extent of USDA prosecutions for food stamp fraud?

The answer was that during fiscal year 1974, we established claims against 17,480 recipients for bonus coupons received in excess of entitlement.

The total amount of 17,480, $3 million, for the first two quarters of fiscal year 1975, 13,000-some fraudulent applications, amount to about $2 million.

So there has been fraud. There is fraud under the present certification program.

Mr. NUNN. Does that state how much was returned, of how many people, by reason of the fraud?

The PRESIDING OFFICER (Mr. HATHAWAY). The Senator's time has expired.

Mr. DOLE. It amounts to about one-half million dollars, and that is about one-half of the amount fraudulently collected.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. DOLE. The Senator from Kansas yields himself 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. DOLE. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial from the Wichita Eagle in support of the amendment, also the maximum allowable monthly income standards for food stamp eligibility, and also an editorial which appeared in this morning's Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wichita Eagle and Beacon, May 10, 1975]

SOME NEEDED HELP

In a move that will deliver more pain to many Americans already suffering the agonies of poverty, the Senate Agriculture Committee has rejected a plan to authorize immediate approval of most food stamp applications filed by needy people.

The proposal, designed by Sen. Bob Dole, R-Kan., was that applicants be allowed to get stamps temporarily until local officials had time to check their qualifications. It would have eliminated the existing 30-day waiting period used for officials to verify applicant incomes and assets.

The harsh truth of the matter is that few persons who find themselves in need of food stamps are prepared financially to feed themselves and their families for 30 days.

One opposing contention was that immediate approval of applications would invite fraud but as Dole pointed out the law already contains penalties including fines and jail terms for fraud.

If the Senate wants to improve the food stamp program it might tighten the eligibility requirements and insist the law be carried out to the letter.

Indications are the stamps are being issued to others than those who desperately need them.

The 1964 legislation authorized $75 million in appropriations for the federal food assistance program during fiscal year 1965.

In 1974, the program had mushroomed to a $4-billion-a-year operation serving about 18 million persons.

A major problem is that the Department of Agriculture has been too liberal in its eligibility requirements which allow 25 per cent of the population to qualify for food assistance.

One estimate is that the stamp program could reach a cost of $18 billion a year if every American meeting eligibility requirements took advantage of it.

And a recent audit showed overpayments to recipients added up to 23.3 per cent.

Action should be taken to cut off food stamps to persons who do not actually need them but those persons in real need should not be punished with the almost inhumane 30-day waiting period.

Dole promises to offer his immediate stamp plan again when the bill to which it was originally attached reaches the Senate floor. It deserves approval.

I. Maximum Allowable Monthly Income Standards:

48 States and District of Columbia

1	$194
2	280
3	406
4	513
5	606
6	700
7	793
8	886
Each additional member	+73

Deductions are allowed only for:
Work related expenses up to a maximum of $30 a month.
Shelter costs over 30% of the household's income.
Taxes.
Medical expenses over $10.
Child care if necessary to work.
Disaster expenses.
Tuition (not living expenses).
Alimony.

PLUS

II. A household can have a maximum of $1,500 in assets excluding: house (plus lot), one car, and income producing property.

III. Those households that qualify receive the following allotments (for which they pay according to their income):

Monthly Coupon Allotments

48 States and District of Columbia

Household size:	
1	$46
2	84
3	122
4	154
5	182
6	210
7	233
8	266
Each additional person	+22

[From the Washington Post, June 10, 1975]

SPEEDING THE FOOD STAMP PROCESS

When it became clear several months ago that the recession would cause the number of Americans using food stamps to swell to an unprecedented 20 million, simple logic would have suggested that the government ought to take measures to speed the rate at which new applications were being handled. Instead, the same cumbersome procedures that had been criticized in the past remained in effect. In some areas, citizens in need are forced to begin lining up at 5 a.m. and those who arrive on the food stamp applications lines at 7 a.m. are not processed that day. Some applicants often have to come back again and again. In some places, three and four months pass between the time a family begins seeking food stamps and the time it receives its first allotments.

Pressure on the Department of Agriculture and on the state and county agencies has helped in some instances. But the problem remained so serious that Sen. Robert Dole, the Kansas Republican, led an effort in the Senate Agriculture Committee a month ago to change the procedure by law, something that was only necessary because the bureaucracy appeared unmovable otherwise. Sen. Dole urged his fellow Republicans to join his effort because it was the right thing to do and to "show that Republicans are not anti-people." Despite his efforts, the Senate Agriculture Committee defeated his proposal by two votes.

Now, Sen. Dole is going to the floor with his fight to ease the burden on the poor, and he has some new allies, among them Senate Minority Leader Hugh Scott. In addition, Sen. George McGovern and other Democrats are supporting the change in the food stamp procedures. Between the Republican leadership and the Democratic supporters of the food stamp changes, there should be enough votes when the issue faces its next test on the Senate floor today.

If the change is brought about, it will mean that when a family files a food stamp application that meets the eligibility requirements, the purchase of stamps is authorized immediately. If, after checking out the family's claims, the family is found to be ineligible, it would have to repay the money. If, on the other hand, the family is found to be eligible, it would simply continue to receive food stamps. In other words the change in the law would transfer the burden of proof from the applicant to the government. Now, the presumption is that a family is ineligible until proven to be eligible. Sens. Scott, Dole and McGovern want the presumption to be that if a family has a prime facie case of need, it should be helped immediately while the bureaucratic machinery lumbers through the process of certification.

In light of the current swelling of the ranks of those who need the assistance of the food stamp program, this is a change that makes sense—despite the contrary view of the Ford administration and the Department of Agriculture. The argument against making the change is that it will increase food stamp fraud. Since the most reliable measures of fraud in that program to date show that it involves less than 1 per cent of the total benefits there is little reason to believe this change would alter that figure significantly. Besides, those families that attempt to take advantage of the program would ultimately be called to account if their action is found to be fraudulent. So this objection does not strike us as reason enough to disregard the fact that Congress intended that needy families receive food stamp assistance promptly. The evidence is that this has not been the case in many, many parts of the country. That is why the change should be adopted.

Mr. DOLE. Mr. President, there is one other area that the Senator from Kansas wishes to touch on because it was raised during the course of the discussion on the amendment in the committee.

Under the Agriculture Department's program instructions—

(a)ll households must live in the project area in which they make application for the program and (n)o household may participate in more than one project area in any month . . .

This is in the food stamp certification handbook—August 5, 1974—section 2201, at 28.

Since the amendment makes clear certification requires proof of identity and residence—that is the amendment we are considering now, proof of identity and residence—it was clear that no individual could qualify at more than one center.

Moreover, except for the very poor, recipients are required to purchase their stamps. That is a very distinct difference.

There has been a lot of conversation about everyone being eligible for food stamps. They have to pay money to be qualified; it is not a welfare program. It is not the same as that self-certification program instituted earlier by Secretary Cohen. For example, a family of four making $330 per month is eligible for $150 worth of stamps, for which they must pay $95.

Thus, it is extremely clear the person would have to go all over some city where he has to shell out $95 to qualify for $150 in stamps. So I think the tendency to apply in multiple locations would be nil.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. DOLE. Two additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. DOLE. The Senator from Kansas also emphasizes and underscores again, there is great need for revision of this program. But let us look at a couple of surveys. One by a rather conservative group, the American Enterprise Group, found 90 percent of all food stamp households had net income below $5,000. Another study by the Joint Economic Committee shows 93 percent of all households who were eligible for food stamps had incomes below $6,000.

So it is the exception pointed out in Parade Magazine on Sunday, that somebody with a $16,000 income could qualify.

The Senator from Kansas in his own State is aware application was made by some who should not be eligible, but that is not touched by this amendment. This amendment simply states that if one is eligible, if one can establish through identity and through residence, one is immediately eligible for the stamps, one's family does not have to go hungry while some well-intentioned bureaucrat is trying to certify under a lot of pressure. It seems to this Senator this can be done without any fraud, without opening up the gates.

In the meantime, we can go on with hearings and tighten the programs, lower the ceilings, and we will find we will have in the end a better program with those who honestly deserve to be in the program, and those who should not be in the program will be outside the program.

Mr. President, I ask unanimous consent that additional explanation of the amendment be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 429—FACT SHEET

When S. 1662—a bill relating to food stamp eligibility for Supplemental Security Income recipients—reaches the Senate floor, an amendment (No. 429) will be called up by Senators Dole, McGovern, Hugh Scott, Clark, and Philip Hart. This amendment will require the establishment of expedited certification procedures for the Food Stamp Program.

The need for new certification procedures is evident: currently, needy people throughout the country seeking food stamp aid encounter substantial delays in obtaining health-vital food aid. These delays have been caused by a combination of many factors, including time-consuming application procedures and increases in food stamp aid requests due to rising unemployment. As described more fully below, the certification procedures contained in amendment No. 429 will go a long way toward alleviating food stamp application delays by devising a certification system that is both speedy and reliable.

I. THE CURRENT SITUATION: MASSIVE DELAYS IN FOOD STAMP PROGRAM CERTIFICATION

According to a survey prepared for the Senate Select Committee on Nutrition and Human Needs, less than half the people eligible for, and in need of, Food Stamp Program assistance are receiving such aid. Based on the conclusion of a panel of experts appointed by the Committee to study the Program, one of the main reasons for this participation gap stems from the red-tape, and lengthy application procedures that have caused vast delays in Program certification. These delays can be characterized by the following general description of certification situations evident in many areas around the country:

Impoverished and recently unemployed people line up outside the food stamp certification office early in the morning, often before 6 a.m. By the time the food stamp office opens several hours later, too many applicants are on line to be serviced on that day. Thus, people in the middle or at the end of the line—indeed, in some localities, even people near or at the beginning of the line—are told that they will not be permitted to

make their application on that day; instead, an appointment is given for several weeks later at which time the application form will be filled out.

On the day the application form is filled out, the certification worker requests that the applicant produce a large number of verification documents. Such documents include: pay stubs, rent receipts, utility bills, medical bills, Social Security checks, child care payment receipts, drug bills and other miscellaneous documents. If any of these documents are not brought, the applicant must come back yet another time (once again sometimes several weeks later) with the missing papers.

Only after the application form has been filled out and the verification documents have been produced will the state agency process the food stamp application. According to Federal regulations, such application processing must be accomplished within 30 days. In many areas of the country, however, such processing takes considerably longer than 30 days.

As a result of this process, it frequently takes food stamp applicants several months before they receive their Authorization to Purchase (ATP) card. In the interim, applicant families remain hungry and undernourished, and/or they go into debt while they pay for their food through loans or the deferral of payments for other necessities. Moreover, insofar as the average certification period is less than three months in duration (with many households only certified for one month) the applicant-recipient soon must start the process all over again in order to receive food aid after the certification period is terminated. Consequently, despite continuing eligibility for the Food Stamp Program, needy families are denied food relief during many months of the year solely because of the many delays.

It is this administrative morass—that has contributed to the long lines at food stamp offices, and that has prevented thousands of needy, unemployed families from obtaining their food relief—that the Amendment (#429) seeks to help remedy.

II. THE NEW CERTIFICATION PROCEDURES ESTABLISHED BY THE AMENDMENT

Under the amendment, needy persons will be permitted to fill out their Program applications upon their first request for assistance.

During the initial contact with the food stamp office, the applicant will fill out a food stamp application, signed under penalty of law. Those households which meet the national income guidelines will be provided with an Authorization to Purchase card permitting them to participate in the food stamp program for 30 days. No verifying documentation, except for personal identification and proof of residency, would be required at this point.

Within 30 days of this application and food stamp issuance procedure, the applicant must verify his household's eligibility for food stamps.

This would simply extend to paying participants, the procedure currently used for those households without any purchase requirement.

If the necessary verification is provided, the household will remain eligible for food stamp relief for no less than four months after the verification requirements have been completed; for elderly, blind and disabled recipient, the minimum subsequent certification period will be six months. These certification periods will reduce the vast backlogs in administrative work on the local level by requiring recertification only two or three times a year rather than the four or more times required under current procedures.

To make this new certification system properly functional, the amendment requires that certification centers must be established in convenient locations that are easily accessible to impoverished communities. In addition, such centers must be adequately staffed so that no delays are encountered in the certification process. The amendment, however, does not alter the administrative (50–50) matching costs that will finance this system of quick and dignified certification.

III. THE NEW CERTIFICATION SYSTEM WILL REDUCE PROGRAM ERRORS AND MINIMIZE POSSIBILITIES OF FRAUD

No new certification system would be acceptable if it encouraged or permitted program fraud. According to the Agriculture Department's latest Food Stamp Program submission on this issue to the Senate Select Committee on Nutrition and Human Needs, it is noteworthy to point out that:

The percentage of bonus coupons issued through fraudulent activity in relation to total bonus coupons issued is 11 hundredths of one percent;

The percentage of these losses in terms of total coupons issued is 6 hundredths of one percent; and

The percentage of fraudulently participating households, as related to total participating households, equals 24 thousandths of one percent.

It is expected that the new certification procedure established by Amendment #429 will not only maintain these low fraud rates, but the new procedure also will tend to reduce the number of administrative errors in the Program. These fraud and error rates will be minimized under the new certification procedure for the following reasons:

1. Stiff criminal penalties will be imposed against anyone who commits food stamp fraud—If anyone fraudulently seeks to obtain food stamps under the new certification process, stiff criminal sanctions will be imposed. Under section 14 of the Food Stamp Act, anyone who fraudulently obtains $100 or more in food stamps is committing a felony punishable by five years imprisonment and a $10,000 fine; anyone who fraudulently obtains less than $100 in food stamps is committing a misdemeanor punishable by one year imprisonment and a $5,000 fine. In short, the likelihood of fraud under the new certification system is minimal since the risks of severe criminal punishment far outweigh the temptation to wrongfully obtain food stamp aid.

2. Food Stamps will be recouped from individuals who wrongfully obtained them—Under Federal regulations (7 C.F.R. § 271.7), state agencies are empowered to recoup, or collect, food stamps from individuals who wrongfully obtained them. Consequently, if it appears—during the verification process—that a person received food stamp aid without being entitled to such relief, the state administrative agency will have full authority to recoup all of the wrongfully issued food stamps.

3. Since applicants can only obtain food stamps in their area of residence, local administrative agencies will have ample opportunities to verify applicants' eligibility for the Program.

Under the Agriculture Department's Program Instructions, "(a)ll households must live in the project area in which they make application for the program" and "(n)o household may participate in more than one project area in any month . . ." [The Food Stamp Certification Handbook (August 5, 1974), §. 2201, at 28] Thus, the local office that makes all eligibility verification checks—pursuant to the 30-day verification requirement contained in the amendment—should have all information immediately available to it concerning a participant's Program application responses. The 30-day verification requirement is an integral part of the new certification process, and the implementation of that requirement in local food stamp offices immediately will ferret out the few ineligible persons who obtained food stamp aid—and subject them to the severe criminal penalties and recoupment procedures described above.

4. The new certification procedure will alleviate long lines and consequently minimize the pressure for hasty, error-ridden administrative determinations—Under the current system, there is constant pressure for speedy eligibility determinations since certification offices are deluged by long lines of needy applicants. Not only are applicants in a rush to receive initial food aid under the Program, but households seeking recertification four or more times every year add to the pressure on local administrators. Under such a pressure-packed environment, it is natural that erroneous eligibility determinations are made by Program officials. The amendment, however—by providing applications and "authorization to purchase" cards upon the first request for assistance, by reducing the number of times that households must be recertified every year, and by requiring that certification centers be adequately staffed—will minimize this pressure on local administrators, thereby reducing the number of errors made in the operation of the Program.

In sum, amendment No. 429 will streamline the food stamp certification process, permitting needy people to get food aid quickly, while maintaining—and, in fact, improving—the integrity of the Program's operations.

2201 Residency

All households must live in the project area in which they make application for the program. No household may participate in more than one project area in any month, except as provided for in 2422.2 under the transfer of certification procedures.

2201.1 Residency limitations

When determining residency, the State agency shall:

(1) Not interpret residency to mean domicile which is sometimes defined as the legal place of residence or principal home;

(2) Not impose a durational residency requirement;

(3) Not interpret residency to mean the intent to permanently reside in the State or project area, however, persons in the project area solely for vacation purposes shall not be considered residents;

(4) Consider as residents all other applicants who are living in the project area for any purpose other than vacation.

2201.2 Reporting

The application contains spaces for both a physical address and a mailing address. If the two are different, the EW should require both addresses be given. A mailing address only, such as post office box or a rural route, will not be sufficient as it does not indicate that the household resides in the project area. If the address is a rural route, information should be given which can identify the home, e.g., third house on the right, north of Jones' Market.

2201.3 Verification

Verification of residency is not required unless the information provided by the applicant is unclear, inconsistent, or incomplete. If questionable, the client may supply the verification in the form of documentation such as a driver's license, rent receipt, utility or other recently received bill, voter registration.

2313 Certification pending verification

All households whose income, either prior to or after adjustment, places them at the zero purchase level (See 2332), and who are determined to be in need of immediate food assistance, may be certified for program benefits pending verification provided that:

(1) The results of the interview indicate that the household will probably be eligible when full verification has been completed; and

(2) One collateral contact, at a minimum, has been made to obtain additional information which will confirm the statements of the applicant. The collateral contact must be made prior to certifying the household as eligible and the results of the contact entered in the case file. The documentation shall consist of, at least, the name and address of the person or organization contacted; the name of person supplying the name of the collateral contact, and a summary of the information obtained during the contact. The EW may make more than one collateral contact if necessary, to confirm the statements made on the application.

The certification pending verification shall not exceed 1 month and there shall be no further issuance to households certified in this manner until full verification is obtained which will confirm the certification action.

The EW shall not certify any household under this procedure more than once during a 6-month period, commencing with the initial issuance under this procedure.

Further, households certified under this procedure are not in any way exempt from any eligibility requirement, including, but not limited to work registration for all employable members of the household who are not otherwise exempt by 2222.

Mr. DOLE. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield 5 minutes to the distinguished Senator from Nebraska (Mr. CURTIS).

The PRESIDING OFFICER. On the amendment or on the bill?

Mr. CURTIS. Mr. President, it is a most unpleasant act for me to rise and speak against an amendment offered by the distinguished Member from Kansas, but I feel impelled to do it. I think his amendment is well-intentioned, but I believe it would be a big mistake.

Furthermore, it is not needed. It is not needed for the fact that over recent months considerable progress has been made in simplifying and speeding up the certification.

I refer to a document the chairman of the Committee on Agriculture and Forestry placed in the RECORD which shows the result of a random check made in the last day or two.

In South Dakota, 90 percent of the household applications are handled in 10 days or less. That is at Pierre, S. Dak. There are no serious problems. The situation is the same as it was 5 months ago. In Pennsylvania, households coming in are given an appointment between 1 and 12 days later. A decision on certification is generally made at the time of the appointment and manually issued authorizations to purchase cards are given at the time eligibility is established. Currently, waiting time for the appointment is 9 days in Philadelphia, in Bucks County 9 days and in Wyoming County 1 day. All of this has been put into the RECORD.

Mr. TALMADGE. Will the Senator yield at that point?

Mr. CURTIS. Yes.

Mr. TALMADGE. Is it also true that most unemployed people have the opportunity to draw unemployment insurance for a period of time?

Mr. CURTIS. That is correct.

Mr. TALMADGE. Until the insurance expires, they can make application for food stamps and shorten the delay, can they not?

Mr. CURTIS. That is true.

In Michigan, households are certified within 2 weeks, compared with 30 to 60 days 5 months ago. In Lansing, households are certified in 3 days.

In Iowa, Des Moines households are interviewed on arrival and certified if eligible. Authorization to purchase cards is issued the next day. For emergencies, the cards are issued the same day.

In Kansas, Wichita households are certified within 1 to 2 weeks. The situation was the same 5 months ago.

Mr. President, the problem with the pending amendment is that it is dealing with a situation which no longer exists. No longer does it take 30, 60 or more days to make a determination, but we are asked to authorize a system whereby the applicant will do his own certification.

It is true it has to be checked later, but in a practical way that tends to shift the burden of proof. Instead of an applicant showing that they are entitled to food stamps, there will be the responsibility on the Government to prove they are not entitled to a certification that has already been honored.

Mr. TALMADGE. Will the Senator yield at that point?

Mr. CURTIS. Yes.

Mr. TALMADGE. Has the Senator ever heard of a bank that would cash a check without checking to see if there was any money on deposit in that bank?

Mr. CURTIS. Only to their regret.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CURTIS. May I have 1 more minute?

HEW tried self-certification with welfare generally and it became so unmanageable they had to back away from it.

In Monmouth County, N.J., there was run an unauthorized self-certification for food stamps in 1971. The result was an error rate 66 percent higher than the rest of the State and over $55,000 in program losses. Experience during the 1970 Teamsters strike in Illinois also bore this out. Immediate issuance of food stamp authorizations to purchase cards resulted in substantial losses as a result of multiple issuance to the same households which applied at different certification offices.

Mr. President, it would be my hope that this matter could be turned down.

On June 30, there will have to be a report to the Congress from the Department of Agriculture recommending improvements and changes in the act. That is the time to debate this matter so it can be gone into at length.

I thank the Senator from Alabama.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 4 minutes on the bill and 5 minutes on the amendment.

Mr. ALLEN. I yield myself the 4 minutes on the bill.

I am well aware of the strains that State and local welfare staffs have been under during this period of rapid growth of the food stamp program. And with that, we are all too familiar with the problems this has created for many food stamp applicants and recipients. Certainly, we can all share in the goal to find a solution to such problems as long lines and backlogged applications at food stamp offices.

But, this in my view, ought to be part of a larger, long-range plan to simplify and improve the food stamp program. We ought to be extremely wary of rushing to a quick solution—such as the proposal before us now—that could do much to endanger the integrity of the food stamp program. The measure before us, the Dole amendment, would require immediate certification and issuance of food stamps to all applicants based solely on information supplied by the applicant on the face of the application form.

First, I would like to examine the implications of the proposal itself and then look more closely at the issues surrounding it and some alternative approaches for dealing with them.

I might say I think it is somewhat strange that the distinguished Senator from Kansas (Mr. DOLE) was the sponsor of the very fine Senate Resolution 58 which was passed in February, which would call on the Secretary of Agriculture to make a full investigation of the food stamp program and to make recommendations for further implementing that program. It was strange to find that the author of that resolution is now offering an amendment that would loosen up rather than tighten up the restrictions and the requirements of participating in the food stamp program.

Self-declaration of need is not new to the welfare system or to the food stamp program.

In other words, Mr. President, the applicant just goes up to the welfare authorities and says, "I am eligible for food stamps. Please issue me a supply." That is done under the self-declaration principle.

Mr. DOLE. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. DOLE. One has to pay if they have a certain income.

Mr. ALLEN. I understand that. But it is "Please issue them to me under the requirements of the food stamp program." I guess there is some value to the issuance of the food stamps or the Senator would not be contending for that.

It is important to take note of the previous experience that State welfare agencies have had in using the self-declaration principle, particularly in HEW's aid for dependent children program. Quality control checks demonstrated the serious problems with this approach. The exorbitant error rates and program abuse that were found were widely reported and documented in the press, in congressional hearings, and by the State agencies themselves. As a result, HEW withdrew the system as unmanageable.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. I yield myself 2 minutes on the amendment.

Mr. President, the Dole amendment would put in a program that has been

tried and found wanting. So we should not try it again on the massive scale that he plans to have it tried upon.

Moreover, if you compare the caseload of aid for dependent children programs to that of the food stamp program, you find that the food stamp caseload is substantially less stable. More than half the people using food stamps are not receiving welfare assistance, and therefore are depending upon income which is either unstable or irregular. Thus, the potential for error is greater to begin with, and would, in all likelihood be compounded by general use of the self-declaration option.

The food stamp program presently provides for a form of self-declaration for households whose income is so low that they would qualify to receive food stamps at no cost. Using this procedure, the State agency may certify a family for 30 days without verifying the client's statements regarding his financial situation. While the Department has no firm figures on the percentage of the households receiving food stamps at no cost which were certified under this procedure—they have run studies of all households at the "zero purchase" level. These studies indicate that these are among the most error-prone of all cases receiving food stamps. Of the cases reviewed, 7.6 percent had income which had not been reported, 3.2 percent were found to be fictitious cases, and a disproportionate number of other cases either had income and resources beyond the eligibility limit or had claimed ineligible or incorrect income deductions.

Additionally, Monmouth County, N.J. ran an unauthorized test of self-declaration for food stamp certification in 1971. The result was an error rate 66 percent higher than the rest of the State and over $55,000 in program losses.

Experience during a 1970 Teamsters strike in Illinois also bore this out. Immediate issuance of food stamp "authorization-to-purchase" cards resulted in substantial losses, as a result of multiple issuance to the same households which applied at different certification offices.

Thus, in order to serve the public interest, our concern must cut two ways: On the one hand, we must see to it that steps are taken to hold program errors and abuse to the absolute minimum. And on the other hand, we want to look for every means of making food stamps accessible to people who really need them.

The pressures on food stamp administration have never been greater than during the last 6 months when more than 5 million persons were added to the food stamp rolls, primarily due to rising unemployment. In December 1974, over 1.5 million additional recipients came into the program in that 1 month alone.

State welfare agencies handled the additional workload through every means possible: increasing their certification staffs; using volunteers and clerical staffs to assist in the certification process—the actual certification must be done by an eligibility worker—using group intake sessions to advise groups of 15 to 20 applicants of what they need to have with them and to assist them in completing the application; and by using prescreening systems operated by community action agencies, migrant councils, or labor unions. These actions substantially reduced the time necessary for the eligibility worker to conduct the actual certification interview with each applicant.

Also, as of October 1, 1974, the Federal Government increased payments to 50 percent of all State food stamp program administrative costs, thus providing substantially increased Federal funds for all aspects of State food stamp administration. This should enable State agencies to provide adequate staffing to certify applicants. This is a means of alleviating long certification lines without endangering the integrity of the program.

If it were possible to accurately determine the major cause of the food stamp certification delays and problems we have been hearing about, I am convinced the answer would come out to be—not the procedures required to verify applications—but simply the dramatic upsurge in food stamp applications in recent months.

It is important not to overlook the notable steps that have been taken to simplify food stamp procedures over the years. In 1971 when the Department implemented its quality control program using random sampling techniques, they moved to simplify the verification process for food stamp caseworkers. States were told they no longer needed to verify resources, income deductions or any other eligibility factor, except for income and mandatory deductions, unless the information the applicant supplied was questionable. The Department also required that States develop and use a client-oriented application form. These forms are necessarily complex in the same way that the program is complex. But until that changes, I do not believe it is feasible, let alone desirable, to institute a system which is solely dependent upon information on the face of an application form.

Early this year the Senate passed Resolution 58 directing the Department of Agriculture to conduct a full review of the food stamp program and to make appropriate recommendations to the Congress by June 30. Among those recommendations will be suggestions for simplifying the program and expediting benefits to those who truly need them. In my judgment, we would be ill-advised to rush to a decision now on a remedy that could have damaging side effects when we will soon have opportunity to study alternatives for long-range constructive improvement in the food stamp program.

We already have a limited use of the self-declaration principle, but the amendment of the distinguished Senator would open that wide open. We certainly would be ill-advised at this, when we are trying to tighten up on the loopholes in the food stamp program.

This very amendment was presented to the committee in the committee hearings on the bill before the Committee on Agriculture and Forestry and was voted down by the committee. The committee recommends the defeat of the amendment. At the proper time I will call for the yeas and nays on the amendment.

I might as well do that now. I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I yield 2 minutes to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, there are just two points that I want to make before we close this debate. We are talking here this afternoon about the principle of self-certification on food stamps. It ought to be understood that this does not end the checking procedure. It simply says that for a 30-day period, a person who qualifies on the surface for food stamps is entitled to start receiving them. Then, during that 30-day period, a careful check can be made to see whether the person is eligible or not. If such persons are found to have done anything fraudulent, they are subject to a prison sentence.

There is nothing radical about this concept. We are not introducing something new and unheard of in American practice. Every one of us, when we go in to pay our income taxes, do it under the principle of self-certification. We do not have to prove to the Internal Revenue agent or the lawyer who is helping us to figure our tax that our income is at such and such a level. We simply go in, sign the form, and say, "I earned x number of dollars in 1974, and these are my exemptions," and then the tax is figured.

Every once in awhile, in spot checks, someone is found to be cheating on his income tax, and he is punished. But that is the same system we are recommending here on food stamps. I would be the first to admit that there have been some people, although I think it is a very, very small minority, who have cheated under the existing food stamp program, but is there any Senator in this Chamber who would not readily admit that we have some cheating under the Internal Revenue Service?

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. McGOVERN. We have some people who cheat on their expense accounts. So cheating on something was not invented by the poorer people who are under the food stamp program.

This is an essential program, Mr. President, and it is one whose administration can be improved by the amendment now pending. I hope the amendment will be adopted.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I am prepared to yield back the remainder of my time on the amendment.

Mr. DOLE. I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. As I understand, the vote on this amendment will not occur until sometime set in the future?

The PRESIDING OFFICER. The Senator is correct. It will be after the first vote at 2:30.

Mr. TAFT. I, then, ask unanimous consent to call up my amendment No. 485 and discuss it at this time.

Mr. ALLEN. Mr. President, I do not believe the Senator from Kansas has yielded back the remainder of his time.

The PRESIDING OFFICER. The time on the amendment of the Senator from Kansas has expired. Therefore, the Senator from Ohio may call up his amendment.

AMENDMENT NO. 485

Mr. TAFT. Mr. President, I call up my amendment No. 485.

The PRESIDING OFFICER. The amendment will be stated

The legislative clerk read as follows:

The Senator from Ohio (Mr. TAFT) proposes an amendment in the nature of a substitute numbered 485.

Mr. TAFT's amendment (No. 485) is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) section 8(a)(1) of Public Law 93–233 is amended by striking out "18-month period", where it appears in the matter preceding the colon and in the new sentence added by such section, and inserting in lieu thereof in each instance "21-month period".

(b) Subsections (a)(2), (b)(1), (b)(2), (b)(3), and (e) of section 8 of such public law are each amended by striking out "18-month period" and inserting in lieu thereof "21-month period".

SEC. 2. Section 5 of the Food Stamp Act is amended by adding the following new subsection:

"(e) On and after October 1, 1975, the eligibility for participation in the food stamp program of any household which contains a member with respect to whom supplemental security income benefits are being paid under title XVI of the Social Security Act shall be determined on the basis of the uniform national eligibility standards for nonpublic assistance households established by the Secretary pursuant to this section.".

SEC. 3. Notwithstanding any other provision of law, if, for the month in which the amendments made by sections 1 and 2 are enacted, any household has been certified as eligible (solely because a member of such household is an individual with respect to whom supplemental security income benefits are being paid under title XVI of the Social Security Act to receive food stamps under the Food Stamp Act of 1964, such household shall continue to be eligible for food stamps under the Food Stamp Act of 1964 for each month thereafter in a continuous period of months for which there is being paid to such member such supplemental security income benefits.

Mr. TAFT. Mr. President, this amendment is in the nature of a substitute to S. 1662, the bill before us to extend for 12 months the present rules governing food stamp eligibility for SSI recipients.

If Congress goes the route of this legislation, it will be the second consecutive 12-month extension of the status quo. Instead of leaving the resolution of SSI recipients' food stamp eligibility in doubt once again and allowing additional families access to the food stamp roles even though Congress may decide to remove them in several months, I believe it would be preferable to arrive at a permanent solution as promptly as possible.

I think virtually everyone agrees that permanent legislation to resolve this problem is necessary. If the "temporary" period in which the status quo is effective were ever allowed to expire, the onerous provisions of Public Law 93–86, would become effective. By mandating that only those whose December, 1973, combined welfare and bonus value of food stamp levels exceed their present SSI benefit level would remain eligible for food stamps, these provisions would cut off SSI recipients' food stamps in a manner not necessarily based on income, create an administrative monstrosity in the food stamp program because of the recipient-by-recipient calculations required, and possibly eliminate food stamps for many SSI recipients whenever SSI benefits increase, even if these benefit increases are designed solely to keep pace with the cost of living.

The permanent solution I am suggesting was included in S. 1514, the supplemental security income amendments of 1975, which I introduced with 10 cosponsors on April 24. It was included in similar comprehensive legislation to amend the supplemental security income program which I introduced last August, and is similar to a proposal I introduced at the time the last 12-month extension was being debated. It would extend the status quo until next October 1 to alleviate possible administrative problems, provide that after the eligibility for food stamps of households containing SSI recipients would be determined on the same income basis as other households' eligibility is determined, and prevent households who are receiving food stamps at the time of enactment, solely because one of its members is an SSI recipient, from losing those food stamps as long as the recipient remains on SSI.

The only logical reason for keeping this situation up in the air for another 12 months, other than that Congress simply has not had the time to resolve it thus far, is that the administration is due to release a study of the food stamp program on June 30. However, although the study may contain many other suggested improvements and reforms with regard to the food stamp program, I think everyone is aware what the recommendation will be with regard to SSI recipients' food stamp eligibility. The administration's position has been for the past year, and my staff has been told informally that it is likely to continue to be, that households containing SSI recipients should be treated the same as any other households for food stamp eligibility purposes.

I agree that this is the direction in which we should move, although it must be pointed out that households containing AFDC recipients would still be treated differently for food stamp eligibility purposes than other households unless the rules applicable to that program were changed as well. My proposal for SSI recipients differs from the administration's recommendation only in that it would protect households who have been depending on food stamps in the past from losing them under the new rules. Although no precise estimates are available, it appears that this provision would keep more than one-fourth of the households containing SSI recipients and now receiving food stamps from losing those food stamps under the scheduled new law and thousands from losing them under the administration proposal, a loss which most of these households generally can ill-afford. This provision would not impose a new cost in the food stamp program relative to the administration's proposal, although it does sacrifice a small amount of expected savings from the administration's proposal.

Mr. McGOVERN. Mr. President, will the Senator yield to me briefly?

Mr. TAFT. I am glad to yield to the distinguished Senator from South Dakota.

Mr. McGOVERN. Mr. President, I think there is some merit in the proposal the Senator from Ohio is raising. He made reference to the Department of Agriculture study that will be completed in a couple of months.

I realize the Senator is anticipating what the probable recommendation will be, but I would urge the Senator to consider withholding action on this amendment right now, since we do not have the comprehensive study before us. It may very well be that the Department of Agriculture will have a number of recommendations to make that will affect the administration of this program, and certainly the subject that the Senator from Ohio is suggesting here this afternoon will be one of the things on which the administration will have a recommendation.

I have no objection at all to the proposal the Senator makes. I think he is entitled to be heard on it and have it carefully considered; but as one who has been interested in this program for a good many years, I respectfully urge him not to press for action on it today, having alerted us to it, and to wait until the Department of Agriculture has completed its study.

Mr. TAFT. I appreciate the remarks of the Senator from South Dakota, and, of course, I realize their validity. However, I want at this time to bring this proposal to the attention of the Agriculture Committee and the public, particularly since the bill which contains it is before the Finance Committee and not the Agriculture Committee. I also want to take the occasion to urge that a permanent solution to this problem be worked out promptly, so that the citizens affected around the Nation will know where they stand at as early a date as possible.

Taking that and the Senator's remarks into account, Mr. President, at this time I withdraw my amendment.

The PRESIDING OFFICER (Mr. PEARSON). The amendment is withdrawn. Who yields time?

Mr. ALLEN. Mr. President, I ask unanimous consent that remarks I had prepared to deliver in connection with the amendment, had it been insisted upon, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. ALLEN

While I am personally very sympathetic to the Senator from Ohio's amendment, I must oppose it at this particular time. The question of applying uniform national eligibility standards for nonpublic assistance households under the Food Stamp Program is needed, which the Senator's amendment calls for. However, neither our Committee on Agriculture nor the Senate Finance Committee has to date had any opportunity to examine this important question through study or public hearings.

On May 5, 1975, the Senate adopted Senate Resolution 58, introduced by Senator Dole, which required the Secretary of Agriculture to undertake a comprehensive study of the entire Food Stamp Program and further requires the Secretary to submit his findings and legislative recommendations to the Congress no later than June 30, 1975. While our Committee has not as of this date received this study and its recommendations, we understand that it will be delivered to us no later than the June 30 deadline. And I believe I can accurately state that our Committee is prepared to move forward as soon as possible thereafter with its deliberations regarding an overhaul of this entire program, including careful examination of the question addressed by the Senator's amendment relating to the development of uniform national eligibility standards.

I would hope that the Senator would not press his amendment at this time. Rather, I would hope that the Senator would let our Committee examine the provisions of his amendment as part of its overall study and revision of the program in the immediate months ahead.

I believe I am safe in assuring the Senator that our Committee hopes to complete its work on revising this program well before the June 30, 1976, date extension provided in S. 1662 for SSI recipients.

Mr. DOLE. Mr. President, do I have 2 minutes remaining?

The PRESIDING OFFICER. The Senator has 1 minute on the bill.

Mr. DOLE. Mr. President, I yield myself that 1 minute.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

The PRESIDING OFFICER. The Senator is advised that the hour of 2 o'clock having arrived, pursuant to the previous order, the Senate will resume consideration of Senate Resolution 60, which the clerk will state.

The legislative clerk read as follows:

A resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

The PRESIDING OFFICER. The Senator is advised that the next half hour is divided between the Senator from Nevada (Mr. CANNON) and the Senator from Alaska (Mr. GRAVEL).

Who yields time? What is the will of the Senate?

Mr. GRAVEL. Mr. President, I am prepared to accede to the chairman of the committee. I yield myself 5 minutes and reserve some of the time for the Senator from Tennessee (Mr. BROCK), whose amendment we are discussing and whose amendment I agree with, since it is a compromise of a proposal that I had originally offered to the Senate.

I started working on this proposal last October. At one point we had secured 57 cosponsors for the proposal. We had secured the endorsement of the Republican Caucus, and we had secured the endorsement of the Democratic Caucus.

The matter was then introduced in the Senate and referred to the Committee on Rules and Administration. It took us from January 1975 until yesterday to finally have this matter come to the floor for a final disposition.

We will have a vote within a half hour on the amendment, and I understand it will be a tabling vote.

I much prefer a vote on the merits up and down. I do not think there is any objection by Senators to voting on the issue itself. But any Member of the Senate is entitled to offer a tabling amendment. That is an effort to get at a subject through indirection.

I think that this subject is fairly simple. Each individual Member of the Senate is an authority on the subject, since he employs staff and, obviously, does not need a great deal of counsel to resolve the issues in question.

So, first, I do not understand. If there is a tabling motion, it will be tabled. We are prepared at 2:30, at the time appointed, to go ahead and vote up and down on the amendment, the pending amendment in question. That would dispose of the matter once and for all.

But, like I say, I, as one Member, have control over only my own actions and not of those of the 98 other Members.

If I could recapitulate, briefly, the issue involved with this proposal is that, presently, we apportion staff in the Senate under two procedures:

First, we do it on the basis of population, and the staff assigned on that basis is called clerk-hire. Under clerk hire, each Senator receives a set number based upon the population of his State. Senators from larger States, like the State of the Senator from California, who is one of the chief cosponsors of this effort today, need a much larger clerk-hire budget to hire more people to do all the necessary tasks related to the larger population, the larger constituency that they have. This is in juxtaposition to my needs, as I have the smallest population in the Nation. Obviously my needs are considerably less than are the needs of the Senator from California (Mr. CRANSTON). He gets more mail than I do. He has more people walking into his field offices. He obviously has to have more field offices. He has to have more people just to talk to those people.

The function that is performed by interfacing the people with their Government, we choose to call, from an academic perspective, an ombudsman's activities.

So, we as Senators act as ombudsmen. We try to represent the people with their needs in their contact, be it abrasive or not, with gargantuan Government and its bureaucracy.

Therefore, we have to try to mediate with respect to people's problems, whether it is their position in the military, an SBA loan, a road through a community, or foul air in a community. You name it. People have problems, and they come to us as a sort of court of last resort; and those are ombudsman functions. Obviously, we should have staff to deal with those problems.

The second method by which the staff is apportioned is through the committee system. The Senate of the United States essentially——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. GRAVEL. I yield myself 2 additional minutes.

The Senate works under a committee system. We have to have committee staff. The staff is directly assigned to the committee chairman in question.

If he chooses to let Members have staff, that is, of course, his prerogative.

There have been some excesses; there still are some excesses and capriciousness in this arrangement.

What this proposal, that we have today, brings about is a new method of apportioning staff, and that is on the basis of legislative assignment.

We are all supposed to be equal in the Senate, and the only way we can truly make ourselves equal is, of course, to have an equal chance to gain the knowledge and acquire the information that we need to discharge our obligations as Senators in our legislative roles.

That is what this proposal will do. It will establish a new method of funding, so that we can bring about some degree of equality within the Senate itself.

In a rational democracy, power is dependent upon knowledge. What we talk of here is the ability to acquire knowledge through the use of staff, to do research, to assist us in our appointed duties. That, I think, is a proper function, a function that is and can be understood by the American people. It certainly would be sanctioned by the American people, since we are their appointed policymakers. Either we equip ourselves to do the job, or we do not equip ourselves to do the job.

Mr. President, I think I have explained it to the best of my ability, and I reserve the remainder of my time. Perhaps the chairman of the committee might want to address himself to the subject matter.

I notice that the distinguished Senator from Tennessee (Mr. BROCK), the author of the resolution before us——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Who yields time?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HATFIELD. Mr. President, I ask unanimous consent that it be charged equally to both sides.

The PRESIDING OFFICER. Is there objection?

Mr. BROCK. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Who yields time?

Mr. CANNON. Mr. President, a parliamentary inquiry.

The sponsors of the resolution having not requested time, what is the situation if no time is yielded?

The PRESIDING OFFICER. The half hour was divided equally between the Senator from Nevada and the Senator from Alaska.

Mr. CANNON. Mr. President, will the time continue to run and be charged equally to both sides?

The PRESIDING OFFICER. If no one yields time, the time is charged equally against both sides.

Mr. CANNON. Does the distinguished Senator from Alabama desire I yield to him at this time?

Mr. ALLEN. Yes.

Mr. CANNON. I yield 5 minutes.

Mr. ALLEN. I thank the distinguished chairman of the Rules Committee (Mr. CANNON).

Mr. President, this is not the Senate's finest hour nor its finest day, as we consider the matter of spending the taxpayers' funds in enlarging committee staffs.

As I understand it, the distinguished Senator from Nevada at the conclusion of 30 minutes of debate, is going to make a motion to lay on the table the Gravel amendment, which of course would carry with it the Brock amendment. That would leave the Senate committee amendment, the Hatfield amendment, which would provide for approximately $3,700,000 in additional staff.

Mr. President, I hope that this bill seeking to add more committee staff and, under the Gravel amendment, costing some $40 million is not the Senate's program for combating the unemployment problem in the Nation. I hope it is not the Senate's program for combating the recession. I hope it is not the Senate's program for combating inflation. I hope it is not the Senate's program for seeking a solution to the energy crunch we have in this country.

I feel that the Senate should not be lazily whiling away the hours and the days considering this self-serving resolution—a resolution serving the Senators and, so far as I can see, now serving the public interest.

Mr. President, I am concerned about this matter, because each Member of the Senate partakes of the image that the Senate projects. If we are going to project this type of image, to be considering a matter of this sort day in and day out, when we have backed up on the calendar the New Hampshire contest, which is of vital importance to the people of New Hampshire—and of the Nation, for that matter—if we are going to fail to consider the 15 or so general appropriation bills that should be passed before the 1st of July, if we are going to say that this matter is of top priority, I do not believe that would reflect a good image on the part of the Senate. As a Senator from Alabama, I would not like to partake of that image, because I do not believe that it projects a good image for the U.S. Senate.

On the back of our calendar, we see the number of appropriation bills for the 1976 fiscal year starting July 1, 1975. The Senate has not passed a single appropriation bill. We have passed supplemental appropriations, we have passed this, that, and the other, but we have not passed even one of the necessary appropriation bills to carry on the business of this Nation. We are frittering away not just the Senate's time but also the public's time, because the public has an interest in what the U.S. Senate does.

I hope that the motion that is to be made by the distinguished Senator from Nevada (Mr. CANNON), to lay the Gravel substitute on the table, will prevail; and then we can consider what we want to do with the Hatfield amendment, which is now the committee bill.

I reserve the remainder of my time.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. CANNON. The Senator referred to the bad economic situation in which we are. I wonder whether the Senator will agree that it might help unemployment if the Gravel amendment were to be adopted and 1,073 new staff members were added to the Senate. Would that not somewhat help the unemployment situation?

Mr. ALLEN. To some extent. The Senator from Alabama said he hoped this was not the Senate's program for solving the unemployment problem. It is hardly the area in which a solution should be sought. I believe we have adequate employment now at the public service level.

Mr. CANNON. The Senate recently voted a tax rebate to try to get more money in circulation. Does not the Senator believe that if we adopt the Gravel amendment, it will put $40,985,000 in additional taxpayers' money into circulation, by the additional employees? That might be helpful.

Mr. ALLEN. Yes, that might be one theory.

I am not sure whether the distinguished Senator said the Senate has passed that tax rebate bill or that the Senator has voted for it. If the Senator from Nevada refers to the Senator from Alabama, he is mistaken, because the Senator from Alabama did not vote for the tax refund bill. I hardly believe that is the way to put money into circulation.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

During the discussion to date on Senate Resolution 60, the committee amendment thereto, Senator GRAVEL's amendment which is the same proposal as his Senate Resolution 110, and Senator BROCK's proposed amendment, we have covered a wide gamut of proposals to update the Senate committee staff system, specifically directed to assuring that each Member of the Senate be enabled to have assistance with respect to his legislative responsibilities as opposed to his responsibilities in respect to the various and manifold problems and needs of his constituents.

While I agree that both the Senator from Alaska (Mr. GRAVEL) and the Senator from Tennessee (Mr. BROCK) have performed a most useful service to the Senate in persisting in their effort to effect certain desired reform in the area of committee staffing, I am convinced that neither the Gravel proposal nor the somewhat less expensive Brock proposal is the proper vehicle to achieve the desired results.

It should be clearly understood by the Senate that both of those proposals would in effect add additional staff to a Member's personal staff rather than solve directly any inequities in the distribution among members of committees of the privilege of choosing committee staff, which is the contention of the sponsors. On the contrary, the committee amendment specifically addresses that question and offers a precise and logical means to achieve that end.

As I stated yesterday, Senator GRAVEL's proposal could cost the American taxpayers as much as $40,985,752 and add 1,073 committee-related employees to the 1,262 regular committee staff members projected for the Senate for 1975.

Mr. GRAVEL. Mr. President, will the Senator yield for a question?

Mr. CANNON. A quick review by the Committee on Rules and Administration of Senator BROCK's amendment indicated that it could cost as much as $11,904,893. If this estimate should appear high to Senator BROCK, it could be that his formula of deductions is so complex that it is very difficult to interpret its operation accurately.

Now, Mr. President, when we consider that the Committee on Rules and Administration has offered a proposal to grant each member of a standing committee of the Senate who has not had the opportunity to do so the right to appoint a staff member to each standing committee of which he is a member, and to accomplish that within an estimated cost of $3,720,262, there should be no hesitation by the Senate in adopting the committee amendment to Senate Resolution 60.

Let me state again the essence of the amendment offered by the Committee on Rules and Administration: Each Senator who has not already had the opportunity to do so would be authorized to appoint a professional staff member—at an annual salary not to exceed $33,975—to the staff of each standing committee of which he is a member. Such additional employees would in fact be committee employees and be housed in committee quarters, and would be phased onto the regular committee payroll within a 3-year period.

Also, I should repeat and reemphasize a primary objective of the committee amendment. Under its provisions chairmen and ranking minority members would be encouraged to direct their first efforts toward the assignment of existing personnel to members of the committee who have not had a prior opportunity to make such assignments. To the extent that this can be accomplished the purpose of the amendment will be partially served and the cost of the same correspondingly reduced.

Mr. President, I urge my colleagues to reject both the Gravel amendment and the Brock amendment and to give their support to the Hatfield amendment offered by the Committee on Rules and Administration.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GRAVEL. I yield such time as he may need to the Senator from Tennessee.

Mr. BROCK. Mr. President, we have pretty well exhausted the course of this debate. The issue is understood by virtually everybody concerned. I wish to make just one or two concluding arguments.

I said at the outset yesterday that I thought there are a number of reasons why people could find fault with my particular approach: The way that it might work, the potential for conflict within a committee. There are arguments that could carry some logic or some weight. I do not think they are valid, but at least they are points of honest debate and disagreement and difference. There is one point on which there is no logic to the debate. That is the point of the money involved.

I am somewhat surprised that the opponents of this measure continue to raise the matter of cost. Maybe it would be well to review the history of the legislative process in the Committee on Rules this year in the interest of pointing out some distinction to the Senator from the State of Alabama, for whom I have an enormous and continuing affection and regard. I share his objectives more times than not, as he knows.

In the Committee on Rules this year, the committee chairmen of the Senate came before the Committee on Rules, testifying for an increase in their staff budgets. With all the talk about our not having space for new employees, it is amazing how they can find space if they hire and fire employees, but not if any of the younger Members hire and fire employees. They can always find space for theirs, but not for anybody else's. They came in with a request for $6,448,000 in increased budget for their own employees. I do not know if that is logical or not; I cannot judge the merit of each figure presented. But those are the figures arrived at and apparently supported by the Committee on Rules.

In addition, the Committee on Rules comes out now with a bill partially moving in the direction of the effort of the Senator from Alaska and myself to increase further the funding by $3,720,000.

Add the two together. It is a very simple mathematical exercise. The total increase requested by the Committee on Rules itself is $10,168,000.

Mr. CANNON. Will the Senator yield?

The Committee on Rules has made no such request and made no such approval.

Mr. BROCK. The Rules Committee has had testimony and has had printed on its own form. I will say to the chairman, a listing of these requests. That is exactly what the next issue before the Senate will be when the Committee on Rules brings out its committee on committee reports—allocation by committees—$10,168,000.

I do not think it takes a lot of mathematics to figure out that that is more money than we have asked for in the Brock substitute for the Gravel amendment. If each member of a committee were adequately staffed, the committee chairmen would not have to come before Congress and say, "I have to have $6 million more money." If we were adequately staffed, the Rules Committee itself would not have to come before this body and say, "We want to give them $3,700,000."

We just cannot use money as an argument against this amendment of mine, because my amendment, if it passes, should allow us to have a net savings in the Senate and the legislative budget under what is proposed within the Rules Committee itself.

Argue against it on any issue you want, Mr. President, but do not argue money, because the point is not finances; it is reform. It is whether or not individual Senators are the equal, one of another, in terms of the capacity of their research, their staff, their intellectual base, their opportunity to acquire adequate information to serve their constituency and the people of the United States of America.

That is the issue, nothing else. Nothing else is at hand. We have to decide on a simple question of equity, efficiency, efficacy, if you will, of 100 individuals who serve 220 million people. Unless we can decide this in the affirmative, I think it ill behooves us to talk about how much money is being spent for the legislative branch, when we have a $70 billion deficit in this Federal Government of ours and it is totally out of control.

Oversight is not being exercised, constitutional functions are not being met, because the Senators have created a bureaucratic monster that is beyond their control and, until they get it back in hand, we cannot deal with the problems of this country. We cannot deal with those problems unless we have the tools with which to do so.

I reserve the remainder of my time.

(At this point Mr. DOLE assumed the chair.)

Mr. CANNON. Mr. President, I yield 3 minutes to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, as chairman of the Legislative Branch Appropriations Subcommittee, I have been closely following these proposals to authorize additional staff to Senators. In fact, our committee held a hearing on this matter at which the Senator from Alaska (Mr. GRAVEL) and the Senator from Oregon (Mr. PACKWOOD) appeared to outline these proposals to our subcommittee.

First of all, I want it to be clear that I am not a cosponsor of Senate Resolution 60. I noticed that the Senator from Arizona (Mr. GOLDWATER) encountered the same problem of his name being used without his knowledge. Through some misunderstanding, my name appeared on the bill, and at the hearing my subcommittee held on this proposal on April 11, I informed Senator GRAVEL that the listing of my name was incorrect. In my opinion, the present division of staffing in the Senate between personal staffs assigned to Senators' offices, and committee staffs is adequate. The Senate does not have to have superimposed on it a mixed bag of additional personal staff with their costs hidden in committee funds.

There apparently is a problem in the distribution of some committee staffs so that all subcommittees are not adequately covered, but that can and should be solved within the committee. Certainly the events over the last few months have indicated that within the Senate there is the ability to bring about any needed and necessary changes.

I believe that the so-called offsets in all of those proposals is unworkable and would be an administrative nightmare. As the Senate so well knows, the bulk of the committees prefer one general fund for Inquiries and Investigations rather than budgeting separate amounts for each subcommittee. Who is to make the decisions on the adequacy of subcommittee budgets? Would we leave it up to the committees in light of recent news articles alleging the existence of cozy arrangements?

Second, I want, as strongly as I can, to urge the continuance of the division of staffing responsibilities between the Committee on Rules and Administration and the Committee on Appropriations. The Legislative Reorganization Act guarantees a basic staff of 12 to each committee. The Rules Committee allocates the investigatory staff funds. Our committee provides the funds required for administrative and clerical assistance to Senators. There is nothing wrong with this division, and as I indicated previously, any problem can and should be settled within the committees.

The Appropriations Committee has been responsive to the needs of Senators for staff in their offices. Over the last 4 years, for instance, the clerk-hire allowances of the Senators from the most populated States has increased by some 57 percent; while the allowances to the Senators from the least populated States increased by 33 percent. Let me read the specific figures into the record. Overall, since 1971, the appropriation for clerk-hire has increased from $31,349,994 to $42,477,540. For the highly populated States, the allocation has increased from $477,978 to $751,980. The amount for the least populated States has grown to $392,298 from $295,938. In my mind that indicates that we have been both responsive to the situation generally, and in particular to the Senators from the populous States.

This year the subcommittee has not received any requests to increase the office clerk-hire. In fact, the only request we have received regarding clerk-hire is one from the Senator from Alaska (Mr. GRAVEL) for a cost-of-living adjustment for the staffs of the Senators from Alaska and Hawaii stationed in those States. Apparently this is the year to obtain additional staff through the committee structure. Not only do we have these proposals, but there are pending resolutions from the committees for inquiries and investigations amounting to nearly $6.5 million more than last year. At a minimum, we are talking about an addition of $10 to $19 million to the budget.

Mr. President, I want to indicate my total disagreement with this idea of having a so-called "man on the committee." In particular I noted the comments of the Senator from Oregon in yesterday's

RECORD with regard to the committee substitute for Senate Resolution 60. If I understand him correctly, the idea is to allow each Senator to have a legislative assistant attached to each of his committees. In my opinion, legislative assistants belong on the Senator's staff and not on the committee rolls.

As the Senator from Oregon indicated yesterday, additional positions have been allowed to the minority side of the Appropriations Committee on which we both serve. This is healthy and good. I believe in a strong minority. However, these minority positions should be only authorized to serve the full minority interests on the committee, and not the narrow interests of any one Senator. It will ill serve the minority if these additional assistants are not allowed to specialize in their respective areas, but merely become a hidden form of general legislative assistance to the Senators serving on the Appropriations Committee.

I have listened to all the arguments on the issue. At first I was somewhat inclined to yield to the demands for additional staff, though I would do it in an above the board manner within our present established and adequate system. This is the time for the Congress to set the strongest possible example of fiscal restraint and for the Senate to hold the line until our economic house is in order.

The PRESIDING OFFICER (Mr. PEARSON). The time of the Senator from South Carolina has expired. There is 1 minute remaining on each side. Who yields time?

Mr. PACKWOOD. Mr. President, I yield myself 1 minute.

I shall conclude by responding to Senator HOLLINGS in this fashion: We are not asking here for any more clerk-hire money. What we are asking for, those of us who are junior Senators, those of us who have been here only a few years, is an equal shot with the senior Senators to committee staff so that, when we are working on an antiballistic missile system or a general revenue sharing proposal, we have the same access that the senior Senators do to professional staff assistance. Do not get this mixed up with case work and answering our mail. We do not have it today. We do not have it on a bipartisan basis. Every junior Republican, every junior Democrat suffers from the same problem. I hope, Mr. President, that the Senate would be willing to rectify a problem that has gone too long unanswered.

The PRESIDING OFFICER. The Senator from Navada is recognized.

Mr. CANNON. Mr. President, I cannot let that statement go unchallenged. The request is not for additional committee staff; it is for additional personal staff. That is really what this is all about here now because we provide in the so-called Hatfield amendment, which is the one in the nature of a substitute, for additional committee staff.

The proposals here will simply load down the Senators' own personal staffs at an exhorbitant cost to the taxpayers at a time when we ought to be setting the example for economizing rather than setting an example for making a raid on the Treasury of the United States.

Mr. President, either one of these proposals—the proposal of Mr. GRAVEL is certainly excessive, far, far beyond any reasonable bounds, doubling the staff of the Senate staff; this is absolutely absurd.

Now, the Brock amendment is less costly, that is true. It would involve less employees. It would only add 320 people to the staff of the Senate, and cost $11,900,000.

Mr. TALMADGE. Mr. President, we can no longer wonder why most Americans hold garbage collectors and used car salesmen in higher esteem than the U.S. Senate. We are the laughing stock of our Nation, the symbol of ineptitude and ineffectiveness, and the object of scorn and ridicule in the eyes of our constituents.

We ought to be considering real and constructive solutions to double digit inflation and recession, unemployment, energy, crime, and the other grave ills which plague our Nation and our people. Instead, today we are considering Senate Resolution 60, the so-called Gravel resolution and the substitute resolution proposed by the Committee on Rules and Administration. We are looking at ways in which we can feather out our own nests and expand our individual empires.

The so-called Gravel resolution would authorize the hiring of at least a thousand additional Senate staff members at a cost to the taxpayers of at least $40 million in staff salaries, at least $30 million for a huge new office building to house these new employees, and untold millions for travel expenses, office equipment, stationery allowances, and so on. Its foundation is the perverse Washington philosophy that more is better. We usually practice this philosophy on our constituents with predictably disastrous results. Now, through proposals such as the Gravel resolution, we are turning this idiocy on ourselves.

The committee's alternative to the Gravel resolution suffers from similar flaws. But, Mr. President, let me hasten to add that while I oppose their recommendations, I understand the plight of the able and distinguished chairman of the Committee on Rules and Administration and his committee members, and I sympathize with them. The 57 Senators who cosponsored the Gravel resolution held a loaded gun to the committee's head and demanded its money or its life. The committee had to act and did succeed in cutting the cost of the Gravel resolution by over 90 percent. Still, while it is certainly the lesser of the two evils, the committee substitute is merely a smaller dose of the same poison.

Why am I so opposed to Senate Resolution 60? In short, I do not believe that increasing Senate committee staffs in the manner called for under the Gravel resolution or the committee substitute is a solution to the problem, whatever the problem is.

Besieged with an ever-increasing volume of constituent mail and pleas for assistance in battling the Federal bureaucracy and faced with an ever-increasing legislative workload, some Senators see Senate Resolution 60 as the answer.

They are wrong. A grammar school child knows that the most important work of the Senate is done by Senate committees. Rather than improving this aspect of the legislative process, the Gravel resolution and the committee substitute would invade the committee system to deal with what largely amounts to inadequacies in the Senators' personal staff system. They would only compound the problems which now exist. In their desperation, they would spread disruption and confusion and impede the orderly workings of the Senate committees and the Senate itself.

As all of us know, a committee must take often complex, often controversial issues, reconcile the competing points of view, reach a consensus solution to the problem, and report its recommendations to the full Senate.

In order for the committee to discharge these duties, its members often must subordinate their individual views and constituent interests to the institutional responsibility of dealing with the issue fairly and effectively.

In this regard, the Legislative Reorganization Act of 1946 recognized the importance of providing Senate committees with the professional and technical assistance necessary to legislate intelligently and effectively on the complex business of the Nation.

I cannot emphasize too strongly that the 1946 law provided this staff assistance to the Senate committees as institutions, rather than Senate committee members as individuals. Furthermore, the statute provides that personnel appointed to Senate committee staffs should be nonpolitical experts in their respective fields of knowledge and endeavor and should be servants of both their committees and the Senate.

Unfortunately, Mr. President, there have been some instances of professional committee staff members being used for political purposes or doing work not related to their committee's functions. To the extent that these abuses have occurred, the reason has been that the Members of this body have refused to adhere to the letter and intent of the law.

For the most part, however, today we have considerable expertise and professionalism in the staffs of the standing committees. They work for and their loyalty lies with the institutions they serve—the committee and the Senate.

On the other hand, Mr. President, the so-called Gravel resolution and the committee substitute, wrapped in the flag of reform, would play havoc with the existing system and destroy the concept of professional committee staffs. Committee staff members would be responsible only to individual Senators and responsive only to that Senator's philosophy and political interests.

Under the Gravel resolution, at least a thousand of these political operatives would descend upon the standing committees of the Senate.

Under the committee substitute, an

equal amount of staff fragmentation and a considerable degree of staff expansion would inevitably result. This measure would give each standing committee the option of assigning its existing professional staff among Senators who serve on that committee or allowing each Senator to hire his own staff assistant for the committee. Since few, if any, committees will want to divide their existing staffs, thereby rendering them totally ineffective, a great many new employees will be hired to serve individual Senators. In most cases, they will not be experts in any particular field. They will have to rely heavily on the professional committee staff which will, in turn, have to be expanded to meet these additional demands and burdens. As a result, I am sure that many Senate committees will lose some of their most talented professionals who will not tolerate this new horde of political operatives looking over their shoulders, niping at their heels, and undermining their work.

In addition, Mr. President, the committee substitute would require that within 3 years, the individual staff members of Senators must be incorporated into the professional staff on the committee, thereby destroying the concept established by the Legislative Reorganization Act and making it impossible to have a truly professional staff.

Make no mistake about it, to the extent that the Congress of the United States has effective leadership on legislative issues, much of the credit goes to the effectiveness of the leadership of the committees which have legislative jurisdiction. Where, for one reason or another, the committees are unable to lead, then the entire Congress is paralyzed and our Nation suffers. A good example is the energy question. As the distinguished majority leader recently pointed out, because energy legislation has been split among so many different and competing committees of the House and the Senate, the Congress has been unable to come up with a rational program. In these circumstances, even a weak President with a slipshod program looks good in comparison.

The proposals to increase committee staffs would do nothing to alleviate the problem of committee leadership. In fact, by making staffs less professional and more political, these proposals would only aggravate the situation by further eroding the committee system and the ability of committees to function efficiently.

We must not compound these errors and shortcomings. We must not destroy the committee system and the concept of professional committee staffs merely because we, as individual Senators, cannot always have our way in matters on the Senate floor, because our views, as individual Senators, do not always prevail in issues before our committees, or because we, as individual Senators, cannot always answer our mail as quickly as we would like in our personal offices. We must strengthen and revitalize rather than weaken and revolutionize these fundamental aspects of the legislative process.

We should have learned long ago that we cannot improve our brains and bloat our bellies at the same time. If we in the Congress want to flex our muscles, then we had better get rid of some of our fat.

The Members of this body who believe we should adopt Senate Resolution 60 are listening to false prophets.

On this issue, Mr. President, we may be able to fool ourselves, but we cannot fool the American people. Our constituents do not want any part of any proposal such as Senate Resolution 60 which would let every Lone Ranger in the Senate hire a whole tribe of Tontos, every Dick Tracy in the Senate hire a full squad of Sam Ketchums, and every Don Quixote in the Senate hire an entire troop of Sanchos.

With more of our citizens out of work than at any time since World War II, the American people want less bureaucracy, not more.

With our Government looking squarely into the jaws of the largest budget deficit in the history of our Republic, the American people want less spending, not more.

With our Nation plagued with a multiplicity of problems for which we have yet to come up with solutions or anything even resembling solutions, the American people want their elected representatives to do their jobs themselves and to make up their own minds on legislative issues.

I say again, Mr. President, those who believe we should adopt Senate Resolution 60 are not hearing the true voice of the voters.

Some of the Members of this body who continually vote for increased Federel spending and who are trying to figure out ways to increase their staff empires are not going to be answering rollcalls after the next election.

In short, Mr. President, if the Senate has a legislative death wish and wants to reduce itself to the status of a college debating society, then I can think of no better vehicle than Senate Resolution 60. If individual Senators have a political death wish and do not mind forced retirement, then I can think of no better vehicle than Senate Resolution 60.

These resolutions should never have been introduced. Having been introduced, they should never have gotten out of committee. Having gotten out of committee, they should be defeated on the Senate floor.

Good government demands it.

Commonsense demands it.

Every American demands it.

Mr. CANNON. Mr. President, I move to lay on the table Mr. GRAVEL's amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table Mr. GRAVEL's amendment.

Mr. CRANSTON. Mr. President, will the Senator yield for one moment?

The PRESIDING OFFICER. The motion is not debatable.

Mr. CRANSTON. Mr. President, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. CRANSTON. If the Gravel amendment is tabled, carrying with it the Brock amendment, the Brock amendment would then be in order, would it not, to be introduced once again as an amendment?

The PRESIDING OFFICER. It could be reoffered as an amendment to the committee substitute.

Mr. CRANSTON. In that case we go through the whole process again since there is opposition to it also, and I would just like to ask the Senator from Nevada if he would not move to table the Brock amendment instead. That will save us 2 days' time because we are going to have to go all through this again.

Mr. CANNON. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. Has not a motion to lay on the table been made?

The PRESIDING OFFICER. The motion to lay on the table has been made and it is not debatable.

Mr. ALLEN. Mr. President, I call for the yeas and the nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), is necessarily absent.

I also announce that the Senator from Kentucky (Mr. HUDDLESTON), is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senator from Wyoming (Mr. HANSEN), is necessarily absent.

The result was announced—yeas 95, nays 1, as follows:

[Rollcall Vote No. 215 Leg.]

YEAS—95

Abourezk	Goldwater	Muskie
Allen	Gravel	Nelson
Baker	Griffin	Nunn
Bartlett	Hart, Gary W.	Packwood
Bayh	Hart, Philip A.	Pastore
Beall	Hartke	Pearson
Bellmon	Haskell	Pell
Bentsen	Hatfield	Percy
Biden	Hathaway	Proxmire
Brock	Helms	Randolph
Brooke	Hollings	Ribicoff
Buckley	Hruska	Roth
Bumpers	Humphrey	Schweiker
Burdick	Inouye	Scott, Hugh
Byrd, Harry F., Jr.	Jackson	Scott, William L.
Byrd, Robert C.	Javits	Sparkman
Cannon	Johnston	Stafford
Case	Kennedy	Stennis
Church	Laxalt	Stevens
Clark	Leahy	Stevenson
Cranston	Long	Stone
Culver	Magnuson	Symington
Curtis	Mathias	Taft
Dole	McClellan	Talmadge
Domenici	McClure	Thurmond
Eagleton	McGee	Tower
Eastland	McGovern	Tunney
Fannin	McIntyre	Weicker
Fong	Metcalf	Williams
Ford	Mondale	Young
Garn	Montoya	
Glenn	Morgan	
	Moss	

NAYS—1

Mansfield

NOT VOTING—3

Chiles Hansen Huddleston

So the motion to lay on the table Mr. GRAVEL's amendment was agreed to.

Mr. CANNON. Mr. President, I am happy that the Senate did exercise its good judgment in turning aside this $40 million raid on the taxpayers for——

Mr. TALMADGE. Mr. President, may we have order? We cannot hear.

The PRESIDING OFFICER. The Senate will be in order.

Mr. CANNON. Mr. President, I am pleased that the Senate turned aside this move to raid the Treasury, the taxpayers, at the expense of $40 million to add 1,073 new staff people to the Senate staff.

I hope that the Senate, will, in its good judgment, adopt the Hatfield substitute that is now the pending business.

FOOD STAMPS FOR SSI RECIPIENTS

The PRESIDING OFFICER. The Chair will announce that under the previous order the issue pending is the amendment of the Senator from Kansas to S. 1662. The yeas and nays have been ordered.

Mr. BROCK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BROCK. I had intended to file, on behalf of a number of Senators, a cloture motion. Is that not in order at the present time? Am I required to wait?

The PRESIDING OFFICER. That is not in order once we have returned to S. 1662. By unanimous consent, the order was to return immediately after the vote on the tabling motion.

Mr. BROCK. I should be advised to wait until after the next vote; is that correct?

The PRESIDING OFFICER. Until after Senate Resolution 60 is once again the pending business before the Senate.

The bill will be stated by title.

The second legislative clerk read as follows:

A bill (S. 1662) to amend the Food Stamp Act of 1964.

The PRESIDING OFFICER. The Senator from Kansas has 1 minute on the bill.

Mr. DOLE. Mr. President, I ask unanimous consent to have printed in the RECORD, as part of my remarks made earlier, information concerning the number of prosecutions for fraud in connection with applications fraudulently submitted.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Question. Has the Department developed any statistics which show the extent of fraudulent applications for food stamps?

Answer. During Fiscal Year 1974, we established claims against 17,480 food stamp recipients for bonus coupons received in excess of entitlement. The dollar amount of the 17,480 claims totaled $3,810,877.92. For the first two quarters of Fiscal Year 1975, we established claims against 13,952 households for a total dollar value of $2,338,901.93.

Collections received during Fiscal Year 1974 for application to recipient claims totaled $1,505,253.64. This figure is not directly related to the specific claims established in any given period since collections are, in most cases, made in installments over a period of several years. Collection data for Fiscal Year 1975 are not yet available.

Although most of the claims established against recipients were for suspected fraud, some are the result of collections of overissuances due to administrative error.

Approximately .08 percent of the average monthly participating caseload was found to be participating on a fraudulent basis in Fiscal Year 1974.

RECIPIENT CLAIMS—FISCAL YEAR 1974

State	Number of claims established	Total amount of claims
Northeast region:		
Connecticut	5	$597.50
Delaware	2	204.00
Maine	20	8,367.50
Maryland	79	8,521.00
New Jersey	40	5,344.50
New York	187	57,446.75
Pennsylvania	173	17,329.00
Virginia	431	90,583.25
West Virginia	47	42,623.50
Total	984	231,017.00
Southeast region:		
Alabama	1,139	215,758.55
Florida	684	149,755.90
Georgia	199	35,652.00
Kentucky	786	188,245.20
Mississippi	2,345	559,518.50
North Carolina	591	161,870.00
South Carolina	349	91,234.00
Tennessee	2,188	506,968.90
Total	8,281	1,909,003.05
Midwest region:		
Illinois	486	96,086.50
Indiana	773	148,349.05
Iowa	172	24,084.65
Kansas	17	1,068.50
Michigan	360	49,076.30
Minnesota	62	10,864.00
Missouri	428	162,755.50
Nebraska	345	94,737.00
Ohio	427	67,369.25
Wisconsin	120	20,845.00
Total	3,190	675,235.75
West-Central region:		
Arkansas	322	82,461.75
Colorado	369	95,071.30
Louisiana	540	191,389.00
New Mexico	992	190,802.50
North Dakota	63	11,185.25
Oklahoma	9	3,785.50
South Dakota	51	12,725.00
Texas	553	58,228.50
Utah	175	37,011.50
Wyoming	84	7,124.50
Total	3,158	689,784.80
Western region:		
Alaska	32	8,748.75
Arizona	7	3,185.50
California	918	198,527.48
Hawaii	9	527.00
Idaho	12	850.00
Oregon	719	72,085.84
Washington	170	21,912.75
Total	1,867	305,837.32
Grand total	17,480	3,810,877.92

CLAIMS AGAINST FOOD STAMP RECIPIENTS, JULY–SEPTEMBER—FISCAL YEAR 1975

State	Number of claims established	Total amount of claims
Northeast region:		
Connecticut	3	$196.50
Delaware	2	150.00
Maryland	208	21,776.05
New Jersey	41	4,892.00
New York	189	67,663.25
Pennsylvania	503	42,655.40
Virginia	172	31,071.50
Total	1,118	168,404.70
Southeast region:		
Alabama	387	$67,971.25
Florida	134	20,512.25
Georgia	8	1,753.00
Kentucky	227	51,655.50
Mississippi	624	120,061.25
North Carolina	107	17,705.75
South Carolina	102	20,635.25
Tennessee	161	41,116.75
Total	1,750	341,411.00
Midwest region:		
Illinois	97	21,252.25
Indiana	212	29,557.90
Iowa	47	9,004.50
Kansas	1	228.00
Michigan	15	2,022.00
Minnesota	5	480.75
Missouri	216	49,803.25
Nebraska	39	6,577.50
Ohio	31	6,008.50
Wisconsin	3	185.00
Total	666	125,119.65
West-Central region:		
Arkansas	27	6,220.50
Colorado	63	10,579.55
Louisiana	326	120,151.75
New Mexico	325	65,242.25
North Dakota	18	4,476.00
Oklahoma	9	1,411.50
South Dakota	12	1,054.50
Texas	460	52,989.25
Utah	2	1,028.00
Wyoming	60	8,252.00
Total	1,302	271,405.30
Western region:		
Arizona	1	15.00
California	152	31,675.00
Oregon	191	22,540.50
Washington	45	2,971.75
Total	389	57,202.25
Grand total	5,225	963,542.90

CLAIMS AGAINST FOOD STAMP RECIPIENTS, OCTOBER–DECEMBER—FISCAL YEAR 1975

State	Number of claims established	Total amount of claims
Midwest region:		
Illinois	9	$745.50
Indiana	341	33,092.55
Iowa	44	6,826.21
Kansas	31	4,111.00
Michigan	113	14,423.70
Missouri	152	48,686.75
Ohio	14	3,017.00
Wisconsin	1	11.00
Total	705	110,913.71
West-Central region:		
Arkansas	24	5,832.50
Colorado	219	48,097.05
Louisiana	161	58,827.50
New Mexico	71	18,732.00
Oklahoma	23	6,184.50
Texas	198	1,757.75
Utah	42	8,955.00
Total	738	148,386.30
Western region:		
Arizona	42	35,705.50
California	242	50,134.25
Idaho	11	2,549.00
Nevada	7	1,736.00
Oregon	429	75,567.60
Washington	192	24,058.50
Total	923	189,750.85
Northeast region:		
Maine	7	3,987.50
Maryland	42	4,166.00
New Jersey	1	103.00
New York	153	41,052.75
Pennsylvania	148	15,815.50
Virginia	46	7,460.00
West Virginia	55	49,984.00
Total	452	122,568
Southeast region:		
Alabama		
Florida		
Georgia		
Kentucky		
Miss		

CLAIMS AGAINST FOOD STAMP RECIPIENTS, OCTOBER—DECEMBER—FISCAL YEAR 1975—Continued

State	Number of claims established	Total amount of claims
Southeast region—Continued		
South Carolina	131	38,165.85
Tennessee	846	192,068.50
Total	5,909	803,739.42
Grand total	8,727	1,375,359.03
Grand total 2 quarters	13,952	2,338,901.93

Question. What is the extent of prosecutions for fraudulent acquisition of food coupons? How many cases go to trial by jury?

Answer. In Fiscal Year 1974, there were 521 successful prosecutions of persons accused of food stamp fraud in State and local courts The dollar amount of losses to the program related to fraud committed by these individuals was $460,810.16. In the first two quarters of Fiscal Year 1975, there were 170 successful prosecutions of food stamp fraud with a connected loss to the program of $159,025.

Virtually all food stamp fraud prosecutions are undertaken at the State or local level. Many States now have specific legislation dealing with food stamp fraud, although several States prosecute under general fraud statutes. FNS does not have statistics which show the extent of jury involvement in the determination of guilt in these fraud cases. We do know that jail terms are usually suspended, but losses to the program are recovered because restitution of the overissuance is almost always made a condition of probation.

There is virtually no prosecution of "routine" fraud cases at the Federal level. For this reason, FNS has encouraged States to enact "model" food stamp fraud legislation. We are hopeful that the decrease in prosecutions noted in the first two quarters of Fiscal Year 1975 is an indication that the willingness of local officials to prosecute food stamp fraud cases had served as a deterrent to fraudulent applications.

SUCCESSFUL PROSECUTIONS FOR FOOD STAMP FRAUD IN STATE AND LOCAL COURTS, FISCAL YEAR 1974

FNS region	Number of cases	Amount lost
Northeast	29	$11,878.25
Southeast	238	117,077.50
Midwest	14	9,680.50
West-Central	222	303,485.91
West	18	18,688.00
Total	521	460,810.16

SUCCESSFUL PROSECUTION OF FOOD STAMP FRAUD CASES, JULY-DECEMBER—FISCAL YEAR 1975

	Number of cases	Amount lost
Northeast region:		
Connecticut	1	$304.00
Maryland	2	578.00
Total	3	882.00
Southeast region:		
Alabama	2	430.00
Florida	31	11,327.00
Georgia	17	13,336.50
Kentucky	1	3,222.00
Mississippi	5	6,458.25
Tennessee	1	152.00
Total	57	34,925.75
Midwest region:		
Indiana	1	1,500.50
Iowa	2	253.00
Total	3	1,753.50
West-Central:		
Arkansas	13	NA
Louisiana	58	100,438.75
Texas	36	20,409.00
Total	101	120,847.75
Western region:		
California	1	136.00
Washington	5	480.00
Total	6	616.00
Grand total	170	159,025.00

Mr. DOLE. In the remaining seconds, the Senator from Kansas will again repeat that this amendment addresses only the certification. We all know of the number of abuses in the program, but I am talking about certification.

The PRESIDING OFFICER. The Senate will be in order, please.

Mr. DOLE. The program will be revised. The USDA report will be available in about 10 days. Shortly after that, the Senate Committee on Agriculture and Forestry will start hearings to revise and tighten up the food stamp program.

In the meantime, those in need should not be required to wait 30 or 60 days for stamps. All this does is to speed up the certification.

It does require identity; it does require an applicant to establish his or her residence. It does require that the applicant sign the application and certify to its accuracy, the penalty being a $10,000 fine and up to 5 years in jail.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES) is necessarily absent.

I also announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senator from Wyoming (Mr. HANSEN) is necessarily absent.

The result was announced—yeas 61, nays 35, as follows:

[Rollcall Vote No. 216 Leg.]

YEAS—61

Abourezk	Hart, Gary W.	Montoya
Bayh	Hart, Philip A.	Moss
Beall	Hartke	Muskie
Bentsen	Haskell	Nelson
Biden	Hatfield	Pastore
Brock	Hathaway	Pearson
Brooke	Hollings	Pell
Bumpers	Humphrey	Percy
Burdick	Inouye	Ribicoff
Cannon	Jackson	Schweiker
Case	Javits	Scott, Hugh
Church	Johnston	Stafford
Clark	Kennedy	Stevens
Cranston	Leahy	Stevenson
Culver	Magnuson	Stone
Dole	Mathias	Symington
Domenici	McGee	Tunney
Eagleton	McGovern	Weicker
Ford	McIntyre	Williams
Glenn	Metcalf	
Gravel	Mondale	

NAYS—35

Allen	Goldwater	Randolph
Baker	Griffin	Roth
Bartlett	Helms	Scott, William L.
Bellmon	Hruska	Sparkman
Buckley	Laxalt	Stennis
Byrd, Harry F., Jr.	Long	Taft
Byrd, Robert C.	Mansfield	Talmadge
Curtis	McClellan	Thurmond
Eastland	McClure	Tower
Fannin	Morgan	Young
Fong	Nunn	
Garn	Packwood	
	Proxmire	

NOT VOTING—3

Chiles	Hansen	Huddleston

So Mr. DOLE's amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1662) was order to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1662) was passed, as follows:

S. 1662

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective for the 12-month period ending June 30, 1976, section 3(b) of the Agriculture and Consumer Protection Act of 1973 is amended to read as follows:

"(b) Section 3(e) of the Food Stamp Act of 1964 is amended by striking out 'No person who is eligible (or upon application would be eligible) to receive supplemental security income benefits under title XVI of such Act shall be considered to be a member of a household or an elderly person for purposes of this Act.' and inserting in lieu thereof the following: 'For the 12-month period ending June 30, 1976, no individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household or an elderly person for purposes of this Act for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.'."

SEC. 2. Effective for the 12-month period ending June 30, 1976, section 4(c) of the Agriculture and Consumer Protection Act of 1973 is amended to read as follows:

"(c) For the 12-month period ending June 30, 1976, no individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household for any purpose of the food distribution program for families under section 32 of Public Law 74-320, section 416 of the Agricultural Act of 1949, or any other law, for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.".

SEC. 3. The last sentence of section 416 of the Act of October 31, 1949, shall not be effective for the 12-month period ending June 30, 1976:

SEC. 4. For purposes of section 3(e) of the Food Stamp Act of 1964 (as amended by section 1 of this Act) and section 4(c) of the Agriculture and Consumer Protection Act of 1973 (as amended by section 2 of this Act), the level of State supplementary payments under section 1616(a) of the Social Security Act shall be found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps (a) only if, prior to October 1, 1973, the State has entered into an agreement with the Secretary or taken other positive steps which demonstrate its intention to provide supplementary payments under section 1616(a) at a level which is at least equal to the maximum level which can be determined under section 401(b)(1) of the Social Security Amendments of 1972 and which is such that the limitation on State fiscal liability under section 401 does result in a reduction in the amount which would otherwise be payable to the Secretary by the State, and (b) only with respect to such months as the State may, at its option, elect.

SEC. 5. Section 10(h) of the Food Stamp Act of 1964, as amended, is amended by deleting the first sentence and inserting in lieu thereof the following: "Subject to such terms and conditions as may be prescribed by the Secretary in the regulations issued pursuant to this Act, household members of persons who are elderly, housebound, feeble, physically handicapped, or otherwise disabled, to the extent that they are unable to adequately prepare all of their meals, may use coupons issued to them to purchase meals prepared for and delivered to them by a political subdivision or by a private nonprofit organization which: (1) is operated in a manner consistent with the purposes of this Act; and (2) is recognized as a tax exempt organization by the Internal Revenue Service.".

SEC. 6. The Food Stamp Act of 1964, as amended, is amended by adding a new subsection to section 10 as follows:

"(j) Notwithstanding any other provision of this Act in order to insure the participation of eligible households and to provide for the effective and efficient administration of the food stamp program, the Secretary shall provide certification procedures for applicant households. The Secretary shall provide for such certification procedures in regulations issued not later than thirty days after enactment of this subsection. Such certification procedures shall provide for the following: (1) each potential applicant to have an opportunity to file an application for participation in the food stamp program on the same day of such person's first reasonable attempt to make a request for food stamp aid; (2) immediate thirty-day certification, and issuance of an authorization to purchase card, to any household which meets the uniform national standards of eligibility on the face of the application; without requiring verification of income, household deductions, and resources, subject to the provisions of subparagraph (3) and section 14; (3) verification of each application within thirty days after certification: *Provided*, That a household's certification shall not expire prior to the State agency completing verification; *Provided further*, That households shall cooperate with the State agency in verifying eligibility factors; (4) minimum subsequent continuous certification and recertification periods of four months: *Provided*, That households containing an elderly, blind, or disabled recipient, shall be certified for minimum subsequent continuous certification and recertification periods of six months: *Provided further*, That in determining the effectiveness and efficiency of the administration of the program by the State, the accuracy and eligibility determinations shall be judged as of the time of the certification, recertification or reported changes in eligibility status by the household; and (5) convenient, adequately staffed certification centers.".

SEC. 7. The provisions of this Act shall be effective on July 1, 1975.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

Mr. GRAVEL. Mr. President, what is the pending business?

The PRESIDING OFFICER (Mr. PEARSON). The Senate now resumes the consideration of Senate Resolution 60, which the clerk will state.

The assistant legislative clerk read as follows:

A resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

The Senate resumed the consideration of the resolution.

Mr. GRAVEL. Mr. President, before I send my amendment to the desk, I think there should be some clarification provided the membership as to what happened on the last vote. I, for one, and many of our supporters on this issue, voted to lay on the table the Gravel amendment, and I think that the public is entitled to an explanation as to why that took place.

It was because we seemed to be lost in parliamentary maneuvers, which could consume a considerable amount of time. That is unfortunate, Mr. President, because all we want to do is have a vote up or down on the Brock compromise to an original proposal that I and others offered.

That is all we want. We do not wish to make it any more complicated than that. Therefore, it would seem childish to get locked into convoluted tactics, when the issue is that simple and can be that easily resolved. I think it was most unfortunate that the Senator from Nevada requested that the vote be, not on my proposal—which is not the proposal that we are really offering—but on a motion to lay on the table, thus giving opponents the opportunity to claim that we seek a $40 million raid on the treasury. That is not at all what we are after. The Senator can make such statements, but when he does, he is not addressing himself to what we are offering. What we are offering, in the spirit of compromise, is what we feel may be the will of the majority; so I am hopeful, Mr. President, that we can get a clearcut vote on this issue.

If it is the desire of some to go through a tabling process, let them so move; but let the motion be to table what we are really trying to arrive at, which is the substance of the Brock proposal.

AMENDMENT NO. 555

To that end, Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

Mr. TALMADGE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The clerk may proceed.

The assistant legislative clerk proceeded to read the amendment.

Mr. GRAVEL. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. I object.

The PRESIDING OFFICER. Objection is heard.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes an amendment (No. 555) as follows:

Strike out all after the resolving clause and insert in lieu thereof the following:

That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, an amount equal to two times the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for such committees which he designates, an amount equal to one and one half times the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not

disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(d)(2)(i) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one half times the amount referred to in section 105(d)(2)(ii) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discusssion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(d)(2)(i) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator."

Mr. GRAVEL and Mr. BROCK addressed the Chair.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. GRAVEL. I am happy to yield.

AMENDMENT NO. 556

Mr. BROCK. Mr. President, I offer an amendment to the amendment of the Senator from Alaska, which I send to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BROCK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. I object.

The PRESIDING OFFICER. Objection is heard.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee (Mr. BROCK) proposes an amendment (No. 556) as follows:

In lieu of the language proposed to be inserted by Mr. GRAVEL, insert the following:

That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to two times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3 or, in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for one of such committees which he designates, an amount equal to one and one-half times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one-half times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discusssion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(d)(2)(i) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.".

SEC. 2. Paragraph 8 of rule XXV of the Standing Rules of the Senate (as added by the first section of this resolution) shall be suspended and shall have no force or effect during any period during which, by law, a legislative assistance clerk-hire fund is established and funded to provide for legislative assistance for Senators serving on committees at rates not less than those provided in such paragraph 8, and subject to no more conditions and no greater limitations than those provided in such paragraph.

SEC. 3. Each Senator and the chairman of each committee on which he serves shall, not later than 5 days (not including Saturdays, Sundays or holidays) after the date on which this resolution is adopted certify to the Secretary of the Senate a list containing the names and the total aggregate annual compensation of any professional staff member on such committee whose appointment is made, approved, or recommended by such Senator. Whenever such certification has been made and is no longer applicable, the Senator and chairman of that committee shall jointly notify the Secretary of the Senate accordingly. Such certification shall be effective on the date received by the Secretary of the Senate.

Mr. BROCK. Mr. President, this is the same amendment, in virtually every sense of the word, as that which I presented in the previous debate.

We have acted upon the Gravel amendment, originally offered some several months ago, by tabling it, and the Senate acted by a vote of 95 to 1. It clearly indicates that both the opponents of any change and those who propose some change are reaching closer to an accommodation. This is the final compromise we have arrived at. We have debated it thoroughly for a day and a half. I honestly see no further need for discussion.

It is my conviction that this amendment can save money from the appropriations made by the Rules Committee. That is a matter of some debate. But it is also my absolute conviction—and I do not think this can be disputed—that this approach will guarantee to each Senator equality of treatment under the rules of the Senate, and that is our fundamental objective.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. BROCK. Surely.

Mr. CURTIS. It was not possible for the junior Senator from Nebraska to be present yesterday. Will the Senator give us a thumbnail statement of just what his proposal calls for?

Mr. BROCK. It says, in effect, that each Senator shall have the right to the equivalent of two professional staff members on each of the two standing committees. If he serves on a third standing committee or some special, select, or joint committee, he shall be entitled to the equivalent of 1½ professional staff people on a third committee, whatever that third committee happens to be, but no more than that, no matter on how many committees he serves.

In the instance of the standing committee, it would amount to approximately $67,000 worth of staff allowance, which would be used at the discretion of the Senator. He would certify his choice of an individual to the chairman, and it would be submitted to the Secretary of the Senate for payment out of the contingency fund.

Mr. CURTIS. Two for each committee?

Mr. BROCK. Two for each committee.

In terms of dollars, our estimate of the cost is about $8 million. In the counting of the fringes, it will go perhaps 10 percent above that. The committee has proposed $3,700,000. But what is not mentioned in the debate is that they also have had requests of $6,448,000 additional funding for existing committee chairmen.

So that when we total the two of the Rules Committee programs, we come to a figure of $10,168,000, which is well over a million dollars in excess of what the Senator from Tennessee is proposing. The difference, of course, is that in the Rules Committee approach, the staff is hired by the chairman; and in my approach, we guarantee to each Senator the right to hire two professionals for the committee.

Mr. CURTIS. How would the Senator's amendment, if adopted, affect a situation in which a member of the committee other than the chairman already has some staff members serving on the committee?

Mr. BROCK. If any Senator has existing staff on the committee payroll that are subject to his hiring and firing, there is a 100 percent offset. The Senator would not then benefit.

Let us say that the Senator were on the Committee on Agriculture and Forestry or any other committee. If he had an amount in excess of the amount in the bill, he would receive no additional support. There is a 100 percent offset. This applies only to those Senators who do not have staff sufficient to this amount.

Mr. CURTIS. The staff member must be used for a committee for which he or she is designated?

Mr. BROCK. That is correct.

Mr. CURTIS. I should like to present an individual problem, to see whether it will fall within the purview of this proposal.

As the ranking member of the Committee on Finance, I designated two professionals. They are both distinguished naval tax lawyers. They are appointed, as I understand it, under the statute and not my by reason of a resolution of the Rules Committee. I have no provision for stenographic support for them. They come to my office, and my staff takes care of the typing and the shorthand and whatever needs to be done in order that these two professionals can put their work in a condition to serve all the minority.

On the Committee on Finance, we are faced with very serious problems of financing social security. I think the Senate owes it to the beneficiaries of social security and to those who pay the payroll tax to do the very best and finest job we can in working out these financial policies.

As a member of the minority, I desperately need the services—I say "the minority"; I correct that. The minority desperately needs the services of an actuary. In fact, the entire committee does. The two who are already appointed were designated by me. I assume that I could terminate their services. I do not know about that, because, as a matter of comity, I have consulted the other minority members on it.

I am wondering whether or not the adoption of this proposal would do anything toward providing the needs that I have recited, that we should have an actuary and that I need some stenographic support for these two professionals.

Mr. BROCK. I serve on that committee, and I am delighted that the Senator has raised the point.

Let me draw an analogy from a previous experience I had with the Committee on Banking, Housing and Urban Affairs, under the able Senator from Alabama. We on the minority, in effect, pooled all those members of the staff who were available to the minority, under the direction of the ranking minority member. Some were allocated to various members, but we tried to hire people on the basis of the demonstrated needs of the committee itself.

So that, for example, if in this particular instance the Senator wanted to keep these two professionals, they would be charged against his payroll, against this proposal; but then, of course, it would be a matter of accommodation for the other members to hire those people who would complement these two. In so many words, the Senator could trade them off or keep them and allow the other members to complement them with actuarial or other help.

We are trying to leave to the Senator and to the respective parties the maximum flexibility to deal with just this kind of problem, under my proposal.

Mr. CURTIS. Mr. President, will the Senator yield further for a bit of clarification?

Mr. BROCK. I yield.

Mr. CURTIS. When I said I appointed them under the statute, I was referring to the Reorganiaztion Act, which provides that each committee shall have six professionals, two of them being designated by the minority. It seems to me that we are in a different circumstance than if the Finance Committee had this year and in previous years made rather sizeable requests from the contingent funds for more employees.

Mr. BROCK. Senator, I agree with that. Perhaps we can accommodate that.

Mr. GOLDWATER. Will the Senator from Nevada yield?

Mr. CANNON. I do not have the floor; the Senator from Tennessee has.

Mr. BROCK. I am glad to yield the floor.

Mr. ALLEN. Will the Senator from Tennessee yield for a question?

Mr. BROCK. The Senator from Oregon was on his feet first. May I then yield to the Senator from Alabama.

Mr. HATFIELD. I wish to have the Senator from Tennessee clarify a point that he made a moment ago, when he was expressing to the Senator from Nebraska the distinctions between his proposal and the Rules Committee proposal. If I understood him correctly, he said that the Brock-Gravel substitute provided the individual Senator with the authority to appoint a staff person, whereas the committee proposal only provided that the chairman of the committee could make an appointment.

Mr. BROCK. If I said that, I misspoke myself. I was referring to the $6,448,000 in additional requests that the committee has received from the current chairman, not to the $3.7 million that is in the current resolution.

Mr. HATFIELD. To clarify it further, the fact remains that the committee proposal that is now pending, the one substituted by the Brock-Gravel substitute motion, provides for each Senator to appoint a professional staff person to the committee. Is that not correct?

Mr. BROCK. Yes.

Mr. HATFIELD. I just want to make that clarification, because I believe it was not quite clear before.

Mr. BROCK. I appreciate the clarification.

Mr. HATFIELD. I thank the Senator.

Mr. McCLELLAN. Will the Senator yield for a point of clarification?

Mr. ALLEN. I shall be glad to have the distinguished Senator from Arkansas go first.

Mr. McCLELLAN. I appreciate the Senator's yielding. I should like to understand how this is going to apply to the Appropriations Committee.

Am I to understand that each member of the Committee on Appropriations will have the opportunity to name two professional employees?

Mr. BROCK. If he so chooses, yes.

Mr. McCLELLAN. Am I correct?

Mr. BROCK. That is correct.

Mr. McCLELLAN. He could name two, each member of the Appropriations Committee, both Democrat and Republican?

Mr. BROCK. That is correct.

Mr. McCLELLAN. That would run it up to some 50-odd new staff members on the Appropriations Committee.

Mr. GRAVEL. Will the Senator yield on that point? It would not add to the staff, as the Senator presently understands the staff of the Committee on Appropriations. It would add to the staff

of the various members on the Appropriations Committee, who would certify to the chairman of the Appropriations Committee that they are to do the member's work on the Appropriations Committee. They would not add to the professional staff of the Appropriations Committee.

Mr. McCLELLAN. In other words, it is my understanding that they would not be obtained out of the money allocated to the Appropriations Committee. Their salaries would be paid out of the speical fund or the Senate fund?

Mr. BROCK. Out of the contingency fund of the Senate.

Mr. McCLELLAN. Out of the contingency fund?

Mr. BROCK. That is correct.

Mr. McCLELLAN. The Senators say it does not add anything to the professional staff of the committee, but as I interpret this, they are entitled to every privilege of a professional staff member of a committee.

Mr. BROCK. That is correct.

Mr. McCLELLAN. So in the exercise of their functions, their duties, who are those who have this professional staff privilege and to whom are they responsible?

Mr. BROCK. The Senator who employs them.

Mr. McCLELLAN. Responsible to whom? To the Senator who employed them?

Mr. BROCK. If I were one of these employees, that is to whom I would go first.

Mr. McCLELLAN. That is what I understand. So what we are doing, then, is simply loading down, as I see it, loading down the committees where they can have at least two professional staff men on each committee and they would be paid out of a contingency fund. They would in no way be responsible to the chairman and minority ranking member of the committee itself.

Mr. BROCK. That is essentially correct. I do not use the words "loading down," Senator. The Senator's facts are correct, not his description of the situation.

Mr. McCLELLAN. If the facts are correct, what is the difference between the fact and the description the Senator would give?

Mr. BROCK. We are not loading down a committee when these people are doing the work of the member and reflecting or reporting to him on research data, information, whatever else he may require to be an adequately, fully informed member of that committee.

Mr. McCLELLAN. All right, Senator, we will not use the words "loading down." I will describe it another way.

Mr. BROCK. The Senator may use any word he wants to. That is all right.

Mr. McCLELLAN. I will let each one pass his own judgment on what the consequences are. I am just talking now about the Appropriations Committee.

As I understand, the ranking member and the chairman would not have the right to appoint the two members, or would they, for themselves?

Mr. BROCK. No, sir, only if they do not have that staff available to them now.

Mr. McCLELLAN. Well, we have a committee staff that is available to everybody.

Mr. BROCK. That statement that is made time and time again in this body, but the facts are that at least some of our colleagues do not feel that the staff on some committees is available to them to the degree that it is to the chairman.

Mr. McCLELLAN. I am talking now about the Appropriations Committee and I do not believe any member of the Appropriations Committee will say the staff is not available to them. I do not know of any instance where the staff has declined to cooperate with any member. If I knew of it, I would take some action to correct it. My instructions are to cooperate with everybody.

I am trying to rationalize this thing.

Mr. BROCK. I understand.

Mr. McCLELLAN. The Senator said if we already have a staff member. What about where I have appointed members on the staff at the request of some Senator. What would be their status?

Mr. BROCK. They would be charged to the individual Senator, if it is a member that is assigned to him.

Mr. McCLELLAN. I take from the staff those already appointed and operating under the committee jurisdiction. He would be relieved and be no longer subject to the committee control or the chairman's control and the minority members' direction, but he would go over to the Senator who appointed him.

Mr. BROCK. No, the way the bill reads, there is a 100-percent offset. If I, in my capacity as a member of the Government Operations Committee, have $43,000 or $44,000 worth of staff assistants assigned to me, paid out of the committee, then that is charged against my allotment under this bill.

Mr. McCLELLAN. That would be true, but then it would create a vacancy on the staff as it is now?

Mr. BROCK. No, he would remain with the staff. He is just charged against my quota. If I do not want him any more——

Mr. McCLELLAN. The chairman has no more supervision over him. He is assigned to the Senator——

Mr. BROCK. He has just as much supervision as he has now. In most cases, the chair now does not have supervision of those individuals. He may in the Appropriations Committee.

Mr. McCLELLAN. I am talking about the Appropriations Committee. I know how it operates. We have appointed a number of people at the request of Senators, I do not know how many. We frequently appoint somebody on the staff at the recommendation of another member of the committee. What do we do with them?

Mr. BROCK. Do they serve that Senator or do they serve the full committee?

Mr. McCLELLAN. They are serving the full committee now.

Mr. BROCK. And not priority treatment for that individual Senator?

Mr. McCLELLAN. No, sir, they do not have that priority treatment.

Mr. BROCK. Then they are charged as they are charged today. No charge to the individual; it is a function of the committee.

Mr. McCLELLAN. Then he comes along and asks for two more. Would I be under obligation to appoint two more and give them to him?

Mr. BROCK. If this individual Senator has no staff assigned to him now, he is allowed the equivalent of two professional staff.

Mr. McCLELLAN. All right. The purpose of this bill is to add enough staff to the committee so that each member of the committee will have two personal staff members responsible to the Senator who names them.

Mr. BROCK. That is correct.

Mr. McCLELLAN. So that would then add some, at least, 40, I would say at least 40, staff members to the Appropriations Committee.

Mr. BROCK. Overall, Senator. I cannot speak for the Appropriations Committee. I do not have a list in front of me.

Mr. McCLELLAN. We have 26 members, and that would be 48 if you added 2 for everyone. I am taking 2 or 3 maybe who have been appointed.

Mr. BROCK. Overall, our best estimate, we are talking about 259 people, which is 159 in excess of the Rules Committee recommendation, and which is only 59 in excess of the present chairman's request, plus the Rules Committee recommendation. You are talking about a net increase of 59 people for the entire Senate. I do not think it is of that great a consequence. It may be that most of it impacts on Appropriations—I doubt it—but it is possible.

Mr. McCLELLAN. I think possibly this will have less impact on the Appropriations Committee—I mean the committee bill would, as I interpret it, on the Appropriations Committee and possibly on some other committees.

Mr. BROCK. That is probably true.

Mr. McCLELLAN. I am trying to understand what the Senator's amendment would do insofar as the Appropriations Committee is concerned. Each member, excepting possibly the chairman or the ranking minority member—does it make any distinction about the ranking minority member?

Mr. BROCK. No, sir.

Mr. McCLELLAN. Well then, each member except the chairman. It does make a distinction as to him.

Mr. BROCK. No, it does not.

Mr. McCLELLAN. All right.

Mr. BROCK. It simply makes a distinction as to now who has the responsibility for hiring staff.

Mr. McCLELLAN. All right. We have a 52-new-staff-member potential for the Appropriations Committee.

Mr. BROCK. No, sir. It would not quite work out that way.

Mr. McCLELLAN. Sir?

Mr. BROCK. It would not work out that way.

Mr. McCLELLAN. If everybody exercises what the Senator says he is offering them here.

Mr. BROCK. The chairman is already appointing the staff, as he well knows, and so is the ranking member. Any person who is now hiring staff will have that staff charged against his allotment.

Mr. McCLELLAN. To whom are these going to be charged? I inherited them. They are there. They have been there for years. To whom are they charged?

Mr. BROCK. The Senator is responsible for his committee and his membership.

Mr. McCLELLAN. Who is responsible?

Mr. BLOCK. The Senator is and if the Senator wants to keep them that is his prerogative.

Mr. McCLELLAN. Who is charged with them? I want to keep them, but who are they going to be charged to?

Mr. BROCK. The Senator from Arkansas.

Mr. McCLELLAN. I get the whole business?

Mr. BROCK. The whole thing.

Mr. McCLELLAN. Nobody can remove them?

Mr. BROCK. The Senator can.

Mr. McCLELLAN. Except me.

Mr. BROCK. That is right.

Mr. McCLELLAN. Then if I do not want to remove any of them we are going to add then at least 50, assuming I do not appoint any more, at least 50 new staff members, professional staff members, to the Appropriations Committee.

Mr. BROCK. That is possible.

Mr. McCLELLAN. It is a potential of it, is it not?

Mr. BROCK. Well, all right. For the sake of argument I will say yes.

Mr. McCLELLAN. That is a potential. I do not know how many will be added to other committees. It would be 50 for the Appropriations Committee.

Mr. BROCK. The total new——

Mr. McCLELLAN. I would have no objection to a proper increase in staff, but I have serious doubts about the way this is going to operate, and it is not of long-range consequence to me, but it is to the Senate.

Mr. BROCK. I understand.

Mr. McCLELLAN. It will add considerably to the number of staff members here, and they have all of the privileges of the regular staff members of the committee, and with these professionals there will have to be additional clerical, I assume?

Mr. BROCK. May I say——

Mr. McCLELLAN. Somebody is going to have to furnish clerical help.

Mr. BROCK. Mr. Chairman, I have much respect for the chairman, yet I do not think I have properly made my case to explain to the chairman that this is not an increase. What we are proposing is an alternative.

The Rules Committee has before it, at the present, a request for 179 new employees, plus what is in this bill, which is 100 new employees, which makes 279 people. In addition, the Senator himself has testified in behalf of those people before the committee, at least with regard to the Appropriations Committee staff.

My proposal only increases the Senate staff by 259 people, which means 20 people less than have been proposed by the existing Rules Committee recommendation.

Mr. McCLELLAN. That may be. I am talking about what the Senator's amendment is going to do.

Mr. BROCK. I am, too.

Mr. McCLELLAN. I am not talking what other proposals are which have been made.

Mr. BROCK. Well, you cannot consider these things out of context. If you are going to compare it, compare it with what is going to be proposed by the Rules Committee, not something last year, but what we are doing this year.

Mr. McCLELLAN. I am talking about what the impact of the Senator's amendment would be, if enacted, and I think he has clarified it so far as I understand it.

Mr. BROCK. I have tried, I hope so.

Mr. McCLELLAN. I hope I understand it.

Mr. MORGAN. Mr. President, will the Senator from Arkansas yield for a question?

Mr. BROCK. I have the floor.

The distinguished Senator from Alabama was seeking the floor.

Mr. ALLEN. I thank the distinguished Senator from Tennessee.

The distinguished Senator from Tennessee mentions the number of additional committee staff requested of the Rules Committee by the committee chairmen, and he then adds that figure, which he says is around 179, to the 100 proposed by the Rules Committee bill.

Yet when he speaks of his own proposal he does not add those requests by the committee chairmen.

Mr. BROCK. That is right.

Mr. ALLEN. I am wondering why. Would his proposal be of such a nature that it would solve things to the extent that the committee chairmen would withdraw their request for 179 additions?

Mr. BROCK. I would sure hope so, Senator.

Mr. ALLEN. I see.

Mr. BROCK. I will tell the Senator something, if we can ever just get that clearly understood, that what we are trying to do is to allocate things a little differently. It is obvious who is for and who is against this amendment. The people who have already come in and asked for 179 new staff spots are against this amendment. The people who do not have anything at all right now are for this amendment. That is the point. That is exactly the point.

Mr. ALLEN. The Senator does not realize that the requests of the committees and the resolutions having to do with the committees were delayed pending the outcome of this resolution, and the Rules Committee would take into account the additions made by whatever action the Senate takes in reaching a conclusion on the requests that were made. But what the Senator from Alabama cannot understand is why the Senator from Tennessee feels that his resolution would do away with the requests of the committee chairmen, and the Senator knows that it does not work that way. Those requests would still be there.

[At this point Mr. CURTIS assumed the Chair.]

Mr. BROCK. I do not expect the millennium at all. The millennium has not yet arrived. But I do say the Rules Committee has the toughest job in Congress sitting there every year and trying to judge the merits of those cases.

When a committee chairman comes in and says to the Rules Committee chairman, "We have to have x number of people because here is a young Senator having a new subcommittee and we have to give him some help so he can do a good job on that subcommittee; and here is another new Senator, who is bright and attractive and we are going to have to provide him with some staff," we are allocating these things by leaps and skips all over the place without any basic pattern of distribution to the Senators as individuals and contributing Members of this body.

All we are trying to say here is if you give two professional staff members to a Senator on a particular committee, there are obviously not going to be 52 members. But whatever it is, 12 or 14, those people should complement the work of that committee, and the chairman should not then have the enormous demands on him that come from his members of that standing committee and, in turn, the Rules Committee should have a reduction of the level of demand, too. There is not going to be a 100 percent offset, but there is going to be a whole lot more equity and rationality to the process if we can establish this as a principle instead of doing it the way business is being done now. It is not being done now.

Mr. ALLEN. How many millions of dollars would the Gravel amendment involve in order to implement this, in the estimate of the Senator from Tennessee?

Mr. BROCK. Let me speak to the Brock amendment because that is the one in which I am interested.

Mr. GRAVEL. Mr. President, will the Senator yield for a response to that?

Mr. BROCK. It is a debatable issue. Some say $16 million, some say $40 million. I think $16 million is more accurate.

This amendment, which is essentially the same as that offered by the Senator from Alaska now, would cost on the order of $8 to $8.8 million, which is less, I may remind the Senator, than that which is either presently before the Rules Committee and on the floor as a Rules Committee recommendation.

Mr. ALLEN. Why does not the Senator add these requests for the $6 million to his figure in getting a total cost?

Mr. BROCK. Because that is not the way it is. It is amazing how we can flip these apples and oranges around in the basket. Every time somebody is talking about the amendment of the Senator from Tennessee or the Senator from Alaska he uses the highest possible figure. When we are talking about the amendment of the Rules Committee we are talking about the lowest set of figures. Let us use the same set of figures and let us say under the Rules Committee approach they have $3.7 million. They have $6.4 million pending before their committee.

Mr. ALLEN. Would it not be pending

to the Senator from Tennessee's amendment if it is adopted as well?

Mr. BROCK. That is right, but the Senator is a member of the Rules Committee, and he has advised me that if my amendment is adopted it will affect his judgment on those requests, will it not?

Mr. ALLEN. Yes.

Mr. BROCK. All right, the Senator has made my case.

Mr. ALLEN. So will the committee amendment affect it.

The Senator from Alabama is against all of them.

Mr. BROCK. I understand and I have great respect for the Senator's position there.

I thank the Senator very much.

Mr. ALLEN. I thank the distinguished Senator.

Mr. BROCK. Mr. President, if there are no further requests for time, I think we may proceed.

Mr. GRAVEL. Ask for the yeas and nays and proceed to a vote.

The PRESIDING OFFICER. Is the Senator asking for the yeas and nays?

Mr. GRAVEL. They have been asked for.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I hate to see the Senate fritter away its time on a discussion of self-serving measures when we have so many problems confronting the Senate and the Nation.

The Congress has been charged with the responsibility, has assumed the responsibility, and has stated it is going to discharge its responsibility with respect to energy legislation, with respect to measures to combat inflation, with respect to measures to combat recession.

I hope that this measure that is pending before the Senate is not a sample of the Senate's program for reducing unemployment. It is true that it would add employment to Senate staffs and to committee staffs. I do not know how much it would decrease unemployment, and I really do not believe that the Federal bureaucracy is suffering a great deal from the bad influences of unemployment because the Federal bureaucracy continues to grow. It grows during hard times, it grows during good times, and I do not believe that this is the area that we ought to operate in in seeking to reduce unemployment.

Mr. President, we read of the need for leadership in government, for the need to take action in areas in which action is needed.

There used to be a commission called the Commission on Critical Choices. I do not know what has become of that, but I do not believe the critical choice would be to opt for increasing the Federal bureaucracy.

I am just wondering why this measure is allowed to be before the Senate at this time.

The Senate has had the New Hampshire contest before it for many months. It is now back in the Senate's lap. There is a resolution right here on the Senate calendar that would ask the full Senate to give the Rules Committee guidance in certain areas that the committee was not able to reach a solution in.

I believe it would be much better for us to be considering the New Hampshire contest than this matter of allowing each Senator to name several new staff members to the various committees.

Mr. President, earlier this year I attended the organization meeting of one of the committees on which I serve, and it was held in one of the large committee rooms in the new Senate office building. Mr. President, it filled that hall, that tremendous hall. If anybody had been interested in coming in watching the proceedings, they would have had to use standing room only because that was all that was available.

One possibility of getting relief to some of the Senators who are asking for relief in this matter—that is, the addition of committee staff members appointed by them, answerable to them—would be to go to the chairmen of the various committees and say, "Please assign me one of these fine staff persons to be my appointee here on the committee."

As far as I know, not one single effort has been made to have assigned to a Senator an existing staff member. I am sure there are many staff members who were not put on the committees by Senators. They are answerable to no one but the chairman of the committee, I assume, collectively.

So why cannot the Senators that want additional staff go to the chairmen and have someone assigned to them?

I do not believe we need to add a thousand, or whatever the number is, I believe it was a thousand in the original Gravel. We do not need that many additions. The committee report has statistics on the number of additions. We do not know what we are going to be eventually faced with when cloture has been invoked on this and the matter is up for final amendments and final action.

Mr. President, a lot has been said about this being a battle between the younger Members or those with less seniority. That certainly would apply to the Senator from Alabama. He has very little seniority. I might state that he has no committee staff named by him, none whatsoever. But he has had no trouble, no difficulty whatsoever, in calling on the fine, expert, highly knowledgeable staff members on the committees on which he serves for information, for cooperation, in many cases for the drafting of amendments, for help in any way that the Senator from Alabama has ever asked.

Mr. President, we find, as I see it, that in some cases the committees and the committee staffs, in effect, take over many of the prerogatives of the Senator themselves, that is, in the matter of shaping legislation, in the matter of input into legislation. I feel that by adding more staff, by adding additional employees to the various committee staffs, we are going to have the committees take over more and more functions, giving more and more input into the shape of legislation. The committees shape the legislation. Very little of that is done in the Chamber. Tremendous bills come out, scores and hundreds of pages long. It is difficult to offer amendments and get them seriously considered because the answer is "Well, the staff has considered this, the committee has considered it, and it should not be changed."

Senators coming in to vote ask, "What is the committee position on this legislation?"

We have less and less done on the floor and more and more done in the committee. More and more of the thinking that goes into that legislation is being supplied by the staff.

I feel we should get away from that.

I feel that the Senators should put more and more input into legislation.

(Mr. PEARSON assumed the chair at this point.)

Mr. ALLEN. Mr. President, some of the best legislation passed in the Congress was passed at a time when they did not have any of these office buildings.

I was told when I came to the Senate a little over 6 years ago that these desks in the Senate Chamber at one time were not quite as tall as they are now. They had only the drawer. The Senators, having no offices, not having any place to put their files, except in the desks or at home, added this little addition here on the top of the desk with the desk top that lifts up. That was a concession that was made back 100 years or so ago to answer the need for more office space for the Senators.

Where are we going to house 250 or 1,000 more staff members? All of this is just a guess as to how many are going to be required.

I do not believe that the public interest would be served by adding to the Federal bureaucracy.

The distinguished Senator from Tennessee (Mr. BROCK) is a very able, conscientious and dedicated Member of the Senate, and feels sincerely that he needs additional staff. He stated that the Rules Committee approach, which would cost some $3,700,000, had to have added to it the request being made of the Rules Committee by the various chairmen of some $6 million. But for some reason, and the Senator from Alabama questioned him closely, he did not feel it necessary in estimating the cost of his proposal, which he set at somewhere around $9 or $10 million, for him to add the $6 million request of the various chairmen.

It seemed somewhat strange to the Senator from Alabama why it would be added to the Rules Committee resolution and not added to the amendment of the Senator from Tennessee.

Where are you going to house all of these additional staff members? I do not know of any Senate office that has any extra space in it. I do not know of a single one. Based on the requests that come to us from various Senators for more office space, and we are having many such requests, the Senators are just as crowded as they can possibly be.

We are also finding that the various committees, such as the Committee on the Budget, have taken up literally dozens of offices. I do not know how many the CIA Investigating Committee or the Committee on Nutrition have occupied. All of these committees gobble up office space. So where are we going to house this staff? They are building or talking about building another office building. They have already leveled some of the private houses. Well, it will be overcrowded before it is ever finished. They will be looking for more space before they finish the building. I do not think there is any doubt about that.

What will these added employees do? They will advise the Members of the Senate, I assume, and from time to time, as sharply contested measures are before the Senate, we will find a number of our good friends on the staff lining the walls of the Chamber.

This is all very fine. I am sure Senators need the advice of staff members from time to time. But if we add another 1,000 or add another 250, assigned only to legislative work, to committee work, I assume each time some legislation is up those committee people will be here in the Chamber to advise the Senator who appointed them. That is what they will be here for, I assume.

We are going to have to put in some bleachers or something to take care of the added staff members who will be going to come to advise their Senators about legislative matters.

I do not believe we need the staff members to spoon-feed the Senators. That seems to be what the distinguished Senator from Alaska (Mr. GRAVEL) was talking about. He said the senior Senators all had great knowledge as a result of having staffs.

Well, I do not know that the staffs are going to be able to spoon feed these Senators and transfer the knowledge they have over to the Senators themselves. The Senator seemed to think that the senior Members of the Senate had possession of some sort of Tree of Knowledge that the junior Members did not have, and he wanted to partake of that Tree of Knowledge that the senior Members seemed to have a monopoly on.

I believe the distinguished Senator from Alaska, if he would apply himself to the questions at hand, could acquire that knowledge himself, and not have to use the additional staff members as conduits for that knowledge from the books over to the Senator.

So I believe that there is no necessity for this legislation. I might say, too, when Senators come in to manage legislation here on the Senate floor, they have staff personnel two and three deeps already to advise them about the legislation. We see them offering suggestions on either side of the Senator, telling him what to say next and what to expect next.

I do not believe that that adds a whole lot to the dignity and prestige of the Senate. No, Mr. President, as I stated this morning, we all partake of whatever image the Senate creates for itself.

Here we have got all these problems facing the country. Are we on the New Hampshire election contest? No, that is in the wings. Do we have before us any of the appropriation bills? Not a one. Not a one has been acted on by the Senate; not one 1976 appropriation bill.

We ought to be on some of those matters. We ought to be on the second supplemental appropriation bill, that appropriated some $15 billion for various agencies of Government, including food stamps, VA benefits, and GI benefits, that added $50 a month that goes to social security recipients, railroad retirement recipients, and SSI recipients. That was made a part of the tax reform and rebate bill that we passed months ago, but they are waiting on this supplemental appropriation.

We have agreed on about $15 billion in appropriations, and are hung up on an item of $700 million that the Senate finally cut to $175 million, the House insisting on $5 million.

I tried, here on the Senate floor, to get the Senate to go along with the House of Representatives, inasmuch as the program is not even authorized. But the Senate did not do it. We were voted down, 3 or 4 or 5 to 1. That was on May 22, that we had an opportunity to pass that bill: $15 billion ready to send out to bolster the economy. That was what we passed this tax reform bill for, or tax rebate bill, whatever it was; I did not vote for it. It was supposed to put money into the economy, give it a quick shot in the arm. But here it is, a third of June gone, and we still have not appropriated the money.

So where is our sense of responsibility? Where is our sense of priorities? We have the Senate considering this resolution ahead of all of these other matters.

What has become of energy legislation, Mr. President? We were going to do great wonders with that here in Congress. "Just give us a little time. Mr. President, and we will solve this thing." What has become of energy legislation? Why is creating more bureaucracy in the Senate more important than proceeding with energy legislation? Why is it more important than considering the some 15 appropriation bills covering the 1976 fiscal year, starting just 20 days from now, when we have not passed a single one of them? Why are we steeped in considering this little bit of spoils, with the right to appoint people to high-paying positions? That is what it is: "To the Senator go the spoils."

Mr. RANDOLPH. Mr. President, will the able Senator yield?

Mr. ALLEN. I am glad to yield to the distinguished Senator for a question, on the condition I not lose my right to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ALLEN. Very well; I yield the floor.

SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1975

Mr. RANDOLPH. Mr. President, I wanted to help my friend from Alabama in the posture he takes this afternoon in the Senate; not that I would agree with him as to the effort made in this body to have the $175 million included in the appropriations bill to help rebuild deteriorated roadbeds of the railroad system in this country. He knows that I feel very strongly on this subject, having offered legislation in this body, and having attempted to secure the necessary funds to support the rebuilding effort.

There is one stretch of railroad track in Indiana, for example, of 100 miles, which today is absolutely closed to passenger traffic.

This is not an inconsequential matter.

We believed, from the standpoint of the authorizing committees and the Committee on Appropriations, that what we were doing was in the interest of the American people. But we can differ on that subject, as we did when we tested our strength here and strength was tested by the Members of the House of Representatives.

We come to a point where the Senator from West Virginia stands here today to say that—as disappointed as he is personally with what apparently we shall need to do—now is the time to act. It might be said that we give in to the House of Representatives, but I do not think of it in that way.

I am not giving in to the House of Representatives. I think the House has acted in a less than productive way in supplying funds as we have done. But I am not critical of the process in the House of Representatives, except to say that I think they have failed, not to the railroads, but they have failed the American transportation system by the attitude expressed in their opposition to some form of substantial compromise which could have been reached in the supplemental appropriations bill.

Having said all that, I think now is the time to meet the necessary needs. I do not know the feeling of the other Senators, as I have not conferred with them. I am only speaking personally. I believe the time now has come to meet the needs of the many segments of our society, which are represented in the funding that will come about through the supplemental appropriations bill which is before us.

For that reason, I do not retreat from what I had been trying to do.

I remember a story which I might use it in connection with these remarks. The Senator from Alabama is a very knowledgeable historian, but he may not know the story about the drummer boy, who was told by Napoleon to beat a retreat on his drum, because his forces were in disarray.

The little drummer boy said with tears in his eyes: "General Bonaparte, I have not been taught to beat a retreat. I have only been taught to beat a charge."

So, Napoleon, taking heart perhaps from the words of a little boy, said: "We will beat a charge."

So what was a retreat and a defeat became a charge and a victory.

I am not able to do that today. I understand that. Others, who might feel as I do, are not able to move out and

bring about a solution, a compromise, and a consensus in this matter.

But I am mindful of the essential correctness of the position that I have taken. The votes, here in the Senate on two occasions, indicated how the membership felt.

That does not mean that the Senator from Alabama has not been right and we have been wrong. I just believe that we have been right, and that is the position that I have taken.

Having said all of this, there comes a time when these demands require the Senate to act to meet the needs of people in that legislation. That hour is here and so, regardless of whatever the effort is by an individual or by a group of Senators, I shall not make further remarks, but I will cast my vote against a continuance of the effort which we have made in the Senate to have substantial funds to do what I believe is in the public interest, not for the railroads, but for the traveling and shipping public of this great country.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

The Senate continued with the consideration of the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

CLOTURE MOTION

Mr. PACKWOOD. Mr. President, I send to the desk a cloture motion and ask that it be read.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 60, authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

Bill Brock, Alan Cranston, Mike Gravel, Mike Mansfield, Lloyd Bentsen, Floyd K. Haskell, Bob Packwood, Wendell H. Ford, Jake Garn, Paul Laxalt, William D. Hathaway, Hubert H. Humphrey, Walter F. Mondale, Lee Metcalf, Joseph M. Montoya, Edward M. Kennedy, Jennings Randolph, Pete Domenici.

Mr. TALMADGE. Mr. President, will the Senator yield to me?

Mr. PACKWOOD. I will yield without losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the Senator may yield to me without losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I send to the desk an amendment and ask that it be considered as having been read in accordance with rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. I am not calling it up at the present time. I am letting it lie on the desk, Mr. President.

Mr. PACKWOOD. Mr. President, I do not want to delay matters any further. As we indicated earlier, we are prepared to vote on this resolution.

Mr. GRAVEL. I think we are prepared to vote. I see no reason why the Chair should not call for the vote.

Mr. PACKWOOD. If there are no further amendments, we are prepared to vote.

Mr. TALMADGE. This is the first chance I had an opportunity to see the Brock amendment. I have a copy of it. I am at a loss to understand what it means.

Where will these new staff people be housed?

Mr. PACKWOOD. The Senator from Alaska has the floor.

Mr. GRAVEL. I am happy to respond to the question.

Mr. TALMADGE. Will the Senator respond?

Mr. GRAVEL. Beg pardon?

Mr. TALMADGE. Will the Senator respond?

Mr. GRAVEL. Yes.

Mr. TALMADGE. Where will these staff people be housed if the amendment is agreed to?

Mr. GRAVEL. They will be housed in the Members' housing capacity.

Mr. TALMADGE. In the Members' offices?

Mr. GRAVEL. Yes.

Mr. TALMADGE. Then there is no real necessity for my amendment that I sent to the desk. The amendment was for the purpose of requiring that this extra staff be housed in the office of the Member because, frankly, on the three committees that I serve there is just not enough space for official functioning of the staff at the present time, without the addition of this host of new staff aides that will be assigned to assist individual Senators on the committee in its deliberations.

What does the resolution provide?

Mr. GRAVEL. I apologize. I did not quite understand the question of the Senator from Georgia.

Mr. TALMADGE. Does this resolution provide that members of the staff are to be housed in the offices of the individual Senators appointing them?

Mr. GRAVEL. Yes. As I stated earlier the Senator himself would have to furnish the housing.

Mr. TALMADGE. That is stated in the resolution itself.

Mr. GRAVEL. Yes.

Mr. TALMADGE. Is that in the resolution?

Mr. GRAVEL. That is accepted. That is in the amendment as it was presented.

Mr. TALMADGE. Will the Senator tell me what line and what page that occurs on?

Mr. McCLELLAN. Is that in the resolution?

Mr. GRAVEL. The fact it is not stipulated in there obviously means they must be housed with the Senator.

If the Senator from Georgia wants to make it clearer, I will be prepared to accept his amendment.

Mr. TALMADGE. Will the Senator agree to an amendment providing that these new staff members be housed in the offices of the individual Senators appointing them?

Mr. GRAVEL. Yes.

Mr. TALMADGE. Then, Mr. President, I ask the Chair to lay before the Senate my amendment, and I ask unanimous consent that it be restated to come at the end of the resolution or at such appropriate place, which I presume is the end of the resolution to require that these staff aides will be housed in the offices of the Senators appointing them.

Mr. GRAVEL. Yes, I am prepared to accept that amendment.

May we have the language read?

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia (Mr. TALMADGE) proposes an amendment numbered 551:

On page 5, line 11, insert the following after the word "assistant": ", to be housed in the offices of such Senator".

Mr. GRAVEL. That is fine. I accept the amendment.

Mr. PACKWOOD. I accept the amendment.

Mr. TALMADGE. Mr. President, will the Chair rule on whether or not the amendment has been agreed to?

Mr. CRANSTON. Mr. President, a parliamentary inquiry. Which amendment is the Senator amending?

Mr. TALMADGE. My amendment provides that these individuals will be housed in the offices of the individual Senators.

Mr. CRANSTON. Which amendment or resolution is the Senator amending?

Mr. TALMADGE. The one that is pending, the Brock substitute amendment.

Mr. CRANSTON. Unanimous consent is required. There would be no objection.

Mr. TALMADGE. Mr. President, I ask unanimous consent that it be in order. I ask the Chair to rule on whether or not it has been agreed to. It has been agreed to by the proponents of the Brock substitute measure, I understand.

The PRESIDING OFFICER. The Chair will take it step by step.

There are three substitute amendments pending: the committee amendment in the nature of a substitute, the Gravel substitute therefor, and the Brock substitute for the Gravel amendment.

The Chair propounds this question to the Senator from Georgia: To which amendment does he direct his amendment?

Mr. TALMADGE. Mr. President, I ask unanimous consent that it may be in order to direct it to all three amendments.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make necessary technical corrections in the amendment in order that it may be incorporated at an appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAVEL. Mr. President, I think we are prepared to vote. If we are satisfied, I hope we can proceed to a vote, and I ask for a vote.

Mr. TALMADGE. The chairman of the committee that reported the bill should be in the Chamber before we vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. GRAVEL. The yeas and nays have been ordered.

Mr. TALMADGE. Mr. President, what is the position of the chairman of the Rules Committee?

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAVEL. Mr. President, we have discussed this issue at great length, and I think we are prepared to vote.

The Senator from Georgia had suggested the absence of a quorum, in order to accommodate the chairman of the committee and the ranking member of the committee. I inform the chairman of the committee that we are prepared to vote and to bring this matter to final resolution.

Mr. CANNON. Mr. President, I am pleased with the good judgment of the Senate in tabling the Gravel amendment, which, as I started to say earlier, would have been an unconscionable raid on the Treasury of the United States and the taxpayers, particularly at a time of economic upheaval, when we have a high rate of unemployment. Even though the proposal would have added some employment to the Senate staff, I think this is hardly the way to cure the unemployment ills of the country.

I am of the belief that the proposal by the Senator from Oregon is much more reasonable and much more acceptable than the so-called Brock proposal, which would add 320 staff people—approximately a 25-percent increase in staff—and would cost, according to our staff computations, $11,904,893.

The distinguished Senator from Arkansas has already pointed out in his colloquy the situation with respect to his own committee, the Committee on Appropriations. This same type of situation would exist in connection with many other committees.

Mr. McCLELLAN. Will the Senator yield at that point?

Mr. CANNON. Yes, I yield.

Mr. McCLELLAN. My staff director just handed me a notation that I have already appointed—I think it is 14 that I have already appointed to the staff of the Appropriations Committee at the request of other members of the committee. I have tried my best to be accommodating and to distribute these.

My concern, if the Senator will yield for just a minute further, is that if we appoint all of these members and they are responsible primarily to the Senator who appointed them—like the Appropriations Committee, for instance—out of the committee staff there are 26 different bosses on that committee to run that staff. I just do not think it will work.

Mr. CANNON. That is, of course, one of the fallacies of this proposal.

Mr. TALMADGE. Will the chairman yield further at this point?

Mr. CANNON. Yes.

Mr. TALMADGE. A further reading of this indicates to me that if every Senator takes advantage of his privilege, it will at least double, perhaps more than double the staff of the Senate Committee on Agriculture and Forestry. It would increase the staff of the Committee on Standards and Conduct by 1,200 percent. I do not think that is a reasonable thing to do, with an $80 billion deficit staring us in the face.

Mr. CANNON. Mr. President, a number of committees have already taken action to provide staff representation. The distinguished Senator from Tennessee (Mr. BROCK) pointed out earlier that the requests have gone up $6 million to the Rules Committee this year. That is true. One of the reasons, for example, is that the Committee on the Budget was going to try to go to 76 people so that they could give staff representation to all of the members of the Committee on the Budget.

Another was the Committee on Finance. They requested to go from 40 to 64 people, to make an addition of 24 people, to give staff representation to people on the Finance Committee that did not have that staff representation.

We can go to a number of the other committees and we will have exactly that type of situation, where the attempt is to give representation to people who do not have staff people. If we are going to give representation, we should give it in a reasonable amount, rather than to give two members—the ranking members do not even have two people appointed to them. But this is the proposal, to add two people appointed by members on a particular committee. I submit, Mr. President, it is completely unconscionable.

If we project the figures of the Senator from Georgia, he suggested that his staff people would be almost doubled, a staff that he would not have control over.

Mr. TALMADGE. Actually, it would be much more than doubled if they elect to take the two members. We have, at the present time, a total of 21 staff members. We have 14 members on the committee. If we take the 12 members exclusive of the chairman and ranking minority member and give each of them two members, that would be 24 new staff members, whereas we are functioning very efficiently with 21 staff members at the present time.

Mr. CANNON. The total under the Brock amendment would add 321 new people.

Mr. TALMADGE. Where would these people be housed?

Mr. CANNON. The Senator just got an amendment through that they would not be housed in the committee, so they would have to be housed in the Senators' own offices.

Mr. TALMADGE. Each Senator is going to be requesting more space now. Where is that forthcoming? Are we going to build a new Senate office building to house this flow of new employees?

Mr. CANNON. We already have a proposal now, that is underway, to expand the size of the new Senate Office Building. We shall have that space available, I think, in about 2½ or 3 years. At the present time, we have taken over in this area all, or practically all, of the available space around. At the present time, including the Immigration Building, the Plaza Hotel, the old building, the new building, the Capitol Hill, we have all of that space either assigned or committed at the present time. So these 320 people will just have to be added into the other people.

Mr. TALMADGE. I understand that the Senator states that that is an increase of 25 percent in committee staff members at one time?

Mr. CANNON. The figure now is about 1,200 some-odd, so the 320 is an increase of about 25 percent.

Mr. TALMADGE. I am sure the taxpayers will be delighted to hear that information.

Mr. CANNON. My personal view is that the taxpayers will be up in arms about it. They will be up in arms about it. And they well should be, because this is truly a raid on the Treasury. It is an unconscionable demand on the taxpayers.

On the other hand, the proposal of the Senator from Oregon is a reasonable proposal and gives a Senator a representative on every standing committee on which he serves.

Mr. TALMADGE. Will the Senator yield for a comment without losing his right to the floor?

Mr. CANNON. I yield.

Mr. TALMADGE. My father served as Governor of Georgia for three terms and he was elected for a fourth term and he was a very colorful individual. He served most of his terms as Governor before we had a merit system, and every time the Governor's office would change, most of the personnel would change with it. A judge by the name of A. L. Henson wrote a biography about my father called "Red Galluses." One of the stories in that book was this: Some fellow from north Georgia had been hanging around the Governor's office there for several days and several weeks. He was a loyal and faithful and devoted Talmadge man. Judge Henson walked in there one day and noticed that the fellow had been hanging around there for several days. He said, "What is the matter, Sam, you haven't got a job yet?"

He said, "Yes, but I ain't got nobody under me."

That is what this resolution amounts to: It is Parkinson's law in its entirety. The Government will spread like an ameba and the more it spreads, the larger it gets.

Mr. CANNON. I say to the Senator, he

has already pointed out what will happen with respect to the Select Committee on Standards and Conduct on which I serve. We have two staff people. They are the same two, I think, that have been there since the committee was organized.

Mr. TALMADGE. This resolution will give us 12 more if each Senator exercises his rights.

Mr. CANNON. That is true. It could do just that. I happen to serve on two of the joint committees of Congress. On one of them, we need practically no staff, and on the other we have a professional staff that is completely adequate to handle the work. When we get into the joint committees, we get into the problem of what happens on the House side. If we provide that the Senators can appoint additional staff, the joint committees are made up of Senate and House Members, too, so the House Members obviously will want to come back and appoint a staff of their own.

Mr. TALMADGE. If all the staff attends, there will not be room left for the Members to go to the meeting.

Mr. CANNON. That has already occurred. In one of the committees I serve on, we have a hard time now getting into the room where executive sessions are held because so many staff people are in there. On one or two occasions, the chairman has had to clear the room of the staff people to make room for all the Senators to try to sit around in an executive session and mark up a bill.

Mr. President, I would like to yield to my distinguished colleague, who is the author of this amendment and who, I think, has made a very reasonable proposal.

Mr. HATFIELD. Mr. President, I would like to just comment on one or two points made here this afternoon. I would like to say to those who have given leadership to the reform, effort and to the resolutions that we have and to the various substitutes, I think this is a very great contribution to the Senate and will help facilitate the Senate's operation.

I say that regardless of which one is finally adopted. I think the very fact that this has been brought out in the open and discussed has been a very healthy experience.

I would like also to comment as one who has been on the firing line, so to speak, on this whole matter, both through hours of hearings of the committee and then having been the first recipient, I think, of the major opposition to the whole idea of expanding staffing for the committee. I offer a suggestion here that I think is practical and it is one that would be meaningful for achieving the objectives and the goals that we have set for ourselves.

First of all, let us bear in mind whenever a reform of any major consequence occurs that sometimes it has to occur in a series of small steps. I want to be very forthright, particularly with the distinguished Senator from Georgia, in saying that the proposal the Rules Committee finally brought to the floor was but a very small step in relation to what was called for and demanded in the original Gravel and Brock resolutions.

Mr. TALMADGE. We are aware of that.

Mr. HATFIELD. The basic idea is to get a principle established, a very basic principle, and that is that each member of a committee serving on a standing committee should have the right to appoint a staff person.

Let me say that I think the whole procedure is illustrated best by the Appropriations Committee. This is not a strange new procedure; this is not some radical departure from precedent or from our present practice. It is rather really a representation of what is occurring today in the Appropriations Committee.

The Senator from Arkansas, Senator MCCLELLAN, is the chairman of the committee. Senator YOUNG, from North Dakota, is the ranking Republican minority member. Through discussion between Senator YOUNG and Senator MCCLELLAN, there has been provided, through the Rules Committee funding program, sufficient money to permit members of that committee to designate a staff person. It has now reached down to the level of where I serve so that now, through the discussions with Senator YOUNG and Senator MCCLELLAN, I have been authorized to designate a staff person.

The salary has been set, again in consultation with the ranking Republican minority member and the chairman. That individual is working as a part of that committee staff. He is functioning as an integrated part of that committee staff. He is my designee, and he has this kind of dual relationship, but there is no Balkanization of the committee. He is functioning as part of that committee staff under my designation.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. HATFIELD. I would be happy to yield.

Mr. MCCLELLAN. This is not for any personal convenience, but I think for the good of the integrity of the committees that whoever serves on a committee should be subject and subservient to the will of the committee rather than to the direction of the individual who may have recommended him to that assignment. Otherwise if the amendment of the Senator from Tennessee should be adopted and enacted into law, as I interpret it, there would be added to the Appropriations Committee the potential of at least 50 under the recommendation of Senator BROCK—there would be 50 new professional members. Each Member separately would have the control over and there would be responsible to him at least two members of that committee staff. Therefore, we would have on the Appropriations Committee 26 bosses of the staff of that committee.

Now, somewhere there has got to be final responsibility. We might get along well; everything may go along all right. But in my experience with human nature, there would come a time some time under some circumstances where that would be a very awkward and difficult situation.

To increase staff, to give the Members of this body whatever staff they need, and to give the minority adequate representation on a committee, is necessary and proper.

Mr. TALMADGE. Mr. President, will the Senator yield at that point?

Mr. MCCLELLAN. We have tried to do that. We have worked out these things very well, and I have had no problem. We did that on the Government Operations Committee when I was there.

But if we give 26 bosses to the staff of one committee, gentlemen, it will not work. There are going to be problems with it at some time.

I yield. I do not have the floor.

Mr. HATFIELD. I would be very happy to yield to the Senator from Georgia.

Mr. TALMADGE. I desire to propound a question to the distinguished chairman of the Appropriations Committee.

Would the distinguished chairman of the Appropriations Committee agree with me if there is any need for additional staff for the individual Senator that that staff ought to be provided by increased clerk-hire so individual Senators can hire adequate staffs of their own to keep up with legislation, mail, and whatever else might occur rather than amending the rules of the Senate to create a new hybrid employee who is neither fish nor fowl? The hybrid employee is neither an employee of the Senator nor an employee of the committee. No one knows by whom he is employed, except we know that the man who recommends him can fire him at any time he wants to.

Mr. MCCLELLAN. That is right.

There is just one other thought. Senator, if you will yield further, there are 12 or 15 committees on which I do not serve and the Senator does not serve that are constantly working on legislation that I need to know about, the Senator needs to know about, although not a member of that committee.

Now, if this thing is carried to its logical conclusion, every Senator in this body should have a member on the staff of every committee of the Senate to keep him advised of what is going on so that he can perform his senatorial duties more efficiently and more intelligently.

Therefore, if we cannot work under the committee system as it is today, with increasing the staffs such as necessary to make certain that it does function this way, we are opening the door, in my judgment, to laying a precedent here. There are other committees on which I would like to have a staff member if we are going to open the floodgates here, committees of which I am not a member. I would certainly like to have a staff member on the Finance Committee, for instance, on the Public Works Committee, although I get wonderful cooperation, you know, from them now, but I would not have to bother the chairman, I would not have to call up their staffs. I would have my man attend to it for me, and it would help me out sometimes.

I just use that as an illustration. I wonder where we are going here. I do not expect to be, of course will not be, chairman of the Appropriations Committee always. But as long as I am, I am going to work with my colleagues, work with the minority and work with everybody on the committee trying to give every accommodation possible. But I just cannot see the wisdom of the course we are threatening to take or that it is proposed that we pursue here in this instance.

Mr. HATFIELD. Mr. President, will the chairman yield?

Mr. MCCLELLAN. The Senator has the floor and I thank him for yielding.

Mr. HATFIELD. Will the chairman yield for a question?

Mr. MCCLELLAN. Yes.

Mr. HATFIELD. Will the chairman indicate to the Senate if he feels the Appropriations Committee system of appointing staff, both from the majority side and the minority side, is functioning satisfactorily at this time?

Mr. MCCLELLAN. So far as I know it is functioning all right. Senator YOUNG comes to me and we work these problems out. He talks to you folks about it. We just recently worked out a problem here where the staff for the minority was increased for the balance of this year.

Mr. HATFIELD. Yes. I am aware of that.

Mr. MCCLELLAN. We may have problems again next year. This thing is always open so far as this chairman is concerned, and I think they all know that.

I have worked out, I think I mentioned here awhile ago, since I have been chairman in the last 3 years, 14 of the appointees to that staff have been at the request and upon the recommendation of other Senators of the committee.

Now, the chairman has a responsibility to operate the committee, of course, with the approval and acquiescence of the members. But somebody has to take the lead, somebody has to do the planning, somebody has to arrange for the hearings, somebody has to oversee the administrative work of the committee, the clerical work, and all that. Somebody has to do that.

Mr. HATFIELD. But the chairman has worked out with the ranking minority member and his own Democratic majority members the authorizing of appointing of additional staff, some 14.

Mr. MCCLELLAN. Yes.

Mr. HATFIELD. If I am correct, it is by individual members of the Appropriations Committee.

Mr. MCCLELLAN. At their request; yes, sir.

Mr. HATFIELD. At their request——

Mr. MCCLELLAN. To put them on the staff.

Mr. HATFIELD (continuing). And their designation.

Mr. MCCLELLAN. But they do not belong to those Members to take home to their offices and work over there at something else, they work on the committee staff.

Mr. HATFIELD. Yes, and in the committee suite.

Mr. MCCLELLAN. In the committee.

Mr. HATFIELD. Let me ask the Senator, if it should come at a time when that individual Senator who had the designation should no longer have a good working relationship and he should come and say to the distinguished Chairman, "I do not want him further on the staff, therefore, I want him removed," what would be the Senator's answer?

Mr. MCCLELLAN. My guess is, I would remove him if he recommended and wanted him off, I suppose I would get him off.

But I point out to my distinguished friend, when I came on this committee as chairman, we had 50 or 60 some odd staff members, not chosen by me. They were there when I came. Some of them were with the minority, most of them, or a great majority of them, were appointed, I assume, by the majority, or the chairman of the committee before, but I did not remove any of them. I did not think they should be removed.

That is one thing about this resolution that I would be very unhappy about. People have worked there several years, they are efficient, competent, and should be retained. But in 3 years we have got to substitute under this resolution, as I understand it, and the Senator's language yesterday was that within 3 years we have got to remove enough of those who have been there all these years to accommodate those recommended now by the Senators to take care of this increase.

I think that is unfair to these people who have worked so long.

Mr. HATFIELD. May I clarify for the Senator that this is not the application of this proposal.

Mr. MCCLELLAN. Well, I think that is what the Senator said yesterday.

Mr. HATFIELD. No. I said yesterday that within 3 years we would hope we could accommodate and absorb each of the additional appointees.

There is not a cut-off date that is certain. We can accommodate additional time, if it is necessary. That is based upon the——

Mr. MCCLELLAN. The Senator does not mean and the bill does not require, then, **am I to understand, that within 3 years'** time all of these new appointees be absorbed and others discharged?

Mr. HATFIELD. It is merely based upon the rate of normal turnover that we have experienced in the past. We tried to judge and evaluate that there would be openings on that committee in time to absorb those who have been designated under these special provisions in order to integrate them fully with the committee staff.

That would be the purpose of allowing 3 years. If additional time is required, we are not advocating cutting anybody off. We are trying to utilize the normal attrition rate.

Mr. MCCLELLAN. Well, I did not understand that from what the Senator said yesterday. I am glad the Senator is correcting the record because it was the other implication, if I am correct.

May I point out one other thing and then I will let someone else talk.

If we had to remove some of these people in order to accommodate new ones who are going to be recommended, we would have to remove some of those, maybe, that we have placed on the committee by reason of the recommendation and endorsement of some of the senior members of the committee.

So I do not know. I have been on some here just trying to be helpful. There are times when we need more; the committee needs more; the work is growing. We have got a $350 billion budget and we do need more staff at times, increased staff, but I have tried to do it in a way that accommodated members of the committee and gave them representation. I have tried to fill in and I have discharged no one, but I have had to employ people to get the committee organized so we could operate.

Mr. PASTORE. Will the Senator yield?

Mr. MCCLELLAN. I thank the Senator for yielding to me.

Mr. HATFIELD. Yes, but let me just comment briefly——

Mr. PASTORE. Very well.

Mr. HATFIELD [continuing]. In response to the Senator's question.

I would like to reassure the Senator that, basically, what this committee proposal does is based in great degree on the precedent set by the Appropriations Committee, where I am privileged to serve.

Mr. MCCLELLAN. I appreciate that compliment very much.

Mr. HATFIELD. With the language we provided in this resolution, the committee staff persons already serving on that committee might well be considered as designees by those Senators who would qualify to make a staff appointment.

As an example, I recall when Senator BIBLE was a valued member of our Appropriations Committee, and I served with him on the Interior Subcommittee, he had designated a certain staff person. The new chairman, the distinguished assistant majority leader, has retained him under his designation. It is my hope that from the professional staff already on these committees now, that out of that group of capable men and women there would be a number designated by those Senators who would be granted the authority authorized under this bill.

So that is again to emphasize the precedent set by the Appropriations Committee.

Second, again let me emphasize that the Appropriations Committee has permitted me as a junior Senator to designate a staff person. I would not qualify, therefore, under this because we already have worked it out with the minority member and the chairman of the committee, and this is the basic concept that is embodied in this resolution. We are drawing from the very practice that the Senator from Arkansas (Mr. MCCLELLAN) has engaged in as the chairman of the Appropriations Committee.

Mr. MCCLELLAN. Then the Senator agrees with me that the proposal by the Senator from Tennessee certainly does not coincide with the view of the Senator from Oregon?

Mr. HATFIELD. There are differences.

Mr. MCCLELLAN. I cannot support that.

Mr. HATFIELD. No, I am not supporting that alternative either.

Mr. McCLELLAN. Yes.

Mr. HATFIELD. There are differences, but there also are great similarities, and I will let the Senator from Tennessee speak for himself.

Mr. McCLELLAN. I conclude that under the committee bill——

Mr. HATFIELD. Under the committee bill.

Mr. McCLELLAN. Whoever is appointed works as a member of the committee staff?

Mr. HATFIELD. Yes, that is correct.

Mr. McCLELLAN. He becomes a staff member?

Mr. HATFIELD. And he will be housed in the committee rooms.

Mr. McCLELLAN. Well, that depends on how we finally enact it.

Mr. PASTORE. Will the Senator yield?

Mr. McCLELLAN. But one other thing. The point I am making and what I want clear is that if we pass this legislation, these new people that are going to be put on the professional staff are they primarily responsible to the Senator that appoints them, or responsible to the chairman of the committee, or to the committee itself?

Mr. HATFIELD. May I say to the chairman, they are responsible in the same relationship as they are now in the Appropriations Committee.

I designate, for instance, a staff person under the approval of the ranking minority member and the chairman.

Mr. McCLELLAN. That is right.

Mr. HATFIELD. He has been assigned to the subcommittee upon which I am the ranking member.

Mr. McCLELLAN. Well, that works fine if it is going to work that way.

Mr. HATFIELD. I direct his work as the ranking member of that Subcommittee on Public Works. He is integrated with the staff director of the minority side, and has a working relationship to the majority.

So he has a dual responsibility. He works under my direction as the ranking member as well as on the part of the whole committee staff.

Mr. PASTORE. Will the Senator yield?

Mr. HATFIELD. Yes.

Mr. PASTORE. But in the Senator's particular case, the Senator's designation is being made by the minority representative on that subcommittee.

The contention being made here by the Senator from Alaska is the fact that their complaint is that this applies to so-called senior members. In other words, for the Senator to be the minority representative on the subcommittee, the Senator must be a senior member of the minority.

Now, the question——

Mr. HATFIELD. Except that every member of the minority is the ranking member of one appropriations subcommittee.

Mr. PASTORE. The Senator has more than one.

Mr. HATFIELD. Oh, more than one, yes.

Mr. PASTORE. More than one.

Mr. HATFIELD. But at least one.

Mr. PASTORE. In other words, that is——

Mr. HATFIELD. I am ranking on one subcommittee.

Mr. PASTORE. That is right.

Mr. HATFIELD. And I serve on five other appropriations subcommittees.

Mr. PASTORE. That is right, but the Senator gives his back to designate a certain assistant.

Mr. HATFIELD. Yes, I have been granted that through the arrangement of the chairman and the ranking Member.

Mr. PASTORE. But now, on this augmentation, how about the other members of the committee?

Mr. HATFIELD. Let me think. I believe we have reached the point with the Republican members now on the Appropriations Committee, with recent appointment for minority staff, so that none of us would qualify. I would not qualify to appoint a person to the Appropriations staff.

Mr. PASTORE. Who would?

Mr. HATFIELD. I do not think anyone on the Appropriations Committee would.

Mr. McCLELLAN. One.

Mr. HATFIELD. Maybe one or two. I would not want to be held to that. There may be one or two.

But I am talking again about the committee resolution. The one resolution now before us is different. The Gravel-Brock substitute would give me an additional staff person on the Appropriations Committee. Under the committee proposal, however, which is the basic proposal here that I am speaking to, I have already made my appointment. I believe every Senator on the Appropriations Committee, both majority and minority, has been given, maybe with an exception of one or two, the authorization to appoint a staff person.

So that would mean we would add only under the committee resolution maybe one or two staff persons to the entire committee staff of Appropriations.

Mr. PASTORE. I see. That would be different than the proposal made by the Senator from Tennessee.

Mr. HATFIELD. Yes, it would be. His is about two and a half to three times more than the committee proposal.

Mr. PASTORE. Of course, under his bill, the loyalty of that individual would be to the appointing Senator as against the Senator from Oregon, where he would become a member of the staff of the committee. Is that correct?

Mr. HATFIELD. This is a difficult thing to define clearly in those terms. I would note that any time a staff person is designated or appointed by a Senator, he recognizes that his effectiveness is where he can really crank in and plug into the total committee operation and be a part of the total committee staff. As a professional, he does this. He is probably most responsive to the designated appointing Senator. That is sort of the dual loyalty that he has. I think that is the way it functions now. It would function the same under the committee proposal.

The question has been raised about space and housing, and this is a very legitimate question.

Again using the committee bill, I would like to draw your attention to the fact that we have before us the requests of the committee chairmen and ranking minority members for the various standing committees for this fiscal year. We are now operating under a continuing resolution. These have been the additional requests made under normal budgeting procedures outside of this particular proposal that we are considering today. They have absolutely no relationship to this debate, and are made as regular proposals by the chairmen and ranking members. This list reads: Space 3 additional; Agriculture and Forestry, 1; Armed Services, 4; Banking and Currency, 8; Budget, 16; Commerce, 9; District of Columbia, none; Finance, 34; Foreign Relations, 11; Government Operations, 5; Interior and Insular Affairs, 9; Judiciary, minus 26; Labor and Public Welfare, 8; Post Office and Civil Service, minus 3; Public Works, minus 1; Rules and Administration, plus 3; Veterans' Affairs, none. This is a grand total of 132 additional staff persons. I repeat this is under the normal, regular procedures.

What the committee resolution today would do, in effect, would be to parallel or to substitute 100 for these 132. Instead of these 132 being determined primarily by the chairmen of these committees and the ranking members, however, they would be spread out to incorporate, as in the Appropriations Committee, those Senators who have yet to designate a staff person.

The committee chairmen and the ranking members appeared before the Rules Committee in testifying on behalf of these increases. Senator CANNON, the chairman, and I, as ranking member, asked every one of these gentlemen the question, "Where will these additional staff people be housed?" They responded without exception, "We will assimilate them and accommodate them within the existing housing." They knew the Rules Committee was bearing down heavily on staff people functioning in Senators' private offices and sometimes doing non-committee work for that Senator, and we were trying to get them out of the private offices.

Let me make very clear this resolution from the committee does not answer the housing problem. That is still a problem we have to address squarely and answer in an adequate fashion.

But all I am saying is I do not think the argument can be used legitimately against our committee resolution on the basis or question of where they are going to be housed when the normal procedures of budgeting by committees already have asked for 132 additional staff on the basis that there will be housing, or housing will be found for them outside of the Senators' private offices.

Mr. McCLELLAN. Is that 132 a net after deducting the 26?

Mr. HATFIELD. I beg the Senator's pardon?

Mr. McCLELLAN. Is that 132 net after deducting the 26?

Mr. HATFIELD. Yes, it is 132 net.

Mr. PASTORE. What is the cost?

Mr. HATFIELD. The additional cost? It is about $6.4 million

Mr. CANNON. If the Senator will yield, that $6.4 million covers other things than just personnel. It has funds for committee hearings, for reporting fees, and other incidental expenses of committees in that $6.4 million.

Mr. PASTORE. I must say frankly the thing that bothers me is a point being made on the part of many Senators, with which I do not agree. It is a point which does not seem to be the issue here. That is the fact that they have a responsibility on so many committees that they cannot keep up with their responsibilities unless they have additional staff connected with a committee. In other words, what it amounts to is an argument that it is to serve the individual Senator who has a responsibility that he feels he cannot completely fulfill because he does not have the personnel to do it. I do not subscribe to that argument.

But now we are talking about another thing. We are talking about an augmentation of the staff structure of a committee. I do not think we have had a problem in that direction. I do not think up to now we have had a problem at all.

I serve on three or four committees and I say, very frankly, insofar as the staff is concerned, we seem to have enough staff. As a matter of fact, I think sometimes we have too much staff. I go to the Commerce Committee and I see Mr. MAGNUSON from time to time order the staff out of the room because they are not connected with the particular subject that is being discussed. Here we are adding another 132 people.

Mr. TALMADGE. No. What is the number? It is more than that.

Mr. CANNON. 320.

Mr. PASTORE. They said 132.

Mr. TALMADGE. That is the special resolution in the Rules Committee, not the bill that is pending.

Mr. PASTORE. That is the point I make. Insofar as the committee report, it is 132. If we are talking about the Gravel and Brock amendment, naturally we are talking about over 300.

Mr. TALMADGE. A 25-percent increase.

Mr. PASTORE. I say frankly we will have staff falling over one another.

Mr. HATFIELD. May I respond to the question and then I will yield to the Senator from Florida.

I would like to respond to the statement of the Senator from Rhode Island about the question of adequacy or inadquacy of staff.

Until last year as a member of the minority, I served on five subcommittees of Appropriations. I had no designated staff person. Not one person. In trying to cover those five subcommittees, therefore I utilized my personal office staff to assist me in that committee work. Why? For one reason: Because, in my opinion, we have been totally unresponsive to the needs of the minority party in this Senate. That is one of the reasons why this bill is here today. Let me say why this is. It is because on those five subcommittees we had staff persons on the minority side who were covering three and four subcommittees. One staff person staffing, in effect, three and four subcommittees for the minority on the Appropriations Committee, which was totally inadequate. You go to any one of those staff persons, I will say to the Senator from Rhode Island, and ask him for any kind of assistance, and you knew you were imposing on a man who already was working 10 and 12 hours a day. We should have properly staffed the minority party. I think that is what really gave impetus to this kind of movement, though there are other reasons, too, that came out in our hearings. However, I will not cover them at this point.

I will repeat that it is totally inadequate to ask one staff person to try to cover all the various budgets on four and five subcommittees and serve all minority party members on each of the subcommittees.

Mr. PASTORE. Basically, I feel the fault is that the system is wrong. We are on too many subcommittees; we are on too many important committees. That is the basic reason for it. But I do not believe we should take this from the pockets of the taxpayers only because we do not have the sense to confine our own responsibilities so we can meet our responsibilities. I will say very frankly, the mere fact that a Senator has a staff member to represent him at a hearing where he cannot speak, where he cannot ask questions, I do not think is serving a purpose at all. If the Senator is not there but is relying on a staff member who is just an observer, I do not think the Senator is carrying out his responsibilities to the people of this country. I think that is the problem. Basically, we are on too many committees. I think the time ought to come when we should recognize the fact, be firm enough about it, and actually change the system. That goes for me, it goes for the Senator from Oregon, and everybody else. We would be doing ourselves a favor.

Mr. HATFIELD. I think the Senator is absolutely correct. We are dealing with a very inequitable base or foundation. We are trying to put in a superstructure and trying to do a reform at the superstructure level rather than the foundation level. Therefore, to some extent, we are blocking in the inequities. But I think the Rules Committee proposal keeps the pressure on the committees.

Let me also note this is not a matter of digging into the taxpayers' pocketbook in an additional way. I want to emphasize again that under our normal procedures we are asking for 132 additional staff people. That has come out of the leadership of the chairmen and the ranking members of each of these committees.

I yield to the Senator from Florida.

Mr. STONE. The Senator from Florida wonders, could the Senator from Oregon yield him 3 minutes and then comment on what he might say?

Mr. HATFIELD. I am very happy to yield the floor, or yield for a question, whatever the Senator may wish.

Mr. STONE. Three minutes.

Mr. HATFIELD. I am happy to yield.

Mr. STONE. I thank the Senator.

I think we are mixing apples and oranges when we talk about the need for more committee staff and the need for more personal staff. If the committee staff—professional staff, not supposed to be chosen by one Senator, oriented toward one Senator, oriented toward one party or the other party, but professional staff—if the committee professional staff is insufficiently numerous to do the job, then that issue ought to be handled on that basis. If there is insufficient staff in the personal offices of the Senators, that ought to be handled on the basis of that issue. But when we mix apples and oranges, and say we are going to concoct a "hippogriff"—a giraffe invented by a committee—concerned with committee matters, briefing the committee, but appointed by a Senator and housed at the personal office of the Senator to make it more convenient, I do not know what we are going to end up with.

In the 6 months which make me an expert that I have been here, my experience has led me to think we do have a problem. I think the Senator from Oregon has best solved the problem, which is the problem of properly responding to mail without diverting legislative assistants and other professional people simply to the answering of mail. The Senator from Oregon has solved that problem with proper office equipment and procedures. I suggest to the leadership that that is a good area to look into, which does not burden the taxpayers on a continuing basis; it is a one-shot purchase of appropriate equipment.

But I am going to vote against this hippogriff amendment; it does not do what it is supposed to do, and I think the problem can be solved a lot better, for example, if any Senator needs to be briefed by a committee staff member, by picking up the phone and asking for a committee staff member, either for general briefing on things coming up, or specific briefing on certain issues that may be coming up, and getting the briefing that is needed. In the 6 months that I have been here I have never lacked such briefing. When I wanted such a briefing and called for it, I got it. And I have never experienced partisanship on the part of staff members.

So I shall vote no on this amendment. It is unquestionably well intended, but I think it is misdirected.

Mr. STENNIS. Mr. President, will the Senator yield briefly to me on one point?

Mr. HATFIELD. Let me respond to the question first. Then I will be happy to yield to my good friend from Mississippi.

I think the Senator from Florida has put his finger precisely on a very significant point here. Under what systems and procedures are we now functioning? I would say they could be characterized as inadequate, archaic, horse-and-buggy, and completely outmoded.

Mr. STONE. If the Senator from Oregon had brought in an amendment to properly upgrade the office procedures and office equipment of individual Senators' offices, I would be leading the

charge in its behalf, because I have seen what the Senator from Oregon does.

But to have a personal staff person at the committee, doing committee work in the sense of briefing the individual Senator, is to move the London Bridge to a place where there is no water at all.

Mr. HATFIELD. Let me say to the Senator from Florida that we have already taken that full step. It is now cranked into the operations of the full Rules Committee, where we have a proposal covering five Senators' offices and three committee suites. On a pilot basis, preparing for full implementation, they will be modernized to help meet our personal office needs in serving our constituents.

Mr. STONE. I think that is what we should wait for, then.

Mr. HATFIELD. All right, I respect this view.

Mr. STONE. That would solve the problem. This will not.

Mr. HATFIELD. Let me say to the Senator, though, that when we look at the budget requests of the various existing committees that appeared before our Committee on Rules under normal budget procedures, as I indicated awhile ago, it appears a total of approximately 132 additional staff requests have been made. Rather than crank them back into the normal procedure of appointment, the Committee on Rules has merely utilized a vehicle here to provide the appointment back at the senatorial level, with each Senator participating, in effect, in helping create a committee staff, rather than have it be, basically, only the chairman and ranking minority member.

Mr. STONE. The Senator from Florida understands what the Rules Committee has proposed, and thinks that the Rules Committee has probably done it on the basis of the lesser of evils, that evil being saddling extra costs on the taxpayers to make the Senators a little more comfortable in their duties, at a time when a lot of people are out of work and a lot of people are confronted with high electric bills and other costs.

The time is always wrong, but there could not be a wronger time for that than right now, because of that situation.

Mr. HATFIELD. I appreciate the Senator's comments. I would urge Senators, then, to form the judgment on each committee as to the requests made on behalf of the total committee for these additional staff members.

Mr. STONE. I will scrutinize it, if it ever comes out to the floor, as to whether any excess requests are being made. As far as I am concerned, I, too, would like to know how much additional staff might be indicated. Unquestionably some is indicated, just because of the situation the Senator from Oregon was talking about, in serving as a minority member on a number of subcommittees wherein the minority staff was overburdened.

I think that is a good case, and as a member of the majority, the Senator from Florida would fight for more staff for the minority, but in the form of minority staff rather than in the form of a giraffe invented by a committee, which is what this thing is—a "hippogriff."

Mr. HATFIELD. I would say that a prime example is the committee we serve on together, the Committee on Interior and Insular Affairs, which has asked for nine additional staff; I do not know right now for certain, but I think six of those are for the minority, in order to try to bring about more equity where inequity has existed before.

I yield to the Senator from Mississippi.

Mr. STENNIS. I thank the Senator.

Mr. President, I know this point is repetitious to a degree, but I submit that it has not been answered yet. The inquiry is this: What is going to be the status, now, of this new type of staff member that would be created by the Senator's resolution?

He will not be, if I understand it, a member of the professional staff of the committee. He will not be directly responsible to the chairman of the committee, or the ranking minority member of the committee. He will not know where his responsibility is, and the committee chairman and the committee, including the ranking minority member, will not know where their power, if any, is regarding this committee staff member, this new type, this new man.

Inevitably that is going to lead to trouble. It may not cause it to begin with, but in many a case it will lead to trouble, and many individuals it will lead to trouble. Just inevitably, there will not be any directive head of the committee so far as that group is concerned. There will be that lacking in responsibility so far as this new group is concerned, to the committee as a whole or any segment of it.

I am heartily in favor of the idea that if there is any doubt at all about a Member not having a proper chance to get into his work, I favor giving him the benefit of that doubt and bringing him into the current of things if possible. But I verily believe this, and I am thinking about our Committee on Armed Services: We have gradually accumulated a number of men there who are really experts in their fields. Let me give an illustration.

We decided that we were going in depth into this item of research and development. No more complicated matter comes to this floor. It now amounts to around $9 billion per year.

We went out and first sought the man who could handle it as the staff member, a man of in-depth knowledge, intelligence, experience, and all. That is the first step we took.

Then we sought the man on the committee who would head the committee, and that in this case was the Senator from New Hampshire.

Then it was filled out from there.

In this highly technical and difficult field they do a most magnificent job year after year.

The resolution has been presented in the Chamber, and every question has been answered in our committee sessions, answered by every Member of the Senate so far as I know. When that resolution was up last week, quite a few Senators have mentioned and complimented that subcommittee and its staff to me.

I could give other illustrations. We had to handle the personnel. It had never been gone into by our committee.

We first enlisted the man to come and be the head staff member for that subcommittee. He is excellent and outstanding.

He was in civil service, had 20 or 25 men under him. In the beginning, we had to offer some kind of a position. We all like some prestige and recognition.

Then we got a chairman of that subcommittee, who promised to give it a lot of attention, which was the Senator from Georgia (Mr. NUNN).

The staff members have all been giving it excellent attention and highly satisfactory service, I think, to the committee, the Senate, and the conference committee.

That is the kind of staff here that we have in this field. I certainly do not want to neglect the minority. I have been in the minority since I have been here twice, and I know and I understand. We have not had any real trouble. We worked together. They brought in a man who I did not even know, but on their honor they said, "This man can do the job." We hired the man.

Had this matter been settled in January, I then desired to have at least two more.

But anyway I want to have that system; I do not want to see it torn down.

My question is this: Where is this man going to fit in who the Senator proposes to bring in? I can adjust myself to many things, but I cannot adjust to anything, and I do not believe anyone else can, that is contrary to human nature. There has to be some authority over this man by the subcommittee chairman, the minority ranking member, or the chairman of that committee. Otherwise, some of them will be unsatisfactory. They will be unsatisfactory to this real professional staff that I have been talking about that we recruited, or they will be unsatisfactory to some of the membership.

This work has to go forward.

Who is going to be his boss, so to speak, and to whom is he going to be primarily obligated?

Answer that fully, and I will be quiet.

Mr. HATFIELD. I will answer the Senator best by using the example of Proctor Jones on the Subcommittee of Public Works of the Committee on Appropriations, of which the Senator from Mississippi is the chairman, and Proctor Jones is his designated chief staff person of that subcommittee.

As a ranking member, I would have appointed Jim Bond, even though he had been originally appointed by the Senator from North Dakota (Mr. YOUNG). He went to the office of the Senator from North Dakota which vacated a staff place. Then I was given the opportunity to designate a new staff person.

It would function the same way as Jim Bond and Proctor Jones, with the same responsibility as the Senator from Mississippi had as a subcommittee chairman and the Senator from Oregon had as the ranking Republican member. I think it functions very well.

Mr. STENNIS. With all deference, I do not believe I made my question clear. The Senator answered the question, or attempted to, and has given an illustration under a different system altogether. The Senator has not only picked two of the most outstanding men on Capitol Hill, but he answered in terms of the present system.

Mr. HATFIELD. That is right.

Mr. STENNIS. I put the question in terms of the new system, that is proposed with this floater there—and I say that with all deference—who neither knows who he is responsible to, and the committee regular staff, the chairman, and ranking member of the committee do not know who he is responsible to, nor what their power is over him. It is all in doubt.

Mr. HATFIELD. I think the Senator has either not understood clearly, or I have not made a clear presentation. This is not a new system, in the basic sense, from that which the Committee on Appropriations uses today.

I have used the Appropriations Committee as the prototype, and that is what the Rules Committee proposal would follow.

I do not know how to make it any clearer, because the Senator from Mississippi knows how the Appropriations Committee functions, and this precisely is how this whole system would be broadened to include all the other committees.

Mr. STENNIS. I say to the Senator, with all deference that he has a hybrid proposition that he is adding to the system that is unknown now in the Appropriations Committee.

I do not think I asked the Senator from Arkansas (Mr. MCCLELLAN), who became the new chairman, what staff member to assign to that committee. I do not recall it. But he assigned one of the best on Capitol Hill. The Senator mentioned Proctor Jones. It showed how smooth the present system works. There is no contention about anything. It just works.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. STENNIS. But I am afraid of this unknown quantity.

Mr. HATFIELD. Who appointed Proctor Jones?

Mr. STENNIS. The Senator from Arkansas (Mr. MCCLELLAN), the chairman of the committee.

Mr. HATFIELD. Who made the designation or recommendation?

Mr. STENNIS. I did not, that I recall. I could have orally, but I do not recall it now. I knew Proctor Jones all right. I am mighty glad to get him, I know that.

Mr. MCCLELLAN. I do not recall who recommended each one or all of them.

Mr. PASTORE. He is a career man.

Mr. STENNIS. He is one of the professional staff members.

Mr. MCCLELLAN. We try to get professional people, who are competent to serve everything.

Mr. HATFIELD. I think, if the Senator will yield, the RECORD will show Proctor Jones was brought here by the late distinguished Senator from Georgia (Mr. Russell).

Mr. PASTORE. That is so.

Mr. STENNIS. That is correct.

Mr. HATFIELD. The Senator from Mississippi, then becoming chairman of that subcommittee, designated a man already as a professional person on the staff, which is perfectly all right.

Mr. STENNIS. That is better than anything else.

Mr. HATFIELD. That can be done, but it was under resolution by the committee.

Mr. PASTORE. He did not designate him. He accepted him, and I did the same thing.

Mr. HATFIELD. I think we are playing with semantics now. The point is that he is responsible to the subcommittee chairman.

Mr. PASTORE. That is right.

Mr. HATFIELD. That is the line of authority. There is no mystery about this.

Mr. STENNIS. Mr. President, if the Senator will yield 1 minute, he went back to the old system or at least the current system that we now have, to give an answer and an illustration. My question relates to the system here where this third man is coming in and his unknown status. I speak with all deference to any man who comes in under it. But he has a new status. Who is his boss? Just answer that. Who is going to be his boss?

Mr. HATFIELD. Let me again use our own committee as an example. There would be no new person to come in on the majority side, but there is a new person, who I have designated, coming in our Subcommittee on Public Works, because Jim Bond, who was then designated by the Senator from North Dakota (Mr. YOUNG), had gone to the office of the Senator from North Dakota. So there was a vacancy. I designated the new staff person. He will be responsible to me, as a minority member. But I did it in consultation with the Senator from North Dakota and the Senator from Arkansas. So that is the system, and that is what is embodied in the Rules Committee's proposal.

Mr. STENNIS. I thank the Senator for the response.

Mr. CANNON and Mr. PACKWOOD addressed the Chair.

Mr. CANNON. Mr. President, I move to table the Gravel amendment and request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), the Senator from North Carolina (Mr. MORGAN), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I also announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT) would vote "yea."

The result was announced—yeas 89, nays 1, as follows:

[Rollcall Vote No. 217 Leg.]

YEAS—89

Abourezk	Gravel	Nelson
Allen	Griffin	Nunn
Baker	Hansen	Packwood
Bartlett	Hart, Gary W.	Pastore
Bayh	Hart, Philip A.	Pearson
Beall	Hartke	Pell
Bellmon	Haskell	Percy
Bentsen	Hatfield	Proxmire
Biden	Hathaway	Randolph
Buckley	Helms	Ribicoff
Bumpers	Hollings	Roth
Burdick	Hruska	Schweiker
Byrd, Harry F., Jr.	Humphrey	Scott, William L.
Byrd, Robert C.	Inouye	Sparkman
Cannon	Jackson	Stafford
Case	Johnston	Stennis
Church	Kennedy	Stevens
Clark	Laxalt	Stevenson
Cranston	Leahy	Stone
Culver	Long	Symington
Curtis	Magnuson	Taft
Dole	Mathias	Talmadge
Domenici	McClellan	Thurmond
Eagleton	McClure	Tower
Eastland	McGee	Tunney
Fannin	McGovern	Weicker
Fong	McIntyre	Williams
Ford	Metcalf	Young
Garn	Mondale	
Glenn	Montoya	
	Moss	

NAYS—1

Mansfield

NOT VOTING—9

Brock	Goldwater	Morgan
Brooke	Huddleston	Muskie
Chiles	Javits	Scott, Hugh

So the motion to table the amendment was agreed to.

Mr. ALLEN. Mr. President——

Mr. CANNON. Mr. President, what is the parliamentary situation now?

The PRESIDING OFFICER (Mr. GLENN). The question recurs on the reported amendment.

Mr. CANNON. On the amendment reported from the committee?

The PRESIDING OFFICER. The Senator is correct, as amended.

Mr. CANNON. Mr. President, if the Senate is of a mind to, we are prepared to vote on that amendment right now.

Mr. ALLEN. Mr. President——

Mr. CANNON. Mr. President, I have not yielded the floor.

I ask unanimous consent that I may be permitted to yield to the Senator from Arkansas without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCLELLAN. Mr. President, I send to the desk two amendments and ask unanimous consent that they be printed and that they be considered as having met the reading requirements of rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCLELLAN. I thank the Senator.

Mr. CANNON. I ask unanimous consent, Mr. President, that I may be permitted to yield to the Senator from Alabama without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ALLEN. I wish to make a motion, which would require yielding for.

Mr. CANNON. I am sorry. I yield the floor.

Mr. PACKWOOD. Mr. President.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I believe we can see just where we stand with respect to this resolution. By moving to table the resolution, the Senate has shown very clearly that it does not want the Gravel amendment or resolution. By voting down the Gravel amendment on two occasions, it has carried with it the Brock amendment. Therefore, the only thing really remaining would be the committee resolution. So that we can see just where we stand without having a final vote on the up and down vote on the resolution, I move that the pending resolution be laid upon the table and I call for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Let us have order, Mr. President.

The PRESIDING OFFICER. Let us have order. Those who wish to have conversations will please remove themselves to the cloakroom.

(At this point Mr. STONE assumed the chair.)

The legislative clerk resumed the call of the roll.

The PRESIDING OFFICER. Will the Senators cease conversing so that the clerk can continue to call the roll.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), the Senator from North Carolina (Mr. MORGAN), and the Senator from Maine (Mr. MUSKIE), are necessarily absent.

I also announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. FANNIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), and the Senator from Pennsylvania (Mr. HUGH SCOTT), are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT), would vote "nay."

The result was announced—yeas 22, nays 67, as follows:

[Rollcall Vote No. 218 Leg.]

YEAS—22

Allen	Hruska	Roth
Bumpers	Mansfield	Stafford
Byrd, Harry F., Jr.	McClellan	Stennis
	McIntyre	Stone
Byrd, Robert C.	Moss	Talmadge
Eastland	Nelson	Weicker
Helms	Pastore	Young
Hollings	Proxmire	

NAYS—67

Abourezk	Glenn	Metcalf
Baker	Gravel	Mondale
Bartlett	Griffin	Montoya
Bayh	Hansen	Nunn
Beall	Hart, Gary W.	Packwood
Bellmon	Hart, Philip A.	Pearson
Bentsen	Hartke	Pell
Biden	Haskell	Percy
Buckley	Hatfield	Randolph
Burdick	Hathaway	Ribicoff
Cannon	Humphrey	Schweiker
Case	Inouye	Scott, William L.
Church	Jackson	Sparkman
Clark	Johnston	Stevens
Cranston	Kennedy	Stevenson
Culver	Laxalt	Symington
Curtis	Leahy	Taft
Dole	Long	Thurmond
Domenici	Magnuson	Tower
Eagleton	Mathias	Tunney
Fong	McClure	Williams
Ford	McGee	
Garn	McGovern	

NOT VOTING—10

Brock	Goldwater	Muskie
Brooke	Huddleston	Scott, Hugh
Chiles	Javits	
Fannin	Morgan	

So the motion to lay on the table Senate Resolution 60 was rejected.

Mr. CANNON. Mr. President, I want to explain to the Senate now just what we have done.

First, we overwhelmingly tabled the second Gravel amendment to raid the Treasury, which had carried with it the same amount of personnel and the same amount of money as the Brock amendment.

Now we have voted against tabling the Hatfield amendment, the committee amendment, which is not as much of a raid on the Treasury, costing only about $3.7 million and resulting in about 100 new employees.

I think the Senate has shown exceptionally good judgment in voting down both of the Gravel proposals, the second one being almost identical with the Brock proposal, and I would hope that we are in a position now that we have gone up the hill and down the hill to vote on the committee amendment and bring this matter to an end.

Mr. BAKER. Mr. President, I note that section 1 of the resolution reported by the Rules Committee states that each Senator serving on a standing committee is entitled to a professional staff member to assist him in his duties as a member of such committee. When I became ranking member of the Public Works Committee at the beginning of the 93d Congress, I consulted with other minority members and recommended that we follow the practice established by former Senator John Sherman Cooper—when he was ranking member—to extend to other members the privilege of designating professional staff as staff positions became available. While Senator Cooper was ranking member, he named to the committee staff one of Senator Caleb Bogg's experienced assistants and, as positions arose, also named able staff persons chosen by myself and Senator BUCKLEY. Senator Cooper extended this privilege in spite of the fact that the size of the Public Works Committee staff was smaller than many other Senate committees.

Mr. President, as I stated, I continued this practice in the 93d Congress, and while we were not able to reach every member at that time, I am pleased that beginning with the 94th Congress every minority member of the committee has designated professional staff assistance. In addition, I understand that the chairman of the committee, Senator RANDOLPH, has also extended this privilege to all majority members, excepting those who are still in their first year of service.

Mr. President, I also note that on page 8 of the committee report the committee states that it is a "cardinal objective" to authorize the appointment or designation of a present employee of a committee to serve as the staff member of an individual Senator without such representation. When I became ranking member we retained all the existing committee staff without change. Furthermore, we have been able to reach our goal of providing professional staff representation for every minority member partially by following this practice of designating existing, experienced, able staff to a member without representation.

I believe it is fair to say that the minority professional staff of the Public Works Committee has worked in a professional manner, for all the members, and not for the sole interest or purpose of any one member. I have always instructed the staff to assist all our minority members to the extent possible. The Public Works Committee staff works together.

I make this statement not only because I believe the RECORD should show that the Public Works Committee already has been following the principle enunciated by this resolution—that each Senator serving on a standing committee is entitled to a professional staff member to assist him in his duties. I make this statement also to point out that while this resolution may be used to vastly expand some committee staffs, it will not benefit those committees—such as Public Works—that have previously extended the privilege of designating staff to junior members.

While I believe the workload is as heavy, the resolution would not benefit committees that have already adopted the practice this resolution encourages. For example, in my own case, had I named the entire minority staff authorized under our budget, I would be able under the resolution to certify the four additional minority members, which would permit a significant expansion of staff. I believe it is ironical that we would penalize those committees that have already adopted the practice this resolution encourages.

Mr. NELSON. Mr. President, the objective sought to be achieved by these various proposals to increase staffing is commendable, and I endorse it. There is no doubt many Members are inadequately staffed for necessary research on major legislative issues and for coverage of innumerable legislative details respecting the Members' committee assignments. The situation is particularly acute for minority party Members and junior Members but also in varying degrees for many senior Members.

Nevertheless, while I endorse the objective, I shall vote against the proposal because it is fatally defective on the grounds of timeliness. Unless we reorganize the way we manage the massive amount of legislative business that flows through the Congress, no amount of staffing will alleviate the problem. In fact, it may well aggravate it.

This proposal should be set aside until after we act on the Stevenson proposal now pending in the Rules Committee.

The seniority system should be modified to set a term limit on chairmanships; committee jurisdiction should be clarified and overlapping jurisdiction reduced to a minimum; the number of full committees and subcommittees should be substantially reduced; membership assignment to multiple committees should be reduced if not eliminated; the nongermaneness rule should be broadened; a final debate period of specified time should be established for all major legislation with a quorum required to be present during that period.

These are some, among many, changes necessary to improve the management of our workload. It will be timely then to review and remedy the obvious shortcomings and inequities of the staffing system.

Mr. ROTH. Mr. President, I have long held the view that the system of staffing committees needs to be changed so that all Members can effectively participate in committee deliberations and decisionmaking. The present system which provides the bulk of the staff to the committee chairmen and senior members favors the majority party and tends to ignore the need for the younger members and members of the minority party to participate fully in the legislative process. Moreover, I feel that the voters who elect us to this office are shortchanged in the process.

This problem is of such consequence to the entire committee system that I believe it preferable that it be taken up at the same time we review the committee structure and I intend to introduce a bill to accomplish this.

Further, with problems of holding the line on the budget and given the current state of the economy it does not seem the proper time to talk about appropriating funds for additional congressional staff. Therefore, I will vote against proposals for additional money for committee staff at this time—not because I feel it is not needed but rather because it should be taken up in conjunction with a review of the entire structure of committees and at a time when both the national economy and budget are in better shape.

I realize that we are in a somewhat anomalous situation in that those people who do not want to vote on it tonight have joined to file a cloture motion. They would like to cut off debate on the day after tomorrow, but they do not want to vote on it tonight.

In any event, Mr. President, as far as the committee is concerned, we are prepared to vote on the Hatfield substitute at any time.

Mr. PACKWOOD. Mr. President, we were prepared to vote on this at 4, 4:15, or 4:30. Quite frankly, Senator BROCK has left and will be back in the morning, but he is not here tonight. He would like a chance to vote on this.

We have filed a cloture motion and we will be ready to vote tomorrow if a time certain can be agreed upon, but we are not prepared to vote at the moment and I think we would not be prepared to vote for quite a number of moments this evening.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PACKWOOD. I yield.

Mr. MANSFIELD. Did I understand the Senator to say he would be prepared to vote on the pending business at a time certain tomorrow?

Mr. PACKWOOD. Not the pending business. We want to reoffer the Brock-Gravel amendment and would like a time certain to vote on that. We have to reintroduce.

Mr. MANSFIELD. Well, I think we better wait on that.

Mr. CRANSTON. Mr. President——

Mr. MANSFIELD. Will the Senator allow me to make an announcement?

Mr. PACKWOOD. Yes.

REPORT ON PROPOSAL TO TELEVISE SENATE PROCEEDINGS CONCERNING CONTESTED ELECTION FOR A SEAT IN THE U.S. SENATE FROM THE STATE OF NEW HAMPSHIRE

Mr. MANSFIELD. In view of the situation which has developed, it appears that there is no chance of finishing the business before the Senate tonight.

But for the information of the Senate, I think after discussing this matter with the Republican leader, the acting Republican leader and the assistant majority leader, the joint leadership feels it should lay before the Senate the results emanating from the TV resolution covering the New Hampshire proceedings which was offered in the Senate on Friday last and agreed to in the Senate on yesterday.

On the instructions of the joint leadership and the chairman and ranking Republican member of the Rules Committee, three members were designated to meet with the representatives of the networks and to report back today. They met with the representatives of the networks. An agreement was not reached.

The networks evidently want to put in a number of cameras, they want to increase the light considerably above that which was used at the time of the swearing in of the distinguished Vice President of the United States. It would have an effect on the temperature in this Chamber.

There was a time limitation attached to consideration of this resolution. No agreement has been reached.

The three officials of the Senate who have previously met with the representatives of the networks, including Public Broadcasting, have been instructed to go back and discuss the matter once again with the broadcasting representatives.

Regardless of the outcome, the Senate will come in at 8:30 tomorrow morning.

ORDER FOR RECESS UNTIL 8:30 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent at this time that when the Senate recesses this evening, it stand in recess until the hour of 8:30 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. I did not hear what the Senator said.

Mr. MANSFIELD. Without taking any time from the Senator or violating his right to maintain the floor, I asked unanimous consent that when the Senate recesses tonight, it stand in recess until the hour of 8:30 tomorrow morning.

Mr. PACKWOOD. I want to make sure I understand. If we stand in recess, we start right from where we leave off tonight?

Mr. MANSFIELD. No.

Mr. PACKWOOD. Where will we start?

Mr. MANSFIELD. I am making a unanimous-consent request which I hope the Senator will give consideration to.

Mr. President, I ask unanimous consent that after the two leaders have been recognized, the distinguished Senator from Connecticut (Mr. WEICKER) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Is there objection to the two unanimous-consent requests?

Mr. McCLURE. Mr. President, reserving the right to object, I wonder if the distinguished majority leader could indicate the entire program as a package.

Mr. MANSFIELD. Yes, but I want to take it step by step so there will be no mistake.

Mr. PACKWOOD. Reserving the right to object, I want to make sure we do not get off this bill.

Mr. MANSFIELD. We will get off this bill on the basis of commitments made by the leadership. That is what I want to get to.

Mr. PACKWOOD. I do not want to necessarily object, but I do not want to agree to something that gets us off this permanently and over to something else.

Mr. MANSFIELD. It gets us off this. The Senator has submitted a cloture motion which will come up the day after tomorrow.

Mr. ROBERT C. BYRD. If there is objection to the Senator's unanimous-consent request concerning the recess, we can move it and vote on it. Beyond that, we already have received consent to come in at 9:30 tomorrow.

Mr. MANSFIELD. Mr. President, I renew my request that the Senate come in at 8:30.

The PRESIDING OFFICER. Is there objection to that request?

Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR WEICKER TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Connecticut (Mr. WEICKER) be recognized after the two leaders, under the established procedure, for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief period, not to exceed 10 minutes in which statements would be limited, for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I withdraw that request.

ORDER OF BUSINESS TOMORROW

NOMINATION OF STANLEY K. HATHAWAY

Mr. MANSFIELD. Mr. President, I wish to announce that at approximately 9 o'clock tomorrow the nomination of Gov. Stanley K. Hathaway, of Wyoming, to be Secretary of the Interior will be laid before the Senate. There is a 3-hour time limitation covering that nomination. If things go according to Hoyle, around 12 o'clock that nomination should be disposed of one way or the other.

TIME LIMITATION AGREEMENT—EMERGENCY HOUSING ACT, H.R. 4485—CONFERENCE REPORT

Mr. President I ask unanimous consent that following the disposition of the Hathaway nomination, the Senate turn to the conference report on H.R. 4485, on which 1-hour time limitation has already been granted. I ask unanimous consent that that time be reduced to 30 minutes, the time to be equally divided between the distinguished Senator from Texas (Mr. TOWER), as previously stated, and the distinguished Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

NEW HAMPSHIRE SENATORIAL CONTEST

Mr. MANSFIELD. Following the disposition of the conference report, it is then the intention of the leadership to turn to the consideration of the contested senatorial election in the State of New Hampshire.

Mr. PACKWOOD. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, may I say to the Senator that he still has his cloture motion and if the leadership is forced to I shall move in that direction because I think we have a responsibility to face up to this matter as soon as possible.

I will say I discussed this matter with the Republican leadership and others interested, including the Senator's colleague from Oregon; the ranking member of the Rules Committee, as well as the chairman, the Republican leader and the assistant leaders, as well as the assistant majority leader. I had hoped the Senator would reconsider that.

Mr. PACKWOOD. I realize the Senator can roll us on a straight procedural vote, if that is what his wish is.

I want to make sure what happens. We get to the cloture motion and we may or may not be close to 60 votes. If we are not close to it, we will never get a vote on this particular Brock-Gravel amendment. As long as we have had all this debate, why can we not have an agreement for a vote tomorrow? We can lay it aside and vote on it tomorrow at 12:30 or 1 o'clock.

Mr. MANSFIELD. I would be delighted to do that, if the Senator would ask for his time after we were underway on the New Hampshire contest.

Mr. PACKWOOD. Reserving the right to object, if we can lay aside the Brock-Gravel resolution tonight, and start on the contest but after a certain time agree to interrupt that and vote specifically on this matter, I think we can agree to that.

Mr. MANSFIELD. I can see the validity of the Senator's point of view, but once started on New Hampshire I would hate to interrupt it because it is an important matter and is of great interest to the Senate as a whole.

Would the Senator agree to bring this matter to a head right after the conference report has been disposed of and before we turn to the New Hampshire contest on a time-limited basis?

Mr. GRAVEL. What time limit did the majority leader mention?

Mr. MANSFIELD. I think this matter has been discussed pro and con. As a matter of fact, I think I am the only Member of the Senate who has consistently upheld the Brock-Gravel point of view. Even the authors of the amendment have turned against themselves when it came to a tabling motion.

I think there is nothing further in the way of argument which could be brought forth. I think we ought to conclude this matter, and get to other business because we cannot add one new argument to those already made.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. If the Senators are staying because they think there will be further votes tonight, there will not be, so good night, and God bless you.

Tomorrow the Senate will recognize the Senator from Connecticut (Mr. WEICKER). Then we will turn to the Hathaway nomination. Then we will turn to the conference report on H.R. 4485, which involves with housing.

ORDER FOR VOTE ON CLOTURE MOTION

At the conclusion of the vote on the conference report on H.R. 4485, whether it is a voice vote or a record vote, I ask unanimous consent that at that time cloture motion be called up and voted on immediately.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Depending upon the outcome of the cloture vote that will determine our next move or moves. But, as soon as that move or those moves are disposed of, the Senate will then turn to consideration of the contested election for the U.S. Senate from the State of New Hampshire.

Mr. JOHNSTON. Mr. President, will the Senator yiled for a question?

Mr. MANSFIELD. Yes.

Mr. JOHNSTON. Has the question of television for that debate already been decided, or can it now be reviewed by the full Senate?

Mr. MANSFIELD. I made a report to the Senate as to the status of the televisions resolution, which passed the Senate unanimously. There has been no agreement reached, and whether or not there will be, between the Senate and the TV networks, remains to be seen. But to the best of my knowledge there will be no television coverage of the New Hampshire debate on tomorrow.

Mr. JOHNSTON. Would it then be possible to bring up that question of television coverage for a vote in the full Senate? I know it was passed yesterday on a voice vote. I know that some Senators were aware that that question was brewing. But I think it is one of the most far-reaching decisions this Senate has ever made, and I think it ought to be subjected to some debate and reflection.

I think it is going to change indelibly and irrevocably the way we do business in this Senate, and I think we ought to consider it at least with some debate before we make that decision.

Mr. MANSFIELD. May I say that it will change the procedures in the Senate if and when agreement is reached and the Senate agrees.

May I say that it is about time that some changes occurred in this body. I have been much impressed by the younger Members of the Senate who have been aware of the need for changes, and who are much depressed with people, like myself, who, in all too many instances, have become traditionalist-minded and have continued to look backward rather than to live in the present and to look to the future.

Of course, there will be discussions, and it was so intended by the joint leadership, so far as the televising of proceedings is concerned.

I believe in open hearings as much as possible, and I do not think a little sunshine is going to hurt any of us; but it may make this body a more productive institution, and it may bring some life to this body, which I think has been lacking in recent years.

We find that because of the tremendous pressures put upon us—and I include myself in that category—attendance is very sparse at most of the hearings in the Senate; that the debates, in effect, are debates in name only; that we read a great deal from prepared texts;

and that the days of the giants are no longer here.

We have become a body of organization people. We wear gray-striped coats—morning coats, really—and gray pants, and we are getting to look so much like each other that you cannot tell any difference between Democrats or Republicans.

So I think we should have more sunshine in this Senate, and I do not mean the kind the TV people are talking about, with more lighting than they had when they televised Mr. Rockefeller on his swearing in. I agree there are many things to consider.

It was the intention of the joint leadership, I say to my friend the Senator from Louisiana—whom I greatly respect and admire—to bring this matter to the Senate for its consideration, but to do so on the basis of daily reports, as I have tried to give today, and on the basis of any agreements which might be reached on the part of the joint leadership of the Senate, which includes the chairman and the ranking Republican member of the Committee on Rules and Administration.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Louisiana.

Mr. JOHNSTON. Will the Senator from Louisiana get an opportunity to raise to the full Senate the question of whether we should or not? The majority leader's arguments are very persuasive and very powerful.

As a Senator who was a State legislator in a State which allowed coverage on the floor of our House of Representatives and on the floor of the State senate, and who is familiar with that in practice it does have that "sunshine" in the legislative body, I should like to have the opportunity, briefly, to bring up a couple of arguments that I think the entire Senate should hear.

Mr. MANSFIELD. If the Senator would like, I am prepared to bring up the matter right now and to do so on a time limitation basis, so that we can face up to it and get it out of the way one way or the other.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MAGNUSON. I asked the Senator first.

Mr. MANSFIELD. Will the Senator agree to such a proposal?

Mr. JOHNSTON. My only question is how many Senators——

Mr. MANSFIELD. Or would the Senator like more Senators present?

Mr. JOHNSTON. I would be prepared to do it now.

Mr. HANSEN. Mr. President, will the Senator yield on that point?

Mr. MANSFIELD. I yield to the Senator from Washington.

Mr. MAGNUSON. With due respect to the majority leader, he used the word "unanimously," that this was agreed to by the Senate unanimously.

Mr. MANSFIELD. That is correct.

Mr. MAGNUSON. I do not think there were more than six Senators in the Chamber.

Mr. MANSFIELD. The Senator misstates the situation. There were about 14 or 15 in the Chamber at the time. I counted them.

Mr. MAGNUSON. 15 out of a hundred.

Mr. MANSFIELD. Not bad. [Laughter.]

Mr. MAGNUSON. May I finish? I am reserving the right to object.

The other night, Friday, we were told by everybody that this would be the last business that would be taken up by the Senate, and we all went away. All of a sudden, somebody over here started this television thing. Is that accurate?

Mr. MANSFIELD. The Senator was told that it was the last rollcall, that it was not the end of business for the Senate that evening.

Mr. MAGNUSON. Does the Senator not think that on a matter of this importance there would have been a rollcall requested by somebody, to determine the rules? This was brought up—I do not know just why—without going through the Rules Committee or anything else.

The Senator talks about letting in a little sunshine. I am in favor of that. But what I am not in favor of is, who is going to be in the sun? Everybody wants to get in the sun. There are a lot of practical problems involved in this.

Mr. MANSFIELD. There are.

Mr. MAGNUSON. We have had no chance for discussion at all. For example, with respect to the majority leader's suggestion that we bring it up now, he knows that now is not the time to bring it up.

Mr. MANSFIELD. There is good attendance.

Mr. MAGNUSON. If the Senator wants to call everybody back and have a long debate——

Mr. MANSFIELD. Oh, no, I would not want a long debate.

Mr. MAGNUSON. I would not agree to a time limitation.

Mr. MANSFIELD. This has been agreed to by the Senate already.

Mr. MAGNUSON. Nobody requested a quorum call and said this is coming up.

Mr. MANSFIELD. That is correct.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MAGNUSON. Let me finish.

Mr. ROBERT C. BYRD. The majority leader can yield to whomever he wishes.

Mr. MAGNUSON. Did anybody ask for a quorum call?

Mr. MANSFIELD. No one has to ask.

Mr. MAGNUSON. What is the answer?

Mr. MANSFIELD. No.

Mr. MAGNUSON. Did anybody call Senators in their offices and say that this is coming up?

Mr. MANSFIELD. No.

Mr. MAGNUSON. Instead of standing up and saying that this is a matter of great importance, which I am for, that it should be referred to the Rules Committee to work out the details, not just let it go by——

Mr. MANSFIELD. We did not just let it go by. We knew what we were doing, and the leadership on both sides joined in it.

Mr. MAGNUSON. Who is "we"?

Mr. MANSFIELD. The joint leadership.

Mr. MAGNUSON. Did any other Senators know about it?

Mr. MANSFIELD. Did the Senator from Washington give us any responsibility when he put us in these positions or did he not?

Mr. MAGNUSON. Not on a change that broad. I think the Senator had better take that up with the full Senate.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. We discussed this with the chairman of the Rules Committee, and there he is.

Mr. MAGNUSON. I know him; I know him well.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. Mr. President, this resolution was submitted by Mr. MCCLURE.

Mr. MANSFIELD. That is correct.

Mr. ROBERT C. BYRD. We had no control over his submission of the resolution. He asked for its immediate consideration. The only thing we could have done would have been to have objected, which would have set in motion the machinery by which it would have gone on the calendar, and it would not have gone to the Rules Committee. We had no alternative.

What we did was to offer an amendment, and that amendment, was not agreed to that day. The resolution went over until Monday, which gave all Senators an opportunity to read the RECORD and be prepared to be in the Senate on Monday morning and make whatever objections or statements they wished to make.

The leadership, I say to the distinguished Senator from Washington, could not control the offering of the resolution. Had we objected, the matter would have gone on the calendar; it would not have gone to the Rules Committee.

Mr. MAGNUSON. Then we would have to bring it up for a discussion and for a rollcall.

Mr. ROBERT C. BYRD. We still would have had to bring it up on Monday.

Mr. MAGNUSON. This is a little like the situation tonight: people wanting a cloture motion when we are ready to vote. When the Senator talks about something new going on, that is really new. I have been around here almost as long as JOHN MCCLELLAN, but this is the first time I heard of a cloture motion when we are ready to vote. Cloture is supposed to shut off debate.

The other situation brought about by one Senator standing up, late at night, when everybody was told there would be no more, and having this done, is a move that should be discussed, as the Senator from Louisiana pointed out.

I am for it. I am not arguing against it. But it is a pretty long step to take here, and it may be that it will give us a little sunshine. But the sun is only on the microphone, and the cameras only get on one. With 100 of us, who is going to have the time? There are many practical aspects. We tried it in the legis-

lature in my State. It became so confusing that they gave it up.

Mr. MANSFIELD. I am sure it will be confusing, and I am sure that it will not work out precisely as many people think it will. But I think the idea has merit if it can be worked out, and I think it is about time that we opened up our proceedings a little more to public scrutiny.

Mr. MAGNUSON. With limitations.

Mr. MANSFIELD. With limitations.

Mr. MAGNUSON. At least, this is limited, as I understand it, to the New Hampshire debate.

Mr. MANSFIELD. Yes, although I stated the other day that I wish it were available the year round.

Mr. MAGNUSON. Those are the Senator's wishes, but I think we had better take a little look at that.

Mr. MANSFIELD. Maybe the Senator is right.

Mr. JOHNSTON. Will the distinguished majority leader yield?

Mr. MANSFIELD. Yes.

Mr. JOHNSTON. As I understand it, the matter was not put to a final vote and had not ripened into fruition because it was subject to a time limitation that was subject to unanimous consent. I wonder if we cannot set some reasonable period for debate and have it voted on by the Senate and just have it considered.

Mr. MANSFIELD. I shall be delighted to give the distinguished Senator's suggestion every consideration if we reach some sort of definitive agreement with the networks, at which time we could then lay the proposal before the Senate for approval or disapproval.

Mr. ROBERT C. BYRD. Will the distinguished majority leader yield?

Mr. MANSFIELD. Yes.

Mr. ROBERT C. BYRD. The distinguished Senator from Louisiana is within the rules if he wishes to enter a motion to reconsider. The action that was taken on this measure was taken only yesterday and certainly, it is within 2 days, as required by the rules, if he wishes to do that. In the meantime, the distinguished majority leader can proceed on tomorrow to have the Senate go ahead with debate.

Mr. MANSFIELD. Which was going to be done anyway, whether or not there was to be TV coverage.

Mr. JOHNSTON. If the distinguished majority leader will further yield, I should like, if it is the sense of the Senate, to move to reconsider to have that matter voted on at such time as the majority leader shall make his arrangements with the national television networks.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

Mr. MANSFIELD. Mr. President, if the Senator will yield.

Mr. JOHNSTON. Certainly.

Mr. MANSFIELD. I would appreciate it if the Senator would not make that request at this time and that he have enough faith in the joint leadership to understand the fact that when any agreement is reached, if one is reached, it will be brought before the Senate at that time for its approval or disapproval. The joint leadership acted in good faith. I, for one, should not like my faith questioned—my judgment, perhaps, but not my faith—because I have endeavored to serve the interests of the Senate to the best of my ability in the years which I have served in this body.

If the Senator wishes to press it, of course, he is within his rights.

Mr. JOHNSTON. I shall not press it.

Mr. GRIFFIN. Will the Senator yield for an observation?

Mr. MANSFIELD. Certainly.

Mr. GRIFFIN. I wish to indicate that the majority whip's recollection may not be correct, because there was a motion to reconsider and it was tabled.

Mr. ROBERT C. BYRD. That is right.

Mr. GRIFFIN. I should like to say to the Senator from Louisiana, being a part of what happened, that all Senators, of course, are protected to the extent that this resolution cannot be operative without a unanimous consent agreement as to time. So any Senator, of course, can keep it from going into effect by refusing to agree to a time limitation.

I think the Senator from Louisiana is certainly correct, that this does make a major change in the rules of the Senate and it should not be undertaken lightly. As one Senator, I observe that I have little doubt that if there had been an impeachment trial, the Senate was prepared to televise that proceeding. This is not in quite the same category, but it is an extraordinary constitutional responsibility that the Senate is going to exercise, not a legislative responsibility whereby we would sit as judges or we would be protecting the one man, one vote right of people. I think a lot of us believe that it is the kind of proceeding that probably deserves television coverage and media coverage, aside from what we might do in terms of the ordinary legislative procedure.

Be that as it may, I do think that we provided some protection in that it could not go into effect without the unanimous consent of the Senate.

Mr. McCLURE. Will the Senator from Montana yield?

Mr. JOHNSTON. I simply wish to observe that I, of course, will not question the good faith, or the faith in any respect, of the distinguished majority leader, for whom I have implicit respect. As I understand it, we shall have the opportunity to vote on the matter and the opportunity briefly, under any time limitation the majority leader wishes, to discuss it. With that understanding, I shall not press any motion or any objection to a time limitation.

Mr. MAGNUSON. With that understanding, I am satisfied. I just wanted us to have that chance.

Mr. MANSFIELD. I am delighted, because the Senators should have understood that the way this resolution read, before any agreement could be reached, as the acting Republican leader stated, that it was subject to the approval or disapproval of the Senate on a unanimous consent basis, and one Senator could object and that would be that.

I yield to the Senator from Arkansas, who has been waiting patiently. I thought he was interested in what we have been saying.

Mr. McCLELLAN. I have been patiently listening to this discussion on television. I wish to inquire of the distinguished majority leader—I did not understand exactly his unanimous consent request about voting on cloture tomorrow. It would not be due. Was that consent granted?

Mr. MANSFIELD. Yes; it was granted.

Mr. McCLELLAN. Then one other question: the amendments that are on the desk that are in compliance with rule XXII are subject to be called up and debated, for the hour, at least, that a Senator has if cloture is adopted?

Mr. MANSFIELD. Yes, sir.

Mr. McCLELLAN. So we will not be precluded from bringing up amendments if we so desire.

Mr. MANSFIELD. No, sir.

Mr. McCLELLAN. That is all I wanted.

PRIVILEDGE OF THE FLOOR FOR MR. WYMAN AND MR. DURKIN

Mr. MANSFIELD. I also wish, in behalf of the acting Republican leader, to announce to the Senate that during the debate on the New Hampshire matter, Mr. Wyman and Mr. Durkin both will be allowed the privilege of the floor and will also be eligible to have two counsel apiece with them during the course of the proceedings.

Mr. GRIFFIN. I wonder if we might not want to get unanimous consent to that effect.

Mr. MANSFIELD. I ask unanimous consent that that be allowed by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR FOR CERTAIN STAFF MEMBERS

Mr. CANNON. I also, at the same time, ask unanimous consent that the following staff members have privileges of the floor during the course of that matter: William Cochrane, James Duffy, Floyd Riddick, John Swearingen, Raymond Nelson, Peggy Parrish, and Patrick Sarman.

I am sure that the minority would also like to have some people have the right to the floor.

Mr. HATFIELD. If the Senator will yield, I amend his request to include the names of James Schoener, Andy Gleason, and Larry Smith from the minority staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. There is one additional name on that: Don Santarelli.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I think I should say, in all candor, that when the joint leadership met this afternoon, along with the chairman and the ranking Republican member of the Committee on Rules, there were differences among us as to what the conditions should be governing the use of TV in this Chamber. The distinguished acting Republican leader indicated that as far as he was concerned, he would be in favor of full lighting so that the proceedings could be covered in detail. I expressed doubts about that, because I wanted to see lighting kept to a minimum. I also wanted to see the number of cameras limited. I did not want this to be arranged

in such a fashion that it would resemble the House of Representatives during a joint session or joint meeting. There are other differences of opinion, but I say this at this time only to indicate that nothing definitive in the way of an agreement has been arrived at and to emphasize again that should that occur, it will be brought to the Senate for its approval or disapproval.

Mr. HATFIELD. Will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. HATFIELD. The Senator from Montana has referred to this session which I today participated in and discussed this matter. I want to indicate that there was, as he stated, a strong difference of opinion; namely, that I do not feel that this is the way to launch the Senate into national televised activity.

That is neither from the standpoint of the issue nor from the standpoint of putting up a temporary type of lighting but rather waiting until we had permanent lighting if we wanted to move in that direction and resolve other technical problems, but that was neither here nor there. I merely want to indicate we do have many details to work out if we go that route.

I illustrated one point in that it seemed to me we would have to make very certain that both sides of this particular issue had an opportunity to make full presentation, initial presentation, before interrogation and interpretation. But that was only illustrative of many of the details that would have to be worked out if we decide to move in the direction of televising this particular question or issue.

But again I want to emphasize I shall certainly take the floor at the appropriate time when this is brought up for discussion to state in detail why I feel this is not the time nor the issue to launch the U.S. Senate into this particular focus and view to the total American public.

Mr. MANSFIELD. The Senator has stated his position before, this morning, as he did in my office this afternoon.

I yield to the Senator from Idaho.

Mr. McCLURE. I thank the Senator for yielding.

I think I should say, in view of the questions stated by the Senator from Washington, when I submitted the resolution last Friday, it was understood it would not be settled until Monday and, as a matter of fact, that is exactly what happened in the evolution of events. So the entire Senate did have notice from Friday until it was disposed of on Monday of the pendency of the resolution and the fact that it was under active consideration.

Reading of the record of the proceedings of last Friday would have indicated to any Member of the Senate that the matter would be up and would be disposed of one way or the other Monday, so I think all Members of the Senate were on notice not only of the pendency of the resolution but the fact that it would be discussed and would be acted upon on Monday.

I regret if some Members were not aware of that and did not participate in that on Monday when it came up.

I strongly believe that television and radio broadcasting and still photography of the proceedings in this chamber on this matter would serve the public interest. I was very happy to be joined in that expression by the distinguished majority leader and the distinguished majority whip as well as the Republican leadership, both the minority leader and minority whip.

So I think we can go back and debate the general question of whether or not television in the Chamber is a good innovation or not. But let us do it on the basis of a permanent change. Let us not get that confused with the difficulty of trying to get all of the arrangements made to talk about a very unique and a very special circumstance, very special proceedings that have relevance to all of the people of the United States in the question of the seating of the Senator from New Hampshire.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. McCLURE. The Senator from Montana has the time. I yield.

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. I merely want to state the resolution was not finally enacted until somewhere between 5:30 and 6:00 p.m. yesterday, so Senators had all day, not only the weekend but all day, on yesterday to read the RECORD or to read the digest of the RECORD to become informed that this matter was still pending.

While I have the floor, may I thank the distinguished Republican Whip for reminding us all that a motion to reconsider the resolution was entered and I myself moved to table that motion to reconsider, which has been done.

Mr. McCLURE. Mr. President, if I could proceed just for a moment.

Mr. MANSFIELD. If the Senator will allow me, even though a motion to reconsider was tabled, I would still ask that such motion to table be rescinded in case any Senator wanted to bring about a reconsideration on the basis advanced earlier by the distinguished Senator from Louisiana but later withdrawn.

Mr. ROBERT C. BYRD. Yes.

Mr. President, may I say that my reference to the clarification of the record by Mr. GRIFFIN was because I had earlier told the distinguished Senator from Louisiana that it was within the rules for him to still enter a motion to reconsider, and I had forgotten that motion had already been offered and tabled.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. McCLURE. I thank the Chair.

Mr. President, it seems to me that the Senator from Louisiana and the Senator from Oregon are both correct when they talk about the possibility of opening the Senate Chamber as a matter of permanent rules. But we have discussed this matter at various times in the past. There was a resolution that was reported from the committee with regard to the proceedings on a possible impeachment trial.

We did permit televising of the swearing in of the Vice President. There has been committee action with respect to a pilot project to determine whether or not we would like to see it done. It seems to me, under the circumstances, where we have taken all of those steps in the past, and we had a particular proceeding with a particular national interest focused upon us upon the seating of the Senator from New Hampshire, that this might be the opportunity that many have sought to get a pilot program underway to determine whether or not within this body that coverage could be extended so that the American people could see what happens in the Senate of the United States.

I do not think it was the feeling on the part of anyone, nor does my resolution call for a permanent rule change that would affect all future proceedings.

I think the Senator from Louisiana is exactly correct in saying that issue ought to be debated. I suspect that, as a matter of fact, the debate would be better served if it were held after the conclusion of the debate and the determination of the Senate on the matter now that will soon be pending before us on the New Hampshire election contest because we would have had some experience then to determine what the pitfalls were, what the strengths and weaknesses of that kind of coverage of our proceedings might actually be.

I would certainly agree with the Senator from Louisiana that the Senate should look at the implications of that kind of coverage and change in our procedures.

I served in the Idaho State Legislature when we made that change in our procedures to allow the televising of a debate in the Idaho State senate. I served in the House of Representatives when we opened up committees for that purpose in the House of Representatives here. I served in committees where we have done that in the Senate and, I think, in each of those cases after it was done most of us decided it was not a bad procedure and, I believe, if it is done in this instance we will decide it is not a bad procedure.

But I think the Senator from Louisiana may take some heart in the fact that apparently the conditions upon which the networks would be willing to televise the proceedings are sufficiently burdensome so that probably they will not be agreed to and probably it will not happen. In that event, the Senator from Louisiana need not fear the consequences of the adoption of the resolution.

I would be pleased to enter into a debate on this floor at some other time when more Members are present and when we have had adequate notice of the pendency of the action so that those who care one way or the other will be here.

We are down now to fewer people than were here at the time the resolution was adopted, so I suggest perhaps the debate be scheduled at some other time.

Mr. JOHNSTON. Mr. President, I may well be persuaded on some short debate that we ought to proceed to the televising of the Durkin-Wyman matter. But I think it needs some short debate and, as I understand the present posture of things, the majority leader will afford the Senate that possibility.

As I understand it, this resolution, although it was laid on the table, does take unanimous consent to be effectuated because of the time limitation. I

would assume that that debate, under whatever circumstances that the Senator or the majority leader wishes, followed by a call of the roll in the Senate, will occur. So it is on that understanding that I make no further comment, no further objection tonight.

Mr. ROBERT C. BYRD. Mr. President, the call of the roll would depend on a request for that and seconding by one-fifth of those Senators present, which the Senator would not have any difficulty getting.

Mr. JOHNSTON. I am assuming, of course, and I am aware of that rule, that we would have the opportunity to do so without having to cover the floor at all times.

Mr. ROBERT C. BYRD. The Senator will not have any problem there. If a time agreement is proposed, I will be certain that he is alerted to that and he will have an opportunity to be on the floor to object to it and, reserving the right to object, he may then explore the matter of televising the proceedings.

Mr. JOHNSTON. I thank the distinguished Senator.

EMERGENCY TECHNICAL PROVISIONS ACT—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. PELL I submit a report of the committee of conference on H.R. 4221, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. STONE). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Emergency Technical Provisions Act".

AVAILABILITY OF FUNDS FOR COLLEGE WORK-STUDY PROGRAMS

SEC. 2. Section 446 of the Higher Education Act of 1965 is amended by inserting "(a)" after "SEC. 446." and by adding the following new subsection at the end thereof:

"(b) Sums granted to an eligible institution under this part for any fiscal year which are not needed by that institution to operate work-study programs during the period for which such funds are available shall remain available to the Commissioner for making grants under section 443 to other institutions in the same State until the close of the fiscal year next succeeding the fiscal year for which such funds were appropriated."

DURATION OF THE NATIONAL ADVISORY COUNCIL ON EQUALITY OF EDUCATIONAL OPPORTUNITY

SEC. 3. Section 716(b) of the Emergency School Aid Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "September 30, 1976".

AVAILABILITY OF BASIC EDUCATIONAL OPPORTUNITY GRANTS

SEC. 4. Funds appropriated for making payments of basic educational opportunity grants, during fiscal year 1975, under subpart 1 of part A of title IV of the Higher Education Act of 1965 to eligible students in accordance with the payment schedule in effect under section 411(b) for fiscal year 1975 which are in excess of the amount paid under such section prior to the end of such fiscal year shall remain available for payments under such section during fiscal year 1976.

EFFECTIVE DATE

SEC. 5. (a) The amendment made by the provisions of section 2 of this Act shall be effective with respect to appropriations for fiscal years beginning after June 30, 1974.

(b) Subsections (b) and (d) of section 431 of the General Education Provisions Act shall not operate to delay the effectiveness of regulations issued by the Commissioner of Education to implement the provisions of this Act. And the Senate agree to the same. That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

CLAIBORNE PELL,
JENNINGS RANDOLPH,
HARRISON A. WILLIAMS, Jr.,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
TOM EAGLETON,
ALAN CRANSTON,
WILLIAM D. HATHAWAY,
J. GLENN BEALL,
J. K. JAVITS,
DICK SCHWEIKER,
ROBERT T. STAFFORD,
ROBT. TAFT,
Managers on the Part of the Senate.

CARL D. PERKINS,
JAMES G. O'HARA,
JOHN BRADEMAS,
MARIO BIAGGI,
IKE ANDREWS,
MICHAEL T. BLOUIN,
FRANK THOMPSON,
RONALD M. MOTTL,
AUGUSTUS F. HAWKINS,
SHIRLEY CHISHOLM,
JAIME BENITEZ,
PAUL SIMON,
TIM L. HALL,
ALBERT H. QUIE,
EDWIN D. ESHLEMAN,
JOHN M. ERLENBORN,
MARVIN L. ESCH,
JOHN BUCHANAN,
VIRGINIA SMITH,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate to the text of the bill with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The Senate amendment contains a short title which provides that the Act may be cited as the "Emergency Technical Provisions Act." There is no comparable House provision. The House recedes.

AVAILABILITY OF FUNDS FOR COLLEGE WORK-STUDY PROGRAMS

The House bill would amend the permanent law authorizing the Work-Study Program to permit the intrastate reallocation of funds appropriated for the Work-Study Program in cases where funds originally allocated to institutions are not needed and permits the funds so reallocated to be expended during the fiscal year succeeding that fiscal year for which the funds were appropriated.

The Senate amendment authorizes the intrastate reallocation of existing appropriations for the College Work-Study Program in cases where original allocations are not needed and authorizes the expenditure of reallocated funds for the fiscal year succeeding that fiscal year for which the funds were appropriated.

The Senate recedes, with a clarifying amendment. The clarifying amendment provides that the amendment made by the House bill shall be effective with respect to appropriations for fiscal years beginning after June 30, 1974, including funds appropriated by Public Laws 93-192 and 93-517, and subsequent appropriations.

INTERPRETATION OF SECTION 414 OF THE GENERAL EDUCATION PROVISIONS ACT

The Senate amendment provides that: "In the case of any statutory advisory council (as defined in section 441 of the General Education Provisions Act) which submits an annual report to the Congress or to the President concerning the administration of an applicable program (as defined in section 400 of such Act), section 414 of such Act shall be construed to extend the duration of such advisory council whenever such section 414 operates to extend the duration of the program with respect to which such advisory council submits such a report." There is no comparable House provision.

The Senate recedes, in the light of a letter received from the Department of Health, Education, and Welfare, which states, in pertinent part:

"In connection with your consideration of H.R. 4221, the Emergency Technical Provisions Act, a question has apparently arisen concerning the need for section 3 of that bill which would construe section 414 of the General Education Provisions Act as operating to extend the duration of any statutory advisory council when that section extends the duration of the program with respect to which such council submits a report to the President or the Congress.

"After discussing this matter with our Office of General Counsel, we believe that at least in those cases in which the duration of an advisory council is coextensive with the duration of the education program to which it relates, the automatic extension provision in section 414 would operate to extend for one year the life of the advisory council as well as the program with which it is associated. Section 414(a) provides not only for the extension of "the authorization of appropriations for an applicable program" but also for the extension of "the duration of an applicable program". The latter phrase would seem to apply to all aspects of program operations, and the Office of General Counsel has advised us that the activities of the advisory council are a part of such program operations. For that reason Congress must have intended advisory councils to be covered by this provision."

DURATION OF THE NATIONAL ADVISORY COUNCIL ON EQUALITY OF EDUCATIONAL OPPORTUNITY

The Senate amendment extends for one fiscal year the duration of the National Advisory Council on Equality of Educational Opportunity. There is no comparable House provision. The House recedes.

AVAILABILITY OF BASIC EDUCATIONAL OPPORTUNITY GRANTS

The Senate amendment provides for the carry-over of funds appropriated for making Basic Grants in FY 1975 which are in excess of the amounts actually paid for that fiscal year through FY 1976. There is no comparable House provision. The House recedes.

EFFECTIVE DATE

Both the House Act and the Senate Amendment would be effective upon enactment. However, the Senate Amendment provides that subsections (b) and (d) of section 431 of the General Education Provisions Act (which delay the effectiveness of regulations) shall not operate "to delay the effectiveness of regulations issued by the Commissioner of Education to implement the provisions of the Act." The House recedes.

SUBSTITUTE TITLE

The Senate amendment to the title of the House bill provides that the title be amended so as to read: "An Act relating to the operation of certain education laws." The House recedes.

CLAIBORNE PELL,
JENNINGS RANDOLPH,
HARRISON A. WILLIAMS, Jr.,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
TOM EAGLETON,
ALAN CRANSTON,
WILLIAM D. HATHAWAY,
J. GLENN BEALL,
J. K. JAVITS,
DICK SCHWEIKER,
ROBERT T. STAFFORD,
ROBT. TAFT,
Managers on the Part of the Senate.

CARL D. PERKINS,
JAMES G. O'HARA,
JOHN BRADEMAS,
MARIO BIAGGI,
IKE ANDREWS,
MICHAEL T. BLOUIN,
FRANK THOMPSON,
RONALD M. MOTTL,
AUGUSTUS F. HAWKINS,
SHIRLEY CHISHOLM,
JAIME BENITEZ,
PAUL SIMON,
TIM L. HALL,
ALBERT H. QUIE,
EDWIN D. ESHLEMAN,
JOHN M. ERLENBORN,
MARVIN L. ESCH,
JOHN BUCHANAN,
VIRGINIA SMITH,
Managers on the Part of the House.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the printing of the conference report as a Senate document be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Senator PELL on the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR PELL

I present to the Senate a conference report on H.R. 4221, the "Emergency Technical Provisions Act of 1975." This measure is exactly what its title implies, an expeditious way of dealing with certain specific technical problems which have arisen either from quirks in the law as written, or from the Office of Education's interpretation of the law.

The Senate amendment differed from the House act in four major areas. The first difference concerned the carry-over provision for the College Work-Study Program. Under existing law, if no action had been taken, approximately $8 million in fiscal year 1975 appropriated Work-Study funds would have been lost for students who would otherwise have been eligible for summer jobs. In conference, the Senate adopted the House provision, with an amendment, and now these Work-Study funds will remain available.

The second difference in the Senate amendment dealt with the extension of advisory councils whose programs were automatically extended under section 414 of the General Education Provisions Act. An early interpretation by the Office of General Counsel of the Department of Health, Education, and Welfare indicated that, while the programs were automatically extended, they did not agree that the advisory councils to those programs were also automatically extended. Prior to the conference, the Department changed its position on this matter; therefore, this provision in the Senate amendment was dropped.

The third difference in the Senate amendment pertained to the Emergency School Aid Act, which was extended in the Education Amendments of 1974 through September 30, 1976. Unfortunately, due to parliamentary problems in the Senate/House conference in 1974, the advisory council for that program could not be extended. The Senate amendment, as adopted by the conference, made the advisory council coterminous with the program itself.

The final major provision of the conference concerned the availability of Basic Educational Opportunity Grants, the major form of Federal financial assistance for students attending postsecondary educational institutions. Because of certain inaccurate estimates by the Office of Education and also, perhaps, because fewer students applied for the Grants than should have been the case, approximately $135 million appropriated and available for Basic Grants for this fiscal year have not been utilized. It should be noted, as a matter of legislative history, that the carry-over provision for Basic Educational Opportunity Grant funds was carefully drawn to deal only with unexpended fiscal year 1975 funds. If no emergency action had been taken, those funds would also have been lost. The Senate amendment allowed for a carryover of those funds for one fiscal year, thereby, interestingly enough, allowing that program to be fully funded for the first time. The House receded to the Senate position on this matter.

I commend this report to the Senate. I especially thank those members of the House who, although somewhat hesitant about certain procedures and provisions involved in the bill, realized the gravity of the situation for those students affected and adopted these amendments to alleviate those student aid problems.

I urge adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

ORDER THAT NO ROLLCALL VOTES OCCUR TOMORROW PRIOR TO THE HOUR OF 12:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no rollcall votes occur tomorrow prior to the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR COMMITTEES TO MEET TOMORROW UNTIL 12:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that committees may be authorized to meet tomorrow until the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, reserving the right to object, and I do not intend to object, would I infer from this unanimous-consent request that the vote on the Hathaway nomination will be the first vote occurring tomorrow?

Mr. ROBERT C. BYRD. Yes.

Mr. HANSEN. And it would be reasonable to assume that it would occur not before 12:30, but as shortly thereafter as might be agreed upon?

Mr. ROBERT C. BYRD. Yes, probably right on the nose, 12:30.

Mr. HANSEN. Fine.

Mr. ROBERT C. BYRD. And in the event, may I say by way of further reply to the distinguished Senator from Wyoming, if in the meantime, the housing report has been called up and the time has run on that, it would be possible then to lock that vote, if a rollcall vote is ordered, back to back, behind the vote on the nomination of Mr. HATHAWAY.

Mr. HANSEN. Fine. I have no objection.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 60

AMENDMENTS NOS. 559 AND 560

Mr. CRANSTON. Mr. President, I send an amendment to the desk and ask that it be considered as read under cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAVEL. Mr. President, I would do similarly, send an amendment to the desk and ask that it be considered as if read under rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 8:30 tomorrow morning. Mr. WEICKER will be recognized for not to exceed 15 minutes after the two leaders have been recognized under the standing order, and upon the conclusion of Mr. WEICKER's remarks, the Senate will go into executive session by unanimous consent for the purpose of

debating the Hathaway nomination. There is a time limit of 3 hours on that debate and I would ask that upon the conclusion of that time, or if the time is yielded back, that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. On the resumption of legislative session, the Senate will proceed to the consideration of the conference report on the housing bill. There is a time limitation of 30 minutes on that conference report. There will be no rollcall votes prior to the hour of 12:30 p.m. tomorrow, which means that the vote on the Hathaway nomination will undoubtedly occur at 12:30 p.m., and if a rollcall vote is ordered on the conference report on the housing bill that rollcall vote would, quite likely, in the event the time has expired on it, then occur immediately back to back behind the vote on the Hathaway nomination.

Upon the disposition of the vote on the conference report on the housing bill, the Senate will vote immediately on the motion to invoke cloture on Senate Resolution 60. That will be an automatic rollcall vote and what happens thereafter will depend, to some extent at least, on the outcome of that cloture vote.

So, Mr. President, it looks as though the Senate can be assured of at least three rollcall votes tomorrow, and undoubtedly more than that.

RECESS UNTIL 8:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 8:30 a.m. tomorrow.

The motion was agreed to; and at 7:26 p.m., the Senate recessed until tomorrow, Wednesday, June 11, 1975, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 10, 1975:

IN THE ARMY

Brig. Gen. Surindar Nath Bhaskar, 328–24–1075, Dental Corps, U.S. Army, for appointment as Assistant Surgeon General, U.S. Army as major general, Dental Corps, Regular Army of the United States, and as major general in the Army of the United States, under the provision of title 10, United States Code, sections 3036, 3040, 3442, and 3447.

The following-named Army Medical Department officers for temporary appointment in the Army of the United States, to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general, Dental Corps

Col. George Kuttas, 068–22–5317, Dental Corps, U.S. Army.

To be brigadier general, Army Nurse Corps

Col. Madelyn Norvell Parks, 452–34–1005, Army of the United States (lieutenant colonel, Army Nurse Corps, U.S. Army).

To be brigadier general, Medical Corps

Col. George Ivan Baker, 081–32–6144, Army of the United States (lieutenant colonel, Medical Corps, U.S. Army).

Col. William Sinclair Augerson, 050–24–6674, Army of the United States (lieutenant colonel, Medical Corps, U.S. Army).

EXTENSIONS OF REMARKS

GENERAL FEDERATION OF WOMEN'S CLUBS MEETS HERE—MRS. MARY KATHERINE MILLER, NATIVE WEST VIRGINIAN, HEADS LARGEST WOMEN'S ORGANIZATION

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 10, 1975

Mr. RANDOLPH. Mr. President, this week more than 1,000 community leaders from across the Nation are attending the 84th annual convention of the General Federation of Women's Clubs in Washington. We are privileged to welcome into our midst this group of concerned, dedicated representatives of the largest women's organization in the world. This year, the convention is especially significant to me because Mrs. Carroll E. Miller, a native of Buckhannon, W. Va., and former president of the West Virginia Federation of Women's Clubs, is president of the General Federation. As president, Mary Katherine Miller heads an organization consisting of 14,000 clubs and more than 10 million members. Fittingly, the convention program has incorporated the theme of my home State, highlighted by an opening affair on Sunday evening called the "Almost Heaven West Virginia Banquet." More than 200 West Virginia delegates participated.

Earlier, the Federation members began their week in Washington with a journey to beautiful West Virginia. Starting with worship at Harper's Ferry, on Magazine Hill, above the Potomac and Shenandoah rivers, more than 400 clubwomen were entertained with a luncheon at historic Hilltop House. The impressive services were led by the Rev. Stacy L. Groscup, former pastor of the Spruce Street Methodist Church in Morgantown, and currently ombudsman at West Virginia University.

During the day, some of the group attended the annual Arts and Crafts Festival. It was my pleasure to act as cohost as the women visited the Harpers Ferry National Historical Park. More than 1 million persons visited this scenic and historic area last year.

The Sunday evening program began with a reception honoring president Miller and Mrs. James A. Scarbro, president of the West Virginia Federation. Music was provided by Mrs. Howard Meadows, president of the West Virgina Federation's Southern District. Opening the "Almost Heaven West Virginia Banquet," Mrs. Hugh Rogers, chairman of the Spiritual Values Division of the State Federation's Home Life Department, gave the invocation. The delegates were welcomed by Mrs. Scarbro, who then introduced distinguished guests and the principal speaker, West Virginia Secretary of State James McCartney.

In his interesting address, Mr. McCartney traced the historical highlights and rich heritage of the Mountain State, and urged the Federation members to consolidate behind the Bicentennial celebrations in the various States to develop an awareness of the notable events of the past in their respective States.

In West Virginia, he told the delegates that citizens have the reputation of a stout-hearted and independent people, and that many of "these self-sufficient and courageous Mountaineers have been women."

He traced the heroic exploits of Ann Bailey, a noted pioneer frontier scout who settled with her husband, John Bailey, at Fort Glendenin, located on the present site of Charleston in Kanawha County. In 1791, an impending Indian attack threatened the settlement, and the inhabitants were short on gunpowder. Ann volunteered to ride more than 100 miles of hostile wilderness to Fort Savanah, Lewisburg, and bring back the needed powder. Her courage and determination in successfully completing this hazardous journey boosted the morale of the troops at the fort, and they withstood the Indian attack.

Nancy Hanks Lincoln, another legendary West Virginia woman, was born near Antioch in what is now Mineral County. Her love of life and optimism were instilled in her son, Abraham, who later said of her, "All that I am or hope to be I owe to my angel mother."

Nancy Hanks Lincoln's birthplace is today marked by a log cabin and a park near Keyser, W. Va. It has been designated a national shrine.

Another outstanding West Virginia woman extolled by the speaker, Mr. McCartney, was Miss Ann Jarvis, who was so inspired by her own mother that she made it possible for all mothers to be honored. Her persistent efforts resulted in the proclamation of a special day of tribute to all motherhood. In 1914, President Wilson declared Mother's Day a national holiday.

No discussion of notable women in history can be complete without the name of Pearl Sydenstricker Buck, who was born at Hillsboro in Pocahontas County. Miss Buck won the Pulitzer Prize for literature in 1932, and in 1938 became the first woman to receive the Nobel Prize for literature.

"The lives of these four inspiring women are typical of the millions of women throughout our country who have helped to make America great," Mr. McCartney concluded.

The Sunday program was completed with entertainment by the Chorale of South Charleston High School, an outstanding musical group conducted by N. David Stern. When these accomplished youngsters began a rendition of John Denver's "Country Roads," the Washington Hilton ballroom erupted into joyous song.

Mr. President, it was my privilege to address the convention on Monday morning, during the traditional prayer breakfast which precedes the regular schedule of business meetings. I traced the role of religion in the development of our country, citing the constitutional separation of church and state.

I also recounted the historic development of the position of Chaplain of the U.S. Senate. Our Nation was founded by men and women of deep religious convictions. The delegates were reminded that the Father of our County, George Washington, was a strong leader and inspirational force because of his faith in divine guidance.

During the convention, it occurred to me that Mary Katherine Miller's high position parallels that of two other exceptional West Virginians. In March, Dr. Louise B. Gerrard was elected president of the National Association of State Units on Aging. Dr. Gerrard has been executive director of the West Virginia Commission on Aging since 1969. In her national past, she represents the professional association of agencies for the elderly in all 50 States and territories.

Mrs. Alice VanLandingham of Morgantown, W. Va., is also president-elect of the 6.3-million member American Association of Retired Persons, the largest organization dedicated to helping older persons achieve retirement lives of independence, dignity, and purposes.

All West Virginians can take pride in the accomplishments of these and many other women of our State. Their positions of influence, prestige, and prominence serve as attainable goals to millions of aspiring women. I am gratified that the General Federation of Woman's Clubs has honored our State and its outstanding leaders.

MONTGOMERY WARD PRESENTS UNITED STATES AND BICENTENNIAL FLAGS TO CONGRESS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. McCLORY. Mr. Speaker, in the light of our Nation's Bicentennial, the celebrations planned for Flag Day, June 14, 1975, take on greater significance this year than at any time since this national day of observance was established by Congress in 1777.

Yesterday, the House of Representatives adopted unanimously Senate Joint Resolution 92, declaring that the 21 days from Flag Day, June 14, through Independence Day, July 4, shall be set aside as a period to honor America with appropriate public gatherings and activities in which the people of the United States may celebrate and honor our great country.

Mr. Speaker, many organizations and individuals throughout the Nation are giving active support to this nationwide celebration, including Montgomery Ward & Co., a highly respected and established Illinois corporation which employs many hundreds of my constituents in its home offices in Chicago, as well as in its branch outlets in Waukegan and Elgin—in my 13th Illinois Congressional District. In addition, Mr. Speaker, I am privileged to have as my constituent, the chairman of the board of the parent company of Montgomery Ward, MARCOR, Inc., Mr. Leo Schoenhofen of Barrington, Ill., who, together with Edward S. Donnell, chairman of the board of Montgomery Ward, have spearheaded a program of encouraging widespread public participation in this activity.

Mr. Speaker, it has come to my attention that Wards has provided various national service organizations with more than 10,000 "Flag Day Planning Guides" and other support material and planning advice in developing a maximum observance of this nationwide program to honor America.

Ward managers have been working during the past month with leaders of their communities to arrange local celebrations in which the American and Bicentennial flags will be raised in a Flag Day salute.

Mr. Speaker, Montgomery Ward and MARCOR also have made available for distribution to all the Members of the Congress a flag standard including a miniature American flag, as well as a miniature Bicentennial flag for display in each of the Members' offices, particularly during the 21-day period from June 14 through July 4—but likewise to be used throughout our Bicentennial year of 1976.

Mr. Speaker, I take this occasion to express my personal appreciation to Montgomery Ward and the officers and employees of this great corporation for their involvement in this historic and patriotic event. I am sure that many, if not all, of our colleagues would want to join in this expression of appreciation.

PHILADELPHIA TRIBUNE ENDORSES STRONG GUN CONTROL LAW

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. NIX. Mr. Speaker, the Philadelphia Tribune, one of the finest newspapers serving my district, recently published an editorial advocating the passage of a strong Federal gun control law. This editorial states the case for such a law clearly and cogently, and I wholeheartedly agree with its conclusions.

I offer the editorial for the RECORD:

STRICT GUN CONTROL LAW NEEDED NOW

One of the hottest issues currently facing the U.S. Congress is that of gun control. There is a very strong move afoot to enact a strict Federal gun control law, but even though a recent public opinion poll shows 80 per cent of Americans in favor of a strong law, it is by no means certain that such a law will be passed. This is due largely to an all-out lobbying effort by the National Rifle Association and gun manufacturers who have an economic interest in the sale of more guns.

Last year there were more than 15,000 gun killings in the U.S., far more than in any other country in the world not at war. Even though the U.S. has only five per cent of the world's population, we have over 60 per cent of the world's privately owned guns, an estimated 125 million. It is easier in most cities to get a gun than to get a bottle of prescription medicine, and it is no secret that many teenagers and even pre-teenagers in Philly are walking around with guns in their pockets.

The pro-gun forces offer many reasons for their opposition to strong gun-control laws. First, they say the Fourth Amendment to the Constitution guarantees them "the right to keep and bear arms." Many Constitutional experts, though, say the authors of the Constitution intended this to apply only to the maintenance of an organized military force, not to every individual citizen.

Secondly, pro-gun forces say that only law-abiding people would obey a strict gun-control law and that criminals would ignore it. The solution to this seems reasonably simple, however. A strong Federal gun control law should contain a section providing a stiff, mandatory sentence (at least 10 years, perhaps) for the commission of any crime involving a gun.

Thirdly, pro-gun forces say that a strict gun control law would penalize the hunter and so-called sportsman. The law could be written so as to apply only to handguns and "Saturday night specials," however, which are used by almost no hunters. Furthermore, the whole notion of killing animals for "sport" is a highly questionable one anyway. It has resulted in the accidental killing of dozens of hunters every year and the virtual extinction of many species of wildlife which are essential for the maintenance of a balanced environment for all creatures.

Pro-gun forces also say that a gunless citizenry would be helpless against a military force that decided to take over the reins of government, but they must be kidding if they believe a group of citizens armed with guns could forestall a military take-over of the government. One has only to look at Chile to see what happened when this hypothesis was actually tested.

Lastly, pro-gun forces say a person has a right to protect his home and loved ones against intruders, and they are right. The gun control law could contain a provision allowing persons without criminal records to keep guns in their homes, even though this practice has backfired as often as it has prevented serious crimes.

One thing's for sure, though. A very, very strict gun control law is needed from this Congress, and it is needed now.

BLACK MAYOR, WHITE POWER STRUCTURE

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. YOUNG of Georgia. Mr. Speaker, a perceptive article about my home city of Atlanta has been written by Milton Viorst and published in the June 7 issue of the New Republic.

Atlanta is a city which has been going through a political realinement, but it remains a vigorous city with dynamic leadership in the city government, the business and labor communities, and neighborhood and civic organizations. It is a city where people are working together to build on the progress made in the past.

Those who have observed this progress in our city may be interested in reading Mr. Viorst's report:

BLACK MAYOR, WHITE POWER STRUCTURE

ATLANTA—Mayor Maynard Jackson says he's tired of being interviewed for "whither Atlanta" stories, and you can't really blame him. They've replaced Hank Aaron's home run record as the newspaper's principal preoccupation. After a decade of virtually unrelieved boosterism, Atlanta is moving into a period of introspection. Everyone recognizes that the city is in transition, and many are apprehensive about how it will emerge.

Most apprehensive, naturally, are the folks who willingly accept the designation "power structure," the bankers and corporate executives who have made the decisions that have determined Atlanta's course for as long as anyone remembers. This is no commercial mafia, aucking blood in the shadows. These are honorable men, proud of having conducted themselves with enlightened self-interest. They are almost unique in America in their rejection of the native robber-baron tradition in favor of the *noblesse oblige* tradition of Disraeli. In recent years they not only accepted but promoted racial integration, the black vote, the antipoverty program. They have been rewarded by a level of social tranquillity, even of racial harmony, that surpasses the record of any city in the South. The payoff has been an absence of distraction from the pursuit of economic growth and of money-making generally. Now these men, in their "whither Atlanta" ruminations, are beginning to wonder whether they made a strategic mistake.

What bothers them is not that the city has a black mayor. The white power structure is not hung up on Maynard Jackson's symbolism in the social order. In fact, dissatisfied with the rather knavish Jew who had somehow acquired the mayoralty in 1969, these men anted up a huge amount of money to finance Jackson's election campaign. They didn't know Maynard Jackson very well, but assumed because he descended from the black aristocracy, which for nearly a generation had helped them keep the rednecks at bay, that he would be safe. What they failed to foresee was that, as the first black mayor, Jackson would have other constituencies besides theirs to please. It's not that Jackson is indifferent to their financial worries; it is, rather, that he has other groups whose concerns sometimes take priority.

Not all of those hectic groups are black, which is itself a source of dismay to the power structure. Living in an uneasy alliance with the black elite has been tough enough; having respectable whites challenge the given word is effrontery. But that is exactly what happened. The power structure desperately wanted to build a series of expressways leading from the white suburbs into downtown. On issues of this sort in the past it could expect a few audible murmurs of discontent from the black poor, but it could deal with them. This time middle-income whites, whose neighborhoods were being torn up, proved to be much more formidable. The highway battle generated new political consciousness among middle-income whites, and a string of neighborhood political organizations. Jackson took a strong stand against the expressways, and the white neighborhood organizations reciprocated by supporting him. They not only helped elect him but won important seats of their own on the city council. The outcome of the fight was a crushing defeat for the expressways; more important, it isolated the power structure from a large white constituency that was accustomed to following its lead. The lesson for Maynard Jackson was obvious: there was more than one group of white folks who required his attention.

Meanwhile the old alliance between the power structure and Atlanta's blacks was falling on hard times. It was an alliance based, in large measure, on the presence in the city of a small community of black businessmen and professionals, many of them the product of the local black colleges, who had bourgeois aspirations and political skills. Their influence acquired some meaning when blacks, after the Supreme Court began dismantling voting barriers during the World War II era, started to vote in important numbers. By the 1950s black voters provided the margin of victory in the ongoing political struggle between middle-class and redneck whites in Atlanta, and by the end of the 1960s black voters were in a majority. For the power structure the product of the alliance was efficient, business-oriented political leadership. The black bourgeoisie got an Atlanta that moved further and further from the repressive racism practiced in the rest of the South. It was only after the black poor began to distinguish their interests from those of the black elite that the old alliance between blacks and the power structure started to show signs of strain.

These signs emerged spectacularly in the 1973 election, less in the race for mayor than for president of the city council. The power structure thought it had made a deal with the black elite, in which it supported Jackson for mayor in return for the black votes necessary to elect Wade Mitchell as city council president. Mitchell was the kind of man the power structure was accustomed to bestowing upon the city, a banker and conscientious member of the board of aldermen, a rich man but very liberal on racial issues. Also running was Wyche Fowler, a liberal white attorney who was chiefly distinguishable from Mitchell in strongly opposing expressway construction. The third major candidate as the Rev. Hosea Williams, a former associate of Dr. Martin Luther King, a dynamic and articulate man, and the self-appointed tribune of the black masses.

Williams, of course, refused to be bound by the deal made by the black elite, and campaigned fiercely against the wealth of the downtown establishment. In the primary Fowler came in first, thanks mostly to the antiexpressway vote. Mitchell, the early favorite, could get only 30 percent of the white vote and barely a quarter of the black, and was eliminated from the runoff. Right behind Fowler came Hosea Williams, with a majority of the black vote and a surprising 20 percent of the white. In the general election Williams did not apreciably improve his position, and in some precincts, both black and white, his vote actually declined. What the Williams vote seemed to indicate was that the black electorate, and in some measure the white, was anxious to send the power structure a message, but did not necessarily want him to win. Given the "whither Atlanta" phenomenon that has since ensued, it's a message the power structure seems to have received, though perhaps not deciphered.

What the deciphering will surely yield is a recognition that blacks have acquired a new understanding of political purpose. If they once found power flattering to the collective ego, they are now disabused of such a superficiality, and consider power meaningless except as an instrument of collective economic advancement. The Atlanta *Constitution*, still the power structure's loudest voice, last month quoted without contradiction a black establishment leader's claim that the white minority owns 97 percent of Atlanta's wealth. Hosea Williams further argues, producing scattered shreds of evidence, that the power structure, not satisfied with what it has, is out to get what little remains to blacks. At least one of the power structure's members sees the situation in much the same terms. "It has been traumatic," said Richard Kattel, chairman of the huge Citizens and Southern National Bank, "having the black community with the political strength and the white community continuing to hold the purse strings." The paradox puts a great deal of pressure on Maynard Jackson, who knows it is not easy for a mayor to translate political power into a redistribution of income, or of wealth. He has trouble enough keeping upright, as he tries to maintain his balance among his several constituencies. Naturally enough, occasionally he slips and falls.

Jackson's critics, most notably the *Constitution*, are very hard on him, especially considering his youth (he is only 36) and his inexperience (a lawyer, he never before held an administrative job). No doubt Jackson has committed his share of blunders, and then some, but none has been irretrievable or terribly damaging to the city. He has had an unfortunate tendency to perceive, and respond to, criticism as racially inspired, which, even if he has sometimes been right, has been upsetting to local harmony. He has surely been reclusive, and rather formal, in a city that does business on a first-name basis, often by spontaneous phone call. Yet it is fair to say that the criticism has been excessively carping, while the credit Jackson deserves has been denied.

Maynard Jackson came into office to face not only the conventional responsibilities of a mayor but a mandate to reorganize the city government under a new charter ratified by the voters at the time of his election. The charter required a total revision of the municipal bureaucracy, centralizing authority for the first time in the mayor's hands. Jackson has demonstrated an unforeseen competence in directing the reorganization, and an aptitude for the utilization of this authority, which he has used on the whole to administer the city well. If there is serious criticism to level against him, it is surely that he has shown little innovation in matters of policy, but one of the explanations of this shortcoming is that during his first year in office he has had to concentrate almost all his energies on remaking the anatomy of the government itself.

So it is hard to understand what Jackson's critics, in their 'whither Atlanta" orgy, are so disturbed about. "I supported the mayor," says A. H. Sterne, chairman of the Trust Company of Georgia and former president of the Chamber of Commerce, "and I am let down by him." This is a view that is often repeated in the lounge of the Commerce Club, where the power structure congregates. But Atlanta isn't falling apart. The downtown building boom goes on unabated and, even in a period of hard times, the economic indices are encouraging. Crime rates are rising, but no faster than they were during the previous decade when the power structure was in charge. The myth abounds that white Atlantans are afraid to come downtown, but huge numbers of them filled the Central City Park last May 9 for celebration of the Mayor's Day for the Arts," without a single incident of violence. There's been talk within the power structure of annexing adjacent white suburbs into Atlanta, but it's a bluff—for if annexation dilutes black dominance of the voting rolls, it will also be an invitation to a court order on school busing. Both whites and blacks seem to agree that that's something they do not want.

Is the issue really money? John Portman, the architectural genius who is also Atlanta's biggest builder, is one of those rare members of the power structure who is willing to be frank. "The blacks are going to have to share *their* political power," he said, "and the whites are going to have to share *some* economic power" (emphasis added). But when Mayor Jackson proposed a modest increase in business taxes to keep up with rising costs of government, the howl from the Commerce Club was audible throughout Georgia. Make no mistake: Maynard Jackson is no radical. Though he may indulge the black masses with a little demagogy from time to time, he is not likely to challenge the economic order. The power structure, however, recognizes that its fate is no longer completely in its own hands, and some of the hands that hold this fate are not friendly. "Whither Atlanta" is a legitimate question, to people who are nervous.

AIR FORCE OUTSTANDING UNIT AWARD GOES TO GEORGIA'S 116TH TACTICAL FIGHTER UNIT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. McDONALD of Georgia. Mr. Speaker, I would like to take this opportunity to congratulate a distinguished Air National Guard unit in my Seventh District of Georgia. The 116th Tactical Fighter Group at Dobbs Air Force Base in Marietta, Ga., has been awarded the Air Force Outstanding Unit Award for the period of July 1973 to November 1974.

This distinguished unit received their honor for the conversion from a military airlift mission equipped with C–124 aircraft to a tactical fighter mission equipped with F–100 aircraft. This is a mission which involved obstacles and high accident risks, and a state of full combat readiness was attained in minimum time with a perfect safety record.

The Air Force citation reads:

This exemplary achievement validates the total forces policy and contributes to the fulfillment of national objectives. The professionalism and dedication to duty demonstrated by the members of the 116th Tactical Fighter Group reflect great credit upon themselves, the Georgia Air National Guard, and the U.S. Air Force.

Recognizing this honor cannot be complete without a brief mention of the interesting history of this particular unit. The original unit was organized in May 1941 at the Municipal Airport in Atlanta, Ga., and 5 months later was called into Federal service to help in the World War II emergency. The unit was sent to England and was awarded battle credits for participation in the Central Europe, Normandy, Ardennes, air offensive France, Rhineland, and northern France campaigns. The unit receive the Presidential Unit Citation for its service against the enemy in 1944.

The unit was again called to duty in 1950 during the Korean war, flying F–80 and F–84 fighters and fighter bombers against North Korea and received battle credits for participation in the U.N. summer-fall offensive. In 1952, the unit was returned to Dobbins Air Force Base in Marietta, Ga.

From that time, the unit converted to several different types of aircraft and in 1973, the unit was redesignated the 116th Tactical Fighter Group and began its conversion to F–100 Super Sabre aircraft, leading to a very high operational readiness status and the Air Force Outstanding Unit Award.

The Georgia Air National Guard has several distinguished past members. The founders of the Air Force Thunderbirds, then called the Skyblazers, were Bill and Buck Patillo of the Georgia National Guard. The Patillo twins along with two other pilots flew four F–84 Thunderjets as a flying team doing numerous aerobatic maneuvers and stunts for air shows and dedications throughout the United States and the rest of the free world. The Patillo brothers flew 66 missions in World War II, destroying 11 enemy aircraft.

Since 1941 until now in 1975 numerous business and professional men have served in the Georgia Air National Guard, leaving their family, business and friends to be a weekend military man. Many business establishments have given their men extra time off, usually with pay, so that these men could attend training assemblies, field training, and extra training missions.

The officers, men, business community, families and citizens associated with the 116th Tactical Fighter Group should be proud of this fine unit and recipient of the Air Force Outstanding Unit Award.

WESTERN MICHIGAN UNIVERSITY—A SUCCESS STORY IN THE AMERICAN TRADITION

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BROWN of Michigan. Mr. Speaker, this spring, Saturday, April 26, 1975 to be exact, Western Michigan University in Kalamazoo, Mich. inaugurated Dr. John T. Bernhard as its fifth president.

From a humble but most meritorious beginning as a school devoted to the purpose of educating students to be elementary school teachers, Western State Normal School has become the fourth largest university in the State of Michigan, enrolling some 20,000 students in seven colleges and two professional schools. It has been cited by the Carnegie Commission on Higher Education as, in effect, the perfect example of an institution with a single-purpose origin that has moved fully into the rank of multipurpose universities.

A rendition of this historical development of Western Michigan University was provided in the remarks of Dr. Russell H. Seibert, retired vice president emeritus of academic affairs of the university, on the occasion of the inauguration of Dr. Bernhard. Inasmuch as I have held Dr. Seibert in highest esteem both as a person and for his contributions to the university and because I think his remarks would be of interest to all of my colleagues, I incorporate them herein.

The article follows:

WESTERN MICHIGAN UNIVERSITY

Trustee Dykema, President and Mrs. Bernhard, distinguished guests and colleagues:

Any program operating on a tight time-schedule is endangered when some ante-diluvian character is dug out of a lime stone deposit and asked to comment on the past—and present—of the University. But that is a danger which the Trustees have risked. I will try not to tax their patience—nor yours.

Western Michigan University was founded in 1903 for the single purpose of educating elementary teachers. It is doubtful whether the Legislators or any of the first faculty—even in their wildest dreams—could have envisioned Western State Normal School becoming an institution of some 20,000 students with seven colleges and two professional schools. They would probably have been surprised had they been told that a study of state colleges and universities, published in 1969 under the auspices of the Carnegie Commission on Higher Education, would choose Western Michigan University to describe at some length as the example of an institution with a single-purpose origin that had moved fully into the rank of multi-purpose universities.

The metamorphosis through which Western has passed has not been unique among state institutions of higher education. But on this particular occasion it is Western that attracts our attention. So, I will show no modesty in referring to certain developments at Western that typify the extent of its changed character.

It has always interested me that the two areas into which Western first moved that were wholly unrelated to teacher preparation were aviation technology and occupational therapy—the first foreshadowing the great development that was to come later in the fields of technology and engineering; the second foreshadowing the numerous present programs in the health-related areas. The Department of Occupational Therapy is actually the oldest and largest in the United States and one of the first three to be accredited by the American Medical Association.

If the founders of Western would have been surprised to see it develop programs in the fields of Aviation Technology and Occupational Therapy, they would have been even more unprepared to learn that in the 1960's Western, under contract with the Agency for International Development, nurtured into being in Nigeria a poly-technical college that today has a flourishing enrollment of something over 4,000 students. They would have been equally impressed by the numerous arrangements for overseas study for students; for faculty exchanges; for special programs of study dealing with sub-Saharan Africa, Southeastern and Middle Asia; a requirement, unique in this country, that every student graduating from Western must take a minimum amount of work dealing with the non-Western World; and other types of international activity too numerous to mention. The wide-ranging dimensions of Western's international activities were recognized when Western in 1966 became the recipient of the Institute of International Education's Distinguished Service Award for outstanding contributions to the development of international understanding.

As a one-time historian I never cease to be impressed that Western's Medieval Institute annually sponsors the largest and most widely known Conference on Medieval Studies held anywhere on the North American continent. At the tenth of these conferences, to be held here next week, scholars from practically every prestigious university in the United States and Canada, as well as scholars from universities in Italy, Hungary, Germany, England, Yugoslavia, Libya and South Africa will read papers.

And speaking of the Middle Ages and founders, what Benedictine monk, when the Cistercian branch of that Order was founded in the year 1098, would ever have foreseen that nearly 900 years later a university located in Kalamazoo, Michigan, would become a depository for its manuscripts, chartularies and other historical source materials dating back to the 12th Century.

But time and the hour pass, and there are other characteristics of Western worthy of mention. No tradition has been stronger throughout its history than the warm, cordial and close relations existing among fac-

ulty, students and administrators. Vigorous faculty involvement in the decision-making process—shared governance—is of long standing Mutual respect, openness and candor characterized University relations. This is no unfounded comment. Time and again accreditation teams, both regional and professional, have remarked about the unmatched openness and mutual respect they have found on the part of faculty and administrators at Western. The last North Central Association team to visit the campus stated that no one of them had ever seen anything comparable on any other campus. An open door policy has always characterized Western's administrators. Faculty members have made good use of it without abusing it.

Likewise there have been unusually good relations among the various faculties of the University. In the Carnegie Commission study mentioned earlier, its author pointed out that despite the prominence of the arts and sciences faculties in university matters at Western, "this group seemed quite candid in saying there was not the usual infighting between arts and sciences and the applied areas that one generally finds elsewhere."

Would that there were more time for me to give you a more detailed profile of Western Michigan University! But there is not, so let me conclude.

President Bernhard, it is a goodly heritage that has been placed in your hands—one in which you and every member of the University community may take pride. I am confident that I speak for everyone gathered here today—even for those colleagues from other institutions of the State with whom you will be competing for the State's resources—in expressing the hope that your administration will build creatively on Western's fine traditions and establish new and even more meritorious ones in the years ahead.

SCIENCE AND MR. FORD

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. TEAGUE. Mr. Speaker, the June 6 issue of the Washington Post carried an interesting article on the question of science advisor for the President by science writer, Daniel S. Greenberg. Entitled "Science and Mr. Ford," the article is a provocative one. Because of the length, I do not ask that it be reprinted here—but in view of the Science and Technology Committee's current hearings on the subject, I would like to call attention to the concluding paragraphs as follows:

SCIENCE AND MR. FORD

Science advice is a valuable resource for a President who chooses to employ it, for as grating as they often are with their contentions of superior wisdom, scientists do possess experience and talent that can be put to good political use. And, with the federal government spending some $21 billion a year on research and development, it is unquestionably difficult to orchestrate this massive effort from the headquarters of a minor government agency. Mr. Ford's move has little significance as far as the present administration is concerned, and it will add up to nothing more than a cosmetic device if the new science office has no jurisdiction over military research and development, a function that was sliced away from the advisory role under the Nixon re-organization.

But if a science office is in place at the White House, the next administration can get good service from it, if it chooses to do so. The sad history of the matter is that, with rare exceptions, Presidents have not made that choice.

STRIP MINE VETO SHOULD BE SUSTAINED

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. GRADISON. Mr. Speaker, it is with mixed feelings that I intend to vote to sustain the President's veto of H.R. 25, the Surface Mining Control and Reclamation Act of 1975.

I am in favor of Federal legislation in this area both to provide for reclamation of land that has already been devastated by strip mining and to assure that future surface mining operations are accompanied by adequate reclamation.

Because of the need for Federal legislation, I voted "yes" both on the original vote on H.R. 25 in the House on March 18, and on the conference report on the bill on May 7.

When I voted for H.R. 25 on these two previous occasions, I expected that Congress would act to formulate a comprehensive national energy program. Legislation on surface mining must be considered as part of such an overall energy plan. This does not mean that we need to sacrifice environmental goals to energy needs. What it does mean is that if we pass legislation to restrict surface mining, as H.R. 25 will do, we must at the same time develop a positive plan to meet the Nation's energy needs.

Unfortunately, there is little chance that Congress will soon pass comprehensive legislation to deal positively with our energy problems. The energy legislation presently before Congress, H.R. 6860, is not a positive approach to the Nation's energy problems because it does nothing to promote increased domestic production of oil or natural gas, the only short-range alternatives to coal.

Until we have a positive energy plan, I believe it would be extremely unwise to risk the coal production cutbacks which could result from H.R. 25. The Federal Energy Administration has estimated that first year production losses due to H.R. 25 would be between 40 and 160 million tons. This would mean the need for additional oil imports of between 450,000 barrels and 1.8 million barrels per day at an additional cost to consumers of between $1.9 billion and $7.9 billion per year. The NERA, in a separate study estimates that H.R. 25 would mean a production loss of approximately 86 million tons.

The wide range of the figures for production losses indicate a major problem with H.R. 25. As the bill is presently written, many of its provisions are unclear. In my opinion, we should not enact a bill which contains so many ambiguous provisions.

Among the unclear features of this bill are those relating to surface mining on Federal lands. The combination of State control over Federal lands, prohibitions against surface mining in national forests, and the requirements for surface rights owner consent could rule out mining much of the 40 percent of our coal reserves to which the Federal Government owns the mineral rights.

Other troublesome provisions of H.R. 25 are those providing for citizen suits, those requiring the restoration of land to its approximate original contours, and those governing surface mining in alluvial valleys.

Legislation can be written to provide for tough reclamation standards without incorporating the provisions of H.R. 25 which would unnecessarily restrict coal production. I see no reason why such legislation could not be passed by Congress this session and I would certainly support such legislation. In the meantime, I would hope that Congress would move ahead to enact a positive and comprehensive energy program. In this way, we could consider surface mining legislation in the context of an overall energy plan.

One problem, which can and should be dealt with immediately is the reclamation of abandoned lands which were previously strip mined. To deal with this problem, I will in the near future be introducing legislation which will set up a trust fund to provide for the reclamation of abandoned lands. H.R. 25 contains a provision setting up such a trust fund, but the problem of abandoned lands is one which can be addressed immediately without waiting for a resolution of the entire surface mining controversy.

DEPRESSION LEVEL JOBLESSNESS

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. ZEFERETTI. Mr. Speaker, America's jobless rate continued its shocking rise in May, passing the 9 percent mark for the first time since before World War II. According to the Department of Labor, our unemployment rate stood at 9.2 percent last month, up from 8.9 percent in April, and twice the figure of 4.6 percent recorded in October 1973, before the recession began.

A conservative estimate of the number of jobless Americans in May stands at approximately 8.5 million, compared with the figure of 8.2 million of the preceding month. The jobless rate among heads of households rose to 6.3 percent from 6 percent while the rate among adult men rose from 7 to 7.3 percent. Teenage unemployment jumped to 21.8 from 20.4 percent. And, among married men, the unemployment rate rose to 5.6 percent compared to the 5.2 percent rate of April. All in all, the jobless rate among blacks rose to 14.7 percent and among whites, 8.5 percent.

The increases in unemployment occurred mainly in agriculture. However, there is little ground for optimism in any of the other areas of the economy. Joblessness in the construction industry, for instance, at a time when it ordinarily enjoys its highest level of activity, has reached a record of 21.8 percent, more than twice the rate of 1 year ago.

A record 127 American metropolitan areas are now classified as having substantial unemployment, the highest total since the Labor Department began its survey in 1955. Cities that long have been immune to high levels of unemployment, now find themselves well within the limits for inclusion in the list. The Labor Department defines the requirement for substantial joblessness listing as an area where unemployment is at least 6 percent of the labor force and where the rate is expected to continue for 2 years or more.

What must be kept in mind when reading the unemployment figures is that the discouraged worker and similar categories of people do not appear on any of these charts. I refer to those who seek a job but are not looking because they believe that none are available. Also excluded from the figures are workers who can find only part-time positions, those who have exhausted their jobless benefits, and those young Americans who have recently graduated high school or college and are still unsuccessful in finding work. Should all these categories be added to those already on the list, it is safe to say that the jobless total would far exceed 10 percent.

Certainly we know that business and government have been hiring fewer college graduates and see little hope of increasing the totals in the months ahead. Their new figures imply grim news for scores of members of the class of 1975. For example, as many as 700,000 of this year's total of 975,000 bachelor degree recipients are expected to look for jobs. And, students receiving degrees next spring will be competing for jobs with 1975 graduates who have not yet found work.

Simultaneously, we know that businesses have been firing older executives at the higher pay levels. And, in most cases, they are being replaced by fewer younger workers whom they pay at relatively low wages.

Therefore, in light of these sobering realities, and the knowledge that the real buying power of the dollar continues to shrink, I find it even more inexcusable that the President vetoed, and the House sustained, the emergency employment bill, which would have created an estimated 1 million full- and part-time jobs in addition to 840,000 summer jobs for young Americans.

What is particularly offensive is the baseless claims from various Government and administration spokesmen that the economy is on the upswing and as a result, there is little pressing need for the emergency job legislation. As I read and hear statements made by labor officials, press spokesmen, and other apologists for the administration's policy for doing nothing, I recall letters from my constituents who claim that they cannot pay their mortgages, utility and grocery bills, and appeal to me for help. Am I to tell them that prosperity is just around the corner?

The street corners of our Nation are teeming with young people who have nothing to do. They do not read these press statements, nor are our unemployed heads of families soothed and uplifted by the news that factory layoffs have begun to decline. A family that has exhausted its savings is unimpressed by the claim of the Commissioner of Labor Statistics that 54 percent of the 172 industries experienced increases in employment. Such statistical acrobatics is mere sophistry, while the public increasingly demands substance.

The country desperately requires initiative that is designed at putting people to work and giving them the dignity of a paycheck. If private industry cannot provide such an impetus, then it is up to the Government to do so. We do have a precedent for such a move; we saw this done successfully in the 1930's under FDR.

It is obvious to me, as one observer, that we simply cannot sit here much longer and do nothing. President Ford is a very decent man. He undoubtably is an honest and sincere man. But it seems that he is wedded to the same philosophy that destroyed Herbert Hoover, allowing the latter to sit in the White House proclaiming the immorality of Public Service Employment while the economy came crashing down around him.

What we must come up with is a fresh initiative in Congress, which would take millions of the unemployed off the streets and place them in jobs that would be productive to them as to society as a whole. Not only would it make a dent in the enforced idleness afflicting so much of the workforce, but would insure that whatever money they were payed was put back into circulation. Surely, it is worth a try.

A CONSUMER STUDY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. ROSENTHAL. Mr. Speaker, because of continuing demand from colleagues, citizen groups, and Government agencies at all levels, I have been inserting in the RECORD this week portions of my staff report on prescription drug price competition.

Today I am making available the findings, conclusions, and recommendations of that consumer study as well as a brief section of advice to consumers on how to avoid paying excessive prices for the medicine they need.

The article follows:

SUMMARY OF FINDINGS AND CONCLUSIONS

THE PROBLEM

Americans spend some $7 billion a year on prescription drugs, and the evidence is strong that they are being overcharged, on the average, by at least 25 percent.

For each dollar the drug manufacturers grossed on national sales in 1971, they spent a penny on basic research, three cents on quality control and 25 cents on advertising, promotion and marketing.

The high cost of drugs is due primarily to a lack of open retail competition, overprotective patent laws, exhorbitant promotional expenditures, arbitrary pricing practices, unreasonable markups and inefficient management. They can all be summed up in a single term: Economic self-interest.

The drug makers are earning profits at a rate nearly double that of other U.S. manufacturing corporations. Their enormous profits are due largely to the fact that they are over-protected by government.

Because prescription drug prices are not posted or advertised, clerks or pharmacists can and do sometimes change the price on the basis of the customer's age, sex, race or appearance. At some stores prescription prices are even negotiable.

The retail drug market is unique in that the people who pay for and consume the pharmaceutical products are not the ones who must be persuaded by the industry's advertising and promotion.

The consumer is at a distinct economic disadvantage in the retail prescription drug market as a result of strong and effective anti-competitive laws and industry practices.

Another factor keeping retail prices high is the lack of concern shown by physicians for the price their patients will have to pay for the medicine they prescribe.

The pharmacy establishment's opposition to retail drug price advertising stems from a fear of price competition, despite pious pronouncements to the contrary.

Only two of the 50 states—California and Massachusetts—have public members on their state pharmacy boards.

A survey of 122 drug stores in Queens, N.Y., and the Washington, D.C., area revealed the following:

For one drug, tetracycline, which wholesaled for $.52 retail prices quoted ranged from $1.95 to $9.90.

For another drug, ampicillin, which wholesales for $3.90, retail prices ranged from $4.95 to $15.00.

For a third drug, the antihistamine chlorpheniramine maleate, which wholesales at $.04, retail prices ranged from $1.35 to $2.43.

The drug makers spend over $1 billion a year on promotion. These expenditures are excessive and add needlessly, but enormously, to the price consumers pay.

QUESTIONAIRE

Questionnaires sent to 24,000 Queens, N.Y., households revealed:

Nine out of ten persons responding felt prescription prices are prohibitively high;

95 percent said prescription drug prices should be advertised in order to facilitate comparison shopping, equalize prices and provide the freedom of choice which is available in the purchase of nearly every other consumer product;

Most persons apparently are unaware that they could save money by asking their doctors to prescribe their medicine generically;

Half said they did not even ask the price of the prescription before it is filled, a practice which could result in considerable savings;

Most persons had 10 or more prescriptions filled annually, seven of them for the same drug;

Three out of four of those responding found prices on over half of their prescriptions vary from store to store by at least 25%;

Most use only one pharmacy, picking it on the basis of convenience first then price (services are a minor factor in the choice of the pharmacy).

DRUG PRICE SURVEY

Two separate surveys of 122 drug stores in Queens, N.Y., and in the Washington, D.C., area revealed a wide disparity in retail prices

charged for identical drugs. Excessive mark-ups also were found, in one case a drug was priced at 6,000 percent over the pharmacist's cost, but in most cases the markups were in the neighborhood of 100 percent.

Consumers pay considerably less for their prescriptions if they are written for a generic drug and if the purchaser is able to do some comparison shopping.

Without asking consumers, pharmacists frequently substitute more expensive brand name drugs when the prescription calls for a generic drug. Such substitution, now permitted in most, if not all, states must be prohibited to prevent this kind of abuse.

Prices for the same drug vary not only from store to store, but even from customer to customer at the same store. This is possible because prices are not advertised and are rarely posted.

Similar surveys in other cities, by consumer groups and the news media, showed similar results.

FACTORS INFLUENCING DRUG PRICING

Prescription drugs are perhaps the only major consumer product on the market today for which there is no convenient method of retail price competition. This is no accident. Over the years the consumer has been conditioned to believe that money should be no object where his health is concerned; but in reality, at least as far as prescription drugs are concerned, cost bears little or no relationship to quality. The identical drug can cost $1 or $10 or even more, depending on the manufacturer and the seller.

Along with just about everything else they buy, the poor also pay more for their prescriptions. This is often because there are fewer pharmacies in low-income areas, store insurance is harder to get there, it is difficult to hire a pharmacist to work in those areas and crime is a major problem. Equally important is the fact that the poor do not enjoy the mobility of the more affluent customer who has a car and can shop around for the best price.

The retailers who fight so vigorously against prescription drug price advertising frequently are the victims themselves of overpricing by large pharmaceutical manufacturers, but they apparently fear the giants more than they care about their customers. Small independent druggists fear competition with mass merchandisers; the chains and discounters fear competition with one another, and they all believe that prescription drug advertising would foster such competition.

PRESCRIPTION DRUG ADVERTISING CONTROVERSY

Because the pharmacy establishment dominates the pharmacy regulators, the pharmacy boards and commissions of the various states promulgate rules not in the consumer's interest.

Pharmacists argue against advertising, contending that it would lead to drug abuse. This is simply not so. Prescription drugs are products whose access, content and use are tightly controlled and will continue to be tightly controlled whether there is retail price advertising or not. Moreover, it taxes the boundaries of rationality to imply that informing consumers of prices could lead them irreversibly down the path of drug abuse.

Pharmacists also oppose advertising prices of their products on the grounds that they are professionals like doctors and lawyers. This argument is based on fallacious reasoning. Pharmacists do perform an invaluable service that requires great care. But they do not perform a professional service as complex and individualized as that of a doctor or lawyer. In fact, the pharmacist does not perform a professional service so much as he sells a mass-produced, fully compounded and pre-packaged product. Less than 5 percent of the prescriptions require him to compound any medicine.

Those prescription drug products dispensed by the pharmacist are sold to him through the vigorous use of price advertising and promotion, methods he relies on at the wholesale level but steadfastly opposes at the retail level.

THE DRUG INDUSTRY

One of the most significant factors contributing to the high price of prescription drugs in this country is the patent law. When the 17-year patent protection period for a new drug ends, prices tend to drop dramatically. Until that time, however, the manufacturer has a monopoly on production and distribution. A recent survey of world patent practices shows that 54 of 80 nations studied denied patent protection for pharmaceuticals. This often contributes to the tremendous differences between drug prices in this country and elsewhere.

The drug industry contends that without the incentive of patent protection many of the new drugs developed in recent years would not have been discovered. There is a need for a degree of patent protection, but the 17-year monopoly seems excessive. The answer lies in compulsory licensing of prescription drug patents.

A study by the Department of Health, Education and Welfare concluded that "much of the drug industry's research and development activities would appear to provide only minor contributions to medical progress."

PHARMACIES AND PHARMACISTS

Independent neighborhood pharmacies outnumber chain stores by seven to one and filled more than 43 percent of the prescriptions consumers purchased in 1971. Chain stores filled 7 percent and other retail outlets accounted for another 7 percent. (Hospitals filled 38 percent and physicians 5 percent.)

The owners of independent drug stores and the pharmacists who work there are the dominant influences in the profession and its policies. They are a strong lobbying power in the nation's state houses and in the Congress.

They have been able to have retail prescription drug price advertising banned in more than two-thirds of the states.

They have not been as successful, however, in overturning anti-substitution laws which forbid pharmacists from filling a prescription with anything other than the exact branded item specified by the prescribing doctor. However, when no brand is specified by the doctor, the pharmacist is free to substitute any manufacturer's generic equivalent.

This situation offers a mixed blessing. There is a potential for abuse because the pharamacist with a generic prescription is in a position to indulge in price gouging by using the item on his shelf with the biggest profit margin.

Generic prescribing, on the other hand, permits the druggist to carry a smaller inventory, thereby reducing his expenditures and, theoretically, permitting him to pass some savings on to the consumer.

Critics of generic prescribing contend that only 20–25 percent of all prescription drugs on the market could be affected because the rest are under patents and not available generically. Nonetheless, there is great potential for savings.

The burden of high prescription costs falls most heavily on the elderly and others on fixed incomes. Although, only about 10 percent of the population is 65 or older, this group acounts for about 25 percent of all prescription expenditures; in 1971 that amounted to about $1 billion.

Generic prescribing for 67 of the drugs most frequently dispensed for the elderly in 1970 could have reduced the wholesale cost to the retailer from nearly $74.9 million to $33.4 million, according to an HEW study. If retail markups were set so that the pharmacist could receive the same gross profit on generic prescriptions as on brand name ones, the total retail price for those drugs would drop from $150 million to $108 million, a savings to elderly consumers of nearly 28 percent, according to HEW.

Drug substitution is no panacea for the consumer but is an important step forward. As long as anti-substitution laws exist, there is little prospect for passing on to the consumer the benefits of price competition in the drug field.

Closely related to the issue of substitution and an integral factor in the price of prescriptions is the question of brand versus generic superiority. Enormous promotion budgets are more responsible for the popularity of trademarked drugs than any superiority of either quality or therapeutic effect. In fact, there is no convincing evidence to show that brand-name drugs do the job any better than the lesser-known generics.

RETAIL ADVERTISING PRACTICES AND PROHIBITIONS

Statutes and regulations in 37 states forbid advertising of prescription drugs by price or name. Court challenges are pending in at least 11 of these states on issues of advertising and/or posting. Recent challenges have succeeded in three states (Florida, Pennsylvania and Oregon) and have failed in two more (New Jersey and New Mexico) though new suits are pending there. The legal status of such restrictions, especially those not by statute but by state pharmacy board regulation, is at this time unclear and is being tested in the courts.

Federal legislation to permit drug price advertising is being introduced in Congress with publication of this report. (See Chapter X.)

Drug price advertising can be an extremely useful mechanism for the consumer in two respects:

1. Information regarding drug prices would be readily available and allow more freedom of choice in getting a prescription filled, and
2. Increased price competition would push prices lower.

In Philadelphia, where drug price advertising is permitted and practiced, a survey showed that the consumer pays an average of 34% less for prescriptions than the patient in New York City, where advertising is still illegal.

The removal of prohibitions on retail prescription price advertising alone will not be sufficient to foster open price competition in the market-place. Experience has shown that where such restrictions were removed widespread advertising did not necessarily follow. This is believed to be largely due to the pressures from the pharmacy establishment. Therefore, it appears necessary to make price posting mandatory, in addition to permitting advertising at the discretion of the pharmacy.

Posting has the additional value of informing the consumer of the price when he walks into the store: the disadvantage, of course, is that he cannot do his comparative shopping in his own home, as he does with other advertised products. Taken together, though, advertising and posting complement each other and would be of immense value to the consumer.

CHAPTER X—RECOMMENDATIONS

In order to fully implement the consumer's right to be informed of the prices of the prescription drugs he uses, this study recommends the following:

A. Enactment of legislation (details on next page) requiring:

1. An end to all blanket prohibitions on retail prescription drug price advertising.
2. The mandatory posting of prices for the 100 most commonly prescribed drugs.

3. The open dating of all perishable prescription drugs, showing clearly on the dispensed product's label the date beyond which the potency is diminished or the chemical composition is altered by age.
4. Labeling and advertising of prescription drugs by their established name, and an end to all antisubstitution laws.
5. Compulsory licensing of new prescription drugs during the 17-year patent.

B. The drug industry and appropriate federal regulatory agencies should take necessary action to curtail deceptive drug advertising claims in the popular media as well as trade and professional publications, especially for over-the-counter drugs.

C. Consumer advocates should be named to pharmacy boards and commissions in all states and the District of Columbia.

D. As noted in this study, the Department of Justice has termed most drug restrictions "unjustified" and has called on the states to repeal them. The Secretary of Health, Education and Welfare and the President's consumer advisor also have endorsed such a move. Therefore, the administration is strongly urged to support legislation prohibiting drug price advertising restraints and to initiate anti-trust proceedings to eliminate the barriers to price competition. The states and their pharmacy boards are likewise urged to voluntarily remove these anti-consumer restrictions.

E. The pharmacy profession is urged to remove voluntarily all barriers to adequate consumer information by adopting the reforms called for in this report.

LEGISLATION

The Prescription Drug Information Act

This legislation has two purposes. It will make prohibitions against the advertising of prescription drug prices an unfair act or practice in commerce, and it will require drug stores to post the current prices of their 100 most commonly prescribed drugs. Posting would complement advertising by countering peer pressures on pharmacists not to advertise and by fostering competition through comparison shopping.

The Prescription Drug Freshness Act

This bill requires open-dating for drugs. Any drug that does not have an indefinite shelf life must be prominently labeled as to the date beyond which its potency or efficacy becomes diminished. This is already done at the wholesale level and should be done for the consumer as well.

The FDA has expressed concern over reports that over-aged drugs are sometimes sold to consumers and that consequent deterioration may be responsible for some injuries and deaths.

There is no defensible reason why this information should be denied the consumer. There is an obvious and serious potential health hazard involved since these are the dates beyond which the effectiveness or potency of the drug diminishes below that specified by the manufacturer.

Opponents of this proposal contend it would encourage self-diagnosis; there is no evidence to support that position. However, it would have the additional benefit of preventing needless duplicate purchases by a consumer who may need the same drug prescribed once again by the physician.

The Prescription Drug Labeling Act

This bill would require that in labeling and advertising of certain drugs sold by prescription, the "established" or generic name must appear each time the proprietary or brand name is used. It would also give the consumer and the pharmacist the option of filling the prescription with the generic equivalent. Where there is such substitution, it must not be done to sell a higher-priced product but to save money for the consumer.

The Prescription Drug Patent Licensing Act

When a company has applied for a license under a drug patent and it is not granted within 90 days, the company could apply to the Federal Trade Commission for an order requiring such licensing. If the price charged or quoted to druggists by the patent holder is more than five times the cost of production, the FTC could order a hearing on the application. It could then order the granting of an unrestricted license to make, use, and sell the drug. That order could include granting an unrestricted trademark license, if the FTC feels that it is in the interest of competition.

CHAPTER XI—HOW TO GET THE BEST R_x BUY

Consumers need not wait until all anti-advertising laws are repealed and meaningful prices posting becomes a reality in order to avoid paying excessive prices for the medicine they need. Here are some things that can be helpful.

Consumers

1. Let your doctor know you want to get the best buy for your money.
   a. Ask him to prescribe the medicine generically.
   b. If you are going to be on the medication for a long time, ask him to prescribe it in a large quantity so you don't have to make repeated and costly trips to the pharmacy; after all, it costs the pharmacist more to dispense 50 capsules four times than to sell you 200 at one time.
   c. Ask him to suggest a pharmacy with low prices.
   d. If the prescription is small, ask the doctor if he has some office samples he can give you instead.
2. Shop around.
   a. Ask the pharmacist what he will charge before you have your prescription filled; if he won't tell you or you think his price is too high, try somewhere else.
   b. Look for the services you want, such as convenience, credit, delivery, 24-hour service, patient profile records. If that's what you're looking for, you can expect to pay extra for it; if you want the lowest possible price, expect bare bare bones service (in some stores that means never even seeing the pharmacist, only a clerk).
   c. It may be a good idea to get two prescriptions from your doctor for the identical medication; have one filled at the discount store (if the price there is lowest) and leave another at a pharmacy that delivers, just for emergencies.
   d. Ask for Medicare, senior citizen and similar discounts if you think you're eligible, but wait until the standard customer price has been quoted.

Doctors

1. Survey pharmacies in your area for prices of commonly prescribed drugs.
   a. Check with patients about where to find best buys.
   b. Ask drug company representatives for precise information on wholesale prices; most can also provide helpful information on retail prices in the area.
   c. Pass this information on to patients.
2. Prescribe generically and in quantity, where possible.
   a. Write the prescription generically so that the patient can purchase the medication you specify at the lowest possible price.
   b. If the patient is going to be on the medication for a long time, consider writing the prescription for a large amount. The savings (in money and bother) can be significant.
   c. Prescribe standard quantities (the Physicians' Desk Reference has this data) and, where appropriate, economical dosage forms. This is especially important for elderly persons who have fixed incomes and must take maintenance drugs. (If the patient's dosage form is increased by his physician—e.g., from 250 mg to 500 mg—he would be better off economically to get a new prescription for the large dosage form than to continue taking the old medicine but doubling the quantity to get the same dosage.)
3. If the medication is too costly for the patient, Medicaid may help if the patient is eligible.
   a. If not, some pharmacists may be willing to help a needy customer, if the doctor alerts them.
   b. There is a code between physicians and pharmacists to do this: PP on a prescription means "poor patient" and ARB means "any reliable brand." So warned, the pharmacist can adjust his price or substitute a lower-cost drug.
4. Write prescriptions legibly.

Pharmacists

1. Post your prices and quote prices over the phone or in person for the consumer shopping for the best buy.
   a. Don't overlook an opportunity to sell yourself and your service. Explain clearly to customers just what professional services you offer and what they cost.
   b. In other words, justify your charges, don't conceal them. The best way to do this may be on a sign prominently displayed near the pharmacy counter.
2. When a customer brings in a prescription for a high-price trademarked drug, suggest a generic substitution and call the physician for permission.
   a. When the customer already has a generic prescription, fill it with the lowest cost product available.
   b. In either case, pass the savings on to the customer.
3. Use your influence in the pharmacy profession to voluntarily remove the barriers to adequate consumer information such as restrictions on retail price advertising. You can also begin by labeling your prescriptions with the generic name of the drug and the date beyond which it should not be used.

TESTIMONY OF CONGRESSMAN TOM HARKIN

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. HARKIN. Mr. Speaker, today I had the opportunity to testify before the Family Farms and Rural Development Subcommittee of the House Agriculture Committee on rural development. I would like to insert that testimony in the RECORD:

TESTIMONY OF CONGRESSMAN TOM HARKIN

Mr. Chairman and Members of this Subcommittee.

I would like to begin by thanking you for the opportunity to testify before this Subcommittee today. I also wish to commend this Subcommittee for scheduling hearings on rural development. I believe, and I know you all share the belief, that rural development is one of the most important matters facing the Congress. Unless we, as a Congress and as a Nation, face up to the pressing problems facing our rural areas, we will soon be faced with an ever-increasing deterioration of the quality of life in rural America.

With your permission, I would like to tell you about some of the problems facing the people of my Congressional District.

Iowa's Fifth Congressional District includes 25 counties in Southwest Iowa. Geo-

graphically, it covers one-fourth of the State. Over 200 of the approximately 220 cities and towns in the Fifth District have a population of less than 2,500. 170 of these towns have a population of less than 1,000. Over 80 percent of the Fifth District's 480,000 people live outside of metropolitan areas.

As you may know, Iowa ranks second only to Florida in percentage of its citizens who are elderly. 23 of 25 counties in my District exceed the national average in percent of senior citizens. 22 of the 25 exceed the state average. Overall, 90,000—or approximately 20 percent—of the citizens of the Fifth District are aged 60 or older.

18 of 25 counties of the Fifth District have more people living below 125 percent of the poverty level than the national average. In some counties, the elderly account for as much as 40 percent of the people living below the poverty line.

22 of the 25 counties have more patients per physician than the state average. Five counties have more than double the number of patients per physician than the state average of 946.

Many people think of Iowa as a lush, green, prosperous farm state. That is true. Our farmers have worked hard and, in spite of the manipulations of the giant agribusiness conglomerates and at times their own federal government, have provided food for America and the world. But hidden in those lush green fields are hundreds of small towns and cities, many of them without adequate water, sewers, fire fighting and recreational facilities; without adequate medical personnel; without adequate streets and drainage; and without the resources to provide for their needs.

I am sure many of you attended the National Conference on Rural America held in Washington in April. In reporting on that Conference, the Washington Post of April 18, 1975, describes some of the "horror stories" of rural America; "horror stories" about 60 percent of the substandard housing being in rural America, when only 25 percent of our people live there; stories about 44 percent of the poverty existing in rural America; stories about the low median income of rural workers and the chronic unemployment and underemployment; stories about the lack of doctors and inadequate medical and dental care; and stories about lack of safe drinking water and sanitation. The stories are true.

Compounding many of these problems is the fact that federal resources in the form of money for housing, welfare, education, jobs and other needs disproportionately favor the larger urban areas.

In 1972, the Congress passed the Rural Development Act. The Congress intended this bill to be omnibus legislation, dealing with all the problems of rural people. Less than 12 percent of that act has been implemented. And even those parts that have been implemented have been woefully underfunded. For example, Title V of the Act, which provides money for research on rural problems, is currently being funded at only $3 million per year even though Congress in 1972 authorized a $20 million per year funding level for Title V at this time. To make matters even worse, this Subcommittee has heard testimony that the Administration wants to eliminate Title V entirely.

The past history of this Act is one in which the Office of Management and Budget has repeatedly sent down meager requeats for RDA. This is a clear example of how the Administration has neglected its duty to America's rural areas. I believe it is time for Congress to assert its will and reaffirm our commitment to a viable rural development program.

I would like to tell you a few true stories about Southwest Iowa. These are stories that tell the kinds of problems that my constituents deal with on a daily basis.

Only one county in my District has a median income above the national average, and only four have a median income above the state average, which is some $500 below the national average. Six counties average well below 60% of the national average.

These poor, many of whom are also elderly, live in our small rural communities. Dozens of the small towns in my District lack even the basic amenities of life, such as safe drinking water or sanitary sewer systems. The people of Woodburn, Iowa, for example, have been trying for nearly a decade to provide a water system for their town. There are approximately 90 individual wells in the town. The water in over 30 of those wells has been tested and found unfit for human consumption.

Several businesses have left Woodburn because of the lack of an adequate water supply to fight fires. Why does this problem exist? In part, because Titles I and II of the Rural Development Act—the Titles that would deal with these problems—remain unimplemented.

I know of at least a dozen towns for which the Farmers Home Administration has had to refuse loans and grants because the towns and the people in them were too poor to pay back the loans. In essence, we are saying to these towns, "You are too little and too poor to be helped." We are saying "You do not have the right even to exist," for certainly many of these towns will decline and die out if they cannot provide even the basic amenities of life.

The lack of these basic services—water and sewers—contributes to another problem in rural America: Housing. Without safe water, how many of our young will move into these communities? Without adequate sanitation facilities, how many of our young will choose to raise families in these communities? These problems are all intertwined and each has its own serious effects on our rural people.

I am sure that all of us in this room realize that something must be done to preserve our rural communities, not only for their own sake, but for the sake of our teeming metropolises. How many more people can our large cities absorb? How many more unemployed can our economy stand? I say that the rebuilding of our rural towns is a problem of the first priority for our nation in the future months. I, as one, stand ready to work to find the answers to these problems.

I believe that the future of rural America is a matter of concern to all Americans. The key to the future of rural America lies in the preservation and strengthening of our rural institutions which have worked so well in the past. Unless we act now to accomplish this goal, we will be faced in the near future with the need for a massive "rural renewal" program requiring huge outlays of funds. And, unless we curb the tide of out-migration from rural areas, we will be faced with the need for even costlier urban renewal programs.

I am hopeful that this Congress will take the lead in preserving rural America. In the past, Congress has accepted the Administration's dictates on rural development. I believe it is time for Congress to take the Rural Development Act, the only substantive piece of legislation dealing with rural problems, and truly begin to implement and fund that Act.

I know that the Members of this Subcommittee share my concern about the quality of life in rural America, and I am confident that this Subcommittee will do everything in its power to ensure that rural development becomes a reality and not just a promise.

Thank you, once again, Mr. Chairman, for the opportunity to testify here today.

FARLEY AT 87—FULL OF LIFE

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. DELANEY. Mr. Speaker, under leave to extend my remarks, I wish to share with my colleagues two articles which recorded the happy birthday of my very good friend and neighbor, Jim Farley. Only 87, he is, indeed, "full of life." The articles below appeared in the New York Daily News, and the Journal News of Nyack, N.Y.

The articles follow:

FARLEY AT 87—FULL OF LIFE

(By Peter Coutros)

The double-breasted lapels lay flat; not even the hint of a wrinkle to disrupt impeccability, Navy blue, of course. The shirt collar, white and starched—of course. The breast-pocket hanky rigid in a three-point stance—naturally.

On the eve of his 87th birthday, Jim Farley was unwilting. And in some cases, inflexible, too.

"I don't care what they do with the calendar," he said, a trace of pique spicing his speech. "As far as I'm concerned, Memorial Day is May 30."

HE'LL VISIT GRAVES OF KIN

That being the case, the octogenarian oracle of American politics, particularly the Democratic end of it, will journey to the grave of his parents in Rockland County and then pay his respects at his wife's gravesite at Gate of Heaven Cemetery in Westchester.

"Then, I'll visit a couple of schools in Grassy Point, including the one they named after me. And I'll drop in to see the town's postmaster. His father took me to school the first day I went to school. Then if I get back to the city early enough, I'll have dinner with my daughter, her husband and my son. Probably at Giambelli's."

Frank Giambelli, proprietor of the restaurant bearing his name, paid $3,500 for a bottle of Chateau Lafite-Rothschild '78 at an auction Wednesday and someone asked if Genial Jim would help drink it.

HE'S A LIFELONG NONDRINKER

"Never had a drink in my life," Farley replied, tracing his abstinence to a vow taken at his confirmation. He's partial to Cokes, a preference that may be based on the fact that he's board chairman of the Coca-Cola Export Corp. Yesterday's prebirthday cake-cutting was held in the company's board room at 515 Madison Ave.

Inevitably, yesterday's press conference turned to politics. Inevitably, comparisons were sought Farley, after all, helped pilot Franklin Delano Roosevelt into the White House in an earlier economic crunch.

Would another FDR be the right medicine now?

CITES ROOSEVELT PROJECTS

"Well, he had a spark that is missing in the man in the White House now. His 'Nothing to fear but fear itself' speech allayed the fears of people. Mr. Roosevelt provided real leadership to Congress. He came up with the WPA (Works Progress Administration), put people to work instead of putting them on relief. He came up with the CCC (Civilian Conservation Corps), took kids off the streets, put money in their pockets."

Discounting the possibility of Sen. Edward Kennedy's running for President (on the grounds that "he said he wouldn't and I must assume he means what he said because I know I wouldn't do anything after I said I wouldn't,") Farley appeared to lean toward Maine's Sen. Edmund Muskie as his party's standard bearer next year.

POINTS FINGER AT WAGNER AND LINDSAY

Locally, Farley laid some of the city's fiscal ills at the doorstep of Mayors Robert Wagner and John Lindsay, who "gave too much to the municipal unions." He was also critical of Lindsay for his initiation of the Yankee Stadium renovation, which "started out costing $24 million and now looks like it will hit $100 million."

Trimmed down to 180 pounds after a heart attack three years ago, Farley follows a regimen that has him rising at 6 a.m., walking from his Waldorf-Astoria suite to his office, where he keeps secretaries Ida Lee and Anne Virus busy with daylong dictation (including a book he's writing), thence home by 4:30.

"I guess politics is a good recipe for longevity," Farley replied, when asked for the secret to long life.

"That and some help from God," concluded the man who'll never have to take a back seat to the Pepsi generation.

POLITICS MAKES FARLEY FEEL SO YOUNG AT 87

NEW YORK.—Jim Farley is 87 years old today, but when the former Democratic national chairman talks about his favorite topic, politics, he shows the same enthusiasm first displayed when he entered the game in 1911.

At his 35th consecutive pre-birthday news conference since resigning from the cabinet of President Franklin D. Roosevelt as postmaster general in 1940, Farley noted that with "all due respect to President Ford, he just does not have the spark that inspires confidence."

He said Presidents Roosevelt, Kennedy, Eisenhower and Johnson had "the spark" but Ford "just doesn't seem to be able to do it."

Farley, a native of Grassy Point, said he would journey to Rockland County to visit the grave of his parents.

"Then I'll visit a couple of schools in Grassy Point, including the one they named after me. And I'll drop in to see the town's postmaster. His father took me to school the first day I went to school."

Farley still walks from his apartment in the Waldorf Towers to his Madison Avenue office five blocks away where he spends an active day as honorary chairman of the Coca Cola Export Corp.

He feels that the Democrats "have a very good chance of winning the 1976 presidential election—if the reformers don't ruin it again."

He had praise for Sen. Edmund Muskie, D-Maine, but would not name his own choice for the party's presidential nomination.

Sen. Edward Kennedy, D-Mass., as far as Farley is concerned, is out of the running because he has said a number of times that he would not run.

SPIRIT OF '76—WINNING ESSAYS IN THE GREATER BATTLE CREEK AREA MICHIGAN WEEK GOVERNMENT DAY CONTEST

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BROWN of Michigan. Mr. Speaker, in connection with Michigan Week, the Greater Battle Creek Area Michigan Week Committee sponsors an essay contest among students in the area, the winners of which are honored at a Government Day Luncheon and receive an expense-free trip for a week's visit in our Nation's Capital.

This most worthwhile project captures the attention of area residents and has become an annual event of great significance not only to the participants in the contest but the community at large.

In reporting on the winners of the essay contest this year, I would be remiss if I did not give particular credit to Mrs. Elizabeth Ford who has given of so much of her time and efforts each year to this event. Without her dedication, the contest would not have succeeded as it has, if it were carried on at all. I commend her for her efforts.

The winners of the essay contest this year, Mr. Speaker, are Judith Ostermann, an 8th-grade student at St. Philip Catholic Central in Battle Creek and the daughter of Mr. and Mrs. William Ostermann; Joseph Tuttle, an eighth-grade student also at St. Philip Catholic Central and his parents are Mr. and Mrs. S. T. Tuttle, Jr.; Ann Schragg, a ninth-grade student at St. Philip Catholic Central whose parents are Mr. and Mrs. John Schragg; and, Edward W. Rector, a ninth-grade student at Pennfield Junior High, the son of Mr. and Mrs. Richard Rector.

In connection with their visit to Washington, I had the opportunity to visit with them and was much impressed with the fine qualities of youth represented by these young people.

In order that my colleagues may have an opportunity to review these winning essays, I am incorporating them in these remarks:

SPIRIT OF '76—WHERE DID IT GO?

(By Judith Ostermann)

What is the spirit of 1776? The spirit that raged in the hearts of all those who fought and died for our independence from England; the spirit which rang the liberty bell announcing to all Americans the adoption of the Declaration of Independence; the spirit which kept the soldiers warm and fed their hunger in that cold winter at Valley Forge in 1777. That spirit was the real American Spirit!

What is the spirit of today? Do we have any of the spirit and love for our country that our forefathers had? Would any of us really fight for our freedom and for our country today? I believe that the Spirit of '76 is still here. I know sometimes it may be hiding, but if you look for it, it's there. That American spirit is there every time we help clean up our country. It's there when we help a neighbor mow his lawn, visit an old lady, or walk a mile for a crippled child. It's there whenever we salute a flag, sing the national anthem, or when we wear red, white and blue. The spirit of America is everywhere shining its light on all who look for it. It may be shining in the money we give for research, or in the teachers who teach our children. It may shine on the farmers who use our American soil to feed all who live on it, or the Cub Scout who does a good deed. But it's there.

After all, has our country or Americans really changed so much? Sure, times have changed and almost two centuries have gone by but this is the same land our minutemen risked their lives for in Lexington and in all our Eastern lands. So the only thing that's really changed are the people. But are we really so very different from those who lived before us? I think not. We still show pride and love for our country and I, myself, defend it when it's criticized as do most Americans. Sure our nation is not all perfect; we have our problems too. The starving child, the minority discrimination, and crime—all have blackened our country. But it's up to us in the coming of our country's 200th birthday to do something about erasing these marks that stain our nation. It's up to each and every American citizen to do his part in dressing up America into its very best suit for 1976.

Maybe we will never be able to totally get rid of the stains in our nation, but if we all use our American spirit we can put up one heck of a try. Where did the Spirit of '76 go? Nowhere—it's always been here and it is my earnest prayer that it always will be—keeping America the greatest!!!

THE SPIRIT OF '76

(By Joe Tuttle)

It is nearly time to celebrate the bicentennial of the country which has displayed the greatest show of love, patriotism, and determination that any country ever has up to this time. This country, the United States of America, fought against its own mother country for what it believed was right and earned its independence on July 4, 1776. We should be very proud of this and the fact that within the last two hundred years this great country has worked hard to establish itself as a major world power.

The U.S. has many things to contribute to its success, mainly the progress it has made in foreign affairs. We have not made it to where we are today entirely by ourselves but with the cooperation of our neighboring countries. For example we never could have settled here without the permission and supplies of the English government. Since then we have received foods from other countries which we are unable to produce here. Some of these are rice, bananas, and coffee. The most recent aid from a foreign country comes from the Arabs who have been keeping our fuel supply up.

We have always been ready and willing to help our allies in times of trouble, and even though we have helped others more than they have us, we take criticisms. Such as the Vietnam issue where the Vietnamese have accused the U.S. of abandoning them. We did, however, come to the aid of other countries in similar instances, spending millions of dollars when we really did not have to. Some of these were the Spanish-American War where we helped Cuba to win its independence, World War I where we, along with Great Britain, France and other countries, fought against Germany to make the world, in President Wilson's words, "safe for democracy." The United States got themselves into World War II because they were against many policies that Japan had and were on China's side for many reasons. In the Korean War the U.S and other members of the United Nations sent troops to help the Republic of Korea defend itself against Communist North Korea.

I think I have clearly pointed out why I stated we have made much progress in foreign affairs, and I resent the accusation the Vietnamese made about our country. Not all countries feel the way they do, however. Many are grateful for what the U.S. has done, such as the French who built the Statue of Liberty to show their appreciation of the alliance of 1778. We should also show our appreciation for all our country has done for us. Like our sound and just system of law that I think we have almost perfected during the last two hundred years, and our democratic form of government which I feel is the best in the world. Yes, we certainly do have a lot to be proud of as we look back on the last two hundred years. Our achievement in such little time is unchallenged by any other country. So we should make 1976 a year to remember by showing pride in our nation's history. It should be a time of celebration when Americans look back on two

hundred years of nationhood and independence. This bicentennial year should be a time to remember the past and make way for the future.

SPIRIT OF '76

(By Ann Schragg)

I stand behind the president, I hang at half-mast during times of mourning, I represent an attitude. I belong to the future as well as to the past. I've been present in times of sorrow and joy.

Whatever I've done has been done with spirit, it's as if youth were for the first time seeing and touching life and finding it exciting.

But spirit isn't enough. With my people behind me, my achievements will be far reaching. From the beginning, America was made up of a number of goals, hope and respect. When all of these qualities are joined together, my nation moves forward.

Almost without knowing it, I've seen one era come to an end and another begin. I symbolize change. America is stronger than before.

I'm the idea behind the "Star Spangled Banner," Frances Scott Key saw me proudly waving in the wind, amidst the firing of cannons and gunfire, I saw the dead fall down before me, even though this was a time of sorrow I strove even higher to reach the sky, for it was then at that moment I knew there was nothing that I could not do. I was unconquerable!

I've draped the coffin of many brave men, such as Lincoln and Kennedy. These and others have served my country unselfishly, who has given a most precious gift their life. I've seen the flowers wilt on the graves. Yes to me it was a time to remember, the pain of death cut deeply into my heart. I want no more of my sons to march off to war, for I knew it was because of me that these strong young men lay still and motionless. And I watched on silently.

Radicals and communists have spat and trampled upon me. Only a little more than a year ago, members of the Olympic Team refused to salute me. I realized that they were too young, too set in their ways to understand. I've seen this nation torn by hate and bigotry, just as in times of the Civil War. Filled with despair, I looked up and saw gentle groping hands lift me up tenderly and put me back in my place of honor.

My nation is a strong and virile one. We're a young nation, we started off walking and we learned to run. An ancient Chinese proverb says "A journey of a thousand miles must begin with one single step." With that saying brings to mind the words of the late President Kennedy: "My fellow Americans, let us take that first step. Let us, if we can, get back from the shadows of war and seek out the way of peace. And if that journey is one of a thousand miles, or even more, let history record that we at this time, in this land, took the first step."

Yes, I truly do symbolize that moment of change. I've been present in times of joy. What my nation wants they fight for. I've seen many things come to pass, ideals have changed and expanded. A few stars have been added to my blue field and even more to come I hope. Since we became a free and independent nation in 1776, I've been present for the signing of many important documents, I've seen presidents come and go, each leaving an important part of themselves behind, but even more, taking with them the feeling of a job well done.

Down through the years we've protected freedom of speech and the press. We welcome people in need of protection, minorities have made strides forward. Nations look upon us with awe. I've seen much through the years, I've never known any of my people, who would trade places with anyone else in the world.

In a little more than a year we'll celebrate our 200th year as a nation, the spirit of "76" has flowed down through the nation, as well as the years, and will continue to go on strong. We must be doing something right to last two hundred years. I am the country, I am the nation. I will survive. I live and breathe the word freedom.

THE SPIRIT OF 76

(By Edward W. Hector)

I believe "The Spirit of 76" was the spirit of the great men who lived during the revolutionary war. I think the spirit of these famous people was shown in their well-known statements. They said things almost two hundred years ago that make good sense today. I believe these people were very devoted to the cause of achieving freedom and would even sacrifice their lives so the other people in the country would be free. I think if the people of today looked back at some of the statements or speeches of these people, they would learn a great deal.

Before the revolutionary war in 1776, a famous spokesman, Patrick Henry said, "I know not what course others may take, but as for me, give me liberty, or give me death!" I admire a man who is willing to give his life for a cause. I think that Patrick Henry had "The Spirit of 76." I think if the people of the 18th Century did not have this great will to be free, the United States of America wouldn't be what it is today.

Nathan Hale was another man who had "The Spirit of 76." He was an American spy who pretended to be a Dutch schoolmaster. On a spy mission he was caught by the British and sentenced to be hung. His last words were, "I only regret I have but one life to lose for my country". I think a man such as Nathan Hale, should be admired by all for his loyalty to his country and for his bravery. I think any man who is willing to give his life for his country has great spirit.

A man who was neither a politician nor a colonial soldier also had "The Spirit of 76." Thomas Paine was such a man. He was known for his article, "Common Sense," which many Americans thought expressed their feelings towards England very well. "Those who expect to reap the blessings of freedom must, like a man, undergo the fatigue of supporting it," is a quote from Paine that tells he had, "The Spirit of 76." I think the articles Thomas Paine wrote helped give the colonists the fighting spirit they needed to win the war.

A great colonial leader, Thomas Jefferson, once said, "The God who gave us life, gave us liberty at the same time." I think this showed that Thomas Jefferson had, "The Spirit of 76." I think Thomas Jefferson was willing to fight and lose his life for his country's freedom. I think Thomas Jefferson was the man with the fighting spirit in 1776.

The words of the four people I have mentioned should show you what I think "The Spirit of 76" was all about. "The Spirit of 76," was simply the dreams and hopes the people of 1776 had for getting their own independent nation. Their enthusiasm towards winning the war was also part of the spirit. All of the farmers, politicians, writers, soldiers, merchants, etc., took part in the building of this nation. Without the tremendous spirit these people had, "The Spirit of 76", I don't think this great country would exist today.

THE VOTING RIGHTS ACT

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. KINDNESS. Mr. Speaker, at this time I wish to explain to my colleagues and constituents why I voted "no" on final passage of H.R. 6219, a bill to extend and expand the Voting Rights Act of 1965.

The overwhelming vote in favor of H.R. 6219 was not surprising. As a political issue it is very difficult to justify, in a few words, a "no" vote against a bill purportedly designed to protect minority voting rights. As was stated so eloquently by my colleague from Texas (Ms. JORDAN) the Voting Rights Act is the frontispiece of all civil rights legislation; it is a symbol. The bill also had the overwhelming support of the large labor unions and the League of Women Voters urging the passage of H.R. 6219 without "weakening" amendments. Thus many moderate and conservative voters representing districts in parts of the country unaffected by the bill, such as Ohio, could afford to vote "aye" on the bill as a path of least resistance.

It would be much easier to vote in favor of a bill with such an attractive-sounding purpose or title, rather than to insist upon excellence, or at least reasonableness, at the risk of voting "nay" and being misunderstood. But I believe that the people of the United States of America are entitled to excellence in the work product of the Congress—and they have been getting less than their money's worth, and the time has come for each Member of Congress to recognize the disenchantment of the American public with the Congress, its work product, and its lack of excellence.

Mr. Speaker, I could not vote "aye" because I was one of seven Members of this body who followed this bill through the hearings, the subcommittee markup, the full committee markup, and to the floor. I know that this bill is much more than a symbol; it is a substantive piece of legislation which balances minority voting rights against States rights. In my view, the bill strikes this balance to unconstitutionally deny sovereign States powers and rights guaranteed to them by the Constitution. I could not, in all good conscience, be recorded as supporting a bill which I firmly believe to be unconstitutional, no matter how popular that bill might be.

The Voting Rights Act is far too complicated a piece of legislation to be detailed in a few words. My colleague from Virginia (Mr. BUTLER) explained the act in detail during the debate on H.R. 6219. Suffice it to say that the major function of the bill is to cause many "covered" States and political subdivisions to "preclear" their voting laws and procedures in Washington, D.C., before those laws may take effect. Specifically, the preclearance requirements specified in section 5 of the act compel the covered jurisdiction to submit the voting law to the U.S. District Court for the District of Columbia or to the Attorney General of the United States; a Federal veto can thus prevent a State from enforcing a law or administrative provision pertaining to voting.

Not every State is covered by the Voting Rights Act. Carefully designed triggering mechanisms operate retroactively to single out certain areas where discrimination is presumably perceived and only those areas are subjected to the extraordinary remedies of the act. The trigger is composed to be neutral on its face in terms of a percentage voter turnout and the presence of a voting test or device, but even proponents of the bill now admit that the trigger is in reality directed at a certain region of this country as part of a second reconstruction. In fact, the subcommittee considered eight potential triggering devices to expand the act to cover so-called language minorities. The analysis was not in terms of a theoretical rationality of the trigger, but, rather, in terms of the areas to be covered.

The triggering device finally selected by the Democrats condemns a State having conducted an election only in the English language in the 1972 Presidential election. This is defined to be a ballot phrased in English where more than 5 percent of the citizens of voting age residing within the State are members of a single "language minority" group. The act defines "language minority" to mean Asian Americans, American Indians, Alaskan Natives, or persons of Spanish heritage. The new remedy forced upon the covered States is to cause all registration and voting information, assistance, and notices, including ballots, to be provided in the language of the applicable language minority group. Moreover, the State must pay for the cost of this program out of its own treasury.

Mr. Speaker, many months ago, the President suggested a simple 5-year extension of the act to protect the voting rights of blacks in the South. I supported this effort as worthy and proper. I would have supported an expansion of the act if such an expansion could have been justified by evidence on the record and could have been shown to be rational in both theory and practice. Unfortunately, neither of those conditions, necessary for my support, developed during the hearings. While some evidence was presented to the subcommittee during our 13 days of hearings justifying the expansion of the act to cover persons whose primary language is Spanish, virtually no evidence was offered concerning Alaskan Natives, Asian Americans, or American Indians. Also the record failed to establish that an English-only election was an impediment for persons of Spanish heritage or that publishing the ballot in Spanish would substantially alleviate the traditionally low voter turnout of this group. On the other hand, the record was replete with evidence of the burden that the Voting Rights Act imposes on a covered jurisdiction.

From the beginning, I devoted my energy toward drafting amendments to improve this legislation so that I could support it. As will be shown, these perfecting amendments were offered not to weaken the act, but to make it more rational and to remove doubts of its constitutionality. However, also from the beginning, the Democratic Caucus adopted a position that all amendments would be defeated. The labor unions and the League of Women Voters lobbied this position so that progressive amendments offered on the floor of the House fell on deaf ears.

To illustrate the unfortunate effect of this policy, I wish to reflect upon four specific amendments which were defeated by the aforementioned scheme.

The first amendment, offered by my colleague from Virginia, Mr. BUTLER, would have modified the so-called bailout section of the act. Currently there is no way for a southern State to escape from the onerous provisions of the act prior to 1985 even if 100 percent of the blacks residing within such State are registered and voting. This amendment, aptly termed the "impossible bailout amendment," would have encouraged Southern States to implement affirmative action programs to eliminate barriers to minority registration, voting, and candidacy. After a 5-year "period of purity" during which no violations of the act occurred and after minority voting turnout reached 60 percent, the State would have been exempted from the section 5 preclearance provision subject to a 10-year period of probation.

This amendment would have encouraged the Southern States to eliminate past vestiges of discrimination, at the same time it would have provided the act with a meaningful bailout from section 5. Without such a bailout, it is arguable that the act is unconstitutionally overbroad. In short, the only justification to support a Federal veto of State laws is based upon a presumption of voting discrimination. Once such discrimination ceases to exist, the Federal power for imposing a preclearance provision evaporates. Thus this amendment was necessary, in my view, from both a policy and a legal point of view. The result of the rejection of this amendment by the House will be that the Southern States will do nothing to improve their voting laws and the act will be subject to a constitutional challenge.

Three amendments which I offered were also designed to improve the act. The first amendment would have permitted a covered jurisdiction to file an action in a local U.S. district court to preclear its laws or to bail out. Currently such suits are only allowed in the U.S. District Court for the District of Columbia. While the House adopted an amendment to allow bailout suits to be filed in local Federal district courts under title III of H.R. 6219, my amendment to extend this to all titles of the act was defeated. It is a slap in the face to the covered jurisdictions and their Federal district judges to force a State to come hat in hand to Washington, D.C., to file a lawsuit. Only 10 such suits have been filed in the history of the act and the record indicates that considerable time and money is involved. Twice representatives from Alaska have had to fly one-fourth of the way around the world to successfully file suit in Washington, D.C. Now Alaska is being covered again, and since my amendment has been defeated, the taxpayers of that State will again bear unnecessary costs.

The second amendment I offered was designed to delete a section of the bill extending the remedies of the act to any suit brought by an "aggrieved person" in any State. Under the Voting Rights Act since 1965 such power has been vested in the Attorney General; to expand such a right to every individual opens the door for any court to permanently require a State to preclear its voting laws in Washington, D.C. Such an extraordinary remedy, warranting an infringement upon the right of a State to pass laws without Federal approval, is undesirable as a matter of policy and may well be unconstitutional. The record indicates no evidence to support the imposition of such a remedy based upon any past or present showing of voting discrimination. In the absence of such a record, contrary to the strong record in 1965, Congress is without power to allow any court to impose a Federal veto of State voting laws.

Lastly, I offered an amendment to make the extension of the act more efficient. Since the Southern States cannot bail out of the act, I proposed prohibiting the filing of such a suit for a fixed period of time as opposed to the current method of extending to 20 years the period of purity a State must meet before it can bail out. While the extension of the period of purity to 20 years will freeze in the States covered in 1965 until 1985, it is a trap for other States covered at a later time and can operate to cover some States until after the turn of the century. Such a provision is oppressive and inefficient. Yet the policy of defeating all amendments once again prevailed in this case.

Mr. Speaker, I could not vote aye for a bill which I knew was deficient and possibly unconstitutional. It is my hope that the Senate will correct these deficiencies in order that I might support a simple extension of the act. I am gratified that time pressures forced acceptance of five amendments to the act including my amendment to prohibit voting more than once in a Federal election, but these last minute concessions were insufficient to remedy the major defects in the act adverted to above.

NEW YORK CITY MUNICIPAL WAGES ARE NOT THE NATION'S HIGHEST

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BINGHAM. Mr. Speaker, rumors abound that New York City's financial problems are due to some enormous ripoff being perpetrated on taxpayers by municipal unions and employees; that New York City employes get paid far more than their counterparts in other cities; and that a crackdown on employees and their unions would solve the city's financial problems. Such talk is loose talk, false talk, in fact, as the statistics compiled by the New York Times in the following article from today's paper reveal:

CITY NOT LEADER IN MUNICIPAL PAY—POLICE, FIREMEN, TEACHERS, AMONG THOSE PAID MORE IN DETROIT AND CHICAGO

(By Peter Kihss)

Are New York City municipal employes the highest paid in the country? Amid the budget crisis here, a survey of the six largest cities indicated yesterday that Chicago and Detroit currently have higher maximum salaries for policemen, firemen, teachers and clerks, and Houston has higher salaries for clerks.

Sanitationmen here have the current highest maximum for the cities with one million or more residents, but in San Francisco, the 13th most populous city, sanitation laborers will get a basic $15,311 a year starting July 1, compared with New York's $14,840.

Bus drivers in Chicago receive a maximum of $7.13 an hour, compared with the top rate of $6.73¼ here, with actual wages often affected by overtime.

But there are problems in straight-pay comparisons. For instance, the United Federation of Teachers said that New York teachers reached their maximum in seven and a half years, earlier than in any of the others. Both Chicago and Detroit have newer contracts than the three-year-old teacher contract here, where negotiations are going on for new scales to take effect July 1.

There is also the question of what it actually costs to keep an employe on the public payroll, with attractive fringe benefits, pensions and early retirement here.

Thus, the Economic Development Council of New York City calculated in November, 1973, that these extra costs added 49.4 per cent to the city outlay for patrolmen, 48 per cent for firemen and 44 per cent for sanitationmen, each of five years' service; 36.4 per cent for teachers, as of eight years' service and bachelor degree equivalents, and 31.5 per cent for senior clerks, based on their average salary.

As for the Transit Authority, later calculations by the council indicated that fringe benefits and pension costs at the start of last year added expenses of 36.5 per cent above the average basic salary for all employes paid on hourly rates.

Victor Gotbaum, chairman of the Municipal Labor Committee, said that for all municipal employes' salaries, Los Angeles, Detroit and San Francisco averaged higher monthly pay than New York City.

KEYED TO LIVING COSTS

But when salaries are adjusted for cost of living based on the Bureau of Labor Statistics intermediate living standard, Mr. Gotbaum said, New York's average falls to 10th place.

That comparison was developed for the committee by its consultant, Program Planners, Inc., with Jack Bigel as President. It was derived from census data as of October, 1973, and included teachers in New York, Boston and Washington but not in other cities where teachers are not municipally paid, and was as follows:

City	Average 1973 monthly salary	Equivalent New York living cost
Los Angeles	$1,180.92	$1,362.86
Detroit	1,144.87	1,291.30
San Francisco	1,094.94	1,182.57
New York	1,062.07	1,062.07
Washington	1,041.31	1,153.55
Seattle	1,022.48	1,166.28
Milwaukee	1,021.47	1,117.22
Boston	1,011.38	981.16
Chicago	1,010.33	1,104.79
Philadelphia	996.44	1,105.56
Cleveland	958.48	1,081.44
Pittsburgh	827.22	971.90
Dallas	777.86	985.26

Correspondents for The New York Times reporting current starting and maximum salaries for the six largest cities said Chicago policemen and firemen reached a basic top wage of $18,000 a year and Detroit $17,292, compared with the $16,470 negotiated here.

But actual cost comparisons are complicated by many other contract differences, including such elements as night differentials here, which some analysts said were rare elsewhere.

Teachers who have only bachelor degree equivalents range up to $18,400 a year currently in Chicago and $16,682 in Detroit.

Bus drivers are generally paid on an hourly rate, with a 40-hour week and 52 weeks a year working out to $14,057 a year here, compared with Chicago's $14,830. Clerk duties differ widely, but the titles range up to a maximum of $11,652 in Detroit, $10,380 in Chicago and $10,114 in Houston.

The city's Office of Labor Relations said the $8,875 maximum here is a ceiling, which relatively few employes with the clerk title attain.

The United Federation of Teachers said that very few teachers here have only bachelor degrees, and that they were on a master-degree track after the first two or three years. A union spokesman said, based on dues deductions, that teachers here currently average $18,150 a year.

Mr. Gotbaum said a Bureau of Labor Statistics comparison of straight pay has found New York City's municipal clerks earning 4 per cent more last year than clerks in private industry. Custodians and janitors earned about the same as in private industry, he said; computer programers less than those in private industry, and other employes with comparable jobs varied 2 to 4 per cent above or private industry.

ANNUAL BASIC MUNICIPAL WAGES IN 6 LARGEST CITIES

City	Policemen	Firemen	Sanitationmen	Clerks	Teachers	Bus drivers
New York	$12,900–$16,470	$12,900–$16,470	$11,367–$14,840	$6,325–$8,875	$9,700–$16,650	$12,685–$14,057
Chicago	12,024–18,000	12,024–18,000	13,104	6,720–10,380	10,400–18,400	12,750–14,830
Los Angeles	13,656–16,104	13,656–16,104	9,312–11,592	6,720–8,352	9,670–18,000	7,883–13,000
Philadelphia	12,441–13,022	12,441–13,022	8,439–9,143	7,666–8,262	8,900–16,466	11,190–12,230
Detroit	12,924–17,292	12,294–17,292	10,498–11,794	11,279–11,652	9,371–16,682	13,021–13,229
Houston	11,132–13,584	11,132–13,584	8,213–9,625	5,564–10,114	7,900–11,720	8,944–10,504

THE FUTURE OF SMALL RURAL COLLEGES

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. WALSH. Mr. Speaker, Keuka College in the Finger Lakes region of upstate New York is one of the finest small, rural colleges in this country. So, I think it was most fitting that this year's commencement address at the school dealt with the plight of those small, rural colleges all over the United States.

The speech was delivered by a former member of the New York State Assembly, Ms. Constance Cook. During her productive tenure in the State legislature, Connie Cook was one of the leaders in the improvement of education in New York.

She is eminently qualified to speak on this topic and I feel she has eloquently outlined the problems that these schools face.

I would like to share her thoughts with my colleagues:

THE FUTURE OF SMALL RURAL COLLEGES; PARTICULARLY SMALL RURAL WOMEN'S COLLEGES

Greetings: Colleges and universities everywhere are facing financial difficulties. It is due, of course, to inflation. Their income is relatively fixed and in spite of stringent economies, rising costs have forced many of them to the wall. In the next decade, this will be compounded by the decline in population growth which will begin to hit colleges next year. The last class of the post World War II "baby boom" graduates from high school this June. To complicate matters, apparently a smaller percentage of those graduates are going on to college.

Incidentally, from here on when I use the word "college", I mean to include universities and other post-secondary educational institutions.

As enrollments decline, private colleges have to deplete their endowments and increase tuition. In a state like New York, with a fine public system, this can be a suicidal step because more youngsters are forced to choose the public system for financial reasons. Public colleges also feel the pinch of inflation and have to fall back on political pressure in order to compete with other governmental agencies for tax dollars.

We are left with an unhappy vision of inadequately funded public colleges slowly taking over all of higher education and then that system becoming completely politicized. We had an example of that trend recently when funds were provided in the state budget for a new unit of State University at Stoneybrook. In spite of the vitual "freeze" elsewhere on new construction it is widely believed that this action was taken because certain powerful political activists wanted it there.

I don't think that this should happen or needs to happen. I do believe that more federal and state dollars will have to be put into higher education, and I will say more about what I think should be done later on.

But first, I would like to dwell a moment on the diverse nature of higher education in America. Our institutions are public and private, large and small, academic and technical, urban, suburban and rural. Most combine teaching with research and public service. Our system (if you can call it that) is not a planned, carefully balanced set of institutions like some countries have. It "jes growed—like Topsy". But it has been, for the most part, and at least until now, fairly responsive to America's needs. It's great diversity may look hodgepodge to more ordered totalitarian states. but it has allowed for innovation, easy access, responsiveness and as large a measure of academic freedom as exists anywhere in the world.

Our state and federal governments have recognized the importance of preserving this diversity and most of the support moneys have flowed in a meandering fashion to the various types of public and private colleges. In this state the public generously supports SUNY U, CUNY and the community colleges. N.Y. taxpayers also lead the nation in aiding private colleges and their students— through Bundy money, Tuition Assistance, Regents scholarships and contracts for their education in certain fields. Federal Research money has been important on many campuses and a fully funded Basic Opportunity Grants Program will assist in providing greater freedom of choice to students. Then, of course, the dormitory authority and federal construction agencies have played a vital part in enabling colleges to meet the needs for

higher education in this country. In other words, the nation has recognized the need to support higher education in all its parts.

It is my thesis that small rural colleges are essential elements in the total higher education structure and that it is proper and necessary for government to preserve diversity by giving these colleges special assistance.

Among the important functions they perform is the delivery of low cost, good quality education to youth who want and need a residential, academic atmosphere away from home. They offer inspiration and opportunity to rural youths. They provide an introduction to rural life, its beauties and its hardships, to city youngsters who may in later life be among the leaders, making decisions affecting those very rural areas. They give academics an opportunity to work and teach free from the daily, ever-increasing pressures and frustrations of urban life. Who knows? If city life continues to become more difficult, we may enter a new dark age and the rural colleges may play the role of keeper of our cultural as the monasteries did in the Middle Ages.

At any rate, we do know that, right now, our rural areas are undergoing great changes and they need the stabilizing, ameliorating influence of their higher educational institutions. The decline of agriculture in most areas (thankfully, not here to a great degree) has vacated many farms or turned their owners into commuters. Recently there has been evidence of a mass migration of retired persons out of cities into rural areas. Then the saddest change of all—in my opinion—has been the displacement of poor city families by urban renewal programs—programs supposedly designed to help them but, in actuality, forcing them into the hinterlands. Many live in primitive circumstances with no transportation, or contact with the rest of us except through their television set. They exist without the medical, legal and other help they need. Almost an impersonal welfare check keeps them from starvation. They get no share of the blessings of our highly developed civilization. The closing of neighboring colleges and the communities they support would increase their isolation and make it even more difficult to incorporate these groups into the fabric of our society.

And, of course, it isn't just the poor who are to be considered. In many areas throughout this state—particularly the Southern Tier, the Adirondacks, the Catskills and the Finger Lakes, the small colleges are the center of cultural activities. Their plays, their concerts, their publications, their public lectures benefit the whole countryside. They bring enjoyment and enlightenment to large numbers of people in the area.

Finally, one hates to be mundane on occasions like this, but we must admit that college payrolls and student spending are usually essential to the local economy.

In my opinion, these are all good reasons to support the continuation of rural colleges along with the educational reasons already mentioned. Before that is likely to happen. I believe that higher education everywhere has to demonstrate to the public (again, the taxpaying voters) that it is doing everything it can to economize and to adjust to new student populations and to the new aspirations and life styles of its old populations.

Great progress in this regard has been made by most institutions. The "stop-out" is replacing the "drop-out." Flexible scheduling is making life easier for students who have to earn their way. Transfers have become respectable. Independent study and the year abroad are now almost universally accepted. Parietal rules have been dropped or the control has been given over to those who have to live by them. Tentative steps are being made among neighboring colleges toward cooperation in sharing libraries, facilities and even faculties.

Efforts to bring higher education to new groups have also been innovative and impressive.

External degree programs now permit older persons to get credit for what they know instead of making them start all over like eighteen-year old freshmen. Part-time study, including some part-time professional education is available for working men and women who want to improve their knowledge and skills or change their careers. There is continuing education designed for the housewife who is still confined by family duties. There are programs especially designed for housewives returning to work, for workers whose jobs have become obsolete; for convicts and ex-convicts; for retired people; for professionals who need to keep abreast of their fields. Above all, programs are being devised for that large group, that is most in need and most deserving of smart, active, lovable, disadvantaged young people (black, white, brown and all other shades) whose failure in school was due not to a lack of capacity but to a lack of good schooling, good home, good fortune, or whatever it is that makes so many capable youngsters drop out of the educational system at a tender age, usually at the junior high school level.

Many colleges are moving to accommodate these various groups, and they are managing to keep up their enrollment in this way. For most colleges with established plants and a well-developed faculty, keeping up enrollment helps to spread the deficit and is essential to their survival.

But what about the colleges located in a remote area? Almost without exception, the innovative programs I have just mentioned which colleges have used to hold enrollments, depend by their very nature on having a large population to draw from. Even with the utmost effort and extraordinary ingenuity, very few rural colleges in this nation can increase enrollments from these "new populations". Besides, strong rural colleges have tended to develop excellence in a few fields, often specialized careers or traditional, liberal arts curricula. Their size makes highly diverse offerings economically impossible. Their location makes it impracticable to economize through the use of part-time or adjunct staff arrangements.

In my opinion, these facts should be recognized and fully understood by the decision makers, but they should not be weighed against the rural colleges. These facts should be used to justify special assistance to rural colleges, not be reasons to abandon them.

Rural colleges should be assisted in fulfilling their historic role, i.e., the education of the young student away from home. If we are to maintain diversity and choice in higher education, then these colleges must be preserved.

Government (again, taxpayers) should not, of course, be burdened with supporting inferior institutions. There are a few institutions which are failing to provide quality education and they should not be continued. As far as I can see, however, there seem to be more of such institutions in urban or suburban areas and their continuation can hardly be justified. With a little revision, our present laws contain appropriate procedures for the Regents to withdraw public support and accreditation from institutions that are not fulfilling their educational functions.

How should we go about preserving the good rural institutions? There are many ways. They all require recognition of the national need. The perfect analogy is the history of rural school districts in the "twenties". At that time, districts were almost totally supported by taxes on local real property. Rural schools were poverty stricken in comparison to those in cities. In this state it was recognized that the rural child would be an innocent victim of ignorance unless special help was granted. Much to his credit, city-based Governor Alfred E. Smith saw the injustice and social dangers in this situation and promoted a formula that resulted in giving many rural districts 85–90% of their costs whereas many cities, including New York, received only about 23%. (In recent years increased to 42–43%.) There are many ways special assistance could be granted to rural colleges. For instance, federal and state student aid grants could be more generous for the student who attends a rural residential college. The Bundy formula could give rural colleges a special weighting. There should be a scholarship program to pay the full costs of poor, qualified minority students. Most colleges are striving to the utmost to meet their social responsibilities towards these students, but they simply don't have the funds. Their problem has a broad base and the solution should be broad based too.

There are other ways of providing special assistance to rural colleges. With a little adjustment on both sides, the colleges could be used more for career education programs which the federal government is beginning to fund. Many colleges, like Keuka, have long been training their students for a career and some of the federal funding should help to pay the cost.

An excellent device to assist private colleges with their problem of high costs is the use of contract arrangements. Several years ago, in few of the doctor shortage, the state decided to increase the number of medical students in the state. Instead of building several new medical schools in the state university, the state contracted with existing private medical schools for the admission of additional students. Compensation was very generous but results were achieved at a substantially lower cost to the state than the new schools would have been. This contract device could be used for the education of liberal arts students at rural colleges and avoid unnecessary duplication of public and private facilities.

In short, I believe, that—if there's a will, there are many ways . . . to preserve our rural colleges.

Now you must be wondering why I would pick a topic like this to speak to you about on a day, when traditionally, I should be inspiring you to use your hardwon diploma for proper ends. Well, I'll get to that . . .

Or you've probably thought that I was going to make a fiery, feminist speech. I'm getting to that now.

There's no doubt that some of my interest in rural colleges stems from the fact that most secular women's colleges are rural. Right at this time I believe that we need especially to preserve them . . . in spite of their delicate financial condition . . . because of the recently demonstrated fact that young women are expressing a preference for them. This development came as a surprise . . . to me at any rate . . . I had been totally absorbed in eliminating the quota system against women in our large universities and professional schools.

Perhaps this revived interest in women's colleges is due to Horner's studies which showed that the graduates of women's colleges tended to do better in later life than her sisters from co-ed institutions.

Perhaps it's because there are role models among the faculties in women's colleges who successfully combine career and family. In my experience this problem still remains as the greatest concern of young and older women students and academics. And rightly so. It is a major obstacle. Other academic

institutions have been painfully slow in admitting women to faculty status. Most are dreadfully short of good academic counselling for women. I think women very wisely take this factor into consideration when making their college choice.

Finally, perhaps the revival of women's colleges is due to their ability to "advance the frontiers of knowledge" about women. At long last, women's studies have achieved respectability. Most women's colleges have a better grounding in them than other institutions because of their early awareness of the problems. Much important work relating to women remains to be done in history, political science, sociology, law, medicine, even religion. There's hardly an area of study outside of the basic sciences that will be left untouched by the women's movement.

From the student's point of view, it's exciting and fun to be at the center of one of the most significant reform movements of our century (if not a much longer period of time). From the nation's point of view, it is not the time to let our women's colleges fall by the wayside. As I indicated earlier I believe that saving rural colleges will also save most of the important women's colleges.

In all candor, I must point out that I suspect that this revival of interest in women's colleges is temporary and likely to dwindle as true equality between the sexes is achieved. Long range planning will always be needed.

It is obvious that good things like the preservation of rural colleges don't just happen. This is why I wanted to talk to you about it today. Governmental action will be necessary and, in our democratic system, that means you and me. Our country has drifted into "government by crisis". I'm inclined to think that a low profile crisis like the disappearance of rural colleges will result in action that is too little and too late. It behooves those of us who care about these colleges to act as lighthouses wherever we may be; to help others understand the problem and to guide our representatives in a sound course. And . . . there's always the hope that some of you will assume the mantle of leadership and in time develop a program that will work for the good of your Alma Mater and your nation and indirectly, of course, yourselves.

Thank you for giving me the opportunity to speak to you on this important day. As you go forth I wish you well and hope that you will always remember the Finger Lakes and the people who live here . . . with great fondness. We shall miss you. Come see us often.

ASPECTS OF NATIONAL ENERGY POLICY DEBATE

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BEDELL. Mr. Speaker, one of the most distressing aspects of national energy policy debate is the wide acceptance of the assumption that we can do nothing about the international price of oil except leave it in the hands of the OPEC cartel. I believe that accepting this notion is a dangerous mistake, and I suggest the idea of establishing the Government as the sole purchasing agent for imported oil as an alternative to it.

While the present international economic crisis is complex, its principal cause has been the revolutionary rise in crude oil prices. In the last 18 months, the OPEC cartel has increased the price of oil fivefold, and it has just announced that it plans another increase for September. Our escalating oil payments during this period have placed a heavy burden on our domestic economy by draining off critical purchasing power and exacerbating recessionary pressures. Rather than stoically accepting these artificially high oil prices and attempting to adjust to them, we should be implementing a policy designed to force down the high price of foreign oil. Higher and higher prices may help reduce oil consumption, but at a terrible cost in prolonging the recession and disrupting industrial production.

The primary short-term objective of our national energy policy at this point in time should be to reduce our expenditures for oil imports without further damaging an economy now in the midst of a recession. This objective is not inconsistent with the longer range goals of increasing incentives for domestic exploration, of expanding research and development on alternative sources of energy, and of reducing domestic energy consumption.

The key to forcing down the artificially high price of foreign oil lies in disrupting the unity of the OPEC cartel. The mechanism for achieving this end is the Federal purchasing agent plan.

This proposal seeks to introduce the potentially divisive element of competitive bidding into our purchase arrangements with foreign oil suppliers in an attempt to weaken the unity of the cartel and force down the price of foreign oil. It rejects the notion that the United States must take a passive stance vis-a-vis OPEC, and suggests positive action for restoring a greater degree of competition to the international oil market.

OPEC is potentially vulnerable to actions by the United States for several reasons. First, it has a large enough membership to cause serious coordination problems. But, more importantly, its members have widely differing interests, both political and economic. It is tempting to picture OPEC as a political organization dedicated to the promotion of third world ideological goals and united against the forces of capitalism. But, in reality, there is little common bond between the OPEC members other than the more mundane interest in maximizing national profits.

The cartel is a loose coalition of 13 disparate nations scattered halfway around the globe. Some are extremely wealthy and have small populations. Others are horribly poor and quite populous. The largest producer, Saudi Arabia, cannot sensibly spend all its money and has often argued for lower prices, while the second largest producer, Iran, has a virtually insatiable appetite for more revenues. Meanwhile, some of the poorer nations, like Indonesia and Nigeria, want to squeeze all the money they can out of their relatively small crude reserves as fast as they can in order to maximize profits and finance development. It is difficult to imagine such diverse political entities reaching agreement on fundamental economic questions.

OPEC is quite like any other cartel in that it must restrict the output of its members in order to keep prices high. It is also like any other cartel in its dependence on the elasticity of demand to price changes.

In order to increase prices fivefold in the last year and a half, OPEC has had to dramatically restrict output. And, this sharp escalation of petroleum prices has not been without its impact on OPEC production levels. By aggravating economic recession in every industrial state, it has served to decrease consumer demand, thus exerting countervailing pressure to restrict production still further. As a result of these factors, current OPEC output is estimated at 26 million barrels a day, or nearly 40 percent below capacity.

Excess capacity presents some very serious problems for the OPEC cartel. A prime element in the success of any cartel is cohesiveness of participating parties, particularly in their ability to limit supply. In most successful cartels, there is usually agreement on how production cutbacks are to be divided. However, it is often easier to agree on the higher prices each member will receive than on the amount of production everyone will sacrifice. Such is the case with OPEC.

OPEC has historically been unable to reach agreement on apportioning production cutbacks. As a result, it has allowed the international oil companies to perform this essential function. The appearance of OPEC solidarity has, in turn, been greatly enhanced by the maneuverings of the multinationals. The system of interlocking joint ventures between these companies within the various OPEC nations allows them to play a major role in providing a degree of coordination in controlling price and output which the OPEC countries could not provide on their own.

The Federal purchasing agent proposal recognizes that excess capacity has placed the OPEC nations in a highly vulnerable position and that the time is right for exerting some kind of competitive pressure on the oil producing nations to drive down the artificially high price of foreign oil. It also recognizes that the international oil companies, which currently import the great majority of our foreign crude oil and which have an interest in maintaining high prices, are a major obstacle to lower world oil prices. Under this formula, the Federal Government would solicit sealed bids from all foreign oil suppliers who are interested in competing for access to the U.S. market—that is, the OPEC countries' national oil companies, the multinationals, independents, brokers, and anyone else who has oil to sell. The sealed bids should encourage the oil producers to cut their prices in order to increase their share of the U.S. market, thereby breaking the OPEC cartel and forcing down the price of foreign oil.

The evidence of vulnerability of the cartel is substantial, and the opportunity to break its unity is present. The task is thus to implement a program that would prevent the international oil companies from performing the apportioning function in the cartel and that would reduce the confidence each member of the cartel has in the other members' adhering to price agreements. The Federal purchasing plan would achieve both these goals.

I believe that the authority for Federal purchase and sale of oil imports should be included in the Energy Conservation and Conversion Act of 1975. The immediate short-term objective of our national energy policy must be to reduce our expenditures for foreign oil without damaging an economy currently in the throes of a recession. Implementation of the Federal purchasing agent plan, by driving down the price of foreign oil and by passing on the benefit of this price reduction to the consumer, will do just that. And, combined with the judicious use of import quotas, it will complement our efforts to reduce our dependence on oil imports.

Adoption of the Federal purchasing agent plan does not preclude intensified efforts to encourage greater domestic exploration and research and development on alternative sources of energy. Nor does it prevent action to promote the reduction of domestic energy consumption. It simply seeks to provide some immediate relief and some added flexibility to an economy which is in a very delicate and precarious state of transition. I urge you to vote to include mandatory authority for the establishment of a Federal purchasing agent in the Energy Conservation and Conversion Act of 1975.

SWEDEN'S ENIGMATIC ECONOMY

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. SHUSTER. Mr. Speaker, because we, in this Chamber, have been engrossed in discussions relating to our economy during most of this session of the Congress, I am presenting for your consideration and that of my colleagues this article from the Wall Street Journal regarding Sweden's economic conditions:

[From the Wall Street Journal, June 5, 1975]

SWEDEN: THE CLOSET CAPITALISTS

(By Robert L. Bartley)

Well, what about Sweden?

A fair question, considering that editorials in this newspaper have recently argued that Great Britain suffers from a "welfare-state-manic-Keynesian syndrome," and that the U.S. is following down the same path. Yet Sweden is a notorious welfare state, and also one of the healthiest economies around. How do they do it?

Simple. While they are indeed a welfare state, they are anything but manic Keynesians. Anyone interested ought to read what Assar Lindbeck, a noted University of Stockholm economist, has to say in his excellent recent book, "Swedish Economic Policy" (University of California Press, 1974, $12). From this and similar materials, one thing becomes clear: While the Swedes spend their wealth to buy a welfare state, they produce it through a system that could teach Great Britain, and even the U.S., a few lessons in capitalism.

Sweden is, or at least was through the 1960s, a high-savings, high-investment economy. It draws very high taxes from individuals, but it leaves its industrial concerns relatively alone and motivates them highly. Most astoundingly of all, it uses its Social Security system to generate public savings, invested in financial instruments that supply funds for capital investment. In this process, not so incidentally, it runs what amounts to a government budget surplus. Any sophomore economics course will teach you that this saps aggregate demand and runs an economy into the ground.

Not having had the benefit of sophomore economics in the U.S., the Swedes tend to think of savings and investment as good, not bad. Indeed, one of the best short treatments of the investment problem around is by Curt Nicolin, president of ASEA, Sweden's General Electric. He argues that the volume of investment seems to be the "dominant" factor in the growth of productivity.

Mr. Nicolin's chart neatly captures what U.S. Treasury Secretary William Simon has been telling various congressional committees and other audiences about the long-term problems of the U.S. economy. Productivity depends on capital investment, or in other words, output per man hour depends on buying better tools to allow a laborer to produce more in an hour. The U.S. and Great Britain have been laggards in investment, thus in productivity, and thus in economic growth. And only out of economic growth can a nation buy various goodies, including, if that be its taste, a welfare state.

But how has Sweden, a welfare state, encouraged such investment, and the savings that necessarily underlie it? For one thing, as Mr. Lindbeck makes clear, it provides business with a relatively stable economic climate. Professor Lindbeck notes, "In practice, nationalizations of private firms have been almost absent from Swedish postwar policy." They maintained wage and price controls for a relatively long time after World War II, and then decided they don't work. Recently, they have again experimented with wage-price freezes, but not detailed control.

Perhaps along the same lines, the Swedes manage to see the business corporation as a social instrument, not as a super-wealthy individual. Thus they are generous with incentives. Price Waterhouse and Co., for example, has compiled the capital recovery provisions of various nations. Say that a business spends $100 for a machine tool. Over the next seven years, the U.S. business would be allowed deductions from taxable income totalling $94.50 under the 1975 law (up from $66.10 under the 1969 law). After the same seven years, the same business in the U.K. would be allowed to deduct $100, but the same business in Sweden could deduct $130.

B. Kenneth Sanden, Price-Waterhouse's partner in charge of tax policy, says how the Swedes treat inventories is even more important. Companies are allowed great discretion in writing down the value of inventories, and thus taxable profit. Then there are investment reserves. Companies can set aside tax-free monies with the Central Bank, which are then released for investment purposes during recession, providing tax-free investment funds.

Also Sweden has moved, though not so vigorously as most European countries, to eliminate the "double taxation" of corporate dividends that occurs when the company pays on the profits and the shareholder pays on the dividend. On new stock issues, companies may deduct dividend payments in 10 of the first 15 years. In all, Price Waterhouse reports, Sweden collected 3.9% of its tax revenue from company income taxes in 1972. Comparable figures are 7.1% in Great Britain and 11.2% in the United States.

One would not want to overstate the case. Sweden does have a system of credit rationing, which, while not exactly the same thing as credit allocation, would not warm Secretary Simon's heart. It does have price controls and subsidies in agriculture and housing, the latter creating shortages that perhaps reduce the mobility of labor. And of course, a welfare state has to be paid for somehow. Some 51% of the Swedish GNP goes in taxes, compared to 57% in Great Britain (probably 60% under the new budget) and about 32% in the U.S.

While there are other taxes, including the value added tax, the Swedes pay principally through the personal income tax. The top bracket is reached at taxable income of about $34,000, at which point the wage-earner would pay about 60% of his total income and 81% of each additional dollar of income. There is also, as in many European countries, a yearly "wealth tax" on total assets.

Returns to capital, however, are not taxed at a penalty rate, as they are in Great Britain's tax of up to 92% on "unearned income" like interest and dividends. Sweden's capital gains tax is reduced in accordance with the length of time the asset has been held, and gains on some types of investment instruments escape taxation entirely if held for more than five years. In addition, the tax base of residential properties is indexed to preclude paying capital gains tax on merely inflationary gains. In short, while taxes are high, the burden on capital relative to the burden on income is not unfavorable.

THE SOCIAL SECURITY SYSTEM

Now comes Sweden's version of social security, the "AP" (or "ATP" system). When generous retirement benefits were instituted in 1960, the system's designers worried that such guarantees would reduce incentives for private saving, and thus retard investment and growth. So instead of paying retirees out of current AP contributions, they set the contributions to considerably *exceed* current benefits, creating a pension fund as any private company would. The AP fund now amounts to about 50% of a year's GNP, compared to 3.5% for the U.S. Social Security trust fund. The AP fund supplies about 40% of the funds in Sweden's organized credit markets.

In short, Sweden is using its tax system to create forced savings. Since private savings have in fact declined since the start of the AP system, it appears this step was necessary to maintain capital investment and growth. The same evidence would suggest that providing old-age pensions or some other capital-creating steps, without funding as in the United States and Great Britain, would be likely to reduce savings, investment and growth.

None of this means that the Swedish economy is without problems, as Professor Lindbeck makes abundantly clear. One problem arises from the AP fund itself. It is a semi-public agency, and so far has invested as a fiduciary, not a social reformer. But how long will any group of politicians keep its hands off such potential power?

Professor Lindbeck notes, "The AP-funds could, in fact, technically be used to create something very close to a monopoly on the capital market, for bonds as well as shares—which would be a substantial movement in the direction of state capitalism." In fact, fear of just such a development induced West Germany to abandon its previous funded Social Security system, substituting aggressive tax and bonus incentives to encourage savings by lower-paid workers.

There is also the problem of incentives. Professor Lindbeck says, "Up to the mid-sixties, with taxes amounting to more than

40% of GNP it was still difficult to argue that incentives had been destroyed to any noticeable extent. It is possible that some severe incentive problems have emerged later on." With taxes now over 50%, he cites a drop in investment, difficulties in filling some positions, a higher level of absenteeism, and a lower growth rate in the 1970s. He notes, "There are already signs that the political parties will compete to reduce the marginal effects of the tax system—after having in fact earlier competed in increasing the marginal effects."

BUDGETARY ACCOUNTING

A final effect of the AP-system cannot go unnoticed. Professor Lindbeck notes that the government budget is usually in deficit, as seems to be demanded by modern thinking. However, loans for housing are included as expenditures, and AP contributions are not included as receipts. Replacing the housing loans with government-guaranteed private loans and including in the pension contributions—or in other words putting the accounts as they are done in the U.S.—would mean that "the budget would be considerably overbalanced permanently, without any change in the impact on the economy."

Now, somewhere in this broad land, and maybe even somewhere in the U.K., you can find a non-manic Keynesian who will tell you this: Well, a government surplus is not *ipso facto* destimulative, and in fact a government deficit is not *ipso facto* stimulative. It depends, he will argue, on the movement away from previous equilibrium. At this point, the argument gets much harder to follow than the one in those sophomore economics courses.

If you're lucky, maybe you can get a non-manic Keynesian to concede that investment, and implicitly savings, are important not only as one element in today's aggregate demand, but as a determinant of tomorrow's aggregate supply. If that's what they taught in sophomore economics, there would be fewer manic Keynesians, and during the 1960s productivity growth in the U.S. and the U.K. would probably have looked a lot more like it did in Sweden.

THE HIDDEN COSTS OF UNEMPLOYMENT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. HARRINGTON. Mr. Speaker, empty forecasts of economic recovery notwithstanding, the Department of Labor Statistics last Friday reported that the national unemployment rate jumped to a record high level of 9.2 percent in May of this year.

The latest national unemployment figure, however, does not tell the true story. Women, blacks, youth, and select industries and regions suffer unemployment levels that in some cases exceed 50 percent.

The immense human tragedy and attendant frustrations suffered by these segments of society which are constantly forced to bear the brunt of negative social and economic policies is vividly illustrated in an article by James P. Comer which appeared in the June 9 issue of the New York Times. I recommend it to the attention of my colleagues.

The text follows:

THE HIDDEN COSTS OF UNEMPLOYMENT

(By James P. Comer)

NEW HAVEN.—The most recent report shows that 15 per cent of the black work force is unemployed. Many are heads of households with young children. In fact, the highest rate of unemployment, up to 50 per cent, is among black teen-agers and young adults.

These people have the youngest children who are in the most crucial stages of development. Unemployed people are more likely to have social and psychological problems and are often unable to rear their children in a way which promotes healthy development. Thus we will lose too many of two more generations of black people to drugs, crime, undereducation and underachievement.

Most are the victims of a monetary policy designed to cool off inflation by deliberately creating an economic recession with resultant unemployment. In every recession, regardless of the cause, blacks have paid first, most and the longest and many have never recovered.

Unemployment, marginal and/or periodic, is a way of life for many. Family problems are more often severe and persistent in such cases. Many people who father children, and nowadays, mother children, do not stay around to face the embarrassing situation of not being able to care for them. This further decreases the possibility of healthy child development.

A remarkable number of black people have always found, and even now will find, a way to family stability and will rear healthy children without a job or without a steady "living wage" job. But it is difficult and too many people and communities will be badly hurt by the situation.

What is the effect of unemployment on parent and child relationships? Our most accepted principles of child development tell us that preparation for adulthood does not begin with the 18-year-old, the 10-year-old, not even entirely with the infant. It begins with the parents, their hopes, plans, sense of belonging in the community and society, their sense of personal adequacy and specific child-rearing skills.

Nothing speaks louder to their sense of belonging and adequacy, nothing shapes their hopes and dreams and plans, and nothing enables them to exercise their child-rearing skills more than their ability to find and hold a job and meet the major responsibility that society charges them with—that of taking care of their families.

Jobless people are under great stress. Society condemns them for not being able to care for themselves and accepting "handouts." Parents are unable to feel good about themselves. They often take their bad feelings out on each other—parent on parent, parent on child, and children on parents. Homes of unemployed, frequently unemployed and marginally employed people are more often chaotic and filled with high conflict than those of people who are regularly and well employed. Family break-up and movement from place to place in search of a better situation or "just in front of the rent man" is more likely.

Communities of yesterday's unemployed and marginally employed are the places where many of the children of today's unemployed parents will grow up and prepare for adulthood. These communities, schools, decaying buildings and street gangs, are often seething with hopelessness and despair, anger and alienation, apathy and disruptive behavior.

What is learned is not likely to lead to success and good citizenship but to the problems which are paralyzing and destroying our urban areas today. Worst of all, blacks will be blamed for this predicament and not the policymakers who made it all possible.

It has always amazed me that we ask why young people who grew up in such homes and communities often can't go out and have a successful college career, learn a trade, hold a job, care for a family, find joy and happiness in leisure time and be all-around good citizens.

Yet we know very well that preparation to do these things begins with the stability and security of their parents in the home—a security made possible by a job and a living wage.

But what is the value of good child development and work skills if there is no work? The motivation for good cannot be sustained, at least not in this society in which work so directly determines one's self-worth and is the basis of personal organization. Without job opportunities hundreds of educational programs preparing one for work have little meaning. The uncertainty and sense of apathy we see in so many training and educational programs, even at the graduate and professional school level, are in part an outcome of the bleak employment picture.

To all of the economists and decision makers who pore over nameless figures and condemn millions of Americans to welfare roles, I say: What about the human cost of unemployment? What about the cost of incarcerating thousands of children and adults who could have been successful citizens had they been able to grow up in more secure families and communities? What is the cost of the loss of their productivity? What about the cost of hospitalizing thousands of people for psychological illnesses resulting from economic and social insecurities.

What about the mental anguish of thousands of parents and adults who watch their children and loved ones fall victims of criminality, prostitution from economic and social insecurities? What about the price we all pay in fear on the streets and in our homes? What will be the eventual cost of waning trust and confidence of unemployed people in our nation? What will be the eventual cost of continued and worsening relationships between the races, between the haves and the have nots as a result of unemployment problems?

A 9-year-old black youngster from a poverty-stricken home was asked to say the Pledge of Allegiance at the start of school on Monday morning. He refused and ran out of the class, hotly pursued by his teacher, determined to make him respect his country.

He ran into the arms of a school aide and said, "That old teacher is trying to make me say the Pledge, and I haven't had anything to eat all weekend!"

At some level, he understood that "somebody up there" was responsible for his plight. In time he is likely to feel that it is because he is poor and black and the people responsible are white and not so poor. His response, and the response of many others like him, can perpetuate the deep divisions in our nation and the almost intolerable tensions in our urban areas.

I believe, as do many economists, that there are other ways to slow inflation; that run-away inflation is more a product of taxless wars and inappropriate priorities than full employment. Whatever the solution, it is not just that blacks continue to bear the greatest burden of unemployment and pay the highest social and psychological price.

RURAL TELEPHONE SYSTEM

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. PRESSLER. Mr. Speaker, we are very much concerned these days with the entire subject of rural development, and rightly so. I believe much needs to

be done to improve the quality of life in our rural areas. Speaking as a Member from a strongly rural district, I acknowledge that we are greatly outnumbered by our urban colleagues, but nevertheless, the needs of our areas are no less pressing.

Vital to any program of rural area development is availability of modern utility service. In that regard, the rural telephone program financed through loans from the Rural Electrification Administration has made an outstanding record in bringing service to rural America.

In my own State 16 rural telephone systems—including 14 cooperatives—financed through REA loans, provide service to about 100,000 people. About 90 percent of our farms and rural residences are now served, and this record would not have been possible without the rural telephone program made available by the Congress.

In my view, this is an outstanding example of a government program which works. Telephone service has been made available to rural areas which, especially those served by the cooperatives, would not otherwise have had it. The rural telephone program is not a grant or giveaway program. These small telephone systems run on sound business principles. Again, in my State, over $50 million has been loaned since 1950, and not only has the Treasury not lost a penny of this amount, but over $6 million in interest payments on these loans has already been received.

At the beginning of the rural telephone program, very low interest capital was necessary to make service feasible in many areas. Today this is not necessarily always the case. The borrowers in my State supported amendments to the REA Act in 1971 and 1973 which made additional funding available, but also established supplemental higher interest rate programs to meet the needs of those rural telephone systems financially able to pay more. Today many rural telephone systems borrow long-term capital under four different interrelated programs. In fact, many who are generally familiar with the rural telephone program are unaware of the fact that in the present fiscal year only 12.5 percent of the total loan authorizations are at the old 2-percent interest rate.

In some places that type of financing is still needed. In my State we have telephone cooperatives serving areas with fewer than one subscriber per mile of line. In every case, it is the ends of the program bringing modern efficient communications service to rural America which should be our primary concern. In the foreseeable future the rural telephone system will reach an historic goal of the program, universal one-party service.

I support the rural telephone systems in South Dakota and the work they are doing. I want to see their financing programs operated under terms and conditions which enable them to continue to progress.

Since I came to Congress last January, we have had to deal with crisis upon crisis. Members are well aware that when you hear from constituents, it usually means they, too, have a problem. It is in that light that I was so pleased to meet recently with a delegation of representatives of the South Dakota telephone cooperatives in my office and be told, as I was, how well this Government program is working and how they, given adequate support from the Congress, will reach the goals we have set for the program. That is definitely the type of Government program with which I want to be associated.

SUPPLEMENTAL SECURITY INCOME PROGRAM

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. SOLARZ. Mr. Speaker, today I had the opportunity to testify before the Subcommittee on Public Assistance of the House Ways and Means Committee in regard to the supplemental security income program.

The district that I represent in Brooklyn, N.Y., has more than 18 percent of its population over the age of 65 and I feel strongly that the SSI program is perhaps the most important governmental program for many of my constituents.

Mr. Speaker, I include the text of my testimony in the RECORD:

TESTIMONY BY THE HONORABLE STEPHEN J. SOLARZ

Mr. Chairman and members of the Committee, I want to thank you for this opportunity to testify on a subject which is very important to me and extremely critical to many of my constituents.

The Supplemental Security Income program was enacted to guarantee the aged, the blind and the disabled an income on which they could live with dignity and a modicum of comfort. I must sadly report to you today that in Brooklyn's 13th Congressional District the SSI program has failed to meet even these limited objectives. Since the SSI legislation went into effect in January of 1974, hundreds of the program's recipients have come to my office to complain about the deprivations they must suffer because of the inadequacy of their benefits.

The complaints of these people are absolutely valid. The SSI program simply does not provide many of my constituents with enough of an income to meet even their minimal needs. Any objective examination of their level of benefits and the cost of their necessities will bear out this assessment. In New York State an individual recipient receives $206.35 in benefits a month. Since it is almost impossible to find an apartment for less than $150.00 per month in New York City, many SSI recipients in my district, after paying their telephone and utility bills, are left with less than one dollar a day for food and nothing for clothes. Given these circumstances, is it any wonder that our police departments report an increase in shoplifting by the elderly and our senior citizen centers report the pilfering of such items as toilet paper and paper towels.

The major problem with the SSI program, which has caused many of our poor to abandon their pride and their principles, can only be solved with an increase in benefits. In the long run, I believe this increase should come within the framework of a negative income tax which will guarantee an adequate income for the poor while maintaining work incentives for those who are capable of being employed. Such legislation should not differentiate among the poor, as does our current system of income supports. There is nothing to be gained by segregating aid to the aged, the blind and the disabled. All that this segregation has accomplished is the creation of the current complex, uncoordinated and inefficient system in which the poor are thrown from one program to the other by different governmental bureaucracies in the hope that another division of government will be forced to pay the bills. In New York City we have already witnessed the spectacle of tens of thousands of AFDC recipients who were examined and re-examined as part of a game of human ping pong played by the state and federal government. I think we can all agree that money spent on these examinations would have been better spent on increasing benefits to all recipients.

While I favor the creation of a completely federally funded negative income tax program as the solution to the problem of income maintenance, I realize that the adoption of the required legislation is not politically feasible in these hard economic times. I therefore, will limit the rest of my remarks to proposals which if enacted would correct some of the worst inequities in the current program.

One of the major faults of the current SSI program is that it is a rigid system which does not take into account the difference in the needs of its recipients. Under the current program, state subsidies are supposed to account for regional variations in cost of living. This does not happen in practice. By failing to consider regional variations in the cost of living, the SSI program is condemning some of the poor to a lower standard of living than their counterparts in other parts of the country. This inequity makes no sense in a program which is designed to provide the poor with the goods and services required for a decent life. It is unfair to recipients and the states that provide supplements. The equitable way of determining benefits is to calculate the money needed to purchase the required goods and services and then provide each recipient with that income. I therefore urge the establishment of federal benefit standards to end this current injustice in the SSI program. This could be accomplished through the elimination of all state subsidies, replacing these subsidies with a federal needs-based payment system which would account for regional cost of living variations.

Complete federalization of the system would serve a number of purposes. First, it would silence the numerous state complaints against the mandatory supplement that they are required to provide. Second, the system would eliminate the inequities involved in state input. Finally, it would provide a fairer treatment for SSI recipients.

Just as the cost of living for recipients differs by region, it also varies by individual circumstances. Some SSI recipients must pay high rents because of particular local market conditions or holes in local rent control laws. For instance, in New York City, those poor who have had to move in the last few years, when we have had a vacancy decontrol law, pay considerably higher rents than those poor who have continued to reside in rent control apartments. I propose that we deal with this inequity by providing for a supplemental allowance to insure recipients pay no more than 33% of their annual income for rent, instead of the 50 or 75% that

many individuals now pay. I believe that 33% is the maximum that individuals can afford and those who pay more than one-third of their income for rent would, under this proposal be refunded the amount in excess of the 33% maximum.

Another defect in the current program is that it makes no provision for emergency. An SSI recipient who has been robbed or forced to move because of fire now receives no additional assistance although he or she has suffered a major economic loss through no fault of their own. Under the current system with its meager benefits, an SSI recipient must cut into their inadequate food budget to pay the moving company or buy the last household utensils. I don't think any of us believe that the poor who have been victimized by crime or fire should be forced to go hungry. I therefore, propose that the SSI program be amended to provide emergency assistance to replace furniture, household goods or clothing which has been stolen or destroyed. In addition, the program should be changed to provide funds to aid in setting up a household when a recipient has been forced to change residences or has left a nursing home or other institution.

In addition to the changes I have already proposed, I think the SSI law must be amended to guarantee that the cost of living increase will be passed through to all recipients. The current law does not require such a pass through in states which currently supp,ement the federal benefits. In fact, due to the complicated formula for the allotment of costs between the federal and state governments, states which increased their benefits since 1972 will have to pick up most of the cost of the pass through. I don't believe that a program designed to help the poor should penalize those states which have been relatively generous in supplementing benefits. The adjusted payment levels on which federal payments are based should therefore be increased so that the entire cost of living increase can be passed through without further burdening the already financially hard pressed local governments.

In addition to requiring the states to pass through the cost of living increase, we should make them give SSI recipients the option of electing additional cash payment or participating in the food stamp program. As you know, Mr. Chairman, some states have chosen to "cash out" food stamps and provide greater cash benefits. This action has had an adverse effect on some SSI recipients whose food stamp benefits are more valuable than their additional cash benefits. I see no reason for this bureaucratic fiat which forces poor people to give up a useful benefit for a less helpful one. I believe this procedure should no longer be tolerated, and the legislation should be amended to allow each recipient to exercise the option.

Mr. Chairman, now that our involvement in Southeast Asia has come to an end, there is much talk by the President and others of using the nation's energy to restore some of the old values. I agree with these people if they realize that charity is one of the oldest values we have. It is the Bible, in Proverbs, Chapter 11, which teaches us that "On the day of judgment, wealth will not count; but charity will save." Right now, given the inadequacies of our programs for the poor, we, as a nation, would be condemned by an unfavorable judgment. It is my hope that we will use this new, and hopefully, peace era, to dedicate ourselves to the humanitarian and egalitarian ideas on which this nation was founded. The enactment of the legislation which I have sponsored on SSI would be an appropriate beginning in this effort to redirect our country.

TO "ESTABLISH JUSTICE" AND "INSURE DOMESTIC TRANQUILITY"

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. EDWARDS of California. Mr. Speaker, David L. Bazelon, the distinguished scholar and chief judge, U.S. Court of Appeals for the District of Columbia Circuit, addressed the 1975 alumni dinner, Northwestern University School of Law.

The full text of this thoughtful and challenging speech follows. I commend its perusal by my colleagues:

TO "ESTABLISH JUSTICE" AND "INSURE DOMESTIC TRANQUILITY"

(An address by David L. Bazelon)

This year, we face the spectre of a long, hot summer, a summer of disturbance, violence and tragedy in our inner cities This prediction is not isolated, mouthed only by doomsayers and bleeding hearts. Last month, Detroit police protested reductions in their force resulting from the city government's state of near bankruptcy. They argued that the dangers of the coming months demand more, not fewer police. Juvenile facilities in the District of Columbia are preparing for an increase in the number of detainees this summer. Such diverse authorities as the "law and order" Police Commissioner of New York City and the liberal economist Walter Heller agree that we are in for very rough times indeed.

These gloomy predictions—for once—are based not on allegations that our judges are soft on criminals, not to say soft in the head, or that there are so many loopholes in our criminal laws and procedures that the guilty are continually going free. Rather, at the root of these predictions is a premise which no one seriously denies: that the incidence of urban disturbances and violent street crimes, the sort of crime which puts us in mortal fear, is a product of desperate social and economic conditions. The more desperate those conditions get, the greater will be the chances of violence, riots and street crime. Thus, as the national unemployment rate has skyrocketed in the past year, affecting most of all those who are already neglected and deprived, so too has the crime rate taken a quantum jump—a 17% rise last year. This contrasts with a "mere" 6% rise in 1973. Cities with the greatest unemployment in 1974 suffered the most significant rise in crime rates. We should naturally expect even more serious trouble in the summer ahead when unemployment will still be rising, when there will be thousands of young people on the streets without jobs and when the contrast between the privileged and unprivileged will be starker than ever.

Almost all of the perpetrators of street crimes come from the bottom of the socio-economic-cultural ladder—from among the ignorant, the ill-educated, the unemployed and often unemployable. Because they are often deprived of what we call a moral upbringing, our code has little meaning for them. And they have little incentive to observe it since they are virtually excluded from the advantages of our economic and cultural life. In a word, the major causes of crime lie in the rotten conditions of our inner cities, conditions all too often typified by constant deprivation of food, medical care, education, decent housing and most important, hope for the future. Of course, violent street crime would occur even if we had a perfectly just society and many of those who suffer social injustice do not turn to crime. Indeed the miracle is that so few do. But I firmly believe that social deprivation is a necessary if not sufficient cause of the current crime epidemic.

Of course, rotten social conditions do not cause organized criminal activity or political and business corruption or, indeed, crimes of passion between family and friends. But it is not these types of crimes that make us fear to walk the streets or fear for the safety of our homes. It is rather violent street crime that alarms us most and that is at the center of our concerns about the "crime" problem. And the major root of the vast epidemic that we are experiencing in that type of crime is social, cultural and economic deprivation.

This was described vividly to me by Dr. Joseph Perpich, a particularly insightful young psychiatrist with whom I worked closely last year. Joe served in a community mental health center in Washington for primarily poor, predominantly Black families living in public housing projects. What touched him most was the effects of poverty on the children. Joe described it to me this way: he saw the two to four year old Black child—remarkably beautiful—a combination of physical and emotional vivaciousness. Eyes alert, facial expression often warm and open, they loved to be read to, to be played with, to be talked to. There was a zest and unquestionable curiosity. The potential was evident and—with love and care—would flourish.

But on entering school and with unmitigated poverty grinding on relentlessly, havoc was wreaked on this child of promise. With each succeeding year the attributes of humaneness and interest slowly died and withered away. Without nurturance, and afflicted by neglect, the dream was aborted. Joe observed the personality change from openness to distrust, from interest to apathy, from warmth to hostility. By adolescence the attendant curses of drugs, alcohol and delinquency led down the dismal road to the door of the juvenile court or the mental institution.

Of course we do not know for certain how best to use our resources to retain the promise of our inner-city children. I am a member of the National Academy of Sciences Committee for Child Development. The only thing my expert colleagues on that committee know for sure is that the family is the most effective child developing agent around, when it wants to be and can be. And the grinding poverty of our ghetto areas wreaks destruction on the family unit. Poor parents, overwhelmed by the struggle for survival, have little time or energy to spend with their children. Without even the ability to put food on the table, a parent cannot convey to his child a sense of order, purpose or self-esteem. The child-rearing practices of the poor are not inherently different from those of the affluent. The poor—denied jobs or a guaranteed income—simply have insufficient resources to nurture the promise that inheres in every one of their children. The "man-child in the promised land" becomes the adolescent "hoodlum"—and potential criminal—who, with no reason to trust in the legitimacy of our system of social justice, expresses his frustration and anger by making our summers long and hot.

Of course, the crime problem would be easier to confront if social deprivation were not at its root. If bad people caused crime, locking them up would be a simple way to solve the problem. Or, if lax enforcement of the laws were the problem's cause, tougher enforcement measures would be a ready and feasible answer. But the fact that social deprivation will be difficult to eradicate is certainly no reason for denying or ignoring its critical causal relationship to our national crime epidemic. To do so would only make worse the very difficult situation in which we find ourselves.

With the experience of a rising crime rate and the predictions of an even more drastic rise in the coming months have come suggestions to ameliorate the situation. Most prominent among these suggestions are the proposals outlined by President Ford in a recent speech at the Yale Law School. In accord with his own earlier proposals for "swift and prolonged" punishment and with a tradition of calls for more "effective and efficient" law enforcement, the President urged a strong attack on violent street crime. What do these terms "effective" and "efficient" law enforcement mean? President Ford suggests we need more prosecutors and more public defenders to speed up the system of justice. If this is an effort to enforce such rights as the right to speedy trial, I am happy to join those who applaud its wisdom and timeliness. But I have a nagging fear which I hope is unfounded that the terms mean more than this, that they are substitute labels for what former President Nixon termed "law and order." President Ford gives this old approach a new name—"domestic tranquility." Yet, he did not note in his Yale speech that the Constitution's Preamble *links* "insur[ing] domestic tranquility" with "establish[ing] justice." While I am sure that the President recognizes an inseparable connection between the two goals in the abstract, it would have been helpful if he had explicitly recognized the linkage in his speech and if he had indicated exactly what he understands by the term "establish justice." Is the creation of an "efficient" criminal justice system—locking up the guilty and freeing the innocent—a sufficient effort to "establish justice?" Or is the phrase to be construed more broadly—the way I hope the Framers understood it—as encompassing the establishment of a system dedicated to equal treatment and equal opportunity for all citizens? The issue is: to which version of justice are we committed?

In the bad old days, the invocation of law enforcement "efficiency" was used to justify elimination of efforts to equalize the rights of rich and poor defendants, efforts to ensure that all defendants had the resources to avail themselves of their constitutional rights. In 1965 I had an exchange of letters with then Attorney General Katzenbach, who, I am happy to say, is a good friend of mine. Those letters are published in the Kentucky Law Journal, Volume 54. There he raised the new god of efficient law enforcement to justify a refusal to extend the right of appointed counsel to police interrogation of indigent defendants. The law cannot be concerned with equality, he argued; its mission was and is to acquit the innocent and to convict the guilty. But I never could understand those who claim that allowing the rich defendant to have counsel during interrogation does not displace the mission of law enforcement but that ensuring the poor defendant the same right would be an intolerable interference with law enforcement efficiency.

President Ford does not enter this debate in his Yale speech, although his forthcoming message to Congress may do so. Nevertheless, the debate continues to rage. President Ford promises more public defenders, a praiseworthy measure. But how are we to ensure the effectiveness of these defenders and at what stages in the criminal process is the right to appointed counsel to be guaranteed? Here is where the going gets tougher. We generals have designed magnificent insignias for the standards of criminal justice: *Gideon, Argersinger* and other cases hold that the criminal defendant is entitled to the effective assistance of counsel in the criminal process. But tragically, the battle is being lost in the trenches where those promises are not fulfilled. Are efforts to ensure the effectiveness of appointed counsel inconsistent with President Ford's promise of a more efficient system of law enforcement? I have discussed the problem of ineffective assistance of counsel at length in my Marx Lectures at the University of Cincinnati and I will not repeat here my discussion of the serious deficiencies that exist. But perhaps this is a subject that President Ford might profitably address in his message to Congress, so that we may determine how he and his administration strike the "balance" between law enforcement efficiency and equal opportunity in the criminal justice system. Is the establishment of equal justice to be sacrificed in the name of domestic tranquility?

Generally those who espouse the view of former Attorney General Katzenbach do not ignore the social causes of crime, the deprivation and twisting of young lives through impersonal forces of poverty. No, they make a ritualistic genuflection to this truth, vaguely acknowledging the need in the long term for social reform, but stressing that short-term concerns demand tough measures. Their position would seem to be that of course, street violence is caused by rotten social conditions. But, we still need more efficient law enforcement because the mission of the law is locking up criminals. Problems of social injustice are someone else's business. President Ford did not even say this much about the causes of crime in his Yale speech. But even if he had, it would obtain no absolution.

There is solid evidence in the District of Columbia that an all-out effort to make law enforcement efficient will neither control crime nor insure domestic tranquility. The D.C. Court Reorganization Act of 1970 was trumpeted as a model of efficient law enforcement by the Nixon administration. The Act established an expanded local judiciary of over 50 judges which resulted in speedy trial of cases. It also toughened the local criminal procedures. Draconian measures such as "no knock," "preventive detention," and increased wiretapping authority were just a few of the tools by which Washington was to become a crime prevention model for the nation. Furthermore, Washington, I am told, today has substantially more police per capita than any other city in the world. Yet four years after the passage of the Court Reorganization Act, the crime rate in Washington is still of epidemic proportions and rising steadily. Figures released for the month of March 1975 showed an increase in reported offenses of 13% over March 1974. Because comparable figures for January and February disclosed even larger increases of 28–30%, the March figures were taken as "an optimistic report" by the Chief of Police. With good news like that, who needs bad news?

President Ford's talk offered a new perspective on the traditional argument that we need a more effective and efficient system of law enforcement. This is that rapid, lengthy, and mandatory imprisonment of convicted felons will make our streets safe. In making this statement the President avoids the concept of "rehabilitation." He deserves commendation for this. Recent experience indicates that we do not even know what "habilitation" is much less what "rehabilitation" is and how it may be achieved. Indeed, only the New York Times editorial writers continue to express belief in rehabilitation. The President also seemingly foregoes reliance on that old saw "deterrence." He does not suggest that by making scapegoats out of convicted members of deprived minorities, we will reduce the rate of crime. Rather, his thought is altogether more revolutionary; it is that incarceration of the "criminal" elements will itself prevent further crime because the perpetrators will be locked up and unable to commit crimes. But doesn't this mean that "criminals" must be sent to jail for the rest of their lives, or at least until they are no longer "dangerous?" Once released, the social conditions that bred the original crime will not disappear. Vice President Rockefeller, when governor of New York, attempted a limited version of this approach. But since prison conditions are so harsh and inhuman, it might be more humane to put all these "criminals" to sleep. If I correctly understand it, this would seem to be the approach of Mayor Rizzo of Philadelphia. I would agree with him that anything less repressive than this would probably have little or no effect on the rising rate of violent street crime. This is indeed the ultimate in law enforcement efficiency.

Of course, in the short term there are few alternatives to incarceration of the offender. The possibilities of rehabilitation that do exist should not, however, be extinguished by mandatory sentencing, a concept that has been much criticized by judges who administer such schemes. Mandatory sentences eliminate any vestige of hope for the offender and thus offer no incentive for him to reform in prison. Moreover, even if we accept mandatory incarceration as a short-term measure, our acceptance should be accompanied by a forthright admission that the measures are only temporary salves for a deep-seated disease. If short-term measures are not explicitly justified as such, we risk serious disillusionment when no long-term results are achieved. That disillusionment itself may reap a whirlwind of repression as the logic, or illogic, of an "efficient" approach to law enforcement is drawn out to its terrible conclusion.

President Ford does not mention prison reform in his discussion of prison sentences. But like all of us, he certainly supports some reform efforts. We would all agree that if we are to lock up convicted persons with greater speed and regularity, surely we should consider the conditions under which those individuals must live. Those conditions in general are harsh indeed, bordering at times on the cruel and inhumane. Eliminating these conditions will probably have little effect on "rehabilitating" prisoners, although such elimination may prevent the prisons from exacerbating the social deprivations which are the major source of violent street crime. But even so, prison reform is worthy of the strongest support in its own right, not as a means to any social end but simply as a humane method of treating our fellow man. Especially with white-collar criminals incarcerated in Allenwood and Lompoc—described in the popular press, perhaps facetiously, as country club prisons—isn't the rest of our prison population at least entitled to live in conditions that are other than barbaric?

I am reminded of arguments interposed against the Head Start program initiated in the middle Sixties. The fact that the program did not cause a significant increase in later educational achievement resulted in severe budget reductions. I strongly objected to the demand of a cost-benefit payoff to justify the program. For many children the program provided the first hot meals, the first medical attention to the problems of nourishment, deafness, blindness and rotten teeth and their first humane, rat-free environment. We dare not demand a cost-benefit payoff to justify adequate food, clothing and medical care. These goals are desirable in and of themselves. The same is true for prison reform.

Another thread of the law enforcement efficiency argument is the idea that violent crime is, as some more conservative observers have suggested, a result of the "rising expectations" generated by the attempts in the 1960's to provide some measure of social reform. Perhaps this means that we should, as the song in the musical L'il Abner goes, "Put Em Back the Way They Was." We could deny social justice so completely to those at the bottom of the socio-economic-cultural ladder that they would not recognize the dep-

rivation visited upon them. Perhaps if these people did not know how bad off they are, they would relapse into quietude and not cause us any bother. This too might be an efficient solution. If these people don't "deserve" anything other than "deprivation" or, if their deprivation is all their own fault, maybe there is nothing wrong in permanently relegating them to the trashheap of our society.

Can we as a society afford these concepts of law enforcement efficiency? We often remind ourselves—particularly on national holidays—that we are a moral society committed to the principles of equal justice under law and that all persons shall be treated as ends in themselves and not as means to some social end. Justice Holmes, like Mr. Katzenbach, concluded that the law could not afford its moral premises. It needed law enforcement efficiency more. But he recognized in *The Common Law* that if the law "stood on the moral grounds proposed for it, the first thing to be considered would be those limitations . . . which arise from abnormal instincts, want of education, lack of intelligence, and all the other defects which are most marked in the criminal classes." The question posed by the conflict between our moral pretensions and our physical fears is blunt indeed.

I have no doubt that civilized men like President Ford, Attorney General Katzenbach and Justice Holmes would find the "efficient" solutions I have described intolerable. But all we know tells us that if they propose any less, their proposals will be virtually ineffective unless accompanied by a true effort to recognize and alleviate those limitations "which arise from abnormal instincts" and "want of education." Our efforts, in order to have a minimal chance of being effective, must be directed toward the elimination of social injustice. Perhaps President Ford's forthcoming message to Congress will contain a recognition of the causes of crime—and some proposals for dealing with them.

President Ford—and others—have suggested that our moral sensibilities should be more balanced, that we should consider the rights and feelings of the victims of crime as much as those of the criminals. We can all sympathize with a victim's desire for revenge. If I or any of my dear ones was a victim of a violent crime, I might feel like leading the mob with the rope. But as Paul Freund recently said, "Violent order is the greatest disorder." Proposals to compensate victims for physical injuries whenever necessary are worthy of support as a constructive measure. But surely wreaking vengeance relieves no suffering; indeed it exacerbates the root causes of the problem.

Recognizing the relation of social injustice to the rising rate of crime directs us not only toward efforts to eliminate those injustices. It should also lead us to insure that the criminal justice system grant equal treatment to *all* citizens, that all criminal defendants, rich or poor, be assured the full panoply of their constitutional rights and that decisions committed to the discretion of government officials be made without regard to an individual's economic or social status. Only then might the criminal justice system be regarded as legitimate by all segments of society, even those to whom the bold promises of the law have been tragically unfulfilled.

In this connection we may recall that former President Nixon was pardoned expressly in the name of "insuring domestic tranquility." I express no opinion whatever on the substantive merits of this action. I merely note that the public opinion polls would seem to indicate that the pardon has done more damage to the public's perception of the law enforcement system than any number of policemen and any amount of judicial efficiency could cure. If these indications are correct, there is serious question whether "swift and prolonged" punishment for the downtrodden of our society can overcome the disrespect for law created by charging decisions in favor of those in high places.

In 1846, William Seward, later to be become Abraham Lincoln's Secretary of State, was called upon to defend an indigent Black accused of murdering a White well-to-do family in upstate New York. Seward, presenting an insanity defense, made the following compelling observation in his summation: "Human life is not safe, or intended to be safe, against the elements. Neither is it safe or intended to be safe against the moral elements of man's nature. It is not safe against pestilence or against war, against the thunderbolt of Heaven, or against the blow of the maniac. You can guard against war if you cultivate peace. You can guard against the lightning if you will learn the laws of electricity, and raise the protecting rod. You will be safe against the maniac if you will watch the causes of madness, and remove them. Yet after all there will be danger enough from all these causes to remind you that on earth you are not immortal." We too must realize that we cannot totally insure against danger. Perils will remain whatever paths we choose to deal with the problem of street crime. Yet unless we seriously confront the reality of deprivation, unless we seriously confront the causes of crime and earnestly strive to remove them, I fear that the current crime epidemic will spread wider. In an effort to survive we may be forced to adopt measures more and more draconian, measures destructive of those values that ensure our humanity.

BALTIC STATES

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. RHODES. Mr. Speaker, this month marks the 35th anniversary of the forcible occupation of the Baltic States by the Soviet Union. The United States strongly opposed this action toward the nations of Latvia, Estonia, and Lithuania when it occurred. Over the past three and one-half decades, we have continued a policy of nonrecognition of this illegal annexation.

The Conference on Security and Cooperation in Europe is nearing its final negotiations. It is my hope that our Government will retain its policy toward the rights of the people of the Baltic States to their homelands. The Soviet Union cannot expect to negotiate a pact aimed at a stable Europe while the question of self-determination for the Baltic people is unsettled. Recent activities in Portugal are also of concern, as they fall into the pattern of systematic subversion by the Communists that has undermined past European security agreements, and casts doubt on the veracity of the treaties entered into between the Western world and the Communists.

The courageous people of the Baltic States have waged a continuing battle for world recognition of their rightful place in Europe. The United States has lent moral support to this effort. We should not now reverse this position, abandon our backing for those who simply want the rights of self-expression, or enter into agreements that cannot be reconciled with our basic American values.

We in Congress join in paying our respects to those who have worked to keep the flame of freedom for the Baltic States alive.

SSI REFORM URGENTLY NEEDED IN THIS YEAR

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BIAGGI. Mr. Speaker, the supplemental security income program—SSI—is in need of reform if it is to meet the needs of the aged, disabled, and blind citizens it purports to serve.

I am sure my colleagues have received, as I have, many letters from SSI recipients reporting injustices and oversights in the program. It is clear from the letters I have received that there are certain systemic problems with the present SSI program.

First of all, in the State of New York and in many other States, SSI recipients do not receive enough in benefits to enable them to live decently. Although cost-of-living increases are provided under the present program, there is no mechanism to guarantee that recipients will receive the increase. In States which supplement the Federal benefit, it is possible for the State to absorb the cost-of-living increase and thus reduce the amount they must pay in supplements while recipients are forced to live on the same amount they have been receiving since the inception of the SSI program. We need legislation to insure that cost-of-living increases will go to all SSI recipients.

Likewise, those who receive both SSI and social security are presently losing the benefit of social security increases. With each social security increase, SSI benefits are reduced by a like amount, thus depriving our neediest citizens of the means to stay even with inflation. There is a further inequity in that individuals who receive only social security continue to have the benefit of cost-of-living increases while those entitled to both benefits—by definition, the neediest individuals—are denied these increases. We need legislation to guarantee that SSI benefits are not reduced as a result of social security increases.

In New York as in many other States, SSI recipients are provided with a cash bonus in their benefits rather than with food stamps. This has caused inequities for many SSI recipients for the cash payment is determined at 1972 prices and does not reflect food stamp value in today's market. In addition, States like New York, which cashout food stamps, have denied SSI recipients the option of receiving food stamps. We need legislation to provide that cash-out payments reflect current food stamp values as well as providing SSI recipients in cash-out States the option of receiving food stamps rather than cash payments.

The SSI program is presently unable to respond quickly in emergency situations—when a check has been lost or stolen, or in the case of fire or theft to other articles of personal property. We need legislation to require emergency check replacement procedures in the event of loss or theft; we need legislation to provide emergency help so that SSI recipients can replace destroyed or stolen property.

The SSI program presently causes hardships for SSI recipients living in areas such as New York City where rents and other costs of living are particularly high. All recipients receive the same amount of benefits which are intended to serve as income. In a high-cost urban area, this can often lead to SSI recipients paying as much as half of their monthly benefit for housing. We need legislation to provide a supplemental housing allowance for those recipients who must pay more than a quarter of their monthly income for housing.

We need legislation to improve other aspects of the program: to require quick action on SSI applications; to guarantee no loss of benefits to those individuals now being transferred to SSI from other public assistance programs; to insure equitable calculation of the value of assets such as homes in determining eligibility for SSI; to base the deduction for support and maintenance of SSI recipients on its actual value.

Mr. Speaker, the SSI despite its bright promises has far from realized her real objectives; namely, to provide the older Americans with still another weapon to fight inflation. Yet none of the problems I cited are insurmountable. Legislation has been introduced and is being considered to remedy many of the more apparent shortcomings in the program. The needs of our senior citizens in this perilous economic era in our history cannot be overlooked. I urge the Congress to take positive and decisive action to reform the SSI program and make it the friend of the older American that it was designed to be.

HONORS FOR MILTON KADISH

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Tuesday, June 10, 1975

Mr. SARASIN. Mr. Speaker, Milton W. Kadish of Waterbury, Conn., a constituent and valued friend of mine, has just been elected to the high position of District One President of B'nai B'rith, the most prestigious division of the worldwide philanthropic organization.

Mr. Kadish was formally installed in this important post in official ceremonies at the Concord Hotel, Kiamesha Lake, N.Y., on Monday. He is the first resident of Waterbury to be elected to this office in the 132 year history of B'nai B'rith. The district includes more than 300,000 of the half million members of the organization.

The election is the culmination of many years of service by Mr. Kadish, both within the Jewish organization and the Waterbury community. He is a commissioner of the Waterbury Board of Education and chairman of its grievance and finance committees. He is former president of Beth David Academy-Hebrew School and served as vice president of Beth Sholom Synagogue. He is co-chairman of the 1975 Waterbury United Jewish Appeal and has been treasurer and a member of the executive board of the Jewish Federation of Waterbury.

Mr. Kadish is also serving as treasurer of the Cancer Society of Greater Waterbury and as chairman of the executive board of the Waterbury Jewish Community Council. A certified public accountant, he served his country in the U.S. Navy submarine service in World War II, receiving a Presidential Citation.

Milton and his wife Allyne, a former ranking woman officer of the Connecticut Valley Council of the B'nai B'rith, are the only couple in the organization to jointly receive a national gold key for service to the 50,000 member B'nai B'rith Youth Organization.

I wish to bring this exemplary record of service and accomplishment to the attention of my colleagues in recognition of the great contribution made by Milton Kadish to his community, and through it, to the Nation.

MARK ABRAMOVICH

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. LEHMAN. Mr. Speaker, I would like to read an official protest into the CONGRESSIONAL RECORD on behalf of two of my constituents who were harassed and mistreated during their recent trip to the Soviet Union.

On May 14, 1975, Dr. and Mrs. Joel Sandberg, of Miami, Fla., were picked up by the KGB in Kishinev, U.S.S.R., were interrogated and threatened for 10 hours, and then were forcibly expelled from the U.S.S.R. after completing only 8 of their 20-day trip. At the beginning of the interrogation their American passports were confiscated, they were told they would not be going home for 4 to 5 years. They were not permitted to contact the American Embassy in Moscow during the entire 10 hours, even though they repeatedly demanded this right. When they were expelled from the U.S.S.R., all their coupons and vouchers were taken from them, worth several hundred dollars.

Dr. and Mrs. Sandberg did not violate any Soviet law. They were harassed because during their stay in the U.S.S.R. they visited with several Jewish families who had applied for exit visas to Israel. They feel they were expelled from the country specifically because of their visit to the home of Mark Abramovich, ul. Chernishevskaya 66, kv. 42, Kishinev.

Mark Abramovich, his wife, Fanya, and their 9-month-old baby daughter applied for exit visas to Israel several years ago. Mark's parents have already been in Israel for a long time, and the family repeatedly requests visas so that they can be reunited. Mark and his family, as well as other refusenik families in Kishinev—including Abraham Vittenberg, Anatoly and Maya Starkman, Yeffin Gartshtein, Isaac Koffman, Leonid Shecmanter, Gisa Azarkevich, Svieta and Yeffin Abramovich, Raya Shectman, Leonid and Raya Yakobovich whom the Sandbergs met personally—are being denied permission to emigrate to Israel and are harassed by the Soviet authorities. Many of them have been thrown into jail for short sentences, and they live under the constant threat of reprisal for no crime, other than their desire to be reunited with their families in Israel.

We endorse the concept of détente with the Soviet Union. However, the Soviet Government in the spirit of détente, cannot mistreat American tourists for no other reason than they visit Soviet Jewish families who wish to emigrate. We insist on the Soviet Union's compliance with the universal declaration of human rights of the freedom of emigration. It is time for the Soviet Government to demonstrate that they are sincere about détente by allowing Mark Abramovich and other refusenik families to emigrate to Israel.

HAWAII 2000 CONFERENCE: MODEL FOR CONSTRUCTIVE ACTION TOWARD ANTICIPATING AND DEALING WITH THE FUTURE ENVIRONMENT

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. MATSUNAGA. Mr. Speaker, there is a great need in our society for vision and creativity in dealing with issues that will reshape our world in the next 25 years. With this concern, Hawaii has shown itself to be ahead of its time by its formation of the Hawaii Governor's Conference on the Year 2000.

Hawaii 2000, whose chairman is George Chaplin, editor in chief of the Honolulu Advertiser, is an organization whose members represent a broad range of concerns—businessmen, labor leaders, teachers, religious leaders, students, housewives, and others. Its widespread appeal shows the universal concern for anticipatory action on future problems in Hawaii. Hawaii 2000 has been engaged in extensive research and discussion of goals and strategies for the year 2000.

Congress could enhance its futures planning efforts by utilizing the activities and format of Hawaii 2000 as a model for constructive action. We should also accept the assistance of Hawaii 2000 and similar organizations in aiding the research and investigation of prospective problems. By working together, Congress and the futurists can better deal with significant future concerns.

To provide additional information about the value of Hawaii 2000 and like groups and the role of futurists in our society, I am submitting for insertion in

the CONGRESSIONAL RECORD a letter from Alvin Toffler, the distinguished author of Future Shock:

AD HOC COMMITTEE ON
ANTICIPATORY DEMOCRACY,
New York, N.Y., April 28, 1975.

Hon. SPARK M. MATSUNAGA,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE MATSUNAGA: Many Americans have been sharply critical of the government for its blindness to the future—its continual failure to foresee either crises or opportunities. Again and again, events like the Middle East war, the energy crisis, the rapid surge in unemployment, have caught us off guard.

Today, at a time when parliamentary democracy is under attack all over the world, we, a group of citizens from all walks of life, write you not to criticize the Congress, but to praise it.

We want to applaud the House of Representatives for having taken a long step forward toward anticipating and dealing with the future.

There is at present a great yearning for a new "yes" in America—for a new forward vision of a society worth living in. America has more long-term alternatives open to it than most of us imagine. We need to examine these future alternatives to extract constructive solutions for our immediate problems. We believe that the Congress now can do precisely this.

The "step forward" to which we refer was passage last fall of House Resolution 988, which included in it a highly significant and well-conceived provision intended to shift legislative horizons toward the future. This "foresight provision" requires that most standing committees "shall on a continuing basis undertake futures research and forecasting" on matters within their jurisdiction. While the Budget and Appropriations committees were excluded from this requirement, they, too, have been charged with new responsibilities for long-range analysis and forecasting.

We are proud that Congress has taken this step—perhaps the first legislative or parliamentary body in the world to make the future an explicit concern.

It suggests that we may now begin to create an anticipatory democracy, rather than one based from moment to moment on crash programs and crisis management.

It gives us hope, too, that many long-ignored issues will now be given legislative attention—issues ranging from the social impact of foreign investment in the United States in the next 20 years, to new definitions of "life" and "death" required by the advance of medical technology; from what to do about the danger of "suitcase nuclear weapons" which may be possible in a few years, to changes in the long-term relationship of education to the job market. What ought to be done about the fact that substantial numbers of Americans now no longer live in traditional "nuclear" families, and that, if current trends continue, far more than one out of every four American children will be raised not by a mother and father, but by a single parent? How shall we deal with the fact that major economic forces outside the nation now have an enormous impact within the nation? What is the time horizon for various alternative energy forms, and what would be the social impact of introducing them?

We cite these not necessarily as the chief priorities, but as examples of the kind of long-term questions that legislative bodies must begin to ask if they are to carry out their democratic responsibilities in a time of enhanced executive power, and at a moment when people everywhere are sorely worried about the future.

We should like to take this opportunity as well to point out that there are practical methods for analyzing such problems and arriving at useful assumptions about the future. Apart from the federal executive branch, there are, in both the corporate world and in state and local government, long-range planning groups who do precisely this kind of forecasting and option analysis. There is also an expanding network of future research institutes in the United States. There are university centers and committees, specialists in every discipline, and multidisciplinary groups who have devoted themselves to the problems of integrating the future into present-day decision-making. There are government and university experts on social indicators and community planning.

There are, furthermore, citizens' organizations in an estimated 21 states involved in discussing goals, priorities and strategies for the year 2000. The development of these groups represents an important shift of political consciousness in the nation.

Involving many thousands of citizens—teachers, students, business executives, labor unionists, housewives, professionals, and religious leaders—some of these groups like Hawaii 2000, Iowa 2000, and Alternatives for Washington, are models of constructive action. They deal with such questions as "what should the urban-rural mix be in our community in the year 2000" or how shall we balance industry, agriculture and tourism over the next 25 years?" These organizations, spontaneously growing in all parts of the nation, suggest that the discussion of the nation's long-term options will not be limited to specialists but will come to involve very large sectors of the public.

In short, there is in this country a many-sided, expanding concern with the future. Americans increasingly want politicians who face the future, and many people now stand ready to help the House of Representatives apply the "foresight provision" if it seeks such assistance. Many will be watching hopefully to see how it is implemented. We hope you will call upon us and others to aid in putting the "foresight provision" to work for America. By so doing you will help to provide the new "yes" that we so desperately need.

By taking this historically important action, you have given America an important new tool for dealing with its immediate troubles. Now let us all use it.

We would welcome your comments.

Sincerely,

ALVIN TOFFLER.

With the following:

John W. Abbott, Executive Secretary and Editor, California Tomorrow, San Francisco, California.

Roy Amara, President, Institute for the Future, Menlo Park, California.

Lawrence Auls, Assistant Executive Director, Model Neighborhood Assembly, Inc., Columbus, Ohio.

Wendell Bell, Yale University, New Haven, Connecticut.

Warren Bennis, President, University of Cincinnati, Cincinnati, Ohio.

Clement Bezold, Center for Governmental Responsibility, Gainesville, Florida.

Craig Bigler, Associate State Planning Coordinator, State of Utah, Salt Lake City, Utah.

William Birenbaum, President, Staten Island Community College, City University of New York, Staten Island, New York.

Paul O. Bofinger, President/Forester, Society for the Protection of New Hampshire Forests, Concord, New Hampshire.

Lester Brown, President, Worldwatch Institute, Washington, D.C.

Rosemary Bruner, Health Planner, Nutley, New Jersey.

Irving Buchen, Projector, Division of the Future, Fairleigh Dickinson University, Madison, New Jersey.

Thomas Carlton, Director, Futures Lab., Undergraduate Program in Future Studies, Providence, Rhode Island.

George Chaplin, Editor-in-Chief, The Honolulu Advertiser, Chairman, Hawaii Governor's Conference on the Year 2000, Honolulu, Hawaii.

F. Scott Carpenter, Astronaut, California.

Richard B. Cobb, Deputy Director, Office of Planning & Budget, State of Georgia, Atlanta, Georgia.

Donald K. Conover, Director of Corporate Planning, Western Electric Co., New York, New York.

Magda Cordell, Research Associate, Center for Integrative Studies, State University of New York, Binghamton, New York.

Edward S. Cornish, President, World Future Society, Washington, D.C.

Richard Cornuelle, Author, New York, New York.

Jim Dator, Hawaii Futures Research Center, Honolulu, Hawaii.

Stuart C. Dodd, Professor of Sociology, Emeritus, University of Washington, Seattle, Washington.

MaryJane Dunstan, College of Marin, Kenfield, California.

F. M. Esfandiary, Planner, New York, New York.

Betty Friedan, Feminist, New York, New York.

R Buckminster Fuller, World Fellow in Residence of a consortium of Bryn Mawr, Haverford, Pennsylvania and Swarthmore Universities and the University Science Center, Philadelphia, Pennsylvania.

David Goldberg, Executive Director Vermont Tomorrow, Montpelier, Vermont.

Newt Gingrich, Coordinator, Environmental Studies, West Georgia College, Carrollton, Georgia.

Russell Goings, President, First Harlem Securities Corp., New York, New York.

Theodore J. Gordon, President, The Futures Group, Glastonbury, Connecticut.

Willis W. Harman, Director, Center for the Study of Social Policy, Stanford Research Institute, Menlo Park, California.

Hazel Henderson, Director, Center for Growth Alternatives, Public Interest Economics Center, Princeton, New Jersey.

Russell Kolton, Director, Earthrise, Providence, Rhode Island.

John McHale, Director, Center for Integrative Studies, State University of New York, Binghamton, New York.

Carl H. Madden, Economist, Washington, D.C.

Margaret Mead, Anthropologist, New York, New York.

Donald N. Michael, Program Director, Center for Research of Utilization of Scientific Knowledge, Institute for Social Research, University of Michigan, Ann Arbor, Michigan.

Arthur M. Okun, Economist, Washington, D.C.

Billy Rojas, Futurist, New York, New York.

William D. Ruckelshaus, Attorney, Ruckelshaus, Beveridge & Fairbanks, Washington, D.C.

Jonas Salk, The Salk Institute, San Diego, California.

Arthur Sears, Writer, Fairfield, Connecticut.

Harold G. Shane, University Professor of Education, Indiana University, Bloomington, Indiana.

Norman Shavin, Editor, Atlanta Magazine, Atlanta, Georgia.

W. W. Simmons, President, Applied Futures, Inc., Greenwich, Connecticut.

Robert L. Stilger, Executive Director, Northwest Regional Foundation, Spokane, Washington.

Harold L. Strudler, Research Fellow and General Counsel, Institute for the Future, New York, New York.

Robert Theobald, Socioeconomist, President, Participation Publishers, Spokane, Washington.

Lee Udall, Director, Center for Arts of Indian America, McLean, Virginia.

Carol van Alstyne, Chief Economist, Policy Analysis Service, American Council on Education, Washington, D.C.

Robert E. Weber, Director, Project on Human Potential and the Year 2000, Trenton, New Jersey.

Warren L. Ziegler, Co-director, Educational Policy Research Center, Syracuse University Research Corporation, Syracuse, New York.

TALCOTT CHARGES SENATE HOLDS VETERANS "HOSTAGE"

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. TALCOTT. Mr. Speaker, a small band of men who are more interested in pork barrel for their States than in the plight of America's veterans are holding nearly 1½ million veterans hostage until they get what they want.

The issue is the demand by the Senate that we include $175 million for improving railroad track beds, mostly in the Northeast United States, when the House has voted by a margin of more than 2 to 1 to include no more than $5 million. The President agrees with the House that this Senate program would be "frittering money away."

This railroad boondoggle was first included in the emergency employment appropriations bill which was recently successfully vetoed. But when the Senate sponsors saw that a veto was probable, and could be sustained, they pulled the proposal out of the jobs bill and stuck it into the Supplemental Appropriations Act in an obvious attempt to hold veterans and food stamp recipients as hostages until their demands are met.

It deeply saddens me to see Members of the Senate resort to cheap politics in such a manner. In fact, it is a clear case of "cheap" politics, since like little baby birds they stand there with their mouths open, and their hands out attempting to get all they can.

Obviously there are some in the Senate who feel very strongly about this issue of railbed improvements. But just as obviously, there is a large number in this House who feel equally strongly, and in the opposite direction. The proper course would be for legislation to be introduced which covers only this single issue; then we could see what the will of the Congress would be. But to tack it to an urgently needed supplemental appropriations bill is a clear case of political expediency being more important to some than meeting our obligations to the veterans who have fought, and bled to maintain our freedom.

Mr. Speaker, this supplemental appropriations bill is absolutely necessary to continue funding a score of Federal programs through June 30. I have been informed by the Veterans' Administration that it has been forced to borrow from the pension fund as of June 1 to pay about 900,000 of the total 1,400,000 veterans receiving educational benefits. But one-half million veterans will go without benefit checks until this bill is passed into law.

I call on the Members of the other body to drop this petty regional factionalism and get this bill through the Congress. The veterans who you are harming have paid a high price for the entitlement you would now deny them, at least temporarily, for political advantage.

Please do not delay this bill any longer.

COLUMNIST SAYS PRESIDENT FORD'S JOB VETO NO VICTORY FOR NATION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. EVINS of Tennessee. Mr. Speaker, Columnist Tom Wicker of the New York Times News Service observed in a column carried by the Nashville Tennessean recently that the President's veto of the Emergency Employment Appropriations Act—the jobs bill—is a hollow victory indeed.

Pointing out that a spokesman for the President labeled the sustaining of the veto by five votes a "very significant victory," Mr. Wicker adds:

Nobody has asked the 8.9 percent of American workers who are unemployed what they think of such a victory.

Obviously the veto is a bitter defeat for the unemployed and not in the best interests of the Nation.

Because of the interest of my colleagues and the American people in this matter, I place the column by Mr. Wicker in the RECORD herewith:

FORD'S JOB BILL VETO NO VICTORY FOR NATION

(By Tom Wicker)

NEW YORK.—President Ford's press secretary says the House's failure to override the veto of the emergency jobs bill is a "very significant victory" for Ford. But nobody has asked the 8.9% of American workers who are unemployed what they think of such a victory.

On the other hand, the Democrats who control the House are consoling themselves that they can campaign on the issue of jobs next year, claiming they are for and Ford is against putting people to work. But the truth is that the bill the Democratic leaders put together was one that the President was sure to veto. What makes that such a great concern for jobs on the Democrats' part, since they were unable to override?

There is not much of a victory here for anyone—even for those, such as Ford and his advisers, who fear a big deficit and inflation more than the consequences of sustained high unemployment. The Democrats added unemployment compensation costs; and that is the major source of the deficit Ford fears so much.

And while it is no doubt true that the jobs to have been provided by much of the money in the $5.3 billion bill would not have become available until next year, when the administration projects an economic recovery, is it not also true that Ford's advisers concede that at their planned rate of recovery unemployment will remain above or near 8% all next year and in the 6-to-7% range for the rest of this decade?

So who says these jobs were not needed, or would be made available too late? Those who do can only be willing to accept four or five years of unemployment between 8 and 6% as the price of holding back inflation. That is a price too high for those who have to pay it in disillusionment, despair, idleness and hunger, and it may also be higher than Ford expects in lost government revenues.

As has been repeatedly pointed out here and by some Democrats, moreover, unemployment figures are imprecise, neither representing all those who in discouragement have stopped looking for jobs nor depicting those segments of the work force—teen-aged workers in particular—who have been hardest hit by the recession.

Teen-agers generally are suffering about 20% unemployment and black teen-agers twice that—perhaps far more if the figures available were more comprehensive. To project those unemployment figures for the remaining half of this decade is to menace American society for years beyond that with a time bomb made of hopelessness, anger, alienation and all that they breed—crime and disorder, in particular.

In the face of this, the Democrats might at least have separately provided the $485 million for summer jobs that was in the grandiose and grandstanding $5.3-billion jobs package vetoed by Ford. Temporary summer jobs are only a small part of what is needed to cope with hundreds of thousands of idle and embittered young people, but the money for this summer would have been a start, at the least.

June is late in the year still to be haggling and politicking on such a question; and the recent rash of fires in the South Bronx may not be unconnected to this failure.

If anything can be done to clean up the mess created by the Democrats' overreaching and Ford's rigidity—why was not the jobs bill a subject important enough for some compromise level of expenditure to have been worked out to avoid such a fruitless partisan clash?—the first step ought to be quick passage of summer-jobs money. Even the Ford administration wants that.

Then the Democrats ought to challenge Ford again—perhaps on a somewhat more modest emergency jobs program, but above all on some long-range approach to the socially critical problem of high and sustained youth unemployment. Not "job training" resulting in no jobs, not summer stopgaps resulting in no change, but a program of putting young people to work at decent wages on productive jobs—rebuilding railroad roadbeds, for example, protecting or redeeming the environment of cities and countryside, or as industrial or construction apprentices.

WHEN YOU ARE TEED OFF AT THE POST OFFICE, REMEMBER LARRY RYAN

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. CHARLES H. WILSON of California. Mr. Speaker, a recent item in the Washington Star told of one Larry Ryan who scored a hole-in-one while playing in the Pittsfield, Mass., Post Office Golf Tournament. But his was a dubious achievement. He drove from the

third tee and the ball went 180 yards away—into the cup on the first green.

Some would find this an apt analogy to the operations of the Postal Service. So, whenever you receive mail intended for another—a not uncommon occurrence—it is a safe guess that our Postal Service is using the Larry Ryan method of delivery.

SURFACE MINING CONTROL AND RECLAMATION ACT OF 1975

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. FISHER. Mr. Speaker, by now, virtually all the arguments for and against the Surface Mining Control and Reclamation Act of 1975 have been registered. The issue has been drawn. Now the Congress must vote—either to pass the act by overriding the President's veto, or to reject the act by sustaining the veto. From the beginning, I have been clearly in favor of this legislation which aims at limiting the damage strip mining can do to the land by requiring reclamation procedures. Because I believe this act will be good for the environment, good for the surface mining industry and the miners over the long run, and good for the country in general, I shall vote today to override the veto.

The main issue is whether this bill will result in improvements to the land without at the same time causing an unbearable increase in unemployment or loss in coal production. I am persuaded that the gains will far outweigh the possible losses. The more recent escalation of this matter into a political as well as an environmental and economic issue has been unfortunate. I shall cast my vote according to my analysis of the environmental and economic factors.

The assertion that some 36,000 jobs will be lost because of this bill—20,000 in mining and 16,000 in related activities—seems to me to be exaggerated. This would mean a loss of more than half of the total employment in strip mining, a result hardly likely to ensue from the relatively modest restrictions implied by this act. Furthermore, it does not take account of the jobs that will be created in land restoration and treatment activities.

The additional point has also been made that the act would boost coal prices significantly, which in turn would be passed on in the form of increases in electricity charges. The fee of 35 cents per ton of strip mine coal and 15 cents per ton for deep mine coal, when set against a $25 to $35 per ton price of coal, do not loom as significant. Yet these are the charges that would go to make up the abandoned mine reclamation fund that would be used to reclaim the stripped land. As a result of this, the average electricity utility bill might be raised on the order of 35 cents a month, an amount that would hardly be noticed by the consumers whose monthly charges have gone up by many dollars.

Various estimates have been made of the loss of national coal production because of this bill, and some no doubt small amount of marginal production would be sacrificed. But I cannot believe that this would be significant. The price of coal has been sucked up to more than twice its former level by even greater increases in the price of oil, both imported and new domestic, with which coal competes as a boiler fuel and for other uses. The increase in coal prices during the last couple of years has far outrun the increase in cost of production. The charges for strip mine land reclamation could easily be absorbed in the three-fold profit rise that the coal operators on the average have received.

It has been noted that in Pennsylvania, which has the largest surface mine coal production of any of the Eastern States and which has a State law roughly similar in severity to the Federal law proposed here, both production and employment have risen. Whether this would be true on the national scale has to be speculative; but it surely does not follow automatically that good environmental legislation has to be bad economic legislation.

This act, like all other acts, is not perfect. I criticize it on several counts. For example, I think the artful provision in the act calling for return of stripped-over land to approximately its original contours could be interpreted too literally. Certain coal lands in the southwestern part of my own State of Virginia are very steep in slope. Restoration to approximately the former contours would be very costly. Furthermore, communities in that beautiful but mountainous region desperately need more level land for developments, airstrips, recreation, and other purposes. That all stripped land should be returned to a protected condition I do not contest; but a certain amount of more level land could be completely protected against erosion and unsightliness, and at the same time serve important economic and social needs. I most certainly would favor an interpretation of the law that permits a reasonable amount of this kind of land restoration.

I believe further that in the unlikely event that undue unemployment should result in particular regions, public employment efforts, retraining programs, and other assistance can provide time for necessary readjustments. In addition the unemployment compensation programs are available to protect and soften the effects of economic change on individuals.

Finally, looking at this act in its broader and longer range context, I believe strongly that now is the time to take this step forward. It will lead to major improvements in the environment in many parts of the country which have been beaten and scarred unmercifully. The economic side effects, I conclude after careful analysis, will not be so severe as to be unacceptable, particularly in view of the compensating programs that are available. The political arguments that are swirling around this issue should not be given major consideration. This is a good program for the Nation and should be enacted.

THE HIDDEN COSTS OF UNEMPLOYMENT

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. YOUNG of Georgia. Mr. Speaker, the cost of unemployment can be measured in economic terms. For example, the House Committee on the Budget reports that every increase of 1 percent in unemployment in today's economy results in an increase of about $16 billion in the Federal deficit—$2 billion for additional unemployment compensation, plus $14 billion due to lost tax revenues. In other words, a decrease of 5 percentage points in the unemployment rate today could lead to elimination of the deficit.

But there are other, even more devastating, costs of unemployment. These costs are not borne by the Nation as a whole, but by those who are unemployed and their families. James P. Comer, associate professor of psychiatry at Yale University, discusses the "hidden costs" published by the New York Times on June 9, 1975.

The article follows:

THE HIDDEN COSTS OF UNEMPLOYMENT

NEW HAVEN.—The most recent report shows that 15 per cent of the black work force is unemployed. Many are heads of households with young children. In fact, the highest rate of unemployment, up to 50 per cent, is among black teen-agers and young adults.

These people have the youngest children who are in the most crucial stages of development. Unemployed people are more likely to have social and psychological problems and are often unable to rear their children in a way which promotes healthy development. Thus we will lose too many of two more generations of black people to drugs, crime, undereducation and underachievement.

Most are the victims of a monetary policy designed to cool off inflation by deliberately creating an economic recession with resultant unemployment. In every recession, regardless of the cause, blacks have paid first, most and the longest and many have never recovered.

Unemployment, marginal and/or periodic, is a way of life for many. Family problems are more often severe and persistent in such cases. Many people who father children, and nowadays, mother children, do not stay around to face the embarrassing situation of not being able to care for them. This further decreases the possibility of healthy child development.

A remarkable number of black people have always found, and even now will find, a way to family stability and will rear healthy children without a job or without a steady "living wage" job. But it is difficult and too many people and communities will be badly hurt by the situation.

What is the effect of unemployment on parent and child relationships? Our most accepted principles of child development tell us that preparation for adulthood does not begin with the 18-year-old, the 10-year-old, not even entirely with the infant. It begins with the parents, their hopes, plans, sense of belonging in the community and society, their sense of personal adequacy and specific child-rearing skills.

Nothing speaks louder to their sense of belonging and adequacy, nothing shapes their hopes and dreams and plans, and nothing enables them to exercise their child-rearing skills more than their ability to find and hold a job and meet the major responsibility that society charges them with—that of taking care of their families.

Jobless people are under great stress. Society condemns them for not being able to care for themselves and accepting "handouts." Parents are unable to feel good about themselves. They often take their bad feelings out on each other—parent on parent, parent on child, and children on parents. Homes of unemployed, frequently unemployed and marginally employed people are more often chaotic and filled with high conflict than those of people who are regularly and well employed. Family break-up and movement from place to place in search of a better situation or "just in front of the rent man" is more likely.

Communities of yesterday's unemployed and marginally employed are the places where many of the children of today's unemployed parents will grow up and prepare for adulthood. These communities, schools, decaying buildings and street gangs, are often seething with hopelessness and despair, anger and alienation, apathy and disruptive behavior.

What is learned is not likely to lead to success and good citizenship but to the problems which are paralyzing and destroying our urban areas today. Worst of all, blacks will be blamed for this predicament and not the policymakers who made it all possible.

It has always amazed me that we ask why young people who grew up in such homes and communities often can't go out and have a successful college career, learn a trade, hold a job, care for a family, find joy and happiness aln leisure time and be all-around good citizens.

Yet we know very well that preparation to do these things begins with the stability and security of their parents in the home—a security made possible by a job and a living wage.

But what is the value of good child development and work skills if there is no work? The motivation for good cannot be sustained, at least not in this society in which work so directly determines one's self-worth and is the basis of personal organization. Without job opportunities hundreds of educational programs preparing one for work have little meaning. The uncertainty and sense of apathy we see in so many training and educational programs, even at the graduate and professional school level, are in part an outcome of the bleak employment picture.

To all of the economists and decision makers who pore over nameless figures and condemn millions of Americans to welfare roles, I say: What about the human cost of unemployment? What about the cost of incarcerating thousands of children and adults who could have been successful citizens had they been able to grow up in more secure families and communities? What is the cost of the loss of their productivity? What about the cost of hospitalizing thousands of people for psychological illnesses resulting from economic and social insecurities?

What about the mental anguish of thousands of parents and adults who watch their children and loved ones fall victims of criminality, prostitution from economic and social insecurities? What about the price we all pay in fear on the streets and in our homes? What will be the eventual cost of waning trust and confidence of unemployed people in our nation? What will be the eventual cost of continued and worsening relationships between the races, between the haves and the have nots as a result of unemployment problems?

A 9-year-old black youngster from a poverty-stricken home was asked to say the Pledge of Allegiance at the start of school on Monday morning. He refused and ran out of the class, hotly pursued by his teacher, determined to make him respect his country.

He ran into the arms of a school aide and said, "That old teacher is trying to make me say the Pledge and I haven't had anything to eat all weekend!"

At some level, he understood that "somebody up there" was responsible for his plight. In time he is likely to feel that it is because he is poor and black and the people responsible are white and not so poor. His response, and the response of many others like him, can perpetuate the deep divisions in our nation and the almost intolerable tensions in our urban areas.

I believe, as do many economists, that there are other ways to slow inflation; that runaway inflation is more a product of taxless wars and inappropriate priorities than full employment. Whatever the solution, it is not just that blacks continue to bear the greatest burden of unemployment and pay the highest social and psychological price.

SWEDISH FILM INSULTS HARLEMITES

HON. CHARLES B. RANGEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. RANGEL. Mr. Speaker, at this time, I would like to congratulate two courageous and respectable men, Tony Brown, executive producer of Black Journal, and John Jay Iselin, president of New York's WNET/channel 13 television station. Mr. Brown and Mr. Iselin have joined forces along with other interested persons to overcome what would have been an overwhelming aspersion on the Harlem community.

WNET/13 had made plans to air "Harlem: Voices, Faces"—a 90-minute propaganda film produced by Swedish filmmakers which purports to provide an "outside view" about life in Harlem—nationally over the Public Broadcasting Service. In actuality, the film is another attempt by the so-called "do gooders" to comprehend what seems to be an anomalous environment and to then communicate that insight to the world at large. The damage that results from such inadvertent acts is irreparable. Misconception accompanied by fear and paranoia is fostered in the outside communities while the citizens of Harlem are raped of their dignity and pride.

Through the initiative of Tony Brown, the prudence displayed by John Jay Iselin, the leadership of community activists, and the declinations of those asked to serve on the panel, the film has been canceled.

The publicity that surrounded the controversial film provoked a commentary by John O'Connor of the New York Times in which he alluded that the decision not to air the film was an "instance of nobody's winning." Tony Brown's response to this allusion was timely and placed the issue in focus. Herewith, I submit his comments:

EDITOR,
The New York Times, Letters to the Editor Department, 229 West 43rd Street, New York, N.Y.

DEAR SIR: In your May 16 issue, Mr. John J. O'Connor analyzed WNET 13's cancellation of "Harlem: Voices, Faces," a 90-minute propaganda film produced by Swedish film makers.

Mr. O'Connor charges that this is an instance of nobody's winning. To the contrary, as Claude Lewis, a Harlem-raised columnist for the Evening Bulletin in Philadelphia, explains, "Harlem got something this week that it hasn't had in a long, long time. A break." Mr. Lewis continued in his May 16 column by quoting me. "We have suffered enough from other people's views."

Our community has always been defined from "the outside" and that's exactly what's wrong with the definition. The result is social libel; a process which has turned people outside of Harlem against it—and by inference all Black people—and many in Harlem against themselves. The advocates, all whites, for presenting the film to a national audience argue that we can learn something from a presentation "as others see us." They don't seem to realize that "us" is not "them." It is us, Blacks, who are maligned.

For most of the communities around the country, this is the only statement that public television will make this year in a documentary about Black Americans.

The inference is made that we Blacks who oppose the film are afraid of the truth. The truth is exactly what we seek. No one is denying that Harlem has more than its share of drugs, prostitutes, pimps and crime in general. But no focus is ever placed on why "New York's Finest" permits heroin, for example, to be purchased in broad daylight in "street supermarkets."

The police and the city government have created a permissible area in which drug addiction and criminality can flourish. Blaming the victims for their circumstances is simply an example of "fault" psychology.

The Harlem that most Blacks know is a proud neighborhood, as described by an editorial in the Amsterdam News, ". . . hundreds of thousands of hard working loyal, tax-paying citizens, going to work each morning, making their way under the American system despite deprivations. . . ."

Mr. O'Connor says that WNET/13's management buckled under to the pressure of Black leadership. WNET has shown more guts by admitting, perhaps under embarrassing circumstances, that it had made an error in judgment. The public is the benefactor of such a mature station management. John Jay Iselin, President, in withdrawing the film until balance and decency are obtained, has demonstrated that he will not bow to a white racist arrogance which argues that whites cannot make mistakes of judgment in matters relating to Blacks.

The false issue of censorship confuses the reality of the situation. Censorship infers an abridgment of freedom of speech or an opposing point of view. More accurately, "Harlem" is a pro-socialist propaganda film at the expense of Black Americans, i.e., capitalism's insensitivity to its sub-humans.

We only ask that the problems of Harlem be framed accurately. To this end, my hat is off to a true and committed elected leadership such as Percy Sutton, Carl McCall and Charles Rangel. And to James Turner and Roger Wilkins for personal commitment to integrity and dignity.

Quite to the contrary of Mr. O'Connor's assertions, Harlem, the public and WNET/13 have all benefited from this dialogue.

Sincerely,

TONY BROWN,
Executive Producer, Black Journal.

THE IRON DUKE

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. GRASSLEY. Mr. Speaker, it is indeed an honor and a privilege for me to

acquaint my colleagues with a distinguished Iowa journalist, Bill Severin. Mr. Severin, or "The Iron Duke" as he is known throughout north central Iowa, is retiring as a political columnist and reporter from the Waterloo Courier.

I have known Mr. Severin by reputation since I was old enough to pick up a newspaper and I have known him on a personal basis since I entered Iowa politics 17 years ago. He is a fair and honest man who is not afraid to speak out on his opinions of the issues and I admire his ability to turn out a daily column that tells it like it is.

The Iron Duke started his newspaper career in his hometown of Cedar Falls, Iowa, 30 years ago. He worked for International News Service—later to merge into United Press International—and the Dubuque Telegraph Herald before enlisting in the U.S. Coast Guard in 1942.

After World War II he joined the staff of the Waterloo Courier, soon becoming an expert political and governmental reporter. In 1967 he began writing his hard-hitting and controversial front page column "The Iron Duke," which has become a much quoted political "bible" to north central Iowans.

It is with much regret that I watch Mr. Severin retire. But he goes to his trout streams with the best wishes and admiration of not only me, but all of his Iowa readers.

SCHOOL BUSING UNDER FIRE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BIAGGI. Mr. Speaker, recently the nationally syndicated columnist James J. Kilpatrick wrote a column which discussed the ever increasing opposition to school busing. This article was significant in that the new spokesman against busing represented noted experts in the fields of education and social sciences, and in some instance former supporters of busing. The main theme of this article was that school busing was actually contributing to a greater segregation in schools than was in effect prior to the institution of busing.

At this point in the RECORD I wish to insert Mr. Kilpatrick's article entitled "Top Scholars Join Fight on Busing." I am confident that it will provide both opponents of busing such as myself and supporters with some new insights into the effectiveness of school busing:

TOP SCHOLARS JOIN FIGHT ON BUSING

WASHINGTON.—In recent weeks, three researchers in the field of school desegregation have voiced an identical conclusion: Racial-balance busing does not work. The practice does more harm than good, and ought to be abandoned.

This is scarcely a novel conclusion. A great many critics of the federal courts have been saying this for years. What gives weight to the most recent appraisal is that the three researchers cannot be described, by any stretch of the imagination, as bigots, yahoos, or rednecks. They are qualified scholars.

James S. Coleman, professor of sociology at the University of Chicago, is principal author of the famed "Coleman Report" of 1966. Biloine Whiting Young is a former instructor at the University of Illinois who served us director of the Illinois project for gifted children. Grace Billings Bress taught at the University of Minnesota and was a Woodrow Wilson fellow at Harvard.

Mrs. Young and Mrs. Bress reviewed research done by others over a 20-year period and concluded that racial-balance busing is a "dangerously simplistic" device.

"Further," the two educators remark, "mandatory busing has contributed to the racial and economic segregation of our cities on a scale undreamed of in 1954, to the extent that in many there are no longer enough white pupils to integrate."

Coleman makes the same points. He studied data for 1968–73 from the 20 largest school districts in the country, and from the 50 next largest. He also took a general look at racial trends in very small districts. He concluded that integration can work, in the sense of maintaining a stable racial balance, in a small district, but it has "a very difficult time working in a large district."

Coleman is sharply critical of the federal courts for their role in desegregation. He termed them "the worst of all possible instruments for carrying out a very sensitive activity."

Coleman predicts a "general resegregation in all regions of the country." Especially in major cities, middleclass whites will continue to flee to the suburbs or to private schools. This is not necessarily a manifestation of race prejudice as such. "In large cities, where the system often seems out of control, there's a much greater feeling of inability to have any impact on the schools, a feeling that schools cannot maintain order, and a feeling that the schools cannot protect the child."

Coleman finds it understandable that many parents, white and black alike, don't want to send their children to schools "where 90 percent of the time is spent, not on instruction but on discipline." Failure to control "undisciplined and violent behavior on the part of some black children" serves to intensify the prejudice of whites.

If, racial-balance busing is wrong socially, and wrong educationally, can it be justified constitutionally? Mrs. Bress and Mrs. Young identify what they term the "judicial essence" of the Supreme Court's 1954 decision: "Namely, that the law must be applied to all Americans in a color-blind fashion; that race is not a constitutionally valid basis for differentiating among school children . . ."

Accepting that succinct formulation, I confess my own inability to comprehend why the federal courts persist in their reckless course. When children are bused away from their neighborhoods, solely because of the color of their skin, court orders are not color-blind. The Equal Protection Clause becomes a nullity.

Prof. Coleman, Mrs. Bress, and Mrs. Young join many other respected critics in saying that busing is a mistake. When will the courts pay them heed?

THE PUERTO RICAN SOCIALIST PARTY: BRIDGEHEAD FOR THE WORLD REVOLUTION—PART II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. McDONALD of Georgia. Mr. Speaker, herewith is the second part of my survey of the activities of the Puerto Rican Socialist Party, which its founder and leader, attorney Juan Mari Bras, has said offers itself "as a bridge over which world revolution can penetrate into the United States."

Another campaign of the PSP "independence" campaign is to end U.S. strategic capabilities in the Caribbean and in Latin America. Broadcasts from Cuba, stated by Juan Mari Bras to be "the main ally of the people of Puerto Rico in their struggle for liberation, independence, and socialism," have for many years objected to the U.S. presence in the Caribbean, stating that—

The island of Puerto Rico has been converted into a military bastion and base of aggression for U.S. imperialism against movements of national liberation in Latin America.

The CPUSA pamphlet, "Puerto Rico: Island Paradise of Imperialism," noted that—

Puerto Rico is strategically placed to serve as a base of operations for U.S. military occupation of any Latin American country threatened by 'subversion!' * * * The Weapons based on Puerto Rico are pointed at Venezuela, one jet-hour away, at Colombia, reached in two hours, at Brazil, Costa Rica, Panama and Guatemala * * * and [there is] the constant threat to Cuba.

In this context, considerable import must be given to the statement of Juan Mari Bras in 1967:

Just as imperialism uses Puerto Rico as a bridgehead for its penetration into Latin America, so will the Patriotic Vanguard (MPI) of Puerto Rico offer itself as a bridge over which world revolution can penetrate into the United States.

In light of this extreme hostility to the United States, the PSP campaign against the construction of oil refineries and a superport in Puerto Rico, which would provide jobs for many Puerto Rican workers, should be seen as part of its overall campaign to weaken the economy and defense posture.

The Puerto Rican Socialist Party has been connected with other terrorist groups before the arrival of the FALN.

Carlos Feliciano, a member of the Nationalist Party who had shared a cell with Pedro Albizu Campos after the Jayuya revolt in 1950, was arrested in May 1970, for possession of a pipe bomb hidden in a loaf of bread. He was believed responsible for some 40 bombings credited to the clandestine terrorist group MIRA—Movimiento Independentista Revolucionario Armado. The prosecutor stated that Feliciano had admitted to membership in MIRA during questioning, and charged he was connected with the Cuban Government.

MIRA, a small, loosely knit terrorist group, had been active in the United States and Puerto Rico since the 1960's. During 1970 and 1971, over 100 bombs and incendiary devices were attributed to this group. MIRA's bombers and arsonists have favored distinctive types of pipe bombs and battery-detonated explosives in cigarette packs, and had won notoriety for placing incendiaries in popular New York department stores and San Juan hotels.

The PSP created a Carlos Feliciano Defense Committee, headed by Alfredo Lopez of the PSP political committee. It organized a flood of propaganda to the radical media and a legal defense headed by two top revolutionary attorneys, William Kunstler, who has said he intends to "bring down the system through the system," and Conrad Lynn, an admitted former member of the CPUSA who switched to Maoism during the 1960's. In 1973, after a series of trials and appeals, Feliciano was convicted of possession of explosives and sentenced to 4 years imprisonment.

Others associated with the PSP have also been linked with terrorism. These include Eduardo "Pancho" Cruz, believed to be a member of MIRA and another associate of the Cubans, who was convicted of possession of explosives in 1973 and sentenced to 7 years imprisonment; and Wilfredo Lopez, believed to be a member of the Armed Commandos of Liberation—CAL—team that bombed the hotel in Puerto Rico where the Miss U.S.A. Pageant was being held in 1972.

The PSP has made no attempt to conceal its close ties with CAL, and its approval of its acts of terrorism. In 1972, Tricontinental Bulletin published a CAL statement in which they characterized themselves as the "fighting arm of the Puerto Rican Independence movement" whose purpose was "to undermine the stability and colonial peace of the imperialist invaders" and to precipitate "the power of the working class, independence, and socialism."

CAL has made it clear in various communiques and secret interviews that it is not an "adventurist" group trying to substitute armed actions for the building of a "proletarian vanguard party" which will lead the socialist revolution in Puerto Rico. CAL has said it means to supplement that process and "complement legal mass work."

Explaining the relationship between CAL and the PSP, Juan Mari Bras said:

There is no liberation without a liberating army. We don't occupy ourselves with the development of this army. That task belongs to others * * * (but) we have given full moral support to CAL because we consider it an important ingredient in raising the mass struggle.

This appears to parallel the situation in Argentina where the Revolutionary Workers Party—PRT—act as the political arm and controlled the People's Revolutionary Army—ERP—terrorists in accordance with Marxist-Leninist theory which holds that the vanguard political party must control the armed forces and direct their overall activities. And a similar situation occurred in South Africa in the early 1960's where the South African Communist Party and the African National Congress controlled the general policy of the terrorist Spear of the Nation group.

Apparently Juan Mari Bras, who has said that armed struggle and urban guerrilla warfare as irreversible components of the Puerto Rican independence struggle, and his revolutionary supporters also have no conflict of interest with the FALN. For in a press conference after the Puerto Rican Solidarity Day rally on October 27, attended by Angela Davis, a member of CPUSA's Central Committee representing the NAARPR, self-proclaimed revolutionary Jane Fonda; Irwin Silber of the Guardian; and Juan Mari Bras, reporters asked Bras for his comments of the FALN bombings.

Bras commented:

There is a diversity of forms and means by which the Puerto Rican people are striving for independence.

He disclaimed knowledge of the FALN but said, "I do not condemn it."

The FALN has claimed responsibility for at least three more instances of terrorism. There were the blinding of a Puerto Rican rookie patrolman with a booby-trap bomb in New York City, allegedly in revenge for the suicide by hanging of Puerto Rican militant in a precinct holding cell; and the bombing of the Fraunces Tavern in New York's financial district in which four persons were killed. This latter terrorist attack was disapproved of by Juan Mari Bras on the grounds that it endangered the lives of the tavern employees, as well as the lives of capitalists whom the PSP leader apparently feels are the legitimate targets of revolutionary terrorism.

In September 1974, the Puerto Rican Socialist Party, supported by members of Le Roi Jones' Congress of Afrikan People and other militant and revolutionary agitators, attempted to exacerbate riots which erupted in the Puerto Rican community in Newark, N.J.

On Sunday, September 1, members of a crowd of some 10,000 Puerto Ricans attending a Hispanic festival in a park began a rock- and bottle-throwing assault on mounted officers who had made a gambling arrest. Inflammatory and untrue rumors spread that a child had been trampled to death, and the riots continued for 3 days and 2 nights, with looting, arson, and incidents of sniping being reported.

Leaders of the PSP, supported by Le Roi Jones and his Congress of Afrikan People, immediately organized militant marches on city hall in protest of alleged police brutality at the festival and in dealing with rioters, and endeavored to inflame antipolice sentiment.

As the confrontations at the festival broke out, a 15-member negotiating committee which asserted it represented "the community" met with Newark's mayor. That committee, the People's Committee Against Repression and Police Brutality, was a coalition of Puerto Rican and black groups whose leading influences were clearly PSP and CAP.

The "spokespersons" for the commmittee were Alfredo del Valle and Sigfredo "Freddy" Carrion, both members of the U.S. Zone—Central—Committee of the PSP; Melba Maldonado, PSP; Le Roi Jones—Amiri Baraka—CAP; Ramon Rivera, director of OYE, a federally funded antipoverty agency; Rev. Alfonso Roman, Congress on Puerto Rico; Marina Berkowitz, also of the Congress on Puerto Rico; and "community leaders" Nydia Clas and Jose Rosario.

At a joint CAP/PSP press conference on September 5, 1974, Le Roi Jones "declared his solidarity with the struggle of the previous days led by the Puerto Rican community and hailed their courageous actions in defense against attacks mounted by police." CAP at that time also endorsed the Puerto Rican Solidarity Day rally held October 27, 1974, at Madison Square Garden.

It is noted that on the third day of rioting, Newark Mayor Kenneth Gibson banned all public meetings of three or more people, and the violence slowly ended.

Organized by the Puerto Rican Socialist Party through the Puerto Rican Decolonization Committee and its related, but broader based Puerto Rican Solidarity Day Committee, the October 27 rally in Madison Square Garden attracted some 20,000 independentistas and their revolutionary supporters from the full factional range of the American left.

Taking its lead from a United Nations resolution which was sponsored and engineered by the Soviet Union, Cuba, Allende's Marxist regime in Chile and Red China, that despite the referendums in Puerto Rico in which Puerto Rican voters chose commonwealth status, the island is a U.S. colony, the PSP launched a new campaign under the slogan, "An American Bicentennial Without Colonies."

The revolutionary greetings printed in the rally program indicated the high regard the PSP has obtained from a broad spectrum of the left.

Among the groups and individuals sending greetings were fugitive Bernardine Dohrn for the Weather Underground Organization; the Attica Brothers—defendants charged with offenses related to a September 1971, riot at Attica State Prison in New York—and the Executive Secretariat of OSPAAL, Castro's apparat for the export of revolution.

Radicals attending the solidarity rally reported it signaled an entirely new phase in the Puerto Rican independence movement and attached the greatest significance to the solidarity messages from "progressive and socialist" countries in Europe, Asia, Africa, and Latin America. During the rally it was announced that delegations were present from Cuba, the Soviet Union, Mongolia, and Venezuela.

Speakers at the rally included Juan Mari Bras; Angela Davis of the Central Committee of the CPUSA; Corky Gonzales, chairman of the Denver-based Crusade for Justice, a militant Mexican-American organization; Le Anh Tu; Helen Sobell, wife of convicted atom spy Morton Sobell; Virginia Collins, Southern Conference Educational Fund; author Piri Thomas; Guardian executive editor Irwin Silber; Howard Fuller, also known as Owusu Sadaukai, African Liberation Support Committee; Russell Means, American Indian Movement; Geraldo Rivera, a New York TV news commentator; actress and propagandist for the Vietcong, Jane Fonda Hayden; Jerry Tung of the Asian Coalition whose remarks attacking the USSR for "social imperialism" were drowned out by the pro-Soviet faction in the audience chanting "unidad" "unity"; and Ella Baker, a member of the national committee of the Puerto Rican Solidarity Day Committee who was one of the founders of the Southern Christian Leadership Conference and of the Student Nonviolent Coordinating Committee, and now is among the leadership of Arthur Kinoy's

National Interim Committee for a Mass Party of the People.

The official statement of the national board of the PRSDC touched upon most of the issues being developed by the Puerto Rican Socialist Party. In part the statement read:

> This rally symbolizes the growing awareness among the people of this country that the system of U.S. imperialism which dominates Puerto Rico is the same system which oppresses us all. The same oil companies who manufactured the phoney oil crisis want to convert Puerto Rico into a petroleum factory. The same copper companies who rob Chile of its natural resources exploit Chicano and white workers in the Southwest of this country and have plans to devour the copper deposits in central Puerto Rico. The same agribusiness interests which force Mexicans and Puerto Ricans and others to migrate to the United States and face abysmal wages and working conditions monopolizes the world food market and force food prices up.

While the boos and cheers which greeted the speeches of Angela Davis and Jerry Tung made clear the extent of the Marxist-Leninist factionalization in U.S. groups encouraged by the Sino-Soviet split, all groups united in expressing support for the Puerto Rican Socialist Party's goals. Throughout the rally, the more militant and revolutionary the speakers were, the more they were in tune with the audience.

My Extension of Remarks of June 2, 1975, 16573–16575, noted the activities of the Puerto Rican Socialist Party in the area of labor organizing.

The PSP is operating the Movimiento Obrero Unido—MOU, United Workers Movement—as its front for the eventual formation of a Cuban-style Central Unica de Trabajadores—CUT—or Central Labor Organization of all workers under Marxist-Leninist control.

Also on June 2, the interlocking relationships among the Puerto Rican Socialist Party, the Communist Party, U.S.A., and its ideological rival, the National Interim Committee for a Mass Party of the People, in conjunction with the Soviet-controlled World Peace Council were detailed.

The World Peace Council will sponsor an International Conference in Solidarity with the Independence of Puerto Rico in Havana, September 5–7, 1975.

The U.S. Support Committee for this conference is being run by the well-known CPUSA member Pauline Rosen, who is U.S. coordinator for the WPC, from offices at room 515, 156 Fifth Avenue, New York, N.Y. 10010.

Pauline Rosen's committee is currently recruiting a "broad delegation from the United States, representing labor, minority peoples, peace, church, women, students, and community organizations."

As reported by the Daily World, the U.S. Support Committee includes Tony Monteiro, a leader of the CPUSA, the Young Workers Liberation League, and the CPUSA's National Anti-Imperialist Movement in Solidarity with African Liberation, a support group for African Marxist guerrilla terrorists; Frances Beal of the Third World Women's Alliance; Florencio Merced—Rosa—a top leader of the PSP; Sixto Medina of United Auto Workers Local 664; David Garcia, St. Marks Church in the Bowery, long active in Latin American causes sponsored by both the CPUSA and by the Trotskyist Communist-Socialist Workers Party; Jim Haughton, director of Fightback in Harlem, and a leader of the National Interim Committee for a Mass Party of the People; Roque Ristorucci, education director of the New York State Communist Party and executive secretary of the CPUSA youth group, the Young Workers Liberation League; Antonio Rodriguez, CASA; Helen Allison Winter, CPUSA international affairs secretary; Wilbur Haddock, United Black Workers; and Pauline Rosen, CPUSA and U.S. coordinator, World Peace Council.

In a "building action" for the Havana solidarity conference, the Puerto Rican Socialist Party, and its supporters took part in the annual Puerto Rican Day Parade in New York City on June 8. Various radical and revolutionary groups supporting Puerto Rican independence from "U.S. imperialism" participated, and there was a separate Communist Party, U.S.A. contingent in the march headed by Grace Mora, the "chairperson" of the Puerto Rican Commission of the CPUSA.

Mora issued an official propaganda statement for the parade on behalf of CPUSA which read in part:

> We reject any "formal ties" with U.S. imperialism, and see independence as the only meaningful alternative that will serve the interests of the Puerto Rican people.
>
> Puerto Rico (rich port) is so named because of its rich resources. We do not need U.S. monopolies, which rob us of our natural resources, exploit our people, destroy our history and culture, deny us our language and use our land for U.S. military bases. That is not in the interest of the Puerto Rican people.
>
> We support the inalienable right of every nation to be free from colonial rule. As an example, Cuba, which lies close to Puerto Rico in the Caribbean, is independent and sovereign, a beacon of freedom, a mighty example of a people's victory in the struggles for the right to determine their own destinies. Today Cuba can truly be called "La Perla de las Antillas" (the pearl of the Antilles).
>
> We see the immediate necessity for reaching the U.S. working class and getting support in the struggle for Puerto Rican independence. It is in the self-interest of the U.S. workingclass to fight against racism and for the freedom of the Puerto Rican people. The people of Puerto Rico constitute a nation and therefore should stand independent and free from U.S. imperialism.
>
> Viva Puerto Rico Libre!

The Puerto Rican Socialist Party's 16-year record of dependence on the Cuban Communist regime; organization of violent riots which have resulted in the murder of law enforcement officers, looting and arson; and its support of terrorist acts has required that it be considered a threat to the internal security of the United States. As such, the Puerto Rican Socialist Party is an appropriate subject for a full investigation by the House Judiciary Committee which now has jurisdiction over matters of internal security.

H.R. 4035

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. DODD. Mr. Speaker, on June 5, this body passed H.R. 4035, a bill that provides for a 15-day review period during which the Congress could disapprove proposals to exempt petroleum from allocation or pricing controls. The bill extends the Energy Supply and Environmental Coordination Act to compel utilities that can burn coal to do so, and switch to coal from petroleum and natural gas usage, continues the Federal Energy Administration authority to continue to gather energy data, and extends the Emergency Petroleum Allocation Act of 1973 which controls the current price on crude oil and the allocation system.

I commend my colleagues for supporting this measure. I believe it is a good starting point to expand the congressional participation in our energy solutions. The President has made a number of decisions involving the energy situation in this country. After several months of investigation, his only policy was to raise the price of imported oil, and now he wants to phase out the controls of old domestic oil, which will cost an estimated $15.7 billion. We have seen from the first dollar import tariff that raising the price will not help in conservation efforts, it only makes the rich, who are quite able, pay a higher price for luxuries, and makes the lower and middle income Americans, who are not able, to pay higher prices for basic necessities. The $2 tariff is estimated to cost $12.1 billion.

As a representatives of a northeastern district, I believe this policy is unfair. The Northeast will be affected much more than other areas of the country since they are very dependent on the use of oil. Figures show that decontrol nationally will cost $71 per year per person. In New England, this figure jumps to $94 per year per person.

I believe that we need a comprehensive program that will conserve energy and affect our people equally. I believe that the Congress needs the time to evaluate proposals that will increase the price of oil beyond the capabilities of our citizens to pay for it, especially when no appreciable conservation will take place.

The period for congressional review in effect prior to H.R. 4035 provided for a period of 5 legislative days. The Congress often cannot meet this deadline. Rather than give the administration what amounts to sole authority on decontrol of prices, this measure allows a reasonable period, 15 days, to investigate the proposals. It also requires the administration to submit data on the justification and impact of its decision.

This bill is simply a beginning. It allows congressional participation. It is not an attack on the administration, but it does provide the Congress time to act on proposals dealing with the price controls on petroleum and extends specific acts to give the Members of the Congress the opportunity to develop a comprehensive program to deal with the energy crisis in ways other than increasing prices on oil, which in my estimation is an ill-conceived plan.

SPECULATION AND COMMENT FROM INDIVIDUALS IN AND OUT OF GOVERNMENT

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. SYMMS. Mr. Speaker, our Nation's economic situation has generated a great deal of speculation and comment from individuals in and out of Government, from all areas of the United States, both in the financial community and in all other walks of life. Unfortunately, the bulk of what we hear and read on this subject reflects the widespread misunderstanding of basic economic principles among America's leaders and the general populace. It is refreshing to occasionally come across an individual who realizes that Government deficit spending and printing of currency not backed by a valuable commodity such as gold amounts to monetary inflation, which in turn results in price inflation and other painful economic symptoms. Recently I received a letter reflecting this sound economic wisdom—from a 13-year-old eighth grader in Boise, Idaho. This young Boy Scout, Lee Tolley, is active in various sports and in his church, and has drawn a parallel between the rising costs of Government and the price and quality of consumer goods he buys. To inform my colleagues that not all of America's youth have accepted the suicidal economics of John Maynard Keynes and Paul Samuelson, I submit the following letter from Lee Tolley, a youngster who gives me cause for hope.

The letter follows:

APRIL 5, 1975.

Hon. STEVE SYMMS,
House Office Building,
Washington, D.C.

DEAR MR. SYMMS: I am a Boy Scout in troop 88 Boise Idaho. And I am working on my citizenship in the Nation Merit Badge. One of the requirements is to write a letter to one of our state legislators, and let you know my views on a local or national subject.

The subject I have chosen is inflation. I don't think we should print money if we do not have the gold to back it up. I think when the government spends more money than it has, the products we purchase, cost considerably more. I have noticed that the prices of gum, clothing, shows, groceries etc., have increased in the price and decreased in the size of the product.

I think one way to solve this problem cut down on foreign aid. I don't think we should hurt ourself in helping but aid in ways we can, and encourage them to help themself.

I have learned to appreciate this country more and what it means to be a citizen. I would like to thank you for what you do for Idaho and the nation.

Yours truly,

LEE TOLLEY.

URANIUM TO RUSSIA

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. MOTTL. Mr. Speaker, it is disturbing to learn that our country is shipping valuable uranium to the Soviet Union and even more distressing to me that our Government apparently has no qualms about permitting the export of this valuable metal.

The export of natural resources like uranium should be closely regulated so that we do not find ourselves in a uranium crisis in the years ahead.

The following article by Robert Crater in the Cleveland Press on June 6 accurately summarizes our shipments abroad and the possible future ramifications of this activity:

URANIUM TO RUSSIA

(By Robert Crater)

WASHINGTON.—An Ohio congressman says the General Accounting Office (GAO) is looking into a deal through which U.S. uranium will wind up in Russia, which hoards its own supply.

"It could be as big a financial rip-off to the American people as the notorious wheat deal," warned Cong. Ronald M. Mottl, referring to the transaction which left Americans short last year.

"At the very least, this could cause depletion of our uranium reserves, resulting in a crisis within 10 years," he said.

In mid-April the Nuclear Regulatory Commission (NRC) licensed Edlow International Co., Washington, D.C., to export uranium to the United Kingdom.

Mottl says the remainder of the deal calls for England to export it to Russia for additional refining, and then to West Germany. He said the arrangement will siphon 1.4 million pounds of uranium from the nation's supply, estimated now to last until the mid-1990s.

The congressman said depletion of U.S. uranium reserves could make the nation dependent upon imports—a situation he likened to the present oil shortage.

Mottl assigned his staff to look into the uranium export deal. After meetings with GAO representatives, he said the investigating arm of Congress assigned a team to examine the matter. He said the GAO hopes to report this summer.

Despite some notoriety about the NRC in licensing of U.S. uranium exports, officials at that agency and members of the Congressional Joint Committee on Atomic Energy were uninformed about it, or were reluctant to discuss it in detail.

Commenting on reports that Russia requires customers to supply their own uranium for processing in Soviet plants, a State Department source said he assumed Russia was hoarding its supply.

Mottl said he asked the GAO to determine why the U.S. is exporting its uranium and who determines this policy.

"Are there safeguards against the exported uranium being used to make nuclear bombs?" he asked the agency.

The congressman also requested the GAO to determine uranium mine owners' names and whether the U.S. restricts foreign ownership.

"Is any company or individual ripping-off large profits at the expense of Americans, as was the case in our sale of wheat to Russia?" he asked.

CIVIL RIGHTS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mrs. HOLT. Mr. Speaker, after spending several hours studying the proposed rules of procedure for civil rights enforcement published by the Department of Health, Education, and Welfare, I must conclude that I have never seen a more arrogant attempt by a bureaucracy to enhance its own power and subvert freedom.

Some of the gravest threats to the survival of freedom in these United States arise from the rulemaking powers delegated to unelected bureaucracies by legislative bodies, and this is a classic example of rulemaking gone wild.

After examining these new rules of procedure for civil rights enforcement, every local school district that values its autonomy, the quality of education, and the rights of students, teachers, and parents must seriously consider dropping Federal aid to education.

These rules have no place in a nation which calls itself free. They are a blueprint for totalitarian Federal control of elementary and secondary education in every school district which receives Federal aid.

The rules, which will have the effect of law unless Congress overturns them, will give the Director of the Office for Civil Rights absolute and unlimited powers of intervention and control in every significant phase of local school administration.

His agents will have the power to enter local schools without consent of local school authorities. They will be able to interview students without consent of parents. Teachers could be interrogated without benefit of legal counsel or the presence of any third party representing the local school administration. The Federal agents would have unlimited access to all school records, even those protected by State law as confidential.

The scope of enforcement activities by the Office for Civil Rights will include recruitment and admission of students and teachers to schools; the assignment of students and teachers to schools, classes and courses; employment practices generally; grievance procedures; disciplinary matters, and "such other matters as the Director may from time to time designate."

The rules provide that recipient school districts "shall prepare and furnish such data and information as the Director may request."

Nowhere do the rules provide any standards or procedures by which the Director would be required to establish a need for the information, interviews, and other extraordinary intrusions he may undertake. The Director will decide what he wants, and the local school district must comply with his every request.

The rules run directly contrary to a recent court decision on relations be-

tween the Office for Civil Rights and local school districts. The case concerned an 18-month-old conflict between OCR and the Anne Arundel County, Md., school system.

The U.S. district court imposed restrictions on the demand by OCR for unlimited access to confidential student records and unlimited power to interview students and teachers without appropriate safeguards of their rights. The court protected the integrity of the Anne Arundel County school system and the rights of students, teachers and parents.

Mr. Speaker, at this point I would offer the full text of the court's decision for the RECORD:

[U.S. District Court for the District of Maryland, Civil Action No. N-74-1270]

UNITED STATES OF AMERICA, PLAINTIFF, VERSUS BOARD OF EDUCATION OF ANNE ARUNDEL COUNTY, MARYLAND, ET AL., DEFENDANTS

ORDER

The United States of America brought this action against the Defendants to enforce an Assurance of Compliance dated November 22, 1968 (HEW Form No. 441) requiring them to comply with Title VI of the Civil Rights Act of 1964 (P.L. 86-332) and all requirements imposed by or pursuant to the regulation of the Department of Health, Education and Welfare (specifically 45 CFR Part 80) issued pursuant to that Title. The United States of America by representatives of the Department of Health, Education and Welfare sought access to pertinent sources of information in the Defendants' possession pursuant to an investigation of individual complaints from citizens alleging that their children were unfairly disciplined because of their race and, also, to pursue a "pilot review" of the entire Anne Arundel County school system to enable the Plaintiff to design techniques, methods and procedures to eliminate "second generation discrimination."

The Defendants moved to dismiss the complaint seeking an Injunction, contending that all the information requested from the Defendants had already been supplied to the Plaintiff, except confidential records; that Federal and State laws and regulations prohibit the Defendants' release of certain confidential records containing personally identifiable data the Plaintiff desired (Maryland Code Art. 76A Section 3, Maryland State Board of Education By-Law No. 751, Article 77, Section 6 of Maryland Code, Educational Amendments of 1974, Elementary and Secondary Education Act of 1965 Section 438); that Federal law requires notice from the Attorney General prior to instituting a civil action (Educational Amendments of 1974, Elementary and Secondary Education Act of 1965 Section 438(c)); that the assurance form was not a valid contract, being unilateral, vague, indefinite and lacking of consideration and a meeting of the minds between the parties; that the Secretary of Health, Education and Welfare had failed to promulgate procedures for the data gathering activities it was commencing as required by the Educational Amendments of 1974, and for other grounds.

The Defendants' Motion to Dismiss the action was denied on the grounds that the assurance statement was a valid contract and Defendants were bound thereby and that no Federal or State law prohibited access by the Plaintiff to the confidential records in the custody of the Defendants.

The Plaintiff moved for a Preliminary Injunction on the grounds that irreparable injury would result if the Injunction was not granted, and at a hearing on February 21, 1975, the Court denied the motion for Preliminary Injunction on the grounds that the Plaintiff made no showing that irreparable injury would result and that there was no reasonable probability that the Plaintiff would prevail at a hearing on the merits.

On May 6, 1975, the Court struck the Order of February 21, 1975, denying the Plaintiff's Motion for Preliminary Injunction and set down re-argument on the Motion for Preliminary Injunction and a hearing on the merits of the within proceedings for May 19, 1975.

Now, therefore, it is hereby ordered this 19th day of May, 1975, as follows:

1. In connection with the investigation of discipline of students the Defendants are to provide such access to the premises, records and other sources of information, including personnel and students, pertinent to ascertain compliance with the conditions of Federal assistance, as may be requested by responsible officials of the Department of Health, Education and Welfare pursuant to Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d; and the regulation issued pursuant to this statute, 45 CFR Part 80; provided the actions of the representatives of the Department of Health, Education and Welfare shall be consistent with the achievement of the objectives of the statute authorizing the financial assistance in connection with which the actions are taken, and do not threaten the ability and resources of the Defendants in carrying out their principal task, the effective education of the youth of Anne Arundel County.

2. Records necessary to conduct the investigation will be supplied initially with names deleted and coded and, where it becomes necessary, personally identifiable student records and other records and confidential reports will be requested and supplied pursuant to paragraph 3(a)III of this Order.

3. The investigation by the Department of Health, Education and Welfare is conditioned upon an adherence by the representatives of the Department to the following procedures:

(a) The investigation of the Anne Arundel County school system will be conducted in an objective and reasonable manner to insure that:

(i) With respect to any interviews by Department officials with personnel employed by the Defendant Board of Education or with students of the Anne Arundel Schools which are conducted on school property during regular business hours, the Department will notify Defendants at least 24 hours prior to such interviews and Defendant Edward J. Anderson or his designee shall make the necessary appointments with the individuals to be interviewed.

(ii) The Department will schedule phases of the investigation in cooperation with Defendants to insure that the educational process is not disrupted.

(iii) During any interview conducted by the Department the presence of a third party will be permitted and a record made of the interview if the person being interviewed so requests. The third party and recorder shall be identified to the interviewer in advance. The making of a transcript of an interview will be permitted if one is requested and arrnged for by the person to be interviewed. Copies will be provided to both parties.

No student under the age of 18 shall be interviewed in the event of parental objection to such interview.

(iv) Requests for personally identifiable student records and other confidential reports shall be submitted by the representatives of the Department of Health, Education and Welfare to the Defendants, and in the event of a refusal, then to this Court, and shall be provided by Order of this Court upon a showing of a proper and reasonable basis for such request. In such instances, the strictest confidentiality is to be observed by all parties as to the contents of the records and reports.

Pursuant to 45 CFR 80.6(c), information of a confidential nature obtained in connection with compliance evaluation or enforcement shall not be disclosed except where necessary in formal administrative enforcement proceedings or where otherwise required by law.

(b) Plaintiff is to begin the investigation of the Anne Arundel County school system as soon as is practicable. Individual complaints referred to in the original Complaint herein shall be investigated, resolved and a report rendered by the Department officials to the Board of Education of Anne Arundel County. Unless a report is received by the Board of Education within 60 days of the date hereof the investigation of said complaints shall be considered closed.

(c) At the conclusion of the compliance review, the Department representatives shall notify the Board of Education of Anne Arundel County promptly of the findings of the investigation.

Judge Northrop obviously sensed that OCR was attempting to exercise authority never intended by Congress when the civil rights laws were enacted, and he applied reasonable limitations on the conduct of the Federal investigators.

But HEW is now attempting to achieve through rulemaking what the court would not allow it to achieve in the Anne Arundel County case.

It is important to understand not only these new rules, but the reasons set forth by HEW for adopting them. What is proposed is a fundamental change in the operations of the Office for Civil Rights. It will no longer be concerned with investigating specific complaints of race or sex discrimination or discrimination in federally funded programs, but will concentrate on investigations of "systemic discrimination." This constitutes a sweeping expansion of jurisdiction never intended by Congress.

You might well ask what "systemic discrimination" means. The answer is that it can be anything the Director says it is. Perhaps the Office for Civil Rights will undertake an investigation of the attitudes of teachers and students in a school system to find "systemic discrimination." The stage is set for a monstrous inquisition running through every school system in the land.

By defining its mission as investigating "systemic discrimination," HEW forever releases the Office for Civil Rights from the necessity of producing hard evidence of race or sex discrimination in any case. It would concentrate on manufacturing charges of discrimination with statistics, interviews, and subjective analysis.

Your school district could be accused of practicing racial discrimination if the calculus classes in your high schools contained insufficient numbers of black students. Your school district could be accused of racial discrimination if the percentage of black students disciplined exceeds their percentage of the school population.

If HEW has its way, we are now entering the era of racial balance not only in schools, but also in classes, courses, and even discipline. The concept of racial balance in discipline, of course, is the ultimate absurdity, but that is what the Office for Civil Rights is trying to impose on Anne Arundel County.

ATLANTA: TOO BUSY FOR HATE

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. YOUNG of Georgia. Mr. Speaker, the June issue of Reader's Digest contains an article by Noel F. Busch entitled "Atlanta: Too Busy for Hate."

This is a timely article because it puts in perspective the problems Atlanta has as a city, as well as the tremendous progress our city has made. I very much agree with Mayor Maynard Jackson and business leader Harold Brockey who recently pledged cooperation between the city government and the business community to "carry our city through this momentous period and into a new and higher plane of urban life in America."

The article follows:

ATLANTA: TOO BUSY FOR HATE

(By Noel F. Busch)

During the 1960s, when many major American cities were enduring massive race riots and economic rot, a prime setting for both might well have seemed to be Atlanta, the proud capital of Georgia, in the segregated South. Yet Atlanta—whose population of 1.7 million makes it the eighteenth-largest metropolitan area in the nation—experienced neither.

Instead, it grew through a decade of economic boom during which a new skyline of high-rise buildings sprouted in its downtown area, and progress in integration was achieved without appreciable violence.

SKY-HIGH BOOM

One need look no further than Atlanta's famous Peachtree Street for evidence of the boom. John Portman, an architect and urban planner out of Atlanta's own Georgia Institute of Technology, with the backing of a realtor named Ben Massell, brought in the massive 22-story Merchandise Mart. He then built a 30-story office tower and later added two tall matching buildings for his Peachtree Center, a complex which includes some of the town's best shops and restaurants. Portman also designed the dazzling hotel, Hyatt Regency in Peachtree Center, whose lobby is actually the roof, 24 stories up, and whose glass-walled elevators move up and down like see-through bubbles so that passengers may gaze out at the scene on their ride. Now another Portman addition approaches completion—the 70-story Peachtree Plaza Motel, in the form of a concrete silo, which will be the Southeast's tallest building and the highest hostelry in the world.

Farther along Peachtree Street comes a huge complex, called Colony Square, put together by another young developer, James Cushman. It emphasizes the communications industry and features an indoor skating rink as well as the 27-story Fairmont Colony Square Hotel.

These projects are rivaled by that of still another Atlanta entrepreneur, Thomas Cousins, whose downtown "Omni" complex boasts an indoor stadium for Atlanta's new basketball and hockey teams, and the World Congress Center to enhance Atlanta's status as the third-ranking convention center in the United States.

But that's not all. Just a block north of Colony Square is Atlanta's Memorial Arts Center, which includes a 1844-seat auditorium for Atlanta's superb symphony orchestra, and two theaters as well as a small but first-rate collection of paintings. And three miles away is perhaps the most conspicuous evidence of the city's boom and bustle—the 52,000-seat outdoor stadium for Atlanta's football and baseball teams. It was here that left-fielder Hank Aaron hit his 715th home run last spring to break Babe Ruth's record. And just geting underway this year is work on a 64-mile rapid rail and bus system to serve Atlanta and its suburbs.

PEACEFUL INTEGRATION

Why did Atlanta boom while so many cities burned?

The answer is found in part in Atlanta's history and location. The city was founded in 1837 by railroad builders at the junction of four small eastern railroads and a trunk line running westward to the Mississippi. Gen. William Tecumesh Sherman paid tribute to its strategic location when he burned Atlanta in 1864. The inhabitants rebuilt it while the ruins were still smoking, however, and five years after the war Atlanta had doubled its population.

Atlanta has always welcomed immigrants of all sorts, including Yankees, and has traditionally displayed a competitive spirit quite different from the reticent charm of other big cities in the South. Today, for example, Atlanta boasts regional offices for 432 of Fortune magazine's top 500 companies. Its Hartsfield International Airport is one of the busiest in the United States; Atlantans like to boast that, no matter which direction a Southerner goes after he dies, he will have to change planes at Atlanta.

Further, with its accessibility and lack of plantation tradition, Atlanta early became an education center for blacks as well as whites It's home to Emory, Oglethorpe and Georgia State universities, to Georgia Tech, and to the six predominantly black colleges that together form Atlanta University Center. These six draw some 6793 students to the 156-acre campus, making it the major such center in the world. Since many of these students come from nearby, and many others stay after graduation, it is not surprising that Atlanta's black citizenry, which now forms 52 percent of the inner city's population of 500,000, is both richer and better educated than its counterparts in other comparable U.S. cities. That so many of Atlanta's black leaders are pastors and educators has had a lot to do with the successful resolution of potentially explosive racial problems.

In 1960, for example, Martin Luther King, Jr., Atlanta's most famous pastor and citizen, led a student sitin at the lunch counter of Rich's department store. This led to a contract signed by the city government to integrate all Atlanta stores and restaurants in the fall, if the black community would cease to picket, boycott and sit-in during the three-month interim. When some blacks loudly demanded more immediate action at a mass meeting, King addressed the hostile crowd.

"I find people here," he said, "who are not willing to wait another few months, after waiting one hundred years and having nothing to show for it until now. If anyone breaks this contract, let it be the white man." The crowd went home.

COCA, COLA, AND GASLIGHT

Precisely because Atlanta has always been full of outsiders coming and going, its relatively small nucleus of native Atlantans has been obliged, if only in self-defense, to develop a strong sense of civic pride. Robert Woodruff, the longtime president and later chairman of the Coca-Cola Company—the one major industry that indisputably is Atlanta's own—illustrates the point.

The company got its start in 1886 in a three-legged iron pot over an open fire in the back yard of Confederate veteran John S. Pemberton, who was struggling to survive as a druggist and blender of patent medicines. He had already tried with little success to market a cough mixture, a hair dye and a liver pill, and over the next two years he did little better with Coke. So he sold his formula for $1750. Under new management, Coca-Cola prospered. It was a national product when Robert Woodruff, age 33, took over as president in 1923. Today Coca-Cola has become possibly the best-known commercial product under the sun, with worldwide sales now running at more than $2 billion a year and 175 million drinks a day. Atlanta's devotion to Coke is such that the city zoo's two elephants were once named Coca and Cola.

Woodruff's financial benefactions—mostly made through family foundations with assets of $500 million—have enhanced every aspect of the city's life. They include more than $100 million to Emory University, and recently $9 million to create a little park at Five Points, where "the pause that refreshes" got its start.

Even more important was Woodruff's leadership in Atlanta's power structure. For some 25 years, the nucleus of city fathers led by Woodruff was represented at city hall by Mayor William Hartsfield, who coined Atlanta's slogan, "A City Too Busy to Hate." Hartsfield was followed in 1962 by Mayor Ivan Allen, Jr., who spearheaded the city's economic surge for eight years. By pulling together, and helping the white community adjust to changing times, such leadership brought Atlanta to a sort of Golden Age.

In 19th-century Atlanta, night life and entertainment clustered around the intersection of its original five railroads. Fifty years ago, the intersection was roofed over by viaducts. Later on, as the railroads increased to 17, the tracks were rerouted outside the downtown area. In the late 1960s, a group of enterprising young shopkeepers, designers and architects saw the possibilities of renovating the now-deserted saloons and shops, many of them in a state of perfect preservation. As a result, Underground Atlanta, with wide pedestrian malls replacing the departed tracks, is once again the heart of the city's dining and entertainment area in gaslight ambience.

ON THE MOVE

What of tomorrow? Can Atlanta maintain its status as a model for urban race relations?

During the 1960s, some 60,000 whites moved out of the city and some 70,000 blacks moved in. The public schools' racial balance changed from 56.7 percent white to 63.7 percent black. On January 7, 1974, Atlanta inaugurated a black mayor, Maynard Jackson, 37, a six-foot-two-inch, 270-pound lawyer who once referred to himself as "the youngest, fattest and blackest mayor in Atlanta's history." Last fall a front-page story in the New York Times and a view-with-alarm article in Business Week reported a serious rift between city hall and the chamber of commerce. Both implied that the continuation of Atlanta's integrated boom might be in question.

The incident that triggered most of the commotion was a stern letter to Mayor Jackson from an organization called Central Atlanta Progress, Inc., composed of businessmen whose objective is to defend the downtown section in which they all have substantial investments. CAP's president was Harold Brockey, chairman of Rich's department store, and he listed some 14 areas, including crime, housing and schools which urgently needed remedial action. (Mayor Jackson had asked CAP for their complaints when he became mayor.)

But the bloom is not off the Atlanta peach. True, Atlanta now has two separate power structures, one economic and largely white, one political and largely black. Still, there is no reason why such a balance of power should be disastrous, unless the leadership is polarized.

Recently Mayor Jackson and Harold Brockey joined together to voice their strong belief that the business community and city hall can cooperate to keep Atlanta moving ahead. "The result of our partnership," they declared, "will carry out city through this momentous period and into a new and higher plane of urban life in America."

WHY VOTE TO SUSTAIN THE VETO OF H.R. 25

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. HUBBARD. Mr. Speaker, I want to share a letter regarding H.R. 25, the controversial strip mining bill. The following letter is from a friend of mine, a former colleague with whom I served in the Kentucky State Senate and a constituent from Madisonville, Ky.:

JUNE 2, 1975.

Congressman CARROLL HUBBARD,
House of Representatives,
Washington, D.C.

DEAR CARROLL: I feel that one of the most urgent needs facing our nation today is an energy policy that will enable us to become independent at as rapid a pace as possible. We must reduce our gold drain and dependence on foreign oils.

Coal has to be the only energy source of adequate supply for us to rely on for the immediate future. For this reason, Congress needs to turn its attention to research, technology, and training programs toward the economic and environmentally balanced development of this vital resource instead of outlawing its development where problems exist. Surely you recognize that coal is the key to our Nation's self dependence and economic stability and that improved research and technology is the key to the coal development.

Kentucky has a vital role in this battle for economic survival with a continuation of our present standard of living. The environmentalists, I find, often lose sight of the overall picture in their zealous attempts to protect the scenery and water and never consider the fact of increased costs to the consumer.

I think the time has come with all of the existing limitations on coal production to be certain that when we think of the environment we consider the overall picture of ecology, jobs, health, safety, and economics.

H.R. 25 falls far short in including all of these factors and for this reason, I am asking you to uphold the President's veto and to continue to work for a more reasonable approach to the balanced programs needed. Sound reasoning and active support toward the prompt development of our own energy sources has never been more vital to our nation's economic independence and quite possibly survival than at present. Measures such as H.R. 25 surely cannot be in the best interest of our people considering the increased costs for power it would create and the number of jobs it would eliminate at this time of already record high unemployment.

Sincerely,

KENNETH O. GIBSON,
State Senator, Madisonville, Ky.

LEGACY FOR LINDSAY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. SYMMS. Mr. Speaker, the Wall Street Journal of June 10, 1975 in this Kipling reprint said it all, about the Legacy of Lindsay to New York City.

EPITATH FOR NEW YORK CITY: THE GODS OF THE COPYBOOK HEADINGS

(By Rudyard Kipling)

As I pass through my incarnations in every age and race,
I make my proper prostrations to the Gods of the Market-Place.
Peering through reverent fingers I watch them flourish and fall.
And the Gods of the Copybook Headings, I notice, outlast them all.

We were living in trees when they met us. They showed us each in turn
That Water would certainly wet us, as Fire would certainly burn:
But we found them lacking in Uplift, Vision and Breadth of Mind,
So we left them to teach the Gorillas while we followed the March of Mankind. . . .

With the Hopes that our World is built on they were utterly out of touch,
They denied that the moon was Silton; they denied she was even Dutch.
They denied that Wishes were Horses; they denied that a Pig had Wings.
So we worshipped the Gods of the Market Who promised these beautful things.

When the Cambrian measures were forming, They promised perpetual peace.
They swore, if we gave them our weapons, that the wars of the tribes would cease.
But when we disarmed They sold us and delivered us bound to our foe,
And the Gods of the Copybook Headings said: *'Stock to the Devil you Know'*

On the first Feminiam Sandstones we were promised the Fuller Life
(Which started by loving our neighbor and ended by loving his wife)
Till our women had no more children and the men lost reason and faith,
And the Gods of the Copybook Headings said: *'The Wages of Sin is Death'*

In the Carboniferous Epoch we were promised abundance for all,
By robbing selected Peter to pay for collective Paul;
But, though we had plenty of money, there was nothing our money could buy,
And the Gods of the Copybook Headings said: *'If you don't work you die'*

Then the Gods of the Market tumbled, and their smooth-tongued wizards withdrew,
And the hearts of the meanest were humbled and began to believe it was true
That All is not Gold that Glitters, and Two and Two make Four—
And the Gods of the Copybook Headings limped up to explain it once more. . . .

ARTICLE PROVIDES FACTS ON ADMINISTRATION PLAN TO SLOW DOWN DEVELOPMENT OF FAST BREEDER REACTOR

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Wall Street Journal in a recent article describes in some detail the changing of attitudes in the administration toward development of the liquid metal fast breeder reactor.

This article reports that the project is stalled and that consideration is being given in the administration to letting the reactor project die a slow death.

The importance of the breeder reactor technology is that this type of reactor would produce fuel for nuclear power plants that generate electricity.

This Nation and private industry have invested billions of dollars in the development of nuclear technology—the peaceful application of the powerful atom in the interest of mankind throughout the world.

Nuclear energy is being utilized in many nations and is regarded as the answer to the rising demands for electric power.

The great thrust of scientific opinion is that nuclear power is the only alternative to conventional generating plants.

A recent statement signed by 32 prominent scientists, including 10 Nobel prize winners, concluded:

We can see no reasonable alternative to an increased use of nuclear power to satisfy our energy needs.

Nuclear power is the answer—the development of the liquid metal fast breeder reactor with its production of nuclear fuel for powerplants is the next logical step in the advancement of this technology.

If the development of this technology is stalled, future generations confronted with extended blackouts and power shortages may well look back on this decision as being shortsighted and lacking the will to act when necessary in the national interest.

Because of the interest of my colleagues and the American people in this matter, I place the article from the Wall Street Journal in the RECORD herewith.

The article follows:

[From the Wall Street Journal, June 2, 1975]

ADMINISTRATION CUTS BACK ITS PLANS TO DEVELOP A PLUTONIUM REACTOR TO GENERATE ELECTRICITY

(By Karen Elliott House)

WASHINGTON.—An ambitious administration plan to develop a new type of nuclear reactor to generate electricity toward the end of the century has suddenly been stalled.

The reactor is called the fast breeding reactor (because it "breeds" its own radioactive fuel), and until now it has been the focal point of Washington's long-range energy planning. Successive administrations have poured a total of $2.2 billion into research on the project.

But now, under heavy congressional pressure, administration energy planners have begun reconsidering their plans to cap the long years of research with the building of a $1.7 billion demonstration breeder plant in Tennessee. This was to have been the forerunner of the second generation of nuclear reactors to provide electricity well into the next century.

Administration officials apparently now have decided to ask Congress this year for much less money than had been planned for year demonstration plant and to delay for a year or longer the site-clearing work that was to begin this fall. Some people in the nuclear industry, noting that President Ford has mentioned the breeder only once in his energy speeches, suspect that the administration is on the verge of letting the project die.

BIG TROUBLE ON HILL?

Administration energy officials deny that they are caving into pressure from the breeder's critics on Capitol Hill, even though a big congressional fight over the reactor was almost certain to occur later this month. After ignoring the project for years, Congress finally has begun taking a close look, and strong congressional opposition has developed over the proposed plant's safety and steadily increasing cost.

The breeder's supporters on Capitol Hill have been warning the administration that the project is in big trouble, but officials say those warnings didn't prompt the change of plans. They also deny speculation in the nuclear industry that the administration is ready to acquiesce in any congressional move to kill the breeder project.

"I know some people will say we're slowing down the program because we aren't interested in the breeder, but that isn't true," says Robert Thorne, an acting assistant administrator of the Energy Research and Development Administration, which is called ERDA. He contends that the delay is caused only by a bureaucratic snag over obtaining a site-preparation license from another government agency.

But the director of ERDA, Robert Seamans, offers another explanation: "The project has built up too rapidly, and we don't yet have a management team in place to properly handle it." In addition, he says, "We would like to divert some money to put more effort in support of research to improve the operation of our present-day nuclear reactors."

Industry officials, who learned late last week of the administration's apparent decision to cut back the money request, don't believe the official explanations—and they're angry and worried.

"This project is either go or no-go," says Tom Hunt, a spokesman for the Atomic Industrial Forum Inc., a group of utilities and electrical-equipment manufacturers. "You can't just turn the industry we're building to support nuclear power off and on."

The government and the industry have been planning the Tennessee breeder reactor for years as the first big step in a $10.8 billion federal spending program to convert the nuclear industry from uranium reactors to plutonium reactors. By the year 2020, the administration's energy plan calls for the nation to have 1,400 breeder reactors in operation.

Most of the reactors planned or in operation in the world today (including the 55 in the U.S.) are wasteful users of uranium. Only a small part of the uranium used actually winds up "firing" the plants; the rest is piling up as so many useless—but radioactive—rocks. As a result, U.S. energy planners see a looming uranium shortage for the present plants.

HOW THE BREEDER WORKS

But the breeder reactor can be "fired" by a mixture of plutonium (a by-product of present nuclear plants) and the waste, stockpiled uranium. As it generates electricity, the breeder would transmute the uranium into plutonium, which could then be used to fuel other breeders. In fact, breeder supporters regard the reactor as the source of electricity generation for the next 400 years and therefore a big part of the solution to the energy problem.

To critics, however, the breeder represents a nuclear nightmare. The reason is the plutonium it produces. Like any radioactive substance, plutonium can cause cancer or genetic damage. But apart from this, it is also a highly poisonous material. Critics also warn of the possibility that terrorists could steal plutonium for "homemade" nuclear bombs or that the material could escape into the atmosphere while it's being shipped between reactors and processing plants.

The energy agency's apparent decision to trim the breeder's budget calls for cutting $30 million or $40 million of the $80 million that was requested earlier this year for site preparation and equipment. However, purchase of some sophisticated new equipment that will take years to design and build would go ahead, as would almost $100 million of research spending.

ERDA officials insist that the cutback decision isn't final until Administrator Seamans and the White House approve it and send Congress specific recommended reductions in a comprehensive energy plan that is due on June 30.

"If we can't get the necessary license to go ahead with the breeder plant as quickly as we had thought, then it is almost certain we'll do some reprogramming so we can take that money and spend it elsewhere," says Robert Fri, ERDA's deputy administrator. The license to allow site-preparation work to begin must come from the government's Nuclear Regulatory Commission, which still hasn't scheduled the necessary public hearing on the application.

THE LONG AND THE SHORT

What may be happening is that the administration is preparing to sacrifice the breeder's short-term budget to ensure its long-term survival. Congress is being asked this year not only to authorize one year's spending but also to approve the entire project—from site preparation through the plant's actual operation. By reducing its money request for this year, ERDA may be seeking to defuse congressional opposition and increase the chance that Congress will endorse the project.

Mr. Fri observes, in fact, that if Congress approves the authorization bill later this month, it will be "sufficient to cover any money we spend this year or in the future. **It's then simply a question of when we spend it.**"

The unannounced developments of the last few days, confusing though they are, make it clear that the breeder timetable has slipped substantially. Construction was to begin on the Clinch River near Oak Ridge, Tenn., next year, and the plant was to be operating by 1982. Officials concede now that this schedule has been set back at least a year.

Inevitably, the change will also delay the schedule for a second, larger breeder reactor, which is to be built by the industry, with a government subsidy, as the final step before utility companies are supposed to begin building and operating hundreds of breeder reactors on their own.

Some industry officials say that the government's apparent ambivalence about the breeder program could lessen the industry's willingness to raise about $1 billion to build the second reactor. They also worry that any delay will make the project more costly and will give Congress more time and more reason to kill it.

As word spread through Washington late last week that a review of the project was under way, government energy officials were doing little to calm the industry's worries. The project director, Thomas Nemzek, told a reporter Friday that he had been getting calls all day from the breeder's supporters asking if the government was killing the project.

PRUDENT MANAGEMENT

"I'm telling them it's just prudent management to make sure we're optimizing the manpower and money available for this project," Mr. Nemzek says. It's only a coincidence, he says, although an "unfortunate" one, that the review is occurring just as a congressional fight was developing, creating an impression that the administration is giving in to the opposition.

Mr. Hunt of the Atomic Industrial Forum, after making some phone calls himself, declared: "It's hard to tell if ERDA is for the demonstration plant or not."

Regardless of what the administration finally decides, some members of Congress are determined to slow the project themselves.

Sen. John Tunney, the California Democrat, says he will introduce an amendment to ERDA's authorization bill later this month to slash all but research money for the breeder, to prohibit construction for at least a year and to order a study on whether the breeder really is needed.

The outcome of the breeder debate in Congress isn't likely to turn on cold scientific facts. Instead, critics and supporters are going into the controversy armed with emotional arguments about jobs, inflation and safety. Each side is backed by a team of Nobel Prize-winning scientists: Hans A. Bethe, who won the physics prize in 1967, favors the breeder; Hannes Alfven, who won the same prize in 1971, opposes it.

"We're not playing games," says Rep. Mike McCormack, in whose home state of Washington the federal government already is building a $622 million fuels-testing facility as part of the overall breeder project. "There's a direct correlation between jobs and energy growth. If we need the breeder and don't have it, then we're talking about a choice between the breeder and catastrophic unemployment and social upheaval," the Democratic Representative says.

Sen. Tunney responds: "No one knows for sure that we need this plant or whether the utilities will build more of them once the government develops the technology."

Both sides agree that this is the critical year for the breeder. If Congress approves funds to prepare a site and purchase some parts for the plant, stopping the project later will be almost impossible.

AIR FORCE CUTS SPEED OF B–1 BOMBER

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. ASPIN. Mr. Speaker, the Air Force has officially decided to cut the supersonic speed of the new B–1 bomber in half.

I am releasing an unclassified portion

of the Air Force's quarterly report to Congress which discloses that the supersonic speed of the B–1 is being reduced by .6 mach.

The trade press has widely reported that the B–1's maximum speed would be approximately mach 2.2.

If these reports are true, cutting the supersonic speed by .6 mach reduces the supersonic speed of the B–1 by 50 percent.

This report to Congress also discloses that—

The penetration speed to a target and the withdrawal speed from a target of the B–1 has been cut by more than 35 percent.

The supersonic mission range of the B–1 has been reduced by 6.8 percent or hundreds of miles and the subsonic mission has also been reduced by hundreds of miles.

The Air Force in its report to Congress claims that it will save $240 million by reducing the speed which allows the aircraft designers to eliminate special air inlets needed to obtain the higher speed.

The Air Force's decision is a mixed blessing.

Many critics of the B–1 believe the plane should not fly supersonically because achieving supersonic speeds costs more and the B–1 will probably never fly supersonically in a strategic nuclear attack on the Soviet Union.

But, of course, in cutting the speed of the plane, the Air Force is admitting that the B–1 is substantially less capable than originally advertised to the Congress and the public.

It is widely believed that the supersonic speed capability of the B–1 increases the price tag of each one of the $84.4 million aircraft by at least 25 percent. The increased cost is caused in large part by equipping the B–1 with swing wings. The swing wings are swept back in order for the B–1 to reach supersonic speeds. Besides the added costs, the inclusion of the swing wings cuts the amount of fuel each bomber can carry since the swing wings cannot contain fuel. This fuel capacity limits the B–1's range.

Because of the high fuel consumption involved in supersonic flight, it is expected that the B–1 with current and projected Soviet defenses will never fly a supersonic mission. Supersonic speed is too expensive, cuts the range of the B–1, and in all likelihood will never be used.

In its decision the Air Force is taking a half way measure. They are admitting that the B–1 is not all that it is cracked up to be, but not doing the logical thing—eliminating the supersonic mission of the B–1.

WE ARE METERS BEHIND

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. TEAGUE. Mr. Speaker, a recent article in the June issue of Texas Parade entitled "We Are Meters Behind" by Mr. Weldon Hart discusses the metric system.

The article is informative and I strongly recommend every Member of Congress and the general public to read it. This body must make a decision regarding the metric system and I hope it comes soon.

The article follows:

WE ARE METERS BEHIND

(By Weldon Hart)

The American weights-and-measures system is a mess. It is an unsystem, to the point of irrationality. Chances are the average man—after years of struggling with such momentous issues as how many gills there are in a gallon and how many feet it takes to make a mile—winds up either guessing at the answer or managing to change the problem.

The customary, or English, system of measurement is a hodge-podge of Roman, Norman-French and Anglo-Saxon dimensions. The *yard*, for example, supposedly comes from measuring the King's outstretched arm from the tip of his nose to the end of his thumb.

The *mile* comes from counting the steps of Caesar's marching foot-soldiers—2,000 paces.

Early records define an *inch* as "the length of three barleycorns."

The U.S. *gallon* is based on the earlier Queen Anne wine gallon—which is some 20% smaller than the *imperial gallon* the British adopted in the 19th Century. And so on, *ad extremum*.

The confused and confusing method we have of calculating weights and measures would seem to call for a switch to the simpler, more logical and more popular *metric system*.

The United States' stance as a world industrial leader accents the need for a switch. As a matter of fact, the U.S.A. is the major world power that does *not* conform to the International Metric System.

Even the British—who are inferentially blamed for our hybrid "English" system—went over to metric in 1965.

Actually, the American nation has given some thought to a change—although evidently not enough. As far back as 1790, when the United States was a very young nation we began to devote attention to formulating a more scientific method of calculating weights and measures.

The Secretary of State and future President Thomas Jefferson was assigned this think-tank problem, and he did come up with two plans described as "innovative." President George Washington urged the adoption of one—but Congress declined.

Coincidentally, the Paris Academy of Sciences developed a system based on the meter, and that was the beginning of the metric system. This decimal system—rational, simple and consistent—became compulsory in France in 1840. By 1900 thirty-nine other nations had adopted the metric system.

The metric system was legalized in the United States as far back as 1866. The congressional committee sponsoring the use made it clear that it was permissive—not compulsory. And it still is that way.

In 1966 Congress stirred again. It authorized the Secretary of Commerce "to make a study to determine advantages and disadvantages of increased use of the metric system in the United States."

The Secretary, after a study conducted by the National Bureau of Standards, recommended in 1971 that the United States "change to the International Metric System through a coordinated national program over a period of 10 years, at the end of which the nation will be predominantly metric."

With the allotted 10-year time-clock ticking away toward the halfway mark, Americans are gradually becoming conscious that the old familiar style of yards, inches, miles and ounces is on the way out and a new look coming in—meters, liters and grams with their Latin prefixes multiplying or dividing the base by powers of 10.

The meter, primary unit of length, is one ten-millionth part of the distance from the equator to the pole (39.37 U.S. inches).

The liter, standard of capacity, is the volume of a kilogram of distilled water at 4° C.

The gram, standard of weight, is the weight of distilled water at 4° C contained in a cube whose edge is one-hundredth of a meter.

Such other primary units of measure as the square meter and the cubic meter or stere are based on the meter. The prefixes "deca-" mean ten, "hecto-," one hundred and "kilo-" one thousand. Contrarily, "deci-" means one-tenth, "centi-" means one-hundredth and "milli-" one thousandth. For example, a centimeter is one-hundredth of a meter. A kilometer is a thousand meters—a distance track fans will remember as a middle-distance Olympic event.

All Olympic events, incidentally, are measured under the metric system—another indication that the metric is almost universally favored.

Various elements of the huge transportation industry are taking the lead in the U.S. "swing to metric." The swing is on, for example, at the automobile Big Three, General Motors, Ford and Chrysler.

When Ford decided to produce its own four-cylinder engine, that led to the establishment of America's first metric-system automobile engine. It was a long and costly proposition. The general manager of Ford's Engine Division commented:

"From the time we went to the drawing board until the first customer took delivery of a Mustang II with the 2.3-liter engine, 36 months had passed."

Metrication has advantages in financial terms, however. An example is the reduction in inventory.

Under the present dual system, a large industrial company may find it necessary to maintain two complete sets of parts, tools and maintenance and repair equipment. This situation will continue to add to costs as long as the United States retains its ambivalent approach to the metric system. Obviously there will be economic disruptions in a changeover—but most affected industrialists seem to prefer a reasonably sharp and clean break to a random conversion.

With conversion to metric still on a preferential basis, various elements are making gestures toward the new way. In Ohio and Illinois, for instance, highway signs are going up showing the distance between cities in kilometers (as well as miles).

The National Aeronautics and Space Administration (NASA) uses International Metric in its documents.

Statutory standards for automobile emissions of hydrocarbons, carbon monoxide and oxides of nitrogen use the nomenclature of both systems—"grams per mile."

The railway industry may have the biggest job of all—when it comes to revising published tariffs. It is estimated that there are now about three trillion of these. Tariffs describe cargo in terms of length, volume, capacity, weight and sometimes even temperature and pressure. To recalculate and reprint these three trillion tariffs at one time looms as a stupendous job.

The American Trucking Association, representing a competing medium, sees metrication as reducing inventory costs by standardizing trucks and parts. For example, some reduction could undoubtedly be made among the present six kinds of tires with about the same use—and the six different metal rims stocked for each kind of tire.

In general, the greater an industry's involvement in foreign trade or manufacture, the greater its enthusiasm for a single worldwide system of weights and measures.

Even in aviation, where the U.S. has dominated the field for years and therefore sees many of its standards still prevailing, most leaders think that conversion to the metric system would be desirable. It would standardize technology and traffic control in global aviation. They estimated that the aerospace industry would save about $65 million a year in engineer's time alone by going wholly metric.

Why, then, don't we do it? Congress hesitates to make a changeover decision partly because of inevitable and unavoidable costs.

Think, for example, of the costs of converting our inland waterway operations to the metric system. That switch would affect depth-sounding and navigational equipment, towboat design and manufacturing standards, barge capacities and lock, canal and waterway specifications. And that isn't all.

Experience elsewhere has shown that about 50 per cent of the problem in changing over to the metric system is psychological. Once it is established that a change is going to be made, the rest becomes easier.

The American National Metric Council is encouraged by the growing interest among educators. Some 38 states now permit the use of metric measurements in instruction. California has formally adopted the metric system, and all school textbooks must be changed over by 1977.

The 1975 edition of the World Book Encyclopedia gives both the customary and the metric measurements throughout the text. Usually World Book gives the English measurement first followed by the metric equivalent in parenthesis. The editor said this approach required the conversion of more than 30,000 measurements and an outlay of more than $2 million.

THE FAILURE OF RURAL DEVELOPMENT

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BLOUIN. Mr. Speaker, I ask permission to enter today the text of my testimony before the House Agriculture Committee's Subcommittee on Family Farms and Rural Development. I call the attention of my colleagues to this subcommittee and the work it is undertaking in evaluating the failure of the Nation's rural development program and in developing alternatives which will insure the stability and vitality of rural America. As the testimony points out, I believe the welfare of rural America affects all of us, because the welfare of urban America depends in large part on the welfare of rural America.

The testimony, which I submitted to the subcommittee earlier today, follows:

TESTIMONY OF HON. MICHAEL T. BLOUIN

Good afternoon. Chairman Rose, members of the Committee, I want to thank you, first of all, for the opportunity to appear before you and share some of my concerns in this area of rural development. I also want to wish you the best of luck as you continue your study of the rural development program. I want to assure you that the people of my district and people throughout rural America, will be following the work you do with much interest and concern . . . because what you do here affects their very lives and livelihoods—livelihoods which are no longer so assured as they were, only a few years ago.

I think it is important to point out to you that the district I represent, the Second Congressional District, comprising 11 counties in the northeast corner of Iowa, is not strictly rural or urban in demography. In fact, the district includes both rural and urban areas. On the one hand, the district includes two Standard Statistical Metropolitan Areas—one of 164,000 population, the other of about 90,000—and living side-by-side with these large urban areas are over 10,400 family farms, comprising a farm population of over 80,000.

The point which I think is important to remember, and it is a reality I have seen supported time and time again in the Second District, is that we're not talking about an urban-rural dichotomy, or a city-farm dichotomy, when we're talking about rural development in America. What happens in rural America has a very serious and a very direct impact on the nation's urban areas. If we are to stabilize the continued growth of our urban areas and stabilize all the social upheaval and problems which accompanies that urban growth, then we are going to have to halt the continuing out-migration from smaller, rural communities. What I am saying is that the problems of the cities and the solutions to those problems—depend on a viable alternative. We do not have that alternative today because, in large part, of the failure of the rural development programs enacted but never really implemented over the past four years.

Mr. Chairman, over the past three weeks, my office has been conducting a survey of community leaders in my district to determine what impact, if any, rural development programs have had on the Second District in Iowa.

Even anticipating a negative response, I was quite frankly surprised by the results. Over 83 percent of the mayors in my district, in towns under 50,000 population, were unaware of any rural development programs in their communities. Even given the possibility that some of these communities may be benefiting from programs not recognized as rural development, it seems to me a rather startling fact that less than 17 percent of these communities are actually aware of, or participating in, rural development programs sponsored by the federal government.

Mr. Chairman, I assume that the Committee is familiar with the problems of the rural development program and the reasons why it has been such a dismal failure. I will take just a minute of your time to review the reasons which I identify as the source of rural development's problems.

First of all, I think the Congress has to share part of the responsibility for failing to be more determined, more aggressive, in appropriating the moneys authorized for rural development. As you are no doubt aware, since 1972 the annual rural development grants authorization has been $397 million. Only a fraction—about 12 percent—of those funds have actually been spent on such vital rural development projects as water and waste disposal system, business and industrial development, rural fire protection and general comprehensive planning. According to the National Association of Counties, of the $397 million authorized in each of the last three fiscal years, only $43 million was spent in FY 1973, $34 million in FY 1974 and $56 million in FY 1975. The projection for FY 1976 is $76 million—about 19 percent of the total authorization.

Secondly, I think you have to examine the attitude and conduct of the Executive Branch. The Nixon Administration, as you know, had earlier proposed some kind of special rural revenue sharing program and did not agree with the approach taken by the Rural Development Act of 1972. As a result, the executive branch has been less than enthusiastic in its support for rural development programs established by the Congress. Although presidential rescissions of rural development funds were overridden by the Congress, they are nonetheless indicative of the disdain with which the administration has viewed rural development programs over the past four years.

Finally, I think this Committee should consider closely the conduct of the agency responsible for administering the lion's share of the rural development programs—the U.S. Department of Agriculture. The Rural Development Act instructs the Secretary of Agriculture to provide the leadership and coordination with the Executive Branch in this area, to assume responsibility for a nationwide rural development program, working closely with state and local governments. I question how well the Secretary can fulfill those responsibilities when he has consistently reduced the Farmers Home Administration's field staff.

Between 1972 and 1975, the number of FmHA field employees was reduced by 737—about 11.1 percent of the total field staff—while the number of staff in the Secretary's burgeoning Washington bureaucracy increased by 422 between 1973 and 1974 alone. Compare that trend, incidentally, with the fact the FmHA loan workload alone has nearly doubled between 1972 and 1975. Mr. Chairman, included in the text of my testimony is a chart illustrating this decrease in FmHA field staff and the simultaneous increase in FmHA loans and staff workload.

FARMERS HOME ADMINISTRATION [1]

	Field personnel	Total full-time permanent employees	Combined central offices	Amount loaned (billions)	Outstanding loans (billions)	Dollars in millions for which one person in the agency is responsible
Fiscal year 1972	6,633	7,357	724	$2.789	$7.869	1.202
Fiscal year 1973	6,431	7,161	730	3.75	9.622	1.542
Fiscal year 1974	6,002	6,628	626	3.591	12.977	2.029
Fiscal year 1975	5,896	6,603	707	4.175	[3] 13.83	2.143

[1] Figures furnished by the Personnel and Data Divisions of the Farmers Home Administration.
[2] Total man-years divided by total outstanding end new loans per year.
[3] Dec. 31, 1974.

Let me add that I am not suggesting that we should necessarily increase the FmHA field staff; nor am I critical of the Agriculture Department's efforts to economize. I am only saying the department should get its priorities straightened out; if it's going to make cuts in staff, as it has, then let's cut the Washington bureaucracy and leave the field staff to do the job that needs to be done.

But let me emphasize again that I do not believe there is any one fall-guy for the failure of rural development. The Congress, the Administration and the agencies, including the Secretary of Agriculture, have to share in the rural development failure. And moreover, whose fault that failure is really concerns us only to the extent that that knowledge will help us improve the performance of the program in the future, which brings me to a few final comments I want to offer concerning the future of rural development.

I am hopeful that in the course of its review of the rural development program, this Committee will examine the wide range of possibilities and alternatives for the future. I want to simply list here a few of the factors which I think should figure in those alternatives.

Obviously, one answer, or part of the answer, is to appropriate the funds that are already authorized . . . to start spending that $397 million. This would be an important step; it would say to the people in this country's rural communities that we're going to get serious about the business of rural development.

Secondly, I think we have to keep in mind the general economic situation—and no one suffers any more from the current recession than rural Americans. An effective, aggressive rural development program will put Americans back to work. In fact, it will put them back to work in meaningful, long-range and vital public projects through private industry.

I think also that the Committee should examine closely a number of bills, including one by Representative Alexander of Arkansas (H.R. 7159) and a similar bill by my colleague from Iowa, Senator Dick Clark (S. 1807) which would extend the Concerted Services & Training and Education program (CSTE)—shifting its mandate from an executive order, which could be rescinded at any time, to Congressional authorization under the USDA. The CSTE program was designed to assist local communities in learning about federal programs, cutting through the paperwork of applications, and getting projects started. This type of program might prove to be a very valuable adjunct to rural development and I think the concept, at least, should be reviewed in relation to rural development programs.

Finally, let me say, that if this Committee determines that we cannot muster enough support to fund the various rural development programs as they are now constituted, then perhaps you should seriously consider reverting back to the former administration's proposal for some type of special rural revenue sharing program. If you add together all the authorizations for rural areas currently available under the rural development program, the rural authorizations in the Community Development and Economic Development programs, we're talking about a total of $1,048,000,000, which is only slightly less than the total suggested by the Nixon Administration for its rural revenue sharing plan back in 1971. There are of course, other programs which could be incorporated. Certainly the needs of rural America and rampant inflation have by-passed that proposal by now, but it would perhaps be a start for the 59 million Americans who now reside in some 15,700 rural communities under 50,000 population.

Mr. Chairman, and members of the Committee, I thank you for your attention. I want you to know that I, and I am sure rural and urban Americans all across this country, sincerely hope that you will be able to find the answers which we need to rebuild and revitalize the very unique and very valuable attributes of rural life in America. Thank you.

ENVIRONMENTALISM AND ENERGY PROBLEMS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the House is considering today two measures which will increase the cost and reduce the relative supply of energy: the Surface Mining Act—motion on overriding the veto—and the Energy Conservation and Conversion Act of 1975. In both cases, the people are being asked—pardon me, ordered—to sacrifice their welfare for the sake of the "environment." The environment, apparently, has an inalienable right to be left in peace—not to be mined, drilled, irritated, or disturbed. It is people, whose survival depends on reordering and "exploiting" their environment, who have no rights under the environmentalist creed.

Thus it is appropriate that the following article, "Environmentalism and Energy Problems," be considered today. Written by Bernard H. Siegan, it appears in the June 1975 issue of the Freeman.

The article follows:

ENVIRONMENTALISM AND ENERGY PROBLEMS

Whether there is an energy crisis, crunch or problem, the only law that will relieve the situation is the law of supply and demand. The legislative and executive branches of government should consequently remove obstacles to its operation such as the many laws and regulations adopted in the name of environmentalism that decrease supply and increase demand.

This country has been on an environmental binge in recent years that is now raising havoc with the environment of the average American. The nation's lawmakers have been sold on a highly restricted definition of the word environment by those who contend it applies only to nature and the wild.

For the average person, the only meaningful environment is that experienced daily, in the home, on the road, and at work, and we are learning the hard way that each requires a maximum supply of energy. Indeed, what part of nature or the wild has done more for human happiness, comfort, and well-being than a smelly, ugly, dirty oil refinery?

On the other hand, there is not now nor will there ever be an energy crisis for the relatively few who reject the automobile or want to go back to the earth. There was no meat shortage for vegetarians either. For people of such persuasion to make environmental determinations is akin to appointing Bobby Riggs as spokesman for Women's Lib.

The problem is one of competing interests. Certainly clean air is a most laudable objective. In our modern society however, it doesn't come without the sacrifice of equally or more desirable goals. Pollution control devices have lowered auto emissions by reducing engine efficiency, appreciably increasing the consumption of gas and adding to the cost of purchasing and maintaining a car.

The use of coal or oil with higher sulphur content has been banned, further decreasing energy supply. Air pollution control requirements have raised the cost or prevented the building of new or enlarging of existing oil refineries and other factories. The construction of power plants, both nuclear and conventional, and oil refineries are being blocked to preserve areas that very few Americans will ever see, hear or read about.

These are a few of the examples which demonstrate that the laws passed in the name of the environment are actually doing a disservice to it. Admittedly, when they were not engaged in fighting the Alaskan pipeline, off-shore drilling, strip mining, new refineries and power plants, and deep water ports, environmentalists did urge conservation of natural resources, including oil. However, their desire to conserve on the use of oil is but one small part of a much larger package intended to basically change the prevailing life style of the country. They seek a massive transformation of our commercial and industrial society.

Any solution to energy problems necessitates that laws be eliminated inhibiting production and wasting consumption. Much of the benefits of off-shore oil drilling and gas and oil extraction from shale will be lost to auto and factory emission controls that are now required even in those vast portions of this country where there are no air pollution problems. Such requirements are unwise in the best of times; they are absurd when problems arise.

Before oil can be recovered from off-coast and shale deposits, present law requires that extensive reports be prepared and public hearings be held, the principal effect of which will be to consume more paper, electricity, gasoline and dollars. Regardless of the information obtained, few minds will be changed. The oil industry will favor and the environmentalists will still oppose development.

But this lengthy ritual may not cause the pumps to flow oil. Environmental groups appear likely to file law suits and the length and effect of the litigation will determine when and how much oil can be recovered. Almost every effort to extract oil from new sources or to build power plants seems to bring with it loud threats from environmental groups to prevent the action through litigation. Past performance indicates these are not idle promises. While a suit was not filed to stop the current work on the Alaska pipeline, this was due apparently more to concern for public opinion than for energy.

When Congress earlier in 1974 adopted statutory authority for the Alaska pipeline, it included a provision restricting litigation exclusively to constitutional issues. Although there is some question as to the validity of this restriction, it is certainly a small step in the right direction. At the very least, the public is entitled to demand that those responsible should pay for the harm these lawsuits create. The Alaska pipeline might now be supplying oil and would surely cost much less were it not for the lengthy litigation sponsored by environmentalists.

All the while they vehemently deny responsibility for contributing to energy problems, environmentalists do much to increase and prolong them. It is time we placed their objectives in a more realistic perspective.

ADVICE TO HIGH SCHOOL GRADUATES

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. SEIBERLING. Mr. Speaker, at this time of year when millions of young people all over America are graduating from high school and entering the world of adults, we cannot help but join with them in rejoicing, even as we are aware that it is not an easy transition, even in the best of times.

Beyond their immediate problems of finding a job or entering college, many of these graduates will also be deeply concerned about the kind of world they are moving into and the kind of future they can expect. Only a rash commencement speaker would dare predict the future. But perhaps one can offer the graduates some principle they can take with them to guide their thoughts as they move into a world of crisis and change.

Last Sunday, I had the honor of addressing the graduating class of Western Reserve Academy at their commencement in Hudson, Ohio. For what it may be worth to other high school graduates, old and new, in and out of Congress, my address is printed in the RECORD following these remarks:

HOW TO LIVE IN A WORLD IN CRISIS

(By JOHN F. SEIBERLING)

Not long ago a group of young people came to see me in my Akron office to get my reaction to some proposed legislation which they thought would solve the nation's agriculture problems. In the course of our discussion, in which I ventured the view that the proposal was not practical, one of them became quite excited and exclaimed: "Do you realize we are in a world crisis?"

The question startled me. For, like many of the parents of those of you who are graduating today, I was born during World War I, grew up in the Great Depression, witnessed the rise of Stalin and Hitler, served overseas in World War II, watched the dawn of the atomic age and the missile age, the death of millions in India's communal riots, the starvation of millions in Bangladesh, four Arab-Israeli wars, the Korean War, the Vietnam War, the oil embargo, etc., etc.,

I suppose if I realize anything, it is that we are in a world crisis. The events I have described are merely different aspects of the same crisis. One writer has described it as follows:

"The crisis today is not only and not even mainly an economic one. It is a general crisis, or to use a modern word, a totalitarian crisis, embracing the whole man and the whole life of society—its intellectual foundations, its social order, its economic structure, and its political forms. The crisis is even a totalitarian crisis in another sense: It is the first crisis in history which is not confined to a few countries or to a continent. It has made itself felt—in all its aspects, intellectual, social, economic, and political—as well in China as in India, in Africa, and in Europe. In this way it is unique . . . Today we witness everywhere a reshuffling of the patterns of life, a search for new standards and a new system, a deep unrest."

For those of you who are still impressed by the generation gap, I would point out that the language I have quoted was written not recently, as you might suppose, but in 1937, the year I graduated from high school. The writer is the historian Hans Kohn, writing in a great little book entitled, "Force or Reason." His words still apply today because the crisis we are living through in 1975 is, in its essential nature, the same crisis as the one Hans Kohn was describing 38 years ago, only it is further advanced. In some ways it has become even more aggravated because of the tremendous growth in technology, and in particular, the technology of war, and because of the continuing inability of the world's political structures to cope with the crisis. The result is that in many areas, reason in ordering men's affairs has given way to force, debate has given way to confrontation, confidence in the future has given way to despair.

Nevertheless, man has survived and civilization has survived. In fact, he has *progressed*, and in some ways is in much better shape than he was 30 years ago. In this period, the average person living in India or Latin America has added over 20 years to his life span. We have learned how to feed 1.5 billion more people than existed 30 years ago. The industrial countries whose economies were wrecked at the end of World War II, have (due in large measure to an enlightened leadership and generous spirit then prevailing in America) reached new peaks of prosperity and social well-being. At the same time, the last vestiges of colonialism have disappeared from most of the countries of the world, and the number of self-governing, independent nations has doubled. And, lest we forget, the United Nations has made it possible to avert several wars and has kept small ones from becoming big ones.

And today, as we sit here on this Sunday morning, the entire world is experiencing something far more rare than a day in June. For the first time in 39 years, there is no war, anywhere in the world. Let us savor that, as we congratulate the young men and women who are moving out into the broader world this day.

Let us savor it even as we recognize that the crisis is not over, but is continuing. For as the world has changed radically in the last 30 years, it is undoubtedly going to change even more so in the next 30 years. And some of our institutions and habits of thinking are going to have to change too. If Vietnam and the energy crisis do nothing else, they must surely convince us of that.

I cannot predict how we will respond to the challenges of the next 30 years, or whether the changes will, on the whole, be for better or for worse. I can only say that to survive and prosper in the next 30 years will tax our powers of rational thought as never before and will require a spiritual depth greater than we as a nation have been accustomed to.

The implications of an interdependent world, in which the poor two-thirds of the people are no longer willing to accept poverty as their perpetual lot, are becoming abundantly clear. Senator Mark Hatfield expressed it this way last year at a meeting of a group called Members of Congress for Peace through Law:

"There is one central truth we must realize: Protecting and preserving the life of citizens in America is directly dependent upon the conditions that will preserve and nurture life throughout the world. This increases as we realize the finite limitations to the resources necessary to preserve life . . . We are tied together with mankind in a single destiny."

I believe that if we in America live up to our finest national traditions—and insist that our political representatives do too—we can go a long way toward restoring the kind of leadership that will enable us to help "preserve and nurture life throughout the world."

Yet we need something more—something that has been lacking in the exploitative philosophy that has dominated our civilization and has carried both the spark of its material progress and the seeds of its destruction.

That something, I believe, has been left to us as a legacy by a man who may well be viewed by history as the greatest human being of the 20th Century—the late Albert Schweitzer. Before the first World War, Schweitzer had abandoned a notable career, as a leading European scholar, philosopher, and musician, in order to go to Africa to found his famous hospital for native Africans at Lambarene in the heart of the equatorial jungles. When the war broke out, he was profoundly troubled that Western civilization had been unable to develop a philosophy that would help curb such lapses into barbarism. He started groping for a new ethic that would fill that void in our cultural heritage.

Let me read you the story of how he found this ethic, in Africa, 60 years ago, in his own words:

"While in this mental condition I had to undertake a longish journey on the river . . . about 160 miles upstream. The only means of conveyance I could find was a small steamer, towing an overladen barge. . . . Except myself, there were only natives on board. . . . Slowly we crept upstream, laboriously feeling—it was the dry season—for the channels between the sandbanks. Lost in thought I sat on the deck of the barge, struggling to find the elementary and universal conception of the ethical which I had not discovered in any philosophy. Sheet after sheet I covered with disconnected sentences, merely to keep myself concentrated on the problem. Late on the third day, at the very moment when, at sunset, we were making our way through a herd of hippopotamuses, there flashed upon my mind, unforeseen and unsought, the phrase, "Reverence for Life."

Do you see the picture? As the steamer, with a native African at the helm, gently nudged its way through the herd of hippopotamuses, the respect of the helmsman for the animals must have impinged on Schweitzer's consciousness.

And so one of the great, sophisticated minds of our age was led to truth by the instincts of a simple black man still close enough to nature to respect its manifestations in other forms of life.

Schweitzer describes the meaning of his ethic of Reverence for Life as follows:

"The great fault of all ethics hitherto has been that they believed themselves to have to deal only with the relations of man to man. In reality, however, the question is what is his attitude to the world and all life that comes within his reach. A man is ethical only when life, as such, is sacred to him, that of plants and animals as that of his fellow men, and when he devotes himself helpfully to all life that is in need of help."

Now, why should I, a politician, come to you graduates today to talk about the ethic of Reverence for Life? It is because I see all too clearly (and never more clearly than since I have been in Congress) the terrible price we pay, in and out of government, for the lack of such an ethic in our cultural heritage.

People who have Reverence for Life cannot talk casually about "bombing Hanoi back to the stone age," cannot refer to Asians as "gooks," cannot strip-mine for coal and leave the land a desert, cannot pollute the streams with industrial waste, cannot do, either willfully or carelessly, any of the other thousands

of things that today demean life and desolate the God-given world that makes life possible.

People who have Reverence for Life can reach out to their brothers and sisters in all lands and all places, can build institutions of law and peace across barriers of language and race, can learn to treat the earth, and all that live on it, with the loving care that will enable it to continue to sustain life, not just for 30 years but for all time.

That is how to live in a world in crisis and how to make it into a world of peace.

THE ANNUAL MEETING OF THE NATIONAL COUNCIL OF SENIOR CITIZENS

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BEARD of Rhode Island. Mr. Speaker, it felt so good yesterday for myself and members of the new House Committee on Aging to see 4,000 senior citizens who had gathered at the Sheraton Park Hotel for the annual meeting of the National Council of Senior Citizens. Under the dynamic leadership of Nelson Cruikshank and the direction of Col. Bill Hutton, elderly Americans from all over this country are joining together to let the government know about the problems that older Americans encounter in their daily lives.

Dr. Mary Mulvey, of East Providence, R.I., is a giant in gerontology and testified before the Select Committee on Aging on the problems confronting our senior citizens in nursing homes throughout this country. It is fortunate that Rhode Island has such a dynamic person as Doctor Mulvey expressing so clearly the needs and desires of those without voices. It is imperative that our society render real tribute to our mothers and fathers by paying attention to their various social and economic needs as they grow older in life.

People have constantly asked me: "Mr. BEARD, why are you so concerned about the elderly?" I respond that as they are our own parents, they deserve our recognition for the sacrifices they have made for us. It is also clear that what our present generation does for the elderly will determine how we, ourselves, are treated by our own sons and daughters. I salute the National Council of Senior Citizens and the millions of interested people who show that they care about their government and who reflect a true desire for a better quality of life for seniors.

It was a pleasure to greet and welcome Rhode Island Representative Earl F. Pasbach, of East Providence, R.I., a member of the Governor's advisory commission on aging who accompanied the Rhode Island group. Representative Pasbach's interest and enthusiasm for the concerns of the elderly in our State legislature is most appreciated.

AGRICULTURE—THE FORGOTTEN TREASURE

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. PRESSLER. Mr. Speaker, the following is a speech which was written and delivered by Charles Johnson, of Madison, S. Dak., in the Future Farmers of America Public Speaking Contest of 1975. Mr. Johnson, a high school student, expresses his concern for the agricultural system in our country, and I would agree with many of the points contained in his speech. I congratulate Mr. Johnson on his fine speech:

AGRICULTURE—THE FORGOTTEN TREASURE

Today America is in a grave and serious economic situation. Inflation is ravaging the country at an appalling rate. At the same time recession, unemployment, and the energy crisis is also bogging down the economy. Yes, today we are in a new and very different economic situation. That being we are in the hands of both inflation and recession. Never in Keynesian economics which is preached and practiced by almost segment of people in society is this double threat called stagflation suppose to occur.

One learns in an economics class, that in a time of recession, government is to make tax cuts, to increase spending while the Federal Reserve at the same time is to increase the money supply and to lower the interest rates. But during inflation, all these measures are to be reversed. Taxes are increased, government spending is lessened, money supply is shortened and interest rates are raised. So at a time of stagflation, any measure taken under Keynesian economics will only worsen the situation. Since Keynesian economics can not solve the situation and never will. it is time to find and solve the real underlying cause of the economic trouble America is in.

Our serious economic situation began when America as a society decided to install credit dollars into the economy to produce the false prosperity we have enjoyed for most of the years since WWII. Since that time we have created a public and private debt of nearly 3.9 trillion dollars.[1]

A debt that will double itself in 10 years, a debt with little or no collateral backing, a debt we must sometime pay in order to replace a wealth we could have had in the first place. Yes a wealth we could have had with a prosperous agriculture.

Benjamin Franklin once stated that there are three ways to obtain wealth. First is by trade. To obtain wealth through this avenue would mean to steal or exploit by obtaining something for nothing. Another method is by war or military takeover. Such a process means a loss of human life and dignity. The third method is by agriculture. For it is agriculture where a single seed will produce a hundred as if by miracle. It is only from the land where our true wealth and prosperity can come.

But since WWII we have had a policy of cheap food, cheap domestic oil, cheap everything in order to play the game of credit injection. For it is only the earned income from raw materials that produces prosperity. A dollar received for agricultural goods produces seven dollars more in national income.[2] Also agricultural goods provides for the economy the opportunities for jobs and services. Thus, agricultural goods and income created an economic cycle. What the farmer receives, he buys a new tractor or car, the dealer remodels his store, the carpenter buys a new coat at the clothing store. The storekeeper then buys a bag of groceries. The grocer buys a new supply of flour. The miller in return buys more wheat from the farmer.

Thus, the farmer's dollar or income flows one way and his product the other way. But cut short or cheat any part of that cycle especially at the farmer's level and one disrupts the whole cycle. If the farmer loses a dollar of earned income, in the end he loses the demand for his product as well. Demand is lost mainly because the farmer's shortage of income has created a loss of money and jobs throughout the cycle. On the other hand if the farmer receives a fair price, he can circulate more dollars, more prosperity, more jobs, and more demand for his products. If only the farmer received his fair share, everyone would prosper, everyone would benefit.

Now, let's look at the present situation. Since World War II, we have followed a policy of cheap food, cheap raw materials, in order to inject unearned income called credit in the economy to replace the wealth agriculture could have brought in the first place. With this injection of credit, a false prosperity has been produced. It has also produced a debt previously mentioned nearly 3.9 trillion dollars.

Now because of this enormous debt we have found that normal profits levels will not bring enough money to pay or liquidate the debt. Thus we have found we must raise prices, raise them again, and then raise them once more. In the end inflation has resulted because our debt has risen two and one half times faster than the real income it produces to pay it off.[3]

Loss of demand or recession has been caused by the loss of income resulting from both a shortage of agricultural income and the unearned income from credit injection. Credit lines have been lessened due to the present tight monetary policy to fight inflation.

Of course we could open the credit supply once again, but why as a nation should we? For the real cure is agriculture. Agriculture produces the wealth, the food, the jobs, and the services for all the economy. Tax cuts, rebates, and deficit spending wouldn't solve the troubles. For these measures are only a drop in the bucket compared to what a properous agriculture can bring to America. Yes the prosperity lying in agriculture is our forgotten treasure.

[1] Statistical Abstract—1973, page 425.
[2] Unforgiven, pp. 189–200

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

[3] *Unforgiven*, pp. 350–366.

At this time I enter into the RECORD another installment of Mr. Levins' articles:

[From the Philadelphia Daily News, Apr. 7, 1975]

ARSENAL: WHO NEEDS IT?

(By Hoag Levins)

So who really gives a damn about an Army arsenal?

That question has popped up frequently at the Daily News in recent weeks. For the last four months, the People Paper has been involved in an investigation of the Army's plan to close Frankford Arsenal.

The facts seem to favor keeping it open—an idea which offends many Philadelphians who feel too much tax money is spent on weapons.

That view—expressed editorially in this and other local newspapers—assumes that closing Frankford Arsenal will reduce the number of weapons the Army buys as well as the money it will spend in future.

Actually, for a number of reasons, the exact opposite is true. Closing Frankford Arsenal will open the way not only for more weapons development, but escalate costs far beyond anything the Army—and the taxpayer—ever paid before.

And closing the arsenal may contribute indirectly to a greater flow of weapons around the world.

To understand this, you need to know more about a quiet, but vicious behind-the-scenes battle in the Defense Department since World War II. That struggle—heavy with political skulduggery, bureaucratic back-biting and industrial board room intrigue—has centered on control of the multi-billion-dollar Army weapons business.

Traditionally, the Army arsenals held that control. Since their humble beginnings in the 1700s the arsenals have become highly complex engineering and administrative centers. One of their most important and least understood, jobs was to monitor the contracts which the Army gave out to private industry.

For instance, when a company said it needed $20 million more for engineering problems, the arsenals made an immediate evaluation. Not infrequently, they found the engineering problems" worth $200,000—not $20 million.

Today, contract monitoring has created great friction between the arsenals and the multi-billion-dollar armaments conglomerates—including Chrysler, General Electric, American Motors and Martin Marietta—which have made the U.S. the largest weapons producer in the world. Last year alone, U.S. armaments industries sold more than $8 billion in weapons to foreign armies.

During the last 15 years, as the armaments companies rose to financial and political power, their patience with the arsenal system grew thin. Increasingly, they have demanded—and received—assurances from high Army officials that arsenals do less work.

At the same time, some of the most successful salesmen for the armaments companies became the retired generals hired directly out of the Pentagon.

And the Defense Department draws heavily from the armaments corporations for its own executives—men such as Herman Staudt, now undersecretary of the Army. Staudt spent 19 years with Martin Marietta before taking the Army's second most powerful job. Staudt is still on the Martin Marietta payroll for a yearly severance pay arrangement. Martin Marietta, one of the largest Army contractors, did more than a half a billion dollars in defense work last year.

Just weeks before he was appointed by President Nixon in 1973, Staudt lost an $8 million battle with Frankford Arsenal. Staudt claimed the arsenal's design for a laser rangefinder was riddled with errors. The Army ultimately disagreed and Staudt lost.

When Staudt's department begins closing Frankford this July, it will be the latest step in the methodical elimination of the government facilities which provide a system of checks and balances against a growing corporate armaments monopoly.

When this monitoring systems is gone, the Army will buy from arms manufacturers much the way foreign armies do.

The private companies will set prices and evaluate engineering procedures and costs.

The companies will own the patents and valuable technological secrets in the weapons systems they build.

In the future, the Army will have to pay a price for these "trade secrets" and that price is likely to be whatever the market will bear.

Such monopoly control also opens the possibility the Army will be "played" for arms sales much as foreign governments are.

For instance, private companies now arm both sides in wars throughout the Mideast, Africa and South America. They "play" their sales by selling a new weapon to one country and leaking the news of the sale to another. The second immediately seeks to buy a similar weapon to maintain a balance of power.

That sales techhnique is behind the exploding growth of the world arms industry and a leading cause of "brush fire" wars between small nations.

Earlier this century, Congress recognized the problems of government dependence on an arms monopoly. When this country entered World War I, in 1917, private industry charged outrageous prices for shoddy materials. Unable to find other sources, the Army had to pay.

In 1920, Congress wrote an "Arsenal Act" which said the Army must maintain a system of arsenals to guard itself against an arms monopoly.

That little-known statute came to light again when the Army's decision to close Frankford Arsenal appeared to violate the spirit of that law.

The Army now has become deliberately vague about its plans for the broad arsenal system, which it actually plans to phase out. One by one, those closings add up to a dismantled system—to the benefit of the large corporations.

A deputy undersecretary of the Army last month confirmed to the Daily News that such a phase out had been underway for years. He later denied saying that even though the Daily News tape-recorded the interview.

Reacting to a Daily News story earlier this month, Sen. Strom Thurmond (R., S.C.), ranking minority member of the Senate Armed Services Committee, conceded he was aware that "the long-range Army policy for arsenals, pertaining to production, is to contract to industry as much as possible."

Thurmond expressed no concern about the demise of the last line of control over the arms corporations.

Sen. Howard Cannon (D., Nev.), also on the Armed Services Committee, told the Daily News he is personally "comfortable" with the idea of a complete industrial takeover of the Army's arms production. He explained that during World War II, he flew in private industry-built Air Force planes and that they flew just fine.

During the last decade, Air Force aircraft development and production—now controlled by private industry—was one of the Defense Department's worst for cost overruns.

It ran into billions of taxpayers dollars.

Both Thurmond and Cannon were members of the five-man executive committee of the Armed Services Committee which interviewed Martin Marietta executive Herman Staudt before his confirmation as Army undersecretary.

At that brief Oct. 4, 1973 confirmation hearing, a third committee member, Sen. Harold Hughes (D., Iowa), said he had had a hard morning and was "not prepared to ask an intelligent question" of the defense contractor who was about to be confirmed to a high government office which regulated defense contractors.

It seems that Philadelphia deserves to have somewhat harsher questions put to such Army officials as Mr. Staudt. The Daily News has asked tough questions and received evasive answer.

Those questions involve not just a single arsenal in Philadelphia, but rather a nationwide system being slowly strangled to the benefit of the growing arms industry.

[From the Philadelphia Daily News, Apr. 24, 1975]

CALLAWAY DENIES RIZZO ARSENAL CLAIM

(By Hoag Levins)

Secretary of the Army Howard (Bo) Callaway yesterday contradicted Mayor Rizzo's claim that he had been given a "promise by President Ford" about Frankford Arsenal.

Last November, after the Army announced its plans to close the arsenal, Rizzo went to Washington with Sen. Hugh Scott and Richard Schweiker for a meeting with Callaway and President Ford at the White House.

Returning home from that well-publicized meeting, Rizzo said he had been given a personal promise by President Ford that the Army would "thoroughly review" city proposals of possible options for keeping the arsenal and its 3,500 workers in Philadelphia.

He said the President also had promised the Army would take a close look at another proposal—that Philadelphia be the location of a new Armaments Development Center (ADC) the Pentagon planned to build. That ADC was a separate facility not directly connected with the arsenal.

Yesterday, Callaway said that the mayor was not given a promise about the arsenal and, in fact, that the arsenal did not come up in conversations with the President.

City Representative Harry Belinger, who has headed a massive city effort over the last six months to work out details of various alternative arsenal plans, called Callaway "a goddamned liar."

"I can't believe this," said Belinger. "Callaway is either embarrassingly misinformed or he is a liar. What the hell does he think we've been talking about all this time? What the hell does he think we've been compiling reports and plans on? Can he read? We've been talking about the Frankford Arsenal. The ADC was just one small item of the discussion."

Callaway, however, said that "small item" was the ONLY item discussed by the mayor and President Ford.

"We talked about the ADC, but that was all. The President promised that we'd take a look at Philadelphia as a possible site, but there was no talk of Frankford. Everyone at that meeting privately agreed that the arsenal was dead. We couldn't say that publicly, but that was the understanding.

"I even remember how Mayor Rizzo was getting up and jumping up and down in there with the President, but none of that had anything to do with Frankford. At that time, the decision to close Frankford was made. We had no intentions of changing it."

ARSENAL ACT NEWS TO CALLAWAY

Army Secretary Howard Callaway yesterday promised to investigate Daily News reports of a plan to dismantle the Army's arsenal system—to the billion-dollar benefit of the private arms industry.

But he said he knew nothing of the plan.

During the last four months, the Daily News has reported that the Army has been

phasing out its arsenal production facilities and turning the work over to private industry.

The action—which involves the question of who will control billions of dollars of Army defense contracts in the future—is in apparent violation of the Arsenal Act. That Federal law empowers the secretary of the Army to open and close arsenals as well as to maintain a system of production facilities to protect the Army against a monopoly of private contracts.

In a wide-ranging interview at the Daily News offices yesterday, Callaway repeatedly apologized for his "ignorance" and inability to answer questions about the Arsenal Act, the powers it gives him, and the Army's future plans for purchasing the goods it needs.

Callaway said he was "not aware" of any plan that called for the work of the arsenals to be given out to private industry.

"I intend to look into this question," he said. "I know nothing of such a plan and if actions like this were being taken I would have to authorize them. They could only be authorized at my level."

The Daily News has been told of the plan by private contractors, an assistant deputy undersecretary of the Army, a number of government sources and members of the Senate Armed Services Committee.

Sen. Strom Thurmond (R., S.C.), ranking minority leader of the committee, told the Daily News "The Army has informed me that the long-ranging Army policy for arsenals, pertaining to production, is to contract to industry as much as possible."

Callaway said yesterday that any such plan to transfer work out of the arsenal system to private industry would represent a "basic and fundamental" change in Army philosophy, adding, "That could not be done without my knowledge."

The secretary said he never had read the Arsenal Act and could not make any comments about its general meaning to the Army's organization or future.

"I understand that this issue will be decided in the courts in a few days," said Callaway, "We will abide by the ruling."

However, there is no action involving the Arsenal Act currently before the courts. Yesterday, a group of seven area Congressmen filed suit in U.S. District Court here under another law that pertains to the arsenal closing.

That suit contends that the Army has failed to comply with Public Law 613, which says the Army can't close a facility until Congress receives a "full report."

Earlier this month, Sen. Hugh Scott (R., Pa.) requested Callaway to delay plans for closing Frankford Arsenal while the Senate Armed Services Committee conducted an investigation of the closing and its possible violation of the Arsenal Act.

Callaway said he had received Scott's letter, but did not intend to grant the request.

"If the Senate Armed Services Committee made the request we might do it, but right now we're waiting to see if the committee takes any action toward starting an investigation."

According to Sen. Scott and spokespersons at the committee, a staff investigation into the Army's decision to close Frankford began two weeks ago.

"I'd like to say again," said Callaway, "that I'm embarrassed because I don't have knowledge of many of these things. You know I came to Philadelphia expecting to talk about Vietnam or Cambodia or the next Mideast war. I gues I should have read more about the arsenal or something. I wish you'd ask me some questions about the volunteer Army. I'm all set to answer those."—HOAG LEVINS.

SSI FAILS TO MEET NEEDS OF AGED, BLIND, AND DISABLED

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. DOWNEY of New York. Mr. Speaker, the supplemental security income program, which was established to insure that the aged, blind, and disabled receive a minimum monthly income, has thus far not fulfilled its goals. I am aware that there are failings in the SSI law and in its administration. The plight of the aged, blind, and disabled has still not been improved. Today I testified before the Subcommittee on Public Assistance concerning present program and recommended possible reforms. The complete text of my statement follows:

STATEMENT OF HON. THOMAS J. DOWNEY

My name is Thomas J. Downey, and I represent the Second Congressional District of New York.

I appreciate this opportunity to address the subcommittee on needed changes in the Supplemental Security Income program.

As you are by now probably well aware, the first year operation of SSI revealed a variety of problems in the law and its administration. Today I would like to discuss some of the particular problems facing SSI recipients in Suffolk County, New York, and by extension, recipients across the country. For this presentation I have drawn upon the results of a public hearing I held in my district on Senior Citizens and the Economy at which many public agency directors and SSI recipients spoke. The recently released results of a monitoring survey on SSI issued by a volunteer group called the Suffolk Action Coalition is an important and useful report that was also helpful to me in the preparation of my remarks.

Probably the most compelling weakness of SSI has been its inability to respond to the variety of needs the aged, blind and disabled have. The most distressing aspect of this inflexibility has been the lack of adequate provisions for emergency assistance. The effect of providing only a one-time $100 payment to cover unexpected costs has been well documented by others. If the SSI program is to be the national effort at income maintenance as was originally intended, emergency assistance should be offered for more contingencies than simply lost, stolen, and undelivered checks. Such assistance should be an integral part of the income maintenance effort, not a mere appendage.

Experience with emergency assistance in Suffolk County suggests a further flaw in the implementation of the law. The monitoring survey revealed that most recipients were completely unaware of additional state emergency assistance that existed. Additionally, it was found that even when the recipients contacted the local Social Security Office, they were often not properly informed of these potential benefits. This, and other evidence suggests that Social Security employees who suddenly had to work with SSI problems starting last year, have not been sufficiently trained to deal with what are essentially social service problems. An expanded emergency aid effort coupled with additional and trained staff would remove this stumbling block standing in the way of a full income maintenance program.

The present flat grant approach is another rigid aspect of SSI that is defeating the program's goal of a life of dignity for all Americans. I appreciate the original intent to eliminate the social stigma attached to welfare by utilizing the presumed need approach rather than an individual need approach. The latter would then have to be verified by case-method investigation, thereby raising the spectre of welfare. However, I think SSI can be made more flexible and yet still retain this essential feature. A system of grants that recognizes the very real differences in the cost of living among the various regions would be the answer. For example, in Suffolk County it would not be unusual for a single person living alone, receiving total SSI payments of $206.85, to have to pay $150 for just rent. Often rent costs are even higher. SSI recipients in Suffolk are further handicapped given the suburban nature of the area, no low-cost housing is available to them. While it is true that SSI for the first time built an income floor below which no American would have to live, that floor is merely a dollar amount. A more equitable income floor would be based on real income. A flat grant system that recognized cost of living variations would go a long way toward providing a truly uniform minimum national living standard. Such an approach would not, as some suggest, merely replace the extreme variations in services that existed among the States before SSI. Rather, it would allow true uniformity based on quality of life, not some inflexible number of dollars.

In Suffolk County, and in other areas of the country where there is minimal or no public transportation, disabled persons and the elderly are especially burdened in their attempts to reach the Social Security, to appear at the local office in person to make an application for SSI and to wait sometimes three or four hours to be interviewed. Those who need SSI, for the most part, cannot afford a car, and have no money to pay for a taxi. There are many elderly poor who need aid, but who are bedridden, physically ill, or otherwise incapacitated. These kinds of obstacles help explain why out of the estimated 7 million persons eligible for benefits, only 4.1 million are receiving checks. I suggest that additional monies be provided the district offices to hire and train personnel whose job it would be to make field visits in situations where a client is necessarily homebound.

Both the district offices and the recipients could be spared at least one bureaucratic encounter yearly if the redetermination procedures were streamlined. Presently, every SSI recipient who does not also receive Social Security has to attend an interview to be deemed eligible each year. This redetermination consists solely of reevaluating the income, resources and living arrangements of the recipients. Such redetermination could just as easily be handled by mailed affidavit from the client rather than a face-to-face interview. In this way, much time is saved and the recipient is spared another trip to the local district office.

A greater effort must be made to seek out the persons potentially eligible for SSI. It is not surprising, given the depressed and often isolated conditions in which many of these people live, that they are unaware of the new SSI program. The Suffolk County Office of the Aging, for example, has benefitted from one approach that should be expanded. That office received a one-year model project grant which enabled them to provide an SSI Coordinator whose primary function is to meet with the elderly singly and in groups and explain the eligibility requirements to them. With assistance from volunteers, the coordinator literally walked into the markets, seeking out senior citizens who may be eligible. I think that as the Society Security Administration augments its staffs to handle the added work of SSI and the changes in the law that I hope will come out of these hearings, Outreach efforts such as Suffolk's SSI Coordinator should be required.

It has been only in the last few years that the public debate has been willing to admit the extent of hunger in America. It is probably accurate to suppose that those on fixed and limited incomes comprise a large part of the malnourished population. According to the Monitoring Survey ". . . the vast majority of SSI recipients (about 95%) are all struggling with the basic necessities of life—food, clothing, housing, and transportation. The basic SSI grant is not enough for recipients to live on—many persons are hungry by the end of the month simply because money has run out after the rent has been paid." It is distressing to find that in answer to the question "If you are managing with difficulty or you are not managing at all, what do you give up the most?", half of the respondents checked "food". Presently in New York, SSI recipients are not eligible for food stamps. Instead, New York opted to "cash out" the value of food stamps at the rate of $10 per month. So that recipients can improve their buying power in the grocery stores, the cash out value of food stamps should be raised to the 1974 cost level (instead of remaining at 1972 figures). Further, SSI recipients should be allowed to choose between the additional money every month and the food stamps. Each individual should be able to decide if the social stigma attached to food stamps outweighs their usefulness to him.

The many SSI recipients who are also Social Security beneficiaries have been denied their cost of living increases due to the failure of Congress to disregard such increases in determining benefit levels. As a result, recipients watch their SSI check decrease by the exact amount of their Society Security increase. It seems to me that the Congress mandates most of living increases because the cost of living does indeed increase, yet we are now taking away from our most needy citizens the additional assistance we tell them they need to keep up with inflation. A new law must have a "pass along" feature for Social Security increases.

The application of the "hold harmless" provision of SSI has worked against the recipients of high benefit states such as New York. Because New York, through a contractual agreement with HEW, is not compensated for payments to individuals above its 1972 APL (adjusted payment level), federally mandated cost of living increases are not passed along. They are merely deducted from the state's optional supplement amount. The effect of this provision, according to New York's Commissioner of Social Services, was to deprive recipients of nearly $70 million in cost of living increases in 1974. This inequity can be eliminated simply by raising the APL to reflect the rate of inflation. Even though the cost of living has risen sharply in the past year, their has been no increase in the amount of the SSI check in New York State since January 1974, except for the $10 food stamp cash-out allotment. Hold-harmless, it seems, is not the benefactor it was once touted to be.

The suggestions I have offered are just a few of the many changes that have to be made in SSI. I am aware of other problems, but I have highlighted these because they are the issues most frequently raised by the volunteer and professional social services agencies with which I have been in contact. Commendable efforts have been made by others in providing comprehensive solutions to the SSI situation. Most notable in that regard is Congresswoman Holtzman's SSI Reform Bill—a bill that responds to many of these needs and a bill that I support.

I urge the subcommittee to act promptly on SSI reform. Many of the aged, blind, and disabled recipients are at this moment living without the basic necessities, and waiting for us to act. I think they have waited long enough. It is my hope that our work here will result in fulfillment of the Congress' original promise to these people—an adequate income floor that will allow them to live in dignity.

TRIBUTE TO MEMORY OF REAR ADM. LESLIE E. GEHRES

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BOB WILSON. Mr. Speaker, I rise today to pay tribute to the memory of Rear Adm. Leslie E. Gehres, who died recently in San Diego. Admiral Gehres was one of our Nation's outstanding heroes and a staunch supporter of the Republican Party. I had the privilege of knowing Les Gehres for many years. He was a close associate and personal friend. In 1950 I managed his very close but unsuccessful campaign for a seat in this House and 2 years later, he managed mine.

During the latter years of World War II, Admiral Gehres, then a captain, had command of the aircraft carrier USS *Franklin*. In March of 1945, in a Kamikaze attack, two Japanese bombs penetrated the ship's flight deck, severely damaging the ship. Gehres refused to abandon his command, fought fires for almost a day and a half, and succeeded in saving the *Franklin* from sinking. He retired from active service in 1948 after 32 years of service and entered civilian life with the same characteristic enthusiasm with which he had pursued his military career. I will miss him sorely. However, a letter I received yesterday from Adm. Hyman G. Rickover, deputy commander for nuclear propulsion, including a news article from the May 17 edition of the New York Times, tells of Admiral Gehres' achievements. Admiral Rickover's tribute pays him honor much more eloquently than I can, and I include them as a portion of my remarks.

U.S. ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION,
Washington, D.C., June 9, 1975.

Hon. BOB WILSON,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. WILSON: I was sad to read in the New York Times of May 17, 1975 that Rear Admiral Leslie E. Gehres had died. Knowing of your friendship and esteem for him, I thought you might be interested in the following concerning Admiral Gehres.

You will note from the news item enclosed that he saved his ship, the USS *Franklin*, after a Japanese plane bombed it in March 1945 off the coast of Japan. I had occasion to visit the ship off Okinawa shortly after the bombing. What impressed me most was that, despite the great damage the ship had sustained and its heavy casualties, Admiral Gehres, then a captain, had managed to keep the ship afloat even though he had been authorized to abandon her.

Shortly before dawn on 19 March, the *Franklin* was launching a fighter sweep against Honshu and was within 50 miles of the Japanese mainland. As she was launching the second strike, an undetected enemy plane dropped two bombs on a low-level bombing run over the carrier. One bomb struck the flight deck centerline, penetrated to the hangar deck, and exploded on impact, spreading destruction and igniting fires through the second and third decks—disabling the Combat Information Center and Air Plot. The second bomb hit aft and exploded while tearing through the flight deck, thereby igniting fires in aviation gasoline and ammunition, bombs, and rockets on the planes.

Captain Gehres had been on the open bridge and knocked from his feet by the concussion of the first explosion. He immediately appraised the damage and took action to impede the spreading fires and to hasten rescue of casualties. The officers and men of the crew reacted promptly and superbly. Although the *Franklin* lay dead in the water, on fire and exploding, and further harassed by Japanese aircraft, Captain Gehres refused to abandon ship. He signaled nearby ships: "If you save us from the Japanese, we will save the ship." After evacuation of casualties, 106 officers and 604 men had voluntarily remained to fight the fires. Taken in tow by the heavy cruiser, *Pittsburgh*, all fires were under control or extinguished early the next day.

Captain Gehres was a stern disciplinarian. He insisted on "perfection" in the performance of all duties. He required every officer and man to do his job properly. His insistence on full performance of duty at all times occasionally caused him to be unpopular with his crew. He was no "popularity jack" and did not consider his job to be that of a "people's man." He believed his job was to train his men and maintain the ship in such condition that it would be fully ready for any requirement. It was because of this high state of training and readiness for battle of his officers and men that he was able to save the ship.

It appears to me that perhaps our military has gone too far in concentrating on the needs and welfare of those who serve rather than recognizing that the purpose of the officers and men in our Army, Navy, and Air Force is to serve their organizations. It is not the primary purpose of the services to take care of the individuals who compose them.

The example of Captain Gehres is well worth studying by all those responsible for our national defense—Congress, as well as those who run our Services.

Respectfully,

H. G. RICKOVER.

[From the New York Times, May 17, 1975]

ADM. LESLIE GEHRES DIES AT 76; "UNSINKABLE" FRANKLIN CAPTAIN

Rear Adm. Leslie E. Gehres, U.S.N. retired, World War II captain of the aircraft carrier Franklin, the "ship that would not die," died Thursday at San Diego. He was 76 years old.

Admiral Gehre's finest hour came in March of 1945. The Franklin, a 27,000-ton carrier of the Essex class, was set fire by two bombs delivered by a single Japanese plane off the coast of Japan.

The Franklin was burning so badly that a half-hour after the fire began, Rear Adm. Ralph A. Davidson transferred his flag from the carrier division flagship to a destroyer that had come alongside. Rear Adm. Bogan, aboard as an observer, also left the ship.

For more than a day and a half, from 7:08 A.M. until 10 A.M. the following day, when the carrier was able to proceed at 15 knots, the vessel was an inferno.

RECEIVED NAVY CROSS

After the battered carrier arrived at Brooklyn Navy Yard on April, 1945, Captain Gehres was asked whether he ever considered abandoning ship that first morning.

"Well," he replied, "I had an order that authorized me to prepare to abandon ship. But didn't pay any attention to that. Hell, we were still afloat."

Captain Gehres, 10 of his officers and an enlisted man received the Navy Cross for their skill and valor in coping with the catastrophe.

830 officers and men were listed as dead and missing, and 270 were listed as wounded. The 1,100 casualties represented a third of the carrier's personal.

32 YEAR'S SERVICE

A native of Newark, Admiral Gehres joined the Navy before the United States entered World War I, serving in the North Atlantic. Between the wars he was a stunt pilot with the Navy's "High Hat" squadron.

He retired from the Navy in 1948 after 32 years of service and went into business with Ryan Aeronautical Company, now a division of Teledyne. He later became general manager of the National Marine Terminal Company.

He was chairman of the San Diego County Republican Central Committee for 12 years, organizing support for former Gov. Ronald Reagan, former Senator George Murphy and former President Dwight D. Eisenhower and Richard M. Nixon.

In 1950, with Robert C. Wilson as his campaign manager, Admiral Gehres ran for Congress from San Diego and lost. Two years later, they switched roles and won.

He is survived by two daughters, a son, and three grandchildren.

EMERGENCY EMPLOYMENT ACT VETO

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. RUSSO. Mr. Speaker, I am deeply distressed and disappointed by the failure of the House to override the President's veto of the emergency jobs bill. This legislation was designed to create some 900,000 jobs in public service, public works, and other job-creating enterprises, and it was a measure sorely needed by our troubled economy.

When I cast my vote to override the President's veto of the bill I was thinking about the some 9 million people in this country who are out of work—people who would rather be working than standing in unemployment lines. I think the President's action and Congress' failure to correct it were a slap in the face to countless Americans suffering the economic deprivations born of the administration's misguided economic policies—policies that invite a high unemployment rate as a means of curing inflation. Some cure.

The cost of implementing this emergency jobs program would have been $5.3 billion, not an amount to be spent casually, of course, but let us compare that to the returns for our economy in putting 900,000 poeple back to work. The bill would have meant $16 billion flowing back into the U.S. Treasury, because for each 1 percent of unemployment over 4 percent, the Government is losing $16 billion—$14 billion in tax revenues and $2 billion in unemployment compensation costs.

The $5.3 billion would have meant money for summer jobs for youths, jobs for older Americans, work-study grants for college students, jobs for youth in the Youth Conservation Corps, and increases in rural water and sewer grants, flood control, the improvement and modernization of existing veterans hospitals, reforestation and timber stand improvement, expansion and upgrading of facilities in national parks, increased assistance to small business, accelerated construction of public service facilities, and major repairs and renovations of existing Federal buildings.

President Ford justifies his veto of the bill with a cry of "too little, too late." I am more than a little baffled by this line of reasoning. He suggests that the bill's impact should come long after our current unemployment problems are expected to subside. "Economic recovery is expected to be well underway by the end of 1975." According to whom? To his economic advisers, Dr. Burns and Mr. Greenspan, who have already admitted that unemployment will continue to rise above 9 percent in this coming quarter? Dr. Burns, Mr. Simon, and Mr. Greenspan are the same people who brought us that wonderful production of "the recession is bottoming out"—last October. Yes, 8 months ago they were warning us, at what turned out to be the onset of our most precipitate economic decline in a generation, that we were "overheating" the economy. Since their prediction we have suffered two more quarters of declining economic output and unemployment has increased by 2 million people.

There is another point about the President's veto argument that puzzles me. He said that—

> The need remains, however, for a bill that would provide the funds . . . for immediate and temporary employment through the public sector and summer youth jobs.

It is June now. And exactly what did he think was in the bill he vetoed? It provided $458 million for summer youth jobs and this money would have meant jobs for 4,000 students in the Chicago area alone.

So now we have no jobs program. If the administration, or those in Congress who supported the administration's economic policy with this vote, have a secret formula for curing unemployment problems and low productivity I certainly wish they would share it with the rest of us. I say they have no solutions—one need only take a look at President Ford's economic record to date. Unemployment is up 65 percent since he took office 10 months ago; our productivity is $230 billion below the country's capacity. And the President rejects a bill designed to meet these problems head on and lamely offers as his solution a reassuring "things might get better, sometime" attitude.

Get better? President Ford in his budget says that next year the unemployment rate will be 7.9 percent. This is proof that the unemployment rate is subsiding? How can we look at that sort of joblessness and say with a straight face that the recession is bottoming out. How can I turn to the people who are desperately seeking employment and assure them that—even though the President did veto the jobs bill and Congress did fail to override that veto—that we are doing everything we can for them.

When the Speaker announced that Congress had failed by five votes to override the veto my Republican colleagues stood and cheered. What were they cheering? The fact that tens of thousands of youth will be idly wandering the streets this summer? That hundreds of thousands of people will remain on the welfare rolls? That 900,000 people will remain jobless? That millions of Americans will continue to draw unemployment checks from the Government?

As far as I am concerned this vote on the veto was a vote for or against jobs, and 92 percent of the Democrats voted for jobs and 87 percent of the Republicans voted against them. I am sorry that more Democrats did not stand up for the people.

Despite failure by the House to demonstrate a little realistic economic thinking where unemployment is concerned, I intend to continue to work vigorously on behalf of the jobless. We must solve this problem before we can expect to get our faltering economy back into line and before we can expect the American people to have confidence in their Government's ability to handle economic problems. We have missed an excellent opportunity to help the people help themselves and it means back to the drawing board. I felt that the American people deserved better than this from their Government and I expressed this with my vote to override the veto on the emergency jobs bill.

BICENTENNIAL REMARKS

HON. SAMUEL L. DEVINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. DEVINE. Mr. Speaker, Bicentennial celebrations are going on all over our great Nation and I recently had occasion to attend one in Marysville, Ohio, delivered by a good friend and former president and chairman of the board of the Scotts Seed Co., Mr. Charles B. Mills.

I am glad to share Mr. Mills' remarks with my colleagues; and I am confident he would not be upset if some of our Members would have an inclination to plagiarize here and there:

REMARKS OF CHARLES B. MILLS

Since we are here to specifically celebrate the Bi-Centennial, one is rather limited in subject matter. However, I was told that I could exercise a certain amount of latitude so don't be surprised if some of my remarks are related to events coming within the 200 year period. While sunning on the beach in Florida, I was asked by phone to appear here. Under those circumstances it was easy to accept, but I wasn't expecting such a cool reception because the temperature was 85° when the call came. The chances are that most of us studied the same history books so we remember all the famous names and the dates—at least you do. After two hundred years, we are inclined to make saints of many of these fore-fathers who were probably ordinary people with an extraordinary amount of patriotic fervor and the kind of stamina which could face up to hardships. After all, they didn't know anything about conveniences as we know them. How do you suppose they ever got along without air conditioning, electric refrigerators, frozen foods, airplanes, and beauty shops?

I have made no effort to place my remarks in chronological order because the historians don't either. They follow an idea or the accomplishments of an individual without relating them to specific dates. You know the facts leading up to the Revolutionary War—the over-possessiveness of the British, the burdensome taxes and the constant effort to make the colonists totally submissive to the British Crown. After all those passengers on the Mayflower came over here to find independence, they had no intention of becoming subservient to anyone. Incidentally, I learned that it cost $16,000 to finance the voyage of Christopher Columbus, less than the cost of building a modest home today.

We appear to skip over many years of privation, fighting with unfriendly Indians before those early Americans finally found themselves and became eventually 13 colonies. To bring us into the 200 year category, the First Continental Congress met in Philadelphia in September of 1774. On the 16th of that month, George Washington wrote in his diary that he had dined at the State House at an entertainment given by the city to the members of Congress. It was during the Second Continental Congress in 1775 that George Washington was made Commander in Chief of the Continental Army and in the following year the Declaration of Independence was adopted. Later the Articles of Confederation and the Federal Constitution were drafted and signed. In order to pay tribute to the forthrightness of those who took part in this momentous occasion the Bi-Centennial Committee of the original thirteen states have dedicated themselves to revitalizing the Spirit of the American Revolution—the Spirit of Individual Liberty and the responsibility that inspired our founding fathers. The original call for freedom came on June 7, 1776, when Richard Henry Lee of Virginia submitted a formal resolution that these United Colonies are and of right, ought to be free and independent states. On July 2nd of that year, Lee's resolution was carried by the Continental Congress and the thirteen colonies declared themselves independent states, united in the common cause of freedom. On July 4, 1776, John Hancock, President of the Continental Congress signed his name to the Declaration of Independence and the course of history was changed forever.

In all, 56 men signed, pledging to each other our lives, our fortunes, and our sacred honor. Throughout the long war that followed in a cause that at times seemed hopeless, that pledge was often tested, but never broken. Not one of the signers ever defected. Not one abandoned the vision of freedom and justice he had expressed on that great day in American history. Is it any wonder that people all over America should pause on the eve of this Bi-Centennial to pay tribute to these brave men. Many stories have been written about George Washington—his trials as he attempted to form an army from unskilled farmers whose enemy was well equipped and well trained for warfare. But they fought against great odds for the things in which they so fervently believed. And let us not assume that all the settlers were united in this cause of freedom. Many believed their ultimate security rested in the British Crown and there were many who refused to fight, in fact, were disloyal as proven by the disloyalty of Benedict Arnold, one of the real scoundrels in American history.

We have all read many times of the hardships the troops under General Washington suffered at Valley Forge. It was Washington who sent word to the Continental Congress that if relief was not immediately forthcoming "his troops would have to starve, dissolve and disperse."

At about this time the Congress sent a delegation to investigate General Washington and see if he was fit to continue as Commander in Chief. People were investigated in those days, too! Washington was a religious man, one of the historians quotes one of his general orders which read as follows—

"The General is sorry to be informed that the foolish and wicked practice of profane cursing and swearing, a vice heretofore little known in the American Army, is growing into fashion; he hopes the officers will by example as well as influence endeavor to check it and that both they and the men will reflect that we can have little hope of the blessing of Heaven on our arms if we insult it by our impiety and profanity. Added to this it is a vice so mean and low, without any temptation, that every man of sense and character detests and despises it."

If such an order had been issued in my war, I'm afraid many soldiers would have been left with a very small vocabulary. One writer in an effort to show that the Washington household had some every day problems made this comment. Two hundred years ago, he imagines that such a conversation as this took place. Martha Washington with a brave smile turned to her husband and said, "George, before you leave to take command of the Continental Army, to free us from the yoke of tyranny, to write a new page in the history of mankind—before you do all that, George, would you do one little thing for me?" The Father of our country answered in his deep stately voice—"And what is that, Martha?" She replied—"Take out the garbage."

Before Washington was chosen to head the colonial forces General Artemas Ward was Commander in Chief, because of his activity as a patriot he was stripped of his commission by the Royal Governor of Massachusetts. Ward was actually Commander of the American forces when the Battle of Bunker Hill was fought. That was June 17, 1775.

On the day of the battle, Washington was placed in command with General Ward directly under him in rank. Later Ward resigned because of ill health. He took a dislike to Washington because of some unfavorable thing he had said about the Massachusetts troops. So people were sensitive then, too. Other names prominent in the history of the times were, of course, Paul Revere, Mad Anthony Wayne, John Paul Jones, General Richard Montgomery, and General Thomas Sumter. It is estimated that 4,000 American soldiers lost their lives in the War and 6,000 wounded. Those are small figures when compared to the casualties in later wars, but remember that the total population of the country was less than three million, smaller than the present population of many American cities.

Historians give a large place in the success of the War of Independence to General Lafayette. It was the French Navy which sealed the defeat of the British at Yorktown. Benjamin Franklin was probably the strong influence which brought the French to our side. The French fleet under the command of Admiral Richard Lord Hector Count d'Estaing arrived in New York Harbor in February of 1778. In the following year his fleet consisted of 22 ships. Under his command were 4,000 French troops and assigned to them were 1,000 Americans under the command of General Benjamin Lincoln. I would like to digress here long enough to pay tribute to the unsung heroes who fought and died in secondary roles, yet whose deeds contributed to the success of those whose names we know best. The little magazine "Guidepost" has been running a series of twelve articles about obscure patriots whose names appear in none of the best known history books. The headlines in all wars often go to those who led armies to victory, but in some quiet way, others played a large part in paving the way to victory. I will refer to only one such man because he had a hand in the final and gloriously successful battle of Yorktown. This is recorded as a completely truthful account of how a negro slave carried the message which ultimately brought success to the American and French forces. The man's name was James Armistead and while he posed as a confident to General Cornwallis of the British forces, he was at heart loyal to the cause of the colonists. At this time, Lord Cornwallis was moving with his troops through Virginia looting as they went and living off the available crops. Many American farmers who didn't want to fight in the first place were known to have deserted to their farms which had been long neglected. Outside the Headquarters of General Lafayette appeared this barefooted, tattered and torn negro who insisted that he must see the General. A Colonel Bradley who was the General's Adjutant, told the man he could not possibly see the General. He informed the man that he should go to the cook's kitchen and see if there were any leftovers from the evening meal. Fortunately, General Lafayette overheard the conversation. "Who is that man?" he asked.

"A wretched slave replied the Colonel—he says his name is Armistead." "By all means send Mister Armistead in" called the General. The two were in quiet conversation for twenty minutes. When the General emerged he said to Colonel Bradley, "here is amazing news. Cornwallis is on his way to Yorktown. If we get word to Washington and he can arrange it, have the French fleet cut Yorktown from the waterside—we'll have them in a bind." The Colonel wondered how Lafayette could take the word of such an unpromising messenger." "Because" replied Lafayette, "James Armistead is a slave, an illiterate one, but he is a brave man and can be trusted." Yorktown subsequently fell to the American and French troops and shortly thereafter Cornwallis surrendered. The war was over. Colonel Bradley observing the unsung hero as the victorious troops were celebrating, raised his hand to Mister Armistead in a respectful salute. I would like to insert here the fact that the picture—"The Spirit of 76"—is more often copied than any other painting in existence. It was painted by Archibald Willard who was born in Bedford, Ohio, and the man for whom the city of Willard was named.

Having been given some liberty with my remarks, I think it only proper to bring the subject nearer home, first to Ohio and then to Union County and Maryville.

Ohio history is a subject in itself so I will simply gloss over it by saying that it was originally a part of the territory between the Great Lakes and the Ohio west of the Alleghenies. Both England and France claimed the territory even though it was occupied largely by hunters and trappers of both nationalities plus numerous Indians. In 1748, a group of Virginia speculators organized the Ohio Company and employed a man named Christopher Gist to explore the territory. The French claiming they saw it first, ordered the English to leave. Of course, they didn't. In 1758, George Washington was commissioned to visit and deliver a letter to the commandant of the French forces.

The letter said, "The lands upon the Ohio River in the western part of the Colony of Virginia are so notoriously known to be the property of the Crown of England and that

it was a matter of surprise and concern that a body of French forces are erecting fortresses and making a settlement upon that river within his Majesty's domain." The French and Indian War followed. Ohio became a state in 1803. It is one of three along with Utah and Iowa which coasist of four letter words, but ours is the only one with Hi in the middle! The word OHIO, in case you have forgotten, means "Beautiful Riyer." If you want to know more about Ohio and why it is called the Buckeye State, I refer you to your history books.

Union County was called Union because it consisted of land from Madison, Delaware, and Logan Counties. It was created a county in 1820. The first County Seat was Milford Center. We have had four Court Houses. The county government was moved to Marysville on January 27, 1883. Here a new Court House was built, the present one by the way, and according to printed history, "the new Court House is a model of beauty, elegance, and convenience, and it will be the pride of the citizens of this county for many years."

Marysville itself was laid out and platted by Samuel Culbertson in 1820, shortly after the county was organized. He owned the land and named the town for his daughter Mary. From that day until the present, it's your problem.

As we contemplate the happenings of the past, we can't help but wonder what Americans 200 years from now will say about us. The chances are that inventions of the future will make our conveniences appear old-fashioned. Their histories may have a different opinion of us than we have of ourselves. They may evaluate our decisions as expedient rather than wise. What we consider important today, the historians of 2175 may pass over as mistakes in judgment.

In closing, may I use an illustration from the late renowned clergyman, Ralph W. Sockman. He told of a band of mountain climbers trying to scale one of the high peaks in the Alps. They were all experienced but one man who became terrified in the middle of the night because the whole mountain shook and there were such loud rumblings that he "wakened his guide and asked if the world might be coming to an end." In disgust the guide, half asleep, mumbled that the sun had come up on the other side of the mountain, melting the snow and ice and causing them to rush down into the rivers and waters below. "It's not the end of the world—he said, just the dawn of a new day." Despite the rumblings in our nation and through much of the world, there are no signs that the end of the world is here. Rather, it is the sign of a new day and we and the generations which follow must be dedicated to finding a peaceful and lasting solution. Remember this—we are the only democracy in history that has lasted 200 years and we must fervently hope that another 200 is just beginning.

TAKE THE PROFITS OUT OF WAR?

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. JOHN L. BURTON. Mr. Speaker, I would like to call the Members' attention to this article by Charles McCabe that clearly sets forth the problems of a war economy in the United States.

TAKE THE PROFITS OUT OF WAR?

The unemployment crisis is telling us again, not that we need to be told, how firmly our economy is tied to the idea of war, and how it has been so since the days of preparation for World War II, the war that got us out of the Great Depression.

We don't have to be too acute to deduce from this that we will never get rid of war until we put the jobs and profits of war into something else, presumably useful.

The House recently approved production of the B–1 bomber, a little number that is expected to cost a minimum of $20 billion over the next ten years. The same body and in untidy haste, deepened our commitment to a new, $4 billion air defense system, and a new generation of Trident missile firing subs that will cost untold billions more.

Take the B–1 bomber. If some recent experience is to guide us, this weapon may never be used. One of the reasons that the big businessmen of the nation like to get into the aircraft business is that if their product is a flop, either through obsolescence or technical defect, there is never a poop out of their client, which happens to be the Pentagon.

These boys just go on to construct another boondoggle, the profits and wages continue to roll in, and the jobs continue to increase. Congress cheerfully tells us that all this high-cost waffling is necessary "to keep the country strong." If the product was a goofed-up public transportation system, like BART, the outcry would be as loud as it would be justified.

And why? The 8.7 percent unemployment rate that existed while the House was knocking itself out to give the Pentagon everything it wanted in the way of weaponry and more. The boys even added a few A6 attack planes the Pentagon had not asked for.

Nearly every man in the House has been there during a period of wartime economy. If there is one who dates from the Depression, his name escapes me. Their whole conditioning has been to consider jobs and defense as almost synonymous. The relation is perceived as the most important factor in their reelection or defeat.

The major industries of California would go bankrupt without "defense contracts." The B–1 will be a landfall to this state, where it is being built. It will also be a smaller landfall to a lot of other states. Scores of subcontracts for it will be filled in almost every part of the country.

Meantime, the country desperately needs things like mass transport and housing. Why does not Congress beef up these useful industries.

To ask the question is to answer it. It's a question of what Veblen used to call trained incapacity. The average Congressman sees jobs as jobs related to war. And when their unemployed constituents call then to say, piteously or angrily, that their kids are not eating good these days, what to do?

And who would they rather get jobs from than the Pentagon, a client who never objects if the old cost-plus goes up and up, and something supposed to cost X-millions turns out to cost monstrously more. This particular client often doesn't give a hoot whether the thing works or not.

What can be done? A friend says: "Congress must insist that our tax money be spent in useful ways and must demand results for the money spent. Jobs and profits must continue to be created by the government, but by producing useful things and services. We can no longer depend on the business community to decide what has priority."

That makes all kinds of sense to me. Until human needs are put above the production of weapons, and this can be done while still producing jobs that are useful, government will have failed in its primary mandate: to provide for life, liberty and pursuit of happiness.

KEEP SST OUT OF UNITED STATES

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. OTTINGER. Mr. Speaker, on May 7 I testified before the Federal Aviation Administration to express my concern and opposition to proposals to permit the British-French Concorde SST to land in the United States. At that time, I called the plane an "economic lemon, and a dangerous one to boot." In short, I think that any decision to let a Concorde land in this country is a supersonic catastrophe.

In a recent letter to members of the New York branch of Friends of the Earth, the fine environmental group of which I am proud to serve as executive vice president, FOE president David Brower and New York FOE representative Chauncey Olinger succinctly summarized the many dangers of the SST and the necessity of preventing this boondoggle from landing in this country. Their arguments go beyond the traditional environmenal ones, however; they quite correctly point out that the Concorde is the "most outstanding symbol of a misdirected use of resources."

For the benefit of my colleagues and the readers of the RECORD, I am inserting a copy of the FOE letter in its entirety.

FRIENDS OF THE EARTH,
New York, N.Y., March 14, 1975.

DEAR FRIEND: Although Americans were successful in stopping development of the U.S. supersonic transport, they have thus far failed to keep the British-French Concorde out of the country. Indeed, the EPA has just recommended that Concordes be allowed to fly to U.S. airports on a regular basis!

Despite the fact that the Concorde:

Is one of the loudest and noisiest planes flying;

Trails destructive and annoying sonic boom in its path;

Will probably reduce the ozone cover—given the number of SSTs anticipated—thereby increasing the incidence of skin cancer;

Burns three times as much fuel per passenger-mile as a 747, and this in a world contemplating the exhaustion of all of its oil resources;

Discharges large amounts of pollutants into the air while flying at low, inefficient speeds around cities; and

It has already landed at a number of U.S. airports in the last few months, including: Miami and Los Angeles.

Now, recent reports indicate clearly that: plans are underway to fly the Concorde to New York City in April or May; 36 flights are scheduled. Regular service is planned to begin a year later.

Obviously, action is required by environmentalists who see in the Concorde not Peace (and surely not Quiet) but a real threat to an already overburdened environment, especially in the New York metropolitan area.

And there are many who see the Concorde as the most outstanding symbol of a misdirected use of resources, expended to achieve a very small advantage (a few hours saving of time) for the rich (who hardly need to save three or four hours) to the great disadvantage of tens of thousands directly and millions indirectly.

In 1973, over forty environmental and other groups endorsed and supported the efforts of the Coalition Against Aircraft Noise to achieve passage of the Smith-Harris Bill in the New York State Legislature. This Bill would have amended the Public Health Law of New York State to set 108 perceived decibels of noise as the limit for any plane landing in New York State.

In effect, the Bill would have extended existing FAA-established noise limits on subsonic aircraft to all planes—including the SST Concorde. For a number of reasons, the most important of which was probably a question of jurisdiction, this particular effort to stop the Concorde did not succeed in 1973; but there was much support of the Bill.

Recently, there have been a number of important developments:

1. The EPA has just recommended to the Federal Aviation Administration that SSTs already built or in production be allowed to land at U.S. airports. This means that 16 Concordes and an unknown number of Russian TU–144s would qualify for landing at U.S. airports.

2. The FAA will hold hearings on these EPA recommendations the week of April 14th. Many predict that the FAA will approve these recommendations. Evidence for this is suggested by reports that "the Federal Aviation Agency expects from 116 to 300 of them—SSTs—to be in operation by the end of the century." (New York Times, February 7, 1975)

3. Recently released reports of scientific research indicate that any significant number of SSTs flying in the stratosphere will probably reduce the ozone cover, leading to an increase in the incidence of skin cancer.

4. Bills have been introduced in the New York legislature and the U.S. Congress providing that the Concorde and other SSTs shall be subjected to the same noise limits as subsonic jets.

It is clear that the environmental destruction of the Concorde will become a feature of our daily lives—unless we who will suffer resist. So that we can resist more effectively, a new coalition against SST environmental damage is being established. The New York Branch of Friends of the Earth will serve as the organizer of this new coalition. This letter is sent to you to invite the participation of your organization, as well as your personal participation, in this new coalition.

Please fill out the enclosed sheet and return it to the New York Branch of Friends of the Earth immediately. Let us know that you and your organization are still with us. Send us any suggestions that you may have about the strategy that should be followed. Let us know if you favor a meeting of representatives of all coalition members.

Sincerely yours,

DAVID R. BROWER,
President, Friends of the Earth.
CHAUNCEY G. OLINGER,
Chairman, Committee to Stop SST Environmental Damage, New York Friends of the Earth.

FOOD STAMP CONNECTION—AMERICA'S GREATEST RIPOFF

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. DICKINSON. Mr. Speaker, the National Labor-Management Foundation has recently put out a newsletter which points out many of the problems with the present food stamp program. I believe every Member of Congress should read this statement and heed its message, and therefore, I am inserting it in the RECORD at this time:

NATIONAL LABOR-MANAGEMENT FOUNDATION,
Washington, D.C., June 1975.

FOOD STAMP CONNECTION—AMERICA'S GREATEST RIPOFF

"Federal aid in such circumstances encourages the expectation of parental care on the part of Government and weakens the sturdiness of our national character, while it prevents the indulgence among our people of that kindly sentiment and conduct which strengthens the bonds of common brotherhood."—Grover Cleveland.

Early in May, 1975, the Senate Subcommittee on Federal Spending Practices held hearings on food stamp efficiency. The National Labor-Management Foundation was invited to provide the results of its intensive research regarding the federal food stamp program to the Subcommittee.

The National Labor-Management Foundation represents members in 50 states and maintains offices in Washington, D.C. and Louisville, Ky. Chartered in 1947, the Foundation is a non-profit, non-partisan organization providing research, education and information necessary to the development of a clearer understanding and better communications between employers, employees, government, and the general public, relative to labor-management concerns.

The Foundation analyzes and supports legislation believed to engender improved labor-management relations and better working conditions. Conversely, it opposes legislation believed to have the opposite effect. It is impossible to discuss efficiency of the Federal Food Stamp Program without considering the economic conditions of this nation.

POVERTY LINE AND THE COST EXPLOSION

The United States has a poverty line from $5,300 to $5,600. The $5,300 poverty level in the United States is the average income of the United Kingdom. When an American's income is at this level, he qualifies for food stamps at the expense of the public.

Federal expenditures this year will exceed $360 billion, which works out to about $7,000 per household according to the Tax Foundation. And that's low, because it does not take into account many elements of the budget with deferred obligations! Other tax students estimate it at double this figure. Using the conservative estimates of the Tax Foundation, federal, state, and local governments combine to spend well above half a trillion a year. Expenditures have doubled in only eight years!

Paralleling the nation's skyrocketing budget, pushed by rising unemployment, the nation's welfare rolls climbed to a near record in January. According to the Department of Health, Education and Welfare, 11,147,071 persons were receiving general assistance, medical assistance or family assistance in January, 1975 . . . up 1.3 per cent over December, and 3.4 per cent over January, 1974. The figure is just 9,000 below the all-time high reached in March, 1973.

Welfare is no longer the government's largest program for the poor. American taxpayers have seen the cost of the food stamp program soar from $30.5 million in 1965 to $5 billion in fiscal 1975. That represents a whopping 16,200% increase in less than a decade! The number of recipients grew from 13.5 million to 19.1 million persons. The cost could explode to $10 billion by 1977.

Government officials indicate that the current number of people on food stamps represents few than half of those who are potentially eligible under today's interpretation of the 1964 Act, with its typical federal layers of amendments, administrative rulings and corrections, all of which add to the cost. If the predictions work out only as extensively as this, and government programs rarely contain themselves to predicted costs, the result will be from 27 to 39 million food stampers, depending on how the recession works out and the inclination of the work force to stay on the job rather than strike.

It doesn't take a tremendous intellect to perceive that the program is clearly getting out of hand.

25 PERCENT OF POPULATION OF WELFARE?

Former Representative Martha Griffiths could be right in her prediction that 25 per cent of the nation's population will be qualified for food stamps by 1977 unless the trend is stopped. Imagine, some 60 million Americans on welfare!

The beneficial effects of food stamps are not at issue. With the welfare rolls growing by leaps and bounds, it is vital that a more determined effort be made to protect the program against waste, abuse of its provisions, or threats to its fiscal integrity. If this cannot be achieved, serious consideration should be given to eliminating the food stamp program in its entirety.

When the Food Stamp Act was created, standards of eligibility were established by the states. Originally the program was not intended to feed students or people voluntarily out of work or on strike. It was designed to supplement extremely low incomes. In 1971 the Act was amended to provide for nationwide eligibility standards set up by the Department of Agriculture. Families on public welfare assistance were then made automatically eligible for food stamps. Now, the food stamp program has become a national chuck-wagon and everyone is climbing on board, including strikers, students, school teachers, marginal workers and teen agers.

15 PERCENT OF RECIPIENTS NOT QUALIFIED

The recent GAO audit reveals that 15% of food stamps have been going to people who were ineligible, or who were taking more than they deserved on the basis of income standards!

This clearly suggests an immediate need for corrective action, and that need is magnified when one takes cognizance of the fact that $400 million a year is required to administer the program at local and state levels in cooperation with the Food and Nutrition Service of the Department of Agriculture.

Review of the Observation on the Food Stamp Program, a report to Congress by the Comptroller General of the P.S. (RED–75–342), leads us to believe that the recent audit was not sufficiently thorough to be of concrete value to this Committee. It is understood that the audit had a two-fold purpose and covered only the aspects of "Outreach" and quality control in the screening process.

According to a letter from Comptroller General Elmer Staats to the GAO, addressed to Sen. James Buckley, the audit was a "broad brush" approach and not comprehensive. [See Congressional Record, March 19, 1975, Page S4415). Some of the vital issues ignored by the GAO audit include:

1. Projected cost increases.

2. Expected increase in number of eligible recipients.

It is unfortunate that with the rising number of strikers who receive food stamps, no provision is made to determine that a recipient is, in fact, on strike. A profile should be compiled of the incomes of families who qualify for food stamps. The significance of the number of strikes should be carefully examined and the impact on the duration of a strike resulting from provision of food stamps should be determined.

In the case of strikers, particularly, a thorough investigation into fraud should be conducted to ascertain the incidence of fraudulent statements pertaining to that family's financial resources. A number of cases have surfaced of families which owned their homes, two cars, and in some instances a boat or a country home . . . yet they qualified for food stamps during strikes. An investigation must be conducted into the "Outreach" program which converts the traditional hard-working, self-sufficient American worker into an object of hero worship if he applies for food stamps.

The prevailing philosophy promoted by union officials and other touters of the "Outreach" program seems to forget the intent entirely and take the position: "It's your tax dollar and you paid for it. Therefore, take them if you want them."

THREE MAJOR CHANGES NEEDED

Three major changes are needed in food stamp administrative regulations regarding food stamps for strikers. They are:

1. Make it clear that strikers and other "voluntarily" unemployed persons must accept employment offered even though not in their major field of experience.

2. Require identification of personal resources in sufficient detail to permit verification of qualification.

3. Provide incentives to registrants to be interviewed and processed for new employment.

With these three revised regulations, the likelihood of abuse of the food stamp program by strikers would be substantially reduced. Perhaps it would be too much to expect this Congress to eliminate food stamps to strikers altogether by passing Congressman William Dickinson's Bill (H.R. 5073), with its 30 sponsors, or Senator Thurmond's and Senator Helms' companion bills . . . each languishing as they do year in and year out in the Committee on Agriculture in the House and Senate . . . while millions of Americans express outrage about strikers abuses of the food stamp program.

There appear to be two fundamental questions here: How great a burden should the federal government have to assume, meaning the taxpayers? And for whom? There might be a lot of sense in abolishing programs completely when they fail to measure up to the standards, or excuse, for having them in the first place. When funds are misdirected to those who voluntarily elect not to work, as in the case with food stamps for strikers, it is at least time to correct the abuses.

A LOOK AT THE STRIKE STATISTICS

Difficulty in the economy generally tends to put a damper upon strike activity, but 1974 was a glaring exception.

An estimated 6,000 strikes started in 1974 involving 2.7 million people, an increase in the number of people on strike of ½ million workers from 1973 and a full million increase from 1972. Idleness resulting from strikes in 1974 reached a four year high of 48 million work days, 70 per cent greater than the previous year.

The average 1974 strike, despite the downturn in the economy, involved 458 workers compared with 421 workers the year before. Twenty eight major work stoppages in 1974 involving 10,000 or more workers accounted for 26 per cent of the days away from the job and 30 per cent of the workers withholding their services, compared with 21 and 30 percent respectively for the preceding year.

In 1974 strikes at four companies accounted for one million days or more of idleness. In 1973 there were no stoppages of this magnitude. The bituminous coal industry strike alone idled 120,000 workers and cost the taxpayers an estimated $50 million in food stamps in 1974.

WORKING THE WRONG SIDE OF THE STREET

If the same amount of money spent in "Outreach" were invested to promote the American work ethic and productivity, the psychology that it is a good thing to work would catch on and unemployment could again drop to a manageable level.

Instead, union officials have stepped up their activity in the food stamp area. For example, the United Textile Workers sued Danville, Va., city officials for $2.1 million for allegedly denying food stamps to UTWA members who were on strike in the summer of 1974. In March of 1975, the National Education Association, a union of teachers, urged its more than 1.6 million members to apply for food stamps, if they feel they need them, even if they are in the "middle rungs, or conceivably even the higher rungs of salary schedules." Further, the NEA unleased a national advertising campaign to reach every community through nearly 10,000 local affiliates. It is this distortion of the intent of the "Outreach" program which added $100 billion to our budget in one year. An impetus has been built up which is going to be difficult to stop.

In 1964 the limit of the food stamp debates concerned the counties in the USA that would be eligible for the program. Now, every community in the country is urged to get into the program.

No one can argue that there isn't a tight squeeze on today's workers—white collar and blue collar alike. But who isn't squeezed by inflation? Does all this mean that the many programs originally intended to aid the poor and desperately needy must now be opened up to anyone for the asking?

The cruelest thing that can be done to the nation's needy, to the aged, and to those on fixed income is to produce bigger deficits, more inflation, and greater encouragement to take the welfare-food stamp route.

Priorities need sorely to be rearranged, with incentive restored to producers, creators of jobs, and workers alike. This Subcommittee has an excellent opportunity to start in such a direction.

THE ABUSES ARE COMMON

Those who question whether or not a substantial portion of last year's $4 billion expenditure for the food stamp program may have benefited persons other than the very needy, should find the following police report, recounted in the February 18, 1975 issue of the New Orleans Times-Picayune, of interest.

"POLICE REPORT: 3904 Louisiana Ave. Pkwy.—Burglars forced open the rear window of the home of Patricia Robinson, 23, about 7:15 p.m. Sunday and took $3,700 in jewelry, $500 in food stamps and $240 in cash, according to the Sixth District police."

The rules of the Department of Agriculture's Food and Nutrition Agency, incidentally, is to limit anyone to purchasing only one month's ration of food stamps at a time.

It is understood that eligibility error rates are increasing beyond the Food and Nutrition Service's 3 percent error tolerance level. According to the Comptroller General's Observations of the Food Stamp Program (RED-75342, Feb. 28, 1975), the reports received did not clarify the underlying causes of the errors.

IT'S TIME FOR ACTION . . . NOW

Regulations are only as good as their implementation. Abuse of the food stamp program must be eliminated and a detailed plan developed for corrective action with a definite time table for implementation. Corrective action should be instituted and the states should face a possibility of fiscal sanctions if they do not make a concerted effort to improve the program's integrity.

KENNETH E. LIPKE: A PROFILE IN JOB CREATING BUSINESS LEADERSHIP

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. KEMP. Mr. Speaker, the fundamental component of leadership is an ability to convince others and to imbue others with conviction as to what is a right course of action.

Kenneth E. Lipke, has developed that ability into a creative force on behalf of his community and clients. Certainly, western New York, an area now suffering from high unemployment and the closing or moving out of far too many businesses in recent years, is in true need of the leadership he brings to his endeavors. By providing business enterprises in need of new input with new ideas, sources of capital, and management, he increases their earnings and the number of jobs they offer to our community.

Ken Lipke's leadership and his personal story of success has been appropriately recognized in the May issue of Buffalo magazine. I think it merits the attention of my colleagues, especially those grappling with how to restore our economy and create jobs without additional reliance on Government.

The article follows:

PROFILE: KENNETH E. LIPKE

(By Helen W. Newman)

"Every successful person owes his success to others," says Kenneth E. Lipke.

Businessmen don't usually talk this way; it is a lot more ego-boosting to think you did it all by yourself. But Mr. Lipke is no usual man and one proof is the fact that in less than three years he has skyrocketed his company, American Corporate Consultants, from an idea on paper to a multimillion dollar power on the Niagara Frontier. And the rocket has just started its rise.

The idea behind ACC is to locate business enterprises in need of a new input, namely mind, money, and management. And then to put these three key factors together in such a way as to swing the business into new channels of prosperity.

ACC started in September, 1972, by acquiring Gibraltor Steel Corporation, an 18-year old manufacturer of steel strapping and cold rolled strip steel, with sales of approximately $9 million a year. By the end of its fiscal year in mid-1975, Gibraltor sales will have more than tripled. A $2 million plant addition was completed last July. Recently, the Erie County Industrial Development Agency affirmed its faith in the company with a $995,000 bond issue for additional expansion and modernization.

Now taking shape on Walden Avenue near Dick Road, is Gibraltor Park, a 55-acre facility which, when completed, will house 40 or so tenants in commercial, industrial, and research and development fields.

This month, the Gibraltar Productivity Institute will begin a series of seminars and lectures. The Institute will be something totally different in Western New York: a center for the development of managerial skills and techniques for improved productivity in business, government, labor, and public service institutions. Mr. Lipke has persuaded Dr. Earl Strong, an internationally known author and former director of the executive management programs in the College of Business Administration at Pennsylvania State University, to direct programing at the Institute, which is expected to attract students from all over the country.

Now for the men whom Mr. Lipke credits with helping him along the often tortuous path of his own career. Some are no longer living: Napoleon Hill, best selling author of *Think and Grow Rich* and other books on positive thinking; B. J. Palmer, midwest broadcast magnate and founder of Palmer College; Elbert Hubbard, the famous businessman-philosopher of East Aurora, and his son, Elbert Hubbard II.

Those active today are Lawrence Reger, president of Mader Corporation, who backed ACC in the beginning and now serves as chairman of the board; Harold D. Farber, president of International Life Insurance Co., Buffalo; and W. Clement Stone, president of the Combined Insurance Company of Chicago.

Back in 1948, when Kenneth Lipke graduated from Amherst Central High School, there did not appear to be much basis for his belief that he would some day be a wealthy man. Family circumstances made it necessary that he go to work right away. But he did not have much to offer a prospective employer other than a high school course in mechanical drawing.

He applied for a draftsman's job at a steel company, taking along with him some drawing samples plus a miniature house he had constructed, which he carefully packed in a cardboard carton. It was something like David setting out to conquer Goliath, for when he arrived at the offices of H. H. Robertson, he found 50 applicants ahead of him, and many of them had college degrees.

Mr. Lipke remembers the name of the man who hired him, Dan Sutter. "He was so impressed at my guts in applying for the job with credentials like these that he decided to give me a chance."

And now Mr. Lipke is president of his own steel company, along with a growing number of other enterprises.

Of course it just did not happen like A-B-C. After he had worked for a few years, he decided he needed further education. By now he was married to an attractive blonde named Patricia, but this didn't deter him from enrolling at Palmer College. Davenport, Iowa. Pat went along and helped out with expenses by working as a secretary. Their first son, Brian Jeffrey (called B. J. after the College president) was born in Davenport.

President Palmer was a devoted student of the philosophy of Elbert Hubbard, whom he had known personally before Hubbard was drowned on the Lusitiania in 1915. "Hubbard epigrams were printed all over the College, on the walls, ceilings, even floors," Mr. Lipke remembers. "Palmer used to say, 'If students daydream in class, at least they'll have something worthwhile to look at.' I guess I daydreamed a lot, because I absorbed all of them. Hundreds!"

They never seemed corny to Ken Lipke. Old-fashioned ideals like patriotism . . . loyalty . . . hard work . . . give more than you take . . . have faith in yourself . . . soaked into his mind like rain in thirsty soil.

But the seed ideas for his future needed more time to sprout. During the years that followed, he returned to Buffalo where he earned a good living for his growing family. He kept up with the public speaking which he had begun in college. Dr. Palmer invited him back to deliver a commencement address and then suggested that Mr. Lipke take over some of his own busy lecture schedule, with the idea of some day making Mr. Lipke his successor.

While speaking at a benefit program at a Louisville hospital, Mr. Lipke met the next two men who were to influence his life so significantly, Napoleon Hill and W. Clement Stone, an insurance man who had become a multimillionaire by using Hill's techniques of self-development and positive thinking. They both encouraged Mr. Lipke to strike out in new directions to realize his own inner potential.

Hill's definition of "capital" kindled a responsive spark in Mr. Lipke. "That mysterious, abstract, greatly misunderstood 'something' which gives to every citizen in America more blessings, more opportunities to accumulate wealth, more freedom of every nature than may be found in any other country."

Mr. Lipke expressed his feeling about America by getting into politics, first in a small way as precinct committeeman in Snyder, then more ambitiously, by organizing a project called "Operation Good Government." This was an enormously detailed movement to foster more citizen interest in politics and government and to educate politicians themselves to do a better job for their constituencies. Starting with a core group of four, he proceeded on the pyramid principle to the eventual training of 3,000 Republican Party members.

Meanwhile, he was organizing his own financial counseling firm, Lipke Associates. One of his early clients was International Life Insurance. He was executive consultant to Harold Farber, the president, whom he regards as a pioneer in insurance-financial planning. Mr. Lipke set up ILICOB Sales Corp., the investment arm of International Life.

His business was now requiring him to analyze and reorganize companies for clients, and he learned that there is a crucial point in the growth of a business enterprise when it goes either forward or backward. Even though the technical knowledge is adequate, a new input is needed: organized planning, financial expertise, and managerial know-how.

Mind, money, and management.

Without it, many a promising company has failed.

And so, American Corporate Consultants was born, a consulting and investment firm specializing in organizational growth and development.

Mr. Lipke has embodied other pet ideas in ACC. For one, only American-made steel is used in Gibraltar products. He also believes that success depends on the individual rather than on the fluctuations of the economy. He has implemented this belief with an employee education and self-improvement program which is astonishing in a company of this size. The program includes technical courses in steelmaking and training courses for foremen and front line supervisors, as well as continuing classes in management development.

Employees are generously rewarded for suggestions that contribute to a more economical and efficient plant operation. This spirit of helpfulness and cooperation is reflected in excellent labor-management relations.

A sign in the entrance of the ACC-Gibraltar complex on Walden Avenue says, "Welcome to the World of Opportunity!"

Hinting as it does that Mr. Lipke wants to help others as he himself has been helped, that he is willing to share opportunity with all those who are ready to accept it, the sign encapsulates the man and his philosophy.

PANAMA TIGHTENS GOVERNMENT CENSORSHIP

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. ASHBROOK. Mr. Speaker, the State Department is continuing negotiations to turn the U.S. owned and operated Panama Canal over to Panama. Surrender of the canal would be a very serious mistake.

I think it would be wise for us to consider the nature of the Panamanian Government. Panama is ruled by Gen. Omar Torrijos, a leftist and anti-American military dictator. Since seizing power Torrijos has systematically repressed the freedom of the Panamanian people.

News censorship has been the order of the day. The latest Government activity is to prohibit "unofficial" reports on negotiations between Panama and the United States for a new Canal Zone treaty.

According to the May 29 edition of the Washington Star, the Panamanian Government summoned the news media executives and instructed them that they could only use "the official version" on the subject. This topic thereby joins a growing list of forbidden subjects.

The Government had previously banned independent reporting of economic problems, strikes, and student disorders. The news restrictions themselves, of course, are also beyond the bounds of discussion. At this rate soon there will not be anything in the news except Government propaganda.

Do we really want to place the Panama Canal in the hands of General Torrijos and his repressive regime? Are we to abandon this vital waterway to a military dictator who hides the truth from his own people?

I am convinced that the Panama Canal should remain under the control of the United States. We must not surrender the canal to a repressive, anti-American dictatorship.

Following is the text of the Washington Star article:

[From the Washington Star, May 29, 1975]

PANAMA TIGHTENS CENSORSHIP

PANAMA.—The regime of Gen. Omar Torrijos has strengthened its censorship of news, prohibiting unofficial reports on negotiations between Panama and the United States for a new canal zone treaty.

News media executives said they were summoned by Ricardo Rodriguez. minister of government and justice yesterday, and told they could use only "the official version" on the subject.

Previously the government had banned independent reporting of economic problems, strikes, student disorders and any mention of news restrictions.

WESTERN SOUTH DAKOTA DEVELOPMENT

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. PRESSLER. Mr. Speaker, Mr. Hoadley Dean, president of the Western South Dakota Development Co., frequently has some pithy remarks to make on various issues. A recent statement which appeared in his newsletter impressed me and I ask that it be inserted into the RECORD. I would not agree that the cattlemen are at the mercy of the consumer, but rather that they are at the mercy of middlemen and the marketing structure.

Now that fat cattle prices have gone over the half dollar mark, there has been a squeal in the press prompted by consumers that "higher livestock prices may hike cost of meat." Funny thing is that when cattle prices were so low last winter that feeders were losing from $100 to $150 a head, there was no comment that low cattle prices might make the market basket price go down. But in May the Associated Press was quick to note that improved cattle prices had raised the price of meat by 40 percent. All this goes to show that the cattleman is at the mercy of the consumer, that only the law of supply and demand sets the price he gets and that the American public has been so conditioned to cheap food that they complain when there are prospects of the rancher getting a decent price for his labor and cattle.

The article follows:

WESTERN SOUTH DAKOTA DEVELOPMENT CO.,

Rapid City, S. Dak., June 1, 1975.

Look for a record tourist year, if not in numbers in cash spent in the Black Hills, in 1975. Tourist operators in Western South Dakota are entering June on an optimistic note. Generally spirits are high that the upcoming season will be one of the best in history, although there were some disconcerting figures up to this time. Ted and Bill Hustead of the famed Wall Drug Store feel that 1975 "will be the best year ever." Ted Hustead said that so far the store is 20 percent ahead of last year. He also reports that travel through the Badlands, which was off until recently, is recovering "with a boom." Josef Meier, who portrays the Christus in the Passion Play at Spearfish, reports that advance bookings for the thrice weekly production is 35 percent ahead of last year. Just back from the winter season at Lake Wales, Florida, Meier reported that attendance was the best in the Passion Play's 23 years at that location. Jack Riordan of the Mountain Company, concessionaire at Mt. Rushmore, says that May sales were up 12 to 15 percent over last year and he expects this trend to continue or go higher. Riordan notes that merchandise prices have stayed constant since last year so "there is very little inflation reflected in these figures." The Black Hills Reptile Gardens also report May sales up 12 to 15 percent ahead of last year. The only note of caution was sounded by Supt. Harvey Wickware of the Mt. Rushmore National Memorial who said that he expects visitations to "run close to last year." Traffic counts at the Shrine of Democracy were off about three percent in May, according to Wickware. Perhaps this year the number of tourists may be down but they will spend more. Concern about unemployment? Riordan puts it this way, "Everyone seems to worry about eight percent unemployment. What we should look at is the fact that 92 percent of Americans are working and those who are unemployed probably would not take a Black Hills vacation anyway."

John Warner, Administrator of the American Revolutionary Bicentennial Administration, will be in the Black Hills June 17. Warner will arrive in Sioux Falls on Sunday, June 15. Monday, he will visit Czech Days at Tabor and over night in Yankton. On Tuesday, Warner will arrive in Rapid City for a visit to the Dahl Fine Arts Center and a visit with donor Art Dahl and Artist Bernard Thomas who is almost finished with the cyclorama depicting the 200 year history of the United States. Later in the day, he will visit the Northern Black Hills area. A press conference and presentation of the Bicentennial flag to the Rapid City Bicentennial Committee chairman Pat Dixon will be held at Mt. Rushmore. That night, he will be guest of honor at the State Game Lodge in Custer State Park at an outdoor buffalo barbecue with the Black Hills Area Chamber of Commerce and Chairmen of the West River Bicentennial communities in attendance. He will leave on Wednesday morning for Denver. Arrangements for the West River visit have been coordinated by Rapid City Chamber of Commerce Executive Vice President, Larry Waller.

Now that fat cattle prices have gone over the half dollar mark, there has been a squeal in the press prompted by consumers that "higher livestock prices may hike cost of meat." Funny thing is that when cattle prices were so low last winter that feeders were losing from $100 to $150 a head, there was no comment that low cattle prices might make the market basket price go down. But in May, the Associated Press was quick to note that improved cattle prices had raised the price of meat by 40 percent. All this goes to show that the cattleman is at the mercy of the consumer, that only the law of supply and demand sets the price he gets and that the American public has been so conditioned to cheap food that they complain when there are prospects of the rancher getting a decent price for his labor and cattle.

Worthy of note is the attention being given to weather as a factor in determining food prices. A few years ago, at a time when the United States had a surplus of almost all kinds of grain, the press or public paid little or no attention to the weather as it might affect prices because the weather had little or no affect on the prices of food in the market place. Today, with the surpluses in this country depleted by heavy home demand and big overseas sales, the food grain situation is riding on a fine balance. A bad crop growing year could push prices sky high, simply because there is not much of a surplus to fall back on. Even the state press through the Associated Press gives daily accounts of cloud seeding activities and their success or failure.

Market prognosticators look for cattle prices to level off this summer and drop in the fall when large numbers of cattle come off grass and go to the market. Actually, the break in cattle prices from their current 50 cent levels could come much sooner if ranchers and farmers hasten to market with cattle to try and get under the wire while prices are still good. Cattle men now admit that the cause of the drop in prices was caused by an over supply of cattle but they are the first to recommend that the problem be worked out through the normal operation of the free enterprise system.

Dr. Robert Gartner, associate professor of Range Science of the Animal Science Department of South Dakota State University, will head a Society of Range Management task force to improve range conditions in the five Old West Regional Commission states of South and North Dakota, Wyoming, Montana and Nebraska. Dr. Gartner will continue to have his office in Rapid City while coordinating the two-year $540,000 program. Part of Dr. Gartner's work will be to make people everywhere aware of the value, uses and potential income of range lands in the five states. The project will be a pilot program, which Dr. Gartner sees the states picking up where the Old West project leaves off to continue a viable program. One of the first steps of the project will be to take an inventory of range land in each state to determine the extent of range resources, soil types, climatic conditions and to determine grass types, range conditions, potential uses, wild life distribution, overpopulation, livestock water distribution and to designate range land reference areas. Topographic maps will be used and two films will be produced to help in the educational work, much of it directed toward youth. Youth range camps will be established in each state. There will also be an educational program directed toward the ranchers themselves as well as their bankers to impress upon all the value of good range management. An important phase of the Society of Range Management undertaking will be a demonstration of a commercial livestock operation on reclaimed strip mined land. Dr. Gartner points out that the states have a big stake in range management. For example, 54 percent of South Dakota's land is range land. It accounts for $538,345,000 in income and represents 27 percent of the state's gross income. In North Dakota, 33 percent of the land is range land; $197,732,000 represents money received from that land and it comprises 12 percent of the state's total income. Eighty five percent of Wyoming is range land from which $170,685,000 is derived, representing 30 percent of the state's gross income. While Nebraska has the highest dollar value, $1,016,113,000 from 52 percent of the total land, range land production accounts for only 20 percent of the state's gross income.

Several Rapid City businesses have new homes. In the last few weeks, Dakota Typewriter Exchange has moved to a new two-story building on East St. Joe Street. The firm has operated in Rapid City since 1928. Current owners are Robert E. Kelley and John Sears, who bought the company from their father-in-law, Fred Gellerman, in 1973. Northwest Pipe Fittings, headed by Bob Barbour, has a brand new home on West Chicago Street. Barbour, who wholesales plumbing supplies, has other similar businesses in Montana and North Dakota. He is currently President of the Rapid City Chamber of Commerce with his year-long term expiring on July 1. Western Mutual Life and Casualty Company is offering space for lease on the first floor of the newly renovated old post office building on the corner of Eighth Street and Mt. Rushmore Road. Western Mutual acquired the post office in a real estate swap involving property used as part of the new Federal office building between Main and St. Joe Streets on Ninth Street. The Western Mutual home office has taken on a new look since Nelson sandblasted the outside and developed attractive new entrances.

Dr. Harvey Fraser, who has served nine years as President of the School of Mines and Technology, will be sorely missed when he leaves next month for an education post in Oregon. Never one to mince words and often sharply blunt, Fraser got along well with students, faculty, regents, legislators and townspeople. The plain spoken, down to earth (and often earthy) retired Army General fit into this western community like a sock in the boots he often wore. The state, the school and the community are better for his efforts. He and his lovely wife, Jean, take with them many lasting friendships and well wishes of all in their new venture.

NUCLEAR SAFEGUARDS

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BURGENER. Mr. Speaker, an initiative measure dealing with nuclear power has qualified for the ballot in my home State of California. Under our State constitution this measure would become law if it receives a majority of the vote in a general election.

Because the question of nuclear power is of such vital importance to the future of this Nation as well as to the future of the State of California, I believe that the vote of the electorate in California should be a fully informed one. The ultimate decision should be based on the best available evidence of the effect of either passage or defeat of this initiative.

In my last newsletter to my constituents I promised to obtain an analysis of the effect of passage of this measure from the key Federal agencies with responsibility in this field. In addition, I asked the Library of Congress to review the text of the proposed initiative and comment on the effects of passage.

I believe that the publication of the comments received in response to this request in the CONGRESSIONAL RECORD will serve a very good purpose. I believe that the other Members from California will be most interested in these comments and that the Members from other States who have an interest in the question of nuclear power will find much to ponder.

At this point, Mr. Speaker, I would ask that the Library of Congress response be printed in the RECORD. In days to come I will insert the responses from the agencies involved.

The response follows:

QUESTIONS ABOUT THE EFFECTS OF THE CALIFORNIA NUCLEAR SAFEGUARDS INITIATIVES

(By Warren H. Donnelly, Senior Specialist in Conservation, Environmental Policy Division)

Question 1. What effect, if any, would passage of this measure have on Federal statutes, the operation of Federal programs and the authority of Federal agencies?

The agencies likely to be most directly affected include the Nuclear Regulatory Commission, the Energy Research and Development Administration, the Federal Power Commission, the Federal Energy Agency, and the Department of State.

Effect on Federal statutes: In my opinion, the initiative, if adopted, poses the probability of conflict with the Atomic Energy Act of 1954 upon two points: (1) the liability for third party injuries and damages should there be an accident at a nuclear power plant that releases substantial amounts of radioactive materials; and (2) the presumed preemption to the Federal Government of legislation over health and safety aspects of regulation of nuclear power plants.

Concerning liability, the Initiative at section 67503(a) contemplates repeal of Section 170 of the Atomic Energy Act which now limits the liability to utilities and nuclear manufacturers for third party injury and damage resulting from a nuclear accident and establishes a Government indemnification to pay those losses that exceed commercial insurance coverage. Section 170, it should be noted, extends only to August 1, 1977, for new power plants, but presumably would remain in effect for power plants licensed before that time. If Section 170 is not repealed or amended to be consistent with the Initiative, then there would be conflict between State and Federal law. Which would prevail I do not know.

Concerning the preemption of regulation for nuclear safety to the Federal Government, the philosophy expressed in the Atomic Energy Act and that of the Initiative are substantially different and in conflict, so that the nuclear industry and the electric utilities would be likely to challenge the Initiative in court on the basis that the Atomic Energy Act has preempted to the Federal Government regulation of the health and safety aspects of nuclear power. This view has been supported by the Supreme Court in a case where the State of Minnesota attempted to impose certain safety-related requirements upon a nuclear power plant in that State.* Since the Initiative would apply only to nuclear power plants and not to other power plants, this factor might lend weight to a position that the Initiative in dealing only with nuclear plants intrudes into the preempted area. Of course, the Federal courts might hold to the contrary, but a legal challenge should be expected.

Assuming the Initiative were tested and supported by the Federal Courts, then it would have the effect of reducing the preemption presently enjoyed by the Atomic Energy Act.

Effects on authority of Federal agencies: The Initiative appears to have little, if any effect, upon the authority of the NRC, the ERDA or other agencies with an interest in civil nuclear power.

Effects on agency programs: The Initiative could have substantial effects upon the Nuclear Regulatory Commission, the Energy Research and Development Administration, the Environmental Protection Agency and the Department of State. I would also expect indirect effects upon the Federal Power Commission, the Interstate Commerce Commission, the Maritime Administration, the Coast Guard, the Securities and Exchange Commission and the Departments of the Treasury and Interior.

The effects upon the NRC would be several, including:

(1) A decrease in the number of nuclear power plant licenses to be processed because California utilities probably would not apply for licenses for new plants, and might withdraw license applications for plants not yet begun or in early stages of construction.

(2) An increase in modifications of existing operating licenses to approve technical and safety conditions for operation at lower power levels. It is not clear what effect the stipulated yearly decreases for power output would have upon the operating safety of the nuclear power plants affected. I would expect that procedures to operate a large nuclear core routinely at low power levels could pose problems requiring substantial NRC analysis. It is not certain that NRC could agree to routine operation of these plants below a certain fraction of the original licensed power output.

(3) A substantial increase in consideration of requests to modify licenses to shut down and deactivate nuclear power plants at the end of the ten-year period, or earlier. Deactivation of a large nuclear power plant is a substantial undertaking that has some risks which the NRC would wish to carefully consider. There would also be the regulatory question of what controls to maintain over the still intensely radioactive hardware of the nuclear portion of these shut down plants (pressure vessels, core internals, piping hardware exposed to neutrons) and whether to leave these items in place or to remove them to some other place for burial or long term storage.

(4) The effort required to resolve (if possible) the conflict between the liability requirements of the Initiative and indemnification and limitation of liability provisions of Section 170 of the Atomic Energy Act of 1954 as amended.

The effects upon ERDA would be to make more urgent certain research and development and demonstration for nuclear power safety and for nuclear waste disposal or storage. Possibly this work might be expanded and redirected so as to answer the conditions set out in the Initiative.

Concerning EPA, a dropoff in license applications from nuclear power plants in California would reduce EPA's work load for analyzing environmental impact statements. On the other hand, it would increase EPA's work in connection with clean air, assuming that electricity not supplied by nuclear power plants is supplied by oil- or coal-fired power plants. A push for more coal- or oil-fired power plants would also probably aggravate problems within California in determining what air quality categories should be designated for various regions, and what the boundaries of these regions should be within the State.

Concerning the Federal Energy Administration, the Initiative could have the long-term effect of increasing California's demand for oil to burn in steam electric power plants, thus requiring readjustment of allocations, or perhaps denial of all of the allocations requested.

Concerning the Department of State, the Initiative could be an embarrassment to the United States in foreign policy, for international cooperation in development of nuclear energy has been used as an inducement by the United States to secure adherence of other countries to the Treaty of Nuclear Non-Proliferation through which various nations (but not all) have agreed to abstain from developing their ability to make nuclear weapons in exchange for a commitment of the nations that do have weapons (largely the U.S., the United Kingdom, and the Soviet Union) to share with them the peaceful benefits of nuclear power energy, which definitely includes nuclear power.

Question 2. What implications would pas-

* In April 1972 the Supreme Court ruled that States cannot set more stringent standards for the discharge of radioactive wastes by nuclear power plants than the Federal Government sets. At issue was a dispute between the Minnesota Pollution Control Agency and the Northern States Power Company over operation of the nuclear power plant at Monticello, Minnesota.

sage of this initiative have on California's energy supply and on the economy of California?

As background for a reply to this question, I prepared a rough estimate of what California's nuclear generating capacity would be with and without the Initiative. The basis for this inormation is the January 17, 1975, status report of the then Atomic Energy Commission (now ERDA) on the U.S. civilian nuclear power program (copy enclosed) which lists the plants operable or in construction or planned. I have assumed the dates in this AEC estimate to be reasonably correct, and that there will be no changes in these dates because of the initiative or other reasons—an assumption that would not be valid for a detailed examination. With these assumptions, it appears to me that were the Initiative to take effect at the start of 1976, the shortfall in the State's generating capacity because of the required reductions in operating power levels would increase from 1,439 megawatts (Mw) in 1976 to 8,134 Mw in 1986. This shortfall does not include the normal growth rate for electric power generation in California, which for the period 1965–1972 average 4.4 percent.*

If this shortfall were to be made up by building new power plants, 8,000 Mw of new capacity would have to be built by 1986. These would be fueled with oil, natural gas or coal. The amounts of these fuels to offset the loss of nuclear power could reach the equivalent of 84 million barrels of oil in 1986, or 22.3 million tons of coal, or 476 billion cubic feet of natural gas.

Figure 1 compares the projected nuclear capacity for California with that permitted by the Initiative for the period 1976–1986. Table 1 gives a rough indication by year of the differences in electrical generating capacity and the amount of fossil fuels that would be needed to operate replacing fossil fueled generating stations. Table II gives the projected States nuclear capacity by year, while Table III shows the effect by year of the Initiative. Table IV compares projected electrical generating capacity with annual increases to expand supply and to replace supply shut down by the Initiative.

By way of background, in 1973 there were 38 fossil-fueled steam-electric power plants in California with an installed generating capacity of 21,900 megawatts which generated 92 million megawatt hours of electricity. None of these were fueled by coal. In 1973 some 73.8 million barrels of oil were used by these plants and 452 billion cubic feet of natural gas.*

If the State wished to maintain its historic growth in electrical use while at the same time reducing the generation from nuclear power plants, it would have to increase substantially the conventional power plants or import more electricity from other States. Normal growth at 4.4 percent per year would call for an increase in generating capacity from about 24,800 megawatts in 1976 to 37,700 megawatts in 1987, an increase of almost 13,000 megawatts which at $500,000 per megawatt would require a capital investment of $6.5 billion. To offset the reduced use of nuclear plants, still more conventional capacity would be required, amounting to a total of 8,000 megawatts by 1987 with a capital requirement of $4 billion. These figures assume that all electricity would be generated within the State, which introduces a distortion since California imports some electricity from other States and probably could increase these imports. Nonetheless, if the Initiative prevented use of nuclear power in California, electricity users would face the prospects of paying in their rates some $4 to $10 billion to build replacement conventional power plants. At the same time, they would face increases as the utilities passed on as a loss the undepreciated value of the nuclear power plants at the time they are shut down. By 1986 none of the nuclear plants will be fully depreciated, assuming a 30-year life, and four would be seven years old or less. These four alone, totalling 4,500 Mw. would represent a capital investment of about $2.7 billion, which would be only 23 percent depreciated (7/30) by 1986, so that some $2 billion would remain to be charged to the users, for there is no provision in the Initiative for the State to bear any part of this cost. Of course, if the Initiative were imposed and later lifted, these effects would be correspondingly less, depending upon its duration. If the suspension of the Initiative remained in force, California electricity users would also be faced with the impact upon their rates of the additional costs of deactivating the nuclear plants.

As for other effects, removing 8,000 Mw of generating capacity from the California electrical supply system could be expected to result in some shortages of electricity and perhaps in policies of no-new-connections for those utilities most severely affected. Load shedding would also be more likely in periods of peak demand. Such policies would substantially affect new construction for industrial, commercial, amusement and residential purposes and would probably create pressure for self-generation of electricity by some large users. Unless extraordinary measures were taken to reduce personal and residential use of electricity, the loss of nuclear generating capacity, especially after 1980, could be expected to inhibit economic growth in commerce and industry, with a consequent depressing effect upon opportunities for employment.

The Initiative in essence would require finding sites for eight large steam power plants in addition to the 13 to be expected for normal growth in use of electricity.

The Initiative would also require finding reliable supplies of fossil fuels for the make-up capacity at a time when prospects for increasing the use of natural gas for generation of electricity are dim and oil is high priced. California uses no coal to generate electricity, but could well have to turn to this fuel for new plants—both for normal growth and replacement—and perhaps even to convert existing oil-fired plants to coal. The burning of large quantities of coal unless carefully controlled would have effects upon air quality, while transport of coal would require extension of rail service or construction of coal slurry pipelines.

On the whole, a reduction of electrical generating capacity of 8,000 megawatts over ten years would probably have a depressing effect upon the economy of the State. The prospects for energy conservation are not as bright for electricity as they are for use of gasoline, fuel oil or natual gas. So whatever shortage in supply of electricity might be caused by the Initiative would have to be met more by doing without some beneficial or desired use of electricity rather than by using existing supplies more efficiently. The recent experiences in the State of Washington, when it faced a shortage of electricity from its hydroelectric system because of unusual winter conditions, gives some illustrations of the kinds of measures that might be required to bring supply and demand for electricity into balance in California. These measures included banning of advertising lighting, reduced street lighting, etc. Quality of life probably would be affected since electricity for air conditioning would be scarce and perhaps necessitate restriction of use of air conditioning.

For some further insights into impacts of a limited electricity supply upon the State, see the enclosed excerpts from a Rand Corporation report on implications of policies to slow the growth of electricity demand in California.

Question 3. What effect, if any, would the operation of this Initiative have in California's contribution to the rest of the Nation and on California's dependence on the rest of the Nation with respect to energy supplies?

The first part of this question is too subjective to be answered with any confidence. As suggested in the reply to Question 2, the moratorium contemplated in the Initiative if prolonged would depress the State's economy, which would decrease its social vitality and affect its position as a leader among the States. By reducing prospects for expansion of the industrial and commercial output of the State, the Initiative would reduce California's contribution to the gross national product.

As for California's dependence on the rest of the Nation for energy supplies, if the State wished to expand its use of electricity along historical growth paths, then in essence it would have to increase its imports of oil and natural gas, and perhaps begin to import coal, to fuel the new power plants for expanded supply and to replace the nuclear supply. It could also seek to increase its imports of electricity from other States. The demand for oil for power plants could be expected to increase pressure for expanded drilling and oil production on the outer shelf off the California coast. In short, a cutback in nuclear power plant generation without a corresponding reduction in the use of electricity would increase the State's dependence upon fuels from other States and abroad.

* Statistical abstract of the United States, 1974 p. 519.

* National Coal Association. Steam-electric plant factors, 1974 edition p 41.

THE AGONY OF BLACK LUNG

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. SIMON. Mr. Speaker, most magazines are fairly predictable products, particularly if they are trade journals. But now and then an unusually fine piece of journalism occurs, and that happened with the current June 1–15, 1975, issue of the United Mine Workers Journal.

The issue is devoted to "The Agony of Black Lung." I contacted officials of the United Mine Workers Union and mentioned that I felt a copy of this issue should go to every Member of Congress, and I have been assured that will happen.

I hope that Members and their staffs will read this issue with care, because it speaks to an issue which we must confront as we ask those who mine our coal to shoulder a greater and greater burden in our Nation.

I commend the editors of the United Mine Workers Journal for their distinctive contribution.

Here is one of the articles from that issue, the story of one 47-year-old coal miner and the problems he faces:

[From the United Mine Workers Journal, June 1–15, 1975]

DYING THE SLOW DEATH

(By Don Stillman)

Even in the summer, darkness still shrouds Mud Fork hollow at 4:30 a.m. Already, he is up, sitting in the old, brown chair that is his favorite in the dim light of the small table lamp next to him.

The only sounds are those of his wife sleeping in the next room and the coffee pot perking on the counter between the dining room and the kitchen. Knowing his problem, she usually puts the coffee and water in the pot the night before so that all he has to do is plug it in when he get up.

He sits in pajama tops and trousers with one hand against his forehead and wonders what kind of day it will be. In a moment, he has the answer. There is a rattling sound in his chest, a brief gasp and then he is almost doubled over with a massive coughing fit.

His left hand flies to his mouth while the right clutches at his chest—one to catch the black-red spittle and the other to fight the spasm and the pain in his lungs. Cheeks puff out and throat muscles tighten hard as he struggles for breath.

For a moment he is clearly losing that struggle, then it is over. He slumps back hard, his eyes shut and his face color changing from red to white as he makes throat-clearing noises. It is not warm, but there are tiny beads of sweat on his forehead.

Another day has begun for Luther David—age 47; occupation, disabled coal miner.

For him, it is an ordinary day. One full of coughing fits, massive chest pain, headaches, muscle aches, spitting up blood and a shakiness and irritability David calls "the nerves."

David, a UMWA miner for 28 years and, at 47, a man theoretically in the prime of his working life, has black lung. He knows it. His wife and two young sons know it. His doctors know it. His fellow union members know it. His neighbors know it. Anyone who spends 30 minutes with him knows it.

Everybody knows it, except the people who run the federal black lung compensation program. They don't know it. They've told Luther twice now that he doesn't have it and they aren't going to pay him for it. It is, of course, a long way from the handsome new building in Washington, D.C., where Labor Department "experts" process black lung claims to the little, one-time company town called "15-Camp" where Luther passes each remaining day.

There are other men like Luther David in 15-Camp who spend their days struggling for a decent breath, just as there are in 16-Camp and 18-Camp up the hollow. In fact, there are men like Luther David in the next hollow and the one after that and the one after that. Men who gave their country the coal it needed, their companies the profits they craved and, in the process, lost their health, their livelihood, even their manhood.

Luther's wife, Myrtle, is up at 5:30 to get the kids off to school. Allen is 18, Timmy 15. Some mornings Luther is awake by 3:30 or 4 and can't get back to sleep. If he's coughing a lot, he may get up and drag himself to his chair in the adjoining room. Or he may just continue to toss and turn and do his best not to wake Myrtle.

After taking his array of pills and cough medicine, he "trys to stay out of the way" while the rest of the family has breakfast. Once Allen and Timmy have departed, Luther eats some cream-of-wheat or perhaps a couple of eggs and a biscuit with his coffee.

"After breakfast, I have to rest up, rest from using my arm and eating," he says. "You wouldn't think that would tire a man out at the beginning of the day, would you? Well, it does."

The remainder of the early morning routine is familiar, but each act so simple to a healthy man is an ordeal for Luther David. Shaving to him is like running a mile to a normal person. He has to rest for a half hour or more afterwards. Then, he has the strength to brush his teeth.

Bathing is the worst of all. "We don't have a shower and bending over to get in the tub, it's like I'm tearing everything loose," Luther says. "Sometimes it takes me over half a day to get ready to go for breathing treatments at the hospital and by the time I'm ready I wouldn't even feel like going."

The rest of the day is not much better. Luther sits in his chair. Or he moves into the living room and sits there. Or, in the weeks of the year when it is not too hot or too cold, he'll sit outside on the porch. Then he goes in and lays down on the bed. He doesn't really nap, because he can't sleep. Sometimes he lays down on the bed in his son's room, just to vary his routine.

He doesn't read and seldom watches television. Occasionally, he listens to country music on a small, portable radio, but even that wears thin. Mostly, he sits. Just about any exertion tires him tremendously and brings on coughing fits. About once a week, Luther tries to go to the post office in nearby Mt. Gay. In the past, he has been able to walk out to the road that runs between the two rows of company-built houses and stand in the alley talking with neighbors. Lately, even that is too tiring for him.

Luther David looks like a fairly vigorous middel-aged man and indeed, that is what he was up until about two years ago. He used to hunt deer, rabbit, squirrels and love the outdoors. He had a horse he rode and loved to go motorcycle riding on the winding roads through the mountains of southern West Virginia where he lives. He is a big man, with the look of one you would think twice before provoking.

He has purchased his hunting license the last two years with the hope that somehow things would get better. They didn't and he was unable to go out. Recently, a friend took him to nearby state park to go fishing. The walk down the path to the water tired Luther so that he was unable to bait a hook.

"I used to be able to climb hills just like that," he says. "I was always hunting deer and rabbit up Pine Creek and I'd fish Laurel Lake and these ponds around here. I can't do those things no more."

Luther's sister-in-law gave him a small poodle named "Misty" and much of his day is spent watching the dog scamper about the house or sit next to his chair staring up at him. He also has three banty roosters in a small chicken coop which he can see out his bedroom window. "I always like to hear a rooster crow in the morning, but I couldn't have big roosters 'cause they'd wake the neighbors," Luther says. When he's feeling better, he can go out and feed the banties, but mostly he just sits and watches them out the window.

"I'll be 47 the 28th of May and I see men doing things—I'm jealous—but I see men doing things I can't do," he says. "Older men, but they can do things I can't do. I've got no where to go and almost nothing I can do. I never thought this would happen."

Both Luther and his wife say that what he misses most of is being able to work. While disliking the unsafe conditions, he enjoyed the jobs he had, the men he worked with and, put simply, felt proud to be a coal miner. It was a job he did well and in turn, provided him and his family with a good income. Now, he misses not just the money, but also the job itself. He thinks about work a great deal. "I wish I could go back," he says. "But I can't."

"Every day I feel the effects of it. The doctor at the hospital said I'll just have to live with it. Well, I know that's true, but it's a hard thing to accept, particularly at my age. Think how you would feel if someone said to you that you'll just have to live with constant pain and not being able to work or hardly go out of the house.

"There is always the reminder of it—that I have black lung. Every few minutes you have a coughing fit and it's like you're going to die. It's like a belt of lightning hitting my chest or a band of metal just tightening on me 'til I can't hardly stand it no longer.

"The air goes down my throat, but sometimes it seems like it doesn't come back up. The doctors call that an 'air lock.' They say you get a bunch of breath down in there and it won't seem to release and the air is like its caught in your chest while you try to get new air in."

Luther has received "breath shots" at a nearby hospital, but stopped going for them because of the pain they cause him ("I like to have tore up the sheets after the last one and I said that's it"). He still receives "mist treatments" aimed at helping him get his breath more easily.

Other than that, and an incredible assortment of drugs prescribed by various doctors, there is little that can be done, say the medical experts. And, like many fellow black lung victims, Luther was not aware of other possible in-home treatments to partially relieve breathing difficulties (see pages 24–25).

Instead, he takes a variety of prescribed drugs at various times, including librium and chlordiazepoxide for the nervousness and psychological strain and darvon for the pain. He also takes secobarbital with the hope of getting his four hours sleep each night. Then there is the antiasthmatic, the dyphylcin, tetracycline, ampicillin, dilor benylin, potassium iodide and glyceryl guaiacolate.

"I try to watch that stuff—it's not for kicks. I try to take about what I need and then every so often I lighten up some, but sometimes I don't know what I'd do without it," Luther says.

Luther's wife, Myrtle, has been forced to quit her job at a local dime-store to stay home with him. Because he needs virtually constant care, she now finds it difficult to get out of the house for even the few minutes it takes to walk several hundred yards down the road to her mother's home. The strain has made her "a little nervous, too, like Luther."

She has difficulty getting a good night's sleep at times, because of her husband's breathing problems. During the day, she works keeping the house in immaculate condition and doing what she can to help comfort Luther. Strong and loving, the happiness of her life has yielded to the day-to-day realities of tending to someone who is very sick.

"Yes, I suppose I'm a little bitter," she says. "When Luther was working, I just never dreamed this could happen, at least until he was older. My dad was 63 when he died from black lung—he had it pretty bad, too. There is nothing we can do now but look to the good Lord and try not to worry.

"I don't understand why they can get the dust down in other countries where coal is mined and not here. I thought we were ahead of them in these things. If my sons go in (to the mines), I hope the companies will bring the dust down so they're not disabled like Luther so young."

Black lung disease was something that Luther David had little occasion to think about during all but the last of his mining career. He describes himself as a good worker, one who was a strong union man, but gave the companies he worked for a solid day's work and got along well with the men.

During his 28 years as a miner, he worked in a variety of jobs, many of them at or close to the face. "I wanted to get all the coal I could for the company—for the royalty for the Fund and all," he says. "I'd run a buggy and I couldn't even see what coal I had in it because it was so dusty. Buddy, you just ate that dust all the time.

"The water just don't hold the dust down, because the spray would get stopped up—of course, they'd arrange for them to be clear when the federal man came in, but most of the time it was bad. The only time there was no dust was when there was no coal."

David worked for Omar Mining Co., owned by Wheeling-Pittsburgh Steel Corp., at its No. 15 mine for the bulk of his final years as a miner. He noticed no major chest or lung problems until 1971.

According to a letter from Comptroller General Elmer Staats to the GAO, addressed to Sen. James Buckley, the audit was a "broad brush" approach and not comprehensive. [See Congressional Record, March 19, 1975, Page S4415). Some of the vital issues ignored by the GAO audit include:

1. Projected cost increases.

2. Expected increase in number of eligible recipients.

It is unfortunate that with the rising number of strikers who receive food stamps, no provision is made to determine that a recipient is, in fact, on strike. A profile should be compiled of the incomes of families who qualify for food stamps. The significance of the number of strikes should be carefully examined and the impact on the duration of a strike resulting from provision of food stamps should be determined.

In the case of strikers, particularly, a thorough investigation into fraud should be conducted to ascertain the incidence of fraudulent statements pertaining to that family's financial resources. A number of cases have surfaced of families which owned their homes, two cars, and in some instances a boat or a country home . . . yet they qualified for food stamps during strikes. An investigation must be conducted into the "Outreach" program which converts the traditional hard-working, self-sufficient American worker into an object of hero worship if he applies for food stamps.

The prevailing philosophy promoted by union officials and other touters of the "Outreach" program seems to forget the intent entirely and take the position: "It's your tax dollar and you paid for it. Therefore, take them if you want them."

THREE MAJOR CHANGES NEEDED

Three major changes are needed in food stamp administrative regulations regarding food stamps for strikers. They are:

1. Make it clear that strikers and other "voluntarily" unemployed persons must accept employment offered even though not in their major field of experience.

2. Require identification of personal resources in sufficient detail to permit verification of qualification.

3. Provide incentives to registrants to be interviewed and processed for new employment.

With these three revised regulations, the likelihood of abuse of the food stamp program by strikers would be substantially reduced. Perhaps it would be too much to expect this Congress to eliminate food stamps to strikers altogether by passing Congressman William Dickinson's Bill (H.R. 5073), with its 30 sponsors, or Senator Thurmond's and Senator Helms' companion bills . . . each languishing as they do year in and year out in the Committee on Agriculture in the House and Senate . . . while millions of Americans express outrage about strikers abuses of the food stamp program.

There appear to be two fundamental questions here: How great a burden should the federal government have to assume, meaning the taxpayers? And for, whom? There might be a lot of sense in abolishing programs completely when they fail to measure up to the standards, or excuse, for having them in the first place. When funds are misdirected to those who voluntarily elect not to work, as in the case with food stamps for strikers, it is at least time to correct the abuses.

A LOOK AT THE STRIKE STATISTICS

Difficulty in the economy generally tends to put a damper upon strike activity, but 1974 was a glaring exception.

An estimated 6,000 strikes started in 1974 involving 2.7 million people, an increase in the number of people on strike of ½ million workers from 1973 and a full million increase from 1972. Idleness resulting from strikes in 1974 reached a four year high of 48 million work days, 70 per cent greater than the previous year.

The average 1974 strike, despite the downturn in the economy, involved 458 workers compared with 421 workers the year before. Twenty eight major work stoppages in 1974 involving 10,000 or more workers accounted for 26 per cent of the days away from the job and 30 per cent of the workers withholding their services, compared with 21 and 30 percent respectively for the preceding year.

In 1974 strikes at four companies accounted for one million days or more of idleness. In 1973 there were no stoppages of this magnitude. The bituminous coal industry strike alone idled 120,000 workers and cost the taxpayers an estimated $50 million in food stamps in 1974.

WORKING THE WRONG SIDE OF THE STREET

If the same amount of money spent in "Outreach" were invested to promote the American work ethic and productivity, the psychology that it is a good thing to work would catch on and unemployment could again drop to a manageable level.

Instead, union officials have stepped up their activity in the food stamp area. For example, the United Textile Workers sued Danville, Va., city officials for $2.1 million for allegedly denying food stamps to UTWA members who were on strike in the summer of 1974. In March of 1975, the National Education Association, a union of teachers, urged its more than 1.6 million members to apply for food stamps, if they feel they need them, even if they are in the "middle rungs, or conceivably even the higher rungs of salary schedules." Further, the NEA unleased a national advertising campaign to reach every community through nearly 10,000 local affiliates. It is this distortion of the intent of the "Outreach" program which added $100 billion to our budget in one year. An impetus has been built up which is going to be difficult to stop.

In 1964 the limit of the food stamp debates concerned the counties in the USA that would be eligible for the program. Now, every community in the country is urged to get into the program.

No one can argue that there isn't a tight squeeze on today's workers—white collar and blue collar alike. But who isn't squeezed by inflation? Does all this mean that the many programs originally intended to aid the poor and desperately needy must now be opened up to anyone for the asking?

The cruelest thing that can be done to the nation's needy, to the aged, and to those on fixed income is to produce bigger deficits, more inflation, and greater encouragement to take the welfare-food stamp route.

Priorities need sorely to be rearranged, with incentive restored to producers, creators of jobs, and workers alike. This Subcommittee has an excellent opportunity to start in such a direction.

THE ABUSES ARE COMMON

Those who question whether or not a substantial portion of last year's $4 billion expenditure for the food stamp program may have benefited persons other than the very needy, should find the following police report, recounted in the February 18, 1975 issue of the New Orleans Times-Picayune, of interest.

"POLICE REPORT: 3904 Louisiana Ave. Pkwy.—Burglars forced open the rear window of the home of Patricia Robinson, 23, about 7:15 p.m. Sunday and took $3,700 in jewelry, $500 in food stamps and $240 in cash, according to the Sixth District police."

The rules of the Department of Agriculture's Food and Nutrition Agency, incidentally, is to limit anyone to purchasing only one month's ration of food stamps at a time.

It is understood that eligibility error rates are increasing beyond the Food and Nutrition Service's 3 percent error tolerance level. According to the Comptroller General's Observations of the Food Stamp Program (RED-75342, Feb. 28, 1975), the reports received did not clarify the underlying causes of the errors.

IT'S TIME FOR ACTION . . . NOW

Regulations are only as good as their implementation. Abuse of the food stamp program must be eliminated and a detailed plan developed for corrective action with a definite time table for implementation. Corrective action should be instituted and the states should face a possibility of fiscal sanctions if they do not make a concerted effort to improve the program's integrity.

KENNETH E. LIPKE: A PROFILE IN JOB CREATING BUSINESS LEADERSHIP

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. KEMP. Mr. Speaker, the fundamental component of leadership is an ability to convince others and to imbue others with conviction as to what is a right course of action.

Kenneth E. Lipke, has developed that ability into a creative force on behalf of his community and clients. Certainly, western New York, an area now suffering from high unemployment and the closing or moving out of far too many businesses in recent years, is in true need of the leadership he brings to his endeavors. By providing business enterprises in need of new input with new ideas, sources of capital, and management, he increases their earnings and the number of jobs they offer to our community.

Ken Lipke's leadership and his personal story of success has been appropriately recognized in the May issue of Buffalo magazine. I think it merits the attention of my colleagues, especially those grappling with how to restore our economy and create jobs without additional reliance on Government.

The article follows:

PROFILE: KENNETH E. LIPKE

(By Helen W. Newman)

"Every successful person owes his success to others," says Kenneth E. Lipke.

Businessmen don't usually talk this way; it is a lot more ego-boosting to think you did it all by yourself. But Mr. Lipke is no usual man and one proof is the fact that in less than three years he has skyrocketed his company, American Corporate Consultants, from an idea on paper to a multimillion dollar power on the Niagara Frontier. And the rocket has just started its rise.

The idea behind ACC is to locate business enterprises in need of a new input, namely mind, money, and management. And then to put these three key factors together in such a way as to swing the business into new channels of prosperity.

ACC started in September, 1972, by acquiring Gibraltor Steel Corporation, an 18-year old manufacturer of steel strapping and cold rolled strip steel, with sales of approximately $9 million a year. By the end of its fiscal year in mid-1975, Gibraltor sales will have more than tripled. A $2 million plant addition was completed last July. Recently, the Erie County Industrial Development Agency affirmed its faith in the company with a $995,000 bond issue for additional expansion and modernization.

Now taking shape on Walden Avenue near Dick Road, is Gibraltor Park, a 55-acre facility which, when completed, will house 40 or so tenants in commercial, industrial, and research and development fields.

This month, the Gibraltar Productivity Institute will begin a series of seminars and lectures. The Institute will be something totally different in Western New York: a center for the development of managerial skills and techniques for improved productivity in business, government, labor, and public service institutions. Mr. Lipke has persuaded Dr. Earl Strong, an internationally known author and former director of the executive management programs in the College of Business Administration at Pennsylvania State University, to direct programing at the Institute, which is expected to attract students from all over the country.

Now for the men whom Mr. Lipke credits with helping him along the often tortuous path of his own career. Some are no longer living: Napoleon Hill, best selling author of *Think and Grow Rich* and other books on positive thinking; B. J. Palmer, midwest broadcast magnate and founder of Palmer College; Elbert Hubbard, the famous businessman-philosopher of East Aurora, and his son, Elbert Hubbard II.

Those active today are Lawrence Reger, president of Mader Corporation, who backed ACC in the beginning and now serves as chairman of the board; Harold D. Farber, president of International Life Insurance Co., Buffalo; and W. Clement Stone, president of the Combined Insurance Company of Chicago.

Back in 1948, when Kenneth Lipke graduated from Amherst Central High School, there did not appear to be much basis for his belief that he would some day be a wealthy man. Family circumstances made it necessary that he go to work right away. But he did not have much to offer a prospective employer other than a high school course in mechanical drawing.

He applied for a draftsman's job at a steel company, taking along with him some drawing samples plus a miniature house he had constructed, which he carefully packed in a cardboard carton. It was something like David setting out to conquer Goliath, for when he arrived at the offices of H. H. Robertson, he found 50 applicants ahead of him, and many of them had college degrees.

Mr. Lipke remembers the name of the man who hired him, Dan Sutter. "He was so impressed at my guts in applying for the job with credentials like these that he decided to give me a chance."

And now Mr. Lipke is president of his own steel company, along with a growing number of other enterprises.

Of course it just did not happen like A-B-C. After he had worked for a few years, he decided he needed further education. By now he was married to an attractive blonde named Patricia, but this didn't deter him from enrolling at Palmer College, Davenport, Iowa. Pat went along and helped out with expenses by working as a secretary. Their first son, Brian Jeffrey (called B. J. after the College president) was born in Davenport.

President Palmer was a devoted student of the philosophy of Elbert Hubbard, whom he had known personally before Hubbard was drowned on the Lusitania in 1915. "Hubbard epigrams were printed all over the College, on the walls, ceilings, even floors," Mr. Lipke remembers. "Palmer used to say, 'If students daydream in class, at least they'll have something worthwhile to look at.' I guess I daydreamed a lot, because I absorbed all of them. Hundreds!"

They never seemed corny to Ken Lipke. Old-fashioned ideals like patriotism . . . loyalty . . . hard work . . . give more than you take . . . have faith in yourself . . . soaked into his mind like rain in thirsty soil.

But the seed ideas for his future needed more time to sprout. During the years that followed, he returned to Buffalo where he earned a good living for his growing family. He kept up with the public speaking which he had begun in college. Dr. Palmer invited him back to deliver a commencement address and then suggested that Mr. Lipke take over some of his own busy lecture schedule, with the idea of some day making Mr. Lipke his successor.

While speaking at a benefit program at a Louisville hospital, Mr. Lipke met the next two men who were to influence his life so significantly, Napoleon Hill and W. Clement Stone, an insurance man who had become a multimillionaire by using Hill's techniques of self-development and positive thinking. They both encouraged Mr. Lipke to strike out in new directions to realize his own inner potential.

Hill's definition of "capital" kindled a responsive spark in Mr. Lipke. "That mysterious, abstract, greatly misunderstood 'something' which gives to every citizen in America more blessings, more opportunities to accumulate wealth, more freedom of every nature than may be found in any other country."

Mr. Lipke expressed his feeling about America by getting into politics, first in a small way as precinct committeeman in Snyder, then more ambitiously, by organizing a project called "Operation Good Government." This was an enormously detailed movement to foster more citizen interest in politics and government and to educate politicians themselves to do a better job for their constituencies. Starting with a core group of four, he proceeded on the pyramid principle to the eventual training of 3,000 Republican Party members.

Meanwhile, he was organizing his own financial counseling firm, Lipke Associates. One of his early clients was International Life Insurance. He was executive consultant to Harold Farber, the president, whom he regards as a pioneer in insurance-financial planning. Mr. Lipke set up ILICOB Sales Corp., the investment arm of International Life.

His business was now requiring him to analyze and reorganize companies for clients, and he learned that there is a crucial point in the growth of a business enterprise when it goes either forward or backward. Even though the technical knowledge is adequate, a new input is needed: organized planning financial expertise, and managerial know-how.

Mind, money, and management.

Without it, many a promising company has failed.

And so, American Corporate Consultants was born, a consulting and investment firm specializing in organizational growth and development.

Mr. Lipke has embodied other pet ideas in ACC. For one, only American-made steel is used in Gibraltar products. He also believes that success depends on the individual rather than on the fluctuations of the economy. He has implemented this belief with an employee education and self-improvement program which is astonishing in a company of this size. The program includes technical courses in steelmaking and training courses for foremen and front line supervisors, as well as continuing classes in management development.

Employees are generously rewarded for suggestions that contribute to a more economical and efficient plant operation. This spirit of helpfulness and cooperation is reflected in excellent labor-management relations.

A sign in the entrance of the ACC-Gibraltar complex on Walden Avenue says, "Welcome to the World of Opportunity!"

Hinting as it does that Mr. Lipke wants to help others as he himself has been helped, that he is willing to share opportunity with all those who are ready to accept it, the sign encapsulates the man and his philosophy.

PANAMA TIGHTENS GOVERNMENT CENSORSHIP

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. ASHBROOK. Mr. Speaker, the State Department is continuing negotiations to turn the U.S. owned and operated Panama Canal over to Panama. Surrender of the canal would be a very serious mistake.

I think it would be wise for us to consider the nature of the Panamanian Government. Panama is ruled by Gen. Omar Torrijos, a leftist and anti-American military dictator. Since seizing power Torrijos has systematically repressed the freedom of the Panamanian people.

News censorship has been the order of the day. The latest Government activity is to prohibit "unofficial" reports on negotiations between Panama and the United States for a new Canal Zone treaty.

According to the May 29 edition of the Washington Star, the Panamanian Government summoned the news media executives and instructed them that they could only use "the official version" on the subject. This topic thereby joins a growing list of forbidden subjects.

The Government had previously banned independent reporting of economic problems, strikes, and student disorders. The news restrictions themselves, of course, are also beyond the bounds of discussion. At this rate soon there will not be anything in the news except Government propaganda.

Do we really want to place the Panama Canal in the hands of General Torrijos and his repressive regime? Are we to abandon this vital waterway to a military dictator who hides the truth from his own people?

I am convinced that the Panama Canal should remain under the control of the United States. We must not surrender the canal to a repressive, anti-American dictatorship.

Following is the text of the Washington Star article:

UMI

[From the Washington Star, May 29, 1975]

PANAMA TIGHTENS CENSORSHIP

PANAMA.—The regime of Gen. Omar Torrijos has strengthened its censorship of news, prohibiting unofficial reports on negotiations between Panama and the United States for a new canal zone treaty.

News media executives said they were summoned by Ricardo Rodriguez. minister of government and justice yesterday, and told they could use only "the official version" on the subject.

Previously the government had banned independent reporting of economic problems, strikes, student disorders and any mention of news restrictions.

WESTERN SOUTH DAKOTA DEVELOPMENT

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. PRESSLER. Mr. Speaker, Mr. Hoadley Dean, president of the Western South Dakota Development Co., frequently has some pithy remarks to make on various issues. A recent statement which appeared in his newsletter impressed me and I ask that it be inserted into the RECORD. I would not agree that the cattlemen are at the mercy of the consumer, but rather that they are at the mercy of middlemen and the marketing structure.

Now that fat cattle prices have gone over the half dollar mark, there has been a squeal in the press prompted by consumers that "higher livestock prices may hike cost of meat." Funny thing is that when cattle prices were so low last winter that feeders were losing from $100 to $150 a head, there was no comment that low cattle prices might make the market basket price go down. But in May the Associated Press was quick to note that improved cattle prices had raised the price of meat by 40 percent. All this goes to show that the cattleman is at the mercy of the consumer, that only the law of supply and demand sets the price he gets and that the American public has been so conditioned to cheap food that they complain when there are prospects of the rancher getting a decent price for his labor and cattle.

The article follows:

WESTERN SOUTH DAKOTA DEVELOPMENT CO.,

Rapid City, S. Dak., June 1, 1975.

Look for a record tourist year, if not in numbers in cash spent in the Black Hills, in 1975. Tourist operators in Western South Dakota are entering June on an optimistic note. Generally spirits are high that the upcoming season will be one of the best in history, although there were some disconcerting figures up to this time. Ted and Bill Hustead of the famed Wall Drug Store feel that 1975 "will be the best year ever." Ted Hustead said that so far the store is 20 percent ahead of last year. He also reports that travel through the Badlands, which was off until recently, is recovering "with a boom." Josef Meier, who portrays the Christus in the Passion Play at Spearfish, reports that advance bookings for the thrice weekly production is 35 percent ahead of last year. Just back from the winter season at Lake Wales, Florida, Meier reported that attendance was the best in the Passion Play's 23 years at that location. Jack Riordan of the Mountain Company, concessionaire at Mt. Rushmore, says that May sales were up 12 to 15 percent over last year and he expects this trend to continue or go higher. Riordan notes that merchandise prices have stayed constant since last year so "there is very little inflation reflected in these figures." The Black Hills Reptile Gardens also report May sales up 12 to 15 percent ahead of last year. The only note of caution was sounded by Supt. Harvey Wickware of the Mt. Rushmore National Memorial who said that he expects visitations to "run close to last year." Traffic counts at the Shrine of Democracy were off about three percent in May, according to Wickware. Perhaps this year the number of tourists may be down but they will spend more. Concern about unemployment? Riordan puts it this way, "Everyone seems to worry about eight percent unemployment. What we should look at is the fact that 92 percent of Americans are working and those who are unemployed probably would not take a Black Hills vacation anyway."

John Warner, Administrator of the American Revolutionary Bicentennial Administration, will be in the Black Hills June 17. Warner will arrive in Sioux Falls on Sunday, June 15. Monday, he will visit Czech Days at Tabor and over night in Yankton. On Tuesday, Warner will arrive in Rapid City for a visit to the Dahl Fine Arts Center and a visit with donor Art Dahl and Artist Bernard Thomas who is almost finished with the cyclorama depicting the 200 year history of the United States. Later in the day, he will visit the Northern Black Hills area. A press conference and presentation of the Bicentennial flag to the Rapid City Bicentennial Committee chairman Pat Dixon will be held at Mt. Rushmore. That night, he will be guest of honor at the State Game Lodge in Custer State Park at an outdoor buffalo barbecue with the Black Hills Area Chamber of Commerce and Chairmen of the West River Bicentennial communities in attendance. He will leave on Wednesday morning for Denver. Arrangements for the West River visit have been coordinated by Rapid City Chamber of Commerce Executive Vice President, Larry Waller.

Now that fat cattle prices have gone over the half dollar mark, there has been a squeal in the press prompted by consumers that "higher livestock prices may hike cost of meat." Funny thing is that when cattle prices were so low last winter that feeders were losing from $100 to $150 a head, there was no comment that low cattle prices might make the market basket price go down. But in May, the Associated Press was quick to note that improved cattle prices had raised the price of meat by 40 percent. All this goes to show that the cattleman is at the mercy of the consumer, that only the law of supply and demand sets the price he gets and that the American public has been so conditioned to cheap food that they complain when there are prospects of the rancher getting a decent price for his labor and cattle.

Worthy of note is the attention being given to weather as a factor in determining food prices. A few years ago, at a time when the United States had a surplus of almost all kinds of grain, the press or public paid little or no attention to the weather as it might affect prices because the weather had little or no affect on the prices of food in the market place. Today, with the surpluses in this country depleted by heavy home demand and big overseas sales, the food grain situation is riding on a fine balance. A bad crop growing year could push prices sky high, simply because there is not much of a surplus to fall back on. Even the state press through the Associated Press gives daily accounts of cloud seeding activities and their success or failure.

Market prognosticators look for cattle prices to level off this summer and drop in the fall when large numbers of cattle come off grass and go to the market. Actually, the break in cattle prices from their current 50 cent levels could come much sooner if ranchers and farmers hasten to market with cattle to try and get under the wire while prices are still good. Cattle men now admit that the cause of the drop in prices was caused by an over supply of cattle but they are the first to recommend that the problem be worked out through the normal operation of the free enterprise system.

Dr. Robert Gartner, associate professor of Range Science of the Animal Science Department of South Dakota State University, will head a Society of Range Management task force to improve range conditions in the five Old West Regional Commission states of South and North Dakota, Wyoming, Montana and Nebraska. Dr. Gartner will continue to have his office in Rapid City while coordinating the two-year $540,000 program. Part of Dr. Gartner's work will be to make people everywhere aware of the value, uses and potential income of range lands in the five states. The project will be a pilot program, which Dr. Gartner sees the states picking up where the Old West project leaves off to continue a viable program. One of the first steps of the project will be to take an inventory of range land in each state to determine the extent of range resources, soil types, climatic conditions and to determine grass types, range conditions, potential uses, wild life distribution, overpopulation, livestock water distribution and to designate range land reference areas. Topographic maps will be used and two films will be produced to help in the educational work, much of it directed toward youth. Youth range camps will be established in each state. There will also be an educational program directed toward the ranchers themselves as well as their bankers to impress upon all the value of good range management. An important phase of the Society of Range Management undertaking will be a demonstration of a commercial livestock operation on reclaimed strip mined land. Dr. Gartner points out that the states have a big stake in range management. For example, 54 percent of South Dakota's land is range land. It accounts for $538,345,000 in income and represents 37 percent of the state's gross income. In North Dakota, 33 percent of the land is range land; $197,732,000 represents money received from that land and it comprises 12 percent of the state's total income. Eighty five percent of Wyoming is range land from which $170,685,000 is derived, representing 30 percent of the state's gross income. While Nebraska has the highest dollar value, $1,016,113,000 from 52 percent of the total land, range land production accounts for only 20 percent of the state's gross income.

Several Rapid City businesses have new homes. In the last few weeks, Dakota Typewriter Exchange has moved to a new two-story building on East St. Joe Street. The firm has operated in Rapid City since 1928. Current owners are Robert E. Kelley and John Sears, who bought the company from their father-in-law, Fred Gellerman, in 1973. Northwest Pipe Fittings, headed by Bob Barbour, has a brand new home on West Chicago Street. Barbour, who wholesales plumbing supplies, has other similar businesses in Montana and North Dakota. He is currently President of the Rapid City Chamber of Commerce with his year-long term expiring on July 1. Western Mutual Life and Casualty Company is offering space for lease on the first floor of the newly renovated old post office building on the corner of Eighth Street and Mt. Rushmore Road. Western Mutual acquired the post office in a real estate swap involving property used as part of the new Federal office building between Main and St. Joe Streets on Ninth Street. The Western Mutual home office has taken on a new look since Nelson sandblasted the outside and developed attractive new entrances.

Dr. Harvey Fraser, who has served nine years as President of the School of Mines and Technology, will be sorely missed when he leaves next month for an education post in Oregon. Never one to mince words and often sharply blunt, Fraser got along well with students, faculty, regents, legislators and townspeople. The plain spoken, down to earth (and often earthy) retired Army General fit into this western community like a sock in the boots he often wore. The state, the school and the community are better for his efforts. He and his lovely wife, Jean, take with them many lasting friendships and well wishes of all in their new venture.

NUCLEAR SAFEGUARDS

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BURGENER. Mr. Speaker, an initiative measure dealing with nuclear power has qualified for the ballot in my home State of California. Under our State constitution this measure would become law if it receives a majority of the vote in a general election.

Because the question of nuclear power is of such vital importance to the future of this Nation as well as to the future of the State of California, I believe that the vote of the electorate in California should be a fully informed one. The ultimate decision should be based on the best available evidence of the effect of either passage or defeat of this initiative.

In my last newsletter to my constituents I promised to obtain an analysis of the effect of passage of this measure from the key Federal agencies with responsibility in this field. In addition, I asked the Library of Congress to review the text of the proposed initiative and comment on the effects of passage.

I believe that the publication of the comments received in response to this request in the CONGRESSIONAL RECORD will serve a very good purpose. I believe that the other Members from California will be most interested in these comments and that the Members from other States who have an interest in the question of nuclear power will find much to ponder.

At this point, Mr. Speaker, I would ask that the Library of Congress response be printed in the RECORD. In days to come I will insert the responses from the agencies involved.

The response follows:

QUESTIONS ABOUT THE EFFECTS OF THE CALIFORNIA NUCLEAR SAFEGUARDS INITIATIVES

(By Warren H. Donnelly, Senior Specialist in Conservation, Environmental Policy Division)

Question 1. What effect, if any, would passage of this measure have on Federal statutes, the operation of Federal programs and the authority of Federal agencies?

The agencies likely to be most directly affected include the Nuclear Regulatory Commission, the Energy Research and Development Administration, the Federal Power Commission, the Federal Energy Agency, and the Department of State.

Effect on Federal statutes: In my opinion, the initiative, if adopted, poses the probability of conflict with the Atomic Energy Act of 1954 upon two points: (1) the liability for third party injuries and damages should there be an accident at a nuclear power plant that releases substantial amounts of radioactive materials; and (2) the presumed preemption to the Federal Government of legislation over health and safety aspects of regulation of nuclear power plants.

Concerning liability, the Initiative at section 67503(a) contemplates repeal of Section 170 of the Atomic Energy Act which now limits the liability to utilities and nuclear manufacturers for third party injury and damage resulting from a nuclear accident and establishes a Government indemnification to pay those losses that exceed commercial insurance coverage. Section 170, it should be noted, extends only to August 1, 1977, for new power plants, but presumably would remain in effect for power plants licensed before that time. If Section 170 is not repealed or amended to be consistent with the Initiative, then there would be conflict between State and Federal law. Which would prevail I do not know.

Concerning the preemption of regulation for nuclear safety to the Federal Government, the philosophy expressed in the Atomic Energy Act and that of the Initiative are substantially different and in conflict, so that the nuclear industry and the electric utilities would be likely to challenge the Initiative in court on the basis that the Atomic Energy Act has preempted to the Federal Government regulation of the health and safety aspects of nuclear power. This view has been supported by the Supreme Court in a case where the State of Minnesota attempted to impose certain safety-related requirements upon a nuclear power plant in that State.* Since the Initiative would apply only to nuclear power plants and not to other power plants, this factor might lend weight to a position that the Initiative in dealing only with nuclear plants intrudes into the preempted area. Of course, the Federal courts might hold to the contrary, but a legal challenge should be expected.

Assuming the Initiative were tested and supported by the Federal Courts, then it would have the effect of reducing the preemption presently enjoyed by the Atomic Energy Act.

Effects on authority of Federal agencies: The Initiative appears to have little, if any effect, upon the authority of the NRC, the ERDA or other agencies with an interest in civil nuclear power.

Effects on agency programs: The Initiative could have substantial effects upon the Nuclear Regulatory Commission, the Energy Research and Development Administration, the Environmental Protection Agency and the Department of State. I would also expect indirect effects upon the Federal Power Commission, the Interstate Commerce Commission, the Maritime Administration, the Coast Guard, the Securities and Exchange Commission and the Departments of the Treasury and Interior.

The effects upon the NRC would be several, including:

(1) A decrease in the number of nuclear power plant licenses to be processed because California utilities probably would not apply for licenses for new plants, and might withdraw license applications for plants not yet begun or in early stages of construction.

(2) An increase in modifications of existing operating licenses to approve technical and safety conditions for operation at lower power levels. It is not clear what effect the stipulated yearly decreases for power output would have upon the operating safety of the nuclear power plants affected. I would expect that procedures to operate a large nuclear core routinely at low power levels could pose problems requiring substantial NRC analysis. It is not certain that NRC could agree to routine operation of these plants below a certain fraction of the original licensed power output.

(3) A substantial increase in consideration of requests to modify licenses to shut down and deactivate nuclear power plants at the end of the ten-year period, or earlier. Deactivation of a large nuclear power plant is a substantial undertaking that has some risks which the NRC would wish to carefully consider. There would also be the regulatory question of what controls to maintain over the still intensely radioactive hardware of the nuclear portion of these shut down plants (pressure vessels, core internals, piping hardware exposed to neutrons) and whether to leave these items in place or to remove them to some other place for burial or long term storage.

(4) The effort required to resolve (if possible) the conflict between the liability requirements of the Initiative and indemnification and limitation of liability provisions of Section 170 of the Atomic Energy Act of 1954 as amended.

The effects upon ERDA would be to make more urgent certain research and development and demonstration for nuclear power safety and for nuclear waste disposal or storage. Possibly this work might be expanded and redirected so as to answer the conditions set out in the Initiative.

Concerning EPA, a dropoff in license applications from nuclear power plants in California would reduce EPA's work load for analyzing environmental impact statements. On the other hand, it would increase EPA's work in connection with clean air, assuming that electricity not supplied by nuclear power plants is supplied by oil- or coal-fired power plants. A push for more coal- or oil-fired power plants would also probably aggravate problems within California in determining what air quality categories should be designated for various regions, and what the boundaries of these regions should be within the State.

Concerning the Federal Energy Administration, the Initiative could have the long-term effect of increasing California's demand for oil to burn in steam electric power plants, thus requiring readjustment of allocations, or perhaps denial of all of the allocations requested.

Concerning the Department of State, the Initiative could be an embarrassment to the United States in foreign policy, for international cooperation in development of nuclear energy has been used as an inducement by the United States to secure adherence of other countries to the Treaty of Nuclear Non-Proliferation through which various nations (but not all) have agreed to abstain from developing their ability to make nuclear weapons in exchange for a commitment of the nations that do have weapons (largely the U.S., the United Kingdom, and the Soviet Union) to share with them the peaceful benefits of nuclear power energy, which definitely includes nuclear power.

Question 2. What implications would pas-

* In April 1972 the Supreme Court ruled that States cannot set more stringent standards for the discharge of radioactive wastes by nuclear power plants than the Federal Government sets. At issue was a dispute between the Minnesota Pollution Control Agency and the Northern States Power Company over operation of the nuclear power plant at Monticello, Minnesota.

UMI

sage of this initiative have on California's energy supply and on the economy of California?

As background for a reply to this question, I prepared a rough estimate of what California's nuclear generating capacity would be with and without the Initiative. The basis for this inormation is the January 17, 1975, status report of the then Atomic Energy Commission (now ERDA) on the U.S. civilian nuclear power program (copy enclosed) which lists the plants operable or in construction or planned. I have assumed the dates in this AEC estimate to be reasonably correct, and that there will be no changes in these dates because of the initiative or other reasons—an assumption that would not be valid for a detailed examination. With these assumptions, it appears to me that were the Initiative to take effect at the start of 1978, the shortfall in the State's generating capacity because of the required reductions in operating power levels would increase from 1,439 megawatts (Mw) in 1976 to 8,134 Mw in 1986. This shortfall does not include the normal growth rate for electric power generation in California, which for the period 1965–1972 average 4.4 percent.*

If this shortfall were to be made up by building new power plants, 8,000 Mw of new capacity would have to be built by 1986. These would be fueled with oil, natural gas or coal. The amounts of these fuels to offset the loss of nuclear power could reach the equivalent of 84 million barrels of oil in 1986, or 22.3 million tons of coal, or 476 billion cubic feet of natural gas.

Figure 1 compares the projected nuclear capacity for California with that permitted by the Initiative for the period 1976–1986. Table 1 gives a rough indication by year of the differences in electrical generating capacity and the amount of fossil fuels that would be needed to operate replacing fossil fueled generating stations. Table II gives the projected States nuclear capacity by year, while Table III shows the effect by year of the Initiative. Table IV compares projected electrical generating capacity with annual increases to expand supply and to replace supply shut down by the Initiative.

By way of background, in 1973 there were 38 fossil-fueled steam-electric power plants in California with an installed generating capacity of 21,900 megawatts which generated 92 million megawatt hours of electricity. None of these were fueled by coal. In 1973 some 73.8 million barrels of oil were used by these plants and 452 billion cubic feet of natural gas.*

If the State wished to maintain its historic growth in electrical use while at the same time reducing the generation from nuclear power plants, it would have to increase substantially the conventional power plants or import more electricity from other States. Normal growth at 4.4 percent per year would call for an increase in generating capacity from about 24,800 megawatts in 1976 to 37,700 megawatts in 1987, an increase of almost 13,000 megawatts which at $500,000 per megawatt would require a capital investment of $6.5 billion. To offset the reduced use of nuclear plants, still more conventional capacity would be required, amounting to a total of 8,000 megawatts by 1987 with a capital requirement of $4 billion. These figures assume that all electricity would be generated within the State, which introduces a distortion since California imports some electricity from other States and probably could increase these imports. Nonetheless, if the Initiative prevented use of nuclear power in California, electricity users would face the prospects of paying in their rates some $4 to $10 billion to build replacement conventional power plants. At the same time, they would face increases as the utilities passed on as a loss the undepreciated value of the nuclear power plants at the time they are shut down. By 1986 none of the nuclear plants will be fully depreciated, assuming a 30-year life, and four would be seven years old or less. These four alone, totalling 4,500 Mw. would represent a capital investment of about $2.7 billion, which would be only 23 percent depreciated (7/30) by 1986, so that some $2 billion would remain to be charged to the users, for there is no provision in the Initiative for the State to bear any part of this cost. Of course, if the Initiative were imposed and later lifted, these effects would be correspondingly less, depending upon its duration. If the suspension of the Initiative remained in force, California electricity users would also be faced with the impact upon their rates of the additional costs of deactivating the nuclear plants.

As for other effects, removing 8,000 Mw of generating capacity from the California electrical supply system could be expected to result in some shortages of electricity and perhaps in policies of no-new-connections for those utilities most severely affected. Load shedding would also be more likely in periods of peak demand. Such policies would substantially affect new construction for industrial, commercial, amusement and residential purposes and would probably create pressure for self-generation of electricity by some large users. Unless extraordinary measures were taken to reduce personal and residential use of electricity, the loss of nuclear generating capacity, especially after 1980, could be expected to inhibit economic growth in commerce and industry, with a consequent depressing effect upon opportunities for employment.

The Initiative in essence would require finding sites for eight large steam power plants in addition to the 13 to be expected for normal growth in use of electricity.

The Initiative would also require finding reliable supplies of fossil fuels for the make-up capacity at a time when prospects for increasing the use of natural gas for generation of electricity are dim and oil is high priced. California uses no coal to generate electricity, but could well have to turn to this fuel for new plants—both for normal growth and replacement—and perhaps even to convert existing oil-fired plants to coal. The burning of large quantities of coal unless carefully controlled would have effects upon air quality, while transport of coal would require extension of rail service or construction of coal slurry pipelines.

On the whole, a reduction of electrical generating capacity of 8,000 megawatts over ten years would probably have a depressing effect upon the economy of the State. The prospects for energy conservation are not as bright for electricity as they are for use of gasoline, fuel oil or natural gas. So whatever shortage in supply of electricity might be caused by the Initiative would have to be met more by doing without some beneficial or desired use of electricity rather than by using existing supplies more efficiently. The recent experiences in the State of Washington, when it faced a shortage of electricity from its hydroelectric system because of unusual winter conditions, gives some illustrations of the kinds of measures that might be required to bring supply and demand for electricity into balance in California. These measures included banning of advertising lighting, reduced street lighting, etc. Quality of life probably would be affected since electricity for air conditioning would be scarce and perhaps necessitate restriction of use of air conditioning.

For some further insights into impacts of a limited electricity supply upon the State, see the enclosed excerpts from a Rand Corporation report on implications of policies to slow the growth of electricity demand in California.

Question 3. What effect, if any, would the operation of this Initiative have in California's contribution to the rest of the Nation and on California's dependence on the rest of the Nation with respect to energy supplies?

The first part of this question is too subjective to be answered with any confidence. As suggested in the reply to Question 2, the moratorium contemplated in the Initiative if prolonged would depress the State's economy, which would decrease its social vitality and affect its position as a leader among the States. By reducing prospects for expansion of the industrial and commercial output of the State, the Initiative would reduce California's contribution to the gross national product.

As for California's dependence on the rest of the Nation for energy supplies, if the State wished to expand its use of electricity along historical growth paths, then in essence it would have to increase its imports of oil and natural gas, and perhaps begin to import coal, to fuel the new power plants for expanded supply and to replace the nuclear supply. It could also seek to increase its imports of electricity from other States. The demand for oil for power plants could be expected to increase pressure for expanded drilling and oil production on the outer shelf off the California coast. In short, a cutback in nuclear power plant generation without a corresponding reduction in the use of electricity would increase the State's dependence upon fuels from other States and abroad.

* Statistical abstract of the United States, 1974. p. 519.

*National Coal Association. Steam-electric plant factors, 1974 edition. p. 41.

THE AGONY OF BLACK LUNG

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. SIMON. Mr. Speaker, most magazines are fairly predictable products, particularly if they are trade journals. But now and then an unusually fine piece of journalism occurs, and that happened with the current June 11–15, 1975, issue of the United Mine Workers Journal.

The issue is devoted to "The Agony of Black Lung." I contacted officials of the United Mine Workers Union and mentioned that I felt a copy of this issue should go to every Member of Congress, and I have been assured that will happen.

I hope that Members and their staffs will read this issue with care, because it speaks to an issue which we must confront as we ask those who mine our coal to shoulder a greater and greater burden in our Nation.

I commend the editors of the United Mine Workers Journal for their distinctive contribution.

Here is one of the articles from that issue, the story of one 47-year-old coal miner and the problems he faces:

[From the United Mine Workers Journal, June 1–15, 1975]

DYING THE SLOW DEATH

(By Don Stillman)

Even in the summer, darkness still shrouds Mud Fork hollow at 4:30 a.m. Already, he is up, sitting in the old, brown chair that is his favorite in the dim light of the small table lamp next to him.

The only sounds are those of his wife sleeping in the next room and the coffee pot perking on the counter between the dining room and the kitchen. Knowing his problem, she usually puts the coffee and water in the pot the night before so that all he has to do is plug it in when he get up.

He sits in pajama tops and trousers with one hand against his forehead and wonders what kind of day it will be. In a moment, he has the answer. There is a rattling sound in his chest, a brief gasp and then he is almost doubled over with a massive coughing fit.

His left hand flies to his mouth while the right clutches at his chest—one to catch the black-red spittle and the other to fight the spasm and the pain in his lungs. Cheeks puff out and throat muscles tighten hard as he struggles for breath.

For a moment he is clearly losing that struggle, then it is over. He slumps back hard, his eyes shut and his face color changing from red to white as he makes throat-clearing noises. It is not warm, but there are tiny beads of sweat on his forehead.

Another day has begun for Luther David—age 47; occupation, disabled coal miner.

For him, it is an ordinary day. One full of coughing fits, massive chest pain, headaches, muscle aches, spitting up blood and a shakiness and irritability David calls "the nerves."

David, a UMWA miner for 28 years and, at 47, a man theoretically in the prime of his working life, has black lung. He knows it. His wife and two young sons know it. His doctors know it. His fellow union members know it. His neighbors know it. Anyone who spends 30 minutes with him knows it.

Everybody knows it, except the people who run the federal black lung compensation program. They don't know it. They've told Luther twice now that he doesn't have it and they aren't going to pay him for it. It is, of course, a long way from the handsome new building in Washington, D.C., where Labor Department "experts" process black lung claims to the little, one-time company town called "15-Camp" where Luther passes each remaining day.

There are other men like Luther David in 15-Camp who spend their days struggling for a decent breath, just as there are in 16-Camp and 18-Camp up the hollow. In fact, there are men like Luther David in the next hollow and the one after that and the one after that. Men who gave their country the coal it needed, their companies the profits they craved and, in the process, lost their health, their livelihood, even their manhood.

Luther's wife, Myrtle, is up at 5:30 to get the kids off to school. Allen is 18, Timmy 15. Some mornings Luther is awake by 3:30 or 4 and can't get back to sleep. If he's coughing a lot, he may get up and drag himself to his chair in the adjoining room. Or he may just continue to toss and turn and do his best not to wake Myrtle.

After taking his array of pills and cough medicine, he "trys to stay out of the way" while the rest of the family has breakfast. Once Allen and Timmy have departed, Luther eats some cream-of-wheat or perhaps a couple of eggs and a biscuit with his coffee.

"After breakfast, I have to rest up, rest from using my arm and eating," he says. "You wouldn't think that would tire a man out at the beginning of the day, would you? Well, it does."

The remainder of the early morning routine is familiar, but each act so simple to a healthy man is an ordeal for Luther David. Shaving to him is like running a mile to a normal person. He has to rest for a half hour or more afterwards. Then, he has the strength to brush his teeth.

Bathing is the worst of all. "We don't have a shower and bending over to get in the tub, it's like I'm tearing everything loose," Luther says. "Sometimes it takes me over half a day to get ready to go for breathing treatments at the hospital and by the time I'm ready I wouldn't even feel like going."

The rest of the day is not much better. Luther sits in his chair. Or he moves into the living room and sits there. Or, in the weeks of the year when it is not too hot or too cold, he'll sit outside on the porch. Then he goes in and lays down on the bed. He doesn't really nap, because he can't sleep. Sometimes he lays down on the bed in his son's room, just to vary his routine.

He doesn't read and seldom watches television. Occasionally, he listens to country music on a small, portable radio, but even that wears thin. Mostly, he sits. Just about any exertion tires him tremendously and brings on coughing fits. About once a week, Luther tries to go to the post office in nearby Mt. Gay. In the past, he has been able to walk out to the road that runs between the two rows of company-built houses and stand in the alley talking with neighbors. Lately, even that is too tiring for him.

Luther David looks like a fairly vigorous middel-aged man and indeed, that is what he was up until about two years ago. He used to hunt deer, rabbit, squirrels and love the outdoors. He had a horse he rode and loved to go motorcycle riding on the winding roads through the mountains of southern West Virginia where he lives. He is a big man, with the look of one you would think twice before provoking.

He has purchased his hunting license the last two years with the hope that somehow things would get better. They didn't and he was unable to go out. Recently, a friend took him to nearby state park to go fishing. The walk down the path to the water tired Luther so that he was unable to bait a hook.

"I used to be able to climb hills just like that," he says. "I was always hunting deer and rabbit up Pine Creek and I'd fish Laurel Lake and these ponds around here. I can't do those things no more."

Luther's sister-in-law gave him a small poodle named "Misty" and much of his day is spent watching the dog scamper about the house or sit next to his chair staring up at him. He also has three banty roosters in a small chicken coop which he can see out his bedroom window. "I always like to hear a rooster crow in the morning, but I couldn't have big roosters 'cause they'd wake the neighbors," Luther says. When he's feeling better, he can go out and feed the banties, but mostly he just sits and watches them out the window.

"I'll be 47 the 26th of May and I see men doing things—I'm jealous—but I see men doing things I can't do," he says. "Older men, but they can do things I can't do. I've got no where to go and almost nothing I can do. I never thought this would happen."

Both Luther and his wife say that what he misses most of is being able to work. While disliking the unsafe conditions, he enjoyed the jobs he had, the men he worked with and, put simply, felt proud to be a coal miner. It was a job he did well and in turn, provided him and his family with a good income. Now, he misses not just the money, but also the job itself. He thinks about work a great deal. "I wish I could go back," he says. "But I can't."

"Every day I feel the effects of it. The doctor at the hospital said I'll just have to live with it. Well, I know that's true, but it's a hard thing to accept, particularly at my age. Think how you would feel if someone said to you that you'll just have to live with constant pain and not being able to work or hardly go out of the house.

"There is always the reminder of it—that I have black lung. Every few minutes you have a coughing fit and it's like you're going to die. It's like a belt of lightning hitting my chest or a band of metal just tightening on me 'til I can't hardly stand it no longer.

"The air goes down my throat, but sometimes it seems like it doesn't come back up. The doctors call that an 'air lock.' They say you get a bunch of breath down in there and it won't seem to release and the air is like its caught in your chest while you try to get new air in."

Luther has received "breath shots" at a nearby hospital, but stopped going for them because of the pain they cause him ("I like to have tore up the sheets after the last one and I said that's it"). He still receives "mist treatments" aimed at helping him get his breath more easily.

Other than that, and an incredible assortment of drugs prescribed by various doctors, there is little that can be done by the medical experts. And, like many fellow black lung victims, Luther was not aware of other possible in-home treatments to partially relieve breathing difficulties (see pages 24–25).

Instead, he takes a variety of prescribed drugs at various times, including librium and chlordiazepoxide for the nervousness and psychological strain and darvon for the pain. He also takes secobarbital with the hope of getting his four hours sleep each night. Then there is the antiasthmatic, the dyphylcin, tetracycline, ampicillin, dilor benylin, potassium iodide and glyceryl guaiacolate.

"I try to watch that stuff—it's not for kicks. I try to take about what I need and then every so often I lighten up some, but sometimes I don't know what I'd do without it," Luther says.

Luther's wife, Myrtle, has been forced to quit her job at a local dime-store to stay home with him. Because he needs virtually constant care, she now finds it difficult to get out of the house for even the few minutes it takes to walk several hundred yards down the road to her mother's home. The strain has made her "a little nervous, too, like Luther."

She has difficulty getting a good night's sleep at times, because of her husband's breathing problems. During the day, she works keeping the house in immaculate condition and doing what she can to help comfort Luther. Strong and loving, the happiness of her life has yielded to the day-to-day realities of tending to someone who is very sick.

"Yes, I suppose I'm a little bitter," she says. "When Luther was working, I just never dreamed this could happen, at least until he was older. My dad was 63 when he died from black lung—he had it pretty bad, too. There is nothing we can do now but look to the good Lord and try not to worry.

"I don't understand why they can get the dust down in other countries where coal is mined and not here. I thought we were ahead of them in these things. If my sons go in (to the mines), I hope the companies will bring the dust down so they're not disabled like Luther so young."

Black lung disease was something that Luther David had little occasion to think about during all but the last of his mining career. He describes himself as a good worker, one who was a strong union man, but gave the companies he worked for a solid day's work and got along well with the men.

During his 28 years as a miner, he worked in a variety of jobs, many of them at or close to the face. "I wanted to get all the coal I could for the company—for the royalty for the Fund and all," he says. "I'd run a buggy and I couldn't even see what coal I had in it because it was so dusty. Buddy, you just ate that dust all the time.

"The water just don't hold the dust down, because the spray would get stopped up—of course, they'd arrange for them to be clear when the federal man came in, but most of the time it was bad. The only time there was no dust was when there was no coal."

David worked for Omar Mining Co., owned by Wheeling-Pittsburgh Steel Corp., at its No. 15 mine for the bulk of his final years as a miner. He noticed no major chest or lung problems until 1971.

UMI

"There used to be some steps up the hill from the bathhouse to where we'd go in the mine and I can remember being able to run up them without even breathing hard. I used to go up those steps when the day shift would be coming down.

"I seen this man I knew who carried on a lot and I got to notice him coming down those steps. He'd come down some and have to knock off and rest—going down, not coming up and he'd have to rest. And he'd be hanging on to the bannister.

"I wondered why that was. I didn't make light of him, but it was hard to believe that a man would have to stop going down steps—he was a big, healthy man. After he got down, he'd be a cut-up in the bathhouse—then all of a sudden he'd quiet down and couldn't do anything. I felt sorry for him.

"He was a big, jolly fellow. I got to watching him and wondering if that would ever happen to me."

About two years later, it did. Luther began to notice that he had shortness of breath after hanging curtains or shoveling or just about any rigorous activity. He noticed things seemed to "act up a little" after a hard day in the mines. Then, right before vacation in 1972, he developed bad pains in the chest and was off five days.

"The thing kept up and the doctor I went to thought maybe it was an ucler so I had to try a little of this sweet milk. That didn't help and neither did aspirin. Finally, the pain started in my chest and come up to the throat and nearly killed me."

Future visits to physicians finally resulted in one doctor telling Luther it was his lungs. "It never occurred to me it could be the dust," he says now. "I'd just gone into debt on a Super Beetle (Volkswagen) and had a mortgage loan and I figured I could keep on working without too much trouble, though."

Luther did just that. But the more he worked, the clearer it became that, even at his age, he was trading his health for a paycheck. "I'd always been strong, but pretty soon I found I was having to rest going up them steps. There's 126 of them steps to the top and I'd have to stop after 8 or 9 of them. Finally, I told my wife I thought I was going to have to start driving my car from the lot below up to the top where we'd go in."

In July, 1973, it got so bad Luther was forced to spend eight days in the hospital. "I was a hurtin' and a miserin', but I wouldn't holler for a pain shot, cause one time I hurt my back in the mines and the pain shot they gave me liked to have killed me, buddy."

After missing many days of work, Luther went back to Omar No. 15. But he noticed that the problems kept getting worse. "My feet got heavy and my face felt like it had big welts on it and I would be breathing hard and finally I'd just have to stop and rest," he relates.

"Then, on June 10 of 1974, it got to me. The boss had me shovelin'. He was strictly a company man, but you could reason with him. Just because a man's going to work me, I don't feel hard toward him.

"I'd done come to the point I couldn't shovel. I'd put both hands at the top of the shovel and brace it against my knee and try to push it, but finally I just had to sit down even if it meant getting fired. I just couldn't do nothin'.

"By the time I got to the bathhouse, I felt better. There's an old saying about how you get better right before you die. But before I got home it hit me again. The next day I drove to the doctor to get a breathing shot and on the way home I just about didn't make it—it just tore me up.

"I started to stop my car and turn my flashers on and lay down and figure the state police would come by and think they had a drunk on their hands—I was feeling funny and my head was shakin' and I looked blue. I made it home somehow and yelled for a neighbor and he helped me or I wouldn't have made it."

Several days later, on the way to a doctor to get a slip so he could return to work, Luther "took another spell" and Mrs. David demanded that he quit work. "I told him to turn around and we'd go home," she says. "He wanted to keep working, but I said I didn't care if we lost the home and everything—he had to stop killing himself."

Luther never went back.

On the dining room table, Luther holds an envelope with all of his black lung claim correspondence. On the outside, the envelope has written on it in magic marker: "Black Lung Turndowns." For someone so sick, it is extremely difficult for him to understand how he has been rejected twice for black lung compensation by the federal government.

"The woman at Social Security told me that there has to be a stopping point some where—that they've paid out too much money. I guess when they came to me, they decided I was the stopping point," he says.

The first turndown came in 1972 after Luther had applied in order to be covered under the federal program. After it was extended and amended that year, he had more X-rays taken and, in November, 1973, was again rejected despite evidence that he had severe lung impairment and fibrosis.

Because he had worked after July 1, 1973, he was to be judged by stricter requirements under new rules established by the Labor Department, which took jurisdiction of the program from Social Security. Luther asked for a hearing on his denial in May, 1974 and, nearly a year later, in March, 1975, was finally granted one before an administrative law judge.

Represented by Martin Amburgey, of the Logan County Black Lung Association, Luther made the painful trip to the courthouse to make his case.

"Walking up I had to stop every few feet and by the time I got there it was bothering me bad. I figured the judge would think I was putting on, so I tried to move so she couldn't see me and then it got so bad I figured whatever happened would just happen."

The coughing and lack of breath caused the judge to recess the hearing for about 10 minutes until Luther could regain his composure. Then the questioning by the judge went on. At the end, Luther was informed he could expect a decision within four to six weeks. Now, almost three months later, he still awaits a decision on his claim.

"I feel the company and the government are shielding one another," Luther says. "They pass the buck back and forth but it never gets to me."

If the black lung law contained the 15-year presumption the UMWA is demanding in legislation now pending in Congress, miners with breathing disabilities like Luther's would be assumed to have contracted their impairment as the result of working in the mines. His case, and others like it, make it clear that X-rays and breathing-exercise tests alone are insufficient to prove real occupational disability from black lung.

"I fought for my country in Korea on the front lines and the federal government knew me then," he says. "I came back and worked in the mines and paid my taxes and the federal government knew me then. Now, when I ask them for something that is my right under the law, they don't know me. Buddy, I don't like the way they done me."

It's not the first time, for Luther David. When he went off to the Korean War, he believed he would be entitled to his job when he came back under federal law. After a half-hearted effort to force the company to meet their obligations to him as a combat veteran, the government dropped the case and Luther was suddenly out of work at a time when coal was entering the era of automation with the accompanying mass lay-offs that cut the workforce by three-quarters.

Finally, through his own initiative, he got hired on again. The next 20 years as a miner saw him do well as a worker, a family man and a union member. Then, suddenly for him, Luther David once again was out of work and once again the government turned its head when he came asking for what was rightfully his.

Luther and his wife kept every date of importance to their fight for black lung compensation on a small calendar—the kind passed out at the beginning of the year by hardware stores and local merchants. It has a photo of a young boy and his dog out on a small dock with a fishing pole and a bobber in the water and a can of worms next to them. For Luther it is a reminder of a pleasure now denied him.

He has a number of the calendars for past years and his wife has made notations like this:

"Between 2 and 3 p.m. Luther had a bad spell today—almost passed out on the kitchen floor—lay there over an hour." Others note the days on which he applied for black lung and still others the days on which he was rejected.

As he sits in his chair, coughing and spitting up blood and passing his days, Luther hopes that soon there will be a new entry on the calendar—the date his claim is finally approved. His condition has become so bad that when his mother passed away last month, he was unable to go to her funeral.

On the wall near where Luther sits, there is a sign that says "Prayer Changes Things." Prayer may help Luther David win his black lung claim. But for him and the hundreds of thousands of other black lung victims like him, even prayer can't return to them a healthy set of lungs. They'll have to wait for heaven for that.

GUN CONTROL AT THE GRASS ROOTS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr HARRINGTON. Mr. Speaker, it is time for us to recognize the inherent dangers in the possession of handguns by the public. Not only by the hardened criminal who uses his gun in antisocial actions, but by any man, who in a moment of rage may unthinkingly kill his fellow man. It is time for Congress to remove this mechanism of death from public possession.

In the hope of widening our perspective as to the dangers of handguns in the hands of the public, I submit the following article by Mitchell C. Lynch which appeared in the June 10 issue of the Wall Street Journal for insertion in the RECORD.

The text follows:

GUN-CONTROL BACKERS FOCUS ON ORGANIZING AT THE GRASS ROOTS

(By Mitchell C. Lynch)

The first two times gun-wielding robbers held up her husband's pharmacy in Los Angeles, Dee Helfcott was frightened and bewildered. The third time it happened, she was downright angry.

"By then I had had it," says the mother of two children. "My husband's life was in danger three times; I knew something had to be done."

So, working from her home, she formed an organization about a year ago called Coalition for Handgun Control. Its mission: to pressure the California legislature to outlaw pistol ownership for everyone except the police and military. While some may disagree, Mrs. Helfcott predicts that with her organization now a couple of thousand strong, the legislature will pass some tough antigun laws soon.

Mrs. Helfcott and thousands like her in other states add up to a new force seeking law and order in this country: an organized grass-roots demand that something be done about carnage by guns.

MILITANCY IN MASSACHUSETTS

Gun-control groups are springing up in many parts of the country. In Massachusetts there's People vs. Handguns, in Ohio the Gun Control Federation of Greater Cleveland, in Illinois the Committee for Handgun Control, in Michigan Citizens to Save Lives—all in addition to national organizations formed earlier.

Most of the state and local groups are currently concentrating on state action; the militants in Massachusetts have won the nation's toughest control law, requiring a year in jail for anyone carrying an unregistered gun, and they're seeking an outright ban on handguns in the state. But the spread of citizens' demands for action is also adding to the national gun-control debate a new dimension that seemingly can't be ignored by a generally gun-shy Congress.

"The whole issue of murder by gun has become personalized," says Congressman John Conyers of Michigan, declaring that the gun-control movement has even more impetus now than it did in the assassination-ridden 1960s. "We're not talking about people we know only by reading about them in the newspapers," says the Democrat who heads the House judiciary subcommittee on crime. "We're talking about people we know personally, people in our own neighborhoods."

Indeed, Mr. Conyers, who comes from a high-crime area of Detroit, says that within the past few years four of his personal acquaintances have been gunned down either in private arguments or in holdups.

All in all, concludes Franklin E. Zimring, University of Chicago gun-law expert, "gun control has become an issue that won't go away."

GRISLY STATISTICS

Statistics help demonstrate why. Each year during the past five years more than 10,000 persons have been killed by handguns; more than half the homicides in the U.S. are done by gun. Furthermore, new handgun sales are averaging around 2.5 million a year, bringing this arsenal currently to somewhere around 40 million. A big proportion of adult America either carries a pistol or has one stashed away at home or business.

Even with the new grass-roots pressure and the grisly statistics, Congress isn't likely to rush through any all-inclusive piece of legislation. One reason is fiery opposition from gun enthusiasts. Another is that gun control is no simple issue. Talks with a couple of dozen lawmakers, police chiefs, cops on the beat, progun and antigun activists and psychiatrists yield a couple of dozen different "solutions" to the problem. These range from taking away all guns from civilians to simply relying on the police and the courts to enforce existing crime laws more effectively.

The gun-control issue seized public attention when President John F. Kennedy was assassinated in 1963. Since then four other public figures have been killed by guns—black militant Malcolm X in 1965, American Nazi Party leader George Lincoln Rockwell in 1967, and Sen. Robert F. Kennedy and Rev. Martin Luther King in 1968. Alabama Gov. George C. Wallace was crippled when he was gunned down in a Maryland shopping center in 1972.

LOOPHOLE-RIDDEN LAW

Still, the only restriction passed by Congress has been the Gun Control Act of 1968, and it has proved to be so loophole-ridden that few people take it as a serious deterrent. The act supposedly restricts the import of cheap handguns, but the Treasury Secretary is given wide discretion in administering it. And figures show that about half the handguns sold in this country in 1973 came from other countries, particularly Italy.

The failure to enact a stronger law hasn't been for lack of trying by gun-control advocates. In recent years Sen. Edward Kennedy has submitted three tough gun-control bills, and all three were defeated decisively. This year he has again introduced a bill calling for the licensing of all handguns and the banning of the "Saturday night special," the cheap, easily concealable pistol supposedly used most often in weekend altercations. The Massachusetts Democrat complains that guns "are as easy to buy as flashlights."

On the House side, more than 50 gun controls have been introduced this session, but none of them is going anywhere until Congressman Conyers' crime subcommittee finishes hearings now being held across the country to sound out public opinion. "Oh, we're going to do something this session," vows Mr. Conyers. "But right now I can't figure what it's going to be."

Most antigun groups contend the mildest action Congress could take would be mandatory registration of all handguns. But any such hope got a jolt recently when President Ford said, "I'm not going to recommend the registration of guns." Steely resistance would certainly come from a big block of rural-area Congressmen; they don't want rural sportsmen who supposedly shoot only wildlife or targets lumped together with big-city people who supposedly shoot each other.

Even ardent gun-control advocates aren't unanimous about the merits of required registration. The Massachusetts registration law calling for a mandatory one-year jail term for anyone carrying an unregistered gun went into effect April 1, and already policemen have decided they don't like it. "A guy is carrying a gun illegally and he gets stopped by a cop—what's he going to do?" asks Chester J. Broderick, head of the Boston policemen's union. "The guy knows he's going to get a year in the slammer, so he's gonna shoot the cop—right?" Boston Police Commissioner Robert J. DiGrazia concurs. "It's only a halfway measure anyway," the commissioner says. It's too soon to determine statistically if the mandatory jail term is reducing gun deaths.

While President Ford opposes registration, others in his administration are studying other ways of getting guns off the streets. Attorney General Edward H. Levi has brought up the idea of banning the purchase of guns and ammunition in high-crime metropolitan areas. And a Justice Department task force is working with the President's Domestic Council to flesh out that idea or come up with an alternative. "Don't for one minute think the administration isn't working on gun control," a Domestic Council staff man admonishes.

An idea of the White House thinking probably will emerge in the next few days when President Ford sends Congress a special message on crime. Along with a broad statement of law-and-order policy and proposals to aid victims of crime, it is expected to deal with the question of gun control.

Some local law-enforcement officials think the Levi plan, limited though it is, has some crime-fighting merit and lots of political realism. "It would represent an important step in the right direction," says Rocky Pomerance, head of the Miami Beach police force. Mr. Pomerance figures that because of the rural opposition, any federal gun-control action must be taken step by step. William Lucas, sherif of Wayne County, Mich., says he favors the proposed ban because it would cover Detroit, which is in his county. "It's certainly something to think about," Sheriff Lucas adds.

Yet some metropolitan chiefs of police don't want any gun control at all. Heading this group is Los Angeles Police Chief Edward Davis, who contends that gun ownership isn't just a constitutional right but a necessity. People shouldn't rely on "instant help" from police, Chief Edwards says. He even talks of a possible "foreign invasion" in which the police and military would need all the help they could get from armed civilians in manning defenses along the West Coast.

Conspicuously absent—so far—from the current debate is the National Rifle Association, the kingpin of the so-called gun lobby that worked hard and successfully to water down the Gun Control Act of 1968. "We'll wait until we see some legislation—some hard legislation" before the NRA swings into action, says Maxwell E. Rich, executive vice president of the million-member organization. By his account, all the legislation now in the hopper was submitted by urban-area Congressmen aiming more to please the folks back home than to produce new laws.

On the positive side, Mr. Rich says the NRA stands ready to offer gun-safety courses to any urban or rural groups that want them. "We could teach 10 million people," he says.

The NRA's gun-safety offer shouldn't be cast aside as merely a stalling tactic, psychiatrist Stefan A. Pasternack says. If Dr. Pasternack had his way, all persons would be forced to take a safety course and pass certain tests—safety and mental—before they could own a gun.

Dr. Pasternack, head of the mental health care unit of Georgetown University Medical Center in Washington, D.C., has studied a question that perhaps addresses the nub of the gun-control problem: Why do so many generally law-abiding people buy guns in the first place? While some studies give the reason as self-protection, Dr. Pasternack asserts that this is only a "surface motive."

To Dr. Pasternack, the inner and real motives include "deep-seated anger or frustrations," physical deficiencies (the gun being the "great equalizer"), sadism ("some people walk around with a gun hoping some sucker will jump him"), and what the psychiatrist calls the "rescue fantasy" (the dream of winning recognition by, say, "rescuing the damsel in distress").

All of which is why Dr. Pasternack is dubious of talk about confiscating all handguns from civilians. Having treated hundreds of violence-prone patients, he offers this finding: "The more I studied people who own guns, the more I began to realize that for various psychological reasons many men would never give up their guns; they'd fight harder to keep their guns than they would to keep their wives."

Public reaction to a ban on handguns will probably be tested on the state, rather than the federal, level. The Massachusetts organization, People vs. Handguns, is working hard to put on next year's state ballot a proposal to outlaw handguns entirely. Present readings by state, county and municipal officials indicate the measure may succeed.

Sheriff John J. Buckley of Middlesex

UMI

County, Mass., is aiding People vs. Handguns by making hundreds of speeches a year throughout the state insisting that people really don't need guns for protection. "It's all psychological," says Sheriff Buckley. "Among other things, it's part of the old frontier syndrome."

State action by itself isn't the whole answer, Sheriff Buckley and others in Massachusetts agree. "Nothing will work entirely as long as the people can go to other states to get guns," says Boston Police Commissioner DiGrazia. "That'a where the federal government comes in, making sure no one can get a gun anywhere in the country."

But Congressman Conyers of the crime subcommittee illustrates why federal action may come slowly. "Guys come up to me and say, 'Man, I need my heat; you can't take away my gun'," the Congressman relates.

Moreover, Mr. Conyers acknowledges that he himself carried a licensed gun—until someone stole it two years ago. "Don't forget, I come from a tough area," he says.

POSTAL REORGANIZATION ACT

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. FORD of Michigan. Mr. Speaker, I have today introduced legislation to amend the Postal Reorganization Act in order to clarify existing law with respect to the entitlement of universities and colleges and certain looseleaf publications to second-class mailing privileges.

Both of my colleagues from Pennsylvania who serve on the Postal Service Subcommittee, Mr. NIX, the ranking majority member, and Mr. ALBERT JOHNSON, the ranking minority member, as well as three additional members of the subcommittee—Mr. LEHMAN, Mr. SIMON, and Mr. MINETA—have joined me in cosponsoring this legislation. Additional cosponsors include the distinguished chairman of the Education and Labor Committee, Mr. PERKINS, and the distinguished chairman of the Subcommittee on Postsecondary Education, Mr. O'HARA, two other members of the full Post Office and Civil Service Committee, Mr. CLAY and Mr. BRODHEAD, and the gentleman from New Jersey (Mr. HELSTOSKI).

Mr. Speaker, college bulletins and catalogs and looseleaf publications have been routinely admitted to second class for many years. In a reversal of long-accepted policy, however, the Postal Service has begun administrative proceedings to revoke these privileges because college bulletins and catalogs and looseleaf publications, it claims, are not "newspapers and other periodical publications." In the case of college bulletins and catalogs, this already has resulted in initial administrative decisions revoking the second-class privileges of several publications admitted to second-class mail as long ago as 1904. In addition, more than 50 looseleaf publications, many of which have been admitted to second-class mail for 20 years or more, are also threatened with the loss of the privilege.

Mr. Speaker, this problem was first brought to my attention by Mr. Robert Perrin, vice president of Michigan State University, over a year ago when Michigan State University learned that its attempts to avoid having its second-class permit revoked by the Postal Service were apparently going to be fruitless. Although the status of Michigan State University's permit is presently being appealed, without this legislation, it appears to be almost certain that Michigan State University will soon be confronted with severe increases in postal costs—increases which it simply cannot afford.

The dilemmas faced by Michigan State University are not unique. According to a survey by the National Association of College & University Business Officers, the increase in postal costs to some educational institutions resulting from the revocation of second-class mailing privileges will be approximately 30 times higher than present costs if they are forced to mail their publications under first-class postage. Even if they utilize third-class postage, they would still endure a significant increase in postal costs, and additionally, they would have to change their format. For many publications, however, the delivery delays associated with third-class mail make it an impractical alternative. These publications have relied upon second class, because their topical contents require the speed and reliability of second-class delivery. These publications would be forced to choose between the additional costs of first-class delivery or a reduction in the number or size of the publications which are presently mailed.

Some specific examples have been brought to my attention. For instance, according to its chancellor, Syracuse University's postal costs associated with their catalogs and bulletins would increase by more than $150,000 per annum, if their second-class privileges were revoked, and it were forced to use, in the chancellor's words, "the only practical alternative—first-class mail." The University of Texas estimates that its cost would increase from $2,000 to $55,000, and a spokesman for Pennsylvania State University has reported a similar estimated increase. The California Institute of Technology has reported that the cost of mailing their catalogs would increase from $607 at second-class rates to an estimated $33,880 at first-class rates.

How do these increases affect the quality of education? Perhaps this was best illustrated by C. Brice Ratchford, president of the University of Missouri, who has been quoted as saying that the increased cost to his university would be "equipment to employing a couple of assistant professors to meet our continuing enrollment increases at Missouri."

College bulletins and catalogs are a public service. They provide current information to faculty, students, and prospective students concerning the programs offered by colleges and universities. The revocation of these privileges would deny the speed, reliability, and economy of second-class mail to institutions that must widely distribute information concerning their programs but cannot afford the higher costs of first-class distribution.

Looseleaf publications provide current news concerning developments in the law and public policy to specialists who must be currently informed on the latest developments in areas of developing regulation. Foremost in this category are the educators. These services are a most important element in the circulation to the public of information about our laws and governmental policies. Colleges, universities, public libraries, and many other publicly supported institutions are among the major subscribers to these publications. As one expert in library science has put it, looseleaf publications are "a must" for any respectable law library. Another major classification of subscribers to these services are Federal, State, and local governmental organizations and agencies.

The importance of these publications in providing current news to the public concerning developments in the law and government policy was recognized by the Congress last year during its consideration of the Freedom of Information Act amendments. That act required Federal agencies to public indexes of statements of policy and opinions and orders made in the adjudication of cases. The Department of Justice in commenting on the bill, noted that some looseleaf publications provided the same service and to require the Government to do so as well, "would be an inefficient and expensive duplication of function." The Congress accepted the Department's comments, specifically recognized the role of looseleaf publications in carrying out the aims of the Freedom of Information Act, and concluded that—

> Where agency indexes are now published by commercial firms . . . such publication would satisfy the requirement of this amendment. . . .

The revocation of second-class mailing privileges of looseleaf publications would have a severe impact upon the dissemination of important and vital information concerning governmental activities and affairs. The very reason for the existence of these periodicals is the delivery of the most current information available. Frequently, the looseleaf publications are the first and often they are the only source of reliable information about changes in the law and regulations and policies by the Federal, State, and local governments. To meet this need, issues of the looseleaf services are often published on a weekly basis and special additional bulletins are not infrequent. If issues of the looseleaf publications were sent as third- or fourth-class mail—with its slower and less reliable services—the value of looseleaf publications as a source of important and current information will be impaired if not destroyed entirely.

Mailing looseleaf publications at first-class rates would plainly result in increased postal costs similar to those experienced by college catalogs and bulletins. Since publishers would clearly pass these additional costs on to subscribers, the cost to colleges, universities, libraries, and other institutions to keep pace with the latest developments in law and public policy would increase markedly. Federal, State, and local government agencies, colleges, public libraries, and other publicly supported institutions constitute, in the case of some looseleaf services, upward of 60 percent of total subscribers. These agencies and educational institutions already face severe budgetary restrictions and they have, in the recent past, been called upon to absorb substantial increases in postal rates. The revocation of second-class mail permits for the looseleaf publications and the associated increases in cost may force these institutions to reduce their subscriptions. The result would be a sharp reduction in the availability of current news concerning developments in the law and public policy. This would affect the quality of education and would undermine the reliance of Congress upon looseleaf publications for purposes of the Freedom of Information Act.

Mr. Speaker, second-class mail was established by Congress in 1879, because it was recognized that newspapers and other periodical publications were "the most efficient educators of our people." Because the purpose of the second-class privilege is to encourage the distribution of such publications, second-class mail is delivered with the speed and reliability of first-class mail, but at a cost that is much more affordable by its users.

The justification which has been offered by Postal Service personnel for withdrawing the second-class mail privileges of college bulletins and catalogs and looseleaf publications is that these publications are not "newspapers and other periodical publications." Although the term "newspaper and other periodical publications" is not defined in the former provisions of the Postal Code nor in regulations of the Postal Service, the Postal Service claims it is applying a construction of this provision handed down by the Supreme Court more than 70 years ago in *Houghton* v. *Payne*, 194 U.S. 88(1904). This decision, however, was settled law when most college bulletins and catalogs and looseleaf publications were first admitted to second class, and it has remained settled law for the past several decades during which the entitlements of these publications to second-class rates has remained unquestioned and unchallenged. Since the character of these publications has not changed since their admission to second class, the actions of the Postal Service to date in attempting to revoke their second-class privileges are tantamount to making new law by administrative fiat. I believe that if the law is changed this should be accomplished through the legislative or judicial process, not through administrative fiat. The intent of this amendment is to continue the established interpretation of the law until it is changed by acceptable means.

Mr. Speaker, when the Congress, after several years of intensive study and debate, passed the Postal Reorganization Act of 1970 we established a new system for redefining the classes of mail. That act preserved the existing system of mail classification and authorized a new entity, the Postal Rate Commission, to issue, on the basis of specific and detailed criteria specified by the Congress, a recommended revision of that system in the form of a new mail classification schedule.

The amendment offered today will not in any respect curtail, impede or impair the ability of the Rate Commission to carry out the responsibility which Congress imposed upon it in the 1970 act. It will rather preserve the status quo with respect to college and university bulletins and catalogs and looseleaf publications until the Commission acts. The Postal Service's unilateral action through the initiation of administrative proceedings toward the revocation of the second-class mailing privileges of college bulletins and catalogs and looseleaf services, threatens to upset the statutory scheme which Congress established. If the Postal Service is allowed to proceed unilaterally and arbitrarily against these two types of publications which embrace a large number of periodicals, there is a grave danger that the periodicals will be denied second class privileges, with the attendant rate and service standards, before the Rate Commission has the opportunity to decide what the composition of the second-class category should be. This amendment will prevent the Postal Service from usurping the authority which this Congress granted to the Postal Rate Commission in determining a proper mail classification schedule.

At this point, Mr. Speaker, I would like to insert into the RECORD the text of this legislation and I would urge all my colleagues from both sides of the aisle to support it:

H.R. 7735

A bill to amend title 39, United States Code, to provide that certain publications of institutions of higher education shall qualify for second class mail rates

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3626 of title 39, United States Code, is amended by inserting "(a)" immediately before "If the rates" and by adding at the end thereof the following new subsection:

"(b)(1) For purposes of this title, the term 'periodical publications', as used in former section 4351 of this title, includes (A) any catalog or other course listing issued by any institution of higher education; and (B) any looseleaf page or report (including any index, instruction for filing, table, or sectional identifier which is an integral part of such report) which is designed for inclusion in any treatise or compilation.

"(2) Any material described in paragraph (1) shall qualify to be entered and mailed as second class mail in accordance with former section 4352 through former section 4357 of this title.

"(3) For purposes of this subsection, the term 'institution of higher education' has the meaning given it by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a))."

MAJOR DRUG RING INVOLVING ILLEGAL ALIENS UNCOVERED IN QUEENS, NEW YORK

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. BIAGGI. Mr. Speaker, the residents of several communities in my congressional district are growing increasingly alarmed over the presence of a major drug ring operating in their neighborhoods. This drug ring is reputed to be one of the largest of its kind anywhere in the United States involving millions of dollars worth of illegal cocaine and other drugs into Queens for distribution into the city of New York.

Local law enforcement officials have been unable to effectively crack this ring due to the fact that 90 percent of the dealers are illegal aliens and they are not equipped with the resources to contend with this situation I have, therefore, called upon both the Immigration and Naturalization Service and the Drug Enforcement Administration to direct all necessary resources in a coordinated effort with local law enforcement personnel to crack this dangerous ring.

This shocking situation points once again to the need for passage of H.R. 5987, legislation I have introduced to control the illegal aliens problem. My bill would increase by 2,500 the numbers of Immigration Service enforcement personnel both stationed along the borders and in our major cities. We must weed out existing illegal aliens and slow the influx of new illegals. They are involved in any number of sordid operations including drug smuggling, tax evasion, and depletion of municipal services. Shortages of manpower in the INS is a major source of the problems and passage of my bill could go a long way toward reducing the problems.

Mr. Speaker, at this point in the RECORD I would like to insert an article printed in the New York Daily News which discusses this major drug operation. It is my profound hope that my efforts can lead to the complete breakup of this operation.

The article follows:

COCAINE RACKET BIGS ARE BORO ILLEGAL ALIENS

(By Arthur Browne)

Once described as the largest such ring in the United States, an international dope-smuggling operation run by illegal aliens is supplying most of the city's illicit cocaine from bases in Elmhurst, Corona and Jackson Heights.

Composed primarily of loosely organized Colombian nationals, the ring imports annually millions of dollars in cocaine and other drugs into those Queens communities from South America for distribution throughout the metropolitan area, local and federal authorities said.

And despite strong law enforcement efforts, police admit, profits for ring members

UMI

are high and the risk of jail are small. "The Elmhurst-Jackson Heights area is probably the major cocaine distribution point for the entire city," said Lt. Robert Mann, of the Queens narcotics unit. "But in the past few years it has become very difficult to nab the dealers because 90% of them are illegal aliens, and you end up chasing shadows."

From informants and wiretaps, police and federal agents said, they've learned there may be more than 100 independent dealers in the area placing orders regularly for the drug with better connected suppliers with direct contacts in Colombia, where the narcotics are manufactured.

INFORMANTS HARD TO GET

According to police, most of the orders finally reach Albert Bravo, the alleged chief of the Colombian operation who is currently under indictment for narcotics conspiracy in this country. The drug is then smuggled into the United States by intricate means, including the use of scuba divers to fish out packets of the drug thrown overboard in the harbor.

Once in this country, the drug is distributed through the chain, and the profits begin to soar.

"A major dealer with good overseas connections can get a kilo (2.2 pounds) of the drug for about $40,000," said Arthur Grubert, chief of intelligence for the New York division of the Federal Drug Enforcement Administration.

"By the time that kilo is cut down to street doses of about a gram by several dealers who all take profits, it's going to have a value of about $300,000" Grubert said.

Last October, Grubert, Mann and a team of several hundred agents and detectives cooperated on "Operation Banshee," a drive aimed at smashing the cocaine traffic in the city. One hundred-fifty nine dealers, including Alberto Bravo, were indicted, and 113 of them were arrested. More than 300 pounds of cocaine valued at $35 million was seized.

RIGHT BACK OUT THERE

After the arrests, U.S. Attorney Paul Curran announced optimistically: "We feel we have dealt the street pushers a deadly blow." Since then, Mann said, the optimism has faded.

"We may have thrown a scare into them, but they are right back out there doing as much business as they always were," he said.

This was apparent just this past week, when the Drug Enforcement Task Force, a joint federal, state, and city operation, arrested seven alleged members of a dope ring capable of importing 40 kilos of cocaine per month. Three other reputed members of the ring had been arrested in April. In addition, 800 pounds of "Columbia Gold" marijuana and 9.5 pounds of cocaine value at 33.6 million were seized.

According to Robert Howe, city cop who serves as deputy chief of the task force, eight of the 10 suspects are Colombian nationals. Six of them were Queens residents.

"This was one of the fairly structured and larger rings with direct contacts in Colombia," Howe said. "But there are a tremendous number of independent satellite dealers in area. All they need is a relative or friend in Colombia and they've got an operation."

According to Mann, the dealers regularly use a number of Hispanic bars on Roosevelt Ave. as their meeting and dealing points, and have so far been able to stymie police by constantly assuming new identities and aliases.

"In areas like Elmhurst where there is a heavy Hispanic concentration, these people melt into the scenery," he said. "Since they are illegal aliens they have no real identification papers, and they take on each others names almost at will."

In one case during operation Banshee, Mann said, the cops arrested a reputed kingpin in the operation, Omar Hernandez, only to discover that in several past arrests he had exchanged identities with Alberto Bravo.

Hernandez is currently in federal prison on past narcotics charges, for which he had jumped bail, and is awaiting trial on the conspiracy charges resulting from the Banshee roundup. Mann believes that many of the others nabbed during Banshee have jumped bail, and are either back out on the street or in Colombia.

DIVERS FISH DRUG FROM HARBOR

"We had a couple of officers from the 110th precinct stumble on an apartment in Elmhurst just recently where some kind of activity had been going on," Mann said. "They not only found cutting equipment, but court papers and correspondence naming people we had arrested in Banshee." Beside being hampered by the tendency of suspects to jump even large amounts of bail, Mann said, the police also stymied by difficulties in getting informants.

"The informants that we do get are genuinely scared of possible revenge if they're found out," Mann said. "Some of them have told us stories where whole families in Colombia have been ordered wiped out over a lousy $200 doublecross."

ECONOMIST CITES IMPACT OF GOVERNMENT "OVER-REGULATION" ON BUSINESS AND TAXPAYERS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. EVINS of Tennessee. Mr. Speaker, in the current issue of Nation's Business there is an interview with Dr. Murray L. Weidenbaum which provides an interesting and penetrating insight into the impact of Government regulation on business and the economy.

Dr. Weidenbaum points out that the goals and objectives of laws passed by the Congress are worthwhile—but that the Federal departments and agencies in their guidelines exceed the mandate of the Congress in detailed and minute regulations and controls that work a hardship on many businessmen.

Because of the interest of my colleagues and the American people in this most important subject, I place excerpts from the interview with Dr. Weidenbaum in the RECORD herewith.

The excerpts follow:

WHERE OVERREGULATION CAN LEAD

(An Interview With Dr. Murray L. Weidenbaum)

Government power to control and influence the decisions of business threatens the very existence of many business firms and the financial health of many thousands more.

Washington, warns Dr. Murray L. Weidenbaum, a former government official himself, is snatching much of the vital decision-making power away from businessmen and handing it over to a growing federal bureaucracy. The result, he says, is a revolutionary change in our national economic system.

The big problem, he points out, is that more and more of the decisions of business management that affect profit and loss are being controlled and influenced by government agencies which are insulated from the pressures of management responsibility. Businessmen who are responsible for profit and loss no longer have full freedom to make the profit-and-loss decisions.

Dr. Weidenbaum, a distinguished economist and author, is an expert on government and its impact on the economy. That is the theme of his recent book, "Government-Mandated Price Increases," a study of government regulation published by the American Enterprise Institute for Public Policy Research.

Because of his expertise, Dr. Weidenbaum was asked to elaborate on what he calls "the second managerial revolution." In this interview with NATION'S BUSINESS, he says there has been not merely a loss of managerial freedom, but an enormous cost to the public. Unless the nation changes course, he adds, our economic system is threatened with stagnation and continuous high inflation.

Dr. Weidenbaum is Director of the Center for the Study of American Business, established at Washington University, St. Louis, Mo., last January with a grant from the John Olin Foundation. The center's purpose is the study of the role of private enterprise in the development of American society and the relationship between a market economy and a free society.

Dr. Weidenbaum was interviewed in St. Louis by an editor of NATION'S BUSINESS.

Question. Is business in the United States facing a threat it never faced before?

Yes, this country is going through a second managerial revolution. The first occurred many years ago, with the divorce of corporate ownership from management. That revolution involved the rise of professional managers, as distinct from owners.

This new revolution is far more subtle. It involves the shift of decision-making from managers, who represent the shareholders, to a cadre of government officials, government inspectors, government regulators.

The problem is that these government officials and government agencies are not responsive to the pressures of profit and loss and, though their decisions affect management, they have no management responsibility.

Q. In what areas do their decisions affect management?

How you hire people, what products you make, how you go about making them, personnel practices, production methods, marketing, financing. There isn't much, in terms of company decision-making, that isn't closely controlled or influenced by one or more federal agencies. And sometimes the control of one agency conflicts with the control of another.

Since the 1960's, there has been a massive expansion, not only in the number of laws, but in the areas of business under government's thumb.

Some of this is very costly, not only to business, but to the public as well.

The increase in the cost of producing consumer goods is the ultimate burden imposed by government regulation of business.

Q. So this is part of the revolution you mentioned. What are some of the other vital business areas it affects?

It is most apparent, perhaps, in industries like transportation, where literally you can't go into business until government gives its approval.

That applies to communications—radio, television, cable TV, microwave transmission—as well as trucking, for example.

Q. But it goes beyond that, doesn't it?

Yes. Obviously, you can't build a factory if it violates the standards of the Environmental Protection Agency. You have to make sure, of course, that in cleaning up air pollution you don't generate water pollution.

That's an example of a growing problem. There is such a proliferation of government regulations that, in trying to obey one, you run afoul of another.

Q. More is involved than the environment and health, isn't it?

Just go through the major departments of any company.

Let's take the personnel department. It's quite clear that before you can hire anyone, you have to make sure you follow the rules of the Equal Employment Opportunity Commission.

Certainly, once people are hired, you have to meet the requirements of the wage and hour law.

If you have landed a federal contract, you have to file an affirmative action program. Also, you will have to make sure you comply with the Davis-Bacon Act or the Walsh-Healy Act.

In all cases, you must make sure you don't violate the rules of the Occupational Safety and Health Administration. And sometimes those rules get in the way of the Equal Employment Opportunity Commission.

For example, both OSHA and EEOC have jurisdiction over toilets. OSHA once said women need special lounge facilities as part of their restrooms. But EEOC says, well, if you provide lounges for women, you have to provide them for men also.

Regulation, like justice, must be blind.

Q. What if you clear hurdles like these?

You are not out of the woods yet.

Along comes the Consumer Product Safety Commission. It has the power to ban your product in the marketplace. In the commission's eyes, you are guilty until proven innocent.

That is a clear example of the shift of power.

The commission puts out a list of banned products. But it warns that, even if you aren't on the list, you should consider your products banned unless you can prove they meet the commission's standards. That's what I mean by guilty until proven innocent. They have shifted the whole burden of proof on you.

When you look at the power of the Consumer Product Safety Commission, it is really scary. The commission has the ability, and has used it on occasion, to drive a company out of business—through the commission's own mistakes.

The commission put the Marlin Toy Co., a small firm in Wisconsin, out of the toy business by inadvertentely putting its products on the banned list.

Later, the commission recognized its error, but it was too late.

As it turns out, this company was an employer of handicapped people in the little town where it is located. So we are talking about a socially responsible business.

By forcing it to lay off employees, the commission not only added to unemployment, but hurt a group of people who find it especially hard to get jobs—the handicapped.

Q. Isn't it rare for Washington to put a company out of business and people out of work?

Not at all.

For example, about 350 foundries in this country have closed in the past three years because they couldn't meet EPA or OSHA requirements. Basically, these were smaller foundries.

As a result, the larger foundries are working to capacity. They're so busy that they can't take on a lot of military work, including castings for our big M–60 tank.

Now, we have a shortage of tank castings. It is so serious that the army has been investigating tank casting facilities in Britain and West Germany.

Meanwhile, of course, unemployment here continues to rise.

I wonder how much thought EPA or OSHA gave to the unemployment problem or to national defense.

Q. Doesn't this run counter to creating full employment, a top national priority?

Precisely. The old breed of regulatory agencies, like the Interstate Commerce Commission, have been criticized for excessive concern with the health of industries they regulate.

No one has even accused newer agencies like EPA or OSHA of that. All they're concerned about is their programs.

Somehow, we've got to get that broader idea of the total national interest across to OSHA, EPA, and the rest of the federal regulators Congress has created.

Q. How many federal regulators get into the act?

It varies industry by industry.

We now have what I call a matrix form of regulation. Some agencies specialize by industry.

In other words, the Civil Aeronautics Board regulates the airline industry. The Federal Communications Commission regulates all aspects of radio and television. ICC regulates railroads.

Then we have a new kind of government regulatory agency, like OSHA. It regulates only one aspect of business activity—job safety—but its authority takes in all industries.

Or EEOC, which regulates personnel practices for all businesses.

And EPA. It deals with environmental impact only, but again for all industry.

Q. Why aren't Americans aware of what's happening?

The change isn't visible or dramatic enough, except to the businessman under the gun. However, some symbols of the shift of power to government should be apparent to the man in the street.

For example, the consumer is paying for the new managerial revolution in a number of ways. One is his tax bill. It costs him $4 billion a year to support all the federal regulatory agencies that ride herd on business.

But that's only the tip of the iceberg. The real cost to the consumer is indirect, but much larger.

We are now deeply concerned about our economy's lack of increase in productivity. It is crystal-clear to me that much of our potential growth in productivity is eaten up by the proliferation of government controls.

Government regulation imposes a lot of burdens on business, like mountains of paperwork, that decrease productivity.

But I guess what worries me most is what happens to an industry when it really becomes controlled by government, as some are.

Look at the cost overruns, for instance, in so many Defense Department projects. Also, look at the time delays.

To me, there is a close relationship between them and the very close, day-to-day government regulation of the defense industry—the most closely regulated industry in our society.

Q. More closely regulated than utilities?

Oh, yes. We think of utilities as our most tightly regulated industry. But they aren't regulated anything like the defense industry.

Look at the regulations issued by state utility commissions, and you are talking about a pamphlet. Look at the regulations given the defense contractor by the federal government and you are talking, literally, about volumes.

Government bureaus aren't set up to minimize cost. They have a different outlook on life.

Q. Different in what way?

A smart bureaucrat knows how to say no. I spent a lot of time in the federal government during the course of my career, and I know that the safest thing to say is no. That way, you won't get into trouble.

Don't stick your neck out.

Well, that runs counter to what happens in private industry, where you are sticking your neck out all the time. When you bring out a new product, you stick your neck out. When you introduce a new production process, you stick your neck out.

But that's the way the system works.

What all this so-called government protection does is protect the consumer against new products, new processes, and lower costs.

The result could well be economic stagnation.

Q. Why don't consumers and business resist more?

Business may be part of the problem. Many companies learn to live in a government-regulated environment and feel comfortable.

But if you expect the government to bail you out when you have losses, you're not going to have the freedom to earn the profits.

Q. You mean government makes the decisions?

More and more every day—and not always wisely.

Look at the automobile industry and catalytic converters.

Big Brother, or Big Mother, however you prefer to think of Washington, got the auto industry to put in the converters. Now Big Mother finds that she may have been hasty. The catalytic converters may cause worse pollution than they eliminate.

But the point is that the decision was shifted from business to government. The irony of it! Think of the outcry if Detroit, on its own, had gone ahead and installed catalytic converters without a full environmental impact statement.

Well, the agency in charge of these environmental impact statements, EPA, apparently went ahead on converters without checking the full impact on the environment.

That's part of the problem of dealing with government. It has a double standard. Business can be forced by government to follow rules and regulations. But the government itself is free to ignore them.

Q. Doesn't that apply to the Consumer Product Safety Commission, too?

Yes, in a way. Last fall, it bought 80,000 toy-safety buttons to be worn on the lapel. The idea was to encourage people to be safety-minded about toys.

Well, it turned out that they used lead paint on the buttons. There was a danger of lead poisoning if they were licked by children. So the commission had to ban its own buttons.

It sounds funny.

But think about the taxpayers who had to foot the bill for producing 80,000 useless buttons.

Q. Isn't that a drop in the bucket for Uncle Sam?

There are so many drops that even that bucket is overflowing.

Each agency is preoccupied with its own narrow interests and isn't concerned with what's happening to the company, an industry, or even to society as a whole.

EPA and the fire ants offer a good case history. EPA has told the Agriculture Department it is imposing severe restrictions on the use of pesticides to kill fire ants. The department had a major program under way to get rid of them. Now the department says EPA's ruling makes it impossible to carry out its eradication program.

So the department thinks fire ants may spread over a third of the United States—as far north as Philadelphia.

Fire ants may not harm the environment as much as EPA thinks pesticides harm it.

UMI

But their bite is not only painful but can even cause death.

All EPA cares about is the environment. Apparently, the fact that these ants can kill you and me isn't EPA's problem.

I suggest, facetiously, that the Agriculture Department try to breed a special strain of ants that bite only people who make such EPA rules.

Q. But much of the public apparently favors these new federal agencies.

Of course.

If you were told only of the benefits of government regulation—and not its costs—wouldn't it sound great?

That's a proverbial free lunch, something that will help you and won't cost you a dime. But there aren't any things in life that will benefit you with no cost.

And that's true of government regulation, as well as anything else.

Q. Do you think public opinion will change?

I think so. I am an optimist. But a patient optimist.

To me, Congress's decision to reverse the federal regulators on the interlock, seat-belt system this year was encouraging. It's an example of what can happen when the public gets aroused.

It became obvious to Americans that they were paying through the nose for a complicated system they didn't want. It was extravagant nonsense.

Congress got the picture pretty fast. It threw the interlock out the window.

But only, of course, after the auto industry had spent millions to perfect and install it.

Q. Any straws in the wind there?

Yes, I think so. Congress almost outlawed air bags at the same time.

I think this is a message those who are so much in favor of regulation should take to heart.

When the pendulum swings, it swings with a vengeance. You can get a reaction against all this regulatory cost—and waste—that will involve a wholesale liquidation of these police agencies.

If so, you'll see the end of the good, as well as the bad.

Q. So not all regulation is bad?

No. Unless you are an anarchist you must believe that government should set the rules for society. The question is what kind of rules and how many.

Economics has an answer for that. It says, carry regulation to the point where the added benefits barely exceed the added costs. That's where you stop.

Overregulation is where the added costs exceed the added benefits.

Q. Can you give an example of a useful role for a government regulator?

Take OSHA. It has a basic role in investigating lethal hazards. That's why Congress set it up. But it should not also be deciding questions like these:

How big is a hole?

What color to paint a door?

What is a ladder?

That's the kind of nonsense that should be eliminated.

Q. Anything else?

Take a leaf from the environmentalists. They pushed through a rule that before you do anything, anywhere, you must determine what impact this will have on the environment.

I would like to turn that around.

I'd like to see legislation which says that, before EPA or any other regulatory body does anything, it must file a statement describing what this will do to the economy—an economic impact statement.

"NO-HANDS-IN-DIES"

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, in May 1971, the Occupational Safety and Health Administration promulgated a "no-hands-in-dies" regulation, a voluntary standard previously adopted by the American National Standards Institute. This standard, scheduled to become effective last summer, would have definitively reduced the risk of mutilation and amputation by the commonsense approach of keeping a worker's hands out of the powerful dies which stamp out industrial tools.

The promulgation of this "no-hands-in-dies" standard clearly followed the legislative mandate of the Occupational Safety and Health Act (Section 6(a)). However, following detailed hearings on the rule, the Safety Administration issued substitute regulations to become effective on November 1, 1975. These regulations call for the use of a safeguarding device rather than the simple "no-hands-in-dies" rule. This substitute regulation appears to offer no significant improvement in worker safety. However, the act clearly states that whenever a rule promulgated differs substantially from an existing national consensus standard, the Secretary of Labor must publish in the Federal Register a statement of the reasons why the rule as adopted will better effectuate the purposes of this act than the national consensus standard. (Sec. 6(b)(8).)

Mr. Speaker, I am not convinced that the Secretary's reasoning behind the substitute regulations either follows the letter or the spirit of the Occupational Safety and Health Act. I am not convinced that providing a safeguarding device is more effective in promoting job safety than the simple "no-hands-in-dies" regulation. The most feasible approach in this instance may well be the obvious, straightforward one; and any resulting technological changes would be balanced by the cost of installing safeguarding devices. Further, the question that is paramount is the safety of the American worker. I believe it is incumbent on the Occupational Safety and Health Administration to give worker safety primary consideration in accordance with the legislative mandate in Public Law 91-596.

I am inserting in the RECORD an article which appeared in the Washington Post, June 8, 1975, in further explanation of this matter:

A LOSS OF HANDS

RULE ON MACHINES CONTROVERSIAL

(By Hobart Rowen)

In 1973, in Michigan, there were 307 amputations of hands of workers suffering accidents while operating huge power presses that stamp out variously shaped metal parts.

Both the machine tool building industry and the AFL-CIO claim that most of these accidents for which no good data exist but which are widespread can be eliminated by enforcing what is known as a "no-hands-in-dies" rule. The government agency responsible for occupational safety rules has revoked such a rule, claiming that it is unnecessary and not feasible.

A corollary reason given by the government agency, the Occupational Safety and Health Administration, is that it would be too costly to modify many existing machines so they could be operated by hands outside of the dies.

A die is that part of the power press that shapes metal, or other material—and the part that mangles hands, fingers or arms in an accident.

A submission by the tool builders association to OSHA on June 4, 1974, said that three out of every 500 workers could expect to lose a hand or portion of a hand every year, and that nearly one out of every five would suffer such an injury over a 30-year working career.

The tool builders said these figures were drawn from lost-time statistics gathered by the American Metal Stamping Association, a trade association representing metal fabricators.

The state of Michigan, which conducted its own investigation into safety regulations surrounding the use of power presses, decided last year to stay with the "no-hands-in-dies" rule, in the wake of the 307 serious accidents in 1973.

The response at OSHA, when the matter of the 307 acidents in Michigan is brought up, is, in effect, that no one can prove that these amputations resulted from absence of a "no-hands-in-dies" rule.

John Proctor, senior scientist in OSHA's division of safety standards, said that reports on these accidents "did not differentiate between different machines, or between hands in and hands out of dies." New safety standards that OSHA has promulgated, Proctor said, will provide more detailed reporting of accidents.

The "no-hands-in-dies" controversy has reached a bitter stage between the machine tool builders and the companies that use the tools in factories across the country. In general (although there are exceptions) the tool-users resist the "no-hands-in-dies" ruling as unnecessary and too expensive.

Moreover, they contest the charge that the accidents are necessarily traceable to the absence of a regulation that would keep hands out of the tool.

The tool builders also have a big financial stake in the outcome of the controversy: after collecting whatever state accident compensation is available, an injured worker usually sues the builder. And the builder usually loses such damage suits in court.

"It's like suing the manufacturer of a hammer if you smash your thumb trying to hit a nail," says Charles Pollack of the Machine Tool Builders Association. "But how can you win when you're fighting a guy who's lost a hand? You don't—you settle."

In a situation analogous to that facing medical doctors, the tool builders' liability insurance premiums have climbed from $9 million to $156 million in two years.

The chronology of the argument goes back to May 29, 1971, when OSHA (established in 1970) promulgated a "no-hands-in-dies" regulation to become effective Aug. 31, 1974. This had been the voluntary standard evolved on a nearly unanimous basis by an industry group, the American National Standards Institute, on Feb. 17, 1971.

But in November and December, 1972, the Chamber of Commerce and the Organizations Resources Counselors, Inc. (ORC), representing tool users, petitioned OSHA to revoke the "no-hands-in-dies" standard.

After extensive hearings, OSHA on Dec. 3, 1974, revoked the rule, and issued substitute regulations that become effective Nov. 1, 1975. The new rules, OSHA says, will adequately "protect" employees.

"The universal requirement of "no-hands-in-dies" was determined as not being technologically possible at present, and the costs of modifying, or replacing presses, tools, and dies would be prohibitive. It was also determined that injury data does not support the need for the restriction," an OSHA statement said.

OSHA's ruling, as published in the Federal Register Dec. 3, 1974, said that "adequate operator protection" could be assured by a single safeguarding device (other than "no-hands-in-dies") and that "redundant" safeguarding—that is, requirement of a second or third back-up device would not "meaningfully" increase worker safety.

In addition, OSHA said that "no hands in dies" would make "many short production runs economically infeasible."

The situation at the moment, according to Peter Phillipes of Covington & Burling, attorneys for the tool builders, is that there is virtually no meaningful safety standard for existing power presses and will not be until Nov. 1, 1975. New installations have to conform to a portion of the standard issued on Dec. 3, but it won't be fully applicable until Nov. 1, 1975.

The powerful presses, which all including OSHA concede expose the operators to extreme hazards, are widely used in industry to shape not only metal, but wood, plastics and glass. There are no good national statistics on the accident rate, a fact that OSHA relied upon in its revocation ruling.

But according to George Taylor, executive secretary of an AFL-CIO board on safety standards, the 1970 legislation creating OSHA obligates it to prove, when it revises a standard, that it is providing better safety protection.

"But OSHA caved in to the Chamber of Commerce. It's as simple as that," Taylor said in an interview. Taylor also insists, contrary to OSHA claims, that the cost of modifying power presses is relatively low, and that increased productivity would amortize the modification costs over a few years' time.

A machine tool builders' representative conceded that there might be some power presses that could not be modified to fit a "no-hands-in-dies" requirement. But he rejected the suggestion at OSHA that the machine tool industry is pressing for the tighter requirement so that it can sell more tools.

John H. Stender, assistant secretary of labor for occupational safety and health, said in an interview that under the law, "we can't lay controls on top of controls, and still say it's feasible. We have to deal with what's feasible."

Stender said workers on power presses usually get paid on a piecework basis, and said that many of them object to the "no-hands-in-dies" rule because it limits their earnings. "Of course," Stender added, "employers like to get as much out of the machines as they can, too."

Although revoking the "no-hands-in-dies" regulation, OSHA said that its new rules are "strict," including requirements that improve "failsafe" controls and a new requirement for monitors that "will improve the reliability of the braking system" of the presses.

Stender said that he made the decision to revoke the "no-hands-in-dies" ruling on the basis of the record accumulated during OSHA hearings, involving 300 submissions, 90 exhibits, and more than 700 pages of testimony.

Asked why it would not be better to have the extra protection of "no-hands-in-dies," in addition to other safeguards, Stender said: "By imposing two safeguards, you are imposing unnecessary standards. It's like putting eight wheels on a car."

Last week, the AFL-CIO and the National Machine Tool Builders Association went to court in an effort to get the "no-hands-in-dies" rule restored.

In a brief filed against the Labor Department and Stender in the U.S. Court of Appeals for the Third Circuit by the AFL-CIO, supported by a friend-of-the-court brief of the tool builders, it is charged that OSHA has replaced a "strict national consensus standard with a more lenient standard."

The briefs argued that Stender's revocation of the "no-hands-in-dies" rule "falls woefully short of the statutory requirement" of the act setting up OSHA.

"Safety improving devices (whether associated with hands in dies or hands out of dies) will cost money, but Congress has made the decision that these costs do not outweigh the economic and social costs of continued injuries," the brief says.

In response to OSHA's claim that guards and other protective devices can make the machine as safe as those in which the hands do not enter the die, the brief quoted UAW Vice President Douglas Fraser as follows:

"Logic tells me that if you never expose your hands to the die, it has to be safer. . . . The fact that you don't put your hands in the dies at any time, it seems to me makes it impossible to suffer an amputation."

In its revocation ruling, OSHA contended that the accident statistics "are not helpful" in determining whether the "no-hands-in-dies" rule is more effective than an assortment of other safety devices and guards.

OSHA relied on a 1969 statistical study by the Liberty Mutual Insurance Co., which examined 389 "high-cost" accidents to support this conclusion. Using the same study, the AFL-CIO and tool builders make the opposite claim.

The machine tool builders also assert that most of the accidents are caused either by human error or alteration of tools, which bypass built-in safety measures in order to "get more" out of the machine. They suggest that both the companies shaping material and workers operating machines have been guilty of this.

Nonetheless, the builders say, they are hit with the major cost of liability settlements, since state laws generally limit employer responsibility.

They cite as an example the case of a worker in New Jersey who lost two fingers in a 36-ton mechanical power press. Originally, it was equipped with a mechanical foot treadle, which operated the device if it were depressed 3 to 4 inches. Eventually, the employer modified the press so that an electrical foot switch operated the press. The accident happened when the employee slipped, and as he fell, his hand entered the die area and his foot hit the switch.

In that case, the worker got $3,600 in workmen's compensation, sued the builder, and was awarded $187,000 in a jury judgment against the builder of the original tool.

IMMEDIATE CONGRESSIONAL ACTION REQUIRED TO PREVENT CHAOS ON JULY 1, 1975, IN MEDICAID PROGRAMS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 10, 1975

Mr. KOCH. Mr. Speaker, as you know, congressional authority to disregard social security income in computing medicaid eligibility expires on June 30, 1975. Legislation is now being considered which would extend this eligibility, and I strongly urge that our colleagues do whatever possible to assure its immediate enactment.

Those living on fixed incomes face insurmountable problems in today's inflationary economy, and particularly the elderly poor. It is indeed unfortunate that in many cases the aged poor lose their supplemental security income benefits as a result of social security increases, and fail to reap any of the intended benefits. It would be inexcusable if these individuals and others in similar situations were to now lose their medicaid benefits. For many, it may be a matter of life or death.

Medicaid offices are already beginning to send notification of discontinuance of benefits. It is crucial that this extension be enacted immediately, if at all possible, so that social security recipients in this category are not unnecessarily alarmed.

SENATE—*Wednesday, June 11, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 8:30 a.m., on the expiration of the recess, and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge Him, and He shall direct thy paths.—Proverbs 3: 5, 6.

Our Father God, as Thou hast given us the morning light of this new day so give us also the morning blessing which shall fill the whole day with joy and beauty.

May our burdens be lightened and our judgments be wiser because Thou art with us. May our relations one with the other in this place be in the spirit of Him who walked among men doing good.

When night comes may we look back upon a day when we have loved Thee and sought first Thy kingdom and that righteousness which exalts a nation.

In the name of Christ, we ask it. Amen.

UMI

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 11, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, June 10, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Connecticut (Mr. WEICKER) is recognized for not to exceed 15 minutes.

JOINT CONGRESSIONAL OVERSIGHT OF U.S. INTELLIGENCE-LAW ENFORCEMENT COMMUNITY

Mr. WEICKER. Mr. President, over 10 months ago, along with the distinguished Senator from Tennessee (Mr. BAKER), I introduced legislation to establish a joint congressional oversight committee to police the U.S. intelligence-law enforcement community.

Mr. President, that legislation, along with very similar legislation on behalf of other Senators, has actually had hearings before the Senate Government Operations Committee. So it is not a question of introducing anything new. Rather, it is my intention here this morning to urge the Senate to act.

I have heard that it is the present intention—that may be too strong a word, but rather it is being discussed—that such legislation should not be enacted until after the deliberations and the conclusions of the Church committee.

I might add I heard the same comment made when the Rockefeller Commission was established.

It is my purpose this morning to urge that the Senate act now. There is no reason in the world why these two activities cannot go on simultaneously—the fact-finding, which is the responsibility of the Church committee, and the establishment of an Oversight Committee of the Congress—because, indeed, there is not one Member of this body that can assure the American people that the abuses they read about in the Rockefeller report are not going on right now again. I would hope they are not. I suspect they are not. But we can give no guarantee, and we will not be able to give such a guarantee, until we enact effective congressional oversight.

An overwhelming body of evidence has been compiled documenting abuses by the FBI, the CIA, and other intelligence agencies. I think the time has come, in addition to factfinding, to act upon the facts we already have. There is no reason why the Senate Select Committee on Intelligence Activities cannot proceed with its investigation while a permanent committee is established.

In fact, given the time-consuming nature of the legislative process, I might add that were we to actually start the ball rolling on legislation to create an Oversight Committee, we would probably end up at the same point together, with the Church committee having completed its work and with the Oversight Committee actually being the law.

On the other hand, if we wait until the Church committee concludes, then it will be another year after that before anything is put into place.

Therefore, I rise to reiterate my strong belief that the Congress must establish a permanent oversight capability. To delay establishment of such a committee until next March, as some suggest, is totally unacceptable. Unless Congress acts to establish accountability, no amount of factfinding is worth a damn.

For many years, the American intelligence community has taken the Congress for granted; has treated our citizenry more like an audience than as participants in the Government. Congress has a duty to insure accountability of the vast intelligence establishment. Accountability cannot be achieved without meaningful congressional oversight—oversight that has constancy, purpose, and power to control the purse strings of the agencies.

The Congress has the opportunity to act—to exercise leadership. The legislation, which we reintroduced on January 23 of this year, would establish a joint committee of 14 members evenly divided between the House and Senate, chosen by the leadership. In order to insure a fresh outlook to these agencies, we would encourage the leadership of both Houses to consider some form of rotating membership.

Most importantly, the joint committee would have the primary authorization and legislative authority over all the activities of: the CIA, FBI, Secret Service, Defense Intelligence Agency, and National Security Agency, as well as other surveillance activities or operations of other departments.

No longer will the budgets of the CIA or the NSA be submerged in the Defense Department appropriations bill. No longer will the Congress write blanket authorizations for law enforcement/intelligence agencies.

For example, since 1971, the FBI's budget has risen dramatically. In 1971, the FBI's operating budget was $294 million. In 1975, the Congress appropriated over $440 million for the FBI. In every fiscal year, the agency got what it asked for—and often more. However, during this same period, there was little congressional scrutiny of the FBI's policies and practices. In fact, the House and Senate Judiciary Committees, which have jurisdiction over the FBI, held only 3 days of oversight hearings on the agency. Prior to the impeachment inquiry, neither the House nor the Senate Judiciary Committee held any oversight hearings on the FBI.

Furthermore, this legislation would consolidate the congressional oversight function into one committee with broad powers to demand full accountability.

The present system of fragmented oversight responsibilities dispersed among four standing committees has proved to be inadequate. The very nature of these intelligence agencies is in direct contradiction to the concept of a free society. Recognizing that fact and that they are also necessary, I submit that we cannot allow the oversight of an intelligence agency to be an ancillary function of a standing committee. Effective oversight of the law enforcement/intelligence community is a full-time job. Too much is at stake to rely on the existing system. Unless Congress effectively exercises its oversight responsibilities, our constitutional democracy is vulnerable to continued subversion.

On December 9 and 10, 1974, the Subcommittee on Intergovernmental Relations held hearings on legislative proposals to strengthen congressional oversight of this Nation's intelligence agencies. Since that time, I have continued to push for expeditious consideration of this pending legislation.

We have scrutinized these proposals in committee. The time to act is now. The facts are on the table. The Rockefeller Commission's findings that the CIA engaged in "plainly unlawful" conduct over its 28-year history simply adds to a massive public record already replete with abuses by these intelligence agencies. The important question is: Faced with this litany of abuses, what will be the congressional response? For our system of checks and balances to work, Congress as an equal and coordinate branch of government must develop a capability to control the intelligence community.

I am pleased that the Rockefeller Commission has endorsed the recommendation which was set forth by Senator BAKER and myself in the final report of the Watergate Committee. It adds to the growing recognition for the need of some basic improvement in the congressional oversight system.

Mr. President, if we fail to enact this needed reform by the end of this year, it is my firm belief that we will revert to business as usual and future generations will remain unprotected from the nightmare that we knew as Watergate.

The nightmare will also present itself in the form of reports relative to the CIA and other law enforcement and intelligence agencies.

I cannot emphasize the point strongly enough that there are really two parts to the legislative oversight function: that of factfinding and that of action relative to the facts discovered. We have been woefully negligent in the latter duty. Everybody wants to move on an investigation in this country, but no one wants to legislate and do the dreary work necessary to make sure that these horror shows do not occur again.

I cannot too strongly urge that we act, that we not wait any longer. Our business is to protect the American people, to protect their privacy and their individual liberties and rights. That is not something that can wait until March of 1976. It should be done in June of 1975. Indeed, it should have been done in June of 1974.

The fact is that the law enforcement and intelligence community has way overstepped its bounds. I know, for instance, the interest that people have shown relative to the raising of a Russian submarine by the CIA. No one questions that type of activity as being necessary. Everyone tends to overlook the larger issue of the involvement of the CIA with our free enterprise system. It is deeply involved with the entire corporate world of the United States of America. That is the type of matter which ought to be of concern to us.

I now yield to my distinguished colleague and good friend, the Senator from Tennessee (Mr. BAKER), who was probably the first to report the overstepping of the bounds that had occurred, and who, with me, now believes and has believed for a long time that legislative action is just as important as factfinding.

Mr. BAKER. Mr. President, I thank my colleague from Connecticut for his remarks. I thank him for the opportunity to share this time this morning in the well of the Senate, discussing a matter that has been of great interest to me and to him, which has grown in interest and importance to the people of this country and which I predict will be of even more currency and importance, and will receive greater attention, in the months just ahead.

I especially pay tribute to the Senator from Connecticut for his efforts to do something about the reports of improper activities of intelligence and law enforcement organizations over the last year or so. As he correctly points out, Watergate would mean nothing at all in the context of the entire history of this country if we did not learn from it, if we did not provide against its recurrence, and if we did not profit from our mistakes, from the deeds that have been brought so painfully to the attention of the country. He has been in the vanguard of those who propose legislation, who propose remedies, who proposed that we do more than engage in a preliminary examination of our inadequacies and of our unfortunate past experiences, and this proposal is no exception.

Therefore, it is a great pleasure and indeed my privilege to join with him in a specific proposal to accommodate what we believe to be the requirements of a strong, sound intelligence community on the one hand, and one that is responsible and responsive on the other—a proposal to create a Joint Committee on Intelligence Oversight.

It would be easy enough, as indeed we have in the years past, to say that the CIA belongs, after all, to the executive department, and therefore is uniquely a Presidential asset; that particularly in view of the nature of its undertakings, it is impossible, therefore, to share in a meaningful way responsibility for the operations and workings of the CIA with Congress, or even with the courts, because of the feeling that that sharing might produce leaks, and that, in turn, would destroy the so-called cover of the intelligence operations, and deprive the President of that extraordinary so-called personal asset.

I disagree. I have the privilege of serving on the Joint Committee on Atomic Energy, a committee which deals with secrets of the highest order and the greatest sensitivity, and which has, since the dawn of the nuclear age, shared with the President the most fundamental tenet of America's credible retaliatory capacity—our nuclear arsenal. I have seen that joint committee function. It is a legislative committee as well as an oversight committee. I have seen it function, and function effectively. I have seen it deal with matters of extraordinary sensitivity. And I have seen it keep secrets. Without exception, there has never been a leak of national security sensitive material from the Joint Committee on Atomic Energy.

I think that experience negates the proposition that Congress cannot keep a secret. It can keep a secret; and if it can, it must. If Congress sets about the proper structuring of its oversight responsibilities and its legislative organization, it can share with the President the oversight of this important and, I believe, essential national asset, the intelligence capability of the country.

So, Mr. President, I rise today in support of legislation which has experienced approximately 25 years growth and maturity and whose time has surely arrived. As my colleagues may recall, on September 19 of this past year, my distinguished colleague from Connecticut and I introduced S. 4019, a bill to create a Joint Committee on Intelligence Oversight. This legislation, the so-called Baker-Weicker bill, was the product of Senator WEICKER's and my service on the Select Committee on Presidential Campaign Activities. This bill subsequently was reintroduced during this, the 94th Congress, as S. 317 and enjoys the support of 28 Members of the Senate.

My original concern regarding congressional oversight of the Federal intelligence community stems in large part from the investigation of CIA activities conducted by the minority staff of the Senate Watergate Committee. The recommendation of the Watergate Committee that congressional oversight of the intelligence community be strengthened, as well as my own recommendation calling for the creation of a Joint Committee on Intelligence Oversight, were based on the knowledge before the committee and in the public domain in July of 1974. Since that time, the compelling need for rejuvenated congressional oversight has been rendered immediate by more recent disclosures and revelations. It is hardly necessary to recite the troublesome accounts of questionable domestic and foreign operations conducted by the CIA, the FBI, the IRS, the Postal Service, and the military. Currently, we find ourselves confronted by allegations of CIA participation in assassinations of foreign leaders, as well as the oft-discussed instances of substantial CIA domestic activities. Some of these domestic activities have been labeled by the report of the Rockefeller CIA Commission, which was released yesterday, as "plainly unlawful and * * * improper invasions upon the rights of Americans."

I believe that, in view of these recent disclosures, allegations, and reports, the Congress must immediately reassure the people of this country that the American intelligence and law enforcement community is under somebody's control. And I find that this immediate need is best supplied by the speedy enactment of the Joint Committee on Intelligence Oversight Act, as introduced by Senator WEICKER and myself.

I am pleased that the need for the creation of a new congressional oversight capability is shared by: First, a substantial number of my colleagues, including the distinguished majority leader, who introduced legislation in 1953, 1954, and 1955, to establish a Joint Committee on Central Intelligence; second, the Rockefeller CIA Commission which recommended to the President that he should urge the Congress to establish "a Joint Committee on Intelligence to assume the oversight role"; third, apparently President Ford in light of his remarks during his Monday news conference; and fourth, a series of witnesses appearing before intelligence oversight hearings conducted by the Subcommittee on Intergovernmental Relations, chaired by Senator MUSKIE, during December of last year.

As a member of the Senate Select Committee on Intelligence Activities, I am particularly sensitive to the select committee's charge to report to the Senate recommendations to improve executive and legislative control of intelligence and related activities. In view of these recent developments, however, I believe that the creation of a permanent Joint Committee on Intelligence is an idea which has fully matured and which requires implementation.

We have become painfully aware of the actual and potential abuses resulting from domestic intelligence gathering, surveillance, political spying, questionable foreign intelligence operations, and the like. I believe that this awareness mandates that Congress, as soon as possible, increase its watchdog capability for domestic surveillance activities, and for foreign intelligence operations. The Rockefeller Commission agrees, the President seemingly agrees, a substan-

UMI

tial number of our colleagues agree, former intelligence officials agree, and I believe the public agrees that the Congress must strengthen and regularize its oversight of the intelligence community. Moreover, by the time the Congress completes further hearings and deliberations on this legislation and by the time it passes both Houses and is presented to the President, I believe that it will dovetail nicely with the report and recommendations of the Church committee.

I wish to carefully point out the distinction between this measure and the ongoing inquiry of the Select Committee on Intelligence Activities. A Joint Committee on Intelligence Oversight is a prospective, permanent solution to achieve effective congressional oversight of the several intelligence functions of the Government, and is designed to insure an appropriate balance between the requirements of democracy and the requirements of a sufficient intelligence capability to insure security and national defense. When doubts arise, as they have, regarding the propriety of certain intelligence operations, the Congress, the people's branch of Government, must be privy to those requirements and make an intelligent balancing judgment.

Mr. President, I find that our current oversight arrangement does not meet this function. Thus, I believe that it is time to face up to the almost overwhelming and virtually incontrovertible fact that a new oversight capability is required, and that the Congress must proceed accordingly.

I hope and expect that the appropriate jurisdictional committees will consider carefully the Baker-Weicker proposal, which is modeled on the Joint Committee on Atomic Energy, in supplying this requirement; and I have great faith that this legislative effort will not follow in the pattern of those 150 intelligence oversight bills that have been introduced previously and have remained unenacted into the law of the United States.

Mr. President, I conclude by once again expressing my admiration to the Senator from Connecticut and my appreciation for his efforts in this respect and for his joining with me in this effort to create legislative oversight and to demonstrate in the creation and exercise of this oversight function that Congress, as a coordinate branch, must share with the White House the responsibility for the oversight function; and in the belief that we have got to get to the bottom of the investigations now under way—to take up the President's mandate and challenge to continue this investigation, but to do it in a discreet, honorable, and honest way that does not do jeopardy to the CIA or to this country.

I think the important thing for the future is to put in place institutional arrangements to continue legislative oversight for the future. I hope the jurisdictional committees will act promptly on this matter, and will have in place and ready to function a Joint Committee for Intelligence Oversight as soon as the so-called Church committee has completed its work and been discharged from its responsibilities.

Again I thank my colleague for yielding.

I ask unanimous consent to have printed in the RECORD an editorial from today's New York Times dealing with this subject.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"OPERATION CHAOS" • • •

Instead of the whitewash that many critics had predicted, the Rockefeller Commission's report on the domestic activities of the Central Intelligence Agency is a trenchant, factual and plain-spoken document. It presents an appalling picture of illegal and improper actions conducted against American citizens in a wide range of activities and over a long period of time.

The National Security Act of 1947 establishing the C.I.A. explicitly forbade the agency from exercising any "police, subpoena, or law-enforcement powers or internal security functions." Although the word "foreign" is nowhere used in the statute, it was clearly understood that the C.I.A. was to engage only in collecting foreign intelligence.

Yet when domestic turmoil began to develop in the mid-sixties in campus demonstrations, rebellions in the black slums and the widespread protest movement against the Vietnam war, the C.I.A. under Richard Helms responded to the pressure from President Johnson to investigate domestic dissidents in the hope of finding embarrassing links to Communist countries.

No such links were ever found, but the White House pressure to pursue this will-o-the-wisp greatly intensified during the first four years of the Nixon Administration. It would be laughable if it were not sinister that the C.I.A.'s code name for this wholly illegal investigative project was "Operation Chaos."

It is horrifying to learn that the C.I.A. had undercover contacts monitor the meetings of groups such as the Southern Christian Leadership Conference and the Washington Urban League. It maintained files on nearly a thousand organizations. By August, 1973, when C.I.A. Director Colby virtually halted this project, "the paper trail left by Operation Chaos included somewhere in the area of 13,000 files on subjects and individuals," the report discloses. Linked to this was a computer system containing an index of over 300,000 names and organizations, almost all of them of United States citizens and organizations unconnected with espionage.

Mr. Helms and the high officials of the Johnson and Nixon Administrations with whom he dealt were well aware that they were breaking the law. Thus, in submitting to Henry Kissinger a report on "Restless Youth," Mr. Helms wrote in a covering memorandum early in 1969 that a section on American students was "extremely sensitive" because the whole area was outside the agency's charter.

For twenty years beginning in 1953, the C.I.A. surveyed mail between this country and the Soviet Union, opening several thousand letters each year. This, too, was in clear violation of the law and was finally halted at the insistence of the Chief Postal Inspector.

Like the Federal Bureau of Investigation under the late J. Edgar Hoover, the C.I.A. in selected instances engaged in wiretapping and burglary—sometimes on its own and sometimes in collaboration with the F.B.I.

What emerges from this report's account of Operation Chaos and of mail interception, wiretapping and other misconduct is the picture of an embryonic police state. The press disclosures that forced this Presidentially directed inquiry by the Rockefeller Commission and the further investigations to come by the Senate and House committee have served to alert the nation to a development profoundly dangerous to constitutional democracy.

CIA REFORM

The revelations in the Rockefeller report demonstrate the unwisdom of freeing the Central Intelligence Agency from all the normal legal and institutional procedures that serve to review and restrain the exercise of power by ordinary government agencies. The law establishing the C.I.A. placed total reliance upon the good judgment of the President and the C.I.A. director.

Even at the outset, in the Truman and Eisenhower Administrations and under the canny leadership of Allen Dulles, this reliance proved insufficient to prevent some illegal activities such as the extensive mail interception program. Under later Presidents this control system totally failed.

The recommendations of the Rockefeller Commission, sound as far as they go, largely add up to imposing the restraints that help control other bureaucracies. It urges that Congress seriously consider making the C.I.A.'s budget "at least to some extent" a matter of public knowledge, instead of concealing it—as is now done—in fictitious items listed in various departmental budgets. Quite apart from all the obvious dangers such loose practice presents, it does not even seem to meet the explicit requirements of the Constitution.

The agency has not only been largely immune from the inquiries of the General Accounting Office, Congress's investigatory arm, but also has felt free to mislead the Office of Management and Budget, the President's agent for fiscal control. Amending the law and executive orders to make it clear that the C.I.A. can no longer escape normal budgetary control, would do much, all by itself, to uncover and perhaps prevent the expenditure of large sums of money on illegal operations.

The C.I.A. has traditionally had an understanding with the Attorney General that the agency would investigate any criminal charges against its own employes and not refer them to the Justice Department. The commission is right to urge that this "gentleman's agreement" be abrogated and that the Justice Department reassume its proper prosecutorial role.

The President's Foreign Intelligence Advisory Board and the Congressional supervisory committees have all failed in their trust. Had they been vigilant and aggressive the shocking misdeeds now being exposed could never have occurred or would soon have been curbed. The commission wisely recommends that the powers of the advisory board be strengthened and that Congress at long last establish a joint committee on intelligence, but not too much reliance can be placed on either of these reforms.

In this dangerous world, the United States must have a well-run agency to gather information about foreign nations, especially those that may have hostile designs. The excesses and aberrations of the C.I.A. do not erase that necessity, nor do they cancel out the useful work the agency has performed at times in assessing various critical international situations.

The challenge to President Ford and to Congress is to devise institutions and procedures strong enough and supple enough to enable the C.I.A. to perform its essential overseas tasks without simultaneously swirling out of control and becoming a covert menace to the very freedoms it is supposed to be protecting.

• • • ASSASSINATION PLOT

The best way to avoid suspicions of a cover-up is not to cover up. President Ford's explanations for withholding those portions of the Rockefeller Commission's report concerning allegations of political assassinations only compound the injury already inflicted by massive leaks and innuendo on this sordid issue.

It is no excuse to say, as the President did, that the subject is "extremely sensitive." Indeed it is, which is why a full and authoritative statement is the only way to prevent half-truths and gossip from acquiring a life and credibility of their own. For the President simply to refer darkly to unspecified incidents of the "past fifteen or twenty years" is in itself a veiled indictment susceptible to misuse for partisan political purposes.

The President personally broadened the Rockefeller Commission's assignment to include the reports of United States involvement through C.I.A. in the ugly business of plotting the murder of foreign rulers. Whatever facts the commission's inquiry established should now be made public, along with whatever additional material emerges from the independent investigations now being made by two Congressional committees.

In the absence of such disclosure, Mr. Ford's statement that "I am totally opposed to political assassination" is more fatuous than reassuring.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief period for the conduct of routine morning business, with a time limitation of 3 minutes attached thereto as to individual Members.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the ACTING PRESIDENT pro tempore (Mr. BURDICK) laid before the Senate a message from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF A BILL

A message from the President of the United States stated that on June 9, 1975, he had approved and signed the following bill:

S. 1842. An act for the relief of Dr. Arturo Bomolan Dela Rosa.

MESSAGES FROM THE HOUSE

At 11 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the joint resolution (H.J. Res. 492) making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (S. 441) to amend the Forest Pest Control Act of June 25, 1947.

The enrolled bill was subsequently signed by the Vice President.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. BURDICK) laid before the Senate the following letters, which were referred as indicated:

FINAL DETERMINATION OF THE INDIAN CLAIMS COMMISSION

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a report of its final determination in respect to the Indian claim of the *Bay Mills Indian Community, et al.* v. *the United States* (with accompanying papers); to the Committee on Appropriations.

REPORT TO THE PUBLIC DEFENDER SERVICE BOARD OF TRUSTEES

A letter from the Chairman of the Board of Trustees of the Public Defender Service for the District of Columbia transmitting, pursuant to law, the annual report of the Public Defender Service Board of Trustees for fiscal year 1974 (with an accompanying report); to the Committee on the District of Columbia.

PROPOSED ACT OF THE COUNCIL OF THE DISTRICT OF COLUMBIA

A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of a proposed act to declare the birthday of Dr. Martin Luther King, Jr., to be an official holiday (with accompanying papers); to the Committee on the District of Columbia.

REPORT OF THE OFFICE OF CIVIL DEFENSE OF THE DISTRICT OF COLUMBIA

A letter from the mayor of the District of Columbia transmitting, pursuant to law, a report of the Office of Civil Defense of the District of Columbia for the fiscal year 1974 (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF THE SECRETARY OF LABOR

A letter from the Secretary of Labor transmitting, pursuant to law, the report of the Secretary of Labor on the administration of the Welfare and Pension Plans Disclosure Act of 1974 (with an accompanying report); to the Committee on Finance.

REPORT OF THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a report entitled "More Effective Public Service: The First Report to the President and the Congress by the Advisory Council on Intergovernmental Personnel Policy" (with an accompanying report); to the Committee on Government Operations.

REPORT OF THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a report entitled "Vocational Education: Staff Development Priorities for the 70's" (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service, with an amendment:

S. 584. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes (Rept. No. 94–189).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 44. A concurrent resolution to provide for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America (Rept. No. 94–190).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that today, June 11, 1975, he presented to the President of the United States the enrolled bill (S. 441) to amend the Forest Pest Control Act of June 25, 1947.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. EAGLETON (for himself and Mr. MATHIAS):

S. 1913. A bill to amend the District of Columbia Policemen and Firemen's Retirement and Disability Act. Referred to the Committee on the District of Columbia.

By Mr. BENTSEN:

S. 1914. A bill making appropriations for the Domestic and International Business Administration, Department of Commerce, for the fiscal year ending June 30, 1976. Referred to the Committee on Appropriations.

By Mr. TAFT:

S. 1915. A bill to facilitate improved Government efforts to encourage the preservation of existing housing and neighborhoods. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CLARK (for himself and Mr. ABOUREZK):

S. 1916. A bill to authorize the Secretary of Agriculture to carry out rural conservation employment projects in rural areas of substantial unemployment. Referred to the Committee on Agriculture and Forestry.

By Mr. FONG:

S. 1917. A bill for the relief of Pedro Dela Cruz Aqui;

S. 1918. A bill for the relief of Rodolfo Evangelista Corpuz;

S. 1919. A bill for the relief of Hermogenes Laguesta Rana; and

S. 1920. A bill for the relief of Lucilo Mejia Balaoen. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1921. A bill to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself and Mr. MAGNUSON):

S. 1922. A bill to amend the Act of July 7, 1970 (84 Stat. 409) to authorize appropriations to the Secretary of the Interior without reference to the agencies involved. Referred to the Committee on Interior and Insular Affairs.

UMI

By Mr. PACKWOOD (for himself, Mr. McGEE, Mr. HUMPHREY, Mr. LAXALT, and Mr. DOMENICI):

S. 1923. A bill to amend the act entitled "An act to require the protection, management, and control of wild free-roaming horses and burros on public lands," approved December 15, 1971. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUDDLESTON:

S. 1924. A bill to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938. Referred to the Committee on Agriculture and Forestry.

By Mr. BARTLETT:

S.J. Res. 96. A joint resolution proposing an amendment to the Constitution of the United States providing for the reconfirmation by popular vote of certain Federal judges. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 1914. A bill making appropriations for the Domestic and International Business Administration, Department of Commerce, for the fiscal year ending June 30, 1976. Referred to the Committee on Appropriations.

Mr. BENTSEN. Mr. President, I am today introducing legislation that will strengthen this country's export capability by continuing certain export expansion programs in the Department of Commerce which the administration has proposed to reduce. Although our trade balance has improved in the past few months, we should be making every effort to expand exports rather than reduce them.

In the President's proposed fiscal year 1976 budget, the Commerce Department's export expansion budget has been cut by $8.08 million. This is a small reduction but one that would jeopardize $2 billion of U.S. export sales annually, 140,000 jobs in U.S. industry, approximately $3.2 million in GNP, and $.84 billion in tax receipts. Over 10,000 American companies would be affected, about half of which are small- and medium-sized businesses, those which have the most difficulty in breaking into the export market.

American business, and in turn the entire economy, benefit substantially from the trade fairs, trade center shows, trade missions, and other promotions of U.S. consumer goods organized by the U.S. Commerce Department in both developed and developing countries. In addition, the Commerce Department has an extensive computer system which gathers information pertaining to potential purchasers abroad of U.S. products, which information is in turn made available to American businessmen. A series of Commerce Department programs designed to encourage U.S. business to enter the export market are particularly helpful to small businesses which would not otherwise consider exporting. It is clear that with the proposed reduction in export services, the export position of this country will be substantially damaged. It is projected that this cutback would result in a 65 percent reduction of U.S. trade fairs; a 48 percent reduction of trade missions; a 47 percent reduction of in-store promotions of consumer products; a 55 percent reduction of commercial presence fairs; a 10 percent reduction in scope of trade center exhibitions and the loss of over 85,000 sales leads which these programs could be expected to generate.

Mr. President, the relationship between exports and jobs is too often overlooked in this country; 3.5 million American workers depend on exports for their jobs and every additional billion dollars of real U.S. exports creates approximately 70,000 new U.S. jobs. The administration's proposed budget reduction would affect the jobs of some 140,000 U.S. workers. With the 8.9 percent rate of unemployment we are experiencing today, we cannot tolerate yet a further increase in the unemployment statistics.

During the current recession, exports have been the best performing sector of the economy. We should, consequently, continue to look to exports to offset our increasing import requirements, particularly for energy. In addition, export markets serve as vital offsets to slumping domestic markets by keeping factories at or near full production. By expanding its exports, a company can spread certain fixed costs over a large number of units of output, reducing its unit costs of production.

Mr. President, it is interesting to compare expenditures on export expansion activities of our major trading competitors with those of the United States. The latest data available reflect that the United States ranks fourth in direct export promotion expenditures and had the lowest percentage increase from 1973 to 1974 of the world's major exporting nations. Both in 1973 and 1974 the United States ranked next to last in direct export promotion expenditures per $1,000 of manufactured goods exports and between 1973 and 1974 had the greatest percentage decrease of expenditures per $1,000 of exports.

Mr. President, I was a cosponsor of the Budget Reform Act which is, I believe, a long overdue and major step toward improving congressional control over Federal expenditures. I believe that we must move to cut the fat out of the Federal budget but reducing our export expansion programs is not the way to go about it.

Mr. President, there is much that needs to be done to strengthen the role of the United States in international markets. And there is much that needs to be done to streamline the way foreign economic policy decisions are made. The Congress and the executive branch should be working more closely on a whole range of foreign economic policy issues, particularly those relating to international trade. My bill is an important first step toward improving our foreign trade capability and I urge the Senate's support for it.

By Mr. TAFT:

S. 1915. A bill to facilitate improved government efforts to encourage the preservation of existing housing and neighborhoods. Referred to the Committee on Banking, Housing and Urban Affairs.

HOUSING PRESERVATION ALTERNATIVES ACT OF 1975

Mr. TAFT. Mr. President, today I am introducing the Housing Preservation Alternatives Act of 1975.

This bill is necessary because we Americans are not doing enough to conserve a vast resource and investment—our 70 million unit existing housing stock, 30 million of which are over 25 years old. The bill's purpose is to propose several methods by which the Federal Government can stimulate a great deal of housing conservation and preservation with a small amount of money, by providing incentives for the use of private and State and local government financing for this task.

Since coming to the Senate, and particularly in my 3 years of service on the Housing and Urban Affairs Subcommittee, I have urged strongly that our Federal Housing policy devote more attention and resources to the conservation of the existing housing stock. The high cost of building new housing, the scarcity of urban land on which new housing can be built, environmental problems, and energy problems all are impediments to a policy relying almost solely on new housing construction. This is particularly true in connection with the subsidized housing programs, which sometimes have placed low-income families in new housing that the average American who is supposedly too rich for the programs cannot afford. On the other hand, housing conservation and rehabilitation programs keep the supply of possible housing from shrinking through deterioration or abandonments, help allow citizens to stay in the urban neighborhoods they have lived in for years, allow some buildings to be saved which add to the charm and diversity of appearance of our urban areas, and sometimes stave off the need for more comprehensive Government investments of an urban renewal nature by combatting neighborhood deterioration at an early stage.

While several of my amendments along these lines became law as part of the Housing and Community Development Act of 1974, including an amendment to our national housing goal which declares it official Government policy that more attention and resources need to be devoted to housing and neighborhood conservation, these amendments have not had much practical effect as yet on Federal housing policies. As I documented at the time Senator CRANSTON, myself, and others introduced legislation to extend and amend the 3-percent Federal housing rehabilitation loan program—section 312—early in this Congress—S. 1212—that lack of effect is totally consistent with our past dismal record in the housing and neighborhood conservation and preservation field.

Most of the controversy on housing preservation this year has concerned that proposed extension of the section 312 program. I was naturally pleased that as part of the Emergency Middle-Income Housing Act, the Senate passed the legislation we had introduced virtually intact. These provisions extended the program for 3 years at an annual authorization level of $150 million, raised the program's interest rate for borrowers who could afford to pay more than 3 percent, and proposed a new method of financing under which only the true costs of the program—an allowance for losses and administrative costs plus the differential between the program's subsidized interest rate and treasury borrowing costs—would need to be appropriated, rather than the entire outlay amounts.

Unfortunately, the conference committee dropped both substantive changes and extended the program for 2 years at a level of only $35 million per year, plus the use of any funds coming in from loan repayments. I know that the Senate conferees fought hard to obtain those provisions and I commend them for that fight. The House conferees apparently had such a closed mind on section 312 that they would not even consider changes to make the program more efficient and less costly per unit of housing rehabilitated, such as the interest rate increase.

This program level, if it becomes law, appears to be high enough to be significant. However, it is so slow that HUD may have to make some tough and almost arbitrary decisions in allocating the funds, although the Senate committee report should provide some guidance. In view of this result and the need for the Senate's proposed substantive changes, I feel that S. 1212 as introduced continues to deserve consideration.

A far brighter spot in the housing conservation and preservation picture is HUD's preliminary figures on the use of community development funds. According to these estimates, communities have decided to use about $200 million of the block grant money for housing rehabilitation. That amount is more than twice as large as the section 312 program ever has been in any year, and thus some have argued it illustrates the lack of any need for section 312 and similar programs. I cannot buy that argument at this time, because the tremendous funding demands on community development applications make it likely that even this amount is far below our housing conservation demands and needs. Many communities with such needs have not been able to receive community development money. There also remain a good number of States in which constitutional provisions may prevent or delay the use of community development funds in this manner. In addition, it may be possible to use section 312 allocations and other approaches as incentives for the development of effective local programs of this nature, as the Senate committee report on section 312 suggested.

Rather than indicating that the Government need do no more in this area, the large amount of funds going to rehabilitation within the community development pot indicates to me that our citizens at the grassroots level have been able to recognize a need to which Federal officials have not been sufficiently responsive. No development could be more in the spirit of the community development block grant philosophy, and the Federal Government should be willing to take actions which reinforce and facilitate programs based on these local judgments. That is exactly what the provisions of this bill are designed to do.

Section 1 of the bill is its title, while section 2 contains its findings and purpose. Some of the proposals would be implemented at a demonstration level, while others are changes in present statutes which can be implemented fully. However, all the proposals share the potential of stimulating private and local government financing of housing conservation and rehabilitation with a small amount of Federal outlays.

Section 3 would amend the FHA title I home improvement loan program. This is the unsubsidized program of insurance for home improvement loans, which operates through the financial institutions. Presently, in the case of a loss under this program, the financial institution is insured for 90 percent of the amount and must pay to HUD the other 10 percent. Section 3 would waive that 10 percent coinsurance requirement in cases where the insured loan is combined with a subsidy of at least $2,000 from city or State funds. The subsidy would have to be related to a city's approved community development program and its purpose would be to allow citizens who otherwise could not afford to do so to undertake housing repairs or rehabilitation. The local government also would have to agree to reimburse the Secretary for 20 percent of any insurance loss encountered under this section. That requirement would give the community an interest in the soundness of the Federal Government-insured rehabilitation loan.

This provision is designed to facilitate programs which combine local grants and federally insured private loans. Of course, a home improvement loan with Federal insurance generally carries a lower interest rate than a noninsured loan. Thus, the provision would provide a means for communities to "leverage" private funds in support of housing conservation, at the lowest interest rates possible. In addition to allowing communities to stretch the effective usage of their community development funds, the provision would promote a closer working relationship between local governments concerned about deteriorating neighborhoods and the financial institutions responsible for the mortgage and home improvement loans to those areas. I have been extremely concerned that in most cities, this relationship has been almost nonexistent despite its obvious importance as communities try to encourage neighborhood conservation and preservation.

Section 4 would provide for a Federal demonstration of the same program, so that its usefulness and any drawbacks could be demonstrated nationally and it could be assessed systematically. Additionally, it authorizes HUD to illustrate the feasibility of making grants or advances in connection with any other type of private financing, including other types of FHA-insured loans, for the purpose of financing housing repairs, improvements and rehabilitation with private capital to the extent feasible. The maximum amount of demonstration grant money to be expended in this manner could not exceed $15 million in any fiscal year, which is adequate but considerably less than the amounts specifically authorized for various demonstrations in the past.

Section 5 of the bill is patterned on a proposal which passed the Senate in the last Congress but did not become law. That section would allow HUD to insure against part of its losses a revolving rehabilitation loan fund administered by a State or local government or an approved nonprofit agency. For example, HUD might agree to insure such a fund for losses only up to a given amount or percent of outstanding loan amounts in any year, or for a portion of any losses exceeding those amounts. The provisions are written flexibly, so that HUD could determine the most beneficial way to use the statute. However, in all cases the entity administering the loan fund would have to share in the risk of losses.

A loan program could be eligible for this insurance only if it involves significant financial participation by a State or local government, the program is consistent with any applicable community development plan for the area, the persons aided cannot afford or obtain private financing, and the program meets whatever requirements concerning the nature of the loans involved, including requirements concerning the nature of the neighborhoods involved, that the Secretary determines necessary so that the insurance guarantee will be acceptable as a special risk.

The Secretary also would have to be satisfied, to the extent practicable, that the guarantee will result in larger housing preservation programs, not just support preservation actions which would have been taken anyway. I realize that this is sometimes a very difficult judgment for HUD to make, but I believe that there are ways of doing it. For example, a proposed major expansion in the portion of community development funds used for this purpose might be evidence that the guarantee would be fostering a greater preservation effort. Of course, one of the reasons the program is proposed at a demonstration level is to determine whether such requirements seem to be workable.

The aggregate amount of outstanding loans in revolving funds partially insured under this provision would be limited to $15 million at the beginning of fiscal 1977 and $35 million at the beginning of fiscal 1978. At an average of $5,000 per rehabilitation loan, which may be low, these amounts would support loan funds involving 3,000 loans nationwide and 7,000 loans nationwide per year respectively. Thus, the program obviously is at the demonstration level and HUD should use

UMI

it accordingly, by doing all it can to test the program's potential.

It should be made clear at this point that this proposal would involve minimal expense to taxpayers. The loan amounts I have just mentioned would only be partially insured and thus are far greater than HUD's maximum potential loss liability. Furthermore, only a small fraction of the amounts insured would be likely to result in losses. It is thus extremely doubtful that at the program levels I am proposing, the losses would run as high as even $5 million.

Loss amounts also would be counterbalanced, at least to a major extent, by the payment of insurance premiums. I believe that this low projected cost and the possibility that this program could marshal considerable local public and private money in support of housing conservation together constitute a compelling argument that this approach be tried.

Under section 6 of the bill, section 223 (f) of the National Housing Act would be limited in the future to activities which fulfill its intended purpose of promoting housing conservation and preservation. This provision, which evolved from an amendment Senator CRANSTON and I offered to the Housing and Community Development Act of 1974, authorizes the FHA to insure mortgages covering existing multifamily housing projects. However, by interpreting "existing" so broadly that projects just completed are covered, HUD has developed an insurance program for newly built projects pursuant to this section.

The purpose of that HUD program is to help obtain permanent financing for many of the projects which have had trouble obtaining it during the recent period of inflation, credit squeeze, and housing depression. HUD contends that by facilitating the permanent financing of these projects, funds may be freed which can be used to support new construction.

I do not doubt that the housing market can benefit from such assistance, at this difficult time for housing and the multifamily sector in particular. This help can come at little cost to the Government if care is used in underwriting such projects so that insurance losses are minimal. For these reasons, I have not demanded a stop to the section 223(f) new projects program even though it certainly goes beyond our legislative intent for the provision.

However, while the program is tolerable to me on a one-time temporary and unanticipated basis. I do not believe it would be good policy to allow the use of section 223(f) again in this fashion.

Congress generally has insisted that FHA insurance only be given for new construction where the Government has been involved from the beginning, to insure that various public goals are met. These goals are embodied in an affirmative marketing policy for rentals, the Davis-Bacon Act provisions governing construction wages, environmental requirements, cost certification requirements, and under some FHA programs, "affirmative action" employment programs. Under the section 223(f) new projects program, most of these requirements cannot be or are not applied because the projects are already built and largely rented at the time insurance is granted.

HUD has recognized that the availability of section 223(f) on a regular basis would undermine these normal FHA procedures. Thus, the new projects program has been limited to projects which already had been started at the time the program was announced, so that it could not possibly apply to parties who would have anticipated its use and waited for it rather than complying with the normal FHA insurance requirements. However, even if any future use of the new projects program eventually were structured the same way, the possibility of such a program might lead lenders and developers to anticipate it and lobby for it, rather than working out their problems or going the normal FHA route. Such a program also always would contain the inequity of allowing FHA insurance to be granted to some entrepreneurs who did not have to comply with FHA requirements, while most have been forced to do so and might have incurred higher project costs because they did. Furthermore, I do not think that the benefits of the new projects program in terms of increasing industry liquidity outweigh the disadvantages of allowing circumvention of the normal FHA requirements so clearly that we are compelled to keep this option on the books. If a future emergency situation in the multifamily financing sector appears to require the use of this kind of program once again, Congress can always pass special legislation.

I have been concerned about the Federal Housing Administration's lack of effectiveness during the past few years and I feel that its unsubsidized operations need to be reviewed. There is probably plenty of room for improvements which could make the FHA more effective in improving the financing situation for multifamily projects. However, I do not believe that a permanent section 223(f) "as diverted" passively should be accepted as the improvement we desire.

HUD is aware of these arguments and, I think, is generally in sympathy with them. Thus, the agency has made clear that the section 223(f) new projects program is to be a "one-shot" occurrence. However, I believe that this decision ought to be locked in by law. Otherwise, we leave open the possibility that some administration in the future might either give in to considerable indust y pressure or decide on its own for political or other reasons to reinstitute the new projects program.

Therefore, section 6 of the bill would provide that in the future, only projects which are at least 3 years old would be eligible for insurance under section 223 (f). However, the new projects program now in effect would be allowed to run its course.

Of course, this action to preclude the future use of section 223(f) for new projects does not guarantee its use for the purposes its authors intended. I still believe that this section can be a valuable tool for preserving existing housing. The authority to insure purchased mortgages covering existing projects can help facilitate the transfer of these projects to more sympathetic or competent landlords. It can also increase older apartments' economic viability indirectly, by providing an assurance that financing will be possible if the landlord chooses to sell them in the future. This could lead to a perception of such projects as better investments, and encourage landlords to treat them accordingly as far as maintenance and repairs are concerned.

The purchase and refinancing authority also could be used to finance moderate housing rehabilitation, by allowing a stretching out of the length of existing mortgages. The insurance authority could help make money available for this purpose without necessarily increasing the monthly payment burden of the mortgagor. It was this aspect of insurance for refinancing in particular which received a great deal of attention as the legislation was being discussed. Because it appeared to be a unique means of allowing landlords to repair their buildings without dictating monthly expense increases which so often force rents upward.

It was also pointed out throughout the debate on this legislation that the FHA has authority to insure the refinancing of single family existing housing already and that this authority should be used if possible in similar ways, although there are institutional impediments to this approach. Others pointed out that in some cities, many mortgages on property located in older areas have a short term with a balloon payment due at the end. The section 223(f) approach was considered a possible means of facilitating the financing of those balloon payments.

Although HUD has concentrated on the temporary new projects program thus far, the staff involved state that it is the agency's intention eventually to use the statute along the lines it was originally intended. Insurance transactions in declining neighborhoods certainly are often risky and HUD will have to move with prudent administrative caution. But nevertheless the agency should move ahead in this direction. In view of the great need to preserve these housing units, the statute's potential to help do so should be explored thoroughly.

Section 7 of the bill would authorize HUD to explore the feasibility and undertake demonstrations where appropriate of other measures by which the Government can encourage housing and neighborhood conservation and preservation. The subjects specifically included for further exploration are measures to develop a secondary market for home improvement and rehabilitation loans, the possible innovative use of mortgage insurance, and measures to render the refinancing of existing mortgages a more economical means of housing preservation. For example, there may be methods of reducing the front-end charges on the refinancing of a single-family mortgage so that obtaining repair money through a mortgage stretchout can be made more feasible.

Section 8 would require, not later than March 31, 1978, a report of the activities carried out pursuant to this act and an evaluation of all demonstrations, programs, and measures designed to encourage housing and neighborhood preservation. These measures specifically would include tax measures and housing preservation measures taken under section 223(f). HUD also would be asked to make recommendations concerning future Government policy for encouraging housing and neighborhood preservation. An interim report would be required 1 year earlier, so that it could be considered in conjunction with the possible extension of the community development program and section 312.

This legislation is not introduced as a replacement for present housing rehabilitation programs although the viability of some new approaches is likely to be demonstrated. Section 312 will always be the cheapest method of providing low-interest housing rehabilitation loans, because the Federal Government can borrow at a lower interest rate than other borrowers. The bill simply recognizes that the Federal Government's programs cannot and will not accomplish the preservation task alone, and proposes to facilitate greater involvement of other funds, governments, and organizations in this task. I estimate that the bill will have a Federal cost of at most $25 million annually. I am confident that its economic and social benefits, based upon the amount of housing preservation and rehabilitation it generates, will far surpass that cost.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing Preservation Alternatives Act of 1975".

FINDINGS AND DECLARATIONS; PURPOSE

SEC. 2. (a) The Congress—

(1) reaffirms its finding that policies designed to contribute to the achievement of the national housing goal have not devoted sufficient attention and resources to the preservation of existing housing and neighborhoods;

(2) reaffirms its declaration that, if the national housing goal is to be achieved, a greater effort must be made to encourage the preservation of existing housing and neighborhoods; and

(3) declares that in view of this situation, promising alternative means of encouraging such preservation should be developed and assessed promptly.

(b) It is the purpose of this Act to authorize the Secretary of Housing and Urban Development (hereinafter referred to as "the Secretary") to develop and implement alternative means of encouraging the preservation and rehabilitation of existing housing and neighborhoods, on a scale which is at least sufficient for assessment purposes but which does not involve an excessive amount of new Federal outlays, and to report his evaluations and recommendations for future housing and neighborhood preservation policy to the Congress.

LEVERAGING OF LOCAL FUNDS

SEC. 3. Section 2(a) of the National Housing Act is amended by inserting before the period at the end of the first paragraph the following: "(or 100 per centum of such loss if (A) such loan, advance of credit or purchase is accompanied by a subsidy or grant of at least $2,000 to the owner or lessee of such real property in conjunction with any applicable approved community development program under title I of the Housing and Community Development Act of 1974, for the purpose of enabling such owner or lessee to undertake housing repairs, improvements or rehabilitation, and (B) the State or unit of general local government supplying such subsidy or grant agrees to reimburse the Secretary for an amount equal to 20 per centum of any such loss)".

DEMONSTRATION ASSISTANCE FOR HOME IMPROVEMENT LOANS

SEC. 4. Title I of the National Housing Act is amended by adding at the end thereof the following new section:

"DEMONSTRATION GRANT ASSISTANCE

"SEC. 10. (a) The Secretary is authorized to undertake a program to demonstrate the feasibility of making grants or advances in connection with private financing, in order to enable homeowners to finance housing repairs, improvements, or rehabilitation with private capital to the extent feasible and without paying an excesive percentage of their monthly incomes for housing expenses, as determined by the Secretary. For this purpose, the Secretary is authorized to make grants or advances in connection with property improvement loans covered by insurance under section 2 of this title, or in connection with other private financing of housing repairs, improvements, or rehabilitation (including financing insured pursuant to this Act) upon such terms and conditions as he may prescribe subject to the limitations of this section.

"(b) The cost of repairs, improvements, rehabilitation facilitated by any grant or advance made under this section shall not exceed the maximum insurable amount for a property improvement loan which is insured pursuant to section 2 of this title.

"(c) To the extent practicable, the Secretary shall carry out the provisions of this section through the financial institution which makes the loan in connection with which the grant or advance is made. The Secretary is authorized to utilize local public and private agencies where feasible to assist in the administration of this section.

"(d) Grants or advances under this section may not be made after March 31, 1978. For the purpose of making grants or advances pursuant to this section, there are authorized to be appropriated not to exceed $15,000,000 in any fiscal year."

PORTFOLIO INSURANCE FOR REHABILITATION LOAN FUNDS

SEC. 5. Title I of the National Housing Act is further amended by adding at the end thereof the following new section:

"REHABILITATION FUND INSURANCE

"SEC. 11. (a) The Secretary is authorized upon such terms and conditions as he may prescribe to enter into contracts to insure revolving rehabilitation loan funds administered by State or local governments, or by public or private nonprofit agencies or organizations approved by the Secretary for purposes of this section, against part of the losses which such funds may sustain as a result of loans or advances of credit from the funds pursuant to loan programs which meet the requirements of this section. To the maximum extent practicable, the Secretary shall provide insurance pursuant to this section only in cases where he is satisfied that such insurance will result in a significantly larger rehabilitation program.

"(b) A loan program which meets the requirements of this section shall—

"(1) involve significant financial participation in the rehabilitation program by a State or local government;

"(2) involve loans to finance rehabilitation of predominantly residential property in a manner consistent with any approved community development plan under title I of the Housing and Community Development Act of 1974 for the community involved;

"(3) provide loans to persons who cannot obtain or afford private financing; and

"(4) meet such requirements concerning the nature of the loans involved, including requirements concerning the nature of the neighborhoods involved, as the Secretary determines necessary so that any guarantee pursuant to this section will be acceptable as a special risk.

"(c) The Secretary is authorized to establish and collect such insurance premiums or other fees or charges as he determines to be necessary in connection with the administration of this section. Any contract for insurance under this section shall be the obligation of the Special Risk Insurance Fund.

"(d) The aggregate amount of outstanding loans in revolving funds partially insured against losses under this section may not exceed $15,000,000, at the beginning of fiscal year 1977, and may not exceed $35,000,000, at the beginning of fiscal year 1978."

LIMITATION ON INSURANCE PROGRAM FOR EXISTING MULTIFAMILY PROJECTS

SEC. 6. The first sentence of section 223(f) of the National Housing Act is amended by inserting before the period at the end thereof the following: ", except that a mortgage covering a project, the construction of which commenced after June 30, 1974, may not be insured prior to the expiration of 3 years after the completion of construction".

OTHER MEASURES TO FACILITATE HOUSING PRESERVATION

SEC. 7. The Secretary shall explore the feasibility and undertake demonstrations, where appropriate, of innovative measures by which the Federal Government can encourage the preservation of existing housing and neighborhoods other than the measures authorized by sections 3, 4, and 5 of this Act. Such measures shall include, but are not limited to—

(a) measures to develop a secondary market for home improvement and rehabilitation loans;

(b) the innovative use of mortgage insurance; and

(c) measures to render the refinancing of existing mortgages as a more economical means of housing preservation.

REPORT

SEC. 8. (a) Not later than March 31, 1978, the Secretary shall submit to Congress a report of the activities carried out pursuant to this Act. Such report shall include the Secretary's evaluation of such activities and of other domonstrations, programs, and measures designed to encourage the preservation of existing housing and neighborhoods (including tax measures, which the Secretary shall review in cooperation with the Secretary of the Treasury, and section 223(f) of the National Housing Act), and the Secretary's recommendations concerning future government policy for encouraging such preservation.

UMI

(b) Not later than March 31, 1977, the Secretary shall submit to Congress an interim report which contains a description and evaluation, to the extent practicable, of the activities carried out pursuant to this Act.

By Mr. CLARK (for himself and Mr. ABOUREZK):

S. 1916. A bill to authorize the Secretary of Agriculture to carry out rural conservation employment projects in rural areas of substantial unemployment. Referred to the Committee on Agriculture and Forestry.

RURAL UNEMPLOYMENT: PUBLIC CONSERVATION JOBS

Mr. CLARK. Mr. President, today I am introducing, with the Senator from South Dakota (Mr. ABOUREZK), legislation to provide public service conservation jobs for the rural unemployed. This program will be established under the Rural Development Act of 1972, and it will help alleviate the chronic unemployment that is all too prevalent in rural America.

For too long, this country has been plagued by economic woes: 10 percent unemployment, depleted life savings, lost health insurance, and home mortgages are only a few of the manifestations of the economic recession. The unemployment rolls have reached a 25-year high; but even that figure does not disclose the actual dimensions of the problem, because it does not include those individuals who are underemployed or those who simply have given up looking for a job.

In rural areas, the unemployment rate and its related problems are much more severe than in the rest of the country. For example, the unemployment rate for rural nonfarm residents for the first quarter of this year was 9.8 percent, and the unemployment rate for farm residents—usually extremely low—has risen to 4.4 percent. Right now, some 2½ million residents of nonmetropolitan America are without jobs, and that is more than a quarter of the Nation's total.

In the past, unemployment rates in rural areas have been lower than the national average. But that no longer is the case. The disparity between urban and rural life grows larger every day. Workers in the country receive about 20 percent less for their labors than do urban workers, half of the Nation's poor live in rural America, and two-thirds of America's substandard housing can be found in the countryside. The litany of problems could go on and on, the point is this: conditions in rural areas can and should be corrected, and the Federal Government has an obligation to help rural people catch up with the rest of the country.

Congress has begun to address some of the country's economic problems. Legislation to prevent the loss of health insurance and a family's home both are awaiting enactment by the Congress, and a $6.1 billion emergency job appropriations bill was approved. Unfortunately, the President vetoed that bill, and the House failed to override it. However, even if the emergency job appropriations bill had become law, rural areas would not have received much help from it. Most of the public service jobs were for urban residents—very few of the benefits would have been realized in rural America.

That is why this legislation to establish public service conservation jobs is so important. It specifically provides jobs and more disposable income for rural residents. At the same time, it would help preserve this country's natural resources by employing individuals in activities like soil conservation projects, reforestation, and park preservation. This is not intended to be an emergency bill. Rather, it has been drafted to become a permanent part of the Rural Development Act to come into operation when unemployment in a rural area reaches an unacceptable level.

In recent months, there have been some encouraging indications that businesses and industry are beginning to move to rural areas. If it continues, this trend could be very helpful, providing rural jobs and bolstering the rural economy. Right now, it is too early to know whether this will continue, but whether or not it does, the prospect for creating a large number of new jobs is not very promising.

That is one reason Congress enacted the Concentrated Employment Training Act—CETA—and has been considering other legislation to create jobs and employment opportunities. The need for jobs and manpower training is critical. Yet, the response from the Government has not been encouraging. The administration vetoed the emergency jobs appropriations bill, and the House of Representatives failed to override the President's action. The Secretary of Labor has not used the discretionary money in his control under CETA to deal with rural employment problems. And, the basic programs of the rural manpower service will be abolished on June 30 if the administration's plans are carried out.

All of these actions will increase the serious problems facing rural America.

The legislation we are introducing today will directly assist rural Americans. This bill will not set up a new agency. It will be administered by the U.S. Department of Agriculture and cooperating State agencies already established in rural areas. It will supplement and complement CETA and other existing manpower programs.

Job creation is essential to a healthy economy, whether it is in rural or urban America. And, it has been demonstrated time and again that jobs created through public employment are ultimately less costly and less inflationary on the economy than many other governmental "solutions" to unemployment problems. And like the CCC of the 1930's, it has direct and tangible public benefits.

This legislation will help complete needed conservation projects in rural areas that have been deferred for too long. More than 3 million acres of national forest lands need reforestation, and another 13 million acres require improvements to increase yields and prevent forest fires. There are vast amounts of public land that require various kinds of treatment for insect and disease control. Soil conservation is another area that needs immediate attention. And many people could be employed in conservation, preservation, and development of other natural resources.

Under this legislation, Federal and State Governments could cooperate on a number of projects, including work on existing cost sharing programs for tree planting, disease and insect control, farm planning, and other forms of technical assistance. In many States, special cover could be planted to protect wildlife. And, the agriculture conservation program, the water bank program and the forestry incentives program could be used to put many people back to work.

All of this will help insure future generations that America's resources are not depleted or destroyed.

One does not have to travel very far into the national forests and to many parts of America to see the constructive accomplishments of the Civilian Conservation Corps. The CCC helped develop and preserve our natural resources, and this legislation could begin to renew those efforts in much the same manner. Because much of the construction accomplished by the CCC now is in disrepair, there is a demonstrated need for renewed conservation projects. But right now there is no money available in the Federal budget for these kinds of endeavors. This bill would provide an opportunity to start them again, and to put our unemployed rural residents back to work.

Under this legislation, any rural area—as defined by the Consolidated Farm and Rural Development Act—which has experienced unemployment of over 6 percent for 90 days or more would be eligible for a rural conservation project. To be eligible for employment, individuals would have to be over 18, residents of these areas, and unemployed for a period of at least 30 consecutive days.

The work will be administered by the Secretary of Agriculture on land and facilities under the Department's jurisdiction and the Secretary must give priority to projects that can be substantially completed within 12 months.

There is a total of $160 million requested for each of the next 2 fiscal years for the program and that amount would provide jobs to thousands of rural residents.

Mr. President, our current economic conditions have had a devastating effect on both urban and rural areas. That cannot be denied. Efforts to decrease the number of unemployed and underemployed people must be addressed to all areas of the country, and rural America cannot be left behind or ignored.

As a report for the first national Conference on Rural America concluded, "(r)ural America trails the Nation's metropolitan areas in virtually every social and economic indicator the statisticians have come up with." Now is the time to change that trend, and that is why we are introducing this legislation.

The purpose of the Rural Development Act of 1972 is rural job creation. It was designed to implement the expansion of rural financial and economic strength—and the subsequent increase of rural incomes.

This bill will fill in some of the existing gaps in that legislation, and I believe the Rural Development Act will be stronger for this addition.

Mr. President, rural people have the right to work—the same right that all the people in this Nation share. If Americans cannot find outlets for their labor in private industry, then it is the Government's responsibility to see to it that they are employed in a way that will meet national interests and goals.

I ask unanimous consent that a report, authored by Tim Karter and published by the Rural Housing Alliance and Rural America, Inc., on employment and training programs, be printed in the RECORD, together with the text of the bill.

There being no objection the report and bill were ordered to be printed in the RECORD, as follows:

MANPOWER PROGRAMS AND METROPOLLYANA—THE FEDERAL NONRESPONSE TO THE NEEDS OF RURAL AND SMALL TOWN PEOPLE IN EMPLOYMENT AND TRAINING PROGRAMS

(By Tim Karter)

Rural America trails the nation's metropolitan areas in virtually every social and economic indicator the statisticians have come up with.[1] The data on earnings and employment are no exception. The median earnings of employed persons in nonmetropolitan areas is roughly one-fifth below that for employed persons in metropolitan places, and though the precise degree of disparity changes slightly, it is characteristic of every major occupational category.[2] This is not surprising since the proportion of the metropolitan population which has completed high school is 78 percent, while less than 70 percent of the nonmetropolitan population in the same age group (25 to 29) has done so.

FARM WORKERS ARE MORE LIKELY TO BE UNEMPLOYED

Agriculture provides employment for a significant number of persons living in rural America, and according to the U.S. Department of Labor's Employment and Earnings Bulletin for February, 1975, the unemployment rate for agricultural labor in 1974 was 7.3 percent, compared with a national unemployment rate of 5.6 percent for the same year. In January, 1975, the agricultural labor unemployment rate was 14.7 percent compared with a national unemployment rate of 9.0 percent unadjusted for seasonal factors.

RURAL JOBLESSNESS IS MORE CHRONIC

Unemployment in nonmetro areas is more chronic. More than 20 percent of the nonmetro unemployed in 1970 reported having been that status for 15 weeks or more. Only 17 percent of metro unemployed had been out of work as long as 15 weeks.

UNEMPLOYMENT FIGURES HAVE ANTI-RURAL BIAS

Finally, these official statistics confirming the usual metro/nonmetro disparities can safely be regarded as understating the case. There is a serious question, for example, whether the sample survey used in preparing month-to-month and year-to-year unemployment figures—those on which the allocation of substantial portions of manpower program funding is based—is not biased toward the larger urban areas. Whether or not this is the case, the definitions involved result in an understatement of the employment problem in rural areas.

DEFINITION OF UNEMPLOYED

Labor force data are reported by the Bureau of Labor Statistics in its Monthly Report on The Employment Situation. This survey counts as employed all civilians who, during the survey week, did any work for pay or profit (minimum of an hour's work) or worked 15 hours or more as unpaid workers in a family enterprise, and all persons who were not working but who had jobs or businesses in which they were temporarily absent for non-economic reasons (ill, bad weather, vacation, labor-management dispute, etc.). Unemployed persons comprise all persons not working during the survey week who made specific efforts to find a job within the previous four weeks (such as applying directly to an employer, or to a public service employment service, or checking with friends) and who were available for work during a survey week (except for temporary illness).

HIDDEN UNEMPLOYMENT

There are two aspects of this which mask the importance of unemployment and underemployment and its far greater prevalence in rural areas and small towns. Self-employed persons and unpaid family workers—both of which are considered "employed"—frequently work less than full time (as is evidenced by the use of 15 hours per week as the standard for "employment" of an unpaid family worker). They represent underemployment or "hidden unemployment" as it is sometimes called. Both categories of workers are about twice as prevalent in nonmetro areas than in metro areas.[3]

Consequently, if the government modified its definition of unemployment to measure "real" unemployment among self-employed persons and unpaid family members, rural levels of unemployment would be expected to rise substantially, whereas urban unemployment would be expected to rise moderately.

RURAL MANPOWER SERVICE NEEDS ARE GREATER

In short, the per capita needs for manpower services for unemployed and economically disadvantaged persons is much greater in rural areas than in urban areas. With higher unemployment rates and lower income levels, proportionately more rural persons should be expected to be enrolled in manpower programs which are directed toward the unemployed and economically disadvantaged. Furthermore,—all other things being equal—with lower educational levels, per capita expenditures for trainees in manpower programs should be higher in rural areas than in urban areas. As is true of other fields of social legislation, however, the Federal programs have been developed with the urban areas primarily in view and the result has been a pattern of discrimination against rural and small town areas.

EVOLUTION OF FEDERAL MANPOWER POLICIES AND PROGRAMS

Federal manpower concern and activities is largely a 20th Century phenomenon, and can trace its beginning to the Smith-Hughes Act of 1917 which established a Federal-State program of vocational education. The shortage of skilled workers during World War I spurred Congressional approval of this Act and its authorization of Federal aid to broad categories of vocational education. The approval of specific vocational categories, such as establishing agricultural vocational courses in rural areas to meet the needs of farmers, was essentially a State Vocational Education responsibility. (The State vocational education structure was relied upon heavily during the initial period of the Manpower Development and Training Act of 1962. Many vocational programs under MDTA were approved primarily because the Vocational Education Agencies had available equipment, space and personnel. And in many rural areas, vocational agricultural programs were the major, and at times the only, vocational courses available; hence the prevalence under MDTA in rural areas of vocational programs to train "Farm Mechanics", and "Farm Hand, General", even though agricultural employment had been declining for decades.)

BIAS EXISTED FROM THE BEGINNING

Federal manpower services received a major stimulus during the depression of the 1930's. The Wagner-Peyser Act of 1933 established the Federal-State Employment Service System to provide a more effective mechanism for matching workers and jobs. The Employment Service included a separate system for rural manpower services called the Farm Labor Service. Unfortunately, the full range of manpower services were not made available to the rural population, as the Farm Labor Service concerned itself primarily to satisfy the needs of farmers for farm workers. The failure of the Farm Labor Service to deliver a full-range of manpower services to the rural population, particularly minority farm workers, led to an Administrative Action in 1971 against the Secretary of Labor by the National Association for the Advancement of Colored People on behalf of rural residents and migrant farmworkers charging discriminatory actions in the delivery of manpower services. The background on this administrative action and the judge's decision are described later in this study.

The depression also brought Government action in three other areas of current importance in manpower policy:

Provision for income maintenance for unemployed and retired workers under the Social Security Act of 1935.

Establishment of national minimum wage and child labor standards for large segments of the work force under the Fair Labor Standards Act of 1938.

Creation of work opportunities for unemployed, impoverished youth and adults—through several temporary programs, including the Civilian Conservation Corps and the National Youth Administration. The accomlishments and shortcomings of these programs helped in the planning of the Job Corps, the Neighborhood Youth Corps, and other current work-training programs.

The next major forerunner of present manpower policy was the Servicemen's Readjustment Act of 1944—the GI Bill of Rights. This Act continued a tradition of recognizing the country's obligation to its war veterans which dates back to the American Revolution, but it was unprecedented in its emphasis on meeting these obligations through government-financed education and training rather than merely monetary compensation.

A more direct move toward an active manpower policy came two years later, with the Employment Act of 1946. This act was born from memory of the depression and the fear—soon proved to be unfounded—that the war's end would bring a serious recession and raise unemployment to intolerably high levels once again.

The Act made the achivement of "maximum employment, production and purchasing power" a concern of the Federal Government. But it contained no *mandatory* provision for achieving this goal. For a decade after its passage, Government action to forward its objective consisted mainly of fiscal and monetary measures to mitigate economic downturns.

The recession of 1957–58 brought unemployment to its highest levels since the

---

Footnotes at end of article.

UMI

1930's. The unemployment rate reached 6.8 percent in 1958, more than half again as high as the year before. Nor did the rate decline satisfactorily with economic recovery. Unemployment averaged 5.5 percent in both 1959 and 1960. The recession which began late in 1960 brought the rate up again to 6.7 percent the following year.

Along with the persistently high overall rate of unemployment came an increasing amount of long-duration unemployment, entailing great hardship for large numbers of workers and their families. The heavy impact of unemployment upon youth and minority groups, among the uneducated and unskilled, and in many depressed geographic areas also added to the demand for remedial action.

A new federally supported attack on these problems began with the Area Redevelopment Act of 1961. This Act provided for financial and technical assistance to business expansion in areas of substantial and persistent unemployment. Another feature of great significance from a manpower viewpoint was the provision for occupational training projects for unemployed workers in these redevelopment areas, with subsistence allowances to support the workers and their families during training. Because of limitations on its funding and coverage, the ARA had a limited impact, but it furnished guidelines for more comprehensive training and economic development legislation.

COMES MDTA—1962

Passage of the Manpower Development and Training Act (MDTA) of 1962 was the chief legislative step toward formulation of a national manpower policy. This Act, which was passed with strong bipartisan support, established a nationwide program of occupational training for the unemployed. It called for and underwrote a significant expansion in manpower research. And it required annual reports by the Secretary of Labor to the President, and by the President to Congress, on manpower requirements, resources, utilization, and training.

FATAL DEFECT

MDTA provided vocational training for unemployed persons in occupational areas which had a "reasonable expectation of employment." This "reasonable expectation of employment" greatly restricted the number and type of vocational training programs in areas with high levels of unemployment. In rural areas, for example, the initial programs—few as they were—trained persons in agricultural skills, since these were often the only requests received by the Farm Labor Service.

Early experimental work in MDTA identified a number of services required by the "hard-core" which restricted their entry into MDTA programs or made it difficult for them to succeed, such as outreach, work orientation, special counseling, basic and remedial education, transportation and mobility services, work try-outs, on-the-job training, job development and placement, child care services, bonding, health services and emergency financial assistance over and above regular MDTA allowa ... a. The manpower programs financed ur ... the Economic Opportunity Act of 1964 expanded the scope of services to include these additional services, and to make them available not only to the unemployed, but also to the "poverty population". Including the "poverty population" as an eligible group was critical to rural people, since so many rural poor are self-employed and unpaid family workers, and therefore they are not classified as "unemployed". Furthermore, other rural poor, namely farmworkers, have had trouble convincing manpower agencies that they were "unemployed" and thus eligible to participate in manpower training programs.

The Economic Opportunity Act also provided service programs for the poor, such as Head Start, adult education and health services, and these became important manpower programs for the rural poor because they emphasized the direct employment and training of the poor in delivering such services.

MORE METRO AIDS

The Demonstration Cities and Metropolitan Development Act of 1966 provided substantial sums for manpower programs, but these were directed to the urban slums. The name of the program was changed later to "Model Cities," to avoid any direct reference to urban "demonstrations" or riots. Regardless of what it was called, the Model Cities program was a response to the special and pressing need to alleviate the problems of the urban slums that made headlines on a continuous basis. The special problems of rural areas were not brought to the attention of the public as often nor as dramatically and so the restless poor in urban areas received a special program, but not the rural poor.

WIN—1967

The 1967 amendments to the Social Security Act established a special manpower program for employable persons in Aid to Families with Dependent Children called WIN (Work Incentive). Total education, training, social and related services were to be made available to WIN participants to make them employable and thus reduce welfare costs. The WIN program requires the availability of a broad range of social and manpower services needed by WIN recipients, the ability to coordinate such services, and available jobs; these requirements obviously restrict program activities in rural areas, which often lack resources and jobs.

EEA—1971

The Emergency Employment Act (EEA) of 1971 created a program of transitional public service jobs for veterans, unemployed and underemployed persons. EEA funds are paid directly to State and local governments to provide employment and training opportunities in public service areas, including the delivery of social services.

CETA—1973

The most significant manpower development in recent years was the passage of the Comprehensive Employment and Training Act of 1973 (CETA). The scope of services in CETA encompasses all services previously provided in MDTA, OEO, EEA programs, including education, training, on-the-job training, work tryouts, supportive services, public employment and Job Corps. The persons to be served include the unemployed, underemployed and the economically disadvantaged. Decisions over program mix, categories of programs, and persons to be served are made by State and local officials. The critical factor for rural areas is that the amount of manpower funds for rural programs is decided by a formula included in the law, and not by manpower officials. The adequacy and equity of the formula as it affects rural areas is discussed later in this paper.

FEDERAL AWARENESS OF RURAL MANPOWER NEEDS

Federal officials responsible for developing manpower policies and for deciding on the allocation of MDTA funds and other manpower funds have known of the special needs of the rural population for manpower services. Indeed, Department of Labor publications over the past decade discussed this special need of the rural population for manpower services and described the special efforts being made to meet that need. For example, the Department of Labor is responsible for preparing an annual *Manpower Report of the President* describing manpower programs, policies, problems and trends. An examination of these Manpower Reports of the President over the past decade illustrates this Federal awareness of the special needs of the rural population for manpower services.

YEAR AFTER YEAR

The 1964 Manpower Report of the President identified rural workers as the first of the disadvantaged workers to be served by MDTA.

"The disadvantaged workers of the United States—*rural workers*, Negroes and other minority groups, younger workers, older workers—whose predicament is the major element in our national problems of unemployment and poverty, are the subject of the following chapters."

The 1965 Manpower Report of the President discussed some of the particular problems facing farm workers.

"The final chapter, on *Farmworkers*, deals with the adjustments farm people have had to make because of the long-term drop in farm manpower requirements; with the low wages, irregular work, and sub-standard living conditions which have been the lot of most hired farmworkers; and with the major progress made in 1965 in increasing job opportunities for American farmworkers, as sharp restrictions were imposed on the use of farmworkers from other countries."

The 1967 Manpower Report of the President discussed the lack of equitable manpower services in rural areas compared with urban areas.

"The dispersion of the poor in rural areas has hidden the extent of rural poverty and also greatly increased the difficulties of remedial action. Education and training are less available to rural than urban youth. And programs for the rural poor have been slower to develop and have continued to be less well-financed than those for the urban poor."

By 1971, the Manpower Report of the President included a critical evaluation of the needs of the rural areas for manpower programs and discussed analytical dilemmas facing the development of such programs.

"A revolution in farm production practices, coupled with the elimination of many small farms, has cut agricultural employment by more than half since World War II—contributing heavily to rural poverty and stimulating rural-to-urban migration. Advances in farm technology are continuing and will probably eliminate many additional jobs in the next few years. Thus, the problems of underemployment and poverty will continue to be acute among migratory and other seasonal farm laborers as well as operators of small farms.

"Improvement of labor standards and social insurance protections in farmwork is an immediate need, calling particularly for extension of unemployment insurance to agricultural workers. *A second need is for educational and manpower services in rural areas more nearly comparable to those available in cities and suburbs.* (Emphasis added) So far, rural residents have not shared equitably in such services, largely because of the difficulties involved in serving a scattered population."

DEMONSTRATIONS—NOT EQUITY

Repeatedly, the Report promised "increased efforts to find solutions" to these special problems of rural areas. In fact, the Department has launched several demonstration projects relative to rural and small town needs. One of these, the Smaller Communities Program, dates back to Fiscal '59. A decade later, however, it had not been extended to more than 3 percent of the nation's nonmetropolitan counties.[4]

Another demonstration project, in Ottumwa, Iowa, utilized a system of satellite offices to serve a multicounty region. This was dubbed Area Concept Expansion (ACE) and expanded to other states—but only to eleven by late 1972.[5]

PAST PROGRAM PATTERNS

Despite this awareness of special rural needs and despite intermittent attempts to develop mechanisms for responding to those needs, all of the available data confirm the metropolitan bias of past manpower programs. Federal outlay data for FY '70 published by the Senate Committee on Government Operations showed metropolitan areas receiving 77 percent of the $1.5 billion in funding for manpower training and employment programs by the Departments of Labor and HEW and the Office of Economic Opportunity. Adjusting for population, this works out, the report noted, to $8 per capita in metro areas and only $5 in nonmetro areas. In *rapidly declining* nonmetro counties, per capita outlays for manpower training and development were only *one-third* as large as in rapidly declining metro counties.[6]

The annual special analyses prepared by the Office of Management and Budget have reflected a similar pattern, with 85 percent or more of Federal assistance for manpower and employment security programs reported as going to metropolitan areas in FY '66, FY '68 and FY '69, and almost 80 percent estimated for Fiscal 1973.[7]

And, within the Labor Department itself, rural enrollment in programs is conceded to be low. The figures for FY '72 are presented below.[8]

ESTIMATED RURAL ENROLLMENT IN SELECTED MANPOWER PROGRAMS, FISCAL YEAR 1972

	New enrollment, fiscal year 1972	Estimated rural enrollment	
		Number	Percent
Total	1,532,800	323,600	21.1
Institutional	150,600	29,200	19.4
National contracts (OJT)	24,800	6,500	26.2
Neighborhood Youth Corps:			
In-school	186,000	28,850	15.5
Out of school	65,000	20,400	31.4
Summer	759,900	174,600	23.0
Operation Mainstream	31,400	17,400	55.4
Concentrated employment program	84,700	18,800	22.2
JOBS	82,800	10,350	12.5
Work Incentive program	120,600	14,350	11.9
Public service careers:			
Plan A	10,500	550	5.1
Plan B	11,200	900	8.1
Plan C	5,300	1,700	32.0

Source: Office of Financial Management Information Systems, DRA; Manpower Administration, Department of Labor, Jan. 8, 1973.

An earlier analysis, of FY '68 enrollment, had similarly found that only 24 percent of enrollment in work experience and training programs was accounted for by rural enrollees. It also reported that "the average spent on each rural enrollee was only one-fourth of the average spent on each urban enrollee."[9] (A major reason for this is the fact that summer employment in the Neighborhood Youth Corps, a program with a low average cost, accounts for about half of all rural enrollment). Looking at it in a slightly different manner, the Department reported that in FY '70, manpower programs served a little over 10 percent of the urban residents in need but only 8 percent of the rural residents in need.[10]

FINALLY NAACP SUES

The failure of Federal manpower services to equitably serve one portion of the rural constituency has even been officially certified in formal administrative and judicial proceedings. In early 1972, the Western Region of the National Association for the Advancement of Colored People and fifteen other organizations filed an Administrative Action against the Secretary of Labor on behalf of rural residents and migrant farmworkers charging discriminatory actions in the delivery of manpower services. At issue was the accessibility and quality of service provided farmworkers by the Rural Manpower Service (RMS) and the United States Employment Service (USES). A Special Review Staff (SRS) was assigned by the Assistant Secretary for Manpower to investigate the complaints. SRS substantiated a sufficient number of the charges to cause the U.S. Department of Labor to take a new look at its capabilities for fulfilling its mandate under the Wagner-Peyser Act which had established the USES in June, 1933.[11] As amended, the Act requires that the USES and the States cooperate in establishing and maintaining a national system of public employment offices. The Secretary of Labor determined that establishing and maintaining a "national system" meant that insofar as possible each citizen should have access to the full range of manpower services provided by the tax-supported Manpower Administration (MA). Consequently, he prescribed a new policy of "equity of access" consisting of 13 points. The Secretary's 13 points redirected USES emphasis to serving rural residents and farmworkers.

Impatient with the lack of speed and penetration of the implementation process, particularly at regional and State levels, 88 farmworkers and 17 agencies filed Civil Action 2010–72 against the Secretary of Labor et al. in the District Court in the District of Columbia. The action declared that the defendant officials had knowingly granted funds to State Employment services in violation of the Constitution and laws of the United States and had operated the USES in violation of the Fifth Amendment of the Constitution, Title VI of the Civil Rights Act of 1964, the Wagner-Peyser Act, and the Department's own regulations and instructions. On May 31, 1973, Judge Charles Richey of the U.S. District Court for the District of Columbia issued a declaratory judgment and injunction order. He found that the Department of Labor has "a constitutional, statutory, and regulatory obligation to demand that Federal and State agencies that serve migrants and farmworkers provide them with the full level of services, benefits, and legal protections as guaranteed by the Fifth Amendment to the Constitution, the Wagner-Peyser Act, Title VI of the Civil Rights Act of 1964, and the respective implementing regulations."[12]

RHETORIC FLOWS

Indeed, the U.S. Department of Labor acknowledges this lack of equitable manpower services in rural areas. The 1974 Manpower Report of the President stated that "In the past, rural workers and employers have not had as easy access to Employment Service services as those in cities, largely because of the practical difficulties involved in serving a clientele scattered in relatively low-population areas. The ES has been endeavoring for years to correct the imbalance and improve services to rural residents, including farmworkers and migrants."[13]

Thus, after nearly four decades of operating a broad range of employment services and a decade of operating manpower training programs, the U.S. Department of Labor was found not to be providing equitable services in rural areas, and acknowledged it. If there is any expectation at the Department that the shift to a special revenue-sharing approach resulting from the Comprehensive Employment and Training Act of 1973 will make things dramatically different, that expectation does not extend to the Office of Management and Budget. Its estimate for Fiscal '75 is that nonmetropolitan areas will receive only one-fourth of "comprehensive manpower assistance" funds and only one-fifth of the total Federal aid for manpower and employment security.[14]

CAUSES OF URBAN/RURAL IMBALANCE IN FEDERAL MANPOWER EXPENDITURES

There are many reasons why rural areas have not received their proportionate share of manpower programs. In some cases the reasons can be traced directly to the legislation. In other cases administrative actions cause the discriminatory practices against rural areas.

Some programs are designed by legislation to operate exclusively in urban areas. For example, the model cities manpower program was *designed* basically as a big city program with a scattering of projects in small towns of under 25,000 people. In this case, the urgent need for social service programs in urban areas, particularly to reduce social tensions that might cause riots, encouraged the Congress to pass the legislation.

In some cases, legislative requirements introduce discrimination against rural areas. The "reasonable expectation of employment" requirement in the MDTA law is a case in point. In order to avoid training unemployed people for the sake of training, the Congress specified that there must be a "reasonable expectation of employment" in an occupation before a training project operates. Unfortunately many rural areas have had rising levels of unemployment due to mechanization and other technological advances in agriculture, forestry and mining, and hence they lack shortage occupations which show a "reasonable expectation of employment." Subsequent amendments to the MDTA act added mobility allowances, which enabled some rural areas to train people locally and then move them to jobs in other communities, or to move unemployed rural persons immediately to such other communities for both training and employment.

There are other subtle reasons why manpower officials have not developed and funded an equitable proportion of manpower programs in rural areas. One reason has to do with money. Rural programs are far more expensive than urban programs. Because of distances involved in operating rural programs, rural programs require more staff members; outreach, counseling, job development and other activities require more travel time in rural areas than in urban areas. Furthermore, transportation costs are also higher on rural projects. The lower educational levels of the rural population, the number of non-English speaking persons that live in rural areas, and the smaller proportion of the rural unemployed with vocational experiences, greatly increases the length of any manpower training program and hence, greatly increases the per capita costs of rural manpower programs. Manpower officials interested in developing and operating rural programs have to fight for and explain the need for higher per capita expenditures for rural manpower programs than for urban programs. Consequently, officials with the option of financing programs in either urban or rural areas are more likely to finance the "cheaper" urban projects.

TO THOSE WHO HAVE

The bureaucratic problems involved in designing, developing and operating rural manpower programs also contribute to the unwillingness or inability of manpower officials to spend an equitable share of funds in rural areas. For example, successful manpower pro-

Footnotes at end of article.

Footnotes at end of article.

UMI

grams often require counseling services, education and vocational training services, health and child care services, transportation services, and other manpower related services. In urban areas, manpower planners can depend on the existence of such services within the existing city structure. In rural areas, however, such assumptions cannot be made. Consequently, many rural manpower officials are hesitant to spend any time or funds developing and planning manpower programs until they coordinate with other agencies of government to develop and finance other vital services.

Related to this is the factor cited by a Congressional Research Service study.[15] Much of the allocation of current manpower programs in favor of urban areas is said to be due to the sheer inability of certain rural areas lacking trained and experienced personnel to submit organized plans and projects which qualify for Federal assistance. Moreover, there is sometimes a complete lack of knowledge on the part of some rural government officials as to what assistance is available. *These problems could be further complicated under manpower revenue sharing.* [Emphasis added.]

The establishment of a separate organizational unit to provide manpower services in rural areas—the Farm Labor Service—also contributed to proportionately fewer manpower programs in rural areas. Since the Farm Labor Service was concerned primarily with the employment needs of farmers, they concentrated their activities on recruiting farm workers for unskilled or semi-skilled farm jobs. Limited effort was placed by the Farm Labor Service on providing overall manpower services—especially manpower training—to the rural population, as was brought out in the NAACP court case described above.

THE MEANING OF CETA FOR RURAL AREAS

The Comprehensive Employment and Training Act (CETA) of 1973 drastically changes the policies and procedures for approving the expenditure of Federal manpower funds. CETA provides for a decentralized comprehensive manpower services program for economically disadvantaged, unemployed and underemployed persons. Specific categorical manpower programs under provisions of the Act (such as MDTA, NYC, Mainstream, New Careers, OIC, SER, and Jobs) are being replaced by a system of providing Federal allotments to State and local governmental Prime Sponsors.

This is not all bad news for rural areas. Under CETA, allotments of funds will be based on a legislative formula, and, hence, the amount of funds alloted to rural areas for manpower services will no longer be completely subject to administrative decisions.

Thus CETA represents a step in the right direction. But there are elements in the formula selected that continue the pattern of discrimination against rural areas.

BIASED FORMULA

One-half of the funds allotted to each State and area will be allotted on the basis of manpower allotments of the State in the preceeding fiscal year. Consequently rural areas will continue to be shortchanged because of the historical bias in manpower programs that concentrated expenditures in urban areas.

MORE BIAS

37½ percent of the funds will be allotted on the basis of unemployment. On the surface this seems to be an equitable factor, but as discussed earlier, the methods used to measure unemployment do not accurately measure unemployment in rural areas.

12½ percent of the funds allotted will be allotted on the basis of poverty. Such a poverty index probably represents one of the most equitable mechanisms to use to ensure equity for rural people. Yet this represents only ⅛ of the allotment formula.

MORE BIAS

Even more serious is the limited definition of governments eligible to be "prime sponsors" and thus direct recipients of CETA funding. These must have a population of at least 100,000—which confines eligibility to approximately 275 of the nation's more than 3,000 counties.[16] Smaller counties must either join with a larger county or with one of the roughly 150 cities eligible as "prime sponsors", or else depend on the state for its funds. Governors, it should be noted, are *not* required to re-allocate their funds as a prime sponsor to smaller jurisdictions in accordance with the formula which determined the initial allocation.[17]

SUMMARY

Rural areas have a greater per capita need for manpower services than urban areas, and this need is recognized by Federal manpower officials. However, rural areas have never received an equitable share of manpower funds. The lack of jobs in rural areas, the dispersion of the rural population, the greater cost of operating rural programs, the lack of resources, facilities and personnel, and the complex problems facing rural manpower planners, are only some of the reasons explaining why rural areas have not received their equitable share of manpower funds.

The new manpower law, CETA, places decision-making power over manpower programs in the hands of State and local officials, and allocates funds for all communities—rural and urban—on the basis of a formula in the law. Administrative actions can no longer deprive rural communities of needed manpower funds. While the CETA allocation formula guarantees some manpower funds for all rural communities, the formula itself does not provide an equitable share of funds for rural areas. One-half of the formula for allocating CETA funds is based on the manpower allotments of the preceding year. Rural areas that were underfunded last year will be similarly underfunded next year. And this underfunding will continue as long as the present CETA formula is in effect. Three-eighths of the CETA funds will be allotted on the basis of unemployment. Present methods of measuring unemployment do not accurately measure "real" unemployment levels in rural areas, as analyzed above. Consequently, seven-eighths of the formula used for allocating CETA funds discriminates against rural areas.

RECOMMENDATIONS

Recommendations for improving the financing of manpower services in rural areas, or for that matter, any other service to rural areas, must begin with the Congress. Past experience has clearly demonstrated that administrators of public programs cannot be expected to provide equitable services in rural areas compared with urban areas when decision-making over the location of programs is left entirely or primarily at the discretion of administrators.

Congressional action is required to make certain that laws make it mandatory for administrators to provide equitable services in rural areas. This will require the following:

The design of programs that by definition have to serve rural communities or rural people. This includes programs for small farmers, migrant and seasonal farm workers and for American Indians on Indian reservations.

Other programs of a national scope should include a financial formula for allocating funds between urban and rural areas according to criteria which will provide equity to rural areas. Poverty data are recommended as the type of data that will insure equity of funding for rural areas. It is recommended, therefore, that legislative formulas for allocating funds between rural and urban communities rely as much as possible on poverty data. Unemployment levels grossly understate the true level of unemployment in rural areas. Consequently, unemployment levels should not be used as a factor allocating funds betwen urban and rural areas, until there is a change in the method of counting unemployment to accurately measure unemployment among self-employed persons and unpaid family members. Prior expenditures should also be avoided as a factor allocating funds between rural and urban areas, since there is ample evidence of past discrimination against rural areas, and an expenditure allocation factor would perpetuate such discrimination. Indeed, the CETA allocation formula needs to be evaluated and revised to give greater importance to poverty data.

If allocation formulas are not included in the law as a means of sharing program funds between rural and urban areas, the Congress should include special requirements in the law to encourage administrators to provide equitable services in rural areas, such as: minimum percentages of program funds that must be spent in rural areas; special technical assistance funds for rural areas for program planning and development; a statement of Congressional awareness that rural programs may cost more per capita than urban programs.

FOOTNOTES

[1] This is hardly to be wondered at since, as St. Augustine tells us, "Se nutriunt omnia [everything feeds on itself]."

[2] These statistics are from *Current Population Reports* p. 23, No. 37, "Social and Economic Characteristics of the Population in Metropolitan and Nonmetropolitan Areas: 1970 and 1960."

[3] See Table 115, "General Social and Economic Characteristics," *1970 Census of Population.*

[4] Senate Hearings, *Department of Labor. . . . Appropriations,* FY '71, pp. 1036–37.

[5] Raymond Schmitt, *Manpower Training and Employment Programs Serving Rural America* (Committee Print, Senate Agriculture Committee), p. 18.

[6] *The Economic and Social Conditions of Rural America in the 1970's,* Part 3, "The Distribution of Federal Outlays Among U.S. Counties" (Committee Print, Senate Government Operations Committee), pp. 40, 42 and 51–52.

[7] See Special Analysis N, *Special Analyses, Budget of the United States Government,* various years.

[8] Reproduced from Schmitt, *op. cit.,* p. 10.

[9] Janet Derr, *Rural Social Problems, Human Services, and Social Policies,* Working Paper 4: Employment and Manpower (Social Welfare Research Institute, University of Denver), pp. 5–7, citing Department of Labor, "Rural Manpower", Draft Issue Paper No. 5, May, 1970.

[10] 1971 Manpower Report of the President, p. 130, cited in *ibid.,* p. 7.

[11] Special Review Staff, Manpower Administration, *Review of the Rural Manpower Service,* "overall findings" at pp. 5–11.

[12] NAACP v. Brennan, 360 F. Supp. 1006 (D. D. C. 1973).

[13] *Manpower Report of the President,* 1974, p. 60.

[14] *Special Analyses, op. cit.,* Fiscal Year 1975, pp. 212 and 216.

[15] Schmitt, *op. cit.,* p. 5.

[16] May 1974 memo prepared by Barbara Hunting, National Association of Counties, for Senator Dick Clark, Chairman, Senate Rural Development Subcommittee.

[17] *Ibid.* The Governor is required to establish a manpower advisory council representative of the area to be served, but he is specifically advised by the Labor Department "not to delegate total operational responsibility for the program to towns and counties in the essentially rural areas."

S. 1916

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Rural-Development Act of 1972 (86 Stat. 657), as amended, is amended by redesignating title VI, and all references thereto, as title VII, by redesignating sections 601 through 606, and all references thereto, as sections 701 through 706, respectively, and by inserting after title V the following new title:

"TITLE VI—RURAL CONSERVATION EMPLOYMENT PROJECTS

"FINDINGS

"SEC. 601. The Congress finds and declares that—

"(1) unemployment levels are seriously high and widespread in many rural areas of the United States;

"(2) these rural areas include lands and facilities of the National Forest System as well as other lands and facilities under the administrative jurisdiction of the Secretary of Agriculture, public forests and other agricultural lands and facilities under the administrative jurisdiction of States and other non-Federal governmental units, and privately owned forest, range, and farm lands;

"(3) there are large backlogs of needed conservation work and other work of a public nature requiring large amounts of labor and relatively small capital investments within these rural areas;

"(4) rural conservation employment projects on public and private lands and at other facilities within rural areas could quickly provide employment and related benefits for thousands of unemployed rural residents, significantly contribute to the management of many rural lands by reducing the large backlogs of conservation work, allow the completion of other projects of a public nature, and stimulate private businesses in rural America; and

"(5) the Department of Agriculture has the experience, procedures, and field organizations needed to effectively administer rural conservation employment projects on lands and at facilities under its administrative jurisdiction and to provide financial and technical assistance to States and other cooperators for such projects.

"PURPOSE

"SEC. 602. It is the purpose of this title to provide employment for unemployed rural residents through rural conservation employment projects within rural areas of substantial unemployment.

"DEFINITIONS AND CONDITIONS

"SEC. 603. (a) For the purposes of this title—

"(1) The terms 'rural' and 'rural area' shall have the same meaning ascribed to such terms by section 306(a)(7) of the Consolidated Farm and Rural Development Act.

"(2) The term 'area of substantial unemployment' means any area of sufficient size and scope to sustain a rural conservation employment project, as determined by the Secretary of Agriculture, and which has had, for 90 consecutive days or more, a rate of unemployment equal to or in excess of 6.5 per centum, as determined by the Secretary of Labor.

"(3) The term 'rural resident' means any person who is a permanent resident of a rural area of substantial unemployment.

"(4) The term 'rural conservation employment project' means any project, carried out within a rural area of substantial unemployment, which (A) provides a significant increase in employment opportunities for rural residents; (B) is administered by the Secretary on lands or at facilities under his administrative jurisdiction, or for which the Secretary provides financial and/or technical assistance in cooperation with any State, Commonwealth, territory, possession, trust territory, public agency, organization, or individual; (C) is within the Secretary's authority and responsibility as set forth in existing law; and (D) accelerate or otherwise further existing programs of the Department of Agriculture.

"(5) The term 'Secretary' means the Secretary of Agriculture.

"(b) Individuals shall be eligible for employment under this title if they—

"(1) are rural residents;

"(2) have attained eighteen years of age; and

"(3) have been unemployed for a period of at least 30 consecutive days.

"PROJECTS ON FEDERAL LANDS AND AT FEDERAL FACILITIES

"SEC. 604. (a) Under such regulations as he may prescribe, the Secretary is authorized to employ, from funds appropriated pursuant to section 607(a) of this title, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and to pay without regard to the provisions of chapter 51 of subchapter III of chapter 53 of such title 5 relating to classification and General Schedule pay rates, individuals meeting the eligibility requirements of section 603(b) to carry out rural conservation employment projects on lands and at facilities within the National Forest System and on other lands or at other facilities under his administrative jurisdiction.

"(b) In carrying out his responsibilities under this section, the Secretary shall—

"(1) determine the areas under his administrative jurisdiction which are within rural areas of substantial unemployment;

"(2) determine and select appropriate work projects for individuals employed under this section, giving priority consideration to projects that (A) are highly labor intensive, (B) have work plans or for which work plans could be readily developed, (C) could be initiated promptly, and (D) could be substantially completed within 12 months after initiated;

"(3) determine rates of pay, hours, and other conditions of employment of individuals employed under this section; except that no person employed under this section may be paid a wage higher than the prevailing rate of pay for permanent, full-time employees of the Department of Agriculture doing comparable work or $10,000 per year, whichever is lower.

"(4) provide, directly or by contract and without regard to chapter 57 of title 5, United States Code, such transportation, lodging, and subsistence, and supplies and other services and equipment as he may deem necessary or appropriate for individuals employed under this section to carry out their duties; and

"(5) promulgate regulations to insure the safety, health, and welfare of individuals employed under this section.

"(c) Individuals employed under this section shall not be deemed to be Federal employees other than for the purposes of chapter 171 of title 28, United States Code, and chapter 81 of title 5, United States Code.

"(d) Individuals shall be employed under this section without regard to race, color, religion, sex, or national origin.

"(e) Existing but unoccupied Federal facilities and surplus or unused equipment, or both, of all types including military facilities and equipment may be used by individuals employed under this section, where appropriate and with the approval of the Federal agency involved.

"COOPERATIVE PROJECTS

"SEC. 605. (a) The Secretary is authorized, from funds appropriated and made available under section 607(b) of this title, to extend the provisions of this Act to lands and facilities owned by States and other non-Federal governmental units and to lands in private ownership, within rural areas of substantial unemployment, by accelerating those cooperative programs within his administrative jurisdiction, under existng law, which can best provide rural conservation employment projects.

"(b) In determining which cooperative programs shall be accelerated under subsection (a) of this section and in making the allocations of funds under subsection (c) of this section, the Secretary shall give priority consideration to those cooperative programs which can best provide rural conservation employment projects that—

"(1) are highly labor intensive;

"(2) have work plans or for which work plans could be readily developed;

"(3) could be initiated promptly; and

"(4) could be substantially completed within 12 months after initiated.

"(c) Whenever funds are made available by the Secretary under this section for the acceleration of any cooperative program such program shall be administered in accordance with all applicable provisions of law authorizing such program, except provisions relating to—

"(1) requiring allocation of funds among the States;

"(2) limits upon the total amount of Federal financial assistance for any period; and

"(3) the maximum Federal contribution to any State or local government, whenever the Secretary determines that any non-Federal contribution cannot reasonably be obtained by the State or other cooperator concerned.

"(d) Payments to cooperators under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary shall determine.

"(e) Individuals employed with funds appropriated for carrying out the purposes of this section shall—

"(1) meet the eligibility requirements of section 603(b);

"(2) be employed without regard to the personnel laws, rules, and regulations applicable to full-time employees of the State or other cooperator, except such laws, rules, and regulations, if any, relating to tort claims or compensation for injuries which occur while engaged in work pursuant to this section;

"(3) be employed without regard to race, color, religion, sex, or national origin;

"(4) not be paid a wage higher than the prevailing rate of pay for permanent, full-time employees doing comparable work for the State or other cooperator or $10,000 per year, whichever is lower; and

"(5) not be deemed to be Federal employees for any purpose.

"LIMITATIONS ON USE OF FUNDS

"SEC. 606. Not more than 25 per centum of the funds made available for any rural conservation employment project under this title may be expended for non-labor costs.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 607. (a) There are authorized to be appropriated for carrying out the provisions of section 604 of this title $40,000,000 for the

fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"(b) There are authorized to be appropriated for carrying out the provisions of section 605 of this title $120,000,000 for the fiscal year ending June 30, 1975, and $120,000,000 for the fiscal year ending June 30, 1976.

"(c) Notwithstanding any other provision of law, funds appropriated to carry out the provisions of this title for the fiscal year ending June 30, 1975, shall remain available for obligation until June 30, 1976, and such funds appropriated for the fiscal year ending June 30, 1976, shall remain available for obligation until September 30, 1977."

Mr. ABOUREZK. Mr. President, I want to commend my colleague from Iowa, Senator DICK CLARK, for his statement and for introduction of this vitally needed legislation. Once again, Senator CLARK has demonstrated his leadership in the Senate on behalf of rural people. I am honored to be a cosponsor of this timely and important legislation.

Those of us from the rural areas are almost constantly irritated by programs of the Federal Government which were conceived and designed primarily for problems of the urban areas.

There is another America, rural America. What happens in rural America affects in hundreds of ways the quality of life in urban America. To ignore rural America, as we frequently do in devising many Federal programs, effects to a substantial degree the quality of life in urban America. All of our fool and most of our natural resources come from rural America.

Even the method by which we compute the number of unemployed is designed for the people of urban America and not for rural America. Thousands of Indians who are unemployed in South Dakota are not included in these statistics, is but one example of the shortcomings of this procedure.

But even those figures show how serious the situation has become. A year ago in April, South Dakota had 9,600 people unemployed. This April, 18,600 people are unemployed with 18 counties having unemployment rates of more than 7 percent. We have 195,300 people working in South Dakota. Our population is 665,507. Very nearly one of every two people must work in my State to provide the basic necessities of life. There are only seven cities in South Dakota with a population of more than 10,000. Based on the ratio of the number of people in the State and the number employed, the April unemployment figures are the equivalent of all of the people in three of these cities being unemployed.

That situation exists in virtually all of rural America. If the unemployed in my State were concentrated in just three larger cities of our State, with all of the people in those cities being unemployed, I doubt very much if Senator MCGOVERN and I could get into our offices any day of the week.

Senator CLARK described the type of vitally needed conservation work that could be accomplished by this bill.

Let me illustrate the type of work that cries to be done by the Black Hills of South Dakota.

There is hardly a person in this Nation that does not know about our Black Hills. Millions have been there. It is a national resource that should be provided tender loving care. The resource that makes the Black Hills the national attraction that they are, providing enjoyment for millions of Americans, are the forests.

We have ignored for decades important, vitally needed conservation work in the Black Hills.

In preparation of a bill that I introduced earlier, I asked the Forestry Service to provide me information on what work should be done in the Black Hills.

Our beautiful forests in the Black Hills, on the Federal, State, and private lands, are in trouble. They are becoming literally sick from what we call "bugs and dog hair."

The bugs, the mountain pine beetles, have infested more than 2,000,000 trees of the Black Hills. Millions of trees have already been destroyed. The epidemic is increasing rapidly. What we are doing now to stop this epidemic is simply not enough. Work control needs to be done on 250,000 acres.

The dog hair—the everyday phrase that is used to describe the stagnated stands of timber—2,000 trees per acre where there should be only 500 per acre—is a problem throughout most of the hills area.

Bugs and dog hair are the critical problems that must be dealt with on an emergency, crash basis. Other important conservation work needs to be done as well, but is not so critical.

About 2 months ago, I requested the U.S. Forest Service in Washington, Denver, and in Custer to prepare for me an estimate of work that could be done by public service employees on projects to control the mountain pine beetles and on forest stand improvement work projects.

The Forest Service estimates that 500 man-years of work are necessary to control the pine beetle in the Black Hills.

Five hundred men, working full time, could get a good start on the thinning operations needed in the area.

Of those 18,600 people unemployed in South Dakota there are great numbers of them that would jump at the opportunity to work in just these two types of projects in the Black Hills. Many of them live within commuting distance from where they would work.

That situation, Mr. President, can be duplicated in thousands of cases throughout all rural America, not just in our forests, but on our public lands, in our national parks, and on the land that we need to raise food for the Nation and the world.

This legislation is needed for all of America. I hope that the Congress will act promptly and provide money to put people in rural America back to work on these conservation projects.

An analysis of the Federal Budget which I did for the recent Rural America Conference found that only 17 percent of Federal outlays for employment and manpower training go into nonmetropolitan areas, although such areas account for more than 30 percent of the Nation's unemployed even in periods of relatively high economic activity. Another paper prepared for that same conference, "Manpower Programs and Metropollyana" by Tom Karter, went into more detail on the question of discrimination against rural areas in Federal manpower statistics and programs. I would like to insert the first two pages of Mr. Karter's paper at the close of my remarks, and I would like to quote at this point just one paragraph from his summary of the problem:

> Rural areas have a greater per capita need for manpower services than urban areas, and this need is recognized by Federal manpower officials. However, rural areas have never received an equitable share of manpower funds. The lack of jobs in rural areas, the dispersion of the rural population, the greater cost of operating rural programs, the lack of resources, facilities and personnel, and the complex problems facing rural manpower planners, are only some of the reasons explaining why rural areas have not received their equitable share of manpower funds.

Among other things, the legislation Senator CLARK and I are sponsoring can help to offset this inequity—while at the same time investing in those resources which are located in rural America but are a part of the entire Nation's heritage.

Mr. President, I ask unanimous consent that an excerpt from Mr. Karter's paper be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

MANPOWER PROGRAMS AND METROPOLLYANNA THE FEDERAL NON-RESPONSE TO THE NEEDS OF RURAL AND SMALL TOWN PEOPLE IN EMPLOYMENT AND TRAINING PROGRAMS

Rural America trails the nation's metropolitan areas in virtually every social and economic indicator the statisticians have come up with.[1] The data on earnings and employment are no exception. The median earnings of employed persons in nonmetropolitan areas is roughly one-fifth below that for employed persons in metropolitan places, and though the precise degree of disparity changes slightly, it is characteristic of every major occupational category.[2] This is not surprising since the proportion of the metropolitan population which has completed high school is 78 percent, while less than 70 percent of the nonmetropolitan population in the same age group (25 to 29) has done so.

Farm workers are more likely to be unemployed

Agriculture provides employment for a significant number of persons living in rural America, and according to the U.S. Department of Labor's Employment and Earnings Bulletin for February, 1975, the unemployment rate for agricultural labor in 1974 was 7.3 percent, compared with a national unemployment rate of 5.6 percent for the same year. In January, 1975, the agricultural labor unemployment rate was 14.7 percent compared with a national unemployment rate of 9.0 percent unadjusted for seasonal factors.

Rural joblessness is more chronic

Unemployment in nonmetro areas is more chronic. More than 20 percent of the nonmetro unemployed in 1970 reported having been that status for 15 weeks or more. Only 17 percent of metro unemployed had been out of work as long as 15 weeks.

Unemployment figures have anti-rural bias

Finally, these official statistics confirming the usual metro/nonmetro disparities can safely be regarded as understating the case. There is a serious question, for example, whether the sample survey used in preparing month-to-month and year-to-year unemployment figures—those on which the allocation of substantial portions of manpower program funding is based—is not biased toward the larger urban areas. Whether or not this is the case, the definitions involved result in an understatement of the employment problem in rural areas.

Definition of unemployed

Labor force data are reported by the Bureau of Labor Statistics in its Monthly Report on The Employment Situation. This survey counts as employed all civilians who, during the survey week, did any work for pay or profit (minimum of an hour's work) or worked 15 hours or more as unpaid workers in a family enterprise, and all persons who were not working but who had jobs or businesses in which they were temporarily absent for non-economic reasons (ill, bad weather, vacation, labor-management dispute, etc.). Unemployed persons comprise all persons not working during the survey week who made specific efforts to find a job within the previous four weeks (such as applying directly to an employer, or to a public service employment service, or checking with friends) and who were available for work during a survey week (except for temporary illness).

Hidden unemployment

There are two aspects of this which mask the importance of unemployment and underemployment and its far greater prevalence in rural areas and small towns. Self-employed persons and unpaid family workers—both of which are considered "employed"—frequently work less than full time (as is evidenced by the use of 15 hours per week as the standard for "employment" of an unpaid family worker). They represent underemployment or "hidden unemployment" as it is sometimes called. Both categories of workers are about twice as prevalent in nonmetro areas than in metro areas.[3]

Consequently, if the government modified its definition of unemployment to measure "real" unemployment among self-employed persons and unpaid family members, rural levels of unemployment would be expected to rise substantially, whereas urban unemployment would be expected to rise moderately.

FOOTNOTES

[1] This is hardly to be wondered at since, as St. Augustine tells us, "Se nutriunt omnia [everything feeds on itself]."

[2] These statistics are from *Current Population Reports* P–23, No. 37, "Social and Economic Characteristics of the Population in Metropolitan and Nonmetropolitan Areas: 1970 and 1960."

[3] See Table 115, "General Social and Economic Characteristics," *1970 Census of Population.*

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1921. A bill to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk, on behalf of myself and the Senator from Arizona (Mr. FANNIN), a bill to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1921

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 108 of the Act of October 15, 1966 (80 Stat. 915), as amended (16 U.S.C. 470), is further amended by changing the first sentence to read as follows:

"To carry out the provisions of this title, there are authorized to be appropriated $24,400,000 for fiscal years 1976, 1977 and 1978".

By Mr. JACKSON (for himself and Mr. MAGNUSON):

S. 1922. A bill to amend the Act of July 7, 1970 (84 Stat. 409) to authorize appropriations to the Secretary of the Interior without reference to the agencies involved. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, today I am introducing in behalf of Senator MAGNUSON and myself, legislation to amend the Act of July 7, 1970 (Public Law 91–307) which authorized the Secretary of the Interior to construct, operate, and maintain the Touchet Division of the Walla Walla project, Oregon and Washington.

The amendment would eliminate from the act the requirement that costs of the project associated with fish and wildlife enhancement be appropriated to the Fish and Wildlife Service for subsequent transfer to the Bureau of Reclamation.

This requirement for transfer of funds was initially an amendment to the authority legislation offered in the House of Representatives. It was unusual in that it required a high degree of cooperation and coordination between the Fish and Wildlife Service and the Bureau of Reclamation during their respective budgeting processes. The cooperation and coordination has never developed and 5 years later, there has been virtually no progress on the Touchet Project.

The project is of vital interest to the farmers, recreationists, and residents of the area. If the intent of Congress in the original act had been fulfilled, the project would be nearing completion. I hope that this amendment will end the confusion surrounding the allocation of appropriations thereby allowing a prompt and timely start on the construction of the project.

By Mr. PACKWOOD (for himself, Mr. MCGEE, Mr. HUMPHREY, Mr. LAXALT, and Mr. DOMENICI):

S. 1923. A bill to amend the Act entitled "An Act to require the protection, management, and control of wild free-roaming horses and burros on public lands," approved December 15, 1971. Referred to the Committee on Interior and Insular Affairs.

THE WILD HORSES AND BURROS AMENDMENTS ACT

Mr. PACKWOOD. Mr. President, today, with my colleagues, Senators MCGEE, HUMPHREY, LAXALT, and DOMENICI, I am pleased to introduce legislation which will enable the Department of Interior to more adequately manage the populations of wild horses and burros.

Since passage of the Wild Free-Roaming Horse and Burro Act of 1971 the population of wild horses has increased greatly. The National Advisory Board for Wild Free-Roaming Horses and Burros, established under the act, has formally and unanimously declared the dramatic population increase to have:

> Resulted in overgrazing and severe damage to the ecological balance of the public lands, and whereas if populations are allowed to continue to increase, this damage will become extreme.

The difficulty in managing these herds of wild horses and burros is twofold. First, the present populations cannot be effectively controlled by rounding up the excess numbers of animals; and secondly, the herds are scattered over 50 to 60 million acres of Bureau of Land Management Lands, and 10 million acres of Forest Service lands.

Present statutory restrictions prohibit the use of any motorized vehicles and aircraft for managing these animals. This leaves very few opportunities open for successfully corraling the excess number of animals. I believe that the use of helicopters to carefully nudge and slowly move these herds is both humane and needed. Although one's initial response to the thought of using helicopters to roundup horses and burros might be negative, there are minimal threats posed to the animals by the helicopters. In fact, this management practice has been strongly endorsed by the National Advisory Board for Wild Free-Roaming Horses and Burros, and the highly respected Oregon Environmental Council.

This bill would also insure that the captured animals are well and humanely treated upon sale or donation to individuals or organizations. It would eliminate any trespass fee which might have been charged owners who had been unable to recapture their animals and reopen horse and burro claim filings for 90 days after the enactment of this bill.

The purpose of the legislation I am offering today is only to allow the more effective management of these animals, to protect and enhance the Nation's rangelands and wildlife.

Further, the waiver of the trespass fee provided in this bill will encourage those owners of animals to take back their animals, once they are captured and not penalize the owners for their inability to recapture their animals under the strong restrictions presently in effect.

Mr. President, I ask unanimous con-

UMI

sent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress hereby finds that the population of wild free-roaming horses and burros have increased dramatically and that such increases in equine populations have resulted, in part, in overgrazing and damage to the ecological balance of the public lands. The Congress further finds that, if such horses and burros are allowed to continue to increase, such damage will become more severe. On the basis of such findings, the Congress declares that the aforementioned problem gives emphasis to the urgent need to manage and conserve the Western rangelands as a resource for food production and other wildlife preservation.

(b) This Act may be cited as the "Wild Horses and Burros Amendments Act".

SEC. 2. The Act entitled "An Act to require the protection, management, and control of wild free-roaming horses and burros on public lands", approved December 15, 1971, is amended by adding immediately after section 3 thereof the following new section:

"SEC. 3A. (a) Notwithstanding any other provision of this Act or of any other law, the Secretary, in managing wild free-roaming horses and burros in a manner designed to achieve and maintain a thriving natural ecological balance on the public lands, shall be authorized, from time to time, to carry out a program or programs involving the capturing of such number of such horses and burros as the Secretary determines necessary to maintain such balance and the selling or donating of such animals so captured to individuals or organizations. No such horses or burros shall be so sold or donated unless the Secretary has first determined that such horses and burros shall receive humane treatment.

"(b) In carrying out his duties and functions (including management) under this Act, the Secretary shall be authorized, notwithstanding any other provision of law, to utilize helicopters, and motor vehicles (as defined in section 47 of title 18, United States Code), except that motor vehicles shall be used only for ground support purposes. In no case, however, shall such helicopters and motor vehicles be so used except under the direct supervision of the Secretary or his duly authorized official or employee or pursuant to an agreement entered into under section 6 of this Act.".

(b) Section 8(a) of such Act of December 15, 1971, is amended by inserting immediately after clause (6) thereof the following new clause:

"(7) utilizes or permits to be utilized any wild free-roaming horse or burro for medical testing or research purposes,".

(c) Notwithstanding any other provision of law or regulation issued pursuant thereto, any person claiming ownership of a horse or burro on the public lands, which horse or burro was on such lands on the date immediately preceding the date of the enactment of this Act, shall, during the 90-day period following such date of enactment, be entitled to file a claim with the Secretary for the return to the claimant of such horse or burro. If, on the basis of such claim or other evidence or data, the Secretary approves such claim, the Secretary is authorized to return such horse or burro to the claimant without payment by such claimant of any trespass or other fee, penalty, or charge.

SEC. 3. Section 47(a) of title 18, United States Code, is amended by inserting immediately after "Whoever" a comma and the following: "except as authorized by section 3A of the Act entitled 'An Act to require the protection, management, and control of wild free-roaming horses and burros on public lands', approved December 15, 1971 (85 Stat. 649),".

By Mr. HUDDLESTON:

S. 1924. A bill to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938. Referred to the Committee on Agriculture and Forestry.

Mr. HUDDLESTON. Mr. President, the burley tobacco producers of this country in the past have been prohibited from leasing burley tobacco quotas to nonquota farms. The Agricultural Stabilization and Conservation Service has amended 7 CFR part 726 to permit the transfer of burley tobacco quotas without regard to whether the receiving farm has a burley quota. Up until this change transfers of burley quotas have been permitted within the same county only if each farm had a burley quota.

I opposed the administrative change of part 726 to permit leasing-in by nonquota farms. The change would allow dilution of the qualified voters in burley referendums and potentially allow nonproducers to become eligible to vote in referendums.

Flue-cured tobacco, by statute, can only be leased to farms holding an allotment of the same kind of tobacco. This regulation has been extended to burley by administrative action.

Amending 7 CFR part 726 was opposed by the Kentucky Farm Bureau, the Burley Farmers Advisory Council, and the Burley Auction Warehouse Association. All are in agreement that changing the existing regulations to permit leasing to nonquota farms serves only to erode the burley tobacco program.

Mr. President, I introduce today a bill that would amend the Agricultural Adjustment Act of 1938 to prohibit the leasing of burley tobacco to nonquota farms. I ask that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 319(g) of the Agricultural Adjustment Act of 1938, as amended, is further amended by inserting the words "having a current burley tobacco farm poundage quota" immediately following the words "transferred to other farms in the same county".

By Mr. BARTLETT:

S.J. Res. 96. A joint resolution proposing an amendment to the Constitution of the United States providing for the reconfirmation by popular vote of certain Federal judges. Referred to the Committee on the Judiciary.

Mr. BARTLETT. Mr. President, today I have introduced a joint resolution to amend the constitution to provide the people a periodic voice in whether or not their Federal district judges should be retained in office.

Under our present Federal judicial system, a prospective Federal judge is nominated by the President—usually upon the recommendation of U.S. Senators—and confirmed or rejected by the U.S. Senate.

Upon being confirmed Federal judges, "both of the Supreme and inferior courts, shall hold their offices during good behavior." This provision of the Constitution has been interpreted to mean that, short of impeachment, our Federal judges hold their offices for the remainder of their life.

Fortunately in the main, our Federal judges are highly competent professionals who only serve the public and the judicial system. In recent years Presidents and the Senate have been far more demanding in the caliber of nominations to these esteemed positions. The use of the American Bar Association to pass judgment on the qualifications of a nominee has prompted Senators and Presidents to be much more circumspect in the selection process. As a matter of statistics, fewer and fewer nominees to the Federal bench are being returned with a "not qualified" label.

But in spite of this greater sensitivity, Federal judges are still appointed who are either not qualified or sometime during their tenure become unqualified.

Unfortunately the few who do slip by can give a bad name to the entire system, and presently very little can be done to remedy the problem.

As I have pointed out, the only existing remedy for an unqualified or incompetent judge is through the process of impeachment—and this is no remedy at all.

In the first place, impeachment results in the disruption of the entire legislative process. The process requires impeachment by the House of Representatives and trial by the Senate. In this day and age the Congress is not going to take time away from its other pressing duties to conduct an impeachment of some obscure Federal district judge. As a matter of fact, in our Nation's history only nine Federal judges have been impeached by the House and only four have been convicted by the Senate. We have not had a judicial impeachment since 1936.

The proposed amendment I have introduced would require all Federal district judges to periodically go before the people for their approval or rejection. Presently the judicial branch of Government is the only bastion where the people have absolutely no say in the selection process. Although overruled by his peers, Thomas Jefferson was long an advocate of involving the people in this process.

During my term as Governor of Oklahoma as a result of serious scandals in our State supreme court, we passed into law a modified Missouri plan for the selection and retention of judges. In conjunction with the adoption of this plan, which included the nonpartisan election of judges and retention or rejection periodically by the voters, I instituted a voluntary judicial nominating commission.

This series of steps went a long way toward restoring to Oklahomans faith in their judiciary.

Mr. President, the proposal I have introduced, while not solving all the problems in our judicial system, will prove valuable in three respects:

One. It will provide a reasonably simple means of ridding the system of highly unqualified or incompetent judges.

Two. The voters of the United States will have a say in the selection of their judges. The criticism can be made that the voters might reject an able judge because of an unpopular decision. While that possibility exists, the voters have that same possibility in regard to members of Congress as well as the President. But more often than not, the people are right. Thomas Jefferson said:

It is a misnomer to call a government republican, in which a branch of the supreme power is independent of the nation.

Three. It will provide a bridle on even the most competent judge who might tend to lose his humility and become arrogant with his virtual autonomy.

Under my proposal each district judge after having served 8 years would go before the voters of his judicial district to be either retained or removed. The judge would have no opponent. He would run strictly on the basis of his record, and the people could retain or reject him based on that record. The process would be repeated every 8 years thereafter.

I urge the Judiciary Committee to begin hearings on this proposal as well as the other similar bills which have been introduced this session. The fact that we have lived under the present law for 200 years does not justify 200 more years of putting up with thorns in the system.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 6

At the request of Mr. WILLIAMS, the Senator from Montana (Mr. METCALF) was added as a cosponsor of S. 6, the Education for All Handicapped Children Act.

S. 153

At the request of Mr. HANSEN, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the bill (S. 153) to amend part B of title XI of the Social Security Act, professional standards review, to provide for the review of dental services by dentists.

S. 1438

At the request of Mr. MCINTYRE, the Senator from Tennessee (Mr. BAKER) was added as a cosponsor of the bill (S. 1438) the National Health Care Act of 1975.

S. 1729

At the request of Mr. BAYH, the Senator from Iowa (Mr. CULVER), the Senator from Vermont (Mr. LEAHY), and the Senator from New Jersey (Mr. CASE) were added as cosponsors of S. 1729, a bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, to provide benefits for widowed fathers with minor children, to make certain other changes so that benefits for husbands, widowers, and fathers will be payable on the same basis as benefits for wives, widows, and mothers, and to permit the payment of benefits to a married couple on their combined earnings record where that method of computation provides a higher combined benefit.

S. 1804

At the request of Mr. HANSEN, the Senator from Wyoming (Mr. MCGEE), the Senator from Montana (Mr. METCALF), the Senator from Illinois (Mr. STEVENSON), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of the bill (S. 1804) to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs.

S. 1864

At the request of Mr. JACKSON, the Senator from Illinois (Mr. STEVENSON), the Senator from Iowa (Mr. CULVER) the Senator from Utah (Mr. MOSS), and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of the bill (S. 1864) the Automobile Fuel Economy and Research and Development Act of 1975.

S. 1877

At the request of Mr. HANSEN, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of the bill (S. 1877) to provide for the duty-free entry of binder twine and baler twine made of manmade fibers.

SENATE JOINT RESOLUTION 84

At the request of Mr. JAVITS, the Senator from Arizona (Mr. FANNIN) and the Senator from Nebraska (Mr. CURTIS) were added as cosponsors of Senate Joint Resolution 84, to authorize the President to proclaim National Hobby Month.

SENATE RESOLUTION 152

At the request of Mr. DOLE, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of Senate Resolution 152, a resolution requiring all standing committees of the Senate (other than the Committees on Appropriations and Budget) to conduct special oversight activities relating to their areas of jurisdiction and to report to the Senate thereon, no later than December 31, 1975.

AMENDMENTS SUBMITTED FOR PRINTING

ADDITIONAL STAFF MEMBERS FOR SENATORS—SENATE RESOLUTION 60

AMENDMENTS NOS. 561 THROUGH 565

(Ordered to be printed and to lie on the table.)

Mr. GRAVEL submitted five amendments intended to be proposed by him to the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

AMENDMENT NO. 566 AND NO. 567

(Ordered to be printed and to lie on the table.)

Mr. CANNON submitted two amendments intended to be proposed by him to the resolution (S. Res. 60), supra.

AMENDMENT NO. 568

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself and Mr. Brock) submitted an amendment intended to be proposed by them, jointly, to the resolution (S. Res. 60), supra.

AMENDMENTS NO. 569 AND NO. 570

(Ordered to be printed and to lie on the table.)

Mr. CANNON submitted two amendments intended to be proposed by him to the resolution (S. Res. 60), supra.

AMENDMENTS NOS. 571 THROUGH 573

(Ordered to be printed and to lie on the table.)

Mr. PACKWOOD submitted three amendments intended to be proposed by him to the resolution (S. Res. 60), supra.

AMENDMENTS NOS. 574 THROUGH 576

(Ordered to be printed and to lie on the table.)

Mr. BROCK submitted three amendments intended to be proposed by him to the resolution (S. Res. 60), supra.

AMENDMENTS NO. 577 AND NO. 578

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted two amendments intended to be proposed by him to the resolution (S. Res. 60), supra.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR SUMMER YOUTH EMPLOYMENT AND RECREATION—HOUSE JOINT RESOLUTION 492

AMENDMENT NO. 579

(Ordered to be printed and to lie on the table.)

Mr. MAGNUSON (for himself, Mr. BROOKE, Mr. CHILES, Mr. JACKSON, Mr. PASTORE, and Mr. BAYH) submitted an amendment intended to be proposed by them to the joint resolution (H.J. Res. 492) making urgent supplemental appropriations for summer youth employment and recreation, and for other purposes.

Mr. MAGNUSON. Mr. President, I would like to make a few brief remarks concerning House Joint Resolution 492, urgent supplemental appropriations for summer youth employment and recreation.

The bill contains the amounts for summer youth programs agreed to by the conferees on the original Emergency Employment Act supplemental which was vetoed and sustained. This includes $456,350,000 for approximately 840,000

UMI

summer youth jobs for the disadvantaged; and $15,300,000 and $1,700,000, respectively, for the summer youth recreation and transportation programs.

The summer youth jobs program provides employment in public institutions such as schools, libraries, and local governments. Unemployment among disadvantaged youth is now over 40 percent. Without these funds, it may reach 50 percent this summer.

The summer youth transportation program provides transportation to job locations for disadvantaged youth involved in the summer youth jobs and recreation programs, matching last year's level of funding.

The summer youth recreation program provides recreational opportunities for millions of disadvantaged youth, ages 8 to 14, who are mostly too young to work. This is the same as last year's level of funding.

The conference report on the vetoed bill contained specific provisions which also apply to the summer youth portion of this bill, namely:

First. The Department is expected to distribute funds for the summer youth employment program according to the formula under title I of the Comprehensive Employment and Training Act, adjusted to insure that no area receives less enrollment opportunities from this source than were provided for the summer of 1974.

Second. The Department shall not require prime sponsors to provide matching funds for any part of these supplemental summer youth employment funds.

Mr. President, I am also convinced that this joint resolution should be amended to include at a minimum the $2.3 billion agreed to by the conferees for the Labor-HEW chapter of the vetoed $5.3 billion Emergency Employment Act supplemental. Among the other essential items that should be given favorable consideration is the Youth Conservation Corps, for which $10 million was agreed to by the conferees on the vetoed bill.

On June 6, 1975, Senator BROOKE and I, joined by Senators CHILES, PASTORE, CASE, SCHWEIKER, and BAYH, wrote to Chairmen MCCLELLAN and MAHON expressing our viewpoints in detail on this matter, and I ask unanimous consent to have printed in the RECORD copies of those letters.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 6, 1975.

Hon. GEORGE H. MAHON,
Chairman, Committee on Appropriations, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: It appears that Congress will immediately be considering appropriation measures to substitute for the Emergency Jobs Supplemental that was vetoed and sustained.

We believe any new Emergency Jobs Appropriations bill should include, or be amended to include, at a minimum, the following items:

Public service jobs	$1,625,000,000
Summer youth jobs	456,350,000
Summer youth transportation	1,700,000
Summer youth recreation	15,300,000
Jobs for the elderly	30,000,000
Work incentives	70,000,000
College work-study jobs	119,800,000

It is obvious, at this late date, that we must pare down the $5.3 billion bill vetoed by the President. We are suggesting a replacement measure of about half that size, to take care of the most urgent needs. For the most part, the items we are suggesting are simply to restore last year's level of funding, or to prevent reductions in the current level of services. A similar proposal has been suggested by Congressman Michel. The items we suggest are budget requests sent to us by the President or amounts agreed to in the original bill by both Houses of Congress.

The unemployment figures for May were released today, showing unemployment has risen to a grim 9.2 percent. This means more than 8,500,000 persons are out of work and looking for jobs. In addition, a million more persons have given up looking for work and are not even counted in the official unemployment rate. It is, therefore, clear unemployment today is really in excess of a staggering 10 percent.

It is essential that the $1,625,000,000 for public service jobs be included, just to continue the current 310,000 level of persons enrolled, who would otherwise be layed off starting in July. To avoid sparking potential conflict between youth and adults competing for jobs, a new bill should include jobs for both.

It is important that funding for two companion programs accompany the Summer Youth Jobs program, as in past years: the Summer Youth Transportation and Recreational Support programs. At least last year's level of funding should be provided in both cases: $1,700,000 necessary to transport disadvantaged youth to their summer jobs; and $15,300,000 to provide millions of disadvantaged youth too young to work with recreational opportunities.

The $30,000,000 for jobs for the elderly will prevent layoffs of current enrollees; our elderly citizens have been the hardest hit by the current unemployment situation and deserve special attention. These funds, together with $12,000,000 in the regular 1975 bill, would support 12,700 jobs for the elderly.

The $119,800,000 for the work-study program would provide 250,000 jobs for low-income college students. An estimated 33 States have exhausted their work-study funds; without these funds, many would have to seek employment through the general labor market where one out of every ten workers is already unemployed.

For the Work Incentive program, $70,000,000 is needed to continue providing jobs and training for welfare recipients. About 30 States have exhausted their supply of funds.

Unemployment is already at its highest level in 34 years, and must not be allowed to climb still higher. It would be a false economy, indeed, not to provide funds to create jobs, only to pay billions more for unemployment benefits and welfare. Already, we are being compelled to appropriate a supplemental including an additional *$5 billion* for mandatory aid to the jobless and $1.7 billion for increased welfare costs.

We believe we must put our priorities in place and provide more work, not more welfare, to get our economy back on an even keel. Time is of the essence; we must act with utmost speed to pass a new Emergency Employment Appropriations bill that will be acceptable to the President.

Sincerely,

EDWARD W. BROOKE,
Ranking Minority Member, Subcommittee on Labor-Health, Education and Welfare,
WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare,
LAWTON CHILES,
JOHN O. PASTORE,
BIRCH BAYH,
CLIFFORD P. CASE,
RICHARD S. SCHWEIKER.

U.S. SENATE,
Washington, D.C., June 6, 1975.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: It appears that Congress will immediately be considering appropriation measures to substitute for the Emergency Jobs Supplemental that was vetoed and sustained.

We believe any new Emergency Jobs Appropriations bill should include, or be amended to include, at a minimum, the following items:

Public service jobs	$1,625,000,000
Summer youth jobs	456,350,000
Summer youth transportation	1,700,000
Summer youth recreation	15,300,000
Jobs for the elderly	30,000,000
Work incentives	70,000,000
College work-study jobs	119,800,000

It is obvious, at this late date, that we must pare down the $5.3 billion bill vetoed by the President. We are suggesting a replacement measure of about half that size, to take care of the most urgent needs. For the most part, the items we are suggesting are simply to restore last year's level of funding, or to prevent reductions in the current level of services. A similar proposal has been suggested by Congressman Michel. The items we suggest are budget requests sent to us by the President or amounts agreed to in the original bill by both Houses of Congress.

The unemployment figures for May were released today, showing unemployment has risen to a grim 9.2 percent. This means more than 8,500,000 persons are out of work and looking for jobs. In addition, a million more persons have given up looking for work and are not even counted in the official unemployment rate. It is, therefore, clear unemployment today is really in excess of a staggering 10 percent.

It is essential that the $1,625,000,000 for public service jobs be included, just to continue the current 310,000 level of persons enrolled, who would otherwise be layed off starting in July. To avoid sparking potential conflict between youth and adults competing for jobs, a new bill should include jobs for both.

It is important that funding for two companion programs accompany the Summer Youth Jobs program, as in past years: the Summer Youth Transportation and Recreational Support programs. At least last year's level of funding should be provided in both cases: $1,700,000 necessary to transport disadvantaged youth to their summer jobs; and $15,300,000 to provide millions of disadvantaged youth too young to work with recreational opportunities.

The $30,000,000 for jobs for the elderly will prevent layoffs of current enrollees; our elderly citizens have been the hardest hit by the current unemployment situation and deserve special attention. These funds, together with $12,000,000 in the regular 1975 bill, would support 12,700 jobs for the elderly.

The $119,800,000 for the work-study program would provide 250,000 jobs for low-income college students. An estimated 33 States have exhausted their work-study funds; without these funds, many would have to seek employment through the general labor market where one out of every ten workers is already unemployed.

For the Work Incentive program, $70,000,000 is needed to continue providing jobs and training for welfare recipients. About 30 States have exhausted their supply of funds.

Unemployment is already at its highest level in 34 years, and must not be allowed to climb still higher. It would be a false economy, indeed, not to provide funds to create jobs, only to pay out billions more for unemployment benefits and welfare. Already, we are being compelled to appropriate a supplemental including an additional *$5 billion* for mandatory aid to the jobless and $1.7 billion for increased welfare costs.

We believe we must put our priorities in place and provide more work, not more welfare, to get our economy back on an even keel. Time is of the essence; we must act with utmost speed to pass a new Emergency Employment Appropriations bill that will be acceptable to the President.

Sincerely,

EDWARD W. BROOKE,
Ranking Minority Member, Subcommittee on Labor-Health, Education and Welfare,
WARREN G. MAGUSON,
Chairman, Subcommittee on Labor-Health, Education, and Welfare,
LAWTON CHILES,
JOHN O. PASTORE,
BIRCH BAYH,
CLIFFORD P. CASE,
RICHARD S. SCHWEIKER.

Mr. MAGNUSON. Mr. President, I believe it would be a mistake to handle the urgent needs of our unemployed in a piecemeal fashion, when we can just as easily enact a bill meeting the immediate needs of our adult and elderly jobless citizens as well. None of these items can wait for consideration in the fiscal year 1976 Labor-HEW appropriations bill, since layoffs are imminent without supplemental funding.

I agree essentially with Congressman MICHEL and other cosponsors of H.R. 7612, making emergency employment appropriations for fiscal year 1975. Although far from perfect, this bill includes the most essential funds for not only summer youth programs but jobs for adults and the elderly, as well as work incentive and college work-study funds.

As a result of my amendment, it appears the House Appropriations Committee may report a continuing resolution which would specifically include all of the items agreed to by the conferees in the Labor-HEW chapter of the vetoed jobs bill. This would consist of: $1.625 million for public service jobs, extending for another year the current enrollment level of about 31,000 persons under several legislative authorities; $42 million for community service employment for the elderly, including enrollees now in the Operation Mainstream/Green Thumb program; $119,800,000 for 250,000 college work study jobs; and $70 million for the Work Incentive program, which provides employment and training for welfare recipients, as well as $10 million for the Civilian Conservation Corps in the Agriculture Department. If these items are included in continuing resolution, I may consider withdrawing this amendment.

It would be a false economy, indeed, not to provide funds to create jobs, only to pay out billions more for unemployment benefits and welfare.

I agree that we must act with utmost speed to pass a new emergency employment appropriations bill. Further delay would not only prolong the tragedy for millions of Americans out of work but would be economically unsound.

Mr. President, I ask unanimous consent that the amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 579

On page 2, after line 10, insert the following:

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

For an additional amount for "Community service employment for older Americans", to carry out title IX of the Older Americans Comprehensive Services Amendments of 1973, $30,000,000: *Provided*, That, notwithstanding any other provision in law, amounts contained herein, together with amounts heretofore appropriated for "Community service employment for older Americans" may be expended to continue projects now being conducted as part of the National Operation Mainstream program authorized by title III of the Comprehensive Employment and Training Act of 1973 (Public Law 93–203).

TEMPORARY EMPLOYMENT ASSISTANCE

For an additional amount for "Temporary employment assistance", $1,625,000,000, to remain available until December 31, 1975.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION

HIGHER EDUCATION

For an additional amount to carry out work-study programs authorized by part C of title IV of the Higher Education Act, $119,800,000, of which $60,000,000 shall remain available through September 30, 1975 and $59,800,000 shall remain available through June 30, 1976: *Provided*, That funds appropriated in the Departments of Labor, and Health, Education, and Welfare Appropriations Acts for the fiscal years ending June 30, 1974, and June 30, 1975 (Public Laws 93–192 and 93–517) for the work-study program under part G of title IV of the Higher Education Act of 1965, which have been granted to an eligible institution whose allocation exceeds the amount needed to operate a work-study program during the period for which those funds are available, shall remain available to the Commissioner for making grants to other eligible institutions until the end of the fiscal year succeeding the fiscal year for which such funds are appropriated: *Provided further*, That any amounts appropriated for basic opportunity grants for the fiscal year ending June 30, 1974, which are in excess of the amount required to meet the payment schedule announced for the academic year 1974–75, shall remain available for payments under the payment schedule announced for the academic year 1975–76.

SOCIAL AND REHABILITATION SERVICE

WORK INCENTIVES

For an additional amount for "Work Incentives", $70,000,000, for carrying out a work incentives program as authorized by part C of title IV of the Social Security Act, including registration of individuals for such program, and for related child care and supportive services, as authorized by section 402 (a) (19) (G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, which, together with the previously authorized current year appropriation, shall be the maximum amount available for transfer to the Secretary of Labor and to which States may become entitled, pursuant to section 403(d) of such Act, for these purposes, for the current fiscal year and for any period in the prior fiscal year provided the prior fiscal year expenditures are claimed on quarterly statements of expenditures reecived by the Secretary of Health, Education, and Welfare prior to February 1, 1975.

DEPARTMENT OF AGRICULTURE

YOUTH CONSERVATION CORPS

For an additional amount for "Youth Conservation Corps", $10,000,000, to remain available until the end of the fiscal year following the fiscal year for which appropriated: *Provided*, That $5,000,000 shall be available to the Secretary of the Interior and $5,000,000 shall be available to the Secretary of Agriculture.

NOTICE OF HEARINGS

Mr. MONDALE. Mr. President, I wish to announce that the final joint hearings on the Child and Family Services Acts, S. 626 and H.R. 2966, have been scheduled by the Senate Subcommittee on Children and Youth, the House Select Subcommittee on Education, and the Senate Subcommittee on Employment, Poverty, and Migratory Labor for June 16, 17, 19, and 20.

A highly respected and impressive group of witnesses will testify at these hearings. I urge my colleagues and members of the public to attend and carefully consider the testimony that will be presented.

Because of the large number of requests our subcommittees have received for copies of the witness list, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the witness list was ordered to be printed in the RECORD, as follows:

WITNESS LIST FOR JOINT HEARINGS ON THE CHILD AND FAMILY SERVICES ACTS S. 626—H.R. 2966.

Monday, June 16, 1975, 9:30 a.m., 2175 Rayburn Building.

Witnesses will include: Congresswoman Bella Abzug; Representatives of the National Governor's Conference; Anne Klein, New Jersey Commissioner of the Department of Institutions and Agencies; Representatives of the U.S. Conference of Mayors and the National League of Cities; Ms. Frieda R. Mitchell, Chairperson, United Communities for Child Development, Inc., Frogmore, South Carolina; Honorable Hannah D. Atkins, House of Representatives, State of Oklahoma; Dr. Wilson Riles, Superintendent of Public Instruction, California Department of Education, Sacramento, California; John Himelrick, Interagency Council for Child Development Services, Office of the Governo

Charleston, West Virginia; David Flagherty, Secretary of Human Resources & Chairman of the South, Eastern Human Services Institute, Raleigh, North Carolina.

Tuesday, June 17, 1975, 9:30 am, 2175 Rayburn Building.

Witnesses will include: The Honorable Caspar W. Weinberger, Secretary of Health, Education, and Welfare accompanied by Stan Thomas, Assistant Secretary of Human Development, Terrel Bell, Commissioner of Education, Dr. Theodore Cooper, Assistant Secretary for Health, and Jack Young, Assistant Secretary Controller; Kenneth Kenniston, Chairman and Executive Director of the Carnegie Council on Children.

Thursday, June 19, 1975, 9:30 am, 4232 Dirksen Building.

Witnesses will include: A Panel of Congressmen including Congressman Parren J. Mitchell of Maryland, Congressman Gunn McKay of Utah and Congressman Jim Weaver from Oregon; two witnesses recommended by Senators Buckley, Taft, and Laxalt; Betty Caldwell, Director of the Center for Early Development and Education, University of Arkansas; Urie Bronfenbrenner, Professor, Department of Human Development and Family Services, Cornell University.

Friday, June 20, 1975, 9:30 am, 2175 Rayburn Building.

Witnesses will included: Joyce Hatton, President, New World, Inc., Lansing, Michigan; Representatives of the American Federation of State, County and Municipal Employees; Mr. Ben Shappard, M.D., President, Dade County School Board, Florida; Owen Peagler, Chairman, National Advisory Council for the Education of Disadvantaged Children; Donald W. Whitehead, Federal Co-Chairman, Appalachian Regional Commission; Dr. Robert Mendelsohn (Pediatrician) Assistant to the Executive Vice President, Michael Reese Hospital, Chicago; Panel of witnesses including Eileen Fox, Urban Affairs Department, Banker's Trust, New York; Carole Lubin, United Neighborhood House of New York; James Solar, Executive Director, Union Settlement Association, New York; Aileen Wittenstein, Member of United Neighborhood Houses Board of Directors; Jeanette Perkins, mother of two retarded children served by Lowe Memorial Day Care Center; Eleanor Bailey, Business Agent for Metropolitan North Postal Worker's Union, AFL–CIO; Alice Lee, Director of After-School Day Care Centers operated by Chinatown Planning Council.

NOTICE OF HEARING

Mr. PHILIP A. HART. Mr. President, I wish to inform those who may be interested that the Antitrust and Monopoly Subcommittee on Tuesday, June 17, will open hearings on S. 489. This bill, whose chief sponsor is the junior Senator from South Dakota (Mr. ABOUREZK) would prohibit petroleum producers or refiners and natural gas producers from owning an interest in other energy sources.

ADDITIONAL STATEMENTS

BUSING. INTEGRATION. AND QUALITY EDUCATION

Mr. TALMADGE. Mr. President, I have long maintained that we have come full circle on the issue of school desegregation. It is also becoming increasingly evident that the issue has more to do with social adventurism than with promoting quality education.

In 1954, the U.S. Supreme Court held that the Constitution forbids schoolchildren to be assigned to public schools on account of their race. Then came forced school busing, which does precisely what the Supreme Court said could not be done.

Thus, we have come full circle because the principal criteria for assigning children to schools far removed from their homes and busing them great distances across cities or school districts is race.

It has nothing to do with quality education. It has nothing to do with improving instruction in the classroom. Forced school busing is purely and simply a matter of trying to achieve some artificial racial balance conceived by some Federal court or some bureaucrat.

As William Raspberry, the Washington Post columnist, pointed out:

> Busing hasn't solved anything because busing can't solve anything except transportation problems. And transportation never was the issue.

And now, the man who conceived the notion of school busing has also come full circle. In 1966, in a study which greatly influenced Federal courts and the U.S. Office of Education, Prof. James R. Coleman, of the University of Chicago, thought busing was a marvelous idea.

Professor Coleman now concedes that forced school busing has been a failure. Rather than improving education and advancing the cause of human relations between the races, according to Professor Coleman, it has been detrimental to these causes.

I suppose this gives strength to the idea that hindsight is better than foresight. This may be true, but when the Government undertakes to deal with peoples' children and to virtually revolutionize educational systems, I for one would wish that more foresight would be exercised.

The time is long overdue to stop the idiocy of forced school busing. It is time to stop using schoolchildren as pawns in sociological experimentation.

Mr. Raspberry discussed Professor Coleman's views, past and present, on school busing in a column in today's edition of the Washington Post.

I commend it to members of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSING, INTEGRATION, AND QUALITY EDUCATION

(By William Raspberry)

With the recent capitulation of Prof. James R. Coleman (he of the celebrated Coleman Report), hardly anyone is left to defend big-scale busing for the purpose of school integration.

It was Coleman, now a sociologist at the University of Chicago, whose 1966 study, undertaken for the U.S. Office of Education, provided the rationale for the massive busing programs of the past 10 years.

The heart of the Coleman Report was its finding that black children in integrated classrooms perform better than their counterparts in all-black classrooms.

And since he also found that the performance of white children was not diminished by racial integration, it was hard to resist the conclusion that America ought to move as quickly as it could to see to it that every black child had the benefit of integrated education. And what quicker way could there be than the instant integration of massive busing?

Well, Dr. Coleman has taken another look, and his new conclusion—expressed in an April speech before the American Educational Research Association and in a recent interview with the National Observer—is that busing is killing integration, not promoting it; that America's largest cities are becoming more rigidly segregated as a direct result of busing.

According to Coleman, it is implementation, not theory, that has gone awry.

"The theory is that children who themselves may be undisciplined, coming into classrooms that are highly disciplined, would take on the characteristics of their classmates and be governed by the norms of the classrooms, so that the middle-class values would come to govern the integrated classrooms.

"In that situation, both white and black children would learn.

"What sometimes happens, however, is that characteristics of the lower-class black classroom—namely a high degree of disorder—come to take over and constitute the values and characteristics of the integrated school. It's very much a function of the proportion of lower-class pupils in the classroom."

I do wish Coleman had taken the bother to explain that black and lower-class are no more synonymous than are white and middle-class. But, then, he might also have pointed out that in the large cities, where busing constitutes the largest problem, the lower-class populations are getting bigger and—as the cities themselves become less white—also blacker.

And because blacks are concentrated in the larger urban areas, court-ordered desegregation has tended to speed the process that sends whites fleeing to the suburbs while the central cities become blacker, Coleman said.

Nor does he believe that metropolitan-wide busing is the answer.

"I believe it's not entirely lower-class blacks that middle-class whites are fleeing," he said. "They are fleeing a school system that they see as too large, as unmanageable, as unresponsive, to find a smaller, more responsive system. If the systems is made even larger, covering the whole metropolitan area, many parents will find ways to escape it, either by moving even further out or by use of private schools."

It is principally in the very large cities that busing is having its resegregating effect, Coleman noted. "In cities smaller than the size of, say, Indianapolis, desegregation does not seem to have the same consequences."

For the big cities, with the big problem, Coleman is convinced white flight will continue, at least among those with the financial means to flee, unless solutions are devised that can attract the active cooperation of middle-class families.

But what, exactly, is it that we're seeking a solution to? If we had asked ourselves that question, and insisted on an honest answer, maybe we wouldn't be dealing with massive busing now.

Are we seeking a solution to racial segregation generally? Then, why pick on the schools instead of the neighborhoods, where the real segregation is maintained?

Is the problem inadequate education for poor children? But who could have believed—Coleman notwithstanding—that problem could be solved by transporting whole classrooms from one neighborhood to another?

It is unequal distribution of resources that we are trying to correct? Then, why don't we go after them instead of going after integration?

Busing hasn't solved anything because busing can't solve anything except transportation problems. And transportation never was the issue.

Coleman believes the courts were badly mistaken to rely on his report as the rationale for wide-scale busing—or for anything else. For what was at issue before the courts was a question of constitutional rights; Coleman's report formed, at most, a basis for changing educational policy.

Coleman himself sees the folly of trying to combine the two areas.

"Consider what would have happened if the report had said that *segregated* classrooms improve pupil performance," he told the Observer. "Would the courts have been justified in ordering busing to create racial *imbalance?*

"Of course not. Courts are taking a very precarious path when they make research results about the achievement consequences of school integration a basis for reorganizing a school system. That's not their function, in my view."

Nor in mine.

TIME IS RIPE FOR A GOLD BICENTENNIAL COIN

Mr. HATFIELD. Mr. President, on July 4 of this year, a remarkable piece of legislation goes into effect. For the first time in our history, a circulating coinage design has been changed to commemorate a national event. The reverse side of the quarter, half dollar, and dollar will be changed to reflect themes emblematic of the Bicentennial of the American Revolution.

The 93d Congress is responsible for the legislation authorizing those coins and the special silver legal tender issues that were created for sale to coin collectors and all Americans.

Yet the celebration of the Bicentennial is incomplete. The coinage changes are not fully adequate. A gold commemorative coin should be issued for the Bicentennial, honoring 200 years of American freedom with a legal tender that was used when independence was won.

This is not aimed at remonetizing gold. The coin I am speaking of is intended as a collector's item. Its face value would be far below its bullion content, and the coin would sell for above its face value, not unlike the silver Bicentennial coins Congress authorized in the last session.

There is no reason why the United States should not have a gold Bicentennial coin. When the original legislation was being framed, Americans did not enjoy the right to own gold. Thus, although the Senate passed a bill authorizing a gold coin, the House would not correspondingly act.

There were perhaps a number of valid objections to a gold Bicentennial coin last year. Surely, there can be none now. Mr. President, I would like to call to your attention an interesting commentary on gold Bicentennial coinage by Mr. David L. Ganz which appeared in a recent issue of Numismatic News Weekly.

This article, in two parts, goes into the background of several previous proposals, and then goes on to rebut previous arguments advanced within the administration opposing such a coin. I ask unanimous consent that the two parts of this article be printed in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROPOSING THE AUTHORIZATION OF A GOLD COIN: WRITING A FINAL CHAPTER TO THE BICENTENNIAL

(By David L. Ganz)

Production presses for Bicentennial coinage will soon be rolling. The reverse of the quarter, half dollar, and dollar coins entering circulation will bear designs emblematic of two centuries of American experience. Special silver-clad coins of the same design also will be available to collectors of Bicentennial memorabilia.

What remains to be done to highlight the Bicentennial celebration is for Congress to authorize the United States Mint to strike a gold commemorative coin honoring a unique event to our lifetimes. For Congress to fail to do so would seriously shortchange both the Bicentennial observance, and the American people participating in the tribute to 200 years of American freedom.

Striking a gold coin would be entirely appropriate to both the events being commemorated, and to the method adopted thus far for celebration. A precious metal silver series of coins has been authorized by Congress. There is no reason why 45 million gold pieces could not be manufactured to join an identical quantity of silver coins that must be struck.

Precious metals have a long history of involvement with U.S. coinage. Although the last gold coins were struck in 1933, and circulating silver coins were last minted in 1969, both metals were manufactured going back to the earliest coinage of the 13 colonies after they became the United States of America.

In his classic "Report on the Establishment of a Mint," Secretary of the Treasury Alexander Hamilton noted on Jan. 28, 1791, that both "1 gold piece equal to a . . . Dollar" and "1 Silver piece, which shall also be a unit or dollar" should form the basis of the American currency system that had yet to assume reality.

Since that day, gold and silver have both played an important part in the economic life of the United States. The gold rush of 1848 helped to settle the West and bring California into the Union; the silver in the Comstock Lode helped to foment a political battle that helped shape the last quarter century of 19th Century American history.

In the 20th Century, the world went briefly on a gold standard, then a gold-exchange system, and finally one in which gold was given a role of importance in international monetary transactions in a world of Special Drawing Rights, or "paper gold." Silver, meanwhile, gained a major role in industrial development in this country.

By presidential order, and congressional affirmance, gold left the actively circulating domestic currency system in 1933. Silver took some time longer to make its exit. The Coinage Act of 1965 caused most of it to end its active coinage role and, once the One Bank Holding Company Act of 1970 was passed, the 40 percent silver-clad Kennedy half dollar—the last circulating silver coin—went by the boards.

In the interim between 1970 and the introduction of silver Bicentennial coinage, a 40 per cent silver-clad Eisenhower dollar has become the only American representation of a precious metal coin. This does maintain a sequence of precious metal production of coinage dating back to the manufacture of Martha Washington's silver service into pattern coinage.

When Bicentennial coinage proposals were first introduced in Congress in early 1971, the legislators never doubted that precious metals were required to make an appropriate tribute to 200 years of freedom. Early in the first session of the 92nd Congress, Sen. Frank Church (D-Idaho) proposed the use of silver in this capacity.

Church called for the striking of a minimum of 225 million sets of two or more proof and uncirculated silver coins—sufficient quantity for each American to be able to acquire a unique tribute. Then Representative (now Senator) James A. McClure (R-Idaho) teamed up with Sen. Peter H. Dominick (R-Colo.) with similar silver coin proposals.

Gold coin proposals were hard to come by in 1971. The reason was clear: It was illegal for Americans to own gold bullion, and almost all gold coined after 1960. Additionally, in June, 1971, the dollar was still convertible into gold at the old fixed rate of $35 per troy ounce. Use of American gold reserves for a coin was unthinkable.

By the middle of May, 1972, plans were advancing within the Treasury for numismatic commemoration of the Bicentennial. Although it was not known at the time, the coin and medal aspect of the Bicentennial celebration would wind up being the only real success coming from governmental involvement in the planning for the event.

As this planning went on, Mint Director Mary T. Brooks had independently decided that precious metal commemoration of the Bicentennial was desirable. In an unpublished 1972 interview, recently quoted in "The Numismatist," monthly publication of the American Numismatic Association, Mrs. Brooks came out strongly in favor of a gold Bicentennial coin.

"I'd love to strike a gold Bicentennial coin," the mint director said on May 8, 1972. "No more wonderful (way could be found to commemorate our Bicentennial than with a gold coin." One key reason for this feeling was obviously the deep feeling of historic identification between gold and the growth of this nation.

Other events, however, began to intervene. The dollar had been devalued once, with gold rising from a fixed $35 rate to $38 and higher on the secondary "free market." On May 9, 1972, the price of gold jumped to $44 an ounce on the free market, and Mrs. Brooks formally requested that her remarks be withdrawn for fear of unduly prejudicing the price.

Even as this was happening, Sen. Mark O. Hatfield (R-Ore.) was proposing a gold coin be struck for the Bicentennial. His approach was two-fold: Unique commemoration of an event of momentous importance, and the unshackling of our gold reserves by using them in a circulating coin. A story to that effect was published in Numismatic News Weekly on May 16, 1972.

Hatfield acted early in the 93rd Congress in furtherance of this idea, and ultimately, the Senate would pass his proposal for a gold Bicentennial coin. It was, however, drooped in conference with the House, which refused to go along with the proposal, opting instead for silver-clad pieces.

Even after the Treasury Department's proposal for Bicentennial coinage was introduced in March, 1973, some members of Congress seemed to think that it fell short of the desired commemorative result, because of the absence of precious metals.

Sen. James McClure said it was his feeling there was no reason "not (to) commemorate the Bicentennial in a manner that the nation did itself—in gold and silver." Hatfield, not satisfied with the initial proposal, thought "a more appropriate celebration would be with gold coins," and then proceeded to act on the statement.

Rep. Steve Symms (R-Idaho) said he could only term the failure to use gold in a Bicentennial coin "a penny-ante approach which Americans will regret for the next 100 years."

UMI

Rep. Philip M. Crane (R-Ill.) similarly called for striking of a Bicentennial gold coin.

Dramatic events were to nearly cause a gold Bicentennial coin to be authorized in conjunction with the silver clad pieces ultimately created by the Bicentennial legislation. It was passed by the Senate after a floor fight led by Senators Hatfield, McClure and Dominick.

In the House, however, gold proponents were not able to gain as much ground, particularly because Federal Reserve Chairman Arthur F. Burns and Undersecretary of the Treasury Paul Volcker both opposed a coin or anything else that would give the impression that the United States desired anything less than total demonetization of gold.

Both men wrote letters to the chairman of the House Banking Committee, Rep. Wright Patman (D-Tex.) in which they warned of potentially damaging consequences to the United States if a gold coin were authorized, struck and circulated. Dr. Burns hinged his arguments on the probably adverse impact on the nation's balance of payments.

Volcker was more broad in his attack. "We doubt the wisdom of enacting any legislation at this time which pertains to the private ownership of gold—whether in the form of bullion or coin," he wrote on July 13, 1973. Because the balance of his arguments are those which would still be the basic reason for opposition to gold coinage, they are summarized from their original source: House of Representatives Report 93-391 at pages 8-9.

"Congressional action requiring the minting of gold coins would be particularly unfortunate," Volcker noted. "It would give rise to unprecedented speculation and uncertainty . . . as to the intentions of our Government with respect to the role of gold in the future monetary system. The issuance of gold coins by the U.S. government would be viewed abroad as an attempt to reemphasize the monetary importance of gold."

Continuing, Volcker stated that it was the Treasury view that "the issuance of gold coins . . . would be a misuse of the Nation's gold reserve." Finally, he said, "it would be impossible to produce a coin of quality which would appropriately commemorate the American Revolution and, at the same time, could be sold at prices within the means of the average American."

The rationale for this, Volcker explained, was that "a coin that could be minted and sold at prices which would make them accessible to the average American would either contain a negligible amount of gold or would be very small in size." And, he concluded, "In either event, we do not believe that it would be an impressive commemorative of such a historical occasion as the Bicentennial."

There was no consideration of this view in the Senate, which went ahead and passed the Hatfield gold coin proposal. In the House, Rep. Crane called Volcker's views "untenable." Nonetheless, they carried both Houses after a joint conference committee agreed to delete the gold coin.

On Dec. 31, 1974, however, the key rationale behind Volcker's actions was knocked to the ground. Americans gained the privilege of owning gold in any form—including coin and bullion—for the first time in 40 years. With the coming of private gold ownership came a new reason for favoring a gold Bicentennial coin.

TREASURY AND FEDERAL OFFICIALS SCRAMBLE TO EXPLAIN INADVISABILITY OF BI' GOLD COIN

Gold coinage to commemorate the Bicentennial of the American Revolution had been introduced to Congress, and both the Treasury Department and the Federal Reserve responded with their rationale as to why it was not desirable for the United States to issue gold coinage for the first time in 40 years.

PART TWO OF TWO PARTS

Dr. Arthur F. Burns, Federal Reserve chairman, indicated there could be a pronounced, deleterious effect on the nation's balance of payments, particularly if the coinage proposal were linked to private gold ownership. The reason? Federal Reserve studies apparently indicated that massive purchases of gold abroad would be made by Americans.

Paul A. Volcker, then Undersecretary of the Treasury for Monetary Affairs, and soon to become President of the Federal Reserve Bank of New York wrote a more ingenious brief outlining his reasons against issuance of a gold coin. He believed it would lead to price speculation in the precious metal, to the erroneous impression that the United States was remonetizing gold and do little more than misuse the nation's gold reserve.

Moreover, Volcker indicated that even if these arguments could be surmounted, the high price of gold would make it "impossible to produce a coin of a quality which would appropriately commemorate the American Revolution" and simultaneously be at a price low enough to make it readily available to most Americans.

Any coin that could be minted, this argument went, would either have a very small amount of gold ("negligible") or be so tiny in size as to be an inappropriate tribute to an event that will be unique to our lifetimes.

Today, nearly two years after Volcker and Dr. Burns spoke out against a gold coin, factual realities and perceptions have changed dramatically. Now, just a little more than a year before the 200th anniversary of the proclamation of the Declaration of Independence, there is no reason why a gold piece could not be struck to commemorate the American Revolution bicentennial.

BALANCE OF PAYMENTS

The foremost concern expressed by Dr. Burns was that the American balance of payments position might be damaged severely by authorizing private gold ownership and concurrently allowing the striking of a gold Bicentennial commemorative coin. In mid 1973, this position may have had sound basis. Today, it does not.

In 1973, the 40th anniversary of the suspension of private gold ownership was observed. During that period of nearly half a century, gold had been stable in price for all but a limited period at $35 an ounce. From 1968 onward, a free market competed with the official price and it rose and fell so rapidly that Dr. Burns probably felt it would attract speculative elements who would make massive purchases abroad.

These quantities, it was felt, would have severely damaged the American balance of payments at a time when the trade balance, for the first time in the 20th century, had been in the red. This would have put pressure on the dollar and created inflationary dangers at home, or so the economic rationale went.

Petrodollars were not even contemplated at that point, nor was a period of inflation in which much of the world finds prices advancing at double-digit levels for a prolonged period of time. The balance of payments argument was simply based on a hypothetical assumption that Americans would make massive purchases abroad and create a dollar drain.

SPECULATIVE PRICES

Volcker's argument about price speculation, of course, did come true—quite unlike the idea advanced by Dr. Burns. It was this very fluctuation, apparently, that kept the Burns hypothesis from coming true. Purchasers were scared off by the massive upswing and decline of the market in so short a time.

Prices are a good deal higher today than they were in 1973, but this is of little consequence. Gold today has a stable value that fluctuates somewhere between $150 and $185 an ounce, give or take 10 per cent, and apparently world governments (and individual purchasers) have little trouble dealing with it on that basis.

Stable or fixed prices are not necessary to deal in gold any more than they are for any other commodity such as silver, coffee, sugar, or beets. Those requiring long-term assurances of commodity availability have the futures markets open to them—both in the United States and in Canada—to create the necessary stability.

Were the decision made to issue a gold coin for the Bicentennial, rising and falling gold prices would be of little import, provided the coin was manufactured with the intent of selling it to collectors. Then, its issue price could be set above its gold content valuation, just as the silver-clad Bicentennial coin sets are.

If this alternative is not an attractive one, there are other options available. The coin could contain one measure of gold and a much higher valuation or denominative worth. This is no different than the current cupronickel clad quarter, which contains about two cents worth of raw materials, circulating at a 25-cent value.

DEMONETIZED GOLD

On Aug. 15, 1971, the United States took an irrevocable step. By slamming down the gold window and ending the convertibility of the dollar, the process that will one day lead to the unconditional demonetization of gold was begun.

There will always be strategic uses for gold, industrial needs for the precious metal, and perhaps some minor role in the reformed international monetary system. It seems clear, however, that the United States is firmly committed to a course of gold demonetization and promotion of the Special Drawing Right unit, or "paper gold."

Rationale for this is multifold. In summary, let it be said that there is simply not sufficiently plentiful reserves of gold to adequately service the international monetary order as the numeraire of the system. For similar reasons, the dollar had to be retired from its role as keystone to the order.

Mere issuance of a gold coin, not sold at face value and primarily intended for collectors—both of coins and memorabilia—hardly seems to be an auspicious way to reintroduce gold as a monetary element. Use of silver in the Bicentennial collector coins certainly did not signal its reintroduction as a key monetary element.

Use of gold in a Bicentennial commemorative coin, on the other hand, would call attention to the rich history of gold in relation to the development of the American republic, its traditional use as a coin first recommended in Alexander Hamilton's Report on the Establishment of a Mint for the United States.

What it would do is focus interest in gold as a precious metal that most people now hold in the form of jewelry. A Bicentennial coin made of gold would be a museum piece for every American home. It most assuredly would not mark the remonetization of gold.

PROPER USE, SUITABLE COINS

It seems there is little that could be more appropriate than to use a small portion of our gold reserves—perhaps as little as two per cent—for the striking of a gold Bicentennial coin. Reserves now total about 276 million troy ounces. The quoted percentage amounts to approximately 5½ million troy ounces.

Leaving 98 per cent of the reserves intact, this 5.52 million ounce holding has a "book value" of $42.22 an ounce, making it worth about $233 million. Its actual cost to the government, using the old $20.67 figure (which is what it was carried at for many years on the books) is about $114.1 million. At current market prices of about $175 an ounce, the two per cent of our national gold reserves have a worth of about $966 million.

Assuming that this minor gold hoard were turned into coins, a considerable seigniorage could be exacted, provided base values and cost were established for the mint from the very beginning of the operation. Prices could also be set sufficiently high so as to prevent melting of the coins for their precious metal content.

Consider, for example, the possibilities of a three-coin gold series—designed to match the similar silver-clad collector's sets in number, but with different portraits and emblems. The most obvious model could be the coinages authorized by the Monetary Convention concluded at Paris on Nov. 6, 1885, which formed the Latin Monetary Union.

Latin union denomination	Legal fineness	Legal weight	Diameter	U.S. coin equivalent	U.S. coin diameter	Proposed denomination	Retail price
5 francs	.900	1.6129	17 mm	Dime	17.91	$12.50	$20
10 francs	.900	3.2258	19 mm	Cent	19.05	25.00	40
20 francs	.900	6.4516	21 mm	Nickel	21.21	50.00	80

Source: U.S. coinage data from 1973 Report of the Director of the Mint p. 54. Latin union data from 1900 Report of the Director of the Mint p. 699.

The three denominations offered in that Treaty are the 5, 10 and 20-franc coins. Specifications for the pieces are set fourth on the chart accompanying this column, with comparisons made to existing U.S. coinage to aid in size and design potentialities. It is important to remember that the Latin Union did strike, and circulate coins of these descriptions for more than 30 years.

Key ingredients to this proposal are that the melting point of each of the coins is approximately $400 an ounce for gold. Until gold reaches that point, it does not become profitable for the coins to be melted for their bullion content.

Assuming that this proposal were adopted as it stands, the government would stand to profit to the tune of more than $1 billion. The reason is that the gold involved in the coinage is quite minimal: The 20-franc piece contains only .18668 fine troy ounces of gold; the 10-franc coin bears .09334 troy ounces, and the 5-franc piece just .04667.

If the government were to sell the coins both individually, and in sets, here is a possible breakdown as to what might happen. Assume, first of all, that a set of three coins with a face value of $87.50 is offered for sale at $140. The coins individually are available at the "retail prices" shown on the chart.

A total of .32669 troy ounces of gold is involved in the sale. With gold valued on the free market at an assumed price of $175 an ounce, that means that the purchaser has bought $57 worth of gold coin for $140. The profit, therefore, is not hard to see in terms of the overall program. Variances from the suggested pieces in the table can also be constructed, using a "melting point" of well below $400 an ounce.

Gold Bicentennial coinage is something for everyone. For the collector of coins, it would be a precious metal commemoration of a unique once-in-a-lifetime event. For most Americans, it could be an opportunity to share in their national heritage. For the Treasury and the Federal Reserve, there is a need to change their positions which no longer correspond to realities.

Mr. HATFIELD. Mr. President, I urge that strong consideration be given by this body to the gold Bicentennial coinage legislation now before it. S. 1712, and the identical H.R. 7235, afford a means of commemoration of a unique event—our Bicentennial—in a fitting manner.

Once again, let me urge prompt consideration of gold Bicentennial legislation. It is one tribute to 200 years of freedom that no American will forget.

FINANCIAL STATEMENT BY SENATOR LOWELL WEICKER, JR.

Mr. WEICKER. Mr. President, I ask unanimous consent that a joint statement of assets and liabilities of my wife and myself as of December 31, 1974, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WIENDIECK & CO.,
CERTIFIED PUBLIC ACCOUNTANTS,
Greenwich, Conn., June 9, 1975.

Hon. LOWELL P. WEICKER, Jr.,
Senator from Connecticut,
Washington, D.C.

DEAR SENATOR WEICKER: Pursuant to your request we have prepared the enclosed joint statement of assets and liabilities for you and Mrs. Weicker as of December 31, 1974. Where applicable this statement is based on estimated values as more fully explained in the accompanying notes.

The items contained therein were determined in accordance with generally accepted auditing standards and the application of such other auditing procedures as we considered necessary in the circumstances.

In our opinion the aforementioned statement presents fairly your assets and liabilities at December 31, 1974.

Respectfully submitted,

WIENDIECK & CO.

SENATOR AND MRS. LOWELL P. WEICKER, JR.

STATEMENT OF ASSETS AND LIABILITIES

December 31, 1974

ASSETS

	Value
Cash	$1,892
Marketable securities (Schedule 1 and Notes 1 and 4)	48,883
Cash value of life insurance	3,881
Interest in W-Ventures, partnership (Investment Club)	2,407
Automobiles	3,900
Household furnishings, paintings, jewelry, personal property	72,000
Accumulated deductions for Civil Service retirement	20,019
Real Estate	
Residence (Greenwich, Conn.) pledged on mortgage note	219,750
Residential property (Alexandria, Virginia) pledged on mortgage note	135,000
Condominium (Coloney Beach & Tennis Club, Sarasota, Florida) pledged on mortgage note	50,000
Contingent asset (Notes 2 and 3)	--
Total assets	557,732
Liabilities	
Accounts payable	9,447
15% tideover checking account loan (monthly payments of $417 plus interest)	5,000
7½% demand loans (monthly interest-voluntary reductions) (Note 4)	34,000
7½% mortgage, maturing in 1998, secured by residence (annual amortization and interest payments amount to $8,868)	97,706
8¾% mortgage, maturing in 2004, secured by residential property in Alexandria, Va. (annual amortization and interest payments amount to $8,969)	$94,609
8% mortgage, maturing in 1998, secured by Condominium at the Colony Beach and Tennis Club, Sarasota, Fla. (annual amortization and interest payments amount to $3,979)	42,351
8% promissory note due May 1, 1979, secured by residential property in Alexandria, Va	30,000
8% demand loan	15,000
Total liabilities	328,115
Excess of assets over liabilities	229,617

The Notes to the Statement of Assets and Liabilities are an integral part of this statement.

SCHEDULE 1

MARKETABLE SECURITIES

	Shares	Market value
Stock:		
Ace Publishing Co	384	$1,536
American Brands, Inc	100	3,025
American Express Co	100	2,600
Colonial Penn Group, Inc., common	100	2,475
Friendly Ice Cream Corp	525	6,694
Garfinckel, Brooks Bros., Miller & Rhodes, Inc	125	875
General Signal Corp., common	133	3,159
Heublein, Inc	160	3,220
Hewlett-Packard Co., common	50	3,006
International Business Machines	10	1,680
Maryland Cup Corp., common	200	2,250
Marriott Corp., Inc	129	871
Merck & Co., Inc., common	50	3,319
National Airlines, common	175	1,334
Pacific Power & Light	100	1,400
Xerox Corp	25	1,281
Total		38,725

	Face value	Market value
Bonds:		
A.R.A., Services, Inc. 4½% percent conv. deb. due 1996	$2,000	$1,200
Heublein, Inc. 4½ percent conv. deb. due 1997	6,000	3,060
Maryland Cup 5½% percent conv. deb. due 1994	7,000	3,955
Zapada 4¾% percent conv. deb. due 1988	3,000	1,943
		10,158
Total		48,883

NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES

Note 1—Marketable Securities

The amounts shown represent the market value at December 31, 1974 as represented by the quoted closing or latest bid prices.

Note 2

Senator Weicker is a beneficiary of certain trust funds which produced an income of $9,600 in 1974. In one instance he has the power of appointment but cannot inherit the principal. In connection with the other trusts, he does not have the power of appointment. One trust fund permits him to

take down 10% annually which amounted to $15,000 in 1974. The value of this trust on December 31, 1974 was $116,344.

Contingencies within certain other trusts preclude the actuarial determination of a present value. He is not a trustee and has no control over investments of any trust.

Note 3

Mrs. Weicker is a beneficiary of a trust established for her mother and aunt which provides income of roughly $1,000 a year to her. Upon her mother's death, Mrs. Weicker would inherit one-third of her mother's interest. As of December 31, 1974, the value of Mrs. Weicker's one-sixth share amounted to approximately $28,000.

Note 4

As of December 31, 1974, the following securities were held as collateral for the demand loans:

	Shares	Market value
Stock:		
Maryland Cup Corp., common	200	$2,250
Marriott Corp., Inc.	129	871
Friendly Ice Cream Corp.	315	4,016
Merck & Co., Inc., common	50	3,319
Colonial Penn Group Inc., common	100	2,475
Hewlett-Packard Co., common	50	3,006
National Airlines, common	175	1,334
Pacific Power & Light	100	1,400
International Business Machines	10	1,680
Xerox Corp.	25	1,281
Total		21,632
	Face value	Market value
Bonds: Heublein, Inc. 4½ percent conv. deb. due 1997	$5,000	2,550
Total		24,182

NEED FOR A NEW PANAMA CANAL TREATY

Mr. McGEE. Mr. President, I would like to call the attention of my colleagues to a position paper recently adopted by the Women's National Democratic Club here in Washington, D.C. The paper focuses its attention upon the current negotiations between the United States and the Republic of Panama over a new treaty for the Canal Zone.

I commend the Women's National Democratic Club for their thoughtful consideration of this issue, reflected in their paper, which I am inserting in the RECORD today.

In discussing the need for a new Panama Canal Treaty, the organization noted:

We believe the 1903 treaty does not adequately reflect today's reality. In order to protect the interests of the United States we believe that it is essential that the treaty be be revised as soon as possible. To this end we support the signing and ratification of a treaty along the lines of the Statement of Principles signed in February, 1974 by Secretary Kissinger and Foreign Minister Tack.

In their conclusions, the club noted that:

Economically and militarily, the Canal is a convenience to the U.S., not a necessity. To Panama its efficient, continuous operation is imperative. Politically, the revision of the Canal treaty is a delicate matter which, if mishandled, could jeopardize our use of the Canal and its future expansion. It could also further damage our already poor relations with Latin America and reduce our influence elsewhere by tarnishing our image as a responsible world leader.

We believe that generosity now is the best way to assure continued U.S. access to the Canal and participation in any future expansion. Failure to act in such a way will indicate to the world at large that we are still advocates of "Big Stick Diplomacy" and power politics, and that, regardless of what we might say, we are not yet ready to assume a role of mature, moral leadership.

Once again, the Women's National Democratic Club is to be commended for the thoughtful contribution they have made to the debate on the Panama Canal Treaty negotiations. It is obvious their primary concern was a factual consideration of all issues involved in the efforts to negotiate a new treaty. I ask unanimous consent that the paper be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

WOMAN'S NATIONAL DEMOCRATIC CLUB,
Washington, D.C.

NEED FOR A NEW PANAMA CANAL TREATY

In 1903 the U.S. and Panama agreed to a treaty which 1) granted the U.S. "the use, occupation and control" in perpetuity of a piece of land running through Panamanian territory for the construction, operation and defense of a ship canal; 2) gave the U.S. jurisdiction over the zone "as if it were sovereign" . . . "to the entire exclusion by the Republic of Panama of any such sovereign rights, power or authority"; and 3) provided for an initial U.S. payment of $10 million and an annual annuity of $250,000. Commenting on the treaty in a letter to Senator Spooner, Secretary of State, John Hay, wrote early in 1904, "We shall have a treaty . . . vastly advantageous to the United States, and, we must confess . . . not so advantageous to Panama. . . . You and I know too well how many points there are in this treaty to which a Panamanian patriot could object."

Since then many changes have taken place in the United States, Panama and the rest of the world. These changes and events, such as the development of nuclear weapons, Vietnam, increasing awareness of the economic interdependence of the nations of the world, and detente, mean that what was politically, economically or militarily advantageous in 1903 may not be so in 1975.

We believe the 1903 treaty does not adequately reflect today's reality. In order to protect the interests of the United States we believe that it is essential that the treaty be revised as soon as possible. To this end we support the signing and ratification of a treaty along the lines of the Statement of Principles signed in February, 1974 by Secretary Kissinger and Foreign Minister Tack (attached).

What Does the Canal Mean to the United States?

Economically, the Canal benefits the U.S. by shortening shipping times and reducing transportation costs since it is cheaper to ship goods through the Canal than to send them across the U.S. However, it should be pointed out that in terms of the United States' gross national product, the portion of the economy affected by the Canal is not that large. A report submitted to the Commission on U.S.-Latin American Relations estimates that only nine per cent of the total value of U.S. exports and imports transited the Canal in 1972. But, it should be noted that the Canal's ability to facilitate trade and reduce costs is somewhat limited by the design of modern ships. An increasing number of them will be too large to fit through the present Canal.

Militarily, the Canal permits the rapid movement of naval ships from one U.S. coast to another. The destruction of the Pacific fleet at Pearl Harbor, and the need to get part of the Atlantic fleet rapidly to the Pacific, are regularly cited as illustrative of the military importance of the Canal. However, should we be involved in a war with a superpower, it would probably be a nuclear war, in which case the Canal would be largely irrelevant. Should we become involved in some type of limited conflict—perhaps providing supplies—we would certainly use the Canal if we needed to get goods from one coast to the other. But, because the Canal is conceded to be impossible to protect and could be closed with the use of relatively unsophisticated weapons, we could not rely exclusively on it and would need to have alternate means of transportation from coast to coast.

From the point of view of domestic politics, the Canal has become a rallying point for many groups including the American Legion and the Veterans of Foreign Wars. They consider the Canal Zone U.S. territory, ignoring the words in the treaty which grants the U.S. rights and powers "*as if* it were sovereign." Almost seventy years ago Secretary of War, William H. Taft, in testimony before the Senate Committee on Interoceanic Canals stated: "(Article III of the Panama Canal Treaty) is peculiar in not conferring sovereignty directly upon the United States, but in giving to the United States the powers which it would have if it were sovereign." Opponents of change also believe the Canal is vital to U.S. security and that we are the only country competent to operate and defend it. In addition, many American labor unions are strongly opposed to any change because they believe it might jeopardize the rights of American workers in the Zone. However, these rights are one of the topics being negotiated. U.S. negotiators are well aware of the concerns of American workers in the Zone.

Internationally, the Canal has also become a political symbol. In this instance, though, it has become a symbol of a big country pushing around a little one. Panama has taken the issue to the Organization of American States and to the United Nations Security Council where she has received substantial support for her position. The Canal's inclusion as an item in the 1973 Bogota meeting, which provided the agenda for the Foreign Ministers' Meeting the next year in Tlatelolco, Mexico, provides the most recent public evidence of the unanimity of feeling of the Latin American nations on this subject. Failure to appreciate the international importance of this issue at a time when greatly increased economic interdependence demands the maintenance of good relations with friends, who also happen to be suppliers of needed raw materials and purchasers of U.S. goods, could threaten these supplies and purchases.

What Does the Canal Mean to Panama?

From an economic point of view, Panama's geography is her major natural resource, just as oil is Venezuela's. The isthmus has been used as a transit point for as long as there have been people in Panama. It is estimated that the Canal, directly and indirectly, accounts for 20 per cent of Panama's GNP. Panama is pushing for greater participation in the management of this resource, just as other countries have sought to exercise greater control over their natural resources. As it is now, the Canal Company is free to make all decisions concerning the Canal and Zone without consulting Panama.

Among other things, Panama would like to put to work some of the unused land in the ten-mile wide Zone. Archbishop McGrath of Panama, in a speech to the Carnegie Endowment for International Peace last year, cited the following figures: 68 per cent of the Zone land is reserved for military purposes although most of it is not used; 3.6 per cent is used for Canal installations; 3.2 per cent is used for miscellaneous purposes; 25 per cent is not utilized. He also pointed out that "For this entire territory, including fourteen military bases . . . the U.S. has paid an annual $1.9 million as compared to $20 millions it pays for three bases in Spain. . . ." The Zone, as currently drawn, stands in the way of the natural expansion of Panama's two major cities. Then, too, the Panamanians have projects, planned or under way, to build a pipeline, conveyor transport system, container ports, etc., which they can and will construct outside the Zone if necessary, but which would be cheaper to build on locations inside the Zone

Militarily, the Canal is not important to Panama while it is to the U.S. Not being a military power, Panama does not have the need to move large quantities of men, ships and arms rapidly from coast to coast. The subject of the military importance of the Canal always brings up the question of the defense of the Canal. Many Americans contend that Panama cannot adequately defend the Canal. They overlook the fact that the Canal is simply vulnerable and no one can "adequately" defend it from a determined attack. For example, the 1970 report of the Atlantic-Pacific Interoceanic Canal Study Commission said that if Gatun Lake were emptied by simple breach of its dam, the Canal could be out of operation for as long as two years awaiting sufficient rainfall to refill the lake. Critics also overlook the fact that if any country should be determined to try to defend the Canal, and to ensure that it continues to operate efficiently, it would be Panama because the Canal is Panama's major resource. While the U.S. would be inconvenienced if the Canal were shut, Panama would be seriously hurt. The Canal is vital to Panama. Moreover, the proposed revision of the treaty retains for the U.S. the primary responsibility for the defense of the Canal.

In terms of domestic Panamanian politics, the Canal is *the* issue. Regardless of who is in power in Panama, or what political persuasion this person represents, the Canal will be the major political issue until such time as a revised treaty acceptable to Panama is signed. U.S. intransigence, or another near miss such as in 1967, could create serious problems for the area's disability. Further riots would be a distinct possibility. Should fighting take place in Panama between U.S. military and Panamanians, the situation would undoubtedly be compared to Vietnam. The reaction inside the U.S., and in the rest of the world, would be very negative. The U.S. does not need additional domestic or international problems.

Mention was made earlier of the efforts of other countries to regain control of their natural resources. Assumption of this control by the host country has become an inevitable trend in the world. It is one of the realities to which we must adjust. The longer the treaty revision is postponed, the stiffer will become the Panamanians' demands, and the harder it will be for the government of Panama to maintain flexibility in its negotiations. By procrastinating we will be forced to give more. And such a treaty will be harder to get ratified by the Senate. Now we have an opportunity to reach a mutually beneficial arrangement. Time truly is of the essence.

CONCLUSIONS AND RECOMMENDATION

Economically and militarily, the Canal is a convenience to the U.S., not a necessity. To Panama its efficient, continuous operation is imperative. Politically, the revision of the Canal treaty is a delicate matter which, if mishandled, could jeopardize our use of the Canal and its future expansion. It could also further damage our already poor relations with Latin America and reduce our influence elsewhere by tarnishing our image as a responsible world leader.

We believe that generosity now is the best way to assure continued U.S. access to the Canal and participation in any future expansion. Failure to act in such a way will indicate to the world at large that we are still advocates of "Big Stick Diplomacy" and power politics, and that, regardless of what we might say, we are not yet ready to assume a role of mature, moral leadership.

Because we believe it is in the interest of the United States to continue to have access to the convenience of the Canal, to be able to participate in any future expansion, and to indicate to the world our responsibility and mature leadership, we believe the United States should move quickly to sign a treaty with Panama along the lines set out by the Statement of Principles. This means that the new treaty would:

Grant the U.S. the rights and facilities and lands necessary to continue operating and defending the Canal;

Return to Panama jurisdiction over its territory; recompense Panama fairly for the use of its territory; and arrange for the participation by Panama, over time, in the Canal's operation and defense;

Have a fixed duration and not be in perpetuity; and provide the basis for an expansion of the Canal capacity in Panama that may eventually be needed.

In addition, any arrangement should assure the protection of the interests of U.S. citizens in the Zone and retired Zone employees.

JOINT STATEMENT BY THE HONORABLE HENRY A. KISSINGER, SECRETARY OF STATE OF THE UNITED STATES OF AMERICA, AND HIS EXCELLENCY JUAN ANTONIO TACK, MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF PANAMA, ON FEBRUARY 7, 1974, AT PANAMA

The United States of America and the Republic of Panama have engaged in negotiations to conclude an entirely new treaty respecting the Panama Canal, negotiations which were made possible by the Joint Declaration between the two countries of April 3, 1964, agreed to under the auspices of the Permanent Council of the Organization of American States acting provisionally as the Organ of Consultation. The new treaty would abrogate the treaty eixsting since 1903 and its subsequent amendments, establishing the necessary conditions for a modern relationship between the two countries based on the most profound mutual respect.

Since the end of last November, the authorized representatives of the two governments have been holding important conversations which have permitted agreement to be reached on a set of fundamental principles which will serve to guide the negotiators in the effort to conclude a just and equitable treaty eliminating, once and for all, the causes of conflict between the two countries.

The principles to which we have agreed, on behalf of our respective governments, are as follows:

1. The treaty of 1903 and its amendments will be abrogated by the conclusion of an entirely new interoceanic canal treaty.

2. The concept of perpetuity will be eliminated. The new treaty concerning the lock canal shall have a fixed termination date.

3. Termination of United States jurisdiction over Panamanian territory shall take place promptly in accordance with terms specified in the treaty.

4. The Panamanian territory in which the canal is situated shall be returned to the jurisdiction of the Republic of Panama. The Republic of Panama, in its capacity as territorial sovereign, shall grant to the United States of America, for the duration of the new interoceanic canal treaty and in accordance with what the treaty states, the right to use the lands, waters, and airspace which may be necessary for the operation, maintenance, protection and defense of the canal and the transit of ships.

5. The Republic of Panama shall have a just and equitable share of the benefits derived from the operation of the canal in its territory. It is recognized that the geographic position of its territory constitutes the principal resource of the Republic of Panama.

6. The Republic of Panama shall participate in the administration of the canal, in accordance with a procedure to be agreed upon in the treaty. The treaty shall also provide that Panama will assume total responsibility for the operation of the canal upon the termination of the treaty. The Republic of Panama shall grant to the United States of America the rights necessary to regulate the transit of ships through the canal, to operate, maintain, protect and defend the canal, and to undertake any other specific activity related to those ends as may be agreed upon in the treaty.

7. The Republic of Panama shall participate with the United States of America in the protection and defense of the canal in accordance with what is agreed upon in the new treaty.

8. The United States of America and the Republic of Panama, recognizing the important services rendered by the interoceanic Panama Canal to international maritime traffic, and bearing in mind the possibility that the present canal could become inadequate for said traffic, shall agree bilaterally on provisions for new projects which will enlarge canal capacity. Such provisions will be incorporated in the new treaty in accord with the concepts established in principle 2.

ADMINISTRATION'S VIEWS ON S. 6—EDUCATION FOR ALL HANDICAPPED CHILDREN ACT

Mr. STAFFORD. Mr. President, as the ranking Republican member of the Subcommittee on the Handicapped, I have been requested by the Secretary of Health, Education, and Welfare to make his views on S. 6, the Education for all Handicapped Children Act, known to my colleagues.

I, therefore, ask unanimous consent that Secretary Weinberger's letter to the distinguished minority leader (Mr. HUGH SCOTT) be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., June 9, 1975.

Hon. HUGH SCOTT
Minority Leader, U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: As the Senate moves toward consideration of S. 6, the "Education for All Handicapped Children Act," I would like to share with you the Administration's views concerning this measure.

As you know, the Federal effort in improving educational services to the handicapped has increased rapidly in the past decade. Not only has the obligation level risen over ten times, but the scope of programs has broadened considerably. From a narrow program in 1964 spending $20 million on traditional education, primarily for the blind and deaf, Office of Education programs for the handicapped have grown to a level of more than $338 million in fiscal 1976.

Office of Education funds currently support a broad measure of activities directly related to education of the handicapped, including training for teachers and administrators; demonstration and dissemination of exemplary programs; identification and diagnosis of handicapped children; and direct aid to programs for the severely handicapped, deaf-blind, and children in state institutions.

In addition, the Office of Education is distributing $100 million in FY 1975 under

UMI

the provisions of Part B of the Education of the Handicapped Act, as amended in 1974 by P.L. 93-380. This provision, popularly known as the "Mathias Amendment", offers funds to States for the initiation, expansion and improvement of their own special education programs.

Historically, the responsibility for the education of children has rested with the States. A substantial body of litigation continues to clarify the State role in the financing and administration of education, including the education of the handicapped. Accordingly, it is clear to us that the ultimate responsibility for education rests with the States, not the Federal government.

There appears to be every evidence to indicate that States are currently planning to meet that responsibility. State plans received by he Office of Education indicate that the majority of States have established a goal of providing full educational opportunities for handicapped children by 1980 or earlier.

While the Federal role in financing the education of the nation's children remains secondary, prohibiting discrimination against handicapped children in education is a specific Federal responsibility. Legislation passed by the Congress in the past two years gives the Executive Branch authority to enforce both the elimination of all discrimination against the handicapped in Federally assisted programs and activities (Section 504 of the Vocational Rehabilitation Act of 1973) and specific requirements for approving State plans to provide special education (Sections 612 and 615 of the Education Amendments of 1974).

I want to emphasize that both the Department and the Office of Education are taking these responsibilities seriously. Regulations to ensure State compliance with these statutes will be issued in the near future.

S. 6 would extend the Federal government's responsibilities for the education of handicapped children far beyond the current areas of capacity building and insurance of equality of opportunity. The authorization for State "entitlements" under S. 6 for FY 77 is estimated to be about $1.2 billion; this figure would increase to $2.1 billion in FY 79.

As I noted above, the FY 75 appropriation level for Part B of the Education of the Handicapped Act, which S. 6 replaces, is $100 million. To hold out the promise of "entitlements" which are nearly twelve times as great as the current appropriations level is to offer an impossibility.

Our objections to S. 6 as reported by the Labor and Public Welfare Committee are not limited to the possible new burden on the Federal Treasury, however.

This bill would impose major new administrative burdens on Federal, State and local education officials.

For example, S. 6 would require that every State agree to provide a "free appropriate public education" to all handicapped children age 3 to 18 not later than September 1, 1978, and to children age 3 to 21 by September 1, 1980, although a State would not have to provide services to persons age 3 to 5 and 18 to 21 if such services were inconsistent with State law or practice, or a court order, respecting public education. Even in those cases where the exemption would be allowed, however, a State would have to ensure education through age 17. Yet, most States currently have compulsory attendance laws which extend only through age 16. Only thirteen States require attendance beyond this age, and one State has no compulsory attendance law.

A second example of a major new burden is the requirement that the State assure that an individualized planning conference will be held at least three times a year for every handicapped child in the State. Local educational agencies would have to maintain an individual written record of each of these conferences. Using the estimate contained in S. 6 of seven million handicapped children (although there is some dispute about this figure), we come to a total of 21 million conferences and documents each year. These conferences would be required for all handicapped children, although there is little evidence to indicate that these sessions are the most effective way to provide services to handicapped children. The cost of conducting and recording these conferences will inevitably be great and will reduce the funds otherwise available to provide educational services.

Our third significant difficulty with S. 6 as reported is the delegation to a new "compliance entity" of authority which currently belongs to State and local educational agencies and school boards. This new body would be authorized to (1) conduct compliance reviews of State and local educational agencies; (2) receive complaints and hold hearings; (3) make findings based on these hearings; (4) assure correction of violations by SEA's and LEA's; and (5) inform the U.S. Commissioner of Education if corrective actions were not taken. We see no reason to create this quasi-judicial citizens group in order to ensure rights which are already adequately protected by existing administrative and judicial procedures.

In addition to these three major objections, we are troubled by several other provisions of S. 6.

These include the creation of a new statutory task force to coordinate HEW programs for the education of handicapped children; the requirement that OE develop uniform financial reports (this effectively requires the creation of a uniform accounting procedure); a provision which allows the Commissioner to waive language which prohibits supplanting of State funds with Federal funds; and a requirement that certain items be evaluated by 1977 which we probably will not be able to measure for at least five more years.

These are our specific objections to S. 6. I want to be clear, however, on the question of our continuing commitment to the education of the handicapped.

Our argument with S. 6 is one related to the respective roles of Federal, State, and local governments.

We believe that the provisions of Part B of the EHA, which will become effective on July 1 of this year, properly set out the responsibilities of the Federal government in this area.

Sincerely,

CASPAR WEINBERGER,
Secretary.

OPEC IS STARTING TO FEEL THE PRESSURE

Mr. PHILIP A. HART. Mr. President, a curious aspect of the American reaction to the OPEC cartel has been the remarkable way various groups have been able to find in the cartel the things they want to find. Some claim to see it as a sort of avenging angel smiting the American consumer for his profligate consumption habits. Others see it as a force for redistributing the world's wealth in a more equitable manner. And there are those who consider it a justification for frantic rattling.

The most interesting reaction comes from the international oil companies who seem to be responding with unseemly awe and admiration. After decades of claiming instability to be the curse of the industry, they have been quick to proclaim the cartel immutable.

In the face of all these rather self-serving claims, it has been difficult to get a really clear view of what OPEC is really about. Fortunately, Mr. Louis Kraar in an article in this May's Fortune magazine has made an admirable contribution to a more accurate understanding of the matter. In a quite dispassionate manner he describes what OPEC is, what it does, and who does it. One is left with a picture of a very successful but not very strong cartel. The most important point Mr. Kraar makes, in my view, is that the international oil companies are essential to the functioning of the cartel. OPEC has never been able to deal with the problem of apportioning production among its members. Without the companies to perform this function, the cartel would quickly collapse.

It is hard for me to share Mr. Kraar's optimism over the cartel's collapse in the near future. I see no reason why the major companies cannot continue to perform the apportioning function even in the face of greater surplus. I think OPEC's confidence in this is reflected in the recent discussions about further price increases.

I ask unanimous consent that the article entitled "OPEC Is Starting To Feel the Pressure" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OPEC IS STARTING TO FEEL THE PRESSURE

(By Louis Kraar)

A year and a half ago, a group of underdeveloped nations carried off a revolution that will surely rank as one of the epochal events of the twentieth century. In a matter of months, the Organization of the Petroleum Exporting Countries achieved the most radical transfer of economic and political power ever to occur without war. All of a sudden, the mighty economies of the U.S., Western Europe, and Japan seemed to be at the mercy of this seemingly invincible cartel, whose decisions could affect everyone who drove a car, heated a home, or fueled a factory. Befitting their new international status, OPEC's representatives sat down in Paris last month with delegates of the leading industrial nations to bargain as equals about the future of the world's energy supplies.

The revolution has happened, and it will not be repealed. But it is time to take a more realistic, less panicky, look at where it will lead. The fact is that OPEC's incredible success and aura of omnipotence hide an inherent instability. Looked at coolly, the organization is a loose, casually managed coalition of disparate nations scattered over three continents and a large island archipelago (Indonesia). The thirteen members share a sense of injury from what they regard as past exploitation, but they have little else in common. Practically the only action they ever fully agree upon is raising the price of crude oil. And even in doing that they act haphazardly, amid a clash of fundamentally differing national goals. The largest producer, Saudi Arabia, cannot sensibly spend all its money and usually argues for lower prices, while the second largest, Iran, has a virtually insatiable appetite for more revenues.

During the past few months, OPEC has been undergoing a severe test of its cohesion and strength. In fact, there are now signs of stress that could crack the cartel within the next several years. Some members have already started shaving prices slightly by stretching out credit terms. The cartel may remain powerful for some time, but its long-term prospects are no better than those of the old Standard Oil Trust in the late 1800's.

A POTENTIALLY LETHAL DEFICIENCY

OPEC is struggling mainly to preserve its spectacular recent gains. The lightning escalation of petroleum prices by climbing more than fivefold in the past year and a half—has deepened economic recession in every industrial state. The recession, in turn, has helped cause the first drop in consumer demand for oil. By late summer, OPEC members all together are expected to be pumping only about 25 million barrels daily—25 percent less than before the 1973 Arab boycott and nearly 40 percent below their total capacity. The organization has frozen prices until September, and is busily trying to keep its members in line.

Though widely considered the most effective cartel in modern times, OPEC has a nagging deficiency that could prove lethal during a period of slack demand for its oil. The group has never been able to agree on and stick to a formal program for sharing production among nations whose individual goals have proved almost impossible to reconcile. Inside the organization's closed councils, the members have been discussing a "contingency plan" to get output quotas for each country. But the mere notion of production quotas sharply divides them.

The danger of the cartel's collapsing haunts private meetings of the OPEC Economic Commission, a planning body that periodically draws together senior officials from member nations. The commission's own minutes, which Fortune obtained, reveal the depth of concern.

During a meeting in September to discuss quotas, the minutes report, most members expressed fear of "a dangerous race of price cuts as every producer tries to maintain his share in a limited market." But Indonesian and Nigerian representatives asked that their countries be excused from any cutbacks because they desperately need the money to finance development. Being poor nations with large populations, they want to squeeze all the money they can out of their relatively small crude reserves, and squeeze it as fast as they can. Saudia Arabia objected to the group's even discussing the idea of determining its output. Though the wealthy Saudis could afford considerable cuts in production, they believe that they must retain exclusive control of their own vast reserves to achieve their political goals in the Middle East.

Lacking a formal scheme for sharing cutbacks, OPEC has improvised a temporary means to prevent its self-destruction. In effect, the group is letting the major oil companies allocate the reductions among the producing countries. No collusion appears to be taking place between OPEC and the corportations, and none is necessary. The companies want to protect their future access to crude in all the countries, so they try to spread their purchases among the producers as equitably as possible. OPEC has taken several steps to make it easier for the corporations to follow this policy and thus to support the cartel. For one thing, Saudi Arabia and Iran, which used to pressure the companies to take more and more of their nations' crude, have discontinued this kind of pressure. The cartel members have also eliminated price differentials that used to make one country's oil economically more attractive than another's.

For example, early this year, Abu Dhabi and several other members lost sales in the soft market because they charged high prices for crudes that were low in sulfur content or close to markets in Europe. To put each member on a more equal competitive basis, OPEC quietly decided that the price differentials should be substantially reduced or eliminated. As a result, Saudi Arabia and Iran are now permitting their production to be cut back, and several smaller producers are regaining some of the market they had lost because of premium prices.

THE SPECTER OF GLUT

The system of maneuvering the oil companies into allocating cutbacks has not solved OPEC's problems, but has merely postponed the crisis. If consumer demand fails to pick up this fall, several producing countries that are desperate for more money could well start pressing the companies to take more of their petroleum. Algeria and Iraq, among others, are eager to increase their production and are likely to cheat a bit on prices. And within several years, OPEC's market may shrink even more than it has so far, while its total producing capacity will probably continue to expand. The present high prices are encouraging the development of oil in areas outside the cartel's control and are bound to stimulate a search for alternative forms of energy.

A penetrating assessment of the cartel's troubles was offered recently by Iran's Interior Minister, Jamshid Amouzegar, a courtly U.S.-educated engineer who is OPEC's most candid spokesman. If the glut of oil grows, he said, the producers will be confronted by "a whole new situation . . . Then there would have to be agreement on sharing cutbacks among our members, or OPEC would be shattered."

ABSOLUTE MONARCHS WITH CONVERGING INTERESTS

To fully appreciate OPEC's weaknesses, it helps to reexamine how the cartel originally engineered its price revolution. Rather than following a grand design, OPEC first seized complete control over pricing by clever improvisation and fortuitous timing. Only an extraordinary confluence of economic and political conditions enabled the producers to attain such enormous power. Their success, Amouzegar admits, "was not a matter of careful calculation, but more of chance." Indeed, no one was more surprised than the OPEC members themselves when their collective moves worked so well.

For years the two largest producers had been fundamentally at odds with each other. The Shah of Iran urgently sought a huge increase in prices in order to finance the creation of a well-armed industrial state. But Saudi Arabia's King Faisal feared his rival's drive for power across the Persian Gulf. Less ambitious and more cautious than the Shah, he acted within the cartel as a force for price restraint. Then, in the autumn of 1973, the interests of the two absolute monarchs converged as the Arab-Israeli war erupted.

As leader of the Moslem world, Faisal was not only passionately desirous of seeing Jerusalem freed from Israeli rule, but fearful that his failure to exert influence would allow radical Arab states to dominate the region, and perhaps subvert his kingdom. Before the war, he had tried to persuade the U.S. to tone down its support of Israel. In the summer of 1973 he warned oil-company executives that if America failed to heed his urgings, "you will lose everything." Finally, he decided that his only choice was to cut off oil production. In tightening the supply, the Saudi king created an opportunity for the Shah, whose oil reserves seemed likely to peak out within a couple of decades. Shahanshah Mohammad Reza Pahdavi now had a chance to reap the wealth of his dreams.

Meanwhile, circumstances in the consumer countries also happened to be ideal for the OPEC revolution. For the first time in recent history, all the industrial nations were on a simultaneous economic upswing. Their expansion outpaced available energy supplies and the international oil companies had no spare capacity outside the Middle East. Inflation rapidly mounted; a wave of labor strikes swept Western Europe.

By an uncanny coincidence, the government in every major industrial state was weak and preoccupied with survival. The Watergate crisis, of course, absorbed the attention of American leaders. Britain's Conservative regime had suffered two by-election defeats. French President Georges Pompidou struggled with the illness that would soon claim his life. Japanese Prime Minister Kakuei Tanaka fought sagging confidence in his leadership.

Tipped off by the Saudis in advance, the oil companies warned Washington of the impending embargo. On October 12, five days before the boycott, the chairmen of Exxon, Texaco, Mobil, and Standard Oil of California sent a memo to the White House advising that "a major petroleum supply crisis [was likely] in the event of further evidence of increased U.S. support of the Israeli position." But Washington apparently did little to attempt to avert the boycott. Instead, Nixon angered the Saudis by announcing that he was resupplying Israel with military equipment to replace its war losses.

Knowing that the Arab boycott was coming, the producer countries hurriedly met in Kuwait and proclaimed their first unilateral price increase, an unprecedented rise of 70 percent. "From that time," says Amouzegar, "the oil companies lost the power to determine price, either by themselves or through negotiations."

The OPEC members were absolutely amazed by the feeble response from the consuming nations. Though the Arab "oil weapon" proved relatively ineffective in actually curtailing supply, it created a psychology of shortage. In the scramble to obtain an adequate flow of petroleum, no Western nation so much as officially protested the producing countries' assertion of the power to set prices by fiat. "They got away with it," says the chief executive of one oil company, "because the day of gunboat diplomacy is gone."

HOW THE CARTEL REALLY WORKS

Since the successful revolution, tensions within OPEC have persisted, but each of the most active members brings qualities to the organization that have helped it survive. The strategic vision and ambition come mostly from the Shah of Iran. Venezuela contributes the largest cadre of trained technocrats, who have long pondered ways to wring higher profits from their own nation's dwindling reserves. And the self-righteous rhetoric is supplied mainly by Algeria and Libya, who like to depict OPEC as the vanguard of the Third World's movement toward "a new economic order."

Politics, not economics, dominates the organization's decision making. In fact, no thorough economic analysis has undergirded any of OPEC's daring moves. Neither the organization nor its members are equipped to perform sophisticated economic studies. But, as Amouzegar notes, "this sort of analysis isn't necessary." Instead, the respective government ministers dicker among themselves to set prices. They differ not only in their national goals, but in their perceptions of what consumer nations will tolerate. Sometimes bitter arguments break out, but more often the members bargain like rug merchants in the outdoor bazaars of the East.

According to the organization's rules, OPEC can act only when there is unanimous agreement. But the members cannot agree unanimously even on such matters as the selection of a secretary-general to head the professional staff. To prevent paralysis, the group inevitably compromises. Although the secretary-general is supposed to serve for three years, the members decided that a

UMI

mere majority could elect a man to fill the post, provided he served for only two years.

Compromises on other issues do not come quite so easily. The members differ on prices and practically everything else. The radical Libyans, for example, ordinarily avoid speaking directly to the conservative Saudis in OPEC meetings. Even for those members who are on speaking terms, there is no common language. Interpreters must simultaneously translate discussions into Arabic, French, Spanish, and English. Representatives generally avoid taking votes by talking and talking, until a consensus can be reached.

The dynamics of conflict and compromise dramatically unfolded at OPEC's meeting of December, 1973, barely two months after the group had hiked prices by 70 percent. The Iranians sensed that the group could practically set prices at will, and the other members came to Tehran to plot the next action. Iran and the ideologically militant producers, Libya and Algeria, wanted to push prices as high as possible. But the Saudis felt that ramming through another big increase would debase the political message they had hoped to communicate by the embargo. And several smaller sheikdoms nervously worried that going too far might provoke an American military response.

While the Shah wanted money, he also wanted to keep the cartel together. Ultimately, he proposed a compromise midway between the low Saudi proposal and the highest level of the radicals. That raised prices 130 percent. The Shah rationalized the compromise by saying the new price was equivalent to the cost of alternative sources of energy, an explanation that OPEC simply adopted. "This was based on some very rough calculations," admits Amouzegaer. "That's how it all started."

A POLICY OF DECEPTION

The almost relentless rise of prices since then has been executed through similar political processes. For instance, last summer in Quito, Saudia Arabia's Petroleum Minister, Ahmed Zaki Yamani, tried to stave off another price increase by threatening to put an additional three million barrels a day on the market. But Iran, Venezuela, and other producers countered by proclaiming that they would cut back their collective production by an equal amount. The tough talk brought yet another compromise, a modest price increase.

During the past year, OPEC has been cleverly deceptive. Instead of proclaiming across-the-board price increases, the group gradually ratcheted prices up nearly 50 percent last year by raising taxes and royalties. The tactics were sometimes so sneaky that the members could publicly claim that the increases were really decreases.

The cartel painstakingly works up elaborate public justifications for higher prices, but only *after* its decisions are made. Composing words to fit the music is a task for the OPEC Secretariat in Vienna. The Secretariat's headquarters reflects little of the new opulence of the member nations. It occupies two floors of an ordinary downtown office building, most prominently marked by a sign for Texaco, which is also located there. OPEC has a professional staff of thirty, including just seven economists, drawn from the member countries. They work in austere offices with drab furniture and walls adorned by a few glossy photographs of oil fields. Their budget this year is only $4.5 million.

CAN MADISON AVENUE HELP?

Talking with Secretariat officials is like viewing the industrial world through the wrong end of a telescope. As an article of faith, they maintain that oil prices are not really high, but simply have been adjusted from artificially low levels. "There's a new reality," asserts one senior official, "and Americans have got to accept that they cannot continue the same life-style in the future." The case is argued with earnest and passionate rhetoric, but few current facts and figures. The economists are still busily assembling data to support their arguments.

OPEC is anxiously looking for ways to counteract its widespread image in the West as an evil, disruptive cartel. Its officials even resent the fact that the organization is called a cartel. They have seriously discussed engaging a Madison Avenue agency to help spread a more benign view. As a first step, OPEC has bought space in newspapers, including the New York *Times* and the Washington *Post*, to run the full communiques issued by its ministers. "Those American cartoons of sheiks sitting on the sand counting their money are racist," argues one petroleum minister. "We do not want to be taken as fools and stupid people, but this is the publicity we get."

To brush up OPEC's brief, the organization has installed as its secretary-general a calm, diplomatic Nigerian engineer. Chief Meshach Otokiti Feyide took over in January from an Algerian, Dr. Abderrahman Khene, who personified his government's polemical style and socialist politics. The title "chief" was bestowed upon Feyide by his tribe, the Obanla, but his resemblance to the stereotyped African ends there. He took a postgraduate degree at London University's Imperial College of Science and Technology and worked in Nigeria's oil ministry.

As OPEC's official envoy, Feyide travels around Vienna in a chauffeured white Mercedes limousine, and the Austrian government grants him such diplomatic privileges as tax exemption and the right to use codes for communications. The Secretariat was originially stationed in Geneva, but left in 1965, largely because the Swiss refused to endow OPEC's officials with diplomatic prerogatives.

Over tea in his Vienna office, Feyide is delighted to tell a visitor how OPEC determines prices. "Our people won't just wake up in the morning and say that prices should be this or that," he says. "We do *try* to make decisions on an economic basis." But thus far, he acknowledges, OPEC economists supply oil ministers with only very rough calculations of market conditions for use in pricing. To provide better guidance for future decisions, the Secretariat has hired Western consultants "because we want the facts."

Feyide also needs facts to justify the cartel's actions when they are under strong attack from consuming nations. He acknowledges that producers and consumers may disagree in their conclusions. "Of course, it is the interpretations—what people do with facts and how they use them—that will be different," he declares.

The secretary-general pauses to sip his tea, and continue in a cultured British accent: "In absolute terms, yes, prices are rising. But we are just correcting for our loss of purchasing power." Feyide cites an example he uses to explain OPEC to his own children: "Suppose in 1971 it cost the price of one barrel of oil for the train fare from Lagos to Kano. But the next year, the train fare goes up 50 percent. Then I must get that much more for my oil. It's that simple."

Of course it isn't that simple, but Feyide's mode of thinking is understandable, given OPEC's origins. Even today, officials in the Secretariat invariably begin conversations by citing the "challenge" that initially united the producing nations: two unilateral reductions in the posted price of oil, announced by the companies in 1959 and 1960. For a decade the organization accomplished little because petroleum was abundant and the members could never agree on production controls. Says Mahjoob Ahmed Hassanain, a Saudi who is director of the OPEC Economics Division: "All through the Sixties, crude-oil prices remained at a standstill, while the prices of all manufactured goods were increasing."

TELLING THE CONSULTANTS WHAT TO SAY

Hassanain's argument has some validity, but since that period the cartel has far more than made good any loss of purchasing power. From 1955 through 1974, the income of producer governments from a barrel of oil increased nearly tenfold, while the prices of all goods in world trade roughly doubled. Though Hassanain received his Ph.D. at the University of Pittsburgh and most of his colleagues studied in America, they mistrust Western data on the value of petroleum. OPEC officials contend that in the past year inflation and the declining value of the dollar have cut the producers' purchasing power by about 30 percent. The Secretariat is trying to compile an index to prove its point.

OPEC has committed more than $2 million for outside economic analyses. It does not hesitate to tell its consultants the conclusions it wants. The Secretariat, for instance, assigned the Economist Intelligence Unit of London to study the effect of recent increases in crude prices on the balance of payments of consumer countries. According to the minutes of an OPEC committee meeting, Secretariat officials thought that the consultants' preliminary figures implied there would be no adverse impact. "And this should therefore be clearly stated as one of the main findings of the report," the committee concluded. (The Economist Intelligence Unit insists that it has maintained "a totally independent, professional position.")

Regardless of the outsiders' conclusions, OPEC selects data to confirm the wisdom of what petroleum ministers have decided through political bargaining. For example, a confidential Secretariat report to members examines the contribution oil prices have made to global inflation by running through a range of conclusions drawn by various consultants. In the end, however, the memo simply tosses aside all the figures and calls the issue "highly philosophical and political."

Nevertheless, a good deal of the Secretariat's effort these days is seriously aimed at peering into the future. Battelle, an American think tank, has been hired to develop what Hassanian calls "a systematic approach to establish the real value of crude oil." It is building a mathematical model to compare the relative values of various kinds of crude oil and natural gas with other sources of energy expected to be on the market during the next fifteen years. The ambitious model includes assumptions about future consumer demand and the supply of substitutes for OPEC oil. Ultimately, cartel officials hope to feed all the factors into a computer and let it grind out guidance on pricing, from this year until 1990.

THE BEGINNING OF THE END

But OPEC's ability to dictate prices is most unlikely to last that long. The combination of slower growth in consumption, plus the exploitation of new oil sources, coal, nuclear power, and other forms of energy, could well mean that OPEC's share of the oil market will cease to expand within the next three to five years. After that it should decline, ending the cartel's control over the world oil market. Private and government analysts who study the economics of oil generally conclude that OPEC will begin cracking by 1980. Those who place great weight on OPEC's internal political tensions expect the beginning of the end to come sooner.

The cartel's survival hinges on the willingness of its members to withhold production, but as recent events show, even the wealthiest nations are quickly dismayed when their income drops. Abu Dhabi, with the world's highest per capita income, found itself pinched for cash early this year when its sales unexpectedly declined. The tiny sheikdom could not meet its commitments to aid

poorer Arab lands, and Petroleum Minister Mani Said Utaiba openly assailed other OPEC members for failing to assume their share of the cutbacks. "Those revenues are like drugs," observes a U.S. government specialist. "Oil countries get used to the injections of money and then they have got to have them."

Those producer countries with substantial populations are spending all the revenues generated at present prices. They have embarked on ambitious military and economic development programs, which their leaders are reluctant to curtail. The Shah of Iran's proliferating commitments for education, the latest weapons, and even chunks of West German industry, will probably put his country into debt within two years. Algeria and Ecuador are running into the red, while Indonesia and Nigeria are expanding capacity to increase earnings. None of these nations will find it easy to reduce production.

Theoretically, it would be possible for the sparsely populated Arab lands, such as Saudi Arabia, to absorb most of the future cuts. But political and emotional rivalries prevent the cartel from apportioning sacrifices rationally. Over the long run, the Saudis are certainly not going to cut output proportionately more than their rival, the Shah. Iraq has enormous reserves it wants to exploit, but Saudi Arabia and Iran distrust Baghdad's close ties to Moscow and are unlikely to trim production to help the Iraqis gain a much larger share of the market. Nevertheless, Iraq is now installing capacity that could nearly double its output by 1977.

For a while, OPEC probably can manage the task of prorationing production. But each successive cutback will doubtless encourage cheating on quotas and chiseling on prices. Moreover, there are minimum levels below which production cannot drop without a loss of pressure in the wells and a deterioration of potential capacity. And Kuwait must keep pumping at least 60 percent of its present daily output of 2.1 million barrels in order to supply the natural gas required by its public utilities, port facilities, and refinery.

Production cuts could be made palatable to the producers if OPEC raised prices again, thus preventing a big decline in revenues. And price increases might stick until competing energy supplies reach the market. In fact, some American authorities predict that another price hike is practically certain. One government official calls this "the big rip-off scenario": the producers try to wring all the money they can out of consumers in anticipation of the inevitable break in prices.

PUTTING ON A BURNOOSE

Fortunately for the consuming nations, the cartel is restrained somewhat by Saudi Arabia, which has the largest proven reserves anywhere and is the most frequent dissenter to proposals to raise price. Already inundated with money, the Saudi believe higher prices will only encourage faster development of substitutes, which could, as one OPEC official notes, "eventually keep Saudi oil resrves permanently shut in underground." The Stanford Research Intitute, hired by the Saudi government, has privately advised the kingdom that its long-term interest would be better served by a lower price.

On the other hand, though Saudi Arabia has the productive capacity to break the cartel price, its leaders have political interests that make them virtual captives of their partners in OPEC. The Saudis like to remind the West of their potential to lower prices, for it adds muscle to the Arab effort to recover Israeli-held territory. But if they acted alone to cut prices, even a Middle East settlement, that might jeopardize Saudi Arabia's leadership role among Arab nations—and the survival of its regime.

Crown Prince Fahd Bin Abdul Aziz, the dominant figure since Faisal's assassination, is acutely aware of the threat from radical Arabs, and he has a standing army of only 36,000 to defend a nation with about one-fourth the land area of the U.S. "Put on a burnoose and look at the world as seen from Riyadh," advises a Washington official who, figuratively, at least, has often done so himself. "You know good and well that the American's aren't going to chase you off the throne, because they could get something worse. But if you deny your OPEC partners their chance to acquire great wealth, the Libyans, Algerians, and even wilder ones outside the club might topple you."

Nevertheless, the Saudis like to remind everyone that OPEC's survival still depends on them. Earlier this year, they sold a little over 1 percent of their annual production to Spain on lenient credit terms, effectively discounting the cartel price and warning other OPEC members against trying to force up prices in a soft market. Beyond that, Saudi Arabia is continuing to expand capacity, at a cost of more than $1 billion this year alone. Possessing all that capacity—already 11.5 million barrels daily—is somewhat like possessing a nuclear doomsday button: rival producers can imagine the consequences if they get out of line.

THE CONSUMER STRATEGY

Previously in disarray, eighteen industrial nations finally have banded together to confront OPEC. They are demonstrating considarably more strength than during their initial encounter with the cartel. Having devised a joint strategy in the new International Energy Agency, they have already made solid efforts to tighten the pressure on the producers by building up emergency stockpiles and enforcing conservation, especially in Europe and Japan. For the long run, the consuming nations have pledged, at least in principle, to invest substantial sums in alternative energy sources over the next ten years and to protect or ensure the investments against competition if the cartel dramatically lowered prices.

While oil prices cannot be talked down, senior American officials maintain that the united actions of consumer governments can change market conditions sufficiently to force OPEC to back down. As Assistant Secretary of State Thomas Enders candidly explains: "What we are doing now is getting enough market power to hasten OPEC's demise and to make sure it happens within an acceptable time frame."

The governments of the consumer nations are in effect offering the cartel a choice: to accept a significant price reduction now in return for stable prices over a long period, or to run the risk of a more dramatic break in prices when alternative sources are developed. "The longer OPEC waits," Secretary of State Henry Kissinger claims, "the stronger our bargaining position becomes."

Strategists in Washington talk in terms of persuading OPEC to cut the price from the present level of more than $10 per barrel to $6 or $7. If OPEC accepts the offer, American officials say, the U.S. should continue to develop other energy sources anyway, if only to keep them on standby as insurance against another embargo or price increase. Details of the U.S. proposal, including such matters as how the consuming countries would guarantee stable prices to the oil producers, have yet to be spelled out. But Washington is clearly willing to pay some price to eliminate the strategic danger of political and economic blackmail from the oil-producing states.

THEY WANT TO JOIN THE RICH MAN'S CLUB

To speed OPEC's retreat and allow its members to withdraw with a sense of dignity, the U.S. is thinking about offering several other incentives. Officials say they could do more to facilitate the transfer of technology to the oil producers, through such bodies as the joint economic commissions already established with Iran and Saudi Arabia. The commissions encourage the purchase of American goods, of course, and this can increase the buyers' dependency on the U.S. (as has happened in the case of arms sales in the Mideast). Officials are also talking about making it easier for OPEC members to invest in the industrial countries. And they are willing, if somewhat reluctantly, to discuss the Shah of Iran's scheme for indexing petroleum prices to a reliable indicator of general inflation rates.

The face-saving gain most vital to many OPEC leaders would probably be a larger role in the councils that they see as important in formulating international economic policy, including the World Bank and the International Monetary Fund. Amouzegar says that negotiations between producers and consumers will succeed "if everyone remembers that you don't need blond hair and blue eyes to belong to the rich man's club." American policymakers recognize such grievances, but, as one pointedly asserts: "Joining the club requires that the producers act responsibly, and that includes an immediate price reduction."

The consumer challenge appears to be gathering force as the months pass. OPEC has been patching together a response ever since last March, when it called the kings, sheiks, and presidents of its member countries to a meeting in Algiers. In a characteristic display of dissension, five heads of state sent representatives rather than attend themselves. The leaders defended their past actions in a "solemn declaration" filled with rhetorical flourishes and later published in an ad. And somewhat brazenly, without the slightest cognizance of their own irony, they warned the united front of consuming nations against erecting artificial barriers "to distort the normal operations of the laws of supply and demand." Obviously, OPEC wants to hang on as long as possible before beating its inevitable retreat.

A SHRINKING MARKET STRAINS THE CARTEL

The first drop in demand for oil since World War II has forced OPEC to reduce its output. Excess capacity among producers is at its highest level ever. Even after the recession, demand is expected to grow at a reduced rate of 3 percent a year or less until 1980.

In a study for the Ford Foundation, Edward Fried suggests the production cuts principal members must make by 1980 and 1985 to keep prices up in a modestly growing market. Fried says some countries (e.g., Indonesia) are unlikely to reduce output greatly because they need the revenues; others will have to bear a disproportionate share of the cutbacks. By Fried's reckoning, for example, Saudi Arabia may have to limit exports to about one-quarter of its potential in 1985.

HOLDING DOWN EXPORTS TO PROP UP PRICES

[Millions of barrels daily]

	1980		1985	
	Oil available for export	Restricted exports	Oil available for export	Restricted exports
Venezuela	3.0	2.5	3.0	2.0
Ecuador	.5	.5	.7	.5
Saudi Arabia	15.0	6.0	20.0	5.5
Iran	9.0	5.5	9.0	5.0
Kuwait	3.0	2.0	3.0	1.5
Libya	3.0	2.0	3.0	1.5
Iraq	5.0	3.0	6.0	4.0
Nigeria	3.0	2.5	4.0	3.0
United Arab Emirates	4.0	1.5	6.0	1.5
Algeria	1.5	1.5	2.0	1.5
Qatar	.7	.5	.7	.5
Indonesia	2.0	1.5	2.5	2.0

WAR POWERS RESOLUTION MEETS INITIAL TESTS

Mr. JAVITS. Mr. President, the war powers resolution has been tested under

UMI

fire three times in rapid succession in recent weeks and has come through these initial tests very well, in my judgment. At the request of Representative ZABLOCKI, who was the principal sponsor of this legislation in the House of Representatives, on June 4 I made a comprehensive statement reviewing the workings of the war powers resolution in these initial tests, during hearings conducted under Representative ZABLOCKI's chairmanship before the International Security and Scientific Affairs Subcommittee of the House International Relations Committee.

I think it would be useful to make the text of my statement available to all Members of the Senate, and to the people. Accordingly, I ask unanimous consent that the text of my statement of June 4, 1975, before the Zablocki subcommittee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WAR POWERS RESOLUTION MEETS INITIAL TEST

(Testimony of Senator Jacob Javits)

Within the past eight weeks, the War Powers Resolution (P.L. 93-148) has been tested under fire three time in rapid succession. I believe that this unique legislation has stood-up well in its initial tests; and that this is an opportune time to examine with some care just what the initial tests reveal about the War Powers Resolution.

First, I think it is important to note that P.L. 93-148 has been accepted by the Executive Branch as the central legislation defining the legal parameters of Presidential initiative in the introduction of the Armed Forces into hostilities, as well as the correlation of such actions with the powers and responsibilities of the Congress. President Ford's compliance with the law is in welcome contrast to his predecessor's unsuccessful effort to veto it.

Second, our initial experiences show that improved procedures are required, both within the Executive Branch and the Congress, to assure smooth and effective implementation of this legislation.

Third, it seems clear that while the Executive Branch has accepted the requirement of compliance with the War Powers Resolution, the Congress must be vigilant, alert and active to assure that the spirit as well as the letter of the law is observed. If Congress sits back passively and merely awaits Executive fulfillment of the reporting requirements of the law, the key policy decisions will continue to be monopolized by the Executive Branch, as they were in the decades leading up to enactment of the War Powers Resolution.

Fourth, the initial test runs have shown that the consultation provisions of the law is the pressure point most vulnerable to circumvention and manipulation. A major portion of my remarks is devoted to this problem.

Section 3 of the War Powers Resolution states that: "The President in every possible instance shall consult with the Congress before introducing United States Armed Forces into hostilities . . .". It is clear that, with respect to the Mayaguez incident, advance consultation with the Congress by the President fell far short of the intentions of those who drafted the legislation and those who voted overwhelmingly for it in both Houses of Congress.

To a disturbing extent, consultations with the Congress prior to the Mayaguez incident resembled the old, discredited practice of informing selected members of Congress a few hours in advance of the implementation of decisions already taken within the Executive Branch. It is unclear whether this relapse was from force of habit or was calculated to test the mettle and resoluteness of the Congress.

It seems to me that the time has come to establish a crucial distinction, if the War Powers Resolution is to meet the nation's expectations of it. A distinction must be made between the historic custom of giving advance notice to the Congressional leadership of major Presidential decisions, and the prior consultations requirements of the law. The prior consultations required under the law should be conducted with the committees having legislative jurisdiction—meeting in their formal capacities as committees of the Senate and House of Representatives. If the President wishes to conduct the consultations personally, as he did in one instance with the Senate Foreign Relations Committee, the committee as a matter of courtesy can meet the President at the White House. Otherwise, I believe that it is incumbent upon the President to send his designated representative or representatives to appear before the Senate Foreign Relations Committee and the House International Relations Committee, in full and timely manner, to consult in the full sense of that term.

The President would not be bound in any legal sense by the advice he received in the course of consultations with the committees, But, he would be rash to wholly discount it because any actions he may take after consultation are subject to Congressional review, which under the terms of the law can range from disapproval to full endorsement.

It is important to recall at this point that the consultation process is not an authorization process. The War Powers Resolution itself deals only with emergency instances where the President introduces United States Armed Forces into hostilities in the absence of a Declaration of War by Congress. Even if his introduction of troops into hostilities is pursuant to a prior authorizing statute or resolution (not constituting a Declaration of War), such introduction is subject to the review and cut-off provisions of Sections 4–7 of the War Powers Resolution. Moreover, the instances in which the President, as Commander-in-Chief, can introduce U.S. Armed Forces into hostilities without a Declaration of War are set forth in Section 2(c) of the law.

In my judgment, our experience with the Mayaguez incident demonstrates the wisdom of separating the consultation process from the Congressional review or authorization process. Facts which were not revealed to the Congress in the unsatisfactory consultation process concerning the Mayaguez, but which have subsequently come to light, raise profound questions concerning the military actions taken in connection with securing release of the ship and the crew. For instance, we have learned that the amphibious assault by our Marines was conducted against the *wrong* island, 20 minutes *after* the crew had been released. The lives of 41 U.S. servicemen were lost in connection with the release of 39 crew members. Bombing missions were conducted against an oil refinery and aircraft on the Cambodian mainland both known to our government to be nonoperational. In addition, it appears that the standard warning being given to all ships of the risk of being stopped in those waters was not given to the Mayaguez.

In circumstances somewhat similar to the Mayaguez incident, the Congress in August 1964 passed the Tonkin Gulf Resolution. The provisions of the War Powers Resolution were drafted with that regrettable experience in mind. Specifically, the decision to give Congress a full 60 days in which carefully to consider the emergency introduction of U.S. Armed Forces into hostilities by the President was designed to avoid hasty and emotional action by the Congress in ratifying Presidential action without sufficient information.

Our initial experiences with the War Powers Resolution indicates that obtaining full and timely information from the Executive Branch is a difficult and complicated procedure even with the statutory sanctions contained in the law. Under the law there are at least three distinct and supplementary mechanisms for the Congress to obtain required information from the Executive Branch. First, there is the prior consultation process. As noted, this was unsatisfactory with respect to the Mayaguez incident, although it was somewhat more satisfactory respecting the Cambodia and Vietnam evacuations—but largely as a result of clear demand and follow-up by the responsible committees of the Senate and House. Second, there is the information required to be submitted in the reports to the Congress by the President under Section 4 of the law. Third, Section 4(b) requires that: "The President shall provide such other information as the Congress may request. . . ."

It is my firm conclusion that the Congress can only obtain the information it requires by acting formally through the committees having legislative jurisdiction with respect to the War Powers Resolution. This applies in the first instance to the prior consultation process.

Our experience in the Senate Foreign Relations Committee shows that the staff has an important role in obtaining and evaluating information necessary for committee members to act in an informed and considered way. Only with the assistance of diligent, disciplined professional staff can the committees of Congress hope to cope on equal terms with the large bureaucracy which supports the President and his cabinet secretaries in matters of war, peace and diplomacy. Moreover, I believe it would be useful for the Senate Foreign Relations Committee and the House International Relations Committee to consider means by which there can be greater staff coordination between the two committees on matters respecting the War Powers Resolution. Perhaps this could be done on an informal but regularized and standing basis.

The President has now submitted four reports under the War Powers Resolution. These reports deserve scrutiny because, in my judgment, they contain ambiguities which could prove to be most troublesome in foreseeable future circumstances. By chance, the first three instances bringing the War Powers Resolution into play have concerned the rescue of American citizens. In each instance, the rescue was completed prior even to the 48-hour period within which the President is required formally to report to the Congress. Since the introduction of U.S. Armed Forces into hostilities in each instance was terminated before the receipt of the Presidential report, formal consideration of the reports has in each instance been mooted by the circumstances.

Nonetheless, there are three aspects of these reports on which I wish to comment. First, I note the ambiguous wording of the reports, which seem to follow a pattern established in the first report and not fully appropriate to the circumstances. The initial report, submitted April 4, was essentially an informational report in compliance with Section 4(a)(2). Such reports, dealing with the deployment of combat-equipped forces short of introduction into hostilities, do not trigger the subsequent provisions of the bill.

However, the three subsequent reports, submitted respectively on April 12, April 30, and May 15, concern the introduction of U.S. Armed Forces into hostilities in connection with: a) the evacuation of Phnom Penh; b) the evacuation of Saigon; and c) the release of the Mayaguez ship and crew.

Each of these three reports is, within the parlance of the War Powers Resolution, a 4(a)(1) report; a 4(a)(1) report triggers the subsequent provisions of the War Powers Resolution by setting in motion the 60-day clock.

In my judgment, the Executive Branch should have clearly and properly labeled the three 4(a)(1) reports. I do not wish to impute motives for this deficiency. But I believe it is timely to remind the Executive Branch—as was made clear during the floor debate on the Conference Report—failure properly to label a report required to be submitted under Section 4, or even a failure to submit a required report, will in no way delay or frustrate the triggering of the 60-day clock and the provisions of Sections 4 through 7 of the law.

Second, I believe that the format and mode of delivery of the four initial reports received under the War Powers Resolution to be questionable in law and unsatisfactory. Each of the reports has been cast in the form of a personal letter from the President to the Speaker of the House and the President Pro Tempore of the Senate. They are brief to the point of being in minimal compliance with the content requirements set forth in the law. Furthermore, as if to imply that these required reports are informal, personal letters to the Speaker and President Pro Tempore in their individual capacities, the reports have been delivered to the personal places of abode of the Speaker and the President Pro Tempore, rather than to their official offices in the Capitol. (In one instance, the report to the Speaker, as recipient for the House of Representatives, was sent to him in Peking, China where he happened to be visiting.)

Third, as indicated above, the four reports received so far under the War Powers Resolution have been almost worthless from an informational point of view. They do not suggest a readiness within the Executive Branch to provide the full and timely disclosure of relevant facts and judgments which the reporting provisions of the law were designed to elicit. And, they do not provide an adequate informational basis for informed Congressional action. I hope and trust that these deficiencies will be corrected in any future occasions.

In conclusion, it is my judgment that the War Powers Resolution has worked in the first, rather elementary and non-controversial trial runs to which it has been subjected. But clearly there are no grounds for Congressional, or national, complacency. The War Powers Resolution will work only as well as the Congress and the Executive Branch make it work. We in Congress must further perfect our own organizational and implementation procedures. We must be assertive of the duty to exercise our responsibilities and prerogatives, while being restrained and responsible in the exercise of our judgments. And the Executive Branch, in my judgment, must be more forthcoming and conscientious both with respect to the prior consultation procedures and the reporting requirements.

As a final point I wish to take note of the ironic coincidence that each of the first three incidents triggering the War Powers Resolution concerned the protection and rescue of American citizens. I say ironic because this issue, while dealt with explicitly in the original Senate bill, is not clearly dealt with in the final legislation which emerged from the conference. Section 2(c) of the legislation as enacted, in declaring the instances in which the President has authority to introduce U.S. Armed Forces into hostilities in the absence of a Declaration of War, makes no mention of the rescue of American citizens as the Senate bill had it. I think this was a regrettable omission and in my judgment the legislative history of the War Powers Resolution, as well as previous constitutional practice and doctrine, support the view that the emergency powers of the President include, as a sole addition to the categories set out in Section 2(c) of P.L. 93-148, the authority to employ the Armed Forces in the rescue of American citizens if legitimately required by the circumstances.

This is not just an academic point. In April, the State Department submitted a legal memorandum to the Senate Foreign Relations Committee asserting that the President has the authority *on his own* to evacuate foreign nationals, in limited numbers, while evacuating Americans if this can be done "without materially changing the nature of such an effort".

This view was decisively rejected by the Senate and, according to my understanding, also by the House. The rejection of this assertion was contained in the adoption by each House of the separate versions of the Vietnam Contingency Act of 1975. The conference report was also passed overwhelmingly in the Senate but for reasons which I do not fully comprehend the conference report ultimately was rejected by the House. Nonetheless, it is my understanding that debate in the House on the conference report prior to its rejection clearly demonstrates that the House did not agree with the Executive Branch assertion of a Presidential authority to evacuate foreign nationals. Unfortunately, through a legislative anomaly, the legal and constitutional need for a Congressional authorization for the evacuation of large numbers of Vietnamese, has not been completed. I think it is unfortunate that this loose end has been left hanging. The deficiency lies with the Congress in this instance and I trust that we will avoid such regrettable anomalies in the future. I also trust that the Executive Branch will not seek to establish this anomaly as precedent for the expansion of Presidential authority.

RENOMINATION OF L. J. "LUD" ANDOLSEK AS A MEMBER OF THE CIVIL SERVICE COMMISSION

Mr. MONDALE. Mr. President, it was with great pleasure that I learned that President Ford has decided to renominate Mr. L. J. "Lud" Andolsek as a member of the Civil Service Commission.

Commissioner Andolsek has a long and dedicated association with my State. Since his days as a student at St. Cloud State College in St. Cloud, Minn., the Commissioner has performed valuable service to the citizens of Minnesota. After coaching hockey in St. Cloud, he became, successively, project supervisor, assistant regional director, regional director, special assistant to the State director, and area director of the Minnesota National Youth Administration.

In 1951, "Lud" came to Washington as administrative assistant to Congressman John A. Blatnik. He served in that capacity, and on the staff of the Public Works Committee, until 1963. He performed important service to the House, the Congress, the people of Minnesota, and the general public.

In 1963, Mr. Andolsek was nominated to the Civil Service Commission as one of its Commissioners. He has been renominated to successive terms and will serve another 6-year term as a result of President Ford's nomination.

As a member of the Commission, Commissioner Andolsek has served as an example of what is best in the Civil Service. As a dedicated worker, a fair and impartial decisionmaker, and an exemplary public servant, "Lud" Andolsek is without parallel.

I am pleased that President Ford has chosen to renominate Commissioner Andolsek. I wish him a successful term. I recommend this exceptional public official to my colleagues in the Senate.

ECONOMIC AS WELL AS SOCIAL CONCERNS IN "REDLINING"

Mr. HELMS. Mr. President, the Committee on Banking, Housing, and Urban Affairs has reported S. 1281 which would require thrift institutions to make public the areas where they are lending depositors' funds as a means of forcing mortgage lenders to make loans within imaginary redlined areas of the city. Proponents of S. 1281 contend that concerted refusal of mortgage lenders to lend money in redlined areas is responsible for the deterioration of innercity neighborhoods.

David G. Schuchat, a Washington realty broker, wrote in the Washington Post on May 31, 1975, that many years ago when savings and loan associations were organized, their purpose was to enable neighbors who had excess money to pool it for lending to other neighbors to buy homes. Mr. Schuchat notes that times have changed and S. & L.'s are no longer neighborhood organizations. When savings and loans were first organized, communities were much more homogeneous than they are today. Now, one may have a savings account in an association many miles from where he lives. In addition, savings and loans have few, if any, offices in declining areas.

According to Mr. Schuchat, there are good reasons why lenders try to make mortgage loans on sound properties in good neighborhoods to borrowers who are expected to be able to make the mortgage payments. As Mr. Schuchat sees it, few prospective borrowers who may be expected to be able to make mortgage loan payments, buy houses in deteriorating neighborhoods. Thus, redlining is done by the public. Finally, Mr. Schuchat asks the question whether you would be willing to lend your own savings on a mortgage loan in a declining neighborhood?

Mr. President, there are many aspects to the problem of redlining that still need to be studied and analyzed before the Senate takes action on permanent legislation in this area. While I do not advocate the Government pool for mortgage loans that Mr. Schuchat mentions, I do believe that his article provides an additional insight into the question. For the benefit of my colleagues in the Senate, I ask unanimous consent that Mr. Schuchat's Washington Post article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"RED LINING" IN LENDING AND SOURCES OF SAVINGS

(By David G. Schuchat)

A Senate committee has been investigating "red lining" by mortgage lenders in Washington. What is red lining by lenders? It is a reluctance to make mortgage loans within an imaginary red lined area of the city.

Insurance companies had also been accused of red lining; not writing property insurance coverage within certain areas of the city. Insurance companies found a disproportionate

number of claims came from high-risk areas. Mortgage lenders believe a disproportionate number of losses will occur on loans made on properties within high risk areas.

Senate investigators contend that certain areas of the city are deteriorating because savings and loans will not lend on properties in those areas. Thus the savings and loans are said to be responsible for the continued deterioration of some inner city areas.

Many years ago when savings and loan associations were organized, their purpose was to enable neighbors who had excess money to pool it for lending to other neighbors to buy homes. Senate investigators say the savings and loans have strayed from their original purpose. Their study shows that District savings and loans lend relatively little money on D. C. properties. In other words, it's no longer a matter of neighbors lending to neighbors.

Times have changed since savings and loans were first organized. S and Ls are no longer neighborhood organizations. You may have a savings account in an association many miles from where you live and also many miles from where you work. Some people have never been in the office of the savings and loan where they have their savings account. When savings and loans were organized, communities were much more homogenous than they are today. Home ownership is also much more widespread.

The Senate study concentrated on lending. It found D.C. savings associations made a very small portion of their loans in the certain red-lined areas. The study did not go further and determine from what areas savings accounts were generated. Savings and loans have few, if any, offices in these declining areas. Some S-L people contend that, if the Senate had studied the source of savings and loan funds, it would find a greater correlation between where savers live and where mortgage loans are made.

There are some who may draw the conclusion from the Senate study that the nonlending is a racial matter. However, other cities with nowhere near the concentration of black citizens experience the same problem as Washington. Not as many mortgage loans are made in deteriorating neighborhoods. Even in times when there is plenty of mortgage money available, lenders try to make mortgage loans on sound properties in good neighborhoods to borrowers who are expected to be able to make the mortgage payments. Unfortunately, few prospective borrowers who may be expected to be able to make mortgage loan payments buy houses in deteriorating neighborhoods.

Red-lining is done by the public. Few people want to rent or buy in deteriorating neighborhoods. This is the cause of the lack of demand for housing in certain areas. This lack of demand reduces values and makes lending in these areas risky.

There may be very sound social reasons for lenders to make mortgage loans in these inner city neighborhoods. But should they be expected to take the risks? The government dealt with the casualty insurance problem by forming a pool for insurance companies and spreading the risks among them. Maybe this is what should be done for mortgage loans.

The problem can be regarded in personal terms. Would you lend your own savings on a mortgage loan in an undesirable neighborhood? If the answer is no, should a savings and loan lend your money in these neighborhoods?

David Schuchat is a Washington realty broker who writes regularly for realty publications.

CHILES DISCLOSES INCOME TAX RETURN AND FINANCIAL STATEMENT

Mr. CHILES. Mr. President, when I came to the Senate in 1971, I adopted a policy of making public my financial status so that anyone who desired could be aware of my financial interests and could utilize that information in judging my performance as a Senator.

I felt then—and do now even more strongly—that such personal financial disclosure by public officials is vitally important to regaining public confidence in the integrity of those who conduct the people's business. Therefore, I have each year voluntarily made public the finances of my wife and I. In addition I have sponsored and cosponsored financial disclosure legislation since early 1971 and am currently a cosponsor of S. 192 introduced by Senator WEICKER in January of this year. I continue to hope such legislation will gain congressional approval soon.

At this time, Mr. President, I am again voluntarily submitting a statement of the financial status of my wife and myself. This includes our joint income tax return for 1974 and a statement of holdings.

I ask unanimous consent to have printed in the RECORD the statement of financial status for my wife and myself and our joint income tax return for 1974.

There being no objection, the financial statement was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 11, 1975.

Hon. FRANCIS R. VALEO,
Secretary of the Senate,
The Capitol,
Washington, D.C.

DEAR MR. SECRETARY: My purpose in writing is to send to you a copy of the joint income tax return filed by my wife and myself for the year 1974 and a statement of financial status. This statement includes holdings and liabilities and is compiled as of the end of December, 1974.

ASSETS

Cash in check and savings accounts approximately, $3,000.00.
Stocks and other securities (See Schedule A).
Real estate (See Schedule B).
Miscellaneous assets (See Schedule C).

LIABILITIES

Accounts payable, $836.00.
Notes payable, $130,000.00.

Most sincerely,

LAWTON CHILES.

SCHEDULE A

SHARES OF STOCK AND OTHER SECURITIES

Unlisted securities

Lake Bonny Properties, Inc. (⅓ equity), 875.
Industrial Development, Inc., 5.
Wild Animal Kingdom, 5,000.
National Medical Properties, 3,500.

Over-the-counter stock

Lakeland First Mortgage Corp. (⅓ equity) less liabilities, 4,728.
Founder's Financial Corp., 23,153.
Hardwicke Companies, Inc., 7,200.

Listed securities

American Telephone & Telegraph, 200.
American Home Products, 200.
Marcor, Inc., 1,020.

SCHEDULE B

REAL ESTATE

The Colonial Building, 910 S. Florida Ave., Lakeland, Fla. Completed August 1966; 6 units, 5000 sq. ft. Lot—100' x 135'. ½ ownership. Mortgage—$39,820.96.

Red Lobster Inns—½ ownership of buildings and property which are leased to the restaurant corporation (in which I have no interest): Red Lobster Inn, Lakeland, Fla., Completed January 1968 with addition November 1968. Mortgage—$145,290.40. Red Lobster Inn, Daytona Beach, Fla., Completed June 1969. Mortgage—$203,249.34. Red Lobster Inn, Tampa, Fla. Completed June 1969. Mortgage—$110,950.89. Red Lobster Inn, St. Petersburg, Fla. Completed October 1969. Mortgage—$206,111.31. Secondary financing obligation on two of four units: $34,800.17. From above properties, income received in 1974 was $81,701.04.

Manatee County, Fla. Property. An undivided ½ interest in the N.W. ¼ of S.W. ¼ of Sec. 34, Township 34 South, Range 18 East. 40 acres in submerged land in Manatee County.

Real Estate Mortgage Receivable. James I. Black, Jr. et ux—16⅔ ownership.
Residence: 940 Lake Hollingsworth Drive, Lakeland, Fla. Mortgage, $32,341.14.
Residence: 3807 North Woodstock Drive, Arlington, Virginia. Mortgage, $55,008.87.
Residence: Casa Del Mar, Apt. 10–C, 4621 Gulf of Mexico Drive, Longboat Key, Fla. Mortgage, $21,976.94.

Real Estate Contracts Receivable: Max Leider, et ux—16⅔ ownership. William M. Skipper, Jr., Trustee—16⅔ ownership.

SCHEDULE C

MISCELLANEOUS ASSETS

Furnishings.
June 1969. Mortgage—$203,249.34.

U.S. INDIVIDUAL INCOME TAX RETURN—1974

Lawton M. and Rhea G. Chiles, Federal Building, Lakeland, Florida 33801.
County of residence: Polk.
Your social security number, 265–36–4818.
Spouse's social security no., 265–40–0431.
Occupation: Yours, U.S. Senator; Spouse's, Housewife.
Filing Status, Married, filing joint return.
Exemptions: Regular 6a Yourself, b Spouse.
c. First names of your dependent children who lived with you: Lawton III, Rhea Gay, Edward.
7. Total exemptions claimed, 5.
8. Presidential Election Campaign Fund. Do you wish to designate $1 of your taxes for this fund? Yes. If joint return, does your spouse wish to designate $1? Yes.

INCOME

9. Wages, salaries, tips, and other employee compensation, $42,500.00.
10a. Dividends, $3,508.37.
(If gross dividends and other distributions are over $400, list in Part 1 of Schedule B.)
11. Interest income, $633.12.
12. Income other than wages, dividends, and interest, $77,435.32.
13. Total, $124,076.81.
14. Adjustments to Income, $3,524.23.
15. Subtract line 14 from line 13, $120,552.58.

TAX, PAYMENTS AND CREDITS

16. Tax, check if from: Tax Rate Schedule X, $34,651.21.
17. Total credits, $1.28.
18. Income tax, $34,649.93.
19. Other taxes, $1,042.80.
20. Total (add lines 18 and 19), $35,692.73.
21a. Total Federal income tax withheld (attach Forms W–2 or W–2P to front) $10,791.64.
b. 1974 estimated tax payments (include amount allowed as credit from 1973 return), $17,300.00.
c. Amount paid with Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, $1,910.80.
22. Total (add lines 21a, b, c, and d), $30,002.44.

BALANCE DUE OR REFUND

23. If line 20 is larger than line 22, enter BALANCE DUE IRS, $5,708.75.

Your signature, Lawton M. Chiles.
Preparer's signature (other than taxpayer), Thomas E. Cox, May 29, 1975.
Penalty for Underpayment, $18.46. (See form 4863 attached).
29. Net gain or (loss) from sale or exchange of capital assets (attach Schedule D) ($1,000.00).
31. Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc. (attach Schedule E) $78,435.32.
38. Total, $77,435.32.
41. Employee business expense (attach Form 2106 or statement) $3,542.23.
43. Total adjustments, $3,524.23.
44. Adjusted gross income, $120,552.58.
45. (a) If you itemize deductions, check here and enter total from Shedule A, line 41 and attach Schedule A, $31,620.17.
46. Subtract line 45 from line 44, $88,-932.41.
47. Multiply total number of exemptions claimed on line 7, by $750, $3,750.00.
Taxable income. Substract line 47 from line 46, $85,182.41.
51. Foreign tax credit, $1.28.
54. Total credits, $1.28.
55. Self-employment tax, $1,042.80.
61. Total, $1,042.80.

APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE U.S. INDIVIDUAL INCOME TAX RETURN—1974

Name, Lawton M. & Rhea G. Chiles, 2107 Dirksen Senate Office Bldg., Washington, D.C. 20510.
Your social security number, 265–36–4818.
Spouse's social security number, 265–40–0431.
1. Total tax you expect to owe for 1974, $30,000.00.
2. Federal income tax withheld, $10,789.20.
3. 1974 Estimated tax payments, $17,300.00.
5. Total, $28,089.20.
6. Balance due, $1,910.80.
Signature and Verification—Lawton M. Chiles, April 15, 1975; Rhea G. Chiles, April 15, 1975.

SCHEDULES A AND B—ITEMIZED DEDUCTIONS AND DIVIDEND AND INTEREST INCOME—1974

Name(s), Lawton M. & Rhea G. Chiles.
Your social security number, 265–36–4919.

SCHEDULE A—ITEMIZED DEDUCTIONS

Medical and dental expenses

1. One half (but not more than $150) of insurance premiums for medical care. (Be sure to include in line 10 below), $150.00.
10. Total, $150.00.

Taxes

12. Real estate, $1,162.72.
13. State and local gasoline, $264.00.
14. General sales, $548.10.
16. Sales tax—auto, $123.00.
17. Total, $2,097.82.

Interest expense

18. Home mortgage, $1,657.52.
19. First National Bank of Lake, $9,473.32; National Permanent, $3,756.73; Gulf Life, $2,709.00; Fla. Nat. Bank, $57.82; Sears, $25.00.
20. Total, $17,679.39.

Contributions

21. a. Cash contributions for which you have receipts, cancelled checks, etc., $3,986.10. See schedule, $1,783.00.
24. Total, $5,769.10.

Miscellaneous deductions

Entertainment, $5,923.86.
Total, $5,923.86.

Summary of itemized deductions

35. Total medical and dental, $150.00.
36. Total taxes, $2,097.82.
37. Total interest, $17,679.39.
38. Total contributions, $5,769.10
40. Total miscellaneous, $5,923.86
41. Total deductions, $31,620.17

SCHEDULE B—DIVIDEND AND INTEREST INCOME

Dividend income

1. Gross dividends (including capital gain distributions) and other distributions on stock. (List payers and amounts—write (H), (W), (J), for stock held by husband, wife, or jointly).
Founders Financial, W, $621.65.
Founders Financial, H, $499.60.
Lakeland 1st Mortg., H, $472.80.
American Home, W, $233.10.
Amer. Tel. & Tel., W, $632.00.
Marrar Inc., W, $969.70.
Rayal Trust Co., H, $12.60.
Lawyers Title, H, $226.92.
James L. Black, H, $35.00.
James L. Black, W, $5.00.
2. Total of line 1, $3,708.37.
6. Dividends before exclusion, $3,708.37.

Interest income

7. Interest includes earnings from savings and loan associations, mutual savings banks, cooperative banks, and credit unions as well as interest on bank deposits, bonds, tax refunds, etc. Interest also includes original issue discount on bonds and other evidences of indebtedness (see instructions on page 13). (List payers and amounts).
Prudential Life, $52.33.
Lieder & Nally, $580.79.
8. Total interest income, $633.12.

SCHEDULE OF OTHER CHARITABLE CONTRIBUTIONS

Florida House, $983.00.
Young Life, $245.00.
Children's Hospital, $100.00.
Recording for the blind, $100.00.
Salvation Army, $100.00.
Boy Scouts, $25.00.
Eye Bank, $40.00.
D.A.V., $50.00.
WETA, $125.00.
New Life, $15.00.
Total, $1,783.00.

SCHEDULE OF CONGRESSIONAL REIMBURSEMENTS AND EXPENSES

REIMBURSEMENTS:

Travel, $5,563.79.
Official expense, $13,312.82.
Total reimbursements, $18,876.61.

EXPENSES:

Travel, $7,614.08.
Official expenses, $11,786.76.
Cost of living, Washington, D.C.,* $3,000.00.
Total expenses, $22,400.84.
Excess expenses over reimbursements $3,524.23.
* See attached affidavit.

AFFIDAVIT

I hereby certify that I was in a travel status in the Washington area, away from home, in the performance of my official duties as a Member of Congress, for 168 days during the taxable year, and my deductible living expenses while in such travel status amounted to $3,000.00.

LAWTON CHILES.

CAPITAL GAINS AND LOSSES—1974

5. Net short-term gain or (loss) ($32,000.00).
65 L–N Installment Sale, 1973 Collections at $84. 13%, $125.88.
71 S–Q Installment Sale, 1973 Collections at $88. 13%, $540.94.
7. Capital gain distributions, $801.00.
11. Net gain, $1,467.82.
12(b). Long-term capital loss carryover attributable to years beginning after 1969 ($1,593.00).
13. Net long-term gain or (loss), ($125.18).
14. Combine the amounts shown on lines 5 and 13, and enter the net gain or loss here, ($32,125.18).
16. If line 14 shows a loss—(iii) If amounts on line 5 and line 13 are net losses, enter amount on line 5 added to 50% of amount on line 13, ($32,062.59).
16(b). Enter here and enter as a (loss) on Form 1040, line 29, the smallest of: (iii) Taxable income, as adjusted (see Instruction K), ($1,000.00).

CAPITAL LOSS CARRYOVER—1974

POST–1969 CAPITAL LOSS CARRYOVERS

Section A.—Short-term capital loss carryover

1. Enter loss shown on your 1973 Schedule D (Form 1040), line 5, $33,000.
2. Enter gain shown on your 1973 Schedule D (Form 1040), line 13. If that line is blank or shows a loss, enter a zero, $0.00.
3. Reduce any loss on line 1 to the extent of any gain on line 2, $33,000.
4. Enter amount shown on your 1973 Form 1040, $1,000.
5. Enter smaller of line 3 or 4, $1,000.
6. Excess of amount on line 3 over amount on line 5, $32,000.

Section B.—Long-term capital loss carryover

7. Line 4 less line 5, $0.00.
8. Enter loss from your 1973 Schedule D (Form 1040), $1,593.
9. Enter gain shown on your 1973 Schedule D (Form 1040), line 5. If that line is blank or shows a loss, enter a zero, $0.00.
10. Reduce any loss on line 8 to the extent of any gain on line 9, $1,593.
11. Multiply amount on line 7 by 2, $0.00.
12. Excess of line 10 over amount on line 11, $1,593.

SCHEDULE R—RETIREMENT INCOME CREDIT COMPUTATION

A.—Wife, $1,524.00.
B—Husband, $1,524.00.
C—Alternative Computation (Combined Information of husband and wife if joint return and both 65 or over), $2,286.00.
1. Maximum amount of retirement income for credit computation.

RENTAL INCOME—1974

RENT INCOME

Property A—Lake Hollingsworth House.
Property B—Casa Delma Beach House (Rented 10 mos).
2. Rents received:
Property A, $5,313.00.
Property B, $2,090.71.
3. Total, $7,403.71.

EXPENSES

4. Advertising, $17.08.
8. Gardening, $275.00.
9. Insurance, $109.00 and $83.33.
10. Interest, $2,287.21 and $1,657.52.
15. Repairs (list): $48.00, $110.70, and 40.88.
18. Taxes and licenses, $913.89, and $566.47.
20. Utilities, $388.01.
21. Other (list): $820.50.
23. Total expenses, $7,317.59.

SCHEDULE FOR DEPRECIATION CLAIMED ON SCHEDULE E

(a) Group and guideline class or description of property: Property "A" Hse.
(b) Date acquired, 1969
(c) Cost of other basis, $48,000.00
(d) Depreciation allowed or allowable in prior years, $800.00
(e) Method of computing depreciation, S/L.
(f) Life or rate 30.
(g) Depreciation for this year, $1,600.00.
F and F, 7–1–73, $1,908.11, $190.81, S/L, 5, 381.62.
Property "B" Building, 1972, $31,217.05, $864.60, S/L, 30, $866.32.
F and F, 1973, $3,023.66, 503.90. S/L, 5, $503.90.
28. Totals. $3,351.84.

SCHEDULES E & R—SUPPLEMENTAL INCOME SCHEDULE AND RETIREMENT INCOME CREDIT COMPUTATION

RENT AND ROYALTY INCOME

(b) Total amount of rents, $7,403.71.
(d) Depreciation (explain below) or depletion (attach computation), $3,351.84.

UMI

(e) Other expenses (Repairs, etc.—explain below), $7,317.59.
2. Net income or (loss) from rents and royalties (column (b) plus column (c) less columns (d) and (e)), $(3,265.72).

INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPOBATIONS

(a) Name: Chiles & Ellsworth, Carr, Chiles & Ellsworth, partnership.
(d) Income, $81,701.04.
Total, $78,435.32.

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX—

COMPUTATION OF NET EARNINGS FROM NONFARM SELF-EMPLOYMENT

5. Net profit or (loss) from: (b) Partnerships, joint ventures, etc. (other than farming) $81,701.04.
6. Total, $81,701.04.
8. Adjusted net earnings or (loss) from nonfarm employment, $81,701.04.
9. (a). Maximum amount reportable, under both optional methods combined (farm and nonfarm), $1,600.00.

PART III COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX

12. (b) From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method), $81,701.04.
13. Total net earnings or (loss) from self-employment reported on line 12, $81,701.04.
14. The largest amount of combined wages and self-emloyment earnings subject to social security tax for 1974 is, $13,200.00.
15 (a). Total "FICA" wages as indicated on Forms W–2, $0.00.
16. Balance, $13,200.00.
17. Self-employment income, $13,200.00.
18. If line 17 is $13,200, enter $1,042.80; if less, multiply the amount on line 17 by .079, $1,042.80.
20. Self-employment tax, $1,042.80.

COMPUTATION OF FOREIGN TAX CREDIT

1. Name of Foreign Country or U.S. Possession imposing Tax (Use a separate line for each): Canada.
(a) Dividends, $12.60.
Total, $12.60.
4. Taxable Income or (Loss) from Sources Outside the U.S. $12.60.

SCHEDULE B—FOREIGN TAXES PAID OR ACCRUED AND COMPUTATION OF FOREIGN TAX CREDIT

1. Credit is claimed for taxes Paid, 1974.
2. King of tax, income.
Tax Withheld at Source on: (e) Dividends, $1.28.
(h) Total Foreign Taxes Paid or Accrued, $1.28.
5. Carryback or Carryover, None.
7. Total Foreign Taxes, $1.28.
8. Taxable Income or (Loss) from Sources Outside the U.S. $12.60.
9. Total Taxable Income from All Sources, $88,902.41.
10. Column 8 Divided by Column 9, $.00014.
11. Total U.S. Income Tax $34,636.21.
12. Limitation, $4.85.
13. Credit, $1.28.
Total foreign tax credit, $1.28.

MAXIMUM TAX ON EARNED INCOME—

1. Earned income, $124,364.59.
2. Deductions, $3,524.23.
3. Earned net income. Subtract line 2 from line 1, $120,840.36.
4. Enter your adjusted gross income, $120,552.58.
5. Divide the amount on line 3 by the amount on line 4. Enter percentage result here, but not more than 100%, 100%.
6. Enter your taxable income, $85,182.41.
7. Multiply the amount on line 6 by the percentage on line 5, $85,182.41.
9. Earned taxable income. Subtract line 8c from line 7, $85,182.41.
10. If: on Form 1040, you checked line 2 or 5, enter $52,000, $52,000.00.
11. Subtract line 10 from line 9, $33,182.41.
12. Enter 50% of line 11, $16,591.21.
13. Tax on amount on line 6, $36,345.80.
14. Tax on amount on line 9, $36,345.80.
16. If the amount on line 10 is: $52,000, enter $18,060, $18,060.00.
17. Add lines 12, 15, and 16. This is your maximum tax. Enter here and on Form 1040, line 16 (or Form 1041, line 24); however, if you had net long-term capital gain in excess of net short-term capital loss, complete Computation of Alternative Tax below, $34,651.21.

UNDERPAYMENT OF ESTIMATED TAX BY INDIVIDUALS—1974

1. 1974 tax, $35,692.73.
5. Balance, $35,692.73.
6. Enter 80% of the amount shown on line 5, $28,554.18.
7. Divide amount on line 6 by the number of installments required for the year (see Instruction B). Enter the result in appropriate columns:
Apr. 15, 1974, $7,138.54.
June 15, 1974, $7,138.54.
Sept. 15, 1974, $7,138.55.
Jan. 15, 1975, $7,138.54.
8. Amounts paid on estimate for each period and tax withheld (see Instruction E):
Apr. 15, 1974, $7,022.91.
June 15, 1974, $7,022.91.
Sept. 15, 1974, $7,022.91.
Jan. 15, 1975, $7,022.91.
10. Total (add line 8 and line 9):
Apr. 15, 1974, $7,022.91.
June 15, 1974, $7,022.91.
Sept. 15, 1974, $7,022.91.
Jan. 15, 1975, $7,022.91.
11. Underpayment (line 7 less line 10), or Overpayment (line 10 less line 7):
Apr. 15, 1974, $115.63.
June 15, 1974, $115.63.
Sept. 15, 1974, $115.64.
Jan. 15, 1975, $115.64.

HOW TO FIGURE THE PENALTY

17. Amount of underpayment (from line 11):
Apr. 15, 1974, $115.63.
June 15, 1974, $115.63.
Sept. 15, 1974, $115.64.
Jan. 15, 1975, $115.64.
18. Date of payment or April 15, 1975, whichever is earlier (see Instruction G):
Apr. 15, 1974, Apr. 15, 1975.
June 15, 1974, Apr. 15, 1975.
Sept. 15, 1974, Apr. 15, 1975.
Jan. 15, 1975, Apr. 15, 1975.
19. Number of days from due date of installment to the date shown on line 18:
Apr. 15, 1974, 365.
June 15, 1974, 304.
Sept. 15, 1974, 212.
Jan. 15, 1975, 90.
20. Penalty (6 percent a year on the amount on line 17 for the number of days shown on line 19):
Apr. 15, 1974, $6.94.
June 15, 1974, $5.78.
Sept. 15, 1974, $4.03.
Jan. 15, 1975, $1.71.
21. Total amounts on line 20, $18.46.

INDUSTRIES INHIBITED BY LACK OF DEFINABLE FEDERAL ENERGY POLICY

Mr. BARTLETT. Mr. President, at the 1975 annual conference of the International Association of Drilling Contractors, Mr. Robert H. Etnyre, president of National Supply Co. described how the lack of a definable Federal energy policy inhibits the expansion of the industries which support energy development. His address, entitled "The Pain of Uncertainty" should be required reading for all my colleagues. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PAIN OF UNCERTAINTY

(By Robert H. Etnyre)

Thank you, very much.

Ladies and gentlemen, I don't think I have to tell this group that you and I share a common problem. We've got the same kind of problem as the man who rushed into his lawyer's office over at the Esperon Building and shouted, "John, I'm in big trouble, you've got to help me!"

His lawyer said, "Whoa, wait a minute, what's the trouble?"

His client said, "Look, I just got this letter from a guy who says that if I don't quit fooling around with his wife, he's going to kill me."

The lawyer said, "Man, you don't have any trouble. All you have to do is leave her alone."

"No! No! That's not the problem. Look at the bottom of the letter . . . it isn't signed!"

Our problem, in your business and mine, is that we're not really sure where we stand. In nearly 30 years of watching and serving the petroleum industry, I can't remember a time of greater turmoil and uncertainty. In three words, "We don't know." And that's what I'd like to talk about for the next 15 minutes. You don't know, I don't know, the American people don't know—and the uncertainty that pervades our entire industry threatens to slow everything to a standstill at a time when we should be running hell-bent-for-election.

When Warren Baker asked me to be here today, he asked me to tell you about the availability of equipment for drilling rigs during the next year, maybe two. We know such materials that are so important to you will be in tight supply for the next two years. The availability of everything we need to achieve the goals of our nation's "Project Independence" hinges on a whole complicated matrix of social, economic and political questions that are now swirling around the petroleum industry. So, today I would like to talk about a broader, more serious question and look at some of the factors that determine whether or not a company like National Supply decides to expand its manufacturing capability to produce the machinery and equipment the industry needs.

First, let's take a look at the demand side of the drilling business—and I don't mind telling this group that you really know how to demand. I get phone calls from customers I haven't heard from in years.

The last year has been pretty wild. There have been times when I felt like the man who got a form letter from Planned Parenthood asking him for a contribution. He sent it back with a note on the bottom of the pledge card that said, "I have seven children—where were you when I needed you?"

The National Petroleum Council has a pretty good handle on what this country needs to do by 1985 to reach the goals of "Project Independence." Their report in September of 1974 said, "Drilling activity in 1974 is projected to increase 15 per cent over 1973 to about 160 million feet, 31,800 wells."

That report also gave some pretty specific estimates of where we need to be by 1980 and 1985 to reach self-sufficiency in petroleum by 1985. It said this:

"The long-range outlook for drilling activity indicates the need for rapid expansion of drilling equipment manufacturing capacity. For example, the highest drilling rate case of the NPC 1972 U.S. Energy Outlook Study, assumed a drilling effort of about 250 million feet in 1980 and nearly 300 million feet in 1985. This is believed to be an attainable goal. If exports of newly assembled rigs were to continue at the historic rate of approximately 50 per cent, new rig manufacturing would have to grow at an improbable 25 per cent annual rate to reach these projected drilling levels by 1980. A more realistic expectation would be a growth of 10 to 15 per cent.

(I'm still quoting.)

"Corresponding expansion in tubular goods mill production and in the well servicing industry would be necessary for maximum utilization of these new rigs . . . furthermore, there will be significant increases in steel tonnage per platform because the additional drilling will be in deeper water and harsher environments." End of the quote from the NPC Report.

This report, which incidentally is an excellent piece of work, not only spells out what industry must do, but in one sentence on page two identifies the one most serious overriding problem facing our industry today.

"It is assumed that there will be incentives for the orderly expansion of production capacity for oilfield equipment manufacturers, contractors and service companies and that financing will not be a constraint."

Let's look at that assumption a little, in terms of what we see and hear going on around us.

We know, of course, that manufacturers like ourselves are expanding. We've got major programs under way that will expand our capacity here in Houston by 150 per cent by the end of 1977. We're also boosting capacity at our Gainesville plant by 50 per cent.

We know that Oilwell Supply and Continental Emsco are expanding their operations. We've heard that Brewster, Cardwell and Unit Rig in Tulsa have programs under way that will make it possible to supply the major push that is already under way.

In a way at least, this answers the question about the long-term availability of rigs and other equipment that you need to get on with your work. We know there will be a short-term crunch. The next two years, certainly, will continue to be tight. It takes too long to buy new machine tools, and to build new facilities to get cranked up overnight to make more of anything. We've also had manpower problems. We've got to find and train new machine operators just as you need to find and train new crews when your business expands.

We believe that drill pipe will continue to be in short supply for these next two years. We're adding heat treating facilities at our pipe plant at Ambridge, Pa. and our Ashland, Ky. plant is making modifications that will make it possible to ship more steel to Ambridge. But, again, the problem is not a two-year problem . . . it's the crying need for a 10-year vision . . . a governmental commitment that industry will have the economic environment it needs if individual companies are to commit funds to long-term growth.

The whole complex of companies and their suppliers who make up the petroleum industry *can* get the job done. That's not the problem. We all need a green light. We need a mandate . . . a long-range energy policy from our government that says in effect "our nation needs to be self-sufficient in energy and the people of this nation are asking industry and the free market system to meet this need."

We are so far from such a policy that would allow our free enterprise system to do what it does best that it's scary. We are all still waiting for a national energy policy. Every day I read in the paper that someone in Washington is playing political games with the oil depletion allowance . . . or writing a new excess profits tax bill, or planning new controls on the oil and gas industry. The overall result is that no one is sure what he can count on.

I think it's Senator Jackson who likes to talk about "obscene profits." That phrase makes a beautiful headline and may be good for a Senator at election time . . . but I'm here to tell you that the profits he thinks are obscene are not nearly obscene enough. If our industry . . . yours and mine . . . is to get on with the job that this nation needs, we've got to be allowed to generate far more profits—perhaps "pornographic profits" to get the job done.

The incentive to earn a profit is the one basic ingredient that is most needed and most threatened by the loose talk and uncertainty at the federal level today. The American people need to be convinced that our system—our free enterprise profit and loss system—in which decisions to invest in risk-taking business activities and with free market choices and the discipline of supply and demand deciding who profits and who loses . . . this is the way we can beat the energy shortage.

The verbal gymnastics of highly vocal critics of the business system that supplies our entire economy are talking us deeper and deeper into a do-nothing paralysis. It seems to me the time has come to declare a moratorium on loose talk. Most of you are old enough to remember the World War II poster. It was very effective. The poster showed a ship going down and the huge caption at the bottom said, "Loose Talk Sinks Ships." Political loose talk is destroying the confidence of the American people.

What about profits? A study by the Chase Manhattan Bank projects the need for investment by the petroleum industry at one trillion, 400 billion dollars between 1970 and 1985. One point four trillion dollars. That's a lot of somebody's money. That money—about $60 billion a year—must come from the earnings of the companies involved, or borrowed against the hope of earning a fair return. The bank says that in 1973 the entire industry invested about $30 billion—only about half the rate that their studies show will be needed. It is going to take tremendous amounts of capital to do the job. And complaining about "windfall profits" or excess profits is simply a destructive display of ignorance of the way our economic system works. If the companies involved can't see a good chance to earn a fair return on the money invested in new facilities, the money will flow into other projects that offer a better shot at a fair return. Incentive is the key. And we are stalled today by the uncertainty that exists at the national level.

We need a clear mandate . . . a vision as clear as the vision President Kennedy laid down when he said this country would go to the moon. But it has to be done differently this time. We're not looking for a government program that is going to spend billions on a single program . . . we're looking for a commitment from our government that the nation's energy goals can be reached by the free enterprise system and that the ground rules will not change.

When I go to our Board of Directors to ask for their approval to invest millions of dollars in new equipment to expand our capacity to make drilling machinery, pipe or wellhead equipment, they want to know what the market will be for the next few years. And you can't blame them for that. Tubular goods are in critically short supply right now. A new pipe mill requires an investment of perhaps $150 million, and could take as long as five years from engineering stage to get it on stream. So the men who make the decisions on investments want to know what the market for pipe will be in 1980. Nobody today, with the uncertainty we hear out of Washington, is ready to bet that kind of money on an uncertain market. Everybody is saying "Let's wait and see what the government does." And the government isn't doing anything but talk.

And this gets us right back to the need for a 10-year mandate . . . and some assurance from our government that the ground rules will permit free enterprise to function.

As long as industry is uncertain about government actions that could fix the price of oil or gas, change the oil depletion allowance, restrict leases on the continental shelf, or tell us that we must sell a significant portion of our tubular goods to the Navy for their Elk Hills Project, we cannot move forward.

Our industry—and by that I mean all of us, those who drill, produce, transport, refine and market petroleum products desperately need a clear government position that we know will provide an unchanging mandate for private industry to move ahead with the massive job that is required in the next ten years.

The policy adopted more than a year ago by IADC would be a fine basis on which to build our national policy. If you remember that policy calls for:

(1) Decontrol of crude oil and natural gas wellhead prices;

(2) Removal of price and other arbitrary controls or limitations on U.S. industry;

(3) Regularly scheduled federal onshore and offshore lease sales on preannounced schedules;

(4) Creation of a climate of consistency and reasonableness in regulatory and tax practices affecting oil and gas producing operations;

(5) Removing of barriers which discourage return of U.S. owned offshore drilling units from overseas;

(6) Reasonable environmental controls consistent with ecological needs.

I'm convinced that the theme of stability that runs through your policy is essential. We need to convince the American people that the days of artificially cheap energy are over, and that the sooner we can get our government to fix a long-range energy policy that encourages private investment and gives incentive to your business and mine . . . the sooner we will be able to gear up for the job.

Our company can and will serve you and all of our customers better tomorrow than we can today. We all need to have a better definition of the rules under which tomorrow's high stakes energy game will be played. Our industry—yours and mine—has never been known to be timid when it comes to risk taking. Your incentive is our incentive. All that is required is the incentive that stands behind our free enterprise system. If we get that green light from Washington, we have a better chance to reach the goals of "Project Independence."

Government control has a pretty dismal record . . . what we once called the penny post card is now a dime . . . and it's still late being delivered. Amtrak seems to be on the same kind of cost and delivery timetable. The ingenuity of private companies, each seeking to provide a service and earn a fair return on its investment is the way to meet the energy shortage.

There's a drilling contractor up in east Texas who got a threatening letter. The letter said, "Give me $25,000 or I'll kill your wife."

The contractor didn't have that kind of money so he put a note in a money bag and delivered it to the place where he was directed. His note said, "I don't have $25,000, but I am interested in your proposition."

I don't believe our government is trying to kill our industry. We are all mighty interested in knowing more about what it is trying to do. The difficulty of hammering out a unified policy is, obviously, complicated.

Meanwhile, the problem grows, as it has now for 25 years and the lack of an overall direction is hurting all of us. Let's hope we can get our public officials to unleash the power of the private enterprise system in solving the long-range needs of our people.

Thank you for asking me to come.

NEW DEPARTURES IN FOREIGN ASSISTANCE

Mr. HUMPHREY. Mr. President, on June 3, the Senate Subcommittee on Foreign Assistance began its examination of our Nation's foreign assistance programs. As I stated at that time, our foreign policy requires a new approach to the developing world and a new look at security assistance programs. Now that the trauma of Vietnam is behind us, we should be able to develop that new approach and new look.

As chairman of the Foreign Assistance Subcommittee, I am determined to breathe new life into our foreign assistance programs. I am determined to bring to these programs the scrutiny and accountability which the American people desire. I am determined to examine the economic and military assistance programs proposed by the administration with a critical, objective eye, and, when necessary, effect changes in those programs so that they are in keeping with the requirements of American foreign policy.

During the first day of hearings, my subcommittee heard expert testimony on the future direction of our foreign assistance program. With the assistance of George Ball, McGeorge Bundy, and a panel consisting of Fred Bergsten, Edward Fried, James Grant, and Joseph Nye, we explored the appropriateness of our various aid efforts in meeting the needs of the Third World and serving our interests. While no final conclusions were reached, there was near-unanimous agreement that our aid programs need revamping.

Today, I would like to insert into the RECORD my opening statement and the prepared remarks of Messrs. George Ball and McGeorge Bundy. Tomorrow, I will insert the prepared statements of our expert panel. I think that the Members of the Senate will find in these statement much food for thought regarding the direction that our aid efforts should take. These remarks suggest that it is time for change, time for us to rethink our aid priorities, time to turn more toward genuine developmental aid and less toward aid with political strings attached. They suggest that we have some hard thinking to do about the substance of our aid programs.

I would like to call to the attention of my colleagues the remarks by Messrs. Ball and Bundy. Both have done our committee a great service. Mr. Ball has carefully delineated the various forms of military and economic aid, and succinctly posed difficult but important questions about the future directions of both our military and economic programs. Two questions which he has raised are paramount issues for us: Are we creating serious problems for the future when, by a combination of grant aid and military sales, we compete with the Soviet Union and Western Europe to turn a whole area into a gigantic arsenal as is occurring today in the Middle East? By keeping populations alive through our developmental and humanitarian assistance programs but failing to make population control a condition of our assistance, are we doing more harm than good? These are difficult questions with moral, religious, political, and economic ramifications. But, they must be faced.

Mr. Bundy has provided us with an invaluable evaluation of our current programs and seven thoughtful suggestions for improving and revamping the program. As he indicates in his remarks, our foreign assistance program is plagued by weakness—not so much in its management, but in its policy basis. If we wish, we can remedy this situation. Among Mr. Bundy's remedies are that we disconnect general economic assistance from military assistance and targeted political support, and relate, more closely than ever before, our developmental assistance to an effective agreed international policy on trade and investment. I urge my colleagues to read his suggestions closely, for they offer us some genuine guidance for the future.

Mr. President, I ask unanimous consent that the above-mentioned statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT H. HUMPHREY

This is a notable occasion. It is the first post-Indochina hearing on foreign assistance.

For the first time in ten years the Foreign Relations Committee and the Congress will not have to consider foreign aid legislation in the context of the tragedy and controversy which surrounded the American involvement in Vietnam.

With that divisive issue behind us, we should now be able to listen to each other more reasonably. We should be able to debate the issues fairly. We should now be able to hear the voices of genuine need.

Now that the smoke of the Indochina war has cleared, we should be able to see the rest of the world. We need it—not just its raw materials and its markets. But, more importantly, its respect and cooperation in building a new world order.

The developing world, its needs, its opportunities, its great potential have been there all along. But we've often been too busy to notice. We must take the time now to consider what is required in our foreign policy if we are to achieve a secure and equitable world interdependence.

The time for new departures is at hand.

There was a time not long ago when we approached world problems in a vastly different frame of mind. We were the guardians of the world. We would make the world safe for democracy. We would lift up the poor and feed the hungry. Now we realize that these tasks are beyond our means and our abilities. We know that we must act in concert with others. The problems of 1975 and beyond are too great and too complex for the solutions to be solely American. The industrialized world and the oil-rich nations must now pool their resources and their talents to tackle global problems.

Nowhere is this cooperation more needed than in the economic field. As two of our witnesses today, Mr. Bergsten and Mr. Nye, have written:

"At least for now, economic issues have become far more salient in international affairs than at any point since the beginning of World War II, both because of their increased importance in their own right and because of the decline in concerns about survival and the traditional forms of security."

They point out that military force is of limited utility in pursuing today's economic goals. It would seem to follow that the emphasis in our foreign assistance program must now shift from the pursuit of military security to the search for a more secure and equitable interdependence. There can be no security when hunger and poverty are the words used to define the human condition of more than a billion of the world's people. I believe that many fundamental assumptions about our nation's military assistance and arms sales programs must be reexamined.

Both new and old forms of cooperation will be required. Our traditional economic assistance program has changed over recent years and today is oriented primarily to the transfer of skills and technology designed to improve the lot of the world's poorest majority and, in particular, to enabling the least fortunate to feed themselves.

Such programs have never been more important. But at the same time the American public has never been more skeptical of what they see as the perils associated with foreign involvements and the risks which seem to have accompanied our aid programs in the past. The American people have clearly indicated their unhappiness with costly aid programs. They are dubious about their effectiveness. They suspect that much of our money instead of aiding the poor has in the past been siphoned off by the privileged and ruling classes in recipient countries.

We, on this newly created Subcommittee on Foreign Assistance, recognize all of these trends. We understand that our foreign policy requires a new approach to the developing world and a new look at security assistance programs. We understand that our bilateral aid programs need a new credibility with the American people.

I am determined to bring to our foreign assistance programs the scrutiny and the accountability which the American people are demanding. I am determined to explore whether the economic and military assistance programs proposed by the Administration are in keeping with the requirements of American foreign policy.

In today's hearings we plan to discuss what kind of foreign assistance program our nation should have in the years ahead. We wish to explore whether our various aid efforts are appropriate to meet the needs of the Third World and to serve America's interests. And we wish to examine the question of priorities within the structure of our foreign aid program.

In subsequent hearings we will examine economic and military programs on a regional and country-by-country basis. We plan to explore whether recent Congressional mandates are being carried out and are still appropriate to a changing world situation. We wish to assure ourselves that our foreign assistance programs are being soundly administered.

Unless the Congress and the Executive Branch are able to go before the American people and provide answers and assurances concerning the many issues I have raised, we cannot expect the public to support the continued authorization and appropriation of a multi-billion foreign assistance effort. The tragic Vietnam era has taught us that a nation's foreign policy becomes credible not when it is backed by armed might, but when it has the full support of its people.

Our first witness this morning will be the Honorable George W. Ball, former Under Secretary of State. He will be followed by Mr. McGeorge Bundy, who was Assistant to the President for National Security Affairs, in both the administrations of Presidents Kennedy and Johnson. Thereafter, we will have a panel of four experts from the academic and foundation world. They will be Mr. James P. Grant, President of the Overseas Development Council, and Messrs. Edward R. Fried and C. Fred Bergsten, Senior Fellows of the Brookings Institution, both former advisors to the National Security Council, and Joseph S. Nye, Professor of Political Science at Harvard University.

REMARKS BY GEORGE W. BALL

Mr. Chairman, my few comments this morning should hardly be dignified as a prepared statement. I have been traveling constantly for the past few days and have been able to jot down only some general ideas which may or may not be of much use to this Subcommittee.

That the whole question of foreign aid should be rigorously reexamined seems obvious. The largest part of the effort this country has been making under that rubric has been to provide both military and economic means to enable the nations of Indochina to carry on a struggle now concluded. For that reason alone it is an appropriate time to reassess our responsibilities for helping the poorer nations of the world.

As a first step we must undertake a fundamental exercise in analysis and classification. Foreign assistance is a deceptive phrase that comprehends programs and policies dissimilar in motive and effect. I propose, therefore, in these few minutes to try to identify and differentiate the various elements that most Americans have regarded as foreign assistance, as that term has been used during the past few years.

Let me begin with military aid. At the outset it is necessary to differentiate between military equipment provided on a grant basis, equipment sold on a concessionary basis and equipment sold on market terms. Probably there is little difference between arms that we provide on concessionary and on market terms. America no longer has a monopoly as an arms merchant and when we offer concessionary terms it is, I suspect, primarily because other supplying nations are making similar deals and we do not wish to be undersold.

There are, as I see it, four basic categories of military assistance. There is, first of all, what might be called true military aid which means the arms we grant for clear and unequivocal national security reasons. The classic example of this, of course, is the military equipment we provide to nations of the NATO alliance, on the explicit assumption of the North Atlantic Treaty that the defense of those nations is essential to our own defense.

A second category consists of military equipment we provide on a grant basis in support of various countries in whose defense we have a special interest. Until a few weeks ago this included Southeast Asia. It still includes Israel where this Subcommittee and the Senate are going to have to make some critical judgments as to how much assistance we should commit to that beleaguered country during a period of sensitive negotiations.

A third category consists of military equipment we provide in payment for the opportunity to maintain forward facilities—air bases, naval bases or intelligence installations. A fourth category consists of assistance that amounts to political subsidies—or bribes, if one wishes to use a harsher but often quite realistic term—in order to help maintain in power governments—frequently military regimes—that we regard as useful to the stability of a particular area. I suppose the best example of this is some of the military equipment we provide to various nations of Latin America. In many cases this has been of a highly sophisticated nature—supersonic aircraft or submarines—that seem to bear little relation to the defense requirements of a particular recipient nation as against its neighbors. Thus in some instances we must recognize it as an effort to maintain in power military juntas that are friendly to us. That is a practice this Subcommittee will, I suspect, carefully scrutinize.

Finally, there is a category of arms provided for balance of power purposes. One example of this is the equipment we are giving Jordan to enable the Jordanians to defend themselves from air attacks by Israel on the one hand or by Syria on the other. Presumably we justify this aid on the ground that the present Jordanian regime is a moderating influence in the area and may play a constructive role in the search for an ultimate settlement.

These, then, are various categories of military assistance which, as I see it, pose a number of questions for the consideration of this Subcommittee. For example, should the United States use grants of weaponry to support military governments that are repressive and that do not serve the long range interest of a particular country, simply in the interests of a short-range and quite probably illusive stability. Again, this Subcommittee might do well to study the problems we are creating for the future when, by a combination of grant aid and military sales, we compete with the Soviet Union and Western Europe to turn a whole area into a gigantic arsenal—as is occurring today in the Middle East.

When we turn to economic aid we find a different problem of classification. The first category of our economic aid has, in recent years, gone largely to two areas—Indochina and Israel. Such aid has not been intended primarily for development but rather to support a military effort by releasing funds for war expenditures. Modern war, after all, involves entire economies and entire populations.

Genuine development aid is a distinct category that is limited to the economic resources and technical assistance we provide to less developed countries in order to help them build an adequate infrastructure, educational facilities, an efficient agriculture, and to provide them with capital and technology for the development of natural resources and the beginning of industrialization.

Genuine development aid should not be confused with a third category of economic assistance which, like part of our military assistance, is primarily used for political bribery or subsidization, designed in other words to keep in power regimes that offer, at least, a transient stability.

I would include as a fourth category economic aid utilized primarily as payment for base facilities.

Finally, as a fifth category, there is aid granted primarily for humanitarian purposes—the food and other aid we give to nations on the margin of subsistence that have little hope for serious economic development.

If we are to act responsibly this last category presents us with very troubling problems. In the case of various nations—for example, Bangladesh—the population is increasing at such a rate as largely to cancel out per capita economic growth. In some nations the increased demand on limited food resources and other products that results from a swelling population threatens to reduce the level of life below the subsistence level.

Today we cannot totally ignore a body of respectable opinion which suggests that, in providing aid to countries already overcrowded in relation not only to space but to resources, we may be multiplying the misery for future generations. This poses a peculiarly unsettling and distasteful set of questions for a humane country and people such as ours. To what extent can we turn our faces away from present hardships—away from the suffering of individuals now in being when our assistance may only create misery on a far wider scale for the yet unborn whom we do not know?

What this poses is not only a profound moral issue; it requires us to exercise imagination on an unprecedented scale and scope. Let me make clear that I do not accept uncritically the exaggerted symbolism of the earth as the lifeboat that can hold only so many people where to take on board more would jeopardize the lives of all the other passengers. That idea has been put forward in several forms. It has also been expressed, for example, in the military term "triage"—which came into usage during the First World War and means, in effect, that an amy cannot waste its limited money and resources on the critically wounded.

For the next few years I suspect that we will not have to face the issue in these terms. For some years ahead we will no doubt have the capability—though not necessarily the political will—to maintain the populations of even the poorest countries at the subsistence level.

Yet even if we were able to sustain the unchecked increment of human lives in areas of meager resources and low capabilities we might well find the costs excessive since the effort could require us to redesign our whole social, political and economic arrangements in a drastic manner.

The questions we face, therefore, are not merely whether we have the political will to make the extraordinary effort required to preserve human lives in areas where population growth is substantially outpacing the development of production but whether, if we should undertake the task, the changes required would involve such a restriction on individual decisions and action—and in essence on the free operation of our democratic processes—that we would have destroyed more than we had saved.

These are problems of shattering complexity which involve a challenge to our religious and moral precepts—and indeed to the optimistic belief in unlimited progress that has for a century, at least, been Western man's dominant operating assumption—that I can understand why responsible officials of Government have felt inhibited in facing them. But I have less understanding for what seems to me to have been a conspiracy of silence among academics. The other night, for example, I reexamined a number of the books written during the 1960s on the development process—and that decade produced a spate of them. I was struck by the fact that so few of these texts even mentioned the effect of population increases. In the few instances when the subject was mentioned it was likely to be brushed off by casual reference to the "European experience." In other words, the authors seemed to feel that the fact that the population of Western Europe declined with industrialization demonstrated beyond cavil that industrialization which could be achieved through development would automatically take care of the problem.

I find that analysis quite unsatisfactory in view of the fact that the time spans involved in the European experience were far too long to meet the problems we face today.

I do not mean to sound an alarmist voice nor am I trying to pass judgment on the views of those who contend that we are building up massive problems for the future—indeed insoluble problems—when we continue to support populations that are rapidly expanding beyond the scope of their capabilities in terms of economic production. By keeping these populations alive and failing to make rigorous population control a condition to our assistance, we may be doing millions of unborn human beings a tragic disservice.

I do not know whether the scientists who assert these views are correct or whether we should put more weight on the testimony of those who maintain that the problem is not all that difficult. I would only suggest that the problem posed is one of enormous significance and that, in your examination of the future of foreign aid this Committee would be derelict if it did not give it serous consideration, no matter how distasteful the dilemma may seem.

UMI

Foreign aid to the poor nations of the world was a concept inspired by America's great success in helping to rehabilitate the advanced nations of Western Europe after the Second World War. President Truman's original Point Four Proposals were extremely modest since they comprised merely the extension of technical assistance. But, during the early 1960s America committed itself to helping the peoples of poor countries largely in the Southern Hemisphere—the Third World as it came to be called—to move toward higher standards of living. And many of us who lived through that period found the exercise an inspiring one.

Today national enthusiasm for the whole process has greatly diminished. Not only have we experienced the searing ordeal of the Vietnamese War, which tended to deflect our attention from the problems of much of the rest of the world, but we have come to question the extent of our own capabilities. Besides we are currently preoccupied with the problems of our own domestic economy.

Yet it would be an enormous mistake for us to abandon the program started with such great enthusiasm. Whether we like it or not the nations of the Third World are, in relation to the advanced nations, becoming relatively poorer. Though a few that are fortunate enough to command large reserves of natural resources are moving from poverty to a much easier position, the great bulk of the world's population—now increasing at a horrendous rate—demands and requires the help of the rich nations of which we are still unquestionably the leader.

We are, of course, at a special moment of transition, when the future of Southeast Asia is by no means clear and when delicate negotiations are in progress in a desperate effort to settle the struggle between the Arab nations and Israel. Under these circumstances I would hope that the Congress would not act precipitously. Not that foreign aid should be put aside. On the contrary. But there should, in my view, be considerable discretion accorded the Executive Branch in dealing with assistance requirements in the months ahead.

STATEMENT OF MCGEORGE BUNDY

Mr. Chairman: It is a privilege to appear in response to your invitation and join in your discussion of the future of our nation's work in foreign assistance. These are hearings on the right subject at the right time. After a decade in which the quantity and direction of our Foreign Assistance Program have been increasingly inadequate to the real demands of the world and to our own deepest interest, there is now a serious prospect of important and constructive change. In any such change the work of this Committee can be of critical importance.

The present unsatisfactory shape of our Foreign Assistance Program reflects a painful paradox. On the one hand, over the last fifteen years, the professional capacity of our government for the effective management of economic programs of development assistance has steadily increased. Throughout that period, first as a member of the Kennedy and Johnson Administrations, and for the last nine years at the Ford Foundation in New York, I have had continuous opportunities to be in touch with the work of AID. I believe that where executive guidance and legislative requirements have left it free to work on its central task of international development, AID has shown itself to be one of the best and most effective agencies at work on these matters anywhere in the world. The grave weaknesses in our Foreign Assistance Program do not come from inside AID, and any new and revised program will be strengthened in the measure that the professional skills of our government in this field are protected and even reinforced.

Unfortunately the recent record of our country in other respects has been distressingly weak. The best single measure of this weakness is the extraordinary decline in that part of our Foreign Assistance Program which can be classified as official development assistance. Measured as a percentage of Gross National Product the official development assistance of the United States had declined by 60% since 1965, from .5 of 1% to .2 of 1%. In that same length of time, and by the same standard, the United States has slipped from 5th to 14th among the 17 developed countries which participate in the Development Advisory Committee of OECD. Among the major non-Communist developed countries only Austria, Italy and Switzerland give a smaller proportion of their GNP than we do. It is entirely understandable that there should be special difficulties in a season of recession and inflation, but the tendency which I am describing is not of recent origin, and the relentless downward pressure on the relative level of our foreign aid effort has been felt in good years as well as bad ones.

Another measure of the inadequacy of our current effort is to be found in the extraordinarily tangled shape of the legislation which authorizes and supports the program. That legislation has become increasingly enmeshed in hotly debated issues of foreign policy, like those surrounding Southeast Asia. These debates have been only most marginally related to our worldwide concern for economic development. In part this entanglement derives from the outdated practice of connecting military assistance with economic assistance in the same legislation. In part it derives from the ambiguous status of economic assistance whose size and direction is governed by bilateral political concerns—mainly in Southeast Asia and the Middle East. Still another part of the difficulty is that over the years a great many special programs with a high justification of their own have been funded as part of our "other foreign assistance." How many Americans, for example, are aware that the heavily reduced foreign assistance appropriations of 1975, finally signed only two months ago, contained $90 million for Cuban refugee assistance and $40 million for Soviet refugees, with most of the second amount restricted to expenditures in Israel?

In many ways the multipurpose grab bag which is our current Foreign Assistance Program accurately reflects the many and varied purposes of the Executive Branch, the Congress, and of public opinion itself. It is not wrong to help Cuban and Soviet refugees. It is not wrong to have politically targeted programs of economic assistance where they reflect shared and legitimate purposes. Whatever may be our opinion of particular programs of this sort in recent years, we must remember that the Marshall Plan itself was not simply economic in origin.

I nonetheless believe that in recent years the multiple purposes of the Foreign Assistance Program have begun to get in each others way. In particular I believe that the general effort for development assistance has been weakened, both in public opinion and in the Executive Branch, by its connection with military assistance and supporting assistance to special political allies. To a public increasingly disenchanted with our continuing commitment to Southeast Asia, the heavy emphasis on assistance to Indo-China has been a source of weakness. At the same time the Administration has regularly placed its military and political commitments at the top of its priorities even at the expense of other parts of the foreign assistance appropriation. The consequence has been a vicious circle of decreasing public enthusiasm for the program as a whole, coupled with increasing tenacity in the Administration's defense of special parts of it.

Yet in these same recent years the level of need for effective international action has dramatically increased. Even if our economic assistance programs were relatively as strong and clear today as they were ten years ago, they would have been badly overtaken by events. This Committee needs no rehearsal from me of the extraordinary impact of inflation, recession, and volatile prices for critical commodities. You know about the energy crisis, the food crisis, and the population crisis. You know of the new and increasingly insistent self-awareness of the developing world. You know of our newly emerging recognition that all of these problems come home with peculiar gravity upon the poorest people and the poorest nations. And if you did not know these things you would find them freshly and eloquently described in the recent speeches of Secretary Kissinger.

It is plain that this country needs new and better instruments of international economic action if it is to meet these new and emerging crises. In the language of Secretary Kissinger, the challenge before us is clear: "Let us deal in reality, not in rhetoric." So far this advice is as pertinent for the Administration itself as for the rest of us. With the single and important exception of food policy, our government has yet to address itself with effectiveness and clarity to real solutions, as distinct from eloquent statements of the problem. It remains divided in its international economic policy, heavily political in its view of the shape and direction of economic assistance, niggardly in its requests for funds, and opaque as to its real intentions with respect to the developing world as a whole. When we compare professions to performance, at least so far, the Administration's eloquent spokesman cannot but remind us of the claim of Shakespeare's Glendower: "I can call spirits from the vasty deep." Hotspur's question remains: "Will they come when you do call for them?"

Yet certainly a new spirit of effective international economic cooperation will never come if we do not call for it, and in that sense recent eloquence deserves both applause and support. It is just here that the work of this Committee becomes most timely. The new departures which are needed now cannot be developed in the State Department alone, or even in the Executive Branch as a whole. They will require the kind of sustained and connected effort of understanding which has occurred at least three times since the second war in the development of the basic monetary and economic framework for the postwar years, in the launching of the Marshall Plan, and in the reassessment of Foreign Assistance Programs which began in the Congress and was carried on by the Executive Branch at the end of the 1950s and at the beginning of the Kennedy Administration.

The issues which have now to be understood, and the policies which we must develop in response, are more complex than ever before. If it is wise, as I believe, to disconnect our general economic assistance from military assistance and even from targeted political support, it is equally essential that our development assistance should be related, more closely than ever before, to effective agreed international policy on trade and investment. Seen from outside, neither the Executive Branch nor the Congress currently appears to be strongly organized to address these topics together, and it may be important for a Committee like this one to insist that its immediate responsibility for economic assistance justifies and even requires a close and cooperative concern for issues which arise also in the work of other responsible legislative bodies.

Let me now offer briefly a set of general comments on the kind of new questions which are presented in the new international environment. These few and incomplete suggestions are the product of discussion with professional colleagues in the Ford Foundation who have a closer and more legitimate knowledge of the international economic scene than I can claim. In particular I would like to express my sense of obligation to David Bell, who has the double advantage of long service as the Administrator of USAID and now as Executive Vice President in charge of our international work in New York.

First, the United States is no longer a lonely giant among the developed nations. There are now at least three other major centers of wealth with whom we must work to achieve effective cooperation: Western Europe, Japan and the principal oil-exporting nations. It would be short-sighted and self-defeating for us to try to sustain indefinitely positions of special weight, for example in international bodies, which correspond to our past but not our future role.

Second, the issues which we have now to resolve are inescapably and permanently multilateral, and they engage rich nations and poor nations alike. For example, the need for more stable commodity prices is neither temporary nor artificial. It is a simple necessity for many major members of the developing world, and we would ignore it at our peril.

Third, our direct national interest in a constructive rearrangement of international economic relations is as deep as that of any other nation, rich or poor. In that sense we should no longer conceive of our economic assistance so largely as a matter of pursuing special political advantage, and still less as some kind of international dole. Economic assistance, increasingly multilateral and largely divorced from any special political interest, is quite simply an indispensable element in the general effort to resolve worldwide problems which are critical not only to the nations in greatest need but also to the long-range welfare of the United States itself.

Fourth, the downward direction in the real level of our development assistance should be reversed. This is not only a matter of our own true national interest, but also an urgent prerequisite to international understanding. As the representatives of the developing countries become skillful and effective in advancing their own interests, it is quite simply not workable for the United States to attempt to meet the challenge of the next decade by measures which do not in fact produce increasing transfers of real resources to the nations whose need is most severe. Unfortunately, on this issue as on others, the position of our government is still infected with a deliberate and disturbing vagueness. Here again, in the absence of executive leadership, the work of this Committee can help to lay the groundwork for the timely development of a stronger national position.

Fifth, in developing this stronger posture we can safely build on the solid foundation of our existing professional competence in development assistance. While such programs are likely to be increasingly multilateral, the work of USAID in this field, like that of the World Bank internationally, is work which we can cheerfully and confidently reinforce. The effectiveness of development assistance is demonstrated by the achievement, in many countries, of self-sustaining economic situations. While we have not carried our fair share in recent years the additional amounts that we could reasonably be expected to provide are not large either as a percentage of our GNP or our national budget. In this respect, indeed, the dark cloud of the collapse in Southeast Asia has an important silver lining, in that controversy over that region need no longer divide the Administration from the Congress, while the large funds once earmarked for that area can be redirected for general economic assistance.

Sixth, while our basic process for development assistance is sound, the situation is quite different with respect to what used to be called technical assistance. The process of offering training and advice, in a tutorial mode, is decreasingly needed and decreasingly acceptable. What must take its place is a new pattern of genuine scientific and technical collaboration toward the solution of common problems. This is a pattern only incompletely understood and articulated by Americans, at least so far. Thus American agricultural scientists ought to be more and more part of a worldwide enterprise. In this enterprise both biological and social scientists should be enlisted—to breed better varieties, find better means of pest control, create better fertilizers, design better price, marketing, and storage policies, and conduct research and development on all the other obstacles to larger food production. It is erroneous and obsolete to think of this as a process of U.S. scientists training and guiding scientists in other countries. Instead it needs to be understood as a process of devising means of cooperation and joint action, in which people in different countries contribute to common objectives and all have much to gain. None of this is easy, and we have only begun to see some of the ways in which practical headway can be made. But so far the United States government has hardly begun to think in these terms, and most of our scientists and technicians still think of their work on U.S. problems as their central, professional work, and their work on world problems as spare-time, charitable activities, rather like doctors who contribute a portion of their time to a charity hospital. In this regard, we need new thinking, new policies, new organizational forms, and a major departure from foreign aid concepts as they have been developed thus far.

Seventh, and finally, we need to restudy our understanding of the broad relation between all programs of foreign cooperation and our own fundamental commitment to democratic process and individual freedom. The fairway here is narrow, and often in the past we have fallen into traps on one side or the other. On the one hand we have too easily assumed that economic development itself brings both democracy and libery. That is too much to ask. On the other hand, we have sometimes acted as if we need have no concern with patterns of severe political repression or deep economic unfairness; such amorality asks too little. I do not here presume to define the wise middle course, but I do venture to suggest that once again the answer will depend on our ability to join constructively with other nations, rich and poor alike, in the construction of a new international pattern which in some reasonable measure respecs both the limits of economics and the imperatives of conscience.

MIA'S IN SOUTHEAST ASIA

Mr. HRUSKA. Mr. President, one of the most persistent and heartbreaking aftermaths of the Vietnam conflict has been the failure to secure an accurate accounting of our men who are listed as missing in action in Southeast Asia. The North Vietnamese have been brutal and barbaric in their refusal to abide by the terms of the Paris peace agreement relating to these men.

It is my sincere hope that the Congress and the administration will bear this fact in mind when considering the questions of economic assistance and diplomatic recognition for both North Vietnam and the new regime in Saigon. Unless an accounting of our men is forthcoming, there must not be any consideration of such requests.

Despite the passing years, Americans have not forgotten these brave men nor their families who have suffered so much anguish. The Congress has gone on record several times to reaffirm its support for continued efforts to push for such an accounting.

I am proud of the fact that recently the Nebraska Legislature by adopting Legislative Resolution 39 added its collective voice to those calling for such an accounting. Legislative Resolution 39 requests an investigation of the prisoners of war and persons missing in action in Southeast Asia. The Nebraska Legislature in passing this resolution has given the Communist forces in Southeast Asia yet another signal that Americans will not abandon these men to a limbo on forgotten names.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of Legislative Resolution 39.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

LEGISLATIVE RESOLUTION 39

Whereas, more than two years have passed since the signing of the Paris Peace Accords; and

Whereas, the Communist bloc countries in Southeast Asia are not abiding by Articles 8a and 8b of the Paris agreement or the Laotian Protocols, which provide for an accounting of American servicemen who are Missing in Action and the repatriation of all Prisoners of War; and

Whereas, there appears to be a lack of effective action being taken or proposed to achieve a full accounting of the remaining 1300 Prisoners of War and Missing in Action; and

Whereas, the 1300 families of these men have too long borne the painful burden of uncertainty that this situation has caused; and

Whereas, we as Americans and citizens of a free nation acknowledge our continuing responsibility to resolve the fate of these men who served their country in Southeast Asia.

Now, therefore, be it resolved by the members of the Eighty-Fourth Legislature of Nebraska, first session:

1. That the Congress of the United States be requested to conduct a thorough investigation of the issue of American Prisoners of War and Missing in Action in Southeast Asia, and that it take such action as may be necessary to ensure an honorable determination of the fate of these men.

2. That a copy of this resolution be forwarded to each member of the Nebraska delegation in the Congress of the United States with the request that it be inserted into the CONGRESSIONAL RECORD.

CAN A DOCUMENTARY BE TOO FAIR?

Mr. PROXMIRE. Mr. President, John J. O'Connor of the New York Times wrote a column published May 18 that carried this headline: "Can a Documentary Be Too Fair?" The column dealt with an NBC documentary on handguns entitled, "A Shooting Gallery Called America?"

In sum, O'Connor says that the documentary was controversial when knowledge of its production became public knowledge, and that the controversy may have delayed its airing; but after it was put on the air, it raised little interest.

O'Connor says that the delay in broadcasting the documentary was caused by

UMI

a rewriting of the script, the first being deemed "polemic."

O'Connor writes:

With the postponement, a new, more "balanced" script was devised, one that NBC executives felt would fall within the requirements of the Fairness Doctrine.

O'Connor is of the opinion that the new script—

May have been the key miscalculation.

Perhaps, he continues:

An emotional issue requires advocating a particular solution.

There is no doubt that the program became controversial before it went on the air. The day after it was shown, NBC board chairman Julian Goodman gave a speech in Memphis and mentioned "Shooting Gallery," guessing that—

It will probably draw comment pro and con from various sources.

He apparently was wrong, according to O'Connor. Goodman went on to say this:

But despite the fact that this program was not shown until yesterday, NBC has been hearing from people on both sides of the gun issue for more than a month about how good or how bad the program was—a program they had not even seen.

O'Connor's thesis is, of course, that a controversial issue of public importance drew little public response from a national television audience of about 10 million—381 complaints out of 441 letters received in the 2 weeks after the show—because it failed to take a stand.

Now if all of this is true—that complaints even before the program was shown caused a rewriting of the script to avoid fairness doctrine complaints to the Federal Communications Commission after the fact—then this is a good example of the chilling effect of journalism caused by governmental control of broadcasting.

Before going further, let me make clear my own position on gun control. I oppose the sale of "Saturday night specials," but I will continue to protect the interests of the honest citizen and sportsman to own and enjoy firearms. I will not vote for gun registration or confiscation.

Despite my own viewpoint on the issue of gun control, I believe NBC executives should not have felt the hot breath of the FCC and its fairness doctrine on the back of its neck. For if O'Connor is right, the existence of the fairness doctrine indirectly restrained the producers of "Shooting Gallery."

I favor a free press—and that includes broadcasting—without governmental regulation or influence.

If there were no fairness doctrine—as I have proposed in S. 2, the First Amendment Clarification Act of 1975—it is a sure bet that "Shooting Gallery" would have turned out to be a different sort of a program.

I cannot judge whether it would have been a better or a worse program. After all, such a judgment should be a subjective one for each viewer to make after seeing a documentary.

My contention is this: a journalist, whether he writes for print or uses pictures and words on television, should be free to produce as he sees fit. In saying that, I use "journalist" in the singular for convenience, but I mean the journalistic process which includes more than one person generally—the reporter, the editor, the publisher as a minimum in newspapering and many more analogous positions in television.

The journalist in the print media has the protection of the first amendment. He must fight for it, as the Pentagon papers case demonstrates; but he has it. Questions may arise about its use, but there is general agreement in this country that press freedom is basically a sound principle when applied to printed publications.

Yet, after decades of governmental regulation of the electronic media, there is no general agreement on the soundness of the freedoms of speech and of press when applied to broadcasting.

If O'Connor was right, if NBC news executives ordered a new script for the "Shooting Gallery" because of the fairness doctrine, I wonder if it was because of the time and expense NBC went through before the FCC and in the courts because of a 1972 documentary, "Pensions: The Broken Promise?"—That case is still not settled, and I will have more to say on it soon. I do not know the answer to that question. But it is more than rhetorical.

It is a sure bet that the time and expense The New York Times—and other newspapers—incurred in the Pentagon Papers case did not deter the Times from running the big story on CIA involvement in domestic matters that stirred the executive and legislative branches of government into probing the matter.

Perhaps it is no accident that television and radio have not produced stories to compare with the coverage and revelations of Watergate by the Washington Post.

If "Shooting Gallery" was bland, as O'Connor suggests it was, who is the loser?

What if newspapers were bland on important issues? Some are, of course. Fortunately, not all newspapers are bland. And incidentally, blandness is not synonymous with unfairness or bias.

I believe firmly that broadcast journalists would not be chilled into blandness if it were not for governmental controls as exercised through the FCC's fairness doctrine. I believe that without the fairness doctrine—which requires broadcasters to program controversial issues as well as to provide reasonable opportunity to present opposing viewpoints—there would be more, not less, programing of such issues.

The beneficiaries would be all of us—every citizen interested in his government.

Mr. Justice Potter Stewart, in discussing court cases involving restrictions placed on the news media, has said:

The press could be regulated to the status of a public utility. The guarantee of free speech would presumably put some limitation on the regulation to which the press could be subjected. But if there were no guarantee of a free press, government could convert the communications media into a neutral marketplace of ideas. Newspapers and television networks could then be required to promote contemporary government policy or current notions of social justice.

Mr. President, I ask unanimous consent that John O'Connor's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAN A DOCUMENTARY BE TOO FAIR?

(By John J. O'Connor)

Before it even went on the air a few Sundays ago, "A Shooting Gallery Called America?" had brought several letters of either praise or condemnation to the offices of NBC News. Produced by Lucy Jarvis, the documentary about handguns had been scheduled for early March but was abruptly postponed to April 27. Apparently the letter writers had seen the early advertisements but didn't bother to check their television sets. The ads were enough to trigger automatic responses to what they were sure the program would say. Providing an insight into the narrowness of lobbying or the limited usefulness of letter counting, the incident has its amusing side.

Far more startling, however, and considerably less amusing has been the reaction—or the noticeable lack of it—to the documentary that finally did get on the air. The program reached a quite respectable level in the ratings, going into about 10 million homes for a 30 per cent share of the total audience watching TV in that 10 to 11 P.M. period. Yet, two weeks after the broadcast, NBC headquarters in New York had received only 441 letters about the program, with 381 of them registering complaints of "bias" and the like. A survey of several major cities (New York, Chicago, Cleveland, Los Angeles) found a total of 438 telephone calls received at NBC stations. More than 390 of them were in the complaint category.

That was about the extent of the reaction. Traditional outcries from the gun lobbyists were oddly muted. Washington—both the White House and Congress—generally maintained a discreet silence. Despite the explosive emotional content of its subject, "A Shooting Gallery Called America?" seems to have had no more impact than a toy pop gun.

Why? Possible answers can only be suggested. On the surface, the documentary itself appeared to be both reasonable and powerful. The territory to be covered was carefully delineated: "This program is about handguns. Not rifles, not shotguns—but handguns. What we do with them, and what they do to us. Ten years ago, Americans owned an estimated 10 million handguns. Today, 40 million. In the next hour, we'll find out why some people have handguns, how they got them and how the explosion in handgun ownership has affected our lives."

The dreary but pertinent statistics were rolled off yet once again. In 42 states, no license is required to obtain a handgun. In 30 states, there is no waiting period. Despite gun-control legislation, passed in 1968 and designed to stop illegal traffic in guns, about 400,000 handguns were imported into this country's black market last year. There is accidental shooting every 20 minutes; an average of 27 Americans are killed each day with handguns. About 70 percent of the victims are shot by a relative or acquaintance.

As for comments from gun users, the spectrum was typical: "You feel like you have a live bomb in your hand, because every time you pull the trigger it explodes." Or, "I mean you get used to it, after you just laugh at it. . . . You shoot a person, so what?" Or, "I live in a very transitional neighborhood and I'm a little afraid living there alone and would like some form of protection."

The handgun has become commonplace on the streets of major cities. It is especially popular among younger people. Carl Stern, narrator of the documentary, was forced to conclude: "The handgun—it is a problem, and it is growing. And in some urban areas, it is more than a problem, it is a plague."

But the plague, diagnosed to death, continues to be ignored. Part of the reason, pinpointed effectively by the documentary, is political. Egil Krogh, a member of the Nixon Administration and one of the more prominent Watergate participants, recalled the reluctance of the Nixon Administration to support strong gun controls: "I think they recognized the strong influence that the gun clubs, the sporting clubs and other organizations could bring to bear on a political campaign."

And entrenched attitudes have a way of dangling interminably in the wind. Mr. Stern explained: "We asked the White House how President Ford felt about various gun proposals or what suggestions he had on the problem. Our initial call and followup calls went unanswered, and finally the White House told us it did not wish to respond on that subject."

But the failure of the White House to respond does not explain the failure of the NBC News Documentary to get more than a minimal response from its mass audience. Perhaps the production, for all of its even-handed perspective and tough insight, pulled back a bit too much from taking a stand. Mr. Stern observed: "This is a controversial program—not because we are advocating a particular solution but because passions run high on guns."

When the documentary was first postponed, one reason offered for the delay was that "it needed more reporting." That happened to be false. In fact, NBC News executives were unhappy with Rafael Abramovitz's script, later described as a "polemic." With the postponement, a new, more "balanced" script was devised, one that NBC executives felt would fall within the requirements of the Fairness Doctrine. That may have been the key miscalculation. Perhaps an emotional issue requires "advocating a particular solution." Perhaps in this instance NBC, much as Edward R. Murrow did with Senator Joseph McCarthy in the early fifties, should have taken a strong stand and openly invited its critics to reply at a later date. In that event "A Shooting Gallery Called America?" may not have solved the entire problem, but it also might not have passed quite so silently in the night.

MULTINATIONAL CORPORATIONS

Mr. MATHIAS. Mr. President, there has been increasing interest in the subject of the operations of multinational corporations, much of which is manifested by strong criticism. This interest is obviously appropriate, and some of the criticism may be justified.

But in spite of the charges of selfish concentration on profits and the accusations of moral insensitivity on the part of some corporations and corporate officers, the rise of these multinational institutions points to an important truth about our times.

The truth is that the dwindling of the world's supply of natural resources, and the growth of the world's appetite for these resources have combined to create pressures that cannot be constricted by national boundaries. The shortages of resources that exist or are anticipated make it clear that there will be severe disruption in our social and economic structure unless there is an exchange of goods and services on an unprecedented scale. The multinational corporations seem to have perceived this circumstance more clearly than either governments or the world's consumers. They have so organized themselves to do business across national borders in a way that attains a degree of efficiency not possible in a solely domestic operation.

It seems to me, therefore, that we need to study the operations of multinationals with more objectivity than has generally been expressed to date. There is a requirement for the development of a new concept of global trade that reflects the nature of the interdependent economy that is rapidly evolving. We need to know as much as we can so that we can employ the strengths of multinationals for the general good, and so that we can harness their energies and bring them under reasonable and necessary control.

Mr. David Rockefeller recently spoke in Manchester, England, on the subject of multinational corporations. There are so many interesting facts and statistics in this speech, as well as Mr. Rockefeller's own observations, that I believe it will be of wide general interest.

I therefore ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MULTINATIONALS UNDER SIEGE: A THREAT TO THE WORLD ECONOMY

Mr. Loveday, my Lord Mayor, my Lords, ladies and gentlemen.

I am very happy to be with you today and delighted that you asked me to deliver the Chairman's Lecture in Manchester.

Considering the circumstances, it was a most magnanimous and forbearant invitation. For, within the past week, we in the American colonies have been unmannerly enough to celebrate the bicentennial anniversary of the occasion when a Boston silversmith rode his mount through our streets and byways with the raucous cry of, "The British are coming! The British are coming!" Therefore, I would have deemed it only simple justice had my arrival here been greeted by a mounted Mancunian, crying out just as indecorously, "The Americans are coming! The Americans are coming!"

On a less irreverent note, it is altogether fitting that a talk on the world economy be given in this city. Manchester and the North of England, as Britain's industrial center, virtually cradled the Industrial Revolution, which shaped so much of the world as we know it today.

As a focal point for the United Kingdom's foreign trade, Manchester is at once very much a part of Britain and very much a part of the larger world outside. In our lifetimes, those ties with the world have increased many times over. Given the courage and wisdom we now require, they will grow even greater and more important for all of us.

As the world economy has become more and more interdependent, there were bound to be a number of dislocations and needed adjustments. But the far greater peril now lies in a diminution, a pulling back from that interdependence and from the spirit of accommodation that it has helped bring about. We have recently had a sampling of what can happen when the spirit of accommodation is disrupted in the unilateral action of the OPEC oil cartel. As an example to others, it is both dangerous and disconcerting.

The dangers are very real and ever-present. For, as we meet here, the world and its economy are at something of a crossroads. On the one hand are the bright prospects of greater cooperation, of matching the still unmet needs of many of the world's people with its capacity to produce and to fill those needs. And on the other hand are the increasing threats to the expansion of trade and to the emergence of a genuine world economy. Hanging in the balance, it seems to me, are not only the higher living standards that have been attained over the past two decades, and that are yet to be attained, but all our best prospects for maintaining peace among nations.

We can no longer discuss the world economy without considering its most visible and fastest-growing component—the multinational corporation. Its contribution to economic growth has been immense. Yet, from a multiplicity of quarters, multinational enterprise now finds itself under seige.

The battle is still in its early stages. But on its outcome will rest a critical decision—whether we will permit natural forces to work so that multinationals can play an ever-larger part in world development, or whether we will place them under crippling constraints that will diminish their influence and their capacity to lift the levels of world prosperity.

I find this struggle very strange indeed. For the multinationals have already accomplished much that is desirable along with great potentials for achieving even more. They are the most important instruments in the unprecedented expansion that has taken place in world trade. They have succeeded in breaking down once insuperable cultural barriers. They have broadened the scope of opportunity, both for individuals and for nations, through the transfer of technology and through training in management skills.

Nevertheless, multinational companies are now coming under the fiercest kind of political and rhetorical assault—from academicians, from writers, from left-leaning economists, and from politicians.

ILLIBERAL IDEAS IN THE NAME OF LIBERAL TRADITION

What is most perplexing is that a large part of the criticism is made in the name of the liberal tradition or comes from those who supposedly uphold that tradition. Yet, these critics put forward the most illiberal ideas—isolationism and narrow nationalism, for example—in place of the growing internationalism and economic cooperation we have experienced for two decades and more.

The consequencies of what they propose can only be a mounting parochialism, a continuation of the political fragmentation the world has been experiencing for several decades, and an atmosphere that keeps growing heavier with suspicion and distrust. This is not liberalism, but its antithesis. I submit that it has been the multinational companies, not their adversaries, that have brought about a great diffusion throughout the world of some of the most deep-seated traditions of liberalism.

Some of the most searching scrutiny of multinationalism has come from a great variety of national and international bodies. New arms of the United Nations Social and Economic Council have been formed, for example, to study or monitor various facets of multinational companies and their activities. Others that are conducting inquiries include various working parties and committees of the Organization for Economic Cooperation and Development, the United Nations Conference on Trade and Development, the Commission of the European Economic

UMI

Community, a subcommittee of the United States Senate, and academic centers in many countries, including the United Kingdom.

It is not surprising, of course, that the world and world organizations should take note of multinational enterprise, its achievements, and its growing impact on the international economy. What is surprising, however, is the strong tone of hostility and distrust that the majority of these organizations display in their studies and reports.

STUDIES DISPLAY A TONE OF HOSTILITY AND DISTRUST

Although many of these reports can be characterized as "reformist," rather than "abolitionist," a persistent bias is evident in most or all of them. The published documents frequently open with a bow to the accomplisments and capabilities of multinational corporations. These capabilities are then somehow translated into the notion of the great power that multinationals possess, along with the exercise of that power in an adversary manner with respect to developing nations.

What follows, naturally, are long lists of suggested measures, intended to curb or control those powers. Sometimes the recommendations are based on isolated instances of multinationals' misconduct, sometimes they deal only with potential misconduct, but never do they recognize any misconduct on the part of the nations. If carried out by the countries or by international bodies, these recommendations would surely spur a prudent corporate management to retreat to the safe confines of its home country—or at least to make no further commitments toward overseas investment.

What emerges essentially from these studies is a predisposition to favor government involvement over private initiative and tight regulation over an open and free economy. Now, I am aware that I am speaking in a country whose government also displays a marked preference for government regulation, even ownership, of many activities once left primarily to private control and decision-making. But yours is also a country with a very vital stake in international commerce—and indeed in multinationalism itself.

It is true, of course, that the United States is responsible for half or more than half of the world's total direct investment in foreign enterprises. But Britain ranks second in that respect.

It might also be pointed out that much of what we Americans know about international business, we learned from you. The great forebear of today's multinationals was the British East India Company, which in its day dominated a greater proportion of world trade and investment than any corporation you could name today. Our first permanent settlements in America were those established by two early multinational enterprises—the London Company and the Plymouth Company. Britain in the last century provided a substantial part of the capital that built America's railroads and utilities—sometimes to the profit of the investors, and sometimes to their sorrow and disenchantment when bonds were defaulted.

Even today, many of your multinational companies own sizable segments of our economy. British Petroleum comes to mind, for example, with its stake in our Alaskan oil that should eventually amount to some 2.6 billion barrels in reserves.

It seems to me that the interests of your country and mine in this matter are more common than they are disparate. I believe that you should be as alarmed as I am about the widespread attention being given to some of the new publications on multinational enterprise. Some of them, thinly disguised as respectable scholarship, are no more than collections of innuendo, half-truths, distortion, and outright falsehood. Their broad conclusions are often the same as their starting premise—that is to say, a distrust of free enterprise and the free market economy.

COLLECTIONS OF INNUENDO, HALF-TRUTHS AND DISTORTION

What strikes me forcibly is that some sort of pattern seems to characterize these criticisms. For a long time, the most confirmed critics of capitalism have been striking hardest, not at its weaknesses, but at its strengths—and trying to give them the appearance of weakness. Let us examine this phenomenon by looking back a few years.

The United States entered the postwar period with a profound commitment toward increased internationalism. We favored an early end to colonialism; we were leading proponents of national self-determination; and we undertook the mammoth tasks both of helping to rebuild war-torn nations and of providing development assistance to what were then called the "backyard" countries.

It was a costly and difficult commitment, even for a strong and wealthy nation. Yet it was carried out and expanded by national administrations under both of our major political parties, and it enjoyed the broad support of the American people.

These efforts and initiatives—the Marshall Plan, Point Four, A.I.D. programs—were generally quite successful in accomplishing their missions. First France and England, then German and Japan and Italy were helped up from the ashes of war. Living standards rose in much of the rest of the world. In the emerging and newly-independent nations, millions upon millions were brought from a life of barter and subsistence into the cash economy. They were able to buy and enjoy the kinds of things that, for untold generations, their families had done without—farm plows, bicycles, sewing machines, and that universe-constricting marvel of modern technology, the transistor radio. And perhaps I should note that the former British colonies, which had been given much training in self-government, were able to move out on their own most readily and easily.

Curiously enough, it was these successes that time and again brought on the bitterest opposition of America's critics. At first, much of the criticism amounted to no more than the grumblings and posturings of our cold war adversaries—a kind of sulking for the propagandistic record. But gradually, other dissident voices were heard, initially in Western Europe and then, during the 1960's, in a mounting wave of protest from the less-developed countries, now known as the Third World, and from within the United States itself.

Now dissent, short of physical violence and gross incivility, is surely necessary and healthy in a democracy. But I have long been disturbed by protests, delivered under the banners of egalitarianism and liberalism, that struck at the very heart of those programs and institutions that actually nurtured greater opportunity and broad-scale economic advance in the world society.

These successes have been the more remarkable in the face of the failure of the family of nations to achieve anything resembling a unified world policy. Indeed, the United Nations has largely reduced itself to a forum for the expression and promotion of narrow national or bloc interests rather than the broad human interests its charter proclaims.

FREE MARKET FORCES SHOULD TRANSCEND NATIONAL BOUNDARIES

Today, those broad interests are being served best in economic terms where free market forces are able to transcend national boundaries. Nevertheless, the chief instrument of this progress, multinational enterprise, is now coming under the determined onslaught of those who, either from ignorance or design, are arraying themselves in opposition to freedom.

In many quarters—political, academic, literary, and journalistic—the multinational company has become the target of a new demonology. If this sounds like paranoia, I can at least claim some good company among both British and American observers. In his recent Mercantile Credit lecture, Sir Ronald Edwards and multinationals now occupy for many people "a place roughly equivalent to that of Satan" in medieval time. Peter Drucker, writing in *Foreign Affairs*, found it entirely within the realm of possibility that the multinationals might be "severely damaged and perhaps even destroyed within the next decade." And in a much-discussed article in *Commentary*, Daniel Moynihan, recently our ambassador to India, noted that radical politicians seem to reserve a speical venom in inveighing against "the achievements of liberal processes." One of those achievements, he says, is the multinational company, which "is arguably the most creative international institution of the 20th century."

FIVE MOST FREQUENT CHARGES

I think it would be worth our while to consider some of the criticism of multinational enterprise and then to look dispassionately at what the real facts are. Among the most commonly-voiced charges are these:

1. The multinationals export home country jobs by means of "runaway" plants that move their manufacturing operations abroad and then export the production back home.

2. Multinationals exploit less-developed countries by taking their natural resources, underpaying their labor, and pre-empting their scarce capital.

3. Multinationals are responsible for the growth of monopoly and monopolistic practices.

4. Multinationals manipulate currencies, causing monetary instability, and use "variable transfer pricing" among their subsidiaries to avoid taxes and thus maximize profits.

5. Multinational companies interfere with and diminish the sovereignty of nation-states, principally by making important economic decisions elsewhere.

Let us look, first, at the matter of exporting jobs. Every reliable study—and there have been quite a few—concludes that just the opposite is true. For from sending jobs out of the home country, the external activities of multinational companies actually create hundreds of thousands of *additional* jobs at home.

This comes about when multinationals export increasing amounts of goods to other countries. In 1970, for example, multinational firms accounted for just over half of total U.S. exports of $42 billion, and more than 40 percent of their exports—almost $9 billion—went to their own overseas subsidiaries.

As far as imports are concerned, it is clear that most of the overseas production of multinational companies is destined for other than their home country markets, mainly in the countries where the goods are manufactured. Indeed, the ability to serve and continue to serve overseas markets has been the principal stimulus to multinational growth. Even aside from such considerations as tariff and non-tariff barriers, there is the matter of local needs and preferences. Some British products appeal to American tastes and some do not. And certainly our automobiles would have a difficult time of it on your roads.

Next, the issue of exploiting less-developed countries and their pools of low-cost labor.

BULK OF INVESTMENTS ARE IN HIGH-WAGE COUNTRIES

The critics seldom bother to mention what might happen to those labor pools if these jobs were *not provided*. Indeed, the principal complaint of less-developed countries is not that we are exploiting them, but that we have been *neglecting* them in making our investments. The facts are that the great bulk of the overseas investment by multinationals is in developed, rather than underdeveloped, countries, and in high-wage, rather than low-wage industries. Two-thirds of U.S. direct investment abroad since World War II has been in Western Europe, almost all of it in technologically sophisticated, non-extractive industries. And of all the direct foreign investment in the United States as of 1973, more than 30 percent represented British interests. It is also interesting to note that the chief oil-producing countries, now cast so abruptly in the role of major investors, have looked almost solely toward the developed economies in which to place their funds, and hardly at all to the less-developed countries.

The real point is that most multinational investments tend to be made where the markets are and where the prospects for earnings growth are greatest. With all due deference to the greater needs of the developing countries, most of them simply do not offer the kind of attractive investment opportunities associated with sizable markets.

It is true that multinationals try to get and often do get much of their capital financing needs from within the countries in which they invest, as the critics charge. But here a superficial appearance is used to twist a virtue into a supposed vice. The real contribution of a multinational company to a developing economy is its ability to mobilize local resources—capital, raw materials, and human capabilities—in a way that will trigger more growth in the domestic economy.

Capital need not be static and available only in fixed quantities. A healthy industry makes capital dynamic by generating more and more capital. Most of the capital used to expand the installations of multinational companies has come from on-the-spot reinvestment of their local earnings. Without the stimulus provided by multinational companies, most nations in the developing world would not benefit today from the fruits of modern industrial society.

The next criticism I will touch on is that of multinationals and monopoly—or, to use a favorite word of many economists, oligopoly.

As you know, of course, oligopoly refers to the dominance of an industry by a handful of companies. And it grows out of the fact that some modern industries require such large capital investments that it would be economically wasteful to have more than a few firms engaged in them. But to put this matter in better perspective, we need to look at such industries over the long term.

We can see, then, that different companies have moved in and out of leadership, that there are almost always one or two less efficient companies lagging behind the others, and that some have dropped out and been replaced by new ones. Even some industries, unable to compete, have faded away. It may be too bad, but we no longer have much use for clipper ships or covered wagons. Nor, as *The Economist's* Norman Macrae has so mischievously pointed out, are dollars needed any longer to plug up Europe's dollar gap.

Before World War II, it was common for large firms in highly-concentrated industries, especially in Europe, to form cartels and to allocate markets on a geographical basis. But the companies that moved toward world leadership after the war, particularly the American companies, had a much more competitive background and ethos. They showed little interest in cartelization of industries, and European firms were soon following their lead toward freer competition.

LITTLE INTEREST IN FORMING CARTELS

Speaking of cartels, it has been fascinating for me to observe that one point seems to have been overlooked in all the recent talk about profit-hungry, monopolistic oil companies. The point is this: The world price of oil, when the companies owned it, was around $2 to $2.50 a barrel. But when the countries took over the production facilities the companies had installed, the world price ballooned to $10, $11, and $12 a barrel. Granted, that while other than economic factors play a role in this quantum jump, it would be only fair to bear in mind that competition and not monopoly is the way of life for multinational corporations today.

The next accusation against multinationals is that of variable pricing and currency manipulation. It is charged, for example, that a multinational company is able to set a low price for its exports to a country where taxes are low, in order to increase profits there, and a correspondingly high price to a country whose taxes are high.

The truth of the matter is that variable transfer pricing is neither very common nor very difficult to control. As John Dunning, of the University of Reading, has pointed out, there is only limited opportunity for such transfer pricing of goods in Europe, although it is easier to manipulate the prices of services in this way. Most governments, however, have laws requiring reasonable pricing of imports and exports. Indeed, the United States, our taxing authorities are empowered to make arbitrary allocations of income and deductions where they believe there has been pricing to avoid taxes

As for the shifting of currencies by the treasurers of multinational companies, I suspect that a good deal of this has taken place—but as a legitimate and necessary part of conducting business. A company treasurer, to safeguard corporate funds, is charged with the responsibility of taking steps to protect the corporation from the risks of devaluation. This is not a question of speculation, as some have charged but one of sound money management.

At times, of course, legitimate currency dealing can exacerbate the currency problems of nations. But the root of the problem is not in the foreign exchange operations of multinational companies, but rather in undisciplined domestic economic policies on the part of the nations whose currencies are in trouble. Companies have to work within the framework of economic and political forces far outside their control.

Finally, there is the complaint that multinational companies interfere with the sovereignty of nations, particularly with respect to decisions made outside the host country with regard to such matters as investments and production levels, which in turn affect jobs, incomes and possibly even monetary and fiscal policies. The fact is that such decisions are not a subject of whim, but rather of market forces, including those involving risk and longterm earnings potentials.

DECISIONS ARE NOT A SUBJECT OF WHIM

Sovereignty today is a difficult and changing concept. You cannot have complete national sovereignty and at the same time serve the best interests of a nation's people. Of course multinationals move goods and capital and technology across borders as freely as they are able. But in doing so they are providing real benefits to the countries themselves by making goods available at lower prices.

Today it is not unusual for the action of one nation to influence the affairs of others in countless ways. Without wishing to take part in your own current debate about the European Economic Community, I would still make the point that the EEC could not function at all if its members were not willing to pool a part of their own sovereignty. Their reluctance to do so, in my opinion, is the principal reason the Community has not made more rapid progress that it has. Even the Soviet Union has found that it needs the rest of the world for capital, for technology, for managerial skills, but that can't draw the full dividends from these exchanges without weakening its tight political control over the individual citizen. This is a dilemma with which it is constantly confronted.

In any event, it should not be assumed that multinationals can carry out any activity regardless of national aspirations. Nations that feel some concern about an erosion of their sovereign powers have many means for safeguarding themselves. Once a company has invested its funds and managerial skills in a multinational project, it is the host country that has the power to change the rules of the game. It can raise taxes and social welfare charges, without export licenses, block repatriation of funds, or deny police protection to picketed plants. And the nation is sole possessor of those ultimate weapons in the assertion of sovereignty—the threat of expropriation and expropriation itself.

The real point, however, lies in mutual benefits and in the need for trust and faith in realizing them. The initial investment by a multinational firm is almost always an act of cooperation between company and country. The company plans to stay and perhaps to make additional investments, a circumstance that dictates good citizenship. And the country has welcomed it because it wants the company to remain, and often would like to have other companies come to play a part in its further development.

Multinational corporations are the target of many other accusations—some with substance, some trivial, some premised solely on narrow national interests, still others reflecting no more nor less than an underlying distrust of the profit motive. But, having examined the criticisms, I suggest that we also take a hard look at the critics. Who are they? What are their real motives? What are they seeking to accomplish—or to destroy? Are they devoted to the liberal proposition, or are they simply the disciples of the most reactionary kind of doctrine?

WHO ARE THE CRITICS?

I can claim no special insight as to source of the more virulent opposition to multinational companies. But it is obvious to me that the revolutionary left shares these views and is among those calling most persistently for punitive taxes and crippling regulation of multinationals.

The Marxist antipathy to multinationals is understandable. These companies do create jobs and economic prosperity; they do respect the needs and wishes of host countries; they have served the world economy; and they have clearly demonstrated their social utility. In serving these ends, they also give the lie to the Marxist doctrine that capitalism and the free market are bound to crumble of their own weight. Were I a Marxist, I would also wish to see these leaders of international commerce and cooperation dismembered and destroyed.

Increasingly, the problems that we in America or you in the United Kingdom face are those we share with all the world. Population growth in the coming decades, hopefully along with the further spread of affluence, assures us that we will face many new problems of scarcity, not the least of these being a shortage of capital. The Chase Bank has estimated that meeting the national goals of the United States alone over the next ten years will require a new capital of more than $5 trillion or considerably in excess of the present value of America's total national plant. Other developed countries will have correspondingly large capital needs. The OECD estimates that world energy investments between now and 1985 will range from $1.2 to $1.6 trillion—and it is my guess that even the high figure is an underestimate.

But the capital pinch will be felt hardest of all in the developing countries, especially those most reluctant to recognize their inevitable ties to the rest of the world. There

UMI

are today many Third World countries that are scarcely, if at all, better off than when they shed the mantle of colonialism. There are also others, like Singapore and Nigeria, that have moved resolutely away from underdevelopment and toward full partnership in the modern industrial and commercial world.

The difference, if we look closely at what has happened, lies in the recognition that economic growth must follow its own laws, and these laws are best served by the greatest possible degree of freedom for individuals and institutions.

It is this very freedom to move and to grow that has fed the mushrooming of multinational enterprise, which in turn has pointed the way toward realization of the rising expectations of a great many people. With the joining of the most critical issues in the modern world—hunger, the threat of overpopulation, energy needs, protection of the environment, massive needs for capital—it becomes clear that our expectations are advancing, not receding.

LET'S PRAISE SUCCESS, NOT CONDEMN IT

I think the time has come to praise success, not condemn it. We should be doing all in our power to lift the siege that is taking shape around our beleaguered multinational companies. They still have much work to do in helping to create a true world economy. We must let them get on with this unfinished business.

TRANSPORTATION SYSTEM SECOND RATE

Mr. McGOVERN. Mr. President, since the introduction of my National Transportation Services Board Act of 1975, S. 1838, earlier this month, there has been a growing awareness of the dimensions of the transportation problem that faces the United States.

This is not a time for "patchwork" solutions. If we continue to deal separately with each segment of the transportation industry we will not be able to be responsive to the direct needs of the American people for cost and energy efficient methods of transport for both goods and passengers.

What is required is a basic restructuring of our governmental agencies associated with the transportation industry to work toward a balanced and coordinated national system. I believe that my bill S. 1838 takes important and necessary steps toward achieving that goal.

In a thoughtful editorial, the Watertown Public Opinion in South Dakota has spoken to these very problems.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRANSPORTATION SYSTEM SECOND RATE, SAYS SENATOR

An interesting and thought-provoking commentary on the state of America's public transportation system was provided recently in remarks by U.S. Senator George McGovern, D–SD, to his colleagues in connection with introduction of his National Transportation Services Act of 1975. The major impact of the bill would be to federalize railroad roadbeds, tracks and signal systems as a step toward strengthening the nation's railroad network.

"In the last decade and a half," McGovern told senators, "the United States built a major transportation system to carry men to the moon. From Cape Canaveral to Houston and around the world, we have invested $30 billion in the enterprise. Now a few pieces of metal and a flag which never waves are all that stand amid the lunar silence."

And to document his argument that the nation "has spent much but planned too little" on its transportation system, he continues in part:

"The first country in the world in economic power has a third-rate rail system" because "it is required to respond to the public interest but does not earn sufficient private profits."

The interstate highway system is very nearly complete. Of the 42,500 authorized miles, 36,021 are open to traffic, 5,596 are under construction. Design is not yet final on only 883 miles.

Each year the nation pours one-sixth of the Gross National Product into automobiles and roadbuilding—over $5 billion annually for highway construction alone. "We have paved over four million square miles of land, an area equal in size to the entire New England region. Every mile of freeways consumes 24 acres of land and every year we uproot 50,000 people to make way for federally-aided highway construction.

"It is a said commentary on our transportation system that in the city of New York in 1907 the average speed of horse-drawn vehicles on the streets was 11.5 miles per hour. In 1966, the average speed of motor vehicles through the central business district was 8.5 miles an hour. Yet the number of automobiles is increasing twice as fast as the number of people."

The federal government has spent $50 billion on highways and highway related construction.

The interstate highway system with an estimated cost of $27 billion when it was proposed and passed will involve a cost overrun of at least $48 billion by the time it is completed. The average mile costs about $1.4 million. The average in rural areas is $887,000 and in urban areas $4 million.

Load factors for commercial aircraft hover around the 50 per cent mark, which means that almost half of available seat miles are unproductive. This is largely a result of overly competitive schedules, duplicative route structures and unrealistic fares.

"We have the technology and resources to make American transportation first-rate and second to none."

FARMERS HOME ADMINISTRATION COUNTINUES TO IGNORE CONGRESS ON RURAL RENT SUPPLEMENT PROGRAM

Mr. HUMPHREY. Mr. President, this past year, as part of the Housing and Community Development Act of 1974, Congress passed a rural rent supplement program that was intended to assist low-income families residing in the Farmers Home Administration—FmHA—rural rental housing projects (section 515) and FmHA's farm labor housing projects (section 514–516). Though the act gave FmHA authority to immediately implement the program, it has refused to do so, maintaining that the section 8 program, which was also part of the 1974 act, would be more effective in serving low-income residents. FmHA claimed that its own 515 program would be utilized in conjunction with the section 8 program and that the rent supplement program was duplicative and more expensive.

After months of footdragging, the administration has finally begun to implement the section 8 program. In anticipation of its operation in nonmetropolitan areas, where by congressional mandate 20 to 25 percent of the section 8 units are to be placed, FmHA on May 9, 1975, issued its bulletin No. 5335 (444) on processing section 515 applications for projects intending to obtain section 8 assistance. A close review of that bulletin has led me to conclude that not only is FmHA intent upon discouraging the use of section 8 units in its 515 projects, but that its own testimony, on the effectiveness and cost of the rent supplement program in comparison to the section 8 program, is highly suspect.

An analysis of the FmHA bulletin discloses that FmHA is discouraging the tandem use of the section 8 program with its own section 515 program. Specifically, FmHA is refusing to provide interim construction financing for 515 projects constructed for the section 8 program; it is delaying the processing of applications for section 515 projects until section 8 commitments are received; and finally, it is requiring that dual market surveys—one based on assisted rentals and one based on nonassisted rentals, be provided a part of the application for its section 515 projects. The sum total of FmHA's requirements is that the section 8 developer is not only required to operate and obtain the approval of two governmental bureaucracies, a monumental task in itself, but is in fact penalized by FmHA's more stringent requirements for section 515/8 project.

FmHA's bulletin further discloses that section 515 units constructed for section 8 assistance will be more expensive than conventional 515 units. While some of the added expense to the section 8 assisted units is caused by the legislative requirement that newly constructed projects receiving section 8 assistance must be constructed under the requirements of the Davis-Bacon Act, FmHA's additional limitations are causing section 515/8 units to be more expensive than conventional units. By refusing to provide interim financing where private financing is not available at reasonable rates, and by requiring full architectural services for section 515/8 units—though the same services can be waived in ordinary 515 projects—FmHA is adding costs to the development of these units. The combination of these requirements will invariably make the section 515/8 projects more expensive, and will force the Government to provide greater subsidies to such projects than it would be required to pay were the same families to reside in conventional 515 units receiving rent supplement assistance.

FmHA in its bulletin cautions its own county supervisors that there may be instances where persons eligible for section 8 assistance may not be eligible for its 515 program. Specifically, that the incomes of certain families eligible for section 8 may be so high as to make them ineligible for the 515 program. It is clear from that cautionary note that the section 8 program is not exclusively a low-income program, and that of the 20 to 25 percent of the total section 8 units designated for nonmetropolitan areas a significant share may go to families that FmHA does not consider to be within its own moderate-income guidelines, let alone low income.

When Congress passed the rent supplement program, we knew of the impact of the section 8 program on rural areas. We foresaw the need for additional programs to begin to solve rural America's housing problems. We also knew that 20 to 25 percent of the section 8 units would not be sufficient to meet the needs of rural areas, which have a substantial number of poverty persons residing in them. That is why we tried to insure that a greater number of low-income residents than are presently served by FmHA, or would potentially be served by the section 8 program, be served by the rent supplement program.

Now that FmHA has issued its bulletin, and it is clear that the workings of the section 8 and 515 program are going to be cumbersome and expensive, the need for the rent supplement program is clearer than ever. The rural rent supplement has the advantage of being administered by one agency; it would not require the coordination of two governmental agencies; it would not require dual market surveys or private interim financing where it was not available at reasonable rates and terms; the program would be cheaper to operate and housing constructed thereunder would be less costly to the Government both in its initial cost and in the subsidies provided. Finally, the program would be directed exclusively to low-income persons who could not afford safe and decent housing within 25 percent of their adjusted family incomes.

It is about time that the administration and FmHA stopped frustrating Congress' intent by choosing to implement certain programs and ignoring others. FmHA should immediately implement the rent supplement program and moreover it should improve its coordination with HUD in assuring that the section 8 program is viable for rural areas.

Mr. President, I ask unanimous consent to have printed in the RECORD an analysis made by the Housing Assistance Council entitled, "Problems in Combining HUD Section 8 and FmHA 515 Rental Housing Programs."

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

PROBLEMS IN COMBINING HUD SECTION 8 AND FMHA 515, RENTAL HOUSING PROGRAMS, BY THE HOUSE ASSISTANCE COUNCIL

The Section 8 housing assistance payments program, administered by the Department of Housing and Urban Development (HUD), is the federal government's major deep subsidy housing program. Under this program, a low income tenant pays 15%–25% of adjusted income as contribution to rent and HUD pays the owner the difference between the tenant contribution and the approved rent. The Section 8 program does not provide this subsidy until the units are built. Therefore, another mechanism must be utilized to finance the construction or rehabilitation of units which will receive Section 8 assistance upon completion.

In nonmetropolitan areas, a major source of financing for low cost rental units is the Farmers Home Administration (FmHA) Section 515 rural rental housing program, since private sources are very limited in rural areas and many state housing finance agencies appear to be reluctant to finance rural units. Without available financing the Section 8 new construction and rehabilitation programs cannot work. Therefore, a successful combination of the Section 8 and FmHA 515 programs is essential if the Congressional mandate to place 20%–25% of Section 8 assistance in nonmetro areas is to be met and as many as 50,000 rural low income families are to be housed over the next year or so.

On May 9, 1975, FmHA issued Bulletin #5335 (444), including Exhibit C which is aimed at facilitating the combination of FmHA 515 and HUD Section 8. However, the FmHA bulletin does more harm than good. Not only does it fail to establish a coordinated processing schedule between FmHA and HUD, but in certain instances it actually hinders and discourages the use of 515 financing for the Section 8 program.

While this Housing Assistance Council (HAC) analysis deals with each point in greater detail below, several of the most salient points are worth emphasizing here. First, FmHA will unnecessarily prolong the processing of 515 applications until Section 8 commitments have been granted. Second, unlike FHA, FmHA will require that a market demand be demonstrated without Section 8 assistance, as a condition for approval. This will hinder project feasibility, particularly where the demand for low income units is high but the demand for moderate income units is low. Third, FmHA's refusal to provide interim financing for 515 projects constructed for Section 8 leasing is unjustified, likely to further increase project costs and otherwise complicate the processing of joint projects.

The overall thrust of the bulletin further invalidates much of the USDA–FmHA testimony against the implementation of the Rural Rent Supplement Program. USDA spokespersons have testified that the HUD Section 8 program was better suited to provide subsidies to lower income tenants than the rent supplement program. This bulletin, however, supports the contention that not only will the Section 8 approach be more costly in rural areas, but it also will cause those who would use the 515 loans, as permanent mortgages, to become embroiled in an unnecessarily complicated approval process. Figuratively, FmHA and HUD will have would-be sponsors jumping through hoops.

While FmHA has assured us of its intent to implement the joint use of Section 8 and Section 515 in rural areas, the process by which this bulletin was issued, without Federal Register publication or request for comment, leads us to question FmHA's intent. First, we believe the bulletin sufficiently modifies portions of FmHA Instruction 444.5 on the 515 program as to require its publication for comment. Second, publishing the exhibit for comment would have given us and other concerned groups familiar with the Section 8 and Section 515 programs an opportunity to point out some of the difficulties which we anticipate in the joint processing of the applications, and would have given FmHA the opportunity to plan for them prior to final publication.

MORE DETAILED ANALYSIS

Concurrent processing

A potential sponsor of a 515/8 project is to apply to both HUD and FmHA and to abide by the requirements of each. However, FmHA will not begin formal processing until the preliminary proposal for a Section 8 commitment has been approved. This delay will unnecessarily prolong the application process and is repugnant to the whole spirit of the joint processing.

The 515 approval process within FmHA is sufficiently cumbersome that it should commence immediately upon receipt of the application. Such things as sponsor eligibility, design, site acceptability, construction method and projected costs can be evaluated by FmHA independent of any HUD approvals. Since the project must meet FmHA standards, the review should be started immediately so that the applicant may proceed to make any FmHA required changes while the Section 8 approval is processed by HUD. To safeguard FmHA's interest, we suggest that final FmHA approval be delayed until HUD's approval is obtained.

Dual market requirements

HAC agrees with FmHA that an applicant should be required to demonstrate an adequate demand for the units prior to project approval. However, we feel that requiring that a market be established independent of the Section 8 eligible tenants is not only unnecessary, but may hinder the development of sound projects.

The FmHA regulations, in effect, require that 515 sponsors utilizing the Section 8 program identify two sets of prospective tenants for each unit: one eligible under FmHA income limits and another under the Section 8 income limits. Such a requirement is cumbersome and undesirable in that potentially two sets of tenants may be led to believe that they will become the project's occupants, whereas only one will.

Moreover, the FmHA requirement is unrealistic since Section 8 projects (of 9 or more units) are subject to Davis-Bacon prevailing wage rates, which tend to be higher and, therefore, to drive up the rental levels. Thus, establishing project feasibility under FmHA standards for Section 8 projects, without consideration of the Section 8 assistance, would be very difficult, particularly in communities with heavy concentrations of low income people, where the need is greatest.

HUD, on the other hand, has provided that the demand for Section 8 assisted units may be *added to the demand for unassisted units*, in HUD insured Section 8 projects. If FmHA were to follow HUD's lead in this issue, then the problems described above could be avoided.

Interim financing

Exhibit C requires that an applicant for a 515/8 project *must* obtain private interim financing. This requirement is unreasonable, unrealistic and not supported by the legislation. Presently, all 515 projects are required to obtain private interim financing unless it is not available at rates and terms commensurate with the purposes of the project. We believe this policy should be continued for Section 8 projects. Otherwise, not only will the costs of projects increase—thereby increasing the subsidy that the government is required to pay—but projects which have otherwise been adequately planned, and which are feasible, may be thrust into a perpetual state of limbo for failure to obtain interim financing. Sponsors and developers which have expended thousands of dollars may be foreclosed from recovering these funds or building the housing that they planned, because they were unable to obtain interim financing.

It appears to us that by adding this requirement, FmHA has reversed the government's role in housing by requiring private financiers to take a risk that the government, in this case FmHA, is unwilling to take—that the project will not be accepted by HUD.

FmHA's concern that HUD is not committed to make housing assistance payments until a contract is signed *following* completion of construction, is unfounded. In fact, prior to construction, HUD executes an Agreement to Enter into Housing Assistance Payments Contract once the units are satis-

UMI

factorily completed. This is sufficiently binding on HUD to justify FmHA providing interim financing to sponsors unable to obtain interim financing elsewhere.

What is most exasperating about this requirement is that the project's feasibility is based on a dual market survey which is required for preliminary approval but which FmHA then refuses to recognize for the purpose of providing interim financing. We do not believe that this policy is justified by any authorizing legislation and that it may in fact be contrary to FmHA's purposes of providing housing for low-income families.

Finally, the FmHA bulletin does not clarify whether this requirement is applicable only in situations where all the units are leased, or also where only a certain percentage of the units are leased. We would hope that FmHA eliminates this requirement all together or that, at the very least it is made applicable only to projects anticipating the leasing of more than 70% of the planned units.

Conclusion

The combination of two complex programs, administered by two separate bureaucracies, is necessarily a complicated process. We had hoped that specific written instructions on the combination would facilitate the process. Instead, they have made it worse. Unless the problems described in this analysis, along with several other less significant ones, are solved, it is unlikely that a significant number of low income rural families will be provided decent rental housing through the combination of HUD Section 8 and FmHA 515.

HOW WE FAILED IN CYPRUS

Mr. EAGLETON. Mr. President, the chronicling of events which involve as many diverse factors as the Cyprus affair of last year is normally reserved for the historian who, 25 years hence, is able to dig out the facts from the sometimes obscure writings of participants. However, the world has not had to wait to discover the behind-the-scenes intrigues which formed this particular crisis. Foreign Policy magazine has now provided us with a rare insight into the Cyprus story less than a year after that tragic event.

One could argue, I suppose, that we are in a new, more open age of communications—an age when information is more readily available to those who pursue it. Such an argument might be used to explain the wealth of factual information provided by Mr. Laurence Stern in his article "Bitter Lessons: How We Failed in Cyprus" which appears in the summer, 1975 edition of Foreign Policy. However, those who are acquainted with the foreign affairs community and the often secretive art of diplomacy will appreciate Mr. Stern's superb accomplishment.

His blow-by-blow description of the events which surrounded the coup d'etat on Cyprus in July 1974, and the invasion and occupation of Turkish forces soon thereafter, contains details which may have even escaped the attention of the most intimate observers. Mr. Stern has gathered information in the United States, Cyprus, Greece, and Turkey for this most perceptive "anatomy" of a crisis.

Mr. President, Members of Congress will be particularly interested in this excellent article. In a section entitled "Political Backfire," Mr. Stern analyzes the congressional action in which Congress cut off arms to Turkey and thus fulfilled the requirements of the Foreign Assistance and Foreign Military Sales Acts over the administration's objections. Mr. Stern observes:

The Turks were using American-supplied weapons in a way which was proscribed both under foreign aid legislation and under a 1960 agreement between Turkey and the United States forbidding the shipment of American weapons to Cyprus without Washington's consent. This legal position was sustained in a lengthy and comprehensive opinion provided by the General Accounting Office.

As Mr. Stern points out, the Cyprus issue became a benchmark for relations between Congress and the executive branch in the immediate post-Indochina era. All the ingredients of conflict characteristic of the past decade were reflected in the many debates in both Houses of Congress. But there was one exception this time—the congressional view prevailed very early on.

Mr. President, as the Stern article makes clear, our failure in Cyprus cannot be attributed to any particularly sinister motivation, although it does remind us that fallible judgments must be checked. It was a complicated series of incidents which caused two valued NATO allies to move toward the threshold of war. We can now see more clearly that our relations with Turkey or Greece, or both countries, may have been harmed whatever course we chose. For this reason, the assiduous pursuit of the rule of law by Congress was, in my opinion, the best possible alternative among a number of distasteful choices.

Mr. President, I highly commend Mr. Laurence Stern's article to my colleagues and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BITTER LESSONS: HOW WE FAILED IN CYPRUS

(By Laurence Stern)

Nikos Sampson: "We will avenge you, Digenis!"

The late January rain came in intermittent drizzles, muddying the suburban field in the Cypriot city of Limassol. Nonetheless they came, some 100,000 Greek Cypriots in all, to honor the memory and bury the already rotting body of the dead general who had led them to independence more than two decades earlier. There were hard-faced terrorists in military uniform, two defrocked bishops of the Byzantine Church, journalists, simple rural families with black armbands of mourning, foreign intelligence officers watching discreetly.

On the platform lay the body of 73-year-old General George (Digenis) Grivas, whose bombs and grenades had sounded the tocsin for the guerrilla war of independence against the British in 1955 and emblazoned the cause of the insurgent Greek Cypriots upon the world's attention as a recurrent source of international crises. Fanatical in his pursuit of the age-old Hellenic dream of *enosis*,[1] brilliant as a tactician of guerrilla war, Grivas has assumed mythological stature in the hearts of the Cypriots. Flags were at half-mast. Schools and other public buildings were closed. And yet the funeral in Limassol had all the aspects of a political underground affair. The government of Archbishop Makarios, the target of Grivas' campaign for *enosis*, formally boycotted the event.

After the death of Grivas on January 27, 1974, there had been disagreement over the disposition of his remains. His followers on Cyprus insisted the old general be interred in the soil of the island rather than be returned to Greece. Three days passed as the matter was adjudicated while the coffin lay open to the faithful. And so, from the revered cadaver for which no burial permit had been issued by the government there came a distinct smell as it lay before the worshipful multitude on that overcast day.

Among those who insisted on a Cypriot burial for Grivas was Nikos Sampson, the politically ambitious newspaper publisher with a reputation in Cyprus as a psychopathic killer. Once he had been sentenced to death by the British for his terrorist assassination activities. Sampson had arranged to have his personal claque of bully-boys grouped about the casket of Grivas. As he ascended the platform to speak, his torso wrapped in a flag of Greece, they shouted and applauded their approval. Sampson unleashed a tirade of teary oratory and exhorted the crowd to fight for *enosis*. Before the body had been brought out to the mud-drenched field, Sampson had stuffed a copy of his newspaper, *Makhi* (Combat), in the casket with the body of Grivas. Now he slammed his fist on the coffin and screamed: "We will avenge you, Digenis!" Sampson had turned a solemn national rite into a one-man political rally.

THE MEANING OF CYPRUS

That funeral rally was to become a green light for both the regime in Athens and agents in Cyprus to plot the downfall of Makarios. It would culminate in a stunning series of events which plunged not only Cyprus, Greece, and Turkey, but also the United States, Great Britain, and the Soviet Union into a serious crisis in the Eastern Mediterranean.

That crisis, coming less than a year after the Yom Kippur war, less than six months after the OPEC countries quadrupled the price of oil, added to the sense of disaster that hung over the entire region. Here, as in no other part of the world, events were in the saddle, and old ethnic hatreds combined with big-power politics in a highly combustible mix.

For Henry Kissinger, it was his first serious public setback coming after a series of diplomatic triumphs. The events in Cyprus triggered a major political backfire in Congress and expressions of sharp disapproval on prestigious editorial pages. Even those "working level" diplomats, most closely in touch with the political realities of the region, could barely contain their dismay at the successive policy "tilts" and vacillations of the Secretary in the face of one of the most predictable international crises Washington has faced in recent years. Instead of his usual display of forcefulness and negotiating skill, Kissinger managed the American involvement in a way which eroded U.S. influence in the East Mediterranean to a new post-World War II low point.

This crisis also led to the most dramatic and important congressional intervention in the conduct of foreign policy in recent years outside of Indochina—the cutoff of aid to Turkey. Kissinger was to call this action a "national tragedy" and still today, despite his repeated confrontations with Congress on trade credits for the Soviet Union, aid to Indochina, and restrictions on military arms sales, Kissinger is known to feel that votes on aid to Turkey marked a dangerous point of departure in the conduct of U.S. foreign policy. His view is shared by many people in the executive branch, even those not sympathetic to his actions in Cyprus. But on

Footnotes at end of article.

Capitol Hill, they are viewed by most congressmen as a welcome move toward the fuller participation of Congress in the determination of the conduct of U.S. Foreign policy.

In addition to the actions of Congress, at least three major turning points in the crisis deserve careful examination, both for what they show about the United States, and for what they tell us about two of our NATO allies. These were the Sampson coup that overthrew Markarios, the Turkish invasion of Cyprus, and the resumption of hostilities on August 15 by the Turks to consolidate their hold over nearly half the island. The story is complex, important, and of still unresolved impact upon both a region of crucial strategic importance and upon the domestic political underpinnings of U.S. foreign policy.

Archbishop Makarios, the elected president of Cyprus, absented himself from the funeral, as did most of the functionaries of his government. He knew the incendiary potential of the gathering and that it would have been absurdly dangerous for him to attend. He had been marked as the chief target of the EOKA–B[2] forces in Cyprus as well as of the military regime in Athens which financed and controlled it. Since 1970, the intelligence service and tactical police of Makarios had foiled repeated assassination and coup schemes aimed at the Archbishop gathered about the casket of Grivas.

In the early days, the Archbishop had been a partisan of General Grivas' in the independence struggle, earning for himself a period of British-imposed exile in the Seychelles, and he was considered the pre-eminent advocate in Cyprus of reunion with Greece. Through the tortuous political evolution of Cyprus since independence, when friends became enemies and the tactics of independence were transformed into the strategies of national survival, the two men retained a grudging respect for each other.

Since 1960, when the great powers negotiated the independent statehood of Cyprus, Makarios pursued a politics and diplomacy of calculated ambiguity and artful procrastination. He became a tightrope walker between the hammer and anvil of Turkish and Greek power. Twice, in 1964 and 1967, Turkey reached the brink of military intervention in defense of the Turkish minority (which constitutes 18 per cent of Cyprus' overwhelmingly Greek population). Twice the United States intervened forcefully, with what the Turks considered a humiliating display of great power arrogance to prevent the possibility of a war between the two NATO powers on the southern flank of the Soviet Union and its Balkan satellites. Since 1968, Makarios conducted intercommunal talks with Turkish Cypriot leaders while at his back the Greek-Cypriot zealots muttered that he had betrayed the goal of enosis.

Though in mythology Cyprus is the island of Aphrodite, today it is a crucible for the contending influences of Turkish insecurities and territorial ambitions, Hellenic irredentism, and Eastern and Western bloc strategic war-gaming. Within the island is an intensely factional tribal politics. The dominant local Communist Party movement has been content to operate along bourgeois, parliamentary lines, while a Socialist movement has maintained friendly ties to neighboring Arab capitals. The active elements of the terrorist movement have been sustained and financed, since 1967, by the military rulers in Athens. Violent anti-Communism, *enosis*, and, eventually, the elimination of Makarios were the prime ingredients of the program of the Right in Cyprus. The Turks also were leery of Makarios, who they identified with past injustices inflicted upon their ethnic minority in Cyprus through the years. Presiding over this volatile stew was the Archbishop. Only centrist parliamentary forces made it possible for him to continue to govern. Last year, after he had been temporarily deposed by the coup, Makarios told me with a smile and wistful shake of the head, "The fact that I never seemed to come to an agreement with the Turks in the intercommunal talks may have been irritating to the Americans and the British, but it probably accounts for the prolongation of my life politically and the postponement of the coup."

But the death of Grivas was to tilt violently the political landscape of Cyprus and start the landslide of events toward the coup of July 15. Though it seemed in January 1974 to signal the end of the EOKA–B insurrection, Grivas' death actually made possible the full political capture of the anti-Makarios forces on the island by the Athens regime and its military surrogates, the Greek officer contingent. And so the liturgies and oratory of late January in Limassol became part of a chain of events which would make phones ring in the middle of the night in Washington half a year later and send senior American diplomats scrambling to airports—once again in the hope of averting the specter of full-scale war in the Aegean, next door to the minefield of the Middle East.

A CRUCIAL TESTING GROUND

Notwithstanding the major distractions which were competing for the attention of Henry Kissinger—Watergate, the SALT summit, the Middle East—the Cyprus crisis was a crucial testing ground for his foreign policy as it applied to the subsuperpower world. Kissinger resorted, characteristically, to a secretive and highly personalized form of telephone diplomacy in Ankara and Athens while letting the British play the role of front man through their nominal chairmanship of the mediation efforts. Later, as his own crisis-style diplomacy failed and the second Geneva Conference, chaired by British Foreign Secretary James Callaghan, fell apart,[3] Kissinger would snipe privately at the British for hogging the chair and lulling the U.S. State Department into expectation of a settlement at the bargaining table between the Greeks and Turks at Geneva.

In an important sense the tragedy in Cyprus was a by-product of the seven-year-long U.S. relationship with the unashamedly repressive regime of the colonels in Athens, a marriage in which two American administrations tolerated the extinction of constitutional government in Athens in exchange for supposedly stable U.S. military base rights. Although the Johnson Administration adopted at least a limited embargo on arms to Greece, full-scale military aid was resumed by President Nixon in 1970. And so when the Athens junta sought in July 1974 to establish a puppet surrogate in Cyprus, with ample advance notice to Washington, the United States entered the quietest demurrer of all its Atlantic allies.

The international machinery for crisis resolution in the Western alliance, which had its roots in the Cold War, failed utterly to work in Cyprus. NATO, from which Greece withdrew its forces and Turkey threatened to, was powerless to act. Equally ineffective was the Geneva forum established under the 1960 Cyprus accords. Kissinger was unwilling to risk sufficiently strong sanctions against either of the Aegean powers to deter the overthrow of Makarios and subsequently prevent the de facto partition of Cyprus by Turkish military forces. The United Nations Security Council and then the General Assembly passed resolutions calling for Turkish military withdrawal from the island, but those organs too proved unable to blunt Turkish intentions on Cyprus. Only the U.S. Congress was willing to apply diplomatic muscle by insisting on compliance with statutory and treaty prohibitions against Turkish use of American arms in Cyprus. This drew the Secretary of State into the severest confrontation he has ever faced with Congress, one which was described on the House floor early in the debate as "Kissinger's Watergate and Waterloo."

Henry Kissinger: "The information was not exactly lying around on the streets."

The warnings began early in the year. By February 1974, cables from the U.S. Embassy in Nicosia were describing intensified activity among the Greek officers and the EOKA-B cadre. The cables were reinforced by the "working level" specialists on the fourth floor of the State Department, men experienced in the field, who could see the significance of the cable traffic. Among the specialists a consensus emerged for a strong American admonition to the junta in Athens headed by General Dimitrios Ioannides.

A reclusive leader, Ioannides wielded shadowy authority over Greece in his official capacity as head of the military police (ESA). After ousting military strongman George Papadopoulos in the aftermath of bloody student rioting at the Athens Polytechnical Institute in November 1973, his regime promised only heavier repressive tactics and a still more primitive foreign policy than that of his predecessor. Ioannides was in the tradition of the peasant-soldier, a man of austere personal morality who shied away from political display. This he left to the ceremonial officeholders of the government whose strings he manipulated. Ioannides, in the words of one Greek officeholder during those times, regarded the ministers and career civil servants who composed the official government as a "logistical base" for his own power. The government behaved accordingly.

Since his accession to power, relations between Athens and Washington had gone into a slow tailspin. The U.S. Pentagon, which had been the most enthusiastic booster of the preceding Papadopoulos regime ("the greatest government since Pericles," one American general had exulted publicly), had turned increasingly sour on Ioannides. The relationship was foundering on renegotiations, demanded by the Greeks, of complicated base agreements dating back to the 1950s, as well as of the costly Athens homeporting scheme for the U.S. Sixth Fleet, successfully promoted by Chief of Naval Operations Admiral Elmo Zumwalt. The Greeks were raising the ante massively for the U.S. base presence, demanding among other things a major modernization, at American expense, of its Air Force, and considerably more military aid. For the first time in my own memory, senior Pentagon officials were heard complaining about the political repressiveness of the regime in Athens. Similarly, political analysts in the U.S. Embassy in Athens remarked on the continuing erosion under Ioannides of civil government performance. Even the U.S. Ambassador, Henry J. Tasca, also a cheerleader by temperament and instruction for the previous military regime, was becoming bitterly disenchanted with the unrepentant, grim face of dictatorship Ioannides-style.

On Cyprus there were increasingly open stirrings of activity among the Greek officer contingent, the national guard, and the local EOKA–B bands. Arms were moving into the hands of the anti-Makarios forces, sometimes as the result of carefully prearranged "raids" on the arsenals of the national guard worked out through collusion between the guard members and the culprits. From raids on EOKA–B headquarters, Makarios' intelligence service uncovered records which indicated a steady influx of money from Athens to the terrorist movement at a rate of 2,500 Cypriot pounds (roughly $6,000) a day. The principal financial angel on mainland Greece was a wealthy shipowner. Andreas Potamyanos, a political playboy with a penchant for cloak-and-dagger intrigues. The disbursing

Footnotes at end of article.

UMI

agent for the Athens money in Cyprus was a well-to-do businessman, Sophocles Eliades, who saw that the money went not only to the EOKA–B district leaders but to sympathetic newspapers on the island. In Nicosia, as well as in Athens, there was persistent speculation over the source of the money from Potamyanos, whose personal financial ledger, though comfortably in the black, could not remotely provide the huge sums which flowed through him to the Cypriots. Potamyanos once acknowledged publicly that he had contributed three million drachmas ($100,000) to the EOKA–B cause. Government intelligence officials in Cyprus estimated that since June 1972, the level of support for the organization was many multiples of that sum. Potamyanos had influential connections in the CIA station in Athens and this served only to heighten the normal suspicions one hears voiced in Greek political circles of covert American involvement in internal affairs.

Within two months of Grivas' death, the man who was due to succeed him as head of the EOKA–B organization, Major George Karousos, was quietly spirited off the island. Karousos had been, by the extremist standards of the movement, a moderate. He wanted to forsake the guns and bombs which had been the hallmarks of EOKA–B in favor of direct political competition through a party organization. Rather than assassination, Karousos advocated, at worst, mere kidnaping. But Karousos was out of phase with what Athens wanted. In early April, under the secret surveillance of one of Makarios' chief security advisers, Karousos embarked in a small boat and then transferred to a yacht which took him to the Greek island of Kastellorizon, just off the Turkish shore near Rhodes. At all stages of the journey, Karousos was under surveillance by Makarios' intelligence operatives.

OPERATION HERMES

With Karousos out of the way, the Greek officers and their Cypriot collaborators were free to begin preparations for Operation Aphrodite, the latest in a series of schemes to assassinate Makarios and overthrow his government. In 1970 there had been Operation Hermes, which came within a hairsbreadth of success when terrorists succeeded in machine-gunning Makarios' helicopter out of the sky. Although the pilot was seriously wounded, the Archbishop stepped off the downed craft unscathed. Subsequent investigation showed that two Greek officers and the former Minister of Interior to Makarios, Polykarpos Georghadjis, were involved in the elaborately worked out assassination scheme. Georghadjis tried to escape from Cyprus, but was stopped on orders of Makarios at the airport. He then requested an audience with Makarios which the Archbishop refused to grant, and a week later he was found in a field outside Nicosia with half his head blown off. Suspicion again centered on one of the Greek officers, a Colonel Dimitrios Papapostolou. Makarios quietly requested and obtained the recall of Papapostolou.

There was an intriguing historical footnote to the 1970 assassination attempt. When Makarios arrived in Nairobi late in January 1970, a U.S. Embassy representative there insisted on meeting personally with the Archbishop to convey an urgent message. That message, as recalled by Makarios and later corroborated by U.S. officials, was as follows: "According to reliable sources, when you go back to Cyprus there are plans for your assassination at the airport in Nicosia." Makarios received the information with a smile and thanked the American emissary. "I think your information is wrong," he replied. "The airport is not a suitable place for an assassination." When the Archbishop returned to Nicosia, the then U.S. Ambassador David Popper (now U.S. Ambassador to Chile) said the Nairobi warning had been reconfirmed. Popper told Makarios the attempt on his life would probably take place within the next 15 days.

Popper's warning proved astonishingly prophetic, although the helicopter attack occurred 17 rather than 15 days after his warning to the Archbishop. Afterward, Makarios asked publicly how the Americans happened to know with such precision about the assassination plan.

Yet another coup attempt came to light on February 14, 1972, when the Archbishop's intelligence service found detailed plans in a raid on EOKA-B headquarters for a raid that was scheduled to begin that very midnight. Makarios, after being apprised of the find early in the day, rushed Speaker of the House Glafkos Clerides to see Popper. As recounted by a high-ranking Cypriot official who was deeply involved in the incident, Clerides met with Popper and told the Ambassador what he knew of the coup scheme. After he had been briefed by Clerides, Popper responded cryptically, "I am not authorized to tell you anything." But he promised to contact Washington immediately. Although Popper and Clerides were friends, the suspicions of the Cypriots were triggered by Popper's remark which suggested to them some advance knowledge on the Ambassador's part.

"Look," Clerides responded, "we know everything. We are going to have a coup and bloodshed." Popper asked for several hours' time to get a reply back. In the meantime, Makarios' security forces struck at all the staging areas for the impending coup attempt, which was to be conducted by EOKA-B forces reinforced by national guardsmen out of uniform, all under the supervision of Greek officers. In Athens that day, U.S Ambassador Tasca hurriedly issued a warning to Greek Premier George Papadopoulos against any violence in Cyprus. "I warned him," Tasca later recounted in an interview, "against any violence or heavy stuff."

OPERATION APOLLO

The following year Athens was on the verge of unleashing Operation Apollo. This, too, was aimed at the overthrow of Makarios. Preemptive strikes by the Cypriot intelligence service and police unearthed plans which spoke of tank, mortar, and artillery attacks. "The fact that heavy equipment was called for in the plans told us unmistakably that the Greek officers were involved," a high-ranking Makarios adviser told me. "The EOKA-B irregulars had only light arms. As a result of our arrests the attempt failed.". It would, in fact, merely be put off another year.

Against this background Makarios and top officials of his government, as well as foreign analysts specializing in Cyprus, watched with a sense of déjà vu in the early half of 1974 as events marched toward another major effort to unseat Makarios. As early as March, the Cypriot Ambassador to Washington, Nikos Dimitrou, rushed to see the then Assistant Secretary of State for Near Eastern Affairs, the late Rodger Davies, and Cyprus desk officer Tom Boyatt. "I have reliable intelligence estimates," the normally calm-mannered Ambassador told Davies, "that a serious effort will be made to assassinate Archbishop Makarios before Easter." In Cyprus the slogan circulating in EOKA-B circles was that "Makarios will never eat his *fiaouna*" (a Greek Easter confection).

"If you have a coup in Cyprus," Dimitriou warned U.S. officials, "it will develop into a crisis of gigantic dimensions. The Turks will move in and God knows where it will lead. . . ." Davies replied that the Americans too had heard rumors of a coup attempt, but had been able to confirm nothing. Boyatt told Dimitriou that he agreed with the apprehensions over an impending attempt against Makarios. Several days later Dimitriou saw his friend British Ambassador Sir Peter Ramsbothom, himself a former ambassador to Cyprus. He recounted his concerns. "Yes, we've heard these things too," Ramsbothom reportedly assured Dimitriou, "but we have concluded they are quite groundless."

Ambassador Hasca, in Athens, also poohpoohed the coup talk. He regarded Boyatt, particularly, as being a mother hen about Cyprus, needlessly worrying Washington and Athens with his dire predictions. Easter came and passed and the absence of disaster seemed to bear out the adage heard on the seventh floor of the State Department that the Cyprus specialists had predicted 300 of the last two coup attempts against Makarios.

Nonetheless, in Nicosia, apprehensions were growing. Late in the winter, Clerides went to the U.S. Embassy and related that the intelligence directorate for Makarios, which had always proved extremely adept in infiltrating and apprehending the activities of the Archbishop's enemies, now had intelligence that a former CIA station chief in Nicosia had met with Sampson and other EOKA–B people in Athens during the second week of February. The official, Eric Neff, had been the CIA's number one man in Nicosia from 1969 to 1971. Initially, the Americans told the Cypriots that Neff had not been in Athens. The Cypriot government supplied more details and specific dates. They were then given an acknowledgment that Neff had, indeed, been in Athens but on personal business and had not met with any principals in the Cyprus dispute. Neff had been a point of contention during his three-year tenure in Cyprus. At one time Makarios privately complained to the U.S. Embassy at Neff's open hostility to Makarios at public social functions. (A former European ambassador to Nicosia vividly remembered Neff's behavior in Cyprus. "He would say openly in the diplomatic community that it was necessary to get rid of Makarios. He made statements which would have been intolerable for any host government.)

More importantly, the President was suspicious of Neff's contacts with the fired Minister of Interior Georghadjis (later implicated in the helicopter assassination plot) after the Cypriot official left the government in a growing poisonous dispute with Makarios. The Archbishop finally asked that the American agent be recalled. One high-ranking American diplomat said of Neff: "It's true that he was probably too big for the island." Since his departure, the CIA station chiefs in Nicosia have taken a decidedly lower public profile.

Henry Tasca returned to Washington in March for consultation and to testify before hearings of the House Foreign Affairs Benjamin Rosenthal (D., New York). At the State Department, the Ambassador, by now aroused at what he considered to be the dangerous incompetence and repressiveness of Ioannides, was counseled strictly by Kissinger against intervening publicly to influence events in Athens. Although the converging steam of sentiment among the Department's specialists was for a firm and visible show of impatience on Washington's part at the continued backsliding away from any semblance of constitutional government, Kissinger insisted that Tasca make no waves. Kissinger's don't-rock-the-boat attitude toward the Athens junta contrasted sharply with the well-documented covert U.S. intervention—which was then being revealed in the press—against the elected government of the late Salvador Allende in Chile.

Later, Tasca, replaced under a cloud of criticism for his performance in Athens, sought to defend his role on the grounds that "as Ambassador I did not make policy but carried it out." Kissinger's policy, he tried to explain afterward, was one of "non-involvement." Former Secretary William Rogers, he told one listener, "was more interested in getting people back to democracy, Kissinger thought that was less relevant."

A SCAPEGOAT . . .

The press stories emanating from high official sources in Washington seemed to identify Tasca as the goat of the Cyprus crisis because of his failure to transmit directly to Ioannides a warning from Undersecretary of State Joseph Sisco against an attempt at violent action against Makarios. It was not his role as Ambassador, Tasca afterward told Newsweek, "to make diplomatic démarches to a cop." When he learned that he was to be replaced as Ambassador by the then Assistant Secretary of State for Inter-American Affairs Jack B. Kubisch, Tasca hastily called a press conference to defend his own role in the Cyprus tragedy. "I'm not going to be a scapegoat for Kissinger and Sisco," he angrily told an aide.

Tasca's plunge into open disfavor with his superiors began in mid-June when the full import of what had been brewing in Cyprus reached through the grand glass entranceway on the seventh floor of the Department of State where the Secretary and his principal deputies work amid the hierarchical trappings of expensive carpeting and official oil portraits.

Into this airless world came a message from Ioannides relayed from the CIA station in Athens on June 20, carrying an urgent note of threat against Makarios. In the message, which was quickly dispersed by the CIA through the top of the national security bureaucracy in Washington, Ioannides speculated about what he might do on Cyprus to neutralize Makarios, whom he accused of using Greek-Turkish friction to enhance his own position. There has been some disagreement within Washington over the exact thrust of Ioannides' intent. It was interpreted variously as a clear declaration of his plan to move against Makarios, as a feeler to determine Washington's attitudes toward such a move, or as a request for a green light. Whatever it signified, the CIA bulletin finally had a galvanizing effect.

At the direction of Kissinger and Sisco, instructions began to flow back to Tasca to convey to Ioannides that the United States disapproved of any move against Makarios. Washington's policy, Tasca was instructed to tell Ioannides, was to avoid violence on Cyprus and continue efforts to resolve differences through the intercommunal talks convened in 1968.

Despite the flurry of urgent messages directed at Athens urging Tasca to restrain Ioannides, there is no record of an attempt by Kissinger or Sisco to call in the Greek Ambassador of the junta in Washington, Constantine Panayotakos, to register the U.S. government's severe disapproval of any coup action against Makarios. "If Kissinger had called in our ambassador in Washington," a Greek Foreign Ministry official deeply involved in the Cyprus crisis told me in Athens, "it would have been a most valuable weapon in our hands. We could have gone screaming to the generals saying 'Look what we are being told in Washington.' As it was, the regime considered the warnings from Tasca as window-dressing and not as serious American objections to a coup."

Tasca persisted in refusing to see Ioannides personally, despite his instructions. The general, by his own preference, retained his title as chief of the military police even though he ran the country from his office in the Greek Pentagon. In a tradition going back to the establishment of the post-World War II American presence in Greece, the diplomatic hot line of contact with Washington was through the CIA station. A *New York Times* account on August 2 said Ioannides met with the veteran Greek-American CIA operative, Peter Koromilas, in Athens shortly before the July 15 coup. But the CIA station chief in Athens, Stacy B. Hulse, Jr., denied this report to high-ranking officials of the embassy. Hulse was himself treated to an angry tirade by Ioannides just prior to the coup and, by the account of well-informed government sources, was virtually thrown out of the general's office. It was speculated in the U.S. Embassy that Hulse was trying to discourage any thoughts of a coup in Cyprus.

Instead of seeing Ioannides directly, Tasca spread the Washington message to the officeholders in the civilian government: the president, the prime minister, the foreign minister, and top military commanders, many of whom then lived in quaking fear of Ioannides. Though Tasca insisted to his doubting superiors in Washington that the message had gotten through, they kept cabling him for reconfirmation and insisting that he see Ioannides. The general never did make a direct response to these messages over the transom from Tasca.

Months later, after Ioannides had been ousted from power, he imparted to former military colleagues a cryptic, though highly intriguing, confidence: "If you knew what I knew and had the reassurances that I had before the coup, you would have done exactly as I did," he told, among others, Admiral Petros Arapakis, Chief of Naval Operations. The remark was to pique the curiosity of American officials in Athens who knew that Ioannides' main channel of contact with the United States was through the CIA. Recently, Ioannides charged through his Athens attorney that he was misled by the Americans about the prospects of Turkish intervention after the coup in Cyprus and then betrayed by his own generals, acting at the instigation of the Americans. The defense that was being constructed on behalf of Ioannides and his conspirators was strongly reminiscent of the Watergate defense strategies of the Nixon White House.

THE CIA ROLE

From the days of the Greek civil war, when the agency's presence was first established there, the CIA has played an influential role in the country. Queen Frederika was a close friend of the late CIA Director Allen Dulles, who was entranced by her Hohenzollern royal pedigree, tracing directly back to Frederick the Great, as well as her immense wit and charm. "The diplomats are, by and large, bunglers and fairies," the outspoken queen used to complain. She felt more confident with the CIA under the direction of her admiring friend from Washington.

Thomas Karamessinis, who was to rise to the vital job of Deputy Director for Plans,[4] started out in the Athens post where there are still Greek-American operatives who once worked at his side. Andreas Papandreou, who has frequently denounced the CIA as a tool of repressive U.S. policy in Greece, was in his father's Center Union-dominated government during the 1960s, in charge of liaison between the CIA and the administration of George Papandreou. Unimpeachable U.S. government officials told me that in 1967, at the strong urging of the CIA station chief and some members of the embassy staff, Ambassador Phillips Talbot recommended that the White House authorize the expenditure of $100,000 in "black" funds to finance opposition to Papandreou in the prospective July 1967 elections. Senior White House advisers formally rejected the request, but the issue became moot when the Greek colonels, under the leadership of George Papadopoulos, struck on April 21, 1967 and ended constitutional government in Greece. Papadopoulos was liaison officer with the American CIA for its Greek creation and namesake, known acronymically as KYP (*Kentriki Ypiresia Plipoforion*).

And so it is not surprising that an enormous cloud of suspicion formed in Greece—in the press, on street corners, in parliament, and even in the prospective defenses of the junta generals—that in some way, at some level, the CIA played a role in bringing on the Cyprus debacle. Even in the privacy of American offices, unspecified suspicions are expressed about the role of the CIA station. "These guys are still operating in the spirit of the 1950s. They keep things very close to the vest. Most of us don't know what they're doing. I hope the ambassador does," one high-ranking American confided to me in Athens.

On June 2, Makarios, now persuaded that a major assault against him was being organized by the Greek officers and EOKA–B forces, decided to take an audacious gamble and abandoned his foxy tactics of outwaiting and counterparrying the opposition. He directed a letter to Greek President Phaedon Ghizikis, frontally accusing the military government in Athens of conspiring to kill him and destroy his government.

"It is with profound grief," Makarios wrote, "that I have to set out to you certain inadmissible situations and events in Cyprus for which I regard the Greek government as responsible," the letter began. Makarios charged that it was from Athens "that the tree of evil, the bitter fruits of which the Greek Cypriots are tasting today, is being fed and maintained and helped to grow and spread. In order to be absolutely clear, I say that the cadres of the military regime of Greece support and direct the activities of the EOKA–B terrorists. . . . It is also known, and an undeniable fact, that the opposition Cyprus press, which supports the criminal activity of EOKA–B and which has its source of financing in Athens, receives guidance and [policy] line from those in charge of the General Staff Office and the branch of the Greek Central Intelligence Agency in Cyprus."

The clincher in the Makarios letter was his dramatic declaration to Ghizikis that "I have more than once so far felt, and in some cases I have almost touched, a hand invisibly extending from Athens and seeking to liquidate my human existence."

The battle was now joined, and if any doubt existed in Athens, Makarios made it clear that his communication was "not confidential." While the junta pondered its response, Makarios fired additional salvos through the friendly press in Nicosia. On July 5, the newspaper *Apogevmatini*, operating presumably on a leak from the presidential palace, published the gist of coup plans discovered by Makarios' intelligence operatives. "The conspiratorial brains," the newspaper reported, are planning a broad coupist action to take place in the next few days supported by certain military circles in cooperation with units of the national guard and EOKA–B groups for the purpose of seizing power. This coupist action has been planned in such a way that it formally releases senior military personnel or Greek Army staff circles from any responsibility."

It said the coup scheme, "a variation of the well-known Apollo Plan," envisaged the assassination of Makarios. "If the plan succeeds, the government will be taken over by a certain person who has already been chosen and who, in substance, will be the puppet for a transitional period. Naturally it is understood that the partition of Cyprus will be achieved through the coup plan with the understanding that the Turks have their plans prepared for such a golden opportunity."

Remarkably prophetic words. The coup followed, to a striking degree, the blueprint outlined in the newspapers which were available on the streets of Nicosia on the morning of July 5. The following morning the press published the full text of the Makarios letter to Ghizikis. Nicosia's newspaper, *Eleftheria*, said that morning: "The statements made by President Makarios yesterday prove that the

Footnote at end of article.

UMI

hands of the crisis almost touched the 'zero hour' and that the blowing up of all the bridges in relations between Cyprus and Greece is still impending." A Turkish radio broadcast to Cyprus stated that "the disputes that have been going on in the Greek Cypriot sectors for a long time have now reached a critical stage. Some observers describe the current situation as a serious crisis unprecedented in the history of Cyprus."

On July 6, according to the widely respected Athens correspondent for the *Times* of London, Mario Modiano, Ioannides and his inner circle decided to assassinate Makarios through the national guard. The general was quoted by the *Times* as assuring junta officers: "Don't worry. There will be no consequences if the job is done quickly and neatly."

Some three weeks later, Kissinger, commenting on reports that the United States was taken by surprise in Cyprus, quipped: ". . . the information was not lying around on the streets." He noted that Makarios, too, seemed to have been taken by surprise. "I did not expect a coup exactly that day," Makarios later told me. "I was told by the Greek Ambassador that there was to be a meeting in Athens on Monday [July 15]. I though that after the Monday meeting had been held I could take whatever precautions were necessary." The Archbishop had, in fact, been invited to attend the session in Athens, which was described to him as a proceeding to discuss his letter and the future of Cyprus. "I told the Ambassador that I didn't see any reason to go to Athens to discuss those things. I wonder," he mused with his sly and quizzical smile, "what might have happened if I had accepted that kind invitation."

On the morning of July 14, the day before the coup, a message flashed into Washington from the CIA backchannel in Athens indicating that Ioannides was cooling off on his coup intentions. He was impressed, the cable suggested, by the arguments against violence. At that point there could have been only one purpose for the general's piece of disinformation: preventing any advance warning by the Americans, as had happened before, of the junta's intentions. Makarios was now within gunsight of the junta. Ioannides, according to intelligence sources, had received what he regarded as assurances from Turkish military officials that they would not react against the objective of Operation Aphrodite: getting rid of Makarios.

JULY 15 . . .

What happened shortly after 8:00 am on the morning of July 15 has been amply chronicled in the world press. Makarios returned from a weekend at his vacation residence in the Troodos Mountains, where Grivas was born, and was receiving a delegation of visiting children in the palace when the shells started landing, first outside the palace and then lobbing into its walls, setting the building aflame. Oddly enough, on his way back to the capital, the Archbishop passed directly in front of a national guard barracks within virtual pointblank range. At that point, as it turned out, the militiamen lost their best shot. At 8:00 am the Cyprus radio, taken over by the forces of the military insurrection, announced, prematurely, that President Makarios was dead.

State Department spokesman: "I would rather just not comment."

The summer of 1974 was not a particularly suitable season in Washington for another international crisis. American attention was riveted on the tragic spectacle of the collapse of presidential government in the Watergate crisis. President Nixon was slouching toward impeachment. Secretary of State Kissinger found himself enmeshed as well in the toils of the scandal. His denials that he had ordered the wiretapping of government officials and journalists seemed to be contradicted by evidence coming out of House Judiciary Committee files and the Secretary's probity was being openly questioned. He made his famous outburst at Salzburg and issued his threat to resign unless Congress vindicated him. In addition, the various pots of international crisis were at full boil. In the Middle East, the Secretary was trying to avert the outbreak of another war which some in Washington were already pronouncing inevitable. In Moscow, Kissinger was pursuing delicate strategic arms negotiations from a sharply divided base of domestic opinion on how far the United States should go. Kissinger's trade policy with the Soviet Union was also under heavy domestic attack at home with his critics, notably Senator Jackson (D., Washington), tying it to the issue of Moscow's policies toward Jews and dissident intellectuals. Cyprus, from the lofty heights of the seventh floor in Foggy Bottom, was a far-off blip on Kissinger's storm charts.

And so, when the news of the coup in Cyprus first reached Washington shortly after midnight, there was an initial spasm of indecision and confusion. The first reports of the death of Makarios did not bring unalloyed grief in Foggy Bottom. One official, upon hearing the news later on that Monday that the Archbishop had survived, remarked in a telephone conversation with a colleague: "How inconvenient."

This was not an aberrant attitude toward Makarios in the foreign policy bureaucracy. Makarios refused to comport himself toward Washington as a generation of American diplomats would have liked him to. There was a legendary anecdote in the State Department told about George Ball, one in a succession of Cyprus crisis managers, who, when faced with a typical act of sly noncompliance, raged at Makarios using his ceremonial title of address: "God damn it, Your Beatitude. . . ." Kissinger, during the Makarios visit to Washington prior to his return to Cyprus last year, reflected the prevailing attitude with an elegantly backhanded cut, delivered to a high-ranking Cypriot diplomat, "I hope you realize this is a compliment," Kissinger assured the foreign official, "but we think of your president as a man who is much too big for so small an island."

THE "CASTRO OF THE MEDITERRANEAN"

During most of the 1960s a major premise of U.S. policy toward Cyprus was that the rule of Makarios—though prickly to U.S. and NATO interests—was the least objectionable of the leadership alternatives. But beginning in 1970 a number of serious attempts at putsch and assassination were launched against the Archbishop (as previously described) at the instigation of the Athens regime. Appeals from the U.S. Embassy in Nicosia and the Cyprus Desk in Foggy Bottom that these activities be decried strongly in Washington and Athens were ignored by Kissinger and opposed by Tasca.

The prevailing view of Makartos was that he was unreliable, demagogic, anti-Western, and obstructive to any final settlement of the Cyprus problem. This royalist, Byzantine church patriarch and master political tightrope walker was being caricatured as a "Castro of the Mediterranean." If he bore comparison with another Third World leader it would be Sihanouk of Cambodia, whose true political color was also royal blue rather than Marxist red, not Castro. But in the exalted heights of his summit diplomacy, Kissinger had little time, patience, or empathy with such leaders as Makarios or Sihanouk, both survival acrobats struggling to maintain national sovereignty in the shadows of the great power struggle.

The fact that Makarios long winked at American U-2 flights from the British Sovereign Base of Akrotiri in Cyprus and at the operation of CIA radio monitors along the northern coast near Kyrenia—activities for which the United States financially compensated his government—rarely figured into evaluations of the Archbishop—perhaps for national security reasons.

At 12:30 p.m. on the day of the coup in Nicosia, the American Secretary of State received Ambassador Dimitriou and engaged him in perfunctory banter. Who was Nikos Sampson, Kissinger asked the ambassador of the newly installed president in Cyprus. Dimitriou replied that he was considered a paranoid and an egomaniac. Kissinger responded, with a smile, "But I have been called an egomaniac, too."

"You should not compare yourself with Sampson, Mr. Secretary," the Cypriot ambassador answered.

At that point, Kissinger laid down his provisional policy under the confused circumstances of the moment. Normally, he explained, it was the policy of the State Department in the event of a coup to recognize a de facto government. "This we will not do," he said. "We will wait and see. I have not yet gotten a full report from the Embassy. The fact that I receive you indicates that we recognize Makarios as head of state."

Kissinger's matter-of-factness toward the cataclysm in Nicosia struck a number of those who witnessed the exchange. Not even the ritualistic words of diplomacy expressing regret or compassion were uttered on the occasion. "He didn't seem to attach much importance or seriousness to what had happened," recalled an onlooker at the meeting. "Of course, he may have been heavily preoccupied with other things."

Throughout the crisis, the day-to-day voice of U.S. foreign policy was that of Robert Anderson, the State Department press spokesman, at the daily noon briefings. Anderson is a patient, amiable man with limited authority and information. On the day of the coup, he appeared before a crowded room of newsmen and confined himself to the bland declaration that "our policy remains that of supporting the independence and territorial integrity of Cyprus and its constitutional arrangements, and we urge all other states to consider a similar policy." There was no criticism of the violent act of intervention from Greece, nothing said of Makarios' reported assassination. Kissinger called a meeting of WASAG,[5] and then even-handedly issued instructions to the U.S. Embassies in Athens and Ankara to urge the two governments to stay out of the conflict. The next day, Anderson's responses at the noon briefing tended to confirm that Kissinger, at least in the Department's public posture, was tilting toward the de facto situation on Cyprus.

"Is the Makarios government the government of Cyprus at the moment as far as we're concerned?" he was asked. "I would rather just not comment on it at all," he replied. The following day he was asked if it were the view of the U.S. government that there had been outside intervention against Makarios. "No," he answered, "in our view there has been no outside intervention." (The preceding three weeks of furious cable traffic between Foggy Bottom and the U.S. Ambassador to Athens would contradict that statement.) Was Kissinger going to meet with Makarios the following Monday as a private citizen, Archbishop, or President, a newsman persisted. The State Department spokesman replied: "He's meeting with *Archbishop* Makarios."

In Europe, by contrast, there was an immediate flood of endorsement for continued recognition of Makarios as President of Cyprus and a chorus of condemnation of the coup. The British, the Russians, the NATO representatives in Brussels, quickly converged on this common position. Great Britain, with Greece and Turkey, was a guarantor

Footnotes at end of article.

power for the 1960 London-Zurich agreement which conferred national sovereignty upon a unified state of Cyprus. The Russians saw in the professedly nonaligned position of Makarios and the survival of an independent state under his leadership a guarantee that Cyprus would not be transformed into a major NATO bastion.

By midweek, The New York Times led its front page with a leak from within the State Department that "high American officials indicated that the Nixon Administration was leaning more toward" Sampson that Makarios. Kissinger's view, as reflected in the comment of an aide, was that Makarios was "finished politically. He can't go back to Cyprus unless General Ioannides is thrown out in Athens, and even though the junta has problems, that doesn't seem likely now." Still, the regional specialists within the Department were urging the Secretary to make a public declaration in support of the Archbishop in the conviction that it would undermine Ioannides. It was also proposed by some of the experts that the American Embassy covertly use whatever influence it had with the Greek military with the aim of bringing about Ioannides downfall, but the suggestion was vetoed on the seventh floor. Only in retrospect did officials close to Kissinger explain that the Secretary was confident during the week that the days of Sampson and Ioannides were numbered and they would fall as a consequence of their own mistakes. On July 22, about 12 hours before the armed service chiefs of Greece walked into a closed room with Ioannides and asked that he step down in favor of a civilian government, Kissinger appeared at a press conference and made the one salient act of accurate prophecy that the Cyprus crisis was to accord him. "There have been reports, with which you're familiar, that there may be a coup in Greece at this moment."

Differences in approach between the desk-level specialists on the fourth floor of the State Department and the seventh floor now were to crystallize as the Cyprus tragedy was enlarged by the Turkish invasion. Complaints began to be voiced at the top of the State Department at news stories which appeared to contain unflattering snipes at Administration strategy from lower levels of the Department. The underlying feeling at the top was that those who were running the Department had the whole strategic and geopolitical picture; the specialists were being parochial and didn't understand. The strains within the bureaucracy were accentuated by a most untimely game of musical chairs which took Cyprus, Greece, and Turkey out of the Near East Division, putting the Cyprus dispute, while it was white-hot, into the hands of a set of new regional managers—Assistant Secretary for European Affairs Arthur Hartman and his deputy Wells Stabler. In bureaucratic terms, history begins when a policy-maker first takes up a new problem, and so it happens that foreign policy is sometimes conducted in a void of institutional memory.

Bulent Ecevit: "We have done it your way for 10 years. Now we are going to try it our way."

On the night of July 17, Kissinger dispatched Undersecretary for Political Affairs Joseph Sisco to the Eastern Mediterranean on what the experts all considered to be a Mission Impossible—to prevent the Turks from invading. Sisco was a skilled negotiator who had gone to Cyprus with George Ball in 1964 to avert a Turkish invasion. His reputation was that of a forceful and tireless bargainer who could bluster and charm and who, in fact, considered himself the most senior State Department expert on Cyprus.

Nonetheless, the circumstances of July 1974 were no longer comparable to those of 1964 or to the crisis of 1967, when President Johnson bluntly threatened the Turks with military abandonment by the United States should they invade the island on behalf of their embattled ethnic minority. Already in 1974 the Turkish government had flouted U.S. authority by cancelling the ban on opium poppy cultivation in Anatolia. For more than 10 years they had been waiting for an opportunity to establish a stronger position on the island where descendants of the former masters of the Ottoman Empire were being abused by descendants of their former subjects, the Cypriot Greeks. Since the humiliation of 1964, when Turkey bowed to U.S. pressure, Turkish forces had been rehearsing for amphibious air operations against Cyprus.

In the words of a senior Turkish official who was deeply involved in the diplomacy of the July crisis: "The Greeks committed the unbelievably stupid move of appointing Sampson, giving us the opportunity to solve our problems once and for all. Unlike 1964 and 1967 the United States leverage on us in 1974 was minimal. We could no longer be scared off by threats that the Soviet Union would intercede."

Nevertheless, Sisco flew first to London to meet with British Foreign Minister James Callaghan and Turkish Prime Minister Bulent Ecevit. Then he embarked on a round-the-clock mission of shuttle diplomacy between a toughening, intransigent government in Ankara and an unraveling military dictatorship in Athens. During his first few hours in Greece, the troubleshooter from Washington, to his immense exasperation, was unable to make contact with what passed for the Greek government. He finally managed to arrange a meeting with the elusive Ioannides, his chief of staff, General Bonanos, and Prime Minister Androusopoulos in Athens. Sisco told the Greeks of his contacts with Ecevit and the intolerability of the Sampson regime in Nicosia to the Turks. He asked what steps the Greeks were prepared to take that might lead to a resumption of talks between the two governments. "I come here as a friend and a representative of a NATO ally," Sisco announced.

Ioannides excused himself without comment after 15 minutes.

Sisco flew off to Ankara on the evening of Friday, July 19 and made a direct appeal to Ecevit for more time. But there was no concealing the fact that he had come back from Athens empty-handed. Ecevit replied that the Turkish cabinet would consider Sisco's request, but offered little hope. Sisco returned to the American Embassy to await the ontcome and cabled Kissinger that he was deeply pessimistic. At about 4:00 a.m., Ecevit again received Sisco and informed him of the collective decision. "We have done it your way for 10 years," Ecevit reportedly told Sisco. "Now we are going to try it our way." Shortly after dawn on the morning of July 20, as Sisco stood on the tarmac of the airport in Ankara awaiting a plane back to Athens, Turkish warships steamed toward the northern coast of Cyprus. Depressed and deeply frustrated at his inability to prevent the Turkish action, Sisco cabled Washington and recommended that he be allowed to come home. Kissinger's response, one member of the State Department's Cyprus Task Force recalled, was to threaten that he would himself go to the East Mediterranean to take over the crisis mediation. It was not clear whether his warning was in grim humor or was serious.

Sisco plodded back to Athens—embarked now on the task of arranging a cease-fire. This time, however, the forces of government disintegration in Athens were working in favor of the American diplomat rather than against him. For two more days and nights Sisco and the American Embassy staff sought to reach out by telephone and personal visits into the murky depths of the Greek government to press for a cease-fire. There was a meeting at the Greek Pentagon with Ambassador Tasca and the Commander-in-Chief of Hellenic forces, General Bonanos. "We were trying to stop the Greeks from escalating with our assurances that we do all we could to stop the Turks from advancing," one American participant recalled. Ioannides had secretly issued orders preparing Greek forces for attacks on the Turkish ships in Cyprus as well as along the Greek-Turkish border along the Evros River in Thrace. Throughout the sequence, the Americans remained holed up in the Embassy. Sisco slept on a couch in the office of the deputy chief of mission when he slept at all.

Unknown at the time to the Americans, a remarkable political melodrama was beginning to play itself out in the Greek Pentagon: the revolt of the chiefs of the Greek armed services against the austere and fearsome Ioannides.

Joseph Sisco: "This is the goddamndest government I have ever had to deal with."

The early mood of jubilation in Athens at the toppling of Makarios had turned to dark premonition with the landing of Turkish forces on Cyprus on the morning of July 20. Although two Greek submarines from Piraeus were already cruising into Cypriot waters for an encounter with Turkish warships, the Greek officers and national guard on Cyprus had no orders to shoot at the invading forces. It was not until Turkish paratroopers began landing on the island that the Greek forces began to react. (This stimulated later conjecture in Greece that Ioannides might not have expected an actual invasion by the Turks.) Large numbers of Cypriot national guardsmen, who were either opposed to the Athens junta or simply frightened, took their guns and went home. The brunt of the fighting was borne by a force of some 400 Greek officers and the remnants of the guardsmen who, though standing their ground against Turkish naval and air bombardment, were taking casualties in dead and wounded of about 50 per cent. On the night of July 20, a relief company of 300 commandos landed under harrowing Turkish fire at Nicosia airport. But they were hardly enough to match the overwhelming power of the invading Turkish forces.

As the two Aegean powers were heading toward a confrontation in Cyprus, Sisco was frantically pressing in Athens and then in Ankara for a cease-fire. Ecevit was on the phone to Kissinger in Washington repeatedly complaining of advancing Greek warships. On one occasion, Kissinger later told American newsmen off the record, Ecevit awoke him in the early hours of the morning to complain that a Greek armada was steaming toward Turkey. "Those perfidious Greeks, you know what they are doing? They are flying Turkish flags to try to fool our aircraft." Nancy Kissinger grumbled sleepily to her husband, "Why don't you tell him to shut up and sink the goddamned thing?" As it happened, the Turks did precisely that, but then discovered that their aerial reconnaissance was in error. The suspected Greek ships were really their own; one Turkish warship was sunk and two damaged. At the Pentagon, U.S. naval authorities began a frantic inventory of all U.S. ships floating in the vicinity of the potential naval theater of war. All the Greek, Turkish, and American ships in the region had been made in U.S. shipyards and consecrated to the defense of the Free World.

On the morning of Sunday, July 21, the heads of the Hellenic armed services met in the Pentagon office of General Bonanos when the aide-de-camp to Ioannides, a Colonel Loukoutos, arrived and made a brisk announcement:

"Gentlemen," said Loukoutos, "a decision has been taken to attack Turkey on all fronts. Cyprus, Thrace, everywhere. Prepare

UMI

yourselves, gentlemen, the decision has been made."

Army Chief of Staff Andreas Galatsanos was the first to react: "I am not ready to enter an aggressive war," he said. "I'm ready for defense but not for aggression." Others began to express reservations at the decision that was being foisted on them by Ioannides. "The Air Force is ready to carry out its duty,"echoed Air Force Chief of Staff Alexander Papanikalaou, "but an air attack would be unwise and have no decisive results." Ioannides had wanted six Phantoms to proceed immediately from Crete to Cyprus to provide air support for the beleagured Greek forces.

The insurrection against Ioannides had begun in those moments. Prime Minister Androutsopoulos, the man through whom Ambassador Tasca sought to dissuade the junta from striking at Makarios, was by now shaking and incoherent. By the afternoon of July 21 he was nowhere to be seen. Sisco, who had returned to Ankara despite warnings from the Turks that they could not guarantee the safety of his air space, had returned again to Athens and was trying desperately to find a Greek governmental presence with whom to arrange a cease-fire. Ecevit had agreed to a cessation of hostilities in a phone conversation with Kissinger and the Secretary relayed the news to Sisco at 2:00 AM. It was at that hour that Sisco tried to make contact with the evaporating government of Greece. "This is the goddamndest government I have ever had to deal with," he was heard exclaiming as he raged about the American Embassy. The prime minister could not be found. Bonanos, the head of the armed services, could not be found. Ioannides, as always, was nowhere to be found. Finally, at 2:40 AM, Sisco and Tasca reached Admiral Arapakis, who was asleep in his office. Would the Greeks accept a cease-fire, Sisco asked Arapakis. "Yes," the Admiral answered. The U.S. Undersecretary persisted: "But can you speak for your government?" Arapakis asked for time to determine that issue.

THE FINAL ACT

The Admiral rang through immediately to Androutsopoulos and Bonanos, who had not been at home to Sisco. "The Americans are fooling us," Androutsopoulos said. "Wait until tomorrow and then we will make a decision." Bonanos also equivocated. So did the Foreign Minister Kypraios. Finally, Arapakis called Sisco back and said yes, he had the sanction of his government. "Did you get the concurrence of General Ioannides?" he was asked. "Yes," Arapakis lied. With this audacious gambit, Arapakis set the stage for the final act in Ioannides' downfall. The cease-fire was proclaimed for the following day at 2:00 PM.

The next morning—July 22—the service chiefs once again met in the plush suite at the general staff building which Greece's former military leader, George Papadopoulos, had refurbished at a cost of some $230,000. They notified President Ghizikis that things could not go on under Ioannides and the civilian politicians would have to be summoned back to power. Ghizikis agreed. The decision was communicated to Ioannides, who joined the commanders and stonily told them they were wrong. He had issued orders and was ready to go to war.

The commanders then went into open rebellion. Papanikalaou, the Air Force commander, icily recalling Ioannides' position as the mere chief of military police, said to the others: "In the name of my country and my children, I don't accept here a decision on such an important matter by a subordinate of ours. We must not accept it." It was the first time that anyone had dared to pull formal rank on Ioannides since he seized power the prior November.

Ioannides got up and slapped the table. "It seems that General Papanikalaou doesn't know me," he said menacingly. The Air Force Chief of Staff retorted: "It is clear that you don't know me. If you think you can act, then remember, General, that I also have the means to act."

Ghizikis interrupted: "Gentlemen, the country is in danger. We must not quarrel. Order was re-established and Ioannides, realizing that power had finally slipped from his control, acceded to demands from his former colleagues that he not oppose their decision to call back the civilians. "We have been betrayed," he later charged to a few remaining loyal subordinates. "We have been betrayed in Cyprus and now here," Ioannides made a calculated decision to lie in wait for an opportunity to reassume power in the shambles of governmental transition. By 1:00 p.m., invitations were going to the homes of the civilian leaders for a meeting in Ghizikis' office the following day.

On July 23 there was a gathering in Athens such as the capital had not seen since the political curtain of the military dictatorship descended seven years earlier, on April 21, 1967. Gathered around the table with the generals who had been the usurpers of their power were three former civilian premiers of Greece: Panayotis Kanellopoulos, 72-year-old leader of the National Radical Union Party; George Athanasiades-Novas; Sypros Markezinis; Center Union Party leader George Mavros; former Foreign Minister Evangelos Averof-Tositsas; former Defense Minister Petros Garoufalias; and Xenophon Zolotas, former governor of the Bank of Greece.

The military leaders wanted a government immediately. The civilians took the position that any government that was formed needed a wide base of popular support. After two hours of discussion there emerged a consensus that there were only two figures of sufficient national stature to lead a new Greek government out of the immediate chaos—Kanellopoulos and exiled former president Constantine Karamanlis.

Averof, an agile political operator and a man with strong Western allegiances, strongly endorsed Karamanlis. Kanellopoulos and Mavros agreed to discuss privately their prospects for establishing a broad coalition government under the former's leadership. The meeting was recessed for three hours and all the civilans left—all but Averof.

"Only Karamanlis can handle this," Averof told Ghizikis. Then, taking out his address book, Averof said, "He could be here in three hours. Let me call him," Ghizikis agreed. Averof called Karamanlis' residence in Paris and there was no answer. The officers were growing impatient. He then called a cousin in Paris, who reacted first with incredulity and then agreed to take a taxi to find Karamanlis and give him the telephone number of General Ghizikis.

"I need 24 hours," Karamanlis initially responded when Averof asked him to come immediately to Athens. "I can't come like this." And then the generals, one by one, spoke to Karamanlis. He agreed to fly from Paris immediately. He had, after all, been waiting years for this moment.

State Department official: "Let's say that Greece is Denmark and Turkey is Germany."

A cease-fire was in effect in Cyprus, and Greece was back to on the road to constitutional government. Cheering crowds and honking automobile horns gave utterance to the euphoria which swept Athens at the return of democracy to the place where, at least in popular mythology, it was born.

At 11:00 p.m. on the night of Tuesday, July 23, Ambassador Tasca received a call from Mavros asking him to come to the office of outgoing President Ghizikis and "share our joy." The ambassador accepted and joined the outgoing president, the military commanders, and the civilian politicians who had gathered to await the return of Karamanlis. At one point Admiral Arapakis leaned toward one of the Americans and whispered: "We trust you Americans. You have truly helped us." Bonanos exclaimed exuberantly to Tasca: "Well, how do you like what we've done?" Kissinger at one point was on the phone and talked to several of the Greek politicians. "The Secretary told us, 'that's swell,'" an American onlooker recalled. "The Greeks, meanwhile, were showing us fantastic cordiality. They wanted us with them at this very important moment." In Cyprus, Sampson abdicated, disappearing as rapidly as he had arisen on command from Athens.

Until then the U.S. policy of equivocation on the issue of Makarios, soft public postures, and private mediation was in phase with the disintegrating condition of the regime in Athens. At the moment the ceasefire went into effect at 4:00 p.m. on July 22, it seemed that a promising state of equilibrium had been achieved in Cyprus. The Turks achieved a territorial foothold, their long-sought "access to the sea" in Cyprus which would enable them to intervene in behalf of the Turkish Cypriots in moments of threat. The new civilian government of Karamanlis could be expected to pursue a line of moderation on the island which might finally produce an intercommunal settlement between the two negotiators. Glafkos Clerides for the Greek Cypriot majority and Rauf Denktash for the Turks.

In Washington, there was a sense of relief at having muddled through another East Mediterranean crisis with Kissinger's telephonic persuasion ("rolling negotiation, a drafting exercise over transatlantic telephone," one American official called it) and a little bit of luck. But once again the seventh-floor mandarins in Foggy Bottom had failed to take into account a major ingredient which would turn the joy into ashes for the Greeks, touched off an unprecedented wave of anti-Americanism in Athens, and threaten to undermine the new constitutional government long proclaimed as a major goal of American diplomacy. Neither Kissinger nor any of his chief aides had any sense of Turkish determination to press the advantage.

The Turks were unwilling to settle even for an improved version of the status quo ante in Cyprus. Premier Bulent Ecevit declared on July 22 that "Turkish presence on the island is now irrevocably established." The 10-mile corridor from Kyrenia to the Turkish sector of Nicosia, he said, "will be a permanent base of strength for the Turkish people on the island." (Ecevit, a translator of T. S. Eliot, a devotee of the Hindu classic, the *Bhagavad-Gita*, and a seminarist at Harvard under Kissinger's tutelage, was flushed with the consummation of what had twice been denied Turkey by President Johnson—a military invasion of Cyprus). Even as the cease-fire was agreed upon and later ratified at Geneva, the Turkish forces nibbled steadily forward in a low-level prolongation of the war. By August 8, the guarantor powers of the 1960 Cyprus agreement met for a third time at Geneva to grope for a final settlement.

By the time the Turks got to Geneva they were confident of two things: they were the masters of the ground in Cyprus and there was no likelihood of an interventionist power play by the United States such as occurred in 1964 and 1967. During the exploratory cease-fire violations, there were no strong remonstrations from Washington. In fact, the State Department was saying publicly the day before the collapse of Geneva II that "we recognize the position of the Turkish community on Cyprus requires considerable improvement and protection." In Ankara that could well have been interpreted as a green light.

From the outset of the Geneva meeting the Turks appeared determined to impose a permanent solution of the Cyprus question within the framework of the "new realities" on the island. British Foreign Minister Callaghan charged openly that the Turks came to Geneva not to negotiate but to issue an ultimatum to the Greeks. The British appraisal was echoed in off-the-record conversations with American specialists. "The Turks were, in effect, letting the clock run," said one U.S. official who took part in the crisis mediation efforts. "They didn't get the territory they wanted by the end of the first cease-fire and they decided not to stop moving forward until they got it."

From a Turkish standpoint the existence of a Greek-dominated Cyprus, in which the ethnic Turks comprised a quarter of the population, was a national obsession not unlike U.S. apprehensions over Cuba. But the Turks also viewed Cyprus as a geopolitical trump card which it could use to strengthen its negotiating hand on a wide range of Aegean differences with Athens, some of them of more direct concern to Ankara than to the Turkish Cypriots. These included oil exploration and mineral rights in the Aegean, territorial limits, shipping access, air rights, fishing limits, and so on. Even if Ecevit were disposed to be more conciliatory at Geneva, a power military elite in Ankara which was in no mood to compromise was looking over his shoulder. And so despite the harsh words directed at Turkey at Geneva and notwithstanding prior U.N. resolutions, Ecevit was determined that his country would not be denied the fruits of its "golden opportunity" to redress the territorial reverses over the past half-century. Cyprus would be the instrument of enforcement.

Kissinger was privately reported to be telling diplomats that he would not try to stop the Turks until they achieved their territorial objectives.

When on the final day of the conference, August 13, the Greeks asked for a 36-hour recess to consult with their government on the last proposal which then lay on the table, Turkish Foreign Minister Turan Gunes said no. Callaghan remonstrated with the Turkish delegation. "Did you come here to negotiate or didn't you?" he snapped at Gunes.

THE ATTILA LINE

Geneva II adjourned in shambles well after midnight and on August 14 the Turkish troops raced out of their perimeter, the initial occupation force of 20,000 growing to 40,000, and cut the island in half. The Turks finally decamped on a line extending across the entire northern tier of the island. With a public-relations maladroitness of epic proportions they decided to call the new demarcation boundary the Attila Line. Though Attila was a national hero in Turkey, his name is synonymous with barbarism to the rest of the world. Within the borders of the Attila Line were encompassed the major portion of the Cyprist economy and a Greek population of some 200,000 which turned into a refugee tide flowing southward. After two days of military expansion during which Turkish troops virtually ran all the way to the Attila Line, the Turks stopped and agreed, yet again, to a cease-fire. At that point Ankara had secured all the territory it wanted.

The failure of Geneva II and the ensuing second Turkish invasion precipitated the first international crisis of the new Ford Administration. There were high-level meetings at the White House and State Department and publicly the United States "deplored" (a word which in diplomatic parlance conveys a higher level of concern than "regretted") the action. The Cyprus crisis had now presented the spectacle of two lesser powers—first the Greek junta and now the Turks—flouting entreaties from Washington against military ventures which seriously endangered the NATO alliance and raised a serious prospect of full-scale war in the East Mediterranean.

It was the unvoiced conviction of the British at Geneva and the publicly expressed accusation of the Greeks as well as an unattributable view in official U.S. policy-making circles that the United States had not fully used its influence to keep the Turkish military onslaught within tolerable limits. "The Greeks were saying that for seven years the United States had supported the junta and now for seven days we could not support Karamanlis," one American official in Athens recalled bitterly. "There was a real possibility of the overthrow of Karamanlis at that point."

Although State Department spokesmen vehemently denied it afterward, the United States did actively tilt its policies toward Turkey by not applying stronger pressures to Ankara and, specifically, by not using the weapon of a military aid cutoff to full advantage. Kissinger had made a cold-blooded strategic decision that Turkey was more important to U.S. national security interests and to the NATO community than the new and unpredictable Greek government and its volatile electorate. Greece under the colonels had behaved at least with dependability.

In his book, *A World Restored*, Kissinger chronicled a comparable moment in the history of nineteenth-century Europe. It was during Greece's war of independence in 1821. The two conservators of nineteenth-century balance of power, Prince Metternich of Austria-Hungary and Lord Castlereagh of Britain, counseled the Czar against intervening in the struggle, notwithstanding the bloody Turkish reprisals against the Greek independence forces—notably the hanging of the Greek patriarch and his bishops outside the door of their cathedral in Constantinople. Both Metternich and Castlereagh agreed with regret that while the Turkish excesses were deplorable, humanitarian considerations should be submerged in the interest of maintaining the continental order of which they were the principal architects. Russian involvement in the Greek affairs would only be destabilizing, the two statesmen argued.

Turkey's strategic importance today is governed by its position along the Soviet frontier, by its 40-million population (five times that of Greece), by the ring of military bases which serve U.S. and NATO missions, and by the sprinkling of some 20 U.S. intelligence monitoring stations along its borders.

These were the considerations which influenced the "tilt" toward Ankara. As one American diplomat summed up the calculus of U.S. interest at the time: "Let's say that Greece is Denmark and Turkey is Germany. We may be fonder of the Danes, but we *need* the Germans more."

POLITICAL BACKFIRE

The final stage of the Cyprus drama, the Turkish establishment of the Attila Line, set off a gigantic political backfire in a Congress which had become deeply suspicious of the uses of military aid, as a result of Vietnam, and was seeking to assert a stronger influence in foreign policy. The brunt of the case of Kissinger's congressional critics in the Cyprus debacle was posed on legal grounds: The Turks were using American-supplied weapons in a way which was proscribed both under foreign aid legislation and under a 1960 agreement between Turkey and the United States forbidding the shipment of American weapons to Cyprus without Washington's consent. This legal position was sustained in a lengthy and comprehensive opinion provided by the General Accounting Office. It was also sustained in a special legal study ordered by Kissinger from his own State Department legal office. Although there were efforts within the Department to modify the conclusions of the Office of Legal Adviser, those who drafted the study would not be budged. Despite repeated press and congressional entreaties, the in-house opinion was never made public on grounds that it was "an internal working document."

Executive lobbyists from the State and Defense Departments as well as the White House worked the Congress vigorously in an effort to stem the support for a cutoff in military aid to Turkey. This only served, it seemed, to stiffen the backs of the critics, among whom numbered congressmen of Greek descent. In the course of the battle, the Greeks produced a national ethnic lobby which at times almost rivaled in effectiveness and tenacity the pro-Israel lobby of American Jewry. But to label the opposition in Congress under the rubric of the "Greek congressmen," as Kissinger did, was to betray a fundamental misreading of congressional temper not only on the Cyprus question but on the entire range of executive-legislative relations bearing on foreign commitments and foreign aid.

Kissinger chose to confront Congress at a time when his own personal stock had been battered by suspicions on Capitol Hill of his involvement in the national security wiretappings and by the revelations of his role in U.S. covert political warfare against the Allende government. More importantly, he chose to fight on an issue which illustrated the dangerous absurdities inherent in the military assistance programs which stemmed from the very Cold War assumptions that Kissinger's détente policies were making invalid. The specter of two NATO allies plunging into tribal war with American weapons on a Mediterranean resort island was not an edifying prospect on Capitol Hill no matter how strongly the Administration argued the case of Turkish strategic importance.

The Nixon and the Ford Administrations' management of the Cyprus conflict reflected the abiding tendency on Kissinger's part to identify American national security interest with conservative, authoritarian governments dominated, more often than not, by military oligarchies.

There was another course in Cyprus, a range of opportunities for application of U.S. influence which Secretary Kissinger chose not to exercise. This conclusion is supported by a considerable amount of professional opinion within the State Department as well as among men, such as former Undersecretary of State George Ball and former Deputy Defense Secretary Cyrus Vance, who have found themselves in the unenviable role of Cyprus crisis managers.

Leaving aside the history of American support for the military dictatorship in Athens, in itself a sorry chapter of American diplomacy, the United States did have an opportunity to intervene when the U.S.-trained and supplied Greek military regime first signaled its serious intention to conduct a coup against Makarios.

By refusing to use the full range of U.S. influence in Greece, the Administration in Washington was declaring itself, in effect, a hostage to whatever policies the colonels should choose to employ in Cyprus or perhaps in the Aegean against Turkey. For all its solicitude toward the junta in Greece, dictated by concern over U.S. base agreements, the United States now finds itself in the ironic position of having to increase substantially its ante for basing rights and submit to far more stringent restrictions on their location and use.

Another point at which Washington might have intruded with productive effect would have been to join in the public condemnation being expressed by most of the West European community against the attempted assassination of Makarios and the installation of Sampson, a notorious thug and killer, in his place. Such an action, coupled with a strong public policy on military aid to Greece, could have deterred the Turks from

UMI

feeling the need or finding the justification for intervention. But no such weapon was placed in the hands of Sisco during his shuttle expedition to the East Mediterranean last July.

After the achievement by the Turks of their first cease-fire position in Cyprus in late July, the United States could have forcefully told the Turks that they had achieved a sufficient degree of territorial hegemony in Cyprus to protect the Turkish minority and make more compelling the need for a just intercommunal settlement on the island. As it was, the profile of U.S. policy in the Cyprus tragedy was one of vacillation, impotence, and indifference to legal and constitutional principle.

Finally, Kissinger's management of the Cyprus crisis reflected his style of autocratic governance of the foreign policy process, relying on a small circle of subordinates distinguished primarily by bureaucratic loyalty. Although he entered the Secretary's office with a pledge to "institutionalize" foreign policy, his tendency is to distrust and shut out the advice of the professional specialists whose judgments may run counter to his own purposes and preconceptions. The dispatch of Sisco to Athens and Ankara without a strong mandate for action was a striking example of the "deus-ex-machina" approach to diplomacy which gave magician atatus to Kissinger during the Vietnam negotiations and earlier phases of his Middle East mediation. The act simply could not go on indefinitely.

FOOTNOTES

[1] Union of Cyprus with the Greek motherland.

[2] The revived enosis movement founded by Grivas in 1971 as a successor to his original independence struggle organization.

[3] August 8 to August 13, 1974.

[4] The Directorate of Plans, now called the Directorate for Operations, carried out covert action programs of the CIA.

[5] The Washington Special Action Group, the Administration's top crisis management group.

SENATOR MUSKIE'S TILTON ACADEMY ADDRESS

Mr. McINTYRE. Mr. President, the distinguished senior Senator from the State of Maine came into my State recently to deliver the commencement address at Tilton Academy.

I would like to call my colleagues' attention to this speech, because Senator MUSKIE proved once again, as he did so often in his Vice-Presidential campaign of 1968, that he knows how to reach the young people of America.

The Tilton Academy address was an eloquent blend of fact-facing and inspiration.

Senator MUSKIE responded to youths' insistence upon candor by laying out the hard truth about our troubles—from the "unhappy memories" of Indochina, to our sudden awareness of the limitations of energy supply and distribution, to inflation and recession, to the end of the illusion that money and machines can solve every problem.

But he also forcefully argued against despair, saying:

It is a mistake to see the future in terms of the gloomy present.

We overestimated our interests in Indochina in the first place.

Let us not now overemphasize the consequences of our frustrations there.

The Senator said it is nonsense to portray us "The Fading America," and, ticking off the many failures of Russia since the close of World War II, pointedly asked: "Where is all the talk about the 'fading' of the Soviet Union?"

The Senator then went on to say:

I do not mean to downplay the real problems we face in the world. But, the end of American influence is not at hand. I doubt we could eliminate our enormous influence in this world even if we tried. Our challenge is to debate intelligently how best that influence should be used.

The Senator then asked his young audience to rise to this challenge, to put to use the lessons learned about "false national pride and how even good men can be corrupted by a bad war—the lessons about self-discipline, thrift, and conservation of resources we are learning from the energy crisis and the economic crisis—and the lessons about the value of truth and honor and decency and respect for venerable institutions taught by Watergate."

Finally, the Senator cites from a warm and moving letter he and Mrs. Muskie received from one of their teenage daughters to point up the final eloquent appeal he makes in these words:

You young people are an enormously exciting national resource. You are different in many ways and many of the differences are healthy ones. You have different values—and many of those values will be good for the country. And you are pushing for changes which we too often resent and resist to the point of alienating our children.

And that is the wrong way, because we have much to give you. And you have much to give us. I say to my generation, "Let us welcome those differences and perhaps they will bring us the kind of world we all want."

Mr. President, because I believe Senator MUSKIE's wise words should be read by all of us, I ask unanimous consent to have the full text of his Tilton Academy speech printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Our involvement in Indochina is over. It cost us dearly: over 55,000 American lives lost . . . $150 billion of our Nation's treasure.

And—in retrospect—it served no apparent national interest.

Indochina will bring unhappy memories for us years to come.

And as though that discouraging experience is not enough, others have accumulated to test our self-confidence as a nation.

The oil embargo has brought a sudden awareness of the limitations of energy supply and distribution;

The resulting inflation and deep recession have imposed sharp limitations on incomes, jobs and standards of life;

The limitations of air and water, of the oceans, of vital materials, and of the world's capacity to feed the hungry, further complicate our view of the future.

Within the span of a decade—the American belief in the virtually unlimited future—to be achieved by the irresistible drive and energy of our system—appears to have been converted to a day-to-day struggle for the very necessities.

Many have spoken of the need to learn the lessons of Vietnam, as if those lessons were obvious. But in only one sense have we learned an obvious lesson: that there are limits to what we can do in the world—and that to attempt to do things beyond our means can be very costly.

Our Indochina experience has destroyed one great American illusion of the post-World War II period: that money and machines can solve any problem. America had more money and better machines than anyone else, so we were willing to try to solve some very big problems. One such problem was Indochina—and the problem there was how we could help bridge the gap between French Colonial status and the development of viable, independent, noncommunist states in the region.

Unfortunately, the principal forces which fought the French in Indochina did not agree with our goal, so they continued to fight us. We thought we could succeed where the Frecnh had failed. We were wrong.

So this whole tragic episode in our history has made us wiser, and it will make us more cautous in the future about becoming entangled in the internal affairs of countries and regions which are not central to our interests.

In other respects, the lessons of Vietnam are ambiguous. If you have followed press comment closely, you will have noted that people have learned very different "lessons" from Vietnam. Some people say we have learned not to support corrupt and unpopular regimes, even when they are under attack from Communist forces.

Others say we have learned not to fight a limited war in Asia—that the next time we should use maximum power. Still others say that Communism is no longer a threat to our Nation's well-being because it is not a monolithic force, and Communist nations tend to quarrel with one another as much as they do with us. Many people say simply that we should pick and choose more selectively in making international commitments—but they do not explain just what hard choices should be made.

So our country needs to debate these questions as it charts new directions in our foreign policy. We are still faced with tough choices which must be made—and the policy choices are not always obvious. But we cannot retreat into isolationism, and we cannot avoid the burden of being the world's greatest power.

An issue of the Economist last month—the leading British magazine of news and analysis—featured a cover story entitled "the Fading America"—with pictures illustrating our troubles in Asia, Europe and the Middle East. It is certainly true that we are facing many difficult problems in today's world. But the image of a "fading" America is, in my view, nonsense. As James Reston of the New York Times said in a recent column, it is a mistake to see the future in terms of the gloomy present. We overestimated our interests in Indochina in the first place. Let us not now overemphasize the consequences of our frustrations there.

Take, for example, the case of the Soviet Union. The Soviet Union failed to achieve its political goals in Europe after World War II, despite the fact that Europe lay prostrate at her feet. The Soviets forged a dramatic alliance with China, only to see it fall to ruins. It achieved inroads in Cuba, only to be humilitated by President Kennedy in the missile crisis. It supplied the Arab States with military hardware, only to see their military advisers kicked out of Egypt. But where is all the talk about "fading" of the Soviet Union?

I do not mean to downplay the real problems we face in the world. But, the end of American influence is not at hand. I doubt we could eliminate our enormous influence in this world even if we tried. Our challenge is to debate intelligently how best that influence should be used.

Secretary Kissinger stated it well the other day with these words:

"We cannot abandon values which are inseparable from America. Though we are no longer predominate, we are inescapably a leader. Though we cannot propose our solutions, few solutions are possible without us. There is no other country so endowed to help build a better future. If we sit back, there will be no hope for stability, no resistance to aggression, no effective mediation of disputes, no progress on the world economy."

The *Mayaguez* incident last week was an appropriate demonstration of our determination to protect our legitimate interests, including American lives and property.

We must be equally sensitive to the legitimate interests of other peoples and nations—and to the use of our undoubted strength and influence to strengthen the cooperative efforts we must develop if we are to reduce the burden of arms, put food within reach of the starving, insure fair and equitable access to the world's energy and raw materials, stabilize the trouble spots of the planet.

There is much work to be done; but the mood in America today is troubled. And we are not sure what we believe in any longer.

Do we still believe in our country? Do we still believe in each other? Do we still believe in our ability to deal with our problems—and to build something better for tomorrow than we know today?

My generation came out of World War II with a commitment to the future.

Understanding that it carried an obligation to become involved in the works of peace—realizing that what we fought for in war was meaningless unless we were willing to work for it in peacetime.

We have just ended our involvement in the longest, most hated war in our history and we are not sure about our commitment. The war was a mistake and it turned many people off in this country—especially the young.

That could be the greatest mistake of all.

I entered politics because I wanted to become involved. It wasn't more than two weeks after my first election that I heard myself referred to as one of those "damn politicians!"

That attitude is, unfortunately, an old American custom. It is more intense today.

Politics is not alien to anything in our national life. Politics is basic. How good everything else is depends on how sound and good our politics and politicians are.

A few weeks ago, on the op-ed page of the New York Times, I read a piece by a Nick Rowe. Nick was captured in the Mekong Delta by the Vietcong in 1963, escaped in 1968, after five years of imprisonment and, more recently, was an unsuccessful candidate for Texas State Comptroller in last November's elections.

Searching for the reason why he survived five years and found the courage and endurance to attempt a successful escape, Mr. Rowe puts it very simply: "There were three faiths that formed the core of my endurance," he says.

"The first was faith in God. I learned how to pray.

"The second faith was a faith in this country and our Government. The Communist cadre dragged out every inequality, injustice, every example of discrimination and racism, all conceivable ills within the structure of our Government. . . . "In 1967 (that's four years after Mr. Rowe was captured), they ceased drawing from their own poor propaganda sources and we began receiving material from our own magazines and newspapers, which were quoted verbatim to substantiate points they were driving home to us. It was no longer a matter of manufacturing propaganda: They had only to scan our publications, find a prominent American who had said what he wanted to us and hit us with it.

"I questioned as never before: Was this country and Government worth what I was going through?

"The answer was clear. This country and our system of Government is the finest in the world today. With all the problems and injustices which could be pointed out, we have the one element that makes us strong. The citizens of this Nation have inherent rights and freedoms which allow them full participation in the system politic.

"The final faith upon which I relied," Mr. Rowe concludes, "was faith in my fellow prisoners, my brothers in suffering . . .

"I came home having learned lessons that could have been taught in no other way. Our system is not guaranteed forever. It must be fought for and participated in or it will fail."

I would suggest those are pretty fine sentiments from a man who just took a licking running for comptroller of Texas, U.S.A.

Your generation comes to the tasks of the future with eyes wide open—you have the lessons about false national pride and how even good men can be corrupted by a bad war . . . the lessons about self-discipline, thrift and conservation of resources we are learning from the energy crisis and the economic crisis . . . and the lessons about the value of truth and honor and decency and respect for venerable institutions taught by the abuses of Watergate.

The other day Mrs. Muskie and I received a warm, wonderful letter from one of our teenage daughters. Let me share some of it with you:

"This year and next are the years I should be, in dad's words: 'Exploring my beliefs, dissecting the reasoning behind them, challenging them in my mind—not in order to weaken them, but in order to make sure that they are strong enough to support me and that I am strong enough to keep them.'

"I've always listened to everything both of you have had to say. You may not have thought so at the time, dad, but all those lectures at the supper table did sink into my head. Even at the time I appreciated them. Most parents don't take the time to talk to their kids. They just say, 'No.'

"I've gone through so much this year it seems unbelievable. I know one thing though. I'd never want to change anything I've done—even the bad. Bad things are always bound to happen.

"I wouldn't want my life to be perfect. If my life was perfect I wouldn't have any growing to do and growing is a part of life.

"My life can become very meaningful if I try. The initiative has to come from me, though. I realize that now and believe me I'm going to try to have a lifetime full of excitement and wonder. I've always wanted to pattern my life after both of yours, but I know that I'm different from either of you and my life is apt to be a whole lot different."

You young people are an enormously exciting national resource.

You are different in many ways and many of the differences are healthy ones.

You have different values—and many of those values will be good for the country.

And you are pushing for changes which we too often resent and resist to the point of alienating our children.

And that is the wrong way—because we have much to give you. And you have much to give us.

I say to my generation:

"Let us welcome those differences and perhaps they will bring us the kind of world we all want."

BUSING, INTEGRATION, AND QUALITY EDUCATION

Mr. BIDEN. Mr. President, many of us in this body and throughout the Nation have become disillusioned with use of schoolbusing to achieve either racial harmony or quality education.

In a perceptive column in today's Washington Post, William Raspberry comments on the entire issue of busing and quality education. He points out that we must first define exactly the problem which we are trying to solve. As he states: "Is it (the problem) unequal distribution of resources that we are trying to correct? Then, why don't we go after them instead of going after integration?"

I agree with Mr. Raspberry that, through busing, we are attacking the wrong problem—and are doing nothing about quality education. And, as for busing as a solution, Mr. Raspberry states: "Busing hasn't solved anything because busing can't solve anything but transportation problems. And transportation was never the issue."

Mr. President, I commend Mr. Raspberry's article to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 11, 1975]

BUSING, INTEGRATION AND QUALITY EDUCATION

(By William Raspberry)

With the recent capitulation of Prof. James R. Coleman (be of the celebrated Coleman Report), hardly anyone is left to defend big-scale busing for the purpose of school integration.

It was Coleman, now a sociologist at the University of Chicago, whose 1966 study, undertaken for the U.S. Office of Education, provided the rationale for the massive busing programs of the past 10 years.

The heart of the Coleman Report was its finding that black children in integrated classrooms perform better than their counterparts in all-black classrooms.

And since he also found that the performance of white children was not diminished by racial integration, it was hard to resist the conclusion that America ought to move as quickly as it could to see to it that every black child had the benefit of integrated education. And what quicker way could there be than the instant integration of massive busing?

Well, Dr. Coleman has taken another look, and his new conclusion—expressed in an April speech before the American Educational Research Association and in a recent interview with the National Observer—is that busing is killing integration, not promoting it; that America's largest cities are becoming more rigidly segregated as a direct result of busing.

According to Coleman, it is implementation, not theory, that has gone awry.

"The theory is that children who themselves may be undisciplined, coming into classrooms that are highly disciplined, would take on the characteristics of their classmates and be governed by the norms of the classrooms, so that the middle-class values would come to govern the integrated classrooms.

"In that situation, both white and black children would learn.

"What sometimes happens, however, is

UMI

that characteristics of the lower-class black classroom—namely a high degree of disorder—come to take over and constitute the values and characteristics of the integrated school. It's very much a function of the proportion of lower-class pupils in the classroom."

I do wish Coleman had taken the bother to explain that black and lower-class are no more synonymous than are white and middle-class. But, then, he might also have pointed out that in the large cities, where busing constitutes the largest problem, the lower-class populations are getting bigger and—as the cities themselves become less white—also blacker.

And because blacks are concentrated in the larger urban areas, court-ordered desegregation has tended to speed the process that sends whites fleeing to the suburbs while the central cities become blacker, Coleman said.

Nor does he believe that metropolitan-wide busing is the answer.

"I believe it's not entirely lower-class blacks that middle-class whites are fleeing," he said. "They are fleeing a school system that they see as too large, as unmanageable, as unresponsive, to find a smaller, more responsive system. If the system is made even larger, covering the whole metropolitan area, many parents will find ways to escape it, either by moving even further out or by use of private schools."

It is principally in the very large cities that busing is having its resegregating effect, Coleman noted. "In cities smaller than the size of, say, Indianapolis, desegregation does not seem to have the same consequences."

For the big cities, with the big problem, Coleman is convinced white flight will continue, at least, among those with the financial means to flee, unless solutions are devised that can attract the active cooperation of middle-class families.

But what, exactly, is it that we're seeking a solution to? If we had asked ourselves that question, and insisted on an honest answer, maybe we wouldn't be dealing with massive busing now.

Are we seeking a solution to racial segregation generally? Then, why pick on the schools instead of the neighborhoods, where the real segregation is maintained?

Is the problem inadequate education for poor children? But who could have believed—Coleman notwithstanding—that problem could be solved by transporting whole classrooms from one neighborhood to another?

Is it unequal distribution of resources that we are trying to correct? Then, why don't we go after them instead of going after integration?

Busing hasn't solved anything because busing can't solve anything except transportation problems. And transportation never was the issue.

Coleman believes the courts were badly mistaken to rely on his report as the rationale for wide-scale busing—or for anything else. For what was at issue before the courts was a question of constitutional rights; Coleman's report formed, at most, a basis for changing educational policy.

Coleman himself sees the folly of trying to combine the two areas.

"Consider what would have happened if the report had said that *segregated* classrooms improved pupil performance," he told the Observer. "Would the courts have been justified in ordering busing to create racial *imbalance*?

"Of course not. Courts are taking a very precarious path when they make research results about the achievement consequences of school integration a basis for reorganizing a school system. That's not their function, in my view."

Nor in mine.

TORTURE AND THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, genocide has often been thought to be a thing of the past, ending with the Nazi slaughter of 6 million Jews. The American public has been misled into believing that "genocide" is an obsolete term. One look at many of the new African nations shows that the opposite is true. While most of the new nations of Africa have constitutional provisions that are designed to protect individuals and groups, the older way of life and the reaction to the impact of white colonialism tend to make torture a common tool for governments and for continuing tribal warfare. In the past few years, large-scale ethnic conflicts have erupted in Nigeria, Uganda, Sudan and Burundi.

These African nations have bitter memories of European colonial rule. The new governments have made drastic attempts to return to their own earlier cultures and reject the European style of life adopted by many of the natives. As a result, the governments have imposed extreme hardship and often torture on those who oppose their reinstated life style.

For example, Burundi has a population of 3.2 million of which the Hutu community constitutes 84 percent, but the government is in the hands of the Tutsi minority. In 1972 the Hutu unsuccessfully tried to displace the government. Massacres of Hutus followed, with the estimated toll between 90,000 and 250,000.

In another situation, the Republic of Chad has undergone a "cultural revolution," to transform the 4 million inhabitants from the influence of French colonialism. It has been reported that more than 130 native Protestant pastors and lay church leaders have been assassinated since November 1973.

The United States has traditionally taken a world leadership role in portraying an image of freedom and human rights. It is up to us to encourage these African nations as well as the other nations of the world to act in the spirit of human dignity and freedom. One roadblock is standing in the way of American integrity in the field of human rights. That roadblock is America's refusal to ratify the Genocide Treaty.

One of the major goals of the U.N. was stated in the Preamble of the Charter, declaring, "to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of man and woman and of nations large and small."

The United States, as a world leader in human rights, must take the initiative in encouraging other nations to follow these ideals. However, until we ratify the Genocide Treaty, we have no right to impose these high standards. Therefore, in the interest of international human rights, I once again call upon my colleagues to ratify the Genocide Treaty.

CONFLICT OF INTEREST A MAJOR PROBLEM IN DOD

Mr. PROXMIRE. Mr. President, last week I argued in this Chamber that the Department of Defense should be regulated more closely to prevent conflict of interest situations between its employees and the military industry.

At that time, I offered an amendment to provide such regulation that the chairman of the Armed Services Committee suggested be withdrawn so that comprehensive hearings could be held on this complex issue. I agree that a full airing of defense conflicts is needed, and I look forward to working with the gentleman from Mississippi in preparing for those hearings.

The conflict problem was recently discussed in a three-part series of articles by Charles Rabb in Newsday. In partial preparation for upcoming hearings and for the general instruction of my colleagues, I ask unanimous consent that that series be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESS CONCERN FOR EX-OFFICERS' JOBS

(By Charles Rabb)

The situation in the House of Representatives defense appropriations committee hearing room was getting sticky.

Air Force witnesses were being pressed on an Air Force decision to substitute less demanding testing for the new F–100 jet engine. The eased test standards had helped the F–100 engine get through a 150-hour endurance run and cleared the way for the Air Force to buy the engines quickly, perhaps prematurely.

Among the witnesses was a three-star Air Force general, Otto J. Glasser, deputy chief of staff for research and development. Glasser admitted that, as a result of the eased test standards, the government would eventually have to pay "a few tens of millions of dollars" to upgrade the engine. But he minimized the decision to ease the standards as "a deviation" and assured the panel that the engine "performs well" and that "technically I have no concern whatever with this engine."

That was on May 9, 1973. Six months later, according to a company official, Glasser had retired and was named president of the international division of General Dynamics—which would use that same F–100 engine for its most promising program, the F–16 lightweight fighter.

Such rapid migrations from the Pentagon to the hierarchy of private industry are of concern to Sen. William Proxmire (D-Wis.), who has called them "the old buddy system operating with a vengeance."

"The high-ranking military officer," Proxmire adds, "knows that by treating the defense contractors right, by giving them what they want and by not objecting to bad management or cost overruns, they will be rewarded with plush jobs."

A Newsday study of 1974 federal reports that former ranking military and civilian personnel are required to fill out when they go to work for major defense contractors has found that:

Many former Defense Department employees—both military and civilian—were potentially involved in conflicts of interest because they had substantial authority, prior to retirement, over programs important to their future employers.

(The Council on Economic Priorities, a nonprofit public interest research firm that did an extensive analysis of five years of reports from 1969 to 1973, said "if the possibility exists that persons making decisions which affect the flow of millions of dollars of public funds may at the time be affecting their personal future economic interests, that is a conflict of interest." The council, in its study, found that 379 of 1,406 former Pentagon officials—27 per cent—met one or more of its criteria for conflicts of interest. Newsday's examination of 499 reports for fiscal 1974 turned up 40 instances of what would be considered conflicts of interest.)

All of the two dozen Defense and industry officials contacted denied that their positions constituted conflicts of interest, but almost all acknowledge that they could see how such a situation could develop.

A smaller, but potentially more influential group of Defense officials has reversed the pattern and gone from defense industries to the Pentagon. They are generally upper-echelon employees, and there have been charges that such individuals favored their former employers. A total of 19 Defense Department officials were reported in this category in fiscal 1974.

The conflict-of-interest laws have gaps and, in the opinion of some members of Congress, new legislation is needed. Perhaps even more important is the need for stricter enforcement of existing statutes.

Legislative initiatives already are under way. Proxmire plans to seek Senate action this week on a proposal to prohibit former Defense Department officials from taking jobs that they have obtained in private industry through their involvement as government officials. He also would require military officers or Pentagon civilians to wait two years before going to work for a firm after being "substantially involved" in awarding that company a contract.

Rep. Benjamin S. Rosenthal (D-Queens) has proposed legislation that would deal with the gap in conflict-of-interest laws relating to individuals who go from private industry to government. His bill, an aide explained, would prohibit a newly hired government official from handling matters for two years pertaining to the general work of the industry where he had been employed; it also would prohibit the employee from handling for 10 years matters pertaining to his specific field of expertise.

Thus, under the Rosenthal proposal, if an official working in the F–14 fighter program went from Grumman Aerospace Corp. to the Pentagon that person could not become involved in anything dealing with airplane manufacture for two years and with anything dealing with the F–14 for 10 years. The penalty would be forfeiture of pay and loss of job.

But there are already laws on the books that have been largely ineffective in spelling out or preventing conflicts of interest. One law applying only to retired military personnel prohibits anyone from selling to a service in which that person holds retired status. It carries a maximum penalty of $10,000 and two years.

Many companies which do a heavy business with the military services avoid having their former high-ranking military personnel run afoul of the selling ban by segregating them in the foreign sales division. Thus, Gen. Glasser is president of General Dynamics International Corp. Retired Vice Adm. Robert L. Townsend is chairman of the board of Grumman International and carefully noted in his Defense Department reporting form that his involvement in foreign operations "shall not require me to engage in those activities prohibited" by the Defense Department.

A Justice Department official familiar with conflict-of-interest laws said that, if Glasser had been negotiating for employment at General Dynamics at the time of his testimony, he might have violated an existing law prohibiting an official from acting in his governmental capacity in any matter in which he has a financial interest. The law provides a maximum penalty of a $10,000 fine and two years in prison.

Frank S. Johnson Jr., General Dynamics vice president for public affairs and advertising, said he had reviewed Glasser's testimony and that this statute "has no application" in this instance. Asked if Glasser was negotiating with General Dynamics at the time of his testimony, Johnson said: "I'm not going to get into that," he then paused and said, "The answer is no."

Contacted at his home in St. Louis, Glasser refused to discuss the substance of his congressional testimony unless he received clearance from General Dynamics. Johnson refused to give clearance, calling any possible conflict-of-interest involvement "random or remote."

Asked if he thought his supportive testimony for the F–100 engine so close to his acceptance of a position with General Dynamics constituted a conflict of interest, Glasser said: "If I did, I wouldn't be here."

In the eyes of the Air Force, Glasser was a team player. He had helped the Air Force through a potentially troublesome hearing.

It thus assumed that the Air Force would not be delayed in getting its new high-thrust engine, which was to be used in two important new fighter programs: the F–15, produced by McDonnell Douglas of St. Louis, and the F–16 lightweight fighter, to be produced by General Dynamics.

Testimony at a hearing subsequent to Glasser's retirement brought out that his assurances were on the rosy side. The F–100 engine has continued to have its share of problems. Although knowledgeable sources say such problems are common for a new engine, F–15s were grounded for the first eight days of May because of defects in the second-stage turbine blades of the engine.

JOB HUNT EASY FOR PENTAGON AIDE

One of the most appalling aspects of the conflict-of-interest situation is the complete disdain by the Defense Department toward investigating or prosecuting even the most blatant and recognizable cases."—Sen. William Proxmire (D-Wis.)

"So far, Mr. President, I have yet to hear of any specific case of wrongdoing involving former military officers working for companies that do business with the Pentagon."—Sen. Barry Goldwater (R-Ariz.)

(By Charles Rabb)

Because of the billion-dollar stakes frequently involved in defense contracts, few subjects are capable of generating stronger emotions in Congress. That is especially true after an intense competition for a major contract, when the losing side will frequently voice suspicions over the influence of retired military officers working for contractors or of soon-to-be retired officers looking forward to post-retirement employment.

There is no legal prohibition against a military officer's working in a major weapons program, then showing up as an employee of the defense contractor producing that system—even on the day after retirement.

There is, however, a federal conflict-of-interest statute that prohibits a government employee from participating in any matter that might affect a financial interest of that person, his family, partners or organization with which he served as an officer or in which he has or is negotiating an arrangement for employment. The most commonly used federal conflict-of-interest statute, according to a Justice Department lawyer involved in this field, it carries a maximum $10,000 fine and two-year prison term.

A Newsday survey of Defense Department reports was made, with special attention given to persons in supervisory positions with procurement powers or with auditing responsibility. The reports were filled out by ranking military and civilian personnel leaving to join a firm with at least $10 million in annual contracts. The survey turned up these situations.

Col. Harry A. Buzzett of Andover, Mass., was the Army's project manager of Raytheon's Hawk surface-to-air missile program before his retirement on June 30, 1973. The next month, his form revealed, he became manager of Raytheon's Hawk program in Saudi Arabia. In his Army assignment, he said on the reporting form, he "managed all facets of Hawk and improved Hawk Sam program." He could not be reached for comment.

Jack M. Truskett of Mesquite, Tex., was manager of the Dallas branch of the Defense Contract Audit Agency before he retired on June 30, 1973. On August 1, 1973, he reported, he went to work for LTV Aerospace Corp. of Dallas as Vice president for finance. Truskett said that he "never audited" LTV, but cut short the interview without answering the question of whether he ever supervised LTV audits. He said he did not want to pursue the subject over the telephone because of the possibility of being quoted out of context.

Lt. Cmdr. Albert C. Storey of Pascagoula, Miss., reported that he was an auxiliary inspector for the Navy's Submarine Board of Inspections and Survey before his retirement on Sept. 1, 1973. In that capacity, he acknowledged, he conducted final contract trials that led to the Navy's acceptance of Litton Industries ships. Litton became his employer on Sept. 10, 1973.

Storey maintained that there was no conflict of interest in his situation. "No, that was not the case," he said. "We were really tough on that outfit [Litton]. I knew that my boss would not have it any other way."

Leonard A. Alne was director of sales negotiations for the Defense Security Assistance Agency until he left the Defense Department last June 28. In that capacity, he reported, he was "responsible for administration of all foreign military sales of DOD [Department of Defense]."

On Sept. 27 of last year, he became a consultant to Northrop Corp. On Oct. 4, he added Westinghouse International Defense & Public Systems Corp. as a client. And on Oct. 24, he added Raytheon. All three have been active in the booming Mideast arms sales market.

The stepped-up defense industry practice of hiring former Pentagon officials who have specialized in marketing to foreign countries, has been discussed by the Council on Economic Priorities. The council has said there was a danger that such a government employee might have made decisions calculated to favor a contractor and then, after joining that private firm, he might have been able to influence approval of a sale through his knowledge of Pentagon officials.

The Council, a nonprofit public interest research firm, added that the appearance of a former Defense Department official working on behalf of a contractor "must blur, in the minds of foreign defense ministers, the distinction between the American defense establishment and the defense contractor, giving the contractor an appearance of official approval that may not exist." Alne could not be reached for comment.

The reports showed that 499 military and civilian persons reported on their defense industry employment in fiscal 1974 (July 1,

UMI

1973, to June 30, 1974). Sen. William Proxmire (D-Wis.) contended that since the reporting requirement applies only for the first three years after leaving the military, it understates the number of former military officers in defense industries.

In 1969, Proxmire inserted in the Congressional Record information indicating that the top 100 defense contractors employed 2,072 retired officers with the rank of colonel or higher. In a recent interview, Proxmire guessed the accumulated total during the past five years is about 5,000.

The basic criticism from Proxmire and others critical of the system is that this heavy traffic and the expectation of post-retirement employment leads to easy tolerance of cost increases, schedule slippages and, consequently, an inflated defense budget. Defenders of the system say that not taking advantage of trained military personnel available through early retirement is wasting a national asset and that these people should be allowed to do what they know best.

Sen. Barry Goldwater (R-Ariz.), for one, feels the criticism of retired military officers working in industry is exaggerated, and that more serious consequences have developed from decisions of civilian officials in the Pentagon.

Among those filing reports in fiscal 1974, Northrop was the largest employer with 61; Computer Science Corp. was second with 27; Sanders Associates, Inc., third with 24; Litton Industries, fourth with 23, and Boeing, fifth with 22.

Long Island firms or companies with subsidiaries here ranked near the bottom. Sperry Rand Corp., which has its Sperry Division in Great Neck, listed five, Grumman Corp. four; PRD Electronics Inc. of Syosset three; Fairchild Camera & Instrument Corp., which has branches in Syosset, Copiague and Commack, two, and AIL of Deer Park, a division of Cutler Hammer, one.

Probably the most prominent is Robert L. Townsend, board chairman of Grumman International Inc. The former vice admiral said, through a Grumman public relations officer, that although he once headed the Naval Air Systems Command, he was commander of Naval air forces for the Atlantic Fleet during his last three years in the Navy. That, Townsend said, was an operational post with no Washington involvement and no jurisdiction over matters important to Grumman Aerospace Corp.

As chairman of the board of Grumman International, Townsend deals in foreign sales and thus does not run afoul of the prohibition against selling to a service in which one holds retired status.

Reports covering others who ended up with Long Island contractors show that Lt. Cmdr. Roger A. Smith Jr. went from test and evaluation of Grumman's A-6 attack bomber for the Navy to management of the A-6 TRAM system, which is designed to make it easier for the all-weather aircraft to pick out targets. Smith left the Navy June 30, 1973, and joined Grumman a month later and said he sees "nothing wrong" in working for a company he knows, since he has "to work somewhere."

Lt. Cmdr. Richard W. Schuette was a flight officer in an E-2C radar-warning aircraft training squadron until his retirement from the Navy last June 1. On July 29, he joined Grumman, doing work he describes as preparing materials for training courses. He said that he did not consider himself involved in a conflict of interest.

Bland B. Hyatt, manager of PRD's Washington office, joined the company March 26, 1974, about a month after leaving the Air Force, where he worked in the electronics division. PRD's principal product is the VAST automatic test system, which it produces for the Navy. PRD is trying to line up business from the other services.

Hyatt could not be reached for comment.

Frank R. McCoy Jr. reported that he left the Navy Feb. 1, 1972, and joined PRD a day later. McCoy said that he was a purchasing agent for the VAST system under the Naval Air Systems Command. He reported that he is now deputy director for logistics support activities for PRD.

McCoy said that after he decided to join PRD, he had his situation reviewed for a possible conflict of interest and was told by the Navy judge advocate that the position could be accepted.

Marvin Richman retired as an Air Force major last May 31 and joined Fairchild Camera in Syosset four days later. Richman said he disagreed "completely and vehemently" that there was a potential for a conflict of interest in his situation. As a matter of fact, he said, he ran an evaluation section which led to Fairchild losing a contract for a camera.

Talcott L. Ingraham was in the navigation branch of the strategic systems project office involved in research and development on the navigation systems of the Poseidon and Trident missile-firing submarines. He retired from the Navy last June 11 and joined Sperry six days later. He is now senior field engineer involved in liaison between Sperry and the USS *Compass Island*, an experimental navigation ship. He could not be reached for comment.

Pentagon's Elite Aides Draw Conflict Charges

(By Charles Babb)

The traffic of retired Defense Department civilians and military officers into defense industries is four times as heavy as the reverse flow, a study of government reports indicates.

Yet the relatively small number of persons shifting from the upper reaches of the corporate world to senior positions in the Pentagon has generated serious conflict of interest charges in recent years.

Probably the most explosive charge, and one that fueled a congressional investigation, involved the role of two high-level associates of Defense Secretary Robert McNamara in the bitter six-year dispute over the award of the lucrative F-111 contract to General Dynamics.

Playing an important role in the disputed 1962 choice of General Dynamics were Deputy Defense Secretary Roswell Gilpatric and Navy Secretary Fred Korth.

Gilpatric, who became deputy defense secretary on Jan. 24, 1961, had served as legal adviser to General Dynamics immediately before his appointment, and his law firm, Cravath, Swaine and Moore, continued to serve as counsel to the company. Gilpatric rejoined the firm after leaving the Defense Department on Jan. 20, 1964.

Korth's bank, Continental National of Fort Worth, had a $400,000 loan outstanding with General Dynamics. Korth continued to hold a personal investment in the bank, and informed congressional investigators during an F-111 probe that he intended to return to the bank.

The Navy version of the F-111 was killed in 1968 because the plane was too heavy and the political pressure from Congress was too hot. The Navy successor to the F-111 was the Grumman F-14.

Nowadays, the Senate Armed Services Committee is more searching in its examination and requires in virtually all cases that nominees for Defense Department secretaries and assistant secretaries cut their ties with defense contractors. David Packard, deputy defense secretary under Melvin Laird, was an exception. His holdings of more than $300 million in Hewlett-Packard Corp. were so massive that the committee accepted his explanation that if he had to dispose of them, it would seriously depreciate the value of the company. Packard was allowed to retain his equity with all appreciation in value going to charity.

Despite the recent close scrutiny, the services do draw heavily on outside companies for their important positions. For example, Air Force Secretary John McLucas, who moved up from undersecretary in 1973, had been president of the Mitre Corp. of Bedford, Mass., and McLean, Va. Mitre is one of the nonprofit Federal Contract Research Centers that are supported by federal money and fulfill such needs as writing contract specifications for weapons systems. If the government were to assign that task to a private contractor, the company would have an unfair advantage in competing for the contract.

Air Force Undersecretary James W. Plummer spent 18 years with Lockheed Missiles and Space Co. and was vice president and general manager of the space systems division at the time of his appointment in 1973. Missiles and space is a division of Lockheed Aircraft Corp., a major defense contractor.

Frank Shrontz became an assistant Air Force secretary after 15 years with the Boeing Co. Boeing is also a major defense contractor with a number of Air Force programs.

David Anderson, a planner in the Office of Defense Research, who spent a year in industry under a personnel interchange program, said that it is "practically a requirement that you have an industry background" in order to advance. Of the 30 assistant directors with the research office, probably only one or two are career people in government, he said.

Anderson spent his year with Rockwell International Corp., prime contractor for the troubled B-1 strategic bomber program. Since he rejoined the Defense Department, he said that he has "done almost nothing on the B-1 program," and, therefore, no conflict of interest exists, he feels.

In such situations, problems arise, critics charge, when people with lengthy industry experience are too tolerant about industry shortcomings or even in rare instances show favoritism to a former employer.

Rep. Otis G. Pike (D-Riverhead) threw the 1968 debate on the military procurement bill into an uproar when he disclosed that Lockheed Aircraft Corp. had won the contract on the Cheyenne helicopter at a time when a former Lockheed vice president was serving in a key Army position that handled new contract awards.

The official was Willis Hawkins, who became assistant secretary of the Army for research and development in 1963. In 1966, the year after Lockheed was awarded the development contract, he returned to the firm. Hawkins denied at the time that he influenced or participated in the contract decision. The helicopter gunship program developed weight and cost problems, and was ended in 1969.

James Roach, an assistant director in the Office of Defense Research who has worked for private corporations and a federal research center, as well as having done a hitch in the Defense Department, thinks the problem is greatly exaggerated. He gave three reasons why: "The moral fiber" of the people the Pentagon brings in from industry, the lack of power that any one individual has, except for the secretary of defense, and the fact that "you operate in a fishbowl."

Roach, who was with Fairchild Industries in 1963, came to the Pentagon from the Mitre Corp., where he supervised contracts with two other federal departments.

Allan Simon, a former Long Island resident who also has been on both sides of the fence, is working as a private consultant now after being in the Office of Defense Research for three and a half years. He doubts that anyone in his specialty—tactical warfare programs—dealing with small-scale actions could trade on what he knows for longer than six months because "government plans change so rapidly and are so influenced by [developing] technology."

Simon reported that he left the Defense Department March 3, 1973, and on March 5, 1973, had seven clients. Among them were AIL of Deer Park, a division of Cutler Hammer, Fairchild Camera of Syosset, and PRD Electronics of Syosset. He denied strongly that there was any conflict of interest involved in his past or present employment.

He said that he was in industry for 16 years before joining the Pentagon. "During the time I was in government," he went on, "not one company I worked for got a contract." He said he is now a technical consultant, advising on design.

Both Roach and Simon worked for the government under a law permitting a waiver of Civil Service requirements for special scientific and technical personnel who are hired rapidly to fill a particular need.

Milton Lopatin, who left PRD on May 14, 1973, and went to work for the Naval Electronics Systems Command Headquarters on May 21, 1973, saw no conflict in his situation. He noted that VAST, the automatic test system which is PRD's principal product, is purchased by the Naval Air Systems Command and not his office. He said he has severed all ties with PRD and has no plans to return.

A STIMULUS FOR THE HOUSING INDUSTRY

Mr. BIDEN. Mr. President, our housing industry is currently at its lowest point since the Great Depression. Furthermore, there are indications that instead of playing its usual role as the industry which leads the Nation out of a recession, it seems clear that this time housing will be a follower. That is why I am pleased to support the Emergency Housing Act of 1975.

This legislation has three principal features. First, by providing interest subsidies and cash grants, it will stimulate construction in the housing industry and create jobs, not only in the construction industry, but in related fields as well. It has been estimated that the $400 million which is spent on this part of the program will create 800,000 jobs. In my State of Delaware alone, it is expected to generate over 11,000 jobs. This approach of targeting Federal dollars to sectors of the economy where we know it will do some good is far more effective and efficient than any program of public service jobs—and it uses the private sector entirely.

The second main feature of the bill is that it will help the average home buyer purchase a house. With skyrocketing interest rates and higher construction costs, it seemed as though the average person would no longer be able to buy a home. By providing subsidized mortgages at 6 percent or a cash payment for a home purchase, this legislation provides the incentive to purchase a home.

The third main feature of the bill is its relief for the unemployed. It provides that the Department of Housing and Urban Development can make mortgage payments on behalf of unemployed homeowners. America's bankers have been extremely patient in deciding not to foreclose on many unemployed homeowners. This legislation should take some of the pressure off the unemployed and off the financial institutions.

Mr. President, it has been hinted that President Ford plans to veto this legislation. If he does so, I think it will be a slap in the face to those middle-income people who want to buy homes, to those construction workers and workers in other related industries who are looking for work, and to those unemployed people who are about to be foreclosed upon. President Ford asked Congress for over $500 million to help the Vietnamese refugees. I supported him in this effort. I think it is time we did something for people at home. I certainly hope he does not veto this bill. Its cost, $400 million to stimulate construction and create jobs and $500 million in mortgage protection, seems little enough price to pay to help get the housing industry—and this country—out of the recession.

PANAMA CANAL TREATY

Mr. FANNIN. Mr. President, the people of Arizona are vitally concerned about the rumors and facts surrounding the on-going Panama Canal negotiations. From the mail I receive daily, they are overwhelmingly opposed to any actions which would weaken U.S. control over the canal. I commend my constituents for their interest in international affairs and support their belief that the United States should retain undiluted sovereignty over the Panama Canal and Canal Zone.

Negotiations between Panama and the United States over revisions in the 1903 Hay-Bunau-Varilla Treaty governing our involvement in the Panama Canal Zone have been in progress since late 1964. The purpose has been to arrive at a draft treaty which would be presented to the Senate for its consideration. The draft treaty will propose new administrative and jurisdictional arrangements for both the United States and Panama with regard to the canal and the Canal Zone.

To date, negotiations have not progressed beyond a joint statement of principles signed in Panama in February 1974. These principles are the groundwork for the present negotiations. Four basic items within these principles are: First, a fixed termination date for any new treaty, which would eliminate the "in perpetuity" provision of the 1903 treaty; second, a relinquishment of U.S. sovereignty in the Canal Zone with the exception of the canal itself for the duration of the new treaty; third, the involvement of Panama in the operation and defense of the canal with full responsibility reverting to Panama upon termination of the treaty and; fourth, the mutual accumulation by the United States and Panama of the economic benefits from the canal.

Draft treaty negotiations are still a long way from acceptance by the U.S. Senate. The State Department had hoped to present a draft treaty to the Senate by this summer but this time frame has been revised backward to the end of the year. Some of the most ardent points of disagreement between the negotiators are over the duration of a new treaty, the sharing of the economic benefits of canal traffic, and the construction rights for expansion of the existing canal or building of a new canal.

Once a treaty is drafted, it will be presented to the Congress for ratification. At that time the Senate will be able to make its will felt with regard to revision of the existing Panama Canal Treaty. Already, I am on record opposing any relinquishment of United States sovereignty over the Panama Canal or Canal Zone. I signed Senate Resolution 97 last January and will continue to speak out against any revision of our relationship in the Panama Canal Zone.

It is my hope that the Senate Foreign Relations Committee will examine the upcoming draft treaty seriously and not just rubber stamp it. I will request that open hearings be held so the total treaty can be thoroughly examined and questioned. To date, no hearings have been scheduled by the Senate Foreign Relations Committee or the House Foreign Affairs Committee. It is my intention to promote such hearings. I feel that the American people do not favor relinquishment of our jurisdiction over the Panama Canal and want to be sure the Congress and the administration are aware of this fact.

In addition, I have made my opposition to a give-away treaty known to the State Department. The Panama Canal is a strategically important link between the Atlantic and Pacific Oceans. It provides both an economic and defense corridor to the Southern Hemisphere. Not only would the administration of the canal by an unstable government such as Panama's be detrimental to our interests but also to the defense and economic interests of Latin and South America. Guarantees of an open canal can only be made by a powerful and stable government like the United States. We have only to witness the on-again, off-again service in the Suez Canal for a prime example of chaotic administration.

I could not support the possibility of such a development in Latin America. In addition to being unstable, the current Government of Panama is a left-wing dictatorship. I seriously doubt the wisdom of leaving the defense of this vital waterway between the Americas to such a Government.

There has been much discussion and anticipation of so-called Executive or administrative agreements regarding the Panama Canal between Secretary of State Kissinger and Panamanian Foreign Minister Tack. Primarily, the allegations assert that the canal will become Panamanian territory by virtue of Executive agreement with the advice and consent of the Senate. I have been assured by the State Department that such an arrangement will not be attempted. All

UMI

agreements reached by the negotiators are tentative; they are not binding on the United States unless the Senate approves the draft treaty which contains them. Also, it is doubtful that the Senate would be willing to forfeit its constitutional right and duty to consider all treaties entered into by the United States.

The Panama Canal and Canal Zone have been American property since 1903. I can think of no overwhelming reason to change this relationship as established under the Hay-Bunau-Varilla Treaty. It is my strong conviction that the Panama Canal remains a valuable asset to our country and all the Americas and I will not support any effort to relinquish control over this territory.

NEW POSTAL EFFORTS TO CURTAIL SERVICE

Mr. CRANSTON. Mr. President, the Postal Reorganization Act gives No. 1 priority to service as the goal of our postal system. I believe the Postal Service has been a dismal failure in this regard.

In reading the Federal Register of May 27, 1975, I took note of the latest move by the Postal Service to eliminate a service which has been a tradition of urban mail delivery in this country. I refer to door-to-door service.

I am very concerned by this postal proposal to ban door delivery service to new housing developments. I further object to the postal implication that this is a mere formalization of existing policy.

Mr. President, I ask unanimous consent that my comments on the proposed rulemaking be printed in the RECORD. In order to clarify the meaning of my comments, I also ask unanimous consent that the proposal published in the Federal Register be printed in the RECORD immediately following the comments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 6, 1975.

Re Postal Service, 39 CFR Part 111, City Delivery, Delivery Policy; New Establishments and Extensions.

ASSISTANT GENERAL COUNSEL,
Special Projects Division,
U.S. Postal Service,
Washington, D.C.

DEAR SIR: This is in response to the proposed changes in Postal Service rules and regulations as outlined in the Federal Register of May 27, 1975.

In the Federal Register, the Postal Service states that it will include ". . . within this Part a number of rules and regulations as to entitlement to particular forms of postal city delivery which heretofore have been published only as regional instructions of the Postal Service." I question whether the facts justify this statement. The proposed rules represent a withdrawal of the service prescribed by existing Regional Instructions. In addition they represent a further curtailment of services which I believe is not in accordance with the intent of the Postal Reorganization Act.

In the Regional Instructions of September 29, 1972, the Postal Service states that "Door delivery may be provided in the principal business district and densely populated residential areas where the average lot frontage does not exceed 50 feet and the average set-back distance from the carrier's line of travel does not exceed 30 feet." While I understand the economic problems involved for the Postal Service, I believe that the tradition of mail delivery to housing communities in this country, the protection of the mail from vandalism, the aesthetics, local ordinance considerations, and the sizes of home lots in states like California made this instruction discriminatory to begin with. Both the new and old rulings conflict with the Postal Reorganization Act which cites public service as the number one postal management consideration. The proposed new rules state in Section 155.212 that "for all residential areas, except apartment houses and mobile/trailer homes, delivery options are: (1) Delivery to boxes located at the curb so they can be safely and conveniently served by the carrier from his vehicle; or". The options which follow are even more inconvenient. This ruling also precludes any possibility of flexibility in postal policy except in extreme hardship cases.

I've received a large number of complaints from California jurisdictions that the curbside delivery policy of the Postal Service conflicts with their own ordinances. The Regional Instructions had stated: "Obviously, predetermined criteria cannot be prescribed to fit every circumstance. Therefore, good judgment should be exercised in rendering decisions where unusual conditions may necessitate deviation from these criteria." The solution in the proposed rulemaking precludes any possibility of such judgment and, in fact, penalizes those localities whose own ordinances don't allow placement of mail boxes on curbs. Section 155.23 states "where local, city, county, or state ordinances prohibit the installation of mailboxes at the curb and safe servicing of these receptacles by the carrier from his vehicle", the most convenient delivery option is 155.231 "Central delivery at one or more central points within a residential community with a minimum of three boxes per location." This so-called solution compounds rather than solves the delivery problems of these customers.

Not only do I believe that individual door-to-door mail delivery should remain an option, whether or not local ordinances exist, but I believe that the option should be expanded to include lots with front footage of up to 75 feet.

In regard to Section 155.22, I agree that door-to-door mail delivery should be extended to new homes built within an existing block of homes receiving delivery service. However, the Section goes on to state that "where older homes are replaced with new housing, such as by urban renewal projects, the method of delivery provided the new housing shall be in accord with 155.212."

I believe that this practice is inconsistent with our national housing policy to encourage cities to embark on urban renewal programs. I think that the Postal Service would be well-advised to continue with the policy it had created in the Regional Instructions which states that "door delivery should be provided where the area is surrounded, or contiguous to, door delivery territory. In situations where several hundred deliveries are in a new development, not contiguous to existing door delivery service but where all other criteria are met, door delivery may be provided."

I believe, further, that a new Subsection should be added requiring the Postal Service to provide door-to-door delivery to both permanent residential areas and permanent mobile/trailer home parks which are retirement communities or where a substantial portion of the residents are retired people.

In regard to Section 155.212, dealing with mail delivery to permanent mobile/trailer homes, the proposed rulemaking states that "there must be a minimum of three mailboxes erected at one site." In meetings and correspondence with the Postal Service in 1971 I had received assurances that curbside delivery could be extended to these installations in clusters of two mailboxes. I believe that the three box proposal would be an enormous inconvenience for people who live in mobile homes. It also discriminates against people who live in mobile home parks by not extending to them even the same minimal service proposed for people who live in conventional permanent housing.

Last, I would like to commend the Postal Service on its proposal to discontinue its program to supply mail receptacles free of charge to certain builders. In a letter to the General Accounting Office of February 18, 1975, I raised questions about possible violations of the Postal Reorganization Act involved with this practice. I stated that I do no believe the Act provides ". . . that the Postal Service may give postal related products free of charge, especially not where the survival of private businesses depends on the sale of the same articles for a profit. Obviously, this practice could put some manufacturers of mail receptacles out of business." In this regard, I think that Section 155.211 where delivery options include "single points/receptacles/door slots provided by business management" it is unclear whether the delivery is to be provided by management. I would hope that the wording could be changed to make it clear that the slots are provided by management and the door delivery by the Postal Service.

Thank you very much for affording me the opportunity to comment.

Sincerely,

ALAN CRANSTON.

[From the Federal Register, May 27, 1975]

POSTAL SERVICE

[39 CFR Part 111]

CITY DELIVERY

Delivery Policy; New Establishments and Extensions

Under the provisions of 39 CFR 111.3 the Postal Service proposes to revise its "City Delivery" regulations in Part 155 (39 CFR 155) of the Postal Service Manual principally by including within this Part a number of rules and regulations as to entitlement to particular forms of postal city delivery which heretofore have been published only as regional instructions of the Postal Service. Because Regional Instructions are generally concerned only with internal operating procedures and guidelines in the postal regions, they are not usually published in Chapter I of the Postal Service Manual, which is incorporated by reference in the Federal Register (see 39 CFR 111.1), or otherwise published in the Federal Register. In this instance, however, incorporation of these regional instructions in Part 155 of the Postal Service Manual appears desirable to facilitate a better understanding of the City Delivery regulations of the Postal Service by concerned members of the public as well as by postal employees.

The proposed regulatory changes would add to § 155.41 a new sentence declaring that purchase, installation, maintenance, and replacement of delivery boxes are not the responsibility of the U.S. Postal Service. This will terminate an experiment under which boxes were supplied by the Postal Service to induce the selection of the most cost-effective form of city delivery.

The revised regulations would delete present § 155.2, authorizing the Regional Postmaster General or his designee to give final approvals for extension of door delivery. Recently, this discretionary authority has rarely been exercised, because of budgetary restraints. Accordingly, the change conforms to what has in fact become operating practice.

In place of § 155.2 the revised regulations would add a new § 155.2 containing detailed rules on entitlement to particular methods of postal delivery in business areas and residential housing (including mobile/trailer homes), which presently are found only in regional instructions. In addition, the new § 155.2 would contain a new § 155.23 to codify an administrative interpretation of regulations as to responses to municipal ordinances.

Minor changes are made in style and form (for example, the changes of "address number" to "street number" proposed for section § 155.62).

Interested persons who wish to do so may submit written data, views, or arguments concerning this proposed change in Postal Service regulations to Assistant General Counsel, Special Projects Division, U.S. Postal Service, Washington, D.C. 20260, at any time before June 30, 1975. After consideration of all comments received, the Postal Service will promulgate the final regulations through amendments to Part 155 of the Postal Service Manual. Accordingly, complying voluntarily with the advance notice requirements of the Administrative Procedure Act (5 U.S.C. 553 (b), (c)) regarding proposed rule-making, the Postal Service proposes the following amendments of the Manual:

In Part 155 of the Postal Service Manual the following changes are made:

1. Sections 155.1 and 155.2 are revised to read as follows:

155.1 Requirements for delivery service.

.11 *Establishment.* Establishment refers to initiation of delivery service in a community which currently does not receive mail delivery. Consideration for establishing delivery service will be given when the following requirements are met:

a. A population of 2,500 or more within the area to be served, or 750 possible deliveries. (Postal population may vary greatly from the general census population because of different boundary interpretations and designations.)

b. Fifty percent of the building lots in the area to be served are improved with houses or business places. Where a house or building and its yard or grounds cover more than one lot, all lots involved are considered completely built up.

c. Streets are paved or otherwise improved to permit travel of post office vehicles at all times without damage or delay.

d. Street signs are in place and house numbers displayed, where applicable.

e. Rights-of-way, turnouts, and areas adjacent to roads and streets are improved so that installation and servicing of boxes will not be hazardous to the public or postal employees.

f. Satisfactory walks exist for carriers where required.

g. Approved mail receptacles or door slots are installed at designated locations. The requirements are essential to an efficient mail delivery service, and must be met before delivery is inaugurated in a community. In establishing delivery service, a combination of delivery methods should be considered to provide adequate service to all residential and business sections of a community. All establishments of delivery service must have final approval of the Regional Postmaster General or his designee.

.12 *Extension.* Extension refers to new delivery in areas not included in the boundaries of present delivery service. Delivery service extension requirements are the same as those listed in 155.11 with the exception of paragraph a.

155.2 Delivery policy; new establishments and extensions.

.21 In new establishments and extensions, delivery service should be afforded in areas that meet the criteria in Sections 155.11 and 155.12, Postal Service Manual, and normally will be by motorized carrier to curbline boxes or to central delivery points/receptacles, supplemented as follows:

.211 *Business areas.* The type and design of buildings will dictate the method of delivery service to be implemented. Delivery options are:

a. Vertical Improved Mail (VIM) Program, which may include:
(1) Call Windows,
(2) Lockboxes,
(3) Mechanical Conveyors.
(Note: This is available only for high-rise, multiple-tenant buildings, and only if certain conditions are met. For details, consult your postmaster.)

b. Single points/receptacles/door slots provided by business management.

.212 *Residential Housing.*—a. *General.* For all residential areas, except apartment houses and mobile/trailer homes, delivery options are:

(1) Delivery to boxes located at the curb so they can be safely and conveniently served by the carrier from his vehicle; or,

(2) Central delivery at one or more central points within a residential housing development, community, or area. Requirements are:

(a) Local postal managers must approve mailbox sites and equipment;

(b) There must be a minimum of three mailboxes erected at one site (there is no maximum limit); and,

(c) Customers will not be required to travel an unreasonable distance to obtain their mail, not to exceed 300 feet.

b. *Apartment houses.* See 155.6 for delivery options.

c. *Mobile/trailer homes.* Delivery options for mobile/trailer home developments depend upon whether the development is permanent or transient.

(1) Permanent types are developments consisting of managed mobile home parks or residential mobile home subdivisions where: lots are permanently assigned; streets are maintained for public use; and conditions are similar to those of a normal residential subdivision. For permanent developments, delivery options are:

(a) Delivery to boxes located at the curb so they can be safety and conveniently served by the carrier from his vehicle;

(b) Delivery to a single point or receptacle designated by the management for receipt of mail for distribution by its employees;

(c) Central delivery at one or more central points within the area.

Requirements are:

(i) Local postal managers must approve mailbox sites and equipment;

(ii) There must be a minimum of three mailboxes erected at one site (there is no maximum limit); and,

(iii) Customers will not be required to travel an unreasonable distance to obtain their mail, not to exceed 300 feet.

(2) Transient types are developments comprising recreational vehicle parks and trailer courts where the lots are temporarily rented and the occupants are transient. Such developments are considered transient, even though some families might live in this type of park for an extended period of time. For transient developments, the only delivery option is delivery to a single point or receptacle designed by the trailer park management for receipt of mail for distribution by its employees.

NOTE: This method is one of three options for permanent developments.

.22 *Exceptions.*—.221 *Fill-In.* New homes built within an existing block of homes receiving delivery service will receive the same level of service afforded other homes in the same block. However, where older homes are replaced with new housing, such as by urban renewal projects, the method of delivery provided the new housing shall be in accord with 155.212.

.222 *Hardship cases.* Door delivery will be considered on an individual customer case bases where service through central, curbline, lockbox, or general delivery would place an extreme hardship on the customer. Only the Regional Postmaster General may approve delivery exceptions for hardship cases.

.23 Where local, city, county, or state ordinances prohibit the installation of mailboxes at the curb and safe servicing of these receptacles by the carrier from his vehicle, delivery options are:

.231 Central delivery at one or more central points within a residential housing development, community, or area.

Requirements are:

a. Local postal managers must approve mailbox sites and equipment;

b. There must be a minimum of three mailboxes erected at one site (there is no maximum limit); and,

c. Customers will not be required to travel an unreasonable distance to obtain their mail, not to exceed 300 feet, or,

.232 Lockbox or general delivery service at the nearest postal facility where carrier delivery emanates.

155.41 [Amended]

2. In 155.41 the following sentence is added at the end thereof: "Purchase, installation, maintenance, and replacement of delivery box equipment are not the responsibility of the U.S. Postal Service."

155.62 [Amended]

3. In 155.62, strike the words "address" in the section heading and in the first sentence and insert in lieu thereof the word "street".

An appropriate amendment to 39 CFR 111.3 to reflect these changes will be published on adoption of the proposal.

(39 U.S.C. 101, 401(2), 403(a), (b), 404(1), 410(a))

ROGER P. CRAIG,
Deputy General Counsel.

[FR Doc.75-13717 Filed 5-23-75;8:45 am]

SUPPORT FOR THE PRESIDENT'S ENERGY PROGRAM

Mr. FANNIN. Mr. President, the National Federation of Independent Business, a nonprofit organization representing almost 420,000 small and independent businessmen throughout the country, has recently conducted an extensive survey to determine the views of its membership on several important energy issues.

In its March 1975 poll, the NFIB asked its members how they felt about higher gasoline taxes, the creation of a new Federal agency for the purchasing of all foreign crude oil, a stepped-up program of building nuclear power plants, offshore oil and gas development, and the decontrol of oil and natural gas. The results of this survey are significant.

UMI

Earlier this year in a similar poll the NFIB asked its national membership whether they were for or against the rationing of gasoline and home fuel, as well as mandatory allocation of other petroleum products as an alternative to the President's program. The members voted 77 percent against this approach, with only 19 percent favoring such an alternative, and 4 percent expressing no opinion. In other words, the vast majority of small retailers, manufacturers, and other businessmen favor the President's energy program. This approval is borne out in the NFIB's latest poll.

In Arizona the questionnaire was sent out to all 3,952 members, of whom 839 replied.

Mr. President, I ask unanimous consent that the results of this NFIB poll for Arizona and for the Nation be printed in the RECORD.

There being no objection, the results were ordered to be printed in the RECORD, as follows:

[Results in percent]

Are you for or against:

Are you for or against a gasoline tax starting at 10 cents and climbing to 40 cents over four years?

	Arizona	The Nation
For	15	15
Against	83	83
No Opinion	2	2

Are you for or against a new federal agency to act as national purchasing agent for all crude oil imports?

	Arizona	The Nation
For	7	10
Against	92	87
No opinion	1	3

Are you for or against faster development of nuclear power plants?

	Arizona	The Nation
For	72	66
Against	21	27
No opinion	7	7

Are you for or against opening up development of all offshore oil and gas resources?

	Arizona	The Nation
For	82	79
Against	14	17
No opinion	4	4

Are you for or against the immediate decontrol of oil and natural gas?

	Arizona	The Nation
For	53	45
Against	37	44
No opinion	10	11

ROBERT F. ALLNUTT

Mr. DOMENICI. Mr. President, it is with regret that I learned that Robert F. Allnut is leaving as staff director of the Committee on Aeronautical and Space Sciences on June 15 to assume the position of Deputy Assistant Administrator for Administration in the newly established Energy Research and Development Administration.

I have been associated with Bob in his capacity as staff director since my service with the Aeronautical and Space Sciences Committee, beginning in January 1973, and I have been most impressed with his overall ability, his astuteness in his leadership role, and the fairness with which he served each and every member of the committee. It is my view that Bob has made a most meaningful contribution to the work of this committee during the 2½ years he has served it, and it certainly will be a loss to the committee when he leaves for his new assignment.

Bob Allnut is a responsible and competent individual, extremely well-equipped academically, and with a versatile and proven performance record in Government service. While I regret that Bob is leaving the committee staff, certainly it will be ERDA's gain, and I am certain Bob will make a significant contribution to the very vital role which has been assigned to this new agency.

I wish Bob well in his new endeavor.

THE NEW HAMPSHIRE ELECTION DISPUTE

Mr. FANNIN. Mr. President, public opinion surveys indicate that confidence in the Congress is at or near an all-time low. If the Democratic majority in the Senate should decide to seat Mr. Durkin as the junior Senator from New Hampshire, this will further erode confidence in the Congress and Government in general.

This issue should be sent back to New Hampshire for a runoff election between Mr. Durkin and Mr. Wyman in accordance with State law. A new election is the only method of resolving this issue in a manner fair to the candidates, to the people of New Hampshire, and to our system of government.

My study of the issue indicates that Mr. Wyman is the winner and should be seated, but regardless of which way the Senate might decide we would not have the clearcut verdict which is vital in this matter. Seven months after the election, the issue is more cloudy than ever.

Clearly the Senate is empowered to settle disputed elections of its own Members, but in this instance we do not have factual evidence upon which we can make a rational decision. Voting by Senators would almost have to be on emotion, and therefore partisan.

It seems clear to me that since the Senate has the power to decide these matters, the Senate certainly could and should provide for a new election since there would be no conflict with State law.

Mr. President, today I received a resolution adopted by the State board of the Arizona Federation of Republican Women. I ask unanimous consent to have this resolution reprinted in the RECORD at this time.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas, we believe the Democratic process is being prevented by the Democrat majority of Congress refusing to seat former Republican Congressman Louis Wyman of New Hampshire, although two recounts have shown him the victor;

Whereas after 7 months New Hampshire still does not have their full representation in the Senate; and

Whereas we do not believe the Democrat majority should be able to continue this injustice; the State Board of the Arizona Federation of Republican Women meeting June 7 *resolves;* That the seat be declared vacant and the voters of New Hampshire, in a special election, vote their choice.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Stanley K. Hathaway of Wyoming to be Secretary of the Interior.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the nomination.

NOMINATION OF STANLEY K. HATHAWAY OF WYOMING TO BE SECRETARY OF THE INTERIOR

The second assistant legislative clerk read the nomination of Stanley K. Hathaway, of Wyoming, to be Secretary of the Interior.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be taken out of the 3-hour limitation.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HASKELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HASKELL. Mr. President, I ask unanimous consent that Betsy Moler, of my staff, have the privilege of the floor during the discussion of the Hathaway nomination and the vote thereon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FANNIN. Mr. President, I ask unanimous consent that the following persons have the privilege of the floor during the debate and vote on the Hathaway nomination: Harrison Loesch, Fred Crafts, Margaret Lane, Grenville Garside, Owen Malone, Paul Holtz, and Jerry Stalkus.

The PRESIDING OFFICER (Mr. MORGAN). Without objection, it is so ordered.

Mr. FANNIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. FANNIN. I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, under the unanimous-consent agreement, I yield half of the time to the distinguished Senator from Colorado (Mr. HASKELL).

Mr. JACKSON. I ask unanimous consent that the time be equally divided between myself and the Senator from Colorado (Mr. HASKELL).

Mr. President, a parliamentary inquiry. I understand that we have 3 hours for this matter.

The PRESIDING OFFICER. Three hours, divided equally between the majority leader and the minority leader or their designees. The majority leader has designated Senator HASKELL; the minority leader has not designated anyone. Senator HASKELL has the time for the majority.

Mr. JACKSON. It does not make any difference. I suggest that the time be divided equally between the junior Senator from Washington and the senior Senator from Colorado or their designees.

Mr. HANSEN. Mr. Chairman, will the distinguished chairman of the committee yield to me for an observation?

Mr. JACKSON. I yield.

Mr. HANSEN. It should be noted for the record that the chairman, Senator JACKSON, properly, I think, should represent the majority in this instance, because he is part of the majority. He is one of the 10 members of the committee who voted to report Governor Hathaway's nomination to the Senate.

Mr. JACKSON. Mr. President, I have to chair a meeting at 10 o'clock. It is my intention to designate someone on the minority side—Senator FANNIN—the moment I have to leave.

Mr. HATFIELD. That is perfectly satisfactory to me, Mr. President. The Senator from Washington will control the time of the proponents. He can designate whomever he desires when he leaves the floor. I will control the time of the opponents.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JACKSON. Mr. President, on Wednesday, May 21—in open executive session—the Committee on Interior and Insular Affairs, by a vote of 10 to 4, ordered President Ford's nomination of Stanley K. Hathaway of Wyoming to be Secretary of the Department of the Interior reported favorably to the Senate with the committee's recommendation that the Senate advise and consent to the nomination.

As the Senate knows, from the time it was first announced by the White House, former Governor Hathaway's selection to be Secretary of the Interior has been the subject of considerable controversy. Citizens from throughout the country and a number of our major conservation and environmental organizations have voiced deep concern over the President's choice of Mr. Hathaway to head the Interior Department. These concerns have also been the subject of many editorials and have been widely broadcast by the news media. I am sure that all Senators are at least generally familiar with the issues that have been raised.

In light of this controversy, the Committee on Interior and Insular Affairs approached its task of reviewing the nominee's qualifications to be Secretary of the Interior with special care. The committee afforded all persons and organizations an opportunity to be heard. It conducted 5 days of open public hearings on April 21, 22, and 30 and on May 5 and 6 and assembled a hearing record of 538 pages.

The committee began its questioning of Governor Hathaway on April 21, after receiving introductory statements in support of his nomination from Members of the Wyoming delegation to the Congress and from the present Governor of Wyoming, the Honorable Ed Herschler.

On April 22 and 30 the committee heard from Members of Congress, Governors, and a broad array of both individual witnesses and witnesses representing many of the Nation's principal conservation and environmental organizations. The hearings were then recessed in order to afford the committee time to review the record prior to it's questioning of the nominee.

The committee then held 2 additional days of hearings—on May 5 and 6—during which the nominee was questioned extensively concerning the questions raised by conservation and environmental witnesses at the hearings of April 22 and 30. His responses to the committee's questions appear in full in the hearing record, and have been reproduced in part in the committee's report to the Senate.

As I have already noted, on Wednesday, May 21—after an additional 2 weeks of deliberation on the record—the committee voted 10 to 4 to report the nomination favorably and to recommend that the Senate advise and consent to the President's selection of Governor Hathaway to be Secretary of the Interior.

Mr. President, at the outset of the committee's hearings I noted that, historically, the Senate has accorded the President wide latitude in the selection of his Cabinet officers. At the same time, I called attention to the obligation imposed on the Senate by article II of the Constitution to advise and consent to the President's nomination. I stressed my feeling that the Interior Committee's review of Governor Hathaway's nomination should in no way be a perfunctory proceeding. The nominee was specifically asked to provide the Senate his own assessment of how the Secretary of the Interior should respond to the challenges and opportunities of that high office and to respond to the issues raised by critics of the President's nomination.

The record of the committee's review is now before the Senate. I am satisfied, Mr. President, that the committee has done its work carefully, thoroughly and with due deliberation. There has been nothing perfunctory about the committee's attention to this nomination. The record demonstrates otherwise. The nominee's background and his financial affairs have been examined. His views respecting the obligations and challenges of the office of Secretary of the Interior have been elicited and have been spread on the record. His responses to the criticisms leveled at his environmental record as Governor of Wyoming have also been laid before the Senate and the public. Based on all the evidence, a majority of the committee has found no proper grounds on which to deny the President his choice of Mr. Hathaway to be Secretary of the Interior.

During the committee's hearings, opponents of the nomination focused their attention on the Senate's constitutional role in advising and consenting to the President's nominations for Cabinet offices. The suggestion was that the power of confirmation ought to encompass within it the right and responsibility of an individual Senator to vote against the confirmation of any nominee he feels is not "well qualified" for the post to which he has been named by the President.

There can be no question that this is every Senator's right. Individual Senators must not only make their individual assessments of a nominee, they must also make their own judgments concerning the Senate's proper institutional role in the appointment process.

I think this subject bears some attention and I want to comment on my own understanding of the duty imposed on the Senate by the Constitution.

The same question received attention when the Hickel nomination was before the Senate in 1969. My views on the matter were stated at that time, and have not changed.

I said then that the Constitution recognizes three separate stages in the appointment process. The selection and nomination of a Cabinet officer is solely and exclusively the function of the President. Second, the Senate must assent to the nomination. And, third, the approved nominee must be commissioned by the President.

Why did the Founding Fathers make the confirmation requirement a part of the appointment process? I think the Federalist Papers provides us some guidance in that respect. According to Alexander Hamilton—in the Federalist, No. 75—the purpose was to provide a check by the legislature on any spirit of favoritism in appointments—to prevent the appointment—in Hamilton's words—of "unfit characters from State prejudice, from family connection, from personal attachment, or from a view to popularity."

I understand this to mean that the Founding Fathers intended that the Senate should refuse its assent to a Cabinet nomination when the nominee is clearly unfit and unqualified for the post due to a lack of experience, knowledge, and education, or because of some legal or personal disability. I do not think the

UMI

Founding Fathers envisioned rejection of a Cabinet nominee because his political or economic philosophy, or his judgments respecting Government policies or programs might differ from those of the Senate or individual Senators.

Of course, Senators may well disagree with the views of those selected by the President to advise him and carry out his programs. I think that is one of the hallmarks of our democratic system. One has to expect that there will often be some—and even considerable—disagreementment when it comes to matters of policy and matters of program emphasis. However, I do not think the Constitution envisions that a President should be denied his Cabinet appointments because of such disagreements.

Against this historical background—and as the Senators know—it has been the long established custom and practice of the Senate to assent to the President's Cabinet choices. I think this precedent reflects a great deal of practical wisdom. We have to recognize that Cabinet officers are selected by a President to be his principal advisers. The President is responsible for their official acts. He is both responsible and accountable for the administration of the executive branch. We cannot hold him accountable if we deny him his choice of his principal advisers for less than overriding reasons. Barring some flagrant error or abuse of his prerogatives in making his nominations, I think the President must be given wide latitude in selecting his Cabinet officers. This is, I think, the teaching of history and of our precedents here in the Senate.

I found nothing disabling or disqualifying in Governor Hathaway's record, and it was on this basis, Mr. President, that I voted in committee to recommend to the Senate that this nomination be confirmed.

As I have indicated, Governor Hathaway's nomination has been attended by considerable controversy. The nominee clarified his views on many matters of concern and explained his public position on many of them in his testimony before the committee.

Mr. President, I ask unanimous consent that the statement Governor Hathaway presented to the committee at the opening of the hearings be printed in full at this point in the RECORD.

There being no objections, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF STANLEY K. HATHAWAY

Mr. Chairman and members of the committee, I have testified before this distinguished committee several times during the 8 years as I served as Governor of Wyoming, never expecting to appear in the capacity I do this morning, as the nominee for the Secretary of the Department of the Interior.

I deeply appreciate the confidence that President Ford has shown in me and look forward to serving my country in this position of high trust and responsibilities, if my nomination is confirmed by the U.S. Senate. I welcome the opportunity to answer the questions of the committee relative to my qualifications and fitness to serve.

I am well aware that many citizens have expressed concern about my attitude and commitment to environmental protection which I feel is a fundamental responsibility of the Department of the Interior. Having been raised on a homestead in the open spaces of the West, I have always had a profound appreciation of ecological values and a deep personal commitment to the protection and enhancement of our environment.

My record as Governor of Wyoming, when viewed in totality, demonstrates this concern and commitment. During the past 8 years, the State of Wyoming has initiated and implemented many environmental protection safeguards. As Governor, I took a major and lead role in most of these initiatives and the implementation of them. It is not a perfect record, and I do not hold it out to be such. I hope that those who take exception to portions of that record will view it in the context that my actions were based upon what I considered to be the needs and desires of the people of Wyoming under particular times and circumstances. The responsibilities of the Secretary of the Interior are to the Nation and all Americans, and I would view them in that perspective.

In recent years, I have shared with the members of this committee and many other Americans a deep concern about the energy self-sufficiency of our Nation. The demand for energy has grown too rapidly, and the domestic supply has not kept pace with demands. Petroleum and natural gas reserves are being depleted more rapidly than new reserves are being discovered. The vulnerability of this Nation to increased reliance upon imported energy supplies is obvious to all of us. I believe that we can and must conserve energy and eliminate waste. At the same time, we can and must develop additional and new sources of energy supply.

We are fortunate to have great energy resources upon and within the public domain. The question is, how can we prudently utilize our resources and at the same time, maintain and enhance the quality of our environment? Can we indeed become energy self-sufficient and have a clean and healthful environment at the same time? This is a major challenge for all Americans. I believe that we can meet the challenge and accomplish these goals. If confirmed as a member of the President's administration, I will dedicate myself to this challenge by working with the people of this country, the Congress and State and local governments.

In this short statement, I have not addressed myself to the other great responsibilities of the Department of the Interior. This is not in any way meant to suggest that the responsibilities which I have left unmentioned will not enjoy a high priority, if I am confirmed.

Thank you, Mr. Chairman.

Mr. JACKSON. The criticism of the nomination centered, in large part, on the nominee's conservation and environmental record while he was Governor of Wyoming. In his statement before the committee, the nominee asserted his recognition that the responsibilities of the Secretary of the Interior run to the Nation as a whole and to all Americans—and not to the parochial interests of any one State. Throughout the hearings he repeatedly assured the committee that, if confirmed, he will bring a national perspective to his decisions and actions as Secretary and will faithfully administer the landmark conservation and other natural resources programs established by Congress over the years and committed to the care of the Department of the Interior.

Again, Mr. President, the members of the committee questioned the nominee at great length on many matters. It is my judgment that a thorough record has been made. The length of the proceedings and the scope of the questioning were unusual, but so were many of the factors attending this nomination. The committee made a special effort to be fair and considerate to everyone involved throughout the proceeding, and I think we were successful.

It is my view that the committee's review of Mr. Hathaway's qualifications and its action ordering this nomination reported favorably to the Senate accords in every way with the Senate's constitutional obligation to advise and consent to this nomination for the President's Cabinet.

Mr. President, I should like at this time to yield to the senior Senator from Wyoming for his comments.

Mr. McGEE. I thank the Senator.

I express my appreciation to the chairman and ranking member of the Committee on Interior and Insular Affairs whose responsibility it was to conduct the hearings, and to say here and now to the members of the committee how much we all respect the thoroughness and the patience of the committee in hearing out all who had a view to be expressed or a reservation to be considered or endorsement to be supplied. I think it was a fine example of what the system not only is all about but the kind of responsibility that must be exercised at a moment like this.

It was not without point that the members of the Wyoming delegation here in Washington, and the newly elected Governor of the State of Wyoming, together opened those hearings with a united expression of respect for the President's nominee for Secretary of the Interior, former Gov. Stan Hathaway.

I want to say that that assumes even a greater dimension when one considers that our beloved State, an area of high altitudes and low multitudes, as we are proud of saying, is traditionally a Republican State. At the moment, it is flourishing in this temporary interval of affluence with two members of the congressional delegation, McGEE in the Senate and Congressman RONCALIO in the House, along with our colleague, my junior colleague, Senator HANSEN, from Wyoming, who is the only current Republican member of our delegation.

Now, that is a most unusual circumstance in our political history. The fact that we have a Democratic Governor is a very unusual circumstance, and we have a fine one. But the reason I go to that length, Mr. President, is that this 3 to 1 Democratic delegation, counting the Governor, unanimously, with a single voice, urged the approval of former Gov. Stanley Hathaway.

That decision was not taken lightly. It was not taken alone out of a sense of parochial pride. We took that position because we believed that here was a unique person for the office of Secretary of the Interior, one of those rare individuals who was caught out on the frontier and the front line in the emergence of a new concept in this county, the whole question of environmental concern.

It is not easy to be the point man in a State that has grown up with very deep traditions of conservation. Suddenly we discovered resources to be very limited, and they must be now marshaled and harvested and preserved and replaced where possible with the greatest wisdom and foresight and care.

Given the history of the development of the State in that circumstance, and the sudden juxtaposition of the concerns to conserve and preserve, it required the utmost, on the part of the individual in a position of leadership who had to make the decisions, to try to achieve a balance between those who would gut out everything, those who would blind themselves to the consequences for a tomorrow, and those who would prefer to sit on it forever.

Balance was the key, Mr. President; a sense of fairness and openness to listen to all of the contentious provocateurs on both sides was the test.

Stan Hathaway met that test so successfully, he became the first man in our history to serve two full terms as Governor. We had one other man who would have been able to do that, but he chose to come to the Senate—that is Senator HANSEN, my colleague. Stan Hathaway was the first to fill a two-term governorship in the history of our State.

Now, that says very much in terms of the judgment of the area, and in terms of the respect in which people have held him.

But in that context he, indeed, was writing new history and carrying out new steps into the future in the environmental concerns of our people as well as of those of the country at large.

I am not totally unknown as an environmentalist myself. I take great pride in being very strongly identified as an environmentalist. In some ways, it was my hearing that exposed the scandal of clear-cutting, particularly in the Rocky Mountain West, but in other areas of the Nation as well. That ultimately resulted in a modification of a reckless policy that would have wiped out forest stands in areas that could not be reproduced in several generations.

It was my hearing that exposed the predatory activities of some overzealous individuals in going after the eagles, both the Golden Eagles and the Bald Eagles. It established a national consciousness of the importance of imposing restraint and the enforcement of national law in those regards.

I think I was the first to make a request for wild rivers designation in the State of Wyoming, and I was ambushed, inundated, overwhelmed by an avalance of opposition. But, nonetheless, I am simply illustrating that to suggest that it is important that we bring to the surface these kinds of questions and try to arrive at equitable and balanced solutions for them.

Having said that, I want to urge the endorsement of the President's request for former Gov. Stanley Hathaway to be the Secretary of the Interior.

One of the most discouraging things I have found since I have come to Washington is that there is no unanimity here on my point of view. I just thought it was so wise and so carefully arrived at that all the rest of my colleagues could not help but be engulfed by it, and we would have a kind of a sense of going ahead together.

Time after time I not only discovered deep agreement to what I believe, but the embarrassing part about it was I developed respect for those who disagreed with McGEE.

I had a lot more solutions to all the problems of the world when I was a professor—and no student dared challenge it or he would flunk the course. But among one's peers, among one's constituency and those who judge, one soon learns that the important ingredient of a man or a woman is not whether one agrees with them or not, but whether one can respect them, whether their integrity and their credibility are above reproach.

That is the real test and that is the test which Stan Hathaway passes with flying colors.

That is the reason that I respect him, that is the reason I endorse him.

I think he is the finest person on the national horizon that would be available to the President in the context of his responsibility to be selected for Secretary of the Interior.

Stan Hathaway in those two terms as Governor had to live with the problems of the Department of the Interior. Very often he was on the other side of the Department because he was selected to represent the people of Wyoming, not the Department of the Interior, and that was a prime responsibility. But at the same time, he found very often that middle road, that middle ground, that suggested that equities in both directions could be perceived and progress could be achieved.

On the occasion of the hearing in the committee, I must say it was an occasion not just for unanimity in the delegation, but to make a point that had occurred only 2 days before when I had been asked to make a speech out in San Francisco on a postal matter. In getting on the airport limousine to go back and catch a plane to Washington, I was confronted by three men in the lobby of the Fairmont Hotel, none of whom I had ever seen before. They identified themselves as oil men from California and somebody apparently said, "That is McGEE from Washington." They identified themselves and said, "What are you doing this to us for; we do not want Hathaway as the new Secretary of the Interior."

I raised my eyebrows and said, "Well, that does surprise me. Why?"

They said, "Do you realize that he was the first Governor of Wyoming to impose a severance tax on the oil industry?"

They were sore as the devil about that. Here was a man that had dared to score a breakthrough in a kind of sacred cow in our State, and that is the severance tax, to bring in more revenues into the State treasury. Hathaway had dared to do that, at the same time that the environmentalists had accused him of being out shooting down eagles and stripping the forests.

I would like to lay that one bare, too, Mr. President. There was honest disagreement among our livestock people about the relevancy of eagles and the problems, and Governor Hathaway resorted to the process under the law of the land by requesting consideration of that. When it was turned down he not only abided by it, but carried it out.

I would not have made that request. I had my mind made up on eagles. But we live here not under McGEE; we live under law. We are a government of laws, not of the opinions of men.

I think it is important to accord to the President his desire to have Governor Hathaway serve as his Secretary of the Interior. He will serve us well. He has one of the rare records of an accumulated series of firsthand, frontline experiences in trying to cope with all sides. We are not going to find very many leaders who have been in a position of responsibility where he had to take the consequences for what he did or what he decided to do.

That is the rare quality that goes with his integrity and his obviously successful administrative skills. It makes him a bigger man than the Governor of Wyoming. It makes him a man who is involved and immersed with the problems of understanding and protecting the legacy of all the people in the millions and millions and millions of acres of real estate owned by all the people of the United States.

With whatever differences politically Stan Hathaway and GALE MCGEE ever had, I would have to say that never was a door slammed in my face or an ear turned the other way. Always we heard each other out.

We might disagree on the ultimate decision that ought to be taken, but he is openminded, he is willing to listen, and he is capable of taking the responsibility for moving with fairness into a new policy.

It is in that context, Mr. President, that I believe that the nominee of the President would serve this country best.

He stressed again and again in those hearings, the chairman just said, the importance of his being the Secretary of the Interior of all of the United States and not just the Governor of a State.

He has the capabilities of rising to that requirement because of the experience, the record of decision, and because of the candor of his integrity and the forthrightness of his commitment.

Mr. HANSEN. Mr. President, I am deeply grateful for the most persuasive statement made by my senior colleague, the Senator from Wyoming (Mr. McGEE).

I think Members of this body may understand when they read what Senator

UMI

McGEE has said why it is that this "import"—as we used to refer to my good friend when he first came to the Wyoming campus back in the 1940's—has won the hearts and the support of an overwhelming number of people in the Equality State.

I first knew Senator McGEE when he became a member of the faculty at the University of Wyoming and I was serving on the board of trustees and though I had heard about him before then only briefly, because he had been on campus for only a short time, he used to, with some humor, refer to me as his boss because he was then a member of the faculty and I was presumed to be in a position that had some control over faculty members.

If I had any illusions about that, I certainly found out very quickly that he did not necessarily need to answer to any particular constituency because his was a very broad one, indeed. It extended into every nook and cranny of Wyoming and it included, almost without exception, every student who was fortunate enough to be able to get into one of his classes.

My daughter changed her major because she was so intrigued with the excellence of the instruction that characterized Senator McGEE's classes that she wanted to learn more from this highly articulate, very personable and keenly incisive thinker, which was reflected by my colleague's classes when he came to the University of Wyoming.

I think it is important, though, for an entirely different reason that he speak as he has today, and that he be the first to speak. It is not alone because he is the senior Senator from Wyoming, but because what he says needs to be heard and needs to be understood by everyone.

I will not try to recap the very persuasive arguments that can be made in support of Stan Hathaway, I compliment the chairman of the committee, my good friend from Washington (Mr. JACKSON), for having done such an excellent job as he did in seeing that everyone was heard, in seeing that all sides were heard; in having the ramifications of the Governor's 8 years stewardship of the State of Wyoming examined in minutest detail; in dispatching to Wyoming a member of the staff of the Committee on Interior and Insular Affairs to examine in even further detail the Governor's record as a member of the board of directors of a bank.

This meticulous concern for facts characterized what SCOOP JACKSON has done all the way through these hearings. He wanted to get down to the basics. He wanted to understand precisely what the situation was. He wanted to give Stan Hathaway a fair, full, and complete hearing.

I think anyone who was privileged to participate in the hearings, who listened to those hearings, or who would read the record, would have to agree with me and with my senior colleague from Wyoming that the chairman of the Interior Committee has done precisely that.

There is no point in my taking time now to recap the many reasons for the confirmation of Stanley K. Hathaway by the Senate as Secretary of Interior. Suffice it to say that the various points that have been touched upon by Senator McGEE need to be kept in mind.

These points start with this basic commitment to a constituency that has characterized Stan Hathaway's 8 years as Governor of Wyoming. He has never once forgotten who he was representing. When he succeeded me as Governor of Wyoming, employment was not as high as it is today. There were people out of work. The State of Wyoming was faced with an out-migration of young people. We were one of those very few States that had not gained population between 1960 and 1970, but rather, had lost population.

People in the State of Wyoming were concerned about jobs for their children. They were hoping that opportunities could open up in order that those fine young people that we rear, educate, and are justly proud of in Wyoming could continue to live there, as we had been able to do.

That was the situation that faced Stan Hathaway in January of 1967 when he was sworn in as Governor of Wyoming.

He never once deviated from the commitment he had made to the State of Wyoming. He was loyal to the people he represented. Everything he did was not always done as successfully as he might have wished it could have been accomplished, but there was never any deviation at all from his desire to do the very best job he could for the State of Wyoming, and he was successful. As Senator McGEE pointed out, sometimes Stan Hathaway did things that pleased industry and sometimes he did things that displeased industry.

He was not concerned, as some would make it appear today, that he was a tool of industry, of big business or of energy companies, but there was never any question about one fact: that was his commitment to the people who had elected him.

I think we need to understand that because it says something about the kind of person he is. It is the reassuring fact that will convince all who are openminded that he will make, and indeed has made, that same sort of commitment to the people of the United States.

I suspect before the day is over, Mr. President, this body will have confirmed Stan Hathaway as the newest Secretary of the Interior. When we shall have done that, people all over America can be certain of one fact: that he will do the very best job he can to promote the interests of the United States, to listen attentively to the concerns and problems of all of our people, and to do the very best job he knows how to see that America's best interests are promoted.

Why is this job so critically important as it is today? We need look only at the sweep of history and focus our concern and our attention on this particular moment in that long sweep of history to understand that these are not normal times.

Less than a year ago the oil exporting countries of the world imposed an embargo upon most of the free world. We found out for the first time in our national experience what it meant not to be able to get all of the oil and gas that we would like to have and, indeed, at that time could afford to pay for in this country.

While that experience in itself was traumatic enough to our domestic economy, reflecting as it did in loss of jobs, loss of productivity, loss of income, the trauma of closed schools and factory shutdowns, planes unable to fly at times, trains unable to move, barges stilled in the waters of our waterways because there was no fuel to propel them, far more significant was the impact and the concern that most of us realized it could have upon the security of the United States.

Not everyone knows that we had to take fuel oil by tanker during that oil embargo period from the east coast of the United States—and if my information is not incorrect, I believe it came from the State of the Presiding Officer, from North Carolina—we shipped oil by tanker to fuel the 6th Fleet in Mediterranean waters.

Why was that 6th Fleet there? Among other reasons, in addition to our own national interest, it was there to display Old Glory to the NATO countries of the world; to give evidence of the commitment that the United States has made and intends to keep to the rest of the world that we will be there in time of trouble; that we are concerned; that we intend to keep our commitments to do all those things that we have pledged ourselves to do in cooperation with the other NATO nations of this world in keeping the peace, in seeing that a rule of law prevails, and that a weak nation as well as a strong one can be assured, by our interest and our presence, that we intend to stand with weaker countries and stronger ones as well in seeing that a rule of law prevails and that peace may abide throughout these troublesome times.

That calls for a policy that requires balance and requires judgment. I suspect that on this issue as much as any other, former Gov. Stan Hathaway has been criticized by some who say he has not been sufficiently concerned about the quality of life in America, and that he has done things in Wyoming that some feel that he should not have done.

I am encouraged, Mr. President, on the other hand, to believe that he has been precisely what we might expect from the very best and most knowledgeable kind of public servant in these days of trouble and anxiety.

Why do I say that? I say it because, first of all, though I am not often referred to as an environmentalist, I know of no American who, at heart, is not an environmentalist. We all want clean air and pure water, and a more pleasing landscape. We seek the same goals, no matter what our particular role may be, as are sought by some of those who are in the forefront of the environmental movement. The only distinction, the only way that a line can be drawn between those of us on the one side and some of those on the other is in the degree of speed that some think should be exercised in trying to achieve these goals.

I would have to say that in this respect Stan Hathaway is uniquely qualified to serve our country at this very critical moment in history, because he had demonstrated as Governor of Wyoming for 8 years that he is sensitive to the quality of life in Wyoming. The record is replete with what he has done, and those who criticize him can only say he has not done enough or he has not been over on this particular side as far as some might have wished he had been.

On the other hand, those who are concerned, as Senator McGEE and I are, with the continuing role that America should, must, and hopefully will be able to play in coming years, have to reflect upon the muscle, the ability, the industrial capacity, and the defense capability of this country to do all those things that we would expect from a true world leader; and it is in this context that we have to consider and weigh well what we have to expect and indeed, must demand from our natural resources in order not to be caught short.

In 1967, when there was trouble in the Middle East, we had the capacity to fulfill all of our domestic energy requirements and, indeed, to undertake the responsibility of seeing that the other free nations of the world had enough oil and gas to get the job done. We are no longer in that fortunate situation, and it is precisely because of that that leaders in this body, in the administration, and throughout the United States are trying to strike reasonable balances which, on the one hand will guarantee that this planet and this particular part of the planet that we call the United States of America will not be despoiled because of our need for greater energy domestically produced, but at the same time will not be unnecessarily crippled by our inability to do what we can, but to make the best of the opportunities we have.

Stan Hathaway has a very clear insight and a great track record in being able to do just that: to understand how we can exploit our nonrenewable natural resources in a manner that, on the one hand, will not leave the West, or the United States, in a broad sense, torn up and despoiled, and, on the other hand, will assure that we will not be unnecessarily dependent upon foreign sources of supply that cannot be relied upon in times of trouble.

So I am pleased to join with my colleague from Wyoming, Mr. McGEE, with my colleague from Wyoming Representative TENO RONCALIO, and with my colleague from Wyoming, the Honorable Ed Herschler, Governor of the State, in saying that we think the President has nominated the best man that he could find anywhere to do the job that we expect to have done by the Secretary of the Interior.

I know, by virtue of the record he has established in his 8 years as Governor of Wyoming, that we can count on Stan Hathaway to do all those things which will protect the very best interests of all of the people of the United States, which will give strength to the sinew and firmness to the determination that this country has to play a meaningful role, not only today or tomorrow, but in the future.

It is this balance, this deep and incisive understanding, that Stan Hathaway brings to this particular job at this particular time, that I think is most fortunate for the people of the United States and encourages me to believe most sincerely that the President could not have chosen a better man to discharge the critically important duties of a secretary whose actions will reflect in such great measure upon the future of this country.

I compliment my colleague from Wyoming for his leadership and in saying what he has said and, earlier, in playing the important role he did in encouraging Governor Herschler and our colleague from the other body to be at the committee hearing and in leading the united charge that was made by the entire Wyoming delegation when Stan Hathaway first appeared before the Committee on Interior and Insular Affairs in the process of his confirmation hearings.

Mr. FANNIN. Mr. President, I join our distinguished colleagues, the Senators from Wyoming, in commending the chairman of our committee (Mr. JACKSON) on his fairness and equitable handling of the hearings, and on his insistence that we thoroughly investigate all charges before the committee came to a conclusion.

Certainly I could not begin to cover the qualifications of Governor Hathaway for this position nor do so as eloquently as the Senators from Wyoming, who have had personal contact with Governor Hathaway over the years, and have worked with him and know his abilities.

Mr. President, it is my great privilege and pleasure to support the nomination of Stanley K. Hathaway for the high post of Secretary of the Interior and to urge all my colleagues to vote in favor of his confirmation.

Mr. President, Governor Hathaway is known as an outstanding administrator and has demonstrated this capability not only as a two-term undefeated Governor of his great State, but also through his leadership of the Governors conference and his numerous other public endeavors.

Our distinguished colleagues have stated their feelings, and they have also referred to what the Governor of Wyoming has said in support of former Governor Hathaway's nomination to be Secretary of the Interior.

Mr. President, in addition, let us look at what all of the other governors, with whom he has served, have had to say.

The record shows that of the 46 Governors and former Governors who served with him during his leadership of the Governors conference, 43 replied to a request that they take a position for or against Mr. Hathaway as the secretarial nominee. Of those 43, 2 were opposed, 6 requested that no position be taken for them, and 35 were favorable to confirmation. Mr. President, this is a remarkable demonstration of the admiration and esteem in which the fellow governors hold Stanley K. Hathaway. I surmise that it would be impossible for any one of us to duplicate such a near-unanimity of support among his peers.

Mr. President, taking into consideration that Governors of States very different from Wyoming were involved in this survey of the support of Governor Hathaway, certainly we would expect some difference of opinion.

The State of Maine would not look upon many of the developments in Wyoming from the same perspective as the Governor of Wyoming would look at it.

But we know from what has been said this morning by the Senators from Wyoming of the remarkable and balanced record that he made. I am certainly proud to support him, not only on that basis, but on the basis of other information that has been furnished to the committee and furnished here in the Senate Chamber.

Mr. President, a former Governor of Arizona, the Honorable Jack Williams, said in expressing his support for Governor Hathaway:

> Having served for eight years with Stan Hathaway while he was Governor of Wyoming, I can attest to his intimate knowledge of the great lands of his state and the Nation.
>
> He has demonstrated love for the land and an understanding of the necessary interplay between development and conservation.
>
> Without the wise use of resources, man is poor indeed, despite his wealth in every other department. Governor Hathaway's sensitivity to the protection of the environment was one of the aspects which first attracted me. His innate understanding that man is part of the environment and cannot be eliminated without doing harm to mankind and the environmental resources for which he is responsible was always evident.
>
> He above many others knows of the grandeur of our Nation's scenery and the fact that all of Eden has been given to Man, not to own but to use wisely. As a former Governor, I can wholeheartedly support him for the post of Secretary of the Interior—asking his opponents who knows better than he that man must live with nature or nature will destroy him; that nature has in the past and must in the future be managed as a resource, even as man is a natural resource and a part of nature.

That is a statement from the former Governor of Arizona, who is an environmentalist, a very reasonable individual, and a man who has a great record in our State.

Mr. President, Governor Hathaway has been subjected to a grueling and thorough examination of every facet of his activities as Governor, his personal financial affairs, his attitudes and philosophies, by the Interior Committee. This examination took 5 full days together with untold hours of preparation of written questions and written answers, and far exceeded the theretofore record of nomination hearings held by the Interior

UMI

Committee in the case of former Secretary Walter Hickel. Stanley Hathaway passed this searching examination with flying colors. No man can satisfy everyone, but Governor Hathaway's nomination was submitted to this body by a vote of 10 to 4, the majority being led by the committee chairman and its senior Democratic member. The five minority Senators on that committee are unanimously behind the nominee.

Mr. President, this body, despite the strawmen which have been set up as a base for opposition to the nomination, should promptly knock them down again and confirm the nomination of the Honorable Stanley K. Hathaway as Secretary of the Department of the Interior.

Mr. President, I feel that we are very fortunate, as has been brought out by the distinguished senior Senator from Wyoming, and that this Nation is fortunate to have a man like former Governor Hathaway with such great expertise in his field. His experience, his knowledge, background, and his abilities all add to his qualifications to serve as Secretary of the Interior for this great Nation of ours.

He is an outstanding administrator, as has been demonstrated and been brought out forcefully by the two Senators from Wyoming.

Mr. President, I welcome this opportunity to ask my colleagues to give him a vote that will record the great confidence and trust we have in him.

Mr. GARN. Mr. President, as it has been repeatedly said, the position of Secretary of Interior is one of trustee for all the people of the United States and not only for those people who reside in States where public lands of whatever kind are located. But we should not forget, Mr. President, that in the 10 western contiguous States and Alaska, the public lands are an integral and necessary part of the life of the people of all of those States. The protection of those lands and their proper uses are of a significance to those people which is hard for the inhabitants of all other States to understand or even imagine.

To my mind, Mr. President, it is therefore fitting and proper that a qualified man raised from childhood in that environment and having a deep and abiding understanding of all facets of public land use, preservation, development and protection, should again be at the helm of the Department of the Interior. I do not think it is unfair to former Secretary Morton to say that with all his skill and expertise, his eastern experiences prevented him from fully integrating the national and local concerns of his constituents. I have entire confidence that Stanley K. Hathaway, Nebraskan born and Wyoming bred, who has experienced from the ground level the concerns of the individual citizens of a public land State, has risen to twice govern that State, and who now assumes a still wider constituency, will be able to administer the broad domain which will come under his authority to the satisfaction of the national constituency, without destroying the economics and the life styles of the public land State inhabitants.

We Westerners fully recognize the national desire—indeed the national necessity—to protect, preserve and renew the resources of our great public lands. I welcome the return of a true Westerner, capable, dedicated and serene in his ability to do the job.

Mr. President, I urge prompt and unanimous confirmation of Stanley K. Hathaway to this important position.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). Who yields time?

Mr. HASKELL. Mr. President, I wish to make an inquiry of the Senator from Arizona.

Are there any other people who favor the nomination of Governor Hathaway who desire to speak?

Mr. FANNIN. Mr. President, there are enough people who favor the nomination of Mr. Hathaway that it will take today, tomorrow, and the next day for them all to speak, but at the moment I feel, since the confirmation hearings have been held, we are in the Chamber and debate is in progress, since there is some opposition to Governor Hathaway, the distinguished Senator from Colorado should have his time. I feel, with respect to him, he could go forward.

Mr. HASKELL. Perhaps I should phrase my question a little differently.

Is there anybody who favors the nomination of Governor Hathaway who happens to be present in the Chamber and desires to speak?

That might have been a more accurate way of phrasing the question.

Mr. FANNIN. Mr. President, I feel obligated to yield some time to the other side. I do not feel we should take all the time.

I yield to the distinguished Senator from Colorado so that he will have time to speak for himself.

The PRESIDING OFFICER. Who yields time?

Mr. HASKELL. Mr. President, I am very pleased to take a few brief minutes. I do not believe I observe anyone in the Chamber, with the possible exception of one Senator, whose mind might not be made up on the subject. However, hopefully, there are some people, representing offices, in the gallery who are employed by Senators who are undecided.

That being the case, I will briefly state why, in my opinion, the Senate of the United States should reject the nomination of Governor Hathaway. The advice and consent process, if it is to be meaningful, should be something more than going through extensive hearings and then rubberstamping a nominee for an important post.

Admittedly, I concur with the distinguished Senator from Washington, the chairman of the committee, that the President should have broad latitude in selecting persons to the Cabinet and persons who would advise him. However, there should be limits to this latitude. I will suggest, and try to demonstrate, why I think this particular appointment exceeds those limits.

Four members of the Committee on Interior and Insular Affairs voted against the confirmation of the nomination of Governor Hathaway. As stated in the minority views signed by three of those members:

> Our opposition is based on three basic issue areas:
>
> The nominee's lack of candor and his attempts to mislead the Committee.
>
> The nominee's unwillingness to commit himself on major policy and legislative issues facing the Congress.
>
> The nominee's poor—even distressing—resource management record and views.

I will elaborate very briefly on those three items. That report was signed by three of the four dissenting Senators. The fourth Senator, who did not sign the rather extensive minority views, filed his own minority views. That Senator stated:

> My opposition to confirmation is essentially based on two kinds of considerations—those relating to his policies and credentials, and those involving his credibility and judgment.

Mr. President, if the man or woman who will run the Department of the Interior intends to discharge the duties of that office as they should be discharged, and as an independent Government officer as opposed to a rubberstamp, that person has a very important job. Under the public lands of the United States lie the major energy resources of this country; oil and gas, both under the land and on the Outer Continental Shelf off the Atlantic seaboard, off the Pacific seaboard, off the Gulf coast; coal in great abundance, primarily in the Western States; uranium in great abundance, primarily in the Western States. We know that these resources should and must be developed if we are to provide for the energy needs of our country and if we are to become independent, or substantially independent, of unreliable foreign energy sources.

At the same time, these lands, which comprise approximately one-third of the land surface of the United States, must be preserved for future generations, and must be preserved in a diverse manner, for the great grandchildren of people sitting in this Chamber, whether they be pages in their mid or early teens or whether they be the age of some of us who, although they may not have grandchildren, certainly are old enough to have grandchildren. These lands should be preserved for the re-creation, in the proper sense of the word, of the human spirit. These competing needs have to be dealt with wisely.

Above that, Mr. President, I believe that a Cabinet nominee should have the very highest moral and ethical sense. I believe that when a Cabinet officer speaks to any one of us, we must be able to believe it implicitly.

In addition to signing the minority views, I filed additional views which consume one page of the report, page 41, and to which exhibits are attached, so that each Senator, if he so chooses, or each staff member, in advising his Senator, if he so chooses, can determine whether I came to the right conclusion or the wrong conclusion.

I came to the conclusion that the nominee intentionally attempted to mislead me as to his record.

The nominee came here accompanied by a gentleman from the White House. We went into the Vice President's room. I was handed a document entitled "The Hathaway Administration and the Environment, 1967–1974." Having scanned it, I went back to my office, handed it to the staff, and said, "As you see, he has a balanced record."

Fortunately—or unfortunately, I do not know which is the case—my staff perhaps is not as willing to take things on their face as I am. I feel somewhat remiss that I did not have the same inquiring sense that my staff did. My staff sent this document to several groups. One group is entitled "The Environmental Defense Fund," which is composed of scientists, lawyers, and other citizens.

They returned an analysis, point by point, and in their analysis they say:

> Analysis of the document and its sources discloses a pattern of seriously misleading statements, exaggerations, and selective omissions.

I was unable to attend the first day of the hearing at which Governor Hathaway was present. I did attend the second day. I handed the Governor the document that he had handed to me, and I handed him the analysis made by the Environmental Defense Fund. I told him that I would inquire of him at considerable length at a later date. I and others on the committee did inquire of him with respect to this document approximately 1 week later. He contested 4 of the 22 points in that document—challenged by the Environmental Defense Fund—4 out of 22.

I called the preparers of that document to the witness table and had them put under oath. I thought it was only fair, since the Governor was under oath, that the preparers be under oath.

I shall not go into the details, but that examination under oath is also attached as an exhibit to my individual views.

So much for credibility. He contested 4 out of 22 of these statements which were challenged. And, since he did not object to 18 of them, I assume he admits that they were false and misleading.

I should point out that Senator GLENN, in addition to being upset by this particular document, was also upset at what might be considered—nothing illegal—but insensitive to possible conflicts of interest. The nominee, while governor of a State, held a position in a bank, and, in 2 years, derived 23 percent of his earned income from director's fees from the bank. He failed—or forgot—when asked, "What other earned income do you have," to mention—23 percent of his income. He was sitting on the board of directors of the bank, also sitting as a member of a three-man board, which said what deposits of State money go into what bank.

To be sure, a member of that three-man board, the treasurer, had developed a formula—but I assume a board can change formulas. Governor Hathaway did not even think of it as a possible conflict of interest. That would demonstrate to me, as I gather it did to Senator GLENN, at least an insensitivity. Nothing illegal, nothing in the statutes of Wyoming that forbid this at all, but certainly an insensitivity.

As far as performance goes, we are looking at a man who hopes to be steward of the Nation's resources, both its energy resources and what I would term its esthetic resources. What does that steward do? He also has to get a good return to the United States of America. He does not want to give its resources away. The testimony was that the land purporting to be underlain with coal, as shown by the map prepared by the Wyoming geologist, if that is his term, is 1,800,000 acres. When the Governor took office, 600,000 of those acres were under lease. When he left, 1,800,000—the whole shooting match—was leased for, as the report points out, very short rentals, with no assurance of development.

Then, on his commitment to legislation, the Governor did say that he thought the strip mining bill then before Congress was well structured. He had some reservations on economics, and he said—and I refer to page 440 of the hearing record—that, of course, he would have to have a briefing before he would know whether the economics were such that he would have to recommend a veto.

The President, of course, subsequently vetoed the bill. I have in my hand an article from the Denver Post of May 22, 1975, in which Governor Hathaway apparently told the author of the article that he supported the President's decision, and an aide of the Governor told the author of the article that the Governor had not been briefed on the economics.

So what kind of commitment to legislation is this? Can we believe anything that was said in that hearing, or was there not always a very careful "out?" It seems to me, in this particular instance, on this particular nominee, we should exercise our constitutional responsibility and vote no if advise and consent is to mean anything.

I am glad to yield to any of my colleagues. I am pleased to yield to my esteemed and distinguished colleague from the State of Colorado.

Mr. GARY W. HART. I thank the Senator. I join my colleague in continuing to oppose this nomination in this Chamber.

At the outset I repeat what I said 2 days ago: What is at issue here is not the character or personality or party of the nominee. The distinguished committee chairman, the Senator from Washington (Mr. JACKSON) stated this morning that the President should have wide latitude in the selection of his Cabinet officers. I do not think that there is a Member of this body who would dispute that. But "wide" is a discretionary term and subject to interpretation, and that width is not inexhaustibly elastic. The Constitution places the responsibility of consenting to or rejecting those nominations with the Senate. We do not have a choice when we are to consider these nominations. We are required by the Constitution of the United States to consider them, and that wide latitude which the President of the United States must have, which all of us agree to, does not extend to a nominee whose qualifications and convictions are not in keeping with the best interest and the public interest of the United States of America.

There has been discussion here this morning by various proponents of this nomination as to whether, in this era, the latter quarter of the 20th century, we should best be environmentalists or in favor of development. I think those are phony alternatives. The issue before this country is not whether each of us is an environmentalist or a person in favor of development. The issue before this country and the Senate is how we will best administer the resources that belong to the people of the United States.

Were the environmental record of the distinguished Senator from Wyoming (Mr. MCGEE) before this body as the nominee to be Secretary of the Interior, I doubt that any of us would be on our feet opposing that nomination. What is at issue here is not Senator MCGEE's environmental record. What is at issue here is the philosophy of the administration in the development of the resources of this country.

Even if one were to agree with Mr. Hathaway's philosophy of developing resources—that essentially we should do everything within our power to see that resources are developed as if it were somehow a solution to every economic problem—even if one were to agree to that philosophy, Mr. Hathaway's record as a resource administrator as Governor of Wyoming does not stand up.

My able colleague has already indicated that almost every last acre in the State of Wyoming owned by the people of that State, which had substantial coal deposits underlying that land, was leased under his administration—over 1 million acres of State-owned coal lands. What did the people of Wyoming get back for it in terms of performance of those leases in 1974? A total of about $13,000 in royalties and $350,000 in rents is what the people of Wyoming got back for the leasing of their coal lands. Mr. President, in recent months, one lessee of the State of Wyoming, which acquired 20,000 acres of State coal lands before Mr. Hathaway became Governor, conveyed that interest in that leasehold to a major oil company for more than $10 million. That is what that one leaseholder got for that one tract.

That is what we are talking about in management. While the people of Wyoming were getting an average of about 18 cents an acre in terms of an annual rental, and while the speculators had moved in on the coal land and gotten it for a pittance in terms of what they returned to the people of that State. They are now conveying off those leaseholds for millions and tens of millions of dollars.

What is happening with that coal land at a time when, Mr. Hathaway and the proponents of his nomination say, we need these energy supplies? They are not

UMI

being developed because there are no production guarantees. On those leases which Mr. Hathaway has administered in that State, the coal lands were not placed in production—with just one mine now operating on those vast State coal lands. So companies are sitting on those leases and they are speculating with them and tremendous amounts of money are changing hands between the speculators and the major energy giants, while the people of Wyoming do not get a fair return on the development of their resources. That is not adequate management of the resources of this country or any State in this country.

That is what is at issue here. It is not a question of who has the best environmental record or are the Senators from Colorado better environmentalists than the Senators from Wyoming. That is not the issue here.

The issue here, Mr. President, is the consumption and production of the resources of this country. The party is over. We have been developing the resources of this country at a rate which we cannot sustain in the future, and priorities are going to have to be set by the national leadership and State leadership in the coming months. We must have leadership which will wisely and adequately administer our resources so that they are not turned over to the energy giants to be locked up for speculative profits.

Mr. President, we are running out of some things in this country, and the full-scale all-out development of those remaining resources is not going to solve the economic problems, and they are certainly not going to solve the problems of the future generations which my distinguished colleague has mentioned.

We are also going to need coal and also going to need oil. But if we continue this mad rush to develop every last ton of coal and barrel of oil, what will be left for the 21st century? What will be left for our children and their children? Will that be solving the long-range economic problems of this country? I say it will not.

So what is before this body today is the question of the administration of the resources of this country for the latter quarter of the 20th century and, in my judgment and on the record, Mr. Hathaway has not distinguished himself as the kind of farsighted, imaginative person who understands what is at stake in these vital resources and what is in the best interests of the people of the United States.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HASKELL. I yield such time as he may desire to the Senator from Florida (Mr. STONE).

The PRESIDING OFFICER. The Senator from Florida (Mr. STONE) is recognized.

Mr. STONE. Mr. President, the Senator from Florida recognizes that a number of Governors and former Governors support the nomination of this nominee. But when it comes to recommendations, the Senate should also consider the recommendation of all of the groups, all of the major groups, that speak for the environmental concerns in this country.

On April 11, 1975, a great number of the leaders in that area wrote to the Senate committee, actually to the chairman of the Interior Committee, putting themselves on record in opposition to this nomination. Among them were:

Mrs. William L. Blue, American Horse Protection Association.
Albert Fritch, Center for Science in the Public Interest.
Peter Shuck, Consumers Union.
John Grandy, Defenders of Wildlife.
Peter Harnick, Environmental Action.
Arlie Schardt, Environmental Defense Fund.
Joe Browder, Environmental Policy Center.
Jeff Knight, Friends of the Earth.
Louis Regenstein, Fund for Animals.
Sue Pressman, Humane Society of the United States.
Maitland Sharpe, Izaak Walton League.
Marion Edey, League of Conservation Voters.
Christopher Burke, National Consumers Congress.
Tobey Cooper, National Parks and Conservation Assoc.
Martin Rogol, Public Interest Research Group.
Brock Evans, Sierra Club.
Stewart Brandborg, The Wilderness Society.
Jack Beidler, United Auto Workers.
Robert T. Dennis, Zero Population Growth.

But apart from environmental leaders, apart from editors, apart from those who speak in the public interest as trustees of those interested in the environment, apart from those who are in opposition, we have the record of the nominee himself who, at best, can be described as a nominee giving fuzzy answers and fuzzy positions on issues that demand clear-cut positions.

Of concern to the State of Florida, for example, is the Big Cypress, which is an area needed as a water recharge for the population growth centers on the west coast of the State of Florida, as an area needed in order to protect the Everglades National Park from drought and erosion, and as an area needed for the recreational and leisure purposes of the entire United States of America.

It is an area to which our State committed its own funds, relying on the leadership of the Federal Government to match those funds in great amounts in order to acquire these endangered lands from owners by paying the owners fair compensation.

The Senator from Florida is not one who wishes to confiscate private property in the name of public enjoyment of that private property. It takes money. This is a national commitment that was made, and in the forefront of that national commitment has been the Interior Department.

So the Senator from Florida inquired of the nominee would the nominee lend his personal assistance to the continuing effort to fund the purchase of that private property. The answer the nominee gave was fuzzy at best. His answer was that he could not make appropriation commitments; and when asked would he look into whether he personally could, his answer was that this was too short a period of time for him to be able to look into that and give a commitment.

Of interest to the State of Florida are the phosphate deposits that underlie the Osceola National Forest. Prospecting permits have been granted for that phosphate mining, and applications have been made to develop by strip mining that phosphate off of the floor of the Osceola National Forest.

When asked not on one but on several occasions whether the nominee, if confirmed, would oppose the strip mining in the forest as a matter of policy in that forest, in that specific situation, the answer was fuzzy and equivocal at best. He said he simply would look into it. He simply said that it is a matter that has to be of great moment in order to be able to take the phosphates off of the floor of the Osceola National Forest.

But he had plenty of option and plenty of opportunity to inform himself over a matter of many days as to whether he personally would or would not favor or oppose the strip mining of phosphates in the national forest in Florida. The answer that he gave was fuzzy and equivocal at best, a series of answers.

Of interest to the State of Florida and every coastal State is what do we do to protect the shoreline and the marine environment when we drill for oil on the Outer Continental Shelf. This is probably the No. 1 energy issue facing the country in the years ahead in terms of the development of our own energy resources, and to preside over this process a nominee is offered to the country, a nominee who says in his testimony that he has no personal program for this, and that he really is relatively unaware of that offshore environment. He says he is an interior Governor rather than a coastal Governor. While he believes in some revenue-sharing approach to protect the coastal States from the greater risks that a coastal State does become subjected to, he says that he has nothing personal to offer, a personal program, no personal suggestions, no personal plan, no personal ideas, no personal creativity to bring to the No. 1 energy development situation that we have to give us whatever independence we are able to give ourselves in the energy field.

In short, the Senator from Florida believes that to the major energy issues the nominee brings a lack of background and knowledge; to the major resources, the nominee brings insensitivity; to the major issues demanding positions, the nominee brings fuzziness.

Surely, the President in his wisdom can do better for the country than that.

Mr. President, I yield the floor.

Mr. HASKELL. Mr. President, an inquiry, how much time is remaining?

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). The Senator from Colorado has 52 minutes remaining.

Mr. HASKELL. I yield 10 minutes to the Senator from Vermont (Mr. LEAHY).

The PRESIDING OFFICER. The Senator from Vermont (Mr. LEAHY) is now recognized.

Mr. LEAHY. Mr. President, decisions to be made by the Secretary of the Interior will affect the basic interests of virtually every area of the country. More important, as the Nation's leading policymaker on energy, on natural resources, and on environmental questions, his philosophy and his actions will in many ways

determine the lifestyle of all Americans for years to come.

The next Interior Secretary will not only be responsible for managing and preserving our wilderness areas and our natural parks. He will be called upon to decide whether offshore oil drilling will be done in such a way as to prevent damage from spills and pollution from refineries and other facilities on the shore. He must determine whether areas ravaged by strip mining will be adequately restored. He must see to it that proper planning goes into synthetic fuel development.

The country has undergone a revolution in environmental understanding and concern in the last 20 years. The State of Vermont has been in the forefront of that movement. As a Vermonter, I cannot help but have a strong interest in the environment. The Interior Committee hearings on the nomination of Governor Hathaway raised very serious doubts in my mind as to whether his past record or his basic philosophy on these issues qualify him for stewardship over a vast amount of the Nation's property and resources.

His views on surface coal mine regulations and on development of the Outer Continental Shelf, for example, do not assure me that he has the commitment to existing and pending legislation that can reasonably be expected of a Secretary of the Interior in this day and age.

His record in managing the resources of Wyoming raises doubts on his concern for preservation of the environment. Time and time again he has shown an insensitivity to environmental concerns. It is noteworthy that virtually every major environmental organization in the country has expressed opposition or serious concern on his qualifications to serve as Secretary of the Interior.

Mr. President, even with these serious reservations I might have been disposed to give the nominee every benefit of the doubt and vote for confirmation. People can change. Attitudes can change. Throughout our history there have been controversial nominees for high public office—the Supreme Court, the Cabinet, the regulatory commissions—whose views and actions changed after their confirmations. Therefore, Governor Hathaway's previous record in and of itself might not have been sufficient to dissuade me from voting for his confirmation.

However, there is, in my mind, the overriding concern of Governor Hathaway's lack of candor before the Interior Committee and his attempts to mislead it. Furthermore, the record is well stocked with illustrations that indicate he does not fully appreciate or understand the sensitivity of conflicts of interest.

No one likes to debate the character and qualifications of an individual, but, unfortunately, it cannot be avoided when high public office is at stake. Now, perhaps more than ever before in our history, Americans must be assured that those holding positions of public trust are above reproach.

Governor Hathaway's failure to inform the committee until well into the hearings of his membership on the board of directors of a bank while Governor and of his compensation for such service when he was a member of a State agency which passed on the bank's eligibility to accept deposits of State funds reveals a serious lack of sensitivity to an obvious conflict of interest problem.

Of equal concern was his active role in misrepresenting his environmental record to members of the committee in a document replete with selective omissions and distortions—a document that he has never repudiated.

Mr. President, I believe that the President should be given wide latitude in the selection of his Cabinet, and that a strong presumption should be made in favor of his choice. However, I also believe that the Founding Fathers in adopting the "advise and consent" clause did not intend the Senate to act as a rubber stamp for all Presidential appointments.

There is no doubt from the statements of the Framers of the Constitution that the Senate's participation in the appointive process was not intended to be a mere formality, but a serious responsibility. In his Federalist Paper No. 76, Alexander Hamilton said:

> It is not likely that their (the Senate's) sanction would often be refused, where there were not special and strong reasons for the refusal.

As Hamilton pointed out, it is not to be expected that refusals will be frequent, but it is clear that the power to refuse was vested in the Senate to act as a check on the Executive when he makes a bad nomination. It is part of our checks and balances system that the architects of the Constitution with amazing foresight wrote into the organic law. I am convinced that the Hathaway nomination is a bad nomination that justifies the exercise of that check.

Hamilton went on to say:

> If an ill appointment should be made, the Executive for nominating, and the Senate for approving, would participate, though in different degrees, in the opprobrium and disgrace.

Mr. President, this is no time for the Congress to give in to a poor Presidential Cabinet appointment which will have such a significant effect upon all Americans both today and in the immediate future. We cannot afford to confirm this nominee and thereby gamble with our resources and our environment. Should we do so and lose, the Senate would indeed deserve the opprobrium of this and future generations.

Mr. President, for those reasons, I oppose the nomination of Governor Hathaway to be Secretary of the Interior.

I cannot take the attitude that as a Member of this body I must automatically vote for any presidential nominee. I feel that the advise and consent powers mean precisely that and although wide latitude must be given to every President, there comes a time when we must exercise our own individual judgment.

I have exercised my judgment and I will vote no on the confirmation of Governor Hathaway.

I yield back my time to the Senator from Colorado.

Mr. HASKELL. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Colorado has 44 minutes remaining.

Mr. HASKELL. And the proponents, how much time do they have remaining?

The PRESIDING OFFICER. The proponents have 28 minutes remaining.

Mr. HASKELL. I yield 15 minutes to the distinguished Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota (Mr. ABOUREZK) is recognized.

Mr. ABOUREZK. Mr. President, if Governor Hathaway is confirmed for the office of Secretary of the Interior, he will be called upon to perform a balancing act of extraordinary delicacy. His will be the job of determining how to reconcile our Nation's fundamental interest in having both a livable environment and an adequate supply of low-cost energy. He will have the task of balancing demands for conservation against demands for resource exploitation. He will face complex trade-off decisions between agricultural and industrial needs for water, between the corporate push for high profit development and the citizens' interest in a relatively stable social environment, and between government, large corporations, and small business for a lead role in formulation of fundamental policy decisions.

In my own Upper Great Plains region, Governor Hathaway will find farmers, industrial developers, municipalities, and electric utilities all vying for use of scarce water resources. He will find pro-development forces battling hard against those who would retain the traditional farm oriented structure of our region. And he will see a growing citizen concern for local control over natural resources running up against a Washington led drive for energy independence through exploitation of Great Plains coal.

Governor Hathaway clearly seeks a very hot position—a position that demands a man with a demonstrated record for cool minded objectivity.

I believe that the decision on Governor Hathaway must be based on his ability to handle the controversial job of Secretary of the Interior objectively. If his record is one that demonstrates a full sensitivity to all of the competing demands he will face as Secretary, then he should be confirmed. If his record indicates a pervasive bias in favor of one fundamental viewpoint on energy and the environment over the other, then I believe he should be rejected.

The hearings of our committee on this nomination clearly indicate that all concerned viewed this question of objectivity as the central argument. Governor Hathaway and his supporters argued that his record is one of balance between development and conservation minded environmentalism. Opponents of Governor Hathaway argued that he has shown himself to be a single minded developer, deaf to the arguments of those whose concern is a preservation of the environment and a slower, more orderly exploitation of our natural resources.

UMI

By any objective reading I believe Governor Hathaway has lost this crucial argument and should not be confirmed for the job of Secretary of the Interior.

While it is obviously impossible to replay the entire hearing transcript in this brief statement, a single specific example dramatized for me Governor Hathaway's fundamental sympathy for the rapid energy development viewpoint, and his seeming inability to comprehend the concerns of environmentalists, farmers, municipalities, consumers, and others who point to the dangers of rapid energy exploitation under the largely unfettered control of our biggest corporations.

In my own region the number one target of those seeking rapid energy development is coal and the water needed to exploit that coal. The greatest collision comes over scarce water, water needed for agriculture, for hydropower, for municipal use, as well as for the exploitation of coal. It is simplifying a bit, but certainly not distorting the basic picture, to say that environmentalists, farmers, and municipal users are arrayed against industrial energy promoters in a battle for scarce water resources.

To those not familiar with the terms of the debate in our region, Governor Hathaway's statements on this issue might seem to be the very model of even-handed objectivity. At his confirmation hearings the Governor said:

As a matter of philosophy . . . with the competition for water in the West, agriculture has to be protected. (g–63)

He goes on to rate both municipal and agricultural water needs as higher than competing industrial water needs.

Governor Hathaway appears to be making a great concession, but in fact he is simply stating the law. The law requires that agricultural needs be met first. Nobody in my region dares openly advocate meeting industrial water needs before farm or municipal needs are met.

But, there is a hidden hook in the debate. Municipalities and farmers cannot pay for the pipelines, canals, and other expensive development needed to permit utilization of the water that exists, And, this administration has shown no inclination to help provide the financing needed to utilize that water.

Instead, administration and major energy companies alike have developed a line that goes something like this: "Energy developers have big money. They can pay for pipelines and related items. Give them solid water rights and they will drop off a little water along the way for farmers and small towns to use." The argument that farm and municipal needs may soon need almost all available water in the region is finessed by saying that such use is not economically feasible, and so does not really exist.

Those are the terms of the development argument in my region. Now, listen again to what Governor Hathaway says on the water issue:

As a matter of philosophy . . . with the competition for water in the West, agriculture has to be protected . . . (g–63) . . . But, I see an opportunity for agriculture and industry and recreation all working together, to use water resources with industry paying some of the costs that agriculture is not able to pay. (May 5)

The great fear of my region is that most of our water will have to go to a handful of industrial giants in return for their delivering a few drops to the farmlands and towns that need the water. That is what Governor Hathaway's plans for industry paying water development costs farmers cannot meet means to us.

Governor Hathaway nailed down his support for precisely what we fear when he used the hole-in-the-wall dam as an example of the kind of industry-farmer cooperation he favors. Under the terms of this notorious agreement Carter Oil Co.—Exxon—got a firm supply of 25,000 acre feet of water. Farmers got 1,500 acre feet of water, and, because they did, Exxon also grabbed a big, low-interest loan from Wyoming's State Farm Loan Board for its agricultural project.

In my opinion this cooperation was actually a gross exploitation of farmers and the citizens of Wyoming by an energy company seeking water for rapid development. It was an exploitation made possible because Exxon has the money to use our water, and because Federal policies have made certain that our small farmers and towns do not.

In microcosm "hole-in-the-wall" represents the water grab that farmers, small towns, environmentalists, and plain citizens in my region deeply fear will be repeated regionwide as Exxon and its friends charge toward total development of our massive coal resources.

But to Secretary-designate Hathaway "hole-in-the-wall" represents cooperation and progress. He simply does not see the problems. Because he does not, I do not believe he is qualified to be Secretary of the Interior.

There are a lot of other problems Governor Hathaway does not see as well.

He does not see why there was anything wrong with his leasing every single acre of Wyoming State land known to be underlain by coal—statement by Wyoming State Commissioner of Public Lands to EDF—despite the fact that these leases went heavily to large oil companies who hold them for speculation, despite the fact the leases return almost no benefit to the citizens of his State, and despite the fact that the leasing was done without competitive bidding. Hearings May 6 and statement by Senator GARY HART.

He does not see why he should state clearly whether he would recommend that the President sign the strip mining bill.

Nor does he feel he should take a firm position in favor of the land use planning bill which he helped defeat in 1974 with a telegram which some feel misconstrued the Governor's Conference position on the bill—hearings May 5.

Governor Hathaway sees no problem with his support for deregulation of natural gas prices at a cost to consumers of tens of billions of dollars.

He says he favors creation of new wilderness areas and scenic rivers, but opposed both in Wyoming.

Governor Hathaway has supported clear cutting of our forest lands, he has favored blanket permits to hunt golden eagles and has opposed elimination of the oil depletion allowance.

The Governor has fought for an environmentally questionable jet-port at the foot of the Grand Teton Mountains. He has urged rapid development of shale oil and refused to oppose strip mining in national forests in Florida or in South Dakota where open pit taconite mining may take place in our Black Hills.

As Governor of Wyoming, Mr. Hathaway backed a special exemption for a coal-slurry pipeline company permitting it to withdraw water from an underground formation which supplies water for communities in eastern Wyoming and western South Dakota. Despite discussion of a legal proceeding by my State, the Governor saw nothing wrong with sending 20,000 acre-feet of bi-State water from our semiarid region to water rich Arkansas for the benefit of the ETSI corporation and its potential corporation customers.

Governor Hathaway sees no problem with basing an argument for rapid development of nuclear power on a record he reads as showing such power to be basically safe. He has also backed use of nuclear explosions in mining.

Perhaps most disturbing of all, Governor Hathaway permitted the preparation and distribution of a highly favorable analysis of his environmental record which he himself was forced to admit under questioning was misleading. Several weeks after distributing the document personally, and after it had received substantial press coverage, the Governor claimed he "had nothing to do with the drafting" of the document. But he was forced to admit to Senator HASKELL that he was aware that his former staff people were drafting the document and had seen and read it before he himself distributed it to Senators on the Interior Committee.

Whether Governor Hathaway's positions are taken singly and examined in detail, or taken cumulatively and examined for the general viewpoints they reveal, I believe the conclusion must be the same. Governor Hathaway is not sensitive to, and does not understand the concerns of those Americans who favor conservation, and environmental protection over pellmell corporate exploitations of our natural resources.

I do not count myself among those who would grind America's economic engine to a halt so that every beast and object in our natural environment may remain 100 percent undisturbed. I did not judge Governor Hathaway by this standard.

But I do believe that the Secretary of the Interior must have a minimal understanding of the values and goals that motivate those who stand against energy development at any cost.

Based on the record as I read it, Stanley Hathaway lacks the minimal appreciation for environmental concerns that would permit him to objectively balance our Nation's need for energy against her equal need for a livable environment. I must therefore vote against his confirmation for the position of Secretary of the Interior.

I yield back to the Senator from Colorado the remainder of my time.

Mr. HASKELL. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HASKELL. How much time remains to the proponents?

The PRESIDING OFFICER. The proponents have 28 minutes remaining. The opponents have 29 minutes.

Who yields time?

Mr. HASKELL. Mr. President, I yield such time as he may require to the senior Senator from Maine.

PRIVILEGE OF THE FLOOR

Mr. MUSKIE. Mr. President, I ask unanimous consent that Leon Billings and Sally Walker of my staff be given the privilege of the floor during the consideration of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I send to the desk a motion and ask that it be reported.

The PRESIDING OFFICER. The motion will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. MUSKIE) moves that the nomination of Stanley K. Hathaway to be Secretary of the Interior be recommitted to the Committe on Interior and Insular Affairs for further hearings on certain of the nominee's views and, in order to reconcile discrepancies between his statements before the Committee on Interior and Insular Affairs and subsequent statements on these issues.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. Is a motion to recommit in order prior to the expiration of all time for general debate?

The PRESIDING OFFICER. The motion is in order, although the vote could not occur until all time has expired.

Mr. McCLURE. I thank the Chair.

Mr. McGEE. Mr. President, for the record, is a motion to recommit debatable, so that there will be no interruption in the flow of discussion here?

The PRESIDING OFFICER. The motion is debatable. The debate may continue.

Mr. MUSKIE. The Senator from Wyoming should know that if that were not the case, I would have cut myself off from the debate on this question.

Mr. McGEE. The Senator from Maine should know that was why I asked the question, because I was sitting here with bated breath waiting for his remarks.

Mr. MUSKIE. I thank the Senator. Perhaps between the two of us we can throw some light on the issue.

Mr. President, it was not until yesterday that I began to dig thoroughly into the record of the hearings on this nomination. I did so with an open mind. It has been my custom, over the years since I have been a Member of the Senate, to give the President, any President, the benefit of the doubt on appointments to his Cabinet; and I have tended to reserve my own doubts about the qualifications of candidates for particular positions in deference to the President's right, as I saw it, to appoint his own advisers.

In this case, on a reading of the record up to this point, I found it necessary to insist on my reservations and to seek to do so by making this motion to recommit. This is not a dilatory motion. Underlying it is a question that ought to be of concern to every Member of the Senate with respect to this nominee, and I can get to that point very quickly. It has to do with his position on the strip mining bill which the President just vetoed, which veto the House of Representatives failed to override yesterday.

Throughout his hearings, apparently, there was an attempt on the part of the committee, or certain members of the committee, to ascertain Governor Hathaway's views on that piece of legislation. He moved from considerable ambiguity at the beginning to what appeared to be a rather specific position at the end; and it is on that point that this motion rests.

I now turn to the record of the hearings on that point. During the hearing of May 6, Senator ABOUREZK put this question to Governor Hathaway:

What would you recommend to the President as far as strip mining bills are concerned with regard to signing or vetoing?

This was Governor Hathaway's reply:

My answer, Senator, is under the hypothetical situation you pose, a qualified yes, that I would recommend, subject to my not trying to place my judgment on the economic issues and the productivity issues. That would be a very awkward position for me to be in, to be attempting to advise the President of the United States in areas that I would need more information on, a lot more information than I have right now.

As to the general thrust of the reclamation standards, yes, I would hope it would become law.

I have emphasized what Governor Hathaway had to say. Senator ABOUREZK then put this question:

There is a possibility, under the terms you have stated, that you might recommend a veto under certain factual circumstances, if you got the right or wrong kind of advice, depending on how you looked at it?

Governor Hathaway responded with these words:

If economic and energy production questions cause me to take a different view on it, if I were in a position to make that recommendation, yes, I could.

Senator ABOUREZK. It is possible you could recommend a veto?

Governor HATHAWAY. I am being as honest with you as I can Senator. I am telling you what I think of the bill from a practical aspect of its administration and its purpose to protect the environment.

I do not see how I can be more forthright with you.

Senator ABOUREZK. Then your answer to my question is yes, it is possible you could recommend a veto?

Governor HATHAWAY. Yes.

Now, it is clear to me from this colloquy—I have not read all of the extensive record, and it may be that there is something in it that throws further light on the Governor's position, but in this discussion with Senator ABOUREZK, it was clear that he wanted to convey to the committee his support for the basic thrust of the strip mine legislation. He reserved judgment on the question of the economic and energy production issues, which he had not had the opportunity to study, and he clearly indicated that he would not advise the President with respect to vetoing this bill until he had sufficient information to form a judgment.

I repeat these words from his testimony:

• • • that I would need more information on, a lot more information than I have right now.

The clear implication was that he would not advise the President with respect to the veto unless he had such information on the economic and energy production questions. That is what I gather out of that colloquy, and that is an understandable position.

But then, the day after the committee reported his nomination to the floor, he discussed this question with reporters in Washington.

The news story reads as follows:

Immediately after the Senate Interior Committee approved his nomination as Interior Secretary, former Wyoming Gov. Hathaway said he supported President Ford's decision to veto the federal strip mine bill.

The question of whether Hathaway would recommend a veto of the bill was a point of considerable controversy during the committee's six days of confirmation hearings.

After repeated questioning by Sens. James Abourezk, D-S.D., and Floyd Haskell, D-Colo., Hathaway gave a "qualified yes" answer.

"I like the bill," Hathaway told the committee on May 6. "I think it is workable. Administratively, I think it gets at the thrust of the problem of protecting the environment and making it possible to use more coal for this country's needs at the same time."

However, Hathaway told reporters Wednesday that his support for the bill had been conditioned on learning more about possible economic impacts.

So then we come to the question, What more happened in the Governor's experience with respect to learning more about possible economic impacts?

Mr. STONE. Mr. President, will the Senator yield for a question?

Mr. MUSKIE. I am happy to yield.

Mr. STONE. Does the Senator suppose Governor Hathaway got briefed on the night the Committee reported his nomination favorably on the economics of the situation that night so that the next day he was then briefed? Is that when the Senator thinks that it happened?

Mr. MUSKIE. My impression is that it did not happen at all, and I refer to the same story, which incidentally happens to appear in the Denver Post for Thursday, May 22.

Mr. President, I ask unanimous consent that that article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STRIP MINING SHIFT COULD HIT HATHAWAY

(By Leonard Larsen)

WASHINGTON.—Former Wyoming Gov. Stan Hathaway's prompt support for President Ford's veto of the strip-mining bill may fuel opposition in the Senate to his confirmation as Interior Secretary.

Sen. Gary Hart, D-Colo., leader of an at-

tempt to force a floor fight on the Hathaway confirmation, said Thursday he was "curious" about Hathaway's present stand after Hathaway expressed support for the strip-mine control bill during his confirmation hearings in the Senate Interior Committee.

Hathaway was approved by the committee Wednesday on a 10–4 vote in which his confirmation was recommended to the full Senate.

ENDORSEMENT "QUALIFIED"

Immediately after that vote, in a brief television interview, Hathaway was asked about the Tuesday Ford veto of the strip-mine bill and said, "I support the President's decision."

Hathaway reminded reporters that when he praised the objectives of the strip-mine control bill under questioning by the Senate Interior Committee he said his indorsement of the bill "was qualified" by the potential economic impacts of the bill.

Ford, in his veto message, told Congress he was returning the bill because, he said, it would create unemployment, hamper development of coal resources and boost energy costs.

Hathaway suggested during his confirmation hearings weeks ago that he would have to be informed on the "economics" of the strip mine control bill, even though he supported the objectives of the bill in land rehabilitation and protection of the environment.

NOT CONSULTED

Hart said one thing he was curious about was how Hathaway was convinced of the bad economic effects of the bill since—apparently—the former Wyoming governor hadn't been consulted by the White House before Ford's veto of the measure.

A Hathaway aide told The Denver Post that Hathaway had been in Wyoming since the weekend of May 10 and, the aide said, Hathaway, "to my knowledge" hadn't conferred with the White House on the strip-mining control bill veto.

Asked whether Hathaway had received any information from the White House on the adverse economic impact of the strip-mine control bill, the aide said Thursday that "I know he hasn't been consulted on the economics of the thing. I know he hasn't been briefed."

The aide suggested that Hathaway's apparent change of mind on the strip-mine control bill—without having been informed of the White House views of its economic impact—was simply Hathaway's position of "expressing support for the President."

"I want to compare what Governor Hathaway is saying now to what he said during the committee hearings," Hart said.

Although Hathaway's quick support of the veto will be "helpful" in the confirmation fight, Hart said it was unlikely the Senate would turn down Hathaway.

Nevertheless, Hart said, he intended to carry the case to the Senate floor.

"The grounds for my objections to him are still the same," Hart said. "They have to do with his failure to understand the long-range economic and resource problems of this country."

The presidential veto of the strip-mine bill was due for a vote Wednesday in the House of Representatives, but supporters of the bill delayed that action until June 10 when it became obvious there wasn't enough House votes as of Wednesday for two-thirds majority to override the veto.

Mr. MUSKIE. This is what a Hathaway aide had to say on the question of whether the Governor indeed had made an effort or in some other way had been briefed on the economic impacts of the bill.

A Hathaway aide—fortunately not identified in the story—

Suggested that Hathaway's apparent change of mind on the strip mine control bill—without having been informed of the White House views on its economic impact—was simply Hathaway's position of "expressing support for the President."

Mr. HASKELL. Mr. President, will the Senator yield at this point?

Mr. MUSKIE. I yield.

Mr. HASKELL. I point out to the Senator another portion of that same story which backs up the Senator's viewpoint.

The aide says as follows, and I am quoting from this same article:

I know he hasn't been consulted on the economics of the thing. I know he hasn't been briefed.

Mr. MUSKIE. The Senator has anticipated what I was about to say next.

Mr. HASKELL. I beg the Senator's pardon.

Mr. MUSKIE. I appreciate the interruption for the purpose of making the RECORD complete.

So at this point the indication is that the Governor had not briefed himself on the economic implications of the strip mine bill before he took his position on May 6 before the Committee on Interior and Insular Affairs. He was not briefed from May 6 until May 21, apparently, when the Committee reported his nomination out to the Senate, and as of the time that he made his statement of support for the veto to reporters, an aide indicated he had not been consulted and had not been briefed on the economic issues.

It is a long time since I have been a lawyer, so I want to be careful about not cutting off any of the Governor's position on these questions.

But on the record the Governor advised the President to veto and strongly supported the veto, without having laid the basis for his own judgment on that question that he himself had said was essential before he would advise the President on the veto.

That is a question sufficiently related to the Governor's credibility before the Committee on Interior and Insular Affairs and sufficiently related to his qualifications for the office which the Senate ought to take into consideration before acting on his nomination.

I think he ought to be given an opportunity to explain to the committee and to the Senate exactly what was the basis either for his change of mind or for his economic views with respect to the strip mine bill.

Unfortunately, there is in the record other evidence of the Governor's tendency to slip around direct and tough questions and to avoid the heart of the issues, which the Committee on Interior and Insular Affairs undertook to explore.

There was the now very well known document of Hathaway's record on the environment, which the Governor himself undertook to present to members of the committee and to Members of the Senate as documentation of his concern for environmental questions, as documentation of the balance in his own judgment as between environmental issues and others. That was questioned in the committee.

The 23 assertions that were made in that were challenged. He was given an opportunity to respond to those challenges. He could find criticism only with respect to four of the 23 challenges, and then those who had examined his record were given an opportunity to respond.

However one may read the record with respect to the original Hathaway environmental record document, or the criticism of that document, or the exchanges that took place in the Committee on Interior and Insular Affairs, he has to come out of it with the impression that the Governor was doing his best to put his best foot forward, even though that meant withholding relevant information, or misstating, maybe with politician's license over poetic license, or whatever one might like, his true position and his true record on the issues involved.

Standing by itself, I might still have given the President the benefit of the doubt and vote to support the nomination. But when added to that we have the matter that I presented to the Senate today, I simply could not find it possible to support his nomination, without having the discrepancy between his testimony of May 6 and his press statements of May 22 resolved, not by anyone in the Chamber of the Senate, but by the candidate himself.

Mr. GARY W. HART and Mr. STONE addressed the Chair.

Mr. MUSKIE. I want to know whether he can face a direct challenge like this and meet it head-on with complete candor and directness.

There is much in the record to suggest doubt on that question.

Mr. GARY W. HART. Mr. President, will the Senator yield for a question?

Mr. MUSKIE. I yield to the Senator.

Mr. GARY W. HART. With the possible exception of the air quality legislation currently before this Congress, does the Senator doubt that the strip mine bill was one of the most important pieces of legislation before the Congress this year and that had been before Congress in the last session or two, relating to our land, our air and our water.

Mr. MUSKIE. I agree with the Senator.

Mr. GARY W. HART. Will the Senator also agree that the administration's case for vetoing and sustaining the veto of that bill rested on the economic implications of what that bill purportedly would bring about in terms of jobs, in terms of energy costs, and so forth?

Mr. MUSKIE. The President made that very clear.

Mr. GARY. W. HART. I think the Senator from Maine has in very cogent and logical terms laid out the problem here before this body how the nominee, who waffled all over the lot on the issue of whether the President should veto that very important legislation, within hours after his approval by the Interior Committee then stated very clearly that he was in favor of the veto and opposed to the legislation. He said this even though he had not received the kind of economic briefing on that issue which he said was necessary before he could take a position.

Mr. MUSKIE. The Senator has stated the point very well.

Mr. GARY W. HART. Can that discrepancy be resolved in the Chamber or must that be resolved by the committee?

Mr. MUSKIE. It cannot be resolved in the Chamber to my satisfaciton, so far as I know.

Mr. GARY W. HART. I thank the Senator.

Mr. STONE. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield to the Senator from Florida.

Mr. STONE. Is it not further the situation with regard to the strip mining bill that that bill has now been vetoed and that veto sustained, and is it not the case that if the Senate confirms this nominee the Senate has no notion of what that new Secretary of the Interior would recommend with regard to strip mining controls of any type? We would be flying blind.

Mr. MUSKIE. The Senator raises a very important additional point.

May I say that on May 6, the same day that Governor Hathaway testified with respect to his position on the strip mine bill, there followed a discussion with Senator ABOUREZK about what he would do if the bill were vetoed with respect to moving forward with coal leases, and again he left a record of ambivalence and uncertainty, and given his shift from May 6 to May 22 on the strip mine bill itself, legitimate questions arise as to what his policy will now be now that the bill has been vetoed and that he would have authority as Secretary of the Interior to move forward with coal leases.

He implied in his testimony that he might continue the moratorium until Congress acts. But now I suggest there is real question as to whether he meant that or whether he had some mental reservations that he has not yet expressed and will not express until his nomination has been confirmed.

Mr. STONE. Mr. President, will the Senator yield further?

Mr. MUSKIE. I yield.

Mr. STONE. Is it not also the case that the question now left in the wake of the effected and sustained veto is what form of strip mining bill, if any, the administration would recommend, and have we any way of knowing that without further testimony from this nominee at the committee level?

Mr. MUSKIE. We have none whatsoever.

I wish to add this further point, and then I will yield: We are in a period of confrontation between environmental values, economic values, and energy values and how we resolve them in a balanced way to preserve the environment, to meet our legitimate energy requirements, and to solve the problem of economy. That is a tough balance to achieve, at best. Those whose bias leans in one of these three directions are going to be suspected by those whose biases lean in another.

So a man who is in the position of the Secretary of the Interior—in a position, really, to impact on more than one of this triad of issues—is going to be credible and supportable only if he is perceived as a man who comes to that responsibility with balanced judgment, with a record for candor and directness, who is willing to talk to all sides, to achieve a balance, and to leave no one in doubt about where he stands.

It is extremely important, Mr. President, that this question be resolved. Only the candidate can resolve it, and the best way to do that is in the committee. I will promise him to give him the kind of objectivity I am urging for the Office of the Secretary of the Interior in evaluating whatever he has to say before the Committee on Interior and Insular Affairs. He will have to be pretty good to get out of this ambiguity and out of this discrepancy, but I am all for giving him that chance.

If he is not willing to take that chance—he can indicate to his supporters in the Senate—if he is not willing to take that chance to explain his position in a way that will be credible to the Senate, he cannot have my vote.

Mr. President, I have very carefully considered the nomination of former Gov. Stanley Hathaway to be Secretary of the Interior. I am concerned that Mr. Hathaway's philosophy is inconsistent with what I believe are required of the administrator of the Nation's natural resources.

The Interior Committee has held extensive hearings on Mr. Hathaway's nomination. Those hearings brought out Mr. Hathaway's record as Governor of Wyoming, which, at best is distressing insofar as natural resource issues were concerned. However sincere his actions, Mr. Hathaway nonetheless reflects an "energy development at any cost-resource exploitation" philosophy.

The Secretary of Interior has broad discretion in his authority over how much Federal land is leased for mineral rights—including rights for coal, phosphate, oil, natural gas, oil shale, and other minerals—when that land is leased, who receives the lease, its location, and its royalty structure. Further, the Interior Secretary has considerable discretionary authority over wildlife preservation, endangered species, the National Park System, the National Seashores System, and other wildlife and conservation programs. His comments on behalf of these national resources are integral to the environmental impact review process.

The President has proposed to place a man with a record of lack of concern for environmental issues in a position which demands both sensitivity and a well-developed sense of balance for the environmental impact of resource development issues. The time has passed when the President's choice of people who will have broad administrative discretion is simply rubber stamped.

Mr. Hathaway's position with respect to the strip mining bill may be symptomatic of how he will function as Secretary of Interior. At the time of his nomination hearings, Mr. Hathaway expressed a general support for the bill and its structure. I will not repeat the history of his position. I have dealt with the record on this subject in detail.

I noted that immediately subsequent to committee approval of his nomination, Hathaway announced his support for President Ford's veto of the strip mining bill.

Mr. President, the Secretary of the Interior has responsibility for protection of the public land and the resources underneath these lands. To many, the Secretary of Interior manges a Western department and is interested in Western problems and Western resources. To me and to my constituents, the Secretary of the Interior is the manager of the Nation's parks, recreation resources, and most importantly, the submerged lands of the Outer Continental Shelf.

If, when, and how the resources of the Outer Continental Shelf are developed, are questions of overwhelmingly importance to the people of Maine and New England. Our fishery and tourist resources rely on the quality of the coastal marine environment. And our economy relies on oil. No better example of the importance of a delicate balancing of public needs exists anywhere. And I find nothing in the former Governor of Wyoming's record to recommend that he has that sense of balance.

For these reasons, and for the purpose of permitting examination of Mr. Hathaway—seeing inconsistencies on the question of the strip mining bill—I have moved to recommit the nomination.

Mr. HASKELL. Mr. President, I thank the Senator from Maine for articulating a very important point, because candor, above all, is requisite in a Cabinet post.

Mr. President, a parliamentary inquiry. How much time remains for the proponents?

The PRESIDING OFFICER. The proponents of the nomination have 28 minutes, and the opponents have 8 minutes.

Mr. HASKELL. I reserve the remainder of the time of the opponents.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. Mr. President, I yield to the distinguished Senator from Wyoming (Mr. HANSEN).

Mr. HANSEN. Mr. President, I should like the attention of the distinguished junior Senator from Colorado, at his convenience.

Mr. STONE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HANSEN. I yield, on the Senator's time.

Mr. STONE. Mr. President, I ask unanimous consent that a member of my staff, Mr. Persily, have the privilege of the floor during the discussion of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, when my good friend the distinguished junior Senator from Colorado was speaking earlier this morning, he called the Senate's attention to a coal lease that he said had been secured from the State of Wyoming, I think he said, from some 18 cents per acre, and later it had been sold for some $10 million. He went on to point out in his statement that "the people in Wyoming are sitting on these leases that they purchased, they are

UMI

speculating on them, with tremendous amounts of money changing hands between the speculators and the major energy giants, while the people of Wyoming do not get a fair return on the development of their resources. That is not adequate management of the resources of this country or any State in this country."

I invite the Senator's attention to what the facts are. The facts are that the State of Wyoming last year received, in ad valorem taxes on the production of coal, $2,018,242. In addition, the State of Wyoming received from severance taxes on the coal production in Wyoming, $1,090,761. That is a total of $3,109,003.

The estimates I have received in the last half hour from the State of Wyoming, for 1975, are that, based upon current estimates of production, the State of Wyoming will receive an ad valorem tax of $3,920,000 and a severance tax of $2.8 million, or a total of $6,720,000.

I do not accuse my good friend, the Senator from Colorado, of any effort to mislead or to deceive anyone. I am certain that was not his intention. But it is important to realize where revenues come from and why the policies in effect in the State of Wyoming make good sense.

The fact is that the amount of money paid for the leases is not where the revenue comes from for coal production, anymore than it is where the revenue comes from for oil production. We have leased and re-leased and re-leased Wyoming lands to people who believe they might be able to make some money in oil. One of the mechanisms that has been very effective in that leasing and re-leasing procedure is that you have to pay a filing fee.

So that we find, if we look down the past record, that the State of Wyoming has received enormous income from oil leases that have not been drilled. But, of far greater importance to the State of Wyoming, is the money that has been paid on oil production.

I think the Senator from Colorado will agree that it is not quite an accurate reflection of the true situation to imply that all that the State of Wyoming is going to get out of that lease which has been sold recently, according to the Senator's statement, for 10 million is the 18 cents per acre. The important consideration is the great good the severance tax and the ad valorem tax—which were passed at the insistence of the Governor of Wyoming, then the Honorable Stanley K. Hathaway—are doing for the State of Wyoming.

Mr. GARY W. HART. Mr. President, will the Senator yield?

Mr. HANSEN. I yield on the Senator's time.

Mr. HASKELL. Mr. President, the Senator has 28 minutes, and our side has 8 minutes. Inasmuch as the Senator from Wyoming asked the Senator from Colorado a question——

Mr. HANSEN. I did not ask a question. I asked for his attention, and I was grateful to him for having it. I yield 2 minutes.

Mr. GARY W. HART. The figures which I gave were 1974 figures provided to us by the Wyoming Land Commissioner. In terms of total annual rents and royalties to the State of Wyoming in 1974 from coal leases—not from oil production or anything else, but from coal leases—rents and royalties totaled $364,318. The average annual rental on an acre of State-owned leased coal land was 18 cents an acre. Those are figures provided to us by the Wyoming Land Commissioner. There was no suggestion on the part of the Senator from Colorado that that is all the money that the people of Wyoming were going to get. But it is my understanding that none of those leases contain production requirements and that people can sit on those as long as they pay the annual rent.

I thank the Senator.

Mr. HANSEN. Mr. President, I conclude by saying that I do not propose to apologize for anyone not knowing what the questions are that should be asked, but I thought the Senator would be interested in knowing what the facts are. These are the facts: that the income that comes in from the lease is a very insignificant part of the revenues coming to the State of Wyoming. That is the important consideration. The facts I gave are for coal in Wyoming. They reflect accurately how the people of Wyoming benefit from a policy that has had the support of Governor Hathaway. I think that, by comparison, most people will have to agree it is working very well. So long as there is no coal actually being dug—and only one State lease now is being operated—so long as there is no coal actually being dug and they want to pay 18 cents an acre, bully for them. When the coal actually is produced, the figures I gave indicate how the people of Wyoming will indeed benefit.

I yield back the remainder of my time.

Mr. FANNIN. Mr. President, I yield such time as the distinguished Senator from Idaho desires.

Mr. McCLURE. I thank the Senator for yielding. I wish to make two or three points that are perhaps pertinent in regard to the statement already made in opposition to the nomination of Governor Hathaway to serve as Secretary of the Interior.

As I listened to the arguments that have been presented this morning, they seemed to me to boil down to a disagreement of opinion, on balance, as to what is the proper environmental balance and, because it is a subjective matter, one that requires subjective judgments, there is bound to be a disagreement as to the appropriate answers to specific questions that may be given dealing with the questions of the appropriate protection of the environment. The larger portion of the argument, however, has not centered upon this factor but upon the question of the Governor's candor in presenting his case to the committee. I think their arguments themselves this morning refute the very case that they attempt to make.

First, I suggest that any Member of the Senate got here by the route of an election and in seeking to persuade voters to vote for them, they undoubtedly made statements of their own qualifications. I suspect they also had a certain number of news releases prepared and issued and they had campaign brochures prepared and presented to the public bearing on their qualifications.

I defy anyone sitting in this Chamber, or who has participated in this debate in particular, raising that question of candor to subject their own campaign brochures to the same test of candor that they are suggesting should be applied now with respect to Governor Hathaway.

Let us look for a moment at the charges that have been leveled in regard to the question of candor or lack thereof. The senior Senator from Colorado, in his statement, said—and I am quoting from the transcript—Governor Hathaway was "also sitting as a member of a three-man board which said that deposits of State money go into that bank."

That statement is not correct.

Mr. HASKELL. Will the Senator yield?

Mr. McCLURE. In just a moment. I will continue——

Mr. HASKELL. I would appreciate it if the Senator would quote the Senator from Colorado completely.

Mr. McCLURE. I quoted the Senator completely on that subject.

Mr. HASKELL. Will the Senator yield?

Mr. McCLURE. I do not yield further at this time.

Mr. HASKELL. Mr. President, will the Senator——

The PRESIDING OFFICER (Mr. BUMPERS). The Senator from Idaho has the floor.

Mr. McCLURE. "To be sure, a member of that three-man board, the treasurer, had developed a formula—but I assume a board can change formulas . . ." That, again, is the end of the quotation, and again, that quotation is not correct.

I was present in the committee hearing at the same time that the senior Senator from Colorado was present and he may not have heard the testimony that I heard, but it is in the record. It indicated that both of those statements are incorrect as a matter of fact. One is "That the deposits of State money go into what bank" and the only function of the board at that time—there were two: One to determine whether the bank was qualified and the other was what interest rates should be paid to all depositors. The evidence before the committee was absolutely clear and unequivocal on the point that the board had no discretion to determine how much money went into what bank and that was done by the State treasurer; that the State treasurer established the formula which governed the amounts of deposits and the board of which the Governor was a member had no discretion at all or no authority at all with respect to that formula. The record is absolutely complete on that point.

I wish to point out a couple of other matters that have come out with regard to charges of lack of candor. It has been stated in the minority views on file in this matter that the Governor——

The PRESIDING OFFICER. The Senator from Arizona asked to be advised when he has 15 minutes remaining. That is now.

Mr. McCLURE. Will the Senator yield me 3 additional minutes?

Mr. FANNIN. Could the Senator wind up in 2 minutes?

Mr. McCLURE. Two minutes then. That is in regard to the wild and scenic rivers. It was stated that Governor Hathaway opposed wild and scenic rivers in Wyoming. Again, the record will indicate that he said, "I want the study to be completed prior to the time that we take a position with regard to the inclusion or exclusion of those rivers."

With respect to the point about poisoning eagles, I think if we are going to talk about candor, the record should be complete. The Governor transmitted a request on the part of livestock growers to continue a practice that was in being at the time. He transmitted that request to the Department of the Interior. The Governor, as Governor of Wyoming, did not OK, did not sign, did not grant the authority; he merely transmitted the request. The request was granted and the certificate was signed, the authority was given by the Secretary of the Interior, one Stuart Udall, rather than by the Governor of Wyoming, as has been suggested in the statements made here.

It has been suggested that somehow, Stanley Hathaway was insensitive to the requirements of candor in that he did not correct a statement made by Governor Rampton of Utah that other Governors supported, assuming that Governor Hathaway knew what the facts were and that Governor Rampton had made a mistake in what he had said.

It was suggested that the environmental report that has been mentioned several times here was intentionally misleading or, at least, so substantially inaccurate that we ought to have questioned the Governor's candor or his credibility for having allowed it to be used. Let me read from the report of the committee, from page 27 of the report: "The committee has carefully considered both the document circulated on behalf of the nominee and the analysis prepared by the Environmental Defense Fund. Respecting the former, the committee finds that as a listing of environmentally related actions taken in Wyoming during the period 1967–74, the document in question is essentially factual."

There is more in that report. I invite its reading by any Member of the Senate.

I think that on record, it appears that the Governor has been at least as candid and at least as forthright as those who oppose his nomination.

I wish there were more time. I realize the constraints of time and I yield back. I thank the Senator from Arizona for yielding.

Mr. FANNIN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. I am sorry. Senator, the Chair did not understand the Senator from Arizona.

Mr. FANNIN. I would like to reserve the remainder of the proponents' time.

Mr. HASKELL. Mr. President, the first time eagles were mentioned I believe it was by the Senator from Idaho. The second time Governor Rampton was mentioned was by the Senator from Idaho after the Senator from Arizona.

As far as the Senator's quotation from what I said, I stand exactly by what I said. The Governor was on the board charged with distributing bank accounts. I said that the Treasurer had adopted a formula on which they would be distributed but, presumably, the board could change that formula, and, therefore, I stand by what I said before.

I rather resent the Senator's remarks.

Mr. McCLURE. Mr. President, will the Senator yield me 1 additional minute?

Mr. FANNIN. Mr. President, I yield 1 additional minute.

Mr. McCLURE. I asked the Senator to do this only because I assure the senior Senator from Colorado I meant nothing in the remarks, but I think the Senator was incorrect on the RECORD in making the statements that he made. That does not bear upon his candor or lack thereof any more than the facts that have been brought to the attention of the Senate relating to the Governor from Wyoming who is now seeking this nomination.

Mr. HASKELL. Mr. President, I might also say that I stand by the statement that, in my judgment, the nominee was not candid with me. I would point out it has been suggested that the Governor said——

Mr. HANSEN. Mr. President, will the Senator use his microphone.

Mr. HASKELL. It has been suggested that the item should be looked at as a campaign piece, and I have referred to that in my additional views: even if it were a campaign piece—and it was not handed to me as a campaign piece—I would expect greater accuracy.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. Mr. President, how much time do the proponents have remaining?

The PRESIDING OFFICER. The proponents have 12 minutes remaining; the opponents have 6.

Mr. FANNIN. I yield time to the distinguished Senator from Wyoming.

Mr. McGEE. Mr. President, I thank the Senator from Arizona for yielding me a few minutes. In those 12 minutes I will take 7 minutes, and if the Chair could advise me when those 7 minutes are up so that I might restrain myself, I would be appreciative.

I have been listening with great care here since the very first remark was opened for the RECORD here this morning. It has been a long morning, and a great many things have been exchanged and some assertions made.

The essence of the first attack launched against the nominee here today was the fear of his being a rubber stamp. Let us examine that, Mr. President. The committee voted him out, after extensive hearings, after holding up a nominee longer than most nominees are ever held up, so they could examine every bit of the details of the case. The committee voted 10 to 4.

Now, I ask you, Mr. President, does that mean that Senator JACKSON, the chairman of the committee, is a rubber stamp because he just wanted to wash this through so that he would not have to challenge any of the issues?

What about Senator CHURCH from Idaho? Is he a rubber stamp? Is METCALF a rubber stamp, METCALF from Montana? Is JOHNSTON from Louisiana a rubber stamp? What about BUMPERS in the chair? Mr. Chairman, are you a rubber stamp? That is what we are asserting here.

And the rest of the committee, all on the minority side, FANNIN, HANSEN, HATFIELD, McCLURE, are they rubber stamps?

Of course they are not. They happen to disagree. Let us knock out all of this absurdity about rubber stamps or who is a rubber stamp for whom.

Mr. President, these are men who have integrity, who have the capability of judgment, who do not intend to be anybody's rubber stamp, and I can assure you, as one who has had to round up votes once in a while, they are not very stampish every time I go to them. They want to vote their own convictions, and that is what the name of the business is in this body.

Mr. President, as you look at the testimony and read carefully of the testimony during the hearings—and I have read it all, I heard part of it and read the rest of it—I must say that candor is not lacking by any standard that I understand is in this body.

Mr. President, I regret that the Senator from South Dakota (Mr. ABOUREZK) is not on the floor at this time because I wanted him to understand what the facts are on the hole-in-the-wall project.

In 1949, an application was filed in Wyoming for the Sussix irrigation project. Purpose was to provide additional water for agricultural use in the area. In the end it was unfeasible for agriculture to sustain the project because of costs.

Then, in 1970 the Powder River Corp. funded an arrangement where Carter Oil has an appropriation of 25,000 acre-feet; agriculture 5,500 acre feet. Carter Oil has guaranteed the payment of the Powder River Corp.

This project has been distorted and represented to be that Hathaway sacrificed agricultural use of water for industrial use—that is, industry 25,000 acre-feet and agricultural 5,500 acre-feet.

The fact is that as a result of this project an additional 810 acres of agricultural land will be irrigated, whereas before, because of the costs it was impossible to use this water for agricultural lands.

But, as a matter of fact, when the Governor was asked by Senator ABOUREZK, who is momentarily absent from the Chamber, what he would do if the President vetoed it—we have gone over this again and again, but just one more time so there is no equivocation about it—he was asked:

Would you then continue a moratorium—

In effect he was asked, "Would you continue guidelines that would protect Federal lands and leases in the absence of a bill" because the President vetoed it; and Governor Hathaway's reply, on page 458 of these lengthy hearings was:

As I understand the posture of the Interior Department . . . it is the intent of Interior—if they start to issue coal leases again—

In the wake of a veto—

to attach to the leases the fundamental conditions that are in the reclamation law. That would be my intent under your hypothetical situation—

To proceed under those directions.

And then there was this rather revealing thing.

UMI

Mr. STONE. Mr. President, will the Senator yield?

Mr. McGEE. I am on limited time. I shall yield to the Senator when I have completed my remarks. I will not yield the floor until I can finish this sequence.

Senator ABOUREZK then says:

I did not hear what you said, Governor. I was listening to my staff.

Well, the Governor had to go over it one more time. One or two listened to his staff. But the point is here it was said twice in a row:

That if there is a veto and if I am to be the Secretary of the Interior that I would impose, as the policy of the Department of Interior, those standards that are at least the equal of the strip mining law that was vetoed last fall.

That was the first veto by the President. In light of that, Mr. President, I say that the burden of judgment here, if the Senator will wait just a second until I finish this sequence, is what should the posture be of one who is a nominee, who is not the Secretary of the Interior, who cannot take the buck for everything that was decided in a veto last fall, or that was even brewing at the moment.

As a matter of fact, a nominee who was almost cajoled by his questioners into agreeing precisely with something that one of the questioners might believe, I would say that if he committed himself irrevocably to that position he would be guilty of becoming a rubber stamp. He was being held hostage for saying the right things. He was being made into a rubber stamp or they were trying to make him into a rubber stamp.

It seems to me the nominee took the proper posture and that posture, Mr. President, was that only as the nominee he would stand on his record as Governor and he would hope that his ultimate decisions, if he were confirmed, would be in consultation with many bits and sources of expertise rather than to pop off the top of the head or the seat of the pants or in response to a pressure in the committee hearing to take a position in advance of having the responsibility.

It seems to me that is a part of credibility, that is a part of integrity in leveling with the committee.

The trouble is that in leveling with some of the questioners, they did not like the answers. Well, I do not like a lot of answers, but that is not what moves me to judge a man just because he disagrees with me. I judge a man if I think he is shooting straight with me, and I was impressed with his forthrightness.

The opponents of the confirmation of Mr. Hathaway have further attempted to cloud the nominee's position with misrepresentation of facts and interpretations which lead us far away from the issue at hand.

The distinguished Senator from South Dakota (Mr. ABOUREZK) blocks the Sun that should shine on this confirmation with issues relevant to my environmental record, but irrelevant to the record of Stan Hathaway. My colleague has, however, and I am sure it was unintended, supported a point I made this morning in support of Mr. Hathaway.

While the former governor and I have disagreed on certain issues, I stand here today in full support of his nomination and, with praise, recommend the nominee.

On the golden eagle issue, all the Governor did was submit a request from Wyoming stockmen, as required by law, but it was my committee hearings that made eagle killings controversial. My committee hearings stopped the killing of eagles. I am an environmentalist who supports the nomination of Stan Hathaway.

Mr. ABOUREZK calls the extension of runways at the Jackson Hole Airport, required to modernize air service to a big State, a "jetport," a fancy word intended to inflame Mr. Hathaway's record. The extension of those runways was an issue of the U.S. Senate. It was my bill; not the Governor's.

Clear-cutting of timber in the Nation's forests was brought to the Hathaway debate. Again, it was through my efforts that some sensible foresting policies were brought into policy to prevent the recurrence of clear-cutting and other timber abuses. This was not a Hathaway issue, and yet the opponents would like you to believe it is.

The nominee and I have disagreed on nuclear explosions, in fact, on many issues. In our system of Government, however, one does not judge another individual on the basis of mutual agreement. The issue rather should be a man's integrity and his administrative responsibility. On both counts, Governer Hathaway receives high marks. I support his nomination and urge my colleagues in the Senate not to recommit.

The PRESIDING OFFICER. The 7 minutes of the Senator have expired.

Mr. McGEE. I am yielding the floor at this time. The Senator from Florida did have a question on his time and wanted to ask it.

Mr. STONE. Can I use that 1 minute for the question and answer on our time?

Mr. McGEE. The floor is the Senator's. I have just yielded the floor. My 7 minutes are up.

The PRESIDING OFFICER. The Senator from Colorado controls the time for the opponents.

Mr. HASKELL. Mr. President, how much time do the opponents have left?

The PRESIDING OFFICER. Six minutes remaining.

Mr. HASKELL. I yield 2 minutes to the Senator from Florida, which will include the response of the Senator from Wyoming.

Mr. STONE. Does the Senator from Wyoming and the other supports of this nomination, sponsoring this nomination, assert to the Senate that they understand the nominee's position to be that in the wake of the Presidential veto, and its being upheld, of the strip mining bill that if confirmed Governor Hathaway will impose the same requirements as the strip mining bill on any new coal leases, and are we to rely then on that sponsorship assertion?

Mr. McGEE. Is the Senator yielding on his time?

I do not have any time.

Mr. STONE. Yes, the Senator from Wyoming is to answer on this 2 minutes in which I just asked the question.

Mr. McGEE. I have already read the record to him. I will read it again.

Mr. STONE. That is right.

Mr. McGEE. This is the third time.

The Governor responded and said:

Yes, indeed, I think the present posture of the Interior Department—

As a precondition to any leases issued—

the basic environmental performance standards of the strip mine law that was vetoed last year. It would be my intent to follow that same general policy.

So, at least meeting those standards.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. STONE. I thank the Senator.

Mr. DOLE. Mr. President, by these remarks I add my support to that of what I am sure will be an impressive majority of our colleagues for the nomination of Stanley Hathaway to be the Secretary of the Interior.

I am well aware of the controversies that this nomination has prompted. I take very seriously the issues raised as does the nominee himself. I believe that in the course of his nomination hearings, Governor Hathaway has more than adequately responded to the questions put to him and laid to rest any apprehensions which some of the press coverage this nomination attracted may have caused.

I do not know Governor Hathaway well personally. But, it should be noted that among those who do, he has accumulated very strong support. Unanimously, the members of the Wyoming congressional delegation have endorsed his nomination. Thirty-five State Governors with whom he has served in the past have taken the positive step of endorsement.

He is widely acclaimed as a man of integrity, energy, and dedication who has demonstrated balanced judgment and the all-important willingness to listen and to respond.

Mr. President, no State in the Union is more conscious of the need for sound, prudent practice in the husbandry and preservation of the land than my own State of Kansas.

No State has a greater stake in the resources of its land than Kansas, whose people rely, in far greater proportion than the people of most States, on the land for their livelihoods.

I believe the people of my State, and the people involved in the governance of my State, seek cooperative and productive partnership with the Federal Government in the common pursuit of a wise use of our land, energy, and environmental resources.

The record as developed in his nomination hearings should assure all of us that Stanley Hathaway, as Secretary of the Interior, will work to provide precisely that sort of partnership which the people of my State—and of every State—are seeking.

I am pleased to declare again, Mr. President, my strong support for this nomination.

Mr. CRANSTON. Mr. President, I urge the Senate to reject the nomination of Stanley Hathaway to be Secretary of the Interior.

The office of the Secretary of the Interior will be one of the most important in Government over the next few years. The person who holds this high office will have wide discretion to determine the fate of our land and mineral resources and the pace of their development. Perhaps more than at any other time in our history, the decisions made in the Office of the Secretary of the Interior will profoundly affect our lives and the lives of future generations.

My opposition to the nomination of Stanley Hathaway is based primarily on his environmental record and his resource management policies. While some have raised questions regarding his ethics and integrity, I do not believe there has been evidenced a serious breach of conduct sufficient to dictate my vote against his nomination on these grounds alone. On the questions involving his environmental record and his resource management policies, however, I have found ample cause to support my view that he should not be confirmed to hold this sensitive post.

Among the critical resource decisions that will be made during the term of the next Secretary of Interior—which will have a profound and irreversible impact on the State of California—are questions relating to the development of the oil and gas resources of the Outer Continental Shelf.

Californians are now awaiting a final decision from the Department of Interior on a proposed lease sale of 1.6 million acres adjacent to the most heavily used recreational beaches in California. This sale is now scheduled for September of this year, and I can say without question that if the Secretary allows this sale to proceed as scheduled, not only Californians but all taxpayers will be sorry. Major revisions of the Federal law governing these lease sales are now being considered by the Congress and these must be enacted before any new major lease sales take place.

The Governor of California, Edmund G. Brown, Jr., has written to the nominee requesting that he support a postponement of this pending lease sale, yet when questioned about such a deferral during his nomination hearing, Mr. Hathaway was noncommittal. Even worse, he demonstrated little concern for the need to involve the affected coastal States in planning for OCS development, pointing out instead that lands beyond the 3-mile limit are solely Federal lands subject to Federal decisionmaking.

With respect to his sensitivity to the problems of other energy resources, Mr. Hathaway during his tenure as Governor of the State of Wyoming—1966–74—demonstrated fully his commitment to rapid exploitation of our resources. During his administration, the State lands under coal lease tripled from some 670,000 acres to some 1.8 million acres now—about 2½ times the total Federal lands that have been so leased. Even worse, these lands were leased without competitive bidding, without requirements for achieving production, without adequate planning, and without providing that the State would receive a fair return for the exploitation of publicly owned resources.

This record demonstrates a remarkable lack of concern for the public benefit that should accrue from the exploitation of public lands—this from a man nominated to be the steward of nearly one-third of the Nation's land. His record as Governor abounds with such instances of what could at best be termed poor judgment.

At this critical juncture in our history, with major energy and resource management questions awaiting resolution, I believe the American people deserve a Secretary of Interior who can demonstrate an understanding of the competing demands on our resources and who is sensitive to the need to husband the remaining riches of our land. Stanley Hathaway is not that man.

I urge my colleague to reject his nomination.

Mr. THURMOND. Mr. President, I rise in support of the nomination of Gov. Stanley K. Hathaway to become Secretary of the Interior. There has been a great deal of controversy and much misunderstanding about President Ford's choice for this important Cabinet post. However, I think the President has wisely chosen the kind of man who can weigh the often conflicting interests of environmental protection and resource development and make the kind of decisions that will be in the best interest of the Nation.

I have carefully reviewed the hearing record of testimony presented to the Interior Committee and have studied the nominee's record as Governor of Wyoming. Mr. Hathaway was one of the most popular Governors in Wyoming history during his two full terms, and he still enjoys broad popular support in that State. During the course of the Senate hearings, Governor Hathaway was strongly endorsed by every Member of the Wyoming congressional delegation, the present Governor, Ed Herschler, and nearly every public citizen from that State who testified. As I can best judge the situation, Governor Hathaway is respected and admired by all but the most ardent environmentalists, and most of the reasons they have cited in opposition are fallacious, as brought out in the Senate Interior Committee hearings.

I think Governor Hathaway has an excellent record of balancing the difficult issues of resource conservation and responsible economic development of these resources to meet the Nation's needs. It should also be recognized that, as Secretary of the Interior, he will not be burdened with the daily pressures of responding to constituent requests. I predict that he has and will assume the kind of broad outlook needed in the man who serves as chief guardian of this Nation's natural resources. Thus, I think Governor Hathaway will make an excellent Secretary of the Interior, and I urge the Senate to vote for confirmation.

Mr. DOMENICI. Mr. President, I support the nomination of former Wyoming Gov. Stanley Hathaway as Secretary of the Interior. Having carefully reviewed the hearing record on his nomination, I believe that he is qualified to carry out the difficult mandate that this office must work under. Governor Hathaway provided Wyoming with strong leadership during his terms as Governor, attempting as Rocky Mountain State's Governors should do, to improve the economic condition of his people without sacrificing the quality of the environment.

I would like to point out that the chairman of the National Governor's Conference, Gov. Calvin L. Rampton, sent a May 5, 1975, letter to the Interior Committee chairman, reporting that 35 Governors and former Governors have endorsed Governor Hathaway's nomination. The list included former New Mexico Gov. Bruce King.

In addition, the present Governor of my State, Jerry Apodaca, has also endorsed the Hathaway nomination. He sent me a letter dated May 6, 1975, and I ask unanimous consent that a copy of Governor Apodaca's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF NEW MEXICO,
Santa Fe, May 6, 1975.

Hon. PETE DOMENICI,
U.S. Senator,
Washington, D.C.

DEAR PETE: It is with great pleasure that I take this opportunity to endorse the nomination of former Governor Stan Hathaway as the new Secretary of the Interior.

It is extremely valuable for our region to have a Westerner as the new secretary. Governor Hathaway is familiar with the problems of the West and the new mood of the Rocky Mountain West.

Everyone I have talked with has indicated that Governor Hathaway is a man of high ability and integrity. And we need these qualities in government service.

I am very sure that we can work together with Governor Hathaway for the benefit of the citizens of the entire country.

Sincerely,

JERRY APODACA,
Governor.

Mr. DOMENICI. The storm over his nomination must remind many people of the controversy surrounding the nomination of former Alaska Gov. Walter Hickel to this same spot. We heard then dire warnings of what would happen if he were confirmed. It turned out that those warnings were wrong. Secretary Hickel did a very good job. I believe that we learned from that experience that a Governor, representing only his State, must make decisions that reflect the needs of his State's citizens. As Secretary of Interior, representing the entire Nation, Governor Hathaway will have an opportunity to make decisions based on a larger constituency and will have a different mandate under which to operate.

His answers to questions during his confirmation hearings indicate to me that he is sensitive to the issues involving the environment and recognizes the high priority Americans put on protecting their natural heritage.

Mr. HRUSKA. Mr. President, I rise in support of the confirmation of the nomination of Stanley K. Hathaway to be Secretary of the Interior.

It was with gratification that I greeted President Ford's nomination of Stan Hathaway. Part of this gratification came from the fact that Governor Hathaway was born in my State and received his undergraduate and legal education at the University of Nebraska. But much more came from the fact that Stan Hathaway is exceptionally well qualified

UMI

to fill the important position of Secretary of the Interior.

In his two terms as Governor of Wyoming, the nominee compiled a solid and progressive record of achievement and accomplishment. The hearing record is replete with testimony in support of that statement. It comes from Democrats and Republicans, from his fellow Governors, from the ordinary citizens of his State, from farmers and ranchers and city dwellers.

In addition, Mr. President, I have received a great deal of mail from my own constituents who have had occasion to work with Stan Hathaway on matters of mutual concern and who have found him to be an honest, able, and compassionate public official.

I have examined the hearing record on this nomination—all 538 pages of it—and I believe it can be fairly said that the so-called case against Governor Hathaway can be boiled down to two issues.

The first issue deals with his alleged "lack of sensitivity" to environmental concerns.

Mr. President, as I had occasion to note in this Chamber some weeks ago in connection with another nomination, it has become the fashion when the critics or opponents of a nominee—or any other public figure—find themselves with no solid case, to resort to a charge of "lack of sensitivity." Whatever else, it appears, one must be "sensitive."

Well, the record shows that in the case of Governor Hathaway, even that charge will not stick. He has an exemplary record in the field of environmental protection.

Senator McGEE, speaking for the entire Wyoming congressional delegation, put it well:

> Those years (of Governor Hathaway's administration) were unique in another way. In that eight-year period, our country as a whole, was becoming very sharp in its focus on what had been a present complication for a much longer time, and that was the environmental implications of new development, particularly development in that part of the West due to the location there of many important sources of energy. Here is a testing ground that perhaps few have had in an administrative role that very few could equal. That was putting together on the first go-round, not after the lines had been laid out, not after experiences had been achieved, not after directions had been discerned, but in the very beginning, literally on the frontier, of the environmental and development problems.
>
> Governor Hathaway was there in the midst of those tests. It was during his administration in that kind of confrontation, of a cross-purpose of some interests, that the task that fell to the Governor was how to responsibly live within both or all because they were often many sided rather than two sided.
>
> The result was the passage of the first Air Quality Act in the State of Wyoming which is among the toughest in the Nation, a water pollution advisory council—a landmark group in our part of the world. He backed and secured the necessary actions to support outdoor operating controls. He requested protection of the wild buffalo and sought moratoriums on the hunting of grizzly bears.
>
> In 1969, there was enacted the first surface-stripmining legislation in Wyoming, despite vigorous pressures and protests from the minerals industry.
>
> This, too, was a breakthrough amidst pressures there ought to be economic development because of the need for jobs at a time like that. Also, in 1969, he requested and secured Wyoming's first severance tax on minerals.

Witness after witness supported Senator McGEE's testimony. Their statements were clear, concise, and to the point. They were supported with facts and figures, dates and documentation.

The case for the confirmation by the Senate of Governor Hathaway's nomination was clear and convincing.

But the case against him was something else.

I tried very hard, Mr. President, to discover substance and meaning in the testimony of those who opposed the nomination. Let me make very clear that I do not question the motives of the opponents. I am sure they are sincere, well meaning and honorable people.

But when you struggle to find what it is about Governor Hathaway's record they find unacceptable, you emerge with phrases like, "the former Governor has an antagonistic attitude toward the concepts," or he has "a shallow understanding of the law," or "a portrait of a man who does not understand the sanctity of a national park."

Apparently, Mr. President, only those who pay dues to self-styled conservation organizations are entitled to some God-given wisdom to appreciate the sanctity of a national park.

I shall not burden the Senate with further examples of the gauze-like charges against Governor Hathaway. It is enough to say that they have failed to make their case.

The Interior Committee, with its vote of 10 to 4 in favor of the nominee makes that abundantly clear.

The second issue in this matter involves Governor Hathaway's testimony before the committee when he was asked by Chairman JACKSON whether he had received any earned income during the years he was Governor. Mr. Hathaway responded that he did receive legal fees, earned before taking office but which were paid subsequently.

Upon his return to Wyoming, where he had access to records not available to him at the hearing, Mr. Hathaway promptly wrote to the chairman to point out that he had received compensation as the director of a bank.

At the chairman's direction, committee staff was sent to Wyoming to investigate this matter. The whole issue is discussed thoroughly in the report of the Interior Committee's business meeting on May 21, 1975, which has been made available to Senators.

The pertinent part of that report is reflected in the following statement by Senator JOHNSTON:

> Senator JOHNSTON. Mr. Chairman, I would like to suggest that there is some very serious and substantive reasons which may disqualify Governor Hathaway in the minds of some committee members, but I would like to suggest that this bank deal is not one of those reasons, and I think there ought to be some expression, if that is the view of the committee members, to clear that part of it up. I don't think there ought to be the suggestion that in case Governor Hathaway is not confirmed, it is because of this bank deal or because of any dishonesty. There may be a failure to dot some "i's" and cross some "t's," but I think it is clear there is no coverup, no misuse of authority, no illegality on the Governor's part, and there is a proper reason, or at least an explainable reason for his being on that board, because of his long-standing association with that family. I think we ought to clear that up in fairness to the Governor and in fairness to those members of the committee.
>
> If I or anyone else votes against Governor Hathaway's confirmation, I would like to have it be clear it is not for this reason, but for some other good and sufficient reasons the committee may have.

Mr. President, the Interior Committee has held exhaustive hearings on this nomination. It has patiently and fairly heard all the testimony, both for and against the nominee.

What emerges is a document clearly and convincingly establishing the credentials of Stanley K. Hathaway to be Secretary of the Interior and I intend to vote for his confirmation. I urge my colleagues to do so, as well.

Mr. HATFIELD. Mr. President, I am pleased to support the nomination of Gov. Stanley K. Hathaway to be Secretary of the Interior. This decision follows the thorough examination of Governor Hathaway's past record, and of the charges some have made relating to that record, which was undertaken by the Senate Committee on Interior and Insular Affairs, on which I serve. I am proud to have been a part of the committee in this effort, because I believe it approached this nomination in an objective and thoughtful manner, dealing with each of the issues raised carefully. As a result of this process, I am happy to be a part of the majority of the committee in concluding that "Stanley K. Hathaway is qualified to occupy the Office of the Secretary of the Department of the Interior."

My support of Governor Hathaway's nomination need not indicate that I support each of his actions as Governor of Wyoming or all of the positions he took during the confirmation hearings; in fact, I do not. But I am convinced that the Governor meant what he said when he told the committee:

> My actions were based upon what I considered to be the needs and desires of the people of Wyoming under particular times and circumstances. The responsibilities of the Secretary of the Interior are to the Nation and all Americans, and I would view them in that perspective.

I am certain that each of us who has held another public office prior to serving in this body realizes that, while retaining one's basic philosophy, one must often deal with the new issues which arise from a new or enlarged constituency. In this regard, I am reminded of former Secretary of the Interior Hickel, whose record of Governor was severely criticized by some in this body when he was nominated to become Secretary of the Interior. I think Secretary Hickel went on to surprise many of these individuals when he became Secretary of the Interior.

Furthermore, while I disagree with some of the actions and positions of Governor Hathaway, I was pleased with many of his statements before the committee. For example, I had been concerned about his general attitude toward

wilderness. My State has a very low percentage of its lands classified as wilderness under the Wilderness Act of 1964 and I have proposed the creation of several new wilderness areas and the enlargement of several others. Two of these proposals were enacted into law and another more comprehensive measure is presently pending before the Senate Interior Committee. Also, the Interior Department has proposed some wilderness within the Crater Lake National Park in Oregon, and I am considering some modifications to their proposal. So, during the first day of hearings on Governor Hathaway's nomination, I asked him what his attitude toward wilderness was. The Governor responded that he has supported the creation of certain wilderness areas in Wyoming and he believes we must continue to study and create more wilderness areas. Our exchange on this topic is included in the committee's report on this nomination, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Senator HATFIELD. . . . I would like to ask you a question concerning wilderness.
>
> As you know, the Department of the Interior has been examining some of the roadless lands under its jurisdiction for the possibility of including some of these lands into the wilderness classification.
>
> In fact, some such proposals have already been submitted to Congress. My question to you is—what is your general attitude toward wilderness? What is your desire, if confirmed as Secretary of the Interior, to give further leadership impetus to this work going on in the Department and just generally comment on this area?
>
> Governor HATHAWAY. As you well know, after the 1964 Wilderness Act was passed, there was great effort in the West to study potential wilderness areas and bring them before the Congress for action.
>
> The record will show I did make statements in 1967 and 1968 indicating my apprehension about the size of wilderness areas in my own State. At that time, Wyoming had more wilderness area and primitive area than any other State, and of course with the two national parks that constitute about 2,500,000 acres and about 3 million acres of wilderness, we had more than 10 percent of our total State area under the wilderness concept.
>
> Having made those statements and having watched the proceedings back here in Congress, I have supported wilderness areas.
>
> I supported the Washakie Wilderness Area along with Senator Hansen and Senator McGee.
>
> I think Congress has done a great thing for America in providing wilderness areas. My concern was more in the definition of the size of them. We have to study the proposals very closely.
>
> Some wilderness areas have been proposed which really do not fit the wilderness concept. For instance, the Ashenfelder area in Wyoming—an area I am familiar with—would accommodate 6,000, 7,000, or 8,000 acres very well in the wilderness concept. But, some wanted to have 20,000 acres which would include land that does not accommodate itself to the wilderness system.
>
> I will carry out any mandates with respect to wilderness areas. It is my personal philosophy that we should continue to study new areas for inclusion in the wilderness system.
>
> Senator HATFIELD. Governor, the application of the State of Wyoming, of course, would perhaps be different than the criteria you establish in Wyoming to be applied to other States; as you may know, my State has a small degree of wilderness as compared to many other States.
>
> Would I gather you would apply now a national prospective to the whole question of wilderness and give leadership to the establishment of more wilderness if studies should indicate desirability?
>
> You indicate you are for wilderness. I accept that but we know that many of these things can be studied to death. We need the kind of leadership that is going to push them and encourage them along the way.
>
> They are along a very tedious path in many ways to get them established. Do you plan to give that kind of aggressive leadership to establish wilderness?
>
> Governor HATHAWAY. Senator Hatfield, I am not fully conversant with the criteria of the Department of the Interior as it compares to the Department of Agriculture and Forest Service proposals on wilderness. But let me say, I have no hangups about wilderness. I will look into the studies underway in the respective States. I would have no reason not to support good studies and legislation that is practical in establishing additional wilderness areas.

Mr. HATFIELD. Mr. President, I was also pleased with Governor Hathaway's comments relating to the land use legislation which is being considered by the committee and the surface mining bill which was, unfortunately, vetoed by the President.

It is also clear to me from Governor Hathaway's record and from statements from those familiar with that record that he is an able administrator, a quality which is extremely important to any Cabinet position. I believe that he will carry out the will of the Congress, and that he will insure that this is carried out throughout the entire Department of the Interior, even if this differs with his expressed viewpoint.

Finally, I will vote for Governor Hathaway's confirmation because I believe the President must be given flexibility in his Cabinet appointments so that he has a group of men and women with whom he can work well. The President must be able to depend upon these individuals to implement his policies and to provide him with advice he can trust.

Mr. President, this nomination should not be treated lightly. The Secretary of the Interior has an enormous responsibility to manage public resources wisely, in a manner consistent with the Nation's long-term interests, as these are defined by the Congress. He is responsible for the management of about one-quarter of the lands in my State. Bearing these thoughts in mind, and after participating in the Interior Committee's very thorough review of this nomination, I congratulate the President for his choice of Governor Hathaway for this very important post and I urge my colleagues to vote for his confirmation.

Mr. BELLMON. Mr. President, I rise to lend my support to the confirmation of Stanley K. Hathaway to be confirmed as the Secretary of Interior. As a former Governor, I have great respect for anyone who could be elected to and serve in that high office for 8 years. Knowing as I do of the heavy responsibilities which Governor's hold and the close scrutiny to which they are subjected, I am confident that Stanley Hathaway possesses the high character and the ability which the office of Secretary of the Interior requires. As a resident of a neighboring state, I am well aware of the high estcem in which Mr. Hathaway is held by the citizens of Wyoming. I believe his appointment will add greatly to the stature and effectiveness of the Ford administration.

Mr. President, Stanley Hathaway has a track record of administrative skill, integrity, open mindedness and breadth of viewpoint which will enable him to meet the manifold cares of his new post with distinction. He has been subjected by the Senate Committee on Interior and Insular Affairs under the leadership of its chairman, Senator HENRY JACKSON, to the most searching examination in the history of that committee. He has survived that examination. He has not only survived it, he has passed it with flying colors. No man can be all things to all people, but the 10 to 4 vote of the Interior Committee is clear proof that the most senior, experienced and respected Senators on that committee believe that the President's nominee is competent and fully capable of handling his job in the interest of our country as a whole.

Mr. President, in these times of national concern in connection with our dwindling domestic energy supply, the ever increasing cost of imported energy, the need of our increasing population for significant recreational opportunities, the desire for a cleaner, better, more pleasing environment, all of them within the purview of the Secretary of the Interior, it behooved the President to choose a nominee for Secretary of that great Department with care and skill. Mr. President, as has been said, the President of the United States should have in his Cabinet his choice. President Ford has made his choice for the post of Secretary of the Interior and he has made it wisely and in the best interest of our entire Nation.

Mr. President, I suggest that it is not appropriate for this body, in considering the President's nomination to his cabinet, to object to the President's choice simply because of differences in political orientation or philosophical views. The Department of the Interior has been without an Under Secretary for several months and without a Secretary for far too long a time. It is stagnating and it sorely needs the leadership and direction which Governor Hathaway can and will provide.

Mr. President, the Senate should confirm Governor Hathaway as Secretary of Interior without further delay.

Mr. EAGLETON. Mr. President, 6 years ago the Senate considered the nomination of Walter Hickel as Secretary of the Interior. There were several challenges to the Hickel nomination on environmental grounds.

Today we are considering the nomination of Stanley Hathaway as Secretary of the Interior and once again there are several challenges to this nomination on environmental grounds.

Mr. President, I feel that the same

UMI

rationale that caused me to vote for Hickel applies in the instant Hathaway nomination.

Therefore, I ask unanimous consent that my Hickel speech which appeared in the RECORD of January 22, 1969, be printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH OF SENATOR EAGLETON

Mr. EAGLETON. Mr. President, the Senate each year is called upon to consider for confirmation thousands of nominations sent to it by the President. In 1968, during the second session of the 90th Congress, President Johnson submitted 50,977 such nominations. The Senate then exercises its responsibility under artilce II, section 2 of the Constitution, which provides that officers shall be appointed by the President "by and with the advice and consent of the Senate."

Most of these appointees are officers of the armed services, postmasters, career employees of the Foreign Service, Coast Guard, Public Health Service, et cetera. These appointments are routinely passed en bloc.

A small number in areas of greater political and public accountability receive individual scrutiny: the judges, especially the Justices of the Supreme Court; members of boards, commissions, and independent agencies; Cabinet officers and their assistants.

Today we are presented with President Nixon's Cabinet nomination of Alaska Gov. Walter J. Hickel as Secretary of the Interior. This nomination has evoked some public controversy and concern. It has been studied in depth by the Committee on Interior and Insular Affairs.

The debates at the Constitutional Convention of 1787 shed little light on what criteria the Senate should apply in exercising its advice and consent authority. Through almost two centuries of experience in implementing this responsibility, different Senators under different circumstances facing different questions have exercised their prerogatives in different ways.

In studying the historical evolution of this senatorial authority, I am constrained to conclude that a standard or criterion applicable to one category of nominee may not necessarily be the proper standard for another category of nominee.

It is one thing to consider the background and qualifications of a potential Supreme Court Justice to be appointed for life. It is another thing to consider the background and qualifications of an appointee to an independent regulatory agency who will serve independently of the President and often for a fixed term of years. It is still another thing to consider the background and qualifications of an appointee to the Cabinet who operates under the direction of and at the pleasure of the President.

In one of the few books devoted to the advice and consent function, Prof. Joseph P. Harris made these observations:

"The tests applied by the Senate in considering nominations vary widely, depending in part on the character and importance of the office concerned and whether the nomination is one to which the Senate gives individual attention. Well-established custom accords the President wide latitude in the choice of members of his own Cabinet, who are regarded as his chief assistants and advisers (p. 379).

"It is appropriate for the Senate to consider the philosophy and general outlook of nominees to high federal offices, particularly to regulatory bodies and to the bench. These offices stand in a different position from that of the heads of executive departments for whose actions the President is responsible (p. 384).

"The confirmation of presidential nominations to independent regulatory commissions is always of especial importance, for members of these commissions are regarded as having a special relationship to Congress. The function of the Senate in passing upon the nominations is not limited to the technical qualifications of the nominee and his fitness for the office; it is appropriately concerned with his stand on broad policies and the effect his appointment may have upon the functioning of the commission. Often the character and attitude of the officers who head an agency have as much to do with its policies as the legislation under which it operates. The Senate must therefore consider whether a nominee to a regulatory commission is in sympathy with the objectives of the laws which he will be called upon to administer and whether he will support policies which are agreeable to the majority of the Senate (p. 178). Joseph P. Harris, "The Advice and Consent of the Senate" (University of California Press, 1953)."

Professor Harris' observations make sense to me.

A Cabinet appointment is peculiarly personal to the President. A Cabinet officer is designated a particular area of governmental concern in which he acts for the President, he speaks for the President, and if he blunders he does so to the personal embarrassment of the President.

Any President, regardless of party, must be given the widest of possible discretion in designating his Cabinet officers.

Senator David I. Walsh, Democrat of Massachusetts, said in connection with the nomination of President F. D. Roosevelt of Harry Hopkins as Secretary of Commerce:

"I think we may agree that the selection of the members of his Cabinet is a peculiarly personal prerogative of the President . . . and we should not withhold confirmation . . . except for grave cause and unmistakable disqualification. CONGRESSIONAL RECORD, 76th Congress, 1st Session (Jan. 18, 1939), p. 559."

Senator Guy M. Gillette, Democrat, of Iowa, said of this same appointment:

"I do not believe that there is any greater burden that can be laid upon human shoulders than the Presidency of the United States . . He is charged with full responsibility for the executive department. If there is any right upon which he should jealously insist, if there is any right that we should zealously see that he retains, it is the right to name those with whom he is to work in that department, and particularly the official family, who are close to him, and his nearest advisors. I cannot conceive, Mr. President, how we as Senators can in justice to the Chief Executive, deprive the President of that right. There is not a Senator in the Chamber who would not insist on such a right were he President of the United States . . .

"One of the last men on earth I would want in my Cabinet is Harry Hopkins. However, the President wants him. He is entitled to him. I think it is absolutely unjust for persons like myself, who harbor resentments, to deprive the President of his right. I shall vote for the confirmation of Harry Hopkins. CONGRESSIONAL RECORD, 76th Congress, 1st Session (Jan. 20, 1939), p. 554."

As I view it, a Senator in deciding whether to accept or reject a Presidential Cabinet appointee must consider the following things from the background and record, both public and private, of the nominee:

First. Is he a man of integrity and high moral character?

Second. Is his background and experience such as to permit him to function suitably in his designated post?

Third. Is he sincerely willing to administer his department and exercise his discretion within the statutory limits spelled out by the various Federal laws affecting his department?

Fourth. Does he retain any financial interest, direct or indirect, which could possibly conflict with the discharge of his duties or compromise his conduct in office?

Fifth. Has he by word or deed done anything so obviously repugnant to the fundamental purpose of his prospective department as to disqualify himself?

Governor Hickel has on occasions made statements regarding conservation which might be labeled by some as impulsive, by others as brash, by others as indiscreet, by others as terribly unwise. He has been in conflict with Alaskan Eskimos—a conflict susceptible to carrying interpretations. His original position on the Alaskan "land freeze" was disquieting to some people including myself. The private oil holdings of this appointee as Alaska Commissioner of Natural Resources was something he could well have avoided. To his credit, he has agreed to dispose of any private holdings which the Senate Committee on Interior and Insular Affairs would deem to be in conflict with his new post.

However, in my judgment, these matters, individually and collectively, do not violate the aforementioned criteria which I as a Senator deem applicable to the consideration of a Presidential Cabinet designee.

For those who are sincerely disquieted over this appointment, I recall other times and other nominations when, as it were, the shoe was on the other foot. In 1938 and 1939, as congressional opposition was building to Franklin D. Roosevelt's New Deal, some key Roosevelt Cabinet and sub-Cabinet appointments came in for severe attack—Thurman Arnold as Assistant Attorney General in charge of the Antitrust Division, Harry Hopkins as Secretary of Commerce, Frank Murphy as Attorney General. These men were all challenged, on one pretense or another, for their liberalism and their espousal of Roosevelt's policies. In confirming these appointments, the Senate reasserted the very personal right of a President to select his Cabinet confidants.

President Nixon, within the latitude of the previously mentioned criteria, has the right to place in his intimate governmental family men with whom he is at ease and in whom he has confidence.

The Senate should not deny him that right. I will vote to confirm Walter J. Hickel as Secretary of the Interior.

Mr. BENTSEN. Mr. President, I share the concern voiced here today and in recent weeks on the nomination and confirmation of Stanley Hathaway to succeed Rogers Morton as Secretary of the Interior.

While I am impressed with Governor Hathaway's reputation for honesty and integrity, and recognize his service to his State as Governor during a period of declining population, I question his lack of sensitivity in dealing with environmental issues. One indication of Governor Hathaway's relative lack of environmental responsiveness is the organized opposition to his nomination: The Sierra Club, Izaak Walton League, the Audubon Society, Friends of the Earth, the Environmental Defense Fund, the Wilderness Society, and many more respected groups.

Obviously, Mr. President, environmental concern is an essential consideration in appointing a Secretary of the Interior. I would hope that as Secretary, Governor Hathaway would be receptive to those who work for the protection of our natural environment.

While I have had some reservations about the nomination, a President must be given some latitude in the selection of his Cabinet members. For the reason of Presidential prerogative, as well as the favorable committee report, I am voting to confirm Stanley Hathaway as Secretary of the Interior.

It is my hope that my statement and those concerns voiced by my colleagues would emphasize for Governor Hathaway the congressional interest in the Department of the Interior. I trust that he will prove to be a distinguished Secretary.

Mr. McINTYRE. Mr. President, today the Senate is asked to advise and consent to President Ford's nominee for Secretary of the Interior.

I believe in the Presidential prerogative to appoint persons of his choice to key administrative positions and have consented to such appointments 99 percent of the time—there have been a few occasions when I believed the public good demanded that I withhold my vote of consent.

The nomination of Stanley K. Hathaway, I regret to say, is one of those occasions.

I use the word "regret" deliberately, Mr. President, because I have no reservations about Mr. Hathaway's character or diligence. From all that I have read or heard, he is a good man, and I do not want my nay vote to reflect upon him personally.

In my judgment, no domestic challenge is more imperative than the development and implementation of a sound, short- and long-range energy, resources and environmental policy. And the Cabinet officer charged with that primary responsibility must have the insight, the breadth of vision, and the critical balance required to meet that challenge.

Mr. President, earlier this year I developed what I called a yardstick for survival, a set of personal standards against which I promised to measure every vote I would cast on energy, resource and environmental issues.

Perhaps the most important standard I set, Mr. President, was to speak and to vote in support of every feasible means of emancipating this Nation from its dependence on fossil fuels—particularly oil—as quickly as possible.

Nothing in Mr. Hathaway's public record, nothing in the record of the confirmation hearings, nothing in Mr. Hathaway's answers to the questions I submitted to these hearings offers me any assurance that the nominee subscribes to that goal.

Indeed, the opposite appears the case, for Mr. Hathaway seemingly subscribes to a policy of wasteful resource exploitation shared by the Ford administration, and I can see nothing but disaster in that policy.

With both the National Academy of Sciences and the U.S. Geological Survey now in substantive agreement that this Nation's remaining, untapped reserves of oil and natural gas will be gone in 25 to 30 years, I can see neither wisdom nor prudence in programs that concentrate more on doubling the rate of exploitation and use—thus halving the time to total depletion—than they do on conservation of what we still have and development of alternative sources of energy.

Linked to this unfortunate philosophy of exploitation is an equally regrettable suppliance to the will of big oil.

Hence Mr. Hathaway, like the administration, favors the infamous oil depletion allowance and would like to see the price of old oil rapidly decontrolled.

Mr. President, my objections to this philosophy are intensified, I readily concede, by big oil's historic ill-treatment of my own part of the country. Year after year after year, New England is caught up in an oil price and supply crisis.

I do not share with the administration, or with Mr. Hathaway, an unquestioning confidence in big oil's devotion to the public weal. I know full well, for instance what yielding to the industry's demand for rapid decontrol of prices of old oil will do to the already staggering fuel bills in my native State.

But I would not want my colleagues to think that my objections to Mr. Hathaway's confirmation stem exclusively from regional pique.

My primary objection to his confirmation is his seeming lack of commitment to balanced energy and environmental policies.

Nowhere in the record do I find unequivocal evidence of Mr. Hathaway's commitment to a sound resources development policy.

Nowhere in his record do I find unequivocal commitment to the orderly development of nuclear facilities and the minimization of risks.

Nowhere in his record do I find unequivocal evidence of his commitment to the prudent use of fossil fuel resources, nor evidence of a commitment to develop and to bring into place alternative sources of energy before our oil and natural gas supply is gone.

In sum, Mr. President, nowhere in the Hathaway record do I find unequivocal evidence of a commitment to the careful balancing of energy and environmental concerns—that crucial meld that would preserve the Nation while we strive to make the Nation energy self-sufficient.

For these reasons, Mr. President, I will vote against confirming Stanley K. Hathaway as Secretary of the Interior.

Mr. NELSON. Mr. President, it is with considerable reluctance that I cast a negative vote on the nomination of Governor Hathaway. He is known as a man of great integrity and decency. He has a distinguished record of public service. However, from my careful reading of the record, it is clear to me that we have fundamental differences respecting our views on the management of our resources and the environment. I voted against Secretary Hickel on similar grounds. Within a year I felt it necessary in fairness to Mr. Hickel to state publicly that Secretary Hickel was doing a commendable job. I hope I am mistaken on this vote because the issue is so fundamental to the future of the Nation. And I hope, within a year, to be able to commend Mr. Hathaway for his stewardship.

Mr. CLARK. Mr. President, I will vote against the nomination of Stanley Hathaway as Secretary of the Interior.

In my judgment, the primary responsibility of the Secretary of the Interior is to provide wise management of our natural resources, and Governor Hathaway has not demonstrated—in his record or his testimony—a commitment to wise resource management. As Governor of Wyoming he consistently failed to restrain the advocates of development when they threatened the environment. His desire to improve his State's economy by encouraging development is understandable. As Secretary of the Interior he certainly will want to encourage the development of energy supplies. But, in promoting development in his State, he often ignored the need to protect natural resources, and there seems to be little real evidence that he would alter his priorities as Interior Secretary.

The Secretary of the Interior must maintain a very difficult balance between development—especially of energy supplies—and the protection of natural resources. This balance is essential because without it many of our resources—clean air, the rivers and the oceans, lands for farming and recreation—would be jeopardized. Yet we need these resources just as much as we need energy.

During Governor Hathaway's tenure as Governor of Wyoming, the acreage of State coal lands under lease tripled, yet the strip mining law he approved during that term was weak and inadequate, and he indicated that he saw little need for such controls. Water is especially scarce and precious in the West, and it is vitally needed for food production. Yet Governor Hathaway has shown far more interest in making water available to large companies involved in energy production than in assuring the water supplies necessary for food production. Both energy and food are essential, and both deserve fair treatment and equal attention from Government.

The Governor's testimony before the Senate Interior Committee demonstrated a reluctance to make commitments of any kind in favor of resource protection: He would not assure the committee of his opposition to strip mining in National Forests, nor did he indicate serious concern about the troubling implications of offshore leasing. He told the committee that he thought the strip mining bill passed by Congress was a good, workable bill, but subsequently announced that he supported the President's veto. His testimony showed clear evidence of an unwillingness to commit himself to any environmental goals.

I am seriously disturbed by Governor Hathaway's record on the issues, but a number of his actions also raise doubt about his personal fitness for a Cabinet post. During the hearings, it was revealed that, as Governor, he received a substantial part of his income as director of a bank while at the same time he served on the board which determined the eligibility of that bank to receive State deposits. This shows a certain insensitivity to conflict of interest issues, and his delay in revealing this to the committee further clouds the situation. I am also concerned about the propriety of his actions in presenting a document on his environmental record to various members of the committee without pointing out that it contained a number of significant inaccuracies and exaggerations—inaccuracies and exaggerations which he later acknowledged under questioning.

Governor Hathaway's reluctance to commit himself to balanced resource

UMI

management and his reluctance to be honest and forthright with the Senate Interior Committee made it impossible for me to support his confirmation.

Mr. MOSS. Mr. President, I rise in support of Governor Hathaway's nomination to be Secretary of Interior. I support the nomination for several reasons.

First, I believe that it is of utmost importance that the Secretary of Interior be a westerner who understands the West, since so many of his duties and responsibilities concern Federal lands in the West. Seventy-five percent of my State of Utah, for example, is federally owned, and the prosperity of Utah's citizens is largely dependent upon decisions made in the office of the Secretary of Interior concerning lands which they use and which adjoin privately owned and State owned lands.

Second, I believe that it is essential to have a Secretary who will pursue policies of balance, between care for and conservation of the environment on the one hand, and development of natural resources on the other. I do not agree with all of Governor Hathaway's actions as Governor of Wyoming, nor do I believe that his actions as Governor struck the same balance which is appropriate and necessary for the Secretary of Interior to achieve.

However, the Governor of a large but sparsely populated and underdeveloped State has very different responsibilities to his constituents—he has a very different mission—than the Secretary of Interior. Governor Hathaway has been critized for sacrificing environmental needs and values to development programs while the chief executive of his State. Again, I may have tried to run the Wyoming State government differently than Mr. Hathaway, but I do not feel that his policies were inappropriate for the Wyoming Governor to pursue.

And I believe that his actions as Governor demonstrated sufficient knowledge of and concern for environmental issues—and that it is reasonable to expect him to carry out the functions of the Interior stewardship with skill and wisdom. I opposed the nomination of Wally Hickel to be Secretary of Interior, but Secretary Hickel turned out to one of the most ardent conservationists we have had in that position. Similarly, I believe that Governor Hathaway understands what is needed in the job and will meet those needs in a prudent manner. His constituency will be national and his vision must be broad and national enough to serve us all.

He deserves to be confirmed and given that chance.

Mr. TUNNEY. Mr. President, I oppose the nomination of Stanley Hathaway to be Secretary of the Interior.

His record, both as Governor of Wyoming and as chairman of the Interstate Oil Compact Commission, is one of consistent support of industry efforts to exploit natural resources at the expense of environmental considerations.

As Governor, he ignored or sought to overturn both State and Federal environmental regulations. He publicly recommended that Federal lands—which the Secretary of the Interior manages—be sold to private companies for commercial or industrial development.

In addition, his responses to questions at his confirmation hearings were either vague, inconsistent or evasive. For instance, during questioning by Interior Committee members, Hathaway refused to clearly state his position with regard to strip mining legislation, although he was quick to endorse President Ford's veto the day after the committee had voted on his nomination. It was also virtually impossible to obtain a firm statement from Governor Hathaway as to which water user, agriculture or industry, should have top priority for use and development. And it was equally difficult to determine if in fact he would support Federal land use legislation which the Congress is now considering. Although as Governor he worked in opposition to bill proposed during the 93d Congress, during the recent hearings, he indicated that he had not yet read this year's legislation and so he was unable to state what his position would be if the bill is passed by Congress and then sent to President Ford for his signature.

During his confirmation hearings I submitted to the Governor a series of questions regarding his views on the Interior Department's Outer Continental Shelf leasing program.

His responses were again vague and inconclusive.

It appears that Governor Hathaway is prepared to continue the existing Interior Department policy of insensitivity to the views of State and local government.

The Congress is presently considering legislation to reform the Outer Continental Shelf Land Act in an attempt to ensure that the public gets a fair return for the sale of oil and gas resources. Unfortunately, it appears that Governor Hathaway is prepared to continue to sell public oil and gas resources for considerably less than full value.

These and other instances where Governor Hathaway clearly put commercial profit over environmental protection, in my view, disqualify him for holding this important position.

The Secretary of Interior is the major trustee for much of our public resources, with responsibility for management of all federally owned lands, protection of fish and wildlife, and preservation and expansion of national parks and wilderness areas. Additionally, the Secretary must act as the principal agent of the United States for the American Indian and is required to fulfill this country's moral and legal obligations to protect the rights and interests of Native Americans.

As the representative of a State with a population of over 22 million, including 91,000 Native Americans, and a large amount of public lands, I am deeply disturbed by the prospect of filling such a vital position with a man with Governor Hathaway's record.

To cite just a few examples of Governor Hathaway's insensitivity to environmental values: He strongly supported the use of predator poisons and blanket eagle kills. As Governor, he opposed any new wilderness areas for Wyoming. He advocated forest clearcutting and the damming of scenic rivers. He supported the construction of a jet port in Grand Teton National Park. As a result of his zealous promotion of every form of energy resource development, all available acreage of Wyoming State coal lands was leased.

One of the chief responsibilities of the Secretary of Interior is to supervise the management of all federally owned lands and to determine which of those lands should be leased for development. However, Governor Hathaway publicly recommended that Federal lands be sold to private companies for commercial or industrial development. In other instances, he strongly supported leasing of Federal coal lands which were to be strip mined. It is frightening to imagine the impact on California, and indeed on the entire country, if the Senate confirms a man who advocates selling the public's land to private concerns.

In addition, with all of the difficulty we are now experiencing in trying to maintain and improve the quality of our air and water, I am doubtful about the environmental commitment of a man whose response to public concern about these problems was to point out that "Man cannot live by clean air and water alone." I think it is absolutely outrageous that the Federal Government was forced to take over management of Wyoming's water and air quality programs in the early 1970's while Hathaway was Governor because he had so weakened both programs to the point that they could no longer meet Federal requirements.

In my view, there are few areas in the coming years that will be of greater importance than preservation of the quality of our environment and conservation of this Nation's remaining energy resources. We are presently facing the very real possibility of severe material shortages if measures are not taken immediately to conserve our oil and coal reserves and to develop alternative sources of energy such as nuclear, solar, and geothermal. We simply must begin now to determine the environmental consequences of our actions, whether from strip mining or offshore oil and gas production, and to safeguard against the possibility of irreparable damage.

It is absolutely essential that we have someone administering the Department of Interior who is firmly committed to these goals. Unfortunately, Governor Hathaway has not demonstrated such a commitment in the past and there is no reason to assume he will change his position if confirmed today. Therefore, I urge the Senate to oppose his confirmation and ask that President Ford submit a nominee who is free of industry ties and strongly endorses the objectives of conservation and preservation of our natural resources.

A VOTE FOR HATHAWAY

Mr. CHURCH. Mr. President, one of the most difficult duties in public life is the necessity, at times, to disagree with friends. I find myself in that position when it comes to the confirmation of Gov. Stanley K. Hathaway to be Secretary of the Interior. For the past several weeks I have received a good deal of mail urging me to oppose the Governor's confirmation. Much of it comes from people who have been longtime friends and political associates.

It is true that Governor Hathaway would not have been my choice for Secretary of the Interior. But his selection was not mine to make. That decision lay with the President. Only if Mr. Hathaway were shown to be unfit for the office should the Senate interfere with the President's prerogative to choose those whom he wishes to serve in his Cabinet.

This is not to say that I was not concerned about Governor Hathaway's nomination. I was the first member of the Interior Committee to publicly call for a careful scrutiny of the Governor's record and views. I felt then, and still feel, that Governor Hathaway's record as chief executive of Wyoming leaves room for misgivings as to how he might handle his duties as Secretary of the Interior. But I also realize that a man's record compiled as the Governor of a State cannot be the sole criteria for predicting how he might act in a position of national responsibility. Were that true we would not need public hearings on a nominee who had previously held public office. We would merely study the record, determine if we agreed or disagreed with what he did, and then vote accordingly.

The hearings on the Governor held by the Interior Committee were thorough. Originally scheduled for 2 days, the committee extended them to 4.

The hearings served a twofold purpose. The Governor was given an opportunity to explain his record and defend it against his detractors, who, in turn, presented their case against him. A number of witnesses used the occasion to emphasize the importance of strong environmental programs. The hearings thus served as a kind of seminar. It is not unusual for a nominee's perspective to change when he has the opportunity to hear the issues aired in this manner.

A recent example comes to mind. I was urged to oppose the confirmation of former Secretary of the Interior Walter Hickel because of his anticonservationist record as Governor of Alaska. I voted for his confirmation because I felt he would take a different view at the national level. Mr. Hickel turned out to be a sound Secretary of the Interior. While I did not always agree with him, I found no reason during his short tenure to regret my vote for his confirmation.

As one who took part in the recent committee hearings, my reasons for voting for confirmation of Governor Hathaway include:

First. Governor Hathaway is a man of good character. No one questioned his personal honesty or cast aspersions upon his reputation for integrity throughout his political career.

Second. Governor Hathaway is a Westerner. Most of the public lands he will administer are located in the West. As Governor of Wyoming, he was well and favorably known to Cecil Andrus, Governor of Idaho, who recommended his confirmation.

Third. Governor Hathaway is a good administrator. Even his strongest detractors admit that he is well-qualified as an executive to handle the job of Secretary of the Interior.

Fourth. Governor Hathaway's undertakings on environmental matters, given to the Interior Committee during the hearings, were reassuring.

He made pledges on the following important environmental areas:

He assured the committee that regulations affecting coal mine leasing would reflect the basic standards with regard to strip mining of coal on public lands that were contained in last year's strip mining legislation as passed by the Congress and vetoed by the President.

He said he would defer issuing further coal leases on public lands until Congress has had a reasonable amount of time to act on amendments to the Coal Leasing Act.

He said he had no "hang ups" about wilderness and agreed that we should continue to study new areas for inclusion in the wilderness system.

Of particular importance to Idaho and the Northwest, Governor Hathaway pledged, in response to my questioning, that he would respect the currently existing 10-year moratorium on interbasin transfers of water contained in the Central Arizona Project Act, and would not advocate the diversion of Columbia River Basin water. This is of vital importance to Idaho where the covetous eyes of the Southwest are constantly fixed upon our water.

Upon examination, Governor Hathaway's environmental record while Governor of Wyoming was, as is so often the case, neither as good as his supporters had claimed nor as bad as his detractors would have had us believe. But the proposition that he is unfit to serve as Secretary of the Interior, was simply not established by the evidence.

In view of the assurances received by the Interior Committee, I must take the nominee at his word. If he abides by it, Governor Hathaway can be an acceptable, perhaps even a strong, Secretary of the Interior.

I will cast my vote for his confirmation.

Mr. BARTLETT. Mr. President, I am pleased to join in support of the nomination of Gov. Stanley Hathaway to be the new Secretary of Interior.

I have known Governor Hathaway since we were governors of Wyoming and Oklahoma, respectively.

As a fellow Governor I was most impressed with the leadership and the good sense he demonstrated as his State's chief executive officer. I am confident he will bring those same qualities to the post of Secretary of Interior.

It is not news that this appointment has been controversial. There has been a concerted effort to depreciate Governor Hathaway's integrity as well as his philosophy of government. Senators have been asked to vote against his confirmation for both of these reasons.

Historically there have been two avenues of thought on the role which the Senate should play in "advise and consent."

Senator James Reed, speaking in 1925 on the nomination of Charles Warren to be Attorney General, set forth one position on the Senate's role. He said:

> An insidious whisper has been whispered around this Chamber. It is that the Senate has no responsibility; that we should say to the President: "This is your office. Do with it as you please. Handle it as you might your own private property, and then in the end we will hold you responsible." Mr. President, a falser doctrine was never promulgated. It is false in fact, false in logic, and infamous to a degree that can scarcely be portrayed.

Fourteen years later in 1939, Senator Guy Gillette took the opposite position in the debate over the nomination of Harry Hopkins to be Secretary of Commerce. He said:

> I do not believe that there is any greater burden that can be laid upon human shoulders than the Presidency of the United States . . . . He is charged with full responsibility for the executive department. If there is any right upon which he should jealously insist, if there is any right that we should zealously see that he retains, it is the right to name those with whom he is to work that department, and particularly the official family, who are close to him, and his nearest advisers. I cannot conceive, Mr. President, how we as Senators can in justice to the Chief Executive, deprive the President of that right. There is not a Senator in the Chamber who would not insist on such a right were he President of the United States. . . .
>
> One of the last men on earth I would want in my Cabinet is Harry Hopkins. However, the President wants him. He is entitled to him. I think it is absolutely unjust for persons like myself, who harbor resentments, to deprive the President of his right. I shall vote for the confirmation of Harry Hopkins.

I am happy to say that under either of these philosophies Stanley Hathaway should be confirmed by the Senate today.

He has had an outstanding public career and training uniquely qualifying him to be Secretary of Interior. He has a balanced record on conservation and the ecology indicating his ability to resist the blandishments of extremists on either side of these issues.

Second, he is a man in whom the President has great trust as an advisor. If a man is rejected solely because a majority of Senators disagree with his philosophy, a President from a minority party could seldom have an appointment confirmed.

I was impressed with the manner in which Governor Hathaway conducted himself in response to the close scrutiny by the Senate Interior Committee as well as the Senate as a whole.

My State of Oklahoma is vitally affected by the decisions of the Department of Interior. I look forward to a close and rewarding association with Governor Hathaway in this new and demanding role he will undertake.

Mr. CURTIS. Mr. President, I strongly support the nomination of Stanley Hathaway to the position of Secretary of the Interior.

Of course, I feel a regional bond between myself and former Governor Hathaway, who was born in Osceola, Nebr., and returned to our State to attend the University of Nebraska, where he earned his Bachelor of Arts and Law Degrees. But I support Stanley Hatha-

UMI

way for a different reason: He is a man of integrity, eminently qualified to become Secretary of the Interior.

Mr. Hathaway's nomination was hotly disputed on the basis of his record on environmental issues as Governor of Wyoming. He was charged with opposition to a number of "sound environmental measures," as I recall from the background material which I surveyed. Mr. President, as I read these allegations time and time again, they seemed less and less to be founded on truly substantial evidence. Only rarely did I see extensive documentation of these allegations, documentation that I myself, as a concerned citizen, could verify.

I think that as Governor of Wyoming Mr. Hathaway acted in the best interests of his State. Throughout the hearings on his nomination, those who endorsed him could cite the problems which Wyoming faced before Stanley Hathaway's election to the governorship and the issues which he resolved as Governor. When the number of sheep and lambs lost to predatory animals rose, Stanley Hathaway worked for predator control. When Wyoming Indians faced communication problems with the Federal Government, Stanley Hathaway stepped in to clear the communications path. When Wyoming's air quality deteriorated, Stanley Hathaway established tough new air quality standards.

Mr. President, I could continue to provide such examples of Mr. Hathaway's concern for the interests of his constituents. But by far, the most impressive credit to his actions as Governor emerged during the nomination hearings. To a great extent, his opponents were groups that had had little contact with Stanley Hathaway as Governor or with the State of Wyoming itself. Those who endorsed him were Wyoming State citizens, as evidenced by this list: Senator GALE W. MCGEE, Senator CLIFFORD HANSEN, Congressman TENO RONCALIO and Governor Ed Herschler, Hon. Rogers C. B. Morton, Hon. Jack Williams, former Governor of Wyoming, Mr. David A. Flitner, president, Wyoming Farm Bureau Federation, Mr. Donald Meike, president, Wyoming Wool Growers Association, Mr. Ben Snyder, representing the Shoshone Indian Tribe, Wind River Reservation, Wyo., Mr. Ernest SunRhodes representing the Arapahoe Tribe of the Wind River Reservation, Wyo., and so on.

Mr. President, I think the fact that Mr. Hathaway ably served the people of Wyoming during his period as Governor testifies to his ability to serve the people of the United States in the position of Secretary of the Interior. I firmly believe that Stanley Hathaway's integrity and dedication and loyalty qualify him to become our common civil servant as the Secretary of the Interior.

Mr. PELL. Mr. President, the Senate is voting today on the nomination of a person to hold one of the two most important and sensitive posts in the Federal Government in terms of safeguarding the vast natural resources with which our Nation is blessed.

The Secretary of the Interior is truly the custodian of many of those resources. And I believe it is vital at this time in our history when there are so many pressures for development and exploitation of those resources that the Secretary of the Interior be a man of wisdom and sensitivity, a man alert to the needs of today but equally concerned about the needs and the rights of the generations which will come after us.

The Secretary of the Interior must be a strong man who can say "no" to the apostles of unlimited development and expansion, a man who understands the true worth of these resources to our Nation's quality of life—now and in the future.

Mr. President, I have reviewed carefully the record of Governor Hathaway who has been nominated for this post and I regret that I have come to the conclusion that he is not the man for the job.

I do not question Governor Hathaway's integrity or his administrative ability as demonstrated as Governor of Wyoming. But I do not find in his record as Governor nor in his testimony before the Committee on Interior and Insular Affairs the sensitivity and passionate concern for safeguarding our Nation's natural resources which I believe the Secretary of the Interior in this difficult time must have.

Mr. MUSKIE. Mr. President, I ask for the yeas and nays on the motion to recommit.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FANNIN. Mr. President, I reserve the remainder of my time.

Mr. HASKELL. Mr. President, I reserve the remainder of my time.

Mr. FANNIN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The proponents have 5 minutes. The opponents have 4 minutes.

The time runs equally if neither side yields time.

Mr. GARY W. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll, on whose time? On whose time is the quorum call?

Mr. HASKELL. How much time is remaining on both sides?

The PRESIDING OFFICER. There is now 4 minutes to a side, that is a total of 8 minutes remaining.

Mr. FANNIN. Mr. President, is time running?

I reserved the remainder of my time.

The PRESIDING OFFICER. The time runs equally when neither side yields time.

Mr. FANNIN. How could it change from 5 to 4 then, to 4 to 4?

The PRESIDING OFFICER. Because the time is running.

Mr. FANNIN. The time was running, it would have to run equally.

Mr. HANSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HANSEN. Mr. President, the point being made by the Senator from Arizona is that the time running is to be applied equally. We have 5 minutes, the opponents have 4. How would we wind up 4 to 4?

Mr. HASKELL. Mr. President, if the Senator from Arizona will yield back his time, I will be simply delighted to yield back my time.

Mr. FANNIN. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on the motion to recommit.

Mr. HASKELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HASKELL. The vote comes at 12:30. Am I correct?

The PRESIDING OFFICER. The Senator is correct, and under the previous order the Senate would now return to legislative session to proceed to the consideration of the conference report (H.R. 4485). When the Senator from Wisconsin arrives with the report, the clerk will state the report.

Mr. MANSFIELD. Mr. President, has all time expired?

The PRESIDING OFFICER. All time has expired.

Mr. MANSFIELD. Mr. President, it is the intention of the leadership, with the approval of the Senator from Wisconsin (Mr. PROXMIRE), who is on his way to the Chamber, and as long as we are in executive session, to call up the nomination of Mr. Richard C. Holmquist, of Connecticut, at which time the Senator from Wisconsin would like to make a few remarks.

It will not be possible to get to the conference report as anticipated until somewhere between 12:30 and 12:45.

At this time I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF RICHARD C. HOLMQUIST, OF CONNECTICUT, TO BE A MEMBER OF THE RENEGOTIATION BOARD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of the nomination of Richard C. Holmquist, of Connecticut, to be a member of the Renegotiation Board.

The PRESIDING OFFICER. The nomination will be stated.

The second assistant legislative clerk read the nomination of Richard C. Holmquist, of Connecticut, to be a member of the Renegotiation Board.

Mr. PROXMIRE. Mr. President, the nomination of Richard C. Holmquist as Chairman of the Renegotiation Board seems to represent another cut at an agency which is dying a death of a thousand cuts.

The ineffectiveness of the Renegotiation program is as notorious as it is shocking.

Here is an agency with less than 200 employees, including professionals, secretaries and janitors, which is supposed to ride herd over the tens of billions of dollars of defense contracts negotiated each year.

The primary purpose of the program is to recapture excessive profits on defense contracts. But the amount of excessive profit determinations made in recent years is so pathetically small compared to the amount of defense contracts, and compared with the excessive profits recaptured by this agency 20 years ago and more, that the program has become more symbol than substance.

We have the shadow of renegotiation and not the substance. Most of the large defense contractors do not even get renegotiated, although they comply with the law by filing their annual reports with the Board.

But the Board is so understaffed and so ill-equipped to handle the thousands of filings that are received each year, that most of the contractors reports are simply accepted at face value and not investigated.

This, in the jargon of the Board, is referred to as the "screening process." The screening process is conducted by 8 or 10 examiners in the Washington office, and it consists of barely glancing at the reports and shunting most of them aside.

Imagine that—8 or 10 examiners when we have this vast defense industry involving billions and billions of dollars.

In the numerous investigations I have conducted both in my capacity on the Appropriations Committee and on the Joint Economic Committee numerous instances of negligent, irresponsible, and ineffectual actions by the Renegotiation Board have been made a matter of record.

Just a few months ago, for example, I held a hearing in which testimony was received that the recent report of the Northrop Corp. was routinely dismissed, although there was evidence in the facts contained in the report itself that excessive profits existed. But the majority of the Board voted not to investigate the Northrop Corp. and that report now is part of the mountainous heap of corporate filings that have never been properly investigated. The Northrop Corp., of course, is the same defense contractor which has been making improper and illegal payments in connection with its sales of military equipment.

There is little doubt in my mind that had this agency been doing its job, the illegal activities of this company and others, and the fact that they are taking millions of dollars in excess profits, would have been revealed long ago.

The fact is that the Renegotiation Board indicts itself in its own annual reports.

What we find when we examine the figures supplied by the Board, is that defense contractors are being allowed to retain excessive profits even after they have been renegotiated,, after the renegotiation process.

What we find is that defense contractors are making profits of 50, 75, 100, 200 percent, and more on their annual defense sales, when we measure their profits as a percentage of net worth.

Defense contractors are being allowed to retain profits that are several times the average profit rates being made by their industry as a whole.

Now, why does this deplorable situation exist? One reason is that the Board is seriously under staffed, as I indicated earlier. The present number of less than 200 employees should be compared with the more than 700 employees that the Board had in 1953.

A more important reason is the absence of leadership on the Board. For years, this agency has been a haven for refugees from political and private life. It is a "safe house" for out of work politicians and business executives between jobs.

The previous Chairman, Chairman Whitehead, had to be dismissed from his position by the White House because his poor performance had been brought to public attention.

President Ford said in October of last year that he intended to appoint a new Chairman and that he also intended to reinvigorate the Board so that it could play a part in the fight against inflation.

But rigor mortis is likely to set in before reinvigoration.

It took more than 6 months for the President to find a new Chairman.

What is the background and qualifications of the nominee, Richard C. Holmquist for this position? He holds an undergraduate degree in business administration, obtained in 1937, and he has spent his entire professional life in business.

He was with the General Electric Co. from 1937 through 1961. From 1961 through 1965 he was a consultant on industrial development to the Governor of the State of Virginia. From 1965 through 1974 he was with Lone Star Industries.

So Mr. Holmquist comes to this job with a strong business background, and that is to his credit.

He is not an accountant or an auditor, and he has had no legal training or experience. Neither has he had any significant experience in Government procurement.

It is not my judgment that he should be disqualified automatically because of his apparent lack of experience or training for this job. After all, there have been other appointees to high Government positions who did not seem to be particularly qualified for those positions but who served quite well.

There is such a man now on the Renegotiation Board. Mr. Goodwin Chase is one of the most outstanding members of the Renegotiation Board in its entire history, a man of intelligence, integrity, and industry who has tried valiantly to bring the Board out of its doldrums.

But we in the Senate have been burned so often with appointments of unqualified individuals to high positions of responsibility that Mr. Chase's example must be considered a rare exception.

I therefore look with extreme skepticism at this appointment. There is nothing in Mr. Holmquist's background to indicate that he is especially suited for the role of Chairman of the Renegotiation Board.

What we really need in this agency are individuals of the caliber of the Comptroller General, Elmer Staats, and of the caliber of the present Chairman of the Security Exchange Commission, Ray Garrett.

Perhaps Mr. Holmquist can rise to the occasion. I will give him the benefit of the doubt, and go along with this appointment. I do not intend to vote against it.

But his efforts and the work of the Renegotiation Board will be watched very closely in the coming months. I do not expect to wait a year or more to decide whether this agency has shaped up.

The time for improvement is now. The time for this agency to get its house in order is now. The time for moving aggressively against defense contractors, and I mean the larger defense contractors not the small ones which this Board has spent most of its energies on, is now.

Congress is in the midst of a total revaluation of the Renegotiation Act. The law expires at the end of this year. Several studies of ways to reform the Board are underway. And I am assured that hearings will be held by the appropriate committees later this year.

As I have stated on many occasions before, I strongly support the principles of renegotiation. I do not support ineffective programs, however.

Mr. President, one of the most acute experts in procurement is Admiral Rickover. Admiral Rickover, of course, has served this country for many years. I think he has been in the Navy for some 50 years. He is always candid and frank, and he has almost always, in my experience, been right.

He calls the Renegotiation Board the biggest sieve in the Government. He said it is not doing its job, and he suggested it be made an agency of Congress, like the GAO.

Whether we do that or not is something we can decide in the future, when the Renegotiation Act comes before us. However, I think Members of the Senate should be aware of the fact that this board has not done its job, that we are losing hundreds of millions of dollars we should have recovered, and that this understaffing is a disgrace. For every dollar we spend on competent staff, we could, I think, bring in $100 or maybe more of excess profits that are being lost.

This program is badly in need of reform, and if Mr. Holmquist takes immediate steps to transform it from one of the laziest and sleepiest agency in the Government to the most industrious wide awake one, I will do everything in my power to cooperate with him.

Mr. President, let me say in summary that while Mr. Holmquist does not have outstanding qualifications, I have no reason to oppose his nomination. But I do hope he will bring to the position the kind of energy, force, and conviction that this Board so badly needs.

The PRESIDING OFFICER. The question is, Will the Senate advise and con-

UMI

sent to the nomination of Richard C. Holmquist, of Connecticut, to be a member of the Renegotiation Board?

The nomination was confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS CONSIDERED AS READ UNDER RULE XXII—SENATE RESOLUTION 60

Mr. CRANSTON. Mr. President, as in legislative session, I send to the desk an amendment to Senate Resolution 60 and ask that it be considered as read under rule XXII.

The PRESIDING OFFICER (Mr. LEAHY). Without objection, it is so ordered.

Mr. GRAVEL. Mr. President, I have several amendments at the desk and, as in legislative session, I ask that they be considered as read under rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, as in legislative session, I send two amendments to the desk and ask that they be considered as submitted for the purposes of rule XXII.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

NOMINATION OF STANLEY K. HATHAWAY, OF WYOMING, TO BE SECRETARY OF THE INTERIOR

The Senate continued with the consideration of the nomination of Stanley K. Hathaway, of Wyoming, to be Secretary of the Interior.

Mr. GARY W. HART. Mr. President, I ask unanimous consent that during the balloting on the nomination of Governor Hathaway, Peter Knowles and Tom Moore of my staff have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent that Owen Malone, of the staff of the Committee on Interior and Insular Affairs, have the privilege of the floor during the consideration of the Hathaway nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BARTLETT

Mr. MANSFIELD. Mr. President, as in legislative session, I ask unanimous consent that the distinguished Senator from Oklahoma (Mr. BARTLETT) now be recognized.

The PRESIDING OFFICER. Without objection, the Senator from Oklahoma is recognized.

(The remarks made by Mr. BARTLETT at this point appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

Mr. JACKSON. Mr. President, I ask unanimous consent that Grenville Garside be granted the privilege of the floor during the consideration of the vote on the Hathaway nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Wyoming.

Mr. McGEE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McGEE. When will the vote on the Hathaway nomination occur?

The PRESIDING OFFICER. At 12:30, in about 1 minute.

Mr. McGEE. And that vote will be what?

Mr. LEAHY. It will be on the motion to recommit the nomination, with instructions.

Mr. McGEE. It will be a recommittal. So those who support the nomination would vote "no" on recommittal.

The PRESIDING OFFICER. Those who did not want it recommitted would vote "no."

Mr. McGEE. I did not know how else to get in that plug. I wanted to get it under the tenor of a parliamentary inquiry.

If the motion to recommit is rejected, will there be a vote immediately on the confirmation of the nomination?

The PRESIDING OFFICER. If the motion to recommit is rejected, the question will recur on the confirmation of the nomination.

Mr. MANSFIELD. Mr. President, I think the Senator from Wyoming has made his point, because the queries he is propounding are not parliamentary inquiries. I believe it is time to vote.

The PRESIDING OFFICER. The hour of 12:30 having arrived, the Senate will proceed to vote on the motion to recommit. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (when his name was called). Mr. President, on this vote, I have a pair with the Senator from North Carolina (Mr. MORGAN). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. LONG), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), and the Senator from New Jersey (Mr. CASE) are necessarily absent.

The result was announced—yeas 40, nays 54, as follows:

[Rollcall Vote No. 219 Ex.]

YEAS—40

Abourezk	Hollings	Muskie
Bayh	Huddleston	Nelson
Biden	Humphrey	Pastore
Chiles	Inouye	Pell
Clark	Javits	Proxmire
Cranston	Johnston	Ribicoff
Culver	Kennedy	Schweiker
Glenn	Leahy	Stafford
Gravel	Magnuson	Stevenson
Hart, Gary W.	Mathias	Stone
Hart, Philip A.	McGovern	Tunney
Hartke	McIntyre	Williams
Haskell	Metcalf	
Hathaway	Mondale	

NAYS—54

Allen	Eastland	Packwood
Baker	Fannin	Pearson
Bartlett	Fong	Percy
Beall	Ford	Randolph
Bellmon	Garn	Roth
Bentsen	Goldwater	Scott, Hugh
Brock	Griffin	Scott, William L.
Buckley	Hansen	Sparkman
Bumpers	Hatfield	Stennis
Burdick	Helms	Stevens
Byrd, Harry F., Jr.	Hruska	Symington
Byrd, Robert C.	Jackson	Taft
Cannon	Laxalt	Talmadge
Church	McClellan	Thurmond
Curtis	McClure	Tower
Dole	McGee	Weicker
Domenici	Montoya	Young
Eagleton	Moss	
	Nunn	

PRESENT AND GIVING A LIVE PAIR AS PREVIOUSLY RECORDED—1

Mansfield, for.

NOT VOTING—4

Brooke	Long	Morgan
Case		

So the motion to recommit was rejected.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on confirmation.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Stanley K. Hathaway, of Wyoming, to be Secretary of the Interior? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. MORGAN) is necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) and the Senator from New Jersey (Mr. CASE) are necessarily absent.

The result was announced—yeas 60, nays 36, as follows:

[Rollcall Vote No. 220 Ex.]

YEAS—60

Allen	Fong	Moss
Baker	Ford	Nunn
Bartlett	Garn	Packwood
Beall	Goldwater	Pearson
Bellmon	Gravel	Percy
Bentsen	Griffin	Randolph
Brock	Hansen	Roth
Buckley	Hartke	Scott, Hugh
Bumpers	Hatfield	Scott, William L.
Burdick	Helms	Sparkman
Byrd, Harry F., Jr.	Hruska	Stennis
Byrd, Robert C.	Jackson	Stevens
Cannon	Johnston	Symington
Church	Laxalt	Taft
Curtis	Long	Talmadge
Dole	Magnuson	Thurmond
Domenici	McClellan	Tower
Eagleton	McClure	Weicker
Eastland	McGee	Young
Fannin	Metcalf	
	Montoya	

NAYS—36

Abourezk	Hollings	Muskie
Bayh	Huddleston	Nelson
Biden	Humphrey	Pastore
Chiles	Inouye	Pell
Clark	Javits	Proxmire
Cranston	Kennedy	Ribicoff
Culver	Leahy	Schweiker
Glenn	Mansfield	Stafford
Hart, Gary W.	Mathias	Stevenson
Hart, Philip A.	McGovern	Stone
Haskell	McIntyre	Tunney
Hathaway	Mondale	Williams

NOT VOTING—3

Brooke	Case	Morgan

So the nomination was confirmed.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. FANNIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FANNIN. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. FANNIN. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

AMENDMENTS CONSIDERED AS READ UNDER RULE XXII—SENATE RESOLUTION 60

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all amendments at the desk at the time of the vote on the motion to invoke cloture today on Senate Resolution 60 be considered as having met the reading requirements under Senate rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY HOUSING ACT OF 1975—CONFERENCE REPORT

The VICE PRESIDENT. Under the previous order, the Senate will proceed to the consideration of the conference report (H.R. 4485).

Mr. PROXMIRE. Mr. President, I submit a report of the committee of conference on H.R. 4485.

The VICE PRESIDENT. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4485) to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of May 22, 1975, at pp. 15843–15844.)

Mr. PROXMIRE. Mr. President, I ask unanimous consent that on the vote, if there is a vote, on the conference report on the Emergency Housing Act of 1975, the staff director of the Committee on Banking, Housing and Urban Affairs, Ken McLean, and the staff director of the Housing Subcommittee, Carl Stone, be permitted to remain on the Senate floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I yield to the Senator from Washington.

CONGRESSIONAL REVIEW OF ADMINISTRATIVE ACTIONS UNDER THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

Mr. JACKSON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 4035.

The PRESIDING OFFICER (Mr. GARY W. HART) laid before the Senate H.R. 4035, an act to provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities.

The PRESIDING OFFICER. Without objection, the bill will be considered as having been read twice by its title, and the Senate will proceed to its consideration.

Mr. JACKSON. Mr. President, I ask unanimous consent that the text of S. 621, previously passed by the Senate, be substituted for the text of the House bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

That this Act may be cited as the "Petroleum Price Increase Limitation Act of 1975".

SEC. 2. FINDINGS AND PURPOSE.—(a) The Congress hereby finds that—

(1) the President's state of the Union message announced his intention to lift all price controls on domestic oil under the authority of existing law;

(2) the removal of petroleum price controls would increase the price of crude oil and all petroleum products, including gasoline, home heating oil, and residual fuel oils, substantially, thereby creating major inflationary pressures throughout the economy.

(b) The purpose of this Act is to permit the Congress an opportunity to review and the right to disapprove and, if desirable, the time to develop fair and equitable alternatives to any proposal to remove existing price ceilings or to raise the price of domestic oil.

SEC. 3. LIMITATIONS ON PETROLEUM PRICE INCREASES.—The Emergency Petroleum Allocation Act of 1973 (87 Stat. 627), as amended, is further amended by adding a new section 8, as follows:

"SEC. 8. MAXIMUM PRICE FOR DOMESTIC CRUDE OIL.—(a) Not later than thirty days after the date of enactment of this section, the President shall promulgate and implement an amendment or amendments to the regulation established pursuant to section 4 (a) of this Act which shall establish a price or prices (or the manner of determining a price or prices) for all crude oil (including that crude oil otherwise subject to section 4 (e) (2) of this Act) not classified as 'old' oil under regulations in effect on January 31, 1975. The price or prices established by the President pursuant to this section shall be no greater than the price generally prevailing as of January 31, 1975, for the crude oil subject to such amendment or amendments. Such price or prices shall be effective immediately upon their inclusion (or the inclusion of the method for determining such price or prices) in such regulation.

"(b) Except as provided in section 7 of the Petroleum Price Increase Limitation Act of 1975, no exemption of any classification of petroleum, or increase in the price permitted for (1) oil classified as 'old' oil under regulations promulgated pursuant to section 4 of this Act and in effect on January 1, 1975, or (2) any other crude oil subject to the amendment or amendments required by subsection (a) of this section may be established except in accordance with the procedures established in section 5 of the Petroleum Price Increase Limitation Act of 1975.".

SEC. 4. PRICE FLOORS FOR DOMESTIC FUELS.—No tariff, import fee, quota, or other measure that restricts or controls imports of petroleum shall be established or employed for the purpose, or with the effect, of establishing or maintaining a minimum price for any domestically produced fuel or form of energy, except as provided in section 5 of this Act.

SEC. 5. REVIEW BY CONGRESS.—(a) No action covered by the provisions of section 8(b) of the Emergency Petroleum Allocation Act of 1973, as amended by this Act, or section 4 of this Act may be undertaken unless—

(1) such action is specifically authorized by law enacted after the date of enactment of this Act, or

(2) the specific action proposed to be taken is submitted to both Houses of the Congress. Each House then shall have the opportunity to disapprove of such action within thirty days of the receipt of the proposal pursuant to the procedures provided for in sections 906 (a), (b), and (c), 908, 909, 910, 911, 912, and 913 of title 5, United States Code, except that for the purposes of this Act:

(A) the period of congressional review and opportunity for disapproval shall be thirty calendar days rather than sixty calendar days;

(B) any reference in such sections to "reorganization plan" shall be deemed to be a reference to (i) "petroleum pricing action," which for the purposes of this Act shall mean all actions referred to in section 8(b) of the Emergency Petroleum Allocation Act of 1973, as amended by this Act; or (ii) "action to establish a petroleum price floor," which for the purposes of this Act shall mean any action referred to in section 4 of this Act; and

(C) such thirty-day review period shall begin when such action is submitted to the Congress.

(b) If any action covered by the provisions of section 8(b) of the Emergency Petroleum Allocation Act of 1973, as amended by this Act, or of section 4 of this Act is disapproved by either House within the thirty-day review period, no officer or agency of the Federal Government shall have the authority to take any action inconsistent with the provisions of subsection (a) of this section.

(c) Any action required to be submitted to both Houses of the Congress pursuant to this section shall be accompanied by a finding and report, which shall contain the following:

(1) the need for the proposed action;

(2) the prices of imported and domestic petroleum and other fuels and forms of energy that are in fact anticipated to result from the proposed action;

(3) the impact of the proposed action upon domestic production and consumption of petroleum and other fuels and forms of energy;

(4) the impact of the proposed action and of the resulting prices of petroleum and other fuels and forms of energy upon living costs, employment and unemployment, and real incomes; and differential economic impacts among regions, socioeconomic groups, and industrial sectors of the United States; and

(5) the anticipated effects, with respect to the considerations in (3) and (4) of this subsection, of reasonable alternatives to the proposed action.

SEC. 6. EFFECT ON PRESIDENTIAL AUTHORITY.—Nothing in this Act shall be deemed to establish any new authority or to enlarge any existing authority of the President to impose or amend any tariff, fee, or quota on imported petroleum.

SEC. 7. ENCOURAGEMENT OF ENHANCED OIL RECOVERY.—Section 4(e) of the Emergency Petroleum Allocation Act of 1973, as amended (87 Stat. 627), is amended by adding a new paragraph 4(e)(3), to read as follows:

"(3)(A) In the event that the price regulation promulgated under subsection (a) of this section provides for more than one price (or manner of determining a price) for a given grade and quality of crude oil produced in a given producing area, the regulation shall provide that the price applicable to 'enhanced recovery oil', as defined in subparagraph (B) of this paragraph, shall be the highest price applicable to the given grade and quality of crude oil produced in the given producing area.

"(B) For the purposes of this paragraph 'enhanced recovery oil' refers to any crude oil produced from any property in any calendar month, in excess of a percentage, specified in the regulation, for each subsequent calendar year, of the volume of crude oil produced from that property in the corresponding calendar month of 1972.

"(C) The percentage specified for each calendar year pursuant to subparagraph (B) of this paragraph shall reflect and take into account the rate of decline in production normally expected from individual oil reservoirs in the absence of enhanced recovery techniques, such as measures to increase the permeability of the reservoir, including acidizing and fracturing, measures to restore reservoir pressure by injection of water, steam, or gas, and measures to reduce oil viscosity or capillarity by the introduction of injected substances or heat.".

SEC. 8. ENTITLEMENTS.—(a) Section 4 of the Emergency Petroleum Allocation Act of 1973, as amended (87 Stat. 627), is amended by adding at the end thereof the following new subsection:

"(h) Insofar as any regulation promulgated and made effective under subsection (a) of this section shall require the purchase of entitlements, or the payment of money through any other similar cash transfer arrangement aimed at equalizing the cost of crude oil to domestic refiners, such regulation shall exempt the first fifty thousand barrels per day of those refiners whose total refining capacity (including the refining capacity of any person who controls, is controlled by, or is under common control with such refiner) did not exceed on January 1, 1975, one hundred thousand barrels per day from said requirement: *Provided*, That nothing herein shall be taken to restrict the right of any small refiner as defined in section 3(4) of this Act to receive payments for entitlements or through any other such cash transfer arrangement.".

(b) The amendment made by subsection (a) of this section shall be effective for payments due, pursuant to any regulation referred to in such section, with respect to crude oil receipts and runs to stills occurring on or after February 1, 1975.

Passed the Senate May 1 (legislative day, April 21), 1975.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 4035) was passed.

Mr. JACKSON. Mr. President, I move that the Senate insist upon its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees.

Mr. GRIFFIN. Mr. President, reserving the right to object——

Mr. JACKSON. This has been cleared.

Mr. GRIFFIN. I wonder if the chairman would advise me and the Senate whether or not there is any controversy about this.

Mr. JACKSON. No. It has been fully cleared with Senator FANNIN, the ranking minority member.

This deals purely with a, shall we say, technicality.

We passed our bill, a Senate bill. The House sent over a House bill with a House number. So, rather than have the Senate go through the same thing all over again, this is the purpose of it, so we can go to conference.

Mr. GRIFFIN. I thank the distinguished Senator.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to, and the Presiding Officer (Mr. GARY W. HART) appointed Mr. JACKSON, Mr. CHURCH, Mr. METCALF, Mr. FANNIN, and Mr. HANSEN, conferees on the part of the Senate

EMERGENCY HOUSING ACT OF 1975—CONFERENCE REPORT

The Senate continued with the consideration of the conference report on the bill (H.R. 4485) to provide for greater home ownership opportunities for middle-income families and to encourage more efficient use of land and energy resources.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PROXMIRE. How much time has been running against my side on this?

The PRESIDING OFFICER. Time for debate on this conference report is limited to 30 minutes, equally divided and controlled by the Senator from Wisconsin and the Senator from Texas.

Mr. PROXMIRE. Mr. President, has that time started running yet, or is it starting now?

The PRESIDING OFFICER. The time starts right now.

Mr. PROXMIRE. All right, I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I ask for the yeas and nays on H.R. 4485, final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered

Mr. JAVITS. Mr. President, will the Senator yield to me for a brief statement?

Mr. TOWER. I yield on my time to the Senator from New York.

Mr. JAVITS. Mr. President, I thoroughly support the conference report. I think they did a great job.

I shall make a statement on this matter following the remarks of the distinguished managers of the bill.

Mr. PROXMIRE. Mr. President, the Senate and House conferees on H.R. 4485, the Emergency Housing Act of 1975, reached agreement on May 12, 1975. The House passed the bill agreed to in conference. In reporting this bill to the Senate, I urge approval for emergency action to restore homebuilding activity across the country, to increase employment at a time when 9 percent unemployment faces the Nation, and to provide critically needed housing for families now priced out of the housing market.

It is designed, in addition, to protect the homes of some 100,000 workers who have been deprived of income by the current recession because we have foreclosure provisions in the bill. By putting idle men and resources to work, I estimate that the $1.3 billion Federal investment in housing programs authorized will increase Federal revenues almost threefold, and will result in a reduction of the Federal budget deficit by at least $1 billion. The Emergency Housing Act is anti-inflationary legislation.

Unemployment is so high in this area. The need for houses is so great that the additional supply of houses would tend to reduce the price and certainly there is no argument that I can think of that would argue that if you put people to work in an industry that has 20 percent of unemployment there is any kind of inflationary pressure. We have all kinds of lumber, cements, and all other building materials.

Mr. President, there are many reasons for adopting this conference report. One is unemployment, and there is no action I can think of that will provide more jobs more quickly at less cost to the Government and the taxpayer than will this bill.

Mr. President, the emergency housing bill approved in conference is designed to aid 400,000 middle-income families purchase homes to generate more than 800,000 new jobs and over $12 billion in production activity over the next year.

The emergency bill establishes three new initiatives for recovery. First, a temporary housing program that is expected to result in 400,000 additional housing starts during the next 12 months. Under the program, middle-income families would be able to obtain either a 6-percent mortgage for 3 years, followed by a gradual increase in interest payments for an additional 3 years up to market; or a 7-percent mortgage for the life of the contract; or alternatively, by the amendment of the Senator from Massachusetts (Mr. BROOKE) a $1,000 incentive to reduce downpayment at the time of purchase.

Second, a homeowner's relief program that would authorize HUD to make payments up to $250 monthly for a period of no longer than 2 years on behalf of delinquent homeowners facing foreclosure because of unemployment, or to purchase the mortgage in order to help cure the delinquency. A total of $500 million is authorized for this program over a 2-year period. I believe most Senators will support that section of the bill.

Third, an expansion of the existing GNMA tandem program to include apartments and condominiums, making use of the almost $2 billion in existing authority.

In addition to these major initiatives, the bill would also extend the present program providing low-interest loans for housing rehabilitation by authorizing $70 million in new loans over the next 2 years.

How does this bill differ from the bill that passed the Senate by a 72-to-26 vote earlier this year?

The bill I am recommending today differs from the Senate-passed emergency act in two major respects. First, the bill does not contain the permanent countercyclical housing program that I introduced last February. Under that program, a flow of Federal mortgage credit would have been automatically triggered when housing starts fell below a critical level and off when housing production was restored to a level consistent with our national housing goals. While the House conferees indicated that they were definitely interested in a program to end the boom-and-bust cycle that has affected the housing industry in recent years, they insisted that they would need to hold hearings on the subject before they could recommend action to House Members. The Senate conferees, in the interest of getting a bill out at this time, agreed to defer action for now on a permanent countercyclical program.

The Senate conferees also agreed to defer action on the energy conservation provisions approved in the Senate bill. The House conferees stated that they had not been able to complete action on housing-related energy legislation, but would do so in the very near future.

While the bill agreed to in conference falls short of the excellent bill passed by the Senate, I have no reservations in urging my colleagues to pass the measure before us. I believe this bill is an essential first step to restoring the economic health of the Nation. During consideration of this legislation we heard considerable testimony to the effect that "what is good for housing is good for the Nation."

As a matter of fact, people in the automobile industry, when I asked them what was the best thing we could do to help the automobile industry move out of the doldrums, said "Effective, vigorous housing legislation that would provide the jobs we need in housing."

Mr. President, I would like to conclude by reading from a letter from Mr. Norman, president of the National Association of Homebuilders, written on June 11, in which he said:

> The approval of the conference report is extraordinarily important to the rejuvenation of the Nation's homebuilding industry. Without enactment of this legislation we see no chance of housing starts in 1975 exceeding 1.1 million units, the lowest production level since 1946.

That means we are in the most serious housing depression that we have been in in some 30 years. Certainly, this legislation is most timely for that reason. Mr. Norman goes on to say:

> The 400,000 homes the middle-income families would be assisted in buying under this bill would not otherwise be produced without the assistance the bill provides. With today's mortgage interest rate level of 9 percent, close to 70 percent of the American population will find themselves unable to buy a new home. This has resulted in the most drastic decline in housing production in 30 years and an unemployment rate in construction of 21.8 percent. In homebuilding we estimate the unemployment rate is 42 percent.

Mr. President, this is called an emergency housing bill but, as I say, it is the most effective, lowest cost way to put people to work that I think the Senate has considered.

Mr. President, syndicated columnists Rowland Evans and Robert Novak wrote this morning—in the Washington Post—that the bill before us is loaded down with "questionable high cost subsidy programs."

Unfortunately, they based their article chiefly on one source in the House and to put it simply, they did not get their facts straight.

First. The bill is not "high cost." I have argued above that the Federal investment will be more than paid back in increased employment, production and Federal revenues. The bill is anti-inflationary, not inflationary.

Second. The bill is not higher cost than the two original House bills. In fact the conference bill is lower than these two bills. The Senate middle-income subsidy provisions provide lower-cost options than the House bill. The original House committee report on these bills indicate that the housing subsidy and foreclosure relief provisions would cost approximately $1.7 billion. The bill before us is estimated by both House and Senate at about $1.3 billion.

Third. The bill does not contain questionable items that add cost to our housing programs. The only added program that authorizes additional appropriations is the section 312 rehabilitation loan program. This is a highly successful program particularly in smaller communities across the country. The amount authorized is $35 million yearly, or less than one-third of 1 percent of the total authorized in the bill.

Fourth. The bill does not include the energy conservation program proposed by the President and passed overwhelmingly by the Senate—because the House refused to accept the Senate bill. The Senate receded on this important matter in order to give the House more time to act. We actually unloaded the bill of an item the President and the Senate felt was an urgent matter.

As you can see Mr. Evans and Mr. Novak did not get a number of facts straight. They reported incorrectly that Mr. BOLAND of Massachusetts had voted against the emergency housing bill, when in fact he voted for the measure.

I could go on with other items that would call to your attention the fact that the emergency housing bill is exactly that—a bill that we need to pass right now.

Mr. President, I ask unanimous consent to have printed in the RECORD an article by Messrs. Evans and Novak as it appeared in the Washington Post of today, June 1, 1975, entitled "The Demoralized Democrats."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DEMORALIZED DEMOCRATS

(By Rowland Evans and Robert Novak)

Deepening demoralization within the Democratic majority in Congress reached a climax last week just before the House voted to approve a $1.3-billion housing bill viewed by middle-road Democrats as the probable victim of another successful presidential veto.

Rep. Thomas (Lud) Ashley of Ohio, a longtime housing stalwart on the House Banking Committee, privately put this question to House Majority Leader Thomas P. (Tip) O'Neill: "How long do we have to take the gas, Tip, before we begin to hurt?"

In one form or another, that question is being asked by every Democrat in the top-heavy Democratic Congress as President Ford consolidates his control over the divided federal government, gives his party its first taste of political cheer since Watergate and watches the Democrats' dream of congressional government go down the drain.

The point of Ashley's question was this: The housing bill had become hopelessly loaded down with questionable high-cost subsidy programs after the original House version went to conference with a far broader Senate housing bill. Ashley, a House conferee, refused to sign that conference report. He then carried the battle to the closed-door House Democratic caucus last Wednesday.

But Rep. Henry Reuss of Wisconsin, House Banking Committee chairman, never really joined battle. Reuss simply read to the

UMI

caucus a letter signed by Speaker Carl Albert, O'Neill and Rep. Jack McFall of California, the majority whip, in which the leadership appealed to every Democrat to vote for the swollen bill.

In the House vote that passed the bill the next day, 43 Democrats broke away from the leadership and voted against the subsidy-rich housing bill—a defection from party ranks that would virtually assure the House upholding President Ford's expected veto of the bill. Indeed, Democrats voting no nearly double the 22 Democratic defectors who made it possible for Mr. Ford to win his spectacular fight against the House attempt to override his veto of the jobs bill last week.

The 43 Democrats who rejected the Albert-O'Neill-McFall leadership should have sent shivers down their spines. Rep. Edward Boland, an intimate Massachusetts colleague of O'Neill, voted with Ashley and against the veto-targeted housing bill. So did Washington's Rep. Thomas Foley, chairman of the Agriculture Committee and past chairman of the Liberal Democratic Study Group, Rep. Sam Gibbons, a bonded liberal from Florida, and Rep. Robert Giaimo of Connecticut, a liberal with close ties to the leadership.

What this adds up to is crisis for the Democratic leadership on Capitol Hill and what one Republican strategist calls "the decisive competitive edge" for Gerald Ford as he rolls a Democratic Congress unable to find or assert a collective will. That "competitive edge" is now spreading far beyond Capitol Hill, displaying a political maturing in President Ford that is enhancing his prestige nationally.

The contrast with extravagant Democratic plans last January is particularly vivid. Then, the Democrats unfurled a 14-point legislative program to give them the initiative over an unelected President to solve the energy crisis, recession, inflation and kindred ailments. Ironically, two of those 14 points were the heart of the original housing bill in the House: interest subsidies for middle-income homebuyers and foreclosure relief for unemployed mortgage-holders.

A presidential veto of such a lean housing bill would almost certainly be overridden, and the Democrats then could justify their claim of making responsible congressional government work. But now the housing bill has become an easy victim of Mr. Ford's veto pistol.

Such fine points seem beyond the grasp of the House leadership, which has been functioning this year in an admittedly difficult role as administrators, not leaders, of a huge majority bent on obliterating the old, institutional power centers of the House. Against such an opposition, Mr. Ford is doing very nicely.

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

Mr. McCLELLAN. Will the Senator yield?

Mr. PROXMIRE. Mr. President, before I yield the floor, I yield to the distinguished Senator from Arkansas.

Mr. McCLELLAN. I would like to ask the Senator a question. What level of income is necessary to make a person eligible for these interest rate reductions?

Mr. PROXMIRE. 120 percent of the median income in the area.

Mr. McCLELLAN. How will that be determined?

Mr. PROXMIRE. The Federal Government computes income in various areas of the country. HUD does it already for their existing housing programs. Those figures are available and we would rely upon them.

Mr. McCLELLAN. I received a call last night from a builder in my State who constructs houses, and who has been in this business for quite a long time. He expected difficulty with people in the middle-income group, as he referred to them, being able to buy houses at the cost they are now.

He would hope that this method provided in this bill would be available to what he termed middle-income people.

Mr. PROXMIRE. May I say to the Senator from Arkansas——

Mr. McCLELLAN. I do not know what to tell him, whether it is middle income or what it is.

Mr. PROXMIRE. That is precisely the purpose of the bill. By providing those with median incomes of 120 percent or less to qualify, the middle-income group, that is, those whose incomes are in the area of $8,000, $10,000, $12,000, or $14,000 a year would be just the people who would be in a position to buy under this bill.

Mr. McCLELLAN. Of course, any housing that is of any high quality, other than just cheap housing, sells for around $30,000, $35,000, or $40,000. Are the people who are going to be buying those houses entitled to these reductions?

Mr. PROXMIRE. The limit here is $38,000, except in high-cost areas where it goes to $42,000.

Mr. McCLELLAN. So in my State, then, they would be eligible for housing costing that much?

Mr. PROXMIRE. Yes, indeed.

Mr. McCLELLAN. I thank the Senator.

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

Mr. TOWER. Mr. President, when we originally considered H.R. 4485, the Emergency Housing Act of 1975, I opposed the measure. I did so very reluctantly because it was the first major piece of housing legislation that I have ever opposed in my Senate career. After reviewing the conference report, I find that I must continue to oppose this measure.

Discounting the cost factors, in my opinion the programs provided by this legislation will, at the very least, be ineffective, and at the worst, exacerbate the current crisis in the housing industry.

Many of the questionable provisions of the bill have been retained.

H.R. 4485 still contains the $1,000 grant to anyone who wants to buy a new house. Its purpose was to assist in making the downpayment. I still question this, as the downpayment for a $35,000 FHA house is only 6 percent, and the downpayment for conventionally financed houses can be comparable if private mortgage insurance is used. For the most part, in my opinion, much of this money will be used to assist those families who would have purchased homes whether this program was available or not. Because of this, I think it will have a negligible impact on spurring new housing construction, and thereby alleviating the severe unemployment in the housing industry.

In addition to the program which provided for Government subsidies so that 6-percent mortgages could be available, the conference committee agreed to a new program whereby GNMA will provide 7-percent mortgage money. Again, in my opinion, both of these programs are questionable.

The 6-percent program is billed as a program that will phase out over a 6-year period. I would just like to comment that I have seen few, if any, programs like this that, in fact, were phased out. I think that there will be enormous pressures from the thousands of participants in this program to make it permanent. And what is so magic about 6 percent anyway? During the period of our greatest housing production—during 1971–72—interest rates were about 7½ percent on the average. If we could have such great production when interest rates were at that level 3 years ago, I do not see the need now for the artificially low rate of 6 to 7 percent.

Mr. President, no one can deny the importance of the homebuilding industry to our economy. And, I might add, just a few weeks ago, thousands of homebuilders were in town to remind us of this fact. I welcomed meeting these builders because it is extraordinarily educational to meet with the person who has to work directly with the programs we enact.

I told them what I thought about this legislation and the basis for my beliefs. Several in the group of about 50 disagreed with me, but many of them supported my position. On the one hand they acknowledged the problem and some thought that this bill might bring some short-term relief. But most thought that we must first look to the resolution of the long-term problem. They strongly thought we must give our financial institutions sufficient powers so that they can support a nongovernmentalized housing industry.

These builders know that more Federal programs mean more confusion on the part of the buyer and seller, more paperwork, and more regulation. This is something they emphatically do not want and they know that if we pursue this course, the homebuilding industry can only suffer.

In the words of one prominent builder with whom I met—

This is another stop-gap type of legislation which provides superficial treatment rather than getting to the source of the problems presently causing havoc with our industry.

I completely agree with this statement. I strongly urge the defeat of the conference report on H.R. 4485.

One indication of why this will not do any good is that, as Senator PROXMIRE said before the Joint Economic Committee, the required minimum annual income for a $41,000 house is $23,330 a year. Only 15 percent of the families in the country make that much, and therefore I submit that by the reckoning of the Joint Economic Committee itself, this bill will not solve anything, and may even exacerbate the problem.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. TOWER. I yield.

Mr. PROXMIRE. That is the whole point. With 9-percent interest, of course, they have to have this very high income in order to buy a home. By reducing it to 6 percent, it makes it possible for people who otherwise cannot buy a home, to be able to buy it.

Mr. JAVITS. Mr. President, I strongly support the conference report on H.R. 4485, the Emergency Housing Act of 1975. This bill will provide the needed aid to middle-income home buyers which is so necessary at this time of trouble in the housing market.

The bill provides for interest reduction payments to bring down mortgages to a rate of 6 percent. The bill also authorizes home purchase incentive payments of $1,000 to make downpayments on new homes. In other sections, the section 312 rehabilitation loan program is extended for 2 years with new authorizations and most importantly my amendment is included which would allow State housing agencies to raise income limits for admission to non-FHA-insured section 236 projects and to adjust rent-income ratios. This provision will allow agencies such as the Urban Development Corporation of New York to put their projects on a more stable basis. Finally, the bill provides for mortgage relief payments to homeowners in an amount up to $250 per month to meet mortgage payments. This payment would go to homeowners whose incomes have been substantially reduced because of unemployment or underemployment.

I think that H.R. 4485 is a good bill and is needed in today's housing situation. I am hopeful that the President will not veto this legislation since the cost is not great and HUD has discretion in administering the programs in the bill.

Mr. PROXMIRE. I yield 2 minutes to the chairman of the Joint Economic Committee, the Senator from Minnesota (Mr. HUMPHREY).

Mr. HUMPHREY. Mr. President, one of the reasons why I favor the Omnibus Emergency Housing Act of 1975, and have supported it before the committee, is because of the studies that have been made relating to the difficulties our people are having in the purchase of new housing, due to two factors: The high interest rates and, for a period of time, the tightness of the mortgage money market.

This bill, while not the total answer to our housing needs, will do several things that are important.

First, it gives the person wishing to buy a house, for a short period of time, a subsidized interest of 6 percent, for a period of 3 years, and a 7-percent mortgage for the lifetime of the mortgage, which is, of course, decidedly better than we have under the present system.

Of equal significance, it is a job-producing bill. So it performs two very important social and economic functions: First, housing, particularly for middle-income families; and second, jobs for a large number of construction workers who are out of work today. The housing industry employs more workers, both skilled and not skilled, than almost any other industry, once it is in motion. Many of our unemployed unskilled workers today would find jobs in a reactivated housing industry, particularly in the cities. I thank the Senator from Wisconsin, and I hope this proposal will be adopted.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield the Senator from Utah such time as he may require.

Mr. GARN. Mr. President, on the face of this bill it says it is the Emergency Housing Act of 1975. I serve on the Committee on Banking, Housing and Urban Affairs, and sat in on all the hearings concerning this bill, and that is one of the things that concern me. We are constantly dealing with emergency legislation rather than getting into any long-term planning of what the housing market needs and what the solutions to the housing problems are. We are, moreover, responding in a devious manner.

That is what we do in this case. There were some 10 to 14 bills introduced and before the committee, and, not knowing what to do with them, we put them all together in a big Christmas tree, the Omnibus Emergency Housing Act of 1975.

I think we are responding after the fact; and when I mentioned this to a staff member, he stated, "I think you are right; the current emergency is over, but we will try to respond now to the next emergency," without understanding what the character of that emergency might be.

Nevertheless, this omnibus bill did pass the Senate and went to the House of Representatives. I was a member of the conference committee. It was a very difficult conference, because the House bill, in my opinion, was a more responsible bill than that of the Senate; it did not include so many ornaments on the Christmas tree.

I signed the original conference report, although I did not agree with some of the provisions it contained, but I object to this one on two bases, if this is the way we are to do business in the Senate of the United States and the House of Representatives. First, I object to conference procedure by staff. It has been mentioned the last couple of days that the Senate and House staffs have too much influence, and I certainly agree with that. In this case, I refused to sign the second conference report. The first one was signed, but some of the House Members disagreed and asked for another conference. But an additional conference was not called. Some Senators' staff members and some Representatives' staff members got together, and I was notified by a very brief summary which I found on my desk, and asked the question in a telephone call as to whether or not I would sign the conference report I stated I would not.

I believe that Senators and Representatives, who are elected by the people of their States and are responsible to them, are the ones who ought to work on these bills, because the staff members never have to stand for election.

So I not only oppose the conference report as a big Christmas tree, too much and too late, but I object to not calling the members of the conference back together. This final conference was conducted by staff members.

Mr. TOWER. Mr. President, I yield the Senator from Virginia such time as he may require.

Mr. HARRY F. BYRD, JR. Mr. President, it seems to me that there is considerable merit in this proposal.

However, as I understand the thrust of title I, the long-term interest payment, interest subsidies, and other benefits to be given to the individual building a home are to go to middle-income families; but that does not mean, necessarily, those in the $10,000 to $12,000 to $14,000 brackets. It will mean to middle-income families as defined as "single individuals and families whose incomes do not exceed 120 percent of the median incomes for the area."

Let me take three areas in the State of Virginia to show how individuals in those localities will be affected.

The median income for Lee County, Va., according to the 1974 Department of Housing and Urban Development Statistics, is $5,500; 120 percent of that figure is $6,600. So anyone making more than $6,600 would not be eligible for the subsidies and interest rate reductions involved in the act.

Taking a nearby area, the town of Norton, in Wise County, again in the far southwestern part of the State, the median income figure there is $10,200, so that would break a family or an individual earning up to $12,000——

Mr. PROXMIRE. Mr. President, will the Senator yield briefly?

Mr. HARRY F. BYRD, JR. If the Senator will let me cite one more figure. We have a figure of $12,000, to represent the maximum income for eligibility.

Then, coming all the way across the State to northern Virginia, when we come to the Washington, D.C., metropolitan area, the median figure there is $18,100; 120 percent of that figure is $21,720.

So there is a considerable discrepancy, it seems to me, in the figures, as they apply throughout the Nation.

I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I say to the Senator from Virginia that he makes an excellent point. That is one of the difficulties in these bills. They do not provide the kind of equity we would like if we could work it out perfectly.

We do have a problem because, obviously, it would mean that in many sections of the country we would not get any home construction at all if we had a limitation that was standard throughout the country, say, $8,000, or $10,000, or $12,000.

I think that there are two answers that are not complete to the Senator, but I think they represent something. Part of it is the fact that there is a price limitation on the house of $38,000, with some somewhat higher in high cost areas, but $38,000 is generally the limit.

The other part of it, of course, is that this is fundamentally not really a home construction bill, although the point is useful there, but it is a job bill. It puts people to work.

As we know, we have heavier unemployment in construction than in almost any other industry in the country. More

UMI

than 20 percent of the people in construction are out of work.

But the Senator puts his finger on the weakness in the bill, and I will agree to that.

I do think, in my view, at least, it is overcome by the fact that it does provide more jobs, and the cost to the Federal Government is less than any other job-producing legislation that I think we have enacted.

Mr. HARRY F. BYRD, JR. I thank the Senator from Wisconsin and yield back the remainder of my time to the Senator from Texas.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I think I would be remiss if I did not note what this is going to cost. The total cost involved in this bill is $2.2 billion. I just do not think that we help the homebuilders, people seeking to buy houses, or anyone else in this country, if we push the Federal Government further and further into the debt market.

The Government already occupies 60 percent of the debt market in this country, and with the kind of deficit we are going to pile up this year, even a more and larger percentage of that debt market is going to be preempted. That means that the average citizen pays. If we raise taxes to pay for the program, the citizens would raise the dickens with us about it. But sometimes they do not undertsand that they pay anyway when the Government goes into the money market to deficit spend. They pay through higher interest rates. This is precisely what this is going to do.

It is going to be another one of those things that is going to have an aggregate effect of driving up interest rates through increased Government preemption of the debt market to the exclusion of the percentage of debt market available for capital, and capital expansion is the thing that is most calculated to get the economy back on its feet.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, I will use my remaining minute or so to reply to the Senator.

The fact is that the foreclosure of this bill is a loan. It is repaid. The cost that we compute is $1.7 billion, but the most important element here is that Federal Government revenues will increase by $2 billion or $3 billion—we figure by a minimum of $3 billion—because of the additional activity, because of the additional jobs. People will pay more taxes, and, of course, as that happens revenues increase. The deficit declines because we compute that the revenues of the Federal Government revenues will increase by substantially more than $2 billion.

Mr. President, I ask unanimous consent that the letter I read from the Home Builders be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF HOME BUILDERS,
Washington, D.C., June 11, 1975.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: I understand that the Senate is due to vote today on the Conference Report of the Emergency Housing Act of 1975, H.R. 4485. The approval of the Conference Report is extraordinarily important to the rejuvenation of the nation's home building industry. Without enactment of this legislation, we see no chance of housing starts in 1975 exceeding 1.1 million units, the lowest production level since 1946.

The 400,000 homes that middle income families would be assisted in purchasing under this bill would not otherwise be produced without the assistance that the bill provides. With today's mortgage interest rate levels of 9 per cent, close to 70 per cent of the American population find themselves unable to purchase a new home. This has resulted in the most drastic decline in housing production in 30 years and an unemployment rate in construction of 21.8 per cent. In home building, we estimate the unemployment rate is 42 per cent.

The enactment of H.R. 4485 and the over 500,000 jobs it would create are essential to a recovery of the home building industry and to a recovery in the nation's economy. I urge on behalf of this industry your continued strong support for early enactment of H.R. 4485.

Sincerely,
J. S. "MICKEY" NORMAN, JR.,
President.

Mr. PROXMIRE. Mr President, I ask unanimous consent that Mr. Robert Malakoff, of the staff of the Housing Subcommittee, be granted the privilege of the floor during the vote.

Mr. TOWER. Mr. President, will you add the name of Tom Brooks?

Mr. PROXMIRE. And Mr. Tom Brooks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I ask the distinguished Senator from Wisconsin by whom was that figure quantified that the Senator cited of $3 billion going to flow into the Treasury?

Mr. PROXMIRE. This computation was done by the staff of the Committee on Banking, Housing and Urban Affairs on the basis of computations that I have seen repeatedly as to what happens when you stimulate activity in the economy. We can compute how much more economic activity we have, when we have 400,000 new house starts, and the cost of those housing starts over a period of a year. We figure that is about $12 billion. The revenue to the Federal Government is around a fifth or sixth of that, on the basis of all our previous experience.

Mr. TOWER. What about the 400,000 or 500,000 house overhang that we have now? What if we do not sell all these houses that are going to be built? That is not going to bring in much in the way of additional revenues.

Mr. PROXMIRE. The tax credits are designed to take care of that. We already passed that. I was not in favor of that particular provision. But that should help.

Mr. TOWER. I joined the distinguished Senator from Wisconsin in not favoring that provision. But I do not think we can accurately quantify what might flow into the Treasury.

Mr. PROXMIRE. We have to do our best on this.

Mr. TOWER. I could not quantify what impact it is going to have on the debt market and what it is going to do with interest rates in the private sector. I think it is a certainty the more the Government goes into the money market the less is available for capital borrowing and the higher interest rates are going to go.

I think we ought to alert the American people to the fact that if we are going to have all these visionary programs probably we will not solve the problem anyway. They are going to pay through the nose through higher interest rates.

Mr. DOMENICI. Mr. President, today I will again oppose H.R. 4485, the Emergency Housing Act of 1975. When the Senate first began debate on this measure, I was undecided because I supported the jobless homeowners mortgage relief provision but strongly opposed the temporary mortgage interest subsidy programs. I finally cast my vote in opposition when I learned that Chairman SPARKMAN of the Housing Subcommittee planned to keep S. 1457, which dealt with mortgage relief loans on the calendar and would call it up for debate, if as expected President Ford vetoed H.R. 4485.

I had, however, hoped that my colleagues had learned a lesson from the disastrous effects of temporary subsidy programs which can only artificially pump temporary money into the housing market. This temporary money could possibly meet some short term needs but would then only cause financial chaos when expired. The problem can only be solved by long term programs which promote stability not uncertainty in the market.

The sponsors of H.R. 4485, have now devised a short term temporary program which authorizes HUD to subsidize at 6 percent for up to 400,000 families, the mortgages for middle income families. Also included is a limited $1,000 grant to be used as incentives to purchase new homes and thus stimulate housing construction.

Mr. President, I seriously question whether such haphazard short term programs will accomplish anything more than temporarily meeting some people's housing needs. Let us turn instead to realistically examining the effect that short term Government programs have on the market and whether it would be more reasonable to promote programs with more stability.

I would, however, like to reiterate my intention to support S. 1457, if called to the floor because I do feel that mortgage relief loans are necessary to aid other jobless during these recessionary periods.

Mr. President, I urge my colleagues to oppose H.R. 4485 as a shortsighted approach to our housing problems.

Mr. HUMPHREY. Mr. President, I fully support the conference report on the Emergency Housing Act of 1975. This legislation is an important component of

any comprehensive strategy to return growth and prosperity to our economy. It will produce housing, it will produce jobs, and it will contribute to the strength of our economic recovery.

No one can deny that our housing industry is currently in the depths of a severe depression. Housing starts are at a seasonally adjusted annual rate of 990,000 in April, virtually unchanged from the rate of housing starts in March—the lowest monthly rate in eight years. Building permits, which did show a promising reversal in April, are still well below levels necessary to meet our national housing goals. In fact, the seasonally adjusted annual rate of housing production for the first four months of this year is less than 40 percent of the national goal that was established in the 1968 Housing Act.

The drastic decline in home construction has had a devastating effect on employment in the construction industry. According to the Bureau of Labor Statistics, a full 19.3 percent of all construction workers were unemployed in April. This is an extraordinary waste of resources that simply cannot be tolerated.

Moreover, this statistic masks even more severe hardship in specific labor markets and specific trades. According to the AFL–CIO, construction unemployment is 40 percent in Phoenix, 30 percent in Los Angeles, 49 percent in Miami, 32 percent in Newark, and 37 percent in St. Paul. Within building trades, 80 percent of the boilermakers in Louisville are unemployed, 75 percent of the plasterers in Chicago, 65 percent of the plasterers in Minneapolis, and 50 percent of the painters in Philadelphia. This is no recession for this industry, it is a full blown depression.

Unfortunately, the prospects are dim, in my opinion, for returning, in the near future, to levels of construction and employment that are more consistent with our national housing and employment goals. No one would deny that new deposits are flowing into our thrift institutions at unprecedented rates. Nor, would anyone deny that there is an enormous amount of excess capacity in the construction industry, both labor and capital. But these conditions only set the stage for recovery. They do not deal with what I believe is the more significant constraint on a recovery in housing—the inability of the vast majority of American families to be able to afford to purchase a home.

A recent study prepared by the Congressional Research Service for the Joint Economic Committee, at my request, demonstrated the devastating effect that rising housing, interest and utility costs, combined with declining real incomes, have had on home purchasing power. The study showed that the minimum annual household income—spending one quarter of household income on housing—required to support the median-priced existing home jumped from $16,700 in 1973 to $21,170 in 1974. The percentage of American families having sufficient annual income to pay the housing expenses on the median-priced existing home declined from 29.6 percent in 1973 to approximately 20 percent in 1974, a decline of 33 percent in 12 months.

The situation is quite similar for new homes purchases, as the minimum annual income required to support the median priced new home rose from $19,060 in 1973 to $23,330 in 1974. The percentage of American families having sufficient income to afford the median-priced new home declined from 21.5 percent in 1973 to approximately 15 percent in 1974, a decline of 30 percent .

What these statistics say is that no matter how much money is flowing into the thrift institutions and no matter how much excess capacity exists, we simply are not going to get a vigorous housing recovery unless we do something to improve the home purchasing power of American families. That means we have to strenghten the demand for housing as well as the supply of housing. The excess capacity and the savings flows set the stage, but demand must be strengthened if housing is to recover.

The conference report that we are considering today does just that. It provides necessary assistance to middle-income families who otherwise might be unable to purchase housing. It offers low interest mortgages that will reduce the annual costs of homeownership. It provides the option of downpayment assistance to those families that have been unable to accumulate a downpayment during the last few years of economic chaos. And finally, it provides assistance to unemployed persons who are in danger of losing their housing through foreclosure because they have lost their jobs. It strengthens the demand for housing which improves the strength of the housing recovery.

Mr. President, it is time that we deal with the severe depression in the homebuilding industry; it is time that we put people back to work. It is time to utilize our idle capacity; and it is time to get the homebuilders back on their feet. I urge my colleagues to support this legislation because it will make a major contribution to strengthening the expected housing recovery.

Mr. McINTYRE. Mr. President, as a conferee on the emergency housing legislation, I want to clarify for my colleagues the provision dealing with the sanctions of the Federal flood insurance program. As you may remember, during debate on this legislation, Senator THOMAS EAGLETON and I, joined by Senators SYMINGTON, THURMOND, MCGOVERN, STEVENS, BAYH, DOLE, KENNEDY, HARTKE, ABOUREZK, EASTLAND, and CHILES, offered an amendment in an attempt to ease the sanctions contained in amendments approved last year to the Federal Flood Insurance Act. Our amendment would have removed each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions from the obligation to deny mortgage credit to flood-prone areas; would have limited the sanction on disaster assistance in nonparticipating communities to only flood disaster assistance; and would have allowed individuals who were willing to comply with HUD standards on their own property to purchase flood insurance at the subsidized rates even if the community has not joined the program.

When this flood-insurance program was drastically changed in 1974, the Congress recognized the failure of the voluntary program in encouraging flood protection, and the need to provide low-cost comprehensive flood insurance. Therefore, a mandatory program was approved with Federal sanctions to force participation. An individual who does not buy flood insurance is denied FHA, VA, SBA, and all Federal assistance for acquisition or construction in the flood plain as well as the ability to receive funds through any federally supervised, approved, regulated, or insured bank, savings and loan association, or similar institution.

This, in essence, is a taking of an individual's property by rendering it, for all practical purposes, worthless, with the only form of redress being the purchase of flood insurance. While this is a strong sanction, it is not unworkable. Congress, however, saw fit to add a Catch–22 provision which does make the sanction unworkable. An individual is not eligible to purchase flood insurance unless the community agrees to adopt the program. A community must adopt land use regulations in the flood plain, building codes and zoning requirements. It is assumed that the individual living in the flood plain will be able to convince the town to adopt these land management requirements. This seems to bring pressure to bear unfairly on an individual who may be unable to force an action by his community.

Our amendment would have allowed individuals who wish to protect their homes through flood insurance and who are willing to comply with HUD standards on their own property to enter the program.

The substantive amendment was considered to be too sweeping a change in the program without the benefit of hearings. In order to give Congress time to consider these changes and give communities relief from the fast approaching deadline, a 6-months delay on all sanctions was proposed and agreed to in the Senate.

The Senate conferees did a commendable job of supporting this amendment. Senator PROXMIRE and Senator GARN were particularly helpful in this regard. The House conferees, however, were adamantly opposed to this 6-months delay. After some discussion of the proposal a few House Members did agree that this program may be stretching the long arm of Government beyond a reasonable point. The majority of the conferees, however, were strongly supportive of the present program, particularly the land use provisions.

We were forced to offer several compromise proposals, all of which the House failed to accept. The version of the 6-months delay included in the conference report is clearly a far cry from the relief intended. The only delay is for 6 months on the prohibition against existing residential mortgage lending. I fail to see what real relief is offered. What bank will

UMI

extend mortgage money on a home which in 6 months may be tied up in perpetuity?

My aim is not to weaken the Federal flood insurance program. I feel very strongly that the Federal Government should not expend taxpayers dollars without some guarantee that flood prone areas are trying to protect themselves. However, protection of land against future development in the flood plain should not be mandated at the expense of denying individuals the ability to purchase insurance. This sanction should bring pressure not on existing structures but on future development.

The amendment included in this conference report does not offer the kind of relief I feel is necessary. On June 13, Friday of this week, the Housing Subcommittee of the Senate Banking Committee will be holding hearings on S. 810, the original legislation introduced by Senator EAGLETON and me, as well as trying to determine the present status of this program. I hope this hearing will point out the extreme hardship this program brings to many communities, the unfair disadvantage many individuals face due to local opposition of Federal intervention and the Federal land use requirements mandated by this act.

The provision in this conference report is a very small start in rectifying this overzealous legislation.

Mr. BENTSEN. I am pleased to support the conference report on H.R. 4485, the Emergency Housing Act of 1975. Unemployment nationwide has reached a postwar high of 9.2 percent. This means 8.5 million people out of work. Some 2 to 3 million have taken part-time employment instead of full-time work they seek. And more than a million have become so frustrated that they have given up their search and dropped out of the labor market entirely.

This nationwide recession is alarming in itself, but the effect on the housing industry has been even more disastrous. Unemployment among construction workers reached 21.7 percent in April and is increasing at a rapid rate. In several key metropolitan areas, the figure is much higher: 40 percent in Phoenix, 32 percent in Cincinnati, 49 percent in Miami, 32 percent in Newark, and 30 percent in St. Paul. And nationwide, 40 percent of the Nation's home building construction workers are out of jobs.

In the Housing Act of 1968, we set a 10-year national housing goal of 26 million units, 2.8 million of which we should be building this year. But the annual rate of new housing starts has remained about 1 million since December, only one-third of our goal.

And prospects for future housing starts are not nearly as bright as forecast earlier this year. The number of new building permits issued in March was on one-half of the number issued in March of 1974. The sum of the matter is that the housing industry is in deep trouble, and in some areas of the country, homebuilding is at a virtual standstill.

High interest rates, which for many of the past 18 months have been the highest since the Civil War, and the resulting lack of mortgage credit, have contributed substantially to our current recession and the depression in the housing industry.

We must take immediate action to stimulate the home building industry, and I believe the first step is to make mortgage money available once again. H.R. 4485 will provide needed stimulation to the housing industry by authorizing the Secretary of HUD to provide home mortgage financial assistance to middle income families via three basic subsidy programs. First, subsidies are provided to cover all costs of a market rate mortgage which exceed 6 percent to be covered 100 percent for the first 3 years, assistance which will be gradually, phased out over an additional 3 years. Second, a payment of $1,000 can be made to reduce the down payment for home purchases. And third, HUD can purchase 7 percent mortgages which would be backed by GNMA issuing Government-backed securities. In addition, the act provides relief to unemployed homeowners who are delinquent in their mortgage payments and have received notice of impending foreclosure by supplementing, up to a limit of $250 per month, the amount which the homeowner is capable to contributing toward such mortgage payments. These payments would be made for an initial 12-month period, with one extension not to exceed another 12 months.

Finally, several adjustments are made in Federal programs in order to meet various other needs of our national housing situation.

In enacting this legislation, the Congress is taking a needed first step toward breathing new life into the housing industry.

The nation has waited too long for the Federal Reserve Board to act. The Emergency Housing Act of 1975 is a needed step in our effort to aid the Housing industry which is so vital to our Nation's economic welfare, and I am pleased to support its passage.

Mr. TAFT. Mr. President, I will vote for this conference report as an anti-unemployment measure which also helps housing. I have reservations about it when viewed strictly as housing policy.

Last Friday the Bureau of Labor Statistics announced that the construction industry's unemployment rate has increased to 21.8 percent, the highest rate on record. The middle-income housing subsidies in this bill undoubtedly will combat that situation, by providing a boost to the weakest part of the industry. In addition, the foreclosure relief loan provisions should save thousands of unemployed homeowners from the tragedy of losing their homes. These provisions are very similar to legislation which I introduced over 2 years ago, as part of the Home Preservation Act of 1973—S. 971, 93d Congress.

The Senate bill also contained some major housing policy initiatives. Some of the most important provisions were designed to counteract the historic boom-or-bust mortgage credit cycle, bring multifamily units into the mortgage credit program, establish mandatory building energy conservation standards and revitalize the housing rehabilitation loan program. All of these initiatives either were discarded completely by the conferees or were watered down drastically. Instead, the provisions retained which will have the most effect on the housing stock provide subsidies for the purchase of low- to medium-priced new single family housing. Were it not for that title's likely contribution to the dismal construction unemployment situation, I would be tempted to call it the Suburban Sprawl Act of 1975.

A housing program which encourages the production of detached single family homes has appeal to politicians who view a detached home as an indispensible component of the American dream. There is certainly a great need for additional housing units and for a diversity of housing facilities to satisfy the needs of our citizens. Furthermore, the directive that HUD try to encourage energy and land conservation practices for the subsidized housing construction should be helpful.

Nevertheless, I have warned before against reliance on Federal housing policies designed largely to foster the building of personal ponderosas. The construction costs, land costs, energy costs and environmental costs are simply too great. These same factors also help to render questionable a Federal housing policy which relies too heavily not only on single-family construction as opposed to apartment and condominium construction, but also on new construction of any kind as opposed to housing preservation and rehabilitation.

For these reasons, the deletion and alteration of some of the Senate provisions I have mentioned concern me greatly. For example, last February 19 I introduced S. 751, which would have taken a step toward remedying the emergency mortgage credit program's concentration on single family housing by providing authority for the financing of multi-family projects under the program. Although the conferees adopted this proposal with the language virtually intact, they did not accept the Senate's proposal to extend the October 1 expiration date for the entire mortgage credit program. Thus, the provision is likely to have little, if any, effect.

The Senate had proposed to continue the section 312 3-percent rehabilitation loan fund for the 3 years at an annual authorization level of $150 million annually, with substantive changes to improve the financing mechanism and make the program more cost effective. These provisions were along the lines of S. 1212, introduced and urged by the Senator from California (Mr. CRANSTON), myself and others in March. The conferees instead dropped all the substantive program changes and extend the program at an authorization level of only $35 million per year. The House conferees apparently had such a closed mind on section 312 that they would not consider even changes designed to make the program less costly per unit of housing rehabilitated, by increasing the interest rate for borrowers who could afford it.

I realize that the Senator from Utah (Mr. GARN) and other Senate conferees fought very hard to obtain the final section 312 provision. I commend them for

it and I feel that the funding level, while low, is high enough to be significant. Nevertheless, I continue to believe that Congress was right when it declared in the 1974 act that we have not devoted sufficient attention to the preservation of existing housing and neighborhoods, and I do not think the situation has changed since that act was passed.

Therefore, today I am introducing the Housing Preservation Alternatives Act of 1975. This bill authorizes several demonstrations, and makes several changes in existing law, which would promote the use of private and local government funds for housing preservation. While its Federal cost would not be likely to exceed $25 million annually, I believe it would promote a far greater amount than that of housing preservation and rehabilitation. I urge the committee to consider this bill, which I have explained in a separate speech today, as a complement to community development block grants and whatever section 312 money we authorize.

I am also extremely concerned that the provisions mandating building energy conservation standards were deleted. These provisions were obviously important, in view of the committee report estimate that building energy consumption could be reduced by at least 30 percent through energy conserving practices and materials. While I realize the concern that this title was not considered thoroughly enough, I am afraid that our action may symbolize Congress inability or unwillingness to grasp what a serious energy squeeze we are in. With only about a decade's worth of domestic reserves left of oil and gas and OPEC threatening to raise prices drastically again, it seems imperative that Congress reconsider building energy conservation legislation promptly.

I urge the President to sign this bill for the primary purpose of combating unemployment and its effects. But at the same time, let us vow to do better on the policy questions which were raised during the bill's legislative history, but were not resolved favorably.

Mr. MONDALE. Mr. President, I am extremely pleased that the Senate is about to approve the housing bill conference report.

This is an important bill, Mr. President. It will stimulate housing construction; it will provide employment to thousands of idle workers; it will lead to general economic recovery.

By its terms, the legislation agreed upon by the conferees will provide the potential homeowner with important help. The bill will provide 6-percent mortgage loans, with interest rates increasing to current market rates over a 6-year period. It will also provide a $1,000 downpayment aid for use by the new homebuyer.

These are important features of the bill. I have been an enthusiastic supporter of these features since their original introduction many months ago by the distinguished chairman of the Banking, Housing and Urban Affairs Committee (Mr. PROXMIRE). I testified at the Housing Subcommittee hearings on the bill in favor of these provisions.

But, Mr. President, I would like to call my colleagues' attention to another aspect of the bill. This is the provision designed to give much-needed and long-awaited help to thousands of American families who are in danger of losing the homes they now have.

There are more than 8 million unemployed workers in this country at the present time. Many of these are heads of households. Millions of these unemployed workers own homes and must meet mortgage payments. Yet, as their unemployment continues, their unemployment benefits decrease or disappear, and no prospect for employment appears, these workers face a desperate situation.

They can no longer meet mortgage payments, and foreclosure looms on the horizon.

It was in recognition of this problem that, nearly 2 years ago, I introduced legislation designed to help the homeowner faced with foreclosure. Several days ago, as the Senate considered the new housing bill, I added a foreclosure relief provision to the bill as an amendment.

I am pleased to report that the House-Senate conferees have included my emergency relief provision in the conference report.

By its terms, the measure reported by the conference committee will provide payments of up to $250 per month, for up to 2 years, to homeowners faced with foreclosure because of a substantial loss of income due to unemployment or underemployment due to our current economic conditions. The provision is designed with safeguards to insure against abuse and to protect public funds.

This will cost money, of course, but I can think of no better way to spend Federal money than to help thousands of American families save their homes. Also, in the long run, the Government will get the money back—in repayments and interest.

Mr. President, I was very disturbed to hear rumors to the effect that the President might veto this bill. This Congress has been repeatedly accused of doing too little about our economic problems. Over and over again, we hear calls to action.

This bill is action. It will provide jobs, it will provide shelter, it will stimulate the housing industry, it will stimulate related industries, it will greatly enhance the prospects for rapid economic recovery.

A veto of this bill will expose the criticism of Congress for what it is—rubbish. We are doing something. We are doing something constructive. Now, we will see if the President will allow us to act.

But, the effects of a veto go beyond charges and countercharges about congressional action. A veto of this bill will mean that thousands of American families will lose their homes in the coming months. A veto of this bill will be a cruel, thoughtless blow to thousands of American families.

I only wish the President could read my mail on this subject before he decides whether to veto this bill. I wish he could read the letters from hundreds of Minnesotans who are literally terrified at the prospect of foreclosure. I wish he could listen to their calls for help.

Mr. President, I implore President Ford to sign the housing bill when it reaches his desk. For millions of American families, it is their last hope.

Mr. SPARKMAN. Mr. President, I strongly support the conference report on the emergency housing bill, S. 4485.

This is primarily an antirecession bill. The prime thrust of the legislation is to produce jobs. The authority in the bill would produce 400,000 new housing units. This means 800,000 jobs because for every house built two jobs are created.

Housing starts today are at the lowest level since World War II. So despite our Nation's growth in population and, in fact, in every important economic activity we are producing today starts at a 1946 level or a level of less than 1 million units. The National Association of Home Builders say that without passage of this legislation the starts for 1975 are not likely to exceed 1.1 million housing units. This would be the lowest level since 1946.

Mr. President, we have other housing programs on the statute books but HUD is not using them and we need this legislation at this time more than ever.

The Nation's economy with a 9.2 percent unemployment rates needs a boost and housing construction can provide the economic support needed to get us out of this recession.

This bill is not inflationary. Construction workers have an unemployment rate of well over 20 percent and there is a surplus of building materials so that any increase in production will not push up prices.

On the contrary, prices are very likely to rise in rents and in housing prices unless housing starts are increased.

Nor is this bill a "budget buster." The cost to the Treasury will not exceed $1.35 billion over a 3-year period. The increased taxes resulting from 800,000 new jobs and 400,00 new homes and the economic stimulus created by this program will return income taxes to the Federal Government far in excess of the $1.3 billion. It is estimated that the return to the Treasury equal to $3 for every dollar spent on this legislation.

One important title in this bill is title II, the foreclosure relief provision. This would make available to the many unemployed people an opportunity to save their homes in case they can no longer pay their monthly housing costs. This bill is tailored after the Home Owner Loan Act which was so effective in saving homes in the 1930's. The unemployment compensation program is being helpful now in saving homes, but very soon these benefits will run out and we need a program of this sort to help many people save their homes.

Mr. WILLIAMS. Mr. President, I rise in support of the conference report on H.R. 4485, the Emergency Housing Act of 1975.

Our economy is in the midst of a very serious recession—the most serious since the 1930's. The rate of unemployment across the Nation has reached the level

UMI

of 9.2 percent, and scant improvement is likely in the immediate future.

The housing industry is in even worse shape than other sectors of the economy. Indeed, I can say without exaggeration that it is in a depression. The seasonally adjusted rate of unemployment in the construction industry is 18 percent nationally, and in my home State, New Jersey, the estimates range up to 40 percent.

In 1974, we produced only 1.35 million new housing units. This is the lowest level in 8 years. In December, the annual housing starts rate had dropped to 860,000, and it has risen only slightly over the past several months. New Jersey has experienced a similar downturn in housing starts, and the construction of new homes is proceeding at a rate which is estimated to be less than one-third of that which is necessary to meet the needs of our citizens.

The depression in the housing industry is attributable in part to the increasing costs of construction, but perhaps more importantly, to record high interests rates and lack of mortgage credit. Due to lack of mortgage credit at affordable rates, a single-family home is out of reach for more than one-half of all American families.

I am convinced that the stimulus which the Emergency Housing Act of 1975 would provide to the housing industry is essential to a full recovery of our economy.

Title I of H.R. 4485 establishes a program which is similar to the one which I introduced in another bill. In order to increase housing starts and to create jobs, homebuyers whose family income does not exceed 120 percent of the median income for their area would be offered three options to assist them in purchasing homes. They could elect an interest subsidy which would reduce the effective interest rate on their mortgage to 6 percent for a period of 3 years. After 3 years, the rate would gradually rise to the market rate. In the alternative, homebuyers could elect a one-time home purchase incentive payment of $1,000 which could be applied toward the downpayment. The final option available to the prospective homebuyer is a home mortgage with an interest rate of 7 percent for the life of the mortgage.

This title is designed to serve families primarily in the $10,000 to $18,000 bracket. These are hardworking Americans who need a minimum of help to make a go of homeownership. Homes under this program could be financed either through FHA or VA programs, or with conventional mortgages, and assistance payments under this title could only be made with respect to modestly priced homes—those whose appraised value does not exceed $38,000 or $42,000 in high-cost areas.

Title I could provide assistance for up to 400,000 home buyers, and it could create between 650,000 and 740,000 jobs. The jobs created, of course, will be entirely within the private sector, and the cost will be relatively little—between $1,000 to $2,500 per job. This small initial cost, however, should be weighed against the additional tax revenue and the reduced public assistance and unemployment insurance payments which would result from the increased employment.

Title II authorizes the Secretary of HUD to make repayable mortgage relief payments to homeowners whose incomes have been substantially reduced because of involuntary unemployment or underemployment. This title is designed to prevent the loss of homeownership for families who are unable to make full mortgage payments due to the current adverse economic conditions.

Title III contains several miscellaneous provisions including an extension of the 312 rehabilitation loan program until August 22, 1977; an extension of the 235 homeownership assistance program until July 1, 1977; and an increase of $150 million in the set-aside of public housing funds available for the use of public housing agencies, one-half of which must be used for conventional or turnkey projects.

Mr. President, I feel that H.R. 4485 will provide sorely needed relief for the housing industry, and I urge my colleagues to support it.

Mr. ROTH. Mr. President, I cannot support the emergency housing legislation we are considering today, although I strongly support the provision of the bill to authorize Government loans to the unemployed to prevent mortgage foreclosures. This provision, which was added to the bill during the floor debate, would allow people who have lost their jobs through no fault of their own to seek Federal loans of up to $250 per month to avoid mortgage foreclosures on their home. These loans would have to be repaid, with interest, to the Government, and they would be made only to persons who would be able to fully resume their mortgage payments when the economy recovers.

I think it is important for Congress to provide at least some relief to help the victims of the recession keep their most valued possessions, and this type of loan program will provide that relief without increasing the burden on the American taxpayers. And although I am voting against the bill this provision is attached to, I am confident that this particular section will be enacted into law separately.

I ask unanimous consent to have printed in the RECORD a letter to the editor reflecting my objections to the housing bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 9, 1975.

LETTERS TO THE EDITOR.
Morning News, Orange Street, Wilmington, Del.

DEAR SIR: The article in the Morning News of June 5, written by Mr. Alvin T. Schwartz of the Delaware Homebuilders Association and entitled "Some Facts on Housing" ignores some very basic facts both on my position and on the impact of the so-called Emergency Housing Act of 1975.

Mr. Schwartz indicates that I am opposed to the legislation to provide repayable loans of up to $250 per month to people who are unemployed and facing mortgage foreclosures. I strong support this legislation, but he ignores the fact that the provision, which was originally a separate piece of legislation with widespread support, was added to the housing subsidy bill in order to attract more support for that relatively weak piece of legislation. I am in favor of the mortgage foreclosure provision, and although I voted against the bill it was attached to, I am confident this particular section will be enacted into law separately.

Mr. Schwartz claims that the 6 percent interest subsidy provision of the housing subsidy bill would make it possible for future homeowners to purchase homes at a significantly lower monthly mortgage payment. Specifically, he said that the monthly mortgage payments for a $45,000 house would be $65.81 cheaper if this legislation was enacted. However, he completely ignores the more important question of who is going to make up the $65.81 difference. The answer is simple—the average taxpayer is going to pay the difference. In other words, every single taxpayer in the country would have to subsidize the mortgage payment of a few people. In my opinion, it is just not fair to expect Delaware taxpayers, especially those who cannot afford a home or those who are now struggling to meet existing mortgage payments, to subsidize the housing industry and the mortgage payments of a lucky few homebuyers who would be eligible to receive this subsidy.

Mr. Schwartz also claims that the housing subsidy would return approximately $74.3 million in Federal, state and county taxes to Delawareans. But he ignores the fact that the housing subsidies would cost the taxpayers of this country over $1 billion.

The main problem with the housing market is that years of Government deficit spending have eroded the capital markets and driven mortgage interest rates upward. Piecemeal emergency programs and constant Government intervention just do not work, and we are only hurting the economy and the housing industry by continually throwing more and more money into these programs.

Congress has already adopted, and I have supported a variety of measures to help the housing industry, including the $10 billion Emergency Housing Act of 1974. I have also advocated a proposal to allow a percentage of interest income from savings accounts to be tax-exempt. This proposal would encourage people to invest in savings accounts and provide additional mortgage funds for the housing industry.

The Government has done its share to help the housing industry, and more Government intervention will only increase the Federal budget deficit, unleash inflationary pressures, and result in higher levels of unemployment.

Sincerely,

WILLIAM V. ROTH, JR.,
U.S. Senate.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. MORGAN) is necessarily absent.

I further announced that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), and the Senator from New Jersey (Mr. CASE) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. BROOKE) would vote "yea."

The result was announced—yeas 72, nays 24, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—72

Abourezk	Hathaway	Nunn
Bayh	Hollings	Packwood
Bentsen	Huddleston	Pastore
Biden	Humphrey	Pearson
Bumpers	Inouye	Pell
Burdick	Jackson	Percy
Byrd, Robert C.	Javits	Proxmire
Cannon	Johnston	Randolph
Chiles	Kennedy	Ribicoff
Church	Leahy	Schweiker
Clark	Long	Scott, Hugh
Cranston	Magnuson	Sparkman
Culver	Mansfield	Stafford
Eagleton	Mathias	Stennis
Eastland	McClellan	Stevens
Fong	McGee	Stevenson
Ford	McGovern	Stone
Glenn	McIntyre	Symington
Gravel	Metcalf	Taft
Hart, Gary W.	Mondale	Talmadge
Hart, Philip A.	Montoya	Tunney
Hartke	Moss	Weicker
Haskell	Muskie	Williams
Hatfield	Nelson	Young

NAYS—24

Allen	Curtis	Hruska
Baker	Dole	Laxalt
Bartlett	Domenici	McClure
Beall	Fannin	Roth
Bellmon	Garn	Scott,
Brock	Goldwater	William L.
Buckley	Griffin	Thurmond
Byrd, Harry F., Jr.	Hansen	Tower
	Helms	

NOT VOTING—3

Brooke	Case	Morgan

So the conference report was agreed to.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

The Senate resumed with the consideration of the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order and pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 60, authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

Bill Brock, Alan Cranston, Mike Gravel, Mike Mansfield, Lloyd Bentsen, Floyd K. Haskell, Bob Packwood, Wendell H. Ford, Jake Garn, Paul Laxalt, William D. Hathaway, Hubert H. Humphrey, Walter F. Mondale, Lee Metcalf, Joseph M. Montoya, Edward M. Kennedy, Jennings Randolph, Pete Domenici.

VOTE

The PRESIDING OFFICER. The question is, is it the sense of the Senate that debate on the resolution (S. Res. 60), authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

Mr. ALLEN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Does this cloture motion require a two-thirds vote of the Senators present, or does it require merely 60 votes to invoke cloture?

The PRESIDING OFFICER. Being a measure to amend the Senate rules, it requires two-thirds vote of the Senators present and voting, a quorum being present.

Mr. ALLEN. We are still under the old rule, then, as regards this cloture motion.

The PRESIDING OFFICER. If that is the Senator's desire to interpret it that way.

Mr. ALLEN. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. MORGAN) is necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) and the Senator from New Jersey (Mr. CASE) are necessarily absent.

The yeas and nays resulted—yeas 77, nays 19, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—77

Abourezk	Gravel	Metcalf
Baker	Griffin	Mondale
Bayh	Hansen	Montoya
Beall	Hart, Gary W.	Moss
Bellmon	Hart, Philip A.	Muskie
Bentsen	Hartke	Nelson
Biden	Haskell	Nunn
Brock	Hatfield	Packwood
Buckley	Hathaway	Pastore
Bumpers	Hollings	Pearson
Burdick	Hruska	Pell
Byrd, Robert C.	Huddleston	Percy
Chiles	Humphrey	Randolph
Church	Inouye	Ribicoff
Clark	Jackson	Roth
Cranston	Javits	Schweiker
Culver	Johnston	Scott, Hugh
Curtis	Kennedy	Stevens
Dole	Laxalt	Stevenson
Domenici	Leahy	Symington
Eagleton	Magnuson	Taft
Fannin	Mansfield	Tower
Fong	Mathias	Tunney
Ford	McClure	Weicker
Garn	McGee	Williams
Glenn	McGovern	

NAYS—19

Allen	Helms	Sparkman
Bartlett	Long	Stafford
Byrd, Harry F., Jr.	McClellan	Stennis
	McIntyre	Stone
Cannon	Proxmire	Talmadge
Eastland	Scott, William L.	Thurmond
Goldwater		Young

NOT VOTING—3

Brooke	Case	Morgan

The PRESIDING OFFICER (Mr. PERCY). On this vote, the yeas are 77, the nays are 19. Two-thirds of the Senators present and voting having voted in the affirmative, the motion is agreed to.

Each Senator now has 1 hour for debate.

Who yields time?

AMENDMENT NO. 560

The PRESIDING OFFICER. Each Senator now has 1 hour for debate. Who yields time?

Mr. BROCK. Mr. President, I yield myself 5 minutes, and I call up amendment No. 560.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BROCK) proposes an amendment No. 560.

The amendment is as follows:

In lieu of the language proposed to be inserted by Mr. GRAVEL, insert the following: That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to two times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3 or, in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for one of such committees which he designates, an amount equal to one and one-half times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (1)

whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one-half times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.".

SEC. 2. Paragraph 8 of rule XXV of the Standing Rules of the Senate (as added by the first section of this resolution) shall be suspended and shall have no force or effect during any period during which, by law, a legislative assistance clerk-hire fund is established and funded to provide for legislative assistance for Senators serving on committees at rates not less than those provided in such paragraph 8, and subject to no more conditions and no greater limitations than those provided in such paragraph.

SEC. 3. Each Senator and the chairman of each committee on which he serves shall, not later than five days (not including Saturdays Sundays, or holidays) after the date on which this resolution is adopted certify to the Secretary of the Senate a list containing the names and the total aggregate annual compensation of any professional staff member on such committee whose appointment is made, approved, or recommended by such Senator. Whenever such certification has been made and is no longer applicable, the Senator and chairman of that committee shall jointly notify the Secretary of the Senate accordingly. Such certification shall be effective on the date received by the Secretary of the Senate.

Mr. BROCK. Mr. President, I yield to the Senator from West Virginia.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield myself not to exceed 2 minutes with the understanding that Mr. BROCK not lose his right to the floor.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the Chair.

REMOVAL OF INJUNCTION OF SECRECY AND REFERRAL OF TREATIES TO COMMITTEE ON FOREIGN RELATIONS

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Protocols for the Further Extension of the Wheat Trade Convention and of the Food Aid Convention (Executive C, 94th Congress, 1st session), and the agreement with the Federative Republic of Brazil concerning shrimp (Executive D, 94th Congress, 1st session), both transmitted to the Senate today by the President of the United States.

I also ask unanimous consent that the two treaties with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's messages be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages of the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocols for the Further Extension of the Wheat Trade Convention and of the Food Aid Convention, which together constitute the International Wheat Agreement, 1971. These Protocols were formulated by a Conference of Governments which met in London on February 14, 1975, and were open for signature in Washington from March 25 through April 14.

I transmit also, for the information of the Senate, the report of the Department of State with respect to the Protocols.

The Protocol for the Further Extension of the Wheat Trade Convention, 1971, extends the Convention until June 30, 1976, and maintains the framework for international cooperation in wheat trade matters. It also continues the existence of the International Wheat Council.

The Protocol for the Further Extension of the Food Aid Convention, 1971, also extends until June 30, 1976, commitments of parties to provide minimum annual quantities of food aid to developing countries. It is the intention of the United States not to deposit ratification of this Protocol unless the European Economic Community becomes a party to the Protocol. The United States formally recorded this intention by written declaration when the Protocol was signed.

Both Protocols provide that instruments of ratification shall be deposited no later than June 18, 1975. The Wheat Council may, however, grant an extension of time to any signatory government that has not deposited an instrument of ratification by that date.

It is my hope that the Senate will give early and favorable consideration to the two Protocols so that ratification by the United States can be effected and instruments of ratification can be deposited without undue delay.

GERALD R. FORD.

THE WHITE HOUSE, *June 11, 1975.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Agreement between the Government of the United States of America and the Government of the Federative Republic of Brazil concerning Shrimp. Also enclosed are an Agreed Minute, a related exchange of notes concerning compensation, an exchange of notes concerning interim undertakings, and translations of the Brazilian notes. These documents were signed at Brasilia on March 14, 1975.

The Agreement establishes a basis for regulating the conduct of shrimp fishing in a defined area off the coast of Brazil. Such regulation will help to conserve shrimp resources and will provide an interim solution to problems which have arisen over jurisdiction over those resources.

The measures prescribed in the Agreement will safeguard the economic interests of the shrimp industries of both countries and protect from prejudice their respective legal positions on the extent of coastal state jurisdiction over ocean fisheries under international law. The interim nature of the Agreement reflects the expectation that this underlying question may in the near future be settled by general international agreement on the law of the sea.

A more detailed explanation of the Agreement is contained in the report of the Department of State which also accompanies this message.

This Agreement will contribute to maintaining and strengthening the friendship and cooperation which have long characterized relations between the United States and Brazil. I recommend that the Senate give it early and favorable consideration.

GERALD R. FORD.

THE WHITE HOUSE, *June 11, 1975.*

UNANIMOUS-CONSENT AGREEMENT—H.R. 5899

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the House message on H.R. 5899, the supplemental appropriation, is laid before the Senate, there be a time limitation thereon of 30 minutes to be equally divided between Mr. MCCLELLAN and Mr. YOUNG, and that the matter be laid before the Senate not later than 5 p.m. today.

The PRESIDING OFFICER. Is there objection?

Mr. MCCLELLAN. Will the Senator yield?

Is that on the supplemental conference report?

Mr. ROBERT C. BYRD. Yes.

Mr. PASTORE. Will the Senator yield? Can we make that 4:30? I have to be at the White House at 5 o'clock.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the House message be laid before the Senate not later than 4:30 p.m. today.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President,

I thank the distinguished Senator from Tennessee.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

The Senate continued with the consideration of the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

PRIVILEGE OF THE FLOOR—SENATE RESOLUTION 166

Mr. CRANSTON. Mr. President, I ask unanimous consent that during consideration of Senate Resolution 166, my administrative assistant, Roy Greenaway, have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Tennessee.

Mr. BROCK. Mr. President, I have called up and the matter now pending is my amendment No. 560.

Mr. ROBERT C. BYRD. Mr. President, could the distinguished Senator agree to a time limit for debate on this?

Mr. BROCK. Of course, I would be delighted.

Mr. ROBERT C. BYRD. What would the Senator suggest?

Mr. BROCK. We have discussed this matter forever, it seems. I think I could summarize in 5 minutes and that the opponents could do the same, unless somebody on the proponents' side would like some time that I do not know about.

Mr. ROBERT C. BYRD. May I hear from the distinguished Senator from Nevada?

Mr. CANNON. Mr. President, I certainly do not intend to take much time. I think we can shorten this.

Mr. TALMADGE. May we have order in the Senate here?

The PRESIDING OFFICER. Will the Senate be in order?

Mr. ALLEN. Mr. President, reserving the right to object, before we agree on the time limit on the amendment I would like to raise a point of order that the amendment is not in order, because it seeks to amend the Gravel amendment which is not before the Senate, it purports to amend the Gravel amendment, but actually it is an amendment to the resolution itself.

So it is out of order as not being an amendment to the committee resolution.

The PRESIDING OFFICER. The Chair was just about to say the amendment is out of order for the reasons described by the Senator from Alabama.

Mr. ALLEN. I thank the Chair.

AMENDMENT NO. 568

Mr. BROCK. Mr. President, if I may, I would like to call up amendment 568.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. TALMADGE. Mr. President, may we have order? I cannot hear.

The PRESIDING OFFICER. The Chair is going to ask that there be no further proceedings until the Senate is in order.

It is impossible to conduct business without the decorum of the Senate, the way we have been operating the last hour or so.

The Senate will please be in order?

The clerk will continue.

The legislative clerk proceeded to read the amendment.

Mr. BROCK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the resolving clause and insert in lieu thereof the following:

That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to two times the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for one of such committee which he designates, an amount equal to one and one half times the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(d)(2)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (1) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one half times the amount referred to in section 105(d)(2)(ii) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(d)(2)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwse authorized to be appointed to the office of a Senator."

SEC. 2. Paragraph 8 of rule XXV of the Standing Rules of the Senate (as added by the first section of this resolution) shall be suspended and shall have no force or effect during any period during which an appropriation is made, specifically referring to the additional staffing authorized by such paragraph, for a legislative assistance clerk hire fund for Senators at rates not less than those provided in such paragraph and subject to similar conditions and limitations.

Mr. BROCK. Now, back to the time agreement. If the Senator from Alabama would like to talk about a time agreement on this one, it is exactly the same amendment and I am still prepared to discuss it in a very limited time frame.

Mr. TALMADGE. Mr. President, will the Senator from Tennessee yield?

Mr. BROCK. Yes.

Mr. TALMADGE. Is this the same amendment that the Senator from Tennessee proposed heretofore, tabled twice by this body?

Mr. BROCK. My amendment was not tabled. The Gravel amendment was tabled, and my amendment is an amendment thereto, so no action has been taken.

Mr. TALMADGE. The Rules Committee stated the cost was $11 million?

Mr. BROCK. That is not my figure, but——

Mr. TALMADGE. Would the Senator give an estimate on the figure?

Mr. BROCK. $8 million.

Mr. TALMADGE. I understood it authorized some 440 new assignments to committees, is that correct?

Mr. BROCK. We discussed it extensively yesterday. It is our impression, using the same figures that were developed by the Rules Committee, that this would increase staff allowances by about 259 positions, which is 159 in excess of the pending motion from the Rules Committee and only 59 in addition

UMI

to the matter now pending on the floor and the matter pending before the Rules Committee.

Mr. TALMADGE. Will the Senator yield further?

Does it auuthorize each Senator who is a member of a committee to appoint two individual staff members of that committee at salaries of $33,750 a year?

Mr. BROCK. Approximately that, yes.

Mr. TALMADGE. And if they desire to break it down into lesser units, they could appoint four staff members if they broke the salary and did not use all of their allotment for only two individuals?

Mr. BROCK. That is correct.

Mr. TALMADGE. Does it include all standing committees of the Senate?

Mr. BROCK. That is correct.

Mr. TALMADGE. All select committees of the Senate?

Mr. BROCK. The select committees are in a different formula, amounts to approximately 1½.

Mr. TALMADGE. One and one-half units for the select committees. How about the joint committees?

Mr. BROCK. Well, either select or joint or special or standing, but only one beyond the initial standing committees, whatever the Senate chooses.

Mr. TALMADGE. Will the Senator yield further?

Mr. BROCK. Yes.

Mr. TALMADGE. Are these individuals appointed by the Senator to be considered members of the Senator's personal staff or of the committee staff?

Mr. BROCK. They are in legal terms the committee staff, but in point of fact and logic they are obligated in responsibility to the individual Senator.

Mr. TALMADGE. I did not hear the response. Would the Senator respond a little louder?

Mr. BROCK. They are charged to the committee, paid out of the committee fund, but they are effectively, by the terms of the resolution, employed by the Senator. He names the individual and sets the rate of pay. So they are responsible to the individual Senator.

Mr. TALMADGE. They are responsible to the individual Senator and not to the committee as a whole?

Mr. BROCK. That is correct.

Mr. TALMADGE. Where will they be housed?

Mr. BROCK. We do not try to say where they would be housed in this resolution, because there are some committees that have space and some that do not. Where they do not have space, they would be in the Senator's office, or in the Immigration Building.

Mr. TALMADGE. Would the Senator agree to an amendment, as agreed to in all three proposals yesterday, that they be housed in the offices of the individual Senators?

Mr. BROCK. I do not know if that amendment would add very much. It seems to me that there are Senators who are in the same position as the committees are. I believe I would probably leave that to the discretion of the Senators.

Mr. TALMADGE. If the Senator will yield further in that regard, the Committee on Agriculture and Forestry has inadequate working space now. The staff director has an office about four times the size of this desk in front of me. If the Senator's resolution is agreed to by the Senate and each Senator takes advantage of his opportunity under this proposal, it will add at least 24 individuals on the staff of the Senate Committee on Agriculture and Forestry, whereas we are doing a perfectly adequate job with 21 individuals at the present time. We simply do not have the space to house them. We have inadequate space now.

Mr. BROCK. I understand that. I also understand that the Senators in this body are competent to reach individual judgment as to management of their staff and their own offices.

Mr. GRAVEL. Will the Senator yield on that point?

Mr. BROCK. I do not believe the Senate should direct the siting of an employee.

Mr. GRAVEL. Will the Senator yield on that point?

I wish to address this to the question about space of the Committee on Agriculture and Forestry. The information I have is that the total staff of the committee in 1974 was 20. The number of rooms occupied by the committee is seven. Is that correct? I am asking the Senator from Georgia if that is a correct figure.

Mr. TALMADGE. I do not remember the correct figure.

Mr. GRAVEL. Does it sound close to being correct?

Mr. TALMADGE. There are 21 members on our staff.

Mr. GRAVEL. That would be about three members per room. I would say that every single Senator here who is under 50 has more than three staff members per room.

Mr. TALMADGE. I certainly do in my personal office. Our committee has three rooms in the Senate Office Building. There are little nooks and crannies elsewhere that have been selected by the Rules Committee for us.

Mr. GRAVEL. It still comes to three members per room.

Mr. TALMADGE. How large are the rooms? I have not visited them all, but I do know the rooms——

The PRESIDING OFFICER. The Senator from Tennessee has the floor.

Mr. GRAVEL. I thank my colleague from Tennessee.

The PRESIDING OFFICER. Has the Senator from Tennessee yielded? If so, to whom?

Mr. BROCK. I yield to the Senator from Georgia for a response.

Mr. TALMADGE. I thank the Senator. If the Senator will visit the quarters we have in the Russell Building, which is where we hold our hearings, he will find that we have three rooms up there divided into little cubbyholes. The staff director has an office about four times the size of this desk. We have other employees that the Rules Committee has had to place in farflung premises around here somewhere; I know not where. I do not have the time to inspect them.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. LONG. Will the Senator yield?

Mr. BROCK. Before I yield, are we going to try to reach a time agreement or not? If not, I would like to proceed on a different approach.

Mr. CANNON. Mr. President, I would be willing to agree to a time agreement on any of the proposals and any amendments thereto. I do not want to foreclose anybody. There are two or three technical amendments that have been suggested.

Mr. BROCK. I do not know what the assistant majority leader was seeking in terms of a time agreement. I do not see him in the Chamber at the moment. I do think we ought to expedite this process. I believe it has been fairly debated. The Senator from Nevada has adequately presented his case, and very ably.

Mr. LONG. Mr. President, I object.

Mr. President, it seems to me that this amendment has been voted down already. If the Senator wants to expedite the proceeding, he ought to withdraw the amendment.

Mr. BROCK. If I may correct the RECORD, this amendment has not been voted upon.

Mr. LONG. May I ask the Senator a question about his amendment? Just looking at a single name, and I do happen to serve on several committees, I see that Senator MONDALE is serving on the Budget Committee. I would like to ask the Senator how many people he would be entitled to under his resolution, in addition to what he already has. He is serving on the Budget Committee, the Finance Committee, and the Labor and Public Welfare Committee. In addition to that, he is serving on the Small Business Committee, the Committee on Nutrition, the CIA Committee, and the Committee on Aging. That makes three standing committees and four select committees.

Can the Senator tell me how many employees, in addition to what he already has, that Senator would be entitled to have?

Mr. BROCK. I will give a clear answer. First of all, I know with what he has in terms of employees he cannot possibly serve on that many committees as well as he is capable of serving. I believe the whole purpose of this amendment is to provide him with the staff so that he can do the kind of job of which he is eminently capable. In terms of how many additional employees, here is how it would work. The Senator would get the equal of two professional staff people on each of two standing committees.

Mr. LONG. That makes six.

Mr. BROCK. No. Two. That is four.

Mr. LONG. That is four.

Mr. BROCK. He gets the equivalent of 1½ professional staff people on any additional standing committee, be it standing, joint, special or other. So we are talking about 5½ professionals. From that we must deduct those staff people who are already allocated to him on those committees where you have 100 percent offset. I do not know the individual Senator's circumstances. It could be he has no individual staff.

Mr. LONG. I personally went before the Rules Committee and asked the Rules Committee to provide Senator MONDALE with an additional man to help him with his Finance Committee work and to provide a secretary to go along with the professional, to help the Senator with his very heavy and important responsibilities. That is about all the additional assistance, it seems to me, that the man needs. The amendment of the Senator is just exactly an illustration of what I believe has been wrong about this Congress in the 26 years I have been here. It looks like we cannot do anything without overdoing it. The man needs one more person and perhaps a secretary, and the Senator provides 5½.

I suppose basically that is the problem. Why not just give everybody a $30,000-a-year-man and give them a secretary to go along with him. I do not want one. If they want him, let them have an additional $30,000-a-year-man with a secretary and see if that will do the job. If it will not, let them come in and ask for another one.

On behalf of the Senators, I went before the Rules Committee, asking what we thought we would need. This Senator has gone in several times with what was thought to be needed. It seems to me that one of these days we ought to try something and see how it works before we go and just overdo it. It looks like we cannot do anything about safety without fixing it so that you cannot start the automobile without a mechanic to show you how to start it, or do anything about pollution without getting it so your automobile will not get but 5 miles per gallon. Why can we not do something and see if it works, and, if it does not work, if we have not overloaded, do something else.

Mr. BROCK. Mr. President, is this on the Senator's time?

Mr. LONG. Charge it to me.

Why is it that we cannot do anything around here without drastically overdoing it?

Mr. BROCK. I just agree with the Senator so thoroughly, as I usually do. I might point out that only difference between the Senator and me is that he says he wants to give me 1½ people and I say two. I do not think it is overdoing it that much.

Mr. LONG. I am not aware that Mr. MONDALE either asked for or expected more than two. The Senator wants to give him 5½.

Mr. BROCK. No; the Senator is offering him 1½ on one committee and I am offering two. That is the difference that has to be kept in mind. If he has an equivalent responsibility on another committee, he gets two.

The PRESIDING OFFICER. The Senator from Tennessee propounded a question to the Chair which was not responded to.

The time is running against the time alloted to the Senator from Tennessee when he yields for a question unless another Senator charges the time for that response against his own time by unanimous consent.

Mr. BROCK. I am not particularly worried about using up my time.

May I make a 2-minute summary and then if no one wants to speak against this thing or for it, I am prepared to vote.

I think most people know the issues.

This proposal gives each Senator up to two professionals per standing committee for two committees, and only two. It gives each Senator the equivalent of an additional 1½ staff for one committee, be it standing, select, special, or joint. The maximum, in effect, is 5½. But from that we must deduct any professionals that are now allocated within a particular committee. In some instances there obviously will be no net increase at all. The net effect is 259 people, at a cost of about $8 million.

May I remind the Senators one more time that this amendment is less expensive than the proposal before the Rules Committee and the proposal the Rules Committee has on the floor today. It is less expensive, not more expensive. There are less people, not more, than in the resolution pending from the Rules Committee and here in the Chamber by a sum of better than $1 million.

I think the issue is fairly clear. It is an issue simply of who has the opportunity to assign the staff, and whether or not an individual Senator has the right to get the kind of information he needs to legislate intelligently on issues of national consequence.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. TALMADGE. Will the Senator pick up his legislative calendar, and look at page 5, at the Select Committee on Standards and Conduct?

Under the Senator's amendment, I presume that Senators STENNIS, TALMADGE, BROOKE, and YOUNG, being neither the ranking minority member nor the chairman thereof, could, if they saw fit, take advantage of the Senator's amendment and appoint two individuals each, could they not?

Mr. BROCK. I think we debated this day before yesterday, but to repeat it again, if they have no staff at the moment, that is correct, if this is the additional committee that they select, rather than other Senate committees on which they serve.

Mr. TALMADGE. The Senator's proposal would authorize us to add 16 employees to that staff, would it not?

Mr. BROCK. Again, with the condition that there are no other committees they wish to choose.

Mr. TALMADGE. We now have two members of that staff, one man and one secretary, which is entirely adequate; but the Senator's amendment would increase it by 16 more. That is an increase, as I understand it, of some 800 percent on one committee.

Mr. BROCK. Mr. President, the Senator is beginning to say something I am surprised at. He is saying the members of the Ethics Committee of the U.S. Senate would hire people that are not necessary for the Ethics Committee staff. I am amazed that the Senator would make that statement. I cannot believe they would.

Mr. TALMADGE. Did the Senator ever see a staff allowance appropriation that was not expended?

Mr. BROCK. Yes.

Mr. TALMADGE. When, where, and how?

Mr. BROCK. The Senator from Georgia has turned back staff allowance.

Mr. TALMADGE. I have, and so have other Members of the Senate. I would have no strong objection if any Member of this body feels he has inadequate clerk-hire allowance to increasing it modestly. But I have been a Member of this body for 18 years, and I have always had an adequate clerk-hire allowance. My staff sometimes works 12 hours a day, 7 days a week. Moreover, they earn the money they receive. I get to the office at 7:15, and half the members of my staff beat me there, and they stay as long as necessary. They earn the money they receive.

I know the avalanche of mail, phone calls, and constituent service business we have. There are clerks on every Senator's staff who do things that they need not do. However, it is entirely possible that several Members do need additional clerk hire.

But the staff is top-heavy on virtually every one of our committees. This proposal would load it further, and I believe it is an outrage on the taxpayers of this country.

I do want to commend the Senator from Tennessee for doing this: If this amendment is agreed to, he has made it clear that these people will be employees of the Senator hiring them. I congratulate him on that, because the other proposition would create a hybrid that is neither fish nor fowl. As the Senator knows, we now have two groups of employees, the Senators' personal staffs and the legislative committee staffs. The Reorganization Act created a professional committee staff; they are trained, skilled, know what they are doing, and have tenure.

Under the original Brock proposal, we would have had a hybrid monstrosity. We would have had staff members responsible neither to the committee nor the Senator appointing them. With that, we would have chaos in this body.

One of the frustrations the Senator from Georgia has found in being in the Senate is that virtually every Member of this body has some smart people who have some wide-eyed thoughts and dreams. When they get to Washington, they have visions of grandeur and come up here to reform the world. They spend their time thinking up new ideas to create new Federal agencies and to spend more money and do various things to create more grandeur for their Senator in the eyes of the electorate of his State.

If the Senator from Tennessee adds this squad of new employees to every Senator's staff, they will be able to think up more ideas, and we will have more Senators coming on the floor, asking unanimous consent for the right of wide-eyed staff people to join them while they read a speech or propose the creation of some new form of public assistance.

I would suggest to the Senator that we could shorten the sessions of this body if we would fire half the staff members of the House and Senate, not permit staff members to come on the floor of the Senate by unanimous consent, and not permit the reading of a piece of paper on the floor of this body. We could finish

UMI

our business, adjourn, and go home by July 4.

But the Senator is not trying to correct that situation. I sadly say he is trying to compound it.

Mr. BROCK. As I told the Senator from Georgia a couple of days ago, I have great affection and respect for him, and I agree with him more often than not. I just disagree on this issue, because I honestly think that unless we get the information for research that is essential to our functioning as Senators of the United States of America, we do not serve our constituencies nor the country very well. It does rather surprise me to hear the arguments made against giving younger Members two people per committee, when the number of people we have requested is less than the number requested by the committee chairman and the ranking minority member.

Mr. TALMADGE. Mr. President, will the Senator yield again?

He keeps referring to committee chairmen. If he will look at the list of sponsors of this measure, he will find that they are not all new or junior Members. They include present and former Presidential candidates, former chairmen of committees—this is not a fight of junior Members at all. It is an effort to create chaos by an overabundance of committee staff.

Mr. BROCK. I am aware that we have Members of great seniority, and that very few of them have anything to gain by this proposal. They are doing it as a matter of principle. I think that says something for the proposition.

Mr. TALMADGE. I have been here 18 years. If I took full advantage of the Senator's amendment, I could hire a host of employees, to spend all their time campaigning for me.

Mr. BROCK. The Senator from Georgia does not need to campaign. He could get elected without a campaign in the State of Georgia.

Mr. TALMADGE. The Senator is overgenerous, but I thank him.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee (Mr. BROCK).

AMENDMENT NO. 577

Mr. CANNON. Mr. President, I call up my amendment No. 577 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON) proposes an amendment numbered 577.

Mr. CANNON. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON'S amendment (No. 577) is as follows:

Amend Cranston-Brock substitute (No. 568) for S. Res. 60 by striking all after resolving clause and insert in lieu thereof the following:

That (a) each Senator serving on a standing committee of the Senate is entitled to a professional staff member to assist him in his duties as a member of such committee and its subcommittees. The chairman and ranking minority member of each standing committee shall, to the maximum extent practicable, authorize the appointment or designation of a professional staff member of that committee, or of a subcommittee thereof if appropriate, to serve as the staff member of an individual Senator. The chairman and ranking minority member of each standing committee shall certify to the Secretary of the Senate the names of those Senators serving on that committee for whom a professional staff member of that committee or a subcommitee thereof is not so appointed or designated by them. Whenever such certification has been made and is no longer applicable, the chairman and ranking minority member of such committee shall notify the Secretary of the Senate accordingly.

(b) Any Senator currently certified pursuant to subsection (a) may appoint, in addition to any employee otherwise authorized to be appointed by such Senator and within the overall limitations of this subsection, a legislative assistant and not more than one clerical assistant, as he may find appropriate, to assist him in connection with his duties as a member of a standing committee and its subcommittees. The total amount available to any Senator for each committee assignment is the amount referred to in section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified. A legislative assistant appointed under this subsection shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of such Act, and a clerical assistant appointed under this subsection shall not receive compensation at a rate in excess of that authorized for clerical assistants employed by standing committees, except that the total aggregate amount available for the annual compensation of both such individuals may not exceed the amount referred to in section 105(e)(1) of such Act.

(c) An employee appointed under subsection (b) shall be designated as such and certified by the appointing Senator to the chairman and ranking minority member of the committee and shall be accorded all privileges of a staff member of that committee and its subcommittees.

(d) Payments made with respect to any individual appointed under subsection (b) shall be paid from the contingent fund of the Senate until otherwise provided by law.

(e) Any individual appointed by a Senator under subsection (b) shall be listed separately in the Report of the Secretary of the Senate as appointed to assist that Senator in his duties as a member of that committee and its subcommittees.

SEC. 2. It is the sense of the Senate that—

(1) the maximum number of professional staff members who may be employed by standing committees be increased not later than three years following the date of adoption of this resolution in order to supersede the requirements of the first section of this resolution; and

(2) the entitlements recognized by the first section of this resolution be contained in any provision effecting the increase referred to in paragraph (1) to insure that each Senator serving on a standing committee is entitled to appoint or designate one professional staff member to the staff of each committee on which he serves.

SEC. 3. (a) The chairman and ranking minority member of each standing committee of the Senate shall, not later than thirty days after the date on which this resolution is adopted, certify to the Secretary of the Senate the names of those Senators serving on that committee for whom a staff member of that committee or a subcommittee thereof is not appointed or designated by them in accordance with subsection (a) of the first section of this resolution. The Secretary of the Senate shall transmit such certifications to the President of the Senate for publication in the Congressional Record.

(b) The chairman and ranking minority member of each standing committee shall report in writing to the Committee on Rules and Administration not later than January 31 of each calendar year on their progress in complying with the provisions of the first section of this resolution. Such report shall include the names of those Senators who have appointed or designated any individual under subsection (a) of the first section of this resolution and the names of the individuals so appointed or designated.

Amend the title so as to read: "Resolution authorizing additional Senate committee employees.".

Mr. CANNON. Mr. President, this amendment gets back to our original basic concept, and I will take about 3 minutes and we will be able to vote, as far as I am concerned.

This amendment goes back to the concept that a Senator would be entitled to appoint a staff member on every standing committee on which he serves, on which he does not have representation. It changes the figure in the Brock amendment to the $33,975 pay figure, and it makes a total estimated cost of roughly $3.7 million, and basically has the effect of the Hatfield amendment.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. CANNON. The distinguished Senator from Alabama was the author of the amendment. He may be able to respond.

Yes, I will yield.

Mr. JOHNSTON. There is some confusion in the Chamber among those of us who discussed the committee amendments. My question is this: This allows one employee per major committee. Who will have the right to select that staff member?

Mr. CANNON. May I yield to the author of the amendment, Senator ALLEN?

Mr. ALLEN. I believe this is the original concept of the Hatfield resolution. The staff member will be chosen by the Senator involved and the salary will be set by the chairman, the ranking minority member, and the Senator.

Mr. JOHNSTON. The Senator himself then can choose that staff member?

Mr. ALLEN. That is right.

Mr. JOHNSTON. But the salary is set by the committee chairman and the ranking minority member?

Mr. ALLEN. That is my understanding.

Mr. BROCK. What if they set the salary at zero?

Mr. ALLEN. The employee would not have to work under those conditions.

Mr. JOHNSTON. If they could set the salary, what is the meaning of the $33,000?

Mr. ALLEN. That is the limit.

Mr. JOHNSTON. That is the limit. All right.

Who can fire this staff member?

Mr. ALLEN. The Senator can withdraw the assignment.

Mr. JOHNSTON. The Senator can fire, and then he could appoint a replacement as well?

Mr. ALLEN. That is correct.

Mr. GRAVEL. Mr. President, will the Senator yield for clarification?

Mr. JOHNSTON. Yes. But let me ask one question. It is not the sense or the intent of the language as given the committee chairman and the ranking minority member——

The PRESIDING OFFICER. The Chair must announce at this time that, since this amendment attempts to put into the bill exactly the language that the Brock amendment strikes out, it is not in order.

AMENDMENT NO. 570

Mr. CANNON. Mr. President, I withdraw the amendment, then. I offer my amendment No. 570 to No. 568, which I send to the desk, and, Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CANNON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON) proposes an amendment to amendment No. 568 numbered 570.

The amendment No. 570 is as follows:

In the first section strike out all of subparagraph (a) of paragraph 8 of rule XXV of the Standing Rules of the Senate, as proposed to be added by the amendment, and insert in lieu thereof the following:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a standing committee is authorized to hire staff for the purpose of assisting him in connection with his membership on each such committee on which he serves. A Senator serving on one or more standing committees of the Senate shall receive, for each such committee, as he designates, an amount equal to the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

In the first section of the resolution in subparagraph (b)(1) of paragraph 8 of rule XXV of the Standing Rules of the Senate, as proposed to be added by the amendment, strike out "(1)" the first three times it appears, and strike out "section 105(d)(2)(1)" and insert in lieu thereof "section 105(e)(1)", strike out all of subparagraph (b)(2), and strike out in subparagraph (d) "section 105(d)(2)(1)" and insert in lieu thereof "section 105(e)(1)".

Mr. CANNON. To get back to my original statement, this amendment amends the Brock amendment and applies to standing committees only. It provides for one staff person on standing committees only. It drops the figure from the figure in the Legislative Appropriations Act, and that breakoff of $34,000 would apply to the Brock amendment, $34,000 and a fraction, to the $33,975 figure. The estimated cost is exactly the same as I stated earlier. We believe it will cost out roughly at $3.7 million to $3.9 million, and it will apply on our estimate to roughly 100 new committee staffers.

Mr. BROCK. Mr. President, a parliamentary inquiry.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CANNON. Yes.

Mr. PASTORE. I say frankly I am not asking for any representative. As a matter of fact, my feeling is in opposition to both propositions, both that of the Senator from Tennessee, and also the one from the Senator from Nevada, although I would be more amenable to the one of the Senator from Nevada, because I think it is much more modest. As I understand it now, it is confined to those standing committees.

I am the Chairman of the Joint Committee on Atomic Energy, which is the only joint committee that has legislative power. When we introduce any legislation in the Chamber that has to do with atomic energy, it goes to the Joint Committee on Atomic Energy, and we have the same powers as the standing committee to consider that legislation and bring it back to the Chamber and also to manage it in the Chamber.

I am talking now about the authorization of atomic energy which is over $2 billion a year.

The only point I make now is that we are discriminating a little bit. We are discriminating a little bit.

I tell the Senator very frankly it would make me happy if we did not do anything at all. If the Senator is going to do it, I think he would have to include every committee that has legislative authority.

There are standing committees and select committees that can only make a recommendation. But the only joint committee that has legislative jurisdiction under the law is the Joint Committee on Atomic Energy.

I think that the amendment should be amended in that regard because I think it would be most unfair, because we have a greater responsibility, not only in weaponry, but in the peaceful uses of atomic energy, much more so than some standing committees. I daresay that this is being unjust and being unfair.

Mr. CANNON. Mr. President, the Senator makes a good point there, but I do not think that we can discriminate by saying one joint committee should have it and another one not.

Mr. PASTORE. All the Senator is saying is any committee that has legislative jurisdiction. We are the only joint committee that has legislative jurisdiction under the law. There is no other committee, be it the joint committee on this, or the joint committee on that. All they can do is recommend, and then it goes to a legislative committee.

But we have legislative power, and we deal with $3 billion of the people's money. We deal with atomic bombs. We deal with nuclear submarines. We deal with aircraft carriers that are nuclear. Our responsibility is greater than most any legislative committee that is a standing committee.

I think this is being most unjust.

Mr. CANNON. Mr. President, I think we would have a problem now under the parliamentary situation for any other amendment. It would require unanimous consent.

If the Senator wants to try to secure unanimous consent and offer that suggestion, that it include any joint committee having legislative power, I would be willing to accept that precise amendment. But this, basically, gets back to roughly the same condition of the Hatfield amendment, although it does incorporate the basic idea of the Brock amendment, but it does not go to the two staff persons per standing committee and the one-and-a-half on the other committee, and it gets the pay schedule in line with the other pay schedules.

Mr. PASTORE. If the Senator will yield, as to the amendment that was pending of the Senator from Tennessee. I am ready to vote against it. I am ready to vote against the amendment of the Senator from Nevada, and that would satisfy me. But why do we not keep them separated? I would not then have to put in an amendment. I am against both. But the Senator does not give me a chance to vote against both.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. CANNON. Yes, I yield.

Mr. JOHNSTON. On this amendment, as I understand it, the committee chairman has the initial right to hire or select for the individual Senator the staff member to be assigned to him. Is that correct?

Mr. CANNON. That is correct.

Mr. JOHNSTON. Once a staff member is so assigned to him, who has the right to fire that staff member?

Mr. CANNON. I think the Senator from Tennessee yesterday pointed out that the Senator, the appointing authority, would have the authority to terminate his employment.

I would assume that if he has been acting in such a fashion that the chairman asked him to withdraw that appointment that he would do so. But the Senator who hires the man is the appointing and terminating authority.

Mr. JOHNSTON. That means that if, say, I am a committee chairman, and all of my professional staff members are from Louisiana—they are my distant cousins down there—I hire them all on my professional staff.

Mr. CANNON. The Senator could not do that.

Mr. JOHNSTON. And I put them out and assign them to some Senators on the committee. I initially appointed them, as committee chairman, so only I have the right to fire. Is that correct?

Mr. CANNON. The Senator could not appoint. He could not designate a staff man to serve for the individual Senator if the Senator did not want to accept him.

Mr. JOHNSTON. As I understand this language on page 4 of the bill, it says:

The chairman and ranking minority member of each standing committee shall, to the maximum extent practicable, authorize the appointment or designation of a professional staff member of that committee, or of a subcommittee thereof if appropriate, to serve as the staff member of an individual Senator.

Mr. CANNON. The Senator is going to the original text. Is that not the amendment as reported by the committee?

Mr. JOHNSTON. I think that is correct.

Mr. CANNON. My amendment goes to the Brock amendment.

If the Senator from Tennessee will listen for a moment, I think he can respond. In other words, my amendment

UMI

goes to his amendment, and he can respond to the Senator from Louisiana as to that precise question.

Mr. BROCK. Mr. President, will the Senator repeat the question?

Mr. JOHNSTON. I think the key question—at least, so far as I am concerned—is, who has the right to hire and who has the right to fire?

Mr. BROCK. Under my amendment, the right to hire, the right to fire, and the right to set salary is the responsibility of the individual Senator, period.

Mr. JOHNSTON. The amendment of the Senator from Nevada, or the substitute to the Brock amendment, would carry forward the same limitation or the same provision.

Mr. CANNON. With the exception that the top of the salary level is the $33,975 figure which is in the basic——

Mr. BROCK. There is an additional difference. The Senator would have the right to hire and fire under Senator CANNON's amendment, but I do not think there is a right to set salary without the agreement of the committee chairman.

Is that not so?

Mr. CANNON. The amendment is to the amendment of the Senator from Tennessee, and it does not change that provision.

Mr. BROCK. Mr. President, in order to expedite this process, I am going to withdraw this amendment at the moment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JOHNSTON. The amendment is withdrawn?

Mr. PASTORE. Yes.

AMENDMENT NO. 565

Mr. PACKWOOD. Mr. President, I call up amendment No. 565.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon (Mr. PACKWOOD) proposes amendment numbered 565.

The amendment is as follows:

Strike out all after "Resolved" and insert in lieu thereof the following: That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to two times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3 or, in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for one of such committees which he designates, an amount equal to one and one-half times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) who continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one-half times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.".

SEC. 2. Paragraph 8 of rule XXV of the Standing Rules of the Senate (as added by the first section of this resolution) shall be suspended and shall have no force or effect during any period during which, by law, a legislative assistance clerk-hire fund is established and funded to provide for legislative assistance for Senators serving on committees at rates not less than those provided in such paragraph 8, and subject to no more conditions and no greater limitations than those provided in such paragraph.

SEC. 3. Each Senator and the chairman of each committee on which he serves shall, not later than five days (not including Saturdays, Sundays, or holidays) after the date on which this resolution is adopted certify to the Secretary of the Senate a list containing the names and the total aggregate annual compensation of any professional staff member on such committee whose appointment is made, approved, or recommended by such Senator. Whenever such certification has been made and is no longer applicable, the Senator and chairman of that committee shall jointly notify the Secretary of the Senate accordingly. Such certification shall be effective on the date received by the Secretary of the Senate.

Mr. PACKWOOD. Mr. President, I am not sure of all the amendments that have been handed in at the desk. Will the Chair advise whether there are any amendments pending to amendment 565?

The PRESIDING OFFICER. There are no amendments at the desk.

Mr. PACKWOOD. I thank the Chair.

Mr. CANNON. Mr. President, if the Chair was responding as to whether or not any amendments to the Senator's amendment are at the desk, the Chair's response is incorrect. There is an all-purpose amendment at the desk that is applicable to the Senator's amendment, and I can assure the Senator that it will be offered.

Mr. PACKWOOD. I ask the Chair again whether there are any amendments pending to amendment 565.

The PRESIDING OFFICER. There is an amendment at the desk which says "at the appropriate place in the amendment." It does not specify to what amendment.

Mr. PACKWOOD. Is that amendment in order or not in order as an amendment offered to amendment 565?

The PRESIDING OFFICER. The amendment is in order.

Mr. PACKWOOD. Then, we are back to the same square we were on before.

This is, in essence, the Brock amendment, which once more provides almost identically the same provisions as we were previously discussing—not exactly the same provisions.

I might respond to Senator NUNN and Senator JOHNSTON, who were asking the question a few minutes ago as to how staff is hired.

I am trying to do this in the simplest fashion possible.

The problem in our mind, apart from the fact that the amount of money in the committee resolution is inadequate, is that the Senator cannot, I cannot, Senator BROCK cannot, and Senator CRANSTON cannot hire anybody without the approval, without the acquiescence, of the chairman or the ranking member, and at a salary agreed upon by the ranking member.

If the Senator wants to hire somebody at $23,000 a year and the chairman says that is $5,000 too high, the Senator cannot hire that person. We wanted to create a situation in which the Senator from Louisiana or I or any other Senator would have a right to hire whomever we wished, to direct that person in that committee work on our committees, and not be beholden to a ranking member, not be beholden to a chairman, in order to select whom we want.

The Brock amendment to the initial Gravel amendment would have provided that. The committee amendment does not.

So we are talking about two philosophical things: To whom should this appointee be responsible and who should have the power to set his salary, and should that person in any way be subject to orders of the chairman or the ranking member? We think not. That is the principal reason why we have gone this avenue.

Mr. CANNON. The Senate is not in order, Mr. President. May we have the well cleared?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PACKWOOD. I want to come back again, because, unfortunately, we seem to plow and replow and replow once more the same ground.

We have had committee chairman after committee chairman and we have had ranking members testify in committee and say on the floor of the Senate that everybody in the Senate is satisfied with the committee allotment they have, that the committee staff serves everybody equally; that if any Member, Republican or Democrat, no matter how junior, wants to ask some committee staff member to do work for that Senator, that committee staffer will or will not be fired. I say to my fellow Senators that that is not true.

I cited a specific instance 2 days ago. When I was on the Committee on Banking, Housing and Urban Affairs, trying to propose a log support limitation that was opposed by the chairman of the committee and the ranking member, I tried to get committee help, and I was specifically denied any committee help on that bill, which was germane, and hearings were being held before that committee. I was specifically refused help.

That is the situation we are trying to avoid; and that situation will continue to obtain so long as the ranking member or the chairman may say, "Well, you can hire John Jones, but not Patty Smith. You can hire him at $14,000, not $16,000. You can pay him what we pay the other staffers."

That is not fairness and equality with respect to access to staffers in this body, and the group listening to these arguments knows it.

Senator CANNON said it himself when he mentioned who came in and testified for and against these amendments. He said it in his opening statement, and I am going to read it so that the RECORD is quite clear.

Who are the people who appeared in opposition to any amendment, especially the Brock amendment? Senator CANNON, himself, elected 1958; Senator RANDOLPH, 1958; Senator Moss, elected 1958; Senator PROXMIRE, 1957; Senator CHURCH, 1956; Senator TALMADGE, 1956; Senator PASTORE, 1950; Senator SPARKMAN, 1946; Senator MAGNUSON, 1944.

In every instance, it was a committee chairman in opposition to the amendments, and in every instance they had been elected for the first time in 1958 or before. Those are from Senator CANNON's own words when he put them into the RECORD.

Who testified in favor of some kind of amendment as to committee equity? Senator HANSEN, elected 1966; Senator BAKER, 1966; Senator GRAVEL, 1968; Senator CRANSTON, 1968; Senator PACKWOOD, 1968; Senator SCHWEIKER, 1968; Senator BROCK, 1970; Senator HASKELL, 1972; Senator ABOUREZK, 1972; Senator BIDEN, 1972; Senator DOMENICI, 1972; Senator BARTLETT, 1972.

In every instance, they were elected from 1966 or onward, and everyone of them felt that he was being denied equal access to staff, and everyone in this Chamber knows it. Anybody who says that everybody has equal access to staff is fooling themselves or trying to fool us.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 559

Mr. GRAVEL. Mr. President, I call up my amendment No. 559.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes an amendment numbered 559.

The amendment is as follows:

Strike out all after the resolving clause and insert in lieu thereof the following: That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to two times the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for such committees which he designates, an amount equal to one and one-half times the amount referred to in section 105(d)(2)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(d)(2)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one half times the amount referred to in section 105(d)(2)(ii) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(d)(2)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.".

Mr. GRAVEL. Mr. President, I yield to the Senator from California.

Mr. CANNON. Mr. President, a point of order. A Senator can yield for a question only.

The PRESIDING OFFICER. The point of order is well taken. The Senator can yield only for a question.

Mr. GRAVEL. I yield for a question.

Mr. CRANSTON. Will the Senator explain his amendment? It has not been read.

Mr. GRAVEL. Mr. President, what this amendment does is the same as the Brock amendment.

I think that it is going to get through to the American public, what the issue is here. It is a very simple and a very

fundamental one: that is between those who are opposed to reform and improvement and those who are trying to reform and trying to improve the Senate. That is clearly what the issue is.

Let us look a little bit at the history of how this evolved. It will give us some idea that we do not have to have the numbers; all we have to have is the clout.

Let us look at the numbers. This proposal was first initiated last October. We had 57 cosponsors. As a result of clout, the number of cosponsors was whittled away and reduced.

Mr. CRANSTON. Mr. President.

Mr. CANNON. Mr. President.

Mr. CRANSTON. Mr. President, I send to the desk an amendment as a substitute for the amendment offered by Senator GRAVEL and ask for its immediate consideration.

AMENDMENT NO. 560

The PRESIDING OFFICER. The substitute amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be inserted by Mr. GRAVEL, insert the following: That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to two times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3 or, in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for one of such committees which he designates, an amount equal to one and one-half times the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one-half times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.".

SEC. 2. Paragraph 8 of rule XXV of the Standing Rules of the Senate (as added by the first section of this resolution) shall be suspended and shall have no force or effect during any period during which, by law, a legislative assistance clerk-hire fund is established and funded to provide for legislative assistance for Senators serving on committees at rates not less than those provided in such paragraph 8, and subject to no more conditions and no greater limitations than those provided in such paragraph.

SEC. 3. Each Senator and the chairman of each committee on which he serves shall, not later than five days (not including Saturdays, Sundays, or holidays) after the date on which this resolution is adopted certify to the Secretary of the Senate a list containing the names and the total aggregate annual compensation of any professional staff member on such committee whose appointment is made, approved, or recommended by such Senator. Whenever such certification has been made and is no longer applicable, the Senator and chairman of that committee shall jointly notify the Secretary of the Senate accordingly. Such certification shall be effective on the date received by the Secretary of the Senate.

Mr. CRANSTON. Mr. President, we are now back to a situation where we have before the Senate the Brock plan that we have been trying to get a vote on since March of this year. To recapitulate briefly, in January—January 15, to be precise—the Democratic Caucus, not unanimously but overwhelmingly, approved the basic concept of providing adequate staff to all members of a committee. The Republican conference, at about the same time, overwhelmingly, and perhaps unanimously, adopted the same principle.

Then there was considerable time spent in sharpening the exact proposal. Last March, we spent a great deal of time on all this. Those of us who were seeking to bring about this change to enable us to do our work properly wanted to vote at that time on the floor. Understandably, the Committee on Rules, overwhelmed with the great work brought to it by the New Hampshire election matter, could not put this ahead of that, so there was a delay. But we reached an agreement that this would come to the floor in 2 weeks, in some form—whatever form the committee chose—2 weeks after the committee completed its work on New Hampshire. Hence it has now come to the floor in the form of the Hatfield proposal.

Since March, we have spent a substantial amount of time trying to figure out what would be more acceptable and appropriate than the original plan that was proposed by Senator GRAVEL and Senator BROCK. So we came forward with a plan offered on Monday by Senator BROCK. That substantially cut the amount of staff funding that we are requesting and it additionally modified the proposal to meet some of the objections of committee chairmen and to allow the jurisdiction to transfer from the Committee on Rules to the Committee on Appropriations. We have made every effort to cooperate with the Rules Committee and to accommodate the leadership on the matter of when all this should come to a vote.

We were ready to vote on the Brock amendment on Monday. We were not permitted to.

We were ready to vote on the Brock amendment on Tuesday. We were not permitted to vote on it.

Finally, in desperation, we filed a cloture motion to bring the matter to a head and enable us to achieve our objective to vote up or down the Brock proposal.

Mr. President, the difference between the two proposals before us—Hatfield on one hand and Brock on the other—is $5 million. The Brock amendment will add $8 million to the Senate budget, the Hatfield amendment will add $3 million. Neither the difference between the two proposals nor the total funding involved justifies the number of Senate hours that have been spent on this issue. So I ask my colleagues to vote on the Brock amendment which, in effect, is what I have called up.

For me, the Brock amendment will allow little in the way of additional legislative staff. What it will do is permit me

to transfer to a new legislative payroll current staff members whom I have assigned to work on matters related to committe assignments I have, because I do not get enough stuff from the committees for that.

I expend $78,787, or more than 10 percent, of my clerk-hire funds for professional and clerical staff to supplement the work of the committee staff assigned to me for the committees I serve on, because it is inadequate from the committees.

Since the total I would get from the Brock amendment is approximately $103,000, all that would remain after I transferred existing staff doing committee work now, would be $24,500, or, at best one new professional person not at the top of the professional staff grade.

The freeing of my clerk-hire of the burden of supplying legislative staff for committees I work on would help but not resolve my problem of answering the incredible volume of mail that I receive. I need to allocate $144,000 additional to handling my mail volume, as I explained in a detailed Senate speech on Monday. Thus I would still be about $65,000 short of achieving my goal of responding reasonably promptly to the mail I get from my enormous California constituency.

Finally, on the point Senator JOHNSON was asking about a bit ago in colloquy with the chairman, there were various arguments made that staff professionals hired by the chairman can meet the needs of members of the committee. In some areas, they can be of help. They can give information and fulfill specific requests if they are permitted to do so by their boss, the committee chairman, and if they have time to do so after completing the various assignments they are given by their boss, the committee chairman.

But in the areas of judgment, of advice on policy, of analysis of constituent concerns, or of creative problem-solving, the chairman's professional staff are not an adequate or reliable resource for the individual Senator. The reason is obvious. Fulfilling these responsibilities requires a loyalty to and commonality of purpose with the individual Senator. And the allegiance of a professional staff member is properly given to his boss and to the needs of the committee on which he serves.

Thus, one difference between the Hatfield proposal and the Brock proposal is extremely important.

Under the committee proposal, the Hatfield proposal, the committee chairman or the ranking minority member—rather than the individual Senator—is authorized to determine whether the committee staff person is provided for individual members of the committee and to designate that person for the individual members of the committee. Only if the committee chairman states there is no staff provided can the Senator then choose staff via the Hatfield proposal.

Under the Brock proposal, on the other hand, which I have now offered, the power to appoint and the right to fire a Senator's assigned professional committee staff is given to the Senator himself, to the individual member. A Senator would have to have made, approved, or recommended the staff appointment to the committee chairman or ranking minority member and, further, would have to be able to authorize the termination of the staff member's duties in order for the staff person to qualify as a Senator's assigned committee staff. Any professional committee staff not meeting this test would be considered the staff of the full committee or of the chairman or the ranking committee member.

It seems to me, Mr. President, that we have debated these matters overlong. I hope we can now, at long last, get to a vote on the Brock amendment, which is now the pending matter.

Mr. ALLEN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Alabama will state it.

Mr. ALLEN. I note on page 5 of the Cranston amendment, section 2, that it seeks to suspend Senate rule XXV under certain circumstances. Inasmuch as a suspension of a Senate rule takes a two-thirds majority rather than a simple majority, that it takes to amend the Senate rules, I wish to propound an inquiry as to whether it will take a two-thirds vote to agree to the Cranston amendment.

Mr. BROCK. Mr. President, may I be heard on that?

The PRESIDING OFFICER. Yes, the Senator may be heard on the parliamentary inquiry.

Mr. BROCK. Before the Chair answers?

The PRESIDING OFFICER. Before the Chair answers, of course.

Mr. CRANSTON. Mr. President.

Mr. BROCK. In section 2 of this amendment, we prospectively amend a rule which is incorporated in the amendment itself. How, then, can we require a two-thirds vote if the matter is not at hand before the Senate? It allows for a prospective ruling and this amendment sets the rule itself. For the life of me, I think it is prejudging.

Mr. McCLURE. Will the Senator yield for a question on that point?

Do I understand the Senator to be saying that the rule amendment to which the Senator from Alabama made reference is the suspension of a rule which is contained in another section of the same bill and not to an existing rule of the Senate?

Mr. BROCK. This resolution amends rule XXV of the Standing Rules of the Senate, and it then sets the conditions under which we will operate under rule XXV.

To say that an amendment to the amendment which is amending the rule—if I have not lost everybody in that process—is subject to a two-thirds vote is incredible. I cannot imagine that you could reach that kind of a conclusion.

Mr. CRANSTON addressed the Chair.

Mr. BROCK. Will the Chair respond?

The PRESIDING OFFICER (Mr. PERCY). The Chair is ready to issue a ruling. Is there anybody else who wishes to be heard first? It is in response to a parliamentary inquiry.

The suspension mentioned by the Senator from Alabama is not considered a suspension of the rules as that is outlined beginning on page 799 of Senate Procedure, and thus the amendment would not require a two-thirds vote.

Mr. BROCK. I thank the Chair very much.

Mr. ALLEN. I heard the Chair just a moment ago say it did take a two-thirds vote. Is he reversing himself so quickly?

The PRESIDING OFFICER. The Senator asked if he could be heard and the Chair answered yes.

Mr. ALLEN. The Chair has changed his mind?

The PRESIDING OFFICER. The Chair has not changed his mind. The Chair was not issuing a ruling. The Chair was only responding to the Senator from Tennessee.

Mr. ALLEN. I thought, in response to the Senator from Alabama, the Chair said that it would take a two-thirds vote. I was just asking the Chair if he had changed his mind in the matter of a minute and a half.

The PRESIDING OFFICER. The Chair did not respond to the Senator from Alabama. The Chair had not even conferred with the Parliamentarian at the time.

Mr. ALLEN. I misunderstood the Chair.

The PRESIDING OFFICER. The Chair merely answered a question of the Senator from Tennessee.

Mr. BROCK. I wish the Senator from Tennessee had the eloquence to convince the Chair so quickly.

Mr. WILLIAM L. SCOTT. Mr. President, it is my intention to vote against the various amendments that have been offered, the ones by the Senator from Alaska and the Senator from Tennessee. Yet I would commend both of our distinguished colleagues for the part that they played in attempting to bring about a change in the staffing of our committees. Without the efforts of the distinguished Senator from Alaska, I do not believe this matter would be before us, and certainly the distinguished Senator from Tennessee and many others have worked to bring a fairer allotment of committee staffers.

This has been somewhat of a battle between the haves and the have-nots, and I have been one of the have-nots, and so I do commend my distinguished colleagues for the efforts they have made.

But, on the other hand, we cannot accomplish everything in 1 day or in 1 week or in one session of Congress, and I believe that the measure that has been reported from the Rules Committee is a fair compromise between our not getting any additional help and obtaining some degree of assistance, greater degree of assistance, from the committee staffs than we have been receiving in the past.

I had an amendment that I had proposed to offer, but I do not intend to at this time. I do not want us to digress any more than we have to from the resolution that was reported by the Committee on Rules and Administration. Would the distinguished chairman of the Committee on Rules and Administration respond briefly to a few questions that

UMI

I have that would have been in my amendment?

Mr. CANNON. Certainly.

Mr. WILLIAM L. SCOTT. I had proposed that the annual compensation be determined by the Senator who appointed or recommended the appointment of a committee staff, his member on a committee staff.

Is it the intention of the bill as it came from the Committee on Rules and Administration that the Senator who appoints would fix the salary? What is the intention of the bill as it came from the committee?

Mr. CANNON. May I say to my colleague that the issue that came up in committee was the problem where an appointing Senator might designate a pay scale that was higher than other comparable members of the staff and thus create a staffing problem within the committee itself.

So the committee wrote in there, in the Hatfield proposal, the proposition to fix the salary in consultation with the ranking minority member and the chairman. That procedure is followed, I may say, in most of the committees presently which authorize the appointment by other people today. It is followed in our own Rules Committee. We fix the salary in consultation, and every Republican member on that committee has a staff person, and I have got to assume that the committee chairmen and Senators are going to work in good faith, and I would assume that a Senator would not want to appoint one of his people to a committee staff at $35,000 or $34,000-something a year if the comparable staff people were at the $33,000 figure.

We fixed in there—we dropped down from the $34,000 figure to the $33,975 because that is one of the breakoff points in the Legislative Appropriation Act, and we say not to exceed that amount because there are only certain numbers that can be employed above that amount without amending the Legislative Appropriation Act.

Mr. WILLIAM L. SCOTT. Not exceeding $33,975 at the present time.

Mr. CANNON. That is right.

Mr. WILLIAM L. SCOTT. But it would be the thought of the chairman that this would be a good will exchange between the appointing Senator and the ranking member and the chairman, and they would——

Mr. CANNON. Certainly.

Mr. WILLIAM L. SCOTT. Try to work together.

Mr. CANNON. Certainly.

I may say we have not had any instances of lack of cooperation in that regard between the chairman and members. I impute honorable intentions to every Member of the Senate. I think we can rely on that.

Mr. WILLIAM L. SCOTT. Let us hope we all do in our relationship with one another.

The second question I want to ask it, is it the intention of the bill as it came from the committee to permit a Senator not only to appoint but to remove at his pleasure someone whom he has named to a committee?

Mr. CANNON. The Senator is correct. The author of the amendment is here and he could respond to that, but certainly the intent is not, if a Senator is given the right to appoint a person to the staff, that he would not have the right to ask that he be removed from the staff.

Mr. WILLIAM L. SCOTT. Primarily the appointee would be responsible to that Senator who appointed him even though he would under the general direction of the staff director?

Mr. CANNON. I yield to the ranking minority member.

Mr. HATFIELD. Would the Senator repeat the question. But before he does that, would the Senator yield to me for a moment?

Mr. WILLIAM L. SCOTT. Yes.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the amendment to require the new staff, if passed by the committee proposal, to be housed in the office, personal office, of the Senator——

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator please use the mike. I cannot hear what he is saying.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the proviso that was offered yesterday, and adopted as an amendment to the committee bill, requiring that any new staff members be housed in the personal offices of the Senator, be withdrawn.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. I object. Reserving the right to object, Mr. President, I do object because I have an amendment, a substitute, that would be in order as long as that amendment is before the Senate. If withdrawn, my amendment would not be in order. I object.

Mr. HATFIELD. May I ask the Senator, to give us some idea of the time when he might be introducing that?

Mr. ALLEN. Well, it would depend on the parliamentary situation.

Mr. HATFIELD. Mr. President, I withdraw my request for a unanimous consent.

The PRESIDING OFFICER. The request is withdrawn.

Mr. WILLIAM L. SCOTT. Mr. President, the Senator has given rise to another question in my mind.

The bill as it is presently before us, what does it provide with regard to housing of someone that is appointed by an individual Senator to a committee staff?

Mr. HATFIELD. In order to answer that question, I would have to go back and put a lot of the information into context.

Mr. WILLIAM L. SCOTT. Please feel free to.

Mr. HATFIELD. The Rules Committee has considered the requests of the various standing committees of the Senate, and the special, select, and joint committees, from time to time, for their increase of staff. This is under existing Senate procedures, not bearing on today's proposal. We have attempted to set down a policy where we have required that housing of all committee staff shall be in the committee suites, not in personal offices.

In other words, we diligently have attempted to remove the practice of having staff hired by committee and doing committee work functioning within the personal offices of the Senators.

This is because there have been some allegations, proven or not proven, but at least serious allegations, that some such staff people who are committee staff people have performed functions and duties that relate more to the personal office duties and responsibilities of the individual Senator than the committee material.

Because this has been the policy of the Rules Committee, this same rule was in the original proposal that the Rules Committee brought before the Senate, which was the initial pending order of business. In the record of the hearings it was very clearly established that such additional staff people would not be housed in the personal offices of Senators.

Yesterday, while the chairman of the committee and I as the ranking minority member of the committee had been invited into the chambers of the majority leader to try to resolve some of the problems attending to this issue and also to the questions of New Hampshire, the Senator from Georgia (Mr. TALMADGE) rose on the floor and asked unanimous consent to amend not only the committee proposal or resolution, but also the Gravel resolution and the Brock resolution. His amendment required any additional personnel made under the provisions of any such resolution would have to be housed in the personal offices of the Senators making the appointment. With both of us attending this meeting, unanimous consent was agreed upon.

Now, this amendment is directly contrary to the policy of the Rules Committee that has been attempted to be established and executed. It is directly contrary to the hearings and the record made by the Rules Committee in bringing forth this resolution that was the original pending business.

Very frankly, it was the reason why I moved a minute ago to try to strike that, because it really ran contrary to the established policy and practice.

I do not know why the Senator from Georgia offered that particular amendment since he has spoken against all these amendments and, obviously, is very much in disagreement with all other amendments.

I do not know why the Senator should want to amend any one, let alone all three, to require a policy which is contrary to the policy of the Rules Committee, and what I think, we in the Senate generally are trying to get away from, because of the alleged abuses of such practice of having housed committee staff in our offices, or at least our vulnerability on the subject.

Mr. WILLIAM L. SCOTT. Is it the intention of the distinguished Senator to move to reconsider this?

Mr. HATFIELD. I would respond to the Senator to clarify one thing further, that the Brock amendment today, or the Gravel amendment today, or the Cranston amendment today, or any other amendment that has been offered as a substitute, would not include this particular proviso. It was just those which were pending yesterday and, of course, only one of those three that were pending yesterday is still pending today and that is; namely, the original committee resolution.

It is the intention of this Senator to try to correct that action that took place yesterday when very few Senators were on the floor, and when none of the leadership was on the floor, or the leadership of the committee, and, therefore, it will have to come at some appropriate time in parliamentary procedure, but that will be my intent.

Mr. WILLIAM L. SCOTT. I would think the distinguished Senator from Georgia would want to permit this to be corrected. I just do not believe that he intended to take advantage of the situation with the chairman and the ranking member being off the floor.

Mr. HATFIELD. I would like to respond, of course. I do not mean that as a statement or an allegation or a charge. I would not be so presumptuous to indicate that at all as to our colleague from Georgia.

I just raise the question as I do not understand why this action was taken.

I have since conferred with the Senator from Georgia who feels very strongly it should remain in the proposal.

I do feel that the full Senate may find itself with an opportunity to cast an individual vote on this issue at some appropriate time.

Mr. WILLIAM L. SCOTT. If the Senator would respond further before he asks his unanimous-consent request, I posed the question to the chairman as to whether or not a Senator might remove the person he had named to a specific committee and appoint somebody else.

Mr. HATFIELD. Yes.

Mr. WILLIAM L. SCOTT. Whether the person appointed was subject to removal, and I notice on page 9 of the report, it says:

> Rights of designating Senator.—It is the view of this committee that any Member of the Senate who designates a committee employee pursuant to the committee amendment should retain the right to terminate the employment of such employee, if desired.

If we take that a step further and if a Senator had someone that he would like to place a substitute for the person he had named—and we do not like for these things to occur, but if he did—he could just recommend or ask the committee chairman to remove the person he had appointed and to appoint someone else, is that the view of the committee?

Mr. HATFIELD. That is the view of the committee, with the appointing authority being the removal authority.

I think we sometimes get lost in the legalisms and the technicalities. I merely want to say this. I feel that so many of these concerns are already in practice in an informal, noncodified manner, and I have used illustrations in the past few days to illustrate the point. Simply, we will work together in these committees, in spite of the fact of the deficiency of staff which we are talking about today and have been talking about.

I do not think any one of us would charge any wrongdoing or any malicious intent to the majority party or to the minority party, ranking member, or to the staffs of either.

It is the broader issue inadequacies of staff that we are addressing ourselves to.

I have received fine support and help from the majority staff as well as the minority staff on committees where I have not had any staff appointments. But I can say to the Senator that since acquiring that place in seniority where I now have access to these staffs of committees that I serve on, I can operate far more efficiently and far more effectively.

We have done this on a gentleman's basis whereby we have worked this out in informal relationship with the chairman of the committee and the ranking minority member. I do not think we are going to get into this kind of confrontation. I do not anticipate we are going to have to collectively bargain on the point of committee appointments. I think these will all be worked out by the actual precise legal authority.

As the Senator has asked, the question is vested in the appointing Senator.

If he should decide to suspend or want to change that appointment, it would be up to him to change it. Again, I am sure that not only good manners and courtesy, but also professionalism and ethics would dictate that he consult with his colleagues on the committee, and the chairman or ranking minority member. That is what we do now.

Mr. WILLIAM L. SCOTT. Mr. President, I shall only take one further moment. I was in the Chamber when a suggestion was made when this bill first came up to the effect that those who made appointments, other than the ones made by the staff director or the chairman and ranking member of the committee, might not appoint professional people. Frankly, I did not enjoy hearing those remarks. I would hope that one Senator, one Member of this body, is just as responsive as any other Member of this body. I would hope that each Member would have in mind appointing someone who could be of service to the individual Senator, who could be of service to the committee, who could be of service to the entire Senate. This would be what I would intend to do, and I assume everyone else would be just as dedicated to getting a top professional assistant on the staff. Frankly, I do not think we even ought to talk about anything else.

Mr. CANNON. If the Senator will yield, I would say I share his views completely in that regard.

Mr. WILLIAM L. SCOTT. I thank the Senator.

Mr. TAFT. Mr. President, there is one area which has not been explored, and I am afraid there may be some confusion with regard to it as a result of the discussion by the distinguished Senator from Georgia earlier today. That is the matter of access by these staff appointments, if we authorize them, to the committee members, to the committee material. I would like to advise the Senate I have been faced with this problem over the last year and a half. I am a member of the Armed Services Committee, which has one of the smaller staffs of any of the major standing committees, certainly. I believe the staff is a competent and able staff. There are two or three of them who are assigned to the minority side from time to time. I have found, however, that in doing my committee work it would be absolutely impossible for me to be an effective member of that committee if I relied solely upon the present professional staff which is there.

For that reason, I have assigned a very well qualified young man exclusively to the affairs of that committee from my personal staff. He has top security classification. He has a PhD in the field in which he is dealing. Under the rules and operations of the Armed Services Committee, he is denied access to the executive sessions of that committee. I would say about half of our sessions are executive sessions.

I would like to make sure that if we are going to have these people assigned, that they are full members of the committee staff. I do not care where they are housed, though I hope we can find housing for them with the committee because that would be more effective. But the issue is that they are full members of the committee staff with access to all of the hearings of the committee and all of the information of the committee.

As I understand it, the resolutions before us do cover that point, but I think it is important from the point of view of legislative history that we clarify that abundantly here today. I would be glad to yield to the distinguished Senator from Oregon.

Mr. HATFIELD. I would be happy to respond to the Senator. On page 6 of the committee print we have these words:

> (c) An employee appointed under subsection (b) shall be designated as such and certified by the appointing Senator to the chairman and ranking minority member of the committee and shall be accorded all privilege of a staff member of that committee and its subcommittee.

Let me provide a little legislative history as it relates to the committee hearings and committee discussions. When we talk about access, I think we have to define the term and also recognize there are many types of access. One is access to information, data, and material that is housed in the committee suite. This involves various classifications in some instances, or at least security clearance, and so forth. That is one type of access. It was clearly understood that this staff person appointed by the Senator under the provisos of this resolution would have equal and all such access on that basis as any other staff person, professional, permanent, or what have you.

The second thing is access to the committee activities and the committee in executive session, in markup session, or other such special circumstances. Here, again, it was very clearly stated, and the legislative record is amply filled with evidence, that it was the intent to make this additional staff person equal to, in all respects, all committee session privileges of any other staff person.

If the committee wants to go into what I might call "executive-executive" session, with all staff removed, then all staff would be removed, including the permanent or these special appointments made by the individual Senators.

The third kind of access is to the daily nitty-gritty work of the committee. This, again, is where housing is a very important part of this whole thing.

UMI

Let me say to the Senator from Ohio it is my considered judgment that if we permit the Talmadge amendment to remain in any one of these amendments, whichever one passes, or whichever resolution passes, we are immediately setting up a second class citizenship for that staff that is housed in the personal office.

I am sure the Senator from Ohio is aware that there are things that come up unannounced, unanticipated, unscheduled, and that the Senator should be plugged into immediately. These are matters which happen on that committee among those on the staff. If his person on that committee is housed in his personal office, he is separated from that type of activity.

Mr. TAFT. If the Senator will yield, I would point out that on the armed services procurement bill, reported from a committee where I was serving, I was not notified when the matter came to the floor. That is how far it can go.

Mr. HATFIELD. That is an apt illustration. We can give examples of horror stories on that point. That is why it is so important, in my opinion, that the committee staff be integrated as a committee staff. Housing is very significant in achieving that objective. That is why it was very definitely part of the committee's policy that such committee staff should be housed in the committee suites.

Let me make one other point. The argument is made: "Where are we going to put these additional staff people?"

As I said during debate yesterday, under the normal procedures of budgeting for committees, which the Rules Committee has followed thus far this year, we have had 132 additional staff people requested by chairmen and ranking Republican members. For example, three requests from Aeronautical and Space Sciences, one from Agriculture and Forestry, four Armed Services, and on down the list of 132. In each instance under interrogation by the Rules Committee members, the chairman and the ranking member when asked the question, "Where are these additional staff to be housed?" responded, "We will find room for them. Just give them to us and we will find room for them."

They understood we were asking the question in the context of the policy of our committee was to get the staff people out of the personal offices.

My point was that here they have asked for 132 and indicated to the Rules Committee in each and every case they would find room for them. In effect, under the committee proposal, where we offered to add 100, it is a difference in the way the staff people are allocated. Under the normal procedures, it is still the chairman and ranking member, but under the committee proposal it is each person on that committee. I say I feel they can be housed in the committee suites if the appropriations are made for them. This is true with the requests from chairmen under the old procedures, and it will be true with our committee resolution now before us.

Mr. TAFT. I thank the Senator for his explanation. I yield the floor.

Mr. CANNON. Mr. President, I will take about 2 minutes and then bring the matter to a vote. I would like to respond to what Senator BROCK pointed out earlier, that the total cost of the committee proposal and the request of the committees was higher than his proposal. The total cost of the request of the committees is not at issue here. We have to consider those committee resolutions. Some of those may be negated by whatever action the committee takes here, but there is no question but what the Brock proposal would be in addition to that. So we are talking about $11.9 million in cost for Brock versus $3.7 million in cost for the committee.

More important, we are talking about 320 people as against about 100 new people added to the staff, or tripling the figure.

The Senator from California, in his statement, pointed out his desperate need for clerk hire. I wish he would listen to me, because he may not have been in the Chamber when the Senator from South Carolina (Mr. HOLLINGS), the chairman of the Legislative Appropriations Committee, indicated he has not even had any requests in that regard. He also indicated that he was perfectly willing to consider any requests that were made upon proper justification.

Mr. President, in order that we may get this matter off dead center, I shall move in a moment to lay on the table the Gravel amendment, which will carry the $40 million proposal, as reduced somewhat by Senator GRAVEL, and would carry the Brock amendment with it.

Mr. GRAVEL. Mr. President, will the Senator yield for a brief question?

Mr. CANNON. For a question.

Mr. GRAVEL. The chairman is in error. There is no $40 million being requested here. The original proposal is almost identical to the Brock proposal, so there are essentially two Brock proposals before us.

Mr. CANNON. If the Senator is correct in that, it is subject to a point of order.

Mr. GRAVEL. No, it is not. I said almost identical. There is sufficient difference to distinguish it.

Mr. CANNON. According to the staff——

Mr. GRAVEL. Our staff has not advised the chairman that it cost any $40 million.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order. Has the Senator from Nevada yielded to the Senator from Alaska?

Mr. CANNON. Not for a statement.

Mr. GRAVEL. The Senator would not want to lie to the public, would he?

Mr. CANNON. I said $40 million is reduced by the present Gravel amendment, and that is what it is.

Mr. President, I move to lay on the table the Gravel amendment, and I hope immediately after this matter is disposed of we can get to a vote on the Hatfield proposition.

Mr. JACKSON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. PERCY). The question is on agreeing to the motion of the Senator from Nevada (Mr. CANNON) to lay on the table the amendment (No. 559) of the Senator from Alaska (Mr. GRAVEL).

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. PHILIP A. HART (when his name was called). Mr. President, on this vote I have a pair with the Senator from Massachusetts (Mr. BROOKE). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. STONE (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from North Carolina (Mr. MORGAN). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. MORGAN) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is necessarily absent.

The result was announced—yeas 40, nays 55, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—40

Allen	Helms	Pastore
Bumpers	Hollings	Pell
Burdick	Inouye	Proxmire
Byrd, Harry F., Jr.	Jackson	Ribicoff
Byrd, Robert C.	Leahy	Roth
Cannon	Long	Scott, William L.
Church	Magnuson	Sparkman
Eagleton	McClellan	Stennis
Eastland	McGee	Talmadge
Fannin	McIntyre	Tower
Goldwater	Moss	Weicker
Hatfield	Muskie	Williams
Hathaway	Nelson	Young
	Nunn	

NAYS—55

Abourezk	Ford	McGovern
Baker	Garn	Metcalf
Bartlett	Glenn	Mondale
Bayh	Gravel	Montoya
Beall	Griffin	Packwood
Bellmon	Hansen	Pearson
Bentsen	Hart, Gary W.	Percy
Biden	Hartke	Randolph
Brock	Haskell	Schweiker
Buckley	Hruska	Scott, Hugh
Case	Huddleston	Stafford
Chiles	Humphrey	Stevens
Clark	Javits	Stevenson
Cranston	Johnston	Symington
Culver	Kennedy	Taft
Curtis	Laxalt	Thurmond
Dole	Mansfield	Tunney
Domenici	Mathias	
Fong	McClure	

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Philip A. Hart, for.
Stone, for.

NOT VOTING—2

Brooke Morgan

So the motion to lay on the table was rejected.

Mr. BROCK. Mr. President, the pending question is the amendment of the Senator from California and myself, I believe. Is that not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BROCK. I see no need for further delay. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, I see no reason to delay a vote on the matter.

Mr. TALMADGE. Mr. President, may we have order, so that we can hear the Senator?

The PRESIDING OFFICER. The Senate is not in order. Those who wish to carry on conversations will please retire to the cloakroom.

Mr. CANNON. Mr. President, so far as I am concerned, I see no reason to delay a vote on the matter. If Senators have indicated that they want to make this raid on the Treasury and the taxpayers to this extent, I am perfectly willing to vote. We do not have a time limit, so I am not in a position to yield back any time. Personally, I am prepared to vote at any time.

SEVERAL SENATORS. Vote. Vote.

Mr. ALLEN. Mr. President, it seems that we have come to a point as to whether the Senate will choose a Rules Committee resolution, which is the Hatfield plan, or will go the route of adding many more employees, possibly two and a half times as many employees, under the Brock plan.

The distinguished Senator from Tennessee has made some amazing statements on the floor of the Senate about the Rules Committee plan costing more than the Brock plan. His arithmetic must be the new math, because it is not the old math of the multiplication table.

With respect to the standing committees, his amendment would authorize two employees; whereas, the Hatfield plan would authorize only one employee. When did two employees start costing less than one employee?

In addition, the Hatfield plan, the Rules Committee resolution, limits the added employees to the standing committees; whereas, the Brock plan gives one and a half scoops—no reference to the distinguished Senator from Washington, however—the Brock plan gives one and a half scoops on these so-called minor committees or select committees, and the Hatfield plan provides for none. So how could 250 added employees cost less than 100 added employees?

The Senator from Alabama, by the way, has no staff members assigned to him; and, of course, if he saw fit, he would be a chief beneficiary under the Brock plan, if he wanted to avail himself of its provisions.

The Hatfield plan, the Rules Committee plan, allows every Senator who has no staff assigned to him on a committee to name one staff member or two staff members whose combined salary would equal one, for every standing committee on which he serves, provided that no staff is provided to him. On committees on which he has a staff equal to what he would be entitled to here, he would get no additional staff.

So it seems to me, Mr. President, that if the Senate is determined to add more expense to the Federal Government, if it is determined to add to the Federal bureaucracy, it would adopt the plan that would add at least to the Federal bureaucracy 100 additional staff members, which would seem to me to be more than could be accommodated under the present housing arrangement.

A number of committees come before the Rules Committee every year seeking more space. Many Senators come before the Rules Committee seeking more space. Where are we going to house the 250 new employees that the Brock amendment would add?

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield.

Mr. JOHNSTON. The point I have been trying to clear up all day is this, and perhaps the Senator from Alabama can do it. As I understand it, under the Hatfield proposal, the ultimate power to hire, fire, and fix salaries would be with the committee chairman and not with the individual Senator. Is that not correct?

Mr. ALLEN. That is not exactly right. It is with the committee chairman and the ranking member and the Senator involved, with a limit, I believe, of $33,975.

Mr. JOHNSTON. That is on the fixing of the salary?

Mr. ALLEN. That is on the fixing of the salary.

As to employment, that is left entirely up to the Senator. He can hire and fire.

Mr. JOHNSTON. The Senator can hire and fire?

Mr. ALLEN. Under the Hatfield plan. I assure the Senator that is correct.

Mr. JOHNSTON. Without the necessity for any concurrence or any approval by the committee chairman or the ranking member?

Mr. ALLEN. That is absolutely correct. He could hire and fire every day of the week, if he wanted to do so.

Mr. JOHNSTON. As to the salary, suppose there is a difference of opinion among the Senator, the committee chairman, and the ranking member. Let us say there are three different figures, all three of which are below the limit in the bill. What figure would be taken?

Mr. ALLEN. It would be a figure that would be agreed upon by all three. I feel that with this authorization, there would be no difficulty as to an agreement among the chairman, the ranking member, and the Senator.

The point is this, I say to the Senator: The reason why that provision was put in there is that if a new employee, with very little background in committee work or very little experience in legislative matters, were to be added to the committee payroll or the committee staff and given the maximum salary, $33,975, it would be unfair to some of the loyal and efficient and dedicated employees already on the committee, to set salaries above theirs.

It was with that thought in mind that the committee allowed the chairman and the ranking minority member to participate in this, so that it could be adjusted. I do not believe that any Senator would like to put on an employee who would get more than a comparable employee who was already on the payroll. I do not believe there would be a great deal of difficulty about that.

Mr. JOHNSTON. The Senator has the floor, and there has been much confusion on the question of who has the right to hire and fire and fix the salary. Since the Senator has the floor, will he ask the distinguished chairman of the committee if he concurs with the Senator from Alabama, so that we can settle this once and for all?

Mr. ALLEN. I have no objection to appealing to the distinguished Senator from Nevada to confirm what I have said, if the Senator feels that that would satisfy him.

Mr. CANNON. Mr. President, there is no question about that. I am not the author of the amendment. If the Senator would like to check with the author of the amendment, the ranking minority member is the author.

Mr. ALLEN. It is only two and a half pages. The Senator might refer to the amendment himself, to answer that question.

Mr. CANNON. There is no question that the Senator would have the right to hire and fire.

Mr. ALLEN. I assure the Senator that he could put on anybody he wished. If they did not suit him, he could discharge them the next day or the same day and put on somebody to his liking.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. MCCLELLAN. Since we are on this issue, I should like to address this question to the chairman or to the author of the amendment.

Suppose, under the terms of the amendment, the Senator asks me, as chairman of the committee, to designate somebody already working on the committee as his employee or as his staff member. Then who has the right to discharge him? I hired him. Who has the right, then, to discharge him?

Mr. CANNON. May I refer to the Senator to the ranking minority member, the author?

Mr. HATFIELD. Let me draw one distinction, in responding to the question, with regard to the proviso in the committee bill which gives the possibility for the chairman of the committee and the ranking minority member to negotiate and work with the individual Senator to qualify, or appointing a staff person to designate an existing staff person, if he so desires. That is not in the Brock amendment. It is not compulsory, it is not mandatory.

Mr. MCCLELLAN. Then it is not now before the Senate? It has been eliminated by the Brock amendment?

Mr. HATFIELD. Exactly.

The idea behind this is that it is hoped that whatever we adopt, the sooner we can integrate into full committee status these additional appointees, the more we will operate and continue to operate as we have been, except we have changed the allocation system of the staff of the committees.

That is all we have done. That is why we gave a 3-year transition period, based upon the turnover rate—we made a study and it occurs in about a 3-year period. We anticipated that those 100 additional new staff persons could become integrated within the committee by that time.

If the Senator who has that appointment authority does not wish to desig-

UMI

nate an existing staff person, he is not required to do so. He may designate someone entirely different. But the person that he designates—and I wish to comment to the Senator from Louisiana. This is a basic principle that I think is always in the case of hiring and firing, that the person who hires has the authority to fire.

On the question of setting salary, it is basically what we are doing now, simply that the salary will be set by the designating, appointing, Senator "in consultation with"—the words are "in consultation" with—the ranking minority member of the committee or the chairman. It is a courtesy. It is a practice that is engaged in now and I do not think any of us have found any problems or difficulty with this matter.

We say up to, not exceeding, $33,975. Again, to elucidate a little further on that point, if the designating Senator wishes, say, to appoint a professional at $20,000, he can use the remainder of the $13,975 to designate one additional clerical person. So he has the authority to designate one staff, one clerical, but the two of them combined are not to exceed $33,975.

Let me say to the Senator from Louisiana, that is not the proposition pending before us now. This is the committee proposal that has yet to be voted on.

Mr. JOHNSTON. Will the Senator yield now?

Mr. HATFIELD. Yes, I yield.

Mr. ALLEN. I yield the floor, then, so the two Senators may discuss the matter, because I yielded in the beginning. Maybe the Senator from Louisiana can get the Senator from Oregon to yield to him.

Mr. JOHNSTON. Does the Senator from Oregon have the floor?

Mr. ALLEN. I yield the floor, Mr. President.

Mr. HATFIELD. Mr. President, if I have the floor, I yield it to the Senator from Louisiana.

Mr. JOHNSTON. We are discussing two alternative propositions, as I understand it. There is the Cranston amendment, which is the pending business, and Senate Resolution 60, which is the committee amendment. That is correct; is it not?

Mr. HATFIELD. I am sorry, would the Senator repeat the question?

Mr. JOHNSTON. We are discussing two alternative propositions: The pending business, which is the amendment of the Senator from California (Mr. CRANSTON); and Senate Resolution 60, which is the work of the committee. Is that correct. Calendar No. 179, Senate Resolution 60?

Mr. HATFIELD. That is correct.

Mr. JOHNSTON. And Senate Resolution 60 is the work of the Senator from Oregon, which we refer to as the Hatfield amendment.

Mr. HATFIELD. It is the committee proposal and as a member of the committee, I worked on it, yes.

Mr. JOHNSTON. It is generally referred to as the Hatfield amendment.

Mr. HATFIELD. I have not asked that that be so. But go ahead.

Mr. JOHNSTON. I have been asked and told a number of times that hire-fire ultimate authority rests with the individual Senator on this. If that is so, I ask the Senator to turn to page 4 of that amendment, lines 18 through 23, where the following language appears. I am going to ask the Senator to explain what that means:

> The chairman and ranking minority member of each standing committee shall, to the maximum extent practicable, authorize the appointment or designation of a professional staff member of that committee, or of a subcommittee thereof if appropriate, to serve as the staff member of an individual Senator.

Then it goes on to say, in further language, that if that is not practicable or not done, then the Senator and the chairman shall certify that fact and the Senate can then appoint his own.

My question is, does that not mean that the chairman and ranking minority member have the right, not only to hire, but the right to designate that committee staff member?

Mr. HATFIELD. No; it does not mean that. Let me put it into context.

There was a question raised in our discussions, after we had firmly established the right of the individual Senator to make the appointment, to have the authority to set the salary in consultation with the ranking minority member and the chairman, and to fire, if necessary; that we then began to discuss the possibility of absorbing some of the existing committee staff people if that became the desire of the appointing authority; namely, the Senators with the new authority under this act. The question was raised as to whether or not they would have a unilateral authority to take an existing staff person where it might disrupt the present staffing and assignment of staffing of the committee. So that is why we put that wording in there "where practicable." We did not feel that any sitting Senator today had the right to preempt an existing staff person if it were not within the negotiated agreement with the chairman and the ranking member and other people on the committee.

Now, if the Senator will turn to page 9 of the committee report, we make this point very clear:

> This committee does not believe, however, that any Member of the Senate under this procedure should be forced to accept the designation of an existing employee against his will.

What we are doing is merely authorizing this possibility to reassign and to reallocate existing staff if the appointing Senator wishes to do that; or, second, if he does not wish to do that, to appoint somebody from totally outside the committee.

Mr. JOHNSTON. I think the Senator.

Mr. ABOUREZK. Will the Senator yield?

Mr. HATFIELD. I am happy to yield.

Mr. MANSFIELD. Will the Senator yield at this time so that we may keep our commitment to the Senate and take up the conference report on the supplemental appropriation bill, and after that is disposed of, on a 30-minute limitation, come back to the pending business?

Mr. ALLEN. Reserving the right to object, what is the request?

Mr. MANSFIELD. The request is to take up the conference report on the supplemental appropriation bill, which has already been agreed to, and this is about the time for it, and then come back, after it is disposed of, to the pending business.

Mr. ABOUREZK. I want to get my question in first.

Mr. MANSFIELD. Otherwise, we have to do it at 4:30, and the sooner we do it, the better off we will be and the more time we will have to dispose of this.

Mr. PASTORE. If the Senator will yield, as I look at the picture, I do not think there will be a vote before 4:30. I have an appointment with the President at 5 o'clock, but I want the record to show, should a vote occur on the pending amendment, that I am opposed to it and I should be shown in the negative, as opposed to it.

Mr. ABOUREZK. Reserving the right to object, is it the Senator's intention to bring up Senate Resolution 60 and the amendments thereto for a vote immediately after the supplemental is taken up?

Mr. MANSFIELD. Yes, indeed.

Mr. ABOUREZK. Could we get an agreement to vote immediately? I think we have debated this thing so thoroughly now that we should have some kind of time certain agreement.

Mr. MANSFIELD. I am ready to vote right now and I have been ready all day.

Mr. ABOUREZK. I am ready. Let us go.

Mr. GRAVEL. Let us vote. The yeas and nays have been ordered.

Mr. PASTORE. Mr. President, I want to vote. We have been talking about this for 2 or 3 days. Everybody's mind is made up. I hope we can culminate this and get on with everybody's business. I repeat, I am not asking for any personal favor, but I have to leave at 4:30. I was wondering if the chairman could establish that.

Mr. CANNON. Mr. President, I stated some time ago that I was willing to vote any time.

SEVERAL SENATORS. Vote!

Mr. MCCLELLAN. Why not handle this first and then vote to accommodate John.

Mr. ALLEN. How about final passage? Is the Senator going to have a vote on that, too?

Mr. PASTORE. All right. On final passage I would be recorded against that, too.

Mr. ALLEN. You could not possibly have two rollcall votes by 4:30.

Mr. PASTORE. No; but I would like to vote on this one. I think this is the major amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of Mr. CRANSTON and Mr. BROCK (No. 560). The yeas and nays having been ordered, the clerk will call the roll.

Mr. ALLEN. Mr. President, I ask the distinguished chairman of the committee

if he is ready at this time to vote on the Brock substitute for the Gravel amendment?

Mr. CANNON. Yes.

I may say to my colleague I am ready to vote on it now. I think the case has either been made or has failed, either one or the other, and it is a question of whether we are going to raid the Treasury now or 15 minutes later.

Mr. ALLEN. Very well, I yield the floor.

SEVERAL SENATORS. Vote.

Mr. PERCY. Mr. President, I am voting for the Brock compromise amendment because I feel it represents an equitable solution to a problem which has been allowed to fester in the Senate for too long.

The nature of the issues which we as Senators have to face each day is such that we require professional staff support to aid us in making decisions. Often during a day I will be scheduled for more than one hearing at the same time in my various subcommittees and full committees. In order to be able to keep on top of these committee deliberations, I require staff support to be where I cannot be and to send word to me if my presence is urgently needed.

As ranking minority member of the Government Operations Committee, I now have, for the first time since coming to the Senate 9 years ago, reasonably adequate staff except for my work on the Foreign Relations Committee and Joint Economic Committee. Every member of the minority of the Government Operations Committee has staff. But this committee is the exception and not the rule. Just because I have got mine, I cannot turn my back on those who are in the position that I was in just a few years ago.

Our personal staff should be primarily dedicated to serving our constituents. Each time a personal staff member is detailed to do work on a committee on which a Senator serves, that is time taken away from service to constituents. Every Senator in this Chamber is equal, and every Senator has an equal need to have adequate and competent staff support. If this need is to be satisfied, without being at the expense of a Senator's constituents, then some provision must be made for providing every Senator, no matter his seniority, staff support which will serve him as he undertakes his responsibilities connected with his committee assignments.

I was initially concerned by the provisions of the original Gravel resolution because of its scope. We just do not have enough room for the people envisioned in that resolution. Thus, I was gratified when the Brock compromise was offered. I believe it offers a reasonable middle ground by which every Senator who does not now have adequate staff support will in the future be assured of staff help on the committees on which he serves.

By allowing the extra staff to be housed in the offices of the Senators whom they serve, we will be able to spread out the extra staff and be able to absorb the new individuals without too much problem.

I want to emphasize that this proposal is designed to allow Senators to perform their committee duties better. A collateral benefit, by removing this duty from personal staff, will also allow Senators to represent their constituents better. It is a vital part of the struggle to bring the working machinery of the Senate into the 20th century, and reflects the growing complexity of our jobs as well as the growing size of our constituencies.

While I want to compliment my colleague from Oregon, Mr. HATFIELD, for his compromise, which was approved by the Rules Committee, and Senator CANNON and the members of the Rules Committee for their careful and patient consideration of this matter, I must say that I find the Brock compromise a more equitable solution to the problems we face.

Mr. HATFIELD. Mr. President, I would like just 1 minute. I think we have had sufficient debate on this, and I would only like to say this to my colleagues: To those who have led the battle for the initial reform to which this has culminated to this point, I feel very strongly that there are many Senators who have grave reservations about any reform we have recommended, whether it is the committee or BROCK or GRAVEL. I very strongly feel we have a better way to persuade and demonstrate the validity of these proposals by taking the smallest proposal possible. I really feel if we could take this one staff per person, as the committee amendment proposes, and make it work and prove it can work then we have a far better opportunity to eventually expand, if that is called for at a later date, than to start big and find ourselves in confrontations and antagonisms that eventually may arise because we just do not have enough space for these people to get around.

SEVERAL SENATORS. Vote! Vote!

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. BROCK. If I can say in 30 seconds what I have said several times, and apparently with inadequate articulation, I honestly believe this is the strongest approach.

SEVERAL SENATORS. Vote! Vote!

Mr. HATFIELD. Mr. President, I yield to the Senator from North Dakota.

Mr. YOUNG. I wanted to make a statement on my own.

On the Appropriations Committee we have 11 minority staff members. Two are ones who were appointed by Senator Bridges and Senator Saltonstall. I have appointed only one of the 11. All of the rest were appointed by other members of the minority. All, with the exception of two, Senators now have one staff member appointed by them.

The biggest advantage to these Senators and the staff members is that they have more job security. When I took over I only let one staff member go. I thought I should have a top man appointed by me. These staff members are on permanent status. If they are doing a good job they should remain. If I leave as the ranking minority member, I would hope the staff would remain on the committee. If each Senator appoints a staff member of his own under this proposal and subsequently leaves the Senate his staff member may not remain. I just want to point out the advantage of the present system that when you appoint a staff member he should have permanency, a career to look forward to, that is the proper way to do it.

Mr. ABOUREZK addressed the Chair.

Mr. ALLEN. Mr. President, I move to lay on the table the Brock amendment, and I call for the yeas and the nays.

Mr. ABOUREZK. Mr. President, parliamentary inquiry. Has not the tabling motion already been made and voted on and disposed of on this particular amendment and, therefore, is it not out of order?

The PRESIDING OFFICER. Not on the Brock amendment.

Is there a sufficient second?

Mr. MANSFIELD. Mr. President, will the Senator from Alabama consider withdrawing that motion so that we can have a straight up and down vote? I am not against tabling motions per se but I think we have reached the stage here where we ought to get away from it and either vote it up or down. I know how I am going to vote, and I think that is the way the majority of the Members here feel. So I would hope the Senator would reconsider offering a tabling motion.

The PRESIDING OFFICER. Is this motion withdrawn?

Mr. MANSFIELD. If not, we will go ahead with it.

Mr. ALLEN. I will accede to the request of the distinguished majority leader.

The PRESIDING OFFICER. The question is on agreeing to the amendment of Mr. CRANSTON and Mr. BROCK, No. 560. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STONE [after having voted in the negative]. On this vote I have a live pair with the Senator from North Carolina (Mr. MORGAN). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withdraw my vote.

Mr. ROBERT C. BYRD: I announce that the Senator from North Carolina (Mr. MORGAN), and the Senator from Montana (Mr. METCALF), are necessarily absent.

The result was announced—yeas 47, nays 49, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—47

Abourezk	Dole	Mathias
Baker	Domenici	McClure
Bartlett	Fong	McGovern
Bayh	Ford	Mondale
Beall	Garn	Packwood
Bellmon	Glenn	Pearson
Bentsen	Gravel	Percy
Biden	Griffin	Schweiker
Brock	Hansen	Scott, Hugh
Brooke	Hartke	Stevens
Buckley	Haskell	Stevenson
Case	Huddleston	Symington
Chiles	Humphrey	Taft
Clark	Javits	Thurmond
Cranston	Kennedy	Tunney
Curtis	Laxalt	

NAYS—49

Allen	Byrd, Harry F., Jr.	Cannon
Bumpers	Byrd, Robert C.	Church
Burdick		Culver

UMI

Eagleton	Leahy	Proxmire
Eastland	Long	Randolph
Fannin	Magnuson	Ribicoff
Goldwater	Mansfield	Roth
Hart, Gary W.	McClellan	Scott,
Hart, Philip A.	McGee	William L.
Hatfield	McIntyre	Sparkman
Hathaway	Montoya	Stafford
Helms	Moss	Stennis
Hollings	Muskie	Talmadge
Hruska	Nelson	Tower
Inouye	Nunn	Weicker
Jackson	Pastore	Williams
Johnston	Pell	Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Stone, against.

NOT VOTING—2

Metcalf Morgan

So the Brock-Cranston substitute amendment (No. 560) was rejected.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? There is no objection. It is so ordered.

Mr. ROBERT C. BYRD. Mr. President, would it be possible to get unanimous consent to proceed immediately with a voice vote on the Gravel amendment and then immediately thereafter with a vote on final passage of the bill?

Mr. ALLEN. Reserving the right to object, and I shall not object, Mr. President, I feel, while I am opposed to the committee resolution, that that is the best that the Senate is going to be willing to do and I do not impose an objection.

Mr. GRAVEL. Mr. President, I would like to object to any move in that regard. I think this vote was so close, separated by seven votes, that certainly the spirit of compromise lies somewhere between the Cranston proposal and the Brock proposal. I would hope we could seek out the compromise area. What is before the body at this point in time is the Brock proposal, because we had it to the second degree. I think to expedite matters what we could do is to pull back that Brock proposal, or I think it was to my amendment, pull that one back and offer another one that might search out the area of compromise.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—NEW HAMPSHIRE SENATORIAL CONTEST

Mr. ROBERT C. BYRD. Mr. President, while the Senators are present, I have been authorized by the distinguished majority leader to propound the following unanimous-consent request: I ask unanimous consent with respect to the New Hampshire election dispute, that beginning tomorrow, at no later than 1 o'clock, the Senate will proceed to the consideration of that matter; that on Friday at no later than 1 o'clock the Senate will resume consideration of that matter, and that daily next week, at the hour of 1 o'clock, the Senate will continue its consideration of the matter, provided that the first vote in relation to the matter occur next Tuesday at 3 o'clock on the motion which will be offered by Mr. WEICKER to declare the seat vacant and return the election to New Hampshire.

Mr. GRIFFIN. Mr. President, I will say that I have checked with the ranking Republican on the Rules Committee, the Senator from Oregon (Mr. HATFIELD) and with others who I am aware have an interest. I believe most Senators are here if there is objection to this procedure. I think it is a fair and reasonable way to get going on the New Hampshire election contest debate. If we vote on Tuesday at 3 o'clock on the first very important effort to be made to send it back to New Hampshire, it seems to me that that gives all Senators enough time to present their arguments and enough notice to all Senators so that we can have a vote.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Mr. HASKELL. Mr. President, reserving the right to object, I wonder if it would be possible, I say to the distinguished majority whip, to have the Tuesday vote at 5 o'clock.

Mr. ROBERT C. BYRD. Will the Chair indulge me and give me 1 additional minute without objection?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I wonder if the majority whip will yield for a question.

Mr. ROBERT C. BYRD. I would like to respond to the Senator from Colorado first, if I might.

Would there be objection to making the first vote at 5 p.m. next Tuesday?

Mr. JOHNSTON. Is this the time agreement referred to about television?

Mr. ROBERT C. BYRD. No, it is not a time agreement. We are just proceeding step by step.

Mr. STENNIS. Reserving the right to object, Mr. President, may I ask this question: There has been no unanimous-consent request that the Senator from Mississippi knows to have the proceedings on this election contest televised. That is not included in the Senator's request now.

Mr. ROBERT C. BYRD. My response to the Senator from Louisiana was on that very point.

Mr. STENNIS. I did not hear the Senator.

Reserving the right to object, does the Senator from West Virginia contemplate making any request hereafter about the televising of this election proceeding on New Hampshire?

Mr. ROBERT C. BYRD. The televising of the proceeding under the resolution passed is conditioned upon two things: One, an overall time agreement; two, the mechanical aspect of lighting and the audio aspect would certainly have to be worked out in conformity and under the aegis, with the approval of, the joint leadership. There have been problems that have been encountered in that problem. We do not have an overall time agreement. Unless there is an overall agreement, that part——

Mr. MANSFIELD. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. MANSFIELD. Any decision made by the joint leadership, plus the chairman and the ranking member of the Rules Committee, would be subject to the Senate's approval or disapproval.

Mr. STENNIS. The Senator from Mississippi was not present when the unanimous consent was obtained and did not know it was going to be made. I object to the televising of the election proceedings. If we are going to start having proceedings televised, it seems to me an election contest is the last thing to start with rather than the first.

Mr. ROBERT C. BYRD. I can assure the Senator that matter is not involved in this request.

Mr. STENNIS. I am sure it is not either.

Reserving the right to object, I just wanted to make it clear that I would object to the televising of those proceedings. I would appreciate being notified if there are going to be further requests made in connection with that.

Mr. MANSFIELD. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. MANSFIELD. Not only will the Senator be notified but the whole Senate will be notified.

Mr. STENNIS. I thank the Senator.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. ROBERT C. BYRD. What about the 5 o'clock vote?

The PRESIDING OFFICER. Will the Senator repeat the unanimous-consent request?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Does the Chair wish the entire request repeated or just the modification?

The PRESIDING OFFICER. You might clarify the entire agreement.

Mr. MANSFIELD. Mr. President, it was the same agreement presented earlier, the only difference being the change from 3 o'clock to 5 o'clock. They have it at the desk.

The PRESIDING OFFICER. That clarifies it. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senators.

Mr. McCLURE. Will the Senator from West Virginia yield for 1 minute?

Mr. ROBERT C. BYRD. I yield.

Mr. McCLURE. I thank the Senator from West Virginia for yielding.

Has any progress been made in regard to the negotiations with the television and radio networks with regard to the arrangements which might be made and presented to the Senate on the television and radio broadcasting of the proceedings?

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the Senator from Idaho may have another minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. I thank the Senator from Michigan.

Will the Senator from West Virginia or the Senator from Montana indicate whether any progress has been made in those arrangements?

Mr. MANSFIELD. Mr. President, I seek recognition on my own time. I wonder if the distinguished Senator from Alaska would not——

Mr. McCLURE. Mr. President——

Mr. MANSFIELD. Did I interrupt the Senator from Idaho?

Mr. McCLURE. Yes.

Mr. GRIFFIN. The Senator from Idaho is asking the majority leader a question. I do not think he heard it.

Mr. McCLURE. I asked the majority leader, or the assistant majority leader, if any progress is being made with regard to any possible arrangement for television or radio broadcasts that might be reported to the Senate at this time. I understand that there are Senators who have an interest in that matter; various Members have expressed such an interest and have been assured that we would notify them if there was to be any further action taken on that resolution. I wonder if there is anything we could report now, concerning possible progress in arranging for such a broadcast of the proceedings.

Mr. MANSFIELD. Mr. President, the answer, unfortunately, is no. There is nothing to add to the report which I endeavored to give to the Senate yesterday. Therefore, I would say that the situation is in a state of limbo, and as I said to the distinguished Senator from Idaho yesterday, and also the Republican leader, the assistant Republican leader, the Senator from Connecticut (Mr. WEICKER), the Senator from Oregon (Mr. HATFIELD), and others, regardless of that, we would get underway today. We cannot make it today. But whether or not there is TV—and I wish there would be TV—we will start tomorrow and carry through to a conclusion.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCLURE. I yield to the Senator from Louisiana.

Mr. LONG. It occurs to me that if we are going to put this matter on television we ought to amend the rules while we have a chance, and I ask unanimous consent that we amend them to restore the old rule which says, if anyone says anything derogatory of any Member of this body, any of his constituents, or any State, he could be directed to take his seat.

Mr. Ford changed that rule, and I do not think it was changed for the better, while he was here. I read in the papers that the Governor of New Hampshire is going to accuse everybody of being a thief who does not vote in accordance with his views. So if we are going to put this thing on television, we ought to go back to the old rule that says if any Member of the Senate impugns a Senator or one of his colleagues——

Mr. LONG. Or his State, he can be put in his seat on the motion of any Senator. Because I do not think it would be very good for the image of the Senate to go back to the old way as it existed prior to that rule, when there used to be fistfights on this floor. I can see that possibility, in view of the fact that the Governor has already accused everyone who does not agree with him of being a thief in advance.

Mr. HUMPHREY. Mr. President, that is the old rule XIX.

Mr. LONG. We ought to put the old rule XIX back in, so that if anyone accuses a Senator of being a thief, he can be put back in his seat.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield, that rule is still in effect, and I for one would insist on the Chair enforcing it.

Mr. LONG. As I understand it, though, the way that rule has been amended, if a man gets up and says someone is a thief, you have to read it back, you have to get a quorum in here and debate it, and meanwhile you cannot make the man who has accused you of being a thief take his seat. We were far better off under the old rule, that says that if a Senator makes an observation against a Senator or his State that is derogatory, he has to take his seat right then and there.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, who has the floor?

The PRESIDING OFFICER. The additional minute of the Senator from Idaho has expired.

Mr. MANSFIELD. Mr. President, I yield myself as much time as I may require, under the hour allotted to me under the cloture rule.

The PRESIDING OFFICER. Under a previous order, the Senate will proceed, at 4:30 p.m., to the consideration of H.R. 5899.

Mr. MANSFIELD. I ask unanimous consent that that order be temporarily vitiated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Montana may proceed.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

The Senate continued with the consideration of the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

Mr. MANSFIELD. Now, Mr. President, I would like to make a personal and special request, in behalf of the distinguished Senator from Alaska, who has waged a good fight in behalf of a principle in which he deeply believes, which is that he does not push this proposal of his any further, that we come to a conclusion on it and decide on a final policy one way or the other.

Frankly, I think the Senate is sick and tired, regardless of its personal feelings, of the length of time we have spent on this subject, and I think the Senate would like to bring it to a conclusion.

I ask the Senator from Alaska, and I think it would be to his advantage, that he not push his proposal to drag the matter out that much longer.

Mr. GRAVEL. Mr. President, responding to the majority leader, I concur that it was not my intention to drag it out at all. In fact, we wanted to vote on it last April, but with the leadership we worked out a time delay.

Right now all I request—I believe there is a spirit of compromise abroad, and yet when the vote was so close, how do you measure?

So I have conferred with the Senator from Minnesota (Mr. HUMPHREY) concerning a compromise. I have five amendments at the desk that go to various orders. We consulted together, and we thought maybe a compromise could be reached.

The amount of money we were requesting was $190,000 per Member.

The next amendment I had was for $150,000 per Member, and then one for $139,000 per Member, and so on.

Mr. MANSFIELD. Well——

Mr. GRAVEL. I just want to announce the latest.

Mr. MANSFIELD. The Senator has said enough.

Mr. GRAVEL. After consultation, I suggested we drop right down to the rockbottom on it. I suggested we drop right down to the rockbottom, go to a compromise on $105,000, and go to a vote immediately on that. The subject is overworked.

So we could vote right now, as soon as I can call this matter up. If it is determined that the Senator is against us, then that is it. We can wrap our tents up right now.

Mr. MANSFIELD. If we vote on that right now, can we then vote immediately on final passage?

SEVERAL SENATORS. Yes.

Mr. GRAVEL. Yes.

Mr. MANSFIELD. What is the wish of the ranking Republican member and the chairman of the committee?

Mr. CANNON. Mr. President, I would have to take a look at the proposal, because it seems to me this is going to the clerk-hire issue, which the distinguished Senator from North Carolina is involved in.

Mr. HOLLINGS. South Carolina.

Mr. CANNON. I am not aware of which amendment is at the desk. I certainly cannot agree to something until I have a look at it. Last night we were trying to get votes, and we were told that the proponents of this position had lost some of their troops, and therefore they could not vote.

Senator PASTORE just voted against that last proposal and left. I know he would want to be here to vote on this proposition, because he is opposed to the Hatfield proposal.

Mr. GRAVEL. Senator BAYH has just left.

Mr. CANNON. I certainly cannot agree to a figure pulled out of a hat. And I cannot speak for my Republican colleague; he would have to speak for himself.

UMI

Mr. HATFIELD. Mr. President, if the Senator will yield, I do feel we have had ample airing of this whole issue of staff through talking about various numbers and levels. I think the Senator from Nevada (Mr. CANNON) has stated very appropriately that we have tried to be open and willing, and to work with the opposition on this.

They asked for an up or down vote on their proposal. They have had an up or down vote. They have had more than one up or down vote, either on a motion to lay on the table or on their proposal.

I think this is the time to give the committee proposal an opportunity to be voted up or down. Is it not fair to ask that we get, finally, to a committee proposal that has been waiting, waiting, and waiting while we have had all these other Senators trying to find out how we feel about the other side of the issue?

I really feel, I say to the Senator from Alaska, let us at least have a vote on this and move on. I think we have had ample consideration of this issue, and ample debate, and I think anything further is a delaying tactic.

Mr. CANNON. Mr. President, let me echo and join in the words of the Senator from Oregon (Mr. HATFIELD). Most of the last 2 days has been wasted in jockeying for position, to see who comes first, the committee proposal of Senator HATFIELD or the Brock amendment. The Brock amendment has been voted on and defeated, and they have still not let us come to a vote on the Hatfield amendment. I am still willing to take a vote in 2 minutes on either side of the Hatfield proposition, and stand on the vote on that proposition.

Mr. MANSFIELD. If I may say—and I wish that the distinguished Senator from Alaska would check me on this, as well as the distinguished Senator from California (Mr. CRANSTON), and the distinguished Senator from Oregon (Mr. PACKWOOD)—that when we grouped around this desk last night, trying to find a way out of the impasse in which the Senate found itself, as far as I can recall the statement was made that what we want to do is to have one more vote on the Brock amendment.

Am I wrong?

Mr. PACKWOOD. I believe the majority leader is correct. I left before the final agreement last night, but I recall that discussion.

Mr. MANSFIELD. So, this was it, and the chance was made available. We spent a long time on this. I, of course, cannot do anything but ask the distinguished Senator from Alaska to reconsider his position. I can understand his feelings. He has fought long and hard for the proposal, which has been before the Senate, and he has had to overcome much in the way of difficulties and obstacles, but we ought to bring this matter to a head and bring it to a head soon.

Mr. GRAVEL. I think the leader is correct. We have had many obstacles. One of the obstacles was to get a simple hearing in which the leader had to intervene to get us that. I could go through the recitation. I will not. But we all know how this body works, and it works through procedures. All we are asking for is when you lose something—this was lost on a compromise—that maybe the key to the solution is to compromise just a little more.

We are prepared to call this up to compromise. If that is the will of the body, then fine; we will go with that.

I see nothing wrong just to call up right now a compromise posture and try to get the votes on it, and then the delay, if they really want to fix the delay——

Mr. MANSFIELD. No. If the Senator will allow me to interject there as to what I said, I will. The Senator was right around this table along with the Senator from California (Mr. CRANSTON), the Senator from Oregon (Mr. PACKWOOD), the chairman, the ranking Republican Member of the committee, the assistant majority leader, and others. What the Senator wanted at that time was one vote today, and that was on the Brock amendment. If he got that, he would be satisfied.

Is that correct?

Mr. GRAVEL. I do not recall.

Mr. MANSFIELD. Am I right or wrong?

Mr. GRAVEL. I do not understand that. Maybe I could counsel with my colleague.

Mr. MANSFIELD. Yes.

Mr. HUMPHREY addressed the Chair.

Mr. MANSFIELD. Mr. President, I will await a reply from the distinguished Senator from Arkansas.

Mr. GRAVEL. The Senator from Oregon (Mr. PACKWOOD) tells me that was his understanding. It was not my understanding.

We had a little difficulty on our side because we are sort of like four horsemen trying to pull the carriage here, and sometimes it is tough to try to keep the horses all pulling the same weight on the harness. I think we found ourselves in that difficulty.

What is wrong if I called an amendment up? Are we being put on notice there is going to be additional delay? Is the delay our fault?

We are prepared to vote on another compromise.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HATFIELD. I affirm the majority leader's recollection, having been a part of that consultation last night, that all that was asked for was an up-or-down vote on the Brock amendment, only one more vote, not tonight because some of the Senators had left the Senate.

Mr. GRAVEL. Including Mr. BROCK.

Mr. HATFIELD. Including Mr. BROCK, who was not here. He had left the Senate. If we could have one more vote up or down of Mr. BROCK's amendment tomorrow, that would be all we would ask for. That was the understanding.

Mr. GRAVEL. That should not bind Mr. BROCK, if he was not here. That would be a matter of conscience to him.

Mr. HATFIELD. I am only bringing Mr. BROCK in incidentally because his name was used and his amendment was mentioned.

Mr. GRAVEL. If I might mention to the leader, we had four votes on the issue up and down. We won three and lost one. We had a vote in each caucus, and won this one. Obviously, the tactics from January until now have been the tactics to delay the vote, to play the game, which was the best date for you.

All we are saying is we have a large attendance here. Almost everyone is in attendance. We could just call up this amendment and vote on it immediately.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the Gravel amendment occur within 6 minutes, the time to be equally divided between the Senator from Alaska and the Senator from Nevada.

The PRESIDING OFFICER (Mr. FORD). Is there objection?

Mr. BROCK. Mr. President, reserving the right to object——

Mr. TALMADGE. Reserving the right to object, Mr. President, I would not want to limit myself to 6 minutes. I know nothing about this new proposal.

Mr. MANSFIELD. There is nothing more to know. It has been gone over and over again. This is $105,000 instead of $175,000. That is the only difference I know of.

Mr. TALMADGE. Reserving the right to object, if the Senator will yield, is this a further allotment of $105,000 to each Member of the U.S. Senate for staff hire?

Mr. GRAVEL. Yes, it is.

Mr. McCLELLAN. That is over and above.

Mr. TALMADGE. Does it amend it?

Mr. GRAVEL. Not the clerk hire.

The PRESIDING OFFICER. Will the Senators just take a moment? The Senator from Montana has the floor. The Senator from Alaska has the floor.

Is the Senator yielding to the Senator from Georgia?

Mr. GRAVEL. I would like to answer the question.

Mr. MANSFIELD. We were asking a question.

The PRESIDING OFFICER. If we will reserve the question and answer to those two Senators, without others interrupting, we will try to keep it in order.

The Senator from Alaska is yielding to the Senator from Georgia for a question.

Mr. GRAVEL. Let me say that what I am offering is identical to what we just voted on. It is identical in every word. The only difference is the sum of money. As to what we voted on just a moment ago the sum of money was $190,000 per Member. What I am offering now is an amendment that would only have $105,000 per Member. It would mean that each Member would have $35,000 per committee and be limited to only three committees. That is less generous than what would be the aggregate.

Mr. TALMADGE. Mr. President, if the Senator will yield further, would that be at least 300 additional staff members at some $33,775 each?

Mr. GRAVEL. No. There would not be 300, because the Senator knows there is already an exclusion in this amendment that the chairman of a committee cannot get the money under this, so obviously, all the chairmen are excluded.

Mr. TALMADGE. Is it somewhere between 250 and 300?

Mr. GRAVEL. No, it would not be near that.

Mr. TALMADGE. There are only 18 chairmen of committees in the Senate.

Mr. GRAVEL. Then you have the ranking member who would qualify under this.

Mr. TALMADGE. I have no objection at this time.

Mr. GRAVEL. I think that the Senator is familiar with what the net effect is on this.

Mr. ALLEN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator has the right to object.

Mr. ALLEN. I would like to ask the distinguished Senator from Alaska if the amendment he is talking about is the pending amendment rather than another amendment he is going to reach in his grab bag and pull out? Is it the pending amendment? Is that what the Senator is talking about that is the next amendment up, unless there are further amendments offered to this? What amendment is the Senator talking about? Is it a new amendment or a pending amendment?

Mr. GRAVEL. It is a new amendment. I had five amendments to that.

Mr. ALLEN. We have to dispose of the present amendment first.

Mr. GRAVEL. No. I am saying I was prepared to withdraw this.

The PRESIDING OFFICER. Let us have order in the Senate.

Mr. GRAVEL. I was prepared to withdraw the pending amendment in the spirit of compromise and save time, and then just offer this one, or Senator HUMPHREY would offer it, and we could vote on it immediately. Then, the matter would be disposed of.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. GRAVEL. I am happy to yield.

Mr. HUMPHREY. Mr. President, it is a fact, of course, that there has been a lot of time spent on this, but it is well worth it. We have wasted more time on other matters than we have on this one.

There are a number of Members of this body who feel that they are inadequately staffed, and they have every right to feel that way. They take care of their own offices and their own committee work. They have every right to make their presentation in this body. Others feel that they are appropriately staffed.

When I came back to the Senate in 1971, I knew what it was to be inadequately staffed. I am very much better staffed at this time because I happen to be chairman of a committee. But I remember when I was not, and I remember when I did not have subcommittees staffed.

There are Members here who are called upon to perform their duties like anyone else, and I think they have the right to try to at least express themselves as to what they think is necessary for adequate staffing of their offices.

We will have to take the heat back home, and it will be interpreted that, "You added a lot of extra money for your own pleasure."

Let anyone come to my office and answer 12,000 letters that wait to be answered, and we answer a lot of them. We get about 800 to 1,000 letters a day. It is not like it is a picnic or a pleasure.

I am not personally making any complaint, but there are Senators who deserve a better shake, and that is what Senator BROCK has been fighting about.

By the way, may I say about the distinguished Senator from Tennessee, he knows a good deal about management. He has run a company that runs a lot better than the Congress of the United States when it comes to management, and he has done a great deal along with the Senator from Texas (Mr. BENTSEN) to give us some sense of control of what goes on in our respective offices in terms of office management.

It used to be when Senators used to have it dished out here like we were some sort of morons, that we could not count our own money, and we did not know how to handle the postage, and did not know how to handle the telephone calls. At long last, we have been able to make those changes through the Committee on Rules and Administration, through representation that was made, particularly may I say, by the distinguished Senator from Texas (Mr. BENTSEN).

Now Mr. BROCK has taken an interest in this, and I commend him for it.

I think the original Gravel proposal is too much, and I have said so. I believe that the Hatfield proposal can get us by. I can live with it, so far as I am concerned.

But what is the proposal we are talking about now? The proposal is for $35,000 for each of the A, B, and C committees, with a limit of three committees. Senators who already have a subcommittee chairmanship and already have a staff member are out for that particular committee, if it is an A, B, or C committee. If a Senator has a chairmanship and has an assignment with personnel, he is out. But for those who have responsibilities, as a ranking member of a subcommittee, deeply interested in an issue that takes a great deal of time, it would permit the Senator to have an adequate staffman of his choosing somebody responsible to him, who works on that committee for him.

The professional staffs of most of our committees are very professional, highly competent; they are generalists for the whole committee. I will give a classic example. I serve on the Committee on Foreign Relations. We have a good staff, but I have to have one man in my office who spends his total time in the Committee on Foreign Relations. I receive a lot of mail on that committee. I do not burden the Committee on Foreign Relations with all that mail. First of all, they do not know how to answer it for me. I have my own point of view, and I am perfectly willing to work with my staff, to see that I give them good response.

What we are talking about here simply is a chance to equip ourselves with the personnel we need. If a Senator thinks he does not need it, he need not take it. Nobody is forcing it down his throat. If a Senator does not think he needs another person on that staff, he can put out a newsletter and say, "I'm the economizer. I didn't take it." But if a Senator thinks he needs it, he should have a right to have it.

This Congress has spent a great deal of time talking about the executive branch. We have loaded them with staff. They have dining rooms and cars and everything. I was down here waiting 45 minutes to take some guests into the dining room. It is the same size dining room we had when my grandfather visited here—and the country, by the way, has 212 million people. But we do not recognize it.

There comes a time when we should grow up. We have a chance here to take care of legitimate needs of the Senate. There are many legitimate needs that need to be served, and this is one of them.

I believe that $105,000, which is $35,000 per committee—if a Senator needs it, if he does not already have it—does not add up to colossal sums that are being bandied around here. One way a Senator can save money is by not taking the staff member. I do not think I have a right to say to a Senator who may be working hard on his committee and has his heart and soul in his work—with his constituents coming in here by the busload—that if he needs a staff member to take care of that committee work, he should not have one. I believe he is entitled to it.

Mr. ALLEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Alaska has the floor, and he yielded to the Senator from Minnesota.

Mr. GRAVEL. Mr. President, I withdraw my amendment.

Mr. ALLEN. Mr. President, I object.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. ALLEN. I object to the withdrawal of the amendment.

The PRESIDING OFFICER. Unanimous consent is not required to withdraw the amendment.

Mr. ALLEN. There already has been action with reference to it.

The PRESIDING OFFICER. There has not been action on the amendment.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 5899.

The PRESIDING OFFICER laid before the Senate a message from the House on H.R. 5899, an act making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. The clerk will report the message.

The assistant legislative clerk read as follows:

Resolved, That the House disagree to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 107 to the bill (H.R. 5899) entitled "An Act making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes."

UMI

Mr. McCLELLAN. Mr. President, I would like to have order, please.

The PRESIDING OFFICER. The Senate will please be in order.

The Chair recognizes the Senator from Arkansas. There is a time limitation of 30 minutes on H.R. 5899, 15 minutes to each side.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Arkansas yield for a question which might be of help to all Senators?

Mr. McCLELLAN. I yield.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. Senators will please take their seats so that we can expedite the business of the Senate.

Mr. ROBERT C. BYRD. Mr. President, can the distinguished chairman of the Committee on Appropriations indicate whether or not, so far as he knows, a request for the yeas and nays will be made on this measure?

Mr. McCLELLAN. I have no intention to ask for the yeas and nays. No one has suggested to me that he wants the yeas and nays. This matter has been carried along here for some time and is something that should be disposed of. I am willing to make a very brief statement and vote, unless someone else wishes to speak.

Mr. ROBERT C. BYRD. Will the Senator allow me to ask Senator JAVITS the question, so that Senators may be informed?

Mr. JAVITS. If the Senator will yield, I agree with Senator McCLELLAN. This matter has to be disposed of. Unless some Member wishes it, I have no disposition to ask for the yeas and nays.

Mr. MANSFIELD. Mr. President, it looks as though, for the time being—

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. MANSFIELD. Mr. President, on the basis of the question raised by the acting majority leader, it appears that no Senator—at least in the Chamber—intends to ask for a rollcall vote on the conference report on the supplemental appropriations.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

EXTENSION OF TIME FOR THE COMMITTEE ON COMMERCE TO FILE ITS REPORT ON S. 692

Mr. CANNON. Mr. President, I ask unanimous consent for the Committee on Commerce to file its report on S. 692, a bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes, prior to midnight tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, has an order been entered for the hour of convening tomorrow?

The PRESIDING OFFICER. There is no order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business this evening, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF SENATE RESOLUTION 60 TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on tomorrow, after the leadership has been recognized, the Senate return to the consideration of Senate Resolution 60, the unfinished business, which has been laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, for the information of the Senate, in view of the impasse which has developed, it appears that there will be no further rollcall votes tonight.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1975

The Senate continued with the consideration of the message from the House on the bill (H.R. 5899) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the time that has been consumed up to now be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I do not want to proceed until we have order.

The PRESIDING OFFICER. Will the Senate please come to order?

Mr. McCLELLAN. Mr. President, the issue that is before the Senate again is whether any money, any substantial sum, will be appropriated in this supplemental bill to meet the critical condition that prevails with a number of our railroads, and that is to provide money to reemploy——

The PRESIDING OFFICER. Will the Senator suspend?

The Senator is entitled to the respect of the Senate. Senators will please take their seats or retire to the cloakroom.

Mr. McCLELLAN. The issue before the Senate again is whether we will make any substantial appropriation to undertake the rehabilitation of railroads in the Nation that daily are further deteriorating due to lack of maintenance.

The money that way placed in the bill by the Senate was intended primarily to reemploy maintenance workings on railroads who have been laid off and thus to provide jobs or to restore jobs that have been lost, while at the same time making an investment in the improvement of roadbeds and railroad operations.

Mr. President, the Senate has been very strong in support of the money that was placed in the bill. The House has adamantly refused to make a reasonable compromise or to grant anything other than $5 million, which is its amendment that came before us, and which the Senate rejected and sent back to the House with an amendment providing for only $175 million instead of $700 million, as originally passed by the Senate. Now, Mr. President, the House has rejected that amendment and we now have before us again, the amendment that they adopted, which provides $5 million for planning and administration. This $5 million is not authorized, Mr. President, and it will not be authorized. This means that no money will be spent for this purpose.

Mr. President, I regret that the House has been so adamant and unwilling to show some deference to the judgment of the Senate, where it has manifested so strongly its position by the votes that have occurred on this item.

I ask unanimous consent to have printed in the RECORD at this point, Mr. President, a table of the votes that have been taken in both the House and the Senate, on this issue.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOUSE AND SENATE VOTES ON AMENDMENT 107 (RAILROAD AMENDMENT) SECOND SUPPLEMENTAL APPROPRIATION BILL, 1975

	Yeas	Nays
May 22—House	136	215
COMMENT		
Rejected Conte motion to recede to Senate amendment on railroad provision, and insisted on its disagreement to Senate amendment.		
May 22—Senate	16	46
COMMENT		
Rejected Chairman's motion that the Senate recede from its amendment.		
June 2—House	228	95
COMMENT		
House receded and concurred in Senate amendment with an amendment providing $5 million.		
June 4—Senate	78	18
COMMENT		
Senate amended House amendment to provide $175 million (Bayh–Javits amendment).		
June 4—Senate	17	80
Senate	14	83
COMMENT		
Rejected Allen amendments to lower amount to $10 million and $50 million.		
June 9—House	273	101
COMMENT		
Insisted on its disagreement to Senate amendment.		

Mr. McCLELLAN. Mr. President, I regret very much that the Speaker of the House saw fit today to release to the press a statement undertaking to place the whole blame for the delay of the appropriations contained in this bill on the Senate.

Mr. STENNIS. Mr. President, may we have order? I wish to hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

Mr. McCLELLAN. I remind those who are listening, and also state for the RECORD, that I do not think the House is in a very good position to try and place all the blame for delay on the Senate. The Senate passed this and sent it over to the House at a time when the House did not have a quorum to act. It then took a recess for 10 days or 2 weeks. That is a big reason for the delay that occurred. If the House had acted then, there would not have been a delay.

I think it is very inconsiderate for the House to take that position now and for the Speaker to make that statement.

Mr. President, there are important appropriations in this bill to carry on imperative services of the Government. Some payments are now overdue. For that reason, Mr. President—not on a basis of regret for our effort to have this money made available for the restoration of these jobs, and the rehabilitation of the railroads but because of prevailing circumstances it is compelling that we do yield and recede from the Senate amendment. Mr. President I made the statement when I submitted the conference report—when I submitted the first conference report—that it was imperative that we make appropriations for other services provided in the bill.

At that time, Mr. President, I voted myself to go along with the House, trying to make accommodations, because I realized how adamant the House conferees were. But the Senate itself, Mr. President, spoke otherwise and gave directions to go back and to undertake to find a common ground of reason and accommodation, where the House and Senate could work together, with deference and respect for each other. That effort failed, Mr. President. Now we are back here. We have no other alternative. Under the circumstances, so I am going to move, Mr. President, that the Senate recede from the Senate amendment and concur in the House amendment.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the distinguished Senator from North Dakota, first.

Mr. YOUNG. Mr. President, there is merit to the position that the distinguished chairman of the committee has taken with respect to appropriating money to repair the roadbeds of the railroads and, in doing so, provide thousands of jobs. Unfortunately, the House has taken a different position and the administration has proposed a program which is also different. There are very important and urgent items pending in this bill, so I think the time has come when we just have to clear this bill. I support the motion made by the chairman.

Mr. McCLELLAN. Mr. President, the distinguished Senator from Indiana (Mr. BAYH) who was the author of this proposal for this money for the railroads, had to leave this afternoon and at his request I am asking unanimous consent to place in the RECORD a statement by him to this issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR BAYH

It is with great reluctance that I come before the Senate today and offer a motion that the Senate recede from an amendment which I introduced last Wednesday, along with my colleagues, Senators Case, Javits, and Randolph, and which passed the Senate by a 78 to 18 vote. That amendment increased the House figure of $5 million to $175 million for the initation of a program of reemployment and rehabilitation of the Nation's railroad tracks and roadbeds. The $5 million figure was the House's proposal in lieu of the original Senate amendment number 107 in H.R. 5899 that appropriated $700 million. This $5 million, as was the $700 million, and the $175 million, was to become available only upon enactment of authorizing legislation along the lines of S. 1730, which passed the Senate weeks ago by a vote of 67 to 10. The $5 million, which is the amendment that the House is further insisting now that the Senate accept, is for administrative expenses and preparation of plans to provide assistance to financially distressed railroads.

It frankly strikes me that it would have been better if the House had flatly refused to accept the original $700 million amendment than to have sent back a figure of $5 million to study the problem, when there is already a Senate bill in existence for the entire program. I have difficulty understanding the purpose of passing a $5 million appropriation contingent upon passage of authorizing legislation, when the authorizing legislation, once passed, would authorize an entire $700 million program. Why would there be a need to study the problem at that point?

The problem right along has been that over 30,000 railroad employees are not at work repairing the railroad tracks and roadbeds because they have been laid off by the companies that could not afford to keep them on the payroll the last several months. That type of problem doesn't take a lot of studying. The Senate Commerce and Labor Committees recognized the problem and held hearings and marked the bill up and got it passed overwhelmingly in the Senate weeks ago. Yet, the authorizing committee in the House has yet to even hold a hearing on this bill or anything like it. For the life of me, I can't understand their reluctance to even hold hearings to consider whether this is a necessary and useful program or not. The Senate authorizing committees heard over 30 witnesses, and only one, as I understand it—and Senator Hartke or Senator Javits or Senator Randolph can correct me if I am wrong—was opposed to this legislation. That was Secretary of Transportation Coleman and I think he found himself in a difficult situation in testifying before the authorizing committees on this because he had to speak up against it. There were something like 31 cosponsors of S. 1730 and I was proud to be one of them.

What the House has failed to recognize throughout the debate on this issue is that the prime season to initiate work on railroad roadbeds is in the summer months. That is why we in the Appropriations Committee of the Senate departed from the usual practice of waiting for the authorization bill, the budget submission by the Department, and action in both appropriations committees of the Congress before making appropriations. We felt, and the Senate felt, in voting to send this amendment back to the House at $175 million a few days ago by a vote of 78–18, that the condition of the railroad tracks throughout the country demands immediate attention and improvement and that there is no reason in the world why maintenance-of-way workers should be drawing unemployment benefits when they could be out there preventing the roadbeds from further deterioration, doing the work they would have been doing if the railroad industry had not been the hardest hit industry in the nation by the recession. They lost over $100 million in the first quarter of this year as compared to profits of over $170 million for the same period last year.

I understand now that the House authorizing committee that has jurisdiction over railroad matters has now moved up the scheduled hearings on S. 1730 from the 23rd, 24th, and 25th of June to the 17th, 18th, and 19th. I would certainly encourage the members over there to act on this matter as soon as they can after those hearings are held and then a conference can be arranged between the two houses and the authorization can be sent to the President to get this program moving. The regular fiscal 1976 appropriation bill for the Department of Transportation and Related Agencies will be over here sometime in early July and, as Chairman of that Subcommittee, I intend to offer this same appropriation to the members of the Committee at that time.

Then, hopefully, the program can begin. There will not be the types of problems we are now facing in this bill with veterans and others in such dire need of the funds contained in this Second Supplemental Bill. I, therefore, reluctantly propose that the Senate recede from this amendment and accept the House figure of $5 million.

Mr. HARTKE. Mr. President, I compliment the chairman of the Committee on Appropriations for his diligence and his insistence to do what is really right for this country. In other words, what he provided for originally was money in the bill, subject to authorization, to provide for rehabilitation of the railroads of this Nation which are in such sad shape. It provided that we are ultimately going to have to do anyway, but it would have done it ahead of time. Ultimately, we are going to have to do exactly what my colleague, the Senator from Arkansas, provided.

Mr. McCLELLAN. Will the Senator yield?

Mr. HARTKE. I yield.

Mr. McCLELLAN. We are going to ultimately do it at greater cost.

Mr. HARTKE. That is right, not only at greater cost, but at greater cost to safety in this Nation and also, at the same time, with greater damage to those people who could be drawing salaries, not unemployment compensation.

Mr. McCLELLAN. Will the Senator yield further?

Mr. HARTKE. Yes.

Mr. McCLELLAN. Public statements have been issued by a Representative of the House placing all blame on the Senate for delay. I hope the House will be willing to take the blame for the consequences of which the Senator has just spoken.

Mr. HARTKE. I think the Senator is right.

I say again, as much as I feel in accord with the general sentiments of the Senator from Arkansas concerning the fact that this should be done, I think that, under the circumstances, the action that has been taken by the chairman of the Committee on Appropriations is correct. As chairman of the Committee on Veter-

UMI

ans' Affairs, I know we are feeling quite a bit of pressure to make sure those papers come forward as soon as possible. I concur heartily with the Senator from Arkansas in his motion.

Mr. McCLELLAN. I yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I commend the approach by the Senator who is the manager of this appropriations bill. I know, also, that the able Senator from New York has been intensely interested in this matter, as has the chairman of the Subcommittee on Surface Transportation, the Senator from Indiana (Mr. HARTKE).

I have noted the remarks of the resourceful Senator from Indiana (Mr. BAYH), who attempted to work with the authorization process, but acting in a manner that indicated the concern of the Senate to rebuild the deteriorated roadbeds of the railroads as quickly as possible.

I shall say just these few words: There are 100 miles of railroad now in the State of Indiana that, frankly, no passenger trains can operate over—I say to the Senator from Arkansas and our colleagues here—because of the dangerous condition of the roadbeds.

I regret that we must do what we do now, but I know that this must be done. We do not retreat from our principle. We only pause now to return later to the subject matter in another way.

I ask the Senators who may read this RECORD to look at what I said on the subject in the Senate yesterday, which is on page 18205.

Mr. President, I commend all of those persons who have shown patience and well-reasoned consideration. I do not want to speak evil of the House. I have long remembered that no one should speak evil of someone, just write it on the sands near the water's edge. But I want to say that the House has acted in a way that I think was unresponsive to the need, and I regret it.

I appreciate the efforts made by my colleagues. I tried to join them in an earnest effort to do what should have been done.

Mr. JAVITS. Mr. President, will the Senator yield me some time?

Mr. YOUNG. I would be glad to yield some time.

Mr. JAVITS. Mr. President, this is not a pleasant operation. The Senate has taken a very decided position; it has been frustrated. The question is what is the path of responsibility now.

I believe the path of responsibility—and I am the principal spear carrier here—is to let this battle rest where it is for the moment and to accept the House amendment, and to permit this bill to go to the President and be signed. I regret very much to say that, but, in good conscience, I am convinced that that is what we have to do.

And now I ask this parliamentary question. I make this parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. If the Senate—I am trying to think of the proper word—recedes from its amendment, will that leave the bill in a position to go to the President with the House amendment which relates to $5 million?

The PRESIDING OFFICER. The Senate would have to recede from its amendment and concur with the House amendment. That is the motion that the Senator from Arkansas stated he would make.

Mr. JAVITS. That bill is then ready to go to the President; is that correct?

The PRESIDING OFFICER. The Senator is correct. That would clear the bill.

Mr. JAVITS. Now, Mr. President, as I say, this is a very painful decision for me to make but I have made it and I believe it is justified by the amount that is wrapped up in this bill, $15 billion, and the urgency of providing and the responsibility of continuing what could turn out to be a long-standing feud.

Mr. President, we have had to yield on this, there is no doubt about that, and there is no glossing it over. But, Mr. President, we will pick another day upon which to fight, and I am so pleased that Senator McCLELLAN, who is the chairman of that committee and a man of great authority in this body, said what he did about speaking to CARL ALBERT, whom I love as a personal friend but who, I wish, had not called the disgraceful situation the position of the Senate.

As Senator McCLELLAN has explained, it is the House that caused the long delay. But even beyond that the Senate has taken a very moral position and a highly public-spirited position at a time when additional jobs are so urgently required and when the public service jobs can be so very fruitfully used in this particular field.

If there is a disgraceful situation it was demonstrated in the other body, and I hope very much Speaker ALBERT, who is a man of generally fine character and utmost fairness, will be willing to draw this matter to a close and consider it closed, just as we are here today.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. Mr. President, I would not be too harsh on the Speaker. He has a very difficult job, as we all know, and he is the kindest and most considerate of persons.

I did read on the ticker where he said if we did not move he was going to talk it over with MIKE MANSFIELD. I think I should say to CARL ALBERT that JOHN McCLELLAN and JACK JAVITS talked it over with me and, taking the Speaker at his word, we are giving him quick action. We hope this will mitigate his feelings, because he is a very decent, considerate, and kind man, and I know he meant nothing derogatory.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. McCLELLAN. I agree with everything the Senator said about the very distinguished Speaker, who is my friend. But even when a friend says to me I am disgraceful, and if I am not, I am going to answer it. The House took a recess when we were in session here and we were trying to reach a compromise in the situation.

Mr. MANSFIELD. The answer has been given, but I think allowances should be made.

Mr. McCLELLAN. I have.

Mr. JAVITS. Mr. President, I did not consider myself as being very harsh on Speaker ALBERT at all. I was rather explaining the situation. But, be that as it may, that will unwind itself.

The important thing is that I would like to leave with the Senator—and I shall concur in the motion being made by Chairman McCLELLAN—the following:

First, we allowed ourselves—and I think the conferees will have this very much in mind—to give into the House, I believe, on three separate matters in which there was no authorization for which they sought an appropriation.

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. JAVITS. Yes.

Mr. McCLELLAN. There is no authorization for the amendment they placed on this bill.

Mr. JAVITS. That is right. I hope our conferees on the Appropriations Committee will bear that very much in mind. People around here are inclined to have long memories, and I am not worried about the fact, but we will in this case, especially with the attitude of the chairman of the Appropriations Committee.

Second, as was shown by the votes in the Senate, the program which we had in mind for the railroad roadbeds has enormous support in the country, and Members of the House, just like Members of the Senate, represent their people. There were two rollcall votes, Mr. President, on this matter in the House of Representatives. The reason that the matter came back in such an unsatisfactory way is because those rollcall votes went heavily against us. I hope, Mr. President, that those people in those areas will be heard from. It is very essential that they should so that their representatives may get some idea as to why Senators voted as overwhelmingly as they did from much the same States.

Next, Mr. President, Senator BAYH is chairman of the Transportation Subcommittee of the Appropriations Committee. I understand that he, too, is prepared to take up the cudgels on this issue when his subcommittee deals with the appropriations for the Department of Transportation.

Next, as to the administration, I have no condonation of it either, Mr. President. If it has a program in this matter, it is time that it came forward with it. If it does not have a program but intends to stay in flat opposition then we should know that.

Again this is a Government essentially of the people, and the view expressed by enough Americans upon this innovative, sound idea, which the President has so heavily supported, I believe, will have an important effect upon the White House as well.

Mr. President, we have lost the battle but we have not lost the war, and it is that aspect of the matter to which I have addressed myself today.

Finally, let me say that no one could have behaved and acted and performed with better spirit and with greater integrity to his duty and to his own conscience than Senator McCLELLAN. I know Senator YOUNG also expressed how he felt about this matter in a very genuine way. I owe a great debt to Senator McCLELLAN without whose support we would not have had the major vote we did on the $175 million offer, and I count very heavily on the fact that he continues, as he has just said, to be very pronounced in favor of the proposition in which the Senate sought to maintain.

I thank the Chair.

Mr. YOUNG. I yield to the Senator from Alabama.

The PRESIDING OFFICER. Does the Senator from Arkansas yield time to the Senator from Alabama?

Mr. McCLELLAN. I yield.

Mr. ALLEN. I was asking for time of the distinguished Senator from North Dakota.

Mr. YOUNG. I yield to the Senator.

Mr. ALLEN. Mr. President, I commend the distinguished chairman of the Appropriations Committee, Mr. McCLELLAN, the distinguished Senator from New York (Mr. JAVITS), the distinguished Senator from Indiana (Mr. BAYH), and the distinguished Senator from West Virginia (Mr. RANDOLPH), for their determined fight in this matter for a principle in which they believe.

The Senator from Alabama, who did not support this program as strongly as did the Senators I have named, is very much pleased that the matter is now being resolved. He recalls that on May 22 when this matter was before the Senate, the Senator from Alabama sought to get the Senate to recede from its position at that time in order that the legislation might go to the President, feeling that it was very important, indeed, that the $15 billion that the two Houses had agreed might be appropriated was needed to be pumped into the economy and that the matter should not be held out seeking to obtain an additional appropriation of $700 million in an area that the House obviously did not want to appropriate in at this time.

I commend the Senators for their realistic approach to this problem at this time and their willingness to accept the House amendments setting the figure at $5 million.

Last week I believe the matter was before the Senate again. The Senator from Alabama authored an amendment setting the $5 million that the House had agreed to for a study, setting that at $10 million. That was overwhelmingly defeated.

He then offered an amendment, which believes would have been accepted by the House, setting the figure at $50 million. That, too, was overwhelmingly defeated here on the Senate floor.

But I am very much pleased that the Senate is now on the verge of settling this matter and putting this money appropriated by the bill, approximately $15 billion, to work in the economy.

Again, I commend the distinguished chairman of the Appropriations Committee, Mr. McCLELLAN, Mr. JAVITS, Mr. Mr. BAYH, and Mr. RANDOLPH, for the diligent manner in which they have fought for this program which they have supported.

As the Senator from New York has said, another day will come. I think it might be well that this matter be handled as a separate item in order that it would not become involved with other appropriation items.

At any rate, the bill will soon be passed, it will go to the President. Hopefully it will do much good for the economy, for unemployment, for the creation of jobs here in this country.

Again, I commend the distinguished Senators.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I believe I made the motion a while ago at the conclusion of my remarks.

The PRESIDING OFFICER. Will the Senator state his motion again?

Mr. McCLELLAN. The motion is that the Senate recede from its amendment and concur in the amendment of the House of Representatives.

The PRESIDING OFFICER. The question now is on the motion.

The motion was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations under new reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF STATE

The assistant legislative clerk read the nomination of Thomas A. Clingan, Jr., of Florida, to be Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, with the rank of Ambassador.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY RESEARCH AND DEVELOPMENT

The assistant legislative clerk read the nomination of Philip C. White, of Illinois, to be an Assistant Administrator of Energy Research and Development.

Mr. MANSFIELD. Mr. President, I have noted with interest and anticipation that the name of Philip C. White has been placed before the Senate for confirmation as an Assistant Administrator of Energy Research and Development within the Energy Research and Development Administration.

This nomination is an extremely important one. When confirmed, Dr. White will be in direct command of fossil energy development within ERDA which will have direct significant impact on the Western States and the use of the fossil fuels, particularly coal, located there. If the Western States, like Montana, are going to allow development of their fossil fuel resources, perfection of efficient conversion processes is of critical importance.

Magnetohydrodynamics—MHD—is one of those processes, and I have long supported development of the MHD technology. It was gratifying to hear of Dr. White's testimony during his confirmation hearing before the Senate Interior Committee. Dr. White's awareness of the potential of MHD and, more importantly, his understanding of congressional intent toward the development of MHD in the United States as demonstrated in the passage of Public Law 93-404 in the last Congress is important and necessary if ERDA is going to take the lead in moving this technology forward. I am confident that Dr. White will at last be the catalyst needed within the administration to assist Dr. Seamans in his sincere efforts to finally get the MHD program off the ground as we have been trying so long to do.

I am fully supportive of Dr. White's nomination and urge him to do his utmost to bring ERDA's fossil energy division, including the Office of Coal Research, up to the standards required for ERDA participation in successfully confronting this Nation's energy crisis.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS TOMORROW

Mr. MANSFIELD. Mr. President, the Senate is about to recess, and, to recapitulate, it will convene at 11 o'clock tomorrow morning.

After the two leaders have been recognized, it is then the intention to return to the consideration of Calendar No. 179, Senate Resolution 60, and at

UMI

the hour of 1 o'clock to turn to the consideration of the senatorial contest affecting the State of New Hampshire.

ORDER THAT HOUSE JOINT RESOLUTION 492 BE HELD AT DESK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that House Joint Resolution 492, making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes, temporarily be held at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

The Senate continued with the consideration of the resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

Mr. HUMPHREY. Mr. President, I just want to inquire of the majority leader on a matter.

Mr. MANSFIELD. Yes.

Mr. HUMPHREY. Since Senator GRAVEL has left, it is about this Rules Committee matter. There was another amendment at the desk Senator GRAVEL had for himself, Senator BROCK and others, that related to what I was talking about earlier today and that amendment was not withdrawn, it was a different amendment, I want to ask the majority leader if I offered the amendment——

The PRESIDING OFFICER. The Chair has been informed that the amendment No. 559 was the amendment that was withdrawn.

Mr. HUMPHREY. Yes, and there is an amendment No. 562, I believe, at the desk.

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Yes. So that could be called up as pending business, I understand, is that correct?

Mr. MANSFIELD. Yes, indeed.

The PRESIDING OFFICER. It is correct.

Mr. HUMPHREY. Yes.

May I ask the majority leader if that were done would it be possible tomorrow to have a quick vote on it, dispose of it one way or another prior to 1:30?

Mr. MANSFIELD. I would be delighted to and, of course, the Senator understands it would be necessary to get unanimous consent—not at 1:30, because at 1 o'clock——

Mr. HUMPHREY. We understand about the 1 o'clock.

Mr. MANSFIELD. But say at 12:30, or a quarter to one, the Senator from Montana will endeavor to get it and do all in his power to help in achieving a time limitation in that respect.

Mr. HUMPHREY. I want to assure the Senator, I do not want to delay any action or prolong this debate, but on behalf of my colleague I will ask to have it laid down as the pending amendment, and I have the text here which Senator GRAVEL gave to me, and I will just send it to the desk.

Do they have that, it had a different number at the bottom?

Mr. MANSFIELD. If the Senator will yield, may I say——

Mr. HUMPHREY. Let us make sure that it is the right amendment. I will send this amendment up to the desk.

AMENDMENT NO. 562

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Mr. HUMPHREY, for himself, Mr. GRAVEL, Mr. CRANSTON, Mr. BROCK and Mr. PACKWOOD proposes an amendment.

The amendment is as follows:

Strike out all after "Resolved" and insert in lieu thereof the following:

That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3 or, in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3; select and special committees of the Senate; and joint committees of the Congress shall receive for one of such committees which he designates, an amount equal to the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees, that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee,

by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to two times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) who continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or an amount equal to one and one-half times the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.".

SEC. 2. Paragraph 8 of rule XXV of the Standing Rules of the Senate (as added by the first section of this resolution) shall be suspended and shall have no force or effect during any period during which, by law, a legislative assistance clerk-hire fund is established and funded to provide for legislative assistance for Senators serving on committees at rates not less than those provided in such paragraph 8, and subject to no more conditions and no greater limitations than those provided in such paragraph.

SEC. 3. Each Senator and the chairman of each committee on which he serves shall, not later than five days (not including Saturdays, Sundays, or holidays) after the date on which this resolution is adopted certify to the Secretary of the Senate a list containing the names and the total aggregate annual compensation of any professional staff member on such committee whose appointment is made, approved, or recommended by such Senator. Whenever such certification has been made and is no longer applicable, the Senator and chairman of that committee shall jointly notify the Secretary of the Senate accordingly. Such certification shall be effective on the date received by the Secretary of the Senate.

Mr. HUMPHREY. This amendment——

Mr. MANSFIELD. If the Senator will yield, may I say I do not think anybody is trying deliberately to delay the proceeding of this matter. I know that the Senator speaks from his heart and speaks for all Senators when he makes that statement which he does. There is no doubt in my mind that all Senators, those who have a tremendous personal interest and those who do not, are all, in their own way, trying to expedite consideration of the legislation.

Mr. HUMPHREY. I agree with that. I hope tomorrow, with a minimum of discussion, we can have an up-and-down vote. As far as I am concerned, I want to see that we get through with it. If the pending amendment is not agreed to, I

am going to urge that we move on the bill as it was reported from the committee.

Mr. GRIFFIN. Will the Senator from Minnesota yield to me?

Mr. HUMPHREY. Yes.

Mr. GRIFFIN. For the information of the Senate, is the amendment now being offered the same as the amendment which was described earlier?

Mr. HUMPHREY. Yes. The original amendment was voted down.

The difference is that the original Brock amendment was voted down 49 to 47. This has $105,000 involved. This is an amendment, as I attempted to explain before, that provides each Senator one additional person for the A, B, and C committees, provided they do not already have someone on there.

Mr. GRIFFIN. Mr. President, let me just say, for whatever it may be worth in terms of the situation, that I will join the Senator from Minnesota in voting for this, but I would like to caution my colleagues who have been carrying the battle, and whom I have been supporting, that I would not thereafter vote for any future amendment, but would vote against any further amendments.

I would hope we could get to a final vote, one way or the other. So, that being the case, I would hope the vote on the Humphrey amendment might occur earlier than a quarter to one, because that would allow us to have a final vote on the resolution, either as is or as amended.

Mr. HUMPHREY. Mr. President, I assure the Senator from Michigan that it is my intention only to vote on this one amendment. If this amendment does not pass, I would then be prepared to vote for the committee report, including what is known as the Hatfield amendment.

Mr. GRIFFIN. And, as one who has supported the Brock-Hatfield-Gravel-Cranston proposal, I indicate those are my own sentiments also.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Alabama.

Mr. ALLEN. The Senator from Minnesota has said there is $105,000 involved. He means for each committee, does he not?

Mr. HUMPHREY. I mean that is the total for any one Senator.

Mr. ALLEN. For any one committee?

Mr. HUMPHREY. No, for three committees.

Mr. ALLEN. There is that much permitted under the Hatfield amendment.

Mr. HUMPHREY. This permits the Senator to make his own selection of a staff member, to be assigned to the committee to represent the Senator's interests in that committee.

Mr. ALLEN. Well, it goes——

Mr. HUMPHREY. I think one of the major differences is the method of selection.

Mr. ALLEN. Well, it goes farther, though, does it not, than standing committees? Select committees, ad hoc committees, joint committees?

Mr. HUMPHREY. A maximum of three.

Mr. ALLEN. On each committee, though?

Mr. HUMPHREY. No, a maximum of 3, in the A, B, and C.

Mr. ALLEN. Then what about the select committees and the joint committees?

Mr. HUMPHREY. No. All it does is provide one Senator, for the A committee, if you are on an A committee, one person, if you are on a B committee, one, and one if you are on a C committee, provided that you do not already have someone, as being in the role of a subcommittee chairman, or a committee chairmanship.

For example, in my instance I think maybe the maximum would be one person, and possibly none, out of this arrangement. I do not think I would even get any. Some other Senators might.

But it does not provide that if a Senator is on, for example, 5 committees, he picks on all of them.

Mr. ALLEN. But say you had a staff member on Foreign Relations, but there were three other committees that you were serving on where you had no staff members. Would that mean you could keep that one and add three to it?

Mr. HUMPHREY. No. No, it does not. It means that you could keep the one and add two to it.

Mr. GRAVEL. May I explain it to the Senator?

Mr. HUMPHREY. Yes.

Mr. ALLEN. No one had seen the amendment.

Mr. HUMPHREY. May I say I was picking this up for my good friend from Alaska while he was off the floor, because I did not want to have this lost before we could recess.

Mr. GRAVEL. The limitation is on three. You are only entitled to three persons, and the amount is only $35,000 each. You are entitled to only three as far as the A, B, and C committees are concerned. If you are on joint committees and other committees, you are not entitled to them.

Mr. ALLEN. But you can, Senators can set those salaries, at any amount they want to up to $35,000, is that right?

Mr. HUMPHREY. That is right.

Mr. ALLEN. And you have a limit of three to be added somewhere?

Mr. HUMPHREY. That is right.

Mr. ALLEN. But it takes no concurrence by the chairman as to salary or as to putting them on?

Mr. GRAVEL. That is the major difference between the Hatfield proposal and our proposal.

Mr. HUMPHREY. The Senator is pointing out something that needed to be clarified here, that the main difference is, I guess you would call it procedural, in that the Senator who is privileged to have the additional representation would be able to make the selection and set the salary, but not more than $35,000 and not more than three, maximum, committee assignments; and most likely less, because some of us are already in a position to have assignments.

Mr. ALLEN. What is the total estimated cost of this resolution, or amendment?

Mr. HUMPHREY. I cannot give the Senator that, for the simple reason that I do not know how many Members of this body already have subcommittees, or whether they have a staff member assigned.

Mr. GRAVEL. About $3 million to $5 million, somewhere in there. In the same range as the Hatfield proposal. Again, it all depends on how many a Senator would be entitled to.

Mr. ALLEN. What about the Brock amendment? How much was that?

Mr. GRAVEL. That was $190,000 per Senator, which added up to about $8 million.

Mr. HUMPHREY. This is about half of the cost of the Brock proposal.

Mr. ALLEN. And the Senator states the main difference is, it gives a Senator more control over naming the staff person and setting the salary for the staff person?

Mr. HUMPHREY. That is essentially correct.

Mr. ALLEN. Would the Senators feel that it would be a good idea to pay a staff member $35,000 when some staff person who has been on the staff of that committee working for several years might be working, say, at $28,000? Would that not cause a lot of dissension in the staff?

Mr. HUMPHREY. Let me respond that I have people in my office at $22,000 doing five times as much work as some committee people working for $33,000. Moreover, all these salaries are published, so we have this problem all the time. I have young ladies that are working right up there tonight, at $14,000 or $15,000, and they see that the committee secretary is getting $22,000, and they may see them go home at 4:30, and when I come in at 7 o'clock they say, "Senator, did you ever hear about sweat shop labor?"

This is one of the problems we have to deal with. Senators know what the rules of comity are around here. We try not to raid each other's staffs, and we ought to be cognizant of what happens in our committees. I think the Senator from Alabama raises a very important point, because if you are going to assign someone to a committee, and you find his salary is higher than anyone else's, I would suggest that you not do that, because I do not think you will get much cooperation out of the committee. We have to learn how to live together here.

My interest is in trying to be a nice guy. I do not think I will benefit at all from this resolution, but I do feel it will do a great deal to aid Senators. Since I have been back here as a sort of a recycled Senator, coming back, I have listened to a great deal of rhetoric in some of the questions I have heard from other Senators. I am, in a sense, acting as an attorney without credentials in saying something here for those who would, maybe, like to get up and say a word themselves. Nothing would please me more than to have the help of the great Senator from Alabama, whom I consider to be one of the truly outstanding figures in this body.

Mr. ALLEN. The distinguished Senator from Alabama (Mr. SPARKMAN) is not on the floor at this time.

Mr. HUMPHREY. I want to say that Alabama is represented by two great Senators.

UMI

Mr. ALLEN. I thank the distinguished Senator.

Mr. CRANSTON. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CRANSTON. I would like to join in one thing that the Senator from Minnesota said. This proposal, as amended or not amended, would not be of much direct benefit to the Senator from California, the figures that we are now talking about. However, I do strongly support it because I believe much in the principle that would be established, control by the Senator over the staff, and better service, I believe, from that staff.

I simply want to assure the Senator from Montana and the Senator from Michigan, the leadership generally, and all the Senators, that there will not be any other amendments offered as fallbacks. I can speak for myself, Senator GRAVEL, and I am sure also, for Senators BROCK and PACKWOOD, in stating this. We will abide by the decision on this resolution.

Mr. GRIFFIN. Can I ask the Senator from Minnesota a question? I had a question come to me from a Senator and I wonder if it could be cleared up. In explanation, it has been said that a Senator would be entitled to have a staff person on A committee, a B committee, and a C committee. What if a Senator is assigned to two A committees, one B committee and no C committees? What would be the effect?

Mr. HUMPHREY. I think he would be entitled to have three people.

Mr. GRIFFIN. I would hope so.

Mr. HUMPHREY. Yes; that is correct.

Mr. GRIFFIN. With the two committees, they would be even more entitling than the situation that has been described.

Mr. GRAVEL. If I can help on that, I believe the way the specific language was written, if he were not on a C committee he would not be able to get a third person.

Mr. HUMPHREY. He would not be?

Mr. GRAVEL. That is correct.

Mr. GRIFFIN. I do not know how the language should be changed, but I would think that would create some very inequitable situations.

Mr. GRAVEL. We are informed he will be able to get three people. The language was changed.

Mr. HUMPHREY. The language was changed to where he is in the situation where he is not on the C, with two A's and one B, he would get the assignment.

Mr. GRAVEL. I would like to confirm the statement to the leadership by the Senator from California that this is our last effort. I hope the leadership will use its very strong and persuasive powers to bring about a vote on this matter and dispose of it. I think if it is not disposed of, it will linger for months. It is a source of great acrimony and it should not be. We have shot our best shots.

Mr. MANSFIELD. The Senator from Alaska must have been reading my mind. I, too, wanted to thank the Senator from California for his assurances, and also the distinguished Senator from Alaska and the distinguished Senator from Minnesota combining, in effect, in offering this amendment, plus the distinguished Senator from Alabama (Mr. ALLEN), and the distinguished Senator from Michigan (Mr. GRIFFIN), two members of the Rules Committee.

I wonder if it would not be worthwhile to confer overnight on the possibility of a time limitation, say beginning at 11:15 tomorrow with a vote at 12:15.

Mr. HUMPHREY. It can be earlier.

Mr. MANSFIELD. I am not putting that now, but I would hope that the Rules Committee and others would give it consideration. I could contact Senators CANNON and HATFIELD, the chairman and ranking members, sometime tomorrow morning to see if they would approve it. I would hope that we would all be here, or most of us would be here, at 11:15.

Mr. HUMPHREY. May I assure the majority leader that that time frame would be more than adequate. Frankly, the majority leader can work out any time period. We do not really need any more debate on this, unless somebody wants it who may be in opposition. Whatever the majority leader can work out, I believe we can say for those of us who have sponsored the amendment, will be more than satisfactory.

Mr. MANSFIELD. I will take it up, having discussed it at least informally with the two members of the Rules Committee in the Chamber, with the chairman and the ranking Republican members of the committee tomorrow.

RECESS UNTIL 11 A.M.

Mr. MANSFIELD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 11 o'clock tomorrow morning.

The motion was agreed to; and at 6:04 p.m. the Senate recessed until Thursday, June 12, 1975, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate June 11, 1975:

DEPARTMENT OF AGRICULTURE

James D. Keast, of Missouri, to be General Counsel of the Department of Agriculture, vice John A. Knebel, resigned.

IN THE ARMY

Brig. Gen. Wilton Burton Persons, Jr., 420–52–7100, Army of the United States (colonel, Judge Advocate General's Corps, U.S. Army), for appointment as the Judge Advocate General, U.S. Army, as major general, Judge Advocate General's Corps, in the Regular Army of the United States, and as major general, Army of the United States, under the provisions of title 10, United States Code, sections 3037, 3442, and 3447.

Brig. Gen. Lawrence Harvey Williams, 471–18–0347, Army of the United States (colonel, Judge Advocate General's Corps, U.S. Army), for appointment as the Assistant Judge Advocate General, as major general, Judge Advocate General's Corps, in the Regular Army of the United States, and as major general, Army of the United States, under the provisions of title 10, United States Code, sections 3037, 3442, and 3447.

IN THE NAVY

Rear Adm. Robert K. Geiger, U.S. Navy, for appointment as Chief of Naval Research in the Department of the Navy for a term of 3 years in accordance with title 10, United States Code, section 5150.

Rear Adm. Bernard B. Forbes, Jr., U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Rear Adm. John J. Shanahan, Jr., U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, I nominate him for appointment to the grade of vice admiral while so serving.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 11, 1975:

RENEGOTIATION BOARD

Richard C. Holmquist, of Connecticut, to be a member of the Renegotiation Board.

DEPARTMENT OF THE INTERIOR

Stanley K. Hathaway, of Wyoming, to be Secretary of the Interior.

DEPARTMENT OF STATE

Thomas A. Clingan, Jr., of Florida, Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, for the rank of Ambassador.

ENERGY RESEARCH AND DEVELOPMENT

Philip C. White, of Illinois, to be an Assistant Administrator of Energy Research and Development (new position).

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, June 11, 1975*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Study to show thyself approved unto God, a workman who needeth not to be ashamed.—II Timothy 2: 15.

O God, our Father, the light of all that is true, the strength of all that is good, and the glory of all that is beautiful, we lift our hearts above the swiftly moving scenes about us that we may receive from Thee wisdom, power, and love sufficient for all our needs.

Help us to walk in Thy light, to share Thy wisdom, to rest upon Thy love, and thus build our national life upon the sound foundation of moral living and spiritual vitality.

As we approach the work of this day help us to think clearly, to speak wisely, to act kindly, and to work diligently that we may make our Nation a better nation and in so doing make our world a better place where people can live together in peace and with good will.

In the mood of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4221) entitled "An act to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 441. An act to amend the Forest Pest Control Act of June 25, 1947.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1247. An act to authorize certain construction at military installations, and for other purposes;

S. 1662. An act to amend the Food Stamp Act of 1964, and for other purposes; and

S.J. Res. 94. Joint resolution to extend by 90 days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for 90 days.

CONRAIL PAY CONTRACT SEEN AS RIPOFF

(Mr. MOTTL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOTTL. Mr. Speaker, I rise to call the attention of my colleagues in Congress to a possible million-dollar ripoff to the American public.

I refer to the $1 million contract for services that ConRail, a Government-subsidized railroad system, is offering to Mr. Edward G. Jordan.

Assuming Mr. Jordan accepts this lucrative offer from ConRail, he will be the highest paid quasi-public official ever in this country. His pay of $200,000 a year will be equal to that of the President of the United States. Mr. Jordan's contract is to run for 5 years, however, while the President is only elected for 4.

What is distressing about this situation is that Mr. Jordan's railroading experience is limited to a 1-year stint as head of the United States Railway Association, his present employer. He is now paid $57,500 a year and I see no reason why his pay should be increased threefold in his new position.

Many of my colleagues joined me 2 weeks ago to vote against a raise from $60,000 to $85,000 to Paul Reistrup, President of Amtrak and Mr. Jordan's counterpart. I urge those colleagues and all Members of the House to vote against funding for ConRail this summer unless its salary schedule is brought down to earth.

LAOTIAN GENERAL MAY SEEK ASYLUM IN THE UNITED STATES

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, according to recent news reports, Thailand is about to expel Laotian Gen. Vang Pao from their country. The reason they give is that his continued presence jeopardizes relations with the Communist-controlled Government in Laos.

Gen. Vang Pao with U.S. backing led a Laotian army dedicated to freeing their country from the Communists. The general has also been helpful in supplying information of U.S. servicemen lost over Laos and saved some American flyers shot down over Laos.

Having met with Gen. Vang Pao on my trips to Southeast Asia, I know him to be a man dedicated to freedom and democracy for the peoples of Southeast Asia. I would hope that if and when he makes an application to enter the United States, his request will be handled with dispatch and he will be afforded an opportunity to come to America.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 280]

Alexander	Drinan	Mollohan
Ambro	Edgar	Murphy, N.Y.
Andrews, N.C.	Edwards, Calif.	O'Neill
Badillo	Eshleman	Pattison, N.Y.
Beard, Tenn.	Flynt	Price
Bell	Ford, Mich.	Risenhoover
Blanchard	Fountain	Roe
Breaux	Gonzalez	Rosenthal
Brodhead	Green	Rostenkowski
Burke, Calif.	Hansen	Runnels
Burton, John	Harsha	Satterfield
Butler	Hébert	Scheuer
Casey	Henderson	Shuster
Chisholm	Hinshaw	Simon
Clawson, Del	Hungate	Staggers
Cohen	Jones, Ala.	Steed
Conyers	Jones, Tenn.	Tsongas
Corman	Kastenmeier	Udall
Danielson	McDade	Vanik
Dickinson	McDonald	Wiggins
Diggs	Mineta	Wilson Tex.

The SPEAKER. On this rollcall 370 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR SUBCOMMITTEE ON AVIATION AND TRANSPORTATION R. & D. TO MEET TODAY, WHILE HOUSE IS IN SESSION

Mr. MILFORD. Mr. Speaker, I ask unanimous consent that the Subcommittee on Aviation and Transportation R. & D. be permitted to meet at 2 p.m. on Wednesday, June 11, 1975, while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HIGH GASOLINE TAX QUESTIONABLE

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, H.R. 6860, the Energy Conservation and Conversion Act of 1975, is a comprehensive approach to solving our Nation's energy problems. It is aimed at reducing our dependence on foreign fuel sources by decreasing domestic energy usage, and by encouraging the development of new sources of energy.

This bill is far superior to the administration proposal, which depends on an arbitrary price increase on petroleum to reduce consumption. The administration's approach is inflationary, it is unfair to middle- and lower-income groups, and it is not as effective as the bill we are considering today.

However, I have one major reservation about the bill today. I feel that the proposals it contains, regarding an excise tax on gasoline, place an unfair burden on those who have no alternative but to depend on the automobile for transportation.

My own district in southern California will be especially hard hit by this proposal. There are simply no adequate public transportation facilities available to most commuters, so that residents of our area will have no choice but to bear the burden of this tax.

When one considers that gasoline represents approximately 17 percent of our total energy consumption, and that the provisions in the bill call for 50 percent of the total energy saved to come from the gasoline tax, the inequity inherent in the excise tax becomes obvious.

I feel that a moderate gasoline tax is necessary to insure a reduction in gasoline consumption. But there should be a better balance between these savings, and other areas of energy usage.

UMI

PERMISSION FOR COMMITTEE ON RULES TO FILE A PRIVILEGED REPORT

Mr. PEPPER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

CONFERENCE REPORT ON H.R. 4221, HIGHER EDUCATION ACT AMENDMENT

Mr. PERKINS submitted the following conference report and statement on the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 94–278)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Emergency Technical Provisions Act".

AVAILABILITY OF FUNDS FOR COLLEGE WORK-STUDY PROGRAMS

SEC. 2. Section 446 of the Higher Education Act of 1965 is amended by inserting "(a)" after "SEC. 446." and by adding the following new subsection at the end thereof:

"(b) Sums granted to an eligible institution under this part for any fiscal year which are not needed by that institution to operate work-study programs during the period for which such funds are available shall remain available to the Commissioner for making grants under section 443 to other institutions in the same State until the close of the fiscal year next succeeding the fiscal year for which such funds were appropriated."

DURATION OF THE NATIONAL ADVISORY COUNCIL ON EQUALITY OF EDUCATIONAL OPPORTUNITY

SEC. 3. Section 716(b) of the Emergency School Aid Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "September 30, 1976".

AVAILABILITY OF BASIC EDUCATIONAL OPPORTUNITY GRANTS

SEC. 4. Funds appropriated for making payments of basic educational opportunity grants, during fiscal year 1975, under subpart 1 of part A of title IV of the Higher Education Act of 1965 to eligible students in accordance with the payment schedule in effect under section 411(b) for fiscal year 1975 which are in excess of the amount paid under such section prior to the end of such fiscal year shall remain available for payments under such section during fiscal year 1976.

EFFECTIVE DATE

SEC. 5. (a) The amendment made by the provisions of section 2 of this Act shall be effective with respect to appropriations for fiscal years beginning after June 30, 1974.

(b) Subsections (b) and (d) of section 431 of the General Education Provisions Act shall not operate to delay the effectiveness of regulations issued by the Commissioner of Education to implement the provisions of this Act.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

CARL D. PERKINS,
JAMES G. O'HARA,
JOHN BRADEMAS,
MARIO BIAGGI,
IKE ANDREWS,
MICHAEL T. BLOUIN,
FRANK THOMPSON, Jr.,
RONALD M. MOTTL,
AUGUSTUS F. HAWKINS,
SHIRLEY CHISHOLM,
JAIME BENITEZ,
PAUL SIMON,
TIM L. HALL,
ALBERT H. QUIE,
EDWIN D. ESHLEMAN,
JOHN N. ERLENBORN,
MARVIN L. ESCH,
JOHN BUCHANAN,
VIRGINIA SMITH,
Managers on the Part of the House.

CLAIBORNE PELL,
JENNINGS RANDOLPH,
HARRISON A. WILLIAMS, Jr.,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
THOMAS F. EAGLETON,
ALAN CRANSTON,
WILLIAM D. HATHAWAY,
J. GLENN BEALL, Jr.,
J. K. JAVITS,
RICHARD S. SCHWEIKER,
ROBERT T. STAFFORD,
ROBT. TAFT, Jr.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4221) to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate to the text of the bill with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The Senate amendment contains a short title which provides that the Act may be cited as the "Emergency Technical Provisions Act." There is no comparable House provision. The House recedes.

AVAILABILITY OF FUNDS FOR COLLEGE WORK-STUDY PROGRAMS

The House bill would amend the permanent law authorizing the Work-Study Program to permit the intrastate reallocation of funds appropriated for the Work-Study Program in cases where funds originally allocated to institutions are not needed and permits the funds so reallocated to be expended during the fiscal year succeeding that fiscal year for which the funds were appropriated.

The Senate amendment authorizes the intrastate reallocation of existing appropriations for the College Work-Study Program in cases where original allocations are not needed and authorizes the expenditure of reallocated funds for the fiscal year succeeding that fiscal year for which the funds were appropriated.

The Senate recedes, with a clarifying amendment. The clarifying amendment provides that the amendment made by the House bill shall be effective with respect to appropriations for fiscal years beginning after June 30, 1974, including funds appropriated by Public Laws 93-192 and 93-517, and subsequent appropriations.

INTERPRETATION OF SECTION 414 OF THE GENERAL EDUCATION PROVISIONS ACT

The Senate amendment provides that: "In the case of any statutory advisory council (as defined in section 441 of the General Education Provisions Act) which submits an annual report to the Congress or to the President concerning the administration of an applicable program (as defined in section 400 of such Act), section 414 of such Act shall be construed to extend the duration of such advisory council whenever such section 414 operates to extend the duration of the program with respect to which such advisory council submits such a report." There is no comparable House provision.

The Senate recedes, in the light of a letter received from the Department of Health, Education, and Welfare, which states, in pertinent part:

"In connection with your consideration of H.R. 4221, the Emergency Technical Provisions Act, a question has apparently arisen concerning the need for section 3 of that bill which would construe section 414 of the General Education Provisions Act as operating to extend the duration of any statutory advisory council when that section extends the duration of the program with respect to which such council submits a report to the President or the Congress.

"After discussing this matter with our Office of General Counsel, we believe that at least in those cases in which the duration of an advisory council is coextensive with the duration of the education program to which it relates, the automatic extension provision in section 414 would operate to extend for one year the life of the advisory council as well as the program with which it is associated. Section 414(a) provides not only for the extension of "the authorization of appropriations for an applicable program" but also for the extension of "the duration of an applicable program". The latter phrase would seem to apply to all aspects of program operations, and the Office of General Counsel has advised us that the activities of the advisory council are a part of such program operations. For that reason Congress must have intended advisory councils to be covered by this provision."

DURATION OF THE NATIONAL ADVISORY COUNCIL ON EQUALITY OF EDUCATIONAL OPPORTUNITY

The Senate amendment extends for one fiscal year the duration of the National Advisory Council on Equality of Educational Opportunity. There is no comparable House provision. The House recedes.

AVAILABILITY OF BASIC EDUCATIONAL OPPORTUNITY GRANTS

The Senate amendment provides for the carry-over of funds appropriated for making Basic Grants in FY 1975 which are in excess of the amounts actually paid for that fiscal year through FY 1976. There is no comparable House provision. The House recedes.

EFFECTIVE DATE

Both the House Act and the Senate Amendment would be effective upon enactment. However, the Senate Amendment provides that subsections (b) and (d) of section 431 of the General Education Provisions Act (which delay the effectiveness of regulations) shall not operate "to delay the effectiveness of regulations issued by the Commissioner of Education to implement the provisions of the Act." The House recedes.

SUBSTITUTE TITLE

The Senate amendment to the title of the House bill provides that the title be amended so as to read: "An Act relating to the operation of certain education laws." The House recedes.

CARL D. PERKINS,
JAMES G. O'HARA,
JOHN BRADEMAS,
MARIO BIAGGI,
IKE ANDREWS,
MICHAEL T. BLOUIN,
FRANK THOMPSON, Jr.,
RONALD M. MOTTL,
AUGUSTUS F. HAWKINS,
SHIRLEY CHISHOLM,
JAIME BENITEZ,
PAUL SIMON,
TIM L. HALL,
ALBERT H. QUIE,
EDWIN D. ESHLEMAN,
JOHN N. ERLENBORN,
MARVIN L. ESCH,
JOHN BUCHANAN,
VIRGINIA SMITH,
Managers on the Part of the House.

CLAIBORNE PELL,
JENNINGS RANDOLPH,
HARRISON A. WILLIAMS, Jr.,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
THOMAS F. EAGLETON,
ALAN CRANSTON,
WILLIAM D. HATHAWAY,
J. GLENN BEALL,
J. K. JAVITS,
RICHARD S. SCHWEIKER,
ROBERT T. STAFFORD,
ROBT. TAFT, Jr.,
Managers on the Part of the Senate.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6860, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Before the Committee rose on yesterday, it had agreed that title I, ending on page 28, line 24 of the bill, would be considered as read and open to amendment at any point.

Are there further amendments to title I?

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: Page 11, line 9, strike out "50,000" and insert in lieu thereof, "125,000".

Mr. STEIGER of Wisconsin. Mr. Chairman, this amendment, I admit, is somewhat technical. It is the "small refiners amendment." If I were to borrow from our distinguished and eloquent colleague from Massachusetts (Mr. BURKE), I would say that this is not quite the "mom and pop" refiners amendment, but it might be considered to come close to that.

We have to back off for a minute. I hope all of you have taken the time to review carefully what the committee bill does. The bill establishes an auction bid system for those who must become involved in applying for licenses if the quota becomes applicable. There are two auction bid systems. One is a general, overall auction bid which, by and large, is designed—the Committee hopes—to take care of most everybody, but particularly the large refiners which import a relatively large quantity of petroleum from abroad.

Then there is a set aside for small refiners and independent marketers who might not obtain their import needs in the general auction. The way the bill is drafted, that set aside for small refiners and marketers is limited to those with a capacity of 50,000 barrels a day and less. That leaves out, in my view—and I offered this amendment in committee so that the committee itself is familiar with it—a relatively large number—16, as a matter of fact—of refiners and marketers who are by any stretch of the imagination in this particular business, small. They are not large.

Mr. Chairman, let me, if I may, for the benefit of those who are interested, name them, so the Members will have some understanding.

Those who are involved in this amendment are:

Koch Refining Co. in Minnesota; Clark Oil & Refining Corp. of Illinois; Tenneco Oil in Louisiana; Crown Central Petroleum Corp. in Texas; Oil Shale Corp. in California and Arkansas; Charter International Oil Co. in Texas and California; Texas City Refining Inc. in Texas City, Tex.; Farmland Industries, the Cooperative Refinery Association, in Kansas and Nebraska; Tesoro Petroleum Corp. in Texas, Wyoming, Alaska, and Montana; United Refining Co. in Pennsylvania and Michigan; Pennzoil Co. in Pennsylvania, West Virginia, and Louisiana; Husky Oil Co. in Wyoming and Utah; Apco Oil Corp. in Oklahoma and Kansas; Hawaiian Independent Refinery in Hawaii; National Cooperative Refinery Association in Kansas; and Howell Corp. in Texas.

Those are the 16 refiners and marketers that are not going to be able to participate in the small refinery and marketer bid system if this amendment is not adopted. The problem that we have is this. I will use those that I am most familiar with. One which happens to be a marketer in the Midwest, is Clark Oil out of Milwaukee, Wis. Clark Oil has almost no domestic crude oil capacity. It has about 2,000 barrels a day it gets from its own fields. It depends and has historically depended upon the purchase of petroleum from the major companies, and during a very long period of time they had relatively easy access because there was not much of a problem. But now, of course, there is a problem. And the major companies, Texaco or Exxon, or any of the others, are not selling to a small refiner and marketer like Clark Oil, as they did before. So what you have done is to take a company like this one and force them to go to Canadian and offshore oil, offshore imported petroleum, which is then pipelined up from Louisiana and Texas into the Middle West for refining in the two refineries that this one company has in Illinois.

We should provide some kind of assurance to a marketer and refiner of this size and character.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. Yes, I will yield to the gentleman from Pennsylvania.

Mr. JOHNSON of Pennsylvania. I thank the gentleman for yielding, and I want to associate myself with his remarks. I support the gentleman's amendment wholeheartedly. The oil industry in northwestern Pennsylvania has five refineries. They are in the 60,000–70,000 class.

Mr. Chairman, we need this amendment desperately, and I hope the Members will support the gentleman's amendment.

Mr. STEIGER of Wisconsin. I appreciate the comments of the gentleman from Pennsylvania.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I will yield to the gentleman from Minnesota.

Mr. QUIE. I thank the gentleman for yielding. I appreciate the gentleman offering this amendment. It is a very important amendment.

The Koch refinery in my district has a capacity of 110,000 barrels a day if they are operating at full capacity. It is at about 50,000 now. It is the only refinery Koch owns. The small refiner provision would not include them unless the gentleman's amendment is adopted. It is only one of two refineries in the area of Minneapolis and St. Paul, the other northwest refinery has a capacity of 60,000 barrels and that area is tremendously dependent upon the output of these refineries, especially heating oil.

Mr. STEIGER of Wisconsin. I very much appreciate the comments of the gentleman and his support of the amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. STEIGER) has expired.

(By unanimous consent, Mr. STEIGER of Wisconsin was allowed to proceed for 2 additional minutes.)

Mr. STEIGER of Wisconsin. Mr. Chairman, I apologize to my colleagues. I did not mean to take 7 minutes to explain this, but I wanted to make sure there was this understanding of both the areas involved and the problem.

As I started to say before the support I got from the gentleman from Pennsylvania (Mr. JOHNSON) and the gentleman from Minnesota (Mr. QUIE), we have two significant problems, if we do not deal with this issue of the small refiners. One problem is that we are going for all practical purposes in my view to preclude them from any kind of long-term commitment in terms of the kind of commitments they require in their

UMI

operations; and, secondly, we will maintain a situation in which the refining capacity is curtailed because of uncertainty, as the gentleman from Minnesota has already said. And Koch Oil is no exception to a number of companies in this category who are running at less than full capacity because of the uncertainty.

Mr. Chairman, I do not take the time of the Committee frivolously. There is a real problem here. In offering the amendment in the committee, I tried to bring it home to a majority of the Committee on Ways and Means, and it was defeated by a very close vote by a show of hands.

I would urge my colleagues to most thoughtfully consider the particular peril in which we place what are relatively small refiners, but exceedingly important ones in the petroleum business. It is these companies who are covered by my amendment who provide a relatively important measure of competition to the major oil companies. Clark Oil, if I may mention again a Wisconsin company, is a classic example. It is a company which does not have a large amount of refining capacity, 2,000 barrels a day more or less, but it is a significant force in terms of gasoline sales in the upper Midwest.

Mr. Chairman, I urge my colleagues to consider how we can carefully insure how we can create a more rational but small set-aside in the market but at the same time preserve competition.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let us understand fully the context of this amendment. What we have is a double auction system. Everybody is in the first auction, and the FEA is required to set that auction in the size and form and frequency that will best adapt itself to everybody receiving fair treatment.

We also have the small refiners under a separate auction in order to try to protect the small refiners.

Now, the question is this: If we broaden the small refiners' category too much and include too many people in that category, then we create an inequity for the real small refiner. The Federal Energy Administration recommended that we set the definition of small refiner at a 50,000-barrel capacity. The figure in the bill represents the FEA recommendations. They know the situation of the refiners, and they told the Ways and Means Committee that the small refiners will be better protected in their separate auction if we do not include too many of the bigger refiners in that separate auction. If we were to adopt this amendment, we would leave only 24 of the Nation's refiners that are not included in the small refiners' exception, and we think that this is not an equitable proposition. We think that if we include the 15 refiners—and they are big, because anything above 50,000 barrels is a big refiner—if we include these additional 15, then we are creating an inequitable situation for all those small refiners who exist all over the country that are in the less-than-50,000-barrel capacity.

So if we want to protect the truly small refiner—and we should remember FEA said that figure ought to be 50,000, and that is what it is in the bill—then I think we ought to vote down this amendment and retain the 50,000-barrel figure.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. STIEGER).

The question was taken; and on a division (demanded by Mr. STIEGER of Wisconsin) there were—ayes 33, noes 51.

So the amendment was rejected.

PARLIAMENTARY INQUIRY

Mr. ALEXANDER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ALEXANDER. Mr. Chairman, it is my understanding that under the rule amendments may only be offered to the title under consideration; is that correct?

The CHAIRMAN. That is correct.

Mr. ALEXANDER. I have an amendment to title II which would, in effect, strike all of the provisions of title II, and under the rule, it would not be timely to offer that amendment until after the conclusion of the debate and after the consideration of amendments to title I; is that correct?

The CHAIRMAN. That is correct.

The Chair will further advise the gentleman that it would be in order only after the reading of title II.

Mr. ALEXANDER. After the reading of title II?

The CHAIRMAN. Yes.

Mr. ALEXANDER. Mr. Chairman, a further parliamentary inquiry: A number of persons in this body have offered amendments that qualify after those amendments had been published in the RECORD, and I do not have an accurate count; but the number of persons is perhaps uppermost of 30 or maybe even 50 people, as I understand it.

Inasmuch as my amendment would strike title II, which amendment is joined in by only four other Members, the gentleman from New York (Mr. AMBRO), the gentleman from Indiana (Mr. FITHIAN), the gentleman from Virginia (Mr. HARRIS), and the gentleman from North Carolina (Mr. NEAL), would it not conserve time and be in order, Mr. Chairman, to offer the amendment to strike all of title II before the other amendments which would only strike parts of title II are offered?

The CHAIRMAN. The Chair would like to advise the gentleman that perfecting amendments would have to be considered first, if offered; and if not offered, the gentleman's amendment would be in order.

Mr. ALEXANDER. I thank the chairman.

AMENDMENT OFFERED BY MR. KETCHUM

Mr. KETCHUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KETCHUM: Page 10, on line 3 strike out the words "sealed bids." and all thereafter through line 8 and insert the following: "sealed bids, and such licenses shall be fully marketable."

Mr. KETCHUM. Mr. Chairman, the amendment that I offered simply brings the small refiners into a more equitable situation with the so-called large refiners.

The Members will notice in section 112 that the import tickets for the large refiners are fully marketable, and that does make sense. When we established in the committee this section for small refiners to assure the small refiners of the United States a fair share in the bid and auction system, we did not really discuss the marketability of the import licenses. This addition was made by staff in writing up this particular section, and I am certainly not being critical of staff. I think they perhaps misunderstood, but there is every reason in the world for these import tickets to be marketable for the small refiner.

I think those Members who are familiar with the refining industry know that in the past, when we used to have the old import tickets, that those tickets on behalf of the small refiners were traded out at the coastal or the large refineries, in exchange for domestic oil. I think this same situation may well apply again where the small refiner bids and receives an import ticket that he might be able to trade off with a coastal refiner or a major oil company for domestic production.

This is a simple amendment. It provides equity for both ends of the refining industry. I ask for an "aye" vote on this amendment.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to state that to fully understand what we are doing here, the first auction that applies to everyone does provide for a marketable license, and so we have accommodated the purpose of being fully marketable where everyone is in on the auction. But remember, the purpose of the second auction, it is to protect the small refiners. If we open that up and make those licenses totally marketable then we will open these licenses for arbitrage with the big companies. In other words, the small refiners could bid in the auction and then turn around and sell them to the big refiners which is totally opposite to the purposes we have in mind.

So we think the bill represents a most equitable solution where the import licenses under the first auction are totally marketable, but the import licenses under the second auction are not. But, remember, the small refiners are fully protected because they can sell back to the Federal Energy Administration. So we do not have any inequity here, no hardship on the part of the small refiners. They can always sell their excess back to the FEA. But we do in this bill prevent what this amendment would allow, and that is arbitrage with the big companies.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I want to support the chairman, the gentleman from Oregon (Mr. ULLMAN), in his position.

At the present time many of the small refiners apply for the licensing privileges merely with the idea of selling them, and making some money from them. They have no intention of using them for refining processes. It happens to be an auction that everybody likes to get in on,

and serves no useful purpose except to line the pockets of the small operators.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman from Oregon for yielding to me. I totally disagree with my good friend, the ranking minority member, and with my chairman in this particular instance.

This is the situation which has been occurring in the refining industry for the past 10 years. The independent refineries do not have the tankers, and they do not have the fleet of ships in order to go abroad and bring this oil back so, traditionally, they have had import tickets, and they have been able to transfer those import tickets in exchange for domestic oil that may or may not have been in surplus to the coastal refineries. There is nothing inequitable about this amendment, it treats the independent refiners and recognizes the fact that they do not have a fleet of tankers to get the oil, but does give them the opportunity to bid. There is no way, shape or form that we are attempting to create a windfall for the independent refiners. They have been getting the short end of the stick for several years.

Mr. ULLMAN. I urge the Committee to vote down the amendment. We think that the amendment would create something we criticize; it would open the door to arbitrage with the big companies.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, in fairness, the gentleman's amendment does not appear to me to be dangerous, as the gentleman from Oregon indicates. Could the gentleman be more specific about what is dangerous in allowing these to be negotiable? What is wrong with people being able to negotiate their tickets?

Mr. ULLMAN. There is a real likelihood of getting different bid prices in the small auction than you have in the general auction. If these were fully marketable, then when the small auction had lower bid prices the small companies who were working together with the big companies could very easily buy import tickets at a lower price and have windfall profits and sell them back to the big refiners. I think we are opening ourselves wide open to this kind of arbitrage and abuse if we allow this to happen.

Remember, in the bill we have the provision that if the small refiners overbid or have excess import tickets for any reason, they can always sell them back to the FEA at the price they paid for them.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. I thank the gentleman for yielding.

How does the small refiner then address the problem that the gentleman from California raises where he does not have the facilities to bring in the foreign oil and could not trade his tickets to a larger company in exchange for rights to domestic oil? How does he do that without negotiating these tickets?

Mr. ULLMAN. Remember, every refiner, small and large, can bid at the big auction. They can surely take care of that situation. Those are totally marketable tickets in the big auction, so the situation that he describes could be fully taken care of in the big auction.

Mr. EVANS of Colorado. Will the gentleman yield further?

Mr. ULLMAN. I yield to the gentleman.

Mr. EVANS of Colorado. I thank the gentleman for yielding.

The small refiners compete against the big refiners?

Mr. ULLMAN. Yes. We think under the circumstances he is talking about there is no reason in the world why they cannot. The FEA is instructed to put in the big auction, to put the bids up, set the size of lots, and the frequency of the auctions, in such a way that even the smallest refiners can move in, and this is a specific instruction. So the big auction is intended to fully take care of the whole gamut of big and small refiners.

Mr. Chairman, I urge defeat of the amendment.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

bid or have excess import tickets for any

The difficulty that I find with the amendment is not particularly with the small refiner, but with the marketer. In many areas the marketer, who has no refinery whatsoever, applies for an import license. In turn, he sells them to the major oil companies for which he gets paid. He has no intention of using it because he has no refinery whatsoever. It is the proliferation down to the marketer to which I object. It has become a horse-trading deal. It just accrues to the benefit of individuals who are marketing and who have no refining facilities whatsoever.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Pennsylvania.

Mr. GREEN. I thank the gentleman for yielding.

One of the reasons these tickets are not marketable, and one of the reasons it is so important that they not be marketable, that is, it is conceivable that under certain circumstances the end user, the consumers—the hospital that was traditionally supplied by a particular marketer, or the school, or whatever—could find themselves without a source of supply because there would be so much wheeling and dealing going on for the tickets themselves.

The provision in the bill was a safeguard. It was put in to make sure that the small marketer or the small dealer was protected by insuring that a separate pool was set aside for them, but, after protecting the small marketers' supply, we did not want them to have the same kind of flexibility to wheel and deal with these tickets and ultimately hurt the consumer, the person who had been traditionally supplied with the source of energy by that small producer who otherwise might make a profit by going in and wheeling and dealing with the tickets and selling them off to someone else. We are trying to protect the little supplier and the consumer, the person who is at the end of the line and depending on company x to deliver their oil as they have done for years. We do not want to make it more profitable for that supplier to sell his or her tickets than deliver the oil.

Mr. SCHNEEBELI. I think that the gentleman from Pennsylvania has had some practical experience with that in Philadelphia. In the recent embargo, two or three hospitals and institutions of this type were severely hurt by this practice.

Mr. GREEN. That is correct.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman for yielding.

I would say to the gentleman just speaking that that same identical situation can occur under the provisions of this bill. We are going to create a shortage anyway. Let us face that. But where we have marketability of the tickets as far as the majors are concerned, why in the world can we not believe that they could get a windfall profit by marketing the tickets back to the independent refiner who is not successful in either auction?

Mr. SCHNEEBELI. As I say to the gentleman from California, I have no particular love for the refiners. It is the marketer about which I am concerned.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to my colleague, the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, in response to the gentleman, we have a set-aside, so that a person who is small and has a business will not be put in the position the gentleman just described. It is the whole purpose of the set-aside to see that the small refiner, the small marketer, is protected. There is a set-aside for that person who has traditionally been in business, so that they will not find themselves at the mercy of the big operators.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

I do not wish to prolong this debate, but that is why we set up the independent refiner bid and auction to insure that he has a chance; but there is nothing in this bill that says he is going to be successful in a bid. That means a marketer who has a fully marketable bid can do this.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr.

UMI

Chairman, I appreciate the gentleman yielding.

We went over this subject in the committee, as the chairman knows, at great length; but there is a fundamental point that has not yet been made. When we go, as the committee bill does, to the average price concept, that is the set-aside which is designed to insure access for a small refiner, but the committee in its infinite wisdom made a determination that said we may sell the set-aside ticket for the average price of the major auction ticket sale in two specific instances.

The minute we go that route, what we are asking for is for the FEA to make an allocation. Who is going to determine who is eligible?

The answer is that there is no way, because there is no marketability. There is no flexibility. Somebody in FEA will have to sit down and say to the hospital in Pennsylvania or to the independent marketer in California or Rhode Island, "You are going to get x number of barrels at this ticket price."

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent Mr. SCHNEEBELI was allowed to proceed for 1 additional minute.)

Mr. SCHNEEBELI. Mr. Chairman, I would like to ask the gentleman from Wisconsin, is the gentleman for or against the amendment?

Mr. STEIGER of Wisconsin. Mr. Chairman, if the gentleman will yield further, I am for the amendment of the gentleman from California because it does, in my judgment, put the major auction and the set-aside on an identical marketable basis and it precludes the FEA from going for an allocation system to determine who is going to get a ticket.

Mr. SCHNEEBELI. Mr. Chairman, my objection, as I said, is the inclusion of marketers in this thing, because it has become quite a racket for the small marketers.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Pennsylvania.

Mr. GREEN. The gentleman is trying to make the point that these people should be on an equal footing. We made the set-aside so the little could not be eaten up by the big. We have created this situation to help them. Making the big and little equal is the antithesis of everything we have done. We have done everything we could to the smaller operator and in the long run to protect the consumer.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. KETCHUM).

The question was taken; and on a division (demanded by Mr. KETCHUM) there were—ayes 32, noes 53.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment to title I.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: Page 7, strike out line 8 and all that follows down through line 2 on page 8.

Page 15, line 15, strike out "national interest" and all that follows down through line 22 and insert "national interest."

Mr. FRENZEL. Mr. Chairman, the amendment which has just been read in an attempt to restore some equity to the quota system which was in it when it was drafted and presented to the committee. Subsequent to such presentation, the quota system was amended so that a supply—that is, one-third of the quota, 2 million barrels per day—was reserved for distillates and residual oils.

That left only 4 million barrels per day of the import quota, in the first 2 years, for crude oil and for all of the other products which, of course, are smaller in amount, such as refined gasoline, jet fuel and so forth.

But, what that particular amendment in the committee did was to guarantee to users of imported residuals and distillates that they would have plenty of product to take care of their problems, but it also guaranteed the users of crude oil that they would not have plenty of oil to take care of their problems. In fact, if there is to be any sacrifice, it would be made only by users of the crude oil imports. That means the inequality will be laid on to the users of about 20 percent of the total oil used in the United States.

Those who are being protected are principally those in the Northeastern part of our country who do not have refineries, and who are very heavily dependent upon imported residuals and distillates. Indeed, they have a problem, and I do not mean to minimize that special problem.

What we have done, unless we adopt my amendment, is to insure that the quota will bite, and further insure also that the quota will bite only users of crude oil. I have a particular regional interest. My area in the north central part of the country is very heavily dependent upon imported Canadian crude. We will be the first to suffer when the quota bites. We are not unwilling to make sacrifices, but only if our sacrifices are matched by other parts of the country.

It is true that in a subsequent section of the bill, we have given the President discretion to raise the quota by a million barrels. That is a good backstop, and the President will have to use it. But I think it is unnecessary that we in the Congress become dependent on a Presidential discretion. Indeed, as we go down the line a few years, if we look at the chart on page 232 of the committee report, we will find that the quota will bite even in spite of the discretion which we have given the President. In all of the governmental machinations and regulations and policies we have asked for equality of sacrifice. This bill does not provide for equality of sacrifice. It says that those who use distillates and residuals will not be penalized in terms of availability, and it also says, in a later section which restricts the tariff that can be assessed on those products, that they will not make any sacrifice in price.

On the other hand, those of us who import crude will make a sacrifice in availability and we will make one again in price.

To add to the inequality, unless we pass this amendment we will also give to areas of the country which have not built refineries and which have not converted to coal an incentive to continue not to build refineries and not to convert to coal. My understanding of our national policy is that those are both high priority policy goals for this country. Yet, here we have a quota system which indeed gives an incentive to avoid those particular goals.

That is bad enough, Mr. Chairman, but it gets worse after the gas tax goes. If this committee rejects the gas tax, as many people expect that it will, the quota will simply bite more severely. That will make a situation which is now one of inequality into a situation of disaster. Also, the distillate and residual exclusion expires in 1977, but it will be undoubtedly extended, because by that time the areas that need this kind of fuel will be dependent on them. At this point, we will go from disaster to chaos, because all those areas relying on crude oil, such as my own, will then be asked to make another sacrifice.

Mr. Chairman, I think in the interest of equality of sacrifice that this committee can do no less than to pass my amendment, which will restore equality to the quota system.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I will yield to the gentleman.

Mr. SCHNEEBELI. I thank the gentleman for yielding.

Mr. Chairman, I support the position of the amendment offered by the gentleman from Minnesota. The legislation in the bill is discriminatory. If we want to revise the quota at all, it should be in a general way on the 6 million barrels, with no subdivisions for special interests.

I understand the gentleman from Louisiana has an amendment to increase the overall quota limitations.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. SCHNEEBELI and by unanimous consent, Mr. FRENZEL was allowed to proceed for 1 additional minute.)

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. I thank the gentleman for yielding. I think if we revise the quotas at all, in any manner, it should be upward on crude oil generally, so that it applies to the entire United States and not just a protection that has sectional and regional attractions. I think it is discriminatory as it is in the legislation.

Mr. FRENZEL. I thank the gentleman for his contribution.

Mr. Chairman, in addition, my amendment would in addition, give the President more flexibility. Under the existing bill, he is not likely to raise distillate or residual quotas at all. I think it would make a more equal situation and indeed a more flexible one. I urge the adoption of the amendment.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the committee spent a great deal of time on these two provisions. And if one is concerned about residual and heating oil, as a great block on Americans in the Northeast and all along the eastern seaboard, and even in the North Central States are vitally concerned, then I think we have to accept the equity involved in these provisions. What we do is, we say that is a 2-year period, insofar as the import quota is concerned, that we reserve 2 million out of 6 or 6½ for residual and heating oil.

This is just for a 2-year period, and then it expires. That is the first part of the amendment that would be stricken by the gentleman from Minnesota.

The second part of the amendment also goes to residual and heating oil, and that has to do with the duty. As the Members know, in this bill we roll back the Presidential authority, but we allow him to reimpose a 10-percent duty on imported oil.

The provision in the bill to protect residual and heating oil says that for a 2-year period following enactment, that residual and heating shall not have a duty beyond 5 percent, and then after the 2-year period, that can go up to the normal amount.

Both of these provisions, we think, are exceedingly important to protect a very vital segment of the American economy. Residual and heating oils are absolutely essential. We limit them on these provisions for a 2-year period because we think that the country has to move toward alternative energy sources. What we are telling them is that for a 2-year period they will be protected, but beyond that they had better look to some other form of energy.

Mr. COTTER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I will yield to the gentleman.

Mr. COTTER. I thank the gentleman for yielding. I think it should be pointed out this amendment has been characterized as a New England amendment, but actually there are more areas in the country affected by this amendment than just New England. For example, the Central Atlantic States, during the period January through November 1974, imported some 239,736,000 barrels of oil, residual oil, as opposed to New England, which only imported some 84,643,000.

Now, this amendment applies to the whole Atlantic coast, from Maine to Florida, and it should not be characterized as a New England amendment.

Mr. ULLMAN. Mr. Chairman, I strongly urge the committee to reject the amendment.

The committee has spent a great deal of time on this matter and has provided a formula that does give equity to this very important problem of residual and heating oil.

Mr. ARCHER. Mr. Chairman, I rise in support of the amendment.

I will state to the members of the committee that this provision in the bill unless removed by the Frenzel amendment will further encourage the development of offshore refineries outside the United States of America, thus increasing our vulnerability to importations not just of crude but of refined products. That will be the result of not adopting the Frenzel amendment.

In addition, I think the members of the committee will well remember that it was obvious we would have a difficult time getting this bill out of committee under any circumstances, and that this provision in the bill was basically a quid pro quo to the New England members of the committee in order to be sure that they would vote for the bill and get it out of committee. Now it is out of committee, it is on the floor, and in my opinion we do not now have to continue to deal with that type of provincialism or to favor one section of the country, but rather should seek to get an overall equitable energy bill.

It is for that reason that I support the amendment offered by my colleague, the gentleman from Minnesota (Mr. FRENZEL), in order to eliminate the inequity and to be sure that we continue to develop our own domestic refinery resources within the domestic United States of America.

Mr. Chairman, I urge support and adoption of the amendment.

Mr. WRIGHT. Mr. Chairman, I rise in opposition to the amendment.

This energy bill is our answer to a national problem. While the national need is our overriding concern, we must recognize that it encompasses a multitude of regional sub-problems. If each of us were to be wholly parochial, we could not enact a bill. Obviously President Ford was mistaken when he said Congress has no energy program. The unfortunate truth is, we have 535 programs—one for each Member.

But the Committee on Ways and Means has made a very earnest effort to balance very carefully the equities involved, to alleviate specific regional problems as well as we can while achieving the national objective. I support the committee's position.

As most Members know, I do not come from an area where any substantial quantity of residual or home heating oil is used. We in my part of the country and in that of the gentleman from Texas (Mr. ARCHER) who just spoke are blessed with the proximity of natural gas. But while we are using up a supply of that irreplaceable natural resource in our part of the country, others located on the east coast and in other parts of the United States are absolutely dependent upon imports of residual and home heating fuel oil.

It seems inequitable to me for us, since we do have the blessing of available and still presently abundant natural gas, not to extend some measure of understanding to those areas whose citizens are dependent upon the importation of oil to heat their homes.

The entire philosophy of the bill developed by the Committee on Ways and Means, it seems to me, was one of trying to curtail the voracious, wasteful consumption of energy in those selective areas where use is discretionary. Certainly it never was their aim to curb the consumption of energy necessary to heat one's home in the winter. That, along with the necessity for food and clothing, is an end use that must be protected for any American citizen wherever he lives. Therefore, it seems to me, Mr. Chairman, that the committee bill is an equitable approach.

I might feel that those in the New England area should be more diligent in developing offshore oil. I believe they owe it to the Nation to move more rapidly in that direction. Certainly they should not place unnecessary impediments in the path of maximum development.

But that feeling on my part is no reason to penalize citizens of those areas. What we face here is not theory but fact. That fact is that those people need that heating oil to heat their homes.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Of course, I yield to the gentleman from Oregon.

Mr. ULLMAN. Let me say with respect to this problem of offshore refineries that this is strictly a 2-year program. We are serving notice that we are not going to extend it beyond that. It takes longer than that to get refineries off the drawing board. I want to make it very clear that this is a temporary program. It is not going to encourage any offshore refineries, and it is a temporary program to protect residual and heating oil for the time being until importers of these products can convert to something else.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes, I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

Is it your impression that in our area we do not heat our homes with imported crude? We now import that crude but may not be able to do so under the quota.

Mr. WRIGHT. Even we in most of Texas have to heat our homes during certain months of the year. What I am trying to say is that the committee provision which this amendment would strike is a measure of equity to relieve the burden that otherwise might be placed upon a part of the country which is terribly vulnerable to importation restrictions and which very much needs to continue the temporary importation of a certain amount of heating oil so that they might have warmth in the wintertime.

For that reason, Mr. Chairman, I think we ought to vote down the amendment.

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think it is apparent from my remarks yesterday that I have real misgivings about the quota provisions of this bill.

They become much less capable of administration, however, when you start carving out of the quota refined products and residual oils.

The President has said in connection with other energy proposals that he will provide a tilt for the benefit of those areas which otherwise would suffer hardship. However, I think that we must give to the New England and the coastal sections every incentive to move ahead with refining capacity of their own. Until we do that, we are going to have serious problems in the distributive administration of any national energy policy.

For that reason, Mr. Chairman, I think it is appropriate at this time to eliminate the specific rigid carve-out of refined product from the overall quota,

UMI

reducing our capacity to administer a wise national fuel program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

The question was taken; and on a division (demanded by Mr. FRENZEL) there were—ayes 18, noes 44.

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. Are there additional amendments to title I?

AMENDMENT OFFERED BY MR. EMERY

Mr. EMERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EMERY: Strike out the contents of line 1, page 4, and all that follows through line 23, page 21, and insert in lieu thereof the following:

"TITLE I—LIMITATIONS ON IMPORTED PETROLEUM AND PETROLEUM PRODUCTS AND EXEMPTION FROM SUCH LIMITATIONS

"SEC. 101. PURPOSE.—It is the purpose of this Title to reduce dependence of the United States on foreign oil by imposing restrictions on the importation of petroleum and petroleum products as rapidly as practicable without seriously endangering the economic well-being of the United States and to minimize inflation, and, at the same time, encourage economic recovery.

"SEC. 102. (a) During each calendar quarter of calendar year 1975 the aggregate quantity of petroleum and petroleum products which may be imported into the United States may not exceed a quantity valued at more than $5,850,000,000.

"(b) During each calendar quarter of calender year 1976 the aggregate quantity of petroleum and petroleum products which may be imported into the United States may not exceed a quantity valued at more than $5,625,000,000.

"SEC. 103. (a) The Secretary shall take such actions as may be necessary and appropriate to insure that the aggregate quantity of petroleum and petroleum products imported into the United States during each calendar quarter of calendar years 1975 and 1976 do not exceed in value the applicable value set forth in section 102.

"SEC. 104. (a) Subject to the requirements of this section, the President shall have the authority to amend the total dollar value set forth in Sec. 102. on a quarterly basis should he determine that such shortages in supply of petroleum or petroleum products exist so as to seriously endanger the economic well being or national security of the United States.

"(b) The President shall be required to transmit to the Congress a statement of intention to amend Sec. 102 as prescribed under paragraph (a) of this section to both Houses of Congress on the same date and to each House while it is in session. A specific statement of the President's rationale shall accompany any such amendment. Such transmittal shall be made no sooner than ten calendar days before the beginning of the applicable quarter.

"(c) Any amendment to Sec. 102 shall not take effect if, between the date of transmittal and the end of such ten day period, either House passes a resolution of that House, prohibiting such change as prescribed under Sec. 104(a).

"SEC. 105. (a) The Congress shall have the authority to review and extend the provisions of this title to any calendar year or portion thereof after the last quarter of 1976. Any extension of this title must be set by November 30, 1976.

"(b) If the Congress fails to carry out the provisions of Section 105(a), the applicable values set forth in section 102(b) shall be extended on a quarterly basis until Congress acts as authorized under the provisions of section 105(a).

"SEC. 106. Any importer who can show, to the satisfaction of the Secretary (pursuant to such documentation as the Secretary may require), that the price paid by him for any imported petroleum or any imported petroleum product which was imported into the United States by him or for his account during any calendar quarter during 1975 or 1976, was less, by 5 per centum or more, than the average price for all quantities of such petroleum or such petroleum product which were entered during that quarter may, during the immediately succeeding calendar quarter, enter any quantity of that kind of petroleum or petroleum product. Section 102 shall not apply with respect to any such entries during such succeeding calendar quarter as defined in this section.

"SEC. 107. (a) No duty shall apply with respect to petroleum or to any petroleum product which is entered or withdrawn from warehouse for consumption after December 31, 1974.

"(b) Effective with respect to articles entered or withdrawn from warehouse for consumption after December 31, 1974, no adjustment of this Act shall have any force or effect with respect to petroleum or any petroleum product.

"(c) Upon request therefore filed with the appropriate Federal agency on or before the sixtieth day after the date of the enactment of this Act, the amount of any duty, tax, or fee imposed by the President (pursuant to any action by him before the date of enactment of this Act under section 232(b) of the Trade Expansion Act of 1962 or any other provision by law) and paid by any person on the importation after December 31, 1974, of petroleum or any petroleum product shall be rebated to such person.

"SEC. 108. For purposes of this title—

"(a) The term 'petroleum' means crude petroleum provided for in items 475.05 and 475.10 of the Tariff Schedules of the United States.

"(b) The term 'petroleum product' means any article provided for in part 10 of schedule 4 of the Tariff Schedules of the United States other than petroleum and natural gas.

"(c) The term "Secretary" means the Secretary of the Treasury.

"(d) The value of imported petroleum and petroleum products shall be the value thereof as determined pursuant to section 402 of the Tariff Act of 1930, and shall also mean the price at which such product was bought or sold at port of entry at date and time of such transaction. For purposes of computing such value, all imported petroleum and petroleum products shall be deemed to be dutiable."

Mr. EMERY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-two Members are present, not a quorum.

The Chair announces that pursuant to rule XXIII, clause 2, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from Maine (Mr. EMERY).

Mr. EMERY. Mr. Chairman, a copy of my amendment submitted for the RECORD, although submitted on the 19th of May, appears on page E2551 of the proceedings of Tuesday, May 20.

Although many of us do not like either of the provisions that limit our foreign petroleum consumption in the Committee on Ways and Means bill, the quota system or the gasoline tax, we all agree that in order for any piece of energy legislation to do the job for which it was designed, it must have some teeth. We must devise a system that will effectively reduce oil prices at the same time that it reduces our dependence on foreign petroleum. This is not easy to do.

During the past 3 months I have been paying serious attention to the various methods that have been devised, and I have come up with an alternative to which I address myself in this amendment. Instead of relying on a quota system—which I do not favor because it restricts our ability to provide ourselves with the petroleum that we need—or a gasoline tax, because I feel that it puts an unnecessary burden on the workingman and the consumer—I feel that if we should base our control system on the dollar value of imported petroleum, we might well be able to put ourselves in effective economic competition with the oil cartel.

The system that I have devised would place a flexible dollar limitation on the imports of foreign petroleum. It would work something like this: We would establish an average price per quarter which would be certified by the Federal Energy Administration. This would reflect the price of all the petroleum purchased and brought into this country during that 3-month period. We would also establish a total dollar value of all imported petroleum that we would allow in this country.

My legislation calls for an importation ceiling of $23.4 billion worth for 1975 and $22.5 billion for 1976. This works out to a ceiling of $5.85 billion per quarter in 1975 and $5.625 billion per quarter in 1976. This limitation would be apportioned among all the domestic oil importers and all the domestic refiners, in proportion to the business that they do annually in the United States. It would encourage American companies to purchase petroleum at the lowest price, the same way that a housewife must adhere to the family budget and buys the food that she can afford with her money at the least expensive price.

In this system I would include an exemption to the limitation of 5 percent, which simply means that any petroleum importer who is able to import petroleum at less than 95 percent of the average for the previous 3 months would be able to import that cheaper petroleum without restriction.

Let us assume, for example, that a company, under this program, is allowed to import $50 million per quarter worth of petroleum, and let us assume that the average for the previous 3 months is $12 a barrel. That company would be able to purchase all petroleum at $12 a barrel, at $12.50, or at $11.70, whatever the figure might be, until he has spent his allocation of $50 million. However, as soon as he finds a source that would sell him petroleum for less than 95 percent of that figure—in this case $11.40—he can import all of that petroleum that he can buy. The net effect of this program over a certain period of time would be the gradual decreasing of the average price of petroleum, which is exactly what we want to accomplish to protect the American consumer.

But at the same time that the average price of petroleum is decreasing, the number of barrels we can buy for that amount of money is obviously going to increase in proportion. This is the desirable trend that we are looking for.

The question has been raised, what happens if the OPEC nations respond by raising the price, rather than lowering it? Let us say the price, instead of being decreased, is increased. Obviously, the immediate effect is going to be a decrease in the amount of petroleum coming into the country, the same situation that would exist under the tariff proposal or under the quota system. The difference would be that there would be a definite incentive for the OPEC nations who are not directly concerned with the political impact of OPEC in the Mideast to sell to us below the OPEC price. I am talking about countries like Venezuela and Nigeria that would be inclined to break away from that fixed cartel price and sell their product at less than the cartel price, thereby breaking this cartel apart. They would realize a much greater profit by expanding the amount of business that they do with the United States.

This, I think, is one of the most important factors of this proposal, because to date we have not addressed ourselves effectively to the importance of economic competition in the world to reduce oil prices.

The CHAIRMAN. The time of the gentleman from Maine has expired.

(By unanimous consent Mr. EMERY was allowed to proceed for an additional 2 minutes.)

Mr. EMERY. Mr. Chairman, this, I believe, is very important because it permits us to go effectively into economic competition with the cartel, relying on the forces of international economics and free market pressures, rather than relying upon the consumers of this country paying the bill for energy conservation.

There are two other factors that I would quickly mention. First of all, we would know precisely what our outflow of dollars would be, because we are setting a limit. Therefore, we do not have an unpredictable balance of payments problem, which is very important.

Second, I look at this program and all the other programs that we are trying to adopt as being only temporary measures, simply because our long-range energy problems are not going to be solved until such time as we can develop alternative sources of energy, whether it is new oil drilling, nuclear power, solar energy or the production of methanol from garbage and coal. This is the most important aspect of our quest for energy independence.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. EMERY. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I want to commend the gentleman, for his creative approach. I think it is superior to import quota on a per barrel basis. There are several serious problems with the amendment, however. I am sorry that we cannot offer amendments to this amendment under the rule. I think if it were perfected it would be a worthy addition to the bill.

The gentleman suggests this as a substitute, as I understand, for the entire title I. It thus does away with the provisions of the bill that eliminate the $2 per barrel duty imposed by the President, replaces it with an ad valorem tax and places limits on the President's powers to impose duties in the future.

Mr. EMERY. Mr. Chairman, the entire title I would be replaced by my amendment.

My comment to the point the gentleman raises is that we certainly could consider other amendments that would strengthen my changes to title I, as the gentleman suggests.

Mr. OTTINGER. If the gentleman will yield further, as I understand it under the rule we cannot do that.

The other thing I have a reservation on is the 5-percent release from all quota requirements. I am not sure just a 5-percent price reduction is enough to warrant relief for anyone to bring in as much petroleum as they want. If we have oil at $12 a barrel internationally and we just take 5 percent of that, that is only a reduction of what—60 cents a barrel, which I am not sure is adequate.

I wish we could consider the gentleman's amendment in a perfecting manner, because I think the gentleman's approach is far superior to the barrel limitation which is in the present bill.

Mr. Chairman, I commend the gentleman for his amendment but regret to say that in its present form I cannot support it.

Mr. EMERY. Mr. Chairman, I thank the gentleman very much.

My comment is that I would appreciate suggestions for additional amendments so that we can at least, offer those people in the Chamber that are interested in this approach a workable alternative solution.

The CHAIRMAN. The time of the gentleman from Maine has again expired.

(By unanimous consent Mr. EMERY was allowed to proceed for 1 additional minute.)

Mr. EMERY. Finally, I would merely like to say that we discussed the 5-percent provision and determined that would probably be as good a figure as we could pick, although I certainly agree that it would be better to use a 10- or 15-percent figure to further encourage the reduction of prices. We felt, though, at the present sale prices of petroleum and the fluctuations we had anticipated at the time legislation was drafted, that 5 percent was probably most realistic in what we could expect.

I appreciate the gentleman's constructive comments.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman's amendment would throw out the whole title, the whole provision which we have worked out in good balance, and would substitute a whole new approach. We had staff explore the possibility of using the price mechanism. If we now attempted to go that route, it would take a great deal of perfecting language. It would make the procedure more complex than the number-of-barrels procedure and would require a great deal of new determinations and far more in the way of procedural requirements than we have in this amendment.

Moreover, the amendment has a very basic flaw. The OPEC countries are interested in money, not just selling oil. If there is a fixed amount, there really is no incentive to keep them from raising the price of oil. They would know ahead of time how much they are going to get in the way of total dollars.

Thus, if they can get the same amount for 10 barrels as for 20 barrels, they would just as soon keep the oil and get that amount of money for 10 barrels, so it does not work the way the gentleman has indicated.

In addition, it would encourage the importation of the lowest priced, poorest quality, high-sulfur, high-pollution oil rather than clean imported oil as far as the importers are concerned. If they had dollar limitations, they would import the cheap, polluting oil rather than the higher cost clean oil.

So, the proposed amendment has some very basic flaws in it. The provisions are totally inadequate. It just leaves to the Secretary the determination of how the imported oil is to be distributed. We assume it would be allocated; whether an auction system could be worked out or not is highly problematic. There would be some real problems with it, so it seems to me that this amendment offers an approach that is totally incompatible with the existing problem and the repeal of duties.

The amendment has many problems. I fully respect what the gentleman is trying to accomplish here, but there is no way within the parameters of his amendment that we could have an oil import policy that would be workable.

Mr. EMERY. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Maine.

Mr. EMERY. Mr. Chairman, I would like to address the comments the distinguished chairman has made. First of all, the type of oil we import can depend as much on what we allow to be imported as it does on the inclination of the OPEC countries to sell it to us, or the inclination of American companies to purchase it. Therefore, the quality of the oil, or the grade, depends on what we will buy and

UMI

allow to be imported. If we set restrictions, we can control the import of high-sulfur, low-grade oil.

The other comment I would like to make is, as I see the import problem, that one of the reasons oil prices have risen drastically and our ability to import petroleum has been reduced is due to the political pressures in the Middle East, among other reasons.

Mr. ULLMAN. Mr. Chairman, the amendment is totally lacking in authority for regulation and for distribution. It seems to me that it would create a chaotic circumstance. I ask the committee to vote the amendment down.

Mr. EMERY. Mr. Chairman, if the gentleman will yield further, I will say that this idea originally came from a more complete version of legislation which I introduced early in the session, H.R. 6310. It was referred to the Ways and Means Committee, and in that total package I addressed myself to some of the comments the gentleman has made. Rather than go into it at this time, I would ask the chairman of the committee and other Members who might be interested to get a copy of H.R. 6310. I would be interested in their collective comments.

I am well aware that the Committee on Ways and Means has not had an opportunity to examine this approach. I introduced this amendment with the hope that the Members will look it over and consider this approach.

I am fully aware that it is in need of some perfecting amendments. I am not optimistic that the Ullman bill, in the manner it has been presented, is going to pass; and I rather suspect we are going to be here, on another day, at another time, to consider another piece of legislation, and that we will be trying to do this job over again. I would hope, if this does in fact happen, that this approach might be considered, and I pledge my efforts and my time to this end.

Mr. ULLMAN. Mr. Chairman, I only wish the gentleman were more supporting of the committee bill as a whole. I assure the gentleman that we fully understand the time that has been put into this effort, but the proposal comes altogether too late, and it is a procedure that is totally abortive to the purposes of the bill.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I would like to compliment the gentleman from Maine (Mr. EMERY) for having a very interesting and unique approach to this whole problem of oil imports. I believe the proposal that he suggests is now being used largely in France, in that they set for each quarter a top monetary value beyond which they will not import any more oil. That may be a very good idea if you have a constant price; but if the price fluctuates—and as we have been warned, the price will fluctuate pretty definitely within the next quarter—this then reduces the amount of oil we bring in because the price remains constant. And, with the increased cost per barrel of imports we will be allowed to import less.

As the President has the authority in this provision to make adjustments to the amount of money that can be spent, I understand this is something that is subject to a congressional veto and this then creates a hassle between Congress and the President, and could force a very difficult situation.

Also, this unique approach is thrust into a bill that is fairly well balanced, and it throws it very much out of balance. Unfortunately, we did not consider this approach in committee. It has merit. I compliment the author for his ingenuity and for bringing it to the committee's attention. However, I do not think it fits into the bill as we have presented it to the House, and I therefore object to the amendment.

Mr. MARTIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage in a brief discussion with the gentleman from Maine (Mr. EMERY), the author of this amendment, for the purpose of clarifying a couple additional points which I think should be in the RECORD.

In the first place, there are reservations which I would have to this amendment, which I commend him for offering because it is a very important concept and needs very close examination. But I have one overall reservation. We did not have adequate hearings as to what its impact would be, and that is partly our fault, as well, but I think that should be a part of our RECORD before we move to consider such an amendment, because we are not sure of what the impact would be with this experiment with 6 million barrels of imported oil.

My first question is: Does the amendment, as the gentleman has introduced it, include a licensing section or a section dealing with the auctioning of permits in order to bring oil in?

Mr. EMERY. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Maine.

Mr. EMERY. No, it does not. We have assumed in the text of the original bill that the Federal Energy Administration has sufficient records to allow this approach to function efficiently. In fact, we checked to make sure there were sufficient records on importation, the cost of oil, the number of barrels imported, and other information that was necessary. We found, in fact, that without imposing additional bureaucracy, we can obtain the information we need to keep adequate control over importation, sale price and dollar value of the oil.

Mr. MARTIN. Mr. Chairman, I would suggest to the gentleman that one of the stronger features of the bill as presented by the committee, even for those of us who do not like the quota system, is the auction system for import permits. It seems to me, if we are going to impose a quota limitation, not just for the protection of the industry but to keep the supply down, as this bill H.R. 6860 does, relates to this: There has to be something in it to determine who is going to bring it in and to control it and make the decision by which oil is brought into the country.

Therefore, the bill has a provision for auctioning off the permits to bring in quantities of oil under this quota system. I would suggest something of that sort should be incorporated into the gentleman's design, because that would help us to avoid at the end of any calendar period, whether it is a quarter or a year, having a group of people rushing to get a ship into port quickly ahead of others, in order to take up the last remaining leeway allowed under the quota system. We might have someone ordering in a shipment to make up that last half-billion dollars worth and thereby cornering the market with the oil they have brought in, to the exclusion of everybody else.

Mr. EMERY. Mr. Chairman, the gentleman's point is well taken.

Mr. MARTIN. Mr. Chairman, the other problem I have is as to the uncertain effect on the barrel price, which leads to uncertainty as to the volume of oil that could be imported.

It seems to me that if we impose a dollar limitation, while we are now importing roughly 6 million barrels per day—for the purposes of argument, I will use the figure of 6 million barrels per day—if the OPEC countries then were to increase their barrel price on the order of $2 per barrel, that would then lead to a reduction of imports to 5 million barrels a day. That would amount to a reduction of 1 million barrels a day, not because of any conservation practices that have been adopted in this country but only because of the decision of OPEC to raise their price. That result, therefore, would be entirely outside the control of American industry or American consumers and entirely under the control of the OPEC countries.

Mr. Chairman, I think this is one point the gentleman has to deal with in his amendment.

Mr. EMERY. Mr. Chairman, there is a provision in the amendment that I did not mention that would permit the President, with the advice and consent of Congress, to alter the dollar limitation figure if the price of oil was raised to the point at which the level of imports could not meet our needs. That point has been addressed, although, in my opinion, the free market pressures will work to force the price down through selective purchases by American importers enough to offset inclinations within OPEC toward a unilateral decision to raise the price.

Mr. MARTIN. Mr. Chairman, that would be especially true if we could encourage the importers to follow that policy. The importers who are bringing oil in at a lower price should be allowed to get their oil delivered in advance of importers who are bringing it in at a higher price. It could be achieved by an auction system. That is one place where the gentleman might make an improvement in the amendment.

Mr. Chairman, I thank the gentleman for his discussion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine (Mr. EMERY).

The amendment was rejected.

AMENDMENT OFFERED BY MR. VANIK

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VANIK: Page 14, after line 19, insert the following:

"(f) ENTITLEMENTS MAY BE PLACED ON A COUNTRY-OF-ORIGIN BASIS.—Nothing in this section shall be deemed to prohibit the President, if the President finds such action to be necessary or appropriate to the national interest, from requiring that any entitlement issued under this section be for the importation into the United States of the product of a specific foreign country."

Mr. VANIK. Mr. Chairman, today, as we discuss the American oil problem, the ministers of the OPEC nations are gathered in Libreville in Gabon discussing methods by which they can do us in, first by having the price of imported oil fixed by SDR's instead of dollars, and then by another preposterous boost in oil prices.

The OPEC countries seem to be determined to bring America and the free world to the brink of disaster.

When this kind of action is going on, and wherever it is going on, in Libreville, in Saudi Arabia, in Iran, when the OPEC ministers discuss these tremendous increases in the price of oil which they sell us, there is also jubilation in Houston because decontrol means decontrol of domestic oil to higher and higher levels.

How do we deal with this kind of problem? How do we deal with the problem of the OPEC cartel? Either we do it by cutting down imports or by eliminating imports. Another way is by adopting such an amendment as I am offering at this time.

Mr. Chairman, this amendment authorizes the President, if the he finds such action necessary or appropriate to the national interest, to require entitlements issued under this section of the bill to be from a specific foreign country.

Our problems with OPEC stem from the fact that we have allowed the oil companies to determine policy toward the cartel. We have assumed, incorrectly, that the interests of the oil importing industry of America are identical to our own national interests. This amendment authorizes the President to bypass the oil industry and to issue an import ticket for the import of oil from a specific source.

This would give the President of the United States, if he wanted it, the power to offer import tickets; for auction, for the import of oil from one OPEC country or from two countries. By doing this, he could, in effect, decide where our imported oil should come from and which country of the OPEC cartel would receive American dollars.

Mr. Chairman, this would give him the power, the leverage, the authority to decide where the American dollars are going to flow. The price under the cartel is substantially the same from any of the OPEC countries. If the American companies, the American importers, should have the right of decision, they would naturally decide to import the oil from countries in which they are developing the resource under a contract with the host government. They are really the only effective bidders for the import tickets which are set up under the provisions of this bill.

It seems to me that one effective tool with which we could deal with the cartel would be to have our President decide whether or not it is in the best interests of this country to have all of the imported oil come from one country. In other words, we could direct the flow of American dollars in these horrendous sums, now at the rate of $32 billion, and soon at the rate of $50 billion, to go to those countries which are at least developing some sense of understanding of the crisis that they are bringing on the world.

Mr. Chairman, this recession, the problems of our times are all related to the artificial escalation of price by the cartel, and I think that my amendment provides a useful tool with which to fight back. I am not sure that the President wants it, and I am not sure that he is going to use it; but if he has this discretionary authority and if it is made a part of this bill, it gives him the responsibility of making a decision as to whether or not the designation of country of origin in the issuance of an import ticket would be useful and important to the best interests of the United States. I urge the adoption of this amendment.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. VANIK).

Mr. Chairman, I recognize the dedication the gentleman from Ohio has in this amendment, but I must say that it is a grant of authority to the President far beyond what the Congress should be giving at this or any time. It would allow the President to move out and boycott any individual country at any time, and it seems to me that the Congress ought not to be giving that kind of excessive grant of authority. I strongly oppose the amendment, and hope the amendment will be voted down.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, this amendment was brought up in committee, and I believe it was defeated by a rather substantial margin. I think it was defeated on the basis that we did not want our State Department to decide where we were going to do our oil business. Once they decided the country from which we would purchase our oil, then it would decide on many other commodities, and this was the issue in the case of Rhodesian chrome.

The oil companies, as we all know, have refineries set up to refine oil of certain quality and certain characteristics, and they buy at the best price of oil that they want from the country that has it available. If this decision on oil purchasing is to be carried on by the State Department through the President, much of this proper, businesslike approach would be nullified. I am afraid it would militate against the proper procedure.

Also, Mr. Chairman, I think we decided to go against this route yesterday when we turned down the Federal Purchase Authority. This smacks of the same idea of having administration in some central group to decide where we would do business. We defeated the Federal Purchase Authority by a substantial margin yesterday, and I suggest we vote in the same manner on this amendment offered by my good friend, the gentleman from Ohio (Mr. VANIK).

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will not take the full 5 minutes, but I want to make two points.

This first will further complicate the foreign policy of the United States, and we have far too many problems in that respect now. But, most important of all is the one point that has not been made, and that is this: Our President, under the provisions of the Trade Act of 1974, has the authority to limit or outlaw the export from any country or an import into this country of any product at any time he concludes that these people are unfairly discriminating against the United States.

We should not give him any authority beyond that. This is a trade matter. It is not a foreign policy matter. This is not a State Department matter.

The amendment should be defeated.

Mr. KRUEGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. VANIK).

Mr. Chairman, it seems to me that this amendment would give a very great deal of power to the administration, more than the administration requests, and more than this House ought to grant, and I, therefore, wish to speak against the amendment. I wish also to speak in response to the gentleman from Ohio (Mr. VANIK) who has a very distinguished record here, and who has indicated that when the OPEC countries raise the price of oil there is "joy in Houston."

I think it would be unfair to my good friend, the gentleman from Texas (Mr. ECKHARDT) who represents part of the city of Houston, to imply that that gentleman and the people in the city of Houston are particularly happy when the OPEC countries raise prices.

I also think it would be the kind of fuzzy thinking that is not characteristic of the record of the gentleman from Ohio simply to imply that there is a particular sort of joy throughout the city of Houston at higher prices.

I do not think that is the case. And I think it is somewhat emblematic of the tendency on these kinds of matters to search out jubilant villains, rather than to direct our attention to real problems. I think we should direct ourselves to the problem: how to enlarge domestic petroleum supplies and thereby to lessen imports. To solve our energy problems requires clear thinking, not tarring persons or sections of the country with an oily brush. I wish to clear the record this little bit.

Mr. ASHBROOK. Mr. Chairman, I move to strike the requisite number of words.

I would not take more than about 30 seconds, but I do have one quick question that I would like to direct to either the chairman, the ranking minority member, or the gentleman from Ohio

UMI

(Mr. VANIK) and that is whether or not foreign nationals can bid for these tickets for the importation of oil into the United States, and whether this amendment affects that. Will the gentleman from Ohio comment on that?

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Ohio.

Mr. VANIK. I thank the gentleman for yielding.

From what I can determine, the statutory sections are silent, which I suppose would indicate that any importer, regardless of nationality, would have a right to purchase the import or bid on the import tickets if it is for oil to be used in the United States.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. I thank the gentleman for yielding.

In the case of BP Oil Co., which is British owned, or Shell Oil Co., both of which have refineries in the United States, they are as companies entitled to bid as are other companies and individuals.

Mr. ASHBROOK. Foreign nationals. Let us take an individual. Could an individual bid?

Mr. SCHNEEBELI. Yes.

Mr. ASHBROOK. Only if he owned an oil refinery.

Mr. SCHNEEBELI. No, anyone is eligible, as I understand it.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

There are no restrictions as to the nationality of the bidder, but there are restrictions on exports, so the petroleum imports would have to be used within the United States. But there are no eligibility restrictions as to a foreign oil company operating within the United States using the oil in the United States.

Mr. ASHBROOK. Could I ask one further question? Does the gentleman from Oregon mean there are no restrictions in the sense of a foreign national? Is he disputing the statement of the gentleman from Pennsylvania? Can a foreign national bid on a ticket?

Mr. ULLMAN. If the gentleman will yield further, there is no foreign national restriction in the bill.

Mr. ASHBROOK. There is no restriction? There seems to be a conflict in what you and the gentleman from Pennsylvania are saying.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman.

Mr. SCHNEEBELI. I thank the gentleman for yielding.

The gentleman will recall during discussion of the bill we talked about the people who had gotten in during the embargo, some racketeers, and there was surveillance and proper supervision of the bidding. If the gentleman will recall, there was almost an hour or two of discussion in that there is proper supervision and qualification as to who can bid on this. The FEA has the authority to rule out improper bids from people who do not qualify.

Mr. ASHBROOK. I would say to my friend, the gentleman from Pennsylvania, that that is a little bit different from the situation I mentioned and it would appear that the responses are contradictory. The gentleman from Pennsylvania indicates that the foreign national would have to own an oil refinery. The gentleman from Oregon says there is no such restriction.

Mr. SCHNEEBELI. The bill says:

> • • • persons convicted of committing any felony or misdemeanor under the laws of the United States governing oil imports, oil allocations, or price controls on oil, and to provide procedures for removing such bar in appropriate cases.

Mr. ASHBROOK. I just asked about a foreign national, not about a convicted foreign national. I do not want to complicate it. It just seems to me that this is a question to which we are getting different responses.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. VANIK).

The amendment was rejected.

AMENDMENT OFFERED BY MR. WAGGONNER

Mr. WAGGONNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WAGGONNER: Page 5, in the table appearing between lines 3 and 4, strike out "5.5" with respect to calendar year 1979 and insert "6.0".

Page 5, in the table appearing between lines 3 and 4, strike out "5.5" with respect to calendar year 1980 and thereafter and insert "6.5".

Mr. WAGGONNER. Mr. Chairman, yesterday the gentleman from Florida offered an amendment which would strike sections 111 and 112 of the bill which make provision for importation quotas of crude oil and petroleum products. In a discussion with the gentleman from Florida (Mr. GIBBONS) we discussed the fact that I had an amendment which would strike the entire title; but we decided that we would proceed with his amendment first, and then we would, if it failed, proceed to offer mine.

I am not, and I have discussed this with the gentleman from Florida (Mr. GIBBONS), going to offer an amendment to strike title I.

I do, however, offer this amendment, a modification of the importation of quantitative quotas for the years 1979 to 1980. I want to go over again what we are doing. We are saddling our economy with a catastrophic proposal. We are going to put our economy in a straitjacket, because the quantitative quotas provided for in the bill are, in my opinion, totally unrealistic. They are totally counter to the best information I have about what our needs are going to be.

I do not believe that we have the ability to decide for the year 1979 and even more so for the year 1980 and certainly not beyond that what we are going to be able to live with in the way of quotas of crude oil and petroleum products into this country.

It just seems that we are unwilling to face up to what our petroleum situation is in this country. We place an undue burden on petroleum for our total energy needs. In times gone by and until now 77 percent of all of our energy has come from either crude oil or natural gas; 44 percent from crude oil and 33 percent from natural gas.

We will not face up to the fact that we do not have the reserves people have alleged that we have. Even now, and we heard it yesterday, I know I am being redundant, but let us face up to it because future generations are going to have to face up to it and we are shortchanging them with our shortsightedness.

The U.S. Geological Survey tells us the truth when they say we do not have 60 years, as they once thought we had of petroleum reserves; but now we only have 35 years of petroleum reserves and that 35 years of reserves include not just those reserves we have through exploration found, but it includes what we think we have, that nobody has yet discovered, those reserves that we have not yet found.

Now, all the while that we have a growing economy, we are having an increased demand for petroleum and petroleum products in this country. I will use only one year again as a base figure. Industry—yes, these are industry figures, but they have pretty accurate, even though some do not want to admit they have been—industry says that even with conservation in 1980 the domestic demand for petroleum and petroleum products in this country is going to be about 21.3 million barrels a day.

This legislation provides that in 1980 we can import only 5.5 million barrels a day.

Now the President, yes, has been given some flexibility, some leeway. He can exceed that figure beginning in 1980 by 2 million barrels a day. That means the maximum imports, utilizing all his leeway authority, will only be 7.5 million barrels a day.

Now, in addition to that, domestic production is going to be about 9 million barrels a day in 1980. If we can only import 7.5 million barrels a day and domestic production is only 9 million barrels a day and our domestic demand with conservation is going to be 21.3 million barrels a day, how can the American economy afford such a short-fall? We are inducing shortages and we are going to have to allocate shortages, but we cannot stand a shortage to the extent of 4.8 million barrels a day.

We have got to do better. I would like to strike this section. I think the section is terrible. I think it does a number of things. First of all, it assures us that we can never, as far as oil and gas are concerned, we can never achieve anything near sufficiency again because, as the gentleman from Florida (Mr. GIBBONS) said yesterday—and I concur completely—we will never build another oil refinery in the United States of America because nobody is going to spend a dollar on a refinery without some assurance that he can get feed stock somewhere. If we cannot produce it at home and we cannot import it, it is a waste of money.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent Mr. WAGGONNER was allowed to proceed for 5 additional minutes.)

Mr. WAGGONNER. The situation is just exactly this: We cannot strike the section. We debated that question yesterday. This House has voted; it has worked its will. This House has said, "We want import quotas."

The only thing I am asking the Members to do is, for the years 1979 and 1980, we attempt to be a little bit more realistic; that we attempt to be a little bit more practical. What I am suggesting is that for the year 1979, that we increase the ceiling on imports from 5½ million barrels a day, just 500,000 barrels a day, to 6 million barrels a day; and for 1980, we increase the import ceiling from 5½ million barrels a day to 6½ million barrels a day.

Because, my friends, with conservation the domestic demand for imports will be at least 10.7 million barrels a day. The only thing I am trying to do is to reduce the economic impact. If I thought I could get more, I would ask for more, but do not be fooled. Let us at least give some consideration to this.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to take this opportunity to commend and compliment the gentleman from Louisiana for his excellent statement. He is on dead center; he is absolutely right.

The whole problem here is that there are very, very few people who understand the oil problem, and very, very few Members of the House who understand the quota system as the gentleman understands it.

I was shocked yesterday to see four Members from New England vote against the Gibbons amendment, and 18 Democrats from New York City do so. When there is long automobile lines at gasoline stations and when people cannot get No. 2 fuel oil to heat their homes, their constituents ought remind them of their vote.

All statistics show that natural gas is going down, down, and down. This is used by the Midwest, used by the South, and used by the West. When they have to convert from natural gas to another fuel, they are going to go to oil, and where are we going to get that oil? That is where the bind comes in and that is where we will need more foreign oil, that is why I support the gentleman's amendment.

Mr. WAGGONNER. Mr. Chairman, if the Members do not think that domestic production is declining in this country you are kidding yourselves. I come from the second largest oil and gas producing State in the Nation. Using the base year of 1970, we in Louisiana produced on the average 1,303,000 barrels of crude a day. Last year, 1974, that was down to 888,000 barrels a day. The situation with regard to natural gas is even worse.

Members worried about the gas lines and allocation with the embargo of 1973, but they have not seen anything yet. If we enact these totally unrealistic quotas, I will guarantee them that they will have the Federal Government allocating shortages which nobody can live with. Those Members who are for these quotas now are going to be ashamed of them. They are going to be running from them and they are going to say, "Well, we thought it would provide for conservation."

But, let us not be pennywise and pound foolish. My friends, let us think about future generations. Let us not use all the crude and all the natural gas that we have and might yet find in this country. Let us deplete the reserves of somebody else first to the extent that we can, and let us gradually move into this thing of depleting our own.

If we do not, rationing—and serious rationing—could disrupt our economy. Vote for this amendment, and let us make it just a little bit more sensible. It has the same impact on heating oil and on residuals as it has on all gasoline.

I want to call to the attention of the Members, one conservation proposition. If we keep the gas tax in the bill, which I do not think we are going to do, we have another situation with regard to conservation if the gas tax is removed.

I want to further call to the attention of the Members that the amendment which was offered a few minutes ago by the gentleman from Minnesota (Mr. FRENZEL), which was voted down, only applies for 2 years from now. It does not speak to the year 1979 and the year 1980. So those Members who think they have been taken care of with special consideration, so far as residuals and heating oils, had better wake up to the fact that they are going to have to face the problem, because we begin to get in real trouble in 1979 and 1980.

We ought to adopt this amendment.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, my good friend from Louisiana (Mr. WAGGONNER) has offered an amendment that does not have an impact for 4 years, until 1979 and 1980.

I think you could be optimistic or you could be pessimistic. I am optimistic that this country will develop an energy program that will convert our energy base and that will save petroleum and other energy so that we can live within the program that we have laid out.

This amendment is 4 or 5 years out into the future. We have given the President some flexibility beyond our quota schedules. For the first 3 years, 1975, 1976, 1977, we have given the President 1 million barrels a day leeway. Almost everyone agrees that that is enough for the first 3 years. Then, for the next 2 years, 1978 and 1979, we give the President a million-and-a-half-barrel leeway. The figures for those years are 6 million barrels a day and 5½ million barrels a day. So what we do is we move him out to 7½ million and to 7 million as a total outer limit.

Very few people would argue that that would not meet our needs, even if we have a tremendous growth and even though we cannot conserve a lot.

And then in 1980 and thereafter, we give the President 2 million barrels a day leeway. The basic figure is 5.5, and we give him 2 million barrels—that makes a total of 7.5 million barrels a day. Even with minimum conservation and even if we do not do everything that we need to do to convert our energy base, we can well live within those means.

Mr. Chairman, it seems to me that, even though the gentleman's amendment would not be seriously disruptive, it would, it seems to me, be a better policy for this Congress to stay with these schedules, to lay out a program whereby we tell the world that we are serious about turning this country around energywise and we are setting forth goals that do involve some basic conservation in the immediate future.

Mr. Chairman, I want to recap by saying that the amendment does not take effect for 4 years. I want to say to my friend from Louisiana that, if I am chairman of the committee, or on the committee, I am certainly going to be looking very carefully at these numbers. We have a lot of time to act. If in fact we are not, for some reason, able to meet these goals, the committee will be responsive and will present to the Congress in adequate time any changes that might have to be made.

We think the country can meet these objectives, and with a 2-million-barrel leeway easily meet these objectives, and we urge the Committee to vote against the amendment offered by the gentleman from Louisiana (Mr. WAGGONNER).

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the requisite number of words, and I rise in suport of the amendment.

Mr. Chairman, I think the amendment offered by the gentleman from Louisiana (Mr. WAGGONNER) is a very well considered amendment. If I have any criticism at all of the amendment it is the fact that the gentleman defers this increase in the allocations or quotas until 1979. It may be that we will have to act before that time. But I certainly think that, looking down the road, there is ample reason to believe we need this additional million barrel a day by 1980.

I, to, am concerned about the fact that we have had abnormally warm winters and possibly the quotas we have had up to this point may have been adequate, but if we get into an abnormally cold winter, I think we are going to become quite concerned about the fact that the present quotas will have too big a bite, and I would be very concerned that then we would be starting the gasoline lines again and we would be hearing from our constituents.

Mr. Chairman, I am very much in favor of the amendment offered by the gentleman from Louisiana (Mr. WAGGONNER).

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I would certainly like to associate myself with the gentleman's remarks.

It seems to me that this quota system really amounts to rationing without doing it at the retail level. Rather than

UMI

face up to a true energy conservation program, these quotas are an effort to do it through the back door so to speak. It eventually would probably be much more disruptive than a straight out rationing system which I also oppose.

Mr. SCHNEEBELI. Mr. Chairman, I might remind my friend, the gentleman from Maryland, that our imports remain at a constant level and our production is constantly going down.

If we expect our economy to remain at a constant level for the next 5 or 6 years, the quotas might be adequate, but we hope our economy will not remain at this level 4 or 5 years from now. We have an increasing labor force, we have an increasing economy, and we have increasing needs for the use of energy.

Mr. Chairman, I think we are not providing sufficiently in this bill for the future and for future growth, and I think there is ample justification for the amendment offered by the gentleman from Louisiana (Mr. WAGGONNER).

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, yesterday we had a chance to correct some mischievous portions of this bill by agreeing to the Gibbons amendment. We decided we would not do so.

Today we made an attempt to make the quota system a little more equitable, although it would have meant merely spreading the scarcity and the pain. That attempt which was made by me was also rejected by the committee.

Now, however, we have an amendment offered by the gentleman from Louisiana (Mr. WAGGONNER) which attempts to do just a little bit. It is, as the gentleman from Pennsylvania (Mr. SCHNEEBELI), has pointed out, not really enough to prevent this self-imposed scarcity. It does not come soon enough, and yet it is an attempt to keep some of us at work a little longer and to keep some of our homes warm a little longer.

The attention of the Members is invited to page 232 of the committee report, which shows the demand, the supply, and the imports. Under the chart that is available there, we show a 2 million-barrel-a-day shortfall in 1979, and more than 2½ million barrels in 1980.

Now, the President has some discretion, so we could reduce that shortfall to something around a half million barrels a day in each of those years.

However, as the gentleman from Louisiana very carefully and clearly points out, domestic production is declining faster than that chart gives one to believe. In addition, there is nowhere in that chart any account taken of the fact that we have to replace the loss of natural gas by some form of petroleum. These two factors are going to create a far greater shortfall than is shown in the chart on page 232. Unless we agree to the gentleman's amendment, we are going to have more this self-imposed scarcity.

I must say one more time that this bill makes no provision for the allocation of this scarcity, which means it is dog-eat-dog and the law of the jungle to find out who gets no oil and who gets some oil.

The chairman of the committee has said that these things will occur 4 years down the pike, and we should not worry about them. I think the distinguished chairman of the committee has really done a remarkable job of trying to put together a satisfactory bill under trying circumstances. Nevertheless, to say that we are going to do something foolish because we are going to change our mind before 4 years goes by is, in my judgment, a bad way to legislate.

I think we have already missed the chance to make this a good bill, and a reasonable bill, because of other amendments we have rejected. Let us at least save ourselves from total strangulation.

Mr. Chairman, let us agree to the amendment offered by the gentleman from Louisiana (Mr. WAGGONNER).

Mr. CORMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there seems to be some inconsistency at the moment in the Republican position. Most of the Republicans were in support of the President's program. The President's approach, he predicted, would result in less imported oil than our quotas do. It would have created a shortage which would have been solved through the marketplace, through price.

We do not agree with that. We do not think that the poor should be the only ones to suffer the loss of energy. But how can the Republicans say, on the one hand, that they support the President's program to diminish imports even more than the quota system does, and then say that the quotas are too low? That is an inconsistency.

Further, many talk about the need for incentives for domestic production. That is precisely what the quota system is. The more one raises the quota, the more he diminishes the incentive for domestic production.

Mr. Chairman, I urge defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. WAGGONNER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WAGGONNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 211, noes 200, not voting 22, as follows:

[Roll No. 281]

AYES—211

Abdnor	Brown, Ohio	Coughlin
Alexander	Broyhill	Crane
Anderson, Ill.	Buchanan	Daniel, R. W.
Andrews, N. Dak.	Burgener	Davis
Archer	Burke, Fla.	de la Garza
Armstrong	Burleson, Tex.	Delaney
Ashbrook	Butler	Derwinski
Bafalis	Byron	Devine
Bauman	Carter	Dickinson
Beard, R.I.	Cederberg	Downing
Beard, Tenn.	Chappell	Duncan, Tenn.
Bevill	Clancy	du Pont
Biaggi	Clausen, Don H.	Early
Biester	Cleveland	Edwards, Ala.
Boggs	Cochran	Emery
Boland	Cohen	Erlenborn
Bowen	Collins, Tex.	Esch
Breaux	Conable	Eshleman
Broomfield	Conlan	Fenwick
Brown, Mich.	Conte	Findley
		Fish
Flood	Latta	Rousselot
Flowers	Lehman	Runnels
Forsythe	Lent	Ruppe
Fraser	Levitas	St Germain
Frenzel	Long, La.	Sarasin
Frey	Lott	Schneebeli
Fuqua	Lujan	Schulze
Gibbons	McClory	Sebelius
Gilman	McCollister	Shipley
Ginn	McCormack	Shriver
Goldwater	McDade	Shuster
Gradison	McEwen	Sikes
Grassley	McKinney	Skubitz
Gude	Madden	Smith, Nebr.
Guyer	Madigan	Snyder
Hagedorn	Mahon	Spence
Hammer-schmidt	Mann	Stanton, J. William
Hanley	Martin	Steed
Harsha	Mathis	Steelman
Hastings	Mazzoli	Steiger, Ariz.
Hébert	Melcher	Steiger, Wis.
Heckler, Mass.	Michel	Stuckey
Hefner	Milford	Symms
Heinz	Miller, Ohio	Talcott
Henderson	Mills	Taylor, Mo.
Hightower	Minish	Teague
Hillis	Mitchell, N.Y.	Thompson
Holland	Montgomery	Thone
Holt	Moore	Thornton
Horton	Moorhead, Calif.	Treen
Hubbard	Motti	Vander Jagt
Hughes	Murphy, N.Y.	Waggonner
Hutchinson	Nichola	Walsh
Hyde	O'Brien	White
Ichord	O'Hara	Whitehurst
Jarman	Passman	Whitten
Jeffords	Pettis	Wiggins
Jenrette	Peyser	Wilson, Bob
Johnson, Colo.	Poage	Wilson, C. H.
Johnson, Pa.	Pressler	Winn
Jones, N.C.	Quie	Wolff
Jones, Okla.	Quillen	Wydler
Kasten	Railsback	Wylie
Kazen	Randall	Young, Alaska
Kelly	Regula	Young, Fla.
Kemp	Rhodes	Young, Ga.
Ketchum	Rinaldo	Young, Tex.
Kindness	Risenhoover	Zeferetti
Krueger	Roberts	
Lagomarsino	Robinson	
Landrum	Roe	

NOES—200

Abzug	Dingell	Litton
Adams	Dodd	Lloyd, Calif.
Addabbo	Downey	Lloyd, Tenn.
Ambro	Drinan	Long, Md.
Anderson, Calif.	Duncan, Oreg.	McCloskey
Andrews, N.C.	Eckhardt	McFall
Annunzio	Edgar	McHugh
Ashley	Edwards, Calif.	McKay
Aspin	Eilberg	Maguire
AuCoin	English	Matsunaga
Badillo	Evans, Colo.	Meeds
Baldus	Evans, Ind.	Metcalfe
Barrett	Fascell	Meyner
Baucus	Fisher	Mezvinsky
Bedell	Fithian	Mikva
Bell	Florio	Miller, Calif.
Bennett	Foley	Mineta
Bergland	Ford, Mich.	Mink
Bingham	Ford, Tenn.	Mitchell, Md.
Blanchard	Fountain	Moakley
Blouin	Fulton	Moffett
Bolling	Gaydos	Moorhead, Pa.
Bonker	Giaimo	Morgan
Brademas	Goodling	Mosher
Breckinridge	Green	Moss
Brinkley	Haley	Murphy, Ill.
Brodhead	Hall	Murtha
Brooks	Hamilton	Myers, Pa.
Brown, Calif.	Hannaford	Natcher
Burke, Calif.	Harkin	Neal
Burke, Mass.	Harrington	Nedzi
Burlison, Mo.	Harris	Nix
Burton, John	Hawkins	Nolan
Burton, Phillip	Hayes, Ind.	Nowak
Carney	Hechler, W. Va.	Oberstar
Carr	Helstoski	Obey
Chisholm	Hicks	O'Neill
Clay	Holtzman	Ottinger
Collins, Ill.	Howard	Patman, Tex.
Corman	Howe	Patten, N.J.
Cornell	Hungate	Patterson, Calif.
Cotter	Jacobs	Pattison, N.Y.
D'Amours	Johnson, Calif.	Pepper
Daniel, Dan	Jordan	Perkins
Daniels, N.J.	Karth	Pickle
Danielson	Kastenmeier	Pike
Dellums	Keys	Preyer
Dent	Koch	Price
Derrick	Krebs	Pritchard
Diggs	LaFalce	Rangel
	Leggett	Rees
	Reuss	Scheuer
	Richmond	Schroeder
	Riegle	Sharp
	Rodino	Simon
	Rogers	Sisk
	Roncalio	Slack
	Rooney	Smith, Iowa
	Rose	Solarz
	Rosenthal	Spellman
	Roush	Stanton, James V.
	Roybal	Stark
	Russo	Stokes
	Ryan	Stratton
	Santini	Studds
	Sarbanes	Sullivan
	Satterfield	Symington
	Taylor, N.C.	Traxler
	Tsongas	Ullman
	Van Deerlin	Vander Veen
	Vanik	Vigorito
	Waxman	Weaver
	Whalen	Wirth
	Wright	Yates
	Yatron	Zablocki

NOT VOTING—22

Casey	Hinshaw	Selberling
Clawson, Del	Jones, Ala.	Staggers
Conyers	Jones, Tenn.	Stephens
Evins, Tenn.	McDonald	Udall
Flynt	Macdonald	Wampler
Gonzalez	Mollohan	Wilson, Tex.
Hansen	Myers, Ind.	
Hays, Ohio	Rostenkowski	

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: Page 6, line 8, immediately after "takes effect." insert the following: "During any calendar quarter which begins after the date of the enactment of this Act, the maximum average daily number of barrels specified in the table contained in this subsection shall be increased by the amount of petroleum and petroleum products determined by the Federal Power Commission to be necessary to compensate for natural gas curtailments."

Page 15, line 22, immediately after "motor vehicles)." insert the following: "Nothing contained in this section shall be construed to affect any import license waiving payment of fees and duties which was issued pursuant to Presidential Proclamation numbered 4210, April 18, 1973."

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Louisiana.

(By unanimous consent Mr. PASSMAN was allowed to speak out of order.)

SPIRITUAL CONCERT ON HOUSE STEPS THURSDAY, JUNE 12

Mr. PASSMAN. Mr. Chairman, I extend to the membership of the House and the Senate, and their staffs, a cordial invitation to attend a spiritual concert on the House steps of the Capitol tomorrow, Thursday, June 12, from 10 to 10:30 a.m.

The 40-member choir of the First Baptist Church of Delhi, La., will sing spiritual songs that will fill your heart with sunshine and be an inspiration to you.

This is one of the outstanding choirs of the Nation. It will be a real treat and privilege to hear this talented group of young men and women sing. They will be accompanied by Rev. and Mrs. Lewis E. Clarke and Mr. and Mrs. Robert Goodman.

I urge you to avail yourself of the opportunity to hear this outstanding choir.

Mr. CONTE. Mr. Chairman, I wish that the spiritual group were on the steps today praying for the passage of my amendment.

Mr. Chairman, the intent of my amendment is very simple. It would increase the level of import quotas by the amount of oil that the Federal Power Commission determines is necessary to compensate for curtailments in the delivery of natural gas.

These curtailments are expected to reach the equivalent of 2 million barrels of oil a day by this winter. And during the following winter, 1976–77. Natural gas curtailments will soar to the equivalent of 4 million barrels a day.

When curtailments reach these levels, industries which have relied on natural gas will have to scramble and find a substitute fuel. Most of them, for at least the next few years, will have to switch to oil.

But if this Congress passes strict quotas that allow only 6 million barrels of imported oil a day—all of which is already committee—then I want to know where natural gas users are going to find an alternate supplier.

With quotas, the answers are that they would not find any available oil supplies. As soon as the shortage is recognized, industrial and utility consumers will start a furious bidding war, prices will skyrocket, and inflation will be off and running again.

The goal of this amendment is to avoid this kind of disaster.

Under my amendment, whenever a large natural gas user has his delivery curtailed or cut off and find he must switch to oil, he would so notify the Federal Power Commission. The Commission, in turn, would recognize the switch and periodically announce how much additional oil is required to compensate for gas curtailments. This amount of oil would then be added onto the allowable level of oil import quotas that could be brought into the United States.

This is not a parochial amendment. In fact, it would probably help New England less than most other regions of the Nation.

When this winter's natural gas curtailments strike, they are not going to hurt New England that much.

But they are going to cripple many areas within the great breadbasket of the United States—that great area from the gulf coast north to the Great Lakes, and from the Rocky Mountains to the Appalachian Mountains. Here in the heartland of the Nation is where natural gas curtailments are going to strike and strike hard. And, according to information from the Congressional Research Service, these curtailments are not going to disappear for at least the next 5 to 7 years.

I am inserting in the RECORD at this point a State-by-State table showing which areas are likely to need increased residual and heating oil supplies in the next few years due to natural gas supply curtailments. This table shows curtailments as reported by the Federal Power Commission for the first 3 months of 1975 as converted into the equivalent amount of oil.

Firm natural gas curtailments by State—January–March 1975

[Oil equivalent of curtailments (in barrels per day)]

Alabama	30,384
Arizona	41,840
Arkansas	77,168
California	85,732
Colorado	11
Connecticut	5,252
Delaware	3,163
Florida	14,104
Georgia	6,320
Idaho	13,485
Illinois	25,562
Indiana	27,881
Iowa	12,211
Kansas	66,712
Kentucky	21,441
Louisiana	130,252
Maine	0
Maryland	28,549
Massachusetts	8,244
Michigan	62,871
Minnesota	4,345
Mississippi	59,119
Missouri	43,025
Montana	0
Nebraska	6,288
Nevada	5,987
New Hampshire	123
New Jersey	35,408
New Mexico	11,039
New York	48,005
North Carolina	35,575
North Dakota	0
Ohio	136,570
Oklahoma	6,732
Oregon	18,493
Pennsylvania	90,847
Rhode Island	2,033
South Carolina	8,060
South Dakota	70
Tennessee	64,010
Texas	11,195
Utah	0
Vermont	0
Virginia	27,071
Washington	11,259
West Virginia	22,706
Wisconsin	180
Wyoming	9,428
Net Total	1,317,819

This past winter was exceptionally mild, but curtailments of natural gas still reached an amount of fuel equivalent to 1.3 million barrels of oil a day. Serious trouble lies ahead, as curtailments are expected to double in 1976 and double again in 1977.

A second purpose of this amendment is to insure that the U.S. Government carries forward the commitments made in Presidential Proclamation 4210 signed on April 18, 1973. As my colleagues may recall, that proclamation abolished the mandatory oil import program, replaced it with a system of license fees, and provided for a gradual reduction of the levels of imports of crude oil, unfinished oils, and finished products. Included in that proclamation was a firm commitment extending until April 30, 1980, to certain historical importers of petroleum products and crude oil and to persons who were building new and expanded refining capacity that they would receive a certain quantity of import licenses on a fee-free basis. This fee-free commitment was to be phased down on a year-by-year basis so that by April 30, 1980, there were no more fee-free licenses.

Mr. Speaker, a number of firm financial commitments and decisions have been made based on this legal commitment by the U.S. Government. New refineries have been started and money has been lent to the companies building these refineries based on the assurance contained in the 1973 proclamation and regulations that these new refineries

UMI

would receive on a fee-free basis—75 percent of their crude oil for a period of 5 years. Long-range financial plans for construction of these refineries have been made.

Further, importers of home heating oil and residual fuel oil have made similar long-range plans and supply arrangements based on a guarantee made by the President of the United States that a certain portion of their imports between now and 1980 would be on a fee-free basis.

H.R. 6860 is ambiguous and would leave this commitment in doubt. So in the interests of simple fairness and equity, it is important for Congress to recognize and clarify the status of this commitment. Once a contract is made by the Federal Government, upon which millions of dollars are invested in reliance, then it is the duty of the Government to carry through on its promise.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I will be glad to yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I would like to urge the support of the amendment offered by the gentleman from Massachusetts. I think it is not only an ingenious way of decreasing the rigidity of the quotas that are in this bill, but it also emphasizes some of the fuel realities we face. I would like to say the gentleman's amendment foreshadows inevitable curtailment in wide areas of the country, and we should provide for an alternative. Certainly the quotas should be adjusted upward to take care of such possible restrictions on natural gas consumption as a result of shortages which everyone can anticipate, and all should be concerned about.

I support the amendment offered by the gentleman.

Mr. CONTE. I thank the gentleman for his remarks.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. OTTINGER, and by unanimous consent, Mr. CONTE was allowed to proceed for 3 additional minutes.)

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. OTTINGER. I thank the gentleman for yielding. I would like to know what the curtailments are. There is no definition in the gentleman's amendment. Is it gas company by gas company? Do they reduce the amount from last year? How does the gentleman define it in this amendment?

Mr. CONTE. That is very, very simple.

Mr. Chairman, the Federal Power Commission reports that out by quarter, so if the second quarter is below the first quarter, then we would make it up in oil, and likewise as it goes along quarter by quarter.

Mr. OTTINGER. So is a curtailment a decrease in supply from one period over another period as determined by gas producers?

Mr. CONTE. That is exactly right.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a very disruptive and, it seems to me, contradictory amendment. I hope it is voted down.

In the first part of the amendment the gentleman would increase the quotas by an amount that could be equated with natural gas curtailments.

In the first place, this is an extremely difficult measurement. In the second place, we took this fully into consideration in setting the quotas themselves. In the third place, it is wrong in principle.

There are many utilities using natural gas that should be converting to coal. New England, for instance, only has 3 percent of its electrical energy produced by the buring of coal, and it ought to be much higher than that. If natural gas for any reason is phased out there, coal conversion ought to be the way they should go, and we should not be substituting, as this provision would, the increased importation of oil.

Mr. Chairman, the second part of the amendment offered by the gentleman from Massachusetts (Mr. CONTE), however, is even more difficult and even more far reaching in scope. What the gentleman attempts to do here is to keep in place the current waivers of the current allocation license fee system. The bill rolls back completely the Presidential authority on import fees, and in doing so eliminates this series of very discriminatory exceptions that we have in the license fee system. What the amendment attempts to do is to carry over these very inequitable situations in the import fee system into the duty system.

There is no way that can be done in an equitable way. We should take into account the fact that FEA has urged we eliminate these discrepancies and it has been attempting to eliminate these discrepancies and imperfections in the import fee system.

It is wrong to hold them in place, but, more importantly, there is no way administratively that it can be done. There is simply no provision for import fees of any kind in the duty section of the bill. We just simply cannot translate import fees into duties.

So for those reasons, Mr. Chairman, I think it is a very disruptive amendment. I think it would do great harm to the bill, and I urge the Members to vote it down.

Mr. COTTER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Connecticut.

Mr. COTTER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, is it not true that there is flexibility provided for in this section of the bill whereby the President can increase or decrease imports because of a situation such as this?

Mr. ULLMAN. Yes, the gentleman is absolutely correct.

The bill gives the President authority to raise the quota levels by up to 1 million barrels a day for the first 3 years, up to 1.5 million barrels a day for the next 2 years, and up to 2 million barrels a day thereafter. A shortage of natural gas that is more than was expected—more than was taken into consideration by the Federal Energy Administration in computing the "base case"—is precisely the sort of situation that was intended to be allowed for in the flexibility that the bill gives to the President.

He has total flexibility. He can take into consideration different figures for different classes of petroleum, but to try to translate these old discrepancies, these old inequities, into this new system, it seems to me, would be very disruptive.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I support the chairman of the committee and speak in opposition to the amendment.

Is it not the case that many oil companies also produce gas for sale, and under this amendment we might well create incentives for people to curtail their supplies in order to get increased import quotas?

Mr. ULLMAN. The gentleman is absolutely correct. That applies to the first part of the amendment. That would attempt to expand the quotas on natural gas curtailment. We could develop all kinds of artificial situations that would expand the quota, and, it seems to me, would create a very inequitable result. It is extremely disruptive.

Mr. OTTINGER. We voted last night to keep in the heart of this bill providing import quotas, announcing that we intended to conserve. I would hate to see a gradual erosion today, piece by piece, of the quotas which we had the strength to adopt last night.

Mr. Chairman, I would hope and urge that the amendment be defeated.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Conte amendment is one that I am going to vote for.

It seems to me that before we get to the final decision on title I, we really ought to pose to the House the problem, at least that I see, when we have gone the route of the quota system. My own view is that we are putting the cart before the horse in this instance.

I was, I suspect, the only Republican on the Committee on Ways and Means who at any time expressed interest in the quota system. I did so because I thought there was, in fact, some value in putting up a ceiling and saying to the OPEC countries: "Beyond this point we are not going to go. There is a limit in terms of how much petroleum we are going to import into this country."

However, Mr. Chairman, the point that the gentleman from Massachusetts (Mr. CONTE) is making is one that I think all of us must more carefully consider. Frankly, we are operating in this bill with the quota system under title I without any knowledge whatsoever about the actions that we are going to take in titles II, IV, and V that will affect the quota system.

I do not care how I end up on this bill. If, for example, the gas tax of 20 cents beyond the 3 cents that is contained in the bill is removed, that has a profound effect upon the conservation measures that might be taken to achieve the quota concept. If, for example, we remove the incentive for home insulation, we also will have removed from the bill one of the important conservation aspects of the legislation.

Therefore, Mr. Chairman, when we get down to where we are right now, from at least this one Member's perspective, what we are faced with when we get to an approval or disapproval of title I is a decision without any knowledge of all of the facets that are required to know whether or not that decision is proper.

I would say respectfully to my chairman that I do not think the Committee on Ways and Means paid the slightest bit of attention to natural gas and the effect that shortfalls in natural gas or curtailment in natural gas would have on the need for a quota or the level of the quota. We were operating, by and large, with a kind of tunnel vision, which all committees of this House are subject to, but which perhaps our committee is more subject to than most. We tended to look at things in terms of the framework of the Tax Code in our decisionmaking process.

If there is any weakness in terms of the House this year in dealing with energy, it is the weakness in the fact that we do not have an Energy Committee.

We muffed that last year when we did not pass House Resolution 988 in its original form. So we have given the Committee on Ways and Means the responsibility to deal with energy simply because we have some of the aspects of the President's program as it is related in that program dealing with quotas, imports, and all the rest of it. I say to my colleagues that the amendment offered by the gentleman from Massachusetts (Mr. CONTE) points up one of the weaknesses of this bill, and a fundamental flaw in title I. And when we get to the point where we have finished all of the amendments to title I, then we will be asked to make a decision on that title without, frankly, having any basis for that decision whatsoever.

I hope the amendment is agreed to.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I think the gentleman from Wisconsin has made a good point about the committee not considering the shortage of gas.

The Minnesota Energy Agency, the State agency which is charged with taking care of energy decisions, tells me that we will be 25 percent short of what we had last winter in natural gas. And we had a warm winter. That does not mean that anybody is going to freeze, but there will be some unemployment if we do not have oil to take the place of natural gas. Without this amendment, we will be in trouble.

The Conte amendment is an absolute necessity in my area.

Mr. STEIGER of Wisconsin. I appreciate the comments of the gentleman from Minnesota.

Mr. BURKE of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, do you know what we are going through here? We are having all these amendments being offered. I think there will be a record insofar as the number of amendments are concerned. I said the other day that I hoped that there would not be any mischievous amendments offered. I do not know about that. But when I see the gentleman from Louisiana being joined by people from the northeast, fighting for the northeast, I wonder.

What we are failing to recognize here is that we have got coal coming out of our ears in this country.

This amendment does not deal with coal, it deals with oil. We have to cut down on the importation of oil and our dependency on the importation of oil, and we have to develop the use of coal in this country.

We have coal piled up all over the Nation. As the chairman so well pointed out, in New England the utilities used only 3 percent coal, and the environmentalists tell us they cannot use any more, but you can go to other areas of our country and you will find that the utilities are using up to 85 percent coal for their energy.

We have to face reality in New England. We have to build refineries up there. We have to have offshore drilling. We have to stop the dependency of this country on imported oil, and to stop being made the victim of the Arab holdups. They are going to come in here with a $4 increase per barrel on oil in September.

What are we doing here? We are fiddle-faddling around.

I have asked the opposition party to give us some cooperation on this bill. What have they done? They have tried to gut this bill at every step.

The chairman here has been a real statesman. He has stuck his neck way out; he has gone far out trying to preserve the energy of this country. What does he get? Do we see in any way any cooperation from the other side? No.

We ought to defeat all these amendments that they offer. I voted against the last amendment. Oh, it would have been very popular for me to have voted for it. I could have been loved by everybody, as my friends from New York say. I might have been loved by everybody. I do not want to be loved by everybody. I want to do what I believe is in the best interest of our Nation. The thing we have to do is to bite the bullet. I would like to have the opposition party show us some statesmanship and cooperation. What are they doing here? They are trying to gut this bill at every step. The same speakers get up here at every point. Yet when the gentleman from Minnesota (Mr. FRENZEL) offers a motion today, where were those people who were up here speaking for the Waggonner amendment? They were not here. They walked out of the Chamber.

I tell the Members there is a lot going on in this Chamber that I do not like. I have often said that things are not on the level. When we look at the activity on this other side of the aisle and the irresponsible action on their part, and the failure of this administration to come in to cooperate, to put together a good energy bill that will protect the future of this country, we realize what they are concerned about.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman from Massachusetts for yielding to me.

On behalf of the minority party, may I remind the gentleman in the well that the Committee on Ways and Means is made up of a majority of 2-to-1 plus 1 and can put out any bill they want to come out. Passage of the bill from committee was 19 to 16.

Mr. BURKE of Massachusetts. That is right. The previous speaker who spoke here about conservation—I meant to ask him how he felt about snowmobiles. I do not mean the gentleman who just left the microphone but the gentleman from Wisconsin. He is for conservation, but he wants snowmobiles exempted. Snowmobiles?

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I thank the gentleman from New York for yielding.

First, let us set the record straight. If I ever learned anything about politics, the gentleman and I served in the House together; we came to the Congress together; and if ever there was a master politician, it was the gentleman from Massachusetts (Mr. BURKE). I tried to tear a page out of his book. But let me set the record straight. I hope he was not directing his remarks to me, because I have been cochairman of the New England caucus, first with the majority leader, and now my colleague from the Second Congressional District. Everything I fought for here came out of the New England caucus, so I am not in collusion with anybody to try to gut this bill. I was the first one in New England ever to speak against the quota system on this floor 17 years ago, and if anyone has given a thousand speeches against the oil companies, the oil barons, and the administrations from Eisenhower, Kennedy, Johnson, Nixon, down the line, it came from this guy right here. So I speak from the heart, and I believe in what I am trying to do.

He knows I was the first one who went out to the west coast to inspect an environmentally clean refinery. I visited the Arco refinery at Bellingham, Wash., came back, and urged all of my New England Congressmen to join me and build a refinery in New England.

I am for offshore drilling. If I have said it once, I have said it a thousand times. I am for coal burning. I went to the previous Governor of Massachusetts and begged him to have conversion. He was at the same meetings where I spoke, and I said, let us have conversion. But, unfortunately, EPA has put a block on that. More than that, we cannot convert overnight.

We are 90 percent dependent on foreign residual oil in New England. I represent Massachusetts, and I represent the First Congressional District. I do not

UMI

give a hoot what is in this bill; I am not going to lead my people down a primrose path by this quota system. I know what this has done.

This is a fair amendment. What is wrong with it? I am not increasing it by 1 million barrels or 2 million barrels. I am only saying when the Federal Power Commission says that there is this much curtailment in natural gas, then we give that much more oil to these people. That is all I am saying. What is wrong with that? It is not a mischievous amendment.

First, I thought it was going to help Massachusetts. Let me give my colleagues some statistics here.

For the January–March 1975 quarter, the curtailment in Alabama would mean a new demand for 30,000 barrels of oil per day for that quarter; Arizona, 41,000 barrels; Arkansas, 77,000 barrels; California, it will mean 85,000 barrels; Illinois, 25,000 barrels for that quarter; Kansas, 66,000 barrels; Louisiana, the big producer of oil and gas, 130,000 barrels of oil. That will be the curtailment of natural gas to Louisiana. North Carolina, 35,500 barrels; Ohio, 136,750 barrels. This is an amendment that affects the entire country, and that is all I am trying to do is help, not hurt the bill.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I want to say to my good friend, the gentleman from Massachusetts (Mr. CONTE) who seems to be very upset by what I said, I was merely pointing out there is a strange alliance between the gentleman from Massachusetts and the gentleman from Louisiana (Mr. WAGGONNER). The gentleman from Louisiana (Mr. WAGGONNER) is on my committee and the gentleman from Louisiana (Mr. WAGGONNER) is I believe one of the ablest Members of this House; but when I see an alliance like this, I begin to wonder. It bothers this gentleman a little bit.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman.

Mr. CONTE. Mr. Chairman, I do not know how long the gentelman from Louisiana (Mr. WAGGONNER) has been here, but I have been here 17 years and it is the first time I have agreed with the gentleman from Louisiana (Mr. WAGGONNER). I am glad to be on his side if it will help New England.

Mr. MARTIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment which has been offered by the gentleman from Massachusetts (Mr. CONTE).

Last year the State of North Carolina experienced curtailments in our natural gas deliveries on the order of 42 percent. Forty-two percent of the orders could not be met because of the decision by the Federal Power Commission to reduce the amount of natural gas which could be available to North Carolina and because of the second factor, the fact that we only have one pipeline which delivers natural gas to the homes, businesses and industries in our State.

Many people do not recognize the difficulties we are facing with natural gas supplies and are unwilling to free up the marketplace by decontrol so people will have an incentive to produce more natural gas.

As we go down the road we will see natural gas shortages reflected throughout our economy until we end up deregulating the control the Federal Power Commission has exercised on the price that can be charged at the well head. Only then will the incentive be there to drill for and produce gas.

Next year we are expecting in North Carolina there will be no natural gas, absolutely no natural gas available for any industrial use or for any commercial use. The only people who will be able to get natural gas in our State next year will be residential users. They will be able to have natural gas for their own purposes to heat their homes, which is fine, but they will not have the natural gas that is needed to heat their offices and their factories where they work to earn the money to buy gas for their homes. In some very critical and very essential cases, natural gas is used to manufacture fertilizer or in the manufacture of textiles. Natural gas is an essential fuel for drying textiles in the dyeing and finishing process.

In the past it has been impossible to compensate these industries for the loss of natural gas by getting their additional supplies of oil and propane. This is because of the fact that while the Federal Power Commission controls natural gas supplies, the Federal Energy Administration controls the allocation of supplies of petroleum and petroleum products. So there was no way to balance the energy requirements of these industries and commercial facilities. The only way they were able to get by with less gas this past year was because many of them had to close down because their inventories were backed up. They had no place to put their manufactured goods. The warehouses were already filled and so, therefore, they had to shut down. The irony is that had there not been a recession, they would still have had to shut down for lack of natural gas for this very vital function of dyeing and processing the finished fabric.

Now, I can understand the objections which have been made by the gentleman from Massachusetts (Mr. BURKE) to anyone else trying to protect their own constituents. However, in title I of this bill, several amendments were incorporated in the committee at the insistence of the gentleman from Massachusetts (Mr. BURKE) which protected his constituents and all of New England for its fuel oil imports.

First, there was an exemption of 2 million barrels per day for imported distillates and residual oil. His region depends almost entirely on these imported fuels, and so he has carved out special treatment. Then, there was special treatment for import duties for these same commodities. The result of that is that it means that he and his constituents will get all the oil they need and will not have to pay any extra tax on it like the rest of us. Now, he wants us to sacrifice and ignore the necessities of our own constituents.

Mr. Chairman, I think, if the Members of the Committee will review this information and the material which has been collected by the gentleman from Massachusetts (Mr. CONTE), they will see the desirability of adopting this amendment which would allow us to adjust for natural gas curtailments by providing additional quotas of oil and propane, petroleum products, to make up for it.

Mr. SCHNEEBELI. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I would like to address myself to the tirade by the gentleman from Massachusetts (Mr. BURKE). The Republicans on the committee, during the whole session of the committee itself and on the floor, have repeatedly stated their opposition to this bill.

Basically, there are three points to which we object. We object to the separate trust fund. We object to the 23-cents-per-gallon gas tax. We object to the quotas. We have stated our objection to these matters throughout the committee sessions. It has no partisanship ring to it. I would remind the gentleman that the vote on final passage on voting the bill out of committee, despite the fact that the numbers are 2 to 1 plus 1, the vote was 19 to 16.

If the gentleman wants to talk about partisan politics, the only way this bill came out of committee was with a switch of four Democratic votes on a deal that was made, and then they tried to repudiate that deal on the floor. If they want to talk about partisan politics, we can enter into that subject as well.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I would like to ask the gentleman to tell me how many votes are extended against some of these mischievous amendments on his side of the aisle.

Mr. SCHNEEBELI. They are not mischievous amendments. They are amendments mostly brought up by the parties on the gentleman's side of the asile. We voted against some of those, such as the Mikva amendment, which was from the gentleman's side. We voted against the Waggonner amendment. We have virtually no amendments that have come to the floor from our side.

Mr. BURKE of Massachusetts. I want to commend my good friend from Pennsylvania, although I do not agree with him.

Mr. SCHNEEBELI. I resent the charge of partisan politics.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, there was one point the gentleman from Massachusetts made which struck a responsive chord for this Member. I am not a member of the committee and certainly am not expert in energy, but I agreed with what he said that we need offshore drilling.

It is my recollection that almost every

Governor belonging to the other party bordering on the Atlantic did oppose it.

Mr. SCHNEEBELI. That is my recollection.

Mr. ASHBROOK. So, I think he probably ought to work on them.

Mr. SCHNEEBELI. A short time ago they were against building refineries in their States. They wanted all the benefits, but none of the problems.

Mr. MIKVA. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, members of the committee, let me first address myself to my distinguished colleague from Pennsylvania. There was no repudiation of any deal that was made. There is no question that the amendment on the purchasing authority was very bitterly fought in the committee. As the gentleman from Wisconsin pointed out, we had several separate votes on it, and at a certain point the chairman and some other Democrats on the committee felt that they would rather yield on that than yield the whole bill. They stayed with that agreement.

I wish I could have persuaded my chairman to repudiate the deal. He did not repudiate it. He vigorously supported his commitment, and the proof of that is that we lost on the effort to put back the purchasing authority. I happen to think that it weakened the bill, but that battle is over.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. I thank the gentleman for his kind approach to this problem. There was an arrangement made. Without change, the bill would never have come out of committee, and the arrangement was made with Members of your party. That is what I was referring to. I was answering the partisanship charge which came up against us.

Mr. MIKVA. Let me assure the gentleman that there is no partisanship on the bill in terms of that particular proposition. It is simply a proposition of trying to find a combination of forces on which to get enough votes to get the bill out of committee.

I respect my chairman, even though I disagree with him on what he gave up to find that coalition.

But let us talk about what else the gentleman from Pennsylvania said. What the gentleman from Pennsylvania said is that the Republican position on this bill is that they are opposed to quotas, they are opposed to a gas tax, and they are opposed to the trust fund.

I twitted my colleague from Minnesota yesterday that such a position leaves the title intact and nothing else.

I understand the gentleman's opposition to the bill. The gentleman made it very clear from the beginning that he does not like this energy bill. What disturbs me is that, in the effort to pass some of these amendments, the gentleman is making it sound like the bill would be improved if those amendments are adopted. And, of course, nothing could be further from the truth. You are gutting the bill.

We fought a long, hard fight yesterday on the quota system, and once again we fought it in our own party, as well as the other side. I think there was almost solid Republican support for the position to get the quota section of the bill. We sustained the quota section. And now today we are nibbling away at it again. If we get rid of the quota system, if we get rid of the gas tax, if we get rid of the energy trust fund, then you will be well justified in saying that this is not only a marshmallow, it is a rotten marshmallow and you ought not to vote for it.

I think the gentleman will understand that some of us on this side of the aisle, even though we might not like some particular feature of the bill, we recognize that this bill is the only vehicle for a sound energy policy for this country.

We argued up and down on the question of should there or should there not be a quota system. We won that fight. The majority of the committee said we ought to keep the quota section in. My colleague from Louisiana was successful in getting an amendment adopted which, down the line will severely weaken the quota system.

I would address these questions to the chairman. I believe the quotas in 1979 and 1980 would approximate 8 million barrels a day; is that correct; Mr. Chairman?

Mr. ULLMAN. If the gentleman will yield, the Waggonner amendment increased the quota by 500 thousand barrels a day in 1979 and by a million barrels a day in 1980 and thereafter. That is right. What we have in this amendment is on top of that.

Mr. MIKVA. Let me just say we are putting one on top of the other.

Mr. ULLMAN. If the gentleman will yield, then on top of that we have the 2 million barrels a day leeway we have given the President. So the Waggonner amendment increased the quota from 5.5 to 6.5, and we have a 2-million Presidential leeway. That goes to 8.5. Anyone who calls that a crunch just does not understand the problem. As I said in the debate on the Waggonner amendment, we can live with the Waggonner amendment. Even though I did not want it in the bill, we can live with it. But to add this amendment on top of the Waggonner amendment is to erode the very base of the quota system. It seems to me we have to stop here. Let us vote down this amendment and other amendments that would weaken this bill.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. I thank the gentleman for yielding. The gentleman is referring to the fact that we were adopting the Waggonner amendment. I would like to say that, being outnumbered 2 to 1, we would have had to have the help of an awful lot of Members on the other side of the aisle if we were attempting to gut this bill.

Mr. MIKVA. I never assumed that there was a monolithic position on this side of the aisle on the bill. It surprised me, frankly, that there is such a monolithic position on the gentleman's side on this bill. I do not know any magic answers for the energy problem. If anybody in the Congress has all of the answers, they have kept that secret to themselves.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. MIKVA was allowed to proceed for 2 additional minutes.)

Mr. MIKVA. Mr. Chairman, I would only say that we are trying to find a means, a modus operandi, for getting out of this energy jungle. We are trying to put all of these pieces together in a workable program.

So I would say to my colleague from Pennsylvania that I understand his position. I would be shocked if the gentleman voted for the bill after the strong way in which he expressed himself in the committee, and it is a respectable position.

It is a respectable position. I am not suggesting that it is not. I only say we should at least let the vote, when it comes to final passage, come on a bill that has something in it other than the title of an energy bill. If all of the separate gutting amendments are adopted that have been mentioned on the other side, there will not be much left.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I want the record to be clear.

The natural gas curtailments were in the base case we worked on in setting the quotas. Anyone who says they were not, does not know the facts. We did take into full consideration the natural gas curtailments in setting the quotas.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, in addition to all the protection my colleague has mentioned with respect to New England and other areas of the country contained in this bill, there is also an allocation bill coming out of the Committee on Interstate and Foreign Commerce toward which this question can be directed. It seems to me we are talking here more about allocations than about quota systems.

Mr. Chairman, I associate myself with the remarks of the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Chairman, I thank the gentleman.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I would like to note that on the energy proposal before us there has not been monolithic support from the Democratic side.

I would like to ask, however, if there had not been monolithic opposition on the Democratic side to the President's original energy proposals and if a lot of our troubles in putting together a good legislative program have not emanated from that comparatively monolithic majority rejection of the President's proposals.

Mr. MIKVA. Mr. Chairman, I would

UMI

only say in answer to my colleague, the gentleman from New York, that when he associates the word, "monolithic," with the Democratic Party, he is talking about a different party than the one I belong to and love. The more Members we have, the more occasions we have to disagree with one another.

Mr. CONABLE. Mr. Chairman, if the gentleman will yield further, I suggest it is incredible that the Members on the other side were able to forge such solid opposition to the President's proposals, and I personally find it difficult to attribute it to anything but politics.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MIKVA) has expired.

(On request of Mr. ULLMAN and by unanimous consent, Mr. MIKVA was allowed to proceed for 1 additional minute.)

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I think it is extremely important that the record here show that the opposition to the President's program was not based on political considerations but on substantive considerations. It simply is not right and proper to put that kind of an inflationary impact into the economy at this time. As a matter of fact, it can be disastrous.

So, Mr. Chairman, our opposition is a substantive and a real one and a justified one; it is not a partisan political one.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I would just like to say that my opposition to the President's proposals are based on one very simple fact. His proposals are being written by a couple of multimillionaire guys from the oil industry, one of them being the Secretary of the Treasury, who became a millionaire by selling securities for the oil companies, and I just do not want the oil companies running the country.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MIKVA) has again expired.

(On request of Mr. CONABLE and by unanimous consent, Mr. MIKVA was allowed to proceed for 1 additional minute.)

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I would like to thank the gentleman from Ohio (Mr. HAYS) for his nonpolitical intervention here.

I also would like to say to the gentleman from Illinois (Mr. MIKVA) that it is just possible that the opposition on this side in relation to the proposal now before the House is substantive rather than political. I regret that we have gotten into this kind of a partisan exchange, and I hope we can move ahead with this and consider the individual parts of the bill on the merits.

I suspect there will continue to be disagreement, however, about this proposal, but it would be inaccurate to attribute our continuing hostility to the basic threat of this legislation to politics.

Mr. MIKVA. Mr. Chairman, let me assure my colleague, the gentleman from New York, that his feelings are reciprocated. I do not oppose the President simply because he is a Republican but, rather, because I think his proposal is wrong.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to call the attention of the Members to a few words in the amendment which has been offered. I am reading three lines of the amendment:

> • • • shall be increased by the amount of petroleum and petroleum products determined by the Federal Power Commission to be necessary to compensate for natural gas curtailments.

Are we saying in effect that between now and 1980 and 1981 and thereafter this Nation is not going to be capable of introducing synthetic gases or gases from coal?

We must strike the word "natural" and just use "gas curtailments" in order that then we would have a measure of the necessary petroleum products and oil introduced into the stream because of the fact that gases of all kinds are not available.

We are now operating many, many institutions in this country on coal gas. I know one plant—and I will be glad to take the Members to it—that has been operating for 50 years or more on coal gas. There are many in the United States.

Mr. Chairman, we have the know-how. There is no reason in the world that we cannot produce one quadrillion Btu's of gas within 1½ years—18 months from this date.

The gas-producing coal unit was offered to the United States the month that the embargo was put on, which was almost 2 years ago. It was rejected. That gas unit now is producing in a foreign country.

Right now, today, we have enough know-how. We are tooled up. We have the capability of turning coal into gas in this Nation within 18 months.

While we are talking here about natural gas curtailment, I will give the Members an answer if they will follow it. I will guarantee that there will be no gas curtailment after this year; and if there is, I will just happily go home and resign from Congress. That is how much I know I am right.

We have today so-called regulations, controls, on gas. We cannot expect the gas companies to lift those controls, and I will explain why. It is a matter of economics. These controls were put on when labor was about 60 cents to 75 cents a day. These controls are now still on, and yet we are asking the gas companies to lift these controls without giving them sufficiency of return to continue to search for gas.

We have billions and billions of Btu's of unused, already known sources. Many of the wells have already been tapped, and they can be put into the stream of energy in this Nation within 90 days if we have the courage to lift the controls.

The idea has been expressed that if we lift the controls, there will be windfall profits. That we have within our control. We can control that by taxation. We can do anything that this Congress wants to do except one thing: get together on a bipartisan basis to meet the energy crisis, which can be the death knell of this Nation.

Mr. Chairman, I do not know how many of the Members are serious. I cannot understand why an intelligent body like this cannot measure the dangers of tomorrow against the problems of today.

Let me tell all of the Members something: There is gas in this Nation available. There is a threat of a 40-percent cut or curtailment of gas this winter. That need not be. It need not be if we can lift the controls.

That is their price. Pay it. The price of the OPEC nations is $4, $8, $10, or $15 a barrel, and there will be more of an increase within the next 12 months. That is the price they demand. I would rather pay that extra money to American companies producing here in the gas and oil fields than to pay it to the OPEC nations. However, if we are going to play that kind of game, where we are going to willingly pay whatever the demands are in Europe, in Asia, and everywhere else, whatever is demanded from us for oil, we will be foolish, especially if we are unwilling to pay a reasonable cost for American production.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. DENT) has expired.

(By unanimous consent, Mr. DENT was allowed to proceed for 2 additional minutes.)

Mr. DENT. Mr. Chairman, to continue what I was saying, there is no one in this room who can go out and stand before the public this winter and talk about why he did this or that on a partisan basis.

If there was ever an issue before this Congress that demanded setting aside partisan views, this is it. Of course, the opposition to the President's proposal was one of natural procedure.

We are the legislative body. I am getting sick and tired of the President acting as President and working as the leader of the Republican Party and the Congress of the United States. We are not going to buy minority rule in this House, whether it be by means of vetos or whether it be by means of innuendos and charges. We are the responsible party. We ask your cooperation. We give you every opportunity to get your input into legislation, but when the bell is tolled, whatever comes out of this Congress will be laid at the door of the Democratic Party.

We believe this bill has in it the essense of good. Most of it is disagreed with probably by groups here and there. I do not like most of it myself—I am very honest about it—but I am not going to impose my opinion and my judgment over a committee of this House that has struggled to come out here with the best bill it can. I defy any mere person in America to write an energy bill at this moment that could get a majority anywhere in this country, because most of us do not know too much about it.

I plead with the Members—let us stop this business of offering 100 amendments, or 150 amendments. This is a legislative body. We have legislative processes we can use. If this Committee has not been able to come up with a perfect instrument then we can do what we have done for almost 200 years, we can come back with amendments that will correct it.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope that I will not have to use the full 5 minutes, but I do seek some information and I apologize for not knowing more about the bill.

We have been told in Ohio that we will face in the winter months of next year a 70-percent cut in natural gas for industrial uses, and a 50-percent cut for public institutions such as schools. What are we going to do? What does this bill allow us to do? Should we shut down our industries and put people out of jobs, and deepen the depression?

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, may I say that this bill will not affect the situation the gentleman from Ohio is talking about. What the gentleman from Ohio is doing is highlighting the absolute necessity of passing this bill, and having some energy base.

There is coal unlimited in this country. What it means is we have to take away some of the barriers to developing coal mines.

The gentleman from Pennsylvania (Mr. DENT) has suggested that we have almost an unlimited capacity to make gas out of coal. There are roadblocks in its way that we ought to be removing. There is no reason why we have to have this kind of crunch if we do the things that are set forth in this bill, and that of the Committee on Interstate and Foreign Commerce, that will put an energy base in this country.

Mr. HAYS of Ohio. Mr. Chairman, I might add that the people downtown have been trying to find where to put a gas conversion plant here in the East, and they have been searching for such a location for a year now, and they have not even made a decision on the site. Not only that, but they have rejected technology that works because they say it is a foreign technology. I am interested in anything that will keep the people in my district working.

There is no way to keep this glass plant which employs 800 people working unless they can get gas. Sure, they can convert to coal, but they cannot burn coal because of the pollution. Right now at one town in my district people who live there, because of the pollution from the power industries which burn coal—and they burn coal exclusively in Ohio—they are taking into their lungs every day, just by the people living there and breathing, the equivalent of smoking two packs of cigarettes. We cannot pile more pollution on top of that kind of pollution. I want to get on with coal conversion but the bureaucrats keep dragging their feet.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

I fully sympathize with the gentleman's point. It just simply means we are going to have to make some hard decisions on environmental matters and other matters so that we can get going on coal conversion. But there is nothing in this bill or in this quota system that will in any way hamper solutions this coming year. The advantage of this bill is that it is phased in over a number of years, and it will have no adverse impact on what the gentleman's problem is this coming winter. There is enough oil under any circumstances allowed to come in. But in the long run this Nation has got to face up to the basic problem of converting its energy base, and if it does not, we are just going to have many more crunches down the road.

Mr. HAYS of Ohio. What is wrong, then, with the Conte amendment that will, as I understand it, allow oil to come in to replace the curtailment of gas? That is the thing I do not understand.

Mr. ULLMAN. If the gentleman will yield further, in the basic case we put together establishing the quotas, we made an assumption of major cutbacks in natural gas. That is in the quota system already. That is built in.

Mr. HAYS of Ohio. Who administers that?

Mr. ULLMAN. If the gentleman will yield, FEA administers the program, but this does fully take into consideration the problems the gentleman raises, and the import of oil is not going to put a restriction on the solution to the problem which the gentleman faces.

Mr. HAYS of Ohio. If it is some bureau downtown that administers the program, I have a sneaking feeling that we are going to have a lot of unemployment and a lot deeper depression, because I have not found any bureaucracy down there that can administer anything very well. I just lay the whole range of them on the line.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman for yielding.

I understand the concern of the gentleman from Ohio. I will say to the chairman of the Committee on Ways and Means he could not have taken into consideration the situation in Ohio, because I have here the oil equivalent of curtailments in natural gas for Ohio for January to March 1975, which were 136,570 barrels a day. So he could not have had those figures when he considered this quota system which he set up.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman.

Mr. ULLMAN. I thank the gentleman for yielding.

What the gentleman has referred to is an FPC study.

Mr. HAYS of Ohio. Right.

Mr. ULLMAN. That is an effort to get the industries to shift. I would suggest now that probably there is a lot of scare in the figures that he has mentioned. There do not have to be the kind of cutbacks he is talking about this coming winter if we do the proper things in the Commerce committee on decontrol and deregulation, and other matters. We can keep natural gas flowing. We do not have to have that kind of crunch.

Mr. HAYS of Ohio. I will say to the gentleman I do not think we have to have it. I think it is a deliberate plan on the part of the gas companies to get deregulation and windfall profits. I do not think that they are putting these cuts into effect because they do not have the gas; I think it is dollars that affect their thinking.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken, and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 195, noes 213, not voting 25, as follows:

[Roll No. 282]

AYES—195

Abdnor	Flowers	Moakley
Anderson, Ill.	Forsythe	Moffett
Andrews, N.C.	Fountain	Moore
Andrews, N. Dak.	Fraser	Moorhead, Calif.
Archer	Frenzel	Moorhead, Pa.
Armstrong	Frey	Mosher
Ashbrook	Fuqua	Motti
Aspin	Gibbons	Murtha
Bafalis	Gilman	Myers, Ind.
Bauman	Goldwater	Neal
Beard, R.I.	Goodling	Nedzi
Beard, Tenn.	Gradison	Nichols
Bell	Grassley	Nowak
Biester	Gude	O'Brien
Boggs	Guyer	O'Hara
Boland	Hagedorn	O'Neill
Breaux	Hamilton	Passman
Broomfield	Harrington	Perkins
Brown, Mich.	Harsha	Pettis
Brown, Ohio	Hayes, Ind.	Peyser
Broyhill	Hays, Ohio	Pressler
Buchanan	Heckler, Mass.	Preyer
Burgener	Hefner	Quillen
Butler	Heinz	Railsback
Byron	Helstoski	Regula
Carney	Henderson	Rhodes
Carter	Hillis	Rinaldo
Cederberg	Holt	Robinson
Chappell	Horton	Roe
Clancy	Hubbard	Rogers
Clausen, Don H.	Hutchinson	Rose
Cleveland	Hyde	Roush
Cochran	Jeffords	Rousselot
Cohen	Johnson, Colo.	Ruppe
Collins, Tex.	Johnson, Pa.	St Germain
Conable	Jones, N.C.	Sarasin
Conlan	Kasten	Sarbanes
Conte	Kelly	Satterfield
Coughlin	Kemp	Schneebeli
Crane	Ketchum	Schulze
D'Amours	Kindness	Sebelius
Daniel, Dan	Lagomarsino	Sharp
Daniel, R. W.	Latta	Shriver
Devine	Lehman	Shuster
Dickinson	Lent	Sikes
Drinan	Lloyd, Tenn.	Skubitz
Duncan, Tenn.	Long, La.	Smith, Nebr.
du Pont	McClory	Spence
Early	McCollister	Stanton, J. William
Edwards, Ala.	McDade	Steelman
Emery	McDonald	Steiger, Ariz.
Erlenborn	McEwen	Steiger, Wis.
Esch	McKinney	Stuckey
Eshleman	Macdonald	Studds
Evans, Ind.	Martin	Symms
Fascell	Meicher	Talcott
Fenwick	Meyner	Taylor, N.C.
Findley	Michel	Thompson
Fish	Miller, Ohio	Thone
Florio	Mills	Thornton
	Minish	
	Mitchell, N.Y.	

UMI

Treen	Whitten	Young, Fla.
Vander Jagt	Wiggins	Young, Ga.
Waggonner	Winn	Young, Tex.
Walsh	Wydler	
Wampler	Wylie	

NOES—213

Abzug	Gaydos	Oberstar
Adams	Giaimo	Obey
Addabbo	Ginn	Ottinger
Alexander	Haley	Patman, Tex.
Ambro	Hall	Patten, N.J.
Anderson, Calif.	Hammer-schmidt	Patterson, Calif.
Annunzio	Hanley	Pattison, N.Y.
Ashley	Hannaford	Pepper
AuCoin	Harkin	Pickle
Badillo	Harris	Pike
Baldus	Hawkins	Poage
Barrett	Hechler, W. Va.	Price
Baucus	Hicks	Pritchard
Bedell	Hightower	Quie
Bennett	Holtzman	Randall
Bergland	Howard	Rangel
Bevill	Howe	Rees
Biaggi	Hughes	Reuss
Bingham	Hungate	Richmond
Blanchard	Ichord	Riegle
Blouin	Jacobs	Risenhoover
Bonker	Jarman	Roberts
Bowen	Jenrette	Rodino
Brademas	Johnson, Calif.	Roncalio
Breckinridge	Jones, Okla.	Rooney
Brinkley	Jordan	Rosenthal
Brodhead	Karth	Roybal
Brooks	Kastenmeier	Runnels
Brown, Calif.	Kazen	Russo
Burke, Calif.	Keys	Ryan
Burke, Fla.	Koch	Santini
Burke, Mass.	Krebs	Schroeder
Burleson, Tex.	Krueger	Seiberling
Burlison, Mo.	LaFalce	Shipley
Burton, John	Landrum	Simon
Burton, Phillip	Leggett	Sisk
Carr	Levitas	Slack
Casey	Litton	Smith, Iowa
Chisholm	Lloyd, Calif.	Snyder
Clay	Long, Md.	Solarz
Collins, Ill.	Lott	Spellman
Corman	Lujan	Stark
Cornell	McCloskey	Steed
Cotter	McCormack	Stephens
Daniels, N.J.	McFall	Stokes
Danielson	McHugh	Sullivan
Davis	McKay	Symington
de la Garza	Maguire	Taylor, Mo.
Delaney	Mahon	Teague
Dellums	Mann	Traxler
Dent	Mathis	Tsongas
Derrick	Matsunaga	Udall
Derwinski	Mazzoli	Ullman
Dingell	Meeds	Van Deerlin
Dodd	Metcalfe	Vander Veen
Downey	Mezvinsky	Vanik
Downing	Mikva	Vigorito
Duncan, Oreg.	Milford	Waxman
Eckhardt	Miller, Calif.	Weaver
Edgar	Mineta	Whalen
Edwards, Calif.	Mink	White
Eilberg	Mitchell, Md.	Wilson, Bob
English	Montgomery	Wilson, C. H.
Evans, Colo.	Morgan	Wirth
Fisher	Moss	Wolff
Fithian	Murphy, Ill.	Wright
Flood	Murphy, N.Y.	Yates
Foley	Myers, Pa.	Yatron
Ford, Mich.	Natcher	Young, Alaska
Ford, Tenn.	Nix	Zablocki
Fulton	Nolan	Zeferetti

NOT VOTING—25

Bolling	Hastings	Roetenkowski
Clawson, Del	Hébert	Scheuer
Conyers	Hinshaw	Staggers
Diggs	Holland	Stanton, James V.
Evins, Tenn.	Jones, Ala.	Stratton
Flynt	Jones, Tenn.	Whitehurst
Gonzalez	Madden	Wilson, Tex.
Green	Madigan	
Hansen	Mollohan	

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: Strike out section 112 (relating to establishment of import licensing system) beginning on page 9, line 9, and ending on page 14, line 19.

Strike out part IV, beginning on page 20, line 16, and ending on page 21, line 23.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I wonder if we might be able to reach an agreement on time.

This amendment is part of the Gibbons amendment. It would strike out part of what the gentleman from Florida (Mr. GIBBONS) attempted to strike yesterday. We have been through all of the debate concerning this.

Therefore, Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. CONTE. Mr. Chairman, I got a big kick out of the colloquy that went on a while ago implying that we on this side were being partisan if we offer amendments and implying that all the statesmanship is on the right side of the aisle.

When I walked in the door over here, after I had offered my last amendment and tried to explain that it was a good amendment, every Democrat I heard was saying, "This is a straight party vote. This is a straight party vote."

I think we can tell pretty well whether they were voting on the merits of the bill or whether they were voting because they are afraid of being whipped to death by their leadership.

Mr. Chairman, I rise to offer an amendment to delete the auction system for imported oil required by section 112.

I simply do not understand why this is in this bill. The committee establishes a limit on import tariffs of $1 per barrel in an attempt to keep costs under control and then sets up an auction system that will be highly inflationary. The inflationary impact will be particularly bad during the winter months when demand for heating oil is highest and everyone will be bidding for a limited number of import licenses.

So let us be very clear what we are doing after voting overwhelmingly last February against the President's tariff because it was inflationary we are today voting to increase the cost of oil imports—perhaps by even more than the President's plan.

It is simply a disaster.

While America demands some relief from inflation and sharply rising fuel prices, the administration is imposing tariffs and the House leadership wants to sell their oil to the highest bidder. No wonder the OPEC nations are laughing at us.

Last Thursday, the Wall Street Journal reported that Saudi Arabia is changing its policy and will soon lead the oil-producing nations in another large price increase.

The article quoted a high Saudi official saying this:

If the price of oil is too high, why do you increase the price in your own country?

A bit of history may explain why the auction plan is being considered. During the 1960's when foreign oil prices were substantially lower than domestic and import quotas were being given out, the quotas had, of course, substantial value. The value was the difference between the cost of foreign and domestic oil and importers were able to pocket this difference.

Many critics of the quota system thought that the Government should pocket this money, not private companies, and they proposed that quotas be auctioned. The auction would, of course, have diverted much of the value of the quotas into the Treasury without causing any increase in consumer costs. This made some sense. It is not a bad idea when foreign prices are lower than domestic.

But it is a disaster when foreign prices are higher than domestic. It simply is the wrong plan at the wrong time. It will simply mean, as I have said, more inflation and higher consumer costs.

So let us understand what we are voting for, higher oil prices for every consumer in every region.

And not only would an auction system mean higher prices for consumers, but it would also mean another huge Federal agency, redtape, and immovable bureaucrats every time a dealer needs to buy oil. If my colleagues want to freeze New England this winter, a guaranteed method is to put the Federal Government in charge of our oil supply. For that matter, if we try to distribute our oil with the same efficiency that the Federal Government runs the Post Office or the railroads, then the entire country will come to a standstill.

Oil suppliers are sharp, alert, hard-working people. They have to be to handle the hundreds and thousands of orders for fuel oil that suddenly rush on the first cold day in October or November. A bureaucrat working from 9 to 5 could never do the job that oil dealers perform. And a Federal bureaucracy could never distribute our fuel supplies as efficiently, quickly, and cheaply as our free enterprise system.

An auction system would be expensive, inflationary, inefficient, bureaucratic, and slow moving. It would be a disaster for the American economy as well as the American spirit. I urge my colleagues to support this amendment.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for 1½ minutes each.

The Chair recognizes the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I am appreciative of the fact that the committee has modified, to some extent, the licensing system, the quota import system, that I opposed yesterday.

I would hope that the committee would go further today and strike out this provision. There are a number of defective things in this provision, as I see it.

First of all, I do like the idea of raffling off these import quota tickets. If it was a pure auction or a pure raffle and if everybody was treated in the same way, I should not have much objection to it. It is not that. There are two classes of raffles or auctions here, and there is one for everybody. Then there is one for everybody who did not get something the first time around.

The second system that I have just described, I think, is full of the kind of problems that we had with the last import quota system, and that is that it is going to lead to the kind of things that leave a very bad taste in the mouths of people after they have observed it and watched it work.

Mr. Chairman, there is that chance in this second auction system, and I would urge the adoption of the amendment.

The CHAIRMAN. The Chair now recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, the gentleman from Massachusetts (Mr. CONTE) has made an excellent point with his series of amendments on this particular title.

In this case, however, we are a little confused as to how the allocation of import licenses would be achieved as long as the quota is in force and the auction system is eliminated.

In this case I would be obliged, I think, to oppose the amendment.

The CHAIRMAN. The Chair now recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, without the auction system, we simply have no mechanics for the quota system to operate.

Almost every argument that the gentleman from Massachusetts (Mr. CONTE) made was a good argument against his amendment. The FEA strongly endorses the auction system.

The auction system is the free market. The only alternative to the auction system is a straitjacketed allocation. We are either going to put into the hands of the bureaucrats the decisionmaking process that intervenes in a very complex area that will totally distort the quota system, or we will do it through a free market system.

Mr. SCHNEEBELI. Mr. Chairman, if the gentleman from Oregon will yield, let me say that I agree entirely with the gentleman.

Mr. ULLMAN. I thank the gentleman from Pennsylvania.

Mr. Chairman, this is a most disruptive amendment. It eliminates the auction process; it eliminates the free market system. Almost anyone who knows anything about quotas would agree that the auction system is the only way to do it, the only feasible way that is not disruptive.

I strongly urge that we vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The amendment was rejected.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: On page 4, strike line 1 and all that follows down through line 24 on page 28.

Mr. ULLMAN. Mr. Chairman, this is another motion to strike. We have spent so much time on this already, on the Gibbons amendment yesterday and today, I wonder if we can have an agreement as to time to debate this?

Mr. FRENZEL. Mr. Chairman, if the gentleman will permit me to interrupt, I intend at this time to discuss this amendment for about 1 minute, and then to ask unanimous consent to withdraw the amendment.

Mr. ULLMAN. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the chairman for his indulgence.

Mr. Chairman, what the gentleman says is correct. We have debated title I up and down and sideways. I think most of the serious questions in the minds of the Members have been revealed during the debate, and it is certainly true that those questions have also been revealed in the votes that have taken place. As the chairman has suggested, we on the minority side have no desire to unnecessarily prolong the debate. We think something should be passed. And, we have a great deal more affection for the chairman than we do for the committee's work product. However, I should like to note here for the record that title I should be striken. I have already discussed the problems raised by the quota. It ought to be eliminated.

Mr. FRENZEL. Mr. Chairman, I ask unanimous consent that I may be permitted to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. Are there additional amendments to be offered to title I? If not, the Clerk will read title II.

The Clerk read as follows:

TITLE II—GASOLINE CONSERVATION PROGRAM

PART I—ENERGY CONSERVATION TAXES

SEC. 211. GASOLINE CONSERVATION TAX.

(a) GENERAL RULE.—Part III of subchapter A of chapter 32 (relating to petroleum products) is amended by redesignating subparts B and C as subparts C and D, respectively, and by inserting after subpart A the following new subpart:

"Subpart B—Gasoline Conservation Tax

"Sec. 4086. Imposition of tax.

"SEC. 4086. IMPOSITION OF TAX.

"(a) GENERAL RULE.—

"(1) IMPOSITION OF 3 CENTS A GALLON TAX.—In addition to any tax imposed by section 4081, there is hereby imposed on gasoline sold by the producer or importer thereof, or by any producer of gasoline, a tax of 3 cents a gallon.

"(2) TAX TO BE DEPOSITIED IN TRUST FUND.—For provisions for depositing amounts of the tax imposed by this section in the Energy Conservation and Conversion Trust Fund, see section 411(b) of the Energy Conservation and Conversion Act of 1975.

"(b) INCREASE IN RATE IF CONSERVATION GOALS ARE NOT REALIZED.—

"(1) DETERMINATION OF DOMESTIC CONSUMPTION.—Not later than January 31, o. 1977, and of each year thereafter on January 1 of which the rate of tax imposed by this section is less than 23 cents a gallon, the Administrator of the Federal Energy Administration (hereinafter in this subsection referred to as the 'Administrator') shall make and publish in the Federal Register—

"(A) a determination of whether the domestic consumption of gasoline for the preceding calendar year exceeds the domestic consumption of gasoline for 1973, and

"(B) if it does, the percentage by which such consumption for the preceding calendar year exceeds such consumption for 1973.

"(2) INCREASE IN RATE.—If a determination under paragraph (1) yields a percentage which calls for a rate of tax under paragraph (3) which is greater than the rate of tax in effect on January 1 of the calendar year in which such determination is made, then, effective on April 15 of such year, the rate of the tax imposed by this section shall be increased to the rate of tax provided by paragraph (3).

"(3) TAX TABLE.—

If the domestic consumption of gasoline for the calendar year preceding the year in which the determination is made exceeds the domestic consumption of gasoline for 1973 by a percentage which is—		The total tax imposed by this section shall be the following cents per gallon:
More than—	But not more than—	
0	1	8
1	2	13
2	3	18
3		23

"(4) DOMESTIC CONSUMPTION DEFINED.—For purposes of this subsection, the term 'domestic consumption of gasoline' means the average daily usage of gasoline occurring within the United States."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 1976.

SEC. 212. SPECIAL MOTOR VEHICLES FUELS CONSERVATION TAXES.

(a) IN GENERAL.—Chapter 31 (relating to retailers excise taxes) is amended by redesignating subchapter F as subchapter G and by inserting after subchapter E the following new subchapter:

"Subchapter F—Special Motor Fuels Conservation Taxes

"Sec. 4051. Imposition of taxes.

"SEC. 4051. IMPOSITION OF TAXES.

"(a) SPECIAL MOTOR FUELS.—In addition to any tax imposed by section 4041(b), there is hereby imposed a tax of 3 cents a gallon upon benzol, benzene, naphtha, liquefied petroleum gas, casing head and natural gas, or any other liquid (other than kerosene, gas oil, or fuel oil, or any product taxable under section 4041(a) or 4086)—

"(1) sold by any person to an owner, lessee, or other operator of a motor vehicle or motorboat for use as a fuel in such motor vehicle or motorboat; or

"(2) used by any person as a fuel in a motor vehicle or motorboat, unless there

UMI

was a taxable sale of such liquid under this section.

"(b) NONCOMMERCIAL AVIATION.—In addition to any tax imposed by section 4041(c), there is hereby imposed a tax of 3 cents a gallon upon any liquid (other than any product taxable under section 4086)—

"(1) sold by any person to an owner, lessee, or other operator of an aircraft, for use as a fuel in such aircraft in noncommercial aviation (as defined in section 4041(c)(4)); or

"(2) used by any person as a fuel in an aircraft in noncommercial aviation (as so defined), unless there was a taxable sale of such liquid under this section.

"(c) INCREASE IN RATE.—If the rate of tax imposed by section 4086 is increased under subsection (b) of such section, then, effective on the date of such increase, the rate of the taxes imposed by subsections (a) and (b) of this section shall be the increased rate effective under section 4086(b).

"(d) EXEMPTIONS.—Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by this section on any liquid sold for use or used—

"(1) on a farm for farming purposes, as determined in accordance with paragraphs (1), (2), and (3) of section 6420(e), or

"(2) as supplies for vessels or aircraft (within the meaning of section 4221(d)(3)).

"(e) REGISTRATION.—If any liquid is sold by any person for use as a fuel in an aircraft, it shall be presumed, for purposes of subsection (b), that the tax imposed by such subsection applies to the sale of such liquid unless the purchaser is registered in such manner (and furnishes such information in respect of the use of the liquid) as the Secretary or his delegate shall by regulations prescribe."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 1976, except that no tax shall be imposed under section 4051 of the Internal Revenue Code of 1954 (as added by subsection (a)) with respect to the use by any person of any fuel sold to such person before January 1, 1976, if such sale would have been taxable under such section 4051 if it had occurred on January 1, 1976.

SEC. 213. FLOOR STOCKS TAXES; TECHNICAL AND CONFORMING AMENDMENTS.

(a) FLOOR STOCKS TAXES.—

(1) IN GENERAL.—Subsection (a) of section 4226 (relating to floor stocks taxes) is amended to read as follows:

"(a) GASOLINE CONSERVATION TAX.—

"(1) IMPOSITION OF TAX.—On gasoline (as defined in section 4082(b)) which, on a gasoline tax increase date, is held by a dealer for sale, there is hereby imposed a floor stocks tax at a rate equal to the difference between (i) the tax (if any) imposed by section 4086 on the sale of such gasoline by the producer or importer, and (ii) the tax which would have been imposed by such section on such sale if that sale had occurred on such gasoline tax increase date. The tax imposed by this subparagraph shall not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline.

"(2) GASOLINE TAX INCREASE DATE DEFINED.—For purposes of this section, the term 'gasoline tax increase date' means January 1, 1976, and any other day on which the rate of the tax imposed by section 4086 exceeds the rate of such tax in effect on the preceding day."

(2) DUE DATE OF TAXES.—Subsection (d) of section 4226 is amended to read as follows:

"(d) DUE DATE OF TAXES.—Any tax imposed by subsection (a) shall be paid at such time, not less than 90 days after the gasoline tax increase date in respect of which such tax was imposed, as may be prescribed by the Secretary or his delegate."

(b) DENIAL OF CERTAIN EXEMPTIONS AND REFUNDS.—

(1) Section 4056 is amended by striking out "under this chapter" and inserting in lieu thereof "under section 4041".

(2) Subsection (a) of section 4221 (relating to certain tax-free sales) is amended by adding at the end thereof the following new sentence: "Paragraph (2) shall not apply to the tax imposed by section 4086."

(3) Section 4293 is amended by inserting after "chapters 31 and 32" the following: "(other than section 4051 or 4086)".

(4) Paragraph (6)(C) of section 4221(d) (relating to use in further manufacture) and paragraph (3)

(F) of section 6416(b) (relating to tax-paid articles used for further manufacture, etc.) are each amended by striking out "section 4081" and inserting in lieu thereof "section 4081 or 4086".

(c) ALLOWANCE OF REFUNDS IN CASE OF CERTAIN USES.—Paragraph (2) of section 6416(b) (relating to tax payments considered overpayments in case of specified uses and resales) is amended—

(1) by inserting after "section 4041 (a)(1) or (b)(1)" the following: "or section 4051", and

(2) by adding at the end thereof the following new sentence:

"Subparagraph (A) shall not apply to any tax paid under section 4086 or 4051."

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of subchapters for chapter 31 is amended by striking out the last item and inserting in lieu thereof:

"SUBCHAPTER F. Special motor fuels conservation taxes.

"SUBCHAPTER G. Special provisions applicable to retailers tax."

(2) The table of subparts for part III of subchapter A of chapter 32 is amended by striking out the last two items and inserting in lieu thereof the following:

"Subpart B. Gasoline conservation tax.
"Subpart C. Lubricating oil.
"Subpart D. Special provisions applicable to petroleum products."

(3) Subsections (a) and (b) of section 4082 are each amended by striking out "in this subpart" and inserting in lieu thereof "in this subpart and subpart B".

(4) Section 4083 is amended by striking out "section 4081" and inserting in lieu thereof "section 4081 or 4086".

(5) Section 4101 is amended by striking out "section 4081 or section 4091" and inserting in lieu thereof "section 4081, 4086, or 4091".

(6) Section 4226 is amended by striking out subsection (e).

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1976.

PART II—CREDITS, ETC., RELATING TO ENERGY CONSERVATION TAXES

SEC. 221. CREDIT FOR PERSONAL USE OF GASOLINE.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting after section 44 the folowing new section:

"SEC. 44A. PERSONAL USE OF GASOLINE.

"(a) GENERAL RULE.—In the case of a taxpayer who is a qualified individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the allowances to which the individual is entitled for each month in such year. The allowance for any month in the taxable year shall be an amount equal to—

"(1) so much of the rate of tax in effect for such month under section 4086 (relating to gasoline conservation tax) as exceeds 3 cents a gallon, multiplied by

"(2) 40.

"(b) QUALIFIED INDIVIDUAL DEFINED.—For purposes of this section, an individual is a qualified individual if, as of the close of the taxable year, such individual—

"(1) has attained the age of 16, and

"(2) resides in the United States.

"(c) TRUSTS AND ESTATES.—A trust or estate shall not be entitled to the credit allowed under subsection (a).

"(d) SPECIAL RULE FOR RATE CHANGE IN MIDDLE OF MONTH.—In the case of any month in which there is an increase in the rate of tax imposed by section 4086, the rate of such tax in effect for such month, for purposes of subsection (a), shall be deemed to be one-half of the sum of the rate of such tax in effect on the first day of such month plus the rate of such tax in effect on the last day of such month."

(b) REFUND TO BE MADE WHERE CREDIT EXCEEDS LIABILITY FOR TAX.—Section 6401(b) (relating to excessive credits) is amended—

(1) by inserting "44A (relating to personal use of gasoline)," before "and 667(b)"; and

(2) by striking out "and 43" and inserting in lieu thereof "43, and 44A".

(c) WITHHOLDING TAX.—Subsection (a) of section 3402 (relating to income tax collected at source) is amended to read as follows:

"(a) REQUIREMENT OF WITHHOLDING.—Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables prescribed by the Secretary or his delegate. The tables so prescribed shall be the same as the tables contained in this subsection as in effect on the day before the date of the enactment of the Energy Conservation and Conversion Act of 1975; except that, if there is any increase under section 4086(b) in the rate of the tax imposed by section 4086, the amounts set forth as amounts of income tax to be withheld shall reflect the credit allowable under section 44A by reason of such increase. Any tables prescribed by reason of an increase in the rate of tax under section 4086 shall only apply with respect to wages paid on and after the effective date of such increase. For purposes of applying such tables, the term 'the amount of wages' means the amount by which the wages exceed the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in the table in subsection (b)(1)."

(d) CLERICAL AMENDMENT.—The table of sections for such subpart A is amended by inserting after the item relating to section 44 the following:

"Sec. 44A. Personal use of gasoline."

(c) EFFECTIVE DATES.—The amendments made by subsections (a), (b), and (d) shall apply to taxable years ending after December 31, 1976.

SEC. 222. CREDIT FOR USE OF GASOLINE AND SPECIAL FUELS IN BUSINESSES OR IN WORK-RELATED TRAVEL.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting after section 44A the following new section:

"SEC. 44B. USE OF GASOLINE AND SPECIAL FUELS IN BUSINESS OR IN WORK-RELATED TRAVEL.

"(a) GENERAL RULE.—In the case of a taxpayer who is engaged in a trade or business or who has work-related travel, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) the trade or business allowances to which the taxpayer is entitled for such taxable year under subsection (b), plus

"(2) the work-related travel allowances to which the taxpayer is entitled for such taxable year under subsection (c).

"(b) TRADE OR BUSINESS ALLOWANCES.—

"(1) IN GENERAL.—For purposes of subsection (a), the taxpayer shall be entitled to a trade or business allowance for each month in the taxable year, and such allowance shall be equal to ½ of the sum of—

"(A) the product of—

"(i) the number of gallons of gasoline used during such month in a trade or business, multiplied by

"(ii) so much of the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the taxpayer as exceeds 3 cents per gallon; plus

"(B) so much of the tax imposed by section 4051 on the sale to such taxpayer of fuel used during such month in a trade or business as was imposed at a rate in excess of 3 cents a gallon.

"(2) USE FOR CERTAIN PURPOSES.—Paragraph (1) shall not apply to any gasoline or other fuels used on a farm for farming purposes (within the meaning of section 6420(c)), used as supplies for vessels or aircraft (within the meaning of section 4221(d)(3)), or used in a taxicab (as defined in section 6429(c)(2)(B)) while engaged in furnishing qualified taxicab services (as defined in section 6429(c)(2)(A)).

"(c) WORK-RELATED TRAVEL ALLOWANCES.—

"(1) IN GENERAL.—For purposes of subsection (a), the taxpayer shall be entitled to a work-related travel allowance for each month of the taxable year, and such allowance shall be equal to ½ of the product of—

"(A) the number of gallons, in excess of 25, of gasoline or special fuels on which tax was imposed by section 4086 or 4051 which were purchased by the taxpayer and which were used by the taxpayer during such month in work-related travel, multiplied by

"(B) so much of the rate of tax in effect under sections 4086 and 4051 for such month as exceeds 3 cents per gallon.

"(2) WORK-RELATED TRAVEL.—For purposes of this subsection, the term 'work-related travel' means—

"(A) travel between the individual's principal residence and any post of duty in a qualified industry pursuant to employment in such qualified industry, and

"(B) travel to a new principal post of duty in a qualified industry if such new principal post of duty is at least 20 miles from the individual's former principal post of duty in a qualified industry.

"(3) QUALIFIED INDUSTRY.—For purposes of this subsection, the term 'qualified industry' means any industry which ordinarily provides individuals, employed in such industry, employment at a number of different posts of duty throughout the year.

"(d) SPECIAL RULE FOR RATE CHANGE IN MIDDLE OF MONTH.—In the case of any month in which there is an increase in the rate of the taxes imposed by sections 4086 and 4051, the rate of such taxes in effect for such month, for purposes of subsections (b) and (c), shall be deemed to be one-half of the sum of the rate of such taxes in effect on the first day of such month plus the rate of such taxes in effect on the last day of such month."

(b) COORDINATION WITH TRADE OR BUSINESS DEDUCTION.—Section 162 (relating to trade or business expenses) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) COORDINATION OF DEDUCTION WITH CERTAIN PROVISIONS RELATING TO ENERGY CONSERVATION TAXES.—

"(1) SECTION 44B CREDIT.—The amount which, but for this paragraph, would be allowable as a deduction under this section for amounts paid or incurred for gasoline or other fuels subject to tax under section 4086 or 4051 shall be reduced by the amount of any credit allowable under section 44B with respect to such gasoline or other fuels.

"(2) REPAYMENT IN CASE OF USE BY TAXICABS.—The amount which, but for this paragraph, would be allowable as a deduction under this section for amounts paid or incurred for gasoline or other fuels which are subject to tax under section 4086 or 4051 and which are used in any taxicab (as defined in section 6429(c)(2)(B)) while engaged in furnishing qualified taxicab services (as defined in section 6429(c)(2)(A)) shall be reduced by so much of the tax which was imposed by section 4086 or 4051 in such gasoline or other fuels as was imposed at a rate in excess of 3 cents a gallon.".

(c) REFUND TO BE MADE WHERE CREDIT EXCEEDS LIABILITY FOR TAX.—Section 6401(b) (relating to excessive credits) is amended—

(1) by inserting "44B (relating to use of gasoline and special fuels in businesses or in work-related travel)," before "and 667(b)"; and

(2) by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

(d) CLERICAL AMENDMENT.—The table of sections for such subpart A is amended by inserting after the item relating to section 44A the following:

"Sec. 44B. Use of gasoline and special fuels in businesses or in work-related travel."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1976.

SEC. 223. REPAYMENT OF GASOLINE AND SPECIAL FUELS CONSERVATION TAXES IN CASE OF CERTAIN USES.

(a) GENERAL RULE.—Subchapter B of chapter 65 (relating to rules of special application for abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6429. REPAYMENT OF GASOLINE AND SPECIAL FUELS CONSERVATION TAXES IN CASE OF CERTAIN USES.

"(a) USE FOR FARMING PURPOSES.—

"(1) IN GENERAL.—Except as provided in subsection (g), if any gasoline on which tax was imposed by section 4086 or any other fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel on a farm for farming purposes (within the meaning of section 6420(c)), the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to the sum of—

"(A) the product of—

"(i) the number of gallons of gasoline so used; multiplied by

"(ii) the rate of the tax imposed by section 4086 in effect for the month in which such gasoline was purchased; plus

"(B) the amount of the tax imposed by section 4051 on the sale to such purchaser of the other fuel so used.

"(2) SPECIAL RULE.—If gasoline on which tax was imposed under section 4086, or any other fuel on the sale of which tax was imposed under section 4051, is used on a farm by any person other than the owner, tenant, or operator of such farm, such owner, tenant, or operator shall be treated as the user and purchaser of such gasoline or other fuel.

"(b) LOCAL TRANSIT PURPOSES.—

"(1) IN GENERAL.—Except as provided in subsection (g), if any gasoline on which tax was imposed by section 4086 or any other fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel during any calendar quarter in vehicles while engaged in furnishing scheduled common carrier public passenger land transportation service along regular routes, the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to ½ of the product of—

"(A) 3 cents multiplied by the number of gallons of gasoline and other fuel so used; multiplied by

"(B) the percentage which such purchaser's commuter fare revenue derived from such scheduled service during such calendar quarter was of his total passenger fare revenue derived from such scheduled service during such calendar quarter.

"(2) LIMITATION.—This subsection shall apply with respect to gasoline or fuel used by any purchaser during any calendar quarter only if at least 60 percent of the total passenger fare revenue derived during such calendar quarter by such purchaser from scheduled service described in paragraph (1) was attributable to commuter fare revenue derived during such quarter by such purchaser from such scheduled service.

"(3) COMMUTER FARE REVENUE.—For purposes of this subsection, the term 'commuter fare revenue' has the meaning given to such term by section 6421(d)(2).

"(c) USE IN CERTAIN TAXICABS.—

"(1) IN GENERAL.—Except as provided in subsection (g), if any gasoline on which tax was imposed by section 4086 or any fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel in a taxicab while engaged in furnishing qualified taxicab services, the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to ¾ of the sum of—

"(A) the product of—

"(i) the number of gallons of gasoline so used, multiplied by

"(ii) so much of the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the user as exceeds 3 cents per gallon; plus

"(B) so much of the tax imposed by section 4051 on the sale to such taxpayer of the fuel (other than gasoline) referred to in paragraph (1) as was imposed at a rate in excess of 3 cents a gallon.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFED TAXICAB SERVICES.—The term 'qualified taxicab services' means the furnishing of nonscheduled passenger land transportation for a fixed fare by a taxicab which is operated by a person who—

"(i) is licensed to engage in the trade or business of furnishing such transportation by a Federal, State, or local authority having jurisdiction over a substantial portion of such transportation furnished by such person; and

"(ii) is not prohibited under the laws, regulations, or procedures of such Federal, State, or local authority from furnishing (with the consent of the passengers) shared transportation.

"(B) TAXICAB.—The term "taxicab' means any land vehicle the passenger capacity of which is less than 10 adult passengers, including the driver.

"(3) SPECIAL RULE.—The amount of any payment under this subsection to any person shall not be included in the gross income of such person.

"(d) SPECIAL RULES AND DEFINITION.—

"(1) EXEMPT SALES.—No amount shall be payable under this section with respect to any gasoline or special fuel which the Secretary or his delegate detemines was exempt from the tax imposed by section 4086 or 4051, as the case may be.

"(2) GASOLINE.—The term 'gasoline' has the meaning given to such term by section 4082(b).

"(3) SPECIAL RULE FOR RATE CHANGE IN MIDDLE OF MONTH.—In the case of any month in which there is an increase in the rate of tax imposed by section 4086, the rate of such tax in effect for such month, for purposes of subsections (a) and (c) shall be deemed to be one-half of the sum of the rate of such tax in effect on the first day of such month plus the rate of such tax in effect on the last day of such month.

"(e) TIME FOR FILING CLAIMS; PERIOD COVERED.—

"(1) GENERAL RULE.—Except as provided by paragraph (2), not more than one claim may be filed under subsection (a), (b), or (c) by any person with respect to gasoline or any other fuel used during his taxable year. No claim shall be allowed under this section with respect to gasoline or any other fuel used by such person during any taxable

year unless filed by such person not later than the time prescribed by law for filing a claim for credit or refund of overpayment of income tax for such taxable year. For purposes of this subsection, a person's taxable year shall be his taxable year for purposes of subtitle A.

"(2) EXCEPTION.—If $1,000 or more is payable under this section to any person with respect to gasoline or any other fuel used during any of the first three quarters of any taxable year ending after the date on which an increase in the rate of tax under section 4086 first takes effect under subsection (b) of such section, a claim may be filed under this section by such person with respect to gasoline or any other fuel used during such quarter. No claim filed under this subparagraph shall be allowed unless filed on or before the last day of the first quarter following the quarter for which the claim is filed.

"(f) APPLICABLE LAWS.—

"(1) IN GENERAL.—All provisions of law, including penalties, applicable in respect of the tax imposed by section 4051 or 4086 shall, insofar as applicable and not inconsistent with this section, apply in respect of the payments provided for in this section to the same extent as if such paymens constituted refunds or overpayments of the tax so imposed.

"(2) EXAMINATION OF BOOKS AND WITNESSES.—For the purpose of ascertaining the correctness of any claim made under this section, or the correctness of any payment made in respect of any such claim, the Secretary or his delegate shall have the authority granted by paragraphs (1), (2), and (3) of section 7602 (relating to examination of books and witnesses) as if the claimant were the person liable for tax.

"(g) INCOME TAX CREDIT IN LIEU OF PAYMENT.—

"(1) PERSONS NOT SUBJECT TO INCOME TAX.—Payment shall be made under this section only to—

"(A) the United States or an agency or instrumentality thereof, a State, a political subdivision of a State, or an agency or instrumentality of one or more States or political subdivisions, or

"(B) an organization exempt from tax under section 501(a) (other than an organization required to make a return of the tax imposed under subtitle A for its taxable year).

"(2) ALLOWANCE OF CREDIT AGAINST INCOME TAX.—For allowance of credit against the tax imposed by subtitle A for certain uses of gasoline and other fuels, see section 39.

"(h) REGULATIONS.—The Secretary or his delegate may by regulations prescribe the conditions, not inconsistent with the provisions of this section, under which payments may be made under this section.

"(i) CROSS REFERENCES.—

"(1) For civil penalty for excessive claims under this section, see section 6675.

"(2) For fraud penalties, etc., see chapter 75 (section 7201 and following, relating to crimes, other offenses, and forfeitures).".

(b) ALLOWANCE OF CREDIT FOR CERTAIN USES.—

(1) IN GENERAL.—Subsection (a) of section 39 (relating to certain uses of gasoline, special fuels, and lubricating oil) is amended by striking out "and" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof ", and", and by adding after paragraph (4) the following new paragraph:

"(5) under section 6429 with respect to gasoline and special fuels used during the taxable year (determined without regard to section 6429(g)).".

(2) TECHNICAL AMENDMENT.—Subsection (c) of section 39 is amended by striking out "or 6427" and inserting in lieu thereof "6427, or 6429" and by striking out "or 6427(f)" and inserting in lieu thereof "6427(f), or 6429 (g)".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter B of chapter 65 is amended by adding at the end thereof the following new item:

"Sec. 6429. Repayment of gasoline and special fuels conservation taxes in case of certain uses.".

(2) Section 6206 is amended—

(A) by striking out "AND 6427" in the section heading and inserting in lieu thereof "6427, AND 6429";

(B) by striking out "or 6427" each place it appears and inserting in lieu thereof "6427, or 6429"; and

(C) by inserting after "under section 6427)" the following: ", or by section 4051 or 4086 (with respect to payments under section 6429)".

(3) Section 6675 is amended—

(A) by striking out "or" after "highway motor vehicle)," in subsection (a);

(B) by inserting after "fuels not used for taxable purposes)" in subsection (a) the following: ", or 6429 (relating to repayment of gasoline and special fuels conservation taxes in case of certain uses)"; and

(C) by striking out "or 6427" in subsection (b) and inserting in lieu thereof "6427, or 6429".

(4) Sections 7210, 7603, and 7604(b) are each amended by inserting "6429(f)(2)," after "6427(e)(2),".

(5) Section 7604(c)(2) is amended by inserting "6429(f)(2)," after "6427(e)(2),".

(6) Section 7605(a) is amended—

(A) by striking out "6427(e)(2)" the first place it appears and inserting in lieu thereof "6427(e)(2), 6429(f)(2)"; and

(B) by striking out "or 6427(e)(2)" and inserting in lieu thereof "6427(e)(2), or 6429 (f)(2)".

(d) EFFECTIVE DATES.—

(1) FOR SUBSECTIONS (a) AND (c).—The amendments made by subsections (a) and (c) shall take effect on January 1, 1976.

(2) FOR SUBSECTION (b).—The amendments made by subsection (b) shall apply to taxable years ending after January 1, 1973.

PART III—MISCELLANEOUS

SEC. 231. TECHNICAL AMENDMENTS WITH RESPECT TO CERTAIN TRUST FUNDS.

(a) AIRPORT AND AIRWAY TRUST FUND.—Paragraph (3) of section 208(f) of the Airport and Airway Revenue Act of 1970 (49 U.S.C. 1742) is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to amounts equivalent to the credits so allowed to the extent that the credits so allowed are estimated by the Secretary of the Treasury to be attributable to the tax imposed by section 4086 of such Code (relating to gasoline conservation tax) or section 4051 of such Code (relating to special fuels conservation tax)."

(b) HIGHWAY TRUST FUND.—

(1) Paragraph (1) of section 209(a) of the Highway Revenue Act of 1956 is amended—

(A) by inserting "and" at the end of subparagraph (F),

(B) by striking out subparagraph (G),

(C) by redesignating subparagraph (H) as subparagraph (G), and

(D) by striking out "subparagraph (H)" in the last sentence and inserting in lieu thereof "subparagraph (G)".

(2) Paragraph (6) of section 209(f) of such Act is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to amounts equivalent to the credits so allowed to the extent that the credits so allowed are estimated by the Secretary of the Treasury to be attributable to the tax imposed by section 4086 of such Code (relating to gasoline conservation tax) or section 4051 of such Code (relating to special fuels conservation tax)."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1976.

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

COMMITTEE AMENDMENTS

Mr. ULLMAN. Mr. Chairman, I ask that the committee amendments may be considered en bloc.

The Clerk read as follows:

Committee amendments: Page 40, after line 2, insert the following:

(d) CREDITS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.—Any payment considered to have been made by any individual by reason of section 44A of the Internal Revenue Code of 1954 (relating to credit for personal use of gasoline) shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

Page 40, line 14, strike out "(d)" and insert "(e)".

Page 40, line 17, strike out "(e)" and insert "(f)".

Page 40, line 18, strike out "(d)" and insert "(e)".

Page 42, line 12, strike out "or used" and insert "used".

Page 42, line 14, strike out the period and insert ", or used by an organization described in section 501(c)(3) which is exempt from tax under section 501(a) other than in an unrelated trade or business (as defined in section 513)."

Page 46, line 8, strike out "(g)" and insert "(h)".

Page 47, line 9, strike out "(g)" and insert "(h)".

Page 48, line 13, strike out "(g)" and insert "(h)".

Page 50, after line 5 insert:

"(d) USE BY SECTION 501(c)(3) ORGANIZATIONS.—Except as provided in subsection (h), if any gasoline on which tax was imposed by section 4086 or any other fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel which is an organization described in section 501(c)(3) which is exempt from tax under section 501(a), other than in an unrelated trade or business (as defined in section 513), the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to the sum of—

"(1) the product of—

"(A) the number of gallons of gasoline so used, multiplied by

"(B) the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the user; plus

"(2) the tax imposed by section 4051 on the sale to such taxpayer of the fuel (other than gasoline) so used.".

Page 50, line 24, strike out "(d)" and insert "(e)".

Page 51, line 10, strike out "(a) and (c)" and insert "(a), (c), and (d)".

Page 51, line 14, strike out "(e)" and insert "(f)".

Page 51, line 18, strike out "or (c)" and insert "(c), or (d)".

Page 52, line 15, strike out "(f)" and insert "(g)".

Page 53, line 6, strike out "(g)" and insert "(h)".

Page 53, line 22, strike out "(h)" and insert "(i)".

Page 54, line 1, strike out "(i)" and insert "(j)".

Page 54, line 12, strike out "6429(g)" and insert "6429(h)".

Page 54, line 17, strike out "6429(g)" and insert "6429(h)".

Page 55, line 12, strike out "vehicle" and insert "vehicles".

Page 55, line 21, strike out "6429(f)(2)" and insert "6429(g)(2)".

Page 55, line 24, strike out "6429(f)(2)" and insert "6429(g)(2)".

Page 56, line 3, strike out "6429(f)(2)" and insert "6429(g)(2)".

Page 56, beginning in line 5, strike out "6429(f)(2)" and insert "6429(g)(2)".

Page 57, line 4, strike out "209(a)" and insert "209(c)".

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. ALEXANDER

Mr. ALEXANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALEXANDER: Strike out title II (relating to energy conservation taxes), beginning on line 1 of page 29, and ending on line 24 of page 57.

PARLIAMENTARY INQUIRY

Mr. ULLMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ULLMAN. Mr. Chairman, the amendment to strike will not be voted on until there is opportunity to vote on all of the perfecting amendments to title II?

The CHAIRMAN. The gentleman is correct.

Mr. ALEXANDER. Mr. Chairman, first I would like to commend the chairman, the gentleman from Oregon (Mr. ULLMAN) and the members of the Committee on Ways and Means, for the very difficult task they have undertaken. I agree with the chairman and the Members of the body that have engaged in debate during these 3 days that the establishment of a national energy policy is among the most important tasks of the 94th Congress.

I would also agree with the chairman that a legislative solution to the problem is preferable to the Presidential proposal.

The CHAIRMAN. The Chair would like to inquire of the gentleman from Arkansas if he asks unanimous consent that the conforming amendments be considered en bloc?

Mr. ALEXANDER. Mr. Chairman, I ask unanimous consent that the conforming amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The conforming amendments are as follows:

Page 78, line 9, strike out "SEC. 44C." and insert in lieu thereof "SEC. 44A.".

Page 83, immediately after line 4, strike out "SEC. 44C." and insert in lieu thereof "SEC. 44A.".

Page 83, line 10, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 83, line 18, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 84, line 1, strike out "section 44C(d)" and insert in lieu thereof "section 44A(d)".

Page 84, line 3, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 84, line 7, strike out "and 44C" and insert in lieu thereof "and 44A".

Page 84, line 16, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44B."

Page 86, line 1, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 89, immediately after line 10, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44B."

Page 89, line 16, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 1, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 8, strike out "section 44D(d)" and insert in lieu thereof "section 44B(d)".

Page 90, line 10, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 13 strike out "and 44C" and insert in lieu thereof "and 44A".

Page 90, line 14, strike out "44C, and 44D" and insert in lieu thereof "44A, and 44B".

Page 91, strike out line 12 and all that follows down through line 23 and insert in lieu thereof the following:

(1) section 4064 of the Internal Revenue Code of 1954 (relating to automobile fuel efficiency tax), and

(11) section 4991 of such Code (relating to tax on certain business uses of petroleum and petroleum products),

Page 124, beginning on line 21, strike out "section 44C(c)(2)" and insert in lieu thereof "section 44A(c)(2)".

Page 124, line 25, strike out "section 44D(c)(2)" and insert in lieu thereof "section 44B(c)(2)".

Mr. ALEXANDER. Mr. Chairman, the amendments which I have go to the heart of title II which would strike all of the provisions of that title, and would exclude all of the provisions relating to the gas tax.

As I said, I agree with the chairman of this committee and the members of this committee that a legislative solution is preferable to the Presidential proposal. But I must insist, Mr. Chairman, that any legislative act of this body be a fair and equitable distribution of the burdens of any national energy solution among all of the people of this land.

I am convinced that the American people will bear any burden, will make any sacrifice, if the weight of the burden is equally distributed among all of our citizens. For too long in this Government have sought one-dimensional solutions to national problems to be paid for by only a small section of our population.

In title II of this bill are provisions that could impose taxes up to 23 cents per gallon on consumption of gasoline to encourage Americans to use public transportation. That would be fair if mass transit were available as an alternative to all of our people, but the fact is that most Americans do not have access to public transportation.

A recent Department of Transportation report shows that 58 percent of the jobs in America today are filled by people who live in rural areas, in small towns, and in communities and cities of of under 25,000 people. That same report, Mr. Chairman, shows that unless there is a minimum population of about 100,000-plus, public transportation is simply not available.

Did you ever hear of anybody catching a subway in Osceola, Ark, or a bus in Bugtussle, Okla.? That is exactly what we are talking about here today.

People who are most dependent upon the automobile are the citizens who do not have access to mass transportation. Most Americans living outside the great cities depend directly and solely and exclusively on the automobile as their only means of transportation. The 480-gallon credit or 960 gallons that would apply to a family of 2 is not a drop in the bucket to people who live outside of the metropolitan regions of this country, and these are the people who will bear the burden of this gas tax if it is not carved out of this bill. Our city cousins can ride the bus to work and save their credit for the weekends, while our country cousins must not only ride to work in an automobile, but depend on that automobile for every other source of transportation. The citizen who drives from one small town to another small town to work will wind up paying the tax bill.

If this tax is enacted, we will be requiring the people of the heartland of America to carry this burden on both shoulders. It is unfair; it is inequitable; it is grossly discriminatory against the vast majority of the people of this country who do not have access to public transportation.

Mr. Chairman, I urge the adoption of this amendment.

AMENDMENTS OFFERED BY MR. STARK

Mr. STARK. Mr. Chairman, I offer several amendments, and ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. STARK:

Page 30, strike out line 1 and all that follows down through line 5 on page 31.

Page 32, strike out line 20 and all that follows down through line 25.

Page 33, line 1, strike out "(d)" and insert in lieu thereof "(c)".

Page 33, line 9, strike out "(e)" and insert in lieu thereof "(d)".

Page 34, strike out line 7 and all that follows down through line 2 on page 35 and insert in lieu thereof the following:

"(a) GASOLINE CONSERVATION TAX.—On gasoline (as defined in section 4082(b)) which, on January 1, 1976, is held by a dealer for sale, there is hereby imposed a floor stocks tax at a rate of 3 cents per gallon. The tax imposed by this subsection shall not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline.".

Page 35, strike out line 5 and all that follows down through line 9 and insert in lieu thereof the following:

"(d) DUE DATE OF TAX.—The tax imposed by subsection (a) shall be paid at such time after March 31, 1976, as may be prescribed by the Secretary or his delegate.".

Page 37, strike out line 16 and all that follows down through line 19 on page 45.

Page 45, line 20, strike out "SEC. 223." and insert in lieu thereof "SEC. 221.".

UMI

Page 46, line 8, strike out "(h)" and insert "(g)".

Page 47, line 9, strike out "(h)" and insert "(g)".

Page 48, strike out line 11 and all that follows down through line 5 on page 50.

Page 50, line 6, strike out "(d)" and insert in lieu thereof "(c)".

Page 50, line 24, strike out "(e)" and insert in lieu thereof "(d)".

Page 51, strike out line 6 and all that follows down through line 13.

Page 51, line 14, strike out "(f)" and insert in lieu thereof "(e)".

Page 51, line 18, strike out "subsection (a), (b), (c), or (d)" and insert in lieu thereof "subsection (a), (b), or (c)".

Page 52, line 15, strike out "(g)" and insert in lieu thereof "(f)".

Page 53, line 6, strike out "(h)" and insert in lieu thereof "(g)".

Page 53, line 22, strike out "(i)" and insert in lieu thereof "(h)".

Page 54, line 1, strike out "(j)" and insert in lieu thereof "(i)".

Page 54, line 12, strike out "section 6429 (h)" and insert in lieu thereof "section 6429(g)".

Page 54, line 17, strike out "or 6429(h)" and insert in lieu thereof "or 6429(g)".

Page 55, line 21, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".

Page 55, line 24, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".

Page 56, line 3, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".

Page 56, beginning on line 5, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".

Page 78, line 9, strike out "SEC. 44C." and insert in lieu thereof "SEC. 44A.".

Page 83, immediately after line 4, strike out "SEC. 44C." and insert in lieu thereof "SEC. 44A.".

Page 83, line 10, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 83, line 18, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 84, line 1, strike out "section 44C(d)" and insert in lieu thereof "section 44A(d)".

Page 84, line 3, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 84, line 7, strike out "and 44C" and insert in lieu thereof "and 44A".

Page 84, line 16, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44B."

Page 86, line 1, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 89, immediately after line 10, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44B."

Page 89, line 16, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 1, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 8, strike out "section 44D(d)" and insert in lieu thereof "section 44B(d)".

Page 90, line 10, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 13, strike out "and 44C" and insert in lieu thereof "and 44A".

Page 90, line 14, strike out "44C, and 44D" and insert in lieu thereof "44A, and 44B".

Page 124, beginning on line 21, strike out "section 44C(c)(2)" and insert in lieu thereof "section 44A(c)(2)".

Page 124, line 25, strike out "section 44D (c)(2)" and insert in lieu thereof "section 44B(c)(2)".

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK. Mr. Chairman, I rise to offer a motion to strike the gasoline tax of up to 20 cents per gallon that would take effect in April 1977.

This amendment does not strike the 3 cents a gallon tax that will be deposited in the energy trust fund. It simply removes the possibility of our sticking the American people with a stiff gasoline tax nearly 2 years from today when, for all we know, prices may have risen far more than 20 cents per gallon without any additional tax.

Let us look briefly at what we are trying to accomplish with this bill. Our purpose is first to decrease dependence on OPEC and imported oil. To do this, very simply, we must reduce domestic consumption of energy until such time as domestic production of alternative sources comes close to meeting our demand for energy. We all agree, then, that we must conserve. Further, we all agree that gasoline—since it represents 40 percent of each barrel of crude—is the place to achieve the greatest conservation in the shortest time frame. The question is how to do it. This bill would tax every gallon an additional 20 cents by 1977. My amendment deletes the possibility of imposing such a tax.

That approach is all wrong. Taxing the consumer as a primary means of achieving a sizable reduction in imported oil is inequitable. We will be forcing poor people who cannot drive less to simply pay more to get to their jobs. And those who can afford gasoline at any price will continue to drive just as much. We have no reason to believe at this time that any price short of more than $1 a gallon will effect a real change in people's driving habits. And at that high a price we will be immobilizing many of the poorest workers who will have to choose between getting to their jobs and buying food. Clearly this is not the way to effect conservation.

If we are seeking, as we say, to change our habits, then let us write a bill that will be felt at every level of society. Let industry bear the burden of restraint along with the individual consumer. Let us all relearn our habits of energy use. Let our production habits change, rather than just forcing people to use less of their inefficient products. The consumer, as the end user, should of course learn to consume less, but this has to result from his purchases of more efficient products. This must be a cooperative effort, and the consumer cannot bear such a disproportionate share.

As we all know, prices are going to be rising even if we do nothing. There will be a tariff on imports of at least $1 a barrel. Our bill rolls back only the second dollar. Further, decontrol of "old" oil is inevitable in the near future, and the only question is how gradually it will be phased in. Let us assume that it is more gradual than the administration's proposal, and that it takes 5 years. Coupled with a $2 per barrel tariff, that is a certain rise in gasoline prices of at least 15 cents a gallon. It could be higher, and any OPEC price increases drive it up still further. In short, we will be facing price increases of 20 cents a gallon if we do nothing. How then can we put the American people on notice today that regardless of these price increases we still want to tax them 20 cents more in 1977? If the argument is that we believe that higher prices will result in people driving less and conserving more, then let us wait and see—we will have higher prices by then, and they will be substantially higher. If it proves to be true that people drive less when gasoline costs more, we can always come back and impose a tax at that time, when we are certain it will achieve the desired effect. But how can we impose it now, as a shot in the dark? Over the next 5 years, it would mean raising the price of gasoline to $1 a gallon. Surely that is not our purpose in this bill.

There are ways to achieve significant reduction in gasoline use. The surest way is mandate that Detroit produce efficient automobiles. I urge my colleagues to seriously consider the amendment that will be offered by my colleague, Mr. FISHER, to strengthen the "gas-guzzler" tax in the bill. The bill as reported provides for a rather weak tax that, worse still, is unlikely ever to be imposed. The Fisher substitute is a stiff tax on the manufacturer that is also passed through directly to the person buying the gas-guzzling car. That is the way to teach people which cars are efficient and which are not. And a real change in car-buying habits will result in more gasoline conservation than any amount of price increase.

Mr. Chairman, I strongly support this bill with these changes, and want to urge my colleagues to do the same. It is without question a real program that can achieve what it is intended to do. Unlike the administration's plan, it is a statement that we cannot simply raise prices and let the free market system determine where the dislocations and resultant hardships will fall. It is a statement that we want to reduce imports, but that we do not want that whole burden to fall onto the poor people who cannot escape it. That is what the free market system would do. This bill, without my amendment, creates mechanisms to change energy habits in every sector. There are new taxes on industrial use of petroleum products, there are incentives for people to build and maintain better insulated homes, and most important, there is a permanent mechanism to better control the flow of imported oil into this country. These are what must be the basis for a new energy program, and the administration has presented us with no such program.

If we can simply reverse the emphasis in the bill as reported—by striking the 20-cent tax and strengthening the "gas-guzzler" tax—we will be left with a good and a strong program. We cannot just concede it to the administration and the free market system if we really hope to achieve what we say are our objectives.

I urge your support for this amendment and just as strongly urge you to vote for this critical legislation.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from California.

Mr. ANDERSON of California. Mr. Chairman, I would like to add my support to the amendment put forth by my distinguished colleague and fellow Californian.

Like many of my colleagues who reflect the sentiments of the American people before this deliberative body, I have grave doubts as to the usefulness and necessity of those provisions of H.R. 6860 which seek to increase the tax on gasoline up to a maximum of 23 cents.

There are basically two reasons for my apprehensiveness:

First, it is now reported that the OPEC nations will raise the price of oil by about $4 per barrel this September. It has been estimated that this will result in at least 16 cents-per-gallon gasoline price increases, thus eliminating much of the need of huge, conservation-spurring gas taxes. In combination with inflation, and further OPEC price increases which are likely to occur in 1976 and 1977; the 23 cents-per-gallon tax would be just too much to bear. Gasoline prices could easily rise to over $1 per gallon by 1977.

Second, I believe that this provision, by attempting to exact a 1 million-barrels-per-day consumption cut from the private automotive sector through use of a gas tax alone, is inequitable to say the least. While private automobile usage of gasoline accounts for a little over one-third of the Nation's total petroleum consumption, H.R. 6860 seeks to gain approximately one-half or more of its energy conservation goal through use of the gas tax. I believe more balance is needed.

It is argued that the private automobile sector must inevitably bear the brunt of any energy conservation measure, due to the inherent inefficiency of the internal combustion engine.

It is said that urban areas must rapidly expand mass transit facilities and ridership. I agree with these statements wholeheartedly. But try to tell the Los Angeles commuter that his high fuel costs are providing revenues for the development of future transit systems; try to explain to the Texan who must drive 20 to 30 miles to work each morning that he has been chosen to pay for the research into solar home heating, and you will get some mighty confused comments; "confused" being the mildest adjective applicable.

I believe that "the people" must be given a choice, not of whether they can afford to continue to hold their job or not, but of whether they will buy fuel-efficient automobiles or not.

Instead of asking why their Government is arbitrarily penalizing them for its own lack of foresight, they will begin to ask, "Do I really need an automatic transmission?"; or, "Do I really want a 354-cubic-inch V-8?"; must one have power brakes and steering, and air-conditioning?

Certainly $1-per-gallon gasoline will encourage these questions, but such a situation will also invite other, more worrisome questions, such as: "How much inflation can our Nation take during this recession?"

A more desirable option would include a tough annual tax treatment of gas guzzlers, in addition to a moderate tax on gasoline itself and a tax on oil. While total gasoline production requires some 17 percent of our gross annual energy consumption, space heating alone uses approximately 18 percent. Could we not share the burden a bit more fairly? Spreading out the impact would be more equitable, less severe, and equally effective.

In conclusion, I urge my colleagues to give this amendment their fullest consideration. I agree that gas consumption increases are not desirable, but in the short term, the U.S. Government must not compete with the OPEC countries to see who can raise consumer prices more.

PARLIAMENTARY INQUIRY

Mr. ULLMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ULLMAN. Mr. Chairman, the gentleman from California has offered an amendment which would strike part B. The gentleman from Arkansas has offered an amendment which would strike the whole title.

I would assume, after part B is perfected, as the gentleman's amendment to strike part B asks, it would come before the amendment to strike the whole title. Am I correct?

The CHAIRMAN. The Chair would like to advise the chairman of the committee that the amendment offered by the gentleman from California (Mr. STARK) is a perfecting amendment and will be voted on first.

Mr. ULLMAN. I thank the Chairman.

Mr. ALEXANDER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-six Members are present, not a quorum.

The Chair announces that pursuant to rule XXIII, clause 2, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to the provisions of clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. STARK. Mr. Chairman, I ask unanimous consent at this point to withdraw my amendment and offer it later, after the gentleman from Ohio offers his amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. SCHNEEBELI. Mr. Chairman, reserving the right to object, I will ask what the parliamentary procedure is. In the event the gentleman withdraws his amendment, where do we stand?

The CHAIRMAN. The Chair would like to advise the gentleman from Pennsylvania (Mr. SCHNEEBELI) that if the unanimous-consent request is approved, we are back then to the Alexander amendment, which would be the amendment before the Committee, to strike the whole title, and other perfecting amendments to the title, as the gentleman from Pennsylvania knows, would be in order one at a time.

Mr. SCHNEEBELI. Mr. Chairman, if it is withdrawn and we get back to the Alexander amendment, does that mean other amendments of a lesser tax cut would be considered first?

The CHAIRMAN. That is correct.

Mr. SCHNEEBELI. Mr. Chairman, I object because I want to vote on the Stark amendment before I vote on any other alternative amendments.

The CHAIRMAN. Objection is heard.

Are there Members who desire to debate the Stark amendment?

Mr. FRASER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, what I am going to say will apply to each of the amendments under consideration.

The amendments seek to weaken this title and reduce the tax. I think that the responsibility of this House will not be discharged in the way that it ought to be if we fail to enact this title in substantially its present form.

The hardest thing of all, it seems to me, for this House to do is to ever raise somebody's taxes. I have watched this Congress for the past 12 years cut taxes on five or six different occasions, but I have watched the same Congress refuse again and again to raise taxes when it was required for the welfare of the United States.

The 8 million people who are unemployed today can be laid largely at the door of Congress because of its unwillingness to make hard decisions. We knew that when we set spending patterns far in excess of revenues, this adds pressure to the economy. It began with the Vietnam war, and we have just been unwilling to face our responsibilities.

As someone once said, we learn half of Keynes. We cut taxes to stimulate the economy, but we have never learned to raise them when our responsibilities require that we should.

The gasoline tax does not deal with the economy; it deals with the reduction in the consumption of oil. There are some people who would place great confidence in quotas as a way of reducing consumption. That in my judgment is sheer illusion. A quota does not reduce consumption; it reduces supply. The reduction of consumption will come either with an upward thrust of U.S. prices above world market prices, or in compulsory rationing, which will not work in the long run, or in what we sometimes call rationing by pain—the long lines at the gas stations, the shorter hours, and the poorer service.

Mr. Chairman, I do not like the quota provisions in this bill, but they remain in a modified form.

The only honest way to deal with the problem of oil consumption is to raise the price of gasoline and send the increased revenues back to the taxpayers in a manner that is not dependent upon whether or not they choose to buy a

UMI

gallon of gasoline. Under the committee provision, a couple, at a 23-cent level, would get back enough money to pay for 17,000 miles of driving a year at 18 miles a gallon. In other words, if a couple owns a car and drives less than 17,000 miles a year, they would come out ahead. But more importantly, the country would come out ahead, and perhaps even more significantly, we would have faced this very hard decision and met it successfully.

Mr. Chairman, I fear the consequences if we defang this bill and produce a toothless, ineffective bill.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I stand here in open forum and declare today that I will vote for a tax on gasoline or any other measure which will be distributed evenly and fairly if it is needed for the good for the country.

What I object to is that 58 percent of this tax will be paid by people who live in rural areas, in small towns, and in communities and cities of 25,000 or less, who have no access whatever to public transportation. It is simply an unfair, inequitable, and unjust distribution of the load and burden.

Mr. Chairman, that is why the amendment was offered, and that is why the amendment should be adopted.

Mr. FRASER. Mr. Chairman, I say to the gentleman that the redistribution of the money ought to be separately addressed. This increased tax would not go into effect until 1977. We ought to achieve a higher degree of equity.

I would not argue with the desirability of giving the question of redistribution more care and attention, but if we deal with the basic problem of reducing consumption by taking this tax out of the bill, then we will have done nothing. Then we are in trouble, and then we will have failed to meet our responsibility.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. FRASER) has expired.

(By unanimous consent, Mr. FRASER was allowed to proceed for 2 additional minutes.)

Mr. FRASER. Mr. Chairman, I just want to call attention to one last fact. I do not know whether it is persuasive or not, but our friends in Europe have had to face this problem of dependence upon external supplies of oil.

At the present time the Japanese tax on gasoline is roughly 400 percent higher than ours; the British, 500 percent; West Germany, 700 percent; Italy, 900 percent higher; and France, 600 percent higher. Italy in the last year has raised its tax per gallon by 38 cents; the British, by 20 cents; and the other countries by smaller amounts.

Mr. Chairman, these countries have parliamentary systems in which they take these decisions and make them effective. We have a Congress and a unique governmental system which does not impose the kind of discipline that we see in these other countries. Our discipline has to come from an honest facing of the facts.

Mr. Chairman, based on the experience of other countries and recognizing our own responsibility to the people of the United States to face this decision squarely, I urge that we vote the best we can to deal with this problem of external dependence. The only way I know in which to do that is to keep title II in essentially its present form.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Let me say that I believe the will of the House was thwarted when the ranking minority member of the committee objected to the withdrawal of the motion to strike much of the gasoline tax provision.

There ought to be a way to perfect a section of a title before a motion to strike is made. Now we are in a situation where there is a probability that because there was a motion to strike the whole title, the motion to strike subsection (b) is considered a perfecting motion, and, therefore, subsection (b) will not be perfected before the vote to strike comes.

I can see that the Chair might have to rule that way, but we really are thwarting the whole parliamentary procedure. When I chair a committee or in any meeting we have, the whole purpose is to get the will of the body before we face up to any final decision as to whether we strike or not strike. The gentleman from Pennsylvania knows that we have in the past operated in that manner in the committee. He objected to a very legitimate motion to withdraw the motion to strike out subsection (b) for what seems to me was the purpose of preventing the House from working its will on subsection (b) before the motion to strike comes before the body.

That, in my judgment, is a decision that does not belong in this kind of consideration where the Nation is looking for an energy policy, where the President himself, in conversations with me, has agreed that we should be working together.

Let me say that the President has invited some of us down to the White House to talk about energy policy. I want to say that the kind of action we have seen here today has made it difficult to get together with the administration on an energy policy. It is a stark political move to thwart the will of the Congress. I think it is totally improper.

Now, Mr. Chairman, of course I rise in strong opposition to the Stark motion to strike the title. I had hoped there could be some perfecting amendments so that subsection (b) can better represent the will of the House before the motion to strike comes before the body. And I am still hopeful that that kind of a ruling can be forthcoming. And simply because there is an amendment to strike one part of the bill before you have a chance to perfect it is, it seems to me, not sound parliamentary procedure.

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. STARK. Mr. Chairman, I hope that the distinguished chairman, when he has a chance to review his remarks, will please be sure to make a distinction between the upper and lower cases when he is using the word "stark."

Mr. ULLMAN. I certainly will do so, and I apologize.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to comment on the statement just made by the Chairman, the gentleman from Oregon (Mr. ULLMAN).

Mr. Chairman, I was not the one who established the procedure on how these amendments were going to be presented. I think that was an arrangement between the majority side and the Parliamentarian. It was not our plan of action to conduct business on what is totally within their jurisdiction. The plan was established by the majority party. All I want to do is to emphasize that I want to make sure that this House has a chance to vote on the Stark amendment without any inference in connection with any intervening amendments.

PARLIAMENTARY INQUIRY

Mr. SCHNEEBELI. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SCHNEEBELI. Mr. Chairman, my question to the Chair is: In the event we go beyond the Stark amendment and go to the amendment that I understand will be forthcoming from the gentleman from Ohio (Mr. VANIK) his cut of the 20-cent tax is less than that of the gentleman from California (Mr. STARK). In the event we recede and agree to go to a consideration of the Vanik amendment, and it is adopted, does this then preclude us from acting on the Stark amendment?

The CHAIRMAN (Mr. NATCHER). The Chair would like to advise the gentleman from Pennsylvania that it would not, if the amendment is presently withdrawn.

Mr. SCHNEEBELI. Then I would like to ask the question: Will the gentleman from California (Mr. STARK) still bring the amendment forth?

Mr. STARK. Mr. Chairman, if the gentleman will yield, in response to the gentleman, if the Chair would recognize me to make my same unanimous consent request to the offering of my amendment, I would still offer the amendment following the Vanik amendment if the Vanik amendment were passed.

Mr. SCHNEEBELI. Under the circumstances, as I understand it, if we vote on the Vanik amendment or any similar amendments to cut this tax less than the Stark tax cut, that after acting on these other amendments we will be still allowed to vote on the Stark amendment. Under those circumstances I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Mr. Chairman, reserving the right to object, I would like to say that the folks on the other side of the aisle have demonstrated just about as much parliamentary ability in handling this bill as they have energy expertise in drafting this legislation. It is sadly

lacking on both counts, and the gentleman from Maryland is going to object to any request to withdraw the Stark amendment.

My Ways and Means friends across the aisle have gotten themselves into this predicament and they deserve it. They are afraid the House will adopt an amendment producing a substantial reduction in this gasoline tax. The whole section allowing this tax should be stricken since it is highly detrimental to the American people. Let them live with the parliamentary situation. Their problem is not political, it is their own mismanagement. They will have to accept that responsibility completely.

I see no reason why we on this side of the aisle should try to bail them out. Let them use their two-thirds majority, and demonstrate their ability to run this House, if they can.

Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. KARTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I did not know what my colleague, the gentleman from Minnesota, was going to say or what position he was going to take on title II, but I want to congratulate him on his courage, and even more so on his honesty.

I hesitate to get into this partisan squabble, Mr. Chairman, but let me just say that there has been a profound exhibition, I think, of partisan politics and very recently something less than graciousness which is normally accorded to Members in this body. I say that I hesitate to get into this partisan squabble because on the one hand I think the minority has exhibited profound partisanship here today and yesterday and, on the other hand, they really have not exhibited partisanship on this question of energy because, as I recall it, Mr. Chairman, the President introduced a program to this country and sent it to the Congress here some 2 or 3 months ago. To the best of my knowledge, that complete program has not been introduced by one single Member of the minority group. So maybe on that basis, Mr. Chairman, we could accuse them of being 100 percent partisan, or maybe we can accuse them of that because they really do not like any energy program that has been proposed, including the one that has been proposed by their own president.

Mr. Chairman, let me get on to this title and the motion that is now pending before the body. This vote, I am afraid, will not be decided upon the facts. I suggest rather strongly—and I might say apologetically—that in my judgment it will be decided more by lack of political courage than it will be decided on the basis of the facts and on the basis of the need of the country. But at least, so that the record is clear on what this title really does, I want to delineate the highlights of it. Some day after this decision has been made—and I am hopeful that it will not be made as most people indicate or feel that it might—I suggest that some day that vote will haunt a good many Members of this Congress who cast their vote for short-term political expedient reasons rather than on the basis of facts.

Mr. Chairman, under the provisions of this bill the first possible tax trigger date would not be before April 15, 1977. I repeat, Mr. Chairman, under this bill any part of that 20 cents could not possibly be triggered in before April 15 of 1977. It is estimated that we will consume in 1975 approximately 6,585,000 barrels of gasoline a day. Then if 5 cents is triggered on April 15 of 1977, it can only be triggered, Mr. Chairman, if consumption increases another 85,000 barrels per day. That is all. That is the only way it can be triggered in. If that does not act as an incentive to cause the American people to reduce their consumption, then, of course, they ought to pay the 5 cents. But even, Mr. Chairman, if the 5 cents is triggered in, 85 percent of that 5 cents will be rebated directly into the withholding stream to all of those who are 16 years of age or older.

I do not think, Mr. Chairman, that we can blithely assume that there is no limit to this finite product we are talking about, or that there will never be a day of reckoning, or that we do not have to worry about the massive outflow of dollars year after year after year that are literally bankrupting this country. I do not think that we can continue to practice this with the disregard and abandon that we have been practicing it for the last several years.

Then, Mr. Chairman, after everything is said and done and if consumption continues to escalate so that our use is an additional 85,000 barrels per day, as I have indicated by April 1977, and the 5 cents does go into effect, every person 16 years of age or older will get a $24 rebate fed into their taxes; but if and when, and hopefully never and possibly never, the average consumption goes up approximately 285,000 barrels per day, that is 285,000 barrels per day above and beyond the highest consumption year in the history of our country and only then, Mr. Chairman—only then, will the additional 15 cents be triggered; but if it is triggered, $96 per year will go back into the withholding stream to everybody who is 16 years of age or older.

Now, I just submit to my colleagues, that if we cannot vote for that kind of an increase and I say this in all sincerity and all honesty, Mr. Chairman, if we cannot do that, we really do not deserve to sit here as leaders of the Nation.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent Mr. KARTH was allowed to proceed for an additional 5 minutes.)

Mr. KARTH. Mr. Chairman, one final word. There are really only two programs that have been proposed which are now before the country as such. One is the President's proposal and one is H.R. 6860 that is before this body.

Let us take a look at what each one will cost the American consumer and what they will save in terms of energy. I think that is the fairest test of all. The President's program will cost—and I will break this down if anyone is interested—will cost about $43 billion annually to the American consumer. It will save 1.62 million barrels of petroleum a day. The bill that is before us H.R. 6860 will cost $16 billion after the rebates have been made and will have 2.82 million barrels per day of petroleum.

Mr. Chairman, for the costs that are involved to the American consumer and the energy savings that are brought about by these respective programs, I would hope that the Democratic majority in this Congress, and certainly we can expect no help from the other side, but I would hope that the majority in this House would see to it that title II in its entirety in H.R. 6860 remains intact.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know the gentleman who preceded me, the gentleman from Minnesota, Mr. KARTH, made the statement that nobody on the minority side had offered a bill to support the President's program. On February 4, H.R. 2650 was introduced by the distinguished minority leader, the gentleman from Arizona (Mr. RHODES) and 23 other Republican leaders.

Mr. KARTH. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Minnesota.

Mr. KARTH. Mr. Chairman, is that the total President's program?

Mr. SCHNEEBELI. Yes. I am informed that is the total President's program.

Mr. KARTH. How many minority Members introduced it?

Mr. SCHNEEBELI. Twenty-four.

Mr. KARTH. I wonder if the gentleman could tell the gentleman from Minnesota how many there were?

Mr. SCHNEEBELI. I am advised that 24 Members cosponsored the bill.

Mr. KARTH. Only 12 Members of the minority introduced the President's bill on the most important issue before us this year.

Mr. SCHNEEBELI. Mr. Chairman, I would like to repeat some remarks I made yesterday in general debate about the gasoline tax. The gasoline tax within 2 years, as we all realize, will be 23 cents a gallon.

Mr. Chairman, quoting from an editorial in the Business Week magazine, I would like to underscore the disparity in costs between gasoline and diesel fuel when this tax goes into effect.

Business Week states that at year end the average price of diesel fuel was 48 cents per gallon, compared to 55 cents per gallon throughout the United States. Figures will vary, of course, with a 7-cent differential on diesel probably being rather constant.

At the outset, we have a 7-cent differential between diesel and gasoline. We add to that gasoline 7-cent differential, 23 cents more. That is 30 cents a gallon difference between diesel and gasoline. Two years from now, a person will drive into his service station, and pay 55 cents per gallon for diesel fuel and 85 cents a gallon for his gasoline.

The article in Business Week goes on to say that at the present time average mileage for the average diesel powered passenger car in the United States is 32 miles per gallon. At the same time, the average mileage for the passenger car using gasoline is 22 miles per gallon for similarly sized cars. Here, we have a fuel that will go 32 miles per gallon compared

UMI

year unless filed by such person not later than the time prescribed by law for filing a claim for credit or refund of overpayment of income tax for such taxable year. For purposes of this subsection, a person's taxable year shall be his taxable year for purposes of subtitle A.

"(2) EXCEPTION.—If $1,000 or more is payable under this section to any person with respect to gasoline or any other fuel used during any of the first three quarters of any taxable year ending after the date on which an increase in the rate of tax under section 4086 first takes effect under subsection (b) of such section, a claim may be filed under this section by such person with respect to gasoline or any other fuel used during such quarter. No claim filed under this subparagraph shall be allowed unless filed on or before the last day of the first quarter following the quarter for which the claim is filed.

"(f) APPLICABLE LAWS.—

"(1) IN GENERAL.—All provisions of law, including penalties, applicable in respect of the tax imposed by section 4051 or 4086 shall, insofar as applicable and not inconsistent with this section, apply in respect of the payments provided for in this section to the same extent as if such payments constituted refunds or overpayments of the tax so imposed.

"(2) EXAMINATION OF BOOKS AND WITNESSES.—For the purpose of ascertaining the correctness of any claim made under this section, or the correctness of any payment made in respect of any such claim, the Secretary or his delegate shall have the authority granted by paragraphs (1), (2), and (3) of section 7602 (relating to examination of books and witnesses) as if the claimant were the person liable for tax.

"(g) INCOME TAX CREDIT IN LIEU OF PAYMENT.—

"(1) PERSONS NOT SUBJECT TO INCOME TAX.—Payment shall be made under this section only to—

"(A) the United States or an agency or instrumentality thereof, a State, a political subdivision of a State, or an agency or instrumentality of one or more States or political subdivisions, or

"(B) an organization exempt from tax under section 501(a) (other than an organization required to make a return of the tax imposed under subtitle A for its taxable year).

"(2) ALLOWANCE OF CREDIT AGAINST INCOME TAX.—For allowance of credit against the tax imposed by subtitle A for certain uses of gasoline and other fuels, see section 39.

"(h) REGULATIONS.—The Secretary or his delegate may by regulations prescribe the conditions, not inconsistent with the provisions of this section, under which payments may be made under this section.

"(i) CROSS REFERENCES.—

"(1) For civil penalty for excessive claims under this section, see section 6675.

"(2) For fraud penalties, etc., see chapter 75 (section 7201 and following, relating to crimes, other offenses, and forfeitures).".

(b) ALLOWANCE OF CREDIT FOR CERTAIN USES.—

(1) IN GENERAL.—Subsection (a) of section 39 (relating to certain uses of gasoline, special fuels, and lubricating oil) is amended by striking out "and" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof ", and", and by adding after paragraph (4) the following new paragraph:

"(5) under section 6429 with respect to gasoline and special fuels used during the taxable year (determined without regard to section 6429(g)).".

(2) TECHNICAL AMENDMENT.—Subsection (c) of section 39 is amended by striking out "or 6427" and inserting in lieu thereof "6427, or 6429" and by striking out "or 6427(f)" and inserting in lieu thereof "6427(f), or 6429 (g)".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter B of chapter 65 is amended by adding at the end thereof the following new item:

"Sec. 6429. Repayment of gasoline and special fuels conservation taxes in case of certain uses.".

(2) Section 6206 is amended—

(A) by striking out "AND 6427" in the section heading and inserting in lieu thereof "6427, AND 6429";

(B) by striking out "or 6427" each place it appears and inserting in lieu thereof "6427, or 6429"; and

(C) by inserting after "under section 6427)" the following: ", or by section 4051 or 4086 (with respect to payments under section 6429)".

(3) Section 6675 is amended—

(A) by striking out "or" after "highway motor vehicle)," in subsection (a);

(B) by inserting after "fuels not used for taxable purposes)" in subsection (a) the following: ", or 6429 (relating to repayment of gasoline and special fuels conservation taxes in case of certain uses)"; and

(C) by striking out "or 6427" in subsection (b) and inserting in lieu thereof "6427, or 6429".

(4) Sections 7210, 7603, and 7604(b) are each amended by inserting "6429(f)(2)," after "6427(e)(2),".

(5) Section 7604(c)(2) is amended by inserting "6429(f)(2)," after "6427(e)(2),".

(6) Section 7605(a) is amended—

(A) by striking out "6427(e)(2)" the first place it appears and inserting in lieu thereof "6427(e)(2), 6429(f)(2)"; and

(B) by striking out "or 6427(e)(2)" and inserting in lieu thereof "6427(e)(2), or 6429 (f)(2)".

(d) EFFECTIVE DATES.—

(1) FOR SUBSECTIONS (a) AND (c).—The amendments made by subsections (a) and (c) shall take effect on January 1, 1976.

(2) FOR SUBSECTION (b).—The amendments made by subsection (b) shall apply to taxable years ending after January 1, 1973.

PART III—MISCELLANEOUS

SEC. 231. TECHNICAL AMENDMENTS WITH RESPECT TO CERTAIN TRUST FUNDS.

(a) AIRPORT AND AIRWAY TRUST FUND.—Paragraph (3) of section 208(f) of the Airport and Airway Revenue Act of 1970 (49 U.S.C. 1742) is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to amounts equivalent to the credits so allowed to the extent that the credits so allowed are estimated by the Secretary of the Treasury to be attributable to the tax imposed by section 4086 of such Code (relating to gasoline conservation tax) or section 4051 of such Code (relating to special fuels conservation tax)."

(b) HIGHWAY TRUST FUND.—

(1) Paragraph (1) of section 209(a) of the Highway Revenue Act of 1956 is amended—

(A) by inserting "and" at the end of subparagraph (F),

(B) by striking out subparagraph (G),

(C) by redesignating subparagraph (H) as subparagraph (G), and

(D) by striking out "subparagraph (H)" in the last sentence and inserting in lieu thereof "subparagraph (G)".

(2) Paragraph (6) of section 209(f) of such Act is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to amounts equivalent to the credits so allowed to the extent that the credits so allowed are estimated by the Secretary of the Treasury to be attributable to the tax imposed by section 4086 of such Code (relating to gasoline conservation tax) or section 4051 of such Code (relating to special fuels conservation tax)."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1976.

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

COMMITTEE AMENDMENTS

Mr. ULLMAN. Mr. Chairman, I ask that the committee amendments may be considered en bloc.

The Clerk read as follows:

Committee amendments: Page 40, after line 2, insert the following:

(d) CREDITS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.—Any payment considered to have been made by any individual by reason of section 44A of the Internal Revenue Code of 1954 (relating to credit for personal use of gasoline) shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

Page 40, line 14, strike out "(d)" and insert "(e)".

Page 40, line 17, strike out "(e)" and insert "(f)".

Page 40, line 18, strike out "(d)" and insert "(e)".

Page 42, line 12, strike out "or used" and insert "used".

Page 42, line 14, strike out the period and insert ", or used by an organization described in section 501(c)(3) which is exempt from tax under section 501(a) other than in an unrelated trade or business (as defined in section 513)."

Page 46, line 8, strike out "(g)" and insert "(h)".

Page 47, line 9, strike out "(g)" and insert "(h)".

Page 48, line 13, strike out "(g)" and insert "(h)".

Page 50, after line 5 insert:

"(d) USE BY SECTION 501(c)(3) ORGANIZATIONS.—Except as provided in subsection (h), if any gasoline on which tax was imposed by section 4086 or any other fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel which is an organization described in section 501(c)(3) which is exempt from tax under section 501(a), other than in an unrelated trade or business (as defined in section 513), the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to the sum of—

"(1) the product of—

"(A) the number of gallons of gasoline so used, multiplied by

"(B) the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the user; plus

"(2) the tax imposed by section 4051 on the sale to such taxpayer of the fuel (other than gasoline) so used.".

Page 50, line 24, strike out "(d)" and insert "(e)".

Page 51, line 10, strike out "(a) and (c)" and insert "(a), (c), and (d)".

Page 51, line 14, strike out "(e)" and insert "(f)".

Page 51, line 18, strike out "or (c)" and insert "(c), or (d)".

Page 52, line 15, strike out "(f)" and insert "(g)".

Page 53, line 6, strike out "(g)" and insert "(h)".

Page 53, line 22, strike out "(h)" and insert "(i)".

Page 54, line 1, strike out "(i)" and insert "(j)".

Page 54, line 12, strike out "6429(g)" and insert "6429(i)".

Page 54, line 17, strike out "6429(g)" and insert "6429(h)".

Page 55, line 12, strike out "vehicle" and insert "vehicles".

Page 55, line 21, strike out "6429(f)(2)" and insert "6429(g)(2)".

Page 55, line 24, strike out "6429(f)(2)" and insert "6429(g)(2)".

Page 56, line 3, strike out "6429(f)(2)" and insert "6429(g)(2)".

Page 56, beginning in line 5, strike out "6429(f)(2)" and insert "6429(g)(2)".

Page 57, line 4, strike out "209(a)" and insert "209(c)".

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. ALEXANDER

Mr. ALEXANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALEXANDER: Strike out title II (relating to energy conservation taxes), beginning on line 1 of page 29, and ending on line 24 of page 57.

PARLIAMENTARY INQUIRY

Mr. ULLMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ULLMAN. Mr. Chairman, the amendment to strike will not be voted on until there is opportunity to vote on all of the perfecting amendments to title II?

The CHAIRMAN. The gentleman is correct.

Mr. ALEXANDER. Mr. Chairman, first I would like to commend the chairman, the gentleman from Oregon (Mr. ULLMAN) and the members of the Committee on Ways and Means, for the very difficult task they have undertaken. I agree with the chairman and the Members of the body that have engaged in debate during these 3 days that the establishment of a national energy policy is among the most important tasks of the 94th Congress.

I would also agree with the chairman that a legislative solution to the problem is preferable to the Presidential proposal.

The CHAIRMAN. The Chair would like to inquire of the gentleman from Arkansas if he asks unanimous consent that the conforming amendments be considered en bloc?

Mr. ALEXANDER. Mr. Chairman, I ask unanimous consent that the conforming amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The conforming amendments are as follows:

Page 78, line 9, strike out "SEC. 44C." and insert in lieu thereo "SEC. 44A.".

Page 82, immediately after line 4, strike out "SEC. 44C." and insert in lieu thereof "SEC. 44A.".

Page 83, line 10, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 83, line 18, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 84, line 1, strike out "section 44C (d)" and insert in lieu thereof "section 44A(d)".

Page 84, line 3, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 84, line 7, strike out "and 44C" and insert in lieu thereof "and 44A".

Page 84, line 16, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44B."

Page 86, line 1, strike out "section 44C" and insert in lieu thereof "section 44A".

Page 89, immediately after line 10, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44B."

Page 89, line 16, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 1, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 8, strike out "section 44D(d)" and insert in lieu thereof "section 44B(d)".

Page 90, line 10, strike out "section 44D" and insert in lieu thereof "section 44B".

Page 90, line 13 strike out "and 44C" and insert in lieu thereof "and 44A".

Page 90, line 14, strike out "44C, and 44D" and insert in lieu thereof "44A, and 44B".

Page 91, strike out line 12 and all that follows down through line 23 and insert in lieu thereof the following:

(i) section 4064 of the Internal Revenue Code of 1954 (relating to automobile fuel efficiency tax), and

(ii) section 4991 of such Code (relating to tax on certain business uses of petroleum and petroleum products),

Page 124, beginning on line 21, strike out "section 44C(c)(2)" and insert in lieu thereof "section 44A(c)(2)".

Page 124, line 25, strike out "section 44D(c)(2)" and insert in lieu thereof "section 44B(c)(2)".

Mr. ALEXANDER. Mr. Chairman, the amendments which I have go to the heart of title II which would strike all of the provisions of that title, and would exclude all of the provisions relating to the gas tax.

As I said, I agree with the chairman of this committee and the members of this committee that a legislative solution is preferable to the Presidential proposal. But I must insist, Mr. Chairman, that any legislative act of this body be a fair and equitable distribution of the burdens of any national energy solution among all of the people of this land.

I am convinced that the American people will bear any burden, will make any sacrifice, if the weight of the burden is equally distributed among all of our citizens. For too long in this Government have sought one-dimensional solutions to national problems to be paid for by only a small section of our population.

In title II of this bill are provisions that could impose taxes up to 23 cents per gallon on consumption of gasoline to encourage Americans to use public transportation. That would be fair if mass transit were available as an alternative to all of our people, but the fact is that most Americans do not have access to public transportation.

A recent Department of Transportation report shows that 58 percent of the jobs in America today are filled by people who live in rural areas, in small towns and in communities and cities of of under 25,000 people. That same report, Mr. Chairman, shows that unless there is a minimum population of about 100,000-plus, public transportation is simply not available.

Did you ever hear of anybody catching a subway in Osceola, Ark. or a bus in Bugtussle, Okla.? That is exactly what we are talking about here today.

People who are most dependent upon the automobile are the citizens who do not have access to mass transportation. Most Americans living outside the great cities depend directly and solely and exclusively on the automobile as their only means of transportation. The 480-gallon credit or 960 gallons that would apply to a family of 2 is not a drop in the bucket to people who live outside of the metropolitan regions of this country, and these are the people who will bear the burden of this gas tax if it is not carved out of this bill. Our city cousins can ride the bus to work and save their credit for the weekends, while our country cousins must not only ride to work in an automobile, but depend on that automobile for every other source of transportation. The citizen who drives from one small town to another small town to work will wind up paying the tax bill.

If this tax is enacted, we will be requiring the people of the heartland of America to carry this burden on both shoulders. It is unfair; it is inequitable; it is grossly discriminatory against the vast majority of the people of this country who do not have access to public transportation.

Mr. Chairman, I urge the adoption of this amendment.

AMENDMENTS OFFERED BY MR. STARK

Mr. STARK. Mr. Chairman, I offer several amendments, and ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. STARK:

Page 30, strike out line 1 and all that follows down through line 5 on page 31.

Page 32, strike out line 20 and all that follows down through line 25.

Page 33, line 1, strike out "(d)" and insert in lieu thereof "(c)".

Page 33, line 9, strike out "(e)" and insert in lieu thereof "(d)".

Page 34, strike out line 7 and all that follows down through line 2 on page 35 and insert in lieu thereof the following:

"(a) GASOLINE CONSERVATION TAX.—On gasoline (as defined in section 4082(b)) which, on January 1, 1976, is held by a dealer for sale, there is hereby imposed a floor stocks tax at a rate of 3 cents per gallon. The tax imposed by this subsection shall not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline.".

Page 35, strike out line 5 and all that follows down through line 9 and insert in lieu thereof the following:

"(d) DUE DATE OF TAX.—The tax imposed by subsection (a) shall be paid at such time after March 31, 1976, as may be prescribed by the Secretary or his delegate.".

Page 37, strike out line 16 and all that follows down through line 19 on page 45.

Page 45, line 20, strike out "SEC. 223." and insert in lieu thereof "SEC. 221.".

UMI

Page 46, line 8, strike out "(h)" and insert "(g)".
Page 47, line 9, strike out "(h)" and insert "(g)".
Page 48, strike out line 11 and all that follows down through line 5 on page 50.
Page 50, line 6, strike out "(d)" and insert in lieu thereof "(c)".
Page 50, line 24, strike out "(e)" and insert in lieu thereof "(d)".
Page 51, strike out line 6 and all that follows down through line 13.
Page 51, line 14, strike out "(f)" and insert in lieu thereof "(e)".
Page 51, line 18, strike out "subsection (a), (b), (c), or (d)" and insert in lieu thereof "subsection (a), (b), or (c)".
Page 52, line 15, strike out "(g)" and insert in lieu thereof "(f)".
Page 53, line 6, strike out "(h)" and insert in lieu thereof "(g)".
Page 53, line 22, strike out "(i)" and insert in lieu thereof "(h)".
Page 54, line 1, strike out "(j)" and insert in lieu thereof "(i)".
Page 54, line 12, strike out "section 6429 (h)" and insert in lieu thereof "section 6429(g)".
Page 54, line 17, strike out "or 6429(h)" and insert in lieu thereof "or 6429(g)".
Page 55, line 21, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".
Page 55, line 24, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".
Page 56, line 3, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".
Page 56, beginning on line 5, strike out "6429(g)(2)" and insert in lieu thereof "6429(f)(2)".
Page 78, line 9, strike out "SEC. 44C." and insert in lieu thereof "SEC. 44A.".
Page 83, immediately after line 4, strike out "SEC. 44C." and insert in lieu thereof "SEC. 44A.".
Page 83, line 10, strike out "section 44C" and insert in lieu thereof "section 44A".
Page 83, line 18, strike out "section 44C" and insert in lieu thereof "section 44A".
Page 84, line 1, strike out "section 44C(d)" and insert in lieu thereof "section 44A(d)".
Page 84, line 1, strike out "section 44C(d)" and insert in lieu thereof "section 44A(d)".
Page 84, line 3, strike out "section 44C" and insert in lieu thereof "section 44A".
Page 84, line 7, strike out "and 44C" and insert in lieu thereof "and 44A".
Page 84, line 16, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44B."
Page 86, line 1, strike out "section 44C" and insert in lieu thereof "section 44A".
Page 89, immediately after line 10, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44B."
Page 89, line 16, strike out "section 44D" and insert in lieu thereof "section 44B".
Page 90, line 1, strike out "section 44D" and insert in lieu thereof "section 44B".
Page 90, line 8, strike out "section 44D(d)" and insert in lieu thereof "section 44B(d)".
Page 90, line 10, strike out "section 44D" and insert in lieu thereof "section 44B".
Page 90, line 13, strike out "and 44C" and insert in lieu thereof "and 44A".
Page 90, line 14, strike out "44C, and 44D" and insert in lieu thereof "44A, and 44B".
Page 124, beginning on line 21, strike out "section 44C(c)(2)" and insert in lieu thereof "section 44A(c)(2)".
Page 124, line 25, strike out "section 44D (c)(2)" and insert in lieu thereof "section 44B(c)(2)".

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK. Mr. Chairman, I rise to offer a motion to strike the gasoline tax of up to 20 cents per gallon that would take effect in April 1977.

This amendment does not strike the 3 cents a gallon tax that will be deposited in the energy trust fund. It simply removes the possibility of our sticking the American people with a stiff gasoline tax nearly 2 years from today when, for all we know, prices may have risen far more than 20 cents per gallon without any additional tax.

Let us look briefly at what we are trying to accomplish with this bill. Our purpose is first to decrease dependence on OPEC and imported oil. To do this, very simply, we must reduce domestic consumption of energy until such time as domestic production of alternative sources comes close to meeting our demand for energy. We all agree, then, that we must conserve. Further, we all agree that gasoline—since it represents 40 percent of each barrel of crude—is the place to achieve the greatest conservation in the shortest time frame. The question is how to do it. This bill would tax every gallon an additional 20 cents by 1977. My amendment deletes the possibility of imposing such a tax.

That approach is all wrong. Taxing the consumer as a primary means of achieving a sizable reduction in imported oil is inequitable. We will be forcing poor people who cannot drive less to simply pay more to get to their jobs. And those who can afford gasoline at any price will continue to drive just as much. We have no reason to believe at this time that any price short of more than $1 a gallon will effect a real change in people's driving habits. And at that high a price we will be immobilizing many of the poorest workers who will have to choose between getting to their jobs and buying food. Clearly this is not the way to effect conservation.

If we are seeking, as we say, to change our habits, then let us write a bill that will be felt at every level of society. Let industry bear the burden of restraint along with the individual consumer. Let us all relearn our habits of energy use. Let our production habits change, rather than just forcing people to use less of their inefficient products. The consumer, as the end user, should of course learn to consume less, but this has to result from his purchases of more efficient products. This must be a cooperative effort, and the consumer cannot bear such a disproportionate share.

As we all know, prices are going to be rising even if we do nothing. There will be a tariff on imports of at least $1 a barrel. Our bill rolls back only the second dollar. Further, decontrol of "old" oil is inevitable in the near future, and the only question is how gradually it will be phased in. Let us assume that it is more gradual than the administration's proposal, and that it takes 5 years. Coupled with a $2 per barrel tariff, that is a certain rise in gasoline prices of at least 15 cents a gallon. It could be higher, and any OPEC price increases drive it up still further. In short, we will be facing price increases of 20 cents a gallon if we do nothing. How then can we put the American people on notice today that regardless of these price increases we still want to tax them 20 cents more in 1977? If the argument is that we believe that higher prices will result in people driving less and conserving more, then let us wait and see—we will have higher prices by then, and they will be substantially higher. If it proves to be true that people drive less when gasoline costs more, we can always come back and impose a tax at that time, when we are certain it will achieve the desired effect. But how can we impose it now, as a shot in the dark? Over the next 5 years, it would mean raising the price of gasoline to $1 a gallon. Surely that is not our purpose in this bill.

There are ways to achieve significant reduction in gasoline use. The surest way is mandate that Detroit produce efficient automobiles. I urge my colleagues to seriously consider the amendment that will be offered by my colleague, Mr. FISHER, to strengthen the "gas-guzzler" tax in the bill. The bill as reported provides for a rather weak tax that, worse still, is unlikely ever to be imposed. The Fisher substitute is a stiff tax on the manufacturer that is also passed through directly to the person buying the gas-guzzling car. That is the way to teach people which cars are efficient and which are not. And a real change in car-buying habits will result in more gasoline conservation than any amount of price increase.

Mr. Chairman, I strongly support this bill with these changes, and want to urge my colleagues to do the same. It is without question a real program that can achieve what it is intended to do. Unlike the administration's plan, it is a statement that we cannot simply raise prices and let the free market system determine where the dislocations and resultant hardships will fall. It is a statement that we want to reduce imports, but that we do not want that whole burden to fall onto the poor people who cannot escape it. That is what the free market system would do. This bill, without my amendment, creates mechanisms to change energy habits in every sector. There are new taxes on industrial use of petroleum products, there are incentives for people to build and maintain better insulated homes, and most important, there is a permanent mechanism to better control the flow of imported oil into this country. These are what must be the basis for a new energy program, and the administration has presented us with no such program.

If we can simply reverse the emphasis in the bill as reported—by striking the 20-cent tax and strengthening the "gas-guzzler" tax—we will be left with a good and a strong program. We cannot just concede it to the administration and the free market system if we really hope to achieve what we say are our objectives.

I urge your support for this amendment and just as strongly urge you to vote for this critical legislation.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from California.

Mr. ANDERSON of California. Mr. Chairman, I would like to add my support to the amendment put forth by my distinguished colleague and fellow Californian.

Like many of my colleagues who reflect the sentiments of the American people before this deliberative body, I have grave doubts as to the usefulness and necessity of those provisions of H.R. 6860 which seek to increase the tax on gasoline up to a maximum of 23 cents.

There are basically two reasons for my apprehensiveness:

First, it is now reported that the OPEC nations will raise the price of oil by about $4 per barrel this September. It has been estimated that this will result in at least 16 cents-per-gallon gasoline price increases, thus eliminating much of the need of huge, conservation-spurring gas taxes. In combination with inflation, and further OPEC price increases which are likely to occur in 1976 and 1977; the 23 cents-per-gallon tax would be just too much to bear. Gasoline prices could easily rise to over $1 per gallon by 1977.

Second, I believe that this provision, by attempting to exact a 1 million-barrels-per-day consumption cut from the private automotive sector through use of a gas tax alone, is inequitable to say the least. While private automobile usage of gasoline accounts for a little over one-third of the Nation's total petroleum consumption, H.R. 6860 seeks to gain approximately one-half or more of its energy conservation goal through use of the gas tax. I believe more balance is needed.

It is argued that the private automobile sector must inevitably bear the brunt of any energy conservation measure, due to the inherent inefficiency of the internal combustion engine.

It is said that urban areas must rapidly expand mass transit facilities and ridership. I agree with these statements wholeheartedly. But try to tell the Los Angeles commuter that his high fuel costs are providing revenues for the development of future transit systems; try to explain to the Texan who must drive 20 to 30 miles to work each morning that he has been chosen to pay for the research into solar home heating, and you will get some mighty confused comments; "confused" being the mildest adjective applicable.

I believe that "the people" must be given a choice, not of whether they can afford to continue to hold their job or not, but of whether they will buy fuel-efficient automobiles or not.

Instead of asking why their Government is arbitrarily penalizing them for its own lack of foresight, they will begin to ask, "Do I really need an automatic transmission?"; or, "Do I really want a 354-cubic-inch V–8?"; must one have power brakes and steering, and air-conditioning?

Certainly $1-per-gallon gasoline will encourage these questions, but such a situation will also invite other, more worrisome questions, such as: "How much inflation can our Nation take during this recession?"

A more desirable option would include a tough annual tax treatment of gas guzzlers, in addition to a moderate tax on gasoline itself and a tax on oil. While total gasoline production requires some 17 percent of our gross annual energy consumption, space heating alone uses approximately 18 percent. Could we not share the burden a bit more fairly? Spreading out the impact would be more equitable, less severe, and equally effective.

In conclusion, I urge my colleagues to give this amendment their fullest consideration. I agree that gas consumption increases are not desirable, but in the short term, the U.S. Government must not compete with the OPEC countries to see who can raise consumer prices more.

PARLIAMENTARY INQUIRY

Mr. ULLMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ULLMAN. Mr. Chairman, the gentleman from California has offered an amendment which would strike part B. The gentleman from Arkansas has offered an amendment which would strike the whole title.

I would assume, after part B is perfected, as the gentleman's amendment to strike part B asks, it would come before the amendment to strike the whole title. Am I correct?

The CHAIRMAN. The Chair would like to advise the chairman of the committee that the amendment offered by the gentleman from California (Mr. STARK) is a perfecting amendment and will be voted on first.

Mr. ULLMAN. I thank the Chairman.

Mr. ALEXANDER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-six Members are present, not a quorum.

The Chair announces that pursuant to rule XXIII, clause 2, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to the provisions of clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. STARK. Mr. Chairman, I ask unanimous consent at this point to withdraw my amendment and offer it later, after the gentleman from Ohio offers his amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. SCHNEEBELI. Mr. Chairman, reserving the right to object, I will ask what the parliamentary procedure is. In the event the gentleman withdraws his amendment, where do we stand?

The CHAIRMAN. The Chair would like to advise the gentleman from Pennsylvania (Mr. SCHNEEBELI) that if the unanimous-consent request is approved, we are back then to the Alexander amendment, which would be the amendment before the Committee, to strike the whole title, and other perfecting amendments to the title, as the gentleman from Pennsylvania knows, would be in order one at a time.

Mr. SCHNEEBELI. Mr. Chairman, if it is withdrawn and we get back to the Alexander amendment, does that mean other amendments of a lesser tax cut would be considered first?

The CHAIRMAN. That is correct.

Mr. SCHNEEBELI. Mr. Chairman, I object because I want to vote on the Stark amendment before I vote on any other alternative amendments.

The CHAIRMAN. Objection is heard.

Are there Members who desire to debate the Stark amendment?

Mr. FRASER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, what I am going to say will apply to each of the amendments under consideration.

The amendments seek to weaken this title and reduce the tax. I think that the responsibility of this House will not be discharged in the way that it ought to be if we fail to enact this title in substantially its present form.

The hardest thing of all, it seems to me, for this House to do is to ever raise somebody's taxes. I have watched this Congress for the past 12 years cut taxes on five or six different occasions, but I have watched the same Congress refuse again and again to raise taxes when it was required for the welfare of the United States.

The 8 million people who are unemployed today can be laid largely at the door of Congress because of its unwillingness to make hard decisions. We knew that when we set spending patterns far in excess of revenues, this adds pressure to the economy. It began with the Vietnam war, and we have just been unwilling to face our responsibilities.

As someone once said, we learn half of Keynes. We cut taxes to stimulate the economy, but we have never learned to raise them when our responsibilities require that we should.

The gasoline tax does not deal with the economy; it deals with the reduction in the consumption of oil. There are some people who would place great confidence in quotas as a way of reducing consumption. That in my judgment is sheer illusion. A quota does not reduce consumption; it reduces supply. The reduction of consumption will come either with an upward thrust of U.S. prices above world market prices, or in compulsory rationing, which will not work in the long run, or in what we sometimes call rationing by pain—the long lines at the gas stations, the shorter hours, and the poorer service.

Mr. Chairman, I do not like the quota provisions in this bill, but they remain in a modified form.

The only honest way to deal with the problem of oil consumption is to raise the price of gasoline and send the increased revenues back to the taxpayers in a manner that is not dependent upon whether or not they choose to buy a

gallon of gasoline. Under the committee provision, a couple, at a 23-cent level, would get back enough money to pay for 17,000 miles of driving a year at 18 miles a gallon. In other words, if a couple owns a car and drives less than 17,000 miles a year, they would come out ahead. But more importantly, the country would come out ahead, and perhaps even more significantly, we would have faced this very hard decision and met it successfully.

Mr. Chairman, I fear the consequences if we defang this bill and produce a toothless, ineffective bill.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I stand here in open forum and declare today that I will vote for a tax on gasoline or any other measure which will be distributed evenly and fairly if it is needed for the good for the country.

What I object to is that 58 percent of this tax will be paid by people who live in rural areas, in small towns, and in communities and cities of 25,000 or less, who have no access whatever to public transportation. It is simply an unfair, inequitable, and unjust distribution of the load and burden.

Mr. Chairman, that is why the amendment was offered, and that is why the amendment should be adopted.

Mr. FRASER. Mr. Chairman, I say to the gentleman that the redistribution of the money ought to be separately addressed. This increased tax would not go into effect until 1977. We ought to achieve a higher degree of equity.

I would not argue with the desirability of giving the question of redistribution more care and attention, but if we deal with the basic problem of reducing consumption by taking this tax out of the bill, then we will have done nothing. Then we are in trouble, and then we will have failed to meet our responsibility.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. FRASER) has expired.

(By unanimous consent, Mr. FRASER was allowed to proceed for 2 additional minutes.)

Mr. FRASER. Mr. Chairman, I just want to call attention to one last fact. I do not know whether it is persuasive or not, but our friends in Europe have had to face this problem of dependence upon external supplies of oil.

At the present time the Japanese tax on gasoline is roughly 400 percent higher than ours; the British, 500 percent; West Germany, 700 percent; Italy, 900 percent higher; and France, 600 percent higher. Italy in the last year has raised its tax per gallon by 38 cents; the British, by 20 cents; and the other countries by smaller amounts.

Mr. Chairman, these countries have parliamentary systems in which they take these decisions and make them effective. We have a Congress and a unique governmental system which does not impose the kind of discipline that we see in these other countries. Our discipline has to come from an honest facing of the facts.

Mr. Chairman, based on the experience of other countries and recognizing our own responsibility to the people of the United States to face this decision squarely, I urge that we vote the best we can to deal with this problem of external dependence. The only way I know in which to do that is to keep title II in essentially its present form.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Let me say that I believe the will of the House was thwarted when the ranking minority member of the committee objected to the withdrawal of the motion to strike much of the gasoline tax provision.

There ought to be a way to perfect a section of a title before a motion to strike is made. Now we are in a situation where there is a probability that because there was a motion to strike the whole title, the motion to strike subsection (b) is considered a perfecting motion, and, therefore, subsection (b) will not be perfected before the vote to strike comes.

I can see that the Chair might have to rule that way, but we really are thwarting the whole parliamentary procedure. When I chair a committee or in any meeting we have, the whole purpose is to get the will of the body before we face up to any final decision as to whether we strike or not strike. The gentleman from Pennsylvania knows that we have in the past operated in that manner in the committee. He objected to a very legitimate motion to withdraw the motion to strike out subsection (b) for what seems to me was the purpose of preventing the House from working its will on subsection (b) before the motion to strike comes before the body.

That, in my judgment, is a decision that does not belong in this kind of consideration where the Nation is looking for an energy policy, where the President himself, in conversations with me, has agreed that we should be working together.

Let me say that the President has invited some of us down to the White House to talk about energy policy. I want to say that the kind of action we have seen here today has made it difficult to get together with the administration on an energy policy. It is a stark political move to thwart the will of the Congress. I think it is totally improper.

Now, Mr. Chairman, of course I rise in strong opposition to the Stark motion to strike the title. I had hoped there could be some perfecting amendments so that subsection (b) can better represent the will of the House before the motion to strike comes before the body. And I am still hopeful that that kind of a ruling can be forthcoming. And simply because there is an amendment to strike one part of the bill before you have a chance to perfect it is, it seems to me, not sound parliamentary procedure.

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. STARK. Mr. Chairman, I hope that the distinguished chairman, when he has a chance to review his remarks, will please be sure to make a distinction between the upper and lower cases when he is using the word "stark."

Mr. ULLMAN. I certainly will do so, and I apologize.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to comment on the statement just made by the Chairman, the gentleman from Oregon (Mr. ULLMAN).

Mr. Chairman, I was not the one who established the procedure on how these amendments were going to be presented. I think that was an arrangement between the majority side and the Parliamentarian. It was not our plan of action to conduct business on what is totally within their jurisdiction. The plan was established by the majority party. All I want to do is to emphasize that I want to make sure that this House has a chance to vote on the Stark amendment without any inference in connection with any intervening amendments.

PARLIAMENTARY INQUIRY

Mr. SCHNEEBELI. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SCHNEEBELI. Mr. Chairman, my question to the Chair is: In the event we go beyond the Stark amendment and go to the amendment that I understand will be forthcoming from the gentleman from Ohio (Mr. VANIK) his cut of the 20-cent tax is less than that of the gentleman from California (Mr. STARK). In the event we recede and agree to go to a consideration of the Vanik amendment, and it is adopted, does this then preclude us from acting on the Stark amendment?

The CHAIRMAN (Mr. NATCHER). The Chair would like to advise the gentleman from Pennsylvania that it would not, if the amendment is presently withdrawn.

Mr. SCHNEEBELI. Then I would like to ask the question: Will the gentleman from California (Mr. STARK) still bring the amendment forth?

Mr. STARK. Mr. Chairman, if the gentleman will yield, in response to the gentleman, if the Chair would recognize me to make my same unanimous consent request to the offering of my amendment, I would still offer the amendment following the Vanik amendment if the Vanik amendment were passed.

Mr. SCHNEEBELI. Under the circumstances, as I understand it, if we vote on the Vanik amendment or any similar amendments to cut this tax less than the Stark tax cut, that after acting on these other amendments we will be still allowed to vote on the Stark amendment. Under those circumstances I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Mr. Chairman, reserving the right to object, I would like to say that the folks on the other side of the aisle have demonstrated just about as much parliamentary ability in handling this bill as they have energy expertise in drafting this legislation. It is sadly lacking on both counts, and the gentleman from Maryland is going to object to any request to withdraw the Stark amendment.

My Ways and Means friends across the aisle have gotten themselves into this predicament and they deserve it. They are afraid the House will adopt an amendment producing a substantial reduction in this gasoline tax. The whole section allowing this tax should be stricken since it is highly detrimental to the American people. Let them live with the parliamentary situation. Their problem is not political, it is their own mismanagement. They will have to accept that responsibility completely.

I see no reason why we on this side of the aisle should try to bail them out. Let them use their two-thirds majority, and demonstrate their ability to run this House, if they can.

Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. KARTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I did not know what my colleague, the gentleman from Minnesota, was going to say or what position he was going to take on title II, but I want to congratulate him on his courage, and even more so on his honesty.

I hesitate to get into this partisan squabble, Mr. Chairman, but let me just say that there has been a profound exhibition, I think, of partisan politics and very recently something less than graciousness which is normally accorded to Members in this body. I say that I hesitate to get into this partisan squabble because on the one hand I think the minority has exhibited profound partisanship here today and yesterday and, on the other hand, they really have not exhibited partisanship on this question of energy because, as I recall it, Mr. Chairman, the President introduced a program to this country and sent it to the Congress here some 2 or 3 months ago. To the best of my knowledge, that complete program has not been introduced by one single Member of the minority group. So maybe on that basis, Mr. Chairman, we could accuse them of being 100 percent partisan, or maybe we can accuse them of that because they really do not like any energy program that has been proposed, including the one that has been proposed by their own president.

Mr. Chairman, let me get on to this title and the motion that is now pending before the body. This vote, I am afraid, will not be decided upon the facts. I suggest rather strongly—and I might say apologetically—that in my judgment it will be decided more by lack of political courage than it will be decided on the basis of the facts and on the basis of the need of the country. But at least, so that the record is clear on what this title really does, I want to delineate the highlights of it. Some day after this decision has been made—and I am hopeful that it will not be made as most people indicate or feel that it might—I suggest that some day that vote will haunt a good many Members of this Congress who cast their vote for short-term political expedient reasons rather than on the basis of facts.

Mr. Chairman, under the provisions of this bill the first possible tax trigger date would not be before April 15, 1977. I repeat, Mr. Chairman, under this bill any part of that 20 cents could not possibly be triggered in before April 15 of 1977. It is estimated that we will consume in 1975 approximately 6,585,000 barrels of gasoline a day. Then if 5 cents is triggered on April 15 of 1977, it can only be triggered, Mr. Chairman, if consumption increases another 85,000 barrels per day. That is all. That is the only way it can be triggered in. If that does not act as an incentive to cause the American people to reduce their consumption, then, of course, they ought to pay the 5 cents. But even, Mr. Chairman, if the 5 cents is triggered in, 85 percent of that 5 cents will be rebated directly into the withholding stream to all of those who are 16 years of age or older.

I do not think, Mr. Chairman, that we can blithely assume that there is no limit to this finite product we are talking about, or that there will never be a day of reckoning, or that we do not have to worry about the massive outflow of dollars year after year after year that are literally bankrupting this country. I do not think that we can continue to practice this with the disregard and abandon that we have been practicing it for the last several years.

Then, Mr. Chairman, after everything is said and done and if consumption continues to escalate so that our use is an additional 85,000 barrels per day, as I have indicated by April 1977, and the 5 cents does go into effect, every person 16 years of age or older will get a $24 rebate fed into their taxes; but if and when, and hopefully never and possibly never, the average consumption goes up approximately 285,000 barrels per day, that is 285,000 barrels per day above and beyond the highest consumption year in the history of our country and only then, Mr. Chairman—only then, will the additional 15 cents be triggered; but if it is triggered, $96 per year will go back into the withholding stream to everybody who is 16 years of age or older.

Now, I just submit to my colleagues, that if we cannot vote for that kind of an increase and I say this in all sincerity and all honesty, Mr. Chairman, if we cannot do that, we really do not deserve to sit here as leaders of the Nation.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent Mr. KARTH was allowed to proceed for an additional 5 minutes.)

Mr. KARTH. Mr. Chairman, one final word. There are really only two programs that have been proposed which are now before the country as such. One is the President's proposal and one is H.R. 6860 that is before this body.

Let us take a look at what each one will cost the American consumer and what they will save in terms of energy. I think that is the fairest test of all. The President's program will cost—and I will break this down if anyone is interested—will cost about $43 billion annually to the American consumer. It will save 1.62 million barrels of petroleum a day. The bill that is before us H.R. 6860 will cost $16 billion after the rebates have been made and will have 2.82 million barrels per day of petroleum.

Mr. Chairman, for the costs that are involved to the American consumer and the energy savings that are brought about by these respective programs, I would hope that the Democratic majority in this Congress, and certainly we can expect no help from the other side, but I would hope that the majority in this House would see to it that title II in its entirety in H.R. 6860 remains intact.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know the gentleman who preceded me, the gentleman from Minnesota, Mr. KARTH, made the statement that nobody on the minority side had offered a bill to support the President's program. On February 4, H.R. 2650 was introduced by the distinguished minority leader, the gentleman from Arizona (Mr. RHODES) and 23 other Republican leaders.

Mr. KARTH. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Minnesota.

Mr. KARTH. Mr. Chairman, is that the total President's program?

Mr. SCHNEEBELI. Yes. I am informed that is the total President's program.

Mr. KARTH. How many minority Members introduced it?

Mr. SCHNEEBELI. Twenty-four.

Mr. KARTH. I wonder if the gentleman could tell the gentleman from Minnesota how many there were?

Mr. SCHNEEBELI. I am advised that 24 Members cosponsored the bill.

Mr. KARTH. Only 12 Members of the minority introduced the President's bill on the most important issue before us this year.

Mr. SCHNEEBELI. Mr. Chairman, I would like to repeat some remarks I made yesterday in general debate about the gasoline tax. The gasoline tax within 2 years, as we all realize, will be 23 cents a gallon.

Mr. Chairman, quoting from an editorial in the Business Week magazine, I would like to underscore the disparity in costs between gasoline and diesel fuel when this tax goes into effect.

Business Week states that at year end the average price of diesel fuel was 48 cents per gallon, compared to 55 cents per gallon throughout the United States. Figures will vary, of course, with a 7-cent differential on diesel probably being rather constant.

At the outset, we have a 7-cent differential between diesel and gasoline. We add to that gasoline 7-cent differential, 23 cents more. That is 30 cents a gallon difference between diesel and gasoline. Two years from now, a person will drive into his service station, and pay 55 cents per gallon for diesel fuel and 85 cents a gallon for his gasoline.

The article in Business Week goes on to say that at the present time average mileage for the average diesel powered passenger car in the United States is 32 miles per gallon. At the same time, the average mileage for the passenger car using gasoline is 22 miles per gallon for similarly sized cars. Here, we have a fuel that will go 32 miles per gallon compared

to 22, at 30 cents a gallon cheaper. It is quite obvious what is going to happen. Everybody is going to buy a diesel powered automobile.

At the present time, there are two manufacturers who make diesel-powered automobiles, Mercedes and Peugeot. Volkswagen has announced that next year it will make 100,000 diesel-powered passenger cars. As we know, the conversion time in Detroit is 2 or 3 years, so by April 1977, Detroit is not going to be in a position to offer diesel-powered passenger cars where one can buy at 30 cents a gallon cheaper. All of these manufactured cars will come from abroad.

The Business Week article goes on to say: So far, Detroit has shown little interest in diesel powered automobiles, leaving the field to the foreign suppliers who have been producing diesels for more than 40 years.

Now, we are going to convert, and instead of buying 20 percent foreign made automobiles, the percentage will go to astronomical heights, because who is going to buy a gasoline passenger car when he gets 50 percent more mileage out of a fuel that costs him 30 cents less? At the present time one-third of the total private use of gasoline is used by people driving to work, so we are going to saddle these people—with that extra 23 cents per gallon tax.

Furthermore, at the same time in 1977 when this 23 cent per gallon gasoline tax goes into effect, there will be a tax on industrial use of petroleum products. Do the Members know what that will be? It will be 17 cents a barrel. Not a gallon, 17 cents a barrel will be the tax on industrial use of petroleum. That 17 cents a barrel figures out to less than half a cent per gallon, so while the industrial plant pays less than half a cent per gallon more tax, the fellow driving to work pays 23 cents per gallon more tax.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent Mr. SCHNEEBELI was allowed to proceed for 3 additional minutes.)

Mr. SCHNEEBELI. In addition to the facts that I have stated, this half cent, or 17 cents a barrel tax on industrial use will go up slowly. By 1978, I think it goes to about 35 cents. Eventually, by 1980, it goes up to 1 cent a gallon compared to 23 cents a gallon we still have in the use of passenger cars.

Mr. Chairman, I feel that this unjust tax on the person driving to work, this disparity of forcing everybody into buying diesel powered passenger cars which are made abroad and are not and probably will not be made in the United States, is wrong.

This is just causing a tremendous imbalance in the demand of our fuel, and what we are going to do with the 40 percent of the petroleum barrel which is gasoline? Certainly, trucks are going to be converted to diesel. Twenty-eight percent of the intercity trucks are diesel. The remaining 72 percent will change to diesel. What are we going to do with the 40 percent of gasoline that comes out of the petroleum barrel, when everybody changes to diesel?

That is the reason why we go along with the administration program, where we get a uniform taxation on all petroleum products, so that your diesel cost is comparatively the same as gasoline, so that this inequity is not created? What are we going to do with all the used cars, gasoline-powered cars, that will be on the used-car lots? What are the American automobile dealers going to do with the gasoline-powered cars they have in their showrooms when everybody wants to buy a diesel-powered vehicle?

The tax is so inordinately unfair that I think we should strike at least the 20-percent reduction that is in the Stark amendment and proudly go to the Alexander amendment to strike the whole section.

Mr. Chairman, I rise in support of both amendments presented by both the gentleman from Arkansas (Mr. ALEXANDER) and the gentleman from California (Mr. STARK).

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Mr. Chairman, I can hardly understand the argument being made by our friend, the gentleman from Minnesota, that this issue is becoming political. It seems as though he wants to put his side in their rightful position of favoring a 23-cent additional gas tax and is positioning this side as opposed to it. If he is, he is correct. I think if we wanted to be political we would permit the Democrats to vote this 23 cents per gallon tax on the American people and then let the people show their displeasure with them at the polls. But we are trying to do them a favor, trying to do the American people a favor, by opposing it. We are not being political. We are being overly generous with our Democrat friends by attempting to "get them off the hook" at the same time we are saving the American people from all of the new taxes they would place on them.

Mr. MARTIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of both of these amendments to reduce the gasoline tax.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I will be glad to yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of both amendments. I think that they are well considered for the consumers and taxpayers of this country. I do not believe this is a political issue. I believe it is for our constituents and consumers who work, the 85 million people in this country who use automobiles as transportation, and I am for them.

I thank the two gentlemen who have offered the amendments to eliminate these unwarranted increases in taxes.

Mr. MARTIN. Mr. Chairman, there has been quite a bit of consideration here as to the alleged partisanship on this side of the aisle. I would say that if, instead of debating the merits or demerits of this amendment, if the Members on the other side prefer to fight the Republican Members for partisanship, then certainly further response is needed. If it is partisanship to use the revered rules of the House to advantage, then where was the chairman and other supporters of this bill at a time an effort was being made to consider the keystone of the President's energy proposals, namely, the deregulation of oil, coupled with the windfall profits tax with the plowback feature? I submit that was defeated in committee on the straight partisan vote.

The Conable amendment would have been considered on the floor had the Committee on Rules allowed it. It was thwarted by the Committee on Rules, and it was then thwarted by the vote of the House on Monday when the vote was taken on ordering of the previous question before the adoption of the rule. The House rules were then employed to block consideration of deregulation and the windfall profits plowback tax.

Had this amendment been considered, it would have done something to encourage domestic exploration, drilling, and production and, therefore, to increase our domestic supply of oil. It should have been debated and voted on. Partisanship kept the issue off the floor. Partisanship applied the gag to the most crucial energy proposal.

Nothing else in this bill will increase production. H.R. 6860 provides a 23-cent gasoline tax and an assortment of lesser tax incentive, but primarily, it attacks demand with this 23 cents a gallon tax on gasoline. Then it attacks supply by a quota limit, which will hold down the supply, and create shortages by our own choosing!

Let me consider the 23 cents a gallon, for example. If we multiply that 23 cents a gallon by the 42 gallons to a barrel, for comparison, then we are talking about $9.66 a barrel. If we include the existing Federal tax of 4 cents a gallon, then that means that the Federal tax on gasoline would exceed $10 a barrel. It would thus rise to $11.34 per barrel.

I ask the Members in consideration of this proposal to compare that $11.34 a barrel which this 23 cents a gallon tax imposes against the $2 a barrel which the President has ordered to be imposed only on that one-third of the oil which we import.

Mr. MOORE. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Louisiana.

Mr. MOORE. Mr. Chairman, I thank my good friend and colleague, the distinguished gentleman from North Carolina (Mr. MARTIN) for yielding. I should like to say that I agree with the gentleman's comments and congratulate him on his fine presentation.

I rise in support of both the Stark amendment to kill all but 3 cents of the gasoline tax and the Alexander amendment to kill the tax in its entirety. I can think of very few things which would do greater harm to the economy of this country—especially to rural Americans and small businessmen than an increase in the gas tax.

Has everybody forgotten the recession? Do not be fooled by those who tell you that this tax will only cost the average family such and such amount of money. Sure, that might be all it will cost them for the gas they put in the tank of their car. But everything we use in this country reaches us by some means of transportation. This cost is going to be loaded onto the price of every good and service produced in America. Some businesses, however, our small businesses, can not raise their prices because their customers cannot afford to pay any more. They will just go broke, and thousands of hard-working Americans will be thrown out of work and onto welfare.

Do not forget, either, that the proponents of the gas tax talk about average families and average use of gasoline. That means that half of our population will be paying more, much more. You talk about using less gas, of cutting down to 9 gallons per week, of using public transportation. Well, we do not have that choice outside major metropolitan areas. Most of our farms lie many miles from population centers. Farmers can not cut down on gas consumption or pass the tax on to consumers, and we do not have mass transit out my way for the simple reason that we do not have much mass population. Many of our people have to drive great distances to work, without alternative sources of transportation. Our good people are doing their best to produce enough for the rest of the country to eat, make enough to get by, and do their level best to voluntarily conserve energy. The gas tax discriminates against these good people of my district, and they nor our economy can stand any increase in taxes.

Mr. Chairman, I urge my colleagues to overwhelmingly reject this gas tax, which is just one more example of Government action to increase inflation and deepen the recession, and vote for the two amendments now before us.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I thank the gentleman for yielding. I rise merely to correct the record.

The Conable amendment was not considered in the Committee on Rules. What the Committee on Rules considered was the proposal I made before the Committee on Rules that it make in order by rule an amendment to this bill on the floor that part of the bill which has been reported out of the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce which would provide for deregulation of the price of old oil, windfall profits tax, and plowback provision.

However, the gentleman is quite correct that my request was opposed by the leadership, not only of the Committee on Ways and Means but of the Democratic Party in the House.

Mr. MARTIN. Mr. Chairman, I thank the gentleman very much for making that correction.

Mr. Chairman, with this reinforcement I still maintain that that means consideration of the deregulation and windfall profits tax was blocked by the Committee on Rules, as I earlier stated.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding.

I am having a hard time understanding the logic of adding a new tax and then turning around and scraping off 15 percent for handling charges and then returning the balance, the 85 percent. I do not see the logic of this.

If we do not have the tax at all, then the taxpayer is going to have 100 percent of it. If we do have the tax, the taxpayer is going to get an 85-percent rebate, if he gets that. I wish that some Member could explain to me the logic of this tax.

Mr. Chairman, in the absence of such an explanation, I must support the amendments.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

(On request of Mr. STARK and by unanimous consent, Mr. MARTIN was allowed to proceed for 2 additional minutes.)

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I will certainly yield to the gentleman from California in consideration of his kindness in obtaining 2 additional minutes for me.

Mr. STARK. Mr. Chairman, I want to ask whether we can give the devil his due in this case and ask if my amendment is agreed to, would the gentleman, understanding that the remaining 3 cents tax would be going into an energy trust fund, be inclined then to support the remainder of title II, with the 3 cents staying in?

Mr. MARTIN. Mr. Chairman, I can only speak for myself, and I appreciate the compliment of the gentleman's request for that clarification.

I will say to the gentleman that as long as there is no effort being made by the Congress to obtain deregulation of oil and gas so that we can return to the marketplace to allocate this very vital commodity, I will not favor any kind of artificial price increase imposed by the Congress, whether it is 3 cents or 7 cents or 10 cents or any figure.

In my view, if we are going to pay more for our fuel, we ought to pay for it in such a way, with the windfall profits tax and the plowback provision, that we can require the industry to use those increased earnings to drill and explore for oil and construct production facilities such as refineries, oil pipelines, ships, and so forth. As long as we do not do that, it would be my intention to oppose any artificial increase in the form of a gasoline tax.

I could accept a minimal gasoline tax if there were a free market and if we were going to move toward deregulation.

Mr. STARK. If the gentleman will yield further, I thank him for his response.

The point implicit in my plea to support my amendment was that we maintain the 3-cent tax.

Mr. NEAL. Mr. Chairman, I move to strike the requisite number of words.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. NEAL. Yes, I yield to the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, I would like to take a brief moment to voice my opposition to the proposed increase in the gasoline tax.

The gasoline tax provision of this bill has been justified both as a conservation measure and as a revenue source for research and development of alternative sources of energy. I submit that it fails on both counts and, in fact, represents bad energy policy.

As a conservation measure, the gas tax is ineffectual and unfair. It is, above all, inherently inequitable in its impact on the American public. The burden of high energy costs falls hardest on those individuals who can least afford them—even though the highest income groups consume the most energy. And, in addition, the experience of the past 2 years provides no evidence to suggest that such a tax would serve to induce any appreciable reduction in domestic consumption. The price of domestic oil has tripled in the last 2 years, and the price of gasoline has more than doubled, yet gasoline consumption has not declined by corresponding amounts.

I also question the value of the gas tax as a revenue raising measure. While I agree that we must encourage domestic exploration and promote research and development of alternative sources of energy, I do not believe that the gas tax is the proper vehicle for achieving these ends. The necessary revenues should be raised from the undertaxed oil companies and utilities, not from the already overtaxed average citizen. They should be raised by closing the present tax loopholes enjoyed by the oil companies, not through the imposition of a regressive gas tax that places a disproportionate burden on low- and middle-income Americans.

It is also important to note that the inequities of the gas tax are not only related to income level. They also have geographic implications. The proposed gas tax increase would hit especially hard at rural America where people are so heavily dependent on the automobile for their livelihoods and for the satisfaction of basic human needs. Indeed, a gas tax increase would discriminate against rural working people who do not have the alternative of public mass transportation.

There is an alternative to the proposed gasoline tax increase as a revenue source which the House will consider during debate on this bill. It is my understanding that Mr. HARRIS, of Virginia, intends to offer an amendment to title IV of H.R. 6068 that would eliminate the foreign tax credit for oil-related income in foreign countries and substitute a special 24 percent corporate tax rate for such income. I think that this is a very worthwhile proposal.

The Harris amendment, if enacted, would eliminate the huge tax loophole that foreign tax credits provide. In so doing, it would raise about $1.5 billion which could be directed toward energy research and development. It would also provide incentive for investment in domestic energy production. This is a very significant point.

The current foreign tax credit provision makes investment aboard more lucrative than investment at home. By allowing the multinationals to earn great profits free of U.S. taxation, it constitutes an artificial incentive for investment abroad. Foreign tax credits thus play an important role in promoting the expansion of the overseas operations of

the major oil companies at the expense of domestic development. Their elimination would increase revenues for the U.S. Treasury, and would put domestic production in a more competitive position vis-a-vis foreign development.

Our Nation's energy needs are serious, and they demand prompt and decisive action. At the same time, such action must be effective, responsible, and fair. The gasoline tax provision of H.R. 6068 does not meet this criteria. It should be rejected, and other more constructive proposals should be pursued.

Mr. NEAL. Mr. Chairman, although I hate to have to disagree with the distinguished chairman of the Ways and Means Committee, I must rise in strong support of these amendments, one of which I authored and which it turns out was also suggested by four other Members.

The gasoline taxes are regressive.

They hit hardest those least able to pay, the low- and middle-income people of America.

They hurt those who must drive long distances to work and who of necessity use more than 9 gallons per week especially hard.

They are not only regressive, they would not be effective. The committee report equivocates on the subject of conservation. The high prices we have experienced over the last couple of years have not caused conservation. Reports I have seen indicate that for a tax to really create conservation, it would have to be at least 45 cents per gallon.

The taxes are not only regressive and ineffective but would be inflationary. They would add to the price of all we have to buy and encourage working people to seek higher wages to make up for the increased cost in gasoline.

They are not only regressive, ineffective, and inflationary, but would add to the recession. We have just passed a tax rebate which has started the economy moving again. These gasoline taxes would work at cross purposes with the tax cut and rebate. They would mean that people would have to pay a higher percentage of their income for gasoline and thus less for all other consumer goods. The gasoline taxes would have the effect of slowing down the economy.

The gasoline taxes would be not only regressive, ineffective, inflationary and recessionary, but also ill-advised. We would create a bureaucratic nightmare which will be very expensive.

Why collect all of this money, shift it around a bit and return it?

The gasoline taxes are not only regressive, ineffective, inflationary, recessionary, and ill-advised, they are politically unrealistic. The bill is already seen by the press and the American public as a gas tax bill. If this bill should pass with the gas tax included, the President would surely veto it and would do so on the grounds that he was saving the American public from a regressive tax. He would be seen as a champion of the average person when, in fact, his policies clearly demonstrate very little concern for the average person. There are many good features in this bill, but the gasoline tax is not one of them. Let us keep the good, discard the bad and show the American people that we can establish a sound energy policy that is fair to all people.

I urge your support of these amendments.

Mr. BLANCHARD. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I will be glad to yield to the gentleman from Michigan.

Mr. BLANCHARD. Mr. Chairman, I rise in support of this amendment.

I agree with the gentleman from North Carolina (Mr. NEAL) that a gasoline tax of the nature proposed in this bill will be regressive—hurting most those who can least afford it.

In addition, it will be severely damaging to the automobile industry, which is already in a depression the end of which on one can yet foresee.

It is a matter of deep concern to me, Mr. Chairman, that the Committee on Ways and Means has adopted the philosophy of President Ford on this question, in seeking to promote conservation through higher prices.

With the kind of inflation we are already experiencing in the United States today, this philosophy can only be devastating in its impact on the average-income citizen who is looking to us for help.

The extent of the President's real commitment to energy conservation, it seems to me, was best shown by the original budget which he presented to the Science and Technology Committee of which I am a member.

That budget, of $4.3 billion allotted to the Energy Research and Development Administration, called for spending of less than $41 million—well under 1 percent of the total—for research and development of new methods of conserving energy.

Mr. Chairman, the President—and more importantly, those of us here in Congress—must take a broader view of the problem of energy conservation. Until we do, any measure we approve will be punitive to the average wage earner and a further burden on our depressed economy.

Mr. MOFFETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Stark amendment and will support other amendments to strike all gasoline taxes from the bill.

I must say, and without being partisan, that people of both parties who have spoken in opposition to the gasoline tax, but support the approach of simply raising prices across the board with respect to all fuels and the price of oil particularly, are at best inconsistent and perhaps hypocritical.

It is rather common knowledge that the President's plan of decontrolling oil and tariffs as an approach to the energy problem will add billions, perhaps over $40 billion at the first swipe, to the cost of the energy bill.

So, let us not, in the name of the consumer, oppose a gasoline tax, and at the same time, say we are in favor of the President's approach on decontrol.

The unfortunate thing is that the Committee on Ways and Means bill, which is good in many respects, does that very thing when it comes to a gasoline tax. It adopts the President's assumption that an increase in price will bring about conservation. But there is really no evidence of that.

If this were 1966, 1967, or 1968, and we were in an age of relative prosperity, and, in fact, the price of gasoline were 29 cents, and if one could say that by raising this price to 45 cents we would induce substantial conservation, then I would support such a move. But there is no evidence we will cut consumption by this tax applied in 1977. Certainly there is no evidence that we are in an age of relative prosperity. This will only be a burden to our people.

I believe the gentleman from Minnesota (Mr. KARTH) whom I respect very highly, said that it was not until 1977 that this is going into effect.

What will the price of gasoline be in 1977 if the President has just half his way, or a quarter of his way? It will be an awful lot higher than it is now.

We should talk about the perception of our citizens as they view this Congress. It is really unfair to talk about a further gasoline tax as being a courageous vote. It is not a courageous vote. It is a foolish vote. It is not based on the facts as they relate to conservation and elasticity.

Our citizens are saying that they are being socked again and again, and the Congress stands by and acquiesces; now the Congress is going to help sock them just one more time.

What they would like to see is for us to break up the concentration in the energy industry, to protect energy resources on public lands, to not bail out utilities or stand by while the President bails out the utilities, and to have some fair rate structure and conservation policy as they relate to the utilities. What they would like to see is a crash development alternative energy sources and not a gas tax.

I am very sorry to have to disagree with what is in some ways a good bill. But with this tax, the committee has adopted a very simplistic, counterproductive approach to the question of gasoline conservation. Now is not the time for a gasoline tax.

Mr. FITHIAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I woud like to say, first of all, that as a freshman Democrat, I would not like to see this body fail to pass an energy bill. I am afraid that some of the remarks on the other side are dedicated to the proposition that we should have no energy bill. I would like to assure the chairman of the Committee on Ways and Means that I do want an energy bill passed, but I can never support a bill that has a 23-cent-per-gallon gasoline tax provision.

Before I delineate the arguments for that, I would like to say that perhaps, Mr. Chairman, those senior Members among us today and the committee chairmen among us today might well remember those efforts that were made in this body by those who preceded us to have a single committee to work on the matter of energy.

I hope that when those of us who are now appointed to the recently appointed Reform Committee come back, as I hope we will, with the proposition to get us out of this quagmire of having seven committees work on energy, that we will remember our difficulties of yesterday, and today and tomorrow, on the fact that we have so many committees attempting to legislate on energy in this House.

We will not get a national energy policy until this body has one committee working on energy, and our counterparts in the Senate have one committee working on energy, and the administration has somebody besides paper-pushing administrators seeking solutions to the energy problems facing this country.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FITHIAN. I will when I finish.

I want this body to pass an energy bill.

I want to second the comments made by my colleagues that this bill falls unevenly upon class and geographical regions in this country. The rural people who live and drive to work are going to pay an unfair burden. It will be an inconvenience, perhaps, for those who have a $100,000 income to pay a 23-cent-a-gallon gasoline tax, but it is a lot more than an inconvenience for those who have a $6,000 income and are trying to rear a family on that amount.

This is a piece of class legislation as well as a piece of legislation burdening rural Americans.

We need funds. I am in total agreement with the chairman of the Committee on Ways and Means. We need funds to do research and development on the alternate sources of energy, but I would suggest that we look elsewhere than to the working American for that fund. I would suggest that we take a long, hard look at the foreign tax credits which are piling up. I would suggest that we take a long, hard look at perhaps even oil company profits, up to now so sacrosanct. I would suggest that perhaps even in the sale of raffle tickets we discussed today there might be a source of income, but I would suggest that we not exact it from those who are least able to pay.

We need to conserve, and we are all agreed on that, but this bill will not conserve energy in this particular title. As I understand, the chairman of the Committee on Ways and Means has suggested that we take a long, hard look at some point at mandatory allocation. I would suggest that we can allocate to the States on an orderly basis and achieve the same thing without all the falderal of taxing and then turning it back.

This is a regressive tax. This will have an inflationary impact upon our society which I cannot support. Moreover, I would argue with the gentleman on the Committee on Ways and Means that this simply will not work. Let me just have his attention for a moment and ask how we proceeded into this. We are told, as I understand it—and I followed the debate carefully for 3 days—that it will not be regressive, that it will not fall upon those least able to pay, because 85 percent of it will be returned.

If, in fact, one knows that taxes are going to be returned to him; I fail to see the punitive value of it. If rebated, as the bill provides, it seems to me it will not have that biting effect. It looks even less than likely, if the gentleman from Minnesota is correct, that it is not likely to be triggered in. We were told within the hour that this would likely not be triggered in at all. Then it cannot work at all.

Mr. Chairman, there are better ways to solve this problem. The auto performance standard, which I understand is coming along as an amendment, is one step in that direction. Mandatory allocation to the States, I feel, would be another step in that direction. I might even suggest that in our State of Indiana, if my figures are correct, we saved 7 percent of our gasoline consumption during the boycott by Sunday closings. There are alternate ways. I refuse as one Member of this body to be cornered in the box that it is either this program with 23 cents a gallon or the President's program with the ridiculous proposal that we should deregulate natural gas and deregulate old oil.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New York (Mr. AMBRO).

Mr. AMBRO. Mr. Chairman, it is difficult to get up here and deal with arguments that have been so eloquently made once before, but I must do it in support of both the Stark amendment and my colleague's, Mr. ALEXANDER'S amendment, since I have the identical amendment, as do the gentleman from Virginia (Mr. HARRIS), the gentleman from North Carolina (Mr. NEAL) and the gentleman from Indiana (Mr. FITHIAN). They have been printed in the RECORD.

Really I am not interested in partisan bickering, but I do resent certain characterizations. For example, the thought that we refuse to face our responsibilities if we oppose this tax, that we are not being courageous if we oppose this tax, simply seems to me to be the antithesis of the truth. In fact, we are being courageous in opposing this because it seems to me that the tax is, indeed, outrageous sociologically.

My colleague, the gentleman from Arkansas, made the point that rural America would be affected. I do not represent rural America; I represent suburban America, if you will. The Nation is as much a suburban nation as it can be characterized as anything else.

There is no question that the middle-income people who rely heavily on their automobiles to get to work, low-income people operating second-hand gas guzzlers, fixed-income people and the unemployed, all those that live in the suburbs or in the cities where there is no mass transportation alternative would be forced by this regressive tax to shift money from staples, such as food, clothing, and rent, to gasoline. For millions upon millions of people a gas tax to reduce consumption is not only inequitable, but it will not work at this figure.

Now, if we want to bite the bullet, peg the figure at the original committee figure of 47 to 50 cents, if we have the guts to do it. Then all evidence indicates that this figure will go far toward reducing consumption.

Where this 20 cents arbitrary figure came from, I do not know; but if it will not work, if it is sociologically inequitable, if it is immoral as a tax generator and if the States certainly will follow our lead by adding another 10 cents as a revenue generator, and if the President's program is permitted to continue, we will get to $1.50 from his program if it is triggered in and another 50 cents a year and we are at $2 per gallon. This is clearly outrageous.

It is, indeed, worthy to make another point, which has already been made. We did give back $150 to $200 in rebates a few months ago. Those checks are coming back now. To take away this money in this form is really illogical, it seems to me.

Mr. Chairman, I want to make another point with respect to the colloquy developing the notion that there are only two energy programs, this one and the President's. Now, we all know what the policy is, incidentally. The policy for this Nation should be to diminish our reliance on foreign oil and to make this Nation energy independent; but it seems to me there is a void in our knowledge with respect to the multitude of complicated ingredients that go into developing an energy program and how they mesh with the various committees working on them.

There is another program as a meshing package to this one; that is in the Commerce Committee. If we want an alternative to the gas tax, look to the Commerce Committee. They have a plan, if they are forced to develop one for mandatory allocations backed up by a two-tier program. If we can get these programs out of committee they certainly should be tried as an alternate to the proposal before us.

There are therefore alternatives to the gas tax which will indeed diminish consumption without being regressive, unresponsible and a whole host of other horrors, not the least of which is anti-consumer.

Mr. Chairman, I just want to make one point with respect to the argument that is constantly made, that this is the only way to do it, that allocation is just another form of rationing. That is not true. This is a confiscatory form of pricing. Federally administered, mandatory allocations can work. I would like to make the case, but I do not have the time. I would be happy to do it when the time comes, because it seems to me that this program or this facet of the bill will go down the drain. And when it does this should provide the impetus for developing an even handedly administered, promiddle America plan for diminishing the consumption of gasoline.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. AMBRO. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I compliment the gentleman for his statement and endorse it.

Mr. Chairman, I have strong objections to any bill which slaps one section of the country with the burden of energy conservation.

And that is what this tax bill does. It hits right at the Southwest—where the distances are great and the mass transit slight. It hits the wage earner—the men and women who keep this country going.

For instance, a poll I had made in my district showed that 60 percent of the people lived more than 10 miles from their place of employment. And there is no mass transit in the Dallas-Fort Worth metroplex to compensate.

Therefore, these people are going to use more than their 40 gallons of exempted gasoline a month just commuting to and from work.

But what is the most ludicrous portion of this bill is that there is no taxing measure for residential and commercial heating and cooling.

Do we know that 21 percent of our Nation's energy usage is consumed by homes and businesses for heating and cooling purposes?

Did we know that that is more than the 14 percent energy spent by the drivers of private autos nationwide?

Now, I ask—Is that not ridiculous?

Here we are with a bill that strikes at a lesser energy user rather than a major one.

I see no reason why we cannot tax people on their heating and cooling. We could cut down 25 percent and not crimp anyone's style just by learning to moderate thermostats, turn off lights not being used and use lower wattage bulbs and shut off rooms not being used.

If we are going to tax gasoline, then I propose we establish a median usage of electricity, fuel oil and natural gas. And then tax all above the median base.

This proposal would not only spread the burden of conservation nationwide, but would also increase our conservation capabilities. We would save more energy by having this added prong to our conservation effort.

And, it is a utility tax which would not crimp anyone's life style radically.

But, if a person has a large house with lots of rooms and wants to pay extra to heat and cool those unused rooms, he can. However, a person with an average size house can maintain average heat and cooling, but would be encouraged to keep his home either "not so warm" or "not so cool" and without lights burning in every room.

As the bill stands now, it seems to be a good example of exempting the northeast section of this country from being strapped with conservation measures.

I cannot tolerate such favoritism and discrimination.

Nor can I see the wisdom in exempting one major source of energy spending—residential heating and cooling—from conservation measures. This bill does charge an excise tax on business buildings, but nowhere does it give the home owner or renter the responsibility of conservation—that is, the freedom to choose.

Only two categories of energy spenders use more than this: Industry uses 32 percent and electric powerplants use 25 percent of our nationwide energy to generate electricity.

Therefore, if we call for measures which lower the use of electricity, we cut down the demand on other types of energy—coal and natural gas.

In closing, Members of the House, let me draw attention to article I, section 8 of the U.S. Constitution: "All duties, imports, and excises shall be uniform throughout the United States."

We hear a loud hue and cry from the northeast coalition of States which appeals to our sympathies—at first.

Comparing price per kilowatt on electricity, New England pays a premium if we look at Texas or even the Washington, D.C. area. New England pays 14 cents a kilowatt. The D.C. area pays 3½ cents a kilowatt. And Texans pay 3.8 cents a kilowatt.

Many people are saying, "Don't kick a poor man when he's down already," referring to the status of New England.

However, maybe we should remember a slight fact or two, New England, the northeast States, have been the ones which have longly and loudly and effectively prevented energy production—such as: No off shore drilling in New England, no Outer Continental Shelf drilling; no superports; and no refinery construction.

I say they have brought on the problem themselves, and furthermore, I believe other recalcitrant States and special interest groups should take a look at the Northeast and reconsider their strident demands and stands.

For example, off shore oil drilling has proven to be ecologically safe and economically feasible. Yet there are only four States—Texas, California, Louisiana, and Alaska—with producing off shore wells. Three States have recently joined this foursome with some exploratory—but as yet not in production—off shore drilling. These are Alabama, Mississippi, and Florida.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we heard a great deal of comment here on the floor this afternoon relative to the partisan aspects of this bill. The minority party has been accused of obstructing and attempting to weaken the bill all afternoon.

I simply rise in the spirit of sweet bipartisanship to support the amendments that have been offered by my Democratic friends. As a Republican, I am supporting the gentleman from Arkansas (Mr. ALEXANDER), and the gentleman from California (Mr. STARK). My, how bipartisan this place can really get.

Someone asked a few moments ago where this tax feature came from. Let me, in the spirit of bipartisanship, tell the Members where it came from. The majority members of the Ways and Means Committee, meeting, I must assume, in secret since I was not invited, decided on a Thursday night or a Friday morning that they would bring before the committee a compromise. That compromise has resulted in this 23 cent gas tax. At the same time, they brought to us some dates that the gas tax would become effective finally in 1977, and I found this a rather strange date.

Certainly, the date should have been in 1976, just prior to that winter season, when we could ascertain that we needed heating oil for my good friends in Massachusetts. Oddly enough, that date comes shortly before the elections of 1976, and my amendment was defeated.

The gasoline tax is regressive. The gentleman from Arkansas (Mr. ALEXANDER) is exactly correct when he says that it will strike hardest in the rural areas where we have no mass transit, where we have no other form of transportation other than automobiles, so this tax then becomes not only regressive, it becomes only a jobs tax, a tax on every American going to and from work.

Now, we are told that we should be very bipartisan about this, but let me quote a statement attributed to the chairman of the Ways and Means Committee on the day after, or the day, that the vote was taken on the gasoline tax in committee. He said, and I quote to the best of my recollection, that the Republicans are afraid to climb out on the conciliatory limb because they support the President's program.

Nothing could be further from the truth. I do not support the President's program or his import tax, either. I am one of those strange people who still believe in a free market system, and if the price of gasoline does rise—and indeed it probably will—that money, instead of being taken in the form of taxes to come into the coffers of Government where we, the representatives of the people, can spend it with abandon, instead of leaving it in the free market system where that money can return to the economy and can go back into the banks where your constituents and mine can borrow money to buy houses, borrow money to buy their refrigerators and all the multitude of things they need to do; not only that, but that money stimulating the economy creates jobs, and we have been talking about that for a number of days.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I want to compliment the gentleman on his statement and certainly associate myself with his remarks, particularly about the jobs tax. He hit the nail on the head.

I wonder if the gentleman would make a comment as to what effect this tax, if it is enacted, would have on jobs in the automobile industry.

Mr. KETCHUM. I would have to assume that the jobs in the automobile industry—and there are not a whole lot of them left now—would be sadly affected.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, since 85 percent of this tax is supposedly to be returned to those people over 16 years of age, what is going to happen to the other 15 percent?

Mr. KETCHUM. I think the gentleman has already answered that question earlier. It is a little administrative cost that we handle, and we always handle it so well at the national level.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of both of the amendments.

Mr. Chairman, there used to be a popular comic strip drawn by a fellow named Rube Goldberg, who managed in a variety of ingenious ways to devise very intricate and complicated mechanisms which would take 1 gallon of gas and produce 1 quart of gas as a result of a very expensive process. The one consistent thing about all the Rube Goldberg machines and inventions was that they were perfect examples of how to waste energy to get a result which one could

have had in the first place much more effectively if one had not gone to the trouble.

I think that the bill we have before us, this section of the bill, to the degree that it purports to be a reasonable way to regulate the consumption of energy in the form of petroleum in this country, is a Rube Goldberg apparatus that will not work. Nobody yet has given us even a suggestion of what result we could expect in terms of reduced consumption of petroleum if this provision is enacted or if in fact the entire tax goes into effect. We have no evidence at this point from the committee or from anyone else—there was nothing indicated in the hearings—that they can predict even in the wildest kind of estimate of what the result would be if this section did what they are saying it is going to do, to discourage people from using as much gasoline as they are using now.

But this section of the bill has two basic philosophical weaknesses which should cause its rejection. I am amazed to see many Members of my party, the normal supporters of consumers' interests, who seem bound and determined to support a transportation tax on the working people of this country.

If the Members look at the charts the Committee on Ways and Means put out, they will find there are seven categories of petroleum users who, one way or another, are going to have a tax imposed on them in this bill. The first one is the so-called average buyer of gasoline. Who is that? That is the doctor, the lawyer, the insurance salesman, the congressman, the traveling salesman, and others who either get reimbursed for the expenditures they make for gasoline or can deduct it from their income tax.

But it is also the John Q. Public, the family of 5 or 6, which uses the car as the only means to get to and from work, to and from places where they obtain their groceries, to and from church, and to and from everything else that takes them out of the home and into the outside world. They cannot deduct this tax from their income tax, especially if they are an unemployed auto worker in my district who is going to be asked to dig down deeper in his pockets to put gas in his car to go to get his unemployment check and, in some cases now, his welfare check. He cannot get to these places, because we have no public transportation in any way, except by buying gasoline.

But let us take a look at the other seven, where these users of petroleum can pass on the cost. The machinery on the farm; who is going to pay for his cost increases? The guy who is driving a truck, the fuel used in commercial airliners, oil used for home use, residual oil used by utilities. The added cost of petroleum used in almost every category is ultimately going to be passed on to this same consumer you are going to charge this 23 cents per gallon tax when he drives up to the gas pump.

Union Carbide, that great humanitarian company, put a full page advertisement in The Washington Post the other day. This beautiful ad pleaded with us to be considerate when we add extra costs to the use of petroleum. It is very interesting, when you compare their plea with what the Committee on Ways and Means has done. It looks like they read this ad and believed it.

The ad says:

Besides gas for your car and heat for your home, can you name a few other things oil is used for?

They have hundreds of them listed on this sheet, as Members can see. I will let you be your own judge. Some of these are of varying degrees of necessity, but I think the Members will recognize that every one of them has been customarily made or could be made with some other substance other than petroleum. But there is nothing in this bill to encourage that to happen.

The ad lists eyelashes, hair spray, rubber duckies, bubble bath, pantyhose, dominoes, checkers, playing cards, earrings, bubble gum, flea collars, lipstick, guitar strings, monkey bars, hockey pucks, panties, guitar picks, dice, swizzle sticks—what would we do without petroleum-based swizzle sticks?—bikinis, poker chips, dog food dishes, dog toys, exercise mats and cat mats, and many other items which some might not find to be as essential as these.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. FORD) has expired.

(By unanimous consent, Mr. FORD of Michigan was allowed to proceed for 2 additional minutes.)

Mr. FORD of Michigan. Mr. Chairman, what do we do about these essential products in response to this plea?

This bill, while it is increasing the tax in 1976 to the automobile operator by 5¼ cents a gallon, is only going to increase the cost of a gallon of material to make this damned nonsense by 1½ cents a gallon.

If any Member thinks he can explain that disparity to the ordinary family around this country as an equitable way for the people in this country to share the burden of the reduced use of petroleum as a source of energy, then he knows something about fooling the people that has not yet come to my attention.

Mr. Chairman, if this bill even came close to dealing fairly with the problem, that would be different. I obviously object to the President's proposal to increase the cost of all petroleum but, if anything, his proposal is preferable to this one in one respect because the President's plan pinches everybody who uses petroleum; he does not pick on the ordinary family and the automobile driver to carry the whole burden.

This is not a plea for the auto industry. I might point out to the Members that all of the automobile companies that have spoken on this issue have indicated they do not mind an increase in the cost of petroleum products. That is because there is a difference between those of us who want to protect the industry because we want to protect jobs and the consumers of its products and those who want to protect only the profits of the industry. This is an appeal for the user of the automobile and not the maker of the automobile.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Illinois.

Mr. MIKVA. Mr. Chairman, that was a very impressive list of ridiculous products the gentleman read off when the gentleman said we could have saved that energy by not producing these things.

Would the gentleman care to estimate how much petroleum was used in the manufacture of this long list of products, the list of products derived from petrochemicals that he just read off?

Mr. FORD of Michigan. Mr. Chairman, I would simply have to quote Union Carbide, who are the experts in this.

We could go on and on with all this, because there are many things which are made of petrochemicals, and in which oil is the basic raw material.

Mr. Chairman, the point is that oil is much more important in our lives than we often realize.

Mr. Chairman, I include herewith the following material provided by the Ways and Means Committee on the taxes they want to impose:

PRICE INCREASES UNDER PRESIDENT'S ADMINISTRATIVE ACTION AS CONTRASTED TO WAYS AND MEANS COMMITTEE BILL

[In cents, compuled on per-gallon basis

Description of purchaser	President's administrative action		Ways and Means Committee bill	
	1976	1985	1976	1985
1. Average buyer of gasoline	12½	7½	5¼	11¼
2. Gasoline used on a farm	12½	7½	2¼	5¼
3. Diesel fuel used in a truck	12½	7½	2¼	5¼
4. Fuel used in commercial airline	12½	7½	2¼	5¼
5. Oil used for home heating	12½	7½	¾	5¼
6. Residual oil used by utilities	12½	7½	¾	7¾
7. Petroleum feedstocks used in plastics, synthetic fibers, and other petrochemicals	12½	7½	1½	3½

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I rise in order to see if we might get some agreement concerning a limitation of time. I do not want to preclude any Member from speaking, but I think it would be helpful to reach an agreement.

On this basis, Mr. Chairman, I ask unanimous consent that all debate on the Stark amendment and any amendments thereto conclude at 5:40 p.m., reserving the last 5 minutes for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. ASHBROOK. Mr. Chairman, reserving the right to object, I will state that I will not object, but I wonder if we could establish one thing. This is going to be a long debate, and I think I would be constrained to object to the request of any Member who seeks to yield his time to some other Member, thereby reducing the time of those who want to speak. I will not object to this request, but I will announce to the Members of the House that I will object to

any unanimous-consent request of any Member who seeks to shift his time to another Member.

Therefore, Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized 1½ minutes each.

The Chair recognizes the gentleman from Pennsylvania (Mr. MYERS).

Mr. MYERS. of Pennsylvania. Mr. Chairman, if I could have the attention of the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), I would like to, perhaps, in a short period of time, get a response from him.

I originally objected to the program the gentleman from Oregon was bringing here because I felt it did not address the whole energy problem sufficiently with regard to decontrol of natural gas and oil. I understand the position of the gentleman from Oregon is that he just does not have the jurisdiction for that, and that should be coming at a later time from another committee.

In talking about a gas tax, I think most of us would object to it. When the President sent his program over for the tax on each barrel of oil, I objected to that.

What I preferred was a rationing program, a modified rationing program whereby one could buy or sell his tickets or have some sort of control over them.

I think that in this section of the bill we have essentially a rationing program where if one wants to use his coupons, he can use them. If he does not want to use them, he does not have to, because, in fact, this action guarantees every American the minimal amount of gasoline at a reasonable price or at a base price. Is that not so?

Mr. ULLMAN. If the gentleman will yield, let me say to the gentleman that this program is designed to work with a minimum of disruption of the economy. A rationing system would set up a whole bureaucracy and so many inequities, including, possibly, a black market and all that goes with it.

I agree, however, that we do not have jurisdiction over the rationing solution.

The CHAIRMAN. The Chair now recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I rise in support of the Stark amendment.

Mr. MYERS of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. Yes, I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Chairman, further in pursuit of this gas tax, I think that the strong point about this program is that it actually is a rationing program which eliminates the hazards of a black market, et cetera. I personally prefer that to the allocation that some of the Members from the other side have indicated that the States could undertake. I think that if we go to the allocation program in the field of gasoline, we are going to create those long lines at the gas pumps again. I do not think that is in the best interests of the working people of America. Many of the workers in the United States cannot get out and compete with others in those long lines of people waiting for gasoline.

I urge the Members to consider this carefully. I think the bill would be essentially worthless without the gas tax provision.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. Yes, I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I agree with the gentleman from Pennsylvania wholeheartedly.

What we attempted to do with the gas tax was only to keep the 3 cents in place and put it in the trust fund, and in addition to set up a national goal which we think we can meet. If we do not meet this goal, we apply the additional tax and rebate 85 percent of it, but we think we will achieve the desired conservation objective.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. Mr. Chairman, I find it absolutely incredible to think that we will be asked to vote in approximately 40 minutes for a tax without having the slightest idea of who is going to pay that tax, or who is going to do the conserving of gasoline that is supposed to be conserved by it.

I have asked time and time again: Please give me the categories of individuals and groups, their income levels, their places of residence, and their jobs, that will do the conserving; out of whose hide will these 1.13 million barrels of oil a day come in conservation? And nobody seems to know.

We are about to impose a tax on the backs of the American working people, and middle-income people. Again they are being asked to bear the brunt, to do the sacrificing and to pick up the tax bill without any assurance that there is going to be any conservation of oil in the long run. I think this is absolutely unfair to the American people to again ask them to bear this type of a cost burden without any assurances that we will accomplish anything from it in the long run.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. KARTH).

Mr. KARTH. Mr. Chairman, first of all I want to say that I admire and have great respect for our colleague, the gentleman from Michigan, Mr. WILLIAM FORD. I do appreciate the area of the country that that gentleman comes from and the great State of Michigan that he is privileged to represent. I want to further assure the Members that I am convinced beyond any doubt whatsoever that there is nothing parochial about his position on this amendment.

Let me say, in addition, that I am also interested in the automobile manufacturing industry, but there are tens of millions of other workers in other industries who also need petroleum so that they may remain gainfully employed. I am also concerned about them.

I am concerned that they remain employed irrespective of whether or not the gas guzzlers in the minds of some people should continue to use up every available source of energy in this country.

It seems to me that the gas tax that is in this section of the bill might just have some effect, Mr. Chairman, on reducing that gasoline consumption where there is more waste and more unnecessary use than in any other area of our petroleum consumption in this country. Therefore I suggest that the amendment be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, I rise in support of the Stark amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. HARRIS).

Mr. HARRIS. Mr. Chairman, on March 14, 104 Congressmen signed a letter to the chairman of the Committee on Ways and Means, that stated:

> We oppose increases in taxes on gasoline, whether sudden or gradual.

I would ask all of them: What has changed to indicate any change in position with regard to the benefits of a gasoline tax?

Mr. Chairman, that letter stated:

> We oppose increases in taxes on gasoline, whether sudden or gradual.
>
> The case for gas tax increases as one component in an overall energy package rests either on their utility for reducing consumption or on their necessity as a revenue-producing device. We feel neither argument stands up under scrutiny. Nagging questions of equity are also involved.
>
> First, there is no assurance that a tax will reduce consumption significantly. An allocation plan, on the other hand, could very precisely reduce consumption 5 to 8 percent, which is all any of the energy proposals now on the table are calling for. Such a moderate allocation program would not inflict further economic hardship on consumers, and it would protect them against the inconvenience of rationing or long waiting lines.
>
> Second, revenue for additional energy research and development should come not from overtaxed middle and lower income groups, but from closing tax loopholes for the energy industry—loopholes such as the depletion allowance, which we have already voted to eliminate, and the foreign tax credit, through which the major oil companies funnel their royalties. Closing such loopholes would provide at least $5 billion annually, thereby eliminating any necessity for more revenue from taxes or gas at the pump.
>
> Finally, tax increases aggravate recession and undermine the positive effects of the tax cuts we have just approved.
>
> We urge you, your Committee, and the Congress to consider favorably, in place of an increased gas tax for ordinary Americans, a moderate allocation formula, together with the elimination of unnecessary and inequitable tax loopholes.

Mr. Chairman, I think there are two points that we tried to make in that letter. One, if we are going to have conservation, the best way to have conservation is through a mandatory allocation plan, not through a tax that may go on 2 years from now.

Any conservation effect of the tax being considered under the Stark amendment that it could have could not start for another year and a half, and then its effect, if there is any sort of economic effect, would be very minimal.

If, in fact, we are talking about the 3-cent tax for revenue, then our letter suggests and my position suggests that the best way to do it is by closing up one of the most egregious tax loopholes we have, and that is the foreign tax credit, which would not only restore revenue for the energy trust fund, but would take off the tax incentives we currently have for foreign production and give them to domestic production.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Iowa (Mr. BLOUIN).

Mr. BLOUIN. Mr. Chairman, in a minute and a half, I think after 2 or 3 days of listening to the House, we have to come to the conclusion that there is no such thing as an energy expert within this body and probably not within the United States. We all have our opinions, and mine are supposedly as vested and narrow in terms of my own hangups as anyone else's, but I am that convinced that the plan that has come out of the Committee on Ways and Means, and the plan that has come out of the White House, in essence are very similar and have very few differences. Not one word out of either approach has ever been mentioned about doing anything to curb the need for the growing demand for energy in the United States today. We can tax all we want. We can limit the available sources all we want. But unless we do something to decrease the need for that fuel, unless we do something to broaden our base, we are going to totally miss the picture, and we are going to have a crisis in 10 years, the likes of which we never dreamed.

Unless I see a bill on this floor that will do that, I under no circumstances am going to give it my support. I do not care whether that is guts or lack of guts; it is fact; and it is the fact that I am going to follow. In line with that, I am convinced that the approach of taxing gasoline is totally contrary to where we ought to be heading. We ought to start taxing those that caused the problem and not those that are victims as a result of having to follow something that has been laid before them.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I rise in favor of the two amendments by my colleague, the gentleman from Arkansas, Mr. ALEXANDER, and the gentleman from California, Mr. STARK, to eliminate from this bill an increase in gasoline taxes. I think it unfairly falls basically on the working people of the country, and I do not favor it.

I do not support the creation of the energy conservation and conversion trust fund, nor do I support the levying of new and additional taxes which will directly or indirectly be passed on to American consumers to finance this fund as proposed in H.R. 6860, the energy tax bill.

A trust fund puts at the disposal of the Federal bureaucracy vast sums of money to be spent to finance various energy conservation and conversion research and development programs, and the Federal Government's performance in recent years as a money manager who gets the best return on his customer's investment is not one of which to be proud. The American taxpayer is not getting his money's worth now from the taxes he pays in, and there is no reason for me to believe that the Federal Government will handle the energy conservation and conversion trust fund any differently. A good case in point is the administration of the Emergency Fuel Allocation Act which has done nothing but obstruct the ability of market forces to encourage the production of needed energy products to meet the demand for those products.

It is my opinion that the levying of the new and additional energy taxes proposed in this legislation would be a hoax on the American consumer. He would be sacrificing his hard-earned dollars to pay for a service he will never get. Also, this trust fund and the taxes imposed to finance it will do nothing to reduce the Federal Government's deficit spending—the primary cause of the inflation/recession. If we are looking for a solution to achieving self-sufficiency in energy, we should be looking for a solution that relies more heavily on the ability of the free market to stimulate the competitive forces to market alternative sources of energy supply, and to provide incentives for the development of energy.

I also would like to respond to some of my colleagues who suggested that all Republicans have favored the tax imposed on imports. I do not favor that. I did not favor giving the President that power in the first place, which was a taxing power that I think we improperly gave to the executive branch. I think we also did that in the emergency fuel allocation program.

I would like to ask my colleague, the gentleman from Oregon: I was interested to hear the previous conversation on decontrol. Does our Chairman of the Committee on Ways and Means favor the decontrol aspects of natural gas and fuels suggested by Mr. DENT, the gentleman from Pennsylvania?

Mr. ULLMAN. If the gentleman will yield, I have been working very closely with my colleague, the gentleman from Michigan, Mr. DINGELL, and his subcommittee. They have the jurisdiction.

Mr. ROUSSELOT. Does the gentleman from Oregon favor deregulation?

Mr. ULLMAN. I have been pretty much in agreement with the gentleman from Michigan, Mr. DINGELL, whose subcommittee has jurisdiction over the subject.

Mr. ROUSSELOT. Does the gentleman from Oregon basically favor a program of decontrol of natural gas? I think it would be significant if he would tell us whether he favors that.

Mr. ULLMAN. Again, I am supportive of the gentleman from Michigan, Mr. DINGELL, and his subcommittee.

Mr. ROUSSELOT. I appreciate the gentleman's comments.

The CHAIRMAN. The Chair now recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I am opposed to both amendments. Frankly, I feel there are just two approaches we have to the problem that confronts the country today. We either approach it through taxes, which would restrain the consumption of gasoline and oil, or we do it through a decontrol system which would leave the issue to the free market, the so-called free market, which I do not think exists. We cannot have a free market in a scarce commodity that is controlled by just a few.

I want to say that if the Stark amendment is defeated, there are a lot of other amendments that this House could consider and should consider and I hope can be considered after the defeat of the Stark amendment.

The Congressman, our colleague, the gentleman from Texas (Mr. PICKLE) has a motion to provide a veto on any proposed tax.

I had a proposal which would have put a 10-cent ceiling, including the 3-cent trust fund tax that was provided by the Stark amendment.

I thought we ought to have a system under which the tax could rise above 3 cents, if we went into a system of extraordinary imports.

There are a whole host of perfecting amendments that this House ought to consider, if it were not for the parliamentary problem that has arisen.

I think it is unfair to this House to deny a vote on these issues.

The CHAIRMAN. The Chair now recognizes the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Chairman, I just want to emphasize that if the Stark amendment passes that does not thwart the basic intent and concept of this bill, providing we retain the 3-cent gasoline tax. If we retain that portion, we will still have a concept of making the American people conscious of the need to conserve on gasoline and we will have set in motion the concept that we are going to pay for future energy needs as we go, instead of more deficit financing.

Mr. Chairman, I personally do not think the trigger figure would have gone into effect, anyway, because I think the American public would conserve, as is evidenced by the figures for the first 4 months of 1975 in comparison to 1973.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from North Carolina.

Mr. NEAL. Mr. Chairman, I wish to offer strong support to the Stark amendment which would delete from H.R. 6860 the provisional 20-cent increase in gasoline taxes.

The tax in the bill is bad news to the American people. Not only is this a regressive tax, it does not even deal directly with the most urgent problem we face—that is, the need to conserve gasoline and other petroleum products. The committee report admits that the tax will do nothing to conserve fuel. Further, recent experience has taught us well that increased prices have not significantly reduced consumption and there is no reason to believe that this additional 3-cent tax would do so.

At the same time, we cannot deny that we have a serious problem. We

must lessen our dependence on imported oil. With limited domestic reserves, we can do that only by finding ways to conserve. There are awaiting our consideration several amendments to title III, each dealing with conservation through increasing the efficiency of the automobile. That, to me, appears to be the most practical approach to the conservation problem.

For example: We consume roughly 17 million barrels of oil a day. Of that amount, about 7 million barrels is imported. Approximately 45 percent of our total consumption—or 7.65 million barrels a day—is burned in the form of gasoline for automobiles. Thus, automobiles use more oil than our total imports.

That gives focus to the problem. It also suggests a logical solution. Our first and most important conservation effort must be to use less gasoline in automobiles. We can do that only by driving fewer miles, or getting more miles per gallon. Increase gasoline mileage is the better approach to the problem.

If we could double the miles-per-gallon of every auto in America, we could thereby cut our imports in half. American-made cars now average about 12.5 miles per gallon. It is entirely realistic to mandate an increase in that average to 18.75 miles per gallon within 3 years, or by model year 1979. By that time, we would have achieved a 25-percent reduction in imports, if nothing else at all had happened. But all the while we could be going ahead with the development of alternate sources of energy and instituting other conservation practices to further reduce our dependence on foreign oil.

The committee bill anticipates that by 1985, we will have lessened our consumption by 2.87 million barrels a day. By increasing the average efficiency of American automobiles to 25 miles per gallon by 1982—and that can be done without engineering miracles—we could effect savings of 3.5 million barrels a day. Meanwhile, if we have been able to convert to other sources of energy, we will have moved far ahead of the conservation goal envisioned in the bill.

But back to the tax.

The Democratic Party will be credited, for better or worse, with the bill we now have before us. We have promised a reasonable alternative to the President's unreasonable energy program—but are we really offering something better? I think not, in terms of the financial impact this bill will have upon the economy.

The best estimates I have access to suggest that the President's proposals will give the Nation 70-cent-a-gallon gasoline. This bill proposes an initial increase of only 3 cents a gallon: but when we admit that the 3-cent tax will not discourage consumption, and then provide for four more 5-cent increases when, as predicted, conservation fails to occur, then we ultimately are placing the price of gasoline not at 70 cents, but potentially in the neighborhood of 80 cents a gallon.

Can the economy stand it? Maybe, but not without extreme difficulty; certainly not without reviving the double-headed monster of inflation and recession which we are spending so much time trying to tranquilize. As we all know, the higher fuel cost is only the tip of the inflationary iceberg this tax would launch.

Ultimately, higher energy costs mean higher prices for everything we have to buy. I believe that the 3-cent tax alone would virtually wipe out all we may have gained by the income tax rebate. The latest economic indicators suggest the rebate has slowed down the recession to the point that the administration is predicting recovery. Retail sales are climbing, and the reason is obvious. Millions of average Americans have a little more money to spend, and they have the confidence to spend it. If we slap them in the face with this regressive tax, what, then, will be their confidence?

If the bill offered a sure way to rid ourselves of our enslavement to the oil cartel, or lessened the threat of economic strangulation should another embargo occur, then the American people might make the sacrifice willingly. But the bill does not offer that security. It only portends a more difficult struggle to make ends meet, more taxation, more redtape, and less bread on the table.

If this amendment is adopted and we delete the gasoline tax, I will offer at the proper time to further amend the bill by deleting title IV. I shall do so not because I do not favor developing alternate sources of energy, but because I think it should be funded from general revenues instead of a trust.

Mr. Chairman, the Nation needs an energy policy which reflects a vision of the future. But it also must have a policy which is cognizant of the economic realities of the present. We live in a difficult time. Unemployment is the highest since the Great Depression. Workers not only need jobs, they must be able to afford transportation to and from their places of employment. Farmers must be able to afford fuel with which to grow and harvest their crops. Homeowners need to be able to heat their abodes. Burdens need to be shared, not kneaded into regressive taxation and dumped upon the people who can least afford it.

The CHAIRMAN. The gentleman from California (Mr. STARK) has 1 minute remaining.

Mr. STARK. Mr. Chairman, I would like to repeat it is important that we retain the 3-cent tax in the energy conservation bill. It is equally important that we pass the bill, after my amendment passes, as I hope it will.

The bill contains quotes to reduce imports. I think we will be able to strengthen the gas-guzzler tax. It is vital to the country that we pass this energy bill. It may not be the ultimate in energy policy, but it is certainly vital.

The point is that we are faced in this country with the threat of increased gasoline prices if we do nothing. We are faced with threat of even higher increases in prices if the President continues his reckless course of adding dollar after dollar to the price of a barrel of imported oil, which also disproportionately affects the working class of this country and the middle-income people. It is a regressive tax. It is a punishing tax, but it still would be very significant for us to say we are going to limit imports, if the President says that is what he wants. We can limit this to a reasonable well-thought-out amount with an allocation system under the control of the administration, which, if administered fairly, sees that no one suffers.

If we broadcast to Detroit the message that we intend to see the corporate response to manufacture automobiles that will conserve gasoline, I am sure the public will do its part, and that the increased price of gasoline over the next 2 years will help cut down gas consumption. And if it does, then I would support the gas tax route to further cut gasoline consumption at some future date to make this country independent of foreign oil and energy self-sufficient in the long run.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, I just want to address one point which has been made repeatedly. That is, that this is a regressive tax which is on the working people. Let me emphasize again that a husband and wife are rebated enough money under this bill, if it goes to the full 20 cents, to drive 65 miles a day. Now, if somebody has to drive back and forth to work, 65 miles is still a pretty good distance. If they drive less than that, they come out ahead under this rebate proposal.

A study of the incidence of gasoline taxes shows that on the very poor, they pay no tax because they do not own a car—that is the elderly and others, but they get a rebate so that there is some redistribution of income. It is modest because there are not very many people in that position, but it is patently an absurd claim to argue that any tax is necessarily regressive if, in fact, the money is paid back to people in a way that is equitable and fair.

I do not argue that the redistribution here is the most sensitive and most equitable possible way of distribution, but it is a good start. We have time before the tax could go into effect in 1977 to improve it if we need to. This tax, rebated fairly, limits the regressive aspects.

This is the only thing in the bill that will cut consumption. If we take this out of the bill, we are going to be the laughing stock of America, and I dislike being associated with that kind of work product. The President has challenged the House to do well, and I would like to see us do well. I think that requires that we do face this responsibility squarely.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. MAGUIRE).

Mr. MAGUIRE. Mr. Chairman, the gas tax proposal suffers from two critical deficiencies.

First, if we want to conserve—and we must conserve—let us decide and know exactly how much conservation we need and are going to get. This proposal does not guarantee any level of conservation; in my judgment, we should establish a level of conservation based on a moderate and reasonable allocation formula. We will have the opportunity to do that when the Commerce Committee energy bill comes to the floor.

The second problem with this gas tax proposal is that if we are going to raise money for a trust fund or for any other purpose, we ought not to do it by taxing the ordinary consumer once again. Instead, we should close tax loopholes for the giant oil-coal-gas corporations which everyone recognizes are making tremendous profits as a result of inflated energy prices. That is what we should be doing if we want and need to raise revenue.

So, the gas tax proposal does not stand up under the test of conservation if its purpose is to reduce wasteful consumption of energy. It does not stand up under the test of equity if its purpose is to raise revenue. Therefore, I believe it is not a good proposal.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I rise in opposition to the Stark amendment, the 3-cent-only tax. I wish to speak very quickly on some of the economic effects of the gas tax because I think there is a good deal of misunderstanding. Of course, there would not be any effect at all until well into 1977 except for the 3 cents. The 5 to 20 cents tax would not begin to come in until then.

Also let me remind the Members that it will come in only if gasoline consumption increases over a very high year, 1973. I remind the Members also that over 80 percent would be rebated anyway to all persons over 16 years old, and there would be exemptions for farmers, for State and local governments, for trucks over roughly a quarter ton, and so forth.

This Ways and Means tax that is being attacked here will cost the consumer less and save more gasoline, considerably more, than the President's program.

Regarding any reduction of gas consumption in response to price increase after a couple of years, the best economic estimates indicate that a 20-percent increase in price should be accompanied by a 10-percent decrease in consumption. That would be significant. The gas tax, of course, should be viewed as only one part of an interlocking set of parts in this bill. You cannot look at that alone and make an appraisal of the whole bill.

In summary, the economic effects of the committee's tax would not be onerous yet the incentive to consume less gas would definitely be there.

A final word on the proposal made by several of my freshman colleagues that the use of allocation and direct measures to reduce consumption would be helpful as a part of the whole program. I agree. Let us try 55 mile-per-hour limits, gasless Sundays, jawboning, and so forth during the next couple of years before the gas tax would take hold. If these measures work, the gas tax would not be triggered in at all. Even if these measures succeed only partially in preventing a rise in gas consumption, this much conservation would be all to the good.

Mr. CORMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Iowa (Mr. BLOUIN) asked a very legitimate question, and that is: What is there in this bill that will lead to conservation?

I would suggest that there are some other very significant conservation measures in the bill.

The tax on gasoline is not the only one, but it is an important part of the bill.

The auto efficiency tax, particularly if that tax can be strengthened, would do a great deal to make it possible for the American people to drive automobiles that do not waste much gasoline. The tax on business use of oil and gas as a fuel would encourage industry to conserve and convert to other sources of energy.

The trust fund would give us money for research into alternative sources of energy. And there are numerous other incentives to encourage conservation, such as the removal of outworn penalties and the addition of tax credits for efficient use of energy.

I hope the gentleman will become convinced of the need for this portion of the bill.

My good friend, the gentleman from California (Mr. STARK), said that if the price of gasoline goes up—and he and I and everybody else knows it is going to—then maybe later he would be willing to consider a tax. He wants to consider a tax after the oil companies have imposed their tax, which would be bloated profits.

There is no question that if we cut back on the importation of oil, the price of gasoline is going to go up. That money ought to be collected through a 20-cent tax and rebated equitably so that there will not be an imposition of a burden on people in the lower income brackets.

About the 15 percent of the tax revenues that some say is supposed to be administrative waste—and they know that that is not so—that 15 percent goes into the trust fund to pay for research into ways of solving our energy crisis.

Mr. Chairman, I hope the Stark amendment will be defeated and that this provision to encourage more careful use of gasoline, which constitutes 40 percent of each barrel of oil, will remain a part of this bill.

Mr. ROUSSELOT. Mr. Chairman. I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count.

Eighty-nine Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The committee will resume its business.

The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, what is going on here reminds me of a colleague of mine back in my State legislative days in Wisconsin back at the time we were earning about $3,600 a year.

I will never forget on the day when we had a vote on a pay raise which raised our salary to $5,400, this fellow leaned over to me in the front row and said, "I sure hope there are enough of you responsible fellows around here to pass this thing."

I think at least with some that same attitude is what we are dealing with here today.

Mr. Chairman, I represent what is the oldest and the most rural and the poorest district in the State of Wisconsin. It is the poorest in terms of economic wealth, but not in terms of quality of life.

I went home and I spent 8 days in my district over the recess. I know that my people do not want this gasoline tax. But, even more, they do not want the across-the-board increase in energy prices on virtually everything they pay for, including home heating oil which is in the only real alternative at this time, the President's plan. When they understand the comparative costs, although they do not want a gasoline tax, they prefer it to the President's plan, especially when they understand what the rebate provisions are and what the other writeoff provisions are to assist people who need gasoline to get to work.

They do not like the gas tax. But even more, they do not want to decontrol the price of domestic oil. They do not want the $38 billion increase in consumer prices on virtually everything they buy which the President's alternative will bring. They do not want an increase of 2 percent or more on the Consumer Price Index which the President's plan contains. My elderly citizens understand that if we balance the equity of the gasoline tax against those other costs, including the 20 to 25 percent increase in home heating oil, a gasoline tax with an 80-percent rebate is less costly and more fair.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

The Chair now recognizes the gentleman from Illinois (Mr. MIKVA).

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. Yes, I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, to continue, they understand that if we evaluate the equity of the gasoline tax provision in this bill, with all of its defects, and there are many, that there is much greater equity in that than there is in the President's plan with its $38 billion price tag.

The only real alternatives we have, if we are really going to have a tough bill, is the bill we have before us, or the President's plan, which is the most unfair plan of all.

I think people almost expect these days that we will try to take the easy way out on issues, and they are pleasantly surprised when we do not.

Mr. Chairman, I understand what some people are doing around here. They are going to vote for every amendment in sight to take the teeth out of this bill and then in the end they are going to

vote against the bill because it looks like "old toothless." Some may think that that may be good politics, but I think people are too smart for that. They are going to catch up with that kind of politics.

Mr. Chairman, I urge the Members, in the name of all that is honest, to oppose both of these amendments today. If our people are going to be hit with increased costs, let us not hit them with large hidden taxes all across the board. Let us at least keep them selective and keep them out front where they are visible. That may not be smart politics but it is the right thing to do.

And whether this tax ever actually goes into effect will be determined by the driving public, because if future gasoline consumption does not rise above the amount used in the base year of 1973—and it has not done so in 2 years—there will be no added 20-cent tax.

Mr. MIKVA. Mr. Chairman, I associate myself with the remarks of the gentleman from Wisconsin (Mr. OBEY).

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I wonder if some Members may not be straining at gnats while swallowing camels.

The Arabs through increased oil prices have already imposed a tax upon the American economy in the amount of some $24 billion this year, and we have done nothing so far to abate it.

The President's $3 a barrel tariff on imported oil will amount to a tax of $7.6 billion upon the American taxpayers through increased prices, and we have done nothing to abate that, and some are unwilling to offer an alternative.

The President's total package would amount to a $43 billion increase in the cost of living, and unless we offer an effective alternative, his program will go into effect through congressional default.

Meanwhile, here we sit, straining at a 3-cents-per-gallon tax, apprehensive that our constituents are not statesmanlike or sensible enough to recognize that we simply cannot have the long-range energy development programs which this bill provides unless we have the courage to vote the taxes to finance the trust fund out of which those programs will be provided.

The inevitable test, my colleagues, is coming in 12, 15, or perhaps 20 years from now when we shall have inexorably eaten our way through the finite resources of oil and gas. At that time we will be tested on whether we had the vision while still there was time to do the things necessary to bring on the development of alternative energy sources—in actual production of sufficient quantities—before we run out of oil and gas.

I urge the Members to read pages 95, 96, and 97 of this bill to see what those taxes will finance and then decide whether they want to vote against the funds to make them possible.

They include such things as coal liquifaction and gassification, powerplant conversions to coal, solid waste energy conversion plants, engines for fuel-efficient transportation, and solar energy development.

Each of these will cost money. The public knows that. We should be embarking upon a crash program in each of these fields if we are serious about long-range national energy sufficiency. If we refuse to support the taxes to finance them, where will the money come from? Will not our promises be empty?

To suppose that the American public does not understand this is to sell the public short. The American people can stand the truth. They expect the truth. They deserve nothing less. They expect some leadership from this Congress. They want this energy problem solved. I am convinced that they are willing to pay the necessary price to solve it—even if it means some sacrifice. To believe otherwise is to betray a lack of confidence in the American people.

The CHAIRMAN. The Chair now recognizes the gentleman from Arkansas (Mr. THORNTON).

Mr. THORNTON. Mr. Chairman, there is much that is good in the committee bill which is before us.

Unfortunately, in my view, the section on quotas and the section on the imposition of additional gasoline taxes cannot be included in that characterization. They share, I think, the great fault of the administration proposal, which is the assumption that the way to resolve our problems is by restricting supplies and by increasing the cost to consumers. On the contrary, there is a third option available to meet our problems of energy and the economy. The way to resolve these problems is to have specifically delineated programs of energy conservation together with an aggressive effort to develop new and alternate energy resources. The cost of energy, of oil and gas, is going to increase. No taxes are required to raise the price. What we need are specifically targeted programs of energy conservation coupled with strong support of nuclear and coal energy production to decrease demands for oil and gas.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. THORNTON. Yes, I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding, and I thank the gentleman for his assistance in this effort to delete from this bill this regressive and discriminatory tax.

I wish also to thank the gentleman from New York (Mr. AMBRO), the gentleman from Indiana (Mr. FITHIAN), the gentleman from Virginia (Mr. HARRIS), and the gentleman from North Carolina (Mr. NEAL), all of whom are cosponsors of the amendment to strike the gas tax.

Mr. Chairman, I would like to rise in support of the Stark amendment which goes part of the way in resolving this discrimination against the working people, rural people, and the people of the countryside of America, after which time other amendments may be offered.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I hope ultimately my colleagues will vote for the Alexander, Ambro, Fithian, Harris, Neal amendment which will strike all of the provisions of title II.

We have heard this amendment discussed, and the argument that this provision is regressive, that it is a transportation tax on working people, it is unfair to the middle class people in suburbia, discriminates against rural people, and is unjust and unfair against poor people who have to buy used gasoline guzzler automobiles.

Mr. Chairman, this in essence is an attempt to force conservation through the use of mass transportation.

I have here a report from the Department of Transportation which classifies people who go to work and the methods in which they travel, and under table 3, unincorporated areas, it says little public transportation is available to those areas.

Incorporated places under 5,000, little public transportation is available.

Incorporated places, 5,000 to 10,000, little public transportation is available.

Incorporated places, up to 25,000, little public transportation available.

From 25,000 to 49,000, little public transportation available.

It is only when we reach cities of 100,000 or more that we have public transportation which would be available to people for the purpose of conserving energy under this bill.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), to close the debate.

Mr. ULLMAN. Mr. Chairman, we have now come down to one of the critical votes. As the Members of this Committee vote, I hope they will keep in mind that there is an energy crisis. No matter what we do, it is going to hit, and it is not going to be too far down the road.

I want our Committee Members to keep in mind that there are no easy answers. If we think that we can solve the energy problem without every American facing up to the issues, we are wrong. Without facing up to the automobile and the gasoline issue, we are just kidding ourselves, and I think that kidding ourselves is bad for us, and it is bad for the country.

We have attempted to work out a method that does give major impact in savings of energy. We have done it in a way that it has the least possible impact on inflation, and the least possible impact on the consumer. We only put in 3 cents initially. In this particular provision we are going on to 20 cents, but it does not have to go—it is a target. If we can adapt our conservation program to meet the target there will be no additional taxes. If it is, 85 percent of it will come back to the consumers direct, without any delay.

We have voted the most painless way you can possibly impose discipline on the American economy and still avoid hitting the consumer.

When the chips are down and the Members look back they will see that this is a chance to save the consumer from high prices; to save the consumer from all kinds of crises down the road. It is the turning point. I hope that as the Members vote on this very important measure they will keep in mind that this is a major vote. It is terribly important. It is terribly important to any long-range conservation program, and that there are not any alternatives. Let us not kid ourselves, there are not any easy alternatives. If we do not face up to the issues of the automobile and if we do not face up to the issues of the gasoline tax, then we are not going to have a sound conservation program.

I oppose, of course, the Stark amendment. I most strongly oppose the Alexander amendment. It is vitally important that we keep the 3 cents in there to fund the trust fund. So I am most hopeful that the committee members will vote now to vote down both the Stark and the Alexander amendments. If the Stark amendment is voted down, there will be a whole series of amendments offered. We will have an opportunity to make our will known with respect to a 10-cent tax, with respect to a 1-cent tax. There will be a whole series of alternatives that we will have if we vote the Stark amendment down.

Then, really, the House will have a chance to work its will, so let us vote down the Stark amendment and get on with the whole series of amendments that will allow us to work our will to modify this proposal. I think most people here think it ought to be modified, but we will have that opportunity, because there are a whole series of amendments waiting to be presented the minute we vote down the Stark amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. STARK).

The question was taken, and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASHBROOK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 345, noes 72, not voting 16, as follows:

[Roll No. 283]

AYES—345

Abdnor	Bowen	Cohen
Abzug	Brademas	Collins, Ill.
Addabbo	Breaux	Collins, Tex.
Alexander	Breckinridge	Conable
Ambro	Brinkley	Conlan
Anderson, Calif.	Brodhead	Conte
Anderson, Ill.	Brooks	Cornell
Andrews, N. Dak.	Broomfield	Cotter
Annunzio	Brown, Mich.	Coughlin
Archer	Brown, Ohio	Crane
Armstrong	Broyhill	D'Amours
Ashbrook	Buchanan	Daniel, Dan
Badillo	Burgener	Daniel, R. W.
Bafalis	Burke, Calif.	Daniels, N.J.
Baldus	Burke, Fla.	Davis
Barrett	Burleson, Tex.	de la Garza
Baucus	Burton, John	Delaney
Bauman	Burton, Phillip	Dellums
Beard, R.I.	Butler	Dent
Beard, Tenn.	Byron	Derrick
Bedell	Carney	Derwinski
Bell	Carr	Devine
Bergland	Carter	Dickinson
Bevill	Casey	Diggs
Biaggi	Cederberg	Dodd
Biester	Chappell	Downey
Blanchard	Clancy	Downing
Blouin	Clausen, Don H.	Drinan
Boland	Cleveland	Duncan, Tenn.
	Cochran	Early
		Edgar
		Edwards, Ala.
		Ellberg
		Emery
		English
		Erlenborn
		Esch
		Eshleman
		Evans, Ind.
		Evins, Tenn.
		Fenwick
		Findley
		Fish
		Fithian
		Flood
		Florio
		Flowers
		Foley
		Ford, Mich.
		Ford, Tenn.
		Forsythe
		Fountain
		Frey
		Fulton
		Fuqua
		Gaydos
		Gibbons
		Gilman
		Ginn
		Goldwater
		Goodling
		Gradison
		Grassley
		Guyer
		Hagedorn
		Haley
		Hall
		Hamilton
		Hammer-schmidt
		Hanley
		Harkin
		Harris
		Harsha
		Hastings
		Hawkins
		Hayes, Ind.
		Hays, Ohio
		Hébert
		Hechler, W. Va.
		Heckler, Mass.
		Hefner
		Heinz
		Helstoski
		Henderson
		Hicks
		Hightower
		Hillis
		Holland
		Holt
		Horton
		Howe
		Hubbard
		Hughes
		Hungate
		Hutchinson
		Hyde
		Ichord
		Jacobs
		Jarman
		Jeffords
		Jenrette
		Johnson, Calif.
		Johnson, Colo.
		Johnson, Pa.
		Jones, N.C.
		Jones, Okla.
		Jordan
		Kasten
		Kastenmeier
		Kazen
		Kelly
		Kemp
		Ketchum
		Keys
		Kindness
		Krebs
		Krueger
		LaFalce
		Lagomarsino
		Landrum
		Latta
		Leggett
		Lehman
		Lent
		Levitas
		Lloyd, Calif.
		Lloyd, Tenn.
		Long, La.
		Lott
		Lujan
		McClory
		McCollister
		McCormack
		McDade
		McDonald
		McEwen
		McFall
		McHugh
		McKinney
		Macdonald
		Madden
		Madigan
		Maguire
		Mahon
		Martin
		Mathis
		Matsunaga
		Mazzoli
		Meicher
		Metcalfe
		Meyner
		Mezvinsky
		Michel
		Milford
		Miller, Calif.
		Miller, Ohio
		Mills
		Minish
		Mink
		Mitchell, Md.
		Mitchell, N.Y.
		Moakley
		Moffett
		Montgomery
		Moore
		Moorhead, Calif.
		Moorhead, Pa.
		Morgan
		Mosher
		Moss
		Mottl
		Murphy, N.Y.
		Murtha
		Myers, Ind.
		Natcher
		Neal
		Nedzi
		Nichols
		Nix
		Nowak
		O'Brien
		O'Hara
		Ottinger
		Passman
		Patterson, Calif.
		Pattison, N.Y.
		Pepper
		Perkins
		Pettis
		Pickle
		Pike
		Poage
		Pressler
		Price
		Quie
		Quillen
		Railsback
		Randall
		Regula
		Reuss
		Richmond
		Riegle
		Rinaldo
		Roberts
		Robinson
		Rodino
		Roe
		Rogers
		Roncalio
		Rose
		Rosenthal
		Roush
		Rousselot
		Roybal
		Runnels
		Ruppe
		Russo
		St Germain
		Santini
		Sarasin
		Sarbanes
		Satterfield
		Schneebeli
		Schroeder
		Schulze
		Sebelius
		Sharp
		Shipley
		Shriver
		Shuster
		Sikes
		Simon
		Skubitz
		Slack
		Smith, Iowa
		Smith, Nebr.
		Snyder
		Spellman
		Spence
		Stanton, J. William
		Stanton, James V.
		Stark
		Steed
		Steelman
		Steiger, Ariz.
		Steiger, Wis.
		Stephens
		Stokes
		Stratton
		Stuckey
		Studds
		Sullivan
		Symms
		Talcott
		Taylor, Mo.
		Teague
		Thompson
		Thone
		Thornton
		Traxler
		Treen
		Vander Jagt
		Vander Veen
		Vigorito
		Waggonner
		Walsh
		Wampler
		Whalen
		White
		Whitehurst
		Whitten
		Wiggins
		Wilson, Bob
		Wilson, C. H.
		Winn
		Wirth
		Wolff
		Wydler
		Wylie
		Yatron
		Young, Alaska
		Young, Fla.
		Young, Ga.
		Young, Tex.
		Zablocki
		Zeferetti

NOES—72

Adams	Danielson	Howard
Andrews, N.C.	Dingell	Karth
Ashley	Duncan, Oreg.	Koch
Aspin	du Pont	Long, Md.
AuCoin	Eckhardt	McCloskey
Bennett	Edwards, Calif.	McKay
Bingham	Evans, Colo.	Mann
Boggs	Fascell	Meeds
Boiling	Fisher	Mikva
Bonker	Fraser	Mineta
Brown, Calif.	Giaimo	Murphy, Ill.
Burke, Mass.	Green	Myers, Pa.
Burlison, Mo.	Gude	Nolan
Chisholm	Hannaford	Oberstar
Clay	Harrington	Obey
Corman	Holtzman	O'Neill
		Patman, Tex.
		Patten, N.J.
		Preyer
		Pritchard
		Rangel
		Rees
		Rooney
		Rostenkowski
		Ryan
		Scheuer
		Selberling
		Sisk
		Solarz
		Symington
		Taylor, N.C.
		Tsongas
		Udall
		Ullman
		Van Deerlin
		Vanik
		Waxman
		Weaver
		Wright
		Yat.

NOT VOTING—16

Clawson, Del	Hinshaw	Rhodes
Conyers	Jones, Ala.	Risenhoover
Flynt	Jones, Tenn.	Staggers
Frenzel	Litton	Wilson, Tex.
Gonzalez	Mollohan	
Hansen	Peyser	

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. CORMAN

Mr. CORMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORMAN: Page 29, strike out line 12 and all that follows down through line 22 and insert in lieu thereof the following:

"(a) GENERAL RULE.—

"(1) IMPOSITION OF 3 CENTS A GALLON TAX.—In addition to any tax imposed by section 4081, there is hereby imposed on gasoline sold by the producer or importer thereof, or by any producer of gasoline, a tax of 3 cents a gallon.

"(2) TAX TO BE DEPOSITED IN TRUST FUND.—For provisions for depositing amounts of the tax imposed by this section in the Energy Conservation and Conversion Trust Fund, see section 411(b) of the Energy Conservation and Conversion Act of 1975.

"(3) INCREASE IN RATE IF CONSERVATION GOALS ARE NOT REALIZED.—

"(A) DETERMINATION OF DOMESTIC CONSUMPTION.—Not later than January 31, of 1977, and of each year thereafter, the Administrator of the Federal Energy Administration shall make and publish in the Federal Register—

"(i) a determination of whether the domestic consumption of gasoline for the preceding calendar year exceeds the domestic consumption of gasoline for 1973, and

"(ii) if it does, the percentage by which such consumption for the preceding calendar year exceeds such consumption for 1973.

"(B) INCREASE IN RATE.—If a determination under subparagraph (A) made for any year after 1976 yields a percentage which is one percentage point or more above the domestic consumption of gasoline for 1973, then, effective on April 15 of such year, the rate of tax imposed by this section shall be increased by one cent above the rate applicable on December 31 of the immediately prior year.

"(C) DOMESTIC CONSUMPTION DEFINED.—For purposes of this paragraph, the term 'domestic consumption of gasoline' means the average daily usage of gasoline occurring within the United States.

"(4) REDUCTION OF 3-CENT RATE IN CASE OF QUALIFIED STATE GASOLINE TAX.—

"(A) IN GENERAL.—The rate of the tax which, but for this paragraph, would have been imposed by paragraph (1) on the sale or use of any fuel in a State which, at the time of such sale or use, has a qualified tax with respect to such fuel shall be reduced by the qualified tax increase on such fuel.

"(B) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED TAX.—A tax imposed by any State on the sale or use of a fuel subject to tax under this section shall be treated as a qualified tax with respect to such fuel if—

"(I) the amount of the fuel subject to such State tax is not substantially different from the amount of such fuel subject to tax under this section, and

"(II) the rate per gallon at which such State tax is imposed exceeds the rate per

gallon at which such State tax was imposed on April 15, 1975.

"(II) QUALIFIED TAX INCREASE.—The term 'qualified tax increase on any fuel' means, with respect to any State, the lesser of—

"(I) 1 cent, or

"(II) the amount by which the rate per gallon of tax imposed by such State on the sale or use of any fuel subject to tax under this section exceeds the rate at which such State tax was imposed on April 15, 1975.

Page 32, line 21, strike out "subsection (b)" and insert "subsection (a)(3)".

Page 32, strike out line 25 and insert in lieu thereof "(a)(3)".

Page 37, strike out line 16 and all that follows down through line 19 on page 45.

Page 48, strike out line 11 and all that follows down through line 23 on page 50.

Mr. CORMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CORMAN. Mr. Chairman, this amendment is different in two significant respects from the amendment which was just voted on and which resulted in certain language being stricken from the bill.

First, concerning the 3-cent tax which would go into the trust fund, this amendment provides that 1 cent of that would go to the States if the States imposed an additional 1 cent on their own gasoline tax.

Many of us know of the burden that has been borne by the States, particularly with the matching fund requirements. If, as we believe it should, the tax on gasoline is going to go up, there is some justification for permitting the States to participate in that new revenue.

Mr. Chairman, the other part of this proposal which is significantly different from the 20-cent tax, provides that a tax will be triggered only in the event that the consumption of gasoline continues to climb. If gasoline consumption in the year 1975 is at least 1 percent higher than the former all-time high year of 1973, then there would be a 1-cent-per-gallon tax imposed. And for each year thereafter in which there is an excess consumption of gasoline, that tax would increase by an additional 1 cent.

I will concede that this does not provide as much energy savings as the 20-cent tax. It is considerably more moderate for the purchaser, and it goes into effect more gradually. It is estimated that by the year 1985, when the full 10 cents would be imposed if there is no reduction in consumption of gasoline, the savings would be 600,000 barrels per day, and that is a significant amount of savings.

Mr. Chairman, I hope that the committee will consider favorably this approach.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, what the gentleman is offering is this: As all of us know, the Governors have been vitally concerned about getting some feedback from the gasoline tax, and what the gentleman provides first is that out of the 3 cents, 1 cent can be preempted by State action.

Then if the State then passes 1 additional cent of tax, the Federal tax becomes 2 cents in place of 3.

The second part of his proposal would set up some goals for America. We think this is very desirable. It would establish the level of our maximum gasoline consumption in the year 1973, and it would eliminate all of the rebate and all of the complexities involved and would merely say that if we do not meet that goal—and that tax will not go into effect until 1977, but we use 1976 as a goal—if we do not meet the goal in 1976, then in 1977 there will be a 1-cent gasoline tax.

Then in the following year, if we do not meet the goal, there would be an additional 1 cent. But that goal is a goal that can be, we think, easily achieved with conservation programs in effect.

It is an attempt to cut consumption of petroleum; is that not correct?

Mr. CORMAN. The gentleman is correct.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. Mr. Chairman, how about the cases of some of the States which would have in the past 5 weeks increased their gasoline tax by 2 cents, 3 cents, or 5 cents?

Would they have to increase it by an additional amount in order to meet the requirement in the gentleman's amendment?

Mr. CORMAN. The date in the amendment is April 15, 1975. If the States have an increase subsequent to that date, then they would have credit for that 1 cent. An increase prior to that time would not qualify.

Mr. ST GERMAIN. I know that three States in the past month have increased their gasoline tax. How about that?

Mr. CORMAN. After April 15, they would qualify. Further, if they have not yet acted, they still have an opportunity to act so that they could save themselves 1 additional cent out of the 3 cents.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. Yes; I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I would ask the gentleman to better describe, for my benefit, the triggering mechanism to get the penny to the State. Does the State have to pass a law imposing the State tax of 1 cent per gallon after a certain date?

Mr. CORMAN. Yes, sir; that is correct.

Mr. EVANS of Colorado. If they do, that means they get a penny by virtue of this amendment; that is, a penny of the Federal tax; is that correct?

Mr. CORMAN. No. If they impose a 1-cent tax, then the Federal tax in that State is only 2 cents, so the cost of gasoline will go up 3 cents, and the State will get 1 cent of it.

It is obvious that every State will opt for that proposal.

Mr. EVANS of Colorado. If the gentleman will yield further, does that mean, then, that the State, in enacting a 1-cent tax, would on top of that, in addition to the State tax, get this 1-penny Federal tax?

Mr. CORMAN. No. When they enact the 1-cent tax, the Federal tax drops to 2 cents. The consumer pays 3 cents tax, but the State may opt to take 1 penny. It is clear that every State would want to do that.

Mr. EVANS of Colorado. What it amounts to is that the State legislature is going to impose that 1 cent?

Mr. CORMAN. That is correct.

Mr. SCHNEEBELI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wonder whether I could ask the author of this amendment a few questions.

Beginning in 1977, that year or any year thereafter, there is an increase of 1 percent over 1973 consumption. Is the maximum increase in any year 1 cent?

Mr. CORMAN. Yes, sir.

Mr. SCHNEEBELI. In order words, if it went up 4 percent, the tax would not go up 4 cents?

Mr. CORMAN. No, sir.

Mr. SCHNEEBELI. It would be 1 cent in any one year?

Mr. CORMAN. That is correct.

Mr. SCHNEEBELI. As to the basic 3-cent tax, this is in addition to the 3-cent tax that still remains?

Mr. CORMAN. No, sir. This is the 3-cent tax, the original 3-cent tax. The purpose of this amendment is to provide that the States may pick up 1 cent of the 3 cents.

Mr. SCHNEEBELI. Of the 3 cents.

Mr. CORMAN. Of the 3 cents that would have gone into the fund.

Mr. SCHNEEBELI. But if we go along beyond 1977, the additional 1 cent per year is on top of the 3 cents; correct?

Mr. CORMAN. Yes, sir.

Mr. SCHNEEBELI. Therefore, let us say that by 1980 the total would be 7 cents?

Mr. CORMAN. Yes, sir.

Mr. SCHNEEBELI. Is the State still restricted to 1 cent out of 7 cents as it was to 1 cent out of 3 cents?

Mr. CORMAN. Yes, sir. They get only the 1 cent out of the original 3 cents.

Mr. SCHNEEBELI. Is there any maximum there?

Mr. CORMAN. If the gentleman will yield further, assume that we conserve energy and that this additional penny does not go in. The State still gets the 1 cent of the original 3 cents which goes in.

Mr. SCHNEEBELI. Is there any maximum to which this can go by 1985?

Mr. CORMAN. The amount could be 10 cents by 1985. If we assume that every year we, in fact, go over the 1973 level, then the 1985 additional tax would be 10 cents.

Mr. SCHNEEBELI. As I understand it, there is no termination to this provision. It is 1 cent of new tax each year there is an increase in consumption?

Mr. CORMAN. Up to a maximum of 10 cents that is correct. But the tax is not to exceed 10 cents.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate the gentleman's yielding.

May I ask the gentleman from California (Mr. CORMAN) a further clarifying question? Let us assume that in 1977 consumption is above the 1973 level by 1 percent. Then a 1-cent additional tax automatically is triggered in. However, in 1978 the consumption is less than it was in 1977, but still above the level in 1973. What happens then?

Mr. CORMAN. An additional penny is imposed for any year that consumption is 1 percent or more over the 1973 level.

It is a constant goal, that is, the 1973 level; the goal would not change.

Mr. STEIGER of Wisconsin. If the gentleman will yield still further, I would like to ask two more questions, if I may.

No. 1, what happens, again using my example in 1977 it is over 1 percent of the 1973 level, so in 1977 it starts into effect at 1 cent, and then in 1978 it comes below the 1973 level; what happens?

Mr. CORMAN. There is no additional penny, but the tax that was already imposed stays on.

Mr. STEIGER of Wisconsin. So you would have a maximum in 1978 under this amendment of a 4-cent tax?

Mr. CORMAN. That is right.

Mr. STEIGER of Wisconsin. Beyond the present 4-cent Federal tax; is that correct?

Mr. CORMAN. In that case, yes.

Mr. STEIGER of Wisconsin. If the gentlman will still continue to yield, may I ask one more question:

Where does the money go?

Mr. CORMAN. It goes into the trust fund.

Mr. STEIGER of Wisconsin. All of it goes into the trust fund?

Mr. CORMAN. That is right.

As you know, under the trust fund portion of the bill there is a limitation on what goes into the trust fund. Anything over the $5 billion, which is the maximum, would go into the general fund.

Mr. STEIGER of Wisconsin. Mr. Chairman, if the gentleman will yield still further, that was the other question I was going to ask. In the explanation that we have it indicates that you do not authorize in this amendment any rebate for anybody; is that correct?

Mr. CORMAN. That is correct.

Mr. STEIGER of Wisconsin. Mr. Chairman, would it then be accurate, may I ask my colleague, the gentleman from California, to describe this amendment as being only slightly less onerous than the amendment in the committee bill, both because you have now taken away the way by which you made the gas tax less regressive through the rebate function, and instead of a 5-cent jump, is consumption is up 1 percent you only have a 1-cent jump if consumption is up 1 percent?

Mr. CORMAN. The gentleman has just given the most beautiful argument as to why we should have defeated the last amendment, but it comes too late.

Mr. SCHNEEBELI. Mr. Chairman, I would ask the gentleman from California, this 10-cent maximum, will that be in addition to the present 4-cent gasoline tax?

Mr. CORMAN. Yes.

Mr. SCHNEEBELI. So we will then have a total of 14 cents in Federal taxes?

Mr. CORMAN. It could be 17 cents; 3 cents in the trust fund, then if we assume that consumption continues to increase 1 cent would be added each year, and by 1985 there will be an additional 10 cents. So you have 4 cents in the present Federal tax, and 3 cents for the new trust fund, and then up to 10 cents or 13 cents in addition to the existing 4 cents Federal highway tax.

Mr. SCHNEEBELI. So that the total tax would be 17 cents. That would roughly bring in about $17 billion, because it runs about $1 billion per 1 cent of tax, since there is no refund here.

I believe that is an awful lot of money to go into a trust fund.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr SCHNEEBELI was allowed to proceed for 1 additional minute.)

Mr. SCHNEEBELI. Mr. Chairman, that $17 billion to me seems like an awful lot to go into the trust fund, particularly since the trust fund has a maximum of $5 billion a year. Where does the rest of the money go?

Mr. CORMAN. Anything over $5 billion goes to the general fund. First, the $4 billion stays in the Federal highway trust fund, let us not get that confused; 1 penny, or $1 billion, would go to the States, the balance up to $5 billion goes to the energy trust fund, and the balance after that goes to the general fund.

Mr. SCHNEEBELI. Since the total tax would probably be 17 cents, I would be constrained to be opposed to the gentleman's amendment.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

I would like to ask the Chairman, the author of this amendment, some additional questions. First, I believe the gentleman may have an amendment that some of us can support. I believe the intent of the House is to try to take a valid step toward conservation, and this would be, most of all, a simple approach.

Does the gentleman say that there would be a 3-cent tax, but that 1 cent of it would go back to the States, if the States initiated the proper request, and 2 cents would then go to the trust fund or would it go to the General Treasury?

Mr. CORMAN. To the trust fund, yes. That is the original 3 cents we have always been talking about. It would go totally to the trust fund.

Mr. PICKLE. This is not an additional 3 cents?

Mr. CORMAN. No, sir.

Mr. PICKLE. All right. Then, second, if each year thereafter the national consumption for that year exceeded the consumption for 1973 by 1 percent there would be 1 cent additional tax?

Mr. CORMAN. Yes.

Mr. PICKLE. So, then, there would be no tax in 1976?

Mr. CORMAN. That is correct.

Mr. PICKLE. And in 1977 there could be a maximum of 4 cents, and that is all?

Mr. CORMAN. Yes, sir.

Mr. PICKLE. Then, if consumption continued at a higher level in 1978, there would be, perhaps, 1 cent additional, but that would be all?

Mr. CORMAN. Yes, sir.

Mr. PICKLE. And it would stay at that level. If in 1979 there were not a triggering, there would not be 1 additional cent, but only the other 4 or 5 that might have already been triggered.

Mr. CORMAN. Yes, sir.

Mr. PICKLE. So we are talking about the maximum in 1977 of 4 cents, and that would go into the trust fund, and that would raise how much money—approximately $4 or $5 billion?

Mr. CORMAN. It would raise about $4 billion, about $1 billion of which would go to the States that opted for it, and $3 billion in the trust fund.

Mr. PICKLE. It would seem to me, then, that this would be a reasonable and a commonsense approach. It puts money in the trust fund. It is an incentive. It is conserving. If we really are serious about doing something, it would seem to me that this is the most moderate approach that we could take. I believe I could support the gentleman's amendment. It used to be that a Texan used his horse almost exclusively; now he uses the automobile. Yet, I think we could live with this and could accept this, and I will support the gentleman's amendment.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

The gentleman evidently, then, does not think that these triggering 1-cent increases per year are going to go into effect?

Mr. PICKLE. I did not hear the gentleman's question.

Mr. ROUSSELOT. The gentleman evidently does not think that these triggering 1-cent increases per year contained in this amendment are going to effect?

Mr. PICKLE. I am not sure. The gentleman raises a good question.

Mr. ROUSSELOT. I thought so.

Mr. PICKLE. Some have led the House to believe that the formula in the bill before us is a hair-trigger formula.

Mr. ROUSSELOT. Yes.

Mr. PICKLE. I would say to the gentleman that, based on data collected in recent months, the formula would not have been triggered. Figures released within the last few months show that using the formula of 1973 as the base period, it would not have triggered the 5 cents in 1977. The amount of gasoline used in 1974 was less than in the base period of 1973. I believe I am correct in that statement, so, as a consequence, the formula would not have triggered. At least, it is very questionable. I doubt that it would.

Certainly, if the American people wanted to conserve, it would not trigger, because they, the people, have control of it.

Mr. ROUSSELOT. If the gentleman will yield further, on the basis of past increases, I am not quite as confident that there will not be increases of 1 cent per year on the gasoline purchases of the 85 million working people.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I happen to have had the privilege to chair a subcommittee starting in 1970 which pointed with alarm at the energy situation which was developing, and called all of these years for doing something. So I want to do something, and I want to do it this week, if we can do it. But there is one thing worse than doing something this week and that is passing a bill that is based upon a tool or a mechanism that will not work. This title in the bill—I am not talking about the rest of the bill; I think there are some good parts in the bill—is based upon the idea that we can pick out the gasoline users in the United States, call them the culprits, and put through a 10-cent tax on them and solve this problem. I think that is an illusion. It will not work.

Now, to start with, about 40 percent of the crude oil is gasoline. If we reduce the demand for gasoline, we still have the users of heating oil, the users of residual oil, and of diesel fuel; they are still largely exempt from direct economic consequences. The bill does little to get them to convert to coal, but they are the ones that can convert to coal. The people that use gasoline cannot convert to coal and in most cases cannot convert to another form of energy. If the consumption of gasoline is reduced enough without reducing the use of No. 2 oil, a surplus of gasoline would develop in comparison to the demand on the wholesale level. In that case the marketers would reduce the price of gasoline and increase the price of heating oil. They would just shift their pricing of the components.

On the other hand, suppose that the added tax of 23 cents goes into effect, and it surely would; and suppose that instead of a surplus of gasoline we have a shortage. If we have a shortage of gasoline, we have provided an umbrella to permit the oil companies to raise the price of heating oil up to a comparable price of gasoline based on the Btu's value and secure a bonanza.

The bill depends upon the wrong mechanism to solve the petroleum problem when it proposes to achieve that result by increasing the price of gasoline, cracking it out by itself and saying we are going to solve the energy problems that way.

The problem is not just gasoline. The problem is imported crude oil. We have to look at the whole barrel of crude. In the case of the whole barrel, there are primarily two ways to attempt to reduce consumption. One is the tariff. The President has put on an additional tariff that would have some impact, and it will also have an impact on the economy in general.

The other way is through quotas, which this bill does under the first title. The only trouble is, that the provisions are so loose as to reduce consumption very little. Under quotas, the oil companies will buy tickets. The way it was done when we had quotas a few years ago, the oil companies were given the tickets based on the refinery capacity, and they were worth money—so they got the added value instead of the Government.

Instead of that, this bill sells import licenses and that is the right way to do it. If that part of the title is tightened up in conference, it could be useful toward accomplishing the objective.

For those who assume penalizing gasoline users can solve the problem, let us take a look at other users. Industry wastes about 30 percent of their energy. They have tightened up a little in the last year or two. But, a good share of industry could convert to some other form of energy. Very few gasoline users can convert to another form of energy. Most factory owners can. Most utilities can. We need to encourage them to convert to coal or some other form of energy. Our attention should be directed at encouraging users who can to convert to nonpetroleum sources of energy.

So I say that, we need to use more coal. We need to use other alternatives. Substituting a gasoline tax, as is done in this title, is no substitute for looking at the real causes and the more effective ways to obtain results. However, it would create an illusion.

I urge a no vote on this amendment.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I would point out this affects every one of the areas the gentleman indicates. Does the gentleman think we can ignore gasoline which is up to 40 percent of the whole barrel and an area where a great many people think there can be cutbacks?

Mr. SMITH of Iowa. We are trying to solve a problem. How does the amendment solve the problem?

Mr. CORMAN. It will cut back on the amount of gasoline used.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. The point that the gentleman from Iowa has made is one which all of us have to face. The flaw in the bill, the flaw in this section of the bill was the decision by a majority of the committee to use the gas tax.

The Corman amendment, I respectfully say to the gentleman for whom I have a great affection, is a mistake as was the original committee bill.

What are we talking about? We are talking about putting on 1 penny every year from 1977 on up, as the gentleman is willing to admit it—17 cents, which we are now going to dump upon those who use automobiles. I suppose the whole matter comes down to the question of whether or not we agree with the point the gentleman from Iowa made as to whether or not that judgment, that decision to pick out only a part of the barrel makes sense. My view is that it does not.

The Corman amendment may appear beguiling on the surface, but it picks out only a portion of the barrel. It does not accomplish its job.

Perhaps at some risk, may I ask the gentleman from California (Mr. CORMAN) to give us some idea as to what the energy saving is? The staff study has a great big question mark there. I would be grateful if the gentleman would enlighten us on that.

Mr. CORMAN. Mr. Chairman, if the gentleman will yield, I will say that the staff estimates that the energy savings would be 600,000 barrels per day by 1985. Admittedly, it very gradually climbs to that figure. That was the reason I supported the stiffer tax earlier in this debate. I would point out that there is a tax on industrial use of petroleum also. We are doing a number of things in this bill to conserve energy in every way it is used. I think we would be wrong if we singled out the gasoline user as the only one we would be inhibiting. But it is a fact that gasoline accounts for 40 percent of the barrel of oil.

Mr. STEIGER of Wisconsin. May I say to my friend from California that obviously I do not concur that we ought to just single out the gasoline user as the only one. I understand that. To me, the problem with this title in the bill—which is why I support the amendment of the gentleman from Arkansas to strike the whole title—is that the whole concept of what the gentleman is doing, including this amendment to single out gasoline users as the ones who must bear an inordinate burden of what goes on is, wrong.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am happy to yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, the statement was made that there is an industrial tax on petroleum. I would like to remind the gentleman what the industrial tax is. In 1977, it is 17 cents per barrel. A barrel is 42 gallons. That is less than a half cent a gallon.

This tax in 1978 will be 33 cents a barrel, less than 1 cent a gallon. Eventually, this tax goes to 17 cents a gallon. There is no comparison.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, the gentleman from Wisconsin is exactly right, there is no way to approve title II of this amendment. We should vote this amendment down, and any other amendment that would try to disguise the attempts to offer this discriminatory tax, and get to the Alexander amendment and remove title II from the bill.

Mr. STEIGER of Wisconsin. I thank the gentleman for his comments.

Mr. RANGEL. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment offered by the gentleman from California.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I would like to rise to ask the gentleman from Wisconsin why he is opposed to sending back money to the State of Wisconsin when he fought so strongly to get snowmobiles exempted from the provisions of this bill.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I certainly would, but knowing the gentleman's deep support of snowmobiles and snow, he can bite the bullet at a later time.

I think we ought to deal with taxing some part of that barrel. It seems to me that all of us would like to go home and wake up and find that the energy crisis is over. There is hardly anyone in my district who believes that there is a crisis at all.

It was interesting to note that the gentleman from Iowa, in opposition to this amendment, has removed any doubts in mind that this method cannot work. Because if I understood him correctly, he believes that we would have a surplus of gasoline and that it would eliminate any of the gas lines we are all concerned with. All I can say is that now that we have eliminated the problem of having a shortage in gasoline, we ought to direct ourselves in dealing with the problem of the entire barrel. I know that no one enjoys—and certainly not me—having to go home and say, "We are taxing another commodity."

But it seems to me that we are doing several things. One thing that we are doing is allowing the States to share with us in receiving a penny back on this gallon so that it would assist them in taking care of some of the real problems that our local governments are facing.

Another thing, it seems to me, that we are doing, if you accept the premise that as the price goes up that in fact it is going to decrease demand—and even those who are opposed to this method would say that it would decrease the demand and increase the supply—it provides us with money to do something. It provides money for a trust fund for us to find some new alternatives to energy, and it does allow us also to join in with the private sector in saying that we are trying alternate means, we are involved in conservation.

It seems to me it is as though it is a pay-as-you-go scheme. We have a level to determine whether or not the method we are using is going to work.

Certainly if we find we are able to maintain our consumption at a 1973 level, then what it means to the person in the street, as well as to the Members in Congress, is that we have found a way. And we have a mechanism here to say that if we are not conserving, if we are not making ourselves more independent on foreign imports, then we have a mechanism go into effect, and only is part of it going into a trust fund and into research and to find other ways to find some answer to this, and does not go into the pockets of the oil companies, not into the pockets of OPEC, but it goes into the pockets of the U.S. Government to take care of some of our domestic needs.

If you do not believe that we should do something about the price of gasoline, then it seems to me that somebody is going to do it for us. And whether it is a foreign cartel that threatens us with an increase or whether it is our own domestic oil cartel that would certainly threaten us with an increase. If those who are opposed to doing nothing would agree that that price is going up, then it seems to me either we have to decide who is going to get the benefit of that increase. Under the Corman amendment the States get some benefits, and if there is anything left, then certainly the general revenues will receive the rest of the benefits. I do not know what we can do with the rest of the barrel, but I am satisfied if the opposition to this amendment is that we are really going to conserve on the usage of gasoline, then I hope that the trust fund will deal with the other part of that barrel.

Mr. KARTH. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I will be glad to yield to the gentleman.

Mr. KARTH. Mr. Chairman, I want to thank the gentleman for yielding, and I want to compliment him on his statement and associate myself with his remarks.

I do not know how anyone could suggest that we not deal with the other 42 percent that goes into gasoline. We all know that the biggest waste factor in the whole barrel is in that 42 percent.

Mr. Chairman, let me also suggest to the gentleman from Iowa (Mr. SMITH), if he has read the bill he will come to the conclusion—because it is in the bill—that there is also a business tax in the bill. But we cannot just deal with the 58 percent and forget about this 42 percent.

I think in this bill we deal with the total package to a greater or lesser degree. Maybe we do not deal strongly enough with the 58 percent, but we do deal with some of it. And if the gentleman has some good amendments to strengthen that feature of the bill, I will be willing to support it.

Lastly, Mr. Chairman, let me suggest, that business in this country has really done a better job in conserving energy on that 58 percent of the barrel than the automobile users have on the 42 percent.

Mr. McKAY. Mr. Chairman I move to strike the requisite number of words.

Mr. Chairman, I have an amendment if this amendment fails, to offer, which would not add any additional tax but would take the 1 cent of the 3 cents proposed and give it to the States that they could use as they do now under the Federal Highway Act.

Mr. Chairman, yesterday I received a telegram from the National Governors Conference. My Governor is the chairman of that Governors Conference which is meeting in New Orleans. They voted 27 to 6 requesting that if there is a tax imposed, a percentage of that be allocated to the States so that they may be able to compensate for some of the problems they are facing.

I have heard here today that this will not impair the use of gasoline if we put a tax on. As I listened to what the Governors are saying and recalling that I listened to some of the debate that went on last year about tourism and how it was down for maybe other reasons than just the gasoline tax, I realize it has had an impaired effect as the gasoline price has gone up.

The States are in a position where they do not have enough funds, because of the loss of sales of gasoline, to meet their matching requirements for the Federal funds.

So my amendment, as I will propose it if this amendment does fail, would merely require that 1 cent of the 3 cents would be allowed to the States. They would collect it, and they would hold onto it; it would not have to go back. They could use it for anything they wanted to, for mass transit or for highway uses, just as they please, and as they do now under the Federal Highway Act.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman for yielding.

As I understand it, under the present bill the 3-cent gas tax would go into a trust fund and would be used for research on alternate sources of energy and finding ways to make us self-sufficient. If we siphon off 1 cent of that to the States, it will go into the highway trust fund.

This is what I am asking: Will it go into the righway trust fund, which is something we are getting away from, or where would that money go?

Mr. McKAY. Mr. Chairman, under my amendment that 1 cent would be collected by the States and retained by the States.

Mr. JOHN L. BURTON. To do what?

Mr. McKAY. To do with as they please, under the guidelines of the existing Federal Highway Act, for whatever requirements they might have under the trust fund.

Mr. JOHN L. BURTON. In our State we would have to put it into the trust fund.

Mr. McKAY. In the gentleman's State they would pick up about $109 million.

Mr. JOHN L. BURTON. That would all go into the building of freeways.

Mr. McKAY. Mr. Chairman, it would be whatever the State provides. It would be up to the States to use it at their discretion for mass transit or highways.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I am not sure about the gentleman's amendment, but under my amendment that money would go into the State revenues in whatever way the States decided and not necessarily into the highway trust fund.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, as I understand the overall purpose of this legislation, it is to bring about conservation of energy. If this money goes back to the States, either under the amendment offered by the gentleman from California (Mr. CORMAN) or under the amendment that may be proposed here, as motor fuel tax which is statutorily or constitutionally allocated to building roads, is there not an illogic in providing more money to the States to build roads, whereas in the same bill we are trying to encourage people to save energy?

Apparently it would not go to mass transit, it would not go into research for

alternate sources of energy, but it would go into the building of roads and that would encourage the use of the automobile.

Mr. McKAY. Mr. Chairman, I would suggest to the gentleman that if we get better roads, we have a tendency to conserve energy.

On the other side of the coin, they can also use this under the Federal Highway Act for mass transit, which is certainly a conservation of energy, so the States could use it for either of those purposes that deal with transportation.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I am pleased to yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I do want to make it clear that in my amendment the 1 cent does not go into the Federal highway trust fund, either at the Federal level or at the State level. The 1 cent goes to the State, and it would go wherever the State decides it should go. The 2 cents that stays with the Federal Government would go into the energy trust fund, not the highway trust fund.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, I think the more basic question is this: How in the world can we really believe that a penny tax on a gallon of gasoline is going to create any degree of conservation? Is that not the basic question that we have to address at this time?

Mr. McKAY. Mr. Chairman, it appeared from what the Governors were telling me that every time you add on a gasoline tax their highway revenues are reduced because somebody is not buying that much gas; the gallonage is going down. Why it is going down, we can only speculate, but it is going down. Part of it is probably because of the price. Probably part of it is because of the 55-mile-an-hour speed limit. There may be several things involved.

The CHAIRMAN. The time of the gentleman from Utah (Mr. McKAY) has expired.

(On request of Mr. KARTH and by unanimous consent, Mr. McKAY was allowed to proceed for 1 additional minute.)

Mr. KARTH. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from Minnesota.

Mr. KARTH. Mr. Chairman, I thank the gentleman for yielding.

I think the answer to that question is that it probably will not reduce consumption of gasoline by any dramatic amount.

Mr. McKAY. I agree with the gentleman.

Mr. KARTH. However, we do have figures, and the figures are 600,000 barrels per day by the end of the decade, I believe. Beyond that, the reason for the trust fund is to get money to spend to develop alternative sources of energy.

Does the gentleman have any other moneys in mind that would be used for that purpose? That is the dilemma we are in. We have to develop alternative sources of energy.

Mr. McKAY. I agree with the gentleman, and I support the position of the gentleman from California on that basis, that we need money from some place to develop alternate sources.

There is no "free lunch" with respect to developing energy or any other alternative. It takes money. We have to get it from somewhere, and we are arguing about whether there is going to be a $60 billion or a $100 billion deficit. We have to get it somewhere, but nobody really wants to raise any taxes.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. McKAY. Yes, I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. If this amendment is defeated, there is still a 3-cent trust fund. We do not have to adopt this amendment to have a trust fund. Is that correct?

Mr. McKAY. That is correct.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the author of the amendment a few questions.

My understanding is that under the previous amendment the exemptions that are included for farms, vessels, and aircraft were eliminated, in the last amendment; is that not correct?

Mr. CORMAN. If the gentleman will yield, none of the items the gentleman has suggested are eliminated.

Mr. ROUSSELOT. No, I mean under the previous amendment, the Stark amendment, were they not eliminated?

Mr. CORMAN. First of all, the farmers are exempt. Public entities are exempt. Merchant shipping is exempt.

Mr. ROUSSELOT. Are there any other exemptions?

Mr. CORMAN. Commercial aviation.

Mr. ROUSSELOT. Commercial aviation?

Mr. CORMAN. These are existing-law exemptions which are not touched by this amendment or by the bill.

Mr. ROUSSELOT. Therefore, there would be no tax revenue from those sources?

Mr. CORMAN. That is correct.

Mr. ROUSSELOT. I thank the gentleman for clarifying that point. Part of my concern is that my colleague, the gentleman from Pennsylvania, brought out the fact that there could, in fact, be increases in this tax to the tune of 1 cent per year, assuming consumption goes up to a total of 17 cents a gallon. To believe that gasoline consumption is going to go down, even with the gentleman's suggestion that by 1985 we would be saving 600,000 barrels a day is an imperfect supposition at best. Is the claim of the gentleman from California (Mr. CORMAN) as to what will occur as a result of this increase in tax; is a 55-gallon saving of 600,000 barrels a day? Is that the conservation estimate?

Mr. CORMAN. This portion of the bill is the 600,000 barrels per day.

Mr. ROUSSELOT. By 1985?

Mr. CORMAN. That is correct. There are other portions of the bill which also have savings. It is estimated that additional portions would provide for 2.5 million barrels per day.

Mr. ROUSSELOT. After 1985, however, if consumption continues to go up, there could be, additional increases in the gasoline tax; is that correct?

Mr. CORMAN. That would depend on the Congress that sat at that time.

Mr. ROUSSELOT. No; that is not my point. I am talking about the gentleman's amendment after 1975.

Mr. CORMAN. Under my amendment it stops in 1985.

Mr. ROUSSELOT. No; that is not the way I read it. There are still possible additions to the tax, 1 cent a year after 1985; is that not correct?

Mr. CORMAN. The gentleman is correct. I am wrong. It would take additional action.

Mr. ROUSSELOT. I appreciate that the gentleman is answering so candidly.

Again, my colleagues, we are building in an automatic increase in tax for beyond 1985. If the gentleman is wrong, and there is not a decrease in gasoline consumption, there will be increased taxes beyond 1985. I do not wish to commit my consumers and my working people to that kind of tax box.

Mr. Chairman, I think it is wrong to vote for this amendment because it goes beyond even 1985. That is just plain wrong. I believe the gentleman's projections about decreases in gasoline consumption are wrong assumptions. We cannot assume that automatically there will be a decrease in gasoline consumption.

So it is even worse than my colleague, the gentleman from Pennsylvania (Mr. SCHNEEBELI), says it will be, because we could get not only a 17-cent increase in gasoline taxes, but it could go even beyond that.

So I must say to my colleague, the gentleman from California, that I am in disagreement with him. I think this is wrong. It is a potentially heavier increase in gasoline tax than 17 cents if the gentleman is wrong and consumption does not go down.

Mr. SCHNEEBELI. If the gentleman will yield, if consumption of gasoline goes up, the tax goes up, but if the consumption of gasoline goes down, the tax does not go down, it has no way of going down, it just escalates.

Mr. ROUSSELOT. I thank the gentleman for his explanation.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Texas.

Mr. PICKLE. If the gentleman from California is concerned about being locked in year after year on the taxes, it could be up to 17 cents, but let me say——

Mr. ROUSSELOT. Mr. Chairman, let me interrupt the gentleman. The reason I am concerned is because I have seen how unwilling this Congress is to reduce taxes. That is why I think we should understand that beyond 1985 is only a slight hope of reduction.

Mr. PICKLE. Will the gentleman yield, so I can ask my question?

Mr. ROUSSELOT. I will yield in just a moment.

Beyond 1985 there is a potential additional increase in taxes.

And now I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, I appreciate the gentleman from California yielding, and I want to ask the gentleman a question.

So if the gentleman will let me ask the question I will.

If the gentleman from California does not want to be locked in, I have an amendment that I have proposed that for each year that the formula might be triggered the Congress would have the right through a resolution of disapproval to look at that tax and decide whether it should go into effect or not. It could continue to increase for 2 or 3 years, but then if the Congress does not want it to increase, then they can do something about it.

Would the gentleman be interested in supporting such an amendment?

Mr. ROUSSELOT. I am against any increase in gasoline taxes. I cannot vote on the chance that the tax will not go into effect. I will vote for anything that will decrease taxes contained in this bill; therefore I oppose the amendment.

Mr. FORD of Michigan. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, the proposals for added gasoline taxes which are being made by the members of the Committee on Ways and Means are reminiscent of a repeated scenario which took place here over the years. I am sure many of the Members will remember the ABM. We had two administrations that told us we needed a system called the ABM. They first told us we had to have it to protect the big cities against possible attack by the Russians. Then later they said no, we still need the ABM system, and what we have to have it for is to protect our missile silos from the Russians. But then they said no, that is not right; they said the Chinese now have the potential to attack us and we need the ABM for that reason, the same material and the same men.

Then later they said, no, there is no protection against the MERV's, and we have got to deploy the ABM's, so that we can anticipate these MERVed missiles.

Year after year I was voting against the ABM because I did not like the machinery, and the cost, but year after year two administrations were giving me a whole variety of different reasons why we had to have it.

So what the Committee on Ways and Means is doing is the same sort of thing. They first told us we had to have the added gasoline tax primarily for the purpose of saving on the consumption of petroleum. Now the gentleman from California (Mr. CORMAN) says we should have a gasoline tax that would add 1 penny a gallon to every gallon that is sold to the general revenues in every State in the country.

How is giving a State, any State, an additional cent on every gallon of gasoline sold in this country calculated to encourage anybody in that State to do something more efficiently in the use of petroleum products and energy?

At least there is some thought that the penny that the State would raise to match it would have that effect, because they might use it to improve public transportation.

Do any of the Members know any State that is willing to impose a tax on gasoline that is not earmarked for transportation or the improvement of transportation? This new State revenue could conceivably, indirectly have some ultimate impact on our problem of finding alternative forms of transportation.

The gentleman's amendment suggests that we now start at 3 cents additional tax and the gentleman says it could go up as much as 17 cents, but the new tax is not any longer solely for the purpose of developing a fund to experiment and find and develop alternatives to our terrible consumption of petroleum but, in addition to that, help out the poor States that need additional revenues.

So we have a new revenue-sharing proposal here that is going to be supported by additional taxes on the same people we are asking to pay the bills for everything else in this country. This amendment intensifies, rather than modifies, the basic philosophical weakness of the approach of the committee in the beginning. Only those people who drive automobiles and are not able to pass on through commerce to someone else the cost of buying gasoline at the pump are the ones who are going to have to pay the cost and bear the burden of this form of taxation.

If the Members think 17 cents is that much better than 23 cents and their people will understand that 17 cents is not as bad, then I suppose they may wish to vote for the gentleman's amendment.

The trigger in this is based on a base in 1973. It was late in 1973 that the unemployment figures in this country started to skyrocket. The gentleman from New York says we may have a surplus of gasoline right now. I tell the Members there is a surplus of gasoline right now in my district, and there is a surplus because there is nobody driving to work. There is not any work to go to, and those cars that would normally be going back and forth every day carrying workers to and from their places of employment are not moving. That is why we have more gas than we need. The factories they should be working in are shut down, and a factory that is not working is not consuming energy. We have the greatest energy conservation program that anybody ever heard of going on now, and it is called a depression. If the Members think that we should continue to rely on the present conditions that are creating this kind of saving in energy, then this amendment is the way to insure it.

The people who are advocating that 1973 is a base year that is safe are obviously assuming that the same factors that reduced consumption of gasoline from 1973 through 1974 and now into 1975 will continue. I am not willing to accept the premise that the present level of unemployment and the present level of production in our industrial machinery in this country are going to continue during the life of the gentleman's amendment. But that is the only conceivable way that one would be able to stay within the base year, because there is nothing in this legislation that will hold down the consumption of gasoline.

Do the Members think the ultimate indirect threat that there may be in the future an additional 1-cent tax is going to discourage anybody, when he pulls up to a gas pump, from filling it up instead of filling it half full, or discourage him from making one extra trip to some place he wants to go? I do not believe it will.

I think the gentleman's amendment has exactly the same elements in it that we just cleaned out of the original bill by the amendment we have adopted.

I urge the Members to vote against this amendment and the whole array of variations of the same theme which may be offered.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I would like to have some understanding on time. We do not want to preclude debate.

Mr. Chairman, I ask unanimous consent that we conclude debate on this amendment at 20 minutes after 7, and reserve the last 3 minutes for myself.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. STEIGER of Wisconsin. Mr. Chairman, reserving the right to object, I did not understand whether the chairman was asking for the title or this amendment.

Mr. ULLMAN. Just this amendment is all.

The CHAIRMAN. The Chair would like to inquire as to whether or not this is only as to the Corman amendment.

Mr. ULLMAN. This is the Corman amendment.

The CHAIRMAN. And all amendments thereto?

Mr. ULLMAN. Yes.

Mr. STEIGER of Wisconsin. Mr. Chairman, I withdraw by reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for 1½ minutes each.

PARLIAMENTARY INQUIRY

Mr. ALEXANDER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ALEXANDER. Mr. Chairman, it is my understanding that at the hour of 7:15 we will vote on the amendment pending which was offered by the gentleman from California (Mr. CORMAN).

The CHAIRMAN. The Chair would like to correct the gentleman. It is 7:20.

Mr. ALEXANDER. 7:20.

A further parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ALEXANDER. It is my understanding that after we vote on the Corman amendment, if there are no other committee amendments to be offered to title II, we would thereupon proceed to

vote on my amendment to strike all the provisions of title II.

The CHAIRMAN. Assuming there are no additional amendments, and the Chair has no knowledge whether there will be, there could still be further debate on the gentleman's amendment.

Mr. ALEXANDER. Mr. Chairman, I will use my time to direct a question to the chairman of the full committee.

Could the gentleman advise the Members whether other perfecting amendments will be offered to title II?

Mr. CORMAN. Mr. Chairman, if the gentleman will yield?

Mr. ALEXANDER. I yield to the gentleman.

Mr. CORMAN. Yes; according to my understanding there are at least two other amendments, depending on what happens to this amendment, as the gentleman can understand.

Let me announce that I hope—while I realize I am using the gentleman's time—we must finish this title this evening. It is my hope that we can finish it by around 8:30. I think we should go to at least 9 to finish that.

The CHAIRMAN. The Chair now recognizes the gentleman from Louisiana (Mr. TREEN).

Mr. TREEN. Mr. Chairman, I take this time to ask the author of the amendment, the gentleman from California (Mr. CORMAN) a question or two, if he would be so kind to respond.

Certain aspects of the gentleman's amendment have some appeal to me, but I want to understand about the exemptions for the special groups. I understand the gentleman's amendment does not affect the first 3 cents. Therefore, the exemptions that are in the bill for the first 3 cents are still there.

Now, in the bill as originally written, which would have provided up to 20 cents additional tax, there are certain exemptions and tax credits. For example, there is a credit allowed against income tax liability for gasoline and special motor fuels used in a trade or business. That is a 50-percent tax credit.

There is also a credit against income tax liability for certain work-related travel and for taxicabs.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent Mr. STEIGER of Wisconsin yielded his time to Mr. TREEN.)

Mr. TREEN. The taxicab operators are exempt from 75 percent of any tax over 3 percent. Under the gentleman's amendment, and assuming that some part of the tax went into effect, would the exemptions and tax credits still apply?

Mr. CORMAN. Mr. Chairman, if the gentleman will yield——

Mr. TREEN. Yes, of course.

Mr. CORMAN. They would not apply. First of all, the tax would be very small in the initial year. If it turns out that it grows, very probably subsequent Congresses would want to look at whether or not those exemptions ought to be included.

Mr. TREEN. If the gentleman would further respond, there was also an exemption, I believe, against any additional tax for gasoline subject to further manufacture. That exemption would not apply?

Mr. CORMAN. That is in the existing law.

Mr. TREEN. But the tax credit of 50 percent for gasoline and special motor fuels used in trade or business, that exemption would not apply. If the tax went up to 10 additional cents, we would not have the tax credit?

Mr. CORMAN. No, sir. It would be deductible from taxable income as additional expenses, but not in the nature of a tax credit.

The CHAIRMAN. The Chair now recognizes the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, I want to commend the gentleman from Michigan (Mr. FORD) for raising the question of the 1 cent that under the amendment would go to the States. Whether a person is for or against the increase in the gas tax above the 3 cents which is still in the bill—as I do not happen to be—I do not see any sense in giving that 1 cent to the States.

I could understand the Governors meeting and saying, "Well, since you are now working on an energy bill with a gas tax, it would be nice if you give us a chunk of the money." We are not the State legislatures. They can raise their own gas taxes. Some States did it this year, and some have chosen not to do it.

Now 27 Governors want to ride piggyback on this bill. The purpose for which I see the 3 cents is to develop other sources of energy in order that we can save and conserve petroleum. To take one-third of the tax which was to be used to develop other sources of energy and transfer it out to the States for them to use it for any purpose that they desire either in their highway programs or in their general revenue funds, whatever they see fit to do does not make sense. If we want to increase general revenue sharing, let us go ahead and handle that in revenue sharing legislation and not give them an extra billion dollars through this measure.

I think that on the merits, that part of the amendment is so unwise that whether one is for an increase in the gas tax or not, one ought to vote down this amendment.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I would like to ask the gentleman from California some questions. As I understand the purpose of this tax, it would be to encourage some conservation of gasoline. Putting money in a fund also is intended to create some alternate uses which would serve another method to carry out the objective of conserving gasoline.

Is there any reason why the gentleman's proposal to give this 1 cent to the States did not provide for using this 1 cent for mass transit, because otherwise I fear that it will have the opposite effect to conserving gasoline.

Mr. CORMAN. Mr. Chairman, if the gentlewoman will yield, first of all, conservation is the point of the tax, not what the State uses the money for. If we collected the tax and threw it in the ocean, conservation would have occurred. The cost of gasoline would have gone up.

It was felt by many of us on the committee that the States would need additional revenue as conservation becomes effective and their existing gas tax revenues go down. It seemed that this would be a reasonable amount to permit them to use, and to leave it to the State legislatures to decide how they should use it. We both know the tremendous drain on State budgets of welfare programs, transportation, and State highways.

Ms. ABZUG. I agree with the gentleman only with respect to the drain on State budgets—but this drain and conservation can both be served if the 1 cent is used for mass transit.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. MARTIN).

(By unanimous consent, Mr. ROUSSELOT yielded his time to Mr. MARTIN.)

Mr. MARTIN. Mr. Chairman, in addition to the objections which have been raised to the amendment offered by the gentleman from California, for those of us who favor sharing a portion of the gasoline tax with States, I want to point to an alternative which will be offered. I would like to yield at this time to the gentleman from Illinois (Mr. CRANE) to discuss his proposed amendment to title IV.

Mr. CRANE. Mr. Chairman, I am totally sympathetic with the objective of trying to alleviate what works out in practice, under a Federal gas tax increase, as double taxation in the States, because of the fact that it represents lost revenue with reduced consumption. I think that is the rationale which justifies the second half of the amendment of the gentleman from California.

On the other hand, I do not favor the first half of this proposal, which is calculated to steadily and progressively increase taxes. I think the House has already rendered a judgment on that aspect of this amendment earlier this afternoon. I would only say, in response to the remarks of the gentleman from North Carolina who so graciously yielded to me, that I do indeed have an amendment which comes under title IV, which does provide for moneys from that general fund that will be raised through this tax to be channeled back to the States to offset those losses they will suffer in revenue.

So, I would hope that this committee might reject this amendment and wait until we get to title IV, and support my amendment.

Mr. Chairman, I thank the gentleman for yielding to me.

Mr. MARTIN. Mr. Chairman, in conclusion, if there is any revenue available in the Energy Trust Fund, I believe the alternative which will be offered by the gentleman from Illinois (Mr. CRANE) is a superior route for sharing a part with the States. I will support his approach and I oppose the amendment that is offered at this time.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, I know that after 8 hours of consideration of this bill, the intellect tends to be dulled. But I fail to see how, after voting approximately an hour and a quarter ago against a tax per gallon of 23 cents, we can now be asked to vote for a tax per gallon of 17 cents. We know, many of us, the fundamental thrust of title II is misguided because it places an unfair tax on gasoline users. The lower- and middle-income people in rural and smalltown America will bear the unfair burden of this tax and they should not be asked to do that.

The gentleman from Arkansas (Mr. ALEXANDER) has made his argument eloquently, and his argument is in favor of doing away with the entire title II. I agree with that position.

To those who voted such a short time ago for the Stark amendment, I would suggest that they be consistent and vote against this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. AMBRO).

Mr. AMBRO. Mr. Chairman, I would like to just underscore three points. The Governors that we talk about, in the first place, voted, as I understand it, against any tax. They said, however, that "if you impose a 3-cent tax, we would like a penny." That is a very courageous position. There are alternatives for funding a trust fund. We heard them here earlier. No one mentions them. I will underscore them again. We can use the foreign tax credit. We can use the oil-depletion allowances if we want the trust fund.

Point 3, in view of all of the evidence, this 3-cent or 17-cent imposition, which the other side likes to talk about, has no conservation value. During the period 1973–74, gas prices rose 44 percent. Consumption increased, as well.

I think the amendment should be defeated, and we should support the Alexander-Ambro-Harris-Neal proposal to strike title II.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. CORMAN).

(By unanimous consent, Mr. SISK yielded his time to Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, I really hope that, although I cannot explain to the constituents of the gentleman from Michigan, I can explain to him that this is not a 17-cent tax. First of all, 4 cents, everybody knows, is already in the Federal Highway Trust Fund. It did not come up for consideration at any time until someone wanted to balloon what is an extremely modest gasoline tax in this amendment. Wherever the funds go, the amount of tax has the same conservation effect because it will encourage the American motorist, first of all, to buy a more economical automobile and, second, to drive it a little less.

If Michigan did not flood this Nation with gas guzzlers that waste our fuel and pollute our air, we would not even be having this debate. And I would suggest that if we have this tax, plus a severe auto efficiency tax, we will not impose any hardship on the American people.

We will impose a penalty on the American automobile merchandisers, but I think it is reasonable because the alternative is that we will cripple ourselves by buying high-cost oil from abroad. We will hurt our economy, we will hurt our international political independence, and we will, in truth, have not served this Nation's best interests.

Mr. Chairman, I urge the adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, at the outset I will say that the amendment offered by the gentleman from California (Mr. CORMAN) is quite beguiling, and when he first described it, a lot of people found it interesting. However, I think it is just an ingenious way to get back to the part of the bill that we disapproved about an hour and a half ago. It is a way to get back to a high tax position.

I come back to the original premise that the gentleman from Iowa (Mr. SMITH) explained: Why just a gasoline tax? Why tax the guy that goes to work? One-third of the gasoline tax is paid by the guy who drives to work.

Also, I think there was some mention made of the fact that business also is going to pay some tax in addition to the tax paid by the fellow who drives his car to work.

I tried to disabuse that assertion several times, and I would like to reiterate it again. The business tax in 1977 will be 17 cents a barrel. That is less than a half-cent a gallon. This tax could escalate to 17 cents a gallon.

By 1978 that tax would be 33 cents a barrel and 50 cents in 1979, a little over a cent a gallon.

This is a very inequitable tax. As we have tried to emphasize, it would switch people to diesels. If we switch people to diesels, they would have to buy foreign cars, and then the 20 percent of foreign imports and sales of cars will escalate even further.

Mr. Chairman, I am very much opposed to the gentleman's amendment.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), to close debate.

Mr. ULLMAN. Mr. Chairman, I would just like to get into focus exactly what we have before us.

First, there is the matter of feeding 1 cent back to the States. I think that this is probably the only opportunity we will have to do that. It goes into the State's general fund, and it is something that is very much asked for by the various States involved.

Second, I want to say that this is a simple proposal. It eliminates all the problems of rebate, but it does keep in place a goal. It seems to me it is terribly important that we set a goal for America on the use of gasoline. If we do not, if we eliminate that provision from the bill and eliminate this title from the bill, then what we will have is a bill that does go to business taxes and does go to other elements in the economy but ignores the problem of gasoline. We simply cannot have an energy program unless we face up to this problem.

This is a very modest proposal. The very first extension we could have above the 3 cents would be in April of 1977. That is a long way down the road. If we fail to meet the goal, we might trigger in 1 cent.

But we must remember that this Congress sits year after year. To talk about putting in a tax 10 years in the future is to ignore the reality that this Congress will meet again and again. We will pass a tax bill every year or two. We will look at this proposal and modify it in any way we see fit.

What we are doing here in setting a long-range goal is we are telling the American people to buy efficient cars. If we vote this down and vote down any provisions to apply a gasoline tax, we are telling the American people to go ahead and buy all the gas guzzlers they want; we are telling the automobile industry in Detroit to go ahead and build inefficient automobiles.

In some way we must get the message across to Detroit, and in some way we must bring home to the American people the fact that we are running out of gas and we are running out of oil.

We must change our lifestyle. This is a very modest amendment. It is a small beginning.

Mr. Chairman, I urge that we support the Corman amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. CORMAN).

The question was taken; and on a division (demanded by Mr. ULLMAN) there were—ayes 25, noes 74.

Mr. ROUSSELOT. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. CORMAN

Mr. CORMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORMAN:

Page 29, insert after line 22 the following new subsection:

"(c) INCREASE IN RATE IF GASOLINE PRICES INCREASE.—

"(1) DETERMINATION OF PRICE INCREASE.—No later than August 30, of 1976, and of each year thereafter, the Administrator of the Federal Energy Administration shall make and publish in the Federal Register—

"(A) a determination of whether the nationwide average refiners price of a gallon of gasoline for the first preceding annual period exceeds the nationwide average refiners price of a gallon of gasoline for the annual period ending in 1975, and

"(B) if it does, the amount of such excess.

"(2) INCREASE IN RATE.—If the determination in paragraph (1) yields an excess of one cent per gallon or more over the 1975 annual period (and if the excess also is one cent per gallon or more greater than the excess determined under this subsection for any previous annual period), then effective beginning the first January 1, following the year in which the determination is made, there is hereby imposed a tax (in addition to the tax imposed by any other subsection of this section) determined in accordance with the following table:

"If the amount of the excess is—	Then the amount of the tax is—
no more than 4¢	25% of the excess
more than 4¢ but not more than 8¢	1¢ plus 50% of the excess over 4¢
more than 8¢	3¢ plus 75% of the excess over 8¢

"(3) DEFINITIONS.—

"(A) NATIONWIDE AVERAGE REFINERS PRICE.—For purposes of this subsection the term 'nationwide average refiners price' means the average price charged by refiners (and importers) for all gasoline sold in each month of the annual period reduced by the amount of any tax imposed under this section. The Administrator shall determine the average price from whatever data series he deems appropriate, as long as such series is consistent for all years including 1975.

"(B) ANNUAL PERIOD.—For purposes of this subsection the annual period for any year shall be the 12-month period ending on June 30 of that year."

Page 33, insert after line 23 the following:

SEC. 213. FLOOR STOCKS TAXES; TECHNICAL AND CONFORMING AMENDMENTS.

(a) FLOOR STOCKS TAXES.—

(1) IN GENERAL.—Subsection (a) of section 4226 (relating to floor stocks taxes) is amended to read as follows:

"(a) GASOLINE CONSERVATION TAX.—

"(1) IMPOSITION OF TAX.—On gasoline (as defined in section 4082(b)) which, on a gasoline tax increase date, is held by a dealer for sale, there is hereby imposed a floor stocks tax at a rate equal to the difference between (i) the tax (if any) imposed by section 4086 on the sale of such gasoline by the producer or importer, and (ii) the tax which would have been imposed by such section on such sale if that sale had occurred on such gasoline tax increase date. The tax imposed by this subparagraph shall not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline.

"(2) GASOLINE TAX INCREASE DATE DEFINED.—For purposes of this section, the term 'gasoline tax increase date' means January 1, 1976, and any other day on which the rate of the tax imposed by section 4086 exceeds the rate of such tax in effect on the preceding day."

(2) DUE DATE OF TAXES.—Subsection (d) of such section 4226 is amended to read as follows:

"(d) DUE DATE OF TAXES.—Any tax imposed by subsection (a) shall be paid at such time, not less than 90 days after the gasoline tax increase date in respect of which such tax was imposed, as may be prescribed by the Secretary or his delegate."

(b) DENIAL OF CERTAIN EXEMPTIONS AND REFUNDS.—

(1) Section 4056 is amended by striking out "under this chapter" and inserting in lieu thereof "under section 4041".

(2) Subsection (a) of section 4221 (relating to certain tax-free sales) is amended by adding at the end thereof the following new sentence: "Paragraph (2) shall not apply to the tax imposed by section 4086."

(3) Section 4293 is amended by inserting after "chapters 31 and 32" the following: "(other than section 4051 or 4086)".

(4) Paragraph (6)(C) of section 4221(d) (relating to use in further manufacture and paragraph (3)(F) of section 6416(b) (relating to tax-paid articles used for further manufacture, etc.) are each amended by striking out "section 4081" and inserting in lieu thereof "section 4081 or 4086".

(c) ALLOWANCE OF REFUNDS IN CASE OF CERTAIN USES.—Paragraph (2) of section 6416(b) (relating to tax payments considered overpayments in case of specified uses and resales) is amended—

(I) by inserting after "section 4041(a)(1) or (b)(1)" the following: "or section 4051", and

(2) by adding at the end thereof the following new sentence:

"Subparagraph (A) shall not apply to any tax paid under section 4086 or 4051."

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of subchapters for chapter 31 is amended by striking out the last item and inserting in lieu thereof:

"SUBCHAPTER F. Special motor fuels conservation taxes.

"SUBCHAPTER G. Special provisions applicable to retailers tax."

(2) The table of subparts for part III of subchapter A of chapter 32 is amended by striking out the last two items and inserting in lieu thereof the following:

"Subpart B. Gasoline conservation tax.

"Subpart C. Lubricating oil.

"Subpart D. Special provisions applicable to petroleum products."

(3) Subsections (a) and (b) of section 4082 are each amended by striking out "in this subpart" and inserting in lieu thereof "in this subpart and subpart B".

(4) Section 4083 is amended by striking out "section 4081" and inserting in lieu thereof "section 4081, or 4086."

Section 4101 is amended by striking out "section 4081 or section 4091" and inserting in lieu thereof "section 4081, 4086, or 4091".

(6) Section 4226 is amended by striking out subsection (e).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1976.

PART II—CREDITS, ETC., RELATING TO ENERGY CONSERVATION TAXES

SEC. 221. CREDIT FOR PERSONAL USE OF GASOLINE.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting after section 44 the following new section:

"SEC. 44A. PERSONAL USE OF GASOLINE.

"(a) GENERAL RULE.—In the case of a taxpayer who is a qualified individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the allowances to which the individual is entitled for each month in such year. The allowance for any month in the taxable year shall be an amount equal to—

"(1) so much of the rate of tax in effect for such month under section 4086 (relating to gasoline conservation tax) as exceeds 3 cents a gallon, multiplied by

"(2) 40.

"(b) QUALIFIED INDIVIDUAL DEFINED.—For purposes of this section, an individual is a qualified individual if, as of the close of the taxable year, such individual—

"(1) has attained the age of 16, and

"(2) resides in the United States.

"(c) TRUSTS AND ESTATES.—A trust or estate shall not be entitled to the credit allowed under subsection (a).

"(d) SPECIAL RULE FOR RATE CHANGE IN MIDDLE OF MONTH.—In the case of any month in which there is an increase in the rate of tax imposed by section 4086, the rate of such tax in effect for such month, for purposes of subsection (a), shall be deemed to be one-half of the sum of the rate of such tax in effect on the first day of such month plus the rate of such tax in effect on the last day of such month."

(b) REFUND TO BE MADE WHERE CREDIT EXCEEDS LIABILITY FOR TAX.—Section 6401(b) (relating to excessive credits) is amended—

(1) by inserting "44A (relating to personal use of gasoline)," before "and 667(b)"; and

(2) by striking out "and 43" and inserting in lieu thereof "43, and 44A".

(c) WITHHOLDING TAX.—Subsection (a) of section 3402 (relating to income tax collected at source) is amended to read as follows:

"(a) REQUIREMENT OF WITHHOLDING.—Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables prescribed by the Secretary or his delegate. The tables so prescribed shall be the same as the tables contained in this subsection as in effect on the day before the date of the enactment of the Energy Conservation and Conversion Act of 1975; except that, if there is any increase under section 4086(b) in the rate of the tax imposed by section 4086, the amounts set forth as amounts of income tax to be withheld shall reflect the credit allowable under section 44A by reason of such increase. Any tables prescribed by reason of an increase in the rate of tax under section 4086 shall only apply with respect to wages paid on and after the effective date of such increase. For purposes of applying such tables, the term 'the amount of wages' means the amount by which the wages exceed the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in the table in subsection (b)(1)."

(d) CREDITS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.—Any payment considered to have been made by any individual by reason of section 44A of the Internal Revenue Code of 1954 (relating to credit for personal use of gasoline) shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount of extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

(e) CLERICAL AMENDMENT.—The table of sections for such subpart A is amended by inserting after the item relating to section 44 the following:

"Sec. 44A. Personal use of gasoline."

(f) EFFECTIVE DATES.—The amendments made by subsection (a), (b), and (e) shall apply to taxable years ending after December 31, 1976.

SEC. 222. CREDIT FOR USE OF GASOLINE AND SPECIAL FUELS IN BUSINESSES OR IN WORK-RELATED TRAVEL.

(a) IN GENERAL.—Subpart A of part IV subchapter A of chapter 1 (relating to credits allowable) is amended by inserting after section 44A the following new section:

"SEC. 44B. USE OF GASOLINE AND SPECIAL FUELS IN BUSINESS OR IN WORK-RELATED TRAVEL.

"(a) GENERAL RULE.—In the case of a taxpayer who is engaged in a trade or business or who has work-related travel, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) the trade or business allowances to which the taxpayer is entitled for such taxable year under subsection (b), plus

"(2) the work-related travel allowances to which the taxpayer is entitled for such taxable year under subsection (c).

"(b) TRADE OR BUSINESS ALLOWANCES.—

"(1) IN GENERAL.—For purposes of subsection (a), the taxpayer shall be entitled to a trade or business allowance for each month in the taxable year, and such allowance shall be equal to ½ of the sum of—

"(A) the product of—

"(i) the number of gallons of gasoline used during such month in a trade or business, multiplied by

"(ii) so much of the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the taxpayer as exceeds 3 cents per gallon; plus

"(B) so much of the tax imposed by section 4051 on the sale to such taxpayer of fuel used during such month in a trade or business as was imposed at a rate in excess of 3 cents a gallon.

"(2) USE FOR CERTAIN PURPOSES.—Paragraph (1) shall not apply to any gasoline or other fuels used on a farm for farming purposes (within the meaning of section 6420(c)), used as supplies for vessels or aircraft (within the meaning of section 4221(d)(3)), used in a taxicab (as defined in section 6429(c)(2)(B)) while engaged in furnishing qualified taxicab services (as defined in section 6429(c)(2)(A)), or used by an organization described in section 501(c)(3) which is exempt from tax under section 501(a) other than in an unrelated trade or business (as defined in section 513).

"(c) WORK-RELATED TRAVEL ALLOWANCES.—

"(1) IN GENERAL.—For purposes of subsection (a), the taxpayer shall be entitled to a work-related travel allowance for each month of the taxable year, and such allowance shall be equal to ½ of the product of—

"(A) the number of gallons, in excess of 25, gasoline or special fuels on which tax was imposed by section 4086 or 4051 which were purchased by the taxpayer and which were used by the taxpayer during such month in work-related travel, multiplied by

"(B) so much of the rate of tax in effect under sections 4086 and 4051 for such month as exceeds 3 cents per gallon.

"(2) WORK-RELATED TRAVEL.—For purposes of this subsection, the term 'work-related travel' means—

"(A) travel between the individual's principal residence and any post of duty in a qualified industry pursuant to employment in such qualified industry, and

"(B) travel to a new principal post of duty in a qualified industry if such new principal post of duty is at least 20 miles from the individual's former principal post of duty in a qualified industry.

"(3) QUALIFIED INDUSTRY.—For purposes of this subsection, the term 'qualified industry' means any industry which ordinarily provides individuals, employed in such industry, employment at a number of different posts of duty throughout the year.

"(d) SPECIAL RULE FOR RATE CHANGE IN MIDDLE OF MONTH.—In the case of any month in which there is an increase in the rate of the taxes imposed by sections 4086 and 4051, the rate of such taxes in effect for such month, for purposes of subsections (b) and (c), shall be deemed to be one-half of the sum of the rate of such taxes in effect on the first day of such month plus the rate of such taxes in effect on the last day of such month."

(b) COORDINATION WITH TRADE OR BUSINESS DEDUCTION.—Section 162 (relating to trade or business expenses) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) COORDINATION OF DEDUCTION WITH CERTAIN PROVISIONS RELATING TO ENERGY CONSERVATION TAXES.—

"(1) SECTION 44B CREDIT.—The amount which, but for this paragraph, would be allowable as a deduction under this section for amounts paid or incurred for gasoline or other fuels subject to tax under section 4086 or 4051 shall be reduced by the amount of any credit allowable under section 44B with respect to such gasoline or other fuels.

"(2) REPAYMENT IN CASE OF USE BY TAXICABS.—The amount which, but for this paragraph, would be allowable as a deduction under this section for amounts paid or incurred for gasoline or other fuels which are subject to tax under section 4086 or 4051 and which are used in any taxicab (as defined in section 6429(c)(2)(B)) while engaged in furnishing qualified taxicab services (as defined in section 6429(c)(2)(A)) shall be reduced by so much of the tax which was imposed by section 4086 or 4051 on such gasoline or other fuels as was imposed at a rate in excess of 3 cents a gallon."

(c) REFUND TO BE MADE WHERE CREDIT EXCEEDS LIABILITY FOR TAX.—Section 6401(b) (relating to excessive credits) is amended—

(1) by inserting "44B (relating to use of gasoline and special fuels in businesses or in work-related travel)," before "and 667(b)"; and

(2) by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

(d) CLERICAL AMENDMENT.—The table of sections for such subpart A is amended by inserting after the item relating to section 44A the following:

"Sec. 44B. Use of gasoline and special fuels in businesses or in work-related travel."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1976.

SEC. 223. REPAYMENT OF GASOLINE AND SPECIAL FUELS CONSERVATION TAXES IN CASE OF CERTAIN USES

(a) GENERAL RULE.—Subchapter B of chapter 65 (relating to rules of special application for abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6429. REPAYMENT OF GASOLINE AND SPECIAL FUELS CONSERVATION TAXES IN CASE OF CERTAIN USES

"(a) USE FOR FARMING PURPOSES.—

"(1) IN GENERAL.—Except as provided in subsection (h), if any gasoline on which tax was imposed by section 4086 or any other fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel on a farm for farming purposes (within the meaning of section 6420(c)), the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to the sum of—

"(A) the product of—

"(i) the number of gallons of gasoline so used; multiplied by

(ii) the rate of the tax imposed by section 4086 in effect for the month in which such gasoline was purchased; plus

"(B) the amount of the tax imposed by section 4051 on the sale to such purchaser of the other fuel so used.

"(2) SPECIAL RULE.—If gasoline on which tax was imposed under section 4086, or any other fuel on the sale of which tax was imposed under section 4051, is used on a farm by any person other than the owner, tenant, or operator of such farm, such owner, tenant, or operator shall be treated as the user and purchaser of such gasoline or other fuel.

"(b) LOCAL TRANSIT PURPOSES.—

"(1) IN GENERAL.—Except as provided in subsection (h), if any gasoline on which tax was imposed by section 4086 or any other fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel during any calendar quarter in vehicles while engaged in furnishing scheduled common carrier public passenger land transportation service along regular routes, the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to ½ of the product of—

"(A) 3 cents multiplied by the number of gallons of gasoline and other fuel so used; multiplied by

"(B) the percentage which such purchaser's commuter fare revenue derived from such scheduled service during such calendar quarter was of his total passenger fare revenue derived from such scheduled service during such calendar quarter.

"(2) LIMITATION.—This subsection shall apply with respect to gasoline or fuel used by any purchaser during any calendar quarter only if at least 60 percent of the total passenger fare revenue derived during such calendar quarter by such purchaser from scheduled service described in paragraph (1) was attributable to commuter fare revenue derived during such quarter by such purchaser from such scheduled service.

"(3) COMMUTREE FARE REVENUE.—For purposes of this subsection, the term 'commuter fare revenue' has the meaning given to such term by section 6421(d)(2).

"(c) USE IN CERTAIN TAXICABS.—

"(1) IN GENERAL.—Except as provided in subsection (h), if any gasoline on which tax was imposed by section 4086 or any fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel which is an organization described in section 501(c)(3) which is exempt from tax under section 501(a), other than in an unrelated trade or business (as defined in section 513), the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to the sum of—

"(A) the product of—

"(i) the number of gallons of gasoline so used, multiplied by

"(ii) so much of the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the user as exceeds 3 cents per gallon; plus

"(B) so much of the tax imposed by section 4051 on the sale to such taxpayer of the fuel (other than gasoline) referred to in paragraph (1) as was imposed at a rate in excess of 3 cents a gallon.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED TAXICAB SERVICES.—The term 'qualified taxicab services' means the furnishing of nonscheduled passenger land transportation for a fixed fare by a taxicab which is operated by a person who—

"(i) is licensed to engage in the trade or business of furnishing such transportation by a Federal, State, or local authority having jurisdiction over a substantial portion of such transportation furnished by such person; and

"(ii) is not prohibited under the laws, regulations, or procedures of such Federal, State, or local authority from furnishing (with the consent of the passengers) shared transportation.

"(B) TAXICAB.—The term 'taxicab' means any land vehicle the passenger capacity of which is less than 10 adult passengers, including the driver.

"(3) SPECIAL RULE.—The amount of any payment under this subsection to any person shall not be included in the gross income of such person.

"(d) USE BY SECTION 501(c)(3) ORGANIZATIONS.—Except as provided in subsection (h), if any gasoline on which tax was imposed by section 4086 or any other fuel on the sale of which a tax was imposed by section 4051 is used by any purchaser of such gasoline or fuel which is an organization described in section 501(c)(3) which is exempt from tax under section 501(a), other than in an unrelated trade or business (as defined in section 513), the Secretary or his delegate shall pay (without interest) to such purchaser an amount equal to the sum of—

"(1) the product of—

"(A) the number of gallons of gasoline so used, multiplied by

"(B) the rate of tax in effect under section 4086 for the month in which such gasoline was purchased by the user; plus

"(2) the tax imposed by section 4051 on the sale to such taxpayer of the fuel (other than gasoline) so used.

"(e) SPECIAL RULES AND DEFINITION.—

"(1) EXEMPT SALES.—No amount shall be payable under this section with respect to any gasoline or special fuel which the Secretary or his delegate determines was exempt from the tax imposed by section 4086 or 4051, as the case may be.

"(2) GASOLINE.—The term 'gasoline' has the meaning given to such term by section 4082(b).

"(3) SPECIAL RULE FOR RATE CHANGE IN MIDDLE OF MONTH.—In the case of any month in which there is an increase in the rate of tax imposed by section 4086, the rate of such tax in effect for such month, for purposes of subsections (a), (c), and (d), shall be deemed to be one-half of the sum of the rate of such tax in effect on the first day of such month plus the rate of such tax in effect on the last day of such month.

(f) TIME FOR FILING CLAIMS; PERIOD COVERED.—

"(1) GENERAL RULE.—Except as provided by paragraph (2), not more than one claim

may be filed under subsection (a), (b), (c), or (d) by any person with respect to gasoline or any other fuel used during his taxable year. No claim shall be allowed under this section with respect to gasoline or any other fuel used by such person during any taxable year unless filed by such person not later than the time prescribed by law for filing a claim for credit or refund of overpayment of income tax for such taxable year. For purposes of this subsection, a person's taxable year shall be his taxable year for purposes of subtitle A.

(2) EXCEPTION.—If $1,000 or more is payable under this section to any person with respect to gasoline or any other fuel used during any of the first three quarters of any taxable year ending after the date on which an increase in the rate of tax under section 4086 first takes effect under subsection (b) of such section, a claim may be filed under this section by such person with respect to gasoline or any other fuel used during such quarter. No claim filed under this subparagraph shall be allowed unless filed on or before the last day of the first quarter following the quarter for which the claim is filed.

(g) APPLICABLE LAWS.—

"(1) IN GENERAL.—All provisions of law, including penalties, applicable in respect of the tax imposed by section 4051 or 4086 shall, insofar as applicable and not inconsistent with this section, apply in respect of the payments provided for in this section to the same extent as if such payments constituted refunds or overpayments of the tax so imposed.

"(2) EXAMINATION OF BOOKS AND WITNESS.—For the purpose of ascertaining the correctness of any claim made under this section, or the correctness of any payment made in respect of any such claim, the Secretary or his delegate shall have the authority granted by paragraphs (1), (2), and (3) of section 7602 (relating to examination of books and witnesses) as if the claimant were the person liable for tax.

"(h) INCOME TAX CREDIT IN LIEU OF PAYMENT.—

"(1) PERSONS NOT SUBJECT TO INCOME TAX.—Payment shall be made under this section only to—

"(A) the United States or any agency or instrumentality thereof, a State, a political subdivision of a State, or an agency or instrumentality of one or more States or political subdivisions, or

"(B) an organization exempt from tax under section 501(a) (other than an organization required to make a return of the tax imposed under subtitle A for its taxable year).

"(2) ALLOWANCE OF CREDIT AGAINST INCOME TAX.—For allowance of credit against the tax imposed by subtitle A for certain uses of gasoline and other fuels, see section 39.

(i) REGULATIONS.—The Secretary or his delegate may by regulations prescribe the conditions, not inconsistent with the provisions of this section, under which payments may be made under this section.

(j) CROSS REFERENCES.—

"(1) For civil penalty for excessive claims under this section, see section 6675.

"(2) For fraud penalties, etc., see chapter 75 (section 7201 and following, relating to crimes, other offenses, and forfeitures).

(k) ALLOWANCE OF CREDIT FOR CERTAIN USES.—

(1) IN GENERAL.—Subsection (a) of section 39 (relating to certain uses of gasoline, special fuels, and lubricating oil) is amended by striking out "and at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof ", and", and by adding after paragraph (4) the following new paragraph:

'(5) under section 6329 with respect to gasoline and special fuels used during the taxable year (determined without regard to section 6429(h)).'

(2) TECHNICAL AMENDMENT.—Subsection (c) of section 39 is amended by striking out "or 6427" and inserting in lieu thereof "6427, or 6429" and by striking out "or 6427(f)" and inserting in lieu thereof "6427(f), or 6429(h))".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter B of chapter 65 is amended by adding at the end thereof the following new item:

"Sec. 6429. Repayment of gasoline and special fuels conservation taxes in case of certain uses."

(A) by striking out "6427(e)(2)" the first place it appears and inserting in lieu thereof "6427(e)(2), 6429(g)(2)"; and

(B) by striking out "or 6427(e)(2)" and inserting in lieu thereof "6427(e)(2), or 6429(g)(2)".

(d) EFFECTIVE DATES.—

(1) FOR SUBSECTIONS (a) AND (c).—The amendments made by subsections (a) and (c) shall take effect on January 1, 1976.

(2) FOR SUBSECTION (b).—The amendments made by subsection (b) shall apply to taxable years ending after January 1, 1976.

(2) Section 6206 is amended—

(A) by striking out "AND 6427" in the section heading and inserting in lieu thereof "6247, AND 6429";

(B) by striking out "or 6427" each place is appears and inserting in lieu thereof "6427, or 6429"; and

(C) by inserting after "under section 6427)" the following: ", or by section 4051 or 4086 (with respect to payments under section 6429)".

(3) Section 6675 is amended—

(A) by striking out "or" after "highway motor vehicles)," in subsection (a);

(B) by inserting after "fuels not used for taxable purposes)" in subsection (a) the following: ", or 6429 (relating to repayment of gasoline and special fuels conservation taxes in case of certain uses)"; and

(C) by striking out "or 6427" in subsection (b) and inserting in lieu thereof "6427, or 6429".

(4) Sections 7210, 7603, and 7604(b) are each amened by inserting 6429(g)(2)," after "6427(e)(2),".

(5) Section 7604(c)(2) is amended by inserting 6429(g)(2)," after "6427(e)(2),".

(6) Section 7605(a) is amended—

Mr. CORMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is their objection to the request of the gentleman from California?

Mr. ARCHER. Mr. Chairman, reserving the right to object, is this amendment printed in the RECORD?

The CHAIRMAN. The amendment is printed in the RECORD; is that correct?

Mr. CORMAN. Yes, Mr. Chairman; it is printed in the RECORD at page H4310 on May 19.

Mr. ARCHER. Mr. Chairman, I withdraw my reservation of objection.

Mr. BAUMAN. Mr. Chairman, further reserving the right to object, is this amendment germane after the Stark other level of the oil industry?

The CHAIRMAN. The Chair would like to advise the gentleman from Maryland that the Corman amendment does not apply to the same section of the bill as the Stark amendment. Therefore, it is germane and in order.

Mr. BAUMAN. I thank the Chairman and withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CORMAN. Mr. Chairman, I think the committee would concede at this point that we are not going to have a gasoline tax. If the price of gasoline goes up, all of the increase will be profit to the refiner or, at some point along the line, others in the oil industry. The purpose of this amendment is to recoup a portion of that windfall profit. It is triggered only by price increases on gasoline.

The Secretary of the Interior tells us that by the end of the year gasoline in this country will cost 70 cents a gallon. If that is true, there will be an additional $15 billion profit on gasoline.

The reason the Committee on Ways and Means tried to accomplish conservation through taxes was so that none of that cost increase would be new profit for the oil companies. We have lost that battle. But if that cost is going to go up, a portion of the profit should be retrieved for the American people.

This amendment provides that for the first 4 cents of increase there would be a 1-cent tax. For the next 4 cents, an additional 2-cent tax, and for anything above 8 cents an additional 75 percent tax.

So if the Secretary of the Interior is right, and gasoline goes up to 70 cents by the end of this year, $7.5 billion would be in profit, and $7.5 billion would be in taxes, and those taxes would be rebated precisely as was proposed under the original 20-cent tax.

This is a far different proposal from a gasoline tax. I believe it is reasonable. I am confident the cost of gasoline is going to go up, and it ought not all to remain as profits for the oil companies.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I would like to fully understand how this tax would work.

It is a tax on the manufacturer?

Mr. CORMAN. It is a tax on the refiner.

Mr. ULLMAN. The way it would work, you would impose a tax equal to a certain percentage of any price increases that occurred on gasoline. Would you measure those by retail or wholesale prices?

Mr. CORMAN. It would be on refinery prices, whatever they are at the triggering time.

Mr. ULLMAN. You would measure the refinery prices. At what point would you first trigger in the gasoline tax?

Mr. CORMAN. When the increase had reached 4 cents per gallon, one-fourth would be collected in taxes.

Mr. ULLMAN. That would be at the refinery?

Mr. CORMAN. That is right.

Mr. ULLMAN. That is on the price the refinery charged?

Mr. CORMAN. That is right.

Mr. ULLMAN. When it goes up 4 cents, there is a 1-cent tax. And when is the next tax?

Mr. CORMAN. The additional tax would be 50 percent of the next 4 cents.

Mr. ULLMAN. If it went up 2 additional cents, there would be a 1-cent tax?

And the justification the gentleman makes is that if there are those kind of price increases, some would be windfall profit, and in effect what the gentleman is doing is picking up any windfall from the refinery that might occur through price increases?

Mr. CORMAN. That is correct. What we are doing in this bill and in this program is cutting back on the availability of oil. If we did not do that we would not be doing anything. The President's proposal does it, and this proposal does it.

If we are going to do that, we at least open up the opportunity for substantial gasoline price increases that should not be left solely as oil company profits.

Mr. ARCHER. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Texas.

Mr. ARCHER. I thank the gentleman for yielding.

What base is the gentleman from California using with respect to determining the increase in gasoline prices?

Mr. CORMAN. The 1975 price level by the refiner.

Mr. ARCHER. If the gentleman will yield further, what day in 1975?

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. WRIGHT, and by unanimous consent, Mr. CORMAN was allowed to proceed for 3 additional minutes.)

Mr. CORMAN. It is the 1975 average price, whatever it averages over the year for all refiners.

Mr. ARCHER. If the gentleman will yield further so that I might try to understand the specifics of this, if one is a refiner, and because the cost of the crude that he has to run through his refinery happens to be in excess of the average, then he would still have to pay the tax in spite of the fact that he runs into a loss position?

Mr. CORMAN. That is correct, because somebody in the industry is getting that profit. If we did not do that, particularly with the major oil companies, they would merely shift these profits away from where we put the tax.

Mr. ARCHER. If the gentleman will yield further, as he pays the tax, then, and has to pass that on—otherwise he would be in a loss position—then he increases his tax liability because he has to pay one-quarter cent more for every increase in the price per gallon; is that correct?

Mr. CORMAN. The increase attributable to the tax itself is not taken into account. In other words, there is not a snowballing effect from the tax.

Mr. ARCHER. It would have to be, though, if it ends up being in the price of the gasoline; would it not?

Mr. CORMAN. As we both know, the price of the gasoline is controlled at the moment, but there is every indication that that control is going to go off, and when it goes off, then we would be in a position where the refiner and the distributor can charge whatever the traffic will bear. When he increases that price, this tax would be very similar to the administration's windfall profits tax.

Mr. ARCHER. If the gentleman will yield further, then if the price of imported oil goes up as the result of OPEC increasing the price, and the refiner has to charge a higher price for his gasoline within the framework of the FEA regulations where he is not increasing his margin of profit, he would still have to pay the tax, as I understand it, under the gentleman's amendment; is that correct?

Mr. CORMAN. That is correct.

Mr. ARCHER. That is totally unworkable, in my opinion.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. WRIGHT, Mr. CORMAN was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. Mr. Chairman, will the gentleman yield for a question?

Mr. CORMAN. I yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

Simply in order that we may understand what is involved here, the gentleman from California began his remarks with the comment that it seemed obvious that there would be no gasoline retail tax. Does the gentleman's amendment abolish the 3-cent gasoline retail tax that exists in the bill?

Mr. CORMAN. No, sir.

Mr. WRIGHT. So that what he proposes would be in addition to that?

Mr. CORMAN. That is right. This is in lieu of the conservation tax, not the trust fund.

Mr. WRIGHT. In lieu of the additional tax?

Mr. CORMAN. In lieu of the additional conservation tax, not the trust fund tax.

Mr. WRIGHT. Would the proceeds of this tax go into the trust fund to finance long-term industrial developments?

Mr. CORMAN. No, sir. Eighty-five percent of the proceeds in this fund would be refunded to consumers. Fifteen percent of the gross would go into the trust fund.

Mr. WRIGHT. It would be rebated to whom? The motorist?

Mr. CORMAN. It would be rebated in the same way called for in the original committee bill. It would be rebated to everyone 16 years of age and over.

Mr. WRIGHT. In other words, the gentleman assumes that this tax will not actually raise additional revenues in the long term; it simply is another approach to attempting conservation through the increase of the price?

Mr. CORMAN. The principal purpose of this is to prevent windfall profits when by the action of this Congress we have created a shortage. There will not be unlimited supplies of gasoline and the strong possibility is that prices will go up substantially.

Mr. WRIGHT. His attempt to limit windfall profits is aimed at the refiner, not necessarily at the gatherer or any other level of the oil industry?

Mr. CORMAN. That is correct.

Mr. WRIGHT. Is there any exemption for the refiner who is not in the gathering or production end of the business?

Mr. CORMAN. There is none; no, sir.

Mr. WRIGHT. So that an independent refiner who is dependent upon sources from the major companies would have no recourse under the gentleman's amendment if the price to him were to exceed the amount that he is allowed to increase his prices; is that essentially correct?

Mr. CORMAN. That is essentially correct; but, of course, he is at the mercy of the major right now. We do not solve that problem here.

Mr. WRIGHT. Of course, he is.

Mr. CORMAN. The problem we do solve is that if the price of gasoline goes up substantially, a portion of it is recouped through taxes.

Mr. WRIGHT. I wonder if this would put him further at the mercy of the major.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. SMITH of Iowa and by unanimous consent, Mr. CORMAN was allowed to proceed for an additional 3 minutes.)

Mr. WRIGHT. Mr. Chairman, I realize the gentleman from California is attempting to make an intelligent approach to the subject, but I really wonder if his approach would not put the independent refiner further at the mercy of the major, since under the present relationship when the major oil company increases its price to him of the crude oil, he is permitted to pass that on; but under the gentleman's amendment, as I understand it, he would not be permitted to pass that on in the same degree that it was passed onto him by the major. Could not this have the unintended effect of further intensifying the stranglehold upon the industry by the majors and they could use it to drive out the independent refiner?

Mr. CORMAN. I think not, because the tax is evenhanded both as to the major and the independent, both as to the point of collection and the amount collected. I am sure there needs to be protection for the independents in other legislation. This is neutral at this point.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, do I understand correctly that the tax is measured by the number of gallons of gasoline the refinery sells?

Mr. CORMAN. That is correct, the number of gallons and the price for all refiners.

Mr. SMITH of Iowa. What is to keep the refiner, if he is having trouble moving his volume of gasoline, from reducing the price of gasoline to get the extra money, just increasing the price of home heating oil?

Mr. CORMAN. Well, no.

Mr. SMITH of Iowa. There is nothing to keep him from doing that.

Mr. CORMAN. We are not attempting to recoup a profit that is not made. We are only attempting to recoup the portion of windfall profits that might be made.

Mr. SMITH of Iowa. So if it is down, the extra price will be paid by the home heating oil user.

Mr. CORMAN. No. The tax is on the refined gasoline and if the price of refined gasoline does not go up, there is no tax and there is nothing to rebate.

Mr. SMITH of Iowa. The point is, the tax is not attached to the gasoline. The profit follows the gasoline. Therefore, the refiner may make up the tax on home heating oil, depending on the degree of financing.

Mr. CORMAN. If he incurs that tax it is because he increases the price of gasoline and that must be paid at some point down the line by the motorists.

It will be paid by the motorist whether or not a portion of it is collected in taxes. Without this amendment the full amount of the increase will be additional oil company profits.

Mr. ARCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Committee on Ways and Means considered trying to work out a formula to accomplish the goal of this amendment and gave up because it was unworkable. This is not the place to bring up this type of complex change with respect to the tax code and the effect on refineries by an amendment that is several pages long and cannot be digested by the Members here on the floor.

I will say this to the Members, just from the little bit of colloquy we have already heard: Inasmuch as a refiner very frequently, particularly the independent refiner, does not own any of his own crude, he is not witnessing any windfall whatsoever. He is merely making a processing margin of profit to turn crude oil into gasoline.

I will say this for the gentleman's amendment: It is probably the most effective conservation proposal that has been made to the House in the hours we have spent on this bill. It is so effective that it would close every refinery in the United States and we would not have to worry about buying any oil from overseas. It will do that, but I do not think that is what this committee or this Congress wishes to do.

It is, in my opinion, completely unrealistic and unworkable, and cannot be equated to a windfall profits tax on crude oil because of the fact that we are dealing with a very small margin to the refinery in every instance; perhaps a cent and a half or 2 cents a gallon.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, I want to express my agreement with the remarks of the gentleman from Texas (Mr. ARCHER) which he has just made. It is the most effective tool for conservation anybody has yet proposed because, as he says, refineries—especially those which are independent—must close because there is the false presumption that any increase in price produces a corresponding increase in profit. That is not necessarily so at the refinery level. They cannot pass the tax on.

This is the worst of all the proposals which have been offered. This one ought to be rejected out of hand.

Mr. ARCHER. I thank the gentleman for his comments, and I hope the committee in its judgment will turn down the amendment.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I find myself in the position of agreeing with the gentleman from Texas and the gentleman from Louisiana, but I would like to find out from the author of the amendment, if he is willing to explain to us—I am not at all clear about what happens.

He expressed the amendment in terms of a windfall profit approach, but as I read the amendment and understand how, in fact, it would operate, would it not be fair to say that if the price of crude went up enough to increase the tax, we will have a windfall profits situation? What he has done, then, is to impose a tax on top of an increased price, which will have to be passed on somewhere, and I assume to the consumer.

Mr. ARCHER. That is my understanding of the amendment.

Mr. STEIGER of Wisconsin. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. CORMAN).

The amendment was rejected.

AMENDMENTS OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Chairman, I offered two amendments dealing with the same idea in two sections, and I ask unanimous consent that these amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. McKAY:

Page 31, line 5, strike out "States.'" and insert in lieu thereof "States.".

Page 31, insert immediately after line 5, the following:

"(c) REDUCTION OF RATE IN CASE OF QUALIFIED STATE GASOLINE TAX.—

"(1) IN GENERAL.—The rate of the tax, which, but for this subsection, would have been imposed by this section on the sale of gasoline in a State which, at the time of such sale, has a qualified State tax with respect to gasoline shall be reduced by the qualified State tax increase on such gasoline.

"(2) LIMITATION.—The rate of tax imposed by this section may not be reduced under this subsection—

"(A) if the rate of such tax is 3 cents per gallon, by more than 1 cent per gallon; or

"(B) if such rate is more than 3 cents per gallon, by more than the sum of—

"(i) 1 cent per gallon, plus

"(ii) 20 percent of the amount by which such rate exceeds 3 cents per gallon.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED STATE TAX.—A tax imposed by any State on the sale of gasoline subject to tax under this section shall be treated as a qualified State tax if the Secretary determines that—

"(i) such tax is not substantially different from the tax under this section,

"(ii) a qualified State tax increase exists with respect to the tax imposed by such State, and

"(iii) the net receipts of the State from such qualified State tax increase will be available only for purposes of planning, constructing, or maintaining highways or mass transit systems.

In making such determination, net receipts from any qualified State tax increase shall not be treated as available for the purposes referred to in clause (iii) if the Secretary finds that funds of the State available for such purposes will be diverted for other purposes because of such tax increase.

"(B) QUALIFIED STATE TAX INCREASE.—The term 'qualified State tax increase' means, with respect to any State, the amount by which—

"(i) the rate (per gallon) of tax imposed by such State on the sale of gasoline subject to tax under this section, exceeds

"(ii) the rate of tax (if any) which was imposed on May 19, 1975, by such State on such a sale.

"(4) APPLICATION OF SUBSECTION.—For purposes of this title, the rate of tax in effect under this section shall be such rate as in effect for the State in which the gasoline was purchased by the user."

Page 32, insert immediately after line 25, the following:

"(d) REDUCTION OF RATE IN CASE OF QUALIFIED STATE SPECIAL FUELS TAX.—

"(1) IN GENERAL.—The rate of the tax, which, but for this subsection, would have been imposed by this section on the sale or use of any fuel in a State which, at the time of such sale or use, has a qualified State tax with respect to such fuel shall be reduced by the qualified State tax increase on such fuel.

"(2) LIMITATION.—The rate of tax imposed by this section may not be reduced under this subsection—

"(A) if the rate of such tax is 3 cents per gallon, by more than 1 cent per gallon; or

"(B) if the rate of such tax is more than 3 cents per gallon, by more than the sum of—

"(i) 1 cent per gallon, plus

"(ii) 20 percent of the amount by which such rate exceeds 3 cents per gallon.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED STATE TAX.—A tax imposed by any State on the sale or use of a fuel subject to tax under this section shall be treated as a qualified State tax if the Secretary determines that—

"(i) such tax is not substantially different from the tax under this section,

"(ii) a qualified State tax increase exists with respect to the tax imposed by such State, and

"(iii) the net receipts of the State from such qualified State tax increase will be available only for purposes of planning, constructing, or maintaining highways or mass transit systems.

In making such determination, the net receipts from any qualified State tax increase shall not be treated as available for the purposes referred to in clause (iii) if the Secretary finds that funds of the State available for such purposes will be diverted for other purposes because of such tax increase.

"(B) QUALIFIED STATE TAX INCREASE.—The term 'qualified State tax increase' means, with respect to any State, the amount by which—

"(i) the rate (per gallon) of tax imposed by such State on the sale or use of the fuels subject to tax under this section, exceeds

"(ii) the rate of tax (if any) which was imposed on May 19, 1975, by such State on such a sale or use.

"(4) APPLICATION OF SUBSECTION.—For purposes of this title, the rate of tax in effect under this section shall be such rate as in effect for the State in which the fuel was purchased (or used) by the user."

Page 33, line 1, strike out "(d)" and insert in lieu thereof "(e)".

Page 33, line 9, strike out "(e)" and insert in lieu thereof "(f)".

Mr. McKAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. McKAY. Mr. Chairman, we have discussed previously what the intent of this amendment is. Basically, all it does is take one of the 3 cents that now exists in the bill and allow the States by a preemptive act of their in legislation to take 1 cent, which they collect and which they will use without sending it to the Federal Government, under the guidelines of the Federal Highway Act so that they can use it for mass transit or for their highways, as they choose.

As I indicated earlier, I received a telegram from the National Governors Conference which is meeting in New Orleans, and to which one of the Members here referred—Mr. AMBRO of New York indicated they were opposed to any tax increase, which is true.

They said if we were going to add a tax, they felt they needed some because we were preempting their possibility to provide for their highway needs. They are losing revenue to meet their needs because of additional costs and because of loss of revenue from decreasing sales of gasoline. And had the Stark amendment not prevailed, there is a section of this that would take 20 percent of any additional taxes imposed, it would be referred to the States in the same manner. The States are in problems. My State, particularly, is in a bind, where they will not have matching money; and they this year appropriated out of the general fund, something they had not done before, to provide for matching funds to pick up some $40 million. They will lose some of the Federal moneys if they are not able to provide for it. My Governor is calling for a special session the 28th of this month, and he is recommending a 3-cent gasoline tax to the people of that State.

It seems to me that, in their plight, they need some assistance, and this would give them one cent, that by that preemptive act would give them some relief in this regard, and that is the essence of this amendment.

Mr. Chairman, I would urge that the committee support the amendment.

Mr. McFALL. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I will be glad to yield to the gentleman.

Mr. McFALL. I thank the gentleman for yielding.

Mr. Chairman, I am in strong support of this amendment, and I urge my colleagues in the House to give it overwhelming approval.

My own State of California is in dire straits with its highway programs. Just yesterday I was informed by the California Department of Transportation that the State may not be able to meet its matching funds obligations for the fiscal year beginning next month, if nothing is done. Just a few weeks earlier, the State had calculated that this crisis would not occur until 1980. California has already had to call a halt to its unassisted State highway construction programs, and it is going through its backlog of previously approved projects and whittling these down.

Many States are in this financial predicament. I know that many of you here in the House have also heard from your Governors and your State highway departments about the need to support this amendment.

What it would do is to permit States to enact revenue-producing State gasoline taxes in place of—rather than in addition to—these Federal gasoline taxes. There would be no automatic passthrough of federally collected taxes. A State would first be required to enact a preemptive State gasoline tax whose effect would be to retain in the State 1 cent of the first 3 cents to be levied on January 1, 1976, and 20 percent of any additional graduated formula tax which may be imposed on April 15, 1977, and thereafter.

The gasoline conservation effect would be exactly the same, whether all the tax is brought here to Washington or whether some of it is collected by the States and stays with the States. Either way, the incentive to conserve gasoline would remain.

Under this amendment, States could preempt a maximum 1 cent of the first 3 cents and a maximum of 4 cents of the graduated formula tax if the maximum 20 cents should be imposed. So altogether States could retain a maximum of 5 cents, if these gasoline conservation taxes reach their maximum.

To give you some idea of what that would mean in new gasoline tax revenues to the States, I have made some rough calculations based on the revenue estimates contained on page 22 of the Ways and Means Committee report on H.R. 6860 (House Report 94–221).

In 1976, the 3-cent Federal tax is expected to bring in $3.1 billion, so States could retain a little more than $1 billion of that. The additional graduated formula tax will go into effect for 1977 and any year thereafter. If the total Federal tax is 8 cents, States would be able to preempt a little more than $2 billion. If the tax reaches 18 cents, States would be able to preempt about $4.2 billion. If the full 23 cents were imposed, States would be able to preempt about $5.5 billion. I want to repeat that these are rough estimates, but they do give you some idea of the revenue raising potential of this tax and it makes you understand why it will be difficult for States to enact their own taxes on top of this Federal tax.

I urge you to join with me in supporting this very fair and necessary approach to a very difficult Federal-State problem.

Mr. McKAY. Mr. Chairman, the gentleman is exactly right. And not only are they running out of matching funds, but they are cutting back on their own programs for their fund because of insufficient funds because of these reasons.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I will be glad to yield to the gentleman.

Mr. ALEXANDER. I thank the gentleman for yielding.

Will the gentleman explain to me how dividing up this money and giving it to the States to build highways comes within the objective of this title? To discourage the use of gasoline by encouraging people to use public transportation?

Mr. McKAY. No. 1, the discouragement comes by the gas tax. But on the other hand, we will wind up conserving gas if we have proper highways that do not require as much gas as we travel.

Mr. ALEXANDER. If the gentleman will yield further, I do not object to States building highways, but I would suggest there is a better way to do it and a more appropriated way than the energy conservation route.

Mr. McKAY. That may be. But here is one way.

Mr. MARTIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask a question of the sponsor of the amendment, the gentleman from Utah (Mr. McKAY). I want to deal with the triggering mechanism here.

As the Stark amendment now stands, 1 cent out of the 3 cents, according to this amendment, would be shared with those States which levy an additional 1-cent tax?

Mr. McKAY. Mr. Chairman, if the gentleman will yield, the answer is yes, if they presume to preempt. Otherwise, they would not get it.

Mr. MARTIN. Mr. McKAY, what would happen if on a separate vote on the Stark amendment, your amendment having prevailed, the Stark amendment is then defeated? Would your amendment then still apply, or is it an amendment to the Stark amendment?

Mr. McKAY. No. If the Stark amendment failed on a separate vote, then we would be back to the committee bill with the triggering mechanism of 5 cents up to 1985 and on up to the 20 cents, if in fact the consumption did increase.

In that case under this amendment 20 percent of any additional funds of that additional 5 cents would go in the same vein as that 1 percent.

Mr. MARTIN. Mr. Chairman, I thank the gentleman.

I have one further question. Referring to this assignment to the States of the right to use this gasoline tax, if it is preempted by the State, let us say, for purposes of mass transit, would that authority apply whether or not the Federal Highway Trust Fund is amended?

Mr. McKAY. Yes. It just comes out in this bill under the financing provisions.

Mr. JONES of Oklahoma. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think it is important that we focus attention on what this 3-cent gasoline tax was designed to do.

It was designed to do two things: No. 1, to make the American people conscious of the need to conserve on gasoline; and second, and perhaps as important or more important, it is designed to establish an energy trust fund to pay as we go for the costs that we are going to incur for research and development into alternative sources of energy.

This is not a general revenue sharing bill extension. If we adopt this amendment, we will be departing from the concept of paying for the cost of new sources of energy that we are going to need in future generations.

Under the President's program, if we added a tariff, there is no hint or no con-

cept that we should refund any money to the States for revenues lost because of the conservation that would come about. We do not refund anything because OPEC prices have gone up.

When this Congress put the cigarette labeling requirement on, that was designed to decrease smoking, we did not refund any money to the States for lost revenues there.

The fact of the matter is I do not think the States are going to be hurt so much by conservation. The year 1975 shows a decrease in consumption of gasoline over 1974, and yet 29 States increased their motor fuel tax revenues by as much as 20 percent.

Mr. Chairman, I recognize that all levels of government have financial problems. The cities and the States have problems. But the Federal Government also has an enormous financial problem and in comparison to the States, the Federal Government needs to put its own financial house in order much more than the States. The figures I have for the last fiscal year for State governments show that 45 out of the 50 States had surplus budgets in the last fiscal year that I could find figures for. That compares very favorably, as far as the Federal Government is concerned, which has not had a surplus for but one of the last 16 years.

This is not a general revenue-sharing concept. The 3 cents is designed to pay for the energy we are going to need in the future.

Under the gentleman's amendment the States are not required to do anything. They do not have to raise their own gasoline taxes to get a 1-cent matching tax.

I was one of the authors of making a level of 3 cents, that level rather than going higher; and I did it in anticipation that the States would want to have some refund for the gasoline tax increase by the Federal Government. To me it makes sense that if the States need more revenue, the State should have the courage to raise the revenues. We have allowed enough leeway at the 3-cent level to let them do that.

For this reason, Mr. Chairman, I think we should oppose this amendment.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. Yes; I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, there is only this that I see, and I address myself to the gentleman from Oklahoma (Mr. JONES): When we are raising the taxes on the Federal level to encourage less use of gasoline, it may have that effect; and the States are going to lose revenue because of the diminution of the use of gasoline. It will be our fault that this has happened.

Mr. JONES of Oklahoma. I make two observations: No. 1, in 1975 there has been a decrease in the consumption of gasoline and 29 States, through their motor fuel taxes, have actually increased their revenues, some as much as 20 percent. No. 2, the reason we established a 3-cent level for the gas tax at the Federal level was to let the States increase theirs.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wonder whether the maker of the amendment would answer a question. The amendment, as it was provided to this desk, is not exactly as it is printed in the RECORD. Is the amendment at the desk on which we are voting one that excludes the words "including mass transit operating assistance"?

Mr. MCKAY. If the gentleman will yield, no, we do not exclude; that is, they are entitled to use these funds under the Highway Act. If mass transit is provided for, then it can be used for mass transit purposes.

Mr. FRENZEL. Mr. Chairman, may I address an inquiry to the Chair? The copy of the amendment that we have is not exactly the same as is in the RECORD.

I ask unanimous consent that we might have the Clerk read the amendment on page 2, subparagraph (iii).

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The Clerk will report that portion of the amendment.

The Clerk read as follows:

"(iii) the net receipts of the State from such qualified State tax increase will be available only for purposes of planning, constructing, or maintaining highways or mass transit systems.

Mr. FRENZEL. I thank the Chair. That makes it clearer. Obviously, the time is not correct to make a point of order. In any event, the portion that has been read improves the amendment as I understand it. I thank the Clerk for the information.

Mr. Chairman, I would say, however, that I will oppose the amendment.

Revenue sharing is a matter that we should take up at another time, and promptly. I wish we had extended revenue sharing in another bill long before now. But here we are being asked to raise taxes and to give away the money to somebody else for a specific purpose.

I would suggest that that kind of highway or transportation jurisdiction lies more appropriately with at least two other committees.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. Yes, I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Revenue sharing of 1 cent a gallon means $1 billion. One billion dollars is about 20 percent of the total revenue sharing we have right now. Therefore, we are just contributing, in the discussion here, about 20 percent of all of the revenue-sharing funds which we already give the States through this tax, and I think there should be independent judgment here.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for his contribution. This is a concept that the committee considered previously and rejected, and I believe that this committee should do the same.

Mr. MCFALL. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. Yes; I yield to the gentleman from California.

Mr. MCFALL. This is not revenue sharing. This would allow the States to impose the tax themselves. We put a 3-cent tax on this.

I think that the gentleman would agree that this almost precludes any State from being able to put on a tax to add to its own highway fund. Therefore, what we are doing here is allowing the States to have some assistance for their highway fund.

My State is in desperate straits, and it needs highway money for mass transit and for the construction of highways.

Now, if we are going to put a 3-cent tax on this it would put $3 billion into the research fund, and then that State will not be able to put on another cent, because the taxing field will be preempted, we will not be able to put on a tax in California.

If the plan is to put $3.3 billion this year into the energy research fund, would not $2 billion then allow the States to have a little of this money for something they need right now?

Mr. FRENZEL. I think the gentleman from California makes a very good point, and the one point I would make in response is that we are not allowing them to tax themselves, we are giving them some money which we have taxed from our own constituencies back in our States. I do not doubt that the States need it. All I am saying is that this is not the place to give it to them. Maybe the Committee on Public Works or maybe the gentleman's own committee.

Mr. MCFALL. Perhaps the gentleman from Minnesota has misunderstood the amendment. The amendment does not put a Federal tax on them giving it back to the States, it says that if the States would pass legislation and preempt it the State would collect its own tax, and then there would be only a Federal tax of 2 cents in that State.

Mr. FRENZEL. I understand. In other words, the State by its own action can keep 1 penny of what we have levied on this basis. The effect on the public would be exactly the same. We are then in the position of making and levying a tax for other units of government.

I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Utah (Mr. MCKAY).

The amendments were rejected.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Arkansas (Mr. ALEXANDER).

PARLIAMENTARY INQUIRIES

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield for the purpose of making a parliamentary inquiry?

Mr. ULLMAN. I yield to the gentleman from Arkansas.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding.

My parliamentary inquiry is this:

Is it correct, Mr. Chairman, that after the statement is made by the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), that the vote will then occur on the Alexander amendment to the bill, which would strike all of the provisions of title II?

The CHAIRMAN (Mr. NATCHER). The gentleman is correct, unless other perfecting amendments are offered in the meantime, or there is other debate on the amendment, the gentleman is correct.

Mr. ALEXANDER. A further parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. ALEXANDER. My further parliamentary inquiry is this, if the gentleman from Oregon will yield further:

I believe there is a great deal of interest among all of our colleagues to reach a vote on this amendment, so could we agree that the vote would occur on my amendment in 10 minutes?

Mr. ULLMAN. Let us make it 15 minutes.

Mr. ALEXANDER. Would it be in order to ask for such a unanimous-consent request?

The CHAIRMAN. Does the gentleman from Oregon make such a request?

Mr. ULLMAN. Yes, Mr. Chairman, I do.

Mr. Chairman, I request unanimous consent that further debate on the Alexander amendment end at 8:15 p.m.

Mr. ALEXANDER. If the gentleman will yield still further, a further parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. ALEXANDER. I would ask does that request include the Alexander amendment, and all amendments to title II?

Mr. ULLMAN. And all amendments to title II.

The CHAIRMAN. Is that the request of the gentleman?

Mr. ULLMAN. Yes, it is, Mr. Chairman. I ask unanimous consent that all further debate on the Alexander amendment and all amendments to title II end at 8:15 o'clock p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was granted will be recognized for approximately one-half minute.

The Chair now recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the majority leader.

Mr. O'NEILL. Mr. Chairman, I think this is one of the most serious amendments that is before this House. We have known since the 1952 Paley report that we were going to have an energy crisis in the seventies. We all know oil reserves are going to run out in 1985. We know that all the world's reserves are going to run out in 1990, unless we find and develop new oil on the Continental Shelf, on the Alaskan slope, and in other places. We all know that by the year 2000 the main automobile fuel will not be gasoline. It will be something else.

We know that we have an obligation to future Americans. We have known this since 1952. Yet, no administration has had the guts to face the problem. This Congress did not have the guts to face the problem—nobody had. The American people were happy and satisfied to lead their lives with two cars and a summer home. Now they have got to face the issue. They have got to face the issue for 1985 and 1990—for the future of America.

There has to be a change in energy policy, and the only way we are going to have a change is by taxing gasoline so we can develop an energy trust fund, so we can explore solar energy, so we can explore coal gasification, so we can explore nuclear power, so we can explore all the different things that we need in this country. The question is whether we have the guts to stand up and vote for the future of America, because that is what this issue is.

Surely, I know there is plenty of gas in New England. I looked out of the window of my office the other day and saw three tankers out there in the harbor with nowhere to unload their gasoline. A year ago we could not buy gas on Sunday. Now every gas station is open. They are open 2 extra hours a day with incentives to have us buy gasoline.

But what is going to happen? The Members know, and I know, that 10 years from now, 12 years from now, 15 years from now, the crisis will really hit us hard. Do we have the guts and do we have the courage to face that issue? I say we ought to vote for the 3 cents. That is the least we can do.

It is easy to walk around this House and get people to vote against a tax. There are 229 Members of this Congress elected in the last three terms. There are 80 Members of this Congress on both sides of the aisle who actually voted for a tax bill. We have not had a vote on a major tax bill since 1967. All we have had are tax reductions. That is all we have had—tax reductions.

There is a crisis facing this country. We ought to stand up and face it. What is this fight about? This fight is about the future of America. That is what it is about. I hope we have the courage to stand up and vote.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. PICKLE and Mr. WRIGHT, Mr. O'NEILL was allowed to proceed for 1 additional minute.)

Mr. O'NEILL. A year ago we passed a 55-mile-an-hour speed limit bill. When I drive to Cape Cod, I notice that people are observing the 55-mile-an-hour limit.

We have conserved gas, but the big gasoline companies want to keep stations open on Sundays. It is hard for us to say, sure, let us add 3 cents on, because the emergency is not today. But the emergency will come tomorrow.

The Members are voting for their children, and they are voting for their children's children. They are voting for the future of America. We have to have a new type of energy. We are going to be able to accomplish it by putting on a 3-cent gasoline tax. Today, we—the American public—should pay for it, and we should pay for the future of America.

This bill calls upon us to face problems that are 10 and 15 years off—it would be easier to avoid the problems by approving this amendment. But let us act responsibly before it is too late. Let us defeat this amendment.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentlewoman from Kansas (Mrs. KEYS).

Mr. KEYS. Mr. Chairman, please let us accept our responsibilities in the area of alternative energy research and development for the future.

The distinguished majority leader has spoken of courage. I have had constituent after constituent come in and say, "We are afraid you politicians are not going to have the courage to make the tough decisions. We want you to."

This is an area in which we have not voted sufficient funding for years. It is time that we accept the responsibility and in light of the budget deficits this year we are going to have to do it in a responsible fashion, a pay-as-you-go way and ask everyone to share and share alike by paying a 3-cent gas tax to go into increasing and augmenting research and development.

I ask you to vote down the Alexander amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. AMBRO).

Mr. AMBRO. Mr. Chairman, just two fast points. This is not a conservation measure. I said so earlier and I say so again. Three cents, and I must take issue with what the distinguished majority leader said, we have no way of prohibiting States from adding additional taxes to this one. Three cents means that we set the tone. They will add easily 7 cents. New York will add 10 cents.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma (Mr. ENGLISH).

Mr. ENGLISH. Mr. Chairman, the complex bill being debated by the House today is of crucial importance to every American—and I believe that the meticulous attention it is receiving from this distinguished body is worthy of the highest commendation.

I do not think that any of my colleagues here would deny that it is essential that we cut down on our use of petroleum products—or that we need to encourage increased domestic production of our energy resources.

And I think that most House members would agree that it is extremely important that no one group of Americans should bear an unfair portion of the burden of decreasing our consumption of such vital fuels as gasoline.

But that is exactly what this bill will do, for one often-neglected segment of American society.

The bill we are debating today is designed to limit the consumption of gasoline by increasing its cost—thereby encouraging consumers to use alternative means of transportation.

In most parts of America, the proposed law will have exactly its intended effect, since most Americans now have some form of public transportation available to them.

But in small rural communities, where the limited population could not possibly support such a transit system, a small but

significant percentage of this country's population relies exclusively on automobiles for essential transportation. In western Oklahoma, for instance, the hard-working families who help feed and clothe our Nation certainly could not catch a bus, or a subway to get to town to pick up their mail—and because of the large land areas involved in today's farming, it would be futile to ask the members of a farm family to walk to the nearest supermarket.

Nor would other traditional proposals to cut down the utilization of gasoline, such as carpools, have any relevance in low-population communities which are not located near a larger city.

Mr. Chairman, we have heard a number of proposals to completely eliminate all gas-conserving measures from this bill—but I do not believe that such action would be responsible in the face of the energy crisis.

But I do believe that it would be totally irresponsible to apply the large gasoline tax increase to the one group in America which will not have any recourse but to continue to use gasoline, no matter what its cost.

(By unanimous consent Messrs. ENGLISH and MARTIN yielded their time to Mr. ALEXANDER.)

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I agree with our distinguished majority leader. This is a serious matter.

I agree with the chairman of the Committee on Ways and Means and every member of that committee that we need to pass a legislative solution which would establish a national energy policy.

I stand here in this forum tonight and say that I will vote for any gas tax, any other tax that is needed, in order to solve the energy problems of this country, so long as that tax is evenly distributed to all of the people of our land; but I cannot accept a proposal which will take this burden out of the hides of only a minority of the people of this country.

I urge my colleagues to vote up my amendment and to vote out title II of the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. BURLESON).

Mr. BURLESON of Texas. Mr. Chairman, I voted against the amendment to strike out the 20-cent increase, potential increase. I have voted to eliminate the other taxes which called for a rebate and all the mechanisms which would set up another bureaucracy that could not be administered.

This is a different proposition in my judgment. This is a tax that is on everybody and a chance of hurting new sources of energy, if somebody has any.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, this is the only provision of this bill which provides money for research and development for alternate sources of fuel. I would suggest to the members of the committee that if they will get the report from the committee, at page 53 they will find that, in addition to this 3 cents, there are four other sources of revenue which go into this trust fund other than this 3-cent gasoline tax. This is intended to get alternate sources of energy.

May I also say that the bill establishes an energy conservation and conversion trust fund to which is to be deposited the net revenues from the several conservation taxes contained in this bill. These revenues are to provide priority financing for various energy conservation and conversion research and development programs.

The bill appropriates to the trust fund amounts equal to amounts received by the Treasury (through the end of fiscal year 1984) from—

First, tax (including the floor stock taxes);

Second, the special motor fuels conservation tax;

Third, the automobile fuel efficiency tax;

Fourth, the excise taxes on certain business uses of petroleum and petroleum products;

Fifth, the import duties on petroleum and petroleum products; and

Sixth, to the extent provided by any future law, proceeds received.

The amounts are to be transferred by the Secretary of the Treasury from the general fund of the Treasury to the trust fund at least quarterly, based on estimates. Subsequent transfers are then to be adjusted to reflect any changes in the actual amounts which should have been transferred, as compared to the estimates previously made.

First, basic and applied research programs relating to new energy technologies;

Second, projects for the development and demonstration of new energy technologies;

Third, programs relating to the development of energy resources from properties in which the United States has an interest; and

Fourth, research projects, or capital expenditures for demonstration projects, relating to local and regional transportation systems. The bill provides that amounts are to be available for these categories only by authorization and appropriation acts. What is wrong with that? We need this trust fund.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. HARRIS).

Mr. HARRIS. Mr. Chairman, this question is not whether we have an energy trust fund or not. The question is, are we going to tax the average person with yet another burden in this period of recession in order to have it?

Why in the world, when we have oil companies paying $15 billion in foreign taxes and only $1.8 billion in U.S. taxes, do we say that we are going to finance this fund by taxing the average person in this period of recession? Why do we not tax finance this energy fund where it ought to be, by the people that have more money, rather than the people who do not have it.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I urge that this amendment be voted down. To pass it would gut this bill which has been prepared carefully, and it would gut the national energy policy. It might even gut some of us in this Chamber. It is essential for energy, for developing an alternative supply of energy, that we have at least a 3-cent tax.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I am opposed to the trust fund. The Congress has no difficulty appropriating for those purposes. Appropriating is our long suit. We do not need a trust fund to finance energy research. Nor is the gas tax the only source of money for the trust fund.

But we do need conservation. The 3-cent tax is all that is left of conservation in this bill. Even though I think the bill is a disaster anyway, I find it hard to vote to strip out the last conservation policy.

In addition, without some conservation, the quota will strangle my area of the country.

The bill is bad. It does not deserve to be saved, or even improved, but I will vote against the Alexander amendment in the name of conservation, and in the name of giving a little protection to my part of the country against the ravages of the quota.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, all we have left in this title at this point is the 3-cent tax which would go into the energy trust fund. Most of the trust funds, the source of the resources for the trust fund, will come from this 3-cent tax which will produce about $3 billion.

I do not know how else the Congress of the United States can express itself at this hour of crisis. This is the only way we are going to develop alternative sources of energy.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, this country is living in a fantasy land. Next week, there will be a bill in here asking to increase the debt ceiling by over $85 billion. All the Members can vote against all the taxes and go back home and be popular and be loved by everybody.

If the Members have not enough courage to vote this little tax here, this little 3-cent tax which will set up an energy trust fund, I question whether or not they deserve reelection.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN) to close debate.

Mr. ULLMAN. Mr. Chairman, we have the 3-cent tax which finances the trust fund. This is vitally important to our energy policy. There is no other way we can possibly put together a trust fund if we knock this out, and we should not kid ourselves.

Developing alternative sources of energy is an absolute necessity if we are going to have any kind of energy policy. I strongly urge my colleagues to vote down the Alexander amendment and at least leave this minimum amount in this provision. That is so important to develop an alternative energy source.

The CHAIRMAN. The question is on

the amendment offered by the gentleman from Arkansas (Mr. ALEXANDER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ALEXANDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 209, noes 187, not voting 38, as follows:

[Roll No. 284]

AYES—209

Abdnor	Gaydos	Mottl
Alexander	Gibbons	Myers, Ind.
Ambro	Ginn	Natcher
Anderson, Ill.	Goodling	Neal
Andrews, N. Dak.	Gradison	Nedzi
Archer	Grassley	Nichols
Armstrong	Guyer	O'Brien
Ashbrook	Hagedorn	O'Hara
Bafalis	Haley	Perkins
Bauman	Hamilton	Pettis
Beard, Tenn.	Hammer-schmidt	Pressler
Bedell	Hannaford	Quie
Bell	Harris	Quillen
Blanchard	Harsha	Railsback
Blouin	Hastings	Randall
Bowen	Hayes, Ind.	Regula
Brademas	Hechler, W. Va.	Rhodes
Breaux	Heckler, Mass.	Richmond
Brinkley	Hefner	Riegle
Brodhead	Heinz	Rinaldo
Brown, Mich.	Helstoski	Robinson
Brown, Ohio	Henderson	Roe
Broyhill	Hillis	Rogers
Burgener	Holt	Roush
Burke, Fla.	Horton	Rousselot
Burton, John	Howe	Runnels
Butler	Hubbard	Santini
Byron	Hughes	Sarasin
Carr	Hutchinson	Satterfield
Carter	Hyde	Schroeder
Casey	Ichord	Schulze
Chappell	Jacobs	Sebelius
Chisholm	Johnson, Colo.	Sharp
Clancy	Johnson, Pa.	Shipley
Clausen, Don H.	Jones, N.C.	Shriver
Cochran	Kasten	Shuster
Cohen	Kazen	Smith, Iowa
Collins, Tex.	Kelly	Smith, Nebr.
Conable	Kemp	Snyder
Conte	Ketchum	Spence
Crane	Kindness	Stanton, J. William
D'Amours	Krueger	Steed
Daniel, Dan	LaFalce	Steelman
Daniel, R. W.	Lagomarsino	Steiger, Ariz.
Davis	Landrum	Steiger, Wis.
Dellums	Latta	Stephens
Derwinski	Lent	Stratton
Devine	Levitas	Symms
Dodd	Lloyd, Tenn.	Talcott
Downey	Long, La.	Taylor, Mo.
Downing	Lott	Thone
Drinan	Lujan	Thornton
Duncan, Tenn.	McClory	Traxler
Early	McCollister	Vander Jagt
Edwards, Ala.	McDade	Walsh
Emery	McDonald	Wampler
English	McEwen	Whalen
Erlenborn	McFall	White
Esch	Maguire	Whitehurst
Eshleman	Martin	Whitten
Evans, Ind.	Mezvinsky	Wiggins
Evins, Tenn.	Milford	Wilson, Bob
Findley	Miller, Calif.	Wilson, C. H.
Fish	Miller, Ohio	Winn
Fithian	Minish	Wydler
Ford, Mich.	Mitchell, N.Y.	Wylie
Forsythe	Moffett	Young, Alaska
Fountain	Montgomery	Young, Fla.
Frey	Moore	Young, Tex.
Fuqua	Moorhead, Calif.	

NOES—187

Abzug	Barrett	Brooks
Adams	Baucus	Brown, Calif.
Addabbo	Beard, R.I.	Buchanan
Albert	Bennett	Burke, Calif.
Anderson, Calif.	Bergland	Burke, Mass.
Andrews, N.C.	Biaggi	Burleson, Tex.
Annunzio	Biester	Burlison, Mo.
Ashley	Bingham	Burton, Phillip
Aspin	Boggs	Carney
AuCoin	Boland	Clay
Badillo	Bolling	Cleveland
Baldus	Bonker	Collins, Ill.
	Breckinridge	Corman
Cornell	Koch	Rees
Cotter	Krebs	Reuss
Coughlin	Leggett	Roberts
Daniels, N.J.	Lehman	Rodino
Danielson	Lloyd, Calif.	Roncalio
de la Garza	Long, Md.	Rooney
Delaney	McCloskey	Rose
Dent	McHugh	Rostenkowski
Derrick	McKay	Roybal
Diggs	McKinney	Russo
Dingell	Macdonald	Ryan
Duncan, Oreg.	Madden	St Germain
du Pont	Mahon	Scheuer
Eckhardt	Mann	Schneebeli
Edgar	Matsunaga	Seiberling
Edwards, Calif.	Mazzoli	Sikes
Ellberg	Meeds	Simon
Evans, Colo.	Melcher	Sisk
Fascell	Metcalfe	Skubitz
Fenwick	Meyner	Slack
Fisher	Mikva	Solarz
Flood	Mineta	Spellman
Florio	Mink	Stanton, James V.
Flowers	Moakley	Stark
Foley	Moorhead, Pa.	Stokes
Ford, Tenn.	Morgan	Stuckey
Fraser	Mosher	Studds
Frenzel	Murphy, Ill.	Sullivan
Fulton	Murtha	Symington
Giaimo	Myers, Pa.	Taylor, N.C.
Green	Nix	Thompson
Gude	Nolan	Treen
Hall	Nowak	Tsongas
Hanley	Oberstar	Ullman
Harkin	Obey	Van Deerlin
Harrington	O'Neill	Vander Veen
Hawkins	Ottinger	Vanik
Hicks	Passman	Vigorito
Hightower	Patman, Tex.	Waggonner
Holland	Patten, N.J.	Waxman
Holtzman	Patterson, Calif.	Weaver
Howard	Pattison, N.Y.	Wirth
Hungate	Pepper	Wolff
Jeffords	Pickle	Wright
Jenrette	Pike	Yates
Johnson, Calif.	Poage	Young, Ga.
Jones, Okla.	Preyer	Zablocki
Jordan	Price	Zeferetti
Karth	Pritchard	
Kastenmeier	Rangel	
Keys		

NOT VOTING—38

Bevill	Hébert	Moss
Broomfield	Hinshaw	Murphy, N.Y.
Cederberg	Jarman	Peyser
Clawson, Del	Jones, Ala.	Risenhoover
Conlan	Jones, Tenn.	Rosenthal
Conyers	Litton	Ruppe
Dickinson	McCormack	Sarbanes
Flynt	Madigan	Staggers
Gilman	Mathis	Teague
Goldwater	Michel	Udall
Gonzalez	Mills	Wilson, Tex.
Hansen	Mitchell, Md.	Yatron
Haya, Ohio	Mollohan	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr Flynt for, with Mr. Murphy of New York against.

Mr. Del Clawson for, with Mr. Hébert against.

Mr. Mathis for, with Mr. Mitchell of Maryland against.

Mr. Bevill for, with Mr. Rosenthal against.

The result of the vote was announced as above recorded.

Mr. YOUNG of Georgia. Mr. Chairman, the purpose of this legislation should be to conserve energy and develop new sources of energy without adding further to inflation or recession.

That purpose is not fulfilled by the tax provisions of title II of this bill—notably the increase of 3 cents per gallon in the gasoline tax, effective next January 1, and the potential extra 20 cents per gallon later on.

As the gentleman from New York (Mr. AMBRO) point out in this debate, gasoline prices at the pump increased 44 percent between October 1973 and October 1974, but consumption did not fall; demand rose 0.3 percent. Members no doubt recall that gasoline selling for around 31 or 32 cents a gallon 2 years ago now sells for 61 or 62 cents—yet, this increase of about 100 percent has not led to reduced consumption.

So it is very questionable as to whether even the full 23-cents-per-gallon tax increase in this bill would lead to lower consumption.

What is not in question is the fact that millions of American workers will have to continue the same level of consumption of gasoline for work-related travel, as will thousands of small businessmen—if they want to remain in business.

Let us see what could happen if the full amount of tax increases under this bill took effect.

A small independent firm called Atlanta Car-for-Hire, if it could not fully recover the added costs of the tax increases, would have to pass the extra cost to consumers, which is inflationary, or cut gasoline consumption and service, which is recessionary.

Consider a typical commission salesman who drives 60,000 miles a year on sales calls, uses 500 gallons of gasoline per month for this, and must bear the burden of his expenses including the Federal gasoline tax. Under the bill, if the full 23-cent tax increase took effect, his gasoline expenses would rise by $1,380 per year. The bill would provide him with a rebate of $96 and a tax credit of $570, plus a very much smaller amount as a business tax deduction. In effect, his net operating costs would rise by as much as $500 or more. Now, how does he recover that? He can't cut consumption of gasoline, further reducing his income. Does he pass the cost on to customers (inflationary). Or does he reduce his own personal consumption of, say, food or clothing—recessionary. The main point here is that the bill creates a situation that does not conserve energy and is not good for the economy.

One more example: A construction worker finds employment in a city 300 miles away and travels back and forth each week between his family and his job site. Over a year's time he could easily consume 1,500 gallons of gasoline—at 20 miles per gallon—for this work-related travel. Under the bill, if the full 23-cent increase took place, his gasoline expenses would increase by $345. He would receive a rebate and could claim a tax credit of $150, but once again, his net work-travel cost is higher. How does he recover that? He must find a way to cut another part of his budget. But he has not conserved gasoline.

If the proposed tax increases are retained in this bill, I have an amendment designed to offset the impact on work-related travel expenses. The amendment would permit a 100-percent income tax credit on all additional gasoline taxes paid in connection with work-related travel. The amendment would not be available for luxury travel. But it would not penalize people for travel which is necessary to their livelihood and therefore to the economy.

The American people as workers have already paid a high price for the "energy crisis." Additional burdens—and espe-

cially those which do not result in energy conservation—should not be imposed on them.

The chairman of the Committee on Ways and Means has stated that the bill would be helpful to low-income people since it provides for rebates to everyone above the age of 16. In response to that, I would say that a system of identical rebates to 155 million people—rich and poor alike—is economic policy, not energy policy, and not good economic policy at that. An energy bill is not the appropriate vehicle for seriously addressing the tremendous problems of unemployment and poverty in this country.

Let me add one final point. Energy legislation prepared by the Commerce and the Ways and Means Committees is at least vastly preferable to the energy program of the administration. That program offers gigantic increases in the cost of living and disastrous inflation along with continued high unemployment. The Congress should block this scheme of higher prices for big oil, and lower priorities for little people and get about the business of seriously developing an energy conservation program.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE III—OTHER ENERGY CONSERVATION PROGRAMS

PART I—AUTOMOBILE FUEL EFFICIENCY TAX

(a) GENERAL RULE.—Part I of subchapter A of chapter 32 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4064. AUTOMOBILE FUEL EFFICIENCY TAX.

"(a) IMPOSITION OF TAX.—If the fuel mileage rating of any manufacturer or importer for the model year 1978, 1979, or 1980 is below the fuel mileage standard for that model year provided by subsection (b), a tax is hereby imposed on each automobile produced by such manufacturer (or imported by such importer) during such model year which has a fuel mileage rating below the fuel mileage standard provided by subsection (b) for that model year. The tax imposed by this section shall be paid by the manufacturer or the importer, as the case may be.

"(b) FUEL MILEAGE STANDARD.—For purposes of this section—

	The fuel mileage standard (in miles per gallon is)—
"For the model year—	
1978	18
1979	19
1980	20

"(c) AMOUNT OF TAX.—

"(1) IN GENERAL.—In the case of any automobile subject to tax under this section, the amount of such tax shall be the applicable percentage of the price for which such automobile (including parts and accessories, other than radial tires, sold on or in connection therewith or with the sale thereof) is sold by the manufacturer or importer.

"(2) APPLICABLE PERCENTAGE.—For purposes of this applicable percentage shall be the percentage (for the model year in which the automobile is produced or imported, as the case may be) determined in accordance with the following table:

"If the fuel mileage rating (in miles per gallon) is—	The percentage is— 1978 model year	1979 model year	1980 model year
20 or more	0	0	0
19 or more but less than 20	0	0	2
18 or more but less than 19	0	2	3
17 or more but less than 18	2	3	4
16 or more but less than 17	3	4	5
15 or more but less than 16	4	5	6
Less than 15	5	6	7

"(d) RECOMMENDATIONS FOR MODEL YEARS AFTER 1980.—Before March 15, 1978, the Administrator of the Federal Energy Administration shall submit to the Congress a report as to whether the fuel mileage standard for 1980 is attainable by the automobile manufacturers subject to the tax, and—

"(1) as to whether the tax imposed by this section shall be continued beyond the model year 1980, and

"(2) if such tax is continued—

"(A) any modifications the Administrator believes should be made in such tax, and

"(B) what the fuel mileage standard should be for model years after 1980.

"(e) DETERMINATION OF AUTOMOBILE FUEL MILEAGE RATING.—

"(1) DETERMINATION OF RATING.—

"(A) IN GENERAL.—The fuel mileage rating of every automobile which may be subject to tax under this section shall be the fuel mileage rating, for the class of automobiles in which such automobile falls, determined by the Secretary or his delegate. The determination of such rating for any class of automobiles shall be based on a composite mileage resulting from the testing of such class of automobiles, conducted in accordance with procedures established under paragraph (4). Such determination shall be published in the Federal Register.

"(B) REVIEW OF DETERMINATION.—Within 30 days after the fuel mileage rating of any class of automobiles has been published under subparagraph (A), the manufacturer or importer of such class of automobiles may file a petition in the United States Court of Appeals for the District of Columbia for judicial review of such determination. Upon the filing of such petition, the court shall have jurisdiction to review such determination in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

"(2) INTERAGENCY COOPERATION.—In order to avoid unnecessary expense and duplication, the Secretary or his delegate shall make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this section and the functions of any department, agency, or establishment of the United States, as he may find practicable and consistent with law. The Secretary or his delegate may have access to and utilize, on a reimbursable or other basis, information, facilities, or services of any department, agency, or establishment of the United States; and each such department, agency, or establishment shall cooperate with the Secretary or his delegate and, to the extent permitted by law, provide such information, facilities, or services as he may request.

"(3) FUEL MILEAGE RATING.—The term 'fuel mileage rating' means, with respect to any class of automobiles, the number of miles which an automobile in such class can be expected to travel for each gallon of fuel which it consumes.

"(4) PROCEDURE FOR DETERMINING FUEL MILEAGE RATINGS.—The Secretary or his delegate shall, by regulations, establish procedures for conducting tests to determine the fuel mileage ratings of automobiles which may be subject to tax under this section. Under such regulations the Secretary of his delegate shall establish separate classes of automobiles which may be based upon—

"(A) the manufacturer (or division of the manufacturer) of the automobiles;

"(B) the engine family of the automobiles (which takes into account the type of engine, fuel induction system, and emission control system);

"(C) the type of transmission of such automobiles;

"(D) whether or not the automobiles have air conditioners;

"(E) whether or not the automobiles are station wagons; and

"(F) the inertia weight of the automobiles.

For purposes of subparagraph (F), the inertia weight shall be taken into account in categories of 250-pound increments for automobiles which have inertia weights under 3,000 pounds, and in categories of 500-pound increments for automobiles which have inertia weights of 3,000 pounds or more.

"(f) DETERMINATION OF FUEL MILEAGE RATING FOR EACH MANUFACTURER OR IMPORTER.—

"(1) MANUFACTURER.—The fuel mileage rating of any manufacturer for any model year shall be based on all automobiles produced by such manufacturer in the United States or Canada during such model year.

"(2) IMPORTER.—The fuel mileage rating of any importer for any model year shall be based on all new automobiles imported into the United States during such model year which were produced (outside the United States and Canada) by the manufacturer who produced the automobiles imported by such importer. If there is more than one such manufacturer, the importer shall have a separate fuel mileage rating with respect to the automobiles of each such manufacturer.

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) PERSONS WHO MANUFACTURE AND IMPORT.—A person who is both a manufacturer and an importer shall be treated—

"(i) as a manufacturer with respect to automobiles described in paragraph (1), and

"(ii) as an importer with respect to automobiles described in paragraph (2).

"(B) CERTAIN IMPORTS FROM CANADA.—A person who is not a manufacturer with respect to automobiles described in paragraph (1) but who imports automobiles from Canada shall be treated as an importer with respect to such automobiles.

"(C) PRODUCTION IN UNITED STATES OR CANADA.—An automobile is produced in the United States or Canada if at least 50 percent of the cost to the manufacturer of such automobile is attributable to value added in the United States or Canada.

"(D) TREATMENT OF CERTAIN EXPORTS AND IMPORTS AND SALES FOR FURTHER MANUFACTURE.—An automobile otherwise taken into account under paragraph (1) shall not be taken into account under such paragraph (1)—

"(i) if it is sold to any person before the close of the model year in which it is produced for use in further manufacture,

"(ii) if it is exported from the United States before the close of the model year in which it is produced, or

"(iii) in the case of an automobile the production of which is completed in Canada, unless it is imported into the United States before the close of the model year in which it is produced.

"(E) PERSONS UNDER COMMON CONTROL.—All persons who control, are controlled by, or are under common control with any person shall be treated as one person.

"(g) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) AUTOMOBILE.—The term 'automobile' means—

"(A) any passenger automobile (within the meaning of such term as used in section 4061(b)(2)), or

"(B) any automobile, truck or bus which has a gross vehicle weight of 6,000 pounds or less (as determined under regulations prescribed by the Secretary or his delegate), which uses gasoline or diesel fuel as a fuel for propulsion.

"(2) MODEL YEAR.—The term 'model year' means, with reference to any calendar year, the manufacturer's annual production period (as determined by the Secretary or his delegate) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term 'model year' means the calendar year.

"(3) MANUFACTURER.—The term 'manufacturer' includes a producer.

"(4) RADIAL TIRE.—The term 'radial tire' has the meaning given to such term by section 4072(d).

"(5) MATHEMATICAL CALCULATIONS.—In determining any fuel mileage rating under subsection (e) or (f), the total number of automobiles to be taken into account for that determination is to be divided by a sum of terms, each term of which is a fraction created by dividing—

"(A) the number of automobiles within each group to be taken into account, by

"(B) the fuel mileage rating for the automobiles within such group rounded to the next 1/10 of a mile per gallon.

"(6) CHANGES IN EMISSIONS STANDARDS.—If there is any change (whether by law or by administrative action) from the Federal emissions standards which apply to automobiles produced on May 1, 1975, the Secretary or his delegate shall determine by rule (in accordance with section 553 of title 5, United States Code) and publish in the Federal Register—

"(A) the extent (if any) to which such change reduces fuel mileage, and

"(B) the modifications in the fuel mileage standard set forth in subsection (a)(2), and in the mileage brackets of the table set forth in subsection (a)(3), which are necessary to reflect the reduction in fuel mileage resulting from such change.

Any modifications published under this paragraph shall have the force and effect of law and shall apply to all automobiles produced or imported to which the changed emissions standards apply as if such modifications were contained in this section.

"(h) EXEMPTIONS.—Under regulations prescribed by the Secretary or his delegate, for purposes of this section the term 'automobile' does not include—

"(1) an ambulance, hearse, or combination ambulance-hearse,

"(2) any bus which is to be used predominantly by the purchaser in mass transportation services in urban areas, or

"(3) any bus sold to any person for use exclusively in transporting students and employees of schools operated by State or local governments or by nonprofit educational organizations (within the meaning of section 4221(d)(5)).

For purposes of paragraph (3), incidental use of a bus in providing transportation for State or local government or a nonprofit organization described in section 501(c) which is exempt from tax under section 501(a) shall be disregarded.

"(i) APPLICATION OF CERTAIN SECTIONS.—Sections 4221 and 4293 shall not apply to the tax imposed by this section, and section 4216(b) shall apply in determining the constructive sales price of any automobile taxable under this section."

(b) TECHNICAL AND CLERICAL AMENDMENTS.—

(1) The table of sections for part I of subchapter A of chapter 32 is amended by adding at the end thereof the following new item:

"Sec. 4064. Automobile fuel efficiency tax."

(2) Section 6161(b)(1) (relating to extensions of time for paying tax) is amended by inserting after "or 43," the following: "or by section 4064,". The second sentence of such section 6161(b) is amended by inserting after "chapter 43," the following: "or by section 4064 of chapter 32,".

(3) Section 6201(d) (cross reference) is amended by striking out "and chapter 43 taxes" and inserting in lieu thereof the following: "chapter 43, and section 4064 taxes".

(4) Section 6211 (defining deficiency) is amended—

(A) by striking out so much of subsection (a) as precedes paragraph (1) and inserting in lieu thereof the following:

"(a) IN GENERAL.—For purposes of this title in the case of income, estate, and gift taxes imposed by subtitles A and B and excise taxes imposed by section 4064 or by chapters 42 and 43, the term 'deficiency' means the amount by which the tax imposed by subtitle A or B, by section 4064, or by chapter 42 or 43, exceeds the excess of—"; and

(B) by inserting after "or B" in subsection (b)(2) the following: ", section 4064,".

(5) Section 6212 (relating to notice of deficiency) is amended—

(A) by inserting after "or B" in subsection (a) the following: ", section 4064,";

(B) by inserting after "chapter 12" each place it appears in subsection (b)(1) the following: ", section 4064,";

(C) by striking out "TAXES IMPOSED BY CHAPTER 42" in the heading of subsection (b)(1) and inserting in lieu thereof "CERTAIN EXCISE TAXES";

(D) by striking out "or of chapter 42 tax" in subsection (c)(1) and inserting in lieu thereof "of chapter 42 tax"; and

(E) by inserting after "to which such petition relates" the following: ", or of section 4064 tax with respect to the calendar year to which such petition relates".

(6) Section 6213 (relating to restrictions applicable to deficiencies and petition to Tax Court) is amended by inserting after "or B" in subsection (a) the following ", section 4064,".

(7) Section 6214(d) (relating to final decisions of Tax Court) is amended by inserting after "this chapter," the following: "section 4064,".

(8) Section 6344(a)(1) (relating to cross references) is amended by inserting before "chapter 42" the following: "section 4064 or".

(9) Section 6512 (relating to limitations in case of petition to Tax Court) is amended—

(A) by striking out "or 43" each place it appears therein and inserting in lieu thereof ", 43", and

(B) by inserting after "to which such petition relates" the following: ", or of section 4064 tax with respect to the calendar year to which such petition relates".

(10) Section 6601(d) (relating to interest on underpayment, nonpayment, or extensions of time for payment of tax) is amended by striking out in the heading thereof "CHAPTER 42 OR 43" and inserting in lieu thereof "CERTAIN EXCISE".

(11) Section 7422(e) (relating to civil actions for refund) is amended by inserting before "chapter 42" the following: "section 4064 or".

PART II—INTERCITY BUSES, RADIAL TIRES, AND REREFINED OIL

SEC. 321. REPEAL OF EXCISE TAX ON BUSES USED IN INTERCITY PUBLIC TRANSPORTATION.

(a) GENERAL RULE.—Paragraph (6) of section 4063 (relating to exemption from excise tax for local transit buses) is amended to read as follows:

"(6) PUBLIC TRANSPORTATION BUSES.—The tax imposed under section 4061(a) shall not apply in the case of automobile bus chassis or automobile bus bodies which are to be used predominantly by the purchaser in public passenger transportation service."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply with respect to articles sold on or after the date of the enactment of this Act.

(2) WHEN SOLD.—For purposes of paragraph (1), an article shall not be considered sold before the date of the enactment of this Act unless possession or right to possession passes to the purchaser before such date.

(3) TRANSITIONAL RULE FOR LEASES, INSTALLMENT CONTRACTS, ETC.—In the case of—

(A) a lease,

(B) a contract for the sale of an article where it is provided that the price shall be paid by installments and title to the article sold does not pass until a future date notwithstanding partial payment by installments,

(C) a conditional sale, or

(D) a chattel mortgage arrangement wherein it is provided that the sale price shall be paid in installments,

entered into before the date of the enactment of this Act, payments made on or after such date with respect to the article leased or sold shall, for purposes of paragraph (1), be considered as payments made with respect to an article sold on or after such date, if the lessor or vendor establishes that the amount of payments payable on or after such date with respect to such article has been reduced by an amount equal to that portion of the tax applicable with respect to the lease or sale of such article which is due and payable on or after such date. If the lessor or vendor does not establish that the payments have been so reduced, they shall be treated as payments made with respect to an article sold before the date of the enactment of this Act.

SEC. 322. REPEAL OF EXCISE TAX ON RADIAL TIRES.

(a) REPEAL OF TAX ON NEW RADIAL TIRES.—Section 4073 (relating to exemptions from tax on tires and tubes) is amended by adding at the end thereof the following new subsection:

"(d) RADIAL TIRES.—The tax imposed by section 4071 shall not apply to radial tires."

(b) REPEAL OF TAX ON TREAD RUBBER USED TO RETREAD OR RECAP RADIAL TIRES.—Subsection (c) of section 4073 (relating to exemption from tax on tread rubber in certain cases) is amended by striking out "such person" and all that follows and inserting in lieu thereof the following: "such person—

"(1) in the recapping or retreading of radial tires, or

"(2) otherwise than in the recapping or retreading of tires of the types used on highway vehicles."

(c) DEFINITION OF RADIAL TIRE.—Section 4072 (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(d) RADIAL TIRE.—For purposes of this part, the term 'radial tire' means a tire of the type used on highway vehicles in which the ply cords which extend to the beads of such tire are laid at substantially 90 degrees to the center line of the tire's tread."

(d) TECHNICAL AMENDMENT.—Subparagraph (L) of section 6416(b)(2) (relating to specified uses and resales) is amended to read as follows:

"(L) in the case of tread rubber in respect of which tax was paid under section 4071(a)(4), used or sold for use (i) in recapping or retreading radial tires (as defined in section 4072(d)) or (ii) otherwise than in the recapping or retreading of tires of the type used on highway vehicles (as defined in section 4072(c)), unless credit or refund of such tax is allowable under subsection (b)(3);

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to

sales of radial tires (as defined in section 4072(d) of the Internal Revenue Code of 1954), and tread rubber (as defined in section 4072(b) of such Code), after March 17, 1975.

(2) FLOOR STOCKS REFUNDS.—Section 6412 (a) (relating to floor stocks refunds) is amended by inserting immediately before paragraph (2) the following new paragraph:

"(1) RADIAL TIRES.—Where before March 18, 1975, any radial tire (as defined in section 4072(d)) subject to the tax imposed by section 4071(a) has been sold by the manufacturer, producer, or importer and on such date is held by a dealer and has not been used and is intended for sale, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the tax paid by such manufacturer, producer, or importer on his sale of such tire if claim for such credit or refund is filed with the Secretary or his delegate on or before December 31, 1975, based upon a request submitted to the manufacturer, producer, or importer before October 1, 1975, by the dealer who held such tire in respect of which the credit or refund is claimed, and, on or before December 31, 1975, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax on such tire or written consent has been obtained from such dealer to allowance of such credit or refund."

SEC. 323. REREFINED LUBRICATING OIL.

(a) IN GENERAL.—Section 4093 (relating to exemption of sales to producers) is amended to read as follows:

"SEC. 4093. EXEMPTIONS.

"(a) SALES TO MANUFACTURERS OR PRODUCERS FOR RESALE.—Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4091 on lubricating oil sold to a manufacturer or producer of lubricating oils for resale by him.

"(b) USE IN PRODUCING REREFINED OIL.—

"(1) SALES TO REREFINERS.—Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4091 on lubricating oil sold for use in mixing with used or waste lubricating oil which has been cleaned, renovated, or rerefined. Any person to whom lubricating oil is sold tax-free under this paragraph shall be treated as the producer of such lubricating oil.

"(2) USE IN PRODUCING REREFINED OIL.—Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4091 on lubricating oil used in producing rerefined oil to the extent that the amount of such lubricating oil does not exceed 55 percent of such rerefined oil.

"(3) REREFINED OIL DEFINED.—For purposes of this subsection, the term 'rerefined oil' means oil 25 percent or more of which is used for waste lubricating oil which has been cleaned, renovated, or rerefined."

(b) CONFORMING AMENDMENT.—Section 4092(a) is amended by striking out "4093" and inserting in lieu thereof "4093(a)".

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 32 is amended by striking out the item relating to section 4093 and inserting in lieu thereof the following:

"Sec. 4093. Exemptions."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after March 17, 1975.

PART III—TAX INCENTIVES FOR CERTAIN ENERGY-RELATED IMPROVEMENTS OF BUILDINGS

SEC. 331. INSULATION OF PRINCIPAL RESIDENCE.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44C. INSULATION OF PRINCIPAL RESIDENCE.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 30 percent of the qualified insulation expenditures paid by the taxpayer during the taxable year with respect to any residence to the extent that such expenditures do not exceed $500.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property and purchases of certain recyclable waste),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to credit for personal exemptions), and

"(G) section 44 (relating to purchase of new principal residence).

"(2) PRIOR EXPENDITURES TAKEN INTO ACCOUNT.—If—

"(A) the taxpayer made qualified insulation expenditures with respect to any residence in any prior taxable year, or

"(B) any prior occupant of any residence made qualified insulation expenditures with respect to such residence,

then subsection (a) shall be applied with respect to such residence for the taxable year by reducing (but not below zero) the $500 amount contained in such subsection by the aggregate of the expenditures described in subparagraphs (A) and (B).

"(3) VERIFICATION.—No credit shall be allowed under subsection (a) with respect to any qualified insulation expenditures unless such expenditures are verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED INSULATION EXPENDITURES.—The term 'qualified insulation expenditures' means any amount paid by an individual for any installation (other than pursuant to a reconstruction of the dwelling unit) which occurs after March 17, 1975, and before January 1, 1978, of insulation in any dwelling unit which—

"(A) at the time of such installation is used by the individual as his principal residence; and

"(B) is in existence on March 17, 1975, and used on such date by one or more individuals as a residence.

Such term shall only include amounts paid for the original installation of any insulation in a dwelling unit.

"(2) INSULATION.—The term 'insulation' means any insulation, storm (or thermal) window or door, or any other similar item—

"(A) which is specifically and primarily designed to reduce, when installed in or on a building, the heat loss or gain of such building,

"(B) the original use of which commences with the taxpayer,

"(C) which has a useful life to the taxpayer of at least 3 years, and

"(D) which meets such performance standards as the Secretary or his delegate may prescribe by regulations after consultation with the Administrator of the Federal Energy Administration and the Secretary of Housing and Urban Development.

"(3) JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and is used during any calendar year as a principal residence, by two or more individuals—

"(A) the amount of the credit allowable under subsection (a) (after applying subsection (b)(2)) with respect to any qualified insulation expenditures paid during such calendar year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of subsection (b)(1)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount paid by such individual during such calendar year for such expenditures bears to the aggregate of the amounts paid by all of such individuals during such calendar year for such expenditures.

"(4) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual—

"(A) shall be treated as owning the dwelling unit which he is entitled to occupy as such stockholder; and

"(B) shall be treated as having paid his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of any qualified insulation expenditures paid by such corporation.

"(d) REDUCTION OF BASIS.—The basis of any property shall not be increased by the amount of any qualified insulation expenditures made with respect to such property to the extent of the amount of any credit allowed under this section with respect to such expenditures.

"(e) TERMINATION.—This section shall not apply to any amount paid after December 31, 1977."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44C. Insulation of principal residence."

(2) Section 56(a)(2) (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (vi), by striking out "; and" at the end of clause (vii) and inserting in lieu thereof ", and", and by inserting after clause (vii) the following new clause:

"(viii) section 44C (relating to insulation of principal residence); and".

(3) Section 56(c)(1) (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (F), by striking out "exceed" at the end of subparagraph (G) and inserting in lieu thereof "and", and by inserting after subparagraph (G) the following new subparagraph:

"(II) section 44C (relating to insulation of principal residence), exceed".

(4) Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out the period at the end of paragraph (22) and inserting in lieu thereof a semicolon and by inserting after paragraph (22) the following new paragraph:

"(23) to the extent provided in section 44C (d), in the case of property with respect to which a credit has been allowed under section 44C."

(5) Section 6096(b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44" and inserting in lieu thereof "44, and 44C".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after March 17, 1975, in taxable years ending after such date.

SEC. 332. RESIDENTIAL SOLAR ENERGY EQUIPMENT.

(a) GENERAL RULE.—Subpart A of chapter IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44D. RESIDENTIAL SOLAR ENERGY EQUIPMENT.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) 40 percent of the qualified solar energy equipment expenditures paid by the taxpayer during the taxable year with respect to any residence to the extent that such expenditures do not exceed $1,000, plus

"(2) 20 percent of the qualified solar energy equipment expenditures paid by the taxpayer during the taxable year with respect to such residence to the extent that such expenditures exceed $1,000 but do not exceed $2,000.

"(b) LIMITATION.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property and purchases of certain recyclable waste),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to credit for personal exemptions);

"(G) section 44 (relating to purchase of new principal residence), and

"(H) section 44C (relating to insulation of principal residence).

"(2) PRIOR EXPENDITURES TAKEN INTO ACCOUNT.—If—

"(A) the taxpayer made qualified solar energy equipment expenditures with respect to any residence in any prior taxable year, or

"(B) any prior owner of such residence made qualified solar energy equipment expenditures with respect to such residence,

then subsection (a) shall be applied with respect to such residence for the taxable year by reducing (but not below zero) the dollar amounts contained in such subsection by the aggregate of the expenditures described in subparagraphs (A) and (B).

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED SOLAR ENERGY EQUIPMENT EXPENDITURES.—The term 'qualified solar energy expenditures' means any amount paid by an individual for any installation which occurs after March 17, 1975, and before January 1, 1981, of solar energy equipment, in any dwelling unit which at the time of such installation is owned by the individual and used by him as his principal residence (within the meaning of section 1034).

"(2) SOLAR ENERGY EQUIPMENT.—The term 'solar energy equipment' means equipment—

"(A) which, when installed in or on a building—

"(i) uses solar energy to heat or cool such building or provide hot water for use within such building; and

"(ii) meets the definitive performance criteria prescribed by the Secretary of Housing and Urban Development under the Solar Heating and Cooling Demonstration Act of 1974;

"(B) the original use of which commences with the taxpayer; and

"(C) which has a useful life of at least 3 years.

"(3) JOINT OWNERSHIP.—In the case of any building which is jointly owned, and is used during any calendar year as a principal residence, by two or more individuals—

"(A) the amount of the credit allowable under subsection (a) (after applying subsection (b)(2)) with respect to any qualified solar energy equipment expenditures paid during such calendar year by any of such individuals with respect to such building shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of subsection (b)(1)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount paid by such individual during such calendar year for such expenditures bears to the aggregate of the amounts paid by all of such individuals during such calendar year for such expenditures.

"(4) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual—

"(A) shall be treated as owning the dwelling unit which he is entitled to occupy as such stockholder; and

"(B) shall be treated as having paid his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of any qualified solar energy equipment expenditures paid by such corporation.

"(d) REDUCTION OF BASIS.—The basis of any property shall not be increased by the amount of any qualified solar energy equipment expenditures made with respect to such property to the extent of the amount of any credit allowed under this section with respect to such expenditures.

"(e) TERMINATION.—This section shall not apply to any amount paid after December 31, 1980."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting before the item relating to section 45 the following:

"Sec. 44D. Residential solar energy equipment."

(2) Section 56(a)(2) (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (vii), by striking out "; and" at the end of clause (viii) and inserting in lieu thereof ", and", and by inserting after clause (viii) the following new clause:

"(ix) section 44D (relating to residential solar energy equipment); and".

(3) Section 56(c)(1) (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (G), by striking out "exceed" at the end of subparagraph (H) and inserting in lieu thereof "and", and by inserting after subparagraph (H) the following new subparagraph:

"(I) section 44D (relating to residential solar energy equipment), exceed".

(4) Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out the period at the end of paragraph (23) and inserting in lieu thereof a semicolon and by inserting after paragraph (23) the following new paragraph:

"(24) to the extent provided in section 44D(d), in the case of property with respect to which a credit has been allowed under section 44D."

(5) Section 6096(b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44C" and inserting in lieu thereof "44C, and 44D".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after March 17, 1975, in taxable years ending after such date.

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. ALEXANDER. Mr. Chairman, reserving the right to object, I have technical and perfecting amendments which I have handed to counsel and the chairman of the committee, and I would like to ask the chairman, the gentleman from Oregon (Mr. ULLMAN) if the gentleman has examined the amendments and, if the gentleman has, does the gentleman consider them in order?

Mr. ULLMAN. Mr. Chairman, I want to say that we have looked at the technical and conforming amendments offered by the gentleman from Arkansas, and we find them in order, and acceptable and necessary to the bill, due to the striking of title II.

Mr. ALEXANDER. Mr. Chairman, in that event I would ask unanimous consent that the technical and conforming amendments be adopted at this point.

The CHAIRMAN. The Chair desires to advise the gentleman from Arkansas that they have been agreed to, and are part of the gentleman's original amendment.

Mr. ALEXANDER. No further action by way of vote is necessary to effectuate the technical amendments?

The CHAIRMAN. The gentleman is correct.

Mr. ALEXANDER. I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, had come to no resolution thereon.

HOUR OF MEETING ON THURSDAY, JUNE 12, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, I wonder if we could ask the gentleman from California or the gentleman from Massachusetts what the program will be tomorrow that necessitates our coming in at 10 o'clock, and whether this bill will be considered tomorrow.

Mr. O'NEILL. If the gentleman will yield, may I say, Mr. Speaker, at the present time we plan to schedule the energy bill at 10 o'clock in the morning. We will go then until 11:15 or 11:20, at which time we will ask for a recess in order to get the House in order for the Flag Day celebration. Immediately fol-

lowing the Flag Day ceremonies, we will go into the House. We would hope to continue tomorrow night until about 8 or 9 o'clock. We hope that we will be able to complete this bill.

The debt limit bill, about which we talked to the chairman, that has been scheduled will then be put over until Monday next, and we anticipate that there will be no business on Friday that we know of.

Mr. BAUMAN. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, the committee meetings, or most of them, then, will be canceled; is that correct?

Mr. O'NEILL. If the gentleman will yield, I am sure the gentleman is aware of the Rules of the House.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM SENATE AND SPEAKER TO SIGN BILLS AND JOINT RESOLUTIONS DULY PASSED, NOTWITHSTANDING ADJOURNMENT UNTIL TOMORROW

Mr. McFALL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until tomorrow, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON LABOR-MANAGEMENT RELATIONS TO SIT DURING 5-MINUTE RULE TOMORROW

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Labor-Management Relations may meet during the 5-minute rule tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON GENERAL OVERSIGHT AND RENEGOTIATION OF COMMITTEE ON BANKING, CURRENCY AND HOUSING TO SIT DURING 5-MINUTE RULE TOMORROW

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Subcommittee on General Oversight and Renegotiation of the Committee on Banking, Currency and Housing be permitted to sit tomorrow during the 5-minute rule.

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from California?

There was no objection.

"BITTER LESSONS: HOW WE FAILED IN CYPRUS," AN ARTICLE BY LAURENCE STERN

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I wish to insert in the Record a most thoughtful and significant article, "Bitter Lessons: How We Failed in Cyprus," written by Laurence Stern and published in the summer 1975 issue of the journal, "Foreign Policy."

The article follows:

BITTER LESSONS: HOW WE FAILED IN CYPRUS

(By Laurence Stern)

"We will avenge you, Digenis!"—Nikos Sampson

The late January rain came in intermittent drizzles, muddying the suburban field in the Cypriot city of Limassol. Nonetheless they came, some 100,000 Greek Cypriots in all, to honor the memory and bury the already-rotting body of the dead general who had led them to independence more than two decades earlier. These were hard-faced terrorists in military uniform, two defrocked bishops of the Byzantine Church, journalists, simple rural families with black armbands of mourning, foreign intelligence officers watching discretely.

On the platform lay the body of 73-year-old General George (Digenis) Grivas, whose bombs and grenades had sounded the tocsin for the guerilla war of independence against the British in 1955 and emblazoned the cause of the insurgent Greek Cypriots upon the world's attention as a recurrent source of international crises. Fanatical in his pursuit of the age-old Hellenic dream of *enosis*,[1] brilliant as a tactician of guerilla war, Grivas had assumed mythological stature in the hearts of the Cypriots. Flags were at half-mast. Schools and other public buildings were closed. And yet the funeral in Limassol had all the aspects of a political underground affair. The government of Archbishop Makarios, the target of Griva's campaign for *enosis*, formally boycotted the event.

After the death of Grivas on January 27, 1974, there had been disagreement over the disposition of his remains.

His followers on Cyprus insisted the old general be interred in the soil of the island rather than be returned to Greece. Three days passed as the matter was adjudicated while the coffin lay open to the faithful. And so, from the revered cadaver for which no burial permit had been issued by the government there came a distinct smell as it lay before the worshipful multitude on that overcast day.

Among those who insisted on a Cypriot burial for Grivas was Nikos Sampson, the politically ambitious newspaper publisher with a reputation in Cyprus as a psychopathic killer. Once he had been sentenced to death by the British for his terrorist assassination activities. Sampson had arranged to have his personal claque of bully-boys grouped about the casket of Grivas. As he ascended the platform to speak, his torso wrapped in a flag of Greece, they shouted and applauded their approval. Sampson unleashed a tirade of teary oratory and exhorted the crowd to fight for *enosis*. Before the body had been brought out to the muddrenched field, Sampson had stuffed a copy of his newspaper, *Makhi* (Combat), in the casket with the body of Grivas. Now he slammed his fist on the coffin and screamed: "We will avenge you, Digenis!" Sampson had turned a solemn national rite into a one-man political rally.

THE MEANING OF CYPRUS

That funeral rally was to become a green light for both the regime in Athens and agents in Cyprus to plot the downfall of Makarios. It would culminate in a stunning series of events which plunged not only Cyprus, Greece, and Turkey, but also the United States, Great Britain, and the Soviet Union into a serious crisis in the Eastern Mediterranean.

That crisis, coming less than a year after the Yom Kippur war, less than six months after the OPEC countries quadrupled the price of oil, added to the sense of disaster that hung over the entire region. Here, as in no other part of the world, events were in the saddle, and old ethnic hatreds combined with big-power politics in a highly combustible mix.

For Henry Kissinger, it was his first serious public setback coming after a series of diplomatic triumphs. The events in Cyprus triggered a major political backfire in Congress and expressions of sharp disapproval on prestigious editorial pages. Even those "working level" diplomats, most closely in touch with the political realities of the region, could barely contain their dismay at the successive policy "tilts" and vacillations of the Secretary in the face of one of the most predictable international crises Washington has faced in recent years. Instead of his usual display of forcefulness and negotiating skill, Kissinger managed the American involvement in a way which eroded U.S. influence in the East Mediterranean to a new post-World War II low point.

This crisis also led to the most dramatic and important congressional intervention in the conduct of foreign policy in recent years outside of Indochina—the cutoff of aid to Turkey. Kissinger was to call this action a "national tragedy" and still today, despite his repeated confrontations with Congress on trade credits for the Soviet Union, aid to Indochina, and restrictions on military arms sales, Kissinger is known to feel that votes on aid to Turkey marked a dangerous point of departure in the conduct of U.S. foreign policy. His view is shared by many people in the executive branch, even those not sympathetic to his actions in Cyprus. But on Capitol Hill, they are viewed by most congressmen as a welcome move toward the fuller participation of Congress in the determination of the conduct of U.S. foreign policy.

In addition to the actions of Congress, at least three major turning points in the crisis deserve careful examination, both for what they show about the United States, and for what they tell us about two of our NATO allies. These were the Sampson coup that overthrew Makarios, the Turkish invasion of Cyprus, and the resumption of hostilities on August 15 by the Turks to consolidate their hold over nearly half of the island. The story is complex, important, and of still unresolved impact upon both a region of crucial strategic importance and upon the domestic political underpinnings of U.S. foreign policy.

Archbishop Makarios, the elected president of Cyprus, absented himself from the funeral, as did most of the functionaries of his government. He knew the incendiary potential of the gathering and that it would have been absurdly dangerous for him to attend. He had been marked as the chief target of the EOKA-B[2] forces in Cyprus as well as of the military regime in Athens

[1] Union of Cyprus with the Greek motherland.

[2] The revived enosis movement founded by Grivas in 1971 as a successor to his original independence struggle organization.

which financed and controlled it. Since 1970, the intelligence service and tactical police of Makarios had foiled repeated assassination and coup schemes aimed at the Archbishop by some of the very mourners who were gathered about the casket of Grivas.

In the early days, the Archbishop had been a partisan of General Grivas' in the independence struggle, earning for himself a period of British-imposed exile in the Seychelles, and he was considered the pre-eminent advocate in Cyprus of reunion with Greece. Through the tortuous political evolution of Cyprus since independence, when friends became enemies and the tactics of independence were transformed into the strategies of national survival, the two men retained a grudging respect for each other.

Since 1960, when the great powers negotiated the independent statehood of Cyprus, Makarios pursued a politics and diplomacy of calculated ambiguity and artful procrastination. He became a tightrope walker between the hammer and anvil of Turkish and Greek power. Twice, in 1964 and 1967, Turkey reached the brink of military intervention in defense of the Turkish minority (which constitutes 18 per cent of Cyprus' overwhelmingly Greek population). Twice the United States intervened forcefully, with what the Turks considered a humiliating display of great power arrogance to prevent the possibility of a war between the two NATO powers on the southern flank of the Soviet Union and its Balkan satellites. Since 1968, Makarios conducted intercommunal talks with Turkish Cypriot leaders while at his back the Greek-Cypriot zealots muttered that he had betrayed the goal of enosis.

Though in mythology Cyprus is the island of Aphrodite, today it is a crucible for the contending influences of Turkish insecurities and territorial ambitions, Hellenic irredentism, and Eastern and Western bloc strategic war-gaming. Within the island is an intensely factional tribal politics. The dominant local Communist Party movement has been content to operate along bourgeois, parliamentary lines, while a Socialist movement has maintained friendly ties to neighboring Arab capitals. The active elements of the terrorist movement have been sustained and financed, since 1967, by the military rulers in Athens. Violent anti-Communism, enosis, and, eventually, the elimination of Makarios were the prime ingredients of the program of the Right in Cyprus. The Turks also were leery of Makarios, who they identified with past injustices inflicted upon their ethnic minority in Cyprus through the years. Presiding over this volatile stew was the Archbishop. Only centrist parliamentary forces made it possible for him to continue to govern. Last year, after he had been temporarily deposed by the coup, Makarios told me with a smile and wistful shake of the head, "The fact that I never seemed to come to an agreement with the Turks in the intercommunal talks may have been irritating to the Americans and the British, but it probably accounts for the prolongation of my life politically and the postponement of the coup."

But the death of Grivas was to tilt violently the political landscape of Cyprus and start the landslide of events toward the coup of July 15. Though it seemed in January 1974 to signal the end of the EOKA-B insurrection, Grivas' death actually made possible the full political capture of the anti-Makarios forces on the island by the Athens regime and its military surrogates, the Greek officer contingent. And so the liturgies and oratory of the late January in Limassol became part of a chain of events which would make phones right in the middle of the night in Washington half a year later and send senior American diplomats scrambling to airports—once again in the hope of averting the specter of full-scale war in the Aegean, next door to minefield of the Middle East.

A CRUCIAL TESTING GROUND

Notwithstanding the major distractions which were competing for the attention of Henry Kissinger—Watergate, the SALT summit, the Middle East—the Cyprus crisis was a crucial testing ground for his foreign policy as it applied to the subsuperpower world. Kissinger resorted, characteristically, to a secretive and highly personalized form of telephone diplomacy in Ankara and Athens while letting the British play the role of front man through their nominal chairmanship of the mediation efforts. Later, as his own crisis-style diplomacy failed and the second Geneva Conference, chaired by British Foreign Secretary James Callaghan, fell apart,[3] Kissinger would snipe privately at the British for hogging the chair and lulling the U.S. State Department into expectation of a settlement at the bargaining table between the Greeks and Turks at Geneva.

In an important sense the tragedy in Cyprus was a by-product of the seven-year-long U.S. relationship with the unashamedly repressive regime of the colonels in Athens, a marriage in which two American administrations tolerated the extinction of constitutional government in Athens in exchange for supposedly stable U.S. military base rights. Although the Johnson Administration adopted at least a limited embargo on arms to Greece, full-scale military aid was resumed by President Nixon in 1970. And so when the Athens junta sought in July 1974 to establish a puppet surrogate in Cyprus, with ample advance notice to Washington, the United States entered the quietest demurrer of all its Atlantic allies.

The international machinery for crisis resolution in the Western alliance, which had its roots in the Cold War, failed utterly to work in Cyprus. NATO, from which Greece withdrew its forces and Turkey threatened to, was powerless to act. Equally ineffective was the Geneva forum established under the 1960 Cyprus accords. Kissinger was unwilling to risk sufficiently strong sanctions against either of the Aegean powers to deter the overthrow of Makarios and subsequently prevent the de facto partition of Cyprus by Turkish military forces.

The United Nations Security Council and then the General Assembly passed resolutions calling for Turkish military withdrawal from the island, but those organs too proved unable to blunt Turkish intentions on Cyprus. Only the U.S. Congress was willing to apply diplomatic muscle by insisting on compliance with statutory and treaty prohibitions against Turkish use of American arms in Cyprus. This drew the Secretary of State into the severest confrontation he has ever faced with Congress, one which was described on the House floor early in the debate as "Kissinger's Watergate and Waterloo."

"The information was not exactly lying around on the streets."—Henry Kissinger

The warnings began early in the year. By February 1974, cables from the U.S. Embassy in Nicosia were describing intensified activity among the Greek officers and the EOKA-B cadre. The cables were reinforced by the "working level" specialists on the fourth floor of the State Department, men experienced in the field, who could see the significance of the cable traffic. Among the specialists a consensus emerged for a strong American admonition to the junta in Athens headed by General Dimitrios Ioannides.

A reclusive leader, Ioannides wielded shadowy authority over Greece in his official capacity as head of the military police (ESA). After ousting military strongman George Papadopoulos in the aftermath of bloody student rioting at the Athens Polytechnical Institute in November 1973, his regime promised only heavier repressive tactics and a still more primitive foreign policy than that of his predecessor. Ioannides was in the tradition of the peasant-soldier, a man of austere personal morality who shied away from political display. This he left to the ceremonial officeholders of the government whose strings he manipulated. Ioannides, in the words of one Greek officeholder during these times, regarded the ministers and career civil servants who composed the official government as a "logistical base" for his own power. The government behaved accordingly.

Since his accession to power, relations between Athens and Washington had gone into a slow tailspin. The U.S. Pentagon, which had been the most enthusiastic booster of the preceding Papadopoulos regime ("the greatest government since Pericles," one American general had exulted publicly), had turned increasingly sour on Ioannides. The relationship was foundering on renegotiations, demanded by the Greeks, of complicated base agreements dating back to the 1950s, as well as of the costly Athens homeporting scheme for the U.S. Sixth Fleet, successfully promoted by Chief of Naval Operations Admiral Elmo Zumwalt. The Greeks were raising the ante massively for the U.S. base presence, demanding among other things a major modernization, at American expense, of its Air Force, and considerably more military aid. For the first time in my own memory, senior Pentagon officials were heard complaining about the political repressiveness of the regime in Athens. Similarly, political analysts in the U.S. Embassy in Athens remarked on the continuing erosion under Ioannides of civil government performance. Even the U.S. Ambassador, Henry J. Tasca, also a cheerleader by temperament and instruction for the previous military regime, was becoming bitterly disenchanted with the unrepentant, grim face of dictatorship Ioannides-style.

On Cyprus there were increasingly open stirrings of activity among the Greek officer contingent, the national guard, and the local EOKA-B bands. Arms were moving into the hands of the anti-Makarios forces, sometimes as the result of carefully prearranged "raids" on the arsenals of the national guard worked out through collusion between the guard members and the culprits. From raids on EOKA-B headquarters, Makarios' intelligence service uncovered records which indicated a steady influx of money from Athens to the terrorist movement at a rate of 2,500 Cypriot pounds (roughly $6,000) a day. The principal financial angel on mainland Greece was a wealthy shipowner, Andreas Potamyanos, a political playboy with a penchant for cloak-and-dagger intrigues.

The disbursing agent for the Athens money in Cyprus was a well-to-do businessman, Sophocles Eliades, who saw that the money want not only to the EOKA-B district leaders but to sympathetic newspapers on the island. In Nicosia, as well as in Athens, there was persistent speculation over the source of the money from Potamyanos, whose personal financial ledger, though comfortably in the black, could not remotely provide the huge sums which flowed through him to the Cypriots. Potamyanos once acknowledged publicly that he had contributed three million drachmas ($100,000) to the EOKA-B cause. Government intelligence officials in Cypress estimated that since June 1972, the level of support for the organization was many multiples of that sum. Potamyanos had influential connections in the CIA station in Athens and this served only to heighten the normal suspicions one hears voiced in Greek political circles of covert American involvement in internal affairs.

Within two months of Grivas' death, the man who was due to succeed him as head of the EOKA-B organization, Major George Karousos, was quietly spirited off the island. Karousos had been, by the extremist standards of the movement, a moderate. He wanted to forsake the guns and bombs

[3] August 8 to August 13, 1974.

which had been the hallmarks of EOKA-B in favor of direct political competition through a party organization. Rather than assassination, Karousos advocated, at worst, mere kidnaping. But Karousos was out of phase with what Athens wanted. In early April, under the secret surveillance of one of Makarios' chief security advisers, Karousos embarked in a small boat and then transferred to a yacht which took him to the Greek island of Kastellorizon, just off the Turkish shore near Rhodes. At all stages of the journey, Karousos was under surveillance by Makarios' intelligence operatives.

OPERATION HERMES

With Karousos out of the way, the Greek officers and their Cypriot collaborators were free to begin preparations for Operation Aphrodite, the latest in a serious of schemes to assassinate Makarios and overthrow his government. In 1970 there had been Opeation Hermes, which came within a hairsbreadth of success when terrorists succeeded in machine-gunning Makarios' helicopter out of the sky. Although the pilot was seriously wounded, the Archbishop stepped off the downed craft unscathed. Subsequent investigation showed that two Greek officers and the former Minister of Interior to Makarios, Polykarpos Georghadjis, were involved in the elaborately worked out assassination scheme. Georghadjis tried to escape from Cyprus, but was stopped on orders of Makarios at the airport. He then requested an audience with Makarios which the Archbishop refused to grant, and a week later he was found in a field outside Nicosia with half his head blown off. Suspicion again centered on one of the Greek officers, a Colonel Dimitrios Papapostolou. Makarios quietly requested and obtained the recall of Papapostolou.

There was an intriguing historical footnote to the 1970 assassination attempt. When Makarios arrived in Nairobi late in January 1970 a U.S. Embassy representative there insisted on meeting personally with the Archbishop to convey an urgent message. That message, as recalled by Makarios and later corroborated by U.S. officials was as follows: "According to reliable sources, when you go back to Cyprus there are plans for your assassination at the airport in Nicosia." Makarois received the information with a smile and thanked the American emissary. "I think your information is wrong," he replied. "The airport is not a suitable place for an assassination." When the Archbishop returned to Nicosia, the then U.S. Ambassador David Popper (now U.S. Ambassador to Chile) said the Nairobi warning had been reconfirmed. Popper told Makarois the attempt on his life would probably take place within the next 15 days.

Popper's warning proved astonishingly prophetic, although the helicopter attack occurred 17 rather than 15 days after his warning to the Archbishop. Afterward, Makarios asked publicly how the Americans happened to know with such precision about the assassination plan.

Yet another coup attempt came to light on February 14, 1972, when the Archbishop's intelligence service found detailed plans in a raid on EOKA-B headquarters for a raid that was scheduled to begin that very midnight. Makarios, after being apprised of the find early in the day, rushed Speaker of the House Glafkos Clerides to see Popper. As recounted by a high-ranking Cypriot official who was deeply involved in the incident, Clerides met with Popper and told the Ambassador what he knew of the coup scheme. After he had been briefed by Clerides, Popper responded cryptically, "I am not authorized to tell you anything." But he promised to contact Washington immediately. Although Popper and Clerides were friends, the suspicions of the Cypriots were triggered by Popper's remark which suggested to them some advance knowledge on the Ambassador's part.

"Look," Clerides responded, "we know everything. We are going to have a coup and bloodshed." Popper asked for several hours' time to get a reply back. In the meantime, Makarios' security forces struck at all the staging areas for the impending coup attempt, which was to be conducted by EOKA-B forces reinforced by national guardsmen out of uniform, all under the supervision of Greek officers. In Athens that day, U.S. Ambassador Tasca hurriedly issued a warning to Greek Premier George Papadopoulos against any violence or heavy stuff."

OPERATION APOLLO

The following year Athens was on the verge of unleashing Operation Apollo. This, too, was aimed at the overthrow of Makarios. Preemptive strikes by the Cypriot intelligence service and police unearthed plans which spoke of tank, mortar, and artillery attacks. "The fact that heavy equipment was called for in the plans told us unmistakably that the Greek officers were involved," a high-ranking Makarios adviser told me. "The EOKA-B irregulars had only light arms. As a result of our arrests the attempt failed." It would, in fact, merely be put off another year.

Against this background Makarios and top officials of his government, as well as foreign analysts specializing in Cyprus, watched with a sense of déjà vu in the early half of 1974 as events marched toward another major effort to unseat Makarios. As early as March, the Cypriot Ambassador to Washington, Nikos Dimitriou, rushed to see the then Assistant Secretary of State for Near Eastern Affairs, the late Rodger Davies, and Cyprus desk officer Tom Boyatt. "I have reliable intelligence estimates," the normally calm-mannered Ambassador told Davies, "that a serious effort will be made to assassinate Archbishop Makarios before Easter." In Cyprus the slogan circulating in EOKA-B circle was that "Makarios will never eat his flaouna" (a Greek Easter confection).

"If you have a coup in Cyprus," Dimitriou warned U.S. officials, "it will develop into a crisis of gigantic dimensions. The Turks will move in and God knows where it will lead. . . ." Davies replied that the Americans too had heard rumors of a coup attempt, but had been able to confirm nothing. Boyatt told Dimitriou that he agreed with the apprehensions over an impending attempt against Makarios. Several days later Dimitriou saw his friends British Ambassador Sir Peter Ramsbothom, himself a former ambassador to Cyprus. He recounted his concerns. "Yes, we've heard these things too," Ramsbothom reportedly assured Dimitriou, "but we have concluded they are quite groundless."

Ambassador Tasca, in Athens, also poohpoohed the coup talk. He regarded Boyatt, particularly as being a mother hen about Cyprus, needlessly worrying Washington and Athens with his dire predictions. Easter came and passed and the absence of disaster seemed to bear out the adage heard on the seventh floor of the State Department that the Cyprus specialists had predicted 300 of the last two coup attempts against Makarios.

Nonetheless, in Nicosia, apprehensions were growing. Late in the winter, Clerides went to the U.S. Embassy and related that the intelligence directorate for Makarios, which had always proved extremely adept in infiltrating and apprehending the activities of the Archbishop's enemies, now had intelligence that a former CIA station chief in Nicosia had met with Sampson and other EOKA-B people in Athens during the second week of February.

The official, Eric Neff, had been the CIA's number one man in Nicosia from 1969 to 1971. Initially, the Americans told the Cypriots that Neff had not been in Athens. The Cypriot government supplied more details and specific dates. They were then given an acknowledgment that Neff had, indeed, been in Athens but on personal business and had not met with any principals in the Cyprus dispute. Neff had been a point of contention during his three-year tenure in Cyprus. At one time Makarios privately complained to the U.S. Embassy at Neff's open hostility to Makarios at public social functions. (A former European ambassador to Nicosia vividly remembered Neff's behavior in Cyprus. He would say openly in the diplomatic community that it was necessary to get rid of Makarios. He made statements which would have been intolerable for any host government.)

More importantly, the President was suspicious of Neff's contacts with the fired Minister of Interior Georghadjis (later implicated in the helicopter assassination plot) after the Cypriot official left the government in a growing poisonous dispute with Makarios. The Archbishop finally asked that the American agent be recalled. One high-ranking American diplomat said of Neff: "It's true that he was probably too big for the island." Since his departure, the CIA station chiefs in Nicosia have taken a decidedly lower public profile.

Henry Tasca returned to Washington in March for consultation and to testify before hearings of the House Foreign Affairs Subcommittee headed by Representative Benjamin Rosenthal (D., New York). At the State Department, the Ambassador, by now aroused at what he considered to be the dangerous incompetence and repressiveness of Ioannides, was counseled strictly by Kissinger against intervening publicly to influence events in Athens. Although the converging steam of sentiment among the Department's specialists was for a firm and visible show of impatience on Washington's part at the continued backsliding away from any semblance of constitutional government, Kissinger insisted that Tasca make no waves. Kissinger's don't-rock-the-boat attitude toward the Athens junta contrasted sharply with the well-documented covert U.S. intervention—which was then being revealed in the press—against the elected government of the late Salvador Allende in Chile.

Later, Tasca, replaced under a cloud of criticism for his performance in Athens, sought to defend his role on the grounds that "as Ambassador I did not make policy but carried it out." Kissinger's policy, he tried to explain afterward, was one of "noninvolvement." Former Secretary William Rogers, he told one listener, "was more interested in getting people back to democracy. Kissinger thought that was less relevant."

A SCAPEGOAT . . .

The press stories emanating from high official sources in Washington seemed to identify Tasca as the goat of the Cyprus crisis because of his failure to transmit directly to Ioannides a warning from Undersecretary of State Joseph Sisco against an attempt at violent action against Makarios. It was not his role as Ambassador, Tasca afterward told *Newsweek*, "to make diplomatic démarches to a cop." When he learned that he was to be replaced as Ambassador by the then Assistant Secretary of State for Inter-American Affairs Jack B. Kubisch, Tasca hastily called a press conference to defend his own role in the Cyprus tragedy. "I'm not going to be a scapegoat for Kissinger and Sisco," he angrily told an aide.

Tasca's plunge into open disfavor with his superiors began in mid-June when the full import of what had been brewing in Cyprus reached through the grand glass entranceway on the seventh floor of the Department of State where the Secretary and his principal deputies work amid the hierarchical trappings of expensive carpeting and official oil portraits.

Into this airless world came a message

from Ioannides relayed from the CIA station in Athens on June 20, carrying an urgent note of threat against Makarios.

In the message, which was quickly dispersed by the CIA through the top of the national security bureaucracy in Washington, Ioannides speculated about what he might do on Cyprus to neutralize Makarios, whom he accused of using Greek-Turkish friction to enhance his own position. There has been some disagreement within Washington over the exact thrust of Ioannides' intent. It was interpreted variously as a clear declaration of his plan to move against Makarios, as a feeler to determine Washington's attitudes toward such a move, or as a request for a green light. Whatever it signified, the CIA bulletin finally had a galvanizing effect.

At the direction of Kissinger and Sisco, instructions began to flow back to Tasca to convey to Ioannides that the United States disapproved of any move against Makarios. Washington's policy, Tasca was instructed to tell Ioannides, was to avoid violence on Cyprus and continue efforts to resolve differences through the intercommunal talks convened in 1968.

Despite the flurry of urgent messages directed at Athens urging Tasca to restrain Ioannides, there is no record of an attempt by Kissinger or Sisco to call in the Greek Ambassador of the junta in Washington, Constantine Panayotakos, to register the U.S. government's severe disapproval of any coup action against Makarios. "If Kissinger had called in our ambassador in Washington," a Greek Foreign Ministry official deeply involved in the Cyprus crisis told me in Athens, "it would have been a most valuable weapon in our hands. We could have gone screaming to the generals saying 'Look what we are being told in Washington.' As it was, the regime considered the warnings from Tasca as window-dressing and not as serious American objections to a coup."

Tasca persisted in refusing to see Ioannides personally, despite his instructions. The general, by his own preference, retained his title as chief of the military police even though he ran the country from his office in the Greek Pentagon. In a tradition going back to the establishment of the post-World War II American presence in Greece, the diplomatic hot line of contact with Washington was through the CIA station.

A New York Times account on August 2 said Ioannides met with the veteran Greek-American CIA operative, Peter Koromilas, in Athens shortly before the July 15 coup. But the CIA station chief in Athens, Stacy B. Hulse, Jr., denied this report to high-ranking officials of the embassy. Hulse was himself treated to an angry tirade by Ioannides just prior to the coup and, by the account of well-informed government sources, was virtually thrown out of the general's office. It was speculated in the U.S. Embassy that Hulse was trying to discourage any thoughts of a coup in Cyprus.

Instead of seeing Ioannides directly, Tasca spread the Washington message to the officeholders in the civilian government: the president, the prime minister, the foreign minister, and top military commanders, many of whom then lived in quaking fear of Ioannides. Though Tasca insisted to his doubting superiors in Washington that the message had gotten through, they kept cabling him for reconfirmation and insisting that he see Ioannides. The general never did make a direct response to these messages over the transom from Tasca.

Months later, after Ioannides had been ousted from power, he imparted to former military colleagues a cryptic, though highly intriguing, confidence: "If you knew what I knew and had the reassurances that I had before the coup, you would have done exactly as I did," he told, among others, Admiral Petros Arapakis, Chief of Naval Operations. The remark was to pique the curiosity of American officials in Athens who knew that Ioannides' main channel of contact with the United States was through the CIA. Recently, Ioannides charged through his Athens attorney that he was misled by the Americans about the prospects of Turkish intervention after the coup in Cyprus and then betrayed by his own generals, acting at the instigation of the Americans. The defense that was being constructed on behalf of Ioannides and his conspirators was strongly reminiscent of the Watergate defense strategies of the Nixon White House.

THE CIA ROLE

From the days of the Greek civil war, when the agency's presence was first established there, the CIA has played an influential role in the country. Queen Frederika was a close friend of the late CIA Diretcor Allen Dulles, who was entranced by her Hohenzollern royal pedigree, tracing directly back to Frederick the Great, as well as her immense wit and charm. "The diplomats are, by and large, bunglers and fairies," the outspoken queen used to complain. She felt more confident with the CIA under the direction of her admiring friend from Washington.

Thomas Karamessinis, who was to rise to the vital job of Deputy Director for Plans,[5] started out in the Athens post where there are still fellow Greek-American operatives who once worked at his side. Andreas Papandreou, who has frequently denounced the CIA as a tool of repressive U.S. policy in Greece, was in his father's Center Union-dominated government during the 1960s, in charge of liaison between the CIA and the administration of George Papandreou. Unimpeachable U.S. government officials told me that in 1967, at the strong urging of the CIA station chief and some members of the embassy staff, Ambassador Phillips Talbot recommended that the White House authorize the expenditure of $100,000 in "black" funds to finance opposition to Papandreou in the prospective July 1967 elections. Senior White House advisers formally rejected the request, but the issue became moot when the Greek colonels, under the leadership of George Papadopoulos, struck on April 21, 1967 and ended constitutional government in Greece. Papadopoulos was liaison officer with the American CIA for its Greek creation and namesake, known acronymically as KYP (Kentriki Ypiresia Pliporforion).

And so it is not surprising that an enormous cloud of suspicion formed in Greece—in the press, on street corners, in parliament, and even in the prospective defenses of the junta generals—that in some way, at some level, the CIA played a role in bringing on the Cyprus debacle.

Even in the privacy of American offices, unspecified suspicions are expressed about the role of the CIA station. "These guys are still operating in the spirit of the 1950s. They keep things very close to the vest. Most of us don't know what they're doing. I hope the ambassador does," one high-ranking American confided to me in Athens.

On June 2, Makarios, now persuaded that a major assault against him was being organized by the Greek officers and EOKA-B forces, decided to take an audacious gamble and abandoned his foxy tactics of outwaiting and counterparrying the opposition. He directed a letter to Greek President Phaedon Ghizikis, frontally accusing the military government in Athens of conspiring to kill him and destroy his government.

"It is with profound grief," Makarios wrote, "that I have to set out to you certain inadmissible situations and events in Cyprus for which I regard the Greek government as responsible," the letter began. Makarios charged that it was from Athens "that the tree of evil, the bitter fruits of which the Greek Cypriots are tasting today, is being fed and maintained and helped to grow and spread. In order to be absolutely clear, I say that the cadres of the military regime of Greece support and direct the activities of the EOKA-B terrorists. . . . It is also known, and an undeniable fact, that the opposition Cyprus press, which supports the criminal activity of EOKA-B and which has its source of financing in Athens, receives guidance and [policy] line from those in charge of the General Staff Office and the branch of the Greek Central Intelligence Agency in Cyprus.

The clincher in the Makarios letter was his dramatic declaration to Ghizikis that "I have more than once so far felt, and in some cases I have almost touched, a hand invisibly extending from Athens and seeking to liquidate my human existence."

The battle was now joined, and if any doubt existed in Athens, Makarios made it clear that his communication was "not confidential." While the junta pondered its response, Makarios fired additional salvos through the friendly press in Nicosia.

On July 5, the newspaper Apogevmatini, operating presumably on a leak from the presidential palace, published the gist of coup plans discovered by Makarios' intelligence operatives. "The conspiratorial brains," the newspaper reported, "are planning a broad coupist action to take place in the next few days supported by certain military circles in cooperation with units of the national guard and EOKA-B groups for the purpose of seizing power. This coupist action has been planned in such a way that it formally releases senior military personnel or Greek Army staff circles from any responsibility."

It said the coup scheme, "a variation of the well-known Apollo Plan," envisaged the assassination of Makarios. "If the plan succeeds, the government will be taken over by a certain person who has already been chosen and who, in substance, will be the puppet for a transitional period. Naturally it is understood that the partition of Cyprus will be achieved through the coup plan with the understanding that the Turks have their plans prepared for such a golden opportunity."

Remarkably prophetic words. The coup followed, to a striking degree, the blueprint outlined in the newspapers which were available on the streets of Nicosia on the morning of July 5. The following morning the press published the full text of the Makarios letter to Ghizikis. Nicosia's newspaper, Eleftheria, said that morning: "The statements made by President Makarios yesterday prove that the hands of the crisis almost touched the 'zero hour' and that the blowing up of all the bridges in relations between Cyprus and Greece is still impending." A Turkish radio broadcast to Cyprus stated that "the disputes that have been going on in the Greek Cypriot sectors for a long time have now reached a critical stage. Some observers describe the current situation as a serious crisis unprecedented in the history of Cyprus."

On July 6, according to the widely respected Athens correspondent for the Times of London, Mario Modiano, Ioannides and his inner circle decided to assassinate Makarios through the national guard. The general was quoted by the Times as assuring junta officers: "Don't worry. There will be no consequences if the job is done quickly and neatly."

Some three weeks later, Kissinger, commenting on reports that the United States was taken by surprise in Cyprus, quipped: ". . . the information was not lying around on the streets." He noted that Makarios, too, seemed to have been taken by surprise. "I did not expect a coup exactly that day," Makarios later told me. "I was told by the Greek Ambassador that there was to be a

[5] The Directorate of Plans, now called the Directorate for Operations, carried out covert action programs of the CIA.

meeting in Athens on Monday (July 15). I thought that after the Monday meeting had been held I could take whatever precautions were necessary." The Archbishop had, in fact, been invited to attend the session in Athens, which was described to him as a proceding to discuss his letter and the future of Cyprus. "I told the Ambassador that I didn't see any reason to go to Athens to discuss those things. I wonder," he mused with his sly and quizzical smile, "what might have happened if I had accepted that kind invitation."

On the morning of July 14, the day before the coup, a message flashed into Washington from the CIA backchannel in Athens indicating that Ioannides was cooling off of his coup intentions. He was impressed, the cable suggested, by the arguments against violence. At that point there could have been only one purpose for the general's piece of disinformation: preventing any advance warning by the Americans, as had happened before, of the juntas intentions. Makarios was now within gunsight of the junta. Ioannides, according to intelligence sources, had received what he regarded as assurances from Turkish military officials that they would not react against the objective of Operation Aphrodite: getting rid of Makarios.

JULY 15

What happened shortly after 8:00 AM on the morning of July 15 has been amply chronicled in the world press. Makarios returned from a weekend at his vacation residence in the Troodos Mountains, where Grivas was born, and was receiving a delegation of visiting children in the palace when the shells started landing, first outside the palace and then lobbing into its walls, setting the building aflame. Oddly enough, on his way back to the capital, the Arch-bishop passed directly in front of a national guard barracks within virtual pointblank range. At that point, as it turned out, the militiamen lost their best shot. At 8:00 AM the Cyprus radio, taken over by the forces of the military insurrection, announced, prematurely, that President Makarios was dead.

"I would rather just not comment."—State Department spokesman.

The summer of 1974 was not a particularly suitable season in Washington for another international crisis. American attention was riveted on the tragic spectacle of the collapse of presidential government in the Watergate crisis. President Nixon was slouching toward impeachment. Secretary of State Kissinger found himself enmeshed as well in the toils of the scandal. His denials that he had ordered the wiretapping of government officials and journalists seemed to be contradicted by evidence coming out of House Judiciary Committee files and the Secretary's probity was being openly questioned. He made his famous outburst at Salzburg and issued his threat to resign unless Congress vindicated him. In addition, the various pots of international crisis were at full boil. In the Middle East, the Secretary was trying to avert the outbreak of another war which some in Washington were already pronouncing inevitable. In Moscow, Kissinger was pursuing delicate strategic arms negotiations from a sharply divided base of domestic opinion on how far the United States should go. Kissinger's trade policy with the Soviet Union was also under heavy domestic attack at home with his critics, notably Senator Jackson (D., Washington), tying it to the issue of Moscow's policies toward Jews and dissident intellectuals.

Cyprus, from the lofty heights of the seventh floor in Foggy Bottom, was a far-off blip on Kissinger's storm charts.

And so, when the news of the coup in Cyprus first reached Washington shortly after midnight, there was an initial spasm of indecision and confusion. The first reports of the death of Makarios did not bring unalloyed grief in Foggy Bottom. One official, upon hearing the news later on that Monday that the Archbishop had survived, remarked in a telephone conversation with a colleague: "How inconvenient."

This was not an aberrant attitude toward Makarios in the foreign policy bureaucracy. Makarios refused to comport himself toward Washington as a generation of American diplomats would have liked him to. There was a legendary anecdote in the State Department told about George Ball, one in a succession of Cyprus crisis managers, who, when faced with a typical act of sly noncompliance, raged at Makarios using his ceremonial title of address: "God damn it, Your Beatitude. . . ." Kissinger, during the Makarios visit to Washington prior to his return to Cyprus last year, reflected the prevailing attitude with an elegantly backhanded cut, delivered to a high-ranking Cypriot diplomat. "I hope you realize this is a compliment," Kissinger assured the foreign official, "but we think of your president as a man who is much too big for so small an island."

THE "CASTRO OF THE MEDITERRANEAN"

During most of the 1960s a major premise of the U.S. policy toward Cyprus was that the rule of Makarios—though prickly to U.S. and NATO interests—was the least objectionable of the leadership alternatives. But beginning in 1970 a number of serious attempts at putsch and assassination were launched against the Archbishop (as previously described) at the instigation of the Athens regime. Appeals from the U.S Embassy in Nicosia and the Cyprus Desk in Foggy Bottom that these activities be decried strongly in Washington and in Athens were ignored by Kissinger and opposed by Tasca

The prevailing view of Makarios was that he was unreliable, demagogic, anti-Western, and obstructive to any final settlement of the Cyprus problem. This royalist, Byzantine church patriarch and master political tightrope walker was being caricatured as a "Castro of the Mediterranean." If he bore comparison with another Third World leader it would be Sihanouk of Cambodia, whose true political color was also royal blue rather than Marxist red, not Castro. But in the exalted heights of his summit diplomacy, Kissinger had little time, patience, or empathy with such leaders as Makarios or Sihanouk, both survival acrobats struggling to maintain national sovereignty in the shadows of the great power triangle.

The fact that Makarios long winked at American U-2 flights from the British Sovereign Base of Akrotiri in Cyprus and at the operation of CIA radio monitors along the northern coast near Kyrenia—activities for which the United States financially compensated his government—rarely figured into evaluations of the Archbishop—perhaps for national security reasons.

At 12:30 p.m. on the day of the coup in Nicosia, the American Secretary of State received Ambassador Dimitriou and engaged him in perfunctory banter. Who was Nikos Sampson, Kissinger asked the ambassador of the newly installed president in Cyprus. Dimitriou replied that he was considered a paranoid and an egomaniac. Kissinger responded, with a smile. "But I have been called an egomaniac, too."

"You should not compare yourself with Sampson, Mr. Secretary," the Cypriot ambassador answered.

At that point, Kissinger laid down his provisional policy under the confused circumstances of the moment. Normally, he explained, it was the policy of the State Department in the event of a coup to recognize a de facto government. "This we will not do," he said. "We will wait and see. I have not yet gotten a full report from the Embassy. The fact that I receive you indicates that we recognize Makarios as head of state."

Kissinger's matter-of-factness toward the cataclysm in Nicosia struck a number of those who witnessed the exchange. Not even the ritualistic words of diplomacy expressing regret or compassion were uttered on the occasion. "He didn't seem to attach much importance or seriousness to what had happened," recalled an onlooker at the meeting. "Of course, he may have been heavily preoccupied with other things."

Throughout the crisis, the day-to-day voice of U.S. foreign policy was that of Robert Anderson, the State Department press spokesman, at the daily noon briefings. Anderson is a patient, amiable man with limited authority and information. On the day of the coup, he appeared before a crowded room of newsmen and confined himself to the bland declaration that "our policy remains that of supporting the independence and territorial integrity of Cyprus and its constitutional arrangements, and we urge all other states to consider a similar policy." There was no criticism of the violent act of intervention from Greece, nothing said of Makarios' reported assassination. Kissinger called a meeting of WASAG,* and then evenhandedly issued instructions to the U.S. Embassies in Athens and Ankara to urge the two governments to stay out of the conflict. The next day, Anderson's responses at the noon briefing tended to confirm that Kissinger, at least in the Department's public posture, was tilting toward the de facto situation on Cyprus.

"Is the Makarios government the government of Cyprus at the moment as far as we're concerned?" he was asked. "I would rather just not comment on it at all," he replied. The following day he was asked if it were the view of the U.S. government that there had been outside intervention against Makarios. "No," he answered, "in our view there has been no outside intervention." (The preceding three weeks of furious cable traffic between Foggy Bottom and the U.S. Ambassador to Athens would contradict that statement.) Was Kissinger going to meet with Makarios the following Monday as a private citizen, Archbishop, or President, a newsman persisted. The State Department spokesman replied: "He's meeting with Archbishop Makarios."

In Europe, by contrast, there was an immediate flood of endorsement for continued recognition of Makarios as President of Cyprus and a chorus of condemnation of the coup. The British, the Russians, the NATO representativea in Brussels, quickly converged on this common position. Great Britain, with Greece and Turkey, was a guarantor power for the 1960 London-Zurich agreement which conferred national sovereignty upon a unified state of Cyprus. The Russians saw in the professedly nonaligned position of Makarios and the survival of an independent state under his leadership a guarantee that Cyprus would not be transformed into a major NATO bastion.

By midweek, The New York Times led its front page with a leak from within the State Department that "high American officials indicated that the Nixon Administration was leaning more toward" Sampson than Makarios. Kissinger's view, as reflected in the comment of an aide, was that Makarios was "finished politically. He can't go back to Cyprus unless General Ioannides is thrown out in Athens, and even though the junta has problems, that doesn't seem likely now." Still, the regional specialists within the Department were urging the Secretary to make a public declaration in support of the Archbishop in the conviction that it would undermine Ioannides. It was also proposed by some of the experts that the American Embassy covertly use whatever influence it had with the Greek military with the aim of bringing about Ioannides' downfall, but the suggestion was vetoed on the seventh floor Only in retrospect did officials close to Kissinger explain that the Secretary was confident during the week that the days of Sampson and Ioannides were numbered and they would fall as a consequence of their own mistakes. On July 22, about 12 hours before the armed service chiefs of Greece walked into a closed room with Ioannides and asked that he step down in favor of a civilian government, Kissinger appeared at a press conference and made the one salient act of accurate prophecy that the Cyprus crisis was to accord him. "There have been reports, with which you're familiar, that there may be a coup in Greece at this moment."

Differences in approach between the desk-level specialists on the fourth floor of the State Department and the seventh floor now were to crystallize as the Cyprus tragedy was enlarged by the Turkish invasion. Complaints began to be voiced at the top of the State Department at news stories which appeared to contain unflattering snipes at Administration strategy from lower levels of the Department. The underlying feeling at the top was that those who were running the Department had the whole strategic and geopolitical picture; the specialists were being parochial and didn't understand. The strains within the bureaucracy were accentuated by a most untimely game of musical chairs which took Cyprus, Greece, and Turkey out of the Near East Division, putting the Cyprus dispute, while it was white-hot, into the hands of a set of new regional managers—Assistant Secretary for European Affairs Arthur Hartman and his deputy Wells Stabler. In bureaucratic terms, history begins when a policy-marker first takes up a new problem, and so it happens that foreign policy is sometimes conducted in a void of institutional memory.

"We have done it your way for 10 years. Now we are going to try it our way."—Bulent Ecevit

On the night of July 17 Kissinger dispatched Undersecretary for Political Affairs Joseph Sisco to the Eastern Mediterranean on what the experts all considered to be a Mission Impossible—to prevent the Turks from invading. Sisco was a skilled negotiator who had gone to Cyprus with George Ball in 1964 to avert a Turkish invasion. His reputation was that of a forceful and tireless bargainer who could bluster and charm and who, in fact, considered himself the most senior State Department expert on Cyprus.

Nonetheless, the circumstances of July 1974 were no longer comparable to those of 1964 or to the crisis of 1967, when President Johnson bluntly threatened the Turks with military abandonment by the United States should they invade the island on behalf of their embattled ethnic minority. Already in 1974 the Turkish government had flounted U.S. authority by cancelling the ban on opium poppy cultivation in Anatolia.

For more than 10 years they had been waiting for an opportunity to establish a stronger position on the island where descendants of the former masters of the Ottoman Empire were being abused by descendants of their former subjects, the Cypriot Greeks. Since the humiliation of 1964, when Turkey bowed to U.S. pressure, Turkish forces had been rehearsing for amphibious air operations against Cyprus.

In the words of a senior Turkish official who was deeply involved in the diplomacy of the July crisis: "The Greeks committed the unbelievably stupid move of appointing Sampson, giving us the opportunity to solve our problems once and for all. Unlike 1964 and 1967 the United States leverage on us in 1974 was minimal. We could no longer be scared off by threats that the Soviet Union would intercede."

Nevertheless, Sisco flew first to London to meet with British Foreign Minister James Callaghan and Turkish Prime Minister Bulent Ecevit. Then he embarked on a round-the-clock mission of shuttle diplomacy between a toughening, intransigent government in Ankara and an unraveling military dictatorship in Athens. During his first few hours in Greece, the trouble-shooter from Washington, to his immense exasperation, was unable to make contact with what passed for the Greek government. He finally managed to arrange a meeting with the elusive Ioannides, his chief of staff, General Bonanos, and Prime Minister Androusopoulos in Athens. Sisco told the Greeks of his contacts with Ecevit and the intolerability of the Sampson regime in Nicosia to the Turks. He asked what steps the Greeks were prepared to take that might lead to a resumption of talks between the two governments. "I come here as a friend and a representative of a NATO ally," Sisco announced.

Ioannides excused himself without comment after 15 minutes.

Sisco flew off to Ankara on the evening of Friday, July 19, and made a direct appeal to Ecevit for more time. But there was no concealing the fact that he had come back from Athens empty-handed. Ecevit replied that the Turkish cabinet would consider Sisco's request, but offered little hope.

Sisco returned to the American Embassy to await the outcome and cabled Kissinger that he was deeply pessimistic. At about 4:00 AM, Ecevit again received Sisco and informed him of the collective decision. "We have done it your way for 10 years," Ecevit reportedly told Sisco. "Now we are going to try it our way." Shortly after dawn on the morning of July 20, as Sisco stood on the tarmac of the airport in Ankara awaiting a plane back to Athens, Turkish warships steamed toward the northern coast of Cyprus. Depressed and deeply frustrated at his inability to prevent the Turkish action, Sisco cabled Washington and recommended that he be allowed to come home. Kissinger's response, one member of the State Department's Cyprus Task Force recalled, was to threaten that he would himself go to the East Mediterranean to take over the crisis mediation. It was not clear whether his warning was in grim humor or was serious.

Sisco plodded back to Athens—embarked now on the task of arranging a cease-fire. This time, however, the forces of government disintegration in Athens were working in favor of the American diplomat rather than against him. For two more days and nights Sisco and the American Embassy staff sought to reach out by telephone and personal visits into the murky depths of the Greek government to press for a cease-fire. There was a meeting at the Greek Pentagon with Ambassador Tasca and the Commander-in-Chief of Hellenic forces, General Bonanos. "We were trying to stop the Greeks from escalating with our assurances that we do all we could to stop the Turks from advancing," one American participant recalled. Ioannides had secretly issued orders preparing Greek forces for attacks on the Turkish ships in Cyprus as well as along the Greek-Turkish border along the Evros River in Thrace. Throughout the sequence, the Americans remained holed up in the Embassy. Sisco slept on a couch in the office of the deputy chief of mission when he slept at all.

Unknown at the time to the Americans, a remarkable political melodrama was beginning to play itself out in the Greek Pentagon: the revolt of the chiefs of the Greek armed services against the austere and fearsome Ioannides.

"This is the goddamndest government I have ever had to deal with."—Joseph Sisco

The early mood of jubilation in Athens at the toppling of Makarios had turned to dark premonition with the landing of Turkish forces on Cyprus on the morning of July 20. Although two Greek submarines from Piraeus were already cruising into Cypriot waters for an encounter with Turkish warships, the Greek officers and national guard on Cyprus had no orders to shoot at the invading forces. It was not until Turkish paratroopers began landing on the island that the Greek forces began to react. (This stimulated later conjecture in Greece that Ioannides might not have expected an actual invasion by the Turks.) Large numbers of Cypriot national guardsmen, who were either opposed to the Athens junta or simply frightened, took their guns and went home. The brunt of the fighting was borne by a force of some 400 Greek officers and the remnants of the guardsmen who, though standing their ground against Turkish naval and air bombardment, were taking casualties in dead and wounded of about 50 per cent. On the night of July 20, a relief company of 300 commandos landed under harrowing Turkish fire at Nicosia airport. But they were hardly enough to match the overwhelming power of the invading Turkish forces.

As the two Aegean powers were heading toward a confrontation in Cyprus, Sisco was frantically pressing in Athens and then in Ankara for a cease-fire. Ecevit was on the phone to Kissinger in Washington repeatedly complaining of advancing Greek warships. On one occasion, Kissinger later told American newsmen off the record, Ecevit awoke him in the early hours of the morning to complain that a Greek armada was steaming toward Turkey. "Those perfidious Greeks, you know what they are doing? They are flying Turkish flags to try to fool our aircraft." Nancy Kissinger grumbled sleepily to her husband, "Why don't you tell him to shut up and sink the god-damned thing?" As it happened, the Turks did precisely that, but then discovered that their aerial reconnaissance was in error. The suspected Greek ships were really their own; one Turkish warship was sunk and two damaged. At the Pentagon, U.S. naval authorities began a frantic inventory of all U.S. ships floating in the vicinity of the potential naval theater of war. All the Greek, Turkish, and American ships in the region had been made in U.S. shipyards and consecrated to the defense of the Free World.

On the morning of Sunday, July 21, the heads of the Hellenic armed services met in the Pentagon office of General Bonanos when the aide-de-camp to Ioannides, a Colonel Loukoutos, arrived and made a brisk announcement:

"Gentlemen," said Loukoutos, "a decision has been taken to attack Turkey on all fronts. Cyprus, Thrace, everywhere. Prepare yourselves, gentlemen, the decision has been made."

Army Chief of Staff Andreas Galatsanos was the first to react: "I am not ready to enter an aggressive war," he said. "I'm ready for defense but not for aggression." Others began to express reservations at the decision that was being foisted on them by Ioannides. "The Air Force is ready to carry out its duty," echoed Air Force Chief of Staff Alexander Papanikolaou, "but an air attack would be unwise and have no decisive results." Ioannides had wanted six Phantoms to proceed immediately from Crete to Cyprus to provide air support for the beleaguered Greek forces.

The insurrection against Ioannides had begun in those moments. Prime Minister Androutsopoulos, the man through whom Ambassador Tasca sought to dissuade the junta from striking at Makarios, was by now shaking and incoherent. By the afternoon of July 21 he was nowhere to be seen. Sisco, who had returned to Ankara despite warnings from the Turks that they could not guarantee the safety of his air space, had returned again to Athens and was trying desperately to find a Greek governmental

*The Washington Special Action Group, the Administration's top crisis management group.

presence with whom to arrange a cease-fire. Ecevit had agreed to a cessation of hostilities in a phone conversation with Kissinger and the Secretary relayed the news to Sisco at 2:00 AM. It was at that hour that Sisco tried to make contact with the evaporating government of Greece. "This is the goddamndest government I have ever had to deal with," he was heard exclaiming as he raged about the American Embassy. The prime minister could not be found. Bonanos, the head of the armed services, could not be found. Ioannides, as always, was nowhere to be found. Finally, at 2:40 AM, Sisco and Tasca reached Admiral Arapakis, who was asleep in his office. Would the Greeks accept a cease-fire, Sisco asked Arapakis. "Yes," the Admiral answered. The U.S. Undersecretary persisted: "But can you speak for your government?" Arapakis asked for time to determine that issue.

THE FINAL ACT

The Admiral rang through immediately to Androutsopoulos and Bonanos, who had not been at home to Sisco. "The Americans are fooling us," Androutsopoulos said. "Wait until tomorrow and then we will make a decision." Bonanos also equivocated. So did the Foreign Minister Kypraios. Finally, Arapakis called Sisco back and said yes, he had the sanction of his government. "Did you get the concurrence of General Ioannides?" he was asked. "Yes," Arapakis lied. With this audacious gambit, Arapakis set the stage for the final act in Ioannides' downfall. The cease-fire was proclaimed for the following day at 2:00 PM.

The next morning—July 22—the service chiefs once again met in the plush suite at the general staff building which Greece's former military leader, George Papadopoulos, had refurbished at a cost of some $230,000. They notified President Ghizikis that things could not go on under Ioannides and the civilian politicians would have to be summoned back to power. Ghizikis agreed. The decision was communicated to Ioannides, who joined the commanders and stonily told them they were wrong. He had issued orders and was ready to go to war.

The commanders then went into open rebellion. Papanikalaou, the Air Force commander, icily recalling Ioannides' position as the mere chief of military police, said to the others: "In the name of my country and my children, I don't accept here a decision on such as important matter by a subordinate of ours. We must not accept it." It was the first time that anyone had dared to pull formal rank on Ioannides since he seized power the prior November.

Ioannides got up and slapped the table. "It seems that General Papanikalaou doesn't know me," he said menacingly. The Air Force Chief of Staff retorted: "It is clear that you don't know *me*. If you think you can act, then remember, General, that I also have the means to act."

Ghizikis interrupted: "Gentlemen, the country is in danger. We must not quarrel." Order was re-established and Ioannides, realizing that power had finally slipped from his control, acceded to demands from his former colleagues that he not oppose their decision to call back the civilians. "We have been betrayed," he later charged to a few remaining loyal subordinates. "We have been betrayed in Cyprus and now here." Ioannides made a calculated decision to lie in wait for an opportunity to reassume power in the shambles of governmental transition. By 1:00 PM, invitations were going to the homes of the civilian leaders for a meeting in Ghizikis' office the following day.

On July 23 there was a gathering in Athens such as the capital had not seen since the political curtain of the military dictatorship descended seven years earlier, on April 21, 1967. Gathered around the table with the generals who had been the usurpers of their power were three former civilian premiers of Greece: Panayotis Kanellopoulos, 72-year-old leader of the National Radical Union Party; George Athanasiades-Novas; Spyros Markezinis; Center Union Party leader George Mavros; former Foreign Minister Evangelos Averof-Tositsas; former Defense Minister Petros Garoufalias; and Xenophon Zolotas, former governor of the Bank of Greece.

The military leaders wanted a government immediately. The civilians took the position that any government that was formed needed a wide base of popular support. After two hours of discussion there emerged a consensus that there were only two figures of sufficient national stature to lead a new Greek government out of the immediate chaos—Kanellopoulos and exiled former president Constantine Karamanlis.

Averof, an agile political operator and a man with strong Western allegiances, strongly endorsed Karamanlis. Kanellopoulos and Mavros agreed to discuss privately their prospects for establishing a broad coalition government under the former's leadership. The meeting was recessed for three hours and all the civilians left—all but Averof.

"Only Karamanlis can handle this," Averof told Ghizikis. Then, taking out his address book, Averof said, "He could be here in three hours. Let me call him" Ghizikis agreed. Averof called Karamanlis' residence in Paris and there was no answer. The officers were growing impatient. He then called a cousin in Paris, who reacted first with incredulity and then agreed to take a taxi to find Karamanlis and give him the telephone number of General Ghizikis.

"I need 24 hours," Karamanlis initially responded when Averof asked him to come immediately to Athens. "I can't come like this." And then the generals, one by one spoke to Karamanlis. He agreed to fly from Paris immediately. He had, after all, been waiting years for this moment.

"Let's say that Greece is Denmark and Turkey is Germany."—State Department official.

A cease-fire was in effect in Cyprus, and Greece was back on the road to constitutional government. Cheering crowds and honking of automobile horns gave utterance to the euphoria which swept Athens at the return of democracy to the place where, at least in popular mythology, it was born.

At 11:00 PM on the night of Tuesday, July 23, Ambassador Tasca received a call from Mayros asking him to come to the office of outgoing President Ghizikis and "share our joy." The ambassador accepted and joined the outgoing president, the military commanders, and the civilian politicians who had gathered to await the return of Karamanlis. At one point Admiral Arapakis leaned toward one of the Americans and whispered: "We trust you Americans. You have truly helped us." Bonanos exclaimed exuberantly to Tasca: "Well, how do you like what we've done?" Kissinger at one point was on the phone and talked to several of the Greek politicians. "The Secretary told us, 'that's swell,'" an American onlooker recalled: "The Greeks, meanwhile, were showing us fantastic cordiality. They wanted us with them at this very important moment." In Cyprus, Sampson abdicated, disappearing as rapidly as he had arisen on command from Athens.

Until then the U.S. policy of equivocation on the issue of Makarios, soft public postures, and private mediation was in phase with the disintegrating condition of the regime in Athens. At the moment the cease-fire went into effect at 4:00 PM on July 22, it seemed that a promising state of equilibrium had been achieved in Cyprus. The Turks achieved a territorial foothold, their long-sought "access to the sea" in Cyprus which would enable them to intervene in behalf of the Turkish Cypriots in moments of threat. The new civilian government of Karamanlis could be expected to pursue a line of moderation on the island which might finally produce an intercommunal settlement between the two negotiators, Glafkos Clerides for the Greek Cypriot majority and Rauf Denktash for the Turks.

In Washington, there was a sense of relief at having muddled through another East Mediterranean crisis with Kissinger's telephonic persuasion ("rolling negotiation, a drafting exercise over transatlantic telephone," one American official called it) and a little bit of luck. But once again the seventh-floor mandarins in Foggy Bottom had failed to take into account a major ingredient which would turn the joy into ashes for the Greeks, touch off an unprecedented wave of anti-Americanism in Athens, and threaten to undermine the new constitutional government long proclaimed as a major goal of American diplomacy. Neither Kissinger nor any of his chief aides had any sense of Turkish determination to press the advantage.

The Turks were unwilling to settle even for an improved version of the status quo ante in Cyprus. Premier Bulent Ecevit declared on July 22 that "Turkish presence on the island is now irrevocably established." The 10-mile corridor from Kyrenia to the Turkish sector of Nicosia, he said, "will be a permanent base of strength for the Turkish people on the island." (Ecevit, a translator of T. S. Eliot, a devotee of the Hindu classic, the *Bhagavad-Gita*, and a seminarist at Harvard under Kissinger's tutelage, was flushed with the consummation of what had twice been denied Turkey by President Johnson—a military invasion of Cyprus.) Even as the cease-fire was agreed upon and later ratified at Geneva, the Turkish forces nibbled steadily forward in a low-level prolongation of the war. By August 8, the guarantor powers of the 1960 Cyprus agreement met for a third time at Geneva to grope for a final settlement.

By the time the Turks got to Geneva they were confident of two things: they were the masters of the ground in Cyprus and there was no likelihood of an interventionist power play by the United States such as occurred in 1964 and 1967. During the exploratory cease-fire violations, there were no strong remonstrations from Washington. In fact, the State Department was saying publicly the day before the collapse of Geneva II that "we recognize the position of the Turkish community on Cyprus requires considerable improvement and protection." In Ankara that could well have been interpreted as a green light.

From the outset of the Geneva meeting the Turks appeared determined to impose a permanent solution to the Cyprus question within the framework of the "new realities" on the island. British Foreign Minister Callaghan charged openly that the Turks came to Geneva not to negotiate but to issue an ultimatum to the Greeks. The British appraisal was echoed in off-the-record conversations with American specialists. "The Turks were, in effect, letting the clock run," said one U.S. official who took part in the crisis mediation efforts. "They didn't get the territory they wanted by the end of the first cease-fire and they decided not to stop moving forward until they got it."

From a Turkish standpoint the existence of a Greek-dominated Cyprus, in which the ethnic Turks comprised a quarter of the population, was a national obsession not unlike U.S. apprehensions over Cuba. But the Turks also viewed Cyprus as a geopolitical trump card which it could use to strengthen its negotiating hand on a wide range of Aegean differences with Athens, some of them of more direct concern to Ankara than to the Turkish Cypriots. These included oil exploration and mineral rights in the Aegean, territorial limits, shipping access, air rights, fishing limits, and so on. Even if Ecevit were disposed to be more conciliatory at Geneva, a power military elite in Ankara which was in no mood to compromise was looking over his shoulder. And so despite the harsh words directed at Turkey at Geneva and notwithstanding prior U.N. resolutions, Ecevit was determined that his country would not be denied the fruits of its "golden opportunity" to redress the territorial reverses over the past half-century. Cyprus would be the instrument of enforcement.

Kissinger was privately reported to be telling diplomats that he would not try to stop the Turks until they achieved their territorial objectives.

When on the final day of the conference, August 13, the Greeks asked for a 36-hour recess to consult with their government on the last proposals which they lay on the table, Turkish Foreign Minister Turan Gunes said no. Callaghan remonstrated with the Turkish delegation. "Did you come here to negotiate or didn't you?" he snapped at Gunes.

THE ATTILA LINE

Geneva II adjourned in shambles well after midnight and on August 14 the Turkish troops raced out of their perimeter, the initial occupation force of 20,000 growing to 40,000, and cut the island in half. The Turks finally decamped on a line extending across the entire northern tier of the island. With a public-relations maladroitness of epic proportions they decided to call the new demarcation boundary the Attila Line. Through Attila wss a national hero in Turkey, his name is synonymous with barbarism to the rest of the world. Within the borders of the Attila Line were encompassed the major portion of the Cypriot economy and a Greek population of some 200,000 which turned into a refugee tide flowing southward. After two days of military expansion during which Turkish troops virtualy ran all the way to the Attila Line, the Turks stopped and agreed, yet again, to a cease-fire. At that point Ankara had secured all the territory it wanted.

The failure of Geneva II and the ensuing second Turkish invasion precipitated the first international crisis of the new Ford Administration. There were high-level meetings at the White House and State Department and publicly the United States "deplored" (a word which in diplomatic parlance conveys a higher level of concern than "regretted") the action. The Cyprus crisis had now presented the spectacle of two lesser powers—first the Greek junta and now the Turks—flouting entreaties from Washington against military ventures which seriously endangered the NATO alliance and raised a serious prospect of a full-scale war in the East Mediterranean.

It was the unvoiced conviction of the British at Geneva and the publicly expressed accusation of the Greeks as well as an unattributable view in official U.S. policy-making circles that the United States had not fully used its influence to keep the Turkish military onslaught within tolerable limits. "The Greeks were saying that for seven years the United States had supported the junta and now for seven days we could not support Karamanlis," one American official in Athens recalled bitterly. "There was a real possibility of the overthrow of Karamanlis at that point."

Although State Department spokesmen vehemently denied it afterward, the United States did actively tilt its policies toward Turkey by not applying stronger pressures to Ankara and, specifically, by not using the weapon of a military aid cutoff to full advantage. Kissinger had made a cold-blooded strategic decision that Turkey was more important to U.S. national security interests and to the NATO community than the new and unpredictable Greek government and its volatile electorate. Greece under the colonels had behaved at least with dependability.

In his book, A World Restored, Kissinger chronicled a comparable moment in the history of nineteenth-century Europe. It was during Greece's war of independence in 1821. The two conservators of nineteenth-century balance of power, Prince Metternich of Austria-Hungary and Lord Castlereagh of Britain, counseled the Czar against intervening in the struggle, notwithstanding the bloody Turkish reprisals against the Greek independence forces—notably the hanging of the Greek patriarch and his bishops outside the door of their cathedral in Constantinople. Both Metternich and Castlereagh agreed with regret that while the Turkish excesses were deplorable, humanitarian considerations should be submerged in the interest of maintaining the continental order of which they were the principal architects. Russian involvement in the Greek affair would only be destabilizing, the two statesmen argued.

Turkey's strategic importance today is governed by its position along the Soviet frontier, by its 40-million population (five times that of Greece), by the ring of military bases which serve U.S. and NATO missions, and by the sprinkling of some 20 U.S. intelligence monitoring stations along its borders.

These were the considerations which influenced the "tilt" toward Ankara. As one American diplomat summed up the calculus of U.S. interest at the time: "Let's say that Greece is Denmark and Turkey is Germany. We may be fonder of the Danes, but we *need* the Germans more."

POLITICAL BACKFIRE

The final stage of the Cyprus drama, the Turkish establishment of the Attila Line, set off a gigantic political backfire in a Congress which had become deeply suspicious of the uses of military aid, as a result of Vietnam, and was seeking to assert a stronger influence in foreign policy. The brunt of the case of Kissinger's congressional critics in the Cyprus debacle was posed on legal grounds: The Turks were using American-supplied weapons in a way which was proscribed both under foreign aid legislation and under a 1960 agreement between Turkey and the United States forbidding the shipment of American weapons to Cyprus without Washington's consent. This legal position was sustained in a lengthy and comprehensive opinion provided by the General Accounting Office. It was also sustained in a special legal study ordered by Kissinger from his own State Department legal office. Although there were efforts within the Department to modify the conclusions of the Office of Legal Adviser, those who drafted the study would not be budged. Despite repeated press and congressional entreaties, the in-house opinion was never made public on grounds that is was "an internal working document."

Executive lobbyists from the State and Defense Departments as well as the White House worked the Congress vigorously in an effort to stem the support for a cutoff in military aid to Turkey. This only served, it seemed, to stiffen the backs of the critics, among whom numbered congressmen of Greek descent. In the course of the battle, the Greeks produced a national ethnic lobby which at times almost rivaled in effectiveness and tenacity the pro-Israel lobby of American Jewry. But to label the opposition in Congress under the rubric of the "Greek congressmen," as Kissinger did, was to betray a fundamental misreading of congressional temper not only on the Cyprus question but on the entire range of executive-legislative relations bearing on foreign commitments and foreign aid.

Kissinger chose to confront Congress at a time when his own personal stock had been battered by suspicions on Capitol Hill of his involvement in the national security wiretappings and by the revelations of his role in U.S. covert political warfare against the Allende government. More importantly, he chose to fight on an issue which illustrated the dangerous absurdities inherent in the military assistance programs which stemmed from those very Cold War assumptions that Kissinger's détente policies were making invalid. The specter of two NATO allies plunging into tribal war with American weapons on a Mediterranean resort island was not an edifying prospect on Capitol Hill no matter how strongly the Administration argued the case of Turkish strategic importance.

The Nixon and the Ford Administrations' management of the Cyprus conflict reflected the abiding tendency on Kissinger's part to identify American national security interests with conservative, authoritarian governments dominated, more often than not, by military oligarchies.

There was another course in Cyprus, a range of opportunities for application of U.S. influence which Secretary Kissinger chose not to exercise. This conclusion is supported by a considerable amount of professional opinion within the State Department as well as among men, such as former Undersecretary of State George Ball and former Deputy Defense Secretary Cyrus Vance, who have found themselves in the unenviable role of Cyprus crisis managers.

Leaving aside the history of American support for the military dictatorship in Athens, in itself a sorry chapter of American diplomacy, the United States did have an opportunity to intervene when the U.S.-trained and supplied Greek military regime first signaled its serious intention to conduct a coup against Makarios.

By refusing to use the full range of U.S. influence in Greece, the Administration in Washington was declaring itself, in effect, a hostage to whatever policies the colonels should choose to employ in Cyprus or perhaps in the Aegean against Turkey. For all its solicitude toward the junta in Greece, dictated by concern over U.S. base agreements, the United States now finds itself in the ironic position of having to increase substantially its ante for basing rights and submit to far more stringent restrictions on their location and use.

Another point at which Washington might have intruded with productive effect would have been to join in the public condemnation being expressed by most of the West European community against the attempted assassination of Makarios and the installation of Sampson, a notorious thug and killer, in his place. Such an action, coupled with a strong public policy on military aid to Greece, could have deterred the Turks from feeling the need or finding the justification for intervention. But no such weapon was placed in the hands of Sisco during his shuttle expedition to the East Mediterranean last July.

After the achievement by the Turks of their first cease-fire position in Cyprus in late July, the United Statea could have forcefully told the Turks that they had achieved a sufficient degree of territorial hegemony in Cyprus to protect the Turkish minority and make more compelling the need for a just intercommunal settlement on the island. As it was, the profile of U.S. policy in the Cyprus tragedy was one of vacillation, impotence, and indifference to legal and constitutional principle.

Finally, Kissinger's management of the Cyprus crisis reflected his style of autocratic governance of the foreign policy process, relying on a small circle of subordinates distinguished primarily by bureaucratic loyalty. Although he entered the Secretary's office with a pledge to "institutionalize" foreign policy, his tendency is to distrust and shut out the advice of the professional specialists whose judgments may run counter to his own purposes and preconceptions. The dispatch of Sisco to Athens and Ankara without a strong mandate for action was a striking example of the "deus-ex-machina" approach to diplomacy which gave magician status to

Kissinger during the Vietnam negotiations and earlier phases of his Middle East mediation. The act simply could not go on indefinitely.

INDOOR FACILITIES UNDER BOR LAWS

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, today I am introducing legislation to amend the Land and Water Conservation Fund Act of 1965. This legislation has been previously introduced by my able chairman and good friend on the Parks and Recreation Subcommittee, ROY TAYLOR. I would like to, once again, add my support to this bill that has been worked and re-worked several times over the past few years in both bodies. The primary purpose of this bill is to increase the Land and Water Conservation Fund's ceiling.

In the last Congress, Mr. Speaker, I was a sponsor of legislation which has now been included as a provision of this bill, which is of critical importance to my State of Wyoming. This provision would allow for the use of funds under the 1965 act for the development of certain sheltered recreation facilities.

There has been some contention by some of us over the past years that under the Land and Water Conservation Fund, those States and areas with short "outdoor" activity seasons have not been able to use the moneys available under the fund to their best advantage. In my State of Wyoming, and other more northernly States, we usually have, at best, 2½ months of outdoor swimming weather. Yet, in the warmer parts of the Nation, outdoor swimming pools can be used much of the year, as can other outdoor recreational facilities. If these facilities are to be constructed and approved under the fund, it would only seem reasonable to allow each State to determine if it would like to use a portion of the State's share of the fund to cover swimming pools or other outdoor recreational facilities. If this could be done, they could have the optimum use and provide the greatest recreational opportunities available.

It makes little sense to put money into such facilities and they have them lie idle 9 to 10 months out of the year.

It should be noted that the enactment of this sheltered facilities provision will not result in the expenditure of any additional funds by the Federal Government. The enactment of the bill will not divert land and water conservation funds from the acquisition of recreation lands or the development of outdoor recreation areas. The language in the bill has been tightened over the years to insure that the bill will apply only to the "development of sheltered facilities for recreation activities normally pursued outdoors."

There has been a tremendous support for and response to opportunities afforded through the Bureau of Outdoor Recreation and under the Land and Water Conservation Fund. Such a response is statewide in Wyoming and requests and need for recreational opportunities and funding afforded under the act will no doubt be greatly multiplied as resource development brings a population boom to my State. The support in the Congress has been strong over the years as well, as many States could benefit from a more widespread use of moneys that could be forthcoming from such an expanded fund.

Passage of the bill, along with the provision to allow the States more flexibility in the use of funds to cover facilities would only further the fine programs and facilities developed already under the act and would allow its implementation and benefits to be more equitably enjoyed by all the States. I urge favorable action by the Congress.

BICENTENNIAL FLAGS PRESENTED TO L. B. J. SITES

(Mr. PICKLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, the Nation's celebration of its 200th birthday was set in motion almost a decade ago in 1966 when President Lyndon Johnson signed the legislation setting up the National Bicentennial Commission.

The spirit and vision which led President Johnson to support the Bicentennial movement then is the same spirit which is infecting thousands all across the country today. It is part of the legacy that he and other great leaders have left this country. And it is a legacy left, too, by the smallest individuals through their profound faith and hope in the United States.

Recently President Johnson's boyhood town qualified for and received its own Bicentennial flag, and an additional flag was awarded to the Johnson homesites by the Bicentennial Commission. There, as in so many places in the country, the flags will be proud reminders of the care and concern and honest striving that make up so much of the American spirit.

The flag to Johnson City was presented by our beloved former First Lady, Lady Bird Johnson. I was pleased and honored to be able to present the second flag for the Johnson boyhood home.

The three Johnson homesites, all within a few miles of each other, are drawing more and more visitors. Over 200,000 now annually make the trek off the main roads to visit and grow to understand a little more this hill country boy who grew up to be the greatest civil rights leader in a century and an inspiration to so many in a wide variety of fields.

I would like to reprint in the RECORD at this time some articles from local papers describing the presentation of these historic flags:

[From the Record-Courier, May 22, 1975]

BICENTENNIAL FLAG RAISING CEREMONY SUNDAY

On May 25 the Greater Johnson City Bicentennial Commission and the National Park Service, U.S. Department of the Interior will sponsor a Bicentennial Program to celebrate the presentation of National Bicentennial Flags to the City of Johnson City and Lyndon B. Johnson National Historic Site.

The program will take place at 2:00 p.m. at Lyndon Johnson's Boyhood Home in Johnson City.

Johnson City will receive a flag because it has met the state and national criteria for designation as a National Bicentennial Community. Because of its national significance, LBJ National Historic Site will receive a flag from the American Revolution Bicentennial Administration.

Dr. Joe Frantz, professor of history at the University of Texas, will deliver the main Bicentennial address. The Bicentennial Flag will be accepted for the city by Mayor George Byars.

Congressman Jake Pickle will present the Bicentennial Flag to the park. This will be raised at the end of the ceremony by the Boy Scouts to be followed by the firing of flintlocks by the Spirit of '76, American Legion Post 83, costumed as Revolutionary War soldiers.

Musical selections will be presented by the LBJ High School Band, the Baptist Youth Choir and the Methodist Youth Choir. The Johnson City Cub Scouts will lead the Pledge of Allegiance to the flag.

Alec Gould, park superintendent and chairman of the Greater Johnson City Bicentennial Commission will be master of ceremonies.

Afterwards the audience will be invited to stay for punch and homemade cookies. The Boyhood Home and Johnson Settlement Area—reached by walking or horse-drawn wagons—will remain open until 6:00 p.m.

[From the Record-Courier, May 29, 1975]

SPIRIT OF '76 PREVAILS AT PROGRAM

A blue sky, white clouds and much welcome sunshine graced Johnson City on May 25 as the City and the LBJ National Historic Site received Bicentennial Flags on the grounds of the LBJ Boyhood Home.

Mrs. Lady Bird Johnson presented the city's flag to Mayor George Byars and Congressman Jake Pickle presented the park's flag to Superintendent Alec Gould. Pickle remarked that "with the possible exception of Massachusetts, the State of Texas has more cities and towns designated as Bicentennial communities and the 10th Congressional District has more than any other in the State." State Representative Don Rains presented the State and National Certificates.

Dr. Joe Frantz, a commissioner of the State Bicentennial Commission, delivered the main address. He noted that President Johnson had "set the Bicentennial program in motion" in 1966 when he signed legislation erecting the National Bicentennial Commission.

The Bicentennial Flags were raised by the Johnson City Boy Scouts at the Boyhood Home and the Courthouse with everyone singing America The Beautiful. The Spirit of '76 Color Guard dressed in clothing of the 1776 era then fired a volley with flintlocks and marched with fife and drum.

Alec Gould, chairman of the Greater Johnson City Bicentennial Commission served as master of ceremonies. In introducing Mrs. Johnson he said that "you have shown us in so many ways over the years that you genuinely care about this community. And because you care, all of us care just a little bit more. And that makes this part of God's world a better place for all of us and our children. I know I speak for all the folks who live here, Mrs. Johnson, when I say we love you, we're proud that you are our neighbor and our friend."

Numerous community groups participated in the national designation ceremony: the LBJ High School Band played before the ceremony and performed "Duty-Honor-Country;" the Cub Scouts led the Pledge of Allegiance; the Methodist Youth sang the "Battle Hymn of the Republic" and "God Bless America;" the Baptist Youth sang "Prayer for Peace;" the class of '76 served as ushers; Reverend Harvey offered the invocation, Reverend Akin pronounced the benediction; and Reverend Buckner led "America the Beautiful;" the Future Homemakers of America served punch and cookies after the ceremony. Ladies in the greater Johnson City Area contributed the homemade cookies.

The national designation ceremony was sponsored by the Greater Johnson City Bicentennial Commission and the National Park Service, U.S. Department of the Interior.

[From the Blanco County News, May 30, 1975]

BLUE SKIES HELP SUCCESS OF JOHNSON CITY HONOR AS BICENTENNIAL CITY

JOHNSON CITY.—A blue sky, white clouds and much welcome sunshine graced Johnson City last Sunday as the city and LBJ national historic site received Bicentennial flags on the grounds of the LBJ boyhood home.

Mrs. Lady Bird Johnson presented the city's flag to Mayor George Byars. Congressman Jake Pickle presented the park's flag to Superintendent Alec Gould.

Pickle remarked that "with the possible exception of Massachusetts, the State of Texas has more cities and towns designated as Bicentennial communities and the 10th Congressional District has more than any other in the State."

State Representative Don Rains presented the state and national certificates.

Dr. Joe Frantz, a commissioner of the state Bicentennial commission, delivered the main address. He noted that President Johnson had "set the Bicentennial program in motion" in 1966 when he signed legislation setting up the national Bicentennial commission.

The Bicentennial flags were raised by the Johnson City Boy Scouts at the boyhood home and the courthouse with everyone singing America the Beautiful. The spirit of '76 color guard dressed in clothing of the 1776 era then fired a volley with flintlocks and marched with fife and drum.

Alec Gould, chairman of the Greater Johnson City Bicentennial Commission served as master of ceremonies.

In introducing Mrs. Johnson he said that "you have shown us in so many waya over the years that you genuinely care about this community. And because you care, all of us care just a little bit more. And that makes this part of God's world a better place for us and our children. I know I speak for all the folks who live here, Mrs. Johnson, when I say we love you, we're proud that you are our neighbor and our friend."

Numerous community groups participated in the national designation ceremony: the LBJ High School band played before the ceremony and performed "Duty—Honor—Country;" the Cub Scouts led the pledge of allegiance; the Methodist youth sang a Prayer for Peace; the class of '76 served as ushers; Reverend Harvey offered the invocation, Reverend Akin pronounced the benediction; and Reverend Buckner led "America the Beautiful;" the Future Homemakers of America served punch and cookies after the ceremony. Ladies in the greater Johnson City Area contributed the homemade cookies.

The national designation ceremony was sponsored by the Greater Johnson City Bicentennial Commission and the National Park Service, U.S. Department of the Interior.

LICENSING BACKLOG DEPRIVES PUBLIC OF RADIO-TELEPHONE SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 10 minutes.

Mr. TALCOTT. Mr. Speaker, for years some of us have been deploring this increasing backlog in granting permits for common carrier radio stations.

Previously, we have talked in sterile numbers of backlogs, or changes in backlog numbers from year to year. The impersonal numbers never tell the personal story of frustrations, additional costs, the inconveniences, the deprivation of service, and the leaden bureaucracy which is choking our communication industry.

I want to personalize the problem by listing the specific applications for domestic public land radio permits together with their location and date of application.

Although the Common Carrier Bureau of the FCC is making considerable effort to keep abreast of the backlog, a new and different attack is necessary because the old system and approach is not getting the job done satisfactorily. Higher budgets and additional personnel will not help until the system and concern for public service is changed.

At present, the initial consideration of any newly filed application takes a minimum of 9 months. Following initial consideration, the final determination may take several years depending on a number of elements, including the complexity of the application; the interference-free status of the applicant; whether a protest of the application is entered; and a variety of other elements.

It is conceded that the problems in processing the applications by the Common Carrier Bureau have been twofold—the large turnover in personnel at the engineering level of the Bureau and the large amounts of paperwork.

Applications from the RCC's for construction permits are increasing at present rather than diminishing in number. In addition, new demands on the time of the Common Carrier Bureau are ahead—in the processing of applications for offshore operations and with regard to Docket 18261 and possibly Docket 18262.

More expeditious processing is possible even in the FCC. For instance. FCC's Safety and Special Service Bureau, which licenses radio-telephone services for private users and fire and police agencies requires a maximum turnover of less than 60 days. This compares to a minimum of 9 months for an initial review of RCC's.

This extraordinary licensing time is a drain on the radio common carrier to provide new or innovative services. It invites entry into the market of illegal common carriers.

The rules and regulations promulgated by the FCC have contributed to the burdensome red tape and backlog with no appreciable improvements in the quality of the licensee.

The FCC has the authority to take strong and effective leadership in solving this problem which is so burdensome and frustrating to applicants who are caught in this web of backlogs.

Unfortunately, FCC seems to have tabled the assault on backlogs. FCC likes to discuss the attempts to reduce backlog at budget justification time, but then the problem seems to be swept under the carpet so that more glamorous subjects may be considered.

This is a bureaucratic problem within the FCC that can be solved. New procedures, new systems, new attitudes, new concerns for the Radio Common Carrier will end the backlog and improve this service to the public.

Every district in America is adversely affected. Every Member of Congress should be concerned.

I would like to ask unanimous consent to insert a comprehensive list of applicants which would show the huge backlog personally and dramatically. But there are so many applications still pending that it would cost $1,946.00 simply to list the pending applicants in small print, so I will not make such request. Anyone can check the backlog by consulting the FCC. I wish each Member would do so. There are 857 applications now pending, some dating from May 1968. There are 40 applicants still pending from 1968.

The FCC and the Congress should consider this situation as intolerable.

THE PROPOSED GASOLINE TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS), is recognized for 10 minutes.

Mr. JEFFORDS. Mr. Speaker, I must oppose this gasoline tax on several grounds. It seems to me that after the very heavy price increases resulting from OPEC and American producer price increases in the last 2 years that we should concentrate more on making our machines and buildings more efficient—more fuel economical—rather than adding further burdens on the consumer in the form of a substantial gas tax.

I would consider voting for a gas tax keyed to consumption if I could be assured that we were going to include in the bill a stiff tax on gas-guzzling automobiles, such as I and Representative Fisher and others are offering. The present section on gas-guzzlers is weak, and the committee assumes no tax will actually be imposed as a result of it. If I could be sure that industry was going to do its share, then I could more easily justify placing additional price burdens on our people. And it would be easier to justify the additional burden if I could be sure the people had a choice in conserving gasoline—that is, if more fuel-economical cars were available, then the consumer would be more clearly faced with the choice of wasting and paying for it, or conserving. It also would be helpful to first have a final determination on other positive incentives to conserve.

Thus, I am again faced with the necessity to vote on one issue before knowing how other issues, critical to the first, will be resolved. Yesterday, we had to vote on import quotas and I opposed them—in part because I did not know whether the demand-effecting portions of the bill would be passed. Now we must decide on consumer prices before we know whether the U.S. car industry will provide significant incremental conservation. My point is, the burden ought to be placed first on the industry to get away from gas guzzlers, not to first tax the consumer so he cannot afford the gas guzzler.

There are other problems with the gas tax. First, the tax is not a particularly

effective conservation measure. The committee argues that 1.1 million barrels per day will be saved through this tax by 1985, but the figures on the demand elasticity of gasoline have not been provided to us to show how the figures were arrived at. I note that in the last 2 years, gasoline prices have gone up 40 percent, from 38.5 to 55.1 cents per gallon, yet nationally conservation has not been particularly significant, 1.2 percent. This is a relatively inelastic situation, meaning that the desired savings are more disproportionate to the burden placed on the consumer.

Second, the tax is regressive. It would disproportionately effect lower- and middle-income people in rural America who have fewer choices in commuting to work; for in these areas there are no mass transit systems. Further, a Department of Transportation study shows that a higher percentage of the employed who live in towns of fewer than 25,000 travel more than 15 miles to work than those who live in towns of 25,000 or more.

In addition, the mean income of rural nonfarm and rural farm people is lower than urban dwellers. This is particularly true in Vermont.

From the point of view of floor consideration, this bill approaches our energy problem backward. The logical order for floor consideration should be to first, set forth the goal of energy independence with appropriate dates and allowable oil consumption figures; second, define and establish legislatively positive incentives to reduce consumption, such as tax incentives for insulation, to provide more efficient cars, to provide alternative energy sources, and other methods which have the least detrimental impact on the consumer and the economy. And only lastly, after analyzing the effect of point 2 should we consider such other measures necessary to go the extra mile or miles to reach the goal of energy independence.

In my view this bill is structured to ask us to impose the most detrimental and probably excessive provisions first, and last to consider the positive methods. It is asking too much for us to walk backward and blindfolded into the critical but economically dangerous energy mine field.

ROMANIAN PRESIDENT VISITS UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 2 minutes.

Mr. FINDLEY. Mr. Speaker, the President of Romania, Nicolae Ceausescu, is in Washington today. It is a brief visit but an important one for Romania is a unique country with a special role to play in East-West relations.

Though a member of the Warsaw Pact, Romania has achieved a remarkable degree of independence from Soviet influence. It is the only Warsaw Pact member which refuses to allow joint military maneuvers on Romanian soil or the assignment of Romanian troops beyond its frontiers. This effectively eliminates Warsaw Pact maneuvers.

While a member of the Pact's economic counterpart, COMECON, Romania has pursued an independent course here, too. It is the only member of the International Bank for Reconstruction and Development and the International Monetary Fund. It trades more with non-Communist countries than it does with the Soviet Union and its satellites.

Romania's independent course is longstanding, now going back well over a decade.

In 1964, Romania blocked a Soviet attempt to integrate the economies of the Warsaw Pact countries on Soviet terms.

In 1966, Romania was the first Warsaw Pact nation, other than the U.S.S.R., to recognize West Germany, and establish diplomatic relations despite objections from Moscow and the East Germans.

In 1967, Romania refused to break diplomatic relations with Israel or brand Israel an aggressor after the Six-Day War.

In 1968, Romania refused to participate in the invasion of Czechoslovakia and warned Moscow that a similar move against Romania would be met by force.

In 1969, Romania was the first Communist nation to invite and host an American President on its soil.

In 1971, Romania's President Ceausescu paid a state visit to the People's Republic of China, despite Soviet reaction.

In 1972, when the United States mined the harbor at Haiphong, no Romanian ships were present. Romanian trade with the North Vietnamese declined steadily during the years of the Vietnam war.

Currently, the Romanian position on such pet Soviet projects as an all-European conference of Communist parties sharply diverges from that of other Warsaw Pact states.

Romania has also made moves toward a position of solidarity with the third world non-alined countries in certain international meetings, to the displeasure of its Eastern European neighbors.

As recognition of this strong independent stance, and its importance in relations between the nations of NATO and the Warsaw Pact, in 1969 I introduced a bill to grant most-favored-nation tariff treatment to Romania. Each year since then I have felt a growing urgency for the United States to recognize tangibly the courage of this small country sitting at Moscow's doorstep.

In 1972, 10 of my colleagues from the Ways and Means Committee joined me in reintroducing the bill to grant Romania MFN. They realized that the growing détente between the United States and the Soviet Union makes it more important for the United States to recognize the independence of Romania. As we pursue détente, we must not give the impression that we prefer big power negotiations as a means of solving differences we may have with small powers. To do so would force Romania and other nations under Moscow's thumb.

Relations between the United States and Romania have continued to improve to the point where the only major outstanding problems center around MFN. The Romanians feel that we have discriminated against them, and indeed have not kept a commitment. From the U.S. standpoint, there are limited number of Jews there who wish to emigrate, although emigration from Romania has been far more liberal than from any other Communist country. It seems both fair and reasonable for the United States to grant MFN to Romania, both because of past commitments made and as a way substantially to improve emigration.

With President Ceausescu in Washington, it would indeed, be fitting for the House Ways and Means Committee to expedite favorable action on the resolution approving MFN for Romania.

AMENDMENT TO FEDERAL RULES OF CRIMINAL PROCEDURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, last Friday this House opened debate on the proposed amendments to the Federal Rules of Criminal Procedure. One of the areas in which I am particularly interested is the access provided a defendant to the presentence report. Such reports are routinely prepared between the time a defendant is convicted—or pleads guilty—and the day of sentencing. These documents, which are written by probation officers based on information they collect from various sources, are used extensively by the Federal judges in deciding what sentence should be given to a particular defendant.

One of the amendments to the criminal rules which we began examining last Friday would modify the rule—rule 32(c)—authorizing the preparation of such presentence reports. Under our revisions, probation officers would be required to prepare these reports, except in exceptional circumstances. In addition the amendment would allow the defendant the opportunity to offer testimony to correct factual inaccuracies. Finally the altered rule would give the defendant—and the Government—access to the report in advance of the sentencing date, and allow each to retain a copy in some instances.

It is the scope of the defendant's access to the presentence report with which I am very concerned. Upon the face of amended rule 32(c), it would seem that the court could withhold the entire report if it contained certain objectionable material, such as sources of information received unler a pledge of confidentiality. In such circumstances, it would appear, the court could deny the defendant access to the entire report merely because it contained a few words naming sources of confidential data.

During the debate last Friday, I inquired of the gentleman from Missouri (Mr. HUNGATE), the distinguished chairman of the subcommittee from which these amendments come, whether the amendment to rule 32(c) would in fact allow the district judge to withhold the complete report because of certain information within it. He responded that the intention of the amendment, as written, was to deny to the defendant only that portion of the presentence report which contained the objectionable material.

It would seem the better course to clarify the language of the amendment to state that a defendant has a right to see the presentence report with the exception of those portions expressly omitted by Congress. A few weeks ago this House passed the Parole Reorganization Act of 1975 which contained a similar provision giving a prisoner access, during a parole hearing, to the same presentence report with the same exceptions. That bill specified that only certain parts, not the whole report, could be withheld. There is no reason for taking a different approach in the criminal rules.

As a consequence, I propose to offer an amendment to rule 32(c) which would clarify the point. By substituting the words "but not to the extent that" for the word "unless" in line 18 on page 19 of H.R. 6799, we can accomplish that goal with ease. I have had that amendment published in the CONGRESSIONAL RECORD of Tuesday, June 10, at page 18063, and will offer it for consideration and adoption when our debate on the criminal rules continues.

LET'S LOOK AT DOMESTIC GRAIN INSPECTION AND TESTING, TOO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. MELCHER), is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, for the benefit of my colleagues in the House and Senate who are urging, planning or conducting investigations of the grain inspection, weighing and grading scandals at export terminals, I would like to advise that I have asked the Department of Agriculture and the General Accounting Office to look into a case in which a relatively small Montana elevator feels that it has been "ripped off" $60,000 to $90,000 by being cheated on low protein tests at the terminal market in Portland, Oreg.

The case involves the Big Sandy Grain Elevator Co., at Big Sandy, Mont. The secretary of the elevator advised me recently that at the time of shipment they have their grain tested by the Great Falls grain testing laboratory, a State and federally recognized facility. When it arrives at Portland, it is again tested by an Oregon lab and the Big Sandy Elevator is paid on the basis of the tests at terminal—not on the basis of the origin tests at Great Falls, Mont.

Until the grain inspection scandals broke, most of the terminal tests for protein in wheat ran below the Montana tests, resulting in substantial losses to the Big Sandy Elevator. Most of the tests ran 0.4 to 2 percent lower on protein than at Great Falls, resulting in an average loss to the Big Sandy Elevator of about 10 cents per bushel in protein premiums on over 50,000 bushels of wheat shipped to Portland in recent months alone. The $60,000 to $90,000 loss is the manager's estimate of 5 years' losses to the elevator as a result of variances in tests.

Since the grain inspection scandals have been publicized, the Portland tests have been running over the local tests on protein content, which is a rather interesting coincidence.

The elevator company tells me that it has been unable to get certified copies of the Portland tests from the commission firm that handles their grain and which arranges for the tests. The elevator company has itself complained to USDA, but without results so far.

Over the years, dissatisfaction with terminal tests has resulted in efforts to require acceptance of origin tests on grain, but these efforts have always been unsuccessful. Grain buyers feel that the rural, private testing agencies, although licensed, tend to favor the local shippers to encourage them to continue to patronize the local, private testing services.

Whether there is anything dishonest going on in the domestic testing business, the present testing and inspection system is not wholly satisfactory, especially when it results, as it sometimes does, in variances that mean substantial losses to country elevators or to farmer-producers who ship direct.

I include in the RECORD an article which has just been brought to my attention from today's Des Moines Register revealing concern in Iowa about conflicts of interest in our present interior or domestic grain inspection and grading system.

Iowa State Secretary of Agriculture Robert Lounsberry has called attention to potential conflicts of interest in some Iowa grain inspection stations, calling particular attention to Cedar Rapids and Des Moines inspection services directed by officials of large grain buying and handling firms.

SEES CONFLICTING INTERESTS IN IOWA GRAIN INSPECTION STATIONS

Iowa Secretary of Agriculture Robert Lounsberry suggested Tuesday that conflicts of interest may exist in some grain inspection stations in Iowa.

Lounsberry said at least two of the 11 federally licensed agencies that inspect Iowa grain to be exported appear to be controlled by officials of companies that also buy and sell grain. He added that the companies may have a financial interest in how the inspectors grade.

Lounsberry identified the two inspection stations with potential conflicts as the Des Moines Grain Exchange and the Cedar Rapids Chamber of Commerce Grain Service, Inc.

Both are designated by the U.S. Department of Agriculture (USDA) as official grain inspection agencies and they hire federally licensed grain inspectors.

"There may not be anything wrong but the temptation is obvious," said Lounsberry.

Lounsberry said the boards of directors of the two Iowa inspection organizations include officials of grain companies.

He said the Cedar Rapids Chamber of Commerce Grain Service includes board members who are officials of the Quaker Oats Co., Cargill Inc., Corn Sweeteners, Inc., Cargill Cornstarch and Syrup, Penick and Ford, Ltd., and Tabor and Co.

He said the Des Moines Grain Exchange is governed by officials of General Mills, Inland Mills, Cargill Inc., the Farmers Grain Dealers Association, Swift and Co., the West Des Moines Grain Co. and Ralston Purina.

James Tuttle, manager of the Des Moines Grain Exchange, said, "I don't see any conflict in the way we operate in this market."

Tuttle said he operates under a board of directors that represent the grain companies. But he pointed out that inspections here are supervised by the USDA, "in some aspects almost daily."

Robert Faxon, executive director of the Cedar Rapids Chamber of Commerce, also pointed out that the USDA supervises the grain exchange in that city, and added: "If the USDA finds there is any problem with any members of our board, they obviously will be changed. That's all there is to say at this time."

Lounsberry said potential conflicts, also may exist in other grain inspection stations in Iowa, but he said he has not checked the ownership of those stations.

OTHER AGENCIES

Lounsberry said the 11 grain inspection agencies in Iowa are, in addition to the Cedar Rapids Grain Service and the Des Moines Grain Exchange:

David R. Schaal of Belmond, the Burlington Chamber of Commerce Grain Inspection Department; John Richard McCrey of Clinton, the Davenport Grain Exchange, Inc.; the Eastern Iowa Grain Inspection Service, Inc. of Dubuque; A. V. Tischer and Son, Inc. of Fort Dodge; Keokuk Grain Inspection Service Inc.; McGregor Grain Inspection and Weighing, and the Sioux City Grain Exchange.

While we are investigating inspection, weighing and grading scandals, we should include a careful examination of how our domestic inspection system, involving private, licensed testing agencies, is working and settle some of the questions that have arisen about its accuracy, reliability, and integrity.

DEPARTMENT OF DEFENSE RECRUITING RESULTS FOR APRIL, FISCAL YEAR 1975

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DANIEL. Mr. Speaker, the figures I am placing in the RECORD today show that the total strength of the four military services at the end of March, 1975, was 2,135,000 or 99.9 percent of their March target of 2,138,000. Strengths by service are compared with their June 1975 objectives as shown in the fiscal year 1976 budget request in the table below:

ACTIVE MILITARY STRENGTH

[In thousands]

	March 1975 (preliminary)	June 1975 (objective)
Army	775	785
Navy	543	536
Marine Corps	197	196
Air Force	621	612
Total DOD	2,135	2,129

ENLISTED ACCESSIONS, ALL SOURCES

Service	April 1975		
	Objective	Actual	Percent
Army	9,200	9,800	107
Navy	6,300	6,700	106
Marine Corps	2,900	2,900	100
Air Force	5,800	6,100	105
Total DOD	24,300	[1] 25,500	105

[1] 25,500 men and women were recruited in April which was 105 percent of the total objective of 24,300.

Ninety-eight percent of all nonprior service enlistees were in mental categories I–III which are the average and above average mental groups. The April proportion was equal to that of March and reflects a continuation of the favorable recruiting climate that has existed

in recent months. Of the new enlistees 80 percent were high school graduates, and 10 percent or 2,300 were women. Black enlistments accounted for about 13 percent of the April enlistments. The services also recruited about 2,500 prior service personnel.

The total selected reserve strengths declined slightly during March.

SELECTED RESERVE STRENGTH

[In thousands]

	End strength		Average strength	
	March 1975 (preliminary)	February 1975 (actual)	Fiscal year 1975 through March	Fiscal year 1975 appropriated
Army National Guard	393.8	393.0	393.4	400.0
Army Reserve	228.3	228.8	230.4	225.0
Navy Reserve	104.8	106.1	109.3	111.9
Marine Corps Reserve	32.8	32.7	32.2	36.7
Air National Guard	94.0	94.1	93.8	95.0
Air Force Reserve	47.4	46.8	45.9	51.3
Total DOD	901.0	901.4	905.0	919.9

SINGLE 6-YEAR TERM FOR PRESIDENT

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, yesterday, I introduced a House joint resolution to amend the Constitution to provide for a single, 6-year term for the President of the United States. The amendment would become effective if ratified by the legislatures of three-fourths of the States within 7 years after the date of its submission to the States by Congress.

The issue of Presidential term has been hotly debated since the convening of the first Constitutional Convention. Since that time scores of various proposals have been introduced to change the President's term of office, most of them similar to the constitutional amendment I am introducing today. Indeed, in 1875 and again in 1912 the House Judiciary Committee favorably reported amendments which would provide for a single 6-year Presidential term, and in 1913 the Senate actually passed a resolution providing for a single 6-year term. To date, however, the only change which has been made in Presidential tenure was, of course, the 22d amendment which limited the President to two 4-year terms.

Mr. Speaker, I believe it time in the evolution of the United States and with the sobering perspective and hindsight of the so-called Watergate crisis that further reform be enacted. Over the past several years this Nation has come to know all too well the effect of partisan politics on the Presidential office. We have witnessed Presidential politics corrupt our political system; institute a constitutional crisis, and create the precarious instability of a leadership vacuum which wounded this Nation both internally and internationally.

Having been concerned by Presidential reelection politics long before Watergate and being doubly concerned now by the potentials for abuse, I believe it in the interests of this Nation to limit the President to a single 6-year term. Clearly, the President of the United States is the single most important person to the successful overall functioning of our Government and of our Nation.

The President should represent all Americans and devote himself wholly and impartially to the problems of the Nation as a whole. I wish that it were somehow possible to entirely erase political considerations from the Presidential office, but due to that obvious impossibility, we can at least provide for the removal of reelection politics. In my estimation the overwhelming responsibilities and demands of the Chief Executive and the scope of his powers and duties are not compatible with the partisan demands of campaigning and reelection. Neither this Nation nor theoretically the President himself can afford to treat the complex decisions of international and domestic affairs in a partisan light. The problems and decisions facing this country must be resolved in a rational, thoughtful way, judging all alternatives, and adopting the course which is best for the Nation—not for the incumbent President's party or for the President's reelection image or for the vagaries of the polls.

As stated previously, the issue of Presidential tenure has been long debated, and there are those of course who have argued against a single 6-year Presidential term. Some object that such a limitation would make the President a "lame duck" from the outset of his term and that his powers would be dimished due to the realization that he will not be reelected. This same objection, however, can be leveled at the second term for which a President is currently eligible, is lessened by the lengthening of the term from 4 to 6 years, and is offset by the fact that the President would still retain all the full powers, including those of appointments and veto, now provided him under the Constitution.

Other say that 6 years is too long—that "4 years is too short for a good President but 4 years—or 6 years for that matter—is too long for a bad one." This argument, I believe, carried some weight until the constitutional crisis of last year. However, we now know that the constitutional removal process of Presidents is not merely something written on paper but is actually a process which can be adopted and works. If 4 years is too short for a good President, then this amendment allows him 6 years. If 4 years or 6 years is too long for a bad President, then the Constitution provides for the powerful recourse of removal.

Other objections focus on the fact that removing the President from the discipline of facing reelection would encourage irresponsibility, too much independence, and total disregard for the needs and desires of the American people. Again, however, this objection can be easily countered. In the first instance, the President would still retain a great interest in furthering the electoral strength and image of his party and would hardly undertake the disastrous decisions envisioned by these opponents. Second, we know from past electoral experience that unfortunately far too many of a President's partisan decisions are not taken on behalf of the American people but rather to woo special interests or moneyed groups which the Presidential reelection campaign has decided it needs. Indeed, removing reelection politics from the Presidency would strike a critical blow to such special interest politics and eliminate the temptation to improperly use the powers, privileges, and patronage of his office. Third, removing the President from the pressures of reelection would do a great deal to refocus both public and congressional attention on policies rather than on politics or personalities. At present, much of Presidential policymaking involves partisan attacks which confuse what should be knowledgeable debates on the demerits and merits of the offered proposals. Along this same line of thinking, an added attraction of preventing Presidential succession would be to also refocus congressional electoral politics on issues rather than party affiliation during Presidential election years. Rather than having a strong President sweep in congressional candidates from his party on his coattails or having a bad President destroy the opportunities for qualified congressional candidates from his party, congressional elections would be more independent of the vagaries of Presidential politics and would better be decided on the qualities and qualifications of the candidates themselves rather than on public attitudes toward the incumbent President.

Mr. Speaker, after full reflection on the pros and cons of limiting Presidential tenure to a single 6-year term, I am now convinced that the best interests of the country will be furthered by adoption of this constitutional limitation. I am therefore taking this opportunity to introduce this amendment to the Constitution and would further direct the attention of my colleagues to the recent Newsweek article by former White House aide, Jack Valenti, which, in my estimation, succinctly states the case for a 6-year limitation on Presidential tenure.

A SIX-YEAR PRESIDENCY?

(By Jack Valenti)

If the Watergate mess tells us anything, it is that the re-election of a President is the most nagging concern in the White House and that, given the limits of human nature, it is altogether possible that the first item on the agenda of an incoming Administration is its re-election. There is really nothing sinister in this objective—it'a the most normal thing in our politics.

But, at the risk of stepping on the droppings of shrewder and wiser philosophers, I think the time has come for changing the rules by which Presidential politics are played. My proposal is a single six-year term for the President with no re-election eligibility.

Two of the most respected of all United States senators, Majority Leader Mike Mansfield of Montana and senior Republican George Aiken of Vermont, have both sponsored such an idea. They believe that while we ought not to tinker too much with the constitutional machinery, we can rearrange a bit of the constitutional furniture.

THE JUDGMENT OF HISTORY

Consider for a moment the election of a new President, under a six-year term. He takes office knowing that he cannot seek re-election, that he will make his place in history, for better or worse, on the deeds and achievements of the next 72 months of his stewardship. He has only to do what he thinks is right, with the sure understanding that he must heed the people, for they are co-authors of the record he will leave to the historians. It is this judgment that most Presidents are keen to certify; they value it far above the Great Gallup Poll in the Sky that measures their popularity rather than their legacy.

Should taxes be raised? Should rationing be instituted? Should troops be withdrawn? Should wrongs be righted even though some voters are offended? If the election is a year or two away, you can mark it down as a Major Truth that a first-term President will carefully weigh the effects of whatever he does on his second-term prospects. Kenneth O'Donnell, JFK's closest political aide, wrote some years ago of a conversation President Kennedy had with Senator Mansfield in 1963 during which the senator urged JFK to get the hell out of Vietnam. To which, according to O'Donnell, the President wryly confessed he wanted to do just that, but he had to wait after the election lest he be swamped at the polling booths.

Watergate would never have occurred if Presidential aides were not obsessed with re-election. If they had been comfortable in their tenure, knowing that in six years they would lose their lease—and in that short time they must write their record as bravely and wisely as possible—is it not possible that their arrogance might have softened and their reach for power might have shortened?

The counter-arguments to the six-year term are (1) the President must not be freed from considering the political implications of his acts or he becomes isolated from the people, and (2) he is a lame duck the day of his election.

Let's consider those two arguments.

POWER AND POLITICS

Don't we make the President a lame duck now the day he is elected to his second term? Does that hamper him? Of course not. The President has such power that he can wield it sufficiently and with precision to the last weeks of his tenure. President Johnson signed into law two of the most controversial pieces of legislation of his Administration in the last seven months of his office, the equal-housing and tax reform acts. The powers of appointment, of veto, of budget making, of initiation of programs, of moral suasion—these are all intact, fully armed and borne by him until his successor is sworn in. Lame-duckism is a myth in the Presidency.

A six-year-term President is not isolated and divorced from the daily political marketplace. Any President who wants to pass a bill, build a budget, construct a program, implement a plan, make a treaty, negotiate at a conference must be sensitive to the people and the Congress. He must act within the framework of the separation of powers; he is powerful, but he is not all-powerful. Common sense dictates his actions, and his own sensitivity to his place in history freights his very move. Therefore it follows, quite reasonably, that the President who would write a durable and measurably valuable record must persuade the Congress and the people.

The Congress and the Supreme Court (the one answerable often to the voters, and the other secure behind lifetime tenure) have only to exercise their power under the Constitution and the insensitive President, opaque to the nation's needs, can be pressured to straighten up and fly right.

We must always remember that a President's noblest stirring is toward his place in history as a Good, perhaps Great, President. If we abort his other objective, his re-election, we reduce the potential for mischief and leave the better angels undisturbed.

We should also factor into our decision the time consumed in the re-election campaign. Some two and a half years after a President is inaugurated, the elephantine apparatus of the Federal establishment moves to provision the re-election caravan. Energy, money and time are thrown into the job of precinct winning.

Why waste this effort and treasure? We no longer have the luxury of slow communications, of ships taking a month to cross the ocean, and the slow seepage of political impact. Today we deal in eight minutes to catastrophe, or the time it takes a MIRVed missile to hurl itself across borders. The stakes in the game have become too high to indulge ourselves in what seemed all right a century, or even three decades, ago.

The Founding Fathers understood the possibility of change: they built the amendment mechanim into the Constitution. We have used this mechanism 26 times, mostly to our great benefit—and we should use it again to bring about the six-year Presidency.

A HOSTAGE TO EMERGENCY

Churchill once observed: "The amount of energy wasted by men and women of first-class quality in arriving at their true degree before they begin to play on the world stage can never be measured. One may say that 60, perhaps 70 per cent of all they have to give is expended on fights which have to other object but to get to their battlefield."

That dusty, wasteful system is no longer acceptable in a world living on the nerve edge of disaster. The Presidency today is hostage to emergency. Every moment devoted to getting re-elected squanders the most precious resources of the Presidency—and the nation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MOORE), to revise and extend their remarks, and to include extraneous matter:)

Mr. HASTINGS, for 20 minutes, on June 12.

Mr. TALCOTT, for 10 minutes, today.

Mr. JEFFORDS, for 10 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. STEIGER of Arizona, for 15 minutes, today.

Mr. FINDLEY, for 2 minutes, today.

(The following Members (at the request of Mr. WAXMAN), to revise and extend their remarks, and to include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. DRINAN, for 5 minutes, today.

Mr. MELCHER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BRADEMAS, and to include extraneous matter, notwithstanding the fact that it exceeds 2 pages of the RECORD and is estimated by the Public Printer to cost $2,015.50.

Mr. KOCH to extend his remarks during the debate on the energy bill to include extraneous material.

(The following Members (at the request of Mr. MOORE) and to include extraneous matter:)

Mr. SARASIN in two instances.

Mr. FORSYTHE.

Mr. TALCOTT in two instances.

Mr. MILLER of Ohio in six instances.

Mr. MCKINNEY.

Mr. MICHEL.

Mr. JEFFORDS.

Mr. PRESSLER.

Mr. GRADISON.

Mr. BEARD of Tennessee.

Mr. BURGENER.

Mr. TREEN.

(The following Members (at the request of Mr. WAXMAN) and to include extraneous material:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. TRAXLER in three instances.

Mr. FRASER in two instances.

Mr. EDWARDS of California.

Mr. ROSENTHAL in 10 instances.

Ms. HOLTZMAN in two instances.

Mr. ROYBAL in two instances.

Mr. HAWKINS in two instances.

Mr. SOLARZ.

Mr. DRINAN.

Mr. DINGELL in two instances.

Mr. MANN.

Mr. ADDABBO.

Mr. HOWE.

Mr. BEARD of Rhode Island.

Mr. EVANS of Indiana in 10 instances.

Mr. BONKER.

Mr. MACDONALD of Massachusetts.

Mr. EVANS of Colorado.

Mr. ST GERMAIN.

Mr. BRINKLEY.

Mr. STEPHENS.

Mr. MCDONALD of Georgia in three instances.

Mr. MCCORMACK.

Ms. ABZUG.

Mrs. BOGGS in two instances.

Mr. HARRINGTON in two instances.

Mr. DOWNEY of New York.

Mrs. BURKE of California in two instances.

Mr. MILLER of California.

Mr. BRADEMAS.

Mrs. SPELLMAN.

Mr. WIRTH.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1662. An act to amend the Food Stamp Act of 1964, and for other purposes; to the Committee on Agriculture.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 441. An act to amend the Forest Pest Control Act of June 25, 1947.

ADJOURNMENT

Mr. WAXMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly—at 8 o'clock and 40 minutes p.m.—under its previous order, the House adjourned until Thursday, June 12, 1975, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1211. A letter from the Commissioner, Bureau of Reclamation, Department of the Interior transmitting notice of the proposed review of the criteria for coordinated long-range operation of the reservoirs of the Colorado River, promulgated pursuant to section 602 of Public Law 90–537; to the Committee on Interior and Insular Affairs.

1212. A letter from the Controller, American Chemical Society transmitting the annual report and audit of the Society covering calendar year 1974, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1213. A letter from the Chairman of the Board, U.S. Naval Sea Cadet Corps transmitting the audit report of the Naval Sea Cadet Corps for the year ended March 31, 1975, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1214. A letter from the Assistant Secretary of the Army (Civil Works) transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Baltimore Harbor and Channels, Maryland and Virginia, requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 16, 1958 (H. Doc. No. 94–181); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

RECEIVED FROM THE COMPTROLLER GENERAL

1215. A letter from the Comptroller General of the United States transmitting a report on the audit of the Federal Deposit Insurance Corporation for the year ended June 30, 1974, pursuant to section 17(c) of the Federal Deposit Insurance Act [12 U.S.C. 1827] (H. Doc. No. 94–182); to the Committee on Government Operations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee of conference. Conference report on H.R. 4221 (Rept. No. 94–278). Ordered to be printed.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 5620. A bill to amend the act of August 20, 1963, as amended, relating to the construction of mint buildings; with amendment (Rept. No. 94–279). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 6151. A bill to authorize appropriations for services necessary to nonperforming arts functions of the John F. Kennedy Center; with amendment (Rept. 94–280). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on International Relations. H.R. 7567. A bill to amend the Arms Control and Disarmament Act, and for other purposes; (Rept. No. 94–281). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. H.R. 6692. A bill to authorize appropriations for the period July 1, 1976, through September 30, 1976; with amendment (Rept. No. 94–282). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 533. Resolution providing for the consideration of H.R. 7001. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes (Rept. No. 94–283). Referred to the House Calendar.

Mr. YOUNG of Georgia: Committee on Rules. House Resolution 534. Resolution providing for the consideration of H.R. 7500. A bill to authorize appropriations for the Department of State, and for other purposes (Rept. No. 94–284). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 535. Resolution providing for the consideration of H.R. 7545. A bill to increase the temporary debt limitation (Rept. No. 94–285). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAUCUS:

H.R. 7780. A bill to suspend the Secretary of the Interior's authority to lease Federal coal lands; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

H.R. 7781. A bill to amend the National Security Act of 1947 to define more specifically the jurisdiction of the Central Intelligence Agency, and for other purposes; to the Committee on Armed Services.

By Mr. BRADEMAS (for himself, Mr. BELL, Mr. PERKINS, Mr. MEEDS, Mr. PEYSER, Ms. CHISHOLM, Mr. LEHMAN, Mr. PRESSLER, Mr. CORNELL, Mr. BEARD of Rhode Island, Ms. HECKLER of Massachusetts, Mr. ZEFERETTI, Mr. THOMPSON, Mr. HAWKINS, Mr. FORD of Michigan, Mr. BENITEZ, Mr. SIMON, Mr. DUNCAN of Tennessee, Mr. PATMAN, Mr. KOCH, Mr. GILMAN, Mr. ROSTENKOWSKI, Mr. PRITCHARD, Mr. MOORHEAD of Pennsylvania, and Mr. MELCHER):

H.R. 7782. A bill to amend and extend the National Foundation on the Arts and Humanities Act of 1965, to provide for the improvement of museum services, and to provide indemnities for exhibitions of artistic and humanistic endeavors, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. BELL, Mr. BROWN of California, Mr. CORMAN, Mr. DRINAN, Mr. EDWARDS of California, Mr. EILBERG, Mr. HARRINGTON, Mr. HEINZ, Mr. HELSTOSKI, Mr. MCHUGH, Mr. MIKVA, Mr. PATTEN, Mr. ROE, Mr. ROSENTHAL, Ms. SPELLMAN, Mr. STARK, and Mr. SYMINGTON):

H.R. 7783. A bill to amend and extend the National Foundation on the Arts and Humanities Act of 1965, to provide for the improvement of museum services, and to provide indemnities for exhibitions of artistic and humanistic endeavors, and for other purposes; to the Committee on Education and Labor.

By Mr. GRADISON:

H.R. 7784. A bill to provide for an abandoned mine reclamation fund; to the Committee on Interior and Insular Affairs.

By Mr. GUDE:

H.R. 7785. A bill to provide for determination through judicial proceedings of claims for compensation on account of disability or death resulting from disease or injury incurred or aggravated in line of duty while serving in the active military or naval service, including those who served during peacetime, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HEINZ (for himself, Mr. BEARD of Rhode Island, Mr. DRINAN, and Mr. WOLFF):

H.R. 7786. A bill to amend the Older Americans Act of 1965 to provide relief for older Americans who own or rent their homes; to the Committee on Education and Labor.

By Mr. HEINZ (for himself, Mr. DRINAN, Mr. FITHIAN, Mr. FORD of Michigan, Mr. GILMAN, Mr. LEGGETT, Mr. MCKINNEY, Mr. MITCHELL of New York, Mr. RICHMOND, Mr. ROE, Mr. SOLARZ, Mr. J. WILLIAM STANTON, Mr. FLOOD, Mr. KOCH, and Mr. TRAXLER):

H.R. 7787. A bill to amend the Interstate Commerce Act to provide assistance in rebuilding the Nation's railroad rights-of-way, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KREBS (for himself, Mr. ANDERSON of California, Mr. BELL, Ms. BURKE of California, Mr. PHILLIP BURTON, Mr. DANIELSON, Mr. DOWNEY of New York, Mr. HANNAFORD, Mr. LEGGETT, Mr. MILLER of California, Mr. MOSS, Mr. PATTERSON of California, Mr. ROYBAL, Mr. SOLARZ, Mr. WAXMAN, and Mr. BOB WILSON):

H.R. 7788. A bill to study certain lands in the Sierra National Forest, Calif., for the possible inclusion in the National Wilderness Preservation System; to the Committee on Interior and Insular Affairs.

By Mr. LAFALCE:

H.R. 7789. A bill to amend the National Housing Act to permit greater flexibility in rents in federally subsidized projects of State or local housing finance agencies which are in financial difficulty; to the Committee on Banking, Currency and Housing.

H.R. 7790. A bill to amend the Small Business Investment Act of 1958 to create a pollution control financing program for small businesses; to the Committee on Small Business.

By Mrs. LLOYD of Tennessee:

H.R. 7791. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

By Mr. MEEDS (for himself, Mr. FOLEY, Mr. MCCORMACK, Mr. HICKS, Mr. PRITCHARD, Mr. ADAMS, and Mr. BONKER):

H.R. 7792. A bill to designate the Alpine Lakes Wilderness, Mount Baker-Snoqualmie and Wenatchee National Forests, in the State of Washington; to the Committee on Interior and Insular Affairs.

By Mr. NOWAK:

H.R. 7793. A bill to amend titles II, VII, XI, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

By Mr. PEPPER:

H.R. 7794. A bill to amend titles II, VII, XI, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 7795. A bill to approve the sale of certain naval vessels, and for other purposes; to the Committee on Armed Services.

H.R. 7796. A bill to approve the sale of certain naval vessels, and for other purposes; to the Committee on Armed Services.

H.R. 7797. A bill to approve the sale of certain naval vessels, and for other purposes; to the Committee on Armed Services.

H.R. 7798. A bill to amend title 10, United States Code, to authorize the negotiated sale by the Department of Defense of certain equipment, materials, and obsolete spare parts to U.S. purchasers, and for other purposes; to the Committee on Armed Services.

H.R. 7799. A bill to amend title 10, United States Code to authorize officers of flag rank to serve in the Medical Service Corps in the Navy, and for other purposes; to the Committee on Armed Services.

H.R. 7800. A bill to approve the sale of certain naval vessels, and for other purposes; to the Committee on Armed Services.

H.R. 7801. A bill to further amend the Federal Civil Defense Act of 1950, as amended, to extend the expiration date of certain authorities thereunder; to the Committee on Armed Services.

By Mr. RAILSBACK (for himself, Mr. MATSUNAGA, and Mr. BIESTER):

H.R. 7802. A bill relating to the employment and training of criminal offenders and for other purposes; to the Committee on the Judiciary.

By Mr. RAILSBACK (for himself, Mr. KASTENMEIER, and Mrs. HECKLER of Massachusetts):

H.R. 7803. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. ROGERS (for himself, Mr. BROWN of Michigan, Mr. CEDERBERG, Mr. CLEVELAND, Mr. CORMAN, Mr. ESCH, Mr. HENDERSON, Mr. LAGOMARSINO, Mr. LEHMAN, Mr. LENT, Mr. MCEWEN, Mr. MCKINNEY, Mr. MURPHY of New York, Mr. MYERS of Indiana, Mr. RANGEL, Mr. ROBINSON, Mr. SARASIN, Mr. SEIBERLING, Mr. SNYDER, and Mr. WEAVER):

H.R. 7804. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish certain limitations respecting the authority of the Secretary of Health, Education, and Welfare to regulate vitamins and minerals under that act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALIO:

H.R. 7805. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the act of October 15, 1966, to establish a program for the preservation of additional historic properties throughout the Nation, as amended, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SHIPLEY:

H.R. 7806. A bill to allow the States to use supplementary security income payments plus a State supplement of not less than $100 per resident per month to provide care for residents in nonmedical shelter care facilities; to the Committee on Ways and Means.

By Mr. SLACK:

H.R. 7807. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; to the Committee on Ways and Means.

By Mr. ANNUNZIO:

H.R. 7808. A bill to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America; to the Committee on Banking, Currency and Housing.

By Mr. BROWN of California (for himself, Mr. BEARD of Rhode Island, Mrs. COLLINS of Illinois, Mr. CONLAN, Mr. EMERY, Mr. ENGLISH, Mr. GIBBONS, Mr. HANSEN, Mr. HARRINGTON, Mr. HASTINGS, Mr. HEFNER, Mr. MITCHELL of Maryland, Mr. Moss, Mr. MYERS of Pennsylvania, Mrs. PETTIS, and Mr. WEAVER):

H.R. 7809. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

By Mr. BURLESON of Texas:

H.R. 7810. A bill to amend the Internal Revenue Code of 1954 to remove discriminatory limitations on, and thereby broaden the range of, investment opportunities available to custodial accounts for employees of tax-exempt religious, charitable, educational, etc. organizations and public schools; to the Committee on Ways and Means.

By Mr. CHAPPELL (for himself and Mr. WALSH):

H.R. 7811. A bill to provide for a separate agency within the Department of Labor to be known as the Veterans' Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes; jointly to the Committees on Education and Labor, and Veterans' Affairs.

By Mr. DON H. CLAUSEN:

H.R. 7812. A bill to amend the Airport and Airway Development Act of 1970, as amended, to authorize the Secretary of Transportation to make grants for airport development by grant agreements with sponsors and to provide for direct payments to certain types of sponsors during fiscal years 1976 through 1980, to provide national policy for protection and enhancement of the natural resources and the quality of the environment of the Nation in projects for airport development, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DENT (for himself, Mr. PERKINS, Mr. ASHBROOK, Mr. BELL, Mr. BENITEZ, Mr. BIAGGI, Mr. CLAY, Mr. CORNELL, Mr. DOMINICK V. DANIELS, Mr. ERLENBORN, Mr. GOODLING, Mr. HAWKINS, Mr. LEHMAN, Mr. MILLER of California, Mr. PEYSER, Mr. QUIE, Mr. RISENHOOVER, Mr. SARASIN, Mr. SIMON, Mr. THOMPSON, and Mr. ZEFERETTI):

H.R. 7813. A bill to amend the Employee Retirement Income Security Act of 1974; to the Committee on Education and Labor.

By Mr. DEVINE:

H.R. 7814. A bill to amend the Natural Gas Act; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN of Tennessee:

H.R. 7815. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer supporting a dependent who is mentally retarded; to the Committee on Ways and Means.

By Mr. FAUNTROY (for himself and Mr. MITCHELL of Maryland):

H.R. 7816. A bill to provide for the disclosure by depository institutions of mortgage loans and deposit sources by zip code, county, or State, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. FOLEY (for himself, and Mr. WHITEHURST):

H.R. 7817. A bill to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes; to the Committee on Agriculture.

By Mr. GRASSLEY:

H.R. 7818. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. KREBS (for himself, Ms. ABZUG, Mr. BEARD of Rhode Island, Mr. BROWN of California, Mr. JOHN L. BURTON, Mr. CORMAN, Mr. DELLUMS, Mr. EDWARDS of California, Mr. HARRINGTON, Mr. LLOYD of California, Mr. MCCLOSKEY, Mr. MINETA, Mr. OTTINGER, Mr. REES, Mr. RYAN, Mr. STARK, and Mr. WEAVER):

H.R. 7819. A bill to study certain lands in the Sierra National Forest, Calif., for the possible inclusion in the National Wilderness Preservation System; to the Committee on Interior and Insular Affairs.

By Mr. LOTT:

H.R. 7820. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. RICHMOND:

H.R. 7821. A bill to amend the Food Stamp Act of 1964; to the Committee on Agriculture.

By Mr. ST GERMAIN:

H.R. 7822. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. SANTINI:

H.R. 7823. A bill to amend the Internal Revenue Code of 1954 to adjust the occupational taxes on employees of wagering operations; to the Committee on Ways and Means.

By Mrs. SCHROEDER:

H.R. 7824. A bill to amend section 142 of title 13, United States Code, entitled "Census"; to the Committee on Post Office and Civil Service.

By Mr. SEIBERLING:

H.R. 7825. A bill to authorize the awarding of attorneys' fees in actions brought under the Mineral Leasing Act of 1920, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 7826. A bill to amend title 28 of the United States Code to authorize the awarding of attorneys' fees in civil actions before the Federal courts where the interests of justice so require, and for other purposes; to the Committee on the Judiciary.

H.R. 7827. A bill to authorize the awarding of attorneys' fees in actions for injunctive relief under the Clayton Act, and for other purposes; to the Committee on the Judiciary.

H.R. 7828. A bill to authorize the awarding of attorneys' fees to prevailing plaintiffs in actions brought under certain civil rights laws, and for other purposes; to the Committee on the Judiciary.

H.R. 7829. A bill to authorize the awarding of attorneys' fees to prevailing plaintiffs in action brought under the National Environmental Policy Act of 1969, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TEAGUE (for himself and Mr. MOSHER) (by request):

H.R. 7830. A bill to strengthen staff capabilities for providing advice and assistance to the President with respect to scientific and technological considerations affecting national policies and programs; to the Committee on Science and Technology.

By Mr. MAHON:

H.J. Res. 499. Joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes; to the Committee on Appropriations.

By Mr. BELL (for himself, Mr. EDWARDS of California, Mr. MAGUIRE, Mr. FUQUA, Mr. COCHRAN, and Mr. TSONGAS):

H.J. Res. 500. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on the products of all foreign enterprises engaged in commercial

whaling; jointly to the Committees on Merchant Marine and Fisheries, and Ways and Means.

By Mr. DINGELL (for himself, Mr. COMAN, Mr. LLOYD of California, and Mr. MCFALL):

H.J. Res. 501. Joint resolution to authorize the establishment of the Tule Elk National Wildlife Refuge and the establishment of a Federal-State management program for the conservation, protection, and enhancement of tule elk and other species, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. EILBERG:

H.J. Res. 502. Joint resolution calling for peace in Northern Ireland and the establishment of a United Ireland; to the Committee on International Relations.

By Mr. FAUNTROY (for himself and Mr. FLORIO):

H.J. Res. 503. Joint resolution to amend the Constitution to provide for representation of the District of Columbia in the Congress; to the Committee on the Judiciary.

Mr. ROYBAL (for himself and Mr. KOCH):

H.J. Res. 504. Joint resolution authorizing the President to proclaim September 8 of each year as National Cancer Day; to the Committee on Post Office and Civil Service.

By Mr. COLLINS of Texas (for himself, Mr. MICHEL, Mr. CRANE, and Mr. CARR):

H. Con. Res. 304. Concurrent resolution recommending voluntary agreements between the Government and industry for the development of passive restraint systems in automobiles until these systems have been proven effective; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS:

H. Con. Res. 305. Concurrent resolution providing for the printing of additional copies of the committee print entitled "Court Proceedings and Actions of Vital Interest to the Congress, Final Report for the 93d Congress, December 1974"; to the Committee on House Administration.

By Mr. GUDE:

H. Res. 528. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on International Relations.

By Mr. HARRINGTON (for himself, Mr. JOHN L. BURTON, Mr. CARR, Mr. BEDELL, Mr. BROOMHEAD, Mr. BROWN of California, Mrs. CHISHOLM, Mr. CLAY, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. DRINAN, Mr. HECHLER of West Virginia, Ms. HOLTZMAN, Mrs. MEYNER, Mr. MIKVA, Mr. MILLER of California, Mr. MITCHELL of Maryland, Mr. MOFFETT, Mr. MOSS, Mr. OTTINGER, Mr. PATTISON of New York, Mr. RANGEL, Mr. RICHMOND, Mr. RIEGLE, and Mr. ROYBAL):

H. Res. 529. Resolution directing the President to furnish to the House of Representatives, within 10 days of the adoption of this resolution, information concerning the seizure of the U.S. merchant ship *Mayaguez* and its crew, and subsequent efforts to release them; to the Committee on Armed Services.

By Mr. HARRINGTON (for himself, Mr. BINGHAM, Mr. EILBERG, Mrs. SCHROEDER, Mr. STARK, Mr. CHARLES H. WILSON of California, and Mr. YOUNG of Georgia):

H. Res. 530. Resolution directing the President to furnish to the House of Representatives, within 10 days of the adoption of this resolution, information concerning the seizure of the U.S. merchant ship *Mayaguez* and its crew, and subsequent efforts to release them; to the Committee on Armed Services.

By Mr. HICKS:

H. Res. 531. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

By Mr. MITCHELL of New York:

H. Res. 532. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII

177. The SPEAKER presented a memorial of the Legislature of the State of Tennessee, relative to emergency health benefits for the unemployed; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 7831. A bill for the relief of Sister Perusquia Gonzalez Consuelo; to the Committee on the Judiciary.

By Mr. BELL:

H.R. 7832. A bill for the relief of Mrs. Jeanette Flores Byrne; to the Committee on the Judiciary.

By Mr. DUNCAN of Oregon:

H.R. 7833. A bill for the relief of Carmichael C. Peters; to the Committee on the Judiciary.

By Mr. HASTINGS:

H.R. 7834. A bill for the relief of Clifford H. Macey; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

FLAG DAY

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mrs. BOGGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter from a constituent of mine and his enclosure, Our Flag Laws—a chronology by Cmdr. Robert W. Collins, U.S. Naval Reserve, retired:

To the members of the House
from all the States of our Union:

June 14 is Flag Day. On June 14, the Nation will mark the 198th anniversary of the eactment by the Continental Congress of the Resolution of 14 June 1777 which gave us our first national flag and ensign: The Stars and Stripes.

The U.S. Congress has enacted only two statutes regulation the design of our national flag and ensign: the U.S. Flag Law of January 8, 1794 effective 1 May 1795 and our Permanent Flag Law of 4 April 1818 effective 4 July 1818 and still in effect. Our Permanent Flag Law has given our Nation the design for all of our national flags and ensigns since the 20-star Flag of 4 July 1818 to our present flag and ensign of 50 stars and 13 stripes of 4 July 1960 to date.

At this time permit me to urge the Members of the House from all the States of our Nation to direct their attention to the brief laws on the design of our national flags and ensigns, the symbols of our Nation. Herewith is a compilation of those laws which this old scribe calls: Our Flag Laws—A Chronology.

No illustrated chart of the flags and ensigns of the United States of America authorized by law is to be found anywhere. The time has come for such a chart to be printed. What this country needs is an illustrated chart portraying the authorized flags and ensigns of our great Nation. Our Bicentennial is at hand. Accordingly, the premises considered, the Members of the House from all the States are urged by me as strongly as politeness and tact will permit that the House enact a Resolution authorizing and directing the Public Printer to print a chart portraying the Grand Union Flag which General Washington hoisted over his headquarters at Cambridge, Massachusetts on 1 January 1776 and the 27 National Flags and Ensigns authorized by the Continental Congress and the U.S. Congress from 1794 to date.

Very respectfully submitted,
ROBERT W. COLLINS,
Commander, U.S. Naval Reserve, Retired.

OUR FLAG LAWS

(By Comdr. Robert W. Collins, U.S. Navy Reserve, retired)

THE STARS AND STRIPES

(Continental Congress, June 14, 1777)

Resolved, That the flag of the thirteen United States be thirteen stripes, alternate red and white; that the union be thirteen stars, white in a blue field, representing a new constellation.

THE STAR SPANGLED BANNER, MAY 1, 1795

(U.S. Flag Law, January 8, 1794)

Be it enacted, That from and after the 1st day of May, A.D. 1795, the flag of the United States be fifteen stripes, alternate red and white. That the Union be fifteen stars, white in a blue field.

OUR PERMANENT FLAG LAW, APRIL 4, 1818

Be it enacted, That from and after the 4th day of July next, the flag of the United States be thirteen horizontal stripes, alternate red and white; that the union have twenty stars, white in a blue field. That on the admission of every new State into the Union, one star be added to the union of the flag; and that such addition shall take effect on the 4th of July next succeeding such admission.

STUDENT JOURNALISM

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. FRASER. Mr. Speaker, Little Bit magazine is a publication which attempts to provide high school students with the opportunity to participate in the production of a magazine about and for students. All of the material in Little Bit is student written or student drawn. Students also form the board of editors, contribute to sales activities, and help with advertising efforts. Adults enter the process only as advisers and "facilitators"—directing, for example, the more technical steps of the layout process.

Not only does the project give the students a peer audience, but it also provides teachers with valuable supplementary learning materials. Teachers can use features both as the basis for discussion and as an aid to students who have reading difficulties. Over 90 schools in the Minneapolis-St. Paul metropolitan area subscribe to Little Bit—the reception has been extremely enthusiastic. I commend to my colleagues' attention a poem which appeared in the June issue, a poem which is representative of the project's vitality and creativity. The poem, by Paul Nelson, of Spring Lake Park, follows:

THE POEM THAT DOESN'T MAKE CENTS

(By Paul Nelson)

Did you know the plural of octipus is octipi?
Which is not to be confused with pumpkin pie;
Which has no relation to Don McLean's "American Pie";
a very long song that has nothing to do with the
mathematical term pi (3.14);
Which, by the way, rhymes with eye;
Which is quite different from I;
The plural of I being we,
it is commonly confused with wee,
which means very small;
The exact opposite of tall;
Like trees which are very high;
Which is different from "hi";
Which is how you greet someone;
This someone, being of male sex, is mostly likely someone's son;
Which is not to be paralleled with sun;
Which you can't look at, but still can see.
Although see is different from sea,
You can see the sea;
Which is almost always inhabited by octipi,
the singular form of which is octipus.
Really eye cant sea wear awl of this makes much cents.

STATEMENT BY HON. SAMUEL L. DEVINE ON INTRODUCTION OF INTRASTATE PIPELINE BILL

HON. SAMUEL L. DEVINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. DEVINE. Mr. Speaker, today I am introducing a bill the purpose of which is to make it easier to transport natural gas within the borders of a State. Significant amounts of natural gas are available within State borders, but efficient distribution of that gas is hampered severely because of the lack of intrastate pipelines to move it among various distribution entities. At the same time, interstate pipelines may be criss-crossing the State unable, under present law, to even consider transporting some of that local natural gas to a destination or a distributor located right along its route. My bill would remove those legal impediments to such transport and make the use of intrastate natural gas more sensible and more efficient. In this time of shortage, we must use all available facilities to best advantage in order to get the most of supplies that can be delivered to the consumer.

The primary effect of the bill, amending the Natural Gas Act, would be to facilitate access to interstate pipelines by producers and intrastate pipelines who wish to ship natural gas to intrastate pipelines and distributors within the same State. The Federal Power Commission would be empowered to grant exemptions from the provisions of the Natural Gas Act, not to extend beyond a date 3 years after enactment, to activities or operations relating to such intrastate transportation of gas. Basically, this would mean that the Commission would not have to follow the current requirement of the Natural Gas Act to certify the use of facilities of interstate pipelines for the transportation of gas in interstate commerce. The proposed amendment contains restrictions which would preclude the issuance of an exemption for gas produced from Federal domain areas, since such gas is committed by law to interstate commerce, and for gas which would be used for high-volume boiler fuel purposes, a wasteful and inefficient use.

The provision for judicial review in the proposed amendment would limit the power of the courts to enjoin or overturn the amendment itself or regulations and orders issued pursuant to its provisions. Review would be available in the Courts of Appeal, pursuant to section 19 of the Natural Gas Act. However, no interlocutory decrees staying or restraining the effectiveness of the amendment or subsequent regulations and orders could be issued. Regulations and orders of the Commission issued pursuant to the amendment could be enjoined or set aside only upon a final court order determining that the Commission's action was in excess of its statutory authority, was arbitrary or capricious, or was otherwise unlawful under the criteria set forth in section 706(2) of title 5, United States Code. The provisions on judicial review in the proposed amendment track generally the review standards applicable to actions taken under the Emergency Petroleum Allocation Act of 1973.

Finally, the amendment contains language designed to avoid prolonged delays over environmental issues by providing that actions taken pursuant to its provisions shall not constitute major Federal actions for the purposes of section 102(c) of the National Environmental Policy Act of 1969.

RHODE ISLAND NAVY DAY

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BEARD of Rhode Island. Mr. Speaker, today marks the 200th anniversary of the founding of the first naval force authorized by a governmental body of the Revolution. On June 12, 1775, the Rhode Island General Assembly, meeting at what is now called the "Revolutionary State House" at Kingston, R.I., officially commissioned two sloops that were charged with protecting Rhode Island shipping from British naval action.

The naval force created by Rhode Island is one among many firsts of the Revolution originating in Rhode Island. The burning of the British naval vessel *Gaspee* in 1772 is generally considered by historians to be the first overt act of rebellion against the British crown. Rhode Island was the first of the Colonies to declare its independence, May 4, 1776, fully 2 months before the Declaration of Independence was signed at Philadelphia.

The town of East Greenwich was the home of the Rhode Island naval force. The 100-ton sloop *Katy* was chartered by the assembly from John Brown of Providence. It carried a crew of 80 men and 10 guns. The *Katy* was under the command of Abraham Whipple, later to be widely known for his exploits during the Revolution. He was named commodore of the small fleet. His son, Christopher, was named captain of the smaller vessel, the *Washington*, with a crew of 30.

Powerful units of the British fleet were roaming the waters off Rhode Island and in Narragansett Bay, headed by the impressive frigate *Rose*. Just 3 days after the naval force act was passed, the *Katy* engaged the British sloop *Diana* which was assisting the *Rose* off Jamestown in the bay. The *Diana* was captured along with her crew.

With the creation of the Continental Navy, the *Katy* was deeded over by Rhode Island and the ship was renamed *Providence*. She was the first vessel authorized for the Continental Navy and became the first command of the renowned John Paul Jones. Jones was responsible for the first amphibious operation in American history when he landed a force of Marines for the capture of Nassau.

The Rhode Island town of East Greenwich is marking this notable anniversary with appropriate ceremonies under the direction of Gilbert Hempel, chairman of the East Greenwich Bicentennial Committee. In Mr. Hempel's words—

It's going to come as a big surprise to a lot of people that the United States Navy started right here in East Greenwich.

I salute the people of East Greenwich on this extraordinary occasion and I am pleased to be able to call the attention of the entire Nation to the Rhode Island origin of our Navy. Today, Rhode Island calls itself "Ocean State" and never was a State more aptly named. The town of East Greenwich occupies a unique place in the history of Rhode Island and in the Nation itself and the construction of a replica of the *Katy*, soon to be completed, will serve to commemorate and perpetuate the East Greenwich origin of our naval forces.

BAN THE HANDGUN—NO. 9

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BINGHAM. Mr. Speaker, one of the reasons gun control is such a controversial issue, and engenders such emotional debate, is that it is so directly involved with the fears of people in a crime ridden society. The mystique of the handgun as "the great equalizer," which society has perpetrated through television and movies, gives the handgun owner a sense of security against thieves, muggers, and other intruders. Despite the evidence that the handgun poses a substantially greater danger to its owner

and his or her friends and family than to any potential criminal, the myth prevails, and the thought of being bereft of that "protection" strikes very real fear into the hearts of many.

It is the job of the gun control movement to convince the public that it would in fact be safer without handguns. It is the job of Congress to act in the best interests of the entire society on the gun control issue, and that means banning handguns.

The attached editorial, from the April 17 edition of the Chicago Daily News, is a brief but clear discussion of this issue:

HANDGUN BAN THE BEST ANSWER

To watch the two days of gun control hearings just concluded in Chicago by a congressional subcommittee was to watch urban society go through public agony of fear.

The fears are real.

It isn't imagination that prompts the owner of a small store, often robbed at gunpoint, to keep a loaded handgun under the counter.

Nor is there imagined fear on the part of the father and mother whose two teen-aged daughters were gunned down only yards from their front door in a shooting that was apparently the work of a deranged man with easy access to a gun.

Reconciling at once the stands of such people—the storekeeper supports private gun ownership, the anguished family does not—is an impossible task. Congress must decide where the greater danger to society lies, and what course offers the best hope of minimizing the handgun as a threat to human life.

The testimony at the two days of televised hearings was persuasive that handguns left in private hands post a greater danger to life than does an armed criminal. The store owner attempting to repel an armed robber stands a greater chance of being shot than he does of stopping robbery attempts. Reams of expert testimony prove that a handgun kept in the home is a greater menace to the family than it is a deterrent to would-be invaders.

To begin an effective assault on this fear of gun-related crime, Congress has one effective course: to remove the handgun, to the extent possible, by making its private ownership unlawful, and to remove criminals who use guns, by imposing severe sentences for the possession or use of a gun in connection with a felony.

Any other course would only compromise the urgent need to protect the public from itself as well as the gunwielding criminal. Until the handgun is banned for all but law-enforcement personnel (and possible target-club use), deaths by shooting will continue to mount, especially in areas like Chicago.

BAY CITY, MICH., MANUFACTURER HONORED

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. TRAXLER. Mr. Speaker, I would like to share with you and my colleagues a tribute to excellence in the manufacturing industry. I have been informed by Sears, Roebuck and Co. that they have awarded their "Symbol of Excellence" to the Wolverine Knitting Mills of Bay City, Mich.

The award is presented in recognition of the excellence of merchandise produced, dependability of supply, and initiative in developing new and improved products. Not only did Wolverine Knitting Mills win the award this year, but it maintains the distinction of having won it for the ninth time.

Above all, the award is a tribute to the initiative and ingenuity of both the management and employees of this company. When many businesses try to cut corners in periods of inflation in order to lower costs, the employees of this fine firm under excellent direction from management maintain the belief that quality is the most important consideration in their business. The Wolverine Knitting Mills was one of the 479 merchandise sources honored by Sears of a potential 12,000.

You may wonder what Wolverine did to earn the "symbol of excellence" and how it was determined. The many buyers for Sears nominated the sources they felt deserved the award. Then a selection committee composed of representatives from the buying departments, testing laboratories, and catalog departments reviewed the nominations. After taking a survey of local stores, catalog plants, and other divisions, the selection committee presented the award to those suppliers which met the rating requirements for the categories I mentioned earlier. The supplier must fall within a specified ranking range in order to earn the "symbol."

Wolverine makes the robes and brushed nightwear for this department and catalog store chain. The reliability of supply, quality of service, and infrequent need for the return of orders make Wolverine a company with which Sears is proud to deal.

The president of Wolverine is a personal friend of mine, Mr. Henry Schwartz. He is to be commended for running his firm in such an award-winning fashion. It is easy to lose sight of the fine details of quality, but Mr. Schwartz has realized that keeping watch over those fine details is the best way to have his company prosper and keep its products in high demand.

Mr. Chairman, I hope that all my colleagues join me in commending a Bay City, Mich., manufacturer—Wolverine Knitting Mills.

LEGISLATION TO RECLAIM STRIP-MINED LANDS

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. GRADISON. Mr. Speaker, following yesterday's action sustaining the President's veto of H.R. 25, the House must decide what action to take next on the surface mining issue. The controversy over surface mining standards has been at the heart of the dispute over H.R. 25 and further work seems necessary to resolve this dispute.

The provisions of H.R. 25 dealing with the reclamation of previously mined land, however, seem to have broad support and should be acted upon now. The gaping holes in Appalachia are mute testimony to the urgent need to pass legislation which will return that land to its proper condition.

Accordingly, I am today introducing legislation which embodies the reclamation provisions of H.R. 25, including the establishment of the trust fund and the imposition of fees of 35 cents per ton for surface mined coal and 15 cents per ton for coal produced by underground mining.

It is estimated that there are about 850,000 acres of land which have been strip mined but not reclaimed. The legislation which I am introducing would allow us to begin reclaiming this land without awaiting a resolution of the entire surface mining controversy.

Testimony on H.R. 25 adequately established that a tax of 35 cents and 15 cents on surface mined and deep mined coal respectively would not be unduly burdensome to consumers.

Coal prices nationwide averaged $17.58 per ton in October 1974. The price for coal as measured by the Wholesale Price Index advanced by 72 percent from January 1974 to January 1975. Price rises of this magnitude were not caused by increases in the cost of production but rather by increases in the price of competing energy products, namely oil.

The evidence thus suggests that the relatively small increase in costs which would occur due to the reclamation fees could be absorbed by coal producers. This is particularly true in view of the high profitability of coal production at present prices. Even if the worst possible case would occur and the entire reclamation fee were passed on to consumers, the increase in the average electric bill would be about 4 cents per month.

The reclamation fees of 35 cents and 15 cents should provide about $140 million for the trust fund per year at present levels of production. This will permit funding of a full scale reclamation program.

HOUSE JOINT RESOLUTION 491—TO EXTEND SUPPORT UNDER THE JOINT RESOLUTION PROVIDING FOR ALLEN J. ELLENDER FELLOWSHIPS TO DISADVANTAGED SECONDARY SCHOOL STUDENTS

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mrs. BOGGS. Mr. Speaker, last Friday, I joined with several of my distinguished colleagues in cosponsoring legislation to extend the Allen J. Ellender fellowships to provide opportunities for needy and disadvantaged secondary school students to participate in the Close Up program.

Perhaps there is no more fitting tribute for my late, dear friend. Allen J. Ellender, than this living memorial to his deep and compassionate interest in the youth of our Nation, particularly those in need. During the course of his long and distinguished career, Senator Ellender took special interest in the

Close Up program, a Washington-based, nonprofit and nonpartisan foundation which offers young people an opportunity to learn more about their Government than it is possible to learn in a classroom situation. Senator Ellender was particularly active in generating interest in this public affairs forum among his fellow legislators. I have participated in the programs of Close Up and can heartily recommend them to all of my colleagues for bringing young Americans in close contact with their Government and the people who run it and participate in it.

After Senator Ellender's death, in 1972, Senator HUMPHREY, Congressman HÉBERT, Congressman PERKINS, and my husband, Hale, were instrumental in obtaining funding of $1.5 million, over a 3-year period, for scholarships which provide financial assistance to economically disadvantaged secondary school students and their teachers so that they, too, can participate in Close Up. Under this program a real cross section of American youth, both rich and poor, can experience their Government in action.

The Metropolitan New Orleans area is the third largest community participating in the Close Up program, and I am particularly pleased and proud that of the 20,000 students that have thus far taken part in this program, over 2,200 came from the New Orleans group. Of special significance is the fact that 550 of the 2,200 were recipients of Allen J. Ellender scholarships receiving a total of over $200,000 in assistance. I know that the Senator would be very pleased with this help and assistance to so many deserving young people across the Nation under this exceptional program.

THE EQUAL OPPORTUNITY AND FULL EMPLOYMENT BILL

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. HAWKINS. Mr. Speaker, the equal opportunity and full employment bill—H.R. 50—has engendered great response throughout the Nation. Wherever the Subcommittee on Equal Opportunities has held hearings on the bill, committee witnesses have urgently called for its passage. During the hearings on the bill, conducted in Albuquerque, N. Mex. on May 2 and 3, 1975, Mr. Carl F. Smith, president of the New Mexico State AFL–CIO, presented testimony which indicates the terrible plight of the unemployed workers in New Mexico—which is being reflected all over America.

His statement, which I am introducing into the RECORD for my colleagues' edification, is typical of those that we have heard again and again from our friends in the labor movement.

I am therefore delighted that I can share Mr. Smith's remarks with you and the other Members of the Congress:

STATEMENT OF CARL F. SMITH

Mr. Chairman: I am Carl F. Smith, president of the New Mexico State AFL–CIO and business manager of Local Union No. 412 of the United Association of Plumbers and Pipe Fitters.

I am pleased to present testimony before your Subcommittee on Equal Opportunities of the Committee on Education and Labor, on behalf of the New Mexico AFL–CIO. The legislation you are considering today would have a significant impact on working people in New Mexico, and the New Mexico AFL–CIO welcomes this opportunity to interject its opinions into the legislative process.

H.R. 50, which is identical to S. 50 currently pending before the U.S. Senate, the Equal Opportunity and Full Employment Act of 1975, is a proposal of vital interest to labor leaders throughout New Mexico. This legislation embodies the philosophy of full employment as the right of all Americans. For too long government has been content to rely on official declarations and well-intentioned policy pronouncements instead of solid action which would assure full employment on a permanent basis.

Mr. Chairman, as the author of this measure in the House. I am sure that you realize that full production and full employment go hand in hand. The only way for America to stay out of recessions like the one we are now experiencing is through permanent and full employment. This nation has the capacity to out produce any other country in the world if only given the chance.

The eight major provisions of this bill represent a comprehensive and detailed program which seeks to protect the right of each American who is willing to work to have a useful and rewarding job. The redesignation of the United States Employment Service as the United States Full Employment Service, takes a psychologically important first step in charting the ultimate course of this legislation.

I am also impressed with the scope of the membership of the Advisory Council on full employment and national purposes.

By drawing on representatives from industry, agriculture, labor, consumers, public interest groups and State and local government, the legislation assures a unified effort to solve both unemployment and underemployment problems.

Mr. Chairman, it is clear that a greater effort must be made to utilize all segments of our society. Provisions must be made to provide employment opportunities for those who are willing to work but for one reason or another cannot commit themselves to the traditional forty hour, 9 to 5 job. People in this category represent a valuable production resource but we can ill-afford to waste.

H.R. 50 provides for the development of both public and private employment projects. This joint concern evidences a necessary balance which must be sought in any employment program. I urge this subcommittee to take steps to assure that primary consideration is given to employment projects which are job intensive. The object of each project in these job reservoirs must be to put as many people to work in meaningful jobs as possible. Public Works projects such as highway construction, and other construction programs as well as industrial production programs have a proven history of job intensiveness.

H.R. 50 and S. 50 are both bills which, I am sure, will undergo careful and deliberate analysis by the Congress, and by others over the next several months. I want to take this opportunity to recommend to you a bill, S. 1587 introduced by Senator Montoya of New Mexico, which is a public works bill designed to create jobs immediately. The bill does not contain permanent authorizations but provides some programs which "trigger off" when unemployment drops sufficently. The bill authorizes $1.8 billion to create 100,000 jobs in FY 76. I urge your consideration of this bill when it reaches the House, as an immediate emergency program to fight this recession. Mr. Chairman, the unemployment rate in New Mexico is pushing 9%. Nobody needs to point out to the people of this state the need to return to full employment now. I look forward to a careful monitoring of your legislation through the Congress, and I am hopeful that full employment for all will soon be a permanent fixture of America's economic profile.

Mr. Chairman, H.R. 5937, The Mexican-American Rural Community Anti-Poverty Act of 1975 is a legislative proposal which addresses a subject of special interest to New Mexico. Many persons consider our state as a Western Rocky Mountain or desert state without a sizeable rural population. In New Mexico thirty percent is rural. All but five of the thirty-two counties have less than ten persons per square mile. Rural development and prosperity are important here.

H.R. 5937, proposes several programs designed to assist those Mexican-Americans who are traditionally tied to former land grant acres. One section of that bill which establishes temporary special commission to study the issue surrounding the treaty of Guadalupe Hidalgo. This, I feel, is a very important preliminary step which must be taken here, even though before some of the other programs contained in your bill are undertaken. It seems to me that a complete study, such as the Commission would undertake is the mandatory first step. I am pleased to note that your Section 1107 is very similar to the provisions of S. 68 reintroduced this year by Senator Montoya. I hope that with similar proposals in both Houses swift action will be forthcoming so that the Commission can begin its important work at an early date.

Mr. Chairman, I want to thank you for giving the New Mexico AFL–CIO this opportunity to present its views to you, I am hopeful that our comments will be helpful to you in the task that lies ahead.

STATEMENTS BY ANDREI SAKHAROV

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Ms. HOLTZMAN. Mr. Speaker, freedom of emigration and other fundamental human rights are systematically denied in the Soviet Union today. I have witnessed the problem personally as a result of my meetings several weeks ago in the Soviet Union with Jewish activists, dissenters, and relatives of persons who are imprisoned there.

I would like to bring to the attention of my colleagues a statement dated May 1975, on this subject that was prepared by Dr. Andrei Sakharov, the noted Soviet academician whom I have met personally.

The article follows:

STATEMENT BY ANDREI SAKHAROV

I wish to express my gratitude to you for giving me the opportunity to participate in this Conference.

The question of Jewish emigration from the USSR to Israel, which represents a specially acute problem to those assembled here, is extremely important for many reasons. It is important for personal reasons for each and everyone who is leaving: it is often the most important event in their lives. On a national plan, emigration to Israel represents one of the most important events in the many thousands-years old Jewish history

which is so tragic. Each case of groundless refusal of an exit visa, the persecutions, repressions, provocations, trials are great misfortunes in human terms. The attention of world public opinion to each one of these facts is extremely important: such as the Leningrad "highjacking" trial of Kuznetsov, Dimshitz, Murzhenko, Federov, Altman, Mendelevich, Khpokh, the Zalmansons and Penson; such as the provocative trials of Khantsis, Feldman, Shtern, Nasbeitz and Tsitlionok; such as the fate of the "refuseniks" Davidovich, Slepak and others.

I would like to discuss at this moment also other questions having a common significance. The right of choice of the country of residence proclaimed by Article 13 of the Universal Declaration of Human Rights is not being denied in principle by the powers in the USSR. However, in practice this right is subjected to very many groundless and lawless serious limitations which are applied to all wishing to leave, regardless of their nationality. These limitations are the expression of the closed and anti-legal character of Soviet society and therefore represent a potential threat to the position of trust and peaceful international relations between governments of different countries. It is very important that the Jews of the USA as well as the government representatives, cultural representatives, business people and all who have any influence in the society should realize that the defense of only the Jewish emigration would indicate a non-admissible narrowing of a much wider problem. I would like to speak especially about the emigration from the USSR of persons of German nationality. The Germans have met with specially hard measures of deportation, persecution, discrimination, disassociation from their culture and everyday national humiliation. Nearly 30 Germans, activists for repatriation, are being detained in labor camps of strict regime in Kazakhston and other republics. Their families do not receive any material help from abroad. Also without help from abroad are thousands of Germans in Kazan and other places who have received non-motivated refusals for emigration to the Federal Republic of Germany and are being deprived of all necessities for life. Up to now the Germans in the German Federal Republic, the USA and in other countries with an important German population have shown very little active response on a personal and political level. Here they have something to learn from the Jewish communities with their magnificent tradition of mutual help. Very many Armenians, Ukrainians, Lithuanians, Latvians, Estonians, Russians and persons of other nationalities are meeting with the same difficulties.

There is another very important category of persons, persecuted by the authorities mostly for political or religious motives, Seventh-Day Adventists and Baptists, who wish or have to emigrate. In such cases the authorities usually suggest to them to request a permit for emigration to Israel. This constitutes a part of the authorities' tactics which can be explained partly by propaganda reasons, as well as reasons of foreign policy, internal policy and other reasons (namely anti-Zionist and anti-Semitic reasons).

The case of Marchenko which became widely known because of his principle of not giving in to the KGB even at the point of leaving constitutes a characteristic example of the above tactics. Marchenko, the author of a book about Soviet camps, received an invitation from the USA. The Soviet authorities suggested to him that he should apply for a permit for emigration to Israel; he refused and was sentenced to 4 years of exile.

The above mentioned tactics of Soviet authorities to give permission to emigrate only to Israel partly explains why a great percentage of persons who formally go to Israel in practice emigrate to other countries. This "formal" fall out must not alarm Jewish organizations, because it corresponds to the number of persons who never intended to go to Israel in the first place.

The last and very important point concerns the discussions regarding the bill about trade relations. The President of the United States, reflecting a prevalent point of view in political and business circles, said that the amendment to the trade relations bill proved to be counter productive as far as helping to assure the freedom of emigration as opposed to the means of quiet diplomacy, and thus damaged the economic interests of the USA. I consider that this "pragmatic" and near-sighted position indicates a capitulation to Soviet blackmail and should not be admissible in relation to a question of such high principles. An analysis of the whole course of events shows that the only reason for the resulting complex situation was a lack of unity in understanding and a history of differing altruistic positions in the West. It is inadmissible that the proposal of the Congress on the USA was not only not supported by other Western countries in the persons of their Ambassadors and public figures, but to the contrary, after the USSR refused to sign the trade agreement, they all rushed in with credit offers. It is sad that in the USA proper the amendment was not explained as to its fundamental principle and became a political football. I hope that the majority of the U.S. Congress showed steadiness in this question of high moral principles in spite of the strong pressure exerted upon them by persons who did not understand the problem as a whole, or who simply followed some definite group interests or some capitalistic interests. Giving way to Soviet pressure could have a tragic future meaning not only for the emigration problem but also for all relationships between socialist and Western countries.

The Jewish (international) organizations who have an influence in many countries can play an important role in the creation of this indispensable Western unity. I am appealing to the participants of this Conference to initiate a program for action which could bring about such unity.

STATEMENT OF REPRESENTATIVE KASTENMEIER ON VETO OVERRIDE OF H.R. 25

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. KASTENMEIER. Mr. Speaker, the outcome of our vote today will determine whether the United States will adopt a national policy to regulate strip mining. Over 1 million acres of land now display deep and permanent scars because there has been little regulation of strip mining by any level of government.

Justification for this bill is founded in more than vague aesthetic considerations. Actual costs of the lack of strip mining regulation are high; with estimates that surface mining destroys outdoor recreation resources worth $35 million a year. Acid drainage continues to contaminate underground water pools throughout Appalachia and the Midwest which endangers human health.

Due to the commendable efforts of our colleagues, Mrs. MINK and Mr. UDALL, who have labored long and hard on behalf of a regulatory bill for strip mining, we are again considering H.R. 25 which I have cosponsored and which I support. I recognize that this bill is not perfect and that some of its environmental provisions have been weakened. But H.R. 25 takes the crucial first step of establishing a national policy to regulate the egregious practices that have occurred in the absence of policy in this area.

It is regrettable that the administration has falsely claimed that excessive numbers of jobs will be lost if this bill is passed. The truth is that jobs will be created. Neither will production drop if this bill is passed. Pennsylvania passed similar legislation with the result that production increased and continues to do so.

Mr. Speaker, we have deliberated long enough over whether or not to establish a national policy regulating strip mining. We now must act affirmatively on this issue. The scars on the mountain sides and the prairies will not disappear. The soured streams and underground water pools will not be repaired. The ruined homes and lives will not be remade. But through this bill, we can insure that the same mistakes will not be made in the future. H.R. 25 contains some measure of justice for the land, the waters, and the people who have been so abused by the evils of strip mining. I urge the House to override the veto of this bill.

THE WAYWARD PRESS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. McDONALD of Georgia. Mr. Speaker, in a feature entitled "The Wayward Press," Air Force magazine for June 1975 called attention to yet another distortion of the American press in one-sided reporting on the conflict in Vietnam. Specifically, it addressed the subject of the last bombing of North Vietnam, which some are still saying was worthless and directed against civilian targets. Somehow the truth never catches up with the press bias, but at least this item is a step in the right direction. The item follows for the edification of my colleagues:

THE WAYWARD PRESS

The collapse of South Vietnam, at this writing, is about a week old. So far, we have seen no newspaper commentary and heard no television pontification about the fact that there is no Freedom of the Press in Ho Chi Minh City. Private newspapers, which flourished not long ago in Saigon, are outlawed. If there is lamentation in the US press, tears are shed in editorial sanctums and never dampen newsprint. It is easy to assume advocate journalists don't care because their side won; the publishers, these days, seem to think the First Amendment sits in the outside office, guarding the door. It may be the last domino to fall.

Now comes a liberal columnist, Marquis Childs, with the theory that Nguyen Van Thieu, the South Vietnamese leader, was waiting for American troops and bombers to save his nation. And, Childs, goes on to argue, this would do no good because American troops and bombers can't win. He writes of the futility of "terror bombing," the "razing" of Hanoi, and how the accounts of that period, as reported by the press, were greeted with revulsion all over the world.

This effort by Childs to revise history will not pass unnoticed. Adm. Thomas H. Moorer, who was Chairman of the Joint Chiefs of Staff when the events took place, has caled the column "typical of the half-truths and one-sided, misleading conclusions that are fed to the American people in an unending stream by Mr. Childs and others of his profession." In a letter to Ben Bradlee, editor of the Washington *Post*, which printed the Childs column, the retired Navy airman challenges a number of his points.

Childs, for example, concludes that President Ford would have sent bombers and troops back into Vietnam if Congress had not forbidden it. Admiral Moorer responds that, without the congressional restriction, the North Vietnamese would have been deterred. "When all possibility of retaliation was removed," he wrote to Bradlee, "the North Vietnamese, aided fully by the Soviets and Chinese, launched their attack to the South."

To the charge, by Childs, that President Nixon "unleashed terror bombing . . . Hanoi was razed . . . two principal hospitals . . . were destroyed," the Admiral said, "Hanoi was hit, yes, but with precision. It was certainly not razed. As a matter of fact, the North Vietnamese ordered their people to move into the center of the city and bring supplies with them for protection. . . . Use of the words 'razed' and 'destroyed' are gross and misleading exaggerations. Neither of the hospitals was destroyed, although they did receive some damage."

Childs had written: "At the end of two weeks of carpet bombing, which by its very nature could have little relation to military targets, the Communists agreed to resume negotiations."

The Admiral's answer:

"This statement is patently false. There was no carpet bombing of any kind. Every target was an important military target. I personally selected the targets and followed the operations sortie by sortie. This was a highly professional operation conducted with courage, precision, and skill."

Again Childs wrote of bombs dropped on Thai Nguyen, leaving the impression the target was civilian in a "suburb" of Hanoi. Well, if it is, Baltimore is a suburb of Washington. And the target, the Admiral explains, was "the largest railroad marshalling yard packed with railroad cars loaded with weapons donated by our 'friends,' the Soviets and Chinese."

As chairman of the JCS, Admiral Moorer, in 1973, accepted the Collier Trophy, presented that year to the airmen of the armed forces who participated in Linebacker II. A year earlier, he had been proud to accept, also on behalf of "the Air Units of the Allied Forces in SEA," the H. H. Arnold Award of the Air Force Association.

Marquis Childs, so far, has not acknowledged the professionalism of our airmen in Vietnam. Neither has he commented on the death of a Free Press in that country.

A TRIBUTE TO LIEUTENANT COLONEL HEISE

HON. RONALD A. SARASIN

OF CONNECTICUT

Wednesday, June 11, 1975

IN THE HOUSE OF REPRESENTATIVES

Mr. SARASIN. Mr. Speaker, I am pleased and proud to welcome Lieutenant Colonel Heise to the Fifth District of Connecticut after 22 years of service in the U.S. Marine Corps. Lieutenant Colonel Heise will retire on July 1 after serving as a quality control officer; maintenance officer; flight instructor; squadron officer; commanding officer of Squadron 27, the 2d Marine Aircraft Wing, Fleet Marine Force in the Atlantic; commanding officer of the aircraft support detachment at Andrews Air Force Base, Washington, D.C.; and most recently, the helicopter assignment section in Washington, D.C.

Lieutenant Colonel Heise richly deserves the accolades and praise of Government decisionmakers who must depend upon our uniformed service in times of war and peace to protect the stability of our Nation. Lieutenant Colonel Heise has been decorated for his distinguished service to our country. He has received the Air Medal, the Distinguished Flying Cross, the Combat Action Ribbon, the National Defense Service Medal, the Vietnam Service Medal, the Vietnam Cross of Gallantry, and the Vietnam Campaign Medal.

Again, I would like to extend my personal thanks for the fine job that Lieutenant Colonel Heise has done for all Americans and offer my personal best wishes upon his retirement.

STATEMENT OF CONGRESSMAN ROBIN BEARD ON INTRODUCTION OF OCCUPATIONAL SAFETY AND HEALTH REFORM LEGISLATION

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BEARD of Tennessee. Mr. Speaker, there are a number of catchwords and phrases which have long been a part of our vocabulary, and which have been particularly important to those engaged in politics. Words such as "reform," "small business," "bureaucratic abuse," "productivity," and "the American worker" are used in a variety of ways.

There is one aspect of life where all these terms flow together: the area of the Occupational Safety and Health Act of 1970. Now, perhaps more than ever before, there exists the need for reform of OSHA in order to allow and encourage eager compliance with the act by businessmen large and small, successful and struggling. Mr. Speaker, there is no one in this House who does not favor providing the American working man and woman with the best, the safest, the most pleasant place in which to work, be it a factory or bakery, store or farm. There does exist, however, the question of how to best go about this. Some of our colleagues advocate an abolition of OSHA, dismissing it as yet another bureaucratic boondoggle. Others in Congress see OSHA as a sacrosanct institution, which should not and must not be tampered with, lest the big-business types get a foot in the door, allowing them to weaken the act.

Mr. Speaker, I respectfully suggest that both positions are untenable: the former, because OSHA is needed and can be made to work, and must be made to work; the latter, because no institution of government is untouchable and immune to questioning and probing. There are a number of problems with OSHA, Mr. Speaker, and I feel that the time has come to thoughtfully and thoroughly address ourselves to them. OSHA has, in many cases, become a bureaucratic nightmare. Arbitrariness on the part of the Government has spawned opposition on the part of businessmen, particularly small businessmen. Unrealistic and often silly regulations have been issued. It has become ridiculously complex and technical. Witness the fact that the regulations themselves comprise an unindexed pile of paper, 17 feet high. Witness the fact that a list of toxic substances runs for over 500 pages.

In brief, Mr. Speaker, we must make OSHA work. We must allow on-site technical consultation, without arbitrary and unfair penalties, we must allow existing equipment, which does not hold serious danger to the workers, to be used until it can be replaced by better machinery; we must permit a degree of flexibility in complying with OSHA by allowing the individual to use his own expertise to try to cope with a problem in the most efficient, most effective, and most inexpensive way possible. If a noise problem can be solved by the use of ear plugs or muffs, there is no reason to force the businessman to install costly acoustical equipment or to replace the noisy press or mixer.

Mr. Speaker, I am today offering several reasonable, and realistic solutions to the problems of OSHA. On behalf of myself and 35 of my colleagues, I am introducing legislation which will attempt to deal with many of OSHA's problems, while in no way hindering a worker's health and safety.

In introducting this measure, I would like to call on the distinguished chairman of the Subcommittee on Manpower, Compensation and Health Safety, Mr. DANIELS of New Jersey, to continue his OSHA field hearings. I understand that one very successful session has already been held in New England, and I am prepared to assist the chairman, the subcommittee and staff in organizing such a hearing in my own district or elsewhere in the South.

Mr. Speaker, we have before us now a tremendous opportunity to do something that is really needed: to reform OSHA, through hard work, intelligent debate and thoughtful compromise. By doing so, we can create a three-way partnership—of business, labor and government—all working toward one goal: worker health and safety. The challenge is before us. We must have the courage to act—now.

ANNOUNCEMENT OF HEARINGS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. EDWARDS of California. Mr. Speaker, the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary will commence hearings on House Joint Resolution 280,

a bill to amend the Constitution to provide for representation of the District of Columbia in the Congress, on Tuesday, June 17, at 10 a.m. in room 2141 of the Rayburn House Office Building, and on Wednesday, June 18, at 10 a.m. in room 2226 of the Rayburn House Office Building.

Witnesses on June 17 will be the Honorable WALTER E. FAUNTROY, of the District of Columbia; the Honorable GILBERT GUDE, of Maryland; and the Honorable Walter E. Washington, Mayor of the District of Columbia. Witnesses on June 18 will be Dick Clark, national chairman of the Coalition for Self-Determination of the District of Columbia; John Hechinger, Vice President of the Executive Board of the Coalition for Self-Determination of the District of Columbia; and Judith Heimann of the National League of Women Voters.

Persons interested in submitting statements for the RECORD may address their inquiries to the House Committee on the Judiciary, room 2137, Rayburn House Office Building, Washington, D.C.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. PRESSLER. Mr. Speaker, at the South Dakota Librarians Conference which I attended last fall, many librarians mentioned to me the possibility of setting up a White House Conference on Library and Information Services. Such a conference has been authorized under Public Law 93–568 which was enacted into law during the last Congress.

I believe this conference is an important means of finding ways to make information more accessible to our people. The availability of books takes on an even greater significance in a rural State such as South Dakota where many alternative forms of entertainment are not so readily available as in more densely populated areas.

I have sent a letter to President Gerald Ford asking that immediate steps be taken to set up such a conference and I wish to include in the RECORD at this point a copy of my letter:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 3, 1975.

Hon. GERALD R. FORD,
President of the United States,
The White House,
Washington, D.C.

DEAR PRESIDENT FORD: Last fall I attended the South Dakota State Librarians Conference in Spearfish, South Dakota, and learned of our South Dakota librarians' concern for a White House Conference on Library and Information Services. Recently the State Library Association wrote me to again express concern for the fact that plans do not seem to be moving very rapidly for holding the conference as authorized by PL 93–568.

This conference, it seems to me, is an important one which should be held, and I urge that we proceed with the necessary funding so that the planning can be done for holding a successful conference. I realize that most conferences of this kind end up with major recommendations for changes, which often cost many millions of dollars. However, I do not think it is appropriate to forestall holding this conference, because it is critical for us to examine the issues confronting our library systems throughout the country.

Both the state and national conferences will do much to strengthen our excellent library system in this country, and we owe the librarians who have worked so hard for holding the conference the opportunity to move ahead and bring it to reality.

Your attention in this matter would be greatly appreciated.

Respectfully,

LARRY PRESSLER,
Member of Congress.

LOBBYISTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington Report entitled "Lobbyists":

LOBBYISTS

Some people think of a lobbyist as a man who smokes black cigars, lurks in the dark corridors of the U.S. Capitol, lures Congressmen to lavish parties, and engages him in surreptitious conversations with the purpose of subverting the public interest.

Actually, that image is quite false. A central feature of democratic government is that it should be accessible to the people, and the purpose of lobbying is to reach Congressmen with information to persuade them to act in a manner favorable to the lobbyist. Lobbyists serve many useful purposes and they are essential to the American political process. They keep the Congressman informed, and they inform his constituents of his actions. With the diffusion of power in Washington, lobbyists have a complex job. Gone are the days when a single contact with a single influential legislator was sufficient to accomplish his purposes. He must deal not only with Congressmen of all kinds and descriptions, but also with the mysterious labyrinths of the giant federal bureaucracies. He seeks not only to influence the votes of the Members of Congress, but to build a climate of opinion.

The techniques of the lobbyist no longer include the bribe, belligerent threats, shady deals or bombastic advocacy. There may be isolated instances of these techniques, but they are not the approaches of the successful lobbyist today. This is the age of the "soft sell" with the emphasis on facts, logic, helpfullness and good will. The effective lobbyist spends his time providing information, encouraging other persons to write or contact their Congressman, testifying in Congressional Committees and arranging visits with the Congressman in Washington or his home state.

My observation is that lobbying, as it is often conducted, is a very wasteful activity. It too often wastes time and money—two commodities that none of us have in excess. Enormous sums of money are wasted on cocktail parties, luncheons and banquets. Much printed material is also wasted. Every day my desk is piled high with all kinds of material, some of it beautifully printed, much of it relatively meaningless. At the risk of being presumptuous, let me make a few suggestions on how you can be a good lobbyist:

1. Be Candid. Lay it on the line in frank communication with your Congressman. He recognizes your self-interest. You need not apologize for it. If you feel like you should apologize for it, then you had better get out of the business you are in.

2. Be Honest. State your own view and your own bias. If you choose, relate it to the public interest. He is interested in what you have to say, and he wants your honest appraisal of the situation.

3. Avoid suspicion of the Congressman's integrity unless the evidence is strong. Not long ago one lobbyist, angered at a vote I cast, wrote a letter to me beginning "Dear Congressman, If you were only honest with yourself, you would admit. . . ." Needless to say, that approach didn't sit too well with me. I will remember that lobbyist for a good many months to come—but not too fondly.

4. Be Brief. Your contact will have greater impact if it is kept reasonably brief. Congressmen have an enormous volume of reading material. You should write or contact your Congressman whenever there is genuine concern, but don't try to become a constant pen pal. Write often if you think that it is necessary, but keep it brief. Don't burden your Congressman with long tomes on every conceivable subject.

5. Be Informative. Make sure your Congressman understands the problem. Lobbyists often make the mistake of over-estimating his knowledge and awareness of the issue. Remember we have over 20,000 bills before the Congress each year.

You must be prepared to deal with Congressmen on several levels of comprehension. The Congressman may have detailed knowledge on the subject matter, in which case you had better be prepared to respond in detail. On the other hand, he may not have even heard of the bill. Your response must be gauged to his level of knowledge.

6. Don't demand that the Congressman take a public stand on a specific bill before he has all the facts. He is well aware that you are presenting one side. Major bills usually have two sides to be considered and you may have heard only one of them. A bill may be 100 pages long with 50 provisions in addition to the one you are concerned about. He is forced to vote on the whole bill, weighing the good and the bad. Remember, too, that a bill rarely becomes law in the same form it is introduced. It is possible that the bill that you write to him about is one that you would oppose once it gets to the floor.

7. Be Constructive. Try not to say just what is wrong with the bill. Try to solve the legislator's problem for him. Remember, he is looking for solutions.

8. Thank your Congressman when he does something right. Congressmen are like anyone else. They like to be thanked for their efforts when they do something right.

9. Be Accurate. I once received a letter that began, "Mr. Hamilton, United States Senator, Capitol Building, Indianapolis, Indiana." It began: "Dear Congressman Bayh:" Obviously, that letter did not receive too careful attention from me. Suffice it to say that this is the most important suggestion of all. Your success as a lobbyist depends upon it. The cardinal sin is to supply faulty information.

STREAMLINING OUR LAWS

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. FORSYTHE. Mr. Speaker, during these troubled times our Nation must come to grips with and attempt to solve difficult problems like energy, inflation, and unemployment. But is it always necessary to resolve such problems enacting more and more laws? Or can solutions be found by streamlining existing laws and administrative regulations?

One of my constituents, Mr. Frank Bosworth, Jr., has written me concerning the importance of using existing statutes to solve this Nation's problems and weeding out those that are no longer applicable. I would like to share with my colleagues Mr. Bosworth's letter.

DEAR SIR: I notice that the Congress is contemplating building itself another new office building. It is bad enough to contemplate the burden of a $400 million capital outlay, and years of maintaining it, but as we all know, this is only the tip of the iceberg. The more serious aspect is that every nook and cranny will be jammed with additional personnel, adding to the burden on the taxpayer—i.e., the productive element in our society, forced upon it by the unproductive element in our society.

There is no question but what you could use 30 staff people, and intelligent ones at that, simply to read all of the paper work ground out by the Congress as a whole. Then everybody would have some way of knowing what they were voting about, when and if they voted. The real problem is that there are simply too many laws enacted in the first place. The majority of these laws are piecemeal approaches to national problems and have resulted in a plethora of agencies, bureaus, and departments, all either wacking away at problems in a totally uncoordinated fashion, or trying to justify their existence once a problem has pretty much disappeared.

Thus, we would all be better off if you gentlemen as a body would set some kind of ceiling on the amount of legislation you could create in any given session, while addressing yourselves to the more important matter of pruning out the obsolete, conflicting, overlapping, and generally ineffective legislation that your group has already created in the past. Let's concentrate on getting the job done with what we have and not simply mushrooming out to create more and more unsound laws.

Cordially,

FRANK K. BOSWORTH, JR.

PLYWOOD CO-OPS HELP AREA ECONOMY

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BONKER. Mr. Speaker, the timber and wood products industry is of vital importance to the Northwest. It has for many years been a major contributor to the area's economy and provides the Nation with fine wood and paper products. Characterized by logging camps, pulp and paper and wood processing plants, this industry has become synomous with the growth and prosperity of the Northwest.

The keystone to a strong and active wood products industry is a diverse and competitive free enterprise system. Washington and Oregon are indeed fortunate to have a number of plywood companies which are worker-owned and operated. These worker-owned companies are unique in that members are both owners and workers and, through their elected representatives, participate in management decisions concerning their business. Each member is, in effect, a stockholder who works for the company and enjoys equal status and pay.

The plywood co-ops have proved successful and represent a competitive force in the wood products industry in the Northwest. There is a sense of comradeship among the members as they have demonstrated during hard times by cutting back on salaries when other plants close their doors.

One such company is Lacey Co-Ply located near Olympia, Wash. This company, founded in 1950, has grown to a medium-size industry which produces 60 million board-feet of plywood a year and has an employee force of 135 and an annual payroll of $135 million, which contributes substantially to the area's economy.

Mr. Speaker, I salute Lacey Co-Ply, along with the 17 other plywood co-ops in the Northwest, and would like to insert in the RECORD a recent article on the success of this industry:

HOW ONE FIRM HAS WEATHERED THE HARD TIMES

(By Ken Balsley)

Lacey was just a whistle stop on the railroad in 1950 when several employees of the Bestline Door Plant gathered to decide on a course of action to stop from losing their jobs.

The company, which made and shipped doors, was in financial trouble and a close-down of the plant and layoff of employees seemed imminent.

The plant workers, determined to keep their jobs, settled on a plan of action to buy the plant, scrape together enough capital for expansion and remodeling, and enter the rapidly growing plywood field.

Now, 25 years later, the plant—re-named Lacey Co-Ply—has grown into a medium sized industry which produces 60 million board feet of ⅜ inch plywood a year, has an employee force of 135 and an annual payroll of $1.5 million.

BIG DECISION

"I don't know if Bestline wanted to sell or was just going out of business but they were probably going to shut down," said Lyle Oderman, personnel officer, purchasing agent, insurance adjuster and general office manager for Lacey Co-Ply. "I think it was just a case of the workers deciding to go out on their own."

That first year, 1950, 120 shares of stock were sold at a cost of $2,500 per share.

"They didn't start out very big," said Oderman, himself a 20-year veteran of the plant. "They used what material remained and produced doors, working only a couple of days a week until the stock was used up."

Intending to make plywood, which was in great demand in the postwar housing boom, the workers used the capital to enlarge the plant, purchase new equipment and make improvements.

RETAIL SALES, TOO

"We make some of the best plywood in the world," said Jerry Thorpe, general manager. "Almost 90 per cent of our stock is shipped and sold on the east coast to contract purchasers, but some is also retail from the plant."

Current shares of Lacey Co-Ply stock sell for between $16,000 and $18,000, which entitles the buyer to a job and profits of the company.

"Each stockholder, of which there are 108, takes a monthly salary or margin," Thorpe said. "Some of the profits are plowed back into the company for capital improvements, and the remaining profit is given to shareholders at the end of the year."

Each stockholder works for the company and each draws the same salary of $5 per hour.

"We consider each job of equal importance, so each stockholder is paid the same," Thorpe said.

Approximately 30 employees of the company are not stockholders and are paid at different dates depending on the job and qualifications.

Elections are held annually. Stockholders vote on a nine-member board of directors, who operate and oversee plant operations.

The board of directors then elects a president, and vice president from among themselves. Current president is Jack Chitwood and vice president is A. O. Nystrom.

Competition for jobs within the plant is not extreme.

"When a position opens up, anyone is free to apply for it," Heintzelman said. "The supervisor makes the decision based on seniority and experience. A person is given a try and if he can do the job, he gets it."

Heintzelman added that a person doesn't usually apply for the job unless he can handle it.

SEVERAL ADVANTAGES

"There are several advantages to a worker-owned company," said Dick Heintzelman, production manager. "The people establish their own working hours, conditions and salaries. Morale is better when a person works for himself. We estimate that productivity increases 30 per cent."

But Heintzelman admits there are some disadvantages in a worker-owned business as well.

"There is always that small percentage who feel, since they own the company, they can take time off when they wish. This creates some hardships on other people."

But a bigger problem concerns operations.

"We have 108 bosses, each of whom feels they can run the company better."

In 1973, the company installed some expensive pollution control equipment to meet state environmental policy regulations.

Called the Carter Day Bag House, the equipment meters the amount of sawdust sent to the burners so as to keep smoke to an agreeable level.

To take the environment concerns one step further, all sawdust and waste products are burned by the company to produce steam, which operates the plant's equipment.

"A worker-owned plant is of a tremendous advantage when things get tough," Heintzelman said. "We can cut back in salaries and skim by when other plants may have to close their doors.

"We've never been forced to close for market conditions in 20 years and that's an accomplishment today."

HEW'S PROPOSED REGULATIONS THREATEN SSI RECIPIENTS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. DOWNEY of New York. Mr. Speaker, the Department of Health, Education, and Welfare harbors a potential catastrophe in their proposed adjustment of supplemental security income—SSI—regulations concerning transitional health care facilities.

When the SSI provisions were incorporated into the Social Security Act, a definition of intermediate care facilities—ICF—for funding through medicaid

was included in the law. ICF's were defined as places providing "health-related care and services," licensed by States according to their nursing-home standards, and meeting HEW standards and regulations. HEW standards require application of the Institutional Safety Code of 1967.

HEW threatens to eliminate the Federal component—$146—of SSI checks for individuals using transitional facilities and services in residential community settings. These include family care and "community residences" such as halfway houses, proprietary homes for adults, and private schools for the retarded. These needed programs provide social rehabilitation for the mentally ill, mentally retarded, alcoholic, and aged.

HEW asserts that removal of the Federal share of SSI checks from individuals to institutions is warranted in places where these transitional programs could be provided by an ICF and paid for under medicaid. HEW inaccurately assumes that the transitional facilities fit the Federal ICF category and should meet the ICF standards. Virtually none of the present transitional residences in my home county of Suffolk, New York State, or any other State, meet the Institutional Life Safety Code's construction, nursing, or staffing standards.

The elimination of Federal SSI funds to individuals would cut the economic lifeline of these vital social rehabilitation programs. For example, New York State has set up a federally approved schedule to supplement the Federal component of the SSI checks for people using transitional facilities. The State Department of Mental Hygiene depends almost entirely upon such SSI payments to individuals to facilitate the person's return from an institutional existence to "normal" community life through a transitional residence. The goal of these programs is to reduce dependence on long-term institutional care and create a system of facilities and services which impose the least restrictive condition upon the mentally disabled.

The question arises as to medicaid's role in the eventuality that individual SSI checks are stopped by HEW. Two factors are crucial. First, it is virtually impossible for any existing transitional facilities to meet ICF standards and subsequently gain eligibility for medicaid. Second, it is inappropriate for these facilities to meet those standards.

At stake is the entire concept of a Federal/State/local income supplement to disabled people, sufficient to live on, where supportive and social care services must be built into their specialized living situation. The situation of those in the process of returning to the community must be as noninstitutional as possible. Payments to the clients rather than to the "institutions" where they are "treated" is a necessary factor for a humane, noninstitutional transition period.

It has been suggested that HEW may be rewriting the regulations in order to eliminate the complications of sending checks to individuals by simply making medicaid payments to institutions. Nationwide, all of the idiosyncratic arrangements in the various States to meet the need for transition of the mentally disabled are at a risk of closing down if HEW succeeds in cutting individual SSI payments.

I stand firmly against the proposed revision of the regulations. I urge my colleagues to write HEW and protest this change. HEW must be stopped from instituting a policy that will severely set back our efforts to aid the mentally disabled in their struggle to reenter the mainstream of our communities.

WHY WE NEED OUR OLDER WORKERS

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. HALL. Mr. Speaker, as a member of the Select Committee on Education which oversees the Older Americans Act, I am most concerned about the way this country treats its elderly.

Discrimination based upon mere chronological age should be as objectionable to all of us as any form of discrimination. All too often, productive older workers are forced out of jobs and once out of work find it extremely difficult to locate other work. In fact, half of all American workers face a mandatory retirement age. I think it is time to question the practice of not making full use of experienced older workers.

Mr. Speaker, a recent article in Parade magazine by Norma Levy places into perspective the problems faced by our senior citizens in the work force and efforts underway or contemplated to solve those problems. I would like to share the article with my colleagues:

WHY WE NEED OUR OLDER WORKERS

(By Norma Levy)

Abraham Beame, mayor of New York, is 68; John De Lury, head of New York's powerful Sanitationmen's Union, is 70. These two "older workers" tried to solve their city's financial crisis by getting rid of government employees 58 and over—themselves excluded. Calling it "early retirement," they attempted to make older workers bear the brunt of the economic recession.

Such a solution to economic problems is neither new nor surprising. As Dr. Harold Shepard of the Upjohn Institute says, every recession in this country has been followed by a reduction in the older work force. In this youth-oriented society, the old are dispensable.

But this time the solution was thwarted—not because of an outcry against injustice, but because it was illegal. Times may be changing. In the work force, as elsewhere in society, old people's liberation has begun.

And just in time too. Older workers have been increasingly denied a fundamental right of citizenship—the right to work. Through a combination of discriminatory employment practices and economic incentives not to work, many still capable workers have been forced into an old age of unhappy unproductiveness and economic insecurity.

The phenomenon is a product of the change from an agricultural to technological society. In 1900, when agriculture was the tradtional way of life, 65 percent of all men over 65 worked; today, only 23 percent do.

Contrary to the belief of most Americans, old age does not mean infirmity and senility. People age differently. Some seem "old" at 25; others have the gift of optimism and openness that keeps them "young" until death. On-the-job studies have shown that, except for physically demanding or high pressure work, older workers are as good as—if not better than—their younger counterparts. They are more likely to be stable and happy; they make fewer mistakes, have fewer absences; and they are far more dependable.

EARLY DISCRIMINATION

Nevertheless, potentially productive older people are being forced out of jobs. Discrimination starts long before the traditional time for retirement. From the age of 40, an unemployed worker often finds job hunting a nightmare. Employers frequently prefer a younger worker—sometimes because of prejudice, sometimes because they come cheaper. Once out of work, workers over 40 are likely to remain unemployed much longer than their younger co-workers. Older workers also face on-the-job discrimination. They're passed over for promotion; and they're often the first fired, sometimes to protect a company's pension funds, sometimes to save on salary costs.

Finally, there is the problem of retirement. Today, half of all workers face mandatory retirement, especially salaried employees in large companies. To employers, it's a socially acceptable way to get rid of older, more expensive employees. Unions like it because it opens up slots for impatient younger members. The only ones to object are the retirees who, in the past, have been too unaware and too unorganized to protest effectively.

Today, more and more people, in and out of government, are questioning society's attitudes and policies toward the older worker. Congress took an important first step when it passed the Age Discrimination in Employment Act of 1967—a little-known law that makes it illegal to discriminate against workers aged 40 to 65 on account of age. Although inadequate, it was enough to stop Mayor Beame's attempt to solve New York's problems on the backs of the older workers. It was also enough to force Standard Oil of California to reinstate 120 older workers and to give $2 million in back pay to 160 others—the largest age discrimination settlement ever.

Yet, as it now stands, the act is not enough. For it is difficult to prove age discrimination, especially in hiring, and Congress has not been willing to spend much money on enforcement.

Most significantly, the act provides no protection beyond the age of 65; in effect, it authorizes discrimination against the over-65 worker.

Some powerful people are becoming concerned about these injustices, and changes may well be forthcoming. Democratic Sens. Hiram Fong of Hawaii and Frank Church of Idaho will soon seek to eliminate the age 65 ceiling. Says Church: "I think it's high time that we take down the arbitrary stop sign which now suggests that 65 is the end of the road for employment opportunities and advancing age is the stop-off point for occupational advancement. One's year of birth really should be irrelevant in determining whether he is hired, fired, promoted, or demoted. Functional capacity, not chronological age, should be the controlling factor."

According to attorney Robert Manning of Los Angeles' National Senior Citizen's Law Center, several lawsuits are now pending to challenge the constitutionality of mandatory retirement. A victory in the courts could go far to end the present pattern of indifference.

A few recent efforts have been made to find useful work for older people. A few federal programs have been started, but most are voluntary and pay little or nothing. The only one providing a regular salary, the Senior Citizens Community Service Employment Program, offers part-time employment to people 55 years and over with incomes below the poverty level. They're engaged in socially beneficial work, serving as senior aides and conservation workers.

PART-TIME JOBS

The oldest program, Foster Grandparents, is a part-time operation that pays about $1.60 per hour for low-income older people to provide services to children in institutions, especially the mentally retarded, handicapped and delinquent. About 12,500 people throughout the country participate. In a newly created Senior Companion program, they work with older adults to prevent the institutionalization of these people. Finally, there is an all-volunteer program called RSVP (Retired Senior Volunteer Program).

In addition, some 700 local projects now exist involving 125,000 volunteers performing a variety of services throughout the country. The speed with which such projects have mushroomed suggests the extent to which older people desire to feel productive and useful. Older Americans are by no means dropouts; they just don't know how to get back in again.

As important as these programs are, they are not enough to fill the enormous need. Says Maggie Khun, head of the Gray Panthers: "They're lovely, but they're tokens."

SEEK POLITICAL ACTION

The Gray Panthers, a grass roots organization with chapters throughout the country is one of a number of organizations committed to eliminating injustices toward older people through increased awareness and political action. The 65-year age ceiling is also being fought by such groups as the American Association of Retired People and the National Council of Senior Citizens.

But this might be just a beginning. Right now, 20 million Americans, or 10 percent of the population, are over 65. By 2030, it is estimated that the total will reach 51 million, or 17 percent. Obviously, if they organized and focused their energies politically, the over-65 group could become a powerful force in the country. And they could well be a force for the best interests of all. For besides their capacity to work, which we've shamefully neglected, our older people have a good deal of accumulated wisdom—a rare commodity that should not be wasted.

VOTING RIGHTS ACT

HON. ROBERT DUNCAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. DUNCAN of Oregon. Mr. Speaker, the House of Representatives passed a 10-year extension of the Voting Rights Act of 1965 last week and, among other things, expanded the act's coverage to protect minority groups discriminated against because they cannot speak English.

Despite great improvements in voting practices to include more minority representation since enactment of this legislation 10 years ago, much discrimination remains. Hopefully, some of the new provisions of this act and extension of the previous ones will help remedy this situation.

I supported the original bill. And I voted for this one because I believe the battles fought for equal opportunity a decade ago are not over. Many victories are still too fragile to survive without the protection of this legislation.

But all civil rights legislation, like all environmental or all energy conservation legislation, is not perfect and this most recent voting rights bill is no exception. It includes some provisions which, in the long run, may cause more grief than good.

New sections will expand coverage to language minority groups to provide protection in voting subdivisions where Asian Americans, American Indians, Alaskan Natives, and Spanish Americans make up more than 5 percent of the population and whose illiteracy in English is higher than the national average. Registration and voting materials will have to be provided in the language each group understands.

In theory, the intent of this provision is desirable insofar as it aims at eliminating discrimination against minorities other than blacks. In practice, it may well delay the assimilation of new citizens into American society. To learn the native tongue of one's adopted country is not an unreasonable requirement.

In Oregon, this provision will be relatively simple to comply with. The only counties affected are Marion—Spanish Americans—and Jefferson—American Indians. But in some parts of the country, this provision will wreak bureaucratic havoc in its attempt to protect minority voters.

Some courts may interpret this to mean if a district has a 5 percent Asian minority, some of whom speak Mandarin Chinese and who cannot understand those who speak Cantonese or any of the other 20 or 30 dialects in Chinese, and others who speak Japanese, Cham, or Khmer, that election district will be required to print voting materials in each of those languages.

I think the only rational interpretation of this language provision, and the one which I support, is that if a district has a 5 percent Asian minority group speaking a single language—5 percent speaking one language—then in order to fulfill the civil rights of those people the ballot must be printed in that language for them.

Another provision which may cause more distress than progress is the one allowing any individual—rather than only the Attorney General—to sue a State in a dispute over voting rights. I think this may clog already crowded courts with many similar, individual cases without affecting the rapidity of change. Great progress has been made in 10 years under the present system which I am convinced should be continued.

A permanent ban on literacy tests as a prerequisite to voting was also passed in the bill. I do not agree with the permanency of this provision, although I do believe there is some need for an extension of this for 5 or 10 years. I believe these tests have been misused and should be monitored for a period of time.

Oregon does not use literacy tests in voter registration, but in the absence of discrimination I see no reason why a State may not use them in exercising its constitutional right to establish its own voting procedures.

The point is that many pieces of legislation can aim to be too broad and all encompassing. The intended outcome can be drastically circumvented by the discovery of loopholes and ambiguities. I hope this will not be the case with the extension and enlargement of the Voting Rights Act.

Even though I have doubts about specific provisions and do not consider this to be a well-drafted bill, I voted aye because the Voting Rights Act must not be permitted to expire while discrimination remains.

THE PRESIDENT'S VETO OF THE SURFACE MINING CONTROL AND RECLAMATION ACT OF 1975

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. EVANS of Indiana. Mr. Speaker, the President's veto of the Surface Mining Control and Reclamation Act of 1975 created a number of misapprehensions and misunderstandings which were relied upon by a sufficient number of Members of Congress to sustain the President's veto.

The administration claimed that the bill would result in a reduction in coal production and higher utility bills.

Electrical utility bills have risen enormously in the past 18 months, and probably the single most important reason for the rise has been the increase in the cost of imported oil. As a result of higher prices of foreign oil, domestic oil and coal producers have been encouraged to raise their prices.

Between January and December of 1974, coal prices shot up 73 percent, with a 90-percent increase for the east coast and east-north-central States. During that same time, however, production costs increased at substantially less than one-half that rate, and some estimates place the increase in production costs at 30 percent.

However, in the same time span, coal company profits are as much as 400 percent higher.

Theoretically, at least, the coal companies could absorb the costs of reclamation of strip-mined land without passing the costs on to consumers, since the profit margin would seem to be substantial enough to allow them to absorb costs while maintaining a very healthy profit. For example, according to figures compiled by the Federal Power Commission in December 1974, strip- and auger-mined coal in Indiana sold for approximately $12.30 per ton, while underground mined coal sold for $8.78 per ton. Translated into Btu units, strip- and auger-mined coal sold for 58.9 cents per 10^6 Btu, while deep-mined coal cost 39.5 cents.

The substantial difference in price between the two types of mined coal indicates that strip miners can well afford to pay the price.

However, assuming that the coal companies do attempt to pass the costs on, despite indications that the market will not pay for it, using the industry's own estimates of reclamation costs, the light

bill of the average homeowner in the Eastern United States would increase by an additional 67 to 80 cents per month. In the Washington, D.C., area, the increase would be 31 cents per month, and in South Dakota, even less.

The issue of declining coal production has likewise been laced with inaccuracies. About 50 percent of all coal produced today comes from surface mines. Coalfields in Indiana, Illinois, and western Kentucky accounted for about 30 percent of strip-mining production in 1971. Unfortunately, much of the land in this area which has been so mined has not been returned to productive use. This part of the country is well known for having some of the Nation's best farmland, yet much of the land which has been strip mined is now usable only for pasture.

But it is obvious that our emphasis in the past on strip mining cannot continue. The U.S. Geological Survey and the U.S. Bureau of Mines have measured more than 1.5 trillion tons of coal found in depths to 3,000 feet and in seams at least 14 inches thick. Of this amount, the Bureau of Mines estimates that only 136.7 billion tons, or 11 percent of our coal reserves, can be economically recovered by today's surface mining methods. The remainder must be deep mined.

In Indiana, coal which is recoverable with the present state of the art is approximately 10,600 million short tons, of which only 16 percent is recoverable by strip-mining methods.

Contrast this, however, with the statistics regarding methods of coal recovery used in Indiana. In 1971, 8 percent of Indiana's coal was underground mined; in 1972, 5 percent; and in 1973, only 3 percent. The remainder was either strip or auger mined.

At this rate, Indiana will soon exhaust her strippable reserves. While the coal companies are concentrating on strip mining, and the number of strip mines increases each year, Indiana's underground mines go down in number. Yet our underground mines are in fact Indiana's best hope for future coal production.

Yet another reason why we cannot neglect underground mines is the possibility of capturing methane or natural gas. Natural gas seeps from coal seams as underground coal mining progresses. A survey of 199 underground coal mines by the U.S. Bureau of Mines estimated that 227 million cubic feet of high Btu, sulfur-free natural gas was emitted from those mines each day. That is enough natural gas to supply the needs of more than 450,000 homes.

A new method of pumping the gas to the surface prior to mining would not only eliminate the hazards of gas explosions during mining operations, but also would provide a source of sorely needed natural gas, which could be piped into existing natural gas pipelines and marketed.

Mr. Speaker, the failure of the House to override the President's veto was disappointing, at best.

HEALTHCARE

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BRINKLEY. Mr. Speaker, few of us have reached a final conclusion on what we think is the very best approach to the national health insurance question, although there seems to be almost-universal certainty that some type of program will evolve.

It behooves all of us as Members of Congress to approach this issue with caution, and make sure that we do what is best for all concerned—the Government, the citizens, and certainly the insurance industry which has an admirable record of success. In this regard, the National Association of Life Underwriters has adopted a policy on the national health insurance issue which is worthy of our consideration, whether or not we necessarily agree at this time with all of its points.

At this point in the RECORD, I submit the NALU's policy statement:

NALU POLICY STATEMENT ON HEALTHCARE

The National Association of Life Underwriters, with a countrywide membership of 130,000 career agents, managers and general agents vitally concerned with the best interests of the insurance buying public, believes that any national healthcare program should encompass the following principles:

1. Adequate Healthcare should be regarded as a right, rather than a privilege. Nationalization or serious impairment of the private health insurance business will hinder rather than assure guarantee of this right. Rather, the private health insurance financing and delivery sectors should be supported by government in attainment and preservation of this right.

2. The private health insurance industry should build on its demonstrated strengths by developing a portable uniform minimum of comprehensive benefits with a minimum catastrophic benefit of $250,000. This benefit should be made available to groups and individuals with competition in rate structure preserved and optional benefits at additional cost available.

3. The uniform minimum program should be available to all, including the poor, near poor and uninsurables. The cost of protection for the poor and near poor to be borne by Federal-State Governments. The cost of uninsurables to be borne by the covered individual and the insurer through a pooling system.

4. In order to minimize cost and provide equity to all insureds, benefits payable by any and all medical coverage on an individual must not provide more than the actual total expense incurred.

5. The private health insurance industry, through its agents and agency system, must continue to merchandise its products under a free competitive market and be reasonably compensated for their sales and service efforts.

6. An effective means of cost control is an absolute necessity so that any program of national health insurance will work efficiently and economically.

7. The entire costs to individuals and employers required to provide at least a uniform minimum healthcare program must allow for an appropriate deduction from income taxes.

8. We urge Congress to consider seriously the adverse economic impact, that any nationalization of the health insurance industry will have on the nearly one million employed and their families, an industry which has contributed so greatly to the economic and social well-being of most Americans.

9. We have the largest Federal debt in history—about $500 billion. We have a Federal Budget of more than three hundred billion a year and face increasing deficits each year. Recognizing these facts we should not increase Federal expenditures by some 50 to 100 billion a year. Neither should we destroy by legislative fiat an industry and hundreds of thousands of individuals who strengthen our economy by constant tax payments.

It will be the purpose of The National Association of Life Underwriters to articulate these relevant principles in fulfilling its commitment to assure the best possible healthcare for all Americans.

SAVE OUR WHALES—HOUSE JOINT RESOLUTION 448

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Ms. ABZUG. Mr. Speaker, many persons have written to me describing their concern for the extinction of the whales and asking me to support House Joint Resolution 448 which will, if passed, prohibit Americans from selling products made from whales.

Among the letters I recently received asking me to vote to save the whales were poems from students at the Ethical Culture School in New York. The students' ages range from 7 to 9 years. I would like to enter into the RECORD these sensitive poems because I feel they vividly express the concern I have heard from many people about the future of the whales. I hope other Representatives as well as Senators will vote for House Joint Resolution 448 as a result of these original and thoughtful pleas.

The letters follow:

DEAR MRS. ABZUG: I love writing poems about whales. I have made many poems. I love whales. It is so sad. The whales get killed one by one. I'm 8¼ years old and if I could vote I would vote not to let the Japanese fish products in until the whales are allowed to live.

Sincerely,

RACHEL CONRAN.

DEAR MRS. ABZUG: I am nine years old and I am studying the whales. I think that you should vote on the embargo of fish products. I think the Japanese people are very, very, very mean to do that and if I could vote I would vote to have an embargo. I made a little poem that I would like to show you.

POEM

Down below the world so low,
Live the whales, indeed; for
Up above the world so high, live
The hunters that kill. Oh, why? Oh, why?

Sincerely yours,

REBECCA WINK.

MAY 29, 1975.

DEAR MRS. ABZUG: Please vote yes to Mr. Bell's bill. Soon there will either be few whales left in the world or the whale world will be gone.

POEM OF WHALES

It isn't nice to pull whale pranks,
It's even worse than robbing banks.
Of all these killings you can see,
That the killings do not appeal to me!

P.S. I am Jennifer Weiss, age: 8.

MAY 29, 1975.

DEAR MRS. ABZUG: Please vote yes on Mr. Bells bill. In about four years all the whales in the world will be killed. Whales are in danger, please tell the people in Japan to stop killing whales.

Sincerely,

JOY GANT.

MAY 29, 1975.

DEAR MRS. ABZUG: Please say yes on Mr. Bells bill that said no Japanese fish products because if you don't very soon there won't be any Whales left.

POEM ABOUT WHALES

Whales are very nice sometimes.
Sometimes they are very mean.
But they are the most intelligent
Creatures I have ever seen.

LAURA GRATZ.

MY LATEST POEM

SADNESS

I wonder why it's hard to see
The whales down in the deep blue sea
Is it that they are shy or is it that they are
Scared that the hunters will kill
Them with the touch of their spears.

MAY 29, 1975.

DEAR REPRESENTATIVE ABZUG, I think that the whales deserve to be killed. Sperm etc. whales are killed mostly by Japanese whalers who think that it is very important. P.S. I am eight years old and I go to Ethical Culture in N.Y.C.

Sincerely,

JOSHUA OLESKER.

DEAR MRS. ABZUG, I'v made a poem about whales and I thought you would like it so I am giving you it. I hope you like it, I bet you are. I like to be a star.

Sincerely,

BRYAN HAYNES.

P.S. I'm seven years old. I go to Ethical Culture School.

WHALES

Whales are mammals,
And so are camels,
Some are fast,
Some are slow,
Sometimes they ever glow,
When man comes to kill, they relly blast.

MAY 27, 1975.

DEAR MRS. ABZUG: Please stop the Japanese from killing the whales. I heard a record about whales and I wouldn't like it if I were a whale. I would go to another country. I go to the Ethical Culture school.

Sincearly,

DAVID L. LONTON.

MAY 27, 1975.

DEAR MRS. ABZUG, I want you to help save the whales. Please help pass Mr. Bell's bill to save the whales. Vote on H.J. Res. 448. I go to the Ethical Culture School.

From LISA WEISBORD.

MAY 30, 1975.

DEAR MRS. ABZUG, I go to the Ethical Culture School and our science teacher—Rebecca Elfant—is doing a lot to preserve the life of the whale.

She has a copy of Representative Bell's bill that says that no fish products from Japan may be brought into this country. She has already written a letter to Mr. Bell and he even wrote an answer.

Under Miss Elfant's organization the second and third grades have written letters to you and Mr. Koch.

It's too bad more children don't do this sort of thing.

Sincerely,

KATE SHERMAN.

JUNE 3, 1975.

DEAR MRS. ABZUG: I have received your letter. I enjoy the bill very much. On Sunday I watched a program and they must of gone far out in the sea to get this picture. It was a Grey Whale. On a letter that I will write to you some time I will put a picture of me.

RSVP.

Sincerely,

DAVID L. LONDON.

MAY 27, 1975.

DEAR MRS. ABZUG: Please help pass Mr. Bell's bill to save the whales. Vote on H.J. Res. 448. I go to the Ethical Culture School. I am 8 years old.

From KRISTINE ONISHI.

OFFSHORE DRILLING IN NEW ENGLAND

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. ST GERMAIN. Mr. Speaker, as we again are in the midst of debate on fuel conservation and energy independence legislation, I believe it is of great importance to consider the necessity of offshore oil explorations. Particularly in New England, which has no regional energy source, we should recognize that we cannot merely institute higher gasoline taxes or tariffs on imported oil, but we must also provide for our release from dependence upon foreign supplies by replacing this with domestic products.

With the Bicentennial underway, it is all the more appropriate to revolutionize our energy potential and seek new avenues for our fuel needs. Therefore, I urge my colleagues to consider carefully the worth of exploration and development of oil resources on the Atlantic Outer Continental Shelf. We have lingered too long; now we must act.

In further reference to this issue, I would like to draw my colleagues' attention to the following resolution passed by the senate of the State of Rhode Island on the 21st day of May 1975, memoralizing Congress and the Secretary of the Interior to encourage and support exploration and development of the Outer Continental Shelf:

RHODE ISLAND SENATE RESOLUTION

Resolution memorializing Congress and the Secretary of the Interior to encourage and support exploration and development of the Outer Continental Shelf

Whereas, the demand for energy in Rhode Island, New England and the nation is increasing and will continue to increase for the foreseeable future, and

Whereas, domestic production of oil and gas has declined in recent years, and

Whereas, it is in the interest of Rhode Island, New England and the nation to reduce the degree of dependence upon imports of oil from foreign nations to meet domestic energy demands, and

Whereas, there is reason to believe that the Atlantic Outer Continental Shelf contains significant quantities of oil and gas which can be developed consistent with State and Federal environmental policies, now therefore be it,

Resolved, That the Senate of the State of Rhode Island encourages and supports the exploration and development of oil and gas resources of the Outer Continental Shelf adjacent to New England's coast, provided, however, that such activities are consistent with the requirements of applicable environmental safeguards and conducted so as to protect, insofar as possible, onshore social, economic and environmental conditions of the coastal region of New England, and be it further

Resolved, That the secretary of state be and he is hereby respectfully requested to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress and to the Secretary of the Interior.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, DEPARTMENT OF STATE, OFFICE OF THE SECRETARY OF STATE

I, Robert F. Burns, Secretary of State of the State of Rhode Island and Providence Plantations, hereby certify that the aforegoing is a true copy of Senate Resolution (75–S 406) entitled "Senate resolution memorializing Congress and the Secretary of the Interior to encourage and support exploration and development of the Outer Continental Shelf; the same being taken from the records in this office and compared with the original Senate Resolution (75–S 406) passed in the Senate at the January Session of the General Assembly, A.D. 1975 on the thirteenth day of May, A.D. 1975, and now remaining on file and of record in this office.

CALIFORNIA NUCLEAR SAFEGUARDS INITIATIVE

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BURGENER. Mr. Speaker, yesterday I placed in the RECORD an analysis of the proposed nuclear initiative which will be presented to the electorate of the State of California at a general election. This analysis was prepared at my request by the Library of Congress.

Today, Mr. Speaker, I include comments I requested from the Nuclear Regulatory Commission at this point in the RECORD:

U.S. NUCLEAR REGULATORY COMMISSION,
Washington, D.C., April 29, 1975.

HON. CLAIR W. BURGENER,
House of Representatives.

DEAR MR. BURGENER: Your letter of April 14, 1975 to Mr. Howard J. Larson requesting comments on the effect, if any, which the California Nuclear Safeguards Initiative might have on the activities of the U.S. Nuclear Regulatory Commission has been referred to me for reply. I am pleased to respond to your request.

You ask specifically what effect passage of this initiative measure would have on NRC's operations under the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, as implemented by the Commission's rules and regulations which are set out generally in Chapter 1 of Title 10 of the Code of Federal Regulations. You also ask what effect the initiative would have on the national goals which these statutes and regulations were designed to implement.

As established under section 201 of the Energy Reorganization Act of 1974, the Nu-

clear Regulatory Commission, which came into existence January 19, 1975, is responsible for exercising all the licensing and related regulatory functions of the former Atomic Energy Commission in a manner which will protect the health and safety of the public and promote the common defense and security. In preempting to the Federal government responsibility for licensing and regulating the construction and operation of production and utilization facilities, which include nuclear power reactors, and the possession and use of special nuclear material, source material and byproduct material, Congress anticipated measurable advantages, including improved protection from the standpoint of radiological health and safety, for the public. Within the context of this broad regulatory framework and in the light of NRC's statutory obligations, what are the expected effects of the California initiative?

The salient provisions of the California Nuclear Safeguards Initiative are as follows:

One year after passage, the initiative would prohibit all nuclear power plant construction within California and limit the operation of all existing nuclear power plants within California to 60 percent of their original licensed core power level unless Federal liability limits are removed.

After five years, the initiative measure would require existing nuclear power plants within the State to be further derated—10 percent annually—unless Federal liability limits are removed and the California legislature by two-thirds vote, has confirmed the effectiveness of the safety systems and radioactive waste disposal methods of those plants.

After three years, the California legislature would be required by section 67506 of the initiative to make a further determination as to whether it is reasonable to expect that the conditions of section 67503(b), which provide for legislative confirmation of the effectiveness of nuclear power plant safety systems and radioactive waste disposal methods, can be met. In the absence of an affirmative determination, section 67506 provides that:

". . . neither the siting nor the construction of nuclear fission power plants or related facilities shall be permitted land use in California . . ."

Based on these provisions, it would appear that, should the initiative become law, the construction of new nuclear power plants in California would be prevented, and the amount of power available from nuclear power plants now existing in California would be substantially reduced unless the conditions laid down by the initiative—namely removal of the limitation of liability and demonstration of the effectiveness of safety systems to the satisfaction of the California legislature—are met.

The conditions prescribed in the initiative measure for the construction and operation of nuclear power plants within the State of California introduce an element of uncertainty into the comprehensive system of regulation which Congress has directed the Nuclear Regulatory Commission to administer. By requiring the California legislature to make a determination of the effectiveness of the safety systems and radioactive waste storage systems utilized by nuclear power plants within the State, the initiative would superimpose upon the comprehensive regulatory system provided by the Atomic Energy Act of 1954 and the Energy Reorganization Act of 1974, a supplemental set of radiological health and safety standards applicable solely to nuclear facilities located in California.

Whether the initiative measure would actually have the above-described effect depends, of course, on how the measure would be treated by the courts. The constitutionality, under the Supremacy Clause, of legislation such as the initiative, has not been litigated. However, a somewhat analogous case arose in *Northern States Power* v. *State of Minnesota*, 447 F. 2d 1143 (8th Cir., 1971), affirmed by the Supreme Court at 405 U.S. 1035. In that case, which involved an attempt by Minnesota to impose limits on radioactivity in effluents discharged by a nuclear power reactor (utilization facility) owned by Northern States Power Co., an AEC licensee, the Court of Appeals held:

". . . we hold that the federal government has exclusive authority under the doctrine of pre-emption to regulate the construction and operation of nuclear power plants, which necessarily includes regulation of the levels of radioactive effluents discharged from the plant."

I trust you will find these comments on the relationship between Federal law and the California initiative measure helpful.

Sincerely,

HOWARD K. SHAPAR,
Executive Legal Director.

RELYING ON GOD'S GUIDANCE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the late President of China, Chiang Kai-shek wrote an excellent piece in 1967 relative to his Christian faith. It was recently printed in Human Events on June 7, 1975. It is well to recall that there are large numbers of Christians in Asia and many still in China, some maintaining their belief at great peril to themselves and their families, the usual situation in any Communist nation. Therefore, I commend this article to the attention of my colleagues.

RELYING ON GOD'S GUIDANCE

(By Chiang Kai-shek)

Few if any men lived as much history as President Chiang Kai-shek, who died April 5 at 87: the overthrow of the Manchu Empire, the battles against warlords, the struggle with communism that still persists, the war with Japan, and the military and economic development of Taiwan. The generalissimo wrote the following article for the North American Newspaper Alliance in October 1967, in which he tells about the hardships of his youth and his Christian faith.

Against a natural mountainous backdrop of China's remote Chekiang Province and against the sterner invisible background of her Confucian ethics, I was born into a poor, yet traditional family of farmer-scholars in the gateway town of Chekow.

The date was Oct. 31, 1887, during a decade when China suffered military defeats at the hands of both France and Japan, and even then the whispered laments of my elders were beginning to rise against the misrule of the Manchus.

Thus, very early as a boy brought up in an atmosphere of national humiliation, I came to understand that Western technology and Western education would be essential if China were to regain her power and prestige.

Although today I am a Christian, my mother was a devout Buddhist. She was a strict vegetarian and never omitted daily worship, becoming increasingly fervent as the years went by.

Frequently, she lectured me on the Buddhist Sutras, discoursing on such noble texts as "All beings seek happiness, so let your compassion extend itself to all," or "Let a man overcome anger by love, evil by good, greed by liberality and lies by truth."

"All that I pray for you," she once said, "is that you should love your country, practice the Buddhist virtues of benevolence, fortitude and meditation, and preserve the good name of your ancestors, who were men of reputation."

Even while learning to love the mountain trails and fish-filled streams near our home, I was never allowed to shirk the burden of work.

In fact, when I was a little boy, I was required by my parents and teachers to do many tasks such as sweeping and mopping the floor, cooking rice and preparing food in general, and even washing dishes. If I carelessly dropped a few grains of rice, or failed to fasten my clothing properly, I was severely taken to task.

Then, suddenly, my father died. Now, deprived of any protection after the death of her husband, my mother was exposed to the most ruthless exploitation by neighboring ruffians and local gentry.

The efforts she made in fighting against the intrigues of these family intruders certainly endowed her child, brought up in such an environment, with an indomitable spirit to fight for justice.

I felt throughout my childhood that mother and I were fighting a helpless, lone war. We were alone in a desert; no available or possible assistance could we look forward to. But our determination was never shaken, nor hope abandoned.

Such an environment inevitably moulded the shape of my personality. There is constantly a smouldering fire burning inside me, although I am reticent in giving vent to my emotions.

Throughout my life, I have always been surrounded and sometimes overpowered by enemies; but I know how to endure. This is one of the peculiar characteristics of one who has learned to work, study, sacrifice and rely in the end on God's guidance.

And yet, in the long view of what was ahead of me, a life of hardship was an almost ideal upbringing. In my youthful wanderings, I often sat by limpid streams and watched schools of fish fighting their way upstream like soldiers advancing against a hostile force.

In the same way, I concluded, men have to fight against the odds of life, often repulsed but never despairing. Religion was for me, even as a boy, a source of deep strength for the struggles of life.

So it continued as I became a man—my high school years at Fenghua and Liangching, my military training at Paoting Academy, and my first momentous meeting with Dr. Sun Yat-sen, who was to become my mentor and friend and father of the revolution to overthrow the decadent Manchu regime.

I soon joined his secret Kuomintang movement and began preparing myself consciously and unconsciously for my role in the long-simmering revolution.

It was during the next two turbulent decades—checkered with military campaigns, against the Manchu warlords and Communist conspirators alike—that I began to study Christianity.

I was encouraged in this by a beautiful American-educated young lady, Mayling Soong, who in 1927 became my bride and who in war and peace to this very day shares my morning and evening prayers and reading of the Bible.

Since my baptism in Nanking in 1928 by the Rev. Kiang Chen Chun, my Christian faith has become such a heartening personal experience that not even the most urgent state business is permitted to interrupt my prayer periods.

Without faith, we are constantly in danger of being overwhelmed by adversities. With faith, we unite ourselves with the deep stream of the Eternal's purpose and meaning, and are thereby enabled to accomplish the impossible.

China's epic defiance of Japanese domination between 1937 and 1945 is a striking instance of the efficacy of faith. When Japan hurled its military machine upon us in 1937, opinion in the outside world gave China little more than a few weeks of possible resistance. But the unshaken faith of my wife and my loyal co-workers galvanized China to achieve the unbelievable. The miracle of Chinese resistance was prolonged for eight years, four of them unaided and alone, and in the end, it was Japan that failed.

Faith points out to us that the one irrefutable attitude for men and for nations is the attitude of passivity and fatalism. If we accept defeat, we become frustrated. Then we are indeed lost. But if we refuse to accept defeat by pressing forward in the face of external setbacks, then we develop an inner, integrated wholeness of character which is invincible.

Thus, in the present awful struggle of my country, with the evil forces of communism, the Christian attitude is not—as some Christians have mistakenly believed—one of submission and expedient compromise.

One cannot compromise with evil and remain unsullied. In China today, there are countless instances of unpublicized Christian martyrdom at the hands of communism. From the blood of such martyrdom will spring the seeds of the reborn China which will arise in the future.

Christian faith means that we must and can fight for our principles even at the risk of temporary defeat, and perhaps death. There can be no opportunistic bargaining anytime, anywhere, between right and wrong.

Only this indomitable determination of man to make the supreme sacrifice for the substance of its faith has kept Christian right alive in this world through tortuous nights of human history. And, because there are men and women ready to live and die for their convictions, the victories of communism will prove transient and ineffectual.

On March 29, 1911, 72 courageous young patriots staged an uprising in Canton by attacking the Manchu troops and proclaiming Dr. Sun Yat-sen's Three Principles of the People as the basis of a democratic government.

Although this first uprising failed and the 72 lads died a gallant death, their martyrdom watered the seeds of revolution which did succeed in October of that year. During the past half-a-century, national independence, democratic freedom and social and economic well-being of the Chinese people have become the universal common goals of mankind.

The purpose of our national revolution is the implementation of the Three Principles of the People. First we overthrew the despotic monarchy and established our Republic of Democracy. Next we won victory in our war of resistance against Japanese aggression in fulfillment of the Principle of Nationalism. Today, we are fighting communism to ensure the successful realization of the Principle of People's Well-being and of our national cause of recovery and reconstruction.

There has always been an Infinite Creator, Eternal Lord of the everlasting universe—Almighty God—who glorifies truth, upholds justice and leads his followers to final victory.

Therefore, to the bona fide faithful in the depth of despair and hopelessness after numerous futile struggles, the truth of God will be made known right then and there. In religion, we call this "the Grace of God"; and this is the secret source of that sufficiency always available to God's followers.

This has been my personal experience in years of revolutionary war, in which several times I had to face the danger of death.

I have often said that whenever the forces of darkness and evil are at their worst, the best opportunity for our revolutionary victory—for the revival of our people and the reconstruction of our nation—is closest at hand.

This truth stands out in bolder relief today than ever before. Today, we Chinese at home and abroad are a nation of more than 700 million people. In terms of armed forces alone, we have more than 600,000 men on Taiwan. This figure, 600,000, is nearly 10,000 times the total number of the martyrs, namely 72, who by their utmost sincerity aroused the nation into action to end despotic rule and found the Republic of China.

This anti-Communist manpower is the reincarnation of the undaunted spirit of these very martyrs and is the inheritor to their spirit of sacrifice for carrying on the struggle for the salvation of our nation and people.

We thank God and Jesus that we have not disappointed our revolutionary martyrs, nor will we disappoint our fellow Christians and compatriots who are now suffering on the Chinese mainland.

We will abide by the will of God and spirit of Jesus so as to bring solace to the souls of Dr. Sun Yat-sen and the revolutionary martyrs now in Heaven.

Let me repeat: Whenever the forces of darkness and evil are at their worst, the opportunity for our revolutionary victory—for the revival of our people, for the reconstruction of our nation—and for the germination of a new life is also at its best and closest at hand.

Fellow Christians! The darkness and fetidness of the Communist regime on the mainland today warrant a bright, pure, renovated China for us tomorrow.

REPORT OF SUBCOMMITTEE TO REVIEW LIQUID METAL FAST BREEDER REACTOR

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. McCORMACK. Mr. Speaker, in continuance of my practice of keeping this body informed of the activities of the Joint Committee on Atomic Energy's Subcommittee To Review the National Breeder Reactor Program, I have the following report:

Yesterday, the subcommittee in open session received testimony from invited witnesses on the subject of energy trends. This session included coverage of projected total energy demand and projected electrical energy demand in the United States throughout the remainder of this century, the effect of energy conservation and its limitations, the growth rate of electrical energy, and the significance of recent reductions in electrical energy growth rates.

Testimony was presented by Mr. Alan McGowan, president, Scientists' Institute for Public Information; Dr. John Holdren, University of California, Berkeley; Dr. Bruce Netschert, vice president, National Economics Research Associates, Inc.; and Mr. Roger LeGassie, Assistant Administrator for Planning and Analysis, Energy Research and Development Administration.

I was pleased that Senator CLIFFORD CASE, Congressmen JOHN YOUNG, JOHN B. ANDERSON, FRANK HORTON, and ANDREW J. HINSHAW were able to attend and participate in the questions of the witnesses.

My opening remarks and a summary of the material presented and the ensuing discussion follow:

OPENING REMARKS BY CHAIRMAN MCCORMACK, JUNE 10, 1975

Ladies and gentlemen, I am pleased to welcome you to the first in this series of Joint Committee hearings on the National Breeder Reactor Program. This Subcommittee, appointed to review the breeder program, was established on March 19, 1975, and all members of the Joint Committee on Atomic Energy are members of the Subcommittee.

The mission of this special Subcommittee is to examine the entire breeder reactor program as well as the Clinch River Breeder Demonstration Reactor, which has been authorized and partially funded. This examination includes evaluation of the various concerns that have been expressed and questions that have been raised within the Congress and outside by members of the public with respect to several fundamental issues such as the need for Program, the potential benefits to be realized from it, and the attendant risks associated with ultimate widespread commercial use of this type of electrical generating station.

As a first step toward obtaining information and views on these matters from all sectors, the Subcommittee dispatched letters on April 11, 1975, seeking comments on the principal issues related to the breeder program and the LMFBR from selected agencies of Government, representatives of industry, public groups, and others. The issues addressed include the Nation's need for energy, the electrical component thereof, the alternative fuels and available resources, and the merits or demerits of a commitment to the development of the breeder reactor as a partial solution to the projected electrical energy need. In all, 90 letters were dispatched and about 60 replies were received, representing all extremes of the spectrum of attitudes on the subject of the breeder reactor. This material was provided to all Committee members and has been made available to the public for inspection. It will also soon be available as a Committee print.

The Subcommittee has already held a series of briefings in public session concerning the history of the civilian nuclear power program, the uranium fuel cycle, the enriching process, the present status of civilian nuclear power and a description of the Clinch River Demonstration Plant.

Today's hearings mark the start of a new phase in the Subcommittee's activities. A series of six hearings will be held during June and early July which are structured on the basis of topics identified in the responses to the Subcommittee's April 11 letter to 90 organizations and individuals referred to above. Sessions will be held on the subjects of Energy Trends; Alternate Energy Sources; Safety and Environmental Issues; Role of Converter and Breeder Reactors; Safeguards; and Cost/Benefit Analysis. In extending invitations to witnesses, we have determined to obtain oral testimony on all perspectives of the principal issues which we have identified for consideration, and to have competent witnesses on all subjects. These hearings will be followed by testimony to be presented by Dr. Robert Seamans, Administrator of the Energy Research and Development Administration early in July.

Today's session is on the subject of energy trends, and we are privileged to have with us Mr. Alan McGowan, President of the Scientists' Institute for Public Information (SIPI), Dr. John Holdren of the University of California, Berkeley, Dr. Bruce Netschert, Vice President of National Economics Research Institute and Mr. Roger LeGassie, Assistant Administrator for Planning and Analysis of ERDA. These speakers will cover energy growth rates and the total projected energy demand in the U.S. for the years 1985, 2000 and 2020; the effect of energy conservation and its limitations; the growth rate of electrical energy; and the significance

of recent reductions in electrical energy growth rates.

SUMMARY

Mr. Alan McGowan, President of Scientists' Institute for Public Information, testified on future energy trends and in particular stated his opinion that the AEC (now ERDA) had justified breeder development by promoting inflated projections of growth in electrical demand. Among the points noted by Mr. McGowan that would lead to lower demand were variances in fertility rates which led to different population estimates in the years 1985 and 2000, the effect of price elasticity on electrical demand, and use of the relationship between GNP and energy demand. Also noted was the potential for reduction practices and the contribution of other energy alternates such as solar. Mr. McGowan also claimed that the high priority given to the breeder by the AEC was due in part to industry support since industry already has a large investment in nuclear technology.

During the question and answer period, the following major points were noted:

When asked what should be done if the low demand estimates he was quoting were wrong, and that higher demands were realized, Mr. McGowan said he believed that other energy alternates would be able to do the job. Based on further questions, he estimated that alternatives could contribute 2–5% to the electricity supply in 1985 and 25% in the year 2000. The question was asked on the cost of R & D and the capital costs to achieve these figures in energy supply. Only an estimate for R & D costs to 1985 were given—$1 billion. No estimates were available for 2000 or for capital costs for either year. Another question area dealt with development of the breeder and dependence on oil imports. Considering all the electrical demand estimates, high or low, dependence on foreign oil imports was still required. Mr. McGowan noted that none of his assumptions dealt with the availability of foreign oil.

The next speaker was Dr. Holdren of the University of California.

Dr. John Holdren focused his testimony largely on the effect that conservation measures could produce. He stated his belief that rapid growth in energy use fosters expensive mistakes and results in taking expensive gambles, that increases in energy may even do more harm than good, and that conservation of energy could mean doing better and not doing without. Other points noted by Dr. Holden were that saving a barrel of oil is generally cheaper than producing a barrel, that less energy can mean more employment and that the link between energy and use and economic prosperity is not firm, but flexible.

A major portion of questions to Dr. Holdren dealt with his contention that less energy could mean more employment. Dr. Holdren's point was that if there were a movement away from energy intensive industries to labor intensive industries, employment would benefit. One question asked what would happen to the costs after the switch to the labor intensive industry occurred. Since labor was often a major cost, wouldn't prices then rise rapidly as labor costs rise? Also noted in the questions was that taken to the extreme, this approach would mean the U.S. would have all service-type industries and no manufacturing of goods. Dr. Holdren agreed there was a limit to this but pointed out that other countries like Sweden have a better ratio than the U.S. on per capita energy consumption, while still providing good services for their people.

Dr. Holdren's testimony was followed by that of Dr. Bruce Netschert of National Economic Research Associates, Inc., who reviewed the potential for energy conservation measures to affect energy demand. In his prepared remarks, Dr. Netschert defined conservation as the avoidance of economically avoidable waste and indicated that price-elasticity will act to some extent to hold energy usage down, but noted that the operation of economic forces alone will not result in sufficient conservation. He also discussed the distinction between energy and electricity, noting that conservation of the former is not necessarily the same as conservation of the latter.

Dr. Netschert went on to describe the potential for conservation in the "management" of heat sources in industry, but added that, in contrast, the use of electricity for heating purposes offers little opportunity for conservation. The major opportunities lie in the direct use of fuels. In the residential sector, he noted there are fairly severe limits to what can be accomplished through voluntary action without the existence of clear emergency conditions. The prospects for further electricity conservation in the commercial sector were shown to be similar to those in the residential sector.

This presentation was concluded with the observation that conservation, in the absence of overriding emergency conditions, will have a relatively limited effect on future growth in electricity use. On the other hand, if industry solves its fuels problem with greater rather than less electrification, growth rates in electricity in future years will exceed those of the past. Therefore, electricity may play a relatively larger role in the future total national energy picture. Dr. Netschert suggested under questioning that this point should be kept in mind by the Subcommittee in determining the need for the breeder.

The last witness of the day was Mr. Roger LeGassie, ERDA's Assistant Administrator for Planning and Analysis. Mr. LeGassie presented information on energy projections developed by ERDA earlier this year but not published, and summarized the low, moderate and high growth cases. The low growth case made maximum use of energy conservation and assumed a more austere life style. This high growth case presumed a return to low energy prices compared to prices of other commodities. Electricity demands for the three growth cases were also provided. Mr. LeGassie also noted that his projections covered a broad range that is representative of the forecasts produced by other groups. The last portion of his testimony covered the projections for the contribution to be provided by nuclear power. Estimates for low, moderate and high nuclear power growth were presented. The low growth case took a pessimistic view of industry's future success in coping with schedules and cost overrun problems. The high growth case assumed a favorable climate for nuclear plant construction and operation.

During questioning, Mr. LeGassie noted that ERDA was developing a revised set of energy electricity and nuclear power projections which would be submitted to Congress by June 30 as part of ERDA's comprehensive energy development plan. He concluded by indicating that the projections to be reported in that plan would be lower than those used in previous estimates.

From the information presented by the several speakers, it was clear that a wide range of energy and electricity demands can be postulated in future years depending on various assumptions of population factors, economic impacts, industrial growth, effects of conservation and other factors. The speakers themselves cautioned against the pitfalls of overestimating or underestimating future energy needs. The Subcommittee agrees and will now focus its attention on energy projections in the mid-range of those presented. In conjunction with information to be presented on the other issues relevant to the breeder, the Subcommittee will utilize these projections in proposing appropriate strategies for the development of energy sources.

THE NEED FOR FEDERAL LAND USE LEGISLATION: A STATE VIEWPOINT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. FRASER. Mr. Speaker, today the House Interior and Insular Affairs Committee resumed mark up of H.R. 3510, the "Land Use and Resource Conservation Act of 1975," introduced by my colleagues Mr. UDALL and Mr. STEELMAN.

During the past year, much has been written about the land use bill and much has been misunderstood about it. I am a cosponsor of this legislation not only because I believe that States should be encouraged to develop land use programs, but also because I believe land use is an essential part of any coordinated energy and environmental program produced by this Congress.

History has shown us that land use is the key to solving our problems of air and water pollution, solid waste disposal, and urban sprawl. These have proven to be very wasteful in terms of energy. I am hopeful the President will realize this and listen to those within the administration—such as Secretary of Commerce Rogers Morton and EPA Director Russell Train—who understand why land use should not be included in the administration's moratorium on new domestic spending programs unrelated to energy.

A full appreciation of national land use legislation is expressed in a recent letter by Minnesota Gov. Wendell Anderson to Chairman UDALL and Ranking Minority Member STEELMAN. It is, I think, a valuable statement. It tells, from the viewpoint of State government, why this Federal legislation should be passed by this Congress.

Governor Anderson's letter follows:

STATE OF MINNESOTA,
St. Paul, April 30, 1975.

HON. MORRIS K. UDALL,
Chairman, Subcommittee on Energy and the Environment, Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, D.C.

HON. ALAN STEELMAN,
Ranking Minority Member, Subcommittee on Energy and the Environment, Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMEN: Thank you for sending a copy of H.R. 3510 to me for review. I strongly supported the passage of H.R. 10294 in 1974 and my enthusiasm for national land use legislation has not diminished during the past year.

At this point in our nation's history, the wise allocation of our rich but limited resources is more important than ever. We are experiencing shortages in minerals, agricultural and forestry products, and fuels for energy production and domestic use. Our housing industry is depressed, while the demand for housing increases at an alarming rate. Urban centers are growing in size and density requiring bold steps to be taken in providing public utilities, transportation, outdoor recreation and a host of other public and private developments. All of these needs require land and the past has proved that land allocation decisions cannot be left to the private market place alone. Government agencies at all levels, must begin to work in unison with the general public to identify problems, opportunities and solutions.

In Minnesota, we have an active comprehensive land use program underway. In 1973, I requested and the legislature appropriated the sum of $380,000 to the State Planning Agency to assist in the design of a land use program. In 1973, the Minnesota Legislature also passed other bills which are helpful in regulating the use of our resources. These included an Environmental Quality Council Act; State Environmental Impact Statement Process; Critical Areas Act; Subdivided Land Act; Power Plant Siting Act; Wild, Scenic and Recreational Rivers Act; and an Act creating a Commission on Minnesota's Future, to develop alternative growth strategies.

This biennium, I have requested $590,000 for state land use planning and an additional $2.5 million for local land use planning. The legislature is currently responding favorably to both requests.

While Minnesota has made remarkable progress in the legal aspects of land use planning, we badly need the financial assistance that the federal government can provide. During these early years, much of our state money is used to support inventories and assessments of the social, economic and physical resource conditions of the state. This work is both time-consuming and costly, and additional funds are essential. Some of these inventories are done under contract with federal agencies. Perhaps Congress would consider additional appropriations to agencies such as the Soil Conservation Service, U.S.D.A., and the U.S. Geological Survey, U.S.D.I., to accelerate their data collection efforts in states with land use and coastal zone management programs.

It is ironic that the U.S. Chamber of Commerce, National Association of Home Builders, Farm Bureau, and others who oppose your bill would stand to benefit substantially from it. At a time when developers are having an increasingly difficult time in obtaining government approval for their projects, land use planning could dissolve many of those barriers. By determining in advance the various needs of society and by allocating our fixed resources among these needs, the concerns of the environmentalists, the developers and society in general will best be met. We simply cannot continue to approve or disapprove projects on a case-by-case basis without an overall framework to guide our decisions.

I support you in your new attempt to pass federal land use legislation. If our experiences in implementing a land use planning program in Minnesota would be helpful to you, we would be pleased to share them with you.

With warmest personal regards.

Sincerely,

WENDELL R. ANDERSON.

RIDGEFIELD SCOUTS MARK BICENTENNIAL

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. SARASIN. Mr. Speaker, at this time when all of us are becoming increasingly interested in the various activities being undertaken to commemorate the approaching U.S. Bicentennial, I want to bring to the attention of my colleagues a particularly unique and meaningful Bicentennial project carried out by Boy Scout Troop 129 of Ridgefield, Conn.

This active and dynamic young troop, only 4 years in existence but already an outstanding organization, combined adherence to Scouting's 1974–75 Bicentennial Award theme, "Be Safe, Be Fit," with recognition of local history, to focus attention on American Revolutionary activities in their home area.

The troop did this by undertaking a reenactment of the march by British soldiers from the Connecticut coast, through Ridgefield, to Danbury, where they attacked and burned Colonial military supplies in 1777. While the British were successful in this mission, they ran into such stiff opposition from local militia that they never again risked inland invasion from the Connecticut shore.

The Scouts' march, undertaken April 19 through 22, began at Campo Beach in Westport, where the British, under Gen. William Tyron, landed. They then followed the colonial invasion route through Redding and Bethel to Danbury, then turned west and south into Ridgefield along the retreat route. The troop invited local people interested in Revolutionary War history to participate.

While my schedule did not allow me to participate, I am pleased that my wife Marjorie was able to be on hand to greet the Scouts on the completion of the march and take part in this unique and meaningful Bicentennial activity. I commend Troop 129 for their spirit and their dedication in carrying out this project, particularly March Committee Bob Webb, Norman Gage, and Chuck Schmidt, Scoutmaster Ralph Jahnige and Senior Patrol Leader Steve Jahnige.

A SPEECH BY MR. JAMES S. KEMPER

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. CRANE. Mr. Speaker, a leading American businessman, Mr. James S. Kemper, Jr., president of Kemper Insurance Co., recently addressed a conference of insurance agents in Washington, D.C., on our Nation's present position in the world.

In his thoughtful speech, Mr. Kemper pointed out that "While the Soviet Union proceeds toward its objectives, the United States is changing its priorities. We seem almost to be choosing to be No. 2. Ten years ago we spent 41 percent of our national budget on defense; today it is 26 percent. The Soviet Union is currently outspending us by 20 percent in military research, by 25 percent in military procurement, by 25 percent in general purpose forces, and by 60 percent in strategic nuclear weapons . . ."

I agree, of course, with Mr. Kemper that this growing imbalance is a subject of the greatest concern to every American. I hope that our colleagues, therefore, will read Mr. Kemper's comments which were published in the May 1975 issue of the Washington Report of the American Security Council.

I should like to insert this article in the RECORD at this time:

OUR NATION'S PRESENT POSITION IN THE WORLD

Recently someone sent me a clipping from a newspaper in Steubenville, Ohio, quoting a statement made more than 200 years ago by a British historian, Professor Alexander Tyler:

"A democracy cannot exist as a permanent form of government. It can only exist until the voters discover that they can vote themselves largess from the public treasury. From that moment on, the majority always votes for the candidates promising the most benefits from the public treasury with the result that a democracy always collapses over loose fiscal policy, always followed by a dictatorship. The average age of the world's greatest civilizations has been 200 years."

As we approach the celebration of our 200th anniversary as a free nation, I think it is appropriate that we consider whether our experience will bear out Professor Tyler's prediction, or whether in this nation we have the will and the ingenuity to bring about a renewal of our institutions which can make the United States the single exception among democracies which have risen to power and affluence and then lost their democratic heritage.

The current signs are not good. Twenty years ago the United States stood alone and unchallenged as the richest and most powerful nation on earth. The average citizen of this country was the envy of the world, with more personal freedom and more material possessions than had ever been dreamed possible. Today the average citizen is frustrated, disillusioned, and angry at all of the institutions which he perceives as controlling the destiny of the nation, and we are relinquishing our position as Number One in power and influence.

Our economic structure and our military posture are deteriorating by all of the significant measurements. Chairman Mao's most celebrated saying was: "Power grows out of the barrel of a gun." More accurately, power equals money plus guns—using the word "money" as descriptive of economic strength, resources and technology. And, until the arrival of the Utopian condition for which all good men pray, in which the world and its people are ruled by love, the world and its people will continue to be ruled by power. So let's talk about the real world.

STATE OF OUR ECONOMY

What has happened in these past two decades to bring about the decline in our national state of well-being? First, money—the state of our economy.

The key measurement of economic health is the productivity of the syqstem. For decades the United States was the most productive nation in the world. But in the period between 1960 and 1973, among the seven largest industrial nations of the Western world we had the lowest average annual rate of growth in productivity. At the same time, and as a direct cause, we had the lowest rate of capital formation among all of those countries except Great Britain. We have apparently lost the economic discipline to invest enough of our gross national product in the capital goods and technology which would enable us to increase our productivity at a rate sufficient to maintain the economic standards of our society. Where has the money gone?

Many people point to the more than $100 billion we wasted in Viet Nam as the principal villian in this scenario, but this was an ill-advised one-time diversion of funds which has been largely phased out. . . .

One of the most disturbing aspects of our economic picture is that much of the press, and those politicians who look for highly visible and politically vulnerable targets, find it profitable to attack corporate management and to make "business" the scapegoat for economic problems. Of course business needs to be regulated; its activities re-

quire surveillance in the public interest, as do those of labor unions and even consumer organizations; but it is a disservice to the national welfare and the welfare of the average citizen to deliberately create distrust of the corporate system and its managers, instead of directing our attention to the imperative need to exercise the economic discipline necessary to a health economy.

WE CANNOT STAND ON THE SIDELINES

A few words on our military position. We cannot resign from the struggle for power in which mankind has been engaged since the beginning of recorded history. We cannot become another Sweden or Switzerland: we are too rich, too involved, and our national destiny never has been and never can be to stand on the sidelines while others determine the future of the world.

The less powerful nations have looked to us for leadership, not because they love us, not because we saved them from Hitler, and not because we gave them billions of dollars after World War II, but because we were Number One in military power. That's the way the world is. And if the Soviet Union becomes Number One in military power, our friends and allies, and those who have had no prior commitments, will start hedging their bets.

There are many signs that this is happening right now. The Third World countries, weaned on Soviet arms and ideology, are treating us contemptuously in the United Nations and elsewhere as a paper tiger. Nation after nation is cuddling up to the Soviet Union. Who can blame them? I must repeat—the world is run on the basis of power, and the world sees the Soviet Union increasing its military strength and extending its diplomatic advances on every continent, while we seem to lack the national will to compete.

Everywhere we look, with the single possible exception of the Middle East, we see Soviet influence growing while ours recedes—in Asia, Africa, Latin America, and in the nations on the Mediterranean littoral such as Greece, Turkey, Italy, Libya and Algeria.

THE SAD CASE OF PORTUGAL

The most recent example is the sad case of Portugal, which has become a Communist-controlled military dictatorship. There is usually nothing a private citizen can do about a Western European nation falling under the influence of the Soviet Union and becoming a Communist military dictatorship. However, in this particular case, there is one small thing that I personally can do, and have done.

My company had scheduled two sales conferences for a total of 800 agents and their wives to be held in Portugal this June. Our conference budget for travel by Portugese airline and hotel and other expenses in Portugal was $452,000. We estimate that additional expenditures by those participating in the conference would have brought the total to well over a half million dollars.

I am using this occasion to announce that we have canceled our sales conference in Portugal, and we are going to hold it instead in San Francisco. We will not contribute more than a half million dollars to the economy of a nation which has nationalized its insurance companies, exiled or imprisoned its moderate leaders, told the American Ambassador that it cannot be responsible for his safety, and is now moving to replace the Socialists in its government structure with Communists because the Socialists are not radical enough. It is a source of personal satisfaction to me, and I hope to our company personnel, our agents, and the more than four million policyholders and employees of policyholders who are covered by insurance written in the Kemper Companies, that this conference will instead be held in a beautiful American city in an atmosphere of freedom, democracy and good will.

While the Soviet Union proceeds toward its objectives, the United States is changing its priorities. We seem almost to be choosing to become Number Two. Ten years ago we spent 41% of our national budget on defense today it is 26%. The Soviet Union is currently outspending us by 20% in military research, by 25% in military procurement, by 25% in general purpose forces, and by 60% in strategic nuclear weapons. The polls say that the public wants the United States to be equal or superior to the Soviet Union in military strength, but the same polls say the public would like to see less money spent on defense and more money spent on health, housing and education. We cannot have it both ways.

We also seem determined to emasculate our intelligence services. The media and some politicians are succeeding in making CIA a swear-word and FBI a joke. Excesses in those agencies have been emphasized out of all reasonable proportion to their importance. The officials of the KGB must be rolling on the floor with laughter.

On the diplomatic front, the new Congress puts internal political considerations ahead of the national interest—the halt in military assistance to Turkey being a prime example. . . .

DÉTENTE—A BURIAL POLICY

I am not unaware of the advantages to this country inherent in the so-called detente with the Soviet Union. I fully support, as do most Americans, the development of procedures by which the people of the United States and the Soviet Union can come to know and understand each other, and to trade with each other. But I do not believe the world will be a safer or more peaceful place, or even that it is in the interest of detente, if we accept the position of Number Two in military strength. I am not concerned about Khrushchev's prophecy: "We will bury you." I am concerned lest we bury ourselves.

As I survey the current scene, it seems to me that we have been acting like a housewife with a very large family and a limited budget who, in order to keep peace in the family, tries to serve at every meal every dish that each member of the family says he would like to have. It can't be done. Especially when the demands of the noisiest, most threatening and least productive members of the family are preferred over those who contribute to the family budget.

I am trying to say that what is sometimes referred to as the middle class, namely, about 80% of our population, is being stuck for the family bills without getting its fair share of the benefits. To make it worse, the media and the demagogues are misrepresenting the priorities, over-dramatizing the problems and ignoring the long-range welfare of the citizenry as a whole. No wonder the productive 80% are confused, frustrated and angry!

Some of our most perceptive political observers, those who are interested in the lessons of history, are looking apprehensively down the road for the appearance of the ultimate demagogue—the man who plays upon the frustrations of the majority, promises everything to everybody, gets himself elected President of the United States, and proceeds to establish a *de facto* dictatorship.

This is not a scenario that needs to be acted out to an inevitable conclusion. This country has everything it needs to continue as Number One in the world—Number One in national wealth and resources, widespread material affluence, impregnable military strength, individual freedom, compassion for the disadvantaged, concern for the environment in which we live and work, and dedication to peace.

DISCIPLINE AND DESTINY

But somehow we must find a way to impose upon ourselves the kind of voluntary discipline and respect for priorities which we seem to have abandoned. Approaching our 200th anniversary, we have a clear choice—to confirm the predictions of those who say a democracy cannot survive for longer than 200 years, or to renew and reaffirm the national will to carry out our destiny as the leader of a free and better world.

RICHARD B. RUSSELL DAM AND LAKE

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. STEPHENS. Mr. Speaker, legislation is presently pending before the House Appropriations Committee which contains construction funds for the Richard B. Russell Dam and Lake on the Savannah River in the State of Georgia. I have received a statement in support of this project from Judge Peyton S. Hawes, chairman of the Richard B. Russell Dam and Lake Steering Committee, which is composed of interested citizens from Georgia, South Carolina, and North Carolina. Another statement of support by Billy R. Brown, chairman of the Elbert County Board of Commissioners, and W. J. Roberts, mayor of Elberton, Ga., has been submitted to me by Robert L. Williford, editor of the Elberton Star. Although I received these statements too late to have them included in the committee hearings on the public works appropriations bill, I would like to take this opportunity to share their contents with my colleagues by inserting them in the RECORD:

STATEMENT OF PEYTON S. HAWES, CHAIRMAN, RICHARD B. RUSSELL DAM AND LAKE STEERING COMMITTEE, ELBERTON, GA., MAY 17, 1975

Mr. Chairman and other distinguished members of your Committee, my name is Peyton S. Hawes. I serve as Chairman of the Richard B. Russell Dam and Lake Steering Committee, a group of outstanding and public spirited citizens from Georgia, South Carolina, and North Carolinia who are interested in and dedicated to the expeditious construction of this project by the Corps of Engineers.

I was privileged last year to testify before your Committee (see Vol. 7, pages 315-316, Sub-Committee on Public Works, Committee on Appropriations) and filed for the record my statement. On this occasion for the members of my Committee from the respective states, I asked for $2,100,000, same being the capability of the Corps of Engineers for the fiscal year 1975. At this point in history, your Committee, in its wisdom, granted this request. The project is now under construction.

Since it is the duty of Congress to meet the needs of this country head-on, for the record, let me state that the need for the Richard B. Russell Dam and Lake is greater today than it will be at any time in history. Energy and pure water, as pointed out by the present Governor of Georgia, are vital to the progress of this country, and these needs will not diminish. The Steering Committee feels, aside from the recreational potential, that energy and water alone should justify the construction of this project. It was on this basis that Governor Busbee gave the project his unequivocal endorsement and support.

So, Mr. Chairman, I am before your Committee again on behalf of my membership from the several states to ask your Committee to consider and to approve $6,600,000 which the Corps of Engineers has testified is their capability for the fifteen month period beginning July 1, 1975.

Your Committee has before it testimony, which deserves repeating for the record, that for every dollar that is spent on this project, $2 will be returned as benefits to the nation.

Mr. Chairman, on behalf of my membership from the several states, may I take this opportunity to express to you and other members of your Committee our sincere appreciation for granting us this audience and allowing us to make the above observations.

I would feel remiss if I did not state for the record my appreciation and thanks to the Senators and Congressmen on both sides of the river for their continued cooperation that this great natural resource can be developed to its optimum use.

Mr. Chairman, I thank you.

ELBERTON, GA.,
May 13, 1975.

Hon. JOE L. EVINS,
Chairman, Subcommittee on Public Works, Committee on Appropriations, U.S. House of Representatives, Washington, D.C.

DEAR CHAIRMAN EVINS: Last year upon recommendation of your able committee, the Congress appropriated funds to initiate construction of the Richard B. Russell Dam and Lake.

This great project, located partially in our county, is now under construction, with the overwhelming approval of our citizens. When completed, it stands to benefit many people over a wide region.

We would like to express our appreciation to you, your committee, and the Congress for launching this great enterprise and respectfully request continued funding necessary to carry on an effective construction schedule. To this end, we strongly support the Corps' request for $4.4 million for FY 1976 and $2.2 million for the transitory period July 1–September 30, 1976 and urge you to include these amounts in the appropriation bill which your committee has under consideration.

Sincerely yours,

BILLY R. BROWN,
Chairman, Board of County Commissioners, County of Elbert.
W. J. ROBERTS,
Mayor, City of Elberton.

ESTELL MANOR CITY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. HUGHES. Mr. Speaker, I recently attended ceremonies commemorating the 50th anniversary of the city of Estell Manor, N.J. I would like to share with my colleagues a brief history of this fine city writen by Mr. Thomas Ross:

Estell Manor City was incorporated from Weymouth Township on June 1, 1925 by authority of the State Legislature, P.L. 136, dated March 14, 1925. It is bounded on the north by Hamilton and Weymouth Townships, on the south by Corbin City, on the east by the Great Egg Harbor River and on the west by the Tuckahoe River.

The earliest known inhabitants of the area were the Delaware Indians who were a branch of the Lenni Lenape tribe. The earliest known settlers were the D'Estalls from France in 1671. The Estellville area and the city were named from a derivative of the D'Estall name.

Approximately 12,000 acres of the area in the city are owned by the public. Over 10,000 acres are under the jurisdiction of the Division of Conservation of the State of New Jersey and the remainder was a recent acquisition of the Board of Freeholders of Atlantic County for public park use.

Estell Manor is the second largest city in land area in the State of New Jersey with an area of 53 square miles. There are many acres of woodland and during the hunting season the number of hunters probably outnumbers the population of the present 800 or more.

Some of the oldest homes in the city were built from sandstone quarried right in the area. The Dean farmhouse on Maple Avenue remains the same as it has for years. There are five fireplaces in the old unused clubhouse of the Atlantic County Game Preserve on Route 50 and Maple Avenue made from sand stone. The old Betts home where Mrs. Ruth Foster now resides, the Beebe home are old frame buildings in the Head of the River area. The old Estell Manor Guest House, now the Manor Woods School, is about 140 years old but has had a facelifting within the past 75 years. One of the oldest homes in the Risley area is along the Tuckahoe River on Cumberland Avenue at the site of the Clemenson camp site. It was built in 1895 by Janet Bolter who operated a guest house.

There are many waterways in and about the city. Few are navigable for any distance but there are fish in them for the angler. Stephens Creek, a tributary of the Great Egg Harbor River, was dammed to supply water for the lumber and grist mills and it was later used to generate electricity. Access to the river was closed by the Atlantic County Game Preserve.

The pines furnished the necessary raw material for the leading industry of the area in the late 18th and early 19th centuries. It was charcoal. The charcoal pits furnished fuel for the early furnaces for making iron ore and later for the glass furnaces at Estellville and Tuckahoe.

Walker's Forge and Aetna Furnace were built in 1816. Lewis Walker came from Weymouth Furnace to build his own forge and mill on South River. The buildings and Walker home are long gone but the road still bears his name. A 100 people were employed there making iron pipes for the big city water systems. Aetna Furnace was built by Joshua Coates. Spikes, nails and bar iron were the principle manufactured articles for the ship-building industry which flourished at Tuckahoe and Mays Landing at the time.

The iron ore used in the furnaces was a loose pourous earthy ore, limonite (ferric oxide), that formed in the swamps. The once plentiful source did not replenish itself and as the ore and the wood supply dwindled so went the industry.

The glass factory in Estellville was built in 1825 by John Scott and was sold to John and Daniel Estell in 1834. The factory which made bottles and window glass remained in operation until 1875. The ruins are still visible in the County Park area. A bottle works was once located on 1st Avenue about 1900. It no longer exists.

When Aetna Furnace ore industries expired the cranberry bogs became famous on the Tuckahoe River. Durell was a much used word in the industry. In recent years the Morris April Co. of Bridgeton were the owners. They packaged and canned the berries at a plant in Upper Township near the bogs. In recent years they sold their properties to the Division of Conservation of the State of New Jersey.

The railroad, built by the Reading Company in 1895, gave the wood industry a boost as well as agriculture and poultry. Cord wood was shipped on especially provided cars by the railroad and the eggs and produce were shipped by freight and express to the metropolitan areas. Corn and potatoes were raised primarily. In earlier days a premium of $10.00 was paid to the farmer who raised the greatest number of bushels of corn on an acre of land.

The poultry industry reached its peak about 1952 but since that time many farms have been vacated, sold or the buildings torn down. The Clemenson Poultry Farm was the largest in the area and their hatchery together with Makarius and Treulich were well known throughout the State. The Ryder Farm on Route 50 is the largest poultry farm in the city at this time.

The Gem Refrigeration Company erected a factory on Route 50 in 1959 and the firm has advanced and expanded since its opening in the city. The company manufactures refrigeration equipment for stores, bars and cocktail lounges, and industrial operations.

The Estell Manor Elementary School was opened in 1955. The newest addition to the building was opened in 1975. Old school buildings are located at Head of the River, Estellville and Risley. The Estellville School is 140 years old and the Risley School about 72. The oldest building once used as a school at Head of the River is now a garage on the Beebe property. It is well over 150 years old. Hopes for future uses for the Estellville School are encouraging.

The new Estell Manor Community Church was dedicated in 1954. The oldest church in the city is the Head of the River ME Church built in 1792. The Estellville ME Church was built in 1834. Both ME churches have one service yearly in October.

A Roman Catholic church on Cumberland Avenue was burned early in the century and never rebuilt. Grave sites in the area are no longer visible. The once used Hebrew Community Building and Synagogue on Cape May Ave. was built in 1955 but is now a private dwelling.

There are many old cemeteries in the city and many gravesites on private properties. The Steelman graves are on Cedarhurst Ave., The Sayre graves off of Cape May Ave., The Drummond graves on Route 50 opposite Ryders Farm, The Hebrew Cemetery off of Route 50 in Estellville. The ME Church cemeteries at Head of the River and Estellville, the Estell Manor Community Cemetery on Cumberland Avenue and the little known Baptist cemetery opposite the Head of the River ME Cemetery which pre-dates any in the city.

The Estell Manor City Hall was dedicated on June 17, 1967. The Estell Manor Fire Company which uses the same building was organized the same year. The city is governed by a mayor-council form of government. Mrs. Rebecca Winston was the first mayor and the first woman Mayor in the State of New Jersey. She was followed by Ella Clemenson who served for 22 years as mayor and 11 as a councilman. Following Mayor Clemenson were Bernard Andersen for three years, John Wagner for six years. Thomas D. Tummon for three years and present Mayor Nells Clemenson, son of Ella, up to the present time. Mrs. Anna I. Davis served as City Clerk from 1/1/27 to 12/1/51.

There are numerous others who have served the city in various capacities for many years; Councilmen, Clerks, Tax Assessors and collectors who have served the city with dignity and honor and for the best interests of the residents. They are indeed public servants.

We have a long heritage behind us and a proud future ahead of us. Let us all work together.

MICHAEL VELGOT RECEIVES HIGHEST MARKETING AWARD

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. ADDABBO. Mr. Speaker, Michael J. Velgot, of New York, received the "Silver Baton Award for Excellence in Marketing Communications," for his work as assistant vice president in charge of marketing for Hamburg Savings Bank.

I congratulate Mr. Velgot on having won this prestigous award, and I would ask unanimous consent that I might include in the RECORD the feature story on the presentation as published by the Ridgewood Times on June 5:

MICHAEL VELGOT RECEIVES HIGHEST MARKETING AWARD

Michael J. Velgot, assistant vice president, director of Marketing, Advertising and Public Relations of the $531 million Hamburg Savings Bank is the recipient of "The Silver Baton Award for Excellence in Marketing Communications."

Velgot was presented this coveted award by Dr. Frederick G. Schwartz, chairman of the Awards Committee for the Savings Banks Association of New York State Marketing Forum. Dr. Schwartz said: "Over 60 New York State Savings Banks in five different Bank asset categories submitted entries and exhibits. The judges for this annual event were world renouned Professional Marketing Specialists including a University Professor with an M.B.A. in Marketing. Therefore, the Silver Baton Award, illustrates the highest recognition of marketing leadership.

After accepting "The Silver Baton Award", Velgot thanked the Savings Banks Association of New York State Marketing Forum, Joseph L. Werner, president and chief executive officer, trustees, officers and staff of Hamburg Savings Bank scores of other important associates, and colleagues, all Media and Suppliers whose valuable cooperation and assistance contributed to the gigantic success of our innovative and creative promotions. He also said: "You know, it is my contention that a successful Marketing and Advertising Program is the result of a very close and coordinated planned relationship and modus operandi between client and agency. Therefore, my gratitude and respect goes to the Frank Vitale Advertising Agency for giving Hamburg Savings Bank the Marketing strategies and advertising concepts and graphics that really communicate."

The unique, innovative and creative entry and exhibit submitted by Michael J. Velgot, was a compilation of testimony of recent projects, programs and efforts illustrating and satisfying the following criteria:

1. contributions to the bank, 2. creative ability, 3. contributions to the general advancement of marketing, 4. contributions to the community.

Awards were presented in each of the following asset levels: 1. under $100 million; 2. $100 million up to $250 million; 3. 250 million up to $500 million; 4. $500 million up to $1 billion; 5. $1 billion and up.

Hamburg Savings Bank with assets over $531,000,000 qualified for category #4 asset level—$500 million up to $1 billion. Twelve Savings Banks submitted entries in #4 category including 4 banks in the $1 billion asset level.

Veteran of World War II, Mr. Velgot is the recipient of twenty-two Combat Awards. He flew 70 bombing missions aboard a B-25 Bomber with the 12th Air Force in the European Theatre of Operations (E.T.O.).

After completing his combat tour he was assigned to the Armed Forces Radio in Rome, Italy as a News and Sports commentator, Disk Jockey and Special Events Producer and while in the capacity he was a Columnist and Sports Editor of the Armed Forces "Stars and Stripes" newspaper.

Before joining the Hamburg Savings Bank in 1962, Velgot graduated from the Radio-Television Commercial Broadcasting Institute (NBC/-SRT). He was an Associated Press Correspondent, News, Sports, Special Events Commentator, Chief Announcer, Disc Jockey, News, Sports and Program Director and General Manager of a Regional Network Affiliate of the Mutual Broadcasting System.

Velgot is a past member of the Savings Banks Association of New York State Public Information Committee. He is a member of the Brooklyn, New York Group Five Savings Banks Marketing and Public Relations Committee and Officers Association. The Executive Committee of the Savings Banks Association of New York State Marketing and Public Relations Forum, Financial Advertising and Marketing Association American Society of Disc Jockeys, American Federation of Television and Radio Artists, American Newspapers Guild and New York Press Club, National Association of Broadcasters, Radio Broadcast Engineers Association, Karate-Ju-Jitsu-Judo Society of America, The Air Force Association and Aircraft Owners and Pilots Association.

The Hamburg Savings Bank with six offices serving residents of Queens, Brooklyn and Nassau in Ridgewood, Cypress Hills, Kew Gardens, Albertson and Great Neck Plaza, Long Island, plans to Grand Open its 7th office at 67-09 Fresh Pond Road, Ridgewood, Queens during the latter part of June, 1975.

INABILITY TO OVERRIDE PRESIDENT'S EMERGENCY EMPLOYMENT APPROPRIATIONS ACT

HON. ALLAN T. HOWE

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. HOWE. Mr. Speaker, I am very disappointed in the Congress for its inability to override President Ford's veto of the Emergency Employment Appropriations Act of 1975. And, I am particularly dismayed that Mr. Ford did not recognize the significance of this legislation when he vetoed it in the first place.

I think the need for this bill is very apparent and I reject the President's decision against the $5.9 billion expenditure for two reasons.

First, the creation of 900,000 new jobs would have quickly and directly reduced unemployment from the current 9.2 percent, the highest since 1945, and thereby nullify the inflationary impact through increased production in the economy. The bill would have provided for public service jobs to help our communities with development programs or other problems they might have, provided summer jobs for young people, and aid for older Americans through temporary jobs.

Second, economists estimate that for every 1 percent of unemployment, there is a $16 billion loss in the total budget—$14 billion in revenue and $2 billion to provide public assistance such as welfare or unemployment compensation.

It was clear to me that this emergency interim measure, and I want to stress the word emergency because that is the situation we now face, would have provided the relief necessary to get this country out the present deep recessionary cycle and on the road to a sound, productive economy.

The President's view that private industry will provide jobs to fill the employment void now for the nearly 9 million unemployed persons, indicates his lack of understanding of how critical our problem is and what is the best course to take at the present time.

Of course, I realize in the long run, private industry must be the sector to handle employment but they cannot rehire the millions of people who have been laid off when there is such a slump in production. The bill was only an interim measure, designed to give private industry and business a needed shot in the arm.

Consequently, without this bill, Government will continue to pay thousands of dollars in public assistance without receiving a return on their investment. If these persons, however, could have been serving in a productive capacity, they would have been putting tax returns back into the economy—a factor not present under current circumstances in public assistance.

I cannot understand Mr. Ford's rationale that the bill would not have provided "real" jobs in significant numbers to deal effectively with recession. I do not know what his definitions are based upon, but providing jobs to complete highways, dams and other community improvement projects seems real enough to me particularly in view of the fact that many of these projects remain unfinished because of a lack of manpower and funds. And, certainly 900,000 jobs is a significant number to put people back to work with the twofold benefit of lower unemployment and increased production.

For the President to term last Wednesday's vote a "significant victory" is a sad commentary on how this administration views the American public and the problems they face. Rather than a victory, I view this vote as a defeat, not for supporters of the bill, but for the people of this country who will continue to remain unemployed and for an economy that will continue to slump, with no viable alternative or solution in sight.

RELATIONS WITH CUBA: THE NEXT STEP

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. SOLARZ. Mr. Speaker, in recent months there has been increasing consideration given in the Congress and elsewhere to the U.S. policy toward Cuba, to the possibility of ending the embargo against that island nation and the prospects for the resumption of trade between our two countries. Our policy toward Cuba is being carefully reassessed at numerous levels and a series of hearings have been held in both Houses on the future of our relations with the Castro government.

A series of very timely and substantive hearings have been conducted by the House International Trade and Commerce Subcommittee, very ably chaired by my colleague from New York (Mr. BINGHAM). Last month this panel received testimony from Mr. Kirby Jones, president of Alamar Associates, who has made four trips to Cuba within the past 11 months, during which he has had a number of in-depth conversations with Prime Minister Castro and other Cuban Government officials. His first trip, in July 1974, was for the purpose of filming a documentary on present-day Cuba and an extended interview with Prime Minister Castro. He received an Overseas Press Club award for this fine documentary.

I have read Mr. Jones' prepared statement before the Bingham subcommittee and found his comments and observations about Cuba to be of great interest. I believe it would be useful to share this report with our colleagues and I present Mr. Jones' testimony herewith for inclusion in the RECORD:

PREPARED TESTIMONY OF KIRBY JONES

Mr. Chairman, let me first say how much I appreciate the opportunity to present brief testimony today and I look forward to any questions that you might have when I am finished.

I have visited Cuba four times within the last ten months—first, for 3½ weeks in July, 1974, for the purpose of making a film documentary and conducting an extended formal interview for television with Prime Minister Fidel Castro; second, for 7 days in October, 1974, for a follow-up interview with Castro for CBS; third, for 10 days in February, 1975, with my wife; and fourth, for the 12 day period of May 2–14 of this month.

On each of these trips I have had the privilege of meeting and talking with Prime Minister Fidel Castro, not only during the formal interview for television but also during meals, in his jeep, and informally in my hotel room. I have also met and talked with members of his staff, officials of the Cuban Foreign Ministry, officials of the Trade Ministery, and with Cubans at all levels from all the provinces of Cuba.

It was during my trip this past February that I first began to explore in depth the subject of any future trade between the United States and Cuba. In February and May of this year, I had the opportunity to meet with the top officials of the Cuban Ministry of Foreign Trade. From these meetings I learned a great deal about their methods, approaches, perspective and thoughts on current trade with other countries and on any possible trade with the United States once that was legally possible. These meetings were marked by candor and honesty.

My impressions are as follows:

1. There is a strong resolve that the lifting of the economic blockade by the United States is clearly the prime prerequisite for any discussions that might lead to political or economic normalization;

2. Within that context, however, there is a realistic assessment that Cuba could and probably would gain some economic benefit from access to U.S. products, services and knowledge that has been denied the Cubans for more than a decade.

3. But Cuban long-range planning is now being made—as it must be—based on the fact that the blockade exists, so that while U.S. policy makers delay, Cuba continues to enter into more and more commercial contracts with other socialist and non-socialist countries such as Canada, France, Japan, Germany and England (Cuban officials are today in London finalizing a large commercial and credit transaction with the English). What this may mean for the United States is simply that some of these new contracts may preclude similar arrangements with U.S. companies, thus depriving our own economy of the benefits gained from increased foreign exports.

4. The Cubans are aware of the increasing interest on the part of U.S. firms to enter into trade with Cuba and are receptive to expressions of that interest through whatever legal channels that might be available.

5. The Cubans are indeed most expert and knowledgeable in commercial trade negotiations. They have a greatly increasing experience dealing with non-socialist countries and expect to be treated as equals to any country in the world. American firms should be clear that the Cuba of 1975 bears absolutely no resemblance to the Cuba that might be remembered from 1958.

6. It is my feeling that the Cubans are not likely to enter into any agreement with an American company without a thorough analysis of that company to satisfy certain normal and accepted business criteria.

7. It is unlikely that even if the U.S. does lift the blockade, the Cubans will permit open travel access to Havana by American business representatives with their briefcases of samples. The first transactions will be undertaken with great care and will more likely than not be simple transactions involving the clean buying and selling of goods. More complicated and long-term arrangements for the building of factories and training will come—but, I think, only after confidence and good relations are established.

8. It is certainly no secret that Cuba must import substantial amounts of products (as they are doing now) if they are to realize their current economic goals and projections. This being the case, they are realistic enough to look toward the day when instead of receiving goods shipped many thousands of miles, these same products could be obtained from a source only 90 miles away. Just the economic saving involved in transportation costs presents an attractive alternative.

9. Finally, while there does exist clear disagreements as to political and economic systems, there is in Cuba a respect for much of the technical "know-how" that would be available from the United States and which they feel could be put to good use in Cuba.

Many Northamericans assume that when one uses the words "Government of Cuba" that these words mean only one thing—Fidel Castro. Although this is not the case in all aspects of the actual practice and form of the Government of Cuba, there can be little doubt as to Castro's predominant role. He is more realistic and critical in his observations of Cuba than perhaps any other single person either in the United States or in Cuba. He is the first to admit error as well as to proclaim success. He has a clear and precise knowledge of the United States. He realizes that the U.S. imposed economic blockade has caused many hardships and has hurt Cuba's economic development. On the other hand, Cuba has more than just survived the blockade, but has made some impressive progress in spite of it. This is especially true when one compares Cuba to the rest of Latin America. Castro also feels that events over the past year indicate a strong and inexorable process toward recognition of the reality of Cuba, that from a political point of view, the economic blockade may soon result in the isolation of the United States rather than the reverse as our country originally intended.

But far from being inflexible with regard to the United States, Castro has clearly demonstrated his willingness to take his own unilateral steps in order to create a climate in which a resolution of the many problems can be more easily found. His recent statement that he would welcome a partial lifting of the blockade to permit the trade of food and medicines should be considered nothing short of a major gesture on his part.

At this point, Mr. Chairman, I would like to offer some selections from the formal interview with Castro in which he talks specifically about trade and U.S. relations and ask permission to include them in the record with my prepared statement.

Finally a personal word—in all my travels throughout Cuba, both in the cities and in the remote parts of the mountains, I have encountered nothing less than total hospitality. Cubans at all levels have shown me a courteous, warm and polite reception. I may not agree with many aspects of the Cuban political system, but I never have received a single hostile or unfriendly word from anyone because I was from the United States. We are neighbors and the peoples of both countries should be able to live together with mutual respect and cordiality. There is no moral or political justification for one country to meddle in the affairs of another. Cuba poses no threat to the United States nor does it wish any harm to the people of the United States.

I would, therefore, hope and urge this committee to exert whatever pressure it can to encourage our country to reciprocate gestures, to accelerate the inevitable and to lift the blockade as quickly as possible.

I, again, express my appreciation for being able to be here today and I will be happy to try to answer any questions that you or the other members of the committee might have. Thank you very much.

EMERGENCY EMPLOYMENT COUNTERCYCLICAL ASSISTANCE ACT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. ROSENTHAL. Mr. Speaker, a number of my colleagues and I will shortly be introducing the Emergency Employment Countercyclical Assistance Act.

This legislation would authorize emergency financial assistance to State and local governments caught in a fiscal squeeze brought on by the combination of recession and continued inflation. This assistance is designed to enhance the prospect of national economic recovery by helping State and local governments maintain existing levels of service and employment without raising taxes or otherwise adopting policies which would undermine Federal efforts to stimulate the economy.

A Senate version of this countercyclical assistance bill was approved on June 10 by the Subcommittee on Intergovernmental Relations of the Senate Government Operations Committee for full committee consideration.

The crisis facing State and local governments is well documented in a recent survey conducted by the Joint Economic Committee. Dated May 6, 1975, this survey concluded that State and local governments will undertake almost $8 billion worth of destabilizing budget actions this year—$3.6 billion in tax increases, $3.3 billion in cuts in current service levels and approximately $1 billion in capital construction that has been delayed for more than 1 year, or even canceled.

The Joint Economic Committee found that present and impending actions by State and local governments frustrate national efforts to stimulate the economy in four basic ways:

First, the stimulative effect of a Federal tax cut designed to put money into the economy quickly would be substantially reduced if State and local government increase their taxes.

Second, the net effect of a public jobs program, designed to create new jobs, would be substantially reduced if State and local governments lay off regular employees and replace them with public service employees.

Third, Federal efforts to stimulate the construction industry would be substantially damaged if State and local governments are forced to cancel construction of essential capital projects because they have no money to pay for them.

Fourth, Federal efforts to target the stimulus to those most in need—through the use of the progressive income tax cuts—would be distorted as State and local governments raised property and sales taxes which hit hardest at those at the bottom of the income ladder.

The Emergency Employment Countercyclical Assistance Act is intended to eliminate the necessity of State and local governments' adopting such policies by providing such governments with emergency financial assistance related to their levels of unemployment.

Emergency employment countercyclical assistance is not general revenue sharing. It is an antirecession program. It will provide assistance to the jurisdictions with the most serious unemployment problems. It is authorized only during times of severe economic stress resulting in unconscionable rates of unemployment. The authorization ends automatically when the unemployment rate falls below 6 percent.

I set forth below a description of the Emergency Employment Countercyclical Assistance Act, drawing heavily upon language appearing in an explanation prepared by the staff of the Senate Government Operations Committee of the original Senate bill introduced by Senator MUSKIE.

LEVEL OF FUNDING

The level of funding for assistance under the Emergency Employment Countercyclical Assistance Act would fluctuate with the national rate of unemployment.

When the national unemployment rate averages 6 percent or more, for 3 consecutive months, $2 billion would be made available annually for distribution to needy State and local governments. An additional $100 million would be made available annually for each subsequent one-tenth percentage point increase in the national unemployment rate. These totals would then be adjusted on a quarterly basis by a figure of $5 million multiplied by each tenth of a percentage point change in the rate of national unemployment.

In other words, when the national unemployment rate averages 6 percent for 3 consecutive months, assistance at a maximum annual rate of approximately $2 billion would be available under this program. At 8.5-percent unemployment, a maximum of approximately $3.5 billion would be made available. If the unemployment rate rose three-tenths of a percentage point from one quarter to the next an additional $15 million would be made available in the immediately succeeding quarter.

As unemployment decreases, the amount available under this program would decrease.

Because the program would phase out as the economy improves, it would have less long term inflationary impact than other programs enacted during a recession. Unlike other programs that may start small and then get larger over the years, this program would start large when it is most needed—when the economy is in the greatest difficulty—and would get smaller as the economy improves.

The level of funding should provide enough funds to stabilize those State and local governments in the worst fiscal shape without making up in full the projected deficit of State and local governments. This is very important because a time of economic difficulty should be a belt-tightening time for all levels of government. The purpose of this program is not to bail out State and local governments in fiscal difficulty. Rather, it is to provide them with enough assistance so that, if they make economies of their own, they can stabilize their budgets and not be forced to reduce services or employment or raise taxes.

DISTRIBUTION OF FUNDS

The funds available under this program would be divided into two pots—one-third of the funds would go to State governments and two-thirds of the funds would go to local governments.

The formula for distribution to both State and local governments would take into account both unemployment and taxes raised by each recipient government. Unemployment would provide a measure of the impact of the recession on a particular government. The level of taxes raised would provide a measure of the size of the operations of that particular government. The State distribution formula would also take into account the percentage change in unemployment from quarter to quarter. The percentage change would indicate the extent to which unemployment is increasing, thereby requiring proportionately greater economic stimulus to correct, or decreasing, so that proportionately lesser stimulus is required if overstimulation is to be avoided.

A. ALLOCATIONS TO STATE GOVERNMENTS

State allocations would be made one-half on the basis of the State's unemployment, one-sixth on the basis of the change in its unemployment, and one-third on the basis of its adjusted taxes. In each case the particular State's unemployment—in numbers—its change in unemployment—in numbers—and its taxes raised—including taxes raised for purposes of education—would be compared to national totals, with the unemployment percentage weighted three times and the tax percentage weighted twice. Say, for example, a State had 5 percent of the Nation's unemployment, had its number of unemployed increase at a rate 2 percent higher than the increase in national unemployment, and raised 2 percent of all taxes raised by all State governments. With the unemployment percentage and the tax percentage weighted, the State would receive 3.5 percent of the funds for all State governments. At current unemployment levels, the State would receive on an annual basis approximately $60 million—or 3.5 percent of the approximately $1.7 billion available to State governments.

B. ALLOCATIONS TO LOCAL GOVERNMENTS

Allocations to local governments would be made according to the formula of two parts unemployment and one part adjusted tax raised. For each local government for which the Labor Department has verified unemployment statistics—about 2,000 in all—there would be an allocated share. For those local governments for which the Labor Department does not have verified unemployment data, funds to be administered by the State would be set aside in each State.

Local governments for which there are no precise unemployment data would, in the aggregate, receive funds in the same proportion as the local governments for which there is unemployment data.

State or local governments whose unemployment rate drops below 6 percent would not receive assistance under this program. However a local jurisdiction with an unemployment rate above 6 percent would receive its share even if it were located within a State with an unemployment rate below 6 percent. Any funds not expended because they were allocated to jurisdictions with an unemployment rate below 6 percent would remain with the Treasury—and as a result the total funding of the program would be reduced.

In addition, the legislation provides for a contingency fund to be administered by the Secretary of the Treasury, of up to 2½ percent of the amount authorized for the program. This fund would be used by the Secretary for the purpose of making additional support grants to States and local governments in severe fiscal difficulty.

REGISTRATION ON USE OF FUNDS

It is important to give State and local governments as much flexibility as possible in the spending of these funds so that this assistance can be used to complement other Federal programs to stimulate the economy. The principal restriction that would be placed on State and local governments is that these funds be put toward maintaining current service levels.

State governments receiving funds under this program would be required to maintain their current levels of assistance to local governments.

In addition, whenever a State or local government which receives assistance under this legislation raises its taxes or substantially reduces its services, it must report that to the Secretary of the Treasury within 30 days.

APPLICATION PROCEDURES

Unlike revenue sharing, there would be an application procedure—though it would be expedited—for State and local governments obtaining funds under this program. The Secretary of the Treasury is required to approve within 30 days every application that meets the requirements of the program.

CIVIL RIGHTS ENFORCEMENT

There would be a flat prohibition against discrimination in the use of any funds under this program. In any case where the Secretary of the Treasury makes a finding of discrimination by a State or local government and is unable to achieve compliance within 30 days, he would be authorized to defer payment to the discriminating jurisdiction unless compliance is achieved.

WAGE STANDARDS FOR LABORERS

The legislation provides that laborers and mechanics employed by contractors on all substantial repair or renovation construction programs funded under this program be paid wages at rates not less than those prevailing on similar projects in the locality as determined by the Secretary of Labor under the Davis-Bacon Act.

The Emergency Employment Countercyclical Assistance Act is an essential ingredient of national economic recovery. It is a critical response to the simultaneous decline in services and increase in taxes at the State and local levels. I urge all of my colleagues wishing to sponsor this bill to get in touch with me so that prompt and effective action may be assured.

THE DON CORLEONE COMMISSION?

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. HARRINGTON. Mr. Speaker, when President Ford suggested to Vice President ROCKEFELLER that he undertake an investigation of the CIA it was an offer he could not refuse. Later, Mark Russell was to characterize the Commission's investigation of the CIA as a case of strip mining with a tea spoon. I thought Mr. Russell came very close to the mark.

Today, however, he finds his match in Art Buchwald's column which I would like to insert in the RECORD.

The text follows:

A ROCKY JOB OF REPORTING ON ORGANIZED CRIME

(By Art Buchwald)

The Don Corleone Commission has just handed in its report on organized crime to the President.

Don Corleone, the godfather of the report, told newspapermen, "We have done the most thorough and comprehensive job of any commission ever appointed by the President, and we have come to the unanimous conclusion that, while a few laws were broken by organized criminals, there were no massive violations.

"Organized crime in the United States may have done some things in contradiction to the statutes, but in comparison to the total Mafia effort they were minor."

Don Corleone was asked if his commission had investigated the close ties between the Mafia and the CIA.

"We have heard some witnesses who have testified that the Mafia and the CIA worked closely together on several projects. But it is our opinion that this was on a lower level and none of the Mafia chieftains had ever approved of any activity involving the CIA. We would never condone our soldiers trafficking with spies and the counterintelligence people."

A newspaperman wanted to know if the Mafia was aware of any assassination attempts involving CIA personnel.

"On occasion there was talk of assassinations, but the Mafia bosses rejected it out of hand when they found out it was illegal. There have been charges in the media that organized crime worked closely with the CIA. What the average person does not understand is that, in order to do its job and protect the country's interest, the Mafia has to work with many unsavory people.

"We work with politicians, the police, informers and, I'm sorry to say, even legal businessmen. But you will never have a strong organized crime force in this country unless you can use every weapon at your disposal."

The next question Don Corleone was asked by a reporter was, "Did the Mafia promise the CIA anything in exchange for its co-operation in the illegal acts that were discussed?"

"I can say unequivocally that where we enlisted the CIA in our activities nothing was promised in exchange. Our feeling has always been that the CIA offered its help out of patriotism for the country, and it would have been a mistake to reward them by letting them in on any of our rackets."

Don Corleone held up the report to the newspapermen and said, "I think you are going to be surprised and pleased by the comprehensive nature of the material that is in here. We left no stone unturned to find out if organized crime figures in this country went beyond their mandate. We called 51 witnesses including the bosses of every major city in this country and, while a few of them admitted to minor traffic violations, we could not find one bit of evidence implicating any of them in gambling, drugs or white slavery."

"Will the information on the Mafia's connection with assassinations be made public?" the godfather was asked.

"It would be a mistake to release this information as it is confidential and not in the country's interest. If the President decides the people should know, he has it in his power to declassify the report. But great harm could be done to organized crime if its relation with the CIA was leaked at this time."

The final question asked was, "Don Corleone, do you think there is any conflict of interest in the fact that your commission was made up of people who have been involved with organized crime for years?"

"On the contrary, we're the only ones capable of understanding it. We leaned over backward to get at the truth and when you read the report you will be amazed at what a great job we did. This is not to say we haven't recommended any reforms. For one thing we have strongly urged that, if the CIA contacts any of our people in the future, the godfathers must be informed of it immediately."

THE NEW HOMESTEAD ACT OF 1975

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. TRAXLER. Mr. Speaker, the farming industry has always been an important one for the United States. Current provisions of law will seriously impair the continued viability of that industry unless amended as proposed by H.R. 6281, the New Homestead Act of 1975.

This morning I was able to present my views to the Subcommittee on Family Farms and Rural Development of the House Committee on Agriculture. I told the subcommittee why it is imperative that this legislation be passed. The situations I cite are not unique to my Eighth Congressional District of Michigan.

At this time I would like to enter into the record a copy of my statement before the subcommittee. I feel that the substance of the statement should and must be shared with my colleagues:

STATEMENT OF THE HONORABLE BOB TRAXLER

Mr. Chairman, members of the Subcommittee, I'm Bob Traxler, the United States Representative from the 8th Congressional District of Michigan. I come before you today to urge you to recommend the acceptance of H.R. 6281, the "New Homestead Act of 1975."

The United States and the world is faced with the serious possibility that there will be a food shortage unless action is taken to increase farm production. The addition of farming units is one excellent way to increase farm production while alleviating part of the unemployment problem we as a nation face today.

H.R. 6281 seeks to make it easier for new farms to be established. The farming business is a very demanding one. In order to get started it is necessary to make heavy capital expenditures for fixed assets such as farm machinery and, of course, land. It is very rare indeed that a young farmer can afford these costs with his own wealth. It is often necessary to obtain loans, but it is rarely easy to do so.

The initial repayment provisions are the most crucial to the young farmer. He cannot afford steep payments at a period when he is trying to get established, but current provisions of the Farmers Home Administration loans create too high of payments. The "New Homestead Act of 1975" creates an adjusted payment program. The repayment provisions are designed to be the lowest in the beginning when the farmer cannot afford high payments and increase at later periods when it could be expected that he would have a better ability to pay. During the first fifteen years the borrower pays back only one-half of the regular annual portion. The remainder is then treated over the next 25 years when there should be a stronger financial capacity to afford higher loan payments.

Mr. Chairman, I am confident that everyone of us realize that prices have been so inflated that we need more money for everything. It is easy to understand, then, that the young farmer is faced with a more severe problem with high prices in two ways: he has to buy expensive items and he has to buy more of them.

The Act before you seeks to increase FmHA loan limitations from $100,000 to $202,500. The amount is more realistic considering today's prices and decreases the likelihood of a need for additional loans from other sources in order to get a farm going. It also has the advantage of encouraging the establishment of new farms rather than discouraging them by providing such a large amount from one source at a more tolerable interest rate than might be found in the private sector.

The 8th Congressional District of Michigan is very reliant upon farming business. The area is the chief source of navy beans in the United States and ranks very near the top in sugar beet production, as well as being the largest dairy product producing area in the

State of Michigan. If an area is dependent upon agricultural production, it needs to be assured that in future years it can continue in that industry if it is to survive. Grain elevators operate only because of the business provided by farms. Several food processors locate in the area because of the availability of farm commodities.

Rail lines and truck carriers locate because of shipping potential of farm products. Some farms "close" because the owner is no longer able or desires to maintain his crop production. In order to retain the previous level of economic activity it is necessary that replacements be found for the lost farms. Unless a new farmer is able to obtain financing at a tolerable level for the new endeavor, he will not create a new farm. If he does not create a new farm then total production will decrease and the demand for the services of the storage facilities, shippers and processors will decrease.

With this additional decrease there will be a rise in the level of unemployment. Unemployment rates in my district range as high as 25% in areas of Tuscola County—a prime area for agricultural expansion. Unless legislation such as H.R. 6281 is passed, it is very possible and even likely that such high rates will occur in several other farming communities throughout the country as few would be able to endure the high cost of establishing a farm.

Farmers in my district have told me that the biggest stumbling block they have faced is the cost of setting up for operations. Some would like to see the number of farms increased so that the United States need not wory about a food shortage. They feel that the provisions of this Act are the means to achieve a more stable and reliable agricultural industry. Small farms are highly important to the country in terms of food and employment opportunities. With the highest rates of unemployment in almost forty years, the Congress has to accept this Act as it will attempt to do its part to check and reduce this intolerable situation.

Mr. Chairman and members of the Subcommittee, I respectfully and most emphatically urge you to vote acceptance of H.R. 6281, the "New Homestead Act of 1975."

WIDESPREAD SUPPORT GROWS FOR PRESIDENTIAL ETHNIC AFFAIRS OFFICE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. ANNUNZIO. Mr. Speaker, widespread national support is growing for my suggestion to President Ford to appoint a special assistant to the President in charge of ethnic affairs.

In the Friday, June 6 edition of the CONGRESSIONAL RECORD, I included a number of letters I have received in support of this proposal, and at this time, I wish to include additional letters of support on this subject.

All ethnic groups have made immeasurable contributions to the strength of our democracy, and representation in the Office of the President would give these citizens the opportunity to voice their special concern and views on the conduct of our Nation's business.

Further, this appointment would emphatically demonstrate that all ethnic groups are being recognized, that they do belong, and that they are not being left out.

I urge my colleagues to contact the President and urge his favorable action on this matter of ethnic representation in the White House.

The letters follow:

CHICAGO, ILL.,
April 3, 1975.

Congressman ANNUNZIO,
Longworth Office Building,
Washington, D.C.

DEAR CONGRESSMAN ANNUNZIO: In your letter of March 9, 1975 you proposed to establish a post of Special Assistant to the President in charge of Ethnic Affairs, in which not only Spanish Speaking people would be represented, but all ethnic groups. I whole heartily agree with you that all ethnic groups should be represented. I hope your hard work will create a result.

Sincerely yours,

JOHN MEDRYS.

APRIL 4, 1975.

Hon. GERALD R. FORD,
President, United States of America,
White House, Washington, D.C.

MR. PRESIDENT: As Provincial Superior of the Fathers of Saint Charles, Western Province, and in the name of all the priests of our Congregation, I strongly support the petition of Congressman Frank Annunzio, (D-Ill.) urging you to establish by Executive Order, a Special Assistant to the President for Ethnic Affairs.

We are emphatically opposed to the Montoya-Roybal legislation because it is discriminatory to all ethnic groups except the Spanish speaking Americans.

As priests whose lives are dedicated to the spiritual and social assistance of migrants of any nationality, we feel that the petition of Congressman Annunzio should be given absolute preference since it is directed to all ethnic American groups. It respects and protects the rights of all immigrants in our country.

We fervently pray that your ultimate decision be one that is just for all immigrants.

Respectfully yours,

Rev. UMBERTO RIZZI, C.S.,
Provincial Superior.

APRIL 1, 1975.

THE PRESIDENT,
The White House,
Washington, D.C.

MR. PRESIDENT: The varied fabric of our nation is made from the strands of the diverse ethnic and cultural groups who have in their rich individual and collective ways helped form this nation so unique in its history and interrelationships of men. One great task before this nation of different cultures, races and ethnic heritages is to weave the diverse needs and skills into a positive, respectful and knowledgeable culturally pluralistic society.

I therefore support Congressman Frank Annunzio's request to you for the establishment of a Special Assistant to the President for Ethnic Affairs. This office would be representative of all ethnic groups and responsible for inter-ethnic understanding, sharing and development.

The concerns of racial and ethnic groups for recognition and expression of needs have affected all facets of living including education, business and government. A focus for these vital forces will serve to utilize their uniqueness, contributions and commonalities.

The Illinois Office of Education is vitally concerned and active in educational programs to help studenta learn about their own heritage, the culture of others and develop as respectful cooperative Americans.

An office of Special Assistant to the President for Ethnic Affairs would greatly assist states, groups and inter-ethnic efforts of all kinds in achieving the goals of our democratic society. It offers an appropriate tie-in with the Bicentennial Celebration and should continue so as to help make our pluralistic society a viable reality.

Sincerely,

JOSEPH M. CRONIN,
State Superintendent of Education.

APRIL 7, 1975.

President G. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On March 4th, 1975 Congressman F. Annunzio wrote suggesting that you establish by Executive Order a "Special Assistant to the President for Ethnic Affairs." I agree with the Congressman's idea of representation for all ethnic groups including my own (Italian) rather than diversified representation for singular ones. Favoring particular groups while ignoring others can only create resentment and ill feeling—something we can well do without in our country during these tension-filled times.

Mr. President, a fitting tribute to pluralism in a free society during our Bicentennial Celebration would be the establishment of a Special Assistant for Ethnic Affairs and I join Hon. F. Annunzio in urging you to appoint one—representing all ethnic groups

Yours truly,

ETTORE DI VITO.

APRIL 4, 1975.

President GERALD FORD,
The White House,
Washington, D.C.

DEAR PRESIDENT FORD: I join Congressman Frank Annunzio in his request to you of March 4, 1975 requesting you to establish by executive order A Special Assistant to the President for White Ethnic Affairs. My request differs from his in only one respect. Whereas Congressman Annunzio invites you to appoint one Special Assistant responsible for all ethnic groups including Spanish-speaking people, I would suggest that such a single Special Assistant have at least three staff persons dividing up the responsibility for those ethnic groups whose problems are relatively similar.

For example, one staff person could be responsible chiefly for the Latino population, Puerto Rican and Cuban and Chicano and others, a family of groups whose problems are in many ways similar. Another staff person could be responsible for white ethnic populations, those in particular from Eastern and Southern Europe, who are to be found in such great numbers in most of the major cities of the northeastern and north central states, and whose problems are also serious and of a somewhat different nature. In a word, there are many ethnic groups in the United States, but many of them cluster together rather than naturally around similar problems and necessities. The advantage of having all of them in one office is to promote reconciliation and a way of thinking about problems that unites all of us. The advantage of having a staff person designated for each of the major families of ethnic groups is to provide to each a sense that somebody in the White House is specifically designated to understand to response to their deepest needs.

I strongly support Congressman Annunzio's letter to you, and I hope very much that your presidency becomes an occasion of reconciliation such as we have not seen in several past administrations.

Respectfully submitted.

MICHAEL NOVAK.

Hon. FRANK ANNUNZIO,
U.S. House of Representatives,
Washington, D.C.

DEAR FRANK: Congratulations and good wishes to you for your proposal to establish the Presidential post for ethnic affairs.

THADDEUS L. KOWALSKI,
President, Polish-American Congress.

APRIL 7, 1975.

Congressman FRANK ANNUNZIO,
Rayburn Building,
Washington, D.C.

DEAR CONGRESSMAN ANNUNZIO: This is in response to your request of the Catholic Conference on Ethnic and Neighborhood Affairs to comment on your request to President Ford March 4, 1975 to establish by Executive Order the office of Special Assistant to the President for Ethnic Affairs.

We, the Executive Committee of the Catholic Conference on Ethnic and Neighborhood Affairs wholeheartedly endorse your request and hope that President Ford will heed your advice and establish the post as soon as possible as an appropriate tie-in to the Bicentennial Era.

The constituencies we represent, particularly, in urban America are a patient but anxious majority of ethnic Americans whose loyalty to this nation in its most trying times has never been stronger, but whose full participation in the democratic process they perceive to have been relegated to the back burner.

Therefore, we commend you for your foresight in making such an appropriate proposal to our President and hope that your request will be implemented for the good of millions of ethnic people in every state who are proud of their American citizenship and cling fiercely to their heritage and ethnic roots.

Thank you for asking us to comment on your request and please keep us informed.

Sincerely,

JEROME BENNO ERNST,
Executive Director.

H.R. 50—THE FULL EMPLOYMENT BILL—AND THE "RIGHT TO SUE"

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. HAWKINS. Mr. Speaker, one particular aspect of H.R. 50, the Equal Opportunity and Full Employment Act, has been the subject of considerable discussion and attention. This aspect is the provision providing for the right to administrative relief and ultimately the right to appeal to the Federal courts for those persons who have been denied their right to a job as guaranteed by H.R. 50. The sponsors of the legislation consider this provision of great importance to the effectiveness of the bill as a whole. I am inserting in the RECORD the following supplemental testimony of the vice president of the United Auto Workers, Mr. Irving Bluestone, before the Subcommittee on Equal Opportunities dealing with the "right to sue" aspect of H.R. 50:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA—UAW,
Detroit, Mich., May 19, 1975.

Hon. Congressman AUGUSTUS F. HAWKINS,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: Pursuant to your request, I am enclosing a supplementary statement prepared by the UAW Legal Department regarding Section 5(h) of the Equal Opportunity and Full Employment Act—H.R. 50.

Sincerely,

IRVING BLUESTONE,
Vice President, Director—General Motors Department

SUPPLEMENTARY STATEMENT OF LEGAL DEPARTMENT, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW

At this subcommittee's request, the UAW Legal Department has prepared this supplementary statement regarding the feasibility of Section 5(h) of the Equal Opportunity and Full Employment Act, H.R. 50. Section 5(h) would give individuals the right to bring suit in federal court if they believe that their rights under the Act have been violated. It is our belief that this provision will generate relatively little additional federal court litigation both because of the uncomplicated administrative procedures of the bill, and because of the well-defined nature of the substantive rights guaranteed by this law. Moreover, without a private right to sue, the rights the Act purports to create would be unenforceable, and the danger of agency abuse would be significant.

Procedurally, the administrative scheme of H.R. 50 is similar to that created by many federal and state acts, particularly many of the state unemployment insurance acts. Like them, H.R. 50 would provide for an initial agency determination of eligibility for particular benefits under the Act, with an appropriate administrative appeals structure to review these determinations. Only after unsuccessfully exhausting this administrative scheme would a job seeker become a court litigant.

Though this approach is similar to the administrative appeals system in many state unemployment insurance laws, it would probably generate even less litigation. The unemployment laws generally involve three parties—the unemployed worker, the state, and the company where the worker was formerly employed. In many states, the company, as well as the worker, has the right to appeal an adverse determination. Financially there is often strong incentive for companies to litigate adverse determinations, since their contributions rate may be increased by the result. Companies, unlike unrepresented, often poverty-stricken unemployed workers, can afford to be litigious. Whereas under H.R. 50, the administering agency would be interested in seeking a just result in the particular case, rather than in financial gain, or in protracted litigation in the hopes of defeating valid claims.

The volume of court litigation resulting from enactment of H.R. 50 might therefore be expected to be even lower than that generated by state unemployment compensation statutes. And that volume has been low indeed. In Michigan, for example, from July 1, 1973 to June 30, 1974, the Michigan Supreme Court issued only one decision, and the Michigan Court of Appeals issued only five decisions construing the Michigan Employment Security Act.[1]

During roughly the same period, the state supreme court handled a total of 112 cases, and the appeals court disposed of a total of 637.[2] Unemployment compensation cases constituted less than one percent of the dockets of these courts during this period.

Moreover, in comparison to the procedures of the Civil Rights Act of 1964, the H.R. 50 procedures are simplicity itself. The administrative determination and appeals procedure would lead to resolution of many claims, precisely because the system would be quasi-judicial in nature. Under Title VII on the other hand, there is no provision for agency adjudication. Unless conciliation efforts succeed in producing a settlement, the litigant must proceed to trial in federal district court. There is no agency forum for the Title VII litigant. The H.R. 50 scheme, on the other hand, by providing for agency hearings, determinations and appeals, will often produce justice for the worker without the necessity of court litigation.

The H.R. 50 administrative system itself would be far more accessible and intelligible to workers than is the Civil Rights Act system. Under this bill, a dissatisfied job seeker, after an adverse determination, stays with the one federal agency for his appeals. This clear procedural line sharply contrasts with the Equal Employment Opportunity Commission's Title VII procedures, requiring filing of a charge, deferral to the state civil rights agency, return to the federal agency, attempted conciliation, with or without a finding of probable cause, a right-to-sue letter, and finally a federal district court trial. In terms of speed, the EEOC procedures require at least 180 days before the litigants reach their initial trial forum, the federal court. H.R. 50, on the other hand, would require all administrative procedures to be completed within 30 days. The job seeker would be entitled to his administrative hearing and all appeals within that time limit. And, as discussed above, it can be expected that a high percentage of cases would be resolved at the administrative level. It is often said that "justice delayed is justice denied". H.R. 50, with its speedy administrative scheme, should be administered so as to provide swift and just results for job seeking workers.

Substantively, the standards set out in H.R. 50 are far easier to interpret than those of numerous other pieces of legislation, particularly the Civil Rights Act of 1964. Many of the terms in H.R. 50 are similar to those present and extensively interpreted in other statutes.

The requirement that a job seeker be "willing and able" to work is similar to the eligibility requirement for unemployment insurance in many states. Indeed, the presumption created by § 5(g) that persons presenting themselves at the Full Employment Office be considered "prima facie 'willing and able' to work" should eliminate nearly all litigation regarding the meaning of this term.

The right to employment at a "suitable and comparable job" should also present few novel issues to either the administering agency or to the courts. The agency will have considerable past practice to draw on in issuing its regulations, and the regulations should reduce litigation to a minimum.

Ensuring that wages are above the minimum wage rate in the area as required by § 6(b)(2)(B)(1) is certainly not difficult. The minimum wage in the area is either the wage set by the Fair Labor Standards Act, or, if higher, the state minimum wage. The requirement of 6(b)(2)(B)(1)(a) that the compensation bear a positive relationship to job seekers' qualifications, experience and training and 6(b)(2)(B)(1)(b) that wages be "such that will effectively encourage them (from an economic standpoint) to advance from the Corps to other employment" will require an analysis similar to that performed by the Secretary of Labor in policing the Walsh-Healey Public Contracts Act, 41 U.S.C. §§ 35–46, as amended, and the Davis-Bacon Act, 40 U.S.C. §§ 276a–276a—5.

Section 1(b) of Walsh-Healey requires that employees of federal contractors receive "not less than the minimum wages as determined by the Secretary of Labor to be the prevailing minimum wages for persons employed on similar work or in the particular or similar industries or groups of industries currently operating in the locality in which the materials, supplies, articles, or equipment are to be manufactured or furnished under said

[1] Mich. Comp. Laws Ann. §§ 421.1 *et seq.* These statistics were obtained from Rossen, "Unemployment Compensation, 1974 Ann. Survey of Mich. Law," 21 *Wayne L. Rev.* 705 (1975).

[2] Mulder, "The Work of the Michigan Supreme Court and Court of Appeals During the Survey Period: A Statistical Analysis, 1974 Ann. Survey of Mich. Law," 21 *Wayne L. Rev.* 229 (1975).

contract . . ."The Walsh-Healey Act requires the Secretary of Labor to define the appropriate comparable jobs and ascertain the minimum wages paid in the industry in the area for such work. The Davis-Bacon Act mandates similar determinations in the construction industry.

H.R. 50 would require a similar determination of the job, if one were available, in the private or general public sector, which the job seeker would be capable of holding. The comparable minimum rate of pay would then be ascertained, and the job seeker's wages would be set below this. In practice, rulings would be issued setting the appropriate wage level for virtually all Job Corps' positions by ascertaining the prevailing area wage in the occupation and making an appropriate adjustment to encourage Job Corps members to transfer to private-public sector openings when they become available. The formula would probably spawn relatively little litigation, just as the Walsh-Healey and Davis-Bacon Acts have generated relatively few lawsuits.

The only remaining factual issue the agency and courts would have to face would be whether a person's qualifications, experience and training were sufficient to qualify them for a particular "comparable" job and hence rate of pay. This is a simple question of fact that arises in virtually all Title VII hiring and/or promotion discrimination cases. Again, this issue would be easier to handle in the H.R. 50 context than it is in the Title VII area. For H.R. 50 purposes, persons would only have to prove themselves qualified and able to hold a particular position, an issue often resolvable by objective standards. A machine repair worker might have to be able to prove that he or she could repair certain types of machinery. A professional might be required to produce the appropriate degrees and/or state certification. A teacher, for example, might have to have certain academic degrees and/or a state teaching certificate. Whereas under Title VII, people must often prove not only that they are qualified to be hired or promoted into the post, they must further prove that they are as qualified or are better qualified than the person who was actually appointed to fill the position. *See, e.g., McDonnell Douglas Corp. v. Green*, 411 U.S. 792, 802 (1973). This becomes a subjective, highly litigable issue in many Title VII cases.

Indeed, because of the difficulties of this subjective approach, many courts are turning to statistics for profit. These statistics often also entail extensive time-consuming litigation with demographic experts testifying. In the employment testing area, psychology experts are often hired by both sides and extensive proofs create lengthy records as to the statistical validity or lack thereof in the test results. Title VII breeds such litigation because discrimination, by definition, means bypassing the more qualified, worker for the less qualified, because of discrimination. The Civil Rights Act involves a subjective, *comparative* standard: is one worker as good as, or better than the other. H.R. 50 requires an objective *competence* test: can the worker properly perform the job. Because of the objective nature of the H.R. 50 standard, litigation resulting from the enactment of this bill would be minimal in comparison to the volume of litigation generated by the comparative qualifications test of Title VII of the Civil Rights Act of 1964.

Finally, in many respects, the Equal Opportunity and Full Employment Act would facilitate the achievement of the goals of the Civil Rights Act. Its passage might even result in a drop in Title VII suits. In a shrinking economy, much discrimination litigation is generated by the limited number of jobs, for which all workers, male or female, black or white, must compete. The stakes are high: a job or unemployment. By providing all job seekers with gainful employment, H.R. 50 would lessen these stakes. It would provide relief that the Civil Rights Act never could: the guarantee of a job, income, and self-respect for minority group members and for all workers.

FORD'S NEW ENERGY PLAN AND WHAT COULD HAPPEN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. MILLER of California. Mr. Speaker, as the House of Representatives continues to consider energy legislation, I would like to call the attention of my colleagues to an editorial which recently appeared in the Martinez News-Gazette, a newspaper published in my hometown. This editorial points out the disturbing fact that the only unanimous endorsement of the President's new oil tax came from the oil companies themselves. For the rest of us, the President's action will likely mean a resurgence of the inflation which already cripples the national economy and undercuts the financial condition of every American citizen. I would hope that each Member will read the message contained in the News-Gazette editorial, and take it to heart.

The editorial follows:

FORD'S NEW ENERGY PLAN AND WHAT COULD HAPPEN

Although President Ford said recently he would not announce his candidacy for the Republican nomination for a full term until later this month, for all intents and purpose he opened his campaign last week when he imposed the second $1 tax on every barrel of imported oil. He said he was forced to do this because Congress has had four months to come up with an energy conservation program, but the "do nothing" Congress has failed to act.

It is on this premise Ford said he will base his campaign to convince the voters Congress has had ample time to meet the most pressing problem America faces today. He said he has cooperated with Congress and delayed imposing the tax due in March, hoping some affirmative action would be taken to make America self-sufficient to offset the threatened oil price hike the Arab nations are contemplating for later this year.

But Democratic leaders in Congress have a different interpretation of Ford's action. Sen. Hubert Humphrey of Minnesota said the tax per barrel, which now is $2, and his promise to decontrol domestic oil will deliver a knockout blow to hope for an economic recovery this year. He based this on the fact gasoline prices would be increased by 10 cents a gallon and cost Americans at least $600 more a year on energy bills.

Sen. Lloyd Bentsen, Democratic candidate for the presidency, said he never believed an American president would join forces with the Shah of Iran to raise the price of oil in this country by $4 a barrel. Sen. Al Ullman of Oregon agreed with Bentsen and said it will be up to the Americans to pay what Ullman called a "hidden tax" which will be a disastrous effect on inflation and is something which every American should be concerned about.

From the Republican side of Congress there were only a few comments. Sen. Hugh Scott, Pennsylvania Republican, and John Rhodes, of Arizona, House GOP leader, echoed Ford's comments that the action was taken because Congress failed to act. Rep. Margaret Heckler, Massachusetts Republican said she thought Ford's action was unfair and would fall heavily on Massachusetts and New England where drastic measures already have been taken to conserve energy and fuel for the coming cold winter months.

Only the oil companies agreed wholeheartedly with Ford. Frank N. Ikard, president of the American Petroleum Institute, said President Ford acted in the national interest to increase domestic energy production by the tax and his declared intention to decontrol domestic oil. However, he did not mention anything about the huge windfall profit the oil companies will realize under the new price structure.

A conservative estimate based on current fuel use places the excess profit at $127.5 million a month which even President Ford admitted would happen. He said he would ask Congress to pass a windfall tax with some exceptions to permit the oil companies to increase domestic production as soon as possible.

Economic experts say if the oil producers match Ford's import fee by raising domestic prices by $1 a barrel, this will increase the take of oil producers by $4.25 million a day or $127.5 million a month. Ford did say he would ask Congress to act on a windfall tax, but this is a highly controversial issue and could not be enacted quickly and perhaps not at all.

Ford said his intention to decontrol domestic oil prices was to spur producers to hunt for new oil. However, he has no guarantee any of the major oil suppliers will spend the new profit on expansion or that they will not increase the amount already allocated for new wells under the old price structure.

The conclusion one might draw from Ford's latest action is that America could lose more than it can gain and face another inflationary spiral which we cannot afford.

FEDERAL INVOLVEMENT IN PROFESSIONAL LIABILITY INSURANCE

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. TREEN. Mr. Speaker, we have all heard a great deal about the problems doctors face today in finding professional liability insurance at reasonable rates. I thought the Members of this House would be interested in knowing that the physicians of my State have announced their opposition to Federal legislation in this area.

Mr. Speaker, I will at this point read for the RECORD a resolution adopted by the Louisiana State Medical Society May 4, 1975, expressing its strong conviction that this problem should be resolved at the State level:

FEDERAL INVOLVEMENT IN PROFESSIONAL LIABILITY INSURANCE

Whereas, the Louisiana State Medical Society is fully cognizant of the implications and severity of the current Professional Liability Insurance problem, and

Whereas, physicians welcome the input of all interested individuals, organizations and public officials but do not believe that an appropriate approach lies in federal intervention, be it therefore

Resolved, that the Louisiana State Medical Society believes that solution to the current Professional Liability Insurance problem must be found at the State level, and be it further

Resolved, that the Louisiana State Medical Society is opposed to federal legislation which would direct or interfere with solution of the Professional Liability Insurance problem at the State level, and be it further

Resolved, that the Louisiana State Medical Society is specifically opposed to "National Medical Injury Compensation Insurance Act of 1975" (S. 215) introduced by Senator Inouye and 'National Medical Malpractice Insurance and Arbitration Act of 1975" (S. 482), introduced by Senator Kennedy, and be it further

Resolved, that copies of this resolution be sent to members of the Congressional Delegation from Louisiana and additionally respectfully request that a member of the Louisiana Congressional Delegation have this resolution introduced into the Congressional Record.

CENSUS OF AGRICULTURE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mrs. SCHROEDER. Mr. Speaker, I am introducing today a bill to amend section 142 of the census code, title 13, to change the timing of the 5-year census of agriculture so that beginning with 1982 the census will be taken concurrently every 5 years with the economic censuses. Meanwhile, for the next two censuses of agriculture, the intervals between censuses will be 4 years instead of 5 years. This proposal has the support of the Bureau of the Census, which would improve its entire program of periodic census statistics by shifting the date of the census of agriculture. The present procedure is to take the agriculture census in years ending in 4 and 9, whereas the economic censuses are taken in years ending in 2 and 7.

With the changeover, the Government will be able to improve the compilation of farm income statistics and the national economic accounts. Now, the national accounts have to be adjusted forward and backward in time to take into account the different census years. The gradual transition will permit an orderly and planned process of adjustments in data collection procedures.

This change will provide greater consistency in statistics on agricultural activities, which should be comparable with measures of economic activities obtained from the censuses of manufacturers, transportation, and wholesale and retail trade. It will also reduce the problems of classifying and obtaining accurate coverage of the agricultural operations of business firms. These benefits are of crucial importance in view of the extensive interdependence of agriculture and other sectors of the economy.

The proposal is viewed by the administration as desirable, and will have no major inflationary impact with respect to the budget, because the temporarily shortened census cycle will spread the budgetary impact across a relatively long fiscal period. Early action is needed in view of the fact that the Department of Commerce has requested census planning funds in its fiscal year 1976 appropriation request.

This bill represents a step forward in our statistical program, and I urge my colleagues to support it.

THE ENERGY CONSERVATION AND OIL POLICY ACT

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. WIRTH. Mr. Speaker, as Members of the House are aware, the Committee on Interstate and Foreign Commerce is now marking-up H.R. 7014, the Energy Conservation and Oil Policy Act. The most difficult economic and political issue raised by that bill is the question of oil prices. Today I sent to my colleagues on the committee a statement of the position I have taken on the issue along with some of the material which led me to that position. I am supporting the amendment on oil prices which will be offered by JOHN DINGELL, chairman of the Subcommittee on Energy and Power. I submit herewith the statement which outlines my reasons for supporting the Dingell amendment:

WASHINGTON, D.C.,

June 11, 1975.

DEAR COLLEAGUE: At the heart of the Energy Bill (H.R. 7014) being considered by the full Committee on Interstate and Foreign Commerce this week, is the pricing issue: how much should a barrel of oil cost? This issue consumed a great portion of the time of the Subcommittee on Energy and Power, and remains the most difficult economic and political issue in the bill. Over the last few weeks I have inserted into *The Record* a list of what I consider to be the basic questions which surround the issue of oil prices. Since that time I have also drawn to the attention of Members of the House material which I find relevant to the answering of those questions. I am enclosing copies of that material.

To date you have also received material from three members of the Committee, Congressmen Krueger, Eckhardt, and Dingell, proposing solutions to the pricing problem. The purpose of this letter is to support the Dingell proposal.

Initially my position was much closer to the Eckhardt proposal. I felt then and continue to feel strong suspicion of the oil companies, of their profit structure, and of the high prices charged for energy. Yet after 4 months of hearings I have come to the conclusion that price rollbacks suggested by the Eckhardt proposal do not offer the best solution to the problem; moreover, price rollbacks offer no solution to the need for energy conservation. By contrast, the Dingell amendment addresses most rationally the major issues of oil pricing outlined below. What follows will explain why I have modified my support for price ceilings at the levels contemplated in the Eckhardt Amendment and instead now support the policy embodied in the Dingell Amendment.

CONSERVATION

We as a nation have not yet begun to take seriously the fact that our energy consumption must be brought under control. A recent Harris Poll shows only 24% of the American people believe the domestic energy shortage to be serious. One year after the Arab embargo we are importing more Arab oil than ever, and these consumption rates can only be expected to rise as the economy recovers.

Conservation is a key to sound energy policy, and a pricing strategy is only one part of a total approach to conservation. Automobile standards, incentives for insulation, coal conversion, and industrial standards are all needed to have a truly effective conservation program. Yet the Project Independence Study projects a 4.7 million barrel per day consumption difference between oil priced at $7 and oil priced at $11; in other words, a higher price will have a conservation effect. While the exact nature of the effect is difficult to estimate, it is fair to conclude that higher energy prices will have some desirable effect on redirecting consumption into other less import-dependent sectors of the economy.

The alternative forms of demand restraint such as quota restrictions carry with them the burden of government-administered controls. At best this means some economic dislocation, and at worst it means the rationing of petroleum. Using prices to allocate energy resources is simply more efficient and makes more economic sense than do controls. I am reluctantly forced to conclude that we must enlist the tool of higher prices in the battle against excessive energy use, so long as this price rise is gradual and can be counteracted by tax rebate measures.

NEW PRODUCTION AND ENHANCED RECOVERY

I am not overly optimistic about the amounts of new oil which will be found through exploration brought on by higher prices. The FEA estimates production from new fields will not exceed 3.3 million barrels per day above current new oil production by 1985. Yet when added to the potential for greater amounts of enhanced recovery oil [FEA estimates this potential at 4.4 million barrels per day above current levels by 1985] the benefits of higher prices appear more attractive. These are barrels of oil we will otherwise be forced to import or forego. Matched with the import saving which can be accomplished through conservation incentives, these added supplies can have a critical impact on our overall energy picture and on our balance of trade position.

The phased increase to a cap price of $11.50 bbl in the Dingell amendment provides both a conservation and a production incentive; yet at the same time it protects consumers from any further upward movement in the world price. By contrast, rolling back prices actually reduces the incentives to conserve and provides a U.S. subsidy to foreign oil producers.

ADMINISTRATION OF A WINDFALL PROFITS TAX

The most undesirable feature of the rapidly increasing energy costs we face is the effect they have on consumers of energy. Energy consumers cannot adjust as rapidly as the increases have occurred. By imposing a windfall profits tax and recycling the revenues to low and middle income consumers and other energy users, the Dingell proposal would allow the economy in general and the consumer in particular to gradually adjust to the effect of higher prices. While the Dingell Amendment preserves the conservation incentive provided by higher prices, its recycling provisions would protect low and moderate income individuals who now spend large amounts of their disposable income on heating, transportation and other energy-related expenses.

I have accepted the strategy of overall higher energy prices only after becoming convinced that a windfall profits tax (administered as an excise tax) can be made to work. Producers must today report their monthly production volume by category as well as their total revenues. The proposed tax is levied as a per barrel tax on the volumes of production reported. These volumes can be monitored and verified against revenues. Treasury officials, staff of the Joint Internal Revenue Committee, and individuals in the industry have all indicated to me that such a tax can be collected. I am simi-

larly convinced that the taxation system can be relied upon to recycle these taxes in a timely fashion to all but a very few of those lower and middle income consumers who would be adversely affected. Special problems arise in the case of those who currently pay no income taxes; we must work together with the Ways and Means Committee to solve this problem. Certainly no one can claim the windfall profits tax as a solution is more unworkable or Rube Goldberg-like than the current system of controls, allocations, and entitlements.

CONSUMER PROTECTION

We would do well to remember that a system of price controls which increases reliance on foreign energy sources will tend to cause great losses in the form of foregone investment and employment as well as lower government revenues from royalties, severance taxes, income taxes and excise taxes. At the same time, such a control system carries a massive administrative cost which consumers pay both through taxes and through higher prices designed to cover the increased administrative costs incurred by producers and marketers. An important aspect of consumer protection policy should be vigorous government action against monopoly pricing and other anti-competitive practices. We should pass the legislation we need to prevent such practices, and we should provide the Justice Department, the FPC, the IRS, and the FEA with the manpower and resources to maintain scrutiny of the industry. Anti-trust legislation should provide the Attorney General with the capacity not only to prevent creation of new energy conglomerates, but also to act against those already in existence. This effort should be the core of our consumer protection actions in the energy field.

The Dingell Amendment represents the best solution to the combined political and economic problems which we must address. Paired with effective anti-trust action it becomes a policy which can win wide public backing. I urge my colleagues to give it their support.

Sincerely yours,

TIMOTHY E. WIRTH.

P.S.—I should add here a pitch for your support for the Energy Information Act of 1975, which I introduced last week. A "Dear Colleague" letter has been sent to you, asking for your co-sponsorship of this important legislation. Throughout the hearings we have been plagued by a lack of good information, and this vacuum inhibits the country's ability to forge sound energy policy. We cannot adequately answer such questions as: How much does a barrel of oil now cost? What is the profit structure of the oil companies? How much new exploration is really going on? etc. The Energy Information Act will be a major step toward helping us to answer these questions. I hope you can join as a co-sponsor.

DOES GOVERNMENT SPENDING BRING PROSPERITY?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the prescription generally being offered for our economy, afflicted with inflation and recession, is a big dose of Uncle Sam's snake oil: Money. Not real money, of course. Uncle Sam is bankrupt and has none. But rather, floods of Government paper money. The Government need only spend it, thus priming the patient's pump, and miraculously the patient will be bounding around in no time.

After all, Government spending brings prosperity. Right?

Wrong, according to Percy L. Greaves, Jr., in his article "Does Government Spending Bring Prosperity?" Government spending, he says, drains the economy of the capital necessary for productivity and leads to inflation, recession, and unemployment. Free enterprise, on the other hand, will provide the conditions necessary for a highly productive economy and thus will bring prosperity.

Mr. Greaves wrote this in 1955. Since then Government spending has increased from $68 to $313 billion per year, and with it the inflation and chronic unemployment that he predicted. And yet, most of our Government officials are still saying that our economic troubles could be cured if only the Government would not be so stingy with the money it does not have. The spectacle would be amusing if the situation were not so serious.

For the benefit of those who are concerned about the unemployment situation, following is Mr. Greaves' article which was reprinted in the June 1975 issue of the Freeman:

DOES GOVERNMENT SPENDING BRING PROSPERITY?

(By Percy L. Greaves, Jr.)

Many leaders in high places now promise us that our government will never again permit poverty and depression to devastate our land. They propose more government spending as a cure for every economic evil. And millions of people believe that such a program will work.

The underlying philosophy behind political spending is not new. Similar ideas have appeared throughout all history. They came to full flower shortly after the economic collapse of 1929, when unbalanced budgets were generally accepted as necessary economic measures for relieving those in distress. You could not let innocent people starve, could you?

People pointed to idle factories, unemployed workers and their unsatisfied wants. All we need to do, they said, is to get the government to start priming the pump. A little government spending would provide would-be workers with the wherewithal to buy the things they desperately need. This would encourage businessmen to put the unemployed to work in the idle factories. This solution sounded so simple, and its political appeal was apparent. So we tried it.

People just plumb forgot all that economists had ever taught. Many desperate persons reached for whatever share they could get of the apparent prosperity that followed. Until war changed the picture, the price they paid was chronic unemployment by the millions. Are we now asking for a repeat performance?

Most people seem to forget that the government can pay out only what it borrows or collects in taxes. They also forget one of the most elementary facts of a free economy—men who will not accept going wage rates must remain unemployed. Likewise, they fail to understand the real causes of depressions. A logical examination of pertinent data would show them that it was Federal Reserve money manipulation that brought on the depression we all deplore. We Americans truly need to know some very simple economic facts.

No free man works, buys or sells unless he fully believes that such action will bring him greater satisfaction than he could enjoy if he did not take that action. This means that in a free economy no man ever takes a job at any wage unless he believes he is better off working at that wage than he would be if he did not take it. Likewise, no employer ever employs a man at a wage unless the employer feels that he will better his situation by employing that man at that wage. So, in a free economy, employees and employers believe that they have the best available terms. When they feel otherwise, they shift jobs or employees.

In the same vein, no woman ever buys a dress unless she believes that dress will bring her more satisfaction than any other use she could make of the same amount of money. On the other side of the transaction, no storekeeper ever sells a dress unless he places a higher value on the money he receives than he does on the dress he sells. As a result of the sale, both buyer and seller are happier.

Thus, in a free economy, every freely made transaction benefits all participants. Consequently, any interference with freely made transactions must result in a decrease in the satisfaction and happiness of all persons concerned. An economy that is free from restricting regulations thus permits its people to enjoy the greatest happiness they are capable of producing.

THE PROPER SPHERE OF GOVERNMENT

However, in order to enjoy the full pleasures of prosperity, it is necessary for peaceful people to be protected from all robbers, thieves and fraudulent schemers who seek something for nothing at the expense of their fellow-men. For this protective purpose, men have instituted governments. Governments, like all valuable assets, have a price. This price is collected in some form of taxes. Reasonable taxes are a legitimate expense for all protected persons, property and production.

Taxes are like insurance premiums. In fact, a good government might be called a form of life, fraud and robbery insurance. It is as necessary for modern society as accident insurance is for every car driver of moderate means. Without it, the risk of living, owning property and driving might well involve financial risks that only a few could afford. Good governments permit people to pursue their pleasures and production while protected from the rascals who would infringe on their rights by force or fraud. Taxes paid for this protection are an investment which permits men to pursue their personal satisfaction and prosperity as each one sees fit.

When governments spend money for other than protective purposes, they must first get that additional money. They can only get such funds by one or more of three different methods. They can amass such funds by collecting more ordinary taxes, borrowing from private savers, or simply printing the extra money they want to spend. Most modern governments use all three methods. Can such government spending increase the transactions and satisfactions of individuals and, thus, the happiness and prosperity of the people as a whole?

HIDDEN COSTS

A most common economic error is the failure to see or realize the complete price of what one buys. People are too apt to reach for something they want now, without weighing the costs they cannot visualize at the moment. Many fail to realize that more beer and merriment today may well mean no bread or meat tomorrow.

So it is with government spending. We see the results of government spending all around us. Government services are sold at bargain rates below cost. The bureaucrats are good steady customers, and the subsidy receivers spend money more freely than those who earn it. But many do not see the complete price. They do not see the schools, homes, hospitals and factories that could have been erected if the same funds had been left in private hands. They do not see that present bureaucrats could be private citizens producing goods not now available, and that such an increase in marketable goods would tend to reduce all prices and thus increase the satisfactions and living standards of every buyer. They do not see the taxes that creep into the prices of every loaf of bread and pair of shoes, placing the prices of such necessities beyond the reach of the most needy.

When the government raises the money it spends by borrowing savings or taxing its citizens, it merely transfers spending power from private owners and to political spenders in power. This creates no new wealth. It reduces the amount private citizens can spend while increasing the amount government can spend. With less money in their pockets and bank accounts, private individuals and corporations must reduce the amounts they spend or invest. Assuming prices and wages remain the same, they must buy fewer goods and employ fewer workers on private payrolls producing what people want most.

Money spent by governments cannot create any more jobs or produce any more wealth than it can when spent by private persons. In fact, it creates less, because both the tax collectors and tax spenders must be paid a commission. Their labors add nothing to the wealth of society. The shift of the money from private citizens to political spenders must result in fewer productive jobs, and thus a smaller amount of goods and higher prices than if the money had been left in private hands.

PATTERN OF PRODUCTION CHANGED

Political spending also changes the whole pattern of the nation's productive forces. If the government spends its money by giving out subsidies to one privileged group, the productive facilities of the country are then partially directed toward satisfying the desires of that group instead of the desires of those who originally earned the money. Many workers and investors must shift from producing goods and services for customers who earn their money, to producing goods and services for those who first receive the dollars distributed during the government's spending spree.

Then, too, much government spending is not based on the economic principle of getting the most for the least. This permits political spenders to grant privileges to their friends. Such political plums provide more satisfaction and prosperity for nonproducers at the expense of producers. The net result must always be a reduction in the production of wealth. Any such reduction in the quantity of goods and services available in the market tends to raise all prices and thus reduce the satisfactions and living standards of every buyer in that market. So spending to help one group, laudable as it may seem, does not, and cannot, create general prosperity.

DIVERSION TO WAR

If the government spending is for war or defense, then some of the nation's investors and workers must go to work producing munitions and military supplies. All the savings and workers so engaged are withdrawn from industries satisfying the private needs and wants of individual consumers. The end result, of course, is a reduction in the satisfaction of the needs and desires of all those who prefer consumer goods over war goods. The nation may have full employment, but individuals must certainly get along with fewer consumer goods. Such lower personal satisfactions have never been considered greater prosperity.

The only reason men and factories are ever unemployed is that they will not produce what consumers want most at prices consumers can and will pay. Both men and factories can always be employed, if they will accept market wages and prices. When they consider these too low and rely on government to pay higher than market wages and prices with funds obtained from private citizens, the immediate result must always be unemployment or lower wages for those formerly engaged in satisfying the desires of those whose money the government now spends. Unless supported in idleness, these workers will soon gravitate to those industries or pursuits that benefit most from the increased government spending. Their competition will bring wages down to market levels, and then no workers will any longer benefit from the increased government spending.

Any switch of money from private owners to political spenders can only result in a redirection of the nation's productive forces and temporary gains for those who first receive the government orders or subsidies. In the end, a readjustment of the nation's productive forces will become necessary. During the interim, total human satisfactions will be reduced and the general welfare will suffer.

DANGER OF DEPRESSION?

The question now asked is whether a substantial reduction in present government spending would create a depression. Under the present restrictive labor and monetary laws, the painful readjustment might well be long and severe. Under a free economy, with free market wages and interest rates, the necessary readjustment could be quickly made and soon everyone would be enjoying a much higher living standard.

If the government reduces both taxes and spending, it will leave more money in private hands. This money then can, and will, employ more people at higher real wages to make more of what people want most. The nation's productive forces would be redirected toward satisfying the wants of productive persons, rather than satisfying those who were the recipients of government expenditures. In a free market economy, every worker and investor tends to seek those outlets which will produce what consumers want most, as indicated by the wages and prices consumers will pay. So workers and investors now engaged in satisfying political spending would soon find more profitable outlets satisfying the increased spending of private producers. Everyone would soon have more. That is not a depression. That is prosperity.

RESULTS OF INFLATION

In cases where the government prints the money, either directly or indirectly, by first printing bonds and then issuing new money with only its own bonds as security, the result is inflation. Inflation is a tax on everyone who owns or is owed a dollar. Its effects are more hidden than those of other taxes. Another important difference is that inflation transfers economic wealth from one group of people to another group, as well as from private citizens to their government. The inflation tax is a boon to all who owe dollars and a burden on all who are owed dollars. It changes the values of every contract that specifies a future payment in dollars. It reduces the value of the money involved. This is a temporary boon to the payer but, in effect, a tax on the recipient.

Under such inflationary conditions, wise businessmen become hesitant about signing long-term contracts, so necessary for our present-day complicated production system. Government inflationary spending thus places an additional damper on prosperity, over and above all drawbacks and redirection of productive forces brought about by government spending of funds amassed by taxes or bond sales.

Those who first receive the newly printed money are able to buy a part of the nation's production without having made any contribution. They must profit at the expense of all those who have contributed to the total production offered on the market place. Since the rewards of productive contributors are less, some will retire or reduce their future contributions to the market. Production will be further reduced by the fact that some of the printed money recipients are supported in nonproductive pursuits. Total production must, therefore, be lower. This means there will be less for everyone who spends dollars in the market place.

Taxes which raise prices or curtail private spending cannot increase total human satisfaction. Increased taxes reduce the voluntary transactions of a free people and thus reduce their total satisfactions. Contrariwise, any reduction in government spending and taxing will increase the individual transactions of a free people and thus their individual satisfactions and prosperity.

THE WAY TO PROSPERITY

Government spending is an expense or burden on total production and human satisfaction. Government taxes are personal economic sacrifices and should be paid only for the protection of life and private property. When taxes are so limited, they are an aid and stimulant to total production and human satisfaction. When they are collected to help some at the expense of others, they are a brake on both production and human satisfaction. Any reduction in government taxes and spending increases the goods and satisfactions available for all those who have dollars of their own to spend.

Competition in the service of consumers is the one and only sure way to produce a prosperity permanently spiraling upward. All political spending for purposes beyond the protection of life and property are a snare and a delusion. They discourage wealth production both by decreasing the rewards of productive workers and by supporting others in idleness or nonproductive pursuits. In order to keep up the appearances of prosperity, government spending must be constantly increased, with an ever-increasing share of total production going to the nonproductive. If these constantly increased expenditures are not stopped in time, the result will be a runaway inflation like that which took place in Germany in 1923. Government budgets balanced by inflationary spending can but bring a national headache, for which the only permanent cure is the intelligent use of our God-given freedom.

AFL–CIO PRESIDENT GEORGE MEANY SPEAKS AT ILGWU ANNIVERSARY DINNER

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BIAGGI. Mr. Speaker, the International Ladies' Germant Workers Union recently celebrated its 75th anniversary at a dinner in New York City.

They were addressed by Mr. George Meany, president of the AFL–CIO, who grew up in my district in the Bronx, N.Y.

His remarks trace the history of this pioneering union, of its strong involvement in the battle for better working conditions and of its efforts to secure human rights not only for its members but also for oppressed people overseas.

I am sure my colleagues will find Mr. Meany's remarks of interest and I am, therefore, including them at this point in the RECORD:

ADDRESS BY AFL–CIO PRESIDENT GEORGE MEANY

I am delighted to be here tonight. This is a great day in the history of the ILG and, therefore, a great day in the history of the American trade union movement. And I'm delighted to be here to celebrate with you and to bring you the greetings of the AFL–CIO.

Everyone here knows this union was started and grew out of a meeting held in this city 75 years ago, June of the year 1900. Over the ensuing years it took a lot of people, coming from a lot of far away places, a lot of time to put together what we today call the International Ladies' Garment Workers' Union. And, I'm happy to be here to celebrate with you.

I want to pay a special tribute to my good friend, Lou Stulberg as he turns the leadership of this union over to a new generation. Lou Stulberg was quiet, tough, dedicated to the trade union movement and I cannot forget the service that he gave, not only to this union, but to the AFL–CIO itself.

This union has been fortunate in the leadership that has been developed over the years. In a tough industry, it has been a leadership that never lost sight of the real big picture of the trade union movement. They always held to the great visions of what the labor movement was all about and the dramatic changes it could make in the lives of millions of ordinary people.

Lou Stulberg, like Dave Dubinsky before him, has embodied that kind of leadership, not only in the ILG, but in the American labor movement as a whole.

I mentioned a moment ago the date that this union was founded. I don't pretend to remember what I was doing on that date, June 3, 1900, 75 years ago. But I very vividly remember another day, 11 years later. That was March 25, 1911. I was 17 years old at the time and this was the day of the horrible Triangle fire, when 146 workers, many of them young girls, lost their lives because their employer just didn't give a damn about the health and security and the condition of his workers. I remember the effect of that tragedy on garment workers all over the East Coast. I remember the anger, the militancy, the demonstrations. I remember the sympathy that began to build up among some well-to-do women, who were becoming aroused over the issue of women's rights.

As we look back over those years, we are, of course, struck about the way that things have changed. And I'm sure they have changed for the better. There's no comparison with 1911 and today, we live in a different world.

Looking back over the years it has been my privilege to observe the International Ladies' Garment Workers' in action. I realize that this institution is much more than a trade union. Oh yes, it was vitally concerned with hours, wages and working conditions for its membership, which were reflected in progressively better and better collective bargaining agreements over the years. But the union was concerned with much more—the health of its members, educational and cultural activities for its members. It was concerned incidentally with educating its employers as well as its members. It was concerned that its members play their full part as American citizens, as members of the American community, by being politically active.

Practically all American trade unions share these concerns today. But no one gainsay the fact that the ILG led the way. Just one example of many that I could cite would be the establishment of the New York Union Health Center more than 60 years ago. The word "International" in the official title of your union has, for me, special significance. Yes, it indicates that the union embraces membership in Canada as well as in the United States. But much more it indicates the global philosophy of the ILG over the years—a philosophy which could be best described as it was described by the Philadelphia charter of the ILO, which stated very simply and I quote, "All human beings, irrespective of race, creed or sex, have the right to pursue both their material well being and their spiritual development in conditions of freedom and dignity."

May I cite for you two outstanding examples of global philosophy where the ILG leadership demonstrated its concern for the plight of people in far-away places whose freedom was threatened by the forces of tyranny and despotism. In this city in April of 1933, a gathering of liberal and labor representatives set up two instrumentalities to combat the forces that were opposed to freedom in Nazi Germany. One of these organizations was the Anti-Nazi Non-Sectarian League, set up to invoke a world-wide boycott of Nazi products. The other, the German Labor Chest, was to provide relief for German trade union officials who had gone into exile with the rise of Adolf Hitler. One of the prime movers of these actions, who was present at that meeting, was the then president of the ILG, my good friend, Dave Dubinsky.

Now, what was highly significant about this was that Dubinsky and those associated with him recognized the threat to human freedom that was inherent in the events that were taking place six thousand miles away in Germany at a time within 90 days after Hitler assumed power, when a lot of people were looking upon Hitler as some kind of a freak—some kind of a political freak who would go away. Dubinsky, Bill Green, Matt Woll and a few more realized then the threat to our way of life and to our concept of freedom and dignity that was inherent in what was happening in Nazi Germany early in 1933.

And then who can forget 1948, when a crucial election was held in Italy which could have resulted in Italy going behind the Iron Curtain as a Soviet Satellite. Well, I don't know about the CIA interfering in foreign elections, but I can confess that the AFL and Dubinsky and Luigi Antonini interfered in the foreign election in 1948, and I'm quite proud of the fact that they did.

The courageous leadership of Dubinsky and Antonini played a major role at that time in preventing a complete takeover of Italy by the Communists. Time will not permit a long recital of the many, many actions in defense of freedom all over the world by the leadership of this union over the years. Suffice it to say that in every sense the International Ladies' Garment Workers' Union is truly an "international union."

We've made tremendous progress in this country over the years and the labor movement has contributed to that progress. Of course, we lost some friends along the way. You know the types who are gung-ho for members as long as they are in sweatshops, but lost interest just as soon as the workers won decent wages and improved their working conditions. Then the workers no longer fit the stereotype. They lost their romantic image and they became middle class and somewhat boring. Well, be that as it may, we'll take the progress and the hell with the images.

Yet, as we look back, we also see that, despite the progress, many social issues of today, issues we think of as modern, were on the agenda of the International Ladies' Garment Workers' many, many years ago. There was the issue of women's liberation. Very few people believe it was possible to build a union which included working women. After all that was said, they were just waiting, hanging around, waiting to get married. And what they had was only a temporary job. And they were not going to stick their necks out for a union. But they did.

And, I wish some of our well-to-do women's libbers of today, especially those who are preoccupied with exotic biological questions, would go back and read the history of the ILG. Or they might also look up the record of the Women's Trade Union League and the role it played in helping to lift women workers out of the sweatshops that were commonplace in the early years of this century.

Then there is the issue of occupational health and safety, which is of tremendous concern to the labor movement today.

The Garment Workers' brought this issue to the fore from the very beginning. It wasn't only the danger of factory fires, it was also tuberculosis and the kind of accidents that result from fatigue, the fatigue that comes from working 60 hours a week and then going home to take care of your children.

You would think that by now the employer and the government would have fully recognized their responsibility in maintaining a safe working environment. But the fact is we are still in this fight with employers constantly seeking ways of undermining and crippling the Occupational Safety and Health Act.

Another issue that we think of as very modern is this thing called the ethnic factor. There's been a lot of writing lately, much of it quite interesting, about the importance of the ethnic factor in our political and social life.

Well, that was also an issue 75 years ago when the ILG was founded. Of course, it was not referred to as an ethnic problem in those days. People then talked about the immigrant problem. The garment industry was made up to a large extent of immigrants. And a lot of people said you couldn't rely on immigrants. They didn't have what it takes to organize a union. Besides, said others, there were strong ethnic ties between the employers and their employees. And these would prove stronger than their conflicting economic interests.

Well, it didn't come out that way. The ethnic factors were important and still are. But a worker is a worker. He has a family to feed and clothe and shelter and if he is going to succeed in taking care of his family, he'd had better have a union. Never mind whether his bosa is Jewish or Italian or Irish.

I said at the beginning of my remarks that this union was built and made great by practical people with big ideas and, perhaps more important, high ideals about democracy, freedom and justice, which were, in many cases, brought to this country by people who had to struggle for these ideas in the old world. They came here looking not just for bread, but also for justice. Maybe that is why this union has been truly international in its outlook.

Whether it was a fight against fascism, or a fight against communism, the ILG was always in the forefront. This union never sat back and said, "That's none of our business." When freedom was at stake, especially trade union freedom, anywhere in the world, it was the business of this union and it is the business today of the entire American trade union movement.

All present members and officers of this union can look back with the sense of pride over the achievements of the past. They can look back with a feeling of deep gratitude to those who pioneered and built this great institution. Yes, they can look back and draw from the rich experiences of the past in order to better meet the problems that lie ahead.

But one thing we in the labor movement cannot afford is the false luxury of a feeling of complacency. That we can rest on our laurels, as it were, and take it easy for a while. While things have changed a great deal for the better over the years, the millennium has not been reached.

Workers in this nation of ours do not share equally in the wealth produced by our economic syatem. Too often workers are compelled, as they are this very day, to bear a disproportionate share of the burdens brought about by adverse economic conditions.

At the present time, we have a national Administration that speaks about imminent recovery—"recovery is at hand,"—while at the same time calmly projecting an unemployment rate of 7½ percent for the next four years. Well, this to me is some kind of gobbledygook.

We hear the President say recovery is on the way and then we hear his experts, Mr. Seidman, Mr. Greenspan and Mr. Simon, telling us that we are going to have 7½ percent unemployment in 1978.

Well, what kind of recovery is that? Who is going to recover? The bankers? The big corporations? And what's going to happen to the social fabric of this nation while we wait four years to get below eight million people unemployed?

What's going to happen to our inner cities, where we have a black teenage unemployment rate, believe it or not, of 41 percent. Just think of this, and we have these people complacently sitting in Washington and telling us recovery is right ahead of us and at the same time telling us that we are going to have this unemployment rate.

And big business is likewise blithely talking today about economic recovery in that magic fourth quarter. It's always the fourth quarter, that is until you get to the fourth quarter.

But they admit that their definition of recovery does not include any substantial reduction in unemployment. Well, labor cannot and will not accept the Administration's prescription for recovery without jobs for the jobless. And I'm firmly convinced that the American people will likewise not find this type of so-called recovery acceptable.

So may I say to you quite simply, at a time of celebration, a happy time, that labor still has its job to do. That we cannot afford to take it easy, that we must persevere, and carry on in the spirit of those who built so well in the past if we are going to successfully meet the challenge that lies ahead.

The great adventure which 11 workers in a small room embarked upon 75 years ago tonight is not yet over. Your legacy to all workers is a concept and a model of social unionism in the very best sense of the word. And that for us is not a thing of the past, but that really is the wave of the future.

Congratulations! Happy Birthday!

STRIP MINING VETO SUSTAINMENT APPLAUDED

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. MILFORD. Mr. Speaker, I was pleased to find that 143 of my colleagues voted to sustain the President's veto of H.R. 25, otherwise known as the strip mining bill.

I was pleased to see that some of the distinguished Members in this body of Congress are not so presumptuous as to think that we are omnipotent, that the people at home are know-nothings, that the States at home are incompetent.

For that, Mr. Speaker, is just what the strip mining bill conveyed.

Here in all our grandiose wisdom and power we wrote a bill to increase the cost of coal production and therefore the cost to the consumer.

We did this for the sake of being ecologically sound—to restore the land from which the coal was mined. This is a noble thought, all right.

But not necessarily accurate.

Where have we been? I ask you. Where have we been when 28 States were writing such laws and all without our all-knowing help?

That is correct. 28 States—and my own State of Texas has one on the Governor's desk—have written strip mining laws that are on par with this piece of proposed nationwide legislation.

May I remind you that it is a known fact that any time an act can be accomplished on the State level it is more economical and efficient—one less Federal bureaucracy and slew of Federal forms to fill out to accomplish the same end.

Nearly 200 years ago, the rebels in this Nation took umbrage with the King of England for actions such as this. In the Declaration of Independence they cited him—among others, "for suspending our own legislatures" * * * granted we were * * * in this bill * * * not suspending State legislatures. We were merely trying to usurp their powers.

The King of England was also cited in this bill of particulars called the Declaration of Independence for "erected a multitude of new offices and sent hither swarms of officers to harass our people and eat out their substance."

Were we not doing less when we tried to override the veto of this bill which would have created yet another massive bureaucracy?

I would suggest, Mr. Speaker, that if my distinguished colleague from Arizona is so set on strip mining legislation, he should preach that theme at home. If he wants Arizona to have strip mining legislation, let the State write and enact and enforce it, just as have more than half of the States of this land.

Therefore, Mr. Speaker, I was proud to vote to sustain President Ford's veto of this bill just as I voted against the bill originally and am proud that the veto was sustained, thus leaving the States with the right and responsibility to legislate protection needed for their land and natural resources.

THE BANNING OF HANDGUNS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. HARRINGTON. Mr. Speaker, it appears that a growing number of my colleagues are of the opinion that the passage of legislation banning Saturday night specials would constitute a major victory in the effort to institute a realistic handgun control program. I, for one, do not concur with this view.

A wealth of documentary evidence indicates that only a small percentage of violent crimes is committed with these cheap, poorly manufactured handguns. Furthermore, it would be virtually impossible to develop a definition of Saturday night specials which is not easily circumvented by the manufacturer.

In a letter to the editor which appeared in the June 7 issue of the Washington Post, Mr. Jack Corbett addressed this concern. I recommend his statement to my colleagues.

The letter follows:

THE BANNING OF HANDGUNS

I believe that Congress, as its members assess the need for gun control, shall pay attention to certain facts in the tragic shooting of two police officers near the Jefferson Memorial.

It has been reported that the weapon used by the gunmen was a .45 caliber automatic. By no stretch of the imagination could this gun be called a Saturday Night Special—thought of as cheaper weapons of lower caliber.

And yet many members in the Congress, and some in the administration too, have described their position on gun control as being to ban the sale of Saturday Night Specials, In a way, this may sound like a glamorous bold step toward the elimination of violent crime. The Jefferson Memorial shooting clarifies the fact that such "bold" action would be completely unrelated to most of the gun crimes now occurring. About three-quarters of the violent crimes being committed fall in the non-Saturday Night Special category.

Eliminating Saturday Night Specials could not have stopped the unfortunate shooting of police officers investigating "Miami Mike." Then why do congresspersons try to fool the public into thinking they are really doing something about gun control when actually they are advocating a very limited step?

Not only that, so many members of the House concentrate on the sale of handguns rather than possession, which is a small part of the problem. Since about 2 million handguns are being sold each year, but 40 million are already possessed, how many years will it take to catch up with the supply under a sales ban? With some half-million guns being stolen each year (mostly from householders) and being "fenced" to the criminal community, unless action is taken on possession, no credible remedy is in sight.

Must the Congress continue to offer only false hopes and unpromising palliratives?

JACK CORBETT,
Chairperson, National Coalition To Ban Handguns.
Washington.

REPORT ON WOMEN'S CENTER AND REFERRAL SERVICE OF PRINCE GEORGES COUNTY, MD.

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mrs. SPELLMAN. Mr. Speaker, it is my privilege to call to the attention of my colleagues a fine proposal by a group of women in Prince Georges County, Md. They have recognized the vital need for more supportive services for women within communities. I believe that their idea deserves attention, and might serve as a model for other communities.

The following is an excerpt from a report on the Women's Center and Referral Service of Prince Georges County:

EXCERPT

Where does a woman go when her husband has beaten her and she's afraid? When she needs a comfortable place where she can socialize and share experience with other

women? When she needs to know what government and private organizations are available to help her?

"A Place for Women to Be" is the motto of a new Woman's Center and Referral Service that is being organized to meet some of these needs. It is located at Paint Branch Unitarian Church in Adelphi, Maryland.

Although phone lines and permanent operating hours have yet to be established, the center was proclaimed officially open at an organizational meeting on Saturday, May 17. Twenty-five women, some representing area women's groups, attended.

A proposal listing the goals of the center received general approval at the meeting. It stated that the center will provide a warm, non-institutional place where women can go alone and enjoy the company of other women informally or through special events. The Center intends to have a library and lists of private and government agencies to which women can be referred in times of critical needs.

The Center will be staffed by trained volunteers who will provide support to women during difficult periods. One type of support suggested on the proposal was a roster of people who would take women and children into their homes during periods of temporary stress or accompany them through trying situations such as court hearings.

Jill Greenberg, one of the founders of the center, said: "It's a place where a woman can physically go to unwind and get her head together. Where she can get a better perspective on a situation by looking back at it. It will be supportive in the fundamental human terms of women supporting other women who are in situations that are unique to their being women."

Mary Anne Kelley, another of the Center's organizers, mentioned some of the real life situations which the center will help. One is the problem of the woman who is upset and needs to get out of the house for awhile but has no place to go.

One of the organization's committees is working on publicity to make the center known to those who need it. Another committee is arranging staffing for extended office hours.

The same committee is also planning training sessions for volunteers who will deal with women suffering an emotional crisis. Kelley said, "The last thing we want is a volunteer who's going to say, "Now here's what you should do.".

Another committee began compiling a list of referrals and references that would speed the process of getting help.

The organizers of the center have stressed that they do not want to duplicate those already available in the area. Their goal is to supplement and complement the work of other public and private agencies.

Proposed:

WOMEN'S CENTER AND REFERRAL SERVICE OF P.G. COUNTY, MD.

GENERAL INFORMATION

Problem to be addressed

For many reasons, the stresses on women in our society have become more acute during recent years. There is movement toward creating "Halfway Houses" for abused and battered housewives and young women, and an increasing need for services to support these individuals and their children. The problem is particularly acute, but definitely not limited to, women of minority and lower-income groups.

Our experience in working with women has evidenced a special need for preventive services which would, hopefully, avoid many of the more drastic (and expensive) measures which are presently becoming increasingly necessary. Also needed, are community resources and facilities to allow women to share experiences and meet common needs together, both positive and negative.

We, therefore, propose to establish a Women's Center and Referral Service in Prince Georges County, Maryland. We feel that such a Center, staffed by peer volunteers rather than run by institutions, could help strengthen individuals, allow opportunities for communication and sisterhood, provide supportive guidance and instruction, and avoid potential problems of far greater severity and scope.

Description of proposed center

The Women's Center will be staffed by volunteers from community, church and women's groups. We hope also to involve students who are in related programs at local universities. Since the efforts are ambitious, we feel that a Coordinator (or two co-coordinators) should be paid a stipend if possible.

We plan to create a Center which would be a warm, non-institutional environment where all women would feel comfortable. It is intended to be a place which would serve multiple functions:

a. a place (difficult to find in the suburbs of a large city) where women can go by themselves.

b. a place where women can simply enjoy the company of other women—informally, or through special events such as lectures, discussion groups, music . . . whatever our collective imaginations and interests can create.

c. a place where individuals can meet with other people with similar difficulties, adjustments, under the supportive availability of interested, trained volunteers, and, when necessary and possible, with trained professionals.

d. a place where all women can obtain help and information. As part of this function, the Center plans to develop county-wide lists of such resources as:

1. people who would take women into their homes during periods of temporary stress.

2. people who would take care of children during such periods.

3. women who would be available to be "Big Sisters" to support and accompany women through such critical periods, e.g. to a court hearing, or to a social service agency, while the woman is too distraught to focus enough to accomplish this alone. It is crucial that such needs be met while in these initial stages, those stages while women are most reluctant to "admit" there is a problem—and usually unable, therefore, to get help.

We plan to work with other community agencies and make referrals to them. Once again, we feel it is important for women to feel they have a place which can advocate their needs and help them obtain needed help. Care will be taken to see that we do not duplicate already available services.

The Women's Center will also be a place where potentially there will be a women's library, including both books and periodicals. We will offer workshops and guest lecturers to expand the awareness and horizons of county women.

The above-mentioned special events and a women's crafts and book corner will be utilizer to both publicize and humanize the Center and allow it to become increasingly self-sustaining financially.

Goals

1. To establish a Center for all women in P.G. County which would serve as a model for other suburban localities as well as meet the needs of county women in a supportive manner.

2. To provide a viable, volunteer effort geared toward preventing the growth of serious problems resulting from isolation and stress.

3. To create a place where county women may share in meeting our constantly evolving needs.

REV. JOHN CHESTER BAIN

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mrs. BURKE. of California. Mr. Speaker, on June 22 of this year, the Rev. John Chester Bain will be honored for his distinguished service to the United Methodist Church, including 14 years as pastor of Vermont Square Methodist Church and a total of 45 years in the ministry.

Since his ordination in 1930 as a Methodist minister, he has pastored throughout Tennessee, Iowa, and California. He served our country as a chaplain during World War II, ministering to servicemen in Iran, Algiers, North Africa, and Italy. He also served as the liaison chaplain for the Peninsula Base Headquarters in Naples, Italy, during the Italian campaign and was awarded the Bronze Star for meritorious service in staff relations.

During Reverend Bain's 28 years of pastoring for the Methodist Church, he has been responsible for many progressive innovations that served to build bridges between segments of the Los Angeles community. Through his ministerial activities, divergent elements have learned to work together, progress was made in social and human relations, and positive efforts were made toward creating community pride and unity.

The reverend is a member of the Los Angeles Missionary Society of the Methodist Church, a member of the conference board of missions and ministerial training, and serves as treasurer of the Tennessee conference. He is past president of the Interdenomination Ministerial Alliance and the exposition coordinating council. He also holds memberships in: The Southwest YMCA, the Advisory Committee of the Los Angeles Human Relations Commission, the Attorney General's Advisory Council, and the Southwest Area Clergy's Police Council.

Reverend Bain's devotion and clear commitment to improving the quality of life in our community has been recognized by many organizations throughout the city. Among his numerous awards are the Award of Honor from the Board of Supervisors of Los Angeles County; the Award of Merit from the Los Angeles Unified School District's Compensatory Education Division; the Outstanding Community Service Award from the City Council of Los Angeles; the Interdenomination Ministerial Alliance Award; and the Southwest YMCA Human Relations Award.

The pastor is married to Josie Louise Gray who has accomplished outstanding achievements in the field of education on her own. They have one son, John David Bain, who works with the Los Angeles Unified School District as a math consultant.

It has been my personal privilage, Mr. Speaker, to count Reverend Bain among my friends. I am sorry to see a man of his wisdom, devotion, and sensitivity retire from public life. I want to join with his many friends and admirers in publicly thanking Reverend Bain for the help he has given countless people, both young and old, and the wonderful living legacy that he leaves to all who care for the future of our community. His selfless giving during a lifetime in the ministry stands as an exemplary model for all. We who serve the people would do well to emulate the efforts of this man and the positive impact he has had upon this Nation. Mr. Speaker, I pray that we are blessed with more men like John Chester Bain.

ADDRESS BY UNDER SECRETARY OF STATE JOSEPH J. SISCO

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BRADEMAS. Mr. Speaker, I believe that Members of Congress will read with interest the address of the distinguished Under Secretary of State for Political Affairs, the Honorable Joseph J. Sisco, delivered at the commencement exercises of the Columbian College of Arts and Sciences, George Washington University, on May 4, 1975.

The text of Secretary Sisco's most constructive speech follows:

ADDRESS BY THE HONORABLE JOSEPH J. SISCO, UNDER SECRETARY OF STATE FOR POLITICAL AFFAIRS

INTRODUCTION

President Elliott, Dean Linton, honored graduates, ladies and gentlemen:

I deeply appreciate the privilege of participating in this 154th Commencement, and I am grateful for the honor you have bestowed upon me. I also recognize that to some extent I owe this to geography. Mark Twain once pointed out that "In Boston they ask, 'How much does he know?' In New York, 'How much is he worth?' In Philadelphia, 'Who were his parents?' " And, may I add, in Washington, what is his position?

It has been said that a diplomat often has to choose between committing an indiscretion or uttering a cliche. I hope I can avoid each of these pitfalls tonight.

My theme is drawn from the familiar opening line of Dickens' A Tale of Two Cities: "It was the best of times; it was the worst of times."

It seems to me this aptly describes the environment—domestic and international—in which we live and into which this graduating class enters.

Never have we seen a decade of such affluence and material and technological progress as the past decade. Yet we seem to be going through a period which is painful, confusing, frutrating and downright irritating.

It brings to mind the school teacher who asked the class, "What shape is the earth?" A small boy quickly replied, "My father says it's in the worst shape it ever was." I dare say that each of us has probably said something like this in recent days.

This feeling is entirely understandable.

After years of relative well-being, most of us regard any intrusion upon our way of life as an indignity not to be borne lightly.

At home, we have painfully experienced a decade of social turmoil and political assassinations. We witnessed the ignominy of Watergate and weathered the constitutional crisis that followed. Even now we face severe economic difficulties accompanied by pockets of misery, unemployment and injustice.

On the international scene, the trauma and anguish of events in Indochina linger, though the war is finished as far as America is concerned. The trouble spots in the Eastern Mediterranean and the Middle East pose continuing grave risks; the attempt to stabilize our relations with our adversaries remains incomplete and uncertain; the imperatives of global economic interdependence are only partially met; and above all, the survival of man is no longer a figure of speech but an operational problem before governments and peoples of the world.

For America—for a self-confident, buoyant, can-do America—this has been hard to take. As understandable as these feelings are, we cannot—we dare not—shirk our responsibilities at home or overseas. If in a time past the only thing we had to fear was fear itself, then today we must fear the temptation to submit to resignation, apathy and cynicism.

Yes, it is "the worst of times," in a sense, but it is also "the best of times" as well.

I prefer to believe that we are entering a period of creative opportunity which will test our fiber, ingenuity and fortitude, and that we are equal to the test.

It is not in the American character to shrug and declare problems insoluble or take the attitude that it is for someone else to tackle. I have a favorite philosopher. His name is Charlie Brown. He has put it this way: "There is no heavier burden than a great potential." I happen to believe that America and Americans still have the world's greatest potential. We have material strength, technological leadership, a strong defense and political and social ideals rooted in our history. And I believe that the American people, despite all the alarm, are responsive to effective leadership.

THE CONTRIBUTIONS OF THE STATESMAN

What are the tasks ahead?

First, at home:

Our priority requirement is to regain our sense of purpose and find ways to restore confidence in our leaders and institutions. As Macaulay put it so well, people need to "learn that it is the spirit we are of, not the machinery we employ, that binds us together."

A good beginning is to apply the lessons of Watergate. If we have learned anything from this horrendous development, it is that there must be greater probity and accountability in the exercise of governmental leadership by all of us who are in responsible positions. We must be pragmatic, but at the same time be practitioners and shapers of values. I hope we at least learn from Watergate the political relevance of moral principle. The quality of our moral response to national and international problems has become a decisive issue in politics. This is due to the simple fact that many of today's problems present themselves in moral terms. Those who seek office in our next election will need to heed this reality more than ever if they are to gain and maintain the support of an informed electorate.

If this is the political challenge, we confront an equally important one on the economic front. With substantial unemployment and the country still in the throes of the recession-inflation syndrome, we are facing a serious period of adjustment. I am a product of the depression, and I hope I have not forgotten what recession means in human terms, despite years of living in the comfort and protective cloister of suburbia. None of our experts have found an answer, including our economists. But I remain hopeful. America in 1975 is not the America of 1929. The world of the '70s is not the world of the '30s. We are not dealing with an economic crisis like that in 1929. We have learned something from the past and have set about using what we have learned. We are more skilled in checking economic decline and more resourceful in mitigating the hardships that flow from it. The country has the talent and the will to do it. And we are beginning to take the hard measures necessary to overcome recession and cool inflation.

Our task overseas is equally demanding, and it presents itself in a context of rapid change.

We are living in an interdependent world, living literally in each other's backyards. We have moved from the period of atomic supremacy through the Cold War and now deal with problems in a world more complex as well as more perplexing. No longer can we make the distinction between domestic and international policies. America has faced great and seemingly overwhelming challenges before in its history and has shown its inherent capacity to overcome them and indeed create something new from the old. This is the critical task before us in our foreign policy as we strive to seize the historic opportunity to create a more stable and equitable world order.

While we are no longer directly engaged in war, we know that peace cannot be taken for granted. The nuclear equation makes restraint imperative for the alternative is nuclear holocaust. We have come to realize that in the nuclear age the relationship between military strength and politically usable power is more complicated than ever before.

We have also learned, I believe, that our resources are hot unlimited, that there cannot be a Washington blueprint or panacea for every international problem.

We have learned, I hope, of both the potential and the limits of power, aware that we are neither omniscient nor can we be omnipresent.

It is clear that the United States no longer can play the role of world policeman.

But the alternative is not to turn inward and withdraw to a new neo-isolationism. It is essential that our policy be one of selective engagement, of establishing priorities based on their relevancy to our interests and geared to our capacities.

For example, in the multi-polar world of the '70s:

We must continue to strengthen our alliances with Europe, Canada and Japan.

Our efforts to strengthen relations reciprocally between the United States and the Soviet Union must continue for this relationship will probably determine more than any other single factor whether our hopes for peace and stability in the world are eventually realized.

The dialogue and mutual understanding between the United States and the Peoples Republic of China should be strengthened.

There can be no diminution of the United States effort to achieve practical progress towards peace in the Middle East and the Cyprus issue, despite the recent setbacks, because vital stakes are involved.

On the economic front—including questions of energy, food, population, and environment—there is no rational alternative to attacking these problems globally and in a collaborative way. No individual nation has the capacity to solve these problems singlehandedly for the imbalance between limited resources and unlimited demand can only be met by the cooperation of all.

And our foreign policy, to be effective, must rest on a broad national base and reflect a shared community of values. This does not mean rubber-stamping, and we cannot expect unanimity. But we must recapture the habit of concentrating on what binds us together to shape a broad consensus, a new unity, a renewed trust, and fresh confidence.

THE CONTRIBUTION OF THE UNIVERSITY

Our ability as a nation to cope with critical issues at home and abroad is partly a function of the quality of our leadership and partly a function of education. The statesman and the educator have a common commitment to the development of an informed public opinion. The statesman seeks to in-

form and persuade so as to elicit its support; the educator to equip it with knowledge and discernment. And the students and alumni of a university—including the members of the Class of 1975—have a responsibility to carry forward into their adult lives the capacity for informed and critical opinion which your education has given you. You can have no more important purpose than to enrich, by your individual efforts and contributions, the tone and substance of our nation's public discourse. For if the strength of our institutions resides ultimately in the consent of the people, then it resides literally in you—in your strength and wisdom as individuals and as citizens. You are the future shapers and custodians of values.

Democracy is founded on the premise that, in order to judge their leaders, the people will be able to understand the issues the leaders face. Our problems threaten our well-being and security because they first threaten our understanding.

Your generation is faced with the prospect of continuing political turmoil, economic uncertainty and threats to the peace. These dangers have raised doubts as to the ability of our society not only to overcome these challenges but also to satisfy the most basic needs of our people—the need to provide a sense of welfare, of equal justice, and achievement and participation for all our citizens. Any organized society is, in the last analysis, judged by how it serves these basic human needs—and we can only measure our success against our own expectations of ourself as a people.

In this respect, university students need both the breadth of the Liberal Arts and the specialization of scientific and technical studies. But beyond this, our primary need is not for information, which we have in abundance. It is for new ways of understanding and organizing this information. By so doing, we will enhance the capacity of Americans to adjust to a world in which power is diffused and centers of decisions are plural. The nature of our education and the quality of our leadership are essential factors in determining whether or not we succeed. In the last analysis, our government can be no stronger than the men and women who lead it and the citizens who support it. I believe that both academia and the government can work together again in a shared endeavor, with government leaders creating the climate for the receptivity of ideas and the university making an input beyond criticism and dissent.

The task in meeting domestic and plobal issues before us is to draw on the best in our own historical experience and to formulate relevant policies. Amidst reverses and difficulties at home and abroad, our sense of disarray admittedly is still great. But if we view the scene with some discernment, the basis for a new assurance can emerge.

As a mature people with an historical perspective, we should no longer feel dismayed or feel betrayed if there is no perfect harmony in our domestic or foreign affairs. Despite the profound changes we have experienced at home, our democratic institutions have survived unprecedented trials. Abroad, common sense should teach us that history is complex and cannot be controlled or determined by any one nation. But America, because of its position and strength, will and must continue to influence world history in a major and decisive way.

In our effort to meet the emerging complex challenges at home and abroad, we, as a people, must display the same patient, practical wisdom and persistence that has served us so well in the past in our effort to secure the blessings of liberty, justice and peace.

This great task is now rapidly becoming the responsibility of your generation. I am confident that you will grasp this historic opportunity to help make "the worst of times, the best of times."

RESOLUTION TO APPOINT GEORGE WASHINGTON GENERAL OF THE ARMIES OF THE UNITED STATES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1975

Mr. BIAGGI. Mr. Speaker, as our Nation prepares for its Bicentennial celebration it is appropriate that we honor the Father of our Country, George Washington. To accomplish this in a meaningful fashion. I am proposing a resolution designed to gain the promotion of Lieutenant General Washington the highest military rank, "General of the Armies of the United States."

The long and illustrious career of service to the Nation that Washington enjoyed marks what is perhaps the most impressive record of individual achievement in American history. Washington distinguished himself both as a military officer of outstanding caliber and an exceptionally gifted statesman. It is only fitting and proper that one who has given us so much ought not to be outranked by any other officer.

Washington's first significant military undertaking occurred in October 1753 on the eve of the last French and Indian War under the orders of Gov. Robert Dinwiddie. His successful accomplishment in this venture led to his appointment as lieutenant colonel of a Virginia regiment under Col. Joshua Fry. For his services he received the thanks of the House of Burgesses.

In 1755 Washington was promoted to the rank of colonel and served on the staff of Gen. Edward Braddock. In August of that year, he become commander of the Virginia forces, in which capacity he was responsible for the defense of a 350-mile border with only 700 men. Washington carried out this responsibility for 2 years, at which point his health failed him. Yet the following year he effectively commanded the advance guard of the expedition under Gen. John Forbes, which occupied Fort Duquesne and renamed it Fort Pitt. As the war in Virginia came to an end, Washington resigned his commission and returned to his Mount Vernon home.

George Washington proceeded to become active in political life. He repeatedly served in the House of Burgesses. The Virginia Convention appointed Washington as one of seven delegates to the First Continental Congress. In March 1775 he was appointed a delegate from Virginia to the Second Continental Congress, where he served on committees for fortifying New York, collecting ammunition, raising money and formulating army rules. The Congress, after the battles at Lexington and Concord, made George Washington commander-in-chief of the Armed Forces with the rank of lieutenant general.

The appointment of Washington proved to be a correct decision as General Washington courageously and skillfully led our armes to victory in the Revolutionary War to gain us our freedom as an independent and sovereign Nation.

When the Federal Convention met at Philadelphia in May 1787 to frame the Constitution which 188 years later remains a sterling example of the practical application of democratic principles to developing free nations around the world, the delegates unanimously agreed to make George Washington the presiding officer. Finally, this outstanding career of public service was capped by the election of Washington to the Presidency, in which capacity he served for two terms. This outstanding record of accomplishment on behalf of our Nation certainly merits Washington's appointment as "General of the Armies of the United States."

The promotion of General Washington is an idea which dates back to the 18th century. Congress in 1799, passed an act that authorized the appointment of George Washington as "General of the Armies of the United States." The appointment was never made however, and the 1799 act was superseded 3 years later by the Military Reorganization Act of March 16, 1802, and became null and void. The title was received in 1919 and General Pershing was appointed the rank. The position was subsequently repealed and now to posthumously appoint General Washington to the rank, new legislation is required.

At this point in our history it would be especially timely to honor the Nation and that great man who has meant so much to its development by passing my resolution. I hope my colleagues will agree. The full text of the resolution is as follows:

H.J. Res. —

Joint resolution to provide for the appointment of George Washington to the grade of General of the Armies of the United States

Whereas Lieutenant General George Washington of Virginia commanded our armies throughout and to the successful termination of our Revolutionary War

Whereas Lieutenant General George Washington presided over the Convention that formulated our Constitution;

Whereas Lieutenant General George Washington twice served as President of the United States of America; and

Whereas it is considered fitting and proper that no officer of the United States Army should outrank Lieutenant General George Washington on the Army list: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) for purposes of subsection (b) of this section only, the grade of General of the Armies of the United States is estbilished, such grade to have rank and precedence over all other grades of the Army, past or present.

(b) The President is authorized and requested to appoint George Washington posthumously to the grade of General of the Armies of the United States, such appointment to take effect on July 4, 1976.

SENATE—*Thursday, June 12, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by Hon. DICK CLARK, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, as on this day 200 years ago, our Founding Fathers first issued "Continental Call for Fasting and Prayer"; so we pray for this Nation that it may ever uphold what is right, oppose what is wrong, and always strive to do Thy will.

Hallow all our work in this place. Impart to our waiting spirits the gifts of self-mastery and self-control. May no task seem trivial, no duty too small, no program without meaning, no day without its splendor. Hold us to truths higher than ourselves, to standards which keep us straining for improvement, to principles tested by time and confirmed in experience. May we go forth to our temporal duties with a sense of the transcendent and eternal in our hearts.

In Christ's name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 12, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DICK CLARK, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CLARK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Wednesday, June 11, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be permitted to meet until the hour of 12:30 today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PERMISSION FOR THE COMMITTEE ON THE JUDICIARY TO MEET THIS AFTERNOON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, because of special circumstances, the Committee on the Judiciary be authorized to meet this afternoon for purposes of a hearing which evidently cannot be forgone.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NO COMMITTEE HEARINGS TO BE HELD DURING DEBATE OF THE NEW HAMPSHIRE CONTESTED SENATORIAL SEAT

Mr. MANSFIELD. Mr. President, for the information of the Senate, I have been informed that there will be no committee meetings held during the course of the Wyman-Durkin proceedings, so the Senate is on notice, and the schedules of the committees will be timed accordingly.

THE ROCKEFELLER REPORT ON THE CIA

Mr. MANSFIELD. Mr. President, I have had a chance to read the Rockefeller report on the CIA. I say that, in my opinion, I think it is a good constructive report but that it does not go far enough. I can understand the President not releasing a particular portion of the report having to do with alleged or purported assassinations. But I appreciate the fact that he is turning it over to the select committee, created by the Senate, and I assume the select committee, created by the House.

It would be my hope that this matter would be gone into thoroughly and that all the facts would be laid out, so that the Congress and the American people would have a chance to know just what has developed in years gone by.

It appears to me that if this is done, if all the cards are laid on the table, it will be most beneficial to the CIA, as well as to the American people, and the Congress. It appears to me also that we must keep in mind that the CIA does have a responsible function to perform in the affairs of this Government.

Therefore, I would express the hope, Mr. President, that the Senate committee would continue in the future, as it has up to this time, with discretion and understanding, that it would do a good, thorough, and complete job, and it would call the shots, no matter who may be hit in the shooting.

Mr. HUGH SCOTT. Mr. President, my view of the Rockefeller report, as the distinguished majority leader has said, is that it is a good report. It does not pull punches; it does make specific recommendations as directed. It does examine those things which were not in the public interest, as well as those which were.

I agree that the CIA performs an important, necessary, and continuing public function in the preservation of the security of the Nation.

As to the material submitted to the Senate Select Committee on the CIA, that includes, in addition to the report, all information available to the President, as we are advised, and all information in the Department of Justice, which the committee has a right to see. I understand the CIA and FBI are cooperating. I am certain that that is important and that the fullest cooperation must be extended.

I have come to the conclusion, after much thought, that it would be better to release as much as possible of the information, after the committee has had a chance to digest it carefully, consider the nature of its report, and that it would be better for the American people to have as full and complete knowledge, as possible, from a responsible committee, rather than to try to piece it together over a lengthy period of time through irresponsible leaks, which could only result in an attenuated trauma.

I would suggest two limitations, not for the purpose of circumscribing the committee but for the protection of the Union.

The first would be that any matters which currently and presently would be detrimental to our relationships with another nation should be very carefully considered and not released, if that would be the considered judgment as to its effect.

Second, I think the same circumscription should apply to the release of any material which would be dangerous to the security of the Nation, currently and presently.

I think, if we apply that standard, we are thinking in terms much more of release of material than of limitation, because a number of these things have become historical in nature. What we know is in many cases what other nations already know. It may be that the release of some of it might be so inflammatory as to be undesirable. But I want the American people to feel that, when this committee reports, it has dealt fairly with the subject and fairly with the people, and, above all, fairly with the interests of our country.

So let us not be afraid of the truth. There are some sad and disturbing situations which we are permitting to continue. No chief of state has any right whatever to counsel or even to consult or consider the assassination of the chief of another state. This is not within our Constitution, it is not within the powers of the Executive, it is an abuse of those powers, and we want to be certain that the Executive and the CIA fully understand it.

Therefore, I have come to the con-

clusion that we cannot have here anything which legitimately could be described as a coverup; and I believe that the prevention of a coverup can be accomplished by this committee, which has conducted itself responsibly to this point, and I believe it will continue to do so.

A CONTINENTAL DAY OF FASTING AND PRAYER

Mr. HUGH SCOTT. Mr. President, in reference to the chaplain's notation of this being the 200th anniversary of the proclamation of a Continental Day of Fasting and Prayer, such a day actually was observed on July 20, 1775.

Since then, there have been at least 180 national calls for prayer; and now, under public laws, the President is required to proclaim 2 national days of prayer annually—first, a national day of prayer on a day other than Sunday and, second, a national day of thanksgiving on the fourth Thursday of November.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President. I ask unanimous consent that there be a brief period for the transaction of routine morning business, merely for the purpose of placing statements in the RECORD and offering bills, resolutions, and memorials.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE KENTUCKY LAW INFORMATION CENTER

Mr. FORD. Mr. President, I wish to take this opportunity to acknowledge a very innovative and unique program that is now operating in the State of Kentucky. The Kentucky Law Information Service, as the program is called, provides a quick source of legal advice to lawyers, judges, police officials, and private citizens. By utilization of such a system, Kentucky hopes to provide more quickly, the speedy trial guaranteed to all U.S. citizens.

As I understand it, Kentucky is the only State that now has a program of this nature in operation. I would suggest that other States look into the advantages of such a program in regard to the possible increased efficiency to our legal system. Further, I ask unanimous consent to have printed in the RECORD, for the study of all interested persons, an article by Charles Pentecost, of United Press International, which fully describes the program.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOME 5,000 LEGAL QUESTIONS GET ANSWERED

(By Charles Pentecost)

LEXINGTON, KY.—If a judge in a lower court calls for a recess during a trial, he or the prosecutor may use the time to put in a quick call to the Kentucky Law Information Service here to clarify a complex legal point.

And chances are, the service will have the accurate information available to him within minutes. Or, it could be a judge who needs a case read to him or a citation from a similar case for a trial in progress.

Now financed by both the Kentucky Crime Commission and the state Department of Justice, the Law Information Services has answered an estimated 5,000 questions from criminal justice officials alone in its three years of existence.

Judy Woods, of Lexington, assistant director for library and administrative services, said "Originally known as the Kentucky Criminal Law Information Service, we then received funding only from the Kentucky Crime Commission.

"But in July, 1974, under the departmental reorganization of state agencies, we were placed under the Department of Justice's division of training.

"It was thought we could better serve the needs of criminal justice by becoming a part of it," she added.

"We initially provided four services to criminal justice officials, including judges, prosecutors, law enforcement officers, attorneys and others in the criminal justice system.

"In the past year, we have added a couple of services, including a civil law information service for judges only. This is to assist in speeding up the process of clearing court dockets for judges."

The service also provides photocopies of cases, statutes and other legal materials, prepares bibliographies, loans books and sends tape cassettes to criminal justice officials. It also assists in updating benchbooks, manuals and treatises, a new function added just this year.

"The new Kentucky Penal Code which went into effect last January, has brought a new flurry of questions," Ms. Woods said.

"If a police officer on the street dealing with the new Penal Code is not quite sure what actual charge should be placed for an offense, or how it reads in the statutes, he can call us and find out."

Private citizens may also contact the service, by calling toll-free 800-432-9534. "A lot of them are misinformed about our giving legal advice, which we do not," she said.

Most of the questions they ask concern changes in the gambling statutes under the Penal Code, carrying concealed weapons and the Penal Code itself, she said.

"The citizen service was added last July in an effort to assist in better educating citizens about the criminal justice system.

"It provides a place to call to find out how the system works, whom they need to contact on getting specific criminal law information and serves as a library reference service."

Referrals are made to the county bar associations, legal aid and public defenders offices when citizens need legal advice or opinions.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. CLARK) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. CLARK) laid before the Senate a message from the President of the United States transmitting the ninth annual report of the National Endowment for the Humanities for the fiscal year 1974, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I am pleased to transmit the Ninth Annual Report of the National Endowment for the Humanities for fiscal 1974.

The humanistic traditions upon which this Nation was built still provide the moral and political basis of our life as a people. In fiscal 1974, the Humanities Endowment approached its first decade of grant making with projects designed to bring the insights of the humanities to all Americans.

The Endowment's efforts over the past ten years have been noteworthy. Public support for its programs and objectives can be measured by its increasing ability to attract public contributions that have, in the past five years, exceeded the federally appropriated funds set aside to match them. I am happy to note that in 1974 private citizens, foundations, and corporations donated over $6.5 million. This reaffirmation of public confidence justifies, I believe, the strong support the Endowment has received from both the legislative and the executive branches.

GERALD R. FORD.

THE WHITE HOUSE, *June 12, 1975.*

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 11:02 a.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 4485. An act to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources; and

H.R. 5899. An act making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. CLARK).

At 3 p.m., a message from the House of Representatives by Mr. Hackney announced that the House concurs in the amendment of the Senate numbered 2 to the bill (H.R. 6573) to rescind certain budget authority recommended in the message of the President of April 18, 1975 (H. Doc. 94–109), transmitted pursuant to the Impoundment Control Act of 1974; and that the House disagrees to the amendment of the Senate numbered 1 to the bill.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

S. 692. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes (together with minority and additional views) (Rept. No. 94–191).

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, without amendment:

S. 1191. A bill to amend the Public Health Service Act to provide for additional medical scholarships to be known as Lister Hill Scholarships (Rept. No. 94–192).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

William J. Janklow, of South Dakota, to be a member of the Board of Directors of the Legal Services Corporation.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ROTH:

S. 1925. A bill to amend the Internal Revenue Code of 1954 to provide assistance to taxpayers. Referred to the Committee on Finance.

By Mr. SCHWEIKER (for himself, Mr. MONDALE, and Mr. JAVITS):

S. 1926. A bill to amend title XIII of the Public Health Service Act to revise and extend the program for the establishment and expansion of health maintenance organizations. Referred to the Committee on Labor and Public Welfare.

By Mr. BIDEN (for himself and Mr. PROXMIRE):

S. 1927. A bill to amend title VII of the Consumer Credit Protection Act to include discrimination on the basis of age, race, color, religion, national origin, political affiliation, receipt of public assistance benefits, and exercise of rights under this Act or other provisions of law, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. PACKWOOD:

S. 1928. A bill to prohibit the employment while in the United States of aliens who are in the United States unlawfully or lawfully in the United States but not entitled to employment. Referred to the Committee on the Judiciary.

By Mr. BEALL:

S. 1929. A bill to amend the National Capital Transportation Act of 1969 to authorize an additional appropriation of $211,000,000 for the Washington Metropolitan Area Transit System. Referred to the Committee on the District of Columbia.

By Mr. BAKER:

S. 1930. A bill to amend title 5, United State Code, to provide for the restoration of survivor compensation to any widow or widower who has remarried if such remarriage is later dissolved by death, annulment, or divorce. Referred to the Committee on Post Office and Civil Service.

By Mr. LEAHY:

S. 1931. A bill to amend subtitle B of the Consolidated Farm and Rural Development Act to permit the consolidation of operating loans under such subtitle. Referred to the Committee on Agriculture and Forestry.

By Mr. BROOKE (for himself, Mr. JAVITS, Mr. MCINTYRE, Mr. PELL, Mr. MCGOVERN, and Mr. LEAHY):

S. 1932. A bill to amend the Federal Energy Administration Act of 1974 in order to encourage electric generating utilities to use the lowest cost fuels consonant with environmetal requirements. Referred to the Commitee on Commerce.

By Mr. ABOUREZK:

S. 1933. A bill to repeal section 3306 of title 5, United States Code, to eliminate the requirement of apportionment of appointments in the departmental service in the District of Columbia. Referred to the Committee on Post Office and Civil Service.

By Mr. FONG:

S. 1934. A bill for the relief of Antonio Ballesteros;

S. 1935. A bill for the relief of Benigno Domiao Jacinto;

S. 1936. A bill for the relief of Manuel Paris Guerrero; and

S. 1937. A bill for the relief of Jose Maglay. Referred to the Committee on the Judiciary.

By Mr. BELLMON:

S. 1938. A bill to provide for the postponement of regulations of the Secretary of Health, Education, and Welfare with respect to intermediate care facilities for the mentally retarded under title XIX of the Social Security Act. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH:

S. 1925. A bill to amend the Internal Revenue Code of 1954 to provide assistance to taxpayers. Referred to the Committee on Finance.

TAXPAYER ASSISTANCE ACT

Mr. ROTH. Mr. President, I am today introducing legislation to establish a taxpayer assistance office within the Internal Revenue Service and to reform the IRS audit procedures. I am introducing this legislation because of my belief that the Internal Revenue Service has not been responsive to the needs and concerns of the American taxpayers.

Specifically, my bill would: First, establish a Division of Taxpayer Assistance within the Internal Revenue Service to serve as an ombudsman for taxpayer complaints; second, require the IRS to make known its criteria for conducting an audit and audit procedures with every tax return form; and third, require that taxpayers being audited be informed of the reason for the audit and advised of their rights.

First, this bill establishes a Division of Taxpaper Assistance whose purpose it would be to receive and make inquiry into taxpayer complaints about the Internal Revenue Service. This Division would also have the power to make its conclusions from such inquiry effective both within the IRS and through its ability to make recommendations directly to Congress on ways in which the collection of revenue may be improved from the point of view of the taxpayer.

At the present time, a taxpayer who wishes to complain about IRS procedures faces a difficult task; as does a taxpayer who wishes to inform himself about the Internal Revenue Code without retaining a tax specialist. A member of my staff spent an inordinate amount of time trying to learn from the IRS the appropriate office to which to direct a complaint. When the answer finally arrived, it was clear that the IRS had not even understood what he had meant by a "complaint"—for the office to which he was directed—the Division of Inspections—is not charged with serving as an ombudsman for the taxpayer, it is not concerned with easying the taxpayer's burden, but with assuring that IRS employees do not engage in illegal conduct. There are many stages of poor and shabby treatment that stop short of illegal conduct. But these stages evidently fall between the benches of the IRS' organizational concern.

If a member of the staff of a U.S. Senator encounters such difficulties, imagine the burden of an average taxpayer. My office constantly receives letters from frustrated citizens who do not understand the IRS or its procedures and can find no one in IRS to help them. True, a taxpayer may address a letter to any IRS office—but to what effect. In a recent report, the Committee on Appropriations noted:

> The most pervasive theme of the testimony, present in every non-IRS connected witness, is the fact that taxpayers lack IRS information about important but routine IRS procedures.
>
> Witnesses described their efforts to obtain statistics as difficult or "filled with contrived obstacles."

True, again, that in response to this report the IRS voluntarily modified some of its letters and procedures. But these practices do not provide the protection to which taxpayers are entitled—the protection of law.

The IRS does provide limited technical assistance to taxpayers for completing their income tax returns, but there is no central office or division directly responsible for taxpayers' complaints.

Second, the purpose and procedures of an IRS audit is, for most Americans, shrouded in secrecy. Such secrecy contributes to the public opinion that decisions respecting audits are wholly arbitrary—subject to the whims of IRS officials or political tides.

There is no legitimate reason for the IRS to contribute to this suspicion—either by design or by default. The whole system of tax liability is based on the practice of self-assessment, which is, in turn, premised on public confidence. There is no better way to promote such confidence than through making routine procedures of the IRS open to public knowledge.

Last, this bill requires the Internal Revenue Service to inform audited taxpayers of the reason for the audit and of their rights during such an audit.

Constituents of mine have informed

me that the IRS has demanded that alleged deficiencies be paid without providing any reason for its adverse determination. In one case, after months of curt form letters and threats, the IRS admitted that its deficiency notice was a mistake. This particular taxpayer had the fortitude to challenge the IRS, but how many taxpayers are intimidated into paying an adverse administrative judgment while yet feeling they have been wronged?

Mr. Justice Holmes once said:

I like to pay taxes. With them I buy civilization.

That is the ideal statement of an enlightened citizen in a democracy. But it is clear that the vast majority of our citizens no longer view the duty to pay taxes so kindly.

It is incumbent upon the Government that assesses and collects the taxes on behalf of the people it governs and serves, to be sensitive to their needs and concerns when doing so. To many, the IRS is a fearful thing, secretive and threatening. No institution of Government should convey such an image. And no free government has long enjoyed the confidence of its people that permitted such images to continue.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1925

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. TAXPAYER ASSISTANCE.

(a) Establishment.—The Secretary of the Treasury shall establish within the Internal Revenue Service a Division for Taxpayer Assistance.

(b) Duties and Powers.—The Division for Taxpayer Assistance—

(1) may investigate taxpayer criticisms and complaints about Internal Revenue Service procedures and provisions of the Internal Revenue Code of 1954;

(2) may, as the result of any investigation under paragraph (2), make recommendations to the Secretary of the Treasury or his delegate with respect to a particular taxpayer and with respect to improving the administration of the Internal Revenue Code of 1954 generally;

(3) many require the Secretary of the Treasury or his delegate to suspend any administrative proceeding under the Internal Revenue Code of 1954 until the Division makes a recommendation to the Secretary or his delegate with respect to any taxpayer if such taxpayer is a party to such proceeding and has complained to the Division of Taxpayer Assistance and the Division has begun an investigation of such complaint under paragraph (2); and

(4) shall, at the beginning of each calendar year, report to Congress—

(A) a compilation of taxpayer complaints and criticisms during the proceding calendar year about Internal Revenue Service procedures and provisions of the Internal Revenue Service procedures and provisions of the Internal Revenue Code of 1954; and

(B) recommendations for legislation to improve the fairness to all taxpayers of Internal Revenue Service procedures.

SEC. 2. INFORMATION RELATING TO AUDITS.

(a) The Internal Revenue Service (hereinafter referred to as the "Service") shall publish and distribute with every return or other resolution of the dispute; and

from mailed or otherwise furnished to a taxpayer an outline which describes in simple, non-technical, terms—

(1) the criteria used to select returns of tax for audit;

(2) the procedure by which a taxpayer may appeal any adverse decision made by the Service with respect to his return of tax, including formal and informal administrative appeals and judicial appeals and the procedures for defending against deficiency assessments and prosecuting refund claims; and

(3) the procedure which the Service may follow to collect taxes, including assessment, jeopardy assessment, levy and distraint, and enforcement of liens.

(b) Before auditing a return of tax, the Service shall provide each taxpayer whose return is selected for audit with a statement of the specific reasons why his return was selected.

(c) Immediately after making a determination adverse to a taxpayer at any stage of an assessment or collection proceeding arising out of an audit of that taxpayer's return of tax, the Service shall provide that taxpayer with—

(1) notice of the statutory provisions or administrative regulations on which such adverse determination is based;

(2) an outline of the procedures by which the taxpayer may make an administrative or judicial appeal from such adverse determination;

(3) an outline of the criteria which the Service will follow in disposing of such an appeal;

(4) a statement describing the actions which the Service may take against the taxpayer before or during the next stage of appeal;

(5) an outline of the criteria which the Service will follow in reaching a settlement or other resolution of the dispute; and

(8) a statement describing the rights which a taxpayer waives if he agrees to a settlement or other resolution of the dispute.

By Mr. SCHWEIKER (for himself, Mr. MONDALE, and Mr. JAVITS):

S. 1926. A bill to amend title XIII of the Public Health Service Act to revise and extend the program for the establishment and expansion of health maintenance organizations. Referred to the Committee on Labor and Public Welfare.

HEALTH MAINTENANCE ORGANIZATION AMENDMENTS OF 1975

Mr. SCHWEIKER. Mr. President, I am pleased to introduce, on behalf of myself and the Senator from Minnesota (Mr. MONDALE) and the Senator from New York (Mr. JAVITS), the Health Maintenance Organization Amendments of 1975. This legislation amends Public Law 93-222, the Health Maintenance Organization Act, which became law on December 29, 1973. The purpose of this bill is to repair several of the defects in the law which have made it difficult, if not impossible, to stimulate the development of HMO's across the country.

Although the sponsors of this bill were enthusiastic supporters of the original HMO legislation and believe in the value of HMO's in our medical care system, we have noted with a great deal of concern that the development of HMO's we had anticipated has not occurred. The law enacted in the 93d Congress was excellent in concept but has not satisfactorily met the economic realities of trying to create HMO's in the present medical care environment. The development of HMO's is essential and therefore the modification of the statute in order to meet our initial objective of stimulating HMO development is also essential.

In its report on the HMO bill passed by the Senate in the 93d Congress, the Labor and Public Welfare Committee stated:

Health maintenance organizations assure the consumer of health services access to a wide range of necessary health services. HMO's, if effectively designed, largely eliminate many of the problems presented by the prevalent fragmented solo practice model. Too often, in the existing system of medical practice, patients must seek uncoordinated care from various specialists who may be scattered over a wide geographic area, necessitating a number of time-consuming visits to more than one doctor. Though the Committee wishes to strongly emphasize that it does not intend to supplant existing forms of medical delivery such as solo practice, it intends to make available to all Americans a real choice with respect to the form of medical delivery they individually wish to purchase.

It was the intent of the Congress in enacting the HMO law to simply increase the degree of pluralism in a highly homogenous industry. Unfortunately, that objective is not being met.

In its April 1975 "Census of HMO's", InterStudy, a health policy development center headed by Paul Ellwood, M.D., an original advocate of the HMO concept, reported that there are now 181 HMO's in the country, down 2 from January 1975. The report stated:

Many groups appear to be fearful of what the federal law does to their ability to offer a (health benefit) package people can afford.

The census showed that only 23 percent of the existing HMO's have sought financial or technical assistance provided under the existing law. Further, it reported that HMO's are divided on whether or not to seek certification under the HMO act. Even though Federal certification as an HMO under the existing law, could greatly expand their potential market, HMO's are approaching the prospect slowly because of the stringent requirements in the law as the price for such certification and eligibility for assistance.

Simply stated, the legislation I introduce today seeks to remove several of these stringent requirements so that HMO's can effectively compete in the marketplace.

The principal provisions of the bill include:

First, the offering of supplemental health services would become optional by health maintenance organizations.

Second, the requirement that health maintenance organizations offer annual open enrollment for individual membership is eliminated.

Third, medical treatment and referral services for the abuse or addiction to alcohol or drugs and home health services, which previously were included under basic health services, are transferred to supplemental health services.

Fourth, the bill redefines preventive services to include: First, immuniza-

tions; second, well-child care from birth; third, periodic health evaluations for adults; fourth, voluntary family planning services; fifth, infertility services; and sixth, children's eye examinations conducted to determine the need for vision correction.

Fifth, prepayment fixed under a community rating system would not be required for a period of 60 months after a health maintenance organization has become qualified under the statute. However, in reviewing applications for assistance the Secretary is required to assess the intent and capability of an HMO to meet this requirement.

Sixth, the list of professionals able to provide services under the law is expanded to include allied health personnel.

Seventh, the requirement that medical groups must have as their principal professional activity the provision of health services to members of health maintenance organizations is eliminated.

Eighth, all entities meeting the requirements for certification under the law would be eligible to obtain federally guaranteed loans for planning and development of HMO's to serve populations in addition to medically underserved populations. However, in considering applications for loan guarantees under the law, the Secretary is to give special consideration to applications for projects for HMO's which serve medically underserved populations.

Ninth, there are a series of technical amendments which correct a number of deficiencies in the loan and loan guarantee mechanism—as established in the HMO Act and as amended by the recently enacted health planning legislation. Without these amendments it would be virtually impossible to administer the loan and loan guarantee provisions of the act.

Tenth, nominal differentials in rates permitted under the law may also reflect "marketing costs."

Eleventh, in addition to those arrangements already authorized under the law, HMO's may contract with professionals to provide basic services.

Mr. President, I ask that the text of the bill as well as a section-by-section analysis be printed at this point in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 1926

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Health Maintenance Organization Amendments of 1975".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 2. The first sentence of section 1301(b)(2) is amended by striking out "the organization shall provide" and all that follows in that sentence and inserting in lieu thereof "the organization may provide to each of its members any of the health services which are included in supplemental health services (as defined in section 1302(2))."

SEC. 3. (a) The first sentence of section 1301(b)(3) is amended (1) by striking out "or through" and inserting in lieu thereof ", through", and (2) by inserting after "(or associations)" the following: ", or under arrangements with health professionals who have contracted with the health maintenance organization for the provision of such services".

(b) Section 1310(b)(2) is amended by inserting after "(or associations)" the following: "or under arrangements with health professionals who have contracted with such organizations for the provision of such services".

SEC. 4. Section 1301(c) is amended (1) by striking out paragraph (4), and (2) by redesignating paragraphs (5), (6), (7), (8), (9), (10), and (11) as paragraphs (4), (5), (6), (7), (8), (9), and (10), respectively.

SEC. 5. (a) Paragraph (1) of section 1302 is amended—

(1) by striking out subparagraphs (E) and (G),

(2) by inserting "and" at the end of subparagraph (F),

(3) by redesignating subparagraphs (F) and (H) as subparagraphs (E) and (F), respectively,

(4) by amending subparagraph (F) (as so redesignated) to read as follows:

"(F) the following preventive health services: (i) immunizations, (ii) well-child care from birth, (iii) periodic health evaluations for adults, (iv) voluntary family planning services, (v) infertility services, and (vi) children's eye examinations conducted to determine the need for vision correction.",

(5) by striking out "or podiatrist" each place it occurs and inserting in lieu thereof "podiatrists, or other health care personnel", and

(6) by striking out the next to last sentence. (b) Paragraph (2) of such section is amended—

(1) by striking out "(1)(A) or (1)(H)" in subparagraph (B) and inserting in lieu thereof "(1)(F)".

(2) by striking out "not included as a basic health service under paragraph (1)(A) or (1)(H)" in subparagraph (C),

(3) by striking out "and" at the end of subparagraph (E), by striking out the period at the end of subparagraph (F) and inserting in lieu thereof a semicolon, and by adding after subparagraph (F) the following:

"(G) home health services;

"(H) referral services and medical treatment for the abuse of or addiction to alcohol or drugs; and

"(I) other health services which are not included as basic health services and which have been approved by the Secretary for delivery as supplemental health services.",

(4) by striking out "or podiatrists" each place it occurs and inserting in lieu thereof "podiatrist, or other health care personnel", and

(5) by inserting before the last sentence the following: "For purposes of this paragraph, the term 'home health services' means health services provided at a member's home by health care personnel, as prescribed or directed by the responsible physician or other authority designated by the health maintenance organization.

SEC. 6. (a)(1). Section 1301(b)(1) is amended by adding at the end thereof the following new sentence: "The requirement of clause (C) of the first sentence shall apply with respect to a health maintenance organization on and after the expiration of the sixty-month period beginning after the date the organization becomes a qualified health maintenance organization within the meaning of section 1310(d))."

(2) The last sentence of section 1301(b)(2) is amended by inserting after "shall" the following: ", on and after the expiration of the sixty-month period beginning after the date the organization providing the services becomes a qualified health maintenance organization (within the meaning of section 1310(d)),".

(3) Section 1306(b) is amended (A) by striking out "and" at the end of paragraph (6), (B) by redesignating paragraph (7) as paragraph (8), and (C) by inserting after paragraph (6) the following new paragraph:

"(7) the application contains such assurances as the Secretary may require respecting the intent and the ability of the applicant to meet the requirements of paragraphs (1) and (2) of section 1301(b) respecting the fixing of basic health services payments and supplemental health services payments under a community rating system; and".

(b) Section 1302(8)(A) is amended by inserting "differences in marketing costs and" after "reflect".

SEC. 7. Section 1302(4)(C)(i) is amended by striking out "for a health maintenance organization".

SEC. 8. (a) Section 1304(a)(2) is amended (1) by striking out "(other than nonprofit private entities)", and (2) by striking out "to serve medically underserved populations".

(b) Section 1304(b)(1)(B) is amended (1) by striking out "(other than a nonprofit private entity)", and (2) by striking out "which will serve a medically underserved population".

(c) Section 1305(a)(3) is amended (1) by striking out "(other than a private nonprofit health maintenance organization)", and (2) by striking out ", but only if such health maintenance organization will serve a medically underserved population".

(d)(1) Section 1304(d) is amended by adding at the end the following new sentence: "In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for projects for health maintenance organizations which will serve medically underserved populations."

(2) Section 1305 is amended by adding at the end thereof the following new subsection:

"(f) In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for health maintenance organizations which will serve medically underserved populations."

SEC. 9. (a)(1) Section 1305(a) is amended by striking out "in the period of" in paragraphs (1) and (2) and inserting in lieu thereof "during a period not to exceed".

(2) The last sentence of 1305(b)(1) is amended to read as follows: "In any fiscal year the amount disbursed to a health maintenance organization under this section (either directly by the Secretary or by an escrow agent under the terms of an escrow agreement or by a lender under a loan guaranteed under this section) may not exceed $1,000,000.".

(b) Section 1307(e) is amended—

(1) by inserting "for a private health maintenance organization (other than a private nonprofit health maintenance organization)" after "may be made", and

(2) by inserting "for private health maintenance organizations (other than private nonprofit health maintenance organizations)" after "guaranteed".

(c)(1) Section 1308(a)(1)(A) is amended by striking out "for similar loans" and inserting in lieu thereof "for loans with similar maturities, terms, conditions, and security".

(2) Section 1308(b)(2)(D) is amended by striking out "loans guaranteed under this title" and inserting in lieu thereof "marketable obligations of the United States of comparable maturities, adjusted to provide for appropriate administrative charges".

SEC. 10. Section 1310 is amended—

(1) by amending subsection (a) to read as follows:

"(a) Each employer which is now or hereafter required during any calendar quarter to pay its employees the minimum wage specified by section 6 of the Fair Labor Standards Act of 1938 (or would be required to pay its employees such wage but for section 13(a) of such Act), and which during such calendar quarter employed an average number of employees of not less than twenty-five, shall, in accordance with regulations which the Secretary shall prescribe, include in any health benefits plan offered to its employees in the calendar year beginning after such calendar quarter the option of membership in qualified health maintenance organizations which are engaged in the provision of basic and supplemental health services in health maintenance organization service areas in which at least 25 of such employees reside.".

(2) by striking out the last sentence of subsection (c), and

(3) by adding after subsection (d) the following new subsection:

"(e)(1)(A) Any employer who fails to comply with the requirements of subsection (a) shall be subject to a civil penalty of not more than $10,000. Such penalty may be assessed by the Secretary and collected in a civil action brought by the United States in a United States district court.

"(2) In any proceeding by the Secretary to assess a civil penalty under this subsection, no penalty shall be assessed until the employer charged shall have been given notice and an opportunity to present its views on such charge. In determining the amount of the penalty, or the amount agreed upon in compromise, the Secretary shall consider the gravity of the noncompliance and the demonstrated good faith of the employer charged in attempting to achieve rapid compliance after notification by the Secretary of a noncompliance.

"(3) In the case of any civil penalty assessed against any employer by the Secretary under this subsection, if the Secretary's determination that such person is liable for such penalty is made on the record after notice and opportunity for hearing, then in any civil action to collect such penalty (and in any other civil action reviewing such determination of the Administrator) any findings of fact on which such determination is based shall be conclusive if supported by substantial evidence on the record considered as a whole.

"(f) The term 'employer', as used in this subsection, does not include a department, agency, or instrumentality of the United States."

SEC. 11. Section 1312 is amended by striking out all of the section following paragraph (3) of subsection (a) and inserting in lieu thereof the following: "the Secretary may take the action authorized by subsection (b).

"(b)(1) If the Secretary makes, with respect to any entity which provided assurances to the Secretary under section 1310(d)(1), a determination described in subsection (a), the Secretary shall notify the entity in writing of the determination. Such notice shall specify the manner in which the entity has not complied with such assurances and direct that the entity initiate (within 30 days of the date the notice is issued by the Secretary or within such longer period as the Secretary determines is reasonable) such action as may be necessary to bring (within such period as the Secretary shall prescribe) the entity into compliance with the assurances. If the entity fails to initiate corrective action within the period prescribed by the notice or fails to comply with the assurances within such period as the Secretary prescribes (A) the entity shall not be a qualified health maintenance organization for purposes of section 1310 until such date as the Secretary determines that it is in compliance with the assurances, and (B) each employer which has offered membership in the entity in compliance with section 1310 shall be notified by the entity that the entity is not a qualified health maintenance organization for purposes of such section. The Secretary shall publish in the Federal Register each determination referred to in clause (A) of the preceding sentence.

"(2) If the Secretary makes, with respect to an entity which has received a grant, contract, loan, or loan guarantee under this title, a determination described in subsection (a), the Secretary may, in addition to any other remedies available to him, bring a civil action in the United States district court for the district in which such entity is located to enforce its compliance with the assurances it furnished respecting the provision of basic and supplemental health services or its organization or operation, as the case may be, which assurances were made in connection with its application under this title for the grant, contract, loan, or loan guarantee."

SEC. 12. Section 1307(d) is amended by adding after and below paragraph (2) the following new sentence: "An entity which provides health services to a defined population on a prepaid basis and which has members who are enrolled under the health benefits program authorized by chapter 89 of title 5, United States Code, may be considered as a health maintenance organization for purposes of receiving assistance under this title if with respect to its other members it provides health services in accordance with section 1301(b) and is organized and operated in the manner prescribed by section 1201(c)."

SEC. 13. (a)(1) Subsection (j) of section 1304 is amended (A) by striking out "the fiscal year ending June 30, 1976" and inserting in lieu thereof "fiscal year 1978", and (B) by striking out "the fiscal year ending June 30, 1977" and inserting in lieu thereof "fiscal year 1979".

(2) Subsection (k)(1) of such section is amended by striking out "June 30, 1975" and inserting in lieu thereof "or in either of the next three fiscal years".

(3) Subsection (k)(2) of such section is amended by striking out "two fiscal years" and inserting in lieu thereof "four fiscal years".

(b) Subsection (d) of section 1305 is amended to read as follows:

"(d) No loan may be made or guaranteed under this section after September 30, 1980."

(c) Section 1309(a) is amended—

(1) by striking out "for the fiscal year ending June 30, 1976" and inserting in lieu thereof "each for the fiscal years 1976, 1977, and 1978"; and

(2) by striking out "for the fiscal year ending June 30, 1977" and inserting in lieu thereof "for fiscal year 1979".

SEC. 14. (a) The amendments made by sections 2, 3, 4, 5, and 7 shall (1) apply with respect to grants, contracts, loans, and loan guarantees made under sections 1303, 1304, and 1305 of the Public Health Service Act for fiscal years beginning after June 30, 1975, (2) apply with respect to health benefit plans offered under section 1310 of such Act after such date, and (3) for purposes of section 1312 take effect July 1, 1975.

(b) The amendments made by sections 9(a)(1) and 9(c) shall apply with respect to loans and loan guarantees made under section 1305 of the Public Health Service Act after June 30, 1975.

(c)(1) The amendment made by paragraph (1) of section 10 shall apply with respect to calendar quarters which begin after the date of the enactment of this Act.

(2) The amendments made by paragraphs (2) and (3) of section 10 shall apply with respect to failures of employers to comply with section 1310(a) of the Public Health Service Act after the date of the enactment of this Act.

(d) The amendment made by section 11 shall apply with respect to determinations of the Secretary of Health, Education, and Welfare described in section 1312(a) of the Public Health Service Act and made after the date of the enactment of this Act.

SECTION-BY-SECTION ANALYSIS OF A BILL TO AMEND TITLE XIII OF THE PUBLIC HEALTH SERVICE ACT TO REVISE AND EXTEND THE PROGRAM FOR THE ESTABLISHMENT AND EXPANSION OF HEALTH MAINTENANCE ORGANIZATIONS

Section 1 cites the name of the Act as the Health Maintenance Organization Amendments of 1975.

Section 2 amends subsection 1301(b)(2) by making the offering of supplemental health services, as defined in subsection 1302(2), optional by health maintenance organizations.

Section 3(a) amends subsection 1301(b)(3) to enable health maintenance organizations to contract with health professionals for the provision of basic health services. This arrangement for the services of health professionals would be in addition to those currently authorized under subsection 1301(b)(3).

Section 3(b) amends subsection 1310(b)(2) to conform to other amendments.

Section 4 amends subsection 1301(c) by eliminating the requirement that health maintenance organizations offer annual open enrollment for individual membership in the health maintenance organization.

Section 5 of the Act does the following:

Amends subsection 1302(1) by transferring the following services from basic to supplemental health services: (a) medical treatment and referral services for the abuse or addiction to drugs and alcohol and (b) home health services.

Amends subsection 1302(1) by redefining preventive services to include the following: (1) immunizations, (2) well-child care from birth, (3) periodic health evaluations for adults, (4) voluntary family planning services, (5) infertility services, and (6) children's eye examinations conducted to determine the need for vision correction.

Amends subsection 1302(1) by striking out "or podiatrists" each place it appears and inserting in its place "podiatrists, or other health care personnel."

Section 5(b) does the following:

Amends subsection 1302(2), which pertains to supplemental health services, to add the following services which previously were included under basic health services: (1) medical treatment and referral services for the abuse or addiction to alcohol or drugs, and (2) home health services. In addition, the amendment provides that other health services may be provided which are not included as basic health services and which have been approved by the Secretary of Health, Education, and Welfare for delivery as supplemental health services.

Amends subsection 1302(2) by striking out "podiatrists" each place it appears, and inserting in its place "podiatrist, or other health care personnel."

Amends subsection 1302(2) by adding a definition of home health services.

Section 6(a) amends subsections 1301(b)(1)(C) and 1301(b)(2)(C) by providing that prepayment fixed under a community rating system shall not be required for a period of sixty months or more after a health maintenance organization has become qualified under subsection 1310(d).

Section 6(a) amends subsection 1306(b) to require that applicants for grants, contracts, loans, or loan guarantees give assurances that they will meet the requirements of paragraphs (1) and (2) of subsection 1301(b) respecting the fixing of basic health services payments and supplemental health services payments under a community rating system.

Section 6(b) amends subsection 1302(8)(A) by inserting the following phrase after the world reflect: "differences in marketing costs and." This section refers to nominal differentials in rates which may be included to reflect marketing and administrative costs for different categories of membership.

Section 7 amends subsection 1302(4)(C)(1) to eliminate the requirement that medical groups must have as their principal professional activity the provision of health services to members of health maintenance organizations.

Section 8(a) does the following:

Amends subsection 1304(a)(2) to enable private entities to obtain Federally guaranteed loans for planning for the establishment or expansion of health maintenance organizations to serve populations in addition to medically underserved populations.

Section 8(b) amends subsection 1304(b)(1)(B) to enable private entities to obtain Federally guaranteed loans for the initial development of a health maintenance organization to serve populations in addition to medically underserved populations.

Section 8(c) amends subsection 1305(a)(3) to enable private health maintenance organizations to obtain Federally guaranteed loans for certain operating costs to serve populations in addition to medically underserved populations.

Section 8(d) amends subsection 1304(d) by adding at the end the following new sentence: "In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for projects for health maintenance organizations which serve medically underserved populations."

Section 8(d) amends section 1305 by adding the following new subsection 1305(f): "In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for health maintenance organizations which will serve medically underserved populations.

Section 9(c) does the following:

Amends subsection 1305(a) by striking out "in the period of" in both paragraphs (1) and (2) of the section and inserting in its place "during a period not to exceed" to allow for flexibility regarding the starting date and the period of the loan.

Amends the last sentence of subsection 1305(b)(1) to read as follows: "In any fiscal year the amount disbursed to a health maintenance organization under this section (either directly by the Secretary or by an escrow agent under the terms of an escrow agreement or by a lender under a loan guarantee under this section) may not exceed $1,000,000." This amendment would allow for annual disbursements under single loans.

Section 9(b) amends subsection 1307(e) to conform to other amendments.

Section 9(c) does the following:

Amends subsection 1308(a)(1)(A) by striking out "for similar loans" and inserting in its place "for loans with similar maturities, terms, conditions, and security."

Amends subsection 1308(b)(2)(D) by striking out "loans guaranteed under this title" and inserting in its place "marketable obligations of the United States of comparable maturities, adjusted to provide for appropriate administrative charges."

Section 10 amends section 1310 in the following way:

Amends subsection 1310(a) to include State and local governmental employers which must offer employees the option of membership in a health maintenance organization, and changes the requirement relating to the number of employees of an employer from the total number employed to the number of employees residing in the service area of a qualified health maintenance organization.

Amends subsectoin 1310(c) by striking out the last sentence pertaining to noncompliance with section 1310(a).

Adds a new subsection 1310(e) which relates to civil penalties and procedures in the event of alleged noncompliance of a health maintenance organization with the provisions of subsection 1310(a). Adds a new subsection 1310(f) which excludes a department, agency, or instrumentality of the United States from the definition of employer under section 1310 of Title XIII of the Public Health Service Act.

Section 11 amends section 1312, which pertains to health maintenance organizations which fail to comply with certain provisions of the Act, by providing new procedures, penalties, and other requirements, to be applied by the Secretary of Health, Education, and Welfare where health maintenance organizations are alleged to be in noncompliance.

Section 12 amends subsection 1307(d) by adding the following new sentence after paragraph (2): "An entity which provides health services to a defined population on a prepaid basis and which has members who are enrolled under the health benefits program authorized by chapter 89 of title 5, United States Code, may be considered as a health maintenance organization for purposes of receiving assistance under this title if with respect to its other members it provides health services in accordance with subsection 1301(b) and is organized and operated in the manner prescribed by subsection 1301(c)."

Section 13(a) does the following:

Amends subsection 1304(j) to extend Federal guarantees on loans to private entities for planning projects from June 30, 1976 through fiscal year 1978, and Federal guarantees on loans to private entities for developmental projects from June 30, 1977 through fiscal year 1979.

Amends subsectoin 1304(k)(1), which pertains to planning projects serving predominantly nonmetropolitan areas, by extending its provisions through fiscal year 1977.

Amends subsection 1304(k)(2), which pertains to developmental projects serving predominantly nonmetropolitan areas, by extending its provisions through fiscal year 1978.

Section 13(b) amends subsection 1305(d) to extend loans and loan guarantees from June 30, 1978 to September 30, 1980.

Section 13(c) does the following:

Amends subsection 1309(a) to extend the program of grants and contracts for feasibility studies, and planning and development projects, which are currently authorized through June 30, 1976, through fiscal year 1978. Authorizations for each of the additional fiscal years would be $85,000,000.

Amends subsection 1309(a) to extend the program of grants for developmental projects only, which are currently funded through June 30, 1977, through fiscal year 1979. The authorization for the additional fiscal year would be $85,000,000.

Section 14(a) provides that the amendments made by sections 2, 3, 4, 5, and 7 shall apply with respect to grants, contracts, loans, and loan guarantees under sections 1303, 1304, and 1305 of the Public Health Service Act beginning after June 30, 1975, (2) apply with respect to health benefit plans offered under section 1310 of the Public Health Service Act after June 30, 1975, and (3) for purposes of section 1312 take effect July 1, 1975.

Section 14(b) provides that amendments made by sections 9(a)(1) and 9(c) shall apply with respect to loans and loan guarantees made under section 1305 of the Public Health Service Act after June 30, 1975.

Section 14(c) provides the following:

(1) Amendments made by paragraph (1) of section 10, which applies to subsection 1310(a), shall apply with respect to calendar quarters which begin after the date of the enactment of this Act.

(2) Amendments made by paragraphs (2) and (3) of section 10, which pertain to penalties, procedures, and other requirements relating to employer noncompliance, shall apply with respect to failures of employers to comply with subsection 1310(a) of the Public Health Service Act after the date of enactment of this Act.

Section 14(d) provides that the amendment made by section 11 shall apply with respect to determinations of the Secretary of Health, Education, and Welfare described in subsection 1312(a) of the Public Health Service Act and made after the date of enactment of this Act.

By Mr. BIDEN (for himself and Mr. PROXMIRE):

S. 1927. A bill to amend title VII of the Consumer Credit Protection Act to include discrimination on the basis of age, race, color, religion, national origin, political affiliation, receipt of public assistance benefits, and exercise of rights under this act or other provisions of law, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BIDEN. Mr. President, today I introduce on behalf of myself and Senator PROXMIRE, legislation to expand and strengthen the prohibitions against arbitrary discrimination in credit granting. These amendments to the Equal Credit Opportunity Act of last year are intended to assure that American consumers are not unknowing and helpless victims of creditors who utilize arbitrary standards and practices having no bearing on the consumer's real creditworthiness. The bill is similar to H.R. 6516 which has been referred to us from the House, but includes what I believe are valuable additional protections.

Discrimination in credit granting has been well documented in several years of hearings in the House. There can no longer be any doubt that some creditors have adopted arbitrary and capricious standards which deny the benefits of consumer credit to many citizens. Last year the Congress commendably passed the Equal Credit Opportunity Act to bar discrimination on the basis of sex or marital status—and I am happy to see that the Federal Reserve Board has promulgated and held hearings on proposed regulations to implement that act. But that legislation was clearly only a partial remedy.

Credit has become an increasingly important part of the well-being of consumers and their families. In many cases credit is virtually a necessity if consumers are to participate in the fruits of our American economy—homes, automobiles, appliances are more often purchased on credit than on a cash basis. The National Commission on Consumer Finance reported that nearly 15 percent of all consumer disposable income is allocated to repayment of installment debt. No form of consumer credit has grown so rapidly as that available through credit cards which offer consumers unprecedented convenience and purchasing power.

In this marketplace it is intolerable that some consumers—because of the accident of their age, or color or ethnic origins—should be foreclosed from their

equitable share of credit. If they can pay and if they are willing to pay, appropriate amounts of credit should be theirs.

Creditors quite properly point out that the setting of credit standards has traditionally been a private matter for the creditors' private judgments. Certainly one cannot and should not read the bill I introduce today as an effort to dictate Federal credit-granting criteria to the credit industry. But at a time when the volume of consumer and home mortgage credit nears $900 billion, and when credit is no longer merely a marginal benefit to a few consumers in a small number of transactions, it is more than appropriate that the law specify improper credit criteria, and establish remedies that will root out discriminatory practices whether they are unconsciously inbred or maliciously adopted.

The major provisions of my bill are as follows:

First, the bill will add a number of classifications for which arbitrary discrimination is prohibited: age, race, color, religion, and national origin are barred as in the House bill. This legislation also adds "political affiliation, receipt of public assistance benefits, and exercise of rights under this act or other provision of law." The first of these is self-explanatory; the second is intended to prohibit credit denials to welfare or social security recipients merely on the basis of distaste for the source of the applicant's income; the third classification is aimed at what might be called retaliatory credit denials or terminations. I believe it would be unconscionable for a consumer who has claimed a violation of law against a particular creditor to have that event trigger a denial or termination of their credit arrangement.

Second, this bill would require that creditors automatically give each consumer applicant a statement of reasons for a credit denial or termination. Nothing can be more frustrating for a consumer than to submit an application for credit with high hopes and expectations, only to receive in return a brief form letter of denial without the faintest suggestion of why the applicant was found lacking. This requirement to state reasons has two purposes: it should help educate consumers as to their own creditworthiness, and it gives the consumers some assurance that they have not been the targets of discrimination. The bill purposely does not spell out in any detail the kinds or specificity of reasons that must be given. I hope this matter will be explored fully in the hearings and that the industry spokesmen will be cooperative in efforts to devise a workable—perhaps standardized—mechanism for disclosing their reasons for credit denials.

Third, my legislation recognizes that granting or denying credit is a business judgment which can be made only with sufficient information to determine the creditor's rights and remedies in the transaction. Thus this bill does not prevent credit denials to minors. It permits creditors to inquire of the applicant's marital status or age so long as the purpose of the inquiry is not to discriminate against that applicant. This bill also recognizes the desirability of "affirmative action" credit programs and exempts them from violating the act.

Fourth, the civil liability provisions of the present law are substantially rewritten and strengthened. The Attorney General is authorized to initiate enforcement actions on his own or at the request of the other enforcement agencies. The ceiling for private class action recoveries of punitive damages is changed from the lesser of $100,000 or 1 percent of the creditors net worth to the greater of $50,000 or 1 percent of net worth. This matter has been much debated in the House hearings and elsewhere, but the arguments for the lesser figure are unpersuasive. The class action device is potentially one of the strongest antidiscrimination enforcement mechanisms, but to fulfill its promise it needs teeth. Ample protections for the small businessman and the unintentional violator are provided by the ceiling itself—in any class action the judge might fix the punitive damages anywhere from the ceiling figure to a nominal recovery, and by the existing criteria the court is instructed to consider.

Mr. President, the goal of this legislation is to see that all consumers are treated fairly and objectively in their quests for what has become a precious and useful commodity—credit. This is no time for half-way measures. The consuming public is entitled to the strongest possible law on credit discrimination as soon as possible. I therefore hope to hold hearings in the Consumer Affairs Subcommittee promptly on this and other pending credit discrimination bills.

Mr. President, I ask unanimous consent to have the bill printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1927

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that (a) this Act may be cited as the "Equal Credit Opportunity Act Amendments of 1975."

(b) Title VII of the Consumer Credit Protection Act is amended by adding at the end thereof the following new section:

"§ 709 Short title

"This title may be cited as the 'Equal Credit Opportunity Act.'"

SEC. 2. Section 701(a) of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended to read as follows:

"§ 701. Prohibited discrimination; reasons for denial or termination.

"(a) It shall be unlawful for any creditor to discriminate against any applicant, with respect to any aspect of a credit transaction, on the basis of—

(1) age provided the applicant has the capacity to contract;

(2) race, color, religion, national origin, or political affiliation;

(3) sex or marital status;

(4) receipt of public assistance benefits;

(5) exercise of rights under this Act or other provision of law.

(6) such other classifications or criteria as the Board may establish by regulation as necessary and proper to effectuate the purposes of this subsection, to prevent circumvention or evasion thereof, and to facilitate or substantiate compliance therewith.

"(b) Inquiry and consideration of marital status or age shall not constitute discrimination for purposes of this title if such inquiry and consideration is for the purpose of ascertaining the creditor's rights and remedies applicable to the particular extension of credit or, in the case of age, for the purpose of applying criteria favoring applicants in particular age categories, and not to discriminate against the applicant in a determination of creditworthiness.

"(c) The declination of credit on terms offered pursuant to—

"(1) any loan assistance program expressly authorized by law for an economically disadvantaged class of persons;

"(2) any loan assistance program administered by a nonprofit organization for its members or an economically disadvantaged class of persons; or

"(3) any special purpose loan program offered by a profitmaking organization to meet special social needs which meets standards prescribed in regulations by the Board;

shall not constitute a violation of this section.

"(d) A creditor shall promptly furnish each applicant who has applied for credit and to whom credit is denied or terminated a clear and meaningful statement in writing of the reasons for the denial or termination. The Board shall establish by regulation such standard forms and classifications of reasons as it deems necessary to implement this subsection."

SEC. 3. Section 703 of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act is amended by inserting "(a)" immediately prior to "The", and by adding at the end thereof the following new subsection:

"(b) The Board shall establish an advisory committee to advise and consult with it in the exercise of its functions under this Act. In appointing the members of the committee, the Board shall seek to achieve a fair representation of the interests of creditors and consumers. The committee shall meet from time to time at the call of the Board. Members of the committee who are not regular full-time employees of the United States shall, while attending meetings of such committee, be entitled to receive compensation at a rate fixed by the Board, but not exceeding $100 per day, including traveltime. Such members may be allowed travel expenses, including transportation and subsistence, while away from their homes or regular place of business."

SEC. 4. Section 705(e) of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended to read as follows:

"(e) No person aggrieved by a violation of this title shall recover under this title on any transaction for which recovery is had under the laws of any State relating to the prohibition of discrimination on the basis of the classifications in section 701(a)."

SEC. 5. Section 706 of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended to read as follows:

"CIVIL LIABILITY

"SEC. 706. (a) Any creditor who violates section 701 or any regulation prescribed under sections 701 or 703 shall be liable to the aggrieved applicant in an amount equal to the sum of any actual damages sustained by such applicant acting either in an individual capacity or as a member of a class.

"(b) Except with respect to any Government or governmental subdivision or agency, any creditor who violates section 701 or any regulation prescribed under sections 701 or 703 shall be liable to the aggrieved applicant for punitive damages in an amount not greater than $10,000, in addition to any actual damages provided in subsection (a), except in the case of a class action the total recovery shall not exceed the greater of $50,000 or 1 per centum of the net worth of the creditor.

In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional.

"(c) Upon application by an aggrieved applicant, the appropriate United States district court may grant such equitable and declaratory relief as is necessary to enforce section 701 or any regulation prescribed under sections 701 or 703.

"(d) In the case of any successful action under subsection (a), (b), or (c), the costs of the action, together with a reasonable attorney's fee as determined by the court, shall be added to any damages awarded by the court under such subsection.

"(e) No provision of this title imposing liability shall apply to any act done or omitted in good faith in conformity with any official regulation or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such rule or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

"(f) Any action under this section may be brought in the appropriate United States district court without regard to the amount in controversy. No such action shall be brought later than one year from the date of the occurrence of the violation, except—

"(1) whenever any agency having responsibility for administrative enforcement under section 704 commences its enforcement proceeding within one year from the date of occurrence of the violation and obtains compliance with this title by a creditor who was in violation of such title, or

"(2) whenever the Attorney General commences a civil action within one year from the date of the occurrence of the violation in an appropriate United States district court under this section against a creditor who is found by the court to be in violation of this title, then any applicant who has been a victim of the discrimination with respect to the administration action under paragraph (1) or the judgment of the court under paragraph (2) may, within one year after the date of compliance with the administrative action or within one year after the date of the judgment of the court, as the case may be, bring an action under this section against such creditor.

"(g) The agencies having responsibility for administrative enforcement under section 704, if unable to obtain compliance with section 701, are authorized to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted.

"(h) When a matter is referred to the Attorney General pursuant to subsection (g), or whenever he has reason to believe that one or more creditors are engaged in a pattern or practice in violation of this title, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(i) No person aggrieved by a violation of this title and by a violation of section 805 of the Civil Rights Act of 1968 shall recover under this title and section 812 of the Civil Rights Act of 1968, if each such violation is based on the same transaction.

"(j) In any action under this title nothing in this title shall be construed to prohibit the discovery of a creditor's credit granting standards under appropriate discovery procedures in the court in which such action is brought."

SEC. 6. The Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended by redesignating section 707 as section 708 and by inserting immediately after section 706 the following new section:

"ANNUAL REPORTS TO CONGRESS

"SEC. 707. Not later than February 1 of each year after 1976, the Board and the Attorney General shall, respectively, make reports to the Congress, concerning the administration of their functions under this title, including such recommendations as the Board and the Attorney General, respectively, deem necessary or appropriate. In addition, each report of the Board shall include its assessment of the extent to which compliance with the requirements of this title is being achieved, and a summary of the enforcement actions taken by each of the agencies assigned administrative enforcement responsibilities under section 704.".

SEC. 7. Section 708 of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act and by section 6 of this Act, is amended by inserting ", except that the amendments made by the Equal Credit Opportunity Act Amendments of 1975 shall take effect six months after the date of its enactment" immediately before the period at the end thereof.

SEC. 8. The table of sections of the Equal Credit Opportunity Act, as redesignated by subsection (b) of the first section of this Act, is amended by striking out

"707. Effective date."

and inserting in lieu thereof the following new items:

"707. Annual reports to Congress.
"708. Effective date.
"709. Short title."

SEC. 9. Section 501 of title V of Public Law 93-495 is repealed.

By Mr. PACKWOOD:

S. 1928. A bill to prohibit the employment while in the United States of aliens who are in the United States unlawfully or lawfully in the United States but not entitled to employment. Referred to the Committee on the Judiciary.

Mr. PACKWOOD. Mr. Chairman, several months ago the Immigration and Naturalization Service apprehended two men employed by a New York contractor as painters. The men were earning $9.75 per hour and each had accumulated approximately $10,000 in their respective savings accounts. They were in the United States illegally and, therefore, not entitled to employment. They had brought their families from overseas. Their children were enrolled in public schools. At the time of their arrest, the men were painting a statue. Ironically, that is the statue which thrusts a torch to the east from New York Harbor and beckons to the world to send "your tired, your poor, your huddled masses yearning to breathe free".

This generous invitation which we engraved on the Statue of Liberty almost a century ago is one we find hard pressed to continue to honor, for, accompanying the growth of our country has been an increasing awareness that we too are a nation of limited resources and, therefore, limited opportunity. Thus, the number of persons that can share in our blessings must likewise be limited. Faced with 8 million unemployed persons in this country and perhaps as many as 4 million employed illegal aliens, I find it imperative that we take immediate, effective action to insure that those who occupy positions of employment are those legally entitled to do so.

The alien painter example with which I chose to preface my comments serves to introduce a commonly held misconception that persons illegally employed in this country cause no economic harm because they occupy jobs which offer wages and conditions that are not attractive to persons legally entitled to employment. This is patently not the case. Consider for example the following:

First. Of a total of 8,813 aliens recently apprehended in the Los Angeles area, 50 percent were employed in heavy industry earning $4.50 to $6.50 per hour, 20 percent were employed in light industry at $2.50 to $3.55 per hour and only 30 percent were involved in low paying nonindustrial labor.

Second. Of a total of 8,747 employed illegal aliens apprehended in Illinois, 90 percent were in industry and only 10 percent in agriculture.

Third. In the tristate area of Utah, Colorado, and Wyoming a recent round up of aliens revealed 39 percent employed in industry as opposed to 28 percent in agriculture.

The foregoing examples point out that the presence of the illegal alien in this country is hitting us where it really hurts: in the job market. Yet, the problems caused by their presence are not limited to employment alone. Few, if any persons illegally employed pay taxes on the wages they earn and thus there is a significant loss of revenue to the United States that would be paid were legals on the job. In addition, the presence of the alien poses a tremendous burden on all forms of public assistance: welfare, education, health, et cetera. Hospitals in the Los Angeles area estimate an $8 million expenditure on aliens alone last year. The school system there indicates they could close down two high schools and seven junior high schools if the aliens were removed. And most significantly in the area of public assistance, a California court recently held that an alien could not be denied welfare benefits because of his illegal status.

In addition to the foregoing, the employment of aliens adversely affects our balance of payments for much of the money they earn is sent home. Further, the apprehension, detention, and deportation process required to remove aliens from this country is extremely costly. If the alien agrees to depart voluntarily, the taxpayer pays for his ticket home. Should the alien resist deportation, not only does the taxpayer get stuck with the transportation fees but also with the interim cost incurred in the detention and deportation proceedings. Recently it cost the Oregon Immigration and Naturalization Service $22,000 just to pick up 285 illegally employed aliens over a 5-day period and transport them back to Mexico.

The illegal alien is primarily lured to this country by the prospect of lucrative employment and not the availability of social services or the desire to provide his children with a better education. Therefore, if we restrict the possibility of employing the illegal aliens, many of the foregoing problems will likewise be eliminated.

The arrival of the alien in this country and his subsequent employment is essentially a problem that only the Govern-

ment is equipped to handle. It will serve little purpose for us to simply tell employers that they cannot hire illegal aliens as we cannot provide them with definite standards by which they can determine who the illegal are. Likewise, it is facetious for us to expect the alien himself to own up to his illegal status for he has already broken the law. We, in Government, must be the prime movers if we are ever to realistically attempt to solve the problem of illegal alien employment in this country.

I am today introducing a bill which would require the Government to take this initiative. The bill would rely on the resources of the Social Security Administration to ascertain the status of persons of suspected illegality. Such persons would be referred to social security by the Attorney General who would conduct an initial survey of all persons employed in this country and, on a continuing basis, future employees as they apply for employment. These surveys would be initiated by the employers who would request employees to present social security cards and other supporting documentation deemed appropriate by the Attorney General. Persons unable or unwilling to furnish the required documentation would be screened by social security as aforementioned. The burden would be on the Government to follow up persons not entitled to employment and take appropriate action. Employers who participate in the survey process could only be prosecuted for hiring persons known not to be entitled to employment in this country.

While prohibiting the employment of illegal aliens, many of us in Congress would be remiss not to realize that a substantial amount of agricultural labor in our respective jurisdictions is performed by those not legally entitled to employment in this country. To prohibit such employment without giving notice to agricultural employers would put many of them right out of business and leave crops literally rotting in the field. For want of a harvest force, therefore, I have provided a limited 5-year exemption to permit the continuance of alien employment in the fields at locations where there are not sufficient laborers who are legally entitled to employment in the United States.

I think that such an exemption is perfectly in keeping with the main purpose of any illegal alien employment prohibition. We are attempting to open up jobs which would be filled by the ranks of our unemployed. It would simply be unrealistic to expect that these unemployed persons who have engaged in industrial or service-oriented positions would take to the fields and fill the void left by the departed alien harvester.

We must also remember in our assessment of responsibilities over the alien worker dilemma that effective enforcement can only emanate from a Government agency that is financed and staffed appropriately. The Immigration and Naturalization Service which has the task of supervising the alien problem in this country has never been able to adequately perform the surveillance with which we have entrusted it and certainly could not begin to handle the caseload created by an effective alien worker legislation. Therefore, we should, without delay, approve a sufficient sum of money which would enable INS to adequately carry out their present responsibilities as well as the increased workload which would be created by any new legislation.

Mr. Chairman, this is not the first time we, in Congress, have been called upon to address our attention to the alien worker problem. Immigration authorities have pleaded with us for meaningful reform and we have studied the matter to the point of repetition. The days when we could share our resources on an unrestricted basis with the tired, poor, and huddled masses of the world are gone. The sooner we act in keeping with this reality the better. The alien worker legislation that I am introducing today is in keeping with this reality .

I ask unanimous consent that an analysis of the bill be printed in the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE ALIEN EMPLOYMENT ACT

This legislation is the culmination of months of research and meetings by the Senator and his staff with employers in the State of Oregon and federal officials in Washington, D.C. The purpose of this bill is to prohibit the employment of aliens in the United States who are not lawfully eligible for such employment. The following is a summary of the bill in terms of the responsibilities allocated to those who would have a role in prohibiting alien employment.

I. RESPONSIBILITIES OF THE ATTORNEY GENERAL

The Attorney General, in coordination with the Immigration and Naturalization Service, is generally responsible for administering and enforcing the bill. He is directed to prepare an affidavit for use by employers and employees. The affidavit contains two certifications:

1. A certification by the employer that he has seen, with respect to each employee, a social security card and such supporting documentation as the Attorney General requires. The social security card is evidence that the employee is legally entitled to employment in the United States and the supporting documentation is evidence that the person identified on the card is the same person presenting it.

2. A certification by the employee that such employee is lawfully entitled to employment in the U.S. and that the identification presented has been issued to such employee and is valid. The bill does not authorize the Attorney General to require the issuance or presentation of any form of universal identification not already in existence.

The employer returns affidavits to the Attorney General with respect to each employee. The Attorney General refers two classes of affidavits to Social Security:

1. An affidavit which an employee refused to complete.

2. An affidavit with respect to an employee who does not have a social security card and/or the required supporting documentation.

II. RESPONSIBILITIES OF THE SOCIAL SECURITY ADMINISTRATION

Social Security is authorized to issue accounts only to persons lawfully entitled to employment in the U.S. Also, they are directed to check their records for the Status of employees referred to them by the Attorney General. Persons who have been referred and who do not have accounts will be invited to apply. All questionable cases shall be referred back to the Attorney General.

Social Security is given a maximum of five years to complete a current effort underway to fully automate their records. Prior to automation, Social Security will check only the status of employees referred to them by the Attorney General. The instances in which referrals are made have been limited because of the time it takes Social Security to make each individual check. After automation, the Attorney General will request Social Security to check the status of each new employee in the country as they apply for work. The advantage of checking everyone is that some employees not entitled to Social Security accounts will have false cards and supporting documentation and will not be located by the screening process unless every employee is checked.

III. RESPONSIBILITIES OF EMPLOYERS

Under the supervision of the Attorney General, the employer conducts a survey of employees utilizing the affidavits furnished by the Attorney General. This initial survey is a one time screening of all the employer's employees. Also, each new employee is surveyed prior to employment. All affidavits are returned to the Attorney General. The employer has no power or responsibility to compel completion of the affidavit by the employee. Nor is the employer required to terminate employees hired or disqualify applicants for employment for their inability or refusal to complete the affidavit. By completing the employer's portion of the affidavit and returning it to the Attorney General, the employer has satisfied the requirement that employers shall use "due diligence" in observing the alien employment prohibition.

IV. EXEMPTION FOR CERTAIN AGRICULTURAL EMPLOYMENT

The bill makes certain exemptions for the employment of aliens in the harvesting of agricultural commodities. The Governor of any State may petition the Attorney General for leave to designate an agency within that State to make these exemptions. Thereafter, the Governor designates a State agency to receive requests from employers for permission to hire aliens in certain numbers and for specified periods of time. The agency investigates and acts on such requests. Aliens must be solicited outside the U.S. and returned to the point of solicitation after their permitted employment expires, except where they may be transferred from and to other permitted agricultural employment between states or within the State. The purpose of the transfer system is to keep to a minimum the total number of alien agricultural workers in the Country at any given time.

V. PENALTIES

Employers who knowingly and/or without exercising due diligence employ persons not entitled to employment in the U.S. are subject to a maximum penalty of $1,000 for first offenses and $1,000 and one year's imprisonment for second and subsequent offenses. While the requirement of due diligence is satisfied with respect to each employee for which the employers submit to the Attorney General an affidavit, it is still an offense for an employer to knowingly hire a person not entitled to employment in the U.S.

Aside from the foregoing penalty, penalties for smuggling aliens and counterfeiting visas and other alien identification and social security cards have been increased.

By Mr. BEALL:

S. 1929. A bill to amend the National Capital Transportation Act of 1969 to authorize an additional appropriation of $211 million for the Washington Metropolitan Area Transit System. Referred to the Committee on the District of Columbia.

Mr. BEALL. Mr. President, I am today introducing legislation to authorize the appropriation of $211 million to be used as a direct Federal payment to the Washington Metropolitan Area Transit Authority to continue the construction of the Washington Metrorail System in fiscal year 1976.

Mr. President, the Washington Metrorail Rapid Transit System is currently facing a financing crisis which seriously threatens the completion of the 98-mile system. Cost overruns of about $1.5 billion, due primarily to inflation, have forced the estimated cost of the system to soar to approximately $4.5 billion, and unless this additional money is forthcoming, the system would be reduced from its originally proposed size of 98 miles and 86 stations to one of 47.7 miles and 48 stations. Should this occur, service to suburban Maryland and Virginia, as well as to substantial portions of the District of Columbia, would have to be curtailed or eliminated entirely, throwing into jeopardy any hope of economic viability for the entire system.

This legislation would provide the necessary funds for WMATA to continue construction of the system for fiscal year 1976. It would also allow us some "breathing room" in fashioning a comprehensive answer to the long-term problem of metrorail financing. By introducing this legislation, I do not in any way want to infer that the need by the Congress and by the administration to grapple comprehensively with this difficult and complex matter has been abated or has passed. On the contrary, that need grows clearer each day. Rather, this measure, if enacted and funded by the Congress, will enable us to consider the general situation without the threat of an imminent halt in metrorail construction hanging over our heads.

Unless Congress acts soon, metrorail construction will begin to slow as existing contractual obligations are exhausted. If we allow such work to halt, the delivery of a rapid transit system to the Washington metropolitan area, already delayed, will not only be further slowed by the costs, which have already escalated by $1.5 billion in recent years due to inflation, will continue to spiral.

The Budget Committees of the Congress recognized this need for additional fiscal year 1976 appropriations for the system by including this emergency fuding for Metro in their budget resolution. Today, I urge the remainder of the Senate and the Congress to also recognize this critical need and act favorably on this legislation. By doing so, we will take a major step in fulfilling the promise of a viable and complete rapid transit system in the National Capital region.

By Mr. BROOKE (for himself, Mr. JAVITS, Mr. MCINTYRE, Mr. PELL, Mr. MCGOVERN, and Mr. LEAHY):

S. 1932. A bill to amend the Federal Energy Administration Act of 1974 in order to encourage electric generating utilities to use the lowest cost fuels consonant with environmental requirements. Referred to the Committee on Commerce.

Mr. BROOKE. Mr. President, as Members of the Senate are well aware, the practice of allowing electric utilities to pass through fuel charge increases, either with public hearings or automatically, has engendered public outrage as fuel prices have risen dramatically. It also seems to have given several oil companies and a few private utilities opportunities to perpetrate expensive frauds on their customers as already discovered in West Virginia, Maryland, and Virginia.

However, criminal activity does not seem to be the chief threat to the consumer. Rather, the more general and widespread problem is poor management of fuel purchasing by utilities. This practice of passing through fuel charges eliminates any incentive to search or bargain for a competitively priced fuel. When energy costs were covered as a part of the regulated rate structure, utilities were of necessity prudent in their purchasing.

The magnitude of the problem can be seen in the 1974 figures for fuel costs. While the cost of fuel charges to consumers rose over 250 percent from January to October 1974, the actual price of fossil fuels delivered to steam-electric plants nationally rose only 31 percent. Part of this is explained by changes in regulatory procedure, but the difference remains staggering.

There is no simple way to structure incentives for private companies. The legislation I am submitting will amend the 1974 act that establishes the FEA by specifically authorizing the Administrator to regulate utility fuel charging practices in order to assure that the companies are taking advantage of all possible fuel cost savings consonant with environmental regulations affecting fuel use. Among other things, the FEA could set standards, publish comparative prices, inspect company records and hold hearings. This authority gives FEA a way to publicize and bring pressure on careless firms which may be ignoring consumer interests; it also provides an early warning of cases of suspected fraud which fall under the jurisdiction of the FEA's enforcement division.

We must not forget that many utilities are genuinely trying to keep fuel costs down and have themselves been the victims of oil company pricing practices as well as of the general inflation. Nevertheless, so long as we adopt a laissez-faire regulatory policy like the pass-through fuel charge system, the burden of demonstrating sound management falls on the utilities. The public deserves to know it is being abused through careless industry spending.

I believe this amendment to the existing law is an important first step to establishing standards for rate structures which permit a fair return to utilities in periods of energy price inflation, bu which are fundamentally designed to protect the consumer.

By Mr. ABOUREZK:

S. 1933. A bill to repeal section 3306 of title 5, United States Code, to eliminate the requirement of apportionment of appointments in the departmental service in the District of Columbia. Referred to the Committee on Post Office and Civil Service.

Mr. ABOUREZK. Mr. President, I am pleased to introduce today for appropriate reference a bill to correct a long-standing inequity in the civil service merit system.

I am referring to the geographical apportionment of certain Government jobs in the District of Columbia. Under the current system, for thousands of jobs, an applicant's qualifications may not be half as important as his or her State of residence. I believe and have always believed that the civil service system should find the best individual to fill a position in the public service. "Quotas" based on as arbitrary a factor as State of residence do not insure a diverse and responsive civil service. They only insure that some capable jobseekers will be refused employment in favor of people who may be less capable.

Casual observation may lead us to conclude that this problem is one which mainly concerns Virginia, Maryland, and Washington, D.C. residents. This is not the case. My own State of South Dakota, not one geographically close to Washington, has already "overfilled" its quota by 67 percent. What this means is that applicants from South Dakota who want a civil service job in Washington would be turned down automatically in favor of people from other States in many agencies.

Not only does the 1883 apportionment law deny the Government the services of well-qualified and dedicated people, it contributes to the disastrous unemployment this country faces by refusing unfilled jobs to qualified people on this arbitrary geographic basis.

In asking repeal of the apportionment clause, I want to emphasize that I fully support active efforts by the Civil Service Commission and all agencies of the Government to make Washington job opportunities available to people in all States, regions, and territories. The fact that many of the States which have "oversubscribed" their apportionments are not on the east coast is proof enough that there are millions of highly competent workers in all sections of the country who would be willing to serve the Nation through Government work in Washington and can make a valuable contribution if they are given the chance.

I urge the Senate to correct this discriminatory rule which has long since outlived any usefulness it may once have had in filling Government jobs.

By Mr. BELLMON:

S. 1938. A bill to provide for the postponement of regulations of the Secretary of Health, Education, and Welfare with respect to intermediate care facilities for the mentally retarded under title XIX of the Social Security Act. Referred to the Committee on Finance.

Mr. BELLMON. Mr. President, a senior problem affecting the health and welfare of thousands of mentally retarded children in this Nation has recently arisen. The problem stems from the promulgation of regulations by the Department of Health, Education, and Welfare which seriously and in the minds of many

knowledgeable authorities, negatively, impact upon the care and training of the mentally retarded.

The bill I am introducing is intended to delay the imposition of the HEW regulations until more realistic provisions can be worked out between State and Federal authorities. The bill also preserves to State agencies the authority to grant waivers.

Mr. President, I ask unanimous consent that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Subject to subsection (b) no regulation and no modification of any regulation, promulgated by the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") after January 1, 1974, shall be effective for any period which begins prior to July 1, 1976, if (and insofar as) such regulation or modification of a regulation pertains (directly or indirectly) to the provisions of law contained in section 1905(d) of the Social Security Act.

(b) The provisions of subsection (a) shall not be applicable to any regulation, if such regulation is identical to the provisions of section 249.12 of the regulations (relating to intermediate care facilities) of the Secretary published in the Federal Register on January 17, 1974.

(c) Section 1905(d) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(4) A State may grant a waiver from any regulation promulgated by the Secretary under this subsection."

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 692

At the request of Mr. MAGNUSON, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of S. 692, the Natural Gas Production and Conservation Act of 1975.

S. 693

At the request of Mr. MANSFIELD, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 692, a bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer.

S. 854

At the request of Mr. NELSON, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 854, a bill to amend the Foreign Military Sales Act to require congressional approval for any sale, credit sale, or guarantee involving a major weapons system or major defense service, and to require congressional approval of the total amount of sales, credit sales, and guarantees made to any country or international organization.

S. 1007

At the request of Mr. DOLE, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 1007, a bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition.

S. 1290

At the request of Mr. NELSON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1290, a bill to reorganize the Clemency Board, the Department of Defense, the Department of Justice, and the Department of Transportation to provide fair and efficient consideration of all individuals eligible for amnesty relating to military service in the war in Southeast Asia, and for other purposes.

S. 1618

At the request of Mr. ABOUREZK, the Senator from Pennsylvania (Mr. SCHWEIKER) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 1618, a bill to establish a Folklife Center in the Library of Congress.

S. 1625

At the request of Mr. PACKWOOD, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 1625, a bill to extend and revise the State and Local Fiscal Assistance Act of 1972.

S. 1683

At the request of Mr. BAYH, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1683, a bill to amend the Internal Revenue Code to permit a parent who supports a handicapped child to take a personal exemption for that child even though the child earns more than $750.

S. 1817

At the request of Mr. SCHWEIKER, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1817, a bill to prohibit the appropriation and expenditure of unvouchered funds unless specifically authorized by law, and to provide for reports on the audits of authorized expenditures of unvouchered funds.

S. 1879

At the request of Mr. MANSFIELD (for Mr. MAGNUSON), the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 1879, a bill to regulate commerce and promote transportation by bicycle by establishing a program for the conversion of railroad rights-of-way that are sought to be abandoned, and for other purposes.

SENATE RESOLUTION 104

At the request of Mr. HATHAWAY, the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Connecticut (Mr. WEICKER), the Senator from Georgia (Mr. NUNN), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of Senate Resolution 104, providing limited legislative authority to the Select Committee on Small Business.

SENATE RESOLUTION 152

At the request of Mr. DOLE, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. Res. 152, a resolution requiring all standing committees of the Senate (other than the Committees on Appropriations and Budget) to conduct special oversight activities relating to their areas of jurisdiction and to report to the Senate thereon no later than December 31, 1975.

SENATE RESOLUTION 178

At the request of Mr. ROTH, the Senator from New Jersey (Mr. CASE), the Senator from New York (Mr. JAVITS), the Senator from Montana (Mr. MANSFIELD), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of Senate Resolution 175, amending rule XLIV of the Standing Rules of the Senate to require that copies of confidential personal financial disclosure reports filed under such rule be furnished in response to subpenas issued in criminal cases.

SENATE JOINT RESOLUTION 93

At the request of Mr. MAGNUSON, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of Senate Joint Resolution 81, a joint resolution to regulate commerce by prohibiting importation into the United States of any fish or fish products by any foreign enterprise which engages in commercial whaling activities, and for other purposes.

SENATE JOINT RESOLUTION 93

At the request of Mr. TALMADGE, the Senator from Alabama (Mr. ALLEN) was added as a cosponsor of Senate Joint Resolution 93, a joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed revenues of the Government during any fiscal year.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. CURTIS, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of Senate Concurrent Resolution 29, expressing the sense of Congress regarding the annexation of the Baltic nations.

NOTICE OF INTENTION TO AMEND THE STANDING RULES OF THE SENATE

Pursuant to rule XL, Mr. ALLEN submitted the following notice in writing:

I hereby give notice that on tomorrow I will submit a resolution seeking to amend Senate Rule XIX in the manner set forth in the following resolution:

That Rule XIX is amended by adding at the end thereof the following new paragraphs:

"9. In speaking on the floor of the Senate no Senator shall speak from a prepared script or from prepared written, printed or typed remarks, nor may he insert in the Congressional Record any prepared remarks to be shown as delivered by him on the floor.

"10. No Senator may, in the Senate chamber, make use of any legislative assistant or other person on his staff or on the staff of any committee on which he serves, for advice, information or other assistance in the performance of his duties."

AMENDMENTS SUBMITTED FOR PRINTING

EDUCATION FOR ALL HANDICAPPED CHILDREN—S. 6

AMENDMENT NO. 580

(Ordered to be printed and to lie on the table.)

Mr. STONE submitted an amendment intended to be proposed by him to the bill (S. 6) to provide financial assistance to the States for improved educational services for handicapped children.

FOREIGN ASSISTANCE ACT OF 1975—S. 1816

AMENDMENTS NOS. 581 AND 582

(Ordered to be printed and to lie on the table.)

Mr. NELSON. Mr. President, the two amendments—Nos. 581 and 582—to S. 1816, the Foreign Assistance Act, which I am submitting today are designed to fill two basic loopholes in the present reporting requirement of the Foreign Military Sales Act.

As a result of an amendment which I offered and which was included as part of the Foreign Assistance Act of 1974—Public Law 93-559—the President is required to submit to Congress any proposed foreign military sale in excess of $25 million. According to the provision finally adopted by the conference committee and by both Houses, the Congress then has a period of 20 calendar days in which to veto the proposed sale by the passage by both the Senate and the House of a concurrent resolution of disapproval.

As passed by the Senate on three different occasions my original amendment differed from the current law in two very important ways. First of all, it provided for a period of 30 calendar days for consideration as well as allowing for expedited consideration of a concurrent resolution of disapproval. Second, my amendment provided that any proposed arms sales which would cause the total amount of sales to a given country to exceed $50 million would also have to be reported to Congress for possible veto.

Mr. President, the two amendments which I am submitting today would put the present law in conformity with the original Senate passed version of my amendment in these two important respects. Basically, amendment No. 581 would give the Congress 30 calendar days during which Congress is in continuous session in which to veto a proposed arms sale. The days on which either House is in adjournment for more than 3 days would not be included in the 30 days computation. In addition, the amendment would allow a member to move to discharge a resolution of disapproval in the event that the committee considering it has not reported the resolution after 10 calendar days.

Both the changes embodied in this amendment are clearly needed. The present time period of 20 calendar days for the passage of a concurrent resolution by both Houses is clearly inadequate. It is extremely difficult for Congress to act this quickly on almost any matter of importance. This point is illustrated quite well by the statistics provided by the Congressional Research Service which show that thus far in the 94th Congress there have been a total of 335 concurrent resolutions introduced in both Houses and of these only 2 have been passed within 20 calendar days. Both of those which have been passed related to holding joint sessions of Congress.

It is simply not realistic to expect that a resolution of disapproval of a proposed arms sales, a matter which would require comprehensive review and hearings in both Houses, could possibly be passed in such a short time frame. In addition, since even after an arms sale is agreed to, delivery time can extend over several months or days, there is no reason to believe that this slightly extended period of time for congressional consultation would be onerous either for the prospective arms buyer or for the State or Defense Departments. This proposed change in the language of the law would also prevent a situation in which an administration could report several proposed sales during the August recess and thus effectively prevent a congressional veto.

The second part of amendment No. 581, recognizing the short period of time in which to act, simply gives a member the option of moving to discharge a resolution from committee after 10 days in order to attempt to bring it to a vote. The fact that there is an inherent deadline in the veto process necessitates such a provision.

Amendment No. 582 would add the cumulative dollar figure reporting requirement in order to prevent the possibility of the administration making a series of $24.9 million arms sales to a given country without having to submit any of the sales for possible congressional veto. This amendment would rectify the current situation by requiring the President to submit to Congress any arms sale causing the total amount of sales to a given country to exceed $50 million in a given year.

Mr. President, both of these amendments are reasonable and are identical to part of legislation previously passed by the Senate on three different occasions. I trust that the Senate will again see fit to approve them as part of this year's Foreign Assistance Act.

I ask unanimous consent that the amendments be printed in the RECORD at this point.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 581

On page 16, between lines 13 and 14, insert the following:

(3) Section 36 is amended as follows:

(a) In subsection (b)—

(1) immediately after the subsection designation "(b)" insert "(1)"; and

(2) strike out the last sentence thereof and insert in lieu thereof the following:

"(2)(A) No letter of offer to sell may be issued until the end of the first period of thirty calendar days of continuous session of Congress after the date on which the statement relating to such letter of offer is transmitted.

"(B) The President may issue such letter of offer thirty days after the statement has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the statement is transmitted, Congress adopts a concurrent resolution disapproving the letter of offer with respect to which the statement is made.

"(3) For purposes of paragraph (2) of this subsection—

"(A) the continuity of a session is broken only by an adjournment of the Congress sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

"(c) The provisions of paragraph (2) of subsection (b) of this section shall not apply if the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement of waiver in which he certifies that an emergency exists which requires such waiver in the national security interests of the United States.

"(d) Subsections (e) through (m) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(e) For purposes of subsections (4) through (m) of this section, 'resolution' means only a concurrent resolution, the matter after the resolving clause of which is as follows: 'That the Congress does not approve the letter of offer of sales for —— and explained in the statement transmitted to Congress by the President on ———, 19—.', the first blank space therein being filled with the name of the foreign country to which the letter of offer of sale pertains to, and the other blank space therein being appropriately filled with the date of the transmittal of the statement; but does not include a resolution specifying more than one letter of offer of sale.

"(f) If the committee, to which has been referred a resolution disapproving a letter of offer of sale has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the letter of offer of sale which has been referred to the committee.

"(g) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same letter of offer of sale), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(h) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same letter of offer of sale.

"(i) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a letter of offer of sale it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(j) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those

opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(k) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a letter of offer of sale, and motions to proceed to the consideration of other business, are decided without debate.

"(l) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a letter of offer of sale are decided without debate.

"(m) If, prior to the passage by one House of a concurrent resolution of that House, that House receives from the other House a concurrent resolution of such other House, then—

"(1) the procedure with respect to the concurrent resolution of the first House shall be the same as if no concurrent resolution from the other House had been received; but

"(2) on any vote on final passage of the concurrent resolution of the first House the concurrent resolution from the other House shall be automatically substituted.".

(b) In subsection (c), strike out "(c)" and insert in lieu thereof "(n)".

AMENDMENT No. 582

On page 16, between lines 13 and 14, insert the following:

(3) Section 36(b) is amended by inserting after "$25,000,000 or more," the following: "and in the case of any letter of offer to make a sale, credit sale, or guaranty which would cause the total amount of sales, credit sales, and guaranties made to that country in that year to exceed $50,000,000 for the first time,".

AMENDMENT NO. 583

(Ordered to be printed and to lie on the table.)

Mr. NELSON. Mr. President, on February 26, 1975, I introduced legislation—S. 854—designed to restore Congress role as an active partner in helping to formulate and oversee U.S. foreign policy in the area of foreign military sales. Since the introduction of the legislation, I have been joined by 13 of my colleagues who have been added as cosponsors: Senators McGOVERN, HATFIELD, LEAHY, STEVENSON, KENNEDY, HATHAWAY, WILLIAMS, BURDICK, MONDALE, HASKELL, GARY W. HART, CRANSTON, and GRAVEL.

Today I am reintroducing this legislation in the form of an amendment to S. 1816, the Foreign Assistance Act of 1975. The Senate Foreign Relations Committee will be considering this amendment during the course of its ongoing hearings on the Foreign Assistance Act. On June 17 and 18, the Foreign Relations Committee's Subcommittee on Foreign Assistance and Economic Policy will conduct hearings on U.S. arms sales policy and will receive testimony on this legislation.

Basically, this amendment would give the Congress the opportunity to evaluate in advance and set guidelines for the U.S. foreign military sales program. The bill would require the President to submit to Congress an annual report containing a forecast of the dollar amounts of foreign military sales proposed to be made to each country during the next fiscal year. In addition, the forecast would include the types and numbers of major weapons systems and major defense services proposed to be transferred. Congress would then be given the opportunity to consider the proposed arms sales program and set guidelines for, place restrictions on, and/or make additions to; the administration's proposed plans. Congress would not be expected to approve each individual sale necessarily but rather merely to establish a framework and parameters for the total sales program.

U.S. ARMS SALES POLICY

Before discussing this legislation in greater detail, I believe it would be useful to discuss some of the background information concerning arms sales. In fiscal year 1974 the U.S. Government sold over $8.2 billion worth of weapons to some 70 different foreign countries. This total is more than twice the $3.8 billion worth of weapons sold in 1973. Moreover, the 1974 total is more than nine times the total dollar amount of sales made in 1970. Clearly we are in need of a new congressional review mechanism to keep up with the rapid increase in this sales program. Congress must be given the timely information necessary to exercise its oversight responsibility in this crucial area.

In fact, the high level of sales continues. The Pentagon recently released figures showing that in the first 9 months of fiscal year 1975 the United States sold over $5.4 billion worth of arms abroad with about $4.2 billion of that going to the volatile Mideast area. Thus, the United States will sell more than $7.2 billion worth of weapons this year if the rate of sales of the first 9 months continues.

The magnitude of the amounts involved in the foreign military sales program becomes clear in comparison to the total amounts of U.S. military assistance. For example, the congress in fiscal year 1974 approved a total of $2.8 billion in military assistance. The total figure for the foreign military sales program last year was over two and a half times as great. The following table compares the amounts involved in these programs:

COMPARISON OF TOTAL DOLLAR AMOUNTS FOR ALL FORMS OF U.S. MILITARY ASSISTANCE AND FOR FMS (FOREIGN MILITARY SALES)

[In millions of dollars]

	Military assistance	FMS
Fiscal year:		
1970	2.9	0.9
1971	3.5	1.6
1972	4.0	3.2
1973	3.7	3.8
1974	2.8	8.2

As is evident from this table, the level of military assistance has been steadily decreasing while the level of foreign military sales has increased dramatically and in fact has exceeded the total amount of military assistance in the last 2 years.

Congress has the opportunity to thoroughly consider in advance the proposed military assistance programs contained in the Foreign Assistance Act. And yet no such chance is afforded the Congress in the case of military sales—even though military sales represent a much more significant arms total.

The obvious reason for the difference in the approaches to congressional consultation in these two instances is the fact that in the case of foreign aid, Congress must appropriate funds, whereas, in the case of foreign military sales, only those sales transacted on a credit or guaranty basis require Government expenditures and thus also require congressional authorization. The question really is whether this minor difference in the funding mechanism of these two types of military aid should really make any substantive difference in the way in which Congress is consulted in each instance.

Whether a weapon is given to a foreign country, sold on credit to it, or sold on cash terms to the country in question has no relevance to the foreign policy implications of the arms transfer. The fact remains that the vast amount of foreign military sales which the U.S. Government is engaged in has foreign policy implications just as vast. Regardless of how the arms transfers are accomplished, Congress should be in a position to consider the foreign policy implications of arms transfers in advance and in a comprehensive manner. The Defense Appropriations Subcommittee of the Senate recognized just how important these sales are in its report last year on the defense appropriations bill.

The political and economic impact of foreign military sales on the United States and recipient foreign countries is immeasurable.

The report went on to state:

The Committee is particularly concerned that long term security interests of the United States might be jeopardized by large cash sales of sophisticated weapons systems in areas of potential conflict. Recent arms sales to the Middle East, Greece and Turkey have created severe political military, and economic repercussions on both the United States and the international community. These conflicts weaken détente, threaten superpower confrontation, and have profound economic consequences.

In conclusion the report states that "at present, Congress has little meaningful statutory control over cash sales which are the largest category of foreign military sales." Surely this is an area which deserves more congressional attention than it has previously received.

The recent decision by the administration to lift the embargo on arms to Pakistan serves to emphasize the importance of our arms sales policy decisions, decisions which are taken without sufficient congressional consultation. Such a decision will obviously have a great impact on United States-Indian relations, Indian-Pakistan relations, and the stability of the area. Some maintain that it will result in a new arms race. This may or may not be the case, but should not we in the Congress have an opportunity to examine the complex issues produced in this and other instances? Are we going to continue to allow the executive branch to make major decisions affecting our foreign policy without adequate congressional consultation?

RECENT ARMS DEALS

In fact, the newspapers have been filled recently with a long list of major arms deals. In none of these cases has Congress had the opportunity to thoroughly consider the important issues involved before the deals were finalized. Some of the deals that have been announced are the following:

The United States recently confirmed that it is selling some 60 F–5 jet fighters to Saudi Arabia at a cost of over $750 million.

The United States has agreed to sell Iran 80 F–14s, the Navy's most sophisticated jet fighter.

The Pentagon recently announced that technical assistance and training contracts with Iran and Saudi Arabia total $676 million.

The level of U.S. weapons and training being provided to Iran and Saudi Arabia lead some people to believe that the United States is actually stimulating an arms race in the Persian Gulf. In fact, these deals could be construed as placing the United States in the awkward position of supplying weapons to both the major rivals in the Persian Gulf, as well as both sides in the Arab-Israeli arms race.

Obviously, these deals, and others, raise serious foreign policy questions. These questions deserve to be carefully considered and debated on their merits in the Congress before the significant foreign policy decisions are made.

Last year Congress made a good beginning in asserting its oversight function in this area by enacting into law—as part of the Foreign Assistance Act—a provision based on a bill which I introduced in the Senate in 1973 and again in 1974. This newly enacted law requires that Congress be notified of any proposed foreign military sale in excess of $25 million. Congress then has a period of 20 calendar days in which to veto such a proposed sale by adopting a concurrent resolution expressing disapproval of the transaction. If no resolution is passed in this time period, the sale may be finalized.

PROPOSED NEW LEGISLATION

This was a step in the right direction. However, more needs to be done. Congress needs the opportunity to look at the foreign military sales program in more than just an ad hoc, piecemeal fashion. It should be able to view the proposed program in its entirety and evaluate the proposed sales in relation to each other.

More importantly, the Congress should be given the chance to pass judgment on the administration's justifications and plans for these sales. The Congress has a responsibility to be involved in the critical initial stages of policymaking in this area so that it may establish guidelines for, set restrictions on, or make other additions to the proposed program of foreign military sales.

By providing the Congress with a forecast of the proposed sales program in advance and requiring congressional approval in principle, this legislation would allow Congress to live up to its responsibility. In addition, this bill, by requiring a projection of foreign military sales over a 5-year period, would provide a useful measure of long-range planning and thinking in a field full of long-range impact. The weapons we sell today will be around for a long time.

A major weapons system is one defined as costing over $50 million in research and development or $200 million in production. This definition includes most significant weapons. A major defense service is defined as one which materially increases the military capability of the recipient country.

Under the terms of this legislation, Congress would be charged with authorizing a maximum amount of sales for each country or international organization involved in the program. However, Congress would be free, after setting a dollar ceiling, to allow the President some flexibility in exceeding this amount should the Congress wish to grant this discretionary power. Furthermore, Congress would be free to set whatever other restrictions it wanted to on the program, including restrictions on the types and/or numbers of weapons to be transferred and restrictions on the types of defense services to be transferred.

The legislation includes a waiver provision whereby the President may waive the requirement for prior congressional approval in cases where he deems that such a waiver is vital to the security of the United States.

One of the provisions of this bill should help the executive branch in preparing a well-thought-out policy with regard to these sales. The bill requires the President to submit a justification for the foreign military sales program as a whole as well as for the arms sales to individual countries or international organizations including an explanation of the manner in which the furnishing of defense articles or defense services to a particular country or international organization will support U.S. foreign policy objectives, strengthen the security of the United States, and promote world peace.

The apparent lack of thorough evaluation of the merits and drawbacks of the present U.S. arms sales policy in the Persian Gulf was cited by Michael Getler in a recent article in the Washington Post:

U.S. government officials acknowledge that neither the Nixon nor Ford administration has carried out a major National Security Council study of where the Persian Gulf arms race might lead 10 years from now, as is usually done with crucial issues.

One of the key provisions of the bill would require the administration to submit a statement outlining the impact of the proposed sales on U.S. foreign policy, on regional balances and arms races, on arms control policies and negotiations, on the defense production capability of the United States, on the military preparedness of U.S. Armed Forces, and on war reserve stocks.

The issues cited in this proposed impact statement are precisely the ones which need to be addressed by the Congress. Two questions relating to the relationship of arms sales to U.S. military readiness were raised by a recent October 1974 GAO report on the foreign military sales program in Iran:

(1) To what extent does the sale of first-line military equipment impact on the readiness of U.S. forces? and;

(2) To what extent does the requirement for U.S. military advisors with sophisticated skills in limited supply reduce U.S. readiness by causing shortages in these skills in U.S. units?

The GAO study stated that supplying Iran with advisers on the present scale could "adversely affect the readiness status of U.S. Forces."

The wisdom of supplying sophisticated weapons not yet fully stocked in U.S. arsenals was also questioned in a recent report issued by the Defense Appropriations Subcommittee of the Senate:

The recent sale of 80 F–14 fighter aircraft to Iran could considerably reduce the combat capability of the U.S. Armed Forces. These aircraft, the most sophisticated fighter aircraft available, will be delivered to Iran prior to the planned U.S. Navy force being fully equipped.

In conclusion, the GAO report raised some of the issues to be considered and suggested greater congressional involvement in overseeing this rapidly expanding field of arms sales:

As the volume of cash sales under the Foreign Military Sales Act increases, the foreign policy impact also increases. Even though GAO found no firm contradictions with the requirements of the Foreign Military Sales Act, it questions (1) the impact of such sales on the arms race, (2) the extent and character of the military requirement, (3) the legitimate self-defense needs of the purchasing country, and (4) other criteria set forth in the act.

In 1973 and 1974 oil-producing countries, particularly those in the Persian Gulf, accumulated vast amounts of capital from the increased prices for oil. For example, even with the high level of purchasing, Iran's international monetary reserves increased from $992 million to $5.4 billion in the nine months ending June 30, 1974. The oil-producing countries, in total, increased their reserves by $16 billion (or 125 percent) in the same period.

These countries are using this capital to increase arms purchases. For example, Iran agreed to purchase more arms from the United States in 1974 than did the rest of the entire world combined in any other preceding year.

The Congress does not systematically receive timely information on the volume and make-up of such cash sales or on the nature of the military capability they provide the buyer. Although the Congress is provided information on deliveries of arms sales for cash, such deliveries often come several years after the sales take place. Estimates of current and future year cash sales are provided, but only in dollar totals by country.

GAO suggests, therefore, that the Congress, as a means of securing timely information for its policy deliberations, may want to require the Executive Branch to periodically furnish information on the volume and nature of major cash sales that could materially increase the military capability of the purchasing nation.

The GAO report raises another important issue which Congress should deal with, namely the fact that the U.S. Government is not fully receiving all the recoverable costs of the foreign military sales program. Thus, in fact we are subsidizing foreign countries which can afford to pay their full share of the costs. The report made the following conclusion:

The United States is conducting its arms sales program to Iran at considerable cost to the United States, although the law requires recovery of all costs to the maximum extent possible.

The principle of full cost recovery should be implemented in military sales to countries like Iran which are financially capable of paying. To the extent that U.S. costs are not recovered, they become a form of invisible grant aid.

Unrecovered costs include at least $10.5 million in administrative costs and $24.2 million in unrecovered interest costs on Export-Import Bank loans for arms purchases. The Bank made the loans at lower interest rates than it paid on its borrowings, some of which were from the U.S. Treasury.

It seems incongruous that, despite her current great wealth and massive arms purchases, Iran still owes the United States $36 million in past-due debts incurred mostly right after World War II.

THE MIDDLE EAST: UNFORESEEN COMMITMENTS

Of the total amount of $8.2 billion worth of weapons sold abroad in 1974, over $6.5 billion went to countries located in the volatile Mideast region. Approximately $4 billion worth of weapons was sold to Iran alone. In addition, Saudi Arabia purchased close to $600 million worth of arms in 1974. No one can say for sure what impact this massive and continuing infusion of arms will have in this area of the world. But one thing is certain, Congress should have the opportunity to consider in advance arms sales such as these which have wide-ranging implications of U.S. commitments and U.S. foreign policy. Clearly foreign military sales have become a major instrument of U.S. foreign policy. And it is only proper that the legislative branch should be consulted in the crucial initial stages of policy formulation.

The providing of weapons or defense services to foreign countries represents an important U.S. commitment which can lead to greater and greater U.S. involvement. This has gotten us into trouble in the past and could easily do so again. Charles Yost, a respected and veteran diplomat, makes this point quite well in a recent article in the Christian Science Monitor:

Moreover, as we learned to our cost in Vietnam, arms supplies may be the first slope on a long toboggan ride. Recipients have to be trained in the use of American arms. That means advisers and military missions. It is often difficult for advisers to avoid becoming involved in local politics. If war breaks out, they may be asked to give advice in the field, to pilot planes, to fire rockets.

At the end of the toboggan slide the United States may find itself itself embroiled in a prolonged local war or drawn into another confrontation with the Soviet Union.

PROS AND CONS OF ARMS SALES

The issues involved in the arms sales program are complex. There are a variety of arguments used to support arms sales, including the following:

First. Arms sales are useful in helping to supply our allies when they cannot supply themselves;

Second. The sales allow us to maintain influence over the recipient governments;

Third. They provide a useful mechanism for correcting our balance of payments and helping to pay for oil;

Fourth. They are helpful in preserving regional balances of power;

Fifth. The sales help to maintain internal security in the recipient countries; and finally

Sixth. If we do not sell the arms, someone else will.

The arguments used against the sales are also varied:

First. The sales lead the United States to make greater and greater commitments to a country, commitments which no one originally intended;

Second. The United States can maintain little, if any, control over the use of the weapons, once sold;

Third. There is a good chance the arms will be used, thus adding to the total of 10 million killed by conventional arms since World War II;

Fourth. The sales may actually spur regional arms races and thus lead to instability;

Fifth. The sales may aid totalitarian regimes in their efforts to suppress legitimate interest groups in their own countries;

Sixth. The United States has the dubious distinction of being the leading arms merchant in the world and we should take actions to reverse this trend;

Seventh. Selling sophisticated weapons often detracts from the readiness of the U.S. arsenal;

Eighth. The sales represent a diversion of much-needed resources not only on the part of the United States but also on the part of the recipient countries; and

Ninth. Indiscriminate sales sometimes result in situations where both sides in a conflict use U.S.-made weapons. The instances of India and Pakistan, and Greece and Turkey are cases in point.

It is, of course, not possible to categorically declare that all sales are good or all sales are bad. Quite obviously, a multitude of particular factors must be taken into consideration in addition to the general issues cited above.

For whatever reasons, it is apparent from recent sales trends that both the Pentagon and the State Department have been more enthusiastic than usual in their promotional activities in behalf of the arms sales programs. Maybe the reasons for the sales are valid; maybe they are not. But in any case, Congress must be given an opportunity to discuss these vital questions and have an input in policy formulation.

Recently, the providing of training and other defense services by the United States to foreign countries has received some attention in the press, as well it should. The recent announcement by the Pentagon of the awarding of a $77 million contract to the Vinnell Corp. of Los Angeles to train Saudi troops to protect oilfields served as a catalyst to public interest in this aspect of our foreign military sales program. This legislation will allow the Congress to consider proposals to provide defense services as well as defense articles. The importance of these services is emphasized by figures released by the Pentagon indicating that the U.S. Government and private teams were training military personnel in 34 countries under contracts worth $727 million.

UNITED STATES—ARMS MERCHANT OF THE WORLD

Congress has a special obligation to carefully review our arms sales program in light of the fact that the United States is far and away the world leader in arms exports. This is the unmistakable conclusion to be made from the statistics contained in "World Military Expenditures and Arms Trade 1963–1973," a publication of the U.S. Arms Control and Disarmament Agency. From 1964 to 1973, the United States exported more arms than the rest of the world combined. In fact, from 1964 to 1973 the United States exported more weapons than the rest of the world combined in each and every year except 1972. In 1973 the figures for actual arms exports—as opposed to arms sales, some of which are not delivered for a year or more—for the leading four exporters were as follows:

[In billions]

United States	$5.0
U.S.S.R.	2.5

[In millions]

France	$500
Britain	333

In sales also, the United States is clearly the world leader, making up about 46 percent of the total world sales figure. The sales figures for 1974 were as follows:

[In billions]

United States	$8.2
U.S.S.R.	5.5
France	3.0
Britain	1.5

Moreover, these four countries alone make up approximately 95 percent of total worldwide arms sales.

Clearly, we are the pacesetters in this deadly and wasteful conventional arms race. It is time that we showed restraint in this area. And it is past time for Congress to be thoroughly consulted before U.S. arms sales policies are implemented.

The issues involved in arms sales are complex; the effects are far reaching; the stakes are high; and the present level of congressional consultation and oversight is inadequate. The U.S. Government, which sells 50 percent more arms than the second-ranking country, has a responsibility to carefully consider the implications of these vast arms sales. This responsibility extends to the legislative as well as the executive branch. This legislation would give the Congress the mechanism necessary for careful review of the important issues involved in the foreign military sales program.

I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 583

On page 16, between lines 8 and 9, insert the following:

(1) Chapter 2 is amended by adding at the end thereof the following new section:

"SEC. 25. Congressional Approval.—(a) Not later than February 1 of each year, beginning in the calendar year 1976, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day a report which shall include the following:

"(1)(A) A statement which shall set forth—

"(i) the total amount of cash sales from stock under section 21, contracts for the procurement of defense articles or defense services under section 22, credit sales under section 23, and guaranties under section 24 of this Act proposed to be made during the next fiscal year to each country or international organization the name of which is set forth in such statement pursuant to clause (ii) of this subparagraph;

"(ii) the country or international organization to which such sale, credit sale, or guaranty is proposed to be made; and

"(iii) in the event any such sale, credit sale, or guaranty involves a major weapons system or a major defense service, a full and complete description of such major weapons system or such major defense service.

"(B) The President may, from time to time, submit additional statements with respect to any of the matter specified in paragraph (1) (A) of this section.

"(2) A projection which shall set forth the total amount of such sales, credit sales, or guaranties expected to be made to each country or international organization during the next 5 fiscal years. In the event such sales, credit sales, or guaranties are expected to involve a major weapons system or a major defense service, such report shall to the maximum extent possible describe fully and completely such major weapons system or major defense services, and shall set forth the name of the country or international organization to which the sale, credit sale, or guaranty thereof is expected to be made.

"(3) An explanation and justification for—

"(A) the total foreign military sales program;

"(B) the foreign military sales program with respect to each country and international organization to which sales, credit sales, or guaranties are made thereunder; and

"(C) any sale, credit sale, or guaranty involving a major weapons system or major defense service;

as described in the projection transmitted under paragraph (2) of this subsection, including an explanation of the extent to which the matter set forth in clauses (A), (B), and (C) of this paragraph will—

"(i) support the foreign policy objectives of the United States;

"(ii) strengthen the security of the United States; and

"(iii) promote world peace.

"(4)(A) An impact statement describing fully and completely the effect of the matter set forth in clauses (A), (B), and (C) of paragraph (3) of this subsection with respect to—

"(i) balances of power and arms races in each region of the world in which such sale, credit sale, or guaranty is expected to be made;

"(ii) international negotiations and efforts directed at the achievement of arms control;

"(iii) the defense production capability of the United States;

"(iv) the military preparedness of the armed forces of the United States; and

"(v) the War Reserve Stocks.

"(B) In the preparation of that portion of the impact statement relating to clauses (A)(i) and (A)(ii) of this paragraph, the President shall consult with the Director of the Arms Control and Disarmament Agency.

"(C) Not later than 30 days following the receipt of a request made by the Chairman of the Committee on Foreign Relations of the Senate or the Chairman of the Committee on Foreign Affairs of the House of Representatives for additional information with respect to a statement transmitted under paragraph (1)(A) of this subsection, such information shall be transmitted to such Chairman.

"(b)(1) After consideration by the Congress of a statement transmitted pursuant to subsection (a)(1)(A) of this section and the passage of a concurrent resolution approving—

"(A) a maximum amount of sales, credit sales, and guaranties with respect to a specified country or international organization during the next fiscal year, the President may make sales, credit sales, and guaranties to such country in an amount not exceeding such amount; and

"(B) a sale, credit sale, or guaranty involving a major weapons system or major defense service;

the President may make such sale, credit sale, or guaranty, subject to any limitations, prohibitions, and authorities contained in such concurrent resolution.

"(2) Any or all of the matter set forth in paragraph (1) of this subsection may be included in a single concurrent resolution of approval.

"(3)(A) No sale, credit sale, or guaranty involving a major weapons system or major defense service may be made unless the Congress by concurrent resolution approves such sale, credit sale, or guaranty.

"(B) No other sale, credit sale, or guaranty may be made unless—

"(i) the Congress has approved by concurrent resolution the country or international organization to which such sale, credit sale, or guaranty is to be made;

"(ii) the total amount of sales, credit sales, and guaranties previously made to such country during such fiscal year does not, when added to the amount of such sale, credit sale, or guaranty, exceed the maximum amount approved under paragraph (1)(A) of this subsection; and

"(iii) such sale, credit sale, or guaranty is made in accordance with all limitations, prohibitions, and authorities referred to in paragraph (1) of this subsection.

"(c) The provisions of subsection (b) of this section shall not apply with respect to any particular sale, credit sale, or guaranty if the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement of the waiver in which he certifies that such waiver is vital to the security of the United States."

(b) Section 47 of such Act is amended by—

(1) striking out the word "and" at the end of clause (1);

(2) striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following new clauses:

"(3) 'major weapons system' means a weapons system which costs, over the life of its development or production in—

"(A) research, development, testing, and engineering, in excess of $50,000,000; or

"(B) procurement, in excess of $200,000,000; and

"(4) 'major defense service' means any defense service (as defined in section 644(f) of the Foreign Assistance Act of 1961) which materially increases the military capability of the country to which it is rendered."

On page 16, line 9, strike out "(1)" and insert in lieu thereof "(2)".

On page 16, line 13, strike out "(2)" and insert in lieu thereof "(3)".

CRIMINAL JUSTICE REFORM ACT—S. 1

AMENDMENT NO. 584

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. JAVITS. Mr. President, as the Senate knows, I have long been concerned about the more than 400,000 citizens who are arrested every year for the possession of small amounts of marihuana. Senators CRANSTON, BROOKE, NELSON, and I recently introduced S. 1450, a bill providing that the possession and not for profit transfer of 1 ounce or less of marihuana would be punishable at the Federal level by a civil fine of not more than $100.

Based on the current Oregon law, this bill would serve as a model for the States, in correcting the enormous injustices which flow from current laws on this subject.

I am, therefore, sending to the desk an amendment to S. 1 to accomplish the objectives of our bill, and the recommendations of the National Commission on Marihuana and Drug Abuse, which have been before the Congress for more than 3 years.

Two million or more Americans, it is estimated, are using marihuana today. According to the FBI, more than 1 million persons have been arrested for marihuana offenses in this country in the last 4 years. Sixty-two percent of those arrested were under the age of 21, and 88 percent of those arrested were under the age of 26; 10 years ago there were less than 18,000 marihuana arrests nationwide.

A statistical analysis of State marihuana arrests by the Shaffer Commission uncovered the unsettling fact that 93 percent were for possession—not sale—and two-thirds of these involved the quantity of one ounce or less. Only 7 percent of the arrests were against the commercial trafficker.

Yet, it has now been almost 3 years since the first report of the National Commission on Marihuana and Drug Abuse was made to the American people. Following an exhaustive study of the subject, the Commission produced an extraordinary body of information, documentation, and original research probing every aspect of marihuana use in our society. The principal conclusion of its extensive report is that marihuana is not sufficiently dangerous to the user or to our society for its private possession and use to be a criminal offense. That conclusion has been endorsed by the Washington based drug abuse council and by many other organizations.

Mr. President, I and my colleagues are most concerned that the severe criminal penalties which are possible under current Federal law be eliminated as counterproductive and ill-advised. A change in Federal law will motivate the States to change their laws. The value of the criminal sanction in a society rests on a foundation of fairness. Possession of one ounce of marihuana—equal to one pack of cigarettes—as covered by this amendment does not meet that test.

NATURAL GAS PRODUCTION AND CONSERVATION ACT OF 1975—S. 692

AMENDMENT NO. 586

(Ordered to be printed and to lie on table.)

Mr. PEARSON. Mr. President, I am submitting today, for myself, and Senators BENTSEN, BEALL, BELLMON, BUCKLEY, GRAVEL, GRIFFIN, MCGEE, RANDOLPH, STEVENS, TOWER, and WEICKER, an amendment in the nature of a substitute to S. 692, the Natural Gas Production and Conservation Act of 1975, as reported earlier today by the Committee on Commerce. I ask unanimous consent that the text of our amendment, along with a section-by-section summary, be printed in the RECORD immediately following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, the Committee on Commerce has reported S. 692 in response to the critical shortages of natural gas to supply interstate consumers. Unfortunately, S. 692, as reported by the committee, will not provide the incentives needed to promote the discovery and development of new reserves. The committee's bill would impose upon producers a system of comprehensive wellhead price regulation unparalleled in complexity and scope. If S. 692 were enacted into law, the Nation would witness a flight of capital away from natural gas exploratory and developmental activities.

About one-half of all the energy consumed by American industry is derived from natural gas. About 55 percent of America's homes are heated with natural gas. This Nation simply cannot afford to perpetuate a program of wellhead price regulation which has deterred aggressive development of proven reserves and delayed exploration of potential reserves.

As an industry, natural gas producers must acquire massive amounts of capital if the shortages, currently 16 percent of firm commitments in interstate commerce, are to be overcome with additions to new reserves. It is foolhardy to suggest that producers will attract the necessary capital to meet the Nation's energy requirements if natural gas production is kept uneconomic in comparison with competing capital requirements.

The Federal Power Commission has recognized that capital formation must come, in part, from proceeds of current sales. In reporting S. 692, however, the committee, for the most part, has rejected this economic fact of life. In the name of protecting consumers, the committee has recommended an effective freeze on old gas prices in interstate commerce and a 5-year freeze in the ceiling price available to the producers of most new gas entering both interstate and intrastate commerce.

The constraints in wellhead pricing, as set forth in S. 692, are so limiting that the FPC, if Congress were to do nothing, could be expected under existing law to authorize incentives more attractive to the industry and more responsive to America's energy needs. Congress cannot be faulted by consumers if it authorizes a pricing policy that will insure an adequate supply. Because S. 692 will deter development of new additions to reserves, and thus perpetuate the decline in annual supply for consumer use, the bill properly may be characterized as patently anti-consumer.

About one-third of America's current gas supply is now sold at free market prices in intrastate commerce. The free market price averages about $1.25 per thousand cubic feet—Mcf—with substantial local variations. New interstate natural gas supplies sold under FPC regulations are subject to the current 51 cents per Mcf ceiling price, with adjustments upward for unusual drilling depths or other high-cost factors. Under these circumstances, producers of gas either sell intrastate or neglect to develop fully those reserves which cannot practically result in deliveries to the intrastate market. There is nothing sinister about the current shortage of natural gas in the interstate system. It is simply a result of arbitrary price controls which have cut supply and stimulated a nearly insatiable demand.

Mr. President, the amendment in the nature of a substitute to S. 692, which we submit today, will be debated fully during Senate consideration of the subject legislation. In brief summary, our substitute provides for free market pricing of new natural gas from onshore reserves upon enactment. In order to protect consumers from unwarranted price increase, however, our substitute amendment requires full performance of existing contracts for deliveries of natural gas. It further provides for continued ceiling price controls over gas sold, through calendar year 1980, from the Outer Continental Shelf—OCS—lands. About 46 percent of all gas sold in interstate commerce today is produced on the OCS lands. New criteria are provided for the Federal Power Commission's guidance in setting ceiling price levels for OCS gas. These new criteria are designed to insure that the price controls, through 1980, are not counterproductive and a deterrent to aggressive exploration and development of potential offshore reserves.

Our substitute proposal would promote the interstate supply of natural gas by permitting interstate purchasers to bid competitive prices for onshore gas, where producers have a choice in marketing their product. Those producers on the OCS lands, however, who must sell to the interstate market under the law, will be subject to the program of phased-in deregulation. It is a balanced amendment, with due regard for the interests of consumers and the equally compelling requirements of the industry for capital.

Mr. President, concern has been expressed within the Committee on Commerce about the possibility of windfall profits to energy companies if wellhead price regulation is phased out. Personally, I would support an excess profits tax, with a reasonable "plowback" feature, to ensure that capital generated by sales of new natural gas is reinvested in America's energy future. Of course, such legislation under the Constitution must originate in the House of Representatives, or be offered as an amendment during Senate consideration of a House-approved tax bill.

When the appropriate opportunity presents itself, I will be working with those who seek to promote the maximum possible reinvestment of energy revenues in new energy supplies.

Mr. President, our amendment to S. 692 also includes two important features unrelated to wellhead pricing policy. While the current shortage continues, we believe the supply of agricultural products available to consumers must not be jeopardized. Therefore, we have included a statutory priority for essential agricultural, food processing and packaging uses of natural gas. This provision in our amendment is comparable to a provision of the committee's bill.

Finally, our substitute amendment phases out the use of natural gas as a fuel to fire boilers of electrical utilities. Currently, about 16 percent of U.S. consumption of natural gas is by utilities under boilers—the most wasteful use of this limited resource. As does the committee's bill, our substitute amendment gives electrical utilities 10 years to phase out the use of natural gas as a boiler fuel.

In conclusion, Mr. President, our amendment in the nature of a substitute would accomplish, in our judgment, three objectives of paramount importance to the American economy. First, we believe it would enhance natural gas reserve additions and supply. Second, we believe it will protect essential food production, packaging, and processing uses from curtailment as the shortage is phased out by new deliveries of gas in the interstate system. Third, we believe Congress has a duty to phase out the most wasteful uses of natural gas, and thus cut aggregate demand. This objective is accomplished by the requirement of conversion of electrical utilities to fuels in greater supply.

At the appropriate time, we will ask our colleagues in the Senate to approve our amendment to S. 692, the Natural Gas Production and Conservation Act of 1975, as an alternative to the committee's shortsighted and inappropriate approach to the most critical energy issue of our time.

AMENDMENT No. 586

Strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Natural Gas Act Amendments of 1975".

SEC. 2. The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by (1) striking out section 24 thereof (15 U.S.C. 717w); (2) redesignating sections 1 through 23 thereof (15 U.S.C. 717–717v) as sections 2 through 24 thereof; and (3) inserting therein the following new section 1:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'Natural Gas Act'.".

SEC. 3. Section 2(b) of the Natural Gas Act, as redesignated by this Act (15 U.S.C. 717(b)), is amended (1) by deleting "The" at the beginning thereof and by inserting in lieu thereof immediately after "(b)" the following: "(1) Except as provided in paragraph (2) of this subsection, the"; and (2) by inserting at the end thereof the following new pargaraph:

"(2) Subject only to the provisions of section 25 of this Act, after the effective date of the Natural Gas Act Amendments of 1975, the authority of the Commission to regulate the sale of natural gas to a natural-gas company for resale in interstate commerce pursuant to this Act shall cease to exist with respect to, and shall not apply to, new natural gas: *Provided, however*, That nothing contained in the Natural Gas Act Amendments of 1975 shall modify or affect the Commission's authority in effect prior to the date of enactment of such Amendments to (i) regulate the transportation or sale in interstate commerce for resale of old natural gas, or (ii) regulate sales for resale of natural gas by any natural-gas company which transports natural gas in interstate commerce or an affiliate thereof.".

SEC. 4. (a) Section 3 of the Natural Gas Act, as redesignated by this Act (15 U.S.C. 717a), is amended by redesignating paragraphs (7) through (9) as paragraphs (12) through (14), and by inserting the following new paragraphs:

"(7) 'Boiler fuel use of natural gas' means the use of natural gas in amounts in excess of 50 Mcf on a peak day as the source of fuel for the purpose of generating electricity for distribution.

"(8) 'New natural gas' means natural gas sold or delivered in interstate commerce (i) which is dedicated to interstate commerce for the first time on or after January 1, 1975, (ii) which is continued in interstate commerce after the expiration of a contract by its own terms (and not through the exercise of any power to terminate or renegotiate contained therein) for the sale or delivery of such natural gas existing as of such date, or (iii) which is produced from wells commenced on or after such date.

"(9) 'Old natural gas' means natural gas other than new natural gas.

"(10) 'Affiliate' means any person directly or indirectly controlling, controlled by, or under common control or ownership with any other person, as determined by the Commission pursuant to its rulemaking authority.

"(11) 'Off-shore Federal lands' means any land or subsurface area within the Outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)).".

SEC. 5. (a) Section 5(a) of the Natural Gas Act, as redesignated by this Act (15 U.S.C. 717c(a)), is amended by adding at the end thereof the following new sentence:

"The rates and charges made, demanded, or received by any natural-gas company for or in connection with a contract for the sale of new natural gas produced from off-shore Federal lands shall be deemed just and reasonable, if they do not exceed the applicable national ceiling, established by regulation of the Commission or subsequently modified by the Commission pursuant to section 25 of this Act, in effect at the time when such new natural gas is either first sold or first transferred under such contract to a natural-gas company: *Provided, however*, That rates and charges in excess of such national ceiling may be authorized by the Commission to provide special relief to meet extraordinary expenses that could not be anticipated at the time the national ceiling was established or modified.".

(b) Section 5(e) of the Natural Gas Act, as redesignated by this Act (15 U.S.C. 717c (e)), is amended by adding at the end thereof the following new sentence:

"Notwithstanding the foregoing, the Commission shall have no power (1) to deny, in whole or in part, any rate or charge made, demanded, or received by any natural-gas company for or in connection with the sale of new natural gas produced from off-shore Federal lands, or that portion of the rates and charges of such company which relates to such sale, except to the extent that such rates or charges, or such portion thereof, exceed the national ceiling, established or modified by regulation of the Commission pursuant to section 25 of this Act, or, in any case where a natural-gas company purchases natural gas from an affiliate or produces natural gas from its own properties, exceed the rates and charges, or portion thereof, made, demanded, or received by any person who is not affiliated with such natural-gas company; or (2) to order a decrease in the rate or charge made, demanded, or received for the sale or transfer of old natural gas by a natural-gas company if such rate or charge shall have been previously determined or deemed to be just and reasonable pursuant to this Act.".

SEC. 6. Section 6(a) of the Natural Gas Act, as redesignated by this Act (15 U.S.C. 717d(a)), is amended by striking the period at the end thereof and by adding the following:

": *Provided further*, That the Commission shall have no power (1) to deny, in whole or in part, any rate or charge made, demanded, or received by any natural-gas company for or in connection with the sale of new natural gas produced from off-shore Federal lands, or that portion of the rates and charges of such company which relates to such sale, except to the extent that such rates or charges, or such portion thereof, exceed the national ceiling, established or modified by regulation of the Commission pursuant to section 25 of this Act, or, in any case where a natural-gas company purchases natural gas from an affiliate or produces natural gas from its own properties, exceed the rates and charges, or portion thereof, made, demanded, or received by any person who is not affiliated with such natural-gas company; or (2) to order a decrease in the rate or charge made, demanded, or received for the sale or transfer of old natural gas by a natural-gas company in interstate commerce for resale pursuant to this Act shall not be reduced below the rate in effect on the date of enactment of this Act, or, in the case of a rate which is subject to refund on such date, below the amount which is finally ordered by the Commission to be just and reasonable, for the period ending two years after such date of enactment.".

SEC. 7. Section 15 of the Natural Gas Act, as redesignated by this Act (15 U.S.C. 717m), is amended by adding at the end thereof the following two new subsections:

"(h) The Commission is further authorized and directed to conduct studies of the production, gathering, storage, transportation, distribution, and sale of natural or artificial gas, however produced, throughout the United States and its possessions whether or not otherwise subject to the jurisdiction of the Commission, including the production, gathering, storage, transportation, distribution, and sale of natural or artificial gas by any agency, authority, or instrumentality of the United States, or of any State or political subdivision thereof. It shall, insofar as practicable, obtain and keep current information regarding (1) the ownership, operation, management, and control of all facilities for such production, gathering, storage, transportation, distribution, and sale; (2) the total estimated natural gas reserves of fields or reservoirs, the current utilization of natural gas, and the relationship between the two; (3) the rates, charges, and contracts in respect to the sale of natural gas and service to residential, rural, commercial, industrial consumers, and private and public agencies; and (4) the relationship of any and all such information to the requirements of conservation, industry, commerce, and the national defense. The Commission shall report to the Congress and may publish and make available, as provided by subsection (a) of this section, the results of studies made pursant to this subjection.

"(i) In making studies, investigations, and reports pursuant to this section, the Commission shall utilize, insofar as practicable, the services, studies, reports, information, and programs of existing departments, bureaus, offices, agencies, and other entities of the United States, of the several States, and of the natural-gas industry. Nothing in this section shall be construed as modifying, reassigning, or otherwise affecting the investigative and reporting activities, duties, powers, and functions of any other department, bureau, office, or agency of the Federal Government.".

SEC. 8. The Natural Gas Act, as amended by this Act, is further amended by adding at the end thereof the following three new sections:

"NATIONAL CEILING FOR RATES AND CHARGES

"SEC. 25. (a) The Commission shall, as soon as practicable after the date of enactment of the Natural Gas Act Amendments of 1975, and pursuant to rulemaking procedures under section 553 of title 5, United States Code, establish by regulation, and may from time to time modify, a national ceiling for rates and charges for the sale or transfer in interstate commerce by any person of new natural gas produced from off-shore Federal lands on or after January 1, 1975 through December 31, 1980. In establishing such national ceiling the Commission shall consider the following factors and only these factors:

"(1) The prospective costs attributable to the exploration, development, production, gathering, and sale of natural gas;

"(2) The rates and charges necessary to encourage the optimum levels of (i) the exploration for natural gas, (ii) the development, production, and gathering of natural gas, and (iii) the maintenance of proved reserves of natural gas;

"(3) The promotion of sound conservation practices in natural-gas consumption necessary to contribute to the maintenance of a supply of energy resources at reasonable prices to the consumer; and

"(4) The rates and charges that will protect consumers of natural gas from price increases that would, in the absence of a national ceiling during periods of actual or anticipated shortages, exceed the rates and charges necessary to achieve the objectives of paragraphs (1) through (3) of this subsection.

"(b) The Commission shall monitor the national ceiling for rates and charges for the sale or transfer in interstate commerce by any person of new natural gas, and during the period such ceiling is in effect commencing on July 1, 1976, the Commission shall report to the Congress not less than annually on the effectiveness of such national ceiling in meeting the factors set forth in subsection (a) of this section.

"(c) The Commission may authorize a person to charge an amount in excess of such national ceiling for new natural gas produced from offshore Federal lands from any high cost production area or vertical drilling depth as designated by the Commission pursuant to its rulemaking authority. In establishing such amount in excess of such national ceiling, the Commission shall consider the factors set forth in subsection (a) of this section and only those factors.

"NATURAL GAS FOR ESSENTIAL AGRICULTURAL PURPOSES

"SEC. 26. Except to the extent that natural-gas supplies are required to maintain natural-gas service to residential users, small users, hospitals, and similar services vital to public health and safety, and notwithstanding any other provision of law or of any natural-gas allocation or curtailment plan in effect under existing law, the Commission shall, by rule, prohibit any interruption or curtailment of natural gas and take such other steps as are necessary to assure as soon as practicable the availability in interstate commerce of sufficient quantities of natural gas for use for any essential agricultural, food processing, or packaging purpose for which natural gas is essential, including but not limited to irrigation pumping, crop drying, use as a raw material feedstock, or process fuel in the production of fertilizer and essential agricultural chemicals in existing plants (for present or expanded capacity) and in new plants. The Secretary of Agriculture shall determine by rule the essential agricultural, food processing, or packaging purposes for which natural gas is essential. The Secretary of Agriculture shall also certify to the Commission the amount of natural gas which is necessary for such essential uses to meet requirements for full domestic food production.

"NATURAL GAS CONSERVATION

"SEC. 27. (a) The Commission shall by rule prohibit boiler fuel use of natural gas affecting commerce not contracted for prior to January 1, 1975, by users other than residential or small users unless, upon petition by a user, the Commission determines that—

"(1) alternative fuels, other than crude oil or products refined therefrom and propane, produced in any State are not available to such user; or

"(2) it is not feasible to utilize such alternative fuels at the time of such Commission determination.

"(b) The Commission shall promulgate by rule a national plan to prohibit as soon as

practicable boiler fuel use of natural gas contracted for prior to January 1, 1975, by users other than residential or small users. In determining practicability, the Commission shall consider all relevant factors, including but not limited to, the availability of alternative energy supplies produced in any State, other than crude oil or products refined therefrom and propane, the ability to satisfy applicable pollution prevention standards when using such alternative fuels, and the need to avoid imposing unreasonable economic hardships. The Commission shall coordinate its activities with other Federal agencies to assure that boiler fuel use of natural gas by users other than residential or small users is ended to the maximum practicable extent 10 years after the date of enactment of the Natural Gas Act Amendments of 1975. As used in this section, 'small user' means a person or governmental entity that used not more than 50 Mcf of natural gas on its peak day of natural gas usage in the preceding calendar year.

"(c) In implementing the provisions of this section, the Commission shall, to the extent necessary, apply the provisions of section 18 of this Act.

"(d) Nothing in this Act shall impair any requirement in any State or Federal law pertaining to safety or environmental protection The Commission, in determining feasibility or practicability where required by this section, shall not assume that there will be any lessening in any safety or environmental requirement established pursuant to State or Federal law."

Amend the title to read: "A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes.".

SECTION-BY-SECTION SUMMARY OF THE AMENDMENT OF SENATOR PEARSON AND OTHERS TO THE NATURAL GAS ACT AMENDMENTS OF 1975—S. 692

First section—Short title, "Natural Gas Act Amendments of 1975".

Section 2—Re-designates sections in the Natural Gas Act.

Section 3—This section, in conjunction with section 8, is the keystone of the Natural Gas Act Amendments of 1975. In order to terminate Federal wellhead price regulation over new on-shore natural gas, and phase out Federal wellhead price regulation of new off-shore gas while preserving the present structure of regulation of "old natural gas" and pipeline operations, section 3 directs that, from and after the effective date of this legislation, the Federal Power Commission's (FPC) authority to regulate sales of "new natural gas" for re-sale in interstate commerce "shall cease to exist . . . and shall not apply."

Federal wellhead price regulation, for a 6-year period, of "new natural gas" sales from the off-shore Federal domain is then re-established in section 8 of the bill, but with the express provision that the Natural Gas Act Amendments of 1975 shall in no way modify, or affect, the FPC's existing authority (a) to regulate the transportation or sale of "old natural gas," or (b) to regulate pipeline rates and services, or transactions between a pipeline and its affiliate. The second proviso further guarantees that there will be no impairment of the FPC's authority to regulate curtailments of service by interstate pipelines, since this authority is derived from the Commission's authority over transportation by pipelines of natural gas in interstate commerce.

The present FPC authority to regulate wellhead sales of natural gas derives, by judicial construction, from existing sections 4, 5 and 7 of the Natural Gas Act. Thus, section 3 first terminates *all* existing FPC authority over wellhead sales, then re-establishes regulatory authority *only* as to new off-shore sales for the years 1975 through 1980, inclusive. As section 3 makes clear, however, existing authority over "old natural gas" and pipeline operations is unchanged.

Section 4—This section sets forth the new definitions essential to application of the Natural Gas Act Amendments of 1975. The new definitions offered are:

(a) "Boiler fuel use"—defined as gas used, in excess of 50 Mcf on a peak day, for fuel to generate electricity for distribution.

(b) "New natural gas"—defined as:

1. Natural gas sold in interstate commerce for the first time on or after January 1, 1975; or

2. Natural gas produced from wells commenced on or after January 1, 1975; or

3. Natural gas available for sale in interstate commerce after the expiration of a contract, if such contract expired after January 1, 1975, and if such contract expiration was not brought about by the exercise of unilateral powers of termination or renegotiation.

(c) "Old natural gas"—defined as all natural gas except "new natural gas."

(d) "Affiliate"—defined in terms of control or ownership, with the Commission to make detailed determinations of affiliate relationships after rule making. "New natural gas" purchased by a pipeline from its affiliates should not be totally unregulated because of the absence of arms-length bargaining in such transactions. As set forth in sections 5 and 6, a pipeline's affiliate production may be sold for no greater rate than gas sold to such pipeline by non-affiliated producers.

(e) "Off-shore Federal lands"—defined by reference to the meaning of such term in the Outer Continental Shelf Lands Act, (43 USC 1331(a)).

Section 5—Section 5(a) amends existing section 4 of the Natural Gas Act to accommodate the new regulatory structure mandated by the Natural Gas Act Amendments of 1975. Existing section 4 requires FPC regulation of all sales for re-sale in interstate commerce through a determination of rates which are "just and reasonable." By judicial construction, and through Commission precedent, the "just and reasonable" standard has come to mean that all rates must be determined by reference to "cost plus return on investment." For pipeline rates, this is entirely appropriate and no change is required; for producer rates, however, section 8 of the bill requires the Commission to consider factors other than cost during the 6-year period of continuing regulation of new gas sales from off-shore Federal lands. Amendment of existing section 4 of the Natural Gas Act is necessary to insure that the proposed new standards are properly incorporated into the Natural Gas Act.

Section 5(b) amends existing section 4(e) of the Natural Gas Act to prohibit the Commission from denying to pipelines their cost of purchased gas except in the following two specific instances:

1. When the pipeline purchases new off-shore gas and pays more than the Commission-set ceiling price applicable to such gas; or

2. When the pipeline purchases gas from an affiliate and pays more to its affiliate than it pays to a non-affiliate producer.

In these instances, and only in these instances, is the Commission empowered to deny the pipeline recovery of a portion of the wellhead price paid to producers.

This subsection further limits the power of the Commission by providing that producers may be denied their contract rate for new off-shore gas only if such contracts exceed the Commission-set ceiling rate for such gas. If the contract rate is excessive, the Commission may reject producer rate filings to the extent that the rate sought exceeds the applicable ceiling set pursuant to section 8 of the bill.

Finally, section 5(b) brings to producer rate regulation (with respect to old gas sales and new off-shore gas sales) the requisite degree of finality and certainly that has heretofore been lacking in the regulatory structure. Proposed section 5(b)(2) prohibits the Commission from engaging in rate re-determinations, after having determined the "just and reasonable" rate for a sale. Without this amendatory language establishing sanctity of contract, the Commission would retain authority to re-adjudicate producer rates at any time it chooses (without regard to prior "final" FPC decisions establishing such rates).

It is the intent of this proposed section to make only those changes in existing section 4 of the Natural Gas Act as are necessary to effectuate the basic re-structuring of producer regulation set forth in section 3 of the Natural Gas Act Amendment of 1975 (i.e., that Commission authority over "old natural gas" and over pipeline sales for re-sale, transportation, and curtailment should remain intact; that Commission jurisdiction over sales of "new natural gas" from off-shore Federal lands should continue in modified form only through 1980; and that all Commission jurisdiction over sales for resale in interstate commerce of new on-shore gas should cease to exist upon enactment of the Natural Gas Act Amendments of 1975). Nothing contained in proposed section 5 of the bill is to be construed as authorizing the FPC to exercise any wellhead rate jurisdiction over a sale of new on-shore gas to an interstate pipeline, except where this sale is by an affiliate to its parent pipeline.

Section 6—Section 6 amends existing section 5(a) of the Natural Gas Act to accommodate the new regulatory structure mandated by the Natural Gas Act Amendments of 1975. The amendment of existing section 5 is comparable to the amendment of existing section 4(e) which is set forth in section 5 (b) of the Natural Gas Act Amendments of 1975, and which is described above.

It is necessary to amend both existing sections 4(e) and 5(a) of the Natural Gas Act because of the interaction of the two sections on producer regulation. Existing section 4(e) establishes the Commission's authority to act on producer rate filings, while existing section 5(a) empowers the Commission to act on its own initiative to decrease rates which may be excessive. Thus, the amendment of existing section 5(a) of the Natural Gas Act, as set forth in section 6 of the amendment in the nature of a substitute text, is a conforming amendment necessary to maintain internal consistency.

It is the intent of section 6 of the Natural Gas Amendments of 1975 to make only such changes in existing section 5(a) as are necessary to effectuate the basic re-structuring of producer regulation established in section 3 of the bill (i.e., that Commission authority over "old natural gas" and over pipeline sales for re-sale, transportation, and curtailment should remain intact; that Commission jurisdiction over sales of new gas from off-shore Federal lands should continue in modified form only through the end of 1980; and that all Commission jurisdiction over sales for resale in interstate Commerce of new on-shore gas should cease to exist upon enactment of the Natural Gas Act Amendments of 1975). Nothing contained in proposed section 6 of the amendment is to be construed as authorizing the FPC to exercise wellhead rate jurisdiction over a sale of new on-shore gas to an interstate pipeline except where such sale is by an affiliate to its parent pipeline.

Section 7—This section of the Natural Gas Act Amendments of 1975 creates new authority in the FPC to gather information, conduct studies and report to Congress on matters relating to natural gas supplies, production, transportation and consumption.

The FPC currently does not have statutory authority to engage in comprehensive data collection. Its authority is limited to the power to compel reports from companies on sales and services subject to its jurisdiction. The Commission has consistently sought broadened powers to enable it to secure comprehensive data on natural gas. Section 7 would grant such authority.

Section 8—This section of the Natural Gas Act Amendments of 1975 proposes the following three new sections to the Natural Gas Act:

1. New section 25 establishes regulatory criteria for sales of new off-shore gas;

2. New section 26 establishes priorities for essential uses of natural gas; and

3. New section 27 establishes a basis for phasing out consumption of natural gas for boiler fuel use in generating electricity for distribution.

New section 25 grants to the FPC, for a period of six years, wellhead jurisdiction over sales of "new natural gas" produced from off-shore Federal lands. It is the intent that FPC wellhead rate jurisdiction over new gas sales to interstate pipelines be expressly limited to only one category of new gas; namely, gas produced from off-shore Federal lands.

During the 6-year period of phased-out regulation of new off-shore gas, the Commission is directed to discard strict utility-type, cost-of-service rate regulation, and to establish rates, instead, on the basis of the following four enumerated criteria (and only those criteria):

1. Prospective costs;

2. The rate necessary to achieve optimum deliveries of natural gas;

3. The rate necessary to promote conservation of natural gas; and

4. The rate necessary to protect consumers from price increases attributable to shortage conditions.

The FPC is directed to set a national ceiling rate for new off-shore gas as soon as practicable by rule-making, through consideration of the four criteria set forth above, and to modify such ceiling rate as necessary from time to time prior to Dec. 31, 1980. The Commission also is empowered to authorize rates in excess of the national ceiling for high-cost or deep drilling activities.

New section 26 directs the Commission to give first priority, during times of shortage, to residential users, small users, and to hospitals and similar services vital to public health and safety. After these priority uses are protected, the Commission is directed to give next priority to gas service for essential agricultural, food processing and packaging purposes. The Secretary of Agriculture shall determine by rule the essential agricultural, food processing, or packaging purposes for which natural gas is essential.

Interruption or curtailment of service for essential agricultural purposes will be prohibited (except where necessary to protect service to residential and other first priority uses), and the Commission will be required to meet existing and expanded needs for such agricultural purposes as fertilizer manufacture, irrigation pumping and crop drying.

New section 27 will bring about conservation of natural gas for higher priority utilization by phasing out the use of natural gas as a boiler fuel for the generation of electricity for distribution. Proposed section 27(a) directs the Commission to prohibit, by rule-making, any new sale of natural gas for boiler fuel purposes, unless the Commission expressly finds that there is no alternate fuel (other than crude oil derivatives or propane) available to the purchaser, or that use of alternate fuel is not feasible.

Proposed section 27(b) directs the Commission to prohibit, as soon as practicable, the continued use of natural gas as boiler fuel in those instances where gas was contracted for prior to January 1, 1975. But, the Commission is given a goal of 10 years to accomplish the transition, and is directed to employ a "rule of reason", giving consideration to matters such as the availability of alternate fuels, environmental protection and economic hardship.

PARTIAL DEREGULATION OF NATURAL GAS

Mr. BENTSEN. Mr. President, I rise today to join with the distinguished senior Senator from Kansas in submitting an amendment in the nature of a substitute to S. 692 recently reported by the Committee on Commerce. Although the preamble of the committee bill states that its purpose is to assure increased supplies of natural gas at reasonable prices for the consumer, I must disagree with the committee's conclusion that these purposes will be achieved by the bill it reported. Instead, it is my firm belief that the interest of natural gas consumers and the interests of this Nation are best protected by less, not more, regulation of the wellhead price of natural gas.

Although few of us would disagree that continued regulation of interstate pipelines is necessary, it is becoming eminently clear that the regulation should no longer extend to the prices which interstate pipeline companies are allowed to pay domestic producers of natural gas. What this country needs is immediate action which will make possible increased development and production of natural gas reserves and which will result in the fairest and most efficient distribution of a most precious natural resource. The committee bill neither provides the needed production incentives nor a fair and efficient distribution.

Our choices are clear, Mr. President. Either we establish almost dictatorial powers in the Federal Power Commission requiring the complete rationing of an ever decreasing supply of natural gas, or we proceed with phased deregulation of the wellhead price of natural gas and allow major exploration and development of new supplies to take place. I do not believe anyone can call a policy of "spreading shortages" an adequate national policy. A national policy must include increases in supply.

Our only sensible choice, Mr. President, is the enactment of a system of phased deregulation, and I firmly believe that this substitute amendment to S. 692 represents the best achievable compromise by providing for the immediate deregulation of the wellhead price of new onshore natural gas and a 6-year phaseout of regulation of new natural gas produced from off-shore Federal lands within the Outer Continental Shelf.

Mr. President, there can hardly be any disagreement as to the seriousness of the crisis in energy production faced by the Nation. Last week the Federal Power Commission reported that curtailments of natural gas deliveries for the period April 1975 through March 1976 will be 45 percent higher than they were for the preceding 12 months. Net supply deficiencies totalling 2.9 trillion cubic feet are projected for this period, an amount exceeding the previous year's curtailments by over 9 billion cubic feet. Although the costs to natural gas users forced to convert to alternate energy supplies is measurable in dollars, the human agony of jobless workers and freezing consumers is not measurable in monetary terms. The facts are simple: We are critically short of natural gas and untold economic and social loss will result unless we do something about it.

Over 8.5 million people in this country are presently unemployed, Mr. President, constituting over 9.2 percent of the Nation's workforce. The bulk of this unemployment is the result of economic mismanagement but an increasing portion is due to curtailments of natural gas. If we continue to sit on our hands and do nothing about the natural gas shortage, the unemployment rolls will be further increased by jobless workers displaced because of continued natural gas curtailments.

Mr. President, our problem is twofold. First we must assure that there exist market incentives for the full development of our domestic natural gas reserves, natural gas reserves which are increasingly more expensive to find and develop. It is apparent that the present regulatory scheme acts as a disincentive to the exploration for and development of these new higher cost natural gas reserves. The wellhead price of natural gas must be permitted over a period of time to more nearly reflect market conditions in order to attract the risk capital necessary to increase our natural gas production and to redistribute among other energy sources, demands which can be fulfilled by other fuels. Because of the rapidly expanding curtailment rate and because of the time lag involved in obtaining actual production after investment decisions are made, it is essential that our decision be made now. We have clung to outdated policies far too long.

Of even more immediate importance than the goal of increased production is the short-term crisis created by curtailments. Only if the price of natural gas is permitted to rise according to market conditions will there be a fair distribution of this national resource among all energy users. Otherwise, Mr. President, we will be faced with the intolerable situation of certain areas of the country obtaining the benefits of a natural gas supply, albeit at higher prices, while other geographic areas suffer the trauma of having no gas at all.

Frankly, Mr. President, some of my constituents in Texas are satisfied with the present regulatory system which allows them to out-bid the interstate market for new reserves. They are willing to pay full value. But a rational energy policy is a national problem and we must face it as a nation. We must adopt policies that mean more energy reserves for all our people. My concern today, Mr. President, is with those people who will be without jobs and without heat in the winter.

While I am on record as being actively engaged in incentives for the development of alternate sources of fuel for our long-term demand such as gasification of coal, solar energy, geothermal energy, energy from solid wastes, and eventually thermonuclear fusion, we need to act now on solutions which will occur within the immediate future.

I believe that a phased deregulation of

the wellhead price of new natural gas will have a impact in both the short-term and long-term period.

The Federal Power Commission in the past has experimented with deregulation of small producers and the results were most favorable. In the Texas Panhandle the year after the small producer exemption was approved by the Federal Power Commission, there was a 50-percent increase in the wells drilled in that area. Natural gas wells completed jumped from 68 in 1971 to 114 in 1972. I believe that this is a fairly good test of what deregulation could mean. A recent study by Paul W. MacAvoy and Robert S. Pindyck, both of MIT, indicates that phased deregulation could reduce shortage of natural gas to negligible levels by 1980. More regulation, on the other hand, would likely increase the shortage so that the excess demand would range from 8 to 12 trillion cubic feet out of 40 trillion cubic feet total demand per year. Their conclusion is that if policy changes should eliminate natural gas shortages, the proper direction to take is that of phased deregulation.

Mr. President, opponents of phased deregulation have argued that the OPEC cartel should not be permitted to set the prices of our domestic petroleum supplies. But OPEC, Mr. President, is a fact of life which we cannot ignore and which must be dealt with by affirmative action and not by wishfully pleading that by ignoring the world price of petroleum we will somehow resolve our crisis. For years I have warned about our increasing dependence on foreign oil, and for years I have recommended that we move toward energy self-sufficiency. However, complaints about the oil sheiks setting our domestic prices simply are not effective in providing solutions for the problem. The only way to break the hold they have on this Nation is by efforts to both develop and conserve energy resources, whatever form they take whether oil, coal or natural gas.

As so well expressed in a recent editorial in the Washington Post in behalf of phased deregulation and opposed to the Committee on Commerce bill, it makes no sense to hold the price of natural gas at artificially low levels encouraging consumption while discouraging production. I ask that that editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. As aptly expressed by this editorial and by the senior Senator from Kansas in his minority views to S. 692, the bill reported by the committee would not eliminate the crisis in any significant respect, but would simply exacerbate the crisis. In fact, in my view, the legislation will not result in net additions to this Nation's gas supply which are absolutely necessary to once again stimulate our economy. Rather, S. 692, as reported by the committee, will result in less exploration and development for production of natural gas dedicated to the interstate market and less gas at higher prices for the ultimate user.

A study recently published by the Brookings Institution concluded that the present method of price regulation has contributed significantly to the natural gas shortage, yet the committee bill extends and expands that regulatory system, makes it far more complex and prices far less certain. It sets a different set of prices depending upon whether a natural gas producer is classified as a "small producer," an "independent producer," a major "interstate oil company" or just a "producer." A different price is set whether the gas is produced on-shore or off, associated with oil production or not, whether "synthetic" or "natural." The so-called "independent" exemption is written with such a lack of understanding of the industry as to make it useless and treats the major oil companies so unfairly as to insure they simply get out of the natural gas business. If the committee bill is adopted it will provide so much uncertainty and disincentive as to make major commitments of capital into natural gas exploration impossible. In short, it moves in the opposite direction from what must be done.

The bill's philosophy of central controls over the pricing of natural gas will not allocate gas resources as well as a free market system which will promote competition and substitution among fuels. This is the mechanism necessary for a vastly expanded commitment of capital to develop our remaining gas resources.

Mr. President, the amendment which Senator PEARSON and I introduced today as a substitute is the result of discussions, hearings, and debate which go back considerably prior to the 94th Congress. Of course, there has been a dergulation bill introduced in each session of the Congress since 1954 when the Phillips decision thrust upon the Federal Power Commission the administratively unmanageable burden of regulating the price of natural gas at the wellhead. However, events leading directly up to the introduction of this amendment can be traced back at least 2 years. The point being, Mr. President, that this amendment offers the best hope of balancing the interests of the smallest domestic consumers of gas, the large users as well as that of the natural gas industry.

I fully recognize that this measure, if enacted, will ultimately result in higher gas prices. But I submit to you that the alternative of a dependable supply of natural gas at modestly higher prices is infinitely preferable to that of no gas or drastically curtailed supplies for all classes of users. Conditions existing today on the interstate pipeline system indicate that curtailment levels on some pipelines could reach such a degree over the next 5 years that service to even residential and commercial users could not be maintained on some systems.

The increase in price which most consumers would pay in the aftermath of the deregulation of new, on-shore gas would be relatively small. Transmission and distribution costs constitute two-thirds to three-fourths of the cost of natural gas delivered to residential users in the East and Midwest. These transportation costs will not increase and will not be removed from regulation. Furthermore, the new gas no longer subject to State controls at the wellhead under this amendment would be expected to flow into the natural gas stream at the rate of only 5 to 10 percent per year. Assume for the moment extreme conditions resulting from this amendment in which the average cost of new gas priced under this amendment went as high as $1.50 and additions of this gas to the old gas stream occurred at the rate of 10 percent per year. Under these circumstances, the price of natural gas delivered to homes in the East would rise only about 10 percent, or roughly $20 per year for average residential users in the Northeast.

I believe this is an acceptable price to pay for the cleanest burning and most adaptable of all fuels, especially when the alternatives cost much, much more.

I strongly support the provision in this amendment which accord to certain agricultural uses priority for natural gas second only to residential and small users and public health and safety requirements.

Mr. President, the time has come when we must begin to phase on to other fuels electric power generation facilities and other large users who burn natural gas as a boiler fuel and who are able to use other fuels as a substitute. The impact of a phaseout in my State will be momentous. Today, about 98 percent of the electric power produced in Texas is generated by natural gas. However, the utilities in Texas have recognized for some time now that natural gas is a premium fuel which should be reserved for higher order uses. The question remaining for them is how best to phase off of natural gas in the shortest possible time, yet minimize the impact which construction of new plants and the increased cost of the substitute fuel will have on the ratepayers. This amendment provides for a reasonable conversion schedule over a period of years in order not to jeopardize system reliability and disrupt service.

In short, Mr. President, this amendment requires some sacrifice of all regions of the country, but they are reasonable sacrifices and sacrifices directed at moving this Nation toward the goal of energy self-sufficiency.

I urge all of my colleagues in the Senate to carefully study the proposals made today and to support this move to get the Nation back on the right energy track.

[From the Washington Post, Apr. 3, 1975]

GAS PRICES AND JELLYBEANS

As the shortage of natural gas grows more serious in the Washington area, some customers are being forced to convert to oil. Nobody converts voluntarily. The price of gas to a large customer is $1.60 per thousand cubic feet. The equivalent energy in the form of fuel oil is now up around $2.60. That difference is, in fact the explanation of the gas shortage. There are three basic fuels. Congress insists on holding the price of gas far below the prices of oil and coal. That is the heart of the controversy over the deregulation of natural gas.

The local distributor, Washington Gas Light, has accepted no new customers for three years. The pipeline companies supplying the Washington area have cut back deliveries and, in turn, Washington Gas Light is dropping service to its interruptible customers—those that got a lower rate for signing a conditional contract. Most of them are big apartment houses and office buildings, but the list includes some schools and colleges. Next in jeopardy are the industrial customers. Some of them would have been cut off months ago if the weather had been normal. But for the second year in a row this region was lucky. It was a warm winter. What about next winter?

Gas is the cleanest of all the major fuels, and ought to be sold at a premium on environmental grounds alone. Instead, as the cheapest of the three competing fuels, it is used to fire boilers by any industry or utility that can get it. With the enormous increases in oil prices over the past two years, the disparity has become increasingly severe. By last summer, to use a standard comparison, the gas delivered to utility generators throughout the country cost only 26 per cent as much as their fuel oil. Coal cost 38 per cent as much but was rising fast, as contracts expired or were renegotiated. Soft coal went for about $5 a ton throughout the 1960s, but prices now range from $15 to $25 and are climbing. The wider the price gap between gas and the other fuels, the more severe the gas shortage will be.

It is as though Congress were keeping down the price of red jellybeans, to protect the consumers—but not the prices of black or white jellybeans which, in the current inflation, are rising. In time you would find it increasingly difficult to get red jellybeans, although there would be plently of the others in the stores. In Congress, the defenders of the consumer would explain that the rapacious and monopolistic jellybean industry was willfully withholding red jellybeans from the public. That, of course, would be an outrage. Several senators would promptly introduce bills establishing intricate rules for allocating the dwindling national supply of red jellybeans—and maybe extending price controls to the black ones as well, since they are getting increasingly popular.

In the Senate Commerce Committee, Sens. Warren G. Magnuson (D.-Wash.) and Adlai E. Stevenson (D.-Ill.) are currently drafting a bill to resolve the natural gas issue pretty much along the lines of the jellybean case. Their bill would greatly expand and refine the system of allocation and price control that is already in effect. It would extend price ceilings for the first time to gas burned within the state where it is produced. The uncontrolled intrastate prices are currently running almost four times as high as the present federal maximum for gas crossing state lines.

The Commerce Committee's draft bill is pursuing a principle that deserves attention. It would raise the present ceiling price, but deliberately keep it far below the comparable price for oil. The price of oil has been jacked up artificially high, the argument goes, by a cartel of foreign governments. If the U.S. government has lost control of oil and coal prices, why should it voluntarily permit gas prices to accompany them to such unreasonable heights? This view is not a frivolous one. It reflects a well-considered conviction that, as a matter of social justice, it is better to have shortages—managed by various allocation and rationing systems—than high prices.

But keep in mind that any price ceiling turns out to be a subsidy paid by somebody. As people in the Southwest point out, a low ceiling on natural gas means that relatively low-income states like Oklahoma and Louisiana are subsidizing the standards of living in much wealthier states of the northeast—not to mention metropolitan Washington. To help the poor and the elderly in times of rapidly rising prices, the most effective remedies are those that directly increase the amounts of money in their pockets. Straightforward income redistribution is infinitely better than trying to fiddle and distort the mechanisms for pricing each of the hundreds of commodities that are, to one degree or another, necessities of life.

The way to deal with the gas shortage is to deregulate the price. In present circumstances, it ought to be done in stages, over several years, to cushion the impact. No one can exactly say where fuel prices will be several years from now. But they certainly will not return to the level of two years ago. The basic reason for the great upswing in fuel costs is not the producers' cartel but a worldwide surge of demand for cheap fuel. Higher prices are a signal that supplies are not unlimited and we have to begin conserving. Price controls merely suppress that warning signal. Natural gas currently provides one-third of this country's energy supply. We can afford to make mistakes in our national policy on jellybeans, but not on basic fuels.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 554

At the request of Mr. TUNNEY, the Senator from Massachusetts (Mr. BROOKE) and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of amendment No. 554, intended to be proposed to the bill (S. 692) relating to the regulation of natural gas.

HEARINGS ON SMALL BUSINESS TAX REFORM

Mr. NELSON. Mr. President, on April 24, 1975, the Select Committee on Small Business gave notice of its in-depth study of the business tax structure. We now announce that the study will move to the state of public hearings on June 17, 18, and 19.

BACKGROUND

Earlier this year, in February, the select committee conducted 3 days of hearings on small business tax needs in connection with congressional consideration of the emergency Tax Reduction Act of 1975. As a result of this activity, several small business provisions were incorporated into that legislation, as I have previously reported to this body in a series of statements—CONGRESSIONAL RECORD, February 12, 1975, page 3036; March 10, 1975, page 5799; March 22, 1975, page 8122.

PURPOSE OF THIS STUDY

The objective of the study launched in April ultimately is to develop small business recommendations for inclusion in the omnibus tax reform bill on which the House Ways and Means Committee will begin hearings at the end of this month.

The method we have chosen is a thorough study of the facts and figures which—

Demonstrate the special financial and capital problems of small- and medium-sized business;

Show how these difficulties are related to the tax system; and

Indicate how proposed solutions will benefit the economy as a whole, as well as the small business community.

JOINT PARTICIPATION OF FINANCE COMMITTEE

We are pleased that the study will be conducted jointly with the Subcommittee on Financial Markets under the chairmanship of the Senator from Texas (Mr. BENTSEN). Because of this, eight members of the Senate Committee on Finance will be involved. The perspective of that subcommittee, its excellent past work on access to equity capital, and its resources will be valuable in achieving the aims of this study.

FORMAT OF THE HEARINGS

The hearings on June 17-19 are directed toward basic economic issues, such as recession, unemployment, inflation; capital formation and productivity; and specifically how the tax system either hinders or helps the small and independent businesses to cope with these problems. I ask unanimous consent that a list of the topics and witnesses addressing these subjects be included in the RECORD at the conclusion of my remarks for the interest of all concerned.

We are all aware of the major problems in the U.S. economy:

The worst recession since the 1930's;

A jump in the wholesales price index—reflecting the cost of goods for business—of 21 percent last year, compared to a consumer price index rise of 12 percent;

Loan delinquencies of consumers at the level of 2.8 percent, the highest rate since 1949; and

A steep fall in profits over the last 12 months which appears to have been most severe for smaller and independent firms.

NEED FOR ADDITIONAL RESEARCH

There are many things we do not know and which statistics do not tell us. The data on record does reflect that small business is being squeezed from every direction. We have asked our witnesses to document the particular features of the tax system which affect the smaller firms in a disproportionate or discriminatory way.

Our hearings in February demonstrated that all but the smallest of businesses are required to pay more in taxes in relation to their income than the biggest corporations in the country. It follows that a growing business generally must pay higher tax rates than its established competitors. The additional financial burden on smaller and independent companies stifles their ability to bring better products and services to consumers at lower prices. This kind of imbalance threatens to undermine the whole free enterprise system.

In the past, the tax writing committees have been able to devote too little time to these underlying economic issues. Small and independent business traditionally accounts for between 52 and 53 percent of the Nation's total private employment, 43 percent of the business product and about one-third of the gross national product. It has also been the predominant source of innovation, and a major source of capital accumulation, increased productivity, and competition at home and abroad. The American economy needs all these all the time, but especially now, as we attempt to work our way out of a recession where unemployment is running above 9 percent.

We hope to receive testimony on how new, small, and independent companies can help solve these problems if fledgling firms are treated equitably and the unfair burdens of the tax system and excessive paperwork are taken off their backs.

Therefore, we hope to fulfill an important role in exploring these matters

and in making sound and responsible recommendations for improvement of the tax code in behalf of small business and the entire economy.

We are reaching out to include in our study the most modern and up-to-date computer techniques, and to avail our committees of the foremost academic tax law and economic talent in the country.

We expect to report periodically to the Senate as this study advances. Any persons interested in participating or learning more about this project may contact the Select Committee on Small Business, 424 Russell Senate Office Building, Washington, D.C., 224–5175.

I ask unanimous consent that a schedule of hearings be printed in the RECORD at this point.

There being no objection, the schedule was ordered to be printed in the RECORD, as follows:

[Hearings before Senate Select Committee on Small Business and Subcommittee on Financial Markets, Senate Finance Committee, June 17, 18 and 19, 1975, 9:30 a.m. daily, room 2221, DSOB]

WITNESS LIST

TUESDAY, JUNE 17

Employment, Taxes and Small Business: Professor Robert Eisner, Chairman, Department of Economics, Northwestern University; Charles Holt, Director, Unemployment and Inflation Research, Urban Institute.

Impact of Recession on Small and Large Business Profits and Prospects: John Lewis, Executive Vice President, National Small Business Association, accompanied by: Herbert Liebenson, Staff Vice President for Government Affairs, NSBA: and John Mendenhall, C.P.A. and Attorney.

WEDNESDAY, JUNE 18

Small Business Problems and Areas for Additional Research: Bruce Fielding, C.P.A., Secretary, Board of Directors, Dr. W. C. Dunkelberg, Consultant, National Federation of Independent Business; Dr. Edward Shils, Director, and William Zucker, Assistant Director, Entrepreneurial Center, Wharton School of Finance, University of Pennsylvania.

Specific Tax Reform Proposals and Further Research Projects:

Panel of Presidents of the Four Major Regional Small Business Organizations: Oliver O. Ward, Smaller Business Association of New England, John W. Hannon, Smaller Manufacturers Council of Pittsburgh, Edward H. Richard, Council of Smaller Enterprises, Bruno Mauer, Independent Business Association of Wisconsin.

THURSDAY, JUNE 19

Venture Capital and Its Significance to Innovation and Growth: Walter Stults, Executive Vice President, National Association of Small Business Investment Companies; Paul Bancroft, III, President, Bessemer Securities Corporation; Richard Hanschen, President, New Business Resources.

Tax and Capital Problems of Agriculture as Small Business: Gilbert C. Rohde, President, Wisconsin Farmers Union.

New Techniques of Revenues Estimating: Roland Bixler, President, J.B.T. Instruments, Inc., Chairman, Task Force on Small Business Tax Policy National Association of Manufacturers; Cliff Massa, Director of Taxation, National Association of Manufacturers.

NOTICE OF HEARINGS ON SENATE JOINT RESOLUTION 6, SENATE JOINT RESOLUTION 10, AND SENATE JOINT RESOLUTION 11

Mr. BAYH. Mr. President, the Subcommittee on Constitutional Amendments will continue hearings begun in the 93d Congress on Senate Joint Resolution 6, proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; Senate Joint Resolution 10 and Senate Joint Resolution 11, proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons.

This hearing will be held on Thursday, June 19, at 10 a.m., in room 1224, Dirksen Senate Office Building.

The scheduled witnesses are: Ms. Mary T. Berry, Pride, Inc., Washington, D.C.; Rev. Dr. Robert Bluford, pastor, Mechanicsville Presbyterian Church, Richmond, Va.; Ms. Margaret Mecklenburg, American Citizens Concerned for Life, Minneapolis, Minn.; and Mrs. John Lancione, Birthright, Dallas, Tex.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 108, Russell Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARINGS

Mr. ABOUREZK. Mr. President, I wish to announce the resumption of hearings by the Subcommittee on Separation of Powers on the subject of executive agreements.

An additional day of hearings will be held on Wednesday, June 25, 1975, at 10 a.m. in room 457 in th Russell Senate Office Building. Mr. Monroe Leigh, legal adviser to the State Department, will testify.

ADDITIONAL STATEMENTS

THE MEDIA AND VIETNAM

Mr. GOLDWATER. Mr. President, I have recently had occasion to read an article which examines the approach this country's media has taken in talking, writing, and reporting about the Vietnam war. This article also calls attention to the very conflicting attitudes we have seen developing in the media when it comes to discussing the resettlement of Vietnamese refugees.

The article was written by our former House colleague, Mrs. Clare Booth Luce, taken from the Honolulu Advertiser, and is in the form of a message to the editor. I might point out that it could just as easily be directed towards the news media in its entirety.

Mr. President, Mrs. Luce first points out that the antiwar media spared no ink in destroying America's regard for its Vietnam allies—and pictured the people as poor and hard-working, but too dumb to understand the difference between democracy and communism.

More than 180,000 South Vietnam soldiers laid down their lives and 450,000 were wounded in the war for their country's independence. But as Mrs. Luce says:

The media has shown the Vietnam army either as bunglers always retreating, or as cowards always running away from the battle, happy to let our GIs do all the fighting and dying.

In the past we watched as the media decided to reject every man, woman and child in South Vietnam. Yet, in the last few months we have seen quite a change in the media's attitude toward the South Vietnamese people. When the bloodbath came, we were suddenly reminded that if we reject the refugees, the blood will be on our hands. In referring to this, Mrs. Luce says:

Never in American history has the media reached such depths of high-minded hypocrisy.

Mr. President, it is correct to say that the rejection of the refugees would indeed be a moral disaster. And it would be a disaster the media has a share in.

Mrs. Luce's article brings us an important message about our own attitudes, both toward the war in Vietnam and the Vietnamese refugees. For this reason, Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LUCE: MEDIA HYPOCRITICAL ON SOUTH VIETNAM

So The Advertiser is "ashamed" of those Americans "who are hostile to the Vietnamese refugees," and "dismayed that the hostility is so wide-spread."

And who, in God's name, is to blame for this wide-spread hostility? Largely, the anti-Vietnam media—the editors, columnists, commentators who, in their long campaign to end U.S. involvement in the Vietnam war, found it expedient to poison the minds of Americans against the South Vietnamese people, denigrate their patriotism, and blacken their character.

David Reisman, the Harvard sociologist, noted this ugly phenomenon in an article recently published in The Advertiser:

"The well-educated of the antiwar movement," he wrote, "have always shown an extraordinary callousness to the South Vietnamese."

The antiwar media, including The Advertiser, spared no ink in destroying America's regard for its Vietnam allies. It pictured the people as poor and hard-working little creatures, but too dumb to understand the difference between democracy and communism. It showed them as secretly friendly to the Communists, far more eager for peace than for independence, but terrified of reprisals from their own leaders and their own army.

It consistently played down the countless atrocities committed against them by the Viet Cong, and the bloodbaths that followed every Communist advance. It ignored the sacrifices that the people have made, and the agonies they have endured in their 15-year struggle against the Communists.

It has painted the Saigonese as soft, deceitful and corrupt, and interested in continuing the war only because of the opportunities it offered to profiteer in the black market, to steal Americans blind, to shack up with or marry our "lonely boys," and turn them into heroin addicts.

It has left little doubt in the American mind that the South Vietnam leaders and politicians were all power-hungry thugs and money-mad opportunists, without a patriotic or honest bone in their bodies. All were presumed to have "numbered Swiss bank accounts."

More than 180,000 South Vietnam soldiers have laid down their lives and 450,000 have been wounded in the war for their country's independence. But the media has shown the Vietnam army either as bunglers always retreating, or as cowards always running away from the battle, happy to let our GIs do all the fighting and dying.

This is the "gutless gook" image which the media—and The Advertiser—has been selling for years to the American public. And now that they have bought it, you are "dismayed" and "ashamed" of your fellow citizens who don't think that the South Vietnamese are the kind of people we welcome in our country!

The media has moaned and groaned for years over the cost of Vietnam to the overburdened American taxpayer. The defense of these "worthless" people was stoking the fires of inflation, bringing on a depression, increasing unemployment, taking bread out of the mouths of needy Americans. Last month, when President Ford asked the Congress to honor its pledge to continue military aid to those "gutless gooks" (who seemed determined to go on fighting the Communists without us!), the media howled like an army of banshees.

The poor U.S., (with an annual GNP national income of 1 trillion, 400 billion dollars) couldn't afford $350 million even for one more year, you said, to help them. When the Congress cut off all further aid, The Advertiser called it a victory for the American taxpayer. But only two weeks later, it writes, "There is too much talk about who pays the bills for the Vietnamese refugees." And it is disgusted with those Americans who refuses to jump with joy at the chance to pay a billion dollars in taxes for people "yearning to breathe free."

Even before U.S. military involvement ended, the antiwar media had embarked on another campaign, a "humanitarian" campaign to "stop the killing" in Vietnam. Better Red than dead was its motto. It sold Americans on the idea that the way to end the suffering of the South Vietnamese was to turn them over to their Communist brothers (who were receiving stepped-up aid from Moscow).

The media itself has rejected every man, woman and child in South Vietnam. But now that the predictable bloodbath—the dogmatically prescriptive Communiat bloodbath—has begun in Indochina, The Advertiser tells its fellow citizens that if *they* reject the refugees, the blood will be on *their* hands. Having urged Americans for years to abandon 18 million people and the cause of freedom in Vietnam, The Advertiser cries that the rejection of a handful of them would be a "betrayal of American values" and "a worse disaster for America than the defeat in Vietnam."

Never in American history has the media reached such depths of high-minded hypocrisy..

The defeat in Vietnam will not be the last, or perhaps even the worst, disaster America will have to face as the dominoes go on tumbling toward Moscow and Peking. In the words of Churchill to the House of Commons after Munich, "Do not suppose this is the end! It is just the first sip, the bitter foretaste of a cup that will be offered to us year after year, unless we regain our martial vigor and our devotion to freedom of olden times."

The rejection of the refugees would indeed be a moral disaster. It would be the last shameful act in the Vietnam tragedy, and the final betrayel of the gentle, brave, but helpless little people who put their trust in America's military strength, and vaunted devotion to freedom. You can take the bow, if it is permitted to happen.

RESPONSIVE AND REALISTIC NUCLEAR PROLIFERATION POLICIES

Mr. McGOVERN. Mr. President, last month in Geneva an important conference on the most critical issue of our time was being held—yet it received a minimum of attention from the press, international leaders and organizations, and the world public. This Review Conference of Parties to the Non-Proliferation Treaty was an effort to take a significant step forward toward meaningful arms control and it should not have been ignored.

Meeting together in Geneva, representatives from nongovernmental groups from the United States and the U.S.S.R. met and discussed methods and proposals to prevent the proliferation of nuclear weapons by certain additional safeguards.

We talk a great deal of the need to reduce the rather high limitation achieved at Vladivostok. I sympathize with that point of view. Reduced ceilings would have a considerable amount of money on operating costs, and would eventually allow us to get rid of some destructive capacity we do not need. And as Homer A. Jack, Secretary-General of the World Conference on Religion and Peace, stated in a recent letter to me:

Unless the super powers stop their vertical proliferation, horizontal proliferation will surely continue.

I think it is imperative that the Congress address these and other important questions on arms control as soon as possible. These issues and ideas were raised at the conference and should be given the serious attention of my colleagues at this time. I ask unanimous consent that a statement by U.S. Non-Governmental Observers at the Nuclear Proliferation Review Conference be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AN UNOFFICIAL U.S. POLICY ON NUCLEAR PROLIFERATION

(A Statement by U.S. Non-Governmental Observers at the NPT Review Conference, Geneva, May 12, 1975)

We citizens of the United States of America are determined to persuade our own government to adopt more responsive and realistic policies concerning the proliferation of nuclear weapons.

Here at the Non-Proliferation Treaty Review Conference in Geneva—"the largest and most important disarmament conference since World War Two," according to Secretary-General Ilkka Pastinen—we acknowledge the special obligations of the United States to avert nuclear war and devastation.

We welcome President Ford's message to the Conference which pledged to "re-dedicate the United States to the support of the Non-Proliferation Treaty and to the high purpose of a stable peace which animates it."

That re-dedication, however, requires much more than exhortation to other governments to heed the perils of proliferation. It also requires more than a recitation of "arms control" agreements which have actually authorized extremely dangerous vertical proliferation on the part of the "superpowers."

The provisions of the NPT which severely discriminate against non-nuclear weapons states can only be justified by the resolute fulfilment of Article VI which requires "negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament."

The plain truth, however, is that the bilateral U.S.-Soviet SALT talks have not, to any meaningful degree, contributed to the fulfilment of Article VI. The nuclear arms race continues. No date has been set for its termination. There is no significant progress towards nuclear disarmament. Since signing the Treaty in 1968, both the U.S. and USSR have multiplied their deployments of nuclear warheads and have proceeded to develop a stunning array of costly new weapons systems.

We believe that the most vital manifestation of re-dedication to the Non-Proliferation Treaty on the part of the United States (and the Soviet Union) would be the announcement, at this Review Conference, of a firm commitment to three specific measures of "good faith," as set forth below.

THREE MEASURES OF GOOD FAITH

In Support of the Non-Proliferation Treaty

We invite all governments, non-governmental organizations, and world citizens to support these three measures as the most urgent actions which may now be taken to make the Non-Proliferation Treaty a more balanced and secure instrument of peace. (These measures generally correspond to the first three proposals contained in the declaration by more than thirty international non-governmental organizations, titled "Recommendations to Governments Concerning the Treaty on the Non-Proliferation of Nuclear Weapons.")

1. *Comprehensive Test Ban.* The NPT's own Preamble recalled "the determination expressed by the Partiea to the Partial Test Ban Treaty of 1963 . . . to seek to achieve the discontinuance of all test explosions of nuclear weapons for all time." Yet there have been more nuclear weapon tests since 1963 than there were before the Partial Test Ban. Most knowledgable observers believe the superpowers could accept such a ban without any real threat to their security. The United Nations General Assembly has repeatedly and unequivocally asked them to do so. It is time to bring two decades of struggle over the test ban issue to a swift conclusion. Failure to do so will gravely weaken the political and moral constraints against nuclear testing by other countries, especially those on the threshold of nuclear weapons capabilities.

The U.S. should seek an agreement with the USSR to announce, at this Review Conference, a joint commitment to sign a comprehensive test ban treaty in the immediate future. If such an agreement is not forthcoming at this Conference, the U.S. should announce its own moratorium on nuclear weapons testing for a definite and substantial period.

2. *Reduction of Nuclear Arsenals.* The inequities involved in permitting the superpowers to multiply warheads, increase the destructive power of their missiles, and develop new generations of offensive weapons—while prohibiting non-nuclear-weapon states from developing any nuclear weapons—will not be tolerated much longer by some of the latter states. This is more than a moral double standard: vertical proliferation creates a political and psychological situation in which horizontal proliferation is almost sure to follow. The SALT and Vladivostok agreements have not only failed to halt this vertical proliferation: they have legitimized it for a period of many years.

The U.S. (preferably in a joint pledge with the USSR) should propose at this Review Conference a schedule for a significant reduction of strategic nuclear weapons at an early and specified date.

3. *Pledge to Non-Nuclear-Weapon States.* The nuclear weapon states have a solemn obligation to ensure the freedom from nuclear war of those states which have agreed to forego the acquisition of nuclear weapons. The inadequate "assurances" contained in U.N. Security Council Resolution 255 (June 1968) must be reinforced by an unequivocal pledge not to use, or threaten to use, nuclear weapons against non-nuclear-weapons parties to the NPT. The United States has already undertaken such a commitment regionally under the Treaty of Tlatelolco establishing a nuclear free zone in Latin America. More positively, parties to the NPT

should devote further study to the whole problem of maintaining international peace and security through the United Nations.

The U.S. (preferably in a joint statement with the USSR) should pledge, at this Review Conference, never to use, or threaten to use, nuclear weapons against non-nuclear states which are parties to the NPT.

We do not claim that these three "good faith measures" will suffice to establish a secure international regime against nuclear weapons spread. We do believe, however, that they will help to lay a more solid and equitable foundation for the adoption of such other measures as nuclear free zones, the restriction of technical nuclear aid to countries accepting IAEA safeguards, strict standards of physical security to prevent theft, and a moratorium on "peaceful nuclear explosions" pending more comprehensive study.

These three measures are advanced, not in a spirit of condemnation, but in the hope that this Review Conference may achieve truly constructive results. In the nuclear age, all nations must win together, or they shall all lose together.

Signatures for "An Unofficial U.S. Policy on Nuclear Proliferation." (Affiliations for identification purposes only.)

Alan Geyer, Dag Hammarskjöld Professor of Peace Studies, Colgate University; Consortium on Peace Research, Education, and Development;

Homer A. Jack, Secretary-General, World Conference on Religion and Peace; Chairman, NGO Committee on Disarmament (at Headquarters);

René Wardlow, Director of Studies, Institute of Development Studies (Geneva); World Association of World Federalists;

Daniel Cheever, Professor, Graduate School of Public and International Affairs, University of Pittsburgh; International Studies Association; and

Milton G. Johnson, International Association for Religious Freedom.

COAL SURFACE MINING CONTROL AND RECLAMATION ACT

Mr. BAKER. Mr. President, on Tuesday, June 10, the House of Representatives failed by 3 votes to secure the 2-to-1 margin necessary to override the Presidential veto of the Coal Surface Mining Control and Reclamation Act. I want to take a few moments to express and explain my deep disappointment over the defeat of a law which I feel was a constructive first step toward the evolution of a sound national energy policy based upon expanded domestic coal production.

There are several key issues which the veto of H.R. 25 raises and unfortunately only a few of them relate directly to the reclamation program embodied in that bill. Let me briefly discuss those first:

The President asserted in his veto message that H.R. 25 would cost the Nation 36,000 jobs in mining and related industries and that it would reduce production of coal by between 40 and 160 million tons per year. These figures conflict with earlier estimates by administration witnesses that the bill would not result in any loss of employment. And, indeed, the support for the bill includes several major labor organizations directly involved in coal production. And the President's statistics conflict with earlier and much more moderate estimates of production loss assigned to the bill by administration experts.

The most serious flaw in the President's statistics, however, is that they are projections which asume that the coal industry will make almost no commitment to come into compliance with the law in the 3 years before its standards would be implemented despite the fact that those standards do not require development of new technology and despite the fact that the commitment of the Nation to expanded use of coal practically assures that the recent escalations in coal prices by 200 to 300 percent will at least be maintained.

But the standards of H.R. 25 need not be evaluated in the context of statistical speculation. The Tennessee Valley Authority over the past several years has undertaken an experimental reclamation demonstration project in Campbell County, Tenn., referred to as the "Long Pit Operation." This project has provided extensive cost and technology background for the back-to-contour standard in a worst-case situation. By worst case I mean that the mine is located on a 26° slope—20° is considered a steep slope—in the rocky terrain of the Appalachian Mountains.

This experiment, which was conducted in conjunction with the University of Tennessee, shows that the cost of production associated with back-to-contour reclamation will range from a high of around $12 per ton—1974 dollars—to a low of around $10 per ton—at the mine. Indeed, the coal which TVA received under this experimental project on a cost-plus-fixed-fee basis arrived at TVA's steam plants costing as much as $10 per ton less than coal TVA was receiving under contracts with mines meeting much less stringent reclamation standards. The preliminary analysis of the Long Pit Operation by the University of Tennessee indicates that the Appalachian coal industry can meet the back-to-contour standard on steep slopes without any loss of production and without increasing the present price of coal.

Mr. President, as troublesome as are the statistical discrepancies which have arisen in recent evaluations of H.R. 25, there is an even more troublesome aspect to recent debate over this bill.

As a member of the Senate Public Works Committee, I have been involved in the development of environmental legislation for several years. It is my philosophy regarding these laws that they should be carefully drawn to protect the health and well-being of the people but with an equally careful regard for their impact upon the industries which employ those people. This is a difficult balancing process which is greatly aided when the Congress and its committees can rely upon the expertise and knowledge of those affected industries.

In recent weeks I have met and talked with people from Tennessee and throughout Appalachia who were extremely distressed over what they had been told H.R. 25 was designed to do. These people were good, honest businessmen who have dedicated their lives and property to an industry which they had been led to believe the Congress had singled out for punitive action. Most were concerned over the environmental posture of their industry and support the development laws to assure that environmentally sound reclamation is required as a part of coal mining. And most of them have been genuinely upset by the fact that much of the information they have received about H.R. 25 has been distorted and misleading.

I cannot and would not presume to assign blame for this misinformation. I would state, however, that the people who have misled and used the good people of the mining industry to fight this reclamation bill on spurious grounds have done a disservice to Congress but they have done a graver disservice to the industry itself.

Instead of discussing reclamation policies with the people of my State most knowledgeable about the mining process, I have had to repeatedly explain to those people that the bill does not prohibit strip mining, that the bill does not contain any slope limitation, that the bonding requirements of the bill are not punitive but are keyed to insure performance of the bill's reclamation requirements.

In my opinion it should be a matter of deep and abiding concern to the Washington representatives of the coal industry that so many misstatements and so much misinformation has been given to the people at the grassroots of their industry.

The President in his veto message identified a few provisions of H.R. 25 which he felt need attention. I do not believe that his criticisms go to the basic trust of the bill. And that basic purpose, which enjoys the overwhelming support of Congress, remains not only viable but a matter of urgent policy.

The coal industry must become a mainstay of our future energy strategy and, as such, it is imperative that the industry adhere to sound economic and environmental policies. H.R. 25 as a codification of sound environmental policy would have been an important first step in the process of converting the Nation to domestic fuels. Its defeat does not end the need for a sound environmental foundation upon which to build this conversion strategy.

I am determined, and I hope the other supporters of this legislation who have spent hundreds of hours in its development are also, to press for immediate action on a strong Federal reclamation law.

SOCIAL SECURITY IS SOUND AND WORKING

Mr. CHURCH. Mr. President, attacks upon the social security system have escalated in recent months.

Some news accounts have even suggested that social security beneficiaries may not receive their monthly checks.

Nothing could be further from the truth.

It is true that social security needs additional revenue over the short-term and the long haul, primarily because of a sharply reduced birth rate and our unprecedented economic situation.

But both problems are clearly solvable. This point was made very convincingly during hearings I recently conducted as chairman of the Senate Committee on Aging on "Future Directions in Social Security."

In addition, recent articles by leading authorities have examined in detail some of the commonly leveled charges about the soundness of social security.

One excellent example is an in-depth analysis by Sylvia Porter.

Her five articles provide a very clear, readable, and understandable assessment of the social security system. Several important findings emerge from this account:

Social security is sound.

It is working well, but it can still be perfected in a number of respects.

The financing problems confronting social security can be corrected.

Mr. President, I commend the five articles by Sylvia Porter about the soundness of social security to Members of the Senate, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, May 19, 1975]

IS SOCIAL SECURITY SOUND?—1

(By Sylvia Porter)

The mounting attacks on our Social Security System are not new.

But today, the hackneyed claims that the system is "basically unsound," "headed for bankruptcy," "doomed to collapse," "a deception foisted on the people" come at a particularly bad time.

Watergate, Vietnam, galloping inflation and soaring unemployment have shaken public confidence in our government institutions. The deepest and longest slump of the entire post-World War II period has created wide-spread fear of the future.

This is a grim background against which to circulate vicious attacks on Social Security—attacks made up of slashing half-truths and untruths.

This is a most unfortunate atmosphere in which to have administration officials in charge of running the system make "less than effective" (to put it gently) responses to comments which are not only clearly inaccurate but also extremely biased.

On top of all this, the trustees of the Social Security trust funds had to make an announcement that revisions in the long-range estimates of Social Security income and outgo were required. It sounded ominous. Changes in our lifestyle—the Pill and the declining birth rate—would result, apparently, in a lower-than-expected number of Americans of working age in the next century, just about the time that the large numbers born during the post-World War II baby boom will be reaching retirement age.

The Social Security contributions of the reduced work force, beginning in the year 2010, might not be enough to cover the cost of paying benefits to the swollen numbers of retired.

That there are offsetting factors has not been made clear. Nor has it been emphasized that the long-range estimates are indeed no more than "estimates," subject to many unforeseeable changes in our total economy, way of life and the Social Security program itself.

Meanwhile, the Advisory Council on Social Security was conducting the review of the entire Social Security program required by law every four years. During the review, a short-range financing problem came to light—a result of the nightmare coincidence of an inflation spiral and slumping payrolls. The problem: The cost of keeping SS benefits up-to-date with cost-of-living increases was outrunning the additional income from higher wages.

Next, when President Ford proposed to place a ceiling on the cost-of-living increases due beneficiaries, older people swamped Social Security and congressional offices with pitiable protests. Younger working people saw the threat of increased Social Security taxes and the spectre of no pay-off in their own retirement years.

Deeply concerned over the anxiety caused by the scary headlines and the attacks, a bipartisan group of five former secretaries of Health, Education and Welfare and three former Social Security commissioners joined in issuing a white paper, "Social Security: A Sound and Durable Institution of Great Value." It provides a basis for an informed, objective debate on keeping the system sound.

This week's series of columns is designed to kick off that informed debate on the system's financial problems and how they may be solved.

[From the Washington Star, May 20, 1975]

IS SOCIAL SECURITY SOUND?—2

(By Sylvia Porter)

For the 31 million Americans—aged, disabled, young widows, children—who receive Social Security benefit checks each month, a nightmare closing in is that their payments might be drastically cut or stopped.

For the 100 million of us working and paying Social Security contributions, the fear is that while our Social Security taxes will increase, funds to pay us benefits will be exhausted when we reach retirement age.

How serious are these financing problems? How can they be met with minimum disturbance?

To put the financing issues in perspective, no one need fear that Social Security benefits will not be paid when they fall due, declares a "white paper" issued earlier this year by as responsible a group of experts as the United States has: Former Health, Education and Welfare Secretaries Elliot L. Richardson, Wilbur J. Cohen, Robert Finch, John W. Gardner and Arthur Flemming; former Social Security commissioners Robert M. Ball, William L. Mitchell, and Charles I. Schottland.

There are two separate financing problems, short-term and long-term. Taking up the short-term problem first, this has resulted from the extraordinary, unprecedented combination of a galloping rate of inflation and a slump-induced plunge in employment and paychecks. This will not last.

In the 1972 amendments to the Social Security law, Congress provided that SS benefits were to rise automatically with the cost of living.

The assumptions in the estimates prepared at the time of the '72 changes were that the cost of living would rise at an average rate of about 3 percent and that wages would go up at an average rate of 5 percent. The additional income from Social Security taxes paid on the higher wages of workers would be available to finance the cost of living increases in benefits.

But the rate of inflation since '72 has far exceeded 3 percent. At the same time, record-high unemployment has been eroding revenues from contributions. Because of this combination Social Security will pay out $3 billion more in 1975 than it will take in.

This is scarcely a basis for panic. The SS system has about $55 billion in reserve funds—$46 billion for the cash benefits program and $9 billion for Medicare's hospital insurance. The purpose of these reserves is to create a pool that may be drawn upon during a business recession such as today's.

In fact, former commissioner of Social Security Robert M. Ball thinks that with our still drooping economy, it is probably a good thing to have Social Security paying out more than it is collecting. With these billions still in reserve, Ball explains, there is no immediate need to require higher Social Security contributions. To hike SS tax rates against today's economic background would be dramatically inconsistent with the income tax rebates we are getting.

"It is obvious, however," Ball told me, "that a situation in which the system gives out more than it takes in cannot be allowed to continue." When the economy has perked up (but no earlier than 1977), Ball proposes the maximum amount of earnings subject to SS taxes be raised to $24,000. This would mean higher taxes for only about 15 percent of SS contributors; it also would substantially increase the level of their future benefits.

Among other proposals by the Advisory Council on Social Security is one to make the hospital insurance part of Medicare dependent on general U.S. Treasury revenues. But this, warn Social Security officials, raises the danger of introducing a "means test" into the program and undermining the concept of a system in which your contributions earn you a right to benefits, including health care, in your older years.

The fundamental point is that the short-range financing problem in no way constitutes a financial crisis and Congress is studying various solutions to the problem.

[From the Washington Star, May 21, 1975]

IS SOCIAL SECURITY PLAN SOUND?—3

(By Sylvia Porter)

In 1940, there were 11.7 Americans 65 or over for every 100 of working age; today, there are 16.3 for every 100; in the next century, according to estimates by Social Security actuaries, there will be close to 30 Americans 65 or over for every 100 aged 20 to 64.

Why? Because beginning with the year 2010, the babies born during the post-World War II baby boom will be reaching 65 and collecting Social Security benefits.

After the 1950's, the birth rate began to drop precipitously. And since 1960, the national fertility rate—which measures the expected number of births per woman for all women between 15 and 44—has plunged from 3.7 to 1.85—substantially below the Zero Population Growth level of 2.1 children.

"This decrease," says a recent report by a special Senate Finance Committee panel, "undoubtedly reflects increased attention to family planning, more and better birth control methods, and major changes in life styles of some segments of our society."

Should this trend persist, the population 20 to 64 years of age would stabilize early in the next century, but the number of elderly would continue to expand for some time. It then would take a higher proportion of goods and services produced by active workers to support the over-65 in the 21st Century than it has in the 20th.

And "this is true," emphasizes the "white paper" prepared by five former Health, Education, and Welfare secretaries and three former Social Security commissioners "quite aside from Social Security"—meaning it includes private pensions, public assistance, etc.

But there will be offsetting factors:

1. If the burden of supporting the over-65 is increased, the burden of supporting and educating children will be reduced—and with smaller families, more women will be able to earn paychecks. But we also should not accept so blindly estimates stretching so far into the future and subject to so many unpredictables.

As the Senate Finance Committee's panel report notes, "With the humility learned from many past experiences, demographers agree that it is hazardous indeed to forecast future fertility rates." And sure enough, the

steeply declining birth rate seems to be slowing, the National Center for Health Statistics suggests.

In 1974, for the first time since 1970, the number of births rose—even though by only 1 percent. And recent surveys show that young married couples are planning to have enough children to produce a national fertility rate somewhat above today's.

2. Another unforeseeable is what actually will happen to wages and prices during the next 75 years. If, for instance, prices were to rise at an average annual rate of 2 percent and wages at a rate of 5 percent (unlikely but not impossible; it has happened before), the present financing of Social Security would be entirely adequate. This would hold true even with the changed ratio of retirees to working people.

But under other assumptions, there will be a need for some additional income to the system in the long run.

And if that turns out to be the case, almost certainly there will be a gradual introduction of funds from general revenues, beginning around 1990. Both former Social Security commissioner Robert M. Ball and former HEW Secretary Wilbur J. Cohen point out that it is usual in most other countries for Social Security to be financed via various sources.

The usual and well-tested combinations of financing in other lands: Part by direct contributions of workers, part by contributions of employers, part by contributions from the federal government's general revenues.

The long-range costs of the program also would be substantially less than now estimated if Congress were to change the benefit increase formula to assure that benefits would be tied more closely to increases in wages and not so closely to price increases. The "white paper" signers propose that Congress consider substituting a formula which assures that protection will automatically keep pace with wages, but not exceed increases in wages.

This change also would provide you, as a worker, with a greater certainty that your benefits would reflect your level of living at the time of your retirement.

When objectively examined, neither the short-term nor the long-term financing problems seem a cause for panic, do they?

[From the Washington Star, May 22, 1975]

IS SOCIAL SECURITY SYSTEM SOUND?—4

(By Sylvia Porter)

When Social Security taxes were first deducted from workers' pay in 1937, the tax rate was 1 percent matched by 1 percent from the employer. On schedule was a rise to 3 percent on each side by 1949, considered more than adequate to finance the program well into the future. The maximum earnings base was $3,000, so the maximum any worker paid was $30, and most paid less.

The reasoning was that those with more than $3,000 a year would have sufficient excess income to provide a supplementary retirement cushion for themselves. Social Security's portection floor was not to be raised to replace earnings at a level above $3,000 a year.

The benefits were to range from $15 to $84 a month, depending on the worker's average earnings, and were to be payable only to the retired worker himself. No benefits were to go to a dependent wife, nor his widow and children if he died (except for a return of his contributions). There were no disability benefits if he became incapacitated for work, and of course no Medicare.

Today, the SS contribution rate is 5.85 percent each on employee and employer and the upper limit on earnings subject to the tax and creditable toward benefits is $14,100.

Today, about 15 percent of all workers have earnings above this maximum earnings base against 3 percent above the maximum in 1937.

Today, benefits for an individual worker now on the retirement rolls range from a minimum $93.80 to $316, while benefits for a worker retiring in the future with average earnings of $14,100 will amount to $484 a month. For families now on the benefit rolls, payments range from $140.80 to $574 per month and can be as high as $847 for those coming on the rolls a few years from now.

The original intent to exclude upper earnings from the tax and the computation of benefits has backfired. For example, the head of a family with earnings of only $5,000 a year now pays nearly $300 in Social Security taxes, but only about $100 in income taxes. But the person earning as much as $1 million a year escapes paying Social Security taxes on all but the first $14,000 of his earnings.

If Social Security taxes were progressive, like the income tax, the millionaire would pay a share according to his income and the low-income worker would pay according to his.

The charge (with which I sympathize) is that the SS tax structure is appallingly regressive. But the Social Security "white paper," signed by a bipartisan group of eight former Health, Education and Welfare secretaries and Social Security commissioners, strongly disagrees with this argument.

The benefit formula, says the white paper, is designed to give a large return for each dollar of contributions to the low-income worker than the higher-paid. The net impact is to transfer some income from the more affluent to the less affluent. The paper continues:

"It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding the benefit payments, that the system as now structured is regressive."

What's more, the experts say, while an eventual government contribution to pay part of the cost of the SS system makes sense, the main support should come from contributions of workers and employers. If the principle of contributions is abandoned, a system financed out of general revenues would almost inevitably lead to a means test, so that you would not receive benefits until after you had become impoverished.

Without the tie between benefits and contributions, what would be the basis for paying those above the poverty line? We might find Social Security turned into a welfare or negative income tax program designed to help only the very poor.

One solution might be along the lines of the one-shot tax credit in the 1975 tax law to help low-income workers with children offset their SS taxes, suggests former SS commissioner Robert M. Ball.

[From the Washington Star, May 25, 1975]

OUR SOCIAL SECURITY . . . IS IT SOUND?

(By Sylvia Porter)

Q. Is it true that Social Security is over one trillion dollars in the hole and that it's increasingly probable that there won't be enough money to pay benefits in the future?

A. This is so crucial a question that it must be answered with complete objectivity and in detail. So here goes:

1. Since the payment of monthly SS benefits began 35 years ago, the system has been self-supporting. Contributions from employes, employers and the self-employed have been sufficient not only to cover all benefit payments and administrative costs, but also to build up trust funds which provide contingency reserves.

2. Although benefit levels have climbed steadily and new benefits have been added, Congress has conscientiously amended the SS tax schedules to bring in the money to finance the benefit improvements and thus to keep the program self-supporting. Congress also has made it clear by statements and actions year after year (including '75) that it intends to keep the program financially sound and to assure that all benefits will be paid as they fall due—tomorrow or 20, 30, 100 years from now.

3. Headlines implying that SS is "going broke" or is "over a trillion dollars in the hole" imply a panic situation which does not exist. Each year by law the trustees of the SS trust funds report to Congress on the short- and long-range financial status of the program. The purpose is to detect trends and enable Congress to take steps well ahead of time to keep the program sound.

Every four years, the law also requires that an Advisory Council on Social Security assess the financing and this Advisory Council submitted its report in March.

The estimates are always deliberately conservative—if not always pessimistic—on income and outgo. The current panic forecasts are based on the assumption that the birth rate will continue to drop (in 1974, there were the first signs of a reversal), that there will be fewer productive workers paying SS taxes and that inflation will continue at a galloping rate into the future.

If all these assumptions turn out accurate, SS benefits will exceed contributions over the 75-year period to the year 2050 by an average 5 percent of estimated taxable payrolls. That 5 percent applied to the payroll estimates in each of the next 75 years does indeed produce a deficit of about one trillion dollars.

4. But how ridiculous and cruel to go from this to a yell of panic! For the deficit estimate is also based on the assumption that there will be no correction of a fluke in the formula in the '72 law by which SS benefits are automatically increased as the cost of living rises. If there is a relatively low inflation rate in the next 75 years, the present provisions would work. If the inflation spiral persists, an odd and unjustified result would be that a large proportion of retirees in the 21st century would get SS benefits higher than the top wages they had ever earned.

5. Congress would never permit this and, now that it has been alerted so early, there is no doubt that this defect will be corrected.

6. One proposal of the Advisory Council would base SS benefits on a system of wage-indexing—to adjust your earnings to reflect increases in your over-all average earnings over your lifetime.

Another Advisory Council proposal would have Part A of Medicare—the hospital insurance part—financed out of general federal revenues, freeing this portion of SS contributions for other benefits.

Meanwhile President Ford has asked Vice President Rockefeller to direct the White House Domestic Council to explore "alternative approaches to financing and make appropriate" proposals.

The Senate Finance Committee has appointed a subcommittee under Sen. Walter Mondale (D.-Minn.) to study the whole question. The newly established subcommittee on Social Security of the House Ways and Means Committee, under Rep. James Burke (D.-Mass.) has set up a task force on SS financing.

Against this background, to spread terror about SS among defenseless Americans seems malicious mischief. Under any circumstances, the problems would not become serious until the 21st century. Long before this, Congress will have made the necessary adjustments to wipe out any threats.

THE CONCORDE

Mr. GOLDWATER. Mr. President, I have a continuing feeling that probably the biggest mistake the Congress of the United States has ever made regarding American supremacy in the air is when we stopped the American construction of the supersonic transport. The Concorde, which is Western Europe's version of the SST, has, in my opinion, already proven the aerodynamic ability to maintain supersonic flight across the oceans and has placed the British and French far ahead in this aspect of future international air commerce.

With Members of the Congress continuing to stand in opposition to the flight of supersonic transportation into this country, I would like to bring to the attention of my colleagues an interesting statement presented at the Concorde environmental impact hearing by Dr. Paul A. Campbell, the former commander of the USAF School of Aerospace Medicine at Brooks Air Force Base, Tex. Colonel Campbell holds a chief flight surgeon's rating and has been elected to the International Academy of Astronautics, the International Academy of Aeronautical and Astronautical Medicine, and other world prominent space medicine and space research organizations.

With this eminent professional background in space medicine and safety, it is significant that Dr. Campbell urged the environmental panel to reject the boogiemen barriers to the Concorde that have been raised by extrapolation of uncertainties that propagate more uncertainties. In his words, one Concorde—

Will have about as much environmental impact as a speck of dust in the ocean. Sixteen Concordes like 16 specks.

Dr. Campbell points out that inflight experience has and will dispell the wild extrapolations of prophets of doom who have continually haunted the evolution of space and supersonic flight. He also is optimistic about the positive, natural adjustive mechanisms of the universe which are capable of coping with changes in our environment.

Finally, Dr. Campbell mentions the great need for data and experience in commercial, supersonic transport aviation and the fact that at this time the Concorde provides us with the best opportunity for obtaining this data and experience.

Mr. Chairman, I ask unanimous consent that the statement by Dr. Campbell be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT AT CONCORDE ENVIRONMENTAL IMPACT HEARING (FAA)

(By Paul A. Campbell Sc.B. M.D.)

My name is Paul A. Campbell. I am a medical doctor and hold a Chief Flight Surgeon's rating. I am certified by both the American Board of Otolaryngology and the American Board of Preventive Medicine (Aviation Medicine). I am a retired Colonel USAF(MC) and have been elected to both the International Academy of Aviation and Space Medicine and the International Academy of Astronautics. A bibliography and biography are being submitted together with a copy of this paper. Most of my career has been in research aspects of aviation and space medicine. I graduated from the School of Aviation Medicine in 1940 and a short time later headed their department of otolaryngology. Later I became director of aviation medical research at the school and remained in that assignment until the end of the war. At the end of the war I went into Germany to study German World War II research with the Air Staff Team. I returned to the service during the Korean Episode again serving as Director of Aeromedical Research. Later I had a tour of duty in Europe, one as Special Assistant to the Commander of the USAF Office of Scientific Research and returning to the School of Aerospace Medicine was Chief of Space Medicine, Head of Advanced Studies and later Commander of the School of Aerospace Medicine from which post I retired as I reached the mandatory retirement age of sixty. Since retirement I have been interested in organizing and teaching a Man and Space Course at Trinity University and lecturing in the advanced studies aspects of International Space Rescue. For the past eight years I have been either chairman or cochairman of the International Space Rescue Studies Group of the International Astronautical Academy. The group is now the International Academy of Astronautic's Space Rescue and Safety Studies Group.

For the past fifteen years or so I have been intrigued by the potentiality of the huge more or less unused spherical shell-like corridor between some 48,000 feet of altitude and the lower border of that corridor traversed by space objects at some 110 miles of altitude and above. This, because of the huge expanse of sky produced by the expanding (4/3 pi r^3) volumetric increase which embraces very low density, more or less still air—weatherless and windless. An area high above the dense air-lanes, electrical communication disturbances etc., etc. Probably the factor of flight high above the dense air-lane traffic seemed the most intriguing to one schooled in safety. Supersonic speeds would be possible. There could be more accurate navigational planning due to lack of wind and weather, shortened flight times and therefore shortened exposure time to almost anything if anything really existed.

This all added up to supersonic commercial transportation and indeed such transport was beginning to get on the drawing boards and in scientific discussions. A good deal was known about the environment through studies from high altitude balloons both instrumented and in some instances manned, rockets and high altitude flights. The many predictions of Bogeymen barriers had been dispelled with advancements in aviation. A few of them seemed to be serious barriers. In the early days they were: the oxygen barrier between 15,000 and 18,000 feet of altitude because of oxygen deprivation, the barrier around 32,000 feet where even 100% oxygen would not suffice without additional pressure, the bends barrier, the sonic barrier at Mach 1, a so called thermal barrier etc. The prophets of doom were really active during the evolution of concept of space flight. The barrier to be produced by weightlessness, Van Allen radiation, meteoritic material, cosmic radiation and more. Most of them disappeared with the onslaughts of scientists, engineers, intrepid airmen, even doctors. Probably the most important has been inflight experience. The trail blazing Concorde has and will produce invaluable data and experience. The Western World needs such data and experience in commercial, supersonic transport aviation and at this time the Concorde seems the only way to get it.

Inflight experience seems to me to be much more helpful than extrapolation of data although both are to some extent needed. Extrapolation of uncertainties propagate more uncertainties. Experience with the prediction of barriers has made many of us allergic to such predictions.

If you will please pardon overuse of the personal pronoun one of the great experiences of my life was to fly on Concorde 202 from London Heathrow to Tehran, Iran on August 7, 1974. Friends in the Medical Directorate of Air France with whom I had been associated in the International Academy of Aviation and Space Medicine knew how deeply I wanted to fly on this advanced aircraft. In fact I had pestered them. A few days before the flight a seat had opened and I received a TWX that if I could get myself to London Heathrow in a big hurry I could fly on a test flight the Concorde was to fly from London to Tehran, Iran. Needless to say I got there in a very big hurry.

My first very lasting impression was to walk to the ramp of an aircraft knowing that I was going to 57,000 feet of altitude and Mach 2 plus, in a business suit and without helmet, oxygen mask, ear protectors or flying suit. The second very lasting impression was that no one had asked to see my high altitude indoctrination card or a record of my last physical examination. The interior of the craft reminded me of a very plush 707. Ahead was a very large compartment of instruments of all sorts and uses. On the forward bulkhead of the passenger cabin was a large platter-sized digital Machmeter in full view of all. Its gyrations making split second digital displays the size of residential house numbers afforded entertainment for all. Ground operational noise, take-off noise and ascent noise seemed no different to me than 707 noise when I listened to one take-off. During flight the cabin seemed relatively quiet permitting easy conversation. The aerodynamic "cleanness" of the craft with motors far in the rear probably accounts for the comfort levels. The performance of the aircraft at subsonic speeds seemed to be similar to the 707. As we went through Mach 1, I was surprised to feel no vibration and no aberrant motion.

Cabin comfort at all portions of the flight seemed perfect. I had a turkey dinner complete with all "fixings" at peak altitude and Mach 2. Cabin altitude was comfortable (about 6,000 feet) as was cabin temperature.

Return through the Mach 1 as our descent into the flight pattern of Tehran International Airport began, the landing on a hot runway, braking etc., were unbelievably smooth. Time of the flight was 3 hours and fifty-five minutes—about half the time of other types of commercial flights. As I walked away my impression was that I had had an unbelievable experience. That air travellers of the United States must not be denied flight on the Concorde without better reason than I can see.

I think I am objective. My entire career has required objectivity. I must admit that I am an aviation and spaceflight enthusiast and since my Concorde flight, am a Concorde fan. The development is a very great achievement in transport aviation. It is the trailblazer for an entirely new era much like that of the Boeing 707, the Douglas DC-3 and the Ford Trimotor—to go back through some of the "Greats". I am jealous that the Concorde does not carry the American Flag but it is identified with the western world and in my opinion we must support it. The craft is in the early stages of evolution. It is the only commercial transport in the western world which can solve some of the problems, most of which are minor or the result of uncertain data or extrapolation of uncertain data into areas of science where there are many, many variables, interactions, reactions etc., which are not understood by anyone. One Concorde, in my opinion and the opinion of many will have about as much environmental impact as a speck of dust in the ocean. Sixteen Concordes like sixteen specks. The number, 400 SST's, in my opinion is a wild extrapolation which is unreal.

One of the problems constantly brought up is noise. Much of my early research concerned the problems of aircraft noise in the early days when the pilot sat with his head almost in the engine, where almost every wire or aerodynamic obstruction sang its own tune, some at quite high intensity and unusual frequency. Most of my studies were on the unprotected ear and were in combination with pressure change, as in diving.

I have a hearing loss but I am also 72 plus years of age. I must admit that after years of study our profession does not know enough about noise but we are aware about many of the pitfalls of noise research especially the problems of measurements and the extrapolation of measurements into aviation situations. We know a good deal about dissipation of noise with distance from the source, the affects of obstructions, absorbative surfaces and materials.

We know a good deal about the quantitative affects but very litle about qualitative affects, human tolerance variations etc. We know there are noises best described as whines, roars, screams, whistles, purrs, and other sounds with annoyance levels, psychologic and functional, which are not always measurable. It seems to me that the Concorde was peculiarly devoid of these noises and that any noises I heard were not serious. Evolution of the craft will probably take care of those anyways and possibly furnish technologies which will help solve the problems of all aircraft.

The problem of sonic booms does not involve this hearing as there will be no flights above the United States or near enough to our coastline to be heard.

Neither do radiation amounts and effects involve this hearing as they assume supersonic flight. The controversy prominent in the media is so confused I would like to add my opinion. Dire effects have been predicted at various levels as aviation began to climb out of the troposphere. Nothing very serious has materialized. Everyone agrees that high altitude monitoring should continue. The Concorde has certain capabilities in this area and as a matter of fact does monitor. Bogeyman barrier effects seem to me to now have dwindled to solar flare effects. Radiation emanating from serious solar flares or storms could require the Concorde to change altitude. Such radiation is predictable hours ahead of time. Requirements to change altitudes would have occurred about five times in the past 39 years. The flight deck monitors of the Concorde would have given ample time to take whatever precautions were necessary. Ground monitored predictions would have given plenty of time to delay a flight had it been necessary.

In conclusion: The Concorde is a wonderful aircraft. Any nation should be proud to have it as an adjunct to their own airline service. It is an excellent subsonic craft, a superb transonic craft and certainly a superior supersonic trailblazer. Its requirements are to come into, land, and take off from Dulles and J.F.K. International Airports. If supersonic flight is a part of their trajectory, as for instance in transatlantic flights, they go subsonic far out to sea, join traffic and land as subsonic craft. Consequently, predictions of supersonic effects are moot in this particular framework.

Now about Mother Nature's adjustive mechanisms. For need of a better word let's call it factor X. It is a highly complex system of variables, the result of some 4,500,000 plus years of evolution, which is so complex and little understood that it is impossible to integrate it into equations. Some of the elements are thought to be: the rotation of the earth about its own axis, the wobble of its axis, the earth's rotation about the sun, gravity, the lines of magnetic force, the chemistry and physics of the huge seas and polar ice caps, ecological cybernetics, built in genetic factors, various sorts of interactions and probably thousands of other mechanisms and reactions. We see the evidence everywhere but do not know the whys or wherefores. No doctor practices very long without seeing it in action and cannot help but develop a great respect for it. He sees it in the healing of wounds, the spontaneous cure of disease, the evolution, birth and natural protection of a baby, repair of fractures and many more things. We have learned to rely on these natural adjustive mechanisms. We watch the thousands of variables in interplay produce the changes almost always for the better, few for worse. We have far more respect for Factor X than most.

I sincerely hope our nation will permit this trail-blazing aircraft to operate into our country and not deny supersonic travel to the American people. This will also provide our scientists with the opportunity to obtain real time data through direct and continuous monitoring of the atmosphere.

COMMONSENSE ON THE MIDDLE EAST

Mr. McGOVERN. Mr. President, during the past few months, as chairman of the Subcommittee on Middle Eastern and Southeast Asian Affairs of the Foreign Relations Committee, I have had the opportunity to meet with scores of spokesmen representing various points of view.

In the continuing discussion of how we can best achieve a peace in the Middle East, one of the most constructive voices has been that of BREIRA, an organization of American Jews seeking to provide new perspectives on the Arab/Israeli conflict.

Recently, BREIRA issued the following statement which I would like to bring to the attention of my Colleagues.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(BREIRA)—MEANS ALTERNATIVE

We mean to express an alternative voice within the American Jewish Community. In doing so, we also hope to build creative links between independent-minded Diaspora and Israeli Jews based on shared values and traditions, as well as a shared responsibility and commitment to solving the problems which confront the Jewish people as a whole.

We believe that response to ongoing crises in Israel cannot continue to serve as the central psychological, religious, cultural, political, and institutional basis of Jewish involvement; such a relationship ultimately undermines healthy and creative Jewish development in both Israel and the Diaspora. We dedicate ourselves to building an independent American Jewish community, capable of revitalizing Diaspora Jewish life, of addressing the serious problems which confront us in American society and of maintaining a mutually productive relationship with the State of Israel.

We are nonetheless concerned that the future of the Arab-Israeli conflict seems as uncertain as ever. Moreover, we believe that some important policies of the Israeli government, developed under intense pressure of foreign hostility and domestic distress, have been unwise and ineffective. Feeling as we do that all Jews are responsible to and for one another, we would be ashamed to ignore or swallow our concern. While we understand the motives that impel some Jews to remain silent about their disagreements with official Israeli policy, we believe that such silence is ultimately irresponsible.

Certainly the suspension of talks between Egypt and Israel, conducted through the mediation of Dr. Kissinger in March, has been a setback to the cause of peace in the Middle East. We believe that the current situation, however, can be materially altered if all parties to the conflict take the obvious and necessary steps toward reconciliation. Resumption of Egyptian-Israeli talks, from the point at which they broke off, is of utmost importance for future progress toward peace. In particular, their successful conclusion can set the stage for positive and fruitful results when the Geneva Conference reconvenes.

But in any case, the renewal of the Geneva Conference is a likelihood in the near future, and Israel should submit to it a peace plan of its own. Israel, because of her strength and central position in the conflict, can afford to take the initiative and make her position and desire for peace absolutely clear. Failing this, Israel may once again be driven to the passive role of reacting to plans submitted by others and subjected to pressures on all sides to accept other parties' formulations, in addition to facing an increasingly dangerous international isolation.

We express our support for the following principles as the basis for Israel's peace plan. These principles have been put forward by a small but influential group of Israeli political and cultural personalities, journalists, academics and kibbutz members who call themselves 'Yozma' (Initiative) and who feel that Israel's best interests are served by efforts designed to build peace in the Middle East.

1. Israel should declare that she has no expansionist ambitions whatsoever, and is prepared to give up the territories occupied in the 1967 War in return for:

(a) recognition by the Arabs of the sovereignty and integrity of the State of Israel.

(b) a mutual undertaking by Arabs and Israelis to maintain peaceful relations and to refrain from acts of hostility of all kinds.

2. Israel should express its willingness within this context to start immediate negotiations toward a peace treaty, wherein shall be determined all procedures and guarantees necessary to insure peace and security for all parties, including the final demarcation of borders, establishment of demilitarized zones, supervision and inspection, as well as the stages in which progress toward a full peace relationship will be made. The establishment of such a relationship must be the final goal of the negotiations.

3. Israel should have no objection to the establishment within the territories she shall evacuate on the West Bank and in Gaza, of an independent Palestinian state provided such a state undertake to recognize the sovereignty and integrity of the State of Israel, maintain peaceful relations with her, and refrain from acts of hostility, including acts of terror against Israel and her citizens. Israel should be prepared to negotiate these matters with any Palestinian leadership which is prepared to accept these conditions.

4. Jerusalem, the capital of the state of Israel, should remain a unified city. Proper steps will have to be taken to guarantee the privileges of the three faiths for whom it is sacred. In addition, special arrangements, necessitated by the fact that Jerusalem will be inhabited by citizens of two states, will have to be made.

Among the members of Yozma are: Dr. Mattityahu Peled, Head of the Arabic Department of Tel Aviv University and formerly a Major General and Chief of Logistics in the Israeli Defense Forces; Ya'akov Arnon, former Director of the Israeli Finance Ministry; Simcha Flapan, Editor of *New Outlook* magazine; David Shacham, member of the Central Committee of the Israeli Labor Party; Eli Bengal, member of the Central Committee of Mapam; Yishayahu Weinberg, Director of the Israel Chamber Theater; Prof. Yehoshua Arieli, Hebrew University; Dr. Meir Pail, member of Knesset Moked; Dr. Yoram Rosenberg, Tel Aviv University; Boaz Evron, commentator, Yediot Ahronot.

A peace plan, based on these principles, will ensure the existence and well-being of the State of Israel and the existence and well-being of her neighbors. It has a fair chance of being acceptable to the Arab governments directly concerned. But in case it fails to gain acceptance, it will nevertheless serve as proof of Israel's sincere desire for peace. Such a demonstration is necessary to gain Israel the understanding and sympathy of peoples who may now be entertaining doubts as to her intentions.

Together with concerned Israelis, we therefore call upon the government of the State of Israel to adopt without delay the principles formulated above and make its peace plan known before the Geneva Conference reconvenes.

This statement has been endorsed by the following individuals:

Florence Adler, Jerome Adler, Robert Alpern, Edya Arzt, Daniel Asia, Rabbi Albert Axelrad, Bruce Ballin, Prof. David Ball, Peter Bartfeld, Rabbi Leonard Beerman.

Rabbi A. M. Belzer, Rabbi Alan Berg, Rabbi Donald R. Berlin, Barry Bernstein, Barbara Bick, Rabbi Murray Blackman, Rabbi Bernard Bloom, Rabbi Lewis Bogage, Rabbi Eugene Borowitz.

Ross Brann, Peter Braun, Rabbi Balfour Brickner, Jeremy Brochon, Judith Brody, Stanton Brody, Rabbi Jonathan Brown, Teri Cohan, Rabbi Hillel Cohn.

George Curtin, Rabbi Richard A. Davis, Rabbi James Diamond, Avital D'Lugoff, Art D'Lugoff, Dr. Irvin Doress, Paula Echeverria, Rabbi Laurence Edwards, Rabbi Jason Edelstein, Jack Eisner.

Dr. Nathaniel H. Eisen
David M. Epstein
Rubin Falk
Craig Feebler
Ginette Feebler
Rabbi Edward Feld
Rabbi Chaim Feller
Rabbi Allen Freehling
Richard Friedman
Nancy Fuchs
Peter Geffen
Rabbi Marc Gellman
Rabbi Everett Gendler
Brenda Gevertz
Leon Gibbs
Inge Gibel
Ken Giles
Robin Goldberg
Robert Goldenberg
Rabbi A. Bruce Goldman
Naomi Goodman
Martin Gouterman
Samuel Graw
Rabbi Arthur Green
Gadi Greenberg
Rabbi Stanley Herman
Rabbi Isadore Hoffman
Bess Horowitz
Abel Hurwitz
Paula Hyman
Dr. Jose Itzigsohn
Rabbi Robert Jacobs
Rabbi Steven B. Jacobs
Karen Kahn
Rabbi Bernard P. King
Manuel Kanter
Joel Kanter
Joyce Kasinsky
Jeff Kassel
Rabbi Stanley Kessler
Karen Kessler
Sid Kivanovski
Rabbi Neil Kominsky
Rabbi Lawrence Kushner
Aaron Lansky
Rabbi Arnold A. Lasker
Chava Lauer
Rabbi Larry Lauer
Chava Williams-Leichman
David Williams-Leichman
Simon Lewintal
Rabbi Joseph Levine
Rabbi Richard Levy
Rabbi Daniel Leifer
Rabbi Charles D. Lippman
Jacob M. Loeb II
Robert Loeb
Rabbi Jerome Malino
Rabbi Allen Maller
Adrean Mann
Rabbi Richard Marker
Rachelle Marshall
Mike Masch
Alex Massis
Rabbi Hershel J. Matt
Prof. Seymour Melman
Barbara Merkel
Prof. Michael Meyer
Prof. Sidney Morgenbesser
Eve Nelson
Prof. Jacob Neusner
Samuel Norich
William Novak
Madeline Cohn Oakley
Robert O. Oakley
Louise L. Ottinger
Joseph Palmeri
Dr. Carlos Polak
Rick Phillips
Dr. Jack Nusan Porter
David Platt
Rabbi Joachim Prinz
Arnie Rachlis
Rabbi Sanford Ragins
Rosalie Riechman
Victor Reinstein
Rabbi Stanley A. Ringler
Rabbi Michael Robinson
Rabbi Aaron Rosenberg
Rabbi Roy A. Rosenberg
Rabbi Ya'akov G. Rosenberg
Richard Rosenfeld
Rabbi Efraim Rosensweig
Jay Rothstein
Rabbi Lawrence Rubenstein
John Ruskay
Rabbi David Saperstein
Arthur Henry Samuelson
Rabbi Hyman Judah Schachtel
Prof. Morris U. Schappes
Rabbi Edward Schecter
Dorothy Serotta
Rabbi Gerry Serotta
Dr. Maurice Serotta
Hyman Shapiro
Edna Stein
Rabbi Martin Siegel
Rabbi Martin I. Silverman
Rabbi David Wolf Silverman
Harry Steinhauer
Lucy Steinitz
J.J.Y. Stettin
Leonard Sperry
Rita Sperry
I.F. Stone
Rabbi Lloyd Tennenbaum
Ester Ticktin
Rabbi Max Ticktin
David Tulin
Brian Walt
Rabbi Arnold Jacob Wolf
Rabbi Eric Yoffie
B.H. Zoss

OPPOSITION TO INCREASE IN FEDERAL TAX ON MOTOR FUEL

Mr. MORGAN. Mr. President, I have in my hand a joint resolution that was passed recently by the North Carolina General Assembly opposing any legislation in the Congress which would increase the Federal tax on motor fuel. I will ask that this resolution be printed in the RECORD, because I feel it represents the views not only of the people of my State, but also of the Nation.

Mr. President, I want to say that this resolution also echoes my position on this issue. I am convinced, as many of my distinguished colleagues are, that an additional tax on gasoline will be inflationary, inequitable, and ineffective in reducing consumption. I realize I am not an energy expert, but I do believe there are other more desirable alternatives available to the Congress in formulating an energy policy, and I hope that we will closely examine these before adopting measures which I think will create further hardship on the American economy.

I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE JOINT RESOLUTION 225

A joint resolution in opposition to pending legislation in the United States Senate to increase the Federal tax on motor fuel

Whereas, legislation is now being considered by the United States Senate to increase the federal tax on motor fuel; and

Whereas, any increase in the federal tax on motor fuel will drive the price of gasoline to the individual consumer to a prohibitive level; and

Whereas, the significant portion of our population who use their automobiles in their work or commute from great distances to their jobs and who are least able to pay for such gasoline increases will be effectively deprived of their livelihood should this tax take effect; and

Whereas, the farmers of this country who supply our food and form the very backbone for this nation's future sustenance and well-being will particularly feel the adverse effect of this proposed tax; and

Whereas, by reason of the general decline in the economy and the decrease in the collection of State motor fuel taxes, the State is now in great need of additional funds for the maintenance and improvements of its highways; and

Whereas, any substantial increase by the federal government in its motor fuel taxes would constitute a further diversion of the source of revenues upon which the State is dependent for its highway maintenance and construction; Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

SECTION 1. That the General Assembly of North Carolina urges that the Congress of the United States pass no legislation that would increase the federal tax on motor fuel in view of the certain terrible economic consequences that will result to all segments of the population of this country.

SEC. 2. That a copy of this resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate and each member of the North Carolina Delegation to the United States Congress.

SEC. 3. This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 4th day of June, 1975.

THE UNITED STATES AND WORLD DEVELOPMENT: AGENDA FOR ACTION, 1975

Mr. BROOKE. Mr. President, a policy study recently released by the Overseas Development Council, entitled, "The U.S. and World Development: Agenda for Action, 1975," has, with great ingenuity, evaluated current U.S. policies affecting the developing world. Due to complex economic, social, and political upheavals that have taken place in the past decade, the publication concludes that—

The growing pressure from the world's poor majority promises to dominate international issues . . . in the years to come.

Solutions to the pressing problems of food, energy, and global stagflation can only be found in a spirit of international cooperation.

The U.S. policy must be formulated to

meet these new challenges. Our futile attempts in handling the energy crisis have demonstrated that confrontation policies cannot provide the needed solutions. The initiatives of the United States at the Rome World Food Conference manifest the creative policy approaches that will be required to meet the needs of the future.

Agenda, 1975 also highlights many of the other pressing problems plaguing today's world, such as the acute economic problems of the world's poorest nations, the need for substantial U.S. leadership in the handling of the food crisis, the recycling of petrodollars and the development of the Trade Act of 1975.

Mr. President, I would like to strongly encourage my colleagues to read this ODC publication. Only by recognizing the ever-increasing interdependence of the world can we move to improve our domestic situation.

THE COAL SLURRY CHALLENGE

Mr. McGOVERN. Mr. President, there is growing concern in South Dakota over a proposal by Energy Transportation Systems, Inc.—ETSI—to transport Wyoming coal resources to Arkansas by a coal slurry pipeline which would require upwards of 250,000 acre feet of water per year to operate.

ETSI initially proposed—and is still considering—taking the necessary water from the Madison Formation in Wyoming and South Dakota. Initial studies seem to indicate that the withdrawal of that amount of water from these underground sources would deplete water availability for southwestern South Dakota and parts of Wyoming.

As another source, ETSI suggests a water pipeline from the Missouri River to Wyoming. The present concept would envision that South Dakota communities along the pipeline route would be permitted to tap into the pipeline to meet municipal, agricultural, and industrial water needs. To determine the feasibility of this approach, the Black Hills and West River Conservancy Subdistricts in South Dakota have commissioned a study by the Consolidated Engineering Co. of Rapid City, S. Dak. The first draft of this study is due next September and the final report in January of 1976. We do not yet know the cost of such a pipeline, but some estimates indicate it could run as high as $500 million.

At the same time, the Burlington Northern Railway Co. has proposed to provide transportation for the coal resources by rail and has, generally, opposed the concept of a coal slurry pipeline. They are making a compelling case that at a time when we are attempting to revitalize our Nation's rail systems that it makes good sense to maximize market opportunities when it is economically feasible to do so.

The concept of my National Transportation Services Board Act of 1975, S. 1838, is to maximize cost and energy-efficient transportation methods. Under that legislation there would be a mechanism to resolve the question on the best method of transporting this coal from Wyoming to Arkansas—either rail or coal slurry pipeline. I believe it is important that the Congress give attention to the specific problems posed by coal slurry operations, but also to the need to plan for the future of all transportation in this country as envisioned by S. 1838.

We in South Dakota do not yet have all of the data that will be necessary to make a reasoned judgment on this matter which will impact the States in the Upper Missouri Basin for years to come. So that my colleagues in the Congress will have an opportuntiy to review some of the preliminary information available, I ask unanimous consent that the preliminary study data on the proposed Missouri-Wyoming pipeline, and two articles furnished to me by the South Dakota Association of Railroads through its chairman, Mr. Lloyd Richardson of Aberdeen, S. Dak., be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL INFORMATION REGARDING THE PROPOSED MISSOURI-WYOMING PIPELINE

STUDY DATA

Sponsors: Black Hills and West River Conservancy Subdistricts.

Consultants: Consolidated Engineering, 306 East St. Joseph Street, Rapid City, South Dakota 57701.

Project Manager: Floyd L. Matthew, P.E.

Objectives:

1. Establish municipal, industrial and agricultural water supply needs in Western South Dakota and Eastern Wyoming.

2. Develop routes and features of alternate delivery systems.

3. Consider financing and management alternatives.

4. Identify legal and political restraints.

5. Itemize positive and negative impacts on South Dakota and Wyoming.

6. Establish a tentative course of action to recommend to Wyoming and South Dakota citizens.

Schedule:

First draft complete: September 15, 1975.

Final draft complete: January, 1976.

Budget:

Cash	$35,350
In-Kind	3,650
Total	39,000

PIPELINE FEATURES

The pipeline will consist of 30" to 60" diameter pipe, 280 to 320 miles long buried 3' to 4' deep from the Missouri River to Eastern Wyoming. Four alternates are being considered, but a route from the Chamberlain area parallel to I-90 to Gillette appears to be the best route at this time. The pipeline would be designed to deliver from 100,000 to 300,000 acre-feet of untreated Missouri River water per year to usera in South Dakota and Wyoming. Construction would be completed by 1980.

MANAGEMENT ALTERNATIVES

Three alternatives are being studied:

Private Enterprise.

Wyoming-South Dakota state effort.

Federal.

Present analyses indicate that a pipeline constructed and operated by state controlled entities in Wyoming and South Dakota provides the best opportunity for the states.

WATER NEEDS AND AVAILABILITY

Present estimates (subject to extreme variation after study information is assembled) indicate that municipal, agricultural and domestic users in South Dakota and Wyoming will require from 20,000 to 50,000 acre-feet per year and coal related industries may require 100,000 to 250,000 acre-feet per year of water. The best estimate at this time would place the pipeline capacity at about 150,000 acre-feet per year. Comparatively:

Estimated pipeline user needs: 150,000 acre-feet per year.

Estimated quantity available for industrial users above all contemplated Missouri River water development proposals: 3,000,000 acre-feet per year.

Average annual flow at Sioux City (ultimately discharged to Gulf of Mexico): 21,821,000 acre-feet per year.

Water storage in main stream reservoirs (Total): 74,730,000 acre-feet.

Evaporation from main stream reservoirs: 1,500,000 acre-feet per year.

Average run-off from South Dakota (1970 Depletion): 3,600,000 acre-feet per year.

These statistics indicate that an adequate supply of water is available from the Missouri River for the pipeline users. If it is assumed that the coal resources in Wyoming will be developed, water will be required from some point in the Basin. Consequently, the proposed diversion for coal related industries should have no impact on future opportunities for Missouri River water development in South Dakota. Power revenue lost below the diversion will have to be offset by revenue from the project. The diversion will have no measureable impact on other users.

COSTS

Pipeline construction cost estimates are not available at this stage of the study. Preliminary calculations indicate that pipeline construction costs could range between $150,000,000 and $500,000,000 and the cost of delivered water could range between $350 to over $1200 per acre foot. These are very tentative estimates and should not be used for planning or evaluation purposes. Final estimates should be available in September, 1975.

POTENTIAL IMPACTS

Negative:

Environmental impacts during and following construction.

Visible impacts of pumping stations and access roads during the service life of the facility.

Commitment of materials to construction.

Potential negative aspects of precedent setting legal decisions regarding interatate diversions and cooperative programs.

Potential state-federal rights policy that could jeopardize state positions.

Right-of-way acquisition requirements.

Positive:

Economic benefits from construction and operation of facilities.

Potential revenue source for Wyoming and South Dakota. (Taxes, service charges, permits, etc.)

Potential for providing water for communities, livestock and domestic users in Wyoming and South Dakota at a reasonable price.

Maintenance of flows in the Yellowstone River and other tributaries in northern Wyoming, Montana and North Dakota for fish and wildlife propagation, irrigation, recreation and power production.

BASE STUDIES

Information from the following reports is being used to provide a base for judgment decisions:

Northern Great Plains Resource Program Reports.

Wyoming Framework Water Plan.

Water Development Program for Wyoming.

South Dakota Water Plan.

[Copied From Railway Age, May 12, 1975]

BN CALLS IT "BAD NEWS" FOR THE TRUE COMMON CARRIERS—COAL BY PIPELINE: A CHALLENGE TO THE UNIT TRAIN?

(By Gus Welty)

If the promoters have their way, huge tonnages of low-sulphur western coal will be moving from mine to electric utility not by rail unit train but by coal slurry pipeline. The farthest-advanced pipeline proposal involves a line from northeast Wyoming to a point near Little Rock. But a line from northwest Colorado to Houston and two shorter lines in the Southwest are described as "planned," and two other long lines are said to be in early planning stages, from Wyoming to Oregon and the other from near Edmonton all the way to Lake Ontario.

Will any or all of these lines ever be built? At this point, the issue remains in doubt for a number of reasons, one being that slurry pipelines require tremendous volumes of water and water is something precious in arid and semi-arid western states. On the Wyoming-to-Arkansas line, promoters are proposing to use not surface water but water from the so-called Madison formation which underlies parts of Wyoming and several other states; authority has been granted the promoter, Energy Transportation Systems, Inc., to draw off a fixed volume of water, but this issue may well wind up in the courts before it's finally decided.

TO CONDEMN OR NOT TO CONDEMN?

Actually, the main current battleground is the statehouse—with the right of eminent domain the principal issue. Apparently, coal pipelines have the right in Wyoming, Colorado and Arkansas, but in other western states the promoters seem to be having only limited success in getting legislators to open up the laws. Kansas, for example, referred the matter to a study committee for a report in 1976. Nebraska has taken no action, and the feeling is that there will be none. The Oklahoma Senate did pass a much-amended eminent-domain bill, but observers see little chance of the measure's clearing the House this time around. Texas which would be affected by the Colorado-to-Houston proposal, is in the hearing stage, with the most recent hearings held April 30. (In addition, there are at least four bills alive in Congress dealing with this issue, with hearings continuing through May.)

As in any such confrontation, opponents of the "new" operate at somewhat of a disadvantage. Proponents can glamorize their "new" technology and talk glowingly of the economic advantages they can provide; opponents, on the other hand, often come off as blockers of "progress."

In the coal pipeline controversy, however, opponents have still another problem—of shadowy statistics. For instance, on the Wyoming-to-Arkansas proposal figures have been bandied about indicating that the Arkansas electric utility may save about $14 billion in coal transportation costs over a 30-year pipeline operation; but railroad people say they haven't been able to determine the bases on which the estimates are being made, or the rate comparisons which are being used.

In addition there is also some confusion about the proposed route itself. Originally, the line was to have snaked its way from Wyoming through Nebraska, Kansas and Oklahoma into Arkansas; but there have been reports, which railroad people again haven't been able to pin down positively, that the route has been shifted west to run through Colorado and bypass Nebraska and Kansas; but this doesn't seem to fit in with the acquisition of a 20% piece of ETSI by Kansas/Nebraska interests. (ETSI itself is a joint venture of Bechtel, Inc., and Lehman Bros., Inc.) Finally, on the Colorado-to-Houston proposal, railroad spokesmen say they are also uncertain as to whether the promoters plan a complete-route pipeline or a combination rail/pipeline haul.

THE CASE AGAINST

In any event, those opposing the pipelines have been able to muster argumenta on a wide variety of issues, ranging from constitutionality of use of eminent domain to strictly practical operational considerations to the impact of slurry lines on national transportation capability.

Some of the most interesting observations have come on the operational issues, and they have come from Burlington Northern, a road especially well-qualified to make such observations: BN Bechtel and a major mining company have worked together on extensive feasibility studies of coal pipeline construction and operation. BN joined in those studies for two reasons—to appraise the effect on rail coal movement which might be expected from use of new slurry-line technology and to decide whether BN ought to use its own rights-of-way for slurry lines—and these were among the conclusions reached:

Slurry pipelines are operationally feasible. But, "there are still many unknowns in dealing with such matters as the dewatering of large volumes of coal, the long-term abrasive effect of coal on the pipeline itself, the best disposition of polluted water which is used as a carrying vehicle, appropriate means of handling emergency stoppages in the line and so forth." Actually, BN found no reason why these and similar problems could not be resolved, "although we think the cost of doing so is likely to be a good deal higher than Bechtel and its child, ETSI, apparently believe."

Except for very large capacity lines such as the 38 inch, 25-million-tons-per year pipe proposed for the Wyoming-to-Arkansas route, "these facilities ordinarily cannot compete on economic terms with rail delivery provided by modern unit-train operations. Even a facility of the kind planned by ETSI must provide a very long haul and must quickly be brought to near-capacity operations." Huge slurry lines do, however, "represent a major threat to rail operations since they have the potential for the diversion of the more-profitable high-volume movements and on that account are likely to impair the railroads' ability to finance line improvements and new equipment needed to provide common-carrier rail service to all potential coal shippers."

Since low-sulphur western coal "originates in arid regions, there are important and difficult public-policy questions regarding the availability and use of scarce water as a transportation vehicle."

Important local considerations have to be taken into account at points along the line. Among these are the injection of recharge water; the possibility that there will be a line shutdown, which would require that the contents of the line be dumped at the pumping stations; the effect on land surfaces of construction techniques which involve displacement of a lot of earth; the large local requirements for electric power by which to operate the pumping stations; and the high pipeline pressures which would be involved.

COMMON CARRIAGE?

BN also has to-the-point conclusions on what slurry lines really are and on their competitive impact. In an Oklahoma presentation, BN's spokesman noted that "While a debate has developed as to the precise legal status of the pipelines under Federal law, there is no debate whatever about the fact that ETSI's real purpose is to serve but a single large cluster of electric generating plants proposed to be constructed by Middle South Utilities in Arkansas. . . . Should ETSI nevertheless serve another two or three electric utilities somewhere in Arkansas or Oklahoma, the fact remains that for all practical purposes the pipeline will remain a private carrier in the sense that it will provide a specialized single-commodity transportation service for a very few large customera in a limited service area; certainly it will in no way be comparable to the deliver-anywhere-for-anybody service which the railroads provide. Thus, when it is asserted that the pipelines will supply needed competition for the railroads, sight is lost of the fact that what ETSI proposes to do is to profit by exploiting a single, special market, leaving it to the railroads to satisfy the muchless-profitable, diffused needs of other scattered electric utilities. This is an old technique disguised in a new technology. In the transportation business, it is known as 'cream skimming.' It is fine for the lucky, specialized carrier and its few customers, but it is bad news for the true common carriers and the general public which depends on them for service."

"MAJOR POLICY PROBLEMS"

As BN sees it, a pipeline eminent-domain proposal "involves not merely technical problems of eminent domain. It raises major transportation policy problems." And the immediate question before a governmental body studying the issue "is whether it should recommend the adoption of a public policy which may sacrifice the ability of many utilities in many parts of the country to obtain low-sulphur western coal at low rates simply because one company thinks it can exploit a special coal-marketing situation. The propriety of granting a preference for a few . . . at the expense of many is the ultimate issue."

These points were reinforced in another legislative forum in another state by a Santa Fe representative, who declared that "the power of eminent domain should not be granted to a private company unfettered by the normal restraints which apply to common carriers such as railroads, at least until proper resolution of the many national issues regarding necessary regulation and showings of public convenience and necessity on the part of coal slurry pipelines has been carried out. To whatever extent the railroad industry loses the opportunity to earn revenue from transportation of coal because it is moving in pipelines, such revenue cannot be made available to railroads to make needed new investments or to pay continuing capital costs of the investments already made or to be made in the facilities required to transport a host of other commodities. One aspect of any policy encouraging the movement of coal in pipelines is the clear potential for adverse effects on rail freight rates paid for other commodities shipped. . . . As a minimum, we suggest that such a momentous question cannot be resolved on a state-by-state basis, and certainly not by simply according eminent-domain power."

Generally, there seems to be agreement among rail opponents that serious national public-policy questions exist and that inevitably this means some resolution at the Federal level. At the same time, some westerners also fear that they may win the battle at the state level only to lose it in Washington.

NO "STIFLING"

In the continuing debate, railroads may find themselves accused of trying to sit on new technology, but Santa Fe's spokesman meets that charge this way: "I do not mean to suggest that inefficient or even less-efficient modes of transportation deserve to be preserved or perpetuated for the benefit of their owners, thus stifling the development of new technologies. Nor do I mean to suggest that slurry lines in fact can be proved more efficient than unit coal trains. However, it must be agreed that current events have demonstrated that the United States needs its railroads, and one real issue which should be considered in determining whether eminent-domain authority should be extended for the construction of coal slurry pipelines is whether construction of the pipeline is necessary and whether its construction would help to preserve the balanced transportation system which this country desperately needs for the future. Railroads must make such showings and it would be unfair if coal slurry pipelines did not."

In Nebraska, the state railroad association took a similar tack on the Federal/state is-

sue: "At the present time, no Federal recognition or certification of any public need for coal slurry pipeline transportation exists. In the last session of the Congress, bills were introduced to bring interstate coal pipelines under at least some form of Federal regulation. Some Federal bills considered would have conferred a Federal right of condemnation upon common carriers of coal by pipeline who had been granted a certificate of public convenience and necessity to undertake their operations. However, Congress did not pass any such bill, and as of this time there has been no Federal action undertaking to regulate coal pipelines or affirming some public need for interstate transportation of coal by this new mode. At least until such time as the Federal government has determined what the real need for coal slurry pipelines may be, and the regulatory framework in which they should be permitted to operate, it appears highly inappropriate for individual states to anticipate what the Federal actions will be, or to confer state powers of eminent domain to further some claimed benefits to interstate or Federal public purposes. This is especially true when the Federal government has not itself recognized any such public purposes for coal pipelines."

There is, of course, one coal slurry pipeline now in operation in the United States, the relatively-short Black Mesa line which stretches from a mine in northern Arizona to a power plant just across the state line in Nevada. Once, however, as oldtimers may recall, there was another line, also a relatively small operation, running a bit more than 100 miles from southern Ohio to the Cleveland area. This was not the giant line such as ETSI envisions; it cost "only" about $13.5 million to build and the contract involved just 18 million tons of coal over 15 years; but there were to be annual savings in coal transportation cost of $1 a ton, then estimated to be significant. That Ohio line went into full operation in 1958. Less than five years later, its operators announced it would be closed (RA, Sept. 1, 1958, p. 32; May 13, 1963, p. 7). Why put the line in mothballs? Principally because the railroads countered with changes in the way they moved coal and with rate adjustments to the point where the economics, once assumed to favor the pipeline, switched back to favor rail.

It is, of course, a different ball game today. The threat—at least in potential—appears far greater, and not just to railroads but to the nation's over-all transportation capability. Railroads owe it to their own interest to get the facts on slurry-line proposals out in the open—but they are also performing a public service by doing so.

THE CASE AGAINST COAL SLURRY PIPELINES

At present, there is legislation before Congress to grant the right of Federal eminent domain to the builders of coal slurry pipelines. In a number of states, proposals to ease the building of slurry lines are also being advanced.

The railroad industry opposes such legislation. That the impetus for its opposition is self-interest is not to be denied. But the industry believes its motives are irrelevant to the validity of its arguments.

Therefore, it has asked that lawmakers—and the public to whom they are responsible—judge the arguments against laws favoring the construction of coal slurry pipelines on their own merits.

WHAT IS A COAL SLURRY PIPELINE?

A coal slurry pipeline is a line through which coal—crushed fine and mixed with water—can be transported. The technology involved is neither new nor revolutionary.

Although there are a number of slurry pipelines operating in other parts of the world, only two coal slurries have ever been built in the United States.

One, in Ohio, closed after six years of operation when it could no longer compete successfully with railroad service.

The other pipeline, in Arizona and Nevada, is still in operation. It has no direct rail competition, because the only feasible railroad route serving the same points would have to be 100 miles longer.

WHAT DOES A COAL SLURRY LINE DO TO THE ENVIRONMENT?

The proponents of slurry pipelines claim a high degree of environmental purity for their projected operations. But many of their claims are open to debate.

For one thing, there is the question of water. The slurry mix requires equal volumes of coal and water. Since water is heavier than coal, up to two tons of water—as much as 500 gallons—are required for a ton of coal.

All five of the new pipelines now proposed would originate in relatively arid states—states which cannot easily afford to export vast quantities of water and still adequately meet the future needs of existing agricultural and industrial interests as well as those of the general public.

Pipeline advocates have said that water is no problem, that they would be using water which is unsuitable for any other purpose. This was the basis upon which the Wyoming Legislature approved the tapping of the Madison Formation for us in coal slurry lines.

However, there have been second thoughts—especially since it was later learned that the area of the water formation to be tapped contains water that is not only suitable for other uses but, indeed, is better than some existing municipal water supplies.

Congressman Teno Roncalio of Wyoming, in an appearance before the House Committee on Interior and Insular Affairs, expressed grave concern about the use of water as a transport agent for coal.

Speaking of the Madison Formation, he said: "There has yet to be a comprehensive study on the water capabilities of this formation. It is no doubt an immense body of water, but without knowing with more accuracy its size, its capability to recharge, and a determination of the needs for the region it potentially serves for agriculture, numerous growth-impacted communities and energy development locally, we should not move ahead with legislation that would facilitate extraction of large quantities of water from the region."

Another environmental problem with pipelines is the potential for leakage, which can contaminate ground water. Also, a malfunction means that the pipeline must be drained, lest the slurry mixture settle and block the pipe. This presents the possibility of large, environmentally damaging coal "lakes" along a pipeline route.

And, of course, there is the problem of cleaning the water when it arrives at destination.

Pipeline economics require that large volumes be carried to a single, or a few, destinations. Plans thus call for the building of huge power plant complexes to be the consumers of pipeline-carried coal. This raises obvious questions about the environmental problems that could be caused by such a complex of coal-burning facilities. In fact, one such planned operation has been ordered to be cut in half by an agency of the state in which it is to be built.

Also, it takes energy to move energy. Pipelines are energy efficient—but not as much so as many think and not as energy efficient as a unit train hauling coal. A unit train consumes 250 BTU's per ton-mile, while coal slurry pipelines use 290 BTU's.

Another legitimate question to ask is what a pipeline operation adds to the communities where it operates.

The answer is: very little, once construction is completed. One of the most attractive things about pipelines—to pipeline operators—is that they do not require large labor forces. This feature is less attractive to a community which can benefit from the employment needs of a new enterprise.

By contrast, the presence of a rail line in a community is a definite and recognized economic plus—so much so that many areas are willing to subsidize money-losing lines just to keep them.

The building of a pipeline might even have an adverse effect on employment, by causing rail lines to close or preventing them from being built. One railroad says projected pipeline plans—if carried out—might require it to abandon plans for a new 116-mile rail line that would employ 200 people.

ARE PIPELINES NEEDED TO HANDLE INCREASES IN COAL PRODUCTION?

At a time when the United States is trying to lessen its dependence upon foreign petroleum, coal has taken on new importance. The nation boasts vast coal reserves, which—assuming pollution problems are solved—can go a long way toward meeting energy needs economically. Thus, the transportation of coal will become even more important than it has been.

Railroads haul nearly 70 percent of all coal loaded at mines for shipment; in 1974, this amounted to about 391 million tons. It is the number one commodity handled by the railroads, accounting for 10 percent of rail revenues and 16 percent of rail ton-miles.

Pipeline advocates declare the railroads cannot handle the projected increases in coal production—which would amount to a doubling over the next ten years. Here are the facts:

Coal production increased sharply in late 1973, after several years of decline. Although the sudden increase came with little warning and although total railroad traffic was reaching record levels, the industry—further handicapped by high backlogs in car building shops—kept pace with the increased production. In the 45 weeks of 1974 prior to the coal strike, the railroads handled 6.6 percent more carloads of coal than during the same period in 1973.

In anticipation of further increases, railroads have moved to boost capacity. In 1974, orders for open top hoppers—the type of car most often used for coal—totaled 27,086, more than five times what they were in 1972. In addition, railroads have tooled up their own shops to further increase car building capacity. As of April 1975, open top hoppers on order totaled 20,354, compared with 4,851 on order in April 1972.

As an example of railroad activity, one major coal-hauling road has announced a half-billion dollar equipment program—the vast majority of which relates directly to the movement of coal. The two-year program calls for the installation of 16,000 new 100-ton open hopper cars at a cost of $409 million—with 10,000 of the cars being built in the railroad's own shops. The program also includes new locomotives and substantial track improvement.

Other railroads are also preparing to handle a high volume of coal movements, and there is a growing trend toward utilities ordering their own cars to meet some of their long-term needs.

A doubling of coal production sounds like a huge amount of coal—but the notion that such an increase, spread over ten years, would strain railroad capacity is without foundation.

Although coal represents the largest single commodity carried by railroads, it does not constitute a dominant portion of the total traffic. Thus, if coal ton-mile doubled, while other traffic remained the same, the result would be only a 16 percent increase in total rail traffic over ten years. Naturally, individual railroads would be affected unevenly, but this increase would obviously not be unbearable. As a matter of comparison, total

railroad traffic has grown 15 percent over the past three years.

Moreover, the railroads'—and the government's—projections for the future called for a 50 percent increase in total rail traffic over the next ten years, even before the energy crunch occurred. If rail coal traffic were to increase by 100 percent, or 391 million tons, instead of 50 percent, the impact on total rail traffic would be to make it increase by 58 percent, instead of 50—clearly a manageable variation.

Railroad car utilization has been improving steadily in recent years. In 1974, net ton-miles per serviceable car day were 1,645—a 16 percent improvement over 1970. Even more significant gains in car utilization appear likely during the next decade. One factor in improved efficiency is the increasing use of unit trains—a concept extremely well-suited to high-volume coal movements.

Today, 12,000 cars can handle 25 million tons of coal a year. Thus, if total coal tonnage were to double over ten years, the movement of the additional coal would require the addition of an average of 17,600 cars per year—fewer than were on order in April 1975. Greater use of unit trains and new advances in car utilization should reduce these totals even further. (There are currently 1.7 million freight cars operating over the nation's rail network, and car orders in 1973–74 average more than 100,000 cars per year.)

Pipeline advocates cite the financial problems of the railroad industry—apparently meaning principally the bankrupt railroads of the Northeast. But Congress has legislated action aimed at resolving the Northeast problems and these actions are now under way. The basis for the proposed restructuring of Northeast railroads, includes the assumption that there will be a major increase in coal traffic.

Other roads that are now major coal haulers as well as those serving areas where most of the major new coal production seems likely to occur are in sound financial condition.

Given some assurance that they will continue to handle most of the coal traffic, railroads generally will be able to continue boosting capacity.

If, of course, potential investors begin to believe that traffic will be diverted to pipelines, financial doubts can take on the form of a self-fulfilling prophecy as credit sources for rail equipment financing dry up.

DOES A SLURRY LINE DELIVER CHEAP ENERGY?

Spectacular claims are also made about the economies of the proposed pipeline operations. The figures used by the sponsors—projected over a long term—show coal being delivered at a fraction of the cost attributed to rail transportation.

The claim does not show the basis upon which the rail rates were arrived at, but the projections assume a high rate of inflation continuing for the next 30 years. Such a prediction can neither be proven nor disproven in advance, but it would be just as valid to predict that inflation will not continue at its present rate.

Also, the rate prediction ignores the fact that increasing efficiency—such as the growing use of unit trains—could keep the overall cost of rail coal transportation down, even though rates generally might increase.

In addition, the pipeline figures assume the full use of the pipeline's capacity—25 million tons per year. If they do not operate at full capacity, their unit costs increase substantially. It costs almost as much to run a pipeline at one-half capacity, or less, as it does to run it full. And, as noted previously, there is question as to whether the massive power plant complexes which may be the main consumers of pipeline coal will be permitted to be built.

Another consideration is the inflexible nature of the pipeline operation—which constitutes a "hidden" cost. Once a consumer signs a long-term contract for pipeline deliveries, that consumer is tied to pipeline technology and virtually unable to take advantage of improvements in other technology, changes in energy generation or changes in the needs of the nation. On the other hand, railroad service offers much more flexibility.

The operation of the Consolidation Coal Company's pipeline in Ohio casts further doubt on the "low-cost" claims of the pipeline proponents. The slurry line was opened in 1956 and was successful for six years. Then the railroad industry inaugurated the unit train concept in the area. The pipeline was closed in 1963.

WHY DO RAILROADS OPPOSE PIPELINE CONSTRUCTION?

Although the Ohio experience suggests that railroads can compete price-wise with a slurry pipeline, it is certain that pipelines would divert coal traffic from the rails—because of certain privileges they would enjoy which are not available to the railroads.

In the legislation before Congress, they seek the right of eminent domain as a matter of Federal law. This is the right to condemn and acquire private property—whether the owner wishes to sell or not. In the past, the power to grant eminent domain has been reserved to the states—except in the case of natural gas pipelines and electric power lines.

Pipeline advocates cite those two exceptions as analogous to their own situation. But they are not. In both of the exceptions, the commodity being transported cannot be delivered feasibly in any other way. This is not true of coal slurry lines—as the railroads have demonstrated.

Also, in both the exceptions, the industries involved are strictly regulated. As things now stand, this would not be true of coal slurry lines.

Railroads can obtain eminent domain on the state level, but they, too, are strictly regulated.

Coal slurry pipelines, as presently visualized, would have an advantage denied to the heavily regulated railroad industry. They would not apparently be bound by the same requirements usually applied to "common carriers."

Railroads are common carriers. They must accept all traffic—whether the shipments are large or small and may not, in general, enter into long-term contracts guaranteeing a steady flow of traffic.

Unit train operations approach this last situation, but railroads are not permitted to confine themselves to unit train operations. If a shipper wishes one carload to be moved, railroads must provide the car and the power to move it.

Although the legislation before Congress seems to view coal slurry pipelines as common carriers, it is clear that the practical meaning of the term will not be the same as when it is applied to railroads.

Here are the words of a pipeline proponent in outlining for his colleagues some of the conditions necessary for a pipeline system to be "competitive" with rail:

"Large and reasonably constant tonnages must be transported from a single origin to a single destination for at least 15 years, preferably 20 or more. Less desirable economics will be obtained when multiple sources of coal must be gathered and batched through the high volume trunk pipeline. Multiple destinations, each requiring its own recovery operations, would have a detrimental effect on the ability of a pipeline to compete."

Thus, it would seem that a slurry pipeline would operate, not as a common carrier, but as a contract carrier.

A pipeline would be set up to operate between a single large producer and very few large consumers—skimming the "cream" of the coal traffic and leaving the railroads to serve small producers and small consumers.

At present, the prospect of increasing coal traffic is one of the brightest spots in the railroad picture. The diversion of the more lucrative portions of this traffic would be a serious blow, further impairing railroad earnings potential and reducing their ability to move other commodities such as grain, lumber, food products and manufactured products.

WHY SHOULD THE PUBLIC OPPOSE SLURRY PIPELINE LEGISLATION

There is no question that the public has a strong interest in the transportation of energy-producing products.

But these products—coal included—are being transported by existing systems. There is no valid reason to believe that existing systems cannot handle any projected increases—and handle them economically.

The public also has a strong interest in a sound transportation system—not just for coal, but for all the millions of tons of commodities and products which must be moved each year.

Pipeline proponents argue that the asserted economies of their operations would be of benefit to consumers of energy. Leaving aside the questionable nature of these assertions, it should be noted that consumers of energy are ultimately consumers of a wide range of products—most of which move by rail.

If rails lose the opportunity to transport coal because it is moving in pipelines, they lose revenue needed for investment. This means the cost of needed investment must be borne by the transportation of other commodities—with the result that any savings on energy would be offset by increases in the ultimate cost of other goods.

Railroads have been—and continue to be—the backbone of the nation's transportation system, providing as much intercity freight transportation as all the barges, trucks and planes combined.

Legislators and regulators are now coming to the realization that the transportation system of the nation has evolved in an unbalanced, irrational manner—and that it has done so, in large part, because of government promotion of certain modes to the disadvantage of the railroads.

The government built the highways over which trucks haul their goods in competition with the railroads—competition made tougher by the provision of this right-of-way at less than full cost for the largest trucks.

The government improved the waterways upon which barges move goods in competition with the railroads—competition made tougher by the fact that the water carriers contribute nothing to the cost of these rights-of-way.

Now, the railroads note, it is proposed that the government grant special privilege to still another competitor—for which there is no demonstrated public need.

MAIL COST MUDDLE

Mr. GOLDWATER. Mr. President, on May 28, a bombshell fell upon mail users. This day a lone administrative judge ruled that $900 million would be added to the postage costs of publications, libraries, and parcel post users. This would result from a reduction of a cent and a half in the cost of first-class postage that would be transferred to the cost of other mail classes.

Now, Mr. President, I certainly do not resist any effort to lower the price of a first-class letter sent by the average American private household or to improve the service that a citizen gets for purchasing that stamp. But I most certainly do challenge the contention that the way to do it is to increase the cost

of other mail users. In particular, I strongly oppose the facade of telling a housewife she will pay less for mailing household mail when actually she will pay more in the end result, because of higher costs for other mail services she uses, such as parcel post and subscriptions.

Mr. President, I would remind my colleagues that the Postal Service is supposed to be exactly that, a service to the American public. Even though Congress did enact a postal reform law, it did not mandate that the post office must break even on every category of mail. To the contrary, Congress had in mind important historical purposes of the mails which it wished to continue.

For example, section 101(a) of the postal reform law clearly specifies that the "U.S. Postal Service shall be operated as a basic and fundamental service to the people by the Government of the United States * * *." I believe it is clear from this and other provisions of the act that Congress placed a higher value on the benefits of communication through the mails than it did on achieving a self-sustaining basis for the Postal Service and that Congress intended that whenever there is a serious danger to the communications needs of the public, it is the good of the people which is supposed to prevail.

It is in this regard that I am disturbed at the ramifications of the recent administrative ruling, if it should be sustained by the Postal Rate Commissioners, who will be reviewing it. For should the giant increase of nearly $1 billion be placed upon other classes of mail, it is a burden of such magnitude that many nonprofit and profit magazines and newspapers that depend on mail delivery will simply have to fold up. Libraries will be forced to curtail their book-by-mail services and their book purchases, about half the books purchased by libraries being delivered by mail.

Any time the public is deprived of a broad range of sources of culture and information that it is now getting, we cannot know what drastic changes in society may be set in motion. If church magazines or pamphlets find it too expensive to be distributed in the mails, if retired persons associations are unable to meet the costs of sending their news bulletins in the mails, or if county weekly newspapers that service the special needs of local communities disappear, who can predict what the impact upon the culture of the American people might be?

Mr. President, our society is based upon the premise that a self-governing people will receive the knowledge and varied information that is necessary for us to make responsible decisions. This is what concerns me so much about any possible change in mail service that may destroy the circulation in the mails of a broad spectrum of information, opinions, and news from which the public can choose.

Mr. President, there have appeared recent editorials on this subject which I would like to bring to the attention of the Senate and the reading public who receive the RECORD. I ask unanimous consent that the editorial of June 7, 1975, which appeared in the New York Times, entitled "Misplaced Principle," and the editorial of June 9, which appeared in the New Republic, entitled "Mail Muddle," be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 7, 1975]

MISPLACED PRINCIPLE

The best that can be said for the recommendations of the Postal Rate Commission's administrative law judge is that they would stop the skyrocketing of first-class postage. Far from endorsing the Postal Service's plan to raise the price of a first-class stamp still further from 10 cents to 13, Judge Seymour Wenner would reduce it to 8½ cents—a fair commentary on a service that is, if anything, less satisfactory than it was five years ago. But the way he would accomplish this end is considerably less acceptable than the purpose.

The plan, which fortunately must go through a long process before it can be adopted, would save money for users of first-class mail at the cost of higher rates to other users—including those who depend on the mail for their magazines. Worse than these potential boosts themselves is the misguided concept that Judge Seymour Wenner now seeks to fix in concrete. Going beyond the Congressional admonition that the Postal Service is a business and must pay its own way, his principle is that each branch of the service, each class of mail, must meet its own operating costs and share of the overhead.

For a public service corporation, such a position makes no sense at all—and it can acquire none by the insistence that this was the will of Congress when it created the Postal Service. While Congress did stipulate—fatuously, as it turned out—that the service was to pay its own way, it did not forget the historic role that the mails were to play in disseminating information to the public and raising the educational level of the nation.

Hear Senator Goldwater of Arizona, not always noted for his defense of public spending: "When it comes to a choice between the ability of the public to obtain a wide range of educational, literary and news information through a variety of publications, or the ability of the Postal Service to be totally self-sufficient, I am certain Congress intended for the function of information to prevail."

If the rate commission passes along the judge's recommendations without change to the board of governors, that body can and should reject them. But in the long run, it is up to Congress to discard unequivocally the notion that cost accounting takes precedence over the public good in so vital a service as the delivery of mail.

[From the New Republic, June 9, 1975]

WHO LOSES? MAIL MUDDLE

In July 1970 Congress passed the Postal Reorganization Act, dedicated to the proposition that a government corporation, free of many political constraints, would do a more efficient, cheaper job than the old Post Office. One of America's leading postal authorities, Wayne Fuller, writing in his book *The American Mail* in 1972, said: "Tired of the responsibility of managing the postal service, unwilling to find the money necessary to rebuild the old establishment after so many years of neglect, and most of all worried about the postal deficit, which even in 1970 still did not claim nearly as much of the government budget as it had in 1890, Congress gave up its control of the system, not even bothering to keep its veto power over increases in postal rates."

Last week administrative law Judge Seymour Wenner, whose previous experience was a hearing examiner for the Civil Aeronautics Board and the Federal Power Commission, issued a ruling on new postal rates, which if accepted by the Postal Service Board of Governors, will profoundly change mail service in America. The chickens suddenly all came home to roost.

The Wenner ruling is disguised as a break for the consumer, the lowering of the price of a first-class stamp from 10 cents to 8.5 cents (how, incidentally, does one buy one 8.5 cent stamp?). That would result in a loss in revenue of $750 million and would be recovered by soaking the other three classes of mail, especially second and fourth class mail users. Second class makes up about 10 percent of all mail; fourth class has already lost more than 50 percent of the package business to the more efficient and cheaper private United Parcel Service. Both classes are already declining in volume. In the case of second class, under Judge Wenner's ruling, the average cost of mailing a copy of a magazine will be 11.7 cents. In general second-class rates would double. Weekly magazines are unlikely to be able to survive at these rates, and this will cause pressure to cut circulation or to go biweekly, monthly or even quarterly. All magazines and newspapers that depend on mail delivery will be at an increasing competitive disadvantage to other media, particularly TV, for advertising.

The average American household mails about 200 letters a year (mostly bill payments), so it would stand to save about three dollars under this recommendation. Any household mailing a few parcel post packages of five pounds would lose more than it saves on letters to the new 67 percent higher rates for packages. Those that continued to subscribe to magazines or buy from mail order concerns would also be adversely affected. The gainers in the revision of rates would for the most part be the largest users of first-class mail, namely banks, utilities, oil companies and department stores. Whether those savings would be passed on to the customers is an interesting unanswered question.

The administrative ruling goes beyond even the recommendations of the officer of the commission who allegedly represents the "public interest" at the ongoing rate hearings. It is precisely this point—what is the public interest?—that is at stake. It's not a technical matter, but a political one that must be worked out in the give and take of politics. The officer and Judge Wenner have concluded that the cost allocation system of the Postal Service is wrong and that "Everytime a person pays 10 cents to mail a first-class letter he is contributing almost two cents to pay the costs of other services." Is this really so, or are these rates necessary to support the postal delivery system generally?

The Postal Service is a wondrous animal, having offspring in every hamlet of America. The Postal Service should be much more cost efficient in its mechanization of mails and in labor policies, but few would expect it to save by closing down local post offices. Further, traditionally the Congress has supported the idea that educational materials, including newspapers and magazines, farm journals and so on, should be allowed entry to the mails at lower rates. Until 1970 it was always considered worthwhile to spend public funds for our primary communications system. The Postal Service is now fighting for its existence, pending a giant bail-out (the deficit this fiscal year is over $800 million with still existing subsidies of over $1.5 million). The Wenner ruling would further increase this deficit, because volume decline in second and fourth class mail brought on by higher rates would prevent the full recapture of the $750 million reduction in first-class revenue. This would then generate a new cycle of higher rates and lower volume.

Changes are needed in the Postal Service, but this is not the way to achieve them. As things now stand the Postal Rate Commission will forward its decision to the board of governors of the Postal Service by the end of July. If they approve new rates would become effective in September. In the meantime there is the possibility that the Postal Rate Commission itself will turn down this deceptively simple measure and follow the recommendations of the Postal Service for increases in all classes of mail to meet soaring costs. There is then the prospect for new legislation in Congress in the winter, long studied by the Hanley House subcommittee, to compensate for the worst aspects of the reorganization. Allowing rates to be set by experts, whose conception of the public interest is an idiosyncratic matter, has been an unforeseen and high price to pay for the 1970 Postal Reorganization Act in terms of the diversity of printed publications available to the public, and quality mail service.

THE PARENTS ARE RIGHT

Mr. BIDEN. Mr. President, almost every day we learn that another strong supporter of equal educational opportunity and civil rights believes that busing is not the means to achieve that end.

In a recent editorial entitled "The Parents Are Right," KYW-TV and KYW-radio in Philadelphia, commented upon a proposed plan to desegregate the Philadelphia schools. The editorial points out that black, white, and Spanish-speaking parents opposed the plans which would have called for extensive busing because the plans were not good for their children.

The editorial went on to say:

But forced busing makes no meaningful contribution to education. It does, as we've seen in other cities, upset lots of parents—Black and White—and it wastes millions of dollars better spent on improving our neighborhood schools. That's the real need, better schools where our children are right now.

Mr. President, I agree with the views of KYW. I commend the editorial to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PARENTS ARE RIGHT

We studied the staff proposal for desegregating Philadelphia's public schools, and we listened to what parents said in those public hearings.

These parents—Black, White, Spanish-speaking—from all over the city—were almost unanimously opposed, because they did not think those plans were good for their children, or for other children, regardless of color.

We think these parents are right. And if they're right, the Pennsylvania Human Relations Commission, which has been pushing desegregation, is wrong.

It's not easy to deal reasonably with such an emotion-packed issue, involved as it is with our hopes and fears for our children. And all our feelings come pouring out at the mention of busing, or neighborhood schools, or accusations of racism.

And the past history is against us too. There has been—there is right today—discrimination in our community. Discrimination in jobs; in housing. And no doubt about it, in the past school schools in Black neighborhoods often were not as good as those in White neighborhoods. Some of that has changed, but not enough yet.

But forced busing makes no meaningful contribution to education. It does, as we've seen in other cities, upset lots of parents—Black and White—and it wastes millions of dollars better spent on improving our neighborhood schools. That's the real need, better schools where the children are right now.

Well-meaning people, and agencies, like the Human Relations Commission, are bogged down in old battle cries of another time. Today's problems in Philadelphia are different because the facts are different. And the solutions must be different also.

Parents—regardless of color or neighborhood—see and understand this. They are asking the Philadelphia School Board to look out for their children in these changed circumstances. And that's what the School Board must do.

ACTION RECOMMENDATIONS FOR THE WORLD CONFERENCE OF THE INTERNATIONAL WOMEN'S YEAR

Mr. PERCY. Mr. President, recently I had the pleasure of sponsoring with Senator HUMPHREY and Representatives HOLTZMAN and FENWICK, a Congressional Symposium on International Women's Year (IWY). The symposium, with 118 Senate and House cosponsors, demonstrated congressional support for the year. More important, the symposium's discussions produced a meaningful platform for congressional action throughout the year.

However, without follow-up action, the symposium, no matter how successful, would be useless to the cause of advancing the status of women. Women have suffered enough empty rhetoric, and what is needed is action. I am, therefore, very pleased today to share with my colleagues the symposium's first product, an extract of symposium recommendations pertinent to the June World Conference of the IWY. This extract has been sent to the IWY Secretariat so that its ideas will be incorporated into the background documentation and position papers being prepared for the U.S. delegation to the conference. I ask unanimous consent that the extract be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, just as it is necessary that the official position of the U.S. Government at the World Conference of the IWY reflect the concerns of Congress, so is it important that it reflect the views of nongovernmental organizations. Citizenship participation is critical to our democratic process. The policy of democratic governments cannot fail to be responsive to the opinions of their citizens. I would, therefore, like to share with my colleagues a paper prepared by the Center of Concern's Women's Project, "Women's Issue, and United States Policy at the International Women's Year Conference in Mexico City."

I ask unanimous consent that the paper be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

[EXHIBIT 1]

CONGRESSIONAL SYMPOSIUM ON INTERNATIONAL WOMEN'S YEAR ACTION RECOMMENDATIONS FOR THE WORLD CONFERENCE OF THE IWY

SUMMARY OF SYMPOSIUM RECOMMENDATIONS FOR IWY CONFERENCE AGENDA ITEMS (NO. 7-11)

7. Objectives and Goals of International Women's Year: Present Policies and Programs

1. Although American women have made significant advances toward *de jure* equality, they are still virtually excluded from decision and policy making positions in all walks of life. In short, American women have not found access to the country's established power structure. If American women are to achieve equal rights, opportunities and responsibilities with men, they must learn the exercise of power and gain access to and participation in the inner circles of the country's power structure.

2. Although America is the wealthiest nation in the world, America is not free from poverty. As in other countries, women and children are the most helpless victims of poverty, comprising the overwhelming majority of America's welfare population. The plight of our women and children on welfare needs serious consideration. Welfare laws need improvement so that every American can be assured an adequate income, a dignified life, and some choice of life-style.

3. America has achieved an excellent record in enacting anti-sex discrimination laws. However, these laws have generally been inadequately applied. Strong enforcement has been lacking. Moreover, anti-sex discrimination laws in themselves are not enough. In addition to strong enforcement, positive measures to redress past discrimination are also needed. Some suggestions to strengthen enforcement of anti-sex discrimination laws include: federal agencies charged with enforcement responsibilities must be assured adequate funding and staff support; the qualifications of individuals nominated to direct enforcement agencies must be carefully scrutinized to assure their commitment to strong enforcement of the laws.

4. America has been unique in the extent to which it has used laws to provide equal opportunity. However, there is still room for improvement:

Federal employees are currently denied the same right to equal employment opportunity now guaranteed to employees of private industry. This situation needs to be corrected.

Adequate child care services are generally lacking in America. Legislation to provide such services is needed. Also, child care expenses ought to be recognized as a business deduction under the U.S. tax code.

The inequities in the Social Security system, based on traditional notions of dependency—men are heads of households and women are wives and dependents—need to be removed.

8. Involvement of women in strengthening international peace and eliminating racism and racial discrimination

1. Women have achieved less than token representation in the foreign policy area. Women's perspectives, experiences, and values have, therefore, not been adequacy represented either in U.S. foreign policy or in international affairs. In the diplomatic arena, women should have the opportunity to demonstrate the positive qualities of flexibility, practicality and compassion which are so necessary to the achievement of world peace and development.

2. Governments and institutions should make formal commitments to hire and appoint more women to decision making positions in both national and international foreign policy forums. This should mean more women in ambassadorial ranks, on delegations to international organizations and on

delegations to international conferences of all kinds and at all levels. Specific rather than general goals should be established for this purpose.

9. Current trends and changes in the status and roles of women and men, and major obstacles to be overcome in the achievement of equal rights, opportunities and responsibilities

1. America has effectively overcome, by and large, legal barriers to equal rights, opportunities and responsibilities for women. Attitudinal prejudices, however, persist, perpetuating sex-role stereotyping which limits women to traditional roles. Research, the mass media and public education must be harnessed to help expand the traditional societal view of woman so that women and men might both enjoy open options to pursue and fulfill their true potential and worth.

2. To dispel myths and stereotypes, data on women's real contributions to the country's social, cultural and economic fabric need to be compiled. More accurate statistics on the hiring and promotion of women in all employment sectors are needed as baselines for measuring the progress of reform efforts. Mass media and public education must be sensitized to project accurate images of American women.

3. Women should have equal access to training and post-secondary education to prepare them for non-traditional positions. In addition, expanded financial aid programs should be made available for this purpose.

4. Women are not only entering politics at all levels of government and running for elective office in increasing numbers, but they are also using their new political power to achieve greater social and legal equality. There is no question, however, that the wielding of political power continues to be dominated by men and that policy decisions are strongly influenced by the perceptions and misperceptions of decision makers.

Women must build a strong coalition in support of other women to fight discrimination, to define rights and responsibilities and to pursue opportunities. As consumers, women should seek to patronize women professionals. As voters, women should learn to encourage and support women seeking office. Through political education programs, local political activism, and participation in party politics, women should advance the role of women in politics. In addition, women should propose and lobby for legislation which permits greater participation by women in elective or appointive public office.

5. To assure American women and men basic equality of rights and responsibilities, the Equal Rights Amendment must be ratified. Strenuous efforts should be made to achieve ratification in the required number of States.

10. The integration of women in the development process as equal partners with men

1. In recognition of the fact that U.S. bilateral aid programs can have an adverse impact on women in recipient countries, the Percy Amendment to the Foreign Assistance Act was enacted to integrate women into all U.S. bilateral aid programs, both in recipient countries and in the aid-granting agencies themselves. As our foreign assistance resources decline, the mandate of the Percy Amendment must continue nonetheless to be carried out. One way to assure continued implementation might be to engage to the maximum the technical skills of professional women in the design, staffing, and field work for development programs.

2. To assure that women are fully integrated in all development programs, the Percy Amendment was extended to cover U.S. participation in multilateral aid programs as well. This second amendment needs follow-up action to achieve implementation.

11. World plan of action

1. The proposed World Plan of Action is a weak document. Its most obvious weakness is its conception of women primarily in terms of their breeding function. Women are not recognized as full persons or individuals in their own right. Moreover, the Plan casts women in secondary roles as passive receivers. If the Plan is to be of any use, it must be recast so that women are treated not only as mothers and passive receivers but also as full persons and activists.

2. The Plan also fails to identify the essential ingredient in improving the status of women—power. If women are to achieve equal opportunity, rights and responsibilities with men, they must have greater access to existing power structures which include, but are not limited to, executive positions in government, business, industry, labor and politics. Individual women professionals must be aggressively nominated and supported for specific positions, particularly as ambassadors, members of delegations to foreign countries and executives of agencies which deal with international policies and programs.

3. The Plan should be a basis for the women of the world to acknowledge that the condition of womankind is universal, that women share a common plight and common goals despite national frontiers, language barriers, and cultural differences. Thus, the Conference and the Plan should concentrate on the real issues of concern to women and avoid diversions to extraneous political issues.

4. The Plan should urge implementation of the World Population Plan of Action and of the resolutions adopted at the World Population Conference. The economic and social development outlined in those documents is critical to the progress and well-being of nations. In accordance with the World Population Plan of Action, women must seek to aid their national governments in developing population policies. Economic and social development cannot be achieved unless women participate actively in the population policy development and implementation.

5. Women cannot wait for development to resolve their problems. On the national and local levels, women must take advantage of the liberalizing effects of economic development to press for reform in the areas of women's rights and roles in society. In addition, women must work to reform labor laws to reflect the changing role of women in society and specifically must seek professional service careers in health and education to remove discrimination in those services and enhance their quality and availability.

6. Governments should commit themselves to the implementation of the Plan of Action. In addition, governments should encourage non-governmental and international agencies to support IWY-generated programs and procure adequate funding for such programs. An effective review and appraisal system must be built into the Plan of Action to ensure the implementation of the Plan's recommendations. In addition, the Plan of action must be systematically disseminated to individual governments and specific institutions where actual implementation must take place.

[EXHIBIT NO. 2]

CENTER OF CONCERN—FOCUS: TOWARD A WORLD THAT IS HUMAN

INTRODUCTION

On June 19, 1975, the United Nations International Women's Year Conference will open in Mexico City. Concurrent with this Conference for government representatives, the UN will sponsor a Tribune for representatives of Non-Governmental Organizations (NGO) and interested individuals. Within the context of the official program prepared by the UN Secretariat for the Conference, two potentially conflicting "agendas" are already contending for acceptance.

The "first agenda," emphasizing programs of women that have traditionally received much attention from women such as improved education, better health care, employment opportunities, etc. will stress that the effort for improving the life of women be continued within existing national and international structures. The United States will align itself with this position. The "second agenda" while recognizing the importance of traditional concerns of women stresses that improvements in the life of women can take place only if there are fundamental changes in the present world order. The Declaration of the New International Economic Order (NIEO) and the Charter of Economic Rights and Duties of States (CERDS) will form the platform for those espousing this position, mostly women from the developing countries.

The Conference participants will be in general agreement that if the themes of IWY, equality, development, and peace, are to have any real impact on the lives of women throughout the world, changes will have to occur at all levels of society in every nation. The need for restructuring at the individual, community, and national level seems self evident. The need for political and economic reordering at the government level to meet new social demands is also clear. Less obvious and more difficult to grasp is the need for major changes in structures at the international level. Those advocating the "second agenda" claim, however, that without these latter changes, community and national renewal can, at best, modify the appearance of women's situations without bringing any real improvement.

The success of the IWY Conference, to a large degree, will depend upon the manner and degree to which the differences in the two "agendas" are integrated into the Conference proceedings and its final documents.

THE UNITED STATES AND MEXICO CITY

The US position papers for the Mexico City Conference are now being prepared. Their content will be important for the prestige of US leadership in world affairs, and critical for the effectiveness of International Women's Year. A Congressional Symposium on IWY on May 13 and a subsequent State Department briefing for members of the IWY National Commission and NGO representatives identified two key elements which will be basic to US policy:

(1) "Women's issues" should dominate the discussions. US policy makers feel that at recent UN-sponsored meetings, such as Bucharest and Rome, discussions about international economic and political issues diverted the proceedings from the issue under consideration and led to conflict and polarization. They fear that issues such as the elimination of illiteracy, improved maternal health, and integration of women into development will not get the attention they deserve at Mexico City unless some way can be found to downplay international political issues.

(2) NIEO and CERDS should not become the focus of the discussions. Although the US is showing signs of shifting to a more amenable position on the new economic demands of the developing nations and had admitted that it can agree with about 70% of the NIEO and CERDS, it is still strongly opposed to any extensive discussion of those documents at Mexico City. In policy makers' eyes, the up-coming 7th Special Assembly of the UN scheduled for September of this year is the proper arena to deal with these highly controversial documents.

How hard and fast the US delegation will hold to these positions in Mexico City is hard to determine at this point. A new openness, even if limited, on the part of Secretary Kissinger during his European trip suggests that US policy makers are willing to talk about economic structures. If a new attitude could be perceived at the Mexico City Conference its impact could be threefold. It would provide much needed proof of the seriousness with which the IWY Conference is viewed and, most importantly, give a convincing demonstration of the contribution women might make to a more just world order. It could also lead to a change of present negative feelings of many Third World countries toward the United States. The key to achieving these goals seems to be the definition of "women's issues."

"WOMEN'S ISSUES" FOR THIRD WORLD WOMEN

The majority of the women in the world live in developing nations. They live in nations where the average yearly per capita income is less than $1,000 per year.* These low incomes mirror other deficiencies in the society: massive illiteracy, in many instances as high as 90% among women; non-existent transportation facilities; scarce drinkable-water supplies; minimal education and health-care services.

SOCIETAL REALITIES

In these Third World societies of scarcity, life has always been hard; deprivation has been the common lot. Customarily, however, women have borne and unfair share of the burdens involved. They are the last served both in the home and in society at large. In more recent times with the introduction of elements of Western life, the hardships for women have increased. New and different attitudes about the roles of women, for instance, have mingled with the old and in some societies have undermined what limited status women have had. Industrialization has cut women off from traditional sources of income. Women have been excluded from many tasks previously theirs, such as that of community healers, because these skills have been professionalized, demanding extensive education, often based on Western technology, not open to women. Also, skills and the knowledge based on local medicinal plants and materials that women have developed have been lost or suppressed.

The national resources and potential for growth in many of these countries stands in sharp contrast to the common conditions of life for the people. Some nations possess minerals essential to the continued growth of the industrialized nations—copper, bauxite, petroleum, uranium, etc. Other countries are sources of important crops—citrus fruits, vegetable oils, cotton, cocoa, coffee, tea. The disparity between the richness of resources and the poor conditions of life has raised many questions.

Twenty years ago economists were predicting that industrialization would set the stage for rapid economic growth in these still developing nations leading inevitably to an improvement in the lives of the people. In vast areas, however, such rapid growth has not occurred. In fact, the gap between rich and poor nations has increased. Thus, a second, harder look at the development process has now been underway for a number of years. This review has uncovered some marked differences between the story of development in the West and that in Asia, Africa and Latin America.

DEVELOPMENT, A SECOND LOOK

The nations of Europe, North America, and Japan have long had control over their own political and economic institutions. Not so the nations of much of the rest of the world. The latter have been subjugated to one or more Western states for a significant period of time during the past 300 years. Even though political domination has ended (with rare exceptions) economic control continues. Business and economic institutions are still largely in the hands of the foreign corporations and the financial interests which developed them. Alternative sources of money for local entrepreneurs and infrastructure investment are scarce. Thus the transportation and communication networks designed to bring products to export markets are still not able to serve domestic needs. Indigenous industries were often destroyed when local markets were flooded with cheap manufactured goods from foreign sources and many of these nations are still dependent to some degree on foreign imports for even simple manufactured goods. Domestic agriculture cannot meet local needs because it was developed for foreign markets. Coffee, cocoa or cotton are grown instead of food. Conversion to meet food needs is slow because the foreign exchange brought by these products is still desperately needed and because large land-holders are unwilling to sacrifice their profits to human needs.

Women, even more than men, bear the burden of slow, economic growth. When food is not available, they don't eat. Men and children come first. When money is not available women must carry water great distances because wells are not dug. Labor-saving, efficient tools for the tasks women do are not developed. Women do not receive the education essential to create healthy homes and provide nutritious diets for their families compounding and continuing the misery and problems of the whole society. The list continues.

The re-examination of the process of development has also made evident the substantial effect that international structures have had on growth within Third World nations, especially economic structures like trade patterns and the availability of suitable technology and short-term loans. These structures were developed by the industrial powers to serve their own interests. They do not meet the needs of the currently developing states. Some development experts and economists are insisting that they be changed; that if nations are to meet the needs of their people, they must have control of the raw materials within their jurisdiction, they must receive fair prices for their products, they must have access to world markets, and they must have the same access to monetary resources as do developed nations. In sum, they must effectively participate in world economic decisions.

WOMEN'S PERSPECTIVE

Most of the women of the Third World who have the privilege of education and the opportunity to be involved in their nations' public life share with their leaders the conviction that present international structures condemn their nations to dependency and poverty. They believe the improvement of the conditions of women in their societies rests in part on a change in the organization of international economic society. These women believe that control of resources, foreign investments, and the activities of transnational corporations, and the right to nationalize, with appropriate compensation, foreign-owned property, especially resources, are as important to the well-being of their sisters as improved educational facilities, better health care, and the creation of new employment opportunities. Both are "women's issues" and, without the former, the finances for the latter will not be available. They feel that strengthening of the UN system, guaranteeing equal rights for every nation, a policy of non-interference in the internal affairs of other nations, a ban on the threat of force, world-wide disarmament and the investment in developing nations of some of the resources thus saved are issues that are as relevant to Third World women as efforts at population control, voter registration campaigns, and investments in higher education.

The women and men who will represent developing nations at the IWY Conference at Mexico City will come prepared to discuss these and similar complex issues which are embodied in the New International Economic Order and the Charter of the Economic Rights and Duties of States.

WOMEN'S ISSUES FROM AN AMERICAN PERSPECTIVE

While women in the Third World have been struggling with problems of development, women in the United States have had to grapple with the problems of an increasingly dehumanized, technically-advanced society. The latter women in growing numbers are becoming aware of how they have been traditionally isolated from public discussions and excluded from policy and decision-making positions. One effective mechanism for doing this has been to label some issues "women's issues." In addition to limiting the number of issues included under the label, the "women's issues" approach has also served to move to the edge of public concern, problems that call for society to act in a caring, nurturing way. Thus, children's, especially girls', education, maternal and child health care, the improvement of women's employment conditions are all "women's issues." Once, however, the economic and political impact of a "women's issue" becomes widely evident, the issue moves into new importance and becomes a societal issue. Thus, within the past few years, women and population control, the role of women in food production, and, therefore, the importance of some kinds of technical education for women have attracted much public attention and money. They are no longer "women's issues."

Many women are, however, beginning to develop a new perspective about "women's issues." They have come to see that:

(1) The attention or lack of attention given to social welfare issues such as health care, treatment of criminals, education, etc., in a society has a profound impact on all aspects of societal well-being. The issues chosen for attention; the amount of time, money and energy invested; the approach selected; and the underlying philosophy; all reflect and support the values society holds. Society's well-being should not be the exclusive concern of any one group. Labeling some issues "women's issues" and thereby relegating them to the margins of social life has impeded the building of a just society.

(2) The exclusion of women from other areas of decision-making leads to the establishment of priorities that negate key human values. The isolation of women leads in time to the exclusion of the feminine dimension from the public arena. The healthy tension between masculine and feminine characteristics disappears and an exaggerated masculine ethos dominates public life. Aggression, competition and power become the commanding social themes. The effect of this social environment on many women (and men) is devastating—if they are true to themselves, they are always in conflict with the larger society. The conflict will end only when women are fully integrated into society life—when all issues are recognized as women's issues.

(3) The ban on full public participation for women also deprives society of half of its human resources. The isolation of women first limits the opportunities women have to develop their individual and collective gifts and then, restricts the manner in which the skills and talents of women can be used for the benefit of all.

The insights women have gained from considering the question of "women's issues" are

*There are 51 nations where the average yearly per capita income is less than $1,000. For 42 of these nations it is less than $500—including the 11 poorest where the average is $100 or less per year. In 1972, the average per capita income for the United States was $5,590.

reflected in their assertion that there are in fact no "women's issues"— only issues which persons with varying perspectives and experiences prioritize differently. Among those women who have had the opportunity to take part in this reflection, the disarmament issue is by right as much a focus of women's concern as adequate child-care centers. These women are insisting that the full integration of women into society means that they, and their perspective, are a part of every social dialogue.

In spite of this new sophistication about women's interests, however, not a few American women going to Mexico City will be unprepared for the challenge from Third World women. Few women from the United States have extensive experience meeting and sharing with women from any other nation. Most American women have little or no appreciation of the real problems faced by women in the developing world. This is understandable. In-depth news and sympathetic analysis about other nations is not available to most citizens. This is especially true of information about the invisible world of women and their situations.

Because of this information gap, many of these women will be unaware of the fact that their own interest areas vis-a-vis women reflect problems or concerns unique to an affluent society. They may well expect that issues of US domestic debate, the right to abortion, equal work opportunities with men, etc., will be the framework for most discussions, especially those in the Tribune. Since this will not be the case, there is a very real danger that the American women will be isolated.

The women's movement will suffer if this is the case. It will even be seen as the activities of privileged, affluent Western women and thereby dismissed by many men and even women from around the world. Women in most need will have the added burden of having to struggle against the impressions created by women who have already made substantial gains.

CONCLUSION

The Mexico City meeting is important to women. From it will come strategies for improving the living conditions of women everywhere and for integrating them fully into societal life. But more is at stake. In the past, women have not been aware of the extent to which the masculine ethos has dominated society, especially perhaps Western society. In public life, women, unsuspecting the consequences, accepted the established rules of the game—the values, priorities, and processes developed by men. Women's consciousness is now changing. Women are questioning the wisdom of their past course while recognizing how little opportunity there was for any other. Mexico City offers the opportunity for women to test their new consciousness.

The key question in world politics today is whether Third World nations with their emerging solidarity in the UN will be able to persuade the powerful, affluent nations, especially the US, to adopt a drastically altered but more just perspective on international economics. At recent UN Conferences, Bucharest and Rome, the United States has attempted to sidestep this central challenge by concentrating in piecemeal fashion on particular issues while ignoring their total socio-economic context. In the past month or two there have been indications of change in this practice: the State Department officials' concession that there is validity in the Third World nations demand for a change in the international order, for example. This seeming shift is now accompanied by specific proposals for additional policy modifications by women who in their struggle to build a more human world look at the international arena with different eyes. The Mexico City Conference is an ideal opportunity for the United States to move beyond an out-dated policy toward new understandings and cooperation with the active support of its women.

The Mexico City Conference is, therefore, an occasion to initiate change, profound change. Whether or not this change will take place depends upon some yet to be answered questions: Will women identify common values and priorities despite wide variations in culture, conditions of life and national agendas? Do women share some basic experiences that surmount the barriers between them? Can women overcome the handicaps of inexperience, lack of confidence and establish processes that further their values and priorities? In all this, the United States stance will be important. Between now and June 19th, US officials must decide what that stance will be.

CHILD NUTRITION PROGRAMS

Mr. McGOVERN. Mr. President, the Agriculture Committee, under the able and dedicated leadership of Senator TALMADGE, has completed action on legislation I have introduced to extend and improve our important child nutrition programs.

The Senate Nutrition Committee, which I chair, has received thousands of letters in support of this measure. Food program administrators, health professionals, and program participants have joined in opposing the administration's proposed cutbacks, and are unanimous in urging adoption of the humane and progressive kind of legislation which will soon be voted on in the Senate.

One of the most thoughtful and persuasive letters I have received is from the chairman of the Michigan House Committee on Public Health, Mr. Raymond W. Hood. His committee recently completed a series of six hearings on hunger and malnutrition related problems. It is clear from his letter that all the Nation's feeding programs have been reviewed. A complete set of the testimony taken has been sent to the Nutrition Committee, and is currently under close study there. In addition, the staff of the Nutrition Committee has met personally with Mr. Hood's staff to discuss their results.

Mr. President, this letter is very comprehensive in its observations of our nutrition programs, and deserves the close attention of members of the Senate. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

May 20, 1975.

Hon. Senator GEORGE MCGOVERN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCGOVERN: The Committee on Public Health of the Michigan House of Representatives has just concluded a series of six public hearings on hunger and malnutrition. These hearings were held in Muskegon, Flint, Detroit, Escanaba, Grand Rapids, and Gaylord, and drew witnesses who were recipients of various food supplementation programs, administrators, health professionals, and a host of other interested parties. We heard testimony in rural areas and in urban areas, from young and old, from Native Americans, Latinos, and the handicapped, from senior citizens and new mothers. Everywhere we went, the response we got from the public stressed increasing need in the face of declining resources. Indeed, it was repeatedly pointed out to us that many existing programs (WIC, NSLP, summer feeding program) were in jeopardy of being cut back or eliminated in favor of block nutrition grants to the states.

As Chairman of the Michigan House Committee on Public Health, I would like to voice my strenuous objection to any reduction in the level of Federal funding for existing nutrition programs and to go on record in favor of the expansion of such programs during this period of economic dislocation. In particular, I would like to indicate my support for an expansion of the Child Nutrition Act along the lines of S. 850, recognizing, as it does, the critical nature of adequate nutrition for the pregnant woman and growing children. The block grant approach may have theoretical merit, but its practical application would find most states ill-prepared to manage the funds for maximum health impact.

In the area of food stamps, I respectfully request your Select Committee on Nutrition and Human Needs to re-examine the food stamp certification procedures established by U.S.D.A. as they apply to migrant workers. Here in Michigan, the collateral call requirement for zero-income households places a particular burden on migrant families. I would also like to suggest that the required periodic re-certification could perhaps be accomplished by mail for persons who have not had a change of status, with spot audits as a check on frauds.

Nutrition education was another compelling need which arose constantly during our public hearings. Activities such as the Expanded Nutrition and Family Program, food stamp nutrition education, and school lunch educational activities need to be strengthened. We also appear to need support for better nutrition education for health professionals and social workers.

Finally, the desperate plight of our senior citizens needs added attention. Title VII funding in Michigan reaches, at most, 10 per cent of those elderly residents in need. The congregate meals program should be dramatically expanded and funding should be provided for transportation assistance as well. It may also be beneficial to consider the WIC program as a prototype model for a similar endeavor for senior citizens. Nutrition education, of course, should be a component in any senior citizen food project.

These suggestions are offered to you in a spirit of cooperation and support. Your Select Committee has been instrumental in improving the quality of life for innumerable citizens in this nation. I am most grateful for your efforts and pledge you my assistance to the degree necessary to achieve our mutual goal of eliminating hunger in America during our lifetime. To that end, I have requested my staff, James Havel, to provide you with copies of the printed testimony received by our committee.

If possible, I would appreciate it if you could enter this letter into your records at an appropriate place in the proceedings of your committee.

Thank you for this opportunity to share my views with you. I hope that future circumstances will permit me to meet with you in person to discuss these concerns in greater depth.

Sincerely,

RAYMOND W. HOOD.

AIR FORCE RESERVE ADOPTS A SYMBOL FOR THE BICENTENNIAL

Mr. GOLDWATER. Mr. President, we are rapidly approaching the 200th anniversary of our great Republic and we are also at that time going to celebrate the 200th anniversary of the founding of our Army. The Army being the queen of battle took over the development of the Wright brothers, the airplane. First this came under the Signal Corps of the Army, then later the Army developed the Air Corps and finally in 1947 the U.S. Air Force was made a separate part of our military system. While it is the youngest part of the services, its contributions to the United States in war and peace can never be measured. Its contributions to the spirit and determination of young people in this country has been one of its strongholds.

The challenge ahead in our air forces is unlimited both on the ground and in the fields of administration, technology, but most of all in the air. It is only proper that the Air Force Reserve has adopted as its symbol for the Bicentennial celebration a plaque depicting in the background the shadow of one of the first soldiers to serve our land, and over this is the picture of an Air Force pilot in helmet with oxygen mask attached. This is all placed upon the blue of the Air Force and around it is printed, "Your Air Force Reserve In the Spirit of '76." I wish it were possible to have printed in the RECORD pictures so that my colleagues could see and appreciate this outstanding symbol which exemplifies the innovation of our Air Force Reserve.

THE ROLE OF TRANSNATIONAL BUSINESS IN MASS ECONOMIC DEVELOPMENT

Mr. CHURCH. Mr. President, there has been a growing concern throughout the United States and, indeed, the world, with the phenomenon of the multinational corporation. The concern has been manifest in Government agencies, here in the Senate through the creation of the Subcommittee on Multinational Corporations, which I chair, and international organizations, such as the United Nations which have had ongoing studies of the subject.

Concern, however, has not been limited to lawmaking bodies and public international organizations. Private citizens and church groups have been equally interested and have been debating the issues raised by the scope and dimension of national business operations.

In keeping with this growing concern and following its long tradition of social consciousness manifest over the years, the United Church of Christ through its church boards and foundation have commissioned a study of the role of international business in economic development by a panel of experts.

The study, which is a balanced, thoughtful consideration of the major issues and which is done from a moral and theological standpoint has led to the formulation of a proposed pronouncement which will be presented to the 10th general synod of the United Church in Minneapolis on the 27th of June.

In my judgment, this pronouncement will do much to further the dialog among concerned citizens and will bring to bear moral and ethical perceptions which legal formulations must overlook. I commend the United Church and the church people who have worked on this project. They have done a thorough, thoughtful job.

Mr. President, I ask unanimous consent to have a copy of the proposed pronouncement printed in the RECORD.

There being no objection, the proposed pronouncement was ordered to be printed in the RECORD, as follows:

A PROPOSED PRONOUNCEMENT ON THE ROLE OF TRANSNATIONAL BUSINESS IN MASS ECONOMIC DEVELOPMENT

(Recommended by United Church Board for Homeland Ministries, United Church Board for World Ministries, United Church of Christ Center for Social Action, United Church Foundation, and Pension Boards—United Church of Christ to the Tenth General Synod of the United Church of Christ, meeting in Minneapolis, Minnesota, June 27–July 1, 1975, for adoption as a Pronouncement. "A pronouncement is a declaration of Christian conviction on a matter of social principle, approved by the General Synod and directed to the churches and to the public." (63 GS 18) Submitted to the churches, the Conferences and the delegates to the Tenth General Synod for study and comment.)

WORLD ECONOMIC HEALTH—A CHRISTIAN CONCERN

The Tenth General Synod of the United Church of Christ, meeting in a period of widespread anxiety about world economic trends, seeks to help its constituency carry their due share of responsibility for the health of the global economy, in which the so-called "multinational corporation" is an important phenomenon. As citizens of the principal homeland of transnational business, American Christians are sensitive to the serious claims and counterclaims that surround transnational corporations on all continents. They are called to work for an increase of the positive contribution and a reduction of the negative consequence of such enterprise for human economic and social development.

Church thought and action regarding the role of transnational business in mass economic development is inspired by two central realities of church life—ancient biblical faith and contemporary ecumenical experience. Biblical religion teaches that it is the human vocation to be co-creator, dedicating all labor to the building of a just society on a well-cared-for planet in a universe given by God; the biblical ethic, expressed in thousands of stories and teachings, is "Thou shalt not harm . . . thou shalt serve," striving to realize the full potential of life on this earth for all. Today the largest voluntary society in the world, the Christian church has long been at work in every land where transnational business has recently been established.[1] The church everywhere experiences the impact of this tremendous new fact of economic life, weighing transnational business enterprise to see whether, on balance, it promises greater liberation or deeper exploitation. Social action agencies of both the World Council of Churches and the Vatican provide channels through which the worldwide Christian community pursues international economic justice.

[1] The religions of the world number more voluntary members than any other kind of association. *The Encyclopedia Britannica Book of the Year, 1973,* p. 600, indicates that 64.3% of the global population of 3,706 million belong to the seven major religions of the world. Their respective figures, rounded to millions, are: Christianity 1,024; Islam 529; Hinduism 478; Buddhism 268; Shintoism 60; Judaism 14; and Sikhism 10. Christianity thus counts 27.6% of the world's people and 43% of the total number of adherents of major religions.

GLOBAL PRODUCTION BUT A WIDENING GAP

The dynamism of transnational business is striking: production of foreign subsidiaries of transnational corporations now surpasses trade as the main vehicle of international economic exchange.[2] Through technological advance, managerial ability, marketing skill and access to capital, such corporations grow faster than purely domestic firms. From 1966–1973 their direct investment in other developed countries nearly tripled, and it nearly doubled in the developing lands. Although they presently account for but seven percent of the Gross National Product of the less developed countries and five percent of that of the industrialized nations, transnational corporations are proving to be effective producers of goods and services, and most developing countries invite their investments. Socialist countries, recognizing the innovative capacity of transnational corporations, negotiate special arrangements by which their private enterprise know-how can assist socialist economic development.

But the success of transnational corporations as international producers has, for the most part, been achieved by setting up plants abroad to do there what has already proven profitable in their homeland. They have invested primarily in other industrialized lands, or sought to encourage consumer society tastes in the less developed countries. Seventy-six percent of all transnational corporate investment is in the developed countries, and so are three-quarters of the jobs they have created abroad. A good part of the other quarter of investment and jobs is found in the most advanced of the less developed countries. Economically speaking, not much of the transnational firms has yet been seen by the bottom half of the world's people, and the gap between their income and that of the more fortunate nations and classes grows ever wider.

In order that they may make a more significant contribution to worldwide development, the transnational firms should be encouraged to accept the challenge issued by one board chairman to his peers: "We whose main markets are among the 20 percent of the world's affluent peoples must reach the decision that our own future lies in the enrichment of opportunities for the 80 percent who are poor. There is more profit and stability in enriching the poor than in concentrating on the rich. Poverty is a problem to be solved—not a standard to be endured."

The church should recognize that a reasonable profit is indispensable to the operation of any business, private or state owned. Transnational corporations cannot work for mass economic development in the same way as philanthropic foundations or subsidized service agencies. *Initial* investment in high risk areas of chronic poverty and instability may require a higher rate of return than in more favorable situations. But if there were a *continual* net outflow of funds from a poorer host country to a richer home country of a transnational corporation, the overall effect of that company's operations in that land would be antidevelopmental. Through justly determined transfer prices and technology changes between parent companies and their subsidiaries in developing countries, through fairly calculated tax payments, through substantial reinvestment of local earnings, and through repatriation of no more than a reasonable profit, transnational corporations can provide a very important contribution to the achievement of host country development goals.

[2] *Multinational Corporations in World Development,* United Nations, New York, 1973, p. 14, ". . . international production reached approximately $330 billion in 1971. This was somewhat larger than total exports of all market economies ($310 billion)."

Transnational business can raise the general standards of local employment and bring about increased productivity by providing proper working conditions and compensation. By recruiting workers without regard for discriminatory local customs, by training employees to realize their full potential skill, by paying wages that are proportional to their contribution to production rather than wages that are as low as possible, by providing benefit plans that communicate genuine concern for the worker as a person, by recognizing the right of employees to participate in representative workers' organizations, transnational corporations can inject hope in the midst of despair.

While transitional corporations cannot solve the vast problems of unemployment and underemployment among the swiftly growing population of the developing countries, they can make a strategic contribution to the host country's struggle with this issue. They are better able than smaller local firms to establish new manufacturing centers in remote regions lacking industries and job opportunities. They can locate new facilities near teeming cities with massive numbers of unemployed and underfed. In the agricultural and extractive industries, located where the crops and the mineral resources are to be found, they can upgrade the skills and the living standards of the populations whose labor they need, insuring that they receive a full share in the benefits of the economic modernization which transitional business begins.

TRANSITIONAL CORPORATIONS AND HUMAN RIGHTS

As a foreign guest, a transitional business enterprise must not intervene in the partisan political affairs of a host country, or in a host country's relationships with other countries, whatever their ideology. This political neutrality must not, however, lead the foreign corporation to participate in any kind of violation of human rights. While it has no legal basis for seeking to obtain political decisions favoring either the company interest or that of its home country, it has a moral responsibility to prod a host country guilty of repressive practices to respect, in all matters of production, employment and distribution, the principles of the Universal Declaration of Human Rights—accepted by member governments of the United Nations as "a common standard of achievement for all peoples and all nations." The church commends and supports firms which try to improve the lot of those in any society who are subjected to systematic injustice and repression. If any company chooses to continue to operate in a country where there is little justice and less freedom, it is only by effective efforts of this kind that its presence there can possibly be justified. But no company should enter any country with new investment if the government of that country has been declared illegal by the International Court of Justice or other qualified intergovernmental organizations.

Transitional business operations, even in countries that respect human rights and strive to improve the living standards of all their people, involve choices that raise issues of fairness. When a corporation closes down any part of its production in order to relocate a facility, it is morally obligated to assure that workers thus deprived of their present jobs have opportunity for other assignments or training for different kinds of employment. It should cooperate with government to secure for all such workers adequate income while they and their families are involved in this involuntary transition.

CHURCH ACTION: TO MAXIMIZE DEVELOPMENTAL IMPACT

The church is called by its faith to seek a greater contribution by transitional business to economic development at home and abroad and thus advance the welfare of all peoples. The church can have an important impact in four areas:

1. Local churches and conferences, through study groups mobilizing their own members who carry broad responsibilities in business, labor, academic, welfare and political institutions, should strive to obtain a better understanding of the operations of the economic system and the existing and potential role of transitional business in the system. With this background it should be possible to make a critical examination of the actual performance of transitional business and the extent to which it can or cannot contribute to meeting contemporary human needs on a world scale.

2. Through international ecumenical church relations American church people should seek the informed judgment of people in the less developed countries on the impact of foreign investment upon the developmental goals and general culture of their countries. Such information should help American churches to have a better understanding of the appropriate role of transnational business and to bring to the attention of the American management of transnational firms the perspective of candid fellow Christians in the less developed countries.

3. Members of the church and their leaders, after informing themselves thoroughly on the complex issues involved in the responsible conduct of transnational business, should contribute to (i) rational and temperate public discussion of these issues, (ii) efforts of informed persons and organizations to develop, in consultation with the corporations and their home and host country governments, guidelines for the conduct of transnational business affairs, and (iii) the establishment of lines of effective accountability for U.S.-based transnational corporations to both their shareholders and the general public from whom their corporate charters are derived, within a framework of U.S. Government policies favorable to socially constructive transnational business activities.

4. The churches of the United States, as substantial shareholders in many of the U.S. transnational corporations, need to face squarely the fact that how their money makes money is as truly an ethical and theological matter as how they spend the money that it makes. Every church member, local church, conference, national instrumentality, and related educational or welfare institution, that holds investments has a moral obligation to be a responsible shareholder. In view of the growing impact of transnational business on the lives of many millions of people everywhere, this responsibility is now far greater than most shareholders realize. Every United Church investing group should, at the very least, review the business operations in which it holds stock in the light of the declared social priorities of the United Church of Christ, determining whether such operations promote or impede the achievement of Christian social goals. This would include providing for a responsible review committee to study the annual shareholder meeting proxy notices, deciding what is the best way, in view of these goals, for a United Church shareholder to vote on each public interest proposal presented. In full ecumenical cooperation, the various shareholding bodies in the United Church of Christ should continue to work with the business corporations in which they are investors to develop and promote sound policies that will maximize the contribution of all such business enterprises to the process of mass economic development at home and overseas.

INTENDED USES

In proposing this Pronouncement and providing this background Report, the five cooperating national Instrumentalities expect to make the following uses of these documents:

1. To offer them for study and appropriate follow-up actions by members, churches, Associations, Conferences and related institutions.

2. To share them, for information purposes, with other religious and educational bodies, with business and labor groups, with government officials and the general public.

THE ENERGY/ECONOMY SQUEEZE: TOURISM CAUGHT IN THE MIDDLE?

Mr. BARTLETT. Mr. President, while a reduction in our Nation's energy consumption is widely recognized as an absolute necessity, a great deal of confusion exists as to how reductions can best be achieved without social and economic disruption.

Some suggest that strict Government controls are necessary to force cut backs. Others take a more moderate approach, encouraging citizens—and showing them how—to reduce energy consumption as enlightened self-interest.

Recently before the Discover America travel organizations' annual meeting in New Orleans, the executive vice president of the American Automobile Association, J. B. Creal, delivered a particularly thoughtful speech that analyzed the present energy conservation situation. His speech, directed primarily at gasoline conservation, succinctly evaluates various legislative alternatives under discussion and examines successes already being attained through structured voluntary gasoline conservation programs being conducted by AAA around the country.

So that my colleagues might have the opportunity to share his thoughts on this important subject, I ask unanimous consent that Mr. Creal's comments be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE ENERGY/ECONOMY SQUEEZE: TOURISM CAUGHT IN THE MIDDLE?

(By J. B. Creal)

This country is now in what might be described as the "eleventh hour" for decision-making on national energy policy.

What is now going on in Washington can have a dramatic impact on tourism, the economy, your lives and livelihoods. Because the outcome is of greatest importance to you, I hope to arouse you to both collective and individual action, which could help to forestall far-reaching energy legislation without proper investigation.

Though the Arab oil embargo of 19 months ago and the resulting long lines at the gas station are now only a rapidly fading unpleasant memory, there is no doubt that fuel consumption must be cut in this country. The American Automobile Association is in complete accord with that thesis. Back in Washington an intense debate has been raging—as you know—over how to do this. The leading participants in the debate are the President, the Congress and the Federal Energy Administration, best known by its initials, FEA. So far, the public has scarcely had an opportunity to be heard. We hope with the continued help of the organizations and individuals here today to change that. It is vital.

The proposals being put forward include higher—much higher—gasoline taxes, quotas on the import of foreign crude oil or quotas on the production of gasoline at the refinery which would lead to artificial shortages through an allocation system, bigger fees on oil imports, the allowing of domestic oil prices to seek their own level, or even gas rationing. The AAA is intensely interested in the outcome of this debate. Not just because our 17 million members—some of your best customers—are so directly involved, but because of the effect on the nation's economy of some of these proposals. Many people in power seem to be totally unaware that gasoline is the life blood of employment in general, of tourism in particular and of our total economic well being.

Let's take a closer look at some of these alternative methods of cutting fuel consumption, those that could determine the degree to which lifestyles will be affected until more and better energy sources are brought into the marketplace over the long term. Then perhaps DATO will want to officially petition Congress at this meeting to hold off on measures that are hasty and ill-conceived and which hold the potential for harming the economy more than they help the energy situation. And each of you may be convinced to express your individual views to your legislative representatives when you arrive home from New Orleans.

As of last Friday, the President—and through him the FEA—were back in the driver's seat with respect to energy legislation. That's because Congress recessed last Thursday. For its 10-day Memorial Day weekend. Since only Congress has the power to postpone the energy crisis, that leaves you and me, along with the President and FEA to look after things as best we can until Monday, when the legislators return and the crisis resumes.

So, let's discuss the Administration's energy measure first. Mr. Ford is readying a proclamation to put yet a second dollar tariff on imported oil. FEA already added the first dollar tax to gasoline on February 1, only they don't call it a tax—probably because Congress—constitutionally—is supposed to be the only group with the power to tax.

This tax-which-isn't-a-tax goes back to President Ford's energy program proposal of January, which included a one-to-three-dollar fee or tariff on imported oil. It gets a little complicated from here on out, but please bear with me.

When he proposed it, the President said that the burden of these increased fees would be "shared equitably by all petroleum users, not just motorists." That's a direct quote from personal meetings we at AAA had with the President in December and again in January. FEA didn't seem to be listening.

FEA has interpreted the import tax in its own way—which now has the effect of law—passing most of this increase on to the driver of an automobile in the form of higher prices. FEA calls this a "tilt," meaning it has tilted the amount of these fees or tariffs more toward gasoline users than any other petroleum consumer. We consider this unsound, as only 38 per cent of a barrel of crude oil is converted to gasoline.

In short, equity demands proportionate reductions by all petroleum users, not just motorists. But our concern goes deeper than that, because it's not just a matter of a penny here or a penny there. We're talking about billions of dollars and something that could badly damage our already weakened economy. For that reason, we told FEA we'd take it to court unless it divulged complete information on the economic impact of its scheme.

Such an inflationary impact analysis was required under Executive Order and we had asked for it under the Freedom of Information Act. We first asked in February and much later, after repeated requests, received a four-paragraph statement that hardly spoke to the issue.

When we threatened court action, we finally received another brief document, unidentified as to author or sender. This document concluded, in essence, that, yes, the import fee, whether $1 or $3, would increase gasoline prices more than other products of the crude oil barrel. The ultimate increase of 6 cents per gallon, it should be noted, equates to six billion dollars.

The President also is preparing to remove current price controls on a large portion of our domestically produced oil. His reasoning for this action is that higher prices will spur domestic oil production and at the same time cut oil consumption. If that theory is correct, where is a need for any increase in taxes?

Important questions that should be answered; must be answered are these:

What would be the effect of an increase in gasoline taxes on different economic groups?

Which people would be hit the hardest?

How will the increase in gas prices affect the $61 billion travel industry and its millions of employees?

Has FEA's program been related to similar gas tax increases being considered on Capitol Hill?

The price of gasoline is an important factor in most family budgets, but even more so with lower middle-class workers, since the majority of these people use their cars to get to and from jobs and simply do not have an alternate means of transportation.

You can imagine what would be left for deserved and needed vacations.

Now, we don't want our FEA representative here to think that AAA is picking on him or his agency. We're not. What we are trying to do are two things:

Get more important, objective study focused on the future of the energy-related economy, and take the energy crisis out of politics.

We're trying to tell Congress—and we think you should too—that we want them to investigate before they legislate.

The Senate passed a "Standby Energy Authorities Act," April 10 by a vote of 60 to 25. The bill is referred to by its sponsors (Sens. Jackson and Randolph) as an alternative to President Ford's plan for cutting oil imports. The bill does not tax gasoline. In fact, it limits Presidential actions to raise crude oil prices. But while it urges fostering and perpetuation of energy conservation programs, the bill also gives the President wide latitude to apply mandatory measures to eliminate energy waste.

Specifically, in its "Standby Authorities" section:

It allows the President temporary, standby authority to impose gas rationing if he feels it's necessary, and if neither house of Congress objects within 10 days.

But imposition of rationing must be done with an eye to employment, environment, equity and public welfare.

Meantime, the President can impose transportation controls to reduce "discretionary" vehicle use, bring stricter enforcement of the 55-MPH speed limit and create programs to maximize carpools and public transit. The Federal Energy Administration (FEA) would draw up and carry out these plans within three months of enactment, again, only if neither house of Congress objected in 10 days.

Its "Energy Conservation Policies" section states its purpose is to "promote energy conservation efforts through specific directives to agencies of the Federal Government, State government, and sectors of private industry" . . . and "to encourage greater private energy conservation efforts."

AAA praised this last section of the Senate-passed bill in testimony before the Senate Subcommittee on Oversight Procedures as we consider it a better approach than that being taken in the House.

The Senate bill would extend current price controls over domestic oil from August 31, 1975 to March 1, 1976. Any action to decontrol oil prices after that date could still be blocked, if either side of Congress objected within 10 days. Yet it would allow higher prices for oil extracted from domestic wells via what are known as "enhanced recovery" methods, which are relatively expensive.

The Senate's bill goal of a 4 percent reduction in energy use is quite moderate in comparison to President Ford's 10 percent target. And the bill takes pains to arrive at that goal without disrupting the economy or social order. However, since there is no counterpart on the House side, we feel the Standby Energy Authorities Act will not become law.

Quite a different approach is being taken in the House of Representatives. House Ways and Means and a subcommitte of the Interstate and Foreign Commerce Committee are scrambling to glue together two companion bills as their alternative to President Ford's program.

Though the Ullman bill was delayed by the House Rules Committee, its basic premise seems to have the support of many Democrats. The Ullman Tax (H.R. 5005) began as the comprehensive energy bill with a sliding 7 cents—37 cents gas tax, excise taxes on poor gas economy of new cars, a new Federal bureaucracy to buy and import oil, and numerous other taxes on motorboats, private aircraft and oil company profits.

It was sponsored by Ways and Means Committee Chairman Al Ullman (D-Ore.) supposedly with quiet blessing of the White House. But committee members became leery of such high taxes after constituents began to write them. Final committee votes (19–16) caused the bill to come out with:

First, imposition of a 3-cent gas tax January 1, 1976. That tax could be raised to 23 cents if gasoline consumption rose over 1973 consumption levels by just 3 per cent.

Second, imposition of oil import quotas of six million barrels a day this year and next. It would allow 6.5 million in 1977, but would go down to 6.0 million in 1978 and 5.5 million in 1979. Incidentally, we imported only 4.6 million barrels per day during the third week of May, according to the American Petroleum Institute.

Next, retention of the original excise taxes on low gas mileage new cars. These taxes—$40 to $1000—would be borne by new car buyers who selected a new car that did not get at least 18 miles per gallon in 1978 and 20 miles per gallon in 1980, with the higher taxes levied, of course, on the lowest mileage cars.

Monies from either the gas tax and/or the auto excise taxes would end up in an energy trust fund. Such fund would aid development of alternative fuels and power sources. Another House bill, H.R. 7014, is supposed to be the companion bill to Ullman's. It was created at the behest of Rep. John Dingell (D-Mich.) and is currently taking shape in House Interstate and Foreign Commerce Committee. Latest reports indicates Dingell's bill would:

Require refiners to hold gasoline production at current rates for the next three years, regardless of several million new cars being added to the market every year.

Just to make sure gasoline consumption would go down, however, the bill also would require the President to bring about a 2 per cent reduction in gasoline use. Such reduction supposedly would be taken only if it would not harm the economy, public welfare, agriculture and the oil industry.

Nevertheless, the President could increase that reduction to 3 per cent in the second year and 4 per cent in the third year.

FEA estimates this plan would push gas supply 0.6 per cent below demand in late 1975, and 7.6 per cent below demand at the end of 1977. (By the way, the Arab oil embargo reduced U.S. gas supply 8.0 per cent.)

In order to assure equitable gas supply throughout this 36-month span, the bill

would extend the life of the Petroleum Allocation Program another three years. This is widely supported by gasoline dealers and New England congressmen, even though both are uniquely sensitive to misallocations of fuel supplies because of past experience.

The bill would also give the President standby, though temporary, powers to deal with another embargo. He could impose gas rationing with these powers only if he received Congressional Approval.

Also, the bill would set up a strategic petroleum reserve of up to one billion barrels to serve as a buffer against any future embargo. The bill ends up with a tax rebate schedule for buyers of high mileage new cars.

The Dingell bill goes on to give the President authority to purchase up to one million barrels a day of imported oil (more restrictive than the Ullman bill) and has numerous other sections dealing with oil price regulations and international energy agreements. Finally, it seeks fuel efficiency standards of car manufacturers—28 miles per gallon by 1985.

It was this "something for everybody" approach that caused AAA clubs to wire their representatives on Dingell's subcommittee to urge a more basic approach. The AAA message was that the emphasis should first be to help protect America from a future oil embargo by building up reserve supplies.

The Dingell approach seems to be generating much less furor than Ullman's tax bill and thus might make it to the House floor with more chance of passage, mainly because few people know much about it.

Finally, gasoline rationing as a last-step measure is certainly what the Congress would want, if we were embargoed again, as long as they could place the responsibility for it on the President. But, of the 450 energy bills entered thus far into the 94th Congress, we uncovered only one that calls for rationing of gasoline right now. The rationing proposal was entered by Sen. Lowell Weicker (R-Conn.) in March. It would take effect immediately after enactment. It's now within the Senate Interior, Finance and Banking Committees, and may or may not emerge anytime soon. Weicker's staff says it's the only non-tax measure that would have any effect on gasoline consumption.

About the only thing that our Congressmen haven't been considering seriously is the one that seems to be working with many Americans right now—voluntary conservation.

Consumption is down, way down. FEA's own figures indicate that apparent demand for gasoline for the first three months of 1975 has been between 300,000 and 1,500,000 barrels a day below that of the same period in 1973. And since FEA is now pretty much out of the reporting business, oil industry figures show this:

Apparent demand for gasoline for the week ending April 24, 1975 was fully one million barrels per day less than that of actual average daily consumption for the month of April 1973, the last normal year for energy use.

And oil imports last week were down 1.2 million barrels per day from that same week in May, 1973.

In the face of all this, travel is up. Florida is having its best tourism year ever. There are turn-away crowds descending upon some local and regional tourism attractions.

And travel routing requests by AAA members through our clubs across the country are up, way up, over 1974—by more than 50 per cent in many cases. And more significantly, they are up measurably over the first five months of 1973.

What this says to me is that people are becoming Gas Watchers.

They are planning the use of their automobiles better. They are taking shorter trips, in many cases. They are making advance room reservations and staying longer at one destination instead of driving to several destinations. They are focusing one eye on the odometer and the other on their pocketbooks as they think twice about running back to the store for the item they forgot on the morning shopping run.

Others are carpooling at least once or twice a week. And they're combining family errands into one trip instead of two or three.

In short, people aren't performing miracles. They're simply doing a little more thinking.

They are doing it partly because organizations like DATO and a number of its member organizations are helping us tell people why, how and how much gasoline to save. They are also doing it because of natural market forces at work. With gasoline prices almost double that of 1973, they are eliminating some unnecessary driving.

And with foreign oil prices expected to go up again in the fall—in the face of possible decontrol of certain domestic oil—there should be no need for taxes on gasoline. That's where politics clouds the energy issue.

A gas tax is a quick source of greatly increased federal revenue that Congress can have a hey-day spending on any number of pet schemes, none of which have anything to do with energy. So the most reasonable approach is to let people control consumption on their own, with help from all of us who assist them in their travels.

We're reaching motorists by the tens of millions each month with the voluntary conservation message. But we need to make Gas Watchers out of all 120 million drivers by constantly reminding them that the need to conserve is not just a short-term proposition.

The emphasis must be directed at the traditional heavy summer driving of the next three months, because we can be certain Congress and the Administration will be watching consumption figures. But a program of modified driving habits, a conservation ethic, is something we need to ingrain in travelers for at least a decade. It applies not only to gasoline, but to the way we use our lights and heat and air conditioning, as you well know.

Your advocating voluntary conservation is more than a patriotic gesture, it's a matter of enlightened economic self-interest.

And as I said at the outset, I hope that DATO as a body, and you as concerned private citizens, will let Congress and the President know your feelings on dealing with the short-term energy issue. Give strong encouragement to your employees and patrons to do likewise. Their stake in this national priority is very large and very personal too.

Let Congress and the President know that the oil tariff already in effect, the marketplace gasoline price rise coming both domestically and internationally, and substantial voluntary conservation efforts must be given more time to work—more time to reduce U.S. dependence on foreign oil and to keep American dollars working at home where they're needed.

The alternatives, as I have tried to make clear—from exorbitant taxes to rationing, to outright transportation controls—are all too harsh and unnecessary.

They would be a high price to pay for failure to do the job ourselves.

"BACKDOOR" PROLIFERATION OF NUCLEAR WEAPONS

Mr. BENTSEN. Mr. President, at this time a year ago I expressed my concern over the transfer of nuclear materials and technology to the countries of the Middle East. As I stated at that time, these transfers by the United States require the most stringent examination by the Congress due to the substantial risks of introducing the capabilities for nuclear weapons production into politically unstable areas of the world. Today, we are witnessing an expansion of these transfers into many more of the nuclear free areas of the world. While we in the United States continue to examine questions of physical controls on nuclear technology transfer and of guarantees for continued peaceful use of such technology, the transfer of nuclear material and technology with the most minimal safeguards by other nuclear countries is escalating.

I commend the distinguished senior Senator from Rhode Island (Mr. PASTORE) for again bringing to the attention of the Congress and the Nation both the general problem that the world faces in the proliferation of potential nuclear weapons capability as well as the paramount and immediate problem of the full cycle nuclear transfer between West Germany and Brazil. I know that my colleague was the author of Senate Resolution 179 in 1966 which called on President Lyndon B. Johnson to undertake "* * * serious and urgent efforts to negotiate an international agreement limiting the spread of nuclear weapons * * *". This effort, of course, led to the nonproliferation Treaty which came into force in 1970. It is my sincere hope that my colleague's personal concern as chairman for the Joint Atomic Energy Committee for this awesome problem is shared not only by the American people but also throughout the world by those countries concerned with peace.

As of today, six nations have detonated nuclear devices: the United States, the Soviet Union, France, the Peoples Republic of China, Great Britain, and most recently, India. An additional seven countries are considered as potential nuclear powers: Argentina, Brazil, Pakistan, South Africa, South Korea, Taiwan, and Israel. These seven countries have the human, technological, and financial resources for producing nuclear explosives in the near future. It is the threat of enhancing one of these weaponry that is of most immediate concern to us. I am referring, of course, to the full nuclear cycle capacity transfer between West Germany and Brazil.

Mr. President, this introduction of full cycle capacity into the Southern Hemisphere is, I believe, essentially "backdoor proliferation" of nuclear weapons. My concern about this transfer between West Germany and Brazil is heightened by the fact that while West Germany has signed the Nonproliferation Treaty, Brazil has not.

It is my understanding that substantial headway has been made in obtaining Brazil's pledge to use the new full fuel cycle capacity for peaceful purposes. This pledge is to be consumated by treaty between West Germany, Brazil, and the International Atomic Energy Agency. I commend West Germany for speedy ratification of the treaty and urge Brazil to take similar prompt action. Further, I am pleased that the United States took an active interest in the introduction of

safeguards in so critical a transfer of nuclear capability. However, I question whether adequate safeguards are really possible in assuring the peaceful use of full cycle nuclear capability transferred to developing countries. This concern was given editorial support by both the Washington Post and the New York Times in their June 9 issues. I ask unanimous consent for both editorials to be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. BENTSEN. Despite these gains in the singular instance of Brazil, however, in my opinion the logic of the Nonproliferation Treaty is being strongly tested. This logic is, of course, that the fewer countries possessing the tools of nuclear war, the less likely the occurrence of nuclear war. In the long run I see a threat more ominous than the immediate one of enhancing a "near nuclear powers" capability for nuclear weapons production. This threat is the delivery of reactors and other partial nuclear capability to large numbers of developing countries. It is estimated that by the end of the decade, 52 countries will have nuclear reactors operating or under construction. This is twice the number in operation today.

It is this proliferation of partial nuclear capability that raises serious questions in our current piecemeal approach to safeguarding the spread of nuclear weapons capability. For instance, should the present concern for safeguards voiced by the United States in the transfer of full cycle capability between West Germany and Brazil, be similarly applied to limited technology transfer as well?

Let me illustrate with a current example. Last week it was revealed that in addition to other recent nuclear transfers, France is negotiating the sale of plutonium reprocessing capabilities to Pakistan, Taiwan, South Korea, and Argentina. Although these countries do not have a full nuclear capability all four countries are considered potential nuclear powers. Might these countries build full cycle capability by obtaining multiple limited technology transfers while we in the nuclear community lull ourselves into a sense of false security by not applying comprehensive safeguards on limited technology transfers? Can the limited technology that we as well as other countries sell be developed into a weapons capability? If these questions are answered affirmatively I am particularly concerned that an expansion of the nuclear community will have a tremendous impact on the balance of world peace.

In a world of energy shortages the competition among nuclear nations to provide partial nuclear capability to developing nations expands the chances for the enlargement of the nuclear community. Last June I voiced concern that this competition would be spurred by a desire to win favor of the nonnuclear nations. Winning favor is becoming more critical with developing countries holding abundant reserves of oil and uranium.

For the United States the spread of full nuclear capability to Latin America is perhaps the most distressing element of the nuclear arms race today. Will Argentina, Venezuela, and Bolivia, now rich in oil, want to follow Brazil's lead in developing full nuclear capacity? Would these countries agree, as has Brazil, to safeguard arrangements or guarantees? Or will safeguard arrangements and guarantees become only a matter of negotiation among the nuclear powers, with those willing to delete safeguards being awarded the contracts? Mr. President, I can only see that this competition between nuclear power militates against the effective application of safeguards.

As the leading exporter of nuclear technology, the United States often considers the transfer of "atoms for peace" before other kinds of technology transfears better suited to raise the standard of living in developing countries, such as the technology for fertilizer production, or desalination of water supplies. Even today we are negotiating the transfer of as many as eight nuclear reactors to Iran. The delays in the transfer are due to Iran's insistence of acquiring reprocessing facilities. This request is clearly contrary to the current safeguards imposed on U.S. transfers. But even when our safeguards are adopted, they as well as those enforced by the International Atomic Energy Agency have been criticized as inadequate.

Mr. President, I do not believe that the problems of developing countries can be solved by introducing the risks of nuclear conflagration. Thus, I seriously doubt the wisdom of the transfer of even limited nuclear capacity until the nuclear powers have jointly addressed these questions.

Further, I do not support the use of nuclear transfer as a tool of diplomacy. I fear it was so used in the Middle East. But, I do recognize that nuclear transfer must be the subject for further agreement and restriction at the highest level of international diplomacy with the International Atomic Energy Agency as a full partner to these negotiations. I would hope that the Secretary of State and the President would increase their efforts in this regard.

The United States, even with its lead in nuclear technology, cannot today confidently enforce safeguard agreements on other countries. I believe, however, that it is imperative that the United States continue its leadership role in seeking a means to control the spread of nuclear arms capability throughout the world.

I would reemphasize that this is not only a paramount international issue but an important national issue as well. Our efforts in the area of nuclear technology transfer clearly have an important effect on the peace, safety, and development of the world. We should expand our goal of controlling the spread of nuclear weapons and insist on improved safeguards on technology transfer both in full cycle and limited transfer of nuclear capability.

Mr. President, it is a difficult task but a necessary one we face in the prevention of a nuclear holocaust. I strongly recommend that we all closely monitor this "backdoor proliferation" of nuclear weapons capability in Latin America as our Nation strives toward peace.

EXHIBIT 1

[From the Washington Post, June 9, 1975]

NUCLEAR POWER: THE HIGH-PRICED SPREAD

"The news on nuclear proliferation is bad," Fred Ikle, the Director of the Arms Control and Disarmament Agency told a conference audience not long ago. "Several countries, not now nuclear-weapons states, appear to be making determined efforts to acquire a capability that would enable them to build their own atomic bombs." The news has in fact gotton worse since Mr. Ikle made his remarks early in April. West Germany has evidently decided, in a breathtakingly rash move, to supply Brazil with the technology required to produce a nuclear bomb.

Needless to say, the transaction is not described that way by the parties involved. On its face, the deal to provide the Brazilians with the component machinery for a complete nuclear fuel cycle is intended to do no more than enable Brazil to utilize its plentiful supply of natural uranium as a source of energy. And the West Germans, bound as they are by the terms of the nuclear Nonproliferation Treaty, are obliged to condition the transfer of this equipment on the Brazilians' acceptance of monitoring by the International Atomic Energy Agency (IAEA), the Vienna-based group charged with ensuring that no part of the nuclear fuel used in such transferred equipment is diverted to the manufacture of explosives.

But that is only part of the story, and the rest is not so reassuring. In adding to the sale of power reactors not only a chemical reprocessing plant, but also a uranium enrichment facility, the West Germans will have gone well beyond the limits other suppliers of such technology have imposed upon themselves in these deals so far—making it immeasurably easier than it would otherwise be for the Brazilians to produce nuclear weapons. Moreover, the IAEA monitoring can guarantee only that *this particular* equipment will come under international scrutiny. This is because Brazil (like Argentina) has contrived to stay outside the terms of both the Latin American regional treaty renouncing the acquisition of nuclear weapons and the worldwide Nonproliferation Treaty. As a consequence, unless some special provision is written into the terms of its deal with the Germans, it will be free to duplicate the facilities the Germans provide, and no IAEA monitoring whatever would be required for such duplicate facilities. Presumably any acquisition of nuclear explosives would be a time in coming for Brazil (and Argentina and a number of other countries now acquiring nuclear power facilities). But over the years, Brazil—and many of those other countries—have created a record of statements that are at best ambiguous in relation to their intentions, and the prospect of their ultimately joining the nuclear club in some fashion is very real.

There is a lot of worry these days—and justifiably so—about this prospect. The plain fact is that the workings of the oil cartel have added new impetus to the quest of nations all over the world for nuclear energy, and the fuel and technology essential to providing such energy are readily usable to produce explosives. In addition, present regulations on suppliers are a mish-mash of voluntary and imposed restraints, some dictated by technological limitations of the suppliers and others by the treaty obligations of the various parties. The result has been that given the enhanced interest of a great number of countries in acquiring nuclear power and research facilities, some of the commercially competitive suppliers have taken to making their wares more attractive by offering to provide material that is very difficult to safe-

guard against misuse. The Brazilians, for example, might have purchased their reactors from the United States if we were also in the business—which we are not—of selling the reprocessing plants necessary to get at weapons-grade plutonium, and if we did not have a self-imposed ban on the export of the technology and information required for uranium enrichment (which can also produce weapons-grade fuel).

Since it is idle to suppose that the quest for nuclear energy can or even should be turned back, the question becomes one of governing the development of these facilities and of contriving genuinely adequate safeguards for the growth—worldwide—of this technology. In the relatively long term, it seems obvious to us, the kinds of multinationally owned and internationally supervised fuel cycle facilities that are under discussion in various forums among the concerned would be a good and important development. For the shorter term we believe that the IAEA machinery should be strengthened and that—above all—the supplier countries (the United States, Canada, the Soviet Union, France and Germany principally) should undertake an urgent effort to contrive among themselves uniform standards of safety and prudence to apply to their transactions. The element of adding attraction by adding danger must be removed from the commercial competition, and we believe this can be done in a way that will not create a substantial disadvantage to any supplier-country. Again, those concerned with this risky business should be thinking in terms of establishing some orderly control over fuel supply as well—long term control that will become increasingly essential.

Some of these steps have already begun to be taken, but in a way far too desultory to meet the urgency of the situation. It may be true that the day when nuclear weaponry has spread beyond control is nowhere at hand. But the decisions are at hand—e.g. the German-Brazilian transaction and the negotiations going forward with a host of other countries—that can make such spread a forgone conclusion.

[From the New York Times, June 9, 1975]

NUCLEAR PERIL • • •

The world now stands on the brink of a major breakdown in the long struggle to halt the spread of atomic weapons. Ironically, the peril comes on the heels of a hopeful 65-nation conference in Geneva that reviewed the five-year-old Nuclear Non-Proliferation Treaty, endorsed its tightening-up and proposed new, far-reaching safeguards and institutions.

Even while the conference was meeting, however, secret negotiations were being completed by West Germany with Brazil and by France with Pakistan and South Korea for multibillion-dollar sales of nuclear technology. These projected sales include plants to separate weapons-grade plutonium from spent fuel rods—sales which the United States earlier had turned aside. Such plants could enable Brazil, Pakistan and South Korea to make nuclear weapons.

The only significant use for plutonium now is for nuclear weapons or other explosive devices indistinguishable from weapons. Commercial use of plutonium as a power reactor fuel depends essentially on perfection of the breeder reactor, which is not expected for fifteen to twenty years.

No commercial plutonium separation plant is now operating in the United States; the 52 American power reactors store their spent fuel rods for possible future use. It would take a $500 million chemical reprocessing plant serving thirty giant nuclear-power reactors to achieve the economies of scale that might make plutonium recycling commercially feasible.

• • • AND ITS PREVENTIVES

It is evident that there is no valid commercial reason now for South Korea, Pakistan or Brazil to buy plutonium separation plants. No existing safeguards are adequate to prevent diversion of fissionable materials once these countries move into the nuclear field.

The United States has urged West Germany, France and other advanced nations, which supply nuclear reactors and other equipment to the world, not to export plutonium separation plants. It also seeks an agreement on other common rules to keep safeguards from being discounted in international commercial competition. One specific proposal, put forward by Washington and endorsed at last month's Geneva conference, would restrict plutonium separation plants to large-scale regional or multinational reprocessing centers. There plutonium could be extracted, adulterated against weapons use and then fabricated into new fuel rods economically with maximum security against theft or diversion to weapons production.

Since such centers are years away and American efforts to dissuade Bonn from the full Brazilian deal have failed, the United States now is urging both West Germany and Brazil to arrange joint management, if not ownership, of the Brazilian facilities to give them a multinational character. What concerns Washington especially about this deal is that it not only involves power reactors and plutonium separation technology, but facilities for uranium enrichment and fuel reprocessing, which will mean Brazilian possession of a complete fuel cycle—the first ever sold to a non-nuclear country.

• • • • • •

A major danger in the German-Brazilian accord is the precedent it would set for other countries, particularly Iran, which is also seeking a plutonium separation plant. A $7-billion deal for the sale of giant American reactors has been delayed by American insistence that fuel-rod reprocessing, when necessary, shall be in facilities to be agreed on by both countries. France and West Germany are reportedly offering Iran easier terms.

Egypt and Israel, which are not parties to the nonproliferation treaty, have been told by Washington that they can buy American reactors only if they commit themselves in advance to send their spent fuel rods abroad for reprocessing. But there are reports that Egypt is seeking less onerous terms from France.

The Soviet Union, which claims to be just as concerned about proliferation as the United States, sold a research reactor to extremist Libya a few days after Libya's ratification of the nonproliferation treaty last month. Washington earlier refused to permit an American sale.

The result has been complaint by American companies about a competitive disadvantage in the nuclear power market and the Ford Administration is split on the issue. Yet, yielding to the German and French business-as-usual attitude would be a tragedy, setting off a competition in which nuclear arms control would vanish.

What is needed is maximum exercise by the President of his powers of persuasion to bring West Germany, France and other principal suppliers to early agreement on common rules—rules designed to inhibit, rather than ease, nuclear spread.

POLITICAL PRISONERS

Mr. STONE. Mr. President, for many years since Fidel Castro's takeover in 1959, Cuban exiles in different parts of the world have been attempting to make the public aware of the cruel plight of thousands of political prisoners which Castro's regime imprisons under conditions that violate all considerations of human rights and dignity. Now, internationally recognized groups and members of the news media have joined this criticism by publicizing their own denunciations of Castro's treatment of his political prisoners. It is particularly significant that units of the Organization of American States—the very same organization that wants to abolish the economic embargo it imposed over Communist Cuba—have joined in the denunciation of Castro. Ironically—and inconsistently—one part of the OAS is now condemning Castro's destruction of human rights, while another is moving toward conciliation with the same Communist dictatorship.

However, it is those within the OAS who denounce Castro's inhuman repression of his political adversaries who are in agreement with the rising tide of criticism voiced by such groups as Amnesty International and the International Red Cross.

The Inter-American Commission of Human Rights of the OAS approved two resolutions on May 19, 1975, which condemn Cuba's handling of political prisoners.

In the resolution on Case 1834, the Commission denounced what it called:

The most severe violation of the right to life, of liberty, of the security and integrity of one's person, of equality under the law, of justice, of protection against arbitrary arrest and due process . . .

In the resolution on Case 1847, the Commission charged the Cuban Government with "adopting a systematic silence" concerning these and other accusations of having violated the most fundamental human rights.

News media coverage of Castro's prisons is increasing as more and more evidence emerges from eyewitnesses and other informed sources. In an article entitled "Political Repression Savage in Cuba," syndicated columnist, Jack Anderson, describes in detail the ruthless procedures followed by Cuban authorities to deprive citizens of their human rights.

In a recent Washington Post article, staff writer, Terri Shaw, describes the unheard-of act of resentencing political prisoners before they have finished serving their original prison term. The article tells how Castro has ignored requests to inspect his prisons. These requests have come from international groups such as the International Red Cross and the OAS.

Another article which appeared recently in the Miami Herald recounts the experience of American citizen David Libke, who was imprisoned by Cuban authorities in 1973 after being arrested north of the island of Cuba. Libke told Herald staff writer, Miguel Perez, that he and 20 other American citizens shared a large cell with 400 other Cubans, and that—

"There were five holes (in the cell) for urination, two showers and one sink for washing things . . . for more than 400 people."

The article adds that the cell was guarded by young military men with machetes and did not hesitate to use them. Libke was quoted as saying:

"They didn't maliciously attack American prisoners. They picked on the Cuban prisoners. They were repeatedly struck."

Several international groups besides the Inter-American Commission on Human Rights have denounced the situation of the political prisoners in Cuba. On February 11, 1975, the prestigious International League for the Rights of Man issued an appeal to the members of the United Nations Commission on Human Rights on behalf of Cuba's political prisoners. Membership of the League includes such distinguished spokesmen for the rights of man as former U.N. Secretary General U Thant, Andrei D. Sakharov, C. N. Ahmad Khan, and Theodore M. Hesburgh. Also members are ex-Costa Rican President Jose Figueres and Costa Rican Minister of Foreign Relations, two well-known proponents of the recognition of Castro's government.

The appeal describes in detail the manner in which Cuban prisoners are tortured, mutilated, and deprived of the rights guaranteed them by the Universal Declaration adopted by the U.N. General Assembly in 1948. The appeal requests the Secretary General of the United Nations to appeal for, and I quote now:

A stop, on purely humanitarian grounds, to the blood bath of thousands assassinated mercilessly for years by firing squads acting purely on ideological grounds.

During its 31st session, the Human Rights Commission of the U.N. itself received testimony from Dr. Humberto Medrano, who represented the Inter-American Press Association and who denounced the state of Cuban political prisoners and requested the U.N. to undertake appropriate action for their relief.

I could, Mr. President, enumerate many more cases. The material, which I ask unanimous consent to have printed in the RECORD, will fully document these assertions, and I hope that those who propose the establishment of trade or diplomatic relations with Castro's regime will take careful note of these facts and figures relating to the human suffering which Fidel Castro's government has inflicted on the Cuban people.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 7, 1974]

POLITICAL REPRESSION SAVAGE IN CUBA

(By Jack Anderson)

A less bombastic Fidel Castro is now in his best behavior, as he strives to bring Cuba into the society of Western Hemisphere nations. But hidden from the prominent visitors he has enticed to Cuba is an unspeakable world of political oppression.

We have written about the terror and torture in the prisons of Brazil's right-wing dictatorship. Now we have received evidence of similar tactics in the prisons of Cuba's left-wing dictatorship.

Just as Brazilian political prisoners smuggled their stark stories to us through priests, Castro's prisoners have managed to smuggle letters, affidavits and other evidence to the United States with directions that they be delivered to us.

We have checked out their charges, as best we could, with former prisoners who have been released from Castro's custody. We are willing to make a personal inspection of these prisons, if Castro will permit it, as we also offered to do in Brazil.

The letters and affidavits describe a horror which, for the unhappy souls who run afoul of Castro's political police, usually begins with a frightening, aftermidnight arrest.

"You and your family are all fast asleep," states one affidavit, "when the tremendous knocking at your front and back doors starts. About six or seven G-2 men, armed to the teeth with Russian machine guns, rush in your house, screaming, pushing your family, searching your home, not allowing your wife or children to go to the bedroom to put their clothes on.

"They insult you with every filthy name in the book. Finally they push you outside, with your family crying, and put you into a G-2 car."

The victim is hustled to G-2 headquarters where, according to the affidavit, "you are taken into a small room, have all your clothes taken away from you, searched even within your body, then given a pair of mechanic overalls without any sleeves."

The interrogation takes place in a small office. "The officers all put their guns on the table in front of you to scare you," recounts the affidavit. "Then the questioning begins, with insults, the threats, the false accusations, where everybody is accused of being the CIA."

If the prisoner doesn't give the answers they want, he is held alternately in overheated and frigid cells. "The heat is so bad, you faint. And then you are brought in a special cell that has air conditioning so cold you freeze. All this to make you talk."

The prisoners are permitted to see their families once a week. "You are shaved by a gorilla, without shaving cream, then taken to a small room, all bugged, with your investigator sitting next to you, and are given six or seven minutes with your family, after your family has been given a lecture to tell you to confess."

The letters and affidavits describe the food in Cuban prisons as scarcely enough for survival. At LaCabana Fortress prison, 160 men were crowded into galleries without windows, nothing but an iron grille at the end. It was so hot in the summer that the prisoners couldn't bear to wear clothes. When it rained, the water washed into the living quarters.

"At one time," states an affidavit, "we were not allowed to have water to shower for 23 days." Another describes the hour in the sun which the prisoners were permitted once a month.

"But we had to run in double time. All the time we were running, we were being hit by the guards with clubs, bayonets and iron sticks. Then down again into the hole, again being hit by the guards."

Most of all, the prisoners dreaded the "riquisa," as the cell searches were called. "The guards come into your gallery after midnight," according to one account, "and line you up outside or against the wall. They start to throw everything you own outside and douse water all over your bed, which normally is thrown from one end of the gallery to the other.

"You also get beat up. When you are taken outside, nude, the milicianas [women guards] stand in the patio and laugh at your nakedness."

At the Isle of Pines prison, the prisoners were welcomed off the ferry boat by "guards on both sides of the gangplank, hitting us as we passed by them, and I mean hitting with clubs and sticking us with their bayonets, just for fun I guess," states one letter.

The prisoners at the Isle of Pines got up at 5 a.m. and worked until 6 p.m. "cutting weeds, planting trees, picking fruit." "God forbid," reported one former prisoner, "if they should catch you eating a piece of fruit. The guards would make mincemeat out of you with their bayonets."

The prisoners were subjected to daily beatings, according to the smuggled documents. "There was seldom a month in the island when they did not kill one or two prisoners in the work camp, or cut them up, crippling them or something," charges an affidavit.

The documents give detailed descriptions of the prisons, enclose typical menus and name some of the most brutal guards. One prisoner, risking almost certain retaliation, has forced us, to tell his personal story. This will be published in a future column.

[From the Washington Post, June 1, 1975]

CUBAN PRISONERS SAID "RESENTENCED" BEFORE TERMS END

(By Terri Shaw)

Some Cuban political prisoners who have completed their terms have been "resentenced" without ever leaving custody, according to letters received by relatives of the prisoners in the United States.

A recent case is that of Oracio Giordano Gomez Orta, who sent to his brother, Nivaldo Gomez of Miami, a handwritten copy of the document imposing a new sentence on him after he had completed a 23-year term for "crimes against the state."

According to the document, Revolutionary Tribunal No. 1 of Havana sentenced Gomez to one more year on a "work brigade under the control of penal establishments" because Gomez' conduct while serving his term had been "socially dangerous."

Specifically, the document said, Gomez participated in hunger strikes, refused to wear the blue uniform of the rehabilitation plan and had "been at various times in punishment cells" for bad behavior.

In the letter to his brother, Gomez said the only time he participated in a hunger strike was for two days in 1967 after he and 11 other prisoners were put naked in a dark cell measuring about 5 by 8 feet.

Elena Maderos Gonzalez, a Cuban exile who keeps in touch with the relatives of political prisoners, said the resentencings began about five years ago, when prisoners who were sentenced to 10-year terms at the beginning of the Fidel Castro government began to complete their terms.

A case often referred to by Cuban exiles is that of former student leader Pedro Luis Boitel, who, according to National Catholic News Service, completed his term in 1970, but was not released, and died in prison at the age of 41 after a prolonged hunger strike in May, 1972.

Recent moves by the Cuban and U.S. governments to improve relations after 15 years of enmity have brought renewed interest in the cases of political prisoners in Cuba. Estimates of their number vary from 25,000 to 50,000.

Amnesty International, a London-based organization that focuses attention on political prisoners, recently asked its members to write Castro and other Cuban officials about the case of one of Cuba's best known political prisoners, Huber Matos.

Matos, 56, once a supporter of Castro's revolution, resigned as army commander of Camaguey Province, and criticized communist influence in Castro's movement. He was sentenced to 20 years' imprisonment for treason in 1959.

Since that time, according to his relatives in the United States, Matos has refused to cooperate in any way with prison authorities, and has been isolated with a few other prisoners who have refused to accept the government's rehabilitation program.

His wife, Maria Luisa Araluce de Matos,

who lives in Elizabeth, N.J., told the U.S. Human Rights Commission that her husband has not been allowed to have visitors for five years.

The Cuban government's rehabilitation program for prisoners involves attending classes and participating in work projects. It is not known how many prisoners refuse to participate in the program, although the number is believed to be relatively small.

Castro has refused to allow any international organization to visit political prisoners, despite repeated requests from groups like the International Red Cross and the Organization of American States.

[From the Miami Herald, Mar. 8, 1975]

EX-CUBA PRISONER: CHARGES PHONY

(By Miguel Perez)

David Libke: ". . . The trial was a farce and it was apparent that we were convicted before we got there."

A young American said Friday night that he lost "all desire of living" while falsely imprisoned for more than a year in Cuba.

David Libke, 28, one of the three Americans freed quietly Wednesday by the Cuban government, said the drug charges brought against him when he was arrested north of Cuba in 1973 were phony.

Libke, who was arrested on a yacht that he and three other Americans were bringing to Miami from St. Thomas, said he and his friends were fired upon by a Cuban fishing boat. They soon were arrested by crewmen of a Cuban gunboat.

Libke, from Streator, Ill., reminisced while relaxing in a friend's home in North Miami Beach.

"We were questioned about guns and they wanted to know who we let off in Cuba or who was there to pick up," he said. "While we were being investigated, they told us several times that we would be released."

Libke said that, for the first 37 days, he was placed in a single cell with a wooden bed, a thin cotton mattress, and no windows.

He and two other Americans were released, "without the Cubans telling us anything" in what some observers interpret as a possible bid by Fidel Castro for détente.

Libke, a graduate of the University of Illinois, said his release interrupted a 21-day hunger strike. "We lost all desire of living under those conditions." He said he was given clothing and placed on a plane to Jamaica without explanation.

Libke said he spent most of his year and eight months in Cuba in an old fortress in Havana, where he and about 20 other Americans shared a large cell with some 400 Cubans.

"There were five holes (in the cell) for urination, two showers and one sink for washing things," he said, "and that was for more than 400 people. And the water came on for about three hours a day.

"We never got soap or hot water," he said. "Everything was covered with grease."

He said he was taken to court 10 months after his arrest.

"And that's when we found out what we were charged with," he said. "It was trafficking in drugs.

"Our defense was based on possession of, not trafficking in, narcotics, which brings a less severe penalty," he said. "But the trial was a farce and it was apparent that we were convicted before we got there. It was on the Fourth of July 1974, and not a good independence day."

Libke said the group's Cuban lawyer used the possession argument without their permission. Libke said the group hadn't carried drugs.

After the trial, Libke and the others were sentenced to four years in prison and fined about $8,000. He was not asked to pay the fine when he was released.

Libke said the cell he shared with some 400 other prisoners was guarded by young military men who carried machetes and didn't hesitate to use them. "They didn't maliciously attack the American prisoners," Libke said. "They picked on Cuban prisoners. They were repeatedly struck."

FEBRUARY 11, 1975.

To the members of the United Nations Commission on Human Rights:

The International League for the Rights of Man joined by the Inter-American Association for Democracy and Freedom has been asked to present to you the attached appeal on behalf of Cuban political prisoners. Many have been imprisoned for nearly 15 years. We trust that the Commission will concern itself with the plight of these prisoners and give their appeal the consideration it merits under the agenda item, Violation of Human Rights and Fundamental Freedoms.

JEROME J. SHESTACK,
Chairman.

JANUARY 28, 1975.

The CHAIRMAN,
International League for the Rights of Man, New York, N.Y.

DEAR SIR: The Committee to Denounce Cruelties to Cuban Political Prisoners once again appeals for help to world public opinion and to the good offices of international organizations dedicated to the promotion respect and protection of human rights, to bring about an end to the precarious and inhumane situation affecting the lives of thousands of Cuban political prisoners.

For many years, the prisoners themselves, relatives, friends and many institutions have been denouncing to public opinion and to public and international authorities, the persistent violations of basic and fundamental human rights and freedoms to which Cuban citizens, particularly those confined, are entitled under International Humanitarian Law, Human Rights Law, and the OAS and UN Charters, to which the Cuban State, and therefore its authorities, are obligated in its compliance with regard to all citizens without distinction.

On many occasions we have appealed to the UN Commission on Human Rights, to the Interamerican Commission on Human Rights, to the International Committee of the Red Cross, to the Secretary Generals of the UN and the OAS, as well as to religious, civic and governmental authorities to intercede on humanitarian grounds in order to insist upon those responsible to stop the physical and psychological mistreatment of men and women prisoners. Our denouncements have made reference to specific cases of: (a) individuals subjected to torture—one example only: Mrs. Miram Ortega, crippled due to severe beatings; (b) many assassinated by the repressive personnel operating in the prisons and concentration camps—one example only: Jose Oriol Acosta-Garcia, shot in the head at Manacas No. 4 Concentration Camp; (c) groups of prisoners staging hunger strikes to demand respect for their human rights—one example only: Armando Valladares, among others, suffering polyneuritis resultant from hunger strike without medical assistance (this example among those living, Perdo Luis Boitel among the dead); (d) groups of prisoners or individual prisoners gravely ill, deprived of adequate medical attention and hospitalization—two examples only—Tony Gueseta, blind and mutilated; Dr. Abelardo Codinach, 72, with cancer of the spine.

We have also supplied explanatory memoranda describing the most outstanding and horrifying facts that typify an intolerable institutionalization of terror against thousands of defenseless human beings treated like slaves, their location throughout the six provinces of Cuba, and a detailed reference to the variety of studies, reports, appeals, resolutions and protests made by many institutions against their confinement.

While year in, year out, the Cuban nation and public opinion in the Americas and elsewhere witness the immediate concern shown by many instances and organizations towards a number of situations of human rights—whether they may be studies in depth or denounced *prima facie*—we can observe their persistent disregard towards Cuban political prisoners who cannot admit, and on whose behalf we cannot admit, that they be ignored, as if they were less human than South Africans, Rhodesians, Greeks, Palestinians, Chileans or any others.

In particular, the Secretary General of the United Nations—and for many years his predecessor—have been asked, appealed and begged to do something to ameliorate and then bring the inhumane conditions of political prisoners in Cuba to an end. On the other hand, the UN Commission on Human Rights has been kept informed by ourselves and by many others during years, in spite of its discriminatory posture of selecting human rights issues of grave character according to nationalities within the context of the political hegemony of those raising the issues, or of those being accused. All of this, without regard to the intrinsic and humanitarian terms of reference for which the Commission exists under the UN Charter and the obligation that it has for the universal protection and promotion of human rights, as contained in the Universal Declaration adopted in 1948 by the UN General Assembly.

Thousands of Cuban citizens have been shot mercilessly during these tragic years of ruthless imposition by force, deceit, coercion and terror, of a political, economic and social system controlled by fanatics acting like witch-hunters against any citizen daring to exercise human rights recognized as universal. But hundreds have also died as a result of the assassinations, tortures and conditions which abound in prisons, hard-labor and concentration camps where thousands are maintained as a continued warning to the rest of the Cuban people.

Has there been one single appeal by the Secretary General of the United Nations or any of its bodies to the authorities in Cuba for a stop, on humanitarian grounds, to:

(a) the blood bath of thousands, assassinated mercilessly for years before firing squads acting on purely ideological grounds;

(b) massive incarceration in prisons, fortresses, concentration and hard-labor camps of tens of thousands of citizens, deprived of all basic human rights and legal guarantees for remedy;

(c) the institution of forced labor, making it obligatory for all civilian males over 27 years of age, as a *sine qua non* condition to be eligible, yet without any guarantee, for permission to leave their country, besides being fired from their regular jobs following their request for exit visas;

(d) confiscation of all private or personal property, including simple household effects, clothes and everything possessed by any Cuban or foreign resident, without respect for their human right to dispose of their personal belongings, not even being allowed to transfer them to relatives remaining behind and residing at other addresses;

(e) the annulment of all passports of some 300,000 Cubans at the moment prior to boarding the planes from Cuba to the United States under the refugee airlift agreement operating from December 1965 until February 1974. Such annulment of passports executed against men and women, children and the very old without distinction, in violation of the UN Convention on Refugees and Statelessness;

(f) the ransacking of homes, subjecting citizens to search at any hour, in violation of the sanctity of the home, without legal recourse or remedy, other than to be arrested by the dreadful secret police, so-called G-2, which faithful to its initials operates as a true second Gestapo, with the cooperation of the Committees for the Defense of the Revolution, operating in every block of every neighborhood to spy and interfere in every activity of life, including personal mail;

(g) the conditioning of political (communist) indoctrination in the education of children and youths, and its requirement as a pre-requisite for university education;

(h) the denial of transcripts, whether of secondary or university education, to students who have left for abroad, nor of any proofs of academic degrees received that may be requested by any departing Cuban graduate;

(i) the governmental policy of hate instilled in the population toward dissidents and the social consequences that it has brought to them in all areas of community life;

(j) the despicable, constant and discriminatory use of the word "gusano" (worm) by all government officials, even by those supposedly administering justice, when referring in their public speeches or functions to non-communist citizens;

(k) the use of racist insults against blacks or any other minorities while in prison, on top of the unspeakable contempt with which they are addressed as "gusanos", "counter-revolutionaries", etc.

(l) the coercive conditioning of the administration of justice, the penal system, the press, trade unions, political or social association, education, art, poetry and literature to the control of communist fanatics operating as witch-hunters against any citizen daring to exercise human rights and fundamental freedoms contained but suspended for sixteen years now in the Constitution of Cuba, though of universal recognition as inalienable for all human beings;

(m) last, but not least, the denial by the authorities in Cuba of permission to leave for their respective countries of citizenship, to hundreds of foreign nationals remaining in Cuba with their families, against their will, among which several hundred are citizens of the United States, awaiting for years to exercise their right to repatriation. Those foreign nationals are deprived from work unless they renounce their foreign citizenship, are denied entitlement to higher education in Cuban institutions and are subjected to constant surveillance; yet, they are not given exit permits to depart to their countries of citizenship as they repeatedly request from the Ministry of the Interior and the Swiss Embassy in Havana, the latter being unable to do anything for their international legal protection in their departure.

The above-cited examples do not exhaust the gamut of gross violations of human rights and fundamental freedoms in Cuba, but are examples of those amply applied mercilessly and illegally en masse.

Do they not point out to many UN human rights reports, studies, statements and resolutions wherein no reference has ever been made to their existence? Sadly, but unavoidably, these are constant questions with already many years of impending answers, but their account may reflect the continued struggle of the Cuban people against tyranny from within and their sovereign right to exercise complete self-determination from the new foreign domination to which they are subjected, as a means to suppress their national liberation and the restoration of all human rights and fundamental liberties within a climate of peace and democracy.

Nevertheless, whatever the origin, cause and objective of citizens struggling for their individual, collective or national rights may be, no government or political system can be permitted by the UN Secretary General or any UN body to commit violations as those described, with total disregard of its international obligations.

Last year, we testified before the Inter-American Commission on Human Rights on two occasions, and we presented for their consideration documented proofs in support of our denunciations. In August, we also appeared before the UN Sub-Commission on Human Rights and made a statement and presented ample documentation on behalf of the Inter-American Press Association, with regard to the massive violations of the human rights of Cuban political prisoners. Although the presentation made by the Inter-American Press Association, an NGO with Consultative Status (Category II with ECOSOC) was rejected by some representatives as false and slanderous, the facts remain to be disproved, particularly when over forty Cuban journalists, members of the Inter-American Press Association, have been counted among the thousands of political prisoners and approximately thirty of those Cuban journalists are still imprisoned.

Furthermore, even if all the facts denounced and supported in detail by the documentation presented to the Chairman of the Sub-Commission on Human Rights during our statement made on August 16, 1974 (See UN document E/CN.4/Sub.2/SR. 705–Add.1) were chosen by the Sub-Commission to be ignored, in spite of the international instruments and General Assembly, ECOSOC and Commission on Human Rights resolutions referring to the inacceptance of the use of torture (GA Res. 1309) and the duty of the UN bodies to examine patterns of reiterated and massive violations of human rights, as contemplated by Commission on Human Rights Resolution 8 (XXIII) and ECOSOC Resolutions 1235 and 1503, how can the UN keep ignoring the same charges made against the gross and massive abuses to Cuban political prisoners as contained in ample international documentation produced by numerous institutions?

Aware of the genuine concern of institutions such as yours towards the defense of human rights irrespective of nationality, race or ideological distinction, we appeal to you to review our claim, together with the following:

1962 Report "Cuba and the Rule of Law" and the May 1964 Bulletin of the International Commission of Jurists;

1962 and 1967 Reports by the Inter-American Commission on Human Rights, entitled "The Situation of Human Rights in Cuba";

1963 and 1970 Reports by the Inter-American Commission on Human Rights, "Situation of Political Prisoners in Cuba and Their Relatives";

The three 1973 Resolutions by the same Regional body, regarding Cases 1604, 1721 and 1726, which the Commission declared as serious violations to the right to life. (Case 1604 refers to the assassination of Havana University student leader Pedro Luis Boitel, who died in a hunger strike, tortured, at El Principe Prison in Havana on May 25, 1972. His precarious situation had been denounced by this Committee on May 12, 1972 by urgent telegram of appeal to the UN Secretary-General and to the Commission on Human Rights, without avail);

Appeals and denouncements made by the International League for the Rights of Man on various occasions, as evidenced by its annual reports since 1959;

Amnesty International's concern as expressed on various occasions, evidenced by its annual reports, particularly the 1972–1973 report, where Amnesty refers to "the new idiosyncratic and extreme totalitarianism of Cuban penal system", the "new vagrancy laws", "imprisonment", "hard labor", etc. Also, the "Report on Torture" and their 1974 Annual Report, in which Amnesty states that it has decided to further their study of the situation on a priority basis;

The International Rescue Committee has also gathered ample information in detail and, to cite one instance, joined the US Branch of Amnesty to make an appeal in March 1971 to the UN Secretary-General, the International Red Cross, and to Mexico, Sweden, Chile, Norway and Great Britain for their mediation to stop the inhumane conditions of more than 30,000 political prisoners in Cuba;

The International Committee of the Red Cross has tried for many years to obtain permission to visit the prisoners, particularly those gravely ill. Such requests and the delivery of medicines to them have always been rejected. In some cases, the Red Cross decided to make the rejections known publicly (see Annual Reports of 1961, 1962, 1966 and 1968). Just a few months ago, the President of the League of the Red Cross Societies replied with the same statement of rejection received from authorities in Cuba to their requests on behalf of prisoners (copy of said letter is attached);

In April and May 1971, more than sixty world intellectuals made a joint protest against the use of torture in Cuba to poet Heberto Padilla. In their charges, those intellectuals expressed their fear on the practice of torture against peasants, workers and intellectuals. The protesters included Jean Paul Sartre, Pier Paolo Pasolini, Alain Resnais, Simone de Beauvoir, Marguerite Duras, Istvan Mezaris, Susan Sontag, Mario Vargas Llosa, Alberto Moravia, Hans Magnus Enzensberger and many others (see newspapers "Le Monde" and "The New York Times" of May 21 and 22, 1971).

In June 1972, France's Goncourt Prize winner Jean Cau wrote a four-page article, "Cuba a ses Camps de la Mort" (see Paris Match of June 12, 1972). The French intellectual referred to the parallel between the concentration camp practices in Cuba and those of Nazi Europe;

The Annual Reports of the Inter-American Press Association (IAPA), since 1960 to date, contain as well an account of the reports, appeals, and resolutions adopted by that institution on the complete erosion of the freedom of the press, the violation of human rights and fundamental freedoms, and the use of torture, forced labor and other mistreatments applied on an institutionalized basis against political prisoners. The Association reached in that respect a unanimous decision by its General Assembly—Boston, 1973—to declare the assassinations and tortures against political prisoners in Cuba, "crimes against humanity". Such decision was communicated to the Commissions on Human Rights and Secretary-Generals of the UN and the OAS and to other institutions. In October 1974, the Inter-American Press Association's General Assembly gathered in Caracas, reiterated its previous resolution and launched an appeal to many international organizations, world public opinion and to His Holiness Pope Paul VI to help the International Red Cross to reach Cuban political prisoners, especially those mortally ill and the very old.

To conclude, among the many books containg references to such inhumane situation, worth reviewing are comments contained in "Cuba and the Pursuit of Freedom" by Hughes Thomas, and "Les Guerrilleurs au Pouvoir" by K. S. Karol. In addition, our Committee would be ready to present written and oral testimonies from many of the victims themselves if the UN Committee on Human Rights or any other body genuinely interested in the conclusion of the inhumane captivity of thousands of defenseless Cubans were to carry an impartial investigation with the necessary moral power to prevail on the authorities in Cuba to put an end to their terror, forced labor and concentration camp practices.

Although this Committee has been informed of the existence of many more centers of confinement operating in Cuba at

present, we have been able to establish that there are over sixty throughout the six provinces in the country. They appear listed in attachment to this letter.

If we were to list the most outstanding violations of human rights against political prisoners in Cuba, we would say that the penitentiary system in Cuba is characterized by murders, physical and mental tortures, lack of adequate nutrition, denial of family visits and family mail as well as food packages from home, compulsive political indoctrination and hard labor, arbitrary reimposition of terms already served thus extending their sentences indefinitely and illegally; new massive arrests of those already released and who are then sent to hard-labor camps and denied exit permits to leave the island; solitary confinement in cells that have steel-planked doors and windows where the inmates starve away and die without seeing the sunlight for years—specifically, Morón, San Severino and Boniato—subjected to biological and psychological experimentation as well as beatings with sticks, rods, chains and bayonets, and humiliating measures such as nakedness. These are a flagrant violation of Article 5 of the Universal Declaration of Human Rights.

As a result of the lack of adequate medical, dental and sanitary conditions, in addition to their subsistency level of food, the following illnesses abound among many: scurvy, mange, dissentry, tuberculosis, polineuritis, skin and mucous ulceration, avitaminosis and blindness which have caused the death of many, as well as acute depressive state and anguish that have driven several to commit suicide; most have lost their teeth and the women, in general, show signs of ovaric problems and traumatic menopause, as well as extremely advance geriatric development particularly in their visual organs. Not mentioned are the results from severe beatings and unattended fractures and wounds.

Two years ago, the regime began the new legal monstrosity of resentencing prisoners who had served their terms but yet unreleased as punishment to those who protested the habitual abuses or opposed and survived the "disciplinary rigor phase" of the evil plan of re-education. (Confirmation of its existence is in Cuba's communist official newspaper "Granma", of May 17, 1969, pages 3 and 4, in the interview of Lieut. Medardo Lemus, then Chief of Prisons and Penal Establishment, who in that interview even implies physical elimination of those obstructing the evil re-education plan.)

Help is needed from an international body such as the UN High Commissioner for Refugees, the UN Commission on Human Rights, or any other ready to assist directly many of the former prisoners who, having completed their sentences under the re-education plan, cannot abandon the country with their immediate families or join other relatives abroad if the permit had not been requested before May 31, 1970. The measure seems to have been put into effect to prevent large numbers—who were sentenced in 1960 thru 1967 to 9, 12 and 15 years, many of them students—to depart, notwithstanding the social pressure against them once they are back into the mainstream of ordinary life.

Most urgent attention on humanitarian grounds is needed by those who are seriously or mortally ill. Strictly on those grounds, the International Committee of the Red Cross or any other mediator should ensure the transfer and custody into regular hospitals in Cuba or abroad of the prisoners whose lives could be prolonged with adequate medical treatment and food, the immediate release of those about to die—Dr. Abelardo Codinach, with cancer of the spine—so that they may be with their families in their last moments. Again, even the latter has been cruelly, systematically and mercilessly denied to both, dying prisoners or their immediate relatives. Attached is a list of prisoners known to us to require such degree of urgent attention. Also attached are the names of locations where groups of prisoners remain incommunicado.

Indeed we are convinced that world public opinion can move international public institutions to compassion, concern, appeal and investigation. May we request that you express your preoccupation as well towards so many thousands of human beings forgotten by the UN Commission on Human Rights and by the UN Secretary-Generals?

In only a few days, the Commission will be holding its annual session. Despite its silence, we consider it our duty to keep requesting an examination of the violations of human rights and fundamental freedoms in Cuba, particularly against political prisoners under the item, "Question of Violation of Human Rights in all Countries".

It is our firm conviction that no political régime can justify, under any circumstance, physical and psychological mistreatment of human beings as established by Article 3 of the Geneva Convention of 1949, which upholds human rights such as those violated against Cuban prisoners, as rights not subject to derogation even in times of war or public emergency. Human rights are part of humanity as a whole and wherever they are violated on a massive institutionalized scale, they constitute a genocide.

May we ask that your institution also express concern for Cuban political prisoners and other violations of human rights in Cuba, as you have steadfastly done for human rights of all groups. And, may we ask you to convey to the UN Commission on Human Rights, to the UN Secretary-General, and to any other channel that you may consider effective in the pursuit of requesting the authorities in Cuba:

(a) to stop violating the physical and psychological integrity of political prisoners, in conformity with their obligations under International Humanitarian Law and Human Rights Law; and

(b) to allow the International Red Cross and an international commission or an Ad-Hoc Committee to be established by the UN Commission on Human Rights, to visit the numerous prisons, forced labor or so-called state farms, and concentration camps in Cuba, in order to improve their present conditions, with the ultimate purpose of obtaining—first, the release of those seriously ill, the conclusion of solitary and inhumane confinement, and, ultimately, freedom for all, with the dismantling of all concentration camps, subject to international guarantees and supervision.

For the assistance that you and your institutions may render, we gratefully remain

Very respectfully yours,

DR. HUMBERTO MEDRANO,
Coordination, Committee to Denounce Cruelties to Cuban Political Prisoners, Inc.

BAHRAIN

Mr. PERCY. Mr. President, in my report to the Senate Foreign Relations Committee on my January Mideast study trip, for reasons of focus and brevity, I was not able to include all the material that I gathered in Bahrain. While much of the information was referenced in the report, there was no single section of the report that concentrated on Bahrain.

The recent statement by the Shah of Iran that he would prefer both Soviet and U.S. naval forces out of the Gulf raises the issue of United States/Bahrain relations and the presence of the U.S. naval base there. Given this issue, I felt it might be of value to my Senate colleagues to draw together in as coherent and concise a presentation as possible certain information on Bahrain.

Bahrain received its independence from Great Britain in August 1971. During the early 19th century it had become a British protectorate along with most of the other small emirates in the Gulf. One obstacle to independence was Iran's claim to sovereignty over the island, but this was resolved when Iran accepted a U.N. survey showing a majority of the population desired independence. Bahrain chose not to join the United Arab Emirates because the federation was too loose, there seemed little willingness to equitably share resources, and as the most populous and developed part of the proposed union, Bahrain believed it was not going to be given a fair proportion of representation in the federal government.

The country is an archipelago of 33 islands, the largest of which is roughly 10 miles by 30 miles. While oil is responsible for about one-half the governmental revenues, commercial trade, service industries and industrial development are the key to the country's future economic expansion. Oil reserves are very limited although natural gas is plentiful and provides a cheap form of energy for industrial use. Aluminum Bahrain—ALBA, one of the largest nonoil related industries in the gulf, makes its home on Bahrain because of the cheap and plentiful gas supplies. Bahrain is not a member of OPEC. The only other country to share this same distinction in the gulf is Oman.

Bahrain is a trading nation and the wharfs of the country are replete with every variety of sea-going vessel. The port is the base for many of the import-export firms operating in the gulf as well as home port for the numerous construction companies operating in the gulf. A number of airlines are also using Bahrain as a service center and crew rest stop because of its trained labor force and its location halfway between Europe and South Asia. Another planned major development is a 12-mile causeway between Bahrain and the Saudi mainland. This project will be accomplished with Saudi aid. Upon completion Bahrain will become a major entrepot for Saudi Arabia. Stronger commercial relations between the two nations are expected to bring even stronger political ties.

Economic development is proceeding so rapidly in Bahrain that the 60,000 to 70,000 man labor force includes approximately 20,000–25,000 non-Bahrainis. Imported labor is from Iran, Indian, and Pakistan. These countries also provide artisans and professions alongside Palestinians and Europeans. British commercial interests still dominate the island but the Bahrainis wish to diversify their commercial and industrial structure as well as stimulate other than British investment.

Bahrain has one of the most progressive political systems in the Gulf. In 1973, Bahrain established a constitution which created a National Assembly. Since that time, political blocs on both right and left have been formed, and open political discussion and debate is encouraged in

the society. Formation of formal parties awaits government authorization. These trends to open political institutions have been frowned upon by Bahrain's more conservative neighbors. Observers of Bahraini society and politics express the view that given Bahrain's high level of education and exposure to British political process, it was much wiser to move to more progressive political institutions after independence than revert to more conservative absolute monarchy.

Successive members of the Al-Khalifa family have ruled Bahrain since 1782. They are closely related to the ruling family in Kuwait. It has been under the leadership of His Highness Isa bin Salman Al-Khalifa, that the calculated risk to more democratic forms of government has been taken. The Amir's progressive outlook commands the respect of most Bahrainis.

While in Bahrain I had the pleasure of having an audience with the Amir and his Prime Minister Shaykh Khalifa bin Salman Al-Khalifa. Both men were very impressive. We spoke of the necessity for continuing good relations between the United States and Bahrain and Bahrain's desire to attract more American business. As could be expected, Bahrain, a country relying on commerce for its livelihood and growth, is deeply desirous of peace and stability in the Middle East and the Gulf. As in other areas of the Arab world, the Amir expressed thanks for U.S. efforts to achieve peace. He, like other Arab leaders we met, felt that a coexistence with Israel on some grounds acceptable to both sides had to be negotiated.

The Amir and his Prime Minister expressed concern over the growing arms race in the Gulf States. While expressing faith in both Iran and Saudi Arabia, the Amir was concerned about the future and what a change in leadership might bring. The Amir saw the arms race with Israel and in the Gulf States as a waste in resources, resources that could be so easily used to better the lives of the inhabitants of the area rather than be wasted on metal and prestige.

The Amir felt that more cooperation was needed among the Gulf States. He said that Bahrain would still consider joining a federation of Gulf States if they were tightly bound and mutual benefits shared. However, he did not see this possibility in the immediate future. Therefore, he proposed broad cooperation and complementary economic growth rather than competitive development in the Gulf as another avenue to eventual political unity of the small states there.

Both the Amir and the Prime Minister agreed that world oil prices should be stabilized and conservation in the industrialized countries encouraged. Both men were also positive on the continuation of U.S. naval presence in the gulf including the basing of ships at Manama.

The "U.S. naval base" in Manama, Bahrain, amounts to the renting of pier space on the one large commercial wharf in the harbor. The present agreement was negotiated in 1971. Certain ancillary arrangements stemming from this agreement are now being negotiated. The Bahrainis are asking a price of $4 million per annum or roughly 6 times the previous rental rate. This has been justified on the basis that the 1971 contract was favorable to the United States and the scarcity of wharf space in the gulf given the gulf's recent economic boom resulting from increased oil prices.

The U.S. "base" at Bahrain serves three ships, the 13,000-ton flagship U.S.S. *LaSalle*, known affectionately as the White Whale, and two destroyers. I had the opportunity to spend some time on the *LaSalle* in conversation with Adm. Robert J. Hanks, the Commander of U.S. Navy Middle East Force. We reviewed the contract negotiations. He felt the major mission of the Navy was to show the flag in the gulf as a reminder of U.S. interest and presence. I left with the opinion that Admiral Hanks believed the U.S. presence should be continued provided price agreement could be reached with the Bahrainis. Parenthetically, I must say that the admiral's hospitality was more than gracious.

He and his staff were exceedingly helpful in providing transportation and communications throughout the Gulf area. I am sure that our trip would have been more limited and less productive without his thoughtful assistance.

While the United States may have interests in keeping a naval force in the Gulf, the Bahrainis also have an interest in keeping the naval force present. The critical feature is not income but the American presence. The naval base is a symbol of good United States- Bahrainis relations and it is hoped that this will help attract further U.S. business interests. Bahrain's future is not in oil but in developing commercial services—banking, shipping, insurance and entrepot—that can be marketed throughout the Gulf. Many of these services will be tied to the petroleum industry but not to petroleum itself. Of course, there are also some national security benefits to Bahrain with our naval force in its main harbor. I met with leading representatives of the U.S. business community who universally expressed complete satisfaction with their relationship with Bahrain.

The negatives of the U.S. presence in Bahrain are reflected in whether Iran and Saudi Arabia approve of the U.S. presence. As noted earlier, the press has reported the Shah as saying he wishes third party forces removed from the Gulf area, but it is my understanding that he favors a U.S. presence as long as other great powers are present in the area.

Saudi Arabia has not expressed an opinion publicly but it is assumed that Bahrain privately has assurances from Saudi Arabia of its approval or at least its acceptance of the U.S. presence. The Shah wishes all foreign naval power out of the Gulf so disputes will be settled within the region without superpower influence. The Shah, however, will be by far the dominant naval power in the Gulf once the superpowers leave. Even now he has a greater naval capability than the U.S. Navy Middle East Force.

As a small merchant nation Bahrain needs peace and stability in the Gulf. These interests coincide closely with those of the United States. Certainly a U.S. presence in the Gulf is of value. How this is to be accomplished is of importance. The naval base in Bahrain is one possibility. Conceivably, if Diego Garcia is built in the Indian Ocean this would be another option. The United States has also asked the Omanis for the contingency use of the Royal Air Force airfield at Musirah Island off the southern coast of Oman. With 60 percent of the world's exported oil originating in the Gulf and the economies of Western Europe and Japan dependent on this oil, U.S. interest in the Gulf and in the progressive merchant states such as Bahrain will remain high.

Mr. President, I ask unanimous consent that a fact sheet on Bahrain and the recent article in the Washington Post on the Shah of Iran be printed in the RECORD.

There being no objection, the fact sheet and article were ordered to be printed in the RECORD, as follows:

BAHRAIN

LAND

230 sq. mi. plus group of smaller islands; 5% cultivated, negligible forested area, remainder desert, waste, or urban.

WATER

Limits of territorial waters (claimed): 3 n. mi. Coastline: 100 mi.

PEOPLE

Population: 237,000, average annual growth rate 2.8% (2/65–4/71).

Ethnic divisions: 90% Arab, 7% Iranian, Pakistani, and Indian, 3% other.

Religion: Muslim.

Language: Arabic.

Literacy: about 30% (1965).

Labor force: 53,274 (1965).

GOVERNMENT

Legal name: State of Bahrain.

Type: traditional monarchy; independence declared in 1971.

Capital: Al Manamah.

Legal system: based on Islamic law and English common law; constitution will take effect December 1973.

Government leader: Emir 'Isa ibn Salman Al-Khalifah.

Suffrage: granted to all native-born or naturalized males 20 and over.

Elections: elections for new national assembly will be held December 1973.

Political parties and pressure groups: political parties prohibited; no significant pressure groups although numerous small clandestine groups are active.

Communists: few known.

Member of: Arab League, U.N.

ECONOMY

GNP: $200 million (1973 est.), $870 per capita, dominated by oil industry; crude oil production in 1974 estimated at the rate of approx. 70,000 bbls. per day; refinery produced about 90 million bbls. in 1971; government oil revenues for 1974 are estimated at $165 million including refinery income and Saudi Arabia's payment for the Abu Saf'an field production.

Agriculture: produces dates, alfalfa, vegetables; dairy and poultry farming; fishing; not self-sufficient in food.

Major industries: petroleum refining, boatbuilding, shrimp fishing, and sail-making on a small scale; major development projects include aluminum smelter, flourmill, and ISA town.

Electric power: 108,000 kw. capacity (1972); 270 million kw.-hr. produced (1972), 1,180 kw.-hr. per capita.

Exports: non-oil exports $55 million 1972 rev.; total exports $280 million 1972 (est.).
Imports: including oil, $34 million (1972 est.).
Major trade partners: U.K., Japan, U.S., EC.
Aid: economic—multilateral Western $360,000 (annual average 1967–69).
Monetary conversion rate: 1 Bahrain dinar=US$2.52 (since January 1973).
Fiscal year: calendar year.

COMMUNICATIONS

Highways: 120 mi. bituminous surfaced; undetermined mileage of natural surface tracks.
Ports: 1 major.
Pipelines: crude oil, 35 mi.; refined products, 10 mi.; natural gas, 20 mi.
Civil air: 5 major transport aircraft (all registered in the U.K.).
Airfields: 5 total, 2 usable; 1 with permanent-surface runway; 1 with runway over 12,000 ft.; 1 seaplane station.
Telecommunications: excellent international telecommunications; limited domestic services; 14,800 telephones; 80,000 radio receivers; 10,000 TV sets; 1 AM radiobroadcast station; satellite earth station; tropospheric scatter Bahrain to Qatar and United Arab Emirates.

DEFENSE FORCES

Military manpower: males 15–49, 62,000; fit for military service 34,000.

[From the Washington Post, May 3, 1975]

SHAH WANTS U.S. NAVY OUT

(By Gavin Young)

TEHRAN, May 2.—The shah of Iran wants any wants any permanent American military presence removed from the Persian Gulf area, including the American naval base in Bahrain.

At the same time, Shah Mohamed Reza Pahlavi said in an interview this week, he expects Iraq to agree to a similar exclusion of Soviet bases in the Gulf.

In his hillside palace outside Tehran, the shah said: "We both want to keep third parties out." He went on to say that he would favor some sort of council or conference of Gulf states to cope with local problems of whatever kind.

"But," he added, "I would rather the suggestion came from someone else." It will probably come from Saddam Hussein, who is vice president and the effective leader of Iraq.

Monarchial Iran and socialist Iraq have been bitter rivals for years and have regularly feuded over their borders. But in March they suddenly resolved their differences and settled their border dispute.

The new friendship of the two main military powers in the world's principal oil producing area was signified this week as Iraq's strongman, Saddam Hussein, came to Teheran and stood shoulder-to-shoulder with the shah.

The only American base in the immediate area, at Bahrain, is small. It normally serves a mere three ships—a 13,000-ton flagship and two destroyers.

Its commander has said: "We are just here to show the flag to the emergent nations out here." Neither Iran nor Iraq feels it needs to be shown any outsider's flag.

The Soviets claim to have no foreign bases. But they make frequent and regular use of Umm al Qasr, Iraq's Persian Gulf port, as well as installations in South Yemen and Somalia, U.S. officials have said.

The Soviet navy keeps one to two dozen ships on station in the Indian Ocean near the tanker routes exiting the Persian Gulf. The Soviets have been there since 1968. Increasingly, the U.S. Navy is sending bigger ships, including carriers, into the Indian Ocean to counter the Soviet presence.

Last year an American carrier sailed into the Persian Gulf for the first time in a quarter century.

The shah's opposition to the foreign presence does not mean he is turning anti-American. Last year Iran was the largest buyer of American weapons and this month he will visit President Ford.

He is now awaiting delivery of no less than 80 F–14 Tomcat fighters from the U.S., as well as 141 F–5 fighters to add to his 100 Phantoms.

But there is no doubt of the intensity of the Iranian feeling that superpowers from East or West are unwanted Prime Minister Amir Abbas Hoveyda in another place in Tehran, said: "We shouldn't have third parties coming in. We, the Gulf states, can keep the peace in this area."

And the point was stressed yet again in a conversation with another official, Interior Minister Jamshid Amouzegar. "His Majesty wants all bases removed," Amouzegar said.

The Shah says he wants to defuse the chances of war in his part of the world. The danger stems from the rapid arms buildup which is a feature of all the newly rich oil states. It also lies in the neat certainty that in another Arab-Israeli war, the Arab oil states will cut fuel supplies to the United States again. The shah has said Iran will not join such a boycott and did not join in 1973.

The Shah is continuing to improve relations with Arab nations. President Anwar Sadat of Egypt has just flown to Tehran. There have long been excellent relations with Jordan; the shah was in Saudi Arabia just before the Iraqi's visit here to consult with King Khalid.

The result of all this cannot yet be forecast. But one thing is certain; Iranians and Arabs are seeking to build their own form of peaceful coexistence—with diminished risk of disruption by the superpowers—in an area where war could spell catastrophe.

PHILIPPINE INDEPENDENCE DAY

Mr. BAYH. Mr. President, today is the observance of Philippine Independence Day. The Philippines, long-time friend and ally of the United States, has had a long tradition of democratic rule. However, that tradition was interrupted in September 1972 by President Marcos' declaration of martial law.

I do not intend to take time here examining the political situation in the Philippines which is largely a domestic matter. But because of our friendship with the Philippine people, I have been particularly concerned about the status of human rights in that nation.

Over the past 8 months, I have had several personal contacts with the Honorable Eduardo Romualdez, Ambassador of the Philippines, and made several urgent pleas to Manila and our Department of State on behalf of certain political prisoners. Serious allegations have been made about mistreatment of three prominent prisoners, Benigno Aquino, Eugenio Lopez, Jr., and Sergio Osmena III. For 2½ years, they have lanquished in Philippine jails without trial—and for most of that time without formal charges brought against them.

I do not stand here to proclaim their innocence or to tell the Philippine Government how to conduct their judicial processes, but to appeal in the interests of humanitarianism for them to be treated fairly in the eyes of the world. I am hopeful there will be a just and fair resolution of these cases and that we can continue our alliance with the knowledge that the cause of human rights is paramount.

I hope the Senate will join me in expressing a concern about the lives of these men. A threat to the rights of the Philippine citizens is a threat to the rights of free men everywhere. The celebration of Philippine Independence Day should be a reaffirmation of the spirit of independence—a spirit of freedom and human rights for all mankind.

NATIONAL ENERGY PROGRAM

Mr. BROOKE. Mr. President, yesterday while the House of Representatives was voting to defeat the energy proposals before it, I was addressing the annual meeting of the New England Fuel Institute in Boston. I took the opportunity to express my sharp disappointment at the abysmal failure of Congress to produce an effective national energy program.

I am deeply concerned that the effect of congressional inaction will be the de facto acceptance of the President's energy programs. These proposals are neither effective nor fair. The tariff does nothing to stimulate directly the development of our domestic resources nor of our domestic refining capacity. On the other hand, it does fall especially hard on New England, where most of our home heating and industrial fuel is imported. It also falls indiscriminately on all classes of fuel; this is no way to promote conservation. We, in the Northeast, have already reduced our use of home heating and industrial fuels by one-fifth. No other region has sacrificed so much.

The entire Nation must face the fact that we face not an energy "problem," but a real energy crisis. The Nation must prepare to make some sacrifices, and these burdens must be shared equitably among all the people. I believe the country is sophisticated and responsible enough to make these tough choices. I am convinced that when Congress refuses to act out of fear of public reaction, it insults the intelligence and courage of the American people.

Mr. President, I would like to share my concern, and my proposals for an effective response to our energy crisis with my colleagues. I ask unanimous consent that the full text of my remarks in Boston be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD as follows:

REMARKS OF SENATOR EDWARD W. BROOKE

Just over one year ago, I addressed a Worcester State College convocation and said that our energy situation was not a mere problem, as the Administration had stated, but a real crisis and a real crisis of major proportions.

To justify that claim, I cited three trends: first, domestic production of energy was decreasing annually; second, an increase in this production through new sources of energy—be they shale oil, synthetic fuels, fusion, geothermal or solar—was many years away; and third, our consumption of energy was increasing every year. I concluded by calling for a massive campaign of energy conservation which I thought could buy us the necessary time to develop energy alternatives.

It is now more than one year later. Unfortunately, the crisis is still with us. And

the hard truth of the matter is that it will get worse before it gets better.

Regrettably but clearly the Congress is torn by factionalism and the competition of uncompromising interests. It appears to be incapable of structuring a sound national energy policy. Members seem eager to propose only programs painless to their own constituents.

I think that, once more, the Congress is underestimating the American people. History is replete with examples of this country's willingness to sacrifice in hard times. The American people simply want to be dealt with honestly, and to know all of the facts. They don't want to be manipulated by the oil producers, by American industry or by American government. And I have no doubt that they will accept a tough, rational policy if they can only have confidence in those who make that policy.

I am especially concerned that, after all the debate about the tremendous power that accrued to the Presidency in the last ten years, and all the efforts to redress the balance of power between the executive and legislative branches, the Congress is abdicating its responsibility on so vital an issue.

But, if the Democratically-controlled Congress stands accused of doing nothing to meet the energy crisis, the President stands accused of doing the wrong thing. His program of tariffs on all imported oil and decontrol of all domestic oil lack the essential ingredient of any national program, which is fairness.

The tariff is especially unfair to New England. For each dollar the President imposes, the average American will pay a little over $19 in extra fuel bills this year. Each New Englander, however, will pay about $24.50, or 25% more than other Americans. The tariff alone will also add a staggering $155 million to the electric bills of Masachusetts consumers.

Moreover, there is little reason to believe that such price increases will bring about the desired result of increased conservation. This tariff penalizes home heating oil buyers. And New Englanders have already reduced their home heating oil consumption by 20%, a figure which is twice the national average. They have cut back their consumption of residual oil 13%, again, well above the national average.

There is no more "fat" to cut here. We should be cutting back only on fuels in which there is some margin of waste, some real opportunity for savings in response to higher price, namely: gasoline.

Equally important, the tariff is not an efficient way to achieve self sufficiency; it provides no incentive for the development of domestic refining capacity because it taxes crude. It also does nothing directly to stimulate domestic resource development. On the other hand, it weakens our efforts to reduce the OPEC monopoly pricing power. It signals the producer nations that we believe our economy can tolerate quantum per barrel price leaps. And it makes no sense that FEA Administrator Zarb announced in mid May that the proposal to raise the OPEC price by $2 a barrel would spell disaster for the U.S. and then, ten days later, announce the imposition of our own tariff.

I might add the proposal to decontrol old oil in two short years will put another $15 billion burden on our faltering economic recovery.

Somewhere between the reluctance of Congress to enact a serious program and the enthusiasm of the President for taking indiscriminate action, lies what I believe to be the basis for a straight-forward energy program. Such a program consists of several steps that could be taken by the Congress now.

The first step should be the enactment of a stringent energy conservation program, the basis of which should be a stiff tax on gasoline. This is the one fuel whose use can be broadly cut. Of the 17 million barrels of oil we use each day, 7 million wind up as gasoline.

Nearly all of this gasoline goes toward the propulsion of our private fleet of automobiles. In 1972 alone, there were some 100 million of these cars traveling 1.2 trillion miles, and guzzling some 75 billion gallons of gasoline!

Only our airplane is a more inefficient form of transportation, yet the auto accounts for 85% of all travel between our cities and an incredible 95% of all travel *within* our cities.

The harsh fact is that the automobile is the prime manifestation of the wasteful habits that have dragged this nation into this present energy crisis. That is why any solution to this crisis must deal directly with this fact. And a gas tax, as unpopular as it may be, coupled with incentives for auto efficiency does so.

But as I said, this is only the first step. Several other steps are essential to a rational and effective energy strategy.

We must couple a responsible, efficient effort to tap the Georges Bank oil and gas resources with a strategic storage system capable of keeping 90 days worth of oil to sustain us in the event of a national emergency.

We must assure all the support that is necessary for the vital research and development of alternative energy sources.

We must explore the best way to set a ceiling price on domestic fuels so that our prices do not soar to the OPEC-imposed levels. I fear that, without some restraint, there is nothing to keep the cost of "new" domestic oil and, "old" oil and gas if they are decontrolled, from rising to whatever figure the Arabs choose regardless of the actual domestic costs of exploration and recovery. The imposition of an effective windfall profits tax is necessary but not sufficient; the producers must not be allowed to raise prices beyond those which provide a reasonable return in the first place. I am currently working on the design of a fair method to keep the international oil cartel from determining our domestic market conditions.

Finally, we must deregulate "new" onshore natural gas to ward off the growing gas shortages. I'm sure people will recognize that the current shortages of this precious resource are leading to curtailments of supplies. Indeed, in Massachusetts this year, we can expect a shortfall as high as 13%. (This is probably the one instance in which our energy picture is better than in other regions. Curtailments are much greater elsewhere.)

Some might argue that there have already been substantial gas rate increases. For instance, many Boston Gas residential customers saw their bills rise 20% in the last 18 months. But this is mainly because synthetic gas and expensive LNG imports which cost three to four times as much as natural gas were added to make up for the shortfall. No new customers can be allowed to buy gas, so our young families and new households must now use costly oil or electric heat.

Our business community has similar problems. Firms needing gas for precision temperature control processes are stockpiling imported liquid gas, when they can get it, at four times the cost of American gas. Their product prices rise accordingly. This fuels our inflation, adds to our unemployment, and leaves our businesses at a competitive disadvantage.

While it is true that, under federal regulations, residential consumers are the last to experience curtailments, we have so few gas using industries that when the real shortages hit, residential consumers will be among the first to feel the pinch. Indeed, there may well be gasless days in winter. And many will end up having to convert their home heating systems to oil or to electric heat. They would thus pay not only the capital costs for the new equipment, but also the soaring prices of imported oil and electricity.

Deregulation, on the other hand, would mean only about a $45 increase per year even to a Massachusetts household which uses gas for both heating and cooking. And gas heat will still be priced far below oil heat. For some users, who pay for expensive substitutes, gas bills will actually decrease for the next two years.

Deregulating natural gas is undoubtedly best for our industry. We will be in a much better position to compete for job-producing plants once the gas burned in other regions is priced at its real value. Firms will then have fewer incentives to move to those areas. Our plastics industry will be secure. Our businesses will no longer have to scavenge for adequate supplies of substitute gases. Nor will they face the threat of exorbitant conversion costs.

For these reasons, I am sponsoring together with Senator John Tunney of California a bill which will deregulate the wellhead price of all newly produced onshore natural gas. I am fully aware that some gas customers will oppose even the slightest increase in their gas bills. I am genuinely sympathetic. My decision was reached only after careful review of all the information available about gas production and gas prices. I have consulted with economists at home and in Washington. I have come to see that this measure actually protects the Massachusetts consumer. I would not cosponsor it if I felt otherwise. I am sure that, with sufficient study, the public will come to agree with me.

Let me emphasize that if deregulation is enacted, we must not tolerate windfall profits. Nor will we tolerate the industry dragging its feet in supplying us with new gas.

I do not propose wellhead price deregulation because I oppose federal regulatory action. Indeed, I am a believer in Federal regulation where industry has no incentive to protect consumers and vital resources. The oil and gas industry must realize that with increasing deregulation comes greater social responsibilities. And they should know that failure to meet these responsibilities will unquestionably lead to new controls.

I believe the five steps I have outlined will make a substantial contribution to resolving the immediate energy crisis. But the crisis itself is long term; it was not "created" by the OPEC nations. It is the result of the fundamental flaws in an economy built on low-price energy. We created our market system by wasting the earth's organic fuels while we grew at the expense of a bountiful natural environment that once seemed limitless and free. But we are faced with a voracious economy which we find tough to feed and tough to clean up after.

The energy crisis is really the crisis of the American political system. The question we face is: can our democracy stand up to it? I am an optimist. The very things that have given us a sense of crisis are a source of strength. Our communication systems are so good that the public knows there are interrelationships among all the important social and economic decisions. Although so much knowledge may make us uncomfortable, the awareness of constant change, constant pressure and tremendous complexity can be the cutting edge of a new sense of community. For the first time, people can see and accept their responsibility for the external consequences of each act and decision. The nation is now ready to accept solutions that are not simplistic. And the nation is, fortunately, sufficiently sophisticated to require valid and credible analysis of hard facts.

Let me put this as simply as I can: these are disturbing, difficult times. We need all the facts. We need clear vision. Most important, we need the courage that defines leadership. People not only want "clean",

honest government; people want a government that works.

FINANCIAL ASSISTANCE TO ENERGY IMPACTED COMMUNITIES

Mr. MOSS. Mr. President, on June 4 I testified before the Economic Development Subcommittee on Public Works in support of S. 1189, introduced by Senator MANSFIELD, Senator METCALF, and myself. My testimony concerned the need for Federal financial assistance to communities impacted by the construction of new energy supply projects. Because I believe that this is a serious and growing problem which has received too little attention in the Congress, I ask unanimous consent that my testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR FRANK E. MOSS

Mr. Chairman, members of the Subcommittee, I want to thank you for the opportunity to testify in support of S. 1189, introduced by the distinguished Majority Leader, Senator Mansfield, Senator Metcalf, and myself.

There are numerous arguments one might make in favor of this legislation going to the long-time disparity in funding for the seven Title V regional commissions as compared to the Appalachian Regional Commission. Rather than repeat the arguments in favor of parity, however, I shall confine my remarks to a single subject: the need to provide additional funds to help Western communities meet the enormous burden of supplying energy for the Nation.

There are many kinds of energy development projects which have begun or which are nearing construction in sparsley settled areas of the West—coal mines, coal gasification plants, minemouth electric generating plants, oil shale refineries, and others. The problems of providing housing, social services, and capital facilities—sewers, water treatment plants, and so on—in order to accommodate the population growth associated with such projects are staggering. The consequences of failing to provide the necessary facilities and services are disaster. Let me illustrate with a few examples.

In some cases these projects will occur near an existing town or in a county with an established economic base. Even in such a case, however, the impacts can be enormous. The construction of an oil shale refinery near Vernal, Utah, pursuant to the Federal government's Prototype Oil Shale Leasing Program, is illustrative.

The combined population of the two counties in Utah which will be directly affected by the development—Duchesne and Uintah—was 20,000 according to the 1970 census. Vernal, the largest city near the project, had a 1970 population of less than 4,000. The Final Environmental Impact Leasing Program assumes that Vernal's population will more than double—to 9,500 people—by 1980. The construction phase of the project will bring an estimated 8,600 people to the area. Once the operational phase begins that number will drop to about 6,100 people.

The city of Vernal and the surrounding counties do not have the housing or the water, the sewer facilities or the roads, the schools or health care services, to take care of the needs of the workers and their families who will soon be arriving. Neither the town nor the country has the bonding capacity to raise revenue for such expenditures. More fundamentally, the community does not even have the money to undertake the kind of planning needed to ascertain the kinds and amounts of facilities and services which the incoming population will need, or how to handle the higher but temporary influx of the construction phase.

Let me give you another, even more dramatic example. A consortium of utilities will soon begin construction of a 3,000 megawatt generating complex on the Kaiparowits plateau in Southern Utah. Both the construction phase and the operational phase for the plant and coal mine which will supply it will employ, directly, about 2,100 people. The consortium estimates that 4,200 other jobs will be generated to support the population operating the mine and power plant. With 6,300 new jobs in the area, it is anticipated that a new community of about 14,000 will spring up. And a new community it will have to be, for the present population of Kane County, where the plant and mine will be located, has a present population of about 2,400. The only nearby towns—Glen Canyon City and Page, Arizona—are much too small to accommodate any significant portion of the immigrants.

Kane County clearly has no planning capability suitable to the magnitude of the task facing it, nor has it the capacity to raise funds to build the facilities the new population will require. Once the power plant is in operation, it will generate substantial tax revenues which will support city services—and this is true for energy developments generally. The immediate need, however, is for money to plan and to undertake construction of some of the basic capital facilities—sewers, water, roads, schools—which the incoming population will require immediately upon arrival.

The social consequences of failing to construct these facilities are intolerable. Life in the "tent towns" which have sprung up in Rock Springs, Wyoming and elsewhere is marked by abnormally high rates of alcoholism, mental disorders and other undesirable afflictions. It is the old Western tragedy of the boom town in a modern setting, a tragedy which we should not let be replayed.

S. 1189 is an important step in avoiding the problems I have outlined. The bill will make available, through the regional commissions, money which can be used to plan for and implement the kind of orderly growth which will benefit both the Western states and the Nation. The need for such funding is immediate and imperative. I urge the Subcommittee to give swift approval to the bill, and to incorporate its provisions into S. 1513 extending the life of the Appalachian Regional Commission.

S. 522, THE INDIAN HEALTH CARE IMPROVEMENT ACT: A STATEMENT OF SUPPORT

Mr. FANNIN. Mr. President, on May 16, the Senate, as it did in the 93d Congress, unanimously approved the Indian Health Care Improvement Act. These acts of unanimity represent a strong commitment on the part of the Senate and its Interior and Insular Affairs Committee to establishing a health care program which is appropriate to the needs of Indian people. But in a larger sense, the passage of the Indian Health Care Improvement Act signifies the continuing effort of the Congress to build a structure of modern Federal programs to assist Indian people in their quest to achieve economic and social progress. Obviously, the key to that progress depends a great deal on the delivery of proper and timely health care programs since without good health the opportunities for economic and social growth are often severely limited. It is in this context that the passage of S. 522, the Indian Health Care Improvement Act is so significant.

Mr. President, because of the desire of Senator JACKSON and myself to expedite the passage of S. 522 the usual statements outlining the provisions of the bill and establishing legislative intent were omitted. In view of the importance of completing the legislative record, however, I am taking this opportunity to explain my views on S. 522 and what this bill intends to accomplish.

Mr. President, it is no secret that I have had my differences with the distinguished chairman of the Interior Committee over a number of important issues, but on the matter of providing better health care to our Indian citizens there has been complete agreement. In the context of commitment and concern we have worked together to develop legislation which would address in a reasonable and rational way the major health needs of the American Indian. S. 522, therefore, is a product of cooperation, and represents a full committee effort to eliminate the deficiencies in Indian health care services.

Mr. President, the health of our Indian citizens has long been a major concern to me. In my own State one cannot ignore the problems of Indian health care in view of the fact that over 114,000 Indian citizens constituting 7 percent of the State's population reside on 17 separate Indian reservations comprising 19 million acres or 26 percent of the land. But of even greater significance is the visability of the Indian Health Service. In Arizona, there are 10 IHS hospitals, 19 health centers, 150 health stations, and 2,170 employees. Thus, the presence of a large Indian population with a visible Indian Health Service only serves to dramatize the deficiencies on health care service and the need to correct those deficiencies.

I have traveled throughout Arizona's reservation lands and visited the various facilities of the Indian Health Service. I have seen the IHS hospitals at Winslow, Whiteriver, and Sacaton and was overwhelmed by the inadequacy of these facilities and their general condition of deterioration. I have talked with IHS personnel and heard their petitions for increased health manpower and their expressions of concern for the limited ability of the IHS to deliver quality health care to Indian people. Finally, I have met with Indian people themselves and learned at first hand of their hopes that the health care services on their reservations will be improved. Throughout all these conversations and visits I became convinced that a major effort would have to be made to strengthen the capacity of the Indian Health Service to provide better health care services. It is my firm view that S. 522 represents a significant response to the challenge of developing a stronger Indian Health Service. It is both responsive and significant because S. 522 recognizes that the story of Indian health care is largely the story of the Indian Health Service.

This legislation is significant because its central objective is to redraw the legislative authority of the Indian Health Service so that it might better meet the

contemporary and future health needs of Indian people. It has become increasingly clear that the existing authority of the Indian Health Service is no longer capable of meeting the ever-pressing health problems of its clients and clearly needs new tools, resources, and innovative programs to meet those needs. The authority for Indian Health Service appropriations are provided for under the Snyder Act.

This act, which generally applies to the Bureau of Indian Affairs, also covers the Indian Health Service since the appropriating authority under the Snyder Act was transferred with the Indian Health Service when it was shifted in 1955 from the BIA to the Department of Health, Education, and Welfare under the Transfer Act of 1954. In relationship to health the Snyder Act states that—

> The Bureau of Indian Affairs, under the supervision of the Secretary of the Interior, shall direct, supervise, and expend such moneys as Congress may from time to time appropriate, for the benefit, care, and assistance of the Indians throughout the United States ... For relief of distress and conservation of health.

Clearly, the Snyder Act is without a sufficient foundation for directing a contemporary Indian health care program. What is needed is not broad or vague guidelines, but a well-conceived program which matches resources with need. S. 522 provides such a program but, in addition, provides form where there has been no form; a plan where there has been no plan by establishing a program of priorities and authorizations to match those priorities.

This structure, if enacted, will not only assure the realization of the objectives of the Indian Health Service but it will provide an important reference point to judge whether progress is being made in meeting those priorities and needs. This element of accountability is one of the most significant aspects of this legislation. By establishing a plan we have in essence established a process by which Federal resources are utilized in a rational way and by which Indian people can be assured of progress in modernizing their health care delivery system.

But more importantly, this legislation was designed to be responsive as well. For far too long the Indian Health Service and the Indian people themselves have experienced Government policies which resulted in inadequate funds, inadequate manpower, and inadequate facilities. In the place of a comprehensive plan to meet the health needs of Indian people, Government policies have had the effect of a Band-Aid. Budgets for the Indian Health Service were often designed to meet the minimum needs of patient care and field health services. And in particular, construction funds for the Indian Health Service have been totally inadequate to meet the glaring need for better facilities. With only a few construction projects authorized in recent years, most of which were the result of congressional intervention, the Indian Health Service has had to face continued deterioration in most of its facilities and do what it could to keep them going for yet another year, despite the knowledge that most of these facilities were out of date, beyond repair, and unsafe.

Yet, even in the face of such overwhelming evidence, the administration did not request any funds in fiscal year 1976 for new construction starts. In view of the fact that the Indian Health Service is confronting, on a daily basis, facilities which are inadequate and unsafe, this omission can only make a bad situation worse. It is no wonder then that the Indian Health Service has been reduced to running a program which could be described at best as a gamble, and at worst, a disaster. S. 522 is, in essence, a comprehensive plan designed to meet the total health needs of Indian people in a way that is neither haphazard nor uncoordinated. Only through a long-range plan can we hope to meet the health needs of Indians with an assurance of succes not only for the Indian Health Service, but to those Indian citizens who have suffered and who continue to suffer with the inadequacies of Indian health care programs.

Mr. President, according to the committee report on the Indian Health Care Improvement Act, S. 522 seeks to accomplish the following objectives:

> To assure an adequate health manpower base to provide proper health services to Indians and a sufficient cadre of trained Indian professionals and other health workers to permit Indian communities to have a maximum voice in shaping those services;
>
> To assure the elimination of the enormous backlog among Indians of unmet health needs and essential patient care;
>
> To construct modern, efficient hospitals, and other health care facilities serving Indians where none exist and renovate the existing facilities, most of which are in a state of general deterioration;
>
> To overcome the adverse effects of unsafe water supplies and unsanitary waste disposal systems in Indian communities and homes;
>
> To enable Indian people to exercise their citizenship rights to a broader range of national health resources; and
>
> To assist urban Indians both to gain access to those community health resources available to them as citizens and to provide primary health care services where those resources are inadequate or inaccessible.

Mr. President, these objectives represent both the basic outline of S. 522 and the comprehensive plan that the Indian Health Service needs to meet the total health needs of the Indian people. In the case of each objective, the committee has clearly documented its need, and the provisions in the bill are realistically designed to realize that objective.

Mr. President, it is not my intention to review, in detail, the provisions of S. 522. Rather it is my objective to highlight three provisions of significant importance to the Indian Health Service and the basis for them.

INDIAN HEALTH MANPOWER

First, the degree of success of any health care delivery system is often measured by the extent to which its manpower—doctors, dentists, nurses, and other health personnel—meets the needs of the population it serves. Effective health personnel is a primary factor in the provision of quality health care; where manpower is in short supply or underutilized, the health care system is placed in serious jeopardy. These statements are particularly applicable to the Indian Health Service. At a time when Indians are expressing increasing confidence in the Indian Health Service by making greater use of its service, its its capacity to fully meet this demand is being crippled by a manpower shortage of serious dimensions. A combination of events has produced this shortage.

First, the Indian Health Service has experienced a sharp increase in demand for its services. The result has been that the existing manpower is inadequate to effectively serve the increased number of Indian patients. For example, the committee report indicates that hospital admissions for the Indian Health Service have risen 107 percent while the utilization rate has increased 41 percent in a 19-year period.

Second, the end of the military draft has eliminated a stable supply of manpower. According to the committee report, the Public Health Service had three applications for every position prior to the end of the draft. The end of the draft, however, produced a situation in which the Public Health Service and in particular, the Indian Health Service, found itself facing numerous vacancies.

Finally, Federal programs and policies designed to provide medical manpower to rural areas have proved largely ineffective. According to a May 1974 GAO study entitled "Congressional Objectives of Federal Loans and Scholars to Health Professions Students Not Being Met," Federal loan or scholarship programs have failed to influence physicians to practice in rural or physician shortage areas. But more importantly, the existing programs do not presently have the capacity to assure the Indian Health Service of a stable supply of health manpower to meet current or future needs.

These factors have combined to jeopardize the ability of the Indian Health Service to deliver quality health care to Indians. An analysis of existing programs and policies as to their potential for resolving this problem convinced me and the committee that a new approach was necessary to solve the total manpower needs of the IHS. In this context, title I of S. 522 contains provisions which would achieve the following objectives:

First, that an Indian oriented health manpower program be established;

Second, that the health manpower program be designed to support the broad objective of eliminating health manpower shortages in all health care areas affecting the Indian Health Service;

Third, that the various elements of the health manpower program be interrelated and be subject to effective coordination and management;

Fourth, that the administration of an Indian oriented health manpower program be assigned to the Indian Health Service;

Fifth, that a scholarship program be designed to specifically increase the supply of health professionals for the Indian Health Service; and

Sixth, that the scholarship program provide sufficient financial support to attract highly qualified participants, especially Indians, and to fully meet their educational needs.

Title I contains six separate but interrelated programs designed specifically to meet the health manpower needs of the Indian Health Service and to produce more Indian health professionals. The committee assigned the administration of this comprehensive package of programs to the Indian Health Service, because it believes that the IHS, as an established agency with the specific mission to provide health care to Indians, possesses the necessary administrative machinery and the relevant expertise to effectively manage those programs. Moreover it is my expectation and that of the committee as well that under this administrative assignment the Indian Health Service will quickly realize that it is in their own self-interest to assure the successful implementation of these programs. Failure to do so will surely plunge the Indian Health Service into a prolonged and dangerous manpower shortage.

This linkage of agency self-interest with manpower programs represents a significant change in the present approach to administering those Federal health manpower programs which emphasize scholarships or loans to meet manpower shortages. Instead of continuing to follow the pattern of unrelated manpower programs, most of which are administered by colleges and universities on behalf of individual students, title I definitely establishes in the Indian Health Service a manpower program to directly service the interests of that agency. No longer will the Indian Health Service have to wait for assistance, often in vain, from other program sources, but will be able to control events and resources so as to realize its manpower objectives on a rational basis. Here again, S. 522 provides a plan whereby resources can be allocated with assurance that they will be utilized within a framework of identified need. This linking of health manpower with the Indian Health Service will provide a gage for accountability.

Of equal importance, this legislation seeks to meet the objective of Indian self-determination policies by developing a health manpower program which emphasizes the recruitment and training of Indians so that we can increase the number of Indian health personnel caring for their own people. According to the latest figures, there are approximately 50 Indian physicians in the entire Nation, of which only four are practicing in the Indian Health Service. It is my hope that by the end of the decade we will witness a substantial growth in the number of Indian doctors, administrators, nurses, and other allied health personnel serving Indian people in and out of the Indian Health Service.

Mr. President, the health manpower shortage in the Indian Health Service is a critical problem, but current policies are clearly unresponsive and the problems can no longer be ignored for at the heart of the Indian Health Service is its medical personnel. Without adequate personnel, increased support for patient care, and other health care programs of the IHS, would be irrelevant. Title I represents a major step toward solving the manpower needs of the Indian Health Service, but it also represents an effort to establish a permanent source for supplying the necessary personnel to serve the needs of the Indian people. The need to establish a permanent source for supplying the full range of health manpower needs of the Indian Health Service is the foundation on which title I rests. This feature, without doubt, is one of the most critical parts of S. 522 and is essential if the Indian Health Service is to be successful in its endeavors. In summary, title I is one of the most important elements of S. 522.

Mr. President, in its report on S. 522, the Department of Health, Education, and Welfare argued against the proposed title I manpower programs as being "programmatically unsound." According to the Department, title I authorizes—

Several different programs for subsidizing the training of Indians as health professionals. Sufficient authority and many programs already exist to train Indians for health careers through the Department of Interior's scholarship program, DHEW's National Health Service Scholarship program—for which $22.5 million has been requested for 1976, training programs within the Indian Health Service, and various other health manpower programs administered by this Department. Efforts continue to increase the number of Indian participants in all of these programs. There is no sound programmatic basis for the establishment of a municipality of duplicative categorical programs, particularly when these programs overlap existing authority of the Department.

There is no question that title I emphasizes the training of Indian health professionals and non-Indians as well. In this context then, title I does establish new and possibly duplicative categorical aid programs. However, the Department erred in assuming that the primary objective of title I is training alone. To the contrary, the clear intent of title I is the development of a program to assure the Indian Health Service of a stable source of health manpower; whether Indian or non-Indian, to meet its present and future needs. Under the provisions of title I, the training of health professionals is linked to the Indian Health Service with the result that training does not occur in isolation, which is often the case in many of the current programs.

Title I was designed to give the Indian Health Service, for the first time, the authority to recruit and support the development of health personnel to meet its needs. This linkage of training with the program needs of the Indian Health Service is a new departure in realizing manpower needs and thus the provisions of title I cannot be so easily dismissed by alleging duplication. And, contrary to the Department's view, there does exist a "sound programmatic basis" for establishing the programs under title I. If existing health manpower training programs had the capacity to effectively and efficiently meet the needs of the Indian Health Service there might not be a need for title I, but the facts are, and they cannot be ignored, that the current programs are not capable of meeting the needs of the Indian Health Service.

The recent reports by the General Accounting Office and a Library of Congress study, which I commissioned, not only demonstrate the weaknesses in current HEW health manpower programs to provide health personnel in rural areas, but they clearly establish the lack of any relationship with the Indian Health Service, as well. These programs, with the exception of the National Health Service Corps, may assist in the training of Indian health professionals but the Indian Health Service is a distant beneficiary. Yet, even in the case of the National Health Service Corps, participation is open only to physicians at the present time with the result that only a portion of the total manpower needs of the Indian Health Service can be met through this mechanism. The training of health personnel to serve in rural areas is necessary to be sure, but to not link them directly to programs, like the Indian Health Service, makes little sense. And as for the BIA scholarship program there is even less reason to believe it capable of assisting the Indian Health Service. In the first place, support for graduate students, such as health care professionals, comes after fulfilling the needs of undergraduates. In fiscal year 1975, for example, the Bureau of Indian Affairs will spend over $32 million to support the education of 14,800 Indian college students of which only 570 will be graduate students. And of these, only 139 are pursuing health careers. But more importantly, these students have no relationship to the Indian Health Service and its needs. Finally, it is well known that it is the policy of the BIA to support graduate training for Indian law students and educators; a policy which minimizes health as a priority in Indian career development. The current policies of the BIA can hardly instill confidence that the BIA scholarship program will help meet the current and future manpower needs of the Indian Health Services on a sustained basis.

Finally, the capability of current HEW programs to expand training for Indian health professionals alone is open to serious question despite the contrary view of the Department itself. First, most HEW health manpower programs utilizing loans or scholarships have expired or are being operated under continuing resolutions. In addition, most of the HEW programs are either limited in their budgets or they are already fully committed. Finally, there is the problem of policy consistency. For example, in fiscal year 1975 the Department requested an appropriation of $22.5 million for the National Health Service Corps which the Department specifically identifies as a prime program training Indian health professionals. Yet, a rescission was then proposed to cut the NHSC request by $10 million which the Congress wisely rejected. Under these conditions it is hard to understand how the Department can be so confident that it has the capacity or the policy commitments necessary to expand training opportunities for Indian health professionals. Clearly the Department is limited and cannot guarantee, with any degree of certainty, that it can meet the increasing demands for more Indian health professionals.

In short, neither the current HEW programs nor the BIA scholarship program can demonstrate any capability for providing needed health manpower directly to the Indian Health Service. Whether these programs are effective in training Indian health professionals is immaterial since the basis for evaluation is whether such programs serve the interests of the Indian Health Service. It is obvious that they do not and, therefore, the charge that the title I programs have "no sound programmatic basis" is without foundation.

Mr. President, in the absence of policies and programs which can give the Indian Health Service the manpower it needs the Congress has the responsibility to create a program which will assure the delivery of quality health care. At the present time the manpower needs of the Indian Health Service are insufficient not only in the number of personnel, but in the wide range of personnel necessary to deliver a broad scope of services. Title I was designed to respond to those critical needs. It is a program which is realistic and has the potential for achieving its basic objective; that is, reducing the current health manpower shortages in the Indian Health Service and producing sufficient manpower to meet its expanding needs.

PATIENT CARE SERVICES

Mr. President, another element of major importance to the Indian Health Service in S. 522 are the provisions of title II dealing with patient care services. It is the primary mission of the Indian Health Service to deliver quality health care services to Indian people, yet, the Indian Health Service must confront not only the health problems of Indians, but the reality that present resources are inadequate to treat those that are ill and the conditions that produce disease and illness. Since the organization of the Indian Health Service in 1955, a number of serious health problems have been resolved. According to Dr. Emery Johnson, the Director of the Indian Health Service:

The decline in deaths for tuberculosis, diseases of infancy, influenza, pneumonia, and gastro-intestinal illnesses has been dramatic. Strides also have been made in correcting environmental deficiencies such as inadequate housing and water disposal facilities, that give rise to a high incidence of disease and premature deaths.

But Dr. Johnson also notes that—

Although the gap has narrowed between the Indian and Alaska Native state of health and that of the rest of the nation it is still far below national standards. Infant death rates are 1.4 times higher than the U.S. all races rate, gastroenteric death rate is 4 times higher, and the incidence of tuberculosis is 8 times as high.

In addition, the rates of certain diseases afflicting Indian people particularly, have risen dramatically over the years. For example, otitis media, a disease of the ear, increased 74 percent between 1965 and 1971, strep throat and scarlet fever, 218 percent, and influenza by 243 percent. In addition, the incidence of venereal disease has increased dramatically from 1962 to 1971, the syphillis incidence rates rose by 117 percent, the gonorrhea rate by 79 percent. Finally, the rate of alcoholism among Indian people has produced a health problem of immense proportions.

Mr. President, these statistics reveal some of the dimensions to the problem. But what is more significant is the poverty and the environment which characterizes Indian life on a day-to-day basis. It is these conditions which the Indian Health Service must also confront, in addition to the immediate problems of treating illness. In short, the Indian Health Service has an immense responsibility to not only manage the health needs of Indian people, but to assist in the elimination of some of the conditions that cause illness itself.

Let me assure the Senate that the Indian Health Service has made great progress over the past 20 years, but it is also clear that the Indian Health Service now needs additional resources if it is to be sustained in its effort to meet ever-increasing demand for comprehensive health care services. Title II of S. 522 represents a major program to meet the current needs of the Indian Health Service. In brief, it is a program designed to expand the treatment of acute as well as chronic diseases, to eliminate the incredible backlog in surgical cases and dental care, to confront the deficiencies in mental health care, to provide funds to maintain and repair IHS facilities, and, of equal importance, to promote community and health field services. In connection with the backlog in surgical and dental cases the Indian Health Service reports, for example, that the IHS is only meeting 14 percent of the needed surgery cases for Otitis Media, a potentially fatal disease of the middle ear which is quite prevalent among Indian people, especially children. If untreated the loss of hearing produces a serious learning disability affecting not only educational progress but job opportunities as well.

In addition, only 42 percent of the dental needs of Indians are being satisfied. These statistics exist because the Indian Health Service is not equipped at the present time with either sufficient resources or manpower to overcome these backlogs in patient care.

Title II anticipates that over a 7-year period the Indian Health Service will be able to realize the objective of a long-range health care strategy designed to strengthen the capacity of the Indian Health Service, and to assure delivery of quality health services for Indian people.

INDIAN HEALTH FACILITIES AND SANITATION

Mr. President, the third element of major importance in S. 522 to the Indian Health Service is the commitment contained in title III to provide the funds necessary to replace or refurbish deficient IHS facilities. In addition, title III contains funds to expand the work of the Indian Health Service in the field of sanitation. In both instances, the need is clearly evident.

Mr. President, there is an obvious and significant relationship between the standard of care and the equality of the facilities through which health care is provided. Inadequate, outmoded, or unsafe hospitals or other health facilities inhibit the potential for quality health care. Moreover, recruitment and retention of highly competent personnel at all levels is frustrated, if not made impossible where facilities are inadequate to provide even the most basic of health services. In this connection, if we fail to appreciate the relationship between recruitment and quality facilities we will have surely misunderstood the problem.

The Indian Health Service provides health services to Indian people through a network of 51 hospitals, 83 health centers, and over 300 health stations and clinics. But by anyone's measure, most of these facilities, especially the hospitals, are either outmoded, unsafe, or inadequate. The Joint Commission on Accreditation of Hospitals, for example, reported that of the 51 IHS hospitals, only 25 are accredited. Yet, at the present rate of response, the Indian Health Service could not expect to meet most of these deficiencies for many years. What is needed, therefore, is a plan which will rationally allocate scarce Federal resources so that these deficiencies can be met within a reasonable period of time. Title III provides sufficient funds to meet IHS needs over a 7-year period according to a priority plan. This plan, which identifies construction projects by need and the year in which the project is to start, offers the unique opportunity to establish an acceptable approach to meeting the needs of the Indian Health Service.

At the present time, Congress is inundated each year with requests by Indian tribes or organizations to "add-on" special appropriations for hospitals, health centers, and the like, to the regular appropriation bills. This occurs only because of the apparent inability of the Federal Government to offer, with some degree of certainty, the possibility that construction needs will be met within a reasonable period of time. The genius of the approach to the construction of needed IHS facilities as established in title III is that it offers the chance to substitute the current haphazard method of meeting construction needs with a program which is reasonable and rational. But more importantly, by establishing a priority plan, Indian tribes will know that their needs have been acknowledged and a plan exists to meet them. In my opinion this is a significant step in the management of Federal funds, while solving an important problem which is fundamental to the capacity of the Indian Health Service to provide quality health care.

In addition, title III provides funds to accelerate the work of the Indian Health Service in the field of sanitation. The need for essential safe water and sanitary waste disposal facilities is clear in the face of the relationship between the incidence of disease caused by the contamination in poor water and unsanitary waste disposal. Public Law 86–121 authorizes the Indian Health Service to construct sanitary waste disposal facilities and develop clean water supply systems. Progress has been significant, but here again the need is greater than the available resources. Title III will provide

over a 4-year period substantial assistance to supply unmet needs for safe water and sanitary disposal facilities in Indian homes and communities. This one provision will, in my view, promote a lasting preventive health care program which is so essential in relieving Indian people of the very conditions which affect their daily lives.

Mr. President, the Department of Health, Education, and Welfare, consistent with its opposition to title I, has strong objections to title II and III as well. According to the Department:

> The unnecessary and unrealistic authorizations which are specified in Titles II and III would create undue expectations and inflationary pressures during a time when the Federal government simply cannot afford expenditures which are above the increases already budgeted for these purposes.

The possibility of inflationary pressures cannot be ignored but neither can the realities of insufficient patient care services or inadequate and deteriorating health facilities. To argue that the authorizations in titles II and III are "unnecessary and unrealistic" indicates a lack of appreciation for the issues which are the foundation for titles II and III. Beyond any reasonable doubt there is a serious gap in most health services provided to our Indian citizens.

For example, because of the lack of funds, dental services must generally be apportioned to children first and then, and sometimes only in an emergency, to adults who, in most cases, have the most severe dental problems. Ironically, the severity of adult dental problems are due in part to the lack of sufficient care in previous years. The authorizations in S. 522 to expand dental care services and to elliminate the backlog in services are based on a realistic assessment of need. This assessment is the product of acquired data which is unsurpassed in evaluating dental care resources in the Indian Health Service and in justifying program needs. For example, Indian Health Service data can clearly identify the unmet dental needs of over 50 percent of the Indian population. This information is the basis for matching resources with need.

Mr. President, I ask unanimous consent that a chart indicating the unmet dental needs of Indian people be printed in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

UNMET DENTAL NEEDS OF 55.4 PERCENT OF AMERICAN INDIAN AND ALASKA NATIVE POPULATION

	Services required	Services provided		Unmet need	
		Amount	Percent	Amount	Percent
Examinations	270,817	195,615	72.2	75,202	27.8
Teeth requiring fillings	941,631	424,882	45.1	561,749	54.9
Teeth requiring extractions	349,083	120,453	34.5	228,630	65.5
Crowns, bridges, and dentures	154,909	12,120	7.8	142,727	92.2
Treatment of tissues supporting teeth	201,488	25,224	12.5	176,264	87.5
Other dental services	281,074	149,706	53.3	131,368	46.7
Total dental services	2,199,000	928,000	42.2	1,271,000	57.8

Mr. FANNIN. Mr. President, as a result of this information, the Indian Health Service has been able to accurately identify its needs and what it can accomplish with additional resources. These needs are reflected in the dental care provisions of title II and are clearly realistic. Identifying realistic funding levels for dental care is not an isolated case, however, as the same effort has been made to justify increased levels of patient care services throughout the various provisions of title II. In each case, the authorization is based on a realistic assessment of what is needed and what can be accomplished. These needs have been repeatedly confirmed by the Department, Department consultants, the GAO, and professional health organizations such as the American Medical Association, the American Academy of Pediatrics, and American College of Obstetricians and Gynecologists.

Mr. President, the position of the Department with regard to title III is equally questionable. The Department cannot be so blind as to totally ignore the reports of its own agents as to the conditions of Indian Health Service facilities. The Department's own "Deep Look" survey conducted by its Office of Facilities, Engineering, and Property Management has reported the inadequacy and deteriorating conditions of IHS hospitals and other facilities. To say that funds to replace or refurbish hospitals such as Winslow, Crownpoint, Whiteriver and Sacaton to name but a few, are "unnecessary or unrealistic" is to ignore the following:

A large crack running through the entire hospital at Winslow.

The lack of emergency exists in the maternity ward at Sacaton.

The inability of the hospital at Crownpoint to meet fire and safety standards.

The utilization of an old wooden frame building constructed in 1939 for outpatient services at Whiteriver.

These kinds of facts can be confirmed by the Department's own records, but what makes this situation even worse is the knowledge that similar conditions exist throughout facilities of the Indian Health Service. In addition, the Joint Commission on Accreditation of Hospitals, which has more than just a passing interest in the conditions of hospitals, since it has a major responsibility for certifying hospitals for the medicare program, has on numerous occasions, determined that most IHS facilities were inadequate and in need of major repair. In view of the reports of the JCAH and HEW the funds provided in title III for construction or modernization of Indian Health Service facilities are clearly necessary and justifiable. The level of funding authorized in title III is necessary if the widespread deficiencies in IHS facilities are to be resolved and to assure that such facilities either meet or exceed the Uniform Building Codes, the National Fire Protection Association standards, and the requirements of the Joint Commission on Accreditation of Hospitals.

Yet despite the clear and uncontestable need for better facilities, the Department has opposed title III by arguing that "the Federal Government simply cannot afford expenditures which are above the increases already budgeted for these purposes." Regretably, the Department's position is at variance with the facts. Since I am assuming that the Department's position is based on the 1976 budget request it is hard to identify the increase for IHS construction since all of the relevant budget documents submitted to Congress do not contain any request for new facilities construction projects. If the 1976 budget is enacted without funds for construction the problems of most IHS facilities will only increase with the result that costs will be higher when funds are finally made available, but more importantly, the delivery system which utilizes these facilities will continue to erode.

Finally, title III funds constitute an essential element in assuring the delivery of a comprehensive health care program as envisioned in title II. Without adequate facilities the programs outlined in title II could be jeopardized. It is for this reason that title III is so important to the effort by the Indian Health Service to provide quality health care services.

Mr. President, the Department is legitimately concerned about the costs of S. 522 and its inflationary impact, a concern which I share. However, the Department is being neither realistic nor sound by suggesting that expanded patient care services or support for construction programs are unnecessary. The facts are otherwise and the legislative record for S. 522 offers ample proof. If the Federal Government is going to meet its obligations for the health care of Indian citizens then it must seriously address the issues which affect the delivery of quality health care to Indian citizens. To argue that titles II and III are "unnecessary or unrealistic" is to treat the issues that titles II and III seek to resolve as being unimportant. Obviously, the issues are important and instead of dismissing them a better approach would be to recognize them and deal with them as real problems deserving of realistic solutions.

Mr. President, in regard to the issue of inflation which is primarily the basis for the Department's opposition to S. 522 I must point out that the failure to provide quality health services will surely have the effect of requiring additional funds to overcome the problems which result from the lack of medical care. Surely the cost to the Federal Government in assuming these burdens as well could result in higher costs and greater inflationary pressures. In my mind, the resources provided in S. 522, substantial as they may be, present a better investment which will not only result in cost savings but in realizing social and economic progress.

Mr. President, the Indian Health Service is the chief instrument through which a whole range of health care services are provided to the Indian people. The evidence demonstrates that the time has come to strengthen that instrument. S. 522 was designed primarily to service the needs of the Indian Health Service by providing increased manpower, by expanding its capacity to deal with illness and disease, and by commiting resources to acquiring better facilities. The provisions of S. 522 dealing with manpower, services, and facilities are all interrelated, each depending on the other to assure a total response to the health needs of Indian people. Without a total commitment of funds to one or the other of these provisions, the capacity of the Indian Health Service to mount a sustained effort could be severely impaired.

The purpose then of S. 522 is to give the Indian Health Service the financial and human resources to assure the success of a total comprehensive effort to promote better health and better health care among our Indian people.

Mr. President, the Indian Health Care Improvement Act is a significant legislative endeavor since it has the real potential for accomplishing some worthy objectives. Too often Congress is confronted with rather questionable programs with little to justify their enactment, but in the case of S. 522 I am convinced that these funds will promote and strengthen the capacity of the Indian Health Service to meet the health care needs of our Indian people. Increased services, additional manpower, and better facilities will directly benefit the people they are designed to reach and this makes S. 522 all the more commendable. But in a larger sense, S. 522 will immeasurably improve the chances for Indian people to achieve progress and in doing so realize the true meaning of Indian self-determination. In this context, S. 522 is wholly consistent with the aim of the Congress and the President in furthering the opportunities for Indian people to obtain a better life. Finally, S. 522 symbolizes the continuing partnership of the Federal Government and the Indian people in furthering the opportunities for Indian progress and achievement. Without a substantial increase in resources to meet the critical health care needs of our Indian citizens this unique Federal "relationship" will be weakened. If the Federal Government is to fully meet its obligations to Indian people then it must provide a quality health care program which can meet current needs while eliminating program deficiencies. S. 522 will clearly accomplish that objective. It is for these reasons that I wholeheartedly support S. 522 in the belief that it will measurably improve the health of our Indian citizens which is so necessary to their progress.

Mr. President, the Senate has twice unanimously approved S. 522 and with the introduction today of the Indian Health Care Improvement Act by Congressman RHODES, the House minority leader, an important step has been taken in the House to assure action on this vitally important bill. It is my hope that the House will act on this legislation in this session of the 94th Congress. Its enactment will surely be recognized as a significant achievement of this Congress.

THE TRAGEDY OF EPILEPTIC SEIZURES

Mr. McGEE. Mr. President, there are many barriers to the cure or arrest of the dreaded disease of epilepsy, not the least of which is financial. I read an article in the Washington Post about a promising student and athlete who died from nocturnal epilepsy at the tender age of 21. The stories are endless.

An article which appeared in the Casper Star-Tribune, of Casper, Wyo., on June 6 typifies the plight of the epileptic, despite scientific medical breakthroughs.

I ask unanimous consent that the article about Kathy Sue Bartlett and her family be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GIRL WOULD TRY ANYTHING TO CONTROL EPILEPTIC SEIZURES

CASPER.—A young woman whose druga to control epileptic seizures are near toxic level, says she would try anything to live a normal life.

The latest disappointment for Kathy Sue Bartlett, 26, of 1836 Kit Carson was being turned down on a request for Title 19 funds for a proposed implantation of a pacemaker in the base of her brain.

The operation would cost an estimated $10,000 and she and her mother had gone to Portland, Ore., to Good Samaritan Hospital the middle of this month to see if she could possibly qualify before a board of surgeons.

But Ernie Rumpf of Cheyenne, director of Title 19, said he was forced to refuse to allow allocation of funds because the operation was "new and unusual."

"It's a professional decision, not one for an administrator to make," Rumpf reported.

He said that he took the request to a review committee of the Wyoming State Medical Society.

"The operation is new enough that some of them felt they needed to find some expertise on it," he said. "They still feel that this is an experimental or a research type of operation."

Rumpf also said that the Title 19 program "specifically excludes organ transplants and anything that is research in nature."

He also noted that in New Jersey, there was a decision to "pay for four heart transplants that about broke the program."

Rumpf noted, however, that medical science has made great strides and such complicated operations as kidney transplants are now considered practical, whereas a few years ago they were considered pioneering projects.

But the operation to implant a pacemaker in the brain of a person suffering from epileptic seizures that drugs cannot control "is still considered research by the peer review committee of the state medical society," Rumpf said.

The woman is the daughter, by a previous marriage, of Mrs. Chet (Jackie) Pflugrad who drove her daughter to Oregon to explore the possibilities of surgery. Mrs. Pflugrad pointed out that her husband is a truck driver.

"We live a comfortable life," she explained. "My husband makes a good living.

"I don't like all this publicity and I don't want any fund drive started," she pointed out.

Mrs. Pflugrad works as a licensed practical nurse at Natrona County Memorial Hospital.

"Other children get to go to college," Mrs. Pflugrad said. "I want to give this operation to Kathy."

She produced a page from the Oct. 1, 1973, "Newsweek" magazine that detailed the operation as practiced in New York. But at Portland, on May 12, Larry Rosen, 41, who works in the mail department for the Bank of California received a pacemaker in the base of his brain.

Mrs. Pflugrad said that she was not even sure if her daughter could qualify for the pacemaker, which alone costs $5,600. Her daughter was diagnosed as an epileptic at age eight but continued school and even went to college where she was married, but the marriage ended in divorce.

Mrs. Pflugrad says that her daughter is drugged to the maximum in an effort to make her seizure-free.

"Right now it's a toxic level," she said.

Mrs. Bartlett said she has no warning when she will experience a seizure, which usually results in a violent fall backwards.

"One minute I can be watching TV and the next minute it can be an hour later," she said.

Her mother said she is deeply concerned because it is not possible for her daughter to have someone with her at every minute.

"I never know when she walks out the door if she's going to have a seizure," Mr. Pflugrad said.

Mrs. Bartlett said she is aware of the risks of major surgery.

"I'd rather take it, if it means I can live a normal life," she said.

Mrs. Pflugrad said she was disappointed that her daughter could not qualify for the federal funds for the operation.

"We agreed that it (the operation) is new," she said. "Of course everything was new at one time." But she said she did not feel she could wait for five or 10 years.

"I figure it's a matter of life and death for Kathy," she said.

NEW HAMPSHIRE SENATE RESOLUTION MEMORIALIZING CONGRESS TO INVESTIGATE PRICING OF AND PROBLEMS RELATING TO ENERGY RESOURCE SUPPLIES

Mr. McINTYRE. Mr. President, I ask unanimous consent that Senate Concurrent Resolution No. 11, adopted by the New Hampshire Senate on May 27, 1975, memorializing Congress to investigate pricing of and problems relating to energy resource supplies be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE CONCURRENT RESOLUTION No. 11

Memorializing Congress to investigate pricing of and problems relating to energy resource supplies

Resolved by the Senate, the House of Representatives concurring:

That, the Congress of the United States is hereby memorialized to investigate the problems of energy resource supplies which are presently unregulated, and to further investigate energy supply pricing in relationship to controlled prices of consumer products as set by the public utilities commissions of the several states; and

That, the secretary of state forward copies of this resolution to the speaker of the United States House of Representatives, to the President of the United States Senate and to each member of the congressional delegation from New Hampshire.

PHILIPPINE INDEPENDENCE DAY

Mr. CRANSTON. Mr. President, today is Philippine Independence Day—on June 12, 1898, the Philippines declared their independence from Spain. Although that date marked the end of Spanish colonial control, it signaled the beginning of U.S. political, economic, and military domination. Not until the close of World War II was the colonial umbilical cord which linked the Philippines to the United States severed. Close ties have remained between the two countries as evidenced in the more visible forms of extensive U.S. military and economic assistance.

In 1975 the Philippines enjoy political independence. However, under the Marcos regime—and under martial law—few individual freedoms fluorish,

whether they be basic civil or political rights.

My colleagues in the Senate may be interested in knowing the preliminary results of a survey taken in February and March of this year, initially launched by the Coalition of Anti-Martial Law Movement. The petition, circulated by Friends of the Filipino People, Philippines Information Bulletin, Union of Democratic Filipinos, and National Committee for the Restoration of Civil Liberties in the Philippines, gathered over 21,000 signatures of people asking that U.S. military aid to the Philippines be ended until such time as civil rights and human dignity are restored.

Mr. President, I am very concerned that the very principles for which the Filipino people fought for their independence are being denied them today, and with the tacit consent of our country through the military and economic aid programs.

I ask unanimous consent, Mr. President, that an article by Daniel B. Schirmer from the April 11, 1975, issue of Commonweal be printed in the RECORD, entitled "Marcos—Sophisticated Dictator." Mr. Schirmer points out, quite skillfully, the all-pervasiveness of the martial law regime, and he exposed the abuses of civil freedoms committed under the guise of a sophisticated and beneficent dictatorship.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Reprinted from Commonweal, April 11, 1975, with permission]

MARCOS—SOPHISTICATED DICTATOR

(By Daniel B. Schirmer)

Last February 27 the martial law regime of Ferdinand Marcos held another referendum to determine its support among the Philippine people. A few days later Joseph Lelyveld writing in the New York Times from Manila declared the 90 percent margin won by Marcos in the voting to be "par for the course for this kind of exercise by an authoritarian government." Trying to answer the question as to why Marcos went to the bother of having the referendum (the third such since martial law, with results almost identical to the previous two) the Times correspondent surmised, "The President may be interested in appearances."

Precisely so. It is concern for appearances which is a distinguishing feature of the Philippine dictatorship, setting it apart from similar governments in South Vietnam, Chile and South Korea. Since its inception the Philippine martial law administration has shown unmistakable and overriding preoccupation with what is currently known as public relations. It has increased the Philippine budget for propaganda from 3 million to 68 million pesos ($10 million). The U.S. press reports that it has engaged the services of a prominent Madison Avenue advertising firm; costly ads promoting the Philippine dictatorship have appeared in the New York Times and Fortune magazine, and these are only mechanical aspects of what has clearly been a matter of high policy.

Certain essential features of the present government require cosmetic treatment. Consider the following. A top Philippine official admits to 5,000 prisoners held out of 18,000 arrested since martial law was declared: Torture of political prisoners is reported: last summer U.S. Protestant leaders publicized the case of the Reverend Cesare Taguba, a minister to Philippine miners, arrested and given electric shock till his sanity was endangered. In response to conditions such as these the Catholic bishops of the Philippines have criticized martial law for establishing "a climate of fear." Marcos has suppressed what had been a growing nationalist movement, has outlawed strikes to keep wages low and given many new and profitable incentives to U.S. investors, eliciting their approval. Last winter a U.S. corporate executive in Manila (representing some part of the 2 to 3 billion dollar American investment in the Philippines) told a stateside reporter, "Before martial law, we were making recommendations to our home office on how to get out. Now we're recommending how to expand."

U.S. bases in the Philippines at Subic Bay and Clark Air Field have also felt the benefit of Marcos' strong man rule. Vice Admiral Ray Peet, U.S. Navy, testified to a House Committee last June that ". . . under Philippine martial law, security of bases has been good."

Substantial evidence of this sort tends to lead to the conclusion that the present Marcos regime is a repressive dictatorship designed to bolster U.S. economic and military interests in the Philippines. This is precisely the picture the Philippine martial law government has sought to offset by means of its public relations policies from the very beginning.

Two years ago, when martial law was declared, there were dragnet arrests and thousands thrown into jail, but there were no tanks in the streets, no overbearing display of military force; terror and brutality were given a "low profile." Moreover, Marcos loudly proclaimed that his dictatorship was set up to achieve a "New Society" of thoroughgoing reform and that it would stand or fall with its record on much-needed and long-overdue agrarian reform.

But Marcos' pretensions as a reformer appear questionable. This past June Professor Benedict Kerkvliet, of the University of Hawaii, an expert on Philippine agrarian reform, spoke before a House Committee in a hearing on aid to Marcos. While Kerkvliet was critical of Philippine martial law in general, he singled out Marcos' land reform program for special censure, claiming that his program was "all show, no go," that Philippine tenant farmers had been given promises, not land. It is significant that the State Department felt called upon to defend the Marcos regime from many of Kerkvliet's criticisms in a letter to Congress signed by Linwood Holton, Assistant Secretary for Congressional Relations, and more significant that, even in this context, the Department felt obliged to concede that Marcos' land reform program had so far failed—"Not all efforts have been successful, e.g., the ambitious land reform program has been delayed because the Government initially moved without a full appreciation of the obstacles and costs involved." State Department admissions to the contrary notwithstanding, Marcos continues to issue proclamations announcing full success for his land reform policy, the last such appearing in the *New York Times* November 24.

Marcos also claim credit for the elimination of street crime. But if mass poverty has anything to do with causing crime, Marcos has failed in this reform too. Last year the cost of living in the Philippines jumped 47 percent, and a recent unpublished report of the Philippine Department of Agriculture indicates that in the past 3½ years average per capita consumption of seafood, dairy products, leaf vegetables has declined, as has consumption of textiles and durable goods. Always underfed and poverty-stricken, now, in the New Society, the Philippine people are poorer and more malnourished than ever.

THE PRESS

It is absolute control of the Philippine press that allows Marcos to tout himself as a reformer, irrespective of his performance. He established this control with martial law, when he closed down most of the Philippine newspapers and set up strict censorship over the remaining "legal" press (in large part already under his thumb). Recently as a mark of "liberalization" Marcos abolished press censorship. Evidently the limits the controlled and legal press puts on itself make such censorship superfluous. Indeed, at the same time that he abolished censorship, Marcos pleaded with the legal press to temper its praise of the New Society with some criticism, lest it lose all credibility.

The controlled press minimizes the violence of the Marcos dictatorship, as can be seen from its treatment of Marcos' unsuccessful efforts to stamp out the Muslim rebellion in the southern Philippines (involving, this past year, the complete destruction of two Muslim-held cities, Jolo and Balabagan, with many civilian casualties and refugees). Informal sources in Manila say that at least 1,500 government troops have been killed, 5,000 wounded, in this war since martial law began; these are high figures for the Philippine Army of 70,000 men. But the Marcos press prints no military communiques, no hard news of the fighting or casualties at all.

As has been suggested, the other side of press censorship is the self-advertisement that marks this regime, bringing to mind the Madison Avenue techniques of the Nixon administration in the days before the Watergate exposure. Think, for a moment, of Marcos' present embarrassments: an uncontrollable war with Muslim rebels in the south of the country; the spread of the Communist-led guerrilla activities of the New People's Army from Luzon in the north to the Visayas and Mindanao, the central and southern islands; growing criticism from the Catholic and Protestant clergy in the Philippines, and the worsening conditions for the common people.

In the face of all this the Philippine dictatorship has recently put on what can only be described as a bravura display of public relations; Ferdinand Marcos and his wife Imelda (a political force in her own right), have launched what the *Far Eastern Economic Review calls* a "soft-sell program to silence critics of their regime."

First came Marcos' release, in September, of Jose Diokno, one of his foremost nationalist critics. Diokno, who had been in jail since the imposition of martial law, is very ill and plans to come to the United States for medical treatment, but his release grabbed the spotlight, putting the thousands who remain imprisoned in the shadow.

In October Mrs. Marcos made her sensational excursion to Peking, visiting with Chou En-lai and Mao Tse-tung, and returning with a Sino-Philippine trade pact. Mrs. Marcos' China trip followed a similar visit to the Soviet Union, and Marcos' apologists like Foreign Secretary Carlos Romulo have hailed the development of relations with the socialist powers as presaging a new independence from the United States. On the contrary, do not these developments suggest that Marco, as throughout his previous career, hews close to every major turn in U.S. foreign policy? Once following the U.S. to war in Vietnam, now he trails after Kissinger in Peking and Moscow, hoping like his mentor to use the Sino-Soviet split to advantage and inundating the Philippine people, many of whom respect the People's Republic of China, with news of Mrs. Marcos' warm reception by the Chinese leaders.

Next was the surrender of the 27-man Politburo of the PKP, remnants of the Communist Party once active in the Huk rebellion of the '50s (as distinct from the Communist Party that now leads the New People's Army). Making a trip to the presidential palace to have their pictures taken by the press, these men pledged allegiance to the New Society and praised its "reforms." Whereupon Marcos declared them to be in possession of full legality, freeing many of them from the jails where martial law had held them up to now.

After this event Marcos announced an offer of amnesty to all those currently opposed to his regime, Muslim, Catholic, or New People's Army. Again apologists came forward. William Pomeroy, for example, a U.S. citizen once active in the Huk revolt, immediately spoke up to praise PKP legalization, thereby lending credence to the image of "liberalization" that Marcos seeks to promote.

In November Mrs. Marcos made a trip to the United States to inaugurate an expensive Philippine Center in New York City, visiting at the hospital bedside of the ailing Nixon en route, and bringing with her the offer of amnesty to all opponents of the dictatorship in U.S. exile.

One of these outspoken exiles, Heherson Alvarez, whose opposition to Marcos predates martial law, denounced Mrs. Marcos' amnesty offer as a "farce." Mr. Alvarez has tragic grounds from which to speak, since it is reported that his younger brother in the Philippines, though completely apolitical, was kidnapped, tortured and killed this past summer by the Marcos secret police, presumably to teach those in exile the need to conform.

December saw the release of several hundred prisoners (their families responsible for their "good conduct," they are subject to rearrest under martial law at any time), and on New Year's Day Marcos set January 30 as the date for the third referendum (first announced by the dictator in November on the occasion of a visit to Manila by David Rockefeller and officials of the Chase Manhattan Bank). Then Marcos postponed the date of the referendum to February 27, so that for two months this question held the spotlight, and debate about the proposed exercise of the vote obscured the dictatorship, as twice before.

New to this referendum, however, was the expression of public opposition to the regime that accompanied it. The Association of Major Religious Superiors (Catholic) called for a boycott of the referendum. Members of the Protestant and Catholic clergy initiated a manifesto opposing it that was signed by 38,000 persons (the biggest expression of opposition Marcos has yet to face), and 5,000 demonstrated in the streets of Manila against martial law.

Finally (as of this writing) on Monday, March 3 the *New York Times* carried a story, read by many U.S. voters, that Marcos was calling for a drive against graft and corruption in his government, (Unfortunately for Marcos, the day before this *Parade* magazine, also read by many U.S. voters, carried a story that the Marcos family and that of his wife Imelda were "about to become the two wealthiest families in the Philippines" because of the extortion they had practiced on their former ally, the multi-millionaire Eugenio Lopez).

U.S. OPINION

Mrs. Marcos' trips, the amnesty offers, the referendum and the rest, all these public relations activities, whatever their effect at home, seem designed to influence opinion in the United States—a critical concern for Marcos because of the military and economic aid he receives from the U.S. Congress. As he is doubtless aware, there are in this country a number of groups and organizations actively unfavorable to his government. Members of the Catholic and Protestant clergy have come together in a committee called Christians Concerned About the Philippines. Filipinos and those of Philippine descent are represented by several organizations (Movement for a Free Philippines led by ex-Senator Raul Manglapus, the anti-imperialist Union of Democratic Filipinos, the National Association of Filipinos in the United States, etc.).

Oriented especially towards U.S. voters, whether or not of Filipino descent, is the Friends of the Filipino People. What is common to all these groups is their demand for an end to U.S. aid to the Marcos dictatorship (as voiced by Benedict Kerkvliet at the congressional hearings last June). With Senators Cranston (California) and Abourezk (South Dakota) expressing opposition to Marcos, with Congress showing considerable balkiness over aid to Marcos' fellow-dictator Thieu, Marcos and the State Department obviously have cause for concern.

Marcos is worried about the political survival of his regime; U.S. empire-builders regard U.S. bases and economic influence in the Philippines as key to the U.S. position in Asia and have done so since the U.S. conquest and colonization of that country by McKinley at the turn of the century. Perhaps that is why the Marcos dictatorship seems like a replay, in neo-colonialist terms, of early U.S. policies. William Howard Taft, the first U.S. colonial administrator of the Philippines, told a Senate Committee in 1902 it was necessary to maintain the Philippines as a U.S. colony because independence would "drive out capital, prevent capital from coming here." Taft was keenly aware of the need to appease public opinion in the United States. Thus, in explaining his colonial policies to Apolinario Mabini, a Philippine nationalist, Taft said that "the United States wanted to exercise the same sovereignty that Russia or Turkey would" (both notoriously autocratic at the time) "the only difference being that Americans would try to exercise sovereignty more liberally." Then, as if to prove his words, Taft very early announced "amnesty" for all those Filipino nationalists who would cease opposition to U.S. rule and swear allegiance to it.

Today, as U.S. neo-colonial influence experiences worldwide crisis, it is Marcos, the Filipino politician, who exercises dictatorship to protect U.S. capital, who tries to give this dictatorship a "liberal" face, offering amnesty to all those who will desist in their opposition and abolishing press censorship (in effect dismantling some of the external trappings of martial law in order to preserve the dictatorship).

Taft's policies fooled many U.S. voters and blunted their opposition to budding U.S. empire. Whether his "liberalization" hoax will have the same effect today or not, Marcos' grandstand publicity plays, his "hardsells," put other U.S.-sponsored dictators like Thieu, Park and Pinochet in the shade, evidently inspiring some envy. For Thieu presently announces he wants to open relations with the Soviet Union and the People's Republic of China, and Park buys advertising space in the *New York Times*. Could it be that the Philippines, once known as the United States' showcase democracy in Asia, is now, under Marcos, turning into the United States' showcase dictatorship?

COURT DECISION ON SECTION 208 OF THE FEDERAL WATER POLLUTION CONTROL ACT

Mr. MUSKIE. Mr. President, on last Thursday, June 5, 1975, the District Court for the District of Columbia issued a crucial opinion concerning the implementation of the Federal Water Pollution Control Act of 1972. Judge Smith's opinion in *NRDC* v. *Train* (CA No. 74–1485) ordered the Environmental Protection Agency to implement immediately and fully section 208 of the Water Pollution Act; this section requires vital long-range water pollution planning to control both point and nonpoint sources of pollution.

As of this moment, through regulations and advice to the States, the Environmental Protection Agency has improperly narrowed section 208 so that it applies to only a minute fraction of the Nation's waterways.

Judge Smith's opinion holds that section 208 planning must be undertaken in all areas of each State and that such planning must be done within the statutory deadlines of that section. This was Congress' intent. I note the opinion also chastises the Agency for promulgating improper regulations and for its failure to amend those regulations to conform with the requirements of the act.

Judge Smith's decision, which is a thoughtful and scholarly inquiry into this complex statutory area, makes the Environmental Protection Agency's responsibilities under section 208 absolutely clear. Hopefully, with the court's explicit order, the Agency will promptly and properly fulfill the mandate of section 208. In light of the NRDC against Train decision, any further delay by the Environmental Protection Agency—delay which has already undermined the act's deadlines—would be unconscionable.

Because of the importance of this decision, which I feel is one of the most significant to be rendered under the 1972 act, I ask unanimous consent that it be printed in its entirety in the RECORD.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

[U.S. District Court for the District of Columbia]

CIVIL ACTION NO. 74–1485

Natural Resources Defense Council, Inc., Environmental Defense Fund, Inc., plaintiffs against Russell E. Train, the Environmental Protection Agency, defendants and National Forest Products Association, intervenor-defendant

Patrick F. J. Macrory, Esq., J. G. Speth, Esq., Daniel M. Lewis, Esq., Arnold & Porter, 1229 19th Street, N.W., Washington, D.C., Attorneys for Plaintiffs.

Martin Green, Esq., Department of Justice, Washington, D.C., Attorney for Defendants.

Francis M. Shea, Esq., Richard T. Conway, Esq., David Booth Beers, Esq., I. Michael Greenberger, Esq., Shea and Gardner, 734 15th Street, N.W., Washington, D.C. Attorneys for Intervenor-Defendant.

MEMORANDUM AND ORDER

This case involves questions of statutory interpretation and the consequent validity of certain regulations issued by the Environmental Protection Agency (EPA). Plaintiffs are the Natural Resources Defense Council, Inc. and the Environmental Defense Fund, Inc., two respected environmental litigants. Defendants are the Administrator of EPA and the National Forest Products Association (NFPA), an intervenor representing local organizations and firms engaged in the forest products industry. Jurisdiction is based on 33 U.S.C. § 1365(a), 28 U.S.C. § 1331(a), and 5 U.S.C. §§ 701–06. The matter is before the Court on defendant's Motion to Dismiss or, in the Alternative, to Stay, and plaintiff's Motion for Summary Judgement.

I

Under the Federal Water Pollution Control Act Amendments of 1972 (FWPAA or Act), an explicit national goal is the restoration and maintenance of waters so that by 1983 they will be fit for human recreation and wildlife propagation. 33 U.S.C. § 1251 (a)(2) (Supp. III, 1973). To assist in achiev-

ing this goal, one subchapter of the Act provides for the construction of sewage treatment works and for the development and implementation of areawide waste treatment management plans. *Id.* § 1281(a); *see also id.* §1251(a)(5). The States retain primary responsibility under the Act for abating and preventing water pollution with the Federal role being limited to coordination and funding. *Id.* § 1251(b).

Section 208, 33 U.S.C. § 1288, is the key provision in the Act governing areawide waste treatment management planning.

Under subsection (a)(1) of that section,[1] EPA is to issue guidelines "for the identification of those areas which, as a result of urban-industrial concentrations or other factors, have substantial water quality control problems." *Id.* § 1288(a)(1); *see* 40 C.F.R. § 126.10 (1974). The Governor of a State must then identify each area which has substantial water quality control problems, and designate a representative organization including local elected officials to develop a plan for the area. 33 U.S.C. § 1288(a)(2). Special provision is made for interstate problem areas and planning organizations. *Id.* § 1288(a)(3). If the Governor does not designate a particular area—unless he expressly "de-designates," that is, excludes the area—local authorities may designate additional problem areas and planning organizations. *Id.* § 1288(a)(4). To this point there are thus three possible types of areas and organizations—Governor-designated, interstate, and local-designated.

The final provision for planning under Section 208(a) is the subject of this lawsuit. What is not covered in subsections (a)-(2)-(4) *Supra* is treated by subsection (a)(6), which provides: "The State shall act as a planning agency for all portions of such State which are not designated under paragraphs (2), (3), or (4) of this subsection." *Id.* § 1288(a)(6). The dispute among the parties revolves around the question of what subsection (a)(6) requires of a State in its planning efforts on behalf of the non-previously-designated portions of the State.

Plaintiffs take the position that the State under subsection (a)(6) must do exactly what the planning organizations designated under subsections (a) (2)-(4) are required to do; that is, develop a plan under subsection (b)(2), 33 U.S.C. § 1288(b)(2), to control point and nonpoint sources of pollution. Plaintiffs claim that this State-prepared plan must be ready by mid-July, 1976 so that phase II (implementation of the plan) may proceed on schedule and attain the 1983 goal of swimmable, fishable waters.

Plaintiffs accordingly oppose as both inadequate and illegal the regulations that EPA has issued to implement subsection (a)(6), *see* 40 C.F.R. §§ 126.2(d), 126.20, and seek declaratory and injunctive relief against these regulations.[2]

EPA has come to agree with plaintiffs that subsection (a)(6) requires the State, acting in the same capacity as designated organizations, to apply all of the subsection (b)(2) criteria in non-designated portions of the State. However, there are several qualifications to EPA's agreement with plaintiffs. First, EPA claims that only its subsection (a)(1) guidelines *supra* are mandated by Section 208, and that its discretionary subsection (a)(6) regulations are valid insofar as they specify merely *partial* waste treatment management obligations imposed upon a State. *See* 40 C.F.R. § 126.20(a), *supra* note 2. Second, EPA declares that it has already advised the States by letter of their comprehensive subsection (a)(6) planning responsibilities, and notes in support of its request for a stay of the present proceedings that clarifying regulations are in the process of being developed. Lastly, EPA asserts that planning under subsection (a)(6) need not meet the same strict time limitations applicable to planning for substantial water quality problems under subsections (a)(2)-(4).

Defendant NFPA has a diametrically opposed view of subsection (a)(6) from that of NRDC and EPA. NFPA claims that there is no duty at all imposed upon a State by the statute to engage in extensive areawide waste treatment management planning. Since subsection (a)(6) allegedly addresses "non-problem" portions of a State, and since the key terms of Section 208—"area" or "areawide," "designate," and "organization"—are lacking in subsection (a)(6), NFPA argues that a State need only engage in general, discretionary planning, like that described in Section 303(e) of the Act. 33 U.S.C. § 1313(e). NFPA also points out that under plaintiffs' interpretation of subsection (a)(6), some apparent inconsistencies within the statute would result,[3] and wasteful, duplicative planning would be required where water pollution problems might not even exist.

Finally, NFPA relies upon the Act's legislative history, contending that the Senate version of subsection (a)(6), which clearly compelled Statewide planning for nondesignated portions, was significantly modified by the Conference Committee.[4]

II

Subsection (a)(6) on its face does not definitively reveal which of the competing interpretations should prevail, that is, exactly what type of planning for non-designated portions a State should engage in. Under such circumstances the particular statute should be read in the context of the entire Act so that its purpose together with the intent of the whole Act may be effectuated. United States v. Menasche, 348 U.S. 528, 538-39 (1955).

As noted Section 208 is a critical provision in a broad, far-reaching Act. *See generally* United States v. Ashland Oil & Transportation Co., 504 F. 2d 1317, 1320-25 (6th Cir. 1974). It contains unique authority to control water pollution from point sources (e.g., factory or pipe discharge; *see* 33 U.S.C. § 1362(14)) and from nonpoint sources (e.g., mining or agricultural runoff). Its implementation features distinguish it from Section 303(e) of the Act, which emphasizes ongoing State planning and limits State efforts to stationary sources of pollution. *See* 40 C.F.R. pts. 130-131. The Section is also intended to coordinate and integrate other planning, construction, and discharge permit provisions of the Act. 33 U.S.C. §§ 1288 (d), (e); 1313(e)(3)(B).

Section 208 charts a course not only for the cleaning up of polluted waters but also for the prevention of future pollution by identifying problem sources, regulating construction of certain industrial facilities, and developing processes to control runoff sources of pollution. While Section 208 focuses on "urban-industrial" areas with substantial water quality control difficulties, it also directs attention to other geographical locations with water pollution problems, such as forests, mining areas, farms, and salt water inlets. As a "bottom line" for the Section 208 waste treatment management activities, the Act prescribes a 1983 goal of clean waterways. The period between October 18, 1972 and July, 1976 is mainly a planning and development stage. The remaining seven years are for implementing plans and eliminating the more difficult and persistent sources of water pollution. *See* EPA, Water Quality Strategy Paper 10-11 (1974).

Subsection (a)(6) is the residual clause in the areawide waste treatment management planning provision. As such it deals with the non-designated or "leftover" portions of the State not addressed by the Governor or by local officials in subsections (a)(2)-(4). The plain implication is that subsection (a)(6) empowers the State to achieve what the other planning organizations under the previous subsections are directed to achieve. Like the other planning organizations, the State under subsection (a)(6) is to engage in subsection (b)(2) (A)-(K) planning for the area within its authority; that is, for "all portions of such State which are not [otherwise] designated" by the Governor or by local officials. It would be illogical for Congress to set forth a detailed scheme for State, interstate, and local water pollution planning—and then to lump the remainder of State territory into a residuary provision with veiled instructions to the State to do as it saw fit regarding waste treatment control, or to carry out the already required Section 303(e) planning.

The Court also notes that more than half of the Governors have non-designated their entire State from coverage under Section 208. There are presently only about 85 designated problem areas in the United States, leaving an estimated 95% of the nation's waterways non-designated. Only one State, Maine, has a Statewide waste treatment management plan in operation. Surely the Congress did not intend Section 208 planning to be the exception rather than the rule, nor, despite the State's primary responsibility under the Act, were the Governors and local officials given effective veto power over Section 208. *Cf.* Train v. City of New York, 420 U.S. 35, 44-46 (1975).

It is admitted by all parties that the non-designated State areas may not suffer from substantial water quality control problems. These remaining portions most likely will not be of the urban-industrial type, quickly identified as priorities or as health and safety hazards by Governors and local officials. Rather, they will probably be rural, agricultural, mining, or forest areas with somewhat unique pollution problems caused by "other factors." The Act does not eliminate such areas from planning even if a preference is given to urban-industrial problem areas. *See* 33 U.S.C. § 1288(a)(1); 40 C.F.R. §§ 126.10 (a)-(b). In fact, subsections (b)(2)(F)-(K) of Section 208 specifically address nonpoint pollution problems in areas which might not have been selected in the primary designation process (i.e., under subsections (a)(2)-(4)). Likewise, some of the point source planning provisions under subsections (b)(2)(A)-(E3 are aimed at preventing future degradation of pollution-free areas.

As for conflicts in the Act caused by giving subsection (a)(6) such an expansive meaning, the Court believes that subsections (a)(2), (3), (4), and (6) regulate *which level* of government is to develop a waste treatment management plan—not *whether* an area or portion of a State is to be covered by such a plan. The provision for additional or modified areas under subsection (a)(2) is thus consistent with this interpretation. It allows a Governor subsequently to designate a part of a subsection (a)(6) portion of the State as a more problematic area requiring planning coverage by a specially appointed organization under subsection (a)(2). Furthermore, subsection (b)(4) does not contravene the Court's approach to subsection (a)(6). This subsection, providing for Statewide application of the nonpoint planning requirements, enables a Governor to take a unified approach to runoff pollution problems through bypassing the various planning organizations and coordinating the Section 208 plan with the regulatory program developed under Section 303.

It is possible that the use of terms like "area" and "designate" and "organization or agency"—all present in the Senate version of the bill—could have made subsection (a)(6) crystal clear and removed any potential ambiguity from its interpretation. The Conference Committee, however, modified the Senate version, and the Conference Report in explaining the change merely paraphrased the language of subsection (a)(6). *See* Legislative History, *supra* note 4, at 300. Still, the FWPCAA is not to be given a crabbed or technical construction. Train v. City of New York, 420 U.S. 35 (1975).

Subsection (c)(1), 33 U.S.C. § 1288(c)(1), uses the term "planning agency" interchangeably with subsections (a) (2)-(4)'s planning "organization." "Portions" in subsection (a)(6) apparently substitutes for "area" in order to convey the sense of large, non-discrete, residual regions without carefully drawn boundaries. Moreover, the Senate's leading conferee as well as the past and present Administrators of EPA have all concurred in giving a broad, generous construction to subsection (a)(6).[5]

The Court further finds the position of EPA in this litigation to be untenable. If EPA agrees with plaintiffs' interpretation of subsection (a)(6), its regulations should reflect that agreement. Instead, 40 C.F.R. § 126.2(d) relieves States acting under subsection (a)(6) from the intensive subsection (b)(2) (A)-(K) planning requirements. 40 C.F.R. § 126.20(a) permits States to substitute Section 303 planning for that mandated by Section 208. And 40 C.F.R. § 35.1053 denies States any Section 208 funding for subsection (a)(6) activities. *See* note 2 *supra*. These shortcomings cannot be remedied by reliance upon the alleged "non-mandatory" nature of the regulations or upon EPA's gradual approach to water pollution problems. EPA's regulations have positively mislead the States in regard to subsection (a)(6) responsibilities. This is not "partial guidance" of the States. It is an impermissible misconstruction of the Act which must be cured swiftly so that the States can understand and fulfill their total planning responsibilities under subsection (a)(6). Nor can the Court accept EPA's "step by step" or adjudicatory method of issuing subsection (a)(6) guidelines. Erroneous regulations should not be allowed to stand for a period of months or years. Moreover, planning requirements and directives should precede the actual planning by States lest disorder and inefficiency reduce State efforts to naught. Equally as important, valuable time and resources cannot be squandered while strict statutory deadlines are facing the agency and the States.

As plaintiffs have stressed on numerous occasions, the subsection (a)(6) regulations will not call for rigorous planning where no pollution problems exist. Rural areas need not implement safeguards for urban pollution problems, and vice versa; planning can be tailored to a region's peculiar problems, and where possible coordinated with Section 303 planning. A State may certify large portions of its territory as pollution-free and concentrate on preventive measures for these portions as well as on abatement efforts for the substantial problem areas. The same intensive waste treatment management planning will certainly not be required over every cubic inch of the nation's waterways. The Act's goal of clean waters by 1983 can be achieved through a multitude of planning approaches.

It is not for this Court, however, to define or promulgate the subsection (a)(6) regulations. Hopefully, EPA's draft regulations already address the complexities of a State's subsection (a)(6) planning role and delineate the need for State and local cooperation. In any event, a full and prompt rulemaking proceeding will enable interested parties including the States to offer further comments to EPA with reference to the content of the proposed guidelines.

III.—ORDER

For the reasons stated *supra*, defendant Environmental Protection Agency is enjoined to begin the process of developing and promulgating Section 208(a)(6) regulations consistent with the provisions of this Memorandum and to revise existing regulations inconsistent therewith. Defendants' Motion to Dismiss or, in the Alternative, to Stay is hereby denied. Plaintiffs' Motion for Summary Judgment is hereby granted.

Plaintiffs in this action are entitled to a declaratory judgment that: 1.) it is a national goal under the Federal Water Pollution Control Act Amendments of 1972 to restore and maintain the nation's waters so that by 1983 they will be fit for human recreation and wildlife propagation; 2.) 33 U.S.C. § 1288(a)(6) requires a State to act as the Section 208 planning agency for non-designated portions of the State in the same manner as planning organizations designated under 33 U.S.C. §§ 1288(a)(2)-(4); 3.) 33 U.S.C. §§ 1288(b)(2)(A)-(K) waste treatment management planning is required of a State acting under Section 208(a)(6) for portions of the State not designated under 33 U.S.C. §§ 1288(a)(2)-(4); 4.) U.S.C. §§ 1288(d)-(e) require that in all non-designated portions, grants made under 33 U.S.C. § 1281(g)(1) and permits issued under 33 U.S.C. § 1342 shall be made in conformity with the Section 208(a)(6) plan for such portions; and 5.) funding for areawide waste treatment management planning under 33 U.S.C. § 1288(f) shall be available to a State for Section 208(a)(6) planning.

In view of the fact that the 1976 goal of plan submission cannot feasibly be met for Section 208(a)(6) plans—although such a deadline is prescribed by the Act—the plaintiffs and EPA shall, within 15 days of this Order, furnish (jointly and individually) a proposed timetable to the Court for a rulemaking proceeding for Section 208(a)(6) regulations and for the phased compliance of Section 208(a)(6) planning with the requirements of Section 208 and the goals of the Act.

---

[1] Henceforth, the term "subsection" is used in this Memorandum to refer to a subsection of Section 208 of the FWPCAA.

[2] 40 C.F.R. §126.2(d) defines as a Section 208 planning area "the area designated under section 208(a), (3), or (4) of the Act." Subsection (a)(6) portions of the State are thus excluded from the extensive planning requirements specified in the Act and the regulations.

40 C.F.R. § 126.20 is the only regulation that addresses a State's subsection (a)(6) responsibilities. It provides: "(a) The State shall act as the planning agency for all areas not designated under [the preceding regulations]. Where the Governor determines, pursuant to section 208(b)(4) of the Act, that the requirements of section 208(b)(2) (F through K) should be applied on a statewide basis, the State may apply the planning process established pursuant to section 303 of the Act as the process for carrying out the requirements of the sections. Funds which may be available under section 106 of the Act may be utilized to conduct planning pursuant to this section. (b) Assumption by the State of the planning responsibilities in these areas does not foreclose the establishment of other planning processes at the substate level."

Subsection (a)(6) portions and planning agencies have also been specifically excluded from Section 208 funding under 33 U.S.C. § 1288(f). *See* 39 Fed. Reg. 17202 (1974); 40 C.F.R. § 35.1053; 40 C.F.R. §126.20 (a), *supra*.

[3] *See, e.g.*, 33 U.S.C. § 1283(b)(4) (providing for application of subsections (b)(2)(F)-(K) to entire State, which subsection (a)(6) already does, according to plaintiffs' construction); *id.* § 1288(a)(2) (governing addition and modification of areas appropriate for waste treatment management, which would already be covered by subsection (a)(6) under plaintiffs' interpretation).

[4] *Compare* S. 2770, § 209(a)(6), 92d Cong., 1st Sess. (1971) (reproduced in A Legislative History of the FWPCAA, at 1594 (1973)) *with* 33 U.S.C. § 1288(a)(6). The Senate version provided, "The Governor shall designate a planning agency for all areas of a State which are not designated under paragraphs (2), (3), or (4) of this subsection." The House version had no comparable provision. *See* Legislative History, *supra*, at 952.

[5] *See* Legislative History, *supra* note 4, at 169 (statement of Sen. Muskie, Senator sponsor of FWPCAA); *id.* at 145 (letter from William Ruckelshaus, former Administrator of EPA); Letter from EPA Administrator Russell Train to Sen. Muskie, Nov. 1, 1974.

In Senate debate on the Conference Report, Sen. Muskie introduced a memorandum concerning the conferees' agreement on various provisions of the Act. Concerning Section 208 he stated: "The Senate bill and the House amendment both required the development of areawide waste management plans. The House amendment limited such . . . plans to designated areas within a State, while the Senate bill required that regions be designated for the entire geographic area of each State. The Conferees have agreed to require State-wide planning, either through a regional process in a designated area or by the State for areas outside of designated regions. . . . The Conferees . . . agreed that waste management agencies must be designated covering the entire area of the State." Legislative History, *supra* note 4, at 169.

NEW HAMPSHIRE HOUSE RESOLUTION IN BEHALF OF VIETNAM MIA'S

Mr. McINTYRE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, New Hampshire House Concurrent Resolution No. 17 in favor of continued interest and action by the New Hampshire Senators and Congressmen on behalf of members of the U.S. Armed Forces listed as missing in action in the Vietnam theater of operations. This resolution was passed May 26, 1975.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSE CONCURRENT RESOLUTION No. 17

In favor of continued interest and action by the New Hampshire Senators and Congressmen on behalf of members of the United States Armed Forces listed as missing in action in the Viet Nam theatre of operations

Whereas, there are three (3) residents of New Hampshire who are among those still listed as missing in action in the Viet Nam theatre; and

Whereas, those who are missing should not be forgotten, and efforts to locate them should be diligent and contiguous; and

Whereas, the New Hampshire Senators and Congressmen in Washington, D.C. are in the best position to make inquiries and assure that the cognizant government agencies do make continuous and diligent efforts to locate the missing personnel;

Now therefore be it resolved by the House of Representatives, the Senate concurring:

That the New Hampshire Senators and Congressmen in Washington, D.C. be appraised of the interest of this legislature in locating the missing military personnel, and further, be requested to maintain liaison with the appropriate government agencies and request that every effort be made to locate the missing personnel, or to secure information as to their whereabouts; and that copies of this resolution be forwarded by the Secretary of State to the Washington office of each of the New Hampshire Senators and Congressmen.

POSTAL RATES

Mr. McGEE. Mr. President, recently in the RECORD I expressed my strong concern over the recommendation of the Postal Rate Commission's administrative law judge which would lower first-class

rates from 10 to 8.5 cents. I tried to show that such a recommendation if adopted—and I urge that it not be adopted—would not benefit the average American consumer. Any saving in first class realized by Mr. Average Citizen would be wiped out by sharp increases in other postal services. For the law judge also recommends a 67.5-percent increase in parcel post rates and increases of more than 100 percent in rates for newspapers and magazines.

But that is only one facet of the recommended decision. Taken in its total impact, the judge's decision would have a disastrous effect upon the Postal Service as a whole and, through it, upon the American people for whom the Service is a vital lifeline of communication.

First, some background information upon the truly parlous condition of the Postal Service's finances. For 1975 the Postal Service planned for a surplus of $149 million. Instead, it is faced by a stunning deficit of $869 million. This is a staggeringly dangerous amount. It results from two factors: First, rising salary levels, and second, the sharp inflationary costs including fuel and supplies. It means that the Postal Service needs an early infusion of funds—that postal rates must be significantly increased if the Postal Service is to make it.

Now, what is the effect of the decision of the law judge? That decision, far from bringing in increased revenues, actually diminishes them. The loss in revenue from a cent and a half decrease in first-class rates will be approximately $900 million. There is no way that a 67.5-percent increase in parcel post rates and a 122-percent increase in second-class rates for informational materials can possibly generate sufficient additional revenues to offset the loss in first class. Further, the decision if adopted would have an insidious and corrosive effect upon postal volume. It would, in short, be bad for business. Users would sharply curtail their use of the Postal Service and revenues would plummet. The large commercial users of parcel post would shift their traffic to commercial carriers and the Postal Service would be left with what is left—that means high-cost, low-volume traffic generated by household-to-household parcel post delivery. Magazines and newspapers are already developing other means of delivery in the face of rising postal rates. If such a draconian increase as the law judge proposes is imposed upon them, they will redouble their efforts and, in the case of those that continue to use the mail, reduced circulation caused by price increases will further cut into volume.

No detailed comment is made upon the methodology used by the law judge in arriving at his bizarre recommendations. But I think it is clear that if the judge believes he has arrived at a method of determining rates that is equitable and in accordance with the mandate of the law, then he is guilty of peremptorily imposing it. Such a radical change in costing and ratemaking—if it is to be made at all—must be made slowly. Postal customers clearly cannot bear the jolting shock of the sudden increases he seeks to impose. The Congress, as we are all aware, provided for gradual phasing in of certain rates—and recently extended that phasing—so that postal customers who purvey cultural and informational materials would not be overwhelmed in the Postal Service's scramble toward self-sufficiency.

The true arbiters of this case are the Postal Rate Commissioners. They were appointed by the President to set rates in accordance with criteria spelled out in law. If their procedure is enhanced by the contributions of an administrative law judge, let them consider his views, of course. But I urge them to consider the total impact of what they do. I urge them not to take any steps which would impair the overall value of the Postal Service to the people.

The Postal Service, of course, views the judge's decision with alarm and concern for the Service is sailing among rocks and shoals, well aware that the judge's decision if adopted could have disastrous results. And so, I commend to the Postal Rate Commissioners the following excerpt from the Senate report on the Postal Reorganization Act:

> The committee envisions the Commission to be an integral part of the postal service, to be a true partner of the Board of Governors in every aspect of postal operations. If a bureaucratic struggle between the Board and the Commissioners develops, then the whole theory of independent ratemaking judgments will have failed and the Congress will probably be called upon to revise the system. But if the individuals appointed to the Board on the one hand, and the Commission on the other, recognize the constitutional and legal responsibilities of their position and work together to achieve a truly effective postal service, then the independence of the Commission will serve a vitally important function by permitting them to view the overall impact of postal costs with a degree of detachment which the committee considers vitally important to preserve the public interest and public investment in the largest civilian agency of the Federal Government . . .
>
> It is expected that the Commission will work in harmony with the Board of Governors, acting in a timely and responsive manner to the Board's requests for recommended decisions for changes in rates, fees, and classifications.

In my view, the need for this kind of cooperation between the Postal Rate Commission and the Board of Governors is of vital importance today, as we face what could be the dire consequences of the law judge's recommended decision. If early evidence of such cooperation does not appear, then I believe the Congress should consider legislation to abolish the function of the administrative law judge and require that the Commission itself preside over hearings and arrive at decisions on the basis of its sole weighing of the evidence. Indeed, the Congress may very well wish to reconsider the whole matter of the structure and function of the Postal Rate Commission.

JUDGE BAZELON ASKS SOME GOOD QUESTIONS

Mr. PROXMIRE. Mr. President, "Pensions: The Broken Promise" was an NBC documentary televised in 1972. It dealt with abuses and needed reforms in private pension plans. It also landed NBC in court, because a press watchdog group called Accuracy in Media, Inc., charged that the program violated the Federal Communications Commission's fairness doctrine.

The case is still in court, but in a state of limbo. On March 18, the U.S. Court of Appeals for the District of Columbia refused to grant a rehearing en banc. The court really did not say why, but it pointed to a suggestion by the FCC that the case was moot, because the Congress and the President had enacted a pension reform bill.

The effect of that, was to uphold a three-judge panel's decision that NBC did not have to give more air time to opposing viewpoints, because it was just exercising its right to engage in investigative journalism.

Just this month, on the 2d, Chief Judge David Bazelon of the appeals court filed a dissent to the full court's refusal to rehear the case. That dissent provides an excellent example of the complexities involved when the Government attempts to second guess the content of a television program. In fact, the dissent shows me the futility in trying to make objective that which is inherently subjective—communication, any kind of communication.

In his dissent, Judge Bazelon warns that the reinstatement of the three-judge panel's decision may not be the vindication of television's first amendment rights as some think. Rather, he suggests that it might become a broadcaster's strategy for using the courts to define controversial issues and thus avoid adverse fairness doctrine rulings that way. In the end, the decision may do more to weaken the first amendment than to strengthen it, he says.

Judge Bazelon's logic is compelling, as can be seen from reading his dissent.

To me, it is a reminder of Alexander Hamilton's argument against a Bill of Rights in Federalist Paper No. 84. Hamilton, of course, was a strong supporter of all of those rights. He believed them to be so fundamental that to enumerate them would endanger those rights. But let me quote from Hamilton about all attempts to write bills of rights:

> They would contain various exceptions to powers not granted; and, on this very account, would afford a colorable pretext to claim more than were granted. For why declare that things shall not be done which there is no power to do? Why, for instance, should it be said that the liberty of the press shall not be restrained, when no power is given by which restrictions may be imposed? I will not contend that such a provision would confer a regulating power; but it is evident that it would furnish, to men disposed to usurp, a plausible pretence for claiming that power. They might urge with a semblance of reason, that the Constitution ought not to be charged with the absurdity of providing against the abuse of an authority which was not given, and that the provision against restraining the liberty of the press afforded a clear implication, that a power to prescribe proper regulations concerning it was intended to be vested in the national government. This may serve as a specimen of the numerous handles which would be given to the doctrine of constructive powers, by the indulgence of an injudicious zeal for bills of rights.

Well, Mr. President, we have a Bill of Rights. And I, like every American, support the Bill of Rights. But it is true, in saying that the Congress shall make no law abridging the free press, we have come up with laws on the subject.

And we even have a Supreme Court decision that says that portions of the Federal Communications Commission's fairness doctrine enhance the first amendment.

It is just such usurpations that Hamilton with some sort of of prescience predicted.

Now, back to Judge Bazelon.

In his dissent, the judge foresees the dangers in attempts to determine something as deceivingly simple as what is and what is not a controversial issue of public importance. The fairness doctrine, after all, does require broadcasters to program such controversial issues and, having done so, to provide reasonable opportunity for the discussion of conflicting views on those issues.

The Pensions case then, in Judge Bazelon's views, boils down to that definition. And because of that, he sees grave constitutional questions.

This is what the judge says in the final paragraphs of his dissent:

> I suspect the court's action in reinstating the panel's opinion and denying rehearing en banc will be seen in some quarters as a vindication of the First Amendment rights of the telecommunications press. But it is not, appearances notwithstanding. The court has rather provided licensees with a litigation strategy for avoiding adverse Fairness Doctrine rulings—i.e. hassling complaining parties and the FCC about the definition of the controversial issue and whether a particular broadcast raises that issue. I see no purpose in providing such a litigation strategy but if that were all that occurred, we would only, as Roscoe Barrow notes in his commentary on the panel opinion, "have resorted to extracting some of [Red Lion's] teeth." [77] But the greater fear is that this litigation strategy will back up into the journalistic process itself and lead to the manipulation of programming in a manner designed to avoid the Fairness Doctrine through contortions in the subject matter of the program. If this occurs, we would be faced with the ironic consequence of the court's action having a greater chilling effect on broadcasters than a forthright, open application of the Fairness Doctrine.[78] The court will have granted the broadcaster the right to make non-controversial speech and in the name of the First Amendment, broadcasters may seek to embrace this "right." I seem to recall that it is controversial speech and not the right to assert that one's speech is not really controversial which should be protected. A corollary to this fear is my concern that invocation of the right to assert one's speech is not really controversial will only serve to denigrate and compromise a genuine journalistic achievement. I wonder what the professional journalists who prepared the "Pensions" program think about NBC's litigation position in this case that their program was not really controversial. My own thought is that NBC has by its litigation position done more to attack and undercut the "Pensions" program than anything AIM could have done through the FCC. This is the saddest commentary of all.
>
> A further serious drawback to the court's approach is that it increases rather than decreases the ambiguity of the Fairness Doctrine. The uncertainty of operation of the Fairness Doctrine both heightens its chilling effect and increases the possibilities of Commission abuse of the Doctrine through "raised eyebrow" harassment as an alternative to overt enforcement and judicial review. The uncertainty also serves as a potential cover for politically motivated applications of the Fairness Doctrine. As the standards of the Doctrine become increasingly subjective, the direction in which the court points us, the possibility of political biases infecting decision-making of both Commissioners and appellate judges becomes a more serious concern. I had thought it agreed that if we must have a Fairness Doctrine, we should be as concise and definite as humanly possible in its administration. The court takes us in the opposite direction. The corollary to this point is that, as I noted in another context,[79] the First Amendment must always rely on rational analysis and constitutional command to support its invocation when its majority support is fragile, such as in the case of controversial and unpopular speech. The point applies as well to the licenses whose litigation judgments, it would appear, will now have much to do with how the Fairness Doctrine is administered. If they exploit the ambiguities of the Doctrine in lieu of a forthright attack on its constitutionality in particular applications, they will find the First Amendment less strong than before and may one day reap the harvest of that ambiguity being used in an unauthorized manner to control their expression.[80]
>
> The court's opinion leads me to recall a favorite Lincoln story. He was asked by a delegation of constituents to make a public statement which he knew the people would never accept. After countering several arguments in favor of the statement, he asked the group: How many legs will a sheep have if you call the tail a leg? Five, answered the group. No, said Lincoln, he would have only four. Because a tail is not a leg.
>
> I dissent.

Reading between the lines of Judge Bazelon's dissent, I believe it is fair to interpret him as saying that although the Supreme Court has ruled favorably on parts of the fairness doctrine, that it should be challenged on constitutional grounds. He opens his dissent with these words:

> For better or worse, the propriety of some governmental intervention into broadcast journalism under the Fairness Doctrine has been declared constitutional and there seems to be no serious effort under way to reconsider the assumptions of that declaration. This case, however, stirs large questions concerning the administration of the Fairness Doctrine now that some governmental intervention has been authorized. . . .

First of all, I want to say I am making a serious effort to reconsider the assumptions of the Red Lion Broadcasting case, to which Judge Bazelon refers.

And next, I want to quote the judge to show the narrowness of that Red Lion case. He alludes to that narrowness by saying:

> Some governmental intervention has been authorized.

He says that the Supreme Court:

> There (Red Lion) approved only the personal attack and the political editorializing rules and expressly stated that it did not "approve every aspect of the fairness doctrine." The language of the decision was more broad than the holding and provided the theoretical basis for the broadscale regulatory effort.

Judge Bazelon could have gone on to quote Red Lion to show the Supreme Court's willingness to take on more basic constitutional questions should the fairness doctrine reduce coverage of controversial issues.

The Supreme Court said that—

> If experience with the administration of these doctrines indicates that they have the net effect of reducing rather than enhancing the volume and quality of coverage, there will be time enough to reconsider the constitutional implications.

The Supreme Court was referring to what is generally called the "chilling effect" of governmental regulation.

But Judge Bazelon, as we have seen from quotations from his dissent, sees the Pensions case as promoting the use of the courts to fight over definitions of controversy rather than the controvery itself. And the way to use this strategy, he indicates, would be to avoid the fairness doctrine through contortions in the subject matter of the program. He continues:

> If this occurs, we would be faced with the ironic consequence of the court's action having a greater chilling effect on broadcasters than a forthright, open application of the Fairness Doctrine. The court will have granted the broadcaster the right to make non-controversial speech and in the name of the First Amendment, broadcasters may seek to embrace this "right." I seem to recall that it is controversial speech and not the right to assert that one's speech is not really controversial which should be protected.

And, the judge fears that the Pensions decision could make the fairness doctrine more ambiguous. I wonder how much more ambiguous the doctrine can be. But he continues:

> The uncertainty of the operation of the fairness doctrine both heightens its chilling effect and increases the possibilities of Commission abuse of the doctrine through "raised eyebrow" harassment as an alternative to overt enforcement and judicial review. The uncertainty also serves as a potential cover for politically motivated applications of the fairness doctrine.

I believe that the raised eyebrow is already effective in avoiding controversy in covering public issues. Just this week I referred to reports of how NBC toned down a documentary on gun control, because of complaints coming to it even before the program was broadcast.

And I further believe the politically motivated applications of the fairness doctrine have been documented by actions of the Kennedy, Johnson, and Nixon administrations. I cite the article in the New York Times magazine by Fred W. Friendly on how political use of the fairness doctrine was directly linked to the instigation of the Red Lion case itself.

My bill, S. 2, to abolish the fairness doctrine and the equal time rule has been the subject of hearings in April and May—and more have been promised. In the course of those hearings, it has been alleged that there is no constitutional question about the fairness doctrine before the Congress; that the Red Lion decision settled the constitutional question.

---

[77] Barrow, The Fairness Doctrine: A Double Standard for Electronic and Print Media, 26 Hast.L.J., 659, 677 (1975).

[78] *Cf.* Illinois Citizens Comm. for Broadcasting v. FCC, No. 73–1652 (D.C. Cir. March 13, 1975), slip pages at 2–7 —— U.S.App. D.C. at —— – ——, —— F.2d at —— – —— (Statement of Bazelon, C. J.)

[79] *Id.* at slip-page 35, —— U.S. App. D.C. at ——, —— F.2d at ——.

[80] *See generally id.*

Mr. President, I respectfully object to that viewpoint.

With our system of coequal branches of Government, the Congress has a perfect right to examine questions that have been before the Supreme Court. That right becomes a duty when the upholding of the Constitution is at stake, for all of us are sworn to uphold it.

The Supreme Court in Red Lion acknowledged the possibility of grave constitutional questions about the fairness doctrine arising. If it stood ready to do its duty, then certainly the Congress is ready to fulfill its duty as well.

But, so far there has been little reaction to the politically motivated origin of the Red Lion decision.

As a nonlawyer, it seems basic to me that the Red Lion decision is tainted. A fairness complaint was provoked by a political operative. It was a put-up job as Fred Friendly revealed. To me, it was a case of entrapment.

To date, there has been no congressional investigation, which would be manifestly proper. The vehicle is the bills to abolish the fairness doctrine, which are properly before the Congress. The forum is the appropriate committees of both Senate and House.

Is Judge Bazelon subtly asking for such action when he writes "there seems to be no serious effort underway to reconsider the assumptions of that declaration" of the constitutionality of some governmental intervention into broadcast journalism under the fairness doctrine?

I believe he very well might be asking for congressional action.

As an officer of the court, he cannot bring in the constitutional question arbitrarily if it is not properly before him. So when he raises it indirectly, we should at least consider whether he has a point.

In past references on this floor to his writings and speeches on the subject of the constitutionality of the fairness doctrine, I think I have demonstrated that Judge Bazelon has more than a passing interest in the integrity of the first amendment.

And he is not alone. Lee Loevinger, a former Minnesota State Supreme Court justice and former FCC Commissioner; Glen O. Robinson, former law professor and current FCC Commissioner; Marcus Cohn, a former FCC general counsel and communications lawyer, are just a few of the authorities I have quoted previously who have serious questions about the constitutionality of the fairness doctrine.

Mr. President, sooner or later the courts are going to settle this question. But the Congress may and can settle it sooner. It is necessary that the liberty of the press be preserved. And its preservation cannot be assured as long as broadcast journalism is not recognized as an integral part of the press.

MONTGOMERY WARD'S PARTICIPATION IN HONOR AMERICA CELEBRATIONS

Mr. PERCY. Mr. President, in the light of our Nation's Bicentennial, the celebrations planned for Flag Day, June 14, 1975, take on greater significance this year than at any time since this national day of observance was established by Congress in 1777.

Congress has passed Senate Joint Resolution 92, declaring that the 21 days from Flag Day June 14, through Independence Day, July 4, shall be set aside as a period to Honor America with appropriate public gatherings and activities in which the people of the United States may celebrate and honor our great country.

Many organizations and individuals throughout the Nation are giving active support to this nationwide celebration, including Montgomery Ward and Co., a highly respected and established Illinois corporation. Montgomery Ward has provided various national service organizations with more than 10,000 Flag Day "Planning Guides" and other support material and planning advice in developing a maximum observance of this nationwide program to honor America.

Montgomery Ward has also made available for distribution to all Members of Congress a flag standard including a miniature American flag, as well as a miniature Bicentennial flag.

Mr. President, I want to take this occasion to express my personal appreciation to Montgomery Ward and the officers and employees of this great corporation for their involvement in this historic and patriotic event. I am sure my colleagues would want to join in this expression of appreciation.

TACKLING THE OZONE PROBLEM

Mr. McINTYRE. Mr. President, more than 2 months ago I presented the Senate with a lengthy discussion of the controversy over warnings from some of our most prestigious scientists regarding the potential threat posed by fluorocarbon gases.

I emphasized that I am not a scientist and I cannot judge the merit of the arguments of some, that these gases, emitted as propellants from the lowly aerosol can, rise slowly to the lower stratosphere to partially destroy the ozone layer which shields the Earth from an overdose of untraviolet radiation.

However, I cautioned that we must be ready to examine the issue in great detail in a coordinated Federal study—in a timely manner—especially in view of the "timebomb" quality of the scientific warnings. The scientists say that these gases take 10 to 15 years to rise to the stratosphere, so that chemicals being released today will not impact adversely for a decade or more. Most worrisome, the scientists say the process is irreversible. And they further warn that there is enough of the gas en route to the ozone layer to cause serious depletion of the shield by 1985 or 1990—even if all the discharges are stopped today.

Again, I emphasize that I am not a scientist. I must turn to the scientific community for guidance on such a complicated subject. Therefore, I was struck by this afternoon's copy of the Washington Star and the front-page report that a Federal task force has concluded a ban on the gas—used both as a propellant in some aerosols and as a refrigerant—may be necessary to stop destruction of the upper atmosphere.

I hope my colleagues will take time to read the report and to consider joining the 14 of us who have already sponsored legislation which provides for both a study of this problem and a mechanism for controlling use of fluorocarbons should a ban be deemed necessary.

This legislation—S. 1356—has as sponsors in addition to myself the following Senators: Mr. BROOKE of Massachusetts; Mr. CASE of New Jersey; Mr. CLARK of Iowa; Mr. HATHAWAY of Maine; Mr. HOLLINGS of South Carolina; Mr. HATFIELD of Oregon; Mr. HUMPHREY of Minnesota; Mr. KENNEDY of Massachusetts; Mr. LEAHY of Vermont; Mr. MATHIAS of Maryland; Mr. MONDALE of Minnesota; Mr. STEVENSON of Illinois; and Mr. THURMOND of South Carolina.

I would like to point out that the distinguished senior Senator from New Jersey, Mr. CASE, and I circulated a letter to all Members of the Senate shortly after he introduced the bill in which we requested cosponsors. I would like at this time to reiterate that request and inform the Members that our offices stand ready to provide any additional information requested.

Further, I would like to point out that there is considerable discussion of this issue at the State level. Indeed, the State of Oregon has approved a bill banning the sale of all aerosal spray cans containing fluorocarbons after March 1977. And I think it can be presumed that more States or cities will consider passing such bans, creating a possible crazy-quilt patchwork system of laws.

Instead, I hope the Senate will give prompt and favorable consideration to our legislation which would provide a definitive study of the matter. In addition to 12-month studies by the National Academy of Sciences and the National Aeronautics and Space Administration, the bill provides—2 years after enactment—for a ban on sale and manufacture of aerosol spray containers which discharge ozone destroying fluorocarbon gases unless research proves the chemicals harmless to health, safety or the environment.

Finally, let me say that we do need proof—not just speculation. For as I said 2 months ago, there are indeed many uncertainties in understanding the phenomena described thus far. Reasonable men can differ about the impact of these gases today or in future decades. But the world deserves to know whether our efforts to make life more pleasant through wide spread use of a convenience product may be the cause of great peril to life on Earth. At this stage, we have a unique opportunity to ask ourselves what we want to see happen in our world. But we must use the time wisely, to structure a systematic method of research and analysis so that future generations can say they like what is happening in their world.

Mr. President, I ask unanimous consent that the article from today's Washington Star be printed in the RECORD to be followed by an article from the June 2 Wall Street Journal entitled "Tackling the Ozone Problem."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 12, 1975]

U.S. MAY HAVE TO BAN SPRAYS THAT PERIL OZONE

(By John Fialka)

A federal task force has concluded that the government may have to ban certain gases that are used as refrigerants and as propellants in spray cans because they appear to be destroying the ozone layer in the earth's upper atmosphere.

The task force report, which was released today, states that there is "legitimate cause for serious concern" by the United States and other world governments because the ozone layer appears to function as a shield which protects the earth from the cancer-causing ultraviolet radiation that comes from the sun.

The report suggests that consumers who use aerosol cans for hair sprays and deodorants may have to revert to squeeze bottles and atomizers to use their favorite products.

Gases which do not harm the upper atmosphere, or stratosphere, the report notes, could be required for the manufacture of new refrigeration and air conditioning equipment and existing equipment could be modified to retard leakage.

The potential danger posed by the gases, a family of compounds known as fluorocarbons, the report asserts, has "not been seriously challenged" since the first scientific report was issued on the subject a year ago.

Unless a more detailed study now being conducted by the National Academy of Sciences contradicts its findings, the task force recommends that the federal government begin restricting the use of fluorocarbons by January 1978.

The work of the task force, which represented more than 14 government agencies, took five months. Its conclusions were immediately blasted by the E.I. du Pont de Nemours & Co., manufacturer of Freon, the largest selling fluorocarbon used in the United States, which uses about 50 percent of the fluorocarbons in the world.

Asked about the report, a spokesman for Du Pont said that the corporation was "strongly disappointed" with the task force's recommendations calling for restrictions on fluorocarbon use and felt that the report "is tantamount to prejudging the results" of the NAS study and other scientific research being done by industry which, he said, could take at least three years to complete.

Asked about the report, a spokesman for Du Pont said that the corporation was "strongly disappointed" with the task force's recommendations calling for restrictions on fluorocarbon use and felt that the report "is tantamount to prejudging the results" of the NAS study and other scientific research being done by industry which, he said, could take at least three years to complete.

The chemical reaction the scientists are worried about seems to be occurring in the stratosphere, the rarified air between 26,000 and 160,000 feet where the fluorocarbons tend to collect, according to the report, because there appears to be no natural reaction that destroys them.

At those altitudes they interact with the ozone, a relatively rare ingredient of the atmosphere which is closely related to common oxygen. Instead of having two atoms of oxygen in each molecule like the oxygen we breathe, however, ozone has three.

The fluorocarbons, according to the report, are broken down by ultraviolet radiation from the sun, releasing chlorine gas which, in turn, tends to break down the ozone.

One of the report's more ominous conclusions is that even if fluorocarbons were banned today, the full impact of suspected damage in the upper atmosphere may occur some time in the future because many of the products of the booming fluorocarbon industry are still making their way into the stratosphere.

The report cites several independent scientific studies estimating that between .5 and 2 percent of the ozone layer may already be destroyed and that the eventual damage from gases released may destroy as much 3 percent.

The report notes that ozone appears to be constantly destroyed and created in the upper atmosphere as part of a natural process which is not completely understood. Fluorocarbons, however, appear to be accelerating the destruction.

The report points out that some scientists believe that weather patterns may be changed by depletion of the ozone layer. It adds that there is clinical evidence that the incidence of skin cancer, sun burning and skin aging is accelerated as the ozone layer diminishes.

The first scientific data pointing to fluorocarbons as a danger was assembled by two University of California scientists, Profs. F. Sherwood Rowland and Mario J. Molina, and published in Nature, the British scientific Journal, last June.

While the report received relatively little notice in the press, it eventually caused a considerable stir among the six companies that manufacture fluorocarbons in the United States, an industry that has been expanding its output by between 10 and 20 percent each year and which employs nearly a million workers.

According to the study, about half of U.S. fluorocarbon production is used in spray cans. About 90 percent of the fluorocarbon-propelled aerosol cans are filled with hair spray and deodorants, cosmetics which require a fine spray.

Other products commonly sold in spray cans, such as shaving cream, insect sprays and paint, do not use fluorocarbons as a propellant, according to the Du Pont spokesman, because cheaper propellants such as hydrocarbons can do the job.

The task force, officially known as the Task Force on Inadvertent Modification of the Stratosphere, noted that while there may be no acceptable substitute propellant for hair sprays and deodorant spray cans, other methods of application, such as roll-on, cream, and stick deodorants and hand powered sprays have been widely used in the past and will probably be acceptable to consumers.

[From the Wall Street Journal, June 2, 1975]

TACKLING THE OZONE PROBLEM

(By Arlen J. Large)

WASHINGTON.—This kind of dilemma is getting awfully familiar in industrial societies:

Somebody has great success in marketing a product of wonderful utility. Jobs find a good slice of the economy come to depend on it. Then an outsider claims the product is harmful and should be banned by the government. The government doesn't know whether it's harmful or not, and asks science. The scientists say more study is needed. Meanwhile, people who make the product get a case of nerves about losing their jobs, and people using the product worry that they're damaging something, maybe themselves.

Scientists and regulators are confronted with perhaps their most complex dilemma yet by the alarming word that propellant gases from hairspray cans are gobbling up ozone in the stratosphere. Science, as usual, is saying more study is needed, perhaps three years more. "This is a problem that bugs us frequently," says Edward Todd at the National Science Foundation, one of the government agencies studying the ozone question. "When can you say you understand the science well enough to advise the policymakers?" Much as they want a flat Yes-or-No from science, the policymakers in the end may feel forced to make regulatory decisions on the basis of partially informed human hunch.

This is all coming together in the ozone dilemma. Everybody has heard about ozone by now, that natural form of oxygen that sometimes can be smelled after a lighting bolt. An ozone shield in the stratosphere screens out some of the sun's ultraviolet rays, the kind that cause sunburn. Any significant thinning of the ozone shield would mean nicer tans for the careful, fiercer sunburns for the careless and more skin cancer for the unlucky.

SPRAY CANS VS. SUNSPOTS

On first hearing, the theory sounds preposterous. How can that hair-spray gas work its way out of your closed bathroom, waft thousands of feet up and collect in a stratospheric pool around the globe? For its part, the protective ozone layer is always thinning and thickening from natural causes; during the 1960s the amount of ozone up there was *increasing*, possibly in tune with the cycle of spots on the sun. Is a deodorant spray can more potent than a sunspot?

Judging by the intense interest in the question by both scientists and would-be regulators, maybe it is. The government is taking the theory very seriously. So, naturally, are the companies that make these gases, known as fluorocarbons. Thus for their own reasons, both government and industry are bankrolling the most detailed scientific look yet at the upper atmosphere.

—The National Academy of Sciences has appointed a panel chaired by H. S. Gutowsky, head of the chemistry department at the University of Illinois, to study the effect of fluorocarbon gases on ozone. The National Academy is a private body organized to answer the government's questions; in this case it's getting money from four federal agencies. The Gutowsky panel hopes to finish its study by spring of next year.

—The government has organized itself bureaucratically into a "Federal Interagency Task Force on Inadvertent Modification of the Stratosphere." Officials from 14 agencies hold meetings to bat the ozone question around and discuss whether the government has legal authority to ban the gases, if it comes to that. A preliminary report is due this month.

—Congress is in the process of voting extra millions for atmospheric probings by the National Aeronautics and Space Administration. And in the House, the Commerce Committee is working on legislation directing the Environmental Protection Agency to study the ozone question for three years and recommend whether fluorocarbons should be banned. As the bill is written now, a ban would require the permission of Congress.

—Fluorocarbon makers themselves will spend as much as $5 million on eight research contracts with universities, according to Ralph Engel, executive director of the Chemical Specialties Manufacturers Association. These atmospheric studies will last three years. Industry spokesmen have conceded that no hard data exists either to prove or rebut the theory; obviously, they're hoping to find evidence that the alarming chemical reactions up there aren't really happening, or at least that some other gas is the culprit. Six companies make fluorocarbons in this country, with the biggest, Du Pont, selling them under the trade name Freon.

All this organizing and appropriating is leading to a lot of physical activity. At Harvard, a team of radio astronomers will use a government grant to tune their equipment to frequencies possibly emitted by stratospheric molecules thought to be ozone-eaters.

In October, a balloon equipped jointly by the government and universities will be launched from White Sands, N.M., to take upper-air measurements. Simultaneously, NASA plans to launch a companion balloon from a Texas site, while one of the agency's high altitude U-2 research planes flies

around the area, collecting samples of its own. Later this year, a NASA satellite will be pointed to look at the stratosphere from above.

In much of this poking around in the sky, the researchers will be trying to measure the amount of various molecules containing chlorine, the stuff that purifies the town water supply. Chemists at the Universities of California and Michigan theorize that the chlorine comes from fluorocarbons that have been broken down by sunlight. The chlorine eventually combines chemically with ozone, nullifying it as a sunburn stopper. If this rate of ozone depletion becomes greater than the rate of natural replenishment, the ozone shield gets thinner. So discovery of a lot of chlorine up there would be taken as evidence that the danger is real.

It's this kind of hard, yes-or-no data that Congress wants science to supply. "We need good scientific evidence on what is happening, and it will have to be done by actual samplings," says Democratic Rep. Paul Rogers of Florida, chairman of the House subcommittee working on the ozone research bill.

But it's likely that the early answers from science will be fuzzier than Yes-or-No, and that regulatory decisions may be made before the scientific answers are final. Warren Muir, a chemist at the President's Council on Environmental Quality, had heard enough to believe there's some basis to the ozone depletion theory. To him, the real scientific question is the theory's degree of accuracy. "Maybe we'll find that the problem is only 10% of what we thought," he says. "I don't think it's going to be a zero."

Mr. Muir is a co-chairman of that 14-agency task force in charge of coordinating the Executive Branch's response to the theory. Ultimately, the task force will have to weigh any long-run threat to human health against the economic disruptions of banning fluorocarbons. "When you're judging the trade-off of health and economic effects you're outside the realm of science," Mr. Muir says. "Those are public, political value judgments. It's the scientist's job to tell you what the trade-off is."

It certainly would be preferable if the government decides a trade involves only a negligible threat to health compared with severe economic impact if the stuff were banned. All those hissing aerosol cans might be regarded by some as a symbol of decadence, but they thrive in the marketplace as a convenience to people. And while the aerosol can is the most conspicuous dispenser of fluorocarbons, much of the substance works invisibly as a ccolant inside refrigerators and air conditioners. Ban it, and food would spoil until a substitute could be found. Du Pont estimates that industries directly dependent on the gases contribute $8 billion toward the annual gross national product, and that 200,000 jobs are at stake.

THE REAL WORRY

Yet there's little disagreement that the gases must be banned if it's shown they do indeed threaten a fundamental change in the sunlight reaching the earth. Medical authorities say with some certainty that there's a direct link between exposure to ultraviolet rays and the number of cases of skin cancer. This kind of cancer is seldom fatal, but it can be disfiguring and expensive to treat. And some scientists think the skin cancer problem has been overly headlined; what people really should worry about is a sunlight change that damages crops and insects, or causes permanent alteration of the earth's climate.

F. Sherwood Rowland, a University of California chemist who was among the originators of the ozone-depletion theory, already has called for a ban on the most commonly used fluorocarbons. The Natural Resources Defense Council, an environmental group, is suing to force the Consumer Product Safety Commission to ban aerosols, but not refrigerants.

A recommendation for some kind of interim ban "isn't out of the realm of possibility" when the 14-agency federal task force makes its preliminary report this month, says Co-chairman Muir. In any case, the task force is sure to call for continued vigorous research on the theory's accuracy. Fluorocarbon manufacturers argue a ban would be premature until the scientific case is proved. In legal terms, the question of a ban could involve the same arguments surrounding the government's effort to make Reserve Mining Co. stop dumping wastes into Lake Superior even though there's no ironclad proof that human health is threatened.

Though the stakes are high, the scientific inquiry for the most part is still characterized by calm professionalism on all sides. Unlike the dispute over skin cancer and the SST, there's been little of the public screeching and name-calling so beloved of some politicians and editorial writers. North Carolina's Democratic Rep. Richardson Preyer recalls going to a House hearing on ozone depletion expecting "a standard conflict between the environmentalists and industry." He marveled, instead, at the absence of "inflammatory rhetoric or alarmist language." Many think Du Pont helped set the tone with its early promise to quit making the gas if the threat was proved.

The argument early in the 1970s about the SST depleting the ozone and causing skin cancer was muddled by the haughty putdowns and environmental theatrics of the political personalities involved. That phase appears to be over, and organized science has been able to deliver some useful recommendations.

A GLOBAL PROBLEM

Earlier this spring a panel of the National Academy of Sciences said exhaust from jet airplanes flying much above 40,000 feet is going to deplete stratospheric ozone, whether they're SST's or subsonic craft. The more high-altitude planes there are, the greater will be the ozone depletion. The panel said jet engines should be redesigned to produce a big cut in the exhaust offender, oxides of nitrogen, over the next decade. It also said there should be an international rule governing jet engine exhaust, because the same "potentially serious problems" would affect ozone over the entire planet.

The global nature of any ozone depletion by fluorocarbons would, of course, be equally true. The gases are made by some 25 companies around the world (in Russia, the trade name is Eskimon) with the six U.S. producers accounting for about half the total output. If the gases really are thinning ozone, it might do little good to ban them in the U.S. and leave them unregulated elsewhere. There are some scientific studies of the problem in Canada and Britain, but most other governments appear to be looking to the U.S. for a regulatory answer.

It has taken an alleged threat to human health and the world's weather to spark all this new interest in the thin, remote places of the atmosphere. Whatever else happens, it's going to expand knowledge in a branch of science that had been neglected. That knowledge should help determine whether it's permissible to spray a bug or cement your hairdo with an aerosol can, but it won't be a purely scientific decision. If it's done right, the decision will mix the raw science with careful common sense.

NIOBRARA, NEBR., FACING EXTINCTION

Mr. NELSON. Mr. President, an article appeared in the June 6 Washington Post, describing the uprooting of citizens of a Nebraska town to escape flooding of the Missouri River. The cause of the flooding is disputed. Physical data indicates that its source is the nearby Army Corps of Engineers-constructed dam. The Corps, not flatly denying this as a causative factor, claims that in any event the citizens are responsible for their own misfortune, since they decided to remain after being warned 25 years ago of future flooding. But the town's inhabitants in turn assert the Corps originally promised flooding would not occur for 100 years.

Whatever the case, I ask unanimous consent this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WATERLOGGED TOWN IN NEBRASKA IS FACING EXTINCTION

(By Stephen A. Kaidman)

NIOBRARA, NEB.—The Army Corps of Engineers said that 25 years ago it warned the 600 or so residents of Niobrara that the Gavins Point Dam on the Missouri River at nearby Yankton, S.D., would cause the water table to rise and flood their basements.

But Lester Fitch, mayor of Niobrara, remembered that "the corps told us it would take at least 100 years for that to happen."

Today, Niobrara, which sits on the South Dakota border in the crook of an elbow formed by the Niobrara and Missouri Rivers, is waterlogged. And the corps, which built the dam, is moving the town to higher ground. But it is paying only part of residents' moving expenses, and a number of Niobrarans, particularly businessmen, are losing money on the move.

Commenting on the corps' dealings with the town, Hank Farnik, who's going to have to take a $75,000 loan to move his grocery business, said, "Them sons-of-bitches lie. That's what they do."

Now, despite the earlier warning, Lt. Col. Lee Tucker, assistant district engineer in the Omaha office, said, "None of our studies have definitely nailed the present groundwater situation to Gavins Point."

Corps officials in Washington admit that there is a possibility the dam may be a factor in the flooding, but point out that the local residents made a decision to stay after the warning.

Frank Sherman, who has lived along the banks of the Missouri for all of his 51 years, and who has helped build the dams on the river above Niobrara, said, "Anybody who lived here knowed it was gonna happen. The corps didn't ask us, though."

Now Niobrara is facing extinction. The only drugstore has shut down. The clothing store is having a close-out sale. The lumber yard is gone and so is the International Harvester dealership. The town has no doctor. It hasn't had one for years now. And businessmen who stay will be deeply in debt.

"We want our town," said Mrs. Walt Scott, who helps her husband run Gamble's housewares and hardware store, "but to have a town you've got to have business. We've got a pretty little town down here, but this has been hanging over our heads for 10 years now."

Niobrara's main street of one- and two-story buildings, some brick, some frame, straddles the state highway for a couple of hundred yards like a classic Western town. The only difference between the scene now and 100 years ago is that the clouds of dust would be raised by pick-up trucks rather than palomino stallions.

There are no bridges across the Missouri for 50 miles in either direction, but the last ferry on the river operates out of Niobrara.

The surrounding countryside is rolling and grassy. Area ranchers cross-breed Charolais and Black Angus cattle and raise alfalfa, milo and corn. The Santee Sioux have a reservation outside of town.

The new Niobrara is rising on a hill about a mile and a half from the old. Most of the area has been graded, roads are in, a few old houses have been moved up and some new ones are being built. Some residents have used the money the corps paid them for their old houses to buy doublewidth trailers. The corps is paying for utilities and municipal buildings.

There are no trees yet, but some have been donated by other towns in Nebraska. The new site has a fine view of the Missouri and the chalk cliffs on the South Dakota shore.

The only business to relocate so far is Ralph Moody Ford-Mercury. Joe Graham, director of real estate for the corps' Omaha District, was full of praise for Moody.

"Moody's a good businessman," Graham said. "He took the bull by the horns, borrowed in excess of $100,000 and constructed a new building up on the hill." Graham portrayed this as an act of faith in the new town.

Moody, a big, affable man with a ready smile, shed some additional light on his move, which was prompted by a fire in his old place, something Graham neglected to mention. "If I hadn't had the fire," he said. "I'd still be sitting on the fence."

Moody is pleased with his new showroom and repair shop, but angry with the corps. "The thing that slays me," he said, "is that I picked this spot because the highway was supposed to run in front of me, and now they don't want to put it there. They really screwed me up."

Farnik is being forced to give up his slaughterhouse and meat processing facilities because the corps is not paying him enough to move them, but he is going along with the relocation of his grocery store, because like Moody, he has sons who are interested in carrying on his business. "If it were just me and my wife," he said, "I'd pick up and leave."

The town trustees are put out with the corps, too. One reason is that the corps is refusing to grade a hill that was intended to be the site of Niobrara's eight churches. William Campbell, the Omaha lawyer who represents the town, said, "There never was any question that the corps would pay for the grading."

The corps has told the 500 or so remaining Niobrarans—about 100 have moved elsewhere rather than relocate with the town—that the well is running dry and they cannot keep going back to Congress for more money. The estimated total federal cost of the move at this point is $14.5 million.

But the Niobrarans feel that the corps caused their problem by building the dam and the corps should solve it at no cost to them in cash and as little as possible in mental anguish.

The Gavins Point Dam was authorized in 1944 as part of a massive plan to develop the Missouri River, and its primary purpose is to regulate river flows as an aid to navigation, which does not benefit Niobrara. It was originally slated to be built below the mouth of the Niobrara River, which would have avoided the siltation problem that led to the flooding problems.

But politicians in Yankton succeeded in having the dam situated there so that their town would reap the benefits of the 25-mile-long lake that it formed. A Niobrara politician succeeded in having the corps reduce the size of the proposed dam when the site was changed expressly to avoid the siltation, but within five years of the dam's closure in 1955 the problem was already noticeable.

The Niobrara flows swiftly out of the Wyoming sand hills, carrying silt into the Missouri. Before the Missouri was dammed the melting of spring snows would speed great volumes of water down the normally slow-flowing stream and flush out the silt.

With the dam, that no longer happens. Now the silt accumulates, raising the bottom of the river. In turn the ground water below the river and the surrounding land rises to ever higher levels, finally filling people's basements and causing flooding of nearby agricultural lands.

THIRTY-FIVE YEARS OF REA SERVICE TO WYOMING, COLORADO, AND NEBRASKA

Mr. McGEE. Mr. President, 35 years ago, the switch was thrown on a massive rural electrification project which brought electric power to farms, ranches, and communities in Colorado, Wyoming, and Nebraska.

This project is in use today and is still supplying adequate power to this area, despite population increases and the high inflation which has severely threatened other utilities in this Nation.

At that dedication ceremony in 1940, the principal speaker was the greatly respected Senator from Wyoming, Joseph C. O'Mahoney. Many in this Chamber remember Senator O'Mahoney, as do I, as a great champion of agriculture and the rural electrification program.

Mr. President. I ask unanimous consent that an article in the Cheyenne, Wyo., Sunday Tribune-Eagle describing the anniversary and that original dedication ceremony be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RURAL AREA MARKING 35TH ANNIVERSARY OF POWER REVOLUTION

(By Martha Thompson)

It was May 11, 1940, and out went the water bucket and dipper, the sad irons, the black range and the coal bucket, the kerosene lamp and the barn lantern, the battery-powered plants and the wind charged as the switch was closed on the Rural Electric Company substation east of Carpenter and electric power surged for the first time through 162 miles of line for 500 consumers all the way from Grover, Colo., through southeastern Laramie County and into Nebraska.

Senator Joseph C. O'Mahoney of Washington, D.C.; was the principal speaker at the dedication ceremonies of the project at the Carpenter substation.

He told 1,000 persons that the REA project bringing electricity into rural homea was the greatest event to occur in the area since the coming of the Union Pacific Railroad.

O'Mahoney, a friend of western agriculture for many years, was quick to grasp the importance of pump irrigation, but admitted that he had no idea, at the beginning of the drive to bring electricity into this area, of the great potential quantities of water which could be pumped from the ground.

O'Mahoney said prophetically, "I believe we can write down this day—May 11, 1940—in our memory books as one of the most significant in the history of Laramie County. Certainly no occasion has ever been more important for eastern Laramie County than this celebration which marks the electrification of this new project. The federal activity which makes electric energy available to farm homes is one of the most dramatic and important innovations of our time.

"It marks a turning point in the economic development of the entire nation . . . When the rural population has power available to run pumps, to operate machines of all kinds, we shall find a greater productivity in all forms of effort in the rural areas than ever before . . . When, by reason of cheap power, you have been able to supply pump water to the farms in the area, you will work such an improvement in agriculture that Laramie County will become one of the best farming areas in the whole state.

He told the assembled group that the power came from Seminoe Dam in Central Wyoming, part of the Kendrick project, formerly called the Casper-Alcova project, built by the U.S. Reclamation Service because Wyoming was able to show that oil royalties on federal oil lands in Wyoming had paid more than $25,000,000 into the Reclamation fund.

"So," he said, "every farm home which received power from this project is now participating in oil royalties collected from our public lands. There was a time when most of the profits of oil developments were taken beyond the boundaries of the state. Now, however, these royalties are used in such a fashion as to give direct benefit to every citizen of the state."

Recognizing that the potential of REA lay in irrigation, the Farmers State Bank of Pine Bluffs noted in an advertisement in the Pine Bluffs Post in May 1940, that although there was an abundance of water under the fertile acres of the valley there, that no one had thought before of getting it in great quantity to the surface for irrigation.

Recognized as the father of the REA project in the tri-state area of Colorado, Wyoming and Nebraska is Mark Byers, formerly of Hereford and now of Mesa, Ariz., who on April 30, 1936 influenced Guy Smith of Grover to help him write Washington, D.C., to get a project into that area of Colorado.

Their first meeting with R.E.A. officials from Washington and with farmers in the area was held in Briggsdale, Colo., on November 16, 1936, and residents of that town, Grover, Hereford and Carpenter attended.

Another meeting was held at the Hereford, Colo., school on November 23, and residents in nearby communities were invited to send representatives so a temporary board of directors could be formed for securing an REA project. H. O. Cooper, Albin newspaperman, was elected president, R. D. Smith of Carpenter vice president, Mark L. Byers of Hereford, treasurer, Guy Smith of Grover, secretary, and James P. Voigt of Albin and Benjamin Brooks of Briggsdale, directors. A meeting was held soon afterwards in Albin and George Phillips was selected to represent Pine Bluffs.

On January 28, 1937, the national Rural Electrification Administration approved a board of directors consisting of Guy Smith, Mark Byers, R. D. Smith, H. O. Cooper, James Boigt and George Phillips, and the Colorado-Wyoming-Nebraska group was organized under the cooperative laws of the state of Wyoming.

At a meeting of the board at Carpenter on June 19, 1937, Cooper tendered his resignation as president of the board and the newest member of the board, George Phillips was elected chairman. Clarence Kaser, Egbert, and Thomas Kelly, Pine Bluffs, were selected on January 6, 1938, to fill vacancies on the board caused by the resignation of Cooper and Brooks of Briggsdale.

Application by the board for funds from the national REA Administration was rejected in January of 1939. Memberships by the hundreds were secured and meetings were held almost weekly, but still funds were denied by Washington, and the board sent Phillips to the capitol to make personal application. On May 1, 1939, Senator O'Mahoney and H. H. Schwartz of the administration board notified the board that $234,000 has been approved to build 162 miles of line.

On June 1, Phillips resigned as president of the board and was named project superintendent. Voigt was named in his place and Teuben Anderson of Albin was appointed to the board.

The Inland Construction Company received the bid for construction of the line on August 25, 1939. The contract called for completion of the line by December 23, 1939, but

outbreak of World War II caused scarcity of materials and it was December 1 before the company could get enough material to get construction under way. Bad weather the first there months of 1940 delayed the project.

Credit was given by the Pine Bluff Post in 1940 to M. A. Swan, H. W. Tosch, construction superintendent, and I. F. Hilton, bookkeeper, all of Inland Construction Company for success of the construction job. Other men commended for their efforts were Walter Flora, project engineer, and Henry B. O. Davis, resident engineer. Walter Q. Phelan, a prominent Cheyenne attorney, directed the legal affairs for the company.

CREDIT TO GEORGE PHILLIPS

Board members of the Tri-State REA were unanimous in 1940 in paying tribute to George Phillips, board president, for his efforts in bringing the project to a successful conclusion. They said the project would not have materialized had he not come into the picture when he did, and that when they thought it was a lost cause after all their efforts and were willing to let it drop, he convinced them that with a little more hard work and perseverance, they could get electricity into the area.

The Pine Bluffs Post said, "He then proceeded to show the membership and the region in general that he knew what he was talking about. Phillips has taken a lot of criticism, ridicule and abuse and now, with completion of what almost everyone agreed was an impossible task, he is being acclaimed on all sides as a far-sighted and capable organizer."

The tireless efforts of Byers, Voigt, Roy Smith, Guy Smith and Phillips were noted. Beginning in the fall of 1937 they held meetings every Sunday for 23 straight weeks—in all kinds of weather, mostly bad. Their only pay was $40 each from April, 1936, to January 1, 1939, for travelling inestimable distances from Carpenter to Grover to Hereford to Albin and to Pine Bluffs. Tribute was paid, too, to Kelly and Kaser and Anderson, board members who worked tirelessly for success of the project.

ROOSEVELT CREATES REA ADMINISTRATION

An executive order creating the Rural Electrification Administration was signed by President Franklin Delano Roosevelt in 1935 on May 11, in an era when about one farm in nine enjoyed the benefits of electricity. Now almost 100 per cent of farms and ranches, and over 1,000 rural systems financed by REA serve more than half of these electrified operations. Electricity eliminated drudgery to a great degree and agriculture was able to advance to the degree that they could feed the United States population, with surpluses left over to help feed the hungry all over the globe.

Energized lines help the farmer in their production of food. And it revolutionized the farm home. It provided running water, heated the flatiron, lighted the lamps, powered the stove, the refrigerator, the deepfreeze and the furnace, in addition to distributing feed and silage to cattle, pigs and poultry by powering electric motors, heating brooders to keep chicks and baby pigs warm in incubators, powering equipment in poultry sheds, pig pens and lighting yards, barns and storage sheds and equipping machine shops with power tools so farmers could repair and build. Power took away labor from the farmer's back and helped him operate his place with fewer hired hands who could be paid more for their labor.

The Rural Electrification program was a social and economic miracle which brought electric lights and power to more than 17,000,000 Americans who were still living in the dark ages—only 35 years ago. The original appropriation for this vitally important program was only $75,000, and was designed as an arm of the Works Program Administration—or WPA as it was popularly known during that depression era.

The project enabled rural people to form cooperatives to bring electricity to their homes. At that time, fewer than 11 per cent of rural Americans had, or could get, electricity at a price they could afford to pay. Today rural businesses, schools, churches, farms and ranches have electric power through the cooperative efforts of thousands of public-spirited citizens who worked together to create the rural electric system. They pooled their credits and their efforts to make the project possible, and it has been one of the most dazzlingly successful government programs on record.

On May 11, 1975, REA celebrated its 40th birthday nationwide. Nearly 1.8 million miles of distribution line carry electric power to about 25 million rural people, with lines strung all the way from the Florida Keys to the Arctic Circle in Alaska and from the coast of Maine to the California deserts. In addition, REA has made extensive telephone service possible to rural users by providing experience and funds for this project.

The thirty-fifth anniversary of electric service to patrons in the tri-state area will be celebrated on June 11 this year at Pine Bluffs at the home office of the Rural Electric Company, a cooperative project sponsored by participating members in this area.

Registration will be followed by a business meeting at 2 o'clock.

Manager, Bill Lyons and the board of directors will present reports and introduce guests. Election of directors will be held and door prizes will be awarded to winners of lucky tickets.

Lyons, who has been a capable, popular manager of the Rural Electric Company since September, 1946, is serving his last year as head of the organization. He plans to retire on August 1, 1976.

He was named line foreman on the project in March, 1940, and served a year as manager of the cooperative at Saratoga. He said the first time he heard of the REA project was when he was approached about a membership by Roy Smith, Carpenter, when he worked at the John Gordon place in 1937. As a boy from Chicago, where all the bright lights were, he was exuberant about getting electricity into the area.

He mentioned that although money was so scarce in the depression years while formation of the REA project was in operation, farmers were cooperative in paying their $5 dues, even though they were told that a portion would be used for "fellows running around the country to board meetings and for telephone calls to Washington, D.C."

And he recalled that loans at four per cent interest were made to farmers who wanted electrical appliances and equipment. He said in the early days of REA patrons thought in terms of lights, water and refrigerators to preserve all the foodstuffs raised on the farm.

Lyons, a pioneer himself in the tri-state area cooperative, has been influential in the progress of the project, beginning with the wiring of homes and farmsteads, and progressing to the office of manager.

Those early lines of 152 miles have been expanded now, according to Lyons. Now the lines extend from Laramie on the West to Sydney, Neb., on the east, from Harrisburg, Neb., on the north, to Purcell, Colo., on the south—140 miles east and west and 70 miles north and south, with 4,500 consumers on over 2,500 miles of line.

PHILIPPINE INDEPENDENCE DAY

Mr. ABOUREZK. Mr. President, today is Independence Day in the Philippines. Supposedly it is a day of celebration and reflection on the independence of the Filipino people from foreign rule. Unfortunately, the independence which the Filipino people once knew and appreciated has been turned into nothing more than a facade by the repressive policies of President Ferdinand Marcos. Since September 1972, when martial law was imposed, the country which was once the "showcase of democracy" in that part of the world, has become a totalitarian dictatorship.

Political repression in the Philippines is now a fact of life. Independence and basic human rights are all but dreams and memories of times past—yet something which the Filipino people still yearn for and cherish. Under martial law, there is no senate and house of representatives, no political parties, no elections. The orders of President Marcos when he initiated martial law have stripped the Philippine judiciary system of authority and have made them additional arms of repression.

In the minds of people the world over, independence is synonymous with the word freedom. Yet, today there is no freedom in the Philippines. There is no freedom of choice at the polls, there is no freedom of speech, nor freedom of movement. The suppression of human rights is symbolized by the imprisonment of thousands of Filipinos without trial or even specific charges. Among these prisoners are three of the most highly regarded citizens in the country: Benigno Aquino, Eugenio Lopez, Jr., and Sergio Osmena III, who continue to be held, their health failing.

On this Philippine Independence Day, democracy and true independence are dead. Rebellion and resentment to the repressive policies of the Marcos regime are growing. The United States, by its massive support for Marcos in economic and military assistance is sure to become the object of resentment, too, by the Filipino people.

We can only offer our sincere hope that things will change. Let us hope, Mr. President, that by June 12, 1976, the Filipino people can join Americans in celebrating the true meaning of independence.

ACID RAINFALL—A POTENTIAL PERIL IN EASTERN U.S.

Mr. NELSON. Mr. President, on May 23 of this year the New York Times printed an article on the potential environmental hazard posed by acidic rain, a phenomenon which is becoming increasingly prevalent in the Eastern United States. A product of pollutants ejected into the air by industrial smokestacks, acid rainfall has been linked to the death of lake fish. Evidence also points to deleterious effects on drinking water and vegetation.

Acid precipitation was the subject of a recent scientific conference. It is a problem which merits the attention of this Congress. Therefore, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ACID PRECIPITATION, LONG A POLLUTION PROBLEM IN SCANDINAVIA, REGARDED AS A POTENTIAL PERIL IN EASTERN U.S.

(By Boyce Rensberger)

Acid rain and snow, an effect of air pollution recognized decades ago in Scandinavia and thought to be among that region's leading environmental problems, is now regarded by scientists as a potential hazard in the eastern United States as well.

In recent days acid precipitation has been examined in the first major American scientific conference devoted to the subject. Scientists from that meeting have, in a second conference, presented highlights of the phenomenon to officials of various New York State agencies, public utilities and relevant industries. The Adirondack region is among the most severely affected by acid precipitation.

Concern about acid precipitation has grown out of observations by ecologists, chiefly in Sweden, Norway and the United States, that the acidity of rain and snow in some regions has increased during the last two decades to concentrations ranging up to a thousand times normal. The average acidity of rainfalls in the eastern United States is now about 100 times what is was several decades ago.

TOLL ON LAKE FISH

Scandinavian and American researchers suspect that acid rains have killed fish in many lakes in both regions. Several high-altitude lakes in the Adirondacks are now devoid of fish. There is also evidence that acid rain may be damaging trees and other plants. Many experts fear that, over the long run, gradual acidification of soils may cause changes in the types of vegetation growing in affected areas.

Another fear is that acid runoff may be leaching various potentially toxic metals out of the soil and transporting them into drinking water reservoirs. There is no evidence supporting this now.

Pure rain water in clean air is slightly acidic as a result of the conversion of some atmospheric carbon dioxide into carbonic acid. Scientists measure acidity on what is known as a pH scale, which ranges from 0 to 14.0, with 7.0 being the neutral point between acidity (below 7.0) and alkalinity (above 7.0). Unpolluted rain water has a pH of about 5.7.

When air mixes with various natural dusts and other particles, which are typically alkaline, the pH is pushed closer to the neutral 7.0.

Since the mid-nineteen-fifties, rainfall in the eastern United States has had a pH averaging around 4.0, with occasional storms depositing water at a pH of 3.0. The pH scale is logarithmic, with every change of one point representing a tenfold change in acidity or alkalinity, thus a pH of 3.0 is a thousand times more acidity than a pH of 6.0.

For purposes of comparison, the pH of potatoes ranges from 5.6 to 6.0, tomatoes have a pH of 4.0 to 4.4 and household vinegar varies in pH from 2.4 to 3.4.

ROLE OF POLLUTANTS

The acid-precipitation phenomenon is believed to be caused by the emission into the atmosphere of pollutants, primarily sulphur oxides and nitrogen oxides, that are incorporated into raindrops to form dilute concentrations of sulphuric acid and nitric acid.

Electric power plants, smelters and steel mills that burn coal and oil are the leading sources of sulphur oxides, and motor vehicles are the leading sources of nitrogen oxides. Most pollutants affecting the Adirondacks are thought to come from the Great Lakes urban and industrial region, while that affecting Scandinavia comes from Germany. Tall smokestacks that inject pollutants high into the atmosphere are believed to account for the long-distance transport of pollutants.

Although various aspects of the phenomenon have been discussed individually for years by ecologists, the two recent meetings, which brought together most of the leading researchers in the field, marked the emergence of acid precipitation as a new multidisciplinary environmental concern.

The scientific conference, called The First International Symposium on Acid Precipitation and the Forest Ecosystem, was held earlier this month in Columbus, Ohio. It was sponsored by the United States Department of Agriculture's Forest Service and Ohio State University. More than 100 scientists from eight countries presented papers.

The second conference, held earlier this week at the Institute on Man and Science, a private conference center in Rensselaerville, N.Y., was sponsored by the New York State Department of Environmental Conservation, the United States Environmental Protection Agency and Cornell University.

A few years ago acid precipitation was something ecologists talked to each other about, but now I think we're finally beginning to see others take cognizance," said Dr. Gene Likens, a Cornell ecologist who has been one of the leading acid rain researchers in the United States.

Ogden R. Reid, commissioner of New York's Department of Environmental Conservation, told the Rensselaerville meeting that the damage to fish populations should be regarded as an early warning of potentially severe environmental hazards posed by acid rain.

Mr. Reid said his department planned to make a helicopter survey of about 3,000 New York lakes, sampling for water chemistry, to assess the severity of the problem.

Dr. Jean French, an epidemiologist with the E.P.A.'s National Environmental Research Center, said there was no evidence as yet that acid precipitation posed a health hazard to human beings.

Although the effect on fish is not well understood, it has been shown that high acidity impairs maturation of fish larvae but leaves adult fish unharmed, according to Dr. Carl Schofield, a Cornell fisheries expert.

He said that in some lakes where adult fish could still be found, reproduction had ceased, dooming the population to extinction.

The impact on vegetation is less clear. Although plant scientist have noted physiological changes in leaves exposed to acid rain, it is not clear whether they are enough to stunt growth.

THE GENOCIDE TREATY—A QUESTION OF U.S. INTEGRITY

Mr. PROXMIRE. Mr. President, a major trend has developed in the world in the past few decades. Independent states have emerged from the decline of colonial empires. Because of the fast moving world in which we live, and the vast amount of resources these people represent, the path these nations follow will have far-reaching implications for international policy. Thus we must pay close attention to the political developments of these Third World nations.

We must realize—particularly in the light of Vietnam and other world developments—that it is foolish and even dangerous to expect that all these emerging nations will or should develop exactly as we have. But it is not unreasonable to hope that these nations will assume the same high moral regard for human rights that this country has traditionally held.

Former Ambassador Arthur J. Goldberg said before the Senate Foreign Relations Committee some years ago that—

When our Declaration of Independence was written, we proclaimed certain inalienable rights, and the drafters of that great document proclaimed them not just for Americans, but for all men. . . . President Lincoln said there was something in the Declaration giving liberty "not alone to the people of this country but the hope of the world for all future times."

It is this very hope that our country was founded upon that we must convey to the nations of the world. Yet we continually refuse to reaffirm these basic beliefs through the ratification of the Genocide Treaty. If we have any hope of transmitting this ideal to the nations of the world, then we must not hesitate to assert our support of treaties such as this.

And while we delay, Mr. President, the Genocide Treaty has been ratified by many of the very nations to whom we are supposedly offering an example. The list is embarrassingly long—over 75 nations, many of which were barely colonial entities when the Declaration of Independence was signed.

President Kennedy once said:

The United States cannot afford to renounce responsibility for support of the very fundamentals which distinguish our concept of government from all forms of tyranny.

If we are to exert a constructive influence in the third world, if we are not to lose our traditional leadership in the field of human rights, we must act to ratify the Genocide Convention at once.

CENSUS STUDY OF STATE AND LOCAL GOVERNMENT EXPENDITURES FOR ELECTIONS

Mr. KENNEDY. Mr. President, I am today releasing a preliminary report by the Bureau of the Census estimating that in recent years State and local governments across the Nation have spent a total of $203 million a year on election administration, including the costs of voter registration and election day activities. Of the total, $193 million, or 95 percent, of the expenditures were made by local governments, and only $10 million, or 5 percent of the expenditures were made by State governments.

Mr. President, this report is the first comprehensive analysis of the cost of administering elections throughout the Nation. The information in the study will provide a reliable base for current efforts in Congress and in State and local governments to upgrade the quality of election administration and to improve voter participation in the Nation.

The Census Report summarizes the preliminary findings of a survey I requested on the cost of administering elections. It was carried out by the Bureau of the Census for the Office of Federal Elections in the General Accounting Office. The estimates in the report are based on a Census survey which covered all State governments and a sample of approximately 3,500 counties, cities, and townships. The survey obtained information on expenditures over a 4-year election cycle, covering the fiscal years 1970–73. A final report on the survey will be available at a later date.

Mr. President, the most important result of the study will be to give a strong push to current efforts in Congress to modernize election activities by encouraging greater State-level coordination of the election process. The fact that 95 percent of total public spending for elec-

tions is now divided among thousands of local election jurisdictions around the Nation, and that only 5 percent of the spending is at the State level, is the most vivid demonstration Congress has had so far of the massive decentralization and excessive fragmentation of election administration in virtually every section of the country.

Obviously, the answer to current election problems is not to go to the opposite extreme of federalizing State and local election activities. But we also have to recognize that the current situation, with thousands of independent medieval election fiefdoms, is unacceptable for American democracy in 1975.

No one underestimates the problem of reform where the status quo is as entrenched as it is in the election area. But the States can and must begin to play a greater role in election administration. This is a fertile area for a new partnership between Congress and State governments. I believe that the combination of Federal financial assistance to the States and increased interest by State Governors and State secretaries of state and State legislatures in bringing their own State election systems into the modern world will be effective in launching a process of comprehensive reform.

The census study offers an additional encouragement for reform, in that the amounts involved, although substantial, are relatively modest in terms of the overall Federal budget. Therefore, the leverage of a small amount of Federal aid can be much greater than in other Federal assistance programs, where vast infusions of funds are often needed to accomplish significant results. A Federal assistance program for elections is not a budget buster. To the contrary, a Federal investment in the field of elections could be modest, yet provide rich dividends to the Nation in terms of upgrading the election process and enhancing voter participation in elections at every level.

It is also worth noting three other features of the census study, illustrating wide variations among States in election spending:

When the figures are translated into expenditures per voter, a four-fold variation is found among the States, ranging from highs of $2.84 spent for each eligible voter in Alaska, $2.41 in Nevada, and $2.26 in Illinois, to lows of $0.66 in Minnesota, $0.63 in South Carolina, and $0.61 in Texas.

In spite of the dramatic evidence that election expenditures are overwhelmingly made by local governments in the vast majority of States, there are a handful of States where State-level spending is predominant, such as Alaska, Hawaii, and Louisiana. In addition, in Delaware, the local pattern is actually reversed, with over 95 percent of the spending made at the State level.

There is also wide fluctuation among the States in the amount of expenditures for capital items as opposed to current items. For example, Texas, with the lowest expenditure per voter, had the third highest percentage—24 percent—of capital expenditures. The average capital expenditure was 8.5 percent of total expenditures, but several States reported levels less than half that percentage.

Mr. President, I ask unanimous consent that the full text of the census report, together with a separate table I have prepared, comparing some of the data, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A PRELIMINARY REPORT ON ELECTION ADMINISTRATION EXPENDITURE OF STATE AND LOCAL GOVERNMENTS: FISCAL YEARS 1970 TO 1973

This report summarizes the preliminary findings of a sample survey designed to provide estimates of the total cost to State and local governments for administering election-related activities.

The survey was conducted by the Bureau of the Census on a reimbursable basis for the Office of Federal Elections, U.S. General Accounting Office.

INTRODUCTION

During the 4 fiscal years, 1970 through 1973, State and local governments directly expended an estimated 814 million dollars for administering elections. Of this total 745 million was for current expenditure and 69 million was for capital outlay. The fiscal year distribution of this estimated total expenditure was 218 million in 1973, 231 million in 1972, 183 million in 1971, and 182 million in 1970. Direct expenditure of the 50 State governments, 54 selected large counties, and 47 selected large cities amounted to 401 million or 49 percent of the total.[1]

These figures are preliminary results of a sample survey conducted by the Bureau of the Census for the Office of Federal Elections, U.S. General Accounting Office. The purpose of the survey was to provide benchmark estimates of public expenditure for election administration. The tabulations of the survey results are found on page 4.

SURVEY METHODOLOGY—SOURCES AND LIMITATIONS OF DATA

Survey coverage

The survey covered all State governments and a scientifically selected, stratified, random sample of approximately 3,500 counties, cities, and townships. From the universe of governments established in the 1972 Census of Governments,[2] local governments within each State were selected for the survey on the basis of population, responsibility for administering elections, and expenditure for general control purposes.

Survey reference period

The figures in this report reflect governmental expenditure during the 4 fiscal years 1970, 1971, 1972, and 1973. For State governments this generally covers the 12-month period ending on June 30 of the respective years.[3] Local government fiscal years end in all months, with predominant ending dates of December 31 and June 30; accordingly, the local data span the 54 months from July 1, 1969 to December 31, 1973.

The 4-year reference period covers the complete election cycle in that it includes a Presidential election, two congressional elections, and most State and local general elections.

Data collection

The data for this report were obtained mainly through a mail canvass supplemented by compilation of data from financial documents available at the Bureau of the Census and extensive written and telephone communication with State and local officials. Each mail return was reviewed by Bureau professional staff and subjected to intensive examination for completeness, consistency, and accuracy. Any discrepancies detected were clarified and resolved through direct telephone contact with individual respondents.

Limitations of data

The possible sampling error applicable to the estimates for local governments have not yet been calculated. Since they reflect specific local government activities often performed as part of a larger activity, they are likely to have a greater variability than the estimates for major governmental activities produced by the Census Bureau's annual sample surveys. These annual statewide estimates for major categories of governmental finances and employment have a relative error factor of approximately 3 percent.[4]

The estimated data are also subject to the inaccuracies in classification, response, and processing that would occur if a complete census had been conducted under the same conditions as the sample.

Further, the governments whose data were compiled at the Bureau of the Census from available financial documents, expenditure for employee benefits were usually not available from the documents used.

Readers should also bear in mind that the survey coverage excluded independent school and special districts which may conduct and pay for their own elections. It should be noted that this exclusion was intentionally made on the premise that the additional expenditures of these governments would be relatively insignificant. Moreover, many of the activities comprising election administration are components of larger governmental activities and respondents sometimes had to provide their best estimates of the share of costs attributable to elections and voter registration.

Also worthy of note is the 4-year collection period which required a review of records dating back to July of 1969. While every effort was made to ensure accurate fiscal year reporting, it is reasonable to expect that some governments provided data covering other fiscal years.

DEFINITION OF TERMS

Election Administration for this survey includes all governmental activities related to registering voters and conducting all National, State, and local elections. It excludes selection of officials by appointment or other means not involving the general public. Voter registration includes preparation, maintenance, and distribution of lists of eligible voters; operation of registration offices; publicity concerning registration times and places; and all other related activites. Conduct of elections consists of procurement of supplies and equipment; hiring, training, and assignment of personnel; tabulation of election results; challenge, recount, and certification procedures; statistical, publication, and reporting activities; and all other tasks related to the conduct of elections.

Expenditure includes money paid from all funds for election administration purposes (net of correcting transactions). Retirement of debt and dollar value of in-kind services are excluded. Included are the salaries of temporary elections personnel such as precinct workers, as well as appropriate shares of salaries of regular government employees (municipal and county clerks for example) who participate in the conduct of elections or voter registration.

Intergovernmental expenditure comprises payments from one government to another government in connection with the conduct of elections or voter registration. Included are rental fees paid to another government for use of facilities and payment to another government for services performed on a reimbursable or cost sharing basis.

Direct expenditure comprises all expenditures other than intergovernmental expenditure.

Current expenditure includes all employee salaries, wages, fees, and commissions; benefits paid on behalf of employees, reimbursement for travel; and other related costs. Also included are all costs relating to such office operations as rentals of voting machines, equipment, and office space, purchase of supplies and materials, and contracted services.

Capital outlay includes the purchase or lease-purchase of voting machines, computers, and other equipment with an expected life of more than 5 years. Also included are the purchase of land and buildings and construction of facilities used for elections.

Fiscal year refers to the 12-month governmental accounting period.

General control is that governmental function which includes the governing body, the office of the chief executive, central staff services, and agencies concerned with personnel administration, law, zoning, recording and like activities. This definition is presented only because of the relationship of general control expenditures to sample selection. The term is not otherwise involved in the conduct of the survey or the presentation of data.

[1] Counties are those with a 1970 population of 500,000 or more; cities are those with a 1970 population of 300,000 or more.

[2] The Bureau of the Census is required by law to conduct a Census of Governments every 5 years in years ending in "2" and "7". An overview of the statistical output of the 1972 Census is found in Volume 8, *Guide to the 1972 Census of Governments*.

[3] For New York State, the fiscal year ends March 31; for Texas, August 31; and for Alabama, September 30.

[4] A description of the tabulation available from the annual series is found in *Guide to Recurrent and Special Governmental Statistics*, State and Local Government Special Studies No. 62.

4-YR SUMMARY OF ELECTION ADMINISTRATION DIRECT EXPENDITURE OF STATE AND LOCAL GOVERNMENTS BY LEVEL OF GOVERNMENT: FISCAL YEARS 1970 THROUGH 1973

[In thousands of dollars]

State and level of government	Expenditure, fiscal years 1970 to 1973			
	Total	Current	Capital	Average annual expenditure
United States, total	814,300	745,005	69,295	203,575
State governments	42,228	39,968	2,260	10,557
Local governments	772,072	705,037	67,035	193,018
Alabama	7,732	6,030	1,702	1,933
State government	0	0	0	0
Local governments	7,732	6,030	1,702	1,933
Alaska	2,273	2,253	20	569
State government	1,800	1,800	0	450
Local governments	473	453	20	118
Arizona	5,638	4,962	676	1,409
State government	(NA)	(NA)	(NA)	(NA)
Local governments	5,638	4,962	676	1,409
Arkansas	4,504	3,211	1,293	1,126
State government	114	114	0	28
Local governments	4,390	3,097	1,293	1,097
California	111,608	102,701	8,907	27,902
State government	2,212	2,212	0	553
Local governments	109,396	100,489	8,907	27,349
Colorado	7,281	6,152	1,129	1,820
State government	143	130	13	36
Local governments	7,138	6,022	1,116	1,784
Connecticut	13,116	12,360	756	3,279
State government	921	921	0	230
Local governments	12,195	11,439	756	3,048
Delaware	2,043	1,967	76	511
State government	1,983	1,907	76	495
Local governments	60	60	0	15
District of Columbia	1,593	1,593	0	398
Local governments	1,593	1,593	0	398
Florida	29,741	24,519	5,222	7,435
State government	377	363	14	94
Local governments	29,364	24,156	5,208	7,341
Georgia	13,259	11,152	2,107	3,315
State government	1,446	1,446	0	361
Local governments	11,813	9,706	2,107	2,953
Hawaii	2,808	2,414	394	702
State government	1,718	1,324	394	429
Local governments	1,090	1,090		273
Idaho	1,792	1,500	292	448
State government	(NA)	(NA)	(NA)	(NA)
Local governments	1,792	1,500	292	448
Illinois	68,287	62,860	5,427	17,072
State government	181	181	0	45
Local governments	68,106	62,679	5,427	17,026
Indiana	16,563	14,929	1,634	4,141
State government	234	234	0	59
Local governments	16,329	14,695	1,634	4,082
Iowa	9,226	7,619	1,607	2,307
State government	(NA)	(NA)	(NA)	(NA)
Local governments	9,226	7,619	1,607	2,307
Kansas	7,521	7,304	217	1,880
State government	222	222	0	55
Local governments	7,299	7,082	217	1,824
Kentucky	7,596	6,437	1,159	1,899
State government	948	945	3	237
Local governments	6,648	5,492	1,156	1,662
Louisiana	10,418	9,226	1,192	2,605
State government	5,888	4,758	1,130	1,472
Local governments	4,530	4,468	62	1,132
Maine	2,160	2,105	55	540
State government	544	540	4	136
Local governments	1,616	1,565	51	404
Maryland	12,995	11,828	1,667	3,249
State government	649	649	0	162
Local governments	12,346	11,179	1,167	3,086
Massachusetts	23,295	22,470	825	5,824
State government	3,646	3,646	0	911
Local governments	19,649	18,824	825	4,912
Michigan	27,111	24,178	2,933	6,778
State government	882	882	0	220
Local governments	26,229	23,296	2,933	6,557
Minnesota	6,754	6,313	441	1,689
State government	210	210	0	53
Local governments	6,544	6,103	441	1,636
Mississippi	5,839	5,419	420	1,460
State government	0	0	0	0
Local governments	5,839	5,419	420	1,460
Missouri	19,369	18,741	628	4,842
State government	706	706	0	177
Local governments	18,663	18,035	628	4,666
Montana	3,124	2,824	300	781
State government	16	16	0	4
Local governments	3,108	2,808	300	777
Nebraska	6,274	5,774	500	1,569
State government	74	75	0	19
Local governments	6,200	5,700	500	1,550
Nevada	3,511	2,300	1,211	878
State government	35	35	0	9
Local governments	3,476	2,265	1,211	869
New Hampshire	1,419	1,398	21	355
State government	227	227	0	57
Local governments	1,192	1,171	21	298
New Jersey	40,226	39,121	1,105	10,057
State government	170	170	0	43
Local governments	40,056	38,951	1,105	10,014
New Mexico	2,537	2,315	222	634
State government	471	417	0	118
Local governments	2,066	1,844	222	516
New York	102,441	98,923	3,518	25,610
State government	917	917	0	229
Local governments	101,524	98,006	3,518	25,381
North Carolina	9,541	8,585	956	2,385
State government	308	308	0	77
Local governments	9,233	8,277	956	2,308
North Dakota	2,513	2,260	253	628
State government	(NA)	(NA)	(NA)	(NA)
Local governments	2,513	2,260	253	628
Ohio	62,971	60,659	2,312	15,743
State government	934	934	0	234
Local governments	62,037	59,725	2,312	15,509
Oklahoma	6,040	5,567	473	1,510
State government	1,072	1,070	2	268
Local governments	4,968	4,497	471	1,242
Oregon	9,732	8,668	1,064	2,433
State government	2,209	1,981	228	552
Local governments	7,523	6,687	836	1,880
Pennsylvania	52,636	47,678	4,958	13,159
State government	689	688	1	172
Local governments	51,947	46,990	4,957	12,987
Rhode Island	5,174	5,147	27	1,293
State government	2,114	2,107	7	528
Local governments	3,060	3,040	20	765
South Carolina	4,509	3,733	776	1,127
State government	2,028	2,028	0	507
Local governments	2,481	1,705	776	620
South Dakota	1,704	1,599	105	426
State government	(NA)	(NA)	(NA)	(NA)
Local governments	1,704	1,599	105	426
Tennessee	9,659	8,130	1,529	2,414
State government	510	122	388	128
Local governments	9,149	8,008	1,141	2,287
Texas	19,092	14,556	4,536	4,773
State government	2,656	2,656	0	664
Local governments	16,436	11,900	4,536	4,109
Utah	2,132	2,092	40	533
State government	10	10	0	3
Local governments	2,122	2,082	40	530
Vermont	952	900	52	238
State government	63	63	0	16
Local governments	889	837	52	222
Virginia	11,123	9,407	1,716	2,780
State government	588	588	0	147
Local governments	10,535	8,819	1,716	2,633
Washington	19,869	18,129	1,740	4,967
State government	1,993	1,993	0	498
Local governments	17,876	16,136	1,740	4,469
West Virginia	4,504	4,465	38	1,126
State government	56	56	0	14
Local governments	4,448	4,410	38	1,112
Wisconsin	10,731	9,403	1,328	2,683
State government	210	210	0	53
Local governments	10,521	9,193	1,328	2,630
Wyoming	1,364	1,128	236	341
State government	54	54	(NA)	14
Local governments	1,310	1,074	236	327

NA—Not available.

SUMMARY OF EXPENDITURES FOR ELECTION ADMINISTRATION

State	Annual expenditure [1] (thousands)	Percent local [2]	Percent capital [3]	Voting age population [4] (thousands)	Per voter expenditure	Per voter rank
Alabama	$1,933	100.0	22.0	2,338	$0.83	40
Alaska	569	20.7	.9	200	2.84	1
Arizona	1,409	NA	12.0	1,345	1.05	30
Arkansas	1,126	97.4	28.7	1,374	.82	41
California	27,902	98.0	8.0	14,143	1.97	8
Colorado	1,820	98.0	15.5	1,631	1.12	27
Connecticut	3,279	92.9	5.8	2,101	1.56	13
Delaware	511	2.9	3.7	382	1.34	20
District of Columbia	398	0	0	529	.75	45
Florida	7,435	98.7	17.6	5,427	1.37	19
Georgia	3,315	89.1	15.9	3,140	1.06	29
Hawaii	702	38.9	14.0	549	1.28	21
Idaho	448	NA	16.3	501	.89	35
Illinois	17,072	99.7	7.9	7,568	2.26	3
Indiana	4,141	98.6	9.9	3,530	1.17	25
Iowa	2,307	NA	17.4	1,957	1.18	24
Kansas	1,880	97.0	2.9	1,570	1.20	22
Kentucky	1,899	87.5	15.2	2,235	.85	39
Louisiana	2,605	43.4	11.4	2,399	1.09	28
Maine	540	74.8	2.5	689	.78	43
Maryland	3,249	95.0	9.0	2,720	1.19	23
Massachusetts	5,824	84.3	3.5	4,006	1.45	18
Michigan	6,778	96.7	10.8	5,922	1.14	26
Minnesota	1,689	96.9	6.5	2,575	.66	49
Mississippi	1,460	100.0	7.2	1,453	1.00	31
Missouri	4,842	96.4	3.2	3,251	1.49	15
Montana	781	99.5	9.6	474	1.65	10
Nebraska	$1,589	98.8	8.0	1,042	$1.51	14
Nevada	878	99.0	34.5	365	2.41	2
New Hampshire	355	83.9	1.4	531	.67	47
New Jersey	10,057	99.6	2.7	5,030	2.00	7
New Mexico	634	81.4	8.8	691	.92	33
New York	25,610	98.1	3.4	12,665	2.02	6
North Carolina	2,385	96.8	10.0	3,541	.67	47
North Dakota	628	NA	10.1	421	1.49	15
Ohio	15,743	98.5	3.7	7,175	2.19	4
Oklahoma	1,510	82.2	7.8	1,832	.82	41
Oregon	2,433	77.2	10.9	1,532	1.59	12
Pennsylvania	13,159	98.7	9.4	8,240	1.60	11
Rhode Island	1,293	59.2	.5	677	1.91	9
South Carolina	1,127	50.5	17.2	1,775	.63	50
South Dakota	426	NA	6.2	454	.94	32
Tennessee	2,414	94.7	15.8	2,799	.86	37
Texas	4,773	86.1	23.8	7,785	.61	51
Utah	533	99.4	1.9	715	.75	45
Vermont	238	93.3	5.5	309	.77	44
Virginia	2,780	94.7	15.4	3,243	.86	37
Washington	4,967	90.0	8.8	2,329	2.13	5
West Virginia	1,126	98.8	.8	1,228	.92	33
Wisconsin	2,683	98.0	12.4	3,033	.88	36
Wyoming	341	95.9	17.3	234	1.46	17
Total United States	203,575	94.8	8.5	141,656	1.44	

[1] Average annual direct expenditure for election administration by State and local governments in a State, as estimated by the Bureau of the Census.
[2] Expenditures by local goveroments as a percentage of total election expenditures.
[3] Capital expenditures as a percentage of total election expenditures.
[4] Voting age population as of July 1, 1973.

AN RX FOR EFTS MORATORIUMITIS

Mr. PROXMIRE. Mr. President, I would like to call to the attention of this body a speech delivered recently by the distinguished chairman of the Subcommittee on Financial Institutions, Mr. McINTYRE, entitled "RX for EFTS Moratoriumitis."

The evolution of electronic funds transfer technology within the financial community may be the most significant advance ever in the marketing of financial services. As a consequence, however, there are a number of extremely important public policy considerations which attach to such development.

At the present time, the subcommittee is attempting to assess all the ramifications of the transition to an EFTS environment. To this end, I believe that Senator McINTYRE's speech, in which he calls for a "cautionary yellow flag" over EFTS development for an interim period, is a very thoughtful approach which Congress should carefully consider.

Mr. President, I ask unanimous consent that the text of Senator McINTYRE's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

RX FOR EFTS MORATORIUMITIS

(Address by U.S. Senator THOMAS J. McINTYRE)

This morning I would like to discuss a matter now before the Congress—a matter of considerable importance to the financial community, the pending issue of an EFTS moratorium.

At the outset, I want to point out that I am not a sponsor of EFTS moratorium legislation. I am not because I believe that continued innovation in the EFTS area is fundamentally in the public interest.

At the time such legislation was introduced, I felt that invoking the heavy hand of Congress to thwart EFTS development was unjustified and, therefore, unwarranted.

Nevertheless, Federal regulatory developments, particularly the Comptroller's CBCT ruling, did give me pause.

There were several reasons for this.

First, I was genuinely concerned about the ramifications of giving national banks the green light on CBCT installations across state lines.

Second. I was disturbed by the use of an "interpretive ruling" to obviate a public hearing on the merits of the proposed regulatory action.

I felt that the Federal Home Loan Bank hearing on the merits of the proposed regulation, specific criteria for pilot project applications in the EFTS area by Federal savings and loan associations, had adopted a superior approach.

Third, I had reservations about the prospective grandfathering problem of systems or practices which might be implemented under such a broad-based ruling.

And, fourth, I was concerned, in general, about what effect the Comptroller's ruling might have on the overall mandate of the National Commission on Electronic Fund Transfers.

I conveyed my concerns to the Comptroller and, for the reasons just stated, labelled his ruling as both "inappropriate and premature." At about the same time, however, legislative proposals did emerge calling for a Congressional moratorium on further EFTS development.

In mid-March, the Senate Subcommittee on Financial Institutions scheduled a full day of hearings to explore the issues presented. Consequently, on June 10, the Subcommittee will convene to take up the EFTS moratorium question and seek to resolve it.

In this regard, there is an opinion often expressed that Congress would be in a better position if it had the EFTS Commission to advise it.

I share that view, but it has now been seven months since legislation creating the Commission was enacted into law, and *over a year* since it passed the Senate. Yet, to this day, not a word from the President as to his nominations to the Commission and no offer, even, of an explanation for the extraordinary, inexcusable and irresponsible delay.

It rankles me to witness this disdain on a matter of such overwhelming importance to the future conduct of the personal financial affairs of millions of Americans.

After all this time, we remain at ground zero, and are still, at the very least, months away from the benefit of a Commission and a Commission staff *in* place, *in* working order, and able to provide any truly informed advice.

In the meantime, developments proceed apace and Congress, having acted once in the EFTS area, finds itself back in the driver's seat on the EFTS question once again.

Granted, the impetus for Congressional action was generated by the Comptroller's ruling. Now that he has modified his ruling, I believe he would like to make the case that any further consideration by Congress at this time is unnecessary.

But, having undertaken to resolve the issue and having focused our attention upon the entire spectrum of EFTS development, notwithstanding the Comptroller's recent modifications, it is my judgment as Subcommittee Chairman that the public, the industry, and, in particular, the respective State legislatures now deserve a definitive signal from Congress as to what its intentions are.

In the first place, let us dispose right now of the word "moratorium." According to Webster, a moratorium is "any authorized delay or stopping of some specified activity." Speaking for at least one Senator, that is not what I am about at all.

Recognizing that the most emotionally charged aspects of the problem revolve around the placement of automated teller machines and point of sale terminals, I will address the issue in this context.

I strongly support continued innovation in the EFTS marketplace. In its best form, EFTS is clearly in the public interest. Indeed, all the testimony we received revealed a high degree of consumer acceptance of the automated teller machines and point of sale experiments to date. What's more, while the consumer-oriented concerns of privacy, fraud, computer crime, and so forth, are certainly valid, they do not—at least at this point, and looking to the near horizon—offset the advantages to be gained by continued innovation.

In addition, I view continued innovation in EFTS development as an effective stimulus to further competition among financial institutions.

You know, it is ludicrous, that we continue to debate the need for *paper-based* third-party payment powers in the context of the Financial Instiutions Act when electronically-based third-party payment systems already are functional and breathing down our necks.

Indeed, EFTS developments create an entirely new perspective and a new sense of urgency on financial restructuring, and an additional day of subcommittee hearings has already been scheduled to focus on this very point.

For my part, I strongly believe in promoting competition, not protecting against it. That is precisely why, for over two years now, I have been preaching the lonely gospel against the artificial crutch of Regulation Q and in favor of beefing up financial institutions with the tools they need to compete effectively for the deposits of increasingly sophisticated consumers.

Well, I have been around bankers now long enough to understand what they don't like. They don't like status quo and they don't like change. They just don't like.

Sometimes their customers are more innovative than they are, and I will tell you a little story from up my way to illustrate the point.

It seems that this farmer walked into a country bank and asked if he could borrow some money. When he was asked how much he wanted to borrow, he allowed "about a dollar."

Now the banker expressed some surprise at the smallness of the amount, but he agreed to the deal—providing that the bank would have some security, of course.

Well, the farmer said he just happened to have a $1,000 government bond in his pocket, and asked if that would be enough security for the one dollar loan.

The banker agreed that would, indeed, be satisfactory and made the loan at six percent.

The farmer then allowed as how he would like to pay in advance, so he put down the bond and the six cents interest charge, picked up the dollar and strolled out the door.

Well, a year went by, and the farmer turned up at the bank again, asked to renew the loan, paid the six cents interest in advance, and left.

The year after that, when he turned up to request renewal again, the banker said "It's very peculiar that you—with this thousand-dollar bond—keep renewing this one-dollar loan, isn't it?"

"Well sir," said the farmer, "It's damned peculiar, you bein' a banker, ain't figured this out. I *was* paying you five dollars a year for a lock box to keep my bond in, and now I've figured out a way to keep it safe for just six cents."

Well, that same kind of head in the sand attitude brought to bear by many on financial restructuring now seems to be taking on new dimensions with the advent of EFTS.

If I understand the competitive question, it is that some financial institutions will, by a system of ATMs and point of sale terminals, invade the markets of other institutions and entice away their depositors.

You know, it's funny. Those of us who toil in the Halls of Congress are constantly being besieged by one special interest group or another, alleging that ultimate disaster looms *just around the very next corner* unless Congress steps in to avert it.

If I had to venture a guess, I would say that if some financial institutions, by virtue of EFTS, are better able to offer a wider variety of consumer services in an expanded market area, the chances of Congress enacting legislation *just* to protect the monopolistic preserves of other institutions which have until now been insulated from competition is remote, indeed.

Nevertheless, I find a good deal of merit in waving a cautionary yellow flag over EFTS development for a limited period of time. Why? Why impose a braking mechanism on the EFTS marketplace of financial institutions?

This simple question requires a somewhat complex answer, but essentially it involves striking a balance between the positive benefits of continued innovation and a number of competing public policy considerations which must be taken into account in any responsible legislative response to the problem.

At the outset, I ask you to try to be open-minded about my prescription for EFTS moratoriumitis.

I add this preface, because I am also a little fed up with those members of your industry—and there seem to be a good many—who simply refuse to recognize the legitimate interest of Congress in the EFTS area.

If I ask what sound public policy requires from Congress at this particular point in time, the response is "We want to do this or we want to do that so get out of our hair and leave us alone."

That is not only an irritating response, but one that entirely begs the question. In seeking a rational, balanced approach to a matter of substantial national importance, Congress would be much better off if the banking industry could look beyond its nose and help to come up with an approach which would acknowledge that there are significant public policy concerns which may—just may—mitigate against throwing all caution to the wind at this particular point in time.

But so far, I do not detect much "enlightened" self-interest.

The EFTS area is an extremely complex and most fascinating area. It also has the potential for breaking down more barriers faster, perhaps, than any other financial development up to this time. Yet, many observers, myself included, feel we are presented with a golden opportunity to try to insure that public policy and EFTS development track with each other in a logical and responsible fashion.

In this regard, the question is asked, "Shouldn't Congress leave the issue with regulatory agencies with the expertise on such matters." In general, my answer is "Yes." On the other hand, it is largely because of a single pronouncement of Federal regulatory policy that we have witnessed—and continue to witness—a substantial thrashing around at the State level in an attempt to assess what such Federal policy means in terms of the competitive parity of State-chartered institutions.

Of course, each State is different. Some have taken a very forward looking approach to the EFTS question; some a not-so-forward-looking approach. Others have not even taken up the problem, and some didn't even convene this year to permit them to do so.

Now, clearly, Congress is not guardian of each State's local interest. But I would think it is fair and valid to ask whether Congress is not particularly and ideally situated to intervene in some fashion to allow the States *a reasonable minimum period of time* to think through what EFTS means to them and how, in turn, they wish to respond.

I think it is equally fair and valid to ask whether *a reasonable minimum period of time* isn't also required to assess the many other implications of a transition to an EFTS environment.

There are substantial public policy questions surrounding such issues as the dual banking system, the competitive advantage of large vs. small institutions, the prospect of further concentration of banking assets, non-competitive pricing practices, Federal and State branching laws, proprietary vs. shared systems, and the appropriate regulatory policy to govern future terminalization of financial services.

All of these issues are properly within the mandate of the EFTS Commission. And I expect the Commission to address them fully.

They clearly mean, however, that all of us—the public, the financial industry, financial regulators, and legislators alike, at both the State and Federal level—must go through a substantial educational process in the months and years ahead.

Thus I am of the opinion that, for the interim, existing boundaries are sufficiently broad and fertile for EFTS innovation to continue and to flourish.

I continue to support an aggressive Federal regulatory posture which I am sure, in certain instances, will result in dragging reluctant financial institutions, kicking and screaming, into the 20th Century and beyond.

On the other hand, for a period of a year or two, I propose the following scenario: One, that implementation of off-premise EFTS terminals be limited both as to depository and payment functions to *intrastate activity only*. State lines historically have provided natural boundaries for banking activity and regulation.

While I recognize the merit and, indeed, the inevitability of EFTS development within natural market areas which may transgress State lines, to my mind, the significance of assessing what this interstate form of banking activity will mean for the future more than outweighs the short-term benefits to be derived.

In this regard I reject the notion that temporarily restricting such innovation along intrastate lines constitutes any significant limitation on continued EFTS innovation. There is ample room for innovation within State boundaries. And, where appropriate, I am perfectly willing to allow for reciprocal agreements, so that if State I banks don't mind what State II banks do in State I, or vice versa, I see no reason why we, at the Federal level, should intervene.

Secondly, while the option is always available to Congress to impose limitations through the vehicle of the Federal deposit insurance power, I feel that it is important to support the isometric approach which Federal regulatory policy has espoused to the extent that it stimulates Federal-State competition.

Therefore, I would have Federally-chartered institutions governed solely by the Federal regulatory agencies as to the rules and regulations which attach to the intrastate installation of EFTS terminals, with one possible exception. For the duration of this temporizing action, I would consider promoting competitive parity between State and Federal institutions with regard to the geographic or physical placement of ATMs or point of sale terminals. To this end, I might suggest that in those States which have specifically addressed the EFTS question by statute, say within the past two years, and which have imposed specific limitations or restrictions on the physical or geographic placement of EFTS terminals, then Federally-chartered institutions would be similarly restricted. Conversely, in those states which have not specifically addressed the EFTS question and which, therefore, have imposed no specific limitations or restrictions on the physical or geographic placement of such terminals, then Federal-chartered institutions would be free from such limitations.

Such approach, however, would be coupled with strong guidance to the Federal regulatory agencies to promote and preserve geographic parity between State-chartered and Federally-chartered institutions during the period this legislation is in effect.

This, of course, raises the basic branching issue; that is, the degree to which State law pertaining to State chartered institutions should govern permissible activities of Federally-chartered institutions within that particular state.

While I feel that the McFadden Act-Federal branching issue is certainly overripe for reassessment, I feel that it should be done deliberately and directly, and not through the back door of McFaddenizing EFTS regulation.

These recommendations are offered as tentative proposals. Nevertheless, they represent a good faith effort to strike that balance between the positive benefits of continued innovation and those public policy considerations which warrant a cautionary yellow flag.

While these proposals should have the effect, also, of defusing the emotionalism which attaches to the EFTS controversy, they represent a temporizing action only, pending the legislative process that will likely follow the report of the EFTS Commission.

They are offered as minimum restraints on an innovative and competitive environment. It is certainly not my purpose to thwart progress. I simply want to facilitate and encourage an orderly transition. For EFTS development is already upon us. It's here, it's a sure thing, and it is certainly not a question of whether, but merely a question of when, to what degree, and under what circumstances.

REPORT ON WORLD HUNGER, HEALTH, AND REFUGEE PROBLEMS

Mr. KENNEDY. Mr. President, last week the Senate debated some new directions in our Nation's defense policies, military expenditures, and commitments overseas. The debate was a healthy one, and reflects a growing concern among many Americans over our national priorities and the level of resources being allocated for military purposes.

Similarly, there is also a growing public and congressional debate over other aspects of our foreign policy—including people problems around the globe.

What are America's responsibilities in helping to meet refugee and other humanitarian emergencies?

How do we help meet the silent crisis now facing millions of men and women and children—who stand on the brink of starvation and death in Somalia, and Ethiopia, and Bangladesh, and Haiti?

How can we better respond to the nagging problems of world hunger and malnutrition and disease?

How do we help mobilize the will and resources of the international community to meet this global peril? And what more must be done to find viable means for implementing the resolutions of the World Food Conference in Rome?

What new directions are needed in our food and foreign assistance programs—and in our policies toward the less-developed countries of the third and fourth worlds?

Even as we reject the notion of isolationism in our military policies, so too must we reject this notion in our attitudes toward helping people help themselves.

With the Indochina war behind us, we finally have new opportunities, for fresh beginnings.

It was with this view that the Subcommittee on Refugees and the Subcommittee on Health resumed this week their joint inquiry into "World Hunger, Health, and Refugee Problems." The primary purpose of the hearings, which were held on Tuesday and Wednesday this week, was to receive a special report of the findings and recommendations of a study mission which recently traveled in behalf of the subcommittees to some 20 countries in Africa, Asia, and the Middle East.

Although the United States, like the rest of the industrialized countries, is currently going through a difficult economic period, it would be a mistake to ignore the desperate plight of the majority of people in the world who are far less well off than us. The United States and the remainder of the industrialized world remain an island of affluence, ignoring the sea of poverty which surrounds us.

The recent and emerging recognition on the part of the developing nations of the world of their potential political leverage as a result of their control over a large share of the world's natural resources, makes improvements in the economic development and standard of living in the developing world of great self interest to the United States. In addition to Americans' traditional humanitarian concerns, I believe it to be in our own long-range interests to help the developing nations to help themselves.

For that reason, I think the careful, thoughtful, and responsible reevaluation of American foreign policy, which is currently in its early stages, is an absolute necessity.

Mr. President. I would like to share with my colleagues the important recommendations of the study mission, and I ask unanimous consent that portions of their report and findings, as well as a summary of their preliminary recommendations, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRODUCTION TO THE TESTIMONY OF MR. WELLS KLEIN, EXECUTIVE DIRECTOR, AMERICAN COUNCIL OF NATIONALITIES SERVICE AND MEMBER OF THE SUBCOMMITTEE STUDY MISSION

Mr. Chairman, we are here to present the preliminary findings and recommendations deriving from our recent assessment of world hunger, health and refugee problems, with particular reference to humanitarian and people problems in Africa. We are here in our private capacities as consultants to the Subcommittees, and we will each speak to our individual specialties and concerns. We are speaking however, with a considerable degree of consensus, and have joined to make a series of specific recommendations.

As you know, Mr. Chairman, I am Executive Director of the American Council of Nationalities Service in New York. My colleagues here are Dr. Michael Latham, Professor of International Nutrition at Cornell University; and Dr. David French, Director of Community Health Affairs at the Boston University Medical Center. We traveled on behalf of the Subcommittee as members of a Study Mission to Africa, Asia and the Middle East.

The other members of the team, who will testify tomorrow on developments in Asia, are Dr. Nevin Scrimshaw, Professor of Human Nutrition and Head of the Department of Nutrition and Food Science at M.I.T.; Dr. Eugene B. Skolnikoff, Director of the Center for International Studies at M.I.T.; Dr. Henry Mosely, Professor and Chairman of the Department of Population Dynamics, Johns Hopkins University; and Dr. Jon Rodhe, who is with the Rockefeller Foundation in Indonesia.

The Study Mission was joined by Dale S. deHaan, Staff Director of the Subcommittee on Refugees; Jerry Tinker, staff consultant to the Subcommittee; and Dr. Philip Caper, professional staff member of the Subcommittee on Health.

Those of us here today traveled during the months of February and March. Together, or separately, we visited all countries in the Sahel—from Mauritania to Chad—to get an up-date on conditions in this area in the aftermath of drought and famine. We also visited Sudan, Ethiopia, Somalia, and Tanzania to assess the deteriorating food situation and its implications for the future of these countries.

We also visited Zaire—and spent considerable time assessing the situation of refugees in southern Africa, especially the return of refugees to Angola and Mozambique.

And finally, we visited South Africa, to learn more about its détente policies toward the rest of Africa, and about the continuing political, economic and social constraints within its society which stifle the initiative of its black majority.

Mr. Chairman, let me begin with a few comments about the issue of the Third World in our foreign policy and foreign assistance programs.

The United States is just now emerging from a long period of almost total pre-occupation in our foreign policy and foreign assistance programs with the cold war, and more recently, Vietnam. For years we have seriously neglected the Third World countries except as they, as in the case of Thailand have related to our major policy concerns or represented pivital areas in the east-west conflict. While we have reacted magnanimously, if not always expeditiously, to national or man made disasters as with Bangladesh, and the Sahel, these responses have been essentially humanitarian in nature with the public and the Congress taking the lead and urging the Administration to action. They have not been a element of our long range foreign policy or economic assistance programs.

I do not mean to downgrade or ignore the many valuable assistance programs we have maintained during this period or our many significant contributions to the technology of economic development. Nor should our continuing support of multilateral assistance programs be overlooked. But in relative terms these concerns have been almost incidental to the main short-range political thrust of our foreign assistance policy, and as a result the United States, the most affluent and powerful nation in the world is, by neglect, loosing its political, economic and moral leadership position with much of the world. We are backing into a "new isolationism", not by intent but by that least acceptable yet most pervasive element in foreign policy formulation—inertia.

We are pursuing this course at a time when it is becoming increasingly clear to scientists and economists and many world leaders that powers, necessary as it is to maintain world peace, has little bearing on the crisis facing

humanity in terms of food, population and resource utilization. Our concern for the Third World is as much a matter of our own interests as it is humanitarian and just—if our grandchildren are to enjoy the same quality of life as do we.

Our consideration of Third World problems comes at a critical time. With the advent of detente, and now, the end of the Indochina war, United States foreign policy and our foreign aid program are no longer held hostage to the cold war and our political-military involvement in Southeast Asia. For the first time in more than a decade, and perhaps since the end of World War II, we realistically have the political flexibility to examine our long range goals and develop a foreign policy and assistance program which is attuned to the realities of our time and the decades ahead. We can develop a policy toward the Third World which is meaningful to their goals and to ours. This is the challenge before us, and with the events of recent months we now realistically have the freedom to assess our interests and our opportunities. The timing is right, the issues must be made clear.

PRELIMINARY RECOMMENDATIONS OF THE STUDY MISSION: AFRICA

1. With the end of the era of massive United States assistance to Indochina, and the failure of our policy there, a re-evaluation of our entire foreign assistance program should be a priority issue—with a thorough review of programs, goals, and funding levels. To date, this has not even begun.

2. In the future, a cardinal principle of our foreign assistance effort must be based upon the needs of people, and humanitarian issues, and less on unrelated political considerations or the military importance of the country. In all instances, the commitment of the government to its own national development, and to raising the standard of living of its poorest people, should be an important consideration in our policy.

3. The primary goals of assistance should include a) an attempt to help poor countries become self-sufficient in terms of food production and economic stability, and b), to help the countries improve the quality of life of the lowest income groups of the country—not the highest.

4. The independent countries of black Africa having received pitifully little United States assistance in the past, deserve greater attention and concern in U.S. aid programs in the future.

5. Three major areas deserving special attention and warranting considerable assistance are: agricultural production, health services, and improved nutrition.

6. In order to aid development it is necessary to provide assistance to develop the infrastructure which will allow continuing developmental progress to be made—this infrastructure includes a body of well educated people; training in different professions; a reasonable communications and transport system; among many others.

7. Our foreign policy statements need to make it abundantly clear that our nation supports the independence, with majority rule, of the countries of southern Africa now ruled by white minority governments. Africa leaders have been concerned that the U.S. with its past tradition of espousal of independence movements based on its own history, has recently failed in its words and deeds to support this principle in Africa.

8. In supporting economic and human development in Africa, the U.S. must be sensitive to the following needs:

(a) to allow the African governments to search for themselves their own systems and models of political and economic development;

(b) to provide special help to the poorest people and to those who are disadvantaged, or made destitute by emergencies, such as drought;

(c) to recognize that each government is making difficult decisions regarding development, and that we must respect these decisions even if we sometimes disagree with them.

9. Our assistance programs need to be, so far as possible, in co-operation and in coordination with development assistance of the U.N. agencies, other donor countries, voluntary organizations, etc. United States assistance should be part of a broad pattern of development assistance to Africa, made more effective by our cooperation with others.

10. Our assistance program should assist African nations in development planning. The African nations themselves will and should do the planning, and we should, where possible, stimulate their best efforts and encourage the optimum use of scarce resources. On the whole, the Study Mission found many governments exceptionally pragmatic, and our programs should encourage that pragmatism, not dictate it.

11. There is a need to continue drought relief because serious drought related problems remain in the Sahel, and have developed elsewhere in Africa (notably in Ethiopia, Somalia, Tanzania, Sudan and northern Kenya). An "Emergency Drought and Rehabilitation Fund," which has recently been discontinued as a separate budget item, needs to be reintroduced immediately.

12. Assistance needs to be given to development of water resources but special attention should be given to schemes that are likely not to have negative secondary effects. Simple irrigation projects deserve a higher priority than more elaborate schemes such as massive dam projects.

13. In support of health services it is important that we encourage the development of preventive services, the training of health auxiliaries, rather than highly trained specialist; and the construction of elaborate western style hospitals.

14. Attention needs to be given to child spacing. Although family planning and population control have not been set as priority areas by most African governments nevertheless population increase is high in many countries. The U.S. should vigorously assist family planning programs in those countries having them. Elsewhere, the U.S. should help create the climate which will lead to the realization that population growth is impeding development, and the need for family planning efforts.

15. United States assistance efforts need to have the organizational structure to focus particular attention on crucial priority areas which have a Congressional mandate for action, such as population, food and nutrition. Without a centralized, administrative structure, there is the danger that these areas will become diffused or even lost in Regional programs.

16. Our assistance efforts should include the use of people-to-people programs, such as the Peace Corps, and the help of the voluntary agencies which are often experienced in providing specific types of help at the grass roots level that bilateral, government-to-government programs can never achieve.

17. Our government should support the excellent work being done by the U.N. High Commissioner for Refugees in meeting the refugee needs in Africa. The long experience of the High Commissioner makes his office well equipped to handle the early stages of the refugee resettlement programs in Mozambique and Angola.

18. The present Agency for International Development structure although it has some positive attributes, needs to be far more responsive to the following:

(a) to the Congressional mandate on food, nutrition, health, and family planning;

(b) to the felt and demonstrated needs of the developing countries; and

(d) to field initiatives (often the A.I.D. bureaucracy in Washington has proven unable to respond to the initiatives and program proposals of its field offices).

19. A.I.D. and the foreign service should, wherever possible in Africa, use staff who are knowledgeable about the continent and who are sympathetic to the peculiar development goals of Africa nations. The tendency to utilize a staff who have gained their experience in A.I.D. programs of a very different kind and on other continents (such as Indochina) can create problems. It is recognized that there are constraints imposed by the civil service system, but these must be minimized, through a change of law or administrative practice.

20. The United States, in concert with other countries, and with U.N. agencies such as FAO, must develop a policy to ensure adequate grain reserves now and in the future. It would be extremely dangerous to allow market forces and grain merchants to determine how much grain reserve we have available for emergencies in other countries or in case of poor harvests in the U.S. The United States as the country having the greatest ability to produce surplus grain and oilseeds has tremendous power and responsibility (not too different from the oil power of the Arab countries) which we must use responsibly and morally.

21. The U.S. should not, except in the gravest circumstances, cease providing assistance to countries because of relatively minor or certain individual acts by specific governments. Examples of this in the past have unfortunately been numerous—such as in the Sudan and Somalia. Our tendency to be petty and punitive because we do not approve of some action or foreign policy stance by a Third World government, does not befit a country of the stature and with the moral standing of the United States.

22. Finally in stressing the need for increased assistance to Africa it should be realized that many parts of the continent have considerable potential in agricultural development and as food surplus areas; that the mineral and natural resources are largely untapped; that in some of the poorest countries, such as Mauritania, there are extremely rich fishing fields now being exploited by other nations; that programs in most countries will benefit the majority of the people and not merely a small elite class; and, lastly, that relatively small amounts of assistance are likely to be more cost-effective than in areas of the world where in the past we have wasted vast sums of money—such as Indochina. The funds for Africa should be available now, not later, because they can be usefully and effectively employed today.

PRELIMINARY FINDINGS AND RECOMMENDATIONS: SOUTH ASIA

FOOD PROCUREMENT AND DISTRIBUTION

On the Indian Subcontinent, food shortages are due, to an important degree, to low agricultural yields and the adverse consequences on agricultural productivity of recent droughts and floods, as well as energy and fertilizer shortages and high prices. In Egypt, the food problems are not due to failure of its own agricultural production, although much improvement can be achieved. In the Philippines, low productivity associated with inadequate programs to make new agricultural technologies available to the ordinary farmer is a major reason for continued low yields. In all of these countries, however, problems associated with agricultural food production, and acquisition from abroad are compounded by inadequacies, inequities, and failure in the system of food distribution. In Bangladesh, of course, this was compounded by civil war. In the Philippines, production has bordered on self sufficiency and, in fact, there was a small surplus last year because of the

special push to provide the necessary inputs to farmers.

While Egypt's policy of food price subsidy benefits the entire population, the system of ration shops common throughout the Indian Subcontinent benefits largely the middle class urban dwellers by holding down prices and attempting to provide an adequate food supply in urban areas. Unfortunately, the procurement of food at fixed prices below free market prices for the ration shop systems acts as a disincentive for the rural producer to increase productivity. In addition, the concentration of ration shops in urban areas does virtually nothing for food shortages in rural areas. Thus, pockets of famine throughout India and Bangladesh are found largely in rural areas that have been hardest hit by recent adverse weather conditions. Urban slum dwellers without cash income are also denied the benefits of the ration shop system.

In general, althought the ration shop distribution system can provide a conduit for food to urban areas unable to produce their own, and a means to distribute emergency food relief, the extent of the distribution networks is limited largely to the population centers.

In these countries, at the present time, local and regional food storage facilities are so poor as to result in huge losses to rodents and insects, and virtually non-existent reserve food stocks at the national level. Farmers sell their crops at the time of harvest for low prices, often because they must pay debts incurred at high interest rates for agricultural inputs and food, and then must incur further debts for these purposes when food prices are once again high. To prevent this vicious cycle, so damaging to the small farmer, government stocks are necessary that will assure year round availability of food at a atable price. Just as countries must have reserves to maintain price stability over regular annual cycles of food availability, so there need also to be reserves at the international level to serve a similar function when world food production and food prices vary because of climatic factors affecting large regions. Such a reserve is not intended to meet chronic, annual food shortages of countries, but rather to provide for periods of temporary food need as a result of disasters of a national or regional nature that cannot be reasonably predicted.

It seems evident from our visits and discussions that the most effective means of assuring adequate food supplies to the rural areas where the worst food shortage problems apparently exist, is the adoption of a policy that will result in increased local food production, through emphasis on agricultural incentives and the provision of the necessary services and inputs described earlier.

POPULATION

The greatest concern expressed by those who maintain that the world's ability to feed its people is reaching practical limits is that, as predicted by Thomas Malthus in the Eighteenth Century, population increases will simply rise to consume any additional food produced. The food available for each person will then be kept relatively low and death rates related to undernutrition high. Malthus developed this proposition to support his thesis that it was utterly hopeless to try to improve the lot of the poor. In fact, in his view it was only the pressure of poverty that gave the poor any sense of responsibility, and that to attempt to alleviate this poverty would simply lead to indolence and idleness.

The past two centuries of history have repeatedly proven Malthus wrong. This country stands as a striking example. The millions of poor who immigrated, or were born here, when given the opportunity, sought a better life and, in conjunction with this, had fewer children for whom they could provide even better opportunities.

We now know that population growth is not the primary source of poverty, famine, disease, illiteracy, or the gross inequality which now plagues the world. These problems are related to the basic political, social, and economic institutional structures that exist within countries and between countries.

In light of the above observations, it is appalling that some citizens of this country are appealing to our leaders to withhold food and foreign assistance to the needy countries. Such an attitude is not only defeatist but actually will compound the problems of human suffering by aggravating the disparities that already exist.

What is the population situation in the five countries that we visited? The combined population of these countries is 825 million, representing approximately 30 percent of the population of the underdeveloped world, excluding China. The net increase of births over deaths is 20 million persons a year; thus, these five countries alone account for approximately 1 in 4 of the 80 million added to the world population each year.

What motivates the people in these countries to have such large families? If you had lived in Bangladesh for several years, or even visited briefly the rural villages with our team, the answers would be self-evident. Overpopulation is not the cause of poverty; rather, poverty is a cause of overpopulation. In these societies, particularly in the rural sector, surviving children, and particularly sons, have enormous economic value for every family. The small farmer needs sons to work and protect his land. Even the landless laborer sees sons as a tangible asset, augmenting his one resource—human labor.

Regarding the burden of children to the family, we heard the ageless expression of Asia that, "a child has one mouth, but two hands." one for him and one for the family. Children not only provide income for the family from a very early age, but are also the only means of social security for the aging parents. On several occasions throughout our visit, we saw old starving men and women either reduced to begging or dying by the roadside. In the absence of family members to care for them, they are left to fend for themselves.

Indeed, many village couples, having completed childbearing, recognize that they have too many children. Unfortunately, these couples had little choice but to overshoot their family size desires, given that child survival is still primarily subject to the whims of nature. In all of these countries, from 15 to 40 percent of infants will die in the first five years of life.

The above comments are focused on the rural villages, but, in fact, this is where 80 percent of the people in these countires live. This is the group that has been largely bypassed by the bulk of the development efforts over the past two decades. It is noteworthy, then, that our recommendations with regard to assistance in increasing agricultural productivity, will simultaneously support those fundamental social and economic changes in the rural areas that must come about if rapid population growth is to be successfully brought under control.

The governments of each country we visited have a realistic understanding of the detrimental effects that continued rapid population growth will have on their ability to undertake meaningful economic development and improve their people's standard of living. India began family planning efforts as far back as 1952; Egypt, Pakistan, and Bangladesh, all conservative Moslem countries, initiated vigorous family planning programs in the early 1960s. The Philippines, a conservative Catholic country, has publicly supported family planning since 1970. In each of these countries, the heads of state have publicly advocated strong policies of population control and afforded family planning programs high priority for government expenditure. India, for example, in the decade of the '60s, spent more per capita of her own budget on family planning than any country in the developing world.

The United States has sponsored international assistance programs in recent years to aid the underdeveloped countries in providing family planning devices and services to their populations. This service delivery effort is an important first step toward controlling population growth and certainly must be continued to fill the unmet demand for family planning that exists in underdeveloped countries. It is becoming increasingly clear, however, that the impact of provision of contraceptive devices and other technology alone is simply not enough. This was dramatically brought to the forefront at the World Population Conference in Bucharest in August 1974, where the underdeveloped countries were unanimous in affirming that "the basis for an effective solution of population problems, is above all, socio-economic transformation."

Each of the five countries we visited has begun to reorganize its family planning efforts to integrate and coordinate them with economic development and health services, though with varying degrees of effectiveness. Egypt is considering a broad range of social policies relating to education, labor, and the role of women with a view to their potential impact on producing desired fertility decline. Pakistan is augmenting its family planning program by delivering much needed health services to women and children. India, which has been an innovator in many areas of family planning service delivery, including most recently mass vasectomy camps, is now seeking to refocus and broaden its family planning efforts, in part because of uneven success throughout this vast country. A current approach is to integrate family planning into its health services and rural economic development programs. The new government of Bangladesh has taken an aggressive public position in favor of population control, although the effect of the government's efforts since independence have, to date, been negligible. The Philippines, whose population is predominantly Roman Catholic, has not only been able to openly support birth control but has even enlisted the support of the Catholic Church in teaching some contraceptive methods to its constituency. More recently, the Philippines has introduced major changes in social policy, including restricting income tax exemptions to four dependents, eliminating sex discrimination in work, requiring industries employing more than 300 persons to provide free family planning services, and requiring applicants for marriage licenses to present certification that they have been counseled about family planning.

We do not wish to underemphasize the gravity of the problem of population growth. Even if each of the countries visited could reduce reproduction to the replacement level (about 2.1 children per family) within 10 years, their populations will continue growing for more than 50 years, attaining almost double the numbers today. This is because of the young age structure of the existing populations—almost half the people are under 15 years old and have not even entered the reproductive period of their lives.

The point we wish to emphasize is that despite these prospects for continuing population growth, these countries have the potential for agricultural productivity and economic growth such that adequate supplies of food can be made available. Furthermore, the very social and economic measures which must be implemented in the rural sectors of these countries to harness this potential productivity are the same social changes that are essential in altering the family size desires and reproductive behavior. It is at least reassuring that these critical linkages between food self sufficiency and population control were not only evident to the members of this team but to officials at all governmental levels in each of the countries that we visited.

NUTRITION AND HEALTH

Although aggregate balance sheet food intake and output figures make calculations of average per capita food availability in a country possible, they do not give a true picture of nutritional status within developing countries. Distribution of available food at a given location and at a particular time is as important for the individual as total food availability within the country. In developing countries, internal distribution problems are often a greater barrier to food availability than are total nationwide food deficits.

While the combination of national production and imports assures reasonable overall food availability in Egypt, there is still a great deal of malnutrition in the lower socioeconomic groups, particularly in the rural areas. This, as in the other countries, represents a problem of distribution, with local scarcity and high prices of food, and lack of adequate purchasing power by the most underprivileged sectors of the population. There is a maldistribution of food not only among different socioeconomic groups and among families within the lower socioeconomic groups, but also within individual families. An adequate family supply often fails to prevent malnutrition among preschool children and pregnant and nursing mothers, who are the most vulnerable. Preschool children of low-income groups are particularly prone to episodes of infectious disease, and the withdrawal of solid food under these circumstances, together with increased nutrient losses, are major factors in the high prevalence of malnutrition in this age group. Similarly, inadequate food intakes during pregnancy contribute to smaller birth weights, with higher neonatal, perinatal, and infant mortality.

The combination of inadequate diet and recurrent infections results in sufficient malnutrition in most preschool children to retard markedly physical growth and development. Such retardation is also commonly associated with impaired learning and behavior, at least in part because the malnourished child is apathetic and experiences less stimulus from interaction with parents and environment. In addition, the degree of malnutrition sufficient to reduce physical growth and development also reduces resistence to infectious disease by a variety of mechanisms, so that under these circumstances, malnutrition and infection interact synergistically to increase morbidity and mortality.

In addition, there is a great deal of specific nutritional deficiency in these populations. Marasmus occurs when the mother is unable, or fails, to breast-feed her infant for any reasons, and to provide adequate and sanitary supplements for breast milk. Kwashiorkor occurs when the supplement to breast milk, given in later infancy, or the diet given after weaning is deficient in protein relative to calories, particularly when the situation is exacerbated by acute infections. Avitaminosis-A is widespread where diets are predominantly cereal, with little animal protein or green and yellow vegetables, or fruits, and has its most serious consequence in the diseases of the eye leading to blindness—xerophthalmia and keratomalacia.

Very widespread in these populations is iron deficiency anemia due to the extremely low animal protein content of the diet, which would provide iron in readily available form, the inadequacy of the available iron of the customary predominantly cereal diets, and the prevalence of infectious diseases such as hookworm, schistosomiasis, and malaria, which lead directly or indirectly to iron losses from the body and increased iron needs. The anemia resulting from iron deficiency is in itself debilitating and results directly in impaired physical capacity and productivity, and also, apparently, in impaired normal mechanisms of resistance to infection.

The effects of chronic undernutrition were apparent in each of the countries, but were strikingly evident in Bangladesh. A well-nourished Bengali grows to the height and weight of a well-nourished European. Yet, the average body weight among Bengalis typical of the population in Bangladesh is just over 100 pounds for men, and about 80 pounds for women. Time and again study mission members saw evidence of the results of undernutrition in children. Weanling children, removed from the breast because of the birth of a new infant, frequently become malnourished and prone to infectious diseases. Malnutrition as a factor contributing to the high infant mortality rate in developing countries is of paramount importance.

In addition to its effects in retarding physical growth, learning, and behavior, and resistance to infection in children, chronic undernutrition also can have a devastating effect upon the productivity of affected adults. Individuals consuming inadequate calories must reduce their level of activity in order to survive, and caloric intakes, particularly on the Indian Subcontinent, are well-below those which would permit normal physical activity for work and recreation. Intakes under 2,000 calories among adult workers are common for occupations in which energy expenditure could be in the 3,000 to 4,000 range, if the available diet and other circumstances permitted. The "laziness" of the traditional tropical male is perhaps more an adaptation and necessity than a cultural trait. At least in studies in which anemia has been corrected, and increased calories provided, productivity has shown a spontaneous increase, even in the absence of a system of incentives, and an even greater improvement when increased work can bring higher pay.

It is for these reasons that malnutrition and under-nutrition are important barriers to economic development in food-short countries.

In the countries visited, the health delivery system as represented by regional and district hospitals, primary health centers in the larger population centers of rural areas, and some village health centers or posts, looks impressive on organizational charts, but fails to reach more than a small proportion of the population, even with curative services, and preventive services are even more rudimentary or virtually nonexistent. Health authorities estimate that less than 15 percent of the population in Bangladesh and Pakistan come in contact with Western medicine, and the proportion is only slightly higher in India and the other countries visited. The pattern of emulating Western medicine has resulted in investment in capital-intensive, Western-style, hospital-based medical services, an emphasis in the urban centers on sophisticated medical techniques and devices capable of affecting only a tiny proportion of the population. Village level preventive services have either been neglected almost entirely, or are relatively ineffective. Preventive medical services at the village level, including improved availability of water and better personal hygiene, immunization, and endemic disease control would do far more for the health of these countries than further investment in sophisticated hospitals in the national, regional, or provincial capitals.

Basic education in sanitation, immunization, and the availability of simple medications, together with adequate availability of food and simple nutrition education, can have a dramatic impact on reducing the level of infant mortality and enhancing the effectiveness of family planning efforts. In our view, the need for simple, inexpensive primary preventive medical services is great.

In many ways, attempts to imitate medicine as it exists in the United States has had a detrimental rather than beneficial effect upon developing countries, leaving them with a glut of over-trained, over-specialized physicians, and a virtual absence of village health workers capable of intervening in the causes rather than the effects of illness.

ROLE OF THE UNITED STATES

Thus, although the present situation in food and related areas in each of the countries is inadequate in different respects, the future for all of them can be much improved. To achieve this, outside help will be required in varying degrees, and the role of the United States will, as a consequence, be of particular importance.

Whatever the needs of other countries, however, it is legitimate to ask why the United States should feel any obligation to help meet those needs. In what ways does assistance to enable these countries to become self-sufficient in food or able to purchase food from their own resources serve American interests?

The most powerful set of motives is also the most subjective, and the most easily bypassed by hardnosed, short-term policy objectives. These are the motives that have to do with the human condition, the belief that the United States cannot turn aside from doing whatever it can to help succeeding generations find a more habitable world, and with the conviction that the rich cannot ignore mass poverty anywhere it occurs. The immense wealth and well-being of the United States gives it a special obligation to show leadership in matters so essential to mankind.

There are also other more specific legitimately selfish interests to be considered. One is the importance to the United States of encouraging political and social stability in the food defict countries we visited. Adequate food alone certanly cannot guarantee stability, but acute food shortages can be an important contributor to internal instability. It seems likely in these countries that a worsening food situation will be an invitaton to unrest and upheaval.

A related interest is to maintain or develop political contacts that accompany government aid programs. These do not necessarily lead to support of United States policies, as the long history of foreign assistance has demonstrated, but they can provide a means (not guaranteed) to establish closer interactions and understanding on a wide variety of issues and deny other countries a monopoly over those interactions. In the Philippines and in Pakistan, food assistance is a natural concomitant of the broad and close relationships with the United States. In Bangladesh, such assistance provides a natural primary point of contact in a new nation. In Egypt, it provides a steadying counterpoint to the central and dangerous political negotiations in the Middle East. In India, it can provide at least the possibility of a base for a new political relationship. In general, food assistance can serve general political interests as a component of United States foreign policy. It can also clearly go far—often too far—in the direction of being tied to military strategic interests, as demonstrated by the history of food aid to Cambodia and South Vietnam.

If we are serious about wanting to see a slowing of global population growth, we must also be serious about adequate food. Excessive global population cannot help but have serious adverse effects on the United States in the future from political, social, resource, economic, and environmental impact considerations. As discussed elsewhere in this report, we believe the evidence is

that population control efforts have little chance to succeed until economic, health, and nutrition conditions improve.

The most serious political question about encouraging food self-sufficiency in other countries is the long-term effect on markets for American agricultural products, and thus also the effects on United States balance of payments. If United States agricultural productivity could barely meet domestic demands, this would not be an issue, for that would mean there would be little surplus to sell abroad; in fact, reduced foreign demand would be important in that situation to reduce inflationary pressures on agricultural prices.

However, we believe United States agricultural production is, in fact, capable of producing continued surpluses, barring major weather catastrophes, so that the problem of maintaining foreign markets is an important one. The United States Department of Agriculture, which provides United States agricultural attachés in embassies abroad, has for many years seen as its mission the expansion of United States markets, with little interest in encouraging indigenous agricultural self-sufficiency.

In our view, this is a misguided policy, though the issue is a real one. Indigenous food production in developing countries is necessary not only for domestic human needs, but also to make possible the generation and use of resources for economic development. Such development historically has always had the effect of expanding commercial markets for United States products, both industrial and agricultural. Although the United States is the world's largest exporter of food, it is also a major importer, a historical pattern that has been followed by other countries as well, as they have expanded wealth by increasing agricultural production.

The issue cannot, however, be denied; there may or may not be some reduction in demand for United States agricultural products for a time if agricultural development policies are successful in these countries. Even if we should lose some markets for a time, world-wide increases in income will help to maintain overall demand for United States agricultural exports.

In any case, this risk of temporary reduction of United States food exports seems to us preferable to the alternative risk associated with continued dependency on United States food production, which seems to carry much greater costs, as we have seen in the last two years:

The margin between food surplus and food scarcity is too narrow, and would be excessively dependent on vagaries of weather in one part of the globe;

Indigenous agricultural production is necessary for economic development and reduced population growth;

Continued dependence on United States food is likely to imply continued requirements for United States foreign aid allocations;

The vulnerability of other countries to internal United States political decisions, or to the use of food aid as a short-term political weapon creates undesirable political dependencies.

Though the case for United States assistance to the countries we have studied, both to increase their agricultural productivity, and to serve United States objectives is a strong one, we necessarily come up against the hard fact that in the future, much more than in the past, foreign assistance means less resources available to the American people. In the past, food aid could be written off as a surplus disposal program, as has been the case with the Food for Peace program in the 1960s, the surplus having been collected almost entirely for domestic reasons. At the present, this is no longer the case. Food sent abroad must be purchased either directly by the United States, or money made available to the recipient countries to buy the food (unless, as is likely, there will be substantial surpluses again). In either case, it is a direct budgetary charge, not for the support of American farmers and shippers, but for the assistance of others. Depending on estimates of feasible food production in the United States, such an increase in demand could add to inflationary pressures.

In our view, there is ample excess production capability in agriculture to avoid the inflationary effects. More important, the levels of assistance needed are, in fact, very small portions either of the United States Gross National Product or of the level of food exports and imports of the United States, Europe, and Japan. The United States record in foreign assistance after World War II is a good one, but in recent years it has tailed off substantially as a percentage of GNP, and even in absolute amounts. It is now scandalously low for the wealth of this country. Aid disbursed as a percentage of GNP by the United States now ranks behind Kuwait, Saudi Arabia, United Arab Emirates, Qatar, Iran, Iraq, Libya, Venezuela, Algeria, France, Germany, Britain, and Japan.

The argument is often raised that foreign assistance entangles the United States in the affairs of other countries and carries the danger of later military involvement. Certainly bilateral assistance does involve the United States in a close relationship with the recipient country. That is a natural concomitant of the aid, and can be a positive, productive relationship, but it need not in any way lead to military involvement. In fact, historically in the post-war period, military commitments have *preceded*, not followed, economic relationships.

The sudden contraction in United States external food aid, and in fertilizer exports during the food shortage of 1973–74, demonstrated a degree of insensitivity to the plight of people in other countries, and a short-sighted nationalism, ill-becoming this nation. External support is often seen as competitive with domestic needs in the Federal budget, especially in a recessionary period. In our view, there are ample reasons to meet both needs: we are well able to afford what is required.

A much more important question, to us, is how this support should be given and whether, in fact, we can make a difference. We believe the answer to the latter part of the question is yes, and that in cooperation with rapidly maturing countries, we should have the wisdom to design support that will serve the desired objectives.

GENERAL RECOMMENDATIONS

The following general recommendations are neither new nor unusual, but deserve emphasis:

1. Assistance to food-short countries should be designed to increase productivity of the agricultural sector. Such assistance should be directed toward improving the ability of the small landholder and landless laborer to increase his standard of living, as well as to help the relatively well-off landowner.

2. Assistance to food-short countries should assist projects that have been formulated as part of an integrated national plan. An important corollary to this recommendation is that American food and economic assistance should be committed in such a way as to enable the recipient country to formulate relatively stable United States assistance over a period of several years. On the other hand, food aid should not be treated as a form of permanent assistance for any country. Stable commitments, but for a specific length of time, are more appropriate when possible.

3. Funds allocated for assistance to food-short countries should be sufficient to respond to reasonable country requests for help in reducing the rate of population growth. Such aid should recognize the interdependence of reduction in birth rate and improvements in the general standard of living.

4. The expertise of U.S. public and private institutions should be employed to assist with the problems of food-short countries (which may involve research and development in the U.S. as well as activities in the countries), to a much greater degree than at present, and the necessary funds should be provided for this purpose.

5. Concomitant with, but separate from, U.S. assistance designed to improve economic standards in recipient countries, provision for the creation of food reserves and distribution systems to alleviate widespread hunger during periods of man-made or natural disasters should be emphasized. In our view, some of this need can be met through commercial channels. However, the bulk of this assistance clearly has to rise as a result of government policy and international agreement. Commercial channels alone cannot and, in our opinion, should not, be expected to perform relief functions most appropriately reserved for the international community as a whole.

SPECIFIC RECOMMENDATIONS

1. Public Law 480—Title I:

While the great bulk of U.S. food sales to foreign countries will be on normal commercial terms, it will be necessary for the United States to continue to provide assistance to some developing countries by means of food commodity sales on concessional terms under P.L. 480, Title I. These should be viewed as equivalent to any other kind of economic assistance to less developed countries. Industrialized and OPEC countries can be equally helpful in financial assistance to developing countries for necessary food purchases.

Because in the past food aid on concessional terms has sometimes served as a disincentive to local agricultural efforts, or encouraged governments to neglect priority allocation of funds to the agricultural sector, it is desirable, when possible, to tie concessional sales to food-for-work programs designed to contribute to agricultural productivity through the construction of irrigation and drainage canals, fish ponds and reservoirs, flood control levees, rural access roads, and the like.

2. Public Law 480—Title II:

The provision of food to developing countries without cost except for transportation is a much less attractive form of assistance than in the past for the United States, because there are no longer large surplus food stocks, at least for the moment. Moreover, programs of this type are particularly likely to delay the development of indigenous means for the feeding of vulnerable groups, because they permit the recipient governments to postpone difficult but necessary political decisions having to do with increasing their own internal capacity to arrive at a state of self sufficiency. On the other hand, such provision of food may also make it possible for governments to start programs that are beyond their resources to continue and that would never have been initiated had the true cost been counted. There is still an opportunity to use this type of assistance to enable governments to start worthwhile programs that they can expand and take over themselves, but this should be carefully ascertained before commitments are made.

In times of droughts or during periods of rehabilitation after a flood, food-for-work programs under P.L. 480 Title II may be a desirable means of assistance, together with aid from international organizations.

3. Disaster Relief:

For genuinely acute disasters such as floods, earthquakes, hurricanes, tidal waves, and the like, countries may urgently need short-term food assistance. In such cases, the United States should be prepared to contribute its appropriate share, utilizing either P.L. 480 Title II resources or special appropriations. It is important that the United States Government have the authority to take prompt and suitable action to provide food relief in such cases. U.S. support for international disaster relief organizations, such as UNDRO, should also be increased.

Two organizations observed everywhere to be making constructive and effective use of food donations were the World Food Program and UNICEF. The former has succeeded in channeling most of its assistance to food-short countries through food-for-work projects designed to contribute to increased agricultural productivity. UNICEF has used its food aid and financial resources to stimulate and assist the development of a variety of national programs, ranging from maternal and child health centers, to nutrition and health education programs, in addition to its non-food-related cooperative efforts with WHO in the areas of environmental sanitation and infectious disease control. An even greater proportion of U.S. food aid could profitably be channeled through these two agencies that are striving to make the countries less dependent on such assistance.

4. Population Policy:

A. The United States should strongly support the high priority now accorded to family planning in the five countries visited, and be willing to contribute to the supply of contraceptive drugs and devices required. It should also fund research into new family planning technologies more easily disseminated and sustained in developing countries than those currently available.

B. The integration of family planning efforts with other aspects of community development should be encouraged, and efforts at control of population growth should be integrated with efforts to reduce infant mortality and improve economic well being.

5. Agriculture:

A. Each of the countries we visited should be encouraged and assisted in their commitment to give first priority, in their national development plans, to the agricultural sector, including fertilizer production, extension services, agricultural technology, producer cooperatives, new food seeds and animal breeds, rural credit, rural access roads, irrigation, and land reform.

B. The U.S. should continue to provide its share of support for the international agriculture institutes, as well as national agricultural institutions within the developing countries. Support for research into the development of new high-yielding, disease-resistant strains of agricultural stock should be continued and emphasized. Increased United States support of domestic agricultural research keyed to the agricultural problems of the countries visited should be vigorously pursued.

6. Nutrition and Health:

A. In assistance programs designed to improve nutrition and health, major emphasis should be placed on preventive and environmental health services, such as home visits by paramedical workers concerned with disease prevention, programs targeted for the prevention of malnutrition in the infant and preschool child, immunization, improvement of the quality and quantity of water supply, and control of endemic and epidemic disease.

B. In programs for assistance in the training of health workers for developing countries, preventive rather than curative medicine must be stressed.

PROSPECTS FOR SUCCESS

In recent months, increasingly gloomy predictions have been made in regard to the future of a number of developing countries in the world, including several of those visited. This has progressed to the point where some individuals are suggesting, or at least implying, that some countries are beyond help, and foreign assistance should be concentrated only on those with the best chance of making the technological and demographic transitions already achieved by the industrialized countries.

In our view, this perception of the existing situation, at least in those countries we visited, is incorrect. It is flawed on several counts:

i. It assumes that the magnitude of the present problem is beyond the capacity of the industrialized countries to assist in a meaningful way. This is simply not the case, because the magnitude of the need is less than that existing in post-World War II Europe, yet reconstruction was achieved even though total resources were very much smaller than they are today. Moreover, the Western industrialized countries have been decreasing their external assistance to developing countries relative to gross national product rather than increasing it. Foreign assistance by the United States has now dropped to a level of .23 percent of the GNP, and now ranks 14th of the 17 non-Communist developed countries providing aid. In this respect, the U.S. ranks ahead only of Switzerland, Italy, and Austria, and provides less than half as much aid as percent of GNP than Portugal, France, Sweden, the Netherlands, Belgium, and Denmark. It is difficult to conceive an adequate justification for this state of affairs.

ii. It assumes that the countries are not now making strong efforts to help themselves, and this, too, is far from the case. In fact, the development efforts of each of these countries are making progress, although to varying degrees.

iii. It ignores the fact that the worst of the problems are associated with recent acute internal and external situations largely beyond the control of the countries involved—situations that are not likely to persist, or even to recur.

iv. It overlooks identifiable new factors that have already entered the situation, but that have not yet begun to have detectable effects; and it disregards others that cannot be foreseen but that, on the basis of past precedent, are likely to occur. These include political and technological developments, both national and international.

The indications are that most developing countries, including those visited, do have the potential to become self sufficient in food, either through better development of their agriculture, or through non-food exports that will enable them to purchase the additional food they require.

v. There is the danger that the "triage" philosophy could be used to justify failure on the part of the United States and other industrialized countries to make the magnitude of effort the situation demands. At best, without help, the developing countries would take much longer to achieve the development required for demographic transition; at worst, the doomsday prophecy could become self-fulfilling in that, for some countries, this transition might be delayed indefinitely. Neither eventuality must be allowed to occur.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

ADDITIONAL SENATE COMMITTEE EMPLOYEES

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of Senate Resolution 60, which will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 60) authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which Senators serve.

The ACTING PRESIDENT pro tempore. The clerk will report the pending amendment.

The assistant legislative clerk read as follows:

The pending amendment is amendment No. 562, offered by Mr. HUMPHREY, for himself and others.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. CANNON. What is the current legislative situation?

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to amendment No. 562 by the Senator from Minnesota (Mr. HUMPHREY).

Mr. CANNON. Mr. President, in order that the record be clear, this amendment is subject to an amendment, and I have an amendment at the desk that would be eligible if I were to call it up?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. CANNON. Mr. President, I may say that I do not intend to call up my amendment. I think that we have worked out a solution here.

I do have, however, some questions that I want to propound to the authors of the amendment to make absolutely certain that I understand what this amendment would do.

I propose this to Senator HUMPHREY or any of the other co-authors of the resolution.

Mr. HUMPHREY. Let me first ask consent to have a staff member in the chamber.

Mr. CANNON. Certainly.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that Barry Morrisroe of my staff be granted privilege of the floor during consideration of the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CANNON. Mr. President, first, may I say that as I read this amendment, a Senator who is serving on more than one standing committee, of a class A committee, in other words, named in paragraph 2 as referred to in the amendment, would be entitled to an amount of money equal to the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, which is $33,975.

Mr. HUMPHREY. That is correct.

Mr. CANNON. That, in addition, if

the Senator were serving on one or more of the class A committees of those named in paragraph 3, or in the case of a Senator serving on more than two committees named in paragraph 2, but on none of the committees named in paragraph 3, the select and special committees of the Senate and joint committees of the Congress, shall receive for one of such committees which he designates an amount equal in amount referred to in section 105(e)(1) of the Legislative Appropriations Act, which is $33,975.

Mr. HUMPHREY. The Senator is correct.

May I say that sum of money would be divisible. For example, if one could hire someone, let us say, at $22,000, one could have $11,000 left over for a support, such as within the Hatfield proposal.

However, I think it should be clear that does not permit nor is it intended to permit to take the $33,000 and divide it up into three secretaries at $11,000 because that could not be clearly identified as committee business.

Mr. CANNON. In other words, this is not just a move to get around the clerk-hire allowance, secretarial allowance, but this is intended to give a Senator additional legislative assistance?

Mr. HUMPHREY. For that committee.

Mr. CANNON. For that particular committee.

Mr. HUMPHREY. And I want to make it clear, we are not attempting here to bypass the subcommittee chaired by our distinguished colleague from South Carolina (Mr. HOLLINGS) on clerk hire.

That is why I said we cannot take the $33,000 and divide it up for secretarial staff and just put those secretaries in our office.

This has to be related to persons that will work directly on committee business backed up by one possible support. I believe that is in the Hatfield amendment.

Mr. CANNON. If the Senator will permit me to question him further, do I understand then that the Senator must make a certification to someone, and if so, to whom, that he designates these people for work on the particular committee?

Mr. HUMPHREY. May I say, personally, and I would like to consult on this, my own view is if I had someone who was going to work on the Committee on Foreign Relations that I would designate to the staff director of the committee and the chairman that Mr. Jones, whom I have selected as my special assistant for foreign relations, will be designated by me to work with that staff on committee business and that he ought to have access to committee files, to committee personnel, and to be working with them.

I believe that is necessary.

Mr. CANNON. The amendment does give these persons so designated full access to the committee files and records and permission to attend on committee business, provided he has the necessary security classification where it is required.

Mr. HUMPHREY. And within the rules established by the committee.

Mr. CANNON. Yes.

The employee does not become a part of the committee staff, however, under the amendment?

Mr. HUMPHREY. He does not become a part of committee staff. He is a special assistant in every real sense to the member of the committee and not a member of the professional committee staff.

Mr. CANNON. Does the amendment provide that in the event a Senator already has a staff person designated to him on the committee at the present time, that he would lose that allocation for the particular committee?

Mr. HUMPHREY. That is my understanding.

In other words, let us assume, I put myself in this position: On a particular committee on which I serve the chairman of the committee has been willing to designate a particular staff member to me and I have accepted that designation. In other words, I have said, Mr. Chairman, this is entirely agreeable with me and I now know that Mr. A or Mr. X on your committee staff is Mr. HUMPHREY'S special aide there, then I am not entitled to a new person.

Mr. CANNON. And is it clear that the person who is so designated is doing the work for the Senator on the committee and is not a member of the committee staff taking directions from the staff director insofar as the committee of the staff is concerned?

Mr. HUMPHREY. That is my understanding, but I would hope, may I say, that the individual would be compatible with the staff and would try to work within the rules and framework of the staff organization.

Mr. ALLEN. Will the Senator yield at that point?

Mr. HUMPHREY. Yes.

Mr. ALLEN. The Senator has said that where a Senator had someone on a committee, either standing or special or joint, then that person would be charged against his designation of someone to serve on the committee, but does it prevent him from leap-frogging that committee and choosing another committee to name a staff person to?

In other words, he might be on four or five committees, paragraph three committees, and he might have staff people on, say, two of those committees, yet he would pick a committee where he had no staff. Would he be allowed or is he entitled only to three staff people whether designated hereafter or heretofore?

Mr. HUMPHREY. My understanding is, since I was not the original author here, the Senator said he would be entitled to three, he would be entitled to three, but if he lost two along the way because of previous designation, he could have one new.

Mr. GRAVEL. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. GRAVEL. Suppose a Senator has four committee assignments under this proposal. He would only be able to get staff for three of those committee assignments.

If one of those committee assignments the chairman was gracious enough to give him, already, two members, or the equivalent of that, then the person would not be entitled to get staff for that committee, that fourth committee; he would then get the staff from the other three committees.

Mr. ALLEN. Yes. In other words, he could have 5 or 6 staff people then under this amendment.

Mr. GRAVEL. No, we do not deal in people in this amendment. What we deal in is ceilings, and the ceiling is $33,000 plus, by three, three times, that is the maximum for gross, a gross of $105,000.

Mr. HUMPHREY. Less than that, actually.

Mr. BROCK. Will the Senator yield for one clarification?

Mr. HUMPHREY. I yield to the Senator from Tennessee.

Mr. BROCK. We cannot mix an A committee with a B or C committee. I have a particular circumstance that applies to me. For example, I have two standing committees, A committees. On one of those I have a staff, on the other I have none.

So I would only receive staff support on the second committee and I could not use the fact that I serve on two select committees to——

Mr. ALLEN. I understand that. I do not believe the Senator yet gets my point.

Mr. BROCK. Yes, I do.

Mr. ALLEN. Say the Senator is on two A committees, paragraph two committees.

Mr. BROCK. Right.

Mr. ALLEN. Obviously he would get two, one for each committee, if he did not have anybody on the committee.

Mr. HUMPHREY. Wait. He would get the allocation of $33,000.

Mr. ALLEN. I understand that.

Mr. HUMPHREY. He can divide that.

Mr. ALLEN. Then the other classification, select committees, joint committees——

Mr. BROCK. I am on two.

Mr. ALLEN. The Senator has two. The Senator has staff on one.

Then would the Senator be able to choose that other committee that he has no staff on, each one of these three committees?

Mr. BROCK. Yes, sir. And that leaves, probably, the Senator from Tennessee as the only Senator in this body who is going to be disadvantaged by this bill because my problem is with the A committees and not with the——

Mr. ALLEN. To that extent then, I wish the chairman would listen to that extent then the present substitute is more expensive than the——

Mr. HUMPHREY. Slightly.

Mr. BROCK. Not much.

Mr. HUMPHREY. Slightly.

Mr. ALLEN. Because it does allow as many as four, five, or even six committees, theoretically, whereas the Hatfield substitute is definitely limited to three maximum. Under this substitute, it could be higher than three.

Mr. HUMPHREY. Theoretically, but with very little probability because of the assignments that people have here.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. HATFIELD. I think it would be well to draw one or two distinctions between this proposal and the committee proposal.

First of all, do I understand the Senator correctly when he says the personnel appointed under his proposal would be housed in the offices of the appointing Senators?

Mr. HUMPHREY. If he so desires. It would be optional. If there were space in the committee and he did not have space in his office, he could have it either way. But he would have the option of having that new staff member housed in the immediate environs of his office.

Mr. HATFIELD. Is it the thought of the Senator that the person appointed would not be a member of the staff of the committee, integrated into the actual committee staff, even if he is housed with the committee staff?

Mr. HUMPHREY. He would not be considered for purposes of records as a member of the professional staff of the committee.

Mr. HATFIELD. So that he, in effect, is a member of the Senator's personal staff occupying space in a committee; is that correct?

Mr. HUMPHREY. As an extension. But let me say the committee could simply say, "We do not have room here, I am sorry to say, for your extra person."

I think it has to be very clear that this amendment cannot be a sort of shove-on to a committee that may have inadequate facilities.

Mr. HATFIELD. Then it is a correct understanding that this eventually will be a part of the clerk hire, as far as funding is concerned, and will be a part of Senator HOLLINGS' subcommittee under the Legislative Appropriations Subcommittee; is that correct?

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. HATFIELD. Yes.

Mr. GRAVEL. Senator Hollings' subcommittee handles the funding of clerk hire. This will go to the committee for funding. It will not be clerk hire; it will really be legislative hire. But it will go to Senator HOLLINGS' Appropriations Subcommittee.

Mr. HUMPHREY. I concur in that interpretation.

Mr. HATFIELD. I am sure the Senator is aware of abuses that have been reported in the press, and other evidence of abuses, brought to our attention, where Senators are said to use committee staff to do noncommittee work. This has been charged, primarily, where the staff people have been housed in the offices of Senators. Is the Senator aware of that?

Mr. HUMPHREY. I am not only aware of it, I think it is what causes a great deal of difficulty here.

Let me elucidate for a moment. I serve on the Committee on Foreign Relations and the Committee on Agriculture. If I were privileged under this amendment, if adopted, to do so, if I were to select a person to work on the Committee on Agriculture, I would first want to notify the chairman, and I would surely want to notify the staff director, so that there was communication; and it would be required under this proposal as a matter of simple honor and integrity that the person would spend the majority of his or her time—I say the majority—on that committee's business. That is the purpose of it.

Mr. HATFIELD. Then the Senator does recognize that the only supervision of this individual staff person, under his provision here pending, would be the individual Senator? There would be no supervision by the director of the staff or the minority director of the staff of the committee?

Mr. HUMPHREY. That is correct.

Mr. HATFIELD. And the Senator also realizes, does he not, that this is the very circumstance in which the abuses that have been reported are occurring today?

Mr. HUMPHREY. That may be. I do not stand in judgment on that. But I believe this colloquy taking place now should have somewhat of what I would call a therapeutic effect in correcting that.

Mr. HATFIELD. I think the Senator also recognizes that the Rules Committee has considered carefully the problem of staff personnel not housed in staff offices.

Mr. HUMPHREY. Yes.

Mr. HATFIELD. And the Senator is aware we have recommended that future requests for added staff must be based on the ability of that staff member to be absorbed in committee staff rooms, where the person can be under the supervision of the staff director.

Mr. HUMPHREY. That is the committee proposal.

Mr. HATFIELD. This is the committee proposal. But I am speaking now to the point that the Rules Committee, has recognized the legitimacy of some of the questions raised, not only by Senators but by the press and others. We now have requested and, in effect, mandated the chairmen of committees to get the committee staff people out of private offices of Senators. It will help prevent abuses. I believe the Senator is aware of this policy on the part of the Rules Committee.

Mr. HUMPHREY. Yes. I just hope there is enough space, that is all.

Mr. HATFIELD. Yes. I would like to emphasize this is a fundamental difference. I am not saying one is right and one is wrong. I personally feel it would be much more effective if a Senator could have his designated staff person working with the other staff people of the committee. He or she would be integrated into committee staff work. But let me ask the Senator this question——

Mr. HUMPHREY. May I interrupt a moment, to say that each of us has his own way of working?

Mr. HATFIELD. Yes.

Mr. HUMPHREY. I like to have the people working with me close at hand. I do not like to have them shelved way over here somewhere else. It may be my methodology, but if I have a staff man working on foreign relations, I want to have him handy, so I can pick up the phone and say, "Joe, get in here, I have something I want to talk to you about." I do not want to have to go looking around the Capitol, to wherever he is going to be.

Mr. HATFIELD. I predicated my comment with the statement that I did not ascribe one as right and the other as wrong. I was merely expressing my opinion.

Let me describe a situation I have. Only 2 weeks ago I designated a staff person to the Appropriations Committee. This is the first time I have had the opportunity to do so.

That person is required to work within that committee structure, in the committee suite, although he is my designee.

If this proposal passes, and I should desire to raise his salary and bring him into my office, then I could fire him and rehire him or some other person within a week or 2 weeks, and qualify under this proposal.

Mr. HUMPHREY. That is correct.

Mr. HATFIELD. So that any Senator who already has a designee, and wants to get the advantage of the higher salary equivalent that is allowed under this proposal, or wants to shift him to or from the offices of a Senator, where he may have worked before, he could fire him temporarily, rehire him, and would be circumventing the policy of the committee?

Mr. HUMPHREY. No, this is not a staff person. This is the Senator's individual. It is a marginal difference, and I realize it may not be actually a difference in fact, the way they work, but my feeling here is that if we want to cheat, if we want to circumvent, I suppose there will be ways we can do it.

But I would hope we could look upon this as a bonus act on the part of the Senate for its own Members, and that the Members of the Senate would understand that the persons designated for committee business would hopefully cooperate with the committee staff, but that it is not required that they be housed in committee facilities.

Mr. HATFIELD. I would not want the Senator to understand that I was implying someone would cheat. But I would also point out to the Senator that under his proposal there is, in my opinion, no reform involved, except to add to the staff; but the inequities that exist today in the committee structure are really locked in, and we are adding another layer of staff people to try to correct those inequities, rather than putting pressure on the committees to reform within their own body. If we were carpenters, we would be ignoring the foundation, and only adding another story to the building.

Mr. HUMPHREY. Let me say to the Senator that during the quorum call we did discuss what possible needs there are for reform in committee staff structure.

I do not envy the job that the distinguished Senator from Nevada has. The purpose of my amendment here was hopefully to get some reconciliation with an amendment that I could live with very well, namely, the Hatfield amendment; I will be very frank with the Senator.

But some of our colleagues felt there was a need for this particular proposal. I have been meeting with those colleagues.

Mr. HATFIELD. I know the need.

Mr. HUMPHREY. I have been meeting with them over the past year. I felt some loyalty to them.

I think we are so close together now, particularly as a result of this colloquy, that while there are some differences, the money difference is minimal. The major difference is what we call the control over the individual.

Mr. HATFIELD. I will just close with my observation by saying to the Senator that, if this resolution passes, I think we may begin this whole new experience with the designated staff person getting access to this material in the committee and attending executive sessions, and the markup sessions, and doing only committee work.

I would like to go on record now in saying that eventually I think that there are subtle ways in which that individual, living under this new hybrid classification, can have his relationship to the rest of the committee activity minimized. He will not be housed there; he will not have a working relationship with the other committee staff.

The Senator is really, I think, taking a short-view approach here. In the long term, I think the Senator would be better served by having that person integrated into the full committee operations. That is only my opinion, but I believe strongly in this approach.

Mr. HUMPHREY. I suggest that there be a 2-year maximum to make sure we do not get into that situation.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. LONG. I say that he has provided a better answer to the problem than the committee resolution. I think it is a step in the right direction. It is very difficult to get 17 or 18 Senators to work together and have them coalesce on their thinking. That is a very difficult thing to do.

Even more so, it would be difficult to try to get 18 men, each representing 18 different Senators, to agree on some difficult thing. So, with the supervising persons, who are not always completely aware of just what the ultimate cost would be or what that particular Senator would like to do about the matter, that could lead to a great deal of friction, because sometimes that man on the committee staff might be completely at odds with the prevailing thinking on the staff and he would feel that his sponsor should back him up in trying to make his view prevail.

I believe we would have a lot less friction if we made it so this man worked in the Senator's office, and then he worked for the Senator.

There is a major reform implicit in requiring that every Senator use some of his staff to do his legislative work.

If you do not watch out this ombudsman thing can become so burdensome, so all encompassing, and so many demands can be made. If one yields to them all—some of which defy imagination—think what they will be next. One can use all of his clerk hire and his personnel to try to meet the personal demands of constituents for hotel reservations in Washington, for example, or to get them theater tickets to go to a Broadway show, or just anything the mind of man can conceive.

A person would have to serve here in the Senate for a while to acquaint himself with a variety of requests that are made upon Senators' offices. But we have to at some point handle some of those things just routinely by referring the request to one of the departments or agencies, rather than try to have everyone outdo the other fellow in performing the extreme of ombudsmanship.

But if one does not watch out he will have his whole office staff consumed in taking care of these little favors that individual constituents ask.

Mr. HUMPHREY. Yes; I say to the Senator that I am aware of that, having been here about the same length of time as the Senator from Louisiana. I must say we must not let that happen.

Most of my staff today, and I am sure the staff of the Senator, is either on that work which we call case work, or answering legislative mail.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. RIBICOFF. I understand the colloquy that has been taking place between the distinguished chairman of the Finance Committee and the Senator from Minnesota to point out the importance of having the man that is assigned these duties to be close to the supervising Senator and at the same time having the ability to work with the committee.

The distinguished chairman knows that for the past number of years a member of my staff, by the name of Geoffrey Peterson, has devoted practically all his time involved with work with the Committee on Finance, although he is on my personal staff. He is so expert and so good that there is no difficulty of Mr. Peterson working constantly with the committee staff and even with the distinguished chairman on legislation.

Mr. LONG. That is right.

Mr. RIBICOFF. He is welcome by the entire staff of the Committee on Finance. He is welcome on his own to me and to the distinguished chairman, and I believe his contributions have been continuously on every piece of legislation. His thumbprint has been found on practically every piece of legislation coming out of the Committee on Finance.

So, I hope we are in position to designate men of qualification and ability, who can get along with the other members of the committee staff and those designated; but I do think it is important for that person to be close to the supervising Senator, to know his thinking, to get his thoughts and ideas, and convey his thoughts to the other members.

I also know, as to the Committee on Finance, it would be physically impossible for the Committee on Finance to absorb 17 new staff members in the space that the distinguished Senator from Louisiana has available to the Committee on Finance.

So you will have to be very pragmatic, and I am sure that on these major committees it is a full-time job to take care of the committee business for such a man designated.

Mr. HUMPHREY. I say to the Senator from Connecticut that he has stated the case exactly, as I wish I could have stated it, with such clarity. He has made it exactly what we have in mind here.

It is going to require some sense of self-discipline on the part of us, as Members of this body, but you get the best of two worlds out of this. You get someone who is under the supervision of the Senator or will be housed most of the time surely in the Senator's office, but he must be of such qualification and willingness that he can work with the committee staff and become an accepted part of the legislative apparatus.

Mr. LONG. I believe the Senator has cited a very fine and adequate example. Any time the Senator decides he no longer needs Mr. Peterson, we will be delighted to have him on the Finance Committee staff. But a man can render a very valuable service, as indeed Mr. Peterson does, working for and with the Senator from Connecticut (Mr. RIBICOFF).

No one can really say whether a man renders a greater service working under the direct supervision of one Senator than he does theoretically working for 18 men. But we need both, and every Senator needs adequate help with his legislative duties.

That is basically what we are trying to achieve here, and I think the Senator's amendment comes near solving the problem because, as the committee originally proposed it, I am afraid that we would have great difficulty with another staff member, the chief of the staff supervising adequately the activities of, let us say, 18 men, each of whom felt that he owed his loyalty to an individual Senator.

Mr. HUMPHREY. I thank the Senator.

Mr. McCLELLAN. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. Yes, indeed, I will yield to the distinguished Chairman of the Appropriations Committee.

Mr. McCLELLAN. We speak here that the new employee will be responsible to the individual Senator and be his designee.

Mr. HUMPHREY. That is correct.

Mr. McCLELLAN. He will not be a member of the committee staff.

Mr. HUMPHREY. That is correct.

Mr. McCLELLAN. He will have all staff privileges.

Mr. HUMPHREY. Within the rules established by the committee.

Mr. McCLELLAN. All right.

You do have in some committees confidential information, not necessarily made available to all staff members.

Mr. HUMPHREY. But then he would have to live within those rules.

Mr. McCLELLAN. I am talking about the practical aspects of it.

Mr. HUMPHREY. Yes.

Mr. McCLELLAN. Certainly in the Committee on Foreign Relations they have that, and sometimes in the Committee on Appropriations we have them with reference to military matters, and so forth.

Mr. HUMPHREY. Then he would have to have the same clearance that others,

who would have access to that information had, if he would get access, and he would have to live within what are the established rules of that committee.

Mr. McCLELLAN. I want to go a little further. In the Appropriations Committee we have this situation: members, who are no longer Members of the Senate, have requested that we employ somebody, and we have at times, and these employees are on the committee staff now.

If we undertook, as chairman and ranking minority member, to designate one of them—the designation is out now, so far as the chairman designating someone under the Senator's amendment is concerned.

Mr. HUMPHREY. The chairman could designate a member of the committee staff to another member, to a member of the committee; and if that member of the committee accepted that designation, then he would lose the opportunity to appoint anyone else on that committee.

Mr. McCLELLAN. But that member would then be on a Senator's payroll and would be off the Appropriations Committee payroll.

Mr. HUMPHREY. Yes.

Mr. McCLELLAN. There is some concern in my mind about where an individual Senator's staff member can just walk in to the committee and say, "I want this and I want that."

Mr. HUMPHREY. He would do it only at the request of that Senator, just as we now have.

Mr. McCLELLAN. I would hope so, but we would not necessarily always know. We do have problems. I say it not for my part, but we do have those problems sometimes.

Mr. HUMPHREY. The staff director, who is the responsible professional head of the staff——

Mr. McCLELLAN. He is not to be responsible to him.

Mr. HUMPHREY. No, but the staff director can say to this individual: "We have some problems here with your request. I have to talk to the chairman, and you have to take this back to your Senator."

I do not want in any way to disrupt what we consider to be the normal operations of those committees.

Mr. McCLELLAN. That is one of the problems with this proposal—we are writing the bill on the floor, so to speak, at this time, with this amendment. That is why I am trying to clarify some of these things.

Let me go to another point. I do not know that I would ever do it if I am entitled to it under this provision. As an illustration, I am on the Committee on the Judiciary and the Committee on Government Operations, both class A committees. At the moment, I have no staff member—none I have designated in any way—on the Committee on Government Operations.

Mr. HUMPHREY. But the Senator could, under this amendment.

Mr. McCLELLAN. I could, under this amendment, up to the amount of $33,900.

Mr. HUMPHREY. That is correct.

Mr. McCLELLAN. Would I be entitled to another one for the Committee on the Judiciary, up to the same amount?

Mr. HUMPHREY. Yes, provided the Senator did not have somebody already designated to him.

Mr. McCLELLAN. On the main staff, I do not have anyone designated to me. I am chairman of two subcommittees, however, where I control the staff.

Mr. HUMPHREY. But they are not designated to the Senator.

Mr. McCLELLAN. They are not designated from the full committee. This does not deal with subcommittees in any way, so far as I can determine. It deals with principal committees.

Mr. HUMPHREY. That is correct; but in the Senator's role as chairman of a subcommittee, he is not in full control of the committee staff.

Mr. McCLELLAN. In other words, notwithstanding the fact that I am chairman of two subcommittees of the Committee on the Judiciary—they have many subcommittees, as the Senator knows; that is not an unusual situation—I would be entitled to have someone designated to me on the principal staff or designate someone on my own and have him put on the committee payroll and he would be responsible to me.

Mr. HUMPHREY. Yes.

Mr. CANNON. Mr. President, I would like to interject.

Mr. McCLELLAN. That is what I am getting at.

Mr. CANNON. I do not understand that the resolution would be in that form. My understanding, under the language of the resolution, is that if the Senator were chairman of a subcommittee and had a person now on the Judiciary Committee staff who was assigned to him and he used that person on the subcommittee, then he would not be entitled to an additional person.

Mr. HUMPHREY. That is correct. Perhaps I misunderstood.

Mr. McCLELLAN. On the Committee on Government Operations, I have no staff member, no subcommittee.

Mr. HUMPHREY. Then, the Senator is entitled to a person.

Mr. McCLELLAN. All right. On the Committee on the Judiciary, I do have two subcommittees. I have nobody on the full committee to help me follow the rest of the work of that committee, which is tremendous. I wonder whether I would have the right to have someone.

Mr. CANNON. The answer is "no," based on the best technical advice I have from the committee staff. The Senator would not be entitled to an additional person if he has a person assigned to him.

Mr. McCLELLAN. They are not assigned to me.

Mr. CANNON. Could the Senator hire and fire this person?

Mr. McCLELLAN. I can offer to hire him, but I have to submit to the chairman a recommendation that he put him on the payroll for that committee. He is not designated.

Mr. HUMPHREY. May I help on this, since it is my amendment?

If the Senator has a special subcommittee staff, then he cannot hire; he cannot pick another person.

For example, I serve as chairman of a subcommittee which has no subcommittee staff as such. We just draw on an ad hoc basis from the general committee. Under those circumstances, I would not be precluded from designating a particular person as my staff member for that committee.

However, if I serve on a full committee where I am chairman of a subcommittee, and the subcommittee, by order of the Rules Committee, has permitted us to hire a subcommittee staff over which I, as chairman, have some jurisdiction, then I am not permitted to have the additional person. I think that is what the Senator from Nevada is pointing to.

Mr. CANNON. The language—it is on page 2, starting with (b), at the bottom of the page, and going over to (c), and the remainder of the full paragraph, to line 17—makes it quite clear that if a Senator is chairman or ranking minority member of any subcommittee or either of such committees that received funding to employ staff assistants—and in the Committee on the Judiciary that is the case.

So that if he is chairman or ranking minority member——

Mr. McCLELLAN. And has a staff assigned to him.

Mr. CANNON. And has staff assigned to that committee, he would not be eligible to have an additional person assigned.

Mr. McCLELLAN. So that we would have to use the staff of our subcommittee to keep up with the work of the full committee in other areas beyond the jurisdiction.

Mr. CANNON. The Senator is correct.

Mr. McCLELLAN. I am trying to clarify it. I do not know that I will ever need or want this. We should make a record here. We are legislating. We are writing a measure, in effect, on the floor of the Senate.

Mr. CANNON. This is the point I wanted to get into next with the Senator, because many Senators do not have staff designated at the present time; and I wanted to make it absolutely clear that where they have such a staff member assigned, that is chargeable to them under the exclusionary provision of this amendment. Is that correct?

Mr. HUMPHREY. That is right. But I point out that in some of our standing committees, we do not have subcommittee staffs, even though a Senator will have the responsibility of a subcommittee chairmanship. In that instance, he is not precluded from having designated someone as his committee man.

Mr. McCLELLAN. Will the Senator repeat that? That is different from what he has just said.

Mr. HUMPHREY. No, it is not different. I will give an example.

I am chairman of the Foreign Agriculture Subcommittee. We do not have a professional staff for that subcommittee. We have a total staff for the committee, which is fine. Do not misunderstand me. It works very well. But under my pro-

posal, I still would be entitled, therefore, to hire someone as my Agriculture Committee man.

However, if the Committee on Rules and Administration permits us to have our Subcommittee on Foreign Assistance in the Committee on Foreign Relations, of which I am chairman, and there is a staff allocation of funds made for that subcommittee, then I am not permitted to have an additional staff person.

Mr. McCLELLAN. One other question: If I am chairman of a subcommittee of the Committee on the Judiciary, the Senator says that I then have no right to designate someone else. I would have to use that staff or some member of that staff. Do I correctly understand that I can designate or it is understood that whoever on that staff serves me also has the same staff privileges in the full committee as the man who is designated for each Senator?

Mr. CANNON. Absolutely.

Mr. McCLELLAN. No question about that?

Mr. HUMPHREY. No question about that; none at all.

Mr. CANNON. One other point should be made absolutely clear, and I want the Senator's attention to this.

In the request for money for funding for the committees this year we have not, in the Committee on Rules, acted on the resolution yet because we were waiting to see what the Senate's pleasure was in this regard. Many of the committees this year have requested additional staff members for the purpose of assigning them, designating them to particular Senator members of their committee.

Mr. HUMPHREY. Correct.

Mr. CANNON. Would it be the intention of the author of this amendment and his supporters that the Rules Committee, if this amendment is approved, should thereby reduce those requests wherein we can identify additional personnel requests for the purpose of assigning them to specific Senate Members?

Mr. HUMPHREY. That is correct. Let me give an example.

Again, in the Committee on Foreign Relations, there has been a recommendation that there be a man or a woman assigned as an employee for each, I believe in this instance, minority member. I do not think the majority asked for it.

Mr. CANNON. Eighteen additional members, I may add. Eighteen additional staffers were requested for Foreign Relations.

Mr. HUMPHREY. Some of them were for subcommittees. But in each instance, there was to be one for each minority member. In this particular proposal I am offering, if the individual Senator got a personal staff member assigned to him for Foreign Relations, then the request for the additional ones would be vitiated.

Mr. CANNON. So that the committee, in reviewing the money resolutions, then, if this resolution passes, should proceed on the assumption that every member of the Committee on Foreign Relations is entitled, under this resolution, to have a person assigned, if he does not already have one. Therefore, any request for added staff personnel, for the purpose of designating additional Senators, should be denied by the Committee on Rules.

Mr. HUMPHREY. But that is separate and distinct, may I say, from any request that may have been made for some operating subcommittee that is related to a specific function of the full committee.

Mr. CANNON. I understand.

Mr. GRAVEL. Will the Senator from Minnesota permit me to answer that?

Mr. HUMPHREY. Yes.

Mr. GRAVEL. I hope the Rules Committee will differentiate in their examination of the compensation for each chairman as to whether it was germane to increasing the technical staff for the full committee or whether the request was made to then assign these requested new staff members to members. Not only do I hope the Rules Committee will address itself to the new requests, like the Finance Committee, Budget Committee, Nutrition Committee, but I hope that the Rules Committee will now take this as pressure to go back to old assignments of committees and try to perceive as to what is staff, legislative staff, for the full committee and what is staff that was palmed off or given to members of the committee as part of the largess, because that is where the correction has to be made. Certainly, these excesses do have to be met.

I can assure my colleague from Nevada, we shall work with his committee, if it will do this. It is most difficult to come to the floor and sell this, but we who want to see this reform will come to the floor with him and help him in this regard.

Mr. CANNON. I can assure my colleague that we will certainly put that pressure on, because during this discussion, just out of curiosity, I took a count and found that there are 35 staff members on the floor here, in one form or another, and 17 Senators. We are already out-numbered roughly by about two to one. If we add these people to the individual Senators, we are certainly going to try as best we can to reduce what I consider to be excessive numbers of people on the staffs of some of these committees.

Mr. HUMPHREY. Mr. President, I want to say that one way we can obviate the excessive presence of staff members sometime, and hopefully in the future, is to have closed-circuit television so that we can know what is going on in the Senate and in our respective offices.

Mr. CANNON. Will the Senator agree that if we did that, we can arrange for a line back to our own States and we can tell what is going on from out there and not even have to come to Washington?

Mr. HUMPHREY. That may be the next step. I hope not.

Mr. PASTORE. At least, they will not send us back.

Mr. HUMPHREY. I believe that as a result of this colloquy, we have shown that there is a great deal of similarity between the Hatfield amendment as the Senator from Nevada identified it, and the one I have presented in behalf of a number of our colleagues. I think we have clarified those differences and made a record here which should give us some guidance.

Mr. CANNON. There is another point on page 2, subparagraph 2, where it says:

> A Senator serving on one or more standing committees named in paragraph 3 or in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3.

Then it qualifies select and special committees of the Senate and joint committees of the Congress for one person. My question is if we come to that category and a Senator has one person assigned, any one of those special categories of committees, to him, he is not entitled to an additional one for some other one of those committees, is that correct?

Mr. HUMPHREY. That is my understanding.

Mr. GRAVEL. That is my understanding, also. We have double-checked the language and it is very clear on page 2—well, not very clear, but it is clear on page 2.

Mr. CANNON. Mr. President, that covers the questions I had. Does the Senator from Alabama have any further questions?

Mr. ALLEN. I have no questions, but I should like to make a comment or two.

It is quite obvious that the Senate plans to move forward with this resolution, either the committee resolution or the substitute. I do not favor the committee resolution or the substitute, because I do not believe that additional staff is needed. I think we have adequate staff. The Senator from Alabama does not have any members of any committee staff assigned to him. It is not a case of the new Senators against the old Senators or the Senators with little seniority against those with much seniority. That is not the question, as I see it.

I do not believe that the proceedings on this matter have put the Senate in a very good light. I do not believe that the last few days have been the finest hours or the finest days of the Senate as we have studied this self-serving proposal. The substitute would leave in the discretion of the Senator himself the matter of compensation; it would take that away from the chairman and the ranking minority Member in consultation with the Senator, and would have the danger of disrupting, causing dissatisfaction among present staff members as the Senators set salaries above the salaries of the present staff members.

I was reading the history just last night that when the Federal Government moved from Philadelphia to Washington in 1800, there were 131 employees of the Federal bureaucracy—131. Yet we are making arrangements here to add possibly twice that number of Federal employees, at a time when we ought to be cutting back, instead of cutting back as we should. I hope this is not the Senate's answer to the unemployment problem. I hope it is not the Senate's answer to the problems of inflation and recession and energy. We talk a whole lot about solving the energy problem, but we do not get a great deal done. We have used all this time that has been spent on this resolution when we could have been considering other matters.

There are some 14 or 15 appropriations bills to run the Federal Government starting in July for the fiscal year 1976, and not a single one of those bills has passed, and yet we fritter away days on this matter.

Mr. President, these provisions on this matter and on the various debates that have taken place here in the Senate since I have been in the Senate have indicated to me that we do need some major changes in the Senate procedures. I do not believe that adding 200 or 300 additional committee personnel or Senators' personnel is the answer.

I have filed——

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. ALLEN. Yes.

Mr. CRANSTON. I would just like to make a parliamentary inquiry, if I might, about our time problem. Are we going to have two rollcalls? Could we do without the rollcalls or will we have one rollcall? What is the situation?

Mr. CANNON. I have been advised there may be one rollcall.

The PRESIDING OFFICER. The yeas and nays have not been requested.

Mr. CANNON. There are no rollcalls ordered.

The PRESIDING OFFICER. There are no rollcalls at the moment.

Mr. HATFIELD. I would like to ask for the yeas and nays on the Humphrey amendment.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CRANSTON. Is this on the Humphrey amendment? May I ask now once we have voted on that can we dispense with the rollcall? Can we vote without a rollcall?

Mr. CANNON. No one can be committed, but I believe we will have a rollcall on final passage.

Mr. ALLEN. I am interested in a rollcall on final passage.

Mr. CRANSTON. We have an order to go to the New Hampshire matter at 1 o'clock, so we have to have action now.

Mr. ALLEN. We are operating under the cloture that the Senate has voted, so we are following the Senate rules in that respect. This matter would have already been disposed of, I might say, if cloture had not been voted, which opened up a wide area of discussion. But I do not intend to speak for more than a couple of more minutes.

Mr. President, I have filed a notice at the desk that on tomorrow I will offer a resolution to amend Senate rule XIX in two respects. It will add a paragraph 9 and a paragraph 10.

> 9. In speaking on the floor of the Senate, no Senator shall speak from a prepared script or from prepared written, printed or typed remarks nor may he insert in the Congressional Record any prepared remarks to be shown as delivered by him on the floor.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ALLEN. Not at this point.

Paragraph 10:

> No Senator may in the Senate Chamber make use of any legislative assistant or other person on his staff or on the staff of any committee on which he serves for advice, information or other assistance in the performance of his duties.

Now, Mr. President, it occurs to the Senator from Alabama that this would be a far-reaching reform of Senate procedures, a reform that would revolutionize the legislative process here in the Senate Chamber, and would make of each of the Senators an equal. It would require the Senator to obtain his briefing from his staff, both present and anticipated, outside the Senate Chamber, and we would all come in here with such knowledge as we had acquired, and we could have some real debate at that time, and we would not have a 50-page text or prepared remarks that we would read from.

It would put everybody on exactly the same basis. We would not have these long-winded speeches, in my judgment. We would say what we had to say, and——

Mr. HUMPHREY. I say to the Senator, that would not stop me. [Laughter.]

Mr. ALLEN. We would say what we had to say and then we would sit down, which I am going to do at this time.

Mr. DOLE. Mr. President, we have spent several days debating the pending resolution, Senate Resolution 60, which will determine the size and allocation of staff between Senators and Senate committees. It appears the debate is deteriorating into a battle between the "haves" and the "have nots." Most of those in a position to control the existing staff through chairmanship of committees or subcommittees take a restrictive view of the efforts to expand committee staff allotments. Most of us who have less seniority and less staff but still are obligated to investigate, initiate, and respond to the constituent problems on the same number of bills are supportive of those measures which would give us at least one staff representative on the committees on which we serve.

EQUAL REPRESENTATION?

So the debate has come to the question, in part, of whether Senators equally elected by their States, will be able to equally represent the needs and concerns of their States. It is the view of this Senator that in the past, equal State representation in the Senate, as envisioned under the Constitution, has not been possible due to differences in staff resources.

Although I am very sympathetic with the cost and space allocation problems which are associated with these proposals, I feel that the principle of equality should be the guidepost in the resolution of the staffing question.

I certainly have no quarrel with the concept of a professional staff responsible to all committee members. Yet I would question in the long run whether it is possible for a staff member to be totally nonpartisan and divide his time equally when demands on staff time become heavy. In my opinion, experience has shown that a staff employee will naturally first respond to the needs of the person who appointed him.

While not uncommon for some Senators, by virtue of their position, to hire as many as 20 staffers, and a few—reportedly—many more, there are many of us who have only been granted this authority for one or two positions. Because of every Member's need to rely on staff for technical support, and since this support is vital to each Member's effectiveness in the Senate, I feel that it can be argued that the existing inequities in staffing give rise to at least unequal opportunity to represent our various constituents and their particular viewpoints.

REFORM NEEDED

Mr. President, I would agree with my colleagues who have labeled the pending resolution as merely "a bandaid approach" to the entire staffing issue.

In the long run, we do not need more staff, we need a better distribution of existing staff. We need basic reform, not additional appropriation. I have joined as a cosponsor of Senate Resolution 109 introduced by the junior Senator from Tennessee, which would establish a Select Committee on Committees to conduct a comprehensive study of the Senate committee system. Topics to be studied by this committee would include, but not be limited to, the structure, jurisdiction, number, and optimum size of the Senate committees, as well as the rules, procedures, and staffing regulation which should be adopted.

I feel this is an important step in the on-going effort to structure Congress so that it is better capable of meeting the challenges it faces as a coequal branch of the Federal Government.

FISCAL RESPONSIBILITY

In closing, I would like to comment briefly on the duplication and cost of programs intended to support Congress. Earlier this year, I introduced a resolution, Senate Resolution 152, calling for oversight of all of the existing programs by every authorizing committee. The purpose of this oversight was to screen the programs for waste and duplication with an eye toward cutting costs. I feel we are desperately in need of this same kind of oversight within those programs funded by the legislative appropriations bill and authorized by the Rules Committee. For example, the Congressional Research Service and the Library of Congress have requested for next year 157 and 140 new positions respectively, or nearly 300 new people in support of congressional activities. This increase would mean a new 300-percent increase in the Library staff since 1970.

The General Accounting Office has requested an additional staff to provide an equivalent of 226 staff years for the coming year to assist Congress in an investigatory capacity. The newly created Congressional Budget Office will be adding several hundred staff positions to assist Congress with budget and program analysis. Yet we have spent nearly a week debating whether or not it is advisable or too costly to add another 100 staff positions directly in support of the same legislative process and which would be directly responsible to Senators. At a minimum, I would hope that if additional staff are approved, this staffing addition would be viewed in accordance with the concept of my over-

sight resolution, as a part of the overall support programs for the Senate and have new funding offset through reductions in other support areas to avoid additional cost to the taxpayer. I would also hope that the Senate is equally scrupulous with the taxpayer's dollar when the legislative appropriations bill—and in fact all appropriations bills—are considered in the Senate this year.

But in order to do that, and to adequately represent the needs of our States and constituents, this Senator feels the resolution to improve Senate staffing should be passed.

REQUEST FOR PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO MEET THIS AFTERNOON

Mr. ROBERT C. BYRD. Mr. President, I have been asked by Mr. JACKSON, chairman of the Committee on Interior and Insular Affairs to ask unanimous consent that his committee be permitted to meet this afternoon just for the purposes of a hearing in view of the fact that several witnesses from the State of New Mexico are in town and had expected to be heard.

Mr. HATFIELD. Reserving the right to object, and I shall object, I would just like to make very clear if this body is going to begin the New Hampshire election contest consideration, and after the over 200 hours that the Rules Committee spent on trying to resolve this problem, and brought it back to the Senate for some problems that we have found we could not resolve, and the fact that we had indicated from the very beginning that, once we started the New Hampshire election procedure we would follow that assiduously on a time schedule, and we begin to make exceptions on this basis, we will be making exceptions all down the line and I think, therefore, that that is a sufficient basis upon which I shall object.

SEVERAL SENATORS. Vote! Vote!

Mr. ALLEN. Mr. President, in order to close the matter out, as I have stated, I am against both of these proposals, I ask unanimous consent that the request for the yeas and nays be withdrawn, and to call for a yea-and-nay vote on final passage.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. What about the amendment, have a voice vote on the amendment?

Mr. STENNIS. Mr. President, may we have order here? We cannot hear. Everybody is talking whether he has the floor or not. Will the Chair maintain order?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ALLEN. Mr. President, I call for the yeas and the nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered.

Mr. GRAVEL. Voice vote on the amendment.

Mr. HUMPHREY. Mr. President, the pending business is the Humphrey amendment, is that correct?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the amendment of Mr. HUMPHREY.

The amendment was agreed to.

Mr. CANNON. Vote on final passage.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislation clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, will the Chair advise what we are voting on?

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The legislative clerk resumed and concluded the call of the roll.

Mr. GRIFFIN. I announce that the Senator from Texas (Mr. TOWER), is necessarily absent.

I further announce that, if present and voting, the Senator from Texas (Mr. TOWER), would vote "nay."

The result was announced—yeas 63, nays 35, as follows:

[Rollcall Vote No. 225 Leg.]

YEAS—63

Abourezk	Garn	Metcalf
Baker	Glenn	Mondale
Bartlett	Gravel	Montoya
Bayh	Griffin	Morgan
Beall	Hansen	Moss
Bellmon	Hart, Philip A.	Packwood
Bentsen	Hartke	Pearson
Biden	Haskell	Percy
Brock	Huddleston	Randolph
Brooke	Humphrey	Ribicoff
Buckley	Inouye	Schweiker
Cannon	Jackson	Scott, Hugh
Case	Javits	Scott, William L.
Chiles	Johnston	Stevens
Clark	Kennedy	Stevenson
Cranston	Laxalt	Symington
Culver	Long	Taft
Dole	Magnuson	Tunney
Domenici	Mathias	Williams
Eagleton	McClure	
Fong	McGee	
Ford	McGovern	

NAYS—35

Allen	Hatfield	Pastore
Bumpers	Hathaway	Pell
Burdick	Helms	Proxmire
Byrd, Harry F., Jr.	Hollings	Roth
Byrd, Robert C.	Hruska	Sparkman
Church	Leahy	Stafford
Curtis	Mansfield	Stennis
Eastland	McClellan	Stone
Fannin	McIntyre	Talmadge
Goldwater	Muskie	Thurmond
Hart, Gary W.	Nelson	Weicker
	Nunn	Young

NOT VOTING—1

Tower

So the resolution (S. Res. 60), as amended, was agreed to.

S. RES. 60

Resolved, That rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) Subject to the limitations contained in subparagraph (b) of this paragraph, each Senator serving on a committee is authorized to hire staff for the purpose of assisting him in connection with his membership on one or more committees on which he serves as follows:

"(1) A Senator serving on one or more standing committees named in paragraph 2 shall receive, for each such committee as he designates, up to a maximum of two such committees, an amount equal to the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(2) A Senator serving on one or more standing committees named in paragraph 3 or, in the case of a Senator serving on more than two committees named in paragraph 2 but on none of the committees named in paragraph 3, select and special committees of the Senate; and joint committees of the Congress shall receive for one of such Committees which he designates, an amount equal to the amount referred to in section 105(e)(1) of the Legislative Appropriations Act, 1968, as amended and modified.

"(b)(1) The amounts referred to in subparagraph (a)(1) shall be reduced, in the case of a Senator who is—

"(A) the chairman or ranking minority member of any of the two committees designated by the Senator under subsection (a)(1);

"(B) the chairman or ranking minority member of any subcommittee of either of such committees that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

"(C) authorized by the committeee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such committee or subcommittee, by an amount equal to the total annual basic pay of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof as the case may be, or to the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(2) The amount referred to in subsection (a)(2) shall be reduced in the case of any Senator by an amount equal to the total annual basic pay of all staff employees (i) whose appointment to the staff of any committee referred to in subsection (a)(2), or subcommittee thereof, is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committees or subcommittee thereof as the case may be, or an amount equal to the amount referred to in section 105(e)(1) of such Act, whichever is less.

"(c) An employee appointed under this paragraph shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

"(d) An employee appointed under this paragraph shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

"(e) Payments made with respect to individuals appointed to the office of a Senator under this paragraph shall be paid out of the contingent fund of the Senate.

"(f) Individuals appointed as employees under this paragraph shall be in addition to employees otherwise authorized to be appointed to the office of a Senator.".

SEC. 2. Paragraph 8 of rule XXV of the Standing Rules of the Senate (as added by the first section of this resolution) shall be suspended and shall have no force or effect during any period during which, by law, a legislative assistance clerk-hire fund is established and funded to provide for legislative assistance for Senators serving on committees at rates not less than those provided in such paragraph 8 and subject to no more conditions and no greater limitations than those provided in such paragraph.

SEC. 3. Each Senator and the chairman of each committee on which he serves shall, not later than five days (not including Saturdays, Sundays, or holidays) after the date on which this resolution is adopted certify to the Secretary of the Senate a list containing the names and the total aggregate annual compensation of any professional staff member on such committee whose appointment is made, approved, or recommended by such Senator. Whenever such certification has been made and is no longer applicable, the Senator and chairman of that committee shall jointly notify the Secretary of the Senate accordingly. Such certification shall be effective on the date received by the Secretary of the Senate.

The title was appropriately amended.

Mr. CANNON. Mr. President, I ask unanimous consent to make a technical change in the Humphrey amendment.

On page 3, line 15, strike out "2 times" and on page 4, line 3, strike out "one and one-half times".

I also ask unanimous consent for the Secretary of the Senate to make general technical and clerical changes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator will send those changes to the desk.

Mr. CRANSTON. Mr. President, I express my thanks to the chairman of the committee for his patience, tolerance, and understanding, and, in the end, his support for the principles that underlay our effort to establish a better staffing system.

We did not achieve all that we wished, but we achieved a great deal. I am very grateful to the chairman and the many other Senators for their part in this.

Senators BROCK, GRAVEL, and PACKWOOD did valiant work in bringing this about. Senator HUMPHREY's work yesterday and this morning was invaluable.

I would like to add my thanks to a number of staff members who have provided countless hours of work and research on this proposal: Harrison Fox with Senator BROCK; Al Holmer with Senator PACKWOOD; Jerry Udell, Bob Mitchell, and Bill Hoffman with Senator GRAVEL; Judy Rainhalt with Senator BENTSEN; Dave Newhall with Senator SCHWEIKER; and Roy Grunway and Jan Mueller of my own staff.

I express my general gratitude to all of those, including many who did not vote with us. There were some good arguments expressed by those who voted against what we were seeking to do. I fully understand that.

I am delighted with the outcome, even though it was not what we originally sought.

Mr. HATFIELD. Mr. President, even though I voted no on final passage, I take this occasion to express my appreciation to those Senators who first took the initiative to bring this to our attention—Senator CRANSTON, Senator BROCK, Senator PACKWOOD, and Senator GRAVEL—for Senator HUMPHREY's success in compromising the problems, I also want to express my appreciation to my chairman for his indulgence for the many hours that we worked in the Rules Committee to bring forth a proposal to the Chamber upon which the Senate could work its will.

Mr. President, it is now our responsibility to make this work and, in addition, not to give up on the other needs of reform which still must be considered by the Senate in the days and months ahead. I pledge my continued effort in that regard.

Mr. BROCK. Mr. President, I echo the statement of the Senator from Oregon. This is only the first step in some very fundamental questions that have to be asked on how this body can be brought to its maximum responsiveness and effectiveness.

I do think this can be said with great confidence: I think it is a sizable reform, and I think we have accomplished a great deal more than a change in just one or two staff personnel for one or two Senators. I think we have accomplished a very fundamental shift in the balance of the Senate, in a positive direction.

So I commend not only the Senator from California and all others who supported the amendment and the total effort we have made, but those who opposed it, for keeping the debate in a responsible, decent, constructive context. I understood the opposition, and I appreciated it. The sincerity and integrity of posture which I, for one, think we have exhibited has resulted in a constructive resolution with a very fundamental reform, and I thank my colleagues for this final action.

Mr. McCLELLAN. I yield 2 minutes to the Senator from Alaska.

Mr. GRAVEL. Mr. President, I just want to associate myself with the remarks of others in gratitude, in this regard, for the efforts of Senator CRANSTON, Senator PACKWOOD, Senator BROCK, Senator BENTSEN, and the many others who have participated in this effort, and particularly for the patience of the leadership, which of course was most tried in these very delicate deliberations.

I think the result will be what we have all dreamed of, and that was an event much to be desired. I appreciate the efforts of the leadership, the Senator from Nevada and the Senator from Oregon.

COMMITTEE FUNDING

Mr. CANNON. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 179) continuing through June 30, 1975, the authority of Senate committees to pay compensation and make expenditures for inquiries and investigations, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CANNON. Mr. President, this is a continuing resolution for committee funding to continue through June 30, 1975, in order that the Rules Committee can act on the present applications before the committee in light of the resolution just passed. This resolution permits the funding so that the payroll can be met for the next payroll period in the interim period. We shall have the resolutions reported back to the Senate prior to June 30, 1975.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 179) was agreed to.

The resolution reads as follows:

S. RES. 179

Resolved, That Senate Resolution 111, 94th Congress, agreed to March 17 (legislative day, March 12), 1975, is amended—

(1) by striking out "May 31, 1975" each place it appears therein and inserting in lieu thereof "June 30, 1975", and

(2) by striking out "three-twelfths" in section 3 and inserting in lieu thereof "four-twelfths".

UNANIMOUS - CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 492

Mr. MANSFIELD. Mr. President, I ask unanimous consent that despite the unanimous-consent agreement, it be in order, after the distinguished Senator from Alaska is recognized, to take up the so-called summer unemployment bill, with a time limitation of 20 minutes attached thereto.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR SUMMER YOUTH PROGRAMS

Mr. McCLELLAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 492, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 492) making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. Without objection, the joint resolution will be

considered as having been read twice by its title.

Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. I yield myself 3 minutes.

I would like to make a few brief remarks concerning House Joint Resolution 492, urgent supplemental appropriations for summer youth employment and recreation.

This bill, totaling $473,350,000, has three components: $456,350,000 for summer jobs for disadvantaged youth; $15-300,000 for a summer youth recreation program; and $1,700,000 for a summer youth transportation program. These are the amounts originally agreed to by the conferees in the vetoed emergency employment appropriation bill.

The administration originally requested $412,700,000 for the summer youth jobs program, to provide last year's level of 760,000 jobs. This bill, as passed yesterday by the House, would provide approximately 840,000 jobs, about a 10-percent increase over last year's program. I believe this modest increase is justified, in view of the fact that the unemployment rate for disadvantaged youth is now in excess of 40 percent.

The bill also includes last year's level of recreation and transportation support services, for which continued funding was not requested by the administration. These funds provide recreational opportunities for millions of disadvantaged youth too young to work, as well as making available transportation services to the job and recreation sites.

I believe it is important that we concur with the House, and send this bill quickly to the President. Further delay would be a disservice to the youth of our country, millions of whom are now looking for summer jobs.

Mr. President, I urge my colleagues to pass House Joint Resolution 492 immediately.

I yield to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. YOUNG. Mr. President, who controls the time?

Mr. McCLELLAN. I yield control of the time to the Senator from North Dakota.

The PRESIDING OFFICER.. The Senator from North Dakota has the time.

Mr. YOUNG. I yield myself such time as I may require.

Mr. President, I fully support the position taken by the distinguished chairman of the Appropriations Committee. This summer job program is a very important and worthy program. We should adopt it without amendment.

If amended at all, it could be snarled up, as other appropriations have been. In the interest of time, I see no alternative but to pass it as is. Help get these thousands of jobs for needy youth.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. YOUNG. I yield.

Mr. HUMPHREY. I just want to say I concur in what the Senator has said. I believe we ought to adopt this measure as a clean bill, and get it over to the President right away. I compliment the committee for its prompt action.

Mr. JAVITS. Mr. President, will the Senator yield me 3 minutes?

Mr. YOUNG. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I urge the passage of this vitally necessary appropriations bill which would give the cities the needed funds to run their summer youth job program. In this time of recession with an unemployment rate of 9.2 percent, these employment funds are needed more than ever. With the present labor market situation, the availability of employment for youth has all but dried up. Recent articles and figures have shown that pockets of unemployment among black urban youth is as high as 50 to 60 percent. It has been estimated by the National Urban League that the black unemployment rate reached 25.8 percent for the first 3 months of 1975.

Labor Department statistics, released the same day the President vetoed the original emergency jobs bill, show the unemployment rate of 16-to-20-year-old blacks nearly doubled over the last 20 years. The study shows the jobless rate for black youth was 16.5 percent in 1954 and 30.2 percent in 1973. The employment rate for whites of the same age remained the same at over 12 percent.

These figures only emphasize how urgent it is for Congress to provide funds for summer employment for economically disadvantaged youth.

While I am disappointed that the House did not include in this bill items which the administration had indicated it would approve, including $1.625 billion for public service employment, as well as items which the House and Senate had previously agreed to in conference on H.R. 4481, I am aware that the House is presently working on a continuing resolution to provide funds for these needed programs. It is my hope that these funds will be made available very soon.

The $458 million in this bill for the summer youth job program will provide approximately 840,000 summer youth jobs for economically disadvantaged youth, 14 to 21 years of age. Each job will provide a 9-week opportunity at 26 hours a week at the minimum wage of $2.10 an hour. This figure is the same as previously agreed to in conference. Last year, $380 million was appropriated for the summer youth job program and provided 760,000 employment opportunities.

Included in the $458 million is $1.7 million for the summer youth transportation program, which should be administered by the Community Services Administration. As I understand it, both the Department of Labor and the Community Services Administration have agreed to this.

Although the funding level is below my original request in keeping with the goal of 1.1 million jobs—the needs documented by the National League of Cities—States, cities, and counties may utilize their discretionary funds under title I of CETA to supplement the national program to be funded under this bill.

It has been estimated that there is over $300 million in unprogramed title I fiscal year 1975 funds which cities can use to supplement the national program that can be mounted with the funds we have included in this measure.

With the passage of this bill, the State of New York would receive approximately $39.8 million, and New York City would receive $26.5 million. I am pleased that New York City has strapped itself under CETA to set aside funds in anticipation of the summer and that this combination of funds will provide the 80,000 jobs that New York City has estimated it could effectively employ. This compares with the 1974 figure allocated to New York City of $24.4 million which provided 45,744 job slots.

While New York City will provide more jobs slots this year, the city has estimated that 426,000 youth will be eligible under their employment programs.

I am pleased that the House has included $15.3 million for the summer youth recreation program, administered by the Community Services Administration. This is the same figure agreed to in conference. The House originally provided no funds for this effort and the Senate bill recommended $26.0 million, the amount I requested in testimony before the Appropriations Committee on March 4.

This is the same level that was provided for the last 2 years. It should be noted that in 1973, this figure was appropriated to cover recreation programs in the 50 largest cities; in 1974, the same figure was distributed nationwide and included rural areas, forcing the cities to take substantial cuts in their funding levels.

While there is needed an increase in funds for this program which complements and supplements the summer youth job program, I support at this time the figure recommended by the House.

Passage of this bill is needed today. The summer has begun for many of our country's youth or will begin shortly. This bill is one step in our fight against unemployment in this country. More needs to be done, but I hope that this will help to relieve somewhat the more pressing problems of employment for the economically disadvantaged youth of our country.

Mr. President, traditionally this has been a matter in which I have taken a deep interest, and I also would like to compliment the committee. The Senator from Arkansas (Mr. McCLELLAN) was kind enough to come to me and tell me that if we agreed to leave amendments off this bill, it could be put through promptly.

It is to be noted, Mr. President, that we are now at June 12, and this is a summer program. Fortunately for us, because it has been traditional that we would pass some bill for summer jobs, the cities are geared up to it, and a survey has been made part of the hearing record from the two organizations representing the cities which shows that they are geared up and that they are ready to absorb the employment which this measure will provide.

For the information of Senators, last year's figure was $380 million, to provide 760,000 jobs. This year's figure will give us 840,000 jobs, plus the necessary supplementary transportation and recreational allowance. It will help very materially in every city in the United States which needs such assistance.

In some cities, Mr. President, it should be noted that they have actually thought so much of the program that they have taken money out of title I of CEPA, for which we owe such a deep debt of gratitude to Senator Magnuson, to supplement what they will get out of this program. That is true of the city of New York, for example, which has strapped itself of title I funds in an effort to have a cool summer.

I am grateful to Senators McCLELLAN, YOUNG, and MAGNUSON for the very fine job which has resulted, and will be of enormous benefit to every one of these cities. It is just about in the nick of time; it really could not be one day later.

Mr. YOUNG. Mr. President, after the Senator from Washington has completed his time, I would like to yield the remainder of my time to the Senator from Massachusetts (Mr. BROOKE).

Mr. McCLELLAN. Mr. President, first I would like to make this observation, and then I will yield to the Senator from Washington:

In the handling of this matter, I would like to state that the chairman of the Appropriations Committee of the House of Representatives called me a few days ago and asked me if we would cooperate over here in trying to bring out a clean bill just for this item.

There are other matters that are urgent also, and action is being taken by the House of Representatives to take care of those. But this bill is over here, and if we are going to get these youths to work, we need to get this bill passed. This is prejudicial to no one, and I hope no amendment will be offered to it.

The other amendments Senators are concerned about, I might say, are in the process of being taken care of by a continuing resolution which was reported out by the House Appropriations Committee yesterday. The items that are in that contingent resolution would continue in the same manner that is now in order.

I had hope that we could pass this bill without an amendment so that we would expedite it and get it down to the President today for his signature and get these youths to work.

Mr. President, I yield to the distinguished Senator from Washington.

Mr. MAGNUSON. Mr. President, of course, I thoroughly agree with the statements that have been made about the urgency of this particular bill.

There are some other items, as the distinguished Senator from Arkansas has mentioned, that were just as urgent to us in the committee as this particular summer youth employment program which we were unanimously for.

So, yesterday, Mr. President, I submitted an amendment to the House Joint Resolution 492, cosponsored by the Senator from Massachusetts, myself, Senators CASE, BAYH, SCHWEIKER, JACKSON, and many others. The purpose of this amendment was to restore vital employment programs totaling $1,854,800,000, which had previously been contained in the $5.3 billion emergency jobs bill vetoed by the President. Together with the $473,350,000 vetoed by the House of Representatives for the summer youth programs, House Joint Resolution 492 would have been amended to total $2,328,150,000.

I have that amendment at the desk.

Today, however, the full Appropriations Committee in the House of Representatives approved a continuing resolution for fiscal year 1976, which appears to include all of the items we intended to add to the supplemental, in my letter to Chairman MAHON. I will, therefore, not pursue my amendment to House Joint Resolution 492.

The Senator from Arkansas said the continuing resolution will merely, as normally continuing resolutions do, allow them to spend for these other items the amount that was appropriated last year, but they have added to it the amounts we were going to suggest in our amendment, and that makes it a little higher.

I withhold this amendment, somewhat reluctantly, since we have had a lot of trouble with the way they interpret continuing resolutions downtown.

It is vitally important, however, that we do not fully delay the enactment of the legislation to provide the desperately needed jobs for our youth in the summer.

But, by not calling up my amendment, we should be able to immediately pass this bill.

Mr. McCLELLAN. I hope it does.

Mr. MAGNUSON. I hope it will be done, sending to the President a bill providing about 840,000 jobs for disadvantaged youth in the summer, as well as a small amount—I think it should have been higher—but there is an amount supporting summer recreation and transportation programs.

Mr. McCLELLAN. I have only 2 minutes remaining.

Mr. MAGNUSON. Yes.

These summer youth recreation and transportation programs serve additional millions.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a table showing how much money each area of the country will get for summer youth jobs which will average $543 per job.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR—MANPOWER ADMINISTRATION: 1975 SUMMER ALLOCATION

	Final Allocation
Region I	25,772,068
Connecticut	6,415,052
Bridgeport CSRT	1,234,250
Hartford CSRT	1,328,557
New Haven CSRT	1,290,721
Stamford CSRT	401,823
Waterbury City	349,152
Balance of Conn	1,812,549
Maine	2,459,810
Penobscot CNTY	275,846
Cumberland CNTY	342,093
Balance of Maine	1,841,871
Massachusetts	12,247,460
Boston	2,694,388
Emhrda CSRT	768,895
New Bedford CSRT	444,177
Hampden CNTY CSRT	988,267
Worcester CSRT	461,553
Lowell CSRT	466,983
Brockton CSRT	385,532
Balance of Mass	6,037,665
New Hampshire	1,206,013
Rock/Strafford CSR	325,803
Hillsborough CNTY	332,319
Balance of NH	547,891
Rhode Island	2,389,762
Providence	892,156
Balance of R.I	1,497,606
Vermont	1,053,971
Balance of Vermont	1,053,971
Region II	65,435,825
New Jersey	14,223,457
Atlantic County	507,166
Hudson County	907,360
Jersey City	1,163,658
Monmouth County	634,229
Essex County	590,246
Newark City	3,739,128
Morris County	297,023
Union County	368,700
Elizabeth City	251,954
Middlesex County	849,802
Bergen County	539,203
Passaic County	521,827
Paterson City	590,789
Mercer County	251,954
Trenton City	362,727
Cumberland County	200,912
Burlington County	372,501
Camden County	571,241
Camden City	337,749
Gloucester County	204,713
Ocean County	272,588
Somerset Cnty	122,176
Balance of N.J	565,811
New York	39,870,636
Albany Csrt	457,210
Rensselaer Cnty	179,734
Saratoga County	212,315
Schenectady Cnty	140,638
Erie Csrt	459,383
Buffalo City	1,522,041
Niagara County	354,039
Broome County	376,845
Chemung County	238,922
New York City	26,579,520
Rockland County	141,181
Westchester CSRT	927,994
Yonkers City	260,099
Nassau County CSRT	925,822
Suffolk Cnty CSRT	1,024,649
Dutchess County	235,664
Monroe/Rochester	758,577
Oswego Cnty	158,557
Onondaga Cnty	221,003
Syracuse City	516,397
Oneida County	539,746
Chautauqua CSRT	482,731
Orange County	165,616
St. Lawrence Cnty	163,987
Ulster County	118,918
Steuben Cnty	159,643
Bal. of New York	2,549,405
Puerto Rico	11,341,732
Ponce Municipio	651,605
Bayamon Municipio	592,418
Carolina Municipio	540,832
San Juan CSRT	1,564,395
Mayaguez Municipio	438,205
Caguas Municipio	502,822
Bal. of Puerto Rico	7,051,455
Region III	49,359,091
Delaware	1,031,165
Wilmington	456,124
Del. Intgov. MA S.C	575,041
Maryland	6,628,454

U.S. DEPARTMENT OF LABOR—MANPOWER ADMINISTRATION: 1975 SUMMER ALLOCATION—Continued

	Final Allocation
Baltimore CSRT	4,732,825
Montgomery County	243,809
Prince Georges Co	644,546
Western Md. Csrt	310,599
Balance of Md	696,675
Pennsylvania	20,542,399
Lehigh Valley Cons	314,399
S. Allegany Csrt	797,673
Erie Cty	316,572
Erie Cnty	216,659
Susquehanna Csrt	449,608
Lancaster Csrt	247,067
Bucks County	322,545
Chester County	311,684
Delaware County	446,350
Montgomery County	373,587
Philadelphia	4,687,214
Alleghany County	1,721,324
Pittsburgh	2,789,413
Beaver County	298,652
Washington County	273,674
Westmoreland Cnty	362,184
Berks County	350,781
Lackawanna County	242,180
Scranton	243,809
Luzerne County	752,604
York County	135,208
Lycoming Csrt	245,438
Tri-County Csrt	389,877
Fayette County	472,414
Franklin County	112,945
Lawrence County	182,992
Mercer Cnty Csrt	653,779
Schuylkill Csrt	390,963
Centre Cnty	237,836
Northumberland Co	285,077
Balance of Penn	1,917,891
Virginia	8,615,845
Penninsula Csrt	621,739
Stama Csrt	1,667,566
Ramps, Csrt	1,065,917
Henrico Cnty Csrt	103,170
Roanoke Csrt	338,833
Arlington County	278,018
Fairfax County	268,244
Prince Wm County	134,665
Alexandria City	177,019
Balance of Va	3,960,674
West Virginia	5,413,210
W. Va. Statewide	5,413,210
Washington, D.C	7,128,018
Region IV	75,744,218
Alabama	8,283,531
Birmingham Csrt	1,287,463
Huntsville Csrt	348,609
Mobile Csrt	736,857
Montgomery Csrt	727,062
Tuscaloosa County	252,497
Balance of Alabama	4,931,023
Florida	14,643,743
Volusia County	358,383
Lee County	84,709
Alachua County	190,052
Brevard County	503,365
Orange/Orlando Crt	465,355
Escambia County	369,786
Sarasota County	82,537
Pasco County	85,252
Palm Beach County	514,225
Hrtlnd Mnpwr Cnsrt	782,470
Miami/Dade Cnsrt	3,127,162
NE Fla Mnpwr Cnsrt	1,170,717
Broward Csrt	1,192,437
Leon/Gadsden Cnsrt	384,990
St Petersburg Csrt	738,486
Tampa Csrt	1,404,752
Manatee Cnty	200,912
Seminole Cnty	201,998
Balance of Florida	2,786,155
Georgia	10,043,405
Atlanta	1,618,153
Fulton County	197,654
DeKalb County	438,748
Cobb County	289,964
CSRA Csrt	548,431
Sav/Chatham Csrt	340,464
Mid. Ga Csrt	507,166
Columbus Area Csrt	713,507
Clayton Cnty	163,444
Balance of Georgia	5,225,874
Kentucky	7,823,062
Kenton County	167,788
Lville/Jeff Csrt	1,493,805
Bluegrass Ma Csrt	573,954
Balance of Kent	5,587,515
Mississippi	6,970,547
Jackson CSRT	606,536
Balance of Miss	6,364,011
North Carolina	12,179,044
Buncombe County	355,668
Cumberland County	794,416
Gaston County	140,638
Onslow County	96,655
Charlotte	436,032
Winston-Salem CSRT	249,782
Raleigh CSRT	658,120
Wake Cnty	118,918
Greensboro CSRT	355,668
Durham CSRT	487,618
Alamance Cnty	196,025
Balance of N.C	8,289,505
South Carolina	6,306,454
S. Carolina CSRT	6,306,454
Tennessee	9,494,432
Chattanooga	362,184
Hamilton County	294,308
Nashville/Davidson	866,635
Sullivan County	221,546
Knoxville CSRT	773,782
Memphis CSRT	1,631,728
Balance of Tenn	5,344,249
Region V	86,248,089
Illinois	27,658,466
Chicago	20,862,770
Cook County	1,535,616
DuPage County	181,906
Kane County	150,955
Lake County	236,207
Macon County	150,412
McHenry County	62,446
Rock Island County	105,343
Tazewell County	60,816
La Salle County	61,902
Rockford Csrt	192,766
Champaigne Csrt	159,100
Will County Csrt	221,003
Sangamon Cnty Csrt	206,885
Madison Cnty Csrt	396,936
St. Clair Csrt	259,555
Peoria Csrt	290,507
East St. Louis	492,505
Shawnee Csrt	283,448
McClean Cnty	47,784
Bal. of Illinois	1,699,604
Indiana	10,848,139
Gary	2,946,885
Hammond	223,718
Lakt Cnty	607,079
Elkhart Cnty	145,525
South Bend	567,983
St. Joseph Cnty	90,682
Tippecanoe Cnty	130,321
Madison Cnty	179,734
Vigo Cnty	252,497
Indianapolis	1,392,806
La Porte Cnty	120,547
Ft. Wayne Csrt	675,497
Delaware Csrt	182,449
Southwestern Csrt	848,171
Bal. of Indiana	2,484,245
Michigan	16,797,298
Wayne Cnty	1,211,443
Detroit	5,584,257
Dearborn	67,876
Livonia	49,956
Monroe Cnty	161,815
Bay Cnty	199,826
Saginaw Cnty	308,969
Oakland Cnty	1,037,681
St Clair Cnty	236,207
Calhoun Cnty	233,492
Kalamazoo Cnty	273,674
Berrien Cnty	304,625
Ottawa Cnty	145,525
Ann Arbor/Wash Csrt	363,270
Kent Cnty Csrt	835,685
Muskegon Csrt	441,462
Genessee/Flint Csr	779,212
Lansing Csrt	548,977
Jackson Csrt	439,834
Macomb Cnty	580,472
Warren City	147,697
Bal of Michigan	2,845,343
Minnesota	5,628,869
Duluth	208,514
Dakota Cnty	77,107
Urb Minnesota Csrt	1,419,956
St Paul City	560,923
Ramsey Cnty	80,365
Region III Csrt	481,101
Bal of Minnesota	2,700,903
Ohio	18,917,185
Cincinnati	1,665,394
Butler Cnty	285,077
Clark Cnty	216,116
Hamilton Cnty	245,438
Licking/Del Csrt	273,131
Lorain Cnty	356,211
Akron Csrt	910,618
Canton Csrt	442,549
Cleveland Csrt	5,493,574
Columbus Csrt	1,080,036
Miami Valley Csrt	815,592
Greene Cnty	51,585
Toledo Csrt	897,043
NE Ohio Mnpwr Csrt	1,277,146
Allen Cnty	197,111
Clermont Cnty Csrt	508,253
Bal of Ohio	4,202,311
Wisconsin	6,498,132
Outagamie Cnty	111,859
Rock Cnty	187,880
Milwaukee Cnty	1,539,960
Madison-Dane Csrt	359,469
Wow Csrt	307,340
Winne-Fond Csrt	161,815
Trico Cetac	431,145
Marathon Cnty	159,100
Bal of Wisconsin	3,239,564
Region VI	46,304,145
Arkansas	5,167,229
Cent. Ark CSRT	887,812
Texarkana CSRT	111,859
Balance of Ark	4,167,558
Louisiana	9,965,759
Rapides Parish	317,658
Baton Rouge	683,642
Lafayette Parish	228,605
Calcasieu/Jeff CRT	461,554
Ouachita Parish	283,448
New Orleans City	1,843,500
Jefferson Parish	633,686
Shreveport	413,769
Bal of Louisiana	5,099,897
New Mexico	2,360,440
Albuquerque CSRT	620,111
Bal of New Mexico	1,740,329
Oklahoma	5,480,000
Comanche Cnty	169,960
Oklahoma Cnty	365,442
Oklahoma Cty CSRT	769,437
Tulsa CSRT	735,771
Bal of Oklahoma	3,439,390
Texas	23,330,717
Panhandle MA CSRT	541,372
Capital Area CSRT	736,312
SE Tex Comp MA CRT	557,123
Cameron County	529,429
Coastal Bend CSRT	1,030,823
Dallas City	1,267,915
Dallas Cnty	271,502
El Paso Cty/Cnty	777,583
Ft Worth Csrt	665,180
Tarrant County	78,193
Galveston Cnty	456,124
Houston	2,508,680
Harris County	389,334
Central Texas Csrt	251,410
Hidalgo Cnty Csrt	835,683
Alamo Csrt	3,130,963
Region IX Csrt	539,203
N Texas Plan Csrt	500,105
Webb County	684,185
Texarkana Csrt	150,955
Brazoria Csrt	811,248
Balance of Texas	6,617,595

Region VII	20,450,081
Iowa	3,722,292
Cent Iowa Ralg	557,664
Linn Cnty Csrt	103,170
Blackhawk County	125,977
Woodbury County	177,019
Scott County	158,014
Balance of Iowa	2,600,448
Kansas	3,430,158
Kansas City Csrt	424,629
Topeka Csrt	298,652
Johnson Cnty Csrt	117,832
Wichita Cty	571,241
Bal. of Kansas	2,017,804
Missouri	10,405,590
Kansas City Csrt	1,802,231
Independence	150,412
Jefferson Csrt	248,153
Springfield	167,245
St. Louis City	3,052,227
St. Louis County	1,059,944
Bal. Jackson Cnty	162,358
St. Charles Cnty	146,611
Bal. of Missouri	3,616,409
Nebraska	2,892,041
Omaha Csrt	1,174,518
Lincoln City	245,981
Bal. of Nebraska	1,471,542
Region VIII	9,982,047
Colorado	3,759,217
Arapahoe County	70,048
Jefferson County	102,084
Col. Springs Csrt	307,340
Larimer Cnty	140,638
Denver Cty/Cnty	1,360,769
Adams Cnty	268,072
Boulder Cnty	184,078
Pueblo Cnty	241,094
Weld Cnty	181,363
Bal. of Colorado	905,731
Montana	1,320,044
Bal. of Montana	1,320,044
North Dakota	1,127,277
Balance of N.D	1,127,277
South Dakota	1,007,816
Balance S.D	1,007,816
Wyoming	556,579
Balance of Wyoming	556,579
Utah	2,211,114
Utah Statewide crt	2,211,114
Region IX	52,070,319
Arizona	4,667,122
Phoenix/Maricopa	2,536,373
Tucson—Pima County	884,554
Balance of Arizona	1,246,195
California	44,375,404
Sunnyvale	96,655
Berkeley	433,317
Glendale	103,714
Long Beach	888,898
Los Angeles	7,972,390
Oakland	1,852,188
Pasadena	445,264
San Francisco	2,458,724
Torrance	100,456
Butte County	142,267
Contra Costa Cnty	612,509
Kern County	794,958
Los Angelea County	6,601,304
Marin County	240,551
Merced County	370,329
Monterey County	572,870
San Louis Obispo	249,239
San Mateo County	598,391
Santa Barbara Cnty	520,741
Santa Cruz County	274,217
Solano County	338,835
Sonoma County	457,753
Stanislaus County	476,758
Ventura County	561,466
San Diego Retc	2,817,107
Orange Cnty Manp	1,456,881
Inland Manp Assoc	1,886,397
Fresno Cty/Cnty	1,344,479
Tulare/Kings Cnty	869,893
Sacramento/Yolo	1,685,486
Stcktn/San Joaquin	1,009,445
Santa Clara Valley	1,510,095
Cnty of Alameda	1,380,317
Richmond	267,701
Imperial County	286,706
Humbolt Cnty	241,637
Bal of California	2,455,466
Hawaii	1,777,253
Hawaii St/Cnty Crt	1,777,253
Nevada	1,250,540
Las Vegas Csrt	735,771
Washoe County	317,658
Balance of Nevada	197,111
Region X	16,852,684
Alaska	1,487,832
Anchorage Borough	231,863
Balance of Alaska	1,255,969
Idaho	1,746,302
Idaho Statewide	1,746,302
Oregon	4,677,441
Portland City	1,133,793
Clackamas County	315,486
Multnomah/Wash Crt	421,372
Lane County	449,608
M-Wilm Val Mpr Crt	427,887
Jackson Cnty Csrt	325,260
Balance of Oregon	1,604,035
Washington	8,941,109
King Sno Csrt	4,492,817
Tacoma City	696,132
Pierce Cty	489,247
Spokane Csrt	461,554
Clark County	134,665
Kitsap County	110,230
Yakima County	411,597
Balance of Wash	2,144,867
Formula total	448,218,567
Indian Orgs	7,400,000
Virgin Island	230,510
American Samoa	33,203
Guam	407,418
Pacific Islands	60,302
Transportation	1,700,000
Grand total	458,050,000

Mr. ROTH. Mr. President, I wholeheartedly support this legislation to provide $458 million to fund 840,000 summer jobs for this country's disadvantaged youths. In my home State of Delaware, this legislation will provide summer employment opportunities for over 2,000 young people.

The rate of unemployment for all 16- to 19-year-olds is currently about 22 percent, more than twice the national level of unemployment. Among minority youths, the rate of unemployment is nearly 40 percent.

I am deeply concerned that these intolerable unemployment levels will have a grave impact on our younger generation's initiatives and hopes, and I urge the Department of Labor to move as rapidly as possible to channel these funds back to our cities and States. This legislation will provide some relief to our youth unemployment problem, and provide these young people with constructive work during the summer months.

Mr. McCLELLAN. I just say we are running out of time.

Mr. MAGNUSON. I would like to finish.

Mr. McCLELLAN. We are running out of time. But complete it.

Mr. MAGNUSON. Mr. President, I ask unanimous consent for 2 more minutes.

Mr. McCLELLAN. Very well.

Mr. MAGNUSON. Nothing else is going on here for the next week anyway until Tuesday.

Mr. McCLELLAN. While asking for it, ask for 15 minutes more. I think somebody else will want to speak.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that we continue for 15 minutes.

The PRESIDING OFFICER. Is that 15 minutes additional time to the 20 minutes?

Mr. MAGNUSON. Yes. The Senator from Massachusetts wants to make a statement.

Mr. BROOKE. Mr. President, how much time do we have remaining?

Mr. TAFT. Mr. President, I reserve the right to object.

The PRESIDING OFFICER. The Senator has 6 minutes time remaining, and the Senator from Arkansas has 1 minute time remaining.

The Chair is currently entertaining the unanimous-consent request for 15 minutes additional time, to be equally divided between the two sides.

Is there objection?

Mr. TAFT. Mr. President, reserving the right to object, I was not notified of the bill coming up.

I had an agreement. I had a hold on the bill because I had an amendment I wish to offer to the bill.

Under the circumstances I am going to object. As soon as I gain recognition I am going to ask for a quorum call and ask that the quorum be live so I may get my files over here and have the amendment I wish to present.

The PRESIDING OFFICER. Objection is heard.

Who yields time?

Mr. McCLELLAN. Mr. President, I think the Senator from Ohio is definitely entitled to be heard and have an opportunity to present the amendment, and that is why I suggested 15 minutes. I will make it 30 minutes, as far as I am concerned, so the Senator from Ohio can have his opportunity.

Mr. BROOKE. Mr. President, may I say to the Senator from Ohio——

Mr. McCLELLAN. He may have any time he wants as far as I am concerned.

Mr. TAFT addressed the Chair.

Mr. McCLELLAN was recognized.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. The Senator has time of his own.

Mr. BROOKE. I say to the Senator from Ohio that we were well aware that the Senator from Ohio had an amendment he wanted to call up. So this was called up rather quickly. But I had given assurances to the Senator's office that nothing would be done with this bill until such time as the Senator from Ohio came.

If the Senator has an amendment, would the Senator agree to some time limitation on his amendment?

Mr. TAFT. Mr. President, I will be glad to agree to a time limitation on my amendment, but I must say I think the procedures that have been followed here are so unusual, and I take offense, because a particular Senator, who was absent from the chamber and does not have the files, is not able to present an amendment.

I asked and discussed with the chairman of the committee just in the last few minutes before he departed for the Chamber the fact that he wished to clear some further information with a Member of the House of Representatives, who is involved in this legislation.

Under the circumstances I can do nothing but try to protect my rights by asking for a quorum call at this time.

Mr. BROOKE. Mr. President, I assure the Senator from Ohio that his rights are protected and no bill was to have been passed without the Senator's presence in the Chamber.

If the Senator will agree to a time limitation on his amendment, we can take the amendment up, and then get this legislation passed. It is important, as the Senator well knows, that this legislation be passed prior to getting into the Wyman-Durkin debate, and sent to the President, so the President, we hope, might sign it into law.

Mr. TAFT. I share very much the Senator's concern about getting this legislation passed. I think it is extremely important, but the amendment also happens to be important.

Mr. BROOKE. Sure.

Mr. TAFT. I wish to get assurances with regard to the amendment. I have not had a chance. I was assured I would have a chance to discuss this, as a Member of the House of Representatives was involved. It was an issue in the House Chamber.

I was not given the courtesy of being advised when the bill was going to come up.

Under the circumstances, if I have recognition, I suggest the absence of a quorum.

Mr. BROOKE. Mr. President, how much time will the Senator agree is a reasonable time?

Mr. MAGNUSON. Mr. President, will the Senator from Ohio yield a minute?

The PRESIDING OFFICER. The Senator from Massachusetts has the time.

Mr. BROOKE. I wish to go into this further for one moment, and then I will be pleased to yield the floor.

Mr. President, will the Senator agree to a time limitation on the amendment?

Mr. TAFT. The Senator does not even know that he wants to bring up an amendment at this time, because he has not had an opportunity to discuss it with the people who were involved in the House of Representatives.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BROOKE. What does the Senator suggest would be the proper procedure for this body to follow at this time? We are practically finished.

Mr. TAFT. I suggest we go into a quorum call.

Mr. JAVITS. Mr. President, if the Senator will yield, if the Senator would agree to extend the debate for a half hour, let us say, and agree to, say, a half hour or an hour limitation on his amendment, that would satisfy everyone. Then the Senator can always ask for a quorum when the time on the debate is over. He does not have to ask for it this minute. Then Senator MAGNUSON can then speak, Senator BROOKE can speak, and the Senator from Ohio could speak. He could have his hour, or whatever he wanted on the amendment.

I agreed to the 20 minutes, so the Senator can hold me accountable. I had not the remotest notion that the Senator had an amendment. I never heard about it.

This was all agreed to by Senators MAGNUSON and JACKSON that there would be no amendment to this bill, but that is no law that binds the Senator.

Mr. TAFT. The Chamber and the leadership had been advised that I had a hold on the bill, that I was preparing an amendment, that I needed time in order to determine what was to be said about the amendment.

Mr. JAVITS. We provide it.

Mr. MANSFIELD. I was not notified that the Senator had a "hold" on it. I heard that he had an amendment he wanted to offer, but that was no "hold."

In order to keep our word and to get the New Hampshire matter underway, I would like to suggest, on my own, that after the Senator from Washington has made his remarks, we lay this business aside and refer to it later this afternoon, when we get through with the New Hampshire matter.

Mr. McCLELLAN. Mr. President, if the Senator will yield, I should like to explain my situation. I was ready yesterday, and I am ready today to take up this matter at any time.

Mr. MANSFIELD. For 2 weeks the Senator has been ready.

Mr. McCLELLAN. Senator Taft passed me a little earlier, and I heard that he had an amendment. I asked him if he would forego the amendment, in view of the situation, but he said he would want to check with some other party and would get back. In the meantime, the leader called up the matter, and said that I have the floor.

I am not trying to push anything by. I do hope that a clean bill will be passed, so that we can dispose of it. I have no objection to an amendment being offered and the Senate acting on it.

Mr. JAVITS. Mr. President, will the Senator yield, in order to fix a time—say, 4:30?

Mr. MANSFIELD. We have to talk to the acting Republican leader as to how many hours of debate should be planned for this afternoon on the New Hampshire matter.

Mr. GRIFFIN. The Senator from Ohio did notify the leadership and asked for a hold on this matter and indicated that he had an amendment.

While I must say that I did not personally speak to the majority leader, I know that the staff representing the minority leadership was well aware of that; and I thought the Senators handling the bill on the other side were well aware of the Senator from Ohio's request.

Mr. YOUNG. I was not notified.

Mr. BROOKE. I was notified.

The PRESIDING OFFICER. The time on the resolution has expired.

Mr. MANSFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MAGNUSON. I have the floor.

Mr. MANSFIELD. The Senator will get the floor.

The PRESIDING OFFICER. The time has expired.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to proceed for 1 minute, in order to finish my speech.

The PRESIDING OFFICER. Does the Senator from Washington wish to propound a unanimous-consent request?

Mr. MAGNUSON. May I proceed for 1 minute, to finish what I have to say about this bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield? The Senator's time will be available.

Mr. MAGNUSON. I yield.

ORDER OF BUSINESS TODAY

Mr. MANSFIELD. How long would the acting Republican leader like to continue on the New Hampshire matter?

Mr. GRIFFIN. Today?

Mr. MANSFIELD. Today.

Mr. GRIFFIN. I do not know that I can speak for everyone on it. I think the expectation is that we would go to 5 o'clock or 6 o'clock.

Mr. JAVITS. Can we make it 4:30?

Mr. BROOKE. If the Senator will yield, is there any objection to laying it aside, once Senator TAFT has agreed to a time limitation? Or, perhaps he will agree that he will not call up his amendment. Can we then lay aside the Wyman-Durkin matter?

This matter will take only 5 or 10 minutes. I have a brief statement to make, and then we can dispose of it. There are no other amendments.

Mr. GRIFFIN. When it is agreeable to the Senator from Ohio to take it up. Then we could lay aside the New Hampshire matter, perhaps.

Mr. MANSFIELD. I am not very happy about laying aside the New Hampshire matter. I thought we had agreed that once we started on it, at an hour certain, we would go for a certain period of time. But in this instance, because of the need, if an agreement can be reached, I will agree to the suggestions made on the other side of the aisle. But where does that leave us?

Furthermore, I understand that Mr. WEICKER, who has the main speech, may want 2, 3, or 4 hours. I would not want to interrupt him.

Mr. GRIFFIN. Perhaps we could lay it aside for a brief period of time. I look to the Senator from Ohio as to whether that is possible. I think he should be accommodated here. It appears that his rights have been kind of run over a little.

Mr. MANSFIELD. Not intentionally, may I say.

Mr. GRIFFIN. I know.

Mr. TAFT. I say to the majority leader that I would be happy to bring it up at any time I could get the information that I need as to what has happened on the House side and what is expected to happen. If he wants to set a time certain for that this afternoon, I am agreeable to that.

Mr. MANSFIELD. Why do we not permit the distinguished Senator from Washington to make his speech and let the distinguished Senator from Massachusetts make his speech and then set it aside temporarily and enter into negotiations with the Republican leader and the Senator from Ohio?

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. If that course were followed, would there be any time remaining on the bill for discussion?

Mr. MANSFIELD. Yes. We would get time for it. The Senator need not worry about that.

Mr. MAGNUSON. The Senator will have all the time he wants.

Mr. McCLELLAN. I will stand by and be ready at any hour, at any minute today, to take it up.

Mr. GRIFFIN. Has a time agreement been entered into with respect to this matter?

Mr. BROOKE. There was.

Mr. MANSFIELD. We vitiated that.

Mr. GRIFFIN. This can be done only by unanimous consent. If the leadership had been here, I would have objected, on behalf of the Senator from Ohio; and if he had been here, he would have objected. I wonder whether he is to be bound to any time agreement.

Mr. McCLELLAN. No one wants to bind him. I will give him the rest of the day, so far as I am concerned.

Mr. MANSFIELD. The fault is mine. The time is now gone. We will get an additional time limitation, I hope, when we reach the accommodation.

Mr. President, I ask unanimous consent that in addition to the 2 minutes allowed to the Senator from Washington (Mr. MAGNUSON), the Senator from Massachusetts (Mr. BROOKE) be allowed 5 minutes; that at the conclusion of his remarks, the Senate proceed to the consideration of the New Hampshire contest.

The PRESIDING OFFICER. Is there objection?

Mr. TAFT. Mr. President, reserving the right to object, I think it would be appropriate at this time to ask unanimous consent for an additional half hour on this matter.

Mr. MANSFIELD. Yes. I make that request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCLELLAN. Is that half hour to be equally divided?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. There will be an additional half hour when the Senate resumes consideration of this measure today.

The Senator from Washington is recognized.

Mr. MAGNUSON. Mr. President, let me make clear my understanding that the continuing resolution will include the following provisions:

First. An additional $1,625,000,000 over and above the amounts already appropriated for fiscal year 1975, for public service jobs, extending for another year the current level of about 310,000 persons enrolled under several legislative authorities, including the Emergency Employment Act and titles II and VI of the Comprehensive Employment and Training Act.

Second. An additional $30 million for jobs for the elderly, over and above the $12 million previously appropriated for fiscal year 1975. This would make available a total of $42,000,000 for approximately 12,700 jobs under title IV of the Older Americans Act, Community Service Employment for Older Americans, as well as permitting continuation of enrollees in the operation mainstream program, including the green thumb and senior aides projects. The "hold harmless" language previously intended for this program, as contained in the vetoed Emergency Employment Act Supplemental, still applies. This language permits all States to operate at their full title IX formula, or "hold harmless" level, whichever is higher, for several months into fiscal year 1976. With fiscal year 1976 appropriations that will be included in the regular bill, it is our intent to provide the necessary funding to at least maintain this level for the remainder of fiscal year 1976. This is not intended to preclude the Department from entering into contracts with organizations seeking to operate new older American jobs programs, such as minority groups. I wish to emphasize once again, however, our intent that this program be administered primarily through national contracts.

Third. An additional $70 million for the work incentive program, over and above the $210 million already appropriated for fiscal year 1975. Many States have already spent at this higher level in fiscal 1975, in anticipation of those additional Federal funds to reimburse them, rather than to close up operations and lay off welfare recipients enrolled in work and training programs. Half of this increase, $35 million, is intended for the child care and supportive services component of the WIN program; the other half is for training and employment activities. The additional funds are also permitted to be used to pay the States the Federal share of their 1974 reported expenditures which were in excess of their grants to fund the fiscal year 1974 program.

Fourth. An additional $119,800,000 for the college work study program, on top of $300,200,000 already available, to add approximately $250,000 more part-time jobs for low-income students.

Fifth. An additional $10 million for the Youth Conservation Corps, administered by the Departments of Interior and Agriculture, on top of funds already appropriated in fiscal year 1975.

Mr. President, with these points considered, I am not intending to pursue my amendment to House Joint Resolution 492, and I hope we can pass and send this bill to the White House before the end of the day. We will have another look at the continuing resolution when it arrives in the Senate.

Mr. President, I hope that, in view of the problems we have had from experience with the Department of HEW, the Department of Labor, and the others in interpreting the intent of the continuing resolution, which will come over again—which includes the things that the Senator from Massachusetts and I and others think should be included—they understand that we meant what we said and that it was not a continuing resolution to continue just based upon the figures of last year's appropriation, but that it is a continuing resolution that directs them to go ahead with these other items which will be added when it comes over from the House.

With that, I withhold my amendment, so that there will be a clean bill.

Mr. BROOKE. Mr. President, first, I commend my distinguished colleague, the chairman of the Labor-HEW Subcommittee, Mr. MAGNUSON, for his work and cooperation on this measure.

I am glad to concur in the statement of Senator MAGNUSON in which he withdraws amendment 579 to House Joint Resolution 492.

We want and we sorely need the funds for summer youth employment and summer recreation contained in House Joint Resolution 492. The summer is almost upon us, and we must provide sufficient time to get these funds out.

At the same time, we also badly need funds for public service jobs, jobs for the elderly, for college work-study, and for the WIN program. We provided these funds in the emergency jobs bill which, regrettably, was vetoed.

However, we do have a chance to recoup these items through the forthcoming continuing resolution which I understand was approved by the House Appropriations Committee today. I do not particularly like doing this through a continuing resolution, which we are concerned may be, as Senator MAGNUSON indicated, interpreted incorrectly. But we must face the reality of the present situation as well as acknowledge the little time remaining to get the summer funds out to the States.

The unemployment rate of our disadvantaged young people is in the staggering 40-percent range, and we must do something for them promptly.

The latest unemployment rate for the Nation is 9.2 percent. Thus, we have an obligation to millions of other jobless Americans to be equally responsive to their needs, and we intend to do our best to provide that response through the new continuing resolution which soon will be before us.

Now, Mr. President, House Joint Resolution 492, which includes the summer employment funds, should be passed by the Senate today and sent promptly to the White House. I hope the President will sign it into law.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The PRESIDING OFFICER (Mr. CULVER). Under the previous order, the Senate will now proceed to the consideration of Senate Resolution 166, which the clerk will state by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The Senate proceeded to consider the resolution, which reads as follows:

Resolved, That the Senate shall vote separately on each of the following issues with respect to which tie votes were cast by the members of the Committee on Rules and Administration in its consideration of the contested election for a seat in the United States Senate from the State of New Hampshire:

(1) It is the sense of the Senate that the committee should conduct a recount as requested by Mr. Wyman of the following precincts to determine the accuracy of the recount of the Secretary of State of New Hampshire: Gorham, Bedford, Somersworth Ward 1, Claremont Ward 2, Concord Ward 1, Hanover, New Market, Pelham, Salem, and Gilford?

(2) Is it the sense of the Senate that the committee should conduct a recount of the following precincts because of alleged inaccuracies in the tally sheets of the Secretary of State of New Hampshire: Merrimack, Meredith, and Lancaster?

(3) Is it the sense of the Senate that the committee should conduct an investigation into the allegations of missing ballots in Dover Ward 3 and Troy; and, if any ballots are found to be missing in either precinct, that a retally of that precinct be conducted?

(4) Is it the sense of the Senate that the committee should investigate circumstances surrounding the casting of the ballot by Mrs. Ella Doyle for her sister, Mrs. Elizabeth McCarren?

(5) Is it the sense of the Senate, that with respect to all ballots on which the committee vote is tied, the ruling of the highest authority of the State of New Hampshire shall remain in effect?

(6) Is it the sense of the Senate that the committee should retrieve, separate, and review all of the ballots in its custody of a "skip-candidate" type?

(7)(a) The committee having voted to retrieve from the ballots of a skip-candidate type a number of "skip Durkin" votes equal to the number of "skip Wyman" votes before the committee and a motion to reconsider such vote having resulted in a 4-to-4 vote, is it the sense of the Senate that such original vote of the committee to retrieve such "skip Durkin" votes shall stand as the vote of the committee?

(b) If the Senate shall have voted in the negative on part (a), is it the sense of the Senate that the committee should retrieve from the ballots of a skip-candidate type a number of "skip Durkin" votes equal to the number of "skip Wyman" votes before the committee?

(8) Is it the sense of the Senate that the committee shall accept the vote as reported to it on the 12 Manchester voting machines which have been tested for the accuracy of the candidate counters?

SEC. 2. The Senate shall vote separately with respect to the following ballots, as designated by the vote numbers given to them by the Committee on Rules and Administration in its consideration of the contested election for a seat in the United States Senate from the State of New Hampshire, to determine the candidate, if any, for which each such ballot should be counted with the result of each vote to be inserted in the respective blank space:

Eleven—Miscellaneous Ballots

(1) Vote numbered 22, to be counted for .

(2) Vote numbered 88, to be counted for .

(3) Vote numbered 120, to be counted for .

(4) Vote numbered 127, to be counted for .

(5) Vote numbered 128, to be counted for .

(6) Vote numbered 205, to be counted for .

(7) Vote numbered 224, to be counted for .

(8) Vote numbered 245, to be counted for .

(9) Vote numbered 288, to be counted for .

(10) Vote numbered 308, to be counted for .

(11) Vote numbered 342, to be counted for .

Eight—Single Square Skip-Wyman Ballots

(12) Vote numbered 252, to be counted for .

(13) Vote numbered 267, to be counted for .

(14) Vote numbered 280, to be counted for .

(15) Vote numbered 281, to be counted for .

(16) Vote numbered 285, to be counted for .

(17) Vote numbered 310, to be counted for .

(18) Vote numbered 311, to be counted for .

(19) Vote numbered 324, to be counted for .

Four—More than Single Square Skip-Wyman Ballots

(20) Vote numbered 256, to be counted for .

(21) Vote numbered 279, to be counted for .

(22) Vote numbered 305, to be counted for .

(23) Vote numbered 314, to be counted for .

One—Skip-Durkin Ballot

(24) Vote numbered 322, to be counted for .

Three—Masked Ballots

(25) Vote numbered 58 (masked), to be counted for .

(26) Vote numbered 302 (masked), to be counted for .

(27) Vote numbered 406 (masked), to be counted for .

Mr. CANNON. Mr. President, I ask unanimous consent that Nik Edes of Senator WILLIAMS' staff be permitted on the floor of the Senate during the course of this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, will the Senator yield for a similar request?

Mr. CANNON. Yes, I yield.

Mr. WEICKER. Mr. President, I ask unanimous consent that Mr. Michael Scully and Mr. Robert Dotchin of my staff be permitted privileges of the floor during the course of this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, because of the fact that a number of the Senators are not aware that we are now starting on this subject because of the interruptions, I ask unanimous consent that I may suggest the absence of a quorum with the condition that I not lose my right to the floor. I ask unanimous consent that the cloakrooms be notified.

Mr. GRIFFIN. Reserving the right to object, and I shall not, because I think the chairman has an excellent idea and suggestion, I want to say only that it is important, I think, that the Senate listen to this argument, listen to the evidence that will be presented. This is an extraordinary constitutional responsibility that the Senate will exercise, and it will be the expectation of a number of Senators, including the junior Senator from Michigan, that there may be quorum calls if Senators are not on the floor. We think this is a very important matter. There is evidence to be viewed, there are legal arguments to be weighed, and there is no way that the people of the United States and the people of New Hampshire can be appropriately served unless Senators are here to listen to the arguments and are here to view the evidence. So I will suggest that this be a live quorum, I say to the chairman.

Mr. CANNON. Mr. President, was the quorum call suspended?

The PRESIDING OFFICER. The quorum call has not been ordered.

Mr. CANNON. I ask unanimous consent that Robert Span of Senator MCINTYRE's staff be permitted the privilege of the floor during consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. CANNON. Mr. President, I completely agree with Senator GRIFFIN. I think this is an extremely important matter. I do not know how Senators can hope to inform themselves of the issues and the matters involved unless they are here on the floor to hear it.

I suggest the absence of a quorum and request that the cloakrooms be notified that it will be a live quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 26 Leg.]

Allen	Domenici	McClure
Bartlett	Garn	McIntyre
Beall	Goldwater	Muskie
Brock	Griffin	Randolph
Buckley	Haskell	Roth
Burdick	Hatfield	Schweiker
Byrd, Robert C.	Hollings	Sparkman
Cannon	Javits	Weicker
Cranston	Laxalt	Young
Culver	Mansfield	
Curtis	McClellan	

The PRESIDING OFFICER (Mr. CULVER). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will executive the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk	Dole	Hruska
Baker	Eagleton	Huddleston
Bayh	Eastland	Humphrey
Bellmon	Fannin	Inouye
Bentsen	Fong	Jackson
Biden	Ford	Johnston
Brooke	Glenn	Kennedy
Bumpers	Gravel	Leahy
Byrd, Harry F., Jr.	Hansen	Long
	Hart, Gary W.	Magnuson
Case	Hart, Philip A.	Mathias
Chiles	Hartke	McGee
Church	Hathaway	McGovern
Clark	Helms	Metcalf

Mondale	Pell	Stevenson
Montoya	Proxmire	Stone
Morgan	Ribicoff	Symington
Moss	Scott, Hugh	Taft
Nelson	Scott, William L.	Talmadge
Nunn	Stafford	Thurmond
Packwood	Stennis	Tunney
Pastore	Stevens	Williams
Pearson		

The PRESIDING OFFICER. A quorum is present.

The Senate will be in order.

The Senator from Nevada is recognized.

Mr. THURMOND. Mr. President, will the distinguished Senator yield to me for a unanimous-consent request for the privilege of the floor?

Mr. CANNON. Yes.

Mr. THURMOND. Mr. President, I ask unanimous consent that two of my staff members be permitted the privilege of the floor during the consideration of this matter, Garl Clary and Bill Coates.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. I yield to the majority leader.

UNANIMOUS-CONSENT REQUEST—HOUSE JOINT RESOLUTION 492

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the speech of the distinguished Senator from Nevada (Mr. CANNON), the chairman of the Rules Committee, and the speech of the distinguished Senator from Oregon, the ranking Republican member of the Rules Committee, that the pending business be laid aside under the previous agreement for a period not to exceed 30 minutes to consider House Joint Resolution 492 with the time to be equally divided between the chairman of the Appropriations Committee (Mr. MCCLELLAN) and the ranking Republican member of the Appropriations Committee (Mr. YOUNG), or whomever they may designate.

The PRESIDING OFFICER. Is there objection?

Does the Senator from Michigan object?

Mr. GRIFFIN. Mr. President, I do not object, but I wonder if the Senator from Oregon is satisfied?

Mr. HATFIELD. Mr. President, I find myself in a very difficult position at this moment because I objected earlier today to a unanimous-consent agreement that would intrude into the continuity of this particular issue.

We had people from New Mexico who had come here a long distance to participate in a hearing of the Interior Committee and it was going to be a great inconvenience to them. I stated at that time on the floor of the Senate that I felt constrained to hold the Senate to the original statement, that once we undertake this we pursue it on the schedule outlined in the unanimous-consent agreement.

I do not like to object to any request by the majority leader and I know there are other matters of business that must be taken up, but I do feel constrained to object, as much as I hate to do so, because of my earlier objection on the other request.

Mr. MANSFIELD. Mr. President, I understand the feelings of the distinguished Senator from Oregon and I will withdraw my request.

But I would like to notify the distinguished Senator from Ohio that we will take it up as soon as we get through with the discussion of the New Hampshire contest this afternoon.

Mr. GRIFFIN. Will the majority leader yield for this observation?

Mr. MANSFIELD. Yes.

Mr. GRIFFIN. It is my understanding that we have gotten an agreement that we will go on the New Hampshire matter by 1 o'clock every day and that other matters, ordinarily at least, would be taken up prior to that time during the day.

Mr. MANSFIELD. Tha is my recollection.

Mr. GRIFFIN. Looking toward the future.

Mr. MANSFIELD. Or after.

Mr. GRIFFIN. It would be our hope that that would be the way things would go. I know that I speak for myself and others in saying that there will be objection to committees sitting and holding hearings or meetings during the period of time in the afternoon when we are supposed to be considering the New Hampshire election matter.

Mr. MANSFIELD. The Senator is correct. The distinguished Senator from Oregon has a point because I know he is sympathetic, but he has laid down his policy which I think should be adhered to. But it will be before or after the situation. I think it is well that the distinguished acting Republican leader has indicated that during the course of the hearings on the New Hampshire contest that there will be no committee meetings in the afternoon. So the Senate is on notice to that effect.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

The PRESIDING OFFICER. Before the Senator from Nevada commences this very important debate, the Senate will be in order. Senators will kindly suspend their conversations. The Senators are advised that the business of the Senate will not commence until we have order in the Senate.

The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, the Senate begins today the consideration of Senate Resolution 166, which was reported on May 22, 1975.

That resolution, relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire, consists of two sections:

Section (1) contains 8 legal issue questions which the Senate must decide, and section (2) consists of 27 New Hampshire ballots which must be decided by the Senate.

The 8 issues and 27 ballots were voted upon by the Committee on Rules and Administration and, in each instance, the vote resulted in a 4-to-4 tie. Therefore, the resolution has been submitted to the Senate, together with a report including the positions of the contestants on the respective issues and ballots.

As the report sets forth in detail, the New Hampshire Senate election of November 5, 1974, resulted in a declaration of victory for Republican candidate, Louis C. Wyman, over Democratic candidate, John A. Durkin, by a margin of 355 votes.

Following a recount by the Secretary of State of all 223,000 votes cast in the Senate election, Mr. Durkin was declared to be the winner by 10 votes.

Mr. Wyman filed an appeal with the New Hampshire Ballot Law Commission which, under State law, is the highest authority having jurisdiction to consider and review rulings of the secretary of state on protested ballots.

Following its review of about 400 protested ballots the ballot law commission certified Mr. Wyman as the winner by two votes.

There is no appeal from decisions of the ballot law commission—chapter 58:11—in cases of contested elections for the office of U.S. Senator or U.S. Representative. New Hampshire recognizes U.S. constitutional provisions vesting in both Houses of the Congress jurisdiction over the elections, returns, and qualifications of respective Members. Therefore, Mr. Durkin filed his appeal with the Senate on December 27, 1974.

On January 28, 1975, the Senate refused to send the matter back to New Hampshire for a special election and, instead, referred the contest to the Committee on Rules and Administration for recommendations.

The committee, after hearings on and study of the petitions, answers, and various legal memorandums, sought to set reasonable limitations upon the scope of its investigation. The contestants had ample opportunity under New Hampshire law to offer protests against official ballots, absentee ballots, voting machine ballots, and other election materials considered to have been cast improperly or otherwise not in conformity with Senate election laws. During the recount by the secretary of state, only about 3,500 ballots were protested to the ballot law commission; however, out of those only about 400 were actually submitted for review.

The ballot law commission refused to consider and review some additional issues which it deemed to be beyond its statutory authority.

The committee voted to recount those approximate 3,500 ballots protested to the ballot law commission and to consider all protests made by either party to the contest at any stage of the proceedings, "contemplating that the committee would take appropriate steps on each protest to ascertain the validity of such protest and the accuracy of the count of the matter protested."

Despite the lack of satisfactory security over the 185,000 ballots and checklists stored at the National Guard Armory in Concord, N.H., the committee brought them to Washington, D.C.,

together with the 3,500 ballots and exhibits which had been protested to the ballot law commission and which had been continuously locked in the State police evidence vault from the time they were considered by the ballot law commission until they were brought to Washington.

In the interest of fairness and objectivity, the 3,500 ballots were segregated into classes: Those which could be masked so as to conceal from the committee anything which could identify a candidate or his political affiliation; and those which required full and open examination because of the manner in which the voter cast his ballot or because of extraneous markings; and those which involved legal issues not apparent on the face of the ballot.

Of the approximate 3,500 ballots, 426 were judged to be maskable, about 348 were deemed not to be maskable, and protests on the remainder were waived.

Additionally, the committee voted to respect and give full weight to the intent of the voters of New Hampshire wherever the intent could be determined, and, therefore, red ink or green ink markings were accepted if otherwise not improper, and check marks, double check marks, large crosses, and double crosses covering the Republican or Democratic candidate columns or above or below those respective columns were counted. These were all outside the so-called New Hampshire black letter law.

In voting on the protested ballots, unmasked first and then the masked, the great majority were ruled upon by a unanimous vote of the committee. Some ballots were considered en bloc, and others were waived by the parties prior to final consideration by the committee.

However, 27 ballots—those set forth by number in Senate Resolution No. 166—resulted in tie votes. The committee voted either four for Durkin and four no vote, or four for Wyman and four no vote. There were none of these ballots that involved the question of either Durkin or Wyman.

Further, contestant Wyman raised other issues upon which the committee's votes resulted in ties. Those eight issues are set forth in the positions of Messrs. Durkin and Wyman in the committee's reports. The reports are here in two volumes.

Mr. President, the volumes of hearings on the New Hampshire contest—consisting of 1,980 pages—are replete with evidence and documentation of the committee's actions concerning this contest and of its efforts to be fair, equitable, and as objective as possible in a very difficult, trying, and necessarily partisan situation.

In recognition of its agreement to consider all protests made by either party to the contest at any stage of the proceedings, the committee did vote to consider or investigate the following:

First. To open and examine a Manchester absentee ballot not previously counted at the State level because it was sent to the wrong ward. At Mr. Wyman's urging, that ballot was opened and counted for Mr. Wyman by the committee. Committee hearings pages 1165–1167.

Second. To open and examine at Mr. Wyman's request an Amherst absentee ballot not previously counted at the State level because the voter's name was not on the checklist. That ballot was also counted for Mr. Wyman by the committee. Committee hearings pages 1169–1171.

Third. To search for and examine a Portsmouth Ward No. 3 ballot not previously considered by the ballot law commission, but counted on election night. The committee retrieved this ballot and voted to count the ballot as cast. Committee hearings page 1379.

Fourth. To test 12 Manchester voting machines to determine if they accurately recorded the votes cast for candidates for the U.S. Senate. The committee could not agree on the report of the test and submits its tie vote on this as one of the issues to be decided by the Senate. Committee hearings page 1446.

Fifth. To investigate the circumstances involved in the casting of an absentee ballot in Nashua. This issue was resolved by the committee by a vote to accept the ballot as cast. Committee hearings page 1446.

During the entire course of action taken by the committee on this election dispute, every conceivable effort has been made to treat the contestants fairly and impartially.

Every committee meeting was open to the public and the press.

Every action was announced publicly and every vote was taken in open forum. Whenever members of the committee were necessarily absent from sessions, they were given an opportunity to vote on any ballot or issue considered during such absence unless the vote had been carried by a vote of five or more.

This contested election is distinguishable from all other in the Senate's history by virtue of an absence of evidence of fraud or corrupt practices. Human error and fallibility resulted in some departures from the letter of the election laws and some irregularities in following election procedures, but there was no evidence of intent to violate any law.

Moreover, while New Hampshire statutes set forth the manner of marking ballots, for example, the supreme court of that State said in *Murchie* v. *Clifford* (76 N.H. 102–103), that a voter may indicate his choice of candidate by using parallel lines, write-ins, or other markings than the cross (X) required by the statute—chapter 59, section 58.

New Hampshire Supreme Court cases emphasize the principle that legislative acts on election law are directory in nature—not mandatory—and the judicial bodies are not bound by those statutes in seeking to determine the intent of the voter. *Murchie* v. *Clifford* (76 N.H. 104).

The U.S. Senate, as the final judge or arbiter of elections, returns, and qualifications of its Members, is not bound by the statutes and case law of a State, although the committee has consistently given weight to the New Hampshire law consistent with the attempt to determine the intent of the voter.

The Senate has always followed the concept that the intent of the voter should be controlling where the intent can be ascertained.

The committee was not able to decide upon 24 unmasked ballots and three masked ballots.

The committee was unable to decide on eight legal issues and has submitted legal issues and ballots, on which the votes were cast, to the Senate.

The committee did consider and vote on certain requests by Mr. Wyman or his representatives to go beyond the 3,500 protested ballots. First, it voted 5-to-3 against an investigation into alleged discrepancies between voters checklists and the number of ballots cast in the election. Committee hearings pages 1400–1404. Second, the committee voted not to send the contest back to New Hampshire for a new election 5-to-3. Transcript page 1442.

While Mr. Durkin's position has always been to the effect that a review of about 400 ballots or less would be sufficient to determine the results of the election, the committee did go considerably beyond that number.

Where ballots were considered, all prior rulings by the Secretary of State or by the ballot law commission were removed so that committee members would not know how the ballots were counted.

In other words, Mr. President, the procedure in the State of New Hampshire during a recount is where either party protests the counting of a ballot as it is counted before the Secretary of State in conducting the recount, the Secretary of State attaches a slip to that particular ballot indicating that it was protested by one or the other of the parties, or both, and how it was counted. The protest slip goes on with the ballot when it is taken to the ballot law commission. The ballot law commission then attaches an additional slip indicating what position the ballot law commission took, whether it sustained the position of the Secretary of State or whether it changed it.

So those two slips—or in case there was only one slip—were removed before these ballots were examined by the committee.

After the committee voted on each ballot and without taking any tally of those votes, the prior ruling slips were reattached to the appropriate ballots and then the ballots were placed in the large committee ballot box.

Mr. President, that is a large box that the committee had constructed. It had a slot in the top. As the committee voted on each ballot and made a determinative vote, the ballots had the slips reattached by Dr. Riddick, the slips of the ballot law commission and the secretary of state, and the ballot was inserted through the slot into the ballot box. That ballot box has been under security ever since. At the appropriate time, if we get to the point when we are voting on specific ballots here, I intend to move that the box be brought over here so that if we vote on a precise ballot at the conclusion thereof the slips may be reattached to it and the ballot inserted in that box.

Prior rulings were also removed from the ballots now before the Senate on which the committee cast 4-to-4 tie votes. It is my personal belief that when the Senate resolves the tie vote issues the prior ruling slips should be reattached to the ballots, and, as I said, then the ballots themselves inserted into the box contaning the remainder of the ballots so that at the proper time all of these ballots can be tabulated by some independent, impartial body, presumably from the General Accounting Office or someplace else, to tally those ballots and apply the results, either adding to or subtracting from the totals as determined by the Senate here.

In that manner only can there be a determination of differences between the figures certified by the ballot law commission and the results of the Senate review.

Mr. President, I think this, in essence, gives a brief statement of the general issues that will be involved. I do not intend to discuss in detail the precise eight legal issues that I referred to, nor the 27 ballot issues because if the motion of the Senator from Connecticut should be approved, it would obviate any necessity to go into that.

In any event, I think that the Members should have those arguments freshly before them on each issue as they are presented. I am prepared to examine each one of those issues as they come up, as a part of the resolution.

Mr. President, I am prepared to yield to any of my colleagues on the committee, or any other Senator who wishes to speak.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. CANNON. I yield to the distinguished ranking minority member.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, 5 months ago, on January 28, 1975, even though no fraud or irregularity had been charged in the New Hampshire Senatorial election, the U.S. Senate decided not to seat either Mr. Durkin or Mr. Wyman as the junior Senator from New Hampshire, and the contested election was sent to the Senate Committee on Rules and Administration for its consideration.

I think the chairman has outlined very adequately the procedures followed by the committee, and I would want to say that from the very beginning, our committee was unanimous in trying to set forth a procedure and a program of investigation which would not only be equitable and honest, but would give every appearance of being equitable and honest.

I am sure that people do things from different vantage points, and some of the comments I will make today are not intended to raise any question as to the integrity of any of my colleagues, but only to illustrate how I view the procedures, which I think in some instances have given less than the appearance of honesty and equity.

Some Members of this body predicted this matter would take only 1 day to 2 weeks to resolve, but at this moment the matter has taken some 5 months of deliberation—totaling some 46 days of hearings, in excess of 200 hours, with no final outcome in sight. Not only have eight U.S. Senators, three of whom hold important leadership positions, been involved in some 656 committee rollcall votes, but the people of New Hampshire have been denied equal representation in the U.S. Senate, as guaranteed them in article I, section 3 of the U.S. Constitution.

One cannot help but wonder why some are so intent on denying the people of New Hampshire an opportunity to resolve this important matter for themselves. One could understand if no other method existed for resolving this election, but the New Hampshire Legislature has provided us with a mechanism whereby a run-off election would be held if the U.S. Senate were to declare this seat vacant.

I cannot understand why we should hold this issue in the Senate when other pressing matters of State exist. When our country is in the midst of an energy crisis; when millions of Americans are out of work; when inadequate proposals are coming out of the Congress to meet these problems, I understand constituents who ask why this Senate election is being stalled here in Washington and not returned to New Hampshire.

This illustrates why the American people have so little confidence in their Government and their leaders when we fail to return such an issue under these circumstances to the people of a sovereign State for their disposition.

I know that some will point to the Constitution to justify the Senate's preoccupation with this race, since our forefathers deemed it appropriate that "Each House shall be the judge of the elections returns, and qualifications of its own Members," but I would also remind my colleagues that the 17th amendment took the election of U.S. Senators out of the smoke-filled backrooms of State legislatures and placed it into the hands of the American voter. The voters of my State would not want the selection of their representatives to be made in Washington, just as an increasing number of people of New Hampshire resent their senatorial race being determined here in the U.S. Senate under present circumstances.

Watergate made all of us aware of the abuse of power by some Government leaders here in Washington. The Watergate scandal may have only involved the executive branch of our Government, but the dark shadow of mistrust which it created also covers this Capitol Building and the men and women working in it. If there ever were a time when we should be putting our partisan politics aside in order to attend to the needs of our country, the time is now.

Watergate brought to the American people's attention how men in power sometimes believe they can ignore the written laws of our land because they believe they are above and beyond the enforcement of such laws. One of the lessons of Watergate should be that a group of men cannot change or ignore the laws of our States and our country just because those laws may not necessarily fit into their game plan for the country. Unfortunately, we have seen in this contest an attempt by some to ignore the New Hampshire election laws when considering the intent of the voter.

Four members of the Rules Committee do not believe that an "X" in the party circle means that the voter intended to vote a straight party ticket, even though New Hampshire law explicitly states that this should be the case. Now, Mr. President, I could understand my colleagues' reasoning if they wanted to apply this new standard of law to all the ballots cast in this election—but they do not. They want this new standard to apply to only 13 ballots, instead of the hundreds which belong in the "skip-candidate" category. Why do they want this new standard to apply to only 13 ballots out of the hundreds cast?

I can understand why some of my colleagues were reluctant to vote in favor of the Weicker motion in January, especially since so little investigation had been made by the Senate at that time into the New Hampshire election.

Mr. President, we have a very different situation today. I believe we have conclusive evidence to support the thesis that it is virtually impossible to determine, in an accurate and honest fashion, the real winner of this contest. Please note, Mr. President, that I am not arguing that Mr. Wyman should be seated, or that he should be declared the rightful winner, even though he holds the only valid certificate of election. At the same time, I do not believe we can honestly seat Mr. Durkin as the junior Senator from New Hampshire.

What I am arguing is, let the people of the State of New Hampshire determine just exactly whom they intend to be their junior Senator.

Let us look at the facts which have come from the Rules Committee's 200 hours of deliberation.

First. After many days of argument, the committee decided to first review the 3,500 ballots originally recounted by the New Hampshire State Ballot Law Commission, which is the highest appeal forum in the State of New Hampshire.

After a process of elimination by stipulation from both parties, the committee actually voted on some 750 ballots. Of those ballots, 425 were viewed by means of template in order to eliminate as much as possible partisan voting. While viewing the ballots by use of the template, the Rules Committee tied on a 4 to 4 vote on only three ballots. The remaining 350 ballots were viewed in their entirety, and the committee tied on a 4 to 4 vote on some 24 ballots. It is further interesting to note that 13 of the 24 tied ballots were "skip-candidate" ballots, of which 12 had been previously counted for Mr. Wyman. If the view that tie ballots should be counted as "no vote", as expressed and supported by the members of the majority, then one man could win and one man could lose the election by means of "no vote" ballots, which, translated, actually would mean the disenfranchisement of New Hampshire voters.

UMI

Second. Upon the completion of reviewing the so-called State ballot law commission ballots, the committee then turned to the review of Mr. Wyman's protests. By a 5 to 3 party-line vote, the committee rejected Mr. Wyman's request to investigate two election irregularities which had been discussed since the early days' secretary of State's recount.

Let me emphasize, Mr. President, at no time did Mr. Wyman waive his protest rights, even though it should be understood that they were not ruled upon by various steps in the New Hampshire procedures but were passed through, so to speak, to the Senate of the United States to make a determination, and, by a 5 to 3 vote, the committee has chosen not to honor Mr. Wyman's protest during the proceedings up to this date.

They were. The fact that a statewide net increase of 1,157 more ballots were cast than there were voters crossed off the checklists, and that 1,100 less ballots were cast in the city of Manchester than there were voters crossed off the checklists; and that the rolls of write-in paper from 10 voting machines in the city of Manchester are either missing or destroyed.

Mr. President, it seems to me that if the committee or the Senate really were concerned about determining the true winner of this contest, then the investigation of these charges would be a matter of standard operating procedure. It offers further evidence why I state it is impossible to determine who the real winner of this contest is, either by the actions of the Senate Rules Committee up to this point, or by the full body of the U.S. Senate.

Mr. President, if the Senate and our colleagues are concerned by the committee failure in determining the true winner by the examples I have just given, please listen to the additional examples.

On a 4-to-4 vote, the Rules Committee failed to determine whether it should or should not investigate protests involving:

First. The retallying of 10 individual precincts because of charges of counting errors during the secretary of state's recount;

Second. The recounting of three other precincts because of recording errors in the official tally sheets of the recount; and

Third. The double vote by a woman in Nashua who voted for herself and her dying sister.

Let me emphasize again that all of these ballots are in the basement of the Russell Building, they are under lock and key and 24-hour guard. It would take but a short time, a far shorter time than the Rules Committee has taken up to this point, to make those determinations rather than rejecting the requests and the protests by Mr. Wyman.

It seems to me, that if the Senate were really concerned about getting down to the true winner of the election, it would certainly have to investigate these protests. The refusal to even investigate these matters must be construed as the desire to sweep the New Hampshire election under the rug.

Mr. President, I do not want to leave the impression that the Rules Committee failed to investigate any of Mr. Wyman's protests, because to do so would be unfair. I would, however, like to share with the Senate and the American people some of the events which took place when the Rules Committee did conduct a rather weird investigation.

On April 25, 1975, the Rules Committee voted to test the alleged malfunctioning voting machines in Manchester. On May 5, 1975, a committee investigating team, comprised of James Duffy, Majority Counsel for the Subcommittee on Privileges and Elections; Mr. James Schoener, Minority Counsel for that subcommittee; and Dr. Floyd Riddick, Parliamentarian emeritus of the Senate, began testing the Manchester voting machines. Prior to the team's departure from Washington, unknown to the other members of the committee, or at least the minority, the chairman issued a memorandum changing the chairmanship of the investigating team from Dr. Floyd Riddick to Mr. James Duffy, Majority Counsel for the Subcommittee on Privileges and Elections. Chairman CANNON took this action even though he specifically referred to this team during the consideration of sending such a team as "the Riddick panel" as the record will show when discussing the scope of their investigation during the April 30 committee session. This change in chairmanship may not seem too important to some of my colleagues, it may seem rather, inconsequential but during the course of the team's investigation, Mr. Duffy, on 25 separate occasions, refused to permit the minority counsel, Mr. Schoener, to move the investigation forward on such items as taking the backs off the machines to see whether they were functioning properly. In other words, Mr. President, while testing the Manchaster voting machines, the Majority Counsel by means of his position as chairman of the investigating team, limited the scope of the investigation to such a point that the investigation was totally ineffective, and a waste of the taxpayers' money.

Probably the most blatant example of the power of the majority was on May 6, 1975, when the committee's team was investigating the Nashua absentee ballot case. From the limited investigation, facts were brought out that an elderly man named Michaud, who incidentally was an unregistered voter, and his ailing wife, applied for absentee ballots. They never received them.

Apparently, someone cast the ballots for them, because the records of the city clerk disclose these two Michaud absentee ballots were cast. These ballots raised for the first time the question of fraud or, at a minimum, illegal ballots. Upon finding out this evidence, further investigation by the Minority Counsel was effectively prevented by Mr. Duffy, and the team returned to Washington.

I might add, Mr. President, that I viewed the entire investigation as such a farce that I did not vote in favor of sending the team back to New Hampshire for a more complete investigation into the Nashua absentee case, because I felt the chance for a thorough investigation was totally impossible—at least by the committee's team as it was presently constituted.

Mr. President, 220,000 voters in New Hampshire cast their ballots in the November 5 senatorial election. It is a terrible distortion for our democratic Government for 98 men of the Senate, who live outside the boundaries of that State, to look at only 3,500 ballots. The motion adopted by the Rules Committee as to the scope of the New Hampshire investigation not only said that we would recount the 3,500 ballots, but it also said, and I quote:

A consideration by the committee of all—

And let me underscore "of all"—

the protests made by either party—

And again I note "by either party," meaning, either Mr. Wyman or Mr. Durkin—

at any stage—

At any stage, I repeat, of the proceedings—

contemplated that the committee will take the appropriate steps on each protest to ascertain the validity of such protest and the accuracy of the count of the matter protested.

That is a direct quote from the committee's policy that was decided by an 8-to-0 vote.

The concept of one-man-one-vote will have been tossed out the window if we fail to look at all the areas of protest as requested by both Mr. Durkin and Mr. Wyman.

Mr. President, a legitimate Federal interest in a State's conduct of elections must be conceded—indeed, it is constitutionally mandated. But, when a State such as New Hampshire conducts an election in full accordance with accepted standards of due process and equal protection under the laws, its right and desire to manage its own elections must be respected. In these circumstances, our intervention can only damage the Federal system as we know it.

In its landmark decision of Reynolds against Sims, the Supreme Court struck out against a dilution of the voting franchise by a harboring of political power in the unrepresentative hands of a small cadre of men. While Chief Justice Warren addressed the evils of a malapportioned State legislature, his opinion could as well be applied to the Senate's assumption of the power which New Hampshire voters had to elect a U.S. Senator. The words of the Chief Justice represent a fundamental lesson in American democracy. He said:

The right to vote freely for the candidate of one's choice is of the essence of a democratic society, and any restrictions of that right strike at the heart of representative government. And the right of suffrage can be denied by a debasement or dilution of the weight of a citizen's vote just as effectively as by wholly prohibiting the free exercise of the franchise.

If the Senate, in its wisdom, fails to investigate all of the areas of protest as listed by Mr. Wyman as well as Mr. Durkin; if it fails to count an "X" placed in the party circle as a straight party vote under New Hampshire law, it will have sent a message to all Americans that the U.S. Senate can do what it pleases without respecting the laws and the rights of a sovereign State.

History is replete with examples of men in power who have failed to review all the areas of evidence before making a decision or deciding a case. If the Senate fails to return this matter to the people of New Hampshire for their disposition, is this institution any different from those other institutions which failed to protect the rights of the people? Two hundred years ago, a group of men and women rebelled against an institution which was indifferent to their rights. Our indifference to such rights in this case will only reinforce the low opinion that most Americans have for their Government leaders.

During the next few days, we will hear many arguments from both sides as to how this election contest should be handled. Should the power of politics determine the outcome? Let us remember it will be the American people who will be the final judges as to how this issue should have been handled, and how this institution performed its duties.

As one Senator, representing one State, I believe I have a legal and a moral obligation to work to resolve this matter in a fair and equitable way. The only way that I can fulfill my responsibilities—and I speak from the bottom of my heart—as I was elected to do, is to vote to return this contested election, on which it is impossible to make a determination as to who won it, to the people of New Hampshire—where it belongs.

Mr. THURMOND. Mr. President, since this Congress convened in January, the State of New Hampshire has been deprived of one of its seats in the U.S. Senate. As the middle of June draws near, the Senate is still considering the issue, and this body seems no closer to a decision now than it was 5 months ago.

My opinion of this election is no different now than it was in January. I still believe that Mr. Wyman should be seated since he is the only candidate who has received a valid State certificate of election. This election was contested under the applicable laws of New Hampshire, and the bipartisan State Ballot Law Commission has certified Mr. Wyman as the duly elected Senator from New Hampshire.

Mr. President, if the Senate refuses to accept the will of the people of New Hampshire by failing to seat Mr. Wyman, the only logical course to follow would be to declare the seat vacant and to order a new election. If the Senate is not going to honor the valid certificate of election held by Mr. Wyman, the people of New Hampshire should have the right to say who will represent them as their Senator.

In my opinion, the Senate has only two options. The Senate can seat the only candidate with a valid certificate of election, or the Senate can declare the seat vacant and return the election to the citizens of New Hampshire for a decision.

Mr. President, this controversy has been going on for too long, and it is past time for the Senate to make an affirmative decision in this matter. The people of New Hampshire and the entire Nation are waiting to see how the Senate will finally act.

Mr. BAYH. Mr. President, the Senate is beginning a debate today which is of crucial significance, not only to the people of New Hampshire, who have been without a duly-elected Senator for these past 5 months, but to the country at large. What is at stake here, Mr. President, is the very principle that lies at the heart of our Republic, the right of her people to elect those who govern them.

The Senate begins this debate in the midst of cries of partisan politics. Members of this body have already received threats that if they fulfill their obligation under the Constitution and remain faithful to their oath of office by considering the New Hampshire contest, they will be labeled as "election stealers." Unless the Senate declares the seat vacant and calls for a new election, we are told by the zealots, we will be "pulling off the biggest Watergate of all." This, of course, is pure nonsense and only serves to impede the proper operations of the Senate. I am not bothered by the threats of those who seek to intimidate the Senate in this manner. Since 1913, the Senate has considered 24 disputed elections, and it has never shirked its constitutional duty to resolve those contests. Never in the history of the Senate's consideration of contested elections has this body ever failed to reach a just decision based on evidence presented. More importantly, never has the Senate had to order a new election in unusually close races.

While partisan rhetoric has been frequent in the Senate's consideration of election disputes, a historical examination of the results of the challenges shows quite clearly that the minority party has never been placed at any particular disadvantage despite its smaller numbers. In fact, three previous cases in which the Senate's action overturned the original results in an election—the election of Mr. Brookart in 1924 and Mr. Vare and Mr. Smith in 1926—saw the majority party reject its own candidate.

In other cases involving challenges to general elections, Republican Senates sustained Republican winners three times and Democratic winners seven times. Democratic Senates supported Republican winners in five cases and supported Democratic winners in only four. I think this record clearly demonstrates that the Senate considers its duties under article I, section 5 in a serious, responsible and nonpartisan manner.

I sympathize with those voters of New Hampshire who feel they have not had proper representation in this body during the 5 months New Hampshire has had only one Senator. While I sincerely regret the amount of time it has taken for the Senate to reach the point it has today, I think it is important to point out that from the historical perspective, this is not a precedent. On three occasions, the Senate has refused to seat candidates whose election had been challenged, and in each instance the seat remained vacant for a longer period. In one of these instances, the disputed election for the Pennsylvania Senate seat in 1926, the seat remained vacant for 2 years and 9 months.

I am sure that the voters of New Hampshire will not be duped by cries of partisan politics. I have more respect for the wisdom and judgment of our voting electorate than to assume they would accept the untenable argument that just because an election is close—whether it be by 300 votes or by 2—the closeness of the election somehow invalidates its results and mandates a new election.

One of the cries we hear today is that the people of New Hampshire should decide who their next Senator is—not the U.S. Senate. This ignores a clear fact—the people of New Hampshire on November 4, 1974, did decide on their next Senator. Because the results of that election were extremely close is not to say that the election is any the less valid.

Ever since the direct election of Senators in 1913, each individual voter has known that his vote may make a difference. There can be perhaps no clearer substantiation of this principle than the New Hampshire race. Were we to invalidate any election that happens to be close—to call a new election solely on the basis of the closeness of the results—we are destroying the very principle that one person's vote can make a difference. As I said, the voters of New Hampshire have decided on their next Senator—they made that decision on November 4, 1974, and it is the constitutional obligation of this body to see that the choice of the voters on that day represent the State of New Hampshire for the duration of the term.

In the days ahead the Senate will be asked to decide many procedural and legal questions regarding the New Hampshire dispute. I am confident that this body will be making those decisions in a forthright, responsible, and nonpartisan manner—just as it has done in the past. We owe this not only to the voters of New Hampshire, but to the voters around the country who will be looking to the Senate for the vindication of the basic principles of our Republic.

Mr. PEARSON. Mr. President, the constitutional authority of the U.S. Senate to determine its own membership is being misguided, and has distorted the true sense of our responsibility.

It is not debatable that, indeed, the Senate does have a responsibility; progress on the New Hampshire dispute is at a standstill and a judgment must be made. But our responsibility is that the final judgment be New Hampshire's, not that of the U.S. Senate.

Mr. President, for the past 5 months the Committee on Rules and Administration has been sifting through innumerable ballots, trying, and often in vain, to determine the intent of each. They have, Mr. President, done a commendable job, in as far as their expertise and time allowed. But still there are 27 ballots that remain question marks; intent could not be determined. In addition, there are eight substantive questions to be debated; one which reads: "Should the committee investigate circumstances surrounding the casting of the ballot by

UMI

Mrs. Ella Doyle for her sister, Mrs. Elizabeth McCarren?"

The responsibility of the Senate would not be in question if there were fraud involved. But there is not, and there is no conceivable way we can judge these ballots or questions so that a final decision would be acceptable. Each of the disputed ballots and each of the substantive questions is critical to the outcome of the race; it would be a charade and utter folly to pretend we know the answers.

Any decision rendered by this body would be imperfect if our judgment calls were to decide the outcome. We cannot agree away the rights of the New Hampshire constituency; the decision is theirs. At a time when the public is cynical about government why do we not seize the opportunity to enlist the participation of the people and let New Hampshire decide this election for themselves?

New Hampshire has already signed into law legislation that would provide the mechanism for a rerun of this election; an indication in itself that this would be a preferable path in the event a decision from the U.S. Senate would be inconclusive.

Mr. President, so that we may avert charges of partisanship and abuses of power, and so that we may demonstrate our true responsibilities, I would hope that the Senate would see clear to make New Hampshire the proper forum for this decision, not the U.S. Senate.

Mr. STONE. Mr. President, I ask unanimous consent that two members of my staff, Mrs. Adele Mann and Mrs. Pam Weller, have the privilege of the floor during the consideration of the pending matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that a member of my staff, Mr. Charles Greenleaf, have the privilege of the floor during the debate on this issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I make the same request for Jan Mueller, a member of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that two members of my staff, George Shanks and Philip Reberger, have the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I make the same request for David Russell, of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STONE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, the chairman of the subcommittee, the Senator from Nevada, has done a wonderful job in being fair and exhaustive in conducting these hearings. He made an excellent exposition of the situation, to which I listened, and with which I find myself in agreement.

Mr. President, the New Hampshire Senate election of 1974 resulted in an exhaustive series of appeals from administrative and judicial bodies in that State and has now come to a critical point in the Senate of the United States.

An apparent election day victory for Mr. Wyman by 355 votes became a temporary victory for Mr. Durkin after a recount conducted by the Secretary of State only to be reversed again by the New Hampshire Ballot Law Commission by a margin of 2 votes.

A certificate of election was duly issued to Mr. Durkin following the Secretary of State's recount, and, after the Ballot Law Commission's review, a certificate of election was issued to Mr. Wyman.

Mr. Durkin had no further recourse under State law but could and did file an appeal to the Senate of the United States which, under the Federal Constitution, gives to each House of the Congress the final power to judge the elections, returns, and qualifications of its Members.

On January 9, 1975, I, as chairman of the Subcommittee on Privileges and Elections, and the other members of the subcommittee, Senators ROBERT GRIFFIN of Michigan and ROBERT C. BYRD of West Virginia, held a public hearing to receive testimony from the two contestants from the Ballot Law Commission Chairman, Mr. Snow, from the attorney general, Mr. Rudman, who also is a member of the commission, and from others who had come from New Hampshire to offer helpful information on the conduct of the election up to that time.

The two certificates of election—that issued to Mr. Durkin, and that issued to Mr. Wyman were introduced for the record. Also presented for the record were the petition of contest submitted by Mr. Durkin and the response filed by Mr. Wyman.

At that early stage in the proceedings, January 9, 1975, it became apparent that while many thousands of ballots had been protested during the Secretary of State's recount, only about 3,500 were presented to the Ballot Law Commission for its review, and of those 3,500, only about 400 were actually submitted for rulings.

Mr. Durkin has continuously argued that the 400 ballots submitted for rulings by the Ballot Law Commission are of any significance and that an even lesser number could decide the election. On the other hand, Mr. Wyman, rather belatedly, began to claim that he had protested other ballots in order to extend the scope of the Senate's inquiry beyond the 3,500 which actually were presented to the Ballot Law Commission.

The record of the Ballot Law Commission shows that Mr. Wyman or his representatives did, in fact, waive many of the protests that were sought to be opened again by the committee. The committee did agree on several occasions to investigate absentee ballots in Manchester, Amherst, and Portsmouth; alleged voting machine malfunctions in Manchester; and alleged irregularities concerning the distribution of absentee ballots in Nashua.

In fact, at Mr. Wyman's request the committee did vote to search for and open and count some ballots which were alleged to cast doubt on the count of certain ballots in Portsmouth, for example, only to find that the single ballot in question was from a different ward and had no bearing upon the count at all.

All during these proceedings the committee has acted in a very public manner. It has been the intent from the beginning not only to appear to be fair to both of the contestants but to be fair in actuality.

A great preponderance of the public, open, rollcall votes have been unanimous; 426 of those votes were on ballots which were masked and therefore hidden from the eyes of committee members except for the squares where the voter marked his ballot. Identification of candidate or political party was impossible.

In short, there are but eight legal issues on which the committee cast tie votes. Those issues reflect the efforts of Mr. Wyman, at this stage in the proceedings, to extend the scope of the contest beyond the 3,500 ballots and open new avenues where he hopes to confuse the Senate during its deliberations.

Attorney General Warren Rudman, who also serves as a member of the Ballot Law Commission, stated that:

> We have never been concerned about tight security on those (185,000) ballots. The key to the election is in the 3,500 protested ballots, not the others. No one was concerned about those ballots until it became politically convenient.

It is my view that the issues raised by Mr. Wyman and pending now before the Senate are not founded on fact but rather on speculation. The request to recount 10 precincts is derived from a mere allegation that errors were made during the secretary of state's recount. The request for a recount of three towns is based upon the claim that there were inaccuracies in the secretary of state's tally sheets. The Chairman of the Ballot Law Commission stated that there is no relationship between the protested numbers at the bottom of the tally sheets and the subsequent number tallied at the top of the sheet.

It was demonstrated to the committee that the issue of the McCarren ballot has been resolved upon the physical evidence that one of the two absentee ballots alleged to have been cast by Mrs. McCarren was, in fact, never counted and is in the custody of the committee.

On the issue of tie votes the argument that the ruling of the Ballot Law Commission should prevail cannot be upheld. Article I, section 5 of the U.S. Constitution states that each House—of the Congress—shall be the judge of the elections, returns, and qualifications of its Members. It is the duty, the mandatory duty of the Senate to be the judge of this Senate contest. To do any less would be to allow another State body to substitute its judgment for that of the Senate.

Two issues involving a search for all

ballots of a skip-candidate type or especially of a skip Durkin type should be rejected. First because the only skip candidate or skip Durkin ballots now before the Senate are those that were protested before the secretary of state or the Ballot Law Commission or both. No other such ballots were protested. No one knows definitely whether any such ballots do exist. Such a search would be tantamount to a fishing expedition among the 185,000 unsecured ballots with the intent further to confuse the Senate.

Finally, there is the issue of the Manchester voting machines. At Mr. Wyman's request the committee did agree to investigate whether the 12 machines specifically identified by Mr. Wyman may have malfunctioned during the 1974 election. The committee employed two machine experts, Mr. Codie Wimberly of Louisiana, and Mr. Spooner Hull of the State of Virginia to test the machines under the public scrutiny of the committee staff, the press, and representatives of the contestants. Mr. Wimberly and Mr. Hull did test the machines as they deemed necessary and each gave an affidavit to the committee stating that the candidate counters on each of the 12 machines accurately recorded the votes cast on them.

With respect to the ballots on which the committee voted 4 to 4, I commend to the Senate the arguments set forth in the committee's report of the Durkin position. There are 24 ballots which the committee considered openly without a mask, and 3 ballots which the committee examined in a template concealing everything but the voting squares beside the candidate's names although the names were not visible.

A fair study of those ballots which are present in the Senate Chamber will, in my opinion, convince the Members of the Senate not only of the eccentricities apparent in the manner of casting some ballots, but of the need to exercise good conscience in voting on the ballots after listening to the legal arguments to be presented on each in sequence.

I believe that the chairman has performed a very difficult task in a manner which leaves no doubt of his objectivity and integrity. The record was open from beginning to end and every chance was given to the contestants to argue respective positions.

Having participated in all of the rollcall votes taken by the committee I can state my personal conviction that this investigation was conducted in the highest and best traditions of the Senate and I urge all of my colleagues to resolve this dispute in the same spirit so that a determination can be reached fairly and honestly as to which of the contestants is entitled to the seat.

Mr. President, what we are faced here with, really, is this situation, which is the best analogy: If there were a horse race, a very close finish, in fact a photo finish, the jockey that thought he won but was not sure would want to wait to have the photograph developed. But the jockey that thought he may have lost by a smidgen would want a new race.

This election, to simplify it, is exactly what we are faced with here—a hideously close race, but one in which one side thinks they won and wants to see all the ballots counted, and the other side perhaps has a little doubt about it and would rather have a new race run.

I see the viewpoint of both sides, and if I were in their position, I would do exactly what each side is doing. But in this case the Senate has a constitutional responsibility as well, and that is to do our job and to see if we can ascertain what the vote is in order to judge who should be seated. If we cannot ascertain what the vote is, then it should go back to New Hampshire. But we say that, as the Senate, we have not yet completed our job.

In doing this job, we in the Rules Committee have worked very hard, indeed. We spent 46 days, 212 hours, counting ballots. In my view, it would have been a good idea if we could have had an impartial board from the American Arbitration Association, or something of that sort, but my colleagues did not agree with me on that proposal, and it was not adopted.

Nevertheless, we did the best we could, and we hope there will be a speedy resolution of this question, so that we can get on with making a decision; and the decision may be that it is a tie and it will go back to New Hampshire. But at least we should go to the end of the path and count the ballots that are there as of now.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. PELL. I yield.

Mr. GRIFFIN. The Senator said in his presentation that one side wanted all the ballots recounted and the other side wanted a new election. I wonder which side wanted all the ballots recounted.

Mr. PELL. I think it was, at a late date, the Republican side, at an earlier date they were content to let their case rest on the 3,500 ballots——

Mr. GRIFFIN. If the Senator from Rhode Island is now in favor of counting all 220,000 ballots, this is the first I have heard of it.

Mr. PELL. I am not in favor of that, not only because of the complexity of the job but also the fact that they were stored for a substantial period of time under security that was furnished by the cold weather of New Hampshire which caused the doors to be frozen shut, and when the doors were not frozen shut, an employee of the Republican secretary of state went in to make sure the ballots were in good shape, each day.

Mr. GRIFFIN. I wonder whether Senator from Rhode Island, who is the distinguished chairman of the Subcommittee on Privileges and Elections, would agree that the same rules and the same standards for interpreting the ballots should apply to all the ballots that were cast by the voters in New Hampshire and not apply one standard to 3,500 ballots and another standard to the remainder.

Mr. PELL. That is a very tough question.

Mr. GRIFFIN. It will be a question that the Senate will hear a lot about, I would say.

Mr. PELL. I am sure of it—for days and days.

The way I judge it, the way I counted the ballots, as fairly as I could, was that I tried to determine the intent of the voter. I realize that in New Hampshire there is cause for argument and that there are arguments both for and against that the skip-Wyman ballots should be counted. But, basically, I think, with some reason perhaps, I sought to define what the intent of the voter was. It is difficult to be impartial. That is why I was relieved when they were masked, because then you knew you were not being warped in your judgment about which party they were from.

But when I saw eight X's in a row, with one blank one, I kind of felt the fellow voting probably did not want to vote for the one left blank.

Mr. BROCK. The Senator kind of felt that way?

Mr. PELL. I felt that way.

Mr. BROCK. I think the Senator said he did not want a total recount of all the ballots. What he is saying is that he accepts the judgment of the State on 217,000 ballots but not on the 3,500. That he reserved for the Senate. Is that right?

Mr. PELL. As the Senator well knows, we are talking about the ballots that I think the Republican candidate, himself, wanted to appeal on.

Mr. BROCK. But the Senator is aware that the Republican candidate reserved the right to challenge ballots, and I think the Senator voted not to allow that recount in the Rules Committee. Is that correct?

Mr. PELL. I think it would have been an impossible job, yes.

Mr. BROCK. But the point is that where the challenger, Mr. Wyman, or the candidate, Mr. Wyman, did not question skip-Durkin votes in the original recount process, he did receive the right to challenge. And then the Senator voted to deny that opportunity, did he not?

Mr. PELL. I think that the argument will be presented later on showing that the reservation of the rights occured at a date that, under New Hampshire law, was past the date when they should have done it. This will be discussed at length.

Mr. BROCK. But you have already denied the New Hampshire law in the instance of counting ballots which, under New Hampshire law, would have been counted. The Senator is saying he is now operating under a new law, which is the intent of the voter as determined by the Senator from Rhode Island.

Mr. PELL. I am talking about the 3,500 votes which were under the security of the State police. Also, Attorney General Warren Rudman, also a member of the Ballot Law Commission, stated:

> We've never been concerned about tight security on those ballots. The key to the election is in the 3,500 protested ballots, not the others. No one was concerned about those ballots until it became politically convenient.

Mr. BROCK. But the Senator is aware that some of those ballots are now lost,

and in the challenged precincts on the write-in ballots, there are quite a few that are lost, is that not true?

Mr. PELL. There are apparently reports of some mislaid, presumably evenly on both sides.

Mr. BROCK. Some were not mislaid, Mr. President. Some were burned, were they not?

Mr. PELL. I wondered what that employee was doing about going in there with the 185,000, presumably making sure they were warm.

Mr. BROCK. But they were destroyed, is that not the case?

Mr. PELL. I frankly do not recall. The Senator may ask counsel on that.

Mr. CANNON. I wish he would ask me that question. I would be delighted to respond to it.

There were no ballots destroyed. There were some papers which the testimony shows that there were no write-ins on and the blank papers were destroyed. That is a fact. The others that were written on were counted. That is the record as it is now disclosed.

I might say, if I may, just as long as he asked that question—he asked of the distinguished Senator from Rhode Island, why not go back and count these other ballots? The ballots were recounted. The 180-odd thousand were recounted and, as the Attorney General said:

> The ballots you see here, about 180,000 ballots, were never protested by anyone.

Mr. BROCK. They were recounted under New Hampshire law.

Mr. CANNON. He said there are 3,500 ballots that were, under New Hampshire law, protested.

That is why we go back. The 180-odd thousand ballots were never protested by anyone until Mr. Wyman came out——

Mr. BROCK. They were recounted under New Hampshire law and the Senator is recounting under his law. That is the difference.

Mr. CANNON. We did not recount them under anybody's laws. We did not recount them period.

Mr. HATFIELD. Will the Senator yield?

Mr. KENNEDY. Will the Senator yield?

Mr. CANNON. I yield to the Senator from Massachusetts.

Mr. KENNEDY. I wish to make a brief opening comment. I understand we are going to be debating these issues for several days. I would like at the outset, with the indulgence of the chairman of the committee. to make a brief comment.

Mr. President, the debate we begin today on the New Hampshire election is unique in Senate history. The margin of election after four attempts to determine a winner—the initial poll count, the secretary of state's recount, the State ballot law commission result, and the Rules Committee deliberations—is still so close that we in the full Senate are now asked to exercise our own ultimate constitutional responsibility to judge the election.

At the outset, I commend Senator HOWARD CANNON and each of the members of the Rules Committee for the outstanding work they have done in guiding this issue to the Senate floor.

None of us wished this responsibility on the Senate. All of us regret that the Senate's other vital business must now be set aside to deal with this single election contest.

But just as we did not wish this responsibility on the Senate, so we cannot shirk it. And all of us owe an enormous debt to Senator CANNON and the Rules Committee for the skill with which they have handled the innumerable issues in the dispute.

I reject the partisan arcma and trepidation that some are attempting to spread around the few issues actually before us. The most noteworthy thing so far about the dispute is the way the Rules Committee has very ably served the Senate by winnowing down the myriad complex issues, to the point where all we have to decide are nine procedural questions and 27 ballots. In spite of the morass we faced last January, the Rules Committee has successfully navigated the Senate to the point where a resolution is actually in sight.

We must try to see these 36 tie-vote issues in perspective. Out of the hundreds of decisions made by the committee during its laborious deliberations, the vast majority of the decisions were made by unanimous votes in the committee. As I understand it, for example, the committee analyzed over 400 masked ballots, and was able to resolve all but 3; and the committee examined over 400 unmasked ballots and was unable to resolve all but 24, including the 13 so-called "skip candidate" ballots. That is an outstanding achievement by any standard. Again, I commend the committee for its skill and resourcefulness in so successfully narrowing the issues for the full Senate to decide.

As we begin this debate, one thing should be clear. A new election, however much the partisan supporters of Mr. Wyman may paint it as the "easy popular" course, is not an acceptable alternative at this time. Conceivably, after a finding by the Senate of an absolute tie vote or a finding that it is otherwise impossible to determine a winner, the only available course for us may be to require a new election.

But we face no such situation now. The calls for a new election are obviously premature. The debate is only just beginning. And article I, section 5 of the Constitution clearly requires that the Senate accept the responsibility to try to reach an answer.

It may well be, for example, that enough of the 36 tie-vote questions can be quickly resolved, to the point where the outcome on any remaining questions would not affect the result. We do not even know, for example, that the 27 tie-vote ballots are actually critical even now, since we do not know the tally from the committee's other deliberations.

There is no justification now for the Senate to nullify the New Hampshire election of November 5, 1974, or to disfranchise the 200,000 voters who went to the polls that day. Certainly, the Senate would be setting a novel and unacceptable precedent, if it were to cancel this important election solely on the ground that the results are uncomfortably close. The Senate has its own constitutional responsibility to carry out, and the sooner we accept it, the sooner this difficult case will be resolved.

One final word. As a Member of the Senate, I am confident that each of us will judge each issue fairly on the merits, in accord with our oath of office, free of partisan considerations. As a member of the Democratic majority, I affirm that I shall not vote to seat Mr. Durkin for partisan reasons; but I also affirm that I shall not be embarrassed into voting for a new election by baseless partisan charges. Let us judge the issues one by one, confident that the country will see that we are meeting our responsibility and performing it honorably.

Mr. President, I thank the Chairman for yielding.

Mr. HATFIELD. Mr. President, I want to clear up one particular point that the chairman made a moment ago in response to the Senator from Tennessee (Mr. BROCK). It concerned whether or not the rolls for machines were carefully viewed and whether we had ample evidence as to what occurred on the possibility of write-in votes. The chairman, if I recall correctly, said there was testimony that would indicate that we have evidence that these machines had been viewed, and it had been determined that no vote has been cast.

Mr. BROCK. That was the understanding of the Senator from Tennessee. It was not his understanding earlier.

Mr. HATFIELD. I think the chairman of the committee was quite correct as related to Portsmouth. The 10 machines of Manchester, however, the rolls on those machines, we do not know what happened to them. We have no evidence, no testimony as to what happened to those rolls on those 10 Manchester voting machines. I want to draw clearly the distinction between those rolls on the Portsmouth machines and those on the Manchester machines.

Mr. BROCK. I do not understand why we do not know. Did we not send a team of investigators up there to find out what happened to them?

Mr. HATFIELD. I say to the Senator this was not part of the investigation.

Mr. BROCK. Why?

Mr. HATFIELD. It was turned down.

Mr. BROCK. Why? By whom?

Mr. HATFIELD. The committee, in its wisdom, determined that it should not be investigated. It was the wisdom of the committee by a vote of 5 to 3.

Mr. BROCK. Does the Senator mean the committee voted not to investigate a situation where we had demonstrable inconsistencies in the ballot process?

Mr. HATFIELD. This was a vote of 5 to 3 of the committee.

Mr. BROCK. A partisan vote?

Mr. HATFIELD. A partisan vote.

Mr. McCLURE. Will the Senator from Oregon yield?

Mr. GRIFFIN. Will the Senator from Tennessee yield to me?

Mr. HATFIELD. I am happy to yield.

Mr. GRIFFIN. If the Senator wants an examination of how the committee refused to look into the issues, we had a situation called to our attention through sworn testimony where a lady, without any instructions or authorization whatever from her sister, got an absentee ballot for her sister and cast it for her, because she knew that her sister was about to die, and that her sister would have wanted to vote a straight Democratic ticket. There was a move in the committee to investigate that matter, because obviously, it was an illegal vote, regardless, and the committee, by a 5 to 3 vote—4 to 4—refused to investigate.

We had another situation such as the ranking member (Mr. HATFIELD) has already described, where one voter, a Mr. Michaud, who was unregistered—not even on the registration lists of the State of New Hampshire—was persuaded by a relative who was a Democratic Party worker to apply for an absentee ballot.

Of course, he should not have applied for an absentee ballot because he was not a registered voter, and he knew he was not a registered voter. Nevertheless, he did apply.

His sworn testimony was, however, that he never received a ballot, and he did not vote. His vote was cast, his vote was counted. This was an example of irregularities in the absentee voting of Nashua, the city of Nashua, which Mr. Wyman complained about and about which he asked an investigation.

A request was made that the committee further investigate this incident, and also on the basis of it to investigate Mr. Wyman's complaint of protest about irregularities in general in absentee voting in Nashua.

The committee refused to investigate it.

These are just two examples. There are others where the committee just refused to look into the allegations whatsoever.

Mr. BROCK. Senator, I will ask the same question I asked the ranking member.

Mr. GRIFFIN. Let me say we did not refuse to look into any protests or complaints made by Mr. Durkin. We refused only to investigate the complaints or protests by Mr. Wyman.

Mr. BROCK. Now, may I ask the same question I asked previously. We sent investigators to New Hampshire who were paid for and designated by the Senate of the United States; did we not?

Mr. GRIFFIN. We sent a panel of three, as has been indicated before, and that panel was, with the agreement of the committee, to be headed by Dr. Riddick.

Mr. BROCK. Right.

Mr. GRIFFIN. The other two members were the majority counsel and the minority counsel of the committee.

Mr. BROCK. Right.

Mr. GRIFFIN. Before they got there, without any consultation or authorization by the committee, the chairman, acting arbitrarily, set aside Mr. Riddick as chairman and imposed the majority Democratic counsel as the chairman who, thereafter, conducted the investigation and blocked any effort by the minority to have a thorough investigation.

Mr. BROCK. How can one man block a three-member commission from acting?

Mr. GRIFFIN. Well, I think that is for the Senate to decide and for the chairman of the committee to respond.

Mr. WEICKER. Mr. President, will the Senator from Michigan yield on that point?

Mr. GRIFFIN. Yes; I would be glad to yield.

Mr. WEICKER. Is the Senator from Michigan saying that the majority counsel became not only majority counsel but also judge, if you will, and——

Mr. GRIFFIN. That is the role he assumed.

Mr. WEICKER (continuing). And denied requests of his opposing counsel?

Mr. GRIFFIN. That is the role he assumed and the role that he exercised.

Mr. BROCK. Does the Senator mean he refused to investigate an admitted fraud?

Mr. GRIFFIN. Well, they went up there to investigate whether or not certain voting machines had malfunctioned. There is not any question, according to the records, that there was something wrong with those voting machines.

Mr. BROCK. But the Senator from Oregon said he refused to allow a check of the machines.

Mr. GRIFFIN. That is right.

Mr. BROCK. What did they investigate if they did not investigate anything entirely?

Mr. GRIFFIN. They pulled the lever 11 times and found on those 11 times they seemed to be counting right, so that is all they did, in effect. They refused to take off the backs of the machines even to look at the gears, and so forth, to see whether or not they were working.

Mr. BROCK. Well, I have seen——

Mr. HATFIELD. Mr. President, will the Senator from Michigan yield for just one observation? In further response to the Senator from Connecticut of how can one person frustrate a three-member panel, or the question of the Senator from Tennessee, Dr. Riddick, being the gentleman that he is, understood by this action that his role had shifted. I think the testimony again shows when he was asked by other committee members, he just sort of stepped aside. Then, when Mr. Schoener, the minority counsel, would raise a question it became a 1-to-1 relationship whereby the chairman, Mr. Duffy, on 25 separate occasions where points were raised, in effect, overruled the minority counsel on a 1-to-1 basis, and thereby determined the direction and course of the investigation.

Mr. BROCK. Was there any occasion in which the majority counsel refused a request from the Durkin side, any protest from their side?

Mr. HATFIELD. No. Let me add——

Mr. BROCK. His only refusals related to those of the minority?

Mr. HATFIELD. Let me add one further point to make this a complete picture. When the chairman replaced Dr. Riddick as the chairman of the investigating committee with Mr. Duffy, he instructed Mr. Duffy—and we have a copy of those instructions—that he was to act as chairman, and in cases of problems or great disagreements they were to call Mr. CANNON, the chairman. So I think that also ought to be part of the RECORD here.

Now, that may be a kind of balancing factor here, in providing an appeal for the minority counsel directly to the chairman of the committee. But let us bear in mind this was a complete change of the original format which the committee had understood when it voted to send the team to New Hampshire.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. HATFIELD. I do not have the floor.

Mr. BROCK. I will yield.

Mr. CANNON. Who has the floor?

I think the RECORD ought to be made absolutely clear, and I would like to read from it.

Now, there has been a lot of talk about this three-man committee, the so-called Riddick Committee.

> Senator ROBERT C. BYRD. Could our own staff determine the facts in this case, on this one ballot?
>
> The CHAIRMAN. I would feel so.
>
> Senator HUGH SCOTT. Why do we not ask Mr. Duffy and Judge Schoener to determine the facts? It has worked very well before.
>
> Let me repeat that:
>
> Why do we not ask Mr. Duffy and Judge Schoener to determine the facts?
>
> It has worked very well before.
>
> Senator ROBERT C. BYRD. Fine. I would so move.
>
> Senator HUGH SCOTT. He moves to reconsider and I second it and that leaves it open.
>
> The CHAIRMAN. You desire a rollcall?
>
> Senator ROBERT C. BYRD. No.
>
> The CHAIRMAN. All in favor say "aye."
>
> [Chorus of "ayes."]
>
> The CHAIRMAN. "Noes"?
>
> [No response.]
>
> The CHAIRMAN. Motion to reconsider is agreed to.
>
> Senator ROBERT C. BYRD. Now, I move, Mr. Chairman, the two staff members whose names are suggested by Mr. Scott be authorized by the committee to look into the situation governing this one ballot and report back to the committee the facts that they find.

So, let us stick a little bit closer to the record.

Mr. GRIFFIN. Just a minute, Mr. Chairman. We are talking about a different issue.

Mr. BROCK. Mr. President——

Mr. HATFIELD. Mr. President——

The PRESIDING OFFICER. The Chair will ask the Senate to be in order. The Senator from Tennessee has the floor. Senators, please address the Chair one at a time so we can make a record.

Mr. BROCK. We have been talking about oranges and the chairman just brought a crate of apples to the floor.

Mr. GRIFFIN. That is just exactly right.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. BROCK. Yes.

Mr. HATFIELD. Let us keep the record straight, Mr. President. Let us not veer off into other issues. Here is the evidence, and the evidence was not ever refuted and I will quote from the transcript of the committee session itself. This is on page 1466 of the record of the committee:

> The CHAIRMAN. On the remaining items; the question of the DeSchaud matter, and the inspection of machines remains, with the number of the items has having been settled.

And the team, I presume, is ready to go to New Hampshire now and go into those two items?

Dr. RIDDICK I understood we were going on Sunday evening.

The CHAIRMAN. Well, someone had said that Judge Schoener had made the request that we wait until Sunday to go up. I had initially thought the team would go immediately following this meeting, but if there is a request to wait until Sunday certainly I would not object.

Senator GRIFFIN. Mr. Chairman, could I ask a question? When the chairman refers to the team, what does that mean?

The CHAIRMAN. Well, the so-called Riddick panel: Dr. Riddick, Judge Schoener, and Mr. Duffy.

Senator GRIFFIN. There may have been some decisions made by the committee when I was not here following the last meeting but if I could make some inquiry. I understand that the panel could appropriately investigate the situation where there was an allegation that two ballots were cast for the same voter. I do not see any problem there, but when it comes to whether or not voting machines did or did not malfunction, I do not quite understand how this panel is going to make that decision.

Now, one further point. It is very clear that the chairman and every member of the committee understood about the Riddick panel. When the chairman refers to other matters that have been conducted, I will say that they have been conducted, for this same committee has spent hours and days reviewing these ballots to get stipulations from both sides.

Let me read from the specific instructions of the chairman, Howard Cannon.

Mr. CANNON. Will the Senator yield?

Mr. HATFIELD. Just 1 second.

Mr. CANNON. I would like to ask unanimous consent that that be made part of the RECORD in its entirety

Mr. HATFIELD. Mr. President, I would join the chairman in asking unanimous consent that his memorandum, May 2, 1975, to James H. Duffy, and staff personnel, be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM

To: James H. Duffy, and staff personnel.
From: Howard W. Cannon, Chairman, Committee on Rules and Administration.
Re New Hampshire election.

This will authorize James H. Duffy, James F. Schoener, Dr. Floyd Riddick, and Peggy Parrish from the Committee on Rules and Administration staff to proceed to New Hampshire and take actions heretofore authorized by the Rules Committee, as follows:

Examine and inspect voting machines numbered 1581, 1645, 1537, 1640, 1633, 1591, 1595, 1623, 1620, 1532, 1533, and 1562, in Manchester, New Hampshire, in conjunction with experts employed by the Committee, i.e., Mr. Coty Wimberley, and any other expert employed by the Committee, to attempt to ascertain whether these machines correctly recorded the votes in the New Hampshire election for the office of United States Senator.

This will entail a visual inspection of the machines and counters; inspections of the seals and locks placed upon the machines; a determination as to whether the machines have been used subsequent to November 5, 1974, and whether they were in each instance adequately secured so that the machines could not have been tampered with in any way.

The experts employed by the Committee are authorized to conduct such tests as they deem advisable to ascertain the accuracy of recording the votes cast. A specific attempt should be made to ascertain whether the candidate counters are connected with the public and protective counters and determine whether a malfunction of either of those would or would not have resulted in a malfunction of the candidate counter.

You may take such sworn statements as are deemed necessary from persons in connection with the security of the machines. In addition, you will proceed to investigate the matter of the so-called Michaud voting to ascertain the facts concerning the so-called Albert J. Michaud and Albert W. Michaud matters and take sworn statement in connection therewith as you deem advisable.

As the senior staff member, James H. Duffy is in charge, and if disputes arise among the staff as to proper procedure necessary, I will be available to make such decisions by phone. In the event you cannot reach me, Mr. Duffy is authorized to make the decisions.

Both Mr. Durkin and Mr. Wyman are authorized to have a representative present during all of the proceedings aforementioned if they so desire, but shall not participate therein in any fashion.

The expert(s) employed by the Committee are working for the Committee in order to ascertain the facts of these matters and are not employed by either the Majority or the Minority.

Upon completion of the examination and testing of the Manchester machines, each shall be resealed under the jurisdiction of the United States Senate.

Mr. HATFIELD. To point out further the one-man operation that existed, I will quote one paragraph here. It says this, and these are the instructions of the chairman to Mr. Duffy:

As the senior staff member, James H. Duffy is in charge—

This is after he had referred to the "Riddick panel," and Dr. Riddick had always been chairman of that panel.

—and if disputes arise among the staff as to proper procedure necessary, I will be available to make such decisions by phone.

But listen carefully to the next line:

In the event you cannot reach me, Mr. Duffy is authorized to make the decisions.

Mr. BROCK. And that is what happened.

Mr. HATFIELD. That is what happened.

Mr. GRIFFIN. The Senator from Oregon, the ranking member, was he apprised or consulted?

Mr. HATFIELD. No

Mr. GRIFFIN. Prior to the issuance of that, did anybody else on the committee know the chairman was going to do this?

Mr. HATFIELD. I can only speak to my own experience. I had no knowledge of this action, no understanding it was being contemplated. I had no understanding or knowledge it had been implemented.

Mr. GRIFFIN. And that is exactly the situation.

Mr. BROCK. Was the Senator aware when it happened or was the Senator not aware until after the occurrence?

Mr. HATFIELD. I was not aware.

Mr. BROCK. There was no effort to communicate with the Senator from Oregon?

Mr. HATFIELD. I will have to say I was not aware of any of these actions. This was on a weekend when I happened to be in the State of Oregon and I do not know whether efforts were made, I have no knowledge.

Mr. CANNON. Will the Senator yield?

Mr. BROCK. Did the Senator have any indication of an effort to communicate?

Mr. CANNON. Will the Senator yield briefly?

Mr. BROCK. Surely.

Mr. CANNON. As long as this involves me, I may say that a copy of that memorandum was given to the staff member of the minority prior to the departure of the team to the State of New Hampshire and, furthermore, there were decisions the chairman was called upon to make, there were appeals to the Chair, and the Chair made decisions over the phone.

Mr. BROCK. Maybe the Chair could satisfy the problem of the Senator from Tennessee by explaining this. When the Chair in effect replaced Dr. Riddick as the head of this group and gave it to the majority counsel, did he instruct Dr. Riddick not to participate in any decisions?

Mr. CANNON. No, the Chair did not make any such instruction.

I may say, if I may explain, the situation up to that time was that if either of the parties, if the two parties disagreed on an issue, and this related principally to the reviewing of the ballots to see what could be stipulated to, what could be masked and what could not be masked, and if there was a disagreement between the two counsel, Dr. Riddick did not make the final decision. He just said, "We cannot agree," and it would come back to the committee.

Mr. BROCK. Mr. Chairman, it seems we got into a situation by some route that left the whole process to one man and the Senator did not have an investigation, the Senator had one man and he made decision as to whether or not to investigate and he decided not to.

Mr. CANNON. The Senator is not correct. The memo is very complete and explicit. Appeals were taken to the chairman and the chairman made those decisions.

I may say, somebody has indicated, as chairman of the committee, somebody has to be available to make decisions when the committee is not in session and the chair undertook that.

Mr. BROCK. And the minority was not even consulted.

Mr. CANNON. The ranking minority member already told us he was out of town that weekend.

Mr. BROCK. The telephone is available.

Mr. CANNON. Somebody had to make a decision and the chairman did and accepts full responsibility for it.

Mr. WEICKER. I wonder if the Senator from Nevada has ever heard of any system of jurisprudence anywhere in the world where opposing counsel are also given judicial duties?

I just wonder, either within our own system or without our system or jurisprudence, where it is that one counsel is given that kind of advantage over another?

Mr. CANNON. I may say, any time we have a committee system, the chairman has the right to make some decisions. The chairman made the decision. If the Senator does not agree with it, he is at liberty to raise that issue. But the chairman made the decision. The appeals were made to the chairman and the chairman settled the issues.

These people are up there doing a job.

Mr. WEICKER. Just to pursue my line of questioning, did the distinguished chairman consider, however, that in this instance the Senate is very much acting as a court in deciding this very important question, and it does not fall into the normal category of committee activity where some things are done by a chairman without complete consultation, even though that ought to take place?

Mr. CANNON. No.

Mr. WEICKER. In effect, the Senator was bound by the concepts of jurisprudence, by the concepts of fairness that pervade our system of jurisprudence, and that really, this action was quite contrary in a judicial sense to what normally goes on in this country.

Mr. CANNON. No, I would not agree with that. I would agree that we are acting in a quasi-judicial nature, that I would agree to.

Mr. WEICKER. I think I know the chairman well enough to know that his dedication for fairness and to our system of jurisprudence is just as great as mine. I am not being critical in that sense at all. But clearly, and I am hoping sooner or later to give some remarks here, it seems to me that was a departure, if not from the law, not from Senate custom, from a standard of fairness.

I am just wondering in the matter of the investigation of New Hampshire as to how many ex parte contacts there were either between the chairman and those that were a part of that investigation, or between majority counsel and those that were involved in that investigation. In other words, contacts without the presence of minority counsel and without minority counsel participating.

Mr. HATFIELD. Will the Senator yield?

Was the Senator asking a question?

Mr. WEICKER. Yes.

Mr. CANNON. I may say that counsel were on the same floor with the chairman.

Mr. BROCK. No, I think the Senator is referring to ex parte contacts. That is something else entirely.

Mr. CANNON. Will the Senator explain it further?

Mr. WEICKER. For instance, the distinguished Senator from Nevada already made a statement that a decision was made without consultation with his counterpart, the ranking minority member. That, in effect, would be an ex parte decision where the minority was not represented in that decision matter.

I was wondering how many other such occurrences took place, either as between the chairman and the ranking minority member, or between the majority and minority counsel, or between the chairman and the majority counsel and witnesses, or those being contacted in Manchester?

Mr. HATFIELD. May I respond to that?

Mr. CANNON. Certainly.

Mr. HATFIELD. Let me explain by stating that the chairman of the committee and I, as ranking minority member, had very close consultations on every point of the committee's operations.

On one other occasion I was in my home State, and we consulted via telephone on the selection of experts to be chosen to represent the committee.

I want to make the record very clear that on all occasions I felt totally involved and totally a part of the leadership of this investigation with this one exception. It is the only exception that I am aware of where the chairman acted in such a significant manner in a unilateral way.

But I want to make the record clear that on all other matters I am aware of, it was a very excellent and a very harmonious working relationship.

I would like also to make a part of the record at this point, if I can, other issues. I think we ought to keep the record clear as we begin this case. At each point where there is some question as to the accuracy of statements that have been made, we should clarify it.

The Senator from Rhode Island a while ago raised the question as to the safety of those ballots that were stored in the National Guard Armory. That was raised by Mr. Durkin from time to time in the committee hearings, and that concerned all the members of the the committee.

We have here a letter from the Attorney General dated June 6, 1975, addressing himself to that question, and I am not going to read the letter at this point, except to say this: There was not one bit of evidence, not one challenge ever made before any part of that committee hearing that there was any tampering with those ballots.

In the Attorney General's letter he very succinctly said:

I think you should know this, that those ballots came to you in the same condition without any question as to their integrity when they left the State of New Hampshire or when they were stored.

So I think we ought to make sure that we do not run any red herrings in here or any banana peels to let people slip on that do not relate directly to the case or the evidence upon which we are trying to make our judgments.

Mr. WEICKER. I will conclude, then, relative to the subject matter the distinguished Senator from Nevada and myself were discussing, and the subsequent comments of the distinguished Senator from Oregon, that I think it important as we go step by step that we point out where difficulties occur. Clearly, there were two difficulties relative to this matter, which is somewhat unusual: the ex parte decision by the distinguished chairman on a very important matter, and, No. 2, the action of the majority counsel, which fly in the face of American jurisprudence and fly in the face of any standard of fairness in that he took on the role of both counsel and judge, thus denying to one of the parties equal treatment and a chance to be heard.

At this point, I think, as we go each step of the way, I would like to point out some of these difficulties. I am not in any way intimating wrongdoing or an evil intent on the part of any individuals, but by the time the mistake is accrued, it will point up the necessity of sending the matter back to New Hampshire.

Mr. BROCK. The Senator has made my point. The thing I was getting at was I think the Senator from Oregon said on 25 occasions the majority counsel refused the investigative request of the minority counsel.

Mr. HATFIELD. On a 1-to-1 basis without Dr. Riddick participating.

Mr. BROCK. All right, on a 1-to-1 basis. So far as I am concerned, I am not charging anything, but I do not understand. I do not know whether they were bored, tired, out of time or out of money, but nobody has yet explained to me what in the dickens stopped us from investigating a legitimate charge from a person who has a right to make an inquiry. I am not going to make charges, but I am dogone curious as to why.

Mr. GRIFFIN. If the Senator will yield, I want to make this observation. It is very, very important because, as the Senator from Oregon said, it is the only time when he was not consulted in the course of the committee's consideration of this matter, and it is the only time that anyone representing the committee went up to New Hampshire to do any part of the investigating that was requested by Mr. Wyman. Then with respect to that investigation of just those two items, that investigation was frustrated in the manner described.

I think that is important also because earlier, when the committee had delegated certain responsibilities to this panel, namely to go through certain ballots and try to see whether or not earlier protests could be eliminated as frivolous and so forth, and the parties went through a lot of ballots and agreed they would not press their claims, the committee agreed that it would be the majority counsel and minority counsel. And then, even though Dr. Riddick is an employee of the majority on the committee, it was a suggestion of the minority—indeed, this Senator speaking now—that Dr. Riddick be put on that panel as one that we all had confidence in, who was nonpartisan, who was professional, and that he be the chairman of it. He conducted that particular investigation on the earlier occasion.

When we came to the matter of investigating these particular complaints by Mr. Wyman that involved some work up in New Hampshire, and the committee then agreed that the Riddick panel, the same panel, would go up there, of course, it was our expectation, and just in the interest of simple fairness and equity you would think, that Dr. Riddick, in whom both sides had expressed

confidence as being impartial, would continue to be the chairman. So I think it is a very disturbing development at the very least to say that the chairman, without consulting with anybody, would arbitrarily put Mr. Duffy, the majority counsel, in the place of Dr. Riddick.

Mr. BROCK. What I am saying is I do not care if the chairman wanted to make King Kong the chairman of the investigating team, what I do concern myself with is the fact that the investigating team was denied the access to any investigative process. They were refused the right to check voting machines. They were refused the right to make inquires in behalf of one of the litigants in the case. I cannot imagine the justification for that. Party, philosophy, nothing should deny a man access to a full investigation of the facts no matter how they come out. That is what I do not understand and nobody has yet explained it to me.

Mr. GARN. Will the Senator from Tennessee yield for an observation on a slightly different subject?

Mr. BROCK. Yes.

Mr. GARN. I have sat back here now for 1 hour and 45 minutes. I have looked around the Chamber and there have been 10 or 20 Senators listening to this debate. Maybe that is the big story today. This is not an ordinary debate. We, the U.S. Senate, are considering who will be elected to the U.S. Senate for the people of New Hampshire. I think the people of New Hampshire are being taken. We are sitting in judgment. I would like any Member of this body to tell me if the judge and the jury leave when a case is being tried.

I am rather appalled. I am only a junior Senator with 5 months here. The senior Senator from Massachusetts walked in and gave a very eloquent prepared speech on how he was going to be nonpartisan, how he would look at all the issues. As soon as his prepared speech was finished, he left. I wonder how the Senators who are not here, on both sides of the aisle, when it comes to the day to make a decision on these issues, will be able to make a decision. Or do they already have their minds made up? I wonder. I am here to listen. I think maybe that is the story that ought to come out of here today more than any other issue. Maybe the press ought to take note of that and let the American people know how few Senators are here listening to the evidence. The people of New Hampshire certainly ought to know. Every Senator ought to be here. He should not be in committee. He should not be with constituents. He should be here, listening to the arguments on both sides so when it comes time to vote he can make an unbiased, nonpartisan decision.

Mr. McCLURE. Will the Senator from Tennessee yield?

Mr. BROCK. I yield.

Mr. McCLURE. I thank the Senator for yielding.

I believe there are a couple of points that should be made, first of all with respect to the allegation that was made earlier by a Senator being questioned, who abruptly bolted from the floor, in regard to the security of these ballots in storage in New Hampshire. The Senator from Oregon made reference to the letter from the attorney general of New Hampshire in regard to the security. I think it might be worthwhile to read that letter.

I will read the entire letter. I will do no editorializing. I will leave nothing out, except the letterhead.

This letter is dated June 6, 1975, addressed to the Honorable HOWARD W. CANNON, chairman of the U.S. Senate Committee on Rules and Administration, room 125 Russell Senate Office Building, Washington, D.C. 20510; re: November 5, 1974, U.S. Senate election.

JUNE 6, 1975.

Hon. HOWARD W. CANNON,

Re: November 5, 1974 United States Senate Election

Chairman, U.S. Senate Committee on Rules and Administration, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR CANNON: I have been informed that various remarks that I have made to the press concerning the security of those ballots which did not come before the Ballot Law Commission for that body's review have been misinterpreted and have been used as a basis for an argument that these ballots should not be reviewed. I am writing to you at this time so that I might set any fears that you or any member of the Committee might have to rest concerning the security and integrity of these ballots.

As you know, those ballots that were the subject of the hearing before the Ballot Law Commission were kept in a locked vault in the New Hampshire State Police Headquarters. There were approximately 3,500 ballots in this category. The remaining ballots from the general election were placed in a locked equipment garage at the New Hampshire National Guard Armory in Concord. At the time these ballot were placed at their respective locations, it was unclear as to which ballots you would be considering. Subsequently, all ballots were turned over to the Senate.

It is true that the ballots at the National Guard Armory were not held in a vault. Quite simply, as is apparent from the vast number of the same, there was no vault large enough to hold all these ballots. However, this should not lead you or anyone to the erroneous conclusion that the iptegrity of these ballots has in any way been compromised. In fact, quite the opposite is true.

As I noted in my remarks to the press and in subsequent conversations with members of your staff, I am completely satisfied that those ballots housed at the Armory were in the same condition when they were handed over to the officers of the United States Senate staff on February 10, 1975, as when they were placed in the storage area at the Armory. I continue to be distressed that various individuals have seen fit to make unfounded and baseless allegations concerning these ballots. I challenge anyone to show one ballot that has in any way been altered or destroyed because of the method of storage employed by New Hampshire officials. I submit that this cannot be done because these ballots, as I noted earlier, have been carefully and dutifully maintained in their original state.

So that I might make myself completely clear on this subject, let me state again my position concerning these ballots. It is my belief that the method of storage of these ballots should in no way mitigate against their review by you and your Committee. It is becoming tedious to have to explain a method of storage that was agreed upon by all parties in this matter prior to its use. At all times during the storage of these ballots, they were available for inspection by anyone interested in this matter, although no one bothered to take advantage of this opportunity. I confess that they were not locked behind special doors. However, this does not mean that these ballots are now somehow different than they were prior to going into storage. If someone is arguing that because these ballots were stored as they were, they cannot now be reviewed by you, I regard that argument as without basis in fact and not worthy of your consideration.

As you may gather, I feel most strongly about this. I have written to you at this time so as to answer any argument of this sort. I realize that your task in this matter is a difficult one and I do not wish to make it any more difficult than is necessary. However, this sort of specious argument does not contribute to the resolution of this election, a resolution which has already been too long in coming. I stand ready to provide you with any further information or assistance.

Sincerely,

WARREN B. RUDMAN,
Attorney General.

CC to The Honorable Robert Byrd, The Honorable Harrison Williams, The Honorable James Allen, The Honorable Mark O. Hatfield.

I think, Mr. President, that it is important that the record be as abundantly clear as it is possible to make it with regard to the security of the ballots which have been called into question by the offhand remarks of at least one speaker here today, for the reason that they could now go back and look at the ballots to the extent that they have been requested by one of the two parties involved in this election, or the committee itself, when they desire to take a look at the ballots for any relevant reason.

Mr. BROCK. I thank the Senator. Is he aware of whether or not that letter was sent to the full Rules Committee?

Mr. McCLURE. I am informed that a copy of the letter was sent to every member of the Rules Committee.

Mr. BROCK. So the Senator from Rhode Island is aware of that letter, despite the statement he made?

Mr. McCLURE. From information coming to me, I understand that is correct.

Mr. BROCK. I will ask him that question.

Mr. GRIFFIN. Mr. President, will the Senator yield to me for a question?

Mr. McCLURE. I yield.

Mr. GRIFFIN. The Senator from Idaho has done a great service by putting that letter into the RECORD as it is in the committee hearings. It is the only credible evidence concerning the security of the ballots. Other statements have been made in offhand ways that there was not security, and this and that. But even so, let me make this point. Even if some Senators should believe that the integrity of those ballots was not maintained, I wonder if the result should not be, not to distort the vote of the people of New Hampshire thereby, but that the logical result would be to send this election back to the people of New Hampshire for a new vote.

What has happened here, of course, is that the majority on the committee has changed the rules for counting the ballots with respect to some in the 3,500 category, and then, after changing the rules and refusing to comply with New

Hampshire law particularly with respect to what is a straight party vote, then they refused to go back and apply that same different rule to the other 180,000-odd ballots, which were here at the Capitol and available; and they do that on the grounds that there was not adequate security.

Mr. BROCK. That is not surprising. They have applied one law to Durkin and another to Wyman, one investigative right to Durkin and another investigative right, or the lack thereof, to Wyman. Why should they not be totally consistent with this practice?

Mr. WEICKER. Mr. President, along that line, if the Senator will yield, I would like to ask the distinguished ranking minority member a question.

At the conclusion of this investigation in Manchester, is it not true that this same majority counsel, Mr. Duffy, interviewed the two machine experts, Mr. Codie Wimberly and Mr. Spooner Hull, without the present of minority counsel? Is that correct? Is that the Senator's understanding?

In other words, that these experts, who were supposedly acting on behalf of the committee and serving the committee as a whole, were interviewed outside the presence of counsel for Mr. Wyman.

Mr. HATFIELD. Mr. President, I would like to respond to the Senator's question by trying to set it in proper context, and with total accuracy.

After the so-called investigation was completed, at least after the way in which it was handled was completed—it was not really an investigation, in my opinion—the parties returned. That is, the majority counsel, the minority counsel, the experts, and the secretary to the majority party, Miss Peggy Parrish, returned to the motel at which they were all staying.

There had been no notice given to the minority counsel about any kind of session with the experts about how the report was to be presented, or any kind of instructions.

Dr. Riddick and the minority counsel, Mr. Schoener, evidentally ran into each other, according to the testimony, in the lobby of the motel, and neither had seen what happened to Mr. Duffy or Miss Parrish or the two experts.

Mr. Schoener then proceeded down the hallway of the motel, and knocked and opened the door of the majority counsel's room, and there was the majority counsel, Mr. Duffy, in this hotel room with the two experts and Miss Parrish.

As the conversation began to develop, the information obviously was expressed, according to the testimony again, that they were just talking about what general format the report should take. Mr. Duffy very clearly stated he was in no way attempting to instruct the experts, other than to outline to them some general issues and matters that they might find helpful in writing their report.

I think that the circumstance is one that could lead people to wonder. I am not judging, and I do not want to even imply that there was any attempt on the part of Mr. Duffy to influence or distort the report, or anything of that kind. I made this clear at the committee hearing.

But as I said in my opening statement, and I want to reiterate here again, the Senate of the United States, the Rules Committee of the Senate, and its staff have not only the responsibility to set forth equitable, fair, and honest procedures, but we must give every appearance of equitable, fair, and honest procedures.

We cannot rely on technicalities, saying, well, technically, we are doing this, or technically, we are doing something else.

This is the kind of scrutiny the American public is applying to this whole case. The appearance may be just as important, if not more important, therefore, than the actual facts, details, and technicalities.

So I suggest to the Senator from Connecticut, without any kind of preliminary implication that there was any attempt to influence the report, that the appearance factor left much to be desired, by not informing the minority counsel and the other member of this committee that there was going to be such a session held with the experts to give instructions or to assist in developing even the questions of format.

Mr. WEICKER. It is true that the witnesses that are being referred to, Mr. Wimberley and Mr. Hull, were not witnesses for Mr. Durkin or for Mr. Wyman, rather they were hired by the committee to help make a determination; is that correct?

Mr. HATFIELD. The chairman of the committee and the ranking member agree that without any problems we agreed to the two experts, who were to act. We first intended to have perhaps a list of three in which the chairman and I then would be delegated by the full committee to make a selection.

We found that that was not feasible because the nominees from both sides turned out to have certain political relationships that we again did not think would provide the best appearance.

For instance, there was one, who had been suggested by the majority party, who had been a partisan activist in a number of our colleagues' campaigns. I raised the question, even though he had the technical qualifications, whether this political relationship might not give the wrong appearance; and the chairman of the committee agreed.

One of the nominees of the minority side was discovered that he had been a chairman or was a chairman of a local Republican committee, and even though he possessed fine qualifications, again because of the importance of appearance, we thought it would not be appropriate to appoint him.

So what we did is that each one of us found a technician. Instead of sending one, we nominated two. Each technician was to act on behalf of the full committee, not on behalf of the minority and the majority. The two technicians were in the employ of the full committee, acting only as professional technicians. That was the status given to these technicians.

Mr. WEICKER. So certainly, if not by any other standard, the standard of fairness would demand that counsel for both parties be present at all times during the execution of the duties by these particular witnesses; is that not correct? Would that be a correct standard of fairness that would demand that both counsel be present?

Mr. HATFIELD. I think it is not only a question of appearance, as I indicated, but also, obviously, it leads into a serious question of fairness. I think when we are going to give any instructions to specialists or technicians, who are acting on behalf of the full committee, representatives of the full committee should have been present.

Let me illustrate further what happens where I feel the chairman probably did not anticipate this type of thing and certainly did not design it at all. Rather, it happens as a result of this kind of a unilateral action by designating Mr. Duffy as the chairman. Let me refer again to the record, page 1483. I had asked the question regarding Mr. Wimberly and Mr. Hull and their presence in the motel room with Mr. Duffy:

Senator HATFIELD. I am trying to find out how this meeting occurred, how this just happened, and what the circumstances were, since you have drawn the fine point as to my question, when I asked if they were in your room and you said, "no, they were not."

Mr. DUFFY. My recollection, Senator Hatfield, is this. I have already described the fact that the four members from the Senate committee were in the same hallway, and so forth—we had rooms all around—and so were the two experts.

I left a message at the desk asking Mr. Wimberly and Mr. Hull to contact me when they returned to the motel.

That colloquy, up to this point, was only to indicate that they were not in Mr. Duffy's personal room, but they were in a room with Mr. Duffy. In good lawyer fashion he honed my question down to a very fine technical point and responded honestly, but it was only by stumbling into the fact they were in a room. I do not know whether he knew I knew they were in a room, but I think it is very obvious what my question was leading to.

Then I said:

Senator HATFIELD. For what purpose?

Mr. DUFFY. To ask them to provide affidavits while the facts were fresh in their minds.

The chairman interrupted and he said:

I may say that I instructed Mr. Duffy to be sure that the experts gave affidavits while they were there. I did that over the phone.

I responded by saying:

I think that makes good sense.

The point is simply this: When you instruct a chairman that you have designated, such as in this case, Mr. Duffy, again it leads to the serious question of appearance. Are those instructions being given to the majority counsel as the majority counsel, or to the majority counsel as the chairman? And if it is given to the majority counsel as a chairman, then is he acting as a chairman by not notifying the minority counsel, Mr. Schoener, and by not notifying the third member of the committee, Dr. Riddick?

I think this put Mr. Duffy in a very unfortunate position, and again I only raise the appearance factor.

Mr. WEICKER. May I ask the distinguished ranking member the following question: If it was put to the committee as a whole that the team would go up to New Hampshire, and that team would consist of Messrs, Duffy and Schoener, with Duffy being in charge, and Riddick, in other words, not playing a role, would that have been accepted by the committee as a proper policy?

Mr. HATFIELD. It would not have been accepted. I am not sure it even would have been proposed and accepted by the majority party, because the majority party up to that point had tried diligently to keep that team. Everyone wanted a team that had integrity, a team that raised no questions as to its policy on the partisan basis, and that is why Dr. Floyd Riddick was chosen as chairman.

Mr. WEICKER. That was my last question. I think all of us in this Chamber have a tremendous respect for the fairness of Dr. Floyd Riddick, a fairness that was proven over decades of service in this Chamber. Was not really that concept of fairness that attaches with Dr. Riddick the motivating force of the committee having him as the central figure in the way of technical assistance? Is that not true?

Mr. HATFIELD. This is precisely true about Dr. Riddick. Also, this does not in any way imply a less than full confidence in the professional ability and the integrity of Mr. James Duffey and Mr. James Schoener.

The point simply is this: When you are dealing with a matter that is involved in partisan politics, as an election to the U.S. Senate seat certainly is, when you have a Democrat and a Republican running, and you have majority counsel and minority counsel, I think anyone recognizes the necessity of keeping that in balance and providing a stature to that two-man committee that could not exist other than appointing a third person and that third person being a person like Dr. Riddick; this goal was completely destroyed by the chairman's instructions, in effect, taking Dr. Riddick out of the chairmanship and putting in Mr. Duffy.

Let me emphasize again: This may seem like a very insignificant point to the casual observer. But bear in mind on 25 separate occasions in that one-to-one relationship of the majority counsel to the minority counsel, the minority counsel's questions and issues raised to further the investigation were denied, unilaterally denied. For what purpose?

I suppose you could argue legal points. Again not being a lawyer, I do not feel handicapped at this point because I think we are looking at a moral issue and looking at an ethical issue. This moral and ethical issue is whether or not one person should determine the full scope and the direction of the investigation when you have appointed a three-member committee to do that job.

Mr. WEICKER. Of course, just to respond, the business of prosecutor and judge being one and the same, there is a system of jurisprudence that has that as the modus operandi, and that specifically is the Russian system of jurisprudence.

Mr. HATFIELD. I think we learned that in our high school civics class.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee still has the floor unless he yields the floor.

Mr. BROCK. I yield.

Mr. McCLURE. I think maybe the record ought to contain just one further reference at this point to that so-called investigation of the voting machines, because as I recall the statement of the Senator from Oregon, the extent of the investigation of those voting machines was by simply pulling the lever 11 times to see if the candidate's counter and the public counter both tallied the same. I think it is interesting in that connection to go back to the record and see what was expected of this committee before they went to New Hampshire to examine the machines and I am not going to read the entire colloquy that ensued in the committee.

I invite the attention of the Members of the Senate to part 2 of the open sessions of the Committee on Rules and Administration hearing with this subject, on page 1466 and following, in which there was some discussion that involved Senator HUGH SCOTT, Senator GRIFFIN, the chairman of the committee, and others. This statement was made by Senator GRIFFIN at that time, at the bottom of page 1468:

Senator GRIFFIN. If they just pull the levers a couple of times to see, you know, if the thing might operate in an isolated situation that certainly is not what the committee has in mind.

The CHAIRMAN. I think they would have to examine the mechanism of the machine to determine whether various counters are interconnected, or whether they are not interconnected so that when you vote on one, that it would automatically cast a total on another one. But I think we could work that out between ourselves.

The evidence now before the Senate is that instead of being worked out between ourselves, it was worked out unilaterally by a decision that the backs of the machines would not be open, that the interconnection would not be examined, and that the direction of the committee was not followed by the investigating team that went to New Hampshire.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. McCLURE. I yield.

Mr. BROCK. There is an old technique on voting machines. One reason we tried to do away with them in my State is that they are subject to rather considerable fraud of a sophisticated type. There is one technique that is rather interesting, whereby one can take the individual candidate's counter and paste a "0" over the 9, on the third digit——

Mr. WEICKER. Mr. President, I make the point of order that the Senate is not in order.

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order. Senators will take their seats, and if they have other business to conduct, they will do so outside the Chamber.

Mr. BROCK. One can paste a little "0" over the "9," on the third digit to the left, and a little "0" over the "1" on an alternative candidate's counter. What happens is that for the first 100 votes on the first candidate, he goes from 900 to 999; and when it gets to that 100 vote, it trips back and it has "000." The other candidate starts off, apparently, with "0" but it is 100, and the next trip turns it to 200.

So that the two do balance, and the public counter tallies; but the only way one can find that is with a check from behind the machine. It is the only way one can find it and identify it.

We had evidence that more votes were cast on the machines than people voting on those machines, by 1,100, if I recall correctly. Yet, this investigative team, under the direction of the majority counsel, refused to go in and check to see whether any of these things were done—the interconnection or anything else. I find that absolutely awesome in its implications, and I do not understand why we continue to fail to get an answer as to what happened and why such a decision was made.

Mr. McCLURE. The Senator is correct, that these questions remain unanswered, and the answers remain ungiven.

The thing that makes it unacceptable to me is that we are focusing great attention on 1 or 2 or 8 or 12 ballots, and we did not take a very close look at a discrepancy of hundreds of votes. Under those circumstances, it seems to me to be impossible for the Senate to go through the limited review which the committee has permitted and come up with any kind of assurance that we know how the people of New Hampshire voted in that election.

Mr. BROCK. It is not untypical of the Senate to spend 27 hours on 27 amendments relating to one vote each and 5 minutes on a problem that relates to 1,100.

Mr. McCLURE. I am afraid the Senator is correct.

AMENDMENT NO. 585

Mr. WEICKER. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an amendment in the nature of a substitute:

Strike out all after *"Resolved"*, and insert in lieu thereof the following: "That the Senate seat from the State of New Hampshire for the term commencing January 3, 1975, is hereby declared vacant."

Mr. WEICKER. Mr. President, I demand a division of each of the two sections and each of the subsections therein to the extent that it is susceptible to such division.

Mr. BROCK. On the original resolution?

Mr. WEICKER. Mr. President, I withdraw the request on the division.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum, and the quorum will be live.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 27 Leg.]

Allen	Culver	McClellan
Bartlett	Curtis	McClure
Bellmon	Dole	McIntyre
Brock	Garn	Nunn
Bumpers	Griffin	Pell
Byrd, Harry F., Jr.	Hart, Gary W.	Schweiker
	Hatfield	Sparkman
Byrd, Robert C.	Humphrey	Stennis
Cannon	Leahy	Symington
Cranston	Mansfield	Weicker

The PRESIDING OFFICER (Mr. SCHWEIKER). A quorum is not present.

Mr. CANNON. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk	Hart, Philip A.	Muskie
Baker	Hartke	Nelson
Bayh	Haskell	Packwood
Beall	Hathaway	Pearson
Bentsen	Helms	Proxmire
Biden	Hollings	Randolph
Brooke	Hruska	Ribicoff
Buckley	Huddleston	Roth
Burdick	Inouye	Scott, Hugh
Case	Jackson	Scott, William L.
Chiles	Javits	
Church	Johnston	Stafford
Clark	Kennedy	Stevens
Domenici	Laxalt	Stevenson
Eagleton	Long	Stone
Eastland	Magnuson	Taft
Fannin	Mathias	Talmadge
Fong	McGee	Thurmond
Ford	McGovern	Tunney
Glenn	Metcalf	Williams
Goldwater	Mondale	Young
Gravel	Morgan	
Hansen	Moss	

The PRESIDING OFFICER. A quorum is present.

Mr. WEICKER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Connecticut to Senate Resolution 166.

Mr. WEICKER. Mr. President, I would like to urge my colleagues, if they possibly can, to spend some time on the floor listening to the debate on this matter, and let me tell you why. This amendment which, in effect, declares the seat vacant and sends the matter back to New Hampshire for resolution by the people of New Hampshire, is going to come up for a vote at 5 o'clock on Tuesday.

Clearly in the course of the debate on this amendment we are going to encompass the entire spectrum of the work done by the committee, the entire spectrum of the matters contained in the resolution.

So I would point out to the Senators that this gives an unexcelled opportunity to compress our work effort into a far smaller period of time than is going to be the case should this amendment be defeated and we go on for the next week or so on each item, item by item.

But I repeat, the debate will involve the entire subject matter which sits before you, my colleagues, for your judgment. So that I think a little time spent for the next 4 days, today, tomorrow, Monday, and Tuesday, is time well spent, and time which will be far shorter than that which lies ahead.

Now, Mr. President, I would like to make just several remarks as to the amendment itself and the reasons for offering it.

First, I want to make clear as far as this Senator is concerned, I am not going to participate in, because, very frankly, I do not believe in, any accusations of stealing an election. I am not going to for 1 minute impugn the integrity or the good faith of any Member here. There is no question in my mind as to the integrity and the good faith of every member of that committee and, indeed, the same holds true for every Member of this body in their deliberations on this matter.

Yes, it is true I am going to go ahead and attack the method used, which is fair enough. I think it is out of date. I think it is illogical and irrelevant. That is a separate matter.

I cannot agree, for instance, with the comments made earlier by another Member as to this heating up into a partisan battle. The last time I presented this amendment five Democrats voted for the amendment to send the matter back to New Hampshire and, indeed, I am making my pitch, if you will, in the next 4 days to the membership as a whole, not to Republicans or to Democrats but to the membership as a whole, that this is the best method for us, in this particular instance, to use in judging the qualifications of the two members presented to us.

This is the best method. I am not presenting it on the basis of the fact that any of our colleagues or any member of the committee engaged in partisan action. I want to make that point clear.

I am going to fight, and fight hard. I am very critical of the fact that this went to the Rules Committee. I am very critical of decisions made by that committee. But let it be set on the record right now that when it comes to integrity of the chairman and the members of that committee, Republican and Democrat, they rank high not only in my estimation, but also in fact.

Mr. President, I believe that any partisan argument on this matter is ridiculously out of place when presented to a Nation that uses entirely different standards today than was the case years ago.

Years ago this matter could have been resolved in a partisan fashion and, really nobody would care, or probably better still, nobody would understand. But that is not the case today. I think the American people expect us to apply standards of commonsense, of fairness, of legality, of logic, of relevance. These are what count. Clearly, the systems that we have used in the past in a matter such as this do not meet those standards.

I do not mean to demean what it is we have done in the past relative to resolving elections disputes. But this is a different day, and whereas these matters used to be decided behind closed doors and by the fewest possible number of people, today they are out in the open with the greatest number participating.

If, indeed, we have changed the entire process in this country as to participation when it comes to election, why should we not change it for ourselves?

I am not here engaging in a constitutional debate saying we do not have the right to judge the qualifications of our Members. What I am saying is that the decisions by a rules committee, or the decisions we are being asked to render here today, just are not the best way to handle the matter.

I stand with the chairman in upholding our constitutional rights relative to determining the qualifications of our Members. Where we depart is on how that is best done in this case, and that is the entire thrust of my argument.

The 17th amendment of the Constitution of the United States is there for very much the same reasons that I am arguing today. It used to be that State legislatures elected the U.S. Senators and then somebody came up with the idea that it would best serve the Republic to have the people, all of the people, make that choice.

So the 17th amendment was enacted, and from the decision being made by a few it is now made by many, and we are better off because of it.

Point No. 2 is that some have said that the Republicans in this matter intend to filibuster it. Nothing could be farther from the truth.

Yes, I do believe it is important that each one of these points be gone over very carefully because, as the chairman has stated, and as I would agree, we are in a quasi-judicial proceeding.

It is not something that can be thrown out, everybody raise their hands and go home. Rather, we have to hear the evidence.

I would not lend myself, and I have not talked to one of my colleagues on this side of the aisle that would lend himself to a filibuster on this matter. We have always in the past used facetiously the term "an educating process" when talking about a filibuster. Indeed, this is an educating process here. These are highly complex matters.

It is not sufficient that we just explain them to ourselves or we know what is going on. Rather, on this historical occasion it is important that the people of the country understand what is involved.

Point No. 3 the matter of precedent has been referred to. This is another reason why it is important that not just we ourselves, but the entire country, understand what is involved.

The point is made that precedent is being set, and it is very bad precedent.

I went into this particular matter at the time I presented the vacancy amendment 6 months ago.

Mr. GOLDWATER. Mr. President, may we have some order?

The PRESIDING OFFICER. The Senate will be in order. Senators will cease conversations and carry them on in the

cloakroom. The Senator will suspend until the Senate is quiet.

The Senator may proceed.

Mr. WEICKER. Mr. President, I made the point then that we were engaging in a rather unique action. There had been, as the chairman has stated, no allegation of fraud or illegality or corruption. Yet the Senate had taken this matter unto itself and was prepared to give it serious consideration upon the request of one of those involved.

Do we realize the precedent we are setting from here on it? That without charging any fraud or corruption or illegality, any loser can come down to Washington and, if his party controls either the House or the Senate, can have a rerun under the aegis of his own party.

That is not the kind of precedent we want to set. I may add there are even rumblings now in the House of a similar action taking place where there has been no allegation of fraud, corruption, or illegality. In that case, a few more votes separate the participants.

So understand what it is that we are doing here. We are opening the gates wide for repeats of what is transpiring here today.

The matter has been raised as to the confusion. We heard about this 6 months ago. At that time the final decision of the voters of New Hampshire was that Mr. Wyman had won by two votes.

Here we sit with some 35 issues before us. The confusion has not disappeared or been removed by the actions of our Rules Committee. Rather, it has been compounded.

That is another reason why the longer we stay with it, the more complex it is going to get. Thus is our time wasted, when the simple and constitutional and proper resolution is to have this matter decided by the people of New Hampshire.

Some have said, "Well, the people in New Hampshire today are not the ones that were there during election day in 1974."

Maybe not, but I do know one thing, that at least the ones that are going to decide the election up there all come from New Hampshire. There is only one person from New Hampshire in this Chamber. So whatever the difference in personalities, there is at least a commonality to those that will make the decision that does not exsit on the floor of this Chamber.

I think also very much at issue here is the matter of State's rights and State laws. To see this bandied about, hopping from our interpretations, to New Hampshire law, back to our interpretations, violates that concept.

Mr. President, I hope that during the next several days we can have a lively debate, take the various issues involved to set them against these standards of commonsense, fairness, legality, logic, and relevancy. Let us see how they measure up.

I think at that time we will be able to come forth with a pretty clear-cut picture as to whether or not we can do the right thing by deciding this election in the Senate. It is not a matter on the floor now as to whether one is for Wyman or whether one is for Durkin; whether one is a Democrat or Republican; whether one is conservative or liberal. In fact, I had someone the other day say, "Why, Senator, are you taking such an active role on behalf of Senator Wyman? After all, he is far more conservative than you are."

Well, that may be so, but that is not the issue here today, any more than being a Republican or Democrat. The issue here today is, Are we doing it the right way insofar as the people of New Hampshire are concerned, and are we doing it the right way insofar as we are concerned? Or are we going to stick to the old, hobble ourselves, and arrive at the improper conclusion?

The thrust of this amendment is to say, no, there is a better way in the year 1975, one that is far fairer, far more logical, far more relevant, than that which has been proposed by the Rules Committee. That is to go ahead and send the election back to the State of New Hampshire.

With those opening remarks, I would like to get back to the matters which we had before us as to specifics. I do not know if the distinguished Senator from Rhode Island is in the Chamber.

Is the distinguished Senator from Rhode Island present?

Certainly, I would hope one thing. Apparently it is a little difficult to keep Senators in the Chamber at all, but I do think that the members of the committee, since they are the ones who made these decisions, should be here. I would like to probe their thinking on these matters. I would hope at the least we could have the members of the Rules Committee before us.

Let me ask this question of either the distinguished chairman or the distinguished ranking member: Apparently someone else in this Chamber, specifically the distinguished Senator from Rhode Island, believes, as the Senator from Connecticut, that there is a better way to handle this matter. Unless I am very much mistaken, in the report he has individual views. Mind you, here is a member of the committee.

In his case, he is suggesting that the matter go to the American Arbitration Association. I have suggested it go to the people of New Hampshire. The committee has suggested that we can do it ourselves. The distinguished Senator from Rhode Island suggested it go to the American Arbitration Association. At least the Senator from Rhode Island and myself are thinking somewhat in the same way, that there is a better way, a fairer way, than that which has been evolved to date.

I was wondering whether he might give me his reasoning. I wonder if the Senator from Nevada or the Senator from Oregon, in the absence of the Senator from Rhode Island, could give me the reasoning behind the individual views of the distinguished Senator from Rhode Island.

Mr. CANNON. If the Senator is directing that to me, I heard him state his individual views. The committee did not agree with him. What he was suggesting was that it go to another panel to actually do the vote counting, rather than have the Rules Committee involve itself in that process. This was a suggestion to the committee. It was the feeling of the majority of the members of the committee that this would not be carrying out our constitutional responsibility and, therefore, we did not agree with him. That was the basic issue. It was not on the whole election but simply the going over of the votes and trying to retally.

Mr. WEICKER. I wish the Senator was here. It seems to me he is making so much of my own argument in this matter, except that he wants to go to the American Arbitration Association and I want to go to New Hampshire. He states:

> I remain of the view that the actual counting of the New Hampshire ballots, and as much as possible of the procedural decision-making relative to the New Hampshire Senate election contest, should not be done by elected individuals, but should have been delegated to a neutral body chosen from a panel recommended by the American Arbitration Association or other impartial source and agreed upon by the contestants.

Those words spring at you—neutral, impartial.

Again, and I do not want to put words into his mouth, what is in the back of his mind is viewed from the outside. Just by the nature of the party lines in the Senate, 61 to 38—just by the nature of that—people are going to think it is impossible for us to arrive at an impartial or a neutral decision. I might add that is very much compounded when you have situations such as we went over in depth in Manchester, where the committee going up there is handled in a manner which excludes the minority counsel. Obviously, you compound that type of an image.

Here we are confronted with the first problem. No matter how good our intentions, no matter how replete with integrity is every Member, we obviously are going to be judged in the light of the circumstances that exist by people who are not privy to a personal knowledge that we have of each other. Therefore, far better to have a neutral body make the decision, an impartial body make the decision.

As I say, he suggested the American Arbitration Association; I suggested the voters of New Hampshire.

> Such a procedure would have permitted the Committee and the Senate to have fulfilled its clear Constitutional responsibility in regard to the election by reviewing the work of the impartial panel.

In other words, I concede this is our constitutional responsibility, our right. There is no argument there at all. But what he is suggesting here is another method, just as I am suggesting another method.

> I do not believe, however, that we, as Senators, were chosen by our constituents to spend 212 hours in the course of 46 days on ballot-counting and procedural questions, to the detriment of our other responsibilities. Multiply the days and hours by eight—the number of members serving on the Committee—and the result is a tremendous amount of time and effort and expense.

I have not used that argument, the argument of other urgent business as a reason for our washing our hands of this matter. I had to go through all that business 2 years ago, that there were other great problems in the Nation and we should not have paid attention to the matters that were before us then. That is not it. It is not the spending of so much that bothers me. What bothers me is that this is not the best forum. We are not the best equipped to make the decision. The best forum is New Hampshire, because the people of New Hampshire are best equipped to make the decision as to who is going to represent them here.

Somebody in this body might be able to make a decision as to whether or not we are going to move forward in the area of solar energy because, indeed, they have that particular expertise, or what to do relative to urban problems, and so on down the line. That is fine. But in this instance, in this type of decision, the expertise resides in New Hampshire.

I would hope the distinguished Senator from Rhode Island would arrive here.

I will yield for a question from the distinguished Senator from Oregon in a moment.

If anyone thinks that what I am advocating in principle is a Republican theory, then I suggest they read Mr. PELL's views. We are espousing, even though the specifics are different, the exact same principle.

I yield to the distinguished Senator from Oregon.

Mr. HATFIELD. Mr. President, I would like to just comment without presuming to speak for the Senator from Rhode Island. He is most able to speak for himself, but let me just recall the procedures that led up to the establishment of the Riddick committee.

The Rules Committee spent a number of weeks trying to make a determination on the mechanics of reviewing the ballots, separating the ballots, and counting the ballots. At that time, the Senator from Rhode Island (Mr. PELL) suggested, among other suggestions which were considered, the proposition that this action, vote counting and ballot handling, be carried out under the auspices of the committee, but with a designation of the American Arbitration Association or other impartial source to actually handle the mechanics.

The entire committee, both the majority and the minority, desired to handle the mechanism by which, again, the Senator's very proper and very inclusive lists of characteristics would be applied in this case: Namely, fairness, integrity, objectivity, and the other words that he has used. The Senator from Rhode Island was offering this as one of a number of proposals.

I think this, again, goes back to highlight the discussions we were having just before the Senator from Connecticut offered his amendment. That was the importance of the Riddick committee, because, out of all of those weeks of discussions, including the proposal by the Senator from Rhode Island, the committee finally decided to set up the Riddick committee. The personnel of that Riddick committee already has been identified as including majority staff member Mr. Duffy, minority staff member Mr. Shoener, and the distinguished Parliamentarian emeritus, Dr. Riddick.

This reemphasizes why it is so significant that when it was determined, after all these weeks of debate and discussion, to get the best possible objective, fair panel to handle all these matters. We then would send that same Riddick panel to New Hampshire to carry on the investigation. This points out why it is so significant today to understand the importance of the action of the chairman in changing that committee from a Riddick committee to, in effect, a two-member Duffy committee.

Again, as I say, I would not want to try to speak in behalf of the Senator from Rhode Island, but I do believe that his proposal, which is now included in his individual views, had to do with the mechanics of handling the ballots and separating them, and the mechanics of the committee's responsibility.

I ask the Senator if he is willing to yield the floor for a moment.

Mr. WEICKER. I yield the floor.

Mr. HATFIELD. I would like, Mr. President, to obtain the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I see that the Senator from Rhode Island has arrived, and I would certainly be happy to yield to the Senator from Rhode Island to make comments. The Senator from Connecticut had raised the issue as to the individual views presented by the Senator from Rhode Island, and I would like to yield to him without losing my right to the floor.

Mr. PELL. Mr. President, I understand I am criticized for not being on the floor. I had some other engagements, and I am in touch with the floor and can be here whenever needed.

Mr. WEICKER. No criticism at all of the Senator from Rhode Island. I merely wanted to inquire as to whether he was here, and wished to have a chance to engage in a dialog with him.

Mr. PELL. I am absolutely delighted.

Mr. WEICKER. Let me repeat the basic question to the distinguished Senator from Rhode Island as to the reasoning for his individual views, wherein he, like the Senator from Connecticut, advocates a method different from that which has been employed by the Rules Committee in determining the outcome of the New Hampshire election, in that he and I agree as to specifics, but, in other words, that the Senator advocates the American Arbitration Association and I advocate the utilization of the voters of New Hampshire.

I am just trying to explain my reasons for my views in the committee, and I was interested in the reasoning of the distinguished Senator from Rhode Island as to why he suggested another way. In other words, I might add, in principle he and I agree, although not in specifics.

Mr. PELL. My reason for this method of approach was that I felt we had the responsibility, under the Constitution, whether we liked it or not, to reach a decision one way or the other.

Mr. WEICKER. I agree.

Mr. PELL. But I also felt that, being politically elected people as we are, it is very hard to be as impartial as you would like when the margin is absolutely 50–50.

For that reason I thought it would be a good idea to have the decision made by people who were not politically elected; whether the American Arbitration Association or a committee agreed on by the participants made no difference.

But that view did not prevail, because it was felt by my colleagues that it was an abdication of our responsibilities under the Constitution. I felt it could be delegated; my colleagues felt it could not be. So my motion did not prevail.

I would hope we could reexamine that question if it comes up again. We are going to have another go-around, I understand, in Oklahoma in a couple of weeks. Maybe there will be other States also, and we can consider again whether the delegation of these responsibilities is possible.

But I certainly would not support the idea of sending the matter back to New Hampshire for a decision until we had exercised every last initiative we could, to try to arrive at our own decision, our own judgment as to what the result was.

Mr. WEICKER. I did not mean in any way to imply that we agreed on the specifics. All I said was that both of us seemed to imply, in what we advocated, that there was a better way. The Senator's way is different from mine, but we both feel there is a better way than the one before us now.

Mr. PELL. But since my way was defeated, the way we proceeded seemed the correct way to go, and I completely support the views of the chairman.

Mr. WEICKER. I am not going to condemn the Senator from Rhode Island on his views. I understand the difference involved here. But I want to say that the same concerns the Senator exhibits in his views are exactly the ones I have. The Senator says that it should be delegated to a neutral body chosen by a panel recommended by the American Arbitration Association or another impartial group agreed upon by the contestants.

Both the Senator and I feel that the image we give the American people of impartiality, of neutrality, of fairness is what is important, just as important as the specifics of the legalities of the matter. I agree that we do have a constitutional mandate. I wish I had been here to listen to the Senator's arguments with reference to the Constitution, because the Constitution only says that we shall determine the qualifications of our own Members. It does not say how we shall do that, by first going to the Rules Committee and then to the Senate floor; it just says we shall do it.

Frankly, I think we could use the American Arbitration Association, the voters of New Hampshire, or the Rules Committee. I think constitutionally we would be complying with the requirement that it contains by proceeding either way.

Mr. PELL. My thought was that the American Arbitration Association would be making a recommendation to us

which in fact we would accept, but if we send it back to New Hampshire, I cannot imagine them sending their verdict for us to accept or reject. We would then have turned it over to New Hampshire for their decision. I am not suggesting that we would be turning it over to the American Arbitration Association for their decision. We would be delegating the responsibility to them.

Mr. WEICKER. But if the Senator thinks there seems to be a slight odor wafting around the place now, it would look twice as bad if the American Arbitration Association made one decision and we went the other way.

Mr. PELL. That is inconceivable, I agree. But in the case of New Hampshire, I believe that is only to be done when we cannot reach a result here.

Mr. WEICKER. I have absolutely no argument with the Senator. Obviously as to specifics we cannot agree, but as to theory I have no argument with the Senator at all.

The PRESIDING OFFICER. The Senator from Oregon still has the floor.

Mr. HATFIELD. Mr. President, when I was asked to join in the unanimous-consent agreement on the setting of this particular issue, it was clearly understood that there would be no committee sessions in the afternoon, that we would begin the New Hampshire question at 1 o'clock and we would proceed until 5 o'clock. This morning I had to object to two requests for unanimous-consent agreements that would violate that basic concept, that we were going to provide every Senator with an opportunity to give his full attention to this very important issue.

I am sure, if this had been an impeachment trial, we would all be here, and every desk would have been filled.

Is it too much to ask that we have a bare quorum, a majority of the U.S. Senators to listen to the evidence, the case and the arguments?

It can only be implied, or I think the public in effect, can imply or can perhaps interpret the vacancy of these desks here today as evidence that Senators are going to make their decisions other than on the evidence.

You do not have a court in which the judge and jury gets up, walks out and says, "Well, I can read about it the next day, because the proceedings are taken down and there is a record of it, and they publish a record of some kind." That could be compared to our record.

As I say, I have objected twice to the majority leader and other requests today and, therefore, I want to put the Senate on notice now that this Senate cannot provide a bare quorum, a majority of 99 Senators, to listen to a case in which we are sitting as in a quasi-judicial action, I am going to put in a request for a quorum call.

This is not a quiet hour that has been set aside from 1 to 5 for Senators, nor is it an office hour.

We all have business in our offices. I originally had some Oregonians on my office schedule. I could spend my time today in my office with all sorts of activity that would be legitimate, proper activity, serving my constituents. But this has a priority.

I do not feel that it is very dignified, nor is it a matter of good understanding of the responsibility we have for this vacancy, where we can barely have one-fifth of the Senate membership in the Chamber at any one time.

Mr. BENTSEN. Mr. President, this week, we resume our consideration of how this body is to deal with the extremely close election for the U.S. Senate held last November 5 in the State of New Hampshire.

Last January 28, we decided that because of the closeness of the electoral outcome and the certification of election awarded each candidate at one time or another by the State's two electoral review authorities, the Senate alone had the responsibility to conduct its own evaluation to determine which candidate was the choice of New Hampshire's voters last November.

During our initial consideration of how to resolve this matter, we rejected a motion to declare the seat vacant and ask the State to hold a new election. Our decision to have the matter resolved by the U.S. Senate was both proper and wise, and I supported it.

Today, we are debating a similar amendment to have the seat declared vacant so that a reelection might be held. I shall oppose that amendment and I call upon my colleagues to reject it.

The paramount reason for my opposition to this amendment remains unchanged. Article I, section 5 of the U.S. Constitution vests full and final authority in this body to determine who has been elected and who shall be seated. That is not a responsibility to be taken lightly or to be relinquished. I believe that our actions to date, and in particular those of the Rules Committee, provide just assurance that the Senate is attempting to meet its constitutional obligations.

The review we initiated last January of the New Hampshire election contest is not yet complete, but a great deal of progress has been made. All of the 3,500 disputed ballots have been examined, and all but a handful have been decided. The Rules Committee has labored long and hard, and it has now come to us to resolve several outstanding issues and some 27 ballots so that it might complete its work.

To declare the seat vacant now would be a repudiation of the committee's work and all of the care and fairness which have marked its deliberations.

I believe that with our January 28 decision to refer the election to the Rules Committee, we have an obligation to permit the committee to complete its work. It has come for our guidance. It will receive that guidance. And it will then proceed to finish its review.

Only then will we know who won the November 5 election.

I want to emphasize that. Because of the care and concern for fairness that have marked the committee's efforts, we do not know who currently is leading in the recount. No vote total has been kept, and no total will be made until the committee has determined for whom each ballot was cast.

As with all members of the committee and all Members of the Senate, I deeply regret that the New Hampshire seat has been vacant for this past half year. But the time that has been needed by the committee is perhaps the best indication of its conscientiousness, fairness, and thoroughness.

I want that fairness to continue to be a mark of the Senate's resolution of this matter. Our constitutional responsibility is clear, our mandate to the Rules Committee remains, and our progress toward resolving the dispute will continue.

Our efforts may conclude that the voters of New Hampshire were evenly split in their choice for the U.S. Senate last November. In that event, returning the election to the State will be in order. We do not yet know, however, the final outcome of that race. Unless we permit the committee to complete its work, we shall never know.

I, therefore, oppose the Weicker amendment as premature, unwise, and a clear abdication of our constitutional responsibility. I urge my colleagues to reject it.

Mr. HATFIELD. Mr President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 28 Leg.]

Allen	Fannin	McClellan
Bartlett	Fong	McClure
Brock	Garn	Nelson
Burdick	Goldwater	Nunn
Byrd, Robert C.	Hansen	Pell
Cannon	Hart, Gary W.	Proxmire
Chiles	Hart, Philip A.	Schweiker
Cranston	Hatfield	Stevens
Culver	Helms	Weicker
Curtis	Laxalt	Williams
Domenici	Mansfield	Young

The PRESIDING OFFICER. A quorum is not present.

Mr. CANNON. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk	Hartke	Moss
Baker	Haskell	Muskie
Bayh	Hathaway	Packwood
Beall	Hollings	Pearson
Bellmon	Hruska	Randolph
Bentsen	Huddleston	Ribicoff
Biden	Humphrey	Roth
Brooke	Inouye	Scott, Hugh
Buckley	Jackson	Scott, William L.
Bumpers	Javits	Sparkman
Byrd, Harry F., Jr.	Johnston	Stafford
Case	Kennedy	Stennis
Church	Leahy	Stevenson
Clark	Long	Stone
Dole	Magnuson	Symington
Eagleton	Mathias	Taft
Eastland	McGee	Talmadge
Ford	McGovern	Thurmond
Glenn	McIntyre	Tunney
Gravel	Metcalf	
Griffin	Mondale	
	Morgan	

The PRESIDING OFFICER. A quorum is present.

Who seeks recognition?

Mr. ROBERT C. BYRD. Mr. President, I ask the distinguished Senator from Connecticut (Mr. WEICKER) and the distinguished Senator from Nevada (Mr. CANNON) if it would be agreeable to them now that we resume consideration of the summer job bill, on which I believe there is a half-hour limitation.

Mr. CANNON. Mr. President, I understood the agreement was that at 5 o'clock we would proceed to consider that matter. Is it the intention of the leadership to come back to this matter at 5:30, or would we then go over until tomorrow's session?

Mr. ROBERT C. BYRD. The leadership would hope to go over until tomorrow and come in at 10 o'clock or 10:30 and resume consideration of the New Hampshire dispute at, say, 11 a.m.

Mr. CANNON. Would that mean we would terminate on it earlier in the day? For example, instead of going from 1 to 5, would we go from 11 until 3—in that neighborhood?

Mr. ROBERT C. BYRD. That would be up to Senators, but that likely would be the scenario, I should think.

Mr. CANNON. That would be acceptable, so far as this Senator is concerned.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. WILLIAM L. SCOTT. Mr. President, the thought occurs to me that the suggestion was made that there would be objection to committees meeting. Is it the intention of the majority not to have any committee meetings after 11 o'clock tomorrow?

Mr. ROBERT C. BYRD. As Mr. HATFIELD has indicated, there would be objection to committees meeting at any time the New Hampshire election dispute is before the Senate for debate.

Mr. WILLIAM L. SCOTT. Ordinarily, our committees would meet at 10 o'clock. I have not checked the schedule, but it may be that committees are scheduled to meet from 10 to 12, and I wonder whether the distinguished Senator has taken this into consideration.

Mr. ROBERT C. BYRD. I certainly would have no objection to their meeting, but I think the objection would come from Mr. HATFIELD or others.

Mr. WILLIAM L. SCOTT. My thought was that the leader, in stating the program, might move it up a bit, so that from 10 to 12, without interfering with the New Hampshire situation, the committees could meet.

Mr. ROBERT C. BYRD. The only reason I suggested that we come in at 10 or 10:30 and start on the election dispute a little earlier on tomorrow was that it will be Friday, and Senators may wish to debate the matter earlier.

Mr. WEICKER. Mr. President, I point out that I do not want anyone to feel that Mr. HATFIELD's objections are those of Mr. HATFIELD alone. I would object. I think many other people would object. There is a principle involved here, and he is not speaking for himself alone.

Mr. ROBERT C. BYRD. I just did not want to take the time to call the roll, I say to the Senator.

Mr. WEICKER. I repeat that the principle involved is that we are in a quasi-judicial proceeding. It would be impossible for anybody to make a proper decision unless he were present on the floor of the Senate and listening to the evidence, and that is where we should be when this matter is before us. That feeling is not peculiar to the Senator from Oregon (Mr. HATFIELD). I think it is one we all share, including the distinguished assistant majority leader.

Mr. ROBERT C. BYRD. Yes.

ORDER FOR RECESS UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM TOMORROW UNTIL 11 A.M., MONDAY, JUNE 16, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in recess until 11 a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I am going to ask unanimous consent that the Senate now resume consideration of the summer jobs for youth matter.

Mr. McCLURE. Mr. President, reserving the right to object—and I shall not object—I wonder whether I could inquire of the assistant majority leader what time it would be anticipated that we would resume tomorrow the discussion of the New Hampshire election contest?

Mr. ROBERT C. BYRD. By 11 o'clock.

Mr. McCLURE. The reason I asked that question is so that those who might otherwise be occupied in committee meetings would have some idea when those committee meetings might terminate.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. Mr. President, Senator TAFT has been notified, Senator BROCK has been notified. I understand they are actually walking over. May we have a momentary quorum?

Mr. ROBERT C. BYRD. May we get the measure laid before the Senate?

Mr. CHILES. Mr. President, reserving the right to object, do we intend to finish the summer jobs program today?

Mr. ROBERT C. BYRD. We hope to, yes. There is a one-half hour limitation.

Mr. CHILES. I wonder if the Senator from Washington (Mr. MAGNUSON) has been informed of the vote coming up today? He evidenced in the committee a desire to put an amendment on the bill. That is why I want to make sure.

Mr. McCLELLAN. I am very happy to advise the Senator that Senator MAGNUSON is fully apprised that this matter will be taken up and disposed of. He made a speech on it this morning.

SPECIAL HEALTH REVENUE SHARING ACT OF 1975

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 66.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 66) to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training and to revise and extend programs of health revenue sharing and health services, with amendments, as follows:

Strike out all after the enacting clause, and insert:

EFFECTIVE DATE

SECTION 1. Except as may otherwise be specifically provided, the amendments made by titles I, II, III, IV, V, and VI of this Act shall take effect July 1, 1975. The amendments made by such titles to the provisions of law amended by the titles are made to such provisions as amended by title VII of this Act.

TITLE I—HEALTH REVENUE SHARING

SEC. 101. This title may be cited as the "Special Health Revenue Sharing Act of 1975".

SEC. 102. Effective with respect to grants made under section 314(d) of the Public Health Service Act from appropriations under that section for fiscal years beginning after June 30, 1975, section 314(d) of the Public Health Service Act is amended to read as follows:

"Comprehensive Public Health Services

"(d)(1) From allotments made pursuant to paragraph (4), the Secretary shall make grants to State health and mental health authorities to assist in meeting the costs of providing comprehensive public health services.

"(2) No grant may be made under paragraph (1) to the State health or mental health authority of any State unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary may require, and shall contain or be supported by assurances satisfactory to the Secretary that—

"(A) the comprehensive public health services provided within the State will be provided in accordance with the State plan prepared in accordance with section 1524(c)(2) or the State plan approved under section 314(a), whichever is applicable;

"(B) funds received under grants under paragraph (1) will (i) be used to supplement and, to the extent practical, to increase the level of non-Federal funds that would otherwise be made available for the purposes for which the grant funds are provided, and (ii) not be used to supplant such non-Federal funds;

"(C) the State health authority, and, with respect to mental health activities, the State menal health auhority will—

"(i) provide for such fiscal control and

fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds received under grants under paragraph (1);

"(ii) from time to time, but not less often than annually, report to the Secretary (through a uniform national reporting system and by such categories as the Secretary may prescribe) a description of the comprehensive public health services provided in the State in the fiscal year for which the grant applied for is made and the amount of funds obligated in such fiscal year for the provision of each such category of services; and

"(iii) make such reports (in such form and containing such information as the Secretary may prescribe) as the Secretary may reasonably require, and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness of, and to verify, such reports;

"(D) the State mental health authority will—

"(i) establish and carry out a plan which—

"(I) is designed to eliminate inappropriate placement of persons with mental health problems in institutions, to insure the availability of appropriate noninstitutional services for such persons, and to improve the quality of care for those with mental health problems for whom institutional care is appropriate; and

"(II) shall include fair and equitable arrangements, as determined by the Secretary, to protect the interests of employees affected by actions taken pursuant to such plan, including arrangements designed (to the extent feasible as determined by the Secretary) to preserve employee rights and benefits and to provide appropriate training and retraining of such employees who are employed by the State or any of its political subdivisions;

"(ii) prescribe and provide for the enforcement of minimum standards for the maintenance and operation of mental health programs and facilities (including community mental health centers) with the State; and

"(iii) provide for assistance to courts and other public agencies and to appropriate private agencies to facilitate (I) screening by community mental health centers (or, if there are no such centers, other appropriate entities) of residents of the State who are being considered for inpatient care in a mental health facility to determine if such care is necessary, and (II) provision of followup care by community mental health centers (or if there are no such centers, by other appropriate entities) for residents of the State who have been discharged from mental health facilities.

"(3) The Secretary shall review annually the activities undertaken by each State with an approved application to determine if the State complied with the assurances provided with the application. The Secretary may not approve an application submitted under paragraph (2) if the Secretary determines—

"(A) that the State for which the application was submitted did not comply with assurances provided with a prior application under paragraph (2), and

"(B) that he cannot be assured that the State will comply with the assurances provided with the application under consideration.

"(4) In each fiscal year the Secretary shall, in accordance with regulations, allot the sums appropriated for such year under subparagraph (7) among the States on the basis of the population and the financial need of the respective States. The populations of the States shall be determined on the basis of the latest figures for the population of the States available from the Department of Commerce.

"(5) The Secretary shall determine the amount of any grant under paragraph (1); but the amount of grants made in any fiscal year to the public and mental health authorities of any State may not exceed the amount of the State's allotment available for obligation in such fiscal year. Payments under such grants may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(6) In any fiscal year—

"(A) not less than 15 per centum of a State's allotment under paragraph (4) shall be made available only for grants under paragraph (1) to the State's mental health authority for the provision of mental health services; and

"(B) not less than—

"(i) 70 per centum of the amount of a State's allotment which is made available for grants to the mental health authority, and

"(ii) 70 per centum of the remainder of the State's allotment,

shall be available only for the provision services in communities of the State.

"(7)(A) For payments under grants under paragraph (1) there are authorized to be appropriated $100,000,000 for fiscal year 1976, and $110,000,000 for fiscal year 1977.

"(B) For payments under grants under paragraph (1) for establishing and maintaining programs, described in applications under paragraph (2), for the screening, detection, diagnosis, prevention, and referral of treatment of hypertension there are authorized to be appropriated $15,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977.".

TITLE II—FAMILY PLANNING PROGRAMS

SEC. 201. This title may be cited as the "Family Planning and Population Research Act of 1975".

SEC. 202. (a) Section 1001(c) of the Public Health Service Act is amended (1) by striking out "and" after "1973;" and (2) by inserting after "1975" the following: "; $110,000,000 for fiscal year 1976; and $120,000,000 for fiscal year 1977".

(b) Section 1003(b) of such Act is amended (1) by striking out "and" after "1973;" and (2) by inserting after "1975" the following: "; $4,000,000 for fiscal year 1976; and $5,000,000 for fiscal year 1977".

(c) Section 1004 of such Act is amended to read as follows:

"RESEARCH

"SEC. 1004. (a) The Secretary may—

"(1) conduct, and

"(2) make grants to public or nonprofit private entities and enter into contracts with public or private entities and individuals for projects for,

research in the biomedical, contraceptive development, behavioral, and program implementation fields related to family planning and population.

"(b)(1) To carry out subsection (a) there are authorized to be appropriated $55,000,000 for fiscal year 1976, and $60,000,000 for fiscal year 1977.

"(2) No funds appropriated under any provision of this Act (other than this subsection) may be used to conduct or support the research described in subsection (a)."

(d) Section 1005(b) of such Act is amended (1) by striking out "and" after "1973;" and (2) by inserting after "1975" the following: "; $2,000,000 for fiscal year 1976; and $2,500,000 for fiscal year 1977".

SEC. 203. (a) Title X of such Act is amended by inserting after section 1008 the following new section:

"PLANS AND REPORTS

"SEC. 1009. (a) Not later than seven months after the close of each fiscal year, the Secretary shall make a report to the Congress setting forth a plan to be carried out over the next five fiscal years for—

"(1) extension of family planning services to all persons desiring such services,

"(2) family planning and population research programs,

"(3) training of necessary manpower for the programs authorized by this title and other Federal laws for which the Secretary has responsibility and which pertain to family planning, and

"(4) carrying out the other purposes set forth in this title and the Family Planning Services and Population Research Act of 1970.

"(b) Such a plan shall, at a minimum indicate on a phased basis—

"(1) the number of individuals to be served by family planning programs under this title and other Federal laws for which the Secretary has responsibility, the types of family planning and population growth information and educational materials to be developed under such laws and how they will be made available, the research goals to be reached under such laws, and the manpower to be trained under such laws;

"(2) an estimate of the costs and personnel requirements needed to meet the purposes of this title and other Federal laws for which the Secretary has responsibility and which pertain to family planning programs; and

"(3) the steps to be taken to maintain a systematic reporting system capable of yielding comprehensive data on which service figures and program evaluations for the Department of Health, Education, and Welfare shall be based.

"(c) Each report submitted under subsection (a) shall—

"(1) compare results achieved during the preceding fiscal year with the objectives established for such year under the plan contained in the previous such report;

"(2) indicate steps being taken to achieve the objectives during the fiscal years covered by the plan contained in such report and any revisions to plans in previous reports necessary to meet these objectives; and

"(3) make recommendations with respect to any additional legislative or administrative action necessary or desirable in carrying out the plan contained in such report."

(b) Section 5 of the Family Planning Services and Population Research Act of 1970 is repealed.

SEC. 204. (a) Section 1001(a) of the Public Health Service Act is amended by striking out "family planning projects" and inserting in lieu thereof "family planning projects which shall offer a broad range of acceptable and effective family planning methods (including natural family planning methods)".

(b) Section 1001(b) of such Act is amended by adding at the end thereof the following new sentence: "Local and regional entities shall be assured the right to apply for, and be direct recipients of, grants and contracts under this section, and the Secretary shall by regulation fully provide for and protect such right.".

(c) Section 1006(a) of such Act is amended by adding at the end thereof the following new sentence: "The amount of any grant under any section of this title shall be determined by the Secretary; except that no grant under any such section for any program or project for a fiscal year beginning after June 30, 1975, may be made for less than 90 per centum of its cost (as determined under regulations of the Secretary) unless the grant is to be made for a program or project for which a grant was made (under the same section) for the fiscal year ending June 30, 1975, for less than 90 per centum of its cost (as so determined), in which case a grant under such section for that program or project for a fiscal year beginning after that date may be made for a percentage which shall not be less than the percentage of its costs for which the fiscal year 1975 grant was made.".

(d) The last sentence of section 1006(c) of such Act is amended by inserting immediately before the period the following: "so as to insure that economic status shall not be a deterrent to participation in the programs assisted under this title".

TITLE III—COMMUNITY MENTAL HEALTH CENTERS

SEC. 301. This title may be cited as the "Community Mental Health Centers Amendments of 1975".

SEC. 302. (a) The Congress finds that—

(1) community mental health care is the most effective and humane form of care for a majority of mentally ill individuals;

(2) the federally funded community mental health centers have had a major impact on the improvement of mental health care by—

(A) fostering coordination and cooperation between various agencies responsible for mental health care which in turn has resulted in a decrease in overlapping services and more efficient utilization of available resources,

(B) bringing comprehensive community mental health care to all in need within a specific geographic area regardless of ability to pay, and

(C) developing a system of care which insures continuity of care for all patients, and thus are a national resource to which all Americans should enjoy access; and

(3) there is currently a shortage and maldistribution of quality community mental health care resources in the United States.

(b) The Congress further declares that Federal funds should continue to be made available for the purposes of initiating new and continuing existing community mental health centers and initiating new services within existing centers, and for the monitoring of the performance of all federally funded centers to insure their responsiveness to community needs and national goals relating to community mental health care.

SEC. 303. The Community Mental Health Centers Act is amended to read as follows:

"TITLE II—COMMUNITY MENTAL HEALTH CENTERS

"PART A—PLANNING AND OPERATIONS ASSISTANCE

"REQUIREMENTS FOR COMMUNITY MENTAL HEALTH CENTERS

"SEC. 201. (a) For purposes of this title (other than part B thereof), the term 'community mental health center' means a legal entity (1) through which comprehensive mental health services are provided—

"(A) principally to individuals residing in a defined geographic area (referred to in this title as a 'catchment area'),

"(B) within the limits of its capacity, to any individual residing or employed in such area regardless of his ability to pay for such services, his current or past health condition, or any other factor, and

"(C) in the manner prescribed by subsection (b), and (2) which is organized in the manner prescribed by subsections (c) and (d).

"(b)(1) The comprehensive mental health services which shall be provided through a community mental health center shall include—

"(A) inpatient services, outpatient services, day care and other partial hospitalization services, and emergency services;

"(B) a program of specialized services for the mental health of children, including a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary);

"(C) a program of specialized services for the mental health of the elderly, including a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary);

"(D) consultation and education services which—

"(i) are for a wide range of individuals and entities involved with mental health services, including health professionals, schools, courts, State and local law enforcement and correctional agencies, members of the clergy, public welfare agencies, health services delivery agencies, and other appropriate entities; and

"(ii) include a wide range of activities (other than the provision of direct clinical services) designed to (I) develop effective mental health programs in the center's catchment area, (II) promote the coordination of the provision of mental health services among various entities serving the center's catchment area, (III) increase the awareness of the residents of the center's catchment area of the nature of mental health problems and the types of mental health services available, and (IV) promote the prevention and control of rape and the proper treatment of the victims of rape:

"(E) assistance to courts and other public agencies in screening residents of the center's catchment area who are being considered for referral to a State mental health facility for inpatient treatment to determine if they should be so referred and provision, where appropriate, of treatment for such persons through the center as an alternative to inpatient treatment at such a facility;

"(F) provision of followup care for residents of its catchment area who have been discharged from a mental health facility;

"(G) a program of transitional half-way house services for mentally ill individuals who are residents of its catchment area and who have been discharged from a mental health facility or would without such services require inpatient care in such a facility; and

"(H) provision of each of the following service programs (other than a service program for which there is not sufficient need (as determined by the Secretary) in the center's catchment area, or the need for which in the center's catchment area the Secretary determines is currently being met):

"(i) A program for the prevention and treatment of alcoholism and alcohol abuse and for the rehabilitation of alcohol abusers and alcoholics.

"(ii) A program for the prevention and treatment of drug addiction and abuse and for the rehabilitation of drug addicts, drug abusers, and other persons with drug dependency problems.

"(2) The provision of comprehensive mental health services through a center shall be coordinated with the provision of services by other health and social service agencies (including State mental health facilities) in or serving residents of the center's catchment area to insure that persons needing or receiving services through the center have access to all such health and social services as they may require. The center's services (A) may be provided at the center or satellite centers through the staff of the center or through appropriate arrangements with health professionals and others in the center's catchment area, (B) shall be available and accessible to the residents of the area promptly, as appropriate, and in a manner which preserves human dignity and assures continuity and high quality care and which overcomes geographic, cultural, linguistic, and economic barriers to the receipt of services, and (C) when medically necessary, shall be available and accessible twenty-four hours a day and seven days a week.

"(c)(1)(A) The governing body of a community mental health center (other than a center described in subparagraph (B)) shall (i) be composed, where practicable, of individuals who reside in the center's catchment area and who, as a group, represent the residents of that area taking into consideration their employment, age, sex, and place of residence, and other demographic characteristics of the area, and (ii) meet at least once a month, establish general policies for the center (including a schedule of hours during which services will be provided), approve the center's annual budget, and approve the selection of a director for the center. At least one-half of the members of such body shall be individuals who are not providers of health care.

"(B) In the case of a community mental health center which before the date of enactment of the Community Mental Health Centers Amendments of 1975 was operated by a governmental agency and received a grant under section 220 (as in effect before such date), the requirements of subparagraph (A) shall not apply with respect to such center, but the governmental agency operating the center shall appoint a committee to advise it with respect to the operations of the center, which committee shall be composed of individuals who reside in the center's catchment area, who are representative of the residents of the area as to employment, age, sex, place of residence, and other demographic characteristics, and at least one-half of whom are not providers of health care.

"(2) For purposes of subparagraphs (A) and (B) of paragraph (1), the term 'provider of health care' means an individual—

"(A) who is a direct provider of health care (including a physician, dentist, nurse, podiatrist, or physician assistant) in that the individual's primary current activity is the provision of health care to individuals or the administration of facilities or institutions (including hospitals, long-term care facilities, outpatient facilities, and health maintenance organizations) in which such care is provided and, when required by State law, the individual has received professional training in the provision of such care or in such administration and is licensed or certified for such provision or administration; or

"(B) who is an indirect provider of health care in that the individual—

"(i) holds a fiduciary position with, or has a fiduciary interest in, any entity described in subclause (II) or (IV) of clause (ii);

"(ii) receives (either directly or through his spouse) more than one-tenth of his gross annual income from any one or combination of the following:

"(I) Fees or other compensation for research into or instruction in the provision of health care.

"(II) Entities engaged in the provision of health care or in such research or instruction.

"(III) Producing or supplying drugs or other articles for individuals or entities for use in the provision of or in research into or instruction in the provision of health care.

"(IV) Entities engaged in producing drugs or such other articles.

"(iii) is a member of the immediate family of an individual described in subparagraph (A) or in clause (i), (ii), or (iv) of subparagraph (B); or

"(iv) is engaged in issuing any policy or contract of individual or group health insurance or hospital or medical service benefits.

"(d) A center shall have established, in accordance with regulations prescribed by the Secretary, (1) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, (2) an integrated medical records system (including a drug use profile) which, in accordance with applicable Federal and State laws respecting confidentiality, is designed to provide access to all past and current information regarding the health status of each patient and to maintain safeguards to preserve confidentiality and to protect the rights of the patient, (3) a professional advisory board, which is composed of members of the center's professional staff, to advise the governing board in establishing policies governing medical and other services provided by such staff on behalf of the

center, and (4) an identifiable administrative unit which shall be responsible for providing the consultation and education services described in subsection (b)(1)(D). The Secretary may waive the requirements of clause (4) with respect to any center if he determines that because of the size of such center or because of other relevant factors the establishment of the administrative unit described in such clause is not warranted.

"GRANTS FOR PLANNING COMMUNITY MENTAL HEALTH CENTERS PROGRAMS

"SEC. 202. (a) The Secretary may make grants to public and nonprofit private entities to carry out projects to plan community mental health center programs. In connection with a project to plan a community mental health center program for an area the grant recipient shall (1) assess the needs of the area for mental health services, (2) design a community mental health center program for the area based on such assessment, (3) obtain within the area financial and professional assistance and support for the program, and (4) initiate and encourage continuing community involvement in the development and operation of the program. The amount of any grant under this subsection may not exceed $75,000.

"(b) A grant under subsection (a) for a project shall be made for its costs for the one-year period beginning on the first day of the month in which the grant is made; and, if a grant is made under such subsection for a project, no other grant may be made for such project under such subsection.

"(c) The Secretary shall give special consideration to applications submitted for grants under subsection (a) for projects for community mental health centers programs for areas designated by the Secretary as urban or rural poverty areas. No applications for a grant under subsection (a) may be approved unless the application is recommended for approval by the National Advisory Mental Health Council.

"(d) There are authorized to be appropriated for payments under grants under subsection (a) $3,750,000 for the fiscal year 1976, and $3,750,000 for the fiscal year 1977.

"GRANTS FOR INITIAL OPERATION

"SEC. 203. (a)(1) The Secretary may make grants to—

"(A) public and nonprofit private community mental health centers, and

"(B) any public or nonprofit private entity which—

"(i) is providing mental health services,

"(ii) meets the requirements of section 201 except that it is not providing all of the comprehensive mental health services described in subsection (b)(1) of such section, and

"(iii) has a plan satisfactory to the Secretary for the provision of all such services within two years after the date of the receipt of the first grant under this subsection,

to assist them in meeting their costs of operation (other than costs related to construction).

"(2) Grants under subsection (a) may only be made for a grantee's costs of operation during the first eight years after its establishment. In the case of a community mental health center or other entity which received a grant under section 220 (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975), such center or other entity shall, for purposes of grants under subsection (a), be considered as having been in operation for a number of years equal to the sum of the number of grants in the first series of grants it received under such section and the number of grants it has received under this subsection.

"(b)(1) Each grant under subsection (a) to a community mental health center or other entity shall be made for the costs of its operation for the one-year period beginning on the first day of the month in which such grant is made.

"(2) No community mental health center may receive more than eight grants under subsection (a). No entity described in subsection (a)(1)(B) may receive more than two grants under subsection (a). In determining the number of grants that a community mental health center has received under subsection (a), there shall be included any grants which the center received under such subsection as an entity described in paragraph (1)(B) of such subsection.

"(c) The amount of a grant for any year made under subsection (a) shall be the lesser of the amounts computed under paragraph (1) or (2) as follows:

"(1) An amount equal to the amount by which the grantee's projected costs of operation for that year exceed the total of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the grantee may reasonably be expected to collect in that year.

"(2)(A) Except as provided in subparagraph (B), an amount equal to the following percentages of the grantee's projected costs of operation: 80 per centum of such costs for the first year of its operation, 65 per centum of such costs for the second year of its operation, 50 per centum of such costs for the third year of its operation, 35 per centum of such costs for the fourth year of its operation, 30 per centum of such costs for the fifth and sixth years of its operation, and 25 per centum of such costs for the seventh and eighth years of its operation.

"(B) In the case of a grantee providing services for persons in an area designated by the Secretary as an urban or rural poverty area, an amount equal to the following percentages of the grantee's projected costs of operation: 90 per centum of such costs for the first two years of its operation, 80 per centum of such costs for the third year of its operation, 70 per centum of such costs for the fourth year of its operation, 60 per centum of such costs for the fifth year of its operation, 50 per centum of such costs for the sixth year of its operation, 40 per centum of such costs for the seventh year of its operation, and 30 per centum of such costs for the eighth year of its operation.

In any year in which a grantee receives a grant under section 204 for consultation and education services, the costs of the grantee's operation for that year attributable to the provision of such services and its collections in that year for such services shall be disregarded in making a computation under paragraph (1) or (2) respecting a grant under subsection (a) for that year.

"(d)(1) There are authorized to be appropriated for payments under initial grants under subsection (a) $50,000,000 for fiscal year 1976, and $55,000,000 for fiscal year 1977.

"(2) For fiscal year 1977, and for each of the succeeding seven fiscal years, there are authorized to be appropriated such sums as may be necessary to make payments under continuation grants under subsection (a) to community mental health centers and other entities which first received an initial grant under this section for fiscal year 1976, or the next fiscal year and which are eligible for a grant under this section in a fiscal year for which sums are authorized to be appropriated under this paragraph.

"(e)(1) Any entity which has not received a grant under subsection (a), which received a grant under section 220, 242, 243, 251, 256, 264, or 271 of this title (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975) from appropriations under this title for a fiscal year ending before July 1, 1975, and which would be eligible for another grant under such section from an appropriation for a succeeding fiscal year if such section were not repealed by the Community Mental Health Centers Amendments of 1975 may, in lieu of receiving a grant under subsection (a) of this section, continue to receive a grant under each such repealed section under which it would be so eligible for another grant—

"(A) for the number of years and in the amount prescribed for the grant under each such repealed section, except that—

"(i) the entity may not receive under this subsection more than two grants under any such repealed section unless it meets the requirements of section 201, and

"(ii) the total amount received for any year (as determined under regulations of the Secretary) under the total of the grants made to the entity under this subsection may not exceed the amount by which the entity's projected costs of operation for that year exceed the total collections of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the entity may reasonably be expected to make in that year; and

"(B) in accordance with any other terms and conditions applicable to such grant.

In any year in which a grantee under this subsection receives a grant under section 204 for consultation and education services, the staffing costs of the grantee for that year which are attributable to the provision of such services and the grantee's collections in that year for such services shall be disregarded in applying subparagraph (A) and the provisions of the repealed section applicable to determining the amount of the grant the grantee may receive under this subsection for that year.

"(2) An entity which receives a grant the authority for which is provided by this subsection may not receive any grant under subsection (a).

"(3) There are authorized to be appropriated for fiscal year 1976, and for each of the next six fiscal years such sums as may be necessary to make grants in accordance with paragraph (1).

"(f) Unless otherwise specifically provided, a reference in this title to a grant under section 203 includes a grant under subsection (a) of this section and a grant the authority for which is provided by subsection (e) of this section.

"GRANTS FOR CONSULTATION AND EDUCATION SERVICES

"SEC. 204.(a)(1) The Secretary may make annual grants to any community mental health center for the costs of providing the consultation and education services described in section 201(b)(1)(D) if the center—

"(A) received from appropriations for a fiscal year ending before July 1, 1975, a staffing grant under section 220 of this title (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975) and may not because of limitations respecting the period for which grants under that section may be made receive under section 203(e) an additional grant under such section 220; or

"(B) has received or is receiving a grant under section 203 and the number of years in which the center has been in operation (as determined in accordance with section 203(a)(2)) is not less than four (or is not less than two if the Secretary determines that the center will be unable to adequately provide the consultation and education services described in section 201(b)(1)(D) during the third or fourth years of its operation without a grant under this subsection).

"(2) The Secretary may also make annual grants to a public or non-profit private entity—

"(A) which has not received any grant under this title (other than a grant under this section as amended by the Community Mental Health Centers Amendments of 1975),

"(B) which meets the requirements of section 201 except, in the case of an entity which has not received a grant under this section, the requirement for the provision of consultation and education services described in section 201(b)(1)(D), and

"(C) the catchment area of which is not within (in whole or in part) the catchment area of a community mental health center,

for the costs of providing such consultation and education services.

"(b) The amount of any grant made under subsection (a) shall be determined by the Secretary, but no such grant to a center may exceed the lesser of 100 per centum of such center's costs of providing such consultation and education services during the year for which the grant is made or—

"(1) in the case of each of the first two years for which a center receives such grant, the sum of (A) an amount equal to the product of $0.50 and the population of the center's catchment area, and (B) the lesser of (i) one-half the amount determined under clause (A), or (ii) one-half of the amount received by the center in such year from charges for the provision of such services;

"(2) in the case of the third year for which a center receives such a grant, the sum of (A) an amount equal to the product of $0.50 and the population of the center's catchment area, and (B) the lesser of (i) one-half the amount determined under clause (A), or (ii) one-fourth of the amount received by the center in such year from charges for the provision of such services; and

"(3)(A) except as provided in subparagraph (B), in the case of the fourth year and each subsequent year thereafter for which a center receives such a grant, the lesser of (i) the sum of (I) an amount equal to the product of $0.125 and the population of the center's catchment area, and (II) one-eighth of the amount received by the center in such year from charges for the provision of such services, or (ii) $50,000; or

"(B) in the case of the fourth year and each subsequent year for which a center receives such a grant, the sum of (i) an amount equal to the product of $0.25 and the population of the center's catchment area, and (ii) the lesser of (I) the amount determined under clause (i) of this subparagraph, or (II) one-fourth of the amount received by the center in such year from charges for the provision for such services if the amount of the last grant received by the center under section 220 of this title (as in effect before the date of the enactment of the Community Mental Health Centers Amendments of 1975) or section 203 of this title, as the case may be, was determined on the basis of the center providing services to persons in an area designated by the Secretary as an urban or rural poverty area.

For purposes of this subsection, the term 'center' includes an entity which receives a grant under subsection (a)(2).

"(c) There are authorized to be appropriated for payments under grants under this section $10,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977.

"CONVERSION GRANTS

"SEC. 205. (a) The Secretary may make not more than two grants to any public or nonprofit entity which—

"(1) has an approved application for a grant under section 203 or 211, and

"(2) can reasonably be expected to have an operating deficit, for the period for which a grant is or will be made under such application, which is greater than the amount of the grant the entity is receiving or will receive under such application,

for the entity's reasonable costs in providing mental health services which are described in section 201(b)(1) but which the entity did not provide before the date of the enactment of the Community Mental Health Centers Amendments of 1975.

"(b)(1) Each grant under subsection (a) to an entity shall be made for the same period as the period for which the grant under section 203 or 211 for which the entity had an approved application is or will be made.

"(2) The amount of any grant under subsection (a) to any entity shall be determined by the Secretary, but no such grant may exceed that part of the entity's projected operating deficit for the year for which the grant is made which is reasonably attributable to its costs of providing in such year the services with respect to which the grant is made. For purposes of this paragraph, the term 'projected operating deficit' means the excess of an entity's projected costs of operation (including the costs of operation related to the provision of services for which a grant may be made under subsection (a)) for a particular period over the total of the amount of State, local, and other funds (including funds under a grant under section 203, 204, or 211) received by the entity in that period and the fees, premiums, and third-party reimbursements which the entity may reasonably be expected to collect during that period.

"(c) There are authorized to be appropriated for payments under grants under subsection (a) $20,000,000 for fiscal year 1976, and $20,000,000 for fiscal year 1977.

"GENERAL PROVISIONS RESPECTING GRANTS UNDER THIS PART

"SEC. 206. (a)(1) No grant may be made under this part to any entity or community mental health center in any State unless a State plan for the provision of comprehensive mental health services within such State has been submitted to, and approved by, the Secretary under section 237.

"(b) No grant may be made under this part unless an application (meeting the requirements of subsection (c)) for such grant has been submitted to, and approved by, the Secretary.

"(c)(1) An application for a grant under this part shall be submitted in such form and manner as the Secretary shall prescribe and shall contain such information as the Secretary may require. Except as provided in paragraph (3), an application for a grant under section 203, 204, or 205 shall contain or be supported by assurances satisfactory to the Secretary that—

"(A) the community mental health center for which the application is submitted will provide, in accordance with regulations of the Secretary (i) an overall plan and budget that meets the requirements of section 1861(z) of the Social Security Act, and (ii) an effective procedure for developing, compiling, evaluating, and reporting to the Secretary statistics and other information (which the Secretary shall publish and disseminate on a periodic basis and which the center shall disclose at least annually to the general public) relating to (I) the cost of the center's operation, (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, (IV) the impact of its services upon the mental health of the residents of its catchment area, and (V) such other matters as the Secretary may require;

"(B) such community mental health center will, in consultation with the residents of its catchment area, review its program of services and the statistics and other information referred to in subparagraph (A) to assure that its services are responsive to the needs of the residents of the catchment area;

"(C) to the extent practicable, such community mental health center will enter into cooperative arrangements with health maintenance organizations serving residents of the center's catchment area for the provision through the center of mental health services for the members of such organizations under which arrangements the charges to the health maintenance organizations for such services shall be not less than the actual costs to the center of providing such services;

"(D) in the case of a community mental health center serving a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and (ii) identified an individual on its staff who is fluent in both that language and English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences;

"(E) such community mental health center has (i) established a requirement that the health care of every patient must be under the supervision of a member of the professional staff, and (ii) provided for having a member of the professional staff available to furnish necessary mental health care in case of an emergency;

"(F) such community mental health center has provided appropriate methods and producers for the dispensing and administering of drugs and biologicals;

"(G) in the case of an application for a grant under section 203 for a community mental health center which will provide services to persons in an area designated by the Secretary as an urban or rural poverty area, the applicant will use the additional grant funds it receives, because it will provide services to persons in such an area, to provide services to persons in such area who are unable to pay therefor;

"(H) such community mental health center will develop a plan for adequate financial support to be available, and will use its best efforts to insure that adequate financial support will be available, to it from Federal sources (other than this part) and non-Federal sources (including, to the maximum extent feasible, reimbursement from the recipients of consultation and education services and screening services provided in accordance with sections 201(b)(1)(D) and 201(b)(1)(E)) so that the center will be able to continue to provide comprehensive mental health services when financial assistance provided under this part is reduced or terminated, as the case may be;

"(I) such community mental health center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(J) such community mental health center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(K) such community mental health center (i) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of dis-

counts to be applied to the payment of such fees or payments which discounts are adjusted on the basis of the patient's ability to pay; (II) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such approved schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (J) on the basis of the full amount of fees and payments for such services without application of any discount, and (III) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph; and

"(L) such community mental health center will adopt and enforce a policy (I) under which fees for the provision of mental health services through the center will be paid to the center, and (II) which prohibits health professionals who provide such services to patients through the center from providing such services to such patients except through the center.

An application for a grant under section 203 shall also contain a long-range plan for the expansion of the program of the community mental health center for which the application is submitted for the purpose of meeting anticipated increases in demand by residents of the center's catchment area for the comprehensive mental health services described in section 201(b)(1). Such a plan shall include a description of planned growth in the programs of the center, estimates of increased costs arising from such growth, estimates of the portion of such increased costs to be paid from Federal funds, and anticipated sources of non-Federal funds to pay the portion of such increased costs not to be paid from Federal funds.

"(2) The Secretary may approve an application for a grant under section 203, 204, or 205 only if the application is recommended for approval by the National Advisory Mental Health Council, the application meets the requirements of paragraph (1), and except as provided in paragraph (3), the Secretary—

(A) determined that the facilities and equipment of the applicant under the application meet such requirements as the Secretary may prescribe;

"(B) determines that—

"(i) the application contains or is supported by satisfactory assurances that the comprehensive mental health services (in the case of an application for a grant under section 203 or 205) or the consultation and education services (in the case of an application for a grant under section 204) to be provided by the applicant will constitute an addition to, or a significant improvement in quality (as determined in accordance with criteria of the Secretary) of, services that would otherwise be provided in the catchment area of the applicant;

"(ii) the application contains or is supported by satisfactory assurances that Federal funds made available under section 203, 204, or 205, as the case may be, will (I) be used to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds, including third-party health insurance payments, that would in the absence of such Federal funds be made available for the applicant's comprehensive mental health services, and (II) in no event supplant such State, local, and other non-Federal funds;

"(iii) in the case of an applicant which received a grant from appropriations for the preceding fiscal year, during the year for which the grant was made the applicant met, in accordance with the section under which such grant was made, the requirements of section 201 and complied with the assurances which were contained in or supported the applicant's application for such grant; and

"(iv) in the case of an application for a grant the amount of which is or may be determined under section 203(c)(2)(B) or 204(b)(3)(B) or under a provision of a repealed section of this title referred to in section 203(e) which authorizes an increase in the ceiling on the amount of a grant to support services to persons in areas designated by the Secretary as urban or rural poverty areas, the application contains or is supported by assurances satisfactory to the Secretary that the services of the applicant will, to the extent feasible, be used by a significant number of persons residing in an area designated by the Secretary as an urban or rural poverty area and requiring such services.

"(3) In the case of an application—

"(A) for the first grant under section 203(a) for an entity described in section 203(a)(1)(B), or

"(B) for the first grant the authority for which is provided by section 203(e),

the Secretary may approve such application without regard to the assurances required by the second sentence of paragraph (1) of this subsection and without regard to the determinations required of the Secretary under paragraph (2) of this subsection if the application contains or is supported by assurances satisfactory to the Secretary that the applicant will undertake, during the period for which such first grant is to be made, such actions as may be necessary to enable the applicant, upon the expiration of such period, to make each of the assurances required by paragraph (1) and to enable the Secretary, upon the expiration of such period, to make each of the determinations required by paragraph (2).

"(4) In each fiscal year for which a community mental health center receives a grant under section 203, 204, or 205, such center shall obligate for a program of continuing evaluation of the effectiveness of its programs in serving the needs of the residents of its catchment area and for a review of the quality of the services provided by the center not less than an amount equal to 2 per centum of the amount obligated by the center in the preceding fiscal year for its operating expenses.

"(5) The costs for which grants may be made under section 203(a), 204, or 205 shall be determined in the manner prescribed in regulations of the Secretary issued after consultation with the National Advisory Mental Health Council.

"(6) An application for a grant under section 203, 204, or 205—

"(A) may not be disapproved, and

"(B) may not be approved for an amount less than that authorized by such action, solely on the ground that the applicant has not made reasonable efforts to secure payments or reimbursements in accordance with assurances provided under subparagraphs (I), (J), and (K) of subsection (c)(1) unless the Secretary first informs such applicant of the respects in which he has not made such reasonable efforts and the manner in which his performance can be improved and gives the applicant a reasonable opportunity to respond. Applications disapproved, and applications approved for reduced amounts, on such grounds shall be referred to the National Advisory Mental Health Council for its review and recommendations respecting such approval or disapproval.

"(d) An application for a grant under this part which is submitted to the Secretary shall at the same time be submitted to the State mental health authority for the State in which the project or community mental health center for which the application is submitted is located. A State mental health authority which receives such an application under this subsection may review it and submit its comments to the Secretary within the forty-five-day period beginning on the date the application was received by it. The Secretary shall take action to require an applicant to revise his application or to approve or disapprove an application within the period beginning on the date the State mental health authority submits its comments or on the expiration of such forty-five-day period, whichever occurs first, and ending on the ninetieth day following the date the application was submitted to him.

"(e) Not more than 2 per centum of the total amount appropriated under sections 203, 204, and 205 for any fiscal year shall be used by the Secretary to provide directly through the Department technical assistance for program management and for training in program management to community mental health centers which received grants under such sections or to entities which received grants under section 220 of this title in a fiscal year beginning before the date of the enactment of the Community Mental Health Centers Amendments of 1975.

"(f) For purposes of subsections (b), (c), (d), and (e) of this section, the term 'community mental health center' includes an entity which applies for or has received a grant under section 203 or 204(a)(2).

"PART B—FINANCIAL DISTRESS GRANTS

"GRANT AUTHORITY

"SEC. 211. The Secretary may make grants for the operation of any community mental health center which—

"(1)(A) received a grant under section 220 of this title (as in effect before the date of enactment of the Community Mental Health Centers Amendments of 1975) and because of limitations in such section 220 respecting the period for which the center may receive grants under such section 220, is not eligible for further grants under that section for a fiscal year beginning after June 30, 1975; or

"(B) received a grant or grants under section 203(a) of this title and, because of limitations respecting the period for which grant's under such section may be made, is not eligible for further grants under that section; and

"(2) demonstrates that without a grant under this section there will be a significant reduction in the types or quality of services provided or there will be an inability to provide the services described in section 201(b).

"GRANT REQUIREMENTS

"SEC. 212. (a) No grant may be made under section 211 to any community mental health center in any State unless a State plan for the provision of comprehensive mental health services within such State has been submitted to, and approved by, the Secretary under section 237. Any grant under section 211 may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the community mental health center agree (1) to disclose any financial information or data deemed by the Secretary to be neecssary to determine the sources or causes of that center's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information, and (4) to use a grant received under section 211 to enable it to provide (within such period as the Secretary may prescribe) the comprehensive mental health services described in section 201(b) and to revise its organization to meet the requirements of sections 201(c) and 201(d).

"(b) An application for a grant under section 211 must contain or be supported by the assurances prescribed by subparagraphs (A), (B), (C), (D), (E), (F), (G), (I), (J), (K), and (L) of section 203(c)(1) and assurances satisfactory to the Secretary that the

applicant will expend for its operation as a community mental health center, during the year for which such grant is sought, an amount of funds (other than funds for construction, as determined by the Secretary) from non-Federal sources which is at least as great as the average annual amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three years immediately preceding the year for which such grant is sought. The Secretary may not approve such an application unless it has been recommended for approval by the National Advisory Mental Health Council. The requirements of section 206(d) respecting opportunity for review of applications by State mental health authorities and time limitations on actions by the Secretary on applications shall apply with respect to applications submitted for grants under section 211.

"(c) Each grant under this section to a grantee shall be made for the projected costs of operation (except the costs of providing the consultation and education services described in section 201(b)(1)(D)) of such grantee for the one-year period beginning on the first day of the first month in which such grant is made. No community mental health center may receive more than three grants under section 211.

"(d) The amount of a grant for a community mental health center under section 211 for any year shall be the lesser of the amounts computed under paragraph (1) or (2) as follows:

"(1) An amount equal to the amount by which the center's projected costs of operation for that year exceed the total of State, local, and other funds and of the fees, premiums, and third-party reimbursements which the center may reasonably be expected to collect in that year.

"(2) An amount equal to the product of—

"(A) 90 per centum of the percentage of costs—

"(i) which was the ceiling on the grant last made to the center in the first series of grants it received under section 220 of this title (as in effect before the date of the enactment of the Community Mental Health Centers Amendments of 1975), or

"(ii) prescribed by subsection (c)(2) of section 203 for computation of the last grant to the center under such section,

whichever grant was made last, and

"(B) the center's projected costs of operation in the year for which the grant is to be made under section 211.

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 213. There are authorized to be appropriated $15,000,000 for fiscal year 1976, and $15,000,000 for fiscal year 1977 for payments under grants under section 211.

"PART C—FACILITIES ASSISTANCE

ASSISTANCE AUTHORITY

"SEC. 221. (a) From allotments made under section 227 the Secretary shall pay, in accordance with this part, the Federal share of projects for (1) the acquisition or remodeling, or both, of facilities for community mental health centers, (2) the leasing (for not more than twenty-five years) of facilities for such centers, (3) the construction of new facilities or expansion of existing facilities for community mental health centers if not less than 25 per centum of the residents of the centers' catchment areas are members of low-income groups (as determined under regulations prescribed by the Secretary), and (4) the initial equipment of a facility acquired, remodeled, leased, constructed, or expanded with financial assistance provided under payments under this part. Payments shall not be made for the construction of a new facility or the expansion of an existing one unless the Secretary determines that it is not feasible for the recipient to acquire or remodel as existing facility.

"(b)(1) For purposes of this part, the term 'Federal share' with respect to any project described in subsection (a) means the portion of the cost of such project to be paid by the Federal Government under this part.

"(2) The Federal share with respect to any project described in subsection (a) in a State shall be the amount determined by the State agency of the State, but, except as provided in paragraph (3), the Federal share for any such project may not exceed 66⅔ per centum of the costs of such project or the State's Federal percentage, whichever is the lower. Prior to the approval of the first such project in a State during any fiscal year, the State agency shall give the Secretary written notification of (A) the maximum Federal share, established pursuant to this paragraph, for such projects in such State which the Secretary approves during such fiscal year, and (B) the method for determining the specific Federal share to be paid with respect to any such project; and such maximum Federal share and such method of Federal share determination for such projects in such State during such fiscal year shall not be changed after the approval of the first such project in the State during such fiscal year.

"(3) In the case of any community mental health center which provides or will, upon completion of the project for which application has been made under this part, provide services for persons in an area designated by the Secretary as an urban or rural poverty area, the maximum Federal share determined under paragraph (2) may not exceed 90 per centum of the costs of the project.

"(4)(A) For purposes of paragraph (2), the Federal percentage for (i) Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be 66⅔ per centum, and (ii) any other State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the average per capita income of all the States.

"(B) The Federal percentages under clause (ii) of subparagraph (A) shall be promulgated by the Secretary, between October 1 and December 31 of each even-numbered year, on the basis of the average of the per capita incomes of each of the States subject to such Federal percentages and of all the States subject to such percentages for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such promulgation.

"APPROVAL OF PROJECTS

"SEC. 222. (a) For each project for a community mental health center facility pursuant to a State plan approved under section 237, there shall be submitted to the Secretary, through the State agency of the State, an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the project, the application may be filed by one or more of such agencies. Such application shall set forth—

"(1) a description of the site for such project;

"(2) plans and specifications therefor in accordance with the regulations prescribed by the Secretary under section 236;

"(3) except in the case of a leasing project, reasonable assurance that title to such site is or will be vested in one or more of the agencies filing the application or in a public or nonprofit private agency which is to operate the community mental health center;

"(4) reasonable assurance that adequate financial support will be available for the project and for its maintenance and operation when completed;

"(5) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a construction or remodeling project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c);

"(6) a certification by the State agency of the Federal share for the project; and

"(7) the assurances described in section 206(c)(2).

Each applicant shall be afforded an opportunity for a hearing before the State agency respecting its application. For purposes of paragraph (3), the terms 'title' means a fee simple or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of acquisition, remodeling, construction, or expansion of a facility and its operation.

"(b) The Secretary shall approve an application submitted in accordance with subsection (a) if—

"(1) sufficient funds to pay the Federal share for the project for which the application was submitted are available from the allotment to the State;

"(2) the Secretary finds that the application meets the applicable requirements of subsection (a) and the community mental health center for which the application was submitted will meet the requirements of the State plan (under section 237) of the State in which the project is located; and

"(3) the Secretary finds that the application has been approved and recommended by the State agency and is entitled to priority over other projects within the State, as determined under the State plan.

No application shall be disapproved by the Secretary until he has afforded the State agency an opportunity for a hearing. The Secretary may not approve an application under this part for a project for a facility for a community mental health center or other entity which received a grant under section 220, 242, 243, 251, 256, 264, or 271 of this title (as in effect before the date of the enactment of the Community Mental Health Centers Amendments of 1975) from appropriations for a fiscal year ending before July 1, 1975, unless the Secretary determines that the application is for a project for a center or entity which upon completion of such project will be able to significantly expand its services and which demonstrates exceptional financial need for assistance under this part for such project. Amendment of any approved application shall be subject to approval in the same manner as an original application.

"PAYMENTS

"SEC. 223. (a)(1) Upon certification to the Secretary by the State agency, based upon inspection by it, that work has been performed upon a remodeling, construction, or expansion project, or purchases for such a project have been made, in accordance with the approved plans and specifications, and that payment of an installment is due to the applicant, such installment shall be paid to the State, from the applicable allotment of such State, except that (1) if the

State is not authorized by law to make payments to the applicant, the payment shall be made directly to the applicant. (2) if the Secretary, after investigation or otherwise, has reason to believe that any act (or failure to act) has occurred requiring action pursuant to subsection (c) of this section, payment may, after he has given the State agency notice of opportunity for hearing pursuant to such section, be withheld in whole or in part, pending corrective action or action based on such hearing, and (3) the total payments with respect to such project may not exceed an amount equal to the Federal share of the cost of such project.

"(2) In case an amendment to an approved application is approved or the estimated cost of a remodeling, construction, or expansion project is revised upward any additional payment with respect thereto may be made from the applicable allotment of the State for the fiscal year in which such amendment or revision is approved.

"(b) Payments from a State allotment for acquisition and leasing projects shall be made in accordance with regulations which the Secretary shall promulgate.

"(c)(1) If the Secretary finds that—

"(A) a State agency is not substantially complying with the provisions required by section 237 to be in a State plan or with regulations issued under section 236;

"(B) any assurance required to be in an application filed under section 222 is not being carried out;

"(C) there is substantial failure to carry out plans and specifications approved by the Secretary under section 222; or

"(D) adequate State funds are not being provided annually for the direct administration of a State plan approved under section 237,

the Secretary may take the action authorized under paragraph (2) of this subsection if the finding was made after reasonable notice and opportunity for hearing to the involved State agency.

"(2) If the Secretary makes a finding described in paragraph (1), he may notify the involved State agency, which is the subject of the finding or which is connected with a project or State plan which is the subject of the finding, that—

"(A) no further payments will be made to the State from allotments under section 227; or

"(B) no further payments will be made from allotments under section 227 for any project or projects designated by the Secretary as being affected by the action or inaction referred to in subparagraph (A), (B), (C), or (D) of paragraph (1),

as the Secretary may determine to be appropriate under the circumstances; and, except with regard to any project for which the application has already been approved and which is not directly affected, further payments from such allotments may be withheld, in whole or in part, until there is no longer any failure to comply (or to carry out the assurance or plans and specifications or to provide adequate State funds, as the case may be) or, if such compliance (or other action) is impossible, until the State repays or arranges for the repayment of Federal moneys to which the recipient was not entitled.

"JUDICIAL REVIEW

"SEC. 224. If—

"(1) the Secretary refuses to approve an application for a project submitted under section 222, the State agency through which such application was submitted, or

"(2) any State is dissatisfied with the Secretary's action under section 223(c) or 237 (c), such State,

may appeal to the United States court of appeals for the circuit in which such State agency or State is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but, until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of facts and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the Court, operate as a stay of the Secretary's action..

"RECOVERY

"SEC. 225. If any facility of a community mental health center acquired, remodeled, constructed, or expanded with funds provided under this part is, at any time within twenty years after the completion of such remodeling, construction, or expansion or after the date of its acquisition with such funds—

"(1) sold or transferred to any person or entity (A) which is not qualified to file an application under section 222, or (B) which is not approved as a transferee by the State agency of the State in which such facility is located, or its successor; or

"(2) not used by a community mental health center in the provision of comprehensive mental health services, and the Secretary has not determined that there is good cause for termination of such use,

the United States shall be entitled to recover from either the transferor or the transferee in the case of a sale or transfer or from the owner in the case of termination of use an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the center is situated) of so much of such facility or center as constituted an approved project or projects, as the amount of the Federal participation bore to the acquisition, remodeling, construction, or expansion cost of such project or projects. Such right of recovery shall not constitute a lien upon such facility or center prior to judgment.

"NONDUPLICATION

"SEC. 226. No grant may be made under the Public Health Service Act for the remodeling, construction, or expansion of a facility for a community mental health center unless the Secretary determines that there are no funds available under this part for the remodeling, construction, or expansion of such facility.

"ALLOTMENTS TO STATES

"SEC. 227. (a) In each fiscal year, the Secretary shall, in accordance with regulations, make allotments from the sums appropriated under section 228 to the States (with State plans approved under section 237) on the basis of (1) the population, (2) the extent of the need for community mental health centers, and (3) the financial need, of the respective States; except that no such allotment to any State, other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands, in any fiscal year may be less than $100,000. Sums so allotted to a State other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands, in a fiscal year and remaining unobligated at the end of such year shall remain available to such State for such purpose in the next fiscal year (and in such year only), in addition to the sums allotted for such State in such next fiscal year. Sums so allotted to the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands in a fiscal year and remaining unobligated at the end of such year shall remain available to such State for such purpose in the next two fiscal years (and in such years only), in addition to the sums allotted to such State for such purpose in each of such next two fiscal years.

"(b) The amount of an allotment under subsection (a) to a State in a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which the Secretary determines will not be ment by the Secretary from time to time, on such date or dates as he may fix, to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State in a fiscal year shall be deemed to be a part of its allotment under subsection (a) in such fiscal year.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 228. There are authorized to be appropriated $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977, for allotments under section 227.

"PART D—RAPE PREVENTION AND CONTROL

"RAPE PREVENTION AND CONTROL

"SEC. 231. (a) The Secretary shall establish within the National Institute of Mental Health an identifiable administrative unit to be known as the National Center for the Prevention and Control of Rape (hereinafter in this section referred to as the 'Center').

"(b)(1) The Secretary, acting through the Center, may, directly or by grant, carry out the following:

"(A) A continuing study of rape, including a study and investigation of—

"(i) the effectiveness of existing Federal, State, and local laws dealing with rape;

"(ii) the relationship, if any, between traditional legal and social attitudes toward sexual roles, the act of rape, and the formulation of laws dealing with rape;

"(iii) the treatment of the victims of rape by law enforcement agencies, hospitals or other medical institutions, prosecutors, and the courts;

"(iv) the causes for rape, identifying to the degree possible—

"(I) social conditions which encourage sexual attacks, and

"(II) the motives of offenders, and

"(v) the impact of rape on the victim and the family of the victim;

"(vi) sexual assaults in correctional institutions;

"(vii) the actual incidence of forcible rape as compared to the reported incidence of forcible rape and the reasons for any difference in such incidences; and

"(viii) the effectiveness of existing private and local and State government educational, counseling, and other programs designed to prevent and control rape.

"(B) The compilation, analysis, and publication of summaries of the continuing study conducted under subparagraph (A) and the research and demonstration projects conducted under subparagraph (E). The Secretary shall annually submit to the Congress a summary of such study and projects together with recommendations where appropriate.

"(C) The development and maintenance of an information clearinghouse with regard to—

"(i) the prevention and control of rape;

"(ii) the treatment and counseling of the victims of rape and their families; and

"(iii) the rehabilitation of offenders.

"(D) The compilation and publication of training materials for personnel who are engaged or intend to engage in programs designed to prevent and control rape.

"(E) Assistance to community mental health centers and other qualified public and nonprofit private entities in conducting research and demonstration projects concerning the prevention and control of rape, including projects (i) for the planning, developing, implementing, and evaluating of alternative methods used in the prevention and control of rape, the treatment and counseling of the victims of rape and their families, and the rehabilitation of offenders; (ii) for the application of such alternative methods; and (iii) for the promotion of community awareness of the specific locations in which, and the specific social and other conditions under which, sexual attacks are most likely to occur.

"(F) Assistance to community mental health centers in meeting the costs of providing consultation and education services respecting rape.

"(2) For purposes of this subsection, the term 'rape' includes statutory and attempted rape and any other criminal sexual assault (whether homosexual or heterosexual) which involves force or the threat of force.

"(c) The Secretary shall appoint an advisory committee to advise, consult with, and make recommendations to him on the implementation of subsection (b). The Secretary shall appoint to such committee persons who are particularly qualified to assist in carrying out the functions of the committee. A majority of the members of the committee shall be women. Members of the advisory committee shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule, for each day (including traveltime) they are engaged in the performance of their duties as members of the advisory committee and, while so serving away from their homes or regular place of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"(d) For the purpose of carrying out subsection (b), there are authorized to be appropriated $7,000,000 for fiscal year 1976, and $10,000,000 for fiscal year 1977.

"PART E—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 235. For purposes of this title—

"(1) The term 'State' includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

"(2) The term 'State agency' means the State mental health authority responsible for the mental health service part of a State's plan under section 314(d) of the Public Health Service Act.

"(3) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(4) The term 'National Advisory Mental Health Council' means the National Advisory Mental Health Council established under section 217 of the Public Health Service Act.

"REGULATIONS

"SEC. 236. Regulations issued by the Secretary for the administration of this title shall include provisions applicable uniformly to all the States which—

"(1) prescribe the general manner in which the State agency of a State shall determine the priority of projects for community mental health centers on the basis of the relative need of the different areas of the State for such centers and their services and require special consideration for projects on the basis of the extent to which a center to be assisted or established upon completion of a project (A) will, alone or in conjunction with other centers owned or operated by the applicant for the project or affiliated or associated with such applicant, provide comprehensive mental health services for residents of an area designated by the Secretary as an urban or rural poverty area, or (B) will be part of or closely associated with a general hospital;

"(2) prescribe general standards for facilities and equipment for centers of different classes and in different types of location; and

"(3) require that the State plan of a State submitted under section 237 provide for adequate community mental health centers for people residing in the State, and provide for adequate community mental health centers to furnish needed services for persons unable to pay therefor.

The National Advisory Mental Health Council shall be consulted by the Secretary before the issuance of regulations under this section.

"STATE PLAN

"SEC. 237. (a) A State plan for the provision of comprehensive mental health services within a State shall be comprised of the following two parts:

"(1) An administrative part containing provisions respecting the administration of the plan and related matters. Such part shall—

"(A) provide for the designation of a State advisory council to consult with the State agency in administering such plan, which council shall include (i) representatives of non-government organizations or groups, and of State agencies, concerned with the planning, operation, or use of community mental health centers or other mental health facilities, and (ii) representatives of consumers and providers of the services of such centers and facilities who are familiar with the need for such services;

"(B) provide that the State agency will make such reports in such form and containing such information as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

"(C) provide that the State agency will from time to time, but not less often than annually, review the State plan and submit to the Secretary appropriate modifications thereof which it considers necessary; and

"(D) include provisions, meeting such requirements as the Civil Service Commission may prescribe, relating to the establishment and maintenance of personnel standards on a merit basis.

"(2) A services and facilities part containing provisions respecting services to be offered within the State by community mental health centers and provisions respecting facilities for such centers. Such part shall—

"(A) be consistent with the mental health services part of the State's plan under section 314(d) of the Public Health Service Act;

"(B) set forth a program for community mental health centers within the State (i) which is based on a statewide inventory of existing facilities and a survey of need for the comprehensive mental health services described in section 201(b); (ii) which conforms with regulations prescribed by the Secretary under section 236; and (iii) which shall provide for adequate community mental health centers to furnish needed services for persons unable to pay therefor;

"(C) set forth the relative need, determined in accordance with the regulations prescribed under section 236, for the projects included in the program described in subparagraph (B), and, in the case of projects under part C, provide for the completion of such projects in the order of such relative need;

"(D) emphasize the provision of outpatient services by community mental health centers as a preferable alternative to inpatient hospital services; and

"(E) provide minimum standards (to be fixed in the discretion of the State) for the maintenance and operation of centers which receive Federal aid under this title and provide for enforcement of such standards with respect to projects approved by the Secretary under this title.

"(b) The State agency shall administer or supervise the administration of the State plan.

"(c) A State shall submit a State plan in such form and manner as the Secretary shall by regulation prescribe. The Secretary shall approve any State plan (and any modification thereof) which complies with the requirements of subsection (a). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"(d)(1) At the request of any State, a portion of any allotment or allotments of such State under section 227 for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the provisions of the State plan approved under this section which relate to projects under part C for facilities for community mental health centers; except that not more than 5 per centum of the total of the allotments of such State for any fiscal year, or $50,000, whichever is less, shall be available for such purpose. Amounts made available to any State under this paragraph from its allotment or allotments under section 227 for any fiscal year shall be available only for such expenditures (referred to in the preceding sentence) during such fiscal year or the following fiscal year. Payments of amounts due under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year for administration of the provisions of an approved State plan shall be paid on condition that there shall be expended from State sources for each year for administration of such purposes from such sources during the fiscal year ending June 30, 1968.

"CATCHMENT AREA REVIEW

"SEC. 238. Each State health planning and development agency designated for a State under section 1521 of the Public Health Service Act shall, in consultation with that State's mental health authority, periodically review the catchment areas of the community mental health centers located in that State to (1) insure that the sizes of such areas are such that the services to be provided through the centers (including their satellites) serving the areas are available and accessible to the residents of the areas promptly, as appropriate, (2) insure that the boundaries of such areas conform, to the extent practicable, with relevant boundaries

of political subdivisions, school districts, and Federal and State health and social service programs, and (3) insure that the boundaries of such areas eliminate, to the extent possible, barriers to access to the services of the centers serving the areas, including barriers resulting from an area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation.

"STATE CONTROL OF OPERATIONS

"SEC. 239. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any community mental health center with respect to which any funds have been or may be expended under this title.

"RECOADS AND AUDIT

"SEC. 240. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representativea, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the assistance received under this title.

"NONDUPLICATION

"SEC. 241. In determining the amount of any grant under part A, B, or C for the costs of any project there shall be excluded from such costs an amount equal to the aum of (1) the amount of any other Federal grant which the applicant for such grant has obtained, or is assured of obtaining, with respect to such project, and (2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

"DETERMINATION OF POVERTY AREA

"SEC. 242. For purposes of any determination by the Secretary under this title as to whether any urban or rural area is a poverty area, the Secretary may not determine that an area is an urban or rural poverty area unless—

"(1) such area contains one or more subareas which are characterized as subareas of poverty;

"(2) the population of such subarea or subareas constitutes a substantial portion of the population of such rural or urban area; and

"(3) the project, facility, or in connection with which such determination is made, does, or (when completed or put into operation) will, serve the needs of the residents of such subarea or subareas.

"PROTECTION OF PERSONAL RIGHTS

"SEC. 243. In making grants under parts A and B, the Secretary shall take such steps as may be necessary to assure that no individual shall be made the subject of any research involving surgery which is carried out (in whole or in part) with funds under such grants unless such individual explicitly agrees to become a subject of such research.

"REIMBURSEMENT

"SEC. 244. The Secretary shall, to the extent permitted by law, work with States, private insurers, community mental health centers, and other appropriate entities to assure that community mental health centers shall be eligible for reimbursement for their mental health services to the same extent as general hospitals and other licensed providers.

"SHORT TITLE

"SEC. 245. This title may be cited as the 'Community Mental Health Centers Act'.".

REPORT

SEC. 304. (a) Not later than one year after the date of the enactment of this Act the Secretary of Health, Education, and Welfare shall make a report to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate setting forth a plan, to be carried out in a period of five years, for the extension of comprehensive mental health services through community mental health centers to persons in all areas in which there is a demonstrated need for such services. Such plan shall, at a minimum, indicate on a phased basis the number of persons to be served by such services and an estimate of the cost and personnel requirements needed to provide such services.

(b) Not later than eighteen months after the date of the enactment of this Act the Secretary of Health, Education, and Welfare shall submit to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a report setting forth (1) national standards for care provided by community mental health centers, and (2) criteria for evaluation of community mental health centers and the quality of the services provided by the centers.

CONFORMING AMENDMENTS

SEC. 305. (a) Section 401 of the Mental Retardation Facility and Community Mental Health Centers Construction Act of 1963 is amended—

(1) by striking out paragraph (c);

(2) by amending paragraph (d) to read as follows:

"(d) The terms 'nonprofit facility for persons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations."; and

(3) by—

(A) striking out "or part A of title II" in paragraph (h)(1),

(B) by striking out in paragraph (h)(2) "(A)" and "; and (B) for any project under part A of title II may not exceed 66⅔ per centum of the costs of construction of such project or the State's Federal percentage, whichever is the lower", and

(C) by striking out "or under part A of title II" in paragraph (h)(3).

(b) Section 403 of such Act is amended—

(1) by striking out ", or section 204 in the case of a community mental health center," in subsection (a),

(2) by striking out "or section 206, as the case may be," in such subsection,

(3) by striking out "or 205" in subsection (b), and

(4) by striking out the second sentence of subsection (c)(1).

(c) Section 404 is amended by striking out "or 205", "or 204(b)", and "or 206".

(d) Section 405 is amended—

(1) by striking out "or 205" in paragraph (1)(A),

(2) by striking out "or section 204 (in case of a community mental health center)" in such paragraph,

(3) by striking out "or community mental health center, as the case may be," in paragraph (2),

(4) by striking out "or such center as a community mental health center" in such paragraph,

(5) by striking out "or center" each place it occurs in the matter following paragraph (2), and

(6) by striking out "or community mental health center" in such matter.

(e) Section 406 is amended by striking out "or community mental health center".

TITLE IV—MIGRANT HEALTH CENTERS

MIGRANT HEALTH CENTERS

SEC. 401. (a) Section 319 of the Public Health Service Act is amended to read as follows:

"MIGRANT HEALTH

"SEC. 319. (a) For purposes of this section:

"(1) The term 'migrant health center' means an entity which either through its staff and supporting resources or through contracts or cooperative arrangements with other public or private entities provides—

"(A) primary health services,

"(B) as may be appropriate for particular centers, supplemental health services necessary for the adequate support of primary health services,

"(C) referral to providers of supplemental health services and payment, as appropriate and feasible, for their provision of such services,

"(D) environmental health services, including, as may be appropriate for particular centers, the detection and alleviation of unhealthful conditions associated with water supply, sewage treatment, solid waste disposal, rodent and parasitic infestation, field sanitation, housing, and other environmental factors related to health,

"(E) as may be appropriate for particular centers, infectious and parasitic disease screening and control,

"(F) as may be appropriate for particular centers, accident prevention programs, including prevention of excessive pesticide exposure, and

"(G) information on the availability and proper use of health services,

for migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, within the area it serves (referred to in this section as a 'catchment area').

"(2) The term 'migratory agricultural worker' means an individual whose principal employment is in agriculture on a seasonal basis, who has been so employed within the last twenty-four months, and who establishes for the purposes of such employment a temporary abode.

"(3) The term 'seasonal agricultural workers' means an individual whose principal employment is in agriculture on a seasonal basis and who is not a migratory agricultural worker.

"(4) The term 'agriculture' means farming in all its branches, including—

"(A) cultivation and tillage of the soil,

"(B) the production, cultivation, growing, and harvestiang of any commodity grown on, in, or as an adjunct to or part of a commodity grown in or on, the land, and

"(C) any practice (including preparation and processing for market and delivery to storage or to market or to carriers for transportation to market) performed by a farmer or on a farm incident to or in conjunction with an activity described in subparagraph (B).

"(5) The term 'high impact area' means a health service area or other area which has not less than six thousand migratory agricultural workera and seasonal agricultural workers residing within its boundaries for more than two months in any calendar year. In computing the number of workers residing in an area, there shall be included as workers the members of the families of such workers.

"(6) The term 'primary health services' means—

"(A) services of physicians and, where feasible, services of physicians' assistants and nurse clinicians;

"(B) diagnostic laboratory and radiologic services;

"(C) preventive health services (including children's eye and ear examinations to determine the need for vision and hearing correction, perinatal services, well child services, and family planning services);

"(D) emergency medical services;

"(E) transportation services as required for adequate patient care; and

"(F) preventive dental services.

"(7) The term 'supplemental health services' means services which are not included as primary health services and which are—

"(A) hospital services;

"(B) home health services;

"(C) extended care facility services;

"(D) rehabilitative sevices (including physical therapy) and long-term physical medicine;

"(E) mental health services;

"(F) dental services;

"(G) vision services;

"(H) allied health services;

"(I) pharmaceutical services;

"(J) therapeutic radiologic services;

"(K) public health services (including nutrition education and social services);

"(L) health education services; and

"(M) services which promote and facilitate optimal use of primary health services and the services referred to in the preceding subparagraphs of this paragraph, including, if a substantial number of the individuals in the population served by a migrant health center are of limited English-speaking ability, the services of outreach workers fluent in the language spoken by a predominant number of such individuals.

"(b)(1) The Secretary shall assign to high impact areas and any other areas (where appropriate) priorities for the provision of assistance under this section to projects and programs in such areas. The highest priorities for such assistance shall be assigned to areas in which reside the greatest number of migratory agricultural workers and the members of their families for the longest period of time.

"(2) No application for a grant under subsection (c) or (d) for a project in an area which has no migratory agricultural workers may be approved unless grants have been provided for all approved applications under such subsections for projects in areas with migratory agricultural workers.

"(c)(1)(A) The Secretary may, in accordance with the priorities assigned under subsection (b)(1), make grants to public and nonprofit private entities for projects to plan and develop migrant health centers which will serve migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, in high impact areas. A project for which a grant may be made under this subparagraph may include the cost of the acquisition and modernization of existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans) and the costs of providing training related to the management of migrant health center programs, and shall include—

"(i) an assessment of the need that the workers (and the members of the families of such workers) proposed to be served by the migrant health center for which the project is undertaken have for primary health services, supplemental health services, and environmental health services.

"(ii) the design of a migrant health center program for such workers and the members of their families, based on such assessment;

"(iii) efforts to secure, within the proposed catchment area of such center, financial and professional assistance and support for the project; and

"(iv) initiation and encouragement of continuing community involvement in the development and operation of the project.

"(B) The Secretary may make grants to or enter into contracts with public and nonprofit private entities for projects to plan and develop programs in areas in which no migrant health center exists and which are not high impact areas—

"(i) for the provision of emergency care to migratory agricultural workers, seasonal agricultural workers, and the members of families of such migratory and seasonal workers, but with respect to which he is unable to make each of the determinations required by subsection (f)(2). Not more than two grants may be made under this subparagraph for any entity.

"(C) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects for the operation of programs in areas in which no migrant health center exists and which are not high impact areas—

"(i) for the provision of emergency care to migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers;

"(ii) for the provision of primary care (as defined in regulations of the Secretary) for such workers and the members of their families;

"(iii) for the development of arrangements with existing facilities to provide primary health services (not included as primary care as defined under regulations under clause (ii)) to such workers and the members of their families; or

"(iv) which otherwise improve the health of such workers and their families.

Any such program may include the acquisition and modernization of existing buildings and providing training related to the management of programs assisted under this subparagraph.

"(2) Not more than two grants may be made under paragraph (1)(A) for the same project, and if a grant or contract is made or entered into under paragraph (1)(B) for a project, no other grant or contract under that paragraph may be made or entered into for the project.

"(3) The amount of any grant made under paragraph (1) for any project shall be determined by the Secretary.

"(d)(1)(A) The Secretary may, in accordance with priorities assigned under subsection (b)(1), make grants for the costs of operation of public and nonprofit private migrant health centers in high impact areas.

"(B) The Secretary may, in accordance with priorities assigned under subsection (b)(1), make grants for the costs of the operation of public and nonprofit entities which intend to become migrant health centers, which provide health services in high impact areas to migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, but with respect to which he is unable to make each of the determinations required by subsection (f)(2). Not more than two grants may be made under this subparagraph for any entity.

"(C) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects for the operation of programs in areas in which no migrant health center exists and which are not high impact areas—

"(i) for the provision of emergency care to migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers;

"(ii) for the provision of primary care (as defined in regulations of the Secretary) for such workers and the members of their families;

"(iii) for the development of arrangements with existing facilities to provide primary health services (not included as primary care as defined under regulations under clause (ii)) to such workers and the members of their families; or

"(iv) which otherwise improve the health of such workers and the members of their families.

Any such program may include the acquisition and modernization of existing buildings and providing training related to the management of programs assisted under this subparagraph.

"(2) The costs for which a grant may be made under paragraph (1)(A) or (1)(B) may include the costs of acquiring and modernizing existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans); and the costs for which a grant or contract may be made under paragraph (1) may include the costs of providing training related to the provision of primary health services, supplemental health services, and environmental health services, and to the management of migrant health center programs.

"(3) The amount of any grant made under paragraph (1) shall be determined by the Secretary.

"(e) The Secretary may enter into contracts with public and private entities to—

"(1) assist the States in the implementation and enforcement of acceptable environmental health standards, including enforcement of standards for sanitation in migrant labor camps and applicable Federal and State pesticide control standards; and

"(2) conduct projects and studies to assist the several States and entities which have received grants or contracts under this section in the assessment of problems related to camp and field sanitation, pesticide hazards, and other environmental health hazards to which migratory agricultural workers, seasonal agricultural workers, and members of their families are exposed.

"(f)(1) No grant may be made under subsection (c) or (d) and no contract may be entered into under subsection (c)(1)(B), (d)(1)(C), or (e) unless an application therfor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe. An application for a grant or contract which will cover the costs of modernizing a building shall include, in addition to other information required by the Secretary—

"(A) a description of the site of the building,

"(B) plans and specifications for its modernization, and

"(C) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the modernization of the building will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act).

The Secretary of Labor shall have with respect to the labor standards referred to in subparagraph (C) the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(2) The Secretary may not approve an application for a grant under subsection (d)(1)(A) unless the Secretary determines that the entity for which the application is submitted is a migrant health center (within the meaning of subsection (a)(1)) and that—

"(A) the primary health services of the center will be available and accessible in the center's catchment area promptly, as appropriate, and in a manner which assures continuity;

"(B) the center will have organizational arrangements, established in accordance with regulations of the Secretary, for (i) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, and (ii) maintaning the confidentiality of patient records;

"(C) the center will demonstrate its financial responsibility by the use of such accounting procedures and other requirements as may be prescribed by the Secretary;

"(D) the center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(E) the center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(F) the center (i) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay, (ii) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (E) on the basis of the full amount of fees and payments for such services without application of any discount, and (iii) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph;

"(G) the center has established a governing board which (i) is composed of individuals a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center, and (ii) establishes general policies for the center (including the selection of services to be provided by the center and a schedule of hours during which services will be provided), approves the center's annual budget, and approves the selection of a director for the center;

"(H) the center has developed, in accordance with regulations of the Secretary, (i) an overall plan and budget that meets the requirements of section 1861(z) of the Social Security Act, and (ii) an effective procedure for compiling and reporting to the Secretary such statistics and other information as the Secretary may require relating to (I) the costs of its operations, (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, and (IV) such other matters relating to operations of the applicant as the Secretary may, be regulation, required;

"(I) the center will review periodically its catchment area to (i) insure that the size of such area is such that the services to be provided through the center (including any satellite) are available and accessible to the migratory agricultural workers, seasonal agricultural workers, and the members of the families of such migratory and seasonal workers, in the area promptly and as appropriate, (ii) insure that the boundaries of such area conform, to the extent practicable, to relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs, and (iii) insure that the boundaries of such area eliminate, to the extent possible, barriers to access to the services of the center, including barriers resulting from the area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation; and

"(J) in the case of a center which serves a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and (ii) identified an individual on its staff who is fluent in both that language and English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

"(3) In considering applications for grants and contracts under subsection (c) or (d)(1)(C), the Secretary shall give priority to applications submitted by community-based organizations which are representative of the populations to be served through the projects, programs, or centers to be assisted by such grants or contracts.

"(4) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(g) The Secretary may provide (either through the Department of Health, Education, and Welfare or by grant or contract) all necessary technical and other nonfinancial assistance (including fiscal and program management assistance and training in such management) to any migrant health center or to any public or private nonprofit entity to assist it in developing plans for, and in operating as, a migrant health center, and in meeting the requirements of subsection (f)(2).

"(h)(1) There are authorized to be appropriated for payments pursuant to grants and contracts under subsection (c)(1) $4,000,000 for fiscal year 1976, and $4,000,000 for fiscal year 1977. Of the funds appropriated under this paragraph for fiscal year 1976, not more than 30 per centum of such funds may be made available for grants and contracts under subsection (c)(1)(B), and of the funds appropriated under this paragraph for the next fiscal year, not more than 25 per centum of such funds may be made available for grants and contracts under such subsection.

"(2) There are authorized to be appropriated for payments pursuant to grants and contracts under subsection (d)(1) (other than for payments under such grants and contracts for the provision of inpatient and outpatient hospital services) and for payments pursuant to contracts under subsection (e), $30,000,000 for fiscal year 1976, and $35,000,000 for fiscal year 1977. Of the funds appropriated under the first sentence for fiscal year 1976, there shall be made available for grants and contracts under subsection (d)(1)(C) an amount not exceeding the greater of 30 per centum of such funds or 90 per centum of the amount of grants made under this section for the preceding fiscal year for programs described in subsection (d)(1)(C). Of the funds appropriated under the first sentence for fiscal year 1977, there shall be made available for grants and contracts under subsection (d)(1)(C) an amount not exceeding the greater of 25 per centum of such funds or 90 per centum of the amount of grants made under this section for the preceding fiscal year for programs described in subsection (d)(1)(C) which received grants under this section for the fiscal year ending June 30, 1975. Of the funds appropriated under this paragraph for any fiscal year, not more than 10 per centum of such funds may be made available for contracts under subsection (e).

"(3) There are authorized to be appropriated for payments under grants and contracts under subsection (d)(1) for the provision of inpatient and outpatient hospital services $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977."

(b) Section 217 of the Public Health Service Act is amended by adding after the subsection (f) added by Public Law 93-248 the following new subsection:

"(g)(1) Not later than October 1, 1975, the Secretary shall appoint and organize a National Advisory Council on Migrant Health (hereinafter in this subsection referred to as the 'Council') which shall advise, consult with, and make recommendations to, the Secretary on matters concerning the organization, operation, selection, and funding of migrant health centers and other entities uder grants and contracts under section 319.

"(2) The Council shall consist of fifteen members, at least twelve of whom shall be members of the governing boards of migrant health centers or other entities assisted under section 319. Of such twelve members who are members of such governing boards, at least nine shall be chosen from among those members of such governing boards who are being served by such centers or grantees and who are familiar with the delivery of health care to migratory agricultural workers and seasonal agricultural workers. The remaining three Council members shall be individuals qualified by training and experience in the medical sciences or in the administration of health programs.

"(3) Each member of the Council shall hold office for a term of four years, except that (A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of the members first taking office after the date of enactment of this subsection shall expire as follows: four shall expire four years after such date, four shall expire three years after such date, four shall expire two years after such date, and three shall expire one year after such date, as designated by the Secretary at the time of appointment.

"(4) Section 14(a) of the Federal Advisory Committee Act shall not apply to the Council.".

(c)(1) The Secretary of Health, Education, and Welfare (hereinafter in this subsection referred to as the "Secretary") shall conduct or arrange for the conduct of a study of—

(A) the quality of housing which is available to agricultural migratory workers in the United States during the period of their employment in seasonal agricultural activities while away from their permanent abodes;

(B) the effect on the health of such workers of deficiencies in their housing conditions during such period; and

(C) Federal, State, and local government standards respecting housing conditions for such workers during such period and the adequacy of the enforcement of such standards.

In conducting or arranging for the conduct of such study, the Secretary shall consult with the Secretary of Housing and Urban Development.

(2) Such study shall be completed and a report detailing the findings of the study and the recommendations of the Secretary for Federal action (including legislation) respecting such housing conditions shall be submitted to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate within eighteen months of the date of the enactment of the first Act making appropriations for such study.

TITLE V—COMMUNITY HEALTH CENTERS

COMMUNITY HEALTH CENTERS

SEC. 501. (a) Part C of title III of the Public Health Service Act is amended by adding after section 329 the following new section:

"COMMUNITY HEALTH CENTERS

"SEC. 330. (a) For purposes of this section, the term 'community health center' means an entity which either through its staff and supporting resources or through contracts or cooperative arrangements with other public or private entities provides—

"(1) primary health services,

"(2) as may be appropriate for particular centers, supplemental health services necessary for the adequate support of primary health services,

"(3) referral to providers of supplemental health services and payment, as appropriate and feasible, for their provision of such services,

"(4) as may be appropriate for particular centers, environmental health services, and

"(5) information on the availability and proper use of health services,

for all residents of the area it serves (referred to in this section as a 'catchment area').

"(b) For purposes of this section:

"(1) The term 'primary health services' means—

"(A) services of physicians and, where feasible, services of physicians' assistants and nurse clinicians;

"(B) diagnostic laboratory and radiologic services;

"(C) preventive health services (including children's eye and ear examinations to determine the need for vision and hearing correction, perinatal services, well child services, and family planning services);

"(D) emergency medical services;

"(E) transportation services as required for adequate patient care; and

"(F) preventive dental services.

"(2) The term 'supplemental health services' means services which are not included as primary health services and which are—

"(A) hospital services;

"(B) home health services;

"(C) extended care facility services;

"(D) rehabilitative services (including physical therapy) and long-term physical medicine;

"(E) mental health services;

"(F) dental services;

"(G) vision services;

"(H) allied health services;

"(I) pharmaceutical services;

"(J) therapeutic radiologic services;

"(K) public health services (including nutrition education and social services);

"(L) health education services; and

"(M) services which promote and facilitate optimal use of primary health services and the services referred to in the preceding subparagraphs of this paragraph, including, if a substantial number of the individuals in the population served by a community health center are of limited English-speaking ability, the services of outreach workers fluent in the language spoken by a predominant number of such individuals.

"(3) The term 'medically underserved population' means the population of an urban or rural area designated by the Secretary as an area with a shortage of personal health services or a population group designated by the Secretary as having a shortage of such services.

"(c)(1) The Secretary may make grants to public and nonprofit private entities for projects to plan and develop community health centers which will serve medically underserved populations. A project for which a grant may be made under this subsection may include the cost of the acquisition and modernization of existing buildings (including the costs of amortizing the principal of, and paying the interest on, loans) and shall include—

"(A) an assessment of the need that the population proposed to be served by the community health center for which the project is undertaken has for primary health services, supplemental health services, and environmental health services;

"(B) the design of a community health center program for such population based on such assessment;

"(C) efforts to secure, within the proposed catchment area of such center, financial and professional assistance and support for the project; and

"(D) initiation and encouragement of continuing community involvement in the development and operation of the project.

"(2) Not more than two grants may be made under this subsection for the same project.

"(3) the amount of any grant made under this subsection for any project shall be determined by the Secretary.

"(d)(1)(A) The Secretary may make grants for the costs of operation of public and nonprofit private community health centers which serve medically underserved populations.

"(B) The Secretary may make grants for the costs of the operation of public and nonprofit private entities which provide health services to medically underserved populations but with respect to which he is unable to make each of the determinations required by subsection (e)(2).

"(2) The costs for which a grant may be made under paragraph (1) may include the costs of acquiring and modernizing existing buildings (including the costs of amortizing the principal of, and paying interest on, loans) and the costs of providing training related to the provision of primary health services, supplemental health services and environmental health services, and to the management of community health center programs.

"(3) Not more than two grants may be made under paragraph (1)(B) for the same entity.

"(4) The amount of any grant made under paragraph (1) shall be determined by the Secretary.

"(e)(1) No grant may be made under subsection (e) or (d) unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe. An application for a grant which will cover the costs of modernizing a building shall include, in addition to other information required by the Secretary—

"(A) a description of the site of the building.

"(B) plans and specifications for its modernization, and

"(C) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on the modernization of the building will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act).

The Secretary of Labor shall have with respect to the labor standards referred to in subparagraph (C) the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176, 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(2) Except as provided in subsection (d)(1)(B), the Secretary may not approve an application for a grant under subsection (d) unless the Secretary determines that the entity for which the application is submitted is a community health center (within the meaning of subsection (a)) and that—

"(A) the primary health services of the center will be available and accessible in the center's catchment area promptly, as appropriate, and in a manner which assures continuity;

"(B) the center will have organizational arrangements, established in accordance with regulations prescribed by the Secretary, or (i) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, and (ii) maintaining the confidentiality of patient records;

"(C) the center will demonstrate its financial responsibility by the use of such accounting procedures and other requirements as may be prescribed by the Secretary.

"(D) the center (i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (ii) has made or will make every reasonable effort to enter into such an arrangement;

"(E) the center has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(F) the center (i) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay, (ii) has made and will continue to make every reasonable effort (I) to secure from patients payment for services in accordance with such schedules, and (II) to collect reimbursement for health services to persons described in subparagraph (E) on the basis of the full amount of fees and payments for such services without application of any discount, and (iii) has submitted to the Secretary such reports as he may require to determine compliance with this subparagraph;

"(G) the center has established a governing board which (i) is composed of individuals a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center, and (ii) meets at least once a month, establishes general policies for the center (including the selection of services to be provided by the center and a schedule of hours during which services will be provided), approves the center's annual budget, and approves the selection of a director for the center;

"(H) the center has developed, in accordance with regulations of the Secretary, (i) an overall plan and budget that meets the requirements of section 1861(z) of the Social Security Act, and (ii) an effective procedure for compiling and reporting to the Secretary such statistics and other information as the Secretary may require relating to (I) the costs of its operations, (II) the patterns of use of its services, (III) the availability, accessibility, and acceptability of its services, and (IV) such other matters relating to op-

erations of the applicant as the Secretary may, by regulation, require;

"(I) the center will review periodically its catchment area to (i) insure that the size of such area is such that the services to be provided through the center (including any satellite) are available and accessible to the residents of the area promptly and as appropriate, (ii) insure that the boundaries of such area conform, to the extent practicable, to relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs, and (iii) insure that the boundaries of such area eliminate, to the extent possible, barriers to access to the services of the center, including barriers resulting from the area's physical characteristics, its residential patterns, its economic and social groupings, and available transportation; and

"(J) in the case of a center which serves a population including a substantial proportion of individuals of limited English-speaking ability, the center has (i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and (ii) identified an individual on its staff who is fluent in both that language and in English and whose responsibilities shall include providing guidance to such individauls and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences.

"(f) The Secretary may provide (either through the Department of Health, Education, and Welfare or by grant or contract) all necessary technical and other nonfinancial assistance (including fiscal and program management assistance and training in such management) to any public or private nonprofit entity to assist it in developing plans for, and in operating as, a community health center, and in meeting requirements of subsection (e)(2).

"(g)(1) There are authorized to be appropriated for payments pursuant to grants under subsection (c) $5,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977.

"(2) There are authorized to be appropriated for payments pursuant to grants under subsection (d) $215,000,000 for fiscal year 1976, and $235,000,000 for fiscal year 1977."

(b) Section 314(e) of the Public Health Service Act is repealed.

TITLE VI—MISCELLANEOUS

DISEASES BORNE BY RODENTS

SEC. 601. (a) Section 317(h)(1) of the Public Health Service Act is amended by striking out "and RH disease" and inserting in lieu thereof ", RH disease, and diseases borne by rodents".

(b) Section 317(d)(3) of such Act is amended by adding at the end thereof the following: "There is authorized to be appropriated for fiscal year 1976 $20,000,000 for grants under this section for communicable and other disease control programs for diseases borne by rodents.".

HOME HEALTH SERVICES

SEC. 602. (a)(1) for the purpose of demonstrating the establishment and initial operation of public and nonprofit private agencies (as defined in section 1861(o) of the Social Security Act) which will provide home health services (as defined in section 1861(m) of the Social Security Act) in areas in which such services are not otherwise available, the Secretary of Health, Education, and Welfare may, in accordance with the provisions of this section, make grants to meet the initial costs of establishing and operating such agencies and expanding the services available through existing agencies, and to meet the costs of compensating professional and paraprofessional personnel during the initial operation of such agencies or the expansion of services of existing agencies.

(2) In making grants under this subsection, the Secretary shall consider the relative needs of the several States for home health services and preference shall be given to areas within a State in which a high percentage of the population proposed to be served is composed of individuals who are elderly, medically indigent, or both.

(3) Applications for grants under this subsection shall be in such form and contain such information as the Secretary shall prescribe by regulation.

(4) Payment of grants under this subsection may be made in advance or by way of reimbursement or in installments as the Secretary may determine.

(5) There are authorized to be appropriated $8,000,000 for fiscal year 1976 for payments under grants under this subsection.

(b)(1) The Secretary of Health, Education, and Welfare may make grants to public and nonprofit private entities to assist them in demonstrating the training of professional and paraprofessional personnel to provide home health services (as defined in section 1861(m) of the Social Security Act).

(2) Applications for grants under this subsection shall be in such form and contain such information as the Secretary shall by regulations prescribe.

(3) Payment of grants under this section may be made in advance or by way of reimbursement, or in installments, as the Secretary shall determine.

(4) There is authorized to be appropriated $2,000,000 for fiscal year 1976 for payments under grants under this subsection.

COMMITTEE ON MENTAL HEALTH AND ILLNESS OF THE ELDERLY

SEC. 603. (a) The Secretary of Health, Education, and Welfare shall appoint a Committee on Mental Health and Illness of the Elderly (hereinafter in this section referred to as the "Committee") to make a study of and recommendations respecting—

(1) the future needs for mental health facilities, manpower, research, and training to meet the mental health care needs of elderly persons,

(2) the appropriate care of elderly persons who are in mental institutions or who have been discharged from such institutions, and

(3) proposals for implementing the recommendations of the 1971 White House Conference on Aging respecting the mental health of the elderly.

(b) Within one year from the date of enactment of this Act the Secretary shall report to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives the findings of the Committee under the study under subsection (a) and the Committee's recommendations under such subsection.

(c)(1) The Committee shall be composed of nine members appointed by the Secretary of Health, Education, and Welfare. The Committee shall include at least one member from each of the fields of psychology, psychiatry, social science, social work, and nursing. Each member of the Committee shall by training, experience, or attainments be exceptionally qualified to assist in carrying out the functions of the Committee.

(2) Members of the Committee shall receive compensation at a rate to be fixed by the Secretary, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule, for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Committee. While away from their homes or regular places of business in the performance of services for the Committee, members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(d) The Committee shall cease to exist thirty days after the submission of the report pursuant to subsection (b).

COMMISSION FOR CONTROL OF EPILEPSY

SEC. 604. (a) The Secretary of Health, Education, and Welfare shall establish a temporary commission to be known as the Commission for the Control of Epilepsy and Its Consequences (hereinafter referred to in this section as the "Commission").

(b) It shall be the duty of the Commission to—

(1) make a comprehensive study of the state of the art of medical and social management of the epilepsies in the United States;

(2) investigate and make recommendations concerning the proper roles of Federal and State governments and national and local public and private agencies in research, prevention, identification, treatment, and rehabilitation of persons with epilepsy;

(3) develop a comprehensive national plan for the control of epilepsy and its consequences based on the most thorough, complete, and accurate data and information available on the disorder; and

(4) transmit to the President and the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives, not later than one year after the date of enactment of this Act, a report detailing the findings and conclusions of the Commission, together with recommendations for legislation and appropriations, as it deems advisable.

(c)(1) The Commission shall be composed of nine members to be appointed by the Secretary of Health, Education, and Welfare. Such members shall be persons, including consumers of health services, who, by reason of experience or training in the medical, social, or educational aspects of the epilepsies, are especially qualified to serve on such Commission.

(2) The Secretary shall designate one of the members of the Commission to serve as Chairman and one to serve as Vice Chairman. Vacancies shall be filled in the same manner in which the original appointments were made. Any vacancy in the Commission shall not affect its powers.

(3) Any member of the Commission who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties on the Commission.

(4) Members of the Commission, other than those referred to in paragraph (3), shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule, for each day (including traveltime) they are engaged in the performance of their duties and, while so serving away from their homes or regular places of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence in the same manner as is authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The Commission shall cease to exist thirty days after the submission of the final report required by subsection (b)(4).

COMMISSION FOR CONTROL OF HUNTINGTON'S DISEASE

SEC. 605. (a) The Secretary of Health, Education, and Welfare shall establish a temporary commission to be known as the Commission for the Control of Huntington's Disease and Its Consequences (hereinafter referred to in this section as the "Commission").

(b) It shall be the duty of the Commission to—

(1) make a comprehensive study of the state of the art of medical and social management of Huntington's disease in the United States;

(2) investigate and make recommendations concerning the proper roles of Federal and State governments and national and local public and private agencies in research, prevention, identification, treatment, and rehabilitation of persons with Huntington's disease;

(3) develop a comprehensive national plan for the control of Huntington's disease and its consequences based on the most thorough, complete, and accurate data and information available on the disorder; and

(4) transmit to the President and the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives, not later than one year after the date of enactment of this Act, a report detailing the findings and conclusions of the Commission, together with recommendations for legislation and appropriations, as it deems advisable.

(c)(1) The Commission shall be composed of nine members to be appointed by the Secretary of Health, Education, and Welfare. Such members shall be persons, including consumers of health services, who, by reason of experience or training in the medical, social, or educational aspects of Huntington's disease, are especially qualified to serve on such Commission.

(2) The Secretary shall designate one of the members of the Commission to serve as Chairman and one to serve as Vice Chairman. Vacancies shall be filled in the same manner in which the original appointments were made. Any vacancy in the Commission shall not affect its powers.

(3) Any member of the Commission who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties on the Commission.

(4) Members of the Commission, other than those referred to in paragraph (3), shall receive compensation at rates, not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule, for each day (including traveltime) they are engaged in the performance of their duties and, while so serving away from their homes or regular places of business, each member shall be allowed travel expenses, including per diem in lieu of subsistence in the same manner as is authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The Commission shall cease to exist thirty days after the submission of the final report required by subsection (b)(4).

HEMOPHILIA PROGRAMS

SEC. 606. Title XI of the Public Health Service Act is amended by adding after part C the following new part:

"PART D—HEMOPHILIA PROGRAMS

"TREATMENT CENTERS

"SEC. 1131. (a) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects for the establishment of comprehensive hemophilia diagnostic and treatment centers. A center established under this subsection shall provide—

"(1) access to the services of the center for all individuals suffering from hemophilia who reside within the geographic area served by the center;

"(2) programs for the training of professional and paraprofessional personnel in hemophilia research, diagnosis, and treatment;

"(3) a program for the diagnosis and treatment of individuals suffering from hemophilia who are being treated on an outpatient basis;

"(4) a program for association with providers of health care who are treating individuals suffering from hemophilia in areas not conveniently served directly by such center but who are more conveniently (as determined by the Secretary) served by it than by the next geographically closest center;

"(5) programs of social and vocational counseling for individuals suffering from the hemophilia; and

"(6) individualized written comprehensive care programs for each individual treated by or in association with such center.

"(b) No grant or contract may be made under subsection (a) unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) An application for a grant or contract under subsection (a) shall contain assurances satisfactory to the Secretary that the applicant will serve the maximum number of individuals that its available and potential resources will enable it to effectively serve.

"(d) In considering applications for grants and contracts under subsection (a) for projects to establish hemophilia disagnostic and treatment centers, the Secretary shall

"(1) take into account the number of persons to be served by the programs to be supported by such centers and the extent to which rapid and effective use will be made by such centers of funds under such grants and contracts, and

"(2) give priority to projects for centers which will operate in areas which the Secretary determines have the greatest number of persons in need of the services provided by such centers.

"(e) Contracts may be entered into under subsection (a) without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(f) There are authorized to be appropriated to make payments under grants and contracts under subsection (a) $3,000,000 for fiscal year 1976, and $4,000,000 for fiscal year 1977.

"BLOOD SEPARATION CENTERS

"SEC. 1132. (a) The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects to develop and expand, within existing facilities, blood-separation centers to separate and make available for distribution blood components to providers of blood services and manufacturers of blood fractions. For purposes of this section—

"() the term 'blood components' means those constituents of whole blood which are used for therapy and which are obtained by physical separation processes which result in licensed products such as red blood cells, platelets, white blood cells, AHF-rich plasma, fresh-frozen plasma, cryoprecipitate, and single unit plasma for infusion; and

"(2) the term 'blood fractions' means those constituents of plasma which are used for therapy and which are obtained by licensed fractionation processes presently used in manufacturing which result in licensed products such as normal serum albumin, plasma, protein fraction, prothrombin complex, fibrinogen, AHF concentrate, immune serum globulin, and hyperimmune globulins.

"(b) In the event the Secretary finds that there is an insufficient supply of blood fractions available to meet the needs for treatment of persons suffering from hemophilia, and that public and other nonprofit private centers already engaged in the production of blood fractions could alleviate such insufficiency with assistance under this subsection, he may make grants not to exceed $500,000 to such centers for the purposes of alleviating the insufficiency.

"(c) No grant or contract may be made under subsection (a) or (b) unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe.

"(d) Contracts may be entered into under subsection (a) without regard to section 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(e) For the purpose of making payments under grants and contracts under subsections (a) and (b), there are authorized to be appropriated $4,000,000 for fiscal year 1976, and $5,000,000 for fiscal year 1977."

TECHNICAL AMENDMENTS

SEC. 607. (a) Section 399c of the Public Health Service Act (added by Public Law 93-222) is redesignated as section 399A.

(b) The section 472 of the Public Health Service Act entitled "Peer Review of Grant Applications and Control Projects" is redesignated as section 475.

(c) The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act.

TITLE VII—EXTENSION OF CURRENT AUTHORITIES THROUGH FISCAL YEAR 1975

SEC. 701. (a) Section 314(d)(1) of the Public Health Service Act (relating to grants for comprehensive public health services) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(b)(1) The first sentence of section 314(e) of such Act (relating to project grants for health services development) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(2) The next to last sentence of such section is amended (A) by striking out "1974" and inserting "1975", and (B) by striking out "title I of the Health Programs Extension Act of 1973" and inserting in lieu thereof "title VII of the Health Revenue Sharing and Health Services Act of 1975".

(c) Section 319 of such Act (relating to migrant health) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(d) Section 1001(c), 1003(b), 1004(b), and 1005(b) of title X of such Act (relating to population research and family planning) are each amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(e)(1) Section 201 of the Community Mental Health Centers Act (relating to grants for construction) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(2) Section 207 of such Act is amended by striking out "1974" and inserting "1975".

(3) Section 221(b) of such Act is amended by striking out "1974" each place it occurs and inserting in lieu thereof "1975".

(4) Section 224(a) of such Act (relating to staffing grants) is amended by striking

out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(5)(A) Section 246 of such Act (relating to alcoholism programs) is amended by striking out "1974" and inserting in lieu thereof "1975".

(B) Section 247(d) of such Act is amended by striking out "and June 30, 1974" and inserting in lieu thereof "June 30, 1974, and June 30, 1975".

(6)(A) Section 252 of such Act (relating to drug abuse programs) is amended by striking out "1974" and inserting in lieu thereof "1975".

(B) Section 253(d) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(C) Section 256(e) of such Act is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(7) Section 261 of such Act (relating to authorizations for alcoholism and drug abuse programs) is amended (A) by striking out "for the fiscal year ending June 30, 1974" in subsection (a) and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975", and (B) by striking out "1974" in subsection (b) and inserting in lieu thereof "1975".

(8) Section 271(d) of such Act (relating to mental health of children) is amended (A) by striking out "for the fiscal year ending June 30, 1974" in paragraph (1) and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975", and (B) by striking out "1974" in paragraph (2) and inserting in lieu thereof "1975".

TITLE VIII—NATIONAL HEALTH SERVICE CORPS

EXTENSION OF CENTURY AUTHORITY THROUGH FISCAL YEAR 1975

SEC. 801. Section 329(h) of the Public Health Service Act is amended by striking out "and" after "1973;" and by inserting before the period a comma and the following: "and $16,000,000 for the fiscal year ending June 30, 1975".

REVISIONS OF NATIONAL HEALTH SERVICE CORPS PROGRAM

SEC. 802. (a)(1) Part C of title III of the Public Health Service Act is amended by inserting immediately below the heading for such part the following:

"Subpart I—General Provisions".

(2) Section 331 and 332 of part D of such title are redesignated as sections 338 and 339, respectively.

(b) Part C of title III of the Public Health Service Act is amended by striking out section 329 and inserting in lieu thereof the following:

"Subpart II—National Health Service Corps Program

"NATIONAL HEALTH SERVICE CORPS

"SEC. 329. (a) There is established, within the Service, the National Health Service Corps (hereinafter in this subpart referred to as the 'Corps') which (1) shall consist of those officers of the Regular and Reserve Corps of the Service and such other personnel as the Secretary may designate, and (2) shall be utilized by the Secretary under this subpart to improve the delivery of health services to medically underserved populations.

"(b)(1) The Secretary shall conduct at medical and nursing schools and other schools of the health professions and at entities which train allied health personnel, recruiting programs for the Corps. Such programs shall include the wide dissemination of written information on the Corps and visits to such schools and entities by personnel of the Corps.

"(2) The Secretary may reimburse applicants for positions in the Corps for actual expenses incurred in traveling to and from their places of residence to an area in which they would be assigned for the purpose of evaluating such area with regard to being assigned in such area. The Secretary shall not reimburse an applicant for more than one such trip.

"(3) Commissioned officers and other personnel of the Corps assigned under section 331 to provide health services for medically underserved populations shall not be counted against any employment ceiling affecting the Department of Health, Education, and Welfare.

"(c)(1) The Secretary may, under regulations prescribed by him, adjust the monthly pay of each physician and dentist member of the Corps who is directly engaged in the delivery of health services to a medically underserved population as follows:

"(A) During the first thirty-six months in which such a member is so engaged in the delivery of health services, his monthly pay shall be increased by an amount (not to exceed $1,000) which when added to the member's monthly pay and allowance will provide a monthly income competitive with the average monthly income from a practice of an individual who is a member of the profession of the Corps member, who has equivalent training, and who has been in practice for a period equivalent to the period during which the Corps member has been in practice.

"(B) During the period beginning upon the expiration of the thirty-six months referred to in subparagraph (A) and ending with the month in which the member's monthly pay and allowances is equal to or exceeds the monthly income he received for the last of such thirty-six months, the member shall receive in addition to his monthly pay and allowances an amount which when added to such monthly pay and allowances equals the monthly income he received for such last month.

For purposes of subparagraphs (A) and (B), the term 'monthly pay' includes special pay received under chapter 5 of title 37 of the United States Code.

"(2) In the case of a member of the Corps who is directly engaged in the provision of health services to a medically underserved population in accordance with a service obligation incurred under the Public Health Service and National Health Service Corps Scholarship Training Program, the adjustment in pay authorized by paragraph (1) may be made for such a member only upon satisfactory completion of such service obligation and the first thirty-six months of his being so engaged in the delivery of health care shall, for purposes of paragraph (1)(A), be deemed to begin upon such satisfactory completion.

"DESIGNATION OF MEDICALLY UNDERSERVED POPULATIONS

"SEC. 330(a) For purposes of this subpart—

"(1) the term 'medically underserved population' means (A) the population of an urban or rural area (which need not conform to the geographical boundaries of a political subdivision and which should be a rational area for the delivery of health services) which the Secretary determines has a critical health manpower shortage, or (B) a population group determined by the Secretary to have such a shortage; and

"(2) the term 'State' includes Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(b)(1) The Secretary shall designate the medically underserved populations in the States. In determining whether to designate a population as a medically underserved population, the Secretary shall take into account the following:

(A) The recommendations of each health systems agency designated under section 1515 for a health service area which includes all or any part of the area in which the population under consideration for designation resides.

"(B) If such area is within a health service area (or areas) for which no health systems agency has been designated, the recommendations of the State health planning and development agency designated under section 1521 for the State (or States) in which such area is located.

"(C) Ratios of available health manpower to the population under consideration for designation.

"(D) Indicators of the population's access to health services.

"(E) Indicators of the health status of the population.

"(F) Indicators of such population's need and demand for health services.

"(2) Any person may apply to the Secretary (in such manner as he may prescribe) for the designation (in accordance with the second sentence of paragraph (1)) of a population as a medically underserved population.

"ASSIGNMENT OF CORPS PERSONNEL

"SEC. 331. (a)(1) The Secretary may assign personnel of the Corps to provide, under regulations prescribed by the Secretary, health services for a medically underserved population only if—

"(A) the State health agency of each State in which such population is located or the local public health agency or any other public or nonprofit private health entity serving such population makes application to the Secretary for such assignment, and

"(B)(i) the local government of the area in which such population resides certifies to the Secretary that such assignment of Corps personnel is needed for such population, and

"(ii) any State and district medical, osteopathic, or dental society for such area, or any other appropriate health society (as the case may be) for such area, makes such a certification to the Secretary.

"(2) The Secretary may not approve an application under paragraph (1)(A) for an assignment unless the applicant agrees to enter into an arrangement with the Secretary in accordance with subsection (b) and has afforded—

"(A) each health systems agency designated under section 1515 for a health service area which includes all or any part of the area in which the population for which the application is submitted resides, and

"(B) if there is a part of such area within a health service area for which no health systems agency has been designated, the State health planning and development agency of the State (designated under section 1521) in which such part is located

an opportunity to review the application and submit its comments to the Secretary respecting the need for and proposed use of the Corps personnel requested in the application. In considering such an application, the Secretary shall take into consideration the need of the population for which the application was submitted for the health services which may be provided under this subpart; the willingness of the population and the appropriate governmental agencies or health entities serving it to assist and cooperate with the Corps in providing effective health services to the population; and recommendations from medical, osteopathic, dental, or other health societies or from medical personnel serving the population.

"(3) If with respect to any proposed assignment of Corps personnel for a medically underserved population the requirements of subparagraphs (A) and (B) of paragraph (1) are met except for the certification required by subparagraph (B)(ii) of such paragraph and if the Secretary finds from all the facts presented that such certification has clearly been arbitrarily and capriciously withheld, the Secretary may, after consultation with appropriate medical, osteopathic, dental, or other health societies, waive the application of the certification requirement to such proposed assignment.

"(b)(1) The Secretary shall require as a condition to the approval of an application under subsection (a) that the entity which submitted the application enter into an appropriate arrangement with the Secretary under which—

"(A) the entity shall be responsible for charging in accordance with paragraph (3) for health services provided by the Corps personnel to be assigned;

"(B) the entity shall take such action as may be reasonable for the collection of payments for such health services, including if a Federal agency, an agency of a State or local government, or other third party would be responsible for all or part of the cost of such health services if it had not been provided by Corps personnel under this subpart, the collection, on a fee-for-service or other basis, from such agency or third party the portion of such cost for which it would be so responsible (and in determining the amount of such cost which such agency or third party would be responsible, the health services provided by Corps personnel shall be considered as being provided by private practitioners); and

"(C) the entity shall pay to the United States as prescribed by the Secretary for each calendar quarter (or other period as may be specified in the arrangement) during which any Corps personnel are assigned to such entity the sum of—

"(i) the pay (including amounts paid in accordance with 329(c)) and allowances of such Corps personnel for the portion of such quarter (or other period) during which assigned to the entity;

"(ii) if such entity received a grant under section 332 for the assistance period (as defined in subsection (c)) for which such personnel are assigned, an amount which bears the same ratio to the amount of such grant as the number of days in such quarter (or other period) during which any Corps personnel were assigned to the entity bears to the number of days in the assistance period after such entity received such grant; and

"(iii) if during such quarter (or other period) any member of the Corps assigned to such entity is providing obligated service pursuant to an agreement under the Public Health and National Health Service Corps Scholarship Training Program, for each such member an amount which bears the same ratio to the amount paid under such Program to or on the behalf of such member as the number of days of obligated service provided by such member during such quarter (or other period) bears to the number of days in his period of obligated service under such Program.

The Secretary may waive in whole or in part the application of the requirement of subparagraph (C) to an entity if he determines that the entity is financially unable to meet such requirement or if he determines that compliance with such requirement would unduly limit the ability of the entity to maintain the quality of the services it provides.

"(2) The excess (if any) of the amount collected by an entity in accordance with paragraph (1)(B) over the amount paid to the United States in accordance with paragraph (1)(C) shall be used by the entity to expand or improve the provision of health services to the population for which the entity submitted an application under subsection (a) or to recruit and retain health manpower to provide health services for such population.

"(3) Any person who receives health services provided by Corps personnel under this subpart shall be charged for such services on a fee-for-service or other basis at a rate approved by the Secretary, pursuant to regulations, to recover the value of such services; except that if such person is determined under regulations of the Secretary to be unable to pay such charge, the Secretary shall provide for the furnishing of such services at a reduced rate or without charge.

"(4) Funds received by the Secretary under an arrangement entered into under paragraph (1) shall be deposited in the Treasury as miscellaneous receipts and shall be disregarded in determining the amounts of appropriations to be requested under section 335 and the amounts to be made available from appropriations made under such section to carry out this subpart.

"(c) Upon approval of an application submitted under subsection (a) for the assignment of Corps personnel to provide health services for a medically underserved population, the Secretary may approve the assignment of Corps personnel for such population during a period (hereinafter in this subpart referred to as the 'assistance period') which may not exceed four years from the date of the first assignment of Corps personnel for such population after the date of the approval of the application. No assignment of individual Corps personnel may be made for a period ending after the expiration of the applicable approved assistance period.

"(d) Upon expiration of an approved assistance period for a medically underserved population, no new assignment of Corps personnel may be made for such population unless an application is submitted in accordance with subsection (a) for such new assignment. The Secretary may not approve such an application unless—

"(1) the application and certification requirements of subsection (a) are met;

"(2) the Secretary has conducted an evaluation of the continued need for health manpower of the population for which the application is submitted, of the utilization of the manpower by such population, of the growth of the health care practice of the Corps personnel assigned for such population, and of community support for the assignment; and

"(3) the Secretary has determined that such population has made continued efforts to secure its own health manpower, that there has been sound fiscal management of the health care practice of the Corps personnel assigned for such population, including efficient collection of fee-for-service, third-party and other funds available to such population, and that there has been appropriate and efficient utilization of such Corps personnel.

"(e) Corps personnel shall be assigned to provide health services for a medically underserved population on the basis of the extent of the population's need for health services and without regard to the ability of the members of the population to pay for health services.

"(f) In making an assignment of Corps personnel the Secretary shall seek to match characteristics of the assignee (and his spouse (if any)) and of the population to which such assignee may be assigned in order to increase the likelihood of the assignee remaining to serve the population upon completion of his assignment period. The Secretary shall, before the beginning of the last nine months of the assignment period of a member of the Corps, review such member's assignment and the situation in the area to which he was assigned for the purpose of determining the advisability of extending the period of such member's assignment.

"(g)(1) The Secretary shall (A) provide assistance to persons seeking assignment of Corps personnel under this section, and (B) conduct such information programs in areas in which such populations reside as may be necessary to inform the public and private health entities serving those areas of the assistance available to such populations by virtue of their designation under section 330 as medically underserved.

"(2) The Secretary shall provide technical assistance to all medically underserved populations to which are not assigned Corps personnel to assist in the recruitment of health manpower for such populations. The Secretary shall also give such populations current information respecting public and private programs under which they may receive assistance in securing health manpower for them.

"PROVISION OF HEALTH SERVICES BY CORPS PERSONNEL

"SEC. 332. (a) In providing health services for a medically underserved population under this subpart, Corps personnel shall utilize the techniques, facilities, and organizational forms most appropriate for the area in which the population resides and shall, to the maximum extent feasible, provide such services (1) to all members of the population regardless of their ability to pay for the services, and (2) in connection with (A) direct health services programs carried out by the Service; (B) any other direct health services program carried out in whole or in part with Federal financial assistance; or (C) any other health services activity which is in furtherance of the purposes of this subpart.

"(b)(1) Notwithstanding any other provision of law, the Secretary (A) may, to the extent feasible, make such arrangements as he determines necessary to enable Corps personnel in providing health services for a medically underserved population to utilize the health facilities of the area in which the population resides and if there are no health facilities in or serving such area, the Secretary may arrange to have Corps personnel provide health services in the nearest health facilities of the Service or the Secretary may lease or otherwise provide facilities in such area for the provision of health services, (B) may make such arrangements as he determines are necessary for the use of equipment and supplies of the Service and for the lease or acquisition of other equipment and supplies, and (C) may secure the temporary services of physicians, nurses, and allied health professionals.

"(2) If such an area is being served (as determined under regulations of the Secretray) by a hospital or other health care delivery facility of the Service, the Secretary shall, in addition to such other arrangements as the Secretary may make under paragraph (1), arrange for the utilization of such hospital or facility by Corps personnel in providing health services for the population, but only to the extent that such utilization will not impair the delivery of health services and treatment through such hospital or facility to persons who are entitled to health services and treatment through such hospital or facility.

"(c) The Secretary may make one grant to any applicant with an approved application under section 331 to assist it in meeting the costs of establishing medical practice management systems for Corps personnel, acquiring equipment for their use in providing health services, and establishing appropriate continuing education programs and opportunities for them. No grant may be made under this subsection unless an application therefor is submitted to, and approved by, the Secretary. The amount of any grant shall be determined by the Secretary, except that no grant may exceed more than $25,000.

"(d) Upon the expiration of the assignment of Corps personnel to provide health services for a medically underserved population, the Secretary may (notwithstanding any other provision of law) sell to the entity which submitted the last application approved under section 331 for the assignment of Corps personnel for such population equipment of the United States utilized by such personnel in providing health services. Sales made under this subsection shall be made for the fair market value of the equipment sold (as determined by the Secretary).

"REPORTS

"SEC. 333. The Secretary shall report to Congress no later than May 15 of each year—

"(1) the number and identity of all medically undeserved populations in each of the States in the calendar year preceding the year in which the report is made and the number of medically underserved populations which the Secretary estimates will be designated under section 330 in the calendar year in which the report is made;

"(2) the number of applications filed under section 331 in such preceding calendar year for assignment of Corps personnel and the action taken on each such application;

"(3) the number and types of Corps personnel assigned in such preceding year to provide health services for medically underserved populations, the number and types of additional Corps personnel which the Secretary estimates will be assigned to provide such services in the calendar year in which the report is submitted, and the need (if any) for additional personnel for the Corps;

"(4) the recruitment efforts engaged in for the Corps in such preceding year, including the programs carried out under section 329 (b) (1), and the number of qualified persons who applied for service in the Corps in each professional category;

"(5) the total number of patients seen and patient visits recorded during such preceding year in each area where Corps personnel were assigned;

"(6) the number of health personnel electing to remain, after termination of their service in the Corps, to provide health services to medically underserved populations, the number of such personnel who do not make such election, and their reasons for not making such election;

"(7) the results of evaluations made under section 331(d)(2), and determinations made under section 331(d)(3), during such preceding year; and

"(8) the total amount (A) charged during such preceding year for health services by Corps personnel, (B) collected in such year by entities in accordance with arrangements under section 331(b), and (C) paid to the Secretary in such year under such arrangements.

"NATIONAL ADVISORY COUNCIL

"SEC. 334. (a) There is established a council to be known as the National Advisory Council on the National Health Service Corps (hereinafter in this section referred to as the 'Council'). The Council shall be composed of fifteen members appointed by the Secretary as follows:

"(1) Four members shall be appointed from the general public to represent the consumers of health care, at least two of whom shall be members of a medically underserved population for which Corps personnel are providing health services under this subpart.

"(2) Three members shall be appointed from the medical, dental, and other health professions and health teaching professions.

"(3) One member shall be appointed from a State health planning and development agency designated under section 1521, one member shall be appointed from a Statewide Health Coordinating Council under section 1524, and one member shall be appointed from a health systems agency designated under section 1515.

"(4) Three members shall be appointed from the Service, at least two of whom shall be members of the Corps directly engaged in the provision of health services for a medically underserved population.

"(5) Two members shall be appointed from the National Council on Health Planning and Development (established under section 1503).

The Council shall consult with, advise, and make recommendations to, the Secretary with respect to his responsibilities in carrying out this subpart, and shall review and comment upon regulations promulgated by the Secretary under this section subpart.

"(b)(1) Members of the Council shall be appointed for a term of three years and shall not be removed, except for cause. Members may be reappointed to the Council.

"(2) Members of the Council (other than members who are officers or employees of the United States), while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive for each day (including travel-time) in which they are so serving the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule; and while so serving away from their homes or regular places of business all members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government Service employed intermittently.

"AUTHORIZATION OF APPROPRIATION

"SEC. 335. To carry out the purposes of this subpart, there is authorized to be appropriated $30,000,000 for fiscal year 1976.".

(c)(1) The amendments made by subsections (a) and (b) of this section shall take effect July 1, 1975.

(2)(A) Any area for which a designation under section 329(b) of the Public Health Service Act (as in effect on June 30, 1975) was in effect on such date and in which National Health Service Corps personnel were, on such date, providing, under an assignment made under such section (as so in effect), health care and services for persons residing in such area shall, effective July 1, 1975, be deemed under subpart II of part C of title III of such Act (as added by subsection (b) of this section) to (i) be an area in which is located a medically underserved population (as defined by section 330 of such Act (as so added)), and (ii) be qualified under section 331 of such Act (as so added) for the assignment of Corps personnel unless, as determined under subpapagraph (B) of this paragraph, the assistance period applicable to such area (within the meaning of such section 331) has expired.

(B) The assistance period (within the meaning of such section 331) applicable to an area described in subparagraph (A) of this paragraph shall be deemed to have begun on the date Corps personnel were first assigned to such area under section 329 of such Act (as in effect on June 30, 1975).

(C) In the case of any physician or dentist member of the Corps who was providing health care and services on June 30, 1975, under an assignment made under section 329 (b) of such Act (as in effect on June 30, 1975), the number of the months during which such member provided such care and services before July 1, 1975, shall be counted in determining the application of the additional pay provisions of section 329(c) of such Act (as added by section (b) of this section) to such member.

(3) The amendment made by subsection (b) which changed the name of the Advisory Council established under section 329 of the Public Health Service Act (and placed the authority for the Advisory Council in section 334 of such Act) shall not be construed as requiring the establishment of a new Advisory Council under such section 334; and the amendment made by such subsection with respect to the composition of such Advisory Council shall apply with respect to appointments made to the Advisory Council after July 1, 1975, and the Secretary of Health, Education, and Welfare shall make appointments to the Advisory Council after such date in a manner which will bring about, at the earliest feasible time, the Advisory Council composition prescribed by the amendment.

REPORT AND STUDIES

SEC. 803. (a) The Secretary of Health, Education, and Welfare shall report to Congress (1) not later than October 1, 1975, the criteria used by him in designating medically underserved populations under section 330 of the Public Health Service Act, and (2) not later than January 1, 1976, the identity and number of medically underserved populations in each State meeting such criteria.

(b) The Secretary of Health, Education, and Welfare shall conduct or contract for studies of methods of assigning under section 331 of the Public Health Service Act (as added by section 802(b) of this title) National Health Service Corps personnel to medically underserved population and of providing health care to such populations. Such studies shall be for the purpose of identifying (1) the characteristics of health manpower who are more likely to remain in practice in areas in which medically underserved populations are located, (2) the characteristics of areas which have been able to retain health manpower personnel, and (3) the appropriate conditions for assignment of nurse practitioners, physician's assistants, and expanded function dental auxiliaries in areas in which medically underserved populations are located.

CONFORMING AMENDMENT

SEC. 804. (a) Section 741(f)(1)(C) of the Public Health Service Act is amended by striking out all that follows after "in a State" and inserting in lieu thereof "in which is located a medically underserved population designated under section 330;".

(b) The amendment made by subsection (a) shall apply with respect to agreements enter into under section 741(f) of the Public Health Service Act after June 30, 1975.

TITLE IX—NURSE TRAINING

SHORT TITLE; REFERENCE TO ACT

SEC. 901. (a) This title may be cited as the "Nurse Training Act of 1975".

(b) Whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

PART A—ONE-YEAR EXTENSION

EXTENSION OF EXISTING AUTHORITIES THROUGH FISCAL YEAR 1975

SEC. 902. (a) Section 801 (relating to construction grants) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(b) Section 806(1) (relating to capitation grants) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(c) Section 808 (relating to special project grants and contracts and financial distress grants) is amended by striking out "for the fiscal year ending June 30, 1974" each place it occurs and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(d) Section 809 (relating to loan guarantees and interest subsidies) is amended—

(1) by striking out "1974" in subsections (a) and (b) and inserting in lieu thereof "1975", and

(2) by striking out "in the fiscal year ending June 30, 1974" in subsection (e) and inserting in lieu thereof "in the fiscal year ending June 30, 1974, or in the next fiscal year".

(e) Section 810(d) (relating to start-up grants) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(f) Section 860 (relating to scholarships) is amended—

(1) by striking out "next two fiscal year" in subsection (b) and inserting in lieu thereof "next three fiscal years".

(2) by striking out "1975" in that subsection and inserting in lieu thereof "1976",

(3) by striking out "1974" in that subsection and inserting in lieu thereof "1975",

(4) by striking out "the next two fiscal years" in subsection (c)(1)(A) and inserting in lieu thereof "the next three fiscal years",

(5) by striking out "1974" in subsection (c)(1)(B) and inserting in lieu thereof "1975", and

(6) by striking out "1975" in that subsection and inserting in lieu thereof "1976".

(g) Section 868(b) (relating to recruitment programs) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

PART B—REVISION AND EXTENSION OF PROGRAMS THROUGH FISCAL YEAR 1978

Subpart 1—Effective Date

EFFECTIVE DATE

SEC. 905. Except as may otherwise be specifically provided, the amendments made by this part shall take effect July 1, 1975. The amendments made by this part to provisions of title VIII of the Public Health Service Act (hereinafter in this part referred to as the "Act") are made to such provisions as amended by part A of this title.

Subpart 2—Construction Assistance

EXTENSION OF GRANTS AND LOAN GUARANTEES AND INTEREST SUBSIDIES

SEC. 910. (a)(1) Section 801 is amended by striking out "and" after "1973,"; and by inserting before the period a comma and the following: "$20,000,000 for fiscal year 1976, $20,000,000 for fiscal year 1977, and $20,000,000 for fiscal year 1978".

(2) Effective with respect to grants for construction projects under part A of title VIII of the Act made from appropriations under section 801 of the Act, section 802(c)(1)(A) is amended (A) by inserting "(1)" after "proposed facilities", and (B) by inserting before the semicolon ", or (ii) in expanding the capacity of the school to provide graduate training".

(b)(1)(A) Subsections (a) and (b) of section 809 are each amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1978".

(B)(i) The last sentence of subsection (a) of section 809 is amended (I) by striking out "(1)" and (II) by striking out all after "the project" and inserting in lieu thereof a period.

(ii) The amendment made by clause (i) shall apply with respect to loans guaranteed under subpart I of part A of title VIII of the Act after the date of the enactment of this Act.

(2) The second sentence of subsection (e) of such section is amended (A) by striking out "and" after "1973,", and (B) by inserting after "the next fiscal year" a comma and the following: "$1,000,000 in fiscal year 1976, $1,000,000 in fiscal year 1977, and $1,000,000 in fiscal year 1978".

(c)(1) Subsection (a) of section 809 is amended by inserting "or the Federal Financing Bank" and "non-Federal lenders".

(2) Subsection (b) of section 809 is amended by inserting "or the Federal Financing Bank" after "non-Federal lender".

TECHNICAL AMENDMENTS

SEC. 911. (a)(1) Title VIII is amended by inserting after the heading for part A the following:

"Subpart I—Construction Assistance"

(2) The heading for part A is amended by striking out "GRANTS" and inserting in lieu thereof "ASSISTANCE".

(b) Section 809 is inserted after section 804 and is redesignated as section 805.

Subpart 3—Capitation Grants

EXTENSION AND REVISION OF CAPITATION GRANTS

SEC. 915. (a) Section 806(a) is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) Each collegiate school of nursing shall receive $400 for each undergraduate full-time student enrolled in each of the last two years of such school in such year.

"(2) Each associate degree school of nursing shall receive (A) the product of $275 and one-half of the number of full-time students enrolled in the first year of such school in such year, and (B) $275 for each full-time student enrolled in the last year of such school in such year.

"(3) Each diploma school of nursing shall receive $250 for each full-time student enrolled in such school in such year.".

(b) Subsections (c), (d), (e), and (f) of section 806 are repealed and the following new subsection is inserted after subsection (b):

"(c)(1) REQUIREMENTS FOR GRANTS.—The Secretary shall not make a grant under subsection (a) to any school of nursing in a fiscal year beginning after June 30, 1975, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary that—

"(A) the first-year enrollment of full-time students in the school in the school year beginning after the fiscal year in which the grant applied for is to be made will not be less than the first-year enrollment of such students in the school in the preceding school year; and

"(B) that the school will expend in carrying out its function as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purposes (excluding expenditures of a non-recurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought.

The requirement of subparagraph (A) shall be in addition to the requirements of section 802(b)(2)(D), where applicable.

"(2) The Secretary shall not make a grant under subsection (a) to any school of nursing in a fiscal year beginning after June 30, 1975, unless one of the following requirements is met:

"(A) The application for such grant shall contain or be supported by reasonable assurances satisfactory to the Secretary that for the school year beginning after the close of the fiscal year in which such grant is to be made and for each school year thereafter beginning in a fiscal year in which such a grant is made the first year enrollment of full-time students in such school will exceed the number of such students enrolled in the school year beginning during the fiscal year ending June 30, 1975—

"(i) by 10 per centum of such number if such number was not more than one hundred, or

"(ii) by 5 per centum of such number, or ten students, whichever is greater, if such number was more than one hundred.

"(B) The school has provided reasonable assurance satisfactory to the Secretary that it will carry out, in accordance with a plan submitted by the school to the Secretary and approved by him, one of the following programs in the school year beginning after the close of the fiscal year in which such grant is to be made and in each school year thereafter beginning in a fiscal year in which such a grant is made:

"(i) In the case of collegiate schools of nursing, a program for the training of nurse practitioners (as defined in section 822).

"(ii) A program under which students enrolled in a school of nursing will receive a significant portion of their clinical training in community health centers, long-term care facilities, and ambulatory care facilities geographically remote from the main site of the teaching facilities of the school.

"(iii) A program for the continuing education of nurses which meets needs identified by appropriate State, regional, or local health or educational entities (including health systems agencies).

"(iv) A program to identify, recruit, enroll, retain, and graduate individuals from disadvantaged backgrounds (as determined in accordance with criteria prescribed by the Secretary) under which program at least 10 per centum of each year's entering class (or ten students, whichever is greater) is comprised of such individuals.".

(c)(1) Section 806(1)(1) is amended by striking out "and" after "1973," and by inserting before "for grants" the following: "$50,000,000 for fiscal year 1976, $55,000,000 for fiscal year 1977, and $60,000,000 for fiscal year 1978".

(d) For fiscal year 1976, and for each of the next two fiscal years, there are authorized to be appropriated such sums as may be necessary to continue to make annual grants to schools of nursing under section 86(a) of the Act (as in effect on June 30, 1975) based on the number of enrollment bonus students (determined in accordance with subsections (c) and (d) of section 806 of the Act (as so in effect) enrolled in such schools who were first-year students in such schools for school years beginning before June 30, 1975.

TECHNICAL AMENDMENTS

SEC. 916. (a) Subsections (g), (h), and (i) of section 806 are redesignated as subsections (d), (e), and (f), respectively.

(b) Subsection (b) of such section is amended by striking out "subsection (i)" and inserting in lieu thereof "subsection (f)".

(c) Title VIII is amended by inserting after section 805 (as so redesignated by section 102(b) of this Act) the following:

"Subpart II—Capitation Grants".

EFFECTIVE DATE

SEC. 917. The amendments made by this subpart shall take effect with respect to grants made under section 806 (redesignated as section 810 by part C of this title) of the Act from appropriations under such section for fiscal years beginning after June 30, 1975.

Subpart 4—Financial Distress Grants

EXTENSION OF FINANCIAL DISTRESS GRANT PROGRAM

SEC. 921. Title VIII is amended by inserting after section 807 the following:

"Subpart III—Financial Distress Grants

"FINANCIAL DISTRESS GRANTS

SEC. 815. (a) The Secretary may make grants to assist public or nonprofit private schools of nursing which are in serious financial straits to meet operational costs

required to maintain quality educational programs or which have special need for financial assistance to meet accreditation requirements. Any such grant may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the school agree (1) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of that school's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, and (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information.

"(b)(1) No grant may be made under subsection (a) unless an application therefor is submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training.

"(2) An application for a grant under subsection (a) must contain or be supported by assurances satisfactory to the Secretary that the applicant will expend in carrying out its functions as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought. The Secretary may, after consultation with the National Advisory Council on Nurse Training, waive the requirement of the preceding sentence with respect to any school if he determines that the application of such requirement to such school would be inconsistent with the purposes of subsection (a).

"(c) For payments under grants under this section there are authorized to be appropriated $5,000,000 for fiscal year 1976, $5,000,000 for fiscal year 1977, and $5,000,000 for fiscal year 1978.".

TECHNICAL AMENDMENT

SEC. 922. Sections 805 and 808 (as in effect on June 30, 1975) are repealed.

Subpart 5—Special Project Assistance

SPECIAL PROJECT GRANTS AND CONTRACTS

SEC. 931. (a) Title VIII is amended by inserting after subpart III of part A (as added by section 921 of this title) the following:

"Subpart IV—Special Projects

"SPECIAL PROJECT GRANTS AND CONTRACTS

"SEC. 820. (a) The Secretary may make grants to public and nonprofit private schools of nursing and other public or nonprofit private entities, and enter into contracts with any public or private entity, to meet the costs of special projects to—

"(1) assist in—

"(A) mergers between hospital training programs or between hospital training programs and academic institutions, or

"(B) other cooperative arrangements among hospitals and academic institutions, leading to the establishment of nurse training programs;

"(2)(A) plan, develop, or establish new nurse training programs or programs of research in nursing education, or

"(B) significantly improve curricula of schools of nursing (including curriculums of pediatric nursing and geriatric nursing) or modify existing programs of nursing education;

"(3) increase nursing education opportunities for individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary, by—

"(A) identifying, recruiting, and selecting such individuals,

"(B) facilitating the entry of such individuals into schools of nursing,

"(C) providing counseling or other services designed to assist such individuals to complete successfully their nursing education,

"(D) providing, for a period prior to the entry of such individuals into the regular course of education at a school of nursing, preliminary education designed to assist them to complete successfully such regular course of education,

"(E) paying such stipends (including allowances for travel and dependents) as the Secretary may determine for such individuals for any period of nursing education, and

"(F) publicizing, especially to licensed vocational or practical nurses, existing sources of financial aid available to persons enrolled in schools of nursing or who are undertaking training necessary to qualify them to enroll in such schools;

"(4) provide continuing education for nurses;

"(5) provide appropriate retraining opportunities for nurses who (after periods of professional inactivity) desire again actively to engage in the nursing profession;

"(6) help to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel (including nursing personnel who are bilingual) needed to meet the health needs of the Nation, including the need to increase the availability of personal health services and the need to promote preventive health care; or

"(7) provide training and education to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel.

Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(b) The Secretary may, with the advice of the National Advisory Council on Nurse Training, provide assistance to the heads of other departments and agencies of the Government to encourage and assist in the utilization of medical facilities under their jurisdiction for nurse training programs.

"(c) No grant or contract may be made under this section unless an application therefor has been submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training. Such an application shall provide for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section.

"(d) For payments under grants and contracts under this section there are authorized to be appropriated $15,000,000 for fiscal year 1976, $15,000,000 for fiscal year 1977, and $15,000,000 for fiscal year 1978. Not less than 10 per centum of the funds appropriated under this subsection for any fiscal year shall be used for payments under grants and contracts to meet the costs of the special projects described in subsection (a)(3).

"ADVANCED NURSE TRAINING PROGRAMS

"SEC. 821 (a)(1) The Secretary may make grants to and enter into contracts with public and nonprofit private collegiate schools of nursing to meet the costs of projects to—

"(A) plan, develop, and operate,

"(B) significantly expand, or

"(C) maintain existing,

programs for the advanced training of professional nurses to teach in the various fields of nurse training, to serve in administrative or supervisory capacities, or to serve in other professional nursing specialties (including service as nurse clinicians) determined by the Secretary to require advanced training.

"(b) For payments under grants and contracts under this section there are authorized to be appropriated $15,000,000 for fiscal year 1975, $20,000,000 for fiscal year 1977, and $25,000,000 for fiscal year 1978.

"NURSE PRACTITIONER PROGRAMS

"SEC. 822. (a)(1) The Secretary may make grants to and enter into contracts with public or nonprofit private schools of nursing, medicine, and public health, public or nonprofit private hospitals, and other public or nonprofit private entities to meet the cost of projects to—

"(A) plan, develop, and operate,

"(B) significantly expand, or

"(C) maintain existing,

programs for the training of nurse practitioners.

"(2)(A) For purposes of this section, the term 'programs for the training of nurse practitioners' means educational programs for registered nurses (irrespective of the type of school of nursing in which the nurses received their training) which meet guidelines prescribed by the Secretary in accordance with subparagraph (B) and which have as their objective the education of nurses (including pediatric and geriatric nurses) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities, and other health care institutions.

"(B) After consultation with appropriate educational organizations and professional nursing and medical organizations, the Secretary shall prescribe guidelines for programs for the training of nurse practitioners. Such guidelines shall, as a minimum, require that such a program—

"(i) extend for at least one academic year and consist of—

"(I) supervised clinical practice, and

"(II) at least four months (in the aggregate) of classroom instruction,

directed toward preparing nurses to deliver primary health care; and

"(ii) have an enrollment of not less than eight students.

"(b) No grant may be made or contract entered into for a project to plan, develop, and operate a program for the training of nurse practitioners unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program will upon its development meet the guidelines which are in effect under subsection (a)(2)(B); and no grant may be made or contract entered into for a project to expand or maintain such a program unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program meets the guidelines which are in effect under such subsection.

"(c) The costs for which a grant or contract under this section may be made may include costs of preparation of faculty members in order to conform to the guidelines established under subsection (a)(2)(B).

"(d) For payments under grants and contracts under this section there are authorized to be appropriated $15,000,000 for fiscal year 1976, $20,000,000 for fiscal year 1977, and $25,000,000 for fiscal year 1978.".

(b) Sections 810 and 866 are repealed.

GUIDELINES FOR NURSE PRACTITIONER TRAINING PROGRAMS

SEC. 932. The Secretary of Health, Education, and Welfare shall within ninety days of the date of the enactment of this Act prescribe the guidelines for nurse practitioner programs specified in section 822(a)

of the Act (as added by section 931 of this title).

Subpart 6—Assistance to Nursing Students

EXTENSION OF TRAINEESHIPS

SEC. 935. (a) Subsection (a) of section 821 (as in effect on June 30, 1975) is amended to read as follows:

"(a) There are authorized to be appropriated $15,000,000 for fiscal year 1976, $20,000,000 for fiscal year 1977, and $25,000,000 for fiscal year 1978, to cover the costs of traineeships for the training of professional nurses—

"(1) to teach in the various fields of nurse training (including practical nurse training),

"(2) to serve in administrative or supervisory capacities,

"(3) to serve as nurse practitioners, or

"(4) to serve in other professional nursing specialties determined by the Secretary to require advanced training.".

(b) Effective with respect to grants under section 821 of the Act from appropriations under such section for fiscal years beginning after June 30, 1975, subsection (b) of section 821 (as so in effect) is amended by adding at the end thereof the following: "In making grants for traineeships under this section, the Secretary shall give special consideration to applications for traineeship programs which conform to guidelines established by the Secretary under section 822(a)(2)(B).".

EXTENSION OF STUDENT LOAN PROGRAM

SEC. 936. (a) Section 822(b)(4) (as in effect on June 30, 1975) is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1978".

(b) Effective with respect to periods of training to be a nurse anesthetist undertaken on or after the date of the enactment of this Act, section 823(b)(2)(B) is amended by inserting "(or training to be a nurse anesthetist)" after "professional training in nursing".

(c) Section 824 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS FOR STUDENT LOAN FUNDS

"SEC. 824. There are authorized to be appropriated for allotments under section 825 to schools of nursing for Federal capital contributions to their student loan funds established under section 822. $25,000,000 for fiscal year 1976, $30,000,000 for fiscal year 1977, and $35,000,000 for fiscal year 1978. For fiscal year 1979, and for each of the next two succeeding fiscal years there are authorized to be appropriated such sums as may be necessary to enable students who have received a loan for any academic year ending before October 1, 1978, to continue or complete their education.".

(d) Section 826 is amended (1) by striking out "June 30, 1977" each place it occurs and inserting in lieu thereof "September 30, 1980", and (2) by striking out "September 30, 1977" in subsection (b) and inserting in lieu thereof "December 31, 1980".

(e)(1) Section 827 is repealed.

(2) The nurse training fund created within the Treasury by section 827(d)(1) of the Act shall remain available to the Secretary of Health, Education, and Welfare for the purpose of meeting his responsibilities respecting participations in obligations acquired under section 827 of the Act. The Secretary shall continue to deposit in such fund all amounts received by him as interest payments or repayments of principal on loans under such section 827. If at any time the Secretary determines the moneys in the funds exceed the present and any reasonable prospective further requirements of such fund, such excess may be transferred to the general fund of the Treasury.

(3) There are authorized to be appropriated without fiscal year limitation such sums as may be necessary to enable the Secretary to make payments under agreements entered into under section 827(b) of the Act before the date of the enactment of this Act.

EXTENSION OF SCHOLARSHIP PROGRAM

SEC. 937. Section 860 is amended—

(1) by striking out "1972, and for each of the next three fiscal years" in subsection (b) and in subsection (c)(1)(A) inserting in lieu thereof "1976, and for each of the next two fiscal years";

(2) by striking out "June 30, 1976" in the second sentence of subsection (b) and in subsection (c)(1)(B) and inserting in lieu thereof "September 30, 1979"; and

(3) by striking out "July 1, 1975" in the second sentence of subsection (b) and in subsection (c)(1)(B) and inserting in lieu thereof "October 1, 1978".

Part C—Technical and Conforming Amendments

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 941. (a)(1) Section 802 is amended—

(A) by striking out "this part" each place it occurs and inserting in lieu thereof "this subpart";

(B) by striking out "subsection 806(e) of this Act" in subsection (b)(2) and inserting in lieu thereof "section 810(c)";

(C) by striking out paragraph (5) of subsection (b) and inserting in lieu thereof the following:

"(5) the application contains or is supported by adequate assurances that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a–276a–5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).";

(D) by striking out "section 841 (hereinafter in this part referred to as the 'Council')" in the first sentence following paragraph (5) of subsection (b) and inserting in lieu thereof "section 851";

(E) by striking out the second sentence following such paragraph; and

(F) by striking out "above in paragraph (A)" in subsection (c)(1)(B) and inserting in lieu thereof "in subparagraph (A)".

(b)(1) Subsection (a) of section 803 is amended to read as follows:

"(a) The amount of any grant for a construction project under this subpart shall be such amount as the Secretary determines to be appropriate after obtaining the advice of the National Advisory Council on Nurse Training except that—

"(1) in the case of a grant—

"(A) for a project for a new school,

"(B) for a project for new facilities for an existing school in cases where such facilities are of particular importance in providing a major expansion of training capacity, as determined in accordance with regulations, or

"(C) for a project for major remodeling or renovation of an existing facility where such project is required to meet an increase in student enrollment,

the amount of such grant may not exceed 75 per centum of the necessary cost of construction, as determined by the Secretary, of such project; and

"(2) in the case of a grant for any other project, the amount of such grant may not, except where the Secretary determines that unusual circumstances make a larger percentage (which may in no case exceed 75 per centum) necessary in order to effectuate the purposes of this subpart, exceed 67 per centum of the necessary cost of construction, as so determined, of the project with respect to which the grant is made.".

(2) Subsections (b) and (c) of section 803 are each amended by striking out "this part" and inserting in lieu thereof "this subpart".

(c) Section 804 is amended (1) by striking out "this part" and inserting in lieu thereof "this subpart", and (2) by redesignating paragraphs (a), (b), and (c) as paragraphs (1), (2), and (3), respectively.

(d) Section 805 (as redesignated by section 911(b)) is amended by striking out "this part" each place it occurs and inserting in lieu thereof "this subpart".

(e) Section 806 is redesignated as section 810.

(f) Section 807 is redesignated as section 811 and is amended—

(1) by striking out "section 805, 806, or 810" in subsection (a) and (c) and inserting in lieu thereof "this subpart";

(2) by striking out "part" in subsection (b) and inserting in lieu thereof "subpart";

(3) by amending paragraph (1) of subsection (c) to read as follows:

"(1) is from a public or nonprofit private school of nursing;"; and

(4) by striking out "those sections" each place it occurs in paragraphs (2) and (3) of such subsection and inserting in lieu thereof "this subpart".

(g)(1) Title VIII is amended by inserting after the heading for part B the following:

"Subpart I—Traineeships"

(2) Section 821 (as so designated on the day before the date of the enactment of this Act) is redesignated as section 830.

(3) Title VIII is amended by inserting after section 830 (as so redesignated) the following:

"Subpart II—Student Loans"

(h) Sections 822, 823, 825, 826, 828, and 830 (as so designated on the day before the date of the enactment of this Act) are amended as follows:

(1) Sections 822(a), 823, 825, 826, and 828 are each amended by striking out "this part" each place it occurs and inserting in lieu thereof "this subpart".

(2) Sections 822(a), 823(b), 823(c), 825(b)(2), and 826(a)(1) are each amended by striking out "of Health, Education, and Welfare".

(3) Section 822(b)(2)(A) is amended by striking out "under this part" and inserting in lieu thereof "from allotments under section 838".

(4)(A) Section 825 is amended—

(i) by striking out "(whether as Federal capital contributions or as loans to schools under section 827)" in subsection (a); and

(ii) by striking out ", and for loans pursuant to section 827," in subsection (b)(1).

(B) Section 826(b) is amended by striking out "(other than so much of such fund as relates to payments from the revolving fund established by section 827(d))".

(C) Section 828 is amended by striking out "or loans."

(5) Section 830 is—

(A) transferred to section 823 and inserted after subsection (i) of such section; and

(B) is amended by striking out "SEC. 830. (a)" and inserting in lieu thereof "(j)".

(i)(j) Sections 822, 823, 824, 825, 826, 828, and 829 (as so designated on the day before the date of the enactment of this Act) are redesignated as sections 835, 836, 837, 838, 839, 840, and 841, respectively.

(2) Section 835 (as so redesignated) is amended (A) by striking out "829" each place it occurs and inserting in lieu thereof "841", and (B) by striking out "823" and inserting in lieu thereof "836".

(3) Section 837 (as so redesignated) is

amended (A) by striking out "825" and inserting in lieu thereof "838", and (B) by striking out "822" and inserting in lieu thereof "835".

(4) Section 838 (as so redesignated) is amended by striking out "824" each place it occurs and inserting in lieu thereof "837".

(5) Section 839 (as so redesignated) is amended by striking out "822" each place it occurs and inserting in lieu thereof "835".

(6) Section 841 (as so redesignated) is amended (A) by striking out "822" and inserting in lieu thereof "835", and (B) by striking out "part D" and inserting in lieu thereof "subpart III of this part".

(j)(1) Part D of title VIII is inserted after subpart II of part B of such title; sections 860 and 861 are redesignated as sections 845 and 846, respectively; and the heading for such part is amended to read as follows:

"Subpart III—Scholarship Grants to Schools of Nursing".

(2) Section 845(a) (as so redesignated) is amended by striking out "this part" and inserting in lieu thereof "this section".

(3) Section 846 (as so redesignated) is amended (A) by striking out "this part" the first time it occurs and inserting in lieu thereof "section 845", and (B) by striking out "to the sums available to the school under this part for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums" and inserting in lieu thereof "to the student loan fund of the school established under an agreement under section 835. Funds transferred under this section to such a student loan fund shall be considered as part of the Federal capital contributions to such fund".

(4) Section 869 is repealed.

(k)(1) Sections 841, 842, 843, 844, and 845 (as so designated on the day before the date of the enactment of this Act) are redesignated as sections 851, 852, 853, 854, and 855, respectively.

(2) Section 851 (as so redesignated) is amended (A) by striking out "part A of applications under section 805" in subsection (a)(2) and inserting in lieu thereof "subpart I of part A, of applications under section 805, and of applications under subpart III of part A"; (B) by striking out subsection (b); (C) by striking out "(a)(1)" and inserting in lieu thereof "(a)"; and (D) by striking out "(2)" and inserting in lieu thereof "(b)".

(3) Section 853 (as so redesignated) is amended—

(A) by striking out "part A" in paragraph (f) and inserting in lieu thereof "subpart I of part A";

(B) by striking out "806" in paragraph (f) and inserting in lieu thereof "810";

(C) by striking out "part B" each place it occurs in paragraph (f) and inserting in lieu thereof "section 835";

(D) by striking out "825" in paragraph (f) and inserting in lieu thereof "838";

(E) by redesignating paragraphs (a) through (j) as paragraphs (1) through (10) respectively;

(F) by redesignating clauses (1), (2), and (3) of paragraph (6) (as so redesignated) as clauses (A), (B), and (C), respectively.

(G) by redesignating subclauses (A) and (B) of such paragraph (6) as subclauses (i) and (ii), respectively; and

(H) by redesignating clauses (1) and (2) of paragraph (9) (as so redesignated) as clauses (A) and (B), respectively.

(4) Part C is amended by adding at the end thereof the following:

"DELEGATION

"SEC. 856. The Secretary may delegate the authority to administer any program authorized by this title to the administrator of a central or regional office or offices in the Department of Health, Education, and Welfare, except that the authority—

"(1) to review, and prepare comments on the merit of, any application for a grant or contract under any program authorized by this title for purposes of presenting such application to the National Advisory Council on Nurse Training, or

"(2) to make such a grant or enter into such a contract,

shall not be further delegated to any administrator of, or officer in, any regional office or offices in the Department.".

EFFECTIVE DATE

SEC. 942. The amendments made by section 941 shall take effect July 1, 1975. Except as otherwise specifically provided, the amendments made by section 941 to provisions of title VIII of the Act are made to such provisions as in effect July 1, 1975, and as amended by part B of this title.

PART D—MISCELLANEOUS

INFORMATION RESPECTING THE SUPPLY AND DISTRIBUTION OF AND REQUIREMENTS FOR NURSES

SEC. 951. (a)(1) Using procedures developed in accordance with paragraph (3), the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall determine on a continuing basis—

(A) the supply (both current and projected and within the United States and within each State) of registered nurses, licensed practical and vocational nurses, nurse's aides, registered nurses with advanced training or graduate degrees, and nurse practitioners;

(B) the distribution, within the United States and within each State, of such nurses so as to determine (i) those areas of the United States which are oversupplied or undersupplied, or which have an adequate supply of such nurses in relation to the population of the area, and (ii) the demand for the services which such nurses provide; and

(C) the current and future requirements for such nurses, nationally and within each State.

(2) The Secretary shall survey and gather data, on a continuing basis, on—

(A) the number and distribution of nurses, by type of employment and location of practice;

(B) the number of nurses who are practicing full time and those who are employed part time, within the United States and within each State;

(C) the average rates of compensation for nurses, by type of practice and location of practice;

(D) the activity status of the total number of registered nurses within the United States and within each State;

(E) the number of nurses with advanced training or graduate degrees in nursing, by specialty, including nurse practitioners, nurse clinicians, nurse researchers, nurse educators, and nurse supervisors and administrators; and

(F) the number of registered nurses entering the United States annually from other nations, by country of nurse training and by immigrant status.

(3) Within six months of the date of the enactment of this Act, the Secretary shall develop procedures for determining (on both a current and projected basis) the supply and distribution of and requirements for nurses within the United States and within each State.

(b) Not later than February 1, 1977, and February 1 of each succeeding year, the Secretary shall report to the Congress—

(1) his determinations under subsection (a)(1) and the data gathered under subsection (a)(2);

(2) an analysis of such determination and data; and

(3) recommendations for such legislation as the Secretary determines, based on such determinations and data, will achieve (A) an equitable distribution of nurses within the United States and within each State, and (B) adequate supplies of nurses within the United States and within each State.

(c) The Office of Management and Budget may review the Secretary's report under subsection (b) before its submission to the Congress, but the Office may not revise the report or delay its submission, and it may submit to the Congress its comments (and those of other departments or agencies of the Government) respecting such report.

Amend the title so as to read: "An Act to amend the Public Health Service Act and related health laws to revise and extend the health revenue sharing program, the family planning programs, the community mental health centers program, the program for migrant health centers and community health centers, the National Health Service Corps program, and the programs for assistance for nurse training, and for other purposes."

Mr. KENNEDY. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. CULVER) appointed the following conferees: Mr. KENNEDY, Mr. WILLIAMS, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. PELL, Mr. MONDALE, Mr. HATHAWAY, Mr. SCHWEIKER, Mr. JAVITS, Mr. BEALL, Mr. TAFT, and Mr. STAFFORD.

SUBMISSION OF A REPORT ON S. 1191—THE LISTER HILL SCHOLARSHIP ACT, 1975

Mr. KENNEDY. Mr. President, I submit the Lister Hill scholarship program, and the report will be printed. It represents the unanimous sense of not only the Health Subcommittee but the full Committee on Labor and Public Welfare. It will, in effect, respond to what I thought was the very worthwhile effort of the distinguished Senator from Alabama (Mr. ALLEN) to introduce legislation to memorialize a man who is perhaps the finest Senate statesman in the whole health area. I am hopeful that it will be printed and that it will be put on the consent calendar. I know of no aspects of it that have anything less than the wholehearted and enthusiastic endorsement and support of all the Members of the Senate.

I did want to give notice, particularly, to the Senator from Alabama and to other interested Senators while there was such a number of Senators here, because this is, I think, a fitting memorial to a distinguished Senator who contributed the finest years of his life to the State of Alabama and to the cause of quality health care for all Americans. He is still strong and vigorous in health and in well-being. He is tireless in his continued pursuit of the public interest. This, I think, will only be a small indication of the deep affection and respect that the membership has for a loyal and distinguished son of Alabama. So I send it to the desk.

Mr. ALLEN. Will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator from Massachusetts (Mr. KENNEDY), chairman of the Health Subcommittee of the Committee on Labor and Public Welfare. I also express my appreciation to the distinguished Senator from New York (Mr. JAVITS) for his cooperation in getting this bill reported back to the Senate.

I appreciate the very fine remarks that the distinguished Senator has made about Senator Hill. He certainly was and is a great friend of health legislation and has appropriately been called the statesman for health.

This is a modest program, I might say. It does set up 10 scholarships a year for those medical students, 4-year scholarships for those medical students who plan to pursue a family practice career. They are scholarships of $6,000 a year apiece and it is a modest program in this field. It is a fitting recognition of the very fine services Senator Hill has performed.

Mr. KENNEDY. I call the attention of the Senators to the scholarships. The recipients will be general practitioners, which is the area of most critical need in the United States in terms of health manpower, and it will go to underserved areas. This is a particular problem, not only in the State of Alabama but in rural areas all over this country. It is targeted, really, to areas of most critical need. I think the Senator was wise to develop it. This type of scholarship program for the kinds of services that will be provided will be for the neediest areas of the country and will develop the kinds of skills which are in the greatest demand. So it makes a great deal of sense. I shall be sure to notify the distinguished Senator from Alabama when it is called up, hopefully, on the consent calendar, in the next day or so.

Mr. ALLEN. I thank the distinguished Senator.

Mr. JAVITS. Will the Senator yield for 30 seconds?

Mr. KENNEDY. I yield.

Mr. JAVITS. Senator ALLEN was extremely accommodating to us in sending this to the committee to harmonize it with the rest of our program. I wish to express my appreciation.

Mr. KENNEDY. I thank the Senator from New York.

I say to the Senator from Alabama that there was nobody on the committee who pressed for it harder than the Senator from New York.

Mr. ALLEN. Will the Senator yield?

Mr. KENNEDY. Yes.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. May I have 1 more minute?

Mr. ROBERT C. BYRD. One more minute, Mr. President.

Mr. KENNEDY. I yield to the Senator from Alabama.

Mr. ALLEN. In trying to find out the status of the bill, knowing that it had been ordered to be reported on May 6, I got someone to check and ask the question of the computer. I did not know until today that we had this service in the Senate. They asked a question and a detailed history of the bill came out in a matter of seconds, telling where the bill was. I appreciate having this service.

Mr. KENNEDY. I should like to read it myself.

I thank the Senator.

Mr. ROBERT C. BYRD. What is the pending business?

The PRESIDING OFFICER. House Joint Resolution 492.

Mr. ROBERT C. BYRD. Is time running on that measure now?

The PRESIDING OFFICER. It starts now.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR SUMMER YOUTH PROGRAMS

The Senate continued with the consideration of the joint resolution (H.J. Res. 492) making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. BROOKE. I yield to the Senator from Ohio for 10 minutes.

Mr. TAFT. I thank the Senator for yielding. I hope I shall not even take the 10 minutes.

I also express my appreciation for the procedures that were worked out earlier today in connection with this matter, on which there was some confusion.

The problem that I direct the Senator's attention to relates to the fact that the work-study program, which has been a long-standing program, I think, of great value, ran short of funds and was intended to be included in additional funds that were necessary and authorized under the supplemental appropriations bill which was earlier vetoed. Just last week, on June 10, the urgent supplemental appropriations for summer youth programs employment and recreation bill came up and is now before us here. My colleague on the House side from Ohio, Mr. WILEY, raised the question that I have just raised with regard to adequate funds to carry out the work-study program.

There was a long discussion at that time, the net result of which was to indicate that the amendment that he was offering at that time was not in order under the House proceedings. Being deeply concerned with this and because there are, specifically at Ohio State University, some 1,141 students who were not paid, on May 13, funds that were due to them under the work-study program, and also in view of the fact that the new semester for the summer quarter of Ohio State begins on June 23 and they will have the same situation pertaining to prospective work-study students at that time, I was prepared to offer the amendment here today to the bill, even though there seemed to me to be some chance that the House would again knock it out on the point of order if he got it through the Senate and got it to the conference.

However, since this issue has come up, I just this morning was advised that the House Appropriations Committee has acted to approve the $119 million in the part of the continuing resolution that they are acting on in the House at the present time. That continuing resolution, with this provision in it, as I understand, has come out of committee and is being reported, and agreement has been reached in the House to vote on it next Tuesday afternoon. So this would seem to me to probably offer as almost an expeditious way of handling it and, perhaps, ultimately a more successful way of handling it, than bringing it up in an amendment at this time.

So I have decided, at least tentatively, not to offer this amendment to this bill.

I would want to call to the attention of the Senate this problem and urge that we try to handle it just as quickly as possible. I am sure that the distinguished chairman of the Appropriations Committee will, as soon as the House reports the continuing resolution, see to it that action is started on it.

I would just like to ask for some assurance—and I point out to him what I think is the absolute necessity of our acting on it with great expedition to prevent really a major hardship to a large number of students.

I do not know how many other students in the country this is going to be applied to, as well as these other specific students who I know of in Ohio State. But I know there is great urgency here. There is danger that I see sometimes in these continuing resolutions where we add on items that become controversial and which put the matter into conference and stall it along. I hope this does not happen at this time.

I would welcome any comment from the chairman of the Appropriations Committee or other members of the Appriations Committee which they may have with regard to this problem. I would be glad to yield to the distinguished chairman of the committee.

Mr. McCLELLAN. I may say to the distinguished Senator that, of course, as chairman of the committee I have learned for a number of years during which I have been here that we never can be quite certain of what is going to happen.

I think so far as the Senator is concerned, the ranking member is here and he can speak accordingly. So far as I am concerned, every effort will be made to expedite the matter when it reaches the Senate.

The reason for it being here today is they thought there would be no opposition. The idea originated in the House, and if they could get this passed without any amendment, they hoped to get it earlier than today, and that it go right to the President and be on his desk and signed and allow these young people to get their summer jobs and go to work.

In the meantime they were processing a continuing resolution with respect to public service jobs, older American programs, college work study, conservation and youth incentive program that are now being funded.

I cannot tell the Senator what amendments will occur or what effort will be made to amend that bill or how long a debate will be had on it. I can

only tell that so far as the chairman of the committee is concerned, and the minority member of the committee can speak for himself, every effort will be made to expedite these appropriations.

Mr. TAFT. I thank the Senator for his comments.

I would be glad to yield to the distinguished ranking minority member.

Mr. YOUNG. I would like to assure my friend from Ohio that I believe the continuing resolution should be passed before the recess at the end of June. I support this position, and I hope this item will be in the House bill.

Mr. TAFT. I feel reasonably certain it will be in the House bill from what I understand. My only regret was that the House was not somewhat more liberal on its approach to this problem when it came up. The problem could have been solved right there and then. Unfortunately some differences of opinion arose within the House. I think there was, perhaps, some connection with the feelings about the veto that had occurred and an attempt, I feel—perhaps not an attempt but inevitably the effect was it somewhat embarrassed a Member who had not had this problem, and brought it up at that time.

I just wish they had handled it at that time. Since they have not, I suspect the quickest way to handle it is going the route we are going to go. I recognize, of course, as the chairman has pointed out very candidly, that problems can arise on these bills.

I also recognize we have to act on the continuing resolution by June 30 in any event. But I would point out there is another week in there which may put some of these young people into some real hardship because the semester does start a week before the June 30 date. So if the committee can act, the Senate can act, before that date we will be avoiding that particular problem, and I hope that will be done.

Mr. McCLELLAN. The Senator realizes that I do not have the power to absolutely assure him that these things are going to be expedited as much as he and I would like for them to be. All I can tell him is that every effort will be made on the part of the chairman of the committee to move it with expedition. I favor the enactment of the appropriations to take care of these items.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. TAFT. I thank the chairman, and I would be glad to yield to the Senator from Massachusetts.

Mr. BROOKE. I quite agree with the distinguished Senator from Ohio, and I think he has made a real contribution in bringing this matter before the Senate.

Not only Ohio State students are involved, but students really in the 33 States that have exhausted their work-study funds, and without these funds many would have to seek employment through the general job market.

Now, the distinguished chairman of the committee, Senator MAGNUSON, and I, have looked into this matter, and we would like to clear up the status of funds for college work-study. First, a total of $300 million was appropriated for this program in the regular 1975 Labor-HEW bill. When the emergency employment bill came along, everyone agreed to provide $119.8 million more. That would be enough for 250,000 part-time jobs. This is one of the best student aid programs, and we realized at the time the schools were in desperate need of funds and, as you know now, the President vetoed that bill.

Yesterday the House Appropriations Committee reported a continuing resolution, that is House Joint Resolution 499, to which the Senator has already referred, which would provide the same amount for college work-study as was in the jobs bill, $119.8 million.

I am hopeful that the continuing resolution will be enacted without any delay.

I think the Senator has had the assurances of the distinguished chairman of the full committee (Mr. McCLELLAN) and the distinguished ranking member (Mr. YOUNG) that they will do everything they can, and obviously they cannot say categorically——

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. BROOKE. Yes, I would be very pleased to yield.

Mr. McCLELLAN. I failed to mention a few moments ago that anticipating the House will get this bill to us next Tuesday, by next Tuesday we have already scheduled an executive meeting of the Appropriations Committee to handle the bill, assuming that there is no serious objection to it, and I see no reason why we will not be able to report it out that day.

Mr. BROOKE. I think that is about the best assurance the Senator can get from the distinguished chairman——

Mr. McCLELLAN. I cannot do anything more.

Mr. BROOKE (continuing). And the distinguished ranking member (Mr. YOUNG), and we do not anticipate any delay. I think it will be helpful to clear the air to insert a State-by-State breakdown of these additional funds. I think it strengthens the case of the distinguished Senator from Ohio.

Mr. TAFT. I appreciate that. If he would include it in the RECORD, that would be appreciated.

Mr. BROOKE. I ask unanimous consent that a State-by-State breakdown of these additional funds be included in the RECORD at this point.

There being no objection, the State-by-State list was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1976 FUNDING FOR THE COLLEGE WORK-STUDY PROGRAM

	Additional funds available	Final State allotment	Final State percent
Total	$119,600,000	$419,300,000	72.069569
Alabama	2,860,064	8,772,072	59.669319
Alaska	225,025	674,350	59.669319
Arizona	1,183,803	4,150,240	93.134813
Arkansas	952,708	4,310,404	85.591652
California	10,401,486	36,530,198	63.345090
Colorado	2,150,659	6,445,053	59.669319
Connecticut	1,296,160	4,544,144	79.480219
Delaware	95,913	834,574	100.000000
District of Columbia	852,336	2,554,264	59.669319
Florida	3,342,079	11,716,836	98.662867
Georgia	1,692,943	8,408,559	100.000000
Hawaii	403,064	1,413,084	86.750281
Idaho	385,360	1,351,015	62.630643
Illinois	6,680,354	20,019,557	59.669319
Indiana	2,350,055	8,238,949	85.027379
Iowa	988,983	4,925,465	60.900366
Kansas	1,181,070	4,140,655	80.221217
Kentucky	1,955,139	6,997,995	100.000000
Louisiana	1,343,838	8,065,043	100.000000
Maine	1,921,203	5,757,424	59.669319
Maryland	1,806,960	6,334,934	72.340299
Massachusetts	7,268,824	21,783,074	59.669319
Michigan	4,047,102	14,188,548	68.229262
Minnesota	3,228,310	9,674,537	59.669319
Mississippi	1,814,752	6,699,926	71.415981
Missouri	2,274,750	7,974,941	72.821061
Montana	928,539	2,784,928	59.669319
Nebraska	671,431	2,587,038	92.477236
Nevada	215,160	754,320	72.253566
New Hampshire	1,190,163	3,566,657	59.669319
New Jersey	1,690,202	8,791,035	100.000000
New Mexico	1,392,932	4,174,311	59.669319
New York	8,697,757	30,493,060	66.434529
North Carolina	2,305,404	10,486,844	68.139530
North Dakota	790,593	2,369,232	59.669319
Ohio	4,761,784	16,694,113	94.813847
Oklahoma	1,510,996	5,306,633	69.639569
Oregon	3,311,262	9,923,128	59.669319
Pennsylvania	5,227,167	18,325,679	88.626384
Rhode Island	849,409	2,545,491	59.669319
South Carolina	1,699,600	6,182,623	87.014329
South Dakota	1,094,084	3,278,732	59.669319
Tennessee	2,385,637	8,363,694	89.802588
Texas	6,318,905	22,192,347	94.167676
Utah	694,070	2,433,309	73.260686
Vermont	1,306,857	3,916,365	59.669319
Virginia	2,371,414	8,313,827	93.540539
Washington	2,896,447	8,680,016	59.669319
West Virginia	800,070	3,734,258	81.859310
Wisconsin	3,201,239	9,593,410	59.669319
Wyoming	302,573	906,744	59.669319
U.S. service schools			
Canal Zone			
Guam		419,116	
Puerto Rico	292,365	5,827,249	100.0000000
Virgin Islands		50,000	

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BROOKE. I yield.

Mr. JAVITS. I want to say that I very much appreciate what Senator TAFT has done. He was disappointed that he had not been notified. He was absolutely right. He had this very deeply in his heart, as he has illustrated. He could put in an amendment which would really wreck this thing for at least another week or 10 days. He has got situations just like I have, and he knows exactly the urgency and is, in characteristic fashion, responding to it, and I am very grateful to him.

Mr. TAFT. I thank the Senator from New York and the leader on the summer youth employment. I cosponsored, within the last 3 years, in trying to get the programs going. I am happy this year we are able to move at this early time on this very important program.

I want to thank the chairman of the committee and others for their comments. I think it clarifies the situation, as best we can.

Mr. BROOKE. In the remaining time I have, Mr. President, I would like to associate myself with the generous remarks of the Senator from New York concerning the Senator from Ohio and the generous remarks of the Senator from Ohio concerning the Senator from New York.

The PRESIDING OFFICER (Mr. CULVER). The time of the Senator has expired. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on third reading of the joint resolution.

The joint resolution was ordered to be read a third time and was read the third time.

Mr. McCLELLAN. Mr. President, I want to say to the distinguished Senator from Ohio now that we have worked out this matter, there was no desire on the part of the chairman of the committee not to permit the Senator the opportunity to offer an amendment.

When the leader called it up, I had spoken to the Senator, and I immediately sent part of my staff to try to locate the Senator.

I had no intention passing the bill until he had the opportunity, as far as I was concerned, and I am sorry if there was any misunderstanding about it.

I thought the Senator then was going to have someone to check and I did not know but what he would be back any minute.

Mr. BROOKE. Will the Senator yield?

Mr. McCLELLAN. Yes.

Mr. BROOKE. I think it ought to be clarified. The Senator from Ohio spoke to me yesterday and told me about his concern for the work-study program and that he did have a hold on this particular bill. We discussed it at that time.

I do not think it was ever discussed with the distinguished ranking member (Mr. YOUNG). He had no knowledge of it. When it was called up I was not on the floor, but when I did come on the floor I assured members of the staff that we would not pass the bill until the Senator from Ohio had been notified.

That was the position of the distinguished chairman.

So there was never any attempt, and there never would have been an invasion of the rights of the Senator from Ohio to have his amendment called up and have debate and we could vote.

Mr. TAFT. The Senator from Ohio was certain it was merely a misunderstanding here. I am sure there was no intent at all to try to bypass the issue.

I appreciate this.

Mr. McCLELLAN. On behalf of the summer youths who will benefit from the expeditious enactment of this bill, I want to thank the distinguished Senator for not offering an amendment.

Mr. MAGNUSON. Will the Senator yield?

Mr. BROOKE. Yes.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Arkansas has time.

Mr. McCLELLAN. I yield.

Mr. MAGNUSON. I will need half a minute.

Mr. McCLELLAN. Two and a half minutes.

Mr. MAGNUSON. I am late because I had an important meeting in my office. But I hope this matter is settled.

Mr. BROOKE. Yes; it is settled.

Mr. MAGNUSON. I must say to the Senator from Ohio, if it has not been said, that I am one of the great believers in the work-study program and we have got a fairly goodly amount in the regular bill, which the Senator from Arkansas and the Senator from South Dakota and all of us agree.

Mr. TAFT. I appreciate that.

Mr. McCLELLAN. Mr. President, I know of no other matter.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may call for a quorum without the time being charged.

THE PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, we are finished.

Mr. ROBERT C. BYRD. Vote.

The PRESIDING OFFICER. All time has been yielded back.

The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution—House Joint Resolution 492—was passed.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. McCLELLAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADDITIONAL REFERRAL OF REPORT ON THE ADMINISTRATION OF THE WELFARE AND PENSION PLANS DISCLOSURE ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a communication from the Secretary of Labor, transmitting his report on the administration of the Welfare and Pension Plans Disclosure Act of 1974, which was referred to the Committee on Finance on June 11, 1975, also be referred to the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR MORGAN AND FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. MORGAN be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business for the purpose only of Senators making statements, introducing bills and resolutions and memorials, and that any statements therein be limited to 3 minutes each, and that that period for routine morning business not extend beyond 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF THE NEW HAMPSHIRE ELECTION DISPUTE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the conclusion of routine morning business tomorrow, the Senate resume consideration of the New Hampshire election dispute.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT NO ROLLCALL VOTES OCCUR PRIOR TO 4 P.M. ON MONDAY, JUNE 16, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes on Monday next prior to the hour of 4 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT NO ROLLCALL VOTES OCCUR PRIOR TO 12:30 P.M. ON TUESDAY, WEDNESDAY, THURSDAY, AND FRIDAY OF NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no rollcall votes occur on Tuesday, Wednesday, Thursday, and Friday of next week prior to the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO INDEFINITELY POSTPONE SENATE RESOLUTION 110

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senate Resolution 110, a resolution authorizing each Member of the Senate to employ additional assistants to work on matters pertaining to committees on which the Senator served, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow the Senate will convene at 10:30 a.m. following a recess.

After the two leaders or their designees have been recognized under the standing order, Mr. MORGAN will be recognized for not to exceed 15 minutes, after which there will be a period for routine morning business not to exceed 15 minutes, with Senators allowed only to make statements therein and to introduce bills and resolutions and memorials. At the conclusion of that period for routine morning business the Senate will resume consideration of the New Hampshire election dispute.

I would not anticipate any rollcall votes tomorrow, but I suppose they could occur.

RECESS UNTIL 10:30

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:29 p.m., the Senate recessed until tomorrow, Friday, June 13, 1975, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 12, 1975:

TENNESSEE VALLEY AUTHORITY

James F. Hooper, III, of Mississippi, to be a member of the Board of Directors of the Tennessee Valley Authority for the term expiring May 18, 1984, vice Donald Opie McBride, term expired.

IN THE NAVY

The following-named officers of the Navy and of the Naval Reserve for permanent promotion to the grade of commander:

LINE

Abbott, William Arlen
Ackart, Leon Eddy
Adams, John Warren
Adams, Richard Don
Adkins, James Newton, Jr.
Adler, Roy Walter
Aiello, Robert Jack
Ainsworth, Gerald Irving
Akers, Max Neil
Albrecht, Carl John
Albright, John Douglas
Alexander, Edward Eugene, Jr.
Alexander, Hershel David
Alexander, Richard Kenneth
Alkire, James Carl
Allender, George Roberts
Alligood, Bruce Tyndall, Jr.
Allman, John Iverson III
Allsopp, Richard Edgar
Alvarez Raoul
Ambrogi, John Francis, Jr.
Amendt, Lester Dale
Anckonie, Alex III
Anderson, Bryan Richard
Anderson, Donald Ralph
Anderson, John W.
Anderson, Richard Scruggs, Jr.
Andres, Charles Gene
Apap, Antonio
Arata, William Augustus III
Archambault, Guy Andre
Arrigo, Anthony Daniel
Artim, Ronald Nicholas
Ashley, Wallace Tuttle
Astorino, Gerald Paul
Atkins, Thomas Maurer
Atwell, Marion Allen
Avery, Francis Albert
Ayres, David Richard
Babb, Richard Lee
Bacon, Roger Francis
Bailey, Fred Wilkin
Baker, Edward Bigelow, Jr.
Baker, Eldon Stover
Baker, Henry Theodore
Baker, Jack
Baldwin, Edwin McLean
Ball, Ronald Fredric
Banta, Clifton Edward III
Barich, Francis Xavier, Jr.
Barnes, Fletcher James III
Barnhart, Don Henry
Barrier, Lee Ellsworth
Berringer, Larry Edward
Barron, Douglas Wayne
Barry, Thomas Joseph
Bartels, Harlan Bruce
Bartholomew, Thomas Charles
Bash, John Franklin
Bass, William Hardie III
Bassett, Charles Howard, Jr.
Bassett, Frank Eugene
Bassin, Paul Howard
Bayne, James Lewis
Beam, James Carlin
Beard, Percy Morris, Jr.
Beasley, Edwin Lee
Beck, Victor
Beechner, Frank Edward
Belcher, Job Oscar, Jr.
Belcher, Samuel Abram III
Bellay, Daniel John
Bennett, David Gray
Bennett, David Michael
Bennett, Maurice Hogue, Jr.
Benton, Chestley Melvin
Berg, Robert Peter
Berg, Roger Lee
Bergondy, Paul John
Bernard, Eugene Charles
Bernet, Karl Robert
Bernsen, Harold John
Besecker, John Albert
Bird, Paul L.
Bishop, Jack Dell
Bitoff, John William
Black, Ronald Eugene
Blackistone, David L.
Blasch, Lynn Paul
Blatt, Russel Neal
Bledsoe, Paul Ishamel
Blish, Donald Eugene
Bliss, John Robert
Bloh, William Carl
Bock, Karl Ford
Boecker, Donald Vaux
Bolinger, Charles William
Bondi, Joseph Ronald
Borden, Edward Lee
Botkin, Harry Lee
Bouchard, Joseph Samuel
Bovey, Robert Leroy
Boyle, Ronald Anthony
Boynton, Thomas Franklin
Bradbury, Craig Merrill
Brake, Robert Leroy
Branch, Nathan Edward
Brandt, Robert Thomas
Brantuas, Joseph Albert
Breidenstein, John Frederic
Brennock, Robert Francis
Brewer, James J.
Brickell, Charles H., Jr.
Brickner, John Smith
Bridgman, Walter Elmer, Jr.
Briggs, Roger Clarence
Brightman, James Morris
Brooks, Linton Forrestall
Brooks, Paul Eugene
Brooks, Thomas Aloysius
Brown, Frank Herbert
Brown, John William
Brown, Michael Jack
Brown, Peter James
Brown, Thomas William
Brubaker, William Frederick
Bruce, Malvin Davidson
Bruce, Marian Levi
Bruce, Robert Walter
Brumwell, Robert Keith
Brune, Charles Marvin
Buchberger, Harold Francis
Buell, Thomas Bingham
Bull, Lyle Franklin
Bullard, Lewis Duane
Bunn, Gerald Andrew
Bunting; Keith McAlister
Burch, Jesse Cleo
Burke, John Patrick
Burnett, James Reed
Burns, Charles Edwin
Burns, Robert Edward
Burt, David Leete
Bussard, Vernon Randolph, Jr.
Butcher, Bradley Alwin
Butterfield, John Alden
Butterworth, Frank W., III
Buxton, Donald George
Caggiano, Robert Richard
Cahill, Edward Henry
Caldwell, James Franklin
Caldwell, Robert Kinnaird
Calhoun, John Franklin
Calkin, Theron Benton
Calkins, Delos Samuel, Jr.
Calvert, John Frederick
Calvin, Donald Ural
Campanini, Nicholas T.
Campbell, Craig Sherman
Campbell, Robyn Moore, Jr.
Cannon, John Wesley
Cantrell, Walter H.
Carden, Orelan Ralph, Jr.
Carleton, Reid Paul
Carlson, Gilman Regenous, Jr.
Carlson, Kenneth Lennart
Carlson, William Clifford
Caron, Gerald Clark, Jr.
Carpenter, John Embry
Carpenter, Lawrence Jay
Carretta, Albert Aloysius, Jr.
Carroll, Thomas Davis
Carson, Aubrey Weaver
Carson, Richard Lew
Carter, Walter White, Jr.
Cartwright, Jackson Eugene
Carver, Gerald Jones
Casagranda, Raymond John
Cater, Michael Charles
Catriz, Albert George
Caudry, Arthur Rolland
Cavness, Jim Henry
Chabot, Peter Gordon
Chadick, Wayne Louis
Chadwick, Charles Alexander
Chaires, Charles Allen
Chambers, Leroy
Chandler, David Fessenden
Chapple, Michael Wreford
Chilcoat, John David
Childs, Johnny Harrold
Chrisman, John Aubrey, Jr.
Christensen, Robert
Christenson, William Charle
Clardy, Herman Stacy, Jr.
Clarity, Michael Gerard
Clark, Charles Francis
Clark, Charles Wiggin, Jr.
Clark, Jeremy Carew
Clegg, William Louis
Clement, David Edward
Clement, Frank John
Clinton, John Charles
Clune, Edward Michael
Coats, Barry Wingo
Cockrell, Wilbur William
Coldwell, Thomas
Cole, Gerald Lee
Colley, Michael Christian
Collins, James Edward
Collins, John Fletcher
Collins, Richard Frank
Collins, William David
Collis, Charles David
Comer, Robert Franklin
Comly, Samuel Pancoast, III
Compton, William Hopson
Coneys Joseph Edward
Conley, Thomas Hugh, Jr.
Connor, Ronald Lowell F.
Cooper, Grant Alexander
Cordova, Richard Nathaniel
Cornelius, Patrick Bryan
Cosby, Millard Albert
Cossairt, Larry Addison
Cossey, James Donald
Cover, Donald Lee
Cowdrill, David Thomas
Cox David Barker
Cox, David Ronald
Cox, Duane A.
Cox, Kenneth Eugene
Coyne, George Kermit, Jr.
Craft, Charles David
Crane, Hugh Roy
Creighton, George C., III
Crews, Nelson Ray
Crombie, Todd Austin
Crow, Claron D.
Crowninshield, George W.
Culhane, William Patterson
Cullen, Charles William
Cunneen, William James Jr.
Curry, James Delos
Curtin, James Michael
Curtis, Guy Haldane, III
Cused, Michael Angelo, Jr.
Cushing, Robert Peter
Dafoe, James Lyle
Dalebout, Ronald Alan
Daniels, Shane Patrick
Davis, Chester Clark
Davis, Haines Bonner
Davis, James Vernon
Davis, John David
Davis, Walter Jackson, Jr.
Dawson, James Floyd
Dawson, William Henry
Dee, James D., Jr.
Dellwo, Richard Edward
Delplato, Lawrence S.
Demand, Daniel Harry
Dennis, Everett Jackson
Derr, Allen Joseph
Desko, Daniel Arthur
Dewalt, Gary Lee
Dickmann, David Bruce
Dietrich, William Howard

Dipalma, Robert Francis
Dittrick, John James, Jr.
Doak, Wilson Faris, Jr.
Dodge, Peter Burnett
Doe, Burdell Frank
Doe, Ralph Farrington
Doherty, Edward Francis
Dombrowski, Henry Richard
Donovan, Francis Raymond
Doolittle, John Beecher
Dorsey, Edward Bradley
Doss, Dale Walter
Doss, Marion Turner, Jr.
Dothard, John Jennings
Dougherty, Thomas Ford, Jr.
Dougherty, William Adam, Jr.
Drees, Marvin John
Dreessen, Francis McCleary
Dressler, Joseph Anthony
Driver, Ace Charles, Jr.
Duben, Edward Martin
Duff, Karl Melton
Duffey, Russell Gilbert
Dunbar, Douglas Paul, Jr.
Dunbar, Richard Mills
Dunbar, Richard Parker
Duncan, William Edward
Dundon, Alan Michael
Duryea, Robert Owen
Duxbury, Richard B.
Dykeman, Charles John
Earley, William Layton
Eastman, David Ray
Eastman, Leonard Corbtet
Eaton, James Willard, Jr.
Eddleman, Harold Eugene
Edgemond, John William, III
Edson, Philip Norman
Edwards, Donald Lewis
Edwards, Marion Richard
Edwards, Steven Hamilton
Egan, Joseph Robert
Eglin, James Meikle
Eikel, Harvey Andrew
Eldredge, Howard Sunderlin
Eller, Alvin Lee
Elliott, George Milton
Ellis, Herbert Aloysius, Jr
Ellison, Paul Emery
Emery, William Frederick
Endter, Elmer William, Jr.
Entwistle, Thomas William, Jr.
Erhardt, Francis Joseph, Jr.
Erner, Eugene Joseph
Evans, Gordon Evan
Evans, Rowland Grayson
Evans, Thomas Witherspoon
Farnham, David West
Farrar, Bobby Clark
Farrell, Edmund Francis
Feeney, John Stanton, Jr.
Felderman, John Laverne
Fenick, Joseph Daniel, Jr.
Feran, Paul Michael
Ferguson, John Kirk
Ferguson, Robert Harvey
Ferro, James Lewis
Field, Blake Edward
Finch, Charles Curtis
Fisher, James Ronald
Fiske, Charles Matthew
Fisler, Louis Henry
Fitzgerald, James Leo, Jr.
Fitzgerald, Thomas A., Jr.
Flanagan, George Thomas
Fleishman, Anthony Thomas
Fleming, James Joseph
Fleming, Robert Earle
Fleming, Thomas Edward
Flickinger, Dean Franklin
Floyd, Francis Marshall
Flynn, Gerrish Cecil
Fogarty, William Miley
Ford, Frank Richard, Jr.
Foreman, Merlin Lee Robert
Forsgren, Dean Herbert
Forsman, Charles Joseph
Forst, Ronald John
Fosko, Paul David
Frame, Kenneth George
Franklin, John Scott
Franks, Richard Newell
Franks, Vernon Mitchell
Freakes, William
Frederick, Keith James
Fredericks, Harold Arthur
Fuchs, Jerry Lee
Fulcher, James Marion
Fuller, Robert Harold
Fullerton, George Edward, Jr.
Furminger, Harry Carlos
Galavotti, Edward Louis
Gallo, Salvatore Frank
Galstan, Gerald Needham
Gamboa, John Frank
Gard, Perry William, III
Gatje, Peter Herbert
Gattis, Harold Vondon
Gay, Warren Lewis
Gentry, Kerry Ford
Georg, John August
George, Hugo Calvin
Geraldson, Elmer Lee
Gerould, Donald Edward
Gerrish, Donald Aikman, Jr.
Gibbons, Thomas
Gibson, Clifford William
Gibson, David Bruce
Gibson, Richard Charles, Jr.
Gibson, Ronald Clark
Gies, Leo Charles
Giese, Carl Emil, Jr.
Gilchrist, James Leon
Gilles, John Michael
Gilles, Robert Joseph
Gilmore, Daniel Charles
Gilmore, James Gordon
Gilmore, Russell Eden
Given, Philip Roberts
Gladin, Jack Roger
Gloeckner, Frank James, III
Glossner, Locke Harel
Glutting, John Andrew
Godbey, Thomas Neal
Goldenstein, Gordon Richard
Goodwin, James Clivie, Jr.
Goodwin, Robert L., Jr.
Gorham, David Shive
Gorham, Milton Reid, Jr.
Gosebrink, Fred John
Goss, James Eugene
Goto, Irving Ken
Gracy, Ronald Alsberry
Grafel, Lynn Harrison
Gram, Emil Glenn
Green, Frank Clifford, Jr.
Green, James Arthur, Jr.
Griffin, Hoke Daniel
Grimm, Thomas Dixon
Groder, Richard Allen
Gross, Alvin Chris, Jr.
Grow, Robert Lee
Gunter, Billie Gene
Gurke, Donald Lee
Gustafson, Earl Fredrick
Gustafson, Kenneth Ray
Gustaveson, Robert E.
Haag, Ernest Vernon
Hacker, Benjamin Thurman
Hadfield, Richard Reuben
Hagan, Wayne Edgar
Hahn, Dwight Emerald
Haines, Donald Albert
Haller, Hubert Michael
Hallier, Manuel Albert
Halloran, William Renwick, Jr.
Halm, Terrence William
Halye, Lawrence Alston
Hamilton, Jackie Dale
Hamilton, Larry Dan
Hamrick, James Murchison
Hancock, Richard James, Jr.
Hanks, Jimmie Burton
Hanna, Donald Vincent
Hansen, Harry James, III
Harbrecht, Raymond John
Hardman, William Morgan
Hardy, Brenton Philip
Hardy, Ray Sterling, Jr.
Harley, John Key
Harper, Thomas John
Harris, Albert Gecovia
Harris, Jess Marvin, III
Harris, Richard Albert
Harrison, Joe Pat
Harshberger, Robert Lee
Hart, Robert Netherland, III
Hastings, Ralph Lincoln
Hathorne, John Edward, Jr.
Hayes, William Vincent
Haynes, Jerry Ray
Hayter, Roscoe, Jr.
Hebert, Larry
Heck, Alger Roscoe
Heckathorn, Clair Eugene
Hedden, Forrest Farley
Hekman, Peter Maynard, Jr.
Henderson, Arnold Herbert
Henderson, Noel Barry
Hendrix, Marion Francis
Herman, Robert William
Hernandez, Jesse Jiminez
Herold, Lance
Herrick, Austin Wallace
Heuberger, Nathan Albert
Hewett, Marle David
Higgens, Harley James
Higgins, James Dunkin, Jr.
Hill, Martin George
Hilt, John William
Hines, Rubert, Jr.
Hinson, Elbert Farrell
Hodgens, Jack Anthony
Hodgkins, William Stuart
Hodkins, William Floyd
Hoech, Donald Gene
Hoff, Michael George
Hoffmann, John Melville
Hogan, Thomas William
Hohmann, William Daniel
Hokeness, Sylvan Paul
Holcomb, Don
Holland, John Diamond, Jr.
Holland, Wylen Righton
Hollister, Floyd Hill
Holloman, Floyd William, Jr.
Homberg, Bruce Alden
Holsten, Donald Wayne
Holt, Fred Certain
Holt, William Colliver
Holthaus, Hollis Lee
Hooks, Edward French
Horn, Leslie John
Horne, Ronald Gene
Hotard, William Carroll
Houston, Jerry Beaman
Howard, William Stamps, III
Huckabay, William Osler, Jr.
Huddleston, Charles R., Jr.
Hulme, John Bryant
Hummer, John Jay
Huntington, Stuart Laurie
Huston, Richard Stanley
Hutchinson, Joseph Dwight
Ilg, Raymond Paul
Immerman, Arthur Leslie
Ingram, Forney Hurst, Jr.
Ingram, Ronald Frank
Inman, Raymond Eugene
Irvin, Robert Milton
Isaacson, Alan Twiet
Isherwood, Raymond Thomas
Iverson, Dale Allen
Ivey, Clarence Gresham, Jr.
Jackson, Milton, Jr.
Jackson, Morse Robert
Jackson, Perry Yates, Jr.
Jacobs, Paul Hamilton
Jacobs, Selby Weaver
Jacobs, Thomas Leroy
Jaeger, James Walter
Janss, Charles Ernest, Jr.
Jarrell, Jerry Dean
Jefferson, James Franklin
Jenkins, George Joseph, Jr.
Jenkins, Roger Gerald
Jensen, Robert Lewis
Johnson, Curtis Wayne
Johnson, David Henry
Johnson, Everett Lavern
Johnson, Joseph William
Johnson, Kenneth Wilfred
Johnson, Lester Oscar, Jr.

Johnson, Ronald Lloyd
Jones, Arden William F., Jr.
Jones, Daniel Pryor, Jr.
Jones, Harold Lee
Jones, Meredith Roy
Jones, William Dean
Kahabka, Clarence Thomas
Kane, Fredric Clement, Jr.
Kane, William Robert
Kauber, Rodney Kenneth
Kauffman, William Clayton
Kaufman, Larry Edward
Kaup, Robert Charles
Keith, Frederick William, Jr.
Keith, Robert Taylor, S.
Keller, Lewis Donald
Kelly, Harold William
Kelly, Robert Joseph
Kennedy, Peter Paul
Kennedy, Philip Joseph
Kenney, James Alexander
Kerr, Howard J., Jr.
Kersh, John McKay
Kessler, Edward Leo, Jr.
Kessler, John Charles
Kessler, Robert Roth
Keyes, James Lyman
Kihune, Robert Kalani Uichi
Kilgore, James Clarkson
Kineke, John Ives
King, Larry Norman
King, William Kenneth
Kinnier, John Wesley
Kirby, Raymond Edward
Kirk, Edward Redman
Kirkconnell, William Baylis
Kirkman, Roger James
Kistler, George Keith
Kletter, David Martin
Klinedinst, Paul Richard, Jr.
Klinkerman, Robert Dale
Klipp, Eugene Reid
Knapp, Norman Edward, Jr.
Kober, Harry Patrick, Jr.
Koch, William Anthony
Koczak, Edward Joseph, Jr.
Koenig, John Weldon
Kolb, John Robert
Konkel, Harry Wagner
Kosoff, Tracy Monroe
Kramer, Robert Gene
Krehmeyer, James Alfred
Kryway, John Terrance
Kuechmann, Jerome Anthony
Kuehn, Gordon Norman
Kuhlke, Robert Ellsworth
Kuhn, Joseph Lee
Kunz, Chester Arthur, Jr.
Lachance, George Modeste, Jr.
Lamb, Larry Rex
Lamoureux, Robert Joseph
Landrum, Raymond Garnett
Lane, John Weston, Jr.
Langdon, Stewart Douglas
Langston, Nicholas Denning
Larocca, Joseph Peter
Larson, Jerold Joseph
Larzelere, Charles W., III
Laskaris, Gus Constantinos
Lauk, Richard Eugene
Lavender, Carlos Floyd
Lavinder, Carlton Leslie, Jr.
Lawrence, Kent Beckwith
Leary, John Augustine, II
Lee, Bobby Clyde
Lee, John Jackson
Lee, Leonard Floyd
Lee, Richard Melvin
Leech, Joseph William
Lehmberg, George Russell, Jr.
Leisy, Ned Bruce
Leroy, Franklin Theodore
Less, Anthony Albert
Lester, Roy Edward
Leszchynski, Vincent John
Lewis, David Edwin
Lewis, Marwood Dean
Lewis, Tom Arthur
Leygraaf, Gerard Joseph
Lindland, Donald Fredrick
Lindsey, Eugene Elbert, Jr.
Lindstrom, Axel Leonard
Lineback, Harry Winbrun
Lineberger, Preston Hoarne
Lisle, George Frenger
Litton, Robert Clifton
Lloyd, George Marvin
Loftus, Stephen Francis
Long, Carl Herbert, Jr.
Long, George Truett
Lorusso, John Michael
Lowe, Larry Taylor
Lubbers, Gary Wendel
Lucas, Robert Peter
Luders, Ernest Celestino
Ludwig, Ronald Emil
Luhrs, Larry L.
Lukenas, Leo Allen
Lusk, Marvin Morgan
Luter, Thomas Harris
Lynch, Dale William
Lyon, Edward III
Mackenzie, Franklin P.
MacKinnon, John Hutchinson
MacLeod, Wallace Francis, Jr.
MacNeill, Donald William
MacVean, Charles Robert
Maddox, Rex Arl
Magee, James Alexander
Maher, Daniel Richard
Maier, Peter Tillou
Maier, William Henry
Major, James Arthur
Malone, Robert Stephen
Maloney, Thomas Clocher
Maloy, Larry Lee
Manahan, Maurice Harlow
Mangol, Frederick Nicholas
Markey, Alden Cyril
Maroldy, Thomas Michael
Marovich, Michael
Marr, William Thomas
Marsh, Arnold David
Martin, Richard Herman
Martin, Richard Lee
Mason, John Albert, III
Massa, Lawrence Lee
Massey, Lance Bradford
Mater, Bernard Everardus
Matheson, John Whitman
Mathews, James Patrick
Mathews, Richard Arthur
Mauz, Henry Herrward, Jr.
May, David Thomas
May, Wesley
Mayo, Ned Henderson
Mays, Samuel Edwin, Jr.
Mazzola, Vincent Steven
McBride, Joseph William, Jr.
McBrien, Jack Warren
McCain, John Sidney, III
McCall, Ralph Bennett
McCandless, Bruce, II
McCandless, John Edward
McCarty, Kenneth Ray
McCauley, Victor
McConnell, Harry Emerson
McCorry, John Hay
McCroskey, Bobby Ray
McCullough, David Underwood
McCullough, Martin Lientz
McDonald, Michael Harold
McFerren, Robert Wilmer
McGhee, Kenneth Buren
McGraw, Lloyd Herman
McGruther, Gordon Thomas
McGuire, Michael Lee
McInvale, Joe Billy
McKee, Richard Grant
McLaine, Warren Everett, Jr.
McLane, Michael John
McLaughlin, Bruce Campbell
McLaurin, Kenneth Eugene
McMahon, Bernard Francis, Jr.
McMahon, Thomas Timothy
McMichael, John Coleman, Jr.
McMillan, John Gabriel
McNulla, James Edward, III
McRight, Clarence, Jr.
McVadon, Eric Alton, Jr.
Meese, Richard Ellsworth
Megonigle, Carl Earl
Meinhold, Richard James
Meinig, George Richard, Jr.
Mellberg, Kenneth Eugene
Mendenhall, Carlos Curtis, Jr.
Merriken, Stuart Anderson
Messegee, James Allen
Meyer, Dale Allen
Meyer, Donald Christian
Meyer, Frank William
Mezzadari, Francis Xavier
Midgarden, Peter Neil
Midtvedt, Harold Leonard
Milat, John Peter
Miller, Aloysius Rudolph
Miller, Edward Arthur
Miller, Hawkins Gordon
Miller, Robert Dewayne
Miller, Robert Lewis
Mills, Christopher Matheson
Miltenberger, James Russell
Milwee, William Ivon, Jr.
Mixon, Riley Dewitt
Molenda, Paul Henry
Monroe, Philip Alvah
Montag, Charles Frederick
Monteah, Gordon M., Jr.
Moore, James Baker
Moore, Leonard Moody
Moore, Rufus Beverly
Moore, Thomas J.
Moore, William Bishop, Jr.
Moran, Francis Joseph, Jr.
Morehead, John Arlen
Morgan, David Eugene
Morgan, William Allen
Moroney, William Maurice
Morris, Clyde Cecil
Morris, Harold Glenn, Jr.
Morrison, Jerry Edwin
Moser, Robert Lee
Mosher, Norman Gardner
Mosman, Donald Eugene
Moss, Jack Linwood
Moss, Robert Lee
Mott, George Edward, III
Mowery, Russell Vernon
Moynihan, John Joseph
Mueller, Lincoln Henry
Mueller, William Alfred
Mulhern, Thomas Anthony
Mulloy, Charles Sullivan
Munch, Charles Herbert
Murdock, Clair Nymphas
Murphy, Chester Arthur
Murphy, James Harry
Murphy, John Cowden
Murphy, Norbert Patrick
Murray, Gordon Lawrence, Jr.
Murray, Joseph Walter
Musgrove, Robert Wesley
Nabiovsky, Richard Earl
Nakagawa, Gordon Fosa
Narro, Arthur Thomas
Nash, Norman Bert
Nazak, Robert Michael
Neese, John Frederick
Neilan, Harvey Deene
Nelson, Henry Eugene
Nelson, Paul Christian
Nelson, Richard Melvin
Nesbit, Arthur Maclean
Newcomb, David Arthur
Newlin, John Joseph
Newton, George Berryman, Jr.
Neyman, George Purviance, III
Nicolls, Robert Patrick
Niedbala, Joseph Thomas, Jr.
Nolan, Thomas Edward
Nollan, Walter John
North, William Joseph
Norton, Lee Edward, Jr.
Nutting, Roger Marvin
Obeirne, Frank, Jr.
Ogren, John Patrick
O'leary, John Patrick, Jr.
Oleson, Charles Andrew
Oliver, Earl Lee
Oliver, William Louis, III
O'neal, Edward Allan
O'neill, Cornelius Thomas
Osberg, John Walfrid, III

Osborne, James Thomas
Osborne, Robert Bell
Ostrander, William Edward
Otto, Carl Hyde
Owen, Robert Stephen
Owens, Ramon Ronald
Pabst, Howard Lloyd
Palmer, Leslie Nelson
Panarese, Adam Franci
Pape, Jerry Lee
Pappas, Albert James
Parker, Donald Fred
Parker, Richard Lee
Parker, Richard Stanley
Parks, Terrence Jon
Parrish, David Fairchild
Pate, Zachariah Taylor, Jr.
Patella, Lawrence Matthew
Patrick, Meredith Willis
Paudle, Alvin Hawaii
Pearce, Michael Alton
Pease, Charles Curtis
Peden, Joe Dean
Pellerin, Alfred Eugene, III
Pender, Thomas
Pendley, William Tyler
Penny, Lawrence Allen
Perkins, Robert Starnes, Jr.
Peters, Frank Joe, Jr.
Peters, John David
Peterson, Robert Anthony
Petroske, Kenneth C.
Petty, Howard Crosby
Phelps, George Thomas
Phillips, Clifford Roy
Phillips, Robert Earl
Pidgeon, Edward Timonthy, Jr.
Pierce, George Eagleton
Pingel, Leon John
Pippenger, William Wayne
Pirotte, James Henry
Pittenger, Richard Fay
Pivarnik, William Dyer
Pizinger, Donald Dean
Poarch, William Hillary
Poland, Clarence, Jr.
Polski, Paul Arthur
Poore, James Stanley
Port, Joseph Clinton
Porter, Donald Henry
Porter, Oliver Howard
Porter, Richard Brooks
Pottratz, Richard Karl
Powell, Richard Allen
Powers, Richard Michael
Pratt, John Lee
Pressly, James Moffatt
Preston, Craig Andrew
Price, James Charles
Price, Robert Paschal
Proctor, Robert Remmington
Purnell, Clement Irvine
Purring, George Albert, Jr.
Putnam, Wayne Arnie
Pyatt, Arnold Flack
Pye, Reginald Cecil, Jr.
Pyle, Ronald William
Quay, Thomas Willoughby
Rager, Richard Ronald
Rasmussen, John David
Rasmussen, Larry Kay
Ratto, Lawrence John
Rauch, Leo Albert
Raudio, Victor John
Rausa, Rosario Matthew
Read, Dennis Spencer
Redgate, James Paul
Reeve, William Francis
Rehder, William August
Reich, William Frederick
Reid, James Robert, III
Reid, Lawrence Renwick, Jr.
Reilly, Robert K.
Reimann, Robert Theodore
Reister, Walter Alvin
Render, Ronald William
Renner, William Scott
Rentle, Norman Leroy
Ressler, Paul Michael
Retz, Michael Joseph
Reuscher, David Lloyd
Reynolds, James Guy
Rice, Lloyd Keith
Rice, William Lynwood
Rich Roger Lee Jr.
Richardson, Daniel Charles
Riches, Raymond Cuddy
Riggins, William S.
Riley, Mark Cullinan
Riley, Roy G.
Riley, William Ernest
Riordan, William Patrick
Ripple, James Ellsworth Jr.
Ritner, Joseph Walter
Robb, Kingsley Allen
Robbins, Philip Dale
Robbins, William Thomas Jr.
Roberson, Arleigh Edward
Roberts, Gary Kirkwood
Roberts, James Harold
Roberts, Tim Hal
Roblns, Harry Blaine Jr.
Robinson, Kenneth George
Robison, Delma Coy
Roder, Peter Stevan
Rogers, David Neil
Rogers, Donald Kay
Rogers, Gerald Winston
Rohrbough, John Davis
Roper, Vincent William
Rosen, Robert Stanley
Ross, Norman Albert
Rothrauff, Thomas Benedict
Roy, Arthur
Royse, Perry Richard Jr.
Rumney, Robert Earl
Runzo, Melvin Arthur
Ruona, Keith Vernon
Ruppert, Noel Laurenston
Russell, Harold Berton
Sachse, Clark David
Salmon, Walter William Jr.
Sample, Bobbie Lee
Sandke, William Kearns
Sawdey, Phillip Gordon
Schaffer, Ruben Wayne
Schlauder, Wallace Joseph
Schluntz, Frank Reuel
Schoenfeld, Jay Kenneth
Schoocraft, James Loomis
Schoonover, Richard Thales
Schrader, Norman Edward Jr.
Schramm, William George
Schulz, Russell King
Schulz, William John
Schwarzenbach, Hart J., Jr.
Scott, Milton Myrlin
Sears, David Freeman
Seeberger, John Joseph
Seger, Ralph Logan, Jr.
Seidel, Melvin Leroy
Sellden, Carl Ivar
Sendek, Joseph Michael
Sessions, Joseph William
Shapero, Allen Leonard
Sharp, Grant Alexander
Shattuck, George Wendell
Shaw, John Frederick
Shawkey, Dallas Walton
Shea, John Joseph
Sheehan, James Edward
Sheppard, Donald David
Sherburne, Douglas Maxwell
Sherman, John Edward
Shiflett, Edward E.
Shope, Theodore Lloyd
Shriver, Norman William
Shriver, Robert Ambrose
Sillery, Charles Doyle
Simmons, James Leon
Simone, Thomas Joseph
Skezas, George Christ
Skinner, George Ross
Skrukrud, Clare Evon
Slaven, Robert Knowles, Jr.
Slayman, Kelson Edward
Slye, Richard Earl
Smedberg, Edward Barden
Smith, Bradley George
Smith, Charles Jacob
Smith, Clyde Arnold
Smith, Donald Duane
Smith, Leonard Thomas
Smith, Nepier Vrabel
Smith, Paul Egbert, Jr.
Smith, Peter Taylor
Smith, Ralph Edward
Sommer, Henry Joseph, Jr.
Sorenson, Richard Sheldon
Sorna, Ronald Edward
Soules, Charles Webster
Sparks, Neil Roley, Jr.
Spencer, Thomas James
Spraker, Irvin Lamonte
Springer, Judson Hewitt
Spydell, Robert Edward
Stahel, Ervin Duane
Staiger, Martin
Starbird, Gary Lee
Stark, William Robert
Starrin, Roy Edward
Staudenmayer, Frederick G.
Stecker, Joseph Leo
Steed, Samuel
Stein, Edwin Francis, Jr.
Stephan, Charles A.
Stephens, William Lee
Stephenson, Graves Barrett
Stevick, Jerold Champney, Jr.
Stockstad, Ralph Floyd
Stoker, Laron L.
Stokes, Carl Julian, Jr.
Storey, Edward Leo
Stout, Richard Dunbar
Streeter, Gregory Frederick
Strobel, Carl William
Strohsahl, George Henry, Jr.
Strole, Dennis Silver
Strong, Bruce Walter
Stroud, Lisle Arthur, Jr.
Stubbs, David William
Stubbs, George Richard
Stumcke, Frederick B., Jr.
Sturm, Paul Morrison
Sufficool, Allen Elwyn
Sullivan, Gerald Francis
Summers, Carl Richards
Susag, Gary Robert
Sutton, Charles Rudolph
Swain, Donald Derk
Sweeney, Charles John, Jr.
Sword, Curtis Sterling, Jr.
Szczecinski, Joseph Lawrence
Szczypinski, Walter S., Jr.
Taft, Denis James
Taggart, Donald John
Tambini, Anthony Louis II
Tarbox, Thomas N.
Tarkowski, Ronald Chester
Tarquin, Donald Charles
Taylor, James Richard C.
Taylor, Jimmie Wilkes
Taylor, Raynor Andrew Kent
Taylor, Richard Louis
Taylor, Thomas Paul
Teague, Robert Arson
Tedder, James Eugene
Templeton, Felix Eugene
Tenefrancia, Ambrose J., Jr.
Terry, Bert Dixon
Terry, Ross Randle
Thiemann, Henry Joseph F., Jr.
Thomas, James Philip Louis
Thomas, Kinnison Henry
Thomas, Richard Savage
Thompson, Glynn Murphy
Thorne, Charles Edward
Thurston, John Kindred
Tilger, Billy Ralph
Tingle, Adrian Artomus
Toney, Robert Lee
Topping, Robert Leavy
Triebes, Carl John, Jr.
Trout, Michael Duane
Troutman, Darrell Clinton
Truax, Robert Charles
Truesdell, Lemoyne Francis
Truesdell, William Marlowe
Truly, Richard Harrison
Tuft, Markham Dennis
Turlay, William Evert
Usalis, Jerome Thomas
Vaiana, James George

Vanatta, Jerry Lyall
Vaught, Clarence Thomas
Veenstra, Robert Murlin
Venable, Robert Luther
Vestal, Ellis B.
Viccellio, John Shannon
Vick, John Clifton
Victor, Alfred Erwin
Victor, James Alan
Vinson, John Thomas
Vold, Almer Charles
Wagner, William Francis
Wallace, Theodore Washington
Walstad, John Orville
Walston, Kenneth Robert
Wanglie, Eugene Einar
Ward, Sibley Logan III
Wardell, Arthur Francis, Jr.
Warmbir, Kenneth Michael
Warner, James Stewart
Warner, Lloyd
Warren, Robert Leonard
Wasloski, John Edward
Waters, Ronald Lee
Watson, Ian McEwan
Waymire, Donald Marion
Weaver, Robert Earl
Webster, Audrey Clyde
Webster, Kenneth Allen
Wegert, Sidney Julius
Weigand, James Gary
Weiler, Antone Mathew
Weldon, Joseph Dorris
Welles, Bradford Wolcott
Wentz, James Eugene
West, Eugene Hal
West, Ralph Whitaker, Jr.
Westbrook, Dale Allen
Westerman, William Robert
Westfahl, Richard Karl
Wettfstead, Norman Charles
Wheatley, Gary Francis
Wheeler, George Clifton
Whitby, Ralph Earl, Jr.
White, Charles Evans
White, Ervin Eugene
White, Howard Gervis
White, James Frederick
White, Robert
White, Robert Sherman
White, Steve Carneal
Whitmire, Robert Lee
Wicklund, Richard John
Wiener, Thomas Freud
Wile, Alan Rigby Jr.
Wilkins, John Miles
Williams, Eldon Grady
Williams, James Kendree, Jr.
Williams, James Raymond
Wiley, Robert Charles
Wilson, Alan F.
Wilson, Alger Lee
Wilson, Dennis Kendrick
Wilson, Richard James
Wingo, Robert Freeman
Winters, Robert Dean
Witherspoon, Emanuel Earl
Wood Leland Edward, Jr.
Wood, Phillip Ray
Woodbury, David Edward
Woodhouse, James Everett
Woodley, Richard Paul
Woodworth, Benjamin Bohlken
Wren, Gregory Secord
Wright, Darryl Lance
Wright, Leo Charles
Wright, Robert Herring III
Wright, William Alan
Wuorenmaa, John Paul
Wurth, John Gerald
Wyatt, Richard Lee
Yaeger, Ernest Franklin
Young, Arthur Edmund Jr.
Young, Ernest Tillson Jr.
Young, Howard Leyland Jr.
Young, Robert Allan
Young, Robert Bryant
Zanin, Wilbur Francis Jr.
Zeller, Raymond Guy
Zimdar, Robert Eugene
Zimmerman, Richard Joseph
Zorn, Nicholas Donald
Zucker, Channing Moore
Zwart, Ronald Peter

SUPPLY CORPS

Allen, Raymond B.
Austin, Walter Ivy
Avilesalfaro, Bolivar Jr.
Baker, James Hershel
Basley, Raymond Charles
Basse, Warner Paul
Bell, Ronald Mack
Beyer, Robert Keith
Blackwell, Lind Bergh
Blazina, Joseph Benjamin
Bonbright, John Miller Jr.
Boylan, Charles Theodore
Brassington, Abram Austin
Brown, James Wilbur
Bryant, James Nelson
Buell, Robert Morris
Bush, William John
Caro, James McDavid
Carver, Roy Edmond
Charette, Paul Edward
Cobb, James Lani
Cole, Brady Marshall
Cone, Paul Jacob
Connolly, Robert Irvin
Coon, Paul Donald
Cooper, Jackie Richard
Costa, Richard Dominic
Crane, Lee Duane
Crooks, Robert Edward, Jr.
Cunningham, Philip Tracy
Daughtridge, Gerald Routh
Davis, Arthur Robert
Davis, John R.
Dellis, Donald Olon
Demayo, Peter
Dempsey, Edward John
Deruggiero, Saverio Anthony
Dolan, Henry James
Drake, Claude Howell
Driggers, Richard Arlen
Drury, William Robert
Dyches, James Wilson
Ebey, John Robert
Eckelberger, James Elton
Ekholm, Harry Hilding, Jr.
Felton, Thomas O.
Filipiak, Francis Leonard
Fischer, Gregory Francis
Fish, Dennis James
Flanagan, Patrick Francis
Fraher, Jeremiah
Frizzell, Frank Lee, Jr.
Garner, Fred Stanton
Gilvary, Daniel Joseph
Goss, Roland Alfred
Gray, Lloyd Clarence
Greenhalgh, John Edward
Grogan, Arthur Robert
Hanna, Robert Martin
Hanson, Allan Henry
Harnad, Paul Kenneth
Hatchett, John Wayne
Haglett, Harry Lynn
Hicks, Chesley Marshall, Jr.
Hinds, Douglas Jonathan
Hinz, Dan Hubert
Hogan, Richard Claude
Huth, Carl Fredrick, Jr.
Hoopes, Ronald George
Jaap, Joseph Davies
Jackson, Leon Arvil
Jaecques, Raymond Cyril
Jarrett, William Augustus
Jensen, Nels Paul
Johnson, Edward Matthew, Jr.
Johnson, Omer Louis
Jones, Everett Leslie, III
Julian, Gerald Patrick
Kasputys, Joseph Edward
Kelley, Frederick Geyer
Klein, Carl Conrad
Knight, James Walton, Jr.
Konopik, Joseph Francis, Jr.
Leeson, Donald Dozier
Lingenbrink, Robert Arthur
Lombard, Graydon Frederick
Lord, Charles William
Lovelace, Donald Alexander
Lucas, Duane Brian
Lyman, Lawrence Guy
Marbain, Max David
Masters, Edward Richard
Maxwell, John Richard
McAdoo, Kenneth Edward
McCarthy, Donald Leo
McCauley, Joseph Michael
McCloskey, Michael R., Jr.
McGee, William Allen
McKelvey, Paul Neill
McMillan, John W.
McNary, William Francis
Mehrens, Arthur Joseph, Jr.
Miller, Winston Burdette
Montgomery, Samuel S.
Nace, Wilbert Jay
Napier, William Lloyd
Nix, Harvey W., Jr.
Olson, Engwall Andrew, III
Owens, James Curtis
Pacofsky, Bartholomew
Parker, Charles Edwin
Parsons, Frank Woodhall
Patterson, Jerry Gray
Peck, Joe Donald
Pliska, Robert Frank
Powell, Hal Bacon
Powell, William Egbert, Jr.
Powers, Richard Frederick
Rader, Lynden Larue
Randall, Harold Norman, Jr.
Reeder, Vanlear Lindbergh
Risinger, Robert Elvin
Rogers, William Judson, Jr.
Rose, Russell Livingston
Russell, Joseph Francis, III
Sims, Thomas Malone, Jr.
Spillane, James Jerome
Stehly, Frederick Raebel
Stutts, Jack Harrison
Sveen, Gerald Everett
Tatten, Richard Joseph
Tilley, Philip Lawrence
Tyree, David Merrill, Jr.
Upton, Thomas Hugh, Jr.
Vail, James Clinton
Vanni, Ralph Joseph
Verplaetse, Ronald Arthur
Visnisk, Walter William, Jr.
Walther, Harrison Nicholas
Wardrup, Leo Clyde, Jr.
Wareham, Harry Blake
Warner, Andrew Bray
Weaver, Johnnie Ray
Webb, Robert Donald
Weissinger, Thomas Ransom
Wheeler, Hugh Heman
Willingham, David Geary
Wolcott, John Newton
Wood, Allen
Wyatt, John Matthew
Zanetti, Allen George

CHAPLAIN CORPS

Ahern, Bernard Joseph
Ahenseran, Lecard Laverne
Ammons, James Ellery, Jr.
Antos, Paul Joseph
Baez, Samuel
Beach, Stanley Jay
Black, Gerald W
Boyer, Richard Alfred
Brennan, Joseph Francis
Dempsey, Richard Joseph
Donan, William Elza, Jr.
Donoher, Thomas Joseph
Dorsey, Jack Edmond
Ecker, Robert Joseph
Ferguson, Edmond Blant
Finn, Daniel Emmett
Gallagher, Edward Leo, Jr.
Garver Frank Edwin
Gibson, William Moses
Gordon, Robert Eugene
Graham, Jack Dart
Hanawalt, Edward Alan
Hawley, Quinn Libert
Healer, Carl Thurston

Hunsicker, David Stuart
Johnson, Edward Desmond
Kukler, Richard
Lewis, Herbert Tilford
MacCullagh, Richard Edward
Mack, Wilfred Benson
McCoy, Marion Wilbert
McDonnell, Francis William
McElroy, John William
McRan, Eddy Bill
Mowry, John James
Murray, Frederick Joseph
Olson, William George
Plishker, Richard Alan
Ricard, Normand Albert
Rice, Ben A.
Rushing, Leslie Wayne
Schade, Sigmund Conrad
Scheer, Rodney Ray
Seeland, Arthur David
Seibert, John Frederick, II
Smith, Hugh Dwight
Smith, William Alfred
Stewart, Wayne Arlee
Sullivan, Alan Peter
Thacker, Donald Lee
Toland, Paul Leo
Vogel, Leroy Edward Donald Allan
Weaver, John Franklin
Donald Allan
Winslow, William John, Jr.
Witt, George Robert
Wuebbens, Everett Peter

CIVIL ENGINEER CORPS

Alexander, Robert Earl
Allgaier, Donald Dean
Bednar, George John
Bodamer, James Edward
Boennighausen, Thomas Lee
Bolinger, Donald Servis
Bottorff, David Elliott
Byers, Eugene Waite
Caughman, James Bankston, Jr.
Cervenka, Norman Louis
Christenson, Carl Edward
Christiansen, von Orson
Connor, William Craig
Cook, Jan Wilson
Dallam, Michael Marion
Dettbarn, John Lee
Devico, David Charles
Donovan, Lawrence Kay
Enyedy, Joseph Michael, II
Filbry, Herman William
Fort, Arthur William
Gibowicz, Charles Joseph, Jr.
Gilmore, Gordon Ray
Harned, David Warren
Harrell, Haywood Howard
Hartman, Paul Knute
Holmes, Henry Anderson
Kau, Julian Mang Foo
Krauter, George Emil
Kirkley, Owen Major
Kirkwood, Kenneth Kay
Leonard, Daniel Bynon, Jr.
Lowery, Richard Allen
Lyons, James Roger
Marshall, Jimmie Gene
McLaughlin, Edwin William
Miller, Robert Keith
Montoya, Benjamin Franklin
Muir, Michael David
Naegele, Frederich Donald
Neugent, Charles L.
O'Donnell, William Joseph
Parisius, Philip James
Podbielski, Victor
Reeves, Dwain
Riley, James Leonard
Ruscyk, Joseph Alan
Schattner, Bernard Lipper
Seber, Earl Raymond, Jr.
Simmons, William Alfred, Jr.
Smart, Robert Dalton
Steadley, Alfred Miller, Jr.
Thoureen, Thomas Howard
Tinker, Gordon Wilson
Walter, John Arthur

JUDGE ADVOCATE GENERAL'S CORPS

Brickson, Herbert Crion
Buhler, Conrad Alexander
Campbell, Hugh Don
Clark, Bruce Alan
Coughlin, Leo John, Jr.
Crane, William Abraham
Donato, Dan, Jr.
Drapeau, John William
Gass, James David
Hradecky, Rudolf
Hilligan, Thomas James
Howard, Ronald Charles
Jones, Augustus Bennett, III
Medlin, William Ray
Nerseth, Marvin Peter
Olson, Roy Andrew
Slater, Richard Lee
Sweeney, James Wallace
Trocki, Daniel Bernard
Walsh, John Joseph
Wilkins, Richard Leonard

MEDICAL SERVICE CORPS

Angelo, Lewis Eugene
Auton, William Johnson
Brown, Charles Robert
Casler, Wilfred Ignasia
Comfort, Gerald George, Sr.
Dewitt, James Edward
Elfstrom, Berger Rudolph, Jr.
Godfrey, Walter Albert, Jr.
Graves, Joseph Lane
Hodges, Richard Claxton
Hunt, James Arthur
Lanier, Bobby McDowell
Law, Malcolm Kenyon
Smith, Fred Ewing
Spiegler, Joel Benjamin
Thompson, James Clarence
White, Sheldon Andrew
Woodard, Charlene Joan

NURSE CORPS

Allen, Janet Nadine
Birkhimer, Marion Louise
Brouillette, Marie Joan Emma
Butler, Lois Jeanne
Dudley, Julia Barnes
Edwards, Karen Emily Clare
Frazier, Frances Marie
Harris, Vera
Harrison, Alvina Mae
Holbrook, Helen Anne
Hoseford, Barbara Chaffin
Jennett, Jo Ann
Kelly, Joann Patricia
Kelly, Mary
Kiely, Sally Ann
Klaetke, Irma Emma
Lucas, Mary Cecelia
Lundquist, Nancy Lee
Lynch, Marie Anne
Lyons, Barbara Anne
MacClelland, Doris Carmen
Martin, Zuleime Lenore
McNair, John Aline
Nelson, Marijean Virginia
O'Neill, Elizabeth
Orofino, Gloria Angeline
Orr, Wanda Stanisloo
Ottoson, Joan
Pearce, Doris
Pickering, Julia Elizabeth
Roberts, Catherine Veronica
Rollins, Jean Carol
Sanford, Emily Frances
Schrock, Doris Mabel
Shaffer, Bernardine Lee
Shields, Patricia Leuenberg
Sisk, Elizabeth Anne
Spellman, Georgia Elizabeth
Sparks, Beverly Jean
Staab, Patricia Lorraine
Stelzer, Kathleen
Sullivan, Elinor Mary
Surman, Mary Stefanick
Swanson, Joan Frances
Van Cleave, Patricia Jane
Walsh, Eileen Clare
Watson, Beverly Ann
Weidt, Bew Patten, II
Young, Mary Leonard

HOUSE OF REPRESENTATIVES—*Thursday, June 12, 1975*

The House met at 10 o'clock a.m.

The Reverend Monsignor Leo J. Coady, Holy Redeemer Church, Kensington, Md., offered the following prayer:

Father in heaven, Lord God of all, humbly we pray this day for the resolve to pursue our freedom with a deep sense of our responsibility as a nation.

We pay tribute today to our country's flag. It is the symbol of our unity as a people, amid the diversity of our cultures, our faiths, our racial and ethnic origins. It is an ever-present reminder that we are a nation born of the stripes of sacrifice and suffering, yet striving always to reach for the stars of integrity and national honor.

Keep us ever mindful of our role in the family of nations, that we may be for all peoples an example of high purpose and constant respect for Your divine law.

This we ask, as always, in Your name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4485) entitled "An act to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources."

The message also announced that the Senate receded from its amendment and agreed to the House amendment to the Senate amendment numbered 107 to bill (H.R. 5899) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4035. An act to provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an in-

terim extension of certain expiring energy authorities.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4035) entitled "An act to provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JACKSON, Mr. CHURCH, Mr. METCALF, Mr. FANNIN, and Mr. HANSEN to be the conferees on the part of the Senate.

IMPROVEMENTS TO THE ELECTRONIC VOTING SYSTEM

(Mr. HAYS of Ohio asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HAYS of Ohio. Mr. Speaker, an important improvement to the electronic voting system, requested by the leadership on both sides of the aisle, has been made. The video consoles at the majority and minority tables will soon be capable of displaying in-progress vote information organized in new ways. Starting today the new feature will permit the Democrats to retrieve information organized by whip zone and by new Members, while the Republicans can retrieve information organized by whip region and new Members. This is an addition to the previous capability for displaying Member voting information organized alphabetically by Member, State, party, and vote preference.

These features will be extended significantly in early September to include a more general capability to organize and display in-progress voting information. At that time each party will be able to classify Members according to many categories of their own choice and to display at the video consoles in-progress vote information organized by any of these categories. The categories selected by each party are entered into the computer system through the video consoles by their staff and will be available only at their respective consoles. The retrieval categories can be changed at any time. Once installed, this improvement will provide each party with a wide variety of independent options for organizing and displaying in-progress vote information.

This improvement to the system results from a continuing effort by the House information systems staff of the Committee on House Administration to provide an operational electronic voting system that best serves the information needs of the Members and the leadership. House information systems personnel will be available in the Chamber each morning for the remainder of the week to train the staff of each party in the use of the new feature.

Mr. RONCALIO. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I will yield to the gentleman from Wyoming.

Mr. RONCALIO. I thank the gentleman for yielding. I want to commend the chairman of the Committee on House Administration on the excellent work he has done in giving us this electronic system and the new rapid printout.

Mr. Speaker, will it also give us a system to keep the Democrats from voting inconsistent with the principles of the party?

Mr. HAYS of Ohio. It will be able, I will say to the gentleman, to make retrieval based on whatever the leadership wants and in whatever category they want.

THE PROOF WILL BE IN THE MONEY SUPPLY

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, the plan to reelect the President in 1972 was not only riddled with political corruption but also with economic corruption.

In the year preceding the 1972 election, the team of Nixon and Burns contrived to increase the money supply up to the astronomical annual rate of 14 percent.

Artificial prosperity was created, President Nixon was reelected, and the American people were made to pay with inflation and unemployment.

Now another President appears to be playing the same game, manipulating the economy to his political advantage and the people take the consequences.

The President, by veto, is stagnating the economy in 1975. But that is only in preparation for 1976. We will see if he in concert with the Federal Reserve Board will increase the money supply as did Nixon and Burns to create another false, election year prosperity.

The proof will be in the money supply. Watch it as the elections grow closer. We will see what manipulations occur. We will see whether it is the welfare of the people or the welfare of the President that motivates this administration.

PERMISSION FOR SUBCOMMITTEE ON MILITARY COMPENSATION OF THE COMMITTEE ON ARMED SERVICES TO SIT TODAY DURING 5-MINUTE RULE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Military Compensation of the Committee on Armed Services be permitted to sit today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT TODAY DURING 5-MINUTE RULE

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be permitted to sit today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONGRESS SHOULD GET ON WITH DEMOCRATIC PROGRAMS TO GET COUNTRY MOVING AGAIN

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, again I regret the fact that the Republican leadership is not on the floor at the start of this session.

I can tell you that it is going to be very difficult to reach common ground with the Republican administration on all major economic programs. The Republicans are dead set in favor of the market approach—the methods that benefit big business and special interests.

We Democrats worked hard trying to override vetoes on strip mining and emergency jobs and farm prices. You yourself, Mr. Speaker, called more Members than any other Speaker at any time that I know of in my history in the House, to ask them for their votes on the override. We lost by the narrowest of margins.

But we are not going to quit trying. We would repudiate everything the Democratic Party stands for if we abandon the fight for the people, if we back down to the Republican big business and special interest approach.

I say that this Congress should get on with its Democratic programs to get this country moving again. Send every bill in our Democratic economic package to the President. Let him veto them, if he will. We are going to do our best to override, just as we have done on every previous veto. I can assure you that no twistable arm is going to go untwisted, just as we have been doing.

We are going to fight hard for jobs and housing and economic legislation. If we fail, then it is up to the people to say how much longer they are going to stand for this very effective Republican minority that has got the economy tied up in knots.

CALL OF THE HOUSE

Mr. WYLIE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 385]

Ambro	Clawson, Del	Harris
Anderson, Ill.	Conyers	Harsha
Andrews, N.C.	Diggs	Hébert
Archer	Drinan	Heckler, Mass.
Breckinridge	Flynt	Heinz
Buchanan	Fulton	Hicks
Burton, John	Gonzalez	Hinshaw
Chisholm	Hansen	Holland
Howard	Matsunaga	Scheuer
Jacobs	Mitchell, Md.	Seiberling
Jenrette	Mollohan	Shuster
Jones, Ala.	Neal	Simon
Jones, N.C.	Nedzi	Staggers
Jones, Tenn.	Passman	Teague
Kastenmeier	Price	Udall
Keys	Pritchard	Vanik
Landrum	Quillen	Wampler
Litton	Risenhoover	Wilson, Tex.
Lloyd, Calif.	Ryan	Young, Alaska
Mathis	St Germain	

The SPEAKER. On this rollcall 374 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6860, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, it had agreed that title III ending on page 90, line 17, of the bill would be considered as read and open for amendment at any point.

Does the gentleman from Oregon (Mr. ULLMAN) ask that the committee amendments to title III be considered en bloc?

Mr. ULLMAN. Mr. Chairman, I do so ask.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 59, line 17, strike out "tax, and" and insert "tax and recommendations—".

Page 64, after line 2, insert the following:

"A person who manufactures automobiles in the United States shall be treated as the importer of all automobiles produced by such manufacturer which are imported into the United States."

Page 64, line 14, strike out "50" and insert "75".

Page 64, immediately following line 16 insert the following:

"Any automobile not described in the preceding sentence the production of which is completed in the United States shall be treated as having been imported (at the time of such completion) into the United States."

Page 65, line 10, strike out "in Canada," and insert "outside the United States,".

Page 79, line 19, strike out "residence." and insert "residence,".

Page 89, line 20, strike out "(C)" and insert "(G)".

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. FISHER

Mr. FISHER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISHER: Page 58, strike out line 3 and all that follows down through line 20 on page 71 and insert:

PART I—AUTOMOBILE FUEL EFFICIENCY TAXES

SEC. 311. TAX ON EACH AUTOMOBILE WITH LOW FUEL EFFICIENCY.

(a) GENERAL RULE.—Part I of subchapter A of chapter 32 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4064. TAX ON EACH AUTOMOBILE WITH LOW FUEL EFFICIENCY.

"There is hereby imposed on each automobile produced in the United States, or imported into the United States, during the model year 1978, 1979 or 1980, a tax determined in accordance with the following table:

"If the fuel mileage rating (in miles per gallon) of the automobile is—	And the model year is— 1978	1979	1980
	Then the amount of the tax is—		
20 or more			0
19 or more but less than 20		0	$100
18 or more but less than 19	0	$100	200
17 or more but less than 18	$100	200	300
16 or more but less than 17	200	300	450
15 or more but less than 16	350	450	650
14 or more but less than 15	500	650	850
13 or more but less than 14	700	900	1,110
Less than 13	1,000	1,200	1,400

The tax imposed by this section shall be paid by the manufacturer or importer, as the case may be."

(b) DISCLOSURE OF TAX AND FUEL MILEAGE RATING ON WHICH TAX IS BASED.—

(1) GENERAL RULE.—In the case of any automobile with respect to which tax was imposed by section 4064 of the Internal Revenue Code of 1954, such manufacturer, producer, or importer shall affix a label to such automobile which shall include a clear, distinct, and legible endorsement stating—

(A) that Federal excise tax was imposed with respect to such automobile based upon the fuel mileage rate of such automobile,

(B) the amount of tax which was imposed,

(C) the fuel mileage rates on which such tax was based, and

(D) the table of taxes imposed by section 4064 applicable to all automobiles produced in that model year.

(A) FAILURE TO AFFIX LABEL, OR FALSE ENDORSEMENT OF LABEL.—Any person required by paragraph (1) to endorse any label who willfully fails to endorse and affix such label as required by paragraph (1) or who makes a false endorsement of such label, shall be fined not more than $1,000.

(B) REMOVAL, MODIFICATION, OR MUTILATION OF LABEL.—Any person who removes, modifies, or mutilates any label affixed under paragraph (1) to an automobile before title or possession to such automobile is, for purposes of consumption, transferred to any person shall be fined not more than $1,000.

(C) EACH VIOLATION TO BE CONSIDERED A SEPARATE OFFENSE.—Each failure or endorsement referred to in subparagraph (A), and each removal, modification, or mutilation referred to in subparagraph (B), shall constitute a separate offense.

SEC. 312. TAX WHERE MANUFACTURER'S FLEET DOES NOT MEET STANDARD

(a) GENERAL RULE.—Part I of subchapter A of chapter 32 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4065. TAX WHERE FLEET DOES NOT MEET STANDARD

"(a) IMPOSITION OF TAX.—If the fuel mileage rating of any manufacturer or importer for the model year 1978, 1979, or 1980 is below the fuel mileage standard for that model year provided by subsection (b), a tax is hereby imposed on each automobile produced by such manufacturer (or imported by such importer) during such model year which has a fuel mileage rating below the fuel mileage standard provided by subsection (b) for that model year. The tax imposed by this section shall be paid by the manufacturer or the importer, as the case may be.

"(b) FUEL MILEAGE STANDARD.—For purposes of this section—

"For the model year— The fuel mileage standard (in miles per gallon) is—

1978	18
1979	19
1980	20

"(c) AMOUNT OF TAX.—In the case of any automobile subject to tax under this section, the amount of such tax shall be $20 for aech full 1/10 of a mile per gallon which the fuel mileage rating of the manufacturer or importer for the model year of production of importation is below the fuel mileage standard for that year."

SEC. 313. PROVISIONS COMMON TO SECTIONS 4064 AND 4065.

(a) IN GENERAL.—Part I of subchapter A of chapter 32 is amended by adding at the end thereof the following new section:

"SEC. 4066. PROVISIONS COMMON TO SECTIONS 4064 AND 4065.

"(a) DETERMINATION OF AUTOMOBILE FUEL MILEAGE RATING.—

"(1) DETERMINATION OF RATING.—

"(A) IN GENERAL.—The fuel mileage rating of every automobile which may be subject to tax under section 4064 or 4065 shall be the fuel mileage rating, for the class of automobiles in which such automobile falls, determined by the Secretary or his delegate. The determination of such rating for any class of automobiles shall be based on a composite mileage resulting from the testing of such class of automobiles, conducted in accordance with procedures established under paragraph (4). Such determination shall be published in the Federal Register.

"(B) REVIEW OF DETERMINATION.—Within 30 days after the fuel mileage rating of any class of automobiles has been published under subparagraph (A), the manufacturer or importer of such class of automobiles may file a petition in the United States Court of Appeals for the District of Columbia for judicial review of such determination. Upon the filing of such petition, the court shall have jurisdiction to review such determination in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

"(2) INTERAGENCY COOPERATION.—In order to avoid unnecessary expense and duplication, the Secretary or his delegate shall make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this section and the functions of any department, agency, or etsablishment of the United States, as he may find practicable and consistent with law. The Secretary or his delegate may have access to and utilize, on a reimbursable or other basis, information, facilities, or serv-

ices of any department, agency, or establishment of the United States; and each such department, agency, or establishment shall cooperate with the Secretary or his delegate and, to the extent permitted by law, provide such information, facilities, or services as he may request.

"(3) FUEL MILEAGE RATING.—The term 'fuel mileage rating' means, with respect to any class of automobiles, the number of miles which an automobile in such class can be expected to travel for each gallon of fuel which it consumes.

"(4) PROCEDURE FOR DETERMINING FUEL MILEAGE RATINGS.—The Secretary or his delegate shall, by regulations, establish procedures for conducting tests to determine the fuel mileage ratings of automobiles which may be subject to tax under section 4064 or 4065. Under such regulations the Secretary or his delegate shall establish separate classes of automobiles which may be based upon—

"(A) the manufacturer (or division of the manufacturer) of the automobiles;

"(B) the engine family of the automobiles (which takes into account the type of engine, fuel induction system, and emission control system);

"(C) the type of transmission of such automobiles;

"(D) whether or not the automobiles have air conditioners;

"(E) whether or not the automobiles are station wagons; and

"(F) the inertia weight of the automobiles. For purposes of subparagraph (F), the inertia weight shall be taken into account in categories of 250-pound increments for automobiles which have inertia weights under 3,000 pounds, and in categories of 500-pound increments for automobiles which have inertia weights of 3,000 pounds or more.

"(b) DETERMINATION OF FUEL MILEAGE RATING FOR EACH MANUFACTURER OF IMPORTER.—

"(1) MANUFACTURER.—The fuel mileage rating of any manufacturer for purposes of section 4065 for any model year shall be based on all automobiles produced by such manufacturer in the United States or Canada during such model year.

"(2) IMPORTER.—The fuel mileage rating of any importer for purposes of section 4065 for any model year shall be based on all new automobiles imported into the United States during such model year which were produced (outside the United States and Canada) by the manufacturer who produced the automobiles imported by such importer. If there is more than one such manufacturer, the importer shall have a separate fuel mileage rating with respect to the automobiles of each such manufacturer.

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) PERSONS WHO MANUFACTURE AND IMPORT.—A person who is both a manufacturer and an importer shall be treated—

"(i) as a manufacturer with respect to automobiles described in paragraph (1), and

"(ii) as an importer with respect to automobiles described in paragraph (2).

A person who manufactures automobiles in the United States shall be treated as the importer of all automobiles produced by such manufacturer which are imported into the United States.

"(B) CERTAIN IMPORTS FROM CANADA.—A person who is not a manufacturer with respect to autmobiles described in paragraph (1) but who imports automobiles from Canada shall be treated as an importer with respect to such automobiles.

"(C) PRODUCTION IN UNITED STATES OR CANADA.—An automobile is produced in the United States or Canada if at least 75 percent of the cost to the manufacturer of such automobile is attributable to value added in the United States or Canada. Any automobile not described in the preceding sentence the production of which is completed in the United States shall be treated as having been imported (at the time of such completion) into the United States.

"(D) TREATMENT OF CERTAIN EXPORTS AND IMPORTS AND SALES FOR FURTHER MANUFACTURE.—An automobile otherwise taken into account under paragraph (1) shall not be taken into account under such paragraph (1)—

"(i) if it is sold to any person before the close of the model year in which it is produced for use in further manufacture,

"(ii) if it is exported from the United States before the close of the model year in which it is produced, or

"(iii) in the case of an automobile the production of which is completed outside the United States unless it is imported into the United States before the close of the model year in which it is produced.

"(E) PERSONS UNDER COMMON CONTROL.—All persons who control, are controlled by, or are under common control with any person shall be treated as one person.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) AUTOMOBILE.—The term 'automobile' means—

"(A) any passenger automobile (within the meaning of such term as used in section 4061(b)(2)), or

"(B) any automobile, truck or bus which has a gross vehicle weight of 6,000 pounds or less (as determined under regulations prescribed by the Secretary or his delegate), which uses gasoline or diesel fuel as a fuel for propulsion.

"(2) MODEL YEAR.—The term 'model year' means, with reference to any calendar year, the manufacturer's annual production period (as determined by the Secretary or his delegate) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term 'model year' means the calendar year.

"(3) MANUFACTURER.—The term 'manufacturer' includes a producer.

"(4) MATHEMATICAL CALCULATIONS.—In determining any fuel mileage rating under subsection (a) or (b), the total number of automobiles to be taken into account for that determination is to be divided by a sum of terms, each term of which is a fraction created by dividing—

"(A) the number of automobiles within each group to be taken into account, by

"(B) the fuel mileage rating for the automobiles within such group rounded to the nearest 1/10 of a mile per gallon.

"(5) CHANGES IN EMISSIONS STANDARDS.—If there is any change (whether by law or by administrative action) from the Federal emissions standards which apply to automobiles produced on May 1, 1975, the Secretary or his delegate shall determine by rule (in accordance with section 553 of title 5, United States Code) and publish in the Federal Register—

"(A) the extent (if any) to which such change reduces fuel mileage, and

"(B) the modifications in the fuel mileage standard set forth in section 4065(b) and in the mileage brackets of the table set forth in section 4064, which are necessary to reflect the reduction in fuel mileage resulting from such change.

Any modifications published under this paragraph shall have the force and effect of law and shall apply to all automobiles produced or imported to which the changed emissions standards apply as if such modifications were contained in section 4064 or 4065; as the case may be.

"(d) EXEMPTIONS.—Under regulations prescribed by the Secretary or his delegate, for purposes of sections 4064, 4065, and this section the term 'automobile' does not include—

"(1) an ambulance, hearse, or combination ambulance-hearse,

"(2) any bus which is to be used predominantly by the purchaser in mass transportation services in urban areas, or

"(3) any bus sold to any person for use exclusively in transporting students and employees of schools operated by State or local governments or by nonprofit educational organizations (within the meaning of section 4221(d)(5)).

For purposes of paragraph (3), incidental use of a bus in providing transportation for State or local government or a nonprofit organization described in section 501(c) which is exempt from tax under section 501(a) shall be disregarded.

"(e) APPLICATION OF CERTAIN SECTIONS.—Sections 4221 and 4293 shall not apply to the taxes imposed by sections 4064 and 4065.

(b) TECHNICAL AND CLERICAL AMENDMENTS.—

(1) The table of sections for part I of subchapter A of chapter 32 is amended by adding at the end thereof the following:

"Sec. 4064. Tax on each automobile with low fuel efficiency
"Sec. 4065. Tax where fleet does not meet standard
"Sec. 4066. Provisions common to section 4064 and 4065"

(2) Section 6161(b)(1) (relating to extensions of time for paying tax) is amended by inserting after "or 43," the following: "or by section 4064 or 4065,". The second sentence of such section 6161(b) is amended by inserting after "chapter 43," the following: "or by section 4064 or 4065 of chapter 32,"

(3) Section 6201(d) (cross reference) is amended by striking out "and chapter 43 taxes" and inserting in lieu thereof the following: "chapter 43, and sections 4064 and 4065 taxes".

(4) Section 6211 (defining deficiency) is amended—

(A) by striking out so much of subsection (a) as precedes paragraph (1) and inserting in lieu thereof the following:

"(a) IN GENERAL.—For purposes of this title in the case of income, estate, and gift taxes imposed by subtitles A and B and excise taxes imposed by sections 4064 and 4065 or by chapters 42 and 43, the term 'deficiency' means the amount by which the tax imposed by subtitle A or B, by section 4064 or 4065, or by chapter 42 or 43, exceeds the excess of—"; and

(B) by inserting after "or B" in subsection (b)(2) the following: ", section 4064 or 4065,".

(5) Section 6212 (relating to notice of deficiency) is amended—

(A) by inserting after "or B" in subsection (a) the following: ", section 4046 or 4065,";

(B) by inserting after "chapter 12" each place it appears in subsection (b)(1) the following: ", sections 4064 and 4065,";

(C) by striking out "TAXES IMPOSED BY CHAPTER 42" in the heading of subsection (b)(1) and inserting in lieu thereof "CERTAIN EXCISE TAXES";

(D) by striking out "or of chapter 42 tax" in subsection (c)(1) and inserting in lieu thereof "of chapter 42 tax"; and

(E) by inserting after "to which such petition relates" the following: ", or of section 4064 or 4065 tax with respect to the calendar year to which such petition relates".

(6) Section 6213 (relating to restrictions applicable to deficiencies and petition to Tax Court) is amended by inserting after 'or B" in subsection (a) the following ", section 4064 or 4065.".

(7) Section 6214(d) (relating to final decisions of Tax Court) is amended by inserting after "this chapter," the following: "sections 4064 and 4065,".

(8) Section 6344(a)(1) (relating to cross references) is amended by inserting before "chapter 42" the following:: 'section 4064 or 4065 or".

(9) Section 6512 (relating to limitations in case of petition to Tax Court) is amended—

(A) by striking out "or 43" each place it appears therein and inserting in lieu thereof ", 43", and

(B) by inserting after "to which such petition relates" the following: ", or of section 4064 or 4065 tax with respect to the calendar year to which such petition relates".

(10) Section 6601(d) (relating to interest on underpayment, nonpayment, or extensions of time for payment of tax) is amended by striking out in the heading thereof "CHAPTER 42 or 43" and inserting in lieu thereof "CERTAIN EXCISE".

(11) Section 7422(e) (relating to civil actions for refund) is amended by inserting before "chapter 42" the following: "section 4064 or 4065 or".

SEC. 314. RECOMMENDATIONS FOR MODEL YEARS AFTER 1980.

(a) REPORT.—Before March 15, 1978, the Administrator of the Federal Energy Administration shall submit to the Congress a report—

(1) as to whether the taxes imposed by sections 4064 and 4065 of the Internal Revenue Code of 1954 shall be continued beyond the model year 1980, and

(2) if such taxes are continued—

(A) any modifications the Administrator believes should be made in such taxes, and

(B) what the fuel mileage standard, and the tax rate brackets and amounts, should be for model years after 1980.

Mr. FISHER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the distinguished chairman.

Mr. ULLMAN. Mr. Chairman, I have asked the gentleman to yield to see if we can come to some understanding on time on this particular section.

Mr. Chairman, we have a lot of amendments before us. It is my hope that we can finish today and I am sure we can and still allow for full debate: but if we are going to do so, I think we have to be innovative in trying to face up to the complexities of this amendment procedure.

Now, Mr. Chairman, there are two major amendments, the gentleman from Virginia (Mr. FISHER) and the gentleman from Indiana (Mr. SHARP) both have amendments to this particular section on auto efficiency.

Mr. Chairman, I would ask unanimous consent that we limit the time on each of the amendments to 45 minutes each and that the chairman assess the Members who want to speak at the beginning of the consideration of these amendments. That it seems to me would be eminently fair. I think we all understand what the amendments involve.

The CHAIRMAN. The Chair would like to suggest to the gentleman from Virginia (Mr. FISHER) and to the gentleman from Oregon (Mr. ULLMAN) that the request for a limitation of debate be first on the amendment of the gentleman from Virginia (Mr. FISHER) and then when the second amendment is offered, the same request be made for a limitation. Would that meet with the approval of the gentleman?

Mr. ULLMAN. Mr. Chairman, I had hoped we could get an agreement on both, but if the Chair recommends we do it that way, I certainly would accede, with the understanding that when we begin the second amendment that I would make the same request.

The CHAIRMAN. Will the gentleman from Oregon please repeat his request?

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that on this amendment of the gentleman from Virginia (Mr. FISHER) that we limit the time to 45 minutes from now, which will be 11:15 o'clock a.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. DINGELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. FISHER. Mr. Chairman, I rise to present this amendment and to defend it.

After the actions of yesterday, there is not too much left in this bill to encourage conservation of oil and gasoline. It is necessary for this Congress to pass this legislation with this amendment which would strengthen the auto efficiency tax.

It is necessary to do this if we are to make good on the import quotas already agreed to. It is necessary if we are to achieve meaningful conservation. It is necessary to lean, gently but firmly, on the auto industry to get them to produce more efficient cars. It is necessary to pass this amendment to induce auto purchasers to insist on more efficient cars. It is necessary to provide the country with a coherent energy policy for the long run, and it is necessary to pass this if we are to put this Congress in a position of meeting its responsibilities.

Without this strengthening amendment, we will not have much of an energy program.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRENZEL. Mr. Chairman, the gentleman from Virginia has two amendments on this subject in the RECORD. I wonder if we could be referred to the page of the RECORD at which this amendment is printed.

Mr. FISHER. I was just coming now to a brief explanation of my amendment. The version that I have introduced is in the RECORD of June 4, 1975, beginning at page 16927. We will call it the 1978 version, because the auto efficiency tax and the standards would not begin until model year 1978, which would give 2 long years plus before the cars that might be taxed under this amendment would be on the market.

Let me proceed to a brief explanation of my amendment. It is necessary because the committee bill contains what I regard as an ineffective gas guzzler tax in its title III. The committee's version would be imposed only in the unlikely event that the weighted average of a manufacturer's total production fails to meet a stated miles per gallon standard. The tax would not become effective under the committee bill until model year 1978, the same as mine, and the same would be true of the Sharp amendment.

This amendment I am arguing for is a real gas guzzler tax. It would provide two tax incentives for producing and purchasing more efficient cars. The first tax incentive is a per car excise tax on cars getting low gas mileage, intended primarily to encourage consumers to purchase more gasoline efficient autos.

The second tax is a manufacturers' excise tax imposed on any manufacturer or importer whose total domestic production fails to meet the stated minimum average miles per gallon standard. This second tax is intended, not to raise revenue, but to provide an incentive for manufacturers to increase the overall efficiency of their cars, and especially to produce more small cars in this country instead of abroad to stop the escape of production from this country and to bring it back home.

Both taxes would apply through 1980, although before that time there would be a total review of the situation with an eye to determining whether we want to continue or to increase or decrease the taxes thereafter. The effect of this amendment is to make the automobile fuel efficiency tax really mean something as compared with the weak provision in title III of the committee bill and with another weak alternative to be offered by several members of the Commerce Committee, the so-called Sharp amendment. Neither the committee bill nor the Sharp amendment will achieve the desired goals regarding auto efficiency.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

(By unanimous consent Mr. FISHER was allowed to proceed for 3 additional minutes.)

Mr. FISHER. These alternatives provide very weak, almost nonexistent, stimulus for future purchases of more efficient cars. Furthermore, only under my amendment, which is joined in by some 10 members of the Committee on Ways and Means, will the tax be placed on the individual gas-guzzling car; so that those who buy the gas-guzzlers and those who manufacture them will pay the tax and not other people or companies.

The auto industry and the union are working hard against my amendment and for the Sharp amendment. This tells the Members which amendment really would bring more efficient cars and save gas. I note, also, that my colleague on the committee, the gentleman from Minnesota (Mr. FRENZEL), has introduced an amendment very much like mine.

My amendment would not ruin the auto industry. It would simply put it on notice 2 or 3 years ahead that the industry should shift decisively toward more efficient cars. The industry will have to do this anyway before long, and it might as well get started. We know from the way they have dealt with safety standards and emission standards that they need the gentle but firm push of national policy to get them started.

Mr. Chairman, I believe just as many

cars will be provided in the late 1970's and beyond with my amendment as without it. The companies and the workers will not really be hurt. They will just have to produce more efficient cars which I predict the public will be willing to buy in large numbers.

We will be far gone from this recession by then and, indeed, this measure, by beginning in 1978, may even be a bit of an incentive for people who really want big gas-guzzling cars to buy them now instead of waiting when they will have to pay the tax.

Mr. Chairman, as for shifting U.S. auto production abroad, to prevent that happening is the reason for the manufacturers' excise tax based on fleet-wide standards on U.S. production. In fact, this will operate not only to stop further escape of production, but it will draw the small-car production back home again.

Mr. Chairman, I appeal to all of my colleagues on both sides of the aisle to get behind this amendment, to put significant conservation back into the bill, to provide modest funds for the energy trust fund so that new and alternative energy sources can be developed, to give the Senate, the President and the country a national energy policy worthy of the name.

I will not ask my colleagues to bite another bullet. We have had enough of that, and I always retch at the thought of doing so. Besides, the Members know bullets do not taste very good and they hurt your teeth.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

(By unanimous consent, Mr. FISHER was allowed to proceed for 1 additional minute.)

Mr. FISHER. Mr. Chairman, rather than asking the Members to bite a bullet, I simply ask them to vote for this critical amendment, strengthen the auto efficiency tax and give the Americans the energy policy and the energy bill that they need.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I will be glad to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Chairman and Members of the House, I rise in most earnest support of this amendment. I think it is the first time we are really going to convince the people of this country that we are concerned about conservation of energy. Heretofore, in the House and in the Congress generally, it seems to me, the answer has been on the one hand to give incentives for more production, and more production of something we know is finite in itself, namely, fossil fuel; on the other hand, we take notice by efforts to tax, tax, tax the people who must use cars to get to work.

Here we have an amendment that I think strikes at the most sensible method. Those who buy small cars—and I hope they will be American cars—who do not want to guzzle gas on the highway will not be taxed; those who prefer something more luxurious will still have the chance to do so and, as the gentleman says, they will do so free of tax for some period of time.

Mr. Chairman, I strongly support the amendment.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. FISHER) has expired.

(On request of Mr. O'HARA and by unanimous consent, Mr. FISHER was allowed to proceed for 3 additional minutes.)

Mr. O'HARA. Mr. Chairman, will the gentleman yield for a question?

Mr. FISHER. Yes; I yield to the gentleman from Michigan.

Mr. O'HARA. Mr. Chairman, I would like to ask this of the gentleman from Virginia:

The gentleman imposes $200 per mile per gallon by which any vehicle or class of vehicles misses the target. So in terms of a station wagon or a van that makes 10 miles per gallon, there would be a tax of $1,600; is that right?

Mr. FISHER. Mr. Chairman, there would be that kind of tax if the van the gentleman is speaking of is subject to the amendment. If it is more than roughly a quarter-ton pickup-type of thing, it would not be subject to the amendment.

Mr. O'HARA. Mr. Chairman, I think most of the station wagons and vans are not. So in effect if one has a Chevrolet Corvette, which is a 2-passenger car, and a Chevrolet van carrying 9 or 12 passengers which uses the same engine and makes the same mileage, they would both be subject to the same tax; is that right?

Mr. FISHER. Based on the mileage efficiency, that is right.

Mr. O'HARA. Mr. Chairman, if the gentleman will yield further, the amendment does not take into acccunt passenger efficiency. In other words, the large family that needs a multipassenger car is going to be stuck with a very large tax.

Does the gentleman think that family should give up their children for adoption or something of that nature?

Mr. FISHER. Mr. Chairman, I think, in response to that question, with several years' notice, the automobile industry can get with it and produce a commodious car that would carry a family and still fall within the auto efficiency standards.

Mr. KARTH. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Minnesota.

Mr. KARTH. Mr. Chairman, in answer to the question asked by the gentleman from Michigan (Mr. O'HARA), the gentleman's answer was yes. But would this not also apply to a foreign-made automobile meeting the same requirements or, should I say, not meeting the same standards as American cars? The tax would be levied on foreign automobiles that were inefficient, just as on U.S. automobiles that are inefficient?

Mr. FISHER. Mr. Chairman, that is true of the per car tax. The manufacturer's excise tax in U.S. production is charged separately, so there would be every reason for the U.S. manufacturer to draw back the small car production from overseas and proceed it in this country so he could balance that off against a few of these larger cars.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, the gentleman is not necessarily mandating the construction of small cars; he is talking in terms of what counts—fuel efficiency.

In 1950 I had a good-sized car that got 26 miles to the gallon, and I am sure each of us have had that experience.

What the gentleman is saying is that Detroit can, if we give them an incentive, build a comfortable car that will get good mileage, and the gentleman wants to give them that incentive.

Mr. FISHER. The gentleman from Texas is exactly right.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

In the committee bill there is a provision, referring to the Waggonner amendment, which allows the mileage rates to be reduced if we require some unusual emission standards.

Does the gentleman's amendment contain any factor that would scale down the rating if in fact we in the Congress imposed some unusual requirements on the auto industry?

Mr. FISHER. Mr. Chairman, the provision for review in here is several years from now. There would be a complete review of all the standards, looking to whether beyond 1980 we should continue with these or change them. And there is a provision in my amendment for the review of standards because of additional emission requirements.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. FISHER) has again expired.

(On request of Mr. OTTINGER and by unanmious consent, Mr. FISHER was allowed to proceed for 2 additional minutes.)

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I thank the gentleman for yielding.

I think the objective of the gentleman's amendment is absolutely right. We must get serious about conservation of fuel for automobiles. The automobile uses about one-third of the petroluem we consume.

Therefore, it is a very critical area in which we should conserve, and it becomes particularly important that we have really meaningful conservation standards on the automobile, particularly since we have set import quotas. If we do not provide for conservation, we are going to be in serious trouble.

However, I prefer the Sharp amendment. When that is offered I will offer the same kind of amendment to the

Sharp amendment that the gentleman has offered here to provide standards for individual automobiles. I will also offer an amendment to give a incentive for people to buy U.S. manufactured, efficient automobiles that are 5 miles or more above the standard which is presently provided in the bill. However, I do suggest that if either the Fisher concept—or, preferably the Sharp concept with the Fisher provisions added—is adopted by the committee, I think that will show that we really are serious about conserving fuel and getting ourselves out of the energy crisis.

Mr. FISHER. Mr. Chairman, I thank the gentleman from New York (Mr. OTTINGER) for saying that he will vote for my amendment.

I think the stiffening of the tax is going to rise or fall on my amendment, and I ask the Members to keep that in mind.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Yes, I yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I want to commend both of my colleagues, the gentlemen from Virginia and Indiana, for their good work in this area.

I think it is very important that the committee focus on some of the differences between the Sharp and the Fisher amendments before we get to the point of any kind of vote.

I would like to ask the gentleman from Virginia if he might explain the differences between the civil penalty which is in the Sharp amendment and the tax provision in his amendment.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. FISHER) has expired.

(On request of Mr. WIRTH and by unanimous consent, Mr. FISHER was allowed to proceed for 2 additional minutes.)

Mr. FISHER. Mr. Chairman, my amendment goes the tax route. The Sharp amendment goes the civil penalty route. The differences mainly are these: However one factors it out, the penalties in mine are stiffer. They would lean a little harder on the automobile industry to produce efficient cars. That is why the Sharp amendment is the amendment supported so vigorously by the automobile industry.

Mr. WIRTH. Will the gentleman yield further?

Mr. FISHER. Just let me answer the question.

My amendment has the further advantage of putting the tax on first. If anybody does not like it or thinks that he is being dealt with unfairly, he can try to get his money back. But he must pay before he can litigate. The other way, suits can be brought, and they would delay the payment of the penalty for a long time.

We have had that situation in connection with environmental standards and the penalties they involve. Mine, I think, is the better approach. It is clear. It operates right away. It tells the American people, in the best possible sense, that either they get a gas-efficient car and drive it without paying the tax, or if they really have to have or want to have an inefficient car, they will have to pay some tax.

This will drive the point home 2 years ahead of the actual coming into play of the tax. I think it is preferable.

Mr. WIRTH. If the gentleman will yield further, is it not true that the taxes are deductible by the automobile company?

Mr. FISHER. Taxes are deductible, but even with that, mine is the stiffer, more effective tax.

Mr. WIRTH. Would that, in effect, present an inequity between a larger and more profitable automobile company versus the smaller, more marginal ones, who would absorb that in terms of a tax reduction, whereas, say, Chrysler and American Motors would have greater difficulties in absorbing that?

Mr. FISHER. The sticker tax, which is the main revenue producer and gas-saver, is not deductible to the consumer, of course.

Mr. WIRTH. The stiffer tax is not deductible.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Yes, I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding.

As I understand it, the tax under the gentleman's amendment would apply to the original purchase of a new car; is that correct?

Mr. FISHER. Yes, it does not apply to cars that are produced before model 1978.

Mr. YOUNG of Florida. In the case of a dealer's car that was held as a demonstrator, or as an executive car, and the purchaser buys that from the dealer, but it has been used, will that qualify for the tax?

Mr. FISHER. New cars only.

Mr. YOUNG of Florida. New cars only?

Mr. FISHER. That is correct.

Mr. YOUNG of Florida. I thank the gentleman.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I want to say that the amendment offered by the gentleman from Virginia (Mr. FISHER) by starting the amendment in 1978, has eased my concern about the amendment, and I intend to support it. However, I want to see if I am clear about one very important difference between this amendment and the Sharp amendment.

In the Sharp amendment, as I understand, there is no incentive given to the customer to buy a more efficient car; is that right? In other words, whatever penalty is assessed on the industry as a whole may be distributed on all cars, on all of the cars produced, so that there is no financial incentive to the customer to buy it?

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. FRASER, and by unanimous consent, Mr. FISHER was allowed to proceed for 1 additional minute.)

Mr. FISHER. Mr. Chairman, as I understand the Sharp amendment is applied across the fleet-wide, company-wide standards, and is not fastened directly to the inefficient car as compared to the efficient; it is spread across. Indeed, if the efficient cars are selling better, as I hope to be the case, they might elect to put most of the burden on them.

Mr. FRASER. So that the facts are that since we have not raised the price of gasoline at the pump, as the House rejected to do yesterday, and if we adopt the Sharp amendment, there is no incentive to go to the more efficient cars on the part of the consumers but, under the amendment the gentleman in the well is proposing there would be such an incentive, is that correct?

Mr. FISHER. That is substantially correct.

Mr. FRASER. That is why I am supporting the gentleman's amendment.

Mr. KARTH. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Minnesota.

Mr. KARTH. Mr. Chairman, in addition to that, may I ask the gentleman from Virginia if it is true in the event there is a penalty placed on a manufacturer on a fleet-wide basis, whatever that penalty is, let us say it is $800 million for the year, they could assess that cost all the way across the board, and in most cases may well assess it against the fuel-efficient cars as opposed to the fuel-inefficient cars, is that correct?

Mr. FISHER. That is correct.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will probably not take the full 5 minutes, but I just want to say that all the automobile industry in this country needs is one more regulation. That is all. Look at what we have done over the past years in the imposition of emission standards and safety standards, much of them fine, but going further than necessary, adding weight to many of the automobiles and making them less efficient, and to add this kind of standard; do you know where the energy saving will occur? It will come from the unemployed automobile workers not having to expend any energy to get to work.

Mr. OTTINGER. Mr. Chairman, if the gentleman will yield, what about the highway trust fund. Do we end that government intervention into the auto business?

Mr. CEDERBERG. End what?

Mr. OTTINGER. The highway trust fund.

Mr. CEDERBERG. I do not understand what that has to do with this subject.

Mr. OTTINGER. Well, we systematically intervened in the business of the auto industry by subsidizing the roadbeds over the years.

Mr. CEDERBERG. We subsidized the roadbeds for the automobile industry?

Mr. OTTINGER. Absolutely.

Mr. CEDERBERG. We did that for the wagon industry before we had automobiles. I do not follow that. That is a different subject matter altogether and a matter of public policy.

All I am saying is this—and I might

add that the automobile industry is not just centered in my State of Michigan, it has an impact in every State of the Union whether on steel, rubber, textiles, glass, everything else. And the Members know what has happened to the automobile industry over the past years.

Let me assure the Members that the automobile industry is aware of the necessity of becoming more efficient and competition will take care of the majority of the problems that are envisioned here.

But if we want more employment throughout not only my State but throughout the entire Union, we will get it if we adopt this kind of an amendment.

Mr. RANGEL. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from New York.

Mr. RANGEL. I thank the gentleman for yielding.

Could the gentleman explain to this body why he believes that this will cause such a hardship, when the industry is now producing automobile motors overseas that can meet this standard? Why does he believe that it would cause such a hardship for them to do in this country with American workers what they found themselves so able to do in foreign countries with foreign workers?

Mr. CEDERBERG. The gentleman will find that they are going to be doing that, but they are not going to be able to put a date deadline on it as we have done in the past. This had a very sad effect on the industry. The head of the United Auto Workers—and I suppose he understands the problems of autoworkers about as well as anyone I know of in the country—is unalterably opposed to this kind of legislation because of the impact that it is going to have on people working in these plants, labor people who need jobs now, and there are too many of them out of work. It is just going to increase it.

Mr. RANGEL. Will the gentleman yield further?

Mr. CEDERBERG. I yield.

Mr. RANGEL. I thank the gentleman for yielding.

Maybe I did not phrase my question correctly. My real question is if they have been doing it for years in Germany, why is it going to take so long for them to do it in their own country?

Mr. CEDERBERG. We have got an entirely different kind of industry in this country and 220 million people have different tastes in automobile purchases, as they have in any other commodity. I do not think they ought to be denied that.

Mr. RANGEL. That is our point. We do not believe the country can afford those luxurious automobiles.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Michigan.

Mr. DINGELL. I thank the gentleman for yielding.

The hard fact of the matter is that the automobile industry is laid out on a 3-year production schedule, and there is not enough time to meet the standards set by the Fisher amendment in the time the gentleman from Virginia (Mr. FISHER) would have the standards met. That is the problem.

Mr. CEDERBERG. Not only that, but here we are putting this efficiency standard on, and we have not done anything on the recommendations of the President and the auto industry—and, of course, the industry and the union are working on it—about the emission standards.

Mr. DINGELL. If the gentleman will yield further, the practical effect of the Fisher amendment is to significantly increase the level of imported automobiles. If we want to increase the number of imports, vote for the Fisher amendment.

Mr. CEDERBERG. We will find almost every State in the union is involved here, not only the State of Michigan, but we will have great unemployment in an industry that is already in too much trouble today.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Virginia.

Mr. FISHER. I thank the gentleman for yielding.

I should like to respond to the earlier question about the automobile industry being unable to meet a 1978 standard. I respond to it in this way. The very amendment that they favor also begins in the same year 1978.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

I would like to compliment the gentleman. I am in complete agreement with the gentleman in the well. The essential point is freedom of choice, and let individuals decide for themselves. Look at what Chrysler has already done, which came over the wire service. They have stopped making the Imperial without this tax. We do not need to burden the industry further with this type of amendment.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Colorado.

Mr. WIRTH. I thank the gentleman for yielding.

I would like to focus on the statements made by the gentleman relating to unemployment. I have been unable to understand why, if there were significant retooling going on in Detroit in the automobile industry, and if we were developing a much more efficient automobile, that would not create a demand for a great number of jobs with that retooling and with the demand for a great number of new automobiles, whether it is the Fisher amendment or the Sharp amendment.

Mr. CEDERBERG. Over a period of years it might be, but I do not think we in the Congress ought to legislate those kinds of deadlines. I think the industry ought to compete, and it will compete. That is the only way we can restore jobs in this industry. Not only that, but this amendment will add to the unemployment problems of the people in Michigan and the country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHARP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak against the amendment.

First of all, I would like to clarify the parliamentary situation. Under the rule under which we are operating we will have to vote yes or no on the amendment of the gentleman from Virginia (Mr. FISHER) and then we will move at that point to the amendment I will offer, which is the permanent mandatory standards provision passed recently by the Subcommittee on Energy and Power of the Commerce Committee. It is not in order for me to offer that amendment as a substitute for the amendment of the gentleman from Virginia (Mr. FISHER). Therefore, we will have to proceed first on the amendment of the gentleman from Virginia (Mr. FISHER).

Mr. Chairman, I would like to clarify one thing. I am not sure whether it is good or bad. The allegation is made that it is evil for the industry to be supporting my amendment. In fact, the industry is quite plain on this and two manufacturers in this country have made it abundantly clear that they do not support the Sharp amendment.

The United Auto Workers have indicated they do. The Consumer Federation has indicated they do. The Sierra Club has indicated they do and the National Automobile Dealers Association has indicated they do.

I would like to suggest why that might be the case. One reason is if we are really serious about fuel emissions control in this country, if we are really serious about fuel economy, we must sell new cars which are more efficient fuelwise and meet better emissions standards. There is the possibility that if we overdo it today that we will cause what is known as a stretch-out. Although some of our automobiles do not hold up as well as we would like, the fact is that most of us could defer the purchase of new automobiles for 1, 2, or 3 years; the industry claims as much as 10 years. I doubt that myself; but the fact is if consumer tastes do not change as rapidly as we try to force them to change, we may end up with less efficient automobiles continuing to travel on the highways.

Secondly, I would like to point out that the nature of the amendment I am offering is based on a set of permanent standards, which unlike many other proposals before the House reaches until 1985. If we are serious about achievements in this area, we should make the industry look way down the path in making major and radical transformations in the automobile. Therefore, we have set a goal for the year 1985 with the potential for the House to veto any action that the Department of Transportation might take on that standard.

The second aspect is that we can enforce this proposal by civil penalties which are assessed in the first instance on the manufacturer, the manufacturer who spends millions of dollars in this country trying to shape consumer tastes, who is the one who is going to put together this automobile. We would like to see it begin there. We understand if they are penalized they will try to pass that on to us as consumers.

Third, I think it is a very important element of this comprehensive program that we have a reporting system so that we will know 30 days before we begin the model year of 1978 whether the American auto industry plans to meet the standards. Many accusations have been made that the industry will simply ignore the standards. If they do, we will know that 30 days before the model year begins and Congress can begin increasing the penalty offered in this proposal.

Again, halfway through the model year, we will know whether the manufacturers will meet the specified standard and we will have a continuing monitoring system which gives us as Representatives of the people a chance to improve this program.

The fourth major aspect of this program which will help us as consumers is that this is the only proposal which would label every automobile sold in this country as to just exactly what fuel economy it gets. It will not only do that, but the schedule will also tell us what the range of efficiency is for other cars in the same model class. It will also tell us that the dealer has a booklet available in which we can look up any automobile produced and know exactly what its fuel economy is. So I think this will help us provide a more comprehensive program.

Finally, if we are really responsible about the question of fuel efficiency, and this was an issue just raised by the previous speaker, we have to understand that other governmental policies we have engaged in affect the capacity of this American industry and foreign industry to meet stated standards. This is one of the contributing factors to a decline in fuel efficiency in recent years, primarily because of the emissions control standards that we have set in the Congress. It is very important that we recognize that this is the only proposal that addresses this problem.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I want to commend my colleague, the gentleman in the well, because he is the principal author of what I think is an excellent approach to saving gasoline for the American people and the American motorist.

I would like to ask the gentleman if he feels this is true: It is my understanding that the energy savings contemplated under the Sharp amendment have been estimated at 900,000 barrels per day in 1980 and over 2 million barrels per day in 1985.

Mr. SHARP. As the gentleman from Texas knows, I do believe that is true. Some of the other figures circulated suggested substantially lower savings.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ECKHARDT and by unanimous consent, Mr. SHARP was allowed to proceed for 1 additional minute.)

Mr. ECKHARDT. Mr. Chairman, do I understand correctly that these are the figures that have been established by our subcommittee staff as an estimate on savings at that time?

Mr. SHARP. That is correct. It is also based upon communication with the Department of Transportation.

Mr. ECKHARDT. Do I also understand correctly that only the gentleman's amendment treats the question after 1980?

Mr. SHARP. That is correct.

Mr. ECKHARDT. Mr. Chairman, I want to associate myself with the gentleman's statement and commend him for it. I did some work in the Rules Committee to bring this matter to the floor and for that reason persons have somewhat inappropriately called this amendment the Eckhardt amendment. But, I want everyone to know that this is what I consider to be the major amendment with respect to this issue and I fully support it.

I thank the gentleman.

Mr. SHARP. I thank the gentleman for his assistance. This is actually the proposal that has been passed by the Subcommittee on Energy and Power of the Commerce Committee with the addition of an amendment to assure that domestic manufacturers do not shift their production abroad in order to meet the standards. A similar proposal has been passed by the Senate Commerce Committee.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. OTTINGER and by unanimous consent Mr. SHARP was allowed to proceed for 2 additional minutes.)

Mr. BRODHEAD. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from Michigan.

Mr. BRODHEAD. Mr. Chairman, I want to ask the gentleman to comment on the point raised by the gentleman from Colorado—regarding the comparison between the gentleman's amendment, the Sharp amendment, and the Fisher amendment, namely, that it would appear that the Fisher amendment would be most inequitable toward the smaller manufacturers and less profitable manufacturers because of the fact that the penalty is assessed as a tax rather than a civil penalty. For example, in this current year where General Motors Corp. is the only corporation in the automobile industry that is showing a profit, and the other ones are showing a loss, then General Motors would be able to write off half its penalty, whereas other manufacturers would have to pay the full penalty. That is really an inequity under the Fisher amendment.

As I understand the Sharp amendment, it does not have that feature. The civil penalty would be paid equally by all the manufacturers.

Mr. SHARP. The gentleman is correct to this extent: If a company is not paying taxes, such as Chrysler, then it cannot make use of the deduction and is therefore going to have a stiffer penalty to pay, whereas the company that is making money and paying taxes, if it pays a tax penalty, would be able to deduct half of it.

Mr. BRODHEAD. Is it fair to say that under the Fisher amendment, with equal effort, the rich get richer and the poor get poorer, whereas under the gentleman's amendment, everybody is treated equally?

Mr. SHARP. That might apply.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

(On request of Mr. OTTINGER and by unanimous consent Mr. SHARP was allowed to proceed for 1 additional minute.)

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from New York.

Mr. OTTINGER. With respect to the ability of the automobile companies to meet these estimates, the four major automobile companies came before our subcommittee and testified that they would have no difficulty at all in making gas-efficient automobiles. They said that they could make cars that get 35 miles to the gallon and in fact, do. They said that the problem was with the market.

We asked them, "Why do we not then alter the market by providing an incentive for producing efficient automobiles?" We had no response to that except that they did not want government interference.

It seems to me that we would actively help the automobile industry through the adoption of this kind of approach, particularly if we provide an incentive to purchase efficient cars, because at the present time the automobile manufacturers are rapidly losing their markets to foreign manufacturers that are, in fact, producing efficient cars.

Mr. SHARP. I think the gentleman is correct. That is what we want to try to do. It is a problem all of us have struggled with; the gentleman from Virginia (Mr. FISHER), and in our subcommittee, as to how far we can go without damaging the American industry, because we have several goals we are trying to achieve. The first goal is energy savings. At the same time, we recognize that we have serious unemployment in the American auto industry and we want to preserve this important segment of the economy.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

(On request of Mr. KRUEGER and by unanimous consent Mr. SHARP was allowed to proceed for 2 additional minutes.)

Mr. OTTINGER. Mr. Chairman, will the gentleman yield for just one more comment on that?

Mr. SHARP. I yield to the gentleman.

Mr. OTTINGER. The automobile manufacturers did say they would have no difficulty manufacturing efficient cars. They said it would be just a matter of months before they could do that if there was a market for them. In fact, they changed their production in just a few months after the Arab boycott in 1973.

Mr. SHARP. I think that is not wholly the case. They indicate they have major investments to make in order to improve fuel economy that will be capital investments. The DOT/EPA report of 1974 says

likewise, that there are major technological changes available, as well as model mix changes. Most of the consideration so far has surounded the question of selling smaller cars versus larger cars. Yet there are major technological changes that will have to be made.

Mr. KRUEGER. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I will yield to the gentleman.

Mr. KRUEGER. I thank the gentleman for yielding. My understanding is that the gentleman's amendment includes an exemption for pickup trucks. Pickup trucks have different axle ratios from cars, and, therefore, are likely to produce different fuel efficiency. Your amendment, I understand, allows adjustment and exemption for pickup trucks from this standard of 20.5 miles per gallon.

And it is also my understanding the Fisher amendment does not take account of the fact that pickup trucks are actually a different kind of vehicle from cars. Is that correct?

Mr. SHARP. As the gentleman knows, because he is the original author of this provision in the amendment, it is not actually an exemption. We treat light-duty trucks differently because we recognize they take a different set of standards. Those will be set after hearings, and so forth, by the Department of Transportation.

PARLIAMENTARY INQUIRY

Mr. ULLMAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ULLMAN. Mr. Chairman, let me inquire of the Chair, What is our situation with respect to the recess for the Flag Day ceremonies?

The CHAIRMAN. The Chair will entertain a motion to rise at this time.

Mr. ULLMAN. Mr. Chairman, may I inquire first, what time can we resume? Does the Chairman know?

The CHAIRMAN. The Chair is advised that the time will be approximately 1:15 or 1:30.

Mr. ULLMAN. Hopefully 1:15.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, had come to no resolution thereon.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that the House will recess until noon, when the House will reconvene. Following a quorum call, the House will recess for Flag Day.

RECESS

The SPEAKER. Without objection, the House will stand in recess until 12 o'clock noon.

There was no objection.

Accordingly (at 11 o'clock and 18 minutes a.m.) the House stood in recess until 12 o'clock noon.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock noon.

CALL OF THE HOUSE

Mr. ZABLOCKI. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ANNUNZIO. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 288]

Addabbo	Hall	Passman
Alexander	Hansen	Pattison, N.Y.
Anderson, Ill.	Harrington	Preyer
Armstrong	Harsha	Price
Ashley	Hastings	Quillen
AuCoin	Hays, Ohio	Rangel
Badillo	Hébert	Rees
Bevill	Heinz	Rodino
Bingham	Hinshaw	Rosenthal
Brademas	Holland	Rousselot
Breaux	Hungate	Ruppe
Breckinridge	Jarman	St Germain
Burke, Calif.	Jenrette	Santini
Cederberg	Jones, Ala.	Satterfield
Chisholm	Jones, N.C.	Scheuer
Clausen, Don H.	Jones, Okla.	Simon
Clawson, Del	Jones, Tenn.	Sisk
Conyers	Karth	Smith, Nebr.
Corman	Kastenmeier	Staggers
Danielson	Kemp	Steed
Delaney	Keys	Steiger, Ariz.
Derrick	Krueger	Stephens
Diggs	LaFalce	Stuckey
Dingell	Lehman	Symms
Drinan	Long, La.	Taylor, Mo.
Duncan, Tenn.	McCloskey	Teague
Eckhardt	McCollister	Thompson
Edwards, Ala.	McEwen	Tsongas
Edwards, Calif.	Mathis	Udall
Erlenborn	Melcher	Van Deerlin
Esch	Mikva	Vanik
Eshleman	Mitchell, Md.	Wampler
Flynt	Moffett	Weaver
Ford, Mich.	Mollohan	Wiggins
Fraser	Moorhead, Pa.	Wilson, C. H.
Giaimo	Mosher	Wilson, Tex.
Gibbons	Murphy, N.Y.	Wolff
Gonzalez	Nolan	Young, Ga.
Goodling	Nowak	Young, Tex.
	O'Hara	

The SPEAKER. On this rollcall 315 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RECESS

The SPEAKER. Pursuant to the order of the House of May 8, 1975, the Chair declares the House in recess for the purposes of observing and commemorating Flag Day.

Accordingly (at 12 o'clock and 17 minutes p.m.), the House stood in recess subject to the call of the Chair.

FLAG DAY

During the recess the following proceedings took place in honor of the United States Flag, the Speaker of the House of Representatives presiding.

FLAG DAY PROGRAM, U.S. HOUSE OF REPRESENTATIVES, JUNE 12, 1975

The United States Air Force Band and the United States Air Force Singing Sergeants entered the door to the left of the Speaker and took the positions assigned to them.

The honored guests, Mr. Howard K. Smith, the Joint Chiefs of Staff, and the Commandant of the Coast Guard entered the door to the right of the Speaker and took the positions assigned to them. Mr. Howard K. Smith was seated at the desk in front of the Speaker's rostrum.

The United States Air Force Band and the United States Air Force Singing Sergeants (conducted by Colonel Arnald D. Gabriel, Commander and Conductor, the United States Air Force Band) presented *America, the Beautiful.*

The Doorkeeper (Honorable James T. Molloy) announced the Flag of the United States.

[Applause, the Members rising.]

The United States Air Force Band and the United States Air Force Singing Sergeants (soloist, Vernia Lewis) presented *Battle Hymn of the Republic.*

The Flag was carried into the Chamber by the Color Bearer, and a Guard from each of the branches of the Armed Forces: Cpl. Edward A. Chavez, United States Marine Corps, in charge; Sn. Eric E. Goerte, United States Coast Guard; A1C Mike D. Bradshaw, United States Air Force; AN Milton R. Dean, United States Navy; Cpl. Carl F. Henschen, Jr., United States Marine Corps; Sp/4 Robert E. Collins, United States Army; Sp/4 Steven P. Nelson, United States Army; Sgt. Lewis Alvarado III, United States Army.

The Color Guard saluted the Speaker, faced about, and saluted the House.

The Flag was posted and the Members were seated.

The SPEAKER. The meeting will be in order.

The Chair recognizes the distinguished Chairman of the Flag Day Ceremony Committee, the gentleman from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Speaker, the invocation this morning will be given by the Honorable EDWARD MADIGAN, Member of the Flag Day Committee, from Illinois.

I will ask that all remain standing after the invocation for the Pledge of Allegiance to be presented by the Honorable GARY MYERS, member of the Flag Day Committee, from Pennsylvania.

Mr. MADIGAN. May we bow our heads.

God of our fathers, whose hand has made and preserved us as a nation, and whose eternal spirit calls us to keep liberty alive in our world, we are grateful for a day like this when we can lift up before our eyes this Flag of our beloved country.

Grant that this banner may fly forever over our land, and may it ever stand for law and order, justice and liberty, peace and good will. May it ever speak of the good news of a government of the people. And may it ever be the symbol of hope to all the world as it waves in glory and majesty over this great land.

Guide with Your spirit those who lead our Nation in these decisive days. Make them wise with Your wisdom, strong in Your strength, and sincere in spirit. May

Your presence so live in their hearts and in the hearts of our countrymen that order, justice, and peace may everywhere prevail.

Holding aloft our Flag as the best hope of freedom in our day, may we go forth determined to keep liberty and law alive in this world.

In Thy holy name we pray. Amen.

The Honorable GARY MYERS led the Members and guests in the Pledge of Allegiance to the Flag.

Mr. NICHOLS. Mr. Speaker, on June 14, 1777, the new Continental Congress convened in Philadelphia in what was to be a routine session. Delegates from the revolting British colonies gathered with little optimism about the future of their legislative body or the success of the revolution itself. News had arrived that General Burgoyne was invading the colonies from Canada. Supplies and money for the Continental, rag-tag Army were short and, in some cases, nonexistent. The work of keeping the struggle for liberty alive increased by the day.

The record shows that, in that June 14 session of the Continental Congress, money was appropriated to pay the several companies of militia making up the Army and that other minor business was conducted. Neatly tucked in the records of the forebearer of this very body, without recorded discussion or debate, came the following resolution:

Resolved, That the Flag of the United States be made of thirteen stars—white in a blue field—representing a new constellation.

The resolution passed and the Congress adjourned until 10 o'clock on Monday—and that is the way it was on this date 198 years ago.

That resolution, with no reference to the drafting committee or just who authorized the resolution, laid the foundation not only for the commemoration of Flag Day 1975, but authorized the style and design for a banner which today is recognized in every country around the world—admired by most—and respected by all.

Charles Sumner once said:

He must be cold indeed who can look upon the folds rippling in the breeze without pride of country.

And he added:

If in a foreign land—the Flag is a companion and country itself with all its endearments.

Years later, Woodrow Wilson stated:

The things that the Flag stands for were created by the experience of a great people.

We who are gathered in this Chamber are a broad representation of those great people—of Washington, Jefferson, Franklin, and Madison. We are the same people who led the way in motored flight and who planted the Flag on the barren lunar soil of the Moon. We are the people who found the prevention for the crippling disease of polio and are the same people who marched through the wind-swept polar regions of the Arctic to find the northern crest of this planet.

The American people, under one Flag, are helping to feed the world's hungry and are conducting research for new and improved agriculture so that those less fortunate are able to feed themselves.

With sorrow and shame, I recall those who have abused Old Glory—defacing and burning a banner respected by more than 200 million people of all races, across a continent and into the far reaches of the Pacific.

You may recall a story of "The Man Without a Country"—that misguided young Army officer who requested at his court martial that he never again hear the name of his country. The court ordered that his wish be fulfilled. For 50 years the officer sailed the seven seas without hearing or seeing his homeland or ever sighting its Flag.

Finally, on his death bed, Lieutenant Nolan revealed to a friend that he dearly loved his country and its Flag—"There cannot be a man who loves the flag as I do," Nolan said, "or a man who prays for it as I do or hopes for it as I do." Eagerly he asked about the added stars and of his country's growth. His concern for the flag demonstrated that this Old Flag—sometimes battered, sometimes dirty, but never forgotten—is the very essence of our people and our country.

The American poet, Henry Bunner, may have expressed this sentiment best in the first verse of his poem, "The Old Flag":

Off with your hats as the flag goes by!
And let the heart have its say;
You're man enough for a tear in your eye
That you will not wipe away.

The American Flag proudly draped above the Speaker's chair in this Chamber is a hybrid of that original Flag authorized by that Continental Congress 198 years ago. Like a hybrid, it represents a much stronger country than the original 13 States, but the basic precepts still flourish. The 50 States and our 200 million people live and breathe with the strength and wisdom of the Flag and the country for which it stands. Under these colors of red, white, and blue, stand a people who are free who enjoy the blessings of life, liberty, and pursuit of happiness.

Our Flag and all that it symbolizes are in our safekeeping—may it be our labor of love.

At this time, Mr. Speaker, the Honorable TED RISENHOOVER, a member of the Flag Day Committee from the great State of Oklahoma, will introduce our very special guest for the occasion.

Mr. RISENHOOVER. Mr. Speaker, through words and actions today, we honor our flag and attempt to bring its relevance into perspective. It is unlikely that we can improve upon the drama and truths which Francis Scott Key captured in the "Star Spangled Banner" during the battle of Fort McHenry. Key used both music and words to communicate the glories of that great institution, the American flag, which we all serve with pride and reverence.

Our guest and honoree today, likewise, is a communicator. While usually deprived of the medium of music in his communications, Howard K. Smith commands the language, measures events, and understands our times with the clarity of Key's anthem.

For Howard K. Smith is a man of restraint, a person who realizes the persuasive power of television, a knowledgeable newsman, a citizen who speaks without fear.

His credentials are rich: famed anchorman of the ABC Evening News; veteran political, diplomatic, and war correspondent; holder of countless journalistic awards and 11 honorary degrees; winner of the Emmy and author of such documentaries as: "Is Congress Out of Date?"

A Rhodes scholar, author of three books, a native of Ferriday, La., right across the river from Natchez, a father, husband, a gentleman, and a great American, Howard K. Smith represents even more in his appearance today.

In previous years, during Flag Day ceremonies, this House has honored actors, statesmen, and other giants of our times. This year, we recognize a journalist—a fellow of my own profession, which is most fitting and makes me very proud.

For, in the 199 years of our national freedom, nothing has survived more battering, suffered more questioning, softened more controversy, than our freedom of speech.

To paraphrase Sir Francis Scott Key, Howard K. Smith gives proof through the nightly news that freedom of speech and press is still there.

My colleagues of the House and Mr. Speaker, it is my privilege and honor to present the distinguished newsman and commentator, Howard K. Smith.

Mr. HOWARD K. SMITH. Mr. Speaker, Honorable Ladies and Gentlemen of the House of Representatives, Representatives of the Joint Chiefs:

Representative RISENHOOVER, I thank you for that eloquent introduction. You were kinder in speaking about my books than my father was. Someone met him in New Orleans not long ago, and he said, "Have you read HOWARD'S last book?"

And he said, "I sure hope so."

The honor of your invitation, ladies and gentleman, I confess to you weighs heavily upon me. I cannot suppress the feeling that by some awkward mistake I have wandered from the press gallery, where I should be, down to here where I should not be, and that the Sergeant at Arms may apprise me of my mistake at any moment.

In view of our alleged adversary relationship between Congress and the press, I feel not unlike the African Missionary who was walking through the bush one day and ran into the biggest lion he had ever seen in his life, the biggest lion anyone had ever seen, twice as big as any other. The lion growled and the Missionary fell down in a dead faint. After a few moments the Missionary came to and saw a most curious sight. The lion was kneeling—I don't know how lions kneel—but he was kneeling and his forepaws were held together, his eyes were closed, and his mouth was mumbling in prayer.

Said the Missionary, "Thank heavens, I didn't know you were a Christian too. I am saved."

The lion opened one eye and looked down at the Missionary and said, "Don't jump to conclusions. I am only saying grace."

Rather in the spirit of the Missionary, I continue to look from left to right and right to left, expecting that some honorable lady or gentleman will rise and introduce a motion to abolish me.

But, in truth, I must tell you that I do not believe in the adversary principle anywhere except in the courtroom. The adversary principle means simply that one's mind is made up before the arguments are made and the merits are laid out. The prosecutor enters the courtroom prepared to attack, no matter what, and the defense counsel enters the courtroom prepared to defend, right or wrong.

But, in the realms of politics and government and reporting, I think it is almost immoral to apply that principle—to approach an issue or an individual resolved to oppose before argument has even been heard.

Indeed, far from our basic relation being one of adversary, we should, from time to time, recall the greater truth that basically our relationship is oneness. The only reason you are here is because all 210 million of us cannot fit in here, so we have reached a demographic device whereby we divide into units of equal population, and each selects one of you to come here and speak for us.

But, you are us, and we are all striving, by whatever different means, toward the same end—the welfare, the strength and the health of this Nation, symbolized by the flag we honor today.

I recall an old political cartoon from back in the years of Munich by David Low, the British cartoonist. It showed Britain and France in the stern of a boat bailing out a very bad leak, and huddled in the bow of the boat was America and the rest of the world saying, "Thank heavens the ship is not sinking at our end."

Well, ladies and gentlemen, we are all in the same boat. It flies the stars and stripes. If one end goes down, we all go down. I wish it were somehow possible to induce each person who enters this great building every day to pause for just a moment and consider the flag and consider it before we come in, if we must divide into parties, divide into factions, and divide into press and government for a critical judgment, and realize that we are one in our purposes.

A great war always performs that purpose of reminding us of our unity. Thank heavens, we do not have a great war now, but for the same purpose I am going to suggest to you a simple line of thought.

We are a democracy. It is our most cherished trait, and I think our greatest contribution to the world. We have come to think of democracy as the norm, but, ladies and gentlemen, it is not. It is very new still. It is very brief. It has existed only a fraction of the Christian era, and the Christian era itself has existed for only a fraction of the history of government, of civilization. Of the 145-odd nations in the world today, you can count on the fingers of one hand the number who have sustained democratic institutions for a period of as long as 50 years. Democracy is still new and fragile and very much on trial, and our democracy—let us face it squarely—has entered upon a critical period.

I shall mention only in passing a crime rate that is appalling and still rising; economic and social problems for which old solutions are simply not working; and a foreign policy, eminently successful in preventing a world war in the quarter century just ended, the first quarter century we have not had a world war, which is now in dissarray and in need of profoundest reassessment.

What worries me is that difficult times intensify frictions, and the friction I fear most is the friction between us, government, and press or the media. We in the press at times have stressed, and always do—in times of stress we seem to do it more—emphasize the negative, what went wrong; rarely, what went right.

In a nation whose history indicates that most things went right, we often tend to demoralize rather than inform. And some of you here tend to impatience at the ever-nagging, nosy media and to consider restrictions upon us, as in a bill now before the other House.

We must fend off these tendencies to a hostile and destructive collision at any cost. We must above all count our unequaled blessings. We possess every material means of solving any problem we face. We have more of our own raw materials than any nation on Earth, and we have a special national genius for finding substitutes for those we do not have.

In the midst of a fuel crisis, we possess more oil than all Arabia has, locked in shale rock in 4 western States. We possess more power in the form of coal than all the Persian Gulf nations have in the form of oil.

All we need is technology to extract and to utilize those tremendous resources that every nation now in trouble envies us for.

A nation that can put men on the moon sounds commonplace now, but what a remarkable thing it was; a nation where, with really only 2 percent of our people working on farms, can produce more food than any nation on Earth, fill our marketplaces, with a huge surplus for a quarter of the rest of the Earth; a nation that can do that certainly can have the technology to meet those other problems we face.

All we need to master our sea of trouble is some good hard, creative thought and argument and then the will to act on the ideas that result from that. And for that, above all, we need the underlying sense that we are not enemies fighting one another to the death; we are workers side by side in the same vineyard and working for the same purpose.

As 200 years ago against a foreign foe, and now against our domestic troubles, only in unity is there strength. In these coming, trying years, we need to embrace more ardently than ever the symbol of our common endeavor, the Flag.

I thank you for your invitation and for your attention.

The Members and guests rose and sang the *Star Spangled Banner*—first verse—accompanied by the U.S. Air Force Band and the U.S. Air Force Singing Sergeants.

The Colors were retired from the Chamber, the U.S. Air Force Band playing *Stars and Stripes Forever*.

The U.S. Air Force Band and the U.S. Air Force Singing Sergeants retired from the Chamber.

The honored guests retired from the Chamber.

At 1 o'clock p.m., the proceedings in the honor of the U.S. Flag were concluded.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to announce that the House will continue in recess until approximately 1:30 o'clock p.m. Bells will be rung 15 minutes prior to reconvening.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. McFALL) at 1 o'clock and 30 minutes p.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD, and that all Members may have permission to extend their remarks on Flag Day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

FLAG DAY

Mr. DERWINSKI. Mr. Speaker, today, as we observe Flag Day, one of the best ways we can honor our flag and pay homage to the great Nation that it represents is to reflect on its true meaning and the heritage it symbolizes: liberty, justice, freedom, and the pursuit of happiness. It is a day that gives Americans the opportunity to pause and consider the ideals of the Declaration of Independence and the U.S. Constitution that have endured along with the flag, for nearly 200 years. Since that time, the number of stars has grown with our Nation, and today the flag stands as one of the most cherished symbols of our Nation and its heritage. It is only proper that we should set aside a day to pay homage to our flag and rededicate ourselves to the principles of liberty it represents.

It is a day to renew the beliefs and tenets of basic human rights and the individual freedoms expounded by our Founding Fathers. It is a day to strengthen our national commitment to democracy and representative government, and to bolster our confidence in our national capacity to perpetuate these principles.

As we approach our Bicentennial, Flag Day is a time for us as a nation, to reaffirm the precepts of our forefathers, and rededicate ourselves in a new spirit of togetherness to the solving of our problems.

Let us look to our Nation's future not as a dark and stormy future as some would see it, but one that will bring a future of happiness, success, prosperity, and freedom for all.

Mr. MYERS of Indiana. Mr. Speaker, 198 years ago this Saturday, June 14, 1975—Flag Day—the Second Continental Congress resolved:

> That the flag of the thirteen United States be thirteen stripes, alternate red and white; that the union be thirteen stars, white in a blue field, representing a new constellation.

One hundred years later Congress declared the flag should be flown over all public buildings on June 14 to mark the birthday of the flag. The custom spread: In 1916 President Woodrow Wilson proclaimed June 14 as Flag Day and in 1949 President Harry S. Truman signed the National Flag Day bill that gave the day official recognition.

To the best of my knowledge no other country in the world has an official Flag Day. And I would also venture to guess that no other country has, in common use, the variety of names for its national emblem as does the American Republic: "Stars and Stripes," "Red, White and Blue," and, of course, the name that more than any other carries in it not only feelings of pride and respect, but affection: "Old Glory."

For this name, we can thank Capt. William Driver, of Salem, Mass. He was one of that hardy and gallant breed of men who, during the golden age of sail in the 19th century, took American ships—and the American flag, fluttering above the topgallants—on long and dangerous voyages that reached every major port in the world.

In 1824 Captain Driver was preparing his ship for a round-the-world voyage. Before he left, a group of Salem women presented him with a 12- by 24-foot American flag. It was run up by the halyards, and, as it unfurled from the masthead, Captain Driver was so impressed by the sight that he exclaimed, proudly, over and over again: "Old Glory. Old Glory."

The name stuck and became part of American speech. Then, in 1898, James Whitcomb Riley—"veritably the Hoosier poet," says the Dictionary of American Biography; "The pervasive characteristics of his poetry are kindliness, sentiment, sympathy, a sense of justice, and a pure blending of humor and pathos"—took up his pen and, in the unmistakable style that is pure Riley, and pure Hoosier, wrote "The Name of Old Glory."

A small community in my district, Mellott, Ind., is known as "Flag Town U.S.A." Everyone in that small Indiana town honors and respects our flag every day of the year, but they have a very special celebration the weekend nearest Flag Day. That Sunday they had a patriotic program. Part of the very fine program was the reciting of this poem by Mae Waggoner of Hillsboro, Ind., who is 78 years old. I share with you James Whitcomb Riley's "The Name of Old Glory":

THE NAME OF OLD GLORY

I

Old Glory! say, who,
By the ships and the crew,
And the long, blended ranks of the gray and the blue,—
Who gave you, Old Glory, the name that you bear
With such pride everywhere
As you cast yourself free to the rapturous air
And leap out full length, as we're wanting you to?—
Who gave you that name, with the ring of the same,
And the honor and fame so becoming to you?—
Your stripes stroked in ripples of white and of red,
With your stars at their glittering best overhead—
By day or by night
Their delightfulest light
Laughing down from their little square heaven of blue!—
Who gave you the name of Old Glory?—say, who—
Who gave you the name of Old Glory?
The old banner lifted, and faltering then
In vague lisps and whispers fell silent again.

II

Old Glory,—speak out!—we are asking about
How you happened to "favor" a name, so to say,
That sounds so familiar and careless and gay
As we cheer it and shout in our wild breezy way—
We—the crowd, every man of us, calling you that—
We—Tom, Dick, and Harry—each swinging his hat,
And hurrahing "Old Glory!"—that you were our kin,
When—Lord!—we all know we're as common as sin!
And yet it just seems like you humor us all
And waft us your thanks, as we hail you and fall
Into line, 'with you over us, waving us on
Where our glorified, sanctified betters have gone.—
And this is the reason we're wanting to know—
And we're wanting it so!—
Where our own fathers went we are willing to go.—
Who gave you the name of Old Glory—Oho!
Who gave you the name of Old Glory?
The old flag unfurled with a billowy thrill
For an instant, then wistfully sighed and was still.

III

Old Glory: the story we're wanting to hear
Is what the plain facts of your christening were,—
For your name—just to hear it,
Repeat it, and cheer it, 's a tang to the spirit
As salt as a tear:—
And seeing you fly, and the boys marching by,
There's a shout in the throat and a blur in the eye
And an aching to live for you always—or die,
If, dying, we still keep you waving on high.
And so, by our love
For you, floating above,
And the scars of all wars and the sorrows thereof,
Who gave you the name of Old Glory, and why
Are we thrilled at the name of Old Glory?
Then the old banner leaped, like a sail in the blast,
And fluttered an audible answer at last.

IV

And it spake with a shake of the voice, and it said:—
By the driven snow-white and the living blood-red
Of my bars, and their heaven of stars overhead—
By the symbol conjoined of them all, skyward cast,
As I float from the steeple, or flap at the mast,
Or droop o'er the sod where the long grasses nod,—
My name is as old as the glory of God.
So I came by the name of Old Glory.

Mr. ANDERSON of California. Mr. Speaker, June 14, is Flag Day. It represents the 198th anniversary of the birth of our National Flag. Although we celebrate this day only once during the calendar year, its symbolic significance touches all Americans every day of their lives. The conditions and ideals which we live and abide by take on a special significance on this day.

For when conditions become so commonplace that they make up a way of life, we tend to take these conditions for granted. Even in our present era, where so many of us find it necessary to reexamine our social and political institutions, too few of us take that long, critical look at the ideals that make up our way of life. I feel that such reexamination is both necessary and healthy. I am afraid that too many Americans, myself included, take too many of these conditions for granted.

Freedom, liberty, and equality are concepts, and as a result seem to defy common definition. But although the definitions of such terms differ, the emotions they elicit are unmistakable and universal. So are the conditions that result from their practical application in a modern democracy. When these conditions are taken for granted, then they become jeopardized.

Old Glory symbolizes just such conditions: the equality of man; the equal application of justice under the law; and the freedom of speech, religion, and political affiliation.

But more importantly, Old Glory symbolizes the feeling one gets when living under such conditions. And since such emotions are so hard to define, Old Glory serves as that common definition.

Reexamining and recognizing these emotions and conditions is necessary for a healthy democracy. Therefore, I strongly urge all Americans to display those emotions, that pride, in the form of our great National Flag, on June 14. It serves as the symbol of freedom and equality in our modern world.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries.

RESCINDING CERTAIN BUDGET AUTHORITY RECOMMENDED IN MESSAGE OF THE PRESIDENT OF APRIL 18, 1975

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6573) to rescind certain budget authority recommended in

the message of the President of April 18, 1975 (H. Doc. 94–109), transmitted pursuant to the Impoundment Control Act of 1974, with Senate amendments thereto, disagree to the Senate amendment numbered (1) and agree to the Senate amendment numbered (2).

The Clerk read the title of the bill.

The Clerk read the amendments, as follows:

Page 2, strike out lines 13 to 19, inclusive.
Page 3, strike out lines 1 to 8, inclusive.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MICHEL. Mr. Speaker, reserving the right to object—I shall not object, but rise only for the purpose of permitting my distinguished Chairman to explain very briefly what is involved here.

Mr. FLOOD. Mr. Speaker, if the gentleman will yield, I shall be glad to explain.

I may say to the distinguished gentleman from Illinois, the ranking minority member of this subcommittee, that as he knows, the Senate returned the bill with amendments deleting from the rescission of funds for the community mental health center construction program, and also another item of funds for planning for the future hospital construction in the District of Columbia.

What happened was this: Subsequent to the action taken by the House, the Committee learned that the $2 million for the planning of medical facilities in the District of Columbia is involved, or became involved, in a pending lawsuit against the Department of Health, Education, and Welfare. We did not know about that at the time we acted.

In light of this information, I agree with the Senate that the $2 million for the District of Columbia medical facilities should remain available pending the resolution of this lawsuit. With regard to the rescission of funds for the community mental health center construction, I believe the House should insist upon its position, which is to approve the proposed rescission.

Mr. Speaker, I hasten to say that I am doing this not because I am not in favor of the community mental health center program at all. On the contrary, the Members know that I strongly support the concept of a national network of community mental health centers, by all means. I want to assure the Members that this rescission will not adversely affect the program in any way—I would have no part of that.

Even after the rescission, there will be available $27,144,000 from prior years for construction of the community mental health centers. This is a carry-over of funds, and it is sufficient to meet the needs for the current fiscal year. It also will meet all the grant requests now on hand. By the way, it will support 125 of these projects. The Members should not be worried about 1976 because they know that we intend to support the construction needs of this program as soon as we have new legislation, extending the authorization for this program.

There is one item in the bill, however, on which the House and Senate are in agreement. It is the rescission of $1.6 million which was appropriated for the evaluation of health service programs. It is, of course, imperative that we act on this bill immediately, since the 45 day period after which all funds must be released will expire today.

Mr. MICHEL. Mr. Speaker, further reserving the right to object, I simply want to endorse what my distinguished chairman has said.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Senate amendment No. 1 was disagreed to and Senate amendment No. 2 was agreed to.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON A JOINT RESOLUTION MAKING CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1976

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes.

Mr. CEDERBERG reserved all points of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MAKING IN ORDER CONSIDERATION OF A JOINT RESOLUTION MAKING CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1976, ON TUESDAY NEXT OR ANY DAY THEREAFTER

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order in the House on Tuesday next or any day thereafter to consider a joint resolution making continuing appropriations for fiscal year 1976, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. HAYS of Ohio. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. ULLMAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 287]

Anderson, Ill.	Drinan	Hastings
Beard, Tenn.	Esch	Hébert
Breckinridge	Flynt	Heckler, Mass.
Brown, Calif.	Ford, Mich.	Hinshaw
Clawson, Del	Frey	Holland
Cleveland	Fulton	Horton
Conyers	Gonzalez	Jenrette
Dent	Hansen	Jones, Ala.
Derwinski	Harsha	Jones, N.C.
Jones, Tenn.	O'Neill	Stanton,
Kemp	Quillen	James V.
Leggett	Rees	Stephens
Lloyd, Calif.	Rousselot	Teague
Long, Md.	St Germain	Thompson
Mathis	Scheuer	Udall
Mollohan	Seiberling	Wampler
Montgomery	Simon	Wilson, C. H.
Moorhead, Pa.	Staggers	Wilson, Tex.

The SPEAKER pro tempore (Mr. McFALL.) On this rollcall 390 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6860, with Mr. NATCHER in the chair.

The clerk read the title of the bill.

The CHAIRMAN. When the Committee rose there was pending the amendment offered by the gentleman from Virginia (Mr. FISHER) to title III of the bill. The Chair would further like to state that at the time of the recess the gentleman from Indiana (Mr. SHARP) had the floor.

Does the gentleman from Indiana desire to ask unanimous consent for additional time?

Mr. SHARP. I do, Mr. Chairman. I ask unanimous consent that I may be permitted to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. WYDLER. Reserving the right to object, Mr. Chairman, I do so because of the procedure that the House is beginning to adopt of having one Member take the floor, and then after his 5 minutes expire, we get not one but multiple requests for more time for the same speaker, and that same person holds the floor for 10 or 15 minutes at a clip. I am just going to say that if that is attempted in this debate in the future, after a reasonable number of such additional time requests are granted, I am going to object, and it will not be done out of any personal reasons but only to see that this debate proceeds in accordance with the rules of the House.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SHARP. Mr. Chairman, I just wanted to indicate two things:

First, under the rule under which we are operating, we will have first a yes or no vote on the Fisher amendment, after which there will be an opportunity for me to present an amendment on behalf of many members of the Energy and Power Subcommittee of the Commerce Committee.

Second, that amendment is available in subcommittee print form, along with a subcommittee print explanation of it. Pages have it, Mr. Chairman, and it is available to the Members.

Mr. PIKE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in somewhat reluctant support of the amendment offered by the gentleman from Virginia (Mr. FISHER). My reluctance is not because I do not think it is a good idea. I think his amendment is a good idea—I think Mr. SHARP's amendment is a good idea—but really it does so very, very little. It is such a tiny little step. We are saying with either of these amendments that we cannot do anything about the automobile efficiency until 1978. That is just utter hogwash—that we cannot do anything until 1978. The automobile industry could stop selling as many gas guzzlers tomorrow except for one thing: They make more money selling gas guzzlers than they make selling smaller cars. They like to sell gas guzzlers.

There was a story in the paper just yesterday about what Ford has done to increase the mileage of eight of its cars. What they have done is they improved the emission control system, and they tuned the engine, and they took out the air conditioners, and they put in old-fashioned stick transmissions, and they took out the automatic transmissions, and they changed the gear ratios and they got 34 miles a gallon on the highway. They did not reduce the size of the cars or the size of the engines. They did not do all of these terrible things.

We could start doing some of these things tomorrow if we wanted to. But the automobile industry is going to be writing the automobile portion of this bill, I fear, just as the oil industry wrote the quota portion of this bill. And I think that is very, very sad.

As between the amendment of the gentleman from Virginia (Mr. FISHER) and the amendment of the gentleman from Indiana (Mr. SHARP) I prefer Mr. FISHER's for one basic reason. The automobile industry gets punished under the Sharp route and it will get passed on to the consumers eventually. But the consumer is not really going to see that as he goes in to buy his car. The purchaser is not going to see, as he goes in to buy his car, that he is paying something extra because this is an inefficient automobile.

The route of the gentleman from Virginia (Mr. FISHER) motivates the purchaser to buy a smaller car. The route of the gentleman from Indiana (Mr. SHARP) may motivate the manufacturer to build a more efficient car, but I do not believe so. The manufacturers already know they are building gas guzzlers, but they like to build gas guzzlers. They do not really care. The purchaser, theoretically, will care if he can see on his price tag that it is going to cost him more to buy the gas guzzler.

Mr. Chairman, we have to motivate Americans to change their ways. I think the amendment of the gentleman from Virginia (Mr. FISHER) does that more effectively than the amendment of the gentleman from Indiana (Mr. SHARP) does.

I think it is a real tragedy, however, that we stand here, all of us, with both of these amendments and say that we cannot do until 1978 that which we could do next month.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentleman from Virginia (Mr. FISHER). It is not to say that I would not support the amendment of the gentleman from Indiana (Mr. SHARP), but I really believe that the amendment of the gentleman from Virginia (Mr. FISHER) is a better alternative.

I would like to start out with an old story that I think most of us have heard about J. P. Morgan and his yacht. One of his millionaire friends said, "I wouldn't mind having one of those. How much does it cost to operate?"

Morgan said, "If you have to worry about how much it costs to operate, you can't afford it."

I think that applies to a Lincoln-Continental or a Cadillac or any other car that will not get 20 miles to the gallon. If I want to have one and it will cost me $600 or $800 more in tax to get it because it only gives 16 miles to the gallon or 17 or 14, or whatever, I know when I walk in that they are going to tell me how much it will cost and if I want that luxury and can afford it, I will buy it; but I do not think we ought to spread that out over the fellow that does not want it and cannot afford it.

What the gentleman from New York (Mr. PIKE) said about the Ford Motor Co., is exactly right. They now have a new model of the Pinto, the Bobcat, and the Mustang, which they call the MPG model, which means miles per gallon. I do not mind telling this House, I had a Bobcat. Well, first I got suckered in on the Granada, because I had been a Ford man all my life and I liked the Granada. I kept it for 5 months. I decided with all the slick paper advertising they were doing I still did not like a little car which got 12 miles to the gallon and I turned it in to the dealer. I did not want it anymore. I said, "You can have it back," and then he ordered me a Bobcat and I liked it and it rode well, but it did not give me much more mileage. I drove it 60 miles and I let him have it back.

If I am going to drive a car and get 14 or 16 miles to the gallon, I will get a Lincoln-Continental. I wanted a little one because they save gas.

Now, they can make them. I want to tell this House what I did. I have a 1974 Cougar sitting over in the garage. That was when they went big, Cougar was made first as a medium size car and they went big in 1974 to compete with the Grand Prix, the Riviera and so on, the biggest engine they make in a V–8 size. I had what they call an old shade tree mechanic working on it. We cannot take them in and have a mechanic work on certain things. So we took it into my barn and what we did was take out the pollution device, strip it down and put in a catalytic converter and start over, so that it is less polluting than it was before and the mileage went up somewhat. I was getting about 12 miles to the gallon. I drove it from Ohio to Washington last Sunday at slightly above the speed limit.

I averaged 17.9 miles to the gallon with the equivalent of a Lincoln engine in it. Do not tell me they cannot do it, because they can do it. I have been begging—I have been begging the Ford Motor Co. for 3 years to put a pickup truck body on a Pinto. One of their highest officials said, "That won't sell."

I said, "My house in the country is not quite as luxurious as yours in Grosse Pointe, but come down. I will let you stay overnight and give you a good country breakfast. You can get up at 5 o'clock and you can sit on my front porch and watch the coal miners and the steelworkers going to work. Do you know what you will see them driving? Datsuns, Toyotas, Chevy Luv, which are built in Japan, and Ford Couriers, which are also built in Japan, because they want something that will get about 25 miles to the gallon; which will have enough power; into which they can throw a couple of bales of hay if they have a horse, or a load of slag for their driveway or whatever. They want it as a second vehicle, a utility vehicle, and they do not want one that is a gas guzzler."

I had a 1974 Ford—I hate to confess this—it was only a six cylinder model, a pickup, and it was being used around my farm. The gasoline bill was 85 bucks a month, month in and month out. They were not putting gas in anything but that truck, I can tell the Members that; I had that arrangement made. I finally got sick of it and I took it up the road to the Cheverolet dealer, and for the first time in my life—and I have owned at least 100 automobiles—I bought a foreign built car, a Chevy Luv.

I drove it over here to take home an antique tallboy which I had bought. I drove it back a couple of weeks ago at about 55 or a little better miles per hour to Ohio; over the mountains. There was no loss of power, and I averaged 23 miles to the gallon. My gasoline bill on the farm when I got that truck went from $85 a month down to $35 a month because I was averaging about 8 miles to the gallon on the Ford and more than 20 on this.

I would love to buy a Pinto pickup if I could. Now, how long will it take them to retool for that? I have a tool and diemaker in my district, in Salem, who will make the tools and dies within the next 30 days, and all they have to do is drop that body on the chassis and they have a pickup.

But, they say it will not sell. It will sell, but they do not want to sell it because on a Pinto they only make a couple hundred bucks, and on the big one they make about $500.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent Mr. HAYS

of Ohio was allowed to proceed for 1 additional minute.)

Mr. HAYS of Ohio. Mr. Chairman, I want to tell the Members what they did. I want to read from the New York Times, which is why I asked for the additional minute.

On these little cars where they changed to catalytic converters, and they are not going to raise the price, they raised them from 23 miles per gallon to 34 miles per gallon on the highway test cycle. Originally, they were rated at 18 miles per gallon in the city test and 26 on the highway test. That was an average, of course, of 23, and it went up to an average of 34.

They can do it. What did they do? All they did, as the gentleman from New York said, they already had a stick shift in them, but they put in a catalytic converter and retuned their four cylinder engine. That is all they did. They can do it.

There is not a car being built today where they cannot do it. Cadillac did it on that new little one they are bringing out. There is not a car being built today that cannot be retuned to do 20 miles to the gallon.

If the car manufacturers want to do it, the amendment offered by the gentleman from Virginia (Mr. FISHER) will never cost anybody anything. If we do not put it in, the Members can bet their last buck that the auto companies are not going to do what they ought to do.

Mr. KARTH. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent Mr. KARTH was allowed to proceed for 5 additional minutes.)

Mr. KARTH. Mr. Chairman, the 23 cent gasoline tax which was stricken from the bill yesterday was, admittedly, controversial. I had a number of Members who came to me and said, "Joe, we think you are right on the issue but we cannot support the gas tax, even including the 3 cents, because we campaigned against it in 1974 and we cannot break our commitment."

We cannot break our commitment. Wherever that is true I can understand it. The result, however, is that there is not much fuel efficiency left in this bill. That is the problem. But that can be changed. It can be changed by adopting the Fisher amendment.

Conversely, instead of somewhat massive public resistance, as there was to the gasoline tax, the Fisher amendment, at least according to a survey that I took and received almost 17,000 responses to, had 67 percent of the people favoring it in my district—and I have a UAW plant in my district—67 percent of the people favoring it. And that, my friends, is enough, even to override a Presidential veto.

Mr. Chairman, as the gentleman from Ohio said so very well, the American consumer really does not want to buy a foreign-made automobile, for a number of reasons. The American consumer does not want to buy one, first of all, because there is a great deal of difficulty with serviceability. Secondly, when he goes into the foreign import place where he bought the car, he is overcharged for any work he has done.

There is an inconvenience in getting repair work done. He has to take it back where he got it. He cannot have it serviced at a filling station. And last, but not least, there is a certain amount of loyalty that Americans feel to keeping profits at home, keeping the American people working, and keeping the American people on the tax rolls, paying taxes instead of absorbing them on the unemployment and welfare rolls.

But the American people do insist, Mr. Chairman, on purchasing a well-engineered, fuel efficient car. And the trouble is they cannot buy one in America. Oh, they can, if the manufacturer will make them. And the gentleman is absolutely right, all they have to do is put them on the market for the American consumer to buy.

But that is why as of last year at least one out of every four automobiles sold in this country was made in a foreign country, by a foreign worker, who paid taxes to a foreign government, his own.

In 1974, Mr. Chairman, almost 1½ million automobiles were sold in America to American consumers that were made abroad. On a production basis of 8 million cars a year, that is 20 percent of all of the jobs. Not one UAW worker would be unemployed in the whole country, even on an 8 million annual production basis, if U.S. companies would make their fuel efficient cars in America.

Mr. Chairman, I cast a vote against this bill in committee because I felt the fuel efficiency standards were too weak. I will mention very quickly the sequence of events. I joined the gentleman from New York (Mr. PIKE) who previously spoke on this matter, in cosponsoring what we called the content requirement amendment, and we offered it to put the UAW workers back to work. And what it said merely was that so long as there was 6 percent unemployment in the automobile industry—not 4 percent or not 5 percent, but 6 percent—only if there was 6 percent or more, would the content requirement provision go into effect. And what did it do? It said that for 1976, for example, 10 percent of the automobiles had to be made in America; in 1977, 20 percent. All the way up to 1980, 50 percent had to be made in America, unless 6 percent or less of the automobile workers were not unemployed and then there would be no content requirement.

Did the UAW, with 18 percent of their members unemployed in this country support that amendment? No, sir. They opposed it. Why did they oppose it? Because we included all foreign countries, not just some and played favoritism with others—we included them all. They opposed it because Canada was in the amendment, because they represent the automobile workers in Canada.

They collect dues from the automobile workers in Canada like they do from the automobile workers in the United States. We have a multinational union in bed with a multinational company.

Now, Mr. Chairman, this is the biggest ripoff to the American taxpayer—and you saw it in the newspaper. The headline was: "UAW Eyes Competition Claim."

The article said:

> The United Auto Workers (UAW) Union is considering filing a sweeping unemployment benefits claim for idled workers under a Federal law that aids employees who have lost their jobs due to foreign competition.

Then the article went on as follows:

> It is believed the union may argue that 6,000 Chrysler workers lost their jobs because of import competition from Canada. A claim that size would involve an estimated $21 million in jobless benefits.

Mr. Chairman, that is due to the fact that under the Trade Act of 1974 we made that provision, that if anybody suffered import injury, they could apply for financial relief.

I am becoming somewhat disillusioned, Mr. Chairman, with those who appear before our committee time after time and parade before us as statesmen. They say to us, "Rise above parochialism. Rise above politics. Be a statesman for the good of the Nation. Be a statesman on national health insurance, on tax reform, or on welfare reform"—whatever it is.

But when they come to the test—not every day, but once in a generation, just once in a generation—they become politicians in the same sense of the word, that they advise us not to be.

The UAW workers in America who are at work, as well as those who are out of work, could care less whether those UAW workers in Canada pay dues to the international union or not.

This Fisher amendment is a good one. The gentleman from Ohio is right. They not only can make them, they are already making them.

Yes, unfortunately, it does scrub the 1977 quota and the standards. I suggested and I recommended to the gentleman that he do that. But it will put Americans back to work; it will encourage through the vehicle of public consumption, the U.S. automobile industry to make fuel efficient cars in America—not in Canada, not in Germany, not in Japan, not in Spain, not in Brazil. Let the U.S. maufacturers make cars in Japan if they want to—I could care less—but let them sell them to the Japanese. Or let them make them in Germany to sell, not for export to America, but to sell to Germans. I do not care about that. But let them make fuel efficient cars in America to sell to Americans—made by Americans.

Again I say that the UAW workers—and I have talked to the local union people in my district, I want to assure the Members—that the rank and file member I have spoken with could care less whether or not the international union collects dues from those workers in the automobile industry in Canada or any place else.

Yes, there is a distinction between this amendment and the Sharp amendment. They have already been delineated. But in the event there is any question about it, let me just say for those Members who are lawyers, that obviously all of the litigation that will evolve as a result of the Sharp amendment—at least it could, and I suggest it would—will take years perhaps, because the litigation can go all the way to the U.S. Supreme Court. We may well be out of gas before that amendment for all practical purposes could become operative.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. KARTH. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I want to congratulate the gentleman for his remarks and associate myself with his position. I think it takes a great deal of courage, coming from a district such as he represents embracing a great many automobile workers, to develop the position he has taken. I think it shows a good deal of statesmanship on the gentleman's part, in my judgment.

I would like to ask the gentleman a question, since he raised this point and since it has been raised by representatives of the union affected.

What incentives are there in this legislation to force the automakers to build these new, more fuel-efficient cars in the United States and thereby preserve the jobs of the American workers?

Mr. KARTH. Mr. Chairman, No. 1, there is the sticker tax. That will cause the American consumer to buy the automobile that not only meets fuel efficiency standards but an automobile that he does not have to pay $1,000 extra just because it does not get fuel efficiency. That is No. 1.

No. 2, there is the fleet standard. In the Fisher amendment, of course, we do not include the imports from other countries—and this is identical in the Fisher amendment to the provision in the Sharp amendment—with the exception of the 75-percent production requirement as this relates to Canada. But in the Sharp amendment, as I understand it, other foreign cars are included. It does allow other U.S. foreign-made cars, fuel-efficient vehicles, to be included in the fleet standard which reduces the manufacturer's obligation to meet the fleet standard for cars manufactured in the United States.

Mr. OBERSTAR. I thank the gentleman for the distinction, and, Mr. Chairman, I support the amendment, because I am convinced, after what happened on this floor yesterday, that if the House of Representatives is going to pass a bill that establishes a tough, realistic, energy conservation policy for the future of this country, we must adopt this amendment and force the industry to produce the fuel-efficient cars they are capable of making, and to make those cars at all their plants, in America.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. KARTH) has expired.

(On request of Mr. ECKHARDT and by unanimous consent, Mr. KARTH was allowed to proceed for 1 additional minute.)

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. KARTH. Yes, I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I highly respect the gentleman in the well personally and for his statement. I agree with him on many things, but with respect to the question of lawsuits holding up application of the provisions of the Sharp amendment, I can see no reason why the Fisher amendment would not be subject to the same delay. If a fine is improper and thus wrongfully injures the company, the exact same thing would be true with respect to a tax alleged to be improper under the Fisher amendment. The tax could be delayed in exactly the same way.

Mr. KARTH. Mr Chairman, let me just say to the gentleman from Texas that I have great respect for his legal talent. He is one of the most learned lawyers in this House.

Let me say to the gentleman that the tax that is paid is going to be paid by the consumer unless he buys the fuel-efficient car. It has nothing to do with litigation at all.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. KARTH. Yes; I yield to the gentleman from Ohio.

Mr. VANIK. The distinction is the excise tax. The Government cannot be restrained in the collection of it.

Mr. KARTH. There is nothing to litigate against.

Mr. VANIK. That is right, and with respect to the penalty, the collection of tax cannot be restrained.

Mr. ECKHARDT. If the gentleman will yield further, I have seen many taxes that have been restrained.

Mr. VANIK. The Government could not be restrained in the collection of the excise tax.

Mr. ECKHARDT. If the gentleman will yield further, frequently collection of taxes is enjoined. An action is brought to enjoin the collection of an entire tax because the tax is considered to be in some way illegal or unconstitutional.

Mr. KARTH. Does the gentleman think the sticker tax is unconstitutional?

Mr. ECKHARDT. I certainly do not.

Mr. KARTH. Of course, he does not.

Mr. ECKHARDT. The only way the question arises is when someone alleges that the fine or the tax is illegal or unconstitutional.

Mr. KARTH. That can be alleged but the tax will already have been collected.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. KARTH) has again expired.

Mr. FORD of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota (Mr. KARTH) be permitted to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. WYDLER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. VANIK. Mr. Chairman, I rise in support of the Fisher amendment.

Mr. Chairman, I want to point out that when this energy crisis was looming on the horizon, it appeared that the automobile industry was the very last industry in America to be aware of it.

As recently as last September, the president of one of the Big Three stated: "We are going to continue to build our large automobiles because this is what the American people want."

The American people have had little choice if they sought an American-made gasoline-efficient automobile.

Along with my colleague, the gentleman from Ohio (Mr. HAYS), I drive down the Ohio Turnpike. I am shocked by the number of imported cars that are parked in the Lordstown parking lot, indicating that a great many people building American automobiles cannot afford to drive them.

Mr. Chairman, the great distinction between the Fisher amendment and the Sharp amendment, is that under the Fisher amendment, conservation is an option that is exercised by the purchaser of the automobile. If he opts to be wasteful, then he is going to have to pay a penalty. He is going to pay an excise tax for that privilege.

I think this is going to have a very important effect upon the industry. It is going to direct the attention of the industry to the fact that they are going to have a competitive disadvantage by having this excise tax on the sticker where the consumer, the purchaser of the vehicle, can note precisely what it is going to cost him if he insists on purchasing an automobile that is not energy-efficient in accordance with these standards.

The efficiency goals are easy enough. Two years ago I tried to get this kind of legislation through the Committee on Ways and Means. We have been at it a long time, but industry has been very slow to respond. I will concede that market forces are at work, and people are, of their own volition, now exercising greater choice with respect to the gasoline-efficient automobile, but this tax will act as a prod in the cause of conservation.

I think it is going to be very effective in bringing about that result.

Mr. Chairman, at this time I would like to yield to my colleague, the author of the amendment which I cosponsored, the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I would like to say just a few things in what will probably be my last chance to debate this amendment.

First, the principal objection raised to this amendment comes from the U.S. automobile industry, perhaps particularly the labor union. I suppose on 9 out of 10 issues I would be with that union. But on this one I must disagree. But I would remind the Members that nothing will happen until 1978. That gives quite a lot of time for adjustment. I would also remind the Members that there is a special manufacturer's tax in my amendment to hold production in this country.

Furthermore, the smaller U.S.-made cars, the ones that really compete with the foreign-made cars, will not have to pay the tax anyway because they are already or soon will be efficient enough to get out from under it.

I predict that once the U.S. automobile industry accepts the reality of this con-

servation program there will be a rush of new orders for tools and equipment to produce the more gas-efficient cars called for by this amendment.

But the industry has to bring itself to accept this.

Let me conclude with what I think is the main issue involved here. It is simply this: Do we want an energy policy strong enough to do the job that needs to be done? An energy policy that will enable the import quotas to be achieved? An energy policy that will make significant conservation a reality. An energy policy that will provide at least moderate funds for the energy trust fund, so that new energy sources can be developed? And, finally, do we want an energy policy that will give this country an answer and probably a sense of direction in dealing with the energy problem?

This amendment is critical in view of what happened last evening. If we fail to accept this or if we weaken it if we give in to those who really do not want to change their behavior be they industry or consumers, then we will not have an energy bill worthy of the name.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to my colleague, the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, since I represent an area in which many are employed in auto-related industries, I have heard from a number of my constituents regarding their views on the energy proposal before us. I would like to share with my colleagues what my constituents have to say about what they feel the impact on them will be should the Congress approve the energy excise tax for high-gas-consuming automobiles. They believe that there is no need for approving a provision of this nature. Why? Notably because of the trend which is developing in this country toward domestic development of smaller, lighter more gas-efficient automobiles. In fact the consensus of opinion is that implementation of this tax may actually impede further progress by raising car prices and increasing foreign car sales. There are 7,700 persons in my district alone who would directly feel the impact of such a law.

I agree with my constituents—a trend towards small car purchases is developing. As reported in the June 16, 1975 issue of the U.S. News & World Report, small automobile purchases have accounted for 54 percent of all auto sales during the first 5 months of this year. This fact of life is pushing domestic auto manufacturers into greater competition with the smaller foreign car producers. Domestic manufacturers are moving in the direction of meeting the foreign competition. All domestic cars are being scaled down as witnessed by the appearance this May of the "little" Cadillac Seville. The decision of the Chrysler Corp. to bank its entire future on the trend toward small car purchases has been widely publicized and all indications point to the other domestic manufacturers following suit.

Let us not forget that our domestic firms have also accepted President Ford's proposal to boost domestic auto mileage by 40 percent between model years 1974 and 1980. This agreement combined with the pressures of inflation, recession and and energy crisis is leading to small car purchases without the enactment of possibly damaging tax increases. The consumer is looking for and demanding fuel economy and lower prices and therefore purchasing the smaller, fuel efficient automobile.

My constituents hope that the Congress will allow the market trend toward small car purchases to continue unhampered by Federal laws. It is hoped that the Congress will allow auto manufacturers to make gradual and continual changes in production toward this goal without risking jobs and draining the financial resources of our auto industry.

Mr. JEFFORDS. Mr. Chairman, there are several of us who have had similar amendments and similar bills prepared that would do the same thing. I suppose that all the Members who have done that prefer their own work product, and I certainly do. But that which is proposed by the Fisher amendment is a vast improvement over the present bill and substantially similar to my tax incentive provisions.

We listened yesterday to the impassioned plea of the chairman of the committee not to remove the gas tax because the gas tax was the guts of the bill. Notwithstanding the plea those guts were removed.

I think it is important to look at why it was the guts of the bill. If we look at the committee goal for 1980, the goal was to reduce consumption through this bill by about 1 million barrels per day. The committee expected to do that through the gas tax which was purported to save 700,000 barrels a day, or about 70 percent of the 1980 goal. Yesterday we wiped that consumptions reduction section out.

I suggest that now is the last chance, the last chance of any amendment that I have seen, to put this bill back into some meaningful form because we can get back over half of what we took out of the bill, by adopting the Fisher amendment.

The Fisher amendment will reduce the consumption by some 400,000 barrels a day, or four-sevenths of the savings we took out with the gas tax removal yesterday.

If we do not pass the Fisher amendment we have a meaningless bill, and we will have to answer to that.

Let us compare the impact of the various approaches, to emphasize that. Both the Sharp amendment, which will probably follow, and the committee amendment, only reduce consumption in 1980 by 100,000 barrels a day, that is, one-fifth of what the Fisher amendment will do. Neither of them will accomplish any kind of a meaningful benefit for this bill. The reason for that is that the taxes are not steep enough, and they base it on fleet averages rather than individual cars, and that is an extremely important distinction.

The committee itself, in its report, admits its approach is meaningless and will merely follow the industry, not lead it. One only has to go back and examine the antitrust violations of the industry in the 1960's in the air pollution area to realize how dangerous it is to expect much of the industry without economic incentives.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Indiana.

Mr. SHARP. I thank the gentleman for yielding.

Those figures are very difficult for people to assess. In fact, the Department of Transportation believes that our proposal will yield up to 900,000 barrels savings by 1980. Our proposal is the only one in this whole bunch that reaches into 1985 and gets extremely stringent upon the American industry.

I would like to say regarding this excise tax that this assumption that when we put $100 or $200 on in the first part of the schedule will deter consumption, I think, is grossly in error. All that is going to do is guarantee that the consumer is going to go out and pay a little more price for this with no more certainty that high-priced cars, big gas-guzzlers, will go off the market. There is no certainty that that category of $100 or $200 will go off the market. They will continue to produce; they will continue to use gas.

If we continue to sell more big cars, we will not get more efficient, less-polluting cars. They do not like the consumer choice.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Virginia.

Mr. FISHER. I thank the gentleman for yielding.

On the matter of the gas savings, the gentleman in the well is quoting from the estimates of FEA, which has by far the most sophisticated model for making these estimates. The DOT estimates admittedly cannot handle it the way my amendment approaches this, but either way we look at it, my amendment would save considerably more gas.

Mr. JEFFORDS. I agree with the gentleman from Virginia my figures are further backed by the Rand report to the National Science Foundation. I should like to go on and say also we should examine the tremendous potential in the area of reduction in gasoline consumption, the subject of the Fisher bill, 35 percent of our consumption of oil is through gas, some 6.4 million barrels a day. The average miles per gallon of our cars in 1974 was 13.5 mpg. Thus if we get up to 20 mpg average, we can save around 2 million barrels per day, almost double the 1980 goal of this bill.

Also there is a tremendous potential for improvement in the automobile engine. The present automobile engine only uses 8 percent of its energy to drive the car. There is a tremendous potential here to reduce gasoline usage. I am confident with the proper incentives our automobile industry can meet the challenge.

If we want to go to the politics of it, I have been involved with this issue, not as long as some, but long enough so that I have talked throughout Vermont with my people. I have gone in and pumped gas at gasoline stations and talked with the drivers. The people I have talked to are almost unanimous, that if we have to tighten our belts, this is the way to do it and not through a gasoline tax which would force this result eventually but in a much more regressive way.

I cannot buy the arguments on unemployment for, unfortunately in some respects, to me this is going to drive everybody to get their gas-guzzlers until the time expires in 1978. The only saving grace there is that the built-in obsolescence that I have seen in the automobile industry is going to prevent that from being a problem for very long.

As I stated yesterday the approach of the Fisher amendment ought to be a top priority, considered by the committee first, not last. Now it serves as our last chance to do something meaningful.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. SHARP. Mr.. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Indiana.

Mr. SHARP. I thank the gentleman for yielding.

I appreciate the distinguished chairman who has worked very hard on this issue and others in the Energy and Power Subcommittee.

I would just like to say that the estimates of the FEA on fuel savings are based upon a computer model in which they make the following assumptions. One is that the industry will totally ignore the committee bill provisions and the provisions of our amendment as if they did not exist. That assumption, I think, is grossly erroneous.

Two, and most outrageously, the FEA computer model includes an estimate that the cost of gasoline in this country by the year 1980 will be 40 or 50 cents a gallon. That is the kind of data we are getting from the Administration. They have a computer model which says the average cost of a barrel of oil in this country is going to be $7, cheaper than the price in 1975, and no one believes that is going to be the case.

Mr. DINGELL. I thank the gentleman.

Mr. Chairman, I rise in opposition to the Fisher amendment. I am satisfied the gentleman from Virginia is sincere in his amendment. He is an able and valuable member of the committee, but on this matter he is dead wrong and the House should reject his amendment.

Let us analyze his amendment to see what it really does. In almost all particulars save two it is identical in effect with the language of the Sharp amendment which is going to follow, and which is a far superior piece of legislation.

The two particulars to which the Fisher amendment differ most strongly from the Sharp amendment is that it imposes, first of all, a tax which can run up to $1,400 a vehicle on an automobile at the time of its sale.

Second, that the enforcement mechanism is not a civil penalty, but rather a tax.

Now, a number of Members who support that amendment have indicated there is no possibility for litigation where a tax is involved; but in point of fact, the Fisher amendment specifically provides a judicial review of fuel economy measures; so it is a rich source of litigation and do not let its sponsors tell us otherwise.

To go further, the Fisher amendment makes the taxes deductible. If we have a company like American Motors, or a company like Chrysler, that is losing money, we are going to extort some of the capital structure by that tax on them, but not from companies like General Motors or Ford, which are possibly making money. Does that strike this House as a fair way to proceed? Not to this gentleman.

The effect of the Fisher amendment or the Ways and Means Committee bill is to strike most heavily at the corporations that are losing money and to treat most gently those that are making money. Does that strike my colleagues as a fair way to operate? Certainly it is not to me.

The other thing that the Fisher amendment will surely do as seen in the testimony before our committee, is that it will increase the level of imports of imported automobiles. A few years ago, the level of imports was 13 percent. This last year the level of imports has risen to 27 percent.

The amendment offered by the gentleman from Virginia would simply increase the level of imports. Do not think I am talking just for the auto industry, because there are workers involved, workers in the auto industry, workers in the steel industry, workers in the whole structure of every industry in every congressional district in every part of this country.

Now, the amendment offered by the gentleman from Indiana (Mr. SHARP), which will shortly follow, is one which is carefully drafted and very carefully thought out in every category. The weighted production average of gas consumption is the same in either the Sharp or the Fisher amendment. In point of fact, the Fisher amendment is illusory in its extra benefits or supposed savings because its main mechanism is to arrive at a weighted production average of gas consumption for a whole auto production year. Its author would have us believe the only thing that it would increase the tax on is gas guzzlers. Let us look at the gas guzzlers, the gas guzzlers are the pickups. The gas guzzlers are the vans. The gas guzzlers are the station wagons that are used by farmers and families with kids and that sort of thing. It penalizes the little guy. The Cadillac and Lincoln buyers will not mind the tax. They can easily afford it. The pickup buyer, the station wagon buyer will suffer; he cannot afford the penalty. There is no real saving, it is unfair.

I would point out that the Sharp amendment will make a savings of over 900,000 barrels of gasoline a day. That is a good saving. That is a justifiable and honorable goal.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Frankly, I have not made up my mind on these amendments or this particular section of the bill.

I would like to ask the gentleman some questions. No. 1——

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(At the request of Mr. SEIBERLING and by unanimous consent, Mr. DINGELL was allowed to proceed for an additional 5 minutes.)

Mr. SEIBERLING. Mr. Chairman, I would like to ask these questions in sequence and then get them all out.

Mr. DINGELL. Let me answer them one by one. I have a bad memory.

Mr. SEIBERLING. I think they all relate to each other.

Mr. DINGELL. All right, I will try to respond to them.

Mr. SEIBERLING. The first question is, there will not be any tax if the auto companies produce a car that gets more than the minimum mileage per gallon; is that correct?

Mr. DINGELL. That is correct, but the level of penalty of the taxes is so steep and so extortionate and falls so heavily on those companies that are not making a profit at this time that it is extremely destructive. The gentleman is correct, but I want the gentleman to see the whole picture.

Mr. SEIBERLING. But the tax is not imposed at this time under the escalating tax?

Mr. DINGELL. It is a tax, yes, per gallon.

Mr. SEIBERLING. Hopefully, by the time the tax has been in effect the companies will be in better shape.

Mr. DINGELL. That is greatly to be hoped for, but I cannot offer the gentleman that assurance.

Mr. SEIBERLING. The next question is, the tax inevitably would be passed on to the consumer, so it would not affect the companies anyway.

Mr. DINGELL. Under the Ways and Means Committee bill and under the Fisher amendment, half is passed to the taxpayer and half to the consumer.

Mr. SEIBERLING. Does the gentleman mean it cannot be passed on to the consumer, the other half?

Mr. DINGELL. Under the other amendment it can be passed on to the consumer. Let me say this: If the company is going to stay in business, it is going to be passed on, either way. If the company is making money, it will benefit under the Fisher amendment because half the tax may be set off against taxes.

Mr. SEIBERLING. Even if it is not making money, it is still going to pass it on to the consumer in some way or another.

Mr. DINGELL. I assume that is going to be done, but the level of penalties proposed by the Ways and Means Committee bill or by the Fisher amendment is much higher than is the level of penalties proposed under the Sharp amendment, or the Commerce Committee bill.

Mr. SEIBERLING. A third question is this: If vans and vehicles which people

need in their business and farms cannot meet these requirements, the same will be true of any such vehicles that are imported, would it not?

Mr. DINGELL. I am not prepared to make that statement, but I will tell the gentleman how vans will escape that tax under the Fisher amendment. This is one of the things the gentleman from Virginia is not aware of, and I suspect was an oversight, but simply by increasing the weight of the van so that they move into the exempt category—so what is going to happen is that gas guzzlers bigger and heavier are going to be built by simply adding steel and weight to the vehicle. That will be the way they will escape this particular provision.

Mr. SEIBERLING. I think this has been a very fruitful debate and I hope it will continue in this vein.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Chairman, I commend the gentleman on his excellent knowledge of the subject matter. I think his statement is very well made. I agree with him. I hope my colleagues in the committee have listened very attentively to it, and I would ask them to oppose the amendment since its consequences would be disastrous for the American automobile industry.

Mr. DINGELL. Mr. Chairman, I thank the gentleman for his remarks.

Mr. Chairman, let me make it very plain: The Sharp amendment is a better amendment. The Fisher amendment should be voted down and the Sharp amendment should be adopted.

The Sharp amendment carries standards past 1980 to 1985 of 28 miles to the gallon. As for excise tax, under the Fisher proposal the tax deductible provision itself leads to the inequitable result of having the sanctions of the tax being half as effective when applied to a prosperous manufacturer, as opposed to some which are currently losing money. The Fisher tax, when imposed on an inefficient vehicle, applies even in cases in which a manufacturer has achieved overall vehicle economy targets set by Congress, so that the benefits of the Fisher proposals are, overall, illusory and do not really contribute to an overall saving of gasoline.

Any amount extracted from car buyers in taxes is likely to reduce auto sales of models produced in this country, and to increase the importation of imported automobiles. For that reason, if the Members are interested in employment in this country, they should oppose the Fisher amendment.

Mr. GUDE. Mr. Chairman, I rise to strike the requisite number of words, and rise in support of the Fisher amendment.

Mr. Chairman, I think the message comes through loud and clear in this debate that all things being considered a real pinch to the pocketbook is really what is required if we are going to convince our automobile manufacturers to develop more energy-efficient automobiles.

The Automobile Fuel Efficiency Tax section of this title has excellent potential to be an effective conservation device. However, I do not believe the tax rates proposed in H.R. 6860 are adequate to either cause automobile manufacturers to develop more gasoline-efficient automobiles or to cause the American public to refrain from purchasing low-mileage automobiles on price alone. Seven percent, as is proposed in 1980 for automobiles getting less than 15 miles per gallon, is no more severe a disincentive than is the local sales tax that has been imposed in recent years by various governmental entities.

Indeed, a real pinch to the pocketbook is required in order to convince the automobile manufacturers to develop more energy-efficient automobiles and to convince the public that energy conservation is a serious concern and worthy of their attention. My colleague from Virginia (Mr. FISHER) has introduced an amendment to increase these taxes to a meaningful level. He has taken into consideration automobile manufacturers lead times for development of more efficient automobiles and has established a realistically progressive tax rate which is most worthy of attention.

I believe fuel efficiency guidelines which fine the manufacturer for noncompliance are not nearly as good measures for encouraging energy conservation. If the manufacturer pays the fine and passes it along in terms of higher prices to the consumer, there is not nearly the incentive on either the part of the manufacturer or the consumer to develop or purchase fuel-efficient vehicles. Such fines, therefore, provide only a mild penalty. Tax proposals, on the other hand, provide incentive for fuel economy because they are additional to the price and the consumer knows how much he is paying for gas-guzzling automobiles.

I strongly recommend that Mr. FISHER's amendment be adopted to replace the language presently in section 311 of title III, the Automobile Fuel Efficiency Tax.

Mr. STARK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, yesterday I asked my colleagues in the committee to vote against a 20-cent tax because it would work a hardship on the low- and middle-income people, and on many people in this country who had no alternatives but to continue to use automobiles, and who are really not to be blamed for the failure of the oil industry or the automobile industry to take corporately responsible positions.

The amendment of the gentleman from Virginia makes ultimate good sense. It allows people to have a choice, and it points people who have that choice, in the direction of sensible and responsive purchase of automobiles that are more energy efficient, it penalizes no one except the purchaser of wasteful gas guzzlers.

If somebody wants to make an economic decision, in the best traditions of the free enterprise system, to waste energy, it makes that alternative decision much more expensive. Hopefully, it makes that decision expensive enough to create good sense in the marketplace. It does not preclude anyone from getting to work. It does not decrease jobs in this country. It allows people to get to school. It allows people in communities where the automobile is a necessity of life to continue to exist. It does not penalize those people in the urban areas who have no choice, or those who do not use automobiles at all. It is an eminently fair, equitable, and rational amendment. Mr. Chairman, I urge its adoption.

Mr. WRIGHT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, there is a General Motors assembly plant in my district, which is very important to our local economy. There are several thousand members of the UAW who are constituents of mine, and almost all of them have been consistent friends and supporters of mine. I once was a partner in an automobile dealership. During the time I have served in Congress I have been active in the support of highway legislation.

So I do not think anybody could accuse me of being prejudiced against the automobile industry. But I do confess to a very strong prejudice for the future of the country. We have an extremely serious problem. We are running out of petroleum, and unless we do some dramatic things to make some very definite changes we are going to run out before we bring on the alternate sources to replace it.

In 1949, the average American used 14.2 barrels of oil during that year. Last year the typical one of us used more than twice as much, more than 30 barrels. More than half of the increase and almost 40 percent of total consumption of crude oil in this country is accounted for by the use in motor vehicles. We have 114 million of them for our slightly more than 200 million people, more than one for every two persons, man, woman and child.

Obviously, if we are going to make any serious impact in the voracious and wasteful consumption of energy, if we are going to reduce it in those ways that we can selectively reduce it without hurting the economy, we have to find the ways to cut down on the amount we use in driving our cars. If we could accommodate only one-fourth of America's motorists in cars that get just 5 miles per gallon better mileage, the saving would come to some 700,000 barrels of oil per day. That is why I am for the Fisher amendment. I think it is the most intelligent, responsible approach by which we can restore some real effectiveness to this bill.

Nobody can tell me that the automobile manufacturers cannot build comfortable cars that will get better mileage. I was in Detroit a few years back, with a committee of this Congress, looking into some of the innovations in highway safety that had been made by the General Motors people at their proving ground. We met with some of the main officials of the General Motors Corp. They were explaining to us some of the industry's problems.

I asked them, "Look, why do you have to build a car that goes 120 miles an hour? You know it isn't safe. You know it's illegal. Why must you build engines with that much power?"

Do the Members know what their answer was? They said, "The public demands it."

Well, now, I doubt that. If it is true and to the extent it is true that the public demands it, I think it is because the public has been taught to demand it by the industry's merchandising genius. What the gentleman from Virginia (Mr. FISHER) would attempt to do, and what I believe this House has a chance to do, is to help the public make an intelligent choice and demand energy-efficient vehicles.

I cannot believe it is going to hurt automobile manufacturing in this country. I think it is going to encourage employment.

If we encourage them to put in the new tools and dies and develop the new processes and develop new engines, it will have to mean more employment. I cannot believe it will mean a competitive disadvantage for domestic manufacturers if we encourage them to be more competitive with their foreign competitors.

Mr. Chairman, I really cannot believe by any stretch of the imagination that the Fisher amendment would work to the advantage of the big manufacturer against the little one, as has been argued. If it did, why are the big manufacturers arguing against the Fisher amendment?

I think the amendment makes sense. It will save energy. It will save fuel costs for American motorists. It will provide funds for long-range energy development. For all of these reasons, I think we should support it.

LEGISLATIVE PROGRAM FOR THE REMAINDER OF THE WEEK

(By unanimous consent, Mr. O'NEILL was allowed to speak out of order.)

Mr. O'NEILL. Mr. Chairman, I have asked for permission to speak out of order so that I may explain the situation that we are now in as far as the schedule for this week.

Let me say that last week, when I announced the schedule, it was anticipated at that time that we would be debating the energy bill on Monday, Tuesday, and Wednesday, that we would have completed it by Wednesday night, and that all anticipated business would have been completed by Thursday. I am sure that I made that statement in the Democratic whip meeting, and I am sure I told many Members of the House the same thing, that I did not anticipate we would be in session on Friday of this week.

In the colloquy yesterday that I had with the gentleman from Maryland (Mr. BAUMAN), I made reference to the fact that the debt limit bill, about which we talked with the chairman of the committee, has been scheduled and put over until Monday next and we anticipated there would be no business on Friday that we could foresee.

Mr. Chairman, it is obvious that we are not going to finish this energy bill today, and it is compulsory that we bring it to a conclusion.

When we finish the business of the day—and we hope to rise at 8 o'clock tonight—a unanimous-consent request will be made that we come in at 10 o'clock tomorrow morning. I hope then that we can finish our business at a respectable hour in the course of the day.

Mr. Chairman, I want to apologize and I want to give my extreme regrets to those to whom a week ago I gave information which turned out to be accurate only in its conclusions. But things are subject to change around here because of circumstances. I apoligize to those who have commitments to make high school addresses and Flag Day orations and participate in ceremonies of that nature.

Mr. ALBERT. Mr. Chairman, will the majority leader yield?

Mr. O'NEILL. I yield to the distinguished Speaker.

Mr. ALBERT. Mr. Chairman, I believe the position that the majority leader is taking is sound. He did not make an unqualified commitment, at least that I know anything about.

It would be, in my judgment, a very stupid thing to do to go on until 1 a.m. or past midnight tonight and then take off all day tomorrow.

Mr. RHODES. Mr. Chairman, will the majority leader yield?

Mr. O'NEILL. I yield to the minority leader.

Mr. RHODES. Mr. Chairman, may I say that I agree with the decision made by the Speaker and the majority leader to meet tomorrow. I think the decision is correct and well taken.

Can the gentleman give us any enlightenment as to the plans for the debt limit legislation?

Mr. O'NEILL. We still have the debt limit bill scheduled for Monday.

Mr. RHODES. For Monday. We will not bring that up tomorrow?

Mr. O'NEILL. No, we will not bring it up tomorrow. We will continue the energy bill tomorrow.

May I say that the tentative schedule for next week, for the benefit of the minority leader, is full, and we can expect that we are going to work a full 4 days next week, without any qualms about it. Let me say this, that the fiscal year ends July 1, and there is a tremendous amount of legislation that has to be enacted. Therefore, we do have a tremendous schedule ahead of us next week.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. Yes, I will be happy to yield to the gentleman from California.

Mr. MOSS. I concur, of course, in the decision to proceed for a full day tomorrow, but I am very disturbed over the fact that with coming in early and the pattern we have followed through much of this week, there is a total disruption of committee schedules, committees that have had meetings scheduled for prolonged periods of time, in some instances requiring the bringing of witnesses to Washington. These will be totally disrupted, without any opportunity to give notice to such witnesses.

I wonder whether we are going to be able to proceed next week with the business of committees, very important business, or whether we are going to have it disrupted through the sudden announcements of changes in schedule which wipe out, effectively, much of the time available for necessary committee work.

Mr. O'NEILL. To answer the gentleman, I see no legislation scheduled for next week that would be of such major national consequences as the energy bill we have before us today.

We have nine bills scheduled for Monday, that are on suspension. We will then follow those by the temporary debt-limit increase, and follow that by the rules of criminal procedure bill.

As to the remainder of the week, on Tuesday we will bring up the continuing resolution, which, of course, includes an emergency appropriation for jobs. Then we will bring up the credit reporting and petroleum reserve bills. The remainder of the legislation is extremely important because most of the legislation expires or is needed for appropriations bills.

I cannot anticipate for any reason, unless it would be on Friday next, that we would want to come in at an earlier hour.

Mr. MOSS. If the gentleman will yield further, because of the uncertainty on Fridays, I have followed the pattern of regularly scheduling hearings on Fridays, investigative hearings, oversight hearings; and it is the Friday surprises that most thoroughly disrupt the work of the subcommittee that I am handling and which I feel is rather important.

Mr. O'NEILL. I thank the gentleman and only say that that makes true the axiom that you cannot satisfy everybody.

Mr. MOSS. I realize that.

Mr. RANGEL. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. Yes, I yield to the gentleman from New York.

Mr. RANGEL. Could the Chair indicate whether tomorrow night, in the unlikely event that we do not complete the energy bill, that there would be a time certain when we would rise tomorrow night?

Mr. O'NEILL. I would yield to the gentleman from Oregon (Mr. ULLMAN) for an answer to that question.

Mr. ULLMAN. If the gentleman will yield, I see no reason that if we go to about 8 o'clock this evening, we cannot complete the bill tomorrow in good time.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. O'NEILL) has expired.

(On request of Mr. RHODES and by unanimous consent, Mr. O'NEILL was allowed to proceed for 1 additional minute.)

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. Yes, I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, I just wanted to pose the same question the gentleman from New York (Mr. RANGEL) had asked because I have several questions about the timing tomorrow.

If, let us say, by 6 o'clock tomorrow afternoon it becomes apparent that the bill cannot be completed until late Friday, would it be the intention of the gentleman from Massachusetts (Mr. O'NEILL) and the gentleman from Oregon (Mr. ULLMAN) to adjourn over until the following week?

Would it be the purpose to keep the House in session Friday until such time as the bill might be completed?

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield further, I would hope that we can finish this tomorrow unless there are unforeseen circumstances.

Mr. O'NEILL. Maybe if we can get some cooperation on limiting debate somewhere along the line on some of the amendments and that would speed it up. I hope we can do that. I would hope that we could be out of here at a reasonable hour.

Mr. RHODES. I would agree with the gentleman that most of the provisions of this bill have been thoroughly debated, and I think that the time will be coming soon, and I would, for one, support the majority in an attempt to limit debate.

Mr. ULLMAN. If the gentleman will yield further, I might add that this is a very vital amendment that we are now considering, as the Members know, and it is very, very controversial, and I have consequently not attempted to limit debate on this because I think all of the Members ought to have an opportunity to debate it. As I say, this is the major emotional issue that we will have and hopefully from now on we can have a better opportunity to limit the debate. I hope the Members will cooperate.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Fisher amendment.

Mr. ULLMAN. Mr. Chairman, would the gentleman yield for the purpose of attempting to request a possible time limitation?

Mr. OBEY. Surely, I will yield to the gentleman.

Mr. ULLMAN. Mr. Chairman, I wonder, since we have spent a great deal of time on this amendment, whether we could agree to conclude the debate on it at 3:20 p.m.?

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. MOSS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ULLMAN. Mr. Chairman, could we agree to a time limitation at 3:30 p.m.?

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. MOSS. Mr. Chairman, reserving the right to object, the gentleman from Oregon has characterized this correctly as being the most important remaining amendment. I suggest that the opposition to this amendment has not had adequate opportunity to discuss the amendment, nor would it have under such a half-hour limitation.

Mr. ULLMAN. Could we agree to 3:45 p.m.?

Mr. MOSS. How many Members do we have standing?

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. ECKHARDT. Mr. Chairman, reserving the right to object, I would just like to say that by the very operation of the rules of this House the Committee on Ways and Means has had a lot of time to discuss the amendment, because they are entitled to be recognized. I would suggest that the gentleman withhold his motion. I think we can shorten to a very short time future amendments as, for instance, the Sharp amendment, but this I do not believe is the place where we want to attempt to cut off debate.

Mr. ULLMAN. I trust the gentleman from the Committee on Interstate and Foreign Commerce, when we get through with this amendment, does not expect to get as much time as we have spent on this amendment, because we have taken a good deal of time on this.

Mr. ECKHARDT. I think most of the members of the Committee on Interstate and Foreign Commerce will agree that it has been pretty well debated if we continue with this amendment.

I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. OBEY. Mr. Chairman, reserving the right to object——

Mr. ULLMAN. Mr. Chairman, I withdraw my request.

Mr. OBEY. Mr. Chairman, I was making my reservation of objection only to find out how much time I had remaining, because it had been my impression that this request would be made after I had spoken.

How much time do I have remaining?

The CHAIRMAN. The gentleman from Wisconsin has three minutes remaining.

The chair would say that a request for additional time would be in order.

Mr. OBEY. Mr. Chairman, let me just say that I believe, as several others have said earlier, that the adoption of this amendment is absolutely critical in light of what we did yesterday in eliminating the gas tax. I truly believe that this is the only real gas guzzler amendment before us today.

Mr. Chairman, I certainly have no problem with the United Automobile Workers. As a matter of fact before the majority leader had made his announcement telling us that we would have a session tomorrow, I had intended to place in nomination as a member of the State Democratic Party Administrative Committee in Wisconsin tomorrow at the Wisconsin Democratic convention the State director of the United Auto Workers, so I do not think my relations with the United Auto Workers are especially strained.

But I just want to tell the Members my own personal story about the American automobile. All of my life I wanted to drive a Buick. I owned a 1966 Pontiac. I got about 17 miles to the gallon, and I was pretty happy with it. But after I got about 110,000 miles on that car, I decided I needed another one, and I had wanted to drive a Buick all of my life so I bought a Buick in 1971. Today I am the most frustrated man in this Congress because I get approximately 9½ miles per gallon.

In the last 3 months I have personally test-driven virtually every American small car made, and I do not like to say this—and I know I make some auto dealers angry and I make some auto workers angry and I make some auto producers angry—but I must say that I have not found an American-made small—and I mean small—car, with one or two notable exceptions, that compares in quality and mileage with several European-made small cars. I happen to think that is outrageous, but it is a fact of life. That is not the fault of auto workers. It is the fault of auto engineering.

I just finished test-driving, for instance, the Pacer which is made in my own State. I thought it would be nice if I could buy a Wisconsin-made product, and I will not buy a foreign-made product. I think I ought to buy an American product. But I test-drove that Pacer. It is a very nice car except for one problem: I cannot sit up straight in the back seat because there is not enough head room. I can single out worse defects in engineering design or quality which everyone has experienced in almost every American-made small car produced by General Motors, Chrysler, and Ford.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. It enrages me when, after I test-drive virtually every American-made small car I can find, I go to a Volkswagen dealer, for instance, and I find in something like the Volkswagen Dasher everything I would like to have in a car but cannot buy it because I think I have an obligation to buy American. I think that lack of attention to sensible engineering by Detroit has to stop.

The only amendment before us today that is going to stop it is the amendment of the gentleman from Virginia (Mr. FISHER), because that amendment puts a stiff enough tax on those gas guzzlers, clearly listed on the sticker, so that when the American consumer goes into that auto showroom, he knows what he is gong to have to pay to drive a social dinosaur, which is what most of our large cars are that are produced in the United States today.

People say Detroit cannot do it. I am telling the Members Detroit can do it.

My dad drove a 1938 Chevy when I was a kid, and I checked at the Library of Congress on the weight and horsepower—of that car in comparison with the new Chevy around today. The weight of that 1938 Chevy was 3,000 pounds, not 5,000 pounds which we find today. The horsepower was 85 not 360, which we find in some of today's Chevys.

There was no power steering; there were no power brakes.

I say to the Members, Detroit can meet the standards suggested, or the levels suggested, in the amendment offered by the gentleman from Virginia. This is the only amendment tough enough to do it, and if we do not do it, we are going to see European cars continue to take 20 to 25 percent of the American market. I do not want that. I think this is the only amendment that will stop it, and I would strongly urge the Members to support the only real amendment which is aimed specifically at the individual cars which do produce the rotten mileage which we are getting from most American-made cars today simply because Detroit does

want to produce the big-ticket item which make them the most bucks.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VANDER JAGT. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the Fisher amendment.

Mr. Chairman, and fellow automobile experts all, I think that those who advocate the Fisher amendment are right on one point. It will, indeed, conserve energy. It will conserve energy, however, unintentionally and unwittingly, by throwing a wet blanket over economic recovery and keeping us in a long, drawn-out recession, so our economy will be operating at half gear and, obviously, there will be considerable energy savings. Saving energy by increasing unemployment is not an acceptable alternative.

One out of every six jobs in America is in the automobile industry or businesses related to the automobile industry. It is clear, therefore, that there cannot be vibrancy in the economy unless there is vibrancy in automobile sales. If we have sluggish automobile sales, we are going to have a sluggish economy. It is as simple as that.

The Fisher concept will depress automobile sales. Who says so? A majority of the Ways and Means Committee, after wrestling with this for many, many days, rejected the Fisher concept largely because it felt it would depress automobile sales.

Who else says it will depress automobile sales? The Rand Corp. Rand is no great friend of the automobile industry. Yet they said the conclusion is inescapable that such an excise tax will depress automobile sales.

It seems to me completely inconceivable when we are as concerned about jobs as we are, when unemployment is high and economic recovery is paramount, when the automobile industry is struggling to give rebates of some kind to stimulate sales and then the Congress comes along and says, "Away with rebates to stimulate sales. We are going to put on an excise tax that will wash them out and then some." It is ridiculous to put a tax on new cars that depresses sales when we need exactly the opposite—stimulation of sales.

As the gentleman from Indiana (Mr. SHARP) has pointed out, we then would be the instruments in the Congress of keeping the gas guzzlers on the road. We have heard described passionately and emotionally here in the well all the rhetoric about those gas guzzlers of Detroit. That is what people would keep driving rather than buying new ones. So we would not only lose jobs under Fisher, we would lose the conservation of energy new fuel-efficient cars could bring. You see the assumption of the Fisher amendment is that, if we put a big tax on a big car, the people are going to buy a little car. That "ain't necessarily so."

There is a second alternative and that second alternative is not to buy any car at all and stay with the gas guzzler the motorist has, as it has been described in this well.

It seems to me that Congress has been the biggest gas guzzlers of all. We have guzzled gas because of the air emissions standards, the safety requirements we have legislated. Every car that comes off the assembly line this year is 10 percent less fuel efficient than it would have been without the standards that the Congress has imposed. That is 10 percent we can get our hands on. How much more if only the engineers had been left free to concentrate on what they should have been able to concentrate on and that is a fuel efficient engine. A more efficient engine best serves both the great goals of energy conservation and clean air. The tragedy is that we are moving toward the goal we all want of more efficient automobiles but congressional interference can delay the day we reach that destination.

One of the automobile companies long before Congress started meddling around in this area committed $3.7 billion to reach the goal of more efficient engines in their automobiles. That is the largest commitment of peactime capital to any endeavor in the history of this country or any other country; but now we want to come in and say, "Yes, you may be heading in the right direction to that goal, but we want to put penalties on you. We just want to put penalties on you because we are mad at you." That may make irate Members feel better, but it does not move in toward our goal of achieving greater fuel efficiency. The U.S. auto industry has pledged to President Ford a 40 percent efficiency improvement by 1980. That is a great undertaking and the last thing the industry needs at this point is diverting shifting changes that Congress might compel.

I know there is great distrust of the U.S. automobile industry in some quarters of this House. Then do not listen to the testimony of the U.S. automobile industry, listen to the testimony of the Imported Car Association and their testimony before the Committee on Ways and Means. That representative was against this kind of concept. Why? Because it would give unfair competitive advantage to foreign imports. Because imports do not have to appeal to the wide spectrum of American tastes that include vans, station wagons and pickups that U.S. manufacturers do. Why was he opposed to giving the importers he represents an unfair advantage. Because he was smart enough to figure out that if we depress U.S. auto sales and depress the U.S. economy, nobody will have any money to buy cars, domestic or foreign. He was smart enough to figure that out. I hope this House is half as smart and the amendment is rejected.

Mr. KARTH. Mr. Chairman, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from Minnesota.

Mr. KARTH. Mr. Chairman, I thank the gentleman for yielding.

The gentleman talked about the present unemployment situation. Does the gentleman not understand that the Fisher amendment does not apply until 1978?

Mr. VANDER JAGT. The current economic projection is that we will get going about 1977. That is when we want to be taking off, in 1977. That is when the tax applies just when we should start to have our economic recovery in high gear.

Mr. KARTH. I think the point I would like to make to the gentleman from Michigan—and I value his friendship as well as his ability on the Committee on Ways and Means—the point I want to make is that if the American manufacturer does not start making a fuel efficient car in America, and hopefully before 1978, we will be importing 50 percent of all the cars sold in America, not 22 percent.

Mr. VANDER JAGT. I agree, not with the specific figure of the gentleman, but I agree we need to start making more fuel efficient automobiles, and that is why one of our companies, before Congress ever got into this, had started a program of $3.7 billion to do just that.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. VANDER JAGT. I yield to my colleague from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I would like to associate myself with the remarks of my colleague from Michigan (Mr. VANDER JAGT) in opposition to the Fisher amendment.

This amendment is typical of the narrow, short-sighted approach to complex problems which has characterized Congress meddling in the private sector of the economy and especially in the auto industry.

It is the kind of tunnel-vision solution which has contributed to this Nation's economic woes, record high unemployment, and severe dislocation in the automobile industry.

In my congressional district, which includes the General Motors Fisher Body Plant and the Pontiac Motor Division, passage of this amendment would mean a further increase in record unemployment levels now approaching 30 percent in the city of Pontiac, Mich.

It would provide a clear competitive advantage for foreign auto imports, slow our own economic recovery and specifically hamper efforts of the U.S. auto industry to get back on its feet.

While we can all agree with the goal of encouraging more fuel-efficient automobiles, this is no time for the Congress to take precipitous action further unsettling the automobile market and increasing already staggering unemployment figures.

This is especially true since American automakers are meeting improved fuel objectives voluntarily in response to the demands of car buyers for better fuel economy.

The marketplace is providing an answer to the need for fuel efficiency in American cars, and it is accomplishing it without the severe dislocations which these artificial solutions create.

Mr. Chairman, I do not disagree with the long-range goals we are seeking to accomplish. Energy and environmental imperatives dictate that basic changes must occur.

My objection is to the notion that these objectives can be attained by Federal Government fiat and without regard for the severe human and fundamental economic problems which this approach creates.

Congress has established worthwhile standards and deadlines, and the industry is making a good faith effort to develop the technology to meet them.

Now is the time for Government to stand aside and allow the experts a free hand in meeting the goals we have set. They can work best with less—not more—Federal dictation and regulation.

Mr. HUNGATE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this concern over the efficiency and the operation of motor vehicles, and concern with the fuel shortage, has been with some Members of Congress for some time.

Mr. SMITH and the ranking minority member (Mr. CONTE) on Small Business worked on this for years. We had hearings in 1973. As I listened to this debate, it gave me one of those deja vu feelings—if that is a clean word. They had them, in fact about 2 years ago now. They heard from the gentlemen from General Motors, Mr. Starkman, a vice president, and Dr. Marks, assistant to the vice president of the engineering staff.

Mr. CONTE inquired:

We have known about this energy problem for a good many years. We knew there was going to be an energy crisis in this country, going to be a shortage of fuel.

Why didn't General Motors prepare itself long before this?

Mr. STARKMAN. I think GM has, Mr. CONTE. The introduction of the Vega is an example of a subcompact car. That was one of the steps which was taken.

Mr. CONTE. When did Vega come into the market?

Mr. STARKMAN. Two years ago.

Mr. CONTE. I am talking about Fiat and Volkswagen and all the other foreign cars. Now, they have been on the market for 30 years.

Mr. STARKMAN. Yes, sir, that is quite correct.

Mr. CONTE. Why didn't you go into that kind of vehicle 30 years ago?

Mr. STARKMAN. We have had smaller vehicles in the American market, Mr. CONTE. Some of them have not survived.

Mr. CONTE. Yet they were selling a lot of these cars right here in the United States and have been selling them in the last 10 or 15 years?

Mr. STARKMAN. Yes, sir, our records show this, too.

This is what we are going into, this line of automobiles which normally, clasically, historically, the American automobile manufacturing concerns have not made available.

Mr. HUNGATE. When did the Volkswagen begin production?

Mr. STARKMAN. I am not able to tell you precisely. It was after World War II. It was designed in the mid-1930's as a people's car in Germany. I think it's design was set down along about 1935 or 1936.

Mr. HUNGATE. And its production began after 1946, would you say?

Mr. STARKMAN. Yes, sir. The export commenced something like around 1950 to the United States.

Mr. HUNGATE. When was it first perceived as a threat to our share of the automotive market in the United States?

Mr. STARKMAN. I would not call it a threat. I would say it acted as a supplement to the market in the United States for a good period of time.

Mr. HUNGATE. Well, what percentage of the market do they have now? What percentage does Volkswagen have of the U.S. market?

Mr. STARKMAN. Oh, my, if I could recall the number—well, I hate to try to conjure a number up. Volkswagen might be selling something like 300,000 units in all of their models at about this time. The total American market is about 10 million units per year.

Mr. HUNGATE. And the General Motors stockholders regard this as a supplement rather than a threat?

Mr. STARKMAN. I would think so, Mr. Hungate.

Mr. HUNGATE. They would not want to sell that other 300,000?

Mr. STARKMAN. Well, sir, it depends upon where one puts his resources.

This inquiry continued, and I would like to present some more of what it says.

Mr. SMITH inquires:

What I heard this morning is, for the next year or 2 or 3, there will be no fuel economy unless we drive smaller cars.

Mr. STARKMAN. Well, Mr. Chairman, we and other organizations are building cars which provide fuel economy and, we believe, the same or more comfortable room as some of these vehicles that you have made reference to.

Now, perhaps not the 1964 Bonneville, but we do make cars that are in the subcompact range—and offer them for sale—that do offer roominess and consume less fuel."

We make cars of the Nova size. One finds that the fuel economy of these cars is considerably increased over the larger, more expensive, heavier models that we sell as well, of course.

So, I think it is unfair to say that the automobile industry is not making available cars with better fuel economy.

Then we went on. I was reminded by my colleague, the gentleman from Texas (Mr. WRIGHT), his statement concerning the speedometers on these cars. The gentleman from Pennsylvania (Mr. MCDADE) had that problem with them in 1973.

Mr. MCDADE. What does it show on the speedometer?

Mr. STARKMAN. I believe it goes up to 120.

Mr. MCDADE. Are you serious about that? I mean, are you people serious that you have to produce cars that will go to 120 miles an hour?

Mr. STARKMAN. No, sir.

Mr. MCDADE. Why do you do that?

Mr. STARKMAN. The maximum speed on the speedometer may be well in excess of what the car will actually travel. The power that is supplied is for the purpose of allowing you to accelerate or pass and to climb hills.

Mr. MCDADE. You mean the car won't go up to 120?

Mr. STARKMAN. Some won't. There are many that say 120 that don't go to 120.

This gets funnier. Hold on.

Mr. MCDADE. Will it go to 100?

Mr. STARKMAN. This I can't tell you.

There is more here, if we had more time.

And in conclusion, the man testified:

And we can tell you why these thing have happened in the case of our foreign competition—and I won't call it a threat as somebody did a while ago. It is competition, and we need competition.

Amen.

Mr. MINETA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Fisher amendment. In my mind, strong auto efficiency standards are key to true conservation. And if we hope to salvage any kind of an energy program this year, it is imperative that we adopt the Fisher amendment. The provisions in the committee bill would tax the manufacturer whose fleet average did not meet the standards. Gas-guzzling models would not be taxed individually, therefore purchasers of fuel-efficient automobiles would be penalized along with car buyers who select inefficient models. This defeats the purpose of fuel efficiency standards. The Fisher amendment would not only tax the manufacturer for all cars produced, if the fleet average does not meet yearly standards, but a stiff tax would be added to the purchase price of each gas-guzzling model, which would encourage car shoppers to purchase automobiles which will deliver high-fuel efficiency.

The automobile is a major cause of petroleum waste, and it would be outrageous not to include stringent standards for fuel efficiency in our energy program.

It is my conviction, firmly held, that we have already backed away from the kind of tough energy legislation our Nation so desperately needs. We have caved in to political expediency at the expense of long-range human and national needs. Today we must act courageously. We must move quickly. We must, through our action in this House, lead the fight to make the American public aware that the energy crisis is real. It is not contrived. It will be with us forever. A harsh crackdown on fuel-inefficient automobiles is absolutely essential. The Fisher amendment moves in that direction and deserves the support of this body.

A little while ago the gentleman from Minnesota (Mr. KARTH) talked about imports made by U.S. manufacturers. In looking at the 1974 figures, we had a total of 802,000 cars that were manufactured by United States companies in Canada.

And these are the fuel-efficient cars. We had American Motors bring into the country 58,000 cars, imported cars, in terms of Hornets and Gremlins; Chrysler had 225,000 cars come in; and Ford had 413,000. Again, that is close to 802,000 cars.

Mr. Chairman, I think what we are saying is that the manufacturers do have the capacity in terms of building fuel-efficient cars, but what we would like to have them do is to build them here. They have the capability, they have the capacity. Let them build their cars here.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have no case for the automobile industry. I feel very much like a juror listening to witnesses, amongst whom have been some of the most witty, like the gentleman from Missouri (Mr. HUNGATE) and the gentleman from New York (Mr. PIKE), the most profound, like the gentleman from Minnesota (Mr. KARTH), and the most eloquent, like my friend, the gentleman from Texas (Mr. WRIGHT).

I am glad I was not buying automobiles 20 years ago in Weatherford. He could have sold me a gas guzzler and I would not even have known it. I am afraid he might sell this House something which is as bad. Well, if I were a juror, after hearing these witnesses, I would hold the automobile industry "guilty."

It seems to me that to say that the pinch should be put on the purchaser to punish those who are producing the gas guzzlers is to apply the punishment to the victim rather than to the culprit. For instance, the pinch which would be put on the Eldorado, one of the Cadillac models, is a little less than the pinch which would be put on a Ford station wagon. Is the housewife who needs a station wagon to transport the carpool the culprit? I think she is the victim. Is the mechanic who drives a pickup for his business and as a family car the culprit or the victim?

Does it make sense to try to approach every social problem from a tax angle? I think not.

We talk about putting a tax on the gas guzzlers. We do not put a tax on the gas guzzler; we do not put a tax on the station wagon. We put a tax on the family that drives the station wagon. If we divide the amount of gas that car takes to drive a certain number of miles by 5, it is not nearly as much gasoline as some of these little slick-looking automobiles take if we divide their gasoline usage for that number of miles by 2.

Mr. Chairman, we cannot reach every problem by taxation. I suggest to my colleagues here that the best way to proceed is to put the pinch on the person who produces the model that eats up the gasoline wastefully. That is what the bill from the Committee on Interstate and Foreign Commerce does. The bill from the Committee on Interstate and Foreign Commerce, it is true, places the tax on the average mileage production of a particular manufacturer. But it has to do that because, until one can buy a station wagon that is economical, he should not be punished for having to buy one. He should not be punished for having to buy a pickup because that is the car he needs and the manufacturer does not make one which is any more economical than a Cadillac.

The people who ought to be fined and punished are the manufacturers of the gas guzzlers.

It has been said that the fine could be passed on. Let us suppose, for instance, that General Motors makes a Chevrolet and a line of cars that have a lower mileage figure than Ford. How is Ford going to pass on the fine when a purchaser could buy a comparable automobile from General Motors?

It seems to me quite clear that the place to put the penalty is on the company that makes the gas guzzlers, not on the persons who are compelled to buy an automobile for their needs.

Mr. Chairman, I urge a vote against the Fisher amendment.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Indiana.

Mr. SHARP. Mr. Chairman, is the gentleman aware or has anybody suggested to him that General Motors supports the amendment which came out of our subcommittee? The gentleman knows that we fought tooth and nail with various interests when we went to work on this proposal.

It was indicated in the debate here earlier—and I am happy to say that the gentleman from Virginia (Mr. FISHER) has clarified this impression—by Members who have gotten up to suggest that somehow the product out of the Committee on Interstate and Foreign Commerce is supported by the industry.

The industry understands both of these alternatives. They feel that taking legislative action is less desirable from their point of view than allowing voluntary action or accepting the approach proposed in the bill from the Committee on Ways and Means. The industry's first choice is that Congress do nothing; the industry's next choice is to accept the proposal now in the bill from the Committee on Ways and Means. They do not get down to third, fourth, or fifth choices.

Mr. Chairman, either approach we take is designed to put the pressure on American industry to force them to build a better car.

Mr. ECKHARDT. Mr. Chairman, let me say in response that, frankly, I do not want to punish anybody, but what I want to do is to create the maximum incentive for the industry to produce automobiles that are economical to drive.

I feel that in the commerce bill since we provide a schedule running clean to 1985, we permit industry and we demand that industry do meet the kind of standards that the persons who came into the well have talked about.

On the other hand, if we only control the question through, I believe, 1980, and we only go up to the figure in that bill provided by the Fisher amendment—and I believe that is a maximum of 20 miles per gallon—I think we inadequately give notice of what this Congress is going to demand be done by industry in the future.

Mr. CORMAN. Mr. Chairman, I rise to strike the requisite number of words.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I will be glad to yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I would like to take this time to see whether we can come to an agreement on time.

Mr. Chairman, I ask unanimous consent that the debate on this amendment be limited to an additional 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Chairman, in view of the shortness of time, I certainly will not take my 5 minutes.

I only want to suggest that if we cannot regulate everything through taxes, I suggest that we can regulate nothing through regulation that is drafted by those who have a special interest.

I am not going to suggest to the Members of this body who has the special interest in debating the Fisher amendment. I am only asking the Members, Who is lobbying? Let them decide for themselves whose amendment this is and who is opposing it.

This amendment does two things that are not done by the amendment of the Committee on Interstate and Foreign Commerce. It puts a sticker tax of substantial amount on gas guzzlers so that people, first of all, know what they are buying; and then, know how much it is costing them in taxes.

Second, the Fisher amendment puts a tax on the manufacturers for every car below the efficiency standard, if the fleet fails to meet the standard.

There will be a very severe tax on those cars which fail to meet the average. Therefore, there will be some incentive for the manufacturer to sell fewer of those and more of the efficient cars.

The real deficiency in the proposal of the Committee on Interstate and Foreign Commerce is that the penalty falls evenly, the penalty falls evenly across all automobiles. There is no incentive to sell small cars over large ones.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. Yes, I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I would like to inform the gentleman that when the Sharp amendment is considered, I will ask to add my amendment providing a penalty for the most inefficient cars.

Mr. CORMAN. If we come to that time, and I hope we do not, I will support the gentleman's amendment.

The CHAIRMAN. The Members who were standing at the time of the limitation of debate will be recognized for approximately three-quarters of a minute each.

The Chair recognizes the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. Mr. Chairman, I rise in support of the Fisher amendment. I believe that the effective way of reducing fuel consumption is to go to the heart of the problem—the cause of high consumption, the automobile. Thus, car manufacturers should be encouraged to manufacture vehicles which require less fuel to operate. To this end, I introduced H.R. 1151, a bill to impose a graduated weight tax on all new cars to remove the "gas guzzlers" from our highways.

It is my view that the automobile efficiency tax set forth in title III is weak and ineffective. It would be imposed only in the unlikely event a manufacturer's total domestic production failed to meet the stated mile-per-gallon average. The tax as written in the act provides no incentive for producing more efficient cars before 1978, gives the public no incentive to avoid purchasing "gas-guzzling" autos at any time.

I will vote for the Fisher amendment, which is designed to strengthen the committee proposal and provide incentives for producing, promoting and purchasing fuel-efficient cars.

This amendment would provide two tests of car efficiency. The first would be a sticker tax or a per car excise tax on less efficient automobiles. The second would be a manufacturer's excise tax on any manufacturer or importer whose fleet of cars does not meet a minimum average fuel mileage level. The per car tax is intended primarily to encourage consumers to purchase more gasoline-efficient cars, while the tax on the manufacturers will provide an incentive for manufacturers to increase the fuel efficiency of their cars.

I realize that such a provision would bring much pressure upon the manufacturers to build more fuel-efficient automobiles within a relatively short period of time. However, it is clear that strict measures are needed in order to reduce the high level of fuel consumption in this country.

A more effective auto efficiency tax would strongly encourage American car manufacturers to apply their technical resources to the production of economical automobiles. If the industry were to respond positively to this challenge, consumers would find American cars more attractive. This would result in increased sales of American cars, increased production, and an improvement in the employment situation in the auto industry. Thus, the Fisher amendment deserves to be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, I would like to say that we had better change the rules around here so that the rest of the Members can have at least as much time on this type of legislation as the committee consumes. If upon every amendment the committee takes the time—and that is their right so to do—but if the committee takes all of the time then the rest of the Members who have been hanging around all day have no opportunity to debate the issue.

Therefore, so far as I am concerned, I am going over to my office and do some work that will be more productive.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. HEINZ).

(By unanimous consent, Mr. HEINZ yielded his time to Mr. FRENZEL.)

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I rise in support of the Fisher amendment, and in opposition to the Sharp amendment. I think that those Members who have been told that the Sharp amendment is some great bed of roses, if they will vote down the Fisher amendment, should be well aware that the Sharp amendment, according to the FEA projections, will save one-third as much energy in 1978, one-fourth as much by 1980, and one-fourth as much by 1985. That bullet the Members thought they were going to bite turns into a cream puff, and if we pass the Sharp amendment it will turn into a piece of floss candy, because there is certainly far less savings in that amendment.

There is some conservation in the Fisher amendment. I will say it does not do enough for this bill, and I still intend to vote against the bill, but I think one can make a point of symbolic concern for conservation by voting for the Fisher amendment and against the Sharp amendment.

It is said also that the Sharp amendment is a carefully thought out document. Mr. Chairman, as I read it I do find the emission deescalator in section 203(b), but it seems to be contradicted by another feature in the same section, and I cannot begin to understand what the committee intended when they offered this particular bill.

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I do not have time.

The Fisher amendment, it seems to me. Mr. Chairman——

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENZEL. Mr. Chairman, auto efficiency is perhaps the least understood area of energy conservation—a subject which is generally poorly understood.

On one hand, well-meaning people have seized on the catchword "gas guzzler," and have tried to sell us mandatory efficiency by allowing us to blame excess energy use on someone else. This strikes me as scapegoating, and its main danger is that, in identifying somebody else as the culprit, it puts the rest of us to sleep on the need for all of us to conserve. An auto's efficiency is one tiny part of a conservation program, but is being promoted as a major element. If it is a major factor in this bill, that fact only further identifies this bill as a marshmellow.

On the other hand, equally well-meaning people have seized on the recession unemployment problem as a reason to beat off all consideration of an important, but not overriding, conservation program. The danger of not considering an auto efficiency incentive is as great as the danger of pretending that it will do the job alone.

The Fisher amendment has pluses and minuses. It will save energy—a half a million barrels a day in 5 years and 1 million in 10 years. In recognition of the auto industry's special problems, the taxes do not apply until the 1978 model year. That moderation of the original Fisher position is similar to an amendment I introduced into the RECORD, but which I had no opportunity to offer.

Its principal drawbacks are, despite the time lag, it will have some deleterious effects on an already sick industry. The tradeoff for energy conservation is unemployment and economic dislocation. Also, it would unfairly penalize large families who have needs for larger, less efficient cars.

Another questionable aspect of this proposal is whether we are actually saving energy or forcing its use into other areas. Does the family which is taxed out of its inefficient car, buy two efficient ones? Are we saving anything if we legislate "inefficient" cars out of business whose efficiency per seat or per ride exceeds that of the "efficient" car?

Weighing the tradeoffs, the value of this amendment comes out to be mostly symbolic. I will vote for it only as an indication of my determination to dramatize the need for conservation.

But the amendment is really not important in the overall. More important is the fact that the bill is a washout. We can't do anything to rehabilitate it. It has to go back to committee for a full revision. A part of this revision should be auto efficiency, but that feature must be integrated into a balanced, integrated whole.

The Sharp amendment, which follows, is worse. It removes the freedom of choice inherent in the Fisher amendment, and its energy savings is an unknown quantity. Since it is geared to industry promises, it probably will not save much.

Therefore, I will cast a vote for Fisher and against Sharp, but neither is significant compared to my vote to recommit this whole mess, and if that fails, my vote against this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. DINGELL).

(By unanimous consent, Mr. DINGELL yielded his time to Mr. Moss).

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Moss).

Mr. MOSS. Mr. Chairman, I wish my colleague, the gentleman from California (Mr. CORMAN), was on the floor, because that gentleman left the clear inference that those of us who disagree with the Fisher amendment have been gotten to.

Let me tell my good friend that I was the author of the Auto Safety Act in this House, as I was the author of the Auto Repairability Standards Act in this House, so that I am not liked by the automobile industry, and that it has not caused me to lose one moment's sleep during my service in this Congress.

But, Mr. Chairman, in good conscience I cannot say to the driver of a pickup truck that he is going to pay the same penalty as we would pay on a Lincoln Continental, nor should be.

I think there is every rational reason to impose some effective form of inducing greater mileage efficiency in domestically produced automobiles, but I am as firmly convinced as I have been that the best way of achieving that is through the Sharp amendment, and not through the device of the taxes proposed in the Committee on Ways and Means amendment offered by the gentleman from Virginia (Mr. FISHER).

That is an independent judgment. I do not produce any automobiles or any automobile components in my district. We consume automobiles, and we consume probably a great many imports because we have people who are desirous of efficient cars. But this measure will not produce efficient automobiles.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Indiana (Mr. SHARP).

Mr. SHARP. Mr. Chairman, I would just like to reiterate that in the event the amendment fails, or even if it passes, we still have the opportunity under the rules to offer our amendment from the Subcommittee on Energy and Power. It will be open to amendment.

There are a couple of amendments designed to change our amendment to meet some of the goals desired by those vociferously speaking on behalf of the Fisher amendment. I think the Commerce Committee approach offers an answer for the American consumer and will get major fuel savings for us by 1980. It is the only approach before the House of Representatives which bothers to look into the future beyond 1980 and tries really to bring about a major and radical transformation of the American automobile. If we fail to look ahead, we will regretfully be back here in 3 years debating standards for the next few years.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Mr. Chairman, I rise in opposition to the Fisher amendment. This amendment, would be completely

and outrageously unfair to people living in rural America. There are many people in my district who commute 40, 50, and 90 miles a day to work. They cannot commute in a Datsun, Pinto, or Vega. They commute 4 and 5 and 6 in a car, and they have to use a standard automobile, station wagon, or van. There is no way they could live with this amendment. It would be totally and completely unfair to these individuals to expect them to travel in anything less than they are traveling in today. Furthermore the larger vehicles they use are often more efficient than the so-called economy car.

One more point: Discouraging the sale of larger vehicles will not automatically mean more business for Detroit. American industry would still have to compete with foreign producers. I am convinced that competition for the consumer dollar is not only wholesome for the producer, but will lead to Detroit making more gas-efficient automobiles available to the American car buyer.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Illinois (Mr. MIKVA).

(By unanimous consent, Messrs. O'HARA and TRAXLER yielded their time to Mr. MIKVA).

Mr. MIKVA. Mr. Chairman, I want to make it clear that neither Mr. FISHER nor I are from the State of Michigan, which proves that one does not have to be from Michigan to be concerned about the automobile. But, unlike my colleague on the committee, I rise in reluctant opposition to the Fisher amendment because I think that the problems that we have with the automobile are not going to be solved by his approach.

I do not have any auto workers in my district; I do not have any automobile factories in my district. I probably have more than my share of Cadillac owners in my district, and I do not think any of them will stop buying Cadillacs as a result of the Fisher amendment. Cadillac had one of its greatest years ever in 1974. I do not think that the imposition of this tax, particularly since so many Cadillac owners either can deduct it as part of a business expense, or have it paid for by their corporation, is going to get at that image of the gas-guzzler, that big Cadillac, or that big Lincoln Continental barreling down the road. They are going to keep on barreling.

But we are getting at the station wagons. The Cadillac El Dorado will pay $1,000 under this tax. I think most people will agree that the Cadillac El Dorado people can afford to pay $1,000 tax, and they will pay it, and they will keep buying Cadillacs. But the Chevy wagon will pay $1,000 tax under the Fisher amendment also; and the Dodge wagon, at least the 4-barrel—which I understand is the most efficient—will also pay, and the 4-barreled Plymouth wagon, which is the most efficient, and the Ford wagon, will pay $1,200. Are we really against station wagons?

What we are really trying to get at is the inefficiency of 5,000 pounds of metal pushing one person around; but if that same 5,000 pounds of metal is pushing 8 or 12 people around, it is pretty efficient. Unfortunately, we have not yet figured out how to handle that equation, and this amendment is no help.

I think the Fisher amendment and the committee amendment are both a very rough approach to the problem. We are shaking our fist at the inefficiency of automobiles as a means of transportation. I hope we shake some muscle at that inefficiency when it comes to some of the road appropriations we are going to have. But in the meantime I think the Fisher amendment only makes it much more difficult to pass this bill.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Chairman, I rise in strong support of the Fisher amendment.

Mr. Chairman, I strongly support the Fisher amendment which would tax gas-guzzling cars manufactured after 1976. Energy conservation must be a national goal. One of the quickest and surest ways to achieve it is by discouraging the production of gas-wasting cars.

This amendment will impose a stiff tax on cars that fail to meet certain gas mileage standards. Manufacturers will only be taxed on the gas-wasting cars they produce. Consumers who purchase gas efficient cars will not pay any tax. Consumers will, thus, have a strong incentive not to buy gas-guzzling cars and manufacturers will have an incentive not to produce them.

The amendment in fact is estimated to save 500,000 barrels of oil a day by 1980.

The argument that farmers and large families will be unfairly penalized is wrong. First, half-ton trucks are exempted. More importantly, the efficiency of imported cars shows that the technology to produce gas efficiency in station wagons, and any other cars for that matter, is presently available.

The argument that jobs will be affected is unpersuasive. Right now, American cars are at a competitive disadvantage, not only in the United States, but abroad, because of low gas mileage. With gas prices increasing, as they must, the disadvantages will be worse. Requiring American industry to produce gas efficient cars will create more sales at home and abroad, and thus, more jobs.

(By unanimous consent Ms. HOLTZMAN, Messrs. MAGUIRE and VANIK yield their time to Mr. FISHER).

Mr. FISHER. Mr. Chairman, I want only to make a few remarks in rejoinder and summing up this long debate on a most important issue.

I begin by saying that without a reasonably stiff auto efficiency tax in this bill to get people to conserve, to get companies to make more efficient and smaller automobiles, we really do not have a coherent bill that will do the job. It would be a mistake to saddle this bill with deficiencies in conserving oil and gasoline and in providing incentives for people to get smaller automobiles.

Now, different statistics have been brought forward. No matter how we slice this, my amendment will result in considerably more gasoline savings than either the Sharp amendment or the Ways and Means Committee proposal, three or four times as much, by the FEA estimates, those are the only statistics I know of that are comparable and deal with each of the proposals.

My amendment, as has been said over and over, is the only one that goes right to the car, to the sticker in the window, and tells the purchaser how much tax he will have to pay and also shows how he can get away from that tax by buying a more efficient car.

Something has been made of the fact that the Sharp amendment goes beyond 1980. It does, but I believe it calls for review before that time. My own amendment says that a careful evaluation will be made as we approach 1980 to see whether we want to continue the rates of the tax under the amendment or not, or to raise or lower them. My amendment also calls for a look beyond 1980, in the light of our experience and in view of the changes that will happen on the world oil scene.

I do not really think Detroit is going to suffer from my proposal. They will have a couple of good years to make their changes.

There is a special tax in my bill that would draw back the manufacture of automobiles from abroad. Mostly they are the smaller ones and the smaller ones do not pay the tax anyway.

I urge my colleagues to support my amendment.

Mr. MAGUIRE. Mr. Chairman, if we are serious about conservation of energy we must act to limit wasteful consumption of motor gasoline. If we are serious about assuring a healthy, productive, job producing American automobile industry we must encourage the production of fuel efficient vehicles here in the United States.

The Fisher amendment is carefully framed to accomplish both of these objectives. I urge that it be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. KREBS).

Mr. KREBS. Mr. Chairman, in 1952 I was on the way to a reception center in Germany and when I looked out the window and saw a VW and thought to myself, "Gee, this automobile would never go over in the United States." This form of poor judgment was, I suppose, forgivable to a layman who was a Pfc. in the U.S. Army at the time; but I do not think it is forgivable as to the American automobile industry.

I want to see the American automobile industry succeed. I want to see the 27 percent or 30 percent of imports we are now bringing into this country decrease to a substantially lower percentage than that. I hope the American automobile industry will hear from this Congress that the American people have been sold a bill of goods for too long. The time has come for the American automobile industry to no longer tell the American people what they want, but for us to tell the industry what we need.

Mr. Chairman, I urge that we adopt the Fisher amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. KRUEGER).

Mr. KRUEGER. Mr. Chairman, 45 seconds does not leave a lot of time, but I would like to say to those Members on this floor who might have constituents who drive pickup trucks, that the Fisher amendment does not take account of the difference between pickup trucks and cars. Consequently, anyone who has pickup trucks in his district, unless he wants pickup trucks to be taxed the same way as a Cadillac Eldorado will be, ought to vote for the Sharp amendment.

The Sharp amendment, I think, is the better choice. It will take into account market forces as well as penalties in order to bring about more efficient automobiles in this country. I urge the rejection of the Fisher amendment and support of the Sharp amendment.

There is more to be said. Some people have supposed that there is no market, or price pressure to lower the sales prices of small cars. This is incorrect. We must recognize the following:

First. The manufacturer must produce and sell a certain number of cars that get better than the required average for the fleet. In order to sell these cars, market forces and the pressure to sell the requisite number of cars will force the price low.

Second. Since each manufacturer must meet a fleet average, the manufacture and sale of larger, less fuel-efficient cars will be discouraged. The manufacturer will be encouraged to produce fewer large cars, and consequently the cost of manufacturing large cars will go up. It is important to recognize that the Sharp amendment will reward the construction of fuel-efficient cars.

The CHAIRMAN. The Chair now recognizes the gentleman from Arkansas (Mr. THORNTON).

Mr. THORNTON. Mr. Chairman, I rise in strong support of the Fisher amendment. I think this is a good example of a specifically directed, targeted incentive for energy conservation. It is good because is places a discretion in the hands of the consumer as to whether or not he will pay a tax. That choice, I believe, will be made in the direction of increased fuel efficiency and economy.

The only improvement I would suggest to this amendment is that, in my view, it needs to have not only the stick, but the carrot which was originally offered in a bill introduced by the gentleman from New York (Mr. PIKE), which in addition to a tax on inefficient vehicles would have given a rebate for the purchase of vehicles exceeding efficiency standards.

The CHAIRMAN. The Chair now recognizes the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Mr. Chairman, I rise to oppose the Fisher amendment. After listening to my colleagues, many of whom drove here in their Mercedes, Fiats, Volkswagens, and Datsuns to participate in this debate, and obviously are not very sensitive to the unemployed autoworkers in my district, I wish to say that while they are worrying about all these lobbyists who have been bothering everybody so much, they should think a little bit about the American consumer who is going to bear the cost of what Mr. Fisher proposes.

They are people who need an automobile not just for luxury. They are people who need their auto as necessary transportation to work, and for all other essential mobility.

I think I am as angry as the rest of the Members are with the automobile companies and their management because after what I have heard today, I am convinced that automobile management is populated by descendants of Svengali and Mesmer. For years, according to many who have been heard from here today, the auto company managers have been forcing the American people to buy cars they neither wanted nor needed. What I say to the automobile management people is, if you have that degree of influence over American public opinion and buying habits; where are you when we need you? We are in a record low unit sales year and we have unemployment like we have never had it since the Great Depression. So I call on these mystical managers who have the power to tell the American people what they ought to buy, they should do it now.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, I have listened with great interest to the debate today which has centered on the automobile industry's failure to meet the problem of the economy in the 1975 automobile market. At this time I would like to point out a factor which has not been mentioned in this debate. It is a problem that the Congress addressed itself to a few years ago, that of implementing progressively higher and higher clean air standards which the emissions of the automobile were required to meet.

In the automobile industry, the fuel economy problem began when the clean air standards were enacted. That was when the so-called gas guzzlers were produced and mileage went down and economy suffered. The standards are continuing to be implemented, and as they are, the industry is responding to them and making cars that are more efficient. For example, the catalytic converter gives 15 percent greater fuel efficiency.

Today, instead of bettering the problem we could be worsening it by throwing still another hurdle at the automobile industry.

During the Memorial recess, I had the opportunity to spend the day at General Motors Research Institute where I witnessed the testing of many different types of engines. During this visit I drove a full size automobile powered by a V–8 stratified charged engine. The automobile performed well and met the 1975 clean air standards. This car gives a very credible performance for a large car by getting approximately 17 miles per gallon in the city and approximately 20 on the road. In my opinion, this is the type of car we are looking for today, however, this engine will not meet the 1978 clean air standards and is therefore not being planned for production.

We must have more fuel economy vehicles, but to achieve this need a moratorium on the higher emission standards for 1978 must be made. This is why I have introduced a bill calling for the continuation of present auto emission control levels over the next 5 years. If this action is taken, the automobile industry will develop more efficient, competitive engines, and the jobs of thousands and thousands of auto workers will be saved.

The CHAIRMAN. The Chair now recognizes the gentleman from Oregon, the chairman of the committee (Mr. ULLMAN) to close debate.

Mr. ULLMAN. Mr. Chairman, I commend the members of our committee, the gentleman from Virginia (Mr. FISHER), the gentleman from Minnesota (Mr. KARTH), the gentleman from New York (Mr. PIKE), and those who have spent so much time working on this problem. We had the same kind of debate in the Ways and Means Committee that we have had here on the floor. We arrived at a sound compromise, in my judgment, but I must tell the committee that in the Committee on Ways and Means I did support the Fisher proposal.

Let me appraise the members where we are. We will vote on this amendment now. Whether it carries or whether it does not carry the Sharp amendment will be in order under the rule.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. FISHER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FISHER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 166, noes 235, answered "present" 1, not voting 31, as follows:

[Roll No. 288]

AYES—166

Abzug	Butler	Ford, Tenn.
Adams	Chisholm	Forsythe
Addabbo	Cleveland	Fraser
Alexander	Cohen	Frenzel
Ambro	Conte	Giaimo
Anderson, Calif.	Corman	Gibbons
	Cornell	Goodling
Andrews, N.C.	Cotter	Grassley
AuCoin	Coughlin	Green
Badillo	D'Amours	Gude
Beard, Tenn.	Danielson	Hannaford
Bedell	Delaney	Harkin
Bell	Dellums	Harrington
Bennett	Dodd	Hays, Ohio
Bergland	Downey	Hechler, W. Va.
Bevill	Drinan	Heckler, Mass.
Biester	Duncan, Oreg.	Hicks
Bingham	du Pont	Holtzman
Blouin	Early	Howard
Boland	Edgar	Howe
Bonker	Edwards, Ala.	Hughes
Breaux	Edwards, Calif.	Hungate
Brinkley	Eilberg	Jeffords
Brooks	Emery	Johnson, Calif.
Brown, Calif.	Evans, Colo.	Jordan
Burke, Calif.	Evins, Tenn.	Karth
Burke, Mass.	Fascell	Kastenmeier
Burlison, Mo.	Fenwick	Keys
Burton, John	Fisher	Koch
Burton, Phillip	Foley	Krebs
LaFalce	Nichols	Sisk
Leggett	Nolan	Smith, Iowa
Lent	Oberstar	Snyder
Long, La.	Obey	Solarz
Long, Md.	O'Neill	Spellman
Lujan	Patman, Tex.	Stanton,
McCloskey	Patterson, Calif.	James V.
McCormack		Stark
McDade	Pattison, N.Y.	Steelman
McHugh	Pike	Studds
McKay	Pritchard	Sullivan
McKinney	Quie	Taylor, N.C.
Madden	Rangel	Thornton
Madigan	Rees	Tsongas
Maguire	Reuss	Van Deerlin
Mazzoli	Richmond	Vanik
Meeds	Rodino	Waxman
Meyner	Roncalio	Weaver
Mezvinsky	Rosenthal	Whalen
Miller, Calif.	Rostenkowski	Wolff
Mineta	Roybal	Wright
Mink	Ryan	Wydler
Moakley	Sarasin	Yates
Moffett	Scheuer	Young, Ga.
Mosher	Schroeder	Zeferetti
Myers, Pa.	Schulze	
Neal	Selberling	

NOES—235

Abdnor	Fuqua	Morgan
Andrews, N. Dak.	Gaydos	Mottl
	Gilman	Murphy, Ill.
Annunzio	Ginn	Murphy, N.Y.
Archer	Goldwater	Murtha
Armstrong	Gradison	Myers, Ind.
Ashbrook	Guyer	Natcher
Aspin	Hagedorn	Nedzi
Bafalis	Haley	Nix
Baldus	Hall	Nowak
Barrett	Hamilton	O'Brien
Baucus	Hammer-schmidt	O'Hara
Bauman		Ottinger
Beard, R.I.	Hanley	Passman
Biaggi	Harris	Patten, N.J.
Blanchard	Harsha	Perkins
Boggs	Hastings	Pettis
Bolling	Hawkins	Pickle
Bowen	Hayes, Ind.	Poage
Brademas	Hefner	Pressler
Brodhead	Heinz	Preyer
Broomfield	Helstoski	Price
Brown, Mich.	Henderson	Railsback
Brown, Ohio	Hightower	Randall
Broyhill	Hillis	Regula
Buchanan	Holt	Rhodes
Burgener	Horton	Riegle
Burke, Fla.	Hubbard	Rinaldo
Burleson, Tex.	Hutchinson	Risenhoover
Byron	Hyde	Roberts
Carney	Ichord	Robinson
Carr	Jacobs	Roe
Carter	Jarman	Rogers
Casey	Johnson, Colo.	Rooney
Cederberg	Johnson, Pa.	Rose
Chappell	Jones, Okla.	Roush
Clancy	Kasten	Runnels
Clausen, Don H.	Kazen	Ruppe
	Kelly	Russo
Cochran	Kemp	St Germain
Collins, Ill.	Ketchum	Santini
Collins, Tex.	Kindness	Sarbanes
Conable	Krueger	Satterfield
Conlan	Lagomarsino	Schneebeli
Crane	Landrum	Sebelius
Daniel, Dan	Latta	Sharp
Daniel, R. W.	Levitas	Shipley
Daniels, N.J.	Litton	Shriver
Davis	Lloyd, Calif.	Shuster
de la Garza	Lloyd, Tenn.	Sikes
Dent	Lott	Skubitz
Derrick	McClory	Slack
Derwinski	McCollister	Smith, Nebr.
Devine	McDonald	Spence
Dickinson	McEwen	Stanton, J. William
Diggs	McFall	
Dingell	Macdonald	Steed
Downing	Mahon	Steiger, Ariz.
Duncan, Tenn.	Mann	Steiger, Wis.
Eckhardt	Martin	Stephens
English	Matsunaga	Stokes
Erlenborn	Melcher	Stratton
Esch	Michel	Stuckey
Eshleman	Mikva	Symington
Evans, Ind.	Milford	Symms
Findley	Miller, Ohio	Taylor, Mo.
Fish	Mills	Teague
Fithian	Minish	Thompson
Flood	Mitchell, Md.	Thone
Florio	Mitchell, N.Y.	Traxler
Flowers	Montgomery	Treen
Ford, Mich.	Moore	Ullman
Fountain	Moorhead, Calif.	Vander Jagt
Frey		Vander Veen
Fulton	Moorhead, Pa.	Vigorito
Waggonner	Wiggins	Yatron
Walsh	Wilson, Bob	Young, Alaska
White	Winn	Young, Fla.
Whitehurst	Wirth	Young, Tex.
Whitten	Wylie	Zablocki

ANSWERED "PRESENT"—1

Lehman

NOT VOTING—31

Anderson, Ill.	Holland	Quillen
Ashley	Jenrette	Rousselot
Breckinridge	Jones, Ala.	Simon
Clawson, Del	Jones, N.C.	Staggers
Clay	Jones, Tenn.	Talcott
Conyers	Mathis	Udall
Flynt	Metcalfe	Wampler
Gonzalez	Mollohan	Wilson, C. H.
Hansen	Moss	Wilson, Tex.
Hébert	Pepper	
Hinshaw	Peyser	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Breckinridge for, with Mr. Hébert against.

Mr. Holland for, with Mr. Jenrette against.

Mr. Jones of Tennessee for, with Mr. Flynt against.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SHARP

Mr. SHARP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHARP: Page 58, strike out line 4 and all that follows down through line 20 on page 71 and insert in lieu thereof the following:

PART I—AUTOMOBILE-FUEL MILEAGE

DEFINITIONS

SEC. 301. (a) As used in this part:

(1) The term "EPA Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "automobile" means a four-wheeled vehicle propelled by fuel which is manufactured primarily for use on public streets, roads, and highways (except any vehicle operated exclusively on a rail or rails), and which is rated at ten thousand pounds gross vehicle weight or less.

(3) The term "passenger automobile" means any automobile which has as its primary intended function the transportation of not more than ten individuals.

(4) The term "light-duty truck and multipurpose passenger vehicle" means any automobile which is not a passenger automobile.

(5) The term "average fuel economy" (except for purposes of section 302(a)(4) of this Act) means (A) the total number of passenger automobiles manufactured in a given model year by a manufacturer (including all passenger automobiles manufactured by persons who control, or are controlled by or under common control with such manufacturer, but excluding any passenger automobile exported in the model year) divided by (B) a sum of terms, each term of which is a fraction created by dividing—

(i) the number of passenger automobiles of a given model type manufactured in such model year by

(ii) the fuel economy measured for such model type rounded to the nearest mile per gallon, as determined by the EPA Administrator.

(6) The term "dealer" means any person engaged in the business of selling new automobiles to purchasers who buy for purposes other than resale.

(7) The term "fuel" means any liquid or gaseous fuel.

(8) The term "fuel economy" refers to the average number of miles traveled by an automobile per gallon of fuel consumed, as determined by the EPA Administrator in accordance with test procedures established under section 302(d) of this Act.

(9) The term "manufacturer" means any person engaged in the manufacture, assembly, or importation of automobiles.

(10) The term "to manufacture" (except for purposes of section 302(a)(2) of this Act) means to manufacture in the United States or to import into the United States.

(11) The term "model type" means a particular class of automobile, as defined by the EPA Administrator.

(12) The term "model year" with reference to any specific calendar year means the manufacturer's annual production period (as determined by the EPA Administrator) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term "model year" shall mean the calendar year.

(13) The term "Secretary" means the Secretary of Transportation.

(b)(1) In calculating the average fuel economy under subsection (a)(3) the Secretary shall separate the total passenger automobiles manufactured by a manufacturer into two categories:

(A) Passenger automobiles manufactured in the United States or Canada by such manufacturer, and passenger automobiles not manufactured in the United States or Canada by such manufacturer which are subject to inclusion pursuant to paragraph (2) of this subsection.

(B) Passenger automobiles not manufactured in the United States or Canada by such manufacturer and not subject to inclusion pursuant to paragraph (2) of this subsection.

The Secretary shall calculate the average fuel economy of each such separate category and each category shall be treated as manufactured by a separate manufacturer for purposes of this part.

(2) The Secretary shall include in paragraph (1)(A) passenger automobiles not manufactured in the United States or Canada to the extent that such automobiles are within the imported automobile base volume of such manufacturer. A manufacturer's imported automobile base volume is an amount of passenger automobiles calculated by multiplying—

(A) the quotient of—

(i) the total number of passenger automobiles imported into the United States (other than from Canada) by such manufacturer during model year 1973 or model year 1974, whichever number is greater, divided by

(ii) the total number of passenger automobiles manufactured by such manufacturer during the model year used in clause (i); and

(B) the total number of passenger automobiles manufactured by such manufacturer during the model year within which such calculation is used.

(3) For purposes of this subsection, the term "automobile is manufactured in the United States or Canada" means an automobile at least 75 percent of the cost to the manufacturer of which is attributable to value added in the United States or Canada, but such term does not include any passenger automobile assembly of which is completed in Canada and which is not imported into the United States during the model year in which it is assembled.

AVERAGE FUEL ECONOMY STANDARDS APPLICABLE TO EACH MANUFACTURER

SEC. 302. (a)(1) Except as otherwise provided in paragraph (2) and in subsection (b)(3)(B), the average fuel economy for all passenger automobiles manufactured by any manufacturer in any model year after model year 1977 shall not be less than the number of miles per gallon determined under the following table:

Model year:	Average fuel economy (in miles per gallon)
1978	18.5.
1979	19.5.
1980	20.5.
1981	Determined by Secretary under subsection (b).
1982	Determined by Secretary under subsection (b).
1983	Determined by Secretary under subsection (b).
1984	Determined by Secretary under subsection (b).
1985 or thereafter	28.0.

(2) On application of a manufacturer, who manufactured (whether or not in the United States) fewer than ten thousand automobiles in the second model year preceding the model year for which the application is made, the Secretary may by rule exempt such manufacturer from paragraph (1). Such exemption may only be granted if (A) such exemption will not significantly detract from the purposes of this part, and (B) such exemption is necessary to avoid an unreasonable burden on such manufacturer. Simultaneously with the issuance of any such exemptions, the Secretary shall establish alternative average fuel economy standards for such manufacturer which shall represent the maximum feasible level of fuel economy for such manufacturer. In determining the number of automobiles manufactured by a manufacturer for purposes of this paragraph, there shall be included all automobiles manufactured by persons who control, are controlled by, or are under common control with such manufacturer.

(3) Beginning in 1977, the Secretary shall review, not later than January 1 of each calendar year, standards promulgated pursuant to this part which will take effect in future model years and shall publish the results of such review in the Federal Register and shall send such review to the members of the Commerce Committees of the Senate and House of Representatives. The review required to be published by January 1, 1979, and sent to the Congress shall include a comprehensive analysis of the program required by this part. Such analysis shall include an assessment of the ability of the Nation to meet the average fuel economy requirements for 1985 as specified in subsection (a)(1) of this section, and any legislative recommendations the Secretary might have for improving the program required by this part.

(4)(A) The Secretary shall, by rule, prescribe average fuel economy standards for all light-duty trucks and multi-purpose passenger vehicles manufactured by any manufacturer in any model year after model year 1977. Such a rule may provide for separate standards for different classes of such trucks and vehicles and shall be based upon the maximum feasible average fuel economy level which the Secretary determines manufacturers of light-duty trucks and multi-purpose passenger vehicles or classes thereof are able to achieve in each model year after 1977.

(b)(1) Not later than July 1, 1977, the Secretary shall establish, by rule, average fuel economy standards for new automobiles manufactured in model years 1981 through 1984. The standards, which shall be equally applicable to each manufacturer, shall be set for each such model year at a level which the Secretary determines is the maximum feasible level and shall be promulgated in a manner which will result in steady progress toward meeting an average fuel economy level of 28 miles per gallon for model year 1985.

(2) Any standard prescribed under paragraph (1), and any amendment prescribed under paragraph (3), shall be promulgated not later than 18 months prior to the beginning of the model years to which such standard or amendment will apply.

(3)(A) The Secretary may, from time to time, upon the basis of new information, amend any average fuel economy performance standard established under paragraph (1), except that no such amendment, modification, or revision may reduce the standard for average fuel economy below that necessary to meet the model year 1980 average fuel economy level specified in subsection (a)(1).

(B) If the course of preparing the review required to be published on January 1, 1979, pursuant to subsection (a)(4) of this section, the Secretary finds that the model year 1985 average fuel economy level specified in subsection (a)(1) should be modified because such level cannot reasonably be attained or because a higher level may reasonably be attained, the Secretary may by rule modify such level, to a level that represents the maximum feasible average fuel economy level. The Secretary shall transmit to the Congress notice of the establishment of such modified level. Such modified level shall take effect 60 days on the date or dates specified in such notice, but not sooner than the end of the first period of fifteen calendar days of continuous session of Congress (within the meaning of section 906(b) of title 5, United States Code) after the date on which such amendment is transmitted to it; except that such an amendment shall not take effect if, between the date of transmittal and the end of such fifteen-day period, either House passes a resolution of that House, the matter after the resolving clause of which is as follows: "That the — does not favor the modification of the average fuel economy standard, transmitted to the Congress by the President on ————, 19—.", the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled.

(C) Section 908 and sections 910 through 913 of title 5, United States Code, shall apply to any resolution described in paragraph (A), and for purposes of consideration of a resolution under this paragraph, the twenty calendar days specified in section 911 of title 5, United States Code, shall be shortened to five calendar days, any reference to a resolution under section 908 and sections 910 through 913 of title 5, United States Code, shall be deemed a reference to a resolution described in paragraph (A), and any reference to a reorganization plan shall be deemed a reference to an amendment to which this paragraph applies.

(4) For purposes of this subsection, in determining the maximum feasible average fuel economy, the Secretary shall consider:

(A) technological feasibility;

(B) economic practicality;

(C) relationship to other Federal motor vehicle standards (except as otherwise provided in subsection (c)(4)); and

(D) the purposes of this Act.

(c)(1) If the Secretary (after consultation with the EPA Administrator) determines under paragraph (3) that in any model year there will be an emission standards penalty, he shall adjust the fuel economy rate applicable to such year by subtracting a number of miles per gallon (rounded off to the nearest tenth of a mile per gallon) equal to the amount of such penalty.

(2) For purposes of this subsection:

(A) The term "emission standards penalty" means the number of miles per gallon which the Secretary determines is equal to (i) the average fuel economy which all passenger automobiles sold in a model year would achieve, if such automobiles were subject only to the 1975 emission standards, less (ii) the average fuel economy which all such automobiles are likely to achieve while meeting the emission standards actually applicable to such automobiles.

(B) The term "1975 emission standards" means the following standards:

(i) For hydrocarbons, 1.5 grams per mile.

(ii) For carbon monoxide, 15 grams per mile.

(iii) For oxides of nitrogen, 3.1 grams per mile.

(C) The term "fuel economy rate" means the rate under subsection (a)(1), as such rate may be modified under subsection (b).

(3) The Secretary shall commence a proceeding with respect to a determination under paragraph (1) on petition of any manufacturer. Such a petition may be filed only within the 18-month period preceding the beginning of the model year to which it relates. The Secretary shall allow interested persons an opportunity for oral as well as written presentations of data, views, and arguments. He shall render a decision in any such proceeding within 60 days after the filing of the petition.

(4) The Secretary may not make any modification of fuel economy rates to take account of any decrease in fuel economy associated with emissions standards except in accordance with this subsection.

(d)(1) Compliance by a manufacturer with subsection (a) shall be determined by the EPA Administrator (in accordance with test procedures established by the EPA Administrator by rule)—

(A) by calculating for purposes of subsection (a)(1) the average fuel economy of all passenger automobiles manufactured by such manufacturer during such model year, and

(B) by calculating for purposes of subsection (a)(4) the fuel economy of all light duty trucks and multipurpose passenger vehicles (or each class thereof, as may be appropriate) manufactured by such manufacturer in such model year.

Test procedures so established shall be the procedures utilized by the EPA Administrator for model year 1975 (weighted 55 percent urban cycle, and 45 percent highway cycle) or procedures which yield comparable results. Such procedures, to the extent practicable, shall require that fuel economy tests be conducted in conjunction with emissions test conducted under section 206 of the Clean Air Act (42 U.S.C. 1875f–5). The EPA Administrator shall report the findings of such compliance determinations to the Secretary.

(2) In determining whether a manufacturer has complied with subsection (a)—

(A) if the average fuel economy of a manufacturer is less than 0.5 miles per gallon less than the applicable standard under subsection (a), the manufacturer shall be deemed to have complied with subsection (a), and

(B) if the average fuel economy of a manufacturer exceeds the applicable standard under subsection (a) for a model year by more than 0.5 miles per gallon—

(i) he may carry back such excess to the preceding model year to the extent that his average fuel economy was more than 0.5 miles per gallon less than the applicable standard for such preceding year; and

(ii) to the extent such excess was not carried back to the preceding year, he may carry forward the excess to the year succeeding the year of the excess.

The Secretary shall prescribe rules to carry out this subsection. To the extent that a carryback under clause (ii) reduces a manufacturer's liability for a civil penalty paid under section 506, the Secretary shall refund to such manufacturer an amount equal to the amount of such reduction.

(e)(1) Any person who may be adversely affected by any rule promulgated under this section may at any time prior to 60 days after such rule is promulgated file a petition in the United States Court of Appeals for the District of Columbia, or any circuit wherein such person resides or has his or her principal place of business, for judicial review of such rule. A copy of the petition shall be forthwith transmitted by the clerk of such court to the officer who prescribed the rule. Such officer shall thereupon cause to be filed in such court the record of the proceedings upon which the rule which is under review was based, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the officer who prescribed the rule, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before such officer, and be adduced in a hearing, in such manner and upon such terms and conditions as the court may deem proper. Such officer may modify any earlier finding as to the facts, or make new findings, by reason of the additional evidence so taken, and shall file such modified or new findings, and recommendations, if any, for the modification or setting aside of the previously promulgated rule, with the return of such additional evidence.

(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule of the officer who prescribed the rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(4) The remedies provided for in this section shall be in addition to and not in lieu of any other remedies provided by law.

(f)(1) The Secretary shall prescribe regulations requiring each manufacturer to submit a report to the Secretary during the 30-day period preceding the beginning of each model year, and during the 30-day period beginning on the 180th day of each model year. Each such report shall contain a statement as to whether such manufacturer will comply with applicable requirements under subsection (a); a plan which describes the steps the manufacturers intends to take in order to comply with such requirements; and such other matter as the Secretary may require.

(2) Whenever a manufacturer determines that a plan submitted under paragraph (1) which he stated was sufficient to insure compliance with applicable requirements is not sufficient to insure such compliance, he shall submit a report containing a revised plan which specific any additional measures which he intends to take in order to comply with such requirements, and a statement as to whether such plan is sufficient to insure such compliance.

DUTIES AND POWERS OF THE SECRETARY AND ADMINISTRATOR

SEC. 303. (a)(1) For the purpose of carrying out the provisions of this part, the Secretary or the EPA Administrator, or their duly designated agents, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, EPA Administrator, or such agents deem advisable. The Secretary, EPA Administrator, or their duly designated agents, shall at all reasonable times have accept to, and for the purpose of examination, the right to copy any documentary evidence of any person having materials or information relevant to any function of the Secretary or EPA Administrator under this part. The Secretary or EPA Administrator is authorized to require, by general or special orders, any person to file, in such form as the Secretary or EPA Administrator may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary or EPA Administrator under this part. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secreary or EPA Administrator within such reasonable period as he may prescribe.

(2) The district courts of the United States for a judicial district in the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a duly authorized subpena or order of the Secretary, the EPA Administrator, or their duly designated agents, issued under paragraph (1) of this subsection, issue an order requiring compliance with such subpena or order. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

(3) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(b)(1) Every manufacturer of automobiles shall establish and maintain such records, make such reports, conduct such tests, and provide such items and information as the Secretary or EPA Administrator may reasonably require to enable the Secretary or EPA Administrator to carry out their duties under this part and under any rules or regulations promulgated pursuant to this part. Such manufacturer shall, upon request of a duly designated agent of the Secretary or EPA Administrator, permit such agent to inspect finished automobiles and appropriate books, papers, records, and documents. Such manufacturer shall make available all of such items and information in accordance with such reasonable rules as the Secretary or EPA Administrator may prescribe.

(2) The district courts of the United States for a judicial district in which an inspection is carried out or requested may, if a manufacturer of automobiles refuses to accede to any reasonable requirement or request, issued or made under paragraph (1) of this subsection, issue an order requiring compliance with such requirement or request. Any failure to obey such on order of the court may be punished by such court as a contempt thereof.

(c)(1) Except as provided in paragraph (2), the Secretary or EPA Administrator shall disclose information obtained under this part to the public in accordance with section 552 of title 5, United States Code, except that information may be withheld from disclosure on the grounds specified in subsection (b)(4) of such section only if it contains a trade secret which if disclosed would result in significant competitive damage.

(2) Information contained in a report submitted under section 302(f), disclosure of which the Secretary determines may cause significant competitive damage, may not be disclosed until after the close of the model year to which such report relates; except (A) in a proceeding under section 302(b)(1), (b)(3), or (c); (B) to duly authorized officers or employees of the United States; or (C) to committees of Congress.

LABELING AND ADVERTISING

SEC. 304. (a)(1) Beginning no later than 90 days after the date of enactment of this Act, each manufacturer shall cause to be affixed and each dealer shall cause to be maintained on each new automobile, in a prominent place, a sticker indicating the fuel economy which a prospective purchaser can expect from such automobile, representative average annual fuel costs associated with the operation of such automobile, and the range of fuel economy performance of automobiles of similar size and weight (as determined by the EPA Administrator). If the fuel economy of an automobile manufactured in a model year is less than the miles per gallon level specified in the average fuel economy standard specified by rule under section 302(a)(1) of this Act, such sticker shall disclose that such automobile's fuel economy is less than the Federal standard for average fuel economy. Such sticker shall include a written statement that written information respecting the fuel economy of other automobiles manufactured in such model year is available from the dealer in a simple and readily understandable form in order to facilitate comparison among the various model types. The form and content of such sticker shall be prescribed by the EPA Administrator by rule, after consultation with the Federal Trade Commission and the Secretary.

(2) The EPA Administrator, not later than February 1, 1976, shall by rule establish procedures requiring dealers to make available to prospective purchasers information compiled by the EPA Administrator under paragraph (1).

(b) Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by striking out in the first paragraph "disclosing the following information concerning" and inserting in lieu thereof "disclosing the information required by section 304(a) of the Energy Conservation and Conversion Act of 1975, together with the following information concerning".

PROHIBITED CONDUCT

SEC. 305. The following conduct is prohibited:

(1) the failure to comply with any requirement of section 302(a) of this Act;

(2) the failure to comply with any provision of this part (other than section 302(a) of this Act) or any standard, rule, regulation, or order issued pursuant to such a provision;

(3) the failure to provide information as required in accordance with this part;

(4) the failure to permit inspection pursuant to this part; and

(5) the failure to comply with any requirement under section 304(a)(2) of this Act.

CIVIL PENALTY

SEC. 306. (a)(1) If through testing, inspection, investigation, or research carried out pursuant to this Act, or otherwise, the Secretary determines that any manufacturer has not complied with any requirement of section 302 of this Act, he shall immediately notify such manufacturer and shall publish notice of such determination in the Federal Register. The notification to the manufacturer shall include all information upon which the determination of the Secretary is based. Such notification (including such information) shall be available to any interested person. The Secretary shall afford such manufacturer an opportunity to present data, views, and arguments to establish that there is no violation of section 302 and shall afford other interested persons an opportunity to present data, views, and arguments respecting the determinations of the Secretary.

(2) If, after such presentations by the manufacturer and interested persons, the Secretary determines that such manufacturer has not complied with any requirement under section 302 of this Act, the Secretary shall assess the penalties provided for under subsection (b).

(b) (1) (A) Any manufacturer who the Secretary determines under subsection (a) to have violated a provision of section 302(a) (1) of this Act, shall be liable to the United States for a civil penalty equal to (i) $5.00 for each tenth of a mile per gallon by which the average fuel economy of the automobile manufactured by such manufacturer during such model year is exceeded by the applicable average fuel economy standard established under section 302(a) (1) of this Act, multiplied by (ii) the total number of automobiles manufactured by such manufacturer during such model year. Such penalty shall be assessed by the Secretary and collected in a civil action brought by the Attorney General.

(B) Any fuel economy measurement for purposes of paragraph (A) shall be rounded off to the nearest one-tenth gallon (in accordance with rules of the EPA Administrator).

(2) Any person who the Secretary determines after opportunity for presentation of data, views, and arguments to have violated a provision of section 305 of this Act, other than paragraph (1) thereof, shall be liable to the United States for a civil penalty of not more than $10,000 for each violation; each day of a continuing violation constituting a separate violation.

(3) The amount of such civil penalty shall be assessed by the Secretary by written notice. The Secretary shall have the discretion to compromise, modify, or remit, with or without conditions, any civil penalty assessed against a manufacturer only to the extent (A) necessary to prevent the insolvency or bankruptcy of such manufacturer, or (B) such manufacturer shows that noncompliance resulted from an act of God, a strike, or a fire.

RELATIONSHIP TO STATE LAW

SEC. 307. After the effective date of any standard issued or effective under this part relating to fuel economy performance standards for any automobile or to fuel economy labeling or advertising of any new automobile, no State or political subdivision thereof may adopt or enforce any law or regulation relating to such matters which is applicable to such automobile, unless such law or regulation is identical to a standard under this part.

Mr. SHARP (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SHARP. Mr. Chairman, I offer this amendment for permanent mandatory fuel standards which previously passed the Subcommittee on Energy and Power.

I believe this amendment will strengthen the bill offered by the Committee on Ways and Means, and gain more fuel savings than the bill as it now stands.

I know that we have had a very intense discussion about this issue, and so I will just very quickly reiterate the basic points in the amendment.

First, it envisions a fleetwide standard for each manufacturer in this country. Statutory standards from 1978 through 1980 are set, along with standards for 1985, which could be properly modified if the Department of Transportation reported correctly to the Congress that it was either possible to achieve a higher level of improvement or that the standard prescribed is not attainable and we would have a chance to veto that decision through a congressional vote of disapproval. It takes a longer range view than that in the bill.

Second, it seeks to enforce the standard through civil penalties which will be assessed in the first instance on the manufacturer.

Third, it provides a reporting system so that we can monitor progress in this program. Thirty days before each model year each major manufacturer will submit to the Commerce Committee, and to the public, through the Federal Register, reports indicating exactly how they plan to meet the standard, and whether or not they plan to meet the standard. It will give us an instant guide as to whether or not we can count on the law being adhered to and whether we will have to immediately stiffen the penalties.

Fourth, the amendment provides a system of consumer labeling so that each automobile, whatever its range of fuel economy, will have upon its sticker in the showroom the miles per gallon that the consumer can expect from that particular automobile. It will also indicate on that sticker a comparison of the range of other automobiles of that particular model. It will also indicate that the dealer will have a booklet available indicating the fuel economy of every model of car sold in America so that the consumer will know what he or she is getting.

Mr. Chairman, I believe adoption of this amendment will strengthen the bill. I think it provides the necessary energy savings for the country, and I would urge the Members to support the amendment.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from Florida.

Mr. ROGERS. I thank the gentleman for yielding.

I agree with the gentleman. I commend him for offering this amendment. I think this is an energy saving approach. It is the way to do this, rather than trying to put the solutions on the public by increased costs. This Sharp amendment is a proper approach. It will accomplish what this Congress ought to do, and it will be well received by the American public.

I commend the gentleman and would urge that this amendment be adopted.

Mr. SHARP. I thank the gentleman.

AMENDMENT OFFERED BY MR. JACOBS TO THE AMENDMENT OFFERED BY MR. SHARP

Mr. JACOBS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. JACOBS to the amendment offered by Mr. SHARP: Page 6, line 14, after "(1)" insert "or (5)".

Page 8, after line 8, insert the following:

(5) Except as otherwise provided in paragraph (2), the fuel economy of each model type of passenger automobile—

(A) manufactured during model year 1982 shall not be less than 18.5 miles per gallon;

(B) manufactured during model year 1983 shall not be less than 19.5 miles per gallon;

(C) manufactured during model year 1984 shall not be less than 20.5 miles per gallon; and

(D) manufactured during model year 1985 shall not be less than 21.0 miles per gallon.

This paragraph shall not apply to any passenger automobile exported from the United States.

Page 23, after line 21, insert the following:

INJUNCTIVE ENFORCEMENT

SEC. 307. United States district courts shall have jurisdiction to restrain any violation of section 302(a) (5) of this Act or to restrain any manufacturer or dealer from distributing in commerce a passenger automobile which does not comply with the minimum fuel economy standards specified in such section 302(a)(5). Actions under this section may be brought by the Attorney General in any United States district court for a district wherein any violation occurred, or in such court for the district wherein the defendant is found or transactions business. In any action under this section, process may be served on a defendant in any other district in which the defendant resides or may be found.

Page 23, line 23, strike out "SEC. 307" and insert in lieu thereof "SEC. 308".

Mr. JACOBS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JACOBS. Mr. Chairman, the unread portion of this amendment simply provides for a mandatory injunction to enforce the provisions that have just been read. I think, Mr. Chairman, that the infirmity of the excise tax approach to automobile efficiency simply is demonstrated by the fact that when it was determined that there was a national purpose in conserving gasoline in this country and a speed limit of 55 miles an hour was enacted, we did not drive along the road and see signs which said, "Speed limit: poor, 55; rich, 80."

In essence, the excise tax approach to this problem says just that. "If you are wealthy enough, you don't have to bother to be patriotic, or perhaps could be patriotic enough, but not be public spirited."

In essence, this amendment simply takes the Sharp amendment and says by 1985 the automobile industry shall achieve what it achieved in 1952. Now, if between now and 1985 they can get to the place they were in 1952, there will not be any problem at all so far as this amendment to the amendment is concerned. The 1952 Cadillac car gave 21 miles per gallon and General Motors advertised that. In 1974 Cadillac, that is General Motors, gave an interview to Newsweek magazine. One of the reasons they explained their 1974 comparable model Cadillac gave something like a

mile in 7 barrels was automatic transmission. Anybody knows that a 1952 Cadillac had automatic transmission.

I got a little suspicious at that time. The point is that the technology is there. The point is that we really do not have to reduce the size of the car. The point is we do not really reduce the weight by very much.

I often wonder if the point is not an accommodation to the petroleum industry, that accounts pretty well for the otherwise unexplained dilution of the gas mileage of our automobiles. It is nothing more than that. It does not cost anybody a penny.

It takes precisely the approach that was taken by the Congress with respect to the speed limit. It simply says, "Thou shalt not. No exception, not if you are rich and you can buy a gas guzzler." It simply says that by 1985 they cannot manufacture a car in the United States that does not give at least 21 miles per gallon.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I congratulate the gentleman.

I would like to advise him that the way the Sharp amendment is constructed there would be no penalty, however, for noncompliance.

I have an amendment that is virtually identical to the gentleman's amendment, which would impose a penalty of $100 per car for each mile it falls short of fuel standards, very similar to what the gentleman has.

I wonder if the gentleman would like to withdraw his amendment and substitute mine?

Mr. JACOBS. Is there a mandatory injunction in it?

Mr. OTTINGER. No. The problem is we have no penalty for failure to comply.

Mr. JACOBS. I can say to the gentleman that I do not think there is any remedy for it at all. It becomes a cost of doing business. If we put a $1,000 tax on the Hope Diamond, it will be just that much more valuable.

The point is that there is either a national purpose, a patriotic purpose for saving gasoline, or there is not. If there is not, then forget the excise tax. If we believe there is a national purpose to be served, it is the same as a "Thou shalt not."

It is said that "April love is for the very young." I do not want the Congress to say that patriotism is for the very poor. If there are sacrifices to be made, let them be upon the whole country.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, as I understand what the gentleman is doing, the amendment is saying that 4 years after any particular mileage standard required for an entire fleet of cars, then there may not be any car distributed which exceeds that figure to which the limitation was placed 4 years earlier on the entire fleet, and if it is attempted to sell a car which does not meet that standard, the company may be enjoined from selling it?

Mr. JACOBS. By action of the Justice Department; the gentleman is right.

Mr. ECKHARDT. And in addition to that, this only applies to passenger vehicles; is that correct?

Mr. JACOBS. Well, I do not know just what that means—but yes, what the heck.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Chairman, I very reluctantly rise in opposition to the amendment because I agree with the purpose the gentleman is trying to accomplish. I have an amendment which would provide essentially the same thing.

The difficulty with the amendment is that, if the companies do not like it, they simply can ignore it and there is no penalty provided. Therefore, if this amendment is defeated, I will offer an amendment which has the same purpose as the amendment offered here, but will provide a certain penalty.

Mr. DINGELL. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I do not think this amendment ought to be taken lightly. It would appear to deal with the amount of mileage an automobile may be compelled to deliver on a per gallon basis, but in point of fact, the real guts of this amendment is injunctive enforcement.

Let me read to my colleagues what it adds to section 307:

United States District Courts shall have jurisdiction to restrain any violation of section 302(a)(5) of this act, or to restrain any manufacturer or dealer from distributing in commerce a passenger automobile which does not comply with the minimum fuel economy standards specified in such section 302(a)(5).

What this says is that the Attorney General may—I assume he would be compelled to in other parts of the bill—come forward and enjoin production, sale, distribution of any automobile which did not meet the standards. We are not dealing now, under this amendment, with weighted production averages, but we are dealing with ruling whole classes of automobiles off the market.

While I come from an area which produces automobiles, it should be known that I also represent auto workers. I think all the Members here in this Chamber represent auto workers, represent workers in the steel industry, workers in the parts industry, workers in the supply industry, workers in the paint industry and workers in other industries which supply the auto industry.

If they think that times are bad now because of the downturn in the automobile industry, wait until this amendment goes into effect, and I will guarantee them that those times will make the times in which we now find ourselves seem to be very good times indeed.

The amendment should be voted down. It is a most mischievous and dangerous amendment which will contribute enormously to unemployment and economic hardship in the country.

Mr. DAN DANIEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, on every amendment today questions have been raised as to who will pay the tax, the company or the consumer. It might help to remember that corporations do not pay taxes; people pay taxes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. JACOBS) to the amendment offered by the gentleman from Indiana (Mr. SHARP).

The question was taken; and on a division (demanded by Mr. JACOBS) there were—ayes 32; noes 101.

RECORDED VOTE

Mr. THONE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 79, noes 319, answered "present" 1, not voting 34, as follows:

[Roll No. 289]

AYES—79

Abzug	Goodling	Ottinger
Alexander	Green	Patman, Tex.
Ambro	Gude	Pike
Badillo	Harris	Pressler
Baucus	Hechler, W. Va.	Rangel
Bedell	Holtzman	Rees
Bennett	Hungate	Reuss
Biester	Jacobs	Richmond
Bingham	Jeffords	Rodino
Blouin	Kastenmeier	Rosenthal
Burke, Calif.	Keys	Roybal
Burton, John	Koch	St Germain
Burton, Phillip	LaFalce	Sarbanes
Chisholm	Levitas	Scheuer
Conte	McCloskey	Seiberling
Corman	McHugh	Solarz
Cornell	Maguire	Spellman
D'Amours	Mezvinsky	Stark
Delaney	Mikva	Studds
Dellums	Miller, Calif.	Sullivan
Downey	Mineta	Vanik
Early	Moakley	Waxman
Eckhardt	Moffett	Weaver
Edgar	Nolan	Wolff
Emery	Nowak	Young, Ga.
Fisher	Oberstar	
Florio	Obey	

NOES—319

Abdnor	Bowen	Cleveland
Adams	Brademas	Cochran
Addabbo	Breaux	Cohen
Anderson, Calif.	Brinkley	Collins, Ill.
	Brodhead	Collins, Tex.
Andrews, N. Dak.	Brooks	Conable
	Broomfield	Conlan
Annunzio	Brown, Calif.	Cotter
Archer	Brown, Mich.	Coughlin
Armstrong	Brown, Ohio	Crane
Ashbrook	Broyhill	Daniel, Dan
Ashley	Buchanan	Daniel, R. W.
Aspin	Burgener	Daniels, N.J.
AuCoin	Burke, Fla.	Danielson
Bafalis	Burke, Mass.	Davis
Baldus	Burleson, Tex.	de la Garza
Barrett	Burlison, Mo.	Dent
Bauman	Butler	Derrick
Beard, R.I.	Byron	Derwinski
Beard, Tenn.	Carney	Devine
Bergland	Carr	Dickinson
Bevill	Carter	Diggs
Biaggi	Casey	Dingell
Blanchard	Cederberg	Dodd
Boggs	Chappell	Downing
Boland	Clancy	Drinan
Bolling	Clausen, Don H.	Duncan, Oreg.
Bonker		Duncan, Tenn.

du Pont	Lagomarsino	Rinaldo
Edwards, Ala.	Landrum	Risenhoover
Edwards, Calif.	Latta	Roberts
Eilberg	Leggett	Robinson
English	Lent	Roe
Erlenborn	Litton	Rogers
Esch	Lloyd, Calif.	Roncalio
Evans, Colo.	Lloyd, Tenn.	Rose
Evans, Ind.	Long, La.	Rostenkowski
Evins, Tenn.	Long, Md.	Roush
Fascell	Lott	Runnels
Fenwick	Lujan	Ruppe
Findley	McClory	Russo
Fish	McCollister	Santini
Fithian	McCormack	Sarasin
Flood	McDade	Satterfield
Flowers	McDonald	Schneebeli
Foley	McEwen	Schroeder
Ford, Mich.	McFall	Schulze
Ford, Tenn.	McKay	Sebelius
Forsythe	McKinney	Sharp
Fountain	Macdonald	Shipley
Fraser	Madden	Shriver
Frenzel	Madigan	Shuster
Frey	Mahon	Sikes
Fuqua	Mann	Sisk
Gaydos	Martin	Skubitz
Giaimo	Matsunaga	Slack
Gibbons	Mazzoli	Smith, Iowa
Gilman	Meeds	Smith, Nebr.
Ginn	Melcher	Snyder
Goldwater	Meyner	Spence
Gradison	Michel	Staggers
Grassley	Milford	Stanton,
Guyer	Miller, Ohio	J. William
Hagedorn	Mills	Stanton,
Haley	Minish	James V.
Hall	Mink	Steed
Hamilton	Mitchell, Md.	Steelman
Hammer-schmidt	Mitchell, N.Y.	Steiger, Ariz.
	Montgomery	Steiger, Wis.
Hanley	Moore	Stephens
Hannaford	Moorhead,	Stokes
Harkin	Calif.	Stratton
Harrington	Moorhead, Pa.	Stuckey
Harsha	Morgan	Symington
Hastings	Mosher	Symms
Hawkins	Moss	Taylor, Mo.
Hayes, Ind.	Mottl	Taylor, N.C.
Hays, Ohio	Murphy, Ill.	Teague
Heckler, Mass.	Murphy, N.Y.	Thompson
Heinz	Murtha	Thone
Helstoski	Myers, Ind.	Thornton
Henderson	Myers, Pa.	Traxler
Hicks	Natcher	Treen
Hightower	Neal	Tsongas
Hillis	Nedzi	Ullman
Holt	Nichols	Van Deerlin
Horton	Nix	Vander Jagt
Howard	O'Brien	Vander Veen
Howe	O'Hara	Vigorito
Hubbard	O'Neill	Waggonner
Hughes	Pasman	Walsh
Hutchinson	Patten, N.J.	Whalen
Hyde	Patterson,	White
Ichord	Calif.	Whitehurst
Jarman	Pattison, N.Y.	Whitten
Johnson, Calif.	Pepper	Wiggins
Johnson, Colo.	Perkins	Wilson, Bob
Johnson, Pa.	Pettis	Winn
Jones, Okla.	Pickle	Wirth
Jordan	Poage	Wright
Karth	Preyer	Wydler
Kasten	Price	Wylie
Kazen	Pritchard	Yates
Kelly	Quie	Yatron
Kemp	Railsback	Young, Alaska
Ketchum	Randall	Young, Fla.
Kindness	Regula	Young, Tex.
Krebs	Rhodes	Zablocki
Krueger	Riegle	Zeferetti

ANSWERED "PRESENT"—1

Lehman

NOT VOTING—34

Anderson, Ill.	Hébert	Quillen
Andrews, N.C.	Hefner	Rooney
Bell	Hinshaw	Rousselot
Breckinridge	Holland	Ryan
Clawson, Del	Jenrette	Simon
Clay	Jones, Ala.	Talcott
Conyers	Jones, N.C.	Udall
Eshleman	Jones, Tenn.	Wampler
Flynt	Mathis	Wilson, C. H.
Fulton	Metcalfe	Wilson, Tex.
Gonzalez	Mollohan	
Hansen	Peyser	

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DINGELL TO THE AMENDMENT OFFERED BY MR. SHARP

Mr. DINGELL. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. DINGELL to the amendment offered by Mr. SHARP: Page 4, strike line 6 and all that follows down through line 24 on page 5 and insert in lieu thereof the following:

(b)(1) In calculating the average fuel economy under subsection (a)(5), the EPA Administrator shall separate the total passenger automobiles manufactured by a manufacturer into two categories:

(A) Passenger automobiles domestically manfactured by such manufacturer.

(B) Passenger automobiles not domestically manufactured by such manufacturer.

The EPA Administrator shall calculate the average fuel economy of each such separate category and each category shall be treated as manufactured by a separate manufacturer for purposes of this part.

(2) For purposes of this subsection, an automobile shall be considered domestically manufactured if at least 75 percent of the cost to the manufacturer of such automobile is attributable to value added in the United States or Canada, unless the assembly of such automobile is completed in Canada and such automobile is not imported into the United States prior to the expiration of 30 days after the end of such model year.

Mr. DINGELL (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Chairman, the purpose of this amendment is very simple. This amendment would conform the provisions of the Sharp amendment in all particulars with regard to automobiles imported from other countries to the treatment which is afforded in the Committee on Ways and Means bill.

This amendment might be most particularly denominated as a runaway plant amendment.

It requires that automobiles produced by a manufacturer be separated into two categories. The first category would be included in the computation of the miles per gallon on a weighted production average.

Those would be: automobiles, 75 percent of the value of which is attributable to production in the United States or Canada. The other automobiles which are imported from other places in the world would be excluded from the calculation of the gasoline consumption on a weighted production average. The idea is to see to it that we not increase the miles per gallon efficiency of American autos by including imported automobiles in the calculation of mileage standards which would be imposed by the Sharp amendment.

If I could have the attention of my colleague, the gentleman from Indiana (Mr. SHARP) who is the author of the amendment, I should like to engage in colloquy with him. I understand that he supports this amendment.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Indiana.

Mr. SHARP. I thank the gentleman for yielding.

The chairman of the Energy Power Subcommittee has stated that correctly. What we intended to do was try to bring the automobiles manufactured abroad back into this country. As a matter of fact, the gentleman's amendment is the one that the Members were informed about in the subcommittee.

Mr. DINGELL. The idea behind the amendment, again, is to assure that the production of runaway plants, owned and operated by American manufacturers in countries around the world, is not included in computing the miles per gallon on a weighted production average of American manufacturers. This is done to discourage the export of jobs and the import of automobiles to the detriment of American workers.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Pennsylvania.

Mr. GREEN. I thank the gentleman for yielding.

I rise to support the gentleman and indicate to the committee that this is one way we can address ourselves to the problem of imports—a very serious problem for the auto industry and its workers—without violating any of our international agreements. I support the amendment and urge the committee to do likewise.

Mr. DINGELL. I thank the gentleman.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman for yielding.

By and large, I think I could support the amendment, but can the gentleman explain to me why Canada is excepted? It is a foreign country, I believe.

Mr. DINGELL. I would like to respond to the gentleman by saying that I have not been so happy about not having Canadian production excluded from the amendment. I am unhappy about that just as is the gentleman. The problem I have is that automobile manufacturers have largely integrated operations in which parts of automobiles are manufactured both in the United States and in Canada and assembled in both places, and this is to insure that those practices, which have been sanctified by agreement and treaty and been long-established patterns of practice by the industry, are continued; but to prevent, for example, the export of jobs to France, to Taiwan, to Japan, to England, or to South America, to Israel, or to other places where the American automobile manufacturers have been setting up assembly and manufacturing plants. So those would not be permitted by this amendment.

It is quite a modest thing. It does not do violation to our relations with Canada, which is a very close trading partner, but it does prevent the transfer of American jobs, American production, and American assemblies to other nations.

Mr. KETCHUM. If the gentleman will yield further, I understand that, but I am just wondering if perhaps this does not have something to do with the fact that the United Auto Workers and their international collect dues in Canada.

Mr. DINGELL. I will try to respond to the gentleman. As a matter of fact, this amendment was not originally drafted by the UAW. This amendment was originally drafted by members of the Committee on Ways and Means in substantially similar form in response to requests from the AFL–CIO as opposed to the UAW. Obviously, the AFL–CIO has membership in Canada also.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield for a question?

Mr. DINGELL. I yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Does this, in any way, adversely affect United States-Canadian oil agreements?

Mr. DINGELL. It does not. It was very specifically drafted to avoid impairing those agreements between the United States and Canada, to which I have alluded earlier.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. MAGUIRE, Mr. DINGELL was allowed to proceed for 1 additional minute.)

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of this amendment. I think it is an excellent amendment. It is essential if we are going to encourage the production in this country of fuel-efficient automobiles, and on this, I am sure, we can all agree.

Mr. DINGELL. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN The question is on the amendment offered by the gentleman from Michigan (Mr. DINGELL) to the amendment offered by the gentleman from Indiana (Mr. SHARP).

The amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. OTTINGER TO THE AMENDMENT OFFERED BY MR. SHARP

Mr. OTTINGER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER to the amendment offered by Mr. SHARP: Page 24, after line 5, insert the following:

REBATE FOR FUEL EFFICIENT PASSENGER AUTOMOBILES

SEC. 306. (a) The Secretary, in accordance with rules he shall prescribe, shall pay to each person a rebate with respect to each domestically manufactured passenger automobile which is purchased by such person after August 31, 1976, determined in accordance with the following table:

(1) In the case of a 1976 model year passenger automobile:

If the fuel economy rate is:	The rebate is:
At least 21.5 but less than 26.5	$100
At least 26.5	200

(2) In the case of a 1977 model year passenger automobile:

If the fuel economy rate is:	
At least 22.5 but less than 27.5	$100
At least 27.5	200

(3) In the case of a 1978 or later model year passenger automobile:

If the fuel mileage rate is:	
At least 5 miles per gallon but less than 10 miles per gallon more than the average fuel economy level applicable to such model year	$100
At least 10 miles per gallon more than the average fuel economy level applicable to such model year	200

(b) For purposes of this section, an automobile shall be considered domestically manufactured if at least 75 percent of the cost to the manufacturer of such automobile is attributable to value added in the United States or Canada, unless the assembly of such automobile is completed in Canada and such automobile is not imported into the United States prior to the expiration of 30 days after the end of such model year.

(c) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. ULLMAN. Mr. Chairman, on this amendment I reserve a point of order.

Mr. DINGELL. Mr. Chairman, I also reserve a point of order.

Mr. FRENZEL. Mr. Chairman, I reserve a point of order as well.

Mr. OTTINGER. Mr. Chairman, the amendment of the gentleman from Indiana (Mr. SHARP) which I wholeheartedly support, provides for penalties for failure to meet fleet standards with respect to fuel mileage. I think it is an excellent amendment and it is one which is badly needed. My amendment attacks the other side of the coin. It gives a rebate to encourage people to buy fuel-efficient American manufactured cars.

In the Energy and Power Subcommittee I attempted to devise a measure which would both penalize old gas guzzlers already on the road, and give an incentive to produce new efficient cars. It proved just too complicated. It is too hard to assure that somebody does not just buy a junk heap and turn it in for a rebate.

However, it is very important that we do something about getting the present gas guzzlers off the road. It appears to me the best thing we could do, and something that would be very beneficial to the American automobile industry on the affirmative, is to give a rebate for each very efficient American car manufactured. I think this will both help the automobile industry get back into business again and put auto industry workers back in full employment and it serves as a logical concomitant to the amendment offered by the gentleman from Indiana (Mr. SHARP).

I notice that a number of points of order have been reserved, but I do think my amendment is completely germane and relevant to the Sharp amendment. It deals with the same subject of, trying to get more efficient passenger automobiles manufactured by the automobile manufacturers, and will get inefficient cars off the road.

Therefore, I hope the points of order will be overruled and that the committee will support the amendment.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, can the gentleman give us any estimate of what the cost will be for this? I understand it will be paid out of the General Treasury.

Mr. OTTINGER. This will be paid out of the General Treasury and is very difficult to calculate how much it will cost.

Mr. SCHNEEBELI. What is the bounty per car one gets for buying one of these cars?

Mr. OTTINGER. He would get $100 for automobiles that exceed by 5 miles per gallon the average provided by the amendment offered by the gentleman from Indiana (Mr. SHARP), and $200 for automobiles that exceed that standard by 10 miles.

Mr. SCHNEEBELI. There are about 8 million cars sold per year, so that would be $800,000 or possibly over $1 billion a year.

Mr. OTTINGER. No, not at all. The standard provided are quite high and they go up each year in accordance with the average weighted standards which were set by the committee. So the cost should be quite small.

Mr. SCHNEEBELI. It seems to me that instead of the car manufacturer now providing a bonus to move cars, the General Treasury now will provide those funds.

Mr. OTTINGER. No. The incentive is going to be to buy efficient cars and should help us out of our fuel crisis. We have provided import quotas. It is now essential we back them up with strong fuel conservation measures. One of the most effective ways we can conserve fuel is to get inefficient cars off the road. My amendment provides an affirmative incentive to do that.

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. To whom does the rebate go, the manufacturer or the person purchasing the car?

Mr. OTTINGER. The purchaser.

Mr. MAGUIRE. I am in accord with the gentleman's objective, but has the gentleman considered the relationship of his proposal to our general trade agreements abroad? As desirable as your proposal may be, are there any legal difficulties there if we rebate for American cars but not for others?

Mr. OTTINGER. There probably are difficulties. In discussing with the staff, they say that they do not know exactly what the consequences would be, but when a similar proposal was included previously in the Commerce bill, we were advised by the State Department that there might well be some difficulty.

Mr. MAGUIRE. So the gentleman cannot assure me that this would not be in contravention of international agreements entered into by the U.S. Government?

Mr. OTTINGER. It is not a question of being in violation. That is not how GATT works. It is a question of whether there would be justification for other countries to take retaliation against the U.S. manufacturers, because we may or may not have exceeded the provisions of the agreement. That is the way the agreement works.

Mr. MAGUIRE. I thank the gentleman.

POINT OF ORDER

Mr. ULLMAN. Mr. Chairman, I renew my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ULLMAN. Mr. Chairman, in the first place this amendment is not germane to the Sharp amendment. Under the special rule, only germane amendments to the Sharp amendment would be in order. This is not germane.

Second, Mr. Chairman, it violates our international GATT obligations and treaties.

Third, it violates the budget authority under Public Law 93-344 which says that it shall not be in order in either the House or Senate to consider any bill or resolution which provides new spending authority, described in section (c)(2)(c), "Or any amendment which provides such new spending authority which is to become effective before the first day of the fiscal year or of the calendar year in which the resolution was reported."

For those reasons, I insist on my point of order.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on his point of order?

Mr. DINGELL. I do, Mr. Chairman.

Under the rule, Mr. Chairman, the only amendments which are germane to the Sharp amendment are in order at this time. The reading of the amendment makes it very clear that the amendment directs, and I quote:

The Secretary shall pay to each person a rebate with respect to each domestically manufactured passenger automobile which is purchased by such person after August 31, 1976, allowed in accordance with the following table:

Mr. Chairman, the amendment fails on three grounds. It is, first of all, essentially an appropriation, because there is nowhere in there authorization for the expenditure of money—simply a direction to the Secretary to pay money. This, therefore, constitutes an appropriation of funds, and as such, constitutes an amendment which would direct an appropriation and an expenditure of money without a piece of legislation.

Mr. Chairman, it fails in two other particulars to meet the requirements of the rules of germaneness.

First of all, in an amendment that sets up standards of automobile efficiency and civil penalties, this would add a direction to pay money. Obviously, that is not the type of amendment or legislation which might be anticipated by Members. So it fails the second test.

Third, Mr. Chairman, it is a proposal which would logically have gone to the Committee on Appropriations, as opposed to having come to the Committee on Interstate and Foreign Commerce, which would have had jurisdiction over the Sharp amendment, or to the Committee on Ways and Means, which has jurisdiction over the main piece of legislation.

As such, it fails the test of notice to the membership, which is one of the inherent tests of germaneness.

The CHAIRMAN. Does the gentleman from Minnesota (Mr. FRENZEL) desire to be heard?

Mr. FRENZEL. No, I do not, Mr. Chairman.

The CHAIRMAN. Does the gentleman from New York (Mr. OTTINGER) desire to be heard?

Mr. OTTINGER. I do, Mr. Chairman, as over-awed as I am. It must be a very powerful amendment to attract such vociferous and prestigious opposition.

I do think the amendment is germane. In point of fact, a very similar amendment was offered in the Committee on Interstate and Foreign Commerce, and it was found to be germane. As a matter of fact, the gentleman from Michigan felt, in his original bill, had such a provision in the bill. I do not think the gentleman will deny it.

Mr. Chairman, this specifically contemplates authorization. It is not an appropriation. It says there shall be authorized to spend such money as may be appropriated.

With respect to the budget resolution, I understand there is nothing to prohibit offering such and the House adopting a new provision, which goes above the budget, but we have to make adjustments like that.

So I would ask that the various points of order be overruled.

The CHAIRMAN. The Chair is ready to rule.

The question involved pertains to the germaneness of the amendment offered by the gentleman from New York (Mr. OTTINGER).

In Deschler's Procedure, chapter 28, section 6.2, we find the following provision:

To a bill drafted to achieve a purpose by one method, an amendment to accomplish a similar purpose by an unrelated method, not contemplated by the bill, is not germane.

The amendment offered by the gentleman from New York (Mr. OTTINGER) provides for a rebate to the purchaser. This amendment approaches the issue in a way completely unrelated to the Sharp amendment, which imposes a civil penalty upon the manufacturer.

Therefore, the Chair holds that the amendment is not germane. The point of order is sustained.

Mr. OTTINGER. I thank the Chairman.

AMENDMENT OFFERED BY MR. OTTINGER TO THE AMENDMENT OFFERED BY MR. SHARP

Mr. OTTINGER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER to the amendment offered by Mr. SHARP:

Page 6, line 14, after "(1)" insert "or (5)".

Page 8, after line 8, insert the following:

(5) Except as otherwise provided in paragraph (2), the fuel economy of each model type of passenger automobile—

(A) manufactured during model year 1978 shall not be less than 14.0 miles per gallon;

(B) manufactured during model year 1979 shall not be less than 16.0 miles per gallon;

(C) manufactured during model year 1980 shall not be less than 17.0 miles per gallon;

(D) manufactured during model year 1981 shall not be less than 18.0 miles per gallon;

(E) manufactured during model year 1982 shal not be less than 19.0 miles per gallon;

(F) manufactured during model year 1983 shall not be less than 20.0 miles per gallon;

(G) manufactured during model year 1984 shall not be less than 21.0 miles per gallon; and

(H) manufactured during model year 1985 shall not be less than 22.0 miles per gallon.

This paragraph shall not apply to any passenger automobile exported from the United States.

Page 19, line 22, insert "(A)" after "Sec. 304(a)(1)".

Page 20, after line 19, insert the following:

(B) Any civil penalty imposed with respect to a passenger automobile under section 306 (b)(1)(B) shall be disclosed under paragraph (A) of this paragraph.

Page 23, after line 6, insert the following:

(C) If the Secretary determines under subsection (a) that any model type manufactured by a manufacturer does not comply with a minimum fuel economy standard set forth in section 502(a)(5) such manufacturer shall be liable to the United States for a civil penalty equal to $100 for each mile per gallon by which the fuel economy of such model type falls short of such minimum fuel economy standards, multiplied by the total number of automobiles of such model type manufactured in such model year.

(D) Any fuel economy measurement for purposes of paragraph (C) shall be rounded off to the nearest gallon (in accordance with rules of the EPA Administration).

Mr. OTTINGER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. DINGELL. Mr. Chairman, reserving the right to object, I think the amendment should be read because I may have a point of order against the amendment.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk concluded the reading of the amendment.

Mr. OTTINGER. Mr. Chairman, I would like to apologize to my friend, the gentleman from Indiana (Mr. JACOBS). He offered a very similar amendment, one which I thought had no penalty provisions in it. The fact is it had very severe injunctive penalty provisions. I thus supported his amendment, even though I had stated before the House I would not.

My amendment contains a different approach. It provides very similar minimum standards per car, well below the average mileage standards that are contained in the Sharp amendment and which are well within the reach of the present manufacturer's ability. It goes up 1 mile per gallon each year until 1985, starting at 15 miles per gallon in the 1978 model year.

Rather than injunctive power, this is what it provides: It does not say that the manufacturer may not produce such automobiles, as the gentleman from Indiana (Mr. JACOBS) did. It says that any automobile which is manufactured and sold and which does not meet these standards shall be subject to a civil penalty equal to $100 per car for each mile per gallon by which the fuel economy of such model type falls short of the minimum fuel economy standards which are provided in the amendment.

Mr. Chairman, this tightens up the Sharp amendment. It applies reasonable, minimum standards. It does not prohibit the manufacturer's sale, but it does supply a penalty making it uneconomical to produce highly inefficient passenger cars.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, the amendment offered by the gentleman from New York does not in fact dismantle any of the provisions imposing a fine or miles-per-gallon provisions of the Sharp amendment?

Mr. OTTINGER. The gentleman is correct. The gentleman from Indiana (Mr. SHARP) provides fleet average standards. My amendment adds a per car standard which is not very stringent but a minimum miles-per-gallon standard.

If the company fails to meet that standard, the penalty is applied to make that kind of a car more expensive rather than to prohibit its production altogether.

Mr. ECKHARDT. Mr. Chairman, do I then understand that the gentleman does very much the same type of thing that the gentleman from Indiana (Mr. JACOBS) did, except not so drastically?

Mr. OTTINGER. The gentleman is correct.

Mr. ECKHARDT. The gentleman does not permit an injunction of distribution of the automobile, which may be any automobile in the fleet, but the gentleman does provide that if any automobile is distributed and it has not achieved that mileage standard, which is much lower than that in the Sharp amendment, it shall carry a penalty of $100?

Mr. OTTINGER. That is correct.

Mr. ECKHARDT. Is it in addition to $50?

Mr. OTTINGER. No. The two are completely separate. A manufacturer might meet the fleet average standard and have no penalty under the Sharp amendment, but still have automobiles which it is selling which are below the minimal standards that I have in my amendment and would be subject to the $100-per-car penalty for such cars sold.

Mr. ECKHARDT. And the standards of the gentleman from New York (Mr. OTTINGER), at the same time that the Sharp standards move in, are considerably lower? They are around 15 miles per gallon instead of 18.5 at first?

Mr. OTTINGER. That is right. It keeps that same relationship all the way through 1985.

Mr. ECKHARDT. Or 3 miles per gallon below the other standards?

Mr. OTTINGER. I have not measured it exactly, but that is what it amounts to. Actually, I am even further below that because by 1985, under the Sharp amendment, the fleet average standard reaches 28 miles per gallon while in my amendment the 1985 individual car standard is 22 miles per gallon or 6 miles per gallon below the Sharp fleet standard.

Mr. ECKHARDT. Mr. Chairman, I thank the gentleman. I think the gentleman's amendment is a very thoughtful one.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. Yes, I yield to the gentleman from Wisconsin.

The CHAIRMAN. The time of the gentleman from New York (Mr. OTTINGER) has expired.

(On request of Mr. STEIGER of Wisconsin and by unanimous consent, Mr. OTTINGER was allowed to proceed for 2 additional minutes.)

Mr. STEIGER of Wisconsin. Under the Sharp amendment there is this $50 penalty if one does not meet the fleet average.

Under what we will call part B of the Sharp amendment, if the Ottinger amendment is agreed to, it will be $100 per mile per gallon that the automobile is to be taxed if it fails to meet the standard set here by the gentleman from New York (Mr. OTTINGER); is that correct?

Mr. OTTINGER. That is correct.

Mr. STEIGER of Wisconsin. So that if we have in model year 1980 an automobile that got 14 miles per gallon and the Ottinger standard in here is 17 miles per gallon, that automobile would be taxed $300; am I right?

Mr. OTTINGER. $300 multiplied by the total number of automobiles of that model manufactured in that year.

Mr. STEIGER of Wisconsin. It is $300 times the number of cars of that model?

Mr. OTTINGER. It is $300 times the number of cars of that model which failed to meet the standards.

Mr. STEIGER of Wisconsin. Mr. Chairman, I thank the gentleman from New York for his explanation.

Mr. MYERS of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to have the attention of the gentleman from Michigan (Mr. DINGELL).

We passed an amendment here that went by me a little rapidly, and it now affects the Sharp amendment. Therefore, I would like to know exactly what the thoughts of the gentleman from Michigan (Mr. DINGELL) are on this. It sounded like a good amendment, protecting American auto workers. I am not so sure that the long-range effect of the amendment is going, in fact, to do that. I have some serious doubts.

I understand that the gentleman's amendment will take out all foreign-made automobiles and classify them in one group, and the amendment will take all American-made automobiles and classify them into another group. Is that correct?

Mr. DINGELL. If the gentleman will yield and if he is directing his questions to me, the amendment breaks down automobiles into two categories for purposes of figuring the weighted production average mileage of American automobile producers. It would say that American automobile producers cannot include automobiles which were produced outside of the United States and/or Canada in arriving at that weighted production average mileage per gallon of gasoline of their whole production.

Mr. MYERS of Pennsylvania. That statement would lead one to believe that it would encourage domestic production?

This is the difficulty I am having with that amendment.

Let us take an example in which we have an American automobile that gets 27 miles per gallon, but the average of all American automobiles is below the penalty rate.

Then that auto and all the American automobiles will in fact have a penalty against them. In another example of a foreign-made automobile averages the same 27 miles per gallon, but the average of the foreign automobile is higher than the penalty rate then that foreign automobile would not get a penalty.

Mr. DINGELL. I do not believe that is the way it would work. If you refer to page 6 of the Sharp amendment—and the gentleman probably has it in a different form in print than in his hands—the gentleman will observe in 1978 the weighted production average of automobiles produced by an American manufacturer would be 18.5 miles per gallon. Then in 1979 it would be 19.5 miles per gallon. In 1980 it would be 20.5 miles per gallon. In 1981 through 1984 it would be determined administratively by the Secretary; 1985 and after, 28 miles per gallon.

The amendment that I offered—and I assume that is what the gentleman from Pennsylvania is referring to—would say that in arriving at those figures and in determining whether production of an American automobile producer meets that test, that the Secretary must exclude automobiles produced by American manufacturers which are not at least 75 percent by value composed of parts made in the United States or Canada.

Mr. MYERS of Pennsylvania. But does not the gentleman agree, then, that therefore an American-made automobile, regardless of what year, which actually had a performance that was equal to a foreign-made automobile, could be taxed when in fact the equal foreign-made automobile would not be taxed when the average of the foreign-made automobiles exceed in total the standards of that year?

I have a lot of trouble with the gentleman's amendment, whether it is actually going to encourage a move away from foreign-made automobiles. For that reason, and because I do not think it has

been adequately explained that it would not encourage foreign-made automobile sales by taxing domestic autos but not taxing foreign cars. I voted against your amendment on the voice vote.

Mr. DINGELL. I am not sure I fully understand the point that is being raised by the gentleman from Pennsylvania.

As I understand it, the penalty is to lie against foreign-made automobiles which do not meet the standards and, as I understand it, the amendment I offered foreign manufacturer of American automobiles would be subject to separate ascertainment as to whether or not they meet the standards set out in the Sharp amendment.

Mr. SHARP. Mr. Chairman, would the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Indiana.

Mr. SHARP. Mr. Chairman, I think the gentleman misunderstands that what we are doing here is a fleet-wide standard, and if General Motors, for example, what his amendment does is to prevent Ford from counting in their fleet automobiles that they manufactured abroad in Germany or Mexico, which make up part of their more efficient fleet, and therefore they would be able to meet the standards and there would be less pressure on them.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ECKHARDT, and by unanimous consent, Mr. MYERS of Pennsylvania was allowed to proceed for 2 additional minutes.)

Mr. MYERS of Pennsylvania. Mr. Chairman, I still do not believe I heard the gentleman correctly, but as I understand him there will be two categories for General Motors for instance, those that they import and those not imported. I understand you exclude the imported autos because you are assuming they will have better mileage per gallon than the penalty standard; is that correct?

Mr. DINGELL. That is correct.

Mr. MYERS of Pennsylvania. So, therefore, there can be no tax or penalty levied on the foreign made group.

Mr. DINGELL. If the gentleman from Pennsylvania would permit, let me say that the Sharp amendment—and I am sure the gentleman from Indiana can explain it better than I can—would require that automobiles sold and imported into the United States meet certain fleet-wide production average mileage consumption of gasoline. Now, this does not mean that every automobile has to meet that particular mileage, some will be above and some will be below, all they will have to meet is their production average. My amendment would break American-manufactured automobiles down into two categories: those which are manufactured 75 percent or more of value from parts made in the United States and Canada, and not abroad. The idea is that either would have to be weighted the same weighted production average per gallon of gasoline consumption. I hope I am responding to the gentleman.

Mr. MYERS of Pennsylvania. Let me give the gentleman another example. If I were buying an American automobile that got better than the standard, this is a small efficient car. However, the group of American cars did not meet the standard. That would mean that that American automobile would have to be taxed because the whole group did not meet it; is that correct?

Mr. DINGELL. The gentleman is correct, except the Sharp amendment would not use taxes, it would use the civil penalties on manufacturers not complying. But it is our expectation that the American producers are going to get up to this standard, and they have assured me and the gentleman from Indiana (Mr. SHARP) that they will.

Mr. MYERS of Pennsylvania. I assume the gentleman's answer is yes. If I take a comparable foreign automobile that gets that same number of gallons that the automobile made in America got, if the conglomerate of all foreign automobiles met the standard, none of those will have a penalty, and the American automobile will have a disadvantage in the marketplace because you are going to have a tax put on it, even though in this example that one American car can meet the standards.

Mr. DINGELL. I disagree.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in favor of the Ottinger amendment.

Mr. Chairman, I favor the Ottinger amendment. I opposed the Fisher amendment but I think that the Ottinger amendment completely answers the doubts I had about the Fisher amendment.

If the penalty of the nature imposed by the Ottinger amendment is placed, for example, against the station wagon manufactured by one manufacturer, obviously if another manufacturer is producing a station wagon against which the penalty would not lie, the first company will have to meet the price. It cannot pass on the price to the person who needs the station wagon. Therefore, I think there is a strong incentive to increase the gasoline mileage performance of that particular station wagon.

Also if the manufacturer that produces the inefficient station wagon wants to continue to sell it, and he chooses to spread that fine over his whole line of products, he again does not punish the person who needs to buy the station wagon but he is then at a disadvantage against his competitors because his whole line of products must sell a little higher than theirs.

It seems to me this is a very healthy way, through the fine process, to impose a pressure on the manufacturer of gas-guzzlers to quit manufacturing them.

I would also urge my colleagues to note that the Ottinger amendment moves in very slowly and at very small rates to begin with. Why can we not produce by 1978 a station wagon that will carry six people and will still get 15 miles per gallon? I have one now, and it is not a foreign-built one. It seems to me that the Ottinger amendment is a very sensible approach to the entire problem and really does put some teeth into this bill, and I shall vote for it.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words.

First, I do not think it is quite fair that the small cars and those who have not much money should carry the burden for large cars. There is something inherently wrong about that. It seems not quite right.

But I must again question the gentleman from Michigan (Mr. DINGELL). If on the one hand one has 100 cars built in America, and 50 of them meet the standard and are small and efficient, and 50 of them are not so efficient, and that is the American-Canadian fleet; and one has on the other hand 100 cars made abroad with no large guzzling group weighing down the efficiency ratings of this second group, certainly we are going to penalize American cars, it seems to me.

The gentleman may have some way he has not yet disclosed to me of somehow bringing about equality in a situation where we have gas guzzlers grouped with efficient cars made in this country and another group of entirely efficient cars not made in this country.

Mr. DINGELL. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. Yes, please.

Mr. DINGELL. I would agree this would force American manufacturers at that point to produce in America more gasoline-efficient automobiles. I happen to applaud that.

Mrs. FENWICK. Well, I am afraid it is not going to cause American manufacturers to do that. I hope it will; but we have seen the invasion of our markets by foreign cars. We have lost 20 percent of our production here. We know that forcing American manufacturers to change is not done just like that and I am afraid we are going to lose American jobs and have foreign-made cars, free as a balloon with no gas guzzlers bearing down on them.

Mr. DINGELL. I think that is really what we require. First of all, we want more efficient cars produced in the United States.

Mrs. FENWICK. But the gentleman from Michigan is not answering the question.

Mr. DINGELL. If the gentlewoman would permit me, the idea behind my amendment was to see to it that more efficient automobiles are produced in the United States by the automobile companies that headquarter themselves in the United States and profess themselves to be American manufacturers.

Mrs. FENWICK. May I say—I yield no longer, because I have so little time. Mr. Chairman, these are the answers the gentleman gave to the gentleman from Pennsylvania (Mr. MYERS). The gentleman from Michigan is repeating what the gentleman very ably has described already as his hopes.

I am troubled about what may happen to our jobs in the automobile industry. I do not see any answers. I do not know who is clear as to what the gentleman from Pennsylvania (Mr. MYERS) and I, who are not experts, are trying to get at.

We have two groups of cars, divided in this way with good intentions. One group is going to be free and clear of the gas-guzzler problem because it is fuel efficient. The other group will be combined with gas guzzlers under a fleet ratio. That is the trouble with fleet ratio over individual car standard.

Mr. DINGELL. Mr. Chairman, what we are trying to do is see to it that the cars made in the United States by American manufacturers, that bear the emblem of American manufacturers as American cars when they are produced in the United States and not produced abroad in such fashion as to deceive American purchasers, and to skew the weighted production average gasoline mileage to the detriment of American workers and industry. We try to prevent export of jobs.

Mrs. FENWICK. Mr. Chairman, the gentleman and I share the same hopes, but we do not come to the same conclusions.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened to this debate with great interest, but I have a provincial concern that I do not believe has been adequately touched upon.

Checker Motors is located in Kalamazoo, Mich. Checker Motors makes nothing but eight-passenger-rated cars. I suppose those automobiles from a passenger-mile-per-gallon basis are much more energy efficient than a two-passenger Porsche-type American-made automobile. I suppose that they are more energy efficient, more energy conservation inclined, than would be our Porsche-like American automobiles. Yet they would transport the same number of passengers.

Now, it seems to me if we are going to really approach this issue from an energy conservation standpoint, we ought to have a passenger-mile-per-gallon standard or a passenger-cargo-mile-per-gallon standard, because otherwise I think one could label this whole discussion as really the "anticarpool amendment."

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. Certainly.

Mr. ECKHARDT. Mr. Chairman, I rather agree with the gentleman, but should he not address that question by a specific amendment with respect to that particular problem?

Actually, his objections go not only to the question of the amendment of the gentleman from New York (Mr. OTTINGER), but to the across-the-board fleet average of the particular manufacturer he is referring to.

Mr. BROWN of Michigan. Absolutely. I quite agree, but frankly, I have felt that there were so many experts on the floor in the making of automobiles that I should not interject myself into the discussion.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I also have a General Motors manufacturing facility within Westchester County, right next to my district, and I have their interests very much at heart.

Mr. BROWN of Michigan. I did not say General Motors.

Mr. OTTINGER. There is no question in my mind that they can produce those eight-passenger cars at less than 15 miles per gallon by 1978.

Mr. BROWN of Michigan. But Checker Motors has no float. It has no small, two-passenger cars with high energy efficient ratings to offset the eight-passenger cars.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to my colleague from Michigan.

Mr. DINGELL. Mr. Chairman, in response to a question, the amendment offered by my good friend from New York, Mr. OTTINGER, does not apply to manufacturers of automobiles who make less than 10,000 vehicles a year.

Mr. BROWN of Michigan. I suggest it is not very encouraging to hope that Checker Motors never gets any larger.

However, in view of the gentleman's answer I guess I should label that an antiproduction expansion amendment insofar as Checker Motors is concerned. Is that correct?

Mr. DINGELL. The gentleman will have to put that question to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, if the gentleman will yield further, I will say absolutely not. They must produce cars which are more fuel efficient to be more successful. They are going to get penalized if they do not.

Mr. BROWN of Michigan. Should not this whole efficiency test matter be based upon energy cost per passenger carried, or cargo? The salesman who carries half a ton of stuff in his car probably should be using a truck and be outside the limits, but he uses his car. Should we not really impose sufficient penalties, civil penalties, upon the operator of an automobile who does not operate that automobile with the proper return according to passengers or cargo carried, such as, being factitious, 2.3 passengers for every four-passenger car and 6.5 for every eight-passenger car?

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I wonder if we could get a time limit on this amendment. Could we agree tl at we vote just on the Ottinger amendment and all amendments thereto in 10 minutes?

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. DENT. Mr. Chairman, I do not know where some of our Members of Congress live. I do not know whether they live in the same United States I do. We make some very good, high-mileage cars. My daughter just bought one not too long ago called the Pacer. It has more room in the front seat than a Cadillac. It is a big little car. It beats the Porsche all to the devil.

When we are talking about automobiles that are built here, the Gremlin is built here. We have a lot of automobiles. I ride back and forth in a car now and then with one of my staff called a Vega, which costs about 4½ cents in gasoline compared to my American Ambassador which costs about 11 cents.

Somewhere along the line, we had better get out in the countryside and see what we have got in this country of ours. Anybody who argues against the logic of the gentleman who spoke before me, that it ought to be based upon mile use or passenger mile, is absolutely wrong. I have another member of my family who has five children. What is he going to do, pile all of them into a Volkswagen and go on a Sunday picnic? If he does pile them in, they do not have any room for their lunch box.

We are using plastic glasses. We are using Melmac dishes, using sack cloth made out of oil or something to the point where we have struggled in almost 200 years to go back beyond what we used to have when we were continentals in this country. We do not have to give up our way of life. We do not have the guts to do what is right.

What I told the Members was going to happen, happened today. They gave a contract out for $267 million to build a coal gasifier, which has an 8-year span to have it finished. I will give them a coal gasifier tomorrow that will be in production in 18 months. And look what it will do. It will convert from 1 ton of coal 15 million Btu's of low sulfur. And out of anthracite coal, which we have so much of that they do not know what to do with, because it is a single-purpose coal 22.5 million Btu's. We are spending $267 million to bring forth in 8 years a plant that is going to come out with 11 million Btu's. This plan is already in operation in 15 countries, and we cannot buy it in the United States. It is completed, ready to go; $300 million in place, guaranteed for 20 years.

What do you want? In this legislation, if you can do it and be germane, we ought to stop that project tomorrow. We ought to investigate and see what the dickens is going on in this country.

A coal company has just signed a contract to build a coal, oil and byproduct plant in South Africa. They broke the ground. They know all about it. They built one 25 years ago, and we are now going to pay for research. In 1959, we gave the first money for research in coal gasification, and for years they refused to spend it. It was during the term a former Member of Congress was in office down at the Interior, I think, that they reversed what we tried to do. We had put the money in to liquefy coal. I think they spent the money during his term to solidify oil.

You would think this is a joke. But this is what happened. After 20 years, we are giving out a project to do what is

being done all over the world. Germany ran its whole war machine on gasified coal and wood. What are we talking about? All the gas in America at the turn of the century was made from gasified coal. Where are we? Do you think, by saying we are going to make a lot of little cars, that that is the answer? The American people have the know-how, but we have sold it, and we are going to buy it back now. One of the companies in this consortium that is getting this money—I only say I believe it to be the company I have in mind from its initials, but I will prove it or I will get up on the floor and say that I was wrong—but it is a foreign country, because we have given so many patents away over the years that they know more than we do.

This Congress, if it does not wake up and quit, everyone of us, trying to be an expert, and get down to brass tacks, it will go down in history as the worst Congress in the history of the Nation.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for one-half minute each.

(By unanimous consent, Mr. ULLMAN yielded his time to Mr. DINGELL.)

(By unanimous consent, Mr. ECKHARDT yielded his time to Mr. OTTINGER.)

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, I rise to praise the author of the amendment. He is an able and valuable Member of this body. I regret, however, that he offered this amendment. This amendment might more closely be nominated the Fisher amendment revisited.

Mr. Chairman, the vices about which I complained with regard to the Fisher amendment are evident in the amendment that has been offered by my good friend, the gentleman from New York (Mr. OTTINGER). They make possible a set of circumstances which would cause in my view the export of jobs and which would impose unreasonable standards on automobiles and which would create immense difficulties in terms of the production of automobiles. It makes possible the removal of many models of automobiles, and it makes it possible that the cost of certain vehicles, such as station wagons, pick-ups, and passenger vans would be quite prohibitive. In the alternative the costs and prices that would be increased by this amendment would have to be apportioned across the entire production of a particular producer, to the detriment of other products and consumers of other models.

(By unanimous consent, Mr. MOFFETT yielded his time to Mr. OTTINGER.)

(By unanimous consent, Mr. STEIGER of Wisconsin yielded his time to Mr. FRENZEL.)

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Chairman, I think that my friend, the gentleman from Michigan (Mr. DINGELL), states the case quite inaccurately.

If we are really serious about saving significant quantities of oil, cutting the imports and meeting the import quotas in this bill without having horrendous gas lines, it is evident that we must have meaningful conservation measures. This House simply cannot go on record for import quotas and then be unwilling to do anything to save gasoline.

I hope the Members will support the Sharp amendment, which does provide fleet average fuel standards, and I hope the Members will support this amendment which I have offered which provides very low minimum standards per automobile.

I would like to point out that my amendment applies only to passenger automobiles. It says so in the text of the amendment. It is not at all like the Fisher amendment. The Fisher amendment applied a tax on an individual; this provides a civil penalty on the corporation.

This will not require any loss of production. It is not going to require the loss of any job or cause the disruption of any automobile company. If the automobile manufacturers cannot meet the the minimal standards I have provided, then they are going to be in trouble anyway, as indeed they already are with the 27 percent inroad on their sales by foreign manufacturers.

Mr. Chairman, this will provide economic incentives for each company to produce the gas-efficient autos within its capacity.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, a few minutes ago this committee rejected by an almost 4-to-1 vote an amendment which was almost identical to the one now before us. The only difference in the two provisions lies in the penalties.

In the Jacobs' amendment which we rejected, the penalty was injunctive. In this one it happens to be a system of civil penalties which, as all of us know, amounts to simply a WPA for lawyers.

Mr. Chairman, we rejected the other amendment by a vote of about 4 to 1, and, therefore, we ought to reject this amendment by about 8 to 1, because it is twice as bad.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, I rise in support of both of these amendments.

Unfortunately, it was necessary that I had to be in conference this afternoon on other things. However, I have studied this matter the best I can. It seems to me both of these amendments are genuinely in the spirit of conservation, and I support them.

Mr. Chairman, I am very concerned about the actions of this House in regard to this bill. I have very deep convictions concerning this bill, and I have very severe doubts that the Congress is coming to grips with the issues in this bill as it should.

I am deeply concerned with our actions as a Congress. We are all men and women of courage, but as an organization we have not demonstrated our courage in the consideration of this bill.

This is very distressing to me, because I believe the energy problem is about the biggest problem our country faces today.

Yesterday this committee made major changes in the bill reported to us by the distinguished committee, ably chaired by the gentleman from Oregon. There was sharp disagreement over title II and of course this is as it should be, in any body representative of the people. I was deeply disappointed in the changes made and supported the committee's position because I firmly believed that a tax based on excessive usage was a viable and necessary ingredient in the total energy conservation program. However, the majority of the House believed otherwise and this has resulted in severely crippling efforts to initiate a solution to our energy problems.

That crucial vote is now a part of the record and is behind us, but the energy problem continues to stand squarely ahead of us. This Congress carries the energy future of the country on its shoulders. Based on what I have seen so far—first the tedious delay in consideration of a program, and second the acceptance of counterproductive amendments—the Congress is sagging badly under the weight. The country is looking to us for an answer; that answer will not come easily or cheaply. The price of a sound future for our country will require some belt tightening, by us all.

As we continue today to adopt an energy plan I am hopeful that each Member will recognize his national responsibility in this matter. Let us have full and adequate discussion of the issue but do not let us be afraid to reach the kind of tough decisions the seriousness of the situation demands.

I feel that we as Members of Congress should conduct ourselves in this matter with more courage. We all have our convictions, and sometimes we make mistakes; but we are not doing as good a job as we should on the serious problem of energy conservation. These two amendments can help. Let us vote for them.

The CHAIRMAN. The Chair now recognizes the gentleman from Oregon (Mr. ULLMAN) to close the debate.

Mr. ULLMAN. Mr. Chairman, I previously yielded my time to the chairman of the subcommittee, the gentleman from Michigan (Mr. DINGELL). I agree with his opposition to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. OTTINGER) to the amendment offered by the gentleman from Indiana (Mr. SHARP).

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 128, noes 271, answered "present" 2, not voting 32, as follows:

[Roll No. 290]

AYES—128

Abzug	Florio	Neal
Addabbo	Foley	Nolan
Ambro	Ford, Tenn.	Nowak
Anderson, Calif.	Fraser	Oberstar
	Gilman	Obey
Anderson, Ill.	Goodling	O'Neill
AuCoin	Green	Ottinger
Badillo	Gude	Patterson, Calif.
Baucus	Hannaford	
Bedell	Harkin	Pattison, N.Y.
Bennett	Harrington	Pike
Bergland	Harris	Rangel
Biester	Hayes, Ind.	Rees
Bingham	Hechler, W. Va.	Reuss
Blouin	Heckler, Mass.	Richmond
Boland	Hicks	Rodino
Bolling	Holtzman	Roncalio
Bonker	Howard	Roybal
Brademas	Hughes	Sarbanes
Brooks	Hungate	Scheuer
Brown, Calif.	Jeffords	Schroeder
Burke, Calif.	Jordan	Seiberling
Burton, John	Karth	Sharp
Burton, Phillip	Kastenmeier	Simon
Chisholm	Keys	Smith, Iowa
Cohen	Koch	Solarz
Conte	LaFalce	Spellman
Corman	Levitas	Stark
Coughlin	Long, Md.	Stokes
D'Amours	McCloskey	Studds
Dellums	McCormack	Sullivan
Dodd	McHugh	Taylor, N.C.
Downey	Madden	Thompson
Drinan	Maguire	Tsongas
Duncan, Oreg.	Mezvinsky	Van Deerlin
Early	Mikva	Vanik
Eckhardt	Miller, Calif.	Waxman
Edgar	Mineta	Weaver
Edwards, Calif.	Mink	Whalen
Eilberg	Moakley	Wirth
Emery	Moffett	Wolff
Fenwick	Mosa	Wright
Fish	Motti	
Fisher	Myers, Pa.	

NOES—271

Abdnor	Crane	Hébert
Adams	Daniel, Dan	Hefner
Alexander	Daniel, R. W.	Heinz
Andrews, N.C.	Daniels, N.J.	Helstoski
Andrews, N. Dak.	Danielson	Henderson
	Davis	Hightower
Annunzio	de la Garza	Hillis
Archer	Delaney	Holt
Armstrong	Dent	Horton
Ashbrook	Derrick	Howe
Ashley	Derwinski	Hubbard
Aspin	Devine	Hutchinson
Bafalis	Dickinson	Hyde
Baldus	Diggs	Ichord
Barrett	Dingell	Jacobs
Bauman	Downing	Jarman
Beard, R.I.	Duncan, Tenn.	Johnson, Calif.
Beard, Tenn.	du Pont	Johnson, Colo.
Bevill	Edwards, Ala.	Johnson, Pa.
Biaggi	English	Jones, Okla.
Blanchard	Erlenborn	Kasten
Boggs	Esch	Kazen
Bowen	Evans, Colo.	Kelly
Breaux	Evans, Ind.	Kemp
Brinkley	Evins, Tenn.	Ketchum
Brodhead	Fascell	Kindness
Broomfield	Findley	Krebs
Brown, Mich.	Fithian	Krueger
Brown, Ohio	Flood	Lagomarsino
Broyhill	Flowers	Landrum
Buchanan	Ford, Mich.	Latta
Burgener	Forsythe	Leggett
Burke, Fla.	Fountain	Lent
Burke, Mass.	Frenzel	Litton
Burleson, Tex.	Frey	Lloyd, Calif.
Burlison, Mo.	Fulton	Lloyd, Tenn.
Butler	Fuqua	Long, La.
Byron	Gaydos	Lott
Carney	Giaimo	Lujan
Carr	Gibbons	McClory
Carter	Ginn	McCollister
Casey	Gradison	McDade
Cederberg	Grassley	McDonald
Chappell	Guyer	McEwen
Clancy	Hagedorn	McFall
Clausen, Don H.	Haley	McKay
	Hall	McKinney
Cleveland	Hamilton	Macdonald
Cochran	Hammer-schmidt	Madigan
Collins, Ill.		Mahon
Collins, Tex.	Hanley	Mann
Conable	Harsha	Martin
Conlan	Hastings	Matsunaga
Cornell	Hawkins	Mazzoli
Cotter	Hays, Ohio	Meeds
Melcher	Quie	Stanton, James V.
Meyner	Railsback	Steed
Michel	Randall	Steelman
Milford	Regula	Steiger, Ariz.
Miller, Ohio	Rhodes	Steiger, Wis.
Mills	Riegle	Stephens
Minish	Rinaldo	Stratton
Mitchell, Md.	Roberts	Stuckey
Mitchell, N.Y.	Robinson	Symington
Montgomery	Roe	Symms
Moore	Rogers	Taylor, Mo.
Moorhead, Calif.	Rooney	Thone
	Rose	Thornton
Moorhead, Pa.	Rostenkowski	Traxler
Morgan	Roush	Treen
Mosher	Runnels	Ullman
Murphy, Ill.	Ruppe	Vander Jagt
Murphy, N.Y.	Russo	Vander Veen
Murtha	St Germain	Vigorito
Myers, Ind.	Santini	Waggonner
Natcher	Sarasin	Walsh
Nedzi	Satterfield	Whitehurst
Nichols	Schneebeli	Wiggins
Nix	Schulze	Wilson, Bob
O'Brien	Sebelius	Winn
O'Hara	Shipley	Wydler
Passman	Shriver	Wylie
Patman, Tex.	Shuster	Yates
Patten, N.J.	Sikes	Yatron
Pepper	Sisk	Young, Alaska
Perkins	Skubitz	Young, Fla.
Pettis	Slack	Young, Ga.
Pickle	Smith, Nebr.	Young, Tex.
Poage	Snyder	Zablocki
Pressler	Spence	Zeferetti
Preyer	Staggers	
Price	Stanton, J. William	
Pritchard		

ANSWERED "PRESENT"—2

Lehman	White

NOT VOTING—32

Bell	Holland	Rosenthal
Breckinridge	Jenrette	Rousselot
Clawson, Del	Jones, Ala.	Ryan
Clay	Jones, N.C.	Talcott
Conyers	Jones, Tenn.	Teague
Eshleman	Mathis	Udall
Flynt	Metcalfe	Wampler
Goldwater	Mollohan	Whitten
Gonzalez	Peyser	Wilson, C. H.
Hansen	Quillen	Wilson, Tex.
Hinshaw	Risenhoover	

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. KRUEGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentleman from Indiana (Mr. SHARP). I do so for a variety of reasons. First of all, I think this perhaps is now the strongest most central section of this bill.

I think we need to inform the American public that we can do serious things about energy and we can do serious things about it now. I think this is a very serious, sane, reliable approach to reducing our petroleum imports and simultaneously to producing more gas-efficient cars.

There are those who say that this approach will do nothing to reward the auto companies for producing more gas-efficient cars, but I think this is a misunderstanding.

First of all, I would like to address myself to that. It seems to me quite clear that since the car manufacturers are going to have to achieve an overall fleet average, that they will be required to produce a sufficient number of gas-efficient cars—cars, for example, that by 1980 would get beyond 20½ miles to the gallon, so that they would be still able to produce a few larger cars that achieve less mileage.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I am trying to get an agreement on time on the Sharp amendment. I ask unanimous consent that in 5 minutes we vote on the Sharp amendment and all amendments thereto.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. KRUEGER. Mr. Chairman, the other side of the statement is that there will be no incentives to the car companies to produce more gasoline efficient cars. That is simply untrue. Under this approach, the car manufacturers clearly would find it to their advantage to produce a large number of gas efficient cars. In so doing, the cost of those cars would tend to decline. At the same time, they are going to have to produce a smaller number of gas guzzling cars, which would mean that the cost of those cars would almost inevitably go up.

For those reasons, I think the market forces themselves will reinforce what the penalties within the amendment would do. I think we clearly have something here that we can be proud of, that will actually do something for conserving energy. It would be, I think, one of the strongest things we could do for this bill, to support this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. VANDER JAGT).

(By unanimous consent, Mr. STEIGER of Wisconsin yielded his time to Mr. VANDER JAGT.)

Mr. VANDER JAGT. Members of the committee, when the gentleman from Indiana (Mr. SHARP) was speaking on behalf of his amendment, he indicated that he felt that the estimates in the computer indicated that by 1980 this amendment, if enacted, with a potential of half a billion dollars a year in civil levies against an auto company, would save 900,000 barrels of oil a day. Under the voluntary plan to which the automobile companies have already committed themselves to the President which is a 40-percent increase in efficiency by 1980 there will be a saving of 600,000 barrels a day. That was the testimony of Bob Hemphill of FEA. If we save almost as much under the voluntary plan as under the mandatory plan with all of its potential for disruption why insist on putting this potential depressant on auto sales.

We are on the road to greater auto efficiency, and there is absolutely no need to inject the possibility of a half-a-billion-dollar levy against an automobile company and all the resulting loss in employment and jobs that would bring to our economy at a time when we desperately need a greater stimulus to car sales, not a wet blanket over car sales.

Mr. Chairman, I urge defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. SHARP), as amended.

The question was taken; and the Chairman being in doubt, the Commit-

tee divided; and there were—ayes 95, noes 62.

RECORDED VOTE

Mr. WAGGONNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 306, noes 86, answered "present" 2, not voting 39, as follows:

[Roll No. 291]

AYES—306

Abdnor	Evans, Ind.	Madigan
Abzug	Evins, Tenn.	Maguire
Adams	Fascell	Mann
Addabbo	Fenwick	Matsunaga
Alexander	Findley	Mazzoli
Ambro	Fish	Meeds
Anderson, Calif.	Fisher	Melcher
Anderson, Ill.	Fithian	Meyner
Andrews, N.C.	Flood	Mezvinsky
Andrews, N. Dak.	Florio	Michel
Annunzio	Flowers	Mikva
Ashley	Foley	Milford
Aspin	Ford, Mich.	Miller, Calif.
AuCoin	Ford, Tenn.	Mineta
Badillo	Forsythe	Minish
Bafalis	Fountain	Mink
Baldus	Fraser	Mitchell, Md.
Barrett	Fuqua	Mitchell, N.Y.
Baucus	Gaydos	Moakley
Beard, R.I.	Gilman	Moffett
Beard, Tenn.	Ginn	Montgomery
Bedell	Grassley	Moorhead, Calif.
Bennett	Green	Moorhead, Pa.
Bergland	Gude	Morgan
Bevill	Guyer	Mosher
Biaggi	Haley	Moss
Biester	Hall	Motti
Blanchard	Hamilton	Murphy, Ill.
Blouin	Hanley	Murphy, N.Y.
Boggs	Hannaford	Murtha
Boland	Harkin	Natcher
Bolling	Harrington	Neal
Bonker	Harris	Nedzi
Bowen	Harsha	Nichols
Brademas	Hastings	Nolan
Breaux	Hawkins	Nowak
Brinkley	Hayes, Ind.	Oberstar
Brodhead	Hays, Ohio	Obey
Brooks	Hechler, W. Va.	O'Brien
Brown, Calif.	Heckler, Mass.	O'Hara
Brown, Ohio	Hefner	O'Neill
Buchanan	Heinz	Ottinger
Burke, Calif.	Helstoski	Patman, Tex.
Burke, Fla.	Henderson	Patten, N.J.
Burke, Mass.	Hicks	Patterson, Calif.
Burton, Phillip	Hightower	Pattison, N.Y.
Carney	Hillis	Pepper
Carr	Horton	Perkins
Carter	Howard	Pettis
Chisholm	Howe	Pike
Clausen, Don H.	Hubbard	Pressler
Cleveland	Hughes	Preyer
Cochran	Hungate	Price
Cohen	Hyde	Pritchard
Collins, Ill.	Jeffords	Quie
Conte	Johnson, Calif.	Railsback
Corman	Johnson, Colo.	Randall
Cornell	Jordan	Rangel
Cotter	Karth	Rees
Coughlin	Kastenmeier	Regula
D'Amours	Kazen	Reuss
Daniels, N.J.	Kelly	Richmond
Danielson	Ketchum	Riegle
Davis	Koch	Rinaldo
de la Garza	Krebs	Risenhoover
Dellums	Krueger	Robinson
Dent	LaFalce	Rodino
Derrick	Lagomarsino	Roe
Derwinski	Latta	Rogers
Dingell	Leggett	Roncalio
Dodd	Lent	Rooney
Downey	Levitas	Rose
Drinan	Litton	Rostenkowski
Duncan, Oreg.	Lloyd, Calif.	Roush
du Pont	Lloyd, Tenn.	Roybal
Early	Long, La.	Russo
Eckhardt	Long, Md.	St Germain
Edgar	Lott	Santini
Edwards, Ala.	McCloskey	Sarasin
Edwards, Calif.	McCormack	Sarbanes
Eilberg	McDade	Scheuer
Emery	McFall	Schroeder
English	McHugh	Schulze
Erlenborn	McKay	Sebelius
Evans, Colo.	McKinney	Selberling
	Macdonald	Sharp
	Madden	Shipley
Shriver	Steelman	Weaver
Sikes	Stephens	Whalen
Simon	Stokes	White
Sisk	Stratton	Wilson, Bob
Skubitz	Studds	Winn
Slack	Sullivan	Wirth
Smith, Iowa	Symington	Wolff
Snyder	Taylor, N.C.	Wright
Solarz	Thompson	Wydler
Spellman	Thone	Yates
Spence	Tsongas	Yatron
Staggers	Van Deerlin	Young, Fla.
Stanton, J. William	Vander Veen	Young, Ga.
Stanton, James V.	Vanik	Zablocki
Stark	Vigorito	Zeferetti
	Walsh	
	Waxman	

NOES—86

Archer	Frenzel	Myers, Ind.
Armstrong	Frey	Myers, Pa.
Ashbrook	Gibbons	Nix
Bauman	Goodling	Pickle
Broomfield	Gradison	Poage
Brown, Mich.	Hagedorn	Rhodes
Broyhill	Hammer-schmidt	Roberts
Burgener	Holt	Runnels
Burleson, Tex.	Holtzman	Ruppe
Burlison, Mo.	Hutchinson	Satterfield
Burton, John	Ichord	Schneebeli
Butler	Jacobs	Shuster
Byron	Jarman	Smith, Nebr.
Casey	Johnson, Pa.	Steed
Cederberg	Jones, Okla.	Steiger, Ariz.
Chappell	Kasten	Steiger, Wis.
Clancy	Kemp	Stuckey
Collins, Tex.	Kindness	Symms
Conable	Lujan	Thornton
Conlan	McClory	Traxler
Crane	McCollister	Treen
Daniel, Dan	McDonald	Ullman
Daniel, R. W.	McEwen	Vander Jagt
Delaney	Mahon	Waggonner
Devine	Martin	Whitehurst
Dickinson	Miller, Ohio	Wiggins
Downing	Mills	Wylie
Duncan, Tenn.	Moore	Young, Alaska
Esch		Young, Tex.

ANSWERED "PRESENT"—2

Lehman Taylor, Mo.

NOT VOTING—39

Bell	Hansen	Peyser
Bingham	Hébert	Quillen
Breckinridge	Hinshaw	Rooney
Clawson, Del	Holland	Rosenthal
Clay	Jenrette	Rousselot
Conyers	Jones, Ala.	Ryan
Diggs	Jones, N.C.	Talcott
Eshleman	Jones, Tenn.	Teague
Flynt	Landrum	Udall
Fulton	Mathis	Wampler
Giaimo	Metcalfe	Whitten
Goldwater	Mollohan	Wilson, C. H.
Gonzalez	Passman	Wilson, Tex.

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. GUYER

Mr. GUYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUYER: Page 74, strike out lines 3 and 4 and insert in lieu thereof the following:

"(d) Reduction and Repeal of Tax on Radial Tires.—

"(1) REDUCTION.—In the case of any radial tire sold after March 17, 1975, and before March 18, 1980, the rate of tax imposed under section 4071 on such sale shall be determined in accordance with the following table:

[The rate of tax applicable to such sale shall be the following percentage of the rate otherwise applicable under section 4071]

"If the sale occurs:	Percent
After 3/17/75 and before 3/18/76	90
After 3/17/76 and before 3/18/77	80
After 3/17/77 and before 3/18/78	70
After 3/17/78 and before 3/18/79	60
After 3/17/79 and before 3/18/80	50

"(2) REPEAL.—The tax imposed by section 4071 shall not apply to radial tires sold after March 17, 1978."

Page 75, strike out line 19 and all that follows down through line 12 of page 76 and insert in lieu thereof the following:

"(1) RADIAL TIRES.—

"(A) Allowance of refund.—Where before any floor stocks refund date, any radial tire (as defined in section 4072(d)) subject to the tax imposed by section 4071(a) has been sold by the manufacturer, producer, or importer and on such date is held by a dealer and has not been used and is intended for sale, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the difference between (i) the tax paid by such manufacturer, producer, or importer on his sale of such tire, and (ii) the tax (if any) which would have been imposed under section 4071(a) if such sale had occurred on such floor stocks refund date. Credit or refund shall be allowed under the preceding sentence only if claim therefor is filed with the Secretary or his delegate on or before December 31 following such floor stocks refund date based upon a request submitted to the manufacturer, producer, or importer before October 1 following such floor stocks refund date by the dealer who held such tire in respect of which the credit or refund is claimed, and, on or before such December 31, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax on such tire or written consent has been obtained from such dealer to allowance of such credit or refund.

"(B) FLOOR STOCKS REFUND DATE DEFINED.—For purposes of this paragraph, the term 'floor stocks refund date' means March 18 of 1975, 1976, 1977, 1978, 1979, and 1980."

Mr. GUYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment may be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. GUYER. I am happy to yield to the gentleman from Oregon.

Mr. ULLMAN. I wonder if we can get some understanding as to time for the rest of this title. There are not too many amendments, as I understand, to the title. Would it be in order to request a time limitation of, say, 15 minutes, not more than 15 minutes for each amendment?

The CHAIRMAN. The Chair would advise the gentleman from Oregon (Mr. ULLMAN) that a unanimous-consent request for such a time limitation would be in order.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that we take no more than 15 minutes for debate on each of the remaining amendments to title III.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. STEIGER of Wisconsin. Mr. Chairman, reserving the right to object, let me say that under my reservation of objection I am supporting what the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN) wants to do. However, my concern here is that it is exceedingly difficult under that process. For example, if there are, as I see now, some seven people standing, are we each, then, going to get time under each amendment? Would it not be better to go amendment by amendment, because perhaps the amendment offered by the gentleman from Ohio would require only 10 minutes of debate, while another amendment might require 30 minutes of debate.

It seems to me very difficult to do this on the whole title.

Mr. ULLMAN. I was attempting to get some kind of procedure whereby we could have a general understanding as to time. I recognize the problem the gentleman raises. We do not want to get into a situation where we set a time certain and then have a lot of amendments offered with no time to debate them. I am attempting to be as equitable as I can be. At this hour we might get involved in an amendment that could go on and on if we have no time limit, and I think we should at some point arrive at some procedure that will enable us to proceed expeditiously.

Mr. STEIGER of Wisconsin. Mr. Chairman, further reserving the right to object, it does seem to me that the chairman's goal of a rational allocation of time and not taking too long on any single amendment can be achieved on each amendment instead of what I really think would be a very unfair way to do it, given the fact that there are a number of Members who are not here who may have a very deep interest in a particular aspect of this title.

Mr. Chairman, I would ask the chairman of the committee to withdraw what he has asked for and then make his request on the Guyer amendment, and then again on each amendment as it comes up.

Mr. ULLMAN. Mr. Chairman, I withdraw my unanimous-consent request.

Mr. GUYER. Mr. Chairman, my amendment to section 322 of H.R. 6860 could be the difference in the ability of the few remaining small tire manufacturing companies to keep their heads above water.

I appreciate the spirit and objectives of the Ways and Means Committee architects of the move to repeal the excise tax on radial tires and the tread material used in recapping and retreading of radial tires, as an energy saving device.

It was pointed out that such a repeal of this excise tax would result in the saving of fuel consumption of 3 to 5 percent.

In my judgment, such minimal savings, would be eclipsed by the disastrous effect such a measure would have on the survival of small tire producing companies.

The current excise tax on radial tires amounts to between 15 and 20 percent of the cost of the tire.

Nearly all radial tires are made by the Big 5 major companies. The small tire manufacturing companies are not tooled up to produce radial tires.

This proposed repeal of the excise tax is like a Federal subsidy to the major companies. It amounts to more than twice the profit margin any tire company normally makes. This excise tax repeal will shift tire purchases to radials.

Little tire companies never can afford to innovate new discoveries of research and development. It was true of the tubeless tire as it is of the radial tire. Small companies depend upon replacement tire sales in the after tire market. They cannot compete in making original tires for new cars, against the majors—Goodyear, Goodrich, Uniroyal, Firestone, and General.

My amendment would phase out the excise tax in five steps and remove it entirely on tires sold after March 17, 1980. Such a plan would prevent the makers of conventional tires from being swallowed up by the makers of radial tires and in turn, give the few surviving small companies time to adjust and convert to radial tire manufacturing.

Mr. Speaker, I have letters from presidents of small companies—pleading for support and asking for your understanding in saving jobs—and assisting them from being the victims of the repeal proposal.

Of more than 250 makers of tires in this country—only 12 remain—five majors—who also have taken over, Lee, Dayton, Gillette, and Seiberling—seven small companies—McCreary, Denman, Dunlop, Armstrong, Mohawk, Mansfield, and Cooper. With 82 percent of American workers using cars to go to and from work, America needs these seven small companies.

Adoption of my amendment will best serve them, their employees, and their customers.

I would not oppose the removal of excise taxes on all tires and tread materials but until that time, this amendment makes sense and saves dollars in jobs, service, sales, and partnership with the "little guys" in industry.

Mr. ASHBROOK. Mr. Chairman, I thank the gentleman for his amendment.

I would say as a Representative of an area that also has a small company, the Mansfield Tire Co., one of the seven the gentleman mentioned, that this amendment is very vital to the concept of preserving small companies. It is hard enough for small companies to live among the giants.

As I read the amendment it would make it that much less difficult.

I appreciate the gentleman bringing up the amendment.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. GUYER. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I support the amendment of the gentleman in the well. This is another industry where we are getting down to four or five companies dominating it. I think this is one way we can aid the seven small companies which still remain. It is a very reasonable request. We will be eliminating the radial tire tax over a 5-year phaseout. I support the amendment.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. GUYER. I yield to my colleague, the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I commend the gentleman for bringing forth this amendment. This is the amendment I mentioned before the Committee on Rules.

This means very simply assisting seven small rubber companies of this country. If this legislation should pass the way it is today without the amendment of the gentleman from Ohio (Mr. GUYER) it would mean that the five large manufacturers of tires are going to have a tremendous advantage over the seven small companies in the manufacturing of radial tires.

I do not think we want that in America. We talk about being for the small businessman. Now is the chance to prove it on this amendment.

Mr. Chairman, we need the Guyer amendment.

Mr. SEIBERLING. Mr. Chairman, I rise in opposition to the amendment.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the distinguished chairman.

Mr. ULLMAN. Mr. Chairman, I wonder if we can agree upon setting a time limit on this amendment?

Mr. Chairman, I ask unanimous consent that we vote on this amendment in 6 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. SEIBERLING. Mr. Chairman, I rise to oppose the amendment even though it is made in the name of small tire manufacturers. My own family spent many years in the tire industry as a small manufacturer.

This is supposed to be an energy conservation bill. Now, many people do not realize it, but tires today are made almost entirely of synthetic rubber, and very large amounts of synthetic rubber go into a tire. To make a large truck tire requires an entire barrel of petroleum. So if we can do anything to try to help conserve tires, we are going to save petroleum. Encouraging the use of radial tires will save petroleum because a radial tire will last two to three times as long as a conventionally built tire.

Moreover, it requires less fuel to run a car or a truck on radial tires. The saving as the gentleman from Ohio (Mr. GUYER) admits, is up to 5 percent. Over a period of time and in a country with millions of automobiles and trucks, that is an enormous amount of fuel.

So anything we can do to expedite the shift to radial tires is going to save petroleum, both in the manufacture of tires and in the consumption of gasoline.

Now, what is this terrible disadvantage that these small companies are supposedly put under? Let me say, first of all, that only two companies in this country make no radial tires and those two companies have less than 1 percent of the market. So we are not talking about a great number of people involved. Big companies employ workers, too. Let us not forget that. Now, let us take a look at the differential in price. Here are the latest tire prices from one of the leading companies. Their radial passenger tire costs $80.41, including a tax of $2.96. So if we remove that tax, we will reduce the price of the tire to $77.45.

Incidentally, the tax is always tacked

on to the ultimate price when the customer buys the tire.

The next highest priced tire, with the tax included, costs $51.09. So even if we take the radial tire tax off, we are still going to have a tire that costs $48.40 competing with a radial tire costing $77.49. Is that going to put the manufacturer who does not make radial tires at any great competitive disadvantage?

Next, we have the cheapest line of tire which today, including tax, costs $36.45 as opposed to a radial, without tax, at $77.45.

When we get to truck tires, an equally interesting pictures appears. The radial truck tire price is $191.71, including a tax of $11.86. If we take the tax off, we have $179.85. A nonradial truck tire, including the tax, costs $161.48, so it would still be $18 cheaper than the radial even if we take the tax off the radial.

Why are the manufacturers who do not make radials afraid? They all sell radials. If they do not make them, they buy them from another manufacturer. But despite the fact that radials will still cost more, the tire manufacturers are going to start sales promotions saying to their customers, "Look, you can buy a radial tire with no excise tax." That will have some effect on sales. Also, the action of Congress in removing the tax will make more people conscious of the fact that radial tires conserve energy. That's what this bill is supposed to be all about—conserving energy. Therefore, I oppose this amendment.

(Mr. MURTHA asked and was given permission to revise and extend his remarks at this point in the RECORD.)

Mr. MURTHA. Mr. Chairman, I support this amendment to remove from the bill the provisions to eliminate the excise tax on radial tires.

The problem with eliminating the tax, Mr. Speaker, is that it will work to the advantage of the large tire manufacturers and against the small tire and rubber companies.

In my district I have the next-to-the-smallest tire manufacturer in the country. This company is 1 to 2 years away from beginning production on their own line of radials. Removing the excise tax, however, will place them at a competitive disadvantage that will delay production of their own line of radials. More important, projections are it could cost the community 200 of the 550 jobs created by the plant.

Certainly this tax is not a major portion of our energy conservation effort, and I believe it would be a negative influence on a number of small tire manufacturers throughout the United States.

I urge support of this amendment, Mr. Chairman, as a step toward continuing competition by the small tire and rubber companies.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Chairman, I yield to the gentleman from Ohio (Mr. GUYER).

Mr. GUYER. Mr. Chairman, I will just say that the seven small companies do manufacture 20 percent of the total tires. I am told that the major companies last year had sales of over $12 billion.

I have a letter here from a president of a small tire company who says that this bill could endanger the jobs of 200 of their 550 employees. It is located in Indiana, Pa., the home district of the gentleman from Pennsylvania (Mr. DENT).

Mr. Chairman, I think this is the time to stand up and be counted. If we are going to vote funds to help the unemployed, I do not know why we want to step on the airhose which gives oxygen to little companies like these. I urge support of my amendment.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN) to close debate.

Mr. ULLMAN. Mr. Chairman, I commend the gentleman and understand his concern. However, the committee did look into this matter quite extensively. We feel that radial tires are an extremely important conservation tool, and I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. GUYER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LATTA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 117, noes 270, not voting 46, as follows:

[Roll No. 282]

AYES—117

Abdnor	Ginn	Nowak
Alexander	Goodling	O'Brien
Anderson, Calif.	Guyer	Patman, Tex.
Archer	Hammer-schmidt	Pettis
Armstrong	Harsha	Pritchard
Ashbrook	Hastings	Regula
Bafalis	Hays, Ohio	Rhodes
Barrett	Hefner	Robinson
Beard, Tenn.	Heinz	Satterfield
Biester	Henderson	Schneebeli
Broomfield	Hillis	Schulze
Brown, Calif.	Holt	Shriver
Brown, Mich.	Hyde	Shuster
Brown, Ohio	Jarman	Sikes
Buchanan	Johnson, Pa.	Skubitz
Burgener	Jones, Okla.	Smith, Nebr.
Burleson, Tex.	Kasten	Spence
Burton, John	Kemp	Stanton, J. William
Butler	Ketchum	Steed
Byron	Kindness	Steelman
Carter	Krebs	Steiger, Ariz.
Cederberg	Latta	Steiger, Wis.
Clancy	Lott	Symms
Clausen, Don H.	Lujan	Treen
Cochran	McClory	Van Deerlin
Collins, Tex.	McCollister	Vander Jagt
Conlan	McDonald	Waggonner
Crane	Madigan	Walsh
Daniels, N.J.	Michel	Whitehurst
Dent	Miller, Ohio	Whitten
Devine	Mitchell, N.Y.	Wilson, Bob
Dickinson	Montgomery	Winn
Downing	Moore	Wylie
Duncan, Tenn.	Moorhead, Pa.	Yatron
English	Morgan	Young, Alaska
Findley	Mosher	Young, Fla.
Fountain	Mottl	Young, Tex.
Frey	Murtha	Zablocki
Gaydos	Myers, Ind.	
	Nichols	

NOES—270

Abzug	Ambro	Andrews, N. Dak.
Adams	Anderson, Ill.	Annunzio
Addabbo	Andrews, N.C.	Aspin
AuCoin	Badillo	Baldus
Baucus	Bauman	Beard, R.I.
Bedell	Bennett	Bergland
Bevill	Biaggi	Blanchard
Blouin	Boggs	Boland
Bolling	Bonker	Bowen
Brademas	Breaux	Brinkley
Brodhead	Brooks	Broyhill
Burke, Calif.	Burke, Fla.	Burke, Mass.
Burlison, Mo.	Burton, Phillip	Carney
Carr	Casey	Chappell
Chisholm	Cleveland	Cohen
Collins, Ill.	Conable	Conte
Corman	Cornell	Cotter
Coughlin	D'Amours	Daniel, Dan
Daniel, R. W.	Davis	de la Garza
Delaney	Derrick	Derwinski
Dingell	Dodd	Downey
Drinan	Duncan, Oreg.	du Pont
Early	Eckhardt	Edgar
Edwards, Ala.	Edwards, Calif.	Eilberg
Emery	Erlenborn	Esch
Evans, Colo.	Evans, Ind.	Evins, Tenn.
Fascell	Fenwick	Fish
Fisher	Fithian	Flood
Florio	Flowers	Foley
Ford, Mich.	Forsythe	Frenzel
Fuqua	Giaimo	Gibbons
Gradison	Grassley	Green
Gude	Hagedorn	Haley
Hall	Hamilton	Hanley
Hannaford	Harkin	Harrington
Harris	Hawkins	Hayes, Ind.
Hechler, W. Va.	Heckler, Mass.	Helstoski
Hicks	Hightower	Holtzman
Horton	Howard	Howe
Hubbard	Hughes	Hungate
Hutchinson	Ichord	Jacobs
Jeffords	Johnson, Calif.	Johnson, Colo.
Jordan	Karth	Kastenmeier
Kazen	Kelly	Keys
Koch	Krueger	LaFalce
Lagomarsino	Landrum	Leggett
Lehman	Lent	Levitas
Litton	Lloyd, Calif.	Lloyd, Tenn.
Long, La.	Long, Md.	McCloskey
McCormack	McDade	McEwen
McHugh	McKay	McKinney
Macdonald	Madden	Maguire
Mahon	Mann	Martin
Matsunaga	Mazzoli	Meeds
Melcher	Meyner	Mezvinsky
Mikva	Milford	Miller, Ca.
Mineta	Minish	Mink
Moakley	Moffett	Moorhead, Calif.
Moss	Murphy, Ill.	Murphy, N.Y.
Myers, Pa.	Natcher	Neal
Nedzi	Nix	Nolan
Oberstar	Obey	O'Hara
O'Neill	Ottinger	Patten, N.J.
Patterson, Calif.	Pattison, N.Y.	Pepper
Perkins	Pickle	Pike
Pressler	Preyer	Price
Quie	Railsback	Randall
Rangel	Rees	Reuss
Richmond	Riegle	Rinaldo
Roberts	Rodino	Roe
Rogers	Roncalio	Rooney
Rose	Rostenkowski	Roush
Roybal	Runnels	Ruppe
Russo	St Germain	Santini
Sarasin	Sarbanes	Scheuer
Schroeder	Seiberling	Sharp
Shipley	Simon	Sisk
Slack	Smith, Iowa	Snyder
Solarz	Spellman	Staggers
Stanton, James V.	Stark	Stephens
Stokes	Stratton	Stuckey
Studds	Sullivan	Symington
Taylor, Mo.	Taylor, N.C.	Thompson
Thone	Thornton	Traxler
Tsongas	Ullman	Vander Veen
Vanik	Vigorito	Waxman
Weaver	Whalen	White
Wiggins	Wirth	Wolff
Wright	Wydler	Yates
Young, Ga.	Zeferetti	

NOT VOTING—46

Ashley	Dellums	Gonzalez
Bell	Diggs	Hansen
Bingham	Eshleman	Hébert
Breckinridge	Flynt	Hinshaw
Clawson, Del	Ford, Tenn.	Holland
Clay	Fulton	Jenrette
Conyers	Gilman	Jones, Ala.
Danielson	Goldwater	Jones, N.C.
Jones, Tenn.	Peyser	Talcott
McFall	Poage	Teague
Mathis	Quillen	Udall
Metcalfe	Risenhoover	Wampler
Mills	Rosenthal	Wilson, C. H.
Mitchell, Md.	Rousselot	Wilson, Tex.
Mollohan	Ryan	
Passman	Sebelius	

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. GIBBONS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I hope that the Members will be extremely quiet now, because if they will be they can hear the sound of the tiny reindeer hooves as they approach this Merry Christmas season in June that we are about to see now, because we have at last come to the part of the bill that should spread peace on Earth and good will to all men. We are about to open the Christmas presents. This is the loophole section. There will be a lot of fine speeches made about how we need to encourage this and how we need to encourage that through the tax system.

I feel very terrible in trying to shoot Santa Claus down, but let me remind the Members that for every gift there has to be a giver. We do not know who the recipients are because they will be buried in the tax returns down there at the IRS. But do you know who the giver is going to be? It is going to be you, and me, and all the other taxpayers out there.

What are they going to be giving? We will be giving to the fellow who has a lousy house, who got it cheap, and because he bought a lousy house we will be giving him money to insulate it. We are not going to do this for the fellow who bought a good house, but only to the fellow who bought a lousy house and who is going to insulate it.

That is one of the things we will be giving away.

Then we will be giving away a solar hot water heater to everybody. I have got a solar hot water heater, so perhaps I had ought to be magnanimous and make sure everybody gets a hot water solar heater but, you know, I do not like to give my money away, or other people's money away. But, again, this will be Christmas time of the year in June, so we will be asked to give help for electric cars and other things, and they are all going to sound so attractive. But remember, these are appropriation-type expenditures, just like an appropriation that is authorized and goes all through the appropriations process, but there is a difference in that these will keep going on once we put them in the code. We will never see them again, because they will just keep going on and on and on, and there is no end to it. They can start off as a small thing, and pretty soon they grow and grow and grow.

So, that is what we are up against now; that is what will take place in this title, and then when we get over onto title V you will see that really, although Christmas is supposed to come but once a year, under title V it comes every day.

We will be taking care of the railroads in here; we will take care of—well, you just name it. I do not know what else we will take care of, but I know that we will take care of the railroads. This is a real gift. There are only five railroads in the United States that pay any taxes, so we are going to take care of these railroads. And then the banks must be taken care of, because the banks are the only ones who can get anything out of some of these railroad giveaways.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, the gentleman from Florida is convincing me very rapidly that, after 4 days of debating this matter, maybe the time has come to offer an amendment to strike the enacting clause and go home.

This may be a great educational exercise we are about to enter into, and I know it is going to be entered into with a great deal of goodwill and fellowship, because it is always fun to open the presents and get the surprises. But just remember, for every gift that is given, there has to be a giver, and the poor giver is the fellow out there paying taxes. The fellow who gets the goodie picks it up down in the Internal Revenue Office, and we never see it again, and we do not know whether he ever spent his gift on home insulation, because we will never be able to audit whether he put insulation in his house or not. It is impossible.

Mr. Chairman, I am sorry I have done such damage to Santa Claus, but at least my conscience is clear.

Mr. ULLMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the distinguished Member, my good friend, the gentleman from Florida, is a very able member of the Committee on Ways and Means and a very dedicated Member of Congress. But I do not want this committee to begin to feel that this is a "Christmas tree" bill, or that it has in any way been weakened to the point where it does not offer the framework for a sound energy policy.

This committee acted responsibly in title I. Title I alone is one of the most significant beginnings of an energy program. We have announced to the world that we are concerned about imports, and we have established an oil import policy by setting out the levels of quotas. We have done this in a way that will lead to sound conservation policies for the country.

Let me examine the fiscal impact of this bill today. The gentleman from Florida talked about "Christmas" goodies. Let me say that in title I, beginning with 1976, we have a net revenue pickup of $859 million; in 1977, $905 million; in 1978, $1,089 million; in 1979, $1,077 million; and in 1980, $837 million.

Now going to title III, and that is the title we are now discussing, we do have a revenue loss. However, let me point out what the loss is. In 1976 it is $347 million. From then on the loss goes down every year. In 1978 it is only $51 million, and by 1980 it is only $71 million.

Then we go to title V. We have revenue gains in title V that begin with $20 million in 1976 and build up to $2,020 million in 1980. We also have some losses in title V, and this is what the gentleman is referring to. The losses begin with $55 million in 1976, going to $150 million in 1977, $255 million in 1978, $340 million in 1979 and $385 million in 1980.

But then let us look at the overall figures for the bill. The bill raises nearly $500 million in 1976, nearly $900 million in 1977, over $1,700 million in 1978, over $2 billion in 1979, and $2,400 million in 1980. This does not sound like a "Christmas tree" bill to me. Even on those provisions where there are revenue losses if we look at the problems that these tax incentives go to, we will see that they are all directly concerned with the energy problem.

It is going to take trillions of dollars of capital to convert to the type of energy system this Nation must have in the next decade. We are not going to find the capital we need for this purpose unless we employ some incentive devices although, of course they must be carefully circumscribed. This bill provides a small beginning on this problem by using limited forms of tax incentives that are totally justified and needed if we are to get the job done.

We are going to have some modifications in the incentives in the bill, and there are some that I am not going to fight too strongly. If the committee decides they want to knock some of these provisions out, that is fine, but we would be making a grave mistake to put all of these incentives in one basket. That simply is the wrong approach to the problem. Certainly, some of them are essential in developing any kind of an energy policy.

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. STARK. I thank the gentleman for yielding.

Regarding one amendment that is referred to as the recycling tax credit amendment to junk dealers, as I recall—and I wonder if the chairman recalls—the testimony in committee was that over the next 5 years it would add up to about $1 billion tax credit to junk dealers and really not save energy. The others may have some possible energy effect, but this particular one, which I think is the very last one in the bill, I do not think we ever had any——

Mr. ULLMAN. Which one is the gentleman referring to?

Mr. STARK. That is the recycle tax credit.

Mr. ULLMAN. There will be a motion to strike the recycling tax credit provision. I have no strong feelings about it, but I think everyone in this country recognizes that recycling is a very important element in the solution to our environmental problems in this country and that recycling old materials, rather than using virgin materials, saves energy and raw materials. What this provision attempts to do is provide some tax in-

centive to stimulate the recycling of waste commodities. Perhaps one can argue that that is a "Christmas tree" proposal, but I think one can also argue that recycling can and should be a significant part of the American energy conservation scene. It is very essential that we get on with the business of recycling our waste commodities.

Mr. Chairman, this is a good bill and I urge the Members to hold on, to continue this procedure, to adopt responsible amendments and then let us vote this bill out hopefully shortly after midday tomorrow.

AMENDMENTS OFFERED BY MR. JACOBS

Mr. JACOBS. Mr. Chairman, I offer several amendments and ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. JACOBS: Strike out section 331 (relating to insulation of residences), beginning on page 78, line 4, and ending on page 84, line 10.

Page 84, line 11, strike out "SEC. 332" and insert in lieu thereof "SEC. 331".

Page 84, line 16, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44C."

Page 85, line 23, insert "and" immediately after "exemptions),".

Page 85, line 25, strike out ", and" and insert in lieu thereof a period.

Page 89, immediately after line 10, strike out "SEC. 44D." and insert in lieu thereof "SEC. 44C."

Page 89, line 13, strike out "(vii)" and insert in lieu thereof "(vi)".

Page 89, line 14, strike out "(viii)" and insert in lieu thereof "(vii)".

Page 89, line 15, strike out "(viii)" and insert in lieu thereof "(vii)".

Page 89, line 16, strike out "(ix) section 44D" and insert in lieu thereof "(viii) section 44C".

Page 89, line 20, strike out "(G)" and insert in lieu thereof "(F)".

Page 89, line 21, strike out "(H)" and insert in lieu thereof "(G)".

Page 89, line 22, strike out "(H)" and insert in lieu thereof "(G)".

Page 90, line 1, strike out "(I)" and insert in lieu thereof "(H)".

Page 90, line 5, strike out "(23)" and insert in lieu thereof "(22)".

Page 90, line 7, strike out "(23)" and insert in lieu thereof "(22)".

Page 90, line 8, strike out "(24) to the extent provided in section 44D(d)" and insert in lieu thereof "(23) to the extent provided in section 44C(d)."

Page 90, line 10, strike out "44D" and insert in lieu thereof "44C".

Page 90, line 13, strike out "and 44C" and insert in lieu thereof "and 44".

Page 90, line 14, strike out "44C, and 44D" and insert in lieu thereof "44, and 44C".

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the distinguished chairman.

Mr. ULLMAN. Mr. Chairman, I wonder if we could get some agreement on time.

Mr. Chairman, I ask unanimous consent that we conclude debate on the amendments offered by the gentleman from Indiana (Mr. JACOBS) in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. JACOBS. Mr. Chairman, these are simply amendments to strike the insulation for homes tax credits.

Mr. Chairman, once upon a time there was a boy who got tired of saying his prayers at night and so he typed out the Lord's Prayer and nailed it to the head of the bed and every night thereafter he knelt down and said, "Lord, them's my sentiments."

The gentleman from Florida (Mr. GIBBONS) has very eloquently expressed my sentiments, except that I think for purposes of understanding this we should know that the better part of $1 billion in 3 years' time is involved in this provision.

Mr. Chairman, there are three kinds of expenditures by the Congress. One is the so-called front-door spending, that is appropriations. The other is back-door spending, that is by automatic legislation. Then, finally, there is back-alley spending and that is what the tax expenditure amounts to. It is the lowest form and the most obscure form of doling the Public Treasury; but I would accept it even in that form if there were a good purpose in it.

I say that the committee should draw an important and a clear distinction between, for example, giving tax credits for insulating a home, a very simple procedure on the one hand, and giving tax credits for, say, the use of solar energy for heating a home on the other hand.

In the case of the tax credit, as the gentleman from Florida said, there are a lot of us who have already done that. Some of us have done it without hiring anybody to install it. The question really is that if our neighbors or the people down the street have not been prudent enough to do it before the effective date of this act, should those who have been prudent enough to do it give them some of our money to do it?

Now, is there a national purpose? I wish there were. I wish all structures were properly insulated. But do we know how much heating oil or gas we could save if we insulated our homes? I would say on the average of 30 percent of our fuel bills. If that will not do it, what will a tax credit do? Like they say in law school, it will pay somebody to do what they would have done anyway, $1 billion or three-quarters of a billion dollars in the next 3 years.

I do not think it makes very much sense. I know we pulled the plug on the U.S. Treasury with the tax rebate bill. I think it is time to put the plug back in and not go whole hog wild.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Illinois.

Mr. MIKVA. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Indiana. The second largest expenditure of money, as I read it in that new budget book, was $85 billion of the very kind of tax expenditures the gentleman is referring to. All of them were just a few millions at the time, just as they are in this bill.

It is very hard not only to kill Santa Clause, but to kill the insulation allowance as the first one in the bill. However, I would say that they get worse and worse and worse. Altogether, there are several billion dollars of tax expenditures in this bill which, so run the arguments, might save energy.

Those arguments, if they are valid, ought to be addressed to the Appropriations Committee rather than the Ways and Means Committee.

I commend the gentleman on his amendment.

Mr. JACOBS. I thank the gentleman for his remarks. The distinguished gentleman from Chicago is one of the finest public officials in Chicago, who has never been a sore winner.

Mr. Chairman, I urge passage of my amendment.

The CHAIRMAN. Members standing at the time the unanimous consent request was made will be recognized for 1 minute each.

The Chair recognizes the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Chairman, I would like to inquire about the eligibility for the tax credit for insulation of a device known as an automatic foundation ventilator. This device is designed for installation in foundations of homes which have no basement and have an air space underneath.

The ventilator is equipped with a temperature-sensitive device which causes it to close in cold weather and open in warm weather. The automatic feature eliminates the need for the homeowner to open and close the ventilator manually, and thus results in energy conservation.

The automatic foundation ventilator is approved by both the Federal Housing Administration and the General Services Administration. It is a fairly recent device to be marketed and is produced by at least two companies in the United States.

Mr. Chairman, I would like to inquire about the eligibility of the automatic foundation ventilator under section 331 of the bill which provides a tax credit for insulating a principal residence.

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, the determination as to whether an automatic foundation ventilator is eligible for the insulation credit will be made on the basis of whether it meets the performance standards prescribed by the Secretary of the Treasury in regulations he issues after consultation with the Administrator of the Federal Energy Administration and the Secretary of Housing and Urban Development.

Mr. BROYHILL. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. KETCHUM).

(By unanimous consent Mr. STARK yielded his time to Mr. KETCHUM.)

Mr. KETCHUM. Mr. Chairman, I rise in support of the amendment offered by my friend from Indiana (Mr. JACOBS), and for the very same reason. This bill is full of loopholes. From here on out there are all kinds of, as the gentleman from Florida (Mr. GIBBONS) put it, goodies.

This is simply paying someone a subsidy to do something that they should do in the interests of saving themselves money. We are going to have amendments, some additional amendments along this line. There simply is no valid reason to afford tax credits to someone to do that which they should have done, and in the process, of course, we are creating, in essence, a peripheral subsidy for the insulation industry.

I can see the ads now: "Insulate your home, save 500 bucks."

I do not think anyone in this body, despite the fact that insulating homes will save energy, and there is not any question about that nor any arguing that point, but there simply is no reason to dangle a carrot in the front of our people, our constituents, to attempt to influence them to do something they should already be doing.

I do not think the American people are that stupid, and I hope the Members do not either.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. It is a gift. The home insulation does in fact save energy.

The Committee on Ways and Means went back and forth on this issue and approved this section by a very close vote. I hope it stays in. I oppose the Jacobs amendment. I do not believe we can talk about a rational, cohesive energy policy unless we also believe we should recognize that we cannot just deal in automobiles, or even in snowmobiles, or even innercity buses. We have to deal with all kinds of aspects of it, including what happens in homes across the United States, like Wisconsin, and up and down the North and South, who do not have now the insulation, who would save energy if they had it. I think the Jacobs amendment would be a mistake. I well understand the concern about whether or not we are offering some goodies to some persons or some groups. I do not think in this case that we are. I think it is a compliment to the committee's effort. I oppose the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I oppose the Jacobs amendment. I agree with the gentleman from California (Mr. KETCHUM) that we may be paying people to do things they would do anyway. But we would only do so if we had some deregulation in the game and there was a real incentive to continue the weatherstripping and the storm windows and insulation. I think we need this incentive. This will save up to 100,000 barrels of oil, the equivalent, per day. It will cost $260 million annually for 2½ years. It times out in 1978, after 2½ years. It provides the necessary balance for conservation. Those who think the only place we can save money is the automobile are wasting their time, because that is only a percentage of the total amount of energy used. We have to save it right down the line. This is a useful provision. The amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Chairman, in response to my colleague, the gentleman from Minnesota (Mr. FRENZEL), I would like to say to him that if you parse out the amount of money that will be involved in this tax credit on the savings on his figures it comes to $8 a barrel. I think the Treasury would be better off to give the homeowner the $8 for each barrel of oil they do not buy. I think the amendment should be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. VANDER JAGT).

Mr. VANDER JAGT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Indiana. The gentleman caught my attention, when he offered this amendment in committee, by beginning his remarks by saying, "Whatever happened to free enterprise?" I perked up my ears, and then I heard him explain about tripling and quadrupling savings, if you insulate one-third, on that heating bill. That sent me immediately back to the last time this House was in a marathon session on an energy bill a year ago last December. At that time we reached the 1 o'clock a.m. or 2 o'clock a.m. session before that bill expired by itself. Amendments were being waved through by magic wand. An amendment was offered and then former Congressman Dave Martin rose up, and he said, "This is ridiculous. This is absurd. We should not be paying people to do what they ought to do themselves."

I am in the insulation business, so I know it would be impossible to enforce. And one of the wise things we did that night was to defeat that amendment, one of the few we did. I hope we are that wise again tonight that this amendment is adopted.

(By unanimous consent, Mr. OTTINGER yielded his time to Mr. ULLMAN.)

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I am one of those who believes the law of economics is working for us here, and that we do not need to give a tax credit to achieve the end we are looking for. This amendment, if accepted—and I hope it will be—will result in a revenue gain of $190 million in 1975, $260 million in 1976, and $260 million in 1977. I think we can ill afford to give away what we do not have to.

Mr. Chairman, I hope the amendment, therefore, will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, as I said when I moved to strike out the last word some time ago, this is a serious thing. We are entering into the Christmas tree part of the bill here.

I know insulation and home repair do not sound like a "Christmas tree," but as I said then, if there is anything that is true, this is true: For every gift received there must be a giver.

The giver is the taxpayer in this case. He may not be a willing giver. I do not see why the taxpayer should reward a fellow who bought a house twice as cheap as someone else did because it was not properly insulated or because the contractor cut corners or did not do the work properly. I do not see why a fellow who built himself a good house has to go out and pay for somebody else's insulation.

Most tax credits or expenditures are that way. That is not true of all of them, but it is true of most of them.

Mr. Chairman, I hope the Members will vote against this amendment.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), to close debate.

Mr. ULLMAN. Mr. Chairman, there are millions of homes in America that are desperately in need of insulation. There are many homes that have cracks around the doors and windows and have no insulation in the walls. They are wasting thousands and thousands of barrels of heating oil every year.

This is a modest program. It lasts only 3 years. The savings of 100,000 barrels of oil per day under this provision is not a one-shot deal. That is where my friend, the gentleman from Illinois (Mr. MIKVA), was wrong. The savings go on year after year after year once the insulation is put into place.

The cost involved is not high. It begins at $190 million for 1975, and then there are only 2 more years at $260 million each. After 1977, the program ends.

This is the way it works: A person is given a 30-percent credit on the first $500 of investment, for a maximum credit of $150. He has to make a $500 investment in order to get that amount. If he spends $30, he gets 30 percent of this, or $9.

It is a very modest program; however, it does provide an incentive for people to insulate their homes. The people who need to do it are either the low income or the middle-income people of America who live in homes that need insulation.

Mr. Chairman, I hope we adopt this amendment. It is a good program for the average American.

Mr. SCHEUER. Mr. Chairman, I oppose the Jacobs amendment because I believe that it is good public policy to encourage energy saving insulation by American homeowners on as broad a scale as possible. This tax incentive is modest enough—too modest—in fact where an urgent national goal is being served.

Mr. Chairman, going beyond this amendment, despite the long weeks the Committee on Ways and Means de-

voted to developing this legislation, and despite the long hours we have all spent evaluating it and the amendments which have been offered, the sad truth is that it really will not make much difference whether or not this bill ultimately becomes law. In the process of exploring the implications of the bill which is before us, we have not given adequate emphasis to what this bill does not do. There is an enormous gap between what needs to be done and what this bill would accomplish, either as it was originally presented to us or as it has emerged, tragically and pathetically, from the amending process.

Having labored so mightily to produce so little, we must now begin to come to grips with the kind of energy program that must be enacted if we are truly serious about coping with our future in a rational and meaningful way. An effective energy conservation program will require more fundamental reforms than are contemplated in this legislation or in the President's proposals: basic reforms in our values, our priorities, and our national life style.

For example, there is widespread agreement on the need to reduce the enormous amount of gasoline consumed each day by automobiles. Most of the proposals which have been offered to achieve this reduction have been based on the assumption that the ways to reduce consumption are limited to manipulating price or supply to the point at which American drivers find they can no loger find or afford enough gasoline to continue their habitual driving patterns.

In contrast, much less attention has been given to eliminating our dependence on the gasoline powered passenger vehicle. As a member of the Committee on Science and Technology, I know that it is possible to develop vehicles which do not rely on gasoline and the internal combustion engine. We need a concerted national effort to develop these alternatives, just as we need to develop and promote alternative multipassenger modes of both public and private transportation such as jitneys, dial-a-ride services, and strong incentives for group riding. Only by making the American people less dependent on gasoline for transportation—and for other purposes as well—can we insure the efficacy of energy conservation programs.

We need only look around us, day and night, to note the enormous waste of energy caused by over-heating and over-airconditioning factories, office buildings, department stores, and our own offices and homes. Strong incentives are neeessary to encourage individual homeowners to reduce their fuel consumption; wherever practical and enforceable, heating and lighting conservation measures should be made mandatory. The experience of the Federal Government documents the practicality and the enormous savings to be achieved by practicing simple energy conservation measures. The Federal Energy Administration reports an average energy savings of 20 percent to 25 percent in a series of Federal office buildings throughout the country in which lighting and heating levels were reduced without affecting either comfort or productivity. The Department of Defense has had the same successful record of energy savings on consumption. Relatively slight reductions in temperature and illumination may not appear to be dramatic measures, but their potential for energy conservation is enormous.

A rational national energy policy must be based on the assumption that our natural energy resources are finite and, in some cases, approaching exhaustion. We may acknowledge these limits in the abstract, but they are not reflected in the decisions we make and the policies we adopt in this Chamber. America's energy policies must be based on an understanding that we can no longer afford the luxury of using in waste and profligacy a scarce and strategic form of energy, when there is an equally suitable and more plentiful alternative energy source available for development and use.

One advantage of oil over coal, for example, is oil's portability. Coal may be impractical, therefore, as a source of energy for transportation, but by the same token, it no longer makes sense—if it ever did—to use oil as an energy source for stationary consumers—for homes, apartment houses, factories, offices, stores, and other commercial establishments, schools and other Government buildings.

Nor can we continue to sanction, much less encourage, the continued use of energy intensive materials, such as aluminum, when less energy intensive alternatives are or can be made readily available. Restrictions on packaging would not only conserve energy and mineral resources, but also reduce product costs and shift consumer attention from irrelevant appearances to product quality. The production of aluminum requires enormous amounts of electricity; hence, aluminum is a very energy-intensive product. We should prohibit its use for non-essential products. For example, we should prohibit the use of nonreusable aluminum containers for beer, soft drinks, and other purposes, replacing them with bottles, or cans, or paper-product containers which are either biodegradable or recyclable.

America's energy and mineral resources are truly strategic materials. Unless we protect them, allocate them carefully, and develop alternatives, we shall become even more susceptible than we now are to foreign oil blackmail, and we shall deplete our own resources sooner than we dare now admit. Energy and mineral resources under public lands and offshore, including the outer continental shelf, are the peoples' resources, and a Federal authority must be created to insure that they are preserved and developed for public needs, not private profits.

The potential value of renewable and relatively non-exhaustible fission resources has yet to be determined. The exploitation of solar, nuclear fission wind, tidal, geothermal, and other forms of naturally-occurring energy is in its infancy. It is the responsibility of the Federal Government not only to allocate the energy resources we now have, but also to expand the available resources through a comprehensive program of research and development. Gas and oil reserves—here and abroad—eventually will be exhausted; that is inevitable. We have only two options: develop alternative sources or wait until the depletion of our resources forces this society to come to a grinding halt.

There are no better examples of how we continue to squander our resources than the often bizarre uses we find for oil. Oil is presently being used in the manufacture of crayons, poker chips, dog toys, fake furs, hockey pucks, flea collars, badminton birdies, mouthwash, mascara, saran wrap, hula hoops, and welcome mats. If we continue along this self-destructive course, what kind of welcome mat will be offered our children and grandchildren? Is this kind of egregious waste tolerable or—per contra—does the national interest require a less frivolous policy which recognizes that we must conserve energy or eventually go without? The answer to these questions should be obvious, but the policies of both the President and this Congress leave me—and the American people—in grave doubt.

As an illustration of our profligate use of oil, the following is only a partial list of the many manufacturing uses to which oil is put. A comparison of the number of products which are necessary to those which are utterly superfluous to our social well-being or to those which can be produced from other less scarce and strategic raw materials indicates some of the energy savings easily available to us. The list of products manufactured from oil include:

Credit cards, American flags, Eyelashes, Aspirin, No-wax floors, Permanent-press clothes, Oxygen masks, Golf balls, Ink, Lighter fluid, Heart valves, Hair spray, Attache cases, Crayons, Steering wheels, Wet suits, Disposable diapers, Food wraps, Laxatives, Parachutes, Stretch pants, Trash cans, Telephones, Rubber duckies, Brassieres.

Enamel, Seed tape, Wall coverings, Transparent tape, Card tables, Acrylic paints, Antiseptics, Golf cart bodies, Vacuum bottles, Vinyl siding, Slips, Shoe trees, Safety flares, Warm-up suits, Bearing grease, Overcoats, Ping-pong paddles, Rafts, Bubble bath, Purses, Sockets, Bookends, Weed killers.

Flippers, Planters, Football pads, Tiles, Deodorant, Puzzles, Air conditioners, Panty hose, Backpacks, Tubs, Dish drainers, Rubbing alcohol, Shag rugs, Crabgrass killer, Epoxy paint, Lunch boxes, Puppets, Oil filters, Jerseys, Pajamas, Mailboxes, Windshield wipers.

Upholstery, Uniforms, Phonographs, Hearing aids, Welcome mats, Car sound insulation, Racks, Pacifiers, Dresses, Cassettes, Garment bags, Track shoes, Dominoes, Fences, Pond liners, Luggage, Kitchen counter tops, Protractors, Antifreeze, Earphones, Flashlights, Windbreakers, Whistles, Motorcycle helmets, Pillows.

Clothesline, Dune buggy bodies, Carpet sweepers, Antibiotics, Checkers, Chess boards, Shower doors, Soap dishes, Yardsticks, Shorts, Syringes, Slip covers, Sugar bowls, Shoes, Paddles, Decoys, Volley balls, Tobacco pouches, Sleeping bags, Refrigerator linings, Pencils, Electrician's tape. Model cars.

Midi-skirts, Kites, Folding doors, Mini-skirts, Floor wax, Garden hoses, Mascara, Paneling, Lawn sprinklers, Sweaters, Sneakers, Playing cards, Bread boxes, Earrings, Dolls, Bubble gum, Sandwich bags, Microfilm, Coasters, Raincoats, Floor polish, Tennis shoes.

Sport car bodies, Stoppers, Straps, Smocks, Tennis balls, Tires, Tablecloths, Measuring cups, Rulers, Ring binders, Reclining chairs, Boat covers, Tote bags, Dishwashing liquids, Unbreakable dishes, Toothbrushes, Extension cords, First-aid kits, Notebooks, Combs, Watchbands, Darts, Flight bags, Toothpaste, Flea collars.

Drip-dry dresses, Tents, Stadium cushions, Plastic varnish, Finger paints, Foul weather gear, Footpads, Refrigerants, Rugs, Nightgowns, Sandals, Hair curlers, Lamps, Lipstick, Laminates, Ice cube trays, Typewriter cases, Visors, Swimming pool liners, Laundry softeners, Electric blankets, Ear plugs, Tennis rackets.

Shirts, Drinking cups, Canisters, House paint, Lamp shades, Computer tape, Cough syrup, Rollerskate wheels, Movie film, Hair dryers, Guitar strings, Ammonia, Styrofoam coolers, Maxi-skirts, Gaskets, Brake fluid, Jugs, Monkey bars, Bathrobes, Eyeglasses, Venetian blinds, Shawls.

Vinyl tops, Digital clocks, Draperies, Ice chests, Life jackets, Audio tape, TV cabinets, Model planes, Car battery cases, Measuring tape, Insect repellent, Hockey pucks, Ice buckets, Fishing nets, Fertilizers, Hiking boots, Hair coloring, Knitting yarn, Toilet seats, Towel bars, Denture adhesive, Frisbees, Hair rollers, Light fixtures, Loudspeakers.

Movie film, Panties, Electronic calculators, Fishing boots, Candles, Diving masks, Hairbrushes, Body suits, Water pipes, Pails, Car enamel, Guitar picks, Vinyl shingles, Switch plates, Shower curtains, Sponges, Detergents, Beach balls, Ties, Sunglasses, Bird houses, Bathinettes, Records.

Typewriter ribbons, Footballs, Disposable lighters, Doorknobs, Sewing machine cases, Fishing reels, Mattresses, Lifeboats, Girdles, Diving boards, Luggage carriers, Blouses, Glue, Plastic drains, Kitchen gloves, Jackets, Bathroom scales, Fishing rods, Linoleum, Shelves, Shower caps, Zippers.

Plastic wood, Stuffed animals, Car mats, Soft contact lenses, Dog leashes, Dice, Trash bags, Thermal blankets, Drinking straws, Afghans, Pole valuter poles, Foam insulation, Hand lotion, Shampoo, Shaving cream, Aquariums, Sails, Soft bumpers, Safety glass, Erasers, Radio cases, Awnings, Knitting needles, Fan blades, Wigs.

Window shutters, Salad bowls, Epoxy glue, Punching bags, Model ships, Shavers, Plywood adhesive, Parkas, Football suits, Cameras, Shoelaces, Swizzle sticks, Piano keys, Bikinis, Bracelets, Football helmets, Anesthetics, Plungers, Artificial turf, Patio furniture, Ashtrays, Artificial limbs, Rain hats.

Bandages, Dentures, Belts, Tongs, Tumblers, Car seats, Popcorn poppers, Poker chips, Mops, Bumper guards, Convertible tops, Clothes hangers, Cushions, Scarves, Chess figures, Tennis courts, Beach Umbrellas, Ballpoint pens, Ant poison, Boats, Nail polish, Pudding molds.

Eye shadow, "Tiffany" lamps, typewriter keys, wire insulation, desk organizers, fake furs, T-shirts, electric scissors, golf bags, skin conditioners, photographs, outdoor carpeting, tool boxes, salt shakers, screen door screens, sculptures, caulking, outboard motor housings, tape recorders, distributor housings, window shades, dog food dishes, curtains, dog toys, lids.

Pan handles, slippers, tennis shirts, tent pegs, tennis shorts, vitamin capsules, dashboards, ribbons, putty, percolators, swings, skis, tool racks, folding chairs, charcoal lighters, gas siphons, robes, picture frames, air mattresses, petticoats, seat covers, slacks, hampers.

Lighting panels, yarn, jars, stools, wastebaskets, wall plugs, insecticides, baby bottles, fishing lures, hoses, perfumes, shoe polish, shower heads, flavors, petroleum jelly, photo albums, tranquilizers, canteens, snorkels, faucet washers, checkbooks, traffic cones.

Corrosion inhibitors, signs, room dividers, name tags, flower pots, pipes, projection screens, slide trays, chop sticks, ski boots, food preservatives, antihistamines, slides, squeeze bottles, soil conditioners, cortisone, ski poles, vinegar, mouthwash, oven bags, sedatives, dyes, display cases, steamers, paint brushes.

Air filters, balloons, LP records, vaporizers, solvents, razors, dry-cleaning fluids, waxed paper, cigarette filters, gloves, roofing, cold cream, carbon paper, wallets, bedspreads, patio screens, darkroom trays, synthetic rubber, badminton birdies, glycerin, hang gliders, water softeners, rubber cement.

Iron-on patches, grease pencils, ballet tights, nylon rope, price tags, masking tape, water skis, paint sprayers, fan belts, mittens, blenders, humidifiers, camera bags, umbrellas, ponchos, paint rollers, shopping bags, antenna cable, bird feeders, exercise mats, picnic kits, mattress covers.

We should treat our finite, scarce, and rapidly depleting petroleum supplies as strategic materials because they are strategic resources. And we must husband them and allocate them sparingly, prohibiting their use for all frivolous and unnecessary end products and permitting their consumption only for essential use—where there is no feasible energy or raw material alternative as we treat scarce and strategic materials during wartime emergencies. For this is a war we are waging against profligate use of a scarce, finite, and rapidly depleting vital resource, against continuing our dependence on Middle East oil supplies, and for oil independence and a rational, national energy and resource policy.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Indiana (Mr. JACOBS).

The question was taken; and on a division (demanded by Mr. GIBBONS) there were—ayes 62, noes 75.

RECORDED VOTE

Mr. CONABLE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 108, noes 281, not voting 44, as follows:

[Roll No. 293]

AYES—108

Abzug	Burton, John	Eckhardt
Adams	Burton, Phillip	Edwards, Calif.
Andrews, N.C.	Butler	Erlenborn
Annunzio	Cederberg	Evans, Ind.
Archer	Chisholm	Evins, Tenn.
Aspin	Clancy	Fuqua
AuCoin	Collins, Tex.	Gibbons
Badillo	Conable	Gradison
Bafalis	Corman	Green
Bingham	Crane	Haley
Boland	Daniel, Dan	Hall
Bolling	Daniel, R. W.	Hamilton
Brademas	Dellums	Hammer-schmidt
Brodhead	Devine	Harrington
Broomfield	Drinan	Hayes, Ind.
Burleson, Tex.	Duncan, Tenn.	Hechler, W. Va.
Holtzman	Montgomery	Staggers
Howard	Murphy, Ill.	Stanton, James V.
Hutchinson	Quie	Stark
Jacobs	Rangel	Steiger, Ariz.
Johnson, Colo.	Reuss	Sullivan
Kastenmeier	Richmond	Symms
Kelly	Roberts	Taylor, Mo.
Kemp	Robinson	Vander Jagt
Ketchum	Rodino	Vigorito
Kindness	Roncalio	Waggonner
Koch	Rooney	Waxman
Landrum	Rostenkowski	Whalen
Long, Md.	Roush	Whitehurst
McCollister	Russo	Whitten
McDonald	Satterfield	Wiggins
McEwen	Shipley	Winn
Michel	Shriver	Yates
Mikva	Simon	Young, Fla.
Miller, Calif.	Skubitz	Young, Ga.
Mink	Smith, Nebr.	
	Snyder	

NOES—281

Abdnor	English	McHugh
Addabbo	Esch	McKay
Alexander	Evans, Colo.	McKinney
Ambro	Fascell	Macdonald
Anderson, Calif.	Fenwick	Madden
Anderson, Ill.	Fish	Madigan
Andrews, N. Dak.	Fisher	Maguire
Armstrong	Fithian	Mahon
Ashbrook	Flood	Mann
Baldus	Florio	Martin
Barrett	Flowers	Matsunaga
Baucus	Forsythe	Mazzoli
Bauman	Fountain	Meeds
Beard, R.I.	Fraser	Melcher
Beard, Tenn.	Frenzel	Meyner
Bedell	Frey	Mezvinsky
Bennett	Gaydos	Milford
Bergland	Giaimo	Miller, Ohio
Bevill	Ginn	Mineta
Biaggi	Goodling	Minish
Biester	Grassley	Mitchell, N.Y.
Blanchard	Gude	Moakley
Blouin	Guyer	Moffett
Boggs	Hagedorn	Moore
Bonker	Hanley	Moorhead, Calif.
Bowen	Hannaford	Moorhead, Pa.
Breaux	Harkin	Morgan
Brinkley	Harris	Mosher
Brooks	Harsha	Moss
Brown, Calif.	Hastings	Mottl
Brown, Mich.	Hawkins	Murphy, N.Y.
Brown, Ohio	Hays, Ohio	Murtha
Broyhill	Heckler, Mass.	Myers, Ind.
Buchanan	Hefner	Myers, Pa.
Burgener	Heinz	Natcher
Burke, Calif.	Heistoski	Neal
Burke, Fla.	Henderson	Nedzi
Burke, Mass.	Hicks	Nichols
Burlison, Mo.	Hightower	Nix
Byron	Hillis	Nolan
Carney	Holt	Nowak
Carr	Horton	Oberstar
Carter	Howe	Obey
Casey	Hubbard	O'Brien
Chappell	Hughes	O'Hara
Clausen, Don H.	Hungate	O'Neill
Cleveland	Hyde	Ottinger
Cochran	Ichord	Patman, Tex.
Cohen	Jarman	Patten, N.J.
Collins, Ill.	Jeffords	Patterson, Calif.
Conlan	Johnson, Calif.	Pattison, N.Y.
Conte	Johnson, Pa.	Pepper
Cornell	Jones, Okla.	Perkins
Cotter	Jordan	Pettis
Coughlin	Karth	Pickle
D'Amours	Kasten	Pike
Daniels, N.J.	Kazen	Pressler
Danielson	Keys	Preyer
Davis	Krebs	Price
de la Garza	Krueger	Pritchard
Delaney	LaFalce	Railsback
Dent	Lagomarsino	Randall
Derrick	Latta	Rees
Derwinski	Leggett	Regula
Dickinson	Lehman	Rhodes
Dingell	Lent	Riegle
Dodd	Levitas	Rinaldo
Downey	Litton	Roe
Downing	Lloyd, Calif.	Rogers
Duncan, Oreg.	Lloyd, Tenn.	Rose
du Pont	Long, La.	Roybal
Early	Lott	Runnels
Edgar	Lujan	Ruppe
Edwards, Ala.	McClory	St Germain
Eilberg	McCloskey	Santini
Emery	McCormack	Sarasin
	McDade	Sarbanes
	McFall	

Scheuer	Steelman	Vander Veen
Schneebeli	Steiger, Wis.	Vanik
Schroeder	Stephens	Walsh
Schulze	Stokes	Weaver
Seiberling	Stratton	White
Sharp	Stuckey	Wilson, Bob
Shuster	Studds	Wirth
Sikes	Symington	Wolff
Sisk	Taylor, N.C.	Wright
Slack	Thompson	Wydler
Smith, Iowa	Thone	Wylie
Solarz	Thornton	Yatron
Spellman	Traxler	Young, Alaska
Spence	Treen	Young, Tex.
Stanton, J. William	Tsongas	Zablocki
Steed	Ullman	Zeferetti
	Van Deerlin	

NOT VOTING—44

Ashley	Gonzalez	Peyser
Bell	Hansen	Poage
Breckinridge	Hébert	Quillen
Clawson, Del	Hinshaw	Risenhoover
Clay	Holland	Rosenthal
Conyers	Jenrette	Rousselot
Diggs	Jones, Ala.	Ryan
Eshleman	Jones, N.C.	Sebelius
Findley	Jones, Tenn.	Talcott
Flynt	Mathis	Teague
Foley	Metcalfe	Udall
Ford, Tenn.	Mills	Wampler
Fulton	Mitchell, Md.	Wilson, C. H.
Gilman	Mollohan	Wilson, Tex.
Goldwater	Passman	

So the amendments were rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Jennette against.

Mr. Rosenthal for, with Mr. Holland against.

Mr. Risenhoover for, with Mr. Diggs against.

Mr. Teague for, with Mr. Flynt against.

Mr. Passman for, with Mr. Fulton against.

Mr. Mollohan for, with Mr. Mitchell of Maryland against.

The result of the vote was announced as above recorded.

Mr. SHARP. Mr. Chairman, I include the following excerpt from the committee report for the information of the Members, concerning my amendment which was adopted.

SUMMARY OF SHARP AMENDMENT TO SECTION 311 OF H.R. 6860

The Sharp amendment proposes to substitute a permanent mandatory automobile fuel economy standards program enforced by civil penalties, for the excise tax on production of fuel-inefficient automobiles proposed by section 311 of H.R. 6860. The amendment is identical to the text of H.R. 7117.

The Sharp amendment provides for mandatory automobile fuel economy standards. Each manufacturer's average fuel economy for all of his domestic production in a model year must meet the following standards:

Model year:	*Miles per gallon*
1978	18.5
1979	19.5
1980	20.5
1985	28.0

Standards for model years 1981–84 are set administratively by the Secretary of Transportation. The standard for 1985 may be modified administratively, subject to Congressional veto. Imports must also meet the standards, but (under an amendment Mr. Dingell will offer to the Sharp amendment) imports may not be averaged in with a manufacturer's domestic production.

Standards are required to be adjusted downward to reflect any decrease in fuel economy which results from more stringent motor vehicle emission standards.

A ½-MPG margin of error is provided for, thus not penalizing a manufacturer who misses the standard by less than ½ MPG. If a manufactures exceeds the standard by more than ½ MPG, he is permitted a one-year carry-back or carry-forward or both.

Violations of the fuel economy standard subject the manufacturer to a civil penalty of $50 per unit of automobile production in the model year times the number of miles per gallon by which the manufacturer misses the standard.

Trucks and multipurpose vehicles are not included in determining the manufacturer's average fuel economy; however, DOT is directed to establish separate standards for these vehicles.

Fuel economy labeling of automobiles is required.

TECHNICAL EXPLANATION OF SHARP AMENDMENT TO SECTION 311 OF H.R. 6860

The Sharp Amendment strikes out part 1 of title III of H.R. 6860, as reported, and inserts a new part 1 which is described below.

§ 301. Definitions

This section defines terms used in the proposed new part 1 of title III of H.R. 6860.

"Automobile" is defined as a four-wheeled vehicle propelled by fuel which is manufactured primarily for use on public streets, roads, and highways (except any vehicle operated exclusively on a rail or rails), and which is rated at ten thousand pounds gross vehicle weight or less.

"Passenger automobile" is defined as any automobile which has as its primary intended function the transportation of not more than ten individuals.

"Light-duty truck and multipurpose passenger vehicle" is defined as any automobile which is not a passenger automobile.

Average fuel economy (except when used with respect to light duty trucks and multipurpose passenger vehicles) is a production-weighted average of the fuel economy of the manufacturer's entire production of passenger automobiles in a model year (subject to the provisions of 301(b)). It is intended that a similar computation would be made for each class of light duty truck and multipurpose passenger vehicle.

"Fuel economy" is defined as the average number of miles traveled by an automobile per gallon of fuel consumed, determined in accordance with test procedures established under section 302(d).

The term "to manufacture" includes importation.

The term "Secretary" means the Secretary of Transportation. The terms "dealer", "fuel", "manufacturer", "model type", and "model year" are also defined.

Section 301(b) provides that in calculating the average fuel economy the Secretary is to separate each manufacturer's production into two categories:

(A) Passenger automobiles manufactured in the United States or Canada by such manufacturer, plus passenger automobiles manufactured outside the United States or Canada by such manufacturer ("captive imports") which do not represent a percentage increase in sales of captive imports.

(B) Captive imports not in category (A).

Each category is treated as manufactured by a separate manufacturer for purposes of this part.

An automobile is considered to be manufactured in the United States or Canada if at least 75 percent of the cost of the manufacturer is attributable to value added in the United States or Canada.

Mr. Dingell will offer an amendment which will exclude captive imports entirely in computing of manufacturer's average fuel economy.

§ 302. Average fuel economy standards applicable to each manufacturer

Section 302(a)(1) requires that the average fuel economy for all passenger automobiles manufactured by any manufacturer in any model year after model year 1977 not be less than the number of miles per gallon determined under the following table:

Model year:	*Average fuel economy (miles per gallon)*
1978	18.5
1979	19.5
1980	20.5
1981	(1)
1982	(1)
1983	(1)
1984	(1)
1985	28.0

[1] Determined by Secretary.

Section 302(a)(2) provides a procedure by which a manufacturer whose world-wide annual production is less than 10,000 may obtain an exemption from the standards for passenger automobiles under section 302(a)(1). Whenever the Secretary issues such an exemption, he is required to establish alternative average fuel economy standards for such manufacturer which represent the maximum feasible average fuel economy level for such manufacturer.

Annually, beginning in 1977, the Secretary is required to review standards under section 302 which will take effect in future model years, publish the results of such review in the Federal Register, and transmit it to the Congress. The 1979 review must include a comprehensive analysis of the fuel economy standards program and an assessment of the ability of the Nation to meet the average fuel economy requirements for model year 1985.

Section 302(a)(4) requires the Secretary to prescribe average fuel economy standards for all light-duty trucks and multipurpose passenger vehicles manufactured by any manufacturer in any model year after model year 1977. Separate standards for different classes of such trucks and vehicles may be provided. Standards for these trucks and vehicles must be based upon the maximum feasible average fuel economy level which the Secretary determines manufacturers of light-duty trucks and multipurpose passenger vehicles or classes thereof are able to achieve in each model year after year 1977.

Section 302(b)(1) requires the Secretary to establish not later than July 1, 1977, average fuel economy standards for new automobiles manufactured in model years 1981 through 1984. These standards are to be set for each such model year at a level which the Secretary determines is the maximum feasible level and which will result in steady progress toward meeting an average fuel economy level of 28 MPG for model year 1985.

Under section 302(b)(3), the Secretary is authorized to amend any average fuel economy performance standard established under section 302(b)(1) but no such amendment may reduce the standard for average fuel economy below 20.5 MPG.

The Secretary is also authorized, if he finds that the model year 1985 average fuel economy standard of 28 MPG should be modified because such level cannot reasonably be attained, to modify such standard to a level that represents the maximum feasible average fuel economy level. Such modification can be disapproved by either House of Congress within 60 days. Expedited procedures similar to those under Chapter 9 of title 5, United States Code, apply to any disapproval resolution.

Section 302(b)(4) spells out factors to be considered in determining the maximum feasible average fuel economy. The factors are technological feasibility, economic practicality, relationship to other Federal motor vehicle standards (except as otherwise provided in section 302(c)(4)), and the purposes of the Act.

Section 302(c)(1) requires the Secretary, if he determines that in any model year

there will be an emission standards penalty, to adjust the average fuel economy standards applicable to such year by subtracting a number of miles per gallon equal to the amount of such penalty. "Emission standards penalty" is defined as the number of miles per gallon which the Secretary determines is equal to (1) the average fuel economy which all passenger automobiles manufactured in the model year would achieve, if such automobiles were subject only to the 1975 emission standards, less (ii) the average fuel economy which all such automobiles are likely to achieve while meeting the emission standards actually applicable to such automobiles.

The Secretary is required to commence a proceeding under section 302(c) on petition of any manufacturer, but such petition may be filed only within the 18-month period preceding the beginning of the model year. A decision in such a proceeding must be rendered within 60 days after the filing of the petition.

Section 302(c)(4) prohibits the Secretary from changing fuel economy rates to take account of any decrease in fuel economy associated with emissions standards, except in accordance with section 302(c).

Section 302(d) provides that compliance by a manufacturer with section 302(a) shall be determined (in accordance with test procedures established by the EPA Administrator by rule) by calculating for purposes of section 302(a)(1) the average fuel economy of all passenger automobiles manufactured by such manufacturer during such model year; and by calculating for purposes of section 302(a)(4) the fuel economy of all light duty trucks and multipurpose passenger vehicles (or each class thereof, as may be appropriate) manufactured by such manufacturer in such model year. Standards issued under section 302(a)(2) in connection with an exemption from section 302(a)(1) would be treated as issued under section 302(a)(1). Test procedures so established would be the procedures utilized by the EPA Administrator for model year 1975, or procedures which yield comparable results. Fuel economy tests would be conducted in conjunction with emissions test conducted under the Clean Air Act. The EPA Administrator would report test results to the Secretary.

Section 302(d)(2) provides that in determining whether a manufacturer has complied with section 302(a)—

(A) if the average fuel economy of a manufacturer is within ½ MPG of the applicable standard under section 302(a), the manufacturer shall be deemed to have complied with section 302(a), and

(B) if the average fuel economy of a manufacturer exceeds the applicable standard under section 302(a) for a model year by more than ½ MPG he will be allowed a carry back of the excess over ½ MPG to the preceding model year; and to the extent such excess was not carried back to the preceding year, he will be allowed to carry forward to the year succeeding the year of the excess

The possibility of a carryback to a year in which a manufacturer violated a standard would not preclude the Secretary from assessing a civil penalty at the close of the year of violation. However, to the extent that a carryback reduces a manufacturer's liability for a civil penalty paid under section 308, the Secretary is required to refund to such manufacturer an amount equal to the amount of such reduction.

Section 302(e) provides for preenforcement judicial review of rules prescribed under section 302.

Section 302(f) requires semiannual reporting by each manufacturer as to whether such manufacturer will comply with applicable average fuel economy standards; a plan which describes the steps the manufacturer intends to take in order to comply with the standards; and such other matter as the Secretary may require. The plan would have to be updated if the manufacturer determined that the plan was not sufficient to insure compliance.

§ 303. Duties and powers of the Secretary and the EPA Administrator

This section authorizes EPA and DOT to hold hearings, issue subpenas, require reports (or answers in writing to specific questions) relating to any functions under sections 301 thru 307. Subpenas would be judicially enforceable.

DOT and EPA are authorized to require manufacturers to establish and maintain records, make reports, conduct tests, and provide necessary items and information. A manufacturer must permit inspections of finished automobiles and appropriate books, papers, records, and documents.

The Secretary or EPA Administrator are required to disclose information obtained under sections 301 thru 307 to the public in accordance with section 552 of title 5, United States Code, except that information may be withheld from disclosure on the grounds specified in subsection (b)(4) of that section only if it contains a trade secret which if disclosed would result in significant competitive damage. However, information contained in a report submitted under section 302(f) may be withheld from disclosure under certain limited circumstances.

§ 304. Labeling and advertising

Section 304(a) requires each manufacturer to cause to be affixed and each dealer shall cause to be maintained on each new automobile, in a prominent place, a sticker indicating the fuel economy which a prospective purchaser can expect from such automobile, representative average annual fuel costs associated with the operation of such automobile, and the range of fuel economy performance of automobiles of similar size and weight. If the fuel economy of an automobile manufactured in a model year is less than the miles per gallon level specified in the average fuel economy standard under section 302(a)(1), the sticker shall so state. The sticker must include a statement that information respecting the fuel economy of other automobiles manufactured in such model year is available from the dealer.

EPA Administrator, not later than February 1, 1976, must establish procedures requiring dealers to make available to prospective purchasers information respecting comparative fuel economy.

§ 305. Prohibited conduct

Section 305 sets out the specific conduct which under section 306 is subject to civil penalties.

§ 306. Civil penalties

Section 306(a) provides that if the Secretary determines that any manufacturer has not complied with any requirement of section 302, he must notify the manufacturer and afford the manufacturer, and interested persons, an opportunity to present data, views, and arguments respecting the alleged violation of section 302. If the Secretary thereafter determines that such manufacturer has not complied with any requirement under section 302, the Secretary is directed to assess the civil penalties provided for under section 306(b).

Under section 306(b)(1), a manufacturer who violates section 302(a)(1) is liable to the United States for a civil penalty equal to (i) $5.00 for each tenth of a mile per gallon by which the average fuel economy of the automobiles manufactured by such manufacturer during such model year is exceeded by the applicable average fuel economy standard established under section 302(a)(1) of this Act, multiplied by (ii) the total number of automobiles manufactured by such manufacturer during such model year. Fuel economy measurements for purposes of paragraph (A) are to be rounded off to the nearest one-tenth gallon.

Section 306(b)(2) applies to violations other than those penalized under section 306(b)(1). These other violations give rise to liability for a civil penalty of not more than $10,000 for each violation; each day of a continuing violation constituting a separate violation.

The amount of any civil penalty is to be assessed by the Secretary by written notice, and collected in a civil action brought by the Attorney General. The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty assessed aganst a manufacturer only to the extent (A) necessary to prevent the insolvency or bankruptcy of the manufacturer, or (B) the manufacturer shows that noncompliance resulted from an act of God, a strike, or a fire.

§ 307. Relationship to State law

Section 307, in cases where there are Federal fuel economy standards or labelling or advertising requirements, prohibits States and political subdivisions from adopting different requirements.

Mr. ANDERSON of California. Mr. Chairman, I would like at this time to add my support to the amendment offered by the gentleman from Virginia, and several other members of our Ways and Means Committee.

This amendment, in attempting to save some 500,000 barrels of oil per day by 1980, allows H.R. 6860 to retain its last vestige of strength.

Yesterday, I rose in support of the Stark amendment to title II, to delete provisions for an excessive gas tax. I believe that such a tax would have been unnecessary and inequitable.

Instead of raising the price of gasoline by 23 cents, in addition to OPEC increases, I believe that we must allow consumers the choice of whether they will purchase gas guzzling automobiles or not.

This amendment retains that element of choice, so important in our marketplace, but makes the choice of a fuel-efficient automobile more attractive.

And, my colleagues' plan also provides incentives for manufacturers to meet certain mileage standards, thereby providing both supply and demand encouragement.

I would like also to point out an apparent inconsistency. At present, there is no strong conservation measure in the bill before us, although the House has set an import quota. If we are moving toward rationing or other allocation measures, let it be known.

Rather than move down the road toward rationing, I believe we must accept the proposal before us. We must provide a viable alternative to the President's program, which I believe is worse than no program at all.

Mr. ULLMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee,

having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, had come to no resolution thereon.

NINTH ANNUAL REPORT OF NATIONAL ENDOWMENT FOR THE HUMANITIES FOR 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

I am pleased to transmit the Ninth Annual Report of the National Endowment for the Humanities for fiscal 1974.

The humanistic traditions upon which this Nation was built still provide the moral and political basis of our life as a people. In fiscal 1974, the Humanities Endowment approached its first decade of grant making with projects designed to bring the insights of the humanities to all Americans.

The Endowment's efforts over the past ten years have been noteworthy. Public support for its programs and objectives can be measured by its increasing ability to attract public contributions that have, in the past five years, exceeded the federally appropriated funds set aside to match them. I am happy to note that in 1974 private citizens, foundations, and corporations donated over $6.5 million. This reaffirmation of public confidence justifies, I believe, the strong support the Endowment has received from both the legislative and the executive branches.

GERALD R. FORD.

THE WHITE HOUSE, *June 12, 1975.*

APPOINTMENT OF CONFEREES ON H.R. 4035, EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4035) to provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities, with the Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, DINGELL, WIRTH, SHARP, BRODHEAD, BROWN of Ohio, and MOORHEAD of California.

HOUR OF MEETING TOMORROW

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m., tomorrow, Friday, June 13, 1975.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, would the gentleman from Oregon indicate what the program will be tomorrow and what time we might conclude our business?

Mr. ULLMAN. Mr. Speaker, after consultation with the Speaker and other Members, it will be the purpose of the Chairman of the Ways and Means Committee to make sure that we either have finished the bill by 3 o'clock tomorrow afternoon, or that we rise at that time and continue next week. I am hopeful that with the cooperation of the Members, we can conclude the rest of the bill by that time, but if we have not, it will be our purpose to go over.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO FILE SUPPLEMENTAL REPORT ON H.R. 5546

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be authorized to file a supplemental report to House Report 94–266 on H.R. 5546, the Health Manpower Act of 1975.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE CERTAIN REPORTS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight Saturday, June 14, 1975, to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON H.R. 6387

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the House Committee may have until midnight tonight to file a report on H.R. 6387, to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 3 months.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CENTENNIAL OF ONONDAGA COUNTY BAR ASSOCIATION

(Mr. HANLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HANLEY. Mr. Speaker, this month the Bar Association of Onondaga County, N.Y., celebrates its centennial anniversary. As the Representative in Congress of the people of Onondaga County, I take this opportunity to join them in congratulating the Bar Association on its century of impressive service to the people and the legal profession.

The association was incorporated on June 15, 1875, with the following ennobling purposes in mind:

> The particular business and object of (this) society is and shall be to maintain the honor and dignity of the profession of the law, to cultivate social intercourse among its members and to increase its usefulness in promoting the due administration of Justice.

These worthy goals have been pursued with distinction by the association and its members in the intervening years.

Among the distinguished founders of the association were several of the leading figures in the legal profession of the State of New York. The first president of the association was William C. Ruger, at one time chief judge of the New York Court of Appeals, the highest bench in the State. Other founding directors of the association who at one time served on the court of appeals include Judges Frank Hiscock—who also represented the people of New York in both House and Senate—George F. Comstock, and Irving Vann. Justices Leroy Morgan and George Kennedy of the New York State Supreme Court for Onondaga County were also founders, as was Martin Knapp, a long time member of the Interstate Commerce Commission and its chairman for many years.

Among the members of this association have been many members of the New York State Legislature and the U.S. House of Reprsentatives, Senator Hiscock, Governors Horace White and Nathan L. Miller, and Judge William J. Wallace of the Second Circuit Court of Appeals of the United States.

The Bar Association is an essential institution for the effective functioning of the legal profession in Onondaga County, and thus an important adjunct to effective government and administration of justice. The Onondaga County bar and citizenry can take pride in the manner in which their association has helped to keep the legal profession of the county strong.

As the association begins its second century under the leadership of President Raymond W. Hackbarth, Vice President Allan J. Goldberg, Second Vice President John J. Dee, Secretary Hamilton S. White, Treasurer Morrell R. Southwick, and Executive Director George G. Dunn, I commend them for the fine work they have done and am sure that the coming century will be equally distinguished.

ACTUAL RESULTS OF LEGISLATIVE EFFORT

(Mr. YOUNG of Texas asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. YOUNG of Texas. Mr. Speaker, as I have said before, it is my purpose to put into the CONGRESSIONAL RECORD from time to time letters and other evidence which demonstrate the practical and actual results on various industries throughout the country of our legislative effort. I do this hoping that Members will understand that much damage can be and has been done to our economy by our legislative effort, however well intended, if that legislation is unwise and ill-considered.

Actions by Congress indeed have the petroleum industry and the automobile manufacturing industry practically in shambles. This distressing situation has naturally spread to the steel and other industries contributing drastically to the economic plight in which the country now finds itself. I think it particularly appropriate that we continue to examine carefully at this time what we have done in order that we might avoid further blunders that will add to our economic problems.

The bill we now have before us will have far-reaching tax impact on various if not all this Nation's industrial pursuits. In the pressing need for energy legislation, I fear the tax proposals now being considered will have a far-reaching adverse effect on the petroleum and automotive industry as well as the American energy consumer. The automobile industry will be grievously injured as has already been the fate of the petroleum industry and the ill fate of these great segments of our economy will undoubtedly militate against the steel industry, the recreation industry, the petrochemical industry, and the many other industries that are directly dependent on automotive power as well as petroleum and its various derivatives.

I am enclosing herewith a copy of a letter from Mr. James C. Storm, president of the Marine Drilling Co., dated May 30, 1975, which I commend to the membership in the hope that it will understand some of the adverse effects of our legislation as illustrated by what has happened to this industry directly engaged in energy for our country. If we could just learn to leave well enough alone we would not be making these same mistakes over and over again that in the aggregate are destroying the economy of our Nation. The letter of Mr. Storm follows:

MARINE DRILLING CO.,
Corpus Christi, Tex., May 30, 1975.

Representative JOHN YOUNG,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR MR. YOUNG: Very soon after the Administration's initiation of a self-sufficiency program in energy, we, along with others in the petroleum industry, began a vigorous expansion effort to meet the expected requirements as expressed by our customers. On the basis of these anticipated needs, we arranged for construction of the following equipment:

Two 20,000' offshore jackup drilling rigs for 250' of water.

Two 20,000' offshore jackup units for 375' of water.

Two 12,000' land drilling units.

This construction program would have extended into 1977, and provide some of the equipment necessary to fulfill the requirements of the oil industry.

Since this program was started there has been a gradual erosion of confidence and a feeling of uncertainty within the industry which culminated with the elimination of the depletion allowance, the threat of government control of intrastate gas, and a continuing regulation of old oil price to below world-market. This has resulted in our having to drastically change our program which at this time is as follows:

One offshore jackup—250' water—to be completed in July 1975.

One jackup—375' water—delivery November 1976.

One possible—jackup—250' water—due September 1976.

One 12,000' land rig.

Our construction program has definitely been reduced by some $35 million and may be reduced by an additional $23 million. This is not much in relation to the overall economy, but we are a very small segment of our industry. It does mean a decline in the use of over 15,000 tons of steel, many hundreds of thousands of man hours for construction, an excess of $10 million in finished equipment, and over 150 on site permanent jobs while operating.

I, personally, have been in this business over thirty years, and have seen our costs escalate at a rate I would never have believed possible. We have only one way to pay for this equipment, and that is to operate it at a rate that will permit us to amortize its cost from earnings. The oil companies cannot and will not pay these rates and maintain an accelerated exploration and development program to utilize the equipment without ample return for their products. It is my opinion that regulations forcing producers in our country, who pay taxes and support our institutions, to sell their products for less than the prices we pay to foreign sources are completely out of line and are punitive in nature. It is my belief that we should immediately eliminate all pricing regulations for oil and gas in both intrastate and interstate trade and see if the market place will not, in a reasonable time, correct a mess that, in my opinion, has been largely created by past regulations.

If this should result in often referred to "obscene profits", then let us remember that through our tax structures the government has a 50% "override" on these profits and will collect "50% obscene taxes". It is just a thought.

Yours very truly,

JAMES C. STORM,
President.

HEALTH MAINTENANCE ORGANIZATION AMENDMENTS OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 20 minutes.

Mr. HASTINGS. Mr. Speaker, today I am introducing legislation to amend the Health Maintenance Organization Act of 1973. As my colleagues may recall, the Health Maintenance Organization Act was passed by an overwhelming majority in both Houses of Congress because it showed great promise for containing costs and improving access to quality health care by the American people.

I am pleased to be joined in the introduction of this important legislation by the chairman of the Subcommittee on Health and the Environment, PAUL G. ROGERS. Mr. ROGERS has participated fully in the development of the amendment package and has promised quick consideration of the bill so that the needed changes can be implemented as soon as possible.

I am also delighted that Senator SCHWEIKER has agreed to be the prime Senate sponsor and has been joined by Senators MONDALE and JAVITS in the introduction of the amendments in the Senate today.

Health maintenance organizations are designed to switch the focus from hospital to ambulatory health care, and to provide greater emphasis on both primary care and preventive medicine. Consumers pay a monthly or other periodic fee for needed health care services.

In the course of considering health maintenance organization legislation during both the 92d and 93d Congress it became evident to Members of the House that the performance of many existing health maintenance organizations was impressive. The data provided showed that hospital admissions and hospital stays were reduced from 20 to 50 percent of the levels experienced in the third-party-payment sector, resulting in substantial cost savings. With their emphasis on outpatient and preventive care, prepaid systems functioned without reduction in the quality of care.

At issue during consideration of the HMO legislation were not the merits of the prototype health maintenance organizations or their development in the private sector, which was generally accepted as favorable and to be encouraged, but rather the size and character of the Federal involvement. The costs of the various House, Senate, and administration legislative proposals ranged from several billions of dollars to less than $300 million annually.

As finally enacted the Health Maintenance Organization Act of 1973 authorized $385 milion over a 5-year period. The role of the Federal Government, through this important legislation, is to stimulate the growth and acceptance of health maintenance organizations. The legislation is not intended to provide the sole source of dollar and other support for HMO's, but to encourage additional public and private support. Also the legislation was designed to provide a fair market test for health maintenance organizations over a 5-year period.

Progress in developing and expanding health maintenance organizations under the HMO law has been disappointing. Because of major problems with the HMO law the administration has experienced great difficulty in developing regulations, which are necessary for implementation. In addition, only three HMO's have been federally qualified since the passage of the act. Potential HMO sponsors such as physicians and hospitals, as well as existing health maintenance organizations have been discouraged by certain restrictive provisions of the HMO law. Employers and labor unions have also publicly criticized provisions of the HMO law. Recent reports have shown a declining growth rate for new health maintenance organizations, after the rapid growth in the early 1970's and a recent study reports that 73 percent of the Fortune 500 companies will take no further action on the HMO option until the final regulations for the Federal HMO Act are published. After reviewing the situation in great detail over the last year and a half, it is the opinion of many Members of Congress, the administration, and many other groups and individuals, that the

health maintenance organization law needs to be amended if we are to provide health maintenance organizations a fair opportunity in the medical marketplace at obtaining both health care provider and consumer acceptance.

The amendments which I am proposing would improve this legislation by enhancing the ability of health maintenance organizations to market their services to the public, by making the formation of health maintenance organizations more attractive to potential sponsors, and by incorporating certain changes designed to improve the administration and flexibility of the law. Finally, my amendments would extend the funding of health maintenance organizations by 2 years in recognition of the delay in implementation caused by present deficiencies in the law.

MARKETING AND CONSUMER ACCEPTANCE

One of the major considerations of existing health maintenance organizations in designing health plans are the needs and money available to groups and individuals who are potential members. Although existing health maintenance organizations generally offer more comprehensive benefits than their health insurance competition, they find that there are wide variations in the levels of benefits that consumers can afford. This has necessitated the tailoring of health plans to each group in order to make them acceptable. The present law mandates the offering of benefits which are too comprehensive and expensive for many groups currently receiving services from HMO's and for many groups which might consider HMO membership. My amendments would correct this deciency by mandating a less extensive set of benefits to be offered. This amendment would not require a reduction in benefits where more extensive benefits were wanted by groups and individuals, but would allow groups with different levels of needs and resources to join health and maintenance organizations.

In addition to proposing amendments to change the benefits which HMO's must offer, I am proposing a number of other amendments designed to remove barriers to consumer acceptance. These include a 5-year waiver on community rating to provide HMO's the opportunity to adjust current experience rating arrangements with some consumer groups, the allowance of nominal differentials in marketing and administrative costs which result from different consumer group and other financing arrangements with HMO's the elimination of requirements for annual open enrollment, and the modification of the dual choice requirements for employers. Under the existing HMO law, employers subject to certain provisions of the Fair Labor Standards Act are required to offer their employees the option of membership in HMO's if they have an average of 25 or more employees in the previous calendar quarter. My amendment would extend the dual choice option to State and local governmental employees and would require that employers provide the HMO option to their employees only where an average of 25 or more employees, during a previous calendar quarter, resided in the service area of a qualified HMO.

HEALTH MAINTENANCE ORGANIZATION PROVIDERS

As my colleagues in the House can well appreciate, HMO's will only develop and grow if providers, notably physicians, see the benefits of participation in them. My amendments are designed to remove certain barriers in the law to provider acceptance.

The HMO law presently requires that medical groups cannot be major providers of physician services to HMO members unless they engage in serving HMO members as their principal professional activity. Although I find the objective of that provision commendable, we have found that it tends to discourage many fine fee-for-service groups from offering HMO services, because the law provides no incentive for them to do so. Where such groups have offered HMO services in the past, the reactions of consumers have been excellent in most instances. My amendment would remove the present requirement as a way of encouraging the involvement of more medical groups and thereby extend the benefits of their services to more potential HMO members.

Also, my amendments would allow HMO's to contract with health professionals for basic health services in addition to options of securing professional services under the current HMO law. The effect of this amendment would be to delete the current requirements that individual practice associations must form a separate legal entity and that basic benefits can only be provided through medical groups. Both requirements are unnecessarily complex. My amendments also would simplify the procedures under which a health maintenance organization can withdraw its qualification as a health maintenance organization. The amendments would also make for-profit entities eligible for Federal loan guarantees in order to meet the costs of planning, development, and operations of health maintenance organizations in communities in addition to those medically underserved areas.

My amendments to the HMO law are also intended to improve the administration of the law by HEW by adding and expanding certain definitions in the law and by simplifying certain requirements relating to loans and loan guarantees.

EXTENSION OF THE HEALTH MAINTENANCE ORGANIZATION PROGRAM

As I stated at the beginning of my remarks, certain provisions of the Health Maintenance Organization Act of 1973 have restricted the growth of the HMO program. In effect, these provisions would make it impossible for Congress to determine whether HMO's can contribute to providing better, more economical health services in this country and therefore require amending. I am, in addition, proposing that we extend the funding of health maintenance organizations through fiscal year 1980, which would allow us a 5-year evaluation period beginning, hopefully, after these proposed amendments to the HMO law are enacted.

When we passed the Health Maintenance Organization Act of 1973, our intention was to create the conditions necessary to determine whether health maintenance organizations would meet with consumer and provider approval. There was never any intention of providing health maintenance organizations a favored position relative to other forms of health service delivery or health insurance. Also, many of us expressed our willingness to consider appropriate amendments to those sections of the act which proved to be unworkable or which would stand in the way of orderly and sensible HMO development. The amendments I am proposing today are consistent with our original intention. What they are intended to accomplish is to remove any barriers to the growth of HMOs which we may have unintentionally created with the passage of the Health Maintenance Organization Act of 1973.

SECTION-BY-SECTION ANALYSIS OF A BILL TO AMEND TITLE XIII OF THE PUBLIC HEALTH SERVICE ACT TO REVISE AND EXTEND THE PROGRAM FOR THE ESTABLISHMENT AND EXPANSION OF HEALTH MAINTENANCE ORGANIZATIONS.

Section 1 cites the name of the act as the Health Maintenance Organization Amendments of 1975.

Section 2 amends subsection 1301(b)(2) by making the offering of supplemental health services, as defined in subsection 1302(2), optional by health maintenance organizations.

Section 3(a) amends subsection 1301(b)(3) to enable health maintenance organizations to contract with health professionals for the provision of basic health services. This arrangement for the services of health professionals would be in addition to those currently authorized under subsection 1301(b)(3).

Section 3(b) amends subsection 1310(b)(2) to conform to other amendments.

Section 4 amends subsection 1301(c) by eliminating the requirement that health maintenance organizations offer annual open enrollment for individual membership in the health maintenance organization.

Section 5 of the act does the following:

Amends subsection 1302(1) by transferring the following services from basic to supplemental health services: First, medical treatment and referral services for the abuse or addiction to drugs and alcohol; and second, home health services.

Amends subsection 1302(1) by redefining preventive services to include the following: First, immunizations; second, well-child care from birth; third, periodic health evaluations for adults; fourth, voluntary family planning services; fifth, infertility services; and sixth, children's eye examinations conducted to determine the need for vision correction.

Amends subsection 1302(1) by striking out "or podiatrists" each place it appears and inserting in its place "podiatrists, or other health care personnel."

Section 5(b) does the following:

Amends subsection 1302(2), which pertains to supplemental health services, to add the following services which previously were included under basic health services: first, medical treatment and referral services for the abuse or addiction to alcohol or drugs; and second, home health services. In addition, the amendment provides that other health services may be provided which are not included as basic health services and which have been approved by the Secretary of Health, Education, and Welfare for delivery as supplemental health services.

Amends subsection 1302(2) by striking out "podiatrists" each place it appears, and inserting in its place "podiatrists, or other health care personnel."

Amends subsection 1302(2) by adding a definition of home health services.

Section 6(a) amends subsections 1301(b)(1)(C) and 1301(b)(2)(C) by providing that prepayment fixed under a community rating system shall not be required for a period of 60 months or more after a health maintenance organization has become qualified under subsection 1310(d).

Section 6(a) amends subsection 1306(b) to require that applicants for grants, contracts, loans, or loan guarantees give assurances that they will meet the requirements of paragraphs (1) and (2) of subsection 1301(b) respecting the fixing of basic health services payments and supplemental health services payments under a community rating system.

Section 6(b) amends subsection 1302(8)(A) by inserting the following phrase after the word reflect: "differences in marketing costs and". This section refers to nominal differentials in rates which may be included to reflect marketing and administrative costs for different categories of membership.

Section 7 amends subsection 1302(4)(C)(i) to eliminate the requirement that medical groups must have as their principal professional activity the provision of health services to members of health maintenance organizations.

Section 8(a) does the following:

Amends subsection 1304(a)(2) to enable private entities to obtain federally guaranteed loans for planning for the establishment or expansion of health maintenance organizations to serve populations in addition to medically underserved populations.

Section 8(b) amends subsection 1304(b)(1)(B) to enable private entities to obtain federally guaranteed loans for the initial development of a health maintenance organization to serve populations in addition to medically underserved populations.

Section 8(c) amends subsection 1305(a)(3) to enable private health maintenance organizations to obtain federally guaranteed loans for certain operating costs to serve populations in addition to medically underserved populations.

Section 8(d) amends subsection 1304(d) by adding at the end the following new section: "In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for projects for health maintenance organizations which serve medically underserved populations."

Section 8(d) amends section 1305 by adding the following new subsection 1305(f): "In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for health maintenance organizations which will serve medically underserved populations."

Section 9(a) does the following:

Amends subsection 1305(a) by striking out "in the period of" in both paragraphs (1) and (2) of the section and inserting in its place "during a period not to exceed" to allow for flexibility regarding the starting date and the period of the loan.

Amends the last sentence of subsection 1305(b)(1) to read as follows: "In any fiscal year the amount disbursed to a health maintenance organization under this section (either directly by the Secretary or by an escrow agent under the terms of an escrow agreement or by a lender under a loan guarantee under this section) may not exceed $1,000,000." This amendment would allow for annual disbursements under single loans.

Section 9(b) amends subsection 1307(e) to conform to other amendments.

Section 9(c) does the following:

Amends subsection 1308(a)(1)(A) by striking out "for similar loans" and inserting in its place "for loans with similar maturities, terms, conditions, and security."

Amends subsection 1308(b)(2)(D) by striking out "loans guaranteed under this title" and inserting in its place "marketable obligations of the United States of comparable maturities, adjusted to provide for appropriate administrative charges."

Section 10 amends section 1310 in the following way:

Amends subsection 1310(a) to include State and local governmental employers among those employers which must offer employees the option of membership in a health maintenance organization, and changes the requirement relating to the number of employees of an employer from the total number employed to the number of employees residing in the service area of a qualified health maintenance organization.

Amends subsection 1310(c) by striking out the last sentence pertaining to noncompliance with section 1310(a).

Adds a new subsection 1310(e) which relates to civil penalties and procedures in the event of alleged noncompliance of an employer with the provisions of subsection 1310(a).

Adds a new subsection 1310(f) which would exclude a department, agency, or instrumentality of the United States from the definition of employer under section 1310 of Title XIII of the Public Health Service Act.

Section 11 amends section 1312, which pertains to health maintenance organizations which fail to comply with certain provisions of the act, by providing new procedures, penalties, and other requirements, to be applied by the Secretary of Health, Education, and Welfare where health maintenance organizations are alleged to be in noncompliance.

Section 12 amends subsection 1307(d) by adding the following new sentence after paragraph (2): "An entity which provides health services to a defined population on a prepaid basis and which has members who are enrolled under the health benefits program authorized by chapter 89 of title 5, United States Code, may be considered as a health maintenance organization for purposes of receiving assistance under this title if with respect to its other members it provides health services in accordance with subsection 1301(b) and is organized and operated in the manner prescribed by subsection 1301(c)."

Section 13(a) does the following:

Amends subsection 1304(j) to extend Federal guarantees on loans to private entities for planning projects from June 30, 1976 through fiscal year 1978, and Federal guarantees on loans to private entities for developmental projects from June 30, 1977 through fiscal year 1979.

Amends subsection 1304(k)(1), which pertains to planning projects serving predominantly nonmetropolitan areas, by extending its provisions through fiscal year 1977.

Amends subsection 1304(k)(2), which pertains to developmental projects serving predominantly nonmetropolitan areas, by extending its provisions through fiscal year 1978.

Section 13(b) amends subsection 1305(d) to extend loans and loan guarantees from June 30, 1978 to September 30, 1980.

Section 13(c) does the following:

Amends subsection 1309(a) to extend the program of grants and contracts for feasibility studies, and planning and development projects, which are currently authorized through June 30, 1976, through fiscal year 1978.

Amends subsection 1309(a) to extend the program of grants for developmental projects only, which are currently funded through June 30, 1977, through fiscal year 1979.

Section 14(a) provides that the amendments made by sections 2, 3, 4, 5, and 7 shall apply with respect to grants, contracts, loans, and loan guarantees under sections 1303, 1304, and 1305 of the Public Health Service Act beginning after June 30, 1975; second, apply with respect to health benefit plans offered under 1310 of the Public Health Service Act after June 30, 1975; and third, for purposes of section 1312 take effect July 1, 1975.

Section 14(b) provides that amendments made by sections 9(a)(1) and 9(c) shall apply with respect to loans and loan guarantees made under section 1305 of the Public Health Service Act after June 30, 1975.

Section 14(c) provides the following:

First, amendments made by paragraph (1) of section 10, which applies to subsection 1310(a), shall apply with respect to calendar quarters which begin after the date of the enactment of this act.

Second, amendments made by paragraphs (2) and (3) of section 10, which pertain to penalties, procedures, and other requirements relating to employer noncompliance, shall apply with respect to failures of employers to comply with subsection 1310(a) of the Public Health Service Act after the date of enactment of this act.

Section 14(d) provides that the amendment made by section 11 shall apply with respect to determinations of the Secretary of Health, Education, and Welfare described in subsection 1312(a) of the Public Health Service Act and

made after the date of enactment of this act.

A copy of the bill follows:

H.R. 7847

A bill to amend title XIII of the Public Health Service Act to revise and extend the program for the establishment and expansion of health maintenance organizations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Health Maintenance Organization Amendment of 1975".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 2. The first sentence of section 1301(b)(2) is amended by striking out "the organization shall provide" and all that follows in that sentence and inserting in lieu thereof "the organization may provide to each of its members any of the health services which are included in supplemental health services (as defined in section 1302(2))."

SEC. 3. (a) The first sentence of section 1301(b)(3) is amended (1) by striking out "or through" and inserting in lieu thereof ", through", and (2) by inserting after "(or associations)" the following: ", or under arrangements with health professionals who have contracted with the health maintenance organization for the provision of such services".

(b) Section 1310(b)(2) is amended by inserting after "(or associations)" the following: "or under arrangements with health professionals who have contracted with such organizations for the provision of such services".

SEC. 4. Section 1301(c) is amended (1) by striking out paragraph (4), and (2) by redesignating paragraphs (5), (6), (7), (8), (9), (10), and (11) as paragraphs (4), (5), (6), (7), (8), (9), and (10), respectively.

SEC. 5. (a) Paragraph (1) of section 1302 is amended—

(1) by striking out subparagraphs (E) and (G),

(2) by inserting "and" at the end of subparagraph (F),

(3) by redesignating subparagraphs (F) and (H) as subparagraphs (E) and (F), respectively,

(4) by amending subparagraph (F) (as so redesignated) to read as follows:

"(F) the following preventive health services: (i) Immunizations, (ii) well-child care from birth, (iii) periodic health evaluations for adults, (iv) voluntary family planning services, (v) infertility services, and (vi) children's eye examinations conducted to determine the need for vision correction.",

(5) by striking out "or podiatrist" each place it occurs and inserting in lieu thereof "podiatrists, or other health care personnel", and

(6) by striking out the next to last sentence. (b) Paragraph (2) of such section is amended—

(1) by striking out "(1)(A) or (1)(H)" in subparagraph (B) and inserting in lieu thereof "(1)(F)",

(2) by striking out "not included as a basic health service under paragraph (1)(A) or (1)(H)" in subparagraph (C),

(3) by striking out "and" at the end of subparagraph (E), by striking out the period at the end of subparagraph (F) and inserting in lieu thereof a semicolon, and by adding after subparagraph (F) the following:

"(G) home health services;

"(H) referral services and medical treatment for the abuse of or addiction to alcohol or drugs; and

"(I) other health services which are not included as basic health services and which have been approved by the Secretary for delivery as supplemental health services.",

(4) by striking out "or podiatrists" each place it occurs and inserting in lieu thereof "podiatrist, or other health care personnel", and

(5) by inserting before the last sentence the following: "For purposes of this paragraph, the term 'home health services' means health services provided at a member's home by health care personnel as prescribed or directed by the responsible physician or other authority designated by the health maintenance organization.".

SEC. 6. (a)(1). Section 1301(b)(1) is amended by adding at the end thereof the following new sentence: "The requirement of clause (C) of the first sentence shall apply with respect to a health maintenance organization on and after the expiration of the sixty-month period beginning after the date the organization becomes a qualified health maintenance organization (within the meaning of section 1310(d))."

(2) The last setence of section 1301(b)(2) is amended by inserting after "shall" the following: ", on and after the expiration of the sixty-month period beginning after the date the organization providing the services becomes a qualified health maintenance organization (within the meaning of section 1310(d))."

(3) Section 1306(b) is amended (A) by striking out "and" at the end of paragraph (6), (B) by redesignating paragraph (7) as paragraph (8), and (C) by inserting after paragraph (6) the following new paragraph:

"(7) the application contains such assurances as the Secretary may require respecting the intent and the ability of the applicant to meet the requirements of paragraphs (1) and (2) of section 1301(b) respecting the fixing of basic health services payments and supplemental health services payments under a community rating system; and".

(b) Section 1302(8)(A) is amended by inserting "differences in marketing costs and" after "reflect".

SEC. 7. Section 1302(4)(C)(i) is amended by striking out "for a health maintenance organization".

SEC. 8. (a) Section 1304(a)(2) is amended (1) by striking out "(other than nonprofit private entities)", and (2) by striking out "to serve medically underserved populations".

(b) Section 1304(b)(1)(B) is amended (1) by striking out "(other than a nonprofit private entity)", and (2) by striking out "which will serve a medically underserved population".

(c) Section 1305(a)(3) is amended (1) by striking out "(other than a private nonprofit health maintenance organization)", and (2) by striking out ", but only if such health maintenance organization will serve a medically underserved population".

(d)(1) Section 1304(d) is amended by adding at the end the following new sentence: "In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for projects for health maintenance organizations which will serve medically underserved populations."

(2) Section 1305 is amended by adding at the end thereof the following new subsection:

"(f) In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for health maintenance organizations which will serve medically underserved populations."

SEC. 9. (a)(1) Section 1305(a) is amended by striking out "in the period of" in paragraphs (1) and (2) and inserting in lieu thereof "during a period not to exceed".

(2) The last sentence of 1305(b)(1) is amended to read as follows: "In any fiscal year the amount disbursed to a health maintenance organization under this section (either directly by the Secretary or by an escrow agent under the terms of an escrow agreement or by a lender under a loan guaranteed under this section) may not exceed $1,000,000.".

(b) Section 1307(e) is amended—

(1) by inserting "for a private health maintenance organization (other than a private nonprofit health maintenance organization)" after "may be made", and

(2) by inserting "for private health maintenance organizations (other than private nonprofit health maintenance organizations)" after "guaranteed".

(c)(1) Section 1308(a)(1)(A) is amended by striking out "for similar loans" and inserting in lieu thereof "for loans with similar maturities, terms, conditions, and security".

(2) Section 1308(b)(2)(D) is amended by striking out "loans guaranteed under this title" and inserting in lieu thereof "marketable obligations of the United States of comparable maturities, adjusted to provide for appropriate administrative charges".

SEC. 10. Section 1310 is amended—

(1) by amending subsection (a) to read as follows:

"(a) Each employer which is now or hereafter required during any calendar quarter to pay its employees the minimum wage specified by section 6 of the Fair Labor Standards Act of 1938 (or would be required to pay its employees such wage but for section 13(a) of such Act), and which during such calendar quarter employed an average number of employees of not less than twenty-five, shall, in accordance with regulations which the Secretary shall prescribe, include in any health benefits plan offered to its employees in the calendar year beginning after such calendar quarter the option of membership in qualified health maintenance organizations which are engaged in the provision of basic and supplemental health services in health maintenance organization service areas in which at least twenty-five of such employees reside.",

(2) by striking out the last sentence of subsection (c), and

(3) by adding after subsection (d) the following new subsection:

"(e)(1)(A) Any employer who fails to comply with the requirements of subsection (a) shall be subject to a civil penalty of not more than $10,000. Such penalty may be assessed by the Secretary and collected in a civil action brought by the United States in a United States district court.

"(2) In any proceeding by the Secretary to assess a civil penalty under this subsection, no penalty shall be assessed until the employer charged shall have been given notice and an opportunity to present its views on such charge. In determining the amount of the penalty, or the amount agreed upon in compromise, the Secretary shall consider the gravity of the noncompliance and the demonstrated good faith of the employer charged in attempting to achieve rapid compliance after notification by the Secretary of a noncompliance.

"(3) In the case of any civil penalty assessed against any employer by the Secretary under this subsection, if the Secretary's determination that such person is liable for such penalty is made on the record after notice and opportunity for hearing, then in any civil action to collect such penalty (and in any other civil action reviewing such determination of the Administrator) any findings of fact on which such determination is based shall be conclusive if supported by substantial evidence on the record considered as a whole.

"(f) The term 'employer', as used in this subsection, does not include a department, agency, or instrumentality of the United States."

SEC. 11. Section 1312 is amended by striking out all of the section following paragraph (3) of subsection (a) and inserting in lieu thereof the following: "the Secretary may take the action authorized by subsection (b).

"(b)(1) If the Secretary makes, with respect to any entity which provided assurances to the Secretary under section 1310(d)(1), a determination described in subsection (a), the Secretary shall notify the entity in writing of the determination. Such notice shall specify the manner in which the entity has not complied with such assurances and direct that the entity initiate (within 30 days of the date the notice is issued by the Secretary or within such longer period as the Secretary determines is reasonable) such action as may be necessary to bring (within such period as the Secretary shall prescribe) the entity into compliance with the assurances. If the entity fails to initiate corrective action within the period prescribed by the notice or fails to comply with the assurances within such period as the Secretary prescribes (A) the entity shall not be a qualified health maintenance organization for purposes of section 1310 until such date as the Secretary determines that it is in compliance with the assurances, and (B) each employer which has offered membership in the entity in compliance with section 1310 shall be notified by the entity that the entity is not a qualified health maintenance organization for purposes of such section. The Secretary shall publish in the Federal Register each determination referred to in clause (A) of the preceding sentence.

"(2) If the Secretary makes, with respect to an entity which has received a grant, contract, loan, or loan guarantee under this title, a determination described in subsection (a), the Secretary may, in addition to any other remedies available to him, bring a civil action in the United States district court for the district in which such entity is located to enforce its compliance with the assurances it furnished respecting the provision of basic and supplemental health services or its organization or operation, as the case may be, which assurances were made in connection with its application under this title for the grant, contract, loan, or loan guarantee."

SEC. 12. Section 1307(d) is amended by adding after and below paragraph (2) the following new sentence: "An entity which provides health services to a defined population on a prepaid basis and which has members who are enrolled under the health benefits program authorized by chapter 89 of title 5, United States Code, may be considered as a health maintenance organization for purposes of receiving assistance under this title if with respect to its other members it provides health services in accordance with section 1301(b) and is organized and operated in the manner prescribed by section 1301(c)."

SEC. 13. (a)(1) Subsection (j) of section 1304 is amended (A) by striking out "the fiscal year ending June 30, 1976" and inserting in lieu thereof "fiscal year 1978", and (B) by striking out "the fiscal year ending June 30, 1977" and inserting in lieu thereof "fiscal year 1979".

(2) Subsection (k)(1) of such section is amended by striking out "June 10, 1975" and inserting in lieu thereof "or in either of the next three fiscal years".

(3) Subsection (k)(2) of such section is amended by striking out "two fiscal years" and inserting in lieu thereof "four fiscal years".

(b) Subsection (d) of section 1305 is amended to read as follows:

"(d) No loan may be made or guaranteed under this section after September 30, 1980."

(c) Section 1309(a) is amended—

(1) by striking out "for the fiscal year ending June 30, 1976" and inserting in lieu thereof "each for the fiscal years 1976, 1977, and 1978"; and

(2) by striking out "for the fiscal year ending June 30, 1977" and inserting in lieu thereof "for fiscal year 1979".

SEC. 14. (a) The amendments made by sections 2, 3, 4, 5, and 7 shall (1) apply with respect to grants, contracts, loans, and loan guarantees made under sections 1303, 1304, and 1305 of the Public Health Service Act for fiscal years beginning after June 30, 1975, (2) apply with respect to health benefit plans offered under section 1310 of such Act after such date, and (3) for purposes of section 1312 take effect July 1, 1975.

(b) The amendments made by sections 9(a)(1) and 9(c) shall apply with respect to loans and loan guarantees made under section 1305 of the Public Health Service Act after June 30, 1975.

(c)(1) The amendment made by paragraph (1) of section 10 shall apply with respect to calendar quarters which begin after the date of the enactment of this Act.

(2) The amendments made by paragraphs (2) and (3) of section 10 shall apply with respect to failures of employers to comply with section 1310(a) of the Public Health Service Act after the date of the enactment of this Act.

(d) The amendment made by section 11 shall apply with respect to determinations of the Secretary of Health, Education, and Welfare described in section 1312(a) of the Public Health Service Act and made after the date of the enactment of this Act.

DECLARATION OF DEPENDENCE ON GOD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. QUIE) is recognized for 15 minutes.

Mr. QUIE. Mr. Speaker, as we approach our Nation's Bicentennial celebration of our Declaration of Independence, an often unnoted "Declaration" has been brought to my attention by the Rev. Norman G. Anderson, pastor of St. Stephen's Church in West St. Paul, Minn. He has organized a committee entitled the "Committee for the Continuance of America's Spiritual Heritage."

On June 12, 200 years ago, the Continental Congress adopted a resolution declaring its dependence on God and bidding all inhabitants of our colonies to observe July 20, 1775, as a day of "humiliation, fasting, and prayer."

Try to recall the tension and anxiety existent in those pre-Revolutionary War days. Only on April 19 of that year were the guns of Lexington fired. There was disunity among the Colonies and bitter fights regarding what course of action was necessary.

On the spiritual side, various sectarian beliefs separated the colonists and created an atmosphere of disunity. Yet representatives to the First Continental Congress found they could pray among themselves, and when the Second Continental Congress met, its first order of business was to unite in prayer and call upon the people of the Colonies to do likewise as they worked to resolve the strife of their era.

Today our United States again finds disunity among our people. The Nation is besieged wtih complex problems in this highly technical and scientific age. On the eve of our Bicentennial, I believe it fitting to recall today the resolution passed by our forefathers. On July 20, 1775, observance of a similar day of "humiliation, fasting and prayer" should help us unite in a common dedication to the achievement of the goals and ideals contained in this declaration and the Declaration of Independence. The text of the "Declaration of Dependence on God" follows:

TEXT

As the great Governor of the World, by his supreme and universal Providence, not only conducts the course of nature with unerring wisdom and rectitude, but frequently influences the minds of men to serve the wise and gracious purposes of his providential government; and it being, at all times, our indispensible duty devoutly to acknowledge his superintending providence, especially in times of impending danger and public calamity, to reverence and adore his immutable justice as well as to implore his merciful interposition for our deliverance:

This Congress, therefore, considering the present critical, alarming and calamitous state of these colonies, do earnestly recommend that Thursday, the 20th day of July next, be observed, by the inhabitants of all the English colonies on this continent, as a day of public humiliation, fasting and prayer; that we may, with united hearts and voices, unfeignedly confess and deplore our many sins; and offer up our joint supplications to the all-wise, omnipotent, and merciful Disposer of all events; humbly beseeching him to forgive our iniquities, to remove our present calamities, to avert those desolating judgments, with which we are threatened, and to bless our rightful sovereign, King George the third, and [to] inspire him with wisdom to discern and pursue the true interest of all his subjects, that a speedy end may be put to the civil discord between Great Britain and the American colonies, without farther effusion of blood: And that the British nation may be influenced to regard the things that belong to her peace, before they are hid from her eyes: That these colonies may be ever under the care and protection of a kind Providence, and be prospered in all their interests; That the divine blessing may descend and rest upon all our civil rulers, and upon the representatives of the people, in their several assemblies and conventions, that they may be directed to wise and effectual measures for preserving the union, and securing the just rights and privileges of the colonies; That virtue and true religion may revive and flourish throughout our land; And that all America may soon behold a gracious interposition of Heaven, for the redress of her many grievances, the restoration of her invaded rights, a reconciliation with the parent state, on terms constitutional and honorable to both; And that her civil and religious privileges may be secured to the latest posterity.

And it is recommended to Christians, of all denominations, to assemble for public worship, and to abstain from servile labour and recreations on said day.

THE GROWTH IN GOVERNMENT REGULATION RESULTS IN THE DECLINE IN ECONOMIC FREEDOM AND PROSPERITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, there has been an erosion of economic freedom within the Western democracies, including the United States, during the past half-century.

This erosion—because it has worked and is working almost imperceptibly, yet unrelentlessly in the longer view—is liberty's most effective enemy. Liberty is not generally lost by the forces of violent attack, for those specific incidents when revolution and upheavel did quickly destroy liberty were preceded by an intellectual revolution which made those acts both possible and allowable.

Our former House colleague, now Senator, ROBERT P. GRIFFIN of Michigan, recently addressed himself to this phenomenon:

In the long course of history, freedom has died in various ways. Freedom has died on the battlefield; freedom has died because of ignorance and greed. But I should like to suggest that the most ignominious death of all is when freedom dies in its sleep.

These more subtle threats must, therefore, be a cause of great concern among all who cherish freedom and the enjoyment of life, liberty, property, and happiness which freedom engenders. The nature of the remainder of our natural lives and those of future generations will be governed in great degree by our present ability to perceive these threats and to undertake successfully those efforts required to restrain them.

There are many views on the process through which liberty is lost, but I believe its particular decline during the past half-century has been inversely proportional to the growth of Government within the economic lives of the people. The greater the tax burden, the greater the degree of regulatory control, the greater the share of human action governed by statute, the less liberty there is.

We should, therefore, remember that when Government intervention in the economy is sought, as an answer to a problem, liberty declines. And, inasmuch as those within Government—elected or appointed—too often regard their roles as, and measure their successes through, the promulgation of Government initiatives, the results should be obvious. More and more Government. Less and less liberty. Jefferson said 200 years ago,

That it is the nature of human history that as government grows freedom recedes.

This loss of liberty comes through the narrowing of the range of alternative choices of action available to people. The examples are endless, and these restrictions on the exercise of choice are not without penalties: prison terms, fines, loss of license, and the silent intimidation which accompanies an awareness of burgeoning Government control.

It is well worth recalling the extent of Government regulation of our lives. A guest editorial in the New York Times of last month, authored by Russell Baker, outlined the author's encounters with Government control in but 1 day's time. It bears repeating.

The author recalled awakening that morning with a woman whom the government had licensed him to marry, rolling over on bedding materials which had been certified by a Federal agency, to turn on the radio to listen to a station which broadcasts only with Government permission. Of course, the electricity which powered that radio and lit the mirror at which he shaved was priced at rates established by the Government and brought to him by a Government-created monopoly.

Outside stood his car—licensed by the government and registered by the government. It had been built to specifications set forth by the Government. Each year the Government taxes it. He can drive it only by carrying a permit issued by government. And, only recently, the Government told him he could only obtain 10 gallons of gasoline at any one time, and now with the lifting of that imposition, has told him that they will tax him more heavily for his future gas consumption. If he wishes to park his car, he cannot park it near fire plugs, within 20 feet of a stop sign, or in places reserved for Government officials, or anywhere else without putting money into a government meter.

Of course, he could have taken a bus, subway, or train to work, but those would have been either owned by or subsidized by the Government, running on schedules approved by the Government along routes specified by the Government at fares established by the Government.

If he had a business or pleasure trip that day, he could have flown on airplanes operating under Government license along Government authorized routes, flying in and out of airports along paths dictated by Government controllers, paying for all this as Government-set fares.

The clothes he wore would carry labels prescribed by Government, made from imported cloth whose entry was regulated by Government tariff or from subsidized domestic cotton, for the purchase of which he would have paid a sales tax.

After dressing, he had breakfast comprised of foods whose quality and packaging had been regulated by Government on dishes washed by water bought from government, water heated by oil the price of which is determined partly by Government policy. He had coffee that morning imported under Government license, with cream priced by Government through milk price supports, and then sat down to read his newspaper—made from pulp whose harvesting was regulated by a myriad of Government agencies.

After breakfast his children are required by the Government to report at fixed hours to a building owned by the Government where persons hired by the Government instruct them in such matters as the Government sees fit.

Before leaving the house, he placed his garbage in a trash can for the Government to pick up, ran his garbage disposal to enter residue into the Government's sewage system, and placed a Government stamp on an envelope to place it into a Government-approved home mail box.

Then, he started his work day, where even more extensive Government regulations controlled his and his company's actions.

The United States Code Annotated, the basic compilation of congressionally enacted statutes, now totals more than 55,000 pages. The Code of Federal Regulations—consisting of the regulations which carry those statutes into effect and which also have the full force of law—totals hundreds of thousands of pages. The Internal Revenue Code of 1954—the tax laws under which we all live—is now nearly 1,900 pages long, and the regulations which carry those tax laws into effect constitute another 4,500 plus pages. In addition, one is governed by the rulings and regulations of a myriad of Federal agencies, bureaus, departments, commissions, administrations, offices, and boards, as well as the rulings of our vast court network. The point is that each circumscribes our behavior—the behavior freely exercised and otherwise acceptable between private parties. We have come a long way since Moses brought the Ten Commandments—only 10 rules to govern our lives—down from the Mount.

Through the enactment of a multitude of program activities, Government has taken unto itself the exercise of functions once regarded as the province of private conduct. And, whether one regards a specific Government intervention or influence as good or bad, one still ought to weigh the impact of the totality of extensive and still growing Government regulation upon the exercise of personal freedom.

It is almost impossible to itemize the areas of conduct now subject to Federal control because there are so many, but a cursory examination of any Government organization chart shows us the areas of our lives now subject to Government regulation: health, education, welfare, labor, commerce, housing, transportation, finance, agriculture, environment, communications, wages and prices, energy, labor-management relations, trade, alcohol, tobacco, firearms, savings, community relations, civil affairs, land and natural resource uses, recreation, commodities, securities, insurance, marketing, consumer affairs, productivity, nutrition, research, forestry, product standards, travel, economic development, shipping, vocational and career opportunities, employment standards, occupational safety, child development, retirement and income security, rehabilitation, interest rates, credit availability, land sales, aviation, railroads, highways, safety, institutionalized voluntarism, arts and humanities, equal employment opportunity, export-import terms, trucking, small business, veterans, postal service, ad infinitum.

The point is this: As Government assumed each of the many components within each of these areas, it removed decisionmaking from the people, a process inherently antithetical to the exercise of free choice. Some of these are indeed necessary and clearly in the interest of the health, safety, and welfare of the people. But taken all together, Government as a cure-all, is diminishing freedom.

The effects of these regulatory policies on prices and productivity cannot be overlooked either—additional costs in the form of higher consumer prices, more taxes, and a decline in the standard of living with results from a decline in productivity.

Dr. Murray L. Weidenbaum, the director of the Center for the Study of American Business at Washington University in St. Louis, recently authored an extensive report, "Government-Mandated Price Increases: A Neglected Aspect of Inflation," published by the American Enterprise Institute for Public Policy Research in Washington.

In a recent interview with Dr. Weidenbaum, based on that report, the following observations are made and are worthy of our careful consideration:

This new revolution (of management under government regulations) is far more subtle. It involves the shift of decision-making from managers, who represent the shareholders, to a cadre of government officials, government inspectors, and government regulators.

Increasingly, the power to make business decisions is being taken away from management and assumed by government. The problem is that these government agencies are not responsive to the pressures of profit and loss and, though their decisions affects management, they have no management responsibility.

• • • • •

Some of this is very costly, not only to business, but to the public as well.

The increase in the cost of producing consumer goods is the ultimate burden imposed by government regulation of business.

It costs $4 billion a year to support all the Federal regulatory agencies that ride herd on business (in the form of taxes).

Dr. Weidenbaum pointed out, elsewhere in the report, that it costs incalculable billons more in higher costs of consumers products, higher costs of industrial production, higher costs of Government purchases, higher costs of personnel, higher costs of operating automobiles, and higher interest rates.

He then summarized as follows:

What all this so-called government protection does is protect the consumer against new products, new processes, and lower costs.

The "horror stories" of Government inconsistencies in regulation, mistakes, induced hardships, et cetera are also recounted by Dr. Weidenbaum:

There is such a proliferation of government regulations that, in trying to obey one, you run afoul of another.

For example, to desulfurize coal—and to reduce air pollution—requires a combination with lime. But when you do that, you generate large quanfities of solid waste, calcium sulfate. And disposing of calcium sulfate creates water pollution problems.

Let me give you another example.

Federal food standards require meat-packing plants to be kept clean and sanitary. Surfaces that are easiest to clean are usually tile or stainless steel. But tile and stainless steel are highly reflective of noise and don't always meet Occupational Safety and Health Administration standards.

Both OSHA and EEOC have jurisdiction over toilets. OSHA once said women need special lounge facilities as part of their restrooms. But EEOC says, well, if you provide lounges for women, you have to provide them for men also.

When you look at the power of the Consumer Product Safety Commission, it is really scary. The commission has the ability, and has used it on occasion, to drive a company out of business—through the commission's own mistakes. The commission put the Marlin Toy Co., a small firm in Wisconsin, out of the toy business by inadvertently putting its products on the banned list. Later, the commission recognized its error, but it was too late. As it turns out, the company was an employer of handicapped people in the little town where it was located. So we are talking about a socially responsible business.

Many more examples are given. They are strangling the prosperity which made this the most productive country, with the highest standard of living for the average family, in the world's history.

Regulation alone is not the Government's only means of infringing upon our liberties. Government's fiscal and monetary policies restrict our range of choice also—and in a substantial way.

Within the cycle of Government growth, each of these Government program activities must be financed through increases either in the tax burden now borne by the people or in the national public debt. In these ways too Government restricts the conduct of its citizens. One has less choice when Government at all levels takes nearly 42 percent of private income in direct and indirect taxes—as it now does—than when Government takes half that amount. Yet, the trend is toward substantial increases in the effective rates of taxation. Last year increases in taxes outpaced all other increases in costs borne by our citizens—a nearly 25 percent increase in one year.

Government, through monetizing a part of the increasing public debt, places an indirect tax upon the people—in addition to the tax burden I just enumerated—in the form of reducing the purchasing power of their income. Inflation is a direct consequence of increases in the money supply—given great impetus by needs to monetize greater shares of the public debt—unaccompanied by increases in productivity. Purchasing power is eroded; thus, one has less to spend or save. Choice is again restricted by Government intervention in the economy.

These points can be summarized in the form of a few pertinent questions:

Does one have economic freedom when one gives up over 40 percent of earnings to the government?

Does one have economic freedom when one involuntarily surrenders purchasing power because of Government-created inflation?

Does one have economic freedom when one cannot plan his or her own future—for education, for business, for children, for retirement—because Government's policies are so unpredictable and so corrosive of his or her livelihood?

Does one have that freedom when one cannot obtain a loan—for a small personal need or a massive corporate capital investment need—because Government has drained the Nation's capital money markets and in so doing created record-high rates of interest?

Does one have such freedom when life savings can be wiped out in just a few years' time by double-digit inflation?

Does one have such freedom when one cannot buy a product or pay a freely negotiated price for it because of Government-control created shortages and mandatory price regulations?

Does one have such freedom when one cannot find a job or find one at a desired salary because of what Government action has done to this economy in the past half-century—a period of time which corresponds to the growth in Government intervention in the market place?

I think the answer is, "No" in all these instances.

It was in this context that nearly 200 years ago Thomas Jefferson addressed himself to this ageless problem in these words:

A wise and frugal government which shall restrain men from injuring one another shall leave them otherwise free to regulate their own pursuits of industry and improvement and shall not take from the mouth of the laborer the bread he has earned. This is the sum of good government.

What, then, is to be done?

First, I think those committed to the preservation of our free enterprise system and the prosperity which arises only from such a system have to do a more effective job or reorienting public opinion in the country on this issue. This includes those in the Congress.

We must do a better job of convincing the people that man's most refined intellectual and practical achievements have been during periods of expanding economic freedom—economic freedom and the political freedom which cannot long exist without that economic freedom. We must do a better job of convincing people that there is no economic security in reliance upon the mechanisms of government; that the greatest economic security one could ever have is to have one's own destiny in one's own hands—not those of a government official.

Second, we must do a better job of educating the people—and their leaders—on the ways in which reliance on government can bring a gradual, yet effective, end to economic freedom and its concomitant prosperity.

For years, Americans have viewed threats to freedom as those arising from non-democratic forms of government. Yet, we have seen the steady movement in the Western democracies toward state control of the means of production and distribution—albeit that in many instances actual ownership still rests in private hands—all legally and apparently constitutionally brought about through the enactments of duly elected representatives of the people.

We must now realize that a democratic form of government—the people popularly electing their representatives—is no guarantee in and of itself against the rise of socialism and the attendant decline in individual liberty.

Third, we must begin the development in this country of a renewed frame of reference for judgment of the actions of elected and appointed officials—away from support for more government programs and toward their support for less. Instead of asking the Congressman, Senator, President—or State or local official, "What have you done for me lately?" it is time to ask of them, "What have you not done to us lately?" We should congratulate them and reward them with our support for what they

decided to leave within the purview of private action.

Fourth, we must all learn to more effectively decifer what the real effects of other peoples' proposed actions will probably be. As my good friend, Irving Kristol, has made note:

The unanticipated consequences of social action are always more important, and usually less agreeable, than the intended consequences.

We must train ourselves to examine more carefully what those who would offer us suggestions for change actually do, rather than what they merely say. Look to the actions, not the words alone. Change and reform are not inherently beneficial. By the law of averages, they can be as negative, counterproductive, and retrogressive as they can be positive, productive, and progressive. We must learn this lesson too.

Next year marks the 200 anniversary of the founding of our Republic. Its observance affords each of us an opportunity for renewed dedication to the principles which brought our Republic into being. We have indeed wandered over this 200-year period. Government in far too many ways has become more like the ministries of George III than what was intended by the spirit which pervaded Philadelphia.

This is the consequence of allowing those who would use the instruments of Government for the accomplishment of special purpose to have greater influence than those of us who would assure the preservation of the common interest. There is little restraint in the totality of special interests.

Restraint is best found in assurance that Government must remain subservient to the people; that denial of those personal or special gains which come only at the expense of the commonweal is one of man's noblest achievements; and, that the ultimate human value and personal dignity on this Earth rest in the exercise of individual liberty within a framework of reasonable laws.

THE NEED TO LIMIT REGULATORY AUTHORITY OF THE CORPS OF ENGINEERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 10 minutes.

Mr. BAUMAN. Mr. Speaker, I have today introduced a bill which will clearly define the limits of the authority which the U.S. Army Corps of Engineers may exercise in the regulation of the disposal of dredged or fill material. I am joined in cosponsoring this bill by my colleague from Maryland, Mrs. HOLT.

The need for such legislation has been brought about by a recent Federal district court decision which instructed the corps to exercise unlimited jurisdiction over the disposal of dredged or fill material in all the waters of the United States. Until this decision, the Corps of Engineers had exercised its regulatory authority over disposal operations which took place only in those waters which fit the historical definition of navigable waters. If this court decision is allowed to stand, as stated in a recent corps news release, "Federal permits may be required by the rancher who wants to enlarge his stock pond, or the farmer who wants to deepen an irrigation ditch or plow a field, or the mountaineer who wants to protect his land against stream erosion." In my view, this would be an intolerable burden citizens should not be asked to bear.

Secretary of Agriculture Earl Butz has written:

Once machinery of this nature is put into place, it can turn into a monster through the combination of overzealous application, the limitless expansion by courts, the officiousness of bureaucrats, and the harassment and endless delays imposed on the conscientious private citizen who simply wants to get his work done in a responsible manner.

To fully understand the dangers posed by the district court ruling, one has only to view the disastrous results of the Federal regulatory agencies which are now in existence. These attempts to control and regulate every phase of those activities which are undertaken by businesses and individuals in the private sector have resulted in disastrous consequences for our Nation. At a time when more people, thankfully, are recognizing the deficiencies which result from Federal control, it does not make sense to allow this huge extension of centralized power which would hamstring our citizens.

The groups which brought suit against the Corps of Engineers have as their stated purpose the protection of wetlands areas. This seemingly harmless goal has broad ramifications which cannot be ignored by those who are concerned with the ever-increasing amount of power which is being accumulated by the Federal Government.

This view ignores the fact that the individual States have implemented programs which are specifically aimed at the protection of wetlands and other valuable natural areas which lie within the borders of each State. Surely, each State should have the authority to decide on the best measures of protection and use of its wetland areas.

My own State of Maryland has both private and State wetland programs, a flood plain program and a waterway construction program. Maryland has been a leader in the development of plans which are designed to protect the environment, and it is ridiculous to assume that any Federal agency can better the efforts which have already been made in Maryland.

Those who favor the extension of the regulatory authority of the Corps of Engineers are forgetting two points which should be considered. The first is, as I have said, the terribly unproductive past efforts of Federal regulatory agencies and second, the central question of where Federal control ends and the constitutionally granted rights of the States begin.

American citizens must be given more freedom, not less.

This latest attempt to broaden Federal control and to usurp the legitimate powers of the States must not be tolerated, and I ask all Members of the House to support this legislation.

The text of the bill follows:

A bill to amend the Federal Water Pollution Control Act and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(a)(7) of the Federal Water Pollution Control Act (62 Stat. 1155), as amended (33 U.S.C. 1251 et seq.), is further amended by deleting all language after the word "means" and substitute in lieu thereof the following: "all waters which are presently used, or are susceptible to use in their natural condition or by reasonable improvement as a means to transport interstate or foreign commerce shoreward to their ordinary high water mark, including all waters which are subject to the ebb and flow of the tide shoreward to their mean high water mark (mean higher high water mark on the West Coast)."

SEC. 2. The Secretary of the Army and the Chief of Engineers are authorized to waive jointly any requirements they may have for review and approval of any work or activities in or on waters of the United States, including segments thereof or their associated river bank, shoreline or wetland areas under the provisions of section 404 of the Federal Water Pollution Control Act, section 10 of the Act of March 3, 1899, and section 1 of the Act of June 13, 1902, as amended and clarified by the provisions of this Act: *Provided,* That the Chief of Engineers has determined in writing that such work and activities, which have been or might be conducted, will not have a substantial adverse impact on the affected waters for their use to transport interstate or foreign commerce and can be appropriately regulated in the public interest, if necessary, by the affected State or its political subdivisions within whose boundaries the work and activities occur.

SEC. 3. The waiver authorized by section 4 of this Act shall be effective only when in writing and signed by the Secretary of the Army and the Chief of Engineers and shall pertain to such water areas and the exempted types of work and activity which may be conducted therein as are specified in the waiver. It shall not be unlawful under the provisions of the Acts specified in section 4 of this Act to commence or conduct such work and activities as are specified in the waiver during any period in which the waiver is in effect.

SEC. 4. No action to waive exercise of authority taken pursuant to section 4 of this Act shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852) if such action concerns types of work and activities which occur within water areas situated in any State which has enacted legislation to regulate such work and activities by the State or its political subdivisions.

SEC. 5. The Secretary of the Army and the Chief of Engineers, after notice and thirty days opportunity for public comment, may reassert the exercise of any jurisdiction waived under the authority of this Act subject to such conditions and for such periods as they deem necessary. Such reassertion of the exercise of jurisdiction involved shall be effective only when in writing and signed by the Secretary of the Army and the Chief of Engineers. All work and activities in waters pertaining to this resumed exercise of jurisdiction shall at the date of resumption be subject to the provisions of the Acts specified in section 4 of this Act in accordance with the terms specified by the Secretary of the Army: *Provided,* That such work and activities, which have commenced prior to the reassertion of the exercise of jurisdiction and have been specifically authorized or permitted in accordance with a law of the State having jurisdiction at that level of government over such work and activities, shall not be subject to the provisions specified in section 4 of this Act unless the Chief of Engineers determines that requirements for transportation of interstate and foreign commerce so requires.

"U.S. ARM SALES POLICY: IT'S TIME TO DEVELOP ONE"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Delaware (Mr. DU PONT) is recognized for 30 minutes.

Mr. DU PONT. Mr. Speaker, a growing debate in this country is focusing on the wisdom of the U.S. arms sales to foreign nations. Arms sales orders to foreign nations, which approached $8.3 billion in fiscal year 1974, have caused concern not only because of the large sums involved, but also because they seem to lack any substantive rationale. In fact, many of these sales appear not to derive from any soundly formulated U.S. foreign policy but rather to be consummated on an ad hoc, case-by-case basis. In order to understand more clearly the scope and effect of U.S. arms sales abroad, I undertook a study mission to several Middle East and Persian Gulf nations during the May recess. I was particularly interested in examining U.S. arms sales to the Persian Gulf since the Investigations Subcommittee of the International Relations Committee, of which I am ranking minority member, is holding hearings on this question this month.

THE FACTS

The Persian Gulf is a region of the world which now accounts for 50 percent of the U.S. arms market and sales are rapidly expanding. In absolute numbers this means that this area is buying on the order of $4 billion worth of arms annually. Iran, Saudi Arabia, and Kuwait ran up orders for almost $5 billion in the first 9 months alone of fiscal year 1975. A comparison of this figure with the fiscal year 1970 figure of $128 million illustrates the dramatic recent increase in U.S. arms sales to Persian Gulf nations.

This enormous growth in arms sales shows no sign of abatement. With the rapidly increasing oil revenues the Persian Gulf nations are now enjoying, the United States can expect a continued interest in the purchase of its defense weaponry. Restraints on arms delivery to these countries once imposed by congressionally set levels of military credit and assistance now no longer apply as the oil-producing nations are capable of buying all the arms they want. In an area which previously held a low military profile, the introduction of great financial power has created the means and the desire to develop military power.

Accompanying this tremendous increase in the quantity of arms sales has been an even more significant increase in the quality of arms sales. The Saudis and the Iranians are writing orders for weapons of great sophistication. The Iranian concept of defense now centers around Hawk missiles, F–5E's, F–14's, Spruance destroyers, and most recently, diesel submarines. The $4 billion shopping list the Iranians are bringing to the Department of Defense is not a compilation of guns and tanks; it is a demand for the very latest, most sophisticated, most lethal equipment the U.S. military establishment can produce. It is their desire for the most sophisticated levels of U.S. equipment now and in the future, even more than the high dollar amounts involved, which poses a disturbing prospect for U.S. security interests. The Shah of Iran boasts that his country will be one of the five great world powers within two decades. The United States may, therefore, be helping to develop a military power with whom it will have to reckon in years to come—a power that occupies a strategic location in the Straits of Hormuz out of which pours 60 percent of the world's oil supply. And Iran is only one of the nations that the United States is arming in the Persian Gulf.

My examination of the vast U.S. arms sales to the Persian Gulf nations has led me to draw three conclusions:

First, the United States does not have an arms sale policy.

Second, in light of the vital economic and security issues surrounding arms sales, the United States should quickly develop a comprehensive arms sale policy.

Third, Congress should participate in the formulation of this national arms sale policy.

THE CURRENT NONPOLICY

Unfortunately, a U.S. arms sales policy has not developed as quickly as the sales themselves. Our policy, if it exists at all, appears to be a nonpolicy—an ad hoc response to individual arms requests rather than a well-formulated policy designed to protect U.S. security interests. In Iran, Saudi Arabia, and Kuwait, I encountered a shadow of a U.S. arms sale policy based on a dollars and cents approach, and on a sense of fear that if we do not sell them arms, someone else will. While the effect of this policy on present U.S. interests disturbs me, the impact of this policy on future events is even more crucial.

Concern for our balance-of-payments problem is not misplaced. The serious drain of petrodollars to oil-exporting nations and its adverse effect on the U.S. economy should generate a serious search for markets abroad. If we can expand the sale of U.S. goods to oil-producing nations, it will improve the U.S. balance of payments. However, our balance of payments must not be the sole determinant of U.S. foreign policy. Economics is certainly one factor in foreign policy considerations, but it should not be the only factor.

Nor do I think that the United States should sell arms just because everybody else does, or because if we do not do it, somebody else will. Such thinking is not a sound basis for policymaking. Further it is a faulty rationale for U.S. policy when this country is selling four or five times the value of weapons the Soviet Union is selling in the Persian Gulf, and an even greater multiple of the amounts sold by France or Great Britain. The United States, in sellings arms, is clearly doing more than filling a vacuum.

GUIDELINES FOR AN ARMS SALES POLICY

It is time to put U.S. arms sales policy on a more solid basis. In taking this positive step, the United States should follow several guidelines:

First, the United States must define its own legitimate concerns in the area of the Persian Gulf and decide whether or not the arms build up of Saudi Arabia, Iran, Kuwait and other future purchasers of U.S. arms contributes to U.S. security. Attention must be given to the fact that the Persian Gulf contains avenues of trade and oil supply crucial to United States well being. United States security must also include military preparedness; no arms sales should deprive the U.S. defense of essential material or of essential military skills as a 1975 GAO report asserts it has done in the past.

Second, the United States must consider whether or not the interests of potential U.S. customers are compatible with these U.S. interests. While the United States should recognize legitimate defense needs of other nations, belligerency against the United States or nations friendly to the United States should not be encouraged through continued arms support. In evaluating compatibility of interests, the United States should also carefully examine the political stability of arms customers. This country should take every precaution not to put arms into the hands of politically unstable elements or to encourage the disintegration of a society through an unwise arms policy.

A nation like Iran with 30,000,000 people, plentiful resources, and a common border with an historic adversary, the Soviet Union, has clearly understandable defense needs. The United States, which has long enjoyed good relations with Iran, has a valid interest in providing Iran with the means to deter a military threat, particularly in view of the importance of security in the vital Straits of Hormuz at the mouth of the Persian Gulf. However, should the United States stretch its interpretation of Iran's defense needs to include three submarines which, considering the shallow waters of the Gulf, can only find deployment in the deeper and wider expanses of the Indian Ocean, or make available B–1 bombers to extend the range of Iranian airpower thousands of miles? The United States is running the danger of encouraging Iran to enlarge its sphere of military activity in a way that may bring it into potental conflict with other nations far beyond the confines of the Persian Gulf.

Another nation which has long entertained good relations with the United States, Saudi Arabia, also has legitimate defense needs. It borders two nations, Iraq and South Yemen, which receive armaments from the Soviet Union. A measured U.S. response to Saudi arms requests is, therefore, appropriate. Saudi Arabia has embarked on an enormous development program based on an absorption of western technology. In my discussions with Saudi officials, they stressed to me the importance of U.S. training programs, civilian and military,

and the spillover effect the latter has on the former. Once again, however, I would argue that the United States should not sell weapons to Saudi Arabia, or to any other country, that would permit it to extend its military capabilities to an adventuristic level.

A third example in the Persian Gulf of a nation with potential enemies against whom it would like to protect itself is Kuwait. Iraq, sitting on its northern border, makes periodic incursions into Kuwaiti territory. On the one hand, the United States may recognize Kuwait's legitimate need for defense material. On the other hand, the United States should give equal attention to the potentially unstable political situation present in that nation. Over half of the population is non-Kuwaiti, with little hope of obtaining either Kuwaiti citizenship or the economic and social benefits accruing to Kuwaiti citizens. Many of these noncitizens serve in the military. Some of those who are in the army are actually from Bedouin tribes who have traditionally wandered back and forth across the Kuwaiti-Iraqi border owing allegiance to neither country. The United States may, therefore, end up building a Kuwaiti army of questionable loyalty to its own government. The United States, in arming Kuwait, may in fact be arming potentially unpredictable and disruptive elements. In addition, Kuwait has a large Palestinian population which has pushed the government to the forefront of Palestinian supporters through generous monetary aid. The Palestinian element and its supporters in the Parliament have been highly critical of the U.S. Middle East policy. The potential for a transfer of U.S. arms by Kuwait to one of the Arab confrontation states should Middle East hostilities resume, therefore, looms as a considerable danger. In the case of a small nation with limited manpower resources and a potentially explosive political situation like Kuwait, a more constructive U.S. response to a military threat would be the encouragement of regional security agreements and border negotiations rather than a supply of sophisticated armaments.

Third, the United States should consider the likelihood of such arms transfers, not only for Kuwait, but for every potential customer. Under 36(b) of the Foreign Military Sales Act, the United States is obligated to shut off arms sales to any nation that transfers, without prior U.S. authorization, U.S. arms to a third country. This is not a guarantee against arms transfers; indeed there is no foolproof guarantee against arms transfers. The closest thing we have to it is a prudent selection of arms recipients.

Fourth, the United States should set limits on the levels of sophistication of those arms it is prepared to sell foreign governments. This is one of the most difficult areas to assess. Exactly how and where do we set limits on sophistication? Certainly the United States must continue its ban on selling any and all nuclear weapons to other nations. But it is important that we also draw a line this side of nuclear weapons. When we read that Iran is interested in purchasing the Condor missile system even before the U.S. Department of Defense has authorized its production, must we acquiesce in the sale? Should a foreign nation have the right to buy U.S. arms even before the United States is fully supplied with these arms? And what of the B–1 bomber which I read in a Teheran newspaper that Iran wants to buy, or what of the Lance missile? The United States must carefully examine its position of what levels of arms sophistication it is prepared to sell.

Fifth, the United States should not, by an imbalanced sale of weaponry, promote the predominance of one nation over its neighbors or encourage a regional arms race. Careful consideration should be given to the arms balance in a region and not just to the arms needs of a single nation. In speaking with Saudi Arabian officials, I encountered a sense of apprehension over the enormous arms buildup Iran is undertaking. In fiscal year 1974, the United States sent out letters of offer to Iran for $3 million worth of military equipment. In contrast, the Saudi purchase orders totaled $588 million. Arms balance in a region is not a simple matter, but it should be an important factor in the arms sale equation.

Sixth, the U.S. Government should continue to play a role in any arms sales agreements concluded between foreign nations and U.S. defense industries. Arms sales to a foreign nation should never be left to a private U.S. company acting alone. The United States needs to keep a close watch over exactly what equipment foreign governments are purchasing. Also, U.S. Government agencies in each of these countries should monitor closely the activities of U.S. armaments companies. They should attempt to guide the conduct of these companies according to proper standards as well as to protect American companies against extortion demands.

Seventh, the United States should make every effort to recover all costs incurred in defense article and service agreements. There is evidence that the United States is assuming a good portion of the cost of the military missions and services which these nations request. A fall 1974 GAO report states that Iran pays only 42 percent of the total cost of the U.S. military assistance and advisory group in Iran. This leaves the United States to shoulder over $12 million of MAAG's operating costs. The Shah is giving scant consideration to the effect of the U.S. economy of the $2 to $4 per barrel increase in oil prices which he is seeking. The United States should drive an equally hard bargain on arms deals. These nations can afford it better than the American taxpayer.

THE ROLE OF CONGRESS

The United States must come to grips with the effect its booming arms sales to foreign nations has on its national security and its foreign policy. We must develop a reasoned arms sale policy, and the Congress must participate in the development of this policy.

At the present time, Congress plays no role in formulating U.S. arms sale policy. It has the opportunity only for an "after the fact" input which in itself is very limited. Section 36(b) of the Foreign Military Sales Act requires that any letter of offer to sell defense articles or services to a foreign country for $25 million or more must be reported to Congress 20 calendar days before the letter of offer can be issued. Congress then may, within these 20 calendar days, adopt a concurrent resolution disapproving the sale. Without congressional action, the sale goes into effect.

This procedure permits Congress no effective voice in determining U.S. arms sale policy. Twenty calendar days does not allow time for proper consideration of the impact an arms sale agreement may have on U.S. security. If the letter goes out during a congressional recess, an effective 20-day time period may not even exist.

The first step toward a constructive congressional role in formulating U.S. arms sale policy, therefore, must be the extension of the consideration period from 20 calendar days to 20 legislative days, or some similar period. This more reasonable time frame should enable Congress to participate more effectively in U.S. arms sales policy. To further development of a U.S. policy, Congress should require a "security impact statement" from the President, as Commander in Chief, outlining the effect of a sale on U.S. security interests, following the various policy considerations outlined above: requesting nation's defense needs, its political stability, the probability of transfer, and so forth. Considering the high costs of military armaments, the present $25 million notification figure is unrealistically low; it does not cover today's cost of just one jet plane. This low figure causes the Congress to be swamped with a multitude of letters of notification; smothered in paperwork and detail, we have difficulty distinguishing the significant from the routine sales. the threshold triggering the Presidential report to Congress should, therefore, be raised to $100 million. The higher figure would mark a significant alteration in the level of arms sold to a foreign nation which should call for congressional examination, and would make more effective a congressional policy role.

By means of the report containing a comprehensive impact statement and a longer time period of examination and consideration of an arms sale. Congress would be able to play a definite and constructive role in arms sale policy. This expanded role of the legislative branch of our Government in formulating arms sales policy should be stressed to all potential foreign arms purchasers. No arms sale would be final until Congress had an opportuity to approve it, and all potential parties to an agreement should clearly understand this fact.

Mr. Speaker, U.S. arms sales abroad present a complex and far reaching foreign policy problem. It is past time that the Congress began examining that problem and seeking solutions to it. The hearings now underway in the Investigations Subcommittee of the International Relations Committee will hopefully be an effective start toward formulating a comprehensive arms sale policy. I believe the thoughts I have expressed today will help provide a framework within which the issues may be discussed in the subcommittee.

NEW HEW REGULATION AFFECTING SCHOOL ATHLETICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 10 minutes.

Mr. ASHBROOK. Mr. Speaker, yesterday the Department of Health, Education, and Welfare published for public comment a proposed regulation setting forth enforcement procedures for all of the Department's statutory civil rights responsibilities. While the proposed regulation sets standards covering a number of statutes, that section relating to title IX of the Education Amendments of 1972 garnered the headlines in the press. As the HEW fact sheet described it, this education statute "affects virtually every educational institution in the country," and prohibits discrimination by sex in educational programs that receive Federal money.

Regulations such as the above are, of course, a main vehicle of the bureaucracy at work. Congress passes the laws and then gives to the Federal departments and agencies the task of implementing them via the regulation route. Unfortunately, in the past Congress has not done a very good job of carrying out its responsibility of overseeing programs it originated. However, as I pointed out on January 27 of this year, Congress did correct a misinterpretation by HEW in the scope of title IX coverage in which HEW ruled that such organizations as the Girl Scouts, Boy Scouts, Campfire Girls, YWCA's and YMCA's, sororities and fraternities could not use school facilities as they engaged in sex discrimination. Fortunately, this nonsense was corrected.

In my January 27 remarks I noted that "further congressional action may well be needed to exempt physical educational classes and service organizations from HEW's unisex group approach." Yesterday HEW published part 86 of the departmental regulation on discrimination in education which will go into effect on July 21 unless rejected by Congress.

The following HEW description of the regulation provides an initial review in question and answer form of the scope of its coverage, especially in the field of athletics:

TITLE IX QUESTIONS AND ANSWERS

Question. What is Title IX?

Answer. Title IX is that portion of the Education Amendments of 1972 which forbids discrimination on the basis of sex in educational programs or activities which receives Federal funds.

Question. Who is covered by Title IX?

Answer. Virtually every college, university, elementary and secondary school and preschool is covered by some portion of the law. Many clubs and other organizations receive Federal funds for educational programs and activities and likewise are covered by Title IX in some manner.

Question. Who is exempt from Title IX's provisions?

Answer. Congress has specifically exempted all military schools and has exempted religious schools to the extent that the provisions of Title IX would be inconsistent with the basic religious tenets of the school.

Not included with regard to admission requirements ONLY are private undergraduate colleges, nonvocational elementary and secondary schools and those public undergraduate schools which have been traditionally and continuously single-sex since their establishment.

However, even institutions whose admissions are exempt from coverage must treat all students without discrimination once they have admitted members of both sexes.

Question. Does the law cover social sororities and fraternities?

Answer. Congress has exempted the membership practices of social fraternities and sororities at the postsecondary level, the Boy Scouts, Girl Scouts, Camp Fire Girls, Y.W.C.A., Y.M.C.A., and certain voluntary youth services organizations. However, if any of these organizations conduct educational programs which receive Federal funds open to nonmembers, those programs must be operated in a nondiscriminatory manner.

Question. May a vocational school limit enrollment of members of one sex because of limited availability of job opportunities for members of that sex?

Answer. No. Further, a school may not assist a discriminatory employer by referral of students or any other manner.

Question. In athletics, what is equal opportunity?

Answer. In determining whether equal opportunities are available, such factors as these will be considered:

Whether the sports selected reflect the interests and abilities of both sexes;

Provision of supplies and equipment;

Game and practice schedules;

Travel and per diem allowances;

Coaching and academic tutoring opportunities and the assignment and pay of the coaches and tutors;

Locker rooms, practice and competitive facilities;

Medical and training services;

Housing and dining facilities and services;

Publicity.

Question. Must an institution provide equal opportunities in each of these categories?

Answer. Yes. However, equal expenditures in each category are not required.

Question. What sports does the term "athletics" encompass?

Answer. The term "athletics" encompasses sports which are a part of interscholastic, intercollegiate, club or intramural programs.

Question. When are separate teams for men and women allowed?

Answer. When selection is based on competitive skill or the activity involved is a contact sport, separate teams may be provided for males and females, or a single team may be provided which is open to both sexes. If separate teams are offered, a recipient institution may not discriminate on the basis of sex in providing equipment or supplies or in any other manner.

Moreover, the institution must assure that the sports offered effectively accommodate the interest and abilities of members of both sexes.

Question. If there are sufficient numbers of women interested in basketball to form a viable women's basketball team, is an institution which fields a men's basketball team required to provide such a team for women?

Answer. One of the factors to be considered by the Director in determining whether equal opportunities are provided is whether the selection of sports and levels of competition effectively accommodate the interests and abilities of members of both sexes. Therefore, if a school offers basketball for men and the only way in which the institution can accommodate the interests and abilities of women is by offering a separate basketball team for women, such a team must be provided.

Question. If there are insufficient women interested in participating on a women's track team, must the institution allow an interested woman to compete for a slot on the men's track team?

Answer. If athletic opportunities have previously been limited for women at that school, it must allow women to compete for the men's team if the sport is a noncontact sport such as track. The school may preclude women from participating on a men's team in a contact sport. A school may preclude men or women from participating on teams for the other sex if athletic opportunities have not been limited in the past for them, regardless of whether the sport is contact or noncontact.

Question. Can a school be exempt from Title IX if its athletic conference forbids men and women on the same noncontact team?

Answer. No. Title IX preempts all state or local laws or other requirements which conflict with Title IX.

Question. How can a school athletics department be covered by Title IX if the department itself receives no direct Federal aid?

Answer. Section 844 of the Education Amendments of 1974 specifically states that: "The Secretary shall prepare and publish . . . proposed regulations implementing the provisions of Title IX of the Education Amendments of 1972 relating to the prohibition of sex discrimination in Federally-assisted education programs which shall include with respect to intercollegiate athletic activities reasonable provisions considering the nature of particular sports."

In addition, athletics constitutes an integral part of the educational processes of schools and colleges and, thus, are fully subject to the requirements of Title IX, even in absence of Federal funds going directly to the athletic programs.

The courts have consistently considered athletics sponsored by an educational institution to be an integral part of the institution's education program and, therefore, have required institutions to provide equal opportunity.

Question. Does a school have to provide athletic scholarships for women?

Answer. Specifically, the regulation provides: "To the extent that a recipient awards athletic scholarships or grants-in-aid, it must provide reasonable opportunities for such awards for members of each sex in proportion to the number of students of each sex participating in interscholastic or intercollegiate athletics."

Question. How can schools and colleges interested in a positive approach to Title IX deal with its provisions?

Answer. To encourage each school and college to look at its policies in light of the law, the final regulation now includes a self-evaluation provision. This requires that during the next year the educational institution look at its policies and modify them to comply with the law as expressed by the regulation. This includes remedying the effects of any past discrimination.

Question. Does Title IX cover textbooks?

Answer. No. While the Department recognizes that sex stereotyping in curricula and educational material is a serious matter, it is of the view that any specific regulatory requirement in this area raises constitutional questions under the First Amendment. The Department believes that local education agencies must deal with this problem in the exercise of their traditional authority and control over curriculum and course content.

Question. Many universities administer substantial sums of scholarship money created by wills and trusts which are restricted to one sex. If the will or trust cannot be changed to remove the restriction, must the universities cease administration of the scholarship?

Answer. Where colleges administer domestic or foreign scholarships designated by a will, trust or similar legal instrument, exclusively for one sex or the other, the scholarship recipients should initially be chosen without regard to sex. Then, when the time comes to award the money, sex may be taken into consideration in matching available money with students to be awarded the money. Scholarships, awards or prizes which are not created by a will, trust, or similiar legal instrument, may not be sex-restricted.

Question. What are the Title IX requirements for counseling in schools and colleges?

Answer. An institution using testing or other materials for counseling may not use different materials for males and females, nor may it use materials which lead to different treatment of students on the basis of sex.

If there is a class or course of study which has a disproportionate number of members of one sex, the school is required to assure that the disproportion does not stem from discrimination by counselors or materials.

Question. May a college administer or assist in the administration of sex-restrictive scholarships, such as the Rhodes, which provide opportunities for students to study abroad?

Answer. Yes, if (1) The scholarship was created by a will, trust, or similar legal instrument, or by an act of foreign government, and (2) The institution otherwise makes available reasonable opportunities for similar studies abroad by members of the other sex. Such opportunities may be derived from either domestic or foreign sources.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CHARLES H. WILSON) is recognized for 5 minutes.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I am disappointed in the Democratic members of the Ways and Means Committee for sponsoring such an irresponsible energy bill, and so I voted in support of amendments to eliminate the fuel taxes which would have placed such hardships on working people in districts such as the one I represent.

In the event the final bill is voted on today, I will be unable to be present because of hearings being held tomorrow ir Los Angeles to amend the Hatch Act by giving Federal employees the right to voluntarily participate in Federal elections. This meeting has been scheduled for several weeks, and a very distinguished group of witnesses have committed themselves to presenting testimony on this very important matter.

If final passage of H.R. 6860 comes after my departure for hearings on the Hatch Act, I want it known that I would vote "no" on this bill. Frankly, I feel that considering amending the Hatch Act is much more important than wasting time discussing the ill-conceived energy legislation emerging from the Ways and Means Committee. In the meantime, I hope that other congressional committees having jurisdiction over these crucial energy problems can arrive at a reasonable solution to the energy crisis which will at the same time take account of the needs of most Americans. Such legislation would merit my enthusiastic support.

LEGISLATION TO EQUALIZE COST-SHARING FORMULAS UNDER CHAMPUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. HICKS) is recognized for 5 minutes.

Mr. HICKS. Mr. Speaker, I am introducing today a bill to equalize the cost-sharing formulas under CHAMPUS on behalf of 13 of my colleagues on the Armed Services Committee. This bill is a direct result of hearings held by our committee during the second session of the 93d Congress. The committee's report, "CHAMPUS and Military Health Care," directed the Secretary of Defense to submit to the Congress draft legislation equalizing cost-sharing formulas for retirees and their dependents with those of dependents of active duty personnel.

At present, active duty members pay $25 per hospital admission for inpatient care, and 20 percent of the costs after the deductible, which is $50 for a single claim or $100 total for two or more claims per fiscal year, for outpatient care under the CHAMPUS program. At the same time, retirees pay 25 percent of the cost for inpatient care, and 25 percent of the cost after the deductible, which is the same as that for active duty personnel, for outpatient care. During these hearings every Defense Department witness was asked if it was fair to impose this extra burden on retirees. Every witness agreed that it was unfair to impose different cost-sharing formulas, and thus the committee's recommendation for equal rates.

The Defense Department has still not responded to the committee's directive. What is worse, Pentagon officials have apparently ignored the legislative intent on this matter, and have proposed legislation that would equalize cost-sharing formulas by raising the rates for active duty personnel.

As a result of this disregard of the committee directive, this bill is introduced for the purpose of providing retirees the same cost-sharing formulas as under CHAMPUS. In my opinion, the need for this legislation is heightened by the recent changes in CHAMPUS regulations which reduce the coverage provided under this health benefits program.

I hope my colleagues will join with me supporting this measure.

THE CONTINUING CONTROVERSY AT SHIPROCK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 15 minutes.

Mr. MEZVINSKY. Mr. Speaker, last month I brought to the attention of my colleagues the problems of two nurses who had been fired from Shiprock Indian Hospital because of their efforts to improve health care services. I am disappointed to report today that the matter has still not been properly settled.

Two nurses, Valerie Koster and Sandra Kramer, were fired from Shiprock because they refused to find acceptable the filthy conditions and inadequate staffing at the hospital. The Department of Health, Education, and Welfare, after being pressured, finally agreed to expunge their record of erroneous charges levied against them as grounds for their firing and to reinstate them as Indian health nurses. The only catch is they are not permitted to go back to Shiprock, but instead have been separated and sent to hospitals in Arizona and Oklahoma.

HEW has not settled the questions raised by Ms. Koster and Ms. Kramer, but has merely papered over them. The response of HEW in this matter avoids the two major problems that HEW should be seeking to solve—the shocking conditions at Shiprock and the status of the two nurses. By transferring the two nurses, the HEW is hoping that the issue will vanish and the conditions cited by them will remain undisturbed. Fortunately, these two women have the courage and stamina to continue to fight these injustices, not only to themselves, but also to those persons who rely on the facilities at Shiprock.

Mr. Speaker, I would like to submit for the RECORD two newspaper articles, one by Clark Mollenhoff of the Des Moines Register and the other by Nicholas von Hoffman which appeared in the Washington Post:

[From the Des Moines Register, May 28, 1975]

DAVENPORT NURSE FIGHTS TO AID INDIANS

(By Clark Mollenhoff)

WASHINGTON, D.C.—In the months since she was graduated from the University of Illinois School of Nursing, Valerie Koster has had enough frustration and career troubles to last a lifetime.

The 22-year-old Iowan, first in her class at A Davenport high school and with an "A average" in nursing school, thought she could do something about the substandard care the Navajo Indians were receiving at the Indian Health Service Hospital at Shiprock, N.M.

Her troubles have flowed from a conscientious and persistent effort to improve the admittedly substandard health services at the hospital.

Evidence obtained by congressional investigators has now indicated that conditions at Shiprock were far worse than stated by Valerie Koster and another nurse, Sandra Kramer, of Annapolis, Md., in their letters to congressmen and to the Navajo Times last December.

Senate investigators who had criticized conditions at Shiprock a year ago have conducted new investigations since nurses Koster and Kramer testified before a Senate judiciary subcommittee two weeks ago.

Last week the investigators said "the deplorable conditions" found a year ago have deteriorated even further."

The "scandalous conditions" that caused the two nurses to make their public complaints have resulted in "more than a half dozen nurses" leaving the already short staff.

CONDITIONS WORSE

"As bad as conditions are at Shiprock there are at least a dozen places that are far worse, and the internal reports of the Indian Health Service have stated that inadequate equipment, unsafe buildings, unsanitary shacks and overworked doctors and nurses have been responsible for the injury and death of many patients," an investigator said.

The files contain letters from Indian Health Service doctors who have left or are leaving the service because they do not feel they can do their job properly under conditions that exist, and that efforts to get public attention on the problems are met with repression, the investigator said in an interview.

Nurse Koster knew that the Indians received substandard care, and she had set her heart on the Indian Health Service from her junior year in nursing school when she took Indian art and culture courses.

But she was not prepared for the conditions and attitudes she found at Shiprock when she reported there for duty last September.

She had been prepared for a shortage of doctors and nurses, but had expected a spirit of dedication to improvement of health care and maximum use of the personnel and physical facilities available, she said.

Instead she found what congressional investigators had found a few months earlier; inadequate secretarial help, household help, and maintenance crews. Doctors and nurses were tied up with extensive cleaning chores and paperwork and put in such long hours that they were unable to perform efficiently.

When Koster was taken to her apartment by Beverly Smith, the nursing supervisor they found it filthy and in shambles, with furniture overturned and broken. It was necessary to spend four days cleaning it and making repairs so it was liveable, Koster said.

NO ONE CARED

As contrasted to some of the other dilapidated Indian Health Service buildings, the physical structure at Shiprock is "reasonably good", but "a laziness syndrome had set in and no one cared," Koster said last week.

She went alone to Smith with her first three complaints at the hospital and grounds. Koster acknowledged that nurse and doctor shortages were a part of the problem, but argued that there were ways that the nurses and doctors could be used more efficiently and that the filth was disgraceful.

Nurses Koster and Kramer had joined the staff at the same time, and worked the same shift. They discussed the problems between themselves and with others, and then went to see Dr. Luverne Husen, the director of the hospital.

They were surprised and a little shocked, Koster said, when Husen commented: "Did you ever think that Navajos might feel comfortable in filth?"

Dr. Husen's lack of interest left us with only one course if we wanted to improve conditions," Koster related. "We decided to write to the area director, Dr. (Marlene) Haffner."

Koster and Kramer talked about conditions with other nurses. "Some told us that they had cared very much when they first arrived, but that after a few futile efforts at improving conditions they had given up and were going to serve out their time and get out," Koster said.

"I had gone there to help improve conditions, and I didn't want to give up until I'd given it my best effort," Koster said.

Letters to a half dozen congressmen and senators were the next step when there was no response from Haffner. A letter also was delivered to Chet MacRorie, editor of the Navajo Times.

NO "BOAT ROCKING"

The publishing of the letter brought a response, but hardly the kind of response the nurses expected.

"They didn't want any boat rocking. There was no interest in correcting conditions," Koster said.

Haffner called them to the area office at Window Rock, Ariz., and warned them that the Supreme Court had ruled that criticism of the agency or superiors was grounds for firing or demotion.

A promotion to head nurse in pediatrics had been in process for Kramer for six weeks, this was suddenly canceled. Husen told nurse Kramer that Kramer's complaint had demonstrated she was not ready for the promotion.

When Kramer filed a grievance, Haffner notified both nurses they were fired.

Koster said that she and Kramer were pleased when an Indian Health Service doctor that neither of them knew well took the initiative to obtain signatures of 40 employes supporting them, but that they were disheartened to learn that Husen had called the doctor in and criticized him for his action.

Koster said that she and Kramer were threatened with physical harm by persons friendly to Husen and the hospital administration, and that on one occasion in early February a woman laboratory technician who had an especially friendly relationship with Husen "assaulted Sandra in the hall of the hospital in front of witnesses, including the assistant administrator of the hospital."

The assault started with an attempt to grab a petition from Kramer's hand, and ended with Kramer "being pummeled against the wall," Koster said.

Koster said that she reported these incidents to her mother Mrs. Henry Koster, of Davenport, in letters and in periodic telephone calls, and that her mother had "been afraid that I would be injured or killed."

NO "BOAT ROCKING"

Because Haffner and Husen were unable to control these threatening conditions, Koster said, she and Kramer decided to leave Shiprock with Kramer's father, John Kramer, in late February to fight their battle from a safer place.

Although Haffner had filed general charges against the two nurses in seeking their discharge, they were unable to obtain the details of the charges against them until a week ago—a week after the Indian Health Service in Washington had directed that the charges be dropped and expunged from the record.

Both Koster and Kramer are opposed to accepting reinstatement if it is coupled with transfer to other posts.

"We feel that an involuntary transfer amounts to an adverse action against us," Koster said last week. "We also believe that we have a chance to make some progress in improving the Indian health care at Shiprock now that there has been the light of publicity on conditions."

"We are willing to give it another try, and just hope that Senator (Edward M.) Kennedy's hearings and other congressional investigations will make it possible for us to do the job the way it should be done," Koster said.

Kennedy has heard brief testimony from the two nurses, and plans more extensive hearings in June on the handling of the case by the Indian Health Service. The interior committee and permanent investigation subcommittee, both headed by Senator Henry Jackson (Dem., Wash.), have reopened an investigation of conditions in the Indian Health Service hospitals. There is bipartisan Senate support for a seven-year $1.6 billion Indian Health Care Improvement Act despite strenuous opposition from the Ford administration and Secretary of Health, Education and Welfare Caspar Weinberger.

[From the Washington Post, June 11, 1975]

ROCKING THE BOAT AT THE INDIAN HEALTH SERVICE

(By Nicholas von Hoffman)

Valerie Koster and Sandra Kramer are AWOL from Kafka's Castle.

The two young registered nurses, employees of the Indian Health Service, have refused to report for duty at new posts in Arizona and Oklahoma, where they have been assigned by Caspar Weinberger's Health, Education and Welfare government conglomerate. Instead, they're sitting in suburban Maryland trying to unhold a position of principle, a clear-cut violation of Civil Service regs.

Nurse Koster displayed a poor attitude even before joining the Indian Health Service. Clark Mollenhoff of the Des Moines Register, who did all the reporting on this story and broke it, has found out that even while a student at the University of Illinois' School of Nursing, the 22-year-old Koster had been slyly taking courses on Indian art and culture. She concealed this information so that the officials who hired her had no way of knowing that she never intended to give the Indian Health Service the loyalty and dedication it needs to avoid doing its work without inside harassment.

On being assigned last year to the Indian Health Service Hospital at Shiprock, N.M., the nurses discovered the outside of the place was strewn with garbage that attracted "packs of wild dogs" and "rodents." Within the nurses' residence were toilets "encrusted with black slime," and in the hospital itself "the focus is on filling out forms, doing the least work with the least effort and just getting by . . . for example, a physician refused to examine a patient who had just fallen out of bed because he had been sleeping and was upset over being awakened."

The two malcontents immediately engaged in the first of a series of actions that were to get them fired for profanity, carelessness of dress and insufficient attention to duty. They went to their superior to complain—a certain Dr. Luverne Husen, the hospital director. "Did you ever think that Navajos might feel comfortable in filth?" Koster says he asked her, thereby indicating she had been paying insufficient attention in those classes on Indian art and culture.

The troublemakers then went another step up the line to the area director and when that availed nothing they went public, writing to a number of congressmen and the editor of the Navajo Times. Always sensitive to the needs of its primitive aboriginal wards, the Service responded by canceling Kramer's promotion to head pediatric nurse; and when Kramer filed a grievance, both women were canned. It was their fault. The area director, Dr. Marlene Haffner, had warned them that the Supreme Court had ruled public complaining was grounds for sacking. Can't have any unconstitutional belly-aching for the good of the service.

But the two had done their work well, stirring up previously happy contented members of the medical staff. Calling the firings an "administrative frame-up," Dr. Frederick Townsend, head of Shiprock's outpatient clinic, passed around a petition of support for the two young subversives that 40 people signed.

In a letter to the hospital's director, Dr. Townsend was yet more critical of the patient care than Kramer and Koster: "There are . . . signs of overlooking substandard performance because one can't expect more from the uneducated Navajos. Working conditions are poor with the whole place at times looking like a county hospital emergency room. A few nurses rushing between seriously ill patients and every nurse I know on the staff has made medication errors. It's a wonder we haven't killed someone."

If they have, it would be more of a wonder if anybody on the outside found out about it. Pursuant to the Freedom of Information Act, Russell M. Roberts, HEW's Suppression of Information Officer, denied Koster and Kramer copies of the charges filed against them which resulted in their dismissal.

After a ruckus was raised by Edward Mezvinsky, Koster's Iowa congressman, the firings were rescinded and the adverse information in their file folders was expunged or "filed on the left side of the folder . . . in accordance with Appendix A, Chapter 293 of the Federal Personnel Manual," a great victory we understand. In the meantime a team of doctors from the University of New Mexico inspected the place and wrote a report backing up the nurses. That, too, might be considered a great victory except that conditions at Shiprock have been known and complained about by members of Congress for some time. Yelling about them does no good. Nothing does.

The nurses are vindicated and reinstated, but for the betterment of Indian health, they've been punished by being transferred to other stations. What else was HEW to do? If Koster and Kramer were returned to Shiprock, they would continue to cause trouble, which would only mean they would have to be fired again. It would be injurious to the morale, discipline and good order of the Service to improve conditions at the hospital. The Navajos wouldn't appreciate it and it would constitute a standing invitation for other members of the medical staff to take courses in Indian art and culture.

NEED FOR REFORM IN ESTATE TAX LAWS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, the Internal Revenue Service has just released its Statistics of Income Report on Estate Tax Returns for 1972, the latest year for which data is available. This report raises serious questions about the effectiveness of our Nation's estate tax laws.

According to the statistics, in 1972, 93 individuals with gross estates of $1 million or more died and paid no Federal estate tax. Specifically, 93 individuals had gross estates totaling $241 million or an average of $2.59 million each, yet paid no estate tax. Two hundred and three individuals with gross estates of between $500,000 and $1 million also died, and their estates were faced with no Federal estate tax. It appears that these millionaires and near millionaires were able to avoid Federal estate taxes through a careful planning of marital deductions, charitable bequests, and the paying off of debts and mortgages.

The marginal rate of estate tax on taxable estates of more than $10 million is 77 percent. It appears, of course, that this rate has no relation to reality—no one ever pays it. For example, according to the statistics, in 1972 there were some 89 individuals with gross estates of $10 million or more. These 89 individuals had an average gross estate of $21.3 million each and an average taxable estate of $9.4 million. These 89 individuals paid a total estate tax of $426 million, or an average of $4.7 million each—a figure closer to 50 percent of taxable estate rather than the statutory rate of 76 percent.

Mr. Speaker, when we hear complaints that the estate tax is too high, we should remember these statistics—proof that massive amounts of wealth are accumulated and passed on, sometimes without paying any Federal estate taxes and almost always paying estate taxes at a rate significantly below the statutory rate.

I hope that when the Ways and Means Committee considers tax reform legislation next month, that the entire system of estate and gift taxes is reviewed so that a more simple, effective, and progressive tax schedule can be developed.

INDUSTRIAL ENERGY CONSERVATION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, I am pleased to say that 44 Members have now joined me in cosponsoring the Industrial Energy Conservation Act of 1975, H.R. 6936. Prime sponsors who have aided me in circulating this legislation to other Members of the House include Mr. BINGHAM, Mr. BRADEMAS, Mr. CORMAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. FORD of Michigan, Mr. FRASER, Mr. HAWKINS, Mr. MCFALL, Mr. MCKINNEY, Mr. MATSUNAGA, Mr. MOSS, Mr. ROONEY, Mr. ROYBAL, Mr. SEIBERLING, and Mr. VANDER VEEN.

Since we originally filed H.R. 6936, the following additional Members have cosponsored the Conservation Act in H.R. 7598 and H.R. 7599. They include Ms. ABZUG, Mr. ANDERSON of California, Mr. BADILLO, Mrs. CHISHOLM, Mr. CONTE, Mr. CORNELL, Mr. DIGGS, Mr. EDGAR, Mr. EILBERG, Mr. FORD of Tennessee, Mr. HANNAFORD, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. JENRETTE, Mr. KREBS, Mr. MITCHELL of Maryland, Mr. REUSS, Mr. ROSENTHAL, Mr. SCHEUER, Mr. SOLARZ, Mr. STARK, Mr. STOKES, Mr. STUDDS, Mr. TSONGAS, Mr. UDALL, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, and Mr. WIRTH.

It is indeed gratifying to report, Mr. Speaker, that the Industrial Energy Conservation Act is receiving serious consideration in both the House and the Senate. Hearings are expected in the Energy Research, Development and Demonstration Subcommittee of the House Science and Technology Committee, while hearings begin next week on the bill in the Senate Commerce Committee.

The hearings in the Senate, in the Science, Technology and Commerce Subcommittee, will focus on the Industrial Energy Conservation Act which has been introduced by Senator JOHN TUNNEY, with Senators MAGNUSON, HOLLINGS, Moss, and STEVENSON as cosponsors. Senator TUNNEY's legislation has directly incorporated almost all of the provisions contained in our original House bill, H.R. 6936, in addition to containing a section on surveys, goals, and targets for industrial energy savings. This latter section is included in the House Interstate and Foreign Commerce Committee bill H.R. 7014, the Energy Conservation and Oil Policy Act of 1975.

As a result of coordinating efforts with Senator TUNNEY's Science, Technology and Commerce subcommittee, I am happy to report that further progress has been registered in improving upon our original House bill. Revisions have been made in the initial version of H.R. 6936, and for the benefit of my colleagues I will include the latest text of the conservation bill. Briefly, however, I would like to relate the major changes which have been made in the act.

The original bill provided for prototype or demonstration facilities which were to be directed toward the utilization and implementation of energy efficient equipment and processes which are not yet commercially feasible. The demonstration concept is retained under the revised act, but the Administrator of ERDA may only fund that portion of the demonstration facility which is deemed innovative, experimental, or nonconventional insofar as energy conserving industrial technologies.

H.R. 6936 also made available long-term, low-interest loans so as to incorporate the new technology into ongoing commercial enterprises. Industrial areas with continuing high unemployment were singled out to receive 60 percent of the funds under the loans section. The new bill completely adheres to this original approach, but adds Federal loan guarantees to induce the availability of private capital for industrial conservation improvements.

The only other major change in the bill, Mr. Speaker, is that the authorization levels have now been specified for the implementation of the conservation bill. For the period ending with fiscal year 1977, $175 million has been authorized for the research and demonstration portions of the legislation, while $135 million has been authorized for low-interest loans.

Mr. Speaker, the revised text of the act is as follows:

H.R. —

A bill to direct the Administrator of Energy Research and Development to establish a system of research and development of energy-conserving industrial technologies with due regard for the need to operate such a system in a manner which will stimulate depressed sectors of the American economy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Industrial Energy Conservation Act of 1975".

FINDINGS

SEC. 2. The Congress hereby finds and declares that—

(1) The energy producing facilities and resources available to American industry are and will remain essentially limited.

(2) Intensive exploration for, and development of, new and alternative energy-producing facilities and resources are essential, but they will not meet the Nation's demand for energy if that demand continues to increase at the same rate as it has.

(3) As a consequence, the conservation of energy is absolutely necessary.

(4) Industry consumes more energy than any other sector of American society, accounting for an estimated 40 percent of present energy use.

(5) Substantial energy savings can be achieved by industry by implementing more efficient operating practices with respect to existing and currently used equipment and technologies, and by adopting known new energy efficient technologies. Fuel consumption by major sectors of industry could thus be reduced by as much as one-third.

(6) Other important energy conserving industrial technologies could be readily made available with further research and development, and, these new technologies could result in even greater energy savings by industry.

(7) Rapid development and cost-effectiveness demonstrations, and widespread application by industry, of energy efficient technologies can be facilitated by Federal financial assistance in the form of research, development, and demonstration projects and through incentives to companies that invest in such technologies.

(8) In addition to the direct gains to be derived from such a technological endeavor in conserving ever more precious energy resources, numerous indirect gains may be anticipated, including the promotion of higher employment, a reduction in the rate and extent of deterioration of the natural environment, and easing of the dependence of American industry on the natural resources of other nations and a concomitant reduction in the tensions of international relations.

POLICY AND PURPOSE

SEC. 3. It is the policy and purpose of this Act, therefore—

(1) to foster and promote innovation and experimentation in the development of energy-efficient industrial technologies;

(2) to encourage and facilitate the interaction of government technicians, engineers, researchers, and theorists with individuals in private industry, research organizations, and other institutions for the purpose of promoting research into viable energy conserving industrial technologies through combined and coordinated efforts, through the extensive exchange and communication of information and material, and through the promotion of new institutions and organizations;

(3) to simultaneously promote competition in the pursuit of such technologies by the competitive and careful selection of demonstration facilities, programs, and activities, but without further impairing the economic viability of currently depressed sectors of the economy;

(4) to significantly and immediately reduce industrial energy demand without reduction or impairment of the rate of economic and industrial growth; and

(5) to enlist the best efforts and complete cooperation of American industry in the pursuit of energy conservation at all stages and levels of activity, and in furtherance of the goals and purposes of this Act.

DEFINITIONS

SEC. 4. As used in this Act, the term—

(1) "Administrator" means the Administrator of the Energy Research and Development Administration;

(2) "depressed industrial area" means an area, as designated by the Secretary of Labor, with a population of not less than 5,000 persons, in which—

(A) the rate of employment, as determined by such Secretary of Labor,

(i) is greater than 6.5 percent; or

(ii) has been at least 50 percent above the national average for 2 of the preceding 3 calendar years; or 60 percent above the national average for 3 of the preceding 4 calendar years; and

(B) there exist industrial sources of employment which have reduced the number of persons employed due to adverse economic or commercial circumstances, and which sources may be expected to increase labor employment upon receipt of such assistance as may be available under this Act. The Secretary shall compile a list of such areas and shall periodically add to such list, but no area, once listed, shall be removed therefrom unless and until the rate of unemployment in such area has fallen below 5 percent; and

(3) "energy efficiency" means the amount of industrial output, as defined by the Administrator, divided by the amount of energy or fuel required to produce such output.

RESEARCH AND DEVELOPMENT

SEC. 5. (a) GENERAL.—The Administrator shall establish and maintain a comprehensive program for research, development and demonstration of energy conserving industrial technologies. This program shall include—

(1) basic and applied research into such technologies to be conducted by, or under the direction and control of, the Administrator;

(2) the construction, fabrication, or other development by the Administrator, or by private persons or organizations under contract with the Administrator, of prototypes or demonstration models of such technologies and associated facilities; and

(3) the making of grants to private organizations and businesses to facilitate the incorporation of such energy conserving technologies into ongoing commercially conducted industrial enterprises and processes, on the express condition that—

(A) grant recipients allow such incorporation to serve as a model or demonstration facility for other persons in the same or other industrial fields, and

(B) grant recipients will be responsible for that part of such facility or process or any part thereof which may be deemed conventional, the Administrator funding only those parts of such facility which may be designated to be for the purpose of research, development, or implementation of innovative, experimental, or non-conventional energy conserving industrial technologies. However, nothing in this section shall be deemed to prohibit total funding by the Administrator should the Administrator certify that special circumstances warrant such funding.

(b) PRIORITIES.—In reaching decisions regarding the directions, priorities, activities, and operation of the industrial energy conservation program, and in selecting contract and grant recipients thereunder, the Administrator shall give due regard, wherever possible, to the following factors and criteria:

(1) the relationship of probably total cost to probably total benefit of alternative experimental or technical theories, approaches, designs, methods, applications, and direct and indirect consequences;

(2) the extent to which a given project, contract, or grant is directed toward energy conservation in those industries which are the most energy intensive per unit of product output, including but not limited to—

(A) the extraction and production of iron, steel, and aluminum;

(B) petroleum and petrochemical refining;

(C) the manufacture of paper, paperboard, cement, plastics, glass, styrene butadiene rubber, fertilizer production; and

(D) food processing;

(3) the extent to which a given project, contract, or grant is directed at encouraging the widespread adoption of applicable technologies and processes which are temporally close to commercialization with special emphasis on the following areas:

(A) heat transfer technology and waste heat recovery;

(B) low temperature heat applications;

(C) industrial steam and combined steam electricity production technology;

(D) new manufacturing processes;

(E) increased operational and procedural efficiency; and

(F) decentralization of electrical generation;

(4) the extent to which a given program or activity will promote the earliest possible utilization of energy conserving technology by the private sector; and

(5) the extent to which a given project, contract or grant will result in adverse health, safety, or environmental consequences.

(c) REGULATIONS.—In furtherance of the above cited objectives and goal, the Administrator shall promulgate such rules and regulations as, in the Administrator's discretion, may be deemed necessary to implement the purpose of this Act.

(d) COORDINATION.—In the promotion and development of the program required by this section, the Administrator shall cooperate and coordinate his activities with those of appropriate Federal, State, and local agencies and institutions, and with other public and private organizations and institutions.

LOANS AND LOAN GUARANTEES

SEC. 6. (a) General.—The Administrator is authorized, in accordance with the provisions of the Act, to make loans, and to guarantee the payment of loans and other obligations, for the purchase, construction, operation, or maintenance of energy efficient equipment or facilities.

(b) PRIORITIES.—In selecting recipients for loans and loan guarantees under this Act, the Administrator shall give due regard, wherever possible, to the following factors and priorities:

(1) the extent to which a given contract, grant, or loan recipient is located within a depressed industrial area, as defined in section 4. (2), and will alleviate unemployment and contribute to general or local economic development recovery;

(2) the extent to which a given loan or loan guarantee is directed at encouraging the widespread adoption of applicable technologies and processes, which are temporarily close to commercialization with special emphasis on those areas specified in section 5.(b)(3) of this Act;

(3) the extent to which increased energy efficiency may be attained by the modernization of existing plants and equipment, rather than by replacement, with a focus on fuel management and the introduction of fuel-conservation-oriented equipment;

(4) the extent to which a given expenditure will be recoverable by the Federal Government, either directly, by the repayment of loans, or indirectly, by an increase in Federal revenues resulting from the economic or industrial growth induced by such expenditure;

(5) the extent to which a given loan will afford small businesses every reasonable and adequate opportunity to participate in the economic and technological benefits of the overall program; and

(6) the extent to which a given loan or other expenditure will result in benefits to health, safety, or the environment.

(c) LOAN AND LOAN GUARANTEE REGULATIONS.—In furtherance of the above cited factors and criteria, the Administrator shall—

(1) to the extent reasonable and practicable, allocate at least 60 percent of the funds available for loans and loan guarantees pursuant to this Act to recipients located within depressed industrial areas;

(2) promulgate and enforce such rules and regulations as may be necessary to avoid unjust enrichment, fiscal irresponsibility, and economically irrational allocations of resources, and necessary rules and regulations governing the allocation of, qualifications for, obligations to be incurred, and conditions to be imposed with respect to loans, including, but not limited to, rules and regulations specifying—

(A) conditions governing the eligibility and selection of, and performance standards for, each type or category of loan recipient;

(B) requirements for partial or complete matching contributions of funds, facilities, or resources for receipt of such forms or types of loans as the administrator may specify;

(C) rates of interest, time and method of repayment, and other terms and conditions of loan obligations;

(D) methods and criteria for the cancellation or compromising of such loan obligations, such cancellation or compromising to be limited to those situations where and to the extent that, in the judgment of the Administrator, a loan recipient requires such cancellation or compromise because of insolvency resulting from the failure of the energy conserving technology implemented by such recipient to be or to prove economically viable, or to produce a reasonable return on the recipient's investment in such technology;

(E) reporting, demonstration, and monitoring requirements for loan recipients;

(F) conditions for visits to the plants or facilities of loan or loan guarantee recipients by the Administrator and others; and

(G) penalties for violation of any rule or regulation, or of any contract, grant, or loan condition, which penalties may include—

(i) immediate cancellation of such contract, grant, or loan, with recovery of part of all of any funds advanced to a recipient thereof; and

(ii) a civil penalty not to exceed $5,000 per violation.

(d) REGULATIONS PERTAINING ONLY TO LOAN GUARANTEES.—

(1) GENERAL.—The Administrator is authorized, in accordance with the provisions of this section and such rules and regulations as he shall prescribe, to guarantee and to make commitments to guarantee the payment of interest on, and the principal balance of, a loan or other obligation incurred by any institution, organization, corporation, partnership, or individual for the purpose of financing installation or construction of full-scale operational energy efficient equipment or facilities: *Provided*, That (A) the outstanding indebtedness guaranteed under this Act shall at no time exceed $500,000,000; and (B) no guarantee or commitment to guarantee shall be undertaken under this Act after September 30, 1977. Each application for such a guarantee shall be made in writing to the Administrator in such form and with such content and other submissions as the Administrator shall prescribe to reasonably protect the interests of the United States. Each guarantee and commitment to guarantee shall be extended in such form, under such terms and conditions, and pursuant to such regulations as the Administrator deems appropriate. Each guarantee and commitment to guarantee shall inure to the benefit of the holder of the obligation to which such guarantee or commitment applies. The Administrator is authorized to approve any modification of any provision of a guarantee or of a commitment to guarantee such an obligation, including the rate of interest, time of payment of interest or principal, security, or any other terms or conditions, upon a finding by the Administrator that such modification is equitable, not prejudicial to the interests of the United States, and has been consented to by the holder of such obligation.

(2) CRITERIA.—The Administrator shall make a guarantee, or a commitment to guarantee, under subsection (c), with respect to a facility, only if such facility will be constructed, cperated, and maintained in accordance with any applicable standards or regulations duly issued by the Administrator, and upon a finding by the Administrator that no other means of financing or refinancing such facility is reasonably available to the applicant.

(3) CHARGES.—(A) The Administrator shall charge and collect such amounts as he may deem reasonable for the investigation of applications for a guarantee, for the appraisal of properties offered as security for a guarantee, and for the issuance of commitments to guarantee.

(B) The Administrator shall collect such reasonable fees and charges as he shall determine for a loan or other obligation guaranteed under this section.

(4) VALIDITY.—No guarantee or commitment to guarantee an obligation entered into by the Administrator shall be terminated, canceled, or otherwise revoked, except in accordance with reasonable terms and conditions prescribed by the Administrator. Such a guarantee or commitment to guarantee shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Such a guarantee or commitment shall be valid and incontestable in the hands of a holder as of the date when the Administrator entered into the contract of guarantee or commitment to guarantee, except as to fraud, duress, mutual mistake of fact, or material misrepresentation by or involving such holder.

(5) DEFAULT.—(A) If there is a default by the obligor in any payment of interest or principal due under an obligation guaranteed by the Administrator under this section, and such default has continued for 60 days, the holder of such obligation or his agents have the right to demand payment of such unpaid amount from the Administrator. Within such period as may be specified in the guarantee of related agreements, but not later than 45 days from the date of such demand, the Administrator shall promptly pay to the obligee or his agent the unpaid interest on, and the unpaid principal of, the obligation guaranteed by the Administrator as to which the obligor has defaulted, unless the Administrator finds that there was no default by the obligor in the payment of interest or principal or that such default has been remedied.

(B) If the Administrator makes a payment under paragraph (5)(A), he shall have all rights specified in the guarantee or related agreements with respect to any security which he held with respect to the guarantee of such obligation, including, but not limited to, the authority to complete, maintain, operate, lease, sell, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements.

(C) If there is a default under any guarantee or commitment to guarantee an obligation, the Administrator shall notify the Attorney General. Upon such notification, the Attorney General shall take such action against the obligor or any other parties liable thereunder as is, in his discretion, necessary to protect the interests of the United States. The holder of such obligation shall make available to the United States all records and evidence necessary to prosecute any such suit.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 7 (a) There are authorized to be appropriated to carry out the purposes of section 5 of this Act, funds not to exceed $55,000,000 for the fiscal year ending June 30, 1976, not to exceed $20,000,000 for the transitional fiscal quarter ending September 30, 1976, and not to exceed $100,000,000 for the fiscal year ending September 30, 1977.

(b) There are authorized to be appropriated to the Administrator for the purpose of making loans under this Act, such sums as are necessary not to exceed $22,500,000 for the fiscal year ending on June 30, 1975; $45,000,000 for the fiscal year ending on June 30, 1976; $22,500,000 for the transitional fiscal quarter ending on September 30, 1976; and $45,000,000 for the fiscal year ending on September 30, 1977.

(c) There are authorized to be appropriated to the Administrator such sums as are necessary, not to exceed $500,000,000 to pay any amount required to be paid by reason of a default on any loan or other obligation guaranteed under section 6 of this Act.

CONGRESSIONAL PAY RAISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, on June 10 the noted national columnist and commentator Elizabeth Drew made a cogent plea for a congressional pay raise. Such a plea, particularly from a member of the fourth estate, is certainly rare these days, so I think it bears reading by all of us and all citizens.

I do not agree with all her reasoning, particularly where she equates our office allowances, which we use to serve our constituents, with our personal funds. But she does an excellent job explaining how we work in relation to our pay. As everyone knows, our pay has remained the same while the cost of living has risen 40 percent in 7 years.

The commentary, broadcast on WTOP radio, follows:

Shocking as the idea may seem at first, I think that the salaries of Congressmen and Senators should be raised—and by a substantial amount. Currently, the Congress and the public are joined in a hypocritical game that keeps the salaries of our politicians down, but at a considerable price.

Congressional salaries—$42,500—may seem high, but considering what we ask of these people, they are not. Many of them have to maintain two homes. For those who really do go home to see their constituents frequently, there are not enough free trips provided. When constituents must be entertained, Congressmen cannot, as can businessmen, or even journalists have these expenses covered, or deducted from their taxes. If they are below the age when it might be just as well if they retired, they are probably financing the education of their children. The Congressional salaries have not been raised since 1969.

The politicians are correct in their sensitivity to the public about their salaries. So they go about feathering their nests in other ways—some above board and some below. Some have spectacular conflicts of interest. We rail at them about their franking privileges and stationery allowances. We assail them for increasing their staffs.

The consequence of this is a false economy, or worse. In order to meet their personal expenses, the politicians rush about the country to make speeches and do heavens-knows-what else. The best of them, unless they are wealthy, are chronically exhausted and distracted. And we have created a kind of class politics. In what we like to think of as the world's greatest democracy, many people do not enter politics, or stay in politics, simply because they cannot afford it. It has been estimated that over half of the members of the Senate are millionaries. This hardly seems representative.

So it would seem to make more sense to pay our politicians more—perhaps even twice that they earn now—place severe restrictions on outside income, and have them put their private holdings in a trust. This would seem to be a small investment that might have substantial yields for our political system.

CONSUMER PROTECTION LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. THORNTON) is recognized for 10 minutes.

Mr. THORNTON. Mr. Speaker, with the recent action of the Senate in passing S. 200, the likelihood has increased that the 94th Congress will enact consumer protection legislation.

I support that goal, and today I am reintroducing legislation which I introduced in the 93d Congress to establish a Congressional Office of Consumer Protection.

My bill differs from consumer protection legislation previously introduced—and from S. 200—by establishing the office as an arm of the Congress, rather than as an independent executive agency under the President. I believe that the establishment of the office as an arm of the Congress, along the lines of the General Accounting Office, will assure an appropriate check and balance for the bureaucracy of the executive branch, and will be an effective method of representing and protecting the public interest.

Following is a brief summary of the provisions of the bill:

SUMMARY OF BILL

Section 1. Provides that the Act may be cited as the "Consumer Protection Act of 1975".

Section 2. This section contains the findings of Congress that vigorous representation and protection of the interests of consumers is essential to the fair and efficient functioning of a free market economy.

Section 3. The Office of Consumer Protection established by this bill shall be independent of the President and of the executive departments and under the control and direction of a Consumer Counsel who shall be appointed for a term of 15 years, ineligible to succeed himself, with salaries and retirement benefits established by this bill, and with a provision that the Consumer Counsel—and the Assistant Consumer Counsel—may not be removed except by Congress, for inefficiency, permanent incapacity, neglect of duty, or other specific causes. No employee of the office—except expert consultants—may accept other employment.

The structure of the office provided in this section is similar to that employed in the establishment of a Comptroller General in the General Accounting Office.

Section 4. The Consumer Counsel is granted general authority to employ, subject to civil service and classification laws, such persons as may be necessary to carry out the provisions of the act, and to establish rules, appoint advisors, enter into contracts, and accept services of others.

Under subsection (c) Federal agencies are directed, upon request by the Consumer Counsel, to cooperate with the Office of Consumer Protection and to furnish information and statistics, and to allow access to agency information.

The Consumer Council is required to submit an annual report of acts taken, suggestions for legislation, and evaluation of consumer programs to the Congress and the President in January of each year.

Section 5. The Office of Consumer Protection is charged with the duty of protecting and promoting the interests of the people of the United States as consumers. The office shall specifically assure that consumer interests are considered in the formulation of the policies and operation of programs by appropriate Federal agencies, develop education and counseling programs, and conduct investigations concerning consumer problems. The office is directed to cooperate with and assist private enterprise in the promotion and protection of the interest of consumers, and to keep committees of Congress informed of its activities.

Section 6. The Consumer Counsel, upon a finding that a matter affecting the interests of consumers is pending before any Federal court or agency and that the intervention of the Office of Consumer Protection is required to adequately protect interests, may as a matter of right participate in such proceeding in accordance with such agency's generally applicable rules of practice and may obtain a review of agency action directly in any U.S. court of appeals.

In addition, the Consumer Counsel, upon a determination by the court that an agency action may adversely affect consumers and that the interests of consumers are not otherwise adequately represented, may seek judicial review of agency action in which the Consumer Counsel did not participate. The Consumer Counsel may in the discretion of the agency or court participate as amicus curiae. The Consumer Counsel is authorized to request Federal agencies to initiate proceedings required in the consumer interest and to obtain judicial review of agency action or inaction.

Subsection (e) provides for use by the Consumer Counsel of agency powers of subpoena and production of evidence.

Subsection (f) makes clear that the Consumer Counsel or his designated representative shall represent the Office of Consumer Protection in the courts and that the Federal agencies will be represented by the Attorney General of the United States.

Subsection (h) makes clear that the Consumer Counsel is not authorized to intervene in State or local proceedings, but subsection (i) specifically authorizes communication with other offices and agencies, whether Federal, State or local.

Section 7. Before issuing or adopting any rules, regulations, guidelines, orders, standards or formal policy decisions or before taking any other action which may substantially affect the interest of consumers every Federal agency shall notify the Office of Consumer Protection and take such action with due consideration to such interest. In taking any action which may substantially affect the interest of consumers the Federal agency shall indicate in a public announcement the consideration which has been given to such interest upon request of the Office of Consumer Protection—or if it is a case where a public announcement would normally be made.

Section 8. Upon receipt of any complaint or other information affecting the interests of consumers and disclosing a probable violation of a law of the United States, a rule or order of a Federal agency or office, or a judgment, decree, or order of any court of the United States involving a matter of Federal law the Office of Consumer Protection may take any action within its authority which may be desirable or transmit the complaint to the Federal agency charged with the duty of enforcement. This subsection also allows the Office of Consumer Protection to take action based on information which it has developed on its own initiative.

Subsection (c) directs the Office of Consumer Protection to ascertain the nature and extent of action taken with regard to complaints or other information transmitted to Federal agencies. Upon receipt of complaints against business enterprises such business enterprises will be promptly notified by the Office of Consumer Protection. A public document room containing all signed consumer complaints together with annotations of actions taken shall be maintained by the Office for public inspection and copying subject to the following conditions:

First, that the complaining party has not requested confidentiality.

Second, the party complained against has had 60 days to comment on such complaint. such comment to be displayed with the complaint.

Third, upon referral of the complaint to another entity, that such entity has had 60 days in which to notify the Office of Consumer Protection of the action it intends to take with respect to the complaint.

Section 9. This section allows for the dissemination to the public of information, statistics, and other data which may be of interest to consumers. Subsection (b) of this section authorizes and directs Federal agencies to cooperate with the Office of Consumer Protection in making such information available to the public.

Section 10. All Federal agencies which possess testing facilities and staff relating to the performance of consumer products and services are directed to perform such tests as the Consumer Counsel within his authority under section 6 may request. The results of such tests may be used or published only in proceedings in which the Office of Consumer Protection is participating or has intervened pursuant to section 6.

Neither a Federal agency engaged in testing products under this act nor the Office of Consumer Protection shall declare one product to be better or a better buy than any other product. Subsection (d) directs the Office of Consumer Protection to periodically review tested products to assure that information disseminated about them conforms to the test results.

Section 11. The section on limitations of disclosures serves to protect, (1) privileged or confidential trade secrets and commercial or financial information, and (2) information which comes within the exceptions to the Public Information Act. However, subsection (b) allows such information to be disclosed in an adjudication if the judge or other officer presiding finds that the matter is relevant and that disclosure is necessary. Additional safeguards are provided for release of information in instances which do not involve an administrative proceeding or an adjudication.

Section 12–16. These sections provide for procedural fairness, define terms used in the bill, and contain appropriate savings clauses, conforming amendments and the effective date.

ARTHUR S. FLEMMING, A DISTINGUISHED PUBLIC SERVANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, one of the ablest and most dedicated public servants whom I have had the privilege of knowing during my service in Congress is the distinguished Commissioner of the Administration on Aging of the Department of Health, Education, and Welfare and the Chairman of the United States Commission on Civil Rights.

As Members of the House of Representatives are also aware, Dr. Flemming earlier served the U.S. Government in other positions of responsibility, including those of Secretary of the Department of Health, Education, and Welfare and member of the U.S. Civil Service Commission.

As chairman of the Subcommittee on Select Education, which has jurisdiction over programs under the Older Americans Act, I have heard Dr. Flemming testify on these programs on many occasions as well as on a number of other legislative measures considered by the House Committee on Education and Labor.

Although I have not always been in agreement with the positions taken by Dr. Flemming on matters before our committee, I have always been impressed by his knowledge of the subject on which he was testifying, by his candor, by his wisdom, and by his obvious dedication to improving the quality of life for the people of the United States.

I take time today, Mr. Speaker, to pay tribute to Dr. Fleming because this happens to be his 70th birthday.

That during years when many others might have retired into a life of inactivity Arthur Flemming has so vigorously and effectively provided national leadership in two vital areas of our country life—problems of the elderly and of equal opportunity—seems to me dramatic evidence of the constructive, indeed, extraordinary contributions that older persons can make to our society.

I can understand, Mr. Speaker, how some persons may say that because Dr. Flemming has reached the age of 70, he should now retire from one or both of his positions of responsibility.

Let me, however, Mr. Speaker, express my own deep hope that, in his wisdom, President Ford will retain Dr. Flemming

in both these postions of leadership not only because Dr. Flemming is a symbol of the splendid contributions older persons can make to our country but also because he performs in such an outstanding manner in both positions.

Mr. Speaker, Congress is now moving, through inclusion of the Age Discrimination Act in the Older Americans Act Amendments of 1975, which the House passed earlier this year and which now await action in the Senate, to eliminate discrimination on account of age in activities supported or assisted by the Federal Government. I hope very much that the President will join in supporting the principle contained in the Age Discrimination Act by keeping Arthur Flemming not on the job, but on the jobs.

UNREAL APPROACH TO SMALL CAR INCENTIVES

(Mr. PRESSLER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRESSLER. Mr. Speaker, I rise to point out that you cannot haul hogs in a Honda.

We have been discussing a lot of bills which would give incentives to have smaller cars, but there have been no exemptions for families that need pickups and trucks for farmwork. The entrepreneur who has a van is not exempted. These types of work vehicles are not exempted in any of the amendments we are considering. Therefore, I have a great deal of difficulty with voting for many of the amendments offered even though I strongly believe that our automobile companies can do a much better job of building low-cost cars. I believe that a better approach would be to have carburetor requirements on a per mileage basis set for a period of 5 years and require manufacturers to demonstrate that they are making every effort to build the highest gas per mile in the various carburetors, but to pass a sweeping requirement that any vehicles which yield less than 20 miles per gallon will be severely taxed without an exemption for trucks, pickups and vans is unrealistic.

LEGISLATION TO RESTORE THE EQUITY POWER OF FEDERAL COURTS TO AWARD ATTORNEYS' FEES TO PREVAILING PARTIES

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, on May 12, the Supreme Court dealt a severe blow to the equity power of Federal courts by holding in Alyeska Pipeline Service Co. against Wilderness Society that, with only a few very narrow exceptions, the courts have no power to award attorneys' fees to prevailing parties in the absence of specific legislative authority.

Yesterday, I introduced the Federal Courts Attorneys Fees Act of 1975 (H.R. 7826) to overturn Alyeska and to restore to the Federal courts the discretion which I believe is necessary to insure that they can appropriately fashion equitable relief. Unless such legislation is enacted, the Supreme Court will have effectively barred access to the courts to deserving plaintiffs who would not bring suit unless they believed they had a chance to recover attorneys' fees. And private groups and citizens would be unable to file meritorious cases intended to benefit the public by enforcing Federal law.

The "American" rule on shifting attorneys' fees has been that such fees are generally not awarded to prevailing parties. In addition to cases under laws authorizing attorney's fees, the courts have historically awarded fees in compelling cases despite the absence of authorizing legislation. These awards have been viewed as appropriate under the general equity power of the courts. Alyeska makes the American rule too inflexible and unreasonable.

To promote justice, the courts need the flexibility to shift attorneys' fees in appropriate cases. The award of attorneys' fees may make the difference between a just and fair outcome and one which is inequitable. The courts themselves should determine whether the interests of justice would be served in a particular case by the award of attorneys' fees.

England has a statute permitting courts to award attorneys' fees to prevailing parties. The result there is that such awards have become the rule, and fees are denied only where the result would be unjust. In the wake of Alyeska, Congress should thoroughly review the question of whether fee-shifting should be the rule or the exception.

What is most distressing about Alyeska is that it will discourage and effectively preclude the filing of meritorious public interest cases seeking the enforcement of Federal law. These "private attorney general" cases are an integral part of the overall national system to enforce the laws and civil and Constitutional rights. These public interest cases have frequently vindicated important public rights, not simply private causes of actions. Normally, the cases are brought seeking injunctive or other equitable relief, rather than monetary damages. These cases may be the only effective way to enjoin continuing violations of the civil rights and environmental laws. It is precisely these cases which will be doomed if Alyeska is permitted to stand.

No matter how meritorious, these private attorney general cases will not be filed unless the plaintiffs' lawyers have a reasonable expectation of being paid. Thousands of hours of work was required by the attorneys representing the Wilderness Society and the other plaintiffs in Alyeska. But if the only relief the prevailing party can receive in such a case is an injunction, there will be no one to pay for the cases, and they will vanish from the already-short list of ways the public has available to effectively enforce Federal law and Federal policy. Legislation such as H.R. 7826 is the only way to fully restore the public's right to seek enforcement in the courts. Because our laws are not self-executing, we need to give the public the right of access to the courts to demand enforcement.

In this regard, there are several acts which are frequently used to protect civil and constitutional rights and environmental interests, but which contain no provision for attorneys' fees. Therefore, I have also introduced bills to appropriately amend the Mineral Leasing Act of 1920 (H.R. 7825), the injunction section of the Clayton Act (H.R. 7827), various civil rights laws (H.R. 7828), and the National Environmental Policy Act of 1969 (H.R. 7829). I am sure that many other acts should be amended, and these four bills represent only a partial solution to the problem the Supreme Court has created.

While we can approach the problem piecemeal, however, I think that we must restore the courts' equity power generally to award fees when appropriate in the interests of justice. We cannot legislatively conceive of all the circumstances in which awards would be fair and just. The Supreme Court has said that the courts have no discretion in this regard unless Congress grants such discretion. I believe we should grant that discretion across the board. As a general rule, I think that the courts ought to have discretion to decide the extent to which attorneys' fees are appropriate in a specific case, except where Congress adopts a special policy, as in the damage section of the Clayton Act, which specifies that a reasonable attorney's fee shall be awarded to a prevailing plaintiff.

The general legislation I am introducing today (H.R. 7826) also provides that a reasonable attorney's fee may be awarded against the United States, the same as if it were a private party. As a matter of simple equity, if a party prevails against the United States, it should be entitled to recover attorneys' fees where the courts determine such award is in the interests of justice. This is especially true in cases where the private attorney general successfully sues to make the United States enforce the law. An example of this would be a citizens suit under NEPA to make Federal agencies file environmental impact statements as required by NEPA.

A brief review of the facts of Alyeska might be useful. The case was brought by environmentalist groups suing under the Mineral Leasing Act of 1920 and under NEPA, seeking declaratory and injunctive relief against the Secretary of the Interior on the grounds that proposed right-of-way and land use permits relating to the Alaska pipeline did not comply with the provisions of either act. After a hearing, the district court granted a preliminary injunction against issuance of the rights-of-way and permits. Alaska and Alyeska—the consortium of oil companies seeking the permits and rights-of-way—intervened. Thereafter, the Interior Department released an impact statement, whereupon the district court dissolved the preliminary injunction and dismissed the complaint. However, the court of appeals reversed the district court, on the grounds that the pipeline right-of-way violated the Mineral Leasing Act. Congress then passed the Alaska pipeline bill, amending the Mineral Leasing Act, thereby ending the litigation. The court of appeals then ordered the awarding of attorneys' fees to the plaintiffs in the suit against Alyeska.

Judge Wright, speaking for the court of appeals, concluded that:

> Acting as private attorneys general, not only have [respondents] ensured the proper functioning of our system of government, but they have advanced and protected in a very concrete manner substantial public interests. An award of fees would not have unjustly discouraged [petitioner] Alyeska from defending its case in court. And denying fees might well have deterred [respondents] from undertaking the heavy burden of this litigation.

The court of appeals refused to award attorneys' fees against the United States because of its interpretation of the statute (28 U.S.C. sec. 2412) providing for the assessment of costs against the Government.

The Supreme Court went on to reverse the award of fees against Alyeska. Nowhere in the opinion is there a policy reason why the "American rule" is justifiable or proper or why the courts should not have discretion to award attorneys' fees. The Court simply declined to review the merits of the rule.

Mr. Speaker, I would hope that the appropriate committees, especially the Judiciary Committee, will take action promptly on these bills I am introducing. Until we act, public interest lawsuits in many areas cannot be brought.

Following these remarks is a relevant article by Ronald Goldfarb in yesterday's Washington Post:

IN THE PUBLIC INTEREST

(By Ronald Goldfarb)

In the 1960s, a laudable, growing interest developed in public interest law. Law school curricula reflected an increasing preference in the problems of debtors, tenants, disadvantaged groups, civil rights. Neophyte lawyers sought jobs in government and foundation-sponsored public interest organizations dealing with equal employment opportunities, environmental issues, consumer's rights. Big, rich law firms expanded and boasted about their "pro bono" programs. The OEO-spawned Neighborhood Legal Services network around the country generated a world of activist, idealistic, mostly young lawyers who aggressively pursued cases for migrants, old people, Indians, prisoners and other poor and powerless people, those who previously had looked upon the law as something that worked against them.

Conservative politicians such as Spiro Agnew and Ronald Reagan screamed about how these quixotic, trouble-making upstarts were causing orderly society big problems; an exaggerated image of a public interest law renaissance evolved.

The renaissance turned out to be a short-lived spurt. A decade later, OEO had been scuttled by a hostile Nixon administration. A new legal services corporation had squeaked through Congress, hobbled by handcuffing qualifications and a board of directors that advocates feared would severely jeopardize its mission. The economic plunge of the last few years caused foundation money that had been available to varied public interest law groups to dry up; many of these organizations had to cut back severely, others disbanded. The IRS is reconsidering the tax exempt status of the remaining litigation-oriented public interest law groups.

And then the Supreme Court battered the movement with a one-two punch. First, there was an opinion last May, which limited the accessibility of the class action procedure that had proved so crucial to complaining consumers, environmentalists, taxpayers and other groups who alone could not have taken on the vested interests. Then came the Supreme Court's recent decision eliminating the discretionary granting of legal fees after the successful conclusion of a lawsuit resulting in broad social dividends. This decision added a critical blow to the faltering movement.

The most recent setback—and it is a serious one—is the Supreme Court's 5–2 decision (Justices Douglas and Powell took no part in the case) denying attorney's fees that a lower court had awarded to lawyers who had put in nearly 4,500 hours work for The Wilderness Society, Environmental Defense Fund and Friends of the Earth fighting the government's issuance of pipeline permits in Alaska. In doing so, the court reversed a practice, followed by several Courts of Appeals, of granting attorneys' fees to successful plaintiffs in cases where a broad public interest was served. Numerous courts had made such grants to lawyers on the rationale that they had acted as a "private attorney general," and because the litigation had resulted in a general benefit to the community through recognition of the rights of a substantial group.

The public policy considerations behind auch a rule were clear. Disenfranchised individuals and unrepresented public interests would be discouraged and unserved and important rights would never be vindicated if parites without means had no way to reimburse their counsel. The private attorney general theory ensured the proper functioning of government by encouraging lawyers to bring to court cases with social implications, even though the parties had disparate means.

The general rule in the United States is that the prevailing party in a civil case may not recover attorney's fees unless the particular statute involved in the case specifically authorizes it, as in anti-trust and EEOC trials. That general rule (only this country and Belgium have this rule) is unfair enough in ordinary cases, and it has been criticized by academicians and others. But, in the extraordinary cases where courts had made exceptions to the rule because of the broad public and social benefits emanating from the lawsuit, the restrictive rule enunciated by the Supreme Court last week is a catastrophe.

Justice Marshall's dissent noted that federal courts traditionally have exercised their equitable right to grant attorney's fees "when the interests of justice so require." But, Justice White (and his colleagues Burger, Blackman, Rehnquist and Stewart) adopted a narrow view, that the situations in which courts may make awards of attorney's fees to lawyers in cases involving issues of public interest "are matter for Congress to determine."

Congress has taken the cue. Under the leadership of Sen. John Tunney (D-Calif.), the Senate subcommittee on constitutional rights has conducted hearings on fee-shifting techniques and the needs of public interest lawyers for ways to assure the representation of unrepresented interests. Responding to the Supreme Court's recent fee award case, Sen. Tunney has indicated that he will hold further hearings in the hope of evolving a bill which at least would authorize courts to award attorneys' fees to prevailing plaintiffs in public interest cases. Tunney would go further and award attorneys' fees to the prevailing party in all cases; but he feels that such a "major, systemic change would be difficult to get through Congress. The first step is in public interest cases," he said to me this week. On Friday, Tunney announced that he would submit an amendment to the new voting rights act which would allow courts to award attorneys' fees to plaintiffs in all civil rights cases.

That Congress will act where the Supreme Court feared to tread remains the hope now of lawyers and clients fighting battles around issues concerning broad social policy. It is more in the American tradition that lawyers' fees in these cases be earned from the offending parties than that the public interest bar be made to depend on the charity of government or foundations, or the part-time extra-curricular, and very compromised indulgences of the big, commercial firms. It is in all our interests that this small but influential bar not be put out of business.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ROUSSELOT (at the request of Mr. RHODES), after noon, today, on account of official business.

Mr. ANDERSON of Illinois, until 5 p.m., today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MOORE) to revise and extend their remarks and include extraneous material:)

Mr. QUIE, for 15 minutes, today.
Mr. KEMP, for 15 minutes, today.
Mr. BAUMAN, for 10 minutes, today.
Mr. DU PONT, for 30 minutes, today.
Mr. ASHBROOK, for 10 minutes, today.

(The following Members (at the request of Mr. KREBS) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.
Mr. CHARLES H. WILSON of California, for 5 minutes, today.
Mr. HICKS, for 5 minutes, today.
Mr. MEZVINSKY, for 15 minutes, today.
Mr. FRASER, for 5 minutes, today.
Mr. VANIK, for 5 minutes, today.
Mr. DRINAN, for 10 minutes, today.
Mr. O'NEILL, for 5 minutes, today.
Mr. THORNTON, for 10 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. EILBERG, for 60 minutes, on June 12, 1975.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SCHEUER, remarks immediately preceding vote on Jacobs amendment.

(The following Members (at the request of Mr. MOORE) and to include extraneous matter:)

Mr. ROBERT W. DANIEL, JR.
Mr. MYERS of Indiana.
Mr. WYDLER in two instances.
Mr. MITCHELL of New York.
Mr. CRANE.
Mr. RHODES in two instances.
Mr. COUGHLIN.
Mr. DERWINSKI in three instances.
Mr. MCCLOSKEY.
Mr. BELL.
Mr. SCHULZE.
Mr. GILMAN.
Mr. BURGENER.
Mr. WINN.
Mr. PRESSLER.

Mr. SHUSTER.
Mr. DU PONT.
Mr. ASHBROOK in four instances.
Mr. HORTON.
Mrs. HOLT.
(The following Members (at the request of Mr. KREBS), and to include extraneous matter:)
Mr. BRADEMAS in four instances.
Mr. BROOKS.
Mr. ROSE.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. TEAGUE.
Mr. ROSENTHAL.
Mr. HENDERSON.
Mr. EILBERG in three instances.
Mrs. SPELLMAN in five instances.
Mr. ROUSH.
Mr. FRASER.
Mr. ASPIN.
Mr. ROYBAL in 10 instances.
Mr. MAGUIRE in five instances.
Mr. HICKS.
Mr. RUNNELS.
Mr. RISENHOOVER.
Mr. DE LUGO.
Mr. ROGERS in five instances.
Mr. AMBRO.
Mr. GINN in two instances.
Mr. BADILLO
Mr. MCDONALD of Georgia in four instances.
Mr. MCCORMACK.
Mrs. SULLIVAN in two instances.
Mr. DRINAN.
Mr. HARRINGTON.
Mr. DOWNEY of New York.
Mr. VAN DEERLIN.
Mr. NOLAN.
Mrs. MEYNER in three instances.

ENROLLED BILLS SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4485. An act to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources; and

H.R. 5899. An act making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 4485. An act to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources; and

H.R. 5899. An act making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

ADJOURNMENT

Mr. KREBS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 2 minutes p.m.) under its previous order, the House adjourned until Friday, June 13, 1975, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1216. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract for the continued provision of facilities and services for the public at Gateway National Recreation Area for a term ending March 31, 1987, pursuant to 67 Stat. 271 and 70 Stat. 543; to the Committee on Interior and Insular Affairs.

1217. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract for the provision of medical, surgical, hospital, and related facilities and serivces for the public within Yellowstone National Park for a term ending April 30, 1980, pursuant to 67 Stat. 271 and 70 Stat. 543; to the Committee on Interior and Insular Affairs.

1218. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 75–20, waiving the limitations of section 33(a) of the Foreign Military Sales Act, as amended, for fiscal year 1975, pursuant to section 33(b) of the act; to the Committee on International Relations.

1219. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 75–21, finding that the extension of credit and the issuance of guarantees under the Foreign Military Sales Act, as amended, in connections with the sale of defense articles and defense services, and the furnishing of training under chapter 2 of part II of the Foreign Assistance Act of 1961, as amended, to the Government of Kenya will strengthen the security of the United States and promote world peace; to the Committee on International Relations.

1220. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on excess defense articles delivered to foreign governments in the third quarter and the first 9 months of fiscal year 1975, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended [22 U.S.C. 2321b(d)]; to the Committee on International Relations.

1221. A letter from the Deputy Secretary of Defense, transmitting the annual report and audit of the American National Red Cross for the year ended June 30, 1974, pursuant to section 6 of the act of January 5, 1905, amended; to the Committee on International Relations.

1222. A letter from the Chairman and members, U.S. Commission on Civil Rights, transmitting a report on minorities and women as Government contractors, pursuant to section 104(b) of Public Law 85–315, as amended; to the Committee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

1223. A letter from the Comptroller General of the United States, transmitting a report on problems in administering programs to improve law enforcement education; jointly to the Committees on Government Operations, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. Supplemental report on H.R. 5546, a bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes (Rept. No. 94–266, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Veterans' Administration. H.R. 3348. A bill to amend title 38, United States Code, in order to extend and improve the program of exchange of medical information between the Veterans' Administration and the medical community, and for other purposes; with amendment (Rept. No. 94–286). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Veterans' Administration. H.R. 7707. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes; with amendment (Rept. No. 94–287). Referred to the Committee of the Whole House on the State of the Union.

Mr. EVINS of Tennessee: Committee on Small Business. H.R. 4848. A bill to amend the Small Business Act to make loans available for small businesses suffering economic injuries as the result of the disruption of operations and services of public utilities; with amendment (Rept. No. 94–288). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 499. Joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes; with amendment (Rept. No. 94–289). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 6387. A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 2 years; with amendment (Rept. No. 94–290). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN:

H.R. 7835. A bill to amend the Foreign Military Sales Act to require congressional approval for any sale, credit sale, or guaranty involving a major weapons system or major defense service, and to require congressional approval of the total amount of sales, credit sales, and guaranties made to any country or international organization and authorizing the President to revise the price and delivery of the export of military equipment; to the Committee on International Relations.

By Mr. BEARD of Tennessee (for himself, Mr. ABDNOR, Mr. ARCHER, Mr. BAUMAN, Mr. BROYHILL, Mr. BURGENER, Mr. COLLINS of Texas, Mr. CONLAN, Mr. DAN DANIEL, Mr. ROBERT W. DANIEL, JR., Mr. DEVINE, Mr. DICKINSON, Mr. EMERY, Mr. GRASSLEY, Mr. GUYER, Mr. HALEY, Mrs. HOLT, Mr. HUBBARD, Mr. JONES of North Carolina, Mr. KETCHUM, Mr. KINDNESS, Mr. LOTT, Mr. MANN, Mr. MARTIN, and Mr. MILFORD):

H.R. 7836. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Education and Labor.

By Mr. BEARD of Tennessee (for himself, Mr. MONTGOMERY, Mr. ROBINSON, Mr. RUNNELS, Mr. SEBELIUS, Mr. SPENCE, Mr. TREEN, Mr. WAGGONNER, Mr. WHITEHURST, Mr. BOB WILSON, Mr. WINN, and Mr. YOUNG of Florida):

H.R. 7837. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Education and Labor.

By Mr. BIAGGI (for himself, Mr. ASPIN, Mr. HALL, Mr. HARRINGTON, Mr. HAWKINS, Mr. MCFALL, Mrs. MEYNER, Mr. MOAKLEY, Mr. MOFFETT, Mr. NOWAK, Mr. RIEGLE, Mr. RUSSO, Mr. RYAN, Mr. STOKES, and Mr. TSONGAS):

H.R. 7838. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. BROOKS (for himself, Mr. ROSENTHAL, Mr. HORTON, Mr. MOSS, Mr. FASCELL, Mr. GUDE, Mr. ST GERMAIN, Ms. ABZUG, Mr. JAMES V. STANTON, Ms. COLLINS of Illinois, Mr. HARRINGTON, Mr. DRINAN, Ms. JORDAN, and Mr. MOFFETT):

H.R. 7839. A bill to establish an Agency for Consumer Protection in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.

By Mr. BROOMFIELD:

H.R. 7840. A bill to extend and revise the State and Local Fiscal Assistance Act of 1972; to the Committee on Government Operations.

By Mr. DOWNEY of New York:

H.R. 7841. A bill to establish a National Technology and Research Corporation with subordinate regional institutions to finance long-range research and development of technology to meet critical environmental needs, advance basic research as the foundation for our future well-being, protect the national economy, and provide the basis for meeting future needs of our people by providing the high-risk research and development loans to public and private entities for research and development where existing sources of funds are not adequate because of the need for long term high-risk financing, or difficulty of forecasting quantifiable financial returns, when public purposes will be served by encouraging such technological development; to the Committee on Science and Technology.

By Mr. EILBERG:

H.R. 7842. A bill to make Flag Day a legal public holiday, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7843. A bill to designate September 17 of each year as U.S. Constitution Day, and to establish such day as a legal public holiday; to the Committee on Post Office and Civil Service.

H.R. 7844. A bill to amend titles II, VII, XI, XVI, XIII, and XIX of Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

By Mr. FLOOD:

H.R. 7845. A bill to amend the Interstate Commerce Act to provide assistance in rebuilding the Nation's railroad rights-of-way, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER:

H.R. 7846. A bill to clarify the prohibition against making false statements in matters within the jurisdiction of a department or agency of the United States; to the Committee on the Judiciary.

By Mr. HASTINGS (for himself, and Mr. ROGERS):

H.R. 7847. A bill to amend title XIII of the Public Health Service Act to revise and extend the program for the establishment and expansion of health maintenance organizations, to the Committee on Interstate and Foreign Commerce.

By Mr. HICKS (for himself, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. HINSHAW, Mrs. HOLT, Mr. LEGGETT, Mr. MCDONALD of Georgia, Mr. MITCHELL of New York, Mr. NICHOLS, Mr. RANDALL, Mr. WHITEHURST, Mr. BOB WILSON, Mr. CHARLES H. WILSON of California, and Mr. WON PAT):

H.R. 7848. A bill to amend title 10 of the United States Code to apply to all persons eligible for contract health care the patient payment provisions which apply to members of the uniformed services on active duty and their dependents; to the Committee on Armed Services.

By Mr. HUGHES (for himself and Mrs. FENWICK):

H.R. 7849. A bill to amend section 306(a)(7) of the Consolidated Farm and Rural Development Act to modify the definition of the terms "rural" and "rural area" for certain purposes; to the Committee on Agriculture.

By Mrs. KEYS:

H.R. 7850. A bill to provide for the modification of the project for Tuttle Creek Lake, Big Blue River, Kans., by authorizing the construction of an access road; to the Committee on Public Works and Transportation.

H.R. 7851. A bill to provide for the modification of the project for Tuttle Creek Lake, Big Blue River, Kans., by authorizing the construction of a bridge; to the Committee on Public Works and Transportation.

By Mr. RHODES (for himself, Mr. CONLAN, Mr. STEIGER of Arizona, and Mr. LUJAN):

H.R. 7852. A bill to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RUNNELS:

H.R. 7853. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. SATTERFIELD:

H.R. 7854. A bill to amend the Food Stamp Act of 1964, to exclude from coverage under the act households which have members who are on strike, and for other purposes; to the Committee on Agriculture.

H.R. 7855. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. STEELMAN (for himself and Mr. RAILSBACK):

H.R. 7856. A bill to enforce the first amendment and fourth amendment to the Constitution and the constitutional right of privacy by prohibiting any civil officer of the United States or any member of the Armed Forces of the United States from using the Armed Forces of the United States to exercise surveillance of civilians or to execute the civil laws, and for other purposes; to the Committee on the Judiciary.

By Mr. WHALEN:

H.R 7857. A bill to extend Federal control over the production, distribution, and use of natural gas, to amend the Natural Gas Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WYDLER:

H.R. 7858. A bill to strengthen staff capabilities for providing advice and assistance to the President with respect to scientific and technological considerations affecting national policies and programs; to the Committee on Science and Technology.

By Mr. BAUMAN (for himself and Mrs. HOLT):

H.R. 7859. A bill to amend the Federal Water Pollution Control Act and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters; to the Committee on Public Works and Transportation.

By Mr. BEDELL:

H.R. 7860. A bill to amend the Rural Development Act of 1972; to the Committee on Agriculture.

By Mr. BELL:

H.R. 7861. A bill to require the Administrator of the Federal Energy Administration to undertake a continuing study of the nature, quantities, and country of origin of all petroleum and petroleum products imported into the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. BERGLAND:

H.R. 7862. A bill to amend the Farm Credit Act of 1971 relating to credit eligibility for cooperatives serving agricultural producers, and to enlarge the access of production credit associations to Federal district courts; to the Committee on Agriculture.

H.R. 7863. A bill to amend the Farm Credit Act of 1971 to authorize the Federal Farm Credit Board to fix the compensation of the Governor and Deputy Governors of the Farm Credit Administration; to the Committee on Agriculture.

By Mr. PHILLIP BURTON:

H.R. 7864. A bill to amend title XVIII of the Social Security Act to broaden the coverage of home health services and post-hospital home health services under the medicare program; to the Committee on Ways and Means.

By Mr. CARNEY:

H.R. 7865. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HANNAFORD (for himself, Mr. CARTER, Mr. DUNCAN of Tennessee, Mr. SYMINGTON, Mr. ASHBROOK, Mr. BOWEN, Mr. D'AMOURS, Mr. DOMINICK V. DANIELS, Mr. DOWNEY of New York, Mr. EILBERG, Mr. FITHIAN, Mr. FREY, Mr. MITCHELL of New York and Mr. STOKES):

H.R. 7866. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. HAYS of Ohio:

H.R. 7867. A bill to amend the Mutual Educational and Cultural Exchange Act of 1961 to authorize participation by officers and employees of the Federal Government in certain cultural exchange programs approved by the Secretary of State, notwithstanding that the expenses of such officers and employees will be paid by a foreign government; to the Committee on International Relations.

By Mr. PEYSER:

H.R. 7868. A bill to provide emergency financial assistance to assure that there are adequate levels of police and fire personnel to provide for the public safety of citizens residing in areas which have been forced, due to severe financial hardship, to lay off

public safety officers; to the Committee on Education and Labor.

By Mr. RISENHOOVER:

H.R. 7869. A bill to provide emergency financial assistance to assure that there are adequate levels of police and fire personnel to provide for the public safety of citizens residing in areas which have been forced, due to severe financial hardship, to lay off public safety officers; to the Committee on Education and Labor.

By Mr. RISENHOOVER (for himself, Mr. STEED, Mr. JONES of Oklahoma, Mr. ENGLISH, and Mr. JARMAN):

H.R. 7870. A bill to enact a moratorium on the regulations of the Secretary of Health, Education, and Welfare for regulations for intermediate care facilities for the mentally retarded under title XIX of the Social Security Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY (for himself and Mr. RAILSBACK):

H.R. 7871. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. THORNTON:

H.R. 7872. A bill to establish an Office of Consumer Protection which shall be independent of the executive departments, headed by the Consumer Counsel of the United States, in order to secure within the Federal Government effective protection and representation of the interests of consumers, obtaining and disseminating information useful to consumers, cooperation and assistance to other agencies and State and local governments, and for other purposes; to the Committee on Government Operations.

By Mr. ABDNOR:

H.R. 7873. A bill to provide for the establishment of a national cemetery near the Fort Randall Dam, S. Dak.; to the Committee on Veterans' Affairs.

By Mr. DRINAN (for himself, Ms. ABZUG, Mrs. COLLINS of Illinois, Mr. DIGGS, Mr. EDGAR, Mr. HARRINGTON, Mr. HAWKINS, Mr. HELSTOSKI, Mr. ROSENTHAL, Mr. SOLARZ, Mr. STARK, Mr. WAXMAN, and Mr. WOLFF):

H.R. 7874. A bill to substantially reduce the personal dangers and fatalities caused by the criminal and violent behavior of those persons who lawlessly misuse firearms by restricting the availability of such firearms for law enforcement; military purposes; and for certain approved purposes including sporting and recreational uses; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. DRINAN, and Mr. BADILLO):

H.R. 7875. A bill to provide immunity from prosecution and punishment to those persons who, because of disapproval of the military involvement of the United States in Indochina during the period covering January 1, 1961 and ending May 1, 1975, resisted the draft, were absent from the Armed Forces without leave, or disobeyed an order, which order if obeyed could reasonably have led to the death of another human being, and for other purposes; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. STEELMAN, Mr. ANDERSON of Illinois, Mr. BIESTER, and Mr. YATRON):

H.R. 7876. A bill to require candidates for Federal office, Members of the Congress and other officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. LONG of Maryland:

H.R. 7877. A bill to declare a portion of the Middle River, Md., as a nonnavigable water

of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. MYERS of Pennsylvania (for himself, Mr. MICHEL, and Mr. PRITCHARD):

H.R. 7878. A bill to amend title 39, United States Code, to prohibit certain franked mailings by Members of the Congress and certain officers of the United States, other than mailings related to the closing of their official business, after such Members or officers have left office; to the Committee on Post Office and Civil Service.

By Mr. BELL (for himself, Mr. LAGOMARSINO, Mr. SARBANES, Mr. COCHRAN, Ms. SCHROEDER, and Mr. SARASIN):

H.J. Res. 505. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on the products of all foreign enterprises engaged in commercial whaling; jointly to the Committees on Merchant Marine and Fisheries, and Ways and Means.

By Mr. MYERS of Indiana:

H.J. Res. 506. Joint resolution to authorize the President to issue a proclamation designating the week in November which includes Thanksgiving Day in each year as National Family Week; to the Committee on Post Office and Civil Service.

By Mr. O'HARA:

H.J. Res. 507. Joint resolution designating the composition known as "The Stars and Stripes Forever," as the national march of the United States; to the Committee on Post Office and Civil Service.

By Mr. QUIE:

H.J. Res. 508. Joint resolution designating National Waitress and Waiter Week; to the Committee on Post Office and Civil Service.

By Mr. YATRON:

H.J. Res. 509. Joint resolution designating May 8 of each year as Harry S Truman Day; to the Committee on Post Office and Civil Service.

By Mr. FRASER (for himself, Mr. BINGHAM, Ms. ABZUG, Mr. ANDEASON of California, Mr. PEPPER, and Mr. WOLFF):

H. Con. Res. 306. Concurrent resolution expressing the sense of the Congress with respect to International Women's Year; to the Committee on International Relations.

By Mr. RINALDO:

H. Con. Res. 307. Concurrent resolution recommending voluntary agreements between the Government and industry for the development of passive restraint systems in automobiles until these systems have been proven effective; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON (for himself, Ms. ABZUG, Mr. BEDELL, Mr. BINGHAM, Mr. BRODHEAD, Mr. BROWN of California, Mr. JOHN L. BURTON, Mr. CARR, Mrs. CHISHOLM, Mr. CLAY, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. DRINAN, Mr. EILBERG, Mr. HARKIN, Mr. HECHLER of West Virginia, Ms. HOLTZMAN, Mr. MIKVA, Mr. MILLER of California, Mr. MITCHELL of Maryland, Mr. MOFFETT, Mr. MOSS, Mr. OTTINGER, and Mr. PATTISON of New York):

H. Res. 536. Resolution directing the Secretary of State to furnish to the House of Representatives, within 10 days of the adoption of this resolution, information concerning the seizure of the U.S. merchant ship *Mayaquez* and its crew, and subsequent diplomatic efforts to release them; to the Committee on International Relations.

By Mr. HARRINGTON (for himself, Mr. BADILLO, Mr. RANGEL, Mr. RICHMOND, Mr. RIEGLE, Mr. ROSENTHAL, Mr. ROYBAL, Mrs. SCHROEDER, Mr. STARK, Mr. STUDDS, Mr. CHARLES H. WILSON of California, and Mr. YOUNG of Georgia):

H. Res. 537. Resolution directing the Secretary of State to furnish to the House of Representatives, within 10 days of the adoption of this resolution, information concerning the seizure of the U.S. merchant ship *Mayaguez* and its crew, and subsequent diplomatic efforts to release them; to the Committee on International Relations.

By Mr. MADDEN:

H. Res. 538. Resolution expressing the sense of the House of Representatives that the Secretary of State should conduct an investigation with respect to the status of those members of the Armed Forces of the United States who are missing in action in Southeast Asia; to the Committee on Armed Services.

By Mr. MURPHY of Illinois:

H. Res. 539. Resolution to restore amateur status to the late Jim Thorpe; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

178. The SPEAKER presented a memorial of the Legislature of the State of Oklahoma, relative to water resources in Central Oklahoma; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 7879. A bill for the relief of Barbara Ann Reynolds; to the Committee on the Judiciary.

By Mrs. BURKE of California:

H.R. 7880. A bill for the relief of Daphne Rayne Mahone; to the Committee on the Judiciary.

By Mr. KETCHUM:

H.R. 7881. A bill for the relief of Marcial Caceres Ortiz; to the Committee on the Judiciary.

By Mrs. MEYNER:

H.R. 7882. A bill for the relief of Miss Leonor Young; to the Committee on the Judiciary.

By Mr. MOAKLEY:

H.R. 7883. A bill for the relief of the Plymouth Rubber Co., Inc., of Canton, Mass., to the Committee on the Judiciary.

By Mr. BUTLER:

H. Res. 540. Resolution referring the bill, H.R. 6812, for the relief of Robert Alexander, to the Chief Commissioner of the Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

151. By the SPEAKER: Petition of William E. and Jean M. Conrad, Florissant, Mo., relative to redress of grievances; to the Committee on the Judiciary.

152. Also, petition of the city council, Miami Beach, Fla., relative to the Miami Beach hurricane and beach erosion control project; to the Committee on Public Works and Transportation.

153. Also, petition of the Arizona State AFL–CIO, Phoenix, relative to national health security; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

COURT-ORDERED SCHOOL BUSING DENOUNCED

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, June 12, 1975

Mr. HARRY F. BYRD, JR. Mr. President, Dr. James S. Coleman, a well-known sociologist at the University of Chicago, has denounced court-ordered busing to achieve racial balance in the schools.

This is an important statement on the part of Dr. Coleman, for it was he who chaired the 1966 commission which produced a report entitled "Equality of Educational Opportunity," which report has been used as the rationale for many busing orders.

In an editorial published June 5, the Roanoke Times took note of Dr. Coleman's present position, quoting the sociologist as saying that court-ordered busing "is exactly the wrong thing to do."

Earlier, the Times notes, Dr. Coleman had declared:

Desegregation through the courts probably will have served in the long run to separate whites and blacks more severely than before.

I wholeheartedly agree with Dr. Coleman. Moreover, I share the wish expressed in the Roanoke Times editorial that the Supreme Court may come to see the inherent injustice of court-ordered busing to achieve racial balances.

If this does not occur, the only remedy for the chaos created by compulsory busing may well be an amendment to the U.S. Constitution.

Another commentary on Dr. Coleman's statements came in a column by William Raspberry, published in the June 11 edition of the Washington Post.

Mr. Raspberry observes:

Busing hasn't solved anything because busing can't solve anything except transportation problems. And transportation never was the issue.

I think Mr. Raspberry's comment is most accurate and to the point.

I insert the text of the Roanoke Times editorial, "Racial Busing Disowned," and the text of the column by William Raspberry, "Busing, Integration and Quality Education," be printed in the Extensions of Remarks.

The editor of the editorial page of the Roanoke Times is Harold Sugg.

The article follows:

There being no objection, the editorial and column were ordered to be printed in the RECORD, as follows:

RACIAL BUSING DISOWNED

Dr. James S. Coleman, sociologist at the University of Chicago, has disowned a famous brainchild: forced school busing racial balance. He was chairman of the commission which produced the massive 1966 report: *Equality of Educational Opportunity*. That report has been used as the rationale for massive racial busing in the schools. In an interview in the current *The National Observer*, Dr. Coleman says the result was a big mistake. An excerpt follows:

Reporter: But when courts order desegregation—based on discriminatory pupil assignment patterns, or whatever—they don't take into account what the likely effect will be in the classrooms, or the possibility that their order may cause white flight and resegregation.

Dr. Coleman: *Well, that's why I think that courts are the worst of all possible instruments for carrying out a very sensitive activity like integrating schools.*

Reporter: But that's, in effect, what we're doing in this country, isn't it?

Dr. Coleman: *That's in effect what we're doing and I think it is exactly the wrong thing to do.*

Although the interview above provided the most publicity, Dr. Coleman had said the same thing April 6 to the American Educational Research Association: *Desegregation through the courts probably will have served in the long run to separate whites and blacks more severely than before.*" He might also have mentioned research which shows that, at high school graduation time, too many blacks and whites had learned to dislike rather than to like each other.

In brief, racial busing has been a bust, achieving exactly the opposite of what its proponents intended. Dr. Coleman thinks there may be some hope for it in communities with less than a million people. The hope would be dashed by the experience in Richmond, Norfolk and a California city, where a U.S. District Judge has canceled the plan he once ordered. The result was bringing more segregation, not less, the judge said; he did not need files of data to prove what was plain.

The Coleman disavowal is important. To equal it, Dr. Kenneth Clark, distinguished psychologist of New York, would have to admit that his own research had not been deep enough or wide enough to support the 1954 Supreme Court dictum that: "Separate educational facilities are inherently unequal." The dictum in some situations may be true; in others it is demonstrably false. In any case, it was not serviceable enough, universal enough, to serve as the basis for the law of the land.

Dr. Coleman's emphasis is opposed to *court-ordered* integration and apparently is not to busing *per se*. A critic, splitting hairs, might say the sociologist has not backed down after all. But voluntary busing, freely undertaken by citizens or local governments, is not involved in this controversy. When Dr Coleman is opposed to court-ordered busing for racial balance, he is opposed to what is going on. On the voluntary platform could stand all the Southerners, the Bostonians, the Detroiters and those in Pontiac, Mich. And there are many thoughtful black parents, in each of these places, who are tired of court-ordered busing, too.

The present Supreme Court session passed up opportunities to forthrightly abolish legal segregation without relying, in the decision, upon questionable psychology and sociology that led to the present mess. Perhaps that is just as well, the able but ailing Justice William O. Douglas might retire and a new majority, unencumbered by old mistakes, could be in the offing. But a new Supreme Court decision must come soon before all the inner cities are resegregated and while there is still a fair amount of education going on in the public schools.

A naturally-evolving Supreme Court decision would be preferable to the risks of a constitutional amendment. If a fine scholar like Dr. Coleman can perceive a mistake has been made, so can members of the United States Supreme Court.

BUSING, INTEGRATION, AND QUALITY EDUCATION

(By William Raspberry)

With the recent capitulation of Prof. James R. Coleman (he of the celebrated Coleman Report), hardly anyone is left to defend big scale busing for the purpose of school integration.

It was Coleman, now a sociologist at the University of Chicago, whose 1966 study, undertaken for the U.S. Office of Education, provided the rationale for the massive busing programs of the past 10 years.

The heart of the Coleman Report was its finding that black children in integrated classrooms perform better than their counterparts in all-black classrooms.

And since he also found that the performance of white children was not diminished by racial integration, it was hard to resist the conclusion that America ought to move as quickly as it could to see to it that every black child had the benefit of integrated education. And what quicker way could there be than the instant integration of massive busing?

Well, Dr. Coleman has taken another look, and his new conclusion—expressed in an April speech before the American Educational Research Association and in a recent interview with the National Observer—is that busing is killing integration, not promoting it; that America's largest cities are becoming more rigidly segregated as a direct result of busing.

According to Coleman, it is implementation, not theory, that has gone awry.

"The theory is that children who themselves may be undisciplined, coming into classrooms that are highly disciplined, would take on the characteristics of their classmates and be governed by the norms of the classrooms, so that the middle-class values would come to govern the integrated classrooms.

"In that situation, both white and black children would learn.

"What sometimes happens, however, is that characteristics of the lower-class black classroom—namely a high degree of disorder—come to take over and constitute the values and characteristics of the integrated school. It's very much a function of the proportion of lower-class pupils in the classroom."

I do wish Coleman had taken the bother to explain that black and lower-class are no more synonymous than are white and middle-class. But, then, he might also have pointed out that in the large cities, where busing constitutes the largest problem, the lower-class populations are getting bigger and—as the cities themselves become less white—also blacker.

And because blacks are concentrated in the larger urban areas, court-ordered desegregation has tended to speed the process that sends whites fleeing to the suburbs while the central cities become blacker, Coleman said.

Nor does he believe that metropolitan-wide busing is the answer.

"I believe it's not entirely lower-class blacks that middle-class whites are fleeing," he said. "They are fleeing a school system that they see as too large, as unmanageable, as unresponsive, to find a smaller, more responsive system. If the system is made even larger, covering the whole metropolitan area, many parents will find ways to escape it, either by moving even further out or by use of private schools."

It is principally in the very large cities that busing is having its resegregating effect, Coleman noted. "In cities smaller than the size of, say, Indianapolis, desegregation does not seem to have the same consequences."

For the big cities, with the big problem, Coleman is convinced white flight will continue, at least among those with the financial means to flee, unless solutions are devised that can attract the active cooperation of middle-class families.

But what, exactly, is it that we're seeking a solution to? If we had asked ourselves that question, and insisted on an honest answer, maybe we wouldn't be dealing with massive busing now.

Are we seeking a solution to racial segregation generally? Then, why pick on the schools instead of the neighborhoods, where the real segregation is maintained?

Is the problem inadequate education for poor children? But who could have believed—Coleman notwithstanding—that problem could be solved by transporting whole classrooms from one neighborhood to another?

It is unequal distribution of resources that we are trying to correct? Then, why don't we go after them instead of going after integration?

"Busing hasn't solved anything because busing can't solve anything except transportation problems. And transportation never was the issue."

Coleman believes the courts were badly mistaken to rely on his report as the rationale for wide-scale busing—or for anything else. For what was at issue before the courts was a question of constitutional rights; Coleman's report formed, at most, a basis for changing educational policy.

Coleman himself sees the folly of trying to combine the two areas.

"Consider what would have happened if the report had said that *segregated* classrooms improved pupil performance," he told the Observer. "Would the courts have been justified in ordering busing to create racial *imbalance*?

"Of course not. Courts are taking a very precarious path when they make research results about the achievement consequences of school integration a basis for reorganizing a school system. That's not their function, in my view."

Nor in mine.

FARMER AND CONSUMER, ALLIES

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ROSE. Mr. Speaker, the well-being of the farmer is inextricably linked to the well-being of this country and its economy. Every consumer is aware of rising food prices; however, few are fully aware of the problems that face our farmers.

To this effect, I would like to call attention to some perceptive observations made by the distinguished gentleman from Indiana (Mr. SHARP).

In his newsletter to his constituents this week, he presents a concise, interesting analysis of the conditions that contribute to the cost of food. I would like to emphasize his underscoring of the point that the farmer and the consumer should be allies.

As he says:

When farmers do well, the country does well. However, the reverse also can be true: when farmers do badly, the country suffers as well.

Our economy is so intertwined with the farming sector that it is virtually impossible to isolate one from the other.

Mr. Speaker, I commend this newsletter to the attention of my colleagues, and ask that it be printed at this point in the RECORD:

NEWS FROM CONGRESSMAN PHIL SHARP:
FOOD AND FARMING

Rising food prices are a subject of great concern to all Americans, yet few issues lose their interest more quickly than a discussion of farm policy. The result of this lack of interest is a misconception that the farmer and the consumer are natural enemies; in fact, they should be allies. When farmers do well the country does well.

However, the reverse also can be true: when farmers do badly, the country suffers as well. Our economy is so intertwined with the farming section that it is virtually impossible to isolate one from the other. We rely on agriculture in the supermarket and in the job market. The single largest consumer of manufactured goods in the United States is the farmer; every $1 of farm income puts $3.50 back into our economy. In addition, America depends heavily on agriculture for its international balance of payments; farm commodities are our most important export totaling over $21 billion last year. In fact, during the past few years, the farmer's exports have saved us from a disastrous balance of trade deficit.

Economic Roller Coaster—In spite of our dependence on farmers, most of us are not fully aware of the violent ups and downs in farm income that make it one of our riskiest professions. Conditions beyond the farmer's control—weather, government policies, foreign production and purchases, and rising costs—have made farm incomes rise and fall like a roller coaster. These fluctuations benefit no one, except perhaps the speculators. They most assuredly do not benefit the small farmer, who cannot plan for the future because he is still paying for the past. We provide other workers with unemployment compensation, minimum wage standards, and other protections against misfortune; yet, we ask the farmer to feed us cheaply without any assurance that he will make a profit, or even cover costs!

The Cost/Income Squeeze: Fertilizer—Prices paid by the farmer for fertilizer, feed, machinery, fuel, and interest have risen dramatically in the past three years. If conditions are normal this year, over $6 billion will be spend on fertilizer, $1 billion more than was spent in 1974. The chart below is an illustration of the tremendous increase in fertilizer costs:

FERTILIZER COST PER ACRE IN INDIANA

	1973	1974	1975	Percent change from 1973
Wheat	$12.80	$20.60	$28.00	+119
Corn	19.00	30.00	38.70	+104
Soybeans	7.15	10.15	12.80	+79

Source: Purdue University.

According to the USDA, the farmer currently pays $265.00 per ton for nitrogen fertilizer. Since planting restrictions are virtually non-existent this year, the demand for fertilizers will continue strong through 1975. Whether the production plants can supply enough fertilizer to meet this demand, however, is a critical problem. Although new fertilizer plants are being built, and existing plants are working at full capacity, there may well be continued shortages.

The major factor in the limited fertilizer supply is the availability of natural gas. Substantial quantities of natural gas are required to produce anhydrous ammonia, the basic nitrogen fertilizer. Many farmers in the 10th District have complained of serious shortfalls and resultant "black market" prices which they have been forced to pay for this essential type of fertilizer.

I have written to the Chairman of the Federal Power Commission urging him to expedite the allocation of natural gas supplies to fertilizer production plants. There are several proposals to ensure the uninterrupted transmittal of gas to fertilizer companies by giving them a top priority in interstate markets. As a member of the Interstate and Foreign Commerce Committee, I am deeply involved with the gas curtailment problem and the urgent need to find an equitable solution.

The Cost/Income Squeeze: Corn—The concern of farmers and consumers about future prices is warranted. The most recent Agriculture Department report states that while farm income is down 15% from a year ago, retail food prices are 9% higher than a year ago. If the weather is good this year, farmers estimate a record crop of 6.5 billion bushels of corn could be harvested. The USDA has encouraged this type of "fencepost to fencepost" planting; but, it could result in a severe decline of prices paid the farmer for his corn in the marketplace. It will cost a Hoosier farmer an estimated $2.94 to produce a bushel of corn this year. If the price of corn dropped as low as $1.38 per bushel, the current "target price", the farmer would lose as much as 66¢ a bushel. The government now pays the farmer the difference between the market price and the "target price" when the market price falls below the target level.

Congress and the Farmer—To protect the farmer against the possibility of such severe losses, the Congress passed an emergency, one-year plan to limit possible losses by raising prices and loan rates. I do not believe, as some critics contended, that the bill would have signaled a return to the policies of the 1950's and 60's of government management. It would, however, have provided the farmer with a guarantee that his costs would be covered.

President Ford vetoes this bill, stating it was inflationary and harmful to our international market position. The House was unable to muster the two-thirds majority necessary to override the veto, although a substantial majority of members favored the bill. In my view, it would have helped both farmers and consumers by preventing crop and acreage cutbacks and subsequent higher food prices. The Administration's estimates of the bill's costs were shown to be greatly inflated, and I agreed with the Consumer Federation of America that the bill would not have increased food prices substantially, as claimed by the Administration. For these reasons, I voted to override the President's veto.

On May 6, the House did pass some badly needed revisions to the Livestock Loan Act of 1974. That act was designed to provide credit to hard-pressed livestock producers through a guaranteed loan program under which 80% of the risk of loss by private lenders was assumed by the federal government. The Emergency Livestock Credit Act of 1975 increases the amount the government will guarantee from 80% to 90%. It also extends the act to Dec. 31, 1976 and extends the loan repayment period to seven, instead of five, years. The act provides for a number of other improvements, including a yearly report by the Secretary of Agriculture to the Congress on the effectiveness of the program. I voted for this bill because I think the livestock producers need grater financial flexibility in today's uncertain markets.

Legislation to date has been on a crisis to crisis basis in an effort to help farmers stay in business. The task before the Congress now is to develop a new, long-range farm policy which the President will not veto but which will offer adequate protection to both farmers and consumers. We want to reduce the risks faced by farmers without increasing bureaucratic interference.

OVERSIGHT ACTIVITIES COMMITTEE ON SCIENCE AND TECHNOLOGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. TEAGUE. Mr. Speaker, in accordance with the jurisdictional responsibilities assigned to the Committee on Science and Technology, a comprehensive plan of oversight activities for the 94th Congress has been developed.

The committee plan encompasses both the general and special oversight activities assigned pursuant to clauses 2 and 3, rule X of the Rules of the House of Representatives.

In addition to specific annual authorizing legislation for the National Aeronautics and Space Administration, the National Science Foundation, the Energy Research and Development Administration—nonnuclear—National Bureau of Standards, environmental and weather activities of the Environmental Protection Agency, and the National Weather Service, the committee is also assigned the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving nonmilitary research and development.

To carry out its assigned responsibilities, the committee has been organized into seven subcommittees with appropriate jurisdiction in the areas of: space science and application; energy; science research and technology; science planning and analysis; environment and the atmosphere; and aviation and transportation research and development.

The general and special oversight plan of the committee has been sectionalized, and a subplan incorporated for each area of jurisdiction, coinciding with the subcommittee structure.

In order that the Members of the House may be made aware of the planned committee oversight activities, it is my intention to include in the CONGRESSIONAL RECORD, summaries of each section of the plan. I propose that each area of jurisdiction be published on consecutive days for the information of the Members of the House.

The first area for publication involves energy research, development, and demonstration for fossil fuels. A summary of planned activities in this field follows:

ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION (FOSSIL FUELS) OVERSIGHT PLAN

SUMMARY

1. Legislation under consideration:

H.R. 3474—ERDA Authorization, FY 1976 and Transition Period (June).

H.R. 2772—Outer Continental Shelf R&D (June).

H.R. 1114—Problems of coal development.

H.R. 4—National laboratories and Energy Centers.

2. Agency Oversight:

Energy R&D is presently scattered among many Federal agencies. Oversight of these agency programs is contemplated that will address integration of the energy components of their research into their total research programs and agency missions. These agencies include:

Department of Agriculture.
Department of Commerce.
Department of Defense (Non-military applications)
Department of Interior.
Department of State.
Energy Research and Development Administration.
Environmental Protection Agency.
Federal Energy Administration.
National Aeronautics and Space Administration.
National Oceanic and Atmospheric Administration.
National Science Foundation.
Tennesse Valley Authority.

3. Oversight of Facilities:

a. The National laboratories and Energy Centers are facilities which will be subject to close review by members and staff during this Congress. Related Combustion work is also being performed by NASA facilities and is of interest to the Committee.

b. The ERDA pilot plants are also subjects of great interest to the Committee and Member and staff trips are planned to oversee these activities and their development.

c. ERDA has several international projects which should be reviewed to determine their benefits and program development.

These include:

Coal gasification and liquifaction: Great Britain, South Africa.
MHD: Soviet Union.
Coal R&D Poland.

4. Public Laws:

Federal Nonnuclear Energy Research and Development Act, P.L. 93–577.

The Coal Research Act of 1960, 74 Stat. 336.

The Atomic Energy Act of 1954, as it relates to the National Laboratories and nonnuclear matters.

The Mining and Minerals Policy Act of 1970.

Synthetic Liquid Fuels Demonstration Plants Act of 1944.

Development of Lignite Coal Resources Act of 1948.

The Bureau of Mines Organic Act.

5. Oversight of Specific Technologies:

The development of any technology cuts across many aspects of public policy. It is helpful and desirable to review technology development systematically to examine and appreciate the full impact of the program development. Committee oversight is planned in several areas at this time:

1. Coal combustion
2. Coal gasification.
3. Oil shale.
4. Coal liquifaction.
5. The fuel cycle and fossil fuels.
6. Advanced systems such as MHD and topping cycles.
7. In situ technology.
8. Natural gas R&D.

6. General Oversight:

Two similar bills (H.R. 810 and H.R. 1358) have been referred to the Subcommittee concerning the R&D and production of synthetic liquid fuels. These will be used to review the trade-offs in the speeding up of plant development where there is overlapping of the phases from lab tests all the way to demonstration.

Demonstration of fossil energy technologies will be costly, and up to this point, have been proposed on a 50–50 cost shared basis. Several forms of Federal assistance to carry out research, development and demonstration are contained in the Nonnuclear Energy Research and Development Act., P.L. 93–577. The Committee plans to continue its investigation of the several methods of funding presently used by ERDA and to review the alternative proposals in detail as well.

Oversight on tax policy aspects, including the property tax, which have an influence on energy R&D policy, Rule X.2(d) is of interest to the committee and staff work is planned in this area prior to any formal hearings or review.

The relationship of price to the development of synthetic fuels is an important aspect of energy development. This inquiry will be useful to determine to what extent the private sector will carry out R&D work on risk type problems with or without Federal money. The inquiry would include oil shale, coal synthetics, and secondary and tertiary recovery of oil and gas.

The role of government in planning for regional impacts of new energy technologies is a fruitful area of investigation, and efforts are planned to include field trips and hearings.

7. Joint Referrals:

Several bills referred to the subcommittee are joint referrals. They include:

THE BILL AND COMMITTEE REFERRED TO

The National Gas Corporation Bill, H.R. 1243 or H.R. 2388, Interstate and Foreign Commerce.

Education for coal production, H.R. 1357, Education and Labor.

Synthetic and/or Liquid Fuel Development, H.R. 810, H.R. 1358, Interior.

Ampower (A Federal Oil and Gas Corp.), H.R. 3111, H.R. 3750, H.R. 3751, H.R. 3752, H.R. 3860, H.R. 4309, H.R. 4434, H.R. 4862, H.R. 5172 (Recycled Oil Legislation) H.R. 4307, Ways and Means.

The National Oil Recycling Act H.R. 6011 has been referred to—Subcommittee on Environment and the Atmosphere—Joint hearings possible.

It is hoped that, where possible, arrangements with the other Committees concerned can be worked out to expedite the legislative process.

RX PRICE BARRIERS SLOW TO FALL

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ROSENTHAL. Mr. Speaker, the consumer report on prescription drug pricing which I have released illustrates the great need for reform in this area. The principal barrier, of course, is the mass of State laws and regulations forbidding the advertising of drug prices. This thwarts competition and needlessly drives prices to excesses.

In the 2 years since my own study was published, there has been some movement to drop these barriers, but it has been scant and primarily as a result of court action or the prodding by consumerists. I am inserting in the RECORD at this point the findings of my own study on the status of State laws and regulations concerning drug price advertising plus a chart prepared by the staff of the Federal Trade Commission updating that information.

APPENDIX 13

RX ADVERTISING RESTRICTIONS

Prohibitions			
Statute	Regulation	None	Pending litigation
Alaska, Arizona, California, Connecticut, Georgia, Louisiana, Maryland, Massachusetts, Michigan, Nevada, New Jersey, New Mexico,[1] North Dakota, Ohio,[1] Oklahoma, Virginia, Wyoming.	Alabama, Arkansas, Colorado, Hawaii, Illinois, Indiana, Kansas, Maine, Minnesota, Mississippi, Nebraska, New York, North Carolina, Rhode Island, South Dakota, Texas, Vermont, Washington,[1] West Virginia, Wisconsin.	Delaware, District of Columbia, Florida Idaho, Iowa, Kentucky, Missouri, Montana, New Hampshire, Oregon, Pennsylvania, South Carolina, Tennessee, Utah.	Connecticut—Supermarket General Corp. (Pathmark) v. Board of Pharmacy, Hawaii. Illinois—Osco Registered Pharmacists v. Department of Registration and Education of the State of Illinois. Maryland—Baltimore White Cross Corp. (Revco) v. Commissioners of Pharmacy. Sav-A-Lot, Inc. v. Commissioners of Pharmacy (in this case, a Baltimore court ruled the law unconstitutional in late 1972, but the State is appealing). Mississippi. New Jersey—Supermarket General Corp v. Board of Pharmacy. New Mexico. New York—Suits pending against Board of Regents: (1) Benjamin S. Rosenthal and Ms. Etta Ringel and the Consumer Assembly of New York. (2) Supermarket General Corp. (3) Eric G. Urowsky. North Carolina—Revco Southeast Drug Centers, Inc. v. Board of Pharmacy. South Dakota—State Board of Pharmacy of the State of South Dakota v. Osco Drug, Inc. Wisconsin—Osco v. State Board of Pharmacy.

[1] While price advertising is not specifically prohibited it is made impractical and the effect of these State measures is to ban it.

Rx ADVERTISING RESTRICTIONS

State	Form	Litigation	Notes
Alabama	Regulation	None	Pharmacy Board actively working against the advertising of prescription drugs Act 205, Sec. 3.
Alaska	Statute	do	Statute is new—it replaces old territorial law. Alaska statutes, sec. 08.80.420(b).
Arizona	do	do	[ARS—1956—revised Aug. 11, 1970, p. 221.
Arkansas	Regulation	do	Arkansas State Board of Pharmacy (regulations).
California	Statute	do	One of only 2 States with public member on board. Business end professions code 651, 651.3.
Colorado	Regulation	do	Colorado State Board of Pharmacy rules and regulations. Reg. 3, 5, 6.
Connecticut	Statute	Suit pending	Governor agrees with Pathmark suit. He asked legislature to repeal statute, Connecticut general States statute, ch. 382 The Pharmacy Act.
Delaware	None	None	Seeking legislation to add consumer to pharmacy board.
District of Columbia	do	do	Congress must change the law for a public member to sit on the board. Mandatory price posting legislation pending.
Florida	do	do	Law declared unconstitutional in 1971.
Georgia	Statute	do	Georgia general statutes.
Hawaii	Regulation	Suit pending	Board rules and regulations, ch. 18 sec. 15.
Idaho	None	None	
Illinois	Regulation	Suit pending	Rules and regulations administration of Illinois pharmacy laws, reg. V(21); board considering public member. Up to legislature to provide for public member.
Indiana	do	None	Compilation of laws regulating the practice of pharmacy, in the State of Indiana Reg. 20.
Iowa	None		Currently preparing a statute much like Illinois—not fully drafted. Considering increasing board to 5 members including 2 public members.
Kansas	Regulation		May be new legislation. Kansas pharmacy law rules and regulations [68-2-18, January 1968.
Kentucky	None		
Louisiana	Statute		Louisiana general statutes, sec. 1225.
Maine	Regulation		Laws relating to apothecaries title 32, 22 and the rules and regulations.
Maryland	Statute	Suit pending	As of Dec. 1, 1972, new law permits substitution of generic drug for name brand—savings must be passed on to consumer—enforcement procedures still shaky. Bill in House would permit Rx drug price advertising article 43, sec. 266A(c)(4) annotated code of Maryland.
Massachusetts	do	None	Boston requires pharmacies to post the prices of 200 frequently prescribed drugs. Legislature has bill which would require price posting across the State. Massachusetts board of pharmacy has 1 public member. Commonwealth of Massachusetts pharmacy law (sec. 46 ch. 94C). With California, one of only 2 States with public member on Pharmacy Board.
Michigan	Statute	do	Board expressed support for the addition of consumer representative on board, legislation expected on this matter. Michigan general statutes.
Minnesota	Regulation	do	Regulations of the State board of pharmacy, regulation No. 37.
Mississippi	do	Suit pending	State of Mississippi pharmacy laws, article IV 1. p. 48.
Missouri	None	None	
Montana	do	do	
Nebraska	Regulation	do	Posting of Rx prices is not considered advertising. Board proposes its own composition to include 1 hospital and 3 community pharmacists plus 1 consumer member. Statutes, rules, and regulations relating to pharmacy, (sec. 71-148).
Nevada	Statute	do	Nevada pharmacy law 639.261-639.288.
New Hampshire	None	do	Commission of Pharmacy and Practical Chemistry—Controlled Drug Act 1972.
New Jersey	Statute	Suit pending	State of New Jersey sec. 45, 14-12 Pharmacy Act.
New Mexico	do	do	Law tested and upheld previously. New Mexico laws and regulations, Drug and Cosmetic Act (1972) sec. 54-6-36 (K).
New York	Regulation	do	Bill in assembly to allow Rx advertising. Regulations of the commissioner of education on unprofessional conduct. [Sec. 63.3],
North Carolina	do	do	Code of professional conduct North Carolina Board of Pharmacy.
North Dakota	Statute	None	Posting presently, North Dakota century code, sec. 43-15-10 (1.6).
Ohio		do	Ohio pharmacy practice act. sec. 4729.36.
Oklahoma		do	Board took administrative action against some pharmacies that advertised prices. Attorney General says price posting must be allowed. (59 O.S. 1961 736.1)
Oregon	None	do	Regulation was overturned in 1965.
Pennsylvania		do	Board coming out with new regulations which will set some sort of guidelines. Earlier law overturned in 1971 by State supreme court.
Rhode Island	Regulation	do	Pharmacy, general laws of Rhode Island ch. 5-19, rule No. 11.
South Carolina	None	do	
South Dakota	Regulation	Suit pending	South Dakota House considering 2 bills which essentially would allow advertising. State board of pharmacy rules and regulations, sec. E, No. 13.
Tennessee	None	None	
Texas	Regulation	do	Texas pharmacy regulations, sec. 5(i) p. 23.
Utah	None	do	
Vermont	Regulation	do	Attorney General says Rx advertising can't be prohibited, Board planning on revamping regulation. Plan to put consumer on board. Mandatory price posting law isn't enforced strongly at the moment.
Virginia	Statute	do	Seeking to appoint consumer member. Board encourages price information. In 1971 Federal district court upheld the board against Revco. Commonwealth of Virginia, Drug Control Act (1970).
Washington	Regulation	do	Board allows ads in public media but makes it impractical. Washington State Board of Pharmacy regulations. WAC 360-24-040.
West Virginia	do	do	West Virginia Board of Pharmacy regulation.
Wisconsin	do	Suit pending	Pending bill bans pharmacy board from adopting or enforcing rules prohibiting Rx price ads. Dane County Circuit Court declared board's regulation invalid. Board is waiting for Attorney General's decision to appeal. Regulation of pharmacy examining board, phar 1.17 and 1.18.
Wyoming	Statute	None	Pharmacy Laws of the State of Wyoming, sec. 23.1C, p. 4.

Source: Survey of State pharmacy boards conducted between July and October 1972.

STATE PHARMACY LAWS

Disclosure technique	Alabama	Alaska	Arizona	Arkansas	California	Colorado	Connecticut	Delaware	District of Columbia	Florida	Georgia	Hawaii	Idaho	Illinois	Indiana	Iowa	Kansas	Kentucky	Louisiana	Maine	Maryland	Massachusetts	Michigan	Minnesota	Mississippi	Missouri	Montana	Nebraska	Nevada	New Hampshire	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina	South Dakota	Tennessee	Texas	Utah	Vermont	Virginia	Washington	West Virginia	Wisconsin	Wyoming
1. In-store verbal disclosure to person without prescription.				M																			M							M		M										M				M				
2. In-store verbal disclosure to person with prescription.				M																										M													M				M				
3. Telephone disclosure to caller with prescription.				M								M											M							M													M				M				
4. Telephone disclosure to caller without prescription.				M								!																		M													M				M				
5. Within store posting of prices (1 sign) not visible from outside.	R	S		M	I	C		S		(		?		R		C		S		M	M	?			M		?	M		?	I	S		C R			M		M											
6. Within store posting of prices (1 sign) visible from outside.	R	S	?	R		I	S		S	S R	C		?		R		C	S	R	S		?	?		?	S			?		S	I	S		C R		S		S R											
7. Within store posting of prices (more than 1 sign).	R	S		R		I	C		S		S R		?		R		C		S									S	?	R		?	I	S		C R		S		S R											
8. Newspaper ad—"price posters/lists available in store".	R	S	?	R	S				S						R			S	R														S		S		C R		R												
9. Radio/TV ad—"price posters/lists available in store."	R	S	?	R	S				S						R			S	R														S		S		C R		R												
10. In-store list of prices removable from store.	R	S		R	S	I	S		S	S R	C		?		R	R	C	S		S	C R	S	R		?		S		S	?	R		S	I	S		C R		S		S R						R		
11. Mailing or distributing (other than removable lists) a list of prices.	R	S	S R	R	S	I	S		S	S R	C		C	R	R	R	C	S	R	S	C R	S	R		?		S		S	?	R		S	I	S		C R		S		S R						R		
12. Discount ads (e.g., "10%0. off", "cut rate").		S		R	S		S		S	S R	S								S				R	S	R		S		S	R	R		S			I		R		S		S						R		
13. Comparative newspaper ad—"Rx prices lower than competitors."		S		R	S		S		S	S R	S				R				S				R	S	R	R	C		S	R	R		S				C R		S R		S						R		
14. Comparative radio/TV ad—"Rx prices lower than competitors."		S		R	S		S		S	S R	S				R				S				R	S	R	R	C		S	R	R		S				C R		S R		S						R		
15. Newspaper ad—discloses actual Rx prices.	R	S	S R	R	S	I	S		S	S R	C		C	R	R	R	C	S	R	S	C R		R		C		S		S	?	R		S	I	S		C R		S R		S						R		
16. Radio/TV ad—discloses actual Rx prices.	R	S	S R	R	S	I	S		S	S R	C		C	R	R	R	C	S	R	S	C R		R		C		S		S	?	R		S	I	S		C R		S R		S						R		

Symbols: M—Disclosure mandatory, R—Prohibited by Board of Pharmacy regulations; S—Prohibited by statute; C—Prohibited by rule or statute as to some or all controlled substances but not all prescription drgus; I—Extensive medical information required or considered necessary as to side effects, contraindications and effectiveness; ?—Unclear or undetermined.

HONOR RETIRING TEACHER

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mrs. SPELLMAN. Mr. Speaker, on June 15, 1975 the Glenn Dale Elementary School will honor their retiring teacher, Mrs. Althea Ross Carrick. I would like to share with my colleagues the outstanding record of this fine educator and citizen.

Mrs. Althea Ross Carrick has dedicated 36 years of her life to public service. Her teaching career began in 1936 after she received her bachelor of science degree from Frostburg State Teachers College. Her first classroom assignment was at Mulliken Elementary School in Mitchellvile, Md. She then transferred to Glenn Dale Elementary School in 1940 and has remained there since.

Mrs. Carrick has continued to expand her educational expertise through courses at local colleges. Her traditional background in the field of education has never limited her scope or her ability to adapt to the myriad changes that have taken place in education during the past 36 years. Primarily, her deep belief in the ultimate worth of each individual has enabled her to bend with the innovative aspects of educational pedagogy. Her creative nature has instinctively allowed her to accept the new philosophies in education, and at the same time retain those of the old which have proven successful. Her quest for knowledge has always kept her abreast of new eclectic approaches.

In behalf of those of us who appreciate education and talented, dedicated teachers, I salute Althea Ross Carrick who has devoted 36 years in providing enlightenment and enrichment for the young people of Prince George's County.

INTRODCTION OF THE TRUTH IN GOVERNMENT ACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. FRASER. Mr. Speaker, our political system, to function properly, depends upon honesty. Unfortunately, honesty has become a one-way street.

Under current law, it is a crime for a private citizen to lie to a Government official, but not for a Government official to lie to the people.

Section 1001 of title 18 of the United States Code now reads:

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact or makes any false, fictitious or fraudulent statements or representations, or make or uses any false

writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

This statute appears to apply to private citizens and public officials alike; however, in practice, the Government is inclined to readily hold private citizens accountable for false statements, while it fails to apply the same standards to itself.

In the majority of cases involving section 1001, the courts have construed the statute as applying to private citizens who lie to the Government, but not to Government officials who lie to the people.

The American people find it increasingly hard to believe anything they are told by the Government. We have discovered deliberate lying by Government officials during Watergate, the CIA investigation, the Cambodian bombing, the *Pueblo* incident, the Gulf of Tonkin affair, and even during consideration of the strip mining bill.

Now, like the little boy who cried "Wolf" too often, the Government is having trouble convincing the people that anything it says is true. This pattern of misleading the people is one that concerns me. I hope the Congress will take steps to even up the odds between Government and citizens.

Today I am introducing legislation designed to make it clear that the same standards which now apply to private citizens will also apply to the Government. The amendment I suggest would make "any person, including any officer or employee of the Federal Government or any elected official thereof" legally accountable.

The full text follows:

H.R. 7846

A bill to clarify the prohibition against making false statements in matters within the jurisdiction of a department or agency of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Truth in Government Act".

SEC. 2. That section 1001 of title 18, United States Code, is amended by striking out "Whoever" and inserting in lieu thereof "Any person, including any officer or employee of the Federal Government or any elected official thereof, who".

PERSONAL EXPLANATION

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mrs. MEYNER. Mr. Speaker, I inadvertently voted "No" last night on rollcall No. 284, the vote on the Alexander amendment to title II of H.R. 6860. In fact, I oppose any increase in gasoline taxes and intended to vote "Aye" on that amendment.

MONTHLY LIST OF GAO REPORTS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The May 1975 list includes:

Questionable Effectiveness of the 8(a) Procurement Program, GGD–75–57.

Delays in Establishing a Uniform Quality Grading System for Motor Vehicle Tires, RED–75–344.

Cases Studies on "Need for Improved Controls for Identifying and Correcting Safety Defects on Light Aircraft," B–164497(1).

The Federal Crime Insurance Program: How It Can Be Made More Effective, RED–75–333.

Comparative Costs of the Department of Housing and Urban Development's Sections 8 and 236 Rental Housing Programs, RED–75–349.

The Equal Employment Opportunity Program for Federal Nonconstruction Contractors Can Be Improved, MWD–75–63.

How Federal Efforts to Coordinate Programs to Mitigate Juvenile Delinquency Proved Ineffective, GGD–75–76.

Resource Management Can Be Improved By Greater Use of Productivity Techniques, GGD–75–76.

Revenue Sharing and Local Government Modernization: A Conference Report, GGD–75–17.

The Federal Regulation of Lobbying Act—Difficulties in Enforcement and Administration, GGD–75–17.

Opportunities for Savings in Interest Cost Through Improved Letter-of-Credit Methods in Federal Grant Programs, FGMSD–75–17.

Operations of the John F. Kennedy Center for the Performing Arts, GGD–75–28

Upward Mobility Programs in the Federal Government Should Be Made More Effective, FPCD–75–84.

Examination of Financial Statements of Government Services, Inc., Year Ended December 31, 1974, FOD–75–16.

Progress and Problems in Training and Use of Assistants to Primary Care Physicians, MWD–75–35.

Improving Federally Assisted Family Planning Programs, MWD–75–25.

Improvements Needed in Medicaid Program Management Including Investigations of Suspected Fraud and Abuse, MWD–75–74.

A Proposal for Disclosure of Contractual and Financial Arrangements Between Hospitals and Members of their Governing Boards and Hospitals and their Medical Specialists, MWD–75–73.

Public Hazards from Unsatisfactory Medical Diagnostic Products, MWD–75–52.

Lengthy Delays in Processing of Overpayments Under Part A of the Medicare Program May Result in Losses of Millions of Dollars, TCD–75–4.

The Agricultural Attache Role Overseas: What He Does and How He Can Be More Effective for the United States. ID–75–40.

The Overseas Food Donation Program—Its Constraints and Problems, ID–75–48.

Department of Defense Procedures for Accumulating and Controlling Costs for Aid to South Vietnam in Fiscal Year 1975, LCD–75–433.

Better Management of Secondary Items by the Republic of Vietnam Armed Forces Would Reduce U.S. Investment, LCD–75–418.

The Congress Needs More Information on Stockpiling Programs for Allies, ID–75–57.

Bulk Fuels Need to be Better Managed, LCD–74–444.

Airlift Operations of the Military Airlift Command During the 1973 Middle East War, LCD–75–204.

Ways to Improve Management of Automated Data Processing Resources, LCD–74–110.

Safeguards Should Be Tightened for Transporting Nuclear Weapons on Highways, LCD–75–221.

Urgent Need for a Department of Defense Marginal Performer Discharge Program, FPCD–75–152.

Questionable Use of the Domestic Aeromedical Evacuation System, MWD–75–45.

Significant Audit Findings in the Department of Defense, PSAD–74–34.

Comments on Energy Research and Development Administration's Proposed Arrangement for the Clinch River Breeder Reactor Demonstration Plant Project, RED–75–361.

The Liquid Metal Fast Breeder Reactor Program—Past, Present, and Future, RED–75–352.

Problems of Independent Refiners and Gasoline Retailers, OSP–75–1.

Operating Cost and Environmental Radiation Monitoring at the Shippingport Atomic Power Station, RED–75–325.

Controls on Use of Psychotherapeutic Drugs and Improved Psychiatrist Staffing Are Needed in Veterans Administration Hospitals, MWD–75–47.

Additionally, letter reports are summarized including:

Release of impounded budget authority for the Economic Development Administration, Department of Commerce, ACG–75–19.

Release of $11.4 million of impounded budget authority for the Federal Highway Administration, ACG–75–20.

Release of $9.1 billion in impounded budget authority for the Federal-aid Highway Program, ACG–75–21.

Actions taken to eliminate dangers from structural defects in Government-leased buildings, LCD–75–336.

Differences in running the food stamp program which may contribute to varying rates of participation, RED–74–243.

Construction, design, and operating costs of the Hirschhorn Museum and Sculpture Garden, LCD–75–308.

Quality of food served in non-Federal prisons in New York and Pennsylvania, GGD–75–84.

Extent of "hazing" of cadets and midshipmen and amount of combat training at military academies, FPCD–75–133.

Comparison of energy used in five Federal office buildings in 1972 and 1974, LCD–75–341.

Funding of employment service and unemployment insurance activities in Texas and related matters, MWD–75–60.

Examination into the administration of Air Force indicator repair contracts with Pantronics, Inc., PSAD–75–43.

Economic and environmental aspects of the proposed William L. Springer project in Illinois, RED–75–363.

Cost and benefits of U.S. participation in reopening the Suez Canal, ID–75–52.

Information on loan guarantee programs under the Rail Passenger Service Act and the Regional Rail Reorganization Act, RED–75–329.

Information on selected aspects of power operations of the Tennessee Valley Authority, RED–75–368.

Cost of Silverware purchased for the Vice President's residence, PSAD–75–75.

The monthly list of GAO reports and/or copies of the full texts are available from the U.S. General Accounting Office, room 4522, 441 G Street NW., Washington, D.C. 20548. Phone (202) 386–6594.

A TOUGH ONE TO WRITE

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. SCHULZE. Mr. Speaker. On July 3, 1975, the Independent, a weekly newspaper in Montgomery County, Pa., celebrated its 100th birthday. Over the past 100 years, the Independent has truly lived up to the principle expressed in its motto, to "Accept and Defend the Truth." The publishers of this fine paper have not only exercised their rights under article I of the U.S. Constitution, but they have also accepted the corresponding responsibilities of honesty and fairplay.

The Independent is to be congratulated on its 100th birthday for its contribution in providing unbiased news coverage and, in its own words, by avoiding "matters which have a tendency to demoralize." I salute this fine newspaper and encourage it to carry on in the fine tradition it has established, and I call it to the attention of other representatives of the media as an example well worth emulating. I would like to share the Independent's editorial of May 27, 1975, with my colleagues and request that it appear in the RECORD at this point:

A TOUGH ONE TO WRITE

Today, The Independent is 100 years old. While age does lend some respectability to a newspaper, it should not add complacency to its masthead.

The challenge to our democracy is greater today than it was 100 years ago. The challenge of a free press is greater today than it was 100 years ago.

The fledgling PROVIDENCE INDEPENDENT was born June 3, 1875. Its first publisher was E. S. "Dad" Moser. "Dad" Moser as the youngest publisher of his time in Montgomery County. Elwood S. Moser honored the newspaper profession with his candidness and honesty.

The second publisher was Paul Levengood. Paul, a Ursinus graduate, took the helm and steered The Independent through perilous times: the depression, World War II, Korean War and the beginnings of the Vietnam War. Paul Levengood carried on The Independent in the highest traditions of responsible journalism.

These two men are responsible for the vibrant and viable community newspaper you read today. The credit for the survival of The Independent must go to them. We tip our hat in deep respect.

The challenge of a free press, the challenge of future publishers of The Independent is to preserve and defend the truth and free men throughout the world.

We are humbly grateful to God for the small part we have played in this grand scheme.

THE INDEPENDENT'S FIRST EDITORIAL

We reprint here the first Editorial of The Independent written by E. S. Moser. We endorse its principles and pray that future publishers will carry on its high purpose.

SALUTATORY

Today with the present issue, we enter upon the field of journalism. Whether our career will be a successful one the future alone will unfold.

Being our first attempt we will no doubt make a few errors which more experienced ones would detect.

The status of the paper is to be independent and outspoken upon the different topics of the day, but under no circumstances will it be partisan. We consider there is too much party action at present, that is, holding to one party whether right or wrong. We want more of that liberty and independence so dearly bought by our forefathers. We want men in office, no matter whether they be Republicans or Democrats, who will look to the welfare of the country and not to the interest of their pockets.

Our object is to make the paper as interesting as possible, admitting the various discussions on the different subjects of the day, as well as giving strict attention to matters of local character.

Our columns will be open to correspondents. All articles not too lengthy and to the point, will be cheerfully accepted. Articles of a reformatory character will also be admitted, but will give no space to matters that have a tendency to demoralize.

With the above few remarks we will close our Salutatory, trusting for our share of public patronage.

THE NEED FOR SOCIAL JUSTICE AND HUMAN RECONCILIATION

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ZABLOCKI. Mr. Speaker, as we continue to consider the Energy Conservation and Conversion Act of 1975, it is becoming more and more apparent that we in Congress and the American people must squarely address ourselves to the many difficult realities of today's problems, be they in energy, economy, or foreign policy.

What strikes me the most in any analysis of our complex national problems is the necessity for more love and understanding, human sacrifice, for giving and not taking, and for reevaluating our habits and living patterns. The Judeo-Christian mission and obligation of man is to live in this world ultimately as all members of the same family, working for social justice and peace through love, brotherhood, and understanding.

In a very poignant way, Mr. Richard O. Bell, a constituent of the Fourth District of Wisconsin, which I am honored to represent in the House of Representatives, underscored this very theme in a recent article. Writing in the "In My Opinion" column of the May 27, 1975, edition of the Milwaukee Journal, Mr. Bell called on us all to lay aside our selfish interests and to assume our human and social responsibilities toward one another. In terms of this Congress, this means that worthwhile public goals and the interest of the whole national community must take precedence over private goals and individual and group self-interest. It is this challenge, Mr. Speaker, which we as Federal representatives of the people must meet.

I thank Mr. Bell for reminding us all that we are all members of the same human family and for urging us to act accordingly.

The text of Mr. Bell's most excellent and timely article follows:

WE ARE ALL IN THIS TOGETHER AS A FAMILY, SO LET US NOT SIMPLY BLAME WELFARE

(By Richard O. Bell)

Few indeed are the people who enjoy doing with less than that which they have become accustomed. Less numerous are those who realistically admit that what they have come to expect must be obtained at additional cost.

As a young university student during the '30s I qualify, if not as an expert, at least as a participant, to comment on survival and hopeful planning for a somewhat dubious future. Those were the times when butter was 23 cents a pound, three chickens sold for a dollar, and a 100 pound sack of potatoes could be had for one buck.

Families had priorities as to their members' needs. Parents and kids took turns as regards to who got what, and sometimes when the seat of a pair of pants disappeared, or the sole of a shoe disintegrated priorities were of a necessity shifted and the next in line suffered a setback. Generally speaking we made do. Sure, prices were low but so were wages, and money was really scarce.

I have heard a lot of adverse comment about Gov. Lucey's proposed tax on "gas guzzling" cars. I do not like the idea of paying more for travel than I already do, but I cannot in truth blame the governor.

What should he do?

We all want the goodies we enjoy in Wisconsin, and they are plenty and they cost plenty. This tax seems to be one of the most realistic measures to be taken to finance the expedition.

Most big cars are owned by people who can afford them. Those who cannot afford a big car are in the same category as those who cannot afford to own and operate a yacht.

I deplore the fact that a workingman must pay a sales tax on a pair of shoes or blue jeans for himself or for his kids, but I support a considerable tax on a pair of alligator shoes, a mink coat or a diamond bracelet.

Let's face it!

Just as I was a member of a family during the depression, today I am a member of a larger family—a member of the family of Wauwatosa, the County of Milwaukee, the State of Wisconsin, and the United States of America. We are in this together, and unless what we do is not of benefit to the whole, we are headed for trouble.

We are and we must be a family. Democrat, Republican, Socialist, you give it a name, it is our problem.

Solve it by having a state lottery? What kind of a family would want to finance itself with gambling? This cannot be a good method or "Gamblers Anonymous" would not exist, and it does exist as certainly as the society of those who solved their personal woes with John Barleycorn.

Let us place the burden of taxation on those who can afford it, and I fortunately am one.

Forget about placing the blame upon welfare. "The poor are always with us," and we who are more fortunate should be thankful that we are not numbered among them.

White collar graft, inept, unnecessary, unqualified, and sometimes corrupt men at many levels really do us harm, but welfare seems to be the most popular scapegoat.

We in the United States are a family. We will survive and flourish as a family only if we love, consider and understand our relatives and are willing to accept the fact that the strong should support the weak.

Today the communal family has a "hole in the seat of its pants." Priorities have to

be changed, and that which we would prefer to do must give way to that which must be done.

THE STRANGE VIEWPOINT OF THE WASHINGTON POST RELATIVE TO IRAN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. McDONALD of Georgia. Mr. Speaker, on the 23d of May, the Washington Post published an editorial entitled: "Death in Tehran" which hinted that somehow the deaths of these Americans had been inevitable since after all the Shah was running a regime that "prevents that opposition from being expressed by means other than terror." The inference is obviously that we should not deal with Iran. The Washington Post editorial appeared in Tehran in the international edition of the Herald Tribune. So, Iran is not a complete police state. Even more interesting is an Iranian reaction to the Post editorial as printed in the letter-to-the-editor column of the Kayhan paper in Tehran on May 27. In my view, the Post editorial was an indirect endorsement of terrorism and is wrong. The Post editorial and the letter to the editor in the Kayhan follows for the edification of my colleagues.

The articles follow:

DEATH IN TEHRAN

The murder of two American colonels by terrorists in Iran is not only a regrettable event in itself but a reminder of the risks of an uncritical embrace of the Shah. For he rules his country in a tight, sometimes brutal, military way that at once provokes a certain amount of internal opposition and prevents that opposition from being expressed by means other than terror. American officials are prone to describe Iran as a "major element of stability" in the region. But the Shah's preoccupation with internal security suggests that he undertsands the internal threats to his own "stability" better than some of his admirers do.

One charge leveled against the Shah by some of his foes is that he has exploited his American connection to solidify and exalt his own power. This is, of course, entirely true. From this connection the United States has drawn considerable advantage over the years, and Iran's oil and army are very much factors requiring close and continuing American attention. The hospitality so graciously and conspicuously offered by Iran's ambassador in Washington is very much a part of the public identification with the United States that Iranian policy has sought. By the same token, however, it becomes logical to some domestic foes of the Shah to strike at representatives of his American connection. This is becoming increasingly feasible, if only because the number of Americans living in Iran to help build the Shah's immense military machine and his economy is now near 20,000. The two colonels gunned down in a daylight street ambush in Tehran on Wednesday were not the first American victims of this sort: Few would say they will be the last.

High policy aside, an incident like the one that took place in Tehran is all too typical of the difficulties the United States encounters in seeing to it that its citizens living abroad are safe and well. On the same day that the Tehran incident was in the news, other word came of the kidnapping of three American students in Tanzania and of the detention (since ended) by leftist students of a number of AID employees in Laos. In all of those countries the United States must rely for the protection of its nationals on the competence of local security officials and on the good will of local citizens. In none of those countries can President Ford do what he did in the Mayaguez affairs—bring American power unilaterally and overwhelmingly to bear. Indeed Cambodia may be the only country in the world where the United States could take a purely tactical, military approach to ease the jeopardy of its citizens—if only because there were no American residents in Cambodia to be held as hostages. As the Pueblo case made plain, even in respect to the pariah state of North Korea political restraints entered in. Administration strutting notwithstanding, the significance of the Mayaguez precedent in assuring that Americans abroad will be protected by their government was, in a word, nil. The real world, as we have noted before in this connection, is to be found in places like Laos, or Tanzania or Iran.

FREEDOM OF EXPRESSION OR COLD BLOOD MURDER

Sir, may I enjoy the courtesy of your columns to make a few points about certain reactions to the murder of two American officers in Tehran last week. The facts of the case are known to all. Four, as yet unidentified terrorists surprised the two officers on their way to work gunning them down in cold blood.

Naturally, public opinion in Iran condemned the dastardly deed in no uncertain terms. This, I thought, would be the natural reaction of anyone who valued the sanctity of human life. During the past few days I have been able to assess the feelings of people from many walks of life. The conclusion is clear: no true Iranian would condone such deeds committed by desperados who are, one fears, inspired from our enemies abroad.

What is surprising, however, is the reaction of some of the so called "liberals" in the United States to the murder of the two officers. A few hours after news of the murder was broadcast some American TV stations saw it fit to interview masked men, claiming to be Iranians, on the subject. The masked men told millions of American viewers that the murders, were in fact "understandable" and even "justified."

This was said while the interviewer sported a standard "tooth-paste" smile.

That was not all. Some so called "liberal" newspapers, the Washington Post for example, also wrote in more or less the same vein. They said that the terrorists could not express their views except through the barrel of the gun.

This might sound fantastic to those of us who do not mistake freedom of expression with freedom to murder. The sado-masochistic "liberals" who have virtually endorsed the two murders did not even pause for a moment to ask what views the terrorists might have had. They also forgot the fact that terrorism is an international disease and has nothing to do with such basically abstract notions as "freedom of expression."

Had they known this they would have remembered that the killers of the two officers in Tehran were of the same race as similar terrorist groups in America and elsewhere. The "Weathermen" and "The Symbionese Army" and the Baader-Meinhof gangs lived in countries that supposedly do have the kind of "freedom of expression" American "liberals" clamour after.

The logical conclusion to the stance taken by certain American "liberals" is that those who commit murder are necessarily people who have something worthwhile to say but cannot say it under certain circumstances. Thus, with a single stroke they turn all psychopaths into "freedom lovers," whatever that may mean.

Continuing on the same lines of argument one could say that a single man choosing to shoot innocent people at random would prove that this or that society is not enjoying "freedom of expression." If that were to be the case, the United States would be the most stifling society ever created. For we know what a wide range of assassinations America has witnessed.

Where Oswald and Sirhan avenging themselves on society because they did not have "freedom of expression"? The "Sharon Tate" mass murders must have also indicated the presence of "fredom-seeking" currents in American society!

The whole attitude is so sickening as to defy even proper condemnation. One wonders if "American democracy" is going to be methamorphosed against itself under the influence of so called "liberals" whose benevolence towards out and out killers is only matched by their loathing for freedom based on responsibility.

Fortunately in Iran we can still be tough enough to defend human rights against those who wish to make their own laws.

THE LEGAL PROBLEMS OF THE ELDERLY

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD three recent articles which clearly describe some of the tragic legal problems facing millions of older Americans, and I urge all those concerned about assisting the Nation's elderly to read them.

The articles, which appear in the March 1975 issue of Juris Doctor magazine follow:

VICTIMS OF THE DREAM

(By Marlene Adler Marks)

"Elderly clients? This is a *sexy* issue! You talk about law reform—well, the issues for the elderly today are only the tip of the iceberg." Paul Nathanson, 31-year-old head of the National Senior Citizens Law Center based in Los Angeles, has been giving himself pep talks like this for more than two years.

"What do you mean *sexy*?" answered the hundreds of Legal Services offices nationwide that were expected to use the center for research.

"What do you mean *sexy*?" answered the White House when it appointed Howard Phillips to break up the Office of Economic Opportunity, thus threatening to put Nathanson out of business.

But Paul Nathanson, who specialized in pension plans for the prestigious Los Angeles firm of O'Melveny & Meyers, knew that the elderly had friends. To find them he attended hours of legislative hearings around the country. He heard politicians talking a good story about helping the elderly with legal services, but they didn't seem willing to do very much. He also talked to old people—who, it turned out, had a lot to say about what was wrong with lawyers.

Today Nathanson's travels are paying off. In the past year, 45 legal services programs specifically for the elderly have been funded across the country, with individual grants ranging up to $70,000. Nathanson knows this still amounts to a mere fraction of the money available for legal services, but he is optimistic. He predicts that 100 offices will soon have some sort of program specifically for the elderly and, eventually, that there will

be an attorney for old people in every legal services office in the country.

Through speech making, hounding elected officials, and constant propagandizing, the National Senior Citizens Law Center has wrought changes in the hearts and minds of powerful politicians. Even Chicago Mayor Richard Daley helped get funds for a legal aid office for the elderly in his city. And Florida, with the largest elderly population of any state, has funded legal aid offices for the elderly statewide.

Paul Nathanson has grown a few gray hairs of his own in his effort to publicize the plight of the nation's elderly. In March 1973, after six months on the job, he had a staff of two other attorneys and a clientele virtually hidden in a mound of demographic data. He had discovered that while the elderly make up 20 percent of the poor, they comprise only 6 percent of the legal services caseload nationally. And he was sure that old people had no lack of problems.

"Legal services offices used to say, 'We'll take anyone who comes to the door.' Well, that rules out old people immediately," says Nathanson. "They're simply not going to walk into a legal services office." The problem, he explains, is that the elderly have been taught not to accept charity. "They're the group that really bought the American Dream in the classical sense," he says. "They were told to work hard, keep to themselves, and never take handouts. Most of them were middle class during their working lives. Then they reach 65, and immediately they're poor. But they won't take what's rightfully theirs, even if it's for free, because they were told they were middle class and that it's wrong to take welfare. The poorer you are, the more adamantly you say, 'I'm not poor.'"

To understand these feelings, Nathanson says, is all important in dealing with the elderly. You can't expect to change them. If the potential client is white and against welfare because of racial bias, does that mean you stop trying to deliver the service that's needed? In some ways, Nathanson admits, government attorneys will find it difficult to substitute for private attorneys for this generation of the elderly. "The elderly poor," he told me in his office recently, "would rather have a private lawyer than what they see as a 'welfare' lawyer."

But because the private bar has not responded to the needs of the elderly, legal services lawyers will have to fill in the gap. Although Legal Services money has been available to the elderly through the Administration on Aging since 1972, it is only recently that legal services offices have been able to get at it. The increased interest may be partly due to cutbacks in other kinds of legal services funding, and the elderly have been virtually the only special interest group to get increased aid throughout the Nixon-Ford years.

Attacking the specific legal needs of the elderly, says Nathanson, has been "on the books" as a high federal priority for some time. But the Administration on Aging, originally funded under the Older Americans Act of 1965, preferred to wait for the big push. Administration Commissioner Arthur Flemming, says Nathanson, planned programs for information and referral first and casework projects later. "This dissuaded legal services attorneys from even asking for the money," Nathanson says. "O.K., we said, if they're funding I and R, tell them you'll do I and R too." The center's efficiency is acknowledged even by the Department of Labor, which refers most of its pension complaints to the center's Los Angeles and Washington offices.

The center's staff has grown in two years to nine lawyers, with specialties including probate, Social Security, age discrimination, consumer problems and taxation. Although the center cannot itself represent clients, its research has covered most of the meaty issues of administrative law and equal protection: Mandatory retirement, due process in incompetency hearings, model probate, codes, and Social Security benefits. Clarifying due process issues under the new Supplemental Security Income program will create an important precedent for national health insurance and guaranteed annual income programs, if these are finally enacted.

Although the center has for the last two years attempted to strengthen its position in the legal services delivery establishment, its future is in doubt. Political friends of the center, including California Senator John Tunney, are trying to insure that at least part of the $2 million appropriated for legal services through the Administration on Aging is specifically earmarked for the center. For now, Nathanson expects a supplemental OEO grant to carry them through this September. But the center is caught between the politics of the Administration on Aging and the new Legal Services Corporation. The latter is specifically prohibited by law from funding research, training, and clearinghouse support—exactly the kind of work the center has done best.

While waiting, Nathanson is, as always, optimistic. "Although the future of NSCLC is uncertain," he wrote in a recent center bulletin, "we would like to reiterate to all . . . those needing any sort of technical assistance . . . that we have no intention of slowing our operations or in any way diminishing our services."

LANDLORD TO TENANTS: DROP DEAD

(By Stephen Singular)

A phone rings at the Legal Aid Office for the Elderly in Brooklyn, New York. An old man, sounding confused and frightened, explains that he was given a 72-hour eviction notice a few days earlier and that it is about to expire. Can they help him? A staff attorney immediately contacts the marshal who served the eviction papers and pleads with him to hold off at least until they can get the case into court. The marshal consents and the staff at Legal Aid starts digging for evidence.

They may claim the old man's rent is too high or that he offered a payment to the landlord and was refused. The conditions in his apartment might violate housing regulations, justifying his withholding the rent. Several days later, the attorneys and paralegals have pieced together a case and presented it in court. The tenant is permitted to stay in his home for ten months. The man may have gotten only a reprieve, but he is thankful and he knows where to turn the next time he needs help. Says Mortimer Getzels, director of the Brooklyn office, "We have yet to lose a client by eviction and when we do lose we won't hesitate to take it up on appeal."

A year ago that same man would probably have ended up in a nursing home or a neighborhood he neither knew nor liked. He could not have afforded a lawyer. But since the Brooklyn office opened, nearly 600 elderly people have been given a fighting chance—at no cost—against landlords, impenetrable bureaucracies, and stingy insurance plans. That number is only a fraction of those who may eventually use this service. In the Brooklyn neighborhoods served by the new office, there are 367,000 elderly people who qualify for legal aid. The eligibility requirements are a stark reminder of the economics of old age; you must be over 60 and have a maximum gross weekly income of $85 if single and $100 if married.

This same group was eligible for legal aid even before the Brooklyn office opened. But many old people are wary of lawyers, even if they know they can get one free. One of the project's major goals, therefore, has been to win the community's confidence. Members of the staff—five lawyers, five paralegals, and a social worker—regularly visit churches, synagogues, and senior citizens' groups to explain the office's purpose. Paralegals also make house calls, and will accompany elderly clients to pick up checks or visit government offices. Getzels is pleased with the initial reaction to the program and says that the communities "are accepting us well."

The foundation for this program was laid two years ago when the City of New York realized that it could no longer ignore the special needs of the elderly. The Legal Aid Society, which in New York handles both criminal and civil cases, was enlisted to determine where the need was greatest. Seven target neighborhoods in Brooklyn were selected, and a plan was presented to New York's Office for the Aging, which awarded Legal Aid a contract in August. The doors opened in October, and in December, "Legal Aid for the Elderly Month in New York," the office was officially christened by Mayor Abe Beame. To open the Brooklyn base cost $253,387, provided by appropriations under Title III of the Older Americans Act of 1965. But even if the project is overwhelmingly successful, it can receive only three more years of financial support under Title III. After that, new sponsors will have to be found.

The Brooklyn office was the first of its kind in the country, and although similar projects exist, none offers as comprehensive a range of services. The staff has handled all sorts of cases—from obtaining a divorce for an elderly couple to helping an old man adopt a teenager. Another unusual case concerned an elderly woman who had lived in the United States for 60 years but had never become a citizen. She wanted desperately to visit Israel, but her alien status prevented her from getting a passport. The Legal Aid office informed her that because she had come to America before 1924, she could be naturalized in 60 days. She got her passport in a matter of weeks.

There have been other special cases, but the staff spends most of its time on two problems that have cut many old people off at the knees—housing and money. "I've had three cases," says staff attorney Cassandra Bilotta, "where landlords have told tenants they wished they'd drop dead." She goes on to outline a depressingly common senario. Her clients have been living for years in rent-controlled apartments. Regardless of the conditions, they're paying 1950s prices to 1975 landlords and something has to give. Once, when tenants were friends with their landlords, they might have been able to negotiation. But now they're strangers, monthly enemies, and lawyers at the Brooklyn office concede that there are often two sides to the problem. "Some old people," says co-director Margaret McDowell, "can be pretty crotchety and forgetful." She seems reluctant to foist all the blame on landlords. But no such objectivity was visible when it came to the system of financial benefits provided for the elderly.

The welfare system for the young and middle-aged in this country has rarely been worthy of praise. But compared to the way the old are treated, it seems positively humane. "I just didn't understand the way the system works until I started here," says Bilotta. "A regular welfare recipient, if moving, gets broker's fees, moving expenses, two months' security, and the rent paid. Once he is settled, welfare pays for the increases in rent. And they still have a food allowance." But once welfare recipients hit age 65, she points out, they don't get actual welfare. Instead, they get what is known as Supplemental Security Income (SSI), which amounts to the hardly munificent sum of $206 a month. If they already get Social Security benefits, however, they only get enough SSI to bring the total monthly income to $227. An elderly person who received $220 each month in Social Security, for example, would only qualify for seven dollars of SSI. "I don't think the people who wrote

these laws understood that when the rent went up, people just wouldn't eat," says Bilotta. "I have clients who pay $130 or $140 rent on a fixed monthly income of $206."

The irony of this system of benefits is that elderly people favor it over welfare. Why? Because they don't know—or don't believe—that it really is welfare. Many of them are intensely proud of having emigrated to this country and having "made it" on their own. "Welfare was such a disgrace for them," says Bilotta. "They equate SSI with Social Security or see it as something they've earned. But it's welfare too, and they're getting shafted because of it."

One of the most important responsibilities of the Brooklyn staff is to persuade elderly clients to pursue all the benefits to which they are legitimately entitled—in most cases, at least Medicare, Medicaid, and SSI. And laws are being written that will attempt to increase those benefits and give the elderly a bigger break. In New York City, for example, any person who is over 62, earns less than $6,500 a year, and pays a third or more of that total in rent will no longer have to pay rent increases, "a tremendous boon to old people," says McDowell.

The elderly themselves are finding ways to fight a system that frequently seems designed to dehumanize them. Some couples have separated or divorced in order to increase their benefits. A married couple receives a maximum SSI payment of $315, but two unmarried persons living together can collect as much as $454 a month. Getzels explains that the issue behind this situation is "legislative" rather than constitutional, and says that there is no legal way to get around it. But he is keeping a watchful eye on mandatory retirement laws, and Legal Aid may plunge into a battle on that problem before too long. "I've got to find the appropriate client before we attack," he says. "We might just open up a real can of worms here and private employment might crack more easily than public employment."

But even if that "can of worms" doesn't develop, the staff will still have its hands full. They add ten new clients to their list every day—five in the morning and five in the afternoon. It is a structured operation, but as Getzels emphasizes, "The door is open to anyone who walks in with dispossesion papers."

"I just handled a case for a blind woman who's not in a rent-controlled apartment and who's living on SSI," Cassandra Bilotta told me recently. "I got the judge to give her six more months." Victories like this may seem small contributions toward providing adequate legal services for the elderly, but they're certainly a lot better than nothing.

ABUSED BY THE SYSTEM

(By Jonathan A. Weiss and Laura Villafane)

Society assumes that with age, intellectual and physical productivity decrease automatically. Such attitudes have far-reaching legal consequences for the elderly.

Most of our laws against age discrimination apply only to people between 40 and 65. The Age Discrimination Act of 1967 prohibits, for example, preferential hiring on the basis of age, and allowed 160 former employees of Standard Oil of California to return to work in 1974. But what about those over 65? The act doesn't include them, and most legal attacks on discrimination against them have failed.

Suits have been filed by employees who claim that the right to earn a living is guaranteed by the Fourteenth Amendment regardless of age, and cannot be abridged without "compelling necessity." What follows is a brief catalogue of the elderly's primary legal problems.

BENEFIT PROGRAMS

The elderly are offered a wide range of benefit programs, all theoretically designed to help them. But these more often than not work against them—and each other.

Eligibility standards are often tangled and restrictive. One requirement, recently overturned by the Supreme Court, withheld Old Age Assistance from any alien who had lived in the United States less than 20 years. Absurdities abound. Inheritance does not affect Social Security, but an old person who works may lose all or part of his benefits. Increases often lead to loss of welfare, Medicaid, or food stamps, even for the disabled.

Other serious problems involve abrogation of due process. Under Medicare, for example, the carrier holds the hearing about his own dereliction. Old people are often unaware of their rights in some hearings to independent hearing officers, cross-examination, exclusion of hearsay, prehearing testimony, and calling witnesses.

SOCIAL SECURITY

Social Security payments depend on how much the recipient paid in and for how long, but are also based on other, seemingly irrational concerns. How long was a widow claimant married? Has the claimant remarried? Did this man continue to work after age 65? If the last answer is yes, Social Security will point to its built-in "work incentives." But where is the incentive if old people can't earn money without risking a payment reduction of one dollar for every two earned over $2,400? Futile attacks have been lanunched against the earnings test on the ground that it penalizes employment income but not annuities or dividends—thus discriminating against the poor. Old people don't need lawyers to wait on line for their checks, but they do need them to know how to get back the money they paid in for so long.

PENSIONS

Pension plans are one of the biggest economic scandals of the decade. The Internal Revenue Service, responsible for monitoring, has been asleep on the job. The average worker retiring now has about a 15 percent chance of ever getting a cent from a pension plan. People are cheated out of benefits when companies or plans go bankrupt.

Since September, the Federal Employees Benefit Act has helped eliminate some unethical practices by requiring insurance to guard payments, imposing fiduciary standards on trustees and actuaries, making vesting mandatory after a certain period, and restricting break-in-service rules. But it is unclear what effect, if any, the act will have on partial plan termination, discrimination against lower-paid and part-time workers, and forced retirement.

SUPPLEMENTAL SECURITY INCOME

Supplemental Security Income (SSI) replaced Old Age Assistance, Aid to the Blind, and Aid to the Disabled. Everyone hoped that federalizing these state programs would be a step forward; it's been a disaster. Monthly SSI payments are often less than what the state paid.

The transfer of state programs was chaotic. Now, over a year later, many people get checks in reduced amounts or no checks at all. Some stopped getting food stamps, which were to be replaced by benefit increases—increases that never came in the full amount.

MEDICARE AND MEDICAID

Some old people are denied medical coverage simply because of Social Security benefit levels. Nursing home care has sometimes been omitted as "custodial" and "not medically necessary."

Most people think the old are assured help if they pay monthly premiums and co-insurance costs, but insurers are more interested in profits than patients, and exclusions are numerous. In 1969, for example, Medicare met less than 47 percent of the health care costs of the aged. Drugs given outside a hospital are not covered, nor is nursing home care, unless it is preceded by a hospital stay of at least three days. Even then, homes are reluctant to admit the seriously ill, because plans cover only a limited number of days of skilled nursing care.

NURSING HOMES

Current scandals and congressional reports give bitter evidence of the risks old people take in entering nursing homes. They should be made aware before they sign contracts of what will happen if their money runs out or if the home goes bankrupt.

Administrators often attach patients' assets, and patients can emerge impoverished—unaware that their money "paid" for services they never got. In *Dale v. Hahn* [440 F. 2d 339 (1971)] some headway was made in establishing due process considerations before deprivation of assets. But perhaps more emphasis should be placed on finding alternatives to these dangerous and inefficient institutions.

INCOMPETENCY

Alternatives like homemaker services are rarely available, and few can afford a personal companion or the dubious luxury of a nursing home. This accounts for the prevalence of involuntary mental commitment of the aged by families who cannot or will not meet their emotional and financial needs, or who want to preserve estates—and inheritances. The procedure has been so abused that New York State mental hospitals now refuse to admit old people not in obvious need of psychiatric care.

An estimated 250,000 people face commitment proceedings each year. In many states, they are denied due process notifications, trial by jury, and counsel. Some states permit *ex parte* commitment and discretionary, superficial, or summary hearings. Vague commitment standards merit immediate challenge. The inadequate and inhumane conditions at many public hospitals should provide grounds for court-ordered release, but this has never occurred. A 1969 study found that counsel helped prevent nearly 75 percent of attempted commitments. Without counsel, less than 8 percent "escaped." Such figures should make clear the need for legal action. With lawyers, old people remain people. Without them, they become statistics.

REMARKS OF THE VICE PRESIDENT

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. WYDLER. Mr. Speaker, on June 10, the Vice President of the United States met with the Committee on Science and Technology in an unusual and very significant special conference to discuss the Federal Government's role in national science policy.

In addition, the Vice President gave to the members of the committee principal legislation approved by the President to create in his Executive Office an Office of Science and Technology Policy. Since the President is the one who must utilize the services of the Office of Science and Technology, it is created and organized under his authority. I am, therefore, introducing the legislation and hope it is quickly approved by the Congress.

The committee met with the Vice President for an hour in a free discussion and the results were most gratifying. The brief address which Vice President ROCKEFELLER gave to the committee prior to our discussion is both informative and stimulating. That address follows:

REMARKS OF THE VICE PRESIDENT

I want to thank your distinguished Chairman, Congressman Teague, for inviting me to present the Administration's position on the vital subject of scientific and technological expertise in the White House.

Today's meeting is the latest evidence of the outstanding initiative and leadership Congressman Teague has provided in this most important area.

Through his Chairmanship and long membership on the Committee on Science and Technology, Congressman Teague has played a crucial role in the formulation of policies and programs which have sustained America's edge in the sciences and in technology.

I also want to express my admiration for the leading role played on the Committee by your ranking minority member, Congressman Mosher.

And to all the members, I would like to express my opinion that you could not be serving on a committee with greater impact on America's future.

The progress that this country achieves in the months and years ahead will be influenced in no small measure by the work accomplished by this Committee.

America's preeminence in science and technology has long been the key to our strength as a nation and our unsurpassed standard of living as a people.

Through American technology, pure science is converted into industrial growth, a strong defense, better health care, agricultural plenty and expanding opportunity for our people.

As a society, we are dedicated to freedom, equality and justice.

But achievement of these goals depends, in turn, on a society that continues to offer expanding opportunity to all its people.

And providing this opportunity requires that we continue to progress, scientifically and technologically.

I am aware that in some quarters the concept of growth is being questioned today.

But in a nation where so many are rightfully striving to better their lot, for themselves and their families, this no-growth outlook amounts to someone saying, "You can pull up the ladder, now. I'm on board.

This is not the American way. Ours is the land of opportunity.

Throughout our history, whether we look to the cotton gin, the telephone, the internal combustion engine, or the laser beam—we have applied science to the solution of practical problems, to a degree that has made America the strongest and freest nation, while serving the needs of all mankind.

The case for our technical and scientific leadership has surely not abated.

It has grown stronger with the increasing complexity and interdependency of the world in which we live.

A brief look at the problems we face tells us that scientific and technological progress is indispensable.

Energy, the environment, food production, defense developments and disarmament agreements—just to name a few—all have a scientific dimension.

We cannot turn away from these challenges.

We must apply our science to their solution in the construction of a better nation and a better world.

And the perpetuation of our scientific leadership must involve the highest level of government policy-making.

The President of the United States must have direct access to the best scientific knowledge and guidance available in this country.

I am delighted with this opportunity to meet with you today to discuss the establishment, by act of Congress, of an Office of Science and Technology Policy in the Executive Office of the President.

Here is a need which we can all agree ought to be met.

Here is an action on which we can be united, whatever our party, whatever branch of government we serve.

We must maintain America's preeminent place in science and technology.

And the creation of an Office of Science and Technology Policy will help the President to keep America first in science.

As you well know, the concept of direct high-level, independent scientific counsel for the President is not new.

This function has been enormously helpful to past Administrations and, in turn, beneficial to the nation.

In 1951, President Truman initiated a Scientific Advisory Committee in the Office of Defense Mobilization which met with the President, from time to time, even though the Office was part of the Department of Defense.

When Sputnik went into orbit in 1957, it became clear that a source of scientific advice was needed directly by the nation's Chief Executive.

President Eisenhower, therefore, transferred the function into the White House, greatly expanded its role and established a Science Advisor to the President.

In 1961, in reorganizing the Executive Branch, President Kennedy created an Office of Science and Technology, under a science adviser, served by a fairly large staff.

Throughout much of the 1960's, the Office of Science and Technology played a vital role in the White House, particularly in the development of space and military policies.

Then, during the late Sixties, a good deal of national attention shifted to social and economic policy-making.

The role expected of an Office of Science and Technology became less clear and the involvement of the Office in White House policy formation declined.

In July of 1973, President Nixon abolished the role of Science Adviser, the OST and the President's Science Advisory Committee.

These functions were transferred to other agencies.

Removal of the science advisory function from the White House was strongly opposed by the scientific community.

Since then, there has been a substantial effort, both by the scientific community and those who recognize the indispensability of science to sound policy planning, to get a science role reestablished in the White House.

The National Academy of Sciences vigorously recommended the creation of a Council on Science and Technology in the President's Office in its report of June 1974.

In December of 1974, the President asked me to examine whether a science advisory organization in the White House would strengthen the Presidential staff mechanism.

After several months of study, I recommended creation of an Office of Science and Technology Policy.

The President approved the recommendation and has proposed appropriate legislation.

I would now like to review for you the principal elements of the Administration's proposal.

II. FUNCTION AND ORGANIZATION OF THE NEW OFFICE

The proposed legislation would create in the Executive Office of the President an Office of Science and Technology Policy headed by a Director at Executive Level II and a Deputy Director at Executive Level IV.

The Director would be the President's chief policy adviser with respect to scientific and technical matters and would advise the President with respect to:

A. The scientific and technological aspects of major national policies, programs and issues;

B. The adequacy and effectiveness of Federal scientific and technological policies, programs, and plans for meeting national goals;

C. The utilization of new ideas and discoveries in science and technology in addressing important national problems;

D. The coordination of scientific and technical activities of the Federal government;

E. And such other matters as the President may direct.

In performing his duties, the Director will work closely with and advise the senior staff in the White House and Executive Office of the President

The Director will be involved in the review of military as well as civilian scientific and technical programs and work closely with the National Security Council, the Domestic Council and the Office of Management and Budget.

III. RESOURCES FOR THE NEW OFFICE

The Director and Deputy Director would be assisted by a staff of up to 15 professionals.

The President intends to request appropriations of up to $1.5 million for support of the organization during its first year.

In addition, the Director of the Office is expected to draw upon the extensive resources available in:

A. the academic, industrial and private research community to obtain expert advice, on an ad hoc basis, on scientific and technological matters of national concern; and

B. Federal departments and agencies.

The Director would also assume chairmanship of the interagency Federal Council for Science and Technology.

I thank Chairman Teague and all the members for this opportunity to discuss with you a vital issue that bears directly on the future progress of this nation and our hopes for fulfilling the rightful aspirations of our people.

MANUEL LUJAN, SR.—A CREDIT TO NEW MEXICO

HON. HAROLD RUNNELS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. RUNNELS. Mr. Speaker, I call to the attention of my colleagues in the House of Representatives the recent passing of a great American and a prominent citizen from my home State of New Mexico.

He was Manuel Lujan, Sr., of Santa Fe, N. Mex., longtime civic, political, and business leader and father of our colleague from New Mexico's First District, MANUEL LUJAN, JR.

Mr. Lujan died last Thursday, June 5, 1975, at the age of 82. He left his mark on New Mexico history and will be missed by all who knew him.

All of New Mexico was saddened by Mr. Lujan's death, and I call to the attention of my colleagues an editorial from the Albuquerque Tribune, which expresses the feelings of so many of his friends and acquaintances:

A GRAND OLD MAN

Manuel Lujan Sr. was a member of a family which has a strong link with New Mexico's history.

The father of U.S. Rep. Manuel Lujan, Mr. Lujan was prominent in Republican politics for many years.

Known affectionately as "The Grand Old Man of the Grand Old Party," Mr. Lujan had served elective terms in Santa Fe as mayor, county assessor and county schools superintendent.

He was state commissioner of revenue under Gov. Edwin L. Mechem.

A descendant from New Mexico's earliest Spanish colonists, his maternal grandfather homesteaded the land on which Los Alamos is now located. His paternal grandfather developed a farm near San Ildefonso and built a waterwheel-operated gristmill which for decades was a landmark in the area.

Mr. Lujan, who died Thursday, was known for his honesty in government and his dedicated service to the people he represented.

New Mexico was fortunate to have a man of his caliber in public and community service during the early years of statehood.

A former school teacher and principal, he also was active in boys' club activities, welfare work and in church and educational projects.

Manuel Lujan Sr. was a credit to the history of New Mexico. He will be missed.

STEVEN HURLEY HAD HIS CAR STOLEN

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. MITCHELL of New York. Mr. Speaker, on a recent visit to Washington, a constituent of mine, Mr. Steven Hurley, had his car stolen. The Metropolitan Police Department, primarily through the efforts of Lieutenant Gallaghy of the Auto Intercept Division and Officer Batty of the Communications Division, retrieved the stolen auto less than 24 hours after it had been reported taken.

Efforts such as these so often go unnoticed and unrewarded. I feel they deserve special mention. Too many times we take our police and the fine overall job they do in the community for granted. They deserve our recognition and thanks and I want to commend those involved in recovering the Hurleys' car.

For the RECORD, I insert Mr. Hurley's letter to me and a copy of the one he sent to Metropolitan Police Chief Maurice J. Cullinane.

JUNE 5, 1975.

Representative DONALD MITCHELL,
House Office Building,
Washington, D.C.

DEAR MR. MITCHELL: Enclosed please find copy of a letter I just sent to the Chief of the Metropolitan Police Department in Washington. It describes the efficiency and courtesy of the metropolitan police and two officers in particular in recovering our stolen car.

Realizing that more people criticize the police than compliment them, I take this opportunity to commend this department and Officers Batty and Gallaghy for an exceptional job.

I would appreciate your office taking the time to send a letter of commendation on behalf of two grateful constituents to these men and their superiors.

Yours truly,

STEVEN HURLEY.

SCHOHARIE COUNTY,
DEPARTMENT OF PROBATION,
Schoharie, N.Y., June 5, 1975.

CHIEF,
Metropolitan Police Headquarters,
Washington, D.C.

DEAR SIR: I am writing to commend your department and two officers specifically for the fine treatment we received when our automobile was stolen in your city on the weekend of May 16–17.

We first reported the theft to Officer Batty, Communications Division, on the morning of May 17th. Officer Batty was efficient in taking and confirming all information, while in the process taking the few extra moments to explain fully the process and what could be expected by my wife and me. His help in the report process was invaluable in a most upsetting circumstance.

Lt. Gallaghy of the Auto Intercept Division called us late that same evening with information that our automobile had been recovered, although some parts were missing. Again Lt. Gallaghy's extra effort to notify us of its recovery and location, despite the late hour, was sincerely appreciated.

Both of these officers took the extra time and effort to add a personal touch to their work performance that was most appreciated and effective. These two officers certainly did everything possible to minimize a bad experience.

Yours truly,

STEVEN HURLEY,
Probation Officer.

INVESTIGATION OF HUD HOUSING MANAGEMENT OPERATIONS

HON. FLOYD V. HICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. HICKS. Mr. Speaker, for the past several months, the Manpower and Housing Subcommittee of the Committee on Government Operations has been investigating the Department of Housing and Urban Development's policies and procedures for acquiring, managing, and disposing of housing. As all of us know, the housing programs administered by HUD have been wracked with scandal. Many corrective actions are underway, including a special task force to process criminal charges, but the fact remains that HUD has acquired a huge inventory of single-family homes and apartments. Even with the recent emphasis on disposing of properties, including sales under conditions that do not always get the maximum monetary return, HUD today owns over 70,000 single-family homes and an estimated $2 billion worth of apartments.

Our investigation is directed toward determining whether HUD is minimizing the losses we will undoubtedly sustain as a legacy of past mistakes. At the intake end of the pipeline, we are looking into how the mortgage companies and savings and loans are reacting to homeowners who miss their payments. Since HUD loses an average of over $7,000 per home from foreclosures and transfers to HUD, any steps that can minimize unwarranted foreclosures can save enormous sums of money for the taxpayers. Consequently, our investigation involves an examination of forbearance regulations and practices of mortgage servicers, as well as actions by HUD offices to assist mortgagors in default.

Because of the large number of properties acquired as a result of failure of mortgagors to meet their obligations, HUD has become a major owner and manager of real estate. Our inquiry is examining the techniques used by HUD to secure properties from vandalism, continue to operate multifamily apartments to minimize losses and maximize the price received on sale, and innovative efforts to rent HUD-held property where sale does not appear presently feasible. The final step in the process is the sale of the property. This returns housing stock to the private market. HUD loses money every day a property remains unsold, so time is essential. On the other hand, there are times when the return from sale justifies some repair or grouping properties so that they can be sold in bulk.

In many areas of the country, the HUD area office runs the biggest real estate operation in the State. Property management and disposition is big business, and should be treated as such. Because of the massive size and complexity of HUD's property operations, costly management mistakes are an ever-present danger. There are also many opportunities presented to unscrupulous real estate operators, investors, attorneys, contractors, and others.

We have paid dearly for the enrichment of some of these people, and our investigation has disclosed that this exploitation continues in too many instances. It is most important in this situation that HUD act swiftly and decisively to recover losses it has sustained as a result of illegal acts; yet we have found that HUD's capacity to comply with the Federal Claims Act is weak. Because of many factors, instances have occurred across the country where individuals have kept their ill-gotten gains and not compensated the Government for the losses it has sustained as a result of their illegal or improper activities.

I am bringing this matter to your attention so that those of you who have encountered problems with foreclosures, management of HUD-owned properties, or sales, can bring them to the attention of the subcommittee. We believe that proper management of the very large HUD-held inventory, which may become even more swollen, is crucial in our attempts to cutout waste in the Government. The subcommittee presently plans to begin hearings on these subjects next month. Instances where Government money has been misspent in these programs would augment the information we have already developed and we welcome any disclosures from Members who can provide them.

HUMAN RIGHTS IN SOUTH KOREA

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. FRASER. Mr. Speaker, I would like to insert in the RECORD the testimony of Dr. Jai Hyon Lee who recently testified before the International Relations Subcommittee on International Organizations. Professor Lee served in the Foreign Service of the Government of South Korea for approximately 20 years. At the time of his defection in June 1973, he was Director of the Korean Office of

Information of the Embassy in Washington, D.C. Dr. Lee makes a number of serious charges regarding activities by the Korean Embassy and the Korean Central Intelligence Agency—KCIA—within the United States. In particular, he alleges that the KCIA harasses and intimidates Koreans and Korean-Americans who are critical of the present South Korean Government. He alleges that the South Korean Government covertly funds a number of front organizations and activities here in the United States in violation of the Foreign Agents Registration Act. He alleges that the Embassy has attempted to "buy off" Members of Congress. These charges, I believe, should be thoroughly investigated by the Department of Justice.

The document follows:

STATEMENT OF DR. JAI HYON LEE

Mr. Chairman and distinguished members of the committee:

To begin with, I wish to express my deep appreciation for your wisdom to hold this series of hearings on the repression of human rights in South Korea and its implications for United States policy.

Indeed, the current situation in South Korea deserves much more attention of the government and people of the United States for many reasons:

First, the Korean peninsula is a potential tinderbox which, should it be ignited, threatens to embroil the United States in another international conflict. Unlike Indochina, the Korean peninsula is squeezed between Japan, China, and the Soviet Union. In this strategic peninsula, the United States, Japan, the Soviet Union and China maintain a delicate balance of power.

Second, the credibility of the United States is at stake due to the continuing support of the United States for Park Chung Hee's dictatorial rule and for his policies, reaffirming the American guarantee and American aid for South Korea's defense regardless of democratic prospects in that country. The world has been told for nearly 30 years by the highest authorities of the United States that the purpose of American aid to South Korea was to defend democracy there.

In South Korea today, Park is rooting out the slightest sign of the democracy for which Americans have paid 30,000 lives and billions of dollars and for which Koreans have paid with two million lives and near total destruction of the country.

It is a tragic irony that the United States has put itself almost completely in dictator Park's corner. Visiting South Korea last November, for example, President Ford did not indicate by word or gesture anything but full support of Park's dictatorial leadership and for his repressive national policies as well.

Even if defense and security alone were United States aim in South Korea, Park's repression of human rights radically undermines that objective.

For that matter, we recently had a painful experience in Vietnam. Massive American military and economic aid to the corrupt, repressive regime of South Vietnam could not make its countrymen fight for what they did not support.

Free, participatory government and military strength are part and parcel of any country's sound defense posture against communist threat. Regrettably, in the past decade, United States military pragmatism has grossly overlooked the importance of the former and solely concentrated on the latter, thus making a grave mistake of supporting any dictator for the convenience of his anti-communist stand.

Consequently, Park's unpopular dictatorship is seriously endangering South Korean defense which is still supported by 42,000 U.S. troops, a stockpile of U.S. nuclear weapons, and massive U.S. military aid.

To avoid redundancy and save time, I will not recount Park's barbaric repression of human rights, freedom of the press, freedom of religion, and his irregularities of legal procedures as well as torture stories, which the Rev. George Ogle, the Rev. James Sinnot, Mr. Brian Wrobel and other witnesses have already testified before this committee in the previous hearings.

Instead, I will testify on other aspects that have not yet been touched upon.

Until June 6, 1973, I had been for three years chief Cultural and Information Attache with the Korean Embassy in Washington, and concurrently Director of the Korean Information Office in the United States.

It was during this period, in October 1972, that Park decreed sweeping changes in South Korea. Ostensibly, it was to help further "the North-South dialogue," and to accommodate to the United States policy of detente in East Asia. The changes were in fact a declaration of martial law that abolished, through Park's newly imposed constitution, South Korea's fragile and imperfect democracy.

In March 1973, I was called to meetings in Seoul where I was given a series of unconvincing explanations for such changes. In short, I was instructed to tell the United States government and press that if there is internal opposition to his policies, he cannot negotiate from a position of equal strength with Kim Il Sung, head of North Korea.

At these meetings which lasted 10 days, however, my colleagues of home office secretly pointed out to me those agents of the Korean Central Intelligence Agency (KCIA) who were there for surveillance.

I had been a career civil servant of the Republic of Korea nearly 20 years, and held a highest personal rank a professional civil service officer could reach. But never before had I attended a meeting under surveillance of secret police.

By then I had been aware of the KCIA's increasing brutality against its own citizens. In public, none of my old friends wanted to talk about what was going on in South Korea. But in private, many whispered to me:

That Park's martial-law constitution was essentially designed to eliminate criticism and opposition, to strip the South Korean people of human and civil rights, and to establish a complete and permanent dictatorship;

That it was neither to help further "the North-South dialogue" as he declared, nor to develop a freer and more democratic society;

That Park's pretext was a sheer window-dressing for American consumption, since he and every other Korean knew he could not perpetuate in power without United States support—particularly, military aid.

At that time, the United States had its hands full in Vietnam, in the Middle East and in the Watergate; and Park's worries about American disapproval of dictatorship ebbed with Washington's declining interest in other areas.

Shortly after I returned to Washington, the Star-News published columnist Crosby Noyes' article quoting unsuccessful 1971 presidential candidate Kim Dae Jung's criticism of Park's martial law constitution. The Seoul government censured me for not stopping it, and threatened me to face "the consequences." Furthermore, Seoul instructed me to "play up" in the United States "the grave threat of imminent North Korean attack."

But I knew this was not true. South Koreans have always lived under the communist threat from the North ever since the armistice of 1953. And there was no more evidence of an increased threat of an open attack than at any other time. Indeed, the communist threat from the North has become an all-purpose bogeyman for the Park regime that can be used whenever necessary in Korea, in the United States, or elsewhere.

Meanwhile, the South Korean ambassador had been calling frequent staff meetings since my return to Washington. At these meetings, the KCIA station chief briefed the embassy's overall scheme of clandestine operations to mute criticism of Park's totalitarianism and to buy off its supporters in the United States.

From these meetings, I learned that Park's plan for clandestine operations in the United States was a highly sophisticated one which was based on the three basic techniques of seduction, pay-off, and intimidation. Once a subject is seduced and paid off, he becomes subject to intimidation.

Included in the plan were:

(1) To seduce and, if possible, buy off American leaders—particularly in Congress—who have had any kind of close personal contacts with Korea through the Korean war or business. Because of its nature, this phase of operation was almost entirely left to the ambassador.

(2) To apply covert pressure on the important American businessmen who have vested interest in Korea to exercise their influence in the Congress and the Administration to support Park's repressive policies.

(3) To organize more American and Korean business groups, like American-Korean chamber of commerce in New York and elsewhere, that would voice support for Park through their officers possibly handicapped and prodded by the KCIA.

(4) To organize professional associations and societies of Korean scholars and scientists in the United States and American scholars in the areas of Korea, East Asia and communist affairs studies to extract their support for Park, with reward of embassy entertainments and possibly free VIP trips to Korea.

(5) To organize indirectly, or to finance covertly scholastic meetings, seminars and symposia of Korean and American professors to rationalize Park's dictatorship or, at least, to curb their criticism. For example, auch was a seminar held at Western Michigan University, Kalamazoo, Michigan, shortly after Park's October, 1972, martial law. The embassy's education attache who masterminded and paid off for this operation later boasted that, as a result, the organizer of the meeting wrote a letter to the New York Times in support of Park's police-state measures.

Another example is the April 1973 symposium at Washington Hilton Hotel on "Korea and the Powers in the 1970s," jointly sponsored by the Institute for Asian Studies of Washington, D.C., and Kyung Nam University of Masan, Korea. Paying the participants all the travel expenses and allowances, the Seoul government financed this operation through a pro-Park Korean newspaper publisher in Washington, D.C.

(6) To publish through KCIA's front-men pro-Park Korean community newspapers in Washington, and some other major cities in the United States to disseminate Park's propaganda among the Korean residents. Now they even publish an English-language propaganda paper, "Washington Observer." No doubt, you receive it.

(7) To operate and finance through KCIA's

front-men and collaborators Park's propaganda Korean language broadcasting in Washington and other areas of large Korean communities. In fact, such broadcasting has been in gross violation of the Federal Communications Commission's "fairness doctrine."

(8) To regiment Korean communities in the United States by infiltrating with front-men or undercover agents the established Korean residents associations, and by creating new ones where such associations have not yet been organized. The purpose was to indirectly control and manipulate the Korean communities through the planted officers of such organizations, to silence criticism of Park's repressive rule by singling out and intimidating dissident members, and to stage in the name of associations falsified campaigns of Korean residents' total support for Park before the eyes of the United States government and people.

In my observation, this wild operation of fear-arousing type has succeeded particularly in New York, Chicago, San Francisco, and Los Angeles, in maintaining Korean consulate-manipulated residents associations, which are in fact front organizations of the Park regime. For instance, there will be an "anti-communist" pro-Park rally of Korean residents this coming Sunday, June 15th, at Lisner Auditorium in Washington, D.C.—right before the eyes of the United States Congress and White House—to impress the Americans and to mute dissident Korean communities in the United States.

According to absolutely credible inner sources whose names I must withhold for obvious reason, this rally is actually being staged by the KCIA operating out of the Korean Embassy in Washington.

Here, I have with me the announcement of this rally, published in a Park regime-financed Washington Korean newspaper, Hankook Shinmoon, which conveniently provides a list of many KCIA's frontmen, undercover agents, collaborators, and its front organizations which I have described in the above.

Listed here as sponsoring organizations are: Korean Associations of New York, Chicago, Los Angeles, Detroit, Baltimore and San Francisco, "Mijoo Hankook," "Hankook Shinmoon," Washington Korean-language Broadcasting, Washington Korean Broadcasting, and Washington Korean Television.

Mr. Chairman, I like to submit this material for record.

I don't believe any of those organizations has registered with the Department of Justice under the Foreign Agents Registration Act Incidentally, all funds for clandestine operations of the KCIA and Embassy are either hand-carried by individuals or received from Seoul in cash by diplomatic pouch And all payoffs are always in cold cash. The Internal Revenue Service should also look into these dubious businesses.

(9) To intimidate "uncooperative" Korean residents in the United States through their families, relatives and close friends in Korea, to silence dissidents and to make already silent ones more "cooperative."

This has been quite effective. Since every Korean knows the KCIA's efficient brutality, many Korean residents in the United States live with the fearful spooks of the KCIA. Threatened directly or indirectly by KCIA operatives, most of them are reluctant to report to proper American authorities for fear of reprisal even in this country.

Some of them are not even so covert. In the Washington area, for instance, Yung Chin Kim of George Washington University's Sino-Soviet Institute, Kang Young Hoon of the Research Institute on Korean Affairs, Hahn Kwang Neun of "Hankook-Shinmoon," Lee Kwang Jae of Washington Korean Broadcasting, and Harry Oh of Washington Korean Television are widely known among the Korean residents here as having close connections with the Korean Embassy's KCIA agents and recently making frequent trips to Seoul. Mere presence of those arouses enough fear to mute many Koreans.

In the West Coast, KCIA operatives are even extorting money from Korean residents. These Korean residents are so afraid of KCIA reprisal that they do not dare report to police. This is incredible.

Now, while the ambassador and KCIA station chief were hammering out the plan and assigning various phases of these illegal clandestine operations in the United States to the embassy staff, a KCIA representative called from Seoul to speak to the master of ceremonies, Dr. Wonmo Dong, at an assembly of Korean Christian scholars in St. Louis, Missouri, on April 14, 1973, and warned him against an anti-Park statement.

In New York, on April 29, 1973, Korean consul and KCIA agent, In Duk Son, followed demonstrators protesting against Park's dictatorship and had them photographed.

In San Francisco, on May 14, 1973, Korean consul and KCIA agent from Los Angeles, Young Shik Bai, appeared at a rally for the opposition leader Kim Dae Jung, accompanied by several toughs carrying eggs and bottles of tomato ketchup. When apprehended, one of the toughs, Min Hi Lee, now president of San Francisco Korean Association, began abusing Mr. Kim and tussled with Kim supporters until removed by a police detachment. Korean consul and KCIA agent Bai intervened police unsuccessfully.

There are other cases of harassment by KCIA which are reported in an article by David Binder, "Threat to Koreans in U.S. by Seoul Stirs Concern," the New York Times, August 17, 1973. Another case was reported in the August 24, 1974, San Francisco Examiner article by Ken Wong, "Foe of President Park: Death threat to Korean here."

Mr. Chairman, I submit copies of both articles for inclusion in the record.

These are only a few published cases. But there are many other cases more covertly and cautiously handled. Recently the Park regime has more than doubled KCIA operatives in the Korean Embassy and still carries out such illegal operations in the United States as I have so far described.

One day in late April, 1973, I was astonished to learn that my senior assistant, Mr. Hyohk Hoon Han, a long-time career civil service officer, was abruptly recalled to Seoul without post, and was replaced by a new non-career appointee of the regime without good reason.

Knowing clearly by then Park's totalitarian intentions. Mr. Han quietly resigned and chose to remain in the United States, whereupon the Seoul government sternly instructed me to bring him back to Korea at any cost. I refused! Fierce telephone exchanges between the Seoul government and myself followed about a week—Seoul insisting his forced return, and I firmly refusing the threatening order.

In one telephone call from Seoul, Park's Minister of Culture and Information specifically told me in argot to frame up Mr. Han in such a way—implying, for example, "communist agent"—to make the United States government extradite him.

I was shocked! I could not believe my own ear. That fanatic regime was now ordering me to commit a crime against innocent persons. There was no more doubt in my mind that South Korea had become a complete police state.

All these meetings in Seoul and at the Embassy in Washington during the past 10 weeks clearly indicated a terrible conspiracy against my own people, against American friends, and against humanity. That corrupt, dictatorial regime was instructing me to disseminate false information and erect a facade of democracy in the United States to retain American support and military aid.

I was infuriated, disillusioned and deeply saddened. I was determined to resign.

On Monday, June 4, 1973, when I went to the Embassy, the KCIA station chief called me to his office. It was an interrogation. That ended for the time being shortly before lunch hours.

My suspicions now hardened that my family had been watched in the past four or five days for strangely enough, at our apartment, we had constantly had unexpected visitors—Korean news correspondent, Embassy staff and their families—every day from morning till well after midnight.

I was very afraid. I felt real danger. Everybody knew the KCIA station chief was the organizer of the 1967 mass kidnapping of 17 Korean students in West Germany. And now Seoul wanted two former government employees forcibly brought back to Korea for reprisal.

I was convinced that now my simple resignation would not suffice to stop it. I had to move fast. I had to seek an immediate protection of my family, myself, my former assistants and their families.

And I had to whistle the United States, the most trusted ally of the Korean people, what sort of danger Park's dictatorship was headed for in the Korean peninsula, and its implications for Koreans and Americans.

I did not return to the Embassy that afternoon. Next morning, I denounced Park's dictatorship in a public statement, and sought political asylum in the United States.

Mr. Chairman, here is a copy of the June 7, 1973, Washington Post article by John Saar, "S. Korea Aide Defects Here: S. Korea Diplomat Here Defects to U.S., Fears Reprisal," which gives further details. I like to submit this material for record.

At about 2 a.m., the day after my defection, two Korean men came around the house of my friend, Julie Moon, a Korean journalist, whose entire family was terrified. Recently a similar incident took place. A Korean man attempted to open the front door of her house. When a guest of the house called out and rushed to the door, the man ran down the hillside road.

As I have described, Park relies on both brute force and psychological pressure to stifle all voices of opposition, except a few token ones he keeps to impress the United States.

But his incredible repression is not just limited within South Korea. What is more incredible is that Park's KCIA arm is far stretched into the United States, illegally manipulating American institutions and intimidating Korean communities in this country.

Yet Park wants American aid and support.

Aiding Park's repressive regime is to become an active partner in a savage repression of the very institutions and beliefs the United States espoused and intended to encourage. And the United States will be in an armed league with dictator Park against democracy in Korea, and against the goals and interests of the United States.

Democracy has never been forced upon Korea. It is the will of the Korean people, clearly expressed in the 1919 Declaration of Korean Independence.

At the end of World War II, the United States intervention brought back Korea's independence from the Japanese occupation. After so many centuries of undying struggle for freedom, human rights, prosperity and peace, Koreans in 1945 identified their goals wth the defense interest of their Liberator, the United States.

In 1950, therefore, Koreans in the South as well as in the North enthusiastically welcomed the United States intervention to drive out North Korean communist aggressors.

Today, the most Koreans still remember the United States is on official record "that United States aid, both military and economic, to the Republic of Korea has been predicated upon the existence and growth of democratic institutions within the Republic."

The cruelties of North Korean communist invaders during the Korean War, combined with the democratic spirit of Korean independence, eliminated long ago any serious communist threat of subversion in South Korea.

Now it is changing with Park's despotism which will eventually invite communist threat—either subversion or otherwise. We know that from the shattering experience in Vietnam where the authoritarianism of a strong-arm ruler helped lead to a communist triumph. This should be a stark lesson for the United States.

Since the fall of Indochina, it looks as if Park has things going for him, exploiting the alleged communist threat to crack down even harder.

Nevertheless, Koreans are used to some democracy after 25 years. Therefore, more imminent danger is that Park's continued repression of human rights will plunge the nation into chaos. The possibility of a head-on clash between the Park regime and the public demanding a return to democracy can never be ruled out.

In desperation, Park might be tempted to divert the public's attention to "North Korean threat" by creating an incident to involve the nation in military strife—or by exploiting one that North Korea might conveniently provide. Then the United States would also be caught in the middle of another Korean war. If this century taught us anything, it is never to ignore fanatics.

As an immediate measure, therefore, I recommend the United States government to use the only kind of language a man like Park understands. That is to suspend the United States military aid to the Park regime until democratic institutions are restored in South Korea.

Given a democratic society with human rights, participatory political institutions, sound economy and healthy social structures, South Koreans will defend themselves for these values and life-style against any external attack without United States troops. Consequently, the United States will be able to withdraw its troops in due course.

In concluding, I contend that the United States should take an immediate measure to withhold military aid to the Park regime, and concurrently a diplomatic effort aimed at a guarantee of the stability in Korea by the countries having an interest, thus reducing the chance of communist miscalculations.

Mr. Chairman and distinguished members of the committee, I thank you for having invited me to this hearing and having listened to my testimony.

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD another installment of Mr. Levins' articles:

[From the Philadelphia Daily News, Apr. 25, 1975]

ARMY'S NO. 2 MAN RESIGNS

(By Hoag Levins)

The undersecretary of the Army—linked by a recent Daily News story to possible conflicts of interest in connection with the Frankford Arsenal closing—has resigned.

Herman R. Staudt, appointed as the Army's No. 2 man by former President Richard M. Nixon, will leave April 30.

Prior to his appointment in October 1973, Staudt was involved directly in an 18-month corporate feud with Frankford Arsenal.

Staudt was unavailable for comment, but an Army spokesperson said Staudt had cited "personal" reasons in his resignation and planned to return to private industry.

Staudt, who was a vice president of the Martin Marietta Corp. before his appointment, was the subject of a Daily News article March 24. That story disclosed that the Army undersecretary:

Lost an $8-million Martin Marietta action against the Frankford Arsenal just prior to joining the Department of the Army—which is now closing the arsenal.

Has, since his Pentagon appointment been receiving "annual increments" of payment as part of a "termination settlement" from his former employer, which is one of the Army's larger private contractors, doing more than half a billion dollars a year in defense contracts.

Was personally in charge of a Martin Marietta-Frankford Arsenal contract under which his company was paid $3.3 million for a product it never produced.

Yesterday, the Army Department confirmed it knew Staudt was to receive "incremental payments" but declined—as Staudt has on an earlier occasion—to say just how much money was received.

Ironically, at an interview in the Daily News editorial offices on Wednesday, Secretary of the Army Howard (Bo) Callaway did not mention Staudt's resignation but defended the undersecretary's actions.

"The secretary didn't mention it because we assumed you knew about it," an Army spokesperson said.

Callaway explained Wednesday that he saw no conflict of interest in Staudt's situation and pointed out that "we live in an imperfect world."

He said that people in the private armaments industry frequently are the only ones with enough experience to take on Army executive positions—positions that frequently involve regulation of that department's dealings with the private arms industry.

SCOTT'S ARSENAL PROBE

Sen. Hugh Scott's "vigorous campaign" to stop the closing of Frankford Arsenal currently is centered around an investigation which no one really intends to make.

On April 2, Scott's office announced that the Senate Armed Services Committee agreed to an "investigation" of the arsenal closing. Scott aides said the move was a "major breakthrough" for the doomed arsenal and its 3,500 jobs.

Those aides said the investigation would be made by Senate Armed Services Committee staffers.

But a committee spokesperson says no investigation is planned.

Said staff member Jim Smith:

"I'm the only one working on it. All I've done is review a few documents. There will be no report and no 'findings.' I haven't got any details. You've got to understand that decisions on closings are really up to the secretary of the particular branch of the service—not the committee."

Scott's office said they "understood" that an investigation would be done. "We have no reason to question that."

April 15, Scott—along with seven other area congressmen—was asked to sign as a plaintiff in a suit that was filed in U.S. District Court Wednesday seeking to halt the arsenal closing. He refused.

Sen. Richard Schweiker also refused to join in that suit. A spokesperson for Schweiker said the senator makes it a rule not to enter into suits against the executive branch of the government because he felt it violated the separation of powers.

A Scott spokesperson said the Senate minority leader refused to join the action because "the senator felt such an action would jeopardize the negotiations with the secretary of the Army" on the arsenal.

However, Secretary Howard (Bo) Callaway told the Daily News Wednesday that neither Scott nor Schweiker had "communicated to us that they felt we had broken faith with our actions" on the arsenal.

Asked if Scott had met with Callaway for actual talks or negotiations the spokespersons said he had not. "The senator is dealing directly with the President on this."

On April 9, Scott released a copy of a letter he sent to Callaway asking that the Army postpone the arsenal closing until after the Senate Armed Services Committee "investigation" was completed.

Scott also prominently displayed this item in an informational sheet recently sent to his Pennsylvania constituents.

On Wednesday, however, Secretary Callaway said he had received Scott's letter but had not answered it. Callaway said he had no intention of granting Scott's request. He added that if "the Armed Services Committee told me to do it, I might."

A Scott aide said allegations that the senator—who campaigned in the last election as 'The Most Powerful Senator Pennsylvania Ever Had'—was not doing everything he could for the arsenal, were wrong.

"The boss will continue to do everything possible to help. I don't think there has ever been any question on that," said the aide.

DOOR CLOSED ON ARSENAL?

A special assistant of Sen. Hugh Scott has told an arsenal union leader that a story in yesterday's Daily News "closed the door on the Frankford Arsenal."

The article, which covered a wide-ranging interview with Army Secretary Howard (Bo) Callaway, outlined Callaway's assertions that Mayor Rizzo, the state's two U.S. senators and President Ford last November had "privately agreed the arsenal was dead."

At 3:45 p.m. yesterday, Scott's special aide in Washington, Richard Quick, called Ed Lewandowski, head of the arsenal chapter of the National Association of Government Employes, and said, "Bo Callaway is thinking of personally coming to Philadelphia to lock the doors (of the arsenal) now."

Lewandowski said Quick told him the story had "hurt the union's chances of continuing to work with the senator to save the arsenal."

The union official also said that Quick advised him: "Your boy Hoag Levins took everything out of context. The story is not true. This has stirred up a hornet's nest and it's on my back."

Contacted shortly after the phone call, Quick said the conversation with Lewandowski had been to "relay what the Army people are saying about the story."

Asked whether the remarks about Callaway locking the arsenal himself or about possible union problems with Scott were his or the Army's, Quick refused to comment.

[From the Philadelphia Daily News, May 6, 1975]

ARMY "RETREATS" ON ARSENAL CLOSING

(By Hoag Levins)

The Army has issued orders suspending plans to close Frankford Arsenal—but the arsenal has not been told about it. This latest development leaves the future of the Arsenal unclear.

In an April 25 teletype message from Washington, the Army Armament Command at Rock Island, Ill., was told that "effective immediately all actions involving realignment-closure of Frankford Arsenal are suspended."

The Armament Command—which runs the country's arsenals—has not forwarded that message to Frankford Arsenal.

A spokesman at Rock Island said the order was not relayed to Frankford Arsenal because "they are not doing the planning for the close; we are." It is unclear whether this is a potential reprieve for the arsenal or simply a temporary delay in the closing because of a court suit.

The first phase of Frankford's closing is scheduled to take place starting in July when more than 200 jobs will be transferred to the arsenal at Rock Island.

Currently, officials at Frankford Arsenal believe they have been ordered to hold up transfer paperwork only until May 29—when a court hearing is scheduled on a suit filed last month to halt the closing.

That suit was filed on April 23 by seven area Congressmen and union officials seeking a court ruling on a major legal question involved in the closing.

On that same day Secretary of the Army Howard (Bo) Callaway was interviewed at the Daily News and said that he had no intention of altering his department's plan to close Frankford.

During that interview—which was published April 24—Callaway admitted he was "ignorant" of the situation at Frankford Arsenal. He also said he had not read the laws that define his power to open and close arsenals and was unable to outline Army plans for purchasing the goods it needs in the future.

Callaway told Daily News editors he intended to "fully investigate" his department's handling of the arsenal closing.

The next day, the Army Materiel Command in Washington ordered the Rock Island Armament Command to suspend all actions involved in the closing of Frankford.

A spokesman at the Materiel Command headquarters said the action was taken in connection with the pending court suit.

At the same time, government attorneys representing the Army in that U.S. District court suit asked for a month's delay of the hearing date—originally scheduled May 5.

In return for the delay, the attorney representing the arsenal union and Congressmen demanded that the Army agree to stop all closing actions until May 29. The Army agreed.

Paul Breen, the arsenal group's attorney, said yesterday he was not aware of the April 25 order, which called for an indefinite suspension of closing plans. Kenneth A. Ritchie, government attorney for the Army, refused to comment.

However, Frankford Arsenal officials yesterday said they understood that they were under orders only to put off personnel transfer actions until the end of the month. The arsenal personnel department has held up its first batch of letters, which later this month would have notified more than 300 persons that their jobs are to be transferred.

Arsenal spokespersons said they understood that planning and paperwork involved in the closing were to be kept on schedule for implementation after the court hearing on May 29.

William Waterman, personnel director at the arsenal, said the Materiel Command teletype was a "surprise."

"If I had received that teletype last week—haven't received it yet—it would have changed the situation. The wording is not qualified. It says stop everything—indefinitely. I'd take that as an order to stop all activities—planning and everything else—involved with the close.

"I'd take it as an order to begin training programs again and to get back to business as usual. If we ever actually receive that communication, it would alter the whole picture of what we're doing."

Another high arsenal official described the situation inside the arsenal's administrative system as "chaotic."

"We simply cannot comment intelligently on what is going on. We don't know what is going on. People here don't know which way to turn. We have the top people coming in every morning and grabbing a copy of the Daily News—hoping to find out what the Army is going to do to us next. That tells you something about the communications gap we have here now with the Army. There are contradictions and confusion everywhere now. It's like we're living in a never-never land."

VICS—VOCATIONAL INFORMATION THROUGH COMPUTER SYSTEMS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. EILBERG. Mr. Speaker, last month more than 500 patrons of the Free Library in my city, Philadelphia, consulted a computer called VICS before making crucial personal decisions. They included high school students in search of a vocation, jobless older men and women, victims of the recession considering alternate trades or professions, and perplexed high school students planning for the right college.

VICS, short for vocational information through computer systems, is another space age addition to the library's arsenal of computerized informational tools available without charge at the city's central library and throughout its neighborhood branches.

Developed by the school district of Philadelphia's Division of Instructional Systems, the computer gives information of 455 occupations most of which are available in the work force of the Greater Philadelphia area. It prints out detailed information tailor made to the individual.

VICS is a deceptively small machine with a big brain. It speaks in rapid fire blue type on a continuous belt of yellow paper and prints out in a neat package everything you wanted to know about an occupation but never had the presence of mind to ask.

Educational requirements, employment prospects, current pay, benefits and financial aid are among the questions VICS answers in a comprehensive way.

For instance, ask VICS for the printout for "electrician." Under "current pay," the present electrician journeyman salary is listed at $10.82 per hour, apprentices, $3.79 per hour to start. The city of Philadelphia, VICS says, pays its journeyman electricians $10,000 to $11,520 per year. Under "future outlook" for the trade of electrician in Philadelphia, VICS says, "somewhat questionable."

For those who do not have a specific trade or profession in mind, according to Carol Linder, one of two experienced VICS aids at the central library, track B may be the answer.

Eight general interest areas are programed under track B, VICS then asks you some pointed questions, such as, "What educational level do you wish to achieve?" It then prints out job ideas in fields which may interest you.

However, the VICS service is not a placement service. It does not find specific jobs for you. It merely comes up with advice, information and ideas.

VICS also helps with a college search and comes up with information on schools and colleges in Pennsylvania, New Jersey, and Delaware and gives precise information such as financial aid sources and extracurricular activities.

The vocational information is localized for Greater Philadelphia and right up to date. Accuracy is the key word. The brief on FBI agent was updated by Director Clarence Kelley himself.

The computer printout gives concise information in one place. Students are particularly enthusiastic. They take the printout home and show it to their parents. VICS was originally developed for the school district's high school counselors.

SUMMARY ANALYSIS OF NUCLEAR POWER INITIATIVE

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. BURGENER. Mr. Speaker, in the past 2 days I have inserted in the RECORD two documents concerning California's proposed nuclear initiative. As many of the Members know, this initiative has qualified for the ballot and would become law in the State of California if approved by the voters in a general election.

Continuing my efforts to obtain the comments of Federal agencies on this proposed initiative, I directed a letter to the Energy Research and Development Administration. Mr. Robert D. Thorne, the Acting Deputy Assistant Administrator informed me that their west coast office had prepared such an analysis. I ask that this analysis be placed in the RECORD at this point.

SUMMARY ANALYSIS OF NUCLEAR POWER INITIATIVE

INTRODUCTION

Faced with a growing demand for energy and a limited supply of environmentally acceptable fossil fuels the nation in recent years has increased its use of nuclear power to generate electricity. Today, there are 55 nuclear power plants in operation in the United States, 62 more are under construction and 107 are on order. At least twenty-two other nations depend upon nuclear power to meet a portion of their energy needs.

Nuclear power is not without its problems, nor its critics. As the need for and use of nuclear power has increased, so has the campaign against it. This campaign, once waged almost exclusively before federal regulatory agencies and the Congress, now has moved to the state level here in California and elsewhere.

PRESENT SITUATION

A drive to qualify an initiative concerning nuclear power plants for the June 1976 statewide primary election ballot recently began in California.* This effort follows an unsuccessful prior effort to qualify an initiative on the same subject by similar proponents in Spring, 1974.

The principal proponent of the present effort is an organization calling itself People for Proof, with offices in Los Angeles and San Francisco. According to the group's letterhead, supporters include: Another Mother for Peace, California Citizen Action Group, Friends of the Earth, Sierra Club, Zero Population Growth, Steve Allen, Alvin Duskin, Dr. John Gofman, Ralph Nader, and Donna Reed.

The initiative route apparently was chosen because there was no enthusiasm for exposing the initiative to searching legislative scrutiny, or because the proponents did not feel the measure could possibly be enacted through the legislative process. The proposed initiative is not the result of frustration stemming from an unresponsive Legislature however; no portion of it has ever been introduced in bill form insofar as can be determined. It thus represents, in effect, an "end run" around the state legislative process.

The proponents requested the initiative be titled, the "Nuclear Safeguards Initiative." The State Attorney General, however, prepared the following title and summary:

"Nuclear Power Plants. Initiative Statute. After one year, prohibits nuclear power plant construction and prohibits operation of existing plants at more than 60% of original licensed core power level unless federal liability limits are removed. After five years, requires derating of existing plants 10% annually unless legislature by two-thirds vote, has confirmed effectiveness of safety systems and waste disposal methods. Permits small-scale medical or experimental nuclear reactors, appropriates $800,000 for expenses of fifteen-person advisory group and for legislative hearings. If the proposed initiative is adopted, undefined additional financing from state sources will be required in the amount of at least $800,000. However, if this initiative should restrict the operation of existing nuclear power plants, and courts should uphold such action, there is a potential for substantial state damage claims from the owners of the plants."

The language of the initiative, with the semantic underbrush cut away, seeks to shake public confidence by implying that environmental, health, and safety problems connected with nuclear power generation are inadequately dealt with by federal law. Its solution to this assumed problem is to require that unless Federal Standards and requirements on liability are amended and state standards substituted for them, all existing nuclear power plants in California are to be derated and eventually abandoned and no new nuclear plants are to be constructed.

Because the stated conditions for federal and state action are virtually impossible of attainment, the end result of the initiative would be a halt in the construction of new nuclear power plants in California and the phasing out of existing nuclear plants. In other words, the initiative would, in effect, impose a moratorium on nuclear power although the initiative carefully avoids using the term "moratorium."

What impact this cutback on nuclear power would have on the ability of California's cities and public utilities to meet their energy requirements has not yet been measured, though obviously it would be large. For example, the two nuclear units now under construction at Diablo Canyon will eliminate the need to burn about 24 million barrels of crude oil annually. Likewise, the economic consequences to the state of foreclosing the use of nuclear power to meet California's growing energy needs would be considerable in terms of lost jobs and income.

That the framers of the initiative proposal did not plainly state their objectives may lead to widespread public misunderstanding and confusion.

HOW THE INITIATIVE WOULD WORK

The initiative proposal, (a complete copy appears in Attachment A) without recognizing the important constitutional questions that it raises, would give the Congress one year after its enactment, or until June 1977 to abolish the maximum liability and indemnity provisions of the federal Price-Anderson Act. Paradoxically, such a Congressional action could result in less, not more, liability protection for Californians because should Congress remove both the liability limit and the present no-fault indemnity provisions of the Atomic Energy Act of 1954, then the circumstances under which the victim of an accident would be compensated, and the amount of compensation, would be governed by the uncertainties of California tort law covering liability for accidents. Under California law, it appears that the public would find itself subject to substantially more difficult and more uncertain compensation procedures than under the present no-fault Federal law.

Whether Congress acts or not, the initiative contains an elaborate and ambiguous set of further conditions that must be met. The continued use of nuclear power plants would be subject to a bizarre procedural formula in which the State Legislature would sit as a quasi-scientific engineering body, aided by an "Advisory Group." This group would be comprised of "distinguished experts" picked from not less than thirteen separate areas of endeavor and would represent "the full range of opinion on the relevant questions."

The State Legislature would have to hold public hearings on nuclear power and then publish a report on such hearings. However, before making the report, the report itself would be subject to public hearings. Even then the final determination of the Legislature on the continued use of nuclear power to generate electricity could be made only by a two-thirds vote of each house.

It seems reasonable to conclude that the obstacles facing an applicant wishing to operate a nuclear power plant would be virtually insurmountable. The initiative is so drawn that for nuclear power to continue, the Legislature must act in a stated way in a stated time. If it fails to act in this particular way, or if it does not act in the stated time, nuclear power in California would be brought to a halt. It is not hard to imagine the kinds of delaying tactics that opponents of nuclear power might bring to bear to keep the Legislature from acting in time if the reward for such delay would be a ban on nuclear power.

One wonders why an absence of a finding by the Legislature was made the condition for banning nuclear power. Would it not have been more reasonable to require that an express finding against nuclear power be made by the Legislature before nuclear power could be banned? The answer to such questions probes the real intent of the initiative.

ISSUES RAISED BY THE INITIATIVE

For purposes of review, some of the broad areas and issues raised by the initiative include:

Existing State Policy.
Land Use and Land Use Planning.
Insurance and Liability.
Health and Safety.
Constitutional Questions.
Optional Energy Sources.

EXISTING STATE POLICY

On January 7, 1975, the State Energy Resources Conservation and Development Commission (State Energy Commission) became effective. This new Commission, created by the Warren-Alquist Act of 1974, has among its functions:

Forecasting and assessment of energy demands and supplies and conservation of energy resources.

Siting of power plants and facilities.

Development and coordination of a program of research and development in the areas of energy supply, consumption and conservation and the technology of siting facilities.

The proposed initiative, if adopted by the voters, would severely limit the activities of this new commission, not only in considering the land use and safety issues, but in regard to research and development. In other words, even before the new commission could begin full-scale operations, one of its major options, research and development in the field of nuclear power and the possible siting of such facilities, would be stripped from it by the proposed initiative.

It would appear that the proper forum for the advocates of this initiative should be the new State Energy Commission. Instead, a result of the initiative, whether intended or not, would be to limit the functions of the State Energy Commission. Yet, as indicated above, the Commission only commenced operation in January 1975 and reflects the policy of the people of California in the energy resources field.

LAND USE AND LAND USE PLANNING

As a reason for the initiative, the measure states, "The people further find and declare that substantial questions have been raised concerning the effect of nuclear fission power plants on land use and land use planning. . . ."

The initiative, however, is not needed to have land use and land use planning considered in siting nuclear power plants. The siting of nuclear plants already is considered in land use decisions along with the siting requirements of other power plants and energy facilities in general. In fact, such siting decisions are a major function of the newly created State Energy Commission.

INSURANCE AND LIABILITY

The initiative's sponsors assert in their campaign literature that, "You cannot get insurance for the results of an accident at a nuclear plant," thereby implying that the residents of California are without nuclear insurance coverage. This is untrue.

The facts are that as of January 1, 1975, the insurance industry notified the federal government it was increasing the maximum amount of privately available liability insurance from $110 million to $125 million for a single nuclear accident ($435 million additional is covered by the federal Price-Anderson Act of 1954 with each operator of a nuclear power plant paying an annual insurance premium to the federal government).

Not only is this indicative of the insurance industry's confidence in the safety of nuclear installations, but the fact is that no claim has ever been filed arising from the operation of a nuclear reactor. Due to this extraordinary safety record, the underwriters specializing in insurance against nuclear liability refunded, in 1973 alone, $1.5 million in premiums to the more than 300 organizations they insured. The 1973 premium re-

*The full language of the proposed initiative appear in Attachment A.

funds brought the seven year refund total to over $5 million. These refunds reflect the fact the conservative insurance industry, based on actual experience, believes in the safety of nuclear power.

Sponsors of the initiative have asked if nuclear power plants are so safe, why is it necessary to limit the liability in the event of a nuclear accident, as is done by the federal Price-Anderson Act?

The implication is that liability limitation is a phenomenon peculiar to the nuclear power business. In fact, there are many liability limitation statutes, both state and federal, some being in the area of workmen's compensation, no-fault auto insurance, federal mortgage insurance, Medicare, savings and loan account insurance, shipping casualties, aircraft casualties, oil spills, and more.

At present, a combined total of $560 million of public-liability coverage exists for each nuclear accident.

HEALTH AND SAFETY

Scientists, engineers and others experienced in nuclear power throughout the world not only consider nuclear power generation safe, but in absolute terms believe it is less hazardous to public health than is the burning of coal or oil for electrical generation.

Nationally, an estimated 20,000 die annually from general air pollution, including 3,600 who die from fossil fuel plant air pollution.

The proponents of the initiative ignore or overlook the conclusions of the recently released two-year study on nuclear safety conducted for the U.S. Atomic Energy Commission under the independent direction of Professor Norman C. Rasmussen of the Massachusetts Institute of Technology.

The study began in the summer of 1972 and took two years to complete. A total of 60 people, various consultants, 50 man years of effort and three million dollars were involved. The objective of the study was to make a realistic estimate of the risks of nuclear power and to compare them with nonnuclear risks to which society is exposed. The methods used to develop the risk estimates were based on those developed by the Department of Defense and the National Aeronautics and Space Administration.

The study's basic conclusion is that the risk to the public from a potential accident in a nuclear power plant is exceedingly small, much smaller in fact than the risk of fatality from many other causes. The following table sums up this conclusion:

RISK OF FATALITY BY VARIOUS CAUSES

	Deaths annually	Odds
Motor vehicle	55,791	1 in 4,000.
Falls	17,827	1 in 10,000.
Fires and hot substances	7,451	1 in 25,000.
Drowning	6,181	1 in 30,000.
Firearms	2,309	1 in 100,000.
Air travel	1,778	1 in 100,000.
Falling objects	1,271	1 in 160,000.
Electrocution	1,148	1 in 160,000.
Lightning	160	1 in 2,000,000.
Tornadoes	91	1 in 2,500,000.
Hurricanes	93	1 in 2,500,000.
All accidents	111,992	1 in 1,600.
Nuclear reactor accidents (100 plants)	0	1 in 300,000,000.

CONSTITUTIONAL QUESTIONS

Aside from the other defects of the proposed initiative, it must also be viewed as to its constitutionality. In other words, does the federal Atomic Energy Act create federal preexemption in the field?

The U.S. Supreme Court in a recent case did hold that the federal Atomic Energy Act preempts state action in the field of radioactive emission standards from nuclear power plants. (Northern States Power Company v. State of Minnesota, 447 F. 2d 1143 (8th Cir 1971; aff'd by U.S. Supreme Court without opinion, 405 U.S. 1035 (1972).)

The initiative raises the preemption issue in other areas. Should the proposal become law, there is no doubt that the issues will be challenged in the courts with the U.S. Supreme Court deciding the matter some years hence.

OTHER ENERGY SOURCES

It should be clear that the need for nuclear energy and the environmental benefits it brings do not stem from untrammelled growth and development. Instead, the nation is simply running out of acceptable conventional fuels.

Some of the substitutes for the fast-dwindling supplies of natural gas and low-sulfur oils, such as geothermal and solar energy, cannot be expected to significantly contribute to this state's energy needs for some time.

Should California's economy and population stabilize even for an indefinite period, the need to develop nuclear and other non-polluting energy sources would not diminish. A recent study by the Los Angeles Department of Water and Power concludes that even if growth in electric power demand should cease, electric power costs could be reduced and aid pollution levels lowered by building nuclear power plants for "base load" generation and relegating existing fossil fuel plants to "peaking" operation. The initiative would prevent this choice of nuclear over fossil-fueled plants and would drastically reduce California's ability to meet its energy needs.

A cogent argument regarding not only the safety of nuclear power but the paucity of practical substitutes was well stated by Dr. Ralph E. Lapp, Energy Consultant and member of the Sierra Club's energy policy committee, in his New York Times magazine article of February 10, 1974 (see Attachment B).

SUMMARY

In summary, the proposed initiative is inconsistent and ambiguous. It runs counter to state energy policy as represented by the creation of the new State Energy Commission. It raises grave constitutional questions.

Stripped to its bones, its thrust and purpose is to ban the use of nuclear power in California. Its adoption, by foreclosing the use of nuclear power at a time when the nation is running out of all fossil fuels but coal, would create severe economic and social hardships for California.

TO ESTABLISH AN ANNUAL FOREIGN MILITARY ARMS SALES BUDGET

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ASPIN. Mr. Speaker, I am introducing legislation today that will establish an annual foreign military arms sales budget.

Since fiscal year 1971 the volume of foreign military arms sales has grown from $900 million to $8.3 billion during fiscal year 1974—a ninefold increase. During the first 10 months of fiscal year 1975, U.S. foreign military arms sales have totaled $7.2 billion.

Foreign military arms sales have become a principal instrument of U.S. foreign policy. Consider for a moment the example of the Persian Gulf. In the late 1960's and early 1970's Great Britain began to withdraw east of Suez. The British Government had been the principal power within the region since the latter part of the 19th century. As oil production in the area grew and various Western nations became more dependent on Persian Gulf oil, the region's importance grew rapidly. Rather than directly asserting American military presence in the Persian Gulf, the presence of American power in the region began to be felt through the use of foreign military arms sales.

In fiscal year 1974 approximately $4.4 billion worth of arms were sold to the states ringing the oil-rich Persian Gulf. Thus far in fiscal year 1975, approximately $3.2 billion have been sold to Iran and Saudi Arabia alone. The policy of the United States has been clear: the sale of military arms to gain influence in the region.

But Congress was never consulted on this policy nor has a mechanism been established that allows for meaningful congressional participation in the formulation of our foreign military sales policy.

Of course, opponents of changes to the current Foreign Military Sales Act argue that since no appropriated funds are involved, there is no reason for the Congress to inject itself into the process. But the facts are that the Congress has a very direct and real constitutional responsibility to set the outlines for foreign policy.

Last year, my distinguished colleague from Wisconsin, Senator GAYLORD NELSON, successfully sponsored an amendment to the Foreign Assistance Act that permits the Congress by concurrent resolution to reject any proposed arms sale in excess of $25 million during a 20-day period. Senator NELSON has recognized this amendment is only a first step in bringing foreign military arms sales policy under congressional scrutiny.

The approach of the current law is piecemeal—individual sales are considered, rather than the big picture. The time period allowed for rejection of a sale is short—20 days—far shorter than it usually takes Congress to act on any matter. Finally, the amendment requires the rejection of a sale, rather than approval of the sale.

The legislation which is being introduced today is very similar to a bill offered in the Senate by my distinguished colleague, Senator NELSON.

It establishes on a country-by-country basis a foreign military sales budget. This budget would eventually be passed by Congress in the form of a concurrent resolution and the President would be prohibited from permitting sales that exceeded any individual country ceiling for a given fiscal year.

The legislation also obligates the executive branch to provide a 5-year projection on country-by-country basis of foreign military arms sales.

In addition, Congress has a right to review the specific type of weapons—ships, planes, missiles, and tanks—to be sold to a country. By deciding what types of weapons may be sold, Congress has an opportunity to review the quality as well as the dollar value of overseas sales.

Congress is also given an opportunity to review "defense service contracts"—contracts that provide training, advice, and our assistance.

Accompanying the budget requests will be detailed justification for all of the items that are proposed to be sold. The justification should demonstrate how the requested foreign military sales budget supports our foreign policy objectives and promotes world peace.

With this information in hand, the Congress will be able to meaningfully participate in the formulation of our foreign military sales policy.

Furthermore, the legislation also requires the preparation of "impact statements" by the Director of the Arms Control and Disarmament Agency on the various total budgets, country by country budget, quantitative and qualitative budgets and service contacts. The Director of ACDA in consultation with relevant officials of the Department of Defense and the Department of State is charged with examining arms sales impact from the following standpoints:

The balance of power and arms races in each region of the world in which sale, credit sale, or guarantee is expected to be made.

International negotiations and efforts directed at the achievement of arms control.

The defense production capability of the United States.

The military preparedness of the Armed Forces.

The war reserve stocks.

The U.S. balance of payments.

These impact statements will give the Congress a fairly independent and, I am sure, objective analysis of the relative effects of various arms control strategies.

In short this bill will obligate the Congress to become a meaningful participant in deciding how much, what kind and where we should sell our military goods.

Why this kind of bill right now?

First, military arms sales may become a new way for the United States to become unwittingly embroiled in a commitment to another nation resulting in the kind of trauma we suffered in Vietnam. Take the example of Saudi Arabia. The Corps of Engineers plans to manage $2.5 billion worth of projects in Saudi Arabia. Arms sales are well above $1 billion per year. In 5 years, there will be 35,000 Americans working in Saudi Arabia on various military and economic training projects. In addition the United States is developing a secret 10 year defense plan for the Saudis. All of these actions have one result: the building of commitment. But a commitment that is made exclusively by the executive branch—not by the Congress. It is Congress that should make any commitment if any are to be made.

Second, massive arms sales lock us into incumbent regimes whose chances of survival are often minimal. Making a commitment to a particular regime can result in rival factions choosing the other side, that is, the Soviet Union. Naturally, if our client is unsuccessful we have not only lost a friend, but gained a bitter, bitter enemy.

Third, a local arms race also obviously heightens the chances of war. In the Persian Gulf arms sales have expanded rapidly and a conflict there, with the kinds of weapons we are selling to them, would automatically mean a cutoff of our supply of oil.

There are many arguments that favor the continuation of seemingly unlimited arms sales. These sales do significantly assist our balance of payments. High sales also result in lower unit prices for our own new weapons, the cost of which has escalated rapidly in price in recent years. Although its measurement is intangible many knowledgeable people argue persuasively that arms sales do provide us with some measure of influence in the purchasing country.

Obviously, there are some very good arguments on both sides of the arms sales issue.

But the point of this legislation is not whether arms sales are a good idea or a bad idea. This bill requires Congress to debate and to decide the issue.

The United States may wish to continue a vigorous arms sales program or cut our sales, but it must be the policy of the Government of the United States not just the executive branch. Congress should not shrink from this responsibility but rather become an active participant in the formulation of the military sales policy of the United States.

PLANNING: THE DEATH OF FREEDOM!

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. CRANE. Mr. Speaker, there are many political spokesmen in the United States at the present time who are deeply suspicious of freedom. Men and women, they argue, do not dispose of their incomes in an appropriate manner. The answer, of course, is to take those incomes way from them in the form of taxation and permit an elite, usually themselves, to dispose of the money in "the public interest."

We should make no mistake about the fact that Government planning and control of the economy is inconsistent with a free society. Dr. Roger Freeman of the Hoover Institution makes the point in his important book, "The Growth Of American Government:" "The basic philosophical and political issue is, of course, that of personal freedom. If we define personal freedom as the ability of the individual to make meaningful choices among known alternatives, then it follows that the extent of his freedom depends on the range of decisions he can make for himself and his family in comparison to those being made for him. One possible measurement of an individual's freedom is the share of his economic resources that he can allocate to his various wants according to his own wishes versus the share Government allocats for him."

Now, a bill has been introduced in the Senate which is called the "Balanced Growth and Economic Planning Act of 1975." It is important that we understand the implication inherent in any legislative approach to national planning.

Discussing this legislation, H. C. Gordon notes that—

Historically, the inevitable result of planning has been the loss of freedom. Twenty years ago . . . Max Bastman exposed the contradiction inherent in the idea that planning can be either "democratic" or "voluntary." By its very nature, he argued, planning implies continuing control by a central authority . . . for planning to work at all there must first be sweeping government control over the whole economy. And once any government has such power, how can political freedom long survive?

Mr. Gordon concludes that—

Other nations which have experimented with "democratic planning" in more recent times have invariably found that the experiment has resulted in a loss of freedom or prosperity or both . . . Our free enterprise system has provided us with the highest living standard in the world, but if it is to continue to do so it must have freedom to operate.

The answer to our economic difficulties is more freedom in the marketplace, not less. It is Government intervention in the economy which is largely responsible for our current difficulties, together with a tax system which discourages captial accumulation and, as a result, leads to a stagnating economy.

I wish to share with my colleagues the column, "Planning: The Death of Freerom," written by H. C. Gordon and distributed on May 29, 1975 by the U.S. Industrial Council and insert it into the RECORD at this time.

PLANNING: THE DEATH OF FREEDOM

(By H. C. Gordon)

Recently, Senators Hubert Humphrey and Jacob Javits announced the introduction of their proposed "Balanced Growth and Economic Planning Act of 1975"—a bill which, if enacted, could sound the death knell of economic freedom in this country.

What this bill basically provides for is the creation of an Economic Planning Board whose function would be to develop a master plan for economic growth. Among other things, the Board would set long-term goals for full employment, price stability, balanced regional development, and an "equitable distribution of income." The Board would submit its findings to the President who, in turn, would be required to submit an "economic growth plan" to Congress every two years, commencing 1977. Congress would then accept or reject all or part of the plan by joint resolution. If the entire plan were rejected, the President would have to revise and resubmit it. What would happen next is anybody's guess.

In an effort to forestall the torrent of criticism certain to be unleashed by such a proposal, Sen. Javits has soothingly assured us that there would be "no coercion" involved under such a system. As conceived, the Planning Board could only "persuade" people to adopt its recommendations voluntarily—although of course Congress could enact any one or all of them into law. The assumption that planning will dictate economic activity and supplant the free market is, he claims, "highly erroneous."

Nevertheless, at a time when government disposes of approximately forty per cent of the national income, and is steadily increas-

ing its control over the economy, such airy pronouncements are anything but reassuring. Historically, the inevitable result of planning has been the loss of freedom, as thoughtful individuals have long understood.

Twenty years ago, in his splendid little book *Reflections on the Failure of Socialism*, Max Eastman brilliantly exposed the contradiction inherent in the idea that planning can be either "democratic" or "voluntary." By its very nature, he argued, planning implies continuing control by a central authority. It is absolutely impossible to have effective planning in a complex industrial society unless there is some way of guaranteeing that the plan will actually be carried out. To talk about "voluntary" compliance while drawing up detailed economic blueprints for a nation is patently absurd. What good are such blueprints if people are free to disregard them?

No, said Eastman, for planning to work at all there must first be sweeping government control over the whole economy. And once any government has such power, how can political freedom long survive?

The object lessons of Fascist Italy, Nazi Germany, and Communist Russia were still fresh when he wrote his book, but such lessons, he felt, were even then lost on the American advocates of planning. Our own "creepers toward socialism," as he scornfully called them, "often don't even know where they are creeping."

He observed: "They see with the tail of an eye that political liberty is incompatible with economic subjection, but they refuse to look straight in the face of this fact. . . . They remain indecisive, equivocal—lured by the idea of security, orderly production, and universal welfare under a planning state, yet not quite ready to renounce in behalf of it those rights and liberties of the individual which stand or fall with the market economy."

That is precisely the two-faced impression created by Senators Humphrey and Javits when they naively insist that planning is possible in a "free, democratic, and orderly way."

Other nations which have experimented with "democratic planning" in more recent times have invariably found that the experiment has resulted in a loss of freedom or prosperity or both. It is whistling in the dark to suggest that the result will be any different if we attempt it here. Our free enterprise system has provided us with the highest living standard in the world, but if it is to continue to do so it must have freedom to operate. Already that freedom has been seriously curtailed. To reduce it even further by the adoption of government planning can only mean the death of free enterprise and, in the end, of freedom itself.

CHARLIE ALBERTSON AND THE SWINGMASTERS

HON. DAVID N. HENDERSON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. HENDERSON. Mr. Speaker, I welcome this opportunity to inform you and my colleagues that Charlie Albertson and his country and western group, the Swingmasters, will depart Washington for a 4-week tour of the Mediterranean area where they will entertain members of the U.S. Armed Forces stationed there. Albertson and his group will be touring Spain, Italy, Greece, Turkey, and Morocco, performing in hospital wards, onboard ships, and at base theaters. This singing group has performed at numerous U.S. military bases in the past and has been very well received.

All of these performers are constituents of my district, and I am pleased that they would volunteer their services in this project.

The Swingmasters, in addition to Albertson, also feature Brenda James, a very talented female vocalist; Carlton James, the affable drummer of the group; Milton Houston, the pianist; Alfred Ward, the lead guitarist; and Grover Hood, the bass guitarist.

This Department of Defense sponsored tour comes as an honor to Charlie Albertson and the Swingmasters. Our troops will view a million dollar show by patriotic young Americans, and I am proud of Charlie Albertson, Brenda James, and the Swingmasters because they are going to take live entertainment and a little of home to our soldiers and airmen in the Mediterranean.

U.N. COLONIALISM COMMITTEE MEETING IN LISBON

HON. ROBERT W. DANIEL, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, the United Nations Colonialism Committee will take along a staff of 40, including 11 publicity officers to insure "maximum" coverage of a week-long session in Lisbon that begins today.

It is estimated that holding the session away from New York will cost $110,000. The world organization is experiencing financial troubles and has repeatedly been urged to economize.

However, the committee, which is enthusiastically supported by third world countries for its efforts to combat colonialism, was provided with a $330,000 annual budget by the last General Assembly to help insure that its activities receive the widest possible attention.

Besides interpreters and clerical help, the staff includes television and radio crews.

In view of the immense human starvation and suffering which abounds on this planet, I find it difficult to justify any unnecessary junkets by U.N. committees.

The $110,000 spent for the committee junket could provide needed food and health supplies for the poor in many nations. The magnitude of the waste of this $110,000 is startlingly clear when we see what the money could provide if donated to CARE, the independent relief agency. CARE, combining the $110,000 with other donated material and volunteer help it normally receives, could provide:

39,600,000 protein enriched breakfast or lunch beverages or, 9,900,000 nutritious lunches for starving children, or, over 183,250 inoculations against cholera, or, 366 permanent classrooms for 40 students each, or, 45 pure water systems which would each serve 1,000 people.

American taxpayers have generously contributed well over $5 billion to fund U.N. operations since its inception in 1946. American taxpayers' dollars should not be wasted to pay the travel expenses for publicity-seeking U.N. committees, particularly in view of the alternative uses for the funds.

HARRY H. WETZEL

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. BELL. Mr. Speaker, on Saturday evening, July 12, 1975, Mr. Harry H. Wetzel will be honored at a testimonial dinner at the Beverly Hilton Hotel in Beverly Hills, Calif. The dinner is the annual "Salute to the Aerospace Industry" sponsored by the city of Hope and its 500 Club auxiliary.

Harry H. Wetzel is chairman of the board of directors and president of the Garrett Corp., one of the Signal Co., Inc. He joined Garrett's AiResearch Manufacturing Division, Los Angeles, in 1946 as an engineer, and in this same capacity was assigned as manager of the company's Dayton, Ohio, office.

The following year he was elected vice president and a member of the board of directors of the Garrett Corp., and in the same year was appointed manager of AiResearch Manufacturing Division of Los Angeles. He became executive vice president of the corporation in the latter part of 1962.

Elected president in June 1963, Wetzel became chairman of the board and chief executive officer in January 1966. He is a member of the Signal Co. board of directors and executive committee and is a Signal vice president and member of the board of directors of the Thiokol Chemical Corp.

Prior to his affiliation with the Garrett Corp., Wetzel served as a pilot for 5 years with the U.S. Air Force during World War II attaining the rank of captain. He holds a B.S. degree from Cornell University.

In addition to his industrial career, Wetzel has maintained a wide range of community and civic activities. He has long worked hard on many city of Hope projects. The United Crusade selected him as their commerce and industry chairman for the years of 1967 and 1968. He is a former member of the board of trustees of the Multiple Sclerosis Society, Southern California Chapter, and was chairman of their 1966 campaign.

Wetzel has been a member of the Board of Governors of the Performing Arts Council of the Los Angeles County Music Center since 1971. He is on the board of trustees for the Donald Douglas Museum and Library. He is a former member of the District Attorney's Advisory Council for Los Angeles County. And he is on the board of directors of the Defense Preparedness Association.

Margaret and Harry Wetzel have four children and one grandchild. In July they will celebrate another of their many happy anniversaries.

As a ranking member of the House Science and Technology Committee, it gives me special pleasure, Mr. Speaker, to call attention to the tribute to Harry Wetzel, a leader in the aerospace industry. It is a tribute which reflects the regard and respect of all who are privileged to know him.

ATHLETIC THERAPY HELPS CHILD FOCUS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. BRADEMAS. Mr. Speaker, the Subcommittee on Select Education has recently reported out a bill, H.R. 7217, the Education for All Handicapped Children Act, which would help the States provide an education for all children. An important component in the education of handicapped children is physical education.

I would like to insert in the RECORD a most interesting article by Thomas Boswell in the Washington Post of June 8, 1975, entitled "Athletic Therapy Helps Child Focus."

Mr. Boswell's article illustrates the importance of physical education in any program of education for handicapped children.

The article follows:

ATHLETIC THERAPY HELPS CHILD FOCUS

(By Thomas Boswell)

Robert had just finished his 10th practice 100-yard dash. Sweat poured from his face and arms.

"It's hot for running, but I'm going to keep on. That's how you stay good," he said, looking around the field at the other boys on the track team of the Kennedy Institute for retarded children. "After I run, I have to go home and pull weeds."

His face was contented, happy at the thought of running and then pulling weeds. He was a good runner, he knew. He could stick to a job, too. Those weeds were as good as pulled. Robert watched his teammates sprint. "Now we're lookin' good," he shouted.

Robert was winning his daily battle over his worst enemy—time.

Tommy's gentle eyes did not quite focus properly. But he confidently struck up a conversation with a stranger. After hello, he asked, "Did the Orioles win last night? I know they were ahead 3–1 in the sixth inning."

Tommy follows major league baseball on radio and TV. He knows batting averages and some strategy, like many 9-year-olds.

Tommy is 18 years old.

Brother Jim Williams coaches a basketball team of mentally handicapped children at Kennedy Institute.

They do not play against other special children. Brother Jim's players are too good for that. They play, and win, against children their own age in the highly (almost too) competitive CYO.

When Brother Jim wanted to motivate his team last season he took them all to see Mackin High School play. Brother Jim was also a part-time assistant coach for Mackin.

"I showed them how lazy the normal kids were. All the ability they had and how some of them loafed," said Brother Jim. "When my players left, they would all say, 'We're not going to be lazy like Mackin.'"

Many times during the regular season Steve stood in the aisles of Capital Centre and screamed for the Washington Bullets to win. He screamed as thousands of others screamed, cheered for the same things, understood. The Bullets were his team. They made him happy or sad, like any fan. But especially, they made him feel.

Away from Capital Centre, Steve has a semi-skilled job, and makes about $7,000 a year. He was instructed well at the Occupational Training Center. They taught him a trade, but Special Olympics taught Steve how to love sports.

Steve could not normally afford Capital Centre tickets, but the Bullets are generous, giving their gifts, in private, to institutions like the Occupational Training Center.

Only a generation ago nothing seemed more pointless for the retarded than sports, both medically and practically.

In medical texts, classifications such as "idiots, morons and imbeciles" often prevailed.

Those medieval terms made it impossible to conceive of an idiots' basketball league or an imbeciles' olympics. In that half-conscious manner, the concepts and language of normal people defined the limitations of the world of the mentally handicapped.

In the last five years, sports has become a therapeutic bandwagon. Its claims are legion.

When the jargon of professional educators—"self-image, socialization, deinstitutionalization"—is torn away, the claims made for sports are simple, far-reaching and dramatic.

"I have seen children come alive through sports," said Duane Patterson, director of the Washington Special Olympics. He recalls Sylvester Stewart, a hyperactive, frustrated, occasionally destructive teen-ager who became a star dash man, learned to control his energy and like himself better, and now counsels and coaches the retarded. "I won't take him on TV with me any more," said Patterson. "He outshines everybody else."

"Sports is one of the most tangible ways to see improvement," claimed Dave Alexander, principal of Webster School. "These kids are so often sheltered and cuddled. They need to grow."

Alexander also thinks athletic programs help those who work with the children, because they see their pupils smiling and making progress. "In this type of work, you have the capacity for being depressed all the time," he said.

Tom Carski, director of the Maryland Special Olympics, echoes Alexander's point about the too-sheltered retarded. "So often I call a mother and she says, 'My little Mary lives in her little world, and I don't want her disturbed,' and hangs up. We're fighting the idea of 'once retarded, always retarded.' The parents think nothing can be done. They just don't want the child to lose or be hurt.

"We say, 'What the hell? So you fail. Try. That's what life's about.' Then you see progress. It's the parents who are most in the way."

Surprisingly, the claims made for athletics are seldom as narrow as "it's fun for them," or "it's good for their health," or "it's a chance to feel normal," though those thoughts are not sneered at.

Limited attention span is a severe problem in teaching the retarded and Paul Harrington of the Northern Virginia Training Center calls sports a "hot spot" that grabs the child's attention and teaches him to focus.

Vince Gray of the Occupational Training Center is primarily concerned with trying to place his "trainable" retarded back in the normal world in unskilled jobs. Two problems he faces are temper tantrums growing out of frustration and inability to work with a group. He thinks sports and the Special Olympics help in both areas.

A child who once could not walk a straight line must cope with his frustration before he can run. He must deal with teammates in basketball, for example. "I've seen amazing changes," said Gray.

Those who work with the mentally handicapped are often told, "Your work must be so rewarding."

"When I hear that," said Patterson of the D.C. Special Olympics, "sometimes it's all I can do to keep from saying, 'What the hell would you know about it?'"

Those who help the mentally handicapped work in a wilderness. "We know so little" are the words one hears often, whether the subject is how to teach reading or the biochemistry of retardation. Consequently, a new, practical theory—something that seems to show results—is especially appealing.

Sports, broadly defined to include special physical education and perceptual-motor development training, seems to some to be a remarkable breakthrough.

Though not a brand new idea (it resembles "patterning" of a few years ago) perceptual-motor development is having a vogue, according to Dr. James Rubenstein, medical director for the Maryland Special Olympics.

"The perceptual-motor idea is that there is a link between motor abilities (movement of the body) and perceptual ability (seeing and knowing what you are seeing) and, somehow, cognitive abilities (reading, using concepts)," said Rubenstein.

"If you asked me if I believe in it, I'd have to say, 'No.' Not because I wouldn't like to. It has a persuasive, common sense logic, but simply because there hasn't been enough scientific work done to take a position," said Rubenstein.

Sister Susan Hall, who runs the Kennedy Institute in Washington, does not have time for "longitudinal studies" takng years and perhaps decades to bear out scientifically what she thinks she has seen in her school in recent years. She and her staff for 110 children feel "a moral obligation to these (physical education) programs.

"Whatever truth we are aware of, we have an obligation to act on it," said Sister Susan. "If we (educators generally) would become aware of the possibilities of perceptual motor development, it would change the way we educate."

"We have a staff member (Ellen Weidoff) with a theoretical base in perceptual-motor and she's just as important as the reading teacher or anyone else."

Weidoff has a student, Mark, who knows the alphabet but spells his name Mrka or Rkam. Reduced to simplest terms, she hopes that if she can teach Mark to move his body "backward, forward, up and down in space, then he will feel and sense what those movements mean and be able to control them." Then, perhaps, his name will come out Mark.

Weidoff would like to begin her work with children 6 or 7 years old. At that age many retarded children have not spontaneously picked up such inherited physical abilities as hopping, skipping and jumping that normal children have. "You have to know that a hop comes before a skip," she said. The hop will at least help the child play better, but, Weidoff hopes, it will help his brain more.

At this stage, special athletics for the special child is long on theories, enthusiasm and even publicity, but short on year-round everyday programs and funds to execute them.

A minority of retarded children participate in Special Olympics, locally and nationwide. Many fewer are in year-round athletic programs and retarded adults must rely on relatively new Recreation Department programs.

At the simplest and most visible level, the national Special Olympics has become a celebrity- and volunteer-studded success.

From a tiny, invisible beginning only eight years ago, it has grown to an operation that will involve 400,000 children and 150,000 volunteers this year.

"I believe in the Special Olympics, said one of the planners of the Northern Virginia regional meet, "but it is important to remember that as of now, it is basically a one- or two-day thing with regional and state meets. A few go to the nationals.

"I think the idea of one day a year of glory and glamor for the poor, retarded child is a bunch of crap. But," the organizer adds sharply, "if it's going to be just one day, then pack a lot into it."

At the Maryland state meet at Towson State College, 1,250 children were in the center of 1,800 to 2,000 volunteers with every child having his own chaperone.

More than 20 clinics offered everything and Orioles.

Sports programs reflect the general chaos in the world of the mentally retarded. While normal children find their teams, little leagues clubs and schools laid out simply for their choosing, the retarded take pot luck.

Dave Alexander runs the athletic programs for the Webster School in D.C. on volunteerism, "guts and hustle." His 144 children, who already have been shifted from one school to another three times in the last year, have no athletic facilities and no physical education teachers.

Still, Alexander leads his charges to P.E. three times a week at local Boys Clubs at 9 a.m., when facilities are available.

"We can always get a volunteer," said Alexander. "In the end the people in the community get it done. They see the need. If our basketball team needs $100 so it can have shorts, we reach in our pockets."

At present, many children rely on the guts and hustle of men like Alexander at Webster, or Brother Jim at Kennedy Institute or Vince Gray at the Occupational Training Center to see that they have a year-round athletic program.

In the future, especially for the mildly and moderately retarded, the trend will be away from those special schools and special classes and back into the normal public school system.

Starting with the Waddy Decree in 1972 in the District, every local jurisdiction has passed laws saying that every child, including the mentally handicapped, has a right to an education appropriate to his needs at public expense.

At about the same time, a new theory, variously called normalization, mainstreaming or deinstitutionalizing, arose.

"It's a great theory," said Sister Susan. "It's similar to what we've tried to do in getting our better children to compete against normal children in CYO. The idea is to ship as many special children as possible back into normal schools to challenge them to participate as close to the norm of society as possible."

Some educators, like Sister Susan, wonder if normalization theory will have "a humanistic interpretation in the case of each individual child. Some kids can only make it in special school."

She worries about so-called "dummy classes" within public schools and all the ways that normal children can cruelly erode the confidence of the slow child, the confidence and self-regard that she has been trying to build on the small, sloping athletic field at Kennedy.

On the bright side, Harrington of the Virginia Training Center, points out that year-round physical education and sports programs, like those that have been proving so helpful for the mentally handicapped, might be best executed in the public school system.

"Everything is changing in dealing with the mentally handicapped," said Harrington. "Everyone is learning that the handicapped can do a lot of great things, especially in sports. It's changing, and it's a beautiful change."

CONGRESSMAN WYDLER ASSESSES MIDEAST POLICY

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. WYDLER. Mr. Speaker, events in the Middle East are moving so fast and conditions are changing so quickly that it is difficult to issue statements that keep pace with events. Certain underlying truths remain, however, and should continue to be the cornerstone of American policy in the Mideast.

No matter what the weekly developments might be in the area, my own views to strongly back American support for Israel will remain constant, as they have for my 13 years in the U.S. Congress.

From a fair negotiating position based on strength, both by Israel and the United States, will emerge a sound basis for an era of good will for all the peoples in the Mideast.

Although we have an improving relationship with the Arab nations in that part of the world, we have a very special relationship with the State of Israel. From the U.S. point of view, there is more involved than the territorial and economic problems that exist between the State of Israel and her Arab neighbors.

From our national perspective, it is clear that the major underlying cause of the threat to Israel comes from the Soviet Union's intention to dominate the Middle East and its enormous resources of oil. If the Soviet Union is successful in this effort, they will also dominate Western Europe's economy, and the Mediterranean will become a Russian sea. It is of vital importance to the interest of the United States that we do not allow this to happen.

The diplomatic efforts of our Government in the past few years have been extremely successful and have enhanced the prestige and position of our country, giving us the opportunity to bring the parties together and to establish the basis for a permanent and lasting peace in that part of the world.

Israel's survival is, of course, at stake, and we cannot negotiate away her existence. We must insist that the terms that are reached are acceptable to Israel and will provide for her continued security.

President Ford is to be commended for his efforts to bring about peace in the Middle East. Only a few months ago it appeared that the attempts to reach an interim accord had failed and that the parties would either resume open warfare or have to go to a Geneva-type conference. Such a result, in my judgment, would have been very disadvantageous from Israel's point of view, for a Geneva conference would have started with the problem of Palestinian representation and involved the participation of nations unfriendly to Israel, such as the Soviet Union.

Following President Ford's meeting with Prime Minister Sadat and his current meetings with Prime Minister Rabin, there appears to be a new and a very strong movement toward an interim accord once again. Israel has announced its desire to resume negotiations and even indicates it may have the basis of an overall peace plan in mind. Our Nation must understand that the people running the governments in both Israel and Egypt must also satisfy local political problems in any negotiating efforts that are undertaken. It is in this area that our own efforts can be most helpful by encouraging concessions that will make the interim agreements a reality.

The opening of the Suez Canal indicates that an era of peace might indeed be coming to the Mideast. The gestures of goodwill by Israel in withdrawing troops from that area indicate, once again, that nation's strong desire to find peace with security.

It now seems possible to bring an end to the state of belligerency between Israel and her Arab neighbors. Our country, of course, remains Israel's only real friend and strong ally. Israel's survival and security must be maintained. We must continue to base our policy in foreign affairs on our military strength and willingness to help our allies. That type of policy is succeeding and will continue to succeed in the years ahead.

IN MEMORIAM: MRS. CONSTANCIA DANIEL SEWER

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. DE LUGO. Mr. Speaker, I would like to note with great sadness the recent passing of Mrs. Constancia Daniel Sewer, one of the grande dames of St. John, Virgin Islands.

Known to her many friends as "Missy," Mrs. Sewer was a personal witness to the colorful modern history of St. John, including its passage from Danish rule to territorial status under the American flag. A devoted family person, she gained the respect and love of all those she came in contact with.

We will miss her, but we must consider ourselves fortunate to have had her with us as long as we did.

Mr. Speaker, I would like to share with my colleagues an article on this wonderful woman which was recently published in the Virgin Islands Daily News:

CONSTANCIA SEWER—1878–1975

It was a solemn, peaceful occasion. The last rays of the first day of June were golden. Some 400 Virgin Islanders were paying their last respects to a St. John matriarch whose life on St. John spanned nine decades of Virgin Island history. Years of hurricane and drought, times of celebration and deprivation. Constancia Sewer was a mature woman of 39 when Danish St. Jan became part of the U.S. Virgin Islands in 1917.

Constancia Sewer, nee Daniel, was laid to rest June 1, 1975, in the shade of the genip trees in the Cruz Bay cemetery. She was known as "Missy" to four generations of St. Johnians. On Sunday her sons Felix, George, Randolph and Roy Sewer and her daughter Blanche Frazer were joined by scores of relatives and family friends to pay tribute to a lady whose life touched many lives in many memorable ways.

The Moravian burial services were held at the Nazareth Lutheran Church in Cruz Bay conducted by Rev. Rawle Belle of the Memorial Moravian Church in St. Thomas, Rev. Carlyle Sampson of Niksy and New Herrnhut Churches in St. Thomas, and Rev. Willard Prout of the Moravian churches at Bethany and Emmaus on St. John.

Constancia Sewer's great nephew, Larry Benjamin, Music Supervisor for the Dept. of Education, rendered a baritone solo. St. John tenor Reggie Callwood also sang. The music, the flowers, and eulogy and prayers were some of the ways St. Johnians paid tribute to "Missy" Sewer. Hopefully, while memories are still fresh, the children and grandchildren of Constancia Sewer will record her vivid recollections of history that will otherwise be lost to her own great grandchildren and generations to come.

"Missy" Sewer was justly proud of her family. It must have given her great pride and satisfaction in her last days to know that her son Roy Sewer will be the first native-born St. Johnian to serve as Administrator for the Island where she was born 97 years ago. Virgin Islanders in years to come will be proud of this woman of St. John.

SUEZ CANAL OPENING BOOSTS SOVIET POSITION IN INDIAN OCEAN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. McDONALD of Georgia. Mr. Speaker, our Secretary of the Navy, Bill Middendorf, has expressed his concern over certain consequences of the reopening of the Suez Canal. The canal will not, at this time, permit passage of our major naval vessels, the Soviet ships now in the Mediterranean are small enough to transit the canal. A small indication of the strategic consequences was noted in Human Events for June 14, 1975:

NAVY SECRETARY: SUEZ OPENING AIDS U.S.S.R.

The reopening last week of the Suez Canal, a move pushed by the State Department as a means of returning normalcy to the Mideast, is also an enormous strategic gain for the Soviet Union, giving the Communists greatly increased access to the pivotal Persian Gulf and Indian Ocean.

Although Soviet warships will be able to sail down the 101-mile waterway with no trouble, the much-larger American vessels, including aircraft carriers, are too big to get through. Navy Secretary William Middendorf III spelled out the consequences in an interview with the Washington *Post*.

Middendorf noted that in time of crisis, if the Soviet and American military commands decided to rush their Mediterranean fleets to the Persian Gulf, the Russians could take the Suez Canal shortcut while the U.S. vessels would be forced to sail around all of Africa.

"The Soviets will be a major beneficiary, no question about it," Middendorf said. "They'll be able to move their forces through the Canal from the Dardanelles and into the Indian Ocean and save approximately 6000 miles."

Middendorf went on to say that the Soviets will be able "to bring their whole fleet through" the Canal while the U.S. can move neither its aircraft carriers nor its other major ships.

In light of the strategic consequences of the Suez reopening, the Navy is eager to upgrade its facility on the British-owned island of Diego Garcia in the Indian Ocean.

At present, the U.S. has only a communication base on the island. But Navy strategists desire to build landing facilities for aircraft and deepen the port.

Congressional critics argued that this could cause an "arms race" in the Indian Ocean, causing the Soviets to step up their activity. To Middendorf, the argument is nonsense. He told the *Post* that history contradicts those who say the Soviets will stay out of the Indian Ocean if we do. He noted that the Communists moved into that ocean in force when the British fleet pulled out.

RX PRICE ADVERTISING

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ROSENTHAL. Mr. Speaker, a survey of my constituents in Queens revealed 91 percent feel prescription costs are too high and an even higher percentage said drug prices should be advertised in order to facilitate comparison shopping, equalize prices and provide the freedom of choice which is available to the purchaser of nearly every other consumer product.

This questionnaire was just one aspect of a study by my staff of retail prescription drug pricing practices published in 1973. I am inserting in the RECORD at this point the appendices to that report:

APPENDIX 1

WASHINGTON, D.C.,

DEAR FRIEND: The cost of prescription drugs is a serious problem for many persons. In conjunction with a study I am conducting concerning retail prescription pricing practices, I am sending this questionnaire to a select group of residents of Queens. Your answers will be of great value.

1. How many prescriptions have you had filled in the past year? (14.9%) 0–5; (24.5%) 5–10; (22.3%) 10–20; (38.4%) Over 20.

2. How many of these prescriptions are for the same drugs? 7.

3. Of the number of prescriptions filled for the same drug, have you found much variance in price at different stores? (78.6%) Yes; (21.4%) No.

What percentage difference have you found? (38.5%) 10–20; (50%) 25–50 (5.8%) 50–100; (58%) Over 100.

4. Do you generally have prescriptions filled at the same pharmacy? (79.3%) Yes; (20.7%) No.

5. What factor is most important to you when choosing a pharmacy? (43.6%) Convenience; (37.6%) Price; (12%) Services (such as delivery, credit, etc.); (6.8%) Other (specify).

6. Do you know whether your doctor prescribes brand-name drugs or drugs by their generic (chemical) names? (36.1%) Brand name (30.1%) Generic name; (33.7%) Don't know.

Do you ever ask him to prescribe generically? (13%) Yes; (87%) No.

7. What kind of pharmacy fills your prescriptions? (65%) Independently owned, small; (8.8%) Chain drugstore; (22.9%) Discount drugstore; (3.29%) Pharmacy counter in any other store.

8. Do you ask your druggist the price of a prescription before you have it filled?

Yes (45.1%); No (54.9%).

9. Do you feel prescription costs are (a) too high 91%, (b) about right 9% or (c) low 0%?

10. Would you like to see prescription prices advertised so you could compare costs more easily?

(95%) Yes; (5%) No.

Please return this questionnaire as soon as possible using the self-adressed mailer on the other side. Thank you for your help.

Sincerely,

BEN ROSENTHAL.

APPENDIX 2—DRUG PRICE SURVEY RESULTS

In the 1971 portion of the survey, two types of prescriptions were used. One was written generically and the other specified a brand name product. Prices quoted in response to the generic prescriptions were not necessarily for non-trademarked products but were frequently for higher-cost brand name drugs. This had the effect of making generic prices appear higher than they should. To prevent this type of consumer abuse, consumers should specify they want the lowest cost equivalent product available. In addition, legislation permitting generic prescribing and abolishing anti-substitution restrictions should contain a provision guaranteeing that when substitution is made it must be with a lower-priced product.

Wholesale price data is from the 1971 American Druggist *Blue Book*.

TETRACYCLINE, 1972—56 CAPSULES, 250 MG.

	Queens, N.Y.	Washington, D.C.
Highest	$6.00	$5.50
Lowest	2.49	1.50
Average	3.81	3.38
Wholesale	.98	.98
Stores	9	10
Average markup (percent)	289	245
Prices quoted	$2.49	$1.50
Do	2.85	1.88
Do	3.34	1.95
Do	3.39	2.13
Do	3.55	2.18
Do	3.79	3.28
Do	4.00	4.45
Do	4.95	5.45
Do	6.00	5.50

AMPICILLIN 1972—56 CAPSULES 250 MG.

Highest	$16.75	$17.95
Lowest	5.95	8.40
Average	9.20	11.60
Wholesale	7.28	7.28
Stores	16	10
Average markup (percent)	26	59
Prices quoted	$5.95	$8.40
Do	6.50	9.09
Do	6.50	9.33
Do	6.50	9.35
Do	6.75	9.99
Do	7.85	11.20
Do	7.95	11.20
Do	7.95	12.75
Do	8.00	16.88
Do	8.50	17.95
Do	9.20	----
Do	10.00	----
Do	10.00	----
Do	11.50	----
Do	12.50	----
Do	14.00	----
Do	16.75	----

CHLORPHENIRAMINE MALEATE, 1972—60 TABLETS, 4 MG.

	Queens, N.Y.	Washington, D.C.
Highest	$4.95	$5.13
Lowest	1.85	3.50
Average	3.85	4.22
Wholesale	.10	.10
Stores	7	10
Average markup (percent)	3,750	4,120
Prices quoted	$1.85	$3.50
Do	1.95	3.75
Do	2.85	3.95
Do	3.75	3.95
Do	3.79	4.00
Do	3.85	4.00
Do	3.95	4.00
Do	4.95	4.83
Do		5.13
Do		5.13

TETRACYCLINE, 1971—30 CAPSULES 250 MG.

Highest	$5.95	$9.90
Lowest	1.95	2.75
Average	3.05	3.53
Wholesale	.52	.52
Stores	11	5
Average markup (percent)	562	729
Prices quoted	$1.95	$2.75
Do	2.10	2.90
Do	2.29	2.90
Do	2.45	2.90
Do	2.95	9.90
Do	2.95	
Do	3.25	
Do	4.50	
Do	4.50	
Do	4.95	
Do	5.95	

TETRACYN (ROERIG), 1971—30 CAPSULES, 250 mg.

Highest	$4.29	$5.00
Lowest	2.00	3.00
Average	2.91	4.24
Wholesale	1.28	1.28
Stores	10	6
Average markup (percent)	127	231
Prices quoted	$2.00	$3.00
Do	2.29	3.00
Do	2.45	3.35
Do	2.45	3.35
Do	2.75	3.50
Do	2.95	5.00
Do	3.00	
Do	3.25	
Do	4.50	
Do	4.95	

AMPICILLIN, 1971—30 CAPSULES, 250 MG.

Highest	$9.00	$15.00
Lowest	4.95	5.65
Average	6.50	8.80
Wholesale	3.90	3.90
Stores	11	6
Average markup (percent)	68	126
Prices quoted	$4.95	$5.65
Do	4.95	6.00
Do	5.47	6.04
Do	5.89	8.43
Do	5.95	11.65
Do	6.00	15.00
Do	6.29	
Do	6.50	
Do	7.95	
Do	8.00	
Do	8.09	
Do	9.00	

POLYCILLIN (BRISTOL), 1971—30 CAPSULES, 250 MG.

Highest	$9.95	$10.00
Lowest	6.95	8.05
Average	8.78	9.03
Wholesale	5.15	5.15
Stores	10	6
Average markup (percent)	70	75
Price quoted	$6.95	$8.05
Do	7.00	8.40
Do	8.09	9.14
Do	8.95	9.14
Do	8.95	9.45
Do	9.00	10.00
Do	9.00	
Do	9.19	
Do	9.90	
Do	9.95	

CHLORPHENIRAMINE MALEATE, 1971—25 TABLETS, 4 MG.

	Queens, N.Y.	Washington, D.C.
Highest	(1)	$2.43
Lowest	(1)	1.35
Average	(1)	1.79
Wholesale	(1)	.04
Stores	(1)	6
Average markup (percent)	(1)	4,375
Prices quoted	(1)	$1.35
Do	(1)	1.50
Do	(1)	1.70
Do	(1)	1.70
Do	(1)	1.98
Do	(1)	2.43

CHLORTRIMETON, 1971—24 TABLETS, 4 MG.

Highest	(1)	$1.90
Lowest	(1)	1.20
Average	(1)	1.56
Wholesale	(1)	.61
Stores	(1)	6
Average markup (percent	(1)	156
Prices quoted	(1)	$1.20
Do	(1)	1.38
Do	(1)	1.43
Do	(1)	1.70
Do	(1)	1.75
Do	(1)	1.90

[1] Not surveyed.

APPENDIX 3—DRUG PRICE SURVEY RESULTS, 1971, QUEENS, N.Y.

NAMES AND ADDRESSES AND PRICE PER RX

Tetracycline 30 capsules, 250 mg.

Jewel Pharmacy & Surgical Company (Rondex) 46–27 Kissena Blvd., Flushing, $2.95.

Kissena Pharmacy (would not say) 143–12 45th Ave., Flushing, $4.95.

Jo-Mar (Aberdeen) 44–45 Kissena Blvd., Flushing, $2.29.

King's Pharmacy (would not say) 44–03 Kissena Blvd., Flushing, $2.95.

Carlyle Drugs (Bristol) 44–08 Kissena Blvd., Flushing, $4.50.

Park Lane Chemists (Blue Quartz) 42–95 Main Street, Flushing, $1.95.

A. C. (Pure-Pak) 41–99 Main Street, Flushing, $2.10.

Post Pharmacy, Inc. (Heather) 41–56 Main Street, Flushing, $3.25.

Plaza-Rexall Pharmacy (Rondex) 40–42 Main Street, Flushing, $2.45.

Plaza Pharmacy (would not say) 39–19 103rd, Corona, $5.95.

Cut-Rate (would not say) Northern Blvd. & 101st, Flushing, $4.50.

Tetracyn (Roerig) 30 capsules, 250 mg.

Jewel Pharmacy & Surgical Company (Roerig), 46–27 Kissena Blvd., Flushing, $2.45.

Jo-Mar (Roerig) 44–45 Kissena Blvd., Flushing, $2.29.

King's Pharmacy (Roerig) 44–03 Kissena Blvd., Flushing, $2.00.

Carlyle Drugs (Bristol),[1] 44–08 Kissena Blvd., Flushing, $4.50.

Park Lane Chemists (Roerig), 42–95 Main Street, Flushing, $2.45.

A. C. (Roerig), 41–99 Main Street, Flushing, $3.00.

Post Pharmacy, Inc. (Roerig), 41–56 Main Street, Flushing, $3.25.

Plaza-Rexall Pharmacy (Roerig), 40–42 Main Street, Flushing, $2.95.

Plaza Pharmacy (Spencer-Mead),[2] 39–19 103rd, Corona, $4.95.

Cut-Rate (would not say), Northern Blvd. & 101st, Flushing, $2.75.

Ampicillin

30 capsules, 250 mg.

Hunter Garden Drugs, Inc. (Parke-Davis), 147–48 Northern Blvd., Flushing, $8.00

Caesar Chemists (Bristol), Parsons & Northern Blvds., Flushing, $8.00.

North Bowne (Rugby), 141–02 Northern Blvd., Flushing, $5.95

Main Street Pharmacy (Beecham), Main Street & Northern Blvd., Flushing, $6.29.

Foods Plus (Squibb), 37–09 Main Street, Flushing, $5.47, $5.89.[3]

Lewis Pharmacy (Penbritin), 136–98 Roosevelt Ave., Flushing, $7.95.

Kleins (Spencer-Mead), 136–20 Roosevelt Ave., Flushing, $4.95.

Genovese Drug Stores, Inc. (Penbritin), 136–51 Roosevelt Ave., Flushing, $8.09.

Centro de Medicos (Spencer-Mead), Roosevelt Ave. & 104th St., Corona, $4.95.

Square Pharmacy (Squibb), 103–04 Roosevelt Ave., Corona, $9.00.

Unnamed store (Beecham) Roosevelt Ave., Corona, $6.50.

Polycillin (Bristol), 30 capsules, 250 mg.

Hunter Garden Drugs, Inc. (Bristol), 147–48 Northern Blvd., Flushing, $8.95.

Caesar Chemists (Bristol), Parsons and Northern Blvds., Flushing, $9.00.

North Bowne (Bristol), 141–02 Northern Blvd., Flushing, $8.95.

Main Street Pharmacy (Bristol), Main Street and Northern Blvds., Flushing, $6.95.

Foods Plus (Bristol), 37–09 Main Street, Flushing, $9.19.

Lewis Pharmacy (Bristol), 136–98 Roosevelt Ave., Flushing, $7.00.

Genovese Drug Stores Inc. (Bristol), 136–51 Roosevelt Ave., Flushing, $8.09.

Centro de Medicos (Bristol), Roosevelt Ave. and 104th St., Corona, $9.95.

Square Pharmacy (Bristol), 103–04 Roosevelt Ave., Corona, $9.00.

Unnamed store (Bristol), Roosevelt Ave., Corona, $9.90.

DRUG PRICE SURVEY RESULTS—1972
QUEENS, NEW YORK

Tetracycline, 56 capsules, 250 mg.

Forman Pharmacy, 179–01 Union Turnpike, Flushing, $4.95.

Surrey-Pike Pharmacy, 179–02 Union Turnpike, Jamaica, $6.00.

Post Pharmacy, 41–56 Main Street, Flushing, $4.00.

Courtesy Drugs, 40–06 Main Street, Flushing, $2.85.

Whelan's, 49–07 Main Street, Flushing, $3.34.

North Main Pharmacy, 137–06 Northern Blvd., Flushing, $3.55.

Foods-Plus Products, 37–09 Main Street, Flushing, $3.79.

Genovese Drug Stores, 136–51 Roosevelt Ave., Flushing, $2.49.

CVS Pharmacy, 40–13 Main Street, Flushing, $3.39.

Ampicillin

56 capsules, 250 mg.

RXD Prescription Center, 95–05 57th Ave., Rego Park, $8.00.

Franklin Pharmacy, 95–19 57th Ave., Elmhurst, $11.50.

Sherwood Drugs, 97–21 57th Ave., Forest Hills, $7.95.

Wolin's Pharmacy, 96–02 Roosevelt Ave., Corona, $5.95.

Mishkin's Store, 37–26 Junction Blvd., Corona, $8.50.

Junction Pharmacy, 38–10 Junction Blvd., Corona, $6.50.

Hilltop Pharmacy, 161–23 Union Turnpike, Flushing, $10.00.

[1] To substitute a branded product other than that specified by the prescribing physician (in this case, Tetracyn by Roerig) is illegal in New York. Prescriptions in this study, however, were not filled since only price quotes were requested; nothing illegal was done by the pharmacists here.

[2] *Ibid.*

[3] Two researchers for this study visited this store and each was quoted a different price for the identical prescription.

Salzman Chemists, 149–19 Union Turnpike, Flushing, $7.95.

Rexall Drugs, 79–07 Main Street, Flushing, $6.75.

Dorsey Drugs, 71–44 Main Street, Flushing, $16.75, $14.00.[4]

Belle Drugs, 72–48 Main Street, Flushing, $10.00.

Whelan's Drug Co., 71–55 Kissena Blvd., Flushing, $9.20.

Regency Drug Store, 77–39 Vleigh Place, Flushing, $12.50.

Norden Chemists, 79–01 Main Street, Flushing, $6.50.

Art Chemists, 59–25 Kissena Blvd., Flushing, $6.50.

Campus Drugs, 59–04 Kissena Blvd., Flushing, $7.85.

Chlorpheniramine Maleate

60 tablets, 4 mg.

Estrine Pharmacy, 48–01 Bell Blvd., Bayside, $3.95.

Bell Blvd. Pharmacy, 47–48 Bell Blvd., Bayside, $3.75.

Bayside Pharmacy, 42–25 Bell Blvd., Bayside, $4.95.

Bay Ter Chemists, 40–05 Bell Blvd., Bayside, $3.85.

Oakland Pharmacy, 61–28 Springfield Blvd., Bayside, $1.95.

Springfield Drug Inc., Springfield Blvd., Bayside, $3.79.

Salida Drug Co., 210–17 Horace Harding Expwy., Bayside, $1.85, $2.85[5].

Tetracycline

30 capsules, 250 mg.

People's Drug Stores, 3471 N. Fairfax Dr., Arlington, $2.90.

People's Drug Stores, 7 Dupont Circle N.W., D.C., $2.90.

Drug Fair, 2901 S. Glebe Rd., Arlington, $2.75.

Georgetown Pharmacy, 1344 Wisconsin Ave., N.W., D.C., $2.90.

Community Pharmacy, 1130 Maryland Ave., N.E., D.C., $9.90.

Tetracyn (Roerig)

30 capsules, 250 mg.

Drug Fair, 1201 E. St., N.W., D.C., $3.35.

Drug Fair, 2207 N. Pershing Dr., Arlington, $3.35.

People's Drug Stores, 433 L'Enfant Plaza, D.C., $3.50.

Dart Drugs, 18th & I St., N.W., D.C., $3.00.

Dorchester Pharmacy, 2480 16th Ave., N.W., D.C., $5.00.

Matthews Apothecary, 2202 Georgia Ave., N.W., D.C., $3.00.

Ampicillin

30 capsules, 250 mg.

People's Drug Stores, 801 N. Capitol St., D.C., $8.43.

People's Drug Stores, Town Center Shopping Center, D.C., $6.04.

Dalmo Discount Center, 1213 F St., N.W., D.C., $6.00.

Drug Fair, Laurel Montpelier Shopping Center, Md., $5.65.

Beacon Pharmacy, 4th & Rhode Island N.E., D.C., $15.00.

Robinson's Apothecary, 922 E. Capitol St., D.C., $11.65.

Polycillin (Bristol) 30 capsules, 250 mg.

People's Drug Stores, 717 14th St., N.W., D.C., $9.14.

Rodman's Discount Store, 10362 Lee Highway, Fairfax, $8.40.

Drug Fair, 1245 Pennsylvania Ave., N.W., D.C., $8.05.

People's Drugs, 2271 Bel Pre Rd., Silver Spring, $9.14.

Tschiffely Bros. Druggists, 1218 Connecticut Ave., N.W., D.C. $10.00.

Morton's Rexall Pharmacy, 301 Pennsylvania Ave., S.E., D.C., $9.45.

[4] Ibid.

[5] Ibid.

Chlorpheniramine Maleate 25 tablets, 4 mg.

Drug Fair, 1701 K Street N.W., D.C., $1.70

Drug Fair, 8555 Georgia Ave., Silver Spring, $1.70.

People's Drug Stores, 8213 Georgia Ave., N.W., D.C., $2.43.

Dart Drugs, 11th & E St., N.W., D.C., $1.98.

Eyres Pharmacy, 1932 Nichols Ave., S.E. D.C., $1.50.

Woodlawn Pharmacy, 1219 N Glebe Rd., Arlington, $1.35.

Chlortrimeton, 25 tablets, 4 mg.

Dart Drugs, 1111 G St., N.W., D.C., $1.43.

Dart Drugs, 1901 Michigan Ave., N.E., D.C., $1.38.

Drug Fair, 1815 Connecticut Ave., N.W., D.C., $1.70.

Rodman's Discount Center, 5100 Wisconsin Ave., N.W., D.C., $1.20.

Chevy Chase Pharmacy, 5636 Connecticut Ave., N.W., D.C., $1.75.

The Apothecary, 5415 Cedar Lane, Bethesda, $1.90.

DRUG PRICE SURVEY RESULTS—1972
WASHINGTON, D.C. AREA

Tetracycline

56 capsules, 250 mg.

People's Drug Stores, Tyson's Corner Center, McLean, $1.50.

Dart Drugs, Tyson's Corner Center, McLean, $2.18.

Dart Drugs, Chain Bridge, $2.13.

People's Drug Stores, Chain Bridge, $1.88.

Drug Fair, 1312 Chain Bridge, $1.95.

McLean Medical Building, 1515 Chain Bridge, $4.45.

Georgetown Pharmacy, 1344 Wisconsin Ave., N.W., D.C., $5.45.

People's Drug Stores, 1403 Wisconsin Ave., N.W., D.C., $3.28.

Pearson's Pharmacy, Wisconsin and Calvert, N.W., D.C., $5.50.

Chevy Chase Pharmacy, Wisconsin and Northampton, Chevy Chase, $5.50.

Ampicillin

56 capsules, 250 mg.

People's Drug Stores, 3400 Wisconsin Ave., N.W., D.C., $9.99.

McLean Drugs, Wisconsin & Veazey St., N.W., D.C., $17.95.

People's Drug Stores, 4000 Wisconsin & Albemarle, $9.33.

Drug Fair, Westbard Ave., Bethesda, $9.00.

Rodman's Drug, 5100 Wisconsin Ave., D.C., $8.40.

People's Drug Stores, 21 Wisconsin Circle, Chevy Chase, $11.20.

Dart Drugs, Old Georgetown Rd. & Commerce La., D.C., $9.09.

Bethesda Medical Building, Woodlawn Street, $9.35.

Governor's Pharmacy, Battery Lane, Bethesda, $16.80, $11.20.[6]

Glen Echo Pharmacy, Goldsboro, Rd., Bethesda, $12.75.

Chlorpheniramine Maleate

60 tablets, 4 mg.

People's Drug Stores, Pennsylvania & 7th, S.E., D.C., $4.83.

People's Drug Stores, 2529 Pennsylvania, S.E., D.C., $5.13.

Leader Drug's, 3240 Pennsylvania, S.E., D.C., $3.95.

Fairfax Village Pharmacy, 3829 Pennsylvania, Fairfax, $4.00.

Drug Fair, 7953 Annapolis Road, $4.00.

Dart Drugs, 8315 Annapolis Road, $3.50.

People's Drug Stores, 9520 Georgia Ave., Silver Spring, $5.13.

Drug Fair, 8555 Georgia Ave., Silver Spring, $4.00.

Bemar Pharmacy, 9330 Georgia Ave., Silver Spring, $3.95.

Brenner's Pharmacy, 9400 Georgia Ave, Silver Spring, $3.75.

[6] Two researchers for this study visited this store and each was quoted a different price for the identical prescription.

H.R. 4161

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. GINN. Mr. Speaker, I would like to report to the House that some 101 Members have now joined as cosponsors of H.R. 4161, legislation which would reallocate among the States the $9 billion in recently released water pollution control funds which were impounded in fiscal years 1973, 1974, and 1975.

Under orders of the Environmental Protection Agency, this money is currently on allocation on the basis of the formulas in effect in the years in which the money was made available. H.R. 4161 takes note of the fact that those allocation formulas have now been outdated, and a more equitable allocation of the money should be made. The formula in H.R. 4161 is the formula proposed now by EPA for allocation of any future funding. I would refer my colleagues to the CONGRESSIONAL RECORD of March 21, page H2193 for details about this formula.

I would also like to make note of some technical corrections that have been made in calculations of the funding each State would receive under the provisions of H.R. 4161. EPA has advised me that they have detected minor errors in the earlier figures that result in some slight changes in the allocations. I would like to emphasize to all Members who were advised that his or her State would benefit under H.R. 4161 that their States still enjoy that benefit under the latest calculations.

I would include in the RECORD at this point a letter from Mr. John T. Rhett, Deputy Assistant Administrator for Water Program Operations of EPA which explains the technical adjustments, and also a new table which shows the State allocations. Column A of the table shows the allocation of the $9 billion under the existing EPA formula. Column B shows the allocation as it would be made upon enactment of H.R. 4161.

The material follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., May 13, 1975.

Hon. BO GINN,
House of Representatives,
Washington, D.C.

DEAR MR. GINN: This is to provide you with revised data for allocating construction grant funds using the formula: half on the basis of population (1990 Census) and half on the basis of needs derived from the most recent EPA Needs Survey (Categories I, II, and IVB).

The correct table is enclosed. This table takes into account the rectifying of minor errors uncovered as a result of recent in-depth reviews of the recording and reporting of the survey generated data. Notice of the errors and official documentation of the changes will be sent to the Congress.

Hopefully, the format of the enclosed table is satisfactory for your immediate purposes. Should the need for additional information arise, we will be more than happy to assist in every possible way.

Sincerely yours,

JOHN T. RHETT,
Deputy Assistant Administrator for Water Program Operations.

MUNICIPAL CONSTRUCTION DIVISION

	Existing allocation (A)	H.R. 4161 allocation (B)
Total	$9,000,000,000	$9,000,000,000
Alabama	43,975,950	113,463,000
Alaska	25,250,500	38,151,000
Arizona	18,833,450	85,275,000
Arkansas	39,822,700	92,853,000
California	945,776,800	865,845,000
Colorado	43,113,300	86,256,000
Connecticut	155,091,800	115,740,000
Delaware	56,394,900	33,264,000
District of Columbia	72,492,000	20,124,000
Florida	345,870,100	388,008,000
Georgia	117,772,800	198,603,000
Hawaii	51,903,300	60,381,000
Idaho	19,219,100	34,290,000
Illinois	571,698,400	469,099,000
Indiana	251,631,800	194,283,000
Iowa	100,044,900	105,300,000
Kansas	53,794,200	94,968,000
Kentucky	90,430,800	128,745,000
Louisiana	71,712,250	121,509,000
Maine	78,495,200	46,566,000
Maryland	297,705,300	319,140,000
Massachusetts	295,809,100	252,558,000
Michigan	625,991,900	355,014,000
Minnesota	172,024,500	149,058,000
Mississippi	38,735,200	76,311,000
Missouri	157,471,200	178,263,000
Montana	12,378,200	21,275,000
Nebraska	38,539,500	49,482,000
Nevada	31,839,800	33,579,000
New Hampshire	77,199,350	53,226,000
New Jersey	660,830,500	407,682,000
New Mexico	15,054,900	31,059,000
New York	1,046,103,500	829,971,000
North Carolina	110,345,000	204,678,000
North Dakota	2,802,000	17,838,000
Ohio	497,227,400	461,781,000
Oklahoma	64,298,700	115,974,000
Oregon	77,582,900	81,603,000
Pennsylvania	498,984,900	392,382,000
Rhode Island	45,599,600	38,079,000
South Carolina	82,341,900	123,804,000
South Dakota	5,688,000	18,288,000
Tennessee	107,351,400	150,075,000
Texas	174,969,850	436,716,000
Utah	21,376,500	47,682,000
Vermont	22,506,600	21,555,000
Virginia	251,809,000	214,308,000
Washington	103,915,600	139,221,000
West Virginia	59,419,900	160,614,000
Wisconsin	145,327,400	182,853,000
Wyoming	2,930,650	15,885,000
Guam	6,399,200	10,656,000
Puerto Rico	84,910,500	102,240,000
Virgin Islands	7,794,800	5,049,000
American Samoa	738,200	2,952,000
Tr. Terr. of Pac. Islds	2,672,800	16,515,000

[1] 1990 census from 1974 needs survey (published Feb. 10, 1975 and corrected May 6, 1975).
[2] Categories I, II, and IVB from 1974 needs survey (published Feb. 10, 1975 and corrected May 6, 1975.)

Note (A)—Additional fiscal year's 1973-75 authorizations allocated Feb. 27, 1975.

Note: (B)—An allotment of $9,000,000,000 based on population [1] and needs [2].

MORE COMPUTERS FOR SOVIETS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ASHBROOK. Mr. Speaker, the United States is continuing to provide the Soviet Union with some of America's finest computer technology.

According to the June 16 issue of Business Week, the Commerce Department has now granted Sperry-Rand Corp.'s Univac Division a license to sell a computer-based reservation system to Aeroflot, the Soviet Union's airline. This is the largest computer system yet released to the Soviets.

Still pending are two IBM applications to sell the Soviets its 370-158 computers. One reason for the delay, notes Business Week:

May be that these computers are the top of IBM's line with highly sophisticated peripheral gear.

I am extremely disturbed by this trend. American businessmen have been too willing to sell computers and other valuable technology to the Soviet Union. And the administration has been too willing to authorize such sales.

It is not in our national interest to strengthen the Soviet Union with American technology. I urge the administration and our Nation's businessmen to reevaluate their actions.

Following is the text of the article from Business Week:

COMPUTERS FOR RUSSIA

Sperry-Rand Corp.'s Univac Div., says the Commerce Dept. has granted it a license to sell a $10-million computer-based reservation system to Aeroflot, the Soviet airline. This is the largest computer system yet released to Russia and, although the Administration took 11 months to make its decision, it may mark a speedup of licensing procedures for computer exports to the U.S.S.R. International Business Machines Corp. has had two applications pending even longer for its 370-158 computers, one for the Kama River truck plant and another for Intourist. One reason for the delay may be that these computers are the top of IBM's line with highly sophisticated peripheral gear.

AND THEY STOOD AND CHEERED—AGAIN

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ROUSH. Mr. Speaker, yesterday by a vote of 278 to 143 the House failed to override the President's veto of the strip mining bill. Republican stalwarts stood and cheered—again.

Last week, when the House failed by a narrow 5-point vote to override the President's veto of the badly needed jobs bill, I reported that I was disappointed, sickened by the spectacle of Republicans who stood and cheered what was surely a defeat for the unemployed, a setback for the American economy.

Well, I am sorry to report that it happened again. A defeat for thousands of Americans affected by this strip mining bill has been interpreted as a victory by the Republicans.

How could they cheer the defeat of a bill that represents 6 years of diligent and cautious effort by congressional committees and individual Members of Congress? How could they applaud destroying the chance for a Federal-State program to so regulate strip mining as to prevent irreparably scarring the land? How could they justify denying communities in the path of strip mines the right to expect decent reclamation efforts for the earth ravaged around homes and schools and farms? How could they ignore the people who will be forced to continue living in strip mined areas where silt pollutes the water, fish die, well water is lost, and homes are threatened with landslides?

Well, they did. It will take a lot of public relations work to make this one look good back home.

CONRAIL MUST PAY COMPETITIVE SALARIES TO ATTRACT GOOD MANAGEMENT

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. SHUSTER. Mr. Speaker, it was surprising to read remarks made on this floor yesterday criticizing the employment contract for the president of ConRail.

If any new firm in America needs the very best management it can get, it is the Northeast rail system now being created. Good management talent does not come cheap. The $200,000 annual salary for the president of ConRail is a large sum, but the harsh facts of life are that it is below the salaries paid to most of the chief executives in the railroad industry.

Ten of the top railroads in America, all of which are smaller than ConRail, pay more than $200,000 per year to their top executives. Three of the railroads smaller than ConRail pay almost $300,000 or more per year.

Unfortunately, we cannot have our cake and eat it, too. We cannot pay a civil servant's salary and attract top managers from private enterprise. It would be pennywise and pound foolish to hire a second-rater.

Remember, under the law, ConRail shall be a "for-profit corporation established under the laws of a State and shall not be an agency or instrumentality of the Federal Government." Congress has mandated that ConRail be part of the private sector. It is wishful thinking to hope that ConRail need not be salary competitive with the private sector.

Another objection voiced was that the new president selected unanimously by the board of directors has not spent his business career in the railroad industry. Mr. Speaker, I say three cheers for that. Mr. Edward Jordan's background includes the best of several worlds. He has spent the last 15 months deeply immersed in the basic structuring of this new railroad system, but his experience also includes general management of major services and manufacturing businesses, financial and marketing experience with Ford and Procter & Gamble Co., both highly profitable and successful firms. Additionally, he was trained as a professional manager at the prestigious graduate school of business at Stanford University. The general management of complex modern industrial giants is a profession today. It requires a knowledge and training in fundamental managerial principles which transcend any particular industry.

The evidence indicates that Mr. Edward Jordan possesses these skills and has demonstrated his capacity to practice those skills in the general management of large industrial organizations. I commend the board of directors of USRA for selecting this 45-year-old successful executive and persuading him to take on an enormously difficult challenge at a salary below that being paid his counterparts in the industry.

I urge USRA to devise a way in which the management of ConRail can receive substantial incentive bonuses if they can turn ConRail into a profitable, successful enterprise.

AGE DISCRIMINATION

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. BRADEMAS. Mr. Speaker, the economic condition in which many of our older workers find themselves today can accurately be described as tragic.

As we all know, Mr. Speaker, the recent veto of the emergency employment appropriations bill by President Ford has blocked the effort of Congress to provide thousands of part-time jobs for older workers who desperately need to supplement their incomes during this economically troubled time.

However, Mr. Speaker, I must note that even if we had succeeded in enacting this badly needed legislation, we would have provided only a temporary solution to the employment problems of the elderly.

Indeed, it is clear that the underlying source of the older worker employment problem is much more profound.

Mr. Speaker, I am referring to the problem of "ageism," or age discrimination. In the June 8, 1975, issue of the Washington Post's Parade magazine, Norma Levy wrote an article entitled, "Why We Need Our Older Workers," which clearly describes the nature of age discrimination in employment.

Mr. Speaker, I wish to insert this article in the RECORD and I urge all my colleagues who are concerned with the problems of the older worker to read this thoughtful article.

The article follows:

WHY WE NEED OUR OLDER WORKERS

(By Norma Levy)

Abraham Beame, mayor of New York, is 68; John De Lury, head of New York's powerful Sanitationmen's Union, is 70. These two "older workers" tried to solve their city's financial crisis by getting rid of government employees 58 and over—themselves excluded. Calling it "early retirement," they attempted to make older workers bear the brunt of the economic recession.

Such a solution to economic problems is neither new nor surprising. As Dr. Harold Shepard of the Upjohn Institute says, every recession in this country has been followed by a reduction in the older work force. In this youth-oriented society, the old are dispensable.

But this time the solution was thwarted—not because of an outcry against injustice, but because it was illegal. Times may be changing. In the work force, as elsewhere in society, old people's liberation has begun.

And just in time too. Older workers have been increasingly denied a fundamental right of citizenship—the right to work. Through a combination of discriminatory employment practices and economic incentives not to work, many still capable workers have been forced into an old age of unhappy unproductiveness and economic insecurity.

The phenomenon is a product of the change from an agricultural to technological society. In 1900, when agriculture was the traditional way of life, 68 percent of all men over 65 worked; today, only 23 percent do.

Contrary to the belief of most Americans, old age does not mean infirmity and senility. People age differently. Some seem "old" at 25; others have the gift of optimism and openness that keeps them "young" until death. On-the-job studies have shown that, except for physically demanding or high pressure work, older workers are as good as—if not better than—their younger counterparts. They are more likely to be stable and happy; they make fewer mistakes, have fewer absences; and they are far more dependable.

EARLY DISCRIMINATION

Nevertheless, potentially productive older people are being forced out of jobs. Discrimination starts long before the traditional time for retirement. From the age of 40, an unemployed worker often finds job hunting a nightmare. Employers frequently prefer a younger worker—sometimes because of prejudice, sometimes because they come cheaper. Once out of work, workers over 40 are likely to remain unemployed much longer than their younger co-workers. Older workers also face on-the-job discrimination. They're passed over for promotion; and they're often the first fired, sometimes to protect a company's pension funds, sometimes to save on salary costs.

Finally, there is the problem of retirement. Today, half of all workers face mandatory retirement, especially salaried employees in large companies. To employers, it's a socially acceptable way to get rid of older, more expensive employees. Unions like it because it opens up slots for impatient younger members. The only ones to object are the retirees who, in the past, have been too unaware and too unorganized to protest effectively.

Today, more and more people, in and out of government, are questioning society's attitudes and policies toward the older worker. Congress took an important first step when it passed the Age Discrimination in Employment Act of 1967—a little-known law that makes it illegal to discriminate against workers aged 40 to 65 on account of age. Although inadequate, it was enough to stop Mayor Beame's attempt to solve New York's problems on the backs of the older workers. It was also enough to force Standard Oil of California to reinstate 120 older workers and to give $2 million in back pay to 160 others—the largest age discrimination settlement ever.

Yet, as it now stands, the act is not enough. For it is difficult to prove age discrimination, especially in hiring, and Congress has not been willing to spend much money on enforcement.

Most significantly, the act provides no protection beyond the age of 65; in effect, it authorizes discrimination against the over-65 worker.

Some powerful people are becoming concerned about these injustices, and changes may well be forthcoming. Democratic Sens. Hiram Fong of Hawaii and Frank Church of Idaho will soon seek to eliminate the age 65 ceiling. Says Church: "I think it's high time that we take down the arbitrary stop sign which now suggests that 65 is the end of the road for employment opportunities and advancing age is the stop-off point for occupational advancement. One's year of birth really should be irrelevant in determining whether he is hired, fired, promoted or demoted. Functional capacity, not chronological age, should be the controlling factor."

According to attorney Robert Manning of Los Angeles' National Senior Citizen's Law Center, several lawsuits are now pending to challenge the constitutionality of mandatory retirement. A victory in the courts could go far to end the present pattern of indifference.

A few recent efforts have been made to find useful work for older people. A few federal programs have been started but most are voluntary and pay little or nothing. The only one providing a regular salary, the Senior Citizens Community Service Employment Program, offers part-time employment to people 55 years and over with incomes below the poverty level. They're engaged in socially beneficial work, serving as senior aides and conservation workers.

PART-TIME JOBS

The oldest program, Foster Grandparents, is a part-time operation that pays about $1.60 per hour for low-income older people to provide services to children in institutions, especially the mentally retarded, handicapped and delinquent. About 12,500 people throughout the country participate. In a newly created Senior Companion program, they work with older adults to prevent the institutionalization of these people. Finally, there is an all-volunteer program called RSVP (Retired Senior Volunteer Program).

In addition, some 700 local projects now exist involving 125,000 volunteers performing a variety of services throughout the country. The speed with which such projects have mushroomed suggests the extent to which older people desire to feel productive and useful. Older Americans are by no means dropouts; they just don't know how to get back in again.

As important as these programs are, they are not enough to fill the enormous need. Says Maggie Kuhn, head of the Gray Panthers: "They're lovely, but they're tokens."

SEEK POLITICAL ACTION

The Gray Panthers, a grass roots organization with chapters throughout the country is one of a number of organizations committed to eliminating injustices toward older people through increased awareness and political action. The 65-year age ceiling is also being fought by such groups as the American Association of Retired People and the National Council of Senior Citizens.

But this might be just a beginning. Right now, 20 million Americans, or 10 percent of the population, are over 65. By 2030, it is estimated that the total will reach 51 million, or 17 percent. Obviously, if they organized and focused their energies politically, the over-65 group could become a powerful force in the country. And they could well be a force for the best interests of all. For besides their capacity to work, which we've shamefully neglected, our older people have a good deal of accumulated wisdom—a rare commodity that should not be wasted.

PERSONAL EXPLANATION

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mrs. MEYNER. Mr. Speaker, although I have misgivings about the administra-

tion's handling of the *Mayaguez* affair, I did not agree to cosponsor House Resolution 529, introduced yesterday. My name was included inadvertently.

SECRET GIVEAWAY OF PANAMA CANAL?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. McDONALD of Georgia. Mr. Speaker, it has become frighteningly evident that certain top-level policy-makers and high State Department officials are determined to bring about a fatal compromise of the U.S. position in the Canal Zone. Writing in Human Events on June 14, 1975, columnist Robert S. Allen provides useful evidence of efforts by American officials to weaken our legal and diplomatic position with reference to the Canal Zone.

The article follows:

WHITE HOUSE WARNED TO STAND FAST ON CANAL ISSUE

(By Robert S. Allen)

The Administration has let two startling disclosures out of the bag in the protracted secret negotiations on the Panama Canal. Significantly, both revelations were made in letters to private individuals.

(1) White House Press Secretary Ron Nessen, writing to an editor who had expressed alarm over the possible surrender of U.S. sovereignty over the canal, admits certain carefully unmentioned concessions are being made to Panama to "meet some of its concerns and desires."

Argues Nessen, "It is our belief this is the most effective way to assure access to the canal over the long term."

For whatever it's worth, Nessen reassuringly adds, "It should be possible to negotiate a new treaty relationship with Panama which will protect basic U.S. interests in the canal." Also, that negotiations are "still continuing and a number of difficult issues remain to be discussed."

(2) To an indignant protest from Coral Gables, Fla., about "giving away U.S. territory," Richard Wyrough of the State Department's Office of Panamanian Affairs, astonishingly avers the U.S. does not have sovereignty over the Canal Zone. Says Wyrough:

"The common belief that the Canal Zone is territory of the United States is incorrect. . . . Panama retained sovereignty. . . . The Canal Zone is Panamanian territory in which the United States has substantial treaty rights"

This is a new propaganda line never before officially aired. Whether it will be pursued remains to be seen.

It is evident from the Nessen-Wyrough letters, and others known to have been written by White House and State Department officials, that the Administration is alarmed over the widespread hostile reaction to the mystery-cloaked canal negotiations and is trying to drum up support.

That is clearly going to take a lot of doing.

Not only is bipartisan congressional opposition intensifying, but other leaders are joining the growing anvil chorus.

Illustrative is a letter to President Ford from Indiana Atty. Gen. Theodore Sendak congratulating him on his "decisive handling" of the *Mayaguez* crisis—and at the same time bluntly warning against "giving away" vital canal rights.

"We hope that his forthright handling of foreign affairs will continue," Sendak told the President, "and that the secretary of state will not be permitted to make secret arrangements to give the American Canal Zone to the Communist-oriented government of Panama, or to enter into other secret arrangements anywhere in the world to give away vital rights for which generation of free Americans have fought."

The State Department's astonishing disclaimer of U.S. sovereignty over the Canal Zone drew fast and scorching rejoinders from two leading congressional opponents of a canal giveaway.

Rep. Daniel Flood (D.-Pa.), Appropriations subcommittee chairman, cited the following declaration by President William Howard Taft in Panama City on Nov. 16, 1910, as completely refuting the State Department's connection

"We are here to construct, maintain, operate and defend a world canal, which runs through the heart of your country, and you have given us the necessary sovereignty and jurisdiction over the part of your country occupied by that canal to enable us to do this effectively."

These comments, Flood stresses, were not offhand remarks.

"They were a deliberately phrased declaration by the President of the United States for a definite purpose," asserts Flood. "They were a clearcut and explicit statement of policy under which the Canal Zone was acquired and the Panama Canal constructed, and has since been maintained and operated in a land of endemic revolution and political instability It would be tragic indeed for any weakening of this policy to be made at this time of international crisis."

Sen. Jesse Helms (R.-N.C.), reinforcing this blast, accused the State Department of purposely promoting Panamanian agitation and disturbances to wrest control of the strategically vital waterway.

"For 10 years," Helms asserted, "the State Department has been promising we will give up the canal, despite the powerful opposition in Congress and in the nation at large to this irresponsible policy. . . . Result of this ridiculous spectacle of the most powerful nation in the world promising to give away its own territory has not been gratitude but an increase in Panamanian contempt toward the U.S. and stepped-up threats to create riots and violence if Congress does not capitulate."

Cited as an example of that was the recent pronouncement of Gen. Omar Torrijos, pro-Soviet Panamanian dictator, "We have reached the limit of our patience. If these negotiations do not conclude satisfactorily, canal operations could come to a total halt by guerrilla attacks."

This is "outright blackmail," declares Helms, and the State Department is primarily responsible for it.

"Under the Constitution," points out Helms, "only Congress has the authority to give away U.S. property and rights. I can say in complete confidence that Congress will not allow itself to be blackmailed either by the U.S. secretary of state or by the foreign minister of Panama.

"I would also advise the President of the United States to reject the dangerous course being pursued by the State Department and to heed the counsel of Congress. The world is on notice that Congress will not accept a treaty giving away the Panama Canal. Our position in the Panama Canal is proper and indisputable, and we must retain it."

Interestingly, Ambassador Ellsworth Bunker, formerly U.S. envoy in Saigon and now conducting the tightly secret Panama negotiations, has carefully kept out of sight for some time. The 81-year-old diplomat "says nothing, sees nothing and hears nothing."

MENTALLY RETARDED

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. RISENHOOVER. Mr. Speaker, together with my colleagues from Oklahoma, I have today introduced legislation designed to block a new set of unrealistic regulations on intermediate care facilities for the mentally retarded.

In a larger sense, I believe the best interests of this country would be met if Caspar W. Weinberger, Secretary of Health, Education, and Welfare, would resign.

The regulations, which I hope will be blocked, promulgate high-sounding standards plagiarized from the dreams and hopes of citizens most concerned about the care of mentally retarded people. The main problem, however, is paying the bill.

The HEW regulations would end the most successful "cottage concept" of caring for mentally retarded patients in State homes of Oklahoma. It would demand that four-to-a-room facilities replace the relaxed and family-like setting of a cottage with several children living together. Experts are not in agreement on whether four-person rooms or cottages are best. The people in Oklahoma are pleased with cottages. At any rate, it could cost $40 million in State money to convert these facilities—and for dubious cause. But, under these regulations, the State would be forced to convert or lose Federal funding support.

Private nursing homes—which are generally excellent in Oklahoma—would be forced to beef up staffs with technicians and experts who are not available in the job market. While these services sound most important—and would be desirable—I believe the costs are far beyond what the taxpayers are in the mood to pay.

Secretary Weinberger knows the mood of the taxpayers. The public is angry at the spiraling cost of Government. By forcing these high-sounding regulations on the institutions and nursing homes which care for the mentally retarded—he will force them to close—because they are fiscally and sometimes physically impossible.

In other words, Weinberger is demanding "Cadillac" care when the present "Ford" is working fine. But, the threat is to take away the Ford unless we convert it into a Cadillac.

There are nearly 7,000 people in Oklahoma who are affected by these regulations which HEW proposes. Unless we can turn them around, I assume these people will be sent back to their families who are undoubtedly without resources to care for a mentally retarded family member. These touch on homes of both the wealthy and the impoverished, and some of these patients have no family—no other home at all. Certainly, mental retardation can be discussed and treated openly and without shame. We need to provide adequate care for mentally retarded people—and Oklahoma is doing a more-than-adequate job of it. The effect of the regulations (45 CFR 249.33) undoubtedly would be to detract from that good work using the rhetoric of greater excellence as an excuse.

Mr. Speaker, I urge the House and Senate to move with dispatch on this legislation. But, in a larger sense, I believe the cynical attitude of the Secretary of Health, Education, and Welfare now needs to be reviewed and that his hand be called.

WHOLESALE PRICES DIFFER FOR PRESCRIPTION DRUGS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ROSENTHAL. Mr. Speaker, the prices of prescription drugs vary widely not only on the retail level but on the wholesale level as well. I am inserting in the RECORD evidence to document this for three of the most widely used drugs. I am also including a comparison of the prices of prescription drugs in the United States and abroad as well as the difference between the prices of brand name and generic drugs.

The articles follow:

APPENDIX 6—COMPARATIVE DRUG PRICES

The following data, compiled from the *1972 Red Book*, shows the wide variety of wholesale prices at which three widely prescribed drugs are available.

COMPANY AND PRICE

(250 mg/100 caps)

Tetracycline: American Pharmaceutical Co., $2.82.
Tetracycline: American Quinine Co., $2.10.
Tetracycline: BBC Labs, $2.95.
Tetracycline: Barre Drug Co., Inc., The, $2.80.
Tetracycline: Barry-Martin Pharmaceuticals, Inc., $4.40.
Tetracycline: Bell Pharmacal Co., $3.50.
Tetracycline: Bowman Pharmaceutical, $3.10.
Bristacycline: Bristol Labs, $4.17.
Tetracycline: Burrough Bros. Pharmaceuticals, Inc., $4.75.
Tetracycline: Carroll Chemical Co., The, $2.25.
Tetracycline Columbia Medical Co., $2.10.
Tetracycline: Docra Pharmaceutical Co., $7.50.
Tetracycline: Faraday Laboratories, Inc., $3.25.
Tetracycline: Interstate Drug Exchange, Inc., $1.75.
Tetracycline: Jenkins Labs., Inc., $3.50.
Tetracycline: Kasar Laboratories, $3.15.
Tetracycline: Lannett Co., Inc., The, $6.
Achromycin V: Lederle Labs, $4.50.
Tetracycline: Lit Drug Co., $37.20.
Kesso-Tetra: McKesson Labs, $4.25.
Tetracycline: Penhurst Pharmacal Co., $2.50.
Tetracycline: Pharmex, Inc. $2.95.
Tetracycline: Premo Pharmaceutical Labs., Inc., $4.25.
Tetrachel: Rachelle Labs., Inc., $3.55.
Tetracyn: Roerig, J. B., Co., $4.25.
Tetracycline: Richlyn Labs, $3.20.
Tetracycline: Robinson Laboratory, Inc. $3.50.
Tetracycline: Sheraton Labs., Inc. $3.75.
Tetracycline: Stanlabs, Inc., $4.50.
Tetracycline: Stayner Corp., $3.25.
Tetracycline: Sterimed Brand, $2.40.
Tetracycline: TMCO Pharmaceuticals, Inc., $3.00.
Tetracycline: Towne Paulsen & Co., Inc., $3.35.
Tetracycline: Tracy Pharmacal Co., $6.50.
Tetracycline: Ulmer Pharmacal Co., The, $3.00.
Tetracycline: United States Pharmacal Co., $5.50.
Panmycin Hydrochloride: Upjohn, $3.94.
Tetracycline: West-Ward, Inc., $2.40.
Tetracycline: Zenith Laboratories, Inc., $2.75.

(5 mg/100 tabs)

Prednisone: American Pharmaceutical Corp., $1.35.
Prednisone: Approved Pharmaceutical Corp., $1.10.
Prednisone: Arcum Pharmaceutical Corp., $8.50.
Prednisone: BBC Labs, $1.40.
Prednisone: Barre Drug Co., Inc., The, $1.15.
Prednisone: Barry-Martin Pharmaceuticals, Inc., $1.50.
Prednisone: Bell Pharmacal Co., $2.20.
Prednisone: Blaine Co., $1.50.
Prednisone: Bowman Pharmaceutical, $1.35.
Prednisone: Burrough Bros. Pharmaceuticals, $1.80.
Prednisone: CMC-Consolidated Midland Corp., $0.90.
Prednisone: Canfield, C. R. & Co., $1.37.
Prednisone: Carroll Chemical Co., The, $0.95.
Prednisone: Columbia Medical Co., $1.10.
Prednisone: Corvit Pharmaceuticals, $1.25.
Prednisone: Daniels, Robert, & Co., Inc., $1.25.
Prednisone: Dunhall Pharmaceuticals, Inc., $3.15.
Prednisone: Faraday Laboratories, Inc., $1.20.
Prednisone: Hall, Don, Labs, $2.00
Prednisone: Kirkman Labs., Inc., $1.50.
Prednisone: Lannett Co., Inc., The, $1.20.
Prednisone: Lemmon Pharmacal Co., $2.30.
Prednisone: Lit Drug Co., $10.98.
Prednisone: McKesson Pharmaceuticals, $1.60.
Deltra: Merck Sharp & Dohme, $2.20.
Prednisone: Penhurst Pharmacal Co., $.95.
Prednisone: Pharmex, Inc., $1.60.
Prednisone: Premo Pharmaceutical Labs., Inc., $1.50.
Prednisone: Progress Labs., Inc., $1.80.
Prednisone: Purepac Pharmaceutical Co., $1.20.
Prednisone: Robinson Laboratory, Inc., $1.75.
Prednisone: Rowell Laboratories, Inc., $1.88.
Prednisone: Stanlabs, Inc., $1.40.
Prednisone: Stayner Corp., $1.70.
Prednisone: Supreme Pharmaceutical Co., Inc., $1.00.
Prednisone: Towne, Paulsen & Co., Inc., $1.65.
Prednisone: USV Pharmaceutical Corp., $2.64.
Prednisone: Ulmer Pharmacal Co., The, $1.25.
Prednisone: West-Ward, Inc., $1.20.
Prednisone: Winsale Drug Co., $.85.
Prednisone: Zemmer Co., Inc., The $.80.
Prednisone (Deltasone): Upjohn, $2.82.

(0.1 mg/1,000 tabs)

Reserpine: American Pharmaceutical Co., $1.32.
Reserpine: American Quinine Co., $1.30.
Reserpine: Approved Pharmaceutical Corp., $1.26.
Reserpine: Arcum Pharmaceutical Corp., $2.00.
Reserpine: BBC Labs, $2.00.
Reserpine: Barry-Martin Pharmaceuticals, Inc., $1.75.
Reserpine: Bell Pharmacal Co., $2.00.
Reserpine: Blue Cross (Halsey), $1.25.
Reserpine: Burrough Bros. Pharmaceuticals, Inc., $2.00.
Reserpine: CMC—Consolidated Midland land Corp., $1.75.
Reserpine: Carroll Chemical Co., The, $1.00.
Reserpine: Columbia Medical Co., $1.25.
Serpasil: Ciba Pharmaceutical Co., $23.50.
Reserpine: Corvit Pharmaceuticals, $2.00.
Reserpine: Daniels, Robert, & Co., Inc., $1.30.
Reserpine: Faraday Laboratories, Inc., $1.25.
Reserpine: Gotham Pharmaceutical Co., Inc., $2.40.
Reserpine: Harvey Labs., Inc., $2.00.
Reserpine: High Chemical Co., $2.90.
Reserpine: Horton & Converse, $1.75.
Reserpine: Kasar Laboratories, $1.25.
Reserpine: Lit Drug Co., $2.06.
Reserpine: McKesson Pharmaceuticals, $2.75.
Reserpine: Moore, H. L., Drug Exchange, Inc., $0.75.
Reserpine: Noyes, P. J., The, Co., $8.00.
Reserpine: Pharmex, Inc., $1.75.
Reserpine: Progress Labs., Inc., $2.50.
Reserpine: Queen City Pharmacal Co., $3.75.
Reserpine: Raway Pharmacal Co., $2.90.
Reserpine: Robinson Laboratory, Inc., $1.80.
Reserpine: Sheraton Labs., Inc., $2.00.
Reserpine: Stanlabs, Inc., $1.85.
Reserpine: Stayner, Corp., $2.00.
Reserpine: Sterimed Brand, $1.38.
Reserpine: Supreme Pharmaceutical Co., Inc., $1.15.
Reserpine: Towne, Paulsen & Co., Inc., $2.86.
Reserpine: Truxton, C. O., Inc., $1.20.
Reserpine: Ulmer Pharmacal Co., The, $1.65.
Reserpine: Vita-Fore Products Co., $0.95.
Reserpine: West-Ward, Inc., $1.60.
Reserpine: Winsale Drug Co., $1.10.

APPENDIX 7.—*The drug industry sales dollar*

1958:	
Cost of goods	.32
Promotion	.25
Profit	.13
Taxes	.13
General and administrative	.11
R. & D	.06
1970:	
Cost of goods	.34
Promotion	.25
Profit	.12
Taxes	.10
General and administrative	.13
R. & D	.06

A 1961 report on administered prices of drugs by the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary (S. Rep. 448, 87th Congress, 1st Session, 1961, report 31, p. 157) gave the above breakdown of the drug industry sales dollar as of 1958. Those figures were updated recently by Social Security Administration economists for the 1970 dollar.

(NOTE. Appendixes 8 and 9 omitted due to mechanical limitations.)

APPENDIX 10

MAJOR DRUG PRODUCERS AND THEIR PROFITS

[Dollar amounts in thousands]

Producer	Sales	Assets	Profits	Profit percent of stockholder equity
American Home Products	$1,429,355	$925,462	$160,021	26.7
Warner-Lambert (Parke-Davis)	1,346,054	1,085,744	108,095	14.5
American Cyanamid	1,283,485	1,281,238	94,111	11.1
Bristol Myers	1,066,410	796,431	75,767	17.8
Pfizer	951,544	1,036,564	90,585	15.1
Squibb	830,196	780,663	63,450	14.7
Merck	828,515	709,224	127,176	24.4
Eli Lilly	723,347	787,301	96,149	18.7
Sterling Drug	652,371	457,760	63,079	18.8
Abbott Labs	$458,105	$464,605	$23,378	8.7
Upjohn	438,387	421,188	39,787	13.5
Schering-Plough	436,841	378,362	59,185	21.5
Richardson-Merrell	408,520	374,297	29,817	12.3
Smith Kline & French	357,153	297,325	44,871	21.5
Morton Norwich	345,634	366,431	21,785	11.6
Kendall	294,388	194,423	11,547	9.8
Baxter Labs	242,146	368,559	18,177	10.8
G. D. Searle	226,891	253,773	36,004	25.5

RELATED DATA

The ten companies with the highest return on sales include five—G. D. Searle, Merck, Schering-Plough, Eli Lilly, and Smith Kline & French Labs—in the pharmaceutical group.

Pharmaceuticals overall have the second highest return on stockholders equity: 15.1%

Individually, G. D. Searle is 6th in the top fortune 500 at: 25.5%; Merck is 7th at: 24.4%; and Upjohn, Smith Kline & French are close behind with 21.5% each.

The industry posted a 9.8% gain in sales over 1970. All companies increased sales over the previous year, and all showed profit. No losses.

NOTE.—Some firms, such as American Home Products and American Cyanamid manufacture other products in addition to pharmaceuticals.

Source: Fortune Magazine, May 1972.

APPENDIX 11.—DRUG PRICE COMPARISON, UNITED STATES AND ABROAD

The products used in this chart were taken from a study done in 1970 by the Social Security Administration to show the great variation from country to country for a single drug product by the same company.

The prices stated refer to those paid to the manufacturer by the retailer for 10 tablets or capsules.

Drug: *Ampicillin* (250 mgs.)
Company: Bristol Laboratory
US—$21.84
Ireland—$9.31
New Zealand—$11.30
United Kingdom—$8.23
Drug: *Erythomycin* (250 mgs.)
Company: Abbott Labs
US—$26.12
Brazil—$11.92
Ireland—$8.56
United Kingdom—$10.02
Drug: *Diazepam* (5 mgs.)
Company: Roche
US—$8.03
Italy—$3.42
New Zealand—$2.72
Ireland—$2.46
Drug: Trifluoperazine HCl (5 mgs.)
Company: Smith, French and Kline
US—$9.75
Brazil—$2.42
Ireland—$2.78
United Kingdom—$2.50
Drug: Glutethimide
Company: Ciba
US—$8.00
Ireland—$.92
United Kingdom—$1.00
New Zealand—$1.23

A comparison of U.S. and foreign prices for two drugs marketed by Smith, Kline & French was prepared by Philadelphia pharmacist Edward Pastor.

Thorazine[1] (50 tablets, 30 mgs.) is sold to:
U.S. pharmacists for $3.03.[2]
French pharmacists for $0.51.
German pharmacists for $0.94.
British pharmacists for $0.77.

Stelazine (1000 tablets, 1 mg.) is sold to:
U.S. pharmacists for $63.50.
Antigua pharmacists for $26.03.

(1000 tablets, 2 mgs.):
U.S. pharmacists for $42.00.
Trinidad pharmacists for $34.13.

(1000 tablets, 50 mgs.):
U.S. pharmacists for $46.00.
Barbados pharmacists for $39.50.

APPENDIX 12—COMPARISON OF BRAND VERSUS GENERIC PRICES

Prices of 63 drugs commonly prescribed for the elderly and for which both brand name and generic equivalents were available. Prices quoted are average acquisition cost to retailer, for average prescription. Source: *The Drug Users*, Task Force on Prescription Drugs, p. 140 ff.

[1] Developed by Rhone-Poulenc of France and exclusively licensed to SKF.
[2] *Blue Book 1971* lists $4.20.

Brand name	Cost	Generic name	Difference	Cost
Achromycin	$2.56	Tetracycline Hydrochloride	$0.66	$1.90
Achromycin V	2.39	Tetracycline Hydrochloride	.66	1.73
Atarax	2.38	Hydroxyzine Hydrochloride	2.31	.07
Butisol Sodium	1.14	Butabarbital, Sodium	.10	1.04
Chloromycetin	5.11	Chloramphenicol	3.04	2.07
Chlor-Trimeton	.71	Chlorpheniramine Maleate	.15	.56
Cort-Dome	1.71	Hydrocortisone	1.08	.63
Coumadin	2.31	Sodium Warfarin	1.55	.76
Crystodigin	.41	Digitoxin	.09	.32
Decadron	3.10	Dexamethasone	1.36	1.74
Delta Doma	1.00	Prednisone	.29	.71
Demerol	.57	Meperidine	.43	.14
Dexamyl	2.80	Dextroamphetamine Sulphate Amobarbital	.94	1.86
Dexedrine	2.71	Dextroamphetamine Sulphate	.19	2.52
Digifortis	.54	Digitalis	.06	.48
Digitora	.22	Digitalis	.06	.16
Dilantin	1.02	Diphenylhydantoin	.43	.59
Elixophyllin	1.38	Theophylline	.97	.41
Empirin Compound	.78	APC/Codeine	.60	.18
Epitrate	2.34	Epinephrine Bitartrate	1.19	1.15
Equanil	2.70	Meprobamate	1.01	1.69
Equanitrate	4.24	Meprobamate Pentaerythritol Tetranitrate	3.34	.90
Esidrix	1.97	Hydrochlorothiazide	1.96	.01
Hydrodiuril-Ka	2.18	Hydrochlorothiazide Potassium Chloride	2.05	.13
Hydropres	3.37	Hydrochlorothiazide, Reserpine	2.21	1.16
Isopto-Carpine	1.13	Pilocarpine	.87	.26
Isuprel Mistometer	2.50	Isoproterenol	2.49	.01
Kenacort	3.82	Triamcinolone	2.93	.89
Lanoxin	.48	Digoxin	.09	.39
Luminal	.14	Phenobarbital	.07	.07
Mandelamine	1.71	Methenamine Mandélate	.58	1.13
Mebaral	.68	Nephobarbital	.18	.50
Meprospan	$3.49	Meprobamate	$1.01	$2.48
Metandren	2.59	Methyltestosterone	.04	2.55
Milpath	3.67	Meprobamate Tridihexethyl Chloride	3.44	.23
Miltown	2.75	Meprobamate	1.01	1.74
Mitrate	3.66	Meprobamate Pentaerythritol Tetranitrate	3.34	.32
Naqua	1.68	Trichlor methiazide	1.47	.21
Naturetin	2.19	Bendroflumethiazide	1.85	.34
Nembutal	.46	Sodium Pentobarbital	.12	.34
Nitrobid	2.07	Nitroglycerin	.08	1.99
Noctec	1.08	Chloral Hydrate	.29	.79
Norpramin	3.02	Desipramine	2.91	.11
Pavabid	4.37	Papaverine	3.26	1.09
Pentids	1.99	Penicillin G Potassium	.23	1.76
Pentritol	4.15	Pentaerythritol Tetranitrate	.10	4.05
Penn-Vee-K	2.62	Potassium Phenozymethyl Penicillin	2.43	.19
Peritrate	2.42	Pentaerythritol Tetranitrate	.10	2.32
Peritrate-SA	3.37	Pentaerythritol Tetranitrate	.10	3.27
Phenaphen w/Codeine	.85	Aspirin Codeine Hyoscyamine Sulphate Phenobarbital	.56	.29
Polycillin	4.49	Ampicillin	4.48	.01
Premarin	2.85	Conjugated Estrogens Equine	2.25	.60
Prolixin	1.91	Fluphenazine	1.53	.38
Purodigin	.34	Digitoxin	.09	.25
Pyribenzamine	1.00	Tripelennamine Hydrochloride	.17	.83
Raudixin	3.12	Rauwolfia Serpentina	.12	3.00
Seconal Sodium	.49	Secobarbital	.12	.37
Serpasil	2.04	Reserpine	.05	1.99
Taldrin	1.40	Chlorpheniramine Maleate	.15	1.25
Tetracyn	2.60	Tetracycline Hydrochloride	.66	1.94
Terrex	2.82	Tetracycline Phosphate Complex	2.41	.41
Thesentine	2.24	Adiphenine	2.10	.14
Vioform Hydrocortisone	2.86	Hydrocortisone, Iodochlorhydroxyquin	1.83	1.03

SAVANNAH RIDING THE GULFSTREAM CURRENT

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. GINN. Mr. Speaker, we are blessed in the First Congressional District of Georgia with many outstanding business firms which provide stable employment for our citizens and a solid tax base for local governments. One of these facilities is the Grumman aircraft plant in Savannah, which was recently featured in a series of articles about the Grumman Corporation in Flying magazine. I would like to share this article with my colleagues:

SAVANNAH: RIDING THE GULFSTREAM CURRENT—BUILDING AND MARKETING THE WORLD'S TOP BUSINESS JET. IF YOU HAVE TO ASK THE PRICE

(By Richard B. Weeghman)

If the manager of the Gulfstream II plant at Savannah has nightmares about the coming of the Cleveland hordes, he doesn't let on. If his production-flow engineers twitch at the prospect of nesting flocks of little bonded airplanes among the stately production lines of the giant Gulfstreams, they don't show it.

"See," says A. H. "Goldie" Glenn, general manager, "We're already setting up our computers to handle the Cleveland payroll, and over there we're turning out wheel components for Trainers and Travelers."

Outside, in a big, adjacent field, earthmovers scrape away, preparing for a new building to help handle the increased production demands.

Nevertheless, it's hard to imagine a more implausible combination than Cleveland and Savannah. It's Slippery Rock and Harvard, Gimbels and Tiffany, Othello and Desdemona, all rolled into one.

Where they crank out hundreds of Trainers and Travelers, and now Tigers at Cleveland, they conjure up no more than 22 Gulfstreams a year at Savannah. Where they fabricate airplanes almost from scratch at Cleveland, roughly 70 percent (by cost) of each Gulfstream is made by somebody else under subcontract and shipped in for assembly at Savannah: everything from complete sets of wings to little riveted fittings and brackets. Of course, there's still a staggering amount of work left to be done. Figure on 30,000 man-hours per airplane, compared with maybe 500 or 600 for a Trainer or Traveler.

The gestation period for each Gulfstream works out to an astonishing nine months, from the time the first component is bolted together until the completed airplane rolls out the door in grungy green and flies off to receive aumptuous interior fittings and a jacket of paint suitable for reflecting the smiles of moguls, titans, emperors and board chairmen.

Needless to say, Gulfstreams don't come off plain pipe racks. You don't kick the tires and buy a Gulfstream out on the ramp after working a deal with the salesman. The first rivet is not hammered until 20 percent of the price is handed over, followed by another 40 percent half way along the production route and the remainder on delivery.

Each airplaine is custom tailored. Each is an event of such consequence, interest and investment that not infrequently the owner-to-be will delegate a kind of engineering "nanny" to oversee the entire construction process. Says Glenn, "They may be here the entire nine months. They check everything that goes on and sometimes even complain about some component or other. We welcome them. They have the run of the plant for the whole nine months, if they like."

Savannah, it turns out, is more than just an assembly plant. It is Queen Mother to the Gulfstream hive and jet crew commonwealth. On a big map inside, quilled with little marker flags, the extent of this dominion becomes evident. There are 200 Gulfstream I turboprops and 154 G IIs swarming about the globe. But they all come back, or most do, at one time or another, since Savannah not only builds Gulfstreams, it maintains them, services them and provides full pilot training for the crews.

Grumman shares a complete training facility at the plant with Flight Safety, Inc., providing classrooms, elaborate aircraft systems models and the only G I and G II simulators in the world. New crews check out there, and ond ones come back for refresher training, usually while their aircraft are undergoing service.

There is no conventional dealer service network. Instead, there are four emergency parts stockrooms maintained by Grumman in the U.S. and overseas. In Europe, the job is handled by Marshall of Cambridge Ltd., in England. If a gronkel tube should snap in Madagascar or Outer Mongolia, the Savannah factory has the ability to dispatch help—from somewhere—within a day or two. Outside facilities, like A Research, fill in the gaps.

As a rule, flight departments of the companies that own Gulfstreams handle routine overseeing maintenance. In 1974, only four sales were made to companies not having their own aviation departments, and these were all overseas. Incidentally, figure on 6.25 man-hours of maintenance for each hour of flight time—4.5 for the airframe and engine and 1.75 for the avionics.

Wonder about costs? As one Grumman American spokesman has commented (perhaps in an unguarded moment), "You can't justify one of these airplanes in terms of money." What he was referring to was the cost savings of a G II over some other type of transportation. The current price of a Gulfstream II in the "greenie" condition is about $4.3 million. On top of that, the owner can expect to spend around $1.2 million for a customized interior and avionics, for a total cost of $5.5 million. These are 1976 delivery prices, since '75 is already sold out. To get a proper perspective, keep in mind the fact that used airline jets of the DC–9 and 727 category are available for less.

What kind of market exists for this kind of airplane? "Sixty percent of our sales are to Fortune 500 companies," says Charles G. Vogeley, senior vice president of marketing. "Our principal market is with companies with international requirements. A rough criterion is any company with a billion dollars a year in gross business."

Another is any African country with a head of state. Leaders in Uganda, the Ivory Coast and Togo own Gulfstream IIs.

With the current demand for G IIs so high that they're backlogged for a year, why doesn't Grumman American step up production above the 22 per year programmed for 1976 through 1978? They built 36 in 1968 and 1969 (at the Grumman works in Long Island, New York), their first years in production (against an initial order backlog of 60 aircraft before they even started the line).

It appears that the company is sticking with a conservative approach as the most sensible one in a bizarre economy. After the initial big production years, the company built only six, 12, 16 and 18, respectively, in 1970 through '74. According to Glenn, the Company traditionally attempts to shield its work force (now 700 at Savannah, versus about 350 at Cleveland), from the economic ravages of feast-and-famine production.

Therefore, when orders drop, components that were subcontracted out can be brought back for in-house production, helping to maintain employment stability at the home plant.

"We hire for life," says Glenn.

Whether or not the resulting worker loyalty pays off in the quality of the product, there's no doubt that the product is far out. A typical G II is a small flying Taj Mahal, high enough inside for a person to walk around. You can switch divans and bars and work tables around, of course. With a full load of fuel, the aircraft will accept a complete, standard, luxury load of 12 passengers and three crewmen and still handle a 2,860-nm NBAA range mission.

That translates into transcontinental and transatlantic flights. With decent winds, London is within range nonstop, from New York, for example, though some people feel that is pushing things a bit. A stop at Gander, Newfoundland from almost anywhere in the States, however, gives the Gulfstream II traveler most of Europe as his oyster.

No slouch in speed or altitude, the G II can hold a maximum cruise of .85 Mach or a normal transcontinental cruise of .80 to .82 Mach (or .75 to .76 Mach, with bad westerly headwinds) for a nonstop crossing.

The aircraft is certified to 43,000 feet (after a usual step climb to 37,000 or 39,000 feet), with a cabin altitude of 6,000 feet at FL 430. Yank both engines back to idle for a high-speed descent, and you still have full pressurization.

Although the G II started off with a fairly substantial payload handicap when loaded with full fuel, the gross weight has since been upped twice from an initial 58,000 pounds to 60,000 pounds and finally to 62,500. This allows a 2,782-pound typical payload, meaning 15 passengers and crew and 232 pounds of baggage.

To meet noise requirements, the company is preparing to start installing fluted tailpipe "hush kits" on its Spey engines starting this June. And to compensate for an expected one- to two-percent range loss, new tip tanks, now in wind-tunnel tests, will be offered in mid-76. Each tip will hold 2,000 pounds of fuel and offer about an hour's cruise, or 400 nm. To handle the extra load, the gross will be raised to 66,000 pounds.

And if all of this doesn't satisfy the "discriminating" Gulfstream II owner, he probably can unload the aircraft for as much as he paid for it. That's an indication of the esteem in which the Gulfstreams are held.

IN MEMORY OF JACOB LEICHTMAN

HON. EDWARD I. KOCH

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Thursday, June 12, 1975

Mr. KOCH. Mr. Speaker, on May 27, Charles H. Silver, president of Beth Israel Medical Center delivered a memorial address on behalf of Mr. Jacob Leichtman, who was president of the Bank of North America and served as chairman on many Israeli bond drives. He also was on the board of Beth Israel Medical Center for many years. Mr. Leichtman was a well known philanthropist as well as some who had made his mark in the business and banking world. I would like to append the memorial address given in his behalf:

JACOB LEICHTMAN

Within the past few days, to our deep sorrow and regret, we have learned of the passing of a beloved friend and fellow trus-

tee whose absence from our board will leave a great void in the days ahead.

I speak, of course, with a full and heavy heart of our noble colleague, Jacob Leichtman, a wholly compassionate, always warm and generous human being, who did so much for so many . . . not only for his own people, but for the ill and needy everywhere . . . for all to whom he might bring help and hope.

He contributed to every cause that was good and meaningful. Jack Leichtman was not one to say "Ask me again when things get better" or "Write me a memo" or "Send my office a detailed report" . . . No, he knew that hardship and despair cannot always mark time for these polite delays.

He just asked: "What do you want me to do?"

Jacob Leichtman taught me the true meaning of charity. On him, the term "humanitarian" fit perfectly in every area of his public and private life . . . and that was the wonderful measure of the man.

I call your reverent attention to the years he served on our board, devoting himself with distinction and wisdom to the growth and progress of our medical center. Indeed, you find his interest and support reflected among the archives of Beth Israel in almost every sphere of activity.

This was par for the course in Jack's way of playing the game of life. His concern knew no borders. His compassion made no distinctions of creed or station.

Jacob Leichtman lived and moved in many worlds.

His business interests brought honesty and integrity as well as humility—the hallmarks of his high character—to the loftiest levels of banking and international finance.

He loved his family life. He loved our city. He loved this nation and its people . . . but most of all he loved Israel . . . and part of his heart will always abide in the Holy Land for which he did so much as the magnificently effective leader of every Israel bond drive.

He was outstanding among those whose liberal aid gave the funds so vitally needed to nourish the infant commonwealth whose security and very existence is so gravely threatened today.

Remembering how much his tireless energy accomplished in defense of our ancient homeland . . . and grateful for his help in realizing the heartfelt hopes and dreams of Beth Israel, we sadly mark the passing of our cherished friend as we join in these minutes of silent prayer for the immortal soul of Jacob Leichtman.

INDIAN HEALTH CARE IMPROVEMENT ACT

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. RHODES. Mr. Speaker, earlier this session the Senate passed and sent to the House of Representatives S. 522, the Indian Health Care Improvement Act. The unmet health needs of the American Indian people are extensive and severe. It is quite evident that the general health status of these native Americans is considerably below that of the general population of the United States. The bill passed by the Senate is a major step toward the resolution of the inadequacies existing in the delivery of prompt, proper and sufficient medical care to our many and varied Indian communities.

The Indian Health Care Improvement Act addresses many areas of concern, but primarily it accomplishes three major objectives. First, it creates an Indian health manpower program which would insure an adequate number of health professionals to serve Indians. In addition, this program would provide greater opportunity to Indian citizens to enter and practice within the health professions.

Second, the bill provides greater funds to be spent in increasing health services to the Indian people. Services such as mental health care, dental care, field care, therapeutic treatment and alcoholism control will be increased and made more efficient through the provisions of this legislation.

Finally, the bill addresses the problem of inadequate service facilities. New construction and renovation of dilapidated and inadequate hospitals, health centers, health stations, and other similar facilities would be authorized. Anyone who has toured our Indian health facilities must be aware of the horrendous and inexcusable conditions under which many of these citizens receive their health care.

Mr. Speaker, because I recognize the responsibility and legal obligation that Congress bears toward the American Indian people, I am introducing an identical bill to S. 522 today. Though my comments have been brief and do not exhaust the many provisions of this legislation, I trust that they have been sufficient to encourage my colleagues to endorse and actively support this major attempt to provide meaningful health care to a very important segment of our national society.

SMALL FAMILY FARMERS

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. NOLAN. Mr. Speaker, at this point in time, when small family farmers are facing the most critical and dangerous economic challenge since the Great Depression, corporate farmers, large-scale agribusinessmen, and wealthy urbanites are placing the small farmer at a severe competitive disadvantage. In increasing numbers, urban investors are using farming as a means of sheltering their nonfarm income.

Under this tax shelter, an individual or corporation loses or contrives to lose money on a farming operation and then writes farm losses off against nonfarm income. Often the loss is only a paper loss. The "costs" of farming are written off in 1 year while the product is sold and the profit realized in another year. If the losses are real, these losses can be sustained repeatedly by an individual or corporation which can use those losses to offset nonfarm income, thus, placing the bona fide farmer at a severe competitive disadvantage.

Besides costing taxpayers nearly $1 billion each year, the agricultural market is distorted, land values artificially increased, and consumer prices threatened. This loophole has proved to be a bonanza for the rich, who work the tax ledgers instead of the land. It is another example of high pressure, high income special interest groups manipulating the law at the expense of almost everyone else.

The legislation which I am introducing would close this loophole by restricting the use of farm deductions by nonfarmers. No taxpayer could utilize more than $10,000 in farm deductions to offset nonfarm income. As nonfarm income increased over $10,000, allowable deductions would decrease. An individual with $20,000 or more in nonfarm income would be presumed to be a nonfarmer and would be prohibited altogether from using farm deductions to offset nonfarm income.

Every year, thousands of proud, productive, independent family farmers are being forced from their land not only because America's farm policy itself is outdated and archaic, but because our tax laws continue to favor the moneyed and the powerful. Farming is more than a business. It is a way of life which reflects the very best of America's ambition, dedication, and heritage. I urge prompt and positive action on this legislation.

NURSING CARE FOR SENIOR CITIZENS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ASHBROOK. Mr. Speaker, I am joining with Congressman MARK HANNAFORD and a number of my colleagues in sponsoring legislation to prevent the Social Security Administration's proposed cut of up to $120 million in nursing care for our Nation's senior citizens.

On May 23 the Social Security Administration announced plans to drop the 8½ percent nursing cost differential under medicare. The consequences of this action would be far reaching.

First, elimination of the differential would reduce the quality of hospital nursing care for senior citizens. The millions of Americans who depend on the Federal medicare program would suffer a deterioration in medical service.

Second, it would lead to increased hospital costs for all other hospital users. Hospitals would be forced to shift some of the unpaid costs to nonmedicare patients in order to make up for the lost revenue.

Third, it would place hospitals in a serious financial bind. Hospitals cannot afford to assume the financial burden resulting from the proposed $120 million cut. In some cases it could bring insolvency to hospitals that are just now able to break even.

Mr. Speaker, it is essential that the Social Security Administration continue to pay its rightful share of hospital costs. The Congress must not allow the elimination of the nursing cost differential.

BALTIC STATES' GENOCIDE DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. DERWINSKI. Mr. Speaker, 34 years ago, on June 14, 1941, the Soviet Union began to execute its policy of genocide in the Baltic nations. This date marks the anniversary of one of the most tragic episodes in history, the mass deportation from their lands of the Estonians, Latvians, and Lithuanians by the Soviet Russian military authorities.

These small republics of Estonia, Latvia, and Lithuania had enjoyed a short-lived freedom, having secured their independence soon after the end of World War I. However, the territory of the Baltic lands became part of a battleground being first invaded by the Soviet troops and followed by the occupation of Nazi armed forces.

Toward the end of World War II, when Soviet troops reoccupied the Baltic States, the U.S.S.R. illegally incorporated these three small countries into its huge structure. This final defeat and elimination of the Nazi forces left the Communists in undisputed and complete control. Tens of thousands of the Baltic people were killed and about a million were deported to slave labor camps in Siberia and other areas of the Soviet Union.

Since then, the Baltic people have suffered from the collectivization of their farms and the nationalization of their industries. They have suffered religious persecution and their children have been subject, through Soviet educational institutions, to Communist brainwashing.

Hundreds of thousands of Estonians, Latvians, and Lithuanians were shipped from their homelands like cattle, to be replaced by peoples from other parts of the Soviet Empire. This exchange of population substantially altered the ethnic composition of the Baltic nations.

However, I direct the attention of the Members to the fact that throughout the free world the peoples of Estonian, Lithuanian, and Latvian origins maintained their traditional civic, cultural, and church organizations and continue their efforts on behalf of their enslaved compatriots held captive within the U.S.S.R.

So long as the Soviet Union continues to treat the Baltic peoples as colonials to be exploited, and as inferior creatures to be exported and exterminated, I believe it is absolutely necessary for the policy of the United States to continue to be that of nonrecognition of the Soviet incorporation of Estonia, Latvia, and Lithuania, and therefore, I urge support of House Concurrent Resolution 11, which also states that the U.S. delegation to the European Security Conference should not agree to such a recognition by that body.

Further, in this age of closer communication and cooperation with the Soviet Union, I urge that the Congress recognize, within the context of this association, that it is the duty of the United States to support the cause of freedom and the end of oppression of all peoples within the Soviet Union.

The legitimate aspirations and the perseverance of the Baltic peoples to independence and the right to again reside in their historic lands will ultimately triumph over communism and freedom will be restored to these lands.

THE SCIENTIFIC AND TECHNOLOGICAL RESEARCH ACT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. DOWNEY of New York. Mr. Speaker, I am introducing today the Scientific and Technological Research Act, a bill which would establish a national technology development corporation designed to help meet the Nation's long-range energy and environmental needs.

Little has been done to establish the kind of long-term priorities that are needed. Much of the research necessary for new energy and environmental technology requires high-risk, long-term investment with no guarantee of immediate success. Private capital for such investments is difficult to obtain and the public sector has failed to provide the needed stimulus.

Under my bill, a corporation would be established which would make investments and guarantee long-term loans in order to fund research geared to further developing future energy sources and solving the problems of waste disposal, pollution, and resource conservation. It is patterned after the Reconstruction Finance Corporation and the Export-Import Bank.

The bill which I am introducing includes the following provisions:

The corporation would have $1 billion in capital stock subscribed by the United States and would issue notes, debentures, and bonds.

The corporation would share in the profits of any development which may come from funded research.

The corporate Board of Directors would establish a science advisory panel that is broadly representative of the scientific community to insure that funds are directed to selected research fields.

Any development made with support of the corporation would be available for public use upon payment of a royalty.

The creation by the Congress of financial institutions for investment purposes vital to national welfare is a time-honored means which clearly fits our present technology needs. I believe that this kind of action is a vital step in providing for new sources of energy. We must not wait for a real crisis before we take affirmative action. I urge my colleagues to support this measure.

A copy of the Scientific and Technological Research Act follows:

H.R. 7841

A bill to establish a National Technology and Research Corporation with subordinate regional institutions to finance long-range research and development of technology to meet critical environmental needs, advance basic research as the foundation for our future well-being, protect the national economy, and provide the basis for meeting future needs of our people by providing the high-risk research and development loans to public and private entities for research and development where existing sources of funds are not adequate because of the need for long term high-risk financing, or difficulty of forecasting quantifiable financial returns, when public purposes will be served by encouraging such technological development

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Scientific and Technological Research Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) Problems of shortages of basic materials including fuels and the environmental problems facing the world and particularly the United States have not been met by existing provisions for research and development. These problems cannot be resolved solely by stopping harmful practices, necessary as this is; they require long-range technological developments and planning is necessary.

(b) Funding available on a multiyear basis is needed for basic research development with uncertain immediate payouts but potentially providing long-range societal benefits. Specific authority is therefore needed to underwrite financial risks to businesses, governmental units and nonprofit research institutions willing to undertake such longer-range efforts.

(c) High-risk and long-range research and development frequently yields patentable and other financially remunerative results from which the Corporation can replenish or enlarge its assets. In other instances the lessening of social costs will represent social benefits without measureability in such terms. The Corporation must have the flexibility to incorporate both private accounting and social cost-benefit accounting in its policies and administration.

(d) Without long term basic research to provide the basis for resources to meet future needs, depletion of existing resources will cause catastrophic consequences for both the national economy and the environment.

ESTABLISHMENT OF CORPORATION

SEC. 3. There is hereby created the National Technology and Research Corporation, as a body corporate which shall be an instrumentality of the United States and shall have succession until dissolved by Act of Congress, and which shall hereafter in this Act be called "the Corporation." The Corporation may make investments and make and guarantee long-term loans at reasonable rates of interest to carry out research in order that inadequacy of future energy sources, pollution, waste-disposal, resource conservation, and environmental problems threatening the national welfare may be solved, to advance basic research as the foundation for future well-being, to protect the national economy, and to provide the basis for meeting future needs of our people.

BOARD OF DIRECTORS

SEC. 4. (a) The management of the Corporation shall be vested in a Board of Directors consisting of six persons who shall be appointed by the President with the advice and consent of the Senate, the President of

the Corporation and the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System who shall serve ex officio. The terms of directors appointed by the President shall be three years, commencing with the date of enactment of this Act. Any director appointed to fill the vacancy shall be appointed only for the unexpired portion of the term. Any director may continue to serve as such after the expiration of the term for which he was appointed until his successor has been appointed and has qualified.

(b) Members of the Board not serving ex officio each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Board.

(c) Members of the Board who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Board.

(d) While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(e) Five members of the Board shall constitute a quorum but a lesser number may hold hearings.

(f) The Chairman and Vice Chairman of the Board shall be elected by the members of the Board. The term of office of the Chairman and Vice Chairman shall be two years.

(g) The Board shall meet at the call of the Chairman or a majority of its members.

APPOINTMENT OF OFFICERS AND EMPLOYEES

SEC. 5. The Board of Directors of the Corporation shall appoint a President of the Corporation and such other officers and employees as it deems necessary to carry out the functions of the Corporation. Such appointments may be without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and persons so appointed may be paid without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. The President of the Corporation shall be an ex officio member of the Board of Directors and may participate in meetings of the Board except that he shall have no vote except in case of an equal division. No officer of the Corporation shall receive any salary or other remuneration from any source other than the Corporation during the period of his employment by the Corporation.

CONFLICT OF INTEREST

SEC. 6. (a) No director, officer, attorney, agent, or employee of the Corporation shall in any manner, directly or indirectly, participate in the deliberations upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

(b) The Corporation shall not engage in political activities nor provide financing for or assist in any manner any project or facility involving political parties, nor shall the directors, officers, employees, or agents of the Corporation in any way use their connection with the Corporation for the purpose of influencing the outcome of any election.

GENERAL CORPORATE POWERS

SEC. 7. Except to the extent inconsistent with the provisions of this Act, the Corporation shall have the general corporate powers of a corporation organized and existing under the laws of the District of Columbia.

PRINCIPAL OFFICE; BRANCHES

SEC. 8. The principal office of the Corporation shall be located in the District of Columbia, and it shall establish branches in appropriate regions of the United States, which shall carry out the functions of the Corporation in such regions subject to the general supervision of the President and the Board of Directors of the Corporation.

CAPITAL STOCK

SEC. 9. (a) The Corporation shall have capital stock of $1,000,000,000 subscribed by the United States, payment for which shall be subject to call in whole or in part by the Board of Directors.

(b) The Secretary of the Treasury is authorized to, and upon request of the Board of Directors shall, purchase stock in amounts designated by the Board of Directors up to a total of $1,000,000,000.

BORROWING AUTHORITY

SEC. 10. (a) The Corporation may issue notes, debentures, bonds, and other evidences of indebtedness in such amounts and on such terms and conditions as its Board of Directors may determine subject to the limitations prescribed in this Act.

(b) The obligations of the Corporation under this section shall be fully and unconditionally guaranteed both as to interest and principal by the United States and such guarantee shall be expressed on the face thereof.

(c) In the event that the Corporation is unable to pay upon demand, when due, any obligation under this section, the Secretary of the Treasury shall pay the amount thereof and thereupon to the extent of the amount so paid by the Secretary of the Treasury shall succeed to all the rights of the holder of the obligations.

PURCHASE OF OBLIGATIONS BY TREASURY

SEC. 11. The Secretary of the Treasury is authorized to purchase from the Corporation any obligation or asset of the Corporation upon request of the Board of Directors of the Corporation at such price as may be agreed upon between the Secretary and the Corporation. Such purchases shall be deemed public debt transactions of the United States. Ninety days prior to requesting purchase of any asset or obligation under this section the Board of Directors of the Corporation shall cause notice of intent to do so in the Federal Register.

DISCOUNT BY FEDERAL RESERVE BANK

SEC. 12. (a) The several Federal Reserve banks are authorized to purchase or discount any note, debenture, bond or other obligation, secured or unsecured, held by the Corporation.

(b) Obligations of the Corporation are eligible for purchase by the Federal Reserve Open Market Committee.

(c) Obligations of the Corporation are eligible for purchase by any federally chartered or regulated commercial bank, savings and loan association, or mutual savings bank.

INVESTMENT STATUS OF OBLIGATIONS OF THE BANK

SEC. 13. All obligations issued by the Corporation shall be lawful investments for, and may be accepted as security for, all fiduciary, trust, and public funds the investment or deposit of which is under the authority or control of the United States or of any officers thereof.

LOANS

SEC. 14. (a) The Corporation may make or guarantee loans or purchase obligations to provide funds for the purposes set forth in section 2: *Provided*, That the borrowers agree to requirements laid down by the Corporation to carry out the purposes of this Act.

(b) The Board of Directors of the Corporation shall make whatever arrangement it considers adequate to secure loans made by the Corporation.

MATURITY OF LOANS

SEC. 15. Loans made by the Corporation shall be for periods determined by the Board of Directors of the Corporation, bearing in mind that the maturity of such loans should whenever possible, coincide with the projected useful life of the facilities financed with such loans. However, the outstanding balance due on Corporation loans shall be refinanced through another lender whenever, in the judgment of the Board of Directors of the Corporation, such refinancing is feasible on terms and conditions which the Board of Directors of the Bank considers to be reasonable for the borrowers.

GUARANTEED LOANS

SEC. 16. The Corporation may fully guarantee the entire interest and principal of any loan made by any bank, savings bank, trust company, building and loan or savings and loan association, insurance company, mortgage loan company, or credit union: *Provided*, That such loans are made to carry out the purposes of this Act and the effective interest rate for such loans is not more than 1½ per centum above the Federal Reserve discount rate.

DIRECT LOANS

SEC. 17. To carry out the purposes of this Act, the Corporation may make direct loans: *Provided*, That borrowers have presented evidence they are unable to obtain funds on reasonable terms from any other source to carry out the puposes of this Act.

TAXABLE STATUS

SEC. 18. The Corporation, its property, its franchise, capital, reserves, surplus, security holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority, except that (1) any real property and any tangible personal property of the Corporation shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed, and (2) any and all obligations issued by the Corporation shall be subject both as to principal and interest to Federal, State, and local taxation to the same extent as the obligations of private corporations are taxed.

AUDIT BY GENERAL ACCOUNTING OFFICE

SEC. 19. The General Accounting Office shall audit the financial transactions of the Corporation, and for this purpose shall have access to all its books, records, and accounts.

AUTHOAIZATION OF APPROPRIATIONS

SEC. 20. (a) There is authorized to be appropriated, without fiscal year limitation, $1,000,000,000, to the Secretary of the Treasury to finance the purchase of Corporation stock.

(b) There are authorized to be appropriated, without fiscal year limitation, such sums as may be neecssary to pay the difference, if any, between the interest paid by the Corporation on its obligations and the interest received by the Corporation on its loans, and to reimburse the capital of the Corporation to the extent of any defaults, and such additional sums as may be necessary to establish and operate the Corporation and otherwise carry out the purposes of this Act.

RECOUPMENT OF INVESTMENT

SEC. 21. In making any loan, investment, guarantee of loan, or other transaction, the Corporation may require the following in order to advance the processes of this Act and to obtain additional funds for the purposes of the Corporation:

(1) that the Corporation be given a share in the equity of the recipient of a loan or investment made or guaranteed by the Corporation;

(2) that any obligation to the Corporation be evidenced by debentures, convertible into nonvoting common stock or other nonvoting equity interest at the option of the Corporation;

(3) that any inventions developed as a result of efforts assisted by loans or investments made or guaranteed by the Corporation be made available to others in return for reasonable royalties on terms set forth in agreements with the Corporation or determined by procedures set forth in such agreements;

(4) that a portion of royalties or other income received due to exploitation of any patents or invention obtained or developed as a result of activity assisted by loans or investments made by or guaranteed by the Corporation be paid to the Corporation;

(5) that royalties be paid to the Corporation on income derived from any processes, whether or not patented, used as a result of any efforts assisted by any loans or investments made by or guaranteed by the Corporation.

TRANSFER OF PATENTS, OR TRADE SECRETS OF BUSINESSES

SEC. 22. Except as otherwise provided in any agreement with the Corporation, any obligations imposed upon a party pursuant to an agreement with the Corporation under section 21 of this Act shall be enforceable by the Corporation against such party and also against any direct or indirect assignee or purchaser of any patent, trade secret, process, or business from any party to an agreement with the Corporation pursuant to section 21 of this Act.

SUITS BY AND AGAINST THE CORPORATION

SEC. 23. The district courts of the United States shall have jurisdiction over all suits by and against the Corporation without regard to the amount in controversy or the citizenship of the parties.

AVAILABILITY OF FUNDS

SEC. 24. All funds obtained by the Corporation pursuant to agreements under section 21 of this Act or as a result of suits on behalf of the Corporation may be used by the Corporation for the purposes set forth in this Act without further appropriation.

EXEMPTION FROM THE CONGRESSIONAL BUDGET ACT OF 1974

SEC. 25. The Corporation shall be considered for the purposes of Section 401 of the Congressional Budget Act of 1974 a corporation described in Section 403(d)(3)(A)(ii) of such Act.

TECHNICAL AND FINANCIAL ADVICE

SEC. 26. The Corporation shall have the authority to request State, Federal, and local agencies for assistance in evaluating proposals for investments, loans, and guarantees pursuant to this Act from the point of view of—

(1) the social benefits from successful research or development of the type proposed;

(2) likelihood of success of the proposed efforts; and

(3) its relative merit concerned with other proposals.

Federal agencies and departments shall cooperate with the Corporation to the maximum extent feasible.

SCIENTIFIC ADVISORY PANELS; CONGRESSIONAL AUTHORITY WITH RESPECT TO CATEGORIES OF INVESTMENTS AND INDIVIDUAL INVESTMENTS

SEC. 27. (a) The Board of Directors of the Corporation shall establish a Scientific Advisory Panel, which may establish such additional subadvisory panels and processes as it may deem necessary to carry out the processes of this Act, and may do so without regard to any other provision of law or of any executive order or regulation promulgated prior to the enactment of this Act. Such Scientific Advisory Panel shall be broadly representative of the scientific community. No person, firm, or corporation shall receive any remuneration for advice other than transportation and actual expenses and not more than $100 per day actually spent for the purpose of assisting the Corporation, and no employee of the Federal Government may be paid amounts other than for transportation and actual expenses unless the President of the Corporation shall certify that such services are necessary to effectuate the purposes of this Act. All such certifications shall be reported to Congress not less than thirty days prior to the date of any payment or commitment for remuneration in excess thereof. The size, membership, and composition of the Scientific Advisory Panel may be fixed and altered by the Board of Directors of the Corporation from time to time. Members representing the National Science Foundation, the Environmental Protection Administration, the National Bureau of Standards, the Energy Research and Development Administration and other appropriate Federal agencies active in the field of scientific research shall be included on the Scientific Advisory Panel.

(b) The Scientific Advisory Panel shall establish from time to time categories within which applications for assistance by the Corporation will be considered. No loan or guarantee may be made except with the approval of the Scientific Advisory Panel and within categories established by it. Such categories shall be established after public hearings and shall be published in the Federal Register. Ninety days after the publication of any category in the Federal Register shall elapse before the final grant of any loan or guarantee in such category. Either House of Congress may by resolution disapprove the granting of further loans or guarantees within a category previously published in the Federal Register, in which event no further loans or guarantees shall be made in such category unless the Scientific Advisory Panel, after further public hearings, shall republish notice of such category and the new publication of such category shall not have been disapproved by either House of Congress by resolution.

(c) Thirty days prior to making any loan, guarantee or other investment which exceeds $25,000,000, the Corporation shall cause notice of its intention to do so to be published in the Federal Register.

(d) In approving loans or guarantees and establishing categories therefor, the Scientific Advisory Panel shall consider the environmental advantages and disadvantages of each proposed action and category and shall require or obtain such information as may be appropriate for that purpose. Its judgment as to the desirability of action by the Corporation recommended by it in this respect shall be final and no environmental impact statements shall be required to be filed by the Corporation or others in respect to actions by the Corporation under the National Environmental Policy Act, or with respect to research to be carried out pursuant to loans or guarantees granted by the Corporation under this Act: *Provided*, That this shall not relieve any person or agency of any otherwise existing obligation under the National Environmental Policy Act with respect to the actual implementation or use of technologies developed through research assisted under this Act.

(e) Federal agencies shall be eligible borrowers under this Act wherever loans to such agencies are found by the Corporation to be the best means to effectuate the objectives of this Act: *Provided*, That no employee of a borrowing agency may vote or participate in any deliberations of the Scientific Advisory Panel or of the Board of Directors of the Corporation with respect to such matter: *And provided further*, That notice of intent to make or guarantee any loan to a Federal agency must be published pursuant to subsection (3) of this section ninety days prior to the making thereof, without regard to the amount involved.

(f) Notwithstanding any other provision of law, the Scientific Advisory Panel may make such regulations as may be appropriate regarding confidentiality of trade secrets submitted to it or to other instrumentalities of the Corporation.

ANNUAL REPORT

SEC. 28. The President of the Corporation shall transmit to Congress annually a report setting forth the investments, loans, and guarantees made by the Corporation or for which commitments were made by the Corporation during the preceding year, together with a description of the efforts made by the Corporation to carry out the purposes of this Act and any recommendations for further action.

PRIORITY AND SUBORDINATION OF CLAIMS

SEC. 29. Except as otherwise provided in any agreement made by the Corporation, claims of the Corporation shall have priority in all bankruptcy and solvency proceedings to the same extent as obligations due to the United States. The Corporation shall have power to waive such priority in any agreement, and also to accept subordination of claims if the Corporation certifies that this is necessary in order to induce private financial institutions and other sources of private financing to assist in financing activities necessary to carry out the purposes of this Act. The Corporation shall also have power where appropriate to agree to waive any liability on the part of any parent entity owning shares in a subsidiary thereof obligated under any loan or guarantee, where such parent entity contributes technical know-how to such subsidiary for consideration or otherwise in aid of research assisted by the Corporation.

COOPERATION WITH EXISTING AGENCIES

SEC. 30. The Corporation shall not finance or assist in financing research with duplicate efforts being made by or under the supervision of other Federal agencies, but may finance or assist in financing efforts which will supplement the work being done under such Federal agencies where such efforts are inadequate to carry out the purposes of this Act. Wherever other Federal agencies are active in sponsoring or continuing research or development in a field, the Corporation shall consult with such agencies prior to financing or assisting in financing efforts in the same field.

INTRODUCTION OF NEW AMNESTY LEGISLATION

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. BADILLO. Mr. Speaker, today the Honorable ROBERT W. KASTENMEIER, chairman of the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice, is introducing legislation providing amnesty for Vietnam era draft evaders and military deserters. I am a cosponsor of the legislation which has been the result of many discussions and will be marked up shortly in subcommittee. This amnesty proposal is not unprecedented. Amnesty has a long and distinguished tradition in American history. After almost every military engagement in our history, whether at home or abroad, this

country has extended amnesty to those who found themselves in conflict with national authority over these wars. Amnesties can be declared in the United States by Congress, by the President acting with the authorization of Congress, or by the President alone.

Amnesty is the discretionary act of a sovereign state which decides to abstain from prosecuting groups of citizens who have resisted obedience to the law for moral or political reasons. It does not mean "forgiving." Amnesty is neither a judgement of condemnation nor an act of condonation. Its root word is related to amnesia, and it means "to forget." Amnesty concerns the law's ability to undo what it has done in the past. To forgive a violation is to pardon. But amnesty is to forget, to erase, to blot out in recognition of a greater interest—in this case the reconciliation of our Nation.

The case for amnesty is especially strong in relation to the Vietnam war, an unprecedented war that was completely outside the traditions as well as the law of our Nation. With the exception of the Civil War, after which the entire Confederacy was amnestied, no other conflict in our history has been as divisive or produced as many acts of protest as the Vietnam war. Draft resisters and military deserters were guilty of lawbreaking, but we are all aware of the number of our men who refused to serve because they saw the Vietnam war as immoral and illegal. For these men, the decision not to serve was a matter of conscience.

Mr. KASTENMEIER's bill is an attempt to other amnesty bills because it requires that those seeking relief sign a certificate swearing that any violation of law they may have committed resulted from opposition to the Vietnam war. Upon submission of the certificate, full rights of citizenship would be restored without the necessity of performing alternative service. Military violators would not be entitled to V.A. benefits. The bill covers violations occurring between January 1, 1966 and May 1, 1975.

Mr. Kastenmeier's bill is an attempt to respond to the failure of President Ford's clemency program. The President's initiative has failed to achieve the goal of national reconciliation as proven by the fact that fewer than one-fifth of 120,000 young men eligible participated. Our subcommittee's recent hearings revealed that a primary reason for the failure of the President's program was its requirement that war resisters perform alternative service and this was interpreted by many as being punitive.

While this proposal is not as broad an amnesty proposal as I have supported in the past, I believe this is a good piece of legislation that should be supported by proponents of unconditional amnesty. For my colleagues who are still reviewing their position on this issue, I would like to encourage you to support this bill and help end the torment of the Vietnam war that still exists here at home. Our Subcommittee will be marking up amnesty legislation shortly, I hope we can count on your support.

MOB ATTACK AND BESIEGE LISBON DEMOCRATS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. McDONALD. Mr. Speaker, while the world watches, freedom is dying in Portugal. Portugal's attempt at democracy is being strangled by the adherents of Marxism-Leninism together with the devotees of Mao, who live by the law of the jungle. Typical of the events taking place in Portugal is the incident recently recounted by the London Daily Telegraph on June 10 as regards the harassment of the non-Communists in Portugal. One wonders at the lack of outcry from our own press and opinion molders? The article follows:

MOB ATTACK AND BESIEGE LISBON DEMOCRATS

(By Michael Field)

Twenty-four leading members of the Portuguese Christian Democratic party escaped yesterday from an Army barracks where they had been besieged for 12 hours by extreme Left-wing and Communist demonstrators shouting "Vengeance."

The Christian Democrats, who had been forced to take refuge in the barracks at Evora, 100 miles east of Lisbon, on Sunday night after the demonstrators broke up their meeting, accused the Army of protecting them incompetently.

Among the victims of Sunday's assault was Dr. Costa Figueira, assistant secretary general of the party. He was kicked in the groin.

Almost in tears, he said yesterday: "It was a true Calvary. I apologise for this religious reference, but after all we are Roman Catholics."

The Christian Democrats were accused by the Armed Forces Movement and their Left-wing supporters of participation in the unsuccessful alleged coup to overthrow the revolutionary regime on March 11.

Their former secretary-general, Major Sanches Osorio, fled the country and is now in Italy. The Christian Democrats were forbidden to stand in the April elections for the constituent assembly, although their party is still allowed to operate.

STONES AND INSULTS

Dr. Eduardo Paiva, another victim of this latest bout of Left-wing violence, told me that he and his colleagues were drawing up plans for the party's first extraordinary general meeting when their meeting-place, a house in Evora, was attacked by an angry slogan-shouting crowd.

The army was asked for protection and sent jeeps and other military vehicles to drive them to safety at the local army headquarters.

"The troops were incapable of protecting us and we were transferred in miserable conditions," he said. They were kicked, struck, spat upon, and under a constant hail of stones and insults as they were driven by the slowest possible route to the barracks.

One woman member fainted when she was hit on the forehead by a stone. Banners and flags revealed that the attackers belonged to the extreme Left-wing "Communist Electoral Front," the "People's Democratic Union" and the "Portuguese Communist party."

DEFIANT PRINTERS

Meanwhile, the rebellious printers of *Republica*, the pro-Socialist newspaper, have issued a fresh communique saying that they intend "intransigently to maintain their struggle," despite the Supreme Revolutionary Council's decision allowing it to resume publication.

The editorial staff have said that they hope to publish later this week. But the printers said: "The struggle against the management and editorial direction is not being led by the Communist party or any other party.

"This fact has been clearly accepted by the Council of the Revolution. The workers of *Republica*, who are above any party manoeuvre and take orders from nobody, want not only an independent newspaper but also to have a real and direct role in deciding its contents."

For all that, the Communists and extreme Left-wingers are still fighting to get rid of Dr Rego, the editor, and to force the newspaper to adopt an uncritical line in accordance with the "alliance between the people and the armed forces movement"—the current Communist slogan.

Newspaper employees who met during the weekend at the printing workers' union offices have decided to call a plenary session of all workers in the Press and information media to debate the *Republica* affair. The meeting's theme will be "Workers and the Press Law."

Those who called for the meeting put on record their "severe disapproval" of the lack of class-consciousness displayed by the printers at *Gacata de Sul* for printing the "pirate" newspaper the *Republic Affair* in which Socialist journalists, led by Dr Rego, defended their position.

Communist former members of the newspaper editorial staff also issued a statement attacking the newspaper's commitment to the Socialist party as a betrayal of its "non-party, anti-fascist." position before the 1974 revolution. *Republica* before the overthrow of the Salazar-Caetano régime, was the only opposition newspaper in Portugal.

INTERIOR SECRETARY HATHAWAY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. RHODES. Mr. Speaker, on May 24, 1975, an article written by the senior Senator from Colorado, FLOYD HASKELL, appeared in the Washington Post concerning the nomination of former Colorado Gov. Stanley K. Hathaway to be Secretary of the U.S. Department of the Interior. Mr. Hathaway was confirmed by the Senate yesterday.

Following the appearance of Senator HASKELL's article, Mr. Kent B. Crane, who served as Administrative Assistant to retired Republican Congressman Peter Frelinghuysen of New Jersey wrote a letter to the editor of the Post. Mr. Crane's letter was not published. Therefore, I thought it would be appropriate to include the complete exchange in the RECORD for the benefit of those Members who wish the new Secretary of Interior the best of luck as he prepares to assume the important duties of his new job.

The articles follow:

[From the Washington Post, May 24, 1975]

MR. HATHAWAY'S ERROR

(By Floyd K. Haskell)

The environmental record of former Wyoming Gov. Stanley K. Hathaway need never have become an issue in his confirmation as Secretary of Interior. The Senate rarely denies the President his choices for Cabinet officers and, as a practical matter, their backgrounds need satisfy only him.

But Mr. Hathaway and the members of his staff made a very serious error. To counter environmentalists' opposition—which was wholly predictable and avid but scarcely a barrier to his confirmation—they circulated a document, "The Hathaway Administration and the Environment—1967–1974."

The document, which was handed to me by a White House aide when Gov. Hathaway made a routine courtesy call, presumably was distributed to quell the fears and emotionalism about his confirmation. It did precisely the opposite. In answering questions that posed him no threat he raised a question that does: the question of his own integrity.

The document is both misleading and inaccurate. In fact, I believe its misrepresentations and inaccuracies are compelling reasons to vote against Gov. Hathaway's confirmation.

In testimony before the Interior Committee, the nominee did not "repudiate" the document, contending it is "a truthful document." He conceded, however, that "some of the questions raised up about it are very legitimate."

His first defense was that he did not write it, that his former administrative assistant and campaign manager did. But Gov. Hathaway said he had read it at least a week before it was handed to me, time enough to know its contents. Yet he didn't caution me against accepting the document at face value. He has not to this day taken steps to correct the impression it leaves.

The Environmental Defense Fund analyzed the Hathaway claims at my request. Among the most questionable of his claims were these:

The document credits Hathaway's "commitment to beautify the State of Wyoming" for passage of the Outdoor Advertising Act, which gave the state authority to remove billboards from state highways. The Act was, in fact, passed to prevent the 10 percent cut in federal highway funds that would have occurred under the 1965 Federal Highway Beautification Act if Wyoming had not acted. A junkyard control act, for which Hathaway also took credit, was passed for similar reasons.

"Furthering his program to beautify the State," the document said, "Hathaway saw the enactment of the Abandoned Vehicles Act." The act is nothing more than standard state law permitting law enforcement officials to confiscate and retitle abandoned vehicles. Other states had similar statutes long before Wyoming acted.

The Hathaway document notes that "three new Wyoming state parks were created" during his administration. It fails to mention that the state already owned the park lands, which total less than 1,800 acres in a state that owns over 4 million acres.

Hathaway takes credit for passage of the 1969 Open Cut Land Reclamation Act, Wyoming's first strip mining legislation. The document states that, under this bill, "the Commissioner of Public Lands was given the authority to issue mining permits conditioned upon a satisfactory reclamation plan for rehabilitation of the mined land."

The EDF terms the act "notoriously weak," noting that, while it did contain provisions under which permit applications could be rejected, "these provisions were either procedural or lacked the specificity required for rejection on substantive grounds." The Wyoming Department of Environmental Quality said it "does not have the authority to deny a permit if the proposed plan fails to reclaim the land." Such authority was provided in Wyoming only in 1975 after Hathaway left office.

The document goes on: "The Hathaway administration, in the 1974 session, also enacted legislation to amend its Water Quality Legislation in order to bring prior legislation in conformity with standards established by federal law." EDF points out, once again, that the state enacted the legislation under federal pressure and to regain state control over water pollution regulation, which had been preempted by the federal government.

In a comparable claim Hathaway takes credit for passage of the Wyoming Air Quality Act, which the legislature passed to comply with the federal Clean Air Act of 1970. Even then, the Environmental Protection Agency was forced to take over a portion of the state's air pollution permit system because Wyoming had not met federal requirements by 1972.

The Environmental Defense Fund's analysis and rebuttal were not flawless and I did not accept them as such. But they raised questions about the accuracy of the document and it is Gov. Hathaway's answers to those questions that force me to vote against him.

Do I impose too high a standard—basic honesty—on a nominee. I think not. That is a standard to which we all subscribe, publicly at least, and in principle. We might well fall short in practice. But when we in elective office fall short, we must expect to be held accountable by the voters: there is no such direct accountability for cabinet officers. Our fitness, integrity and qualifications are examined in the election contest; theirs in the confirmation process.

The test is the same in both cases; the penalty for failing it should also be the same—whether it is imposed by the voters or by the Senate, which judges seekers of high office whom the electorate cannot reach. If the advise and consent process is to mean anything in this era of national disillusion and distrust of government, we must demand openness, candor—basic honesty—from those we examine. Guile, slipperiness and omission must not be ignored as business-as-usual.

EDITORIAL

MAY 25, 1975.

EDITOR,
The Washington Post,
Washington, D.C.

DEAR SIR: The attack on Governor Stanley Hathaway's environmental record by the senior Senator from Colorado, published over the weekend by the Washington Post, is a wonderful example of how proponents of the so-called New Politics champion their version of what is Right. Without proving anything more than a difference of opinion over numerous Wyoming laws, which the Governor's detractors admit were passed to improve the environment, the Senator goes on to question Governor Hathaway's integrity in unequivocal terms. Prior to the advent of the New Politics, attacking a person for a lack of "basic honesty" and for "gulle and slipperiness" might not only have been termed unequivocal, but even a bit rude.

In troubled times, it may of course be argued that civility in conducting the public's business must take second place to insuring that the Truth be known. Yet, the arguments prepared for the Senator by the Environmental Defense Fund and used by him to support allegations about Governor Hathaway's ethical standards fall pitifully short of the mark. The Fund's list of complaints does not charge that Governor Hathaway conspired to despoil the Wyoming countryside, but rather propounds the thesis that all the things done to safeguard the environment during the Governor's tenure were accomplished for the Wrong reasons. The thrust of the Fund's rather imperious argument seems to be that although Wyoming laws are not all that bad, they were motivated by insufficient zeal and other worldly thought on Mr. Hathaway's part.

Prior to the advent of the New Politics, most political practitioners in this town were a little less certain of their ability to devine the motivations of an opponent. Moreover, we felt that a public, ad hominem attack on another person's "basic honesty" was not only in poor taste, but likely to be poor politics as well.

Years ago, I recall showing a speech draft to Bryce Harlow, a gentleman highly regarded on both sides of the political aisle. He quietly crossed out a rather flamboyant part of the speech which I had considered most effective. Mr. Harlow explained that he had learned an important lesson from President Eisenhower early in their association when the President had similarly removed a passage from one of Mr. Harlow's drafts. The President stated the case succinctly, "If you take issue with another man's policies, he may be greatly annoyed for a time. If you impugn his motives, he will never forgive you."

Sincerely,

KENT B. CRANE.

REPORT OF SUBCOMMITTEE TO REVIEW LIQUID METAL FAST BREEDER REACTOR

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. McCORMACK. Mr. Speaker, in continuance of my practice of keeping this body informed of the activities of the Joint Committee on Atomic Energy's Subcommittee To Review the National Breeder Reactor Program, I have the following report:

Yesterday, the subcommittee in open session received testimony from invited witnesses on the subject of alternate energy sources. During this session there was presentation and discussion of information pertaining to conventional energy sources, the potential of alternate energy technologies to meet energy demand requirements, their timing for possible introduction, their ability to provide large-scale electrical production capacity, and their principal limitations. Testimony was presented by Dr. John Teem, Assistant Administrator for Solar, Geothermal, and Advanced Energy Systems, Energy Research and Development Administration. His appearance was followed by a panel consisting of Dr. Allen Hammond, American Association for the Advancement of Science; Mr. Marc Messing, Environmental Policy Center; and Dr. Joseph Oxley, Battele Memorial Institute. Each of these witnesses present his testimony in turn and the entire panel was available for questioning by committee members.

I was pleased that Senators JOHN V. TUNNEY and JAMES L. BUCKLEY, and Congressmen JOHN B. ANDERSON, MANUEL LUJAN, Jr., and FRANK HORTON, were able to attend and participate in the questioning of the witnesses.

My opening remarks and a summary of the material presented and the ensuing discussion follow:

OPENING STATEMENT BY CHAIRMAN MCCORMACK

Today the Joint Committee's Special Subcommittee to Review the National Breeder Reactor Program holds its second session in a series of public hearings on the principal

issues relative to this Nation's fast breeder reactor program and related matters.

Yesterday we received testimony on the subject of energy trends. We heard the views of invited witnesses concerning total energy and electrical energy needs throughout the remainder of this century. A wide spectrum of predictions was presented and the Subcommittee will now focus its attention on a bandwidth of energy and electrical demand predictions within the middle range of those presented. Our witnesses yesterday cautioned against the pitfalls of either overestimating or underestimating our true future energy needs.

It is apparent that plans to develop the necessary energy resources to meet our national needs must be agreed upon and the necessary development programs brought into being, or, existing ones accelerated, to assure that supply and demand requirements are joined, without undue burden upon the consumer and without an over-dependence on other nations for energy resources.

Today the Subcommittee will consider the subject of alternate energy sources. I am pleased that today's witnesses include Dr. Allen Hammond of the American Association for the Advancement of Science, Mr. Marc Messing of the Environmental Policy Center, Dr. John Teem, Assistant Administrator for Solar, Geothermal and Advanced Energy Systems, Energy Research and Development Administration, and Dr. Joseph Oxley of Battelle Memorial Institute.

First we will hear from Dr. Teem and then I will ask that the three remaining witnesses come to the table simultaneously and we will hear them in turn.

Dr. Teem's testimony covered the potential energy sources of fusion, solar and geothermal. The goals he quoted for the solar program ranged from 5–13 quads by the year 2000. This is about 2–6% of the projected total energy requirements in that year. Dr. Teem noted that technical problems which still exist include unavailability of economic, highly reliable solar components and cost effective solar heating and cooling systems. Dr. Teem noted that a cost reduction of 2–3 orders of magnitude would be needed for photovoltaic solar systems to become cost effective. He felt that if the government could show that the R & D needed for solar systems would be provided and could demonstrate the technical and economic viability of solar systems, industry would be willing to invest in these systems. Dr. Teem noted that it would be necessary to obtain public and private acceptance of legal and regulatory changes. Also, changes in land use patterns and potential effects on the environment must be better understood. The development of these solar systems and the other items above, are the areas, Dr. Teem stated, in which ERDA would be addressing its programs. With respect to geothermal energy, electrical generation using hot water or brine was noted as well as use of geopressurized formations and hot dry rock methods which can be used to heat injected water. The National Program goal noted was 20–30 GW by 1985–90. Some of the major hindrances noted by Dr. Teem were lack of assurance by utilities on profit production, technical problems with higher salinity resources and the unknown extent of the resources.

ERDA's goal for fusion power presented by Dr. Teem was for the demonstration of reliable and safe power by 1995–1997. The three principal approaches on fusion noted by Dr. Teem were magnetic confinement, high density closed systems and open systems (magnetic mirrors). Large scale commercialization was not seen before the end of the century. These projections for solar, geothermal and fusion would have the potential for providing approximately 1% of our energy needs by 1985 and 10% by the year 2000. Dr. Teem concluded by saying that he believed that all energy options should be developed to the point that their economic and environmental cost benefit could be evaluated. Dr. Teem stated that this includes the development of the LMFBR.

During the question and answer period, considerable interest was expressed in whether or not the large amount of funding required for the breeder program would leave sufficient funds available to continue R & D on solar, geothermal and fusion energy at a sufficient pace. Dr. Teem replied that he anticipated sufficient funding would be available for all important programs, noting that additional funds had recently been provided for the alternate systems by the Congress. He reviewed the funding history of these programs and concluded that continued R & D on the breeder need not jeopardize other technologies. In response to questions on whether we should concentrate on solar energy and fusion, and forego the breeder, Dr. Teem noted the former technologies have good potential for the long term, but that we need to develop all promising options now, including the LMFBR. He did note, however, that it is premature to commit now to breeder commercialization, and suggested additional R & D would be needed before that decision can be made. With regard to the alternate technologies, Dr. Teem also replied to questions on their relative environmental impact as opposed to the breeder, and agreed that the figures presented on their potential contribution to total energy needs by the year 2020 showed that fusion, for example, would provide only a few percent of our electric power. However, he noted that proponents of the alternate technologies believe that greater contributions can be made.

The remaining three witnesses appeared as a panel, each covering their prepared remarks before addressing questions. Dr. Hammond's testimony covered the potential use of coal, solar and geothermal energy in meeting future energy needs. Dr. Hammond noted his belief that the main energy sources used by utilities in the remainder of this century would be coal, with pollution clean-up and improved methods of combustion, and light water and high temperature gas-cooled reactors. Dr. Hammond urged acceleration of funding for alternate energy sources and as rapid development as possible of these technologies. It was noted by the Subcommittee that substantial increases in the funding level, year by year, had taken place for these energy sources, and that funds above that requested by ERDA had been placed in the ERDA budget by the Congress. Dr. Hammond stated that one of the more promising of the solar options, the photovoltaic cell, would have to be reduced in cost on the order of one hundred-fold to make it competitive with other energy sources. However, it was his contention that this could be done with mass production and with application of the innovative techniques of the electronics industry. Dr. Hammond concluded with a summary of the potential for geothermal energy.

Mr. Messing summarized his views on energy trends before going to the discussion of alternate energy sources. His projection of energy consumption in the year 2000 was 202 QBTU. On solar energy, Mr. Messing presented his information that a substantial portion of electrical energy that is projected to be supplied by nuclear power in the year 2000 could be replaced by solar energy.

The value quoted was 30%. He also stated that when one considers displacement of electricity and gas, that solar energy could contribute up to 10% of the energy requirements in the year 2000. Based on questioning of Mr. Messing and other witnesses, a consensus was obtained that a few percent was a more reasonable estimate. Mr. Messing concluded by noting the decreasing cost that would be realized for photovoltaic solar energy as mass production is achieved, thus making it more competitive with conventional sources. Dr. Teem had noted that a factor of 100–1000 cost reduction was needed; Dr. Hammond had quoted a reduction factor of 100.

Dr. Oxley's prepared remarks addressed technologies associated with production and use of liquid fuel from coal or shale, refined coals, gases manufactured from coals and waste utilization as well as the energy sources of solar and geothermal. Dr. Oxley noted that there would be a shift in industry back to coal and the use of electricity, supplied by a central power station. He urged that coal use be limited to the degree possible since it was an exhaustible resource and is needed as a raw material in various industries such as chemical production. He further noted that while use of manufactured gas would increase, its cost would prohibit its use for central station power production of electricity. Dr. Oxley concluded that central station electricity at the turn of the century will primarily be coal and nuclear with some contribution from geothermal and increasing attention to high-yield agricultural crops.

The prepared discussions of these three speakers were followed by a question and answer period. Major points are noted below.

The Subcommittee questioned Dr. Hammond's statements that funding for the LMFBR and alternate energy sources should be more equal. They noted that the LMFBR was in the demonstration phase, which was a higher cost-intensive phase, whereas alternate energy sources such as solar energy were still dealing with more basic technology. In subsequent discussions, Dr. Hammond agreed that development of the breeder should continue but that the schedule for commercialization and the role of the Clinch River Plant were items of concern. The committee noted that there was no need for making a decision on commercialization now.

As for the Clinch River plant, committee members cited the light water reactor experience in taking approximately 25 years to reach commercialization, and therefore, suggested that for the breeder to contribute significantly by the year 2000, the demonstration plant needed to be pursued now. At a later point in the discussion, Dr. Hammond noted the priority that is still needed to get public acceptance of the light water reactor. Members of the subcommittee agreed and emphasized to Dr. Hammond the role he and other persons involved in writing magazine and news articles have in presenting a balanced picture to the public.

One of the questions to Mr. Messing dealt with the cost of solar power. Mr. Messing acknowledged that retrofit of a house would not be cheap, but also noted that with the high cost of utility bills, if solar power were available, money not spent on utility bills could go toward paying for installation of the solar power system. As perspective, the subcommittee noted that the overall contribution to the energy supply due to solar heating and cooling would be about a few percent of our energy usage by the year 2000.

Although the four witnesses presented a variety of views on the promises and limitations of alternate technologies, a consensus did become evident on the breeder program. The witnesses all agreed that the breeder was necessary, or at least that R&D on the breeder should still be pursued at this time. Questions were raised, however, on whether the approach being taken on breeder development was the right one. Generally, several witnesses questioned whether the design and timing of the Clinch River Breeder Reactor are optimal. It was also noted that the breeder's primary contribution to energy requirements would not occur until after the turn of the century, and that a decision on commercialization of the breeder did not have to be made at the present time. These questions will be examined further by the Subcommittee in a forthcoming hearing and in the Subcommittee's continuing deliberation on the LMFBR Program.

ELSMERE VA HOSPITAL

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. DU PONT. Mr. Speaker, we are most fortunate to have in Delaware, at the Elsmere Veterans Hospital, one of the finest new facilities for medical treatment of injuries to the human face. I am very proud of the job Dr. Harry E. Walkup has done in putting his program together, and of the work that Drs. Schweiger and Lontz are doing at the maxillofacial facility.

Mr. Speaker, a recent article in the Wilmington Morning News sets forth very well the fine work this facility is doing. I would like to reprint it at this point in the RECORD:

DISFIGURED FIND HOPE AT ELSMERE V.A. FACILITY

(By Betty Burroughs)

They're called "the night people", ones who emerge only under cover of darkness because they are loath to show the world their multilated faces.

These are the men, women and, occasionally, children who have lost some part of their facial anatomy in accidents, on the battlefield, through cancer surgery or birth defect.

Their disfigurements are beyond the remedial skills of surgery and plastic surgery alone . . . or together.

Today there is hope for the patient with radical face or neck impairment in a relative newcomer to the medical arts known as maxillofacial prosthodontics.

In layman's language this is dental prostheses as applied to the lower part of the face from the eyes to the throat.

One of the best-known and most fully equipped of such facilities is the federally funded Maxillofacial Prosthesis Center at the Veterans Administration Hospital at Elsmere.

Established in 1973 under a VA appropriation, the clinic has served some 200 patients—both veterans and nonveterans. Although the program and the processes originally were developed for the drastically defaced war veterans, more than 50 percent of the VA clinic's patients are cancer victims.

Through life-saving surgery, they have lost ears, noses, cheeks, chins, jawbones, portions of the neck.

In most cases, especially the older patient, skin-grafting is unfeasible or, at best, not cosmetically comforting.

On the other hand, these scars—though they may not be functionally disastrous—go much deeper than vanity.

They are the difference between social acceptability and, frankly, repulsive deformity. No patient is referred merely for cosmetic correction.

Dr. James W. Schweiger, who heads the VA maxillofacial facility, is a self-styled "Iowa farm boy who got sick of mending fences and milking cows. All I wanted to do was get off the farm." He was born at Osage, Iowa, in 1929.

Too young for World War II, Schweiger took his undergraduate work at Loras College, Dubuque, Iowa, and got his doctor's degree in dentistry from the University of Iowa in 1954. He served in the Army Dental Corps from 1954 to 1956, then returned to the University of Iowa and got his master's degree in 1957.

But Schweiger did little general dentistry because for the next 14 years he was teaching and researching at the University of Iowa Dental School where from 1960 he was deeply involved in maxillofacial prosthodontics.

He says the VA facility at Elsmere was "designed by a dream I had back in the '60s at the University of Iowa" where he became head of maxillofacial prosthodontics.

In 1970 the Iowan came east to head the division of dentistry, department of otolaryngology at Thomas Jefferson Hospital in Philadelphia.

Already he was recognized as the world authority on the cleft palate, the one area in maxillofacial prosthodontics in which patients are primarily infants.

The prosthodontist, whose specialty is designing dentures to closely simulate the patient's natural teeth and gums, is singularly skilled and trained in the fine art of producing maxillofacial prostheses.

The concept and the techniques now being used at the Elsmere center and others throughout the country are by no means new.

"It started during World War II," says Schweiger.

The motivation was the influx of wounded men with mangled faces coming into the army and veterans hospitals. Arms and legs could be amputated and replaced with artificial limbs. But what could be done about a face partially shot away?

"Then during the 50s," says Schweiger, "surgeons working in cancer rehabilitation" saw the need for facial restoration.

The center's director explains that the psychological effect of losing a nose, an ear, a chin, a cheek is devastating.

Instead of being thankful they're alive, the victims withdraw from life. They refuse to go out in public, won't return to or look for a job. The aftermath also can mean the breakup of a marriage.

In some instances, Schweiger says, it can work in reverse. For that reason the clinic is most careful in selecting patients.

Some men—women, too—say their spouses won't tolerate a prosthesis. This creates trauma, tension and even hostility on both sides.

This is where psychological counselors and consultants join the maxillofacial prosthodontic team of surgeon, dentist, plastic surgeon, technician, artist and scientist.

Their relationship with the patient is extremely intimate and human.

"Our goal is to please the patient—and the patient's family," Schweiger says.

Although the work is done behind the scenes and much of the matching by computer, the scientists who produce and continually improve on materials used in making prostheses are vital members of the face-rebuilding team.

Dr. John F. Lontz, retired Du Pont Co. biomedical engineering director, is head of the research laboratory of the VA's maxillofacial unit.

One of the four major materials used are the silicones—the most widely utilized for all medical and surgical implants and devices.

Lontz says "our goal is NOT to completely match the tissues. We want to replace in this matching and make it more skinlike.

In order to achieve this, he adds, "we have to formulate or readjust medical-surgical grades of silicone so that they not only resemble but FEEL like an earlobe, a nose, a cheek or the tissue under the eyes.

When the outside restoration goes up under the eyes, the prosthesis should react to the internal moving of muscles with a smile or a grimace, he explains.

But it is not enough that the patient should be able to smile—or grimace. Good speech also is important and, when damage to the external respiratory organs is extensive, it may require using artificial components to cover up breathing passages and limit breathing through usual canals or nostrils.

"It is essentially a cosmetic job," says Lontz. "We could do it with clay, gypsum, wood. But we are trying to duplicate the skin—to get good adhesion that is not irritating and the right colors or pigments."

The finished prosthesis should be sun-resistant, fast-resistant (fade-proof) comfortable, long lasting, nontoxic and tested against allergy. In addition to silicones, sythentic rubbers, dacron, nylon and Teflon are used.

The technician-artists match sunburns and suntans, facial hairs and vein colorations and outlines.

"It's a team concept," says Lontz. "Prosthetic 'surgery' fills in the gaps" not reached by surgery or plastic surgery.

"After a series of plastic-surgical operations, complemented by prosthetics, eventually there may be only a small amount of artificial facial area. Of course with older people, after cancer, this isn't feasible," says Lontz.

Still the work being done at the maxillofacial prosthesis center has turned night into day for the many who have come there for help and found it.

They no longer are "the night people."

MIKE TURNS HIS NEW FACE TO THE FUTURE

(By Betty Burroughs)

Hard-hitting, oil-drilling Texan Mike Webb had been in Vietnam less than 3 months when in May 1971, on reconnaissance, grenades riddled the tank he was driving.

"It was a daily thing. We'd been hit before many times. But this time the RPGs (armored grenades) really got me," he says.

His three companions below hollered;

"Get us out of here quick, Mike!"

"Can't" said Mike.

"Why?" his buddies screamed.

"My head's shot off," Webb remembers saying.

"Then they must have looked up and seen me because one of them groaned, 'Oh, no. Mike, my God!" That's when I put my hand up to feel if my head really was shot off. Then I must have pulled on the brakes.

"I don't remember nothing else until 2 months later when the plane was landing that brought me back to the States," says the 26-year-old veteran from Crosby, Tex. Webb had his "shot off" face rebuilt at the Maxillofacial Prosthodontics center at the VA Hospital at Elsmere last November-December, and returned April 29 for additional surgical and prosthetic work.

The restoration of Mike's shattered face is perhaps the most extensive of any patient treated at the clinic since it opened in 1973.

Mike was instantly blinded in the grenade blast, although he recalls "driving for a few minutes after we were hit—deeper into enemy territory."

He lost both eyes, his nose and most of his right side of his face. The roof of his mouth also was damaged and his "jaw busted." But his teeth were intact.

"Just chipped a little," he says brightly as he savors a cigaret and pulls a little ventriloquism on Bill Burger, his prosthodontist.

"I've always done it (ventriloquism), but I can do it much better now," says Webb, proving it with a falsetto voice that seems to come from someone in a box a block away.

Although he can't see the reactions of his victims. Mike gets a big charge out of baffling doctor, dentist, waitress, fellow patients and passengers on elevators with a small detached voice bearing no resemblance to his natural baritone.

His speech and hearing were spared in the tragic incident. In fact, Michael B. Webb probably is the most personable, glib and entertaining patient on the clinic's roll.

Consequently, he is a favorite with the center and hospital staff and a veritable tonic to the wards.

Webb intercepted being drafted by volunteering Army duty. He was stationed in Germany for a year before being shipped to Nam in February 1971.

A high school dropout, Mike worked in the oil fields in Texas and Louisiana for several years before joining the Army.

"It was hard work but it was lots of fun—and good pay, too," he says.

He did both on-land and off-shore drilling and says his experience with the heavy rigging served him well as a tank driver. It takes muscle and know-how to man and maintain an army tank.

While not the epitome of the tall Texan, Mike's 5-foot-9-inch frame carried 180 muscular pounds when he was in Vietnam. He's down to 155 now.

For Webb, the Elsmere VA Hospital is a second home. He celebrated last Christmas with his new face there and as a guest at homes of clinic staffers.

"My surgeon (Dr. W. Hayman) Bill Behringer had me at his house and we went out and had a few rounds of drinks," Mike recalls happily.

When he left in January, Webb went back home to Texas for a brief visit then on to the Palo Alto, Calif. VA Blind Rehabilitation Center where he learned to use the Optacon. And in 3 weeks' time—April 1–15—he earned his high school diploma.

"I'm more proud of that than anything else," says Webb who also is gung-ho about the Optacon, a new raised-image camera device that enables the blind to read print and "see" pictures through touch.

For the last 4 years, Mike has been in and out of VA hospitals and blind centers—from Texas to California, Illinois and Delaware.

He learned braille, typing, how to use the white cane, mobility, etc. at the VA's Hines Blind Center near Chicago, Ill. He figures he has about another year of hospitalization ahead of him. What then?

"I'm thinking seriously of going to college," he says, "maybe study to be a social worker, or nursery man. I like working with trees, shrubbery and flowers."

Back home in Crosby, bachelor Webb still rides the range on his horse, Novy. He also has a whippet hound, Lavage—too fast for guide duty—but he may get himself a seeing-eye companion.

Mike loves to fish and hunt (but rarely shoots anything) and has built himself a camp on Day Lake, about 20 miles from Crosby where at present, when on hospital leave, he is living with his sister.

"I'm going to buy some land there and build a ranch house of my own," Webb says.

And that's no tall Texas tale.

Mike Webb may face the future with artificial eyes and nose. But the grit is genuine.

BUSINESS AND THE AGENCY FOR CONSUMER PROTECTION LEGISLATION

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. HORTON. Mr. Speaker, I know many of my colleagues are receiving mail from business constituents raising questions about legislation to establish an Agency for Consumer Protection. To help respond to this mail, I am inserting in the RECORD questions typically asked by businessmen and answers which are based upon the provisions of my bill, H.R. 7575. I am also including a detailed discussion of the so-called labor exemption:

RESPONSES TO BUSINESS CONCERNS ABOUT AGENCY FOR CONSUMER PROTECTION LEGISLATION

Why not improve existing agencies rather than create a new bureaucracy?

Our regulatory system is built to allow interested persons to present facts and arguments to Federal decisionmakers, and thereby to influence the decisions. Just as business insists upon independent representation, consumers desire and need a comparable ability to advocate their interests. Historically, consumers' interests have not been anywhere near as well represented as business interests. By developing a greater parity between the representation of business and consumer interests, we will be obtaining fairer, more reasoned decisions from Federal regulatory agencies. Our existing regulatory agencies certainly need to be improved; but that is no substitute for giving consumers the same ability to influence decisions as is now enjoyed by business.

How can anyone define the consumer interest?

The ACP does not have to determine what is "*the* consumer interest". Its function is to present facts and arguments to Federal decisionmakers about how various decisions would affect consumers. In some cases, it may present a single point of view; in others it will present several different consumer interests. Of course, there will be situations in which the consumer interest is negligible or confused, and then it may not become involved at all. In this regard, it is no different than any other organization which represents a broad spectrum of interests, such as the Chamber of Commerce or the National Association of Manufacturers.

Will the ACP regulate business?

No. The ACP would have absolutely no power to regulate business or to impose fines or to grant or deny licenses or to make rules and regulations affecting business operations. It would serve simply as an advocate for consumer interests, having approximately the same rights available to other interest advocates.

Would the ACP result in more costs for business?

Of course, the ACP in some instances may argue for business practices which are more costly, such as to require changes which protect the health and safety of consumers. But such ACP activities will do much to improve the marketplace and ban the types of business practices which damage the reputation of legitimate business. There are only two other ways in which the ACP could result in greater costs to a business. First, a business may incur additional costs in responding to ACP requests for information. Second, a business involved in a Federal agency proceeding in which the ACP is a party might have to expend more resources to counter the arguments of the consumer advocate. These latter two instances would result in very minor costs. It should also be recognized that many savings might be expected to result from ACP activities. For instance, the ACP will certainly support efforts to remove unnecessary government regulations which push up the cost of doing business and lowers productivity, thereby increasing consumer prices. For instance, the ACP might very well side with business in opposing unnecessarily stringent environmental controls which simply are too costly. President Ford has cited surveys which show that the average American family spends $2,000 a year to cover the costs resulting from ineffective government regulation. When the ACP saves the consumer money, it will save business money and encourage greater consumer spending for business products.

Would ACP mean more delay and red tape for business?

In some cases, the participation of the ACP may result in more delay simply because it is another party in a proceeding. However, the ACP will be bound by the same procedural rules and time limits which apply to business and other parties in agency proceedings. In some cases, the participation of the ACP may actually speed up proceedings since it will be able to prepare faster for proceedings, and it can be expected as a government agency to refrain from the use of delaying and obstructionistic tactics.

Will the ACP be a second or dual prosecutor in proceedings involving business?

This is a misleading and inflammatory charge. In Federal regulatory activities, procedures permit interested parties to present facts and arguments which they think ought to be taken into account. The ACP would have the same rights as other party in a proceeding, whether it be an individual company or business association or another Federal agency. Where the regulatory agency is considering what fine or forfeiture to impose, the bill provides that the ACP may not be a party, but only file briefs as an amicus.

Can the ACP undo every Federal decision by going to court?

No. The ACP has no right to appeal an agency decision unless current law already grants an aggrieved person the right to go to court and the ACP can show that the interests it represents have been aggrieved under existing law. In other words, the ACP has only those rights afforded others by current law to ask a court to review an agency decision. See the special section "Judicial Review Provisions in the Agency for Consumer Protection Legislation".

Does the ACP have unique powers to be a super agency?

The ACP has no unique powers, only a unique mission, that of advocating the consumer interest. Its powers to intervene and to seek judicial review are not unlike those of the Department of Agriculture, the General Services Administration, and the Department of Justice. Its authority to advocate a particular interest is not unlike that of the Department of Commerce, the Small Business Administration, the Department of Housing and Urban Development, the Department of Transportation, et cetera. What is unique to the ACP is its responsibility to speak out for the interests of consumers, a role no other agency of government has.

Would ACP harass business with "fishing expeditions"?

ACP is given limited power to gather consumer-related information by sending interrogatories (i.e., questionnaires) to those engaged in business activities which substantially affect consumers' interests. Business can challenge these requests in court and they will be enforced only if ACP can show that they seek information that substantially affects consumer health or safety or which is necessary to discover consumer fraud or substantial economic injury to consumers. They will not be enforced if the recipient shows that they are excessively burdensome. Moreover, ACP cannot use this power if the information is already available publicly or from another agency or if the information obtained is intended for use in a proceeding. ACP has no subpoena power. However, it does have the same right as any other party in an agency proceeding, including any business, under the Administrative Procedure Act to ask a host agency to issue a subpoena.

Is labor exempt from ACP intervention?

No. The ACP could involve itself in activities of the Federal government affecting labor. The so-called "labor exemption" is really a provision which continues current Federal policy of prohibiting Federal intervention in labor-management negotiations. In other words, no Federal agency now can dictate terms in labor-management negotiations, and none will be able to after the ACP is established. See the special section "The Agency for Consumer Protection and Labor-Management Relations—The 'Labor Exemption'".

Could the ACP disclose trade secrets?

All Federal employees, including those of the ACP, are prohibited from unauthorized disclosure of trade secrets and are subject to criminal penalties if they do so. Where a business has given trade secret information to a Federal agency and that information is transmitted to the ACP, the Federal agency which first received the information from the business has the right to tell the ACP whether or not the information may be released.

Can the ACP intervene in informal Government-business discussions?

No. Businessmen will still be able to discuss matters confidentially and informally with Federal agencies without a representative of the ACP being there.

What are the costs of the ACP?

Last year the House Government Operations Committee estimated the annual costs of the ACP would be $10 million. The Senate bill authorizes first year appropriations of $15 million. By way of comparison, the National Chamber of Commerce last year had a budget of $17 million, and of course, it is just one of a great number of well-financed groups representing business interests here in Washington. Also by way of comparison, the Department of Commerce budget request for FY 76 is $1738 million and the Small Business Administration budget request is $289 million. Of course, there are numerous other agencies which in one way or another support American business, such as the Department of Agriculture, the Department of Transportation, and the Department of Housing and Urban Development, etc. With Federal regulations costing approximately $130 billion a year according to the President, it is certainly possible that the ACP, in arguing for less governmental regulation and lower costs to consumers, will more than repay its minor cost.

What possible advantages are there for business in supporting an agency for consumer protection?

First, the ACP will help both consumers and business when arguing for lower consumer costs and the abolishment of unnecessary regulation. Second, the ACP will be better informed, more objective, and better prepared to participate in regulatory proceedings than are private consumer groups and should help speed up regulatory proceedings. Third, the ACP, no doubt, will improve the business climate. As Business Week said in its editorial in support of this legislation:

"A consumer agency could improve the level of debate between business and consumerists by putting a sharp focus on the charges the consumer groups now feel free to make, it could show business where its real problems are and by equalizing the balance between well-financed, well-organized business groups and the often disorganized consumer spokesman, it could help restore public confidence in the regulatory process."

Legitimate business has nothing to fear from this legislation, only much to gain.

Do any companies support the ACP legislation?

A large number of business firms and business leaders have voiced their support for the legislation. The list includes such major companies as Montgomery Ward, Mobil Oil, Zenith, Atlantic-Richfield, Gulf & Western, Polaroid, the Dreyfuss Corporation, Connecticut General Life Insurance, Cummins Engine, Stop and Shop, Phillips-Van Heusen, and many others both large and small.

THE AGENCY FOR CONSUMER PROTECTION AND LABOR-MANAGEMENT RELATIONS—THE "LABOR EXEMPTION"

One provision in the agency for Consumer Protection bill which has attracted considerable attention states that the ACP cannot intervene in labor-management disputes before the National Labor Relations Board (NLRB) and the National Mediation and Conciliation Service (NMCS). This provision has been misrepresented as a "labor exemption". In fact, this provision was suggested by business interests to clarify that the ACP Act would not change existing law or the existing principle that government not intervene in labor-management negotiations.

During the last 40 years it has been acknowledged that labor-management bargaining would not work effectively unless the parties were left to negotiate without outside interference. Under existing law, the NLRB and the NMCS—the only two Federal agencies which even touch on the bargaining process—may not determine or dictate in any way, shape or form the parties' demands or the terms of their settlement. Therefore, it would be contrary to existing law to permit the ACP to interject consumer issues into the proceedings of these two agencies.

In other words, this provision only continues the existing principle of law which disallows government involvement in labor-management negotiations. It does not prohibit in any way the ACP from involving itself in any other Federal activity involving labor and consumer interests.

The following is a discussion of why the ACP could not intervene in NLRB and NMCS proceedings under existing law.

NATIONAL LABOR RELATIONS BOARD

The National Labor Relations Board under its law cannot consider any factors relating to economic or consumer-type issues, nor can it dictate any contract terms dealing with such issues. The Board was created to protect employees' rights to select bargaining representatives and to bargain collectively. Beyond that, the NLRB does not have the authority to affect the terms of the bargaining process.

From its creation in 1935 through 1940, the NLRB had a Division of Economic Research which prepared economic data for use by the Board. When the Congress learned of this fact in 1940, it specifically abolished the Division. (See Senate Minority Report No. 105, pt. 2, 80th Cong., 1st Sess., p. 33). Senator Taft and Congressman Hartley were so intent on assuring that the Board would not consider potential economic consequences, that in 1947 they added to Section 4 the proviso that "Nothing in this Act shall be construed to authorize the Board to appoint individuals for the purpose of . . . economic analysis." The point that under our present national labor policy the ACP has no place in NLRB or NMCS proceedings could not be more forcefully put.

Similarly, the Supreme Court has held that the Board may not intervene in the process or dictate any of the substantive terms (including the economic impact on consumers) of collective bargain agreements. Justice Black, speaking for the Court in *Porter* v. *NLRB*, 397 U.S. 99, 106, 107–108 (1970), had this to say about the Board's role:

"It is clear that the Board may not, either directly or indirectly compel concessions or otherwise sit in judgment upon the substantive terms of collective bargaining agreements . . . and that Sec. 8(d) (in particular) was an attempt by Congress to prevent the Board from controlling the settling of the terms of collective bargaining agreements. . . . It is implicit in the entire structure of the Act that the Board acts to oversee and referee the process of collective bargaining, leaving the results of the contest to the bargaining strengths of the parties."

In *National Woodwork Manufacturers Association* v. *NLRB*, 386 U.S. 612 (1967), the Supreme Court was presented with the issue of whether a strike by carpenters to protest their employer's decision to purchase prefabricated doors, instead of permitting them to cut the doors themselves, was a prohibited secondary union activity. As to the relevance of economic considerations in arriving at this determination, the Supreme Court stressed:

"The Woodwork Manufacturers Association and *amici* who support its position advance several reasons, grounded in economic and technological factors, why 'will not handle' clauses should be invalid in all circumstances. Those arguments are addressed to the wrong branch of government. It may be that 'the time has come for a reevaluation of the basic content of collective bargaining as contemplated by the federal legislation. But that is for Congress. Congress has demonstrated its capacity to adjust the Nation's labor legislation to what, in its legislative judgment, constitutes the statutory pattern appropriate to the developing state of labor relations in the country. Major revisions of the basic statute were enacted in 1947 and 1959. To be sure, then, Congress might be of opinion that greater stress should be put on . . . eliminating more and more economic weapons from the . . . (Union's) grasp. . . . But Congress' policy has not yet moved to this point. . . .' *Labor Board* v. *Insurance Agents' International Union*, 361 U.S. 477, 500." 386 U.S. at 644 (1967).

Thus, while there can be no doubt that the activities of unions do from time to time "impede the flow of goods in interstate commerce" or temporarily "impair the operations of an instrumentality of commerce", as found by the Congress in section 1 of the National Labor Relations Act (29 U.S.C. 151), the Congress did not confer responsibility or authority upon the NLRB to evaluate economic public health, safety or welfare considerations of labor-management controversies as has been suggested by certain opponents of the ACP. In fact, any casual student of the legislative process readily recognizes that this language in section 1 dealing with issues of consumer interest was inserted in the National Labor Relations Act as a means of bringing it within the scope of the interstate commerce clause of the United States Constitution.

In order to provide relief to the general public in emergencies when a strike might threaten the public health, safety or welfare, the Congress conferred authority upon the President to impose what are commonly called Taft-Hartley injunctions. 29 U.S.C. § 176 et seq. By exempting NLRB proceedings from ACP intervention, the Congress would not be prohibiting that agency from calling upon the President to issue such an injunction. The important point is quite simply that the NLRB is not empowered to consider the effects of its actions upon the general consuming public.

Since Congress and the Supreme Court have determined that the National Labor Relations Board is not to assess the "substantive terms of collective bargaining agreement", it would be contrary to existing law to empower the ACP to intervene before the Board to argue issues which are outside the scope of the Board's jurisdiction.

NATIONAL MEDIATION AND CONCILIATION SERVICE

Similarly, there is no role for the ACP to serve before the National Mediation and Conciliation Service which was created simply to offer mediation services to parties in labor disputes to help them resolve their disagreements peacefully. The NMCS cannot

impose its services upon unwilling parties nor can it dictate the outcome of the negotiations. It is contrary to the concept of mediation to permit a mediator to consider any interests other than those of the parties. The NMCS simply would not be asked to mediate if it were otherwise. Thus, there is no proper intervening role for the ACP in NMCS activities.

SUMMARY

Historically, the Congress has studiously followed a policy of non-interference with free, give-and-take collective bargaining. While some people may believe that the time has come to modify this policy, the place to do so is not in the Agency for Consumer Protection bill.

OPPOSITION TO PROPOSED BAN ON HANDGUN AMMUNITION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ASHBROOK. Mr. Speaker, I recently wrote to the Consumer Protection Safety Commission expressing strong opposition to a proposed ban on handgun ammunition.

In my letter I stated that the proposed ban was repugnant to the principles of liberty upon which our Nation was founded. It is an injustice to penalize the millions of law-abiding handgun and rifle owners because of criminal acts by a small minority of the population.

I have now received a reply to my letter. For the information of my colleagues and my constituents, following is the text of my letter to the Consumer Product Safety Commission and the agency's response:

CONGRESS OF THE UNITED STATES,
Washington, D.C., April 21, 1975.

Mr. RICHARD O. SIMPSON,
Chairman, Consumer Product Safety Commission, Washington, D.C.

DEAR CHAIRMAN SIMPSON: Pursuant to your February 14, 1975 notice in the Federal Register, I am writing in regard to the proposal of a misguided and misinformed group who suggest a ban on the public sale of ammunition for handguns and rifle ammunition that could be used in handguns.

I am writing not only on my behalf but on behalf of thousands of constituents, an estimated 40 million handgun owners throughout the United States and at least another 40 million owners of rifles using ammunition that could be used in handguns.

The proposed ammunition ban raises serious constitutional problems. As you know, the Second Amendment guarantees the right to keep and bear arms without reference to type or classification.

The due process clause of the Fifth Amendment also presents a formidable barrier. The proposed ban would seek to make useless the handguns of 40 million lawful owners by depriving them of ammunition. This certainly amounts to confiscation without any proceeding bearing even the trappings of due process.

Still more objectionable and repugnant to the Constitution and the basic principles of liberty upon which the nation was founded is the patent injustice of a proposal which, if adopted, would penalize and punish 40 million law-abiding handgun owners and a probable additional 40 million rifle owners who use their arms in their work, in the shooting sports and in defense of their homes and businesses because of the criminal use of such arms by a tiny minority of less than three-tenths of one percent of the total. Such action would smack of the mass punishment procedures of the Nazis in the World War II era when after one of their number had been assaulted by an unknown person they would simply take the next 20 persons to pass by and shoot them against a wall.

This is to say nothing of the loss of employment and business to those who are employed in the lawful manufacture, transport and sale of millions of pounds of ammunition for legal purposes.

To give some idea of the great number of persons who would be penalized, I am attaching a summary of entrance data only for NRA outdoor National Championship Matches from 1951 until 1974. In addition there are hundreds of state and local matches throughout the country. One has only to go to a local range on a weekend to see the numbers participating in the shooting sports.

Only the millions of law-abiding handgun and rifle owners would be penalized by the proposed ban. There are millions of rounds of ammunition in the possession of the public today—enough to last the criminals for their nefarious purposes for years. When that is gone they would only have to steal a fresh supply from a policeman or from military sources. Meanwhile, the law-abiding citizen would be deprived of his shooting sport and the wherewithal to defend his home and business. The proposed ban would produce only punishment for the innocent.

For the above reasons, I and many of my colleagues are strongly opposed to the proposed ban on ammunition by your Commission.

Sincerely,

JOHN M. ASHBROOK,
Representative to Congress.

U.S. CONSUMER PRODUCT SAFETY COMMISSION,
Washington, D.C., May 28, 1975.

Hon. JOHN M. ASHBROOK,
House of Representatives,
Washington, D.C.

DEAR MR. ASHBROOK: Reference is made to your letter of April 21, expressing your personal opposition, and the opposition of your constituents, to a ban on handgun ammunition presently being considered by the Consumer Product Safety Commission.

The Consumer Product Safety Commission in September, 1974 denied a petition from the Committee for Hand Gun Control, Inc. to ban the sale of handgun ammunition to the general public. However, in December 1974, Federal District Court Judge Thomas A. Flannery overruled the decision, ordering the Commission to consider the petition on its merits. To comply with the court's order the Commission on February 14, 1975, published the petition in the Federal Register and solicited relevant written comments from all interested persons and groups for a period of 60 days, ending April 14, 1975. The Commission will, of course, take no substantive position on the merits of any handgun ammunition ban until it has reviewed all of the evidence submitted.

It may be of interest to you that the Commission has submitted to the Congress proposed amendments to the Consumer Product Safety Act, one of which would remove ammunition from the jurisdiction of the Commission under the Federal Hazardous Substances Act. These amendments have been introduced as H.R. 5361 and S. 1000, and are currently pending before the House Interstate and Foreign Commerce Committee and the Senate Commerce Committee respectively.

For your further information and interest, I am enclosing a copy of our Background Paper on Hand Gun Ammunition.

I hope this information is helpful. Please contact us if we may be of further assistance.

Sincerely,

THOMAS A. MCKAY,
Director of Congressional Relations.

Enclosure.

BACKGROUND PAPER ON HANDGUN AMMUNITION

The Consumer Product Safety Commission administers five acts, including the Federal Hazardous Substances Act (15 U.S.C. § 1261 et seq.). That act gives the Commission the authority to require cautionary labeling on those products deemed to present a hazard to human health. The act also provides for the banning of any product so hazardous that any type of labeling would be insufficient to reduce the hazard.

Prior to May 14, 1973, the Federal Hazardous Substances Act (FHSA) was administered by the Secretary of Health, Education and Welfare. In 1961, the Secretary interpreted the provisions of the FHSA to include small-arms ammunition as a hazardous substance, and modified the labeling requirement for such ammunition under the Act.

In June 1974, the Committee for Hand Gun Control, Inc. petitioned the Consumer Product Safety Commission "[t]or the adoption of a rule banning the sale of bullets for hand guns." That petition contained a specific request that the sale of hand gun bullets to the following individuals and organizations be exempted from such a rule; "a) police, b) licensed security guards, c) the military, and d) licensed pistol clubs." In the petition, the Committee for Hand Gun Control, Inc. requested that the Commission make a "finding" that hand gun bullets are "hazardous substances" under the Federal Hazardous Substances Act.

The Consumer Product Safety Commission decided in September 1974 to deny the petition. The Commission determined that "a hand-gun bullet falls within the literal meaning of the definition of a 'hazardous substance' under the Federal Hazardous Substances Act, and as such, all FHSA regulatory remedies are available to the Commission. Nevertheless, the Commission does not believe that Congress, in establishing the FHSA, *intended* to confer upon the Commission the authority to ban hand-gun bullets as requested by and for the reasons cited by the petitioner. This belief is based upon a careful review of the provisions of the Federal Hazardous Substances Act and its legislative history. The practical effect of the requested ban on hand-gun bullets, if successful, would be a virtual ban of hand-guns. There is clearly no authority under any act which the Commission administers to regulate hand-guns."

On December 19, 1974, Federal District Court Judge Thomas A. Flannery overruled this decision and held that, within 60 days, the Commission must commence consideration of the petition on its merits (*Committee for Hand Gun Control, Inc. v. Consumer Product Safety Commission, et al.*, Civil Action No. 74–1387 (D.D.C.)).

To comply with the decision and order of the court, the Commission, on February 14, 1975, published the petition in the *Federal Register* and solicited relevant written comments from all interested persons and groups for a period of 60 days. The Commission will, of course, take no substantive position on the merits of any handgun ammunition ban until it has reviewed all of the evidence submitted.

Subsequent to Judge Flannery's December 19 ruling, Congressman John D. Dingell of Michigan, Senator Ted Stevens of Alaska, and the National Rifle Association, filed motions with the court seeking to intervene as parties to the action. The Consumer Product Safety Commission did not file papers concerning these motions. Additional motions filed by the three parties included those which would have had the court vacate the order that the Commission undertake a consideration of the merits of the petition. The motions to intervene were denied on February 14, 1975, by Judge Flannery. The motions to vacate were not considered since the intervention was denied.

Concerning the Consumer Product Safety Commission jurisdiction over ammunition, the National Rifle Association, on February 25, 1975, submitted a document to the Commission requesting the Commission to "terminate the administrative proceedings relative to the petition of the Committee for Hand Gun Controls, Inc.; "rule that"... the regulation promulgated in 1961 by the Food and Drug Administration requiring certain cautionary labeling for ammunition is null and void for lack of statutory jurisdiction;" and rescind the February 14, 1975 *Federal Register* notice soliciting public comments on the petition to ban handgun ammunition.

In view of the far reaching impact of this issue, and the controversy with regard to the intent of the Congress, the Consumer Product Safety Commission, on March 7, 1975, submitted to the Congress a proposed amendment to the Consumer Product Safety Act which would remove ammunition from the jurisdiction of the Commission under the Federal Hazardous Substances Act. In addition, several bills have been introduced in the Congress to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition. These bills include S. 143, S. 750, S. 1007, H.R. 1087, H.R. 2217, H.R. 2598, H.R. 3194, H.R. 3844, H.R. 3607, H.R. 3633, and H.R. 4200.

The Consumer Product Safety Commission is not conducting a telephone "poll" or "survey" regarding the handgun ammunition issue. The Commission has received thousands of calls in this regard on its toll-free consumer hotline. However, these calls have not been solicited or encouraged by the Commission.

Written comments on the petition should be addressed to the Secretary, Consumer Product Safety Commission, P.O. Box 8137, Washington, D.C. 20024.

THE CONCORDE

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. AMBRO. Mr. Speaker, for several weeks members of the New York delegation have been fighting the proposed landings of the French-British SST, the Concorde at JFK and other major airports in this country. While a multitude of valid reasons opposing the Concorde have been offered, ranging from excessive noise levels to degradation of the ozone layer, now, we are told by Newsday investigative reporter Harry Pearson that the State Department has interfered with a pending decision of the EPA and FAA in the name of foreign policy interests of this country, to permit the landing of the SST.

I draw my colleagues' attention to the following article carried by Newsday. It is readily apparent that this is a hard news story, and certainly, if the statements which appear in the article are correct, then there is unquestionably a constitutional breach which should be investigated, for both criminality and abrogation of separation of powers.

The article follows:

STATE DEPT. AND SECURITY COUNCIL PRESS FOR SST LANDINGS IN U.S.

(By Harry Pearson)

The State Department and the National Security Council have pressured federal and state regulatory agencies in an effort to insure regular flights of the British-French SST, the Concorde, into the U.S.

In pushing for the supersonic transport, the department and the security council have cited secret assurances from the Nixon administration to the governments of Britain and France that it would not rule out approval for the Concorde to land at American airports. The State Department has repeatedly told New York State officials that banning the Concorde from Kennedy Airport would be "contrary to the foreign-policy interests of the United States."

The pressure has been applied to those federal and state agencies now drafting regulations that would determine whether the Concorde will use American airports. The economic future of the British-French aircraft, which has cost the two governments more than a billion dollars to develop, depends on access to American airports.

If such approval is granted, by 1978 there would be 17 landings of the Concorde a day at Kennedy Airport, six at Anchorage, four at Miami, three at Los Angeles, two at Boston, and one at Dulles International in Virginia, according to information submitted to federal agencies by British Aircraft, one of the plane's manufacturers. Critics of the plane say it should be banned from the United States because it is noisier than conventional aircraft and because pollution from regular flights would strip the protective layer of ozone from the atmosphere.

Pressures were applied in several areas:

Representatives of the National Security Council and the State Department met with officials of the federal Environmental Protection Agency in an effort to persuade EPA to propose noise regulations favorable to Concorde landings in the U.S. EPA's subsequent noise proposals, not yet law, were favorable to the Concorde, whose noise levels have caused considerable controversy.

Two key assistants to Secretary of State Henry Kissinger have written at least three letters to state officials in New York and New Jersey in an effort to keep the Concorde from being banned at Kennedy Airport. Interference in local affairs by the State Department is considered highly unusual, a State Department spokesman said. Similarly, EPA sources said the agency had never before had to deal with the National Security Council in considering questions of policy.

Two former administrators of the Federal Aviation Administration and the former American ambassador to France gave verbal assurances to the British and French that the plane would be allowed to land in the U.S. In fact, Richard Nixon himself wrote a letter to British and French leaders promising White House support for Concorde landings in the United States.

The reason for the pressure, several high-level sources in the FAA and EPA theorize, is that the Ford administration wishes to revive development of an American SST, a project that would require federal funding. If the Concorde is allowed to land at U.S. airports, according to their theory, it would drain first-class fares from American carriers, thus forcing them to buy the $100 million British-French planes. Theoretically, that would increase pressure from airlines and the aerospace industry for an American plane to meet the foreign competition.

The FAA's now about six weeks away from its decision on whether to grant permission for daily Concorde landings at Kennedy and Dulles. The FAA's assessment of the plane's impact on the environment, which the agency has declared to be minimal, was found so deficient by the federal Council on Environmental Quality that, a source close to the council says, "it appears to us that foreign-policy considerations had an undue effect on the FAA's thinking."

Roger Strelow, the No. 3 man in the EPA (he is assistant administrator for air and waste management), testified before a House subcommittee that his agency had been influenced by foreign-policy considerations in drafting a set of SST noise proposals that would allow the Concorde to land in the United States.

Strelow said: ". . . At the time we came on the scene, there had already been a fair amount of commitment, and, as I say, some degree of government assurances, at least executive branch assurances or statements, that would not absolutely preclude U.S. operations [of the Concorde]."

". . . It would have been much better had the issue of subsonic noise levels [generated by Concorde] been addressed far earlier than it has been," he added, "and the public could have made that decision at a point that the rules would have been clear to anyone who was considering investment [in an SST]. Certainy it is the case that the manufacturers . . . have assumed that they would at least have some ability to operate in the U.S. and have certainly made claims that [such flights]were really vital to the success of their [Concorde construction] program."

Strelow, in an interview last week, said, "There were discussions preceding our [noise] proposal in which the foreign-affairs community made us aware of their concern. These discussions included people from the State Department and the National Security Council. They said, in effect, 'We don't feel we ought to impose any restrictions [on Concorde flights].' They wanted us to be aware there was some history of high-level assurances that they [the British and French] would be treated fairly.

"There was mention made by the guy from the National Security Council of a specific letter from Nixon to the heads of state in England and France. It can be construed as an assurance from Nixon to them that the plane would be allowed to land in this country. I don't believe I've ever seen the actual text itself, which said, in effect, you can be assured we will treat this airplane on a fair and equitable basis."

There is evidence that some sort of assurances were given to the British and French when both governments were having second thoughts about whether to continue subsidizing construction of the controversial airplane.

John Shaffer went to London to meet with British officials in April, 1971, while he was FAA administrator, just after Congress had rejected a Nixon administration attempt to use federal funds in building a U.S. SST. Shaffer told the British that the Concorde "is not likely to be banned from the U.S. because of its take-off noise."

Shaffer, who now runs his own trucking firm in Maryland, confirmed last week that he had indeed told the British that. At first, Shaffer, an advocate of the Concorde, said he made the remarks as a private citizen. Later in the interview, he said he had spoken as FAA administrator.

Alexander Butterfield, who succeeded Shaffer as FAA administrator under Nixon, said in a speech two years later at the international air show in Paris: "There is no desire on the part of the U.S. government to hamper commercial exchange. We are opposed to discriminatory legislation. There are no noise rules applicable to SSTs, and there are no federal regulations that prohibit Con-

corde from flying into the U.S.A." In fact, no federal regulations of the Concorde's large noise and air-pollution levels were proposed until this year.

In January, 1973, Nixon wrote a letter to former British Prime Minister Edward Heath and the late French President Georges Pompidou saying he would do all he could to insure that the Concorde would not be discriminated against in America. Several U.S. government sources who said they have seen the letter said Nixon included a disclaimer, noting that the executive branch could not set noise levels and other environmental standards. The Environmental Defense Fund, the public-interest law firm that specializes in environmental problems, requested a copy of the letter from the White House last month, citing the Freedom of Information law. The White House refused.

Two State Department officials, Roger F. Ingersoll, Kissinger's deputy administrator, and James Lowenstein, deputy assistant secretary for European affairs, have written to state officials in New York and New Jersey to keep the governor of either state from banning Concorde landings at Kennedy Airport. Lawyers for the Port Authority of New York and New Jersey, which operates the airport, say that either governor could stop the Concorde landings by vetoing any Port Authority decision to allow them.

The April 4 letter from the State Department's Lowenstein was addressed to Ogden Reid, New York's commissioner of environmental conservation and a critic of the Concorde. Lowenstein wrote:

"The Concorde project represents a very considerable investment of public funds in both sponsoring countries in a high technology undertaking that gives rise to intense interest for financial and prestige reasons. Consequently, the project is followed closely at the prime minister and presidential level in both London and Paris, and the denial of admission of the Concorde would be interpreted by the British and French governments as a blow to the aerospace industry in those countries.

"As you know, the sponsors of the Concorde are increasingly concerned that even though the aircraft may meet the current noise regulations in effect at Kennedy Airport, those regulations might be altered specifically to exclude it. Any discriminatory action against the Concorde by the operators of Kennedy Airport would adversely affect our relations with two important allies and be contrary to the foreign policy interests of the United States."

Governors Brendan Byrne and Hugh Carey received letters from Kissinger's deputy, Ingersoll, shortly afterward. A spokesman for Byrne would not disclose the contents, but said the letter "makes the point that a negative decision on the Concorde might have some effects on our exports of civil aircraft." Carey's office would not release the text of Ingersoll's letter.

PRESIDENT MEANY SPEAKS OUT FOR THE UNEMPLOYED

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ZABLOCKI. Mr. Speaker, the Labor Department on June 6, 1975, reported that the Nation's unemployment rate reached 9.2 percent in May, the highest rate since 9.9 percent in 1941. This means that 8.5 million Americans are now out of jobs. They need to be put back to work in order to increase the productivity and the resources of the United States and to provide for their own personal and family needs.

George Meany, president of the AFL–CIO knows how important these recent unemployment figures are, and their effect upon the American worker. Mr. Meany recently pointed out:

There is a very, very important figure in the unemployment statistics that come out of every month that we watch very, very carefully, because to us it is the key figure—that's the head of households. . . . I don't think these people in the White House running this show realize what it "means to be the head of family trying to send kids to school, trying to pay off interest on a mortgage, trying to pay taxes and trying to keep a roof over the head of his family, clothe and feed them. I don't think they realize what it means for that fellow to be completely out of work, without a job, and actually as time goes on without any hope for the future."

In remarks made at the luncheon opening of the AFL–CIO Union Industries Show in Milwaukee, Wis., last Friday, Mr. Meany called on the President to better understand the "economic mess that we have in this country." Mr. Meany astutely pointed out that the Congress does not work for the President; Congress works for the people. Congress should not accept the administration's economic policy of continued high unemployment; Congress should continue to work first for the people and not for partisan interests.

Mr. Speaker, I am pleased to share Mr. Meany's June 6 speech and press conference in Milwaukee with you and the other Members of Congress:

TRANSCRIPT OF A JUNE 6, 1975 ADDRESS BY AFL–CIO PRESIDENT GEORGE MEANY

I can repeat what most of the other speakers have said and tell you very frankly, I'm happy to be here. At my age I'm happy to be anywhere.

The AFL–CIO Union Industries Show is a joint venture of management, government and labor, along with many private organizations of Americans, devoted to the good of the community. It's a demonstration of teamwork on the part of government and business and labor. It highlights the skills of the American worker, as well as the resourcefulness and ingenuity of American management. It outlines to the American people the part played by various government agencies whose activities and duties make their contribution to the American economic system.

This year we will have booths highlighting the work of our various national organizations in the field of community services. This show is, indeed, unique in the exhibition business. Under one roof we have, in addition to our industrial and trade union exhibitions, the United States Navy, American Red Cross, Muscular Dystrophy Association, Environmental Protection Agency, National Council on Alcoholism, Customs Service, United States Postal Service, United States Department of Labor, United States Treasury—just to name a few.

To me, this show symbolizes the deep faith we all feel in our American free enterprise system. Despite our diverse interest, despite the disagreements we have from time to time, there is, in my opinion—based on many, many years of experience—a deep devotion in this nation to what we have developed over the last 200 years.

We have our problems, as we have today. We may have our sharp differences of opinion as to how we best solve our problems. But we know deep down that, while our system may not be perfect, it is the best system ever devised by the mind of man.

The theme of this show is very simply: "Progress Through Cooperation." And this is an idea that should hopefully be transmitted to Washington, with the hope that our governing officials, the Administration and the Congress, might put aside their political bickering and in-fighting and cooperate to bring about an end to the economic mess that this nation now finds itself in by very, very simply putting our people back to work.

I noticed that my good friend, John Dunlop, in his opening remarks said something about the economy at the present not doing very well. Well, I think that's an understatement. He also said that the decline that we have had in the last seven or eight months was unexpected by the experts. This gives me the idea it's time to get some new experts in Washington.

I would like to make a suggestion to the President of the United States, and I make it most respectfully. I noticed from the TV, the radio, the newspapers that President Ford does a lot of travelling. He travelled in the last few weeks to visit with the head of the Egyptian government—that great man of peace. Mr. Sadat. And when I saw him embracing the President and proclaiming his devotion to peace, I got a little bit confused. Because I thought he was the fellow that started the Yom Kippur War about a year and several months ago, with the sneak attack on Israel. But, maybe I'm wrong. Maybe it was some other president.

And, then, I see where he is visiting with our English friends, Belgium, France—our NATO allies. And then he went over to see Generalissimo Franco of Spain—that nice old vassal. And, the thought occurred to me that Hitler was born about 40 years too soon.

So, I would like to see the President make a few visits to the real victims of this economic mess that we have in this country.

I'd like to see him go to the unemployment insurance offices, the welfare offices—and stop listening to Arthur Burns—and talk to an unemployed construction worker with seven or eight kids, an unemployed auto worked. Find out what they are doing about their mortgage payments. Find out what they are doing about their taxes. Find out what they are doing about getting food for their families. And, then, look around and see what's happened to unemployment insurance, supplemental unemployment insurance. And, then, look around and see what is happening to our pension funds that are collapsing in a great many places.

Yes, let him visit the real victims of this economic mess and find out what it's all about. Stop listening to Arthur Burns and Greenspan and those people who are not feeling the pinch. Who are saying, very frankly to the American people that a 7½ unemployment rate four years from now is "acceptable."

Well, it may be acceptable to Mr. Greenspan, to Mr. Seidman, to Mr. Arthur Burns, and Bill Simon. It may be acceptable to them but it's not acceptable to the hundreds of thousands of college kids who are without jobs this year. It's not acceptable to our black teenagers in the ghetto who have a 39 percent unemployment rate. It's not acceptable to the construction workers on the automobile workers, who have an unemployment rate to a greater degree than ever before in history.

So, let the President visit these places. Let him find out what the real story of the economic mess is all about. And, then, let's have our government in Washington, along with all other segments of our society, follow the theme of this show—"Progress Through Cooperation."

Cooperation, to me, in this day and age, in this time of trouble, means jobs for the American worker.

Thank you very much.

TRANSCRIPT OF: PRESIDENT GEORGE MEANY'S PRESS CONFERENCE

MEANY. Any questions?

REPORTER. Mr. Meany, do you have any answers to unemployment?

MEANY. Unemployment is going in the direction that we have been saying for sometime. It is up three-tenths of a percent in one month, which means that 360,000 more people were unemployed in May than April.

It is significant that the figures come out a few days after a presidential veto on an emergency employment bill was sustained by a margin of five votes in the House of Representatives. It is also significant that 900,000 jobs would have been provided by that bill. But the President said he vetoed the bill because he felt that it would "overstimulate" the economy to put 900,000 people back to work. In other words the 900,000 jobs were not needed. And now we have 360,000 more jobs than are needed in one month.

I guess these figures represent some kind of a vindication for Arthur Burns because his theory is quite simple—if the unemployment gets high enough, then he'll control inflation. And I'm sure that if everybody is out of work, he'd have a complete victory. We wouldn't have any problem with inflation.

These figures represent 8½ million people officially unemployed. This as against the figure of 4.9 million people officially unemployed in August when Mr. Ford took office. So his Administration has managed to up the unemployment figure 3,600,000 people in a period of just nine months.

This is the officially unemployed. You add to that the 1.1 million people who are discouraged and no longer look for jobs, and you have 9.6 million people unemployed. Add in another 1.8 million more people who usually work full-time but who are partially unemployed, and you get a figure well over 11 million people who are unemployed or underemployed.

There is a very, very important figure in the unemployment statistics that come out every month that we watch very, very carefully, because to us it is the key figure—that's the heads of households. What is the percentage of unemployment among men and women who are not only responsible for themselves, but responsible for a family? In February 1969, when Mr. Arthur Burns took over this economy and started to apply his outmoded economic and fiscal theory, the heads of family unemployment rate was 1.9 percentage. One year ago, 3 percent of these people were unemployed. Today 6.3 percent of the heads of families are unemployed. This figure adds up to, really, disaster.

Now take the blacks, their unemployment seems to be always higher than the whites. Their unemployment percentage is now 14.7 percent. They are up from 9.3 percent a year ago. The average length of unemployment is now 13.4 weeks—the highest in 10 years.

There are 2,600,000 people who have been unemployed more than 15 consecutive weeks at the present time. There are 1 million people unemployed more than six consecutive months at the present time.

The construction workers in this country—the people that we depend upon to build houses; the people we depend upon to build our roads and do the things that this economy needs—their unemployment rate is now 21.8 percent. This is the highest on record.

So this Ford Administration is certainly making some record. The construction rate has more than doubled since a year ago.

There was a housing bill passed yesterday in the House to provide 250,000 jobs. It now goes to the Senate. The House Republicans are openly promising that this bill will be vetoed, because this economy can't stand any more stimulation.

To me, it adds up to a callous, almost inhuman disregard on the part of the national Administration for the misery and the suffering that goes with unemployment.

I don't think these people in the White House running this show realize what it means to be unemployed. I don't think they realize what it means to a head of a family trying to send kids to school, trying to pay off interest on a mortgage, trying to pay taxes and trying to keep a roof over the head of his family, clothe and feed them. I don't think they realize what it means for that fellow to be completely out of work, without a job, and actually as times goes on without any hope for the future.

Now, the projected unemployment, and this is the Administration's own projection, is that we are going to have 7.5 percent unemployed 4 years from now. I happen to think that this country can't stand that sort of unemployment. I don't think the social fabric of this country could stand it. I don't think the cities could stand it. The unemployment rate for black teenagers now is 39.9 percent—practically 40 percent. Now what does this mean to the cities? What does this mean to life in the cities? What does this mean for jobs? What does this mean for additional welfare families?

We have a very simple theory that the government should stimulate the economy—that the government should add to the national debt temporarily in order to get people back to work. Because, in the final analysis, they are not going to lift this problem unless people get back to work. When you get a fellow back to work he starts paying taxes: he ceases to be a burden insofar as welfare and assistance from federal, state and local agencies is concerned. As long as he is unemployed he is not on the tax rolls, he is not bringing any revenue to the federal government, and he actually is a burden.

I think that there has to be a change in national policy, I think the very weight of events is going to compel a change. This idea that there is some kind of political victory every time the President vetoes a bill that would alleviate this misery, and it's sustained on political grounds over in the House or the Senate, that this adds up to a victory. It may be a victory for the President. It may be a victory for Arthur Burns. It may be a victory for the economists who are running this show.

But it certainly is not a victory for the American people. It is not a victory for the economy, and it is certainly not a victory for the victims of this whole economic mess that we are in with the people who are without jobs.

REPORTER. Mr. Meany, can the Congress override any vetoes?

MEANY. I don't know. I have no way of knowing. I know that the President's victory on the 900,000 emergency job bill was a very slim victory, but, of course, he had the job done. There were 277 votes to override to 145 to sustain the veto. They needed a 2 to 1 majority, and five more votes would have made the tally sheet 280 to 140 and the veto would have been overridden insofar as the House is concerned.

What's going to happen, I don't know. It seems that the Republicans vote for these measures when they are before the Congress, and, then, when the President vetoes them, they are appealed to by the Administration on the grounds of party loyalty. You've got to be loyal to your party.

But, I think the people over on Capitol Hill should try to develop a sense of loyalty to the millions of American families who are suffering from the fact that they do not have jobs and have no regular source of income.

REPORTER. Mr. Meany, the construction industry in the Milwaukee area has asked certain construction unions to forego wage increases in contracts. What is your reaction?

MEANY. My reaction is: That's the business of the construction unions. If I were running the construction unions, I wouldn't forego any increase in contracts unless there were some jobs forthcoming. Unless there were some quid pro quo. But the idea—as far as foregoing increases that have been negotiated and are part of a valid contract—of giving this up in return for nothing, I wouldn't buy that. I'd take a real hard look at it.

But the final decision is not made by me. It is not made by the AFL–CIO. Nor could it be influenced by any opinion on my part or on the part of the AFL–CIO. This is up to the unions that negotiate the contract. It's up to the members of those unions. These are legally-negotiated contracts. Of course, they have a right to agree to a waiver on some of the terms, or a modification some time, but this is entirely up to the union, it's not up to anybody else.

REPORTER. Mr. Meany, the Administration is reflecting some pleasure at the increase in total employment.

MEANY. This, of course, is the way politicians juggle with figures—all of this talk about the total number of people employed. The total number of people employed must be measured against the total number of people. Naturally, as the population increases there is more need for jobs. Actually, at the present time, and I don't have an exact figure but I would say that takes 35,000 jobs a week—35,000 new jobs a week—just to break even with the increase in population. After all, we have hundreds of thousands of new people coming into the labor force every year.

The fact that we provide jobs for some of them doesn't answer the problem. If the total employment did not continue to go up, the whole country would be in a state of complete collapse. So, to me, this figure has very little meaning unless you scientifically relate it to the increase of population.

The figure that does mean something is the percentage of those who are working or the percentage of those who are unemployed, as against the total who are available for work. Every time they get a figure they think looks good they put it out. For instance, they say that the new applications for unemployment insurance fell off. Well, you must realize that the people who applied for unemployment insurance last week for the first time are not applying for it this week for the first time. In other words, they're on the unemployment insurance rolls. So when they say that the new applications fell off, I don't see any particular meaning in that figure.

But the total number of people working really hasn't much validity unless you measure it against the total work force. Now, 25 years ago we had a target. We wanted 63 million jobs in this country, and I remember right after World War II people saying, "This is a tremendous target. This would mean great prosperity if we only had 63 million jobs in this country." Today we would have 29 million people out of work because we now have a 92 million person workforce.

Back when we had this 63 million target, we had just a few million more in the workforce. Now we have a workforce of 92 million people, and unless there were a whole lot more jobs, than there were back 25 years ago, we would have 29 million people out of work now. So this great big figure, that there are more people working today in this country then ever before, they've got to almost put that alongside another very brief statement—there are more people in this country than ever before.

REPORTER. Mr. Meany, what kind of political course does the present economic distress mean for the AFL–CIO?

MEANY. Well, it is like everything else we do under this system we have here—if we don't like the way people are running the show, whether it is the local city council, whether it is the state legislatures, whether

it is the House of Representatives, whether it is the United States Senate, whether it is the Governor or Mayor or even the President, if we don't like the way things are going we take a look at it when election time comes around. We try to look for someone who will look at the problem with a little more sympathy than the President.

REPORTER. Who do you have in mind?

MEANY. Harry Truman.

REPORTER. How high do you think unemployment will go?

MEANY. Well, I have a very simple formula for projecting unemployment figures. I take what the Administration's experts say is going to happen and then I discount the political thinking that goes into that, the political propaganda thinking, and I do a little adding to that. You see they said earlier in the year we were going to have a maximum unemployment of 8 percent by June of this year. So I said at that time, "No. I have to add on a couple of percentage points. We're going up to near 10 percent." Well, at the end of May we were up to 9.2. What is going to happen in the next few months, I don't know. I'm not an economist. I don't have a computer to work out the intricate problems. So I take Alan Greenspan, I take Arthur Burns, I take Bill Simon—I take their projections and then I say to myself, "Well, there's a certain amount of political propaganda in their projections. They want to make things look a little better than perhaps they really see them." So I add on. If they say now that it is going to go to 10 percent by the end of the year or 9.9, I'll add another percentage point. I said a month ago that I thought that, before it topped out, it would go well above 10 percent, perhaps close to 11 percent. But, that's the way I get my projection, like reading a racing form. You go by the record of the people who are making the projection. If you get a guy who never picks a winner, you don't follow his projection.

REPORTER. Have any of the Democratic candidates distinguished themselves at all?

MEANY. No.

REPORTER. Will there be more political involvement through the AFL–CIO?

MEANY. We have a political machine. We reach our members all over this nation with information on candidates and so forth. However, we don't name candidates. Under our two party system, that's the prerogative of the party. When they name their candidates, we take a good look at who they name and decide what we want to do.

REPORTER. Mr. Meany, in 1968, when George Wallace ran as an Independent, labor was credited with steering their members away from him. Are you going to do the same thing in 1976?

MEANY. I don't know. Wallace is a demagogue. If you study his speeches you will find that there is something in there for everybody. If you don't like taxes, he's against taxes. Of course, he picks up a lot of sympathizers there. He talks about busing, and if he finds that people don't like busing their kids, he's against busing kids. He talks about foreign policy. I don't think he knows anything about it, because his speeches on foreign policy don't make sense. He makes one speech over and over again—it's not too long either, that's one thing about it.

But I think George Wallace would be a disaster as President of the United States and in 1968, if you recall 1968, he attracted a lot of attention. He attracted a lot of attention among our people. And in September of 1968, the estimates were that he would pick up 21 percent of the trade union vote.

We decided that we would let our people know who George Wallace was. We let them know what he did as Governor, what his attitude was in regards to integration of schools, what his attitude was on the whole race question. And we let our people know about that and we sent the information out. The result, when the election was over was—to the best of our knowledge, in fact this was backed up by the Post—that George Wallace was able to get 6 percent of the trade union vote. Now what he will get this year, I don't know. But, he won't get many if I have my way.

REPORTER. Mr. Meany, in Wisconsin the Democrats see Governor Wallace as a very serious threat. Will you urge a serious effort to blunt the Wallace threat?

MEANY. Anything we do, we will do with our membership in our usual way—by giving them information, by reminding them of those things in the past that they may have forgotten, and whatever the voters of Wisconsin do, they do. We certainly are not going to interfere with party affairs. That's up to the party themselves. Wallace may win some primaries but I can't see any possibility of a Democratic convention nominating Wallace for President. I always believe that there's a strong tendency on the part of people and institutions not to commit suicide. Now the Democrats committed suicide in 1972 and I'm quite sure you don't commit suicide twice, I don't think that's quite possible.

REPORTER. Did you comment on the unemployment rate?

MEANY. Did I comment on it? Where were you? Well, I'm sorry you better get the tape. I was asked that question and took ten minutes to answer it.

REPORTER. Well, would you repeat it?

MEANY. No, I will not. No, I'm sorry, there's a tape, you can get it off the tape. It was the longest answer to a question I ever heard.

REPORTER. Would you evaluate President Ford's Administration at this point?

MEANY. Well, at least I'd give him one plus. You can talk to him. He doesn't tape you when you talk to him. He's frank and open. But his domestic policies are going down, downhill all the time. On the international scene, he goes visiting, and I don't know whether these visits are doing any good or not. They tell us that we are just as strong as ever overseas. I just don't believe that. I don't think anyone overseas beleives it. But it sounds nice when he says it. All in all I don't think he's made any great record of progress at all.

REPORTER. Do you feel he is doing any good for the economy?

MEANY. No, except hurting it. You can't bring this economy back unless you put people back to work and he seems to have a mental block insofar as using government funds to put people back to work. It's my opinion that you will not put the people back to work unless the government injects itself into the picture to a greater extent than it has. If we are going to wait for the private sector, if we are going to wait for the employers—the employers are now talking about a recovery, but everytime you ask them, "Does the recovery include putting more people back to work?" They say, "No, not for the next 3 or 4 years."

So we're going to recover with millions and millions of people still unemployed. To me that does not add up to recovery.

REPORTER. The Administration blames Congress for inaction.

MEANY. That's right. That's par for Washington. And the Congress blames him.

THE TRAGIC IRONY OF PHILIPPINES INDEPENDENCE DAY

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. DRINAN. Mr. Speaker, today is Philippines Independence Day, commemorating the date on which that nation received its independence from the United States. Yet today, 29 years later, the freedom of the Philippine people is gravely threatened by an autocratic regime whose power is based on repression, terror, and disregard of basic human rights. Today's anniversary points out the tragic irony that the United States, which once gave the Philippine people their independence, now provides both political and military support to the Marcos government, a government which deprives its citizens of their most fundamental rights as human beings.

Martial law, suspension of habeas corpus, summary executions, arrest, and confinement without charge or trial, and the systematic use of the most brutal forms of torture are everyday techniques used by the Marcos regime to stifle dissent and maintain power.

Deeply affected by his personal observations and experiences during a recent visit to the Philippines, Representative DONALD M. FRASER, Democrat of Minnesota, chairman of the Subcommittee on International Organizations of the House Committee on International Relations, moved promptly to hold hearings on the denial of human rights in the Philippines. On June 5, the Reverend Paul F. Wilson delivered to the subcommittee a statement describing his terrifying experiences as one of the estimated 16,000 political prisoners in the Marcos regime's notorious "detention centers." The deplorable situation illustrated by Reverend Wilson's statement should prompt us to consider seriously the termination of military aid to the Marcos regime when the Foreign Assistance Act comes before the House later this year.

The statement follows:

STATEMENT OF REV. PAUL F. WILSON

I wish to thank you for giving me the opportunity to speak. Many of you used the goodwill of your office to make inquiries at the State Department regarding the arrest of myself, my wife and our ten year old son last June and July. Without such concern and effort, we would still be in prison in the Philippines—political prisoners of the Marcos government.

I am especially grateful to all of you who are raising questions in Congress regarding the support of the U.S. to governments that are repressing the human rights of their people. That such is the case in the Philippines, is well documented, and my statement today will be to share with you some of my experience there.

I am an ordained minister of the Christian Church. After basic negotiations between the National Council of Churches of the Philippines, representing 9 Protestant Church bodies, and the offices of the National Council of Churches of Christ in the U.S.A., I was invited by the NCCP to serve as a consultant for the Commission on Development and Social Concerns for the NCCP.

My basic responsibility for the two-year term was to assist in promoting cooperatives and credit unions among the churches and private sectors of the Philippines. This promotion was to be done in cooperation with the Philippine government's Department of Local Government and Community Development. I soon became deputized by the Department as a lecturer. My wife was doing volunteer work with the NCCP in their documentation and research bureau. We arrived in Manila in September, 1973, and left July 12, 1974.

On June 26, 1974, during a dinner at our residence for fellow employees and their friends, officers of the Philippine military intelligence entered our home and arrested all the men present. We were taken to Camp Crame in the Manila area where we were interrogated and held incommunicado for 4 days. Later the night of June 26, officers of the P.C. returned to our home taking the women and our ten year old son. That same night, 6 homes of NCCP staff members were searched, 16 employees or church-related persons were arrested. The offices of the NCCP staff members were searched. Our home and jeep were searched five times in our absence. In addition to books, magazines and cassette tapes and personal photographs, about $1,000 in personal property and cash were stolen by military personnel from our home. Among those arrested and held were the Executive Director's secretaries, a driver, the janitor, as well as the General Secretary of the NCCP and a visitor to Manila, an outstanding Indian churchman who is the Associate General Secretary of the Christian Conference of Asia.

In retrospect, what occured the night of June 26 was a round up of the Protestant ecumunical church leadership in the Philippines. I cannot help but believe that the Philippine military and political leaders set about to serve notice on the church in the Philippines that dissident opinions regarding martial law and the government's policies would no longer be tolerated. It was a brutal crushing of the church's freedom to preach, serve, to be faithful to its mission in the world.

Unless channeled through an approved government program, an act of compassion to the poor and disadvantaged were now considered acts of treason by the Philippine government; standing for the rights of the powerless and the defendless were now considered acts of insurrection; and attempting to be faithful to the mission and role of the church as mandated by Jesus Christ and the scriptures was now considered subversion. We were not the first church-related political prisoners, but after June 26 the lines were drawn. The wholesale round up of ecumenical church leaders served notice on all forty million Filipinos that no religious or charitable organization or group with in the Philippines was free from imprisonment, a fear that permeated all of Philippine society today.

For 4 days, I was held in offices of the military intelligence at Camp Crame. For 10 days, I was imprisoned at one of the detention centers at Camp Crame. The last 4 days, I was held by the Department of Immigration and Deportation until I was put on a plane. My wife was held in different offices of the military intelligence for the first 5 days, then transferred to the women's detention center at Fort Bonifacio, and I was allowed to see her only once in the presence of an Embassy official.

I witnessed physical abuse and torture. I heard late at night the screams and cries of grown men and women. I saw the lacerations on the legs of my Filipino friends who had been beaten with a steel bar. I saw and felt the bruises and welts on the bodies of young men who were taken in merely as hostages because the military was looking for their sister. One NCCP secretary had a complete mental breakdown while in prison. From her conversations with my wife after her interrogation, it is apparent she was raped or otherwise sexually assaulted. Such techniques as rape, making women sit nude on cakes of ice, using drug addiction and electrical shocks are commonplace and have been documented.

My wife was told that one Filipino died of multiple rape the month prior to our arrest. One NCCP clergy person, arrested prior to our arrests, was tortured to the point that he required 50 days in the hospital to recover. At one point in his interrogation, officers placed a 45 caliber gun on the table in front of him and told him, "You may as well kill yourself, because we are going to kill you anyway." The minister took the gun, placed it on his head and pulled the trigger. The gun was empty.

Such torture is not uncommon for Filipinos suspected of a crime. We were not mistreated because we were Americans. The Philippine government is concerned about its image in the Tokyo and New York papers. It is commonly accepted and was related to us that techniques of interrogation and torture have been learned from U.S. military and civilian intelligence persons. One of my interrogators bragged of his training spent in the U.S.

Before any person is released from prison in the Philippines he or she must pledge support to the present government and agree not to talk to domestic or foreign media representatives. My wife, released July 6th, was forced to sign such a pledge over the protests of a representative of the U.S. Embassy who was with her. For the 16 days I was imprisoned, I was never allowed to see or call my attorney, and he was never allowed to visit me although our families at home were being advised that we had daily legal counsel. I was interrogated on June 26 by 4 officers for 1½ hours and for 2 hours on July 5. I was taken to a hearing before the Commission on Immigration and Deportation on July 9 at which time he ordered me to accept voluntary departure from the Philippines in 48 hours, never to return. I did not have access to any legal counsel or due process during the entire time. Needless to say, the emotional and mental torture was enormous. I lost 10 pounds in 16 days.

The detention center at Camp Crame was overcrowded. For the first four nights there, we slept on bare concrete floors. Food consisted of rice, thin soup and coffee. Once or twice a week we would get a small piece of fish. Without friends bringing fresh fruits, vegetables and meat, our diets would have barely sustained us. For the 200 plus prisoners, we had four toilets and four showers. I brushed my teeth over the urinal. It was not uncommon to wade through water 3 to 4 inches deep in the bathroom. I slept in the same cell with a Filipino who had T.B. in its active and advanced stages. One prisoner was finally given medical attention when he started coughing up blood.

All 200 prisoners were waiting for their cases to be investigated. Many have waited for over 2 years. These are the realities of some 16,000 political prisoners in the Philippines. Democracy's show case in Asia is a mockery and our dreams for the Filipinos and, more importantly, their own dreams of a government by the people and for the people have been made nightmares for the selfish political advantage of a few.

These are but some of the realities facing persons in the Philippines today. Inflation has truly taken its toll there. Labor, crippled by a Presidential decree outlawing strikes, is at the mercy of U.S., Japanese, and a rare Philippine corporation. The stated policy of the Philippine government is to place economic development ahead of enforcing the 90¢ a day minimum wage. The age-old story of the very rich and the very poor accelerates in the Philippines. There is no longer any difference between the economic and political leadership in the country. Socially, the people are living in fear. Crushed by the economic deprivation of sub-marginal existence and now brutalized by the ever-present military, people live in terror. No one talks in public places. Friends cautioned us that the government had informers everywhere—hotels, taxis, movies, church meetings. Everywhere it was assumed there were persons who would report conversations or attitudes for special privilege or pesos. You cannot imagine the effect on the church when it was discovered that military spies were to visit most major churches on "Independence Sunday" to check out the sermons of the ministers and priests.

Such fear is justified in a society where there is no definition of "subversion" and any individual militaryman can't take into detention any other person on the basis of his own personal definition of subversion. Most of my interrogation centered around papers or church meetings which had not only had prior official approval by the government but the meetings had had participation by high-level government officials. But these were the things considered subversive by the individual interrogators.

Of the sixteen people arrested with us, all but one have been released. This is not to imply any softening of the government's attitude toward the church, however. First of all, most releases are provisional; and second, new arrests are frequently made.

On August 24, 1974, for example, military units using helicopters raided a Jesuit Seminary of the Sacred Heart Novitiate just outside of Manila. This time, over 20 persons were arrested. The head of the Jesuit order in the Philippines was even held overnight.

It seems fairly accurate to assume that the government had decided that the church must be silenced even if it meant attacking the religious groups which represent 80% of the Filipinos. The Roman Catholic leadership, joined by their Protestant counterparts, reacted to this obvious attempt to harrass the church. The present relationship between church and state was spelled out by President Marcos in a Presidential Decree reported November 3, 1974, in the New York Times. He offered Amnesty to three "subversive" groups in the Philippines—the Community Party of the Philippines, Muslim rebels, and the Church. The church is now regarded by the Marcos government as an "opposition group."

I cannot begin to relate to you my feelings as a person committed to the support of people in working for justice and humanity when I encountered the awesome forces of repression and grew to see how our government is continuing to support that repression through economic aid and military assistance and endorsing the dehumanizing efforts of a dictatorship.

I shall carry with me always the thoughts I had on July 4, 1974, when I was forced by soldiers wearing U.S.-made uniforms and carrying U.S. 45 caliber pistols and U.S.-manufactured M–16 rifles to march out of my cell, pledge allegiance to the flag of the Philippines and sing the Philippine national anthem. I was marched back into the jail, built and maintained by the U.S. and locked in with a lock bearing the brand name "Yale."

I am here today and not a political prisoner in Manila for three reasons. First the immediate reaction of the entire world Christian community in protesting the Philippine government's efforts to repress the church in the Philippines. Second, the mounting pressure in July directed to the U.S. State Department by Congress and citizens all over the U.S. Third, the decision we reached that the most effective means open to us as U.S. citizens of working to restore civil liberties in the Philippines is in this country.

In traveling around the Philippines, I was able to speak with students, scholars, peasants, soldiers and church persons about the present situation in the Philippines. Their overwhelming reaction was that Marcos could not maintain his position of power and control for thirty days without the continued assistance and endorsement of the U.S. government. The general feeling I received was that if the U.S. showed displeasure with the Philippine government's repression and threatened to suspend military assistance and military-related aid, that Marcos would be forced to lift martial law.

Again and again, Filipinos told me that our aiding and supporting the repressive government of Marcos was resulting in Filipinos and other peoples of the Third World believing that the U.S. is only concerned about economic expansion and military might and not about freedom of the peoples in other countries. As one said, "Don't believe we have

turned our backs on the U.S., we feel your government has already turned its back on us."

From their point of view, the U.S. is hypocritical, espousing liberty and self-determination for all peoples while directly and indirectly supporting governments which have stripped all basic freedoms from the people, are ruling without the consent of the governed, and are imprisoning and killing any dissenters. Many Filipinos feel our present course of action in foreign relations leaves us open to the charge that we will support any government which will promise basic concessions to the capitalistic system and/or give lip service to defending Democracy against Communism in Asia. The feelings of many Filipinos at the grassroots level was that our endorsement of repression in the Philippines was forcing them to suspect our motives. Let me add that those with whom I talked were of all ages and political backgrounds. They are not committed to any particular political system than that of freeing the Philippines for Filipinos to have a voice in their government.

Here in the U.S., representatives of many churches are responding to the voices of Americans in local congregations all over the country and to Third World Christians by raising the issues of continued military and military-related aid to repressive governments. The church is also asking how the people of the U.S. can regain control of our country's foreign policy so that it more nearly expresses the hopes and aspirations of all the world's peoples—for liberty and freedom, for a chance to be meaningfully engaged in the decisions affecting their lives and their nations' destinies, and for the peoples of the world to find, in neutralism and detente and mutual respect, peace.

How the issue of human rights in other countries will be fed into the decision-making politics of foreign policy is not my area of expertise, but yours. I can only urge that it be done soon and in the interim that all military assistance, including the supportive services of the U.S. military, for the Philippines be suspended pending the establishment of adequate safeguards for human rights.

IMPOSING THE SST ON AN UNWILLING UNITED STATES

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ZEFERETTI. Mr. Speaker, for several years now, Congress has been on record as opposing the SST in a variety of forms. Many questions have been raised about this aircraft that still remain unanswered. We know that its noise level approaches the intolerable. We are aware that it can cause damage to the ozone layer, without which life as we know it cannot exist. However, a serious question still exists in regard to the possible effect on this plane upon diseases such as skin cancer.

For all these reasons and others, Congress refused further funding for an American SST, and has been reluctant to allow further experimentation in this country by foreign-built SST's.

The French and British, however, have proceeded with their own version of the SST; the Concorde. Their plane has run into disastrous financial difficulties, endangering its future. One of the few remaining hopes for that aircraft is for it to tap the lucrative market offered by wealthy Americans who might use it to fly to Europe. However, in order to accomplish this, permission must first be granted to allow the aircraft to use the airports in New York and Washington, D.C. And, this has been attempted through political pressure on both sides of the ocean at the expense of the health of millions of American people.

Aiding and abetting the State Department, which is acting as the surrogate of a foreign aircraft, is the Federal Aviation Administration. The FAA has recommended that the Concorde be allowed to fly in and out of New York City four times daily, and in and out of Washington's Dulles International Airport twice daily. This original recommendation was generally favorable to the Concorde.

However, now we discover that an important group of technical advisers to the President has sharply criticized this plane, terming it at least twice as loud as most present subsonic aircraft. Their comments were contained in a report by the President's Council on Environmental Quality, which the administration attempted to withhold from the public. It was due to the efforts of our distinguished colleague, LESTER WOLFF, of New York, that the report was finally released, resulting in the publication of sharp criticism of the FAA's reasoning and ongoing policy.

The Council believes the Concorde to be much noisier and irritating than either the British, French, or American Governments have admitted thus far. The Council also implies that the FAA's assessment of the Concorde was so badly written and presented, that it is reasonable to assume that international politics has been a prime factor in the decision-making process involving the Concorde.

The Agency states that the Concorde is approximately twice as noisy as a conventional airplane to the indoor listener. In addition, its low frequency noise will be as much as five times greater than that produced by conventional airplanes. And they state:

It is clear that there will be a serious danger of skin cancer to humans if a large fleet of Concordes were to cause a depletion in the protective ozone layer.

From the administration's position and the evidence revealed from the publication of the Council's report, it is now clear to me that the executive branch means to overrule, using a foreign policy rationale, the mandate of Congress as expressed by the Environmental Quality and Noise Control Acts. This is incomprehensible to me. Evidently, the White House has learned nothing from the events of the past several years.

It seems to me that the two foreign countries involved must come to terms with their own limitations. They have overreached themselves, opting for a prestige project, regardless of economic realities. They must stop opposing American policies and seeking to harm American interests, including the best interests of the American people.

Ordinarily, there would be little reason to raise a fuss. However, the health and safety of millions of Americans, especially in the New York City area, are endangered by this situation. Therefore, I feel that Congress must act, and have joined in the cosponsorship of H.R. 4933, which, if enacted, would require all supersonic aircraft of any kind to meet noise levels presently required of subsonic aircraft by Federal aviation regulation, part 36.

I know that the people of New York do not want the SST landing in the United States, especially in their backyard. The Government's record in this respect is already very shabby. It is my hope that some sense will yet prevail.

THE POLITICS OF NEGATIVISM

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. VAN DEERLIN. Mr. Speaker, our colleague, MO UDALL, today is addressing the 37th annual convention of the Communications Workers of America, in my home city of San Diego.

Mr. UDALL is always worth listening to, but I believe his remarks on "The Politics of Negativism," which he has prepared for delivery to the CWA, are especially pertinent. I am taking this opportunity to share it with our colleagues and other interested persons.

Incidentally, the CWA meeting has drawn more than 1,800 delegates and alternates to San Diego. The convention is now in its fourth day, and I understand it is one of the most successful in the long and illustrious history of this union.

The text of Congressman UDALL's speech follows:

THE POLITICS OF NEGATIVISM AND 1976

(Remarks by Representative MORRIS K. UDALL)

There are many critical questions before the nation as we advance toward the 1976 presidential election. But none is more crucial or more basic than whether we as a people still believe in the possibility of a better future.

In a very real sense, this is the issue underlying the debates over policy and strategy in economics, in energy, and in disputes over political power. The dominant force today, as we see in the newspapers every morning and hear on television each evening, is the politics of negativism. The stalemate in Washington and the confusion in the ranks of both our political parties are founded on fear of change, on fear of making the tough, responsible decisions that would turn this country around.

The politics of negativism comes in two packages. The old, familiar, established brand of traditional right-wing big-business politics carries the label of Ronald Reagan, replacing older brand-names like Hoover and Taft and Goldwater. Inside, the product is the same—a mixture of fat profits, big tax loopholes, high unemployment, low wages and minimal social service. It is trickled-down, traditional economics wrapped in the rhetoric of competition that rarely exists in the basic industries of our country.

The other kind of negativism rests more on an individual than on an ideology. This is the George Wallace brand—a gaudy label, promoted by catchy slogans that touch every raw nerve of fear and resentment. And inside this package there is nothing. It is know-nothingism, pure and simple.

RULE BY VETO

These shoddy goods today control the political marketplace. The President, who came to office pledging an end to divisive, inflexible confrontation, now rules by veto—by rejection instead of by reconciliation—to appease the most reactionary elements in his party. And a handful of Democrats, betraying the mandate we received last year, cowering in fear of the Wallace brand of negativism, are able to block all efforts to move forward in spite of the President's intransigence.

We have a de facto policy of business as usual, and it's based on an assumption that things are basically acceptable as they are. A goal of 7 or 8 percent unemployment for the next decade is acceptable. The destruction of 2 million acres of our best farmland through strip mining and unplanned growth each year is acceptable. The inability of millions of Americans to see a doctor or a dentist, or to get a balanced diet, is acceptable.

These things are acceptable to the far right because they mean high profits and low wages. They are acceptable to George Wallace because they fuel the kind of resentment on which his brand of negativism feeds.

Well these things aren't acceptable to me, and I know that you won't accept them, and I don't think that in 1976 the American people will accept them. We won't accept these policies, and we won't accept leaders like George Wallace who have done nothing to change these policies throughout their public lives.

The stage for confronting the Reagan-Ford brand of negativism will come in the fall of 1976 in the general election campaign. The more immediate question for the Democratic party—and for the working people who are the backbone of our party—is to deal with the negative politics of George Wallace.

A DEMOCRAT BY CONVENIENCE

It is time for the leadership of our party to summon up the courage to do what is both morally right and politically necessary. George Wallace is a Democrat by convenience. We owe no loyalty to a man who has turned his back on the candidates of our party for three elections in a row. We must no longer kow-tow to the bullying tactics of a rule-or-ruin politician.

So I want to restate, as simply and as straightforwardly as I can, what I have been saying for several months throughout this country in my quest for the Democratic Presidential nomination:

I would not serve on any ticket that included George Wallace.

I could not support a ticket on which George Wallace was a candidate.

I will not make any deals with George Wallace to win the support of his followers.

And I will not run with or support any candidate who attempts to make such a deal.

I say these things, not out of personal animosity, but because I have examined George Wallace's public pronouncements and his public record, and I am convinced that he is not qualified to lead our country in these perilous times.

The politics of negativism feed on alienation, anger, confusion and frustration—emotions we all feel ourselves and see in our people. Indeed, one of the things I've learned in my travels of the past year is that Washington doesn't know just *how* out of touch with the American people it really is. Every public institution in the country has fallen from grace. We have been beset by:

A war that outraged both those who preached American military invulnerability and those concerned with our moral credentials;

The frustration of finding that eliminating overt segregation was not enough to bring racial harmony, and that bigotry does not stop at the Mason-Dixon Line;

The realization that promising a great society could raise expectations faster than it improved our way of life, and the failure of the rhetoric of law and order and a "new federalism" to cure the problems of our cities;

A government that not only lied to us, but spied on us and equated disagreement with treason;

The catacylsmic discovery that the basis of our unequalled riches—cheap and plentiful energy resources—is gone, perhaps forever, and our current leaders lack the wisdom and imagination to help the American people adjust to a new way of life.

THE WORLD REALITIES

And all of these new, sadder perceptions of America come against the backdrop of a world beset by the realities of overpopulation, underproduction, chronic famine and the proliferation of nuclear arms. The global myths of the last generation—that America could do no wrong, that our enemy was a monolithic group of Communist plotters attacking us on every front, that the genuine national aspirations of third world countries were only a minor element in the world power equation—have been proven faulty, and there are no simple slogans or formulas to replace them. So it is no wonder that there is confusion in every corner of this society—confusion and anger.

By their failure to grasp the real breadth and depth of this anger, our leaders in both parties have let develop a situation in which dangerous, negative political movements may flourish. And too many of the answers we hear—the "Southern alternatives," the "respectable alternatives," the favorite sons—are just a variation on the politics of negativism. They all work on a premise that I don't believe: that the negative politics of George Wallace can only be fought with another kind of negativism. Those strategies assume that the Governor's support is indissoluble, and that we must write off his voters and build a bigger bloc out of what's left.

In 1952, Adlai Stevenson said, "Let's talk sense to the American people. Let's tell them the truth, that there are no gains without pains, that we are on the eve of great decisions, not easy decisions."

I am convinced that the way to unite the country, win the Democratic nomination, and the Presidency, is to tackle the gut economic and social and international issues head-on, to show people your record, and to challenge the apostles of division to do the same.

In the case of George Wallace, we all know what he's against. We've heard his speech—the same speech he gave in 1964 and 1968 and 1972—and we know how effective he is at finding the raw nerves of fear and confusion.

He's against pointy-headed professors, and bureaucrats with peanut butter sandwiches in their briefcases. He's against godless conspiracies and long hair and sandals and welfare bums and all the other straw men.

And his potshots also hit some real villains: For one, a tax system that often appears to be more loophole than law, more benefits for the rich than the poor. And the intellectual elite of this nation, which has made many important contributions to public policy, also gave us the war in Vietnam. The school bus has not proved to be the only nor even the best way of achieving racial integration or quality education. Not all the social experiments of the last three decades have succeeded, and more than a few have produced negative social by-products at least as serious as the disease they tried to cure. The structures of government have in many cases grown too big, too remote, and too expensive. The process of decision-making too often has left the ordinary citizen out.

But, again quoting Adlai Stevenson, "Intemperate criticism is not a program for our salvation . . . what counts now is not what we are against, but what we are for. Who leads us is less important than what leads us . . . What America needs and wants and what the world wants is not bombast, abuse and double talk, but a sober message of firm faith and confidence."

What we are selecting in 1976 is not a protest leader but a President. We are seeking a national leader who can reunite a bitterly divided nation, confront it forthrightly with the realities of the present and future, and draw upon the well-spring of idealism, energy and hope that has made this nation great in the past to make it great again.

MAJOR CHAPTERS ENDED

There are historical imperatives at work in the nation and world today that demand mature and perceptive leaders who can harness their forces for the betterment of all of us.

We stand at the end of three major chapters in America's life, chapters which have dominated our public life for a generation. The "revealed truths" of Cold War, of a monolithic West and a monolithic East battling toe-to-toe to control the destiny of mankind, were proven in the jungles of Southeast Asia to be myths. All our money and all our military power could not turn a dictatorship into a democracy, and could not stem the rising tide of nationalism which far more than "capitalism" or "communism," is the dominant political and economic force in the underdeveloped world. That same force is emerging as pre-eminent on both sides of the Iron Curtain, on both sides of the Bamboo Curtain and in the Middle East.

The verities of the imperial Presidency, the notions that Presidents are infallible and have a monopoly on facts and judgment, have also been shown to be hollow myths. They were exploded in the era of Vietnam and by a black night watchman, a handful of laymen on a grand jury, old Yankees named Cox and Richardson, and immigrants' sons named Sirica, Jaworski and Rodino. We have been reminded that our Constitution and laws mean more than any one man, and that consent of the governed is not a blank check but a credit card, subject to revocation for abuse.

And the myths of cheap and abundant resources, of an American economy that could maintain exponential growth forever, could withstand ever increasing demands on limited non-renewable resources. That era of unlimited expansion was fun—I wish we could do it over again—but it is gone, and our lives, employment patterns, careers and communities in the next generation will be dominated by our adaptation to a new era in economics and in resource management.

Against a background of such basic changes, a politics of blind protest, of shrill and unconstructive criticism that offers no answers, is an insult to our people.

So if George Wallace thinks he should be President, if he wants to be treated as the legitimate Democratic aspirant he claims to be, if he's really against political double-talk and double standards, let him get out with the other candidates and talk about *these* problems. It's time for George Wallace to come out into the open and tell the American people what he is *for*.

I don't mean the chauvinism and jingoism, the apple pie and American flag talk—he's got that in his speech, too. If he wants to lead this nation, let him tell us how he will seek to make right what is wrong.

NEED FOR REAL ANSWERS

With 10 million people out of work, it's time to stop this pointless, counterproductive debate over who should be laid off first, and to build the institutional machinery to assure worthwhile, socially productive employment for every American worker.

Dependent as we are on vast amounts of expensive energy from unreliable sources, we don't need wild, bully-boy talk. We need action to break the wellhead-to-gas pump stranglehold of a handful of multinational oil giants. We need ideas for reducing our energy growth rate to manageable levels,

and for finding new ways to tap the power of the sun and earth and wind and tides, without sacrificing our commitment to decent living standards, a liveable environment, and adequate employment for our people.

The answer to segregation and racial division is not to turn back the clock, but to break down these walls by harnessing the good will and creativity of the American people at the local level to work out solutions fitted to the circumstances of each community, and to provide them with the financial resources to assure equal opportunity for all. We must obey and enforce our Constitution, not try to evade or subvert it.

It will take more than attacks on bureaucrats, briefcases and bicycles to stop the waste in government spending and bring control closer to the people. We need to stop the defense establishment's infatuation with complex, exotic, often unreliable new hardware and to concentrate instead on maintaining a lean, tough defensive force. There is no constructive purpose in condemning a welfare system that permits a comparative few to abuse its benefits unless you have a better idea than turning our aged and our destitute into the streets. The real way to deal with this problem is to replace patchwork, cumbersome, inequitable social program with streamlined, automatic devices such as a negative income tax and national health insurance—programs that focus their benefits where they are most needed and provide incentives for individual initiative.

We've seen that the rhetoric of "law 'n' order" doesn't stop crime, but this is one area where money really can make a difference. Not money for more wiretaps and more guns, but money to expand our court system so that it can handle the criminal caseload, and enough money to let us separate the the mentally ill and from those transgressors who present no physical threat to others or to society at large.

MORE THAN SABRE-RATTLING

At a time when America and Russia can annihilate each other a dozen times over, we need more than sabre-rattling and rash talk of bombing the world into submission. We need a national leader who can turn detente into a two-way street, who is committed to phasing down this senseless arms race, and who can sort out America's real global interests instead of relying blindly on the demonology of the '50s. We need to hear some positive ideas for increasing American security, promoting human freedoms, and easing world tensions.

George Wallace has pointed out a lot of these problems. Maybe he agrees with some of the approaches to solving them that I've just suggested. But I don't know that, and you don't know that, and neither does anyone else in this country, because in his one and only speech George Wallace doesn't tell us what he would do about the problems that confront Americans in the supermarket and at the gas station, and at tax time, and in their schools and neighborhoods.

I hope he'll tell us, but I'm guessing he can't. When it comes time to stop complaining and start leading, we won't hear much from George Wallace. He reads the polls, and surely he must figure that he's got a pretty good thing going, and he's not about to mess it up with anything so chancy as a positive idea.

But the American people are going to see through his game. They'll see through it because if he doesn't come out with some ideas, if he doesn't let us know what kind of future he imagines and what he would do to achieve it, they will start looking at the record behind his speech, and they will see a record of failure to the nation and to his state.

There is no more telling judgment to be made about a man's leadership capacity than how he responds at a time of crisis. And there is no more telling judgment to be made about George Wallace than to compare his performance with that of other leaders in time of crisis.

In the midst of the great Depression, when Franklin Roosevelt could have attacked the banks and the bankers, industry, labor, the international market and a hundred other potential villains for the troubles that then beset American society, he found the wisdom to call forth the best in America and to attack the one villain all Americans had in common. If we remember nothing else about FDR, we still remember, "The only thing we have to fear, is fear itself."

At a similar point in George Wallace's career, in the early 1960's when demonstrations against segregation were erupting into violence in the streets of every major southern city, when the nation was torn by racial dissension and was looking for leadership to bring about peaceful integration, when the moral conscience of America was displayed for all the world to see—where was George Wallace? He was in the schoolhouse door, blocking the integration of Alabama schools. He was on the podium of the state capitol proclaiming "Segregation now, segregation forever." And he was on the radio praising, not the cool, non-violent discipline of his fellow southerners both black and white demonstrating in Montgomery, but the police forces of Bull Connor for their use of clubs, police dogs, firehoses and electrified cattle prods to beat and frighten the demonstrators into temporary submission.

THE BOLT THAT ELECTED NIXON

In 1968, when the war in Vietnam had so deeply wounded the American nation, when the character of our leadership was being impugned and the political language became increasingly vituperative and ugly, Lyndon Johnson surrendered his most prized possession, the office of the presidency, rather than risk further national division.

In that same year, after the brutal and bloody national convention, George Wallace chose to bolt the Democratic party, to form a third party that put Richard Nixon in the White House, and to bring to his ticket and to his own advocacy a man whose solution for the war in Vietnam and the national crisis of morality was to bomb North Vietnam back into the Stone Age.

In 1962, at the end of the Cuban Missile crisis, when the other side had blinked and the missiles were being dismantled in Cuba, John F. Kennedy had won his greatest international policy victory. But because he understood human sensitivities, and saw the need to build bridges, however tentative, with the Soviet Union, he forbade anyone in his Administration from speaking of the crisis as an American "victory."

In 1975, George Wallace still preaches the gospel of nuclear confrontation, and questions whether it is useful or desirable to bring an end to the Cold War, whether a live-and-let-live relationship with the Soviet Union is worthwhile for America.

And it is not only in times of crisis that Governor Wallace has been tried and found wanting. He has been governor of Alabama, in law or in fact, for 11 of the last 13 years, and while he has used the platform of his office to propel himself onto the national political stage, he has failed to use the power of that office to better the lot of the people of Alabama.

There have been times in American history when great leaders have emerged to protest against injustices. Men like Robert LaFollette, Norman Thomas, John L. Lewis, Walter Reuther and Martin Luther King all rose to prominence by protesting against injustice. But these leaders were not content to stir their followers against other Americans who were oppressing them. They are remembered above all for concrete programs and policies designed to improve the lot of ordinary people—and to make America a better country.

Against this standard, the self-proclaimed populism of George Wallace is a hollow sham. He talks of the problems of the people in Michigan and California and Massachusetts, but he does nothing to solve the problems of the people of Alabama.

QUESTIONS FOR WALLACE

Can we take George Wallace seriously as a friend of working people when Alabama has no minimum wage, and ranks 47th in the nation in per capita income, when Alabama's educational system, as measured by expenditures and by its students' performance on intelligence tests, is the worst in the nation, when Alabama ranks near the bottom of the nation in medical services and infant survivability?

Can we take George Wallace seriously as a relentless crime fighter when in the last decade crime in Alabama's capital city has increased 84 per cent, fully 23 per cent more than in Washington, D. C., and when statewide crime went up 93 per cent?

Can we take George Wallace seriously when he attempts to portray himself as the leader of the discontented people of the nation when for 13 years he has failed to satisfy the legitimate needs of the discontented people of Alabama?

Can we take George Wallace seriously as a tax-reforming populist when for 13 years he has raised the sales tax, doubled the state debt and done nothing to reform one of the most regressive tax systems in the nation?

Can we take George Wallace seriously as the champion of the little man when he defends the major oil companies, the oil depletion allowance and the overblown defense establishment and chooses to attack the poor and helpful on welfare?

Can we take George Wallace's attack on bigness seriously, when he chooses to go to court to fight for the interests of wealthy private and corporate landowners against a federal court decision saying the rich received unfair benefits under Alabama's property tax?

Can we, in the post-Watergate era, take George Wallace seriously as a person of candor and integrity, when he refuses to reveal his campaign income and expenditures in his past campaigns?

Can we take George Wallace seriously as a reformed segregationist—a man of all the people—when he attacks school busing but offers no alternative way to achieve racial integration or quality education or when he fights a court order directing him to integrate the Alabama State Police?

Can we take George Wallace seriously as a critic of American society when he attacks the Ku Klux Klan, not as a dangerous and pernicious force within our midst, but because it produced such liberals as the late and great Justice Hugo Black?

Can we take George Wallace seriously as a political leader, when all he offers the nation is criticism and what he fails to offer the nation is positive remedies?

Yet, we as a nation must take George Wallace seriously, not as a leader of people, not as a potential President, but as a force who is tearing down the bridges of trust and understanding which have made this country the most successful democracy in the world for almost two hundred years.

There are wrongs that must be righted in the America of the 1970s and '80s—and any politician who ignores these inequities should go down to a resounding defeat. But I submit that the politics of negativism offers no solution to these wrongs.

ROLE OF NEW YOUNG LEADERS

We can do better. Young, courageous leaders dedicated to the rule of law and to bridging the old and artificial gaps that divide Americans, have shown that progress remains possible.

Here in California, where Ronald Reagan spent eight years scoring points with the right wing by fighting the attempts of farm workers to attain their basic rights as laborers, Jerry Brown came in and got the two sides together and settled the controversy in less than six months.

In Florida, while George Wallace was casting his old race-baiting in the new language of busing, Reuben Askew showed that a politician can earn his people's trust and ease their fears by counseling good will, calm and dedication to carrying out the mandate of the law.

George Wallace's followers are no fools. They are unhappy with the nation's leadership. They are confused by events that the myths of a generation cannot explain or control. They are fearful that another great Depression will wipe out the economic gains they have struggled for. The politics of negativism offers an outlet for these emotions. But seven years ago, when the polls and pundits said that 20 or 25 percent of the people would vote for George Wallace, the Democratic message of hopeful, progressive change cut that support very nearly in half. It will happen again, if Democrats expose the moral and intellectual bankruptcy of the venomous politics of negativism, if we talk sense to the American people. The voters aren't going to rally to the cause of someone named "Not Wallace," but they will respond to a candidate who has a real conception of a better American future, and who demonstrates his ability as FDR did to harness the forces and processes of change for a different, more hopeful way of life.

We cannot simply duplicate the slogans and formulas of the past. Different times and different problems demand different solutions. But if we cannot offer another New Deal, we can pledge ourselves to deal openly and honestly with the challenges before us. If we cannot again promise a Great Society, we can commit America's imagination and resourcefulness to create a good and fair and free society.

REJECTING NEGATIVISM

Each of us seeking the Democratic nomination must reject the politics of negativism. We must show the people what we *are*, not just who we are not. And I challenge George Wallace to level with America, to peddle his goods in the free market place of ideas, not the back alley black markets of suspicion and mistrust.

George Wallace presents no idle threat. Far from being the classic underdog—a role which he likes to assign himself—George Wallace is better known, better financed, better publicized than any of the new Democratic candidates.

I have a final, somewhat personal word to say about George Wallace and Morris Udall. We both came from small towns and modest beginnings. Both of us began our public careers in the law—and we both came to major office in 1961. But there the similarity ends.

For on the barren plateau of Arizona I learned the importance of hard work, and the supreme importance of sacrificing one's personal desires for the common good of the community. The way to restore a vital sense of trust and a sense of sharing is by appealing to people's hopes rather than to their fears. This country has been torn apart long enough. The time has come for generosity. The time has come to heal wounds, not to rub salt in them. What we need is not the politics of negativism, but rather a politics of hope and reconciliation. We have had enough of divisive politicians who pit "us" against "them," who believe that aroused anger is a substitute for reform.

In the coming months and years, the American people will inevitably be called upon to make sacrifices to insure that the essential values of our society survive our freedom and our opportunity to pursue secure and meaningful lives. I believe the American people are willing to make those sacrifices. I believe we are willing to hear the truth without bombast and oversimplification. And I believe we are willing to work together to make America again a place for its citizens to be proud of.

BREEDER OVERCOMMITMENT QUESTIONED

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. COUGHLIN. Mr. Speaker, next week, the House is expected to consider the Energy Research and Development Administration authorization for fiscal year 1976 and the transition period.

Although firm figures are hard to come up, the following amounts supplied me by congressional committees are as accurate as can be determined. A total of $2.79 billion has been included in the bill, H.R. 3474, for all energy R. & D. programs of the Federal Government. Of this amount, approximately $510 million has been earmarked for the liquid metal fast breeder reactor. In contrast, $435 million has been allocated to fossil fuels, $143 million to solar energy, $57 million to geothermal energy, $24 million to advanced energy research, and $133 million to energy conservation. Not one of the amounts designated for a nonnuclear energy program is more than that provided for the LMFBR alone.

The LMFBR is this Nation's highest priority energy project and has been since the mid-1960's. Described in simple terms, it is a nuclear power reactor which produces electricity and in the process transforms uranium into plutonium. Because it transforms—over a period of time—more uranium into plutonium than it uses, it is referred to as a "breeder." Primarily because of this ability to extend the life of our national uranium supplies from a matter of decades to one of centuries, the LMFBR was accorded its dominant position in our total energy scheme.

Although more than $2.2 billion already has been spent on the breeder, it is only within recent years that close scrutiny has been directed toward certain aspects of the program. Concern over the ultimate cost effectiveness of the program has arisen because of the tremendous cost escalations and time delays associated with the project. Originally estimated to cost $3.9 billion in 1969, the current price tag of the total program now is $10.7 billion—a threefold increase. Furthermore, the target date for commercialization—slated just a year ago for 1987—has been pushed back to the early 1990's.

The cost of constructing the Fast Flux Test Facility in Hanford, Wash., the main LMFBR testing site for fuels and materials, was projected in 1967 to be $87.5 million. That figure has now soared to $420 million. When coupled with an additional $505 million for FFTF equipment, research and development, and supporting costs, as well as other increased factors, the total figure is close to $1 billion. In addition, full-power operation, scheduled to begin in early 1974, has been delayed. Construction completion is now set for November 1977, with no date forecast for operations to begin.

The FFTF is the forerunner of the Clinch River Breeder Reactor demonstration plant in Tennessee, another major facility with which there have been similar problems. ERDA has adjusted the 1972 cost estimate of $700 million to $1.7 billion, and a recent GAO report suggests this figure might more realistically approach $2.1 billion. Initial operations are expected to begin in July 1982, a delay of about 3 years.

The current breeder controversy is centered on Clinch River, for this year Congress is being asked to authorize funds for a new phase of the total LMFBR program. Indeed, the language in the bill, as drafted by the Joint Committee on Atomic Energy, calls for the Congress to act on the request for total governmental assistance for the design, construction and operation of the CRBR. A total of $181.5 million has been included in the bill for this purpose.

Many critics of the LMFBR feel that now is the time to take a long hard look at the potential effectiveness of the program and the Federal investment involved before authorizing this additional funding for Clinch River. The question is essentially one of the future timing of the project—it is not a question of whether to terminate the LMFBR program altogether. Because of the many uncertainties connected with the problem, the majority of the Congress simply does not have the expertise to make such a monumental decision at the present time.

One of the problems which has plagued the Clinch River demonstration plant to date, according to GAO, is what its report termed as a "management arrangement which is complex and potentially cumbersone", and "represents a potential risk to the project." A letter dated March 10, 1975, to the Joint Committee outlined proposed changes in management responsibility and is intended to permit ERDA to manage the project in recognition of the major increase in governmental financial involvement. GAO asserts, however, that the responsibility is not clearly delineated and is, in fact, "ambiguous" and "seemingly inconsistent." Furthermore, GAO contends that the authorization bill "does not explicitly provide for management of the project by ERDA."

Another point of contention is that the demonstration plant should have the benefit of technology and experience gleaned from the Fast Flux Test Facility, Clinch River's predecessor. The LMFBR program, as conceived, would have allowed sequential design from the test reactor to the CRBR demonstration phase. Now that the scheduling has slipped, this is no longer possible, and the projects will be proceeding concurrently instead. Since the design for the CRBR is already 10 year old, it is highly probable that a delay in the program could provide time for reevaluation, thus avoiding many of the pitfalls which have beset the FFTF, many of whose overruns and delays have been attributed to simul-

taneous planning in design, technology development and construction.

In determining the timing for Clinch River, there are also numerous related factors which must be considered. Paramount among these is the projected growth rate of electrical energy demand. Estimates of this figure vary drastically. In fact, the Environmental Protection Agency announced in April that it was recommending a 4 to 12 year delay on the LMFBR, based on the finding that the former Atomic Energy Commission had overstated the probable rate of electrical demand growth for the years 1970 to 2020.

ERDA and the utilities are projecting an annual growth increase of 6 percent per year, amounting to a doubling time of 12 years. This would quadruple current consumption levels by the turn of the century. On the other band, recent conservation efforts, improved efficiency and the current economic decline have significantly curtailed energy usage. A recent study by the Holifield National Laboratories predicted energy growth rates of 3.8 to 5 percent between 1986 and 2000 and 2.3 to 3.1 percent between 2001 and 2020.

The use of foreign technology in the development of the LMFBR is an avenue which should be explored. The United Kingdom, France, and Russia already have demonstration breeders, and Japan and West Germany have plants scheduled for operation. Yet, the United States has preferred to go it alone on the LMFBR, choosing to develop its own prototype rather than to utilize the experience of other countries. Although foreign program approaches and licensing requirements are different from our own, there still remains the very real possibility that we could benefit from at least some of the work which has been done. GAO has recommended some cooperative arrangement in this regard.

Another important criteria is the extent of our national uranium supplies. One of the compelling reasons on which urgency for the breeder has been based is that our available uranium supplies already have been committed to existing reactor technologies and the breeder is needed to obviate this resource deficiency. However, there are no accurate estimates on how much uranium we actually have.

Therefore, if supplies are later found to be sufficient, the huge capital investment required for the LMFBR will negate its possibility of being economically competitive with light water reactors at the time it begins commercial operations. Obviously, this would make the breeder less attractive to the utilities and would probably lead to continued and possibly higher Federal subsidies. A delay in the program at present, coupled with a more accurate calculation of available uranium supplies, could lessen the projected time gap.

Another vital issue also involves utility participation in the LMFBR effort. A near commercial breeder reactor presently is scheduled to be built subsequent to the Clinch River experiment and prior to commercialization. At present, only $300 million has been included for the CRBR in the total ERDA program estimate of $10.7 billion. The remainder of the revenue necessary to construct this plant, projected to cost $2 billion, is to be provided by the nuclear industry. Judging from the experience of Clinch River, in which the Government originally forecast significant cost sharing, this latest supposition is highly questionable. If the private sector fails to contribute the majority of funds for the NCBR, then ERDA must pick up the tab, thus further escalating the Federal investment in the LMFBR. In addition, ERDA has acknowledged the necessity for perhaps more than one NCBR before commercialization can begin, in which case the Government would again be called upon to supplement the industry.

Still another factor is that recently other alternative energy sources have been receiving considerable attention. There is some controversy whether any of these options could provide the large-scale energy requirements this country will need by the turn of the century. Nevertheless, these other sources should be thoroughly evaluated in order to determine if this Nation should be directing a substantial portion of its R. & D. effort to some other program which could be more viable and economically attractive.

All of the various uncertainties I have discussed, as well as other questions which have arisen with regard to environmental, safety, and security issues have prompted a more reasonable look at the total program and the posthaste fashion at which it has progressed to date. Throughout the numerous congressional hearings before which ERDA testified this year in support of the LMFBR, administration witnesses held firm to the conviction that any delay in the program would severely jeopardize its future potential and so demoralize the industry that the loss of momentum would be difficult to recoup.

However, last week the administration unexpectedly announced a proposed change in the ERDA budget, resulting in a reduction of $43 million in operating expenses and $17.5 million in selected resources for the LMFBR. In a letter to the chairman of the Joint Committee, the ERDA Controller stated:

> We continue to support strongly the Liquid Metal Fast Breeder Reactor program. The proposed change in LMFBR funding reflects a decision by ERDA management to adjust the schedule and pace of the program to better assure its successful development. That is more important than the exact date of its commercial introduction, as long as it can be completed within the time frame dictated by available uranium resources.

ERDA's change in plans has been attributed to a delay in obtaining a site-preparation license from the Nuclear Regulatory Commission, to the ERDA Administrator's contention that the "project has built up too rapidly," and to the lack of a competent management team to handle it. Although funds for site preparation and equipment are no longer needed at present, ERDA contends that revenues still are required for sophisticated new equipment with long-lead time requirements.

In addition, ERDA has indicated that it may reprogram the unused funds in order to improve present-day nuclear reactor technology or to augment present safety efforts. ERDA alludes to possible redirections of these moneys in its letter to the Joint Committee and further states:

> These proposed changes may require a modification of our authorization request, or a reprogramming, depending on the levels finally approved by the President.

What the public does not know, is that any such reprograming action simply requires the Joint Committee and the Public Works Subcommittee of the House Appropriations Committee to be informed of the anticipated change. The committees are not required to take any formal action and the full House is not involved. If any problems are foreseen with the projected plans, they are usually resolved at the staff or full committee level.

As a Congressman who has been concerned over certain facets of the LMFBR program for the past few years, I have met on several occasions with administration representatives to try to gain meaningful answers to questions I have raised. Despite these attempts, I remain seriously concerned that we might be overcommitting ourselves to a program whose history has been dubious, at best.

Therefore, when the ERDA authorization bill reaches the House floor, I plan to offer an amendment which would delete $92 million in funding for Clinch River. In essence, my amendment does three things:

First. It limits the authorization for Clinch River to a 1 year, rather than a program authorization as it is in the reported bill. By doing so, it would insure the Congress ability to review the CRBR program on an annual basis, rather than giving ERDA free rein of the demonstration plant, requiring the agency only to return to Congress for appropriations.

Second. It prohibits funds for on-site construction of Clinch River or for the procurement of contracts for plant components, related items, or long-lead items for the CRBR.

Third. It requires a 1-year study by the Office of Technology Assessment, including such items as: national electrical energy demand projections; uranium availability; utilization of foreign technology in extending uranium resources and in the development of the LMFBR; the optimal mix of nuclear reactors; costs and benefits of the LMFBR; environmental impacts of the LMFBR; safety implications of the Clinch River design; and costs and benefits and feasibilities of alternative energy resources.

My amendment is not antinuclear. I personally am not opposed to nuclear energy and fully recognize its potential for future energy generation, providing, of course, that adequate environmental and safety requirements have been met.

For those who might misinterpret my intentions, I cite the testimony of Prof. David J. Rose, a professor at the Massachusetts Institute of Technology, who is, himself, probreeder. Nevertheless, he too, has stated his concerns over the CRBR and his support for a 1- to 2-year delay in order to gain added insight into many of the problems I have discussed. These include the need to update the plant design, benefits which could be gained from further development of the FFTF, total energy demand projections, other breeder options, and the use of foreign technology.

In addition, it was reported last week that Dr. Robert Seamans, the ERDA Administrator, actually favors a study of the entire nuclear power issue in order to determine where the breeder would best fit in. Dr. Seamans also hopes that such a review would eliminate most of the emotionalism which currently surrounds this issue. I wholeheartedly agree with him.

Too often the issue has been distorted by historical reaction rather than a clear assessment of the facts. Before we commit ourselves to a program which may have questionable or minimal results, I think we ought to step back and take a clearer look at where we are going and if we are, in fact, proceeding along the best course. This Congress is all too familiar with the numerous disasters associated with some of our heavily funded technological programs such as the ABM and SST. We must guard against a similar debacle marring our energy initiatives.

The time to make this judgment is now. By allowing R. & D. to continue on the Clinch River facility, we would not be jeopardizing the future of the program. However, by prohibiting construction funds and commitments to long-lead items, we would be preventing contractual arrangements which might later result in loss of jobs, greater disruption of the program and further reluctance to admit mistakes. By providing for a study by the OTA, we would, at long last, be addressing some of the issues to which even some of the so-called experts, have no answers.

Some studies, although none as comprehensive as I have proposed, presently are in progress. Unfortunately, the Congress will not have the benefit of their results before acting on the authorization. First and most important is the report which ERDA is expected to submit to Congress this June 30, in which it will outline our Nation's energy priorities. Second, the environmental impact statement on the breeder reactor has not been completed. And finally, part of the GAO report on cost overruns and program operations has not been released.

The Ad Hoc Subcommittee to Review the National Breeder Reactor Program, recently created by the Joint Committee on Atomic Energy, presently is holding hearings on the LMFBR. These hearings will not be completed by the time the authorization is considered, nor will the findings have been printed or reviewed. The Subcommittee on Energy and the Environment of the House Committee on Interior and Insular Affairs recently concluded hearings on Clinch River. Members of the subcommittee presently are preparing a report on the statements made and subsequent recommendations. That information also will not be available to the Congress prior to considering the ERDA programs for next year.

It would seem to me a matter of good government, not to mention common sense, that we refrain from acting on any questionable aspects of the LMFBR until all relevant material has been made public and sufficient time has elapsed for it to be evaluated. Before placing all our energy eggs in the LMFBR basket, I suggest that we follow a responsible approach in evaluating our energy options for the future. The Coughlin amendment, I believe, would provide the opportunity for doing so, and I hope you will support it when it is considered on the floor.

MORE DEFENSE FOR LESS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mrs. HOLT. Mr. Speaker, an article which appeared in the May issue of Shipmate, the U.S. Naval Academy Alumni Association magazine has recently been brought to my attention. The author, Rear Adm. George H. Miller, U.S. Navy, retired, is presently serving as the naval adviser to the Assistant Secretary of the Maritime Administration, working in liaison between the Commerce and Navy Departments to maximize the Merchant Marine's contributions to U.S. foreign policy and military readiness objectives. I believe that Admiral Miller's editorial commentary deserves the review and consideration of my colleagues:

MORE DEFENSE FOR LESS

(Rear Adm. George H. Miller)

One of the more obvious lessons of history is that a nation which habitually engages in land wars bleeds away its human and material resources more rapidly than a nation which emphasizes maritime strength. Our competitor, the Soviet Union, learned this lesson after suffering huge manpower losses and devastation in two world wars. The USSR consequently has been building up its maritime strength since World War II, while the United States has been content to lag behind. Also since World War II, the Soviet Union has avoided commiting troops to combat on foreign soil; the United States has engaged in protracted land wars in Korea and Vietnam and for many years has maintained large contingents of land forces overseas. The Soviet Union is gaining in economic and maritime strength; the United States is falling behind. The Soviets have made dramatic gains in numbers of ships, as is shown in the following comparison:

	Combat ships		Merchant ships	
	United States	U.S.S.R.	United States	U.S.S.R.
1946	307	75	4,861	488
1974	291	546	586	2,306

Soviet maritime strength is also well coordinated. For example, the Soviet Navy and Merchant Marine operate together as standard procedure in peace-time operations and combat training. The head of the Soviet Navy is a voting member of the Central Committee of the Communist Party and has direct influence on Soviet national policies. The Soviet Merchant Marine is a major participant in the Soviet world-wide political-economic offensive, whose scope and success surpass all similar campaigns of recorded history.

Up to 1947, the United States had a cabinet-level Navy Department able to coordinate the Navy, Merchant Marine and other maritime arms in national defense and support of foreign policies. The National Security Act of 1947, however, removed the Navy Department from the Cabinet level and transferred the Navy to the newly-established Department of Defense. The U.S. Navy is now regarded under the law as one of the Armed Services, with strictly combat functions. The other maritime arms were scattered among a number of government agencies, without provision for their coordination in national defense and support of foreign policy.

The Merchant Marine Act of 1936 states that it is necessary for national defense that the U.S. have a merchant marine capable not only of carrying all our domestic waterborne commerce and a *substantial portion* of our foreign trade but also of serving as a naval and military auxiliary in time of war or national emergency. But the National Security Act of 1947 makes no mention of the statutory national defense functions of the U.S. Merchant Marine.

The U.S. Constitution states that Congress shall provide and maintain a Navy. At the time the Constitution was written, the term "Navy" included both combat and merchant ships. Many U.S. merchant ships and their crews served routinely as combat units in time of emergency and returned to commercial shipping when the fighting ceased. The Constitution refrains from authorizing standing armies by stating that Congress shall raise and support armies but no appropriation for that purpose shall be for longer than two years. Present national security legislation provides for maintaining and coordinating land naval and air forces. No provision exists in U.S. law for integration of U.S. maritime arms in support of foreign policies in peace and war, even though the wording of the Constitution clearly suggests preference for lower-profile maritime strength and strategies.

In two instances since World War II, the U.S. did apply maritime strength with notable success. In the Cuba crisis of 1962, the President chose naval blockade to prevent delivery of Soviet missiles to Cuba, although the Defense Department had recommended that the U.S. bomb and invade. In 1972 the President ordered mining of North Vietnam harbors, also to prevent delivery of Soviet arms. The North Vietnam blockade also was opposed in the Defense Department. However, both blockades were immediately successful. They caused no personnel or material casualties on either side, and negotiations were stimulated. Some felt at the time that we were persuaded too easily to lift the blockades entirely, thus permitting communist merchant ships to continue to this day delivering decisive amounts of war material to strategically located areas important to world stability.

Our troops suffered tens of thousands of casualties in Vietnam, while recommendations to cut off communist war material arriving by sea remained bottled up in lower echelons of the government. Some naval authorities believe that the United States should have made the decision to blockade at the same time it committed its troops to combat in Vietnam. A maritime strategist would counsel that the United States should not commit armies to combat on foreign shores until U.S. forces had succeeded in severly restricting or preventing enemy reinforcement of the combat area.

Since the present National Security Act has been in effect, the U.S. defense budget has increased ten-fold. Yet, the higher Defense expenditures have been, the less safe this country seems to have become. Moreover, despite vast expenditures for national defense, the United States has been losing, or indeed may have already lost, maritime supremacy. A whole generation of Americans has matured since 1947 with little comprehension of how maritime strategies employed by the more successful great powers of history saved lives—and nations.

The U.S. will continue to lose maritime strength until it again has an organization to coordinate the maritime services—merchant marine, fishing fleet, oceanographic

fleet, shipbuilding, Navy and Coast Guard—in their historic noncombat roles, of reinforcing the Nation's overseas political and economic, as well as military, efforts. It is quite true that virtually all *successful* maritime nations of history have had at least a Minister of Marine, with direct access to the top level of government.

Articles are again beginning to appear in the press suggesting more unification of the armed services. However, since passage of the original National Security Act, a considerable number of legislative changes has been made in the name of more unification. Unfortunately, the result has been less national defense for *more*. It is time to try something else.

How about more coordination of the maritime services? This approach may be just what the country needs, if Americans are serious about getting more national defense for less.

A JOURNEY WITH THE MASSIES

HON. JOHN BRADEMAS
OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. BRADEMAS. Mr. Speaker, I take this time to call the attention of Members of the House to a most moving book, "Journey", by Robert and Suzanne Massie.

This book discusses the impact on the lives of the Massie family as a result of the hemophilia of their son, Bobby.

One of the most stimulating articles I have seen about Robert and Suzanne Massie and the reason they wrote "Journey" is an article by Francesca Stanfill in the May 16, 1975, issue of the journal, "W".

I insert Ms. Stanfill's article at this point in the RECORD:

A JOURNEY WITH THE MASSIES

(By Francesca Stanfill)

NEW YORK.—The blood of two boys binds the stories of their families: the Romanovs of Russia with Robert and Suzanne Massie.

Split by a half a century, divided by two continents, the same curse links them: the hemophilia of their sons.

It was the hemophilia of his own son, Bobby, that led Massie to write "Nicholas and Alexandra." He set the royal couple's struggle with the Tsarevitch's disease against the vortex of a revolution, showing how it brought Rasputin—the bizzare healer from Siberia—to his secret vigils at Tsarkoe Seloe, Livadia, Spala and St. Petersburg.

Nicholas and Alexandra had sought a holy man to exorcise the curse, and found, instead, the mad Rasputin. The Massies' recourse has been writing.

In "Journey," their new autobiography, the Massies tell the story of their son's illness. Their voices alternate the chapters, telling how they have kept Bobby alive—fighting for his blood, struggling against the stony bureaucracy of the pharmaceutical industry and insurance companies and even against the benefits of society groups concerned with "chic" diseases. The two voices of "Journey" make this a family chorus: the emotional, almost litanical, questioning of the mother blends with the langauge of the father as he explores the scientific side—the langauge of blood chemistry and plasma, the mechanism of AHF (anti-hemophilliac factor).

"Journey" is the parents' story, but the central figure is the son.

Bobby Massie is a freshman at Princeton University, where he is studying Russian, French and economics. Only two things set him apart from any other freshman: outside his room there is a bright orange cart; because of the bleeding of his left knee, Bobby must carefully allot his walking and depends on the cart to get him around the campus. The second sign—the frosty white bottles of plasma that sit inside the homely refrigerator of his book-filled room. These—by providing his blood with the AHF protein that it lacks—keep him alives. Bobby has been giving himself transfusions every other day since 1970; each transfusion costs $100.

"I remember discussing the idea of a book about 2½ years ago," says Bobby, who seems older, more articulate, than 18. "We've had an unusual life, with twists and turns—and I hope it will give courage to people who didn't know that life can have such twists."

Why did he urge his parents to write it? "All my life I've had to deal with the stereotypes of people who are ill," says Bobby. "I guess there are really two instincts—one to hide, the other to expose yourself. I wanted them to write it—at the same time, I almost wished someone else would do it.

"What I wanted to show was that I do have these unusual circumstances. What my parents have taught me is to take something that would normally have excluded me and not only conquer it, but almost make it an advantage—that is, something secondary, not the center of life."

What are the "unusual circumstances" that he must deal with? "Constant decision-making," he says. "Am I able to swim today? And how much? If I walk to class, can I walk to the gym too? I have to balance these things.

"I also have to control the effect of the environment on me," he continues. "If I become tense, I have a tendency to bleed, and I must tell myself that whatever it is that's making me tense is just not worth bleeding for."

This summer Bobby will continue his work as an intern with Sen. Henry Jackson, in Washington. Like his mother and father, he has been active in hemophilia research and in crusading for the reform of the blood industry. Last summer, he researched a 60-page report on the pharmaceutical industry. "I certainly feel that the industry should be under some sort of federal supervision," he says. "I'm hesitant to say that the prices are artificially high, but every doctor I've talked to seems to think that AHF could be made for a considerably lower price."

Does he think "Journey" will change his friends' attitudes toward him? "It may be a bit awesome to people who don't know me," he says. "But if they're just curious—well, I can put up with that."

There is much of Bobby Massie in the book: His chapter ends the story; entries from his diaries, up to the age of 14, were used throughout by his parents. This does not seem to bother him. "I guess it was then that I was most isolated," he explains. "My father had just started to write 'Nicholas and Alexandra' when I was 8. I do remember being excluded, but I always thought there was something wrong with people who wanted to exclude me. So I read a lot—useful things and junk, too." He smiles. "And I was very curious about Alexis (the son of Nicholas and Alexandra) and always asked my father about him—what he did, what he liked."

At this point, his roommate, Steve Channock, enters—a tall, gangly music major who is on the swim team. As they walk to lunch, Bobby talks about the attitude toward hemophilia in Paris, where the Massies lived for four years, versus the attitude here. "There are insoluble problems, insoluble personal problems. In the U.S. people tend to look for reasons for things. In Europe, there is a heightened sense of the irrational. The importance of the book is that it talks about a problem that is insoluble. It's just part of life.

"Look," he says. "It's a test. If you pass it and you come through, then you're glad you did it. The only thing that is pathetic is to learn nothing.

"I think the key transition was never to hide it. I was never afraid of being rejected, since my family and my friends were always behind me, particularly my family. Well, you should really talk to them."

Robert and Suzanne Massie live in a rambling white house, surrounded by immense maples and elms, that overlooks the Hudson in Irvington, N.Y.

"My Russian friends always tell me this house has soul," says Suzanne of Sunnybank, their home. There is something Chekovian about the silence of the woods around it, the eclecticism of the rooms and their colors. Bulging cabinets, lined with books, are everywhere; the piano at the entrance is plied with photographs, mail, children's drawings. "Our cat population is multiplying," says Bob, who still has boyish good looks and a gentle sense of humor. Suzanne is dressed in her version of a Russian outfit: white overblouse, passementerie belt and black skirt.

Sitting in the deep red library with its Russian memorabilia—interrupted occasionally by their daughters, Susie and Elizabeth, and their dog, Dushka—the Massies talk about their "Journey."

"I had never wanted to tell this kind of story before," admits Bob. "So I wrote 'Nicholas and Alexandra' instead." How, then, did "Journey" come about? "There came a point when it seemed the right thing to do. Bobby was leaving. That was the key moment, when a child leaves home. He urged us to write it; we didn't want to inflict it on him before.

"We came back from Europe and found that, as far as health problems go, the United States was still far behind," he continues. "The book is intended to help people face a permanent catastrophic illness—it's meant to help them psychologically, true. But it's also intended to spur some action on health insurance. We have to pay $10,000 to $15,000 for a permanent catastrophe. I feel it's wrong for one of the richest countries in the world to ignore its sick children that's why we wanted to tell one story, our story."

"There are thousands of children who cannot afford to pay," says Suzanne. "But I really don't think, Bob, that we meant this as a tirade."

"No, of course not," he answers, "but I certainly didn't write this as a memoir either. I hope that people will act."

"Obviously we didn't set out to make this just an ego exercise," says Suzanne, who is adamant about the emotional—almost spiritual—side of the book. "I felt it was very important to show the feeling of being excluded. I have seen so many children and women sitting, waiting in those hospitals and doctors' offices.

"I hope that people will be encouraged to identify with us. I wanted to make sure that it's clear, too, that Bobby's problem is relative. I realized that, relatively, we were very lucky.

"The most wonderful thing would be to accomplish something," she continues. "The real success would be opening a few people's eyes so that some will reach out and understand how wrong it is, this excluding of the chronically ill. There are 9 million handicapped children in the U.S. I'd like to dispel fear."

Putting the book together was done in styles as different as that of the authors' writing. Suzanne commuted to a New York office three days a week for seven months. "On Tuesdays, Wednesdays, and Thursdays I would go there and lock myself up; on Saturday and Sunday, we would exchange materials. Bob can work at home—I can't. Somehow I think a mother is always too conscious of the sounds of the home.

"We always work together—always," she continues. "He helps me put structure in my work, and I think I help him let go a little."

"Sue remembered everything," says Bob, later, strolling on the back lawn. "I think it shows. Her part is more from the heart, really the emotional part. Mine, in a way, is the scientific part. I had to reconstruct everything from old doctor's bills, letters . . ." What about the title? "That's Sue's—you've got to ask her about that . . ."

"I didn't want anything too pathetic, too schmaltzy," says Suzanne. "I like simple titles. I chose 'Journey' because it implied an unfinished thing. I think that books should fill the title—not the other way around."

Close friends say that it was a "very difficult" book for the Massies to write—more difficult than the "intellectual exercise" of "Nicholas and Alexandra." Was it?

"I think I would say emotionally purging," says Bob.

"If this has taught me one thing," says Suzanne, "it's that there is much in life that you can't understand. You just can't take all the problems of the future ahead of time. Most of our wrong decisions have come when we've tried to hedge, when we were fearful of the future. Maybe it's because we're both Capricorns—we're cautious.

"If someone had told me that I was a carrier of hemophelia, I probably wouldn't have had the guts to go through it when I was 22 or 23. Faced with that struggle—never knowing if Bobby might begin to bleed—I probably would have said no.

"You can't say it's a good thing, and yet, I think it was a very creative thing. This kind of experience gives you a very sharp awareness." She glances at the swing that a friend, Valeria Panov, hung on the huge elm on Christmas night. "You know, I think that it is something the Russians understand, that the suffering holds within itself a promise and self-knowledge."

A TOKEN OF APPRECIATION

HON. MICHAEL HARRINGTON
OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. HARRINGTON. Mr. Speaker, I wish to insert in the RECORD Russel Baker's column on "Fedgush," which appeared in the June 1, New York Times Magazine, and dedicate it to my legislative aides, who are required from time to time to decipher and edit transcripts of my off-the-cuff remarks.

The text follows:

FEDGUSH

(By Russell Baker)

Cummings, who is finicky about the language, burst into the office and stood aghast. I sat aglectricked, for I sensed that he had just watched a Congressman strangling the English language with his bare tongue, and was outraged.

"Define 'energy crunch,'" Cummings said.

"A breakfast cereal. Tasty, invigorating, packed full of wholesome goodness. Keeps you going hours after higher-priced antiperspirants have quit keeping you safe twice as long."

"Then how can an 'energy crunch' be 'down the road,'" he demanded.

"It can't. It can only be at your grocer's (2 cents off), on the table, or down your gullet."

"Exactly," said Cummings, turning red with rage, white with anger, purple with fury, and slipping into a blue funk. I wanted to turn green with envy at his ability to run the spectrum, but couldn't, so stayed puce with indifference.

I told him to quit mincing words, get to the point and give me the thrust of his argument. He said he couldn't possibly mince words because he had lost his mincer, and had sent his saber and foil to the cleaner, which left him without a point or a thrusting device to bear his argument.

"Quit trying to speak sensibly and talk like everybody else," I screamed. "Tell me about the breakfast cereal down the road."

"It is going to hit us right between the eyes," Cummings said.

"Get out of here, Cummings."

"It is not only going to hit us right between the eyes, but it is also going to shake us to the roots."

I expressed incredulity, which inflamed Cummings because he believes incredulity travels faster if air-freighted. After smothering the flames, I pushed him toward the door. He was a fire hazard and an alarmist.

I told him there was no breakfast cereal down the road, and even if there were it couldn't possibly hit me right between the eyes, much less shake me to the roots, since I had just had my annual root checkup and been assured that they were as sound as a two-month-old dandelion's.

"Congressman Al Ullman says differently," Cummings replied.

Suddenly, the scales fell from my eyes. Cummings pounched on them and weighed himself. "You need new scales," he said. "These things are eight pounds off."

I was not going to be side-tracked to the hardware store that easily, for everything had become clear. "Congressman Ullman," I explained to Cummings, "is the powerful chairman of the powerful House Ways and Means Committee, which handles oil law. As a Congressman, he does not speak English. He speaks munchy, crunchy, down-the-road, right-between-the-eyes, root-shaking Fedgush."

Cummings cringed and whined when the word "Fedgush" rasped across his word ends, but I showed him no mercy. "In the Federal center of civilization, Cummings, speech has been superseded by gush. Speech became a dangerous tool down there, because it made it too easy for people to understand what Government people were talking about. So they moved up to gush, and now they can't even tell what they're talking about themselves."

"Ghastly," Cummings ghasted.

"Not necessarily. As long as no two of them understand each other, it's harder for them to gang up against us."

"Energy crunch isn't a breakfast cereal?" Cummings asked.

"Probably not. In Fedgush 'energy' usually means 'oil.' 'Crunch' can mean almost anything except 'crunch,' and 'down the road' can mean 'next week' or 'next century.' When Ullman says there is an 'energy crunch down the road,' he probably means the oil problem is going to get worse next week or 25 years from now. All the rest about being hit right between the eyes and shaking us to the roots is added only to make the sentence more musical with ridiculous metaphor. Fedgush relies heavily on ridiculous metaphor to heighten the confusion."

Cummings wept. "Energy crunch," he sobbed. "Down the road. Hit us right between the eyes. Shake us to the roots."

"Don't take on so, Cummings. All it means is what it always means in Washington. Things are going to get worse."

Cumming's spirit was broken, so I put the pieces in a plastic bag for him, told him he was going through a spirit crunch and asked him to come see me down the road if it didn't hit him right between the eyes with root-shaking consequences.

He tried to hit me right between the eyes, but there wasn't enough space left, what with all the other crunches already lodged there.

BURYING THE ISSUE OF GASOLINE TAXATION

HON. LARRY PRESSLER
OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. PRESSLER. Mr. Speaker, yesterday in this body, during consideration of H.R. 6860, we witnessed the defeat of all attempts to increase the gasoline tax. I was very gratified by the fact that we rejected increased taxation. I am personally committed to resisting any efforts to implement higher gasoline taxes as a mechanism with which to generate conservation. My determination to oppose such taxation stems from my belief that first, it imposes an unreasonable burden on poor and rural Americans, and second, there is no evidence that the limited increases we have debated would result in significant conservation.

In South Dakota, where the economy is based on agriculture and tourism, there are no simple remedies to the energy conservation program. I know from my frequent trips to my district that people there are willing to make sacrifices; but, I hope that the sacrifices we ultimately ask of them will be productive and reasonable—unlike the taxes we have fortunately exorcised from the the energy bill.

When the President visited my district in Sioux Falls, last fall, he made the following statement which I wholeheartedly endorse:

I am vigorously opposed to any additional federal tax on gasoline, and I'll fight it as hard as I possibly can . . . let me add one special concern that I had for the people of South Dakota when this issue was presented to me and I rejected it. I thought of the people of South Dakota . . . who travel . . . many miles to go to the doctor or to the hospital. I thought about the people in South Dakota who have to go from their farms . . . to the implement dealer or to the community where they trade. A gasoline tax would, in my judgment, unfairly penalize those people, and for that reason, among many others, I rejected it.

I urge the President not to abandon that position; and, I urge my colleagues to lend the special problems of rural Americans the attentiveness they merit. We do not have the option of taking a subway in Humbolt, S. Dak. There is no alternative but driving for those who do not have access to mass transportation. A farmer cannot use buses to carry his grain to market. Let us be responsive to the people who fill 58 percent of the jobs in this Nation today—rural Ameri-

cans. Accept the fact that increasing gasoline taxes is simply a punitive measure and, via yesterday's vote, transcend the issue once and for all.

As the gentleman from Iowa (Mr. BEDELL) eloquently pointed out yesterday, the tax would not have accomplished its announced goal of conservation. Only a tax in the range of 45 or 50 cents promises to accomplish the conservation and those levels are even more punitive and regressive than the increases we rejected.

I urge us to turn our attention now to correcting the inefficient uses of fuel in this country. We still have opportunities in deliberations on this bill, H.R. 6860, to tighten up in areas where frivolous waste has been tolerated for too long.

Also, we must consider the urgent issue of increasing energy production, which I am sad to see is not addressed in H.R. 6860. Increased production of current energy sources and research and development of solar, wind, water, and other forms of energy are where the emphasis of our energy efforts must be focused. We cannot ignore those fronts if we truly hope to be responsive to the mounting need for an effective and comprehensive energy program for this Nation.

HOUSE OF REPRESENTATIVES—*Friday, June 13, 1975*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let justice roll down like waters and righteousness like an ever-flowing stream.—Amos 5: 24.

Almighty God, whose creative spirit called us into being and whose strength sustains us in our daily duties, give us this day a clear vision of Thy purpose for us and for our country. Help us to see that there is no way out of the troubles of our time than the way revealed in Thy Holy Word—the way of truth and love. We beseech Thee to make us equal to the task of organizing our society on the basis of equal rights for all, justice by all, and good will in all.

Grant that we the leaders of our land may have such a deep experience of Thy presence and Thy power that we may be able to meet our high duties and manage our heavy responsibilities with honor to ourselves, to our country, and to Thee; for Thine is the kingdom, the power, and the glory forever and ever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

The message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 492. Joint resolution making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 66) entitled "An act to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training and to revise and extend programs of health revenue sharing and health services," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. WILLIAMS, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. PELL, Mr. MONDALE, Mr. HATHAWAY, Mr. SCHWEIKER, Mr. JAVITS, Mr. BEALL, Mr. TAFT, and Mr. STAFFORD to be the conferees on the part of the Senate.

IN DEFENSE OF THE NEDZI CHAIRMANSHIP OF THE SELECT COMMITTEE ON INTELLIGENCE

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, I rise this morning to protest the shabby treatment, the incredibly shabby treatment, of our friend and colleague, the gentleman from Michigan (Mr. NEDZI), at the hands of the so-called Select Committee on Intelligence.

A nicer, finer, fairer, more conscientious, more reasonable Member never sat in this House than LOU NEDZI, and I think it would be a shame if this House were to, on Monday, allow this outstanding Member to be drummed out of his chairmanship of this committee on far-fetched, phony, trumped-up charges.

This is a matter that goes, not only to the privileges of a Member of the House, but to the privileges of this House and the honor of this House. We cannot allow cannibalism to be condoned in the operation of our committees, and we are going to have a chance on Monday to rally to the support of LOU NEDZI, and we must refuse overwhelmingly at that time to accept his resignation.

If they can perform this kind of cannibalism on LOU NEDZI and get away with it, they can do it to any of the rest of us.

Mr. Speaker, there is an even more serious implication in what is happening here—we cannot, we must not allow the vital intelligence operations of the Nation to become the pawn of people running for higher office. We must act decisively in support of the gentleman from Michigan (Mr. NEDZI) on Monday.

PERMISSION FOR SUBCOMMITTEE ON FISHERIES AND WILDLIFE CONSERVATION AND THE ENVIRONMENT TO MEET TODAY DURING 5-MINUTE RULE

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the Committee on Merchant Marine and Fisheries be permitted to meet today while the House is meeting under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMENDING FORMER GOVERNOR HATHAWAY ON HIS APPOINTMENT AS SECRETARY OF THE INTERIOR

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, this is the day when Wyoming's former Governor, Stanley K. Hathaway, will be sworn in at the auditorium of the Department of the Interior as the Nation's new Secretary of the Interior.

I want to commend him and Mrs. Hathaway, and I will say to my colleagues that I have every reason to believe his tour of duty as our Secretary of the Interior will augur well for the Nation and for its efforts in fighting our energy problems.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 294]

Ambro	Flynt	Murtha
Andrews, N.C.	Ford, Mich.	O'Hara
Bell	Ford, Tenn.	Patman, Tex.
Bevill	Fraser	Perkins
Biaggi	Fulton	Price
Bingham	Giaimo	Quillen
Boling	Gilman	Rogers
Breckinridge	Gonzalez	Rose
Brooks	Gude	Rosenthal
Burke, Calif.	Hansen	Rousselot
Burke, Fla.	Harrington	Ryan
Burton, John	Harris	St Germain
Burton, Phillip	Harsha	Scheuer
Carter	Hayes, Ind.	Sebelius
Chappell	Hébert	Shuster
Chisholm	Heckler, Mass	Sikes
Clawson, Del	Heinz	Solarz
Clay	Henderson	Spellman
Collins, Tex.	Holland	Steiger, Wis.
Conyers	Horton	Stephens
Corman	Jenrette	Stokes
Cotter	Jones, Ala.	Symington
Coughlin	Jones, N.C.	Talcott
Davis	Jones, Tenn.	Teague
Dellums	Koch	Thompson
Derwinski	Landrum	Udall
Dickinson	Lott	Waggonner
Diggs	Macdonald	Wampler
Dingell	Matsunaga	Wiggins
Drinan	Metcalfe	Wilson, C. H.
du Pont	Mills	Wilson, Tex.
Edwards, Calif.	Moakley	Wright
Esch	Mollohan	Young, Alaska
Eshleman	Morgan	Young, Ga.
Fish	Mosher	

The SPEAKER pro tempore. On this rollcall 329 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR SUBCOMMITTEE ON WATER AND POWER RESOURCES TO SIT THIS MORNING DURING READING OF ENERGY BILL

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Water and Power Resources of the Committee on Interior and Insular Affairs may have permission to sit this morning during the reading of the energy bill.

The SPEAKER pro tempore (Mr. MCFALL). Is there objection to the request of the gentleman from California?

There was no objection.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee on the Whole House on the State of the Union for the further consideration of the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6860, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday title III of the bill was before the Committee of the Whole for the purpose of amendment at any point.

AMENDMENT OFFERED BY MR. M'CORMACK

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Page 90, after line 17, insert the following:

SEC. 333. QUALIFIED ELECTRIC MOTOR VEHICLES.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44E. QUALIFIED ELECTRIC MOTOR VEHICLES.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 percent of the amount paid by the taxpayer during the taxable year for a qualified electric motor vehicle to the extent that the aggregate amount paid by the taxpayer during such taxable year and all prior taxable years for such vehicle does not exceed $3,000.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under—

"(A) section 3 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property and purchases of certain recyclable waste),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to credit for personal exemptions),

"(G) section 44 (relating to purchase of new principal residence),

"(H) section 44C (relating to insulation of principal residence), and

"(I) section 44D (relating to residential solar energy equipment).

"(2) VERIFICATION.—No credit shall be allowed under subsection (a) with respect to any qualified electric motor vehicle unless such expenditures are verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) QUALIFIED NEW ELECTRIC MOTOR VEHICLE DEFINED.—For purposes of this section, the term 'qualified electric motor vehicle' means any vehicle—

"(1) which is powered primarily by an electric motor drawing current from rechargeable storage batteries or other portable sources of electric current,

"(2) which is purchased by the taxpayer after June 3, 1975, and before January 1, 1979, for the personal use of the taxpayer or a member of his family, and

"(3) the original use of which begins with the taxpayer or a member of his family.

"(d) TERMINATION.—This section shall not apply to any amount paid after December 31, 1978."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44E. Qualified electric motor vehicles."

(2) Section 56(a)(2) (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (viii); by striking out "; and" at the end of clause (ix) and inserting in lieu thereof ", and", and by inserting after clause (ix) the following new clause:

"(x) section 44E (relating to qualified electric motor vehicles); and".

(3) Section 56(c)(1) (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (H), by striking out "exceed" at the end of subparagraph (I) and inserting in lieu thereof "and", and by inserting after subparagraph (I) the following new subparagraph:

"(J) section 44E (relating to qualified electric motor vehicles), exceed".

(4) Section 6096(b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44D" and inserting in lieu thereof "44D, and 44E".

(c) Effective Date. The amendments made by this section shall apply to amounts paid after June 3, 1975, in taxable years ending after such date.

Mr. McCORMACK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, let me advise the House, first, that we have a firm commitment at 3 o'clock, so we can firm up whatever commitments the Members have. The Committee will rise at 3 o'clock.

Now, can we get an agreement on time on this amendment? We are going to have to proceed expeditiously.

Mr. Chairman, I ask unanimous consent to conclude all debate on this amendment in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. HANLEY. Mr. Chairman, the vote yesterday by a majority of the House to reject the Ways and Means Committee proposal for a Federal tax of 3 cents per gallon on gasoline leaves two great gaps in this proposed energy conservation and conversion bill.

By a majority vote yesterday, the House of Representatives completely surrendered to the President's plan to raise the cost of all petroleum products by imposing an eventual $3 per barrel tariff on imported crude oil. In effect, the majority has voted to substantially increase the price of gasoline, home heating oil, and residual fuel oil.

From the beginning, I have opposed the tariff approach on two grounds. First, it greatly increases the cost of a basic commodity like home heating oil, and second, it imposes an unfairly heavy burden on the Northeastern United States which burns more home heating oil and depends more heavily on imported crude oil.

With a great deal of ballyhoo, this House had approved the creation of an Energy Research and Development Administration some time ago. Yesterday, by a majority vote, the House refused to fund the trust fund which will be needed to finance all of the research and development we know is going to be needed in order that this country can sever its dependence for energy on foreign countries.

Unless this Congress makes provision for a means to finance energy research and development, its pledge to move ahead toward energy independence is empty.

By the time President Ford is finished raising the tariff on imported oil to $3 a barrel and removing controls on the price of domestically produced oil, and when the Arab countries increase the price of oil by another $3 or $4 per barrel, the price of every petroleum product, from gasoline to the raw materials for the Nation's chemical industry, will rise dramatically. Billions of dollars more will be drained from the Nation's economy, and the low- and moderate-income families of America will be bearing the largest share of the burden.

In this connection, I want to share with my colleagues the following memorandum from the State of New York which details the alternatives in direct costs to the consumers of New York for gas, home heating oil, and residual fuel oil.

By rejecting the gas tax, the House of Representatives has given tacit approval to the President's program which will increase costs to New York consumers by over $1 billion.

In my judgment, the actions of the House yesterday are disastrous for the country. I hope that there will be an opportunity soon to right the wrongs.

The memorandum follows:

MEMORANDUM

JUNE 10, 1975.

To: All Members of the New York Congressional Delegation.
From: Matthew J. Cary.
Subject: Oil Price Increases in New York.

In response to questions from many members, I am happy to supply the following information concerning price increases for oil products from 1972 to the present, and projected price increases due to various proposed federal programs.

I would like to highlight the memorandum as follows:

(1) More than half of the gasoline consumed is consumed for pleasure driving. Over the past three years, gasoline prices have risen significantly less than other product prices.

(2) All the costs detailed are eventually paid by consumers. Some costs are more obvious, or more frequently paid, than others, but all are real costs which come out of family budgets and business profits.

(3) The actions of the OPEC nations are beyond U.S. control. Federal energy policy should seek to mitigate the adverse effects of foreign action rather than exacerbate them.

(4) The total estimated annual direct costs to New York State of the major alternative proposals are:

(a) President Ford's Plan $6,188,164,938
(b) H.R. 6860 5,129,923,668
(c) No federal action 4,946,623,668

NOTE.—We estimate the gas tax will add $183,300,000 to annual consumer costs in New York.

I. FACTORS INCREASING PRICE OF OIL IN NEW YORK STATE

	November 1972	October 1973	January 1975
A. 1972–75 oil price increases in New York:			
Residual oil (No. 6) (per barrel)	$3.57	$4.77	$12.51
Gasoline (per gallon)	.419	.438	.579
Home heating oil (No. 2) (per gallon)	.204	.251	.407
			Percent
B. Percentage price increases in New York (1972–75):			
Residual oil (No. 6)			+250
Gasoline			+38
Home heating oil (No. 2)			+100
			Amount
C. Annual consumer costs of recent price increases (1974):			
Residual oil (No. 6)			$1,433,379,997
Gasoline			977,600,000
Home heating (No. 2)			1,194,858,000
D. Direct annual cost of President Ford's $1 per barrel import fee in New York (does not include rise of domestic crude to import price):			
Residual oil (No. 6)			35,060,088
Gasoline			38,555,553
Home heating oil (No. 2)			34,164,504
E. Direct annual cost of President Ford's 2d $1 per barrel import fee in New York:			
Residual oil (No. 6)			123,083,088
Gasoline			80,598,173
Home heating oil (No. 2)			81,879,864
F. Annual cost to New York of removing old oil price ceilings (presuming world oil price equals $11.50 per barrel):			
Residual oil (No. 6)			67,300,000
Gasoline			427,700,000
Home heating oil (No. 2)			353,200,000
		+$2.00 per barrel	+$4.00 per barrel
G. Annual cost to New York of proposed OPEC price increases (presuming decontrol of old oil):			
Residual oil (No. 6)	320,666,666		641,333,332
Gasoline	290,952,380		581,904,760
Home heating oil (No. 2)	280,285,714		560,571,428
H. Annual cost to New York of proposed OPEC price increases (presuming continued control of old oil):			
Residual oil (No. 6)	296,937,332		593,874,665
Gasoline	154,569,047		317,138,094
Home heating oil (No. 2)	161,891,142		335,782,285
			Amount
I. Annual cost to New York of proposed OPEC move away from the U.S. dollar as standard currency:			
Residual oil (No. 6)			$45,021,599
Gasoline			23,785,357
Home heating oil (No. 2)			25,183,671
	$0.03 per gallon	$0.10 per gallon	$0.20 per gallon
J. Annual cost to New York of H.R. 6860 gasoline tax (presuming continued consumption at 1974 level, 3.59 percent below 1973):			
Gasoline	$183,300,000	$183,300,000	$183,300,000

II. COSTS OF ALTERNATIVE ENERGY PROGRAMS (1972–)

	Residual oil	Gasoline	H.H. oil
A. President Ford's plan (import fees, decontrol, $4 per barrel OPEC price increases and dropping dollar):			
1972–74	1,433,379,997	977,600,000	1,194,858,000
Import fees	158,143,176	119,153,726	116,044,368
Decontrol	57,300,000	427,700,000	353,200,000
OPEC	638,896,264	340,923,451	360,965,956
Total	2,297,719,437	1,865,377,177	2,025,068,324
B. H.R. 6860 (gasoline tax and OPEC actions):			
1972–74	1,433,379,997	977,600,000	1,194,858,000
Gas tax		183,300,000	
OPEC	638,896,264	340,923,451	360,965,956
Total	2,072,276,261	1,501,823,451	1,555,823,956
C. No Federal action (OPEC actions):			
1972–74	1,433,379,997	977,600,000	1,194,858,000
OPEC	638,896,264	340,923,451	360,965,956
Total	2,072,276,261	1,318,523,451	1,555,823,956

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to insert a modifying correction to my amendment. On page 3 of the typed form under the definition of electric vehicle, I ask unanimous consent to insert the word "highway" preceding the word "vehicle," so that the definition reads, "any highway vehicle."

The CHAIRMAN. Is there objection to the request of the gentleman from Washington to modify his amendment?

Mr. GIBBONS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. McCORMACK. Mr. Chairman, I submit this amendment in behalf also of Mr. PEPPER of Florida, Mr. GOLDWATER and Mr. BROWN of California, and Mr. OTTINGER of New York. This amendment provides a tax incentive for the purchase of electric vehicles. It is similar to those provided in the bill for solar homes and for insulation. It is simple in concept and uses the same language and the identical boilerplate as is provided in the bill for solar energy and insulation. It provides a 25 percent tax deduction for the first $3,000 paid on an electric vehicle.

Mr. Chairman, my subcommittee has just completed 4 days of hearings on electric cars, on their performance and on the manufacture of electric cars. We found that electric cars are available today and will do almost anything we normally ask of second cars.

They operate on existing lead batteries, and even use existing bodies of American built automobiles. They drive at speeds up to 55 miles per hour in most cases. They are able to operate all day for about 40 cents worth of electricity. They can be charged up at night in a residential garage.

Mr. Chairman, we find that electric cars, used as second cars, will eliminate the use of many gas-guzzlers. A recent study by the Environmental Protection Agency for Los Angeles showed that in more than 95 percent of all the driving done by families with two cars, total mileage is less than 55 miles a day, and more than 80 percent is less than 35 miles a day. All of this could be accomplished by electric cars.

Electric cars are available today, and priced from $2,500 to $15,000, depending on what the buyer wants. Many Americans would like to buy electric cars, particularly as second cars, but at this time the price may be too high or the market too uncertain, or potential manufacturers are unable to get started. We found several dozen manufacturers want to undertake electric car production, but who are having financial trouble getting started.

Last week, we had 13 different small manufacturers of electric cars, electric trucks or electric buses, come here to the Capitol, and drive them around and have them available for the press and the Members of Congress.

There are a number of advantages to electric cars which make them worth our providing this incentive now. They will conserve a great deal of petroleum. Although this is only a start, I anticipate that by the end of the 3-year period during which this amendment will be in effect, probably not more than 50,000 cars will be electric cars in this country. However, if only 7 percent of our cars are electric by 1990, it would save this country a million barrels of oil per day. Electric cars dramatically reduce pollution in our major metropolitan areas. They are more efficient with respect to total energy consumption, especially for short stop-and-go trips, than is the internal combustion engine.

Finally we must meet foreign competition. If we do not, we may well find ourselves swamped by foreign made electric cars.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, I rise in support of the McCormack electric vehicle amendments. The distinguished gentleman from Washington is a colleague of mine on the Energy Research, Development and Demonstration Subcommittee and these amendments are a result of our hearings on electric vehicles last week in our subcommittee. Our distinguished colleague, the gentleman from Florida (Mr. PEPPER), who participated in those hearings, was also instrumental in the introduction of these amendments. I commend both gentlemen for their efforts.

As you know, Mr. Chairman, the gentleman from Washington and I, along with other distinguished members of the Science and Technology Committee, introduced H.R. 5470, the Electric Vehicle Demonstration Act of 1975 with the objective of providing for a timely and effective demonstration of the very real potential of electric vehicles.

Our subcommittee held hearings on the bill for 4 days last week. Testimony received at the hearings and the electric vehicles displayed and demonstrated here during the hearings, which I am sure many of my colleagues saw and inspected during the week, have provided convincing evidence that electric vehicle technology is available today which can be used in many applications in place of fossil-fueled, internal combustion engines. Specifically, witnesses testified that several hundreds of thousands of vehicles in the fleet market in the United States are prime candidates as a market today.

For example, there are several hundred thousand urban delivery vehicles today. In fact, over 40,000 milk trucks in Britain are electric powered today. Large utility vehicle fleets are another example. One such utility fleet was reported to have 63,000 urban or short-range vehicles which could be phased into electric vehicles. In addition to these road applications, testimony also indicated that there were another several hundred thousand vehicles used within industrial complexes which could be replaced by electric vehicles.

Electric vehicles can operate reliably and with low maintenance costs in each of those applications. Further, on a life-cycle cost basis, electric vehicles can also be cost competitive with fossil fuel vehicles in those applications. The Postal Service currently is operating several score electric vehicles for urban delivery of mail. Representatives of the Postal Service testified that preliminary results strongly supported the fact of high reliability, low maintenance and life-cycle cost competitiveness. Eventually, the Postal Service may have as many as 30,000 electric vehicles in service for urban mail delivery. As this experience indicates, electric vehicles can play a significant role in transportation now, today.

That electric vehicles should play a significant role should not be doubted, Mr. Chairman. The environmental advantages of electric vehicles are obvious. By comparison to internal combustion engines, the electric engines are virtually air and noise pollution free. Certainly, electric generating plants must be operated at increased loads to charge such vehicles, but any air pollution resulting can be better controlled. Also, such plants constitute fixed sources in a large area as opposed to thousands of less controlled vehicle sources.

Generation of electricity also provides the opportunity to use fuels other than oil-based petroleum fuel, such as nuclear and coal. The shift to electricity therefore can pave the way for saving the increasingly scarce petroleum for less flexible applications, including internal combustion engines for high speed, long-range travel. The shift, of course, would be a significant step toward decreasing overall petroleum demand and the resulting dependence on imports of foreign, cartel controlled and priced oil, since automobiles currently consume one-eighth of total U.S. energy. Clearly, it is mandatory that this Congress act now to break that dependence on foreign oil and its threat to the economy and our national interest.

Finally, Mr. Chairman, this immediate action would be a first step on the road to major, short-range usage of electric vehicles. That usage is the ultimate objective of our Electric Vehicle Demonstration Act. Studies have shown that electric vehicles could eventually constitute a majority of the total vehicle market by the year 2000. In my own area of Los Angeles, a recent EPA study concluded that a million second vehicles or 17 percent of the total could be electric by 1980 "with little sacrifice in typical daily driving patterns" and anywhere from 45 to 75 percent electrical by 2000. As you can see, Mr. Chairman, eventual shift to the electric vehicle is not only desirable but practically feasible. While there are many institutional and technical issues yet to be resolved, we are confident that early demonstration and usage of electric vehicles will result in material energy and environmental benefit to the Nation. The encouragement and incentive provided by these two amendments clearly will generate the enthusiasm and participation of the private sector in moving toward that goal.

The two amendments, which I strongly support, would have the effect of granting as much as $750 tax credit to an individual purchasing an electric vehicle. They also would provide accelerated 5-year amortization for electric vehicles used in business and industry and for manufacturing equipment in the electric vehicle industry. We also understand that existing investment tax credit provisions will cover electric vehicles. As you can see, Mr. Chairman, the total package will create an incentive and thereby an encouragement for the manufacture and purchase of electric vehicles, including both business and consumer purchases. The resulting market for electric vehicles in applications with current and near term technology will be a major first step. And, it will be a step taken by the private sector acting without any other Government involvement.

Mr. McCORMACK. Mr. Chairman, I thank the ranking minority member on the subcommittee on Energy Research, and for his support in all areas of energy research and development.

The CHAIRMAN. Members standing at the time the unanimous consent request was made will be recognized for one-half minute each.

(By unanimous consent, Messrs. OTTINGER, SEIBERLING, MARTIN, KETCHUM, and GOLDWATER yielded their time to Mr. McCORMACK.)

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. McCORMACK).

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I congratulate the chairman of the subcommittee for his leadership in this area.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I would like to congratulate the gentleman, also, for his pioneering efforts in promoting the electric vehicle.

Mr. McCORMACK. I thank the gentleman for his comments.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will yield to the gentleman from Texas.

Mr. MILFORD. I thank the gentleman for yielding. I, likewise, support the gentleman. It would be a real lift to reducing air pollution, with absolutely no damage to the economic situation.

Mr. McCORMACK. I thank the gentleman from Texas for his comments and his support.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman for yielding.

Mr. Chairman, I know the gentleman has done a great deal in this particular field. I am not totally in favor of a tax credit system, as we went through this debate yesterday. What I would like to ask, are these electric cars recharged, plugged in and recharged?

Mr. McCORMACK. They are plugged in at night, usually at home.

Mr. KETCHUM. Would this increase the demand for electricity and thereby increase the demands for oil and gas?

Mr. McCORMACK. It would not increase the demand for oil or gas. It would reduce it. Ultimately, late 1980's and 1990's it would increase the demand on electricity produced by coal and nuclear energy. We will be operating automobiles on coal and nuclear energy. But for the next 10 or 15 years, charging up the cars at night during offpeak periods when the demand is low, would simply make the electric utility system more efficient and not require more capacity.

Mr. KETCHUM. I thank the gentleman.

Mr. McCORMACK. Mr. Chairman, to close my remarks, I want to explain that the amendment for which I made the unanimous request was simply clarifying language, to bring the language of this bill into conformity with IRS language. Since there was an objection to that, I simply want to make this point: This amendment does not apply to a golf cart or utility vehicle, or any similar device, unless, in the case of a utility vehicle, it is actually owned by an individual and used for personal use. It is intended as a highway vehicle. I have estimates that we may have between 45,000 and 50,000 electric cars on the road in the United States by the end of 1978 when the amendment runs out. If this is true, it will cost somewhere between $25 and $30 million. This is a small amount of money to get a new industry started which will substantially reduce the use of petroleum for transportation in this country.

Mr. Chairman, I predict that in the late 1990's a majority of our cars will be electric. Now is the time to get started.

Mr. KETCHUM. I thank the gentleman very much.

The CHAIRMAN. The Chair now recognizes the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I would like to ask the sponsor this question: How efficient is it? In other words, is there any way of measuring the efficiency, in so many miles per kilowatt?

Mr. McCORMACK. If the gentlewoman will yield, the answer is yes, there is. One can drive a small vehicle 40 or 50 miles for 1 to 2 cents a mile. There is some debate with respect to total energy efficiency as compared to internal combustion engines, but, as I have said, electric cars will not be using petroleum as fuel.

(By unanimous consent, Mr. VANIK yielded his time to Mr. GREEN.)

(By unanimous consent, Mr. YOUNG of Florida yielded his time to Mr. FRENZEL.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. GREEN).

Mr. GREEN. Mr. Chairman, I would like to ask the author of the amendment, the gentleman from Washington (Mr. McCORMACK), a question, if I may.

Previously the gentleman requested unanimous consent to have this apply to highway vehicles only and was denied that opportunity.

That being the case, this would apply to golf carts, would it not?

Mr. McCORMACK. No, it would not.

Mr. Chairman, if the gentleman will yield, I have stated in the RECORD that it would not. I think the legislative history prevails.

Mr. GREEN. Mr. Chairman, what the gentleman is saying is that he does not want it to, but the fact of the matter is that it would apply to any conceivable vehicle, including a golf cart.

That is a good reason, Mr. Chairman, to oppose the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Chairman, I want to commend the gentleman from Washington (Mr. McCORMACK), who authored this amendment. I think it is a pioneering amendment, one that will conserve energy, reduce pollution, and help our electric utilities operate more efficiently.

I want to add just one remark about the objection raised by my good friend, the gentleman from Florida, SAM GIBBONS, that we are voting a "Christmas tree" bill. I think that, on the contrary, what this amendment does is to give us a precedent for eliminating some of the Christmas tree tax appropriations or tax loopholes, contained in existing tax law. This has a self-destruct mechanism in it. It automatically ends after 3 years.

Mr. Chairman, if the gentleman from Florida (Mr. GIBBONS) would work to have a similar "self-destruct" provision included for the billions of dollars of tax loopholes now in the law we would be much better off.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Chairman, I rise in support of this amendment.

A little bit ago I attended a hearing of the subcommittee chaired by the distinguished gentleman from Washington (Mr. McCORMACK), who is the author of this amendment. It was brought out there that these electric vehicles would ordinarily do about 50 miles on one charge and that more than 2 million people live within 20 miles of the Capitol here in this area. Using an electric automobile those people could come in here and work and have 10 more miles available for shopping around the area and still get back home in the time these vehicles would ordinarily have on one charge.

Mr. Chairman, that factor alone indicates the value of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, I just want to commend the gentleman from Washington (Mr. McCORMACK) for offering this amendment. It is a good amendment.

The gentleman from Washington has taken the lead in holding hearings on the use of electric cars. We have seen these vehicles demonstrated here on the Capitol grounds. They are good, they are efficient, and I hope the Members of this House will support the amendment wholeheartedly.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Well, Christmas is here again, Mr. Chairman, and we will never stop this once we start giving out the gifts.

If this is good—and I do not deny it is good—it should be included in the appropriations process and not in the tax process. There is no way of ever auditing how this is used or abused if we put it in the tax process. If we put this subsidy in the appropriations process, Congress will look at it again and will correct the mistakes if there are any.

I am not against electric cars. If the gentleman from Washington (Mr. McCORMACK) wants to renew his unanimous consent request that it just be limited to cars instead of elevators and golf carts and everything else, I will withdraw my objection. In any case this unjustified tax expenditure should be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I shall use some of my time to ask the gentleman from Washington (Mr. McCORMACK) if he will at this point renew his request to include the word, "highway," before "vehicle."

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that in my amendment I may be permitted to modify my amendment as follows:

On page 3, line 8 of the amendment, after "any" insert the word, "highway."

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PICKLE. Mr. Chairman, the electric car may be one of the real "sleepers" in this energy problem. It might be the one big answer we are looking for. It may be the future for motor vehicle propulsion.

I certainly support the gentleman's amendment. I commend the gentleman for offering it, and I want to thank the gentleman from Florida (Mr. GIBBONS) for withdrawing his previous objection.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I am not convinced that at this point electric vehicles are that energy efficient because of the wastage of fossil fuel involved in the generation of electrical energy. Thus electric vehicles at this point use large amounts of electrical energy to charge them, and so are not saving of energy in the current state of the technology. I consider it an appropriate area of research, with a potential of some dimension, that I am convinced the tax credit allowed by this amendment would not add greatly to the research total expended in this area, but would benefit primarily a few well to do people who are lobbyists with respect to electrical cars.

Mr. FRENZEL. Mr. Chairman, since the removal of the Gibbons objection, the amendment is in a little better form and no longer applies to golf carts, I think. Perhaps it would be better to say that it may no longer apply to golf carts or snowmobiles. Nevertheless, the application of this kind of credit for a very expensive vehicle is going to work to the benefit of a class of people which we ought to consider among the most affluent. There is going to be no benefit in this tax credit for poor people. It is going to be for relatively rich people.

According to the FEA, there is no energy saving. According to the maker of the amendment, there is no energy saving. We do not even know whether these cars are more energy efficient. Therefore, what the maker of the amendment is asking is to put a demonstration project into an energy conservation bill. It simply does not belong here. It would be an appropriate adventure for his committee but it is not an appropriate use of tax credits.

Mr. Chairman, it is a good idea. It should come from his committee. It should go through the appropriations process, but it has no business in being part of an energy bill.

Mr. Chairman, the amendment should be defeated.

The CHAIRMAN. The Chair now recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), to close debate.

Mr. ULLMAN. Mr. Chairman, I want to commend the gentleman from Washington (Mr. McCORMACK).

He has done a great deal of work on saving oil through the development of electric cars. As the amendment is amended I think we can make a very good case for it.

We did not take it up in the committee. I cannot speak for the committee in any way. It is something that is not provided for in this bill. I think we should take it up, and I certainly do not oppose it. I think it is a very commendable amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. McCORMACK), as modified.

The question was taken; and on a division (demanded by Mr. McCORMACK) there were—ayes 73, noes 31.

Mr. SYMMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment, as modified, was agreed to.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I come from the oil country. I am acutely conscious that the thrust behind exploration, new drilling, and new production for oil and gas is slowing. This is a result of certain legislative actions and situations otherwise. It is especially due to the lack of certainty—the uncertainty that exists in the oil industry with respect to what the future holds.

This, of course, affects the large oil producers and the independents who drill about 80 percent of the exploratory wells in the United States. More importantly, this affects the U.S. consumer who must have a more abundant domestic supply of oil and gas if this Nation is to prosper.

Mr. Chairman, at times a thing can be so simple and apparent that it escapes our attention.

We debate at great length practically everything about energy except the most important thing—ways of quickly increasing our domestic supply of oil and gas.

We have, I am sure, considered some very worthwhile matters in this pending bill. However, we are maneuvering on the fringes of the problem and seem to be unwilling to face the crucial issue—the need to increase our domestic supply of energy. So much of what we have proposed and so much of what we have done has not tended to produce any additional gas or any additional oil, and that is the only short-term solution that we can find to our energy needs.

I would like to urge that we not take our eyes off the main requirement of the Congress and the country, and that is to encourage the oil producing areas to do more exploration and produce more oil and gas. This is the plea which must be heard and heeded if success is to be achieved.

Mr. Chairman, under leave to revise and extend and insert extraneous matter, I am including the following article from the June 16 issue of the U.S. News & World Report entitled "Behind the Sudden Drop in Oil Drilling in the United States":

BEHIND THE SUDDEN DROP IN OIL DRILLING IN UNITED STATES

HOUSTON.—The oil boom that has spurred the economies of Southwestern States shows signs of cooling.

The mood of oilmen no longer is bullish optimism, but caution. A major reason: Curtailment of the oil depletion allowance by Congress is siphoning off hundreds of millions in taxes that could have gone for new drilling.

Perhaps even more responsible for the sudden caution is uncertainty over what Congress will do next to change the rules under which the industry must operate.

Here in Houston and in other oil centers around the country, there are ample signs of slowdown:

Mayor oil companies, which stand to pay an additional 2 billion dollars in taxes this year because of losing the 22 per cent depletion allowance, are cutting back on their search for new oil and natural gas.

Small independent drillers, who get to keep depletion a while longer under the formula worked out by Congress, report that investors are shying away from financially risky ventures. Banks, too, are turning cautious.

Availability of drilling rigs is moving from a critical shortage to surplus. Orders for new rigs are being canceled. The squeeze on supplies of drilling pipe and other equipment is easings.

"STILL VINDICTIVE"

Charles D. Fraser, senior vice president of the First National Bank of Midland, Tex., summed it up: "The loss of depletion not only took a lot of money out of the industry, it showed people that Congress is still in a vindictive mood toward the oil industry, when it should be encouraging exploration.

"It warned oilmen that they had better wait and see what happens next before they proceed. As a result, our customers—mostly small independents who still benefit from depletion—are deferring decisions and cutting back on their drilling plans."

This does not mean that drilling for oil is coming to a sudden stop.

"Sheer momentum will keep drilling activity high through the summer," said Warren L. Baker of the International Association of Drilling Contractors. "Most companies have such a backlog of orders and plans that it will take a certain amount of time for them to work through them."

A tally of drilling rigs in use illustrates the gradual slowing of the boom. Fluctuating from week to week, it showed 1,604 operating in the U.S. at the beginning of June, down from the 1975 peak of 1,672 but still ahead of the number in use a year earlier.

"ALMOST OVERNIGHT"

Said J. C. Walter, Jr. chairman and president of Houston Oil & Mineral Company:

"A surplus of rigs has developed almost overnight. They are stacking [storing] rigs in the Midland area and contractors are waiting on new orders."

And, according to R. P. Fuller, a Lubbock, Tex., independent:

"A month ago there was a six-to-eight week delay on getting drilling rigs. Now you only have to give the contractor a week's notice.

"In the Texas Panhandle area alone, more than 100 wells have been canceled since depletion was repealed. I had planned to drill 17 wells in 1975 but I've had to cut my plans back to five wells now."

Lee Daniels, an executive with the Tulsa, Okla., drilling firm of Helmerich & Payne, said contractors all across the Southwest "oil patch" are laying off workers and stacking rigs.

"You can't just pull 2 billion dollars out of an industry and not expect it to have a substantial effect," Mr. Daniel said. "I predict that 10 per cent of the rigs in the country will be down [idled] by the end of August."

Cutbacks are spreading across all U.S. oil-producing regions. Texaco, which is reducing its capital-expenditure budget from 2.1 billion dollars to 1.8 billion because of loss of depletion and other tax changes, has canceled contracts for 20 drilling rigs. Amoco Production Company, a subsidiary of Standard Oil Company (Indiana), has deferred plans to drill exploratory wells in Utah's Great Salt Lake this year.

Richard Tremaine, vice president of Amoco's New Orleans division, explained why the cut in capital spending translates into less drilling for oil:

"Exploration is the most discretionary of all oil-business expenditures. It is the first to go when profits drop and the first to expand when profits rise. You know exactly what you are getting when you spend money to build a new refinery, but when you drill a wildcat, it's always a gamble."

All told, there are more than 20 bills pending in Congress which are figured to be harmful by oilmen. These include rollbacks in current prices, extension of price controls to natural gas sold in the producing States, and setting up a national oil firm to explore offshore areas and act as an import agent.

Said Houston independent operator John Burke: "It's the uncertainty that's hurting the oil business. . . . They are making up the rules as they go along. It's frustrating and discouraging. If they roll back prices, this industry will be a graveyard."

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WYLIE: Page 84, strike out line 20 and all that follows down through line 4 on page 85 and insert: "sum of 25 percent of the qualified solar heating and cooling equipment expenditures paid by the taxpayer during the taxable year with respect to any residence to the extent that such expenditures do not exceed $8,000."

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I wonder if we can come to some understanding on a time limitation for this amendment?

Mr. Chairman, I ask unanimous consent that we conclude all debate on this amendment in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. FRENZEL. Mr. Chairman, reserving the right to object, I do so so that I might ask the Chairman, the gentleman from Oregon, a question:

On the last amendment the ratio of speakers was about 10 to 1 on one side, which obviously was unfair treatment. The amendment was not fully discussed. If the gentleman will ask for a reasonable limitation, then that will be fine.

Mr. Chairman, I withdraw my reservation of objection.

Mr. ULLMAN. Mr. Chairman, would the gentleman agree to 15 minutes? With the number of people I see standing on their feet I believe that would be adequate time.

Therefore, Mr. Chairman, I ask unanimous consent that the time be limited to 15 minutes of debate on this pending amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. CARNEY. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ULLMAN. Mr. Chairman, I move that the time for debate on the pending amendment be limited to 15 minutes.

The CHAIRMAN. If the gentleman from Oregon will permit, the Chair would like to ask whether the gentleman's 15 minutes of debate is to commence after the 5 minutes allotted to the gentleman from Ohio (Mr. WYLIE)?

Mr. ULLMAN. That would be correct, Mr. Chairman.

The CHAIRMAN. So that the gentleman from Ohio will therefore have his full 5 minutes.

Mr. ULLMAN. That is correct. I move that debate on the pending amendment be limited to 15 minutes following the 5 minutes already allotted to the gentleman from Ohio.

The motion was agreed to.

The CHAIRMAN. The gentleman from Ohio (Mr. WYLIE) is recognized for 5 minutes in support of his amendment.

Mr. WYLIE. Mr. Chairman, I am delighted that H.R. 6860 contains a provision for a tax credit for installing solar energy equipment in a principal place of residence. I read from the report on page 51 where it says:

Your committee's bill provides a credit for the installation of such equipment in order to encourage the development of alternative energy sources. Solar energy as an important energy source may be many years away, but it is important that we get a start in this energy source now if solar energy is to become an important energy source in the future.

I really became interested in solar energy as an alternative source of energy for heating and cooling a home last year when the gentleman from Washington (Mr. MCCORMACK) introduced a bill called the Solar Heating and Cooling Demonstration Act. I cosponsored the bill and spoke in favor of it. I wish to commend the gentleman from Washington (Mr. MCCORMACK) for his contribution, foresight, and persistence.

But as a result of my speech in favor of the Solar Heating and Cooling Demonstration Act, an article appeared in the Columbus Dispatch at home. Following that I was contacted by officials of the Battelle Memorial Institute which is located in my district, and which is the largest private research organization of its kind in the entire world.

Shortly after that Dr. Charles Sepsy, professor of mechanical engineering research at Ohio State University, also contacted me and asked how he might be of assistance to me in my feeling that the concept of the use of solar energy is an idea whose time is here and that we should do something about it. So I talked with Dr. James Eibling at Battelle Memorial Institute, Dr. Charles Sepsy, and Dr. Donald Glower about solar energy. Dr. Sepsy collaborated with Homewood Builders and they actually constructed a solar energy home which is in being in my district, which was on display at the Ohio State Fair last year.

This solar energy home, with people living in it, has supplied 70 percent of all of the heating and cooling needs in that home for almost 10 months now.

I mention this because, between the time of the adjournment of the 93d Congress and the beginning of the 94th Congress, I talked to Drs. Eibling, Sepsy, and Glower and asked what I could do to hasten the day when the installation of solar energy equipment would be practical to Mr. and Mrs. Average American Homeowner. The result was H.R. 5959 which I introduced.

Shortly after I introduced H.R. 5959, it was called to my attention that H.R. 5005, which is the predecessor bill of the one we are considering today, contained a provision for tax credit for the installation of solar equipment in a principal place of residence. However, that bill would have made the tax credit available for only 2 years. I was told by people at HUD, and by others who are at the moment manufacturing solar equipment, that 2 years is not practical, that there is no possible way industry could tool up and establish performance criteria within 2 years. So the result was that the provision in H.R. 6860 was changed to 5 years. I do not know if the change was a result of my conversations with the chairman of the committee and his staff, which I appreciated—and the gentleman from Oregon (Mr. ULLMAN) was very interested, courteous, and attentive to me throughout—but anyhow the tax credit would apply for 5 years.

H.R. 5005 did not contain any minimum performance criteria or performance standards. My bill H.R. 5959 had a performance standards criteria definition in it. H.R. 6860 has such performance criteria and I commend, again, the chairman and his committee for including it.

The original bill also provided for a tax credit of 40 percent of the first $1,000 and 20 percent of the second $1,000 for solar energy equipment. That would set a limit of $600 in tax credit which would buy only a space heater. A space heater uses only about 15 percent of the energy used in the average home.

What we need to do is to provide the incentive for the purchase of space heating and cooling units plus water heaters for the average size single family home like the one built in Columbus.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Members standing at the time the motion was made will be recognized for three-fourths of a minute.

The Chair recognizes the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Chairman, I rise in support of the amendment.

(By unanimous consent Mr. DEVINE yielded his time to Mr. WYLIE.)

(Messrs. DEVINE, DENT, CARNEY, and HUGHES yielded their time to Mr. WYLIE.)

Mr. WYLIE. Mr. Chairman, the point I want to make is about the tax incentive provision. The tax incentive provision in H.R. 6860 would buy a solar hot water heater and that is all. Water heaters account for about 15 percent of the energy consumed in a home. A full 70 percent of all the energy consumed in a residential home is used in heating and cooling the residence. Eight thousand dollars is the approximate cost of a solar space heating and cooling system plus a solar water heater installed in an average-size single family residence of 2,200 square feet. Solar energy is practical today. If a research home built in Columbus, Ohio, far from an ideal location for solar energy where we have as much as 3½ days of cloud coverage during the winter can supply 70 percent of the heating and cooling required for the home, then a solar home is practical almost any place in the country. The amendment I offer is the formula suggested by them to make residential solar energy systems price competitive. Once installed, utility costs are greatly reduced and there would be substantial conservation of oil, natural gas, and coal.

I would appreciate an aye vote as I sincerely believe my amendment has real potential for saving energy and that supposedly is what this bill is all about.

Mr. Chairman, I yield to the gentleman from Ohio (Mr. VANIK) who offered the amendment in committee.

Mr. VANIK. Mr. Chairman, I want to point out that in the Committee on Ways and Means I offered this amendment. Unfortunately, it failed in the committee.

I want to say I support this proposal because it brings into the solar energy development a partnership on the part of individuals in the private sector to provide what otherwise would be a public demonstration experiment at tremendous public expense. This is the only way we can bring private capital and the ingenuity of private individuals into demonstrating to us, that solar energy is a practical way of meeting our energy needs. This formula, I think, is far more exciting than having money come out of the Federal Treasury completely and totally to fund those projects that are selected by the Government or its agents. This is a way of providing a partnership opportunity in the development and the utilization of solar energy.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for his support.

As I have suggested, this amendment was suggested to me by experts in the field. It will provide an incentive formula which is practical. It will make solar energy systems price competitive. Once installed, utility costs will be greatly reduced and there will be substantial conservation of oil, natural gas, and coal.

Mr. VANIK. Mr. Chairman, will the gentleman yield further?

Mr. WYLIE. I yield to the gentleman from Ohio.

Mr. VANIK. In the first year there is a Treasury loss of $10 million; for the next year it will be about $20 million, but the benefit ratio is acceptable when compared to the great advantages to be brought about by the adoption of this legislation. The modest loss of tax revenue could stimulate almost $200 million in solar developments. This experience would be of infinite value.

Mr. WYLIE. I would add that Federal Energy Administrator Frank Zarb said in a speech the other day that solar heating and cooling can replace the equivalent of 1 million barrels of oil a day by 1975.

Drs. Eibling, Sepsy, and Glomer believe that the time can be cut in half to 1980 with my amendment so that solar energy heating and cooling systems can be made price competitive.

Mr. PIKE. Mr. Chairman, I think, frankly, this particular goal is praiseworthy, but I think that this particular amendment simply goes too far too fast. It creates a tremendous tax credit, a $2,000 tax credit available only to the wealthy. It has a great cost to the Treasury.

We have not done the tough things we ought to do in this bill to raise any revenue. We are now embarking on doing the very easy things to do in this bill to give away all the revenue. I think that the committee position is a reasonable position on this, and I ask that the amendment be defeated.

The CHAIRMAN. The Chair now recognizes the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I support this amendment. It amounts to a credit of $2,000 on an $8,000 installation, as opposed to $600, regardless of the size of the installation. It seems to me that this is an area of potential energy savings.

I am by no means sure that the electric car amendment which we just passed over my opposition will result in energy savings, but certainly in the area of solar heating, we have a tremendous potential for energy savings and one which I think should be developed with adequate capital funds such as would be encouraged by a tax credit of this dimension. If we can get the cost of solar heating installation down, by encouraging the growth of the industry, real energy savings will result and much more general use of solar heating will result than is now possible.

The CHAIRMAN. The Chair now recognizes the gentleman from Pennsylvania (Mr. GREEN).

Mr. GREEN. Mr. Chairman, can we just focus in on this subject for three-quarters of 1 minute which is all the time I have. What this is, very simply, is a super ripoff for the rich. About 15 percent of the cost of construction for a home goes into the heating unit. Now, if we had a $40,000 house, that would be a $6,000 heating unit in that house, so that we are talking about when we talk about 8,000 units is homes in this country that are being built for the wealthy, and only for the wealthy. The committee bill would give $600 to a family that had $2,000 to spend. This amendment would give that same family $500, but it you had $8,000 to spend you would get $2,000.

They are the people who will be able to take advantage of this credit. The fact of the matter is, there was some incentive given in the bill which was much more reasonable than this. This is going to reduce the Treasury by $10 million the first year and $15 million the second year. There is no justification for this. Why not take this tax money that we are giving to the rich and use it to research in this area and make the result available to all.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Chairman, I want to commend the gentleman from Ohio (Mr. WYLIE) and the officials of the Battelle Institute for assisting him in conceiving this amendment. I think it is a proper position for us to be taking today. Its purpose is not to benefit the rich, but to benefit all of us by encouraging people to make better utilization of the radiation from the Sun, rather than having to rely entirely on other sources of energy, especially those fossil fuels which are expendable only at environmental cost and are irretrievable.

Mr. Chairman, I support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

(By unanimous consent, Messrs. ARCHER and KEMP yielded their time to Mr. FRENZEL.)

Mr. FRENZEL. Mr. Chairman, I oppose the Wylie amendment, although I endorse the spirit in which it was proposed. The administration is opposed to this particular amendment, and indeed to this section in the bill.

The rationale is, of course, that the installation of solar heating units, either as a retrofit of an existing home, or as a new installation in a new home, is a very expensive process. The Treasury, in fact, estimates that the cost of either one of these versions will exceed $7,000. The number of installations therefore will be very limited because very few people will have the means to take advantage of it. What is going to happen is that people of significant means who can afford to put in a $7,000 heating installation in their homes are going to be the beneficiaries of a large tax credit for doing something they would have done anyway.

The committee has a satisfactory provision within its bill which will allow for enough incentive for a good demonstration of solar heating. But to do what the gentleman from Ohio seeks to do is to simply give a bonus for the installation of a solar heating unit, for which the owner really does not have any great significant need. I think we can overdo this tax credit business. We should be very careful in making sure any money we spend through tax credits is well accounted for. I think the committee has done a pretty good job in its version, and I hope the amendment offered by the gentleman from Ohio will be defeated.

The CHAIRMAN. The Chair now recognizes the gentleman from Washington (Mr. MCCORMACK).

Mr. MCCORMACK. Mr. Chairman, I support the Wylie amendment, and thank the gentleman from Ohio for his kind remarks. The bill, as it is written, provides a $600 rebate. The amendment would provide up to $2,000. The fact is that the cost of solar conversion for an average house today is more than $8,000. It is nearer to $10,000 or $15,000; $600 simply is not enough. If we want to get going on solar energy, if we want to reach our solar energy goal of 1 percent by 1990, we should support this amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman.

Mr. WYLIE. There is a performance criteria in the bill, which goes back to the solar energy bill, which must be met before the tax credit is given.

Mr. MCCORMACK. That is correct.

The CHAIRMAN. The Chair now recognizes the gentleman from Maryland (Mr. GUDE).

Mr. GUDE. Mr. Chairman, I rise in support of this amendment. Having researched and introduced two solar energy bills, I have come across a recurrent attitude about solar heating which causes me some concern that is relevant to consideration of this amendment. That attitude reflects the view that solar heating is still in the research and development stage and is not really ready for marketing. Of course, those who hold this view admit there are a few "tinkerers" around

who have managed to put together their own units, but, by and large, say the critics, solar heating is not yet a marketable quantity.

That this view is patently false is obvious to anyone who has investigated the state of existing solar heating technology. A recent exhibit at the Sheraton-Park Hotel in Washington featured some 500 people involved in the field who had come to participate. I have here a list of some 57 companies presently manufacturing solar heating components or entire units. I will not take time to read the list, but let me simply say that it covers the entire country and utilizes just about every conceivable design.

Beyond design availability and actual marketing, however, the fact is that solar heating has already been installed on numerous buildings throughout the country. Only recently, for example, I visited two private homes in Montgomery and Howard Counties, Md., a school in Warrenton, Va., and a private home in Fairfax County, Va., and there remain several more sites in the immediate area which I have not seen. Make no mistake about it—this is not a science fiction gimmick. The technology is here and it is working. It is showing clearly that a cheap and clean heating system running on an inexhaustible fuel supply is feasible.

To my mind a large increase in the solar energy market is a vital part of our energy conservation strategy which we should not ignore on the mistaken assumption that it is not ready for use. There are, however, significant front end costs for solar heating units that cannot be ignored. Available equipment probably ranges in price from $2,000 to $10,000 or more for a complete unit, depending on the degree of sophistication and elaborateness.

These front end costs can only be dealt with on a large scale through Government incentives. The fact that many solar manufacturers are small businessmen makes it even more difficult for them to undertake major market expansion programs. Given this difficulty and the critical nature of our short- and medium-term situations. Government demand incentives are in order. Unfortunately, the incentives provided in this bill are scarcely large enough to buy a heat pump. The maximum tax credit in the bill is $600 on $2,000 of expenditures, which would barely begin to defray the cost. An indication of the small impact this provision is going to have can be found in the revenue estimates for this section. The committee staff estimates less than $5 million per year for every year of the program. Just as we are not going to conserve gasoline without sacrifice, neither are we going to promote alternative sources of energy without cost. Trying to promote solar heating on the cheap is going to have little meaning for individuals interested in retrofitting their homes or installing solar in their new houses, and it is going to have little effect on our total energy picture.

The Wylie amendment, on the other hand, would increase the credit to a maximum of $2,000 on an $8,000 expenditure, far more in range with what actual solar costs are. This amendment would clearly provide a far greater stimulus to solar energy conversion and construction than would the present language because it would more nearly meet the actual costs incurred through the purchase and installation of this equipment.

As I said earlier, solar energy presents a viable alternative for the present and the future. To make that opportunity a reality we must take meaningful action now. The Wylie amendment represents such action, and I urge its adoption.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. HARKIN).

(By unanimous consent, Mr. WRIGHT yielded his time to Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio. The gentleman from New York, who just spoke a minute ago, said that this would cost the Treasury millions of dollars a year. The gentleman failed to point out that by this method of utilizing solar energy for heating homes we would stimulate a whole new industry in this country and put people to work building devices to ultimately save energy in this country.

Second, the gentleman from Pennsylvania said that this is a bill that will only help the rich. But I would remind the gentleman, also, that condominiums are covered, any private dwelling is covered in this bill. The thrust of this bill is to save energy. This is probably one of the most important energy saving amendments that has come on this bill this week.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, will the gentleman answer a question for me concerning condominiums?

Mr. HARKIN. yes.

Mr. GREEN. How many poor people are buying those condominiums?

Mr. HARKIN. Mr. Chairman, I hope more will buy them in the future. I hope they will be built so low-income people can buy them in the future.

I would remind the Members in this Chamber that in the future, if we want to save 1 to 2 percent of our total energy demand in this country, at least 10 percent of the homes in this country will have to be converted to solar energy.

Mr. Chairman, I support this amendment. There is not that much difference from the committee amendment. When we are talking about $2,000 in the committee amendment, the credit would be $600; under this amendment it would be $500, going to $2,000 for an $8,000 investment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Chairman, I am coauthor of the Solar Heating and Cooling Demonstration Act.

During the hearings on this legislation, it was pointed out that they are going to cost more than $3,000. This $3,000 limit in the bill, it is not realistic and besides, we are talking about the "retrofit" market. Here is where the great impact will be felt. And the price that will be paid, according to testimony is upwards to $9,000.

I would also point out, the mere fact that the Committee on Ways and Means provided a provision for tax relief for solar energy indicates that they agree with the merit. If they agree with the merit, they should be realistic. The realistic figure is closer to $7,000, perhaps $9,000.

Obviously, the Ways and Means Committee is trying to provide an incentive without encouraging fleecing operations or artificially stimulating the costs of solar equipment. That is the responsible way to go and they are to be commended.

However, the Congress has to be realistic also, the retrofit aspects of solar energy utilization are very important. Because of the cost levels, the committee's tax credit levels will not serve to be enough of an incentive, for they will provide a maximum of $650 in credits in an area that could reasonably involve $6,000 to $9,000 of expenditures.

The amendment offered by Mr. WYLIE would increase the credit to a maximum of $2,000. This figure bears a more reasonable relationship to the cost amounts anticipated. And, while it is true that it could give a credit for 25 percent of equipment cost, there can be nothing wrong with that when the congressional objective is to stimulate energy conservation and conversion. The Nation needs an incentive and this is a good place to give a meaningful one.

Therefore, Mr. Chairman, I support this amendment and urge its adoption.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, what is the basic intent of this legislation? The basic intent of this legislation is to conserve energy.

Can anybody conceive of a better way of saving 70 percent of the energy needed for heating a house, and using no energy whatsoever than encouraging the use of solar energy?

This is the best energy conservation idea I have heard presented in the 5 days of debate we have had here. It is so much better than the electric automobile idea, where we use energy to save energy. We use little energy in the use of solar energy.

Mr. Chairman, I support the amendment.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN) to close debate.

Mr. ULLMAN. Mr. Chairman, the difference between the committee bill and this amendment is that the committee bill would give a credit of 40 percent of the first $1,000 and 20 percent of the second $1,000 for a maximum credit of $600, while the amendment would give a credit of 25 percent of the first $8,000 for a maximum credit of $2,000.

Today the panels and the technology involved are too expensive for the average person. That cost is going to come down. I would say that in the future perhaps this provision should be expanded, but with the current high cost of the panels and the technology, I think it would be a mistake to move too rapidly in that direction.

Let us adopt the committee bill, defeat the amendment, and then we can reexamine this in the future as the technology develops and is expanded.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Ohio (Mr. WYLIE).

The question was taken.

RECORDED VOTE

Mr. WYLIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 244, noes 132, not voting 57, as follows:

[Roll No. 295]

AYES—244

Abdnor	Fountain	Moss
Ambro	Frey	Mottl
Anderson, Calif.	Fuqua	Murphy, Ill.
Anderson, Ill.	Gaydos	Murtha
Andrews, N.C.	Giaimo	Myers, Ind.
Andrews, N. Dak.	Gilman	Myers, Pa.
Armstrong	Goldwater	Natcher
Ashbrook	Goodling	Neal
Aspin	Gradison	Nichols
Aucoin	Grassley	Nix
Bafalis	Gude	Nolan
Baldus	Guyer	Nowak
Barrett	Hagedorn	Oberstar
Bauman	Haley	O'Brien
Beard, R.I.	Hall	Ottinger
Beard, Tenn.	Hanley	Pattison, N.Y.
Bennett	Harkin	Pepper
Bevill	Hastings	Pettis
Blanchard	Hayes, Ind.	Peyser
Blouin	Hays, Ohio	Poage
Boggs	Hechler, W. Va.	Pressler
Bonker	Heckler, Mass.	Price
Brinkley	Hefner	Pritchard
Brodhead	Helstoski	Railsback
Broomfield	Henderson	Randall
Brown, Calif.	Hillis	Rees
Brown, Mich.	Hinshaw	Regula
Brown, Ohio	Holt	Rhodes
Broyhill	Howe	Riegle
Buchanan	Hughes	Rinaldo
Burgener	Hungate	Robinson
Burke, Fla.	Hyde	Roe
Burton, John	Ichord	Rogers
Butler	Johnson, Colo.	Rose
Byron	Johnson, Pa.	Runnels
Carney	Kasten	St Germain
Carr	Kelly	Santini
Carter	Kemp	Sarasin
Cederberg	Kindness	Satterfield
Clancy	Krebs	Schneebeli
Clausen, Don H.	Krueger	Schroeder
Cleveland	LaFalce	Schulze
Cohen	Lagomarsino	Seiberling
Collins, Ill.	Latta	Sharp
Collins, Tex.	Leggett	Shriver
Conable	Lehman	Shuster
Conlan	Lent	Simon
Conte	Levitas	Sisk
Coughlin	Litton	Smith, Iowa
D'Amours	Lloyd, Calif.	Smith, Nebr.
Daniel, Dan	Lloyd, Tenn.	Solarz
Daniel, R. W.	Lott	Spellman
Daniels, N.J.	Lujan	Spence
Davis	McClory	Staggers
de la Garza	McCormack	Stanton, J. William
Delaney	McDade	Stanton, James V.
Dent	McEwen	Steelman
Derrick	McHugh	Steiger, Ariz.
Derwinski	McKinney	Stratton
Devine	Madigan	Stuckey
Dickinson	Mann	Studds
Dodd	Martin	Sullivan
Downey	Matsunaga	Symms
Duncan, Oreg.	Mazzoli	Taylor, Mo.
Duncan, Tenn.	Meeds	Taylor, N.C.
Early	Melcher	Thone
Edwards, Ala.	Meyner	Thornton
Emery	Michel	Vander Jagt
Esch	Miller, Ohio	Vanik
Eshleman	Minish	Vigorito
Evans, Colo.	Mink	Walsh
Fascell	Mitchell, N.Y.	Weaver
Fenwick	Moakley	Whalen
Findley	Moffett	White
Fish	Montgomery	Whitehurst
Flood	Moore	Whitten
Florio	Moorhead, Calif.	Wilson, Bob
Forsythe	Moorhead, Pa.	Winn
	Moeher	Wirth
		Wolff
		Wright
		Wydler
		Wylie
		Yatron
		Young, Fla.
		Young, Ga.
		Zeferetti

NOES—132

Abzug	Gibbons	Murphy, N.Y.
Adams	Ginn	Nedzi
Addabbo	Green	Obey
Alexander	Hamilton	O'Hara
Annunzio	Hammer-schmidt	O'Neill
Archer	Hannaford	Passman
Badillo	Harris	Patterson, Calif.
Baucus	Hawkins	Pickle
Bedell	Hicks	Pike
Bergland	Hightower	Preyer
Biester	Holtzman	Quie
Bingham	Howard	Rangel
Boland	Hutchinson	Reuss
Bolling	Jacobs	Richmond
Bowen	Jarman	Risenhoover
Brademas	Jeffords	Roberts
Breaux	Johnson, Calif.	Rodino
Burke, Calif.	Jones, Okla.	Rooney
Burke, Mass.	Jordan	Rostenkowski
Burleson, Tex.	Karth	Roush
Burlison, Mo.	Kastenmeier	Roybal
Burton, Phillip	Kazen	Ruppe
Chisholm	Ketchum	Russo
Cochran	Keys	Sarbanes
Corman	Koch	Shipley
Cornell	Long, La.	Slack
Crane	Long, Md.	Snyder
Danielson	McCloskey	Stark
Dellums	McCollister	Steed
Dingell	McDonald	Steiger, Wis.
Downing	McFall	Stephens
Drinan	McKay	Symms
Eckhardt	Macdonald	Traxler
Edgar	Madden	Treen
Eilberg	Maguire	Tsongas
English	Mahon	Ullman
Erlenborn	Mezvinsky	Van Deerlin
Evans, Ind.	Mikva	Vander Veen
Evins, Tenn.	Milford	Waggonner
Fisher	Miller, Calif.	Waxman
Fithian	Mills	Wiggins
Flowers	Mineta	Yates
Foley	Mitchell, Md.	Zablocki
Fraser	Morgan	
Frenzel		

NOT VOTING—57

Ashley	Hansen	Roncalio
Bell	Harrington	Rosenthal
Biaggi	Harsha	Rousselot
Breckinridge	Hébert	Ryan
Brooks	Heinz	Scheuer
Casey	Holland	Sebelius
Chappell	Horton	Sikes
Clawson, Del	Hubbard	Skubitz
Clay	Jenrette	Stokes
Conyers	Jones, Ala.	Symington
Cotter	Jones, N.C.	Talcott
Diggs	Jones, Tenn.	Teague
du Pont	Landrum	Thompson
Edwards, Calif.	Metcalfe	Udall
Flynt	Mollohan	Wampler
Ford, Mich.	Patman, Tex.	Wilson, C. H.
Ford, Tenn.	Patten, N.J.	Wilson, Tex.
Fulton	Perkins	Young, Alaska
Gonzalez	Quillen	Young, Tex.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. O'HARA

Mr. O'HARA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA: On page 90, insert after line 17 the following:

PART IV—TAX INCENTIVES FOR THE PURCHASE OF FUEL EFFICIENT AUTOMOBILES.

SEC. 333. TAX CREDIT FOR PURCHASE OF FUEL EFFICIENT AUTOMOBILES.

(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44E. PURCHASE OF FUEL EFFICIENT AUTOMOBILES.

"(a) GENERAL RULE.—In the case of any taxpayer who, during the taxable year, purchases a qualified automobile which has a fuel mileage rating of 18 or more miles per gallon, there shall be allowed against the tax imposed by this chapter for the taxable year a credit of $200.

"(b) DEFINITIONS AND SPECIAL RULE.—For purposes of this section—

"(1) NEW AUTOMOBILE.—The term 'new automobile' means any automobile—

"(A) which is manufactured or produced in the United States; and

"(B) which is purchased by the taxpayer on or after June 3, 1975, and before January 1, 1977, if the taxpayer is the first person to purchase such automobile for a purpose other than for resale or use as a demonstration vehicle in connection with the sale of other automobiles.

For purposes of this paragraph, the term 'automobile' has the same meaning as such term has when used in section 4064(g)(1).

"(2) FUEL MILEAGE RATING.—The fuel mileage rating of any new automobile shall be the fuel mileage rating determined for such automobile under section 4064(e) or, if such section does not apply with respect to such automobile, the fuel mileage rating of such automobile shall be determined under such section as if such section did apply to such automobile.

"(3) PURCHASE.—A new passenger automobile shall be considered as purchased by the taxpayer on the day on which he enters into a contract to purchase such automobile, if such contract, on such day and at all times thereafter, is binding on him."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 45 the following:

"Sec. 44E Purchase of fuel efficient automobiles."

(c) REFUND TO BE MADE WHERE CREDIT EXCEEDS TAX.—Section 6401(b) (relating to excess credits treated as overpayments) is amended—

(1) by inserting "44E (relating to purchase of fuel efficient passenger automobiles)," before "and 667(b)"; and

(2) by striking out "and 43" and inserting in lieu thereof "43, and 44E".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after June 2, 1975.

Page 58, line 3, after "TAX" insert "AND CREDIT".

Mr. O'HARA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ULLMAN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. O'HARA. Mr. Chairman, I want to say at the outset that I am offering this amendment on behalf of myself, Messrs. CONYERS, BROWN of Michigan, CARR, RIEGLE, TRAXLER, RUPPE, DIGGS, NEDZI, FORD of Michigan, BRODHEAD, and BLANCHARD.

Now, Mr. Chairman, someone has said that the amendments now being offered are Christmas tree amendments. I want to assure this House that no automobile worker in the United States—and one out of every four automobile workers is unemployed—no automobile worker is ever going to mistake this bill for a piñata, because there is nothing in it except a stick for the automobile industry and the auto worker.

In this bill we now have a repeal of the manufacturers' excise tax on intercity buses, a repeal of the manufacturers' excise tax on radial tires, rapid depreciation for waste conversion equipment, rapid depreciation for shale oil conversion equipment, rapid depreciation for coal processing equipment, rapid depreci-

tion for railroad coal cars, rapid depreciation for railway ferries, tax credits for insulating principal residences, tax credits for insulating places of business, tax credits for installing solar heating equipment, which we have just increased to $2,000, and tax credits for purchasing recycled materials. But for the automobile industry, we have a penalty. That is it, a penalty, nothing else, and penalties do not help sell automobiles.

Now, what this amendment does is to provide a $200 tax credit—that is 10 percent of the amount the House just voted for a solar heating credit—a $200 tax credit to the purchaser of a fuel-efficient automobile made in the United States during the remainder of this year and next year.

And fuel efficient is defined as 18 miles per gallon or better.

I think the advantages of this amendment are two. First, it will help promote sales. Auto industry sources have suggested to me that this amendment could result in the sale of an additional half a million U.S.-made cars. It would produce 120,000 jobs and reemploy many of those who are now unemployed in the auto industry and supporting industries.

Much of the cost of the amendment would be recovered because of the economic impact of this new employment and of increased sales.

So, Mr. Chairman, I ask that the House favorably consider this amendment, which would put a little carrot in with the stick that has been given the automobile industry by this bill, which will improve fuel efficiency and at the same time help the industry.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I congratulate the gentleman on his amendment. It is very similar to what I attempted to do by way of direct rebate yesterday. My rebate amendment was ruled out of order. I hope the committee will support this amendment.

The O'Hara amendment would create an incentive for people to purchase efficient American-produced automobiles. It would thus promote energy savings in the most critical areas, the automobile which uses one-third of our petroleum.

At the same time, this amendment would add a carrot to the stick already provided to encourage the American auto industry to convert to efficient cars and get auto workers back to work.

Mr. O'HARA. I thank the gentleman.

Mr. Chairman, I ask for adoption of this amendment.

The CHAIRMAN. Does the gentleman from Oregon insist upon his point of order?

Mr. ULLMAN. Mr. Chairman, I do not. I withdraw my point of order.

Mr. Chairman, could we have some agreement on the time? Perhaps we could try a slightly different procedure.

I ask unanimous consent that debate on this amendment be limited to 10 minutes; that 5 of the 10 minutes be allocated to the chairman of the committee for purposes of reallocating it to the opponents of the amendment. In other words, that would be a procedure, Mr. Chairman, whereby the chairman of the committee could give opponents of the amendment 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. SCHNEEBELI. Mr. Chairman, reserving the right to object, I do not think that 10 minutes is sufficient time to debate this amendment which concerns several billion dollars.

I do not object to a limitation, but I think 10 minutes is too short a time.

Mr. ULLMAN. Can we then agree to 20 minutes, with 5 minutes reserved for the opposition?

Mr. SCHNEEBELI. I have no objection to that.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that debate on this amendment be limited to 20 minutes, and that 5 of those minutes be allocated to the chairman of the committee for purposes of reallocating it to opponents of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. GREEN. Mr. Chairman, reserving the right to object, I reserve that right to object to make the point that the gentleman from Minnesota (Mr. FRENZEL) made a few minutes ago. That is, that the opponents of these amendments—not this particular amendment, but the amendments in the nature of giveaways—are getting virtually no time, and everybody in favor of giving something to some industry or to some other special interest is getting the bulk of the time to discuss these amendments.

I think it is most important that we work out, Mr. Chairman, a method whereby some of us who wish to oppose various amendments do get adequate time to explain our positions.

For example, what we just did was, we passed an amendment which gave up to $2,000 to people who can afford to spend for an $8,000 unit in their home. A person under the committee bill who had $2,000 to spend on solar heating unit would have gotten $600, but under the amendment we just passed a person who had $2,000 to spend would get $500. The poor got less, the richer more.

We are passing these amendments without giving them the proper kind of thought and the proper kind of consideration. I think it is essential that we develop some kind of system where, in putting a limitation on time, the essence of these amendments can be comprehended, because I do not think that if the House really understood the vote which was just taken, it would have done it.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Regular order is requested. Does the gentleman from Pennsylvania (Mr. GREEN) object to the unanimous-consent request?

Mr. GREEN. If I can reserve the right to object—

The CHAIRMAN. Regular order is requested. Regular order is to this effect: Does the gentleman in the well object to the request made by the gentleman from

Mr. GREEN. No.

Oregon?

Mr. ECKHARDT. Mr. Chairman, reserving the right to object, I certainly agree with the gentleman previously in the well, the gentleman from Pennsylvania (Mr. GREEN). I was interested in that reference to——

The CHAIRMAN. Regular order has been requested, which is a proper point at this time. The Chair would like to know from the gentleman from Texas, does he object to the unanimous-consent request of the gentleman from Oregon?

Mr. ECKHARDT. I do not object.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for 45 seconds each. The chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), will have 5 minutes allocated.

The Chair now recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I am sure that this kind of an amendment, at least on the surface, may have some appeal. My own judgment is that it would be a serious mistake for this Committee to pass an amendment to grant a tax credit of the size offered by the gentleman from Michigan in his amendment. It would further erode the capability of this Government to carry on its necessary functions, and it would clearly, in my judgment, not be in the best interest of the automobile industry, its workers, or the American people.

Mr. Chairman, I hope the amendment is defeated. I hope this House has enough sense not to fall for this kind of a trap.

The CHAIRMAN. The Chair recognizes the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, Members of the House, I rise in support of this amendment. I think it speaks to jobs, which we urgently need, and it speaks to conservation.

Mr. Chairman, I would like to to remind the Members of the House that for every drop of 1 percent in our unemployment rate, we save $16 billion to the Treasury—if the cost is in question.

I think the jobs it represents are a very important element, and the fact that it is tied to a conservation measure is also important.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, I just wish to point out that on the last vote we had 244 Members vote for that give-away program and only 132 Members voted "no."

The other day, on the vote on a 3-cent gas tax, we had 209 Members vote against the tax and 187 Members voted for it. This merely points out to this House that the Members of this Congress are living in a fantasyland. They are voting for all of the give-away programs, they are voting against all of the revenues, and they are putting this country in a financial straitjacket from which it will never be able to extricate itself. It is about time we had a little bit of responsibility over here. I have been pleading with the other side of the aisle to take some responsible action. My pleas have fallen on deaf ears. On this recent giveaway vote 111 Republicans voted for the giveaway and only 20 Members on that side of the aisle voted against the giveaway.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. O'HARA).

(By unanimous consent, Mr. DINGELL yielded his time to Mr. O'HARA).

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I oppose this amendment. It is very expensive.

I would like to point out, in addition, that it is a violation of GATT because it applies only to domestic cars. It will cause problems in many ways in our international trade relations.

It is my feeling generally that a measure of this sort is unnecessary as well as extravagant, and we ought to restrain our natural enthusiasm for this sort of giveaway. All the taxpayers pay for it, including those too poor to buy new cars, it is indiscriminate in the encouragement it gives to buy cars with more than 18 miles per gallon, and it will influence very few pending decisions in the direction desired. Under these circumstances its cost overburdens its benefits.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. PIKE).

Mr. PIKE. Mr. Chairman, I tried as hard as I could in the committee to produce a somewhat similar amendment which would really have saved some gasoline. But this is not going to save any gasoline, because it makes no distinction between a car getting 18 miles to the gallon and a car getting 34 miles to the gallon. They get the credit either way. It makes no distinction between a car getting 17 miles to the gallon and a car getting 12 miles to the gallon; it is the same thing.

What we have done is this: We have not hit the automobile industry; all we have done is hit them with a feather. What we are asked to do now is to throw an ice cream cone on top of the feather.

Mr. Chairman, if this were going to save some gasoline, I might be for it, but it is not.

(By unanimous consent, Mr. MARTIN yielded his time to Mr. FRENZEL.)

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. O'HARA).

Mr. O'HARA. Mr. Chairman, the $200 tax credit would go to each purchaser of a fuel-efficient U.S.-made automobile, between now and the end of next year. The car would have to make 18 miles per gallon or better, or it would not be eligible for the credit.

So the amendment saves gasoline, helps stimulate the industry and saves jobs.

As far as GATT goes, it is not entirely clear whether it is a violation of GATT or not. When Canada imposed their duty emission scheme on us in the automotive trade, the result was the U.S.-Canadian auto agreement, in which all the advantages went to Canada. No countervailing duty was ever imposed, even though the Canadian duty emission scheme was a clear violation of GATT.

I think the sponsors of a bill imposing quotas on oil, are in a poor position to argue that any amendment is a violation of GATT. I do not think it is, and if it is, we can work that out when the problem arises.

Mr. Chairman, I ask for the adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. BRODHEAD).

Mr. BRODHEAD. Mr. Chairman, I think this is a worthwhile and a much-needed amendment. It is perfectly consistent with the purposes of this piece of legislation.

I think if we are going to talk about making an improvement in the short term in the consumption of gasoline, this amendment provides the only way we can do it. Anything we have talked about before, including the Fisher amendment, the Sharp amendment, or the committee amendment, or anything else having to do with fuel efficiency, would require several years' leadtime before gas consumption would be significantly reduced. This amendment would have an immediate impact on the consumption of gasoline by encouraging people to make an immediate switch to more fuel-efficient cars.

This amendment also would have a beneficial effect on air pollution standards by causing the replacement of older, more polluting cars, with newer, cleaner cars. It would also encourage Americans to buy new domestic cars, and thus improve the situation in the hard-pressed automobile industry, an industry in which there is 25-percent unemployment at the present time.

Mr. Chairman, I think it is a good amendment, and I urge the Members to support it.

The CHAIRMAN. The Chair now recognizes the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I appreciate what the gentleman from Michigan is attempting to do. I could enthusiastically support an amendment of this type if it were accompanied by an amendment of the type offered by the gentleman from Virginia (Mr. FISHER) yesterday. It would be excellent to have an incentive for the purchase of energy-efficient vehicles, if it could come in tandem with a balancing disincentive to the purchase of inefficient cars. But in the interest of fiscal balance, the two should appear hand in hand. I wish we had adopted the Fisher amendment. However, since we were unwilling to do that, I must regretfully oppose this amendment.

The CHAIRMAN. The Chair now recognizes the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I did realize that Christmas was coming ahead of time, as I said it was the other day, now it is here with us in full bloom. Maybe this Christmas tree is going to get so heavy with gifts that it will collapse. Certainly if you voted for the other unwise amendments, you ought to vote for this unwise one, too.

The CHAIRMAN. The Chair now recognizes the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, I want to commend my colleague from Michigan for his sincere, and well-intentioned effort to provide a government-financed stimulant for the American automobile industry.

As one who is equally concerned about the depressed state of the industry and the alarmingly high unemployment rates which have hit Michigan especially hard, I have two serious reservations about this amendment.

First, I am concerned that, despite its sincere motives, this amendment may actually add to—rather than reduce—the unemployment problem in Pontiac, Mich., in my congressional district, as well as in other sections of the country involved heavily in full-size car production.

The thrust of this amendment clearly is aimed at encouraging small-car sales and production. In the process, it further discriminates against larger models.

Top officials at the General Motors Fisher Body plant in Pontiac and the Pontiac Motor Division estimate that the jobs of some 3,550 employees at those two plants are directly related to full-size car production.

Legislation of this kind would create severe personal problems for some or all of these people and could add their names to the unemployment rolls in Pontiac, where unemployment already is approaching 30 percent.

Ironically, this amendment is offered at a time when American automakers are working hard to improve fuel efficiency in response to the demands of car buyers for better fuel economy.

The natural laws of the marketplace are at work and they will provide an answer to the need for fuel efficiency if they are permitted to operate freely.

And that, Mr. Chairman, brings me to my second reservation about this amendment. While I appreciate the honest motives which prompted its introduction, it ignores the lessons which recent history teaches about Government involvement in the auto industry.

The story of the industry's decline in recent years is replete with examples of Government efforts to help, but which in the final analysis only serve to complicate its efforts at recovery.

At the same time Congress is setting standards to penalize the auto industry for cars which burn too much gasoline, another segment of the Federal Government is imposing new safety and emissions regulations which reduce fuel efficiency.

Mr. Chairman, I do not disagree with the goals we are seeking to establish. But I am strongly opposed to legislating the means for achieving those standards in Washington.

The notion that Government is somehow better equipped to determine how we will solve complex technological problems than the people who have spent a lifetime working in and learning about the industry is nonsense.

The way to achieve the results we all seek is through less Federal Government, less Federal regulation, and less Federal dictation.

(By unanimous consent, Messrs. BROOMFIELD and THONE yielded their time to Mr. FRENZEL).

The CHAIRMAN. The Chair now recognizes the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Chairman, I would like to emphasize to the members of the committee that when we are talking not about the automobile industry as being some giant, but we are talking about 1 out of 5 workers in this country, we must take note that what this amendment does is that it provides for encouragement of efficient automobiles, and it also provides an incentive to put people back to work.

I would rather put dollars into programs that will put people back to work in the private sector rather than continue on with unemployment compensation and public service jobs. That is what the people on the assembly lines want to do, too. They want to go back to work, and this amendment will help them do that.

Let us make no mistake about it and let us not kid ourselves. Vote for this amendment. It means jobs for 1 out of 5 workers in the United States.

The CHAIRMAN. The Chair now recognizes the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, I strongly oppose this amendment.

I am tired of voting for tax credits and subsidies for those who should be doing what is in their self-interest, to begin with.

The gentleman from Michigan (Mr. O'HARA) mentioned that he was opposed to tax credits and accelerated depreciation for the coal industry, among other industries. I will give him an opportunity in title V, to which I have an amendment to strike out some of the tax write-offs in view of the big profits that the coal industry has been making.

Mr. Chairman, I, too, share the feeling that we should not have Christmas in June. I think this is an unnecessary amendment, and I urge its rejection.

The CHAIRMAN. The Chair now recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, there really is not enough time to discuss all of the things that are wrong with this particular amendment, but I would like to deal with just four of them.

In the first place, it costs two-thirds of a billion dollars of money that we do not have. There is no reason to deal out two-thirds of a billion dollars indiscriminately to people based on their selection of automobiles.

In the second place, it is a kind of blunt instrument because it makes no distinction, as the gentleman from New York (Mr. PIKE) said, between a really efficient car and a fairly efficient car. Therefore, what we are doing is simply indiscriminately rewarding a choice which happens to fall above 18 miles a gallon and similarly penalizing the choice, which may be for a large family, which may be more fuel-efficient per seat in a larger car that gets fewer miles per gallon.

In the third place, Mr. Chairman, it offers no incentive to the automobile industry to make their cars more efficient. The reason is that they are wired into a system of production in which they cannot change their models in the time period that this amendment covers. This amendment, then, offers no energy savings.

Fourth, as the gentleman from New York pointed out, it is violative of many, many treaties, and especially the General Agreements on Trades and Tariffs, and would, I think, be a black eye to this country in the negotiations that are going on right at this moment.

The amendment is merely an attempt, and an understandable attempt, to solve a very difficult regional problem of unemployment and economic distress. However, this is the wrong way and the wrong bill to do it.

The gentleman from Florida (Mr. GIBBONS) is correct, we have all caught the Christmas spirit. Now we want to give away more and more money we do not have. I think we have to hold the line someplace. I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, I rise in opposition to this amendment. Unfortunately, the gentleman from Minnesota (Mr. FRENZEL) preceded me and took all of my arguments. I would like to advise that this violates the GATT at a time when the negotiations are proceeding. In addition, it will cost $400 million a year in lost taxes.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. KARTH).

Mr. KARTH. Mr. Chairman, someone has mentioned the fact that today is Friday the 13th, and that, generally speaking, Friday the 13th is not considered a lucky day. Well, let me tell the Members something: If this amendment passes it will be a very unlucky day for the taxpayers of our country.

What a special interest amendment this is. Really, it takes all of the cake; it takes all of the prizes.

What is reasonable and fair about asking all of the taxpayers of this country who cannot afford to buy a new car, or who do not want to, or who may have just bought one, but what is fair about asking all of the taxpayers of this country to pay $200 on the purchase price of those who want to buy a new car, or who can afford to buy one? Do not saddle the taxpayers with an additional debt of $700 million.

The CHAIRMAN. The time of the gentleman has expired.

The Chair now recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Minnesota (Mr. KARTH).

Mr. KARTH. Mr. Chairman, I thank the gentleman for yielding to me.

As I started to say, the taxpayers of this country are being asked to pay $700 million in additional taxes to benefit those who might buy a new car under this amendment.

Let me just add at this point: There has been a great deal of talk about giveaways. I do not know if the gentleman has offered an amendment that would bring the U.S. automobile manufacturers back home or not, but the fact of the matter is, Mr. Chairman, that at least 15 automobiles, the most fuel-efficient cars made by the U.S. manufacturers, are made in foreign lands. Why do they not make them in America by American automobile workers? That is all they need to do, and then the big unemployment situation would be solved in Michigan.

In addition to that, Mr. Chairman, there has been talk about the fact that one of every five workers employed is employed in the automobile industry. That means that four out of every five are not so employed. So, what about those four out of five workers? Are we supposed to forget about them? Rich and poor alike? Are we supposed to ask them to pick up the tab? Are we supposed to ask them to make all of the sacrifices because of the stupid and unpatriotic moves of this automobile industry? I hope not, Mr. Chairman.

I hope this amendment is roundly defeated.

Mr. ULLMAN. Mr. Chairman, if we want to subsidize the U.S. automobile industry there are a lot better ways of doing it than through this amendment. This amendment is full of inequities. First, the GATT violations are a serious matter because the other nations could retaliate, and we would be subject to immediate retaliation. Second, the amendment applies only to the 1975 and 1976 automobiles. If we are trying to get some long-term incentives then we have to try to get Detroit to turn around in the future, because the 1975 and 1976 automobiles are already engineered, designed and tooled, and this will not change anything in Detroit.

Third, I think this 18-mile-per-gallon dividing line is totally inadequate. What we are saying here is anything above that line gets the credit. What we absolutely have to do in this country is to adopt a much more sophisticated approach so that we can get the efficiency standards up and up and up in the future. But just having a 2-year period to give a subsidy to people who buy automobiles that exceed 18 miles per gallon is not going to do a thing in the way of changing Detroit. It is not going to do a thing in the way of developing long-range efficiency standards. It is the wrong way to approach the problem.

If we want to subsidize the efficient automobiles, the gentleman from New York (Mr. PIKE) who is on the committee, and other members of our committee worked diligently on sophisticated ways of doing it. We could not arrive at a way that was equitable. It is a very difficult, complex matter.

I hope the Committee votes down this amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Michigan (Mr. O'HARA).

The question was taken; and on a division (demanded by Mr. O'HARA) there were—ayes 10, noes 86.

Mr. O'HARA. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. JEFFORDS

Mr. JEFFORDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFORDS: Page 90, immediately after line 17, insert the following new section:

SEC. 33. WOOD-FUELED RESIDENTIAL HEATING EQUIPMENT.

(a) GENERAL RULE.—Subpart A of chapter IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44E. WOOD-FUELED RESIDENTIAL HEATING EQUIPMENT.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of 40 percent of the qualified wood-fueled heating equipment expenditures paid by the taxpayer during the taxable year with respect to any residence to the extent that such expenditures do not exceed $500.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property and purchases of certain recyclable waste),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to credit for personal exemptions),

"(G) section 44 (relating to purchase of new principal residence),

"(H) section 44C (relating to insulation of principal residence), and

"(I) section 44D (relating to residential solar energy equipment).

"(2) PRIOR EXPENDITURES TAKEN INTO ACCOUNT.—If—

"(A) the taxpayer made qualified wood-fueled heating equipment expenditures with respect to any residence in any prior taxable year, or

"(B) any prior owner of such residence made qualified wood-fueled heating equipment expenditures with respect to such residence,

then subsection (a) shall be applied with respect to such residence for the taxable year by reducing (but not below zero) the dollar amounts contained in such subsection by the aggregate of the expenditures described in subparagraphs (A) and (B).

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED WOOD-FUELED HEATING EQUIPMENT EXPENDITURES.—The term 'qualified wood-fueled heating equipment expenditures' means any amount paid by an individual for any installation which occurs after March 17, 1975, and before January 1, 1981, of wood-fueled heating equipment, in any dwelling unit which at the time of such installation is owned by the individual and used by him as his principal residence (within the meaning of section 1034).

"(2) WOOD-FUELED HEATING EQUIPMENT.—The term 'wood-fueled heating equipment' means equipment—

"(A) which, when installed in or on a building, is primarily designed to burn wood for purposes of heating such building;

"(B) the original use of which commences with the taxpayer; and

"(C) which has a useful life of at least 3 years.

"(3) JOINT OWNERSHIP.—In the case of any building which is jointly owned, and is used during any calendar year as a principal residence, by two or more individuals—

"(A) the amount of the credit allowable under subsection (a) (after applying subsection (b)(2)) with respect to any qualified wood-fueled heating equipment expenditures paid during such calendar year by any of such individuals with respect to such building shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of subsection (b)(1)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount paid by such individual during such calendar year for such expenditures bears to the aggregate of the amounts paid by all of such individuals during such calendar year for such expenditures.

"(4) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual—

"(A) shall be treated as owning the dwelling unit which he is entitled to occupy as such stockholder; and

"(B) shall be treated as having paid his tenant stockholder's proportionate share (as defined in section 216(b)(3)) of any qualified wood-fueled heating equipment expenditures paid by such corporation.

"(d) REDUCTION OF BASIS.—The basis of any property shall not be increased by the amount of any qualified wood-fueled equipment expenditures made with respect to such property to the extent of the amount of any credit allowed under this section with respect to such expenditures.

"(e) TERMINATION.—This section shall not apply to any amount paid after December 31, 1980."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting before the item relating to section 45 the following:

"SEC. 44E. WOOD-FUELED RESIDENTIAL HEATING EQUIPMENT."

(2) Section 56(a)(2) (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (viii), by striking out "; and" at the end of clause (ix) and inserting in lieu thereof ", and", and by inserting after clause (ix) the following new clause:

"(x) section 44E (relating to wood-fueled residential heating equipment); and".

(3) Section 56(c)(1) (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (H), by striking out "exceed" at the end of subparagraph (I) and inserting in lieu thereof "and", and by inserting after subparagraph (I) the following new subparagraph:

"(J) section 44E (relating to wood-fueled residential heating equipment), exceed".

(4) Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out the period at the end of paragraph (24) and inserting in lieu thereof a semicolon and by inserting after paragraph (24) the following new paragraph:

"(25) to the extent provided in section 44E(d), in the case of property with respect to which a credit has been allowed under section 44E."

(5) Section 6069(b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44D" and inserting in lieu thereof "44D, and 44E".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after March 17, 1975, in taxable years ending after such date.

Mr. JEFFORDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. JEFFORDS. Mr. Chairman, we have been talking about Christmas, and I think it is a time to take a look at what Christmas has been all about here. The only way to do that is to take a look and see whom we have been helping and whom we have been hurting in this bill as it has been coming along.

Let us examine the policy that we are coming forward with in this bill right now, and the policy that we will have left over if we do nothing. The answer is very simply this: price increases. If the quota system hurts, as we expect it will hurt, it is going to result in price increases as the sole means of gaining conservation. If we do not pass this bill, or if it is vetoed, the President's system without additional congressional action will lead to price increases.

Let us take a look at whom that policy is going to help, whom we have given Christmas presents to here so far.

We have given Christmas presents to the oil industry. The producers will reap profits, there is no question about that. We have no excess profits tax in this bill. Some will say the greatest Christmas present is for the oil industry.

We gave the automobile industry a Christmas present yesterday by saying we are not going to make them do anything they do not really want to do.

The committee admits they will not ask them to do anything they do not want to do.

Today we have given a Christmas present to those who want to buy electric cars. Fine, wonderful. What income strata are we talking about? We are talking about the higher and upper middle income people at best.

We have just given a large tax credit increase and a large Christmas present to the solar heating people. Who can afford a solar heating device?

New, let us talk about who we are hurting with this bill—what they are trying to do to help face their crisis. The price increases are being felt most by those people who have the least ability to pay.

They are felt by those people who have to use heating oil and cannot do anything about it. Their heating-fuel prices have increased 100 percent—100 percent. Measure that against the gasoline price increase of some 40 percent.

We have seen tremendous increases for those people. What have we done about it in this bill? We have promised them another 20- or 30-percent increase. We have done nothing to help them with this problem.

I suggest we ought to reevaluate that policy on the one hand, and second, we ought to think about giving a little present to those who are trying to do something about their own price squeeze.

What about the people that cannot afford these large devices? They have been trying to buy wood-heating stoves. The number of wood-heating stoves purchased has increased by 100 percent. Wood-heating stoves can decrease their bills, by my analysis and other analyses, by 50 percent and save the people hardest hit large sums of money, at least large to them. This is the way we should help them to go.

Now, I know there are a lot of Members who will say this is foolish and not much of a present; but when we consider that the costs of stoves have gone up 35 percent in 1974 alone, the 40-percent credit will only keep it at the beginning of where it was in 1974.

We are not asking for a lot of money, $32 million at the most and on an annual basis. When we compare that with what we are giving away to others, it is a minuscule amount. We are not talking about an end to the energy crisis. The most we can conserve is 6 million barrels a year; but we must recognize the OPEC countries are creating problems that we cannot solve and I want to help these people.

Mr. Chairman, I hope we consider doing something favorable to those to whom we have given nothing. At this point it is a practical solution to a real problem.

I would also add that wood-burning stoves have been sold throughout the country. This is not a regional thing. Sales have been up all over the country. Why? Because people need to do something about a problem that is hurting them very badly.

Let me now more fully discuss the impact of this amendment.

I have contacted most of the major manufacturers of woodburning stoves in the United States. I have tried to determine:

First. What different kinds of stoves are now on the market and their retail prices for sale and installation.

Second. What growth there has been in the industry and what the projected growth is.

Third. Where these stoves are presently being marketed in the United States.

Fourth. How effective they are for home heating and thus how many barrels of oil we could save by substituting wood heat.

Fifth. What the revenue effect of the tax credit would be assuming an increase in sales of 20 percent per year due to the amendment, that is, using an elasticity of demand of .5.

Sixth. Whether the amendment would constitute any threat to the forests of America.

First, these stoves can be broken down into two different types: Those with automatic thermostatic controls and those without automatic thermostatic controls. There is a price difference, those with the controls averaging $350 installed, those without $85 installed. There is also a difference in efficiency—the controlled stoves are much more efficient, they burn more cleanly, and thus there is less uncombusted matter or smoke given off. So although they are more expensive, in the long run the savings in wood costs would make up for the difference in price.

Second, the stove industry has projected its 1975 sales of these two broad types and data we have been provided shows that about 125,000 of each type are expected to be sold this year. This is about a 25 percent jump over last year. The Franklin fireplace, which many of you may be familiar with, is of the noncontrolled variety. The great majority of these burners heat more than one room, the average thermostatically-controlled model heating at least three rooms and up to six rooms. The most popular sales have been those with blowers costing around $250 and which can heat four rooms.

Sales figures for the last decade are as follows:

	[units]
1964	120,000
1965	101,000
1966	101,000
1967	95,000
1968	95,000
1969	102,000
1970	108,000
1971	108,000
1972	100,000
1973	125,000
1974	200,000
1975 (projected)	250,000

These stoves are best described as auxiliary heating devices, although it is my belief they can provide a very significant measure of substitution for oil and natural gas heat. I myself own one and have saved more than 50 percent of the fuel oil consumption in my home last winter, and compared with the winter before. A spot check by my staff of other Vermont residents who were using the stoves this past winter showed that in every case there was at least a 50 percent drop in consumption of heating oil. I would compare this with the 10 to 20 percent fuel savings which the FFA estimates can be achieved with good insulation devices.

As you would expect there has been significant growth in the industry due to the skyrocketing costs of fuel oil in the last 2 years. The 1970 Housing Census shows that there were about 800,000 homes in the United States which used wood stoves as the primary source of heat. The figures listed on page 1 show the jump in sales in the last 2 years.

The manufacturing companies are located across the country, in Atlanta, Portland, Kansas City, Tennessee, Illinois, Alabama, and the State of Washington. They are marketed by both the manufacturers and by Sears and Montgomery Ward across the country. The volume leader last year increased its sales by 150 percent. Sales of the Franklin heater have gone up 200 percent in the years 1970–74. There are also some stoves being imported from Taiwan, Mexico, Korea, India, Belgium, and Italy. We have not been able to obtain precise import figures, but we are told they are not significant compared with domestic manufacturers' sales.

I am assuming a growth of 20 per annum as a result of this tax credit. This is, admittedly, guesswork. We note that there was an increase in sales last year of 25 percent and some of the more popular models were backordered. We also assume additional increases in volume this year and for the next 2 years due to the factor of oil price rises. As you know, OPEC will probably raise its prices again, probably by September and the figure appears to be another $2 per barrel. Add this to the President's stated intention to keep the second tariff dollar on imported oil and I believe there will be further shifting to wood heat. So we calculated an increase of an additional 20 percent sales next year and 10 percent in 1977 due to the oil price factor. This is besides the projected 20 percent increase in sales due to the tax credit.

Third, we have detailed figures from both the manufacturers and retailers as to the distribution of the market for these stoves in the United States. We have agreed not to link the names of the companies with the data publicly, but here are the highlights of our findings: One of the manufacturing volume leaders broke down his retail distribution as follows:

[In percent]	
Northeast	30
Northwest	25
Midcentral	20
Southeast	15
Southcentral	5
Southwest	5

Another of the largest retailers broke down his regional sales as follows:

[In percent]	
Los Angeles	14
Seattle	14
Philadelphia	13
Chicago	10
Boston	10
Columbus	9
Minneapolis	7
Kansas City	6
Atlanta	5
Memphis	5
North Car	4
Dallas	3

Another large manufacturer listed significant sales in 28 States, including not only New England and the northern tier but also, Oklahoma, New Mexico, Arizona, Colorado, Kentucky, California, and Arkansas.

I have it on good authority that in some areas of the Southwest, where the supply of wood is not plentiful, home heating has been supplemented with these stoves using buffalo chips, and in some areas of the Midwest I am told corn husks are burned for the same purpose.

My point is that I am convinced there is a national market for these stoves and that the tax credit would be of benefit to consumers across the country.

Fourth, the average household which heats with fuel oil in the United States uses about 38 barrels of oil per year. Assuming that supplemental wood heating saves 50 percent of that, the savings per household is 19 barrels per year. We calculate the number of sales per year of these stoves through 1980—with 20-percent increase in sales on 1975 base year, and the resulting saving of fuel oil, as follows:

	Stoves sold resulting from credit	Oil saved (barrels per year)
1975	50,000	950,000
1976	55,000	1,045,000
1977	61,000	1,159,000
1978	61,000	1,159,000
1979	61,000	1,159,000
1980	61,000	1,159,000

Thus, by 1980, the annual savings in fuel oil would be 6,631,000 barrels, which averages out to about 18,400 barrels per day.

Admittedly, some homes will replace natural gas heat with the stoves, and in that case the savings will be 45,000 cubic feet saved per household per year. And since 55 percent of the households of America use natural gas, the above barrels per oil figure would be lowered. Nevertheless, giving the predicted continuing shortfalls of natural gas during this period, the substitution effect will be important to the extent that it helps alleviate such shortfalls.

Fifth, regarding the revenue effect of the amendment:

	Stove sales without the credit	Stove sales (increment due to credit)	Stove sales (due to further oil price rises)	Total sales	Revenue effect (No. 220—0.40) (millions)
1975	250,000	50,000	(1)	300,000	26.8
1976	275,000	55,000	25,000	330,000	29.0
1977	303,000	61,000	27,500	364,000	32.0
1978	303,000	61,000	----------	364,000	32.0
1979	303,000	61,000	----------	364,000	32.0
1980	303,000	61,000	----------	364,000	32.0

[1] Included.

The projected 25,000 sales this year are composed of 125,000 at the unit cost of $350 and 125,000 at the unit cost of $85. Assuming the cost installed per unit of $220, multiplied by the number of units sold and by 0.4 for the tax credit, the revenue effect is arrived at. The retail business in 1975 should amount to $50 to $55 million.

We assume 20-percent increase in sales due to the tax credit each year, up until 1980, and an additional 10-percent sales in 1976 and 1977 due to oil price rises.

An obvious question is: Given the increased demand for these stoves recently, why give a credit for purchases which would be made anyway. I would argue that the credit will be of significance for lower and lower-middle-income consumers who would otherwise not have the cash on hand to buy the stoves, and it would also help draw attention to this fuel-oil substitute. I would emphasize that it is this group which recent fuel price rises have hurt most, and that it is rural America which can least afford these price rises.

Our demand figures of 20-percent sales increases resulting from the 40-percent tax credit are rough, but I note that demand elasticities are notoriously unreliable even in industries where detailed sales and price figures have been available for years, for example in the auto industry.

Certainly there should be little question that this amendment should have a greater market effect, and fuel savings effect, than the tax break for solar devices, the cheapest of which goes for $2,000 and is clearly out of the range of economically disadvantaged people.

Sixth, speaking from the perspective of Vermont, my State has increased its forestation by 100 percent in the last 50 years. Whereas, 50 years ago the State was covered 40 percent by forest, it is now covered 80 percent by forest. Our State Forest Service supports the amendment, pointing out that wood, in opposition to fossil fuels, is a renewable resource.

Furthermore, the following data, provided by the U.S. Forest Service, shows the amount of hardwoods—which are the woods which are used for these stoves—in the United States, total harvest, and excess growth—"excess growth" is defined as growth which is left over after harvesting. Total growth is the total stock on the land. The U.S. Forest Service has informed us that through their renewal and sustained growth programs, all harvested wood is replaced.

HARDWOODS IN THE UNITED STATES[1] (FIGURES FOR 1970)

Region	Total growth	Total harvest	Excess growth
North	5,595.5	1,972.7	3,622.8
South	4,829.2	2,718.3	2,110.9
Rocky	145.8	10.9	134.9
Pacific	613.1	123.7	489.4
Total	11,183.6	4,825.6	6,358.0

[1] All figures in million cubic feet.

Furthermore, the service has informed us that it is not their belief that the increased sales of wood-burning stoves would have any detrimental effect on the stocks of hardwoods in the United States. In fact, they say there is a "glut of hardwoods" in the United States.

The Environmental Protection Agency has informed us that it is not their belief that the increased sales of wood-burning stove would have any significant pollutant effect, since there are no sulfates emitted from wood burning, and that the ash is useful as a fertilizer.

I urge the adoption of this amendment to do one small thing for those who have been hurt the most.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that we conclude debate on this amendment in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Chairman, I regrettably oppose this amendment. There are some advantages to it, in that it will lead to modest conservation of other fuels. If we are going to provide this title III as a Christmas tree present, as the gentleman from Florida observed, this might afford an incentive to burn the Christmas tree afterwards.

In favor of the amendment, of course, I would further pass along the observation of the gentleman from New York (Mr. CONABLE) that "he who cuts his own wood is twice warmed."

Unfortunately, if this proposal is incorporated in the bill it will encourage mischievous folk to chide us for a policy of "burning America down first."

Mr. ULLMAN. Mr. Chairman, I appreciate what the gentleman is trying to do. It seems to me that this kind of amendment will make the House look rather ridiculous. This credit would apply to fireplaces; people would say that the Congress was subsidizing fireplaces on this Christmas tree.

Mr. Chairman, I urge that the committee vote the amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. JEFFORDS).

The question was taken; and on a division (demanded by Mr. JEFFORDS) there were—ayes 9; noes 38.

So the amendment was rejected.

AMENDMENTS OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer two amendments relating to solar energy, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. STEIGER of Wisconsin. Mr. Chairman, reserving the right to object, the request was to consider the amendments en bloc, as I understand?

Mr. OTTINGER. That is correct.

Mr. STEIGER of Wisconsin. Would the gentleman give us the reference as to where these amendments are in the CONGRESSIONAL RECORD.

Mr. OTTINGER. They are both in the CONGRESSIONAL RECORD. I do not have the pages here.

Mr. STEIGER of Wisconsin. Further reserving the right to object, would the gentleman explain, are they similar amendments dealing with similar subjects?

Mr. OTTINGER. This is a technical amendment which I understand is agreed to on both sides, to have a requirement for definitive standards with respect to solar energy added to interim standards. It appears in two sections of the bill. It requires the same correction

in both sections. The minority side has both amendments.

Mr. STEIGER of Wisconsin. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the amendments as follows:

Amendments offered by Mr. OTTINGER: Page 87, line 8, strike out "definitive" and insert in lieu thereof "interim".

Page 124, line 25, after section 44D(c)(2), strike out the period and insert: "except that it shall include equipment which meets interim (in addition to definitive) performance criteria prescribed by the Secretary of Housing and Urban Development under the Solar Heating and Cooling Demonstration Act of 1974:"

Mr. OTTINGER. Mr. Chairman, the staff of the Science and Technology Committee and the Department of Housing and Urban Development say that there are not definitive standards at the present time and probably will not be for a year. There are interim standards which they consider adequate. Unless certain standards are permitted there will be about a year's delay in bringing into effect the credit provided in the committee bill.

With respect to the first of these amendments, the committee would prefer to see interim or definitive standards permitted. At the present time, under the way it is written, it sounds as though only interim standards would be permitted. I, therefore, ask unanimous consent that in my first amendment on page 87, line 8, after the word "interim" there be added the words "or definitive".

The CHAIRMAN. Without objection, it is so ordered.

Mr. Chairman, I ask unanimous consent that in the first amendment where it says "Strike out 'definitive' and insert in lieu thereof 'interim,'" that the words "or definitive" be added.

The CHAIRMAN. Is there objection to the request of the gentleman from New York that his amendment be modified.

There was no objection.

Mr. OTTINGER. Mr. Chairman, this would permit the provision to become effective immediately instead of having to wait for the issuance of definitive standards.

Mr. ULLMAN. Mr. Chairman, we do not understand the second amendment. Is this to title III or title V?

Mr. OTTINGER. The two amendments considered en bloc do the same thing. One is to title III and the other is to title V.

Mr. ULLMAN. I think it is improper, Mr. Chairman, to offer an amendment to title V at this point.

The CHAIRMAN. Does the gentleman from Oregon desire to ask for a separate vote on each amendment?

Mr. ULLMAN. I request that we have a separate vote, yes.

Mr. WAGGONNER. Mr. Chairman, I do not think that really answers the question that the chairman of the committee poses. He opposes consideration of an amendment to title V at this point.

The CHAIRMAN. The permission was granted by unanimous consent.

Mr. OTTINGER. Mr. Chairman, if I may be heard——

The CHAIRMAN. The Chair would like to state that permission was granted to consider the amendments en bloc.

Does the gentleman from New York at this time ask unanimous consent to withdraw his amendment to title V?

Mr. OTTINGER. Mr. Chairman, if I may say to the gentleman from Oregon (Mr. ULLMAN), I do not quite understand what the problem is. I thought it was indicated by the Parliamentarian that we could consider the two en bloc.

Mr. ULLMAN. If the gentleman will yield, there is no way we can accede to an amendment to title V at this time. I would be ready to accede to an amendment to title III.

The CHAIRMAN. Does the gentleman from New York make the request?

Mr. OTTINGER. I do, Mr. Chairman.

Mr. WYLIE. Mr. Chairman, reserving the right to object, what is the request?

The CHAIRMAN. The request of the gentleman from New York is to withdraw the amendment to title V. We are now on title III, as the gentleman from Ohio knows.

Mr. WYLIE. I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, let me inquire of the gentleman from New York, this amendment then merely amends title III. I assume when we get to title V the gentleman will offer a proper amendment to that title, that the interim standards be used until we have definitive standards.

Mr. OTTINGER. That is correct.

Mr. ULLMAN. And it will be defined in what way?

Mr. OTTINGER. The Secretary of Housing and Urban Development would make that determination. At the present time, there are interim standards. Definitive standards have been proposed and they have been noticed for consideration. Hearings will have to be held and I understand it will take about a year to adopt them.

Mr. ULLMAN. Mr. Chairman, I think we can accept this amendment to title III because it does provide for a procedure in the interim period before the Department of Housing and Urban Development issues its definitive standards.

The CHAIRMAN. Does the gentleman from Pennsylvania (Mr. SCHNEEBELI) desire to be recognized?

Mr. SCHNEEBELI. Mr. Chairman, I agree with the Chairman. We accept the amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York (Mr. OTTINGER).

The amendments were agreed to.

AMENDMENT OFFERED BY MR. SOLARZ

Mr. SOLARZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLARZ: Page 81, insert immediately after line 9 the following:

"(3) SPECIAL RULE FOR INDIVIDUAL WHOSE INCOME IS LESS THAN $8,000 OR WHO IS OVER AGE 65.—In the case of any individual—

"(1) whose adjusted gross income for the taxable year is less than $8,000 ($4,000 in the case of a married individual filing a separate return), or

"(2) who has attained the age of 65 before the close of the taxable year,

subsection (a) shall be applied by substituting "90 percent" for "30 percent". In the case of a joint return of a husband and wife, if one spouse satisfies the age requirement of paragraph (2), then both husband and wife shall be treated as satisfying such requirement.

Page 81, line 10, strike out "(3)" and insert in lieu thereof "(4)".

Page 82, line 7, strike out "(4)" and insert in lieu thereof "(5)".

Mr. SOLARZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. GREEN. Mr. Chairman, what was the request?

The CHAIRMAN. To dispense with further reading of the amendment?

Mr. GREEN. Mr. Chairman, I may want to reserve a point of order against the amendment.

The CHAIRMAN. A point of order is reserved.

Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLARZ. Mr. Chairman and members of the committee, this is a small, but I think, significant amendment to title III of the bill. It provides for an increase in the tax credit for home insulation from 30 to 90 percent for senior citizens and for those families with an annual income of less than $8,000 a year. I estimate that there are about 3 million senior citizens in the country who own or rent homes, who, by virtue of the fact that they pay taxes, would qualify for this tax incentive; and there are about 1.5 million Americans who earn less than $8,000 a year who own or rent homes, who, by virtue of the fact that they pay taxes, would also qualify for this incentive.

Mr. Chairman, in other words, there are a total of about 4.5 million households in the country composed mostly of senior citizens but to some extent, also, of low-income people, who would qualify for the additional incentives provided for in my amendment.

Mr. Chairman, yesterday this committee by a very substantial margin rejected an amendment offered by our distinguished colleague, the gentleman from Indiana (Mr. JACOBS), to eliminate the tax incentive for home insulation entirely. The committee rejected that amendment, I think, because it recognized that offering tax incentives for home insulation was an entirely reasonable and legitimate way of encouraging energy conservation.

The problem is that for senior citizens and for low-income Americans a 30-percent tax credit is simply not a significantly sufficient inducement to get them to insulate their own homes. Under the terms of title III, as it is now written, the maximum amount of money which a senior citizen or a low-income individual or, for that matter, any other American could save on taxes, if they insulated their own homes, is 30 percent, up to a maximum of $500, for a grand total of $150.

For senior citizens who have a relatively limited life expectancy and for low-income Americans who have relatively limited amounts of disposable income, this is simply inadequate, given the fact that home insulation costs can easily run in excess of $1,000.

When I broached this amendment to increase from 30 to 90 percent the tax credit for home insulation for senior citizens and for low-income Americans to the committee, I was told that one of the problems with it was that we cannot give a tax credit to some senior citizens and not to others. In view of the fact that there are many senior citizens and low-income Americans who pay no taxes, it was felt it would not be fair to give those who do pay taxes a tax credit and not to give any financial advantage or inducement to those senior citizens in low-income categories who do not pay taxes.

To the extent that argument has any merit, I direct the Members' attention to the bill itself in its unamended form.

The tax credit is already in the bill. We already have a 30-percent tax credit for home insulation. All that I am doing is suggesting that we increase the level of the tax credit from 30 to 90 percent, not to everyone, but only to the senior citizens and to those families with an income of less than $8,000 a year.

Mr. Chairman, I will say to the members of this committee that if we want to help senior citizens, and if we want to help poor people, and if we really want to encourage energy conservation, then this amendment is absolutely necessary if we are going to provide senior citizens and poor people with a sufficient inducement to insulate their own homes. In the absence of this amendment, it may be very nice that they are theoretically eligible for the tax credit. I have no doubt that the tax credit will induce millions of Americans to insulate their own homes, but it will do very little for the great number of senior citizens and poor people who do pay taxes but who would not find a 30-percent tax credit a sufficiently significant inducement to insulate their own homes.

Consequently, Mr. Chairman, for all of these reasons I urge my colleagues in the committee to support this relatively small but, I think, significant amendment to title III.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment cease in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Does the gentleman from Oregon (Mr. ULLMAN) insist on his point of order?

Mr. ULLMAN. No, Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. Members standing at the time the unanimous-consent request was granted will be recognized for 1¼ minutes each.

The Chair recognizes the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I know that this amendment will be attacked on the basis of being a "Christmas tree" amendment. But we vote a great deal of money in this House day after day after day, billions after billions after billions, for so many different purposes, and so little of it seems to be directed in any direct and meaningful fashion to those who are old and poor.

I do not know what sums will be involved here. I hope that will be developed later in the debate.

Mr. KARTH. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. Yes, I yield to the gentleman from Minnesota.

Mr. KARTH. Mr. Chairman, I do not necessarily mean to imply that the gentlewoman is fiscally irresponsible. I do not want to imply that at all, but does the gentlewoman know this is going to cost something like $700 million?

That is $700 million we do not have. I was just wondering whether or not the gentlewoman voted for the tax increases.

Mr. Chairman, I do not know on what ground the $700 million estimates are made, and I think they should be discussed here. But I do think we deal too lightly with the problems of people who are poor and old. They too, have homes that need insulation.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I am in great sympathy with the gentlewoman from New Jersey (Mrs. FENWICK), and I agree that the old and the poor need all the consideration we can give them.

However, this is an energy bill, not a welfare bill. No matter how much it pleases our sense of social justice to want to give away three-quarters of $1 billion after 10 minutes of debate in an energy bill to people who are otherwise not considered in this bill, it is not good sense and it is not good legislation.

Mr. Chairman, one-quarter of our Federal budget, I am advised, is related to the problems of the aging. This subject is terribly important and I believe it will be given full consideration by the House.

However, Mr. Chairman, I think we should consider these matters at another time when we can devote our full energies and full resources to the problem of aging. It would surely not do justice to our seniors of course to brush aside consideration of their problems in 10 minutes of debate.

Let us work on energy today, and confine our considerations to energy. Then let us move on to further consideration of the problems of the aging.

Mr. Chairman, I think the amendment should be defeated. We cannot afford it here.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, I congratulate the gentleman from New York (Mr. SOLARZ) for his great motivation. I think he has a noble purpose in mind, but I disagree with him on the economics of this amendment.

Frankly, I have never heard of a 90-percent tax credit in anything that we have ever done. This high credit boggles the mind or the imagination, and it will be at a cost of three-quarters of $1 billion in 2 years, as it was observed by the gentleman from Minnesota (Mr. FRENZEL). This is not a welfare bill, and I would also emphasize that it is not only for the poor and the aged. It is for the poor or the aged, and it covers both categories. Therefore, it covers tens of millions of people.

Mr. KARTH. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from Minnesota.

Mr. KARTH. Is it not a fact that if John D. Rockefeller was 65 years of age and built a $100,000 house, he would get credit, as I understand it, for the insulation?

Mr. SCHNEEBELI. Yes, that is correct.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from New York.

Mr. SOLARZ. Is it not true, under the bill as it exists now, that if John D. Rockefeller wanted to insulate his home, he still would be eligible for the tax credit?

Mr. SCHNEEBELI. Up to 90 percent, yes, under the sponsor's amendment.

Mr. SOLARZ. But he would be eligible for up to 30 percent under the committee bill.

Mr. SCHNEEBELI. Up to 30 percent in the committee bill; that is correct. As I said, I have never heard of a 90-percent credit to which Mr. Rockefeller would be eligible under the proposed amendment.

The CHAIRMAN. The Chair now recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I understand what my friend, the gentleman from New York (Mr. SOLARZ), is trying to do. I commend him for it.

Nevertheless, I would say that if we were to do this kind of thing, we would have to go back to the drawing board and work out a procedure—which I fear would be complex—in order to be sure that the benefits of this approach go to those who should be benefited.

Mr. Chairman, I again say that I understand what the gentleman is trying to achieve. It is most commendable, but it does not belong in this bill, and I urge that we vote down the amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York (Mr. SOLARZ).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SOLARZ. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Seventy-eight Members are present, evidently not a quorum.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee of the Whole appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the request of the gentleman from New York (Mr. SOLARZ) for a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GOLDWATER

Mr. GOLDWATER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOLDWATER: Page 87, line 3, after the word "on", insert the phrase, ", or when connected to"

Mr. GOLDWATER. Mr. Chairman, the purpose of this amendment is basically to offer language to clarify the provision contained in this section, and perhaps to head off needless delay or confusion or litigation. This amendment adds the words "connected to" to the sentence on page 87, line 3.

Rationale: A good portion of the solar energy equipment market will involve the retrofitting of existing structures. Many of these structures cannot support the added roof weight of viable solar collector units, but can easily and beneficially utilize the energy derived from collectors located elsewhere on the property or in the immediate area. Further, such preexisting facilities as systems or swimming pools can be easily adapted as solar collectors. Technically, none of these preexisting facilities or approaches to retrofitting involve installation "in" or "on" a building or structure and, to the uninformed, these problems and solutions may seem unreasonable, a sham or ruse, or illegitimate.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

Let me understand. All the gentleman is doing is providing to the solar heating provisions of this bill an amendment saying that it does not have to be a unit in or on a single house, but if there is a solar heating system in perhaps two or three houses, one can connect to it, and that this would allow this benefit. Also, it would make it clear that the solar energy equipment could be physically placed next to the house and need not literally be "on" or "in" the house. Is that what gentleman is saying?

Mr. GOLDWATER. That is precisely what I am referring to. It was pointed out to me that perhaps some of the solar units would be too heavy to put on roofs or on buildings and may have to be put next to them and connected up.

Mr. ULLMAN. Mr. Chairman, I can see no reason why this is not a good amendment, so I would certainly accede to it.

Mr. GOLDWATER. I thank the gentleman.

Mr. FRENZEL. Mr. Chairman, we have no objection to the amendment

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. GOLDWATER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GIBBONS

Mr. GIBBONS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GIBBONS: Strike out part III of title III relating to tax incentives for certain energy related improvements of buildings), beginning on page 78, line 1, and ending on page 90, line 17.

Mr. GIBBONS. Mr. Chairman, if we adopt my amendment, we will cancel all of the gifts that we have just given away yesterday and today. I know that is not going to happen. This is too charitable a place that we are working in here. We have seen fit to bestow upon people who bought houses at a cheaper price a bequest from the other more prudent citizens to help them insulate their homes. We did not do it through the normal process of authorizing legislation, sending it to the floor of both the House and the Senate, and to the President, and the appropriation process so that it will be subject to annual review. But we have done it permanently for 2 years, and if this follows the way of the usual tax loophole, in 2 years it will be extended for another 2 years, and then at the end of that 4-year term it will be extended for almost indefinitely.

So we are going to have this one with us for a long time.

We have done more for solar energy than anybody could ever imagine is needed. Solar energy is good. I am convinced it works. But it ought to be done through the appropriation process.

It ought to be through the normal authorization of annual review. There ought to be some auditing of all this. What we have done is pick up a couple of popular causes here and gone about solving the problem in the most reckless and irresponsible way the Congress could do it. Back-door spending would be better than this, because at least it would be subject to auditing, but what we have done here now no one will ever audit, except our friendly IRS agent and no one will know what they decided, because all those audits are secret.

While I have no particular objection to using solar energy and better insulation, I think we do it for good reasons in the worst possible way we could do it. I think we ought to strike it. I think we ought to say to the Committee on Science and Technology, "Bring us a bill and let us vote on it and send it through the normal legislative process." Then we can review it and we can check on it and see if we want to give credits.

I was talking to a member of professional staff of the committee awhile ago about how much additional burden this is going to put on the American taxpayer. It can take as much as two more pages of the 1040 form to fill this out. Soon we will have the tax code so complicated that no one can fill it out correctly.

I remind this House that for every gift recipient there has to be a giver. Some of these givers are extremely poor, my friend, the gentleman from New York, just said he wanted to help the poor people; well, the poor people that live in apartments in New York will not get any benefit from this solar energy giveaway we have just approved. It will not help them at all. The poor people who are too poor to pay taxes, and there are a lot of them, will not get any benefit from this. There are a lot of people after they pay taxes, there is nothing left for them to live on. They will not get any advantage from all this.

So we are just not proceeding rationally. Today seems to be December 25. Not June 13; but please, let us not make this April 1.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. CARNEY. Mr. Chairman, I object.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Chairman, I rise in opposition to this amendment. I think this is one of the more effective measures left in this bill before our committee. Evidence before our committee indicates that there would be more fuel savings from that improvement in home insulation, which this part of the title would achieve and encourage, than there is in anything else remaining in the bill with the exception of the quota system.

Therefore, I support the provision that is in the bill and oppose the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I rise in opposition to the amendment offered by Mr. GIBBONS. The gentleman from Florida implied that there would be no performance criteria with reference to solar heating and cooling equipment and no way to determine who would qualify for a tax credit for installing solar energy equipment. That is just not accurate.

Under the Solar Heating and Cooling Demonstration Act of 1974, section 8 of that act requires the Secretary of Housing and Urban Development to prescribe performance criteria for solar heating and combined solar heating and cooling components and systems. There is definitely a requirement for establishing performance criteria, and a certification must be obtained in advance before any solar heating and cooling equipment installed can qualify for a tax credit. IRS does not make that determination. There is adequate safeguard insofar as solar heating and energy equipment is concerned.

Therefore, I urge defeat of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. CONABLE).

(By unanimous consent, Mr. STEIGER of Wisconsin yielded his time to Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I think the gentleman from Florida has performed a valuable service here today, both in pointing out the extent of the giveaways implicit in this section of the bill and in providing us with this opportunity to strike a balance at the end of our consideration of this title.

I am sure the gentleman from Florida and I would disagree about the value of each of the various tax credits that make up this section which he is now seeking to remove in total. However, it is my conclusion, in checking it over, that in balance there is more loss than gain for the country in the cumulative effect of the individual provisions included.

For this reason, I intend to support his amendment to strike, feeling that the country will gain more than it loses if this amendment is carried.

I think we do have to make a choice, strike a balance and decide whether or not the country is advantaged or hurt by the total amount of the tax credits and tax expenditures that are implicit in this measure.

For that reason, I commend the gentleman for his contribution in presenting this amendment at this point, and I intend to support it.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. GIBBONS).

(By unanimous consent, Mr. GREEN yielded his time to Mr. GIBBONS.)

Mr. GIBBONS. Mr. Chairman, I do not want to talk any longer because I think I have said enough nasty things about those giveaways, and I have slandered Santa Claus enough.

There is a lot of money here. If these things are good, they ought to go through the normal authorization process and appropriation process and be put up for review. Despite what the gentleman from Ohio (Mr. WYLIE) said, yes, there will be some standards prescribed, but nobody will know who has lived up to the standards or whether the credit items have been installed. Nobody sees a person's tax return, just the friendly IRS fellow who audits the taxpayer. People who have studied government science for years know that the most inefficient, ineffective way to spend money for a good, useful purpose is to put it in the tax code and give it as a tax benefit. We used to call them tax loopholes. Now they are called tax expenditures. But they are the same thing.

Mr. Chairman, I would urge the Members to vote for my amendment, and let us clean this bill up.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman.

Mr. WYLIE. I thank the gentleman for yielding. With reference to solar energy equipment, the requirement of performance standards is prescribed by the bill for the tax credit.

Mr. GIBBONS. I know that. Sure.

Mr. WYLIE. And a certificate from HUD would have to be obtained in advance, before any such equipment could qualify for a tax credit.

Mr. GIBBONS. No. You just claim it on your 1040, and nobody knows whether it is installed right or wrong, or even installed.

Mr. WYLIE. That's not so, you must first obtain a performance certificate that the equipment qualifies.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. KETCHUM).

(By unanimous consent, Mr. FRENZEL yielded his time to Mr. KETCHUM.)

Mr. KETCHUM. Mr. Chairman and members of the Committee, I wish to commend the gentleman from Florida (Mr. GIBBONS), and I wholeheartedly support his amendment, although I recognize, as does the gentleman, the futility of what he is attempting to do.

Mr. Chairman, this bill that I called the other day the drain America first bill should now receive a new title. After all we have done here yesterday and today, in offering one tax credit after another, it should be called the Tax Accountants' Relief Act of 1975, because each and every one of our constituents will now be required to fill out a tax report that is going to be more complicated than the one that we have now.

There is no point in attempting to pass this amendment because it seems that each and every time we talk about tax credits on this floor, the whole body begins to salivate so we can go home and tell the folks about all of the wonderful things we have granted to them by way of tax credits to solve the energy crisis, when, in truth, we have not done one darn thing.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. MCCORMACK).

(By unanimous consent, Mr. CARNEY yielded time to Mr. MCCORMACK).

Mr. MCCORMACK. I thank the gentleman from Ohio.

Mr. Chairman, the provisions of title III have been called giveaways by the sponsors and supporters of this amendment.

While it is completely true that they would cost taxpayers money, the fact is that the purpose of this whole section is to stimulate the conservation of energy, and it is the one chance that we have in this bill, I believe, or, to do something constructive about reducing petroleum and natural gas consumption in the very short range without reducing our standard of living.

Mr. Chairman, section III will actually increase employment. It will provide new industries, with new technologies, in a most constructive way.

Mr. Chairman, I think by treating the stimulating energy conservation in the cavalier manner the supporters of this amendment do, by just treating it as a giveaway, we are missing the most important point: that we are, indeed, in the midst of a very serious energy crisis.

This Nation is running out of petroleum and natural gas. By the end of this century it will be virtually exhausted, as far as a significant supply of energy is concerned.

Mr. Chairman, we must provide support for new, long-range solutions to the energy crisis, for there is no magic solution to these problems.

The new technologies that we stimulate in this bill, such as solar energy for heating and cooling, such as conversion to electric vehicles, and such as the insulation of homes, can be some of the most important things that we can do.

I think the time has come for us to not treat energy conservation in such a cavalier manner, and not think of these amendments as simply giveaways, but think of them for what they really are—a very rational investment for the near future in the conservation of energy.

Mr. Chairman, we should reject this mischievous amendment.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), to close debate.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I rise in support of the motion offered by the gentleman from Florida (Mr. GIBBONS) to strike part III of title III from this bill. It is wrong to attempt to change the consuming habits of the American people through the tax code. It is wrong to subsidize the expenditures of one select group of Americans at the expense of all the rest. It is wrong to ask taxpayers who cannot afford to take the steps recommended in this title to subsidize the purchases of those who can.

Mr. Chairman, the dollars that would be written off of the tax returns of those individuals able to insulate their homes, to install solar equipment, or to buy an electric vehicle are not newly found dollars. They come directly from the revenues of the U.S. Treasury and they must be made up from the pockets of all taxpayers. Over the past 2 days, we have eliminated the main revenue-gaining provisions from this bill. In light of this, it is irresponsible to approve and to enlarge as we have done, the revenue losers.

The money we are spending today could add to our already swollen and much maligned Federal deficit. Or, if we intend to hold the budget at its present level, we would have to cut down on money to be directly appropriated for the poor, the aged, and the unemployed in order to make up for what we would spend today on subsidies to affluent consumers.

Mr. Chairman, I most strongly endorse the gentlemen's motion and I call upon all of my colleagues to resist the temptation to approve these giveaways. They will not be free. Their costs will be borne by those taxpayers least able to afford them.

Mr. ULLMAN. Mr. Chairman, this particular part of the bill that the gentleman from Florida (Mr. GIBBONS) wants to strike involves one of the really im-

portant immediate energy-saving provisions, the insulation tax credit. This would save 100,000 barrels of oil per day. It seems to me that this is important for the purposes of this bill.

In addition to that, as the gentleman from Washington (Mr. McCORMACK) pointed out, this amendment would strike two of the programs which, although they do not have much immediate savings in energy will have that effect in the long range: firstly, the solar heating program providing the subsidy which we think is extremely critical, and, secondly, the electric car provision, which was not in the bill but which the gentleman introduced by amendment. These two provisions are long-range areas where we can expect major savings. This is a new direction for energy in America.

What we are talking about are the extremely critical programs, the long-range programs where we are making a beginning, and also a major, immediate program which would save us 100,000 barrels of oil a day. This amendment would strike all of those programs.

Mr. Chairman, I urge the Members to reject the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. GIBBONS).

The amendment was rejected.

AMENDMENT OFFERED BY MR. TSONGAS

Mr. TSONGAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TSONGAS: Page 71 insert after line 20 the following:

SEC. 312. PROHIBITION OF PURCHASE OF FUEL INEFFICIENT AUTOMOBILES BY THE FEDERAL GOVERNMENT.

(a) PROHIBITION OF PURCHASE OF FUEL INEFFICIENT AUTOMOBILES.—No agency of the Federal Government may purchase or lease any 1977 or later model year automobile if the fuel mileage rating of such automobile is less than the minimum fuel mileage standard application to such automobile.

(b) MINIMUM FUEL MILEAGE STANDARD.—For purposes of subsection (a)—

In the case of an automobile which is a—	The minimum fuel mileage standard is:
1977 model year automobile	17
1978 model year automobile	18
1979 model year automobile	19
1980 or later model year automobile	20

(c) DEFINITIONS.—For purposes of this section.—

(1) MODEL YEAR.—The term "model year" has the meaning given to such term by section 4064(g) of the Internal Revenue Code of 1954.

(2) AUTOMOBILE.—The term "automobile" has the meaning given such term by section 4064(g) of the Internal Revenue Code of 1954.

(3) AGENCY OF THE FEDERAL GOVERNMENT.—The term "agency of the Federal Government" means any department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government.

(4) FUEL MILEAGE RATING.—The fuel mileage rating of any automobile shall be the fuel mileage rating determined for such automobile under section 4084(e) of the Internal Revenue Code of 1954 or, if such section does not apply with respect to such automobile, the fuel mileage rating of such automobile shall be determined under such section as if such section did apply to such automobile.

(5) Any provision hereof may be waived by the President of the United States for such cause as he shall deem necessary and proper and provided that such waiver and the cause thereof shall be reported to the Congress within thirty (30) days after the date of such waiver.

Mr. TSONGAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ULLMAN. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Oregon (Mr. ULLMAN) reserves a point of order against the amendment.

Mr. TSONGAS. Mr. Chairman, today we are debating a bill that requires compromise and sacrifice on the part of the American people, the Congress, and the administration.

We speak of the need to see that automobiles can attain some 17 or 18 miles per gallon of gasoline. Yet as we debate these critical issues, the Government's fleet of 86,000 passenger sedans is driving some 1 billion miles annually, while averaging little more than 13 miles per gallon.

Is this the example of conservation that we want to set?

I believe that as Government officials addressing the problem of an "invisible energy crisis" we must set an example. If we do not, you and I know—and a majority of our constituents realize—that the energy problems that we do not face today will overwhelm us tomorrow.

My amendment to H.R. 6860 is entitled the "fuel economy in Government amendment." It conforms to the fuel efficiency standards discussed earlier. As of 1977, all passenger sedans purchased by the Government would be required to meet a fuel efficiency standard of 17 miles per gallon. This would increase to 18 miles a gallon in 1978; 19 miles a gallon in 1979; and 20 miles a gallon in 1980.

Today, 1½ years before this measure would become law, 14 American car models exist that get better than 17 miles per gallon. This amendment is reasonable. This amendment is necessary.

Based on present cost factors, we might save $15 million in the acquisition of new, smaller passenger vehicles annually. If Government vehicles met the 17-mile-per-gallon standard today, we would save $10 million and 18 million gallons of gasoline a year. Within 10 years, our fuel efficiency would be increased by a minimum of 35 percent.

An Executive order last year instructed Federal agencies to replace large passenger cars with compacts. But although the General Services Administration was prepared to comply with this regulation, Federal agencies purchased 5½ large sedans for every compact. Agency heads simply waived these regulations. The General Accounting Office and General Services Administration have stated that these waivers are unnecessary. Under my amendment only the President could waive these requirements. Even then, a report to the Congress would be required and the Congress could challenge these waivers.

This amendment will not solve all of our energy problems. It will eventually take these Government "gas guzzlers" off the street. It will save money and gasoline.

The American people are tired of speeches about candor, courage, and action. Unfortunately, our deliberations on the energy bill have not evoked this association. We are perceived as a Congress of inaction.

Personally, I would rather be a Member of a Congress criticized for the forthright action it takes, rather than for its failure to take action.

I urge you to vote for the "fuel economy in Government amendment." There is no excuse for the purchase of Government passenger vehicles that are not fuel efficient. This amendment recognizes the need for fuel efficiency, the need for the Government to economize, and the need to set an example for the American people.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. TSONGAS. Yes, I yield to the chairman of the committee.

Mr. ULLMAN. Mr. Chairman, I commend the gentleman from Massachusetts for working out this amendment. It is not in my opinion germane to the bill, but it represents a very good objective, and I hope the gentleman will pursue it through the Committee on Appropriations.

Mr. TSONGAS. Mr. Chairman, I thank the gentleman for his remarks.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Oregon (Mr. ULLMAN), the chairman of the committee, insist upon his point of order?

Mr. ULLMAN. I do, Mr. Chairman.

I make the point of order that this amendment is not germane to the bill, on two counts.

First, there is nothing in either this title or the bill relating to Government purchases. Second, the matter contained in the amendment is not properly under the jurisdiction of the Committee on Ways and Means. It is not a tax matter, and therefore, it is nongermane to the bill.

The CHAIRMAN. Does the gentleman from Massachusetts (Mr. TSONGAS) desire to be heard on the point of order?

Mr. TSONGAS. Yes, I do, Mr. Chairman.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. TSONGAS. Mr. Chairman, I would like to make three points in response to the point of order.

First, quite obviously, the thrust of my amendment is fuel efficiency. It refers to the same standards that we discussed on the floor and voted on with respect to the Sharp amendment, the Fisher amendment, and the Ottinger amendment among others.

My amendment applies to the standards of the U.S. Government as those amendments applied to the U.S. public and to automobile manufacturers, but the thrust of my amendment is fuel efficiency. That, indeed, is what this bill is all about.

Second, it does not authorize the Government purchase of automobiles, which would be the proper jurisdiction of the Committee on Government Operations. It simply sets standards of efficiency for Government vehicles as an aid to encourage conservation, which is the function of this bill and the function of the Committee on Ways and Means.

Third, it is, in a sense, a revenue amendment in that it refers to savings, both in terms of the purchase of automobiles and of gasoline by the U.S. Government, and thus does come properly under the domain of the Committee on Ways and Means and in that committee's jurisdiction.

Therefore, Mr. Chairman, I ask that the Chair overrule the point of order.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from Massachusetts (Mr. TSONGAS) provides in part as follows:

Prohibition of Purchase of Fuel Inefficient Automobiles—No agency of the Federal Government may purchase or lease any 1977 or later model year automobile if the fuel mileage rating of such automobile is less than the minimum fuel mileage standard application to such automobile.

There is nothing in the bill that deals with purchasing and leasing authority, the Chair would have to advise the gentleman from Massachusetts (Mr. TSONGAS); and in addition, the subject matter of Government purchases is not within the jurisdiction of the committee in charge of the bill on the floor, the Committee on Ways and Means.

Therefore, the point of order must be sustained.

AMENDMENT OFFERED BY MR. GIBBONS

Mr. GIBBONS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GIBBONS:

SEC. —. REPEAL OF PERCENTAGE DEPLETION ON OIL AND GAS ROYALTY INCOME.

(a) Subsection (d) of section 613A of the Internal Revenue Code of 1954 (relating to persons entitled to percentage depletion on 2,000 barrels of oil per day) is amended by adding at the end thereof the following new paragraph:

"(5) ROYALTY INCOME EXCLUDED.—Subsection (c) shall not apply to income derived from a nonoperating mineral interest as defined in section 614. In applying such definition for purposes of this paragraph, the taxpayer's share of the costs of production of the oil or gas shall be treated as zero if his percentage share of such costs is substantially less than his percentage share of the production."

(b) The amendment made by subsection (a) shall apply to income received on and after the date of enactment of this Act.

POINT OF ORDER

Mr. ULLMAN. Mr. Chairman, I make a point of order against the amendment offered by the gentleman from Florida (Mr. GIBBONS).

The CHAIRMAN. The gentleman will state his point of order.

Mr. ULLMAN. Mr. Chairman, the subject of a depletion allowance is very definitely not germane to either this title or to the bill. There is nothing in this title that in any way relates to that section of the code. There is nothing in this title that in any way relates to the kind of tax treatment the gentleman from Florida (Mr. GIBBONS) refers to in his amendment.

This is a title that deals with tax credits. The depletion allowance is not a tax credit. This title deals with fuel conservation, and the depletion allowance is not a conservation matter.

The amendment offered by the gentleman from Florida (Mr. GIBBONS) is not germane to either this title or to the bill.

The CHAIRMAN. Does the gentleman from Florida (Mr. GIBBONS) desire to be heard on the point of order?

Mr. GIBBONS. I do, Mr. Chairman.

Mr. Chairman, I am so surprised that my Chairman, the gentleman from Oregon (Mr. ULLMAN) would raise this point of order at this time. As the gentleman will well remember, when I tried to put on an amendment similar to this on the tax rebate bill that we had earlier, I was told it was not germane to that bill, but it would be germane to this bill. So now I am chagrined that the gentleman would raise his point of order against my amendment.

Mr. Chairman, let me point out that this bill deals with taxes, it deals with tax credits, it deals with tax deductions, it deals with all kinds of tax matters. It is intimately infected with the oil and gas problem, and this amendment deals with that oil and gas problem. It deals with conservation of fuel. This amendment would have the effect of promoting conservation because the royalty owner would not be taxed through a tax subsidy when the royalty is granted. For these reasons I think the amendment is germane to the bill.

The CHAIRMAN (Mr. NATCHER). The Chair is ready to rule.

As the gentleman from Florida (Mr. GIBBONS) well knows, under the rule governing the considerations of amendments to this bill, any amendment, of course, must be germane to the pending title. Here we have title III and, as the gentleman well knows, in this title the bill deals with tax credits and other matters, but not depletion allowance matters.

This is not a tax, or the same kind of tax, as those contained in the pending title, and since it is not a tax designed to accomplish the same purpose as those in this title and is not of the same class as those contained in the pending title, the Chair must sustain the point of order, and the point of order is sustained.

Are there further amendments to title III? If not, the Clerk will read title IV.

The Clerk read as follows:

TITLE IV—ENERGY CONSERVATION AND CONVERSION TRUST FUND

SEC. 411. ESTABLISHMENT OF ENERGY CONSERVATION AND CONVERSION TRUST FUND.

(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the "Energy Conservation and Conversion Trust Fund" (hereinafter in this title referred to as the "Trust Fund"), consisting of such amounts as may be appropriated or credited to the Trust Fund as provided in this section.

(b) TRANSFER TO TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—

(1) IN GENERAL.—There are hereby appropriated to the Trust Fund amounts determined by the Secretary of the Treasury (hereinafter in this title referred to as the "Secretary") to be equivalent to the following amounts received in the Treasury before October 1, 1985:

(A) the amount of the taxes under—

(i) section 4086 of the Internal Revenue Code of 1954 (relating to gasoline conservation tax),

(ii) section 4051 of such Code (relating to special motor fuels conservation taxes),

(iii) section 4064 of such Code (relating to automobile fuel efficiency tax),

(iv) section 4991 (relating to tax on certain business uses of petroleum and petroleum products), and

(v) section 4226(a) of such Code (relating to floor stocks taxes),

reduced by the amount of the credits allowable under such Code which are properly chargeable against the amount of such taxes appropriated by this paragraph;

(B) the duties under section 121 of this Act (relating to rates of duty on oil); and

(C) to the extent provided by any law enacted after the date of the enactment of this Act, proceeds to the United States from oil and gas properties in which the United States has an interest.

(2) METHOD OF TRANSFER.—The amounts appropriated by paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the amounts referred to in paragraph (1) received in the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) ANNUAL CEILING ON AMOUNTS WHICH MAY BE PLACED IN TRUST FUND.—The amount appropriated by subsection (b)(1) for any fiscal year shall not exceed—

(1) in the case of any fiscal year ending on or before September 30, 1983, $5,000,000,000; and

(2) in the case of the fiscal year ending September 30, 1984, $2,500,000,000.

No amount shall be appropriated to the Trust Fund after September 30, 1984. Any amount which, but for this subsection, would be appropriated to the Trust Fund shall remain in the general fund of the Treasury.

(d) OVERALL LIMITATION ON AMOUNT IN THE TRUST FUND.—

(1) IN GENERAL.—If at any time during a fiscal year ending on or after September 30, 1984, the Secretary determines that the amount in the Trust Fund which is not obligated for expenditure exceeds $10,000,000,000, the Secretary shall transfer the amount of such excess to the general fund of the Treasury.

(2) FISCAL YEAR 1985.—If at any time during the fiscal year ending on September 30, 1985, the Secretary determines that the amount in the Trust Fund which is not obligated for expenditure exceeds $5,000,000,000, the Secretary shall transfer the amount of such excess to the general fund of the Treasury.

(e) MANAGEMENT OF TRUST FUND.—

(1) REPORT.—It shall be the duty of the Secretary to hold the Trust Fund, and to report to the Congress each year on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the next 5 fiscal years. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(2) INVESTMENT.—

(A) IN GENERAL.—It shall be the duty of the Secretary to invest such portion of the Trust Fund as is not, in his judgment, re-

quired to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (i) on original issue at the issue price, or (ii) by purchase of outstanding obligations at the market price.

(B) SALE OF OBLIGATIONS.—Any obligation acquired by the Trust Fund may be sold by the Secretary at the market price.

(C) INTEREST ON CERTAIN PROCEEDS.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(f) TERMINATION.—The Secretary shall transfer from the Trust Fund into the general fund of the Treasury any amount in the Trust Fund on October 1, 1985, which is not obligated for expenditure.

SEC. 412. EXPENDITURES FROM TRUST FUNDS FOR ENERGY PROJECTS AND PROGRAMS.

(a) IN GENERAL.—Amounts in the Trust Fund shall be available, as provided by appropriation Acts, for making expenditures before October 1, 1985, for purposes of conserving energy resources and expanding energy supplies through—

(1) basic and applied research programs related to new energy technologies, including (but not limited to)—

(A) solar energy,
(B) geothermal energy,
(C) advanced transportation power systems,
(D) environmental impact (and human safety),
(E) energy conversion,
(F) energy transmission,
(G) energy conservation,
(H) synthetic fuels from fossil sources,
(I) utilization of solid waste,
(J) fusion, and
(K) an engine for an efficient pollution-free automobile;

(2) development and demonstration of new energy technologies, including (but not limited to)—

(A) coal liquefaction and gasification demonstration projects,
(B) aid for powerplant conversions to coal,
(C) loans or subsidies for solid waste energy conversion plants (including production of methane gas from organic wastes),
(D) loans or subsidies for shale oil production,
(E) price guarantees on long-term purchase contracts for other new energy sources,
(F) strip mining reclamation and mine safety programs,
(G) engines for efficient pollution-free automobiles,
(H) loans and subsidies relating to solar energy systems, and
(I) demonstration and development of hot water heating systems, or space heating and cooling systems, for home use;

(3) programs relating to the development of energy resources from properties (including offshore properties) in which the United States has an interest, including (but not limited to)—

(A) geothermal energy development, and
(B) energy related environmental protection program and research; and

(4) research projects, or capital expenditures for demonstration projects, relating to local and regional transportation systems, including (but not limited to)—

(A) mass transit by bus,
(B) fixed guideway mass transit,
(C) commuter rail transportation,
(D) intercity rail passenger service,
(E) mass transit terminal facilities,
(F) mass transit operational facilities, and
(G) exclusive or preferential bus lanes.

Nothing in this subsection shall be deemed to authorize any program, project, or other activity not otherwise authorized by law. Amounts required for purposes of this subsection shall be included in the appropriation requests of those Federal agencies authorized to carry out the program, project, or activity.

(b) PROGRAM EVALUATION CRITERIA, ETC.—Not later than 270 days after the date of the enactment of this Act, the Energy Conservation and Conversion Trust Fund Review Board shall—

(1) develop criteria for evaluating the programs, projects, and activities referred to in paragraphs (1), (2), (3), and (4) of subsection (a),

(2) evaluate potential programs, projects, and activities on the basis of such criteria, and

(3) submit to the Congress a report containing the criteria developed under paragraph (1) together with the Board's recommendations for the proportion of the Trust Fund which should be available for expenditure for each fiscal year for programs, projects, and activities referred to in each paragraph of subsection (a).

SEC. 413. ENERGY CONSERVATION AND CONVERSION TRUST FUND REVIEW BOARD.

(a) ESTABLISHMENT OF BOARD.—There is hereby established a review board to be known as the "Energy Conservation and Conversion Trust Fund Review Board" (hereinafter in this section referred to as the "Board").

(b) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—

(A) IN GENERAL.—The Board shall be composed of 5 members appointed by the President by and with the advice and consent of the Senate.

(B) LIMITATIONS.—An individual may not be appointed as a member of the Board if—

(i) at any time during the 5-year period ending on the date of his nomination such individual held interests in one or more energy related industries and the aggregate fair market value of such interests exceeded $2,500; or

(ii) for any taxable year beginning or ending during such 5-year period such individual received or accrued gross income in excess of $10,000 from one or more energy related industries.

Any individual who after appointment as a member acquires any interest in, or receives or accrues any income from, an energy related industry may not thereafter hold such position. For purposes of this paragraph, an individual shall be deemed to hold any interest held by such individual's spouse or by any child of the individual who has not attained 18 years of age.

(C) ENERGY RELATED INDUSTRY.—For purposes of this paragraph, the term "energy related industry" means an industry engaged in the trade or business of—

(i) the generation, transmission, distribution, or sale of electrical or other energy,
(ii) the production, transmission, distribution, or sale of oil or gas, or primary products of oil and gas,
(iii) production, importation, distribution, or sale of motor vehicles, or
(iv) the furnishing or sale of transportation.

(2) TERMS.—

(A) Except as provided in subparagraphs (B) and (C), members shall be appointed for terms of 5 years.

(B) Of the members first appointed—

(i) one shall be appointed for a term of 1 year,
(ii) one shall be appointed for a term of 2 years,
(iii) one shall be appointed for a term of 3 years,
(iv) one shall be appointed for a term of 4 years, and
(v) one shall be appointed for a term of 5 years,

as designated by the President at the time of appointment.

(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

(3) PAY AND TRAVEL EXPENSES.—

(A) Except as provided in subparagraph (B), members of the Board shall each be entitled to receive $100 for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Board.

(B) Members of the Board who are full-time officers or employees of the United States or Members of Congress shall receive no additional pay on account of their service on the Board.

(C) While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(4) CHAIRMAN.—The Chairman of the Board shall be elected by the members of the Board.

(c) DUTIES.—The Board shall review the expenditures made from the Trust Fund under section 412 and report to the Congress each year regarding expenditures so made during the preceding fiscal year. Such report shall contain evaluations of the programs and projects for which such expenditures were made, and such recommendations for such changes as the Board considers necessary to insure that future expenditures made from the Trust Fund best carry out the purposes of this title.

(d) STAFF.—The Board shall appoint such employees as it deems necessary. Such employees shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the civil service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(e) APPROPRIATION AUTHORIZATION.—There are authorized to be appropriated from time to time such sums as may be necessary to carry out the purposes of this section.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that the title IV be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 93, line 7, strike out "after" and insert "before".

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The committee amendment was agreed to.

Mr. VANIK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to ask the distinguished chairman of the Committee on Ways and Means as to what remains of the trust fund? What will the fund have in dollars, and what are the sources? What are we talking about at this point in the conservation trust fund?

Mr. ULLMAN. If the gentleman will yield, my good friend from Ohio raises a point that I think needs to be clarified. The issue is whether, after the 3-cent gas tax is stricken, there remains sufficient revenue to constitute a valid argument for a trust fund. I take a strong position that there is a valid argument. There is funding for the trust fund, even though it does not rise as quickly. The amount now expected to be available in the trust fund for 1976 is $1,950,000,000.

Mr. VANIK. Where does that come from?

Mr. ULLMAN. That comes from the quota, the ad valorem duties.

Then in 1977 we have $2.89 billion; 1978, $3.63 billion; 1979, $4.14 billion; 1980, $4.72 billion. The maximum amount which can be added to the fund in any year is $5 billion so we come close to that in 1980. Any amount over that would go into the general fund in any event, so we still approach that maximum. We think dedicating these amounts, beginning with nearly $2 billion and rising up to almost $5 billion every year, is still a very substantial amount to provide for energy conservation research and development and ought to stay in the bill.

Mr. VANIK. I thank the distinguished chairman, and I want to say that I heartily concur in his position that the integrity of the trust fund is very, very important to our energy conservation efforts. It is, as a matter of fact, the real source of stimulation for the development of alternative sources of energy. I certainly hope that the members of the committee and the Members of the House will preserve the integrity of this trust fund so that it can carry out the very high purposes for which it has been established.

AMENDMENTS OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer several amendments.

The Clerk read as follows:

Amendments offered by Mr. STEIGER of Wisconsin: Page 90, strike out line 18 and all thereafter through page 102, line 13, all of which constitutes title IV.

Conforming amendments: Page 102, line 14, strike out "V" and insert "IV".

Page 102, line 19, strike out "511" and insert "411".

Page 107, line 3, strike out "521" and insert "421".

Page 113, line 6, strike out "522" and insert "422".

Page 119, line 8, strike out "523" and insert "423".

Page 122, line 7, strike out "524" and insert "424".

Page 123, line 15, strike out "531" and insert "421".

Page 125, line 19, strike out "532" and insert "432".

Page 128, line 24, strike out "533" and insert "433".

Mr. STEIGER of Wisconsin (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

PARLIAMENTARY INQUIRY

Mr. HECHLER of West Virginia. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HECHLER of West Virginia. Does this amendment strike all of title IV?

Mr. STEIGER of Wisconsin. Yes.

Mr. HECHLER of West Virginia. In that event, my parliamentary inquiry is, Mr. Chairman, I have a perfecting amendment to title IV. I would inquire of the Chair whether that perfecting amendment could be considered.

The CHAIRMAN (Mr. NATCHER). The Chair desires to inform the gentleman from West Virginia that his perfecting amendment would be in order pending the vote on the amendment offered by the gentleman from Wisconsin.

Mr. HECHLER of West Virginia. I thank the Chairman.

The CHAIRMAN. Is there objection to the gentleman from Wisconsin?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Chairman, on behalf of the gentleman from California, Mr. BROWN, the gentleman from Colorado, Mr. EVANS, the gentleman from Colorado, Mr. WIRTH, the gentlewoman from Colorado, Mrs. SCHROEDER, the gentleman from Ohio, Mr. MOSHER, the gentleman from California, Mr. KETCHUM, the gentleman from Pennsylvania, Mr. HEINZ, and myself, this amendment is offered to strike the so-called energy trust fund that was established in this bill.

Mr. Chairman, this is not done lightly. We heard a great deal during the debate on the gas tax provisions and other provisions about this trust fund. We just heard the distinguished chairman of the Committee on Ways and Means say he thought there continued to be a justification for this kind of set-aside for purposes of research and development.

I would hope that all the Members of this House would most carefully and thoughtfully consider the implications of what we do when we establish this kind of trust fund.

I have a letter that was received by the Committee on Ways and Means from the Sierra Club, Friends of Earth, and the Environmental Policy Center.

I think this letter has said it well in terms of the approach that at least this Member takes in dealing with this issue.

This letter states:

The time for trust funds has come and we hope has gone. One reason we are in the current energy situation is that some years ago, unknowingly, we decided that the only way to get from place to place was by use of the automobile and that this method of transportation would endure practically forever. To assure this course we set up a sure machine, the highway trust fund. Less than a decade later it became apparent that a mistake had been made and despite continuous clamor that the road program bow out to mass transportation, there was no stopping the trust fund machine. The special interests the trust fund yearly rewarded kept gaining more influence and power and built an almost impermeable shield around the big single track pork barrel.

The very same thing can happen with an energy trust fund. "Through explicit provisions in the bill, the result could very well, unknowingly, set a wrong course for energy policy which could be impossible to stop and which years from now would be impossible to salvage." Examples are easy to cite: Plutonium-breeder reactor program, unable to make it on its own in the private utility market, and fraught with nightmarish possible consequences, could be pampered into economic viability. Uneconomic oil shale development, with yet unresolvable water, waste, and land problems, can spring into a subsidized reality. Likewise, synthetic gas or oil from coal, now uneconomic without subsidies and destroying along with it the ranching and farming industry of the Northern Great Plains, can miraculously come to life. The trust fund could too easily wind up being a major subsidy for marginal and destructive energy development. Despite later efforts to prevent this from happening we fear that, once going, the trust fund will be hard to control, direct, and stop.

Sincerely yours,

RICHARD M. LAHN,
Washington Representative, Sierra Club.
JEFF KNIGHT,
Legislative Director, Friends of the Earth.
JOE BROWDER,
Executive Director, Environmental Policy Center.

I must say that I concur completely with the judgment of those three organizations in their letter asking for support to delete from this bill the energy trust fund.

Mr. Chairman, in addition, the Washington Post very wisely in its editorial of Friday, June 6, said:

It also needs to be said that the House bill has a number of defects, some of them important. It would pour billions of dollars in tax revenues into a trust fund for energy development. Earmarked funds are bad in principle, and foster grossly inefficient spending.

The key issue when we get to this kind of area is whether it makes any kind of sense at all to set this aside in a trust fund. My judgment is, it does not. This House is clearly capable of providing authorization and the appropriations necessary to fund the kind of research and development that the Members of this body think ought to be done. We are doing it now to the tune of $1.7 billion.

What we do when we establish the trust fund is that we set an ongoing precedent that will haunt us. It will come back to haunt us because it can clearly make possible inefficient, ineffective use of revenues and be exceptionally difficult ever to get rid of. So, if we believe that this House ought to retain for itself the ability and power to make its own decisions, the trust fund mechanism ought not to remain in the bill.

My amendment does not destroy the bill or weaken it. It retains for the House of Representatives and the Senate of the United States the capability to make a judgment on what we think should or should not be done.

Mr. MOSHER. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the distinguished gentleman from Ohio (Mr. MOSHER).

Mr. MOSHER. Mr. Chairman, I wish to express my support for the proposed amendment to delete title IV from H.R. 6860. The effect of this move would be to eliminate the proposed creation of an energy trust fund.

I think that the Ways and Means Committee's interest in the research and development of new energy technologies is commendable. However, I believe the device they are proposing—an energy trust fund—is not the right course to follow.

I question the proposed energy trust fund on three main points.

First, I do not think anyone has adequately shown the need for a new funding mechanism for energy research—and in particular the need for a trust fund mechanism has not been adequately demonstrated.

Second, I do not think the trust fund that has been proposed is designed properly to meet the demands that it is supposed to satisfy.

Finally, I must confess to harboring a very skeptical attitude toward the basic concept of trustfunding in general, as a budget mechanism.

As you know, Mr. Chairman, I have the privilege of serving as the ranking minority member of the Science and Technology Committee. That committee has jurisdiction over all nonnuclear energy research and development activities of the Federal Government. Just yesterday, we concluded our deliberations on the fiscal year 1976 authorization for the new Energy Research and Development Administration. Very thorough hearings were held on the ERDA budget, both by the Science Committee and the Joint Committee on Atomic Energy.

In talking with other members of the Science and Technology Committee, we have puzzled over how the energy R. & D. industry could at this time absorb the $5 to $10 billion per annum that could become available under the proposal set forth in title IV of H.R. 6860. Quite frankly, I think that that sum of money is much more than the industry could effectively absorb right now. Making so much money available in a trust fund would not significantly upgrade energy R. & D.; instead, it would have an inflationary effect on worthy research projects and would cause great pressure for the funding of less meritorious projects that would ordinarily fall by the wayside in normal competition for money from the Treasury.

Aside from questioning the very need for this proposed trust fund, I also have qualms about its structure and operation. Title IV of H.R. 6860 would create a trust fund with up to $10 billion cash assets and up to $5 billion in annual income, all of this to be overseen by a five-member Trust Fund Review Board. Its members would serve on a part-time basis, receiving daily compensation for their services.

Mr. Chairman, I am appalled by the lack of specificity in detailing how this fund would be administered. Are we to leave its administration solely in the hands of five part-time policymakers? The bill before us makes no provision for any administrative personnel. Nor does the bill or its accompanying report even hint at any coordination between the operations of this trust fund and the conduct of business by the various Federal agencies involved in energy research and development.

I would like to see more thought given to how the creation of $10 billion trust fund would affect and interface with the programs of ERDA, the Federal Energy Administration and other existing agencies. H.R. 6860 does not even contain a provision for coordination of funds-outlay with these agencies.

And this brings me to my third point. Trust fund schemes in general pose certain difficulties and problems that are so onerous, in my opinion, that I seek to avoid them whenever possible.

We must consider the adverse effect that a trust fund can have on the Federal budget. If my suspicions are correct, and we cannot find fruitful ways to spend $5 billion a year on energy R. & D., then up to $10 billion could become bottled up in trust, unavailable for use on any other program. Personally, I would find it very difficult to explain to my constituents why funds were not available for increased veterans benefits, or expanded aid to education, or reduction of the national debt, when $10 billion in Federal funds sits unused and untouchable.

One final issue I would like to raise, Mr. Chairman, is this: We do not really know for sure how the money will be spent that we are being asked to place in this trust fund. In reading the bill and the committee report, I see that the money could be used for any number of projects other than energy R. & D.

In its report, the committee suggests the money might go to "subsidies for shale oil production," or "price guarantees on long-term purchase contracts" for new energy sources, or even to pay for strip-mining reclamation. Also, the money would be available for use in various mass transportation projects. Furthermore, there is no practical limit placed on what else the trust fund money might be used for.

Thus, paradoxically, if the trust fund does not end up sitting on large sums of surplus cash—because of the lack of further investment opportunities in energy R. & D.—we may find expenditures being made for all sorts of projects neither envisioned nor desired by the Congress.

In either event, I think we would be acting irresponsibly to create one more trust fund over which we could have no effective control.

Mr. Chairman, I support the deletion of all of title IV of H.R. 6860. I oppose the creation of the proposed Energy Trust Fund.

Mr. STEIGER of Wisconsin. Mr. Chairman, I very much appreciate the support of the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I want to associate myself with the gentleman's remarks. I think he is absolutely right.

There is one other thing which a trust fund in the energy field would do. It would subsidize such energy projects as oil shale, coal gasification and fast breeder reactors, which might not make it on their own, either in the free market or through the normal legislative process. With a trust fund, we would be committing ourselves to programs beyond what we normally would if we went through the legislative process. Whenever you create these funds there is a temptation to spend the money. Here we would be underwriting energy sources that we might not ordinarily consider to be worthy of funding, and subsidizing them where private industry might not have been willing to do so.

Mr. STEIGER of Wisconsin. I concur completely in the remarks of the gentleman from Ohio. I thank the gentleman for his comments.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(On request of Mr. DELLUMS and by unanimous consent, Mr. STEIGER of Wisconsin was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I would simply like to associate myself with the remarks of the gentleman from Wisconsin and point out that the gentleman makes a fine and very concise set of arguments in support of his amendment. I shall support the amendment.

Mr. STEIGER of Wisconsin. I thank my colleague from California for his support and comments.

Mr. ULLMAN. Mr. Chairman, can we get some agreement on time? I do not want to restrict anyone, but I ask unanimous consent that all debate cease in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. MIKVA. Mr. Chairman, reserving the right to object, there are a number of perfecting amendments. I am sorry the gentleman's amendment was called first, but it seems to me that some of these perfecting amendments are very substantive.

Mr. ULLMAN. Mr. Chairman, I withdraw my request.

AMENDMENT OFFERED BY MR. MIKVA

Mr. MIKVA. Mr. Chairman, I offer a perfecting amendment to title IV.

The Clerk read as follows:

Amendment offered by Mr. MIKVA: Page 97, beginning on line 1, strike out "capital expenditures for demonstration projects" and insert in lieu thereof "capital expenditure programs".

Mr. MIKVA. Mr. Chairman, I rise in support of my amendment to add capital expenditure programs relating to mass transit to the list of programs eligible to receive funds from the Energy Trust Fund.

Clearly, the development of mass transit is one of the most effective methods of reducing the Nation's consumption of energy. Each day, millions of people are forced to rely on the family automobile for transportation to and from work because mass transit is not available to them. Until these people have access to alternative modes of transportation, their dependence on the family automobile will continue. The technology and know-how to reduce this dependence exists. But what is needed is funding.

Despite this real need and the obvious reduction in gasoline consumption that would result from an increased use of mass transit, we continue to spend more money on highway construction than on mass transit facilities. In fiscal 1975 the Nation will spend $6.6 billion to expand and improve its vast network of highways but less than $1.5 billion to improve its mass transit facilities. If the Nation is ever to become energy independent, this figure must be reversed.

The purpose of my amendment is to make available funds to expand and construct mass transit systems to serve those very people who pay the taxes that go into the trust fund—those people who drive to and from work. While research and development of alternative sources of energy and new modes of transportation are needed, the capital requirements of existing and proposed mass transit programs should not be ignored. My amendment would make available funds for these programs.

I ask for your support of this amendment.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the committee bill authorizes for expenditures from the trust fund research and demonstrations projects in mass transit, and if the Members will read the committee bill, on page 56, it indicates that this will also include demonstration projects on mass transit by bus; fixed guideway mass transit; commuter rail transportation; intercity rail passenger service; mass transit terminal facilities; mass transit operational facilities; and exclusive or preferential bus lanes.

This committee ought to evaluate the amount of money available in the trust fund against all the good purposes we want to put it to. The chairman told us there would be about $3 billion in the trust fund. That money will have to be divided between transit and other energy research and development projects. There is barely enough money in the trust fund now, since we have gotten rid of the gas tax, to fund useful and necessary research and demonstration projects. Certainly there is not enough to build the rest of the Washington subway, to build a new subway in Atlanta or Baltimore, or other cities where they are contemplating building them.

Next, Mr. Chairman, the building of capital facilities for transit, under the current technology and state of the art, does not promise any relief for transportation or for energy. What we are building today in the Washington system offers a perfect example of our unflagging determination to reproduce the Paris metro. These systems have proven unattractive. People have chosen not to ride in them. They have preferred instead to ride in their automobiles.

What is needed is new research and demonstration to bring on new technology, which will be an encouragement for people to ride on transit. That is exactly what the committee bill tries to do, to limit the trust fund to new technology and for research. If we limit the bill to these kinds of expenditures, we will do the very best thing we can do to move ahead with the transit program.

Currently, we spend about a billion dollars a year in Federal grants to mass transit for capital programs. We spend, however, for new transit research less than $50 million. Most of our transit research has been poured into Morgantown and into other projects described, I think charitably, as dry holes. Our transit research is absolutely lacking. We have made very little progress, because we have been unwilling to invest adequate funds.

The committee bill in its current form will give us a chance—not a guarantee—to make up for lack of progress in research. I hope the Mikva amendment, however well intentioned, will be defeated, and that we will leave in the bill the committee's intention to develop a forward-thinking mass transit technology that will be attractive to the people of this country. Only in that way can we give them an alternative to their energy-consuming automobiles.

Mr. FISHER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the chairman of the committee.

Mr. ULLMAN. Mr. Chairman, I wonder if we could come to an agreement on time concerning this matter.

Mr. Chairman, I ask unanimous consent that, following the time of the gentleman from Virginia (Mr. FISHER), the time for debate on this amendment be limited to 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. STEIGER of Wisconsin. Mr. Chairman, reserving the right to object, does the gentleman mean just on the Mikva amendment?

Mr. ULLMAN. Just on the Mikva amendment.

Mr. STEIGER of Wisconsin. Mr. Chairman, I withdraw my reservation of objection.

Mr. ULLMAN. Mr. Chairman, this would be relating, then, just to the Mikva amendment. Let me withdraw my unanimous-consent request. Perhaps we can agree to an additional 10 minutes.

Mr. Chairman, I ask unanimous consent that all debate on this amendment, following the time of the gentleman from Virginia (Mr. FISHER), be limited to 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I wish to speak briefly for the Energy Conservation and Conversion Trust Fund and the various features in it. I regard this as one of the three or four central features of this whole energy bill.

We have already set quotas. In order to make good on the quotas, we must have provisions in the bill to conserve on energy and to increase supplies. The trust fund is the mechanism through which we collect the revenues specified in what remains of the bill and dedicate those revenue to use in solving the energy shortage and the difficult problems that give rise to the need for the taxes in the first place. It is absolutely necessary to the completeness, to the coherence, and to the integrity of the whole thing.

The Energy Trust Fund really says to people: "We are asking you, of course, to pay some taxes and penalties on oil, gasoline, inefficient cars, business use of oil, and so forth, but we do not ask you to contribute these moneys and dump them into the general Treasury for use for whatever those moneys are appropriated, for national defense, income security, or whatever. We place them in the special trust fund to use to help you conserve energy, to use to help business find new and alternative sources of energy. We ask you to put the money into the fund to help to solve the very problem we are trying to deal with."

Mr. Chairman, the funds will be used for conservation and for geologic work in order to try to find new sources of energy, for development and demonstration of new conservation techniques, and for new ways of solving energy problems.

Some of the money would go into mass transit, where it is desperately needed. I speak from personal feeling because I was the Chairman of the Board of the Transit Authority in this region for a period of time, and I know the desperate plight of mass transit, not only here but all over the country, wherever people are struggling to provide rapid mass transit by bus, by rail, or by other means.

The little bit of this Energy Trust Fund which would go to help with that work would be money well spent, I want to assure the Members.

Finally, I ask the Members to recall that this trust fund does not go on forever and build up to a mountainous height. It is written specifically into the bill that there shall be an upper limit of $10 billion in the fund. It is written in the bill that there will be a limit of annual receipts into the fund of $5 billion. It is written in the bill that as we approach 1985, there will be a phase-down of revenues flowing into this fund and an extinction of the fund in 1985. It is not something that will be with us forever, under the terms of this bill.

So I conclude, Mr. Chairman, by urging my colleagues, in the strongest possible way and out of intense personal experience with mass transit and other features such as energy R. & D., to support the trust fund as one of the vital, necessary links in a national energy policy.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Yes; I yield to the gen-

Mr. MIKVA. Would my colleague, the

tleman from Illinois.

gentleman from Virginia (Mr. FISHER), care to comment on whether he has any objection to including capital expenditures for mass transit, given the fact that he has expressed strong concern about building a mass transit alternative to our present use of automobiles?

Mr. FISHER. I will be glad to respond to the gentleman.

No; I have no objections. However, I do not think, given the size of the fund and the revenues that are likely to flow into it, the money collected will go very far toward capital grants. The capital needs of the numerous mass transit systems across the country far outrun what could be met from this fund. But the fund can go far with demonstration projects on a scale large enough to learn how to provide efficient, low-cost mass transit.

Mr. MIKVA. And that, of course, would be up to the appropriations people in the Congress?

Mr. FISHER. That is right. That is very true.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for one-half minute each.

The Chair recognizes the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Chairman, I just want to rise in support of the Mikva amendment and urge passage by the House.

I sincerely believe that incentives to fully developed mass transit systems are essential. It seems to me that we must begin an aggressive program to encourage people to use mass transportation and lure them away from almost total reliance on the automobile in some sectors. But to make such a conversion work we must improve and extend our mass transit systems.

The Mikva amendment is a step in this direction, and in my judgment, improves the committee bill.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. CARNEY).

Mr. CARNEY. Mr. Chairman, I have been objecting to this time limitation. How can anybody give a sound, sensible argument in one-half minute, and how can anybody understand what is going on?

Mr. Chairman, I object to this whole method.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, I rise in support of the Mikva amendment and point out that in fiscal year 1975 the Nation will spend $6.6 billion to expand and improve the highway system, but less than $1.5 billion for mass transit.

Mr. Chairman, the Mikva amendment, I believe is a salutary one.

(By unanimous consent Mr. DINGELL yielded his time to Mr. ULLMAN.)

The CHAIRMAN. The Chair now recognizes the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, I urge defeat of the Mikva amendment and defeat of the amendment offered by the gentleman from Wisconsin (Mr. STEIGER).

The purpose of this trust fund is to provide money for research and development into new energy technologies including research and demonstration programs related to local and regional mass transit systems. The Ways and Means Committee specifically intended that the funds would be used to provide for research into new systems, that is to search for better ways to transport people within urban areas. If the systems now in operation across the country were adequate, we would not need the incentives called for in this bill and others to reduce reliance on the automobile.

The reason that mass transit systems are in trouble is that people are not using them. We should not pour more money into systems that are not meeting our transportation needs. Instead, we must use these limited funds to find and develop public transportation systems that will get people out of automobiles. The only real test of a system's worth is the support it receives from people. Until we determine what type of program will best meet the needs of people in our varied metropolitan areas, it would be irresponsible and shortsighted to pour more funds into existing facilities that are obviously not adequate as shown by their lack of use.

Mr. Chairman, I urge defeat of the Mikva amendment. We must look to the future and not continue to subsidize the outmoded and inefficient transportation systems of the past.

The CHAIRMAN. The Chair now recognizes the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I have been thinking over my response a few moments ago to my colleague, the gentleman from Illinois (Mr. MIKVA).

I said at that time that I had no great objection to using this trust fund money for mass transit capital grants, and I went on to say that this would not go very far.

As I further reflected on the matter, I think it would be desirable to confine the moneys, the limited amount that would now flow into the Energy Trust Fund, to demonstration projects of mass transit on a large scale.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, I am opposed to this diversion of the energy trust fund. The problem would be that this is one of the few areas upon which we can embark on this greatly needed energy research and development. I would think that mass transit has two or three other committees who can look after their own needs, and who have done so in the past. I think we should keep the trust fund inviolate for this great energy problem.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. ABZUG).

(By unanimous consent, Mr. HECHLER of West Virginia yielded his time to Ms. ABZUG.)

Ms. ABZUG. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Illinois (Mr. MIKVA). I believe there is no greater way of conserving our energy resources than through the development of alternate methods of travel such as mass transportation. The greatest consumption of our oil resources is in the automobile, and, therefore, we must provide other ways of travel to cut down the 30 percent or so of oil so consumed.

I think that many of the Members here are mistaken in believing that there is not enough money in the trust fund to enlarge our transportation systems so that we can use it, for example, to transport our rural poor to their hospitals when necessary, and for the purpose of setting up smaller transportation systems.

I think limiting the fund to demonstration projects weakens the objective. If we accept the Mikva amendment for capital expenditure programs it would include demonstration projects. This would secure more funding for local and regional transportation facilities in rural, suburban, and urban areas throughout the country.

For those Members who are skeptical about the way this fund would be used, it seems to me that through this amendment it can be said that it will really be used for conservation.

I urge support of the Mikva amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon (Mr. ULLMAN) to close the debate.

Mr. ULLMAN. Mr. Chairman, I hate to oppose my good friend and a member of our committee, the gentleman from Illinois (Mr. MIKVA), but this trust fund has been limited. As I indicated, we began by adding $2 billion to the fund in 1976 and we build it on up so that by 1980 it grows by nearly $5 billion. This really is not enough to cover capital needs of mass transit generally, but demonstration projects for mass transit already are specifically allowed in the bill as also is research for mass transit. It would seem to me a grave mistake to get into this bottomless pit of capital funding with our very limited trust fund.

So I would urge my colleagues to vote down the Mikva amendment, and it would be my hope that the mass transit portion of this fund be utilized for research for mass transit and demonstration projects on mass transit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MIKVA).

The amendment was rejected.

AMENDMENT OFFERED BY MR. BENITEZ

Mr. BENITEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENITEZ: On page 92, strike out line 4 and insert the following: "(relating to rates of duty on oil), except for duties collected in Puerto Rico and required to be paid to the treasury of Puerto Rico under section 740 of Title 48 of the United States Code; and".

Mr. BENITEZ. Mr. Chairman, section 411(b)(1)(B) of H.R. 6860, which is printed on page 92, lines 3 and 4 of the bill, requires that an amount equivalent to the duties collected under section 121 shall be appropriated into the "Energy Conservation and Conversion Trust Fund." Some of the section 121 duties used to measure the appropriation would be duties collected on petroleum and petroleum products imported into Puerto Rico.

My amendment is short, I hope noncontroversial, and submitted to avoid any possible confusion on a point which to us in the Commonwealth of Puerto Rico is of the utmost importance. The amendment is directed to safeguard the continued application of section 740 of title 48 of the United States Code Annotated. That section provides verbatim that, and I quote:

The duties and taxes collected in Puerto Rico . . . and the gross amount of all collections of duties and taxes in the United States upon articles of merchandise coming from Puerto Rico shall be paid into the Treasury of Puerto Rico to be extended as required by law for the government and benefit thereof.

The above-quoted provision was enacted at the very beginning of Puerto Rico's association with the United States—as a part of the Foraker Act of April 12, 1900. It was an integral part of the congressional scheme to provide revenues for the island and has been consistently adhered to for the past 75 years. Furthermore, that provision was incorporated into the compact law between Puerto Rico and the United States by section 4 of Public Law 600 of the 81st Congress. It was Public Law 600 and its subsequent approval by referendum in Puerto Rico that set the pattern for the extensive constitutional process which established the status of Commonwealth for Puerto Rico in July 1952. That status has been recognized as a binding compact between Puerto Rico and the United States by the United Nations and by the Supreme Court of the United States.

Designated by Public Law 600 as the Puerto Rican Federal Relations Act the provisions retained from previous legislation provide the guidelines for the fiscal and political relationship between Puerto Rico and the United States. I am certain that there is no intention by anyone in Congress to nullify those provisions through direct or indirect unilateral legislation.

I have been assured by the sponsors of H.R. 6860 that section 411(b)(1)(B) was not intended to override the explicit statutory commands of section 740 requiring that all duties collected on products imported into Puerto Rico be paid into the treasury of Puerto Rico. The amendment I have proposed would write those assurances into the bill. I have been assured by the chairman of the Ways and Means Committee that the amendment reflects his understanding of the present law and that as such it is acceptable to him.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. BENITEZ. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

The gentleman has been very diligent in pursuing this matter, and it is my understanding that under existing law these duties are to go to the Puerto Rican Government, and that the only problem involved here is that because the bill establishes a trust fund, these duties in the absence of this amendment would go to the Trust Fund instead of to Puerto Rico. This means that under the bill with this amendment, as under existing law, these duties will, go to Puerto Rico.

Mr. Chairman, I rise in support of the amendment, and I commend the gentleman from Puerto Rico for raising the issue.

Mr. FRENZEL. Mr. Chairman, will the Delegate from Puerto Rico yield?

Mr. BENITEZ. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Chairman, we feel the same way about the amendment on this side.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. BENITEZ. I yield to the gentleman from California.

Mr. PHILLIP BURTON. I thank the gentleman for yielding.

I commend the gentleman in the well and join with my colleagues in urging the adoption of his amendment, noting expressly that this is merely a reaffirmation of what we intended all along. As the chairman of the full committee stated, it is a clarification, perhaps, in the minds of some; but for this one Member, as chairman of the Subcommittee on Territorial and Insular Affairs of the Committee on Interior and Insular Affairs, we are merely restating what we thought was already the law.

Mr. BENITEZ. I thank all of the gentlemen for their contributions.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. BENITEZ. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. I thank the gentleman for yielding.

As the ranking minority member of the Subcommittee on Territorial and Insular Affairs, I want to associate myself with the remarks of the Chairman of the Subcommittee on Territorial and Insular Affairs, as well as those of the Chairman of the Committee on Ways and Means, in supporting this amendment.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BENITEZ. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. I thank the gentleman for yielding.

Recently before the Interior Subcommittee we had a question involving Puerto Rico that related to the right of Puerto Rico to take and receive the $2 and possibly $3 per barrel that the President put on foreign imported crude. Does the gentleman's amendment in any way touch that portion of the law which was involved in that question that came up before our committee?

Mr. BENITEZ. The only issue that is involved here is the reaffirmation of the laws as they exist at present and as they are incorporated into the Puerto Rican Federal Relations Act and in the United States Code.

Mr. EVANS of Colorado. Would the gentleman be able to tell me whether or not this would have any revenue impact on Puerto Rico?

Mr. BENITEZ. Of course, it has the revenue impact in that it provides that duties on articles coming into Puerto Rico continue, as they have since 1900, to be turned in to the Treasury of Puerto Rico.

Mr. EVANS of Colorado. If the gentleman will yield further for one last question, is it his intent to extend by this amendment the application of the law to the tariff that has been placed on the importation of foreign crude oil by the President of the United States?

Mr. BENITEZ. At present, and under the proclamations of the President of the United States, that part is presently covered on Puerto Rico insofar as duties that go to Puerto Rico are retained. This has been the practice and the law since 1900. It has been reaffirmed in the Commonwealth Status of 1952, and it governs present relations and would in no way alter them.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield so that I may respond to the question of the gentleman from Colorado?

Mr. BENITEZ. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

This amendment in no way affects any court case now pending with regard to covering over of tax revenues to Puerto Rico, and it in no way affects the treatment of the President's import fees. This is confined exclusively to the duties that would be applied under this bill.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BENITEZ. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I thank the gentleman for yielding.

I wish to rise in support of the amendment offered by the Delegate from Puerto Rico, and I wish to commend him for the outstanding job that he is doing. The people of Puerto Rico are very fortunate to have in the U.S. Congress the Delegate from Puerto Rico to represent them because he is the most learned Member of this Congress.

Mr. BENITEZ. I certainly do thank the gentleman from Massachusetts.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. BENITEZ. I yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman's amendment and also commend him on his keeping an eye out for Puerto Rico.

Mr. BENITEZ. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the Resident Commissioner of Puerto Rico (Mr. BENITEZ).

The amendment was agreed to.

Mr. MARTIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment which has been offered by the gentleman from Wisconsin (Mr. STEIGER) to strike this title.

I bring to that conclusion the same reasoning he has, but a different set of cases, because I think once we create this trust fund it will soon become an un-

controllable Frankenstein blundering down the path of energy research, swinging its firebrand as it goes.

If I felt that the trust fund would insure the necessary research in nuclear energy for our future needs, then I might support this trust fund, who can say? I am hopeful that future Congresses will provide the necessary encouragement for the development of nuclear breeder reactors and nuclear fusion technology, and do it without this trust fund. The same is true for more efficient public transportation.

I also believe future Congresses will encourage free enterprise to produce synthetic gas and oil from coal, will encourage shale oil and off-shore drilling and will encourage solar energy. So the trust fund is not needed for any of these.

Mr. Chairman, as I see the problem with the energy trust fund, this workhorse has no harness on it. It will have no direction. We can try mightily today to build in priorities on the basis of what we can foresee in 1975, but our vision in 1975 cannot perceive what kind of allocation will be most appropriate in 1995.

So if we set this up now, it will plot its own course without regard to public needs and perhaps without regard to even our energy needs.

If you will study the section dealing with the review board for the trust fund, and look at the restrictions placed upon membership in that review board in section 413(b) on pages 98 and 99 of H.R. 6860, we will see that hardly anybody who knows anything about energy will be eligible for such vital national leadership. Only those who have limited experience with energy production and no discernible recent responsibility for energy will be in control of this multi-billion-dollar trust fund.

Mr. Chairman, with that kind of horseblinders on it, I do not see any risk that this trust fund would then use those resources for developing necessary energy supplies or facilities in the future. What I see as the real risk is that they will channel their technology dollars after ephemeral poltergeists such as harnessing fireflies' luminosity, dragon's fiery breath, and the aurora borealis. Perhaps even the ancient alchemists' fiery principle of phlogiston will be among their research objectives, I threw that in from my chemical background, for those who are interested.

Mr. Chairman, the alchemists also believed that matter was not held down to earth by any principle of gravity, but by a lack of levity.

The Chairman. The Chair now recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I would like to get some understanding on time for the Steiger of Wisconsin amendment. If we can dispose of the amendment first, then it will not be necessary to go to other amendments on this title, but if we are going to begin debating the Steiger amendment we have to set some limitation on time.

I would like to have an agreement that before we debate the Steiger amendment, we perfect this title of the bill. If we can have general agreement on that, then I will hold off on a time limitation. Let us try to perfect the title first.

AMENDMENT OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. ARCHER: On page 91 of the reported bill, commencing with line 24 strike out all through line 17 on page 92 and insert in lieu thereof the following: "reduced by the sum of—

"(vi) the amount of the credits allowable under such Code which are properly chargeable against the amount of such taxes appropriated by this paragraph, and

"(vi) the amount of the reduction in revenues for the Treasury for the period ending October 1, 1985, resulting from the amendments of such Code made by the following sections of this Act: section 821 (repeal of excise tax on buses used in intercity public transportation), section 322 (repeal of excise tax on radial tires), section 323 (relating to rerefined lubricating oil), section 331 (relating to credit for insulation of principal residence), section 332 (relating to credit for residential solar energy equipment), section 521 (relating to amortization of qualified energy use property), section 522 (relating to amortization of qualified railroad equipment), section 523 (relating to amortization of certain railroad rolling stock), section 531(a) (relating to investment credit for insulation and solar energy) and section 533 (relating to recycling tax credit);

"(B) the duties under section 121 of this Act (relating to rates of duty on oil) reduced by revenues which were collectible through rates of duty on oil heretofore provided by, or pursuant to, law on May 16, 1975; and

"(C) to the extent provided by any law enacted after the date of the enactment of this Act, proceeds to the United States from oil and gas properties in which the United States has an interest.

"(2) METHOD OF TRANSFER.—The amounts appropriated by paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the amount of receipts, and of the reduction in revenues, referred to in paragraph (1). Proper adjustments shall be made in the amounts subsequently transferred to the extent that it appears, on the basis of actual collections and revised estimates, that the amounts previously transferred were in excess of or less than the amounts which, under the revised estimates, should have been transferred."

Mr. ARCHER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read since it is already printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARCHER. Mr. Chairman, all through the debate on the trust funds I have been troubled by the fact that this bill will not raise the revenue that is going into the trust fund on a net basis. As a result, any shortfall that occurs as a result of the revenue loss provisions of this bill will come out of general revenue and will compound an already large national deficit. Such a deficit is not provided for in either the President's or the Congress budget for the fiscal year 1976 and will merely increase the deficit that the majority in Congress has already approved.

In the fiscal year 1976, for example, based on the provisions that have already been adopted this week by the House, the net revenue raised by the bill will fall short of the amount going into the trust fund by $1,190,000,000, and this will do nothing but be added on to the national debt.

Mr. Chairman, this amendment would simply provide that only the net funds raised by this bill would be available in the trust fund for expenditure so that we do not, in effect, dip into general revenue for additional amounts of money, and thereby compound the rising national deficit. Put a little differently, simply, the amendment would require that the gross tax revenues going into funds available for the trust fund first be reduced by the amount of revenues which the Treasury loses from the various revenue-losing provisions of this energy bill.

I would also like to clarify for the record that the construction of the word "duty" is the same as that placed upon it in the bill proper under the repealer section of existing duties on foreign oil, in that it means import license fees.

Mr. Chairman, I think that this amendment is absolutely essential if we are going to have fiscal responsibility as a result of the action on this bill, overall. I commend it to the Members of the Committee so that we do not run the country further into debt, and worse, in a backdoor fashion.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I would like to compliment the gentleman from Texas for what I consider to be a very, very important addition to this piece of legislation. I hope in the closing hour this afternoon that the Members do not overlook the importance of what the gentleman is attempting to do.

Mr. ARCHER. I thank the gentleman from Florida. This would save the General Treasury, if my amendment is adopted at this point in the bill, based on what has already been done to the bill, $1.39 billion in 1976; $.39 billion in the transition quarter; $2.09 billion in fiscal year 1977, and run up to $2.56 billion in fiscal year 1980.

If it is not adopted, we will find that additional amount of deficit in the national debt in Federal spending during those years.

Mr. Chairman, I hope the members of the committee will support this amendment.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman from Texas yield?

Mr. ARCHER. I will be happy to yield to the gentleman.

Mr. HECHLER of West Virginia. I thank the gentleman for yielding. Will the gentleman explain, would his amendment limit the outgo from the trust fund, or does it mean we cannot appropriate in other ways beyond the trust fund?

Mr. ARCHER. It will not limit the outgo from the trust fund. It will only limit the amount of money going into the trust fund, the net proceeds of this bill, so that we do not end up putting in only gross proceeds without taking into account the revenue losses in this bill. It will not affect the outgo, nor will it affect the appropriation of funds out of general revenues in other ways.

Mr. HECHLER of West Virginia. I thank the gentleman.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I will be glad to yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I would be somewhat inclined to vote for the amendment if it was not for some of the votes taken on that side of the aisle. This morning, there were 111 Members on the gentleman's side of the aisle who voted for that amendment.

Mr. ARCHER. I would hope that my friend from Massachusetts would not let those votes dull his commonsense on fiscal responsibility, for which he is well known.

Mr. BURKE of Massachusetts. No, it does not.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. BURKE of Massachusetts and by unanimous consent, Mr. ARCHER was allowed to proceed for 2 additional minutes.)

Mr. BURKE of Massachusetts. If the gentleman will yield, I would like to point out that on the revenue side, when they voted 111 to 20 today for that tax give-away, on the revenue side the other day, on the 3-cent tax, they voted 114 against the 3-cent tax, so they created a bigger deficit. So sometimes we ask the question: Is everything on the level around here?

And I am beginning to wonder what is going on.

Mr. ARCHER. I will say to my friend from Massachusetts that what has gone before or what might come after is not really important, but what is important is whether we are going to have the courage to raise all of the money by taxes that is going into this trust fund. I believe this Congress does believe it should raise in taxes the amount going into the trust fund and not merely take it out on the basis of increasing the national debt.

Mr. BURKE of Massachusetts. If the gentleman will yield further, they have already gutted the bill on the revenue end over here, so I do not know what we have left in the bill now or how we can straighten it out. They have done some very irresponsible things on the other side. Nobody has bitten the bullet, so to speak. They have all voted for the give-away and voted against the tax, and they are loved by everybody. I know the gentleman is trying to straighten out a problem that has been helped to be created on his side of the aisle.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. Yes, I yield to the gentleman.

Mr. ASHBROOK. I thank the gentleman for yielding. I think there might be some truth in the observation: Were they on the level?

As I understand the situation, there were 13 Members of the majority party on the Committee on Ways and Means who voted to strike the amendment, the so-called gas tax, to which my good friend from Massachusetts referred.

I would also say that I sat through all of the debate one afternoon on partisanship. We tried to keep partisanship out. And now I noticed in the paper there is a group on the other side of the aisle that expressed itself in the idea that there is not enough arm-twisting and that retribution might be inflicted unless there is some arm-twisting.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. WRIGHT and by unanimous consent, Mr. ARCHER was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I will be glad to yield to the gentleman.

Mr. WRIGHT. I thank the gentleman for yielding. I would like to find out the means dedicated to the trust fund. A few moments ago the chairman of the committee listed those amounts that are dedicated to these important purposes to the trust fund for each of the following 5 fiscal years, and it comes to a total of about $18 billion in 5 years, which is little enough, it seems to me, to accomplish all of those objectives. How much of that would the gentleman's amendment deny to the trust fund?

Mr. ARCHER. My amendment would only insure that any funds that go into the trust fund would be, by the statesmanlike act of Members of Congress, in raising the necessary net taxes. I read off the list of figures that represent the total net tax losses in the bill.

Mr. WRIGHT. Mr. Chairman, I will ask the gentleman, how much does it come to? We have been debating about the statesmanship that has been shown around here.

We wanted to put 2 pennies on the gasoline tax and we decided not to do that. We put that in the trust fund. Then we did not want to put a tax on gas-guzzling cars.

How much of these funds is the gentleman denying to the trust fund?

Mr. ARCHER. Mr. Chairman, they were the figures I read out. I will say to the gentleman that his mind is probably as quick as mine on totaling up the figures.

Mr. WRIGHT. Mr. Chairman, does the gentleman have the total of the figures?

Mr. ARCHER. I do not have the overall total at the moment.

Mr. WRIGHT. How much in the first year would the gentleman deny to the trust fund?

Mr. ARCHER. I do not deny any dollars to the trust fund. But you should not put in moneys that you have not raised in the first place on a net basis. In the first year alone, fiscal year 1976, this bill falls short by $1.390 billion. And that net deficit which the gentleman says would be denied, I say should not go in in the first place, because this bill does not raise it.

Mr. WRIGHT. Mr. Chairman, if the gentleman will yield further, either way the gentleman wishes to describe it, what he is saying is that his amendment, let us say, prevents $1.3 billion of the amounts otherwise dedicated to the trust fund in the first year from going into the trust fund?

Mr. ARCHER. The gentleman is correct; I will not let us deficit-spend that additional amount.

Mr. WRIGHT. Mr. Chairman, I thank the gentleman.

Mr. ARCHER. Mr. Chairman, if I could quickly add this further, if the Members do not approve a limit, what they are saying is that they are willing to let the Treasury go out and borrow an extra $1.39 billion, which is going to drive interest rates up and create still greater pressures on the money market.

The CHAIRMAN. The time of the gentleman from Texas (Mr. ARCHER) has expired.

(On request of Mr. ULLMAN and by unanimous consent, Mr. ARCHER was permitted to proceed for 1 additional minute.)

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the chairman of the committee.

Mr. ULLMAN. Mr. Chairman, let me say to my friend, the gentleman from Texas, that I would have to disagree with him concerning his interpretation of his amendment. It seems quite clear that what the gentleman intends to do with respect to reducing the amounts available in the trust fund by the amount of existing import fees just simply would not be achieved, because his amendment refers only to duties and not to license fees.

We think that under any proper interpretation of his amendment virtually all of the new revenues from the new duties would be appropriated by the trust fund, since the amount of revenue raised from existing duties is very small.

Mr. ARCHER. Mr. Chairman, I would say that all the net new money this bill raises would go into the trust fund, but only the net new money this bill raises. My amendment would assure that.

Mr. ULLMAN. Mr. Chairman, under our interpretation of the gentleman's amendment, we do not arrive at the same revenue figures as the gentleman has given.

Mr. ARCHER. Mr. Chairman, I cleared this with the staff, and I believe it is accurate.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, does the

gentleman agree thatt his money which is charged against the trust fund is money that the taxpayers provide in this bill?

Mr. ARCHER. Yes, it is.

Mr. BURKE of Massachusetts. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I just want to use this time to make an appeal to the other side to think this over, over the weekend. We are going to adjourn, I understand, in about an hour or so.

I urge the other side to see if they cannot get together with the leadership of their party and go down to the White House and see if they cannot get some cooperative action. Let us see if we cannot get the Congress and the White House to work together. Let us see if we cannot put together a bill next week that will answer the problems of energy in this country.

I do not think this is too much to ask. I think there are some people who believe that the President is picking up some political points on this. He is not. He is destroying himself, and he is destroying the Members of Congress. Both sides are losing, and I think the people expect some responsible action on the part of their Government. They expect it from the White House. They expect the White House to furnish the leadership.

I hope that my good friend over here, including my good friend, the gentleman from Pennsylvania, who is one of the ablest Members of this House, and my good friend, the gentleman from New York, who is one of the second ablest Members of this House, and the rest of the Members will get together over the weekend and talk this over with the White House and perhaps we can see if we can come in here next week with a little bit more cooperation.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I suppose the gentleman from Massachusetts has read the newspapers in the last couple of days. The President had the leadership on the other side and the leadership on our side at the White House yesterday morning, and this was his plea: "Let us get together."

The next time I will try to arrange to have the gentleman from Massachusetts (Mr. BURKE) join us so that he will know what is going on.

Mr. BURKE of Massachusetts. Mr. Chairman, whatever happened there, that does not indicate there has been any cooperation. The adoption of the Wylie amendment was an outrageous thing to do, with only 20 Members on the other side voting against that amendment.

Then we only had 14 Members over there voting for the 3-cent tax.

Mr. Chairman, we ought to have some responsibility around here. If there are tax credits, we have to provide the revenue.

Mr. SCHNEEBELI. If the gentleman will yield further, I will say to the gentleman that I voted for the 3-cent tax.

Mr. BURKE of Massachusetts. I know the gentleman did, and I commend him for that. He has a great deal of character.

Mr. SCHNEEBELI. I am not getting much commendation at this time from my side for my vote.

Mr. BURKE of Massachusetts. All I am doing is making an appeal over here on this side to come in with a little more cooperative attitude next week and see whether we cannot sit down and put together an energy bill that will answer the problems of the American people. I think they are sick and tired of these problems.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I will be glad to yield to my good friend, the gentleman from Wisconsin, of course.

Mr. STEIGER of Wisconsin. Mr. Chairman, I very much appreciate the fact that the gentleman from Massachusetts has yielded to me.

The Irish have always struck me, particularly since I am married to one, as a group who have a sparkling wit, bright intelligence, and a lot of blarney. The gentleman from Massachusetts (Mr. BURKE) is a great example of the strength of the Irish in the United States.

Mr. BURKE of Massachusetts. Mr. Chairman, I want to correct my friend.

Mr. STEIGER of Wisconsin. Mr. Chairman, I am waiting until we get to the intercity buses, and then we will hear the gentleman from Massachusetts laugh through that amendment as he did through the Committee on Ways and Means. The gentleman has attacked me on different occasions for my defense of outboard motors, snowmobiles, and private aviation.

I supported the gentleman in his intercity busline amendment that helps Greyhound, among others.

Mr. Chairman, let us not go into this cooperation question any more. Let us not talk about something that is totally out of order. If the gentleman wants to discuss the merit of the amendment of the gentleman from Texas (Mr. ARCHER), that is all right. But stick to the merits.

Mr. BURKE of Massachusetts. Mr. Chairman, I want to correct my good friend, the gentleman from Wisconsin (Mr. STEIGER), who refers to me as Irish. I want to point out that I am an American of Irish extraction, and I am very proud of it.

I was not born in Ireland. I regret to say that because if I were, I would be a lot more expert than I am today.

Before I yield to the gentleman, I would like to say to my good friend, the gentleman from Wisconsin, that as far as that intercity provision on buses in the bill is concerned, it seems that when they repealed the excise tax on intracity buses it was done for a reason. They did not want the blacks; they did not want the Chicanos, they did not want the Spanish-speaking people bused across the city lines. Therefore, they just provided the excise tax provision for the intracity buses, just those buses that would stay within the city limits. What they were saying was, "Don't let them get across that city line."

That is one of the reasons I filed that amendment. I felt that it was time that we treated all buses alike. Equal treatment to all.

Mr. CORMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. ULLMAN. Mr. Chairman, will the getleman yield?

Mr. CORMAN. Yes, I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, just on the Archer amendment, can we get an agreement that 5 minutes following the time of the gentleman from California (Mr. CORMAN), we can conclude debate?

Mr. Chairman, I ask unanimous consent that we conclude debate on the Archer amendment 5 minutes following the time of the gentleman from California (Mr. CORMAN).

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. CORMAN. Mr. Chairman, in view of the limitation, I will not take the 5 minutes.

I would like to point out the inequity of the gentleman's proposal.

The trust funds are accumulated from a number of people who have to use oil. We say to them, "Although you are going to have to pay that high price for oil and you are going to have to pay an additional tax for its use, we will make an agreement with you: We are going to use that tax revenue to try to develop alternate sources of energy that will be more efficient and less expensive."

The Archer amendment would negate this agreement. Under it we would use their future tax moneys to subsidize the purchasers of solar heating units or insulation, or electric cars.

Then if we approve title V, we will be subsidizing those who run railroads, dig coal or recycle junk.

That is not fair to the people on whom we are imposing this special tax. We ought to put their tax money into the trust fund and use it to fund the research and development of new energy technology. I urge a "no" vote on the amendment.

Mr. ARCHER. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I will be glad to yield to the gentleman from Texas.

Mr. ARCHER. Does the gentleman from California realize that the fee that is placed on the importation of oil, which is referred to in the bill, really is an import license fee that has already been committed in the Presidential budget and the congressional budget?

Mr. CORMAN. Yes.

Mr. ARCHER. Does the gentleman want to expend it twice?

Mr. CORMAN. No.

Mr. ARCHER. How can it go into the trust fund when it has already been committed in both the congressional budget and in the Presidential budget?

Mr. CORMAN. Under this bill it would be committed to the trust fund, as I understand.

Mr. ARCHER. Then what happens to the hole in the congressional budget, and the hole in the Presidential budget that is created thereby?

Mr. CORMAN. I do not know that I could tell you what happened to the Presidential budget, but I can tell you that he filled one hole when he said that he would recommend $4.6 billion for unemployment compensation, and he brought in only $1.6 billion. I am not going to tell the gentleman what would happen, but I am going to tell the gentleman that we cannot fill all of the holes in the Presidential budget from the trust fund.

Mr. ARCHER. What happens to the congressional budget that the House has approved? This import fee has already been committed in the budget. Now the gentleman wants to put it in the trust fund in addition to the congressional budget.

Mr. CORMAN. Perhaps when we come back to the Budget Committee's mandate to raise an additional billion in revenue we can handle it.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I think it should be clear that this trust fund is not established to build up any great amount of reserve. What we have here is a fund that will flow out into the spending stream. And when we are talking about our programs, they must be authorized by the legislative committees and the Congress, and appropriated, just as we would from the regular budget. But, this is not a hole in anybody's budget, this is just a different channel through which it flows, and this way it must go into the trust fund.

Mr. CORMAN. Unless we have these funds earmarked for the trust fund we will not be able to get the money that is necessary for energy research.

The CHAIRMAN. Under the limitation of debate, the Chair recognizes the gentleman from North Carolina (Mr. MARTIN) for 2½ minutes.

Mr. MARTIN. Mr. Chairman, I rise to have just a little more fun with the gentleman from Massachusetts (Mr. BURKE) who tells us he is of Irish extraction, and from whom I would like to extract just a little bit more. Again he has tried to stir up a charge of partisanship against this side of the aisle, and was typically delightful in his droll satire objecting to the amendments recently passed which would reduce revenues.

I would like to point out that of the amendments which have been adopted, which substantially reduce Treasury revenues, we have the amendment of the gentleman from California (Mr. STARK), the amendment of the gentleman from Arkansas (Mr. ALEXANDER), the amendment of the gentleman from Washington (Mr. MCCORMACK), and the amendment of the gentleman from Ohio (Mr. WYLIE).

That comes out to the usual ratio of "two to one plus one," as required by the majority caucus, of which the gentleman from Massachusetts is a member.

I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), to conclude the debate.

Mr. ULLMAN. Mr. Chairman, this is a very mischievous amendment. It is an attempt to create a shortfall of revenue for the trust fund; the amendment is not justified under any proper terms or considerations.

We looked at this matter in the committee. We examined it very carefully, and rejected it.

Mr. Chairman, I urge that the committee reject the Archer amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ARCHER).

The question was taken, and the Chairman announced that the noes appear to have it.

RECORDED VOTE

Mr. ARCHER. Mr. Chairman I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 169, noes 210, not voting 54, as follows:

[Roll No. 296]

AYES—169

Abdnor	Findley	Myers, Pa.
Adams	Fish	Nichols
Ambro	Fithian	O'Brien
Andrews, N. Dak.	Forsythe	O'Hara
Archer	Frenzel	Ottinger
Armstrong	Frey	Pattison, N.Y.
Ashbrook	Gilman	Pettis
Aspin	Goldwater	Peyser
Bafalis	Goodling	Pike
Bauman	Gradison	Poage
Beard, Tenn.	Grassley	Pritchard
Bevill	Guyer	Quie
Biester	Hagedorn	Railsback
Blanchard	Hammer-schmidt	Regula
Blouin	Hastings	Rhodes
Bowen	Hechler, W. Va.	Rinaldo
Brinkley	Hillis	Robinson
Brodhead	Hinshaw	Rogers
Broomfield	Holt	Roush
Brown, Mich.	Hutchinson	Runnels
Brown, Ohio	Hyde	Ruppe
Broyhill	Jarman	Sarasin
Buchanan	Jeffords	Satterfield
Burgener	Johnson, Colo.	Schneebeli
Burke, Fla.	Johnson, Pa.	Schroeder
Burleson, Tex.	Kasten	Schulze
Butler	Kelly	Selberling
Carr	Kemp	Shriver
Carter	Ketchum	Shuster
Casey	Kindness	Skubitz
Cederberg	Krueger	Smith, Nebr.
Clancy	Lagomarsino	Snyder
Clausen, Don H.	Landrum	Spence
Cleveland	Latta	Stanton, J. William
Cochran	Lent	Steelman
Collins, Tex.	Levitas	Steiger, Ariz.
Conable	Long, Md.	Steiger, Wis.
Conlan	Lott	Stratton
Coughlin	Lujan	Symms
Crane	McClory	Taylor, Mo.
D'Amours	McCollister	Thone
Daniel, R. W.	McDade	Treen
Derwinski	McDonald	Waggonner
Devine	Madigan	Walsh
Dickinson	Maguire	Whalen
Dodd	Mahon	White
Drinan	Martin	Whitehurst
Duncan, Tenn.	Michel	Whitten
du Pont	Milford	Wiggins
Eckhardt	Miller, Ohio	Wilson, Bob
Edwards, Ala.	Mink	Winn
Erlenborn	Mitchell, N.Y.	Wydler
Esch	Moffett	Wylie
Eshleman	Montgomery	Young, Fla.
Evans, Ind.	Moore	Young, Tex.
Fascell	Moorhead, Calif.	
Fenwick	Myers, Ind.	

NOES—210

Abzug	Andrews, N.C.	Baucus
Addabbo	Ashley	Beard, R.I.
Alexander	AuCoin	Bedell
Anderson, Calif.	Badillo	Bennett
Anderson, Ill.	Baldus	Bergland
	Barrett	Bingham
Boggs	Hefner	Obey
Boland	Helstoski	O'Neill
Bolling	Henderson	Passman
Bonker	Hicks	Patten, N.J.
Brademas	Hightower	Patterson, Calif.
Breaux	Holtzman	Pepper
Brown, Calif.	Howard	Pickle
Burke, Mass.	Howe	Pressler
Burlison, Mo.	Hubbard	Preyer
Burton, John	Hughes	Price
Burton, Phillip	Hungate	Randall
Byron	Ichord	Rangel
Carney	Jacobs	Rees
Chappell	Johnson, Calif.	Reuss
Chisholm	Jones, Okla.	Richmond
Cohen	Jordan	Riegle
Collins, Ill.	Karth	Risenhoover
Conte	Kastenmeier	Roberts
Corman	Kazen	Rodino
Cornell	Keys	Roe
Daniel, Dan	Koch	Roncalio
Daniels, N.J.	Krebs	Rooney
Danielson	LaFalce	Rose
Davis	Leggett	Rostenkowski
de la Garza	Lehman	Roybal
Delaney	Litton	Russo
Dellums	Lloyd, Calif.	St Germain
Dent	Lloyd, Tenn.	Santini
Derrick	Long, La.	Sarbanes
Diggs	McCloskey	Sharp
Dingell	McCormack	Shipley
Downey	McFall	Simon
Duncan, Oreg.	McHugh	Sisk
Early	McKay	Slack
Edgar	McKinney	Smith, Iowa
Ellberg	Macdonald	Solarz
Emery	Madden	Spellman
English	Mann	Stanton, James V.
Evans, Colo.	Mathis	Steed
Evins, Tenn.	Mazzoli	Stephens
Fisher	Meeds	Stuckey
Flood	Melcher	Studds
Florio	Meyner	Sullivan
Foley	Mikva	Taylor, N.C.
Ford, Mich.	Miller, Calif.	Teague
Fountain	Mills	Thompson
Fraser	Mineta	Thornton
Fuqua	Minish	Traxler
Gaydos	Mitchell, Md.	Tsongas
Giaimo	Moakley	Ullman
Gibbons	Moorhead, Pa.	Van Deerlin
Ginn	Morgan	Vander Veen
Green	Mosher	Vanik
Gude	Moss	Vigorito
Haley	Mottl	Waxman
Hall	Murphy, Ill.	Weaver
Hamilton	Murphy, N.Y.	Wirth
Hanley	Murtha	Wolff
Hannaford	Natcher	Wright
Harkin	Neal	Yatron
Harris	Nedzi	Young, Ga.
Hawkins	Nix	Zablocki
Hayes, Ind.	Nolan	Zeferetti
Hays, Ohio	Nowak	
Heckler, Mass.	Oberstar	

NOT VOTING—54

Annunzio	Harrington	Rosenthal
Bell	Harsha	Rousselot
Biaggi	Hébert	Ryan
Breckinridge	Heinz	Scheuer
Brooks	Holland	Sebelius
Burke, Calif.	Horton	Sikes
Clawson, Del	Jenrette	Staggers
Clay	Jones, Ala.	Stark
Conyers	Jones, N.C.	Stokes
Cotter	Jones, Tenn.	Symington
Downing	McEwen	Talcott
Edwards, Calif.	Matsunaga	Udall
Flowers	Metcalfe	Vander Jagt
Flynt	Mezvinsky	Wampler
Ford, Tenn.	Mollohan	Wilson, C. H.
Fulton	Patman, Tex.	Wilson, Tex.
Gonzalez	Perkins	Yates
Hansen	Quillen	Young, Alaska

So the amendment was rejected

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: On page 97, line 16, after "activity." insert the following: "Not less than 25 percent of the funds available for expenditure from the Trust Fund during any fiscal year shall be expended for projects or expenditures described in paragraph (4)."

Ms. ABZUG. Mr. Chairman, there has been quite a bit of discussion here on the floor of the House about the trust fund. Some very good friends of mine oppose the fund because they have grave doubts regarding the kinds of alternate sources of energy which will be funded and developed through it. My amendment would insure that the moneys generated in the fund are used for the proper type of research and development.

This bill already includes an important provision which allows expenditures from the fund for the development of local and regional transportation. There is, however, no requirement that a definite percentage of the appropriations made from it be devoted to these purposes. My amendment adds that requirement.

I believe that if we are to promote an effective conservation program, we will have to provide the country with alternate modes of transportation to the automobile wherever feasible. The fact is that approximately 30 percent of the oil we consume daily is used in automobile and similar ground transportation. The only way to establish a meaningful energy conservation program is to devote adequate resources to research and develop projects which will provide transportation alternatives. This would be a direct method for dealing with our single greatest user of energy. Allocating at least 25 percent of the funds we are generating in the other provisions of this bill for this research and development will be an effective measure consistent with the intent of H.R. 6860.

Many people have to use automobiles to reach their places of employment. Most of them have no choice, since we have simply not paid enough attention in this country to the development of alternative system of transportation.

If we are going to provide these alternatives, we have to be prepared to make a real commitment to develop the needed facilities. Allocating at least a quarter of all expenditures from the trust fund for these facilities represents the kind of commitment which is required.

Mr. Chairman, it is imperative that we build such facilities throughout the country. We have to maintain and expand them in our rural, suburban, and urban areas. Less populated regions can be linked by intercity bus or rail service. Travel to and from the suburbs can be facilitated through the development of more efficient commuter systems. Urbanized areas can benefit from the creation and development of more mass transit.

In our previous discussions on the floor of this House, I have often pointed out that, in the rural areas, in particular, demonstration programs have proven to be very effective and significant.

A successful facility has been developed, for example, as part of the north-central Pennsylvania economic development district's rural transportation project. This was the first effort to research and develop a rural transportation planning capability. The original study done there is well into implementation.

It has achieved a kind of early performance that can be expected from adequate planning and development. Care is being taken to control growth and provide the management and technical backup that every efficient system requires.

The initial performance on this project in the 5-month period between December of 1973 and April of 1974 was quite impressive, and indicative of what can be done. More than 28,000 passengers found this project an effecient alternative means of transportation during that period alone.

There are also programs and plans for the development of rural service in Alabama, New Hampshire, Ohio, West Virginia, and Vermont. This service could be initiated to convert existing bus routes in these States to provide access which does not now exist.

The aim of the trust fund, on which we all agree, is to generate programs which both conserve energy and use it more efficiently. We can effectively further these purposes by committing a significant proportion of the moneys in the fund for the development of various alternative modes of transportation.

Mr. Chairman, let us not forget that 30 percent of the oil in this country is utilized in automobile-type transportation. If we want to cut that down, then we must experiment with ways of developing alternative modes, in order to make them more effective and practical. Therefore, we should allocate a percentage of the moneys collected by this bill, which is comparable to that percentage of oil consumed in ground travel, in our efforts to provide alternative modes of transportation. The 25-percent figure is realistic and meaningful.

Mr. CORMAN. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I rise in support of the gentlewoman's amendment. I think it makes good sense.

It is obvious that this is the most important part of our energy problems, and I hope the amendment carries. Should it fail, I would think that any sensible board of trustees would put at least 25 percent into this fund. I am perfectly agreeable to having the Congress direct them to do that.

Mr. ULLMAN. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment conclude at 2:50 o'clock p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was granted will be recognized for approximately 1½ minutes each.

The Chair recognizes the gentleman from Pennsylvania (Mr. GREEN).

Mr. GREEN. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

The committee originally had a distribution by percentage in the various energy development areas, but we decided that we would best leave that decision to the authorization process and to the Committee on Appropriations, because they will need the flexibility which we could not have.

For instance, under the Abzug amendment we would divert $750 million in the first year to transit research. We cannot do that. We are not geared to do that. However, in the fourth year of the program we may be geared to do even more.

I think the committee tried to build maximum flexibility in this to allow the other committees to allocate these funds as they know how. I think we on the Committee on Ways and Means cannot say we can properly allocate these funds.

Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, I rise in opposition to this amendment.

It seems to me that the purpose of this amendment closely parallels the Mikva amendment which we defeated by a voice vote some time ago. I noted at that time that the gentleman from California (Mr. CORMAN), who is supporting this amendment, was opposed to the Mikva amendment. He stated that all the money in the trust fund for 5 years would not be able to build a subway or a mass transit system in Los Angeles alone.

The same arguments that were prevalent with respect to the Mikva amendment pertain here, and it is a fact that we already have two or three committees which are allocating funds or authorizing funds for mass transit. This is the sole fund for the energy field.

We have decided that energy is a very important subject. This is a national priority, and we have a very small amount of money available for this. I see no reason to proliferate at least 25 percent of it for mass transit, which gets much of its funds from other committees.

Mr. Chairman, I am opposed to this amendment.

The CHAIRMAN. The Chair now recognizes the gentleman from Oregon (Mr. ULLMAN), the chairman of the committee, to close debate.

Mr. ULLMAN. Mr. Chairman, I do not object to the purposes of the amendment of the gentlewoman from New York (Ms. ABZUG).

We originally had an allocation of trust fund revenues for the four areas of expenditure, as my friend, the gentleman from Pennsylvania, the ranking minority member, will recall; we had specific allocations. But we decided to remove them after a great deal of consideration.

Mr. Chairman, I cannot approve of the amendment, but I would expect that the effect of the amendment would be achieved. In other words I expect that the Trust Fund Review Board will recommend that 25 percent of these funds be allocated for the purposes the gentlewoman from New York suggests.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. ABZUG).

The question was taken; and on a division (demanded by Ms. ABZUG) there were—ayes 44, noes 93.

RECORDED VOTE

Ms. ABZUG. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 117, noes 240, not voting 76, as follows:

[Roll No. 297]

AYES—117

Abzug	Gaydos	Peyser
Adams	Giaimo	Price
Ambro	Gibbons	Rangel
Anderson, Calif.	Gilman	Rees
	Green	Reuss
Anderson, Ill.	Gude	Richmond
Aspin	Hanley	Riegle
Badillo	Hannaford	Rinaldo
Beard, R.I.	Hawkins	Rodino
Biester	Hechler, W. Va.	Roe
Bingham	Heckler, Mass.	Rogers
Blanchard	Helstoski	Rose
Boggs	Howard	Roybal
Boland	Jordan	Russo
Brademas	Kastenmeier	St Germain
Brodhead	Kemp	Sarasin
Broomfield	Koch	Sarbanes
Brown, Calif.	Lehman	Schroeder
Burton, John	Lloyd, Calif.	Schulze
Burton, Phillip	McKinney	Selberling
Carr	Macdonald	Solarz
Chisholm	Madden	Spellman
Collins, Ill.	Maguire	Staggers
Corman	Meyner	Studds
Daniels, N.J.	Mikva	Sullivan
Danielson	Miller, Calif.	Thompson
Delaney	Mineta	Tsongas
Dellums	Minish	Van Deerlin
Derwinski	Mink	Vigorito
Dodd	Mitchell, Md.	Walsh
Downey	Moakley	Waxman
Drinan	Moffett	Weaver
Early	Murphy, Ill.	Whalen
Eckhardt	Nolan	Wirth
Eilberg	Nowak	Wolff
Emery	O'Neill	Yatron
Fascell	Ottinger	Young, Ga.
Fenwick	Patten, N.J.	Zeferetti
Forsythe	Pattison, N.Y.	
Fraser	Pepper	

NOES—240

Abdnor	Cohen	Hamilton
Alexander	Collins, Tex.	Hammer-schmidt
Andrews, N.C.	Conable	
Andrews, N. Dak.	Conlan	Harkin
	Conte	Harris
Annunzio	Cornell	Hastings
Archer	Coughlin	Hayes, Ind.
Armstrong	Crane	Hefner
Ashbrook	D'Amours	Henderson
Ashley	Daniel, Dan	Hicks
AuCoin	Daniel, R. W.	Hightower
Bafalis	Davis	Hillis
Baldus	de la Garza	Hinshaw
Barrett	Derrick	Holt
Baucus	Devine	Howe
Bauman	Dickinson	Hubbard
Beard, Tenn.	Dingell	Hughes
Bedell	Duncan, Oreg.	Hungate
Bennett	Duncan, Tenn.	Hutchinson
Bevill	du Pont	Hyde
Blouin	Edwards, Ala.	Ichord
Boiling	English	Jacobs
Bonker	Erlenborn	Jarman
Bowen	Esch	Jeffords
Breaux	Evans, Colo.	Johnson, Calif.
Brinkley	Evans, Ind.	Johnson, Colo.
Brown, Mich.	Evins, Tenn.	Johnson, Pa.
Brown, Ohio	Fish	Jones, Okla.
Broyhill	Fisher	Karth
Buchanan	Fithian	Kasten
Burgener	Flood	Kelly
Burke, Fla.	Foley	Ketchum
Burke, Mass.	Ford, Mich.	Keys
Burleson, Tex.	Fountain	Krebs
Burlison, Mo.	Frenzel	Krueger
Butler	Frey	LaFalce
Byron	Fuqua	Lagomarsino
Carney	Ginn	Landrum
Carter	Goldwater	Latta
Casey	Goodling	Lent
Cederberg	Gradison	Levitas
Chappell	Grassley	Litton
Clancy	Guyer	Lloyd, Tenn.
Clausen, Don H.	Hagedorn	Long, La.
	Haley	Long, Md.
Cochran	Hall	Lott
Lujan	O'Brien	Smith, Nebr.
McClory	O'Hara	Snyder
McCollister	Passman	Spence
McCormack	Pettis	Stanton, J. William
McDade	Pickle	
McDonald	Pike	Stanton, James V.
McFall	Poage	
McHugh	Pressler	Steed
McKay	Preyer	Steelman
Mahon	Pritchard	Steiger, Ariz.
Mann	Quie	Steiger, Wis.
Martin	Railsback	Stephens
Mathis	Randall	Stratton
Mazzoli	Regula	Stuckey
Meeds	Rhodes	Symms
Melcher	Risenhoover	Taylor, Mo.
Michel	Roberts	Taylor, N.C.
Milford	Robinson	Teague
Miller, Ohio	Roncallo	Thone
Mitchell, N.Y.	Rooney	Thornton
Montgomery	Rostenkowski	Traxler
Moore	Roush	Treen
Moorhead, Calif.	Runnels	Ullman
	Ruppe	Vander Veen
Moorhead, Pa.	Santini	Vanik
Morgan	Satterfield	Waggonner
Mosher	Schneebeli	White
Moss	Sharp	Whitten
Murtha	Shipley	Wiggins
Myers, Pa.	Shriver	Wilson, Bob
Natcher	Shuster	Winn
Neal	Simon	Wright
Nedzi	Sisk	Wylie
Nichols	Skubitz	Young, Fla.
Oberstar	Slack	Young, Tex.
Obey	Smith, Iowa	Zablocki

NOT VOTING—76

Addabbo	Harrington	Nix
Bell	Harsha	Patman, Tex.
Bergland	Hays, Ohio	Patterson, Calif.
Biaggi	Hébert	
Breckinridge	Heinz	Perkins
Brooks	Holland	Quillen
Burke, Calif.	Holtzman	Rosenthal
Clawson, Del	Horton	Rousselot
Clay	Jenrette	Ryan
Cleveland	Jones, Ala.	Scheuer
Conyers	Jones, N.C.	Sebelius
Cotter	Jones, Tenn.	Sikes
Dent	Kazen	Stark
Diggs	Kindness	Stokes
Downing	Leggett	Symington
Edgar	McCloskey	Talcott
Edwards, Calif.	McEwen	Udall
Eshleman	Madigan	Vander Jagt
Findley	Matsunaga	Wampler
Florio	Metcalfe	Whitehurst
Flowers	Mezvinsky	Wilson, C. H.
Flynt	Milla	Wilson, Tex.
Ford, Tenn.	Mollohan	Wydler
Fulton	Mottl	Yates
Gonzalez	Murphy, N.Y.	Young, Alaska
Hansen	Myers, Ind.	

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. ANDERSON of California. Mr. Chairman, I wish to add my support to the amendment offered by our distinguished colleague from New York (Ms. ABZUG).

If our Nation's consumption of gasoline is to be lowered, a viable means of transportation must be made available as an alternative to the automobile. Unless this is done, any increase in gasoline prices will simply penalize those consumers who have no choice but to depend on the automobile for essential transportation.

Mass transit offers that choice. Despite the actions of the House yesterday striking all gasoline taxes from the act before us, gasoline prices will increase. The OPEC nations have announced a price increase on crude oil, which is estimated to be set anywhere between 10 to 35 percent. This could mean an increase of up to $4 per barrel of imported crude, with a corresponding rise at the gasoline pump.

During last night's debate, there was a question of whether an increased gasoline price would lead to more conservation on the part of gasoline consumers. If consumers have a viable choice in transportation, I believe it would. It must be stressed, however, that this will be the case only where adequate mass transit facilities exist. In many parts of the country, including southern California, good mass transit is simply not available.

In setting aside 25 percent of the Energy Conservation and Conversion Trust Fund for mass transportation, the amendment offered by Congresswoman ABZUG goes far in correcting this situation. It does not alter the intent of the bill, for the majority of the fund would still be available for research and development of new energy sources. This amendment does provide for the development of an alternative to the automobile that is capable of providing a large savings in gasoline consumption—mass transit.

I urge the adoption of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I am getting ready to move that the Committee do now rise, but before I do, I would like to explain that on Monday next the Committee will take up the debt ceiling legislation after a series of suspensions that will be announced by the majority leader.

It is the intention of the chairman to call up this legislation on Tuesday after consideration of the continuing resolution.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Chairman, I make this request and several Members have the same view. We have had many amendments. There have been many changes in the bill. I would hope that we could request the manager of the bill to have prepared over the weekend or sometime by Monday a summary of all the amendments and the changes that have been rendered in this bill, so that we can have it in our hands when we start again Tuesday.

Mr. VANIK. Mr. Chairman, I want to say this: It is the intention of the staff of the committee and the staff of the joint committee to provide a complete summary of all action taken to this point.

Mr. RANDALL. I thank the gentleman.

Mr. VANIK. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6860) to provide a comprehensive national energy conservation and conservation program, had come to no resolution thereon.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO HAVE UNTIL MIDNIGHT SATURDAY TO FILE REPORT

Mr. ICHORD. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight Saturday, June 14, 1975, to file a report on H.R. 5210.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXPLANATION OF VOTE

Mr. WHITE. Mr. Speaker, on rollcall No. 290 I was recorded as voting present. I intended to vote no.

I ask that the permanent RECORD be corrected to show a "no" vote.

The SPEAKER. The gentleman's statement will appear in the RECORD.

APPOINTMENT AS MEMBERS OF DELEGATION TO ATTEND INTERNATIONAL WOMEN'S YEAR CONFERENCE IN MEXICO CITY

The SPEAKER. Pursuant to the provisions of House Resolution 371, 94th Congress, the chair appoints as members of the delegation to attend the International Women's Year Conference in Mexico City in the months of June and July 1975 the following Members of House: Mrs. SULLIVAN, of Missouri; Mrs. MINK, of Hawaii; Ms. HOLTZMAN, of New York Ms. SCHROEDER, of Colorado; Mrs. BOGGS, of Lousiana; Mrs. KEYS, of Kansas; and Mrs. HOLT, of Maryland.

LEGISLATIVE PROGRAM

(Mrs. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader if he is in a position to inform us of the program for the balance of the week and for next week.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, I will be happy to respond.

I am delighted to inform the minority leader that legislation for this week is finished.

The program for the House of Representatives for the week of June 16, 1975, is as follows:

MONDAY

Consent Calendar.

Suspensions, (12 bills). Votes on suspensions will be postponed until end of all suspensions.

1. H.R. 1607, Lottery Prohibitions Amendments;
2. H.R. 6892, Fiscal Year Transition Authorization;
3. H.R. 7405, Check Disbursements Amendment;
4. H.H. 3979, Indian Claims Commission Authorization;
5. H.R. 2559, Postal Employees Under Occupational Health and Safety Act;
6. H.R. 7222, Life Insurance Contribution for Federal Employees;
7. H.R. 5327, Reserve Site for Smithsonian Institution;
8. H.R. 7767, Payments for Service-Connected Disabled Veterans;
9. H.R. 3348, Exchange of Medical Information;
10. H.R. 7688, Civil Government for the Trust Territory of the Pacific Islands;
11. H.R. 5197, Seafreeze Atlantic; and
12. H.R. 5522, International Convention for Conservation of Atlantic Tunas.

H.R. 7545, Temporary Debt Limitation Increase, (open rule, one hour of debate).

H.R. 6799, Rules of Criminal Procedure Amendments, (Votes on amendments and bill).

The bills listed above are anticipated for Monday. With the votes coming sometime later in the afternoon, we can anticipate that there will be a long session on Monday.

For Tuesday and the balance of the week:

Joint meeting to receive the President of the Federal Republic of Germany.

Private Calendar.

Suspensions (3 bills). votes on suspensions will be postponed until end of all suspensions.

1. H.R. 6387, Insecticide, Fungicide, and Rodenticide Act Extension;
2. H.R. 4888, Small Business Act Amendment; and
3. S.J. Res. 94, National Commission on Productivity and Work Quality.

H.J. Res. 499, Continuing Appropriations, fiscal year 1975.

H.R. 6860, Energy Conservation and Conversion Act (votes on amendments and bill).

H.R. 6675, Credit Uses Reporting Act (open rule, one hour of debate).

H.R. 49, Petroluem Reserves (Elk Hills) (open rule, 2 hours of debate).

H.R. 7500, State Department Authorization (open rule, 1 hour of debate).

H.R. 5884, International Economic Policy Act (open rule, 1 hour of debate).

H.R. 3474, Energy Research and Development Authorization (subject to a rule being granted).

H.R. 7001, Nuclear Regulatory Commission (open rule, 1 hour of debate).

H.R. 5358, Railroad Safety Authorization (open rule, 1 hour of debate).

H.R. 6334, Peace Corps Authorization (subject to a rule being granted).

H.R. 7567, Arms Control and Disarment Agency (subject to a rule being granted).

H.R. 4415, Intergovernmental Personnel Act (subject to a rule being granted).

Conference reports may be brought up at any time. Any further program will be announced later.

May I say that the program is long, of course, as the minority leader knows, because of the fiscal year ending on July 1, and there have to be extensions on present laws.

Mr. RHODES. I gather there is no doubt as to whether or not we will have a session next Friday.

Mr. O'NEILL. I believe we will have a session next Friday. I cannot envision how we will not have.

Mr. RHODES. Is it the majority leader's understanding that there also will be action on Monday involving the resignation of a Member as chairman of the Select Committee on Intelligence Investigating the CIA?

Mr. O'NEILL. Having spoken with the Speaker on this matter, I can say that after the votes on the suspensions have taken place, the Speaker plans to lay before the House the resignation of the chairman.

Mr. RHODES. So that will come after the votes on the suspensions?

Mr. O'NEILL. The gentleman is correct.

Mr. RHODES. Can the distinguished majority leader project his thinking far enough in the future to tell us whether or not it will be his intention to ask for a unanimous-consent request to come in early on Monday or any other day of the week?

Mr. O'NEILL. Not on Monday, but it will have to be determined by the will of the House as to whether we will do it later in the week. We hate to do that in view of the fact that it curtails the committee work and slows legislation that we are so anxious to have reported.

Mr. RHODES. The joint meeting to receive the President of the Federal Republic of Germany will be the usual time, 12 o'clock?

Mr. O'NEILL. The gentleman is correct.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman.

Mr. BAUMAN. I thank the gentleman for yielding. I would like to ask the distinguished majority leader to indicate which one of these bills, if any, will require the arm-twisting he spoke about yesterday, so we will be sure to be here to witness this. I was very interested in the gentleman's remarks yesterday.

Mr. O'NEILL. I wish I had the capability of being able to twist arms the way the President of the United States did on the unemployment veto last week.

Mr. BAUMAN. Mr. Speaker, the gentleman does not know particularly where this will occur?

Mr. O'NEILL. No. If the gentleman from Arizona will yield further, I would imagine the continuing appropriations, as the gentleman knows, is one bill that will receive special consideration. That bill goes to my heart because it puts people on the payrolls, and it is one bill we must get through to get the economy working again.

We would like to have cooperation from the other side on this legislation. We know we will get a majority on Tuesday. If the President sees fit to veto that, then we will see if we can get cooperation to override a veto. Of course, what happens down at the White House sometimes causes an awful lot of people to wrench in agony.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for his unresponsive answer.

Mr. RHODES. Mr. Speaker, does the gentleman anticipate that there will be rather extensive amendments offered to the continuing appropriations bill?

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield further, concerning his question as to whether amendments will be offered, I would hope that the bill that has been reported out of committee will be passed.

Mr. RHODES. Mr. Speaker, I thank the majority leader.

ADJOURNMENT TO MONDAY, JUNE 16, 1975

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourn today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY AND JOINT COMMITTEE ON ATOMIC ENERGY TO FILE JOINT REPORT ON H.R. 3474

Mr. MAGUIRE. Mr. Speaker, I ask unanimous consent on behalf of Mr. PRICE, the chairman of the committee, and that the Committee on Science and Technology and the Joint Committee on Atomic Energy have until midnight tonight to file its joint report on H.R. 3474, with an amendment, a bill to authorize appropriations for the Energy Research and Development Administration for fiscal year 1976 and the transition period.

The SPEAKER pro tempore (Mr. MCFALL). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

UNITED STATES SHOULD RECOGNIZE SAIGON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, according to news accounts, representatives of the Provisional Revolutionary Government of South Vietnam have expressed their desire to establish diplomatic relations with the United States. I have urged President Ford to respond by offering to recognize the new authorities in South Vietnam and begin negotiations which hopefully will lead to formal diplomatic relations.

For many years, U.S. official policy has unwisely equated diplomatic relations with moral approval of the government recognized. The hazards of following such a policy are substantial. Usually it has been more costly to the United States than to the ignored government.

The recent rescue of the *Mayaguez* demonstrates the extreme penalty the absence of diplomatic relations may exact. Despite the courage of those who planned and participated in the rescue, the grim fact remains that today 41 Americans lie dead or missing. If the United States had had a diplomatic presence in Phnom Penh, the quality and speed of official communication would have been improved. Perhaps an ambassadorial warning would have sufficed to free the 39 captive crew members and their ship. In any event, Phnom Penh would have had a speedier and more reliable way to convey its ultimate decision to release the ship and men. U.S. casualties might have been reduced if not eliminated.

Recognition of a hostile foreign government should not be equated as an expression of approval for that government. Nor can it be taken as showing approval for the PRG's and Hanoi's flagrant violations of the Paris Peace Accords.

It should be noted that several of our NATO allies—including Great Britain and France—have already recognized the new government. Obviously they do not view recognition as premature. Neither should we. Nor can it be said that U.S. recognition of the new government in Saigon will in some way lessen our credibility with these nations.

Recognition certainly will not undermine the constancy we seek to maintain in our relations with other nations of the area. Our ability to exert influence in Southeast Asia, and elsewhere, will be the touchstone by which our friends judge U.S. constancy. In fact, formal recognition of de facto governments will clearly enhance our prospect for influence.

Rather than being an unseemly or embarrassing step, recognition of the new Saigon government would be very much in our own national interest. As Sir Winston Churchill stated:

> The reason for having diplomatic relations is not to confer a compliment, but to secure a convenience.

At least five major benefits would accrue to the United States through recognition of the new government in Saigon.

By establishing diplomatic relations the United States could:

First. Make less likely incidents similar to the *Mayaguez* and thereby save American lives. It would avoid absurd situations where, for example, the United States was forced to aim radio beams at Cambodia to get its message through, because it had no diplomatic presence there to convey the ultimatum.

Second. Make more likely accurate information on the more than 900 Americans still listed as missing in action in Southeast Asia. For years the families of these men have been forced to live in the agonizing shadow of death. They have not known for certain whether their loved ones are alive or dead. Wives cannot remarry; most cannot bring themselves to give up hope. This information would enable their families at long last to rebuild their lives and end the anguish of uncertainty.

Third. Help establish normal communication between the thousands of U.S. servicemen and veterans and their families who have relatives remaining in Vietnam. More than 2½ million Americans served in Southeast Asia over the last decade. Many thousands married Vietnamese girls. Tens of thousands developed close ties of friendship with Vietnamese. Today, these close personal and family ties have been completely severed by the change in government. Vietnamese wives of Americans have no way to determine the welfare or fate of parents left behind. Vietnamese evacuees face the same problem. Hopefully, some family reunifications may be possible through diplomatic efforts.

Fourth. Assert more effectively U.S. interest in the tens of millions of dollars worth of property left by our Government and private U.S. citizens when the evacuation occurred.

Fifth. Establish its own position of influence in the power politics of the region. It is in the interest of our Government to minimize the influence of Moscow, Peking, and Hanoi in the new Saigon government. From the U.S. standpoint the greater the independence of South Vietnam the better. A diplomatic presence in Saigon would be useful to that end.

A diplomatic presence would also help maximize our influence in the surrounding area. The United States is still the predominant world power in the Pacific and a major military power in the Indian Ocean. A diplomatic presence in Southeast Asia would serve to enhance that power.

As the United States learned through a decade of bitter experience, the Communists were not denied the conquest of South Vietnam despite the great military might mustered against them by the United States. The Communists will not now go away simply because the United States decides to ignore reality and thereby perpetuates the fiction that the PRG is not in effective political control in Saigon.

Of course, just as the United States should require no precondition for diplomatic relations, neither should the new Saigon government. The thought that the United States might help to rebuild Vietnam is abhorrent to most Americans. No such pledge of aid should be expected; certainly it cannot be given.

In the days ahead, our relations with the PRG and Hanoi may be rocky indeed. Because of our interests still remaining in Southeast Asia are vast, there will be many difficult and complicated problems. As Churchill aptly put it:

> One may even say that when relations are most difficult that is the time when diplomacy is most needed.

We can still act in our own self-interest. We do not have to hide our tail between our legs and slink away from Vietnam. We can still continue to exert an enormous and constructive influence upon events in Southeast Asia.

CHARLESTON, S.C., KNIGHTS OF COLUMBUS PATRIOTIC AWARDS CONTEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. DAVIS) is recognized for 10 minutes.

Mr. DAVIS. Mr. Speaker, I would like to present for the Members of the House the following prize-winning essays in the Charleston, S.C. Knights of Columbus Patriotic Awards Contest.

The yound people who wrote these essays show remarkable insight into the history surrounding the theme of this year's contest, "The Shot Heard 'Round the World."

We are fortunate to have such capable young Americans who will soon ascend to the leadership in this country. I urge my friends and colleagues to give their attention to this trio of essays. I am sure they will find them very much to the point and extremely well-written. Incidentally, all of the winners are in the 8th grade.

I would like to offer my congratulations to the winners who were: First place: Miss Phyllis Revel; second place: Miss Shannon O'Toole; and third place: Miss Kelly Jamison. Miss Revel and Miss Jamison are from the Blessed Sacrament School, while Miss O'Toole is enrolled in the Stella Maris School in Charleston.

The essays follow:

THE SHOT HEARD 'ROUND THE WORLD
(By Phyllis Revel)

Approximately two hundred years ago, the brave men of Lexington and Concord fired "The shot heard 'round the world." To the colonists it meant freedom from the tyrannic British leaders. They called themselves Sons of Liberty to signify their longing for freedom.

Through the years we have had many problems. Always there has been a renewal of the fighting spirit which drives Americans to win in many of their endeavors. After the Revolution, Americans came through two major wars; the War of 1812, and the Civil War. In many cases the spirit of the Revolution spurred the people of our country on to victory.

It was this battle cry for freedom that is still heard today, with one great difference—there is a new audience for the sound—the new generations of starving people. The tyrannized people of the world hear our "shots." Today our country builds bridges that arch different "floods"; bridging the gap from ignorance to knowledge, from starvation to surfeit, and from war to peace. Many peoples of the world have benefited from things the United States has done. Life has come from the very essence of death. Yes, there are still problems in our world, but it is up to us, the young, to continue this great work.

In our own country there are starving people, uneducated, illiterate people, some who may have great potential if only given the chance to develop it. So, many organizations have been set up in our nation to help these people whose lives are sometimes meaningless. This was one of the ideals set forth when the Continental Congress met and formed its Charter of Liberties.

Today the battles are different than those the patriots of our young, struggling nation fought but with the same ideas behind them. We have freed people from the bonds of slavery and injustice. This has cost many lives and much money. In World War One we fought for democracy and the democratic spirit. Today we fight for the same reasons—the rights of all men who are created equal. Whether rich or poor, young or old, black or white, Americans believe that each person has the right to worship God in his own way. Everyone has the right to say what he thinks without fear of being punished, tortured, or even killed. Without these ideas, America just would not be America. It is this which that first shot was fired for.

It has been said that our streets are "paved with gold." Even though this is obviously not literally true, we have a different kind of gold. People of other nations find our country to be a refuge from injustice or poverty. You can't just come here and expect a million dollars to jump in your pocket, because like everywhere else in the world, you must work for what you get. The gold which America really boasts about are the freedoms which her people enjoy, and which were started by that first shot spoken of by Ralph Waldo Emerson in his *Concord Hymn*.

I am proud to be one of the new sons of Liberty, part of the new generation of Americans who can change the world if I try. All that I need is at my fingertips, and I plan to use America's resources to my best advantage.

AND FIRED THE SHOT HEARD 'ROUND THE WORLD
(By Shannon O'Toole)

April 19, 1775 marked the second clash between the British and the patriots in the American Revolutionary War. During the previous winter the Americans had gathered military supplies in case of war. The British government issued orders to destroy the supplies at Concord. But Paul Revere and William Dawes warned the countryside that the British were coming. After a clash at Lexington early in the morning, the British continued on to Concord. Six miles beyond they destroyed the patriots' supplies, then headed up to Boston. As the British were leaving Concord, they discovered that hundreds of Americans had gathered and the Americans began firing from all sides. The British suffered two hundred and eighty-three casualties while the Americans suffered just ninety-five in this encounter which is referred to as the shot heard around the world.

Thus the Americans took their first step on the road to democracy, little dreaming to what heights of greatness and power their country would rise. In colonial times the shot heard around the world was a signal for men to band together and begin the fight for freedom and the right to govern themselves. Democracy, an almost unheard of form of government at that time, was the goal of the patriots when they rebelled against the English. The influence of this rebellion was far-reaching and eventually would inspire others to rebel against oppression and unjust treatment from those who ruled them.

Ever mindful of the patriots' proud heritage and true courage, the echo of the shot heard around the world continued to be heard as our country was called upon many times to protect our precious freedom to worship, to think and act as individuals, and to elect those who govern us. As a great power and world leader, we have offered aid and assistance to other countries in times of famine, disaster and plague. We have supported those countries who have tried to govern themselves peacefully when their right to do so has been threatened by other nations.

We must continue to make the echo of the shot heard around the world an everlasting tribute to those patriots who were willing to sacrifice their lives for a cause they believed in. We should support our government on every level but we should not be afraid to voice an opinion when we feel our rights are being violated. We can work for civil rights and help with our country's economic programs. There is also the responsibility of defending our country against aggressors and the ever-present threat of communism.

The spirit of democracy must be kept alive for certainly it was an intense spirit which filled the men of Concord as they fought for freedom and a better way of life.

We should keep the words of the late President, John F. Kennedy, before us when he challenged us in his inaugural address, "Ask not what your country can do for you but what you can do for your country." What we do as individuals and as a nation will decide the future of a people set free by the shot heard around the world.

THE SHOT HEARD AROUND THE WORLD
(By Kelly Jamison)

In the 1770's a shot was fired that started the Revolutionary War. But more importantly it marked the beginning of a new nation. A nation based on freedom. The cause of this war was the denial of a God given right. In 1776 our forefathers declared, not pleaded for, but declared their independence from the men who had tried to bond them. A shot was fired and a new nation arose, a nation of free men, a democracy.

The patriots' lust for freedom is the foundation of this country. The United States is one of the most liberated countries in the world. Men run our government and they occasionalyy make mistakes. For short periods during our two hundred years of existence people have been put in bondage. The essence of a democracy is rule by the people. It guarantees everyone willing to fight for a democratic government the greatest freedom of all, the right to choose. This right to choose is the crux of the constitution and the strength of our country. This whole way of life was brough about by one shot.

During the last century our freedom has encouraged other nations to deliver themselves from oppressive governments. The existence of the United States is constant proof that a small, undeveloped but determined colony can band together and defeat a powerful nation.

Even today, our evergrowing legislative and social programs endeavor to eliminate discrimination because of sex, race and religion. This has spurred other peoples to ask themselves "Why shouldn't we fire our first shot?"

I'm proud to be a blonde Catholic from German-Irish ancestry, but I could be a brunette Protestant from Greek ancestry. My citizenship in a democracy gives me the greatest power of all, the power to choose. This power is the result of one shot that was, is, and will continue to be heard around the world.

IRS AND ILLEGAL CORPORATE CONTRIBUTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, on May 6, at the request of Congressman SAM GIBBONS I wrote to the Internal Revenue Service inquiring about the Service's policy in investigating reports of bribes and kickbacks by American corporations operating overseas. On June 7, I received a response from IRS Commissioner Alexander concerning the law and policy relating to the treatment for tax purposes of kickbacks and bribes.

I am pleased to note that the IRS and the SEC have now established a formal liaison to "utilize all tax related information uncovered by SEC investigations." It also appears that the IRS does have a number of agents assigned to reviewing the returns of corporations accused of improper payments to foreign government officials. While I am not at all sure that the number of examiners is adequate—300 for some 50 large corporations "where campaign contributions are but one of many complex issues under investigation"—the Service's effort should serve as a warning to other corporations. In addition, I am not entirely satisfied with the response to question 2 relating to the lack of "automatic" investigation of SEC charges.

I would like to include the full text of the Commission's letter in the RECORD at this point. I am hopeful that the Service's efforts will help insure a higher level of corporate responsibility in international and domestic politics:

INTERNAL REVENUE SERVICE,
DEPARTMENT OF THE TREASURY,
Washington, D.C., June 7, 1975.

HON. CHARLES A. VANIK,
Chairman, Ways and Means Oversight Subcommittee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your recent letter dated May 6, 1975, concerning Service procedures in responding to reports of charges by the SEC accusing some corporations of making nondeductible bribes to "political figures" in the U.S. and abroad. Both corporate entities, United Brands and Gulf Oil, cited as examples in the aforementioned letter, are included in the Service's Political Campaign Contribution Compliance Project.

We are furnishing the following information in response to the seven questions posed in your letter:

1. What is the law and policy of the IRS on bribes to foreign officials?

The law covering bribes to foreign officials is stated in Section 162(c)(1) of the Internal Revenue Code of 1954. It reads as follows: "No deduction shall be allowed . . . for any payment made, directly or indirectly, to an official or employee of any government, or of any agency or instrumentality of any government, if the payment constitutes an illegal bribe or kickback or, if the payment is to an official or employee of a foreign government, the payment would be unlawful under the laws of the United States if such laws were applicable to such payment and to such official or employee."

Section 162(c)(1), I.R. Code and Regulations thereunder prohibit the allowance of a deduction for amounts paid or incurred after September 2, 1958 to a foreign official if a similar payment would be unlawful under the *Laws of the United States*. The term "Laws of the United States" shall include only Federal statute.

As a result, a deduction would be denied for kickbacks or bribes which the corporation may consider a necessary concomitant of doing business in certain foreign countries because payment of similar kickbacks or bribes to a U.S. official or employer would be unlawful.

Examinations of returns most likely to involve this type of illegal payment are conducted by our most experienced and discerning examiners. When analyzing returns and examining taxpayers' books and records, examiners are expected to be alert for indications of improper or illegal payments, to develop fully the facts and circumstances surrounding the issue, and to apply to the facts the provisions of the IR Code and Regulations supplemented as necessary by case law.

2. When the SEC makes a charge such as reported above, does the IRS automatically and always investigate the corporation's past tax returns to determine if improper deductions were claimed

When the SEC makes a charge such as reported in the cited cases, the information is obtained from the Commission and promptly disseminated to our Compliance functions in the appropriate districts for evaluation. If returns filed by such corporation are under investigation by our Intelligence function or under examination by our Audit function, the information obtained from SEC will automatically be added to the list of issues to be looked into. Examinations of corporations with sizeable assets usually cover a three-year period. Criminal fraud investigations are not curtailed by a statute of limitations.

If an Intelligence investigation is not in progress, the SEC information is subjected to our regular case selection criteria and, if warranted, a preliminary investigation is initiated. This may develop into a full-scale investigation encompassing the tax years indicated by the SEC information. Full-scale investigations of criminal tax fraud involve a joint investigation by the Intelligence and Audit functions. If a criminal fraud case cannot be made, the issues is referred to the Audit Division for consideration as a civil matter.

If an examination is not in progress, the SEC information is associated with the corporation's tax returns for an objective evaluation based on our normal audit selection criteria. A decision to examine would involve not only the potential issue divulged by the SEC but also the entire range of items presented on the return.

3. Is there any established procedure through which the SEC and the IRS exchange information regarding bribes and other forms of improper reporting of information?

We have been making progress in improving our working relationship with the SEC. I recently met with the SEC Chairman and we agreed to expand our liaison to assure that we utilize all tax related information uncovered by SEC investigations. We have established Audit and Intelligence liaison agents to facilitate our access to SEC records.

4. As a result of the reports of the past two years about illegal campaign contributions by major corporations, has the IRS initiated any investigations into these campaign contributions?

Yes. We have established a Political Campaign Contribution Project in the National Office under the direction of the Assistant Commissioner (Compliance) to receive and disseminate pertinent information relative to possible tax violations to appropriate field offices for investigation.

Our objectives are to (1) identify possible abuses of the tax system by evaluating information of tax consequence involving political organizations, candidates and contributors and (2) to examine the tax returns filed by such persons and investigate those suspected of improper tax reporting.

5. What additional tax collections have been achieved as a result of these investigations?

We do not have statistics on the additional tax collected specifically from investigations of illegal campaign contributions by major corporations. Audits of such corporations usually involve a number of issues making it a difficult task to isolate the additional tax resulting from this one item.

6. How many agents do you have assigned to these audits?

In answer to question two, I indicated that information concerning a specific issue is considered along with other issues in conducting an investigation or examination. We have approximately 300 examiners, including engineering and computer specialists, involved in auditing approximately 50 large corporations where campaign contributions are but one of many complex issues under investigation. While we have about 300 agents assigned not all of their time is devoted to the campaign contribution issue.

7. Subsection (a) of Section 162 permits the deduction of "all ordinary and necessary expenses paid . . . in carrying on any trade or business." Has the IRS ever held that a bribe or kickback is an "ordinary and necessary" expense of doing business. If so, could you please describe the general circumstances of the case or cases involved?

Some payments made to non-governmental officials or employees for the purpose of obtaining business can be viewed as "ordinary and necessary" business expenses. The intent of such payments might very well be to corrupt and, therefore, could be viewed as "bribes or kickbacks." Frequently, however, such payments are industry practice, are with the knowledge of the employer of the person to whom the payment is made, and are not "illegal," per se. In such a setting, categorizing such payments as unallowable "bribes or kickbacks" is difficult, if not impossible.

The Supreme Court has held payments which could be described as "kickbacks" are ordinary and necessary business expensea. The *Thomas B. Lilly* case (343 U.S. 90, 72 S. Ct. 497) involved an optician who made payments, equal to one-third of the sales price of eyeglasses, to doctors who prescribed the glasses for their patients. The Court held that such expenditures were industry practice, did not violate federal or state law, etc., and, therefore, are deductible.

In "bribe or kickback" situations, the payors frequently will decline to identify the recipient and the Service disallows the claimed expense for lack of substantiation—not on the grounds that the payment was not "ordinary and necessary."

Section 162(c)(1) of the Code provides a more objective test for payments made to government officials or employees. If such a payment would be unlawful under the laws of the United States, the payment is unallowable whether it is made to an official or employee of a governmental unit within or without the United States.

While there is an objective test for such payments, defining and discovering the payment is another matter. Such payments usually will be disguised in the books as legitimate-appearing items. Further, such payments can be indirect, e.g., a payment or a "loan" to a relative or to a company owned by the public official. On the surface, the payment or "loan" can appear to be a legitimate item.

Section 162(c)(1) requires the Service to carry the burden of proof as to whether the payment constitutes an illegal bribe or kickback. Naturally, when the Service discovers such a payment and can sufficiently prove the nature of the payment, the claimed deduction is disallowed.

We will be glad to furnish any additional information you desire.

With kind regards,

Sincerely,

DONALD C. ALEXANDER,
Commissioner.

HOUSE-SENATE HEARINGS ON CHILD AND FAMILY SERVICES RESUME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, I take this time to announce that beginning on Monday, June 16, and continuing on Thursday, June 19, Friday, June 20, and Tuesday, June 24, the Subcommittee on Select Education, which I have the honor to chair, and Senate Subcommittee on Children and Youth, chaired by the distinguished senior Senator from Minnesota, Senator MONDALE, will conclude their joint hearings on H.R. 2966, and S. 626, the Child and Family Services Act of 1975, as well as on the other related child care legislation.

I should note, Mr. Speaker, that during this session of Congress we have held 6 days of hearings on measures dealing with child and family services. These hearings have provided the members of both subcommittees an opportunity to hear from a broad range of individuals concerned about young children and their families.

Mr. Speaker, among the witnesses who

will be heard on June 16, starting at 9:30 a.m. in room 2175 of the Rayburn House Office Building, are our distinguished colleague from New York, Ms. ABZUG; John Himelrick, director, Inter-Agency Council for Child Development Services, Office of the Governor, West Virginia; David Flaherty, secretary, Department of Human Resources, North Carolina; Hannah Atkins, member of the board of directors, Black Child Development Institute, Washington, D.C.; Ann Klein, commissioner, Department of Institutions and Agencies, New Jersey; Betty Whaley, commissioner, Agency on Child Development, New York City; and Carlyle Cox, director, Community Development, Gainsville, Ga.

On Thursday, June 19, starting at 9:30 a.m. in room 4232, of the Dirksen Senate Office Building, we will hear from Congressman JAMES WEAVER of Oregon; Congressman GUNN MCKAY of Utah; Congressman PARREN MITCHELL of Maryland; a panel of witnesses appearing at the request of by Senators JAMES BUCKLEY and PAUL LAXALT; Bettye Caldwell, director, Center for Early Development and Learning, University of Arkansas; and Urie Bronfenbrenner, professor, Department of Human Development and Family Services, Cornell University.

On Friday, June 20, starting at 9:20 a.m. in room 2175 of the Rayburn House Office Building, we will hear from a number of witnesses, including Ben Sheppard, president, Dade County School Board, Miami, Fla.; Joyce Hatton, president, New World, Inc., Lansing, Mich.: Owen Peagler, chairman, National Advisory Council for the Education of Disadvantaged Children; a panel of witnesses appearing at the request of Ms. ABZUG of New York; Donald Whitehead, Federal cochairman, the Appalachian Regional Commission; a representative of the American Federation of State, County, and Municipal Employees; and Robert S. Mendelsohn, associate professor, Department of Preventive Medicine, University of Illinois.

And on Tuesday, June 24, starting at 9 a.m., in room 2175, Rayburn House Office Building, the two subcommittees will hear the administration's position, represented by Caspar Weinberger, Secretary of the Department of Health, Education, and welfare; Stanley Thomas, Assistant Secretary for Human Development, Department of Health, Education, and Welfare; Theodore Cooper, Assistant Secretary for Health, Department of Health, Education, and Welfare; Jack Young, Assistant Secretary, Comptroller, Department of Health, Education, and Welfare; and Terrel H. Bell, Commissioner of Education, Department of Health, Education, and Welfare.

Mr. Speaker, I would like to close my remarks by inserting into the RECORD an article which appeared in the New York Times on June 8, 1975, marking the 10th anniversary of the Headstart program.

It is indeed fitting, Mr. Speaker, that as we continue our hearings on the child and family services bill, we recognize the accomplishments of the head start program over the last 10 years because in many ways, the Headstart program has served as a model for the programs we hope to provide through H.R. 2966, and S.626, the child and family services bill.

Mr. Speaker, I urge all of the colleagues who are concerned with the needs of young children to read this excellent article.

The article follows:

HEAD START: AFTER 10 YEARS, PLANNING EXPERIMENTS

(By Edward B. Fiske)

Last Christmas, as a result of a course she has been taking on early childhood development, Louvenia Palmer and her husband cleaned out the "junk room" in their home in New Haven, painted it bright yellow and turned it into a playroom for their three young children.

"I learned that having a place like this for them to go to is important," she said. "Even the color makes a difference."

Mrs. Palmer, the wife of a warehouseman, was eligible for the course because she is a Head Start mother, and her new insights into what can help her children develop is typical of the effects of one of the most durable—and, in the opinion of most observers, generally successful—social programs to be undertaken by the Federal Government.

Since it began full-scale operations 10 years ago this month, Project Head Start has grown from a hastily arranged summer program into an on-going $392-million operation that serves 350,000 children annually, four-fifths of them on a full year basis.

HOPE AND BETTER LIVES

It has shaped the attitudes of professionals and laymen alike toward early childhood education, brought hope and better lives to millions of poor children and their parents and, in the process, carved out a political constituency that has made it the one sure survivor of President Johnson's War on Poverty.

It has also been criticized for failing to fulfill expectations of lasting cognitive growth for its "graduates" and even supporters who reject such charges acknowledge that some of its initial assumptions were naive.

The result is that as it enters its second decade—it has been extended by Congress for another three years—Project Head Start has embarked on a series of experimental programs that have placed it as much at the center of debate over early childhood intervention a sit was when it began.

Project Head Start was spawned by the Economic Opportunity Act of 1964, which, as amended in 1967, required it to offer "comprehensive health, nutritional, education, social and other services" to poor preschool children. It also called for "direct participation" of parents in running the program.

ENVIRONMENT AND LEARNING

Though conceived as a comprehensive developmental program, Head Start came when there was considerable interest in the effects of the environment on learning potential, and to many people it became primarily an educational endeavor. Some saw it as a way of getting at the reform of public schools by providing a new pre-school base.

During the planning stages, consultants suggested beginning with a small demonstration project, but Sargent Shriver, director of the Office of Economic Opportunity, argued for a big plunge.

"We want to write Head Start across this land so that no Congress or President will ever destroy it," he said.

The result was that, with only seven months of planning time in 1965, 561,000 children were enrolled in an eight-week summer program budgeted at $96.4-million. In August, President Johnson announced that it would become a full year program. The enrollment reached 733,000 the following year and then settled at slightly below 700,000 for the next three years.

In 1969, the Nixon Administration shifted responsibility for Head Start to the newly created Office of Child Development in the Department of Health, Education and Welfare. A decision was also made to de-emphasize the summer program and to serve fewer children, but in more depth, in year-long projects.

RETROSPECTIVE OPINION

"In retrospect we can see that it was not sensible to expect a significant impact when children were only available for a short period of time," said James Robinson, the current director of Head Start.

Head Start now operates out of 9,400 centers run by 2,200 recipients of grants, two-thirds of which are local community action agencies. Other sponsors include churches, Y.M.C.A.'s and local school systems.

In a broad sense, the major accomplishment of Head Start has been to raise public consciousness about the potentials of programs directed to preschoolers.

"There's no question in my mind that Head Start triggered the great growth in day care," said Jule M. Sugarman, the second director of the program.

For many middle class parents, ineligible because of their income levels, Head Start nevertheless became a model for privately sponsored pre-school projects. Elsewhere the effect has been to change attitudes not only of the poor but also about them.

"Head Start was one of the few programs that did not take a patronizing attitude toward the poor," said Martha Rinaldo, assistant director of the Foundation of Early Childhood Education in Los Angeles.

HEALTH CARE DELIVERED

Regulations require that each Head Start child receive a medical and dental examination and a hot meal each day, and these procedures alone have made Head Start the first organized national program to deliver standardized health care to young children in poverty areas.

The effect on parents of Head Start has been considerable. Lillyan Jackson, a Head Start supervisor in New Orleans, said that the program has "taken the pressure" off the children's mothers, many of whom are domestic day workers.

"They're not as harassed," she said. "They're interested in the children's education more. They're reading to the children. It's developing them, too. They come to these centers and they see things that are going on. Every Christmas I'm always getting requests for lists of the right toys."

Head Start puts a premium on parental involvement, both on a volunteer and paraprofessional basis, and for some parents this has opened doors. This estimated that 10,000 Head Start parents have gone on to receive teacher certification. In Los Angeles, Clara Godbouldt, a mother of 10 who dropped out of school after the eighth grade, resumed her education and is now enrolled in law school.

CONSIDERABLE IMPACT

As a force for community action, Head Start has had considerable impact, especially in its early years. A study of 58 communities completed for H.E.W. in 1970 by Kirschner Associates found that local educational and health institutions were considerably more responsive to the needs of the poor in communities with full year Head Start programs than those communities without them.

The reformers' goal of fundamentally changing public school structures has clearly gone unfulfilled, but in some cases parents' experience in governing Head Start has changed their relationship to schools.

"Parents are no longer afraid to go to school and ask the teacher why their child doesn't have homework," Mrs. Rinaldo said.

Finally, there has been the effect on the children.

"Our 5-year-olds are much more sophisticated now," said Pearlie H. Ellaie, a Head Start director in New Orleans. "They are much more self-assured, aware of themselves as people. They are better able to deal with adults, and they do it not out of fear but just to communicate."

For children with special problems, such as those with handicaps or from non-English-speaking backgrounds, the changes have often been significant.

A BIG STEP FORWARD

"To learn to know what it means when the teacher says "let's all sit in a circle" may seem like nothing at all to an adult," said Joseat Vazquez, a parent who teaches painting at a Head Start center in Los Angeles. "But to a 4-year-old from a faraway country who has never ventured outside his family's tiny apartment, it is a big step forwards."

But it is just this area—the effects on the children involved—that has plunged Head Start into its deepest controversies and reassessments.

In 1969, the Westinghouse Learning Corporation released a study of Head Start "graduates" that found that, in terms of both intellectual and effective growth, the program produced only marginal long-term gains. It was a serious blow to those who had believed that putting children in a new environment for a time would make up for any past deprivation.

Some Head Start proponents had questioned the methodology of the survey before it was conducted, and others responded that Head Start could not be blamed for destructive aspects of schooling that occurred after children left the program.

Still others questioned whether goals such as raising I.Q.'s while easily measurable and thus attractive to researchers, were valid objectives in the first place.

DIFFICULT TO MEASURE

"Head Start was never intended to create intellectual warriors who would go off to Harvard and Radcliffe," said Jack Shaefer, a Head Start director in Los Angeles. "Head Start was designed not only to help a child do better in reading and math but to improve his relations with his family and peers and give him a better self-image. But these gains are difficult to document on standardized tests."

The Westinghouse study bolstered the Nixon Administration policy of cutting back on Federal involvement in social welfare programs, but efforts to do this to Head Start—the policy said one high-ranking official, was "to strangle us gradually"—proved to be politically impossible.

With operations in every Congressional district and a large group of ethusiastic parents behind it, Head Start had clearly developed a strong political constituency. It was, and is, generally perceived as a good example of an effective Federal program. Besides, as virtually everyone questioned on the subject responded, "How can you be against little children?"

IMPROVEMENT PROGRAM

Nevertheless, the period following the Westinghouse report saw the beginning of some major changes in direction. The community action programs praised by the Kirschner Report fell off considerably, and the programs began to look more like traditional educational and social services.

Four years ago, on the initiative of Edward Qigler, then director of the Office of Child Development, Head Start began an Improvement and Innovation program that involved the drawing up of more precise performance standards for local programs and introduced a series of experimental demonstration projects.

Five per cent of Head Start children are now involved in these experimental efforts, which are designed to introduce flexibility in meeting the needs of children and families. Under the Homestart program, for instance, trained personnel have for the last three years visited homes and worked with parents, and the results have been comparable with those of enter-based programs.

"The main mistake we made was the failure to realize the truth of what we were saying: the importance of the family and the circumstances of life in which they live," said Urie Bronfenbrenner, an original planner of the program.

As it moves into its second decade, Head Start faces other continuing problems. One is inflation, which has made it difficult to continue at the current level of operations despite consistent increases in funding.

Head Start has found it hard to comply with the Congress's mandate of two years ago that it accept severely handicapped children, and a General Accounting Office audit last month found that it has had only "limited success" in obtaining parental involvement. The audit also found that the program had accepted more than the authorized level of 10 per cent of children from homes above the poverty line.

More complex, however, are the underlying philosophical problems. With its new family-oriented experimental programs, Head Start has once again moved into the center of the national debate over how to go about early childhood education.

Burton White, a psychologist at Harvard, takes the Westinghouse results seriously and argues against any trend toward "downward schooling." Early intervention, he says, should be limited to "acculturative" goals such as bringing a child out of the home and introducing him to "the community of strangers, to the community of relevant others."

Others believe that significant results can be achieved, both in a narrowly educational and broadly social sense, through the new family-oriented approaches. Toward this end, Start will soon embark on a five-year effort to develop measures of "social competency."

To many observers, this debate itself is a tribute to the success of Head Start over the last 10 years.

"The United States is not the child-oriented society that it thinks it is," said Dr. Bronfenbrenner. "We are, for instance, the only industrialized nation in the world without a national health program for young children or minimal income maintenance for families with young kids.

"But to the extent that American society has awakened to the importance of children as a national responsibility, Head Start has been the vehicle. It is keeping alive the notion of the saliency and importance of children in this society. So long as there is Head Start, there is a rallying point around which you can ask who's taking care of kids."

THE RESULTS OF CONGRESSMAN STRATTON'S 1975 CONGRESSIONAL QUESTIONNAIRE

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, I am inserting at this point in the RECORD the tabulated results of my 1975 congressional questionnaire. This year we sent out 181,000 cards in early April to my constituents in the 28th Congressional District of New York and received 13,814 cards back in reply—including 21,348 opinions.

Mr. Speaker, I believe my district is a pretty representative cross-section of urban and suburban America. It contains the cities of Albany, Schenectady, and Amsterdam plus the surrounding suburban areas. I believe Members may find these results of interest to them, especially the answers to question No. 1:

CONGRESSMAN STRATTON'S 1975 CONGRESSIONAL QUESTIONNAIRE

1. Nearly everyone agrees we must reduce consumption of oil and gasoline to be less dependent on costly imports. But how best to achieve this goal? Which *one* of the following major alternatives most *nearly* represents your view?

a. $3.00-a-barrel tax on all imported oil (Ford plan), 19.0 percent.

b. Increased gas taxes (Congressional plan), 11.4 percent.

c. Quota limits on imported fuel (Possible long gas lines), 8.9 percent.

d. Rationing (Based on job driving requirements), 18.7 percent.

e. Two-tier rationing (Basic ration based on job; extra gas, at higher tax prices), 34.4 percent.

f. No opinion, 5.7 percent.

g. Other, 1.9 percent.

2. The recession has cut inflation from 12 to about 8 percent. However, large Federal deficits threaten to rekindle inflation. If that happens would you favor the imposition of equitable price and wage controls? Yes 65.2 percent; no 28.7 percent; undecided 6.1 percent.

3. Congress and the President agree the best way to turn the economy upwards is to cut taxes and embark on new emergency job and public works projects, even though this will mean a deficit of from $60 to $90 billion. Which one of the following represents your view?

a. I support this general approach, 44.6 percent.

b. Balance the budget, let the recession run its course to elliminate inflation, 49.5 percent.

c. Undecided, 5.9 percent.

4. This year's defense budget represents the smallest portion of our national budget devoted to defense since before Pearl Harbor. Any substantial cuts, Secretary Schlesinger says, will mean the USA is no longer number one in military strength. Which one of the following do you believe?

a. We must maintain our number one status, 62.9 percent.

b. I don't mind if we do become number two behind Russia, 27.8 percent.

c. Undecided, 9.3 percent.

5. Do you support controls or restrictions on:

a. Hand guns only? Yes, 26.9 percent.

b. All kinds of guns? Yes, 53.5 percent.

c. Yes on both (a) and (b), .3 percent.

d. No on both (a) and (b), 15.5 percent.

e. No opinion, 3.8 percent.

6. Do you believe the U.S. should keep our railroads operating even if substantial Federal funds are required? Yes, 72.7 percent; no, 20.7 percent; no opinion, 6.6 percent.

7. I have introduced legislation to admit women to all U.S. service academies. Do you favor this proposal? Yes, 60.7 percent; no, 34.6 percent; no opinion, 4.7 percent.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ASHBROOK (at the request of Mr. RHODES), for Monday, June 16, 1975, on account of official Judiciary Committee business.

Mr. CLAY (at the request of Mr. O'NEILL), for Friday, June 13, and Monday, June 16, on account of official business.

Mr. COTTER (at the request of Mr. O'NEILL), for today, on account of illness in family.

Mr. HEINZ (at the request of Mr. RHODES), for today, on account of official business.

Mr. PATMAN (at the request of Mr. O'NEILL), for today, on account of a necessary absence.

Mr. CHARLES H. WILSON of California (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. CHARLES WILSON of Texas (at the request of Mr. O'NEILL), from May 28 through today, on account of illness.

Mr. YOUNG of Alaska (at the request of Mr. MICHEL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. MOORE) to revise and extend his remarks and include extraneous material:)

Mr. FINDLEY, for 5 minutes, today.

(The following Members (at the request of Mr. MAGUIRE) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. DAVIS, for 10 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MAHON to include extraneous material in his remarks on H.R. 6860.

(The following Members (at the request of Mr. MOORE) and to include extraneous material:)

Mr. MCCLOSKEY.

Mr. CRANE.

Mr. SYMMS in three instances.

Mr. MCKINNEY.

Mr. CONABLE.

Mr. BROOMFIELD.

Mr. FREY in two instances.

Mr. MICHEL in two instances.

Mr. MCCOLLISTER.

Mr. ANDERSON of Illinois in two instances.

Mr. LAGOMARSINO.

Mr. ASHBROOK.

Mr. MOORE.

Mr. HYDE.

Mr. EDWARDS of Alabama.

Mr. STEIGER of Arizona.

Mr. KEMP.

Mr. GILMAN.

Mr. DERWINSKI in two instances.

Mr. FORSYTHE.

(The following Members (at the request of Mr. MAGUIRE) and to include extraneous matter:)

Mr. WAXMAN.

Mrs. SPELLMAN.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. CLAY in 10 instances.

Mr. MOORHEAD of Pennsylvania in five instances.

Mr. EDWARDS of California.

Mr. RANGEL.

Mr. DENT.

Mr. EILBERG.

Mr. BLANCHARD in two instances.

Mr. STEED.

Mr. DODD.

Mr. ROE in two instances.

Mr. BRADEMAS in five instances.

Mrs. SCHROEDER.

Mr. STRATTON.

Mr. HARKIN.

Mr. MANN.

Mr. EARLY.

Mr. MCDONALD of Georgia in five instances.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that the committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 492. Joint resolution making urgent supplemental appropriations for summer youth employment and recreation for the fiscal year ending June 30, 1975, and for other purposes.

ADJOURNMENT

Mr. MAGUIRE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 19 minutes p.m.), under its previous order, the House adjourned until Monday, June 16, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1224. A letter from the President of the United States, transmitting an amendment to the request for appropriations for fiscal year 1976 for the Department of Housing and Urban Development (H. Doc. No. 94–183); to the Committee on Appropriations and ordered to be printed.

1225. A letter from the President of the United States transmitting an amendment to the request for appropriations for fiscal year 1976 for the Judiciary (H. Doc. No. 94–184); to the Committee on Appropriations and ordered to be printed.

1226. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112 (b) of Public Law 92–403; to the Committee on International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7688. A bill to amend section 2 of the act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands; without amendment (Rept. No. 94–291). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on June 12, 1975, the following report was filed on June 13, 1975]

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5197. A bill to authorize the employment of certain foreign citizens on the vessel *Seafreeze Atlantic*, Official Numbered 517242; with amendments (Rept. No. 94–292). Referred to the Committee of the Whole House on the State of the Union.

Mr. ICHORD: Committee on Armed Services. H.R. 5210. A bill to authorize certain construction at military installations and for other purposes; with amendment (Rept. No. 94–293). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE, the Joint Committee on Atomic Energy, and Mr. TEAGUE from the Committee on Science and Technology. Joint report on H.R. 3474. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; with amendment (Rept. No. 94–294). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG:

H.R. 7884. A bill to establish a program for the removal of drift and debris from publicly maintained commercial boat harbors of the United States and from the land and water areas immediately adjacent thereto; to the Committee on Public Works and Transportation.

By Mr. DON H. CLAUSEN:

H.R. 7885. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. DON H. CLAUSEN (for himself and Mrs. PETTIS):

H.R. 7886. A bill to amend the Small Reclamation Projects Act of 1956, as amended; to the Committee on Interior and Insular Affairs.

By Mr. FOLEY:

H.R. 7887. A bill to amend the Food Stamp Act of 1964, and for other purposes; to the Committee on Agriculture.

By Mr. FRASER:

H.R. 7888. A bill to coordinate State and local government budget-related actions with Federal Government efforts to stimulate economic recovery by establishing a system of emergency support grants to State and local governments; to the Committee on Government Operations.

By Mr. HAMMERSCHMIDT:

H.R. 7889. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products; to the Committee on Agriculture.

H.R. 7890. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. HELSTOSKI:

H.R. 7891. A bill to amend the Internal Revenue Code of 1954 to allow certain individuals who have attained age 65 or who are disabled a refundable tax credit for property taxes paid by them on their principal residences or for a certain portion of the rent they pay for their principal residences; to the Committee on Ways and Means.

By Mr. HILLIS:

H.R. 7892. A bill to require the Administrator of Veterans' Affairs to establish a national cemetery at Valley Forge, Pa.; to the Committee on Veterans Affairs.

By Mr. HOLTZMAN:

H.R. 7893. A bill to restore citizenship to persons who renounced or otherwise lost American nationality because of opposition to American military action in Indochina, and for other purposes; to the Committee on the Judiciary.

By Mr. LOTT:

H.R. 7894. A bill to amend the Small Business Act to provide loans to nursing homes to enable them to obtain fire protection equipment in order to comply with the Life Safety Code of the National Fire Protection Association (21st edition, 1967); to the Committee on Small Business.

By Mr. MANN (for himself, Mr. TAYLOR of North Carolina, and Mr. LANDRUM):

H.R. 7895. A bill to provide for a study of a proposed Southern Appalachian Slope National Recreation Area on the southern slope of the Appalachian highlands in areas of the States of South Carolina, North Carolina, and Georgia; to the Committee on Interior and Insular Affairs.

By Mr. RODINO:

H.R. 7896. A bill to amend section 2734a(a) and 2734b(b) of title 10, United States Code, to provide for settlement, under international agreements, of certain claims incident to the noncombat activities of the armed forces, and for other purposes; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Mr. BOB WILSON, Mr. MOSS, Mr. ANDERSON of California, Mr. BROWN of California, Mrs. BURKE of California, Mr. DANIELSON, Mr. EDWARDS of California, Mr. HANNAFORD, Mr. KETCHUM, Mr. LAGOMARSINO, Mr. LLOYD of California, Mrs. MINK, Mr. PHILLIP BURTON, Mr. JOHN L. BURTON, Mr. REES, Mr. VAN DEERLIN, Mrs. PETTIS, Mr. MATSUNAGA, Mr. LEGGETT, and Mr. MINETA):

H.R. 7897. A bill to authorize funds for assistance to local educational agencies for the education of Cambodian and Vietnamese refugees, and for other purposes; to the Committee on Education and Labor.

By Mr. SLACK:

H.R. 7898. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. SOLARZ:

H.R. 7899. A bill to amend the War Powers Resolution to make clear that the President must consult with and otherwise seek the advice and guidance of both the leadership and the appropriate committees of the Congress before introducing U.S. Armed Forces into hostilities; to the Committee on International Relations.

By Mr. HALEY (for himself, Mr. SKUBITZ, Mr. TAYLOR of North Carolina, Mr. SEBELIUS, and Mr. BYRON):

H.R. 7900. A bill to provide for the addition of certain lands in the State of Alaska to the National Park, National Wildlife Refuge, National Forest, and the Wild and Scenic Rivers Systems, and for other purposes; to the Committee on Interior and Insular Affairs, and to the Committee on Merchant Marine and Fisheries for consideration of matters in Title II within that committee's jurisdiction under clause 1(n)(4), Rule X.

By Mr. RINALDO:

H.R. 7901. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. DU PONT:

H.R. 7902. A bill to amend the Food Stamp Act of 1964; to the Committee on Agriculture.

By Mr. EILBERG:

H.R. 7903. A bill to amend the Federal Credit Union Act in order to improve the efficiency and flexibility of the financial system of the United States by permitting Federal credit unions to operate more efficiently and to better serve the family financial needs of their members; by reorganizing the National Credit Union Administration; by establishing a central liquidity facility for Federal and State credit unions; and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. EILBERG:

H.R. 7904. A bill to authorize any officer or employee of the United States to accept the voluntary services of certain students for the United States; to the Committee on Post Office and Civil Service.

By Mr. FORSYTHE:

H.R. 7905. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MOTTL:

H.R. 7906. A bill proposing an amendment to the Constitution of the United States to permit the States to provide financial assistance to religiously affiliated schools; to the Committee on the Judiciary.

By Mr. NOLAN:

H.R. 7907. A bill to amend the Internal Revenue Code of 1954 to limit the extent to which farm losses can be used to offset nonfarm income; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONABLE:

H.R. 7908. A bill for the relief of Edward Drag; to the Committee on the Judiciary.

By Mr. DELLUMS:

H.R. 7909. A bill for the relief of Jennet Juanita Miller; to the Committee on the Judiciary.

By Mr. GREEN:

H.J. Res. 510. A resolution calling for peace in Northern Ireland and the establishment of a united Ireland; to the Committee on International Relations.

By Mr. ROYBAL:

H.J. Res. 511. A resolution to designate June 24 of each year as "Puerto Rican Day"; to the Committee on Post Office and Civil Service.

By Mr. STARK:

H.J. Res. 512. A resolution to stop the sale of three diesel-powered submarines (of the Tang Class) to Iran, and for other purposes; to the Committee on Armed Services.

By Mr. MADDEN:

H. Res. 541. A resolution providing for the consideration of the resolution (H. Res. 538) expressing the sense of the House of Representatives that the Secretary of State should conduct an investigation with respect to the status of those members of the Armed Forces of the United States who are missing in action in Southeast Asia; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

179. By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, relative to the proposed plan for reorganization of the Rock Island Railroad; to the Committee on Interstate and Foreign Commerce.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of June 6, 1975 page 17500:

H.R. 6500. April 29, 1975. Interstate and Foreign Commerce. Makes unlawful the manufacture for introduction into commerce or the importation of any imitation antique glassware product which is not plainly and permanently marked with the year of manufacture.

Requires the Federal Trade Commission to enforce the provision of this Act.

H.R. 6501. April 29, 1975. Public Works and Transportation; Interstate and Foreign Commerce. Limits the charge which can be made by common carriers in interstate commerce for transporting elderly persons during nonrush hours to half the published tariff.

Establishes procedures for reimbursing carriers which lose money due to the provisions of this Act.

Revises the Urban Mass Transportation Act of 1964 to give preference for assistance under such Act to States and local bodies which adopt specially reduced rates for elderly persons transported in interstate commerce.

H.R. 6502. April 29, 1975. Banking, Currency and Housing. Amends the Housing Act of 1964 (1) to authorize the Secretary of Housing and Urban Development to charge a higher interest rate on rehabilitation loans to certain persons than the maximum rate established by the Act, (2) to expand the sources of funds and purposes of the revolving fund created by the Act, (3) to authorize the Secretary to issue interest bearing obligations to the Secretary of the Treasury and (4) to direct the Secretary to administer the Act in such a way as to encourage communities to facilitate certain rehabilitation efforts.

H.R. 6503. April 29, 1975. Banking, Currency and Housing. Amends the Housing Act of 1964 (1) to authorize the Secretary of Housing and Urban Development to charge a higher interest rate on rehabilitation loans to certain persons than the maximum rate established by the Act, (2) to expand the sources of funds and purposes of the revolving fund created by the Act, (3) to authorize the Secretary to issue interest bearing obligations to the Secretary of the Treasury and (4) to direct the Secretary to administer the Act in such a way as to encourage communities to facilitate certain rehabilitation efforts.

H.R. 6504. April 29, 1975. Ways and Means. Amends the Emergency Unemployment Compensation Act of 1974 to require that payments of emergency unemployment compensation be limited to cases where the applicant was previously employed for at least one week in an area where an emergency compensation benefit period was in effect.

Establishes criteria for determination of whether an unemployment emergency situation exists in a certain area or not.

Amends the Emergency Jobs and Unemployment Assistance Act to restrict special unemployment assistance to unemployment which occurs within thirteen weeks of the end of an emergency period.

H.R. 6505. April 29, 1975. Public Works and Transportation. Directs the Secretary of the Army, acting through the Chief of Engineers, to relocate the Gruber Wagon Works as a result of inundation of the existing site

by the Blue Marsh Lake Project in Pennsylvania.

H.R. 6506. April 29, 1975. Ways and Means. Amends the Internal Revenue Code with respect to the determination of the allowable tax credit for the purchase of a new principal residence.

H.R. 6507. April 29, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to certain individuals in full settlement of such individuals' claims against the United States for the loss of specified machinery.

H.R. 6508. April 29, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6509. April 29, 1975. Judiciary. Sets forth conditions under which a certain individual may receive full retirement credit for a period during which he was on leave without pay for Government service.

H.R. 6510. April 29, 1975. Judiciary. Directs the Secretary of the Treasury to hear, determine, and render judgment on a certain claim for a refund of duties paid on damaged merchandise.

H.R. 6511. April 29, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for premium pay for services rendered upon orders given by the Naval Ordnance Systems Command.

H.R. 6512. April 29, 1975. Judiciary. Authorizes the United States Postal Service to compromise, release, or discharge the individual liabilities of certain postmasters for losses resulting from the mailing of certain newspapers at an improper rate.

H.R. 6513. April 30, 1975. Banking, Currency and Housing. Amends the definition of the term "city" in the Housing and Community Development Act of 1974 to include certain towns and townships within that term regardless of whether they contain unincorporated areas within their boundaries.

H.R. 6514. April 30, 1975. Judiciary. Amends the Migration and Refugee Assistance Act of 1962 to make refugees from South Vietnam and Cambodia eligible for the assistance provided by the Act.

H.R. 6515. April 30, 1975. Ways and Means. Amends the Internal Revenue Code to increase the qualified investment credit to 12 percent.

H.R. 6516. April 30, 1975. Banking, Currency and Housing. Amends the Equal Credit Opportunity Act (1) to extend the prohibited grounds of discrimination with respect to credit applicants to include discrimination on the basis of race, color, religion, national origin, and age; (2) to define certain circumstances as nondiscriminatory with regard to creditors; and (3) to direct the Federal Reserve Board to establish an advisory committee with respect to the Board's functions under the Act.

H.R. 6517. April 30, 1975. Ways and Means. Amends the Tariff Schedules of the United States to impose duty upon strips of iron or steel for use in the manufacture of cotton bale ties.

H.R. 6518. April 30, 1975. Agriculture. Amends the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949 to set forth the national acreage allotment and price supports for rice for 1976 and subsequent years.

H.R. 6519. April 30, 1975. Small Business. Amends the Small Business Act to make small business establishments primarily engaged in the production of cow's milk eligible for loans to assist in meeting the requirements imposed by the Federal Water Pollution Control Act.

H.R. 6520. April 30, 1975. Interstate and Foreign Commerce. Requires disclosure of certain information to prospective purchasers of gasoline sold or shipped in interstate commerce which relates to the octane rating of such gasoline.

Requires automobile manufacturers to provide written information relating to the octane levels of gasoline appropriate for use in the engine of each automobile sold or shipped in interstate commerce.

Authorizes the Administrator of the Federal Energy Administration to develop standard methods and studies relating to the performance of various types of gasoline.

H.R. 6521. April 30, 1975. Ways and Means. Amends the Internal Revenue Code by exempting certain trailers used for farming or for transporting horses or livestock from the manufacturers excise tax on automotive and related items.

H.R. 6522. April 30, 1975. International Relations. Authorizes the President to make grants to land-grant universities to enable them to offer assistance to land-grant type universities in agriculturally developing nations.

Establishes an International Land-Grant University Advisory Board to assist the President in carrying out the purposes of this Act.

H.R. 6523. April 30, 1975. Public Works and Transportation. Designates the Federal building in Chicago, Illinois, as the John C. Kluczynski Federal Building.

H.R. 6524. April 30, 1975. Merchant Marine and Fisheries. Amends the Fisherman's Protective Act of 1967 to direct the Secretary of Commerce to compensate owners of United States commercial fishing vessels for damage caused by foreign vessels or citizens of foreign countries, and to reimburse such owners for losses suffered because of lost or reduced fishing hauls directly resulting from such damage.

H.R. 6525. April 30, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 6526. April 30, 1975. Judiciary. Amends the Clayton Act to prohibit persons with nonfarming business assets in excess of $3,000,000 from engaging in the production of agricultural products. Directs the Secretary of Agriculture to acquire, under certain circumstances, any property or interest of which a person must divest himself by virtue of this prohibition.

H.R. 6527. April 30, 1975. Judiciary. Amends the Clayton Act to prohibit persons with nonfarming business assets in excess of $3,000,000 from engaging in the production of agricultural products. Directs the Secretary of Agriculture to acquire, under certain circumstances, any property or interest of which a person must divest himself by virtue of this prohibition.

H.R. 6528. April 30, 1975. Judiciary. Authorizes the United States to pay attorney's fees and other costs to the defendant in Federal criminal cases when the court determines that such payments are in the interest of justice.

H.R. 6529. April 30, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income the discharge of disaster relief loans by the United States under the Disaster Relief Act of 1970.

H.R. 6530. April 30, 1975. Interior and Insular Affairs. Designates a segment of the Obed River in Tennessee as a component of the National Wild and Scenic Rivers System.

H.R. 6531. April 30, 1975. Science and Technology. Establishes a program of electric vehicle research and development in the Energy Research and Development Administration. Authorizes the introduction of electric vehicles into fleets used by Federal agencies.

H.R. 6532. April 30, 1975. Banking, Currency and Housing. Amends the Housing Act of 1949 to shorten the interval between determinations by the Secretary of the Treasury of the interest rate below which the Secretary of Agriculture may not charge on loans to provide housing for low and moderate income persons and families.

H.R. 6533. April 30, 1975. Post Office and Civil Service. Authorizes the payment of increased annuities to secretaries of justices and judges of the United States.

H.R. 6534. April 30, 1975. Agriculture. Requires, under the Federal Meat Inspection Act, that imported meat and meat food products made in whole or in part of imported meat must be labeled "imported" or "imported in part" at all stages of distribution until reaching the ultimate consumer.

H.R. 6535. April 30, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 6536. April 30, 1975. Small Business. Amends the Small Business Act to make small business establishments primarily engaged in the production of cow's milk eligible for loans to assist in meeting the requirements imposed by the Federal Water Pollution Control Act.

H.R. 6537. April 30, 1975. Armed Services. Makes service before World War II in certain State militia which were racially segregated creditable service for purposes of determining eligibility for Armed Forces nonregular retired pay.

H.R. 6538. April 30, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to arrange the transfer of the Mar-A-Lago National Historic Site in Florida to Marjorie Merriweather Post Foundation of the District of Columbia.

H.R. 6539. April 30, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to provide for reimbursement and advanced construction for certain publicly owned treatment works.

H.R. 6540. April 30, 1975. Ways and Means. Amends the Medicare provisions of the Social Security Act by authorizing payment for emergency inpatient hospital services furnished to United States residents anywhere outside the United States.

H.R. 6541. April 30, 1975. Post Office and Civil Service. Prohibits collective bargaining agreements between the Postal Service and Postal Service employee labor organizations from containing any provision which would preclude Postal Service employees from being represented in grievance and adverse actions arising under the agreement by representatives of their own choosing. Entitles such representative to be present during any proceedings upon such grievance or adverse action.

H.R. 6542. April 30, 1975. Post Office and Civil Service. Restores civil service survivor annuities to remarried spouses whose remarriages terminated, and whose surviver annuity was terminated on or before July 18, 1966.

H.R. 6543. April 30, 1975. Government Operations; Banking, Currency and Housing; Education and Labor. Requires Federal agencies and Federal contractors to assure that an adequate supply of housing will be available for lower- and middle-income employees in any community in which a Government facility is to be located, and provides a plan of financial assistance to communities in which such facilities are to be located to enable those communities to meet increased demands on their educational facilities.

H.R. 6544. April 30, 1975. Judiciary. Incorporates the Pearl Harbor Survivors Association.

H.R. 6545. April 30, 1975. Interstate and Foreign Commerce. Makes it unlawful under the Federal Trade Commission Act for any retailer to reprice any consumer commodity with a higher price once a price is affixed to such commodity.

H.R. 6546. April 30, 1975. Agriculture. Amends the Commodity Credit Corporation Charter Act (1) to designate the Commodity Credit Corporation exclusive marketing agent for all export sales of certain agricultural commodities; (2) to acquire commodities on the domestic market; and (3) to act as the exclusive marketing agent for the export sale of certain agricultural commodities upon the request of a producer of such commodities.

H.R. 6547. April 30, 1975. Interstate and Foreign Commerce. Delays the effective date of noise emission standards for certain motor vehicles until October 15, 1980.

H.R. 6548. April 30, 1975. Interstate and Foreign Commerce. Delays the effective date of a standard set by the Secretary of Transportation which specifies requirements for hydraulic service brake systems and associated parking brake systems.

H.R. 6549. April 30, 1975. Interstate and Foreign Commerce. Establishes the National Center for Health Education and Promotion, within the Department of Health, Education, and Welfare to conduct, support, encourage and disseminate the results of research in health education, health promotion, and preventive medicine. Authorizes the establishment of a private non-profit organization to be known as the Institution for Health Education and Promotion to facilitate the development of a health education and promotion strategy for the Nation.

H.R. 6550. April 30, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from market allocation agreements made as part of a licensing contract for the manufacture, distribution and sale of trademarked foods.

H.R. 6551. April 30, 1975. Judiciary. Establishes under the Omnibus Crime Control and Safe Streets Act of 1968 a Federal death benefit to be paid to the survivors of law enforcement officers and firefighters killed in the line of duty.

H.R. 6552. April 30, 1975. Post Office and Civil Service. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 6553. April 30, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified breweries.

H.R. 6554. April 30, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income pensions or annuities received by policemen or firemen or their dependents or survivors, for services performed in the employ of a Federal, State or local government.

H.R. 6555. April 30, 1975. Ways and Means. Amends the Internal Revenue code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the improvement or repair of property used by the taxpayer as his principal residence.

Allows the amortization of the expenses for a residential addition.

H.R. 6556. April 30, 1975. House Administration. Establishes a Voter Registration Administration within the General Accounting Office for the purpose of administering a vote registration program.

H.R. 6557. April 30, 1975. Interstate and Foreign Commerce. Amends the Federal Energy Administration Act of 1974 to direct the Federal Energy Administrator to prohibit certain practices involving pricing of energy supplies sold to consumers which allow per unit rates to vary inversely with total consumption.

H.R. 6558. April 30, 1975. Government Operations. Authorizes appropriations to the State and Local Government Fiscal Assistance Trust Fund for revenue sharing purposes through fiscal year 1981.

Stipulates that payments under the State and Local Government Fiscal Assistance Act which are waived by the Indian Tribe or Alaskan Native Village entitled to receive them shall become part of the entitlement of the county government in which such Tribe or Village is located.

H.R. 6559. April 30, 1975. Judiciary. Prohibits certain forces of economic coercion based on religion, race, national origin, sex, support for any foreign government, or dealing with or in any foreign country.

H.R. 6560. April 30, 1975. Judiciary. Prohibits certain forms of economic coercion based on religion, race, national origin, sex, support for any foreign government, or dealing with or in any foreign country.

H.R. 6561. April 30, 1975. Ways and Means. Entitles individuals who reside in certain public institutions to supplemental security income benefits under the Social Security Act.

H.R. 6562. April 30, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6563. April 30, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to provide financial assistance to railroads, States, political subdivisions and regional commissions for programs aimed at reducing unemployment and at repairing, rehabilitating, and improving railroad roadbeds and facilities.

H.R. 6564. April 30, 1975. Agriculture. Authorizes under the Agricultural Adjustment Act of 1938, the lease and transfer of burley tobacco from marketing quotas to farms in a contiguous county in the same State.

H.R. 6565. April 30, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 6566. April 30, 1975. Post Office and Civil Service. Amends the Federal Salary Act of 1967 by making certain recommendations of the President regarding salary levels for certain Federal employees effective within a certain time period unless the Congress adopts a resolution disapproving all or part of such recommendations. Specifies procedures for adopting such a resolution.

H.R. 6567. April 30, 1975. Banking, Currency and Housing. Extends for an additional two years certain provisions of the Defense Production Act of 1950.

Revises the consultative functions of the Attorney General and Federal Trade Commission under the Defense Production Act of 1950 concerning potential anticompetitive effects of voluntary agreements and programs undertaken pursuant to such Act. Directs the Attorney General and the Federal Trade Commission to promulgate jointly standards and procedures for the development and implementation of such agreements and programs.

H.R. 6568. April 30, 1975. Interstate and Foreign Commerce. Increases the monetary limit applicable to drug-related judicial forfeitures under the Comprehensive Drug Abuse Prevention and Control Act of 1970.

H.R. 6569. April 30, 1975. Interstate and Foreign Commerce. Amends the Federal Railroad Safety Act to authorize additional appropriations to administer the provisions of the Act.

H.R. 6570. April 30, 1975. Agriculture. Increases the value limitation on the amount of timber and other forest products located in national forests which the Secretary of Agriculture may sell without advertisement.

H.R. 6571.—April 30, 1975. Judiciary; Interstate and Foreign Commerce. Eliminates the antitrust exemption for certain resale price maintenance (fair trade) agreements under the Sherman Act and the Federal Trade Commission Act.

H.R. 6572.—April 30, 1975. Armed Services. Authorizes the President alone to appoint a certain individual to the grade of colonel on the retired list of the Regular Air Force.

H.R. 6573.—May 1, 1975. Appropriations. Rescinds budget authorizations in specified amounts for specified programs of the Health Services Administration, the Alcohol, Drug Abuse, and Mental Health Administration, and the Health Resources Administration, as recommended by the President and transmitted pursuant to the Impoundment Control Act of 1974.

H.R. 6574.—May 1, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income the discharge of a student loan if such discharge was pursuant to a provision of such loan authorizing discharge if such individual worked for a certain period of time in certain professions or certain geographical areas.

H.R. 6575.—May 1, 1975. Banking, Currency and Housing. Amends the United States Housing Act of 1957 to increase the amounts which the Secretary of Housing and Urban Development is authorized to contribute to public housing agencies for low-income housing projects through fiscal year.

H.R. 6576. May 1, 1975. Interior and Insular Affairs. Establishes the Santa Monica Mountains and Seashore Urban National Park in the State of California. Authorizes the Secretary of the Interior to acquire the lands, waters, or interests therein which are located within the proposed boundaries of the park.

H.R. 6577.—May 1, 1975. Banking, Currency and Housing. Amends the Council on Wage and Price Stability Act (1) to require that future appointments of Council Directors be approved by the Senate; (2) to extend appropriations made pursuant to the Act through fiscal year 1977; and (3) to extend the termination of the Act to September 30, 1977.

H.R. 6578.—May 1, 1975. Ways and Means. Allows the States an additional three years to begin repayment of outstanding advances made to their unemployment compensation accounts by the Federal government.

H.R. 6579. May 1, 1975. International Relations. Amends the Mutual Security Act of 1954 to require review by the House of Representatives and the Committee on Foreign Relations of the Senate, of all approved applications for licenses to export arms, ammunition, or implements of war, before such licenses may be issued except when the President states that an emergency exists which requires the granting of such license in the interests of national security.

H.R. 6580. May 1, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 6581. May 1, 1975. Interstate and Foreign Commerce; Ways and Means. Prohibits the importation of petroleum or petroleum products into the United States unless the Federal Energy Administrator has first reviewed, and not disapproved, the contract covering such importation. Directs Administrator to purchase and sell imported petroleum and petroleum products upon a determination that such purchasing and selling will promote the securing of adequate supplies of petroleum and petroleum products at reasonable and stable prices.

H.R. 6582. May 1, 1975. Ways and Means. Amends the Social Security Act to prohibit termination of widow's, widower's or parent's insurance benefits if the recipient remarries.

H.R. 6583. May 1, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation,

handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at, promotion of, or supplying of, animal fighting ventures.

Sets forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 6584. May 1, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction with respect to the amortization of qualified solar heating and cooling equipment installed in non-residential buildings and to allow an investment credit for such equipment.

H.R. 6585. May 1, 1975. Agriculture. Stipulates that 1975 cost-of-living increases in Social Security benefits shall not be considered income for the purpose of determining eligibility for a coupon allotment under the Food Stamp Act of 1964.

H.R. 6586. May 1, 1975. Ways and Means. Stipulates that cost-of-living and general increases in Old-Age, Survivors, and Disability Insurance benefits shall not be considered income or resources for the purpose of determining eligibility for Aid to Families with Dependent Children, child welfare services, Medicaid, Headstart-Follow Through programs, and the foster grandparents program.

H.R. 6587. May 1, 1975. Ways and Means. Amends the Social Security Act by stipulating that general and cost-of-living increases in Old-Age, Survivors, and Disability Insurance benefits shall not be considered income for the purpose of determining eligibility for Supplemental Security Income.

H.R. 6588. May 1, 1975. Interstate and Foreign Commerce. Amends the Community Mental Health Centers Act to direct the Secretary of Health, Education, and Welfare to establish within the National Institute of Mental Health, the National Center for the Prevention and Control of Rape.

H.R. 6589. May 1, 1975. Education and Labor. Makes it an unfair labor practice, under the National Labor Relations Act, for an employer to coerce, threaten, or harass an employee or independent contractor who is or is not a member of a labor organization, with respect to any contract between such employee or independent contractor and such employer for the purpose of effecting a modification of such contract.

H.R. 6590. May 1, 1975. Ways and Means. Postpones the effective date of the Social Services Amendments of 1974 (amending the Social Security Act) in those States where grants under the Aid to Families with Dependent Children program provide less than 90 percent of an individual's or family's need.

H.R. 6591. May 1, 1975. Post Office and Civil Service. Declares that annual leave for Federal employees may be granted by the head of the Federal agency concerned at such time as such employee may request.

H.R. 6592. May 1, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

Amends the estate tax provisions of the Internal Revenue Code to allow a limited deduction from the gross estate of the value of the decedent's interest in a family farming operation which passes to an individual related to him or his spouse.

H.R. 6593. May 1, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to allow licenses for the operation of broadcasting stations to be issued and renewed for terms of 5 years.

H.R. 6594. May 1, 1975. Banking, Currency and Housing. Directs the Secretary of Housing and Urban Development and the Secretary of Agriculture to provide assistance under existing Federal housing programs for the purpose of assisting in the production of three million new dwelling units for low-income individuals.

Amends the National Housing Act, the United States Housing Act of 1937, the Housing Act of 1959, and the Housing Act of 1949 to authorize the appropriation of funds necessary to provide the assistance mandated by this Act.

H.R. 6595. May 1, 1975. Veterans' Affairs. Designates service as a member of the Women's Air Forces Service Pilots as active duty for the purposes of all laws administered by the Veterans' Administration.

H.R. 6596. May 1, 1975. Banking, Currency and Housing. Requires financial institutions to maintain and make available to the public certain information on real estate loans and savings accounts.

Directs the Federal Reserve Board to prescribe regulations to carry out the purpose of this Act.

H.R. 6597. May 1, 1975. Interstate and Foreign Commerce. Includes hair dyes under the provisions of the Federal Food, Drug, and Cosmetic Act which regulate cosmetics.

H.R. 6598. May 1, 1975. Interior and Insular Affairs. Authorizes the Administrator of the Energy Research and Development Administration to acquire facilities for the production of synthetic fuels from coal and oil shale. Establishes procedures for the leasing of such facilities to private interests for coal gasification or liquefaction projects or for shale oil production.

H.R. 6599. May 1, 1975. Government Operations; Merchant Marine and Fisheries. Requires that certain revenues from leases on the Outer Continental Shelf be made available to coastal States. Amends the Outer Continental Shelf Lands Act to establish a Coastal States Fund for payments to coastal states adversely affected by development of Federal energy resources on the Outer Continental Shelf.

H.R. 6600. May 1, 1975. Government Operations. Establishes the Office of Inspector General in the Department of Health, Education, and Welfare, for the purpose of investigating any program administered by the Department.

H.R. 6601. May 1, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, the posting of prices for prescription drugs by drug retailers. Directs the Federal Trade Commission to cooperate with the Secretary of Health, Education, and Welfare to implement, at the vendors' discretion, the advertising of prescription drug prices.

H.R. 6602. May 1, 1975. Interstate and Foreign Commerce. Requires manufacturers to display on a conspicuous label on each item of durable goods sold to consumers the performance life of each product. Declares the National Bureau of Standards to have final authority over the designations required by this Act, and requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 6603. May 1, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require the use of the established name along with the proprietary name for a drug every time the name appears. Allows licensed pharmacists to fill or refill prescriptions with a substitute drug if a practitioner, licensed to administer the drug, identifies it by its proprietary name, provided the substitute drug costs the patient less than any other substitute drug. Defines substitute drug as a drug having the same established name as the drug identified by its proprietary name or a drug that the Secretary of Health, Education, and Welfare has determined to have the same qualitative composition as the drug so identified.

H.R. 6604. May 1, 1975. Interstate and Foreign Commerce. Requires major corporations to file with the Federal Trade Commission cost justification of price increases made in connection with compliance with Federal regulatory requirements.

H.R. 6605. May 1, 1975. Interstate and Foreign Commerce. Requires, under the Fair Packaging and Labeling Act, the total selling price and the retail unit price for packaged consumer commodities to be plainly marked on the package itself or on a sign in close proximity to the point of display of such such package.

H.R. 6606. May 1, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act, that the labels for all food products contain the name of each ingredient in order of its predominance. Requires all packaged consumer food products to be labeled with an analysis of nutritional contents. Requires perishable or semiperishable food to be labeled with the pull date for such food and the optimum storage conditions. Requires disclosure of (1) the manufacturer, packer, and distributor; (2) the total retail selling price; and (3) any new ingredients, of a food product.

H.R. 6607. May 1, 1975. Interstate and Foreign Commerce. Prohibits any person engaged in commerce from selling any merchandise unless there is available for consumers at the place of sale the recent price histories of the products offered for sale.

H.R. 6608. May 1, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to include sales promotion games among unfair methods of competition.

H.R. 6609. May 1, 1975. Interstate and Foreign Commerce. Requires manufacturers to label products as to month and year of manufacture for those goods whose design and performance features change at such a frequency as to make its date of manufacture part of its relevant description.

Empowers the Federal Trade Commission to enforce this Act.

H.R. 6610. May 1, 1975. Judiciary. Establishes the Airport Noise Curfew Commission to study and make recommendations to the Congress regarding the establishment of curfews and nonmilitary aircraft operations over populated areas of the United States during normal sleeping hours.

H.R. 6611. May 1, 1975. Post Office and Civil Service. Directs the Civil Service Commission to establish, and from time to time revise, a Special Cost-of-Living Pay Schedule for civil service employees and positions in certain metropolitan areas.

H.R. 6612. May 5, 1975. Post Office and Civil Service. Prohibits certain Federal employees from participating in any Federal regulatory action or policy decision involving any group, organization, corporation, or industry which is regulated by or affected by policies of the Federal Government, if such Federal empolyee had a substantial economic involvement with such group, organization, corporation, or industry within a certain stated period of time.

H.R. 6613. May 1, 1975. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee may be more than 500 percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H.R. 6614. May 1, 1975. Ways and Means. Amends the Social Security Act by guaranteeing a minimum annual income to the elderly.

H.R. 6615. May 1, 1975. Ways and Means. Repeals the statutory authority to impose quotas on the importation of meat and meat products.

H.R. 6616. May 1, 1975. Interstate and Foreign Commerce. Requires that any drug whose effectiveness or potency becomes diminished after storage shall be prominently labeled, under regulations promulgated by the Food and Drug Administration, as to the date beyond which the product shall not be used.

H.R. 6617. May 1, 1975. Public Works and Transportation. Prohibits sonic booms by civil aircraft within the United States.

H.R. 6618. May 1, 1975. Government Operations; Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans. Sets forth eligibility requirements for consumer protection plans.

H.R. 6619. May 1, 1975. Banking, Currency and Housing. Requires that all multifamily housing facilities for the elderly be equipped with emergency electrical power generating equipment as a condition for receiving Federal financial assistance.

Directs the Secretary of Housing and Urban Development to require the installation of such emergency generating equipment in multifamily housing for the elderly now covered by outstanding mortgages which involve Federal assistance, and to encourage the owners of all other such housing to install such emergency equipment. Authorizes the Secretary to make and to insure loans to pay the cost of such emergency equipment.

H.R. 6620. May 1, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of certain potential water resource developments in Nebraska.

H.R. 6621. May 1, 1975. Banking, Currency and Housing. Authorizes national banking associations to underwrite and deal in nongeneral obligations of States and cities.

Sets limitations and restrictions on dealings in such obligations by national banking associations.

H.R. 6622. May 1, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to adjust certain payment obligations to include costs of repair of the Del City aqueduct in connection with the Norman reclamation project in Oklahoma.

H.R. 6623. May 1, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by establishing the office of Inspector General for Health Administration within the Department of Health, Education, and Welfare. Directs the Inspector General to review, investigate and audit the medicare, medicaid, and other Health care programs established by the Social Security Act. Authorizes the Inspector General to suspend any administrative regulation, practice or procedure if such action will promote efficiency, economy, or achievement of the objectives of the health care programs.

H.R. 6624. May 1, 1975. Interior and Insular Affairs. Designates certain lands in the Shenandoah National Park in Virginia as wilderness.

H.R. 6625. May 1, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to authorize supplemental air carriers to control or share in control of a person authorized by the Civil Aeronautics Board to sell individual tickets for inclusive tours to the general public; to prohibit the Board from regulating charter trips in such a way as to reduce the availability of such trips, and to direct the Board to issue regulations defining the permissible activities of air travel clubs which operate aircraft and certain other commercial aircraft operators.

H.R. 6626. May 1, 1975. Post Office and Civil Service. Amends the Fair Labor Standards Act of 1938 by declaring that rural letter carriers may be paid at a rate of compensation established by any collective bargaining agreement made between the Postal Service and any bargaining representative recognized under specified provisions of law.

H.R. 6627. May 1, 1975. Ways and Means. Establishes a variable import duty fee, under the Agricultural Marketing Agreement Act of 1937, to be levied upon all milk of dairy cattle, or products of such milk, which may be entered or withdrawn from warehouse for consumption.

H.R. 6628. May 1, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to carry out a national aquaculture development program. Defines aquaculture as the culture and husbandry of aquatic organisms.

H.R. 6629. May 1, 1975. Ways and Means. Amends the Emergency Jobs and Unemployment Assistance Act of 1974 to increase the maximum amount of potential benefits and to increase from twenty-six to thirty-nine the maximum number of weeks an individual may receive benefits under such Act.

Extends the Emergency Unemployment Compensation Act of 1974 and the Emergency Jobs and Unemployment Assistance Act of 1974 for an additional year.

Amends the Emergency Jobs and Unemployment Assistance Act of 1974 to make individuals performing certain services for educational institutions ineligible for benefits for the period between two successive academic years or terms of such employment.

H.R. 6630. May 1, 1975. Agriculture; International Relations. Amends the Smith-Lever Act to authorize the Secretary of Agriculture to provide financial assistance to colleges and universities providing agriculture-related programs of study, for the purposes of enabling such universities to strengthen their teaching capabilities and to enable them to enter into cooperative agreements with similar universities in any nation for the exchange of information related to agriculture.

H.R. 6631. June 1, 1975. Merchant Marine and Fisheries. Establishes a Federal Zoological Control Board to regulate the operation of zoos in order to insure humane treatment of zoological animals. Requires the licensing of certain zoological facilities as certification of compliance with minimum operating standards.

Authorizes assistance to zoological facilities for the training of personnel and for the implementation of programs designed to enable the facility to meet or maintain the applicable operating standards.

H.R. 6632. May 1, 1975. International Relations; Rules. Amends the Foreign Military Sales Act by setting forth a revised procedure for Congressional approval of foreign military sales proposed by the President.

H.R. 6633. May 1, 1975. Ways and Means. Amends the Internal Revene Code to exempt transfers of depreciable property and realty to tax-exempt organizations from the tax on gains from dispositions of certain depreciable property or realty.

H.R. 6634. May 1, 1975. Interstate and Foreign Commerce. Requires, under the Fair Packaging and Labeling Act, that a retail distributor of packaged consumer commodities which have been distributed in commerce or which if distributed would affect commerce must plainly mark its total selling price by a stamp, tag, or label before such commodity may be offered for sale.

H.R. 6635. May 1, 1975. Judiciary; House Administration. Amends the Voting Rights Act of 1965 to require each State and political subdivision to establish a method to relieve individuals casting ballots in Federal elections from any cost relating to notarization of absentee ballots.

H.R. 6636. May 1, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors, and Disability Insurance benefits.

H.R. 6637. May 1, 1975. Government Operations. Authorizes the Administrator of General Services to assign surplus Federal property to the Secretary of Commerce for disposal of such property to States and local areas threatened by unemployment as a result of the closing of Federal facilities. Requires that such property by used by the transferees for economic development purposes.

H.R. 6638. May 1, 1975. Government Operations. Authorizes the Administrator of General Services to assign surplus Federal property to the Secretary of Commerce for disposal of such property to States and local areas threatened by unemployment as a result of the closing of Federal facilities. Requires that such property be used by the transferees for economic development purposes.

H.R. 6639. May 1, 1975. Education and Labor. Prevents the Secretary of Labor from applying certain provisions of the Code of Federal Regulations to nonwintering, mobile housing facilities used in the range sheep industry, and in range cattle operations.

H.R. 6640. May 1, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to guarantee loans of $100,000,000 to railroad systems in the Midwestern United States.

H.R. 6641. May 1, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 6642. May 1, 1975. Post Office and Civil Service. Permits an individual entitled to a civil service annuity to make allotments or assignments of amounts from his annuity for such purposes as the Civil Service Commission considers appropriate.

H.R. 6643. May 1, 1975. Armed Services. Revises the percentage amount by which an Armed Forces survivor benefit plan annuity is reduced when the spouse beneficiary becomes eligible for Old-Age, Survivors, and Disability Insurance benefits.

H.R. 6644. May 1, 1975. Interior and Insular Affairs. Amends the Alaska Native Claims Settlement Act to authorize late enrollment of certain Natives.

Exempts corporations formed under the Act from the Investment Company Act of 1940. Authorizes consolidation or merger of existing corporations and the establishment of an additional regional corporation.

Clarifies provisions of the Act relating to eligibility for benefits under other governmental programs. Extends the life of the Joint Federal-State Land Use Planning Commission until June 30, 1979.

H.R. 6645. May 1, 1975. Ways and Means. Amends the Highway Revenue Act of 1956 to change the term "Highway Trust Fund" to "Transportation Trust Fund".

H.R. 6646. May 1, 1975. Judiciary. Directs the United States Court of Claims to receive, consider, and allow any claim filed by a certain individual with respect to any rights or benefits to which such individual may be entitled due to service with the Armed Forces.

H.R. 6647. May 1, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6648. May 1, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6649. May 1, 1975. Judiciary. Declares that, for purposes of the Civil Service Retirement Act of 1930, a certain individual shall be held and considered to have retired on a specified date.

H.R. 6650. May 5, 1975. Government Operations. Establishes a Cabinet Committee for Asian American Affairs to help assure that Federal and other programs are providing the assistance needed by Asian Americans. Creates an Advisory Council on Asian Americans to implement the recommendations of the Committee and to investigate such areas of possible discrimination against Asian Americans as the Committee may specify.

H.R. 6651. May 5, 1975. Merchant Marine and Fisheries. Directs the Secretary of the

Interior to regulate the trapping and capture of mammals and birds on Federal lands. Establishes an advisory commission to recommend to the Secretary acceptable methods for trapping and capture of mammals and birds.

Prohibits use of unacceptable traps in interstate or foreign commerce. Prescribes regulations to prohibit the interstate shipment of hide, skin, feathers, or resulting products of the use of unacceptable traps.

H.R. 6652. May 5, 1975. Judiciary. Authorizes necessary appropriations for the performance of functions set forth in the Migration and Refugee Assistance Act of 1962 with respect to aliens who have fled from Cambodia or Vietnam.

H.R. 6653. May 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of a potential water resource development in North Dakota.

H.R. 6654. May 5, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to provide financial assistance to railroads, States, political subdivisions and regional commissions for programs aimed at reducing unemployment and at repairing, rehabilitating, and improving railroad roadbeds and facilities.

H.R. 6655. May 5, 1975. Veterans' Affairs. Repeals all limitations on the aggregate period for which a person may receive assistance under two or more of the veterans' educational assistance programs.

H.R. 6656. May 5, 1975. Judiciary. Authorizes necessary appropriations for the performance of functions set forth in the Migration and Refugee Assistance Act of 1962 with respect to aliens who have fled from Cambodia or Vietnam.

H.R. 6657. May 5, 1975. Judiciary. Authorizes necessary appropriations for the performance of functions set forth in the Migration and Refugee Assistance Act of 1962 with respect to aliens who have fled from Cambodia or Vietnam.

H.R. 6658. May 5, 1975. Banking, Currency and Housing. Amends the Housing and Urban Development Act of 1969 to authorize the Secretary of Housing and Urban Development to permit families or individuals of higher income levels to live in low- and moderate-income housing facilities built on surplus property transferred to the Secretary by the Administrator of General Services provided that the number of such families or individuals does not exceed twenty-five percent of the total number of families or individuals in such housing facility.

H.R. 6659. May 5, 1975. House Administration. Authorizes and establishes procedures for public financing of primary and general election campaigns of candidates for election to Congress.

H.R. 6660. May 5, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from an individual's gross income the first $300 of interest on savings deposits, and to exclude from the gross income of banks or similar institutions, the interest received by such bank or institution from qualified mortgages on newly constructed or reconstructed dwelling units.

H.R. 6661. May 5, 1975. International Relations. Amends the Export Administration Act of 1969 to prohibit certain actions by United States exporters which support restrictive trade practices or boycotts imposed against countries friendly to the United States by other foreign countries.

H.R. 6662. May 5, 1975. Rules. Amends the Impoundment Control Act of 1974 by requiring the President to transmit a special message to Congress before rescinding or reserving any part of any budget authority. Declares that no such rescission shall become effective until Congress has acted on a bill effecting such rescission.

H.R. 6663. May 5, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of a certain quantity of asbestos chrysotile from the national stockpile and the supplemental stockpile.

H.R. 6664. May 5, 1975. Merchant Marine and Fisheries. Prohibits the Secretary of the Interior or any other officer or employee of the United States from banning the use of lead shot for the otherwise lawful hunting of waterfowl.

H.R. 6665. May 5, 1975. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 (1) to increase the Federal share of the subsidies for the continuation of rail service; and (2) to extend such subsidies for three years.

H.R. 6666. May 5, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method for allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 6667. May 5, 1975. Judiciary. Prohibits certain forms of economic coercion based on religion, race, national origin, sex, support for any foreign government, or dealing with or in any foreign country.

H.R. 6668. May 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct, operate, and maintain the Allen Camp unit, Pit River division, as a part of the Central Valley reclamation project in California.

H.R. 6669. May 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of certain potential water resource developments in the Western United States.

H.R. 6670. May 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of Agriculture to issue permits for the use of lands of the forest reserves created from the public domain for commercial outdoor recreation purposes.

H.R. 6671. May 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of a potential water resource development in the upper Canadian River Basin in New Mexico.

H.R. 6672. May 5, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors, and Disability Insurance benefits. Revises the method of calculating the amount of allowable earnings.

H.R. 6673. May 5, 1975. House Administration. Establishes an American Folklife Center in the Library of Congress.

H.R. 6674. May 5, 1975. Armed Services. Authorizes appropriations to the Department of Defense for fiscal year 1976. Prescribes the authorized personnel strength for each active duty and Selected Reserve component of the Armed Forces, and of civilian personnel of the Department of Defense. Authorizes military training student loads. Sets forth conditions and limitations on the use of appropriated funds for the construction or conversion of naval vessels, and the development or production of major weapons systems.

Revises the regulations regarding assignment and discharge of Armed Forces members and reservists who have not completed four months basic training.

H.R. 6675. May 5, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 6676. May 5, 1975. Banking, Currency and Housing. Establishes a program of reporting on uses of commercial bank credit and on the accommodation of national priority uses of credit.

Directs the Federal Reserve Board to administer such program.

H.R. 6677. May 5, 1975. Appropriations. Makes a supplemental appropriation to the Department of Labor for youth summer employment programs pursuant to the Comprehensive Employment and Training Act of 1973.

H.R. 6678. May 5, 1975. Agriculture. Revises the procedure for allocation of funds to the States by the Secretary of Agriculture under the Rural Development Act of 1972.

H.R. 6679. May 5, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6680. May 5, 1975. Appropriations. Appropriates funds for fiscal year 1976 to the Secretary of the Army to clear the main channel of the Little Calumet River in Illinois of debris and other objects.

H.R. 6681. May 5, 1975. Ways and Means. Amends the Internal Revenue Code to allow an additional tax credit for machinery and equipment placed in service on existing manufacturing plants or in nearby areas.

H.R. 6682. May 5, 1975. Banking, Currency and Housing. Amends the National Housing Act to extend the time period during which certain homeowners may apply for compensation for defects.

H.R. 6683. May 5, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6684. May 5, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of a licensing agreement (1) for the manufacture, distribution and sale of a trademarked soft drink product or (2) for the distribution or sale of a trademarked private label food product.

H.R. 6685. May 5, 1975. Ways and Means. Amends the Internal Revenue Code to revise the foreign tax credit provisions of the Code. Includes in the gross income of a United States shareholder a portion of a controlled foreign corporation's earnings and profits.

Terminates the special tax treatment of Western Hemisphere trade corporation's and of domestic international sales corporations.

Decreases the geographical area in which property may be used in international and territorial waters to qualify for the investment tax credit.

H.R. 6686. May 5, 1975. Ways and Means; Interstate and Foreign Commerce; Government Operations; Science and Technology. Amends the Internal Revenue Code of 1954 to give preferential status to users of recycled or rerefined oil. Encourages use of recycled oil in Federal procurement activities.

Authorizes the Administrator of the Environmental Protection Agency to make grants for implementation and operation of State waste oil management plans.

Directs the Administrator of Energy Research and Development to conduct a program to improve the performance and marketability of recycled oil.

H.R. 6687. May 5, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 6688. May 6, 1975. Judiciary. Establishes minimum rules and standards for the treatment of prisoners in Federal correctional institutions. Directs the Attorney General to establish a grievance procedure for prisoners.

H.R. 6689. May 6, 1975. Judiciary. Establishes minimum rules and standards for the treatment of prisoners in Federal correctional institutions. Directs the Attorney General to establish a grievance procedure for prisoners.

H.R. 6690. May 6, 1975. Agriculture. Authorizes the Secretary of Agriculture, under the Packers and Stockyards Act of 1921, to require insolvent packers to cease and desist from operating and to grant or deny reparations to complainants who are charged with violations under such Act. Grants priority in an insolvency proceeding to debts owed for the purchase of livestock.

H.R. 6691. May 6, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by stipulating that an individual who is unable to care for his personal needs without assistance shall be considered disabled for the purpose of determining eligibility for a home health aide under the Medicaid program.

H.R. 6692. May 6, 1975. Government Operations. Authorizes necessary appropriations for the period July 1, 1976 through September 30, 1976 to conduct programs and activities for which funding was authorized for fiscal year 1976.

H.R. 6693. May 6, 1975. Armed Services. Repeals the Military Selective Service Act.

H.R. 6694. May 6, 1975. Interstate and Foreign Commerce. Requires any hospital or similar establishment which receives Federal funds guaranteed under any Federal program to allow the biological father to be in attendance during all phases of childbirth, if consent is first obtained from the woman involved

H.R. 6695. May 6, 1975. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 to increase the Federal share of subsidies for the continuation of rail service.

H.R. 6696. May 6, 1975. Interstate and Foreign Commerce. Prescribes criteria for Federal, State, and local agencies regulating electric utilities which would require that rate schedules accurately reflect long-run incremental costs of service and that price differentials for different customer classes reflect actual documented differentials in costs of service.

Prohibits any allowance for recoupment of any advertising costs except if such advertising is designed to discourage energy consumption during peak load periods or to encourage conservation of electricity in general.

Establishes standards for the treatment of fuel adjustment clauses and for the determination of effective dates for proposed changes in rates and schedules.

H.R. 6697. May 6, 1975. Judiciary. Eliminates the antitrust exemption for certain resale maintenance (fair trade) agreements under the Sherman Act and the Federal Trade Commission.

H.R. 6698. May 6, 1975. Ways and Means. Amends the Social Security Act to make permanent the program of temporary assistance for United States citizens returned from abroad. Limits the total amount of funds available for such assistance and the length of time for which an individual may receive such assistance.

H.R. 6699. May 6, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by allowing State Medicare and Medicaid plans to require (1) that physicians be paid in full according to a uniform fee schedule; and (2) that any coinsurance or deductibles be paid by the patient to the State rather than to the physician.

H.R. 6700. May 6, 1975. Ways and Means. Interstate and Foreign Commerce. Requires every employer to offer qualified health care insurance to his employees and their families. Establishes a program of Federal participation to provide qualified health care insurance to nonemployed and self-employed individuals and their families. Requires the Secretary of Health, Education, and Welfare to pay the full premium for continuation of qualified health care insurance for individuals receiving State or Federal unemployment benefits.

H.R. 6701. May 6, 1975. Merchant Marine and Fisheries. Prohibits the banning of lead shot for hunting by any Federal official at any time prior to 1980.

H.R. 6702. May 6, 1975. Post Office and Civil Service. Increases to ninety days the period before an election during which a Member of, or Member-elect to, the Congress may not make a mass mailing as franked mail if such Member or Member-elect is a candidate in such election.

H.R. 6703. May 6, 1975. Veterans' Affairs. Removes the restriction on the guarantee of veterans' mortgages to new condominium units and extends such guarantee to all approved condominiums.

H.R. 6704. May 6, 1975. Ways and Means. Amends the Social Security Act by revising the eligibility requirements for divorced women for wife's or widow's Old Age, Survivors and Disability Insurance benefits.

H.R. 6705. May 6, 1975. Education and Labor. Amends the Older Americans Act of 1965 to direct the Secretary of Health, Education, and Welfare to reimburse States for payments made by the States to elderly citizens in accordance with real property tax relief programs which meet criteria established by this Act.

H.R. 6706. May 6, 1975. Post Office and Civil Service. Revises the authority of the President to appoint employees in the White House Office and Executive Residence at the White House, and to procure services for the performance of his duties.

Authorizes appropriations to enable the President to meet unanticipated needs.

Authorizes the appointment of additional employees for the Domestic Council.

Increases the amount authorized for Presidential travel expenses.

H.R. 6707. May 6, 1975. Government Operations. Amends the Surplus Property Act of 1944 to allow the Administrator of General Services to convey or dispose of to any State, political subdivision, municipality, or public district, without monetary consideration to the United States, surplus real or personal property which is essential, suitable, or desirable for the development, improvement, operation, maintenance, or use of a public port.

H.R. 6708. May 6, 1975. Interior and Insular Affairs. Authorizes Federal financial assistance for the operation and maintenance of the Theodore Roosevelt Inaugural National Historical Site in Buffalo, New York.

H.R. 6709. May 6, 1975. Education and Labor. Repeals the Davis-Bacon Act.

H.R. 6710. May 6, 1975. Judiciary. Authorizes the issuance of immigrant visas to aliens and family members who are natives of the Philippines and who served in the United States Armed Forces during World War II. Permits such aliens currently in the United States on a nonimmigrant visa to have their status adjusted to that of an alien lawfully admitted for permanent residence.

H.R. 6711. May 6, 1975. Agriculture. Amends the Forest Pest Control Act to remove the fiscal year limitation on funds appropriated under the Act.

H.R. 6712. May 6, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 6713. May 6, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 6714. May 6, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 6715. May 6, 1975. Ways and Means. Amends the Internal Revenue Code to increase the exemption from industrial bond treatment for certain small issues.

H.R. 6716. May 6, 1975. Appropriations. Makes a supplemental appropriation to the Department of Labor for youth summer employment programs pursuant to the Comprehensive Employment and Training Act of 1973.

H.R. 6717. May 6, 1975. Agriculture. Authorizes under the Agricultural Adjustment Act of 1938, the lease and transfer of tobacco from marketing quotas to farms in a contiguous county in the same State.

H.R. 6718. May 6, 1975. Armed Services. Stipulates that the retired or retainer pay of a member or former member of the Armed Forces shall not be reduced for Survivor Benefit Plan purposes during any months in which there is no eligible beneficiary.

H.R. 6719. May 6, 1975. Armed Services. Authorizes the Secretary of the Army to retain any reserve officer in an active status, with such officer's consent, until such officer becomes 60 years of age.

H.R. 6720. May 6, 1975. Merchant Marine and Fisheries. Establishes the limit of the United States fishery zone at two hundred miles from the inner limit of the territorial sea.

Extends the jurisdiction of the U.S. over fish which originate in United States inland waters to wherever such fish range in the oceans except that jurisdiction does not extend into the fishery or territorial waters of another country.

H.R. 6721. May 6, 1975. Interior and Insular Affairs. Amends the Mineral Leasing Act of 1920 to require inclusion of certain lands to be leased in a comprehensive land use plan. Requires compliance with Federal environmental laws as a condition of each lease.

Authorizes the Secretary of the Interior to conduct a comprehensive exploratory program to determine the extent of available coal resources. Establishes additional requirements for exploratory drilling activities.

Authorizes disposition of royalties to States for additional public purposes.

H.R. 6722. May 6, 1975. Education and Labor. Amends the domestic Volunteer Service Act of 1973 by authorizing the Director of the ACTION agency to make grants to foster grandparents programs which furnish supportive services to mentally retarded children and adults.

H.R. 6723. May 6, 1975. Post Office and Civil Service. Amends the Fair Labor Standards Act of 1938 by declaring that rural letter carriers may be paid at a rate of compensation established by any collective bargaining agreement made between the Postal Service and any bargaining representative recognized under specified provisions of law.

H.R. 6724. May 6, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 6725. May 6, 1975. Ways and Means. Amends the Social Security Act to extend medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 6726. May 6, 1975. Banking, Currency and Housing. Amends the Federal Credit Union Act with regard to assets, loans, membership, management, including officers and directors, and required reserves. Reorganizes the National Credit Union Administration and Establishes two Presidentially-appointed, Senate-confirmed Boards, the National Credit Union Administration Board, to manage the Administration, and the National Credit Union Administration Advisory Board. Creates the National Credit Union Central Liquidity Facility to maintain the liquidity of credit unions, and to provide for the orderly transfer of funds between and among credit unions and other financial institutions.

H.R. 6727. May 6, 1975. Public Works and

Transportation. Authorizes the Secretary of the Army to delegate certain functions to the States with respect to the location and plans for structures or modifications in or on certain navigable waters.

H.R. 6728. May 6, 1975. Interior and Insular Affairs. Establishes the National Conservation Area of the California Desert. Directs the Secretary of the Interior to develop and implement a comprehensive plan for the management, use, and protection of the natural resource lands within the conservation area.

H.R. 6729. May 6, 1975. Banking, Currency and Housing. Prohibits the Federal Home Loan Bank Board from permitting Federal savings and loan associations to make home mortgage loans with variable interest rates except in certain circumstances.

H.R. 6730. May 6, 1975. Ways and Means. Amends the Federal-State Extended Unemployment Compensation Act to increase the amount of weekly benefits under the extended and the emergency unemployment compensation programs.

Removes restrictions on the number of weeks of unemployment compensation under the emergency unemployment compensation program.

H.R. 6731. May 6, 1975. Ways and Means. Amends the Internal Revenue Code to increase the exemption from industrial bond treatment for certain small issues.

H.R. 6732. May 6, 1975. Judiciary. Amends the Immigration and Nationality Act by revising the criteria under which the Attorney General may adjust the status of certain aliens to that of lawfully admitted.

Makes it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the names of illegal aliens who are receiving assistance under the Social Security Act.

H.R. 6733. May 6, 1975. Ways and Means. Amends the Federal Unemployment Tax Act to establish a moratorium on application of penalties upon States which fail to make timely repayment of certain advances made to the State's unemployment account.

H.R. 6734. May 6, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish a regional national park in each State not now containing a national park.

Directs the National Park Service to administer, protect, and develop each park. Authorizes the Secretary of Transportation to establish demonstration mass transportation systems in at least three park sites.

H.R. 6735. May 6, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by authorizing the Secretary of Labor to make loans to any unit of general local government to assist such government in complying with occupational safety and health standards required by an approved State plan.

H.R. 6736. May 6, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from 36 months to 45 months.

H.R. 6737. May 6, 1975. Agriculture. Establishes a Food Research Advisory Committee within the Department of Agriculture to review applications for and make recommendation on food research grants. Directs the Secretary of Agriculture to project grants for food research to applicants selected by the Committee.

H.R. 6738. May 6, 1975. Agriculture. Establishes a Food Research Advisory Committee within the Department of Agriculture to review applications for and make recommendation on food research grants. Directs the Secretary of Agriculture to make project grants for food research to applicants selected by the Committee.

H.R. 6739. May 6, 1975. Ways and Means. Amends the Social Security Act with respect to Old-Age, Survivors, and Disability Insurance by directing the Secretary of Health, Education, and Welfare to establish procedures for expediting (1) replacement of lost, stolen or misdelivered benefit checks; (2) initial benefit payments; (3) hearings on eligibility; and (4) final determinations of eligibility.

H.R. 6740. May 6, 1975. Education and Labor. Amends the Federal Coal Mine Health and Safety Act of 1969 by stipulating that if a miner was employed for twenty-five years or more in one or more underground coal mines, and if such miner died prior to the effective date of such Act, there shall be an irrebuttable presumption, for purposes of determining eligibility for black lung benefits, that his death was due to pneumoconiosis or that at the time of his death he was totally disabled by pneumoconiosis.

H.R. 6741. May 6, 1975. Ways and Means. Amends the Internal Revenue Code to allow a tax credit for the amount paid by the taxpayer in a taxable year for the purchase of any prosthetic device.

H.R. 6742. May 6, 1975. Banking, Currency and Housing. Establishes a Federal Housing Bank (1) to purchase certain mortgages from the Federal Mortgage Association and the Federal Home Bank System, (2) to refinance certain mortgages of families stricken by unemployment, and (3) to provide emergency mortgage relief.

H.R. 6743. May 6, 1975. Banking, Currency and Housing. Authorizes the Director of the Community Services Organization to make grants to States for programs to provide for insulation of homes of low-income persons.

Directs the Director to develop and publish criteria to evaluate such State programs.

H.R. 6744. May 6, 1975. International Relations. Requires that all executive agreements be approved by the Senate before they become effective.

H.R. 6745. May 6, 1975. Interior and Insular Affairs. Authorizes the Federal Power Commission to issue a license for the construction and operation of the Hualapai Dam on the Colorado River.

Amends the Colorado River Basin Project Act to make certain provisions of the Federal Power Act applicable to certain reaches of the Colorado River.

H.R. 6746. May 6, 1975. Interstate and Foreign Commerce; Public Works and Transportation. Prohibits the use of certain factors by the Secretary of the Army, the Chief of Engineers, or any other officer or employee of the United States in determining the navigability of certain waters within a single State.

H.R. 6747. May 6, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to extend compliance dates for certain motor vehicle emission standards until model year 1982. Authorizes studies with respect to the feasibility of standards for subsequent model years.

H.R. 6748. May 6, 1975. Agriculture. Exempts the Sabine River Authority of Louisiana and Texas from the payment of annual charges for the use of lands in the Sabine National Forest in Texas in recognition of benefits to the United States from the construction of the Toledo Bend Dam and Reservoir Project.

H.R. 6749. May 6, 1975. Public Works and Transportation. Directs the Secretary of the Interior not to include the costs of replacing and relocating a certain section of electric power transmission line in Alaska in determining reimbursable costs for use of a certain electric power facility.

H.R. 6750. May 6, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for moving expenses incurred as the result of a Government transfer.

H.R. 6751, May 6, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6752. May 6, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6753. May 6, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 6754. May 6, 1975. Merchant Marine and Fisheries. Requires the inspection, licensing, and operation of a certain vessel as a passenger-carrying vessel, if certain qualifications are met.

H.R. 6755. May 7, 1975. Judiciary. Authorizes appropriations to carry out the functions of the Migration and Refugee Assistance Act of 1962 with respect to aliens who have fled Cambodia or Vietnam.

H.R. 6756. May 7, 1975. Ways and Means. Amends the Internal Revenue Code to allow a tax credit for expenditures related to exploration and development of new deposits of oil and gas reserves.

H.R. 6757. May 7, 1975. Education and Labor. Repeals the Davis-Bacon Act.

H.R. 6758. May 7, 1975. Ways and Means. Amends the estate tax provisions of the Internal Revenue Code to allow a limited deduction from the gross estate of the value of the decedents' interest in a family farming operation which passes to an individual related to him or his spouse.

H.R. 6759. May 7, 1975. Ways and Means. Amends the Internal Revenue Code to make requirement that mutual savings banks maintain reserves to cover losses on loans applicable to national mortgage associations.

H.R. 6760. May 7, 1975. Post Office and Civil Service. Revises regulations regarding creditable service for civil service retirement purposes with respect to National Guard technicians.

H.R. 6761. May 7, 1975. Armed Services. Repeals the Military Selective Service Act. Transfers the functions of the Reconciliation Service program of the Selective Service System to the Department of Justice.

H.R. 6762. May 7, 1975. Judiciary. Authorizes appropriations to carry out the functions of the Migration and Refugee Assistance Act of 1962 with respect to aliens who have fled Cambodia and Vietnam.

H.R. 6763. May 7, 1975. Interior and Insular Affairs. Amends the Land and Water Conservation Fund Act of 1965 to authorize additional appropriations for preservation of outdoor recreation resources. Revises procedures for providing financed assistance to States.

Amends the National Historic Preservation Act of 1966 to establish a historic preservation fund from revenues collected from mining leases and leases on the Outer Continental Shelf.

H.R. 6764. May 7, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6765. May 7, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6766. May 7, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to provide to insurance companies and other insurers. Requires a State to have an effective program for arbitration of medical malpractice claims before Federal reinsurance will be available. Requires civil actions for damages on account of alleged malpractice to first be submitted to State arbitration.

H.R. 6767. May 7, 1975. Interstate and Foreign Commerce. Directs the Secretary of Transportation to make grants to certain states, political subdivisions of States, railroads, transportation authorities, and regional commissions for the purpose of providing employment in jobs repairing railroad roadbeds and facilities in areas identified by the Secretary of Labor as areas of substantial unemployment.

H.R. 6768. May 7, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act by (1) mandating benefit increases and emergency assistance grants; (2) prohibiting benefit decreases as a consequence of increases in other social security benefits; (3) adding supplementary housing benefits; (4) revising the basis upon which mandatory minimum State supplementation is calculated; (5) revising administrative procedures for paying benefits; and (6) redefining "eligible spouse".

Amends the Food Stamp Act of 1964 by allowing certain Supplemental Security Income recipients to elect to receive food stamps.

H.R. 6769. May 7, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act by (1) mandating benefit increases and emergency assistance grants; (2) prohibiting benefit decreases as a consequence of increases in other social security benefits; (3) adding a supplementary housing benefit; (4) revising the basis upon which mandatory minimum State supplementation is calculated; (5) revising administrative procedures for paying benefits; and (6) redefining "eligible spouse".

Amends the Food Stamp Act of 1964 by allowing certain Supplemental Security Income recipients to elect to receive food stamps.

H.R. 6770. May 7, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to provide financial assistance for the construction of a facility system in Monroe, Missouri, to connect with a rural electric cooperative.

H.R. 6771. May 7, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6772. May 7, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified breweries.

H.R. 6773. May 7, 1975. Ways and Means. Amends the Tariff Schedules for the United States to permit duty-free entry of certain machines, molds, and equipment, if products of Canada, used in forming plastic materials.

H.R. 6774. May 7, 1975. Education and Labor. Amends the Comprehensive Employment and Training Act of 1973 to make native Hawaiians eligible for assistance under Federal manpower programs administered under the Act.

H.R. 6775. May 7, 1975. Ways and Means. Amends the Social Security Act by including the services of registered nurses under the Medicare and Medicaid programs.

H.R. 6776. June 7, 1975. Interstate and Foreign Commerce. Amends the Railroad Retirement Act of 1974 to authorize benefits for remarried widows and divorced wives of deceased railroad employees to the same extent as under provisions of the Social Security Act.

H.R. 6777. June 7, 1975. Interstate and Foreign Commerce. Amends the Railroad Retirement Act of 1974 to declare that an individual who has completed thirty years of service shall be deemed to have a current connection with the railroad industry for the purposes of such Act.

H.R. 6778. June 7, 1975. Judiciary. Amends the Gun Control Act of 1968 to make it unlawful to knowingly import or receive any part of a firearm.

Makes it unlawful to sell any firearm which is not suitable for sporting purposes. Requires the Secretary of the Treasury to make rules establishing the characteristics of guns not suitable for lawful sporting purposes.

H.R. 6779. June 7, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6780. June 7, 1975. Education and Labor. Amends the Higher Education Act of 1965 to allow institutions which have been designated by the appropriate State educational agency as postsecondary schools to be eligible as institutions for purposes of basic educational opportunity grants notwithstanding any other provisions of law.

H.R. 6781. June 7, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 5 years. Revises the conditions for approval of applications for licensing renewal. Allows appeals from Federal Communications Commission decisions to be brought in the circuit in which the broadcast facility is, or is proposed to be located instead of in the District of Columbia Court of Appeals.

Requires the Federal Communications Commission to study possible reduction and consolidation of the filings, supporting documents, and other administrative materials now required for renewal applications.

H.R. 6782. May 7, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 6783. May 7, 1975. Judiciary. Authorizes the National Institute of Corrections within the Bureau of Prisons to make grants to qualified applicants for the purpose of training and/or employing offenders.

H.R. 6784. May 5, 1975. Judiciary; Standards of Official Conduct. Requires lobbyists to (1) register with the Federal Election Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities.

Requires certain officials of the executive branch to record their communications with lobbyists.

Repeals the Federal Regulation of Lobbying Act.

H.R. 6785. May 7, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6786. May 7, 1975. Judiciary. Allows the attorney general of a State to bring a civil action under the Federal antitrust laws on behalf of the citizens of any political subdivision of that State or the State itself.

H.R. 6787. May 7, 1975. Education and Labor. Authorizes the Commissioner of Education to make education grants to students who were enrolled in an academic degree program on January 1, 1975 and who are citizens of Vietnam or Cambodia as determined by the Secretary of State.

H.R. 6788. May 7, 1975. Veteran's Affairs. Authorizes the Administrator of Veterans' Affairs to make grants to States to enable them to establish and maintain veterans' cemeteries.

H.R. 6789. May 7, 1975. Public Works and Transportation. Designates the Federal office building to be located in Columbia, South Carolina, as the "Strom Thurmond Federal Building".

H.R. 6790. May 7, 1975. Public Works and Transportation, Authorizes the Secretary of Commerce to make grants through the economic Development Administration for local public works projects.

H.R. 6791. May 7, 1975. Government Operations. Expands the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials.

H.R. 6792. May 7, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for volunteer services performed by an individual in a Veterans' Administration hospital.

H.R. 6793. May 7, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior and the Secretary of Agriculture to use aircraft and motorized vehicles to protect, manage, and control wild free-roaming horses and burros.

Authorizes the Secretary to sell or donate excess horses or burros to individuals or organizations.

H.R. 6794. May 7, 1975. Interstate and Foreign Commerce. Authorizes the President to establish plans to curtail energy consumption, including programs of gasoline rationing, subject to Congressional review. Creates additional reserves to prevent disruption in supplies of petroleum products.

Amends the Emergency Petroleum Allocation Act of 1973 to establish price ceilings on domestic crude oil. Includes provisions to encourage development of domestic energy supplies and alternative fuel sources.

Directs the Federal Energy Administrator to establish guidelines to improve industrial energy conservation. Establishes automobile fuel economy standards. Requires disclosure of energy efficiency information by manufacturers of certain products.

Establishes additional incentives to encourage conversion from natural gas to coal.

H.R. 6795. May 7, 1975. Post Office and Civil Service. Prohibits, with certain exceptions, employees of executive agencies from requesting or receiving from Federal officials or employees anything of value for political purposes.

Permits employees of Federal executive agencies or the District of Columbia government to participate in political management or in political campaigns.

H.R. 6796. May 7, 1975. Government Operations. Expands the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials.

H.R. 6797. May 7, 1975. International Relations. Declares it the sense of Congress that South Vietnamese refugees who would not be endangered by return to South Vietnam be offered the opportunity to do so.

Directs the President (1) to determine whether such return would be permitted by the Government of South Vietnam; (2) to identify refugees who would choose to return; and (3) to provide transportation of such refugees.

H.R. 6798. May 7, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified breweries.

H.R. 6799. May 7, 1975. Judiciary. Approves with certain changes the amendments to the Federal Rules of Criminal Procedure proposed by the U.S. Supreme Court in their order of April 11, 1974. Stipulates that the amendments shall take effect on August 1, 1975.

H.R. 6800. May 7, 1975. Ways and Means. Amends the Internal Revenue Code with respect to the determination of the allowable tax credit for the purchase of a new principal residence.

H.R. 6801. May 7, 1975. Ways and Means. Incorporates the Army and Navy Union of the United States of America.

H.R. 6802. May 7, 1975. Ways and Means. Authorizes the Secretary of the Treasury to establish an income tax counseling service for elderly individuals.

H.R. 6803. May 7, 1975. Standards of Official Conduct. Requires each Member of Congress and certain employees of Congress to file a report with the Comptroller General enumerating their sources of income and other financial interests.

H.R. 6804. May 7, 1975. Veterans' Affairs. Excludes public or private retirement, annuity, or endowment payments in computing annual income for the purpose of determining eligibility for a pension from the Veterans' Administration.

H.R. 6805. May 7, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 6806. May 7, 1975. Veterans' Affairs. Terminates the Vietnam era period of war for the purposes of extending benefits under the veterans' laws.

H.R. 6807. May 7, 1975. Interstate and Foreign Commerce. Limits the authority of the Secretary of Health, Education and Welfare, under the Federal Food, Drug, and Cosmetic Act, to regulate vitamins and minerals.

H.R. 6808. May 7, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to provide financial assistance to railroads, States, political subdivisions and regional commissions and transportation authorities for programs aimed at reducing unemployment and at repairing, rehabilitating, and improving railroad roadbeds and facilities.

H.R. 6809. May 7, 1975. Interstate and Foreign Commerce. Amends the Communications Satellite Act of 1962 to revise provisions of the Act relating to the following: (1) the duties of the President and the Federal Communications Commission under the Act; (2) the election of the Board of Director of the Communications Satellite Corporation; (3) the financing of the corporation; (4) the foreign business negotiations of the corporation and (5) the reports required to be submitted to Congress under the Act.

H.R. 6810. May 7, 1975. Interstate and Foreign Commerce. Authorizes an additional Assistant Secretary of Commerce, to be appointed by the President by and with the advice and consent of the Senate.

H.R. 6811. May 7, 1975. Judiciary. Authorizes the issuance during a one-year period of two thousand special immigrant visas to nationals or citizens of Ireland residing in Ireland.

H.R. 6812. May 7, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for compensation based upon certain personnel action of the Foreign Commerce Operations Administration.

H.R. 6813. May 7, 1975. Armed Services. Authorizes the President to present the Medal of Honor to a certain individual.

H.R. 6814. May 7, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain organization in full settlement of such organization's claims against the United States for expenses incurred in compliance with grant conditions imposed by the Office of Economic Opportunity.

H.R. 6815. May 7, 1975. Judiciary. Declares a certain individual eligible for naturalization under the Immigration and Nationality Act.

H.R. 6816. May 7, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for expenses incurred for storage of household goods during such individual's service with the Department of Agriculture.

H.R. 6817. May 7, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 6818. May 8, 1975. Education and Labor. Authorizes the Secretary of Labor to pay the wages of employees of certain insolvent railroads under the Comprehensive Employment and Training Act of 1973.

H.R. 6819. May 8, 1975. Interstate and Foreign Commerce. Extends the maximum term of license and license renewal for the operation of broadcasting stations from three to five years.

H.R. 6820. May 8, 1975. International Relations; Interior and Insular Affairs. Prohibits the export of unprocessed timber harvested from public lands of the United States, except specific grades and species of timber determined by the Secretaries of Interior and Agriculture to be surplus to domestic needs.

H.R. 6821. May 8, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to allow the Administrator of the Environmental Protection Agency to accept State certification as discharging his responsibilities under certain provisions for the development and construction of adequate waste treatment facilities.

H.R. 6822. May 8, 1975. Ways and Means. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government. Amends various other provisions of the Social Security Act and the Public Health Service Act.

H.R. 6823. May 8, 1975. Ways and Means. Amends the Social Security Act by including the services of registered nurses under the Medicare and Medicaid programs.

H.R. 6824. May 8, 1975. Veterans' Affairs. Establishes per annum full-pay scale for the Chief Medical Director, the Deputy Chief Medical Director, and the Associate Deputy Chief Medical Director of the Department of Medicine and Surgery of the Veterans' Administration. Revises the pay scale for physicians, dentists and nurses in the Department of Medicine and Surgery and establishes a program allowing six months leave with pay for study in his or her specialty. Authorizes the Administrator of Veterans' Affairs to credit, for purposes of the Civil Service Retirement Act physicians and dentists with the time spent in pursuit of a degree of doctor of medicine or dentistry.

H.R. 6825. May 9, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 6826. May 8, 1975. Ways and Means. Amends the Internal Revenue Code to exempt a portion of an individual's wages, salary, or other income from a levy to enforce the payment of Federal taxes.

H.R. 6827. May 8, 1975. Judiciary. Authorizes the United States to pay attorney's fees and other costs to the defendant in Federal criminal cases when the court determines that such payments are in the interest of justice.

H.R. 6828. May 8, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 6829. May 8, 1975. Ways and Means. Amends the Internal Revenue Code to permit a charitable contribution of any literary, musical, or artistic composition or similar property to be deducted at its fair market value.

H.R. 6830. May 8, 1975. Ways and Means. Amends the Internal Revenue Code to exempt any operating foundation which is organized and operated primarily as a library, museum, or other similar educational institution furnishing facilities or services directly to the public from the excise tax on the net investment income of a private foundation.

H.R. 6831. May 8, 1975. Ways and Means. Authorizes the Secretary of the Treasury to establish an income tax counseling service for elderly individuals.

H.R. 6832. May 8, 1975. Banking, Currency and Housing. Amends the Housing and Community Development Act of 1974 to require that a certain percentage of the funds allocated for community development programs under that Act is distributed to units of general local government other than metropolitan cities and urban counties, and to States, for use in metropolitan areas.

H.R. 6833. May 8, 1975. Small Business. Directs the Small Business Association to assume or suspend, for a temporary period repayment of loans made pursuant to the Small Business Act to certain business concerns.

H.R. 6834. May 8, 1975. Post Office and Civil Service. Prohibits franked mailing by Members of the Congress and certain officers of the United States, other than mailing related to the closing of their official business, after such Members or officers have left office.

Stipulates that mailings related to the closing of official business may be sent as franked mail only during the 90-day period immediately following the date on which the office is left.

H.R. 6835. May 8, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-age, Survivors, and Disability Insurance benefits. Revises the method of calculating the amount of allowable earnings.

H.R. 6836. May 8, 1975. Government Operations. Authorizes the Secretary of the Treasury to make emergency support grants for economic recovery to the States and to local governments.

H.R. 6837. May 8, 1975. Education and Labor. Authorizes Federal emergency financial assistance to local government units to enable them to hire and fire police personnel to replace those public safety officers who were laid off by the unit due to severe financial hardship.

H.R. 6838. May 8, 1975. Agriculture. Amends the Food Stamp Act of 1964 to require (1) broader dissemination of information concerning the food stamp program; and (2) State agencies to expedite the certification process. Authorizes the Secretary of Agriculture to pay to each State agency 50 percent of its administrative costs.

H.R. 6839. May 8, 1975. Rules. Establishes a Joint Congressional Committee on International Policy (1) to study matters relating to international relations; (2) to study means of coordinating foreign policy programs; and (3) to assist Congressional committees dealing with foreign policy legislation.

H.R. 6840. May 8, 1975. Interstate and Foreign Commerce. Establishes a national program for the prevention and control of venereal disease, under the Public Health Service Act.

H.R. 6841. May 8, 1975. Education and Labor. Amends the Age Discrimination in Employment Act by extending the coverage of the Act to individuals sixty years of age or over.

H.R. 6842. May 8, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6843. May 8, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to develop land use plans for the natural resource lands administered through the Bureau of Land Management, except the Outer Continental Shelf.

Establishes criteria for the conveyance and acquisition of natural resource lands. Authorizes development of a plan for the future management of lands designated as California desert area.

Authorizes the Secretary of the Interior to grant rights-of-way through natural resource lands for transportation or other facilities in the public interest. Repeals existing law relating to the disposal of natural resource lands.

H.R. 6844. May 8, 1975. Interstate and Foreign Commerce. Authorizes appropriations for the Consumer Product Safety Commission through September 30, 1978. Amends various jurisdictional, administrative, and technical provisions of the Poison Prevention Packaging Act of 1970, the Federal Hazardous Substance Act, and the Consumer Product Safety Act.

H.R. 6845. May 8, 1975. Armed Services. Directs the Secretary of Defense to continue to operate and maintain the commissary stores of the agencies of the Department of Defense.

H.R. 6846. May 8, 1975. Judiciary. Authorizes the issuance during a one year period of two thousand special immigrant visas to nationals or citizens of Ireland residing in Ireland.

H.R. 6847. May 8, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to (1) authorize supplemental air carriers to control or share in control of a person authorized by the Civil Aeronautics Board to sell individual tickets for inclusive tours to the general public; (2) prohibit the Board from regulating charter trips in such a way as to reduce the availability of such trips; and (3) direct the Board to issue regulations defining the permissible activities of air travel clubs which operate aircraft, and certain other commercial aircraft operators.

H.R. 6848. May 8, 1975. Interior and Insular Affairs. Establishes an Alaska Scenic Reserve Service to administer designated lands and waters in Alaska for recreational and related purposes. Designates certain public lands and waters as components of the National Park System, the National Forest System, and the National Wild and Scenic Rivers System.

Directs the secretary of the Interior to designate certain lands as corridors for multi-modal transportation or utility purposes.

H.R. 6849. May 8, 1975. Judiciary; International Relations. Authorizes appropriations for resettlement of Vietnamese and Cambodian refugees. Imposes a one-year moratorium on all hiring of refugees from Vietnam who participated in the Operation Phoenix program.

H.R. 6850. May 8, 1975. Ways and Means. Extends the temporary eligibility of supplemental security income recipients for food stamps for an additional twelve months.

H.R. 6851. May 8, 1975. Merchant Marine and Fisheries. Increases the annual retirement pay of certain former members of the Lighthouse Service who retired on or before October 1, 1972.

H.R. 6852. May 8, 1975. Judiciary. Declares a certain individual to have been retired from the United States Army for physical disability. Directs the Secretary of the Army to pay such individual retired pay accordingly.

H.R. 6853. May 8, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 6854. May 8, 1975. Judiciary. Allows the filing of a certain claim under the Trading With the Enemy Act, notwithstanding any time limitation.

H.R. 6855. May 8, 1975. Judiciary. Declares a certain individual eligible for naturalization under the Immigration and Nationality Act.

H.R. 6856. May 9, 1975. Judiciary. Extends the Migration and Refugee Assistance Act of 1962 to refugees of South Vietnam or Cambodia. Requires that such assistance be rendered in consultation with State and local officers or agencies.

H.R. 6857. May 9, 1975. Interstate and Foreign Commerce. Amends the Securities and Exchange Act of 1934 to require foreign investors and proxies of such investors to file a statement with the Securities and Exchange Commission notifying the Commission of their intention to acquire more than 5 percent of the equity securities of a U.S. company.

Authorizes the President to prohibit any such purchase by foreign investors.

Requires issuers of securities to file with the Commission a list of the names and nationalities of the owners of their equity securities.

H.R. 6858. May 9, 1975. Ways and Means. Amends the Social Security Act by specifying that Federal payments may be made under the social services program for the training of personnel who are preparing for employment with State or local social services agencies as well as for the training or retraining of individuals already employed by such agencies.

H.R. 6859. May 9, 1975. Post Office and Civil Service. Prohibits franked mailings by Members of Congress and certain officers of the United States, other than mailings related to the closing of their official business after such Members or officers have left office.

Stipulates that mailings related to the closing of official business may be sent as franked mail only during the 90-day period immediately following the date on which the office is left.

H.R. 6860. May 9, 1975. Ways and Means. Imposes quantitative restrictions on U.S. petroleum imports. Directs the President to establish an import licensing system. Imposes duties on imports of petroleum and petroleum products.

Establishes an Energy Conservation and Conversion Trust Fund. Imposes taxes on certain motor fuels, on automobiles based on fuel mileage efficiency, and on certain business uses of petroleum products. Authorizes expenditures of such revenues for development of new energy technologies and for mass transportation.

Revises tax treatment for certain energy-related property. Repeals taxes on radial tires, recycled oil, and buses used in intercity public transportation. Authorizes tax credits for certain energy-conserving activities.

H.R. 6861. May 12, 1975. Interstate and Foreign Commerce. Makes Federal reimbursement for State expenditures for medicaid under the Social Security Act conditional upon such State's enforcing guarantees of specified rights of patients in certain public and private treatment facilities.

H.R. 6862. May 12, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6863. May 12, 1975. Education and Labor. Amends the Vocational Education Act of 1963 to increase and extend appropriations for various programs relating to bilingual education and vocational training. Authorizes grants for conducting training programs for instructors in bilingual vocational educational programs and for developing instructional materials, methods, or techniques for bilingual vocational training.

H.R. 6864. May 12, 1975. Judiciary; Standards of Official Conduct. Requires those persons who seek to influence actions and decisions of Federal employees of the legislative and executive branches of Government to register with the Federal Elections Commission and to keep certain records with respect to such activity. Designates the Federal Elections Commission to administer this act.

H.R. 6865. May 12, 1975. Interstate and Foreign Commerce. Extends the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 5 years.

H.R. 6866. May 12, 1975. Ways and Means. Revises the Internal Reveneu Code by amending and repealing portions of the Code with respect to capital gains and losses, income derived from the extraction of minerals, individual and corporate income, the estate and gift tax, and State and local obligations.

H.R. 6867. May 12, 1975. Post Office and Civil Service. Makes Election Day a national holiday.

H.R. 6868. May 12, 1975. Post Office and Civil Service. Makes Election Day, the Tuesday next after the first Monday in November, in every even-numbered year, a national holiday.

H.R. 6869. May 12, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction to individuals for amounts paid into a qualified mortgage lending account. Excludes from gross income interest or dividends received or accrued by the taxpayer from such accounts.

H.R. 6870. May 12, 1975. Atomic Energy. Directs the Nuclear Regulatory Commission to cease the granting of licenses or construction authorizations for certain nuclear power plants pending the outcome of a comprehensive study by the Office of Technology Assessment. Requires a five-year independent study of the nuclear fuel cycle by the office of Technology Assessment with final reports and recommendations to be made to the Congress.

H.R. 6871. May 12, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method of allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 6872. May 12, 1975. Post Office and Civil Service. Authorizes reduced second-class postal rates for certain State conservation publications.

H.R. 6873. May 12, 1975. Appropriations. Appropriates certain funds not otherwise appropriated to the Secretary of the Army for the San Luis Rey River project in California.

H.R. 6874. May 12, 1975. Interior and Insular Affairs. Amends the Small Reclamation Projects Act of 1956 to redefine the term "project" and to revise the method of calculating the costs of such projects. Establishes new limitations on the amount of Federal loans under the Act. Increases the appropriations authorization for the purposes of the Act and establishes procedures for Congressional review of additional expenditures due to increased construction costs.

H.R. 6875. May 12, 1975. Judiciary. Grants amnesty to those persons who failed or refused to register for the draft or who have failed or refused induction into the Armed Forces of the United States or who have deserted the Armed Forces between August 4, 1964, and March 28, 1973. Authorizes full restoration of citizenship to those who renounced such citizenship because of disapproval of involvement of the United States in Indochina.

H.R. 6876. May 12, 1975. Interstate and Foreign Commerce. Amends the Controlled Substances Act to make the possession of specified amounts of marihuana for private use and the distribution, transfer or sale of marihuana, lawfully possessed, to any person for private use if such distribution, transfer or sale is not for profit, an offense for which a person may be subject to a civil fine of not more than $100.

H.R. 6877. May 12, 1975. Ways and Means. Authorizes a 15 percent increase in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 6878. May 12, 1975. Public Works and Transportation. Adds twenty-eight miles to the Interstate Highway System between Milford and East Stroudsburg, Pa.

H.R. 6879. May 12, 1975. Post Office and Civil Service. Authorizes and requests the President to proclaim the fourth Friday in September of every year as Native American Indian Day.

H.R. 6880. May 12, 1975. Interior and Insular Affairs. Suspends the authority of the Secretary of the Interior to issue leases or prospecting permits for Federally owned coal lands or deposits.

H.R. 6881. May 12, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from thirty-six months to forty-eight months. Extends the aggregate period of eligibility under 2 or more programs of educational assistance from 48 months to 96 months.

H.R. 6882. May 12, 1975. Interior and Insular Affairs. Enlarges the Sequoia National Park in California to include the Sequoia National Park in California to include the Sequoia National Game Refuge.

H.R. 6883. May 12, 1975. Interior and Insular Affairs. Enlarges the Sequoia National Park in California to include the Sequoia National Game Refuge.

H.R. 6884. May 12, 1975. Interior and Insular Affairs. Enlarges the Sequoia National Park in California to include the Sequoia National Game Refuge.

H.R. 6885. May 12, 1975. Government Operations. Authorizes the Administrator of General Services to assign surplus Federal property to the Secretary of Commerce for disposal of such property to States and local areas threatened by unemployment as a result of the closing of Federal facilities. Requires that such property be used by the transferees for economic development purposes.

H.R. 6886. May 12, 1975. Puglic Works and Transportation. Amends the Federal Aviation Act of 1958 to authorize reduced fares on a space-available basis for persons who are sixty-two years old or older.

H.R. 6887. May 12, 1975. Interior and Insular Affairs. Amends the National Trial System Act to authorize a study to determine the feasibility of designating the Pacific Northwest Trail in Idaho, Montana, and Washington as a national scenic trail.

H.R. 6888. May 12, 1975. Judiciary. Imposes additional sentences for the commission of a felony with a firearm or while carrying a firearm. Requires that such additional sentence not run concurrently with any other term of imprisonment.

H.R. 6889. May 12, 1975: Interior and Insular Affairs. Authorizes the Secretary of the Interior to enter into an agreement with the Governor of Michigan for the establishment of the Father Marquette National Memorial in Michigan.

H.R. 6890. May 12, 1975. Armed Services. Authorizes appropriations to the Department of Defense for fiscal year 1976. Prescribes the authorized personnel strength for each active duty and selected Reserve component of the Armed Forces, and of civilian personnel of the Department of Defense. Authorizes military training student loads.

H.R. 6891. May 12, 1975. Banking, Currency and Housing. Establishes a program of reporting on uses of commercial bank credit.

Directs the Federal Reserve Board to administer such program.

H.R. 6892. May 12, 1975. Interior and Insular Affairs. Designates certain lands in the Shenandoah National Park in Virginia as wilderness.

H.R. 6893.—May 12, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for loss of personal property.

H.R. 6894.—May 13, 1975. Appropriates funds for assistance to refugees from Vietnam and Cambodia.

H.R. 6895.—May 13, 1975. Agriculture. Amends the Food Stamp Act of 1964 by (1) transferring the functions of the Secretary of Agriculture to the Secretary of Health, Education, and Welfare; and (2) revising eligibility requirements to exclude certain households containing a member who is engaged in a labor strike and individuals who receive one-half of their income from an individual who is not eligible for food coupons.

H.R. 6896.—May 13, 1975. Education and Labor. Repeals the Davis-Bacon Act.

H.R. 6897.—May 13, 1975. Ways and Means. Establishes a variable import duty fee, under the Agricultural Marketing Agreement Act of 1937, to be levied upon all milk of which may be entered or withdrawn from dairy cattle, or products of such milk, which may be entered or withdrawn from warehouse for consumption.

H.R. 6898.—May 13, 1975. Interior and Insular Affairs. Establishes the Santa Monica Mountains and Seashore Urban National Park in the State of California. Authorizes the Secretary of the Interior to acquire the lands, waters, or interests therein which are located within the proposed boundaries of the park.

H.R. 6899.—May 13, 1975. Public Works and Transportation. Permits Federal participation in the construction of ferry boats for operation between the islands of the Commonwealth of Puerto Rico.

H.R. 6900.—May 13, 1975. Ways and Means. Amends the Emergency Unemployment Compensation Act of 1974 to extend certain additional unemployment compensation benefit provisions allowing for an additional thirteen weeks of unemployment compensation until July 1, 1976.

Amends the Emergency Jobs and Special Unemployment Assistance Act of 1974 to extend the authorization for the special unemployment assistance program for an additional year. Increases from twenty-six to thirty-nine the maximum number of weeks of eligibility under such program.

Authorizes the Secretary of Labor to make loans to the unemployment fund of the Virgin Islands.

H.R. 6901. May 13, 1975. Ways and Means. Includes the services of clinical psychologists under the coverage of the Medicare supplementary medical insurance program of the Social Security Act.

H.R. 6902. May 13, 1975. Ways and Means. Amends the Social Security Act to allow Federal officers and employees to elect coverage under Old-Age, Survivors and Disability Insurance.

H.R. 6903. May 13, 1975. Ways and Means. Includes the services of clinical psychologists under the coverage of the Medicare supplementary medical insurance program of the Social Security Act.

H.R. 6904. May 13, 1975. Ways and Means. Amends the Social Security Act to include optometrists' services and medical vision care under the Medicare supplementary medical insurance benefits program.

Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 6905. May 13, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6906. May 13, 1975. Merchant Marine and Fisheries. Amends the National Wildlife Refuge System Administration Act of 1966 to revise provisions relating to the authority of the Secretary of the Interior and the Fish and Wildlife Service with regard to the disposal of lands within the system.

H.R. 6907. May 13, 1975. Interstate and Foreign Commerce. Directs the Secretary of Commerce to require reports from foreign investors in domestic business, and their agents, stating as a minimum, (1) the name of the investor; (2) the name of the agent; (3) the amount of the interest in a domestic business; and (4) the name of the domestic business.

Directs the Attorney General to take action to require foreign investors to relinquish ownership of a domestic business under certain conditions.

H.R. 6908. May 13, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 6909. May 13, 1975. Government Operations. Requires that meetings of Federal agencies be open to the public except as stipulated in this Act. Requires that edited transcripts of all meetings be made available to the public. Prohibits ex parte communications during on-the-record agency meetings.

H.R. 6910. May 13, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of a certain quantity of asbestos chrysotile from the national stockpile and the supplemental stockpile.

H.R. 6911. May 13, 1975. Post Office and Civil Service. Directs that grade benefits be retained for certain Federal employees whose positions are reduced in grade.

H.R. 6912. May 13, 1975. Post Office and Civil Service. Creates the Federal Labor Relations Authority to oversee labor relations between Federal agencies and civilian Federal employees. Enumerates unfair labor practices and empowers the authority to prevent such practices.

Directs the Authority and the Federal Mediation and Conciliation Service to provide assistance to agencies and labor organizations in resolving negotiation disputes.

H.R. 6913. May 13, 1975. Interstate and Foreign Commerce. Requires the Director of the National Institute of Child Health and Human Development to plan and develop a coordinated autism research program. Authorizes the Secretary of Health, Education, and Welfare to make grants, loans and loan guarantees to public or private nonprofit residential or nonresidential centers with education programs for autistic children.

H.R. 6914. May 13, 1975. Interstate and Foreign Commerce. Requires the Director of the National Institute of Child Health and Human Development to plan and develop a coordinated autism research program. Authorizes the Secretary of Health, Education, and Welfare to make grants, loans and loan guarantees to public or private nonprofit residential or nonresidential centers with education programs for autistic children.

H.R. 6915. May 13, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws, in the case of certain market allocation agreements made as part of a licensing agreement (1) for the manufacture, distribution and sale of a trade marked soft drink product or (1) for the distribution or sale of a trademarked private label food product.

H.R. 6916. May 13, 1975. Education and Labor. Stops the Secretary of Labor from applying certain provisions of the Code of Federal Regulations to nonwintering, mobile housing facilities used in the range sheep industry.

H.R. 6917. May 13, 1975. Merchant Marine and Fisheries: Public Works and Transportation. Establishes a 3 year moratorium on the requirement of an environmental impact statement for Federal-aid highway projects. Establishes a Presidentially-appointed Commission to study existing regulations and policies relating to the environmental impact of highway projects and to recommend modifications thereto.

H.R. 6918. May 13, 1975. Public Works and Transportation. Enables States to qualify for Federal highway safety program any requirement for motorcycle drivers or passengers eighteen years of age or older to wear safety helmets.

H.R. 6919. May 13, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to stipulate that nothing in that Act is intended to require or provide for the establishment of standards more stringent

than primary and secondary ambient air quality standards. Requires that State clean air implementation plans provide for the granting of variances upon application from certain sources, provided that certain determinations are made after a public hearing.

H.R. 6920. May 13, 1975. Banking, Currency and Housing. Establishes the National Bank for Cooperative Housing to make and guarantee loans to private and public housing developers for the purchase or construction of low- and middle-income cooperative housing when reasonable interest loans are not available from other sources.

H.R. 6921. May 13, 1975. Public Works and Trnasportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6922. May 13, 1975. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to allow payments under the Act for the education of educationally deprived children who attend schools in areas which do not have a high concentration of such children.

H.R. 6923. May 13, 1975. Judiciary. Permits aliens who are visiting the United States temporarily for pleasure to receive 2 extensions of temporary stay for periods of not more than 6 months.

H.R. 6924. May 13, 1975. Ways and Means. Revises the administration of the Social Security Act by requiring that hearings regarding claims arising under the Old-Age, Survivors, and Disability Insurance and Medicare provisions of the Act be presided over by an administrative law judge and conducted on the record. Requires that the claimant be given notice and an opportunity to be heard.

H.R. 6925. May 13, 1975. Judiciary. Amends the Gun Control Act of 1968 to increase the penalties for using a firearm to commit a felony or for carrying a firearm during the commission of a felony. Stipulates that: (1) such sentences may not be suspenedd; (2) probation may not be granted; and (3) terms of imprisonment may not be imposed to run concurrently.

H.R. 6926. May 13, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit a deduction by any electric or gas public utility for any amount paid or incurred by such utility to advertise or promote the sale or use, or the seller or furnisher, of electrical energy or gas.

H.R. 6927. May 13, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to require that a minimum percentage of United States oil imports be carried on privately-owned United States-flag commercial vessels.

H.R. 6928. May 13, 1975. Veterans' Affairs. Directs the Secretary of the Army to establish one or more national cemeteries in the central west coast area of Florida.

H.R. 6929. May 13, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of the lump-sum death payment.

H.R. 6930. May 13, 1975. Ways and Means. Amends the Social Security Act to authorize payments to married couples of Old-Age and Disability Insurance benefits which have been computed on the basis of their combined earnings record.

H.R. 6931. May 13, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors, and Disability Insurance benefits.

H.R. 6932. May 13, 1975. Agriculture. Transfers all functions and duties of the Federal Crop Insurance Corporation and the Secretary of Agriculture under the Federal Crop Insurance Act to the Federal Commodity Insurance Corporation. Extends appropriations to allow such corporation to insure commodities against loss due to unavoidable causes.

H.R. 6933. May 13, 1975. Education and Labor. Establishes in the Office of Education a National Student Financial Assistance Data Bank to provide information on available financial assistance to students at institutions of higher education.

H.R. 6934. May 13, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 6935. May 13, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to further define the term "navigable waters as it applies to the issuance of permits for dredged or fill material by the Corps of Engineers.

H.R. 6936. May 13, 1975. Science and Technology. Directs the Administrator of Energy Research and Development to establish a program of research and development of industrial energy conserving technologies. Authorizes financial assistance in the form of grants and loans for the development and demonstration of such technologies, with special attention to be given to stimulation of depressed industrial areas.

H.R. 6937. May 13, 1975. Banking, Currency and Housing. Authorizes the President to accept participation for the United States in the African Development Fund provided for by the agreement establishing the Fund deposited in the Archives of the United Nations. Authorizes an appropriation for the United States subscription to the Fund.

H.R. 6938. May 13, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution and sale of a trademarked soft drink product.

H.R. 6939. May 13, 1975. Post Office and Civil Service. Requires the Postal Service to consult with agencies of State and local government regarding the construction of certain Postal Service facilities. Establishes hearing procedures with respect to proposals for such construction.

H.R. 6940. May 13, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act by (1) mandating benefit increases and emergency assistance grants; (2) prohibiting benefit decreases as a consequence of increases in other social security benefits; (3) adding supplementary housing benefits; (4) revising the basis upon which mandatory minimum State supplementation is calculated; (5) revising administrative procedures for paying benefits; and (6) redefining "eligible spouse".

Amends the Food Stamp Act of 1964 by allowing certain Supplemental Security Income recipients to elect to receive food stamps.

H.R. 6941. May 13, 1975. Judiciary. Requires establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 6942. May 13, 1975. Judiciary; Standards of Official Conduct. Requires lobbyists to: (1) register with the Federal Election Commission: (2) make and retain certain records; and (3) file reports with the Commission regarding their activities.

Requires certain officials of the executive branch to record their communications with lobbyists.

Repeals the Federal Regulation of Lobbying Act.

H.R. 6943. May 13, 1975. Judiciary; Standards of Official Conduct. Requires candidates for Federal office, Members of the Congress, and certain officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions.

H.R. 6944. May 13, 1975. Banking, Currency and Housing. Repeals the provisions of the Flood Disaster Protection Act of 1973 which require communities and individuals in flood prone areas to participate in the national flood insurance program in order to be eligible for Federal financial assistance.

H.R. 6945. May 13, 1975. Post Office and Civil Service. Increases the contribution by the Federal Government to the cost of Government employees' group life insurance.

H.R. 6946. May 13, 1975. Post Office and Civil Service. Directs the Secretary of Commerce to conduct a mid-decade sample survey of population.

H.R. 6947. May 13, 1975. Judiciary. Allows a certain individual to file a claim with the Comptroller General of the General Accounting Office with respect to underpayments of pay incident to service with the United States Army.

H.R. 6948. May 13, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual for damages suffered as a result of certain action by personnel of the Agency for International Development.

H.R. 6949. May 13, 1975. International Relations. Directs the Director of the United States Information Agency to make a certain film available to a specified corporation for use in a television program to promote the 1976 Olympic Games.

H.R. 6950. May 13, 1975. Makes appropriations for the operations of the Legislative Branch of Government for fiscal year 1976, and the period between June 30, 1976 and September 30, 1976.

H.R. 6951. May 14, 1975. Post Office and Civil Service Enumerates procedures to be followed for resolving labor disputes within the United States Postal Service. Prohibits Postal employees from being reduced in rank or pay because of membership in certain organizations or presenting a grievance to Congress. Requires that certain mail be delivered during strikes.

H.R. 6952. May 14, 1975. Small Business. Revises the duties of the Small Business Administration with respect to certifying a small business concern as a responsible or eligible Government contractor under the Small Business Act.

H.R. 6953. May 14, 1975. Ways and Means. Directs the Secretary of the Treasury to admit free of duty certain scientific equipment for the use of Oregon State University, Corvallis, Oregon.

H.R. 6954. May 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 6955. May 14, 1975. Ways and Means. Amends the estate tax provisions of the Internal Revenue Code to allow a limited deduction from the gross estate of the value of the decedent's interest in a family farming operation which passes to an individual related to him or his spouse.

H.R. 6956. May 14, 1975. Banking, Currency and Housing. Amends the Flood Disaster Protection Act of 1973 by eliminating the requirement that communities and individuals in flood prone areas participate in the national flood insurance program in order to be eligible for Federal financial assistance. Stipulates that participation in the flood insurance program shall be encouraged. Revises the method of determining the nature and extent of a flood hazard in an area.

H.R. 6957. May 14, 1975. Public Works and Transportation. Amends the hurricane-flood protection project at Freeport, Texas and vicinity to direct the secretary of the Army

to plan the construction of additional systems to remedy interior drainage problems associated with the project. Authorizes additional changes to other aspects of the project as the Secretary deems necessary.

H.R. 6958. May 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 6959. May 14, 1975. Post Office and Civil Service. Prohibits any employee of an executive agency from regulating or receiving from Federal officials or employees anything of value for political purposes. Allows any such employee to make voluntary contributions to political campaigns.

Permits employees of Federal executive agencies or the District of Columbia government to participate in political management or in political campaigns.

H.R. 6960. May 14, 1975. Education and Labor. Amends the Elementary and Secondary Act of 1965 to stipulate that programs for migratory children funded under the Act shall include children of migratory horse groomers.

H.R. 6961. May 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt organizations operating long-term care facilities from the tax on the undistributed income of a private foundation.

H.R. 6962. May 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Transportation to make grants to certain States, political subdivisions of States, railroads, transportation authorities, and regional commissions for the purpose of providing employment in jobs repairing railroad roadbeds and facilities in areas identified by the Secretary of Labor as areas of substantial unemployment.

H.R. 6963. May 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the Federal estate tax exemption.

H.R. 6964. May 14, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6965. May 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

Amends the estate tax provisions of the Internal Revenue Code to allow a limited deduction from the gross estate of the value of the decedent's interest in a family farming operation which passes to an individual related to him or his spouse.

H.R. 6966. May 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt cooperative housing corporations, condominium management associations, and residential real estate management associations from taxation on certain types of income.

H.R. 6967. May 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for volunteer services performed by an individual in a Veterans' Administration hospital.

H.R. 6968. May 14, 1975. Public Works and Transportation. Revises funding and administrative procedures for certain programs under the Appalachian Regional Development Act of 1975.

Authorizes grant programs, under such act, for economic development, timber development, housing construction and site development, and research on the utilization of natural resources.

H.R. 6969. May 14, 1975. Agriculture. Amends the Agricultural Act of 1949 to revise the price support levels for the 1975 crops of upland cotton, wheat, and corn.

H.R. 6970. May 14, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6971. May 14, 1975. Judiciary. Eliminates the antitrust exemption for certain resale price maintenance (fair trade) agreements under the Sherman Act and the Federal Trade Commission Act.

H.R. 6972. May 14, 1975. International Relations. Prohibits assistance under the Agricultural Trade Development and Assistance Act to any country which the President determines is not making reasonable and productive self-help efforts to stabilize population growth, and thereby reducing the need for assistance under the Act.

H.R. 6973. May 14, 1975. Interior and Insular Affairs. Amends the Alaska Native Claims Settlement Act to authorize the Secretary of the Interior to review late applications, to establish an escrow account to hold the proceeds from lands selected under such Act, to exempt corporations organized under such Act from the Investment Company Act of 1940, and to establish a thirteenth region for the benefit of nonresident Natives.

H.R. 6974. May 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit an individual, at his election, to take a limited credit against the income tax for charitable contributions in lieu of a deduction as otherwise provided by the Code.

H.R. 6975. May 14, 1975. Public Works and Transportation. Adds five hundred and twenty-two miles to the Interstate Highway System between Buffalo, New York, and Princeton, West Virginia.

H.R. 6976. May 14, 1975. Agriculture. Prohibits the importation of any dairy product into the United States unless it has been inspected and found to be wholesome and unless the foreign farms and plants in which such products were produced comply with all inspection, grading and other standards prescribed by the Secretary of Agriculture.

H.R. 6977. May 14, 1975. Ways and Means. Amends the Social Security Act to extend medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 6978. May 14, 1975. Ways and Means. Interstate and Foreign Commerce. Requires every employer to offer qualified health care insurance to his employees and their families. Establishes a program of Federal participation to provide qualified health care insurance to nonemployed and self-employed individuals and their families. Requires the Secretary of Health, Education, and Welfare to pay the full premium for continuation of qualified health care insurance for individuals receiving State or Federal unemployment benefits.

H.R. 6979. May 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make reimbursements to eligible institutions of higher education that offer a reduced tuition plan to persons over 60.

Requires the Secretary of Health, Education and Welfare to collect certain data relating to the employment of older Americans and to maintain a computerized job data bank and matching program for older persons.

H.R. 6980. May 14, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 6981. May 14, 1975. Merchant Marine and Fisheries. Authorizes additional financial assistance for consumer education and market development programs relating to United States fisheries.

H.R. 6982. May 14, 1975. House Administration. Establishes an American Folklife Center in the Library of Congress.

H.R. 6983. May 14, 1975. Ways and Means. Amends the Tariff Schedules of the United States to suspend temporarily the duty on certain elbow protheses.

H.R. 6984. May 14, 1975. Ways and Means. Amends the Social Security Act by lowering the age at which an individual becomes eligible for widow's or widower's insurance benefits under the Old-Age, Survivors, and Disability Insurance program.

H.R 6985. May 14, 1975. Judiciary. Amends the Voting Rights Act of 1965 by exempting from the enforcement provisions of the Act those States and political subdivisions which can show that incidents of the use of voting qualifications or prerequisites for the purpose of, or having the effect of, denying or abridging the right to vote on account of race, color or national origin have been few in number, have been corrected, have no continuing effect, and will not recur.

Extends the coverage of the Act to include voting age citizens of Spanish heritage.

Prohibits absolutely voting tests or devices.

H.R. 6986. May 14, 1975. Armed Services. Directs the Secretary of the Navy (1) to maintain and develop the Guam shipyard repair facility; and (2) to study the necessity of maintaining shipyard repair facilities in the western Pacific independent of foreign treaties or foreign workers.

H.R. 6987. May 14, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to permit interested persons and State agencies to seek injunctive relief when the Interstate Commerce Commission has not completed proceedings on new rate schedules within the period of the suspension of such schedule.

H.R. 6988. May 14, 1975. Ways and Means. Amends the Internal Revenue Code with respect to the tax treatment of capital gains and losses, individual income, corporate income, estates and gifts, and interest and dividend payments.

H.R. 6989. May 14, 1975. Ways and Means. Amends the Social Security Act by including the services of registered nurses under the Medicare and Medicaid programs.

H.R. 6990. June 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of a license or license renewal for the operation of broadcasting stations from 3 to 5 years. Revises the conditions for the approval of applications for licensing renewal and requires broadcasting stations to ascertain the needs and interests of the residents of their service areas throughout the terms of their licenses.

Allows appeals from Federal Communications Commission decisions to be brought in the circuit in which the broadcast facility is, or is proposed to be, located.

H.R. 6991. May 14, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to allow the Administrator of the Environmental Protection Agency to accept State certification as discharging his responsibilities under certain provisions for the development and construction of adequate waste treatment facilities.

H.R. 6992. May 14, 1975. Veterans' Affairs. Sets forth the amount of reimbursement which the Administrator of Veterans' Affairs shall pay to the States for furnishing domiciliary, hospital, or nursing home care to eligible veterans who receive such care in State facilities.

H.R. 6993. May 14, 1975. Ways and Means. Amends the Social Security Act as it relates to Aid to Families with Dependent Children by (1) revising the procedure for adjusting the amount of grants; (3) authorizing Federal financial participation in the investigation and prosecution of fraud conducted by State agencies; (4) requiring States to provide evidentiary hearings; and (5) imposing criminal sanctions for misuse of grants by recipients.

H.R. 6994. May 14, 1975. Agriculture. Authorizes the Secretary of Agriculture to accept, receive, hold, utilize, and administer on behalf of the United States gifts, bequests, or devises of real and personal property made unconditionally for the benefit of the National Arboretum.

H.R. 6995. May 14, 1975. Judiciary. Subjects matters relating to Federal property, loans, grants, benefits and contracts to existing Federal agency rulemaking procedures.

Grants Federal agencies the power to issue subpenas related to administrative hearings.

Directs Federal agencies to pay the costs incurred by certain persons as a result of participating in agency proceedings, under specific circumstances.

Limits the scope of the defense of sovereign immunity in court actions to which a Federal agency or employee is a party.

Establishes procedures for the enforcement of standards for grants administered by Federal agencies.

H.R. 6996. May 14, 1975. International Relations. Amends the Mutual Security Act of 1954 to require review by the House of Representatives and the Committee on Foreign Relations of the Senate, of all approved applications for licenses to export arms, ammunition, or implements of war, before such licenses may be issued except when the President states that an emergency exists which requires the granting of such license in the interests of national security.

H.R. 6997. May 14, 1975. International Relations; Rules. Amends the Foreign Military Sales Act by setting forth a revised procedure for Congressional approval of foreign military sales proposed by the President.

H.R. 6998. May 14, 1975. Agriculture. Prohibits the importation of honeybees into the United States except by the United States Department of Agriculture or from countries determined by the Secretary of Agriculture to be free of disease and parasites injurious to honeybees and to have adequate precautions to prevent the importation of honeybees from other countries where harmful diseases or parasites of honeybees exist.

H.R. 6999. May 14, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3474

By Mr. RICHMOND:

Page 19, line 20, strike the figure "$144,700,000" and insert in lieu thereof the figure "$188,900,000".

H.R. 6799

By Ms. HOLTZMAN:

Page 17, line 13, strike out "request" and insert in lieu thereof "motion".

SENATE—*Friday, June 13, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by Hon. JOHN C. CULVER, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

God of our fathers and our God who has made and preserved us a nation, we thank Thee for the flag and all that it symbolizes in heritage and heroism. We thank Thee for all who have followed it in paths of service and deeds of greatness. Enfold us in its protective warmth and as it is unfurled send us forth to a life of service to others. Invest the flag with fresh beauty and new meaning that it may be to all mankind a banner of freedom, compassion, helpfulness, and love. Rally all the people in loyalty to the ensign of the Republic, and grant that in daily life and national action we may ever witness to "one nation under God."

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 13, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN C. CULVER, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CULVER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, June 12, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today until the hour of 11 o'clock.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 183, 185, and 187.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

JAPAN-UNITED STATES FRIENDSHIP ACT

The Senate proceeded to consider the bill (S. 824) to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes, which had been reported from the Committee on Foreign Relations with amendments as follows:

On page 4, in line 8, strike out "1975" and insert "1976";

On page 4, beginning on line 16, insert the following:

(e) (1) There is authorized to be appropriated to the Fund, for fiscal year 1976, in addition to the amount authorized to be appropriated by subsection (d) of this section, those funds available in United States accounts in Japan and transferred by the Government of Japan to the United States pursuant to the United States request made under article V of the agreement between the United States of America and Japan regarding the settlement of Postwar Economic Assistance to Japan, signed in Tokyo, January 9, 1962, and the exchange of notes of the same date (13 U.S.T.; T.I.A.S. 5154) (the G.A.R.I.O.A. Account), including interest accruing to the G.A.R.I.O.A. Account.

(2) The amount authorized to be appropriated by paragraph (1) of this subsection shall not include any amount required by law to be applied to United States participation in the International Ocean Exposition to be held in Okinawa, Japan.

(3) Any unappropriated portion of the amount authorized to be appropriated by subsection (d) of this section and paragraph (1) of this subsection for fiscal year 1976 may be appropriated in any subsequent fiscal year.

On page 8, in line 15, strike out "for" and insert "to carry out";

On page 8, in line 17, following the semicolon, insert the following:

except that any amounts expended from amounts appropriated to the Fund under section 3(e)(1) of this Act shall be expended in Japan;

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Japan-United States Friendship Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds that—

(1) the evolution of the relationship between Japan and the United States from wartime bitterness to peacetime friendship and partnership is one of the most significant developments of the postwar period;

(2) the agreement between Japan and the United States of America concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo on June 19, 1970, is a major achievement and symbol of the new relationship between the United States and Japan; and

(3) the continuation of close United States-Japan friendship and cooperation will make a vital contribution to the prospects for peace, prosperity, and security in Asia and the world.

(b) It is therefore the purpose of this Act to provide for the use of an amount equal to a part of the sums to be paid by Japan to the United States in connection with the reversion of Okinawa to Japanese administration to aid education and culture at the highest level in order to enhance reciprocal people-to-people understanding and to support the close friendship and mutuality of interests between the United States and Japan.

ESTABLISHMENT OF THE FUND; EXPENDITURES

SEC. 3. (a) There is established in the Treasury of the United States a trust fund to be known as the Japan-United States Friendship Trust Fund (hereafter referred to as the "Fund").

(b) Amounts in the Fund shall be used for the promotion of scholarly, cultural, and artistic activities between Japan and the United States, including—

(1) support for studies, including language studies, in institutions of higher education or scholarly research in Japan and the United States, designed to foster mutual understanding between Japan and the United States;

(2) support for major collections of Japanese books and libraries at United States colleges and universities located throughout the United States;

(3) support for programs in the arts in association with institutions of higher education in Japan and the United States;

(4) support for fellowships and scholarships at the undergraduate, graduate, and faculty levels in Japan and the United States in accord with the purposes of this Act;

(5) support for visiting professors and lecturers at colleges and universities in Japan and the United States; and

(6) support for other Japan-United States exchanges consistent with the purposes of this Act.

(c) Amounts in the Fund may also be used to pay administrative expenses of the Japan-United States Friendship Commission, established by section 4 of this Act, as directed by that Commission.

(d) There is authorized to be appropriated to the Fund, for fiscal year 1976, an amount equal to 10 per centum of the funds paid to the United States pursuant to the Agreement Between Japan and the United States of America Concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo, June 19, 1970. Any unappropriated portion of the amount authorized to be appropriated for such fiscal year may be appropriated in any subsequent fiscal year.

(e) (1) There is authorized to be appropriated to the Fund, for fiscal year 1976, in addition to the amount authorized to be appropriated by subsection (d) of this section, those funds available in United States accounts in Japan and transferred by the Government of Japan to the United States pursuant to the United States request made under article V of the agreement between the United States of America and Japan regarding the settlement of Postwar Economic Assistance to Japan, signed in Tokyo, January 9, 1962, and the exchange of notes of the same date (13 U.S.T.; T.I.A.S. 5154) (the G.A.R.I.O.A. Account), including interest accruing to the G.A.R.I.O.A. Account.

(2) The amount authorized to be appropriated by paragraph (1) of this subsection shall not include any amount required by law to be applied to United States participation in the International Ocean Exposition to be held in Okinawa, Japan.

(3) Any unappropriated portion of the amount authorized to be appropriated by subsection (d) of this section and paragraph (1) of this subsection for fiscal year 1976 may be appropriated in any subsequent fiscal year.

THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION

SEC. 4. (a) There is established a commission to be known as the Japan-United States Friendship Commission (hereafter referred to as the "Commission"). The Commission shall be composed of—

(1) the Secretary of State;

(2) the Secretary of Health, Education, and Welfare;

(3) six members appointed by the President from among individuals who are (A) conversant with Japan-United States relations; (B) expert in the field of education, the arts, or the humanities; or (C) representative of the general public;

(4) the Chairman of the National Endowment for the Arts, who shall have no vote; and

(5) the Chairman of the National Endowment for the Humanities, who shall have no vote.

(b) The term of office of each of the six public members of the Commission appointed under clause (3) of subsection (a) of this section shall be three years, except that (1) such members first appointed shall serve as designated by the President, two for terms of three years, two for terms of two years, and two for terms of one year, and (2) any member appointed under such clause to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(c) Members of the Commission who are not regular, full-time employees of the United States shall, while serving on business of the Commission, be entitled to receive compensation at rates fixed by the President, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The President shall appoint the Chairman of the Commission. A majority of the members of the Commission shall constitute a quorum. The Commission shall meet at least twice in each year.

FUNCTIONS OF THE COMMISSION

SEC. 5. The Commission is authorized to—

(1) develop and carry out programs of public or private institutions for the promotion of scholarly, cultural, and artistic activities in Japan and the United States consistent with the provisions of section 3(b) of this Act;

(2) make grants to carry out such programs; and

(3) submit to the President and to the Congress an annual report of its activities under this Act together with such recommendations as the Commission determines appropriate.

ADMINISTRATIVE PROVISIONS

SEC. 6. In order to carry out its functions under this Act, the Commission is authorized to—

(1) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(2) receive money and property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of this Act; and to use, sell, or otherwise dispose of such property (including transfer to the Fund) for the purpose of carrying out the purposes of this Act, and any such donation shall be exempt from any Federal income, State, or gift tax;

(3) in the discretion of the Commission, receive (and use, sell, or otherwise dispose of, in accordance with paragraph (2)) money and other property donated, bequeathed, or devised to the Commission with a condition or restriction, including a condition that the Commission use other funds of the Commission for the purposes of the gift, and any such donation shall be exempt from any Federal income, State, or gift tax;

(4) direct the Secretary of the Treasury to make expenditure of the income of the Fund and not to exceed 5 per centum of the annual principal of the Fund to carry out the purposes of this Act, including the payment of Commission expenses if needed; except that any amounts expended from amounts appropriated to the Fund under section 3 (e)(1) of this Act shall be expended in Japan;

(5) appoint an Executive Director, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, who shall be compensated at the rate provided for a GS–18 of the General Schedule of such title;

(6) appoint and fix compensation of such additional personnel as may be necessary to carry out the provisions of this Act;

(7) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code;

(8) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code.

(9) enter into contracts, grants, or other arrangements, or modifications thereof to carry out the provisions of this Act, or any other provisions of law relating to competitive bidding; and

(10) make advances, progress, and other payments which the Commission deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

MANAGEMENT OF THE FUND

SEC. 7. (a) The Fund shall consist of—

(1) amounts appropriated under section 3(d) of this Act;

(2) any other amounts received by the Fund by way of gifts and donations; and

(3) interest and proceeds credited to it under subsection (b) of this section.

(b) It shall be the duty of the Secretary of the Treasury (hereafter referred to as the "Secretary") to invest such portion of the Fund as is not, in the judgment of the Commission, required to meet current withdrawals. Such investment may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purposes, the obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States issued during the preceding two years then forming part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(e) In accordance with section 6(4) of this Act, the Secretary shall pay out of the Fund such amounts, including expenses of the Commission, as the Commission considers necessary to carry out the provisions of this Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

JOINT COMMITTEE ON ARRANGEMENTS FOR BICENTENNIAL

The concurrent resolution (S. Con. Res. 44) to provide for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America, was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

Whereas the Congress has represented the people of the United States since the First Continental Congress met in Carpenter's Hall in Philadelphia from September 5 to October 26, 1774; and

Whereas the actions of the First Continental Congress united the Thirteen Colonies in seeking redress of the grievances against the Parliament and the King of England which led to the Declaration of Independence and guided the new Nation through the American War for Independence; and

Whereas the Congress has continually since the First Continental Congress represented the sovereign rights of the people in exercising their responsibility of self-government; and

Whereas the proper and appropriate commemoration of the Nation's Bicentennial should include recognition of the historic role of the Congress and its participation in the commemoration: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress should play a significant and substantive role in honoring the Nation's two hundredth anniversary and in assisting the American Revolution Bicentennial Administration.

SEC. 2. (a) There is hereby established a joint congressional committee to be known as the Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America (hereinafter referred to as the "joint committee").

(b) The joint committee shall be composed of the majority and minority leaders of the House of Representatives and of the Senate and the Members of Congress who are members of the American Revolution Bicentennial Board.

(c) The joint committee shall select a chairman from among its members. Five members of the joint committee shall constitute a quorum. Any vacancy in the membership of the joint committee shall not affect its authority and shall be filled in the same manner in which the original appointment was made.

(d) For purposes of paragraph 6 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member of the joint committee, or as chairman of the joint committee, shall not be taken into account.

SEC. 3. The joint committee shall—

(1) coordinate the planning and implementation of Bicentennial activities and events of the Congress with the activities and events of other governmental and nongovernmental groups;

(2) consult with the Speaker of the House of Representatives and the President of the Senate to provide for representation of the Congress at appropriate Bicentennial ceremonies and events; and

(3) develop and implement programs to inform and emphasize to the Nation the role of the Congress, as the representative of the people, from its historic beginnings in pre-revolution days through two hundred years of growth, challenge, and change.

SEC. 4. The joint committee may—

(1) appoint such staff as may be necessary;

(2) adopt rules representing its organization and procedures;

(3) sit and act at such times or places as it shall deem appropriate;

(4) procure the temporary or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under subsection (1) of section 202 of the Legislative Reorganization Act of 1946;

(5) hold hearings;

(6) procure printing and binding; and

(7) with the prior consent of the agency concerned, use on a reimbursable basis the services of personnel, information, and facilities of any such agency.

SEC. 5. The expenses of the joint committee shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the joint committee.

LISTER HILL SCHOLARSHIP ACT

The bill (S. 1191) to amend the Public Health Service Act to provide for additional medical scholarships to be known as Lister Hill Scholarships, was announced as next in order.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Lister Hill Scholarship Act".

FINDINGS AND DECLARATION OF POLICY

SEC. 2. (a) The Congress finds that—

(1) an essential element in maintaining the health of the people of the United States is the continued assurance of trained health manpower, capable of delivering the highest quality of health care;

(2) despite the fact that the health care system in the United States is in general the finest system in the world, quality health care is not always available to those persons residing in depressed urban areas or rural areas;

(3) quality health care is a right of citizens regardless of the area in which they reside, and that the delivery of such quality health care was always an objective of Lister Hill during his service to the people of his State and the Nation in the Congress of the United States.

(b) It is the purpose of this Act to assist in securing quality care for all citizens, through the establishment of a medical scholarship program.

LISTER HILL SCHOLARSHIP PROGRAM

SEC. 3. Subpart III of part F of title VII of the Public Health Service Act is amended by adding at the end thereof the following new section:

"LISTER HILL SCHOLARSHIP PROGRAM

"SEC. 789A. (a) In addition to the scholarship grants made by the Secretary under the preceding sections of this subpart the Secretary shall make grants to ten individuals (to be known as Lister Hill Scholars) in accordance with the provisions of this subpart, who agree to enter into the family practice of medicine in areas described in subsection (a) of section 784. Grants made under this section shall be made from funds appropriated under subsection (b).

"(b) There are authorized to be appropriated to carry out the purposes of this section $60,000 for the fiscal year ending June 30, 1975, $120,000 for the fiscal year ending June 30, 1976, $180,000 for the fiscal year ending June 30, 1977, and $240,000 for the fiscal year ending June 30, 1978. For the fiscal year ending June 30, 1979, and for each succeeding fiscal year, there are authorized to be appropriated such sums as may be necessary to continue to make such grants to students who (prior to July 1, 1978) have received such a grant under this part during such succeeding fiscal year.".

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REMARKS OF SENATOR MANSFIELD BEFORE THE SENATE DEMOCRATIC CONFERENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement I made before the Senate Democratic Conference on Thursday, June 12, 1975, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR MIKE MANSFIELD BEFORE THE SENATE DEMOCRATIC CONFERENCE

The leadership would like to pick up from where we left off at last week's conference. At that time, we went somewhat far afield from what originally was intended. It is to be hoped, for the sake of clarity that we can now return to and dispose of the three-point agenda which was laid down at the outset of the last meeting.

The first item is a Ribicoff resolution which was pending but almost overlooked in the lengthy discussion which occurred on other matters last week. The resolution would authorize the leadership to consider with the minority leadership and the Rules Committee the possibility either by modifying an existing committee or starting from scratch, establishing a Senate committee in which could be concentrated jurisdiction over matters pertaining to energy. As I pointed out last week, there are, literally, dozens of congressional committees and subcommittees claiming some share of authority over this field.

The Ribicoff resolution was an accurate interpretation of a proposal which the leadership set forth in an opening statement at the previous meeting. It was suggested that the Senate, if not the Congress as a whole, should seek a more expeditious, direct and coordinated way of dealing in the years ahead with the energy question. The proposal asked that an effort be made to provide a better focus and a central point of action in the Senate and Congress for handling what is likely to be a long-range critical national problem.

This proposal has nothing to do with how energy questions are going to be dealt with during the current session. Insofar as I am concerned, any way that these questions can be moved expeditiously is more than welcome. The Pas-

tore committee met with the appropriate chairman and will report later this morning. Procedural changes looking toward future consolidation of committee jurisdiction over energy are another matter. If they are to be made at all, they are not likely to see the light of day much before the opening of the next Congress. What we do with immediate needs in the energy field, to repeat, is not at issue. Rather, what the leadership would like to do is to look toward the future. I would request most urgently, therefore, for the sake of orderly procedure, that comment or proposals in connection with the current legislative situation on energy be restrained until after the three-point agenda proposed by the leadership last week is disposed of by the conference.

In addition, I would point out that the Ribicoff resolution does not supersede the Stevenson proposal for a special committee on Senate committee jurisdiction. That is also another proposal which is related to a much broader problem and one which incidentally, personally, I have endorsed. To repeat, however, it is not the issue set forth in the Ribicoff resolution which is pending. All the Ribicoff resolution does is to authorize and give the support of the conference to the Democratic leadership in exploring with the minority leadership and the Rules Committee the question of concentrating jurisdiction over energy questions in a single Senate committee.

So it would be appreciated if the conference would address its attention to that question and, then, proceed as quickly as possible to a vote on the Ribicoff resolution. If Members wish to offer other approaches to this or any other matter, I would ask them to forbear until the leadership's proposal is disposed of one way or the other.

The second item on the regular agenda is a suggestion which originated with Senator CULVER and other Senators of the last two classes. The proposal is to establish a so-called "Blue Ribbon Commission" of distinguished Americans on internal Senate support services and procedures. It is an interesting approach to perennial housekeeping problems and one which I will ask Senator CULVER, in due course, to set forth in detail. Finally, the third point carried over from last week's agenda is a proposal advanced by several Senators of recent classes and of both parties having to do with floor scheduling and voting. The majority whip, Senator BYRD, will handle that matter for the Chair. When it is out of the way, then the leadership will entertain a discussion of whatever else may be on the minds of the members of the conference.

I should also like to add this comment before closing: The time which is available for these party conferences is, as Members know, very limited in view of regular Senate urgencies. May I ask most respectfully, therefore, that Members be as brief as possible in discussion and avoid excessive holding of the floor. Unless we proceed with some restraint, I am concerned lest these highly useful and unifying meetings begin to lose their effectiveness.

SENATE RESOLUTION 181—SUBMISSION OF A RESOLUTION ELECTING A SENATOR TO SELECT COMMITTEE ON SMALL BUSINESS

Mr. HUGH SCOTT. Mr. President, I submit a letter of resignation from membership on the Select Committee on Small Business from Senator WILLIAM V. ROTH, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Mr. WILLIAM F. HILDENBRAND,
Secretary for the Minority,
U.S. Senate, Washington, D.C.

DEAR BILL: I would appreciate it very much if you would arrange for my formal resignation from the Select Committee on Small Business, effective immediately.

Your assistance in this matter will be greatly appreciated.

Sincerely,

WILLIAM V. ROTH, Jr.,
U.S. Senate.

Mr. HUGH SCOTT. Mr. President, I send to the desk a resolution and ask for the immediate consideration of the resolution.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The second assistant legislative clerk read as follows:

A resolution (S. Res. 181) electing a Senator to Select Committee on Small Business.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 181) was agreed to.

The resolution reads as follows:

S. RES. 181

Resolved, That Mr. Bob Packwood of Oregon be, and he is hereby assigned to service on the Select Committee on Small Business to fill a vacancy on that Committee.

BETSY ROSS AND THE AMERICAN FLAG

Mr. HUGH SCOTT. Mr. President, the Chaplain made reference to our flag. I had this fugitive thought about it: I wonder what would happen if, under our presently structured society, Betsy Ross tried to design a flag for the United States. It seems to me that she would have to submit over a 7-year period the plans, diagrams, and exclusion of other patents to the Patents and Copyrights Office. It seems that advice of counsel would be required.

I would think that before Betsy could work she would have to provide for a standardization of materials, and the Bureau of Standards would be called in.

I would think there would be a close inspection of the materials used as to whether they were flammable or not. We would be involved under the Flammable Fabrics Act. I am glad to say the flag did prove to be flammable in a glorious way.

I would think, too, that Betsy Ross would have her problems with labor and management, and there would be the problem of collective bargaining.

Since it was a Federal project, we would have to include the Davis-Bacon Act.

Then I suppose Betsy would have to have some reaffirmation of her authority from time to time from John Hancock, or whoever happened to be presiding over the body.

Then there would have to be an approval by various agencies, some 15 or 20, perhaps.

Then I should think somewhere in the neighborhood of 15 to 20 years after Betsy started her project we would have a flag.

In any event, I am glad that there was a time when things were simpler, when the matter of creating the flag of the United States simply involved somebody saying to Betsy, "You are a pretty good seamstress. Get together some old fabrics from the back room, include the stars and the blue and the white and the red in the form we told you to, and get that thing ready for hoisting up to full staff by next week."

I am not sure that the good old days were all that good, but I am sure that if we were trying to do the same thing today we would be involved in an enormous bureaucratic tangle.

That is why I have in mind it is a good thing that the President has asked us, the distinguished majority leader and myself, to designate a task force of 10 Senators to look into the means of expediting the work of the 10 major regulatory agencies in the interest of advancing Project Independence so that we may be able to do more about the energy problem. Energy, too, is a far more complicated thing than Betsy Ross pushing a needle through some cherished fabric.

I yield back the remainder of my time, Mr. President.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from North Carolina (Mr. MORGAN) is recognized for not to exceed 15 minutes.

VIETNAMESE REFUGEE CAMP VISIT

Mr. MORGAN. Mr. President, on Wednesday of this week I was fortunate enough to visit the Vietnamese Refugee Center at Eglin Air Force Base in Florida.

I took it upon myself to make this trip after reading the press reports of the Subcommittee on Refugees, which indicated some rather disturbing facts.

The impressions that I received from my visit to Eglin Wednesday compel me to share some of my thoughts with my colleagues and with the people of the country.

Mr. President, the Refugee Center at Eglin Air Force Base is currently the home of about 5,000 refugees flown to the United States during the evacuation of South Vietnam. The camp is supervised by U.S. military and State Department officials who have been charged with the movement and initial care of these people. Judging from this one visit, I feel that the United States can be proud of the job these officials have done in receiving the refugees and in providing food, shelter, and needed health care.

The people of the State of Florida should also be commended for their compassionate acceptance of the refugees. Floridians are doing an excellent job of beginning to teach the refugees our language and generally helping them to feel more comfortable in a strange new land.

On my trip I was able to visit the tents and speak with many of the refugees personally. They have been divided into councils and have elected their own leaders to assist the American officials in overseeing the operation. The refugees in the camp are predominately skilled and semiskilled professional workers, living in family units. One of the refugee council leaders with whom I spoke, a colonel in the Vietnamese army, told me there had been no trouble whatsoever with any of the refugees and that they are all looking forward to placement in this country.

I so spoke with the American officials, who told me that during the entire month, in which they had had a continuous flow of refugees, with a constant population of about 5,000, they had not had a single incident of any trouble.

The council leader told me that only 38 of all the refugees who have been through that camp desire to return to their native land. Those 38 are basically young airmen who flew out of South Vietnam with the planes that were evacuated at the last moment, and feel that they were low enough down on the ladder that they would not be bothered if they returned to their families in their native land. A United Nations official was expected, during the day, to confer with those 38 individuals.

Mr. President, the refugees at Eglin Air Force Base appear to me to be ones who could be productive and useful members of our society; 695 refugees were located in one section of the camp which I visited. Out of this number, 10 were medical personnel—doctors, dentists, and medical technicians, 30 were administrative and supervisory personnel. There were 13 former policemen, 18 tailors, 23 merchants, 10 lawyers, 21 teachers, including 6 Ph. D's, 84 pilots, trained by the United States, 70 mechanics, and 45 farmers, fisherman, and laborers; and, Mr. President, this number represents only the heads of families.

I know that in North Carolina there are entire counties without a single doctor. Would it not be advantageous for such areas to seek out these trained and competent people and offer them a home?

In the first month's operation alone, over 24,000 refugees have been placed in homes all over our land. Those people, however, account for only about 20 percent of the refugees located in the four camps in the United States. There is much to be done.

Mr. President, I would like to impress on the leaders of our Nation that America can greatly benefit from the talents of these refugees. I ask them to impress this on the local chamber of commerce organizations, Rotary Clubs, churches, community and civic organizations, who in serving to find homes and jobs for these people, will accomplish a great service for their communities.

I might say to the Senator from Alabama (Mr. ALLEN), who is present in the Chamber, that the people of his State have been most cooperative and most helpful in this endeavor. As a matter of fact there was a team from Alabama on that particular day to entertain during evening hours.

During my trip I was fortunate enough to be paired or have my position spoken on the floor. While I had to miss some important votes, I felt that this was a matter which needed my attention. The trip certainly instilled in me a new vision of the refugee situation. I only wish more of my colleagues could arrange such a trip and gain a deeper understanding of the situation.

The United States can be proud of the compassion we have shown historically in assimilating refugees into this country. I would like to encourage every community, big and small, to join in this humanitarian effort.

Mr. President, I have here lists of all of the movements by numbers of refugees that have been brought into each of the four U.S. Refugee Centers as of June 10, and the number of refugees that have been located in each State. To the end that each Senator may know how many his State has placed, I ask unanimous consent that the lists be printed in the RECORD following my remarks.

There being no objection, the lists were ordered to be printed in the RECORD, as follows:

REFUGEE POPULATION MOVEMENT REPORT AS OF COB JUNE 10, 1975

	Eglin	Pendleton	Chaffee	Indiantown	Total
A. Departed last 24 hr	135	369	403	17	924
B. Total departed to date	2,416	15,253	6,322	119	24,110
C. Expected departures next 24 hr	100	350	250	UNK	700
D. Arrivals last 24 hr	236	1,130	0	508	1,874
F. Expected arrivals next 24 hr	165	421	344	437	1,367
F. Current camp population	4,418	17,449	22,894	14,758	59,519

G. Elgin departures last 24 hours by voluntary agency:

CWS	22
USCC	53
IRC	5
CAMA	2
HIAS	25
LIRS	3

H. Cummulative number of refugees departed from all four camps:

To U.S. locations:

Alabama	168
Alaska	27
Arizona	273
Arkansas	202
California	6,951
Colorado	292
Connecticut	125
Delaware	19
District of Columbia	744
Florida	1,645
Georgia	329
Hawaii	319
Idaho	22
Illinois	405
Indiana	202
Iowa	72
Kansas	269
Kentucky	147
Louisiana	373
Maine	30
Montana	9
Nebraska	179
Nevada	90
New Hampshire	8
New Jersey	256
New Mexico	92
New York	743
North Carolina	258
North Dakota	33
Ohio	361
Oklahoma	375
Oregon	431
Pennsylvania	480
Rhode Island	28
South Carolina	108
South Dakota	4
Tennessee	107
Texas	1,408
Utah	99
Vermont	6
Maryland	573
Massachusetts	204
Michigan	199
Minnesota	262
Mississippi	39
Missouri	255
Virginia	771
Washington	816
West Virginia	28
Wisconsin	127
Wyoming	12
Grand total to U.S. locations to date	22,660
Grand total to other countries to date	1,450

I. Total number of refugees remaining in Pacific Command (Guam, Wake, etc.) 47,371.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is ordered.

SENATE RESOLUTION 180—TO AMEND SENATE RULE XIX

Mr. ALLEN. Mr. President, on yesterday, in compliance with rule XL, I submitted a notice in writing that on today I would submit a resolution seeking to amend rule XIX.

Rule XIX is the rule containing eight paragraphs having to do with the conduct of Senate debate. This resolution, which I shall submit at the close of my remarks, would add paragraphs 9 and 10.

Mr. President, when I came to the U.S. Senate about 6½ years ago, one of the practices that surprised me most about

the operation of the U.S. Senate was the practice of seeing Senators read their speeches and make their speeches from prepared texts. Having served in the Alabama House of Representatives and Senate, where that practice did not obtain, I was somewhat surprised.

The purpose of the amendment contained in this resolution is two-fold. One, in effect, is to provide that Senators may not speak from prepared scripts or from prepared written, typed, or printed remarks; and the second, that Senators may not make use, here in the Chamber, of advice and assistance from legislative assistants on their own staffs, or committee assistants.

We have all seen Senators engaging in debate having two or three or more assistants to advise them from time to time as to what is going on, what amendments provide, and what arguments to make. I am reminded somewhat of the occasion when two nationally known comedians who were very close friends were engaging in some jibes and rejoinders with each other; and when one of the comedians made a particularly telling sarcastic remark to his friend, the other comedian said, "Why, you would not have said that if I had had my gag writer here."

So we sometimes feel that some of the Senators are leaning too heavily on the advice of staff, as we conduct debate here in the Senate Chamber.

The ACTING PRESIDENT pro tempore. The Senator's 3 minutes have expired.

Mr. ROBERT C. BYRD was recognized.

Mr. ROBERT C. BYRD. Mr. President, I yield my time to the Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator from West Virginia.

Mr. President, to give the exact wording of this resolution, section 9 would provide that:

> In speaking on the floor of the Senate no Senator shall speak from a prepared script or from prepared written, printed or typed remarks, nor may he insert in the Congressional Record any prepared remarks to be shown as delivered by him on the floor.

Paragraph 10 would read:

> No Senator may, in the Senate chamber, make use of any legislative assistant or other person on his staff or on the staff of any committee on which he serves, for advice, information or other assistance, in the performance of his duties.

Mr. President, this would make the Senate a Senate of equals as we engage in debate, and I believe it would revolutionize the procedure here in the U.S. Senate.

I believe it is a constructive amendment to the rules.

I am not going to seek to circumvent the committee. I do want the resolution referred to committee.

I have been promised hearings on the resolution by the distinguished chairman of the subcommittee (Mr. ROBERT C. BYRD), who is chairman of the Subcommittee on Revision of the Rules, and I am sure that full hearings will be held.

So, Mr. President, I submit for appropriate reference the resolution seeking to amend rule XIX.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

Mr. ALLEN's resolution (S. Res. 180) is as follows:

That Rule XIX is amended by adding at the end thereof the following new paragraphs.

"9. In speaking on the floor of the Senate no Senator shall speak from a prepared script or from prepared written, printed or typed remarks, nor may he insert in the Congressional Record any prepared remarks to be shown as delivered by him on the floor.

"10. No Senator may, in the Senate chamber, make use of any legislative assistant or other person on his staff or on the staff of any committee on which he serves, for advice, information or other assistance, in the performance of his duties."

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield back my time.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

At 10:33 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 4035) to provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STAGGERS, Mr. DINGELL, Mr. WIRTH, Mr. SHARP, Mr. BRODHEAD, Mr. BROWN of Ohio, and Mr. MOORHEAD of California were appointed managers of the conference on the part of the House.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOLE, from the Committee on Agriculture and Forestry, with amendments:

S. 18. A bill to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes (Rept. No. 94-193).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. WILLIAMS (for himself and Mr. SCHWEIKER):

S. 1939. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, to raise the contribution base, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. TAFT:

S. 1940. A bill for the relief of Dr. Gustavo Sciovile. Referred to the Committee on the Judiciary.

By Mr. WEICKER (for himself and Mr. MAGNUSON):

S. 1941. A bill to increase the protection afforded animals in transit and to assure the humane treatment of animals, and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAMS (for himself and Mr. SCHWEIKER):

S. 1939. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, to raise the contribution base, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. WILLIAMS. Mr. President, I am today introducing a bill which will alleviate the inequitable and insufficient unemployment benefits which now prevail for unemployed railroad workers.

Railroad employees are covered by their own unemployment insurance law. The level of benefits and contributions are determined by legislation. Every few years the railroad employee representatives and railroad employers have been required to come to Congress to adjust the level of benefits and contributions to reflect the change in circumstances that has occurred in the intervening years since the last change.

The last time the Congress acted in this area was 1968, 7 years ago. Since that time, dramatic changes have occurred which have had a significant impact on the level of benefits established in 1968. The cost of living has gone up nearly 50 percent. Railroad employee wages have gone up substantially. But perhaps most significantly, the number of unemployed railroad employees has jumped alarmingly to a point where there are now nearly 40,000 railroad employees on layoff. The depressed economy has magnified greatly the importance of the railroad unemployment system and correspondingly has exposed its weaknesses.

These factors dictate an immediate and substantial increase in the level of unemployment benefits available to the railroad employee. The various adjustments in the maximum benefits available to an unemployed rail worker over the years since the original law was enacted have averaged nearly 55 percent of the average wage paid to a railroad employee. The situation has deteriorated until today the maximum level of benefits represents only slightly more than 25 percent of the average weekly wage. There are very few State unemployment insurance plans where the corresponding percentage is this low. Approximately 99 percent of the unemployed railroad workers are receiving the maximum level of benefits now available under this act.

The basic provisions of this bill provide for the restoration of unemployment benefits to 55 percent of the average daily railroad wage. In addition there is a provision for automatic escalation of benefits in each year to retain this 55 percent ratio in future years and thereby remove the necessity for constant periodic changes in the law.

It should be pointed out that under 28 State unemployment insurance laws, the maximum benefit payable is between 50 and 66 percent of the average weekly wage. And most of these States have established formulas to preserve the existing ratio between maximum benefits and average weekly wage.

On the other hand, under the current railroad unemployment insurance law, the unemployed railroad worker fares much worse than his counterpart covered under State unemployment insurance laws. In 47 States, benefits exceed the maximum payable under the railroad unemployment insurance law.

The proposal I am submitting today provides for certain other changes.

Sickness benefits provided in the railroad unemployment insurance law presently are payable to any individual who has been sick for 7 or more days during any 14-day period. The proposed legislation would reduce this waiting period to 4 days and thus would conform to the 4-day waiting period applicable for railroad unemployment benefits. It should be noted that railroad sickness benefits are lower than sickness benefits payable in the States which provide them.

Under current law, a rail employee must earn $1,000 in the previous year to qualify for benefits. However, present law limits the amount which can be counted in any single month toward meeting this requirement to $400. Thus the employee must work in excess of 2 full months in the base year to be eligible, regardless of how much he earns per month.

This bill would raise the amount of wages which can be counted in any month toward meeting the $1,000 eligibility requirement. It provides that an amount not to exceed one-twelfth of the wages which are subject to taxation under social security and railroad retirement can be counted toward meeting this requirement. This amount is presently $1,175 per month.

The formula for employer contributions to the unemployment account will be changed, in much the same manner as the change just described for compensation which can be counted toward meeting the $1,000 eligibility requirement.

Thus the employer will contribute each month a percentage of earnings, not to exceed one-twelfth of the earnings subject to taxation under social security and railroad retirement. Under present law only $400 per month is subject to employer contribution.

The rate of employer contribution on this new base is reduced since there is a substantial increase in the amount of compensation for which the employer is required to contribute. A sliding scale is established which would require a contribution of 3 percent of wages paid if the insurance account is less than 100 million; 2 percent if the account is between 100 million and 200 million and 1 percent if the account has more than 200 million.

This bill will also increase the maximum period for which benefits can be paid from 26 weeks to 39 weeks. In addition the number of months which a new employee must have worked in the base year to be eligible for benefits is reduced from 7 months to 2 months.

Other changes in the act include an increase from $3 per day to $10 per day in the amount an employee can earn in part-time work without losing his eligibility for benefits. The bill also permits an acceleration of the benefit year for employees with at least 5 years of service instead of the current requirement of 10 years service.

The need for a substantial revision in railroad unemployment insurance is apparent. Both in terms of traditional levels of unemployment benefits received by railroad workers and in terms of benefits now received by nonrailroad employees covered by State unemployment insurance laws, it is clear that railroad employees have the right to expect a major overhaul in benefit rates.

By Mr. WEICKER (for himself and Mr. MAGNUSON):

S. 1941. A bill to increase the protection afforded animals in transit and to assure the humane treatment of animals, and for other purposes. Referred to the Committee on Commerce.

ANIMAL WELFARE IMPROVEMENT ACT OF 1975

Mr. WEICKER. Mr. President, I am pleased to join today with the distinguished chairman of the Senate Committee on Commerce, Senator MAGNUSON, in introducing comprehensive legislation to assure the humane treatment of animals in transit.

This bill, the Animal Welfare Improvement Act of 1975, comprises needed amendments to the act of 1966, amended by the Animal Welfare Act of 1970, establishing Federal standards and enforcement of humane treatment of laboratory animals and pets.

I hardly need elaborate on the problems and tragedies involved in the transportation of animals by air. Three years ago, on a tour of air freight facilities at Washington's National Airport, I observed a number of animals stuffed in flimsy crates and afforded no better treatment than regular air freight. Apparently, the situation there has not improved since then, as witness a recent report on inhumane conditions of animal shipments through National and Dulles Airports—Washington Post, May 8, 1975, C1.

Ever since the 91st Congress, I have investigated alternatives for humane action in air commerce. In each succeeding Congress, I have introduced legislation to amend the Animal Welfare Act of 1970 to provide that all animal shipment regulations will be adhered to by the common carriers, now exempt in an inexplicable loophole. The most recent bill, S. 939, entitled "The Animal Air Transport Act," was introduced on January 16, 1973; similar legislation was sponsored in the House by Congressman WHITEHURST of Virginia.

On December 21, 1973, the House Committee on Government Operations held hearings on "Problems in Air Shipment of Animals"—House Report No. 93-746. That hearing record was replete with instances of inhumane handling of animals and pets in air transit. Following these important hearings, legislation known as the Animal Welfare Act Amendments of 1974, H.R. 15843, was introduced in the House by Congressman FOLEY on July 10, 1974, and similar legislation, S. 4046, was introduced in the Senate by the distinguished senior Senator from Washington, Chairman MAGNUSON, on September 30, 1974.

Now, in the 94th Congress, as a new member of the Senate Commerce Committee, I have joined forces with my honored chairman, Senator MAGNUSON, to develop this new legislation, which combines the substantative elements of both S. 399 and S. 4046 into a comprehensive animal welfare reform measure.

Our bill would not only bring airlines and terminal facilities under regulations of the Animal Welfare Act but also remove the partial exemptions extended to pet shops, the most active handlers and shippers of pets. Significantly, the act directs the Secretary of Agriculture to promulgate strict standards for the care of animals in transit, including standards for containers, feed, water, ventilation, temperature, and veterinary care.

Mr. President, I have urged now for many years, Congress must exercise legislative leadership to assure humane treatment of animals transported in air commerce. As the ranking minority member of the Environment Subcommittee of the Committee on Commerce, I pledge my utmost efforts to expedite committee action on the bill. I am hopeful that the 94th Congress will speedily enact this imperative animal welfare legislation.

Mr. President, I ask unanimous consent that the prepared remarks of Senator MAGNUSON and the text of the bill, the Animal Welfare Improvement Act of 1975, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF ANIMAL WELFARE IMPROVEMENT ACT OF 1975

STATEMENT BY SENATOR MAGNUSON

Today I introduce, along with the distinguished Senator from the State of Connecticut and my colleague on the Senate Commerce Committee, Senator Lowell P. Weicker, the "Animal Welfare Improvement Act of 1975", legislation designed to provide increased protection for animals in transit.

The Animal Welfare Act of 1970, which the legislation I will introduce today amends, provides the Secretary of Agriculture with the authority to issue and enforce standards for the care and housing of animals in laboratories and other facilities through the regulation of animal dealers, exhibitors, and research facilities. That law, however, does not provide the Secretary with the authority to similarly regulate the common carriers and intermediate handlers, such as airlines, railroads, trucks, and other shipping lines, which transport the animals from dealers to laboratories, exhibitors or other facilities. Consequently, as many pet owners have discovered, travel can be unhealthy—and even fatal—for pets and other animals.

The hazards faced by animals in transit are numerous. During flight, for example, it is often impossible to insure adequate ventilation and temperature control in the cargo compartments where animals are carried. As a consequence, suffocation of animals can, and has, occurred. Animals are sometimes left on the runway in the hot sun or freezing rain for hours before being loaded onto a plane. Last year a shipment of experimental mice destined for NIH was literally roasted to death in this manner. Even after arriving safely at an airport, the perils of journey are not yet over for animals in transit. Since few such terminals have the personnel or other facilities needed to feed, water and exercise animals, overnight or longer delays in transporting the animals to their final destinations may mean that they go hungry or thirsty for that period of time. There have been cases here at Washington National Airport of animal deaths caused by starvation and dehydration as a result of such delays. Furthermore, animals which are sick or diseased, but which are nevertheless shipped, can spread their illnesses to other healthy animals being shipped at the same time.

The legislation that Senator Weicker and I will introduce today will help to improve conditions for animals in transit by closing the gap in present law and bringing intermediate handlers and common carriers under the purview of federal statutes and under the regulation of the Secretary of Agriculture. The legislation authorizes the Secretary to promulgate standards for the care of animals, including standards with respect to containers, feed, water, rest, ventilation, temperature, air pressure, handling, and veterinary care, by common carriers and intermediate handlers. The legislation would also permit the Secretary to prohibit the transport of animals under a certain age and to require the issuance of a health certificate by a licensed veterinarian prior to the shipment of an animal. To facilitate enforcement of the regulations issued, the Act requires all common carriers and intermediate handlers involved in animal transit to register with the Secretary and to keep such records as the Secretary may require with respect to the purchase, sale, transportation, identification and previous ownership of animals. Finally, the bill authorizes the Department of Transportation, the Civil Aeronautics Board, the Interstate Commerce Commission, and the Federal Maritime Commission to cooperate with the Secretary in the implementation and enforcement of the Act, and requires the Justice Department to prosecute all criminal violations of the Act.

The Animal Welfare Improvement Act of 1975 is important and much-needed legislation. In my view, this legislation will go a long way toward correcting the dangerous and inhumane conditions that are not always, but too often, encountered by animals in transit. The Senate Commerce Committee plans to hold hearings on this legislation during the late summer or early fall, and I look forward to its favorable consideration by the Senate before the conclusion of this session of Congress.

S. 1941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled; That this Act may be cited as the "Animal Welfare Improvement Act of 1975".

SEC. 2. The Act of August 24, 1966, as amended (7 U.S.C. 2131 et seq.) is amended by inserting before the first section thereof: "That this Act may be cited as the Animal Welfare Act".

SEC. 3. Section 1 of the Animal Welfare Act, as amended (7 U.S.C. 2131) is amended by inserting after "treatment of such animals by" and before "persons or organization" the term "common carriers or by".

SEC. 4. Section 2 of the Animal Welfare Act, as amended (7 U.S.C. 2132) is amended—

(1) by striking out subsections (c) and (d) thereof and inserting in lieu thereof the following:

"(c) The term 'commerce' means trade, traffic, transportation, communication, or exchange—

"(1) between a place in a State and any place outside of such State; or

"(2) which affects trade, traffic, transportation, communication, or exchange described in paragraph (1) of this subsection;

"(d) The term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, or any other territory or possession of the United States;";

(2) by amending subsection (e) thereof by striking out the term "affecting commerce" and inserting in lieu thereof "in commerce";

(3) by amending subsection (f) thereof (A) by striking out the term "affecting commerce" and inserting in lieu thereof "in commerce"; (B) by striking out "except as a common carrier,"; and (C) by striking out ", but such term excludes any pet store except such store which sells any animal to a research facility, an exhibitor, or a dealer," and inserting in lieu thereof ". The term does not include a hobby breeder of dogs or cats, as defined by the Secretary;";

(4) by amending subsection (g) thereof (A) by striking out "or as a pet; but such term excludes" and inserting in lieu thereof the following: "or as a pet. The term includes, solely with respect to any use in connection with a retail pet store or with a zoo, any live or dead bird. The term does not include"; and (B) by striking out "and" at the end thereof;

(5) by amending subsection (h) thereof by striking out ", which were purchased in commerce or the intended distribution of which affects commerce, or will affect commerce," and inserting in lieu thereof "in commerce"; and

(6) by adding at the end thereof the following two new subsections:

"(i) The term 'intermediate handler' means any person who is engaged in any business in commerce which involves in whole or in part, receiving or maintaining custody of animals in connection with their transportation in commerce, except that the term does not include a dealer, a research facility, an exhibitor, a hobby breeder of dogs or cats, an operator of an auction sale, a common carrier, a person exempted from the definition of 'research facility' by regulation, or a person excluded from the definition of 'exhibitor'; and

"(j) The term 'common carrier' means the owner or operator of any airline, railroad, shipping line, or other enterprise, which is engaged in, or authorized to engage in, the business of transporting any animals for hire or any person designated as such by the Secretary of Transportation, the Interstate Commerce Commission, the Civil Aeronautics Board, or the Federal Maritime Commission.".

SEC. 5. Section 3 of the Animal Welfare Act, as amended (7 U.S.C. 2133) is amended by inserting after "his facilities" and before "comply" in the first proviso thereof the following: ", including any terminal facilities used by such person,".

SEC. 6. Sections 4, 11, and 12 of the Animal Welfare Act, as amended (7 U.S.C. 2134, 2141, and 2142) are amended by striking out "affecting commerce" and inserting in lieu thereof "in commerce".

SEC. 8. Section 9 of the Animal Welfare Act, as amended (7 U.S.C. 2136) is amended by inserting after "research facility" and before "and every" the following: "every intermediate handler, every common carrier,".

SEC. 8 .Section 9 of the Animal Welfare Act, as amended (7 U.S.C. 2139) is amended by inserting after "dealer," the first time the term appears, the following: "an intermediate handler, a common carrier", and the second time the term appears, the following: "intermediate handler, common carrier,".

SEC. 9. Section 10 of the Animal Welfare Act, as amended (7 U.S.C. 2140), is amended to read as follows:

"SEC. 10. Dealers, research facilities, intermediate handlers, common carriers, and exhibitors shall make and retail for such reasonable period of time and on such forms as the Secretary may prescribe such records with respect to the purchase, sale, transportation, identification, receiving, handling, delivering, and previous ownership of animals as the Secretary may prescribe. Such records shall be made available by the Secretary to interested persons at all reasonable times, for purposes of examination and copying.".

SEC. 10. Section 13 of the Animal Welfare Act, as amended (7 U.S.C. 2143) is amended—

(1) by amending the title thereof to read as follows: "Humane Standards for Animals";

(2) by designating the provisions thereof as subsection "(a)" of such section by inserting "(a)" immediately before the first sentence thereof;

(3) by amending the second sentence of subsection (a) thereof, as designated by this section, by inserting after "Such standards" and before "shall include" the following: "shall apply with respect to the facilities of any person licensed under this Act and with respect to any terminal facilities used by a common carrier subject to this Act and";

(4) by adding the following new subsection at the end of subsection (a) thereof, as designated by this section:

"(b) The Secretary shall promulgate standards to govern the transportation in commerce, and the handling, care, and treatment in connection therewith, of any animals as to which such transportation is purchased or ordered by a dealer, a research facility, an owner of a pet, an exhibitor, an operator of an auction sale, a department, agency, or instrumentality of the Federal Government or any State or local government, or any other person. Such standardes shall apply to all air carriers and other common carriers and to intermediate handlers, with respect to the transportation in commerce of animals. Such standards shall include, but need not be limited to, minimum requirements with respect to containers, feed, water, rest, ventilation, temperature, air pressure, handling, veterinary care, and other factors determined by the Secretary to be relevant to assuring the humane treatment of animals in the course of their transportation in commerce. Such standards may prohibit the transportation in commerce of dogs, cats, and other designated animals that are less than 8 weeks of age (or less than such other age as the Secretary may prescribe), and they may prohibit such transportation unless the animal involved is accompanied by a certificate issued by a licensed veterinarian certifying that such animal as delivered to an intermediate handler or common carrier is sound, healthy, and in such condition that it can reasonably be expected to withstand the rigors of the intended transportation without adverse consequence.".

SEC. 11. Section 15 of the Animal Welfare Act, as amended (7 U.S.C. 2145) is amended by adding the following new subsection at the end thereof:

"(c) In addition to other applicable requirements, the Secretary shall consult and cooperate with the Secretary of Transportation with respect to the establishment and enforcement of humane standards for animals in the course of their transportation in commerce and in terminal facilities prior to and after such transportation, and no standard with respect to transportation by air shall become effective without the approval of such Secretary with respect to flight safety. The Secretary of Transportation is authorized and directed to take such steps as are necessary to assist the Secretary in any matter relating to the transportation of animals in commerce. The Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Maritime Commission, to the extent of their respective lawful authorities, shall take such action as is appropriate to implement, enforce, or reinforce any determination by the Secretary with respect to a person subject to regulation by it, including, but not limited to, suspension of operating licenses.

SEC. 12. Section 16(a) of the Animal Welfare Act, as amended (7 U.S.C. 2146) is amended—

(1) by inserting "intermediate handler, common carrier," in the first sentence thereof after the term "exhibitor", each time such term appears in such sentence;

(2) by striking out "or" before "(4)" in the third sentence thereof;

(3) by inserting before the period at the end of the third sentence thereof the following: ", or (5) such animal is held by an intermediate handler or by a common carrier"; and

(4) by adding the following new sentence at the end thereof: "It shall be the duty of United States attorneys to prosecute all criminal violations of this Act reported by the Secretary and to initiate civil actions to recover all civil penalties assessed and reported by the Secretary, or which come to their notice or knowledge by other means."

SEC. 13. Section 19 of the Animal Welfare Act, as amended (7 U.S.C. 2149) is amended—

(1) by inserting after "exhibitor,", each time the term appears, the following: "intermediate handler, common carrier,"; and

(2) by adding the following new subsection at the end thereof:

"(d) Any dealer, exhibitor, intermediate handler, common carrier, or operator of an auction sale subject to this Act who is determined by the Secretary, after notice and an opportunity for a hearing, to have knowingly committed an act which is in violation of a provision of this Act or of a standard prescribed pursuant to this Act, shall be liable to the United States for a civil penalty. The amount of such penalty shall be not more than $2,000 for each violation, and if any such violation is a continuing one, each day of violation constitutes a separate offense. The amount of any such penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require."

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 18

At the request of Mr. DOLE, the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Nevada (Mr. CANNON), the Senator from South Carolina (Mr. THURMOND), and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of S. 18, a bill to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes.

S. 199

At the request of Mr. WEICKER, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 199, a bill to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 1216

At the request of Mr. TALMADGE, the Senator from Lousiana (Mr. JOHNSTON), the Senator from Utah (Mr. MOSS), the Senator from Nebraska (Mr. CURTIS), and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 1216, a bill to amend the Federal Water Pollution Control Act.

S. 1804

At the request of Mr. HANSEN, the Senator from Mississippi (Mr. EASTLAND), the Senator from Idaho (Mr. CHURCH), and the Senator from Pennsylvania (Mr. SCOTT) were added as cosponsors of S. 1804, a bill to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs.

NOTICE OF HEARINGS ON OUR NATION'S SCHOOLS: "SCHOOL VIOLENCE AND VANDALISM"

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Indiana (Mr. BAYH), I wish to announce that the Subcommittee To Investigate Juvenile Delinquency, Committee on the Judiciary, will continue its hearings on the nature and extent of school violence and vandalism. The focus of this hearing will be to explore the problems of violence, vandalism, and other school-related crimes as they affect not only the large urban school systems, but also the middle-income and affluent suburban, as well as rural districts across the country. As the subcommittee's preliminary survey entitled, "Our Nation's Schools—A Report Card: 'A' In School Violence and Vandalism," clearly found, these are not problems found exclusively in big city schools. We shall be discussing the situation from the unique prospective of teachers and students who attend and teach in these institutions and school security personnel representing suburban and moderate sized school districts.

The hearing is scheduled to be held on Monday, June 16, 1975, at 9 a.m., in room 318, Russell Office Building. Witnesses invited to testify include teachers from Missouri, California, Connecticut, Georgia, and New York; students from Ohio, Illinois, and Maryland; and school security administrators from Washington, Kentucky, and Maryland.

Anyone interested in the subcommittee investigation or desiring to submit a statement for the record should contact John M. Rector, staff director and chief counsel of the Subcommittee, U.S. Senate, A504, Washington, D.C. 20510 (202–224–2951).

NOTICE OF HEARINGS ON FEDERAL RULES OF CRIMINAL PROCEDURE

Mr. McCLELLAN. Mr. President, I wish to announce for the information of the Members and the public that the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary will hold a 1-day hearing on the Federal Rules of Criminal Procedure. Witnesses to be heard include representative from the American Bar Association, the Department of Justice, the Judicial Conference of the Untied States; and the National Association of Criminal Defense Lawyers.

Hearings are scheduled for June 20, 1975, beginning at 10 a.m., in room 1114, Dirksen Senate Office Building. Additional information is available from the subcommittee in room 2204–DSOB, telephone AC 202–224–3281.

NOTICE OF HEARINGS ON PUBLIC INSPECTION OF INTERNAL REVENUE SERVICE PRIVATE LETTER RULINGS

Mr. HASKELL. Mr. President, I wish to announced that the Subcommittee on Administration of the Internal Revenue Code will hold hearings June 23, 1975, on public inspection of Internal Revenue Service private letter rulings.

The hearings will begin at 10 a.m. in room 2221, Dirksen Senate Office Building.

The subcommittee is exploring this issue to develop indepth information concerning the possible disclosure of IRS ruling positions, the identity of taxpayers seeking private rulings and other pertinent information relevant to the issuance of private rulings. At the request of a taxpayer, the Service will rule on whether or not a proposed transaction will receive favorable tax treatment. Other taxpayers are denied access to the estimated 500,000 such rulings issued by IRS. Under such circumstances it is possible that separate requests result in different rulings, even under similar factual situations.

The following witnesses have been scheduled to testify before the subcommittee:

Mr. Richard H. Appert, Chairman, Section of Taxation, American Bar Association

Mr. William C. Penick, Chairman, Division of Federal Taxation, American Institute of Certified Public Accountants—accompanied by Mr. Joel M. Forster, Staff Director, Tax Division, and Mr. R. Eugene Holloway, Chairman, Taxpayer Privacy/Disclosure Task Force

Martin D. Ginsberg, Esquire, Chairman, Tax Section, New York Bar Association

K. Martin Worthy, Esquire, former Chief Counsel, Internal Revenue Service

Tom Field, Esquire, Executive Director, Tax Analysts and Advocates, Washington, D.C.

Jay W. Glassman Esquire, Washington, D.C.

To facilitate the presentation of relevant information for consideration by the subcommittee and the full Finance Committee, witnesses who have been scheduled to appear are requested to address the following questions in the course of their oral and written presentations:

1. Should private letter rulings be made available for public inspection?

a. Including all information contained in the ruling file?

b. The identity of the taxpayer, representatives of the taxpayer, third parties commenting on the rulings, IRS personnel responsible for the ruling and other relevant information, excluding all information

exempt under the Freedom of Information Act?

c. All information necessary to adequately explain the result reached in the ruling, including the ruling request and relevant documentation, with the identity of the taxpayer and others as well as other information which would permit persons without intimate knowledge of the taxpayer's business to identify the taxpayer-ruling recipient deleted?

d. What additional limitations might also be considered?

2. What procedures should be established concerning information to be made available for public inspection?

a. Should the taxpayer be required to request deletion of information he believes to be exempt from disclosure by specifically requesting deletion or by proposing the form of the ruling for publication?

b. Should taxpayer suggestions be advisory only, with responsibility for publication of proposed rulings on the IRS, and the taxpayer retaining a right to object to specific information proposed to be disclosed?

c. Should disputes over information to be made public be resolved prior to consideration of the ruling on the merits or after the determination of the issues raised has been made?

d. Should disputes concerning information to be disclosed be resolved by simply refusing to rule where agreement can not be reached? Should a limited judicial proceeding to resolve such controversies be established providing for publication of the originally requested ruling even where the taxpayer, after judicial determination, disagrees concerning the disclosure of certain information and would choose to rescind the ruling request?

e. Should taxpayers have the right to request delay in the issuance of a ruling until the proposed transaction is completed?

f. Should the IRS be required to index and maintain ruling files and how long should such information be kept available for public inspection?

3. Should technical advice memoranda be made available for public inspection and should procedures be adopted for maintaining anonymity of the taxpayer who may be the subject of such memoranda?

4. What interim rules should be adopted for the processing and disclosure of rulings issued prior to the effective date of any publication procedure which may be finally adopted?

a. Should such rulings be exempt from disclosure?

b. Should they be fully disclosed, with information exempted under the Freedom of Information Act deleted, or with only the name of the recipient deleted?

c. Should ruling recipients be contacted if disclosure is to be made, apprising them of their right to object to the inclusion of information in the published ruling? If ruling recipients can not be located, how should the publication of such rulings be processed?

d. Should disputes concerning information to be disclosed be resolved by IRS personnel? Should a judicial proceeding be provided for making such determinations and in what way should that procedure be limited?

5. Once it is decided that private rulings should be open to public inspection, what kind of precedent should such rulings be accorded for the purposes of other ruling requests?

a. How should such rulings affect transactions similar to those involved in the ruling, but for which no ruling request has been made?

b. Should the IRS be provided with a statutory right to rescind or modify rulings subsequently determined to be misleading, inaccurate or incorrect?

6. What changes would be appropriate concerning the publication of revenue rulings if private letter rulings are held to be open for public inspection? Should there be greater reliance on guideline type revenue procedures?

7. Should third parties be granted a right to question the results reached in specific rulings? Should this right be exercised through a hearing procedure within the IRS or through a judicial proceeding? What parameters should be placed on persons authorized to so intervene?

8. What would be your assessment of the impact of public disclosure of private letter rulings under the procedures mentioned above on the existing IRS ruling system?

LEGISLATIVE REORGANIZATION ACT

The Legislative Reorganization Act of 1946, as amended, requires all witnesses appearing before the Committees of Congress "to file in advance written statements of their proposed testimony, and to limit their oral presentations to brief summaries of their argument."

Witnesses scheduled to testify must comply with the following rules:

First. A copy of the statement must be filed by the close of business 2 days before the day the witness is scheduled to testify.

Second. All witnesses must include with their written statement a summary of the principal points included in the statement.

Third. The written statements must be typed on lettersize paper—not legal size—and at least 75 copies must be submitted by the close of business the day before the witness is scheduled to testify.

Fourth. Witnesses are not to read their written statements to the subcommittee, but are to confine their 10-minute oral presentations to a summary of the points included in the statement.

Fifth. Not more than 10 minutes will be allowed for oral presentation.

WRITTEN STATEMENTS

Persons who desire to present their views to the subcommittee are urged to prepare a written statement for submission and inclusion in the printed record of the hearings. These written statements should be submitted to Michael Stern, Staff Director, Committee on Finance, room 2227, Dirksen Senate Office Building on or before July 7, 1975.

ADDITIONAL STATEMENTS

WHAT'S RIGHT ABOUT AMERICA

Mr. ROBERT C. BYRD. Mr. President, last weekend I had the honor to be chosen the "Outstanding West Virginian of 1975" by the contestants in this year's Miss West Virginia Teenage Pageant.

These lovely young women are chosen on the basis of personality, poise, scholastic and academic achievement, and each is required to write a brief essay. This year's subject was "What is Right About America."

Of the seven finalists in the essay contest, Susan Regina Beinhorn was declared the winner, with Pamela Ann Meadows and Marcia Ann Vennis as 1st and 2d runners-up.

The sentiments and thoughts expressed by these West Virginia teenagers regarding their country are heart-warming, and I ask unanimous consent that the essays written by the seven finalists be printed in the RECORD.

There being no objection, the essays were ordered to be printed in the RECORD, as follows:

ESSAY BY SUSAN BEINHORN

Today on many street corners, schools, and public forums, you can hear what's wrong with America—and that's what is right about America—People in this country have the right to express themselves without fear.

The men of Lexington and Concord would have been proud when the crew of the Mayagues was returned and when we opened our doors to refugees from all over the world.

Our founding fathers would find great joy in knowing that their struggle for freedom of speech and worship was not a fight in vain.

This is our heritage and that's right about America.

WHAT'S RIGHT ABOUT AMERICA?

(By Pam Meadows)

"Give me your tired, your poor, your huddled masses yearning to breathe free. Send these, the homeless, tempest-tost to me. I lift my lamp beside the golden door." These words are inscribed on our Statue of Liberty that stands proudly in New York Harbor.

Our history is based totally upon freedom and its principles. We as Americans have the opportunity to live with freedom of expression and to follow the dictates of our hearts.

What other country could withstand assassinations, resignations, political upheaval and still remain strong and powerful?

What's right with America? The American people—red, white, black, brown, and yellow—they make America strong, free, and brave.

WHAT'S RIGHT ABOUT AMERICA?

(By Marcia Vennis)

What's right about America? Just about everything. Kafka once said, "Youth is happy because it has the ability to see beauty." I see beautiful people all around me—concerned, loving, appreciating, and God fearing people who are proud of our country. Happily, I see teachers, fellow classmates, family, and friends enjoying the benefits of this land of ours. I grow and learn—rejoicing that other young people have the same opportunities. America came about as the only country deliberately founded on a good idea and I'm glad we did.

You ask me what's right about America? Just about everything.

WHAT'S RIGHT ABOUT AMERICA

(By Kay Eldridge)

It's competition which sparks quivers of enthusiasm, Ice Cream and Cake for the innocence of youth; hope, faith and love the essence of life.

It's high school graduation, hats sliding with tassles bobbing—the opportunity to utilize what the Nation offers, like a child with the wild unpredictable future ahead.

It's rainy days and popcorn with plenty of butter and salt—the blue ridge mountains with the excitement of Chicago southside—Freedom, liberty and a Bicentennial Independence.

It's May apple blossoms, June strawberries and October buckwheat, Charlie Brown, Mary Tyler Moore, and the Jefferson's with good Doctor Welby. An ocean of bright hopes for the Nation of tomorrow.

WHAT'S RIGHT ABOUT AMERICA?

(By Kim Carper)

What's right about America? It is the uniqueness of her people. A nation of immigrants that have joined together and built a place of freedom and security for the rest of the world to admire!

Regardless of our religious beliefs, race, or financial status, we as citizens have the privilege to unite and strive for the American dream. We reach for the stars, and sometimes fall, but we get up to reach again with twice the strength and determination.

For our country refuses to resign herself to what exists, she strives to achieve what should be.

WHAT'S RIGHT ABOUT AMERICA"

(By Cindy Cua)

"Go placidly amid the noise and haste and remember what peace there may be in silence. As far as possible without surrender be on good terms with all persons." These are lines from the song, Desiderata, and they apply to the majority of Americans today. We are on good terms with others because we must to grow, reach out to other countries, and most importantly, help each other. We do not judge others by the minority of bad people, but the majority of good. Over the years of broken dreams, tragedies, and heartaches we, as Americans, have pulled through.

WHAT'S RIGHT ABOUT AMERICA"

(By Tammy Fleck)

America is what you make it. Some people complain that the government just isn't giving them what they deserve, but if they would only stop to think, THEY ARE the government. This government, of the people, by the people, for the people, is just that. This country is ours, to do with what we want. We can make it, or we can break it. It's up to us, the people. Working together, we can build; against each other, we will destroy. Each individual plays a particular part in the government . . . we are America.

DR. FLOYD RIDDICK HONORED BY FEDERAL REPUBLIC OF GERMANY

Mr. HELMS. Mr. President, yesterday the distinguished Senator from Utah (Mr. Moss) and I, along with a number of other close friends of Dr. Floyd Riddick, had the pleasure of attending a ceremony at which Dr. Riddick was presented the Officer's Cross of the Order of Merit of the Federal Republic of Germany.

The ceremony was held at the German Embassy, in the office of the Honorable Berndt Von Staden, the distinguished Ambassador to the United States from the Federal Republic of Germany.

Mr. President, all of us who had the privilege of serving in the Senate during Dr. Riddick's tenure as Parliamentarian of the U.S. Senate are aware of his dedicated service to the Senate, and thus to the Nation. Serving as Parliamentarian of this body is not an easy job. To the contrary, it is a demanding one. It is imperative, of course, that the Parliamentarian must be competent—but, beyond that, he must at all times be completely impartial, fair, alert, patient, and dedicated to the principals and traditions of this Senate.

As all Senators who have known him, and served with him, will testify, Dr. Riddick met these specifications splendidly. That is why tributes to him were heard in this Chamber at the time of his retirement on December 19 of last year. Inasmuch as Dr. Riddick is a native son of North Carolina, I have been especially proud of him and his remarkable career.

And that is why I was honored to be present at the German Embassy when Dr. Riddick received his latest honor.

Mr. President, I ask unanimous consent that a statement delivered yesterday by Ambassador Berndt Von Staden be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LAUDATIO

PARLIAMENTARIAN EMERITUS DR. FLOYD RIDDICK

"Dr. Riddick epitomizes and certainly capsulizes, we might say, all of those fine outstanding qualities, that a great public servant in the service of the United States Government and the people of the United States has symbolized to all of us".

These words were spoken in the Senate Chamber on December 19th of last year on the occasion of your retirement as Parliamentarian of the United States Senate. On that day the Senate expressed its collective appreciation to Dr. Riddick for his long and faithful service by designating him Parliamentarian Emeritus.

As scholar, teacher, author and Parliamentarian you have made an indelible mark and you have, indeed, served your country with honor and distinction.

In serving your country you have also served German American relations, particularly in the field of parliamentary exchange. You have always looked across national borders. Your acquaintance with my country began when you received an International Fellowship for a year's study at the University of Berlin in 1937. About twenty years later, upon the invitation of my Government you revisited Germany and from then on you helped to establish and maintain fruitful and close contacts with your colleagues in the German Bundestag, in particular with the Director of the Bundestag and the Director of the Bundesrat, both of which have remained close personal friends of yours up to this day.

We are greatful for your contributions to a better understanding of how the American parliamentary system works. As a scholar and as an author of the "Senate Procedure" you have made a valuable contribution to this understanding of the American Congress. I might mention in this context that the "Senate Procedure" has a prominent place in the Libraries of the Bundestag and of the Foreign Office of the Federal Republic of Germany.

We are also indebted to you for the assistance you have always given to innumerable German delegations and official visitors, who have visited Washington and the United States Congress and whom you have welcomed and enlightened with patience and unfailing courtesy.

In recognition of these services the President of the Federal Republic of Germany has conferred upon you the high distinction of the Officer's Cross of the Order of Merit of the Federal Republic of Germany.

IN SUPPORT OF CLEAN WATER AND LAKES

Mr. HUMPHREY. Mr. President, our Nation's water supply is one of its most precious resources, and deserves to be preserved. Unfortunately, we have taken this supply for granted for too long.

Today, many of our lakes and rivers are plagued by the problem of pollution. Our efforts to cleanse the waters have been impeded by the unwillingness and slowness of recent administrations to adequately fund programs to clean up our lakes and rivers and to encourage more effective treatments to protect our drinking water. Action has been left largely to the States, even though the Federal Water Pollution Control Amendments of 1972 and the Safe Drinking Water Act of 1974 promised a strong Federal commitment to clean water.

My own State of Minnesota, the land of a Thousand Lakes, has been a leader among States in the effort to clean up its lakes and provide its citizens with pure drinking water. We have prepared a "Clean Lakes Inventory" on the condition of our lakes and the types of efforts which would be necessary to improve them. As a result of this study, we estimate that we will need to spend $44.7 million over the next 4 years to implement our improvement measures. To protect the future environmental health of our lakes, we have adopted new land use programs. We are doing what we can, including seeking court relief and congressional support, when necesasry, as in Duluth, to insure that our citizens have clean, safe water to drink.

Recently, I urged the Senate Subcommittee on HUD and Independent Agencies to secure adequate appropriations for section 314 of the 1972 Federal Pollution Control Act Amendments so that Minnesota and other States can have the help we promised them in cleaning their lakes. I also highlighted for the 95th Congress of the American Waterworks Association the steps that Congress and private enterprise could take in the future to clean up our lakes and provide our citizens with safe drinking water.

Mr. President, I ask unanimous consent that my letter to Senator PROXMIRE on appropriations for section 314 of the Federal Pollution Control Act Amendments, and my remarks to the American Waterworks Association, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE
UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C., June 6, 1975.

Hon. WILLIAM PROXMIRE,
Subcommittee on HUD and Independent Agencies, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I appreciate the opportunity to lend my support to the effort to secure adequate appropriations for Section 314 of the 1972 Federal Pollution Control Act Amendments. This section of the Federal Pollution Control Act Amendments provides for federal funding of state and local projects to restore and protect the quality of our national lakes.

As one of the original sponsors of legislation to clean up our Nation's lakes and streams, and as one who lives on the shores of a beautiful lake, I know that unless we clean up our fresh water lakes, they will die. We in the Congress made a firm commitment to the states to help them stop the degradation of our lakes by authorizing $300 million for the clean lakes program. We need to follow through by appropriating adequate funds—at a minimum $75 million for FY 76—to get the federal program moving.

Last year, we appropriated $75 million for this purpose. But, as a result of a Presidential veto, that $75 million was scaled down to $4 million. According to a letter from James L. Agee of the Environmental Protection Agency, this minimal amount appears to be earmarked for a research program which I find indistinguishable from Section 104(h) of this same PL 92–500.

I do not deny the need for further devel-

opmental research in this area. I merely object to these funds being diverted from a program that has been recognized as necessary since 1972 and has yet to get off the ground. As a result of the lack of funding of this program, our states are inhibited in their cleanup activities and our lakes are dying.

The eutrophication of our lakes is a natural process, but man, by his development of the surrounding land and industrialization, can augment the process to a dangerous degree. The constant influx of sediment and nutrients into a fresh water lake deals a deadly blow to the complex ecosystems which nature constructs. Prolific weed growth, algae blooms, and rampant development of macrophytes are the enemies of water quality and recreational activities, but they also are the harbingers of extinction. And once a lake dies, it never can be revived.

What is the present condition of the nation's lakes? The National Eutrophication Survey considered 792 lakes across the country. Preliminary results from ten states show that of 242 lakes, 80 percent are in bad condition or going dead. This deplorable situation is representative of many of the over 100,000 small to medium-sized lakes in this country.

But we possess the skills to remedy the destruction and make our lakes healthy again.

The approaches to the problem are primarily divided into preventive measures and restorative techniques. In the first category are grouped such methods as wastewater treatment diversion, land use practices, and storm drain consolidations. If a lake is already fouled, it may be aided by one or more of the following: dredging, nutrient inactivization, biotic harvesting, introduction of pathogens, and lake bottom sealing.

Approximately half our states have begun their own lake clean-up programs. They have set their priorities, and decided to shoulder the burden themselves, if necessary. The remaining states cannot be faulted for their reticence, for Congress itself has been reticent and lax in fulfilling its responsibility. I call upon my colleagues to reassert Congress' concern for our lakes and exercise our responsibility to the nation by approving appropriations for Section 314.

With best wishes.

Sincerely,

HUBERT H. HUMPHREY.

REMARKS BY SENATOR HUBERT H. HUMPHREY

AMERICAN WATER WORKS CONFERENCE,
Minneapolis, Minn., June 9, 1975.

It is an honor to be here today to address the 95th Annual Conference of the American Waterworks Association. The Association has done a fine job in helping to improve the quality of water service to the American people. Judging from its past record, I am certain that the Association will continue an invaluable service to the American water industry and the American public.

I am particularly gratified that you have chosen the great state of Minnesota and the lovely city of Minneapolis as the site for your annual conference. Minnesota has been one of the leaders in the movement to improve the quality of our water.

Today I would like to discuss with you two closely related subjects—the challenges that face us in providing clean water in the future, and the steps that we can take to make our water safe and pure.

I think we can all agree that water is one of our most precious resources and that we must do what we can to ensure that future generations will have adequate supplies of safe water.

However, we face a major challenge in achieving this goal.

I can't help but recall a story I heard several years ago. A distinguished scientific researcher was participating in a panel discussion with other learned scholars on the results of a comprehensive study of the nation's future water supply which he and his colleagues had just completed.

"Gentlemen," the scientist said, "I have some *good* news and some *bad* news for you. Our study shows that by the year 2000 everyone in the United States will be drinking recycled sewage from his home water tap."

"Great Scott!" came a shout from the audience. "Quick, tell us the good news."

Replied the scientist, "That was the good news. The bad news is that there won't be enough to go around."

The story is amusing—but it is not far from the truth.

Man needs water—not only for direct consumption, but also for food and industrial production. As the population grows, as man's world becomes more complex, as more nation's demand to reap more of the benefits of modern society, man's need for water to produce food and run machines grows. His increasing needs are causing a tremendous growth in water consumption.

Look at the statistics: Our nation's use of water was increased from a mere 40 billion gallons a day in 1900 to over 400 billion gallons daily—a ten-fold increase. By 1980, we will be using at least 4 5 billion gallons of water a day. But, over this 80-year period, our population will only have tripled.

We in America still are using only 30 percent of our economically available supply of water. But some ecologists predict that we will face a potential water deficit of 30 percent in the United States by the year 2020. And, whether or not we face such a deficit, water recycling may very well be required in many places by the end of the century.

The ancient mariner's plaint, "Water, water everywhere, and not a drop to drink," may well come true for some of us landlubbers.

Why? Because while we are using only 30 percent of our economically available supply of water, we are also, through our industrial and domestic waste disposal practices, our land use policies, and possibly even through some of our anti-pollution efforts, reducing our supply of clean, safe water.

In many places, our supply is being cut back because we are short of the facilities needed to collect, store, treat, and deliver safe, clean water to those who need it, where and when they need it.

This is true, right here in my own state, in the city of Duluth and in the communities on the west bank of Lake Superior. Their water supply is being affected by the dumping of 67,000 tons of taconite tailings into Lake Superior each day by the Reserve Mining Company. These tailings have infested the water with asbestos particles, a possible health hazard.

While the U.S. Court of Appeals for the Eighth Circuit has ordered that the dumping of tailings must stop within a reasonable period of time, these communities must face a shortage of safe drinking water, because the order is not immediately effective.

The city of Duluth simply cannot use the water from Lake Superior unless it can be properly filtered. And our present filtration technology is inadequate to do the job.

Fortunately, something can be done to improve filtration technology. The Congress has adopted my amendment to appropriate $4 million for demonstration grants under the Safe Drinking Water Act. This money is earmarked for an improved filtration system for Duluth.

Earlier in my remarks today, I suggested that even our current efforts to improve the quality of our water may unwittingly cause problems for us.

Chlorination, the single most effective treatment to remove bacteriological agents which cause typhoid from water, may have unintended side results.

There is mounting evidence that chlorine may react with certain industrial compounds to form carcinogenic compounds. Preliminary EPA tests in 79 cities located at least one and up to four carcinogenic compounds in the drinking water of every one of these cities. More extensive tests in ten cities now are being conducted to determine if chlorination poses a serious health hazard. If it does, we will have difficult choices to make and difficult challenges to meet.

Can we meet the challenges of the future—to provide adequate, clean, safe water for agriculture, industry, commercial, public, and home use? I think we can. The Congress thinks we can. And you think we can. But meeting the challenges has to be a cooperative effort between government, the water industry, and the public.

The federal role—both at the Congressional and Executive levels—in this cooperative effort will be to set national water quality policies and standards and to provide supportive and cooperative assistance to states and localities to translate these national standards into local realities.

We can guide, we can set goals, we can provide assistance. But it is up to states and localities and public and private water utilities to translate these goals into quality water service. It is neither proper nor possible for the federal government to determine how and if the 240,000 separate water systems in our country are implementing these national standards and providing quality water to their customers.

I am proud to report that the Congress is following through on its responsibility. I wish I could say as much for the executive branch.

Over the past three years, Congress has enacted two comprehensive pieces of legislation to improve the quality of our water. These acts are the Federal Water Pollution Control Act Amendments of 1972 and the Safe Drinking Water Act of 1974.

The Federal Water Pollution Control Act Amendments of 1972 (FWPCA) stand as one of the most comprehensive pieces of environmental legislation on our law books. The legislation was passed in October, 1972, over former President Nixon's veto.

The Act set as its national goal the achievement of "zero discharge" of pollutants into our rivers and lakes by 1985. In the interim, it calls for the protection of aquatic life and wildlife and for recreation in and on the water.

Stringent interim requirements for municipalities, industries, and other point sources are established to achieve these goals. These requirements call for industries to achieve the "best practicable technology" by 1977 and "best available technology" by 1983, and for municipalities to achieve "secondary treatment" of wastes by 1977.

The Safe Drinking Water Act of 1974 is even more significant for the quality of our drinking water. This legislation, passed at the conclusion of the 93rd Congress, in December, 1974, is intended to protect the public health by regulating the water quality of our nation's public drinking water systems.

The Safe Drinking Water Act authorizes the Environmental Protection Agency to prescribe national primary drinking water standards to protect health. It directs the states to assume the principal responsibility for primary enforcement of these standards. It establishes a program for the protection of underground sources of drinking water. And it provides for research, technical assistance to states and localities, and special studies and demonstrations to insure safe and dependable supplies of drinking water to the public.

The FWPCA will enable us to control and eventually eliminate municipal and industrial discharges of pollutants into the waters, so that one day every body of water will be safe for fish and wildlife, and can be used for recreational purposes. The Safe Drinking Water Act will protect the quality of our water coming out of the home tap, and eliminate adverse health effects from untreated or poorly treated water.

Has the federal government effectively implemented these laws? The record of the executive branch so far has been far from perfect.

Soon after enactment of the FWPCA and again in January of 1974, the Administration impounded a total of $9 billion or half of the $18 billion total authorized to municipalities for the construction of public sewage treatment facilities. The money remained impounded until early this year, when the Supreme Court ruled that the Environmental Protection Agency must make the funds immediately available to the States.

It took the Courts to force the President to clean up our lakes and rivers, and take the sewage out of our drinking water.

But the Act has run into other problems. The transition between the previous water quality control program and the new one, and the lack of adequate staff, and the newly evolving federal requirements also have hamstrung the program.

As a result of these difficulties, EPA has only obligated $3.9 billion from October, 1972, through December, 1974, and has spent less than $500 million during this period.

This, in my opinion, is deplorable. But the EPA asserts that it has overcome its internal difficulties and is on its way to full and effective implementation of the law.

It now anticipates that all $18 billion will be obligated by mid-1977. Hopefully, definite improvements in our nation's waterways will become apparent by the turn of the decade as a result of the municipal and industrial water quality programs under the FWPCA.

The Safe Drinking Water Act has encountered equally disturbing delays in effective implementation.

I am concerned that EPA, by concentrating on meeting the statutory deadlines set by the Safe Drinking Water Act for establishing federal standards and regulations, may meet the deadlines but establish standards and regulations that are not worth a thin dime. I have heard rumors that this may be true in the area of primary interim standards for drinking water. I hope the rumors are just that—rumors, not accurate prophecies.

I am even more concerned that EPA, in the rush to meet the deadlines for regulations, is paying inadequate attention to the provisions of the law for assistance to states and training and R&D grants.

This year's Presidential budget request for funds to implement the Act is for only $32.5 million. Of this, only $7.5 million is earmarked to assist states to set up their regulatory programs, and $2.5 million for underground protection grants.

No money has been specifically requested for demonstration grants or for training or R&D grants to universities and research groups for fiscal year 1976, even though the Safe Drinking Water Act authorizes such programs.

I can assure you that I intend to do something about this in the Congress. I know that such programs are vital if we are serious about cleaning up our water supplies.

Our states need assistance. We need to have demonstration projects, such as that which the Congress has voted for Duluth, to put our research finding in practice.

We need to strengthen our training and R&D programs—to develop the experts we need to make and keep our water clean and to undertake the research that will lead to new techniques for purifying and delivering clean, safe water.

And, as in our efforts in so many other areas of national importance, there must be federal participation.

But you in the audience must shoulder the major part of the responsibility for clean water. You must do the research to develop new methods of cleaning up our water and to develop new ways to store and deliver it when and where it is wanted.

You must find ways to provide service to customers 24 hours a day—and at a reasonable cost. You must provide the talent to develop answers to the challenges facing us in providing the best possible water service to all our people.

You and I both know this nation faces many serious problems today.

Our economy is in sad shape, and this Administration has done little to help it.

Our cities are reeling under the dual burdens of inflation and recession.

9.2% of Americans are out of work; in some cities, such at Detroit, 25 percent are unemployed.

We face serious shortages in our major sources of energy, and what we can get is costing us much more.

Pollution is fouling our lakes and rivers and our drinking water.

But we can meet these problems. We can turn these problems into a challenge for a better future.

We can turn the economy around.

We can make our cities healthy again.

We can give every American a meaningful job.

We can lick the energy problem.

We can clean up our rivers and lakes.

We can provide high quality water service to all Americans.

We can do all this and more if we have the will and if we make the financial and moral commitment to do so.

We always have faced problems—ever since we first became a nation. We always have met them and done our best to solve them. We still can.

Victor Hugo once said, "The future has several names. For the weak, it is the impossible. For the faint-hearted, it is the unknown. For the thougntful and valiant, it is ideal. The challenge is urgent. The task is large. The time is now."

Our challenge is urgent. Our tasks are large. Our time is now. I urge you to join in meeting this challenge.

A BICENTENNIAL SALUTE

Mr. TAFT. Mr. President, as we approach the beginning of our Bicentennial year, I would like to call my colleagues' attention to one of the grassroots Bicentennial movements in Ohio. The treasurer of the Rome, Ohio, Bicentennial Commission has composed a poem as a salute to our Nation on its 200th birthday. I commend Mr. Yarish on this patriotic effort, and I ask unanimous consent that the poem be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

A BICENTENNIAL SALUTE

(By John P. Yarish, May 1975)

We were Colonial States . . . thirteen, two hundred years ago.
Governed by British . . . tough and mean, we knew they had to go.
A few important men, did meet, to map out strategy.
We knew, they would be hard to beat, we wanted to be free.
The men pored over plans to fight; easy, it wouldn't be.
So, Paul Revere, warned all at night, one . . . land, two, if by sea.
So, War it was, both hard and fierce, with fighting in the street,
And many a heart, the sword did pierce no longer would they beat.
As time went on, both sides lost men, both young and old alike.
We struggled on, and fought, and then, the final hour did strike.
We bound our wounds, and settled down, to make our country free.
And now, this year, in every town, let's celebrate . . . you, and me.

MHD ELECTRICAL POWER GENERATION

Mr. STENNIS. Mr. President, recent events have demonstrated emphatically that Congress must act effectively to discourage the heavy use of imported oil and expedite research on alternate sources of energy.

Our enforced reliance upon imported crude oil gives foreign countries economic and political weapons which can and will be used against us. By increased conservation and development of alternative sources of energy, we can become energy self-sufficient, or at least drastically reduce our reliance upon foreign oil.

Coal is our most abundant fossil fuel. The United States has more coal reserves than any other nation with about one-third of the world's known coal supply being in this country. Unfortunately, however, most of our coal thus far has been unsatisfactory for energy production because of the high sulfur content and resulting air pollution. To utilize America's vast coal deposits for power, technological innovations are necessary for more efficient and cleaner advanced power cycles.

Magnetohydrodynamic—MHD — electrical power generation can provide a reliable and efficient coal-burning powerplant having one of the lowest possible impacts on the environment. Such systems show promise of overall plant efficiencies in converting the coal's energy into electricity in excess of 50 percent, which would be in the range of 40 to 50 percent better than the most advanced steam turbine plants burning low sulfur content coal. Also, air pollution is virtually eliminated with the MHD system.

Coal-burning MHD electrical power generation does not require the enormous quantities of water which are required in coal gasification and in the production of oil shale. This is of vital importance in the western plains where this country's largest coal supplies are located and water is scarce.

Coal-fired MHD power generation thus offers an energy conversion method which can burn sulfur-bearing coal, improve the conversion efficiency and decrease the heat rejection, air pollution, and water requirements for central station fossil fuel powerplants. MHD could constitute a very large step toward energy self-sufficiency during the 1980's and, as long as our sources of foreign oil are unstable and insecure, we must make every effort to develop as many alternate sources of energy as possible just as quickly as possible.

Coal is going to play a major role in generating electricity for this Nation's needs and we must actively pursue an

active program of research and development on coal-burning MHD electrical power generation. Because of its increased efficiency, MHD, once developed, will go a long way toward helping us to become energy-independent.

The distinguished majority leader has repeatedly presented to the Senate the history of indecision and delay by the executive branch in failing to give MHD its rightful place in the Nation's effort to achieve energy independence. This procrastination must end.

In contrast, the Soviet Union has moved vigorously in the development of MHD technology. The Soviet MHD program chief has stated that it was not easy for the Soviet Union to stay in the MHD field in isolation, but they are sure of the correctness of the approach and have continued it. They intend to build a 1,000-megawatt plant by 1981.

The Soviets have already put an estimated $150 million to $300 million into MHD development. The current U.S. budget for MHD development is only $12.5 million, and 4 years ago it was less than $1 million. The administration has requested only $13.7 million for MHD in fiscal year 1976.

To provide for an accelerated program with the goal of making MHD commercially available in the 1985–1990 period, Senator MANSFIELD and Senator METCALF have offered an amendment to S. 598, the fiscal year 1976 authorization for MHD research and development to $50 million and would also establish a much-needed division for MHD within ERDA.

I also support a substantial increase in the budget request. Sufficient authorizations and appropriations are essential for an orderly but vigorous acceleration of MHD research and development. Because of the urgency of developing commercial coal-burning MHD electrical power generators to help solve our energy problem as quickly as possible, adequate resources should be made available for this program.

Present MHD research at universities, government laboratories, and in private industry must be accelerated and expanded. The Energy Appropriations Act of 1975 calls for the immediate design of an MHD engineering test facility and provides for additional research on MHD techniques and applications at the Montana College of Mineral Science and Technology and other units of the Montana University system.

The Senators from Montana sponsored an amendment, which is now incorporated in Public Law 93–404, mandating the design of an MHD engineering test facility to be located in Montana. However, other such test facilities are required across the Nation, and new centers for the research and development of critical subsystems for MHD power generation must be established.

To obtain coal combustion at the elevated temperature required for coal-fired MHD power generation, the coal must be burned with air which has been preheated to high temperatures. The materials of the MHD air preheater will be subjected to extreme heat, highly corrosive chemicals and erosion by the rapidly moving combustion coal gas. The directly-fired air preheater is a key component in the MHD system on which very little engineering work has been done.

A directly coal-fired air preheater simulation facility has been constructed at Mississippi State University, one of the South's outstanding universities. It is also my alma mater. This facility allows an experimental analysis of air preheater materials attack at the operating conditions of a full-scale direct coal-fired MHD electrical power generation system.

Mississippi State University is ready, willing, and able to go full steam ahead on the development of the directly-fired MHD air preheater. This unique air preheater simulation facility should be put quickly into full-time operation in support of our Nation's vital MHD research and development program.

This year the facilities of the high temperature gasdynamic laboratory of the U.S. Army Missile Command, Redstone Arsenal, Ala., were transferred to Mississippi State University. This greatly increases the university's already outstanding capability in engineering materials evaluation and development for a successful directly-fired air preheater for the direct coal-fired MHD power generator. Mississippi State has already exhibited its strong support of this vital program by allocating an additional 6,000 square feet of laboratory space to install this government-transferred equipment for the further development of a state-of-the-art coal-fired MHD air preheater laboratory.

I support wholeheartedly the efforts of Dr. Robert Seamans, Administrator of ERDA; Dr. William Jackson, acting MHD project director, and the determined efforts of universities, including Mississippi State, in striving for the successful operation of a commercial scale demonstration MHD plant in the 1980's. Adequate funding of this program is absolutely necessary and time is of the essence. Congress must act now to insure that our Nation's engineers are given sufficient support in this extremely important program.

Mr. President, the Sixth International Conference on Magnetohydrodynamic Electrical Power Generation is being held this week, June 9–13, in Washington. Outstanding MHD scientists and engineers from throughout the world are attending: I want to assure them of my support of MHD research and development. My appeal to my colleagues is that adequate funding for the program be provided for fiscal year 1976 and future years.

HOUSE JOINT RESOLUTION 492—SUMMER JOBS

Mr. DOLE. Mr. President, I would like to add my support to House Joint Resolution 492, and commend the collective wisdom of our colleagues in the House for their prompt and decisive action in sending us this important emergency revision without delays or added components.

This bill will pump desperately needed new blood into our economy by providing over 800,000 summer youth jobs immediately—not 5 years from now, but today. This is an excellent measure for helping avoid inner-city problems during the summer by providing jobs for youths who are currently faced with little prospect for constructive employment during the coming summer months. That would obviously have an immediate and beneficial impact on reducing unemployment.

This program, as I understand, will provide $3,480,158 to my State of Kansas, resulting in 6,317 immediate summer jobs. And while I am concerned that this program will provide proportionately less aid for Kansas than to other States, I also recognize that the unemployment problem may not be as severe in Kansas as in other States. Therefore, I feel that it is a tremendously worthy measure in its entirety, both for the citizens of Kansas, and the Nation as a whole, and support its enactment.

The administration has indicated its support of this precisely-defined funding program, and I commend my colleagues for the prompt action on passing this legislation without delay.

WHO SAYS THE PRESS IS NOT RESPONSIBLE?

Mr. PROXMIRE. Mr. President, an editorial in the Wall Street Journal of Thursday June 12 demonstrates the free press can be and is responsible in doing its duty. The editorial, "Congrats, Washington Post," commends another newspaper for correcting a mistake.

This is a good indication of two attributes of press liberty that are often overlooked:

A successful newspaper must earn a reputation for reliability.

A competitor is always ready to take away the readers of an irresponsible newspaper.

In this instance, of course, one paper congratulates another. But it is often the other way around.

The Washington Post, through its ombudsman, Charles B. Seib—formerly managing editor of the Washington Star—corrected a distortion of remarks by Governor Wallace that was carried earlier on the news pages, and explained how that happened.

There was no obligation for the Post to do anything about its mistake. But it did, through Seib, who has a contract that permits him complete freedom to criticize his employer.

The Wall Street Journal, in turn, recognizes a public service and says thanks for all who appreciate fairness.

These examples of free press responsibility are not isolated. Many newspapers now have ombudsmen, albeit with varying degrees of independence from their editors.

And, there is a growing willingness of newspapers to admit their errors in striving for fairness.

There was a time when newspapers corrected errors only involuntarily—as a way of avoiding a libel suit—or only in the guise of a newsstory to assuage a guilty conscience. Editors in those days were wary of the reaction of their readers to "row-backs," as glossed-over corrections are known in some newsrooms.

But now, more and more newspapers—the New York Times is one—

clearly label corrections with the standing headline, "Correction."

They do it because they know that their readers are sophisticated; their readers know that under the time pressure to convert abstract news into concrete ink on newsprint that mistakes can be made; their readers know that when the newspaper admits its errors it is asking for credibility by paying the price of confession.

And it has been a hard lesson for editors to learn. The day is past when an editor could put up with an undereducated, hard-drinking reporter who lackadasically covered his run from a pay phone in a bar.

Readers are not stupid.

Responsible, professional journalism his risen out of necessity: to satisfy demanding readers.

And, of course, it was also done to compete with the nearly instantaneous delivery of news by radio and television.

But newspapers did it voluntarily. Fairness was not imposed by government fiat.

Radio and television journalists do not have the option of developing in the same way. Despite the first amendment guarantee of press freedom, these electronic journalists have the Federal Communications Commission's fairness doctrine and equal time rule to deal with. On top of that, the doctrine and rule are subject to volumes of interpretation that carry the force of law; and they have audiences who can sic the law on them.

It's just a lot easier for broadcast journalists to be safe than controversial.

If electronic newsmen had the same full first amendment freedom as print journalists—the freedom the public deserves—they would be responsible without restrictions.

But what is to prevent news distortion if the regulatory power of the government is removed?

The same thing that keeps newspapers responsible—the power of the public to accept or reject the product. Parenthetically, I musts ay that the Government has a perfect right to protect the public from unsafe and fraudulently advertised physical products.

This product is ideas. Ideas are abstract. They cannot be isolated as some element on the periodic table. An idea can differ as it moves by language and picture from the originator to the listener/viewer.

To control an idea is to control language along with its connotations and denotations. But language elicits differing primary and secondary associations. Nuances can vary from the mind of the speaker to that of his listener.

In 1984, George Orwell relates how the Ministry of Truth develops a new lexicon of Newspeak designed to abolish words to an irreducible minimum so that ideas cannot be communicated. The ultimate goal is to eliminate thought and thus individualism.

But our form of government holds the individual to be sacred. We cannot, under our Constitution, permit the Government to rewrite our dictionary.

I do not suggest the FCC is big brother.

I do suggest, however, that any governmental agency that makes basic evaluations of ideas is playing a dangerous game.

Any small group of persons who make judgments for others—and that is what the fairness doctrine seeks to do—has power.

If the Federal Trade Commission judges that a manufacturer and his advertising agency misrepresent a widget, and the FTC is wrong, then relatively little harm is done.

If the FCC makes a mistake and misjudges an idea, and the courts uphold the mistake, then—in the extreme, to be sure—that idea is partially repressed. The only safeguard is the free press, which can continue to disseminate the idea for whatever interpretation a reader cares to make.

I do not believe it can happen, but it is possible that governmental control of broadcasting, indirect though it be, can lead to the same kind of checks on newspapers and other publications. After all, the conventional wisdom seems tilted toward regulation in some degree of nearly every phase of life in this country.

You do not believe that? Try to think of something the Government has no connection with.

"Religion," you say.

Did you know that the FCC has before it a petition for rulemaking that would, among other suggestions, divest some religious groups of broadcast licenses?

I do not prejudge the Commission. I mention this only to demonstrate that Government is involved in some way in virtually everything that goes on in this country.

We must learn that our citizenry is as capable of handling freedom as were the some 2,500,000 people who lived in the Original Thirteen Colonies.

If they could live with a free press—a personalized, biased press that bears little resemblance to the press of today—why cannot we have completely free press, too?

Mr. President, I ask unanimous consent that the Wall Street Journal editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRATS, WASHINGTON POST

Remember all the stories, editorial cartoons and TV commentary a few weeks ago about how George Wallace told a group of foreign journalists he wished the United States had fought with instead of against Germany and Japan during World War II? Now The Washington Post finds that the governor's remarks were rather badly distorted and has set the record straight in an excellent editorial-page article by Charles B. Seib, its "ombudsman."

Congratulations are in order for the Post, especially since it was the Post's front-page story of May 8 that started the hullabaloo by taking Mr. Wallace's remarks out of context. At the top of its story, the Post had quoted him as saying "I think we were fighting the wrong people, maybe, in World War II," and also that he told a Japanese journalist, "In fact, I wish we had been on the same side in World War II."

The Post has taken a second look at the transcript of those remarks, and Mr. Seib prints long sections that provide a clearer context. What Mr. Wallace was saying, in essence, was that he does not believe in Nazism, "but that was not the German people." He believes the German people were so mistreated by the Versailles Treaty after World War I that it was almost inevitable that their nationalistic feeling would be aroused. He said he also believes the Japanese had been provoked to a certain extent by "interests in this country that helped to bring about Pearl Harbor." And that if we had been friendly to Germany and Japan 50 years ago, "there would not have been any Hitler, and there wouldn't have been any Jewish tirade."

One doesn't have to agree with Mr. Wallace's remarks taken in context in order to realize he was treated unjustly in the original story, and it is to the credit of the Post that it has taken such care to set the record straight.

THE F–16 FIGHTER PLANE

Mr. TAFT. Mr. President, I noted with interest an article in the Washington Post of June 8, reporting the negative impact which our attempt to sell the F–16 fighter plane to the Europeans has had on French consideration of increased integration with NATO.

It is of course generally a good policy for the United States to promote exports. We need foreign exchange in order to import goods and materials which we require. However, it seems to me that this drive to sell the F–16 fighter has been questionable both in its broad implications for international trade and, more importantly, in its impact on NATO.

In terms of international trade, it has been the object of our Government, under the leadership of the President and of Secretary of State Kissinger, to avoid a struggle between the industrialized nations where each seeks to obtain the other's foreign exchange reserves. We have sought cooperation, not confrontation, between the industrialized nations. Competition between these nations for markets in less industrialized countries, particularly in the oil-producing countries, is both normal and beneficial. But we have sought to avoid bitter competition for internal markets within the Western countries.

I think this has been a wise policy. Secretary Kissinger, in particular, has emphasized the dangers to the whole international order which could spring from a vicious trade war. Yet what we have seen in this airplane competition has certainly approached such a trade war. It has been a fight between the United States and a European country, France, for a European market—not a market in the oil-producing states. I cannot help but wonder whether our desire to keep certain aircraft companies' order books filled has not triumphed over our wiser policy of avoiding international trade wars.

More important, however, has been the apparent effect of our struggle with the French on French President Giscard D'Estaing's attempts to improve cooperation between France and NATO. It should be perfectly clear, just from a look at the map, that French cooperation within NATO is vital if NATO is to have the capability of offering a credible conventional defense. Without France, there is no depth to NATO; and you have a situation where any NATO conflict must immediately escalate to the strategic nu-

clear level. Such escalation is directly contrary to the interest of the United States, which would have to bear the brunt of any such confrontation. It is thus very much in our interest to have France fully cooperative with NATO, as, I believe, it is in the interest of Europe.

I would say, in fact, that the best thing that could possibly happen to NATO would be a decisive move toward greater French participation, and might I add, leadership. France is a great power. She could contribute, with further cooperation with NATO, a decisive capability to the overall NATO/Warsaw Pact equation.

Let what we have done, with this airplane sales business, rate the sale of a few hundred F–16 fighter planes as more important than increased French cooperation with NATO. That is absurd. It is a case of sacrificing very important national and international diplomatic and military interests to rather narrow commercial interests.

Frankly, if it would bring France back into a fully cooperative relationship with NATO, I would favor having NATO buy the Mirage. French reintegration into NATO would be of far greater value, militarily and diplomatically, than would any airplane.

I hope that my colleagues, and those responsible for this policy in the Department of Defense and the Department of State, will give some thought to these observations. I hope we will all act, now, in this case, and in the future, to demonstrate our realization of the importance of France to Europe, to the United States, and to the world. There would be no better answer to the increasing capabilities of the Warsaw Pact than a NATO more firmly based on French participation and French leadership.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NORTHROP PAY TO GENERAL STEHLIN DENIED

(By Bernard Caplin)

PARIS, June 7.—The wife of Gen. Paul Stehlin denied today that the French airman-turned-politician had received any money from the Northrop Aircraft Co. A U.S. Senate subcommittee yesterday released documents that said he had been on the company payroll for 11 years.

"The accusations against him are totally without basis," Mrs. Sethlin said. "Never at any time did we receive any money."

Mrs. Stehlin also denied that her husband had attempted suicide in a traffic accident yesterday several hours after the allegations about his association with Northrop were made in Washington.

Stehlin, a former chief of staff of the French air force and a member of Parliament, was in critical condition after being struck yesterday by a bus in downtown Paris. He suffered severe head injuries.

Doctors who performed a tracheotomy on the 68-year-old retired general expressed reservations about his chances of recovery.

Stehlin was injured only a few hours after the congressional inquiry turned up his name as a paid consultant to Northrop at $7,500 a year.

Last November, Stehlin became the center of a political storm here when he championed the latest U.S. generation jet fighters as more advanced than France's own Mirage ssF–1E. After it was learned that he had sent a report to President Valery Giscard d'Estaing urging the French government to abandon the Mirage and cooperate with other European governments in the production of American aircraft, he was forced to resign as vice president of the National Assembly.

At the time, Marcel Dassault, whose company makes the Mirage, openly accused Stehlin of being in the "pay of the Americans" and alluded to an alleged connection with the Hughes Tool Co. But, although it was known that Stehlin was on a first-name basis with several Northrop executives, no direct link between him and the aircraft company was known to exist before yesterday's disclosure of the documents by the congressional committee.

Mrs. Stehlin rejected rumors that Stehlin had deliberately stepped in front of the oncoming bus to kill himself. "My husband is a practicing Catholic," she said. "Therefore, there could be no question of his attempting to commit suicide. This is just a further dramatic episode in our already dramatic existence."

Although the French police reportedly were investigating the possibility of a suicide attempt, the bus driver's testimony appeared to confirm Mrs. Stehlin's denial. He said that Stehlin had tried to back away when he heard the blare of the bus horn, but dropped a brief case filled with papers. By reflex, he reached down to pick it up and was struck, the driver said.

Stehlin's connection with what is being called the "affaire Northrop" is bound to cause fresh embarrassment to French political elements that favor closer military ties with the United States and NATO. Among them are Stehlin's own Centrist Party, which forms part of the government coalition.

By furnishing fuel to the Gaullists and other anti-American voices here, observers predicted, the affair could influence the government's policy. President Valery Giscard d'Estaing's cautious moves toward a more pro-Atlantic foreign policy have gotten only grudging support from the Gaullists, who still form the core of the government's parliamentary backing.

Bitterness over the affair is likely to be heightened by the fact that the Mirage F–1E was definitely eliminated today in favor of the U.S. F–16 as the winner of the so-called "arms contract of the century" to reequip the air forces of Belgium, the Netherlands, Norway, and Denmark.

French Prime Minister Jacques Chirac said he deplored the decision, which he described as a "defeat for Europe."

THE FUTURE OF OUR AID PROGRAMS

Mr. HUMPHREY. Mr. President, on June 3, I chaired the first in a series of hearings in the Foreign Assistance Subcommittee to review our foreign aid programs and develop new priorities for new foreign assistance legislation in the light of changing global realities.

Yesterday, I inserted in the RECORD my opening statement and the remarks prepared for that hearing by Messrs. George Ball and McGeorge Bundy. Today, I would like to call to the attention of my colleagues the remarks of the distinguished panelists who participated in the hearing—Joseph S. Nye of Harvard University; James Grant, president of the Overseas Development Council; and C. Fred Bergsten and Edward Fried, senior fellows at the Brookings Institution.

The panelists called for a new relationship with the Third World countries, stressing economic interdependence and cooperation. They expressed the need to continue food and technical assistance to the "Fourth World"—the poorest of the poor. Mr. Grant, especially, pleaded the case for expanded development assistance in the poor countries.

As Professor Ney reminded us, in the days of the Marshall Plan when we were helping to rebuild wartorn Europe, the United States spent 2 percent of its GNP in foreign assistance programs. Today we spend only 0.2 percent. While the standard of living has risen in many countries, the gap between the rich, industrialized countries and the poor, Fourth World countries continue to expand.

The panel also called for the multilateralization of aid initiatives. It pointed out that the OPEC countries, with their new found affluence, are now becoming aid donors. It suggested that the Soviet Union, as well as other industrialized nations, must assume its share of assistance responsibilities.

While I personally feel that humanitarian objectives are ample justification for the existence of a strong foreign assistance program, more and more people these days are asking, "What's in it for us?" I believe the following statements are testimony that foreign aid is, indeed, in our own interests.

Mr. President, I ask unanimous consent that the statements by Messrs. Nye, Grant, Bergsten and Fried be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY OF J. S. NYE BEFORE SENATE FOREIGN RELATIONS COMMITTEE

1. Our aid program has always rested on a mixture of political, economic and humanitarian motives. While I feel there are strong humanitarian reasons for aid, I shall address the case that can be made in terms of political self-interest. In the past, our dominant political reason for aid was security against Communist expansion, either in the direct military sense that was stressed in the 1950s, or indirectly through the creation of stable democracies in less developed countries as was stressed in the 1960s.

2. This political rationale for aid has fallen into disrepute, both in regard to its effectiveness and its goals. Over the course of the '60s it became increasingly doubtful that our aid could shape regimes in poor countries; and the very connection between internal regimes in poor countries and American security was seen to be tenuous. According to a national poll sponsored by the Chicago Council on Foreign Relations in December 1974, only 36% of the public thought aid helped to prevent the spread of Communism; only 44% thought aid contributed to our security; and 56% favored cutting back on economic aid. (Only emergency aid received overwhelming support.)

3. In my view, the public is correct in its skepticism about these traditional arguments for aid. The public is wrong, however, if these figures imply a belief that aid is not important to our interests as a nation. Now, as Senator Humphrey indicated, the first foreign aid legislation in over a decade can go forward without the dead albatross of Vietnam around its neck. It is time to clear away the old arguments and think about our aid program in a broader political perspective. We must explain to the public why aid is in our political self-interest as a nation.

4. The first steps toward thinking more clearly about the foreign aid program is to outline the ways that world politics has changed in the quarter century since the program began. A successful aid program must be related to this changed context. I shall briefly list five major changes:

(1) The Foreign Policy Agenda. The number and range of issues on the agenda of nations has increased. As Secretary of State Kissinger said in January: "Progress in dealing with our traditional agenda is no longer enough. . . . The problems of energy, resources environment, population, the uses of space and the seas now rank with questions of military security ideology, and territorial rivalry which have traditionally made up the diplomatic agenda." A successful foreign aid program must relate to these new issues.

(2) National Security. Traditional military notions of national security have become too narrow. National security can also be endangered by events outside the political-military sphere. A melting of the Arctic ice cap; a depletion of the ozone layer; a leakage of radio-active wastes; or a continual world population explosion could threaten the security of Americans as seriously as many occurrences that could arise in the traditional military-political realm. A successful foreign aid program should be related to this new type of threat.

(3) Instruments of foreign policy. For a variety of reasons, the use of military force has become more costly and difficult for us to use as an instrument in pursuing our foreign policy objectives. This does not mean that military force plays no role in world politics. Clearly it does. But it is often too blunt; too risk-laden; and too unpopular to be a useful instrument. Consequently, governments must have other instruments, especially economic instruments, to achieve their foreign policy objectives. A foreign aid program can be an important instrument.

(4) Complex interdependence. It is frequently said that we live in an era of economic interdependence. The vulnerabilities and benefits of this interdependence are very unevenly distributed, both among domestic groups and among nations. While a degree of interdependence has always existed, the breadth of issues involved and the number of channels of contact among societies has greatly increased. Almost every major government department has its own foreign contacts. These direct transgovernmental contacts can be important in the management of interdependence. One of the tasks of a foreign aid program is to help to increase the symmetry of interdependence and to develop counterpart agencies in other governments where they are weak or do not exist.

(5) Multilateral Diplomacy. Diplomacy on many of the new issues in international politics is carried out at multilateral conferences and through international organizations. Specific issues such as environment, oceans, food, population, telecommunications, and nuclear safeguards, which are high in our priorities, often become linked in such organizations to larger questions of global equity between the wealthy, industrialized countries and poor countries which are high in their priorities. The nature of our foreign aid program affects our political bargaining position in these international organizations.

This brief sketch of the changed context of world politics has important implications for the role of aid in achieving the short run and long run goals of our foreign policy.

5. Short run goals. A foreign aid program can be an important foreign policy instrument for the achievement of short term goals. It can be used to support particular governments—for example as part of a Middle East settlement. It can be used to provide support for governments threatened by sudden changes in economic dependence—for example the Fourth World in the recent energy crisis. It can provide a background source of influence countering the one-state-one vote formula prevalent in the formal procedures of international organizations. More generally, it provides a source of influence without intervention, in the daily process of bargaining with other governments.

6. Long run goals. In the changed context of world politics, the foreign aid program is even more important for the pursuit of our long run policy objectives. And in many instances our long run political interests blend with our humanitarian concerns. Let me illustrate with examples from population, ecology, oceans, and food.

(a) Population. The population in the developing countries is growing at 2½% a year—twice as fast as in the rich countries. It will double every three decades, increasing the pressure on world food and resources. In the long run, this is a potential source of conflict. In the short run, it is a sensitive issue which is hard to handle. Fortunately, though the causal relations are not fully understood, there is a long term relationship between demographic transition and overall economic development. In other words, by meeting poor countries demands for development assistance, we are meeting our own long term priority of slowing world population growth rates.

(b) Ecology. Environmental concerns rank higher in our priorities than they do for many poor countries. Many poor countries feel that they cannot afford environmental concerns. It is in our interests to develop their capabilities to cope with such ecological problems as radioactive wastes; or atmospheric pollutants that are distributed by stratospheric winds. Similarly, it is in our interests to help other countries to develop and participate in projects to monitor pollutants such as the Global Environmental Monitoring System of the United Nations Environment Program. A foreign aid program that meets their concern that environmental programs enhance rather than detract from their overall development is in our interests as well as theirs.

(c) Oceans regimes. One of the striking features in the bargaining over a new Law of the Sea at Caracas last summer and again at Geneva this spring, was the fear on part of many poor countries that the technologically advanced countries would reap all the benefits of exploiting oceans resources. This mistrust led to restrictive views on issues such as freedom of scientific research which in principle could be of benefit to all humanity. A foreign aid program which addressed the concern of poor countries to develop their technological capacity to profit from oceans resources; and helped to create counterpart agencies and oceanographic institutions interested in scientific research in poor countries might help to create more balanced and far sighted bargaining in such situations in the future.

(d) Food. There has been a comparatively generous public attitude toward sending food to starving people abroad. Yet despite the important response of the past year, the long term solution to world food problems does not lie in annual food transfers, but in developing the capacity to grow food in less developed countries. The technological prospect of doing this exists, but the success of the Green Revolution requires a series of supporting factors—fertilizers, irrigation, pesticides, literacy to cope with these inputs; rural credit; roads; and improved storage—in short, widespread rural development.

The irony is that short term food aid is popular while the real long term solution is not popular. What is needed is political leadership to set an Apollo program type goal of raising world protein consumption to certain minimal levels for all peoples within a decade. For only if we develop indigenous capacities through aid programs will we avoid long run moral dilemmas and political turmoil when the day arrives, as it will, when our annual food transfers are not enough.

7. Some Policy Implications. The policy implications should be clear. I will underline five.

(1) Joint Gain Situations. We sometimes treat demands of poor countries for aid and resource transfer in terms of a confrontation. Many of their demands are poorly put. But as the above examples illustrate, in the long run, both we and the poor countries can benefit from such transfers. Our aid program should be focused on such long range joint gain situations.

(2) Increased Amounts of Aid. The view that we cannot afford more aid, is simply not true. We spent 2% of our GNP in Marshall Plan days. We spend .2% today. We have wasted far more in the quest for military security. While there is bound to be some waste in an increased aid program, a margin of error should be allowed for the new dimensions of security as it was for the old.

(3) Multilateral and Bilateral. The aid program should have both a multilateral and a bilateral component. While my preference is for the multilateral program with long term continuous funding for long term developments, a bilateral program is also important to provide flexibility and short term bargaining resources.

(4) Communist Countries. Where we were once concerned when there was too much Communist aid, we should now be concerned that there is too little. If overall economic development is a major part of the solution to the issues on our long term agenda, we want others to help share the burden. Indeed, there is no reason the Soviet Union should be allowed to be a free rider on the margins of world food markets, without assuming part of the burden of rural development in poor countries that are affected by Soviet entry into the markets. They should pay to play.

(5) A.I.D. Capabilities. Finally, special attention in our aid program and agency should be given to capabilities to deal with the new items on the agenda of world politics that constitute the real long term priorities in our global involvement. This means capabilities in science, environment, food and population. But it also means capabilities for broadly based rural development.

It is my hope that this Committee, having helped to debunk the false rationales of the past, will take the next vital step and provide the political leadership needed to relate the aid program to the important long term global challenges posed to our national political interests by the new aspects of world politics.

A REBIRTH FOR FOREIGN AID?

(Statement of Edward R. Fried)

My assignment, as I understand it, is to participate in a discussion of future directions for U.S. foreign aid and, in so doing, to hold my introductory remarks to a minimum. I shall have no difficulty at least with the second half of this assignment because my thesis is straightforward. It amounts to this: The end to our Vietnam experience gives us a unique opportunity to reappraise our foreign assistance policies, both because we are now in a more flexible position to consider alternatives to military assistance in this area of the world and because, directly or indirectly, economic as well as military assistance to Vietnam, Laos, and Cambodia accounted for a sizable portion of our foreign assistance program. I believe that the underlying political and economic forces now at work in the world argue for using our influence and resources to push for a substantial expansion in multilateral aid and for the construction of an effective international system of development cooperation.

Let me say at the outset that I agree with the presumption implicit in the subject you have given us, namely that foreign aid has a future. That proposition is not always

evident either in Congressional or public discussion. The fact remains that the United States will continue to have important national interests in helping poor countries improve their productivity and enhance their material well being. At bottom, this is a matter of morality, for the United States simply cannot opt out of the world community. But prudence is also involved—the kind of prudence that causes us to take out low-cost insurance against catastropic risks. A world in which most people's hopes are consistently frustrated would be characterized by deep-seated tensions—and this could jeopardize the prospects for peace in ways that can only be dimly foreseen. Foreign aid can neither eliminate such tensions nor guarantee material improvements. Indeed it is by no means the most important ingredient for achieving either objective. But it can help poor countries pursue their development goals and it evidences in more than symbolic ways the support of other nations for that effort. In these purely developmental terms, much more foreign aid than is presently in prospect could be effectively used over the foreseeable future.

A second point to bear in mind is that the purposes that U.S. development assistance serves only make sense if they are seen as part of an international undertaking. This follows from the numbers alone, aside from compelling political considerations. The United States is neither alone nor predominant in this business. The flow of U.S. concessional capital (the hard part that Congress must appropriate and which the OECD calls official development assistance) including bilateral programs, contributions to international financial institutions, and food grants, is now probably little more than one-quarter of the world total—if that.

This takes into account the growing volume of assistance being provided by the oil exporting countries. Moreover, concessional capital is less than one-half the total flow of foreign capital moving into developing countries. And finally, foreign capital is perhaps barely one-fifth of the total capital that developing countries mobilize for investment in their economic expansion. Thus, U.S. foreign aid is only part of a much larger set of interconnected relationships.

Third, the developing countries more and more are characterized by economic diversity, and this trend is altering the requirements for concessional capital, the areas to which it should be channeled, and to some extent the sources of such capital—and hence the entire set of foreign aid and development relationships.

The oil exporting countries are of course a phenomenon in themselves, since many have been transformed overnight from recipients to donors of development assistance. However, the large number of other developing countries that have reached or are approaching self-reliance, as far as needing the most concessional forms of capital is concerned, is one of the dramatic and less-publicized achievements of the past decade. Brazil, Mexico, Korea, Singapore, Taiwan, and the Ivory Coast are among the notable examples. Countries in this group have been able to achieve rapid, sustained economic growth. They are able to obtain a growing proportion of their foreign capital requirements from international private capital markets and private investment channels and by borrowing from the World Bank and other international financial institutions at commercial or near commercial terms. And at least until the recession, they could offer good prospects of being able to repay these loans because they have been able to increase their exports of manufactured goods and primary products at a remarkably rapid pace. For these countries it will be essential that the United States and other industrial nations maintain open trade policies, explore possibilities for bringing greater stability to primary commodity markets, and ensure adequate access to international capital markets. Equally, the trade of these countries is of growing importance both to the welfare of the industrial countries and to their prospects for containing inflationary prossures.

This hopeful development means that highly concessional capital increasingly can and should be concentrated on the poorest countries—principally the densely populated countries of South Asia and the large number of small but least economically advanced African countries. These countries will need large-scale concessional assistance, not to generate economic expansion but to accelerate its pace and broaden its impact. They constitute the world's food problem—now as in the past—a problem that cannot be solved unless they are able to increase their own agricultural production. Their prospects, as those of other developing countries, will depend primarily on their own policies and efforts.

Nonetheless, without outside support, their economic margin is so narrow that their development efforts would be chronically vulnerable to failure.

Fourth, these trends show that the growing economic interdependence that characterizes economic relations among industrial countries applies equally to those between industrial and developing countries. Trade, investment, and foreign aid must all be seen as part of a global system with shared responsibilities and obligations. Politically, it is also evident that relations between industrial and developing countries that persist in being bilateral, special, or tutelary, are bound to lead to dissension and failure.

This brings me back to my thesis: the United States, in the aftermath of Vietnam, has an opportunity to set its foreign aid policies on a course of achieving closer collaboration and healthier and more mature relations between industrial and developing countries. Following the withdrawal of our troops from Vietnam, we have been and were planning to spend something on the order of $2 billion a year for military and economic assistance to Indo-China. Our willingness now to commit these funds or a major portion of them to support increased financing of the multilateral agencies could provide a dramatic and sorely needed stimulant to the entire international development effort. This would be a leadership role that would bring us back to the finest traditions of our early post-World War II experience and it would be consistent with the diffusion of economic power in the world as well as with the newly affluent position of some of the oil exporting countries. The organizations to do this are at hand. No proliferation of agencies would be needed. Specifically:

We should be leaders and not reluctant laggards in seeing that the World Bank and the other international financial institutions are able to substantially increase their concessional lending. We should set our sights high, because this would be an extraordinarily sound investment in economic development, in fair burden sharing, and in foreign relations. Failure would place the poorest nations at a severe disadvantage.

We should push for follow-on progress in the actions proposed at the World Food Conference: the creation of an Agricultural Development Fund to increase agricultural production in the developing countries; for international collaboration in building food reserves and in having at hand adequate food supplies for emergency famine relief; and for agreeing on targets, sharing responsibilities, and coordinating policies in food aid.

We should support an expansion in the capital of the UNDP as a means of building an international framework and international leadership for technical assistance.

We should work for a substantial increase in the paid-in capital of the International Finance Corporation so that this World Bank affiliate can assume a much more ambitious role in taking up equity positions in joint ventures in developing countries with the object of re-selling its participation to local investors when a market for them develops.

We should support the expansion of international investment insurance arrangements to replace our bilateral institutions.

And we should view the newly formed IMF/IBRD Development Committee as a mechanism through which industrial and developing countries could eventually draw up a world development budget—based not on narrow politics but on economic and social progress—a budget that could facilitate a fair sharing of obligations and an effective review of performance.

All this would be good development policy, but for the United States as well as for other countries, it would also be good foreign policy. I know of no more effective nor more practical way of strengthening the international order.

NEEDED: A NEW U.S. "FOREIGN ASSISTANCE" POLICY

(By C. Fred Bergsten)

THE NEW POLICY SETTING

The entire political and economic framework within which the United States has extended foreign assistance for a generation has changed dramatically.

A majority of the developing countries have become a new "international middle class" and acquired significant sources of usable national power. Many in this new "Third World" have formed commodity cartels to boost their export earnings. Many are rapidly industrializing. Most have learned to harness the "powerful" multinational firms to promote their own national interests, rather than the interests of the home countries where they are based.[2] Some have become military powers, and several are in the process of going nuclear.

To accelerate this process, the developing countries display impressive signs of unit. They band together along both functional (OPEC and the other commodity cartels) and regional lines. Together they call for a "new international economic order" and torpedo a world energy conference. By contrast, the industrialized countries scramble for their resources and are unable to operate together.

At the same time, a "Fourth World" of poverty has been left behind. A few large countries in South Asia and a score of small countries in Africa face constant threats of starvation and mounting economic woes. Their problem is particularly acute in the short run, because the world recession further weakens markets for their exports and the higher price for oil further drains their monetary reserves.

This bifurcation of the developing world has created huge asymmetries between economic and political power. Historically, countries were either superpowers (U.S., USSR) or international weaklings (India, Abu Dhabi) in both economic and political terms. Now, however, defenseless Abu Dhabi has massive oil and financial wealth. Starving India has nuclear weapons and strong conventional military forces. There has never been a surer formula for international economic and political instability. The Arab use of economic power to pursue political objectives is only the first major effort to achieve international advantage through such linkage.

[1] See C. Fred Bergsten, "The New Era in World Commodity Markets," *Challenge*, September/October 1974. This and the other articles cited by the present author (except the last one) are reprinted in *Toward a New International Economic Order: Selected Papers of C. Fred Bergsten* (Lexington, Mass.: D.C. Health and Co., 1975).

[2] See C. Fred Bergsten, "Coming Investment Wars?" *Foreign Affairs*, October 1974.

THE IMPLICATIONS FOR U.S. FOREIGN ASSISTANCE

The new international middle class neither needs nor wants much foreign aid. They seldom talk now of the 1 percent aid target, except to disparage us for reneging on our promises to meet it. Indeed, many of them are becoming aid donors. Thus we should phase down, and shortly out, our concessional lending to this large group of countries.

But this Third World desperately needs, and passionately wants, some other things: access to our markets for their manufactured products, access to our private capital markets to finance their growth, opportunities to borrow from the international financial institutions at market rates, agreements which will truly stabilize their commodity earnings, international agreements regarding multinational enterprises, a greater voice in international decision-making forums. Moreover, they can go far toward gaining their objectives through the unilateral exercise of their new national power—driving up commodity prices, subsidizing their exports of manufactures, controlling the firms, vetoing changes in the international rules which they dislike—and will do so unless we smooth the transition by helping them.

At the same time that we phase out concessional aid, we must therefore phase in new trade, investment and financial policies which truly enable these countries to help themselves.[3] The most effective "aid" we can give these countries is improved adjustment assistance to our own workers who may be hurt by increases in our imports from them, a morally and politically essential component of any such U.S. policy. A failure to adopt this approach will condemn us to the high economic and political costs of continued, escalating North-South confrontation.

This implies that "foreign assistance" must take on a far wider meaning than ever before. It cannot be limited to concessional lending. It must include trade policy, commodity policy and international monetary policy. The Congress made a start in this direction last year by creating an interagency mechanism, chaired by a representative of the Administrator of AID, to coordinate these various issues. Despite solid efforts by some of the people involved, that initiative has failed. The Congress should thus force the issue by pulling together in a single piece of legislation all aspects of U.S. policy toward the developing world.

Finally, there remains the Fourth World. It too will benefit from the trade and financial policies just suggested. But it will also continue to need concessional aid for some time to come.

The United States should extend such aid generously, both for humanitarian and pragmatic reasons—since some of these countries too will join the Third World in the future, and a few (notably India) already have the capacity to cause major international problems. Their political imperatives, however, virtually require us to depoliticize our assistance: via multilateralizaton, support for a "third window" at the World Bank whereby the OECD countries subsidize the interest costs to the poor borrowers of capital provided by OPEC countries, linking the creation of Special Drawing Rights[4] to development needs.

Taken together, these policies would lead to a rapid phaseout of U.S. bilateral aid, multilateralization of our concessional assistance to the Fourth World, and a broadening of our concept of "assistance" to integrate trade, commodity, and finance into a cohesive policy toward the developing countries. Only with such a new approach can we avoid growing political and economic costs in our relations with both the Third and Fourth Worlds.

STATEMENT OF JAMES P. GRANT, PRESIDENT OVERSEAS DEVELOPMENT COUNCIL, BEFORE THE SUBCOMMITTEE ON FOREIGN ASSISTANCE OF THE SENATE FOREIGN RELATIONS COMMITTEE, JUNE 3, 1975

Mr. Chairman and Members of the Committee: I welcome this opportunity to respond to your invitation to testify on the future of development assistance as the Senate Foreign Relations Committee begins its review of the Administration's request for foreign assistance FY 1976 and FY 1977. Important decisions on development assistance will be required in 1975.

The U.S. development assistance program is up for its biannual authorization by Congress at a time when American disbursements of economic assistance, including those for Indochina, have dropped to two tenths of one percent of our Gross National Product (GNP), well under the average of three tenths of one percent of GNP for other industrial market economy countries and of two percent for the OPEC states.

The Public Law 480 Food Program needs review to take into account the changed world food situation.

Both the development assistance and the food aid programs need to be reviewed in the context of the resolutions of the World Food Conference on November, 1974 which spawned a series of new proposals for cooperation requiring early action by the United States.

The increasingly distressed Fourth World of 42 countries with a total population of one billion people urgently requires more help (an estimated $4 billion over 1973 levels if a 2–3 percent per capita growth rate is to be restored).

Decisions also are required on the desirability of establishing a "third" window at the World Bank which lends on concessional terms between the present hard and soft versions, and on the scale of the next replenishments of the "soft loan" windows of the World Bank and the Inter-American Development Bank.

There are the urgent issues of whether the OPEC countries, in their budding but major ($2.5 billion in 1974, and due to increase in 1975 and 1976) efforts at development assistance, are to be treated as partners or competitors, and whether the United States has a major stake in the success of the development efforts of these 300 million people over the next decade.

Furthermore, these hearings come at a time when—as the ODC's just published *Agenda for Action 1975* states—the vast challenge before us is that of living with a rapidly growing interdependence—a challenge sharpened greatly by the increasingly intensified efforts of the developing nations to secure a greater voice in the management of the international economy and a more equitable share of the benefits of global economic growth. United States decisions on economic assistance can vitally affect the American response to the growing pressure from the world's poor majority which promises to be among the dominant international issues in the years to come.

The future role of development assistance, and of development cooperation generally, is, therefore, very much an issue as the post World War II order—and possibly even more—gives way to something new and still uncertain. The mid 1970s increasingly appear to mark the start of an historic transformation noted by Henry Kissinger recently when he stated:

"The first truly world crisis is that which we face now. It requires the first truly global solutions.

"The world stands uneasily poised between unprecedented chaos and the opportunity for unparalleled creativity. The next few years will determine whether interdependence will foster common progress or common disaster. Our generation has the opportunity to shape a new cooperative international system; if we fail to act with vision we will condemn ourselves to mounting domestic and international crises."

It is in the new context that the future development corporation must be considered as the United States plans for the first years of the third century of its nationhood. I suggest that the Congress—and the United States generally—focus on three sets of issues in connection with its consideration of foreign assistance in 1975. First, the broad foreign—and global—policy issues required to cope with the new interdependence era that lies ahead if the momentum of progress of the last three decades is to be regained. Second, the new principles which should increasingly govern resource transfers from rich countries to poor countries over the coming decade. Third, the specific issues requiring actions in 1975, actions which, hopefully, will reflect policy decisions taken or emerging on the broader sets of issues ahead referred to above.

I. KEY GLOBAL POLICY ISSUES FOR THE UNITED STATES

1. Do we see the current global crisis as primarily a consequence of *cyclical* factors—drought, Middle East War, simultaneous worldwide boom followed by simultaneous recession—aggravated by the challenge of the developing countries to the Northern dominated hierarchy of international power, or do we see it as part of something so much more *fundamental* now affecting the post World War II political and economic order that a molecular change can be said to be occurring in world order? The answer to this question should vitally affect our global strategy. If we see the current crisis as primarily a consequence of cyclical factors, then the U.S. approach to negotiations with developing countries takes place in the context of "winners" and "losers", with the United States, the historically advantaged and more privileged party seeking to minimize its losses. If a global transformation is in process, we will need the cooperation of the developing countries in a major way in developing new structures that will enable us to live successfully with growing interdependence, just as they will need our cooperation in bringing about a change in structures more responsive to their needs. Under these circumstances both parties could gain from successful negotiations, as at the World Food Conference.

The United States Government position on this vital underlying issue is not yet clear. Secretary Kissinger's rhetoric, as in the earlier quote, increasingly reflects a recognition that a global transformation is in process; however, most U.S. Government actions (with the notable exception of the

[3] For details see C. Fred Bergsten, "The Response to the Third World," *Foreign Policy* 17 (Winter 1974–75).

[4] Which are highly desirable for international monetary purposes. See C. Fred Bergsten, "New Urgency for International Monetary Reform," *Foreign Policy* 19 (Summer 1975).

UMI

food field) and the rhetoric of other Cabinet level leaders still reflect the former.

2. Is the United States prepared to *willingly negotiate*—to bargain collectively—with the developing countries on their demands generally in a variety of forums? Assistant Secretary of State Enders's statement looking to the early demise of OPEC before the beginning of the Paris meeting on energy and other matters was not an auspicious preface to that meeting. Secretary of State Kissinger's address at Kansas City on May 13, 1975, appears to be a clear affirmation of our willingness to negotiate, but it does not specify the forums—and the United States has not tended to favor the United Nations as a forum for discussing economic matters.

3. Does the United States accept as a basic premise, leaving aside the question of degree, that the existing international economic order is in some important ways unfair to the developing countries and requires reform to give the poorer nations a *greater voice in the management of the international economy and a more equitable share of the benefits of global economic growth?* Are the advanced countries prepared to acknowledge this claim of the poorer nations on the global scene?

The United States at the OECD ministerial level meeting on May 28, 1975, joined with others in stressing the need "to pursue the dialogue with the developing countries . . . to make real progress toward a more balanced and equitable structure of international economic relations (see attachment A). Clear acceptance of this premise by the United States would cross an historic bridge (as we did with our industrial workers in the United States in the mid-1930s, and later in the 1960s, with American blacks), and should vastly improve the atmosphere for detailed negotiations with the developing countries this September and in the years that follow.

4. What are the *principal subject-matter areas* we are prepared to discuss seriously with the developing countries in the months ahead? Food clearly is one, energy is another (but neither we nor the OPEC countries have yet proposed a global approach to the energy problem analogous to that followed with respect to food, which looked ten years ahead and took into account the needs of *all* countries, including the non oil-exporting countries of the Third and Fourth World.) Which other raw materials are we prepared to discuss? Increased—and more reliable—resource transfers? The role of multinationals, and the possibilities for a code of conduct and some global regulations? Increased participation in the management of development institutions such as the World Bank—for developing countries generally and for the new net (OPEC) donors specifically? Reform of international (as distinguished from regional, e.g., OECD) forums to make them more effective in the international economic arena and to give them collectively a major new international economic role? There are many other areas in which the developing countries are seeking negotiations in their pursuit of a new international economic order; however, not all need to be discussed for there to be an atmosphere conducive to negotiations (see attachment B for a summary of their views as provided in the U.S. President's International Economic Report for 1975.)

5. Finally, there is the issue of which of the several *overall strategy options* should the advanced countries of the world's North, notably the OECD countries, favor in responding to the challenge from the developing countries of the South for more sharing in international decision making and in the benefits of progress? Roger Hansen, Senior Fellow of the Overseas Development Council and of the Council on Foreign Relations, suggests in ODC's *Agenda for Action 1975* that there are at least four distinct Northern policy options. The first might be characterized as an across-the-board Northern Project Independence, with there being a North-South "decoupling" in which the OECD countries take positive and comprehensive (and frequently expensive) steps to limit all potentially costly forms of dependence on the South. This is the conceptual approach currently being followed in the energy field by the OECD countries.

The second option he characterizes as a giant Red Cross effort, an institutionalizing of the approaches of recent years which have involved primary consultation among the OECD states and increasingly token efforts to assist the developing countries except at times of disaster.

The third option he characterizes as the 'incrementalist"—or "sectoral" option. It would envisage a "one-step-at-a-time" approach to hammer out a series of, hopefully, mutually beneficial "mini-compacts" dealing with specific sectors such as was done at the World Food Conference and is now being proposed by Secretary Kissinger for raw materials on a "case by case" basis.

A fourth option, in effect a loosely defined global compact, would entail a much more ambitious package of explicit and mutual commitments from the North and South including an undertaking to attack the problems of absolute poverty in the South as well as assuring Southern cooperation on access to raw materials and global economic issues generally. In some ways this would be analogous to the *de facto* social compact that emerged in the mid-to-late 1940s and early 1950s between the United States and, first, the advanced market economy countries and, later, the new nations of the South.

In actuality the United States response might be a mixture of all four, including some autarchy and confrontation, efforts to co-opt more influential developing countries and varying degrees of across-the-board cooperation. The principal issue would be the mix—the needs for development cooperation would be far greater if the latter were to predominate.

The above indicate the types of questions that need to be addressed if there is to be a meaningful foreign policy context in which to decide the issues of development assistance for the next two years—and if there is to be a global economic order responsive to our needs over the next quarter century—needs which cannot be met unless we are prepared to be more responsive to the needs of others in this increasingly interdependent world.

Two further points under this heading: with respect to the cyclical versus secular trends question posed under item I above, in my judgment and that of most of my colleagues at the Overseas Development Council, the world appears to be on the verge of one of the great economic, social, and political discontinuities of history. A global transformation is beginning to emerge that includes, but goes beyond, the immediate consequences of increasing interdependence; indeed it is as if the molecular structure of the world order were changing. In the rich and poor nations alike, solutions to major issues such as the food and energy crises and stagflation increasingly involve a network of relationships requiring new global approaches if reasonable rates of growth are to continue. New global as well as domestic "social compacts" are needed to meet these new circumstances. Interdependence among nations is evolving to the point where the salient factor in our relations with developing countries should no longer be premised on paternalistically helping them with "their" problem of underdevelopment. Now the dependence of each nation on jointly managed international systems is so great that *their* lack of development frequently become *our* problem—just as our waste, pollution, and deepening recession often become their problems. Increasingly their problems and ours are becoming common problems that afflict the whole world and that can best be treated by joint action.

Because of the vital importance of the United States decision on this issue to our whole response to the challenge from the South, and to the scale and nature of United States development assistance, I enclose as attachment D to this testimony a chapter from *Agenda for Action 1975* specifically addressing this subject. One conclusion in particular bears highlighting for these hearings: growth rates for the production of material goods can be expected to slow sharply for the mid- and late-1970s and very likely for the balance of the century *unless* the world can develop new systems, or improve existing ones, for managing areas of scarcity and tension. As Secretary Kissinger said in mid-May at Kansas City, "There is no alternative to international collaboration if growth is to be sustained. But . . . many countries believe it [the world economic structure] does not fairly meet their needs." The central objective of our approach should be gaining increased growth for *all*, with significantly greater participation in decision making and sharing in the benefits being accorded the developing countries.

Second, I do not believe the times call for the United States to consider itself either a permanent embattled minority in the world community or a country which needs go into active opposition at the United Nations. Both courses have been suggested by Ambassador Moynihan in a recent article in *Commentary* magazine. The United States was in many ways even more a minority in terms of wealth in the mid-1940s than it is today, but that did not prevent us from developing a grand strategy responsive to the needs of the times which gained us an important—for much of the time the major—leadership position among the majority of mankind. We have demonstrated in the past six months in the vital area of food how we can still be the leader of a majority and hammer out an imaginative long-term program, together with a set of ingenious implementing institutions, from which rich nations and poor nations alike can gain. If the United States joins with others in proposing a program of substance designed to (a) make our increasingly interdependent world work for all, and (b) to give the poorer nations a greater voice in the management of reformed international economic systems and a more equitable share of global economic benefits (as present realities dictate)—and if it does not seek a counter-offensive in style without meeting the needs of substance (as Senator Kennedy in his speech at the UN on May 15),—then the United States can again become an effective international leader. This would seem a more appropriate posture for the first nation to propound the proposition that all men are created equal. And does the United States have any realistic alternative? Unfortunately, the U.S. does not yet have a comprehensive program—as it did in the mid- and late 1940s—even remotely adequate to the challenges of the times. The United States needs to propose a program for global economic order which goes *beyond* the substance of the 1974 U.N. General Assembly's "New International Economic Order" resolutions to encompass more adequately the needs of *both* the advanced countries and the poorer countries. With such a GEO strategy all parties would gain.

II. KEY ISSUES OF RESOURCE TRANSFERS

The present system of resource transfer, after a remarkable period of steady growth from the 1950s to the mid 1960s is now crumbling and in an increasing state of disarray (see attachment E). The only international deal which presently exists on resource transfers is enshrined in the acceptance by the rich nations of a target of 1% of GNP, with 0.7% as official development assistance (ODA) on fairly concessional terms. However, the acceptance of this target by the rich nations was grudgingly slow (with many nations still not officially subscribing to this target or, as with the U.S., not having agreed to a date by which this target should be met). The actual performance has been most disappointing: official development assistance from DAC countries of the OECD actually declined from 0.52% in 1960 to 0.3% in 1975 (0.2% for the U.S.) and, according to the current World Bank projections, is expected to decline further to 0.22% by 1980 (0.10 for the U.S.), given the present trends. Centrally planned economies have given relatively little aid bilaterally and have not participated in any major multilateral channels of assistance. The newly-liquid OPEC countries are recent arrivals on the scene and have already started transferring significant amounts (an estimated $2.6 billion in 1974 or some 2% of their combined GNP), but are not yet systematically integrated into the overall framework of international resource transfers even though much of their aid will actually be spent in the OECD countries.

There must, therefore, be a search for a new framework for international resource transfers as an essential part of the effort to establish a new global economic order. It will take time to negotiate such framework and to put its various elements in place—a logical forum for such negotiations could well be the Joint Bank-Fund Development Committee if the members wish to use it for this purpose—but at least some of the principles on which this framework should be based can be spelled out.

I list below nine principles which might be considered. They are taken from a paper prepared recently by Dr. Mahbub ul Haq of the World Bank and me for submission in our individual capacities to a Club of Rome project under the direction of Professor Jan Timbergen of the Netherlands:

(1) A new framework for orderly resource transfers from the rich to the poor nations needs to be developed which is based on some *internationally accepted needs* of the poor rather than on the uncertain generosity of the rich. As was the case in the evolution of progressive national orders, provision of equality of opportunity to the poor nations should come to be regarded not as a matter of charity but as part of a new deal giving them a significant stake in a stable social order.

(2) An *element of automaticity* must be built into the resource transfer system. To be realistic, the world community is still too early in its stage of evolution and recognition of its interdependence to accept the concept of international taxation of the rich nations for the benefit of the poor nations. But the concept need not be accepted in its entirety: it can be introduced gradually over time through a variety of devices:

(i) a larger share of liquidity created by the IMF (either through SDR's or gold sales) can be made available for development either through international financial institutions or directly to the developing countries; (ii) certain sources of international financing can be developed—such as tax on non-renewable resources, tax on international pollutants, tax on multinational corporation activities, rebates to country of origin of taxes collected on the earnings of trained immigrants from the developing countries, taxes on or royalties from commercial activities arising out of international commons—e.g., ocean beds, outer space, the polar region. The devices can be many: the more difficult aspect is to convince the rich nations that a more automatic system of international resource transfers will be in their own interest in the longer run as it will greatly reduce the present conflicts and endless controversies over the question of "aid" between the rich and the poor nations.

(3) The focus of international assistance must shift to the *poorest countries* and, within them, to the *poorest segments* of the population. These are generally the countries below $200 per capita income, mostly in South Asia and Sahelian Africa, containing over one billion of the poorest people in the world. For higher income developing countries, what is important is their access to international capital market and expanding trade opportunities, not concessional assistance. If international assistance is so redirected, it is also essential that it be in the form of grants, without creating a reverse obligation of mounting debt service liability at a low level of poverty. Even the thought of the poorest sector repaying huge debts to the richest sector under the eyes of a benign government would be found abhorrent at the national level but it is still tolerated at the international level because of the lamentably slow growth of our perceptions as an international community.

(4) It would also be logical to *link international assistance to national programs aimed at satisfying minimum human needs*, however treacherous the concept may be. This would give both a focus and direction to international assistance effort and make it a limited period affair till some of the worst manifestations of poverty—malnutrition, illiteracy and squalid living conditions—are overcome both through the international effort and the expanding ability of the national governments to launch a direct attack on poverty. These programs, however, should not be based on the concept of a simple income transfer to the poor—which would create permanent dependence—but on increasing the productivity of the poor and integrating them into the economic system.

(5) International assistance, on a more automatic and purely grant basis, should be accepted by the international community as a *transitional* arrangement, to be terminated as soon as some of the worst manifestations of poverty can be removed. This is necessary both to protect the urge for self-reliance in the developing countries and to underline that the essential element in the new international economic order is not so much the redistribution of past incomes and wealth as the distribution of future growth opportunities; the stress must be on the equity of opportunity, not the equality of income. Each developing country must shape its own pattern of development and its own life style and, for this to be accomplished, international assistance can only be regarded as a temporary supplement to domestic efforts in the poorest countries.

(6) Who should provide this assistance and how should the *burdens* be shared? Obviously, it should be done by the richest nations as measured by their per capita income. The problem for the next few years, however, is going to be that the rich industrialized nations—with an average per capita income of about $4,700 for DAC members—may experience balance of payments difficulties while most of the liquid OPEC countries (other than Saudi Arabia, Kuwait, Libya, Qatar and the UAE wtih an average per capita income of about $4,000) are hardly rich enough to provide large subsidy funds since their average per capita income is still less than $500. An obvious solution would be to combine the volume of lending from the OPEC with the availability of subsidy funds from the industrialized countries and from the richest OPEC nations. But such a formula is likely to provide resources at intermediate terms, with about 50 to 60% grant element, rather than the pure grants recommended above. However, this "second best" solution may be the only course available for the next few years unless some of the automatic mechanisms suggested in (2) above come into play.

(7) A major effort must also be made to provide a framework within which the richer *socialist* countries can play a much more substantial role than their present limited contribution. (The USSR aid of $750 million equals 0.16 of its GNP)

(8) If the framework of international resource transfers is to be restructured along the lines indicated above, it is a logical corollary that *multilateral* channels (directly or through multilaterally-led consortia) should be used for directing this assistance in preference to strictly bilateral channels This will be consistent with greater automaticity of transfers, allocations based on poverty and need rather than on special relationships, and a more orderly system of burden sharing.

(9) In order to put in a new framework of assistance, arrangements must be made to provide a negotiating forum for an *orderly settlement of past debts*. It is time to revive the proposal of the Pearson Commission that a Conference of principal creditors and debtors should be convened to discuss and agree on the principles for a major settlement to ease past burdens, particularly for the poorest countries.

To be realistic, it is not going to be easy to negotiate all the above principles simultaneously or to implement them immediately. The basic idea in spelling them out is to indicate the sense of direction that must be generated in negotiating a new framework for international resource transfers, rather than to offer a concrete blueprint which can only emerge out of hard, tough bargaining which seeks to balance various conflicting interests. An "idealized" framework should include most of the nine elements mentioned above; a more practical framework will naturally have to settle for many compromises and "second best" solutions, at least in the short run.

III. SPECIFIC DEVELOPMENT ASSISTANCE ISSUES FOR 1975

New efforts are obviously and urgently needed abroad and in the United States—with the Executive Branch, by the Congress, and in private centers—to hammer out the scope and the details of a broad new approach to emerging global issues and to develop a consensus that would allow their implementation. But this will—and should—take time, and some conclusions can be expected to emerge piecemeal, as already with food, and at forums such as the oil producer and consumer conference in the summer of 1975 and the United Nations Special Session on Development in the fall of 1975. Meanwhile, with development cooperation so key to any set of solutions, the momentum of current development assistance programs must not be allowed to slacken even while seeking to make them more relevant and responsive to current needs.

The balance of this paper analyzea briefly the requirements for effective support for the resolutions of the World Food Conference, the need for renewed support of population activities, the critical requirements of different groups of countries—Fourth World, middle income developing countries, OPEC nations; and possible sources for increased funding of these programs.

1. Follow-up to the World Food Conference:

Viewed in the long term, the World Conference held in Rome in November 1974 may prove to have been an historic success. The Conference established some potentially useful, new international machinery to encourage expansion of production in food-deficit developing countries. It was agreed that there should be an internation-

UMI

ally coordinated system of national grain reserves and a system to warn of impending shortfalls in world food availability. The Conference also focused widespread attention of citizens and their governments on the problem of hunger and population and was the first occasion on which the Western developed countries, the Soviet Union, China, the newly rich OPEC countries, and other developing countries joined efforts in considering major world problem.

The near consensus reached at the Conference on the importance of increased food production in food-deficit countries calls for more effective rural development programs in those countries. In the long run, the key solution to the food problem is to grow more food in the food-deficit poor countries and to increase the incomes of the poor so that they can buy it. The U.S. Department of Agriculture estimated in December 1974 that the 1985 deficit might run as high as 71.6 million tons, but that it might be held as low as 15.8 million tons if appropriate steps were taken immediately to increase food production in developing countries. This will take time, however, and meanwhile there is the immediate problem of dealing with hunger and acute malnutrition.

(a) The decision by President Ford in early 1975 to expand *food aid* for the year to 5.5 million tons was welcome, although it came too late to be of maximum benefit. The United States should be prepared to provide 5 million tons annually toward meeting the 10 million food aid target specified by the Conference, with other countries being required to match us. Total PL 480 should be larger (close to a level of 8 to 9 million tons a year—roughly its level in the late 1960s and early 1970s, before it plummeted to a low of just over 3 million tons in 1974) to enable the U.S. Government to meet political needs without reducing food aid to meet humanitarian and developmental needs. In addition, Public Law 480 needs revision to make the Food for Peace Program—which was originally a surplus disposal program—reflect current conditions: For instance, food aid needs to be programmed early in each year, rather than only after it is known how much is left over from other uses. The grant component of the program needs to be increased to meet the growing humanitarian needs to support agricultural production more effectively and to help establish food reserves in recipient countries. Finally, increased use needs to be made of the World Food Program and of experienced private organizations such as CARE, Catholic Relief Services and Church World Service. Tens of millions of people will be at greater risk in the Fourth World countries over the next several years because of their economic crisis, and these programs provide some degree of assurance of reaching down to the poorer elements in these poor countries. S. 1654 to amend PL 480 introduced by Senator Humphrey on May 6 makes the types of modernizing changes that are required by this legislation.

(b) The establishment of a world *food reserve system* is strictly dependent upon American initiative, and is urgently needed. Under present circumstances, a shift in supply of only 1 or 2 per cent below or above effective market demand means either soaring prices and increased malnutrition, or plummeting prices and lower farm income. It will not be easy to establish on the global level a food reserve system that follows Joseph's advice to the Pharoah of four millenniums ago. Since what is called for is a series of national reserves run according to a standard set of rules, the United States might push ahead with its share of the reserve system without waiting for the completion of the international negotiations. Early announcement by the United States of its intention to establish a reserve of, say, 30 million tons as grains become available at a reasonable cost, would accomplish several results simultaneously. Farmers everywhere would go all out to increase food production, confident that there would be a market—and not plummeting prices—if there is grain production above immediate consumption needs of the market. It would represent a start toward rebuilding reserves in the event of another lean year in 1976 and 1977—the world cannot miss the chance to start rebuilding stocks at the earliest possible opportunity.

(c) Most important for the long run, as noted above, is the need for increased assistance to food production in the developing countries. The World Food Conference has called for an increase in external capital for this purpose from $1.5 billion annually to $5 billion.

The Administration's request to increase funding under the U.S. Development Assistance Program from an estimated $410 million in FY 1975 to $582 million FY 1976 should be supported in full.

Additional funding—an estimated $200 million—should be provided by the United States to make possible the launching of the proposed Agricultural Development Fund at the annual funding availability level of $1 billion, with the OPEC countries providing one half of the annual funding required. Secretary of State Kissinger has announced U.S. support of the creation of the Fund but his language was sufficiently vague as to leave open the possibility that we would not contribute to its financing.

The U.S. bilateral development assistance under the Foreign Assistance Act has already been overhauled in 1973 to make it far more effective for supporting food and population programs as here envisioned. Now that the global community has come up with a long-term approach to food, the United States should consider the possibility of a five year authorization for food production assistance to insure its most effective use and to project a gradually increasing level of such assistance to a figure of, say, $1 billion in 1980. A successful address of the world food problem not only meets great human needs but makes a major contribution to long-term problems of inflation, slowing rural-urban migration, and lowering birth rates—to say nothing of the contribution it would make to, and example it would provide, for global problem solving.

(d) Finally, mention needs to be made of the special need for a stepped-up global cooperative effort to increase fertilizer production and to assure its availability to the poorer countries at times of tight supply. It is a unique opportunity to marry OPEC capital and feed stocks on the one hand with American technical expertise and equipment to the benefit of the global food production effort on the other. Consideration also needs to be given to the establishment of some kind of a world fertilizer reserve system so as to encourage the construction of adequate capacity in the balance of this decade and to avoid a repetition of the current circumstances where fertilizer has been selling at a scarcity price two to three times its production cost to the great disadvantage of poorer farmers everywhere.

2. Population Programs—Restoring the Momentum:

With the population explosion continuing to threaten all mankind, the Congress during the current year—in an action incomprehensible to many—reduced funding for population activities from $120 million to $110 million. The full Administration request for $135 (together with $66 million for health) must be granted to maintain forward momentum in these programs.

3. Fourth World Needs:

In the years immediately ahead, the most urgent task for development cooperation is the need to restore and accelerate the development progress of the nearly one billion living largely in the poorest countries of the world—the new "Fourth World". 1974 has given an indication of the kind of adjustment that can take place for the poorest countries when scarcities become chronic. In that year the most affluent billion people in the world utilized significantly more fertilizer per capita and ate well, many better than before; while the poorest billion slowed their use of fertilizer and ate less. It is difficult to predict precisely the adverse consequences to more affluent countries from the economic disasters of these poorest countries, but the affluent can ignore showing any meaningful concern for one quarter of mankind only at their not too future peril.

In spite of the fact that they have one half of the population of the non-Communist developing world, and that they have a high degree of dependence on concessional loans, Fourth World countries received only 35 per cent, $3 billion, of the concessional lending to the developing world in 1973. The World Bank has estimated that these countries will require some $4 billion additional of highly concessional lending each year over 1973 levels between now and 1980 if they are to regain even the low but still meaningful growth rate of 2 per cent per capita annually. While $4 billion is a substantial sum, it is a very small cost indeed for restoring a modicum of growth and hope to the poorest quarter of mankind much of which is beginning to suffer acute "financial malnutrition" as compared to earlier years.

OPEC countries have provided approximately $2 billion in new aid commitments in 1974. They need to be encouraged to do more, and at least continue this rate of lending which largely offsets their higher oil prices to these countries. The industrial countries, and particularly the United States, have been much slower in responding to the new needs of these countries even though the World Bank and the United States estimates show that the vastly higher import costs these countries are now paying arise not only from higher oil costs but almost equally from higher costs for food and manufactures from the industrial countries (most notably the United States) on the other.[1] There was no increase in U.S. aid to these countries in 1974; however, the bulk of the $600 million increase in food aid for 1975 should flow to these most severely affected countries. The "old rich" must find means for increasing their flows by at least $2 billion annually, and to provide it in such a way (contrary to 1974 experience) that Fourth World countries can use it effectively through being able to firmly anticipate its provision and it can be integrated with OPEC aid and long-term food and population needs.

The food and population problems are most onerous in the Fourth World; expansion of development cooperation pursuant to the resolutions of the World Food Conference and the World Population Conference should be of major benefit to them. Furthermore, most of these countries are centered in South Asia, strategically located for the Persian Gulf countries and a potential major buyer of their fertilizers and supplier of their food, and in Sahelian Africa, with its heavy Muslim population. With imaginative leadership, there should be substantial prospects for involving the "old rich" and the "new rich" in coordinated programs under the leadership of multilateral institutions for helping these areas with increasing their food and fertilizer production, and in advancing development generally.

[1] e.g. India's import bill increased from $3.2 billion in calendar 1973 to an estimated $5 billion for 1974. The cost of petroleum and related products increased from $447 million to $1.3 billion; fertilizers more than tripled in cost, from $205 million to over $800 million and agricultural imports increased from $605 million in 1973 to $1.2 billion in 1974. India's exports increased in value from $2.96 billion in 1973 to around $3.85 billion in 1974, primarily because of higher prices for its sugar and tea exports. In calendar 1975 India may take close to $1 billion in U.S. farm products with over 85 per cent of it on a cash basis. *Foreign Agriculture*, p. 2, USDA, March 10,

These countries should have first claim on the world's limited supply of highly concessional aid, and the United States should increase its bilateral flow of such aid to them in 1975 and 1976 by at least $1 billion over the level of 1973 through such means as increased food aid, food production and population assistance under the Foreign Assistance Act and a new type of concessional export credits for Americans goods which will support their infrastructure, food and energy programs. This should preferably be in the form of a five-year undertaking by the United States Government to assure its most effective use and significant continuing contributions by multilateral institutions and by other OECD and OPEC nations. As part of this effort the United States and India need to build a new cooperative approach for American support of Indian development; the new U.S.-India bilateral commission co-chaired by Secretary Kissinger and Minister Chavan might provide the appropriate framework.

4. Third World Needs:

A less urgent—but still major—problem facing the industrial countries is how to build a more equitable relationship with the middle income developing countries of Latin America and East Asia, and to devise additional and improved means for helping them with their problems of development, including that of their poor majorities and of adjusting to the economic shocks of the mid 1970s. These countries are already well advanced up the development ladder, with income per capita averaging $500 and more, and with reasonably good growth rates projected by World Bank for the balance of the decade. As with richer OPEC countries, but possibly to a lesser extent, these countries, particularly those in Latin America, are outgrowing the "hierarchical interdependence" that characterize the relationship of most developing countries to the advanced industrial nations. Their most urgent need is for intermediate term financing measures, including continued access to Eurocurrency markets, to export credits, and to loans from international financial institutions at or near market rates. The proposed special IMF trust fund and "third window" for the World Bank, would be of special importance for intermediate term financing for the poorer of these countries.

There also is a major opportunity to work with the OPEC countries on assuring much of the increase in flows needed since these are viable countries if sound projects can be developed for OPEC financing. There is a special opportunity and need here for the United States to sustain and expand its support of the World Bank and the Asian and Inter-American Banks which can perform such a major packaging role.

5. The New Rich:

Another urgent problem is how to accommodate equitably within the world order the newly powerful among the developing countries, notably the richer oil exporters, but also such prospective industrial giants as Brazil and the nuclear powers of the developing world, China and India. Failure to accommodate all or most of them with some degree of success in the world economic and political structure, as the United States was able to do with Western Europe and Japan in the quarter century after World War II, would create more crises like those of 1973–1974, which have so seriously threatened the international economic and political order.

Part of any successful accommodation necessarily must be in the form of effective development cooperation. The richer OPEC countries of the Persian Gulf may be highly liquid but remain very underdeveloped in their basic skills. They, and Venezuela, are seeking to convert themselves into advanced technologly nations before their natural resource endowment runs out. For Venezuela this may be a limited period of 12 to 16 years, for Iran a somewhat longer period of 25 years. It would be a tragedy if these countries were to dissipate their new found wealth on arms, inefficient investments and profligate consumption, as Argentina did with its substantial post World War II foreign exchange reserves, before establishing alternate viable productive capabilities for themselves. The new joint bilateral commissions established by the United States with a number of these countries, including Iran and Saudi Arabia represent a useful step in the right direction for helping oil producers with in country development and with their investments in the United States. However, these are not yet being effectively used as developmental instrumentalities and need to be refined and improved. As mentioned already, the new liquidity of the OPEC nations also enables them to help finance development in the oil importing developing countries—a relationship the United States should support—since it will not only help world development but also facilitate the recycling of OPEC earnings and give the OPEC financier a stake in a healthy world economy.

6. Funding Sources:

For some 10 years U.S. ODA has averaged $3 billion annually. During this period the amount has not only declined dramatically as a percentage of the US GNP (as the latter increased from $685 billion in 1965 to $1,397 billion in 1974), but its purchasing power for development purposes has suffered the double erosion of inflation and increased diversion for non-developmental purposes. Indochina required approximately $750 million, approximately one quarter of ODA, in 1974. The end of the Indochina hostilities offers a major opportunity to return more to OPA to developmental purposes, and to help support the expanded programs required to implement the resolution of the World Food Council and to help meet the urgent needs of the Fourth World.

Renewed consideration also needs to be given to means for providing export credits to the developing countries of the Fourth World. The Export Import Bank in FY 1974 provided $2.9 billion of financing to the countries with one billion people having per capita incomes over $200 and only $300 million to countries with one billion people in the Fourth World. There is need for financing more U.S. exports to these countries since in recent years the share of U.S. goods as percentage of the total imports of these countries has dropped sharply—and at a time when their needs for U.S. goods are rising, and the U.S., during a recession, has idle plant capacity to help meet their needs. Further consideration should be given to the proposal passed by the House Foreign Affairs Committee and the Senate Foreign Relations Committee in 1973 for an Export Development Credit Fund to meet this need. It would use repayments of old aid loans to pay for part of the interest charges on credits furnished U.S. exporters to encourage them to export to markets in the poorest countries. This arrangement would not only furnish gooda and services badly needed by Fourth World countries on terms they can afford, but would also create jobs in the U.S. in a time of recession.

CONCLUSION

The quotation from Secretary Kissinger at the beginning of this paper makes clear an intellectual recognition that one historic era is ending, and another lies ahead requiring very different approaches. A new overarching vision is required for meeting these new challenges for global management and justice that is comparable in sweep to that which emerged in the years from the Bretton Woods and Lake Success meetings in the mid 40s to the launching of the Marshall Plan and Point Four in the late 40s when memories were still fresh as the World War II consequences of earlier myopic vision.

Development cooperation in the future needs to be considered in the context of this vast challenge of living with growing interdependence, and at a time when the industrialized nations of the world's North confront a newly intensified challenge from the developing countries of the South. The need is to respond to the challenge of the South, as is being done in food, with such ingenuity that all parties gain. And while we debate and forge new responses to the problems of this interdependence era, it is imperative to maintain existing programs that meet demonstrated needs and to support new programs such as those agreed to by the World Food Conference.

OECD Declaration on Relations With Developing Countries

1. Ministers of OECD Governments meeting in Paris on 28th May, 1975, discussed relations with developing countries and agreed that, in the present situation, the widest measure of international co-operation is required.

2. They considered that while many developing countries have made major progress in their economic and social development, a large number of them have not been in a position to advance sufficiently and many are still faced with extremely severe problems of poverty.

3. Recalling the contribution which their countries have made to further the economic development of the developing countries, Ministers resolved to intensify their efforts to co-operate with these countries in their endeavours to improve the conditions of life of their people and to participate increasingly in the benefits of an improved and expanding world economy.

4. Given the fact of world economic interdependence, they believed that progress could best be made through practical measures which command wide support among all concerned—developed and developing nations alike.

5. They determined to consider policies aimed at strengthening the position of the developing countries in the world economy and expressed their willingness to discuss with the developing countries the relevant issues, with particular emphasis on food production, energy, commodities, and development assistance for the most seriously affected countries.

6. They therefore expressed their firm determination to pursue the dialogue with the developing countries, in all appropriate fora, in particular the forthcoming Seventh Special Session of the United Nations General Assembly, and in more restricted fora along the lines suggested by the President of the French Republic, in order to make real progress towards a more balanced and equitable structure of international economic relations.

The International Economic Report of the President

COLLECTIVE LDC OBJECTIVES

Increasingly, LDC countries have been acting collectively and voting as a block in international organizations. The "Group of 77" (G–77), a loose coalition of LDC interests (comprising a voting block now larger than

the initial 77 LDC members) has emerged within the U.N. framework. Basically, it is calling for a "New Economic Order" which would increase its share of world output and economic influence. Elements of the G–77 program include:

The Charter of Economic Rights and Duties of States (CERDS), which among its many provisions would deny the applicability of international law to investment disputes (passed by the U.N. General Assembly but opposed by the United States and other capital exporting states).

Increased development assistance to the LDC's.

Income share of IMF issuances to developing countries.

Greater level of technological transfer to LDC's.

Greater market access and tariff preferences for LDC's.

Acceleration of the transfer of labor intensive industries from developed countries to LDC's.

Indexation of prices for LDC exports and export earnings guaranties.

Developed countries' acquiescence to LDC's producer cartels.

Increased debt rescheduling.

PERCEPTIONS AND OPTIONS: NORTHERN AND SOUTHERN PERCEPTIVES

(By Roger D. Hansen)

Where are these changing perceptions on present and projected levels of global inequalities, the "absolute" poverty problem within developing countries, and the growing concern over rapid population growth likely to lead us over the coming decade? Will approaches to these problems remain marginal, as one might easily predict in view of past history? Or has the world reached a turning point in the sense that people and governments of developed and developing countries are rather rapidly being conditioned by events to consider and undertake some actions—both unilateral and multilateral—unthinkable until the mid-1970s? One can begin to outline the perceptions and the options now coming into play in both the North and South, even if it is far too early to predict which perceptions will predominate and which options eventually may be chosen.

A View from the North. The perceptions of the problems of gross inequality in global income distribution and life chances, of absolute poverty in the developing countries, and of rapid population growth rates in the world's developing countries are presently viewed from four major perspectives in the North. One perception is captured by the phrase, "It's their problem, not ours." This view emphasizes the degree to which many developing countries have overcome most of these problems by their own efforts and is generally skeptical about the degree to which outside assistance and influence can (or should) affect the outcome of the development process. Its proponents range from the new left to the old right.

Two other Northern perceptions view the problems of poverty and income distribution as "ours" as well as "theirs." The difference between the holders of these two perceptions is that some would share in an international effort to overcome the problems out of moral and humanitarian concerns, while others would act out of what might best be termed an "enlightened" self-interest. This latter group, concerned about such problems as environment, nuclear proliferation, a viable monetary system, and a host of other issues that can only be successfully managed with at least a minimum degree of global cooperation, is willing to consider schemes of North-South cooperation in raising employment levels, working toward the elimination of "absolute" poverty, and lowering birth rates in exchange for Southern cooperation in "the management of interdependence."

Intimately related to this "interdependence" self-interest view is a fourth perception with a more specific stake in North-South cooperation. It is one generally associated with multinational corporations and some other transnational actors in present-day international politics that have some very concrete interests at stake. These groups see their interests as generally best protected through patterns of North-South accommodation and carry that message to their home governments with increasing frequency.

From these four perceptions flow at least four distinct Northern policy options. The first might be characterized as an across-the-board Northern Project Independence. If the problems discussed in this essay are to be viewed as "theirs" and not "ours," and if, as is already clear, the Southern countries do not see the problems of development as theirs alone but as systemic problems which can only be overcome by a more responsive international system restructured to meet these needs, then a North-South clash of increasing dimensions is inevitable. In anticipation of growing conflict, those who hold this view begin to perceive a need for a North-South "decoupling" in which the OECD countries take positive and comprehensive steps to limit all potentially costly forms of dependence upon the South.

The second option might, without a great deal of inaccuracy, be characterized as a giant Red Cross effort. In order to avoid the worst potential repercussions of the first option, to satisfy the North's humanitarian instincts, and to attempt to garner the fruits of self-interest at a rather modest price, the North might cooperate in the development of various international and national systems of emergency relief. The obvious targets of such efforts would be the victims of floods, famines, widespread disease, and other disasters. In a sense, this option would amount to the international institutionalization of efforts already carried on for the past two or three decades, often at the bilateral level.

A third option might best be characterized as the incrementalist option, although an ambitious version of it might belie the title. It would encompass reinvigorated Northern efforts to manage growing international economic problems in a manner most likely to contribute to development progress within the South. The beginnings of such an approach in the food area can be seen already in various proposals submitted to the World Food Conference in Rome last November and in the nascent institutions resulting from the Conference.[1] Northern efforts to propose, negotiate, and implement programs which are global in scope and designed with particular attention to the needs of the developing world as well as the developed in other sectors (energy provides the best current example), would constitute the essential ingredients in this incrementalist option. This third option is incrementalist in its "one-step-at-a-time" approach, which clearly contrasts it with the far more ambitious "global compact" notions that, as noted in the introduction, have appeared with some frequency in recent months.

The fourth and final option would entail a much more ambitious package of *explicit* and mutual commitments from the North and the South to attack the problem of absolute poverty, and, through this strategy, to attack all the problems noted in the section on emerging development strategies: food production, population growth, increasing global and national inequities in the distribution of income and economic opportunites, etc.

In such a package, Northern commitments would include a broad range of policies whose ultimate purpose would be to underwrite, *to a degree to be negotiated*, a Southern attack on major development problems and, undoubtedly, to assure Northern access to raw materials within the South which might not be so forthcoming under other circumstances. The package would include increased aid flows, increased access to Northern markets for the South's growing production of manufactured goods, assured access to Northern capital markets, new international monetary arrangements which in effect guarantee the South an increased call upon international monetary arrangements which in effect guarantee the South an increased call upon international resources, programs of "controlled growth" to constrain Northern consumption of potentially scarce global resources, or some combination thereof.

All such Northern commitments would to differing degrees—and given proper internal policy choices in developing countries—enhance developing-country claims on the world's resources and speed the growth process within the South. Thus one could expect an end to widening levels of relative global income inequalities and an undramatic but noticeable trend toward a more equitable global distribution of economic opportunity. The degree to which such a package also would directly aid the poorest strata of society in Southern countries would depend to a considerable extent upon the intent of Southern governments and the fine print in the "global compact" of which such Northern commitments would presumably constitute but one half. This point will be elaborated below.

A View from the South. Southern perceptions are not as easily categorized as those of the North. However, one or two generalizations can be suggested. On the issue of global income distribution, the developing countries are united in their opposition to present degrees of inequality. This unity has been witnessed for years in international organizations and conferences of all sorts—and most recently in the U.N. General Assembly's Special Session on raw materials in May 1974 and its regular session in the fall of 1974.

The South, quite naturally, would prefer to achieve a redistribution of income and economic opportunities without paying any price whatsoever. But the developing countries as a whole are certain to discover quite soon—if they do not realize it already—that unilateral actions to achieve this goal may not carry them very far. The OPEC example of achieving significant redistribution unilaterally is likely to prove unique; a few other Southern cartel actions may be modestly successful. In general, however, this approach seems destined to produce limited results, and each success with an individual commodity is likely to prove counter-productive to development efforts of other Southern states to the extent that it increases the cost of their imports. Therefore, while unilateral and cartel-type actions to alter present distributional patterns are undoubtedly with the world economy to stay, a Southern disenchantment with their aggregate results is bound to set in, especially if the international economy is in for several years of slow growth.

On the question of domestic income distribution and the emerging development strategy examined above, Southern preceptions vary widely. Many countries have already begun to implement such strategies (China, Cuba, Singapore, Sri Lanka, Taiwan, etc.); others appear to be seriously considering changes consonant with such a strategy; many others as yet show little serious interest in the subject.

What are the existing Southern options? At least three seem worth noting as ideal types. The first is a minimum-cooperation, maximum-confrontation strategy in which developing states use every opportunity to restructure commodity prices, international rules and organizations, and bilateral and regional economic arrangements in their favor. Their weapons in this strategy are control of "scarce" raw materials and sites for Northern military bases, veto power in some international institutions such as the IMF, "hostage" multinational corporations, and the potential of OPEC money to finance such a strategy in countries threatened by Northern economic retaliation. It is worth noting that the OPEC countries have already pledged over $10 billion in grants and loans to developing countries during the past year. While many Northerners are skeptical of these figures, even they should recognize that "calling OPEC's bluff" might produce some unanticipated results.

The second Southern option involves a strategy which falls somewhere between using what bargaining power it now has (based mostly upon a perceived natural resource scarcity problem and a growing Northern concern about population growth) to speed the pace of reform of the present international economic system on the one hand, and a "mini" global compact on the other. The strategy would not involve any Southern commitments regarding domestic efforts on behalf of the "forgotten 40 per cent." What the developing countries might offer would be "access to raw materials" and perhaps some vague promises to "do something" about the population problem: In exchange, the developed countries would offer a rather standard package of several of the following: (a) more aid, (b) greater market access for developing-country manufacturers, (c) a link between monetary reform and increased developing-country shares of the new international currency, (d) greater voting power in the International Monetary Fund and the World Bank, and (e) some form of agreement aiming to raise and stabilize international commodity prices.

The third Southern option would involve a commitment to restructure developing-country internal growth policies along the lines explored earlier in this essay in the section on development strategies. This option would involve a targeted attack on domestic poverty conditions which embraced many of the reforms needed to increase employment, health, education, and general living standards among the poorest strata of the developing world.

Is it reasonable to expect that developing countries not already committed to this approach would accept the third option? Consider the potential economic and political costs to their governing elites. Concerning economic costs, some very hazy orders of magnitude can be suggested. Using the World Bank estimate of $50 per capita income as a poverty floor, and assuming 700 million persons at an average of $15 per person below that level, the present yearly cost of raising them all to a $50 minimum floor would approximate $11 billion (assuming no price rises in wage goods). If a GNP deflator is applied to the Bank's 1969 figure, the volume required is obviously much higher.

An entirely different—and more relevant—type of calculation is suggested in the World Bank's study, *Redistribution with Growth*. The authors assume that an annual domestic transfer of 2 per cent of GNP to the bottom 40 per cent of the population in developing countries over a 25-year period will very significantly raise the percentage of GNP accruing to that target group thereafter, due to the asset buildup which the 2 per cent transfer over 25 years implies. The Bank views this strategy as entirely feasible, and suggests it as an essential ingredient in any "attack on poverty" strategy.

Two per cent of annual developing-country GNP today approximates $10 billion. Stated this way, the annual transfer sounds manageable. It sounds less manageable when one considers that 2 per cent of GNP is equal to 10–20 per cent of total government revenues in most developing countries. In order to transfer that 2 per cent to the poor via new investment programs, either taxes (or other forms of government revenue) will have to be significantly raised, or major cutbacks will have to be made in present governmental programs. The adoption of either option would guarantee dissent of varying proportions from those domestic groups currently favored by tax profiles and government expenditure programs.

Thus one inevitably arrives at the political constraint on any ambitious "attack on poverty" program. In this context, it is worth quoting the reaction of Pranab K. Bardhan to the World Bank's proposed strategy mix:

> "The problems of poverty in India remain intractable, not because redistribution objectives were inadequately considered in the planning models, nor because the general policies of the kind prescribed in this volume were not attempted . . . the major constraint is rooted in the power realities of a political system dominated by a complex constellation of forces representing rich farmers, big business, and the so-called petitie bourgeoisie, including the unionized workers of the organized sector. In such a context it is touchingly naive not to anticipate the failures of asset distribution policies or the appropriation by the rich of a disproportionate share of the benefits of public investment."[2]

One rather obvious conclusion following from the above considerations is that the likelihood of a major movement within a large number of developing countries toward the comprehensive development strategy outlined earlier may depend *very significantly* upon the degree to which the world's developed countries share the costs, thereby easing the political constraints on such an approach. Is it realistic to expect such cost-sharing to be forthcoming in the foreseeable future?

THE "GLOBAL COMPACT": EMPTY PHRASE OR FEASIBLE TARGET?

The record to date does not induce euphoria regarding the prospects for a global compact in which developed and developing countries design and cooperate in the administration of an international development program whose primary objective is to raise living standards of the poorest strata in the developing countries and whose secondary objective is to reverse the continuing trend toward greater North-South income inequalities. An examination of developed-country performance in both the trade and the aid fields over the past decade suggests the extremely limited degree of Northern commitment to the development process at the present moment.[3] And within most of the South, growing levels of domestic income inequality, "absolute" poverty, and unemployment suggest a similar indifference (at best, a low priority) regarding the primary objective of raising the living standards of the poorest.

But is past history all that relevant? It all depends upon the speed with which past perceptions of these problems are changing. Within the North, one cannot read a newspaper or listen to a news program without being alerted to altering perceptions on such issues as "interdependence," the population explosion, present food scarcities, potential natural resource shortages, and environmental decay. And generally the message is the same: each of these problems calls for *global* management or cooperation if it is to be successfully resolved.

Within the South, changing perceptions regarding domestic development strategies are also evident—sometimes dramatically so. The rapid acceptance within recent years of the need for family planning, the attempts to move from capital-intensive forms of import substitution to labor-intensive forms of export expansion, and an incipient renewal of interest in strategies of rural development all reflect the spreading disenchantment with the "trickledown" approach to economic development of past decades. To be sure, the political quicksands between a disenchantment with old policies and the implementation of new ones may swallow many a government and not a few regimes; nevertheless, a general concern within Southern elite groups may create the opportunity for change, provided incentives are properly structured.

Thus a global compact which targets benefits primarily to the poorest strata in the developing world may some day in the not-too-distant future come to be viewed as beneficial to a large majority of governments in both the North and the South. The reasons it is viewed as beneficial will vary greatly. The concerns at play will range from the purely humanitarian to the most calculating self-interested in both North and South. Examples of the self-interested type include Northern concern (in governments and in the private sector) about access to resources, and Southern concern (on the part of socio-political elites) about holding on to the reins of power and hierarchical positions in domestic society. What may bring these divergent governments and interest groups together is the shared recognition that a successful and *jointly financed* attack on poverty can ease the problems of a) population growth (by speeding the pace of the "demographic transition" in developing countries); b) food shortages (by increasing the labor-intensiveness of food production as part of rural development strategies); c) environmental damage (to the degree that it is related to sheer size of population); and d) growing unemployment in developing countries. Those Northern and Southern governments unconvinced of the merits of this package might well be persuaded if the issue of rules of access to resources (for the North) and to markets (for the South) were directly tied to the "attack on poverty" compact.

The discussion thus far suggests only that the idea of a global compact involves a significant *mutuality of interests*. It does not examine the issue of *feasibility*—an issue which raises major problems. Even at this very preliminary stage of thought, four of those problems deserve some mention. The first concerns the degree of participation that can be expected. Put simply, how many players will join the game? In talking about the North and the South, one constantly runs the risk of deifying entities which do not exist. The "South" is at least three worlds—the oil rich, the Third World (Brazil, Mexico, etc.), and the Fourth World (India, Sri Lanka, etc.). It is constituted by countries facing different national situations, regional settings, and development potential. Are there not, for example, many Southern states which might opt out of such a compact on the assumption that they could successfully follow their own development paths without accepting the constraints implicit in the global package? Why should a generally resource-rich and "population-poor" country like Brazil enlist—as long as its appeal to foreign direct investors, to resource-poor developed and developing countries, and to players in the international diplomatic-strategic game continue to guarantee any of its "international" needs? The same general reasoning applies to the OPEC oil states and to several other individual countries of the South.

And why should all Northern states be eager to enter into the compact? Will not many of them fear that the South will constantly up the ante, continually demanding more by way of Northern redistributive flows

---

[1] See Chapter III.

[2] *Redistribution with Growth*, p. 261

[3] See Table D–4, p. 258.

to the South? Once the "egalitarian" genie escapes the bottle, can it be controlled?

Finally, how much *can* Northern states contribute to such a package? With so many of them presently in the grips of "the dilemma of rising demands and insufficient resources" first noted by Harald and Margaret Sprout, how much can they allocate to resource-transfer programs? Obviously, the problem is not one of potential funds, but of the capacity of Northern governments to raise taxes still further or to restructure expenditure programs to free additional sums for development purposes (aid, development-related trade adjustment-assistance programs, etc.).

Hopefully the proper question here is not *whether*, but *how soon* and in *what degree* Northern governments could begin to restructure expenditures to finance their share of a compact. After all, if the developed countries were simply able and willing to meet the 0.7 per cent of GNP aid target generally accepted over the past decade, the volume of aid funds available for North-South transfers would presently approximate $14–$15 billion—almost 50 per cent more than present levels. A $15 billion figure surpasses that amount that would be required to raise the entire global population above the World Bank's poverty line, and is 40 per cent larger than the amount implicit in the Bank's "asset-transfer" model of development, whereby developing countries themselves transfer 2 per cent of their own annual GNP to their poverty populations. Thus, assuming the policies necessary to make the transfers with an absolute minimum of leakage, the North could—if it chose to do so—cover the expenses of the asset transfer approach entirely by meeting the goal of a 0.7 per cent North-South transfer. (This does assume, however, that the additional $4–$5 billion transferred would be in *grants*. However, a part of the package deal might be to make such transfers on concessional lending terms, holding Southern participants accountable for partial repayments.)

The second obvious problem concerns the treatment to be accorded to those Southern states that choose not to participate in the program. Can and should one expect Northern states to restrict their contributions to those developing countries willing to follow the reformist development strategy constituting the compact's central core? Following this course—and thereby cutting off aid and other potential benefits to non-members—would appear highly interventionary in an indirect sense. On the other hand, if such a policy were not followed, the discipline needed to make the program effective could be dissipated from the very outset. Additionally, increased assistance to governments uncommitted to an internationally negotiated, "reformist" approach to development would highlight some moral issues concerning the use of "aid" which heretofore have been rather easy to evade.

This line of argument leads directly to a third major problem. Can such a compact work under today's decentralized and heterogeneous aid and trade relationships? It is clear that much of today's foreign aid is channeled on the basis of the donor's view of the political exigencies of any particular year; sometimes, as in 1974, the political time span is even shorter. A priori, it would seem impossible to implement the type of compact discussed above under present bureaucratic and institutional mechanisms. The price of success will undoubtedly be a significant loss of national decision-making power in the aid, trade, and international investment fields. When, if ever, will states be willing to pay that price?

The final major problem concerns the difficulties of assuring implementation of such a program within developing countries. The easiest way to conceptualize this problem is to consider the potential "leakage" effects. Every Northern dollar that flows into a program to finance a reformist development strategy potentially frees an equivalent amount of developing-country funds for expenditures elsewhere. Northern support for such an effort could very well prove sustainable *only if* it were demonstrated that developing-country commitments of an agreed magnitude were being faithfully met. Political constraints on many developing-country governments will encourage them to limit their own contributions and to maximize Northern assistance. How long, and by what means, could mutual confidence be sustained? Is there any way to avoid a good deal of "intervention" in the form of program oversight, even if the oversight institution is some "depoliticized" international body? And where do we find, or how are able to constitute, a "depoliticized" international institution?

CONCLUSION

Even this very brief examination of a few of the basic problems inherent in a global effort directed at raising living standards of the poorest strata in developing countries suggests that the objective will initially be dismissed as unfeasible by many persons. The magnitude of change required in perceptions, governmental behavior, and the structure of the international system all seem to support this negative judgment.

If this is the case, one can easily see the North-South debate turning to "more manageable" goals such as "increasing the general global equality of opportunity," leaving each country free to interpret the phrase according to national exigencies. Such an approach would minimize the problems of centralization, intervention, and all the other implicit limitations on state sovereignty which might well have to accompany a global attack on poverty. Furthermore, there are two very positive sides to this less ambitious program.

The first is that it could still incorporate new rules concerning access to raw materials and access to industrial markets, new commitments to "an equitable international division of labor," new aid-oriented approaches to monetary reform, and new rules on foreign investment and technology transfer—in short, it could include commitments on many standard items of legitimate concern to developing coutries. The net result of this lesser "compact" might well set tolerable limits on North-South economic conflicts and contribute somewhat more than the present international economic system and norms do to the process of economic development.

Its second positive feature is that it might circumvent exhaustive and acrimonious debate over the details of a global compact and permit a series of initiatives to be undertaken much more quickly on such sectoral issues as agriculture and energy as part of the third, or "incremental," Northern option discussed above. As long as Northern and Southern views on international "equity" issues remain as incongruent as they are at the present time, the strength of the incremental option lies in its pragmatic potential for progress in overcoming some major international economic and political obstacles to development progress on a step-by-step (or sector-by-sector) basis. Furthermore, it is always possible for optimists to believe that the incremental option may eventually produce an unwritten and unheralded "global compact" by stealth, avoiding the pitfalls—and perhaps the guaranteed failure—of the more difficult and direct approach.

All this said, the less ambitious approach to a global bargain contains an inherent danger which can ill afford to be overlooked. Unless it is carried out with a commitment and generousness of spirit uncharacteristic of the North and South in recent decades, it may simply produce a repeat of the 1950s and 1960s in much of the South. That is to say, even with decent aggregate growth rates, there would be growing inequalities in income distribution and life chances, rapidly increasing population, steadily rising unemployment, food production which is increasingly unable to keep pace with developing-country food demands, and all the other problems which the more ambitious "global compact" approach would attempt to redress.

This brings us back to the crucial question of timing. Whether the more ambitious global compact is viewed as being unfeasible or not may ultimately depend on one's time frame. Certainly it is unfeasible if one thinks of negotiating it within two or three years and beginning to implement it shortly thereafter. Nevertheless, the time does seem propitious to begin to give the subject some serious thought. If the *premises* upon which the need for the broader compact rests are flawed, then the concept should be dismissed. But if the problems are inherent not in the concept itself but rather in the present constraints which constitute "feasibility," then we should begin to examine what can be done to alter those constraints while there is time to do so.

SYSTEMS OVERLOADS AND WORLD TRANSFORMATIONS

(By James P. Grant and Robert H. Johnson)

These are times of a great global transformation. On the one hand, the dissolution of the last of the great colonial empires and the continuing advance of science and technology offer the prospect of meeting the minimum requirements for a decent life for all mankind. On the other hand, the world faces a set of problems which already have created, or could create, severe crises that would undermine these prospects for progress. These threatening problems include inadequate food supplies, the energy crisis, stagflation, disruptions in the world's monetary and trading systems, and unsatisfactory distribution of income and wealth within and among nations.

In part, these problems are the product of temporary factors such as severe droughts in several areas of the globe in 1972 and 1974, the global economic boom of the early 1970s, and the Middle East War. More basic forces, however, also have been at work. Foremost among these has been the unprecedented secular increase in rates of economic growth. The annual global growth rate, which was 4 per cent in the late 1940s and early 1950s, rose gradually to almost 6 per cent by the early 1970s. Over the same period, a $1 trillion world economy became a $3 trillion economy ($5 trillion in current dollars), and the world's population grew from 2.5 billion to 4 billion. Meanwhile, the international economic institutions that had been created in the immediate postwar period increasingly confronted a set of problems beyond their scope and power to manage. Traditional economic and political concepts likewise have proven grossly inadequate for understanding both our domestic and international problems of the 1970s.

Three points are increasingly clear. *First*, the world can no longer confidently extrapolate a growth pattern for the next twenty-five years similar to the trend line of the 1950s and the 1960s. (If the world experienced serious problems as it went from the second trillion dollars of gross global product to the third trillion, what is going to happen in the balance of this century as the world economy quadruples again—as it would if it were to maintain the global growth rate of the past ten years?) But

slower economic growth rates will raise serious political problems in an era of high population growth rates and raised expectations for material well-being. *Second*, the problems we confront cannot be managed within traditional intellectual parameters.[1] *Third*, there is an urgent need for creating new institutions (or strengthening old ones) which are more responsive to the problems we face.

THE PROBLEM OF SYSTEMS OVERLOADS

The basic underlying problem is less one of physical limits to growth than one of institutional, technological, and conceptual limits. We are experiencing systems overloads from the unprecedented rates of growth in output of recent years. Like the short circuits in an overloaded electrical system, a rash of institutional breakdowns is threatening to overload various world systems such as the food, monetary, and ecological systems.

As we have moved to the $3 trillion economy, global systems have shown increasing signs of stress. The world has begun to suffer ecological overload: pollution, eutrophication of lakes, and declining global fish catches due to overfishing. The unprecedented increases in population and affluence of the 1960s and early 1970s have so expanded demand that the demand-supply relationship for a growing list of commodities (most conspicuously oil) shifted to a sellers' market from what for many years had been a buyers' market. Formerly weak sellers are utilizing their new power to settle longstanding economic and political grievances. Increased demand has also led to multi-year shortages of a few critical commodities, notably food and fertilizers. Moreover, remedial efforts in one sector have frequently aggravated problems in another; thus, for example, measures to protect the environment both slowed the supply of energy (e.g., the campaign against the Alaska pipeline) and increased demand (e.g., antipollutant devices on cars which increase gasoline consumption). As growing demand has outrun the easier, customary sources of production, and as most nations, including the United States, have become heavily dependent upon each other for continued economic progress, the response of world economic and political structures repeatedly has been slow and inadequate. Disruptions have been a consequence.

The problem of systems overloads can be illustrated more specifically by a brief examination of three problem areas; stagflation, food, and energy. In the early 1970s, all of the world's major national economies were booming simultaneously. All the market economies—including, for the first time in any substantial degree, the U.S. economy—were very vulnerable to international economic forces. There was, however, no effective international machinery for coordinating fiscal and monetary policies, and there were no international institutions for dealing adequately with the sudden crisis imposed by the oil embargo, the fourfold increase in petroleum prices, and growing food shortages. The consequence of the lack of effective global machinery was a disastrous aggravation of the inflation-recession problems. The combination of interdependence and inadequate international institutions helped lead to a simultaneous inflationary overheating of national economies followed by a simultaneous nosedive into recession. National institutions were simply not equipped to handle existing international interdependencies.

Similarly, the growth in demand for food has imposed almost unbearable demands upon the existing international food production and distribution system. At the turn of the century, the global demand for food increased annually by 4 million tons; by the early 1950s, it was rising at an annual rate of 12 million tons; and in 1972, by 25–30 million tons. Global demand is projected by the U.N. Food and Agriculture Organization to rise from approximately 1.2 billion tons in 1967–71 to 1.7 billion tons in 1985. Roughly half of the current annual increase is accounted for by developed countries, where the rate of population growth is relatively low but the rate of increase in affluence is high. The other half of the increase occurs in developing countries, where high population growth is its principal cause.

The traditional means of expanding output in the developed world are being rapidly exhausted. The United States put the last of its idle cropland back into production in 1974. Moreover, in the developed countries, all water readily available for irrigation is already being utilized, and additional applications for fertilizer now bring sharply diminishing returns.

The principal longer-term means available for meeting the overall world supply gap and at the same time alleviating the problem of an inadequate supply of food in the developing countries is to increase production in those countries. In some developing countries, there still is idle land that can be developed if a variety of natural obstacles (for example, the prevalence of the tsetse fly in Africa) can be overcome. Most developing countries also have considerable unutilized potential—at present world grain price levels—for employing greater quantities of inputs such as water and fertilizer. (It would require increases in grain prices to make such increased use clearly economical in most developed countries). Densely populated land-scarce countries such as India and Bangladesh also have a major potential for increasing yields (at lower costs than in developed countries) my implementing more labor-intensive, small-farm-oriented agricultural development strategies.[4] But existing governmental and private services are not reaching the small farmer—who generally lacks access to basic health and education services as well as to the financial credit required to increase his production. If India's yields per acre equalled those of the United States, it could readily double its present production of about 100 million tons annually.[5] Utilizing labor-intensive techniques now prevalent in Japan, Taiwan, and South Korea, its annual production could total over 300 million tons.

The world, and particularly the United States, has been slow to recognize—and to respond through policy and institutional changes—to the developing overload of the world food production and distribution system. The United States, for example, failed to anticipate the large Soviet grain purchases of 1972; it restricted fertilizer exports to the detriment of global output in 1973–74; and in 1972 and 1973 it deliberately sought to liquidate government-held grain stocks through such means as withholding millions of acres from grain production (20 million in 1973).[3] The results have been shortages and soaring food prices. Food-price increases contributed as much to global inflation in 1973 and 1974 as the petroleum price rise. The price rises—along with drought—have also led to a maldistribution of the world's existing food supplies, with many of the poorest countries suffering most.

At the World Food Conference in 1974, a truly global response to this global problem was finally begun with the leadership and support of the United States. The Conference identified and initiated action to deal with the critical issues: increased assistance for food production in developing countries; establishment of an international system of grain reserves; reform and expansion of food aid; and commitment by developing counties to rural reforms designed to assist the poor majority of small farmers. Implementation of the Conference proposals would effect a major overhaul of the world food production-distribution system. With appropriate action, the world could feed over twice as many people as it does today.

Unfortunately the global energy problem has not yet been similarly addressed. In this case, too, the difficulties have been created by rapidly rising demand, although the basic supply problems are of a longer-term character. Knowledgeable experts had foreseen the shift of the mid-1970s from a buyers' to a sellers' market for petroleum and the need to develop alternative, higher-cost energy sources by the mid-1980s. Even they, however, did not anticipate the Arab oil embargo or the cohesion among all oil producers (including traditional friends of the United States) that led to the fourfold increase in prices in 1973. Nor did they anticipate the impact of environmental measures on supply and demand. The new era of increased energy interdependence and high energy prices has created a need for improved global resources, monetary, and investment management to meet both immediate and long-term needs. Instead, there has been a tendency toward a new "cold war" between the "old rich" and the "new rich" oil-producing countries.

These three cases of systems overloads demonstrate that while the market is an essential economic adjustment mechanism, there is a serious need for new values, institutions, and rules to provide a new frame within which market forces can continue to operate if adequate growth is to be maintained and high rates of inflation avoided. For example, with respect to trade in commodities—including food, fertilizer, and petroleum—there is a need for new rules for access to supplies; new reserve stocks for goods in potentially short supply; new assurances on floor prices; and development of new sources of production.[4] The resolutions of the World Food Conference do not imply abandonment of the market system as a regulatory mechanism. They do call for action that would increase food production in the countries of greatest need and comparative advantage, reduce price oscillations, and reduce the inequalities produced by simple reliance upon the existing market mechanism. To achieve such ends, the World Food Conference resolutions recommend utilizing such familiar means as increased development assistance and reserve stocks of grain.

EMERGING HISTORIC TRANSFORMATIONS AND NEW WORLD ISSUES

The basic problems we confront as we look to the future will involve not only the crea-

---

[1] As Walter Heller, the outgoing president of the American Economic Association, said after surveying the wreckage of economic forecasting for 1973: "We [economists] have been caught with our parameters down."

[2] See Lester R. Brown with Erik P. Eskholm, *By Bread Alone* (New York: Praeger Publishers, Inc. for the Overseas Development Council, 1974) p. 213.

[3] See Chapter III.

[4] Means must be found to increase production of commodities that are in chronically tight world supply by utilizing the comparative advantage that many developing countries have for the production of such commodities (e.g., by using the flared natural gas of oil producers for fertilizer production; by developing grain production in countries where increases in agricultural inputs will produce proportionately large marginal increases in outputs; and, quite possibly, by developing low-cost alternative energy sources such as solar energy for pumping water for irrigation.)

tion or rebuilding of institutions, but also an ability to make a number of major adjustments to emerging transformations in world economics and politics. Some of these adjustments will be forced upon us by basic shifts in the directions of major trends; others will be desirable if we are to assure cooperation rather than confrontation in our approach to future world problems.

First, *growth rates for the production of material goods will probably slow sharply* for the mid- and late 1970s, and very likely for the balance of the century, *unless the world can develop new systems, or improve existing ones, for managing areas of scarcity and tension.* Assuming that other sources of the present recession can be dealt with satisfactorily, such tensions and scarcities will reemerge as the condition of relatively full employment that has been characteristic of the past ten years in the developed countries is once more approached. As suggested earlier, the limits to growth are more closely related to conceptual, technological, and institutional constraints than they are to physical constraints on finite supplies.

Second, supply-demand imbalances in some important areas will have to be met by reduced rates of growth in demand as well as by increases in supply. This, in turn, will force *changing patterns and changing life styles.* Less wasteful life styles in the rich countries can in many cases benefit both rich and poor countries. They can benefit the rich by improving the quality of life. Thus, for example, lower speed limits mean fewer highway deaths, and a more efficient use of food could increase life expectancy. Less wasteful consumption of goods (and increased emphasis upon services) will also reduce the likelihood of irreconcilable conflicts between rich and poor countries by providing the basis for a more equitable sharing of the world's sharing of the world's resources between the rich and the poor.

In an increasingly interdependent world of rising expectations among the poor, a third likely shift is *much more attention to issues of distribution within and among nations.* The implicit social compacts that were shaped within and among societies during the past generation were based upon a sharing of the benefits of high world growth rates between rich and poor. If growth rates slow down, there will be greatly increased pressures to devote attention to the distribution of the reduced benefits. Such pressures may grow within societies; mort predictably, they will grow between societies.

Emboldened on the one hand by the success of the OPEC initiative, and conscious on the other of the growing dependency of the rich nations on the resources and cooperation of the poor, the developing countries will press far more insistently and with greater power for changes in North-South relationships. At present, it is still very uncertain whether the rich countries will treat such issues as a zero-sum game—as a North-South cold war—or whether they will approach them on the assumptions of mutual interests and benefits—as the United States did, to its great gain, in many of its relationships with Western Europe and Japan since World War II.

It would be a serious mistake to see the North-South conflict as posing a revolutionary challenge comparable to that which appeared to be posed by the communists in the cold war. The developing countries are not aiming to change the *internal* systems of other countries; they are instead avidly seeking reform of the global economic order to provide greater equity and sharing among nations. Like American industrial workers who in the first half of the 20th century sought the right to organize and bargain collectively, the developing countries are attempting to organize in order to ensure that they will be treated by the industrial countries on the basis of greater equality—on a basis that is analogous to the way that the industrial countries generally treat each other.

A fourth likely trend will be that *inflation rates will significantly higher over the next fifteen years* than in the 1960s. As the poor nations (and masses) of the world press for greater material well-being, the already affluent will very probably be slow to change their consumption-oriented values or to reduce their expectations. In a situation of institutional inadequacies and supply scarcities, this dual set of demands will increase prices. The likelihood of such pressures puts a special premium on implementation of programs—such as those for increased world food production and world food reserves—which can simultaneously improve the well-being of the world's poor through increased participation in production and keep down prices through expanded supplies and better supply management.

A fifth major shift now taking place is that some economic and therefore *some political power is being transferred from those countries depending primarily upon high technology to those which are resource-rich.* Those countries that have substantial resources and technology, such as the United States, will continue to have relatively great power. At the other end of the spectrum, those countries of the Fourth World with few resources and little technology will lose some of the little power they have. In the middle, countries such as Japan, with its high technology but very limited natural resources, will have a less commanding position than they once appeared to possess—while countries such as Saudi Arabia, which has little technology but great resources, will have increased power. The United States as the world's greatest producer and exporter of raw materials, as well as the world's technological leader, has greater economic preeminence vis-a-vis other industrial countries with market economies than it had two or three years ago. Therefore we are having new responsibilities thrust upon us at the very time when we have become less inclined to assume a world leadership role. Without American leadership and participation, however, effective new or improved systems for organizing the international economic order will be difficult or impossible to achieve.

Finally, it is evident that *the concept of the security of the United States must be broadened beyond political and military security and beyond the balance of power.* The concept of security has always embraced the idea of access to essential raw materials, but with growing U.S. dependence upon imported materials, such access has greatly increased in importance. Moreover, our security now depends upon the effective operation of a whole series of world systems—the trade, investment, monentary, food production and distribution, and ecological systems.

CONCLUSION

The preceding discussion indicates that a historic transformation is indeed now in progress. It is affecting the international economic order, global politics, and, potentially, human values so fundamentally that it can truly be said that a change is occurring in the molecular structure of the world order.

The world achieved progress without historical parallel in the past thirty years because of an unprecedented willingness to change institutional and power structures to accommodate new forces and needs. To an unusual degree, many nations adopted an enlightened view of national self-interest. In the post-World War II era, the recollection of post-World War I chaos, the Great Depression, and fascist aggression; the sense of threat from communism; and common support of national independence and freedom all helped create the consensus underlying the Bretton Woods institutions and the Marshall Plan and legitimized the struggle for independence of many colonial territories.

A new set of changes of comparable magnitude is necessary if man is to successfully overcome the new problems he currently faces in his interface with nature and his fellow man. Changes are required to adjust to slower growth rates, to implement new development strategies encompassing the majority in the poor countries, to create new relations between various groupings of countries, and to shape new life styles among the more affluent. None of these changes will be easy, but all are possible and no more difficult to achieve than those of the post-World War II era that is now passing. While the recent disasters and near-disasters do not provide us with an impetus to action comparable to the challenge of a world destroyed by war, we should still be reminded by the progress achieved in the past twenty-five years of what can be achieved through policies of cooperation and sharing.

The developing countries have been seeking, with very little success, to engage the industrial countries in general, and the United States in particular, in a comprehensive dialogue on the structural changes that will be required if our increasingly interdependent world is to be managed effectively and with a greater degree of justice. For reasons already suggested, the United States need not fear such a dialogue and could benefit very substantially politically and economically by undertaking it.

The responsibilities of American citizens and leaders are particularly great. As at several historical watersheds in this century, the course of human progress cannot avoid mammoth setbacks without major affirmative action by the United States. The times require that those Americans in positions of trust in government, business, academia, labor, and the churches provide leadership; and that informed, concerned citizens make it good politics for them to do so.

DEVELOPMENT COOPERATION—PAST 25 YEARS

Development cooperation in its modern sense is a two-stage American invention of the post World War II years. In its first stage the war-unscathed United States, through the Bretton Woods institutions, the Marshall Plan and other means, shared its power, wealth, and technology to an unprecedented degree with a Western Europe of formerly rich nations, impoverished by two world wars and a severe depression, as well as with Japan. A new interdependence based on cooperation and equality of treatment emerged to the mutual benefit of the nations of Western Europe and North America and of Japan. Within these industrial market economy countries, the affluent, heretofore a distinct minority, similarly shared the benefits of progress with their populous majorities. For virtually the first time in history, a substantial majority are participating significantly in the progress of their societies in developed countries with a total population of over 600 million people—and of nearly one billion if the USSR and the Eastern European countries are included.

In its second stage, development cooperation became a major part of the bargain which the industrial countries hammered out with the aspiring developing countries of the non-Communist world. Admission to the United Nations, the Point Four Program, Development Decade I, the Alliance for Progress, and trade preferences for developing country products were all part of this grand design under which the industrial countries accepted the political independence and encouraged the economic growth of these countries within an international market economy order which the advanced countries had created and largely dominated.

This pattern of development cooperation had begun to weaken by the late 1960s and early 1970s just as the advanced market economies achieved heretofore unprecedented material affluence. The cold war had eased largely removing that stimulus to development cooperation; some developing countries were achieving rapid progress and increasingly appeared to be competitors with many advanced country industries; in the poorest countries with massive populations, progress was often so slow in raising living standards for the majority of the population that many development assistance proponents lost heart; and the developing countries in general were becoming increasingly dissatisfied with a social compact in which the developed countries were no longer carrying out important parts of their bargain. By 1973 concessional aid flows were well under half that contemplated for Development Decade II when adopted by the United Nations in 1970. They dropped in real value by 7 per cent to three tenths of one per cent of GNP over a ten year period in which the real income of each citizen of the advanced market economy countries had increased by almost 50 per cent. The developing countries also faced major difficulties in marketing their nascent manufacturers over the barriers of the industrial countries. The United States in particular seemed to lose heart for the development cooperation with poor countries it had initiated twenty-five years ago.

Development cooperation between the rich and poor countries of the international market economy world was clearly declining by the early 1970s. This was symbolized dramatically in 1973 by the closure of the U.S. AID Mission in democratically governed India, among the poorest nations and having as many people as North and South America combined.

Declining aid from the industrial market economy countries has been paralleled by the relative decline in aid from the advanced central market economy countries. Aid flows from the USSR now are only $750 million, less than one sixth of one per cent of GNP.

The new arrivals on the aid scene are, of course, the poorer countries; first China, then the OPEC states. The Chinese in recent years have been providing some $500 million annually—approximately three tenths of one per cent of their limited GNP? As noted earlier, the OPEC nations in 1974 disbursed $2.6 billion, or approximately 2 per cent of the combined GNP of the major OPEC donors, and this is almost certain to rise in 1975 and 1976 in the light of the $8 billion in commitments in 1974. While much of this aid has been used to advance regional political objectives in the Middle East (60 per cent—roughly comparable to the percentage *committed* by the U.S. in Indochina and the Middle East in 1975), the amounts and speed of new commitments in support of economic and social development elsewhere have been quite remarkable. Also noteworthy is that a substantial amount (15 per cent), and unlike Bloc aid, is going through multilateral institutions, and much of the aid, unlike either Western or Bloc aid, is spent in third countries—notably the United States, Japan and Western Europe.

A major question of the mid 1970's, therefore, is the extent and the ways in which the historic transformations now emerging should influence development cooperation in the years ahead.

ANNEX TABLE

FLOW OF OFFICIAL DEVELOPMENT ASSISTANCE MEASURED AS A PERCENTAGE OF GROSS NATIONAL PRODUCT [1]

[Calendar years]

	1960	1965	1970	1971	1972	1973	1974	1975	1980
Australia	0.38	0.53	0.59	0.53	0.59	0.44	0.53	0.56	0.56
Austria		.11	.07	.07	.09	.13	.13	.13	.15
Belgium	.88	.60	.46	.50	.55	.51	.59	.62	.68
Canada	.19	.19	.42	.42	.47	.43	.51	.51	.48
Denmark	.09	.13	.38	.43	.45	.47	.49	.50	.60
Finland [2]		.02	.07	.12	.15	.16	.16	.16	.16
France	1.38	.76	.66	.66	.67	.58	.55	.51	.30
Germany	.31	.40	.32	.34	.31	.32	.30	.28	.22
Italy	.22	.10	.16	.18	.08	.14	.10	.08	.05
Japan	.24	.27	.23	.23	.21	.25	.24	.24	.19
Netherlands	.31	.36	.61	.58	.67	.54	.61	.66	.70
New Zealand [3]					.25	.24	.36	.47	.70
Norway	.11	.16	.32	.33	.41	.45	.63	.66	.70
Sweden	.05	.19	.38	.44	.48	.56	.69	.71	.70
Switzerland	0.04	0.09	0.15	0.11	0.21	0.15	0.15	0.15	0.15
United Kingdom	.56	.47	.37	.41	.39	.35	.34	.34	.21
United States	.53	.49	.31	.32	.29	.23	.21	.20	.10
Grand totals:									
ODA ($m.—nominal prices)	4,628	5,875	6,798	7,673	8,534	9,365	10,497	11,160	15,700
ODA ($m.—constant 1973 prices)	8,384	9,975	10,176	10,716	10,857	9,365	9,551	9,066	8,650
GNP ($b.—nominal prices)	895	1,347	2,014	2,222	2,554	3,105	3,400	3,770	7,250
ODA as percent of GNP	0.52	0.44	0.34	0.35	0.33	0.30	0.31	0.30	0.22
ODA deflator [4]	0.552	0.589	0.668	0.716	0.786	1.000	1.099	1.231	1.822

[1] Countries included are members of OECD Development Assistance Committee. Figures for 1973 and earlier years are actual data from DAC. The projections for 1974, 1975, and 1980 are based on OECD and World Bank estimates of growth of GNP, on information on budget appropriations for aid, and on aid policy statements made by governments.

[2] Finland applied for membership in DAC in January 1975.

[3] New Zealand became a member of the DAC only in 1973. ODA figures for New Zealand are not available for 1960–71.

[4] Includes the effect of parity changes. Figures through 1973 are based on DAC's Statistics for 1973 and Earlier Years. Projected deflators for 1974, 1975, and 1980 are the same as those for GNP.

AN IDEA WHOSE TIME HAS NOT COME?

Mr. HANSEN. Mr. President, on June 5, the Columbus, Ohio, Evening Dispatch asked in an editorial about the proposed Agency for Consumer Advocacy, "Who needs or wants it?"

According to the newspaper, the National Survey Opinion Research Corp., of Princeton, N.J., found that 75 percent of Americans questioned in its nationwide survey opposed such an Agency for Consumer Advocacy.

I ask unanimous consent that the dispatch editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONSUMER AGENCY VIEWED AS UNNEEDED, UNWANTED

"Before members of the U.S. House of Representatives call up a Senate-approved measure to create a federal Consumer Advocacy Agency, they should determine the answer to a pertinent question: Who needs or wants it?

"The Senate overlooked this vital consideration even though data were available to it on the eve of its vote.

"The highly respected National Survey Opinion Research Corp. of Princeton, N.J., found that 75 percent of those questioned in its nationwide survey opposed such an agency.

"Individual business houses are taking increasing interest in preservation of their own good images. They have expanded complaint procedures, set up arbitration panels on an industrywide basis and acknowledge justice is available as a last resort in small claims courts.

"The Senate proposal does the consumer an injustice in that it seeks to purge from the American buyer realization there already exists adequate protection and recourse.

"The proposal has high and hidden costs. Not only would it cost additional millions to administer, it would not diminish the cost of operating established agencies or dilute private business costs, all of which are passed on to the consumer who also is the taxpayer footing the whole bill.

"Who, then, needs an Agency for Consumer Advocacy? Who wants it? Certainly not the American consumer."

INDEPENDENCE FOR THE AZORES

Mr. HELMS. Mr. President, I call the attention of my colleagues to two obscure news reports which appeared in the Washington Post a few days ago about the great demonstration in Ponta Delgada calling for independence for the Azores. Actually, Mr. President, both reports deserve far more attention than they have received.

The first article was a short item describing how thousands of people jammed the square before Governor's House, blocked the runways of the airport with trucks, seized the radio station, and forced the Governor appointed by the Armed Forces Movement for Ponta Delgada District to resign. The second item reported that the military government had arrested 30 people for taking part in the demonstrations.

Mr. President, these short items fail to convey the impact and meaning of this historic manifestation of the Azoreans on behalf of independence. Because of the

long control of these islands by Portugal, and the cultural ties which exist with the mainland, most Americans assume that the islands are Portuguese. This is not a feeling shared by the Azoreans. The people on the islands come not only from Portuguese stock, but also from Flemish, English, and French stock. Situated 800 miles from the mainland, they have developed a community of their own, and at one time had secured virtual autonomy on internal affairs, until the authoritarian governments of Salazar and Caetano strongly centralized the administration, and took from the Azoreans their rights of autonomy. With this centralization came an exploitation of the Azorean economy for the benefit of the mainland, and an impoverishment through taxation of the flourishing agriculture.

Ironically, the high taxation had the effect of drawing the Azores closer to the United States. Emigration from the islands to the United States has proceeded at a rapid rate, until today there are at least 700,000 native-born Azoreans in the United States—twice as many in the United States as are left on the islands. This close relationship between families here and families in the Azores has brought the Azoreans very close to the United States in recent years, and reoriented their outlook toward our country and away from the mainland.

When the Armed Forces Movement took over in Portugal last year, many Azoreans expected that conditions would improve on the islands, and that their rights of autonomy would return. But the Lisbon government degenerated further and further into radical authoritarianism, assisted by socialists and Communists. Instead of autonomy, the Azoreans got more controls, more economic intervention into agriculture, and arbitrary decrees amounting almost to confiscation of the small manufacturing enterprises. For example interest rates at the state-owned bank are now up as high as 50 percent in some cases. And of course, the owned bank are now up as high as 50 radical left plunge of the Portuguese Government is abhorrent to the ancient religious and cultural traditions of the islands. In short, they fear that their islands will be taken over by communism.

This is the background to the demonstration that took place on San Miguel Island, the largest island in the Azores, on June 6. The organization and successful execution of the demonstration is all the more amazing in the light of the fact that free political activity has been suppressed for 40 years. I have received many interesting details about this historic event, which I wish to discuss at length.

For weeks, political slogans and signs calling for independence have been appearing all over San Miguel on walls, houses, wagons, carts, buses, trucks, and every available space. Then the farmers asked permission to hold a demonstration about their grievances—and permission was refused. In spite of the fact that many demonstrations have been held in Lisbon over the past few months by rival Communist and Socialist factions, the governor of San Miguel refused to allow the farmers of the island to meet.

On the afternoon of June 6, according to eyewitnesses, precisely at 2:30 p.m., a procession entered the square before the governor's palace headed by a donkey carrying a young boy in a straw hat, carrying a big stick. The donkey carried a sign: "Who will help me?" To the Azoreans, the ensemble symbolized a stupid government, managed by an immature leader. The donkey was followed by a long procession of people of many classes—workers, farmers, and shopkeepers. They carried banners such as "Independence—Independence, Now," "We Azoreans want independence." "We want justice," "No more blood spilled on Lisbon soil."

The procession had come through the streets, gathering thousands of people along the way who left their homes and closed their shops to participate. It was followed by a long line of enormous trucks carrying great loads of logs from the virgin forests, with solemn-faced men riding the loads. Other trucks, carrying about 10 to 15 able-bodied men, were loaded with baseball-sized rocks. Others had more symbolic loads of sand, cows, milk pails, concrete blocks, construction materials and so forth. Each carried hand-lettered signs demanding independence. The heavy trucks were followed by small trucks, tractors, motorcycles, taxies, jeeps, cars—and thousands on foot.

They gathered at governor's house, where Dr. Antonio Borges Courtinho presided over the Ponta Delgada district, comprising San Miguel and Santa Maria islands, and demanded to talk to the governor. After an extended period of waiting, the governor appeared and resigned, to the cheers of the crowd.

Meanwhile, another group took over the radio station, and a third group, again in large trucks went to the airport and lined up on the runway, preventing the landing of transatlantic planes from the mainland. When the governor resigned and the news reached both parallel demonstrations, they disbanded peacefully.

Despite the fact that the crowds were orderly and there was no violence, 30 Azoreans were arrested for participating in the demonstrations.

Mr. President, it is a disturbing sign that the Portuguese authorities feel so insecure that repressive measures are taken against the Azoreans for exercising free speech. The Azoreans have a right to expect independence. What has been granted to Angola and to Mozambique, surely can be granted to other overseas territories controlled by Portugal. It is ironic that independence can be granted to the African territories and Portugal receives acclaim for doing so; a long, bitter guerrilla war in Africa brought about the downfall of the old Portuguese Government and radicalized the younger generation of military officers.

Yet should not the same lesson be applied to the situation in the Azores? The emergence of a left-leaning government in Lisbon in which radical military officers, Communists, and socialists grab for power, has served to trigger the long-suppressed desire of the Azoreans for independence. The Azoreans want freedom, not some brand of socialist or military dictatorship incompatible with the island traditions. If Portugal does not arrange for a peaceful transfer of power, she will undoubtedly be faced with many bitter years of underground resistance on a group of islands 800 miles from the mainland. Indeed, no one could criticize the Azoreans if they struck a blow for freedom now, before full-scale repression of the sort found in Communist countries becomes established. It is, of course, a matter for the Azoreans to decide for themselves; but from the standpoint of one observer for from the scene it appears that very little time is left before the revolution consolidates itself on the mainland and turns its attention to the Azores.

Mr. President, the strong manifestations of a desire for independence by the Azoreans is a heartening sign, which those in America who value freedom will be watching closely. I urge my colleagues in the Senate to consider these historic events carefully and to be sympathetic to this desire.

THE GENOCIDE TREATY—COUNTER ARGUMENT TO EXTRADITION OBJECTIONS

Mr. PROXMIRE. Mr. President, one of the major objections raised by opponents of the Genocide Treaty seems to be an irrational, highly emotional claim that an American accused of genocide could be extradited and tried in a foreign court. The claims are made by pointing to article VI of the Genocide Convention, which reads:

> Persons charge with genocide . . . shall be tried by a competent tribunal of the State in the territory of which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those Contracting Parties which shall have accepted its jurisdiction.

One of the absurd arguments that grew out of this section was that an American prisoner of war could be charged with genocide, or even a former member of the military could be extradited for trial in a foreign country.

Mr. President, I assure you that if this were the case I would not be in favor of such a document. However, if one looks at the very next article of the Genocide Convention, we find just the safeguard that is needed in this case. Article VII of the Genocide Convention states:

> The Contracting Parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force.

It is obvious from this section that unless the United States has already signed extradition treaties with the country concerned, there can be no extradition. Therefore, the United States would not be obligated to be a party to any new extradition agreements, and likewise, American citizens would be guaranteed the same rights they now have under the U.S. Constitution.

As for the argument that our prisoners of war, if any are remaining, or former military personnel would be tried for genocide, it is obvious that this is not valid.

Mr. Eberhard P. Deutsch of the New Orleans Bar Association was one of the major proponents of this extradition argument before the American Bar Association's discussions of the Genocide Treaty. He remarked of this situation:

> This Nation . . . shall remain steadfast in its adherence to the ideals upon which it was founded, and in which it still leads the world along the paths of justice and freedom.

I wholeheartedly agree with Mr. Deutsch on that point. This country must take a position of moral leadership in the battle for the protection of human rights.

Mr. President, I can only hope that my colleagues in the Senate will not be persuaded by emotional arguments about extradition of our citizens, but, instead, will look at the facts, and act according to what is right and in the interest of moral and human rights. This can mean nothing less than the immediate ratification of the Genocide Treaty.

WORLD SITUATION IN DANGEROUS CONDITION TODAY

Mr. GOLDWATER. Mr. President, at this time in our history we are particularly fortunate in having at several important places in our Government men who understand the world situation and the dangerous condition it is in today. One of those is Mr. James Schlesinger, the Secretary of Defense and he expressed a good rounding of his philosophy when he addressed the graduating class at the U.S. Air Force Academy last week. I ask unanimous consent that this speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY THE HONORABLE JAMES R. SCHLESINGER

Here in Colorado Springs on this June morning the members of this class receive their Academic degrees and at the same time, for the overwhelming majority, their commissions in the United States Air Force. On so auspicious an occasion I am honored to be your speaker. I take pleasure in welcoming you into your leadership roles, not only into the Air Force, but into the nation's entire military establishment. That establishment must, of course, operate as a smoothly functioning, coordinated entity—and in this larger entity the Air Force represents a critical part of a mutually supporting whole.

Commencement, as the name implies, is an occasion for looking forward—as well as for looking backward with some satisfaction on four years of trials and accomplishments. It thus provides an occasion for hard thinking about the future—as well as an opportunity for nostalgia and rejoicing.

I believe that we can leave the organization and conduct of the festivities of the occasion to the private enterprise of the members of the class. Therefore, I can concentrate my attention on the hard thinking about the future of yourselves, the Air Force's, and the nation.

In looking toward the future one must consider the external world, the role of the United States in that world and the effectiveness of its arrangements and attitudes, and finally, though indispensably, your own set of responsibilities.

Let me start with the external world. In this matter it is incumbent upon you, as citizens and as officers, not to substitute illusion for hope. Indeed, it does remain our hope that the many nations can achieve their goals through cooperation rather than through conflict. Yet, we should recognize that this world is neither one from which we can retreat, nor an abode we find particularly hospitable. Lacking the laws and institutions that shape the life of an individual nation, the external world has created far too many opportunities for the unrestrained use, indeed the abuse, of power. Until the nations of the world agree upon and truly accept common purposes in institutions, it will be necessary for this nation to retain the instruments of miliary power for the preservation of the values that it holds dear.

Historically Americans have viewed power ambivalently, believing that stability and justice should characterize the relations between nations in the absence of the use of force. Nonetheless, in the absence of common purposes and institutions that degree of stability has proved unattainable, and for the foreseeable future power will remain an indispensable, though hopefully tacit, element in the maintenance of a stable world order.

To become more precise about the existing distribution of world power, two nations, the United States and the Soviet Union, sometimes referred to as the superpowers, are preeminent. In a military sense, the world retains most of the trappings of bipolarity. Given that reality, the United States remains the indispensable counterweight in the international equilibrium to the unfettered exercise by the Soviet Union of its very considerable strength. Americans have not been altogether happy with this development in terms of power and responsibility. They have been equivocal about American preeminence—and particularly about the responsibilities imposed upon them by this preeminence. Nonetheless, whether we be resigned to or we cheerfully embrace these responsibilities, there is today no adequate substitute for the United States as the mainstay and maintainer of the community of free states.

In our relations with the other superpower we pursue both stability and a relaxation of tension. But given the ideological differences and the contrast between our own social order and that of the Soviets, the reduction of tension cannot be quickly transformed into the elimination of tension.

The equation of power retains its ultimate significance. And it will do so until such time as the Soviet Union accepts the permanence and legitimacy of Western social order. When the Soviet Union ceases to regard peaceful coexistence—Lenin's phrase invariably employed in place of "detente"—as something more than an altered form of the ideological struggle and a different phase of the class war, we may ultimately reach a common acceptance of the meaning of international stability. Until such time, however, power will remain the ultimate arbiter of international developments and the power balance will be essential to the preservation of stability. Detente itself, which we actively pursue, will by necessity remain undergirded by an equilibrium of force.

Such are the realities, which for the indefinite future will establish the framework for America's role and for your own responsibilities. To a greater or lesser extent we can fail in our obligations, but it is not within our power to alter the hard cold facts.

Yet, we must also recognize that the psychological setting has altered since the United States inherited the responsibilities in the wake of World War II. Americans are no longer as enthusiastic about their international role as they were at the time of the Marshall Plan, or the founding of NATO, or the response to Sputnik, or the Kennedy Inaugural Address. Other states outside the communist orbit no longer treat American leadership with acclaim. Familiarity has led them to become, at least, more restless, bored or unappreciative. So as we proceed on our course, we do so with less zest, with less of a crusading impulse—while recognizing that the task has become, if anything, more difficult.

In the last century, in his monumental Democracy in America, Alexis de Tocqueville identified as the great weakness of democracies, their tendency towards inconsistency and inconstancy in foreign policy—and thereby posed for us our continuing and greatest challenge:

"I do not hesitate to say that it is especially in the conduct of their foreign relations that democracies appear to me decidedly inferior to other governments.

". . . A democracy can only with great difficulty regulate the details of an important undertaking, persevere in a fixed design, and work out its execution in spite of serious obstacles. It cannot combine its measures with secrecy or await their consequences with patience."

There, gentlemen, stands de Tocqueville's challenge. How stands the nation for responding to that challenge?

For some time the country has to all appearances been in flux. The changes in attitude reflect a widespread failure of moral stamina in Western societies as much as the specific disputes within this country over the Vietnam war. But I use the word "appearances" advisedly in order to stress the surface aspect of such developments. Beneath the surface there remains in the United States a deep-seated solidity. Despite the corrosive effects of the events of the last decade, our American society remains a highly resilient one—perhaps preeminently so among the nations of the world.

But this deeper solidity can readily remain undiscerned. If there is one thing about the American society, it is a tendency to overdramatize. Headlines (puffing the crisis of the week), the compression of reality in TV summaries, all serve to titillate the reader or the viewer. There is typically a quest for novelty.

Yet despite the proclivity to over-dramatize, the opportunity for novelty in responsible policy towards the international order (or the domestic social framework) is limited. The role of the United States is to a large degree shaped by external forces to which we may react—or fail to react. The zest for our international role may well have diminished, but that will not permit us to abandon our burdens. What Mr. Dooley said with respect to divorce on Archey Road many years ago has a certain relevancy today to America's continuing foreign involvement:

"Up here whin a marrid couple get to th' pint where tis impossible f'r thim to go on livin' together they go on livin' together."

Nonetheless, the restlessness, the turmoil, the change in attitudes within the United States are not all superficial. There has been an erosion of trust—in government, in the bonds that hold together the society, in the goodness of the social order. Confidence must be restored, but the rebuilding effort will require time. Concurrently there has been a decline in discipline and order and in dedication with a consequent rise in self-indulgence. In social terms these are harmful developments. It will be your responsibility and your privilege through your lives and your activities to help reverse these tendencies.

The military services provide an example

of discipline and order to which the public can repair during a period of turbulence and of individualism gone awry. There is or should be a natural curb on self-indulgence. There is a sense of calling and of dedication. The example that is set will be welcome. For despite all of the superficial talk about variable life styles, at base any society recognizes the amount of flexibility allowed to human beings within a reasonable social order is limited.

Many of these issues are implicit in the expression, Duty, Honor, Country, the motto of a sister institution in the East about which your instructors may or may not have informed you. In a skeptical age such phrases are too frequently dismissed as high flown. They are not high flown; they are filled with high purposes. Duty, Honor, Country, indeed go to the very heart of a stable and healthy social order. Full restoration of a healthy body politic remains a profound need for this country. By your dedication and by your example, I trust, you shall make a major contribution to that end.

For the moment it remains necessary to struggle against a widespread malaise and sourness. For in the long run a healthy society must have a sense of national purpose to which the individuals that compose it can relate. The achievement of that sense of national purpose is an obligation of all of us, but it is particularly an obligation of those who have elected to serve in the nation's military establishment.

Indeed this is intended and embodied in the initial words of your Commissions as Second Lieutenants: ". . . reposing special trust and confidence in the patriotism, valor, fidelity and abilities . . ." I have every confidence that the years ahead through your efforts and the efforts of countless others will bring a restoration of moral stamina and an abiding trust in the values of Western civilization.

The underlying strength and resiliency of this society is sufficient to the task. We shall not fail, for if we should fail the inevitable drift would make the words of William Butler Yeats depressingly relevant to our condition:

"Things fall apart: the centre cannot hold;
"Mere anarchy is loosed upon the world, . . .
"The best lack all conviction, while the worst
"Are full of passionate intensity."

A grim vision, but one which, with your help, will not materialize. Gentlemen, Congratulations and Godspeed.

KENNETH KEATING

Mr. SYMINGTON. Mr. President, it was with deep regret indeed that I learned of the passing of our former colleague Kenneth B. Keating.

Ken Keating and I knew each other for a great many years. He was a member of the Frank R. Lawrence Lodge of Masonry in Rochester, N.Y. when I joined that lodge in 1924.

Ambassador Keating was an outstanding Senator; and also an outstanding Ambassador in two difficult and important posts.

All of us can only regret the loss of this magnificent American, my true friend; and I send deep sympathy to his gracious wife, Mary, and the family.

PORTLAND AND SAPPORO MARK 15TH ANNIVERSARY AS SISTER CITIES

Mr. HATFIELD. Mr. President, I want to call attention to a memorable day for the cities of Portland, Oreg., and Sapporo, Japan. On the weekend of June 7, 1975, the 15th anniversary of the establishment of their sister city relationships was marked in Portland.

The festivities were marked by a concert in Portland of the Sapporo Symphony Orchestra. The Mayor of Sapporo, Mr. Takeshi Itagaki, and his wife were guests in Portland to make the date.

I want to extend my congratulations on this occasion to residents and officials of both cities. This sister city relationship began when I was Governor of Oregon, under the strong leadership of former mayor of Portland, the late Terry Schrunk.

My colleagues have heard me speak before about the value of sister city relationships, and the Portland-Sapporo tie is a good example of benefits that flow from this tie. Many Portlanders schedule their vacations in Japan to include Sapporo, where they encounter a far different view of Japanese life than if they confined theirs visits to Tokyo alone. Sapporo, on the northern island of Hokkaido, is a more vigorous, youthful city, small enough to avoid some of the typical big city problems. It has a unique outlook on life, one that some people compare to the western cities of this country in past years.

Oregonians who visit Sapporo often have an opportunity to learn about the Japanese people and their culture. This, in turn, breeds an understanding of an Eastern culture free from some of the unfortunate stereotypes that too often are formed about foreign peoples throughout the world.

In return, residents of Sapporo are greeted in Oregon by Portlanders as "members of the family," one might say. Proud of this relationship, Portlanders are anxious to share facets of American life with visiting Sapporo residents. I am sure they return to Japan with a far broader understanding of American life than if they went only to San Francisco or Los Angeles on the west coast.

In a broader sense, we should remember that sister cities foster an atmosphere of international understanding. Such understanding puts a focus on human terms and helps diffuse differences.

I have said before that American farmers in the Far East seeking new export markets in the past 20 years have been some of America's best ambassadors. They dealt in human terms, not in official governmental channels. In my opinion, sister city programs provide a similar opportunity for such human understanding.

In the case of Sapporo and Portland, I know there have been a number of exchanges between the two cities: high school musicians, young athletes, business groups, conventions, elected officials—all visiting the other city to meet with counterparts with similar interests. With musicians or athletes, they had similar skills and talents. An understanding of the other's culture could spread from the common interests that brought the two together in the first place. In finding out the similarities within their avocations, or professions, their differences seem smaller. Friendships spring from this communality.

At a time when the pressures of international discord threaten to overwhelm efforts toward international understanding, sister-city programs stand as an example of people-to-people programs that have worked. I urge other towns and cities to establish such exchanges, for it is a good way to learn about another culture and another people. With this knowledge, understanding differences becomes infinitely easier.

Again, I salute Portland Mayor Goldschmidt and Sapporo Mayor Itagaki. I ask unanimous consent that an editorial from the June 7, 1975 Portland Oregonian, noting this anniversary, be printed in the RECORD, followed by an article from the June Oregon Voter Digest which describes a visit to Sapporo by the Portland Rose Festival queen.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

"FAMILY" TIE RENEWED

Portland Mayor Neil Goldschmidt and Mayor Takeshi Itagaki of Sapporo, Japan, will commemorate this weekend the 15th anniversary of the signing of sister city affiliation papers between the two urban centers.

Festivities, including a free public concert Saturday evening at Madison High School by the Sapporo Symphony Orchestra, will reaffirm the cultural benefits that accrue to citizens of each city when they maintain a tie with their overseas counterparts. Mayor and Mrs. Itagaki, and indeed all who accompany them on their three-day visit, are more than honored guests; they are cultural kinsmen, members of this community's extended family. We welcome them here.

JAPAN CEREMONY BECKONS ROSE FESTIVAL QUEEN

The reigning Queen of the Portland Rose Festival, Danita Ruzic, traveled to Sapporo, Japan, May 16 to represent Portland in ceremonies opening the American trade fair there.

While there, the Queen called on Mayor Takeshi Itagaki, the American consolute, city hall and the media. She participated in sessions with the Sister City Affiliation Committee and attended a number of civic activities and receptions. On Thursday, May 22, she officially opened the Great American Festival, a trade week event.

The Portland Visitation will be returned during Rose Festival week. Mayor Itagaki will head a delegation coming to Portland from Sapporo, including the Sapporo Symphony Orchestra and Miss Sapporo, Machiko Miyoshi.

Festival President Bob Hazen hailed the selection of Queen Danita for the official ceremonies in Japan: "This is just another symbol of the type of national and international recognition which the Rose Festival enjoys. The Rose Festival to many people outside Oregon is symbolic of all of Oregon and Portland."

DISCLOSURE NEEDED TO CURB "REDLINING"

Mr. PROXMIRE. Mr. President, recently, the Banking Committee filed a report on S. 1281, the Home Mortgage Disclosure Act of 1975, which I introduced with the cosponsorship of Senators BROOKE and STEVENSON. If the telephone calls to my office are any indication, many other Senators have been receiving

mountains of mail generated by the lobbyists opposing S. 1281, before you had even heard of it.

Here is what this legislation is all about:

The Banking Committee has found that many sound neighborhoods, particularly older neighborhoods in our urban and even suburban neighborhoods are starving for mortgage credit. Let me make clear that I am not talking about slum areas, but well-maintained blue collar or middle-income neighborhoods, such as the west side of Milwaukee in my own State, or much of the west side of Chicago, Oak Park, Ill., Bond Hill in Cincinnati, parts of Baltimore, Indianapolis, Boston, and similar neighborhoods throughout the country. These are precisely the neighborhoods that need to thrive, through homeownership and community pride, if cities are ever to revive. Obviously, neighborhoods are the very building blocks of cities.

The committee has found, through extensive investigation of citizen complaints and 4 days of hearings, that many of our financial institutions disdain such neighborhoods. Over and over again, the committee found that when a family expressed interest in buying into such a neighborhood, the local bank or the savings and loan would either reject the application outright, or else demand a very high downpayment and a short payback period. Anywhere between 25 and 40 percent down is a typical downpayment requirement, and often 15 years is the maximum payback period. This means that the monthly payments are about 50 percent higher than on a 25-year mortgage.

In short, the family looking to buy a home finds a dual credit market—very favorable terms on new tract housing in the suburbs, and much less attractive terms on those older close-in neighborhoods that were so unfashionable 15 years ago, but are looking more and more attractive as the price of housing and energy skyrockets.

When a financial institution rejects an application on a sound house, by a buyer with a good credit rating, solely because of the neighborhood, the lender dooms the neighborhood. The practice is sometimes called "red-lining." This is a misleading term, because it implies that bankers actually go to the length of drawing red lines around certain communities on the map. They do not do that, but they do impose much more burdensome terms on houses in such neighborhoods, and sometimes they put such neighborhoods off limits altogether. A more technically accurate term for this process is "disinvestment."

This is particularly regrettable and arrogant when these are the very same neighborhoods from which the financial institution is drawing its deposits. Many lenders, it seems, have forgotten that they are chartered by the State or Federal Government and given a whole range of benefits including Federal deposit insurance and a partial monopoly—in order to provide services to their home community. And obviously services include loans as well as savings accounts.

Many community groups in these neighborhoods suffering from disinvestment have attempted to pursuade lenders to do a better job for the community at the loan window as well as the deposit window. A number of mayors and governors have been down the same road. Generally, they all agree that it would be enormously useful to know, by neighborhood, where the community's money is being loaned. Whether a reasonable portion of it is staying in the community, to revitalize it, or whether it is all being siphoned elsewhere, to build some new distant suburb, even as the neighborhood providing the deposits is rotting for lack of mortgage credit.

The logic of disclosure is quite simply: If consumers can find out which local banks and savings and loans are treating the community equitably—and which merely view it as a convenient source of capital to export elsewhere—then maybe the sunshine will act as a disinfectant, as it usually does, and some of these bankers will be shamed into keeping some mortgage money in their own backyards.

That is what S. 1281 would do. Every lender would maintain a public record file, that would disclose by census tract, the number and dollar amount of mortgage loans made during the previous year.

S. 1281 does not "allocate credit"; it does not require financial institutions to favor certain neighborhoods over others; it does not require them to make unsound loans. It simply lets the community know where its money is going—about as gentle a remedy as could be imagined.

Yet, judging from the outcry by some of the lobbies, and the resulting mountain of mail, some of its bordering on hysterical, you would think we had proposed nationalizing the banks. First, the lobbyists claimed the cost would be prohibitive. So we asked the American Bankers Association to do a cost survey. It turns out the cost would be about $200 per year, per bank. Then they said it would be impossible to code loans by census tract. We pointed out that the Census Bureau has maps of every census tract in the country, and for banks that are computerized, special inexpensive computer programs exist which translate street address to census tract. Then, some of our industry witnesses said that we should not require them to disclose the geographical source of deposits as well as loans, which the original legislation required. They said it would be prohibitively costly, and that it would reveal trade secrets. The Secretary of HUD, Carla Hills, told us that the only aspect of the legislation she had doubts about was deposit disclosure. So the committee took that section out.

But, strange to tell, the next thing we knew, the local Washintgon, D.C., savings and loans, which have been criticized by community groups for exporting most of their money to the suburbs, voluntarily disclosed the source of their deposits. Their reasoning, apparently, was that if they could demonstrate that some of their deposits were coming from the suburbs, they would not look quite so bad. It is amazing what you can do that seemed impossible or inconvenient yesterday.

In short, S. 1281 will accomplish two things: it will make lenders more accountable to their communities, and it will provide data for the first time, on the degree of disinvestment in America's cities. If that rather mild prospect so alarms the lenders, something is terribly wrong.

It is also worth noting that several States and municipalities have already moved to combat disinvestment. A mortgage disclosure bill is moving through the Illinois legislature. A similar effort is being made in New York. The city of Chicago already has in effect a disclosure ordinance. The Massachusetts Commissioner of Banks has issued new disclosure regulations, that go substantially further than S. 1281, and I was delighted to note that the ranking minority member of the committee, Senator TOWER, in his remarks last Tuesday, commented favorably on the Massachusetts regulations which cover deposits as well as loans. Similar regulations are under discussion in California.

I hope my colleagues will consult the committee's report, on S. 1281, which analyzes the legislation and gives the pros and cons in greater detail. I ask unanimous consent to have printed in the RECORD two excellent articles on disinvestment from the New York Times, and U.S. News and World Report.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 26, 1975]

'REDLINING' BY LENDERS IS CALLED CAUSE OF OLD COMMUNITIES' DECAY

(By William F. Farrell)

OAK PARK, ILL.—The current edition of the Illinois state guidebook extols the nearby suburb of Oak Park for its tree-lined streets, old houses and 40 churches, its nurturing of Ernest Hemingway, its two dozen architectural treasures built by the young Frank Lloyd Wright.

The book describes Oak Park's 62,500 residents as living in "a prosperous middle-class citadel" that "has retained its individuality through careful administration."

Oak Park also has something in common these days with its less prestigious neighbors—those homeowners living in working class communities of Chicago and other cities.

Some Oak Parkers, whose houses are generally from 60 to 80 years old, are finding it increasingly difficult to get conventional mortgages and home improvement loans from banks and savings and loans associations.

This difficulty has prompted charges from residents of Oak Park that it is being subjected, like many less affluent but also aging communities, to the practice of "redlining."

ROAD OF DECLINE

Redlining is a highly controversial and emotional issue in many communities. The numerous community organizations conceived solely to deal with the problem use the term to charge banks and savings and loan associations with being instrumental in setting their neighborhoods on a road of decline, abroad that ends with bulldozers razing avoidable wreckage.

The financial community strongly rejects the notion that "redlining" is a pervasive,

conscious practice. Some lenders say there is no such thing.

Community activists define redlining as the refusal by lending institutions to make mortgage or home improvement loans in areas they deem risks. The term derives from the lenders' figuratively or literally red-penciling a local map—in effect deleting a neighborhood or community from its approved investment areas.

Community groups say that redlining also includes such practices as requiring higher down payments in older areas than are required for comparable housing in newer suburbs; fixing higher loan interest rates and higher closing costs than for mortgages in other areas; fixing loan maturity dates below the number of years that are the norm in newer areas; delaying on appraisals to discourage potential borrowers, and applying more rigid structural standards on a property than would be the case in a newer area.

SELF-FULFILLING PROPHECIES

Unless lending institutions have commitments to provide mortgages in areas where they draw their capital, these groups argue, particularly in those areas of growing minority group populations, the institutions' predictions of any neighborhood's decline can become self-fulfilling prophecies.

"Redlining is a sleazy practice and probably impossible to prove beyond a benefit of doubt for everyone," said Theodore Snyder, of the Milwaukee Alliance of Concerned Citizens. "Like an arsonist, its trail can be best followed by looking for the ashes."

Mr. Snyder's group is concerned with what they see as a redlining pattern on Milwaukee's West Side.

The Milwaukee group is mirrored in many other cities. Over the past few years these groups have become aware that their problems are repeated in other localities. They have formed the National People's Action on Housing, a network of community organizations with chapters in 39 states and 104 urban centers.

HOUSEWIFE MASTERS JARGON

The headquarters for the group is in Chicago, where there are many community groups formed around the redlining issue. The national chairman of N.P.A.H. is Gale Cincotta, a housewife from the working class Austin section of Chicago who has mastered much of the arcane housing jargon that is rife in Government and business.

People like Mrs. Cincotta, who combine picketing with old-fashioned politicking, have made redlining a Chicago political issue as well as one in the state capital in Springfield.

They are, it is agreed, responsible for the Chicago City Council's passage of a local statute requiring lending institutions that bank city money to disclose their savings and investment patterns. And they have provided the impetus for disclosure legislation in the Illinois Legislature that has passed the House and is pending in the state Senate.

Federal law says nothing about redlining, and most states do not have statutes dealing with the practice.

Most proponents of disclosure laws argue that action must be taken at the Federal level because state or local statutes requiring disclosure will probably encounter strong court opposition in cases where a lending institution is federally chartered.

The community organizations say a Federal disclosure law would arm them with an invaluable tool in dealing with local lenders.

"Lending institutions have this data," says Mrs. Cincotta. They know where their investments are. Why shouldn't the people in the Congress have this data? The saver as consumer has a right to know how his or her deposits are being reinvested."

"We are not asking for handouts. All we are asking for is a fair return on our savings into our communities," Mrs. Cincotta told a hearing of the United States Senate Committee on Banking, Housing and Urban Affairs early in May.

The hearings were called by Senator William Proxmire, Democrat of Wisconsin, on a bill he has introduced requiring that banks and savings and loan associations, particularly in metropolitan areas, have available for public scrutiny their savings and investment patterns.

Mrs. Cincotta and many other community witnesses ranging from the Bronx to Oakland, Calif., strongly urge passage of the bill. Representatives of major banking and savings and loan organizations oppose the measure just as strongly.

At present the bill has been marked up in committee and is expected to reach the Senate floor soon, perhaps with some modifications.

CHARGES OF RACISM

The four days of testimony provided an insight into the complexities of redlining. From civil rights groups, Mr. Proxmire heard charges of racism in granting mortgages.

From representatives of white working class neighborhoods, he heard charges that local lenders were abetting the demise of long-standing and sound neighborhoods by refusing to grant home improvement loans to residents at a time when there was a shortage of energy and essential materials.

From the financial community he heard allegations that the disclosure information sought in the Proxmire bill would be "misunderstood" by neighborhood residents, that the bill threatened the free flow of capital, that it was the first step toward mandatory credit allocation and that it would place lending institutions at the mercy of "unelected" community representatives seeking to "influence the loan decisions of our institutions."

Throughout the hearings, Mr. Proxmire described his bill as a "modest" disclosure measure that did not substantially regulate lenders.

Ronald H. Brown, director of the National Urban League's Washington bureau, agreed.

SAYS BILL IS LIMITED

While supporting the Proxmire measure, Mr. Brown said, "We do not believe that improving the quality of information on banking activities will necessarily induce lending institutions to abate the process of disinvestment." ("Disinvestment" is the Orwellian term for redlining used by Government and financial officials.)

Mr. Proxmire's home mortgage disclosure act, Mr. Brown said, would have "inconsequential" effect "unless coupled with other significant reforms."

During the Senate hearings there were repeated charges by civil rights representatives that redlining and racism were closely aligned.

The community representatives presented documents showing the marked decline in mortgages for their areas. One study concerning Washington, D.C., was prepared by Congressional staff at Mr. Proxmire's request.

It showed that 90 per cent of the mortgage loans being made by savings and loan associations in Washington were made in Maryland and Virginia and that nearly one-half of the loans made within the District of Columbia, which is predominantly black, were made in upper-middle class white areas.

"Perfectly sound neighborhoods in every major city in America are dying premature deaths for lack of mortgage credit," Mr. Proxmire said. "We are wasting our most valuable housing resource—sound existing homes."

One of the committee members, Senator Jake Garn, Republican of Utah, who is a former mayor of Salt Lake City and a conservative, said that to deny the existence of redlining "is insulting my intelligence." The question, he said, is whether the Federal Government should have anything to do with the problem.

William B. O'Connell, public relations counsel for the United States League of Savings Associations representing 4,600 lenders, said that Mr. Proxmire's statement "pins the responsibility for urban decay on lenders." This "confuses cause with effect," Mr. O'Connell said. "It ignores the importance of zoning policies, the strict enforcement of housing and health codes, the attitudes of property owners and their neighborhoods, good housekeeping by city agencies, equitable property tax systems and many other factors."

We have no choice but to make sound loans," he said, adding that a mortgage lender was "not an arbitrary decisionmaker of values in a particular neighborhood."

According to Grover J. Hansen, a director of the National Savings and Loan League and president of First Federal Savings and Loan Association of Chicago, a misinterpretation of disclosure data "might lead to further and destructive divisions between cities and suburbs, between neighborhoods and communities, between different racial and ethnic groups and between rich and poor."

"We do not make funds available to neighborhoods or to communities," Mr. Hansen said. "We make funds available to individuals."

"INSTANCES" BUT "NO ANIMAL"

At a recent Chicago press conference, Mr. Hansen asserted that "although there may be a few isolated instances of it there is no such animal as redlining."

A relatively new aspect to the redlining issue, that of old suburbs having difficulty in obtaining mortgages and improvement loans, emerged at the Proxmire hearings.

Paul Bloyd, chairman of the Oak Parks Community Organization, said that "the redlining problem is a metropolitan one, joining older, inner-ring suburbs like Oak Park with the cities as common victims of arbitrary mortgage rejection policies."

In the past three years, Mr. Bloyd said, Oak Park's four savings and loan associations have merged or branched out to newer suburbs. The Federal Home Loan Bank Board's 1973 voluntary disclosure survey showed "an almost total boycott of home improvement loans to Oak Park," he said, making cases like that of Bruce Samuels all too frequent.

Mr. Samuels, the owner of a 55-year-old solidly built and comfortable stucco home, was denied a conventional loan on standard terms because his house was deemed "too old."

Mr. Bloyd said that his group study showed that Oak Park Federal, the suburb's largest lender with assets of $240-million, made only $40,000 in conventional loans in Oak Park at a time when it made more than $1.5-million in loans in newer suburbs further west.

[From the U.S. News & World Report, June 9, 1975]

DRIVE TO CURB "REDLINING" IN RUN-DOWN NEIGHBORHOODS

The nation's lending institutions are facing new and increasing pressure to abandon the practice of "redlining"—refusing to make loans in neighborhoods they consider risky.

Both houses of Congress and at least two State legislatures—in California and in Illinois—are giving active consideration to bills requiring lenders to disclose their loan-making practices.

Citizen groups in a score of cities are pushing banks and savings and loan associations to make more loans in urban neighborhoods.

CHARGES AND PROBES

Residents in Toledo, Ohio, are pressing a class-action suit against one mortgage company, charging that its refusal to grant mortgages in a racially transitional neighborhood violates the 1968 Civil Rights Act.

Many groups are launching investigations to find out how many loans are going to urban neighborhoods. Results indicate the percentage is, with few exceptions, quite low. For example:

In Chicago, a study by the Metropolitan Area Housing Alliance asserts that 41 of the city's banks, with assets of more than 41 billion dollars during the year that ended on June 30, 1974, invested less than one tenth of 1 per cent of that amount in conventional home mortgages in the city.

In Los Angeles, says the National Task Force on Credit Policy, six savings and loan associations put mortgage loans of 671 million dollars into Los Angeles County in a five-month period that ended in May, 1974. During the same time, the associations made virtually no loans in the central city, East Los Angeles and some outlying areas.

In Baltimore, a study by the city's department of housing and community development finds that prevailing lending policy bars loans on houses under $15,000—though the department claims 75 per cent of the residential market is under $15,000. Many lenders bar loans for houses over 20 years old or less than 18 feet wide. About 65 per cent of the city's houses were built before 1939, and many are row houses no more than 16 feet wide.

In Washington, D.C., a study by the staff of the Senate Banking, Housing and Urban Affairs Committee shows that 90 per cent of the mortgage loans by savings and loans based in the city are made outside the city and that nearly half of the loans within the city are in upper-middle-class, white areas.

What it means. "Redlining"—more formally known as "urban disinvestment"—draws its nickname from the way lenders mark, in red, areas of a city map which they consider unwise sites for investment.

Critics charge that this practice discriminates against a wide variety of older neighborhoods, including not only those inhabited by blacks and other minorities but by whites as well.

Illinois Governor Dan Walker says that "redlining" is victimizing some of Chicago's blue-collar, ethnic neighborhoods and older suburban communities, including Oak Park, where writer Ernest Hemingway was born and where 15 homes designed by Architect Frank Lloyd Wright are located.

Oak Park, more than 60 years old, is an inner-ring suburb of Chicago, and residents report difficulty getting loans even where they have accounts.

One resident, wanting a new furnace, applied for a loan at a savings and loan account. She was turned down and told that "if she were smart, she would sell right away because of the possibility of racial change in an adjoining area," according to *Paul Bloyd, of the Oak Park Community Organization.*

Salary doesn't count. Even people with upper-middle-class incomes have difficulty finding financing for homes in "redlined" sections, says *Mrs. Gale Cincotta, chairperson of the National Peoples Action on Housing.*

Mrs. Cincotta told of one couple who went to seven banks seeking financing for a 20-year-old brick home in Chicago. "And in every case, the answer was the same: a big no. with a big red line," Mrs. Cincotta explains. "Why the red line? Because they were a poor credit risk? They are both professors at the University of Illinois in Chicago, with a combined income of over $40,000. If they couldn't get a conventional loan, what about the rest of my neighbors?"

Even when financing can be found in "redlined" neighborhoods, borrowers in those areas often must make down payments of 20 or 30 per cent, compared with 10 or even 5 per cent in favored suburban neighborhoods.

Lending institutions which are not willing to make conventional loans in a neighborhood will often give loans guaranteed by the Federal Housing Administration or the Veterans Administration, because these mortgages involve little or no risk. If the borrower defaults, the lender recovers his investment quickly.

However, citizen groups in the troubled areas say the experience with FHA and VA financing has not been a happy one. *Theodore Snyder, representing Milwaukee's Alliance of Concerned Citizens,* complains:

"Once conventional mortgages are cut off to a community, FHA-insured loans invariably move in, and the rapid turnover of the area by profit-hungry realtors, brokers, savings institutions, mortgage bankers and big institutional investors soon follows. Real-estate values plummet, and property taxes skyrocket relative to the value of the property.

"The other side of this money-making machine is to force families to the suburbs, where the mortgage bankers and developers are arranging investments and loans with large developers and large financial institutions, insurance companies and credit corporations."

Critics contend that once a neighborhood has been "redlined," the process of urban decay speeds up. Owners who want out find it difficult to sell. Houses fall into disrepair, are broken up into apartments or are sold to speculators. Thousands of homes are boarded up or abandoned and vandalized each year.

"'Redlining' chokes off money to a community," says Governor Walker. "Once that happens, a community slowly stranglesThis entire process becomes a self-fulfilling prophecy."

THE OTHER SIDE

The nation's lending community of banks, savings and loans and federal regulatory agencies denies that "redlining"—in the sense of the denial of loans on a discriminatory basis—exists. They argue that loans are being denied in declining neighborhoods because it is sound economic policy to do so.

"We will not make loans at our risk, on buildings that are falling down, to families that are unable to carry mortgages, and in neighborhoods which are blighted or, within the limits of foresight, threatened with blight," says William B. O'Connell, public-relations counsel to the U.S. League of Savings Associations. The fact that loans are not made in some neighborhoods does not necessarily mean they are "redlined," he adds.

"Many homes in our older neighborhoods are debt-free. These families are savers, not borrowers. Thus, savings associations may very well have to go outside their own immediate areas to find loan markets."

IN THE HOPPER

Two bills aimed at increasing the flow of mortgage credit are moving now through Congress.

The Senate Banking, Housing and Urban Affairs Committee has approved a measure to require federally chartered lenders in 227 metropolitan areas to disclose the destination of their mortgage loans by census tract.

With this information, Senator William Proxmire (Dem.), of Wisconsin, chairman of the Committee, believes that depositors will be better able to place their money with institutions that are observing community needs.

On May 13, the House Banking, Currency and Housing Committee approved a different bill, one to force the largest national banks to report how many of their loans are in nine categories, including home mortgages.

The lending community opposes both measures.

Lenders argue that mandatory disclosure would be of little help to the general public but subject lenders to undue pressure from special-interest groups claiming to represent consumers.

In addition, bankers say, lists of loans by geographic region would present "golden opportunities" for organizations compiling mailing lists, for door-to-door salesmen, and for possibly unscrupulous elements, including criminals.

EXPECTED EFFECTS

Despite this opposition, both bills are given good chances for passage this year. Neither bill is expected to eliminate "redlining," but supporters hope the legislation will make lenders more sensitive to the effects of their policies.

"During our study, we found significant evidence that lenders did not realize the composite effect of their lending policies, because they did not keep records in a fashion that would have revealed such patterns," Robert C. Embry, Jr., Baltimore's housing commissioner explains. And he adds:

"It is our feeling that the proposed disclosure legislation will require the lenders to become more closely attuned to the effects of the lending policies.

"It will also have the effect of making them more accountable to their depositors, an almost lost consideration in today's market."

FEDERAL LEGISLATIVE GOALS FOR CHILDREN

Mr. JAVITS. Mr. President, in light of the continuing interest, shared by all Members of the Senate, in legislative matters affecting the well-being of our Nation's children, I bring to the attention of my colleagues, the American Parents Committee 1975 Federal Legislative Goals for Children.

The American Parents Committee—APC—was founded in 1947 as a membership, nonprofit, nonpartisan public service association. The committee is chaired by George J. Hecht, a noted leader in the field, who is also the publisher of "Parents' Magazine," and chairman of the Child Welfare League.

For more than a quarter of a century the APC has shown its concern with Federal legislation for children. The committee enjoys a record of effective work on behalf of children with which too few other nongovernmental agencies are concerned.

Annually, the APC presents its Federal Legislative Goals for Children, focusing on issues of utmost importance to children. In its 1975 legislative goals, the committee notes such areas of concern as day care and child development, foster care and adoption, nutrition programs, public education, juvenile justice and delinquency prevention, and child labor.

Mr. President, the children of our Nation are our greatest national resource. Unfortunately, the Nation is lagging too far behind most of the other industrialized nations of the world in the provision made for our children in social legislation.

I share the view of the APC that "vital steps need to be taken in the next 2 years before our children can begin to receive the care and attention they deserve." These steps are especially vital during this serious economic period and I remind the Congress of the importance of keeping our commitment to our Nation's children, both the sake of their future and ours.

Mr. President, I ask unanimous consent that the American Parents Committee's Federal Legislative Goals for Children be printed in the RECORD, and I commend them to the attention and reading of my colleagues.

There being no objection, the legislative goals were ordered to be printed in the RECORD, as follows:

THE APC 1975 FEDERAL LEGISLATIVE GOALS FOR CHILDREN

By way of introduction: This is the 28th year during which the American Parents Committee, Inc. has lobbied for federal legislation for children. In 1947 when the APC was founded, there were few social welfare agencies that took an active interest in federal legislation for children and fewer still that tried to influence Congress concerning it. The APC is particularly proud of certain of its legislative achievements for children which it won without any appreciable organizational collaboration. Now fortunately there are many national and state organizations that are concerned with federal legislation for children, but there are still too many of them that are unwarrantly afraid to become active in such legislative advocacy for fear that it may affect the tax deductibility that its contributors enjoy.

The APC invites the cooperation of other organizations and groups in attaining any or all of its federal legislative goals for children.

The following statement of 1975 Federal Legislative Goals On Behalf Of Children was adopted unanimously by the Board of Directors of the American Parents Committee, Inc. at a well-attended meeting on January 28, 1975, in New York City.

The 94th Congress: It would appear that 1975 will be a sad year for children in the U.S. Congress. There are only a handful of members in each of the Houses of Congress who are deeply concerned with the needs of children and the current Administration seems intent on not allocating its resources in any significant way to issues of social welfare and concern for child development. Consequently the APC and other like-minded organizations should work that much harder.

1975 will usher in the youngest, most Democratic, and most liberal Congress in many years. The new House of Representatives will be composed of 290 Democrats and 145 Republicans. This is an increase of 42 Democrats, most of whom are markedly more liberal than the incumbents they replace. The new Senate will also be more progressive, with 65 Democrats and 35 Republicans, an increase of four Democrats.

Vital steps need to be taken in the next two years before our children can begin to receive the care and attention they deserve. The APC feels very strongly that in order to most effectively use our resources, we should focus on a few issues of utmost importance to children. The following statement of APC goals therefore concentrates only on the most crucial and beneficial actions that should be taken by the 94th Congress.

In general: The order of presentation of the following APC goals has no significance. In general, the APC works for Congressional action on behalf of children with which few, if any, other non-governmental agencies concern themselves. Because of its limited staff and funds, the APC concentrates on measures that it believes are attainable and not on measures upon which it can have little influence.

Appropriations for children's services: President Ford, in his 1975 State of the Union speech, announced that he would ask for no new spending programs and if any were approved by Congress he would veto them. This pledge will make it very difficult to secure the necessary appropriations for children because in the last few years, those areas have received less money than Congress authorized. As in the past, the APC will work to ensure that all programs affecting children receive appropriations equal to their authorizations. We will also work to ensure that programs enacted last year, such as the Child Abuse and Treatment Act, receive full funding.

Day care and child development: Although the renewal during the last Congress of the Head Start authority for a period of three more years is a breakthrough, the APC will continue to work on behalf of legislation which will provide free, universally available, high quality day care and children development programs to all those who need them. Our efforts will be along the lines on which the APC has long worked. Such legislation should provide: (1) meet high quality Federal standards, (2) make free services available to all who request or need them, (3) avoid such approaches as vouchers or other systems that would enable funds to go to private, for-profit groups, (4) be operated as a public utility, (5) utilize existing facilities and personnel on a full-time, year-round basis to ensure maximum cost effectiveness, (6) education for parenthood and homemaker services, and (7) would provide the funds necessary for these purposes.

Child welfare services and foster care and adoption: It is of the utmost importance that Congress address itself to the huge and crucial problem of America's foster care and adoption systems. The lives of more than 300,000 children annually are affected for good or for bad by these systems. Federal leadership, standard setting and financing has been grossly inadequate.

The APC urges the following foster care and adoption proposals upon the 94th Congress

(1) High priority to services designed to maintain children in their own homes, including adequate financial support, homemaker's service, day care, temporary shelter care, protective services.

(2) Assistance to states in improving foster home and institutional care for children including national standards and financing.

(3) Federal financial assistance should be provided to the States to assist them in providing adoption subsidies for "hard to place" children.

(4) Adoption of the Javits amendments to permit voluntary placement of children in foster care funded through AFDC funds.

(5) Federal technical and financial assistance should be provided to overcome the barriers to interstate placement of children.

(6) The establishment of a federal statistical gathering and analysis system and Federal aid to the states for support of a model foster care information system to ensure that children do not get lost in foster care.

Food-nutrition programs: Inflation, bringing with it spiraling food costs, most hardly affects the poor. Congress must respond with expanded and fully funded legislation to meet the growing need for Federal food assistance.

The Administration's regulatory change in the food stamp program, raising prices to 30% of a family's income, must be reversed immediately. New legislation must place at least a 25% limit on purchasing prices, maintain current lower purchasing prices, and simplify the certification process.

The National School Lunch and Child Nutrition Acts (NSLA & CNA) must be continued and expanded:

(1) Additional funds must be appropriated to maintain and expand the school lunch and school breakfast programs and provide meals which are at least ⅓ of the recommended daily allowances.

(2) The Special Food Service Program for Children must be expanded to provide food service assistance with higher reimbursement rates to all licensed non-profit, non-residential institutions, such as day care and Head Start centers.

(3) The Summer Food Program must be expanded and made permanently available to feed children when they aren't in school.

(4) Licensed non-profit children's residential institutions must be included under the NSLA and CNA for cash and commodity assistance for food service for institutionalized children.

(5) The Special Supplemental Food Program for pregnant and nursing women, infants and children (WIC) must be made a permanent, national program for full funding.

Because the child nutrition programs are much more than simply welfare programs, the Department of Agriculture should continue to have administrative responsibility for all the Federal food assistance programs.

Social Services amendments—Title XX of the Social Security Act: The new Title XX to the Social Security Act (H.R. 17045) was signed by the President at the end of the year, with an effective date of October 1, 1975 (P.L. 93-647). Some of the provisions, especially those relating to day care standards and child support, were of a controversial nature and did not have the support of the APC.

It is important to note that significant reservations about the legislation were also voiced by members of Congress and it is possible that the Congress may amend this legislation in 1975. Agencies have some lead time to adjust to the various effects the legislation will have on child welfare agencies seeking funds under Title XX since the regulations which govern implementation of the bill are not scheduled to go into effect until October 1, 1975. This means that the current regulations concerning social services, which have been in effect for several years, will remain in effect until that date.

The new chapter of the battle for quality social services will now focus on amendments, the writing of new regulations and guidelines governing different facets of the legislation and agencies working with public welfare officials to participate in formulating state plans for social services.

Family planning: The right of families to plan for and space the number of children they desire is a fundamental goal of the APC. To ensure that right, in a voluntary and non-coercive manner, the APC supports the extension of Title 10 of the Public Health Service Act and all other sources of support for family planning. Legislation extending Title 10 was vetoed by President Ford on December 23, 1974 and the APC commits itself to work for prompt extension of family planning services and larger appropriations so that these services will be available to all who want and need them. The APC will support the development of a range of safe and effective means of family planning and contraceptive methods and the comprehensive availability of all methods to enable families to achieve their family size goals.

Public education: With shrinking financial resources at the state and local levels and increasing taxpayer resistance, the APC believes with the National Education Association that the federal government must assume its obligation to provide adequate funding for public schools. The federal government has a demonstrable national interest in providing quality education for all. The APC continues to support existing categorical aid programs, such as compensatory education, innovative services, vocational education, higher education, assistance to the handicapped and gifted, bilingual and Indian education. It also urges that the appropriate committees hold oversight hearings on the administration of these categorical aid programs as well as oversight on the enforcement of anti-discrimination requirements in federally assisted programs under Title VI of the Civil Rights Act of 1964.

Supplementary security income (SSI) for children: Title XVI of the Social Security Act should be amended to permit otherwise eligible children in public non-medical institutions to receive the full SSI entitlement on the same basis as those in comparable private institutions.

Additional outreach activities should be mounted to assure that families of eligible disabled children in their own homes are advised of their rights to SSI, and assisted in applying.

An amendment to Title XVII will be sought to mandate referral of SSI children to appropriate health, social and educational services (Dole bill).

Handicapped children: During 1974 legislation was *passed* authorizing additional funds to states for education of handicapped children. It is estimated that only half of the nation's handicapped children are receiving education suited to their needs and that several million children are denied schooling for reasons relating to mental and physical disorders. APC will support funding thrusts and modifications in the authorizing legislation which will reinforce implementation of a "zero reject" posture by the public school system.

Child care deductions: According to both Congressional and Administration sources, tax reform will be a high priority item for the 94th Congress.

The legislative item that should be changed in the current tax law is in regard to child care deductions. Although deduction is allowed—up to $400 a month for three children on earnings up to $18,000 per annum—according to IRS very few of those eligible to take the deduction do so. We would recommend that child care expenses be treated in the same manner as any other reasonable business deduction.

Aid to dependent children: Improvement of provisions for needy children and their parents under The Aid To Families With Dependent Children (AFDC) is of major importance at this time of rising prices; increasing unemployment and other sources of growing need. While a Federal program should be the goal, at the very least Federal funds should be conditioned on minimum States standards, increases related to rising costs of living, and wider eligibility including mandatory provision for need due to unemployment.

National Health Insurance: The APC is committed to the early enactment of national health insurance. The APC will work for a comprehensive bill, including medical services to pregnant women, infants and children. In anticipation of national health insurance, Title V and Title XIX EPSDT programs should pursue care funding activities and be more adequately funded at the Federal and state levels so that necessary follow-up care may be provided. However, the availability of health care financing through National Health Insurance will not supersede the need for national programs which provide health care services in areas presently medically under-served. Maternal and Child Health and Crippled Children's Programs are systems to be maintained, modified and expanded so that in tandem with national health insurance, health and medical care might be more readily available to all pregnant women, infants and children.

Juvenile justice and delinquency prevention: The 93rd Congress passed the Juvenile Justice and Delinquency Prevention Act to provide money to States and local governments to conduct effective juvenile justice and delinquency prevention programs. The act focuses on preventing delinquency, on diverting juveniles from the traditional juvenile justice system, and on providing critically needed alternatives to inappropriate institutional care, including homemaker and other services in the child's own home.

The APC feels very strongly that while the goals and thrust of this bill are exceptional, the placing of the program within the Law Enforcement Assistance Administration (LEAA) was a major mistake. It is unfortunate that the entire federal juvenile delinquency prevention effort is now operating in a law enforcement environment, rather than a human services one. APC thus feels that LEAA's implementation of the bill should be closely monitored by child advocacy groups, full funding should be supported, and the transfer of the program to HEW should be urged as soon as possible.

Child labor: Stiff enforcement of federal law prohibitions against child labor abuses is a goal of the APC. In the last fiscal year Department of Labor investigators, while investigating only 2 to 3 percent of all establishments, uncovered 15,000 illegally employed children. If these figures are extrapolated to all employment establishments, we can estimate that 500,000 children are working illegally. This means working nights, or more hours during school hours than is allowed.

In addition, newly-passed Amendments to the Fair Labor Standards Act prohibit children under 12 from working on large farms, a commendable step forward, protecting thousands of migrant children. However, the Department of Labor has been lax in enforcing the new laws and several states are attempting to get the Congress to grant them special exemptions. APC urges the Congress not to grant any exemptions to the 1974 amendments, and urges the Congress to ensure full Department of Labor enforcement of the legislation.

UNICEF: Due to the devastating world economic situation that has caused massive starvation, in some Asian, African and South and Central American countries, the United States has a global responsibility to substantially increase its contributions to UNICEF from its existing $15 million level to hopefully $18 million for fiscal 1975 which began July 1, 1974. The APC will work for the authorization and appropriation of the larger amount.

Federal leadership on children's programs: The APC deplores the erosion of Federal leadership for programs and policies affecting children and youth. The APC, therefore urges that a new Office for Children and Youth be created directly under the Secretary of the Department of Health, Education, and Welfare. This Office should collect information on the needs of children and youth, monitor existing programs in the Department and elsewhere in the Federal government, and recommend new or improved policies and programs to meet these needs. This Office would absorb the responsibilities relating to children and youth of the Assistant Secretary for Human Development and those of the Children's Bureau, and should give new impetus to a broader and more active leadership.

WYOMING STATE SHOOTING ASSOCIATION

Mr. HANSEN. Mr. President, many Senators, myself included, have argued over the years against firearms legislation that would place undue restrictions on law-abiding Americans.

The Wyoming State Shooting Association in annual meeting May 17 adopted a resolution that supports our view. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION CONCERNING FIREARMS LEGISLATION ADOPTED BY THE WYOMING STATE SHOOTING ASSOCIATION AT THEIR ANNUAL MEETING IN LANDER, WYOMING.

There are many Firearms Laws in force at Federal, State and Local levels throughout the United States, and numerous additional laws are proposed and enacted each year, all of which are intended to prevent or reduce the incidence of violent crimes.

Virtually all such laws are directed toward an inanimate object, the firearm, rather than toward the criminal misuse of same. The widespread increase in violent crime throughout this country clearly demonstrates that such firearms legislation will not successfully prevent or reduce crime.

The Wyoming State Shooting Association is dedicated to the reduction of crime, but legislation against firearms, rather than the criminal misuse of firearms, is both unneeded and counter productive. Such firearms legislation only further burdens the law-abiding firearms owners and taxpayers, and diverts public attention and support from truly effective crime control.

Therefore, let it be resolved that the Wyoming State Shooting Association opposes any proposed legislation, at any level of government, which is directed against the inanimate firearm rather than against the criminal misuse of firearms.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The period for the transaction of routine morning business is closed.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair lays before the Senate the pending business, which the clerk will state by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The Senate resumed the consideration of the resolution.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the amendment of the Senator from Connecticut (Mr. WEICKER).

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and it will be a live quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 29 Leg.]

Allen	Dole	Pell
Byrd, Robert C.	Griffin	Stafford
Cannon	Mansfield	Weicker
Culver	McClellan	

The PRESIDING OFFICER (Mr. ALLEN). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Ser-

geant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk	Hansen	Metcalf
Baker	Hart, Gary W.	Morgan
Bartlett	Hart, Philip A.	Moss
Beall	Haskell	Nelson
Bellmon	Hatfield	Nunn
Biden	Hathaway	Pastore
Brock	Helms	Proxmire
Buckley	Hollings	Randolph
Burdick	Hruska	Ribicoff
Byrd, Harry F., Jr.	Humphrey	Schweiker
Case	Inouye	Scott, Hugh
Chiles	Jackson	Scott, William L.
Church	Javits	Sparkman
Clark	Johnston	Stennis
Cranston	Kennedy	Stevens
Curtis	Laxalt	Stone
Fannin	Leahy	Symington
Fong	Long	Taft
Ford	Magnuson	Talmadge
Garn	Mathias	Thurmond
Glenn	McClure	Tower
Goldwater	McGee	Williams
Gravel	McGovern	Young
	McIntyre	

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Indiana (Mr. HARTKE), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Illinois (Mr. STEVENSON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Delaware (Mr. ROTH), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The PRESIDING OFFICER (Mr. ALLEN). A quorum of the Senate is present.

The unfinished business is Senate Resolution 166. The pending question is on agreeing to the amendment in the nature of a substitute of the distinguished Senator from Connecticut (Mr. WEICKER). The Chair recognizes the distinguished Senator from Connecticut (Mr. WEICKER).

Mr. WEICKER. Mr. President, it is my intention today to try to continue and review, along with the rest of my colleagues, the difficulties present in determining who should be the Senator from New Hampshire, and by pointing up those difficulties to suggest that the proper, the relevant, the logical and the fair way to resolve this matter is to send it back to the people of New Hampshire.

Now, Mr. President, there is an old story about the politician who leads by figuring out where the line is going and running to the front.

Fortunately there are more than a few real leaders in this body of elected leaders. There might be the slightest possibility, however, that it will be helpful to some to know where the line is headed and, according to many of the journals, the newspapers and the columnists, the line is headed back to New Hampshire.

I would like to just spend a few minutes, if I may, highlighting some of the editorials written on this matter.

Among the numerous journals, newspapers, columnists, and interested citizens of every State in this Nation, who are more than a little upset that their U.S. Senate has spent weeks and months doing what the voters of New Hampshire could do in a day, I offer these examples:

[April 15—Editorial—Boston Herald American]

WORLD'S SLOWEST RECOUNT?

If some of our neighbors up in New Hampshire decided not to put their federal income tax forms and payments in the mail today—or to send the Internal Revenue Service only half the amount that is due—who could blame them?

After all, they could cite one of the oldest and best arguments ever used to justify taking such drastic action: that to do otherwise would literally be taxation without representation . . .

If it takes six months or more for the Senate to decide a winner in this case, we certainly hope that it will never have to recount the ballots after a close election in Massachusetts, where roughly 10 times as many votes would be involved. At the rate it's been progressing on the New Hampshire case, it would probably take the Senate a generation to decide the winner of a cliffhanger in New York or California.

[June 1—Providence Journal—Column by the Journal's Washington Correspondent, Douglas C. Wilson]

NEW HAMPSHIRE BURNS WHILE SENATE FIDDLES

Poor New Hampshire. People up there are doing a slow burn while the Senate fiddles with their ballots—and who can blame them? It took only one election day, last November, for the granite state to vote at the polls. The result in the Senate contest, unfortunately, was practically a tie between former Rep. Louis Wyman, the Republican, and John Durkin, the Democrat. New Hampshire authorities finally said Wyman was the winner by an incredibly thin, two-vote margin. . .

In any event, the rules committee has been so busy looking through microscopes at the vote of a Mrs. Doyle or a Mrs. McCarren that the general will of New Hampshire has been lost in the focus. . .

One telephone call to my favorite source in New Hampshire, the McDermott family in Wolfeboro, is probably as good a gauge as any. Mr. McDermott was salty, as usual. Not taking any nonsense.

"Those senators are putting on an act and wasting a hell of a lot of time," he harrumphed. "Everybody up this way says the only fair thing to do is to have another election and get it over with."

Mrs. McDermott said she and her husband "feel like a lot of people up here. They should have had a whole new election and cleared the thing up, instead of fiddling and fiddling."

I would like to say it really sums it up in one sentence:

Everybody up this way says the only fair thing to do is have another election and get it over with.

[June 3—Ann Arbor, Michigan News—Editorial]

BE DECISIVE ABOUT IT

If you think it took Ann Arbor a long time to settle on a mayor, consider the case of New Hampshire. Seven months have passed since last November's Senate election but the Granite State still doesn't have a winner.

Thus 98 senators will determine for the people of New Hampshire just who their senator should be. It doesn't seem fair, and one can be assured that if these New England Yankees had it to do over again, they'd be more decisive about it.

[April 15—Cincinnati Enquirer—Editorial]

BACK TO THE POLLS

The best, fairest and most acceptable solution would be to ask New Hampshire voters to return to the polls for a fresh election—to be accompanied by enough safeguards to guarantee that this second balloting is not a second comedy of errors.

[June 11—Chicago Tribune—Editorial]

VOTERS AND THE MICRO-MARGIN

The main complaint about this Senate dispute, however, is that it's unnecessary. Instead of wasting half a year and uncountable man-hours on this wrangle, the Senate could simply have declared the seat vacant and sent the issue back to New Hampshire to be resolved in a special election. (Perhaps it will still do that.)

Mr. President, I would like to return to the column by Douglas Wilson in the Providence Journal. That column was entitled, "New Hampshire Burns While the Senate Fiddles." Mr. President, there are few who need reminding that the American people are a tolerant breed. But I know that there are some Senators here who need no reminder that as tolerant as Americans are, they are not fools. Push them far enough, and you will get them excited to action—more than you bargained for. Mr. President, the longer the Senate spends its time on this matter, the longer it deprives the people of New Hampshire of their opportunity to settle this matter for once and for all—the closer we come to that day when the American people will not tolerate our fiddling. Someday—someday very, very soon the American people will be burning. Will we keep fiddling?

Mr. President, the issue is not a Republican versus Democrat issue. The issue is not a liberal versus conservative issue. I saw some of the commentary and heard some of the commentary this morning saying this was a partisan fight, accusations flying back and forth. Not so.

I repeat that I have the highest regard for the integrity of all the members of the Rules Committee. The chairman, Mr. CANNON, Mr. HUGH SCOTT, Mr. PELL, Mr. WILLIAMS, Mr. ALLEN, Mr. ROBERT C. BYRD, and the Republican members—I have the highest regard for the integrity of these men.

This is not a question of anybody stealing an election. It is a question as to whether or not this is the proper method to achieve the best possible result. That is all. That is the issue on this floor.

Nobody, I repeat again, contests the constitutional right of the U.S. Senate to determine the qualifications of its own members. But nowhere in the Constitution does it state how this will be done.

I lay before us the proposition that in this day and age where the emphasis is placed on increased enfranchisement, on opening up politics or getting more people to participate in our political process.

It is a reaffirmation of the belief that the more that vote, the more that participate, the better the result. In this day and age a far better result can be achieved by utilizing this method of allowing the people of New Hampshire to determine who it is that will represent them in the U.S. Senate.

Then we get to the business of examining the method that was used and what results it has produced.

Has it, in effect, clarified the confusion? The answer clearly is no, by virtue of the number of questions being asked of each one of us in the resolution.

Mr. President, utilizing the criteria of fairness and credibility and logic, have some of the results matched or reached the highest levels of those criteria?

Yesterday it was fairly well laid out during the course of the debate that pursuant to one of those protests lodged by Mr. Wyman, a group went to Manchester to examine the voting machines. It was established that the group was not comprised of those individuals that the majority and minority thought were entrusted with this task, but rather some sort of ad hoc arrangement.

It was not a matter of counsel for the minority, counsel for Mr. Wyman, counsel for the majority, counsel for Mr. Durkin, participating as counsel with our eminent former Parliamentarian, Dr. Riddick, in the middle as the neutral party, but rather a committee in charge of counsel for Mr. Durkin.

I really sit here very amazed at the lack of reaction to what occurred in that situation. When I say reaction, reaction both on the floor and in the media today.

What kind of arrangement is that, in a quasijudicial proceeding where counsel, the prosecutor and the judge, are all rolled up into one and where there is not equality of representation?

There is nothing illegal. I remember the terms I have sometimes used in the past to categorize certain actions. Was that illegal? The answer is no. Was it unconstitutional? The answer is no. Was it gross? The answer is yes.

The image that is portrayed by the activities of the committee, should they be past any criticism or any suspicion?

This is what the distinguished Senator from Rhode Island (Mr. PELL), I think, alluded to in his separate views where he uses the terms neutral and impartial to convey the impression that the matter was conducted in a neutral way, an impartial way, and clearly, that image does not come through.

To just briefly wind up on the famous expedition to Manchester, in any event, the proceedings themselves, obviously, were tilted toward one individual, Mr. Durkin. There is only one way to go, one conclusion we can arrive at on what occurred tilted toward Mr. Durkin.

Now we get to the business of the actual experts hired by the committee and we find again contacts were had between the counsel for the majority, counsel for Mr. Durkin. The contacts, ex parte contacts were held as between those witnesses and counsel.

What kind of business is that? Again, these witnesses, or machine experts, were not there on behalf of Mr. Durkin; they were there on behalf of Mr. Wyman and Mr. Durkin. Yet counsel sits in a closed room and has communication with those expert witnesses.

Mr. CANNON. Will the Senator yield?

Mr. WEICKER. Yes.

Mr. CANNON. I am sure the Senator would not want that statement to stand. Senator HATFIELD had inadvertently, I think, made that statement, but that is not the record. That is not what the record disclosed and I am sure he would verify that.

Counsel was not in a closed room with the experts there and it was brought out in the hearing. The hall was right where all the rooms were together. The room was open and they walked right in and the experts were being told to prepare affidavits, and I gave those instructions to have them prepare affidavits while they were there.

Mr. WEICKER. No, put it this way. I will leave the technicality as to whether the door was open or closed. The fact is that counsel for the majority had ex parte contacts with the machine experts. Ex parte, without counsel for the minority being present.

It is also true, if I am not mistaken, and I will direct a question to the distinguished Senator from Nevada, that the Senator from Nevada had ex parte contact with those same witnesses in giving them their instructions prior to going up to New Hampshire. But this instance is unlike the occurrence in the room. That, as I understand it, had been worked out with the distinguished Senator from Oregon. They had consulted on the instructions and what it is these men were supposed to do.

That is proper; that is clearly proper. But in the other case, counsel for the minority was not notified of such a meeting and was not present at such a meeting.

Mr. CANNON. As long as the Senator has directed that question to me, the names of the two experts came from the minority, and Senator HATFIELD and I decided it would not be well to select one person, so we selected two, and from quite different parts of the country. One was from Virginia and one was from Louisiana.

Both of them are experts in their field. Neither one of them knew each other before, and I do not know one of them to this day. I did give instructions over the phone that they were there representing the committee, that they were to act impartially, and they were to perform such tasks as they deemed necessary. I confirmed that in the written memorandum which we have made a part of the record.

Mr. WEICKER. That was the proper situation, because there had been consultation. The instance that I am discussing is where the communication took place between those individuals and Mr. Duffy, who was the head of the committee and the counsel for the majority, and Mr. Schoener was not present in the room when such communications were taking place. That is clearly improper.

Mr. WILLIAM L. SCOTT assumed the Chair at this point.

Mr. HATFIELD. Will the Senator yield?

Mr. WEICKER. I yield.

Mr. HATFIELD. I believe the Senator from Connecticut has again focused upon a rather interesting point as to whether we are talking about technicalities or whether we are talking about substantive questions.

I would like to illustrate it by reading again from the record because it more eloquently and accurately than anything else describes exactly the kind of response that was received.

I read from page 1478 of the record.

Senator HATFIELD. May I ask Mr. Duffy a question on that point?

Mr. Duffy, did you assist in dictating the affidavit of the experts in your motel room?

Mr. DUFFY. No, sir, I did not.

Senator HATFIELD. You were at no time alone with the experts in writing up a report?

Mr. DUFFY. I was not. The experts retired to their separate rooms where they wrote in their own handwriting these affidavits which have been submitted today to the committee.

And then I would like to read from three or four pages later. This points up again how technicalities really, in effect, were used to avoid the point. The point was I had asked about the presence of Mr. Duffy in the company of the experts, but I perhaps had provided a technical loophole by saying "in your motel room."

I am reading now from page 1482:

Senator HATFIELD. I would like to just sort of review it to make sure I understand.

I think I asked you the initial question whether you in any way assisted, instructed, or suggested phraseology or wording for the writing of these affidavits by these experts. I went through a whole series of nomenclature—I very specifically identified it as in your motel room.

To each of these you responded negatively.

Mr. DUFFY. And I do now.

Senator HATFIELD. But now I understand——

Mr. DUFFY. I did not deny that they were in the motel, Senator Hatfield.

Senator HATFIELD. Were they in your motel room at any time?

Mr. DUFFY. No, they were in Ms. Parrish's room.

Senator HATFIELD. Were you in Ms. Parrish's room with them?

Mr. DUFFY. Yes, sir, I was.

Senator HATFIELD. Then it wasn't your room, so I was mistaken in asking if they were in yours—they were in Ms. Parrish's room.

Mr. DUFFY. Yes, sir, they were.

Senator HATFIELD. She is a staff member of this committee.

And on and on it goes. Finally:

Mr. Chairman. I may say that I instructed Mr. Duffy to be sure that the experts gave affidavits while they were there. I did that over the phone.

My only point is simple: We got into this long colloquy in which I am sure the majority counsel understood the point on which I was trying to interrogate him. But we found a technicality because I had asked the question in the context of "your motel room." It turned out to be the staff secretary's motel room.

The point is simply that they actually were in a motel room with the experts, and it has not been denied, and Mr.

Schoener, the minority counsel, and Dr. Riddick, the third member of the panel, had not been notified as to the fact that they were there at that time working on procedures in general terms on the format of the affidavit.

Again, I do not imply that they were trying to influence the experts. I do not believe for a moment they were. But, again, I think the circumstance, the setting and all that goes with it, illustrates the fact that this so-called investigating committee was pretty much a unilateral action carried out from the beginning through to the writing of the affidavits.

Mr. WEICKER. I will yield to the Senator from Tennessee in a moment.

I just made inquiry of my staff. Something was clinging in my mind as to a similar experience to the one which occurred here on persons using a technicality to avoid responding to the substance of a question. It is a little-known story about the Watergate investigation. The staff of the Watergate Committee interrogated an individual from the White House about the matter as to whether there was any taping device in the White House.

The response given back was a negative one. It was several days later that Mr. Butterfield was interviewed and the rest, of course, is history.

Apparently, what had occurred was that unless you pressed exactly the right buttons, had the right combination of words, people were going to go ahead and deny the existence of that system. With the individual who had been interrogated previously, even though the subject had definitely been raised, and any forthright, intelligent person would have responded as Mr. Butterfield responded, the exact buttons had not been pushed and, therefore, the response came back no, there was no such system. It took Mr. Butterfield, who refused to go ahead and engage in any technicalities, to bring forth an honest answer to a very simple question.

This is exactly the same situation, where a fellow denies any knowledge on the basis of what room it is.

Well, the U.S. Senate does not care what room it is, whether it is his room or Ms. Parrish's room. It was the substance of what went on and who was at the meeting which was important. To try to weasel out in the strictest sense does no honor to this body.

I can only say that I am certainly delighted that none of my colleagues, Republicans or Democrats, were engaged in this particular action. This business of the staff of a committee trying to block the truth by hiding behind technicalities and words is a disgrace. We all know what is involved here. We are trying to get an answer. Clearly, the action was improper when it took place. It just compounds the matter then to try to hide what it is that went on and rely on the fact that the members of the committee are not going to be persistent in their questioning.

Fortunately, the Senators were persistent in their questioning. Just as fortunately so was the staff of the Watergate Committee persistent in theirs. That is why you got Mr. Butterfield's response. Otherwise, you would never have gotten the response if everybody had tried to evade the truth by dodging around with semantics and technicalities.

I yield to the distinguished Senator from Tennessee.

Mr. HATFIELD. Will the Senator yield for just one moment?

Mr. WEICKER. Yes.

Mr. HATFIELD. I would like to clear up one other point that was made earlier by the chairman, concerning the appointment of the so-called two experts.

The chairman indicated that these experts both were recommended by the minority. This is not quite accurate.

Let me relate exactly what happened. The name of Codie Wimberly was suggested to Mr. Schoener, the minority counsel, by Mayor Stanton, of Manchester. This occurred in this way: A call was placed to the office of the Rules Committee staff. Mr. Schoener was out. The message was taken for Mr. Schoener and it was transmitted to Mr. Duffy, that this was the name recommended by Mayor Stanton of Manchester.

At no time did the minority counsel recommend the name of Codie Wimberly. This was merely a note that was taken off the pad of a message for Mr. Schoener when he was out of the office. It was not a recommendation by Mr. Schoener. Mr. Duffy then called Mr. Wimberly, as I understand, and checked him out. He was approved as the majority expert.

Again, I am not raising this to in any way challenge the credentials or the expertise of Mr. Wimberly. I think he was a very qualified man. But I do think we ought to keep this record very clear and very accurate stey-by-step. After all, this election revolved around two votes and every step and every technical item as well as every specific item must be made clear. Even though technical points are sometimes used as a camouflage, they should be kept clear in mind, just exactly what the sequence was and how accurate they are.

Mr. BEALL. Will the Senator yield?

Mr. WEICKER. I yield.

Mr. BEALL. The Senator is talking about the experts. I am a little confused. In the colloquy that has just taken place, the chairman of the committee indicated, I believe, that the experts were told to conduct the tests that they deemed necessary.

Tests that they, the experts, deemed necessary.

But in listening here yesterday afternoon, I got the impression that the experts were not allowed to conduct the tests which they deemed necessary, but rather only such tests as the committee directed them to conduct. It was my impression, from listening yesterday, that at one point Mr. Schoener suggested that the back be taken off the machine. This request was not honored, and the experts were not allowed to answer the question as to whether or not the backs should have been taken off the machines.

Mr. HATFIELD. That is correct. The minority counsel asked this question of technical experts. They were prevented from answering. This was one of approximately 25 instances in which minority counsel's requests to pursue the investigation, and even inquiries as to how it should have been pursued, were rejected by Mr. Duffy.

Mr. BROCK. Mr. President, just a second. Do you mean to say we hired experts, and then somebody, Mr. Duffy, said, "You cannot even answer a question"? Is that right?

Mr. HATFIELD. This is the result of procedure that was followed when questions were raised as to looking at the machines, taking the backs off, looking at the gears, et cetera.

Mr. BROCK. I cannot believe it.

Mr. BEALL. In answer to my question, the experts were not allowed to conduct tests that they thought were necessary, even in looking at the machines or in recording the ballots?

Mr. HATFIELD. I do not think we can come completely to that conclusion, but that became the result. The experts first were given instructions. The experts then went up there and conducted a form of investigation. A form. I stress the word "form."

Mr. BEALL. A limited one?

Mr. HATFIELD. My point is that the investigation was limited. It was constricted. It was not full in any sense of the word. And when questions were propounded of the experts by minority counsel as to the nature of the investigation, the experts were prevented from answering by Mr. Duffy.

Mr. BROCK. May I ask a question of the chairman of the committee?

Mr. HATFIELD. Yes.

Mr. BROCK. The chairman said something earlier that I wanted to follow up. I did not quite understand. The experts sent to New Hampshire were under Mr. Duffy as chairman for this particular group?

Mr. CANNON. No, the experts were not under Mr. Duffy. They were directed by me in writing to take such steps as they deemed necessary. This they did. The record shows that, their affidavit shows that, and that is why Mr. HATFIELD responded to Senator BEALL a minute ago as he did. He said that was not quite the answer.

But they were specifically directed to perform such tests as they deemed necessary to make this determination.

Mr. BROCK. Did the chairman at any time limit the authority of the investigators? Did the Senator hear the question?

Mr. CANNON. Pardon?

Mr. BROCK. Did you at any time limit the authority of the investigators?

Mr. CANNON. Absolutely not.

Mr. BROCK. Did you at any time suggest to them that they could not go into the backs of the machines?

Mr. CANNON. Absolutely not.

Mr. BROCK. Well, then, did Mr. Duffy do that?

Mr. CANNON. I cannot speak for Mr. Duffy, but let me tell the Senator——

Mr. BROCK. Maybe we could ask him to speak for himself.

Mr. CANNON. Let me just tell the Senator. I read from the record of the hearings:

The CHAIRMAN. Well, I think the memorandum is quite clear, and the experts were not restricted in any way. I personally discussed this with the experts and gave them authorization to take whatever steps they deemed necessary—and I will read from the memorandum.

"Examine and inspect voting machines Nos. 1581, 1645, 1537, 1640, 1633, 1591, 1595, 1623, 1620, 1532, 1533, and 1562 in Manchester, New Hampshire, in conjunction with experts employed by the committee, i.e., Mr. Codie Wimberly, and any other expert employed by the committee to attempt to ascertain whether these machines correctly recorded the votes in the New Hampshire election for the office of U.S. Senator.

"This will entail a visual inspection of the machines and counters, inspections of the seals and locks upon the machines, a determination as to whether the machines have been used subsequent to November 5, 1974, and whether they were in each instance adequately secured so that the machines could not have been tampered with in any way."

I am sorry the Senator who asked me the question is not willing to listen to the answer. I will wait for him.

Mr. BROCK. Sir?

Mr. CANNON. I say I am sorry the Senator who asked me the question is not willing to listen to the answer, but I will wait for him.

Mr. BROCK. I am listening. I was just seeking clarification.

Mr. CANNON [reading]:

The experts employed by the committee are auhorized to conduct such tests as they deem advisable to ascertain the accuracy of recording the votes cast. A specific attempt should be made to ascertain whether the candidate counters are connected with the public and protective counters and determine whether a malfunction of either of those would or would not have resulted in malfunction of the candidate counter.

If I may say so to the Senator, these men were employed as experts. Their field of specialty is this field, and they have made the statement in the record, that is, in the record of the hearings, if the Senator will examine it, as to whether the counters are interconnected, and what happens.

They made the determination as to how many votes they should put on machines to determine if there was a malfunction. This is why they made the determination to go over the number of 10, to go to the number of 11. If the Senator will examine the record, he will find that.

I cannot speak for the experts, beyond the fact that they were instructed to do a job. They assured me that they would not undertake this in any other fashion than to try to determine that precise fact. They filed their affidavits, and their affidavits are on file with the committee, and no one so far has challenged their expertise.

Mr. BROCK. Maybe the Senator did not understand what I was trying to say. He said he did not know whether Mr. Duffy had prohibited access to the rear of the machines or not. Can he find out for me and let me know the answer?

Mr. CANNON. I think I can say from the record that the experts did the things that they felt were necessary.

Mr. BROCK. No, I am not asking that.

Mr. CANNON. That is my answer to the Senator's question.

Mr. BROCK. My question was, Did Mr. Schoener or anyone else ask for access to the rear of the machines, and did Mr. Duffy prohibit access to the rear of the machines?

Mr. CANNON. Oh, now your question is different. Mr. Schoener did ask that. Mr. Schoener knows as much about one of those voting machines as I do, and I say I do not know as much about it as the Senator from Tennessee, after hearing him speak yesterday.

Mr. BROCK. I have seen fraud on machines. Yes, sir, I have.

Mr. CANNON. But Mr. Schoener was there in the part of advocate, representing the minority on the case, and I do not think he knows anything about it from the standpoint of an expert. But the experts themselves made the determination that they did not need to go into the back of the machine.

Mr. BROCK. Mr. Chairman, I will tell you from experience that you can rig the digits on any of the integers on the machine. The first two integers are not adequate to check the machine. Either those men did not do an adequate job, or they were prohibited from doing an adequate job by Mr. Duffy, and I want to know why.

Mr. CANNON. I might say to the Senator that during the recount by the secretary of state, the backs of every machine requested were opened and inspected. The ballot law commission opened and inspected machine No. 1626 at Mr. Wyman's request, because supposedly there had been an error in that machine, which was found not to exist.

But they were opened at those times, and we were going by the experts that were employed to work for us, and not by Mr. Schoener nor Mr. Duffy.

Mr. BROCK. But Mr. Schoener was representing, not just Mr. Wyman; he was representing the Senate minority. And when you are having a quasi-judicial examination, I cannot believe that access to any method of investigation would be denied by the chairman of this ad hoc committee that was sent up there. That is what I was requesting an explanation for.

Let me make one further point. I would just like to point this out: I do not care who went into the machines or did not go in. What I am arguing, though, as far as I can tell, is that 1,100 more votes were cast than people cast votes and that is doggone hard to explain to me. I do not understand why every possible step to determine that situation was not taken.

Mr. CANNON. I think the Senator would not want that to stand in the record without checking his facts. If he will correct that to say "were checked off the check list," then he would be correct, but his statement, as he made it there, is not factual, and I am sure he would not want the record to reflect it.

Mr. BROCK. Is that not the way the New Hampshire law reads?

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. Mr. President, if I may say to the distinguished Senator from Nevada, and I will yield to the distinguished Senator from Oregon in a minute, if I may ask the following question of the distinguished Senator from Nevada:

The Senator has just stated and categorized Mr. Schoener as a partisan advocate. Would the Senator please categorize Mr. Duffy for me?

Mr. CANNON. Yes; I have tried to characterize him as the head of the staff on the Subcommittee on Privileges and Elections, and I instructed him not to act in a partisan manner but to try to be objective, fair, and carry out my instructions.

I have tried in my directions to carry out an impartial procedure, and I think that if the Senator were to try to contend that we have not been fair and impartial on this matter, I would like to direct his attention to the transcript.

The Senator says that Mr. Wyman won this by two votes. Mr. Wyman came to the committee, requesting that we open and count two ballots, two absentee ballots that were not counted on election night. They were not counted by the secretary of state in the recount, and they were not counted by the ballot law commission. Both the secretary of state turned him down and the ballot law commission turned him down.

What did we do? I may say, under New Hampshire law, if we had been following the New Hampshire black letter law they should have been turned down. They should never have been counted.

The Senator is not naive enough to believe that when Mr. Wyman requested that we open those two ballots and count them, those two absentee ballots, that he did not know how they were cast. The Senator is certainly not naive enough to believe that when Mr. Wyman requested the committee to open those two ballots, that he did not know the man was not on the checklist that we heard about a moment ago, and the other one was where it had been returned to the wrong precincts.

What did we do? We voted to open those two ballots and cast them, knowing full well that that would give two additional votes to Mr. Wyman, and I felt he was entitled to them if they were so cast, because I felt, and I feel now, that the purpose of this Senate ought to be to determine the intent of the voters of New Hampshire, and we would have deprived those two men of their right to vote—or women, whichever they may be—and I do not know which we would have—well, I do know one of them was a man in the military, and he was a man—we would have deprived those two persons of their right to vote in that election.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. CANNON. We opened in the committee, by a vote of the committee, those two ballots, and we counted them, and they were both cast for Mr. Wyman, and we tallied them and put them in the box for Mr. Wyman.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. Mr. President, I believe I have the floor.

Mr. HATFIELD. Excuse me.

Mr. WEICKER. I intend to yield to the Senator from Oregon.

But the Senator from Connecticut is also not so naive as to not recognize a smokescreen action insofar as responding to my question is concerned. I will be glad to get into the general matter of the recount, but let us just keep our eye for 1 minute on the ball of Mr. Schoener, who has been termed a partisan advocate by the distinguished Senator from Nevada.

When I asked him to also categorize Mr. Duffy, I received a response as to the fact that he was a counsel for the committee, and we went off into a completely different subject.

I repeat: Does Mr. Duffy represent Mr. Durkin?

Mr. CANNON. No, he does not; no.

Mr. WEICKER. Does Mr. Duffy represent the majority?

Mr. CANNON. Yes, he does.

Mr. WEICKER. For some reason can it be said, then, that the Republicans are partisan and that the Democrats are not partisan?

Mr. CANNON. None other than any actions the Senator may want to ascribe to it to what he has seen in this process.

Mr. WEICKER. Reverse it.

Mr. CANNON. If I may, to get back to the Senator's basic question—if the Senator is trying to run a red herring in this, I would like to get back to the very basic issue. Here is a transcript.

Mr. WEICKER. No. I will be here all day. I am asking some questions. I will be glad to yield the floor in a minute, but I want a response. We are touching matters of importance.

Mr. CANNON. May I finish my response?

Mr. WEICKER. I asked for categorization of Mr. Duffy, why he should not be categorized the same as Mr. Schoener.

Mr. CANNON. Here is one reason right here—

Mr. DUFFY. Mr. Wimberley, Mr. Hull, is there any need to open the back of this machine in order to demonstrate, physically, that there is no connection between these three counters? Is it, in your opinion, a necessary operation?

Now, going down——

Mr. HATFIELD. Mr. President, on which page is that?

Mr. CANNON. Page 1666.

Then we get into some peripheral issues, and going down to page 54 of the transcript and page 1667 of the hearings proceedings:

Judge SCHOENER. May I ask Mr. Wimberley and Mr. Hull—I have just talked with Mr. Shoup—in the back of this machine, off of the red handle there is what is called a drive link?

Mr. WIMBERLEY. Yes.

Judge SCHOENER. That drive link is connected to the candidate counters, the public counter, and the protective counter, is it not?

Mr. HULL. Yes.

Judge SCHOENER. In other words, all of the counters work off that same drive?

Mr. HULL. No, sir.

Mr. WIMBERLEY. No, sir.

Judge SCHOENER. They don't work off that drive link?

Mr. WIMBERLEY. No, sir. They are all connected, but they don't actually work off it.

Judge SCHOENER. Could you explain the difference.

Mr. HULL. When you turn your red handle up into the voter position an arm moves over to actuate the protective counter.

Judge SCHOENER. Right.

Mr. HULL. When you unboard it, and the drive link goes back down, that is actually actuating the public counter. But the rotation of the cam, which the drive link is connected to, is what operates your candidate counters.

Judge SCHOENER. But they are all off the same drive link?

Mr. HULL. They are all connected together.

Mr. WEICKER. I am sorry. I am still looking for an answer to the question.

Mr. CANNON. I am trying to answer it.

Mr. WEICKER. What is the response?

Mr. CANNON (continuing)—

Judge SCHOENER. But they work at different phases of that same drive link?

Mr. HULL. Right.

Judge SCHOENER. All right.

Mr. HULL. Right, different phases of the operation.

Judge SCHOENER. That is what I wanted to get. So when you say they're not connected together, they don't work in the same sequence of operation?

Mr. HULL. Right, they don't work in the same sequence.

Mr. WIMBERLEY. They have no relation to your public counter being stopped from working and your candidate counters being continuing to work. Because a public or protective counter does not register properly—that does not affect the candidate counter.

Judge SCHOENER. Can the candidate counters be not registering properly and yet your public and private counters—

Mr. WIMBERLEY. It would be mechanically possible—improbable, but it could be.

Mr. HULL. Highly improbable, but it could be a possibility.

Mr. WEICKER. I am sorry. I fail to understand this response.

Mr. CANNON. That relates to it.

Mr. WEICKER. Let me try to elicit more answers if I can. First of all, let me say this: I think the Senator was correct in terming Mr. Schoener a partisan advocate. But, I say to the chairman, the distinguished Senator from Nevada, let us not mince words. So was Mr. Duffy a partisan advocate. Each was doing the job that he should be doing to represent his side.

The difficulty arose not in their partisan advocacy but that one of the partisan advocates should also be made the judge. That is what occurred. There is where the difficulty is, a difficulty, I am sure if the chairman had it all to do over again he would have followed a course which was followed throughout the committee hearings. Specifically it was that the chairman had Mr. Schoener on one side, advocating for his man, and had Mr. Duffy on the other side, and Dr. Riddick in the middle.

Dr. Riddick was removed in this instance. The partisan advocate for Mr. Durkin was allowed to go ahead and supervise the proceedings and make the rulings. Twenty-five requests that were made by Mr. Schoener were denied.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. WEICKER. Twenty-five requests, made by Mr. Schoener, were overruled by his opposing counsel.

Who in the history of our jurisprudence has ever heard of such a situation in the United States of America?

I just bring this up because to have Mr. Schoener so categorized opens up the very difficulty which we have been pointing to insofar as this aspect of Wyman-Durkin. Because of this aspect, clearly if you were in a court of law, it would be declared a mistrial—that is the best way to go ahead and phrase it—on this point alone.

So, if I am wrong I will be glad to have the distinguished chairman tell me what differentiates Mr. Duffy from Judge Schoener?

Mr. CANNON. Let me first correct the Senator's statement, if I may. When he said that Mr. Duffy was making the final decisions, that was not correct.

Mr. WEICKER. He overruled Judge Schoener.

Mr. CANNON. Let me answer the Senator's question.

The memorandum made it quite clear that if the parties did not agree, they could appeal to me, as chairman of the committee, and I would make a decision on it.

I say to my distinguished colleague that we had had the earlier experience with the tabulation of the ballots, determining whether they could be masked or not, with Dr. Riddick on the panel, and Dr. Riddick had elected not to make the final decision. Every time the parties could not agree, the matter came back to the committee for action.

In my memorandum, I instructed the people involved that if they could not agree, they should get me on the phone, that I would be available in Washington. They did get me on two occasions. They got me on two occasions, and I made the decisions.

I told Mr. Schoener personally that if he did not agree with those decisions, he could contact the minority member, and I would be glad to get together with him and work it out. Does the Senator think I heard from one minority member during this?

We were in the process of trying to make a decision in New Hampshire, and I did not hear from a soul on it, and I made the decisions on those 25 issues, if there were 25. He certainly could have taken an appeal to me, with no problem at all, and I would have made a determination.

It will say that if he had asked to open the back of the machines, in light of what the experts had said, I would have told him exactly the same thing, that he could not open the back of the machines.

One other request was to go back and get some blue slips and to tear down the machines. The two experts we paid said it was not necessary, and I made that decision.

Mr. WEICKER. The distinguished Senator from Nevada just got through telling the distinguished Senator from Tennessee that he did not know anything about voting machines.

Mr. CANNON. I do not. I have to rely on the experts.

Mr. WEICKER. Then, how can the Senator make a ruling on whether or not an expert should testify, if he does not have that knowledge? It seems to me that the Senator would want the broadest possible questioning to take place.

Since the Senator wants to quote from the transcript, I will quote from page 1636:

Mr. WIMBERLEY. First of all, to make a good and thorough check, you would need to trip all three counters, units, ten, and hundredths. But, may I ask a question? Is there any question of units of 100 votes . . .

That is the testimony of the Senator's own expert.

But I do not want to get sidetracked from the issue that was raised here, however, I think it is very pertinent to the decisions of the Members of this body: Was the Manchester investigation accomplished in a fair, open way? The clear-cut answer is "No." The ranking minority member said yesterday that had he known that this was going to be the arrangement in Manchester, he certainly would not have permitted it; but, rather, it was contemplated that the usual method of operation would be in place, with each of the partisan advocates on either side and Dr. Riddick in the middle. Something went awry. I am not blaming it on the chairman, but it did occur; and that is what is at issue here today.

One last point, and I will yield to the distinguished Senator from Oregon, who has been seeking the floor.

The Senator from Nevada mentioned matters which the secretary of state of New Hampshire had investigated and passed upon and that therefore it was unnecessary for the Senator's committee to do so. I think we were talking about the recount, if my memory serves me correctly, as to the necessity of going into the machine or not.

I ask the distinguished chairman this: Let us be consistent. Let us not use New Hampshire when it serves our purposes and abandon New Hampshire when it does not. That is one of the great failings of this report. Sometimes we use New Hampshire law; sometimes we do not. Sometimes we use the experience of election officials of New Hampshire; sometimes we do not. Let us be consistent. If the Senator wants to use the work product of the election officials of New Hampshire, let him use the work product of the election officials of New Hampshire.

The same work product declared Mr. Wyman a winner by two votes. We obviously are not willing to accept that. Fair enough. Let us not accept it. But then let us go one way or the other. There is absolutely no consistency at all, except as it serves the purpose of the particular result desired by the majority of the committee. Again, it is screwy. It does not make any sense to anybody looking at it from the outside.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. HATFIELD. Mr. President, the Senator from Connecticut again has raised a very significant question—that is, the functioning of this "investigating committee."

It should be reiterated today that when the chairman sent the instructions, unbeknownst to the minority, to Mr. Duffy, he not only gave him the instruction about calling, in case there are difficulties or decisions, by phone, but also, he said:

In the event you can't reach me, Mr. Duffy is authorized to make the decisions.

Let me point out one further thing: It is very interesting as we go through this record and we note the various characters in this cast, for it is awfully difficult to find Dr. Riddick in a participating role.

I read this to the Senator from Connecticut, to illustrate the point, on page 1663:

Judge SCHOENER. Are you going to show how the machine, as you cast this, it changes these numbers, also changes the protective and public counters, are you going to show this from the rear of the machine? I think you have to do that.

Mr. DURKIN. I object.

Mr. Durkin, the Democratic candidate, is objecting, as if he were a part of the panel. He objects, on page 1664.

Let me repeat:

Mr. DURKIN. I object.

He objects to the question asked by the minority counsel.

Mr. DUFFY. Mr. Hall, Mr. Wimberly, is the question that Mr. Schoener just raised about the casting of, this manipulation of this lever, is that relevant to what we are doing here today?

Listen carefully to the answer:

Mr. WIMBERLY. The only relevancy——

Mr. BROCK. And he is the expert?

Mr. HATFIELD. And he is the expert.

Mr. WIMBERLY. The only relevancy would be to show that there is no connection with the operation of the public and protective counter in connection with the candidate counter.

The relevancy is the irrelevancy, which is a valid point to make and to demonstrate.

Mr. DURKIN. Mr. Chairman, may I just make a comment—in paragraph four of Chairman Cannon's letter of May 2 he indicates that a specific attempt should be made to ascertain whether the candidate counters are connected with the public and protective counters, and determine whether a malfunction of either of those would or would not have resulted in a malfunction of the candidate counter. The two gentlemen have testified that there is no connection. So, any examination is irrelevant, and just unnecessarily delaying the completion of the committee's task.

In other words, to demonstrate, the mechanical support of the posture taken in this response by the experts was denied.

After Mr. Durkin finishes the reasons or the explanations of why he objects:

Mr. DUFFY. I agree.

Judge SCHOENER. I would like to see what it is, show us visually on the back of the machine.

Mr. DURKIN. You can come back later and see it.

Judge SCHOENER. I think, Mr. Durkin, you are not, supposedly, running this thing, Mr. Duffy is, and I would like to see the back of the machine, with the experts present to show us, to demonstrate to us, without running a vote, at least, what the mechanical linkage is that keep these from working together. That is what I want to see.

Mr. DUFFY. I asked that specific question of Mr. Wimberley and Mr. Hull twice, and on two separate times they both answered that there is no relationship, at all, between the candidate and the public and protective counters.

Judge SCHOENER. I asked, at that time, to see it at the time when we opened the machine, if you will remember.

Mr. DUFFY. If we can't accept the testimony of these two experts—

Judge SCHOENER. I am accepting it, Jim, but I want to look at it so that I can understand it. I think that the demonstration would help understand things a lot more than just the testimony.

Mr. DUFFY. Mr. Wimberley, Mr. Hull, is there any need to open the back of this machine in order to demonstrate, physically, that there is no connection between these three counters? Is it, in your opinion, a necessary operation?

He asked the experts, but listen to the response:

Mr. DURKIN. Mr. Chairman, may I make one comment. I think they have testified, I think this is another dilatory tactic——

By the way, Mr. Durkin's favorite phrase in our committee hearings was "a banana peel."

And I think that if Judge Schoener wants to satisfy his curiosity, I think that Mr. Shoup should invite him to come to the plant on the way back to Washington and he can look at the machine there.

Judge SCHOENER. Thank you, but I would make my inquiry of these experts, and I would like to have them demonstrate it at this point.

Mr. DUFFY. I would also like to say, for the record, that it is now 23 minutes before 12 o'clock, and we have not completed examination of one machine. And, I might say that it is not due to the dilatory tactics of the majority. Therefore, unless there is some absolute necessity in physically examining this machine, I think that is something that should adequately be demonstrated at a later time, before the committee, by, even, bringing some of the evidence properly before the committee.

Now, here at this point, Mr. Duffy is acknowledging that there may be reason to bring the machines to Washington to show the committee things that were not permitted to occur at that point.

Judge SCHOENER. Are you so ruling?

Mr. DUFFY. Yes, sir, I am.

Judge SCHOENER. Then you have ruled.

Mr. BROCK. I wonder if the Senator will yield and let me pursue that a little bit.

Mr. HATFIELD. I yield for a question.

Mr. BROCK. I have here a transcript of the Superior Court of the State of New Hampshire in which Mr. Durkin's lawyer before the court made this statement:

Also, there's another check here which hasn't been done which, if the Court wants, maybe it should be done. In the voting machines, as I'm sure the Court knows since the Court lives in Manchester, when you go to vote, you get an authorization slip, which is a little—I think in Manchester it's blue. I don't know what color it is in other towns that have voting machines. And that, I'm informed by Mr. Stanton, is deposited in a box by the attendant, deposited in a box attached to the machine, and that box has been in Mr. Stanton's possession, all those boxes from all the machines throughout the

city have been in Mr. Stanton's possession, under security, he advised me, since this election was conducted.

Now, if we're going to try to check the accuracy of the votes cast on the voting machines in the City of Manchester, it seems to me those ought to be obtained, and I would like an opportunity to obtain them. Heretofore, as the Court knows, this was not a matter open for investigation; . . .

That is before the court——

. . . but if we're going to investigate it, I think we should at least have those authorizations, because supposedly nobody gets to vote until he haa one of those authorization slips, and supposedly anybody who does vote, that authorization slip is deposited in one of those boxes. Now, it's conceivable that it might have gone in the box for the wrong machine, but at least a total of those ought to be pretty close to the number of votes.

That is Mr. Durkin's own counsel before the superior court. All of a sudden, now, we have a Senate investigative team up there. There are no more rules, no more limitations as to what shall be checked.

What happens? Well, we have had the expert who says, first, they ought to go back to the machines, and second, the blue slips do have some effect.

Let me quote from the transcript here of the investigative team:

Judge SCHOENER. Let me question Mr. Wimberley first.

Mr. DUFFY. All right.

Judge SCHOENER. Mr. Wimberley.

Again this is the expert——

. . . what about counting the blue slips to check the question of the number of voters against your protective and public counters, wouldn't that be a logical legitimate thing to do at this time?

Mr. Duffy—not Mr. Winberly—answers:

Mr. DUFFY. I object to that question. I think it is totally out of line with what the Committee has directed.

Judge SCHOENER. I think we better call the Chairman right now. We might just as well call the Chairman right now. Get the Chairman and the ranking member, too. We have changed the rules in the middle of the game, and I'm sick of it.

Mr. DUFFY. For the record, let me remind Mr. Schoener that the action we are about to take here today was directed, or ordered, by the Committee, by a vote of five to one. It is a majority vote and, therefore, it is under the control and auspices of the Chairman. If Mr. Schoener wants to call the minority member, he certainly is free to do so. I have no objection to that, whatsoever. However, we are here to check the mechanical functioning of these machines to determine whether or not they did, in fact, record accurately the number of votes that were cast for candidates for the U.S. Senate.

Mr. WEICKER. Will the Senator from Tennessee repeat that? Am I correct that I heard Mr. Duffy in his role as advocate, then followed up by Mr. Duffy in his role as chairman or head of the proceedings?

Mr. BROCK. That is true.

Mr. WEICKER. That is dramatic proof of exactly what the problem is. I wonder if he would repeat where it comes across loud and clear that he is performing his function as an advocate and then ruling on his own, or on the motion of opposing counsel. It is incredible.

Mr. BROCK. "Mr. Duffy. I object to that question. I think it is totally out of line with what the committee has directed."

Mr. WEICKER. He is acting as advocate there?

Mr. BROCK. That is what it sounds like to me.

Mr. WEICKER. It sounds like that to me.

Mr. BROCK. This is what the chairman describes as the nonpartisan head of the investigative team.

Let me continue a little bit, because it goes to the question of the chairman's participation here. This is Mr. Duffy speaking.

However, we are here to check the mechanical functioning of these machines to determine whether or not they did, in fact, record accurately the number of votes that were cast for candidates for the U.S. Senate.

Let me say parenthetically that there is no question about the accuracy of the machines, because they are 1,100 votes off. There were more votes cast than people were voting. All right. Now, Mr. Duffy himself says their responsibility is to check the accuracy.

Judge SCHOENER. No question about that, Jim, but we have to do a thorough job.

Mr. DUFFY. This has nothing to do, whatsoever, with any kind of slips or documents or papers. We are talking about a purely physical, mechanical operation.

Judge SCHOENER. Let's stop right now.

Mr. VAN LOAN. My understanding, Mr. Duffy, is that the Chairman's letter does indicate that, if he is available, and if there is some question that comes up, that he is to be contacted.

Mr. DUFFY. I would be very happy to oblige in that respect. We will call the Chairman to ascertain what, in fact, he meant by this letter.

Mr. VAN LOAN. Thank you.

They recess; they come back.

Mr. DUFFY. Let the panel go back on the record. With respect to the comments that were made prior to the recess, dealing with the examination of the blue authorization slips which are given to voters when they enter a polling precinct, or any other matters which are relevant to casting a vote on Election Day, I talked with the Chairman of the Committee, Senator Cannon, and he expressed the opinion, as I already have, that blue authorization slips are not pertinent or germane to this particular inquiry.

That is incredible. I just do not know what else we need to clarify this record. It is absolutely clear on its face that Mr. Duffy was acting in a totally nonpartisan fashion to deny access on the part of the minority to any investigative data that would verify the facts in this case. That is all there is to it. In his nonpartisan fashion, he denied access on the part of the minority to a full and decent investigation, period. There is not any other way one can read it.

Mr. HATFIELD. Mr. President, as I look around this Chamber, I note again that the jurors and the judges have left the Chamber while the evidence and the testimony and the review of this case are being handled. I cannot conceive, in my own mind, how people can expect to make this serious judgment, at least on evidence, unless they have predetermined that they are going to pass judgment on other bases. I think a very interesting comment on this came from an observer yesterday. He commented in a nonpartisan fashion, because he happened to be a member of the majority party, not a Member of the Senate but a registered Democrat. He said one can only observe that if the jurors and the judges do not want to hear the evidence, they have made up their minds already, and perhaps on a partisan basis.

I am not going to infer anything about any of my colleagues, but I am saying again, as I said yesterday: Appearance is a factor that must be always considered in trying to render justice. The appearance of justice as well as justice in fact is of critical importance.

Mr. McCLURE. Will the Senator withhold for just a moment and yield for a question?

Mr. HATFIELD. I will withhold for just one moment.

Mr. McCLURE. I thank the Senator from Oregon for yielding.

I just wish to comment that while it was not my primary purpose in asking that these proceedings be televised, nevertheless, would not the Senator from Oregon agree with me that, if there were television cameras focused on this Chamber at this time, there would be more Members present? Would not the majority of the Members of the Senate be reluctant to have the people of this country see them conducting a trial with the jury all out to lunch?

Mr. HATFIELD. I would refrain from making comment at this point except to say I think the Senator has put his finger on a valid point.

I yield to the Senator from Utah.

Mr. GARN. I would just like to make a followup statement of what I said yesterday, that during the debate, since it started this morning, the most number of Senators—and I am not singling out the Democrats or the Republicans, the absenteeism, as anybody can see, is just as bad on one side as the other—the maximum number of jurors we have had is 18 out of 99 Senators. So apparently 81 of them are not interested in making judgments on what the evidence would be.

I cannot personally understand anything that could be going on in the Senate right now more important, at least to the people of New Hampshire, than who will be their next Senator.

Mr. HATFIELD. I would also say to the Senator from Utah it is not only a question of the people from New Hampshire. I think we are exercising our unusual and specific constitutional responsibility here that it is again incumbent upon each Member to be here. It is on both sides. I make no comments regarding one party versus the other, because there is absenteeism here on the Republican side as well as on the Democratic side. I do believe that we ought to have a minimum of 51 Senators on the floor.

I yield for a question.

Mr. LONG. Does not the Senator know there is no rule of this body that requires a Senator to be present at any particular time? If the Senator wants to suggest the absence of a quorum he can do it at any time. But as long as a quorum is present in this body there is no rule, no law, and it is not within the Senator's power to make anybody come in here as long as we have a quorum. If the Senator wants to suggest the absence of a quorum he can do it any time he wants to.

I think we ought to amend rule XIX and put it back the way it used to be so that there would be no appeal from a Senator being put in his seat for suggesting that other Senators have done something unworthy. If anybody in this body disagrees with it, anybody who does not want to hear the Senator, he does not have to hear him. He can go anywhere he wants to and stay there.

There is a printed record kept at considerable expense to this Government that is available for him to read. Frankly, if he is like me, there are some Senators he is not going to bother to read very often, because often they do not contribute a lot. But if he wants to read what the Senator has to say, he can read it, and if he does not want to read what the Senator has to say, there is nothing the Senator can do about it.

Even in grand jury and petit jury proceedings you can make those people be present in a jury box but you still cannot keep them from falling asleep if they find what you are saying is disinteresting. So, as a practical matter, a Senator ought to make his case and try to get people to study and understand it and try to point up the important things, and separate the wheat from the chaff. A Senator ought to proceed with the understanding that the important things are thus and so, and not suggest that somebody is guilty of improper conduct because he does what he has every right to do and that is pay no attention whatever to what you say.

Mr. HATFIELD. I think the Senator has completely misinterpreted and, perhaps, misunderstood the whole comments that have been made here this morning. The entire essence of the comments were simply that no one is attempting to force anyone into his seat. No one is implying misconduct on the part of any colleague.

What was stated, and I think it is an observation that any Senator has a right to make at any time on this floor, is to observe the vacant seats at a time when the Senate is in a very unusual circumstance of rendering a decision that is of a quasi-judicial nature. I cannot conceive of any court, or regulatory agency of the executive branch of Government, when there are parties before it arguing a case, absenting themselves and saying, "We will read the transcript tomorrow after it has been printed tonight."

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California is recognized.

Mr. CRANSTON. I join in the Senator's hope that there will not be a strictly partisan approach to this matter. I think that would be unwise. I hope there would not be strictly partisan votes at any time, with all Democrats going one way and all Republicans going another way. That was seldom the way it was within the committee. Most of the time there were split votes, and split votes on a party basis.

I know the comments on the floor have not culminated in how many Democrats and how many Republicans were on the floor. It was stated there was no desire to single out one party or the other.

However, I would like to point out there were at one time 12 Democrats and 5 Republicans on the floor, and a moment ago when the complaint was made, there were 9 Democrats and 7 Republicans and 1 Independent, so there is a bipartisan failing.

I am trying to be on the floor most of the time, although I am not on the committee, and I know the Senator is a committeeman with committee responsibilities. Although Senator BROCK is not on the committee, he is trying to be here all the time. But some others have responsibilities in other places. The CIA Committee is meeting at this moment, and members of both parties, I presume, are at that session.

Mr. HATFIELD. I appreciate the comments of the Senator from California, and I think the Senator, in his statistics, pointed out the ratio of Republicans to Democrats in the membership of the Senate. It illustrates again the vacancies and the absentees on both sides.

Mr. CRANSTON. Except for the Independent where there is 100 percent attendance in that case.

Mr. HATFIELD. I suggest the absence of a quorum, without losing my right to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 182—AVAILABILITY OF CERTIFICATIONS FOR PUBLIC INSPECTION

Mr. MANSFIELD. Mr. President, I send to the desk a Senate resolution to make more clear section 3 of the Senate Resolution 60, which was agreed to on yesterday.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

S. RES. 182

Resolved, That the certifications referred to in Section 3 of S. Res. 60, June 12, 1975 shall be made available by the Secretary of the Senate for public inspection.

The PRESIDING OFFICER. Is there objection to its immediate consideration by the Senate?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, this clears up a moot point which may cause some difficulty. I have cleared it with the distinguished Republican leader and the chairman and ranking Republican member of the Rules Committee.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 182) was agreed to.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

Mr. HATFIELD. And it will be a live quorum.

The PRESIDING OFFICER. A live quorum.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR DIVISION OF TIME NEXT TUESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on next Tuesday the time for debate on the amendment by Mr. WEICKER be equally divided between Mr. WEICKER and Mr. CANNON.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 30 Leg.]

Allen	Ford	Mansfield
Byrd, Robert C.	Garn	Pell
Cannon	Hatfield	Randolph
Cranston	Leahy	
Dole	Long	

The PRESIDING OFFICER (Mr. FORD). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk	Case	Griffin
Baker	Chiles	Hansen
Bartlett	Church	Hart, Gary W.
Beall	Clark	Hart, Philip A.
Bellmon	Culver	Haskell
Biden	Curtis	Hathaway
Brock	Fannin	Helms
Buckley	Pong	Hollings
Burdick	Glenn	Hruska
Byrd, Harry F., Jr.	Goldwater	Humphrey
	Gravel	Inouye

Jackson	Metcalf	Sparkman
Javits	Morgan	Stafford
Johnston	Moss	Stevens
Kennedy	Nelson	Stone
Laxalt	Nunn	Symington
Magnuson	Pastore	Taft
Mathias	Proxmire	Talmadge
McClellan	Ribicoff	Thurmond
McClure	Schweiker	Weicker
McGee	Scott, Hugh	Williams
McGovern	Scott, William L.	Young
McIntyre		

The PRESIDING OFFICER (Mr. STONE). A quorum is present.

The Senator from Louisiana is recognized.

Mr. LONG. Mr. President, I just want to make a point. I sought to defend the Senate against the charge that Senators were not doing their duty, because we only had about 15 Senators on the floor, a half hour ago when the Senator from Oregon (Mr. HATFIELD) made the statement that Senators were not doing their duty, that they ought to be here listening to what was being said.

I point out that you cannot require Senators to be present at all times in the Senate Chamber. You have to hope they will read the CONGRESSIONAL RECORD, and sometimes offset it by making the same speech twice or three times, if you think a fellow who was not there might be persuaded by it.

There are now fewer Senators here than when the quorum call was requested, and now even the Senator from Oregon (Mr. HATFIELD) is missing. The Senator from Oregon said Senators should be here every minute expressed outrage about the matter, and then was giving us an example of integrity by being here himself. He suggested the absence of a quorum to make everybody else come, and then he left.

Mr. GARN. Mr. President, will the Senator yield?

Mr. LONG. I shall in a moment or two, but first I wish to complete my brief statement. It will not take but a moment.

Again, this will illustrate that something can be achieved by someone reading what he thinks is important, by having his assistants reading what they think is important, separating the wheat from the chaff and reading the vital portions, while we are waiting around attempting to get a quorum, which we still do not have, by the way. We have less now than we did then. But thank the merciful Lord, the Senator from Louisiana stuck around to make a very important point and knows more about the situation now than when the quorum call was suggested. I do not have to listen to someone make a speech. I can read an important page out of the hearings, which is page 56.

It has to do with what to do about the so-called skip-Louis ballots which are the ones where a person marks a straight party ticket, then marks an individual ballot, and proceeds to leave the name of Louis C. Wyman off when he marks the individual one.

I have heard arguments from both sides on that and they have been both ways. In the course of the quorum call, when no one could make a speech because a quorum was being called, someone handed me pages 56, 57, and 58, which I have proceeded to read, and I am happy to say that this is very enlightening. If anyone does not think that is right, whether I hear his speech or not, he would be well advised to look me up, to see me in my office, corner me in the cloak room or in the marble room, or just on the street, if need be, and hand me something that is equally persuasive for the other side of the argument.

Mr. President, I ask unanimous consent that these three pages from the committee hearing, pages 56, 57, and 58, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The "skip-Louis" ballots can be described as follows:

Ballots contain an X in the Republican Party circle and X's in every Republican candidate box except the box for Wyman in the U.S. Senate race.

Ballots contain an X in the Republican Party circle, X's in the Republican candidate boxes, and an erasure or ink dot in the Wyman box, or some additional evidence that the X in the Republican Party circle is not controlling.

Under New Hampshire law, both statutory law and decisions of the New Hampshire Supreme Court, the primary and controlling factor is the intent of the voter as determined by studying the entire ballot and all markings and symbols thereon. The voter's intent *cannot* be defeated by a technical or strict reading of the statutory directions for marking ballots. To ascertain the voter's intent, *all* evidence on the ballot must be considered.

In *Murchie* v. *Clifford*, 76 N.H. 99, the New Hampshire Supreme Court rejected the proposition that a judicial inquiry must be bound by a mechanistic and literal application of the election code. Although the statute required the counting of a mark in the party circle as a vote for all candidates beneath that circle, regardless of other markings on the ballot, the court held that the ballot could not be so counted. Such a procedure would resolve apparent ambiguities "on a ballot's face" in an arbitrary manner which would defeat the purpose of the judicial inquiry.

"The real and unchangeable fact in issue" being the choice of the voter, and more than one way of expressing that choice being permitted, it is not within the power of the legislature to declare that in determining that choice the court shall only consider the evidence of (voting) method A, to the exclusion of the evidence of (voting) method B . . . . The right of the voter, being a constitutional one, cannot be abridged in this way. In other words, the Legislature may enact the method by which a man shall vote but cannot direct how the ballot he casts shall be counted (p. 105).

When a voter complies fully with the provisions of the Act as to the expression of his intent, the evidentiary facts from which his choice is to be found are capable of but one construction; but when he fails to comply with some provisions of the act (as in this case), *it can be found from the facts shown by the ballot that he did not intend to vote as the statute says his vote shall be counted. That is, upon the whole evidence it does not appear he intended to vote for A, yet the statute says his vote shall be counted for A.* If the legislature may provide that, when ballots are marked like those in dispute, a tribunal charged with the duty of ascertaining the intention of the electors shall consider the failure to erase the name in connection with the cross in the circle, *it cannot prescribe that such facts shall conclusively establish the intent of the electors* (p. 105) (emphasis supplied).

This ruling is upheld in a line of New Hampshire cases, including *Dinsmore* v. *Mayor and Alderman of Manchester*, 76 N.H. 187, *Stearns* v. *O'Dowd*, 78 N.H. 358, and *Barr* v. *Stevens*, 79 N.H. 192.

To ascertain the voter's intent, all evidence on the ballot must be considered. On this point, too *Murchie* provides guidance:

The ballot is presented as a completed document. *Each and every part of it is to be considered in determining its meaning.* (emphasis supplied) (p. 107). This standard is reiterated in Barr: *Giving full effect to all the markings put on the ballot, the voter has twice expressed an intention.* (Emphasis supplied) (p. 194).

Thus, in New Hampshire, no ballot marks are considered superfluous or without meaning. The ballot presents a broad picture of the voter's intent with every mark having significance.

While the courts of some States have been given preference to an X in the straight party circle, the *Murchie* decision clearly establishes that all marks are significant as presenting some further evidence of the voter's intent, and it is that intent, and only that intent, which controls.

Barr v. *Stevens*, 79 N.H. 192, so heavily relied on by Wyman, is not on point. There is no case in New Hampshire specifically ruling on the issue presented by the "Skip-Louie" ballots. In fact, the *Barr* case specifically rejects the statutory presumption that Wyman seeks to apply:

It has been held in several cases that the requirement of the statute, that where a cross has been made in the circle at the head of the column, the ballot shall be counted for all the names in the column not cancelled or erased, to the exclusion of all others, *cannot* be followed in a judicial inquiry as to the result of the election. 79 N.H. at 193 (emphasis supplied).

There is no hard and fast rule under New Hampshire law that a mark in a party circle always means that there is a vote for every person listed in that party column. The mere fact that the legislature has authorized the voting of a straight ticket by marking a cross in a party circle does not mean that an individual voter casting his ballot cannot, by some other method of marking it, express his intent not to confer upon such a mark a meaning indicated in the statute. The only clear rule of New Hampshire law is that the voter's intent is the controlling factor.

A reasonable man looking at the ballot could arrive at only *one* conclusion, the voter intended to omit voting for Mr. Wyman. The only possible evidence of intent to vote for Wyman is the X in the circle and the statutory presumption that entails. But under the rule of *Murchie, Stearns, Dinsmore,* and *Barr,* that presumption must give way to other evidence of intent.

Wyman seeks to have the Senate require a specific marking in the U.S. Senate race line on the ballot in order to negate the apparent intention to vote a straight ticket. He would, in so doing, have the Committee ignore the rest of the ballot and render insignificant and superfluous all other ballot markings. Clearly, this approach is contrary to New Hampshire law, as cited earlier.

In fact, we submit that there is no effective indication of the voter's intent to vote for Wyman, and thus there is no vote which need be cancelled. The clearer evidence supplied by the conspicuous omission of an X opposite Wyman's name, in an otherwise unbroken series of X's, speaks clearly for the voter's true intent. The X on the party circle must give way to this clear expression of intent.

The argument has been made that the Committee cannot allow an act of omission to qualify as a signifying intent to counteract the X in the party circle. This might be true in a limited sense—that is, if we were concerned solely with the effect of omitting to mark the candidate square. But we feel that the intent of the voter is shown not by the omission viewed in isolation, but when seen as part of the pattern of marks on the entire ballot. It is the long column of X's in the candidates squares that gives significance to the blank squares, and the evidence of the other X's is, we argue, compelling.

U.S. SENATE PRECEDENT

The United States Senate has once before been required to resolve a disagreement on the issue presented here. This occurred in the contest for the Iowa seat between the Democrat Daniel F. Steck and the Republican Smith W. Brookhart, in 1925. In its majority report, the Committee on Privileges and Elections declared:

(Y)our committee (has) sought to ascertain the true intent of the voters. In reaching this conclusion, it took into consideration every true circumstance that might shed any possible light upon such intent. S. Rept. No. 498, pursuant to S. Res. 21, S. Res. 211 and S. Res. 212, 69th Cong., 2nd Sess. (1925), p. 13.

The Committee was faced with a situation identical to the one posed by these ballots: There were 1,281 ballots in which the Republican circle had been marked. The squares of the various state officers and Presidential Candidate under that party circle were also marked, but the square before the Senate candidate, Brookhart, was left blank. The Democrat, Mr. Steck, made the argument that the omission of the vote for Senate showed that, "the voter did not intend to vote for Smith W. Brookhart." Brookhart, on the other hand, refused to make that concession, and the Committee was forced to decide the question. The Committee's decision was to honor the voter's expression of deliberate intent not to vote for Senator, and Brookhart was deprived of 1,281 votes in this category.[1]

The above argument pertains to ballots 252, 267, 280, 281, 285, 310, 311, 324—which are "skip Louie" ballots, and ballot 322 which is a "skip Durkin" ballot. There are, however, 4 ballots on which there is additional evidence, which leads to the inescapable conclusion that these voters did not intend to vote for Mr. Wyman. Individual arguments on these ballots follow:

BALLOT NO. 256

Ballot No. 256 is a "no vote" in the Senate race.

On this ballot the voter put a cross in the Republican straight party circle and a cross in all but four Republican candidate squares below.

Mr. LONG. I think that is pertinent.

I am not going to complain that nobody heard this speech. Just read it, if you feel like reading it, because to me it is very important. I am not saying that is the end of it at all. I am not ready to decide how I am going to vote now.

But to me those are three pages of the hearings that every Senator ought to read, because it is very helpful and very enlightening.

[1] See hearings before a Subcommittee on Privileges and Elections, 69th Congress, S. Res. 21, at p. 205; and S. Rpt. No. 498, *supra*, at p. 13. The Committee's decision on this issue can be seen from the reference on p. 13 of the Senate Report to specific stipulations on which the Committee rules "no vote." Stipulation 71 was the factual circumstances referred to here, and the Committee lists "71" as "no votes."

On my desk there is a memorandum from Mr. Wyman which I am sure is well prepared and is very pertinent. It is not a 5- or 6-hour speech with a lot of irrelevancies. It is right to the point, explaining why on vital points he is convinced he is right about it.

I am going to do what I can to study and understand the essential vital points of this record. Frankly, I think I will have no apology if I try to do somewhat as the judges on the Supreme Court do. They have someone read and point out to them the material that is very vital, reaching the crucial points that should be considered, and leaving out all the redundancies.

The Senate will be engaged in this debate, I suppose, for at least a week, and Senators will not be able to be in the Chamber all that time.

Sometimes a constituent calls a Senator and wants him to autograph a picture for his little daughter, when they are passing through the only time they will ever be in the Capitol.

I am pleased to see the Senator from Oregon has returned to the Chamber. I know he would want to be here every possible moment. I am glad he will hear my speech, even though he may not be a bit better enlightened by the time my speech is over than he was to begin with.

When someone comes and has his little daughter with him, and they have a picture of the Senator from Louisiana, and they want me to leave the Chamber and autograph the picture, I cannot disappoint people like that by declining to go out and meet his daughter and autograph a picture. A Senator is a political animal, and he cannot refuse a simple request, like this, of a constituent.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LONG. Yes. I yield to the distinguished Senator.

Mr. McCLELLAN. I notice that the material that the Senator submitted for the RECORD indicates it is page 56. It is 56 of what?

Mr. LONG. I say to the Senator that I assume that was a hearing.

Mr. McCLELLAN. No, it is apparently not.

Mr. LONG. I believe they have found it. That is in the report. It is page 56 of the report.

Mr. McCLELLAN. Fine.

Mr. LONG. It is one of the reports.

Mr. McCLELLAN. I am certainly happy that we have it there because I want to identify it.

Mr. LONG. Yes.

Mr. McCLELLAN. I was trying to locate it so I might read it.

Mr. LONG. That is in the report.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. LONG. I want to get the report.

Mr. McCLELLAN. Page 56.

Mr. STEVENS. Of the Durkin position.

Mr. LONG. That is page 56 of the report of the Committee on Rules and Administration. It is the individual's views, and it is at the bottom. It says the Durkin position.

Mr. WEICKER. It is the Durkin position. This is the Durkin position. Is that what the Senator said?

Mr. LONG. Right.

I think that is a very important argument on behalf of Mr. Durkin.

I am not saying it is right. I am saying that it ought to be considered, and I read that while the quorum call was going on.

To me it was particularly impressive what the court said in *Murchie* v. *Clifford* (76 N.H. 99). That impresses me.

But I think it is not all conclusive. It may be that someone can show me why what is said here is in error and why the better argument is the other way around.

All I say is that I am not going to be in the Chamber every moment that this debate is going on, just as even the Senator from Oregon found it impossible to be in the Chamber every minute that the debate was going on. But I will be around enough of the time that if someone has anything that is not redundant, but that is relevant, that is pertinent, that might change my mind about this contest, I will listen. At this moment, I do not know which way I am going to vote, but in due course I will tell any Senator here, both in support of Mr. Wyman and Mr. Durkin, before this debate is over I will tell the Senators how I am planning to vote and why; but right now I do not know how I will vote.

Mr. WEICKER. Mr. President, will the distinguished Senator yield for a question?

Mr. LONG. As far as I am concerned, I think if the Senators on the other side of the argument. If you cannot, we are are just a lot of us on this side of the aisle who will see it your way if you can convince us that you have the better side of the argument. If you cannot, we are not going to vote your way. It is just about that simple. May I say there will be some partisanship, too.

I cannot express my supreme disappointment in the way the Republican side of the aisle performed in the Dennis Chavez contest. The Senator will recall—I know the Senator from Connecticut was not here at the time—on that occasion there was a close race in New Mexico. Mr. Chavez won in a close race. The committee recounted the ballots, and by the time they got through, Mr. Chavez won by a bigger vote than he did the first time; notwithstanding that, the committee by a partisan vote on both sides brought in a majority report recommending that the election be thrown out—mind you—went back recounted the ballots and Chavez won by a bigger vote, and they said "throw the election out anyway."

By what logic could they reach that conclusion? They said that when they had the election that day a lot of interest was expressed. Mr. Eisenhower was running against Mr. Stevenson. It was a red hot race out in New Mexico, and there were so many people wanting to vote. In those little small cubicles, provided for voting booths, it was impossible for them all to get in there. So some people, having found some frustration about standing in line, simply went over on the side, took out pencils in their hands, marked their ballots, folded them up and stuck them in the box. That failed to meet the State requirement of

secrecy on the ballot. So the whole thing ought to be thrown out and require them all to run over again.

Now that Eisenhower had been elected and there was a Republican wave, that might give Mr. Chavez a chance. Only two Republicans broke a solid party line and made what I thought was the right side prevail. I recall who they were. I always had tremendous admiration for those people failing to vote a straight party line on that occasion. That was Margaret Chase Smith, if I recall correctly, and I know the other one was the Senator from Kentucky, John Sherman Cooper.

We will undoubtedly have some partisanship on this side of the aisle, just as there will be on the other side of the aisle, but I do not have any doubt that there will be more defections from the Democrats on this contest before it is all over with from what one might call a partisan postion.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WEICKER. Of course, the issue right now is not whether Mr. Durkin or Mr. Wyman should be the winner but whether or not it should go to New Hampshire and let the people of New Hampshire decide. It does not have to do with one or the other candidate.

Mr. LONG. Right now, I am in the process of studying the Senator's argument and the argument of those who agree with the Senator. Offhand, I do not see how I can vote to have another election up there, until I am satisfied that I cannot express an opinion as to who did win the election.

The Senator has been debating, for example, whether some machine malfunctioned. If the Senator can convince me otherwise, I will consider that.

One thing that impresses me is that in my own district in Louisiana, we just go through having a contest, having another election, and in that case it was to the advantage of the Republican; he won the election. I think if the Senator talks to the Republican, Mr. HENSON MOORE, who won it, as well as the Democrat, Mr. JEFF LACAZE, who lost it, everybody will agree that this man Wimberly, who is one of the experts called up there—a Democrat—who was asked to examine those machines and to say whether they functioned or malfunctioned, is an honorable man who understands what his duty is and who is just about as reliable and fair-minded a person as one could obtain to give you an honest judgment as to whether a machine functioned properly.

If anybody has doubt about his integrity, let me know. If you want a recount and an honest count, that is the man you should be sending for.

This Senator will do what he can to study this argument. I promise the Senator that I am not going to hear everybody's speech. They are all not going to be that good. But if the Senator can show me one that is good and that really deserves special attention, I will read it. Even in this speech, I am not going to promise to read every bit of it; but if the Senator shows me a point that he thinks might make me see it his way, a part that is troubling my conscience and my mind. I will read that.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GRIFFIN. I wonder whether the Senator from Louisiana, without going into the merit or lack of merit of any particular argument, would agree with me that if the Senate is going to apply a particular rule or standard in terms of deciding whether or not to count a ballot, with respect to those ballots that are included in 800 or 3,500, the same standards should apply with respect to the remainder of the ballots that were voted by the voters of New Hampshire.

In other words, I understand that before I entered the Chamber, some reference was made by the Senator from Louisiana to the so-called skip-candidate ballots, where there is an "X" in the party circle, and then down below they did not put the "X" opposite the candidate's name.

We have had some argument in the committee as to what New Hampshire law requires. One thing is clear—that back on election day, when they counted those ballots at the precinct level, all the election officials counted those ballots for the Democrat or the Republican. Something like 180,000 ballots were cast—incidentally, those ballots are all here, in a room in the Old Senate Office Building—where they applied one rule in deciding whether or not to count that ballot for the candidate.

Now, we look over 12 ballots that Mr. Durkin dredges up, and the Rules Committee comes to the conclusion that they are going to apply a different rule with regard to those.

I wonder whether the Senator from Louisiana thinks that is a proper way to proceed. It is one thing to change the rules; but it seems to me that if you are going to change the rules, you should apply them to all the ballots.

Mr. LONG. In the first place, I want the Senator to know that he was forgiven in advance for the fact that he did not hear the beginning of my statement. I opened by saying that I did not blame anybody for not being here every moment of the debate, because I was not going to be here every moment; but if a Senator says something that he thinks is extremely important, I will read it.

Mr. GRIFFIN. This is extremely important.

Mr. LONG. The Senator is asking me to decide some aspect of the case. I have not heard a word of debate.

Mr. GRIFFIN. I am just asking the Senator whether he would apply the same rule to all the ballots.

Mr. LONG. Any ballot I am looking at, I will apply the same rule.

Mr. GRIFFIN. Does the Senator think the Senate should do that?

Mr. LONG. I think the Senate should do what every Senator in his conscience thinks is correct, and whatever 51 of them think is right is what I think the Senate should do.

I say to the Senator that I have great confidence that I will sleep well the night I vote on this contest, and I hope he does, too. I urge everybody to do the same.

The Senator is asking me to decide how this matter should go with respect to some ballot that nobody has looked at at this time, and I cannot give him an answer on that. When the time comes, the Senator can show me the ballot, and I will probably give him an answer. But, for the time being, I have not heard the argument, and I think it would be inappropriate for me to try to decide it, to apply it to what one would do about this ballot, which nobody has contested, and on which nobody has had any discussion. I would not begin to know how to answer. I am not on the committee. But I am going to read. When this point comes up, I am going to read what has been said on both sides.

I will do this for the Senator: I will tell him, before I vote on this matter, exactly how I plan to vote on it. If the Senator wants to know, I will be glad to tell him how I plan to vote and why.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HATFIELD. Will the Senator give the same answer to every ballot in that type or that category?

Mr. LONG. If the Senator wants to bring me that particular ballot, if he really thinks enough of that ballot to bring it in—if MARK HATFIELD will bring the ballot and say, "RUSSELL LONG, will you look at this ballot and give me your honest opinion about this ballot?"—it might not be any good, the Senator might not be any better off, knowing what I think, than he would have been, but I will be glad to tell him what I think. Then, if the Senator wants to ask me about the next one, I will accommodate him, as long as time permits.

Mr. GRIFFIN. Mr. President, will the Senator respond to this: What if he found that insofar as 12 ballots are concerned, which were marked in a particular way, those ballots were not counted for Mr. Wyman, but then he was confronted with affidavit evidence that there were more than 200 ballots in a room down here that were marked exactly the same way for Mr. Durkin, which were counted for him? What does the Senator think about that situation?

Mr. LONG. Bring me the affidavit, and I will take a look at it. I am not going to pass judgment on an affidavit I have not seen.

Mr. GRIFFIN. Would it be reasonable to say that the Senate should apply the same rule to the candidates and to the ballots?

Mr. LONG. Consistency is a jewel. I enjoy being consistent. I try to be consistent. I will hear the Senator's argument; I will consider it. But I am not going to promise to be here every moment, to hear everything the Senator says.

Before we vote on what the Senator considers to be the crucial point about this matter, I will be glad to discuss this matter with him personally or on the floor of the Senate, or any other way, time permitting. The Senator from Michigan and the Senator from Louisiana many times have discussed matters, sometimes in confidence, sometimes with no holds barred. If the Senator wants to discuss this matter with me and says, "Let's just consider this. Why do you think the way you do?" I will tell him why. I will also be willing to let the Senator explain to me why he thinks I am in error. So far as I am concerned, if the Senator persuades me that I am in error, I will vote with him. I have not promised my vote on this matter, and I hope the Senator has not, either. So far as I am concerned, I can be persuaded either way. I honestly think that the majority of the Senate can be persuaded either way on this contest.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield.

Mr. JOHNSTON. I wonder whether the Senator would agree with that portion of Ecclesiastes which says that for everything under Heaven there is a time: there is a time to laugh and a time to cry and a time to live and a time to die and a time to rend and a time to sew. There is also—I do not know whether this is in the Scriptures, but it might be added if it is not in there—there is also a time to protest a ballot. That is when one is before the ballot commission so one can apply that rule of consistency very well to all the "skip-Louie" ballots so long as they are timely protested. Would that not be another good rule to put in the Scriptures if it is not there now?

Mr. LONG. Not only would it be, but if the Senator will go to the office of the Official Reporters of Debates and ask them, they can provide him with a large concordance of the Bible and a King James version of the Bible that my father presented to them in the year 1935. And when we get ready to vote on this thing, if anybody wants it done, I will stand here and put my hand on that Bible, my father's own Bible, which he gave to the reporters in 1935, and say, "This is what I honestly think I ought to do." I think that is a better break than some of the Republicans gave us in that Dennis Chavez contest.

But I am not here to point the finger of scorn at anybody. All I say is that I really took the floor to defend the Senator from Louisiana (Mr. JOHNSTON), the Senator from Ohio (Mr. GLENN), and the Senator from Vermont (Mr. LEAHY) because they were chastised in absentia because they were not here to hear what I did not think was a very good argument, anyhow, at that particular moment. I hope they will read it and try to read everything they can.

All I am trying to point out is that on these difficult issues, some of these things are going to be said a dozen times. I honestly think that if something is true, if it makes good sense, if it is right, an honest man does not need to read the truth at any one time to know that that is the truth, especially if it makes good sense, and if it has logic and commonsense; or, if someone is quoting a court decision, and he is quoting it correctly. If he is not, he ought to be trapped at it and proved to be one who misused printed material and should be held up to scorn for trying to deceive his colleagues.

I think it is very inappropriate, and I hope we will not hear any more of this thing, for anybody here to suggest improper conduct on the part of anybody, suggesting that someone is not going to be a fair judge of a case when the man has not heard the case and has not fought it. I assume that those who have made up their minds strongly and signed the committee report for one side or the other, I would be inclined to think that they are completely ready to absolve the integrity of anybody who votes with them, although they might have some severe doubts about the honor and conscience and principle or the worthiness to hold public office of anybody who votes the other way.

I want to plead on behalf of those who have already made up their minds about this matter, please be tolerant of those who have not even heard the case, have not heard the evidence; we would not begin to know how to vote on these crucial points that will come up later on.

I yield the floor.

Mr. WEICKER. Mr. President, I yield to the distinguished Senator from Arizona.

LET THE PEOPLE ELECT THEIR OWN SENATOR

Mr. GOLDWATER. Mr. President, before I start my remarks, I wish to comment on what the Senator from Louisiana said.

I think he is eminently correct and, in his characteristic way, fair. I have seen press releases this morning criticizing attendance on the floor yesterday. I serve on a select committee investigating intelligence. We spend all of our days in that committee. It is almost impossible for every Member of this body to be on this floor at every time. It is a little different than in other cases, where we are required to be here by the rules of the Senate. I think we have other jobs to do and I think all of us will follow the admonition of the Senator from Louisiana and, when we cannot be here, will read this.

I am not taking this matter lightly. I have not made up my mind yet. I am going to comment on what I think about it in just a moment. I do not think that we should be asked to judge before we have had a chance to hear both sides. that is the fair way to do it. I think the Senator from Louisiana for having brought that up.

In addition to that, he made a basic explanation of why it is that the Senate is not crowded with Members. I suppose if they put television cameras around, it might be crowded with Members, or somebody sitting in our chairs. We have work to do and I think I can assure the interested parties that all of us, before we vote, will have read the RECORD, read the results of the 6 months of study by the committee.

Mr. President, it is no secret that I am a conservative. It is no secret, either, that being a conservative, I have, all my life, had a great respect for and belief in what we used to call States' rights. I recognized that States' rights are practically nonexistent today through judgments of the Supreme Court and actions of the legislative body, but nevertheless, there is one right of the States that I believe very firmly in. That is the right of the people to do their own electing. What I am going to say reflects on what I have been able to gather from the record made by the committee in its study.

Mr. President, the Constitution provides that "Each House shall be the judge of the elections, returns, and qualifications of its own Members." Pursuant to this authority, the Senate has undertaken a review of the contested election for U.S. Senator from New Hampshire.

The 17th amendment to the Constitution also provides that—

> The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof . . .

The ratification of this amendment was the result, in great part, of dissatisfaction with delays and deadlocks within State legislatures that had resulted in vacancies remaining unfilled for substantial periods of time.

In my opinion, the Senate is nullifying the primary purposes of the 17th amendment by failing to judge this election in the 6 months that we have had it before us. The only way, Mr. President, in my opinion, to fulfill the constitutional mandate that each State shall be represented by two Senators chosen by the people thereof is to send this contested election back to the voters of New Hampshire.

I know that, being a conservative, I will be charged again with taking a simple approach. Unless one takes a complicated approach in this country anymore, one is virtually uneducated. I have found that the straightest line between two points is the quickest way to get there. I cannot think of any fairer way to settle this than to send this election back.

Mr. PASTORE. Will the Senator yield a moment?

Mr. GOLDWATER. Yes, I am happy to.

Mr. PASTORE. The thing that concerns me on this effort to send it back for another election, is that I question the authority of the Senate to do so.

The Senator says the people have the right to elect their Senator. That is exactly what they did on that November day. The only question here is, how have the votes of the people been counted? There has been an election, there is no question at all about it. Someone has been elected, whether it is Wyman or Durkin; one has been elected. The big question here is which one was elected?

Now we are telling the people of New Hampshire, look, you have to do this all over again. They are going to say, no, we have already done it and what right do you have to tell us we must do it again.

I question whether or not, under that constitutional provision that gives us the power to judge the qualifications, we have the power to disqualify to the extent to say that there must be another election.

I grant the Senator, if it were tied, if that committee came out and said neither one was elected, then I think we would have a different situation. But to say that because there is confusion in this matter, we do not have, ourselves, the competence to judge who did and

who did not, I am afraid we are being lax in our responsibility.

I should like to have the Senator's answer on that question.

Mr. GOLDWATER. I think we have the power, for the same reason that the subcommittee that studied this has the power to refer this to the floor. If there had been a different decision reached by the subcommittee, I could agree that we probably would not have the power. But they have reached no concrete decision either way. They have not settled it.

Mr. PASTORE. But the committee is not the Senate.

Mr. GOLDWATER. I agree.

Mr. PASTORE. That is why we are doing this.

Mr. GOLDWATER. I think the committee has the power to say, let the people of New Hampshire do it. The people of New Hampshire, according to what I hear and read, want to do this.

I do not know how we can argue on this floor over some 26 points that good and true men have tried for 6 months to resolve.

Mr. PASTORE. I realize that is rather difficult, but we are getting down to the question of jurisdictional power. Do we have the right to say because it is hard for us to make a judgment for that reason it ought to go back? I would like to get an answer to that.

Mr. WEICKER. I would like to respond, if I might, if the Senator from Arizona will yield for a response.

The Constitution gives us the power to determine the qualifications of our own Members, right?

Mr. PASTORE. Right.

Mr. WEICKER. It does not say how we shall do it. It does not say we have to send it to a Rules Committee; it does not say we have to resolve it on the floor of the Senate. It just gives us the power to make that determination. It does not tell us how we shall make that determination, and that is one of the critical issues in this debate.

Nobody is contesting the constitutional authority of the Senate to make the decision. But what I suggest to my distinguished colleague from Rhode Island is that what you did yesterday does not mean that you have to do it today or tomorrow. This is a far more relevant way of making that determination.

Mr. PASTORE. Will the Senator yield, Mr. President?

Mr. WEICKER. Of course, I will yield.

Mr. PASTORE. If this goes back for another election, is not then the situation wide open so that other candidates can aspire for it when these two men have already campaigned and one of them has already been elected?

Now, you are saying have a new election which means that every Tom, Dick, and Harry can go into a primary and enter that election.

Mr. WEICKER. Does it mean that every time in this country from now on when somebody loses an election and there is no allegation of fraud or corruption or illegality that they can come to the body which is controlled by their own party and say, "Hey, I do not like the way they counted this back home. You fellows try it down here."

I have trespassed on the time of the good Senator from Arizona. I will be glad, after the Senator from Arizona has concluded, to discuss this with the Senator from Rhode Island.

Mr. PASTORE. I have not had the answer yet, but keep going.

Mr. GRIFFIN. Mr. President——

Mr. GOLDWATER. Mr. President——

The PRESIDING OFFICER. The Chair rules one at a time.

Mr. GOLDWATER. Thankfully, being a nonlawyer, I welcome the intrusion of lawyers to clarify legal points. I can only express my own feelings. I have never been to law school. In fact, I was only exposed to college long enough to get kicked out. [Laughter.]

I yield to my friend from Michigan.

Mr. GRIFFIN. I thank my friend from Arizona for yielding.

I want to call the attention of the Senator from Rhode Island, and other Senators, to the fact that the Legislature of the State of New Hampshire has passed a law which specifically provides that if the Senate finds that the seat, declares it to be vacant, there will be an election between the same candidates within 45 days.

Let me say further not very long ago in the State of Louisiana it was found that the voting machines malfunctioned. That was sent back for a new election.

There was a previous case here in the Senate, Wilson and Vare from Pennsylvania. Both presented themselves as certified elected Senators. In that case the Senate sent it back for a new election. So there is not anything new about it, and the problem that the Senator from Rhode Island is concerned about will not be there.

Mr. PASTORE. Mr. President, will the Senator yield there? You cannot avoid the taint of politics every time you have a situation of this kind.

Now, the Senator has already said it ought to go and to let the legislature of New Hampshire do it. And Durkin says, "Why do you do that to me? That is Republican."

Wyman says, "Let it go back to New Hampshire. I do not want the Democrats to decide it."

Mr. GRIFFIN. The people are going to decide it.

Mr. PASTORE. What the Senator is saying is you are going to hold a brand-new election and these two contestants will not be the sole candidates. You cannot limit that election and, as a matter of fact, they can choose not to run and another person can choose to run, and you are defeating a franchised right of the people who voted on the last election day, and that is my point. If you can explain that I will be glad to hear it. Only in the case of a tie can you declare a new election.

Mr. GOLDWATER. If I might interject, I do not believe this goes back to the legislature.

Mr. GRIFFIN. No, I never said it went back to the legislature.

Mr. PASTORE. No, but the legislature said, "We will provide for a new election."

Mr. GRIFFIN. They provided a new law.

Mr. PASTORE. Fearing it would be a Republican legislature that there might be an imbalance.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that a copy of the act that is the law of the State of New Hampshire providing for a new election between these candidates within 45 days be printed in the RECORD.

Mr. PASTORE. Will the Senator designate whether the members of that legislature are Republicans or Democrats?

Mr. GRIFFIN. I have no idea.

Mr. PASTORE. Then put it in the RECORD. I would make that request.

Mr. HUGH SCOTT. I make the request that both parties join in this legislation.

Mr. GOLDWATER. I thank the Senator.

There being no objection, the statute was ordered to be printed in the RECORD, as follows:

SB-28

An act providing for a special election for the office of United States senator

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Special Election. A special election for the office of United States senator shall be held no sooner than thirty-five days and no later than forty-five days after this act takes effect, on a day, during said period, to be set by the governor and council, provided said day may not be the same day provided by RSA 39.1 for the holding of annual town meetings.

2. Candidates. The candidates on the ballot for that election shall be, John A. Durkin of Manchester, Democrat, Louis C. Wyman of Manchester, Republican, and Carmen C. Chimento of Brookline, American Party.

3. Interim Appointment. The power of the governor to appoint in case of a vacancy under RSA 63:3 is hereby amended for the purpose of this statute only so that the duration of any appointment made by him is limited to the period between the time that the 94th Congress convenes and the winner of the election held pursuant to this statute is seated by the Senate of the United States. The person so nominated shall not be any of the candidates whose names appear on the ballot for the special election.

4. Election Laws Applicable. All other provisions of the New Hampshire Revised Statutes Annotated relating to the form, manner and conduct of elections are hereby specifically made applicable to this election.

5. Absentee Voting. Absentee voting shall be permitted in this election.

6. Effective Date. This act shall take effect immediately upon the declaration, by the United States Senate, that a vacancy exists in the office of United States senator from New Hampshire.

Approved January 22, 1975.

Effective date. This act shall take effect immediately upon the declaration, by the United States Senate, that a vacancy exists in the office of United States Senator from New Hampshire.

Mr. GOLDWATER. Mr. President, up to now, the Senate has done everything but to determine the expressed will of the people of New Hampshire. During the course of its lengthy, 46-day sessions on the New Hampshire election, the Senate Committee on Rules and Administration discovered that there is among the Washington bureaucracy a Civil Service classification of professional paper folders and the committee heard a discourse on how a stainless steel folding bone is a superior tool for creasing paper. The committee learned, upon opening the first exhibit box, that Donald Duck had received one write-in vote for Senator. The committee also examined ballots and dutifully attempted to read the minds of voters who gave no other indication of how they intended to vote than by placing the word "crooks" in the straight ticket circle of one party or by drawing the picture of a clown in the opposing party circle.

Mr. ROBERT C. BYRD. Mr. President, may we have order.

The PRESIDING OFFICER. The Senator will suspend momentarily. Will the Senators cease conversing or withdraw to the cloak room so that the Senate can hear the Senator from Arizona.

Mr. GOLDWATER. Mr. President, in addition, committee members tried to interpret the choice of voters who used squiggles, blobs, dots, slashes, wandering scrawls, the "Big X," and graffiti, among other marks.

The result of all this tedious labor is that the people and State of New Hampshire still are denied equal representation in the Senate, the committee is hopelessly tied on 27 individual ballots and 8 major policy issues, and regardless of the outcome on these tie votes, it is still impossible for the Senate to know with any reasonable accuracy how the voters of New Hampshire expressed themselves in this election because of the very limited review that the committee will conduct.

Mr. President, as examples of the kinds of questions which will cloud the election outcome and cannot be answered with reasonable certainty, I offer the following:

First. How can the people's choice be known if the Senate refuses to look at the will of all the voters of New Hampshire? Early in its proceedings, the Senate committee rejected a request to recount the entire election, as the Senate has directed to be done in at least two previous election contests. The question of who the voters of New Hampshire really chose cannot be determined by reviewing only some 3,500 protested ballots out of a total of 185,000 ballots. In a contest separated by only two votes, it is mathematically certain that human error has been made in the previous count that is greater than any probable margin between the two candidates that will result from the severely limited recount the Senate is now conducting.

Second. There is a discrepancy of some 1,200 votes recorded on several voting machines in the city of Manchester. In at least six wards, more people are recorded by the machines as voting for candidates than the protective counter on the same machines recorded as having entered or left the machines. In one ward, more than 100 votes were recorded for candidates than the public counter on the same machines recorded as the number of people who entered the voting area. In another instance, the public counter of a machine recorded 714 persons more as entering to vote than the same machine recorded as having voted for any particular candidate. The uncertainty about the effect of the malfunctioning on these machines might never be resolved.

Third. The 775 absentee votes, which were cast in the city of Nashua, are tainted by the apparently wholesale distribution of absentee ballots—not applications, but the actual ballots—by Democratic campaign workers in disregard of New Hampshire election laws. Curiously, 37 additional absentee votes from Nashua showed up in the New Hampshire recount that had not been included in the election night tally.

Fourth. Upon opening some boxes believed to contain constitutional convention ballots required by the State of New Hampshire, the committee discovered a packet of absentee ballots from the town of Freedom, with the outside marked "void," although the town clerk from that precinct reports that the record shows there are no void ballots in Freedom. Also, on the opening of these boxes, 100 apparently voted regular ballots were found mixed in with the constitutional convention ballots in ward 6 of Dover. Whether these ballots were counted by the New Hampshire authorities is unknown.

Mr. President, these are only a few among the several major and unresolved problems that would have to be answered before the winner of the New Hampshire election could be known, but may be impossible of resolving with any clear certainty.

A change in the count resulting from a decision on any of the numerous outstanding questions could affect the result of the election. A larger error may exist in any remaining area where there is a problem than the margin the Senate is going to come up with on its limited review. In fact, the election may simply be so close that it is physically impossible to determine with fairness and accuracy who is the winner.

In these circumstances, Mr. President, and I do not cast any reflection at all upon the Rules Committee—I urge of my colleagues that we return this choice to the voters of New Hampshire and allow them to express their clear will—a choice, by the way, that has been expressed by the Legislature of New Hampshire, and many of my friends in New Hampshire have told me of their interest in this.

I happen to have a particularly fond memory of New Hampshire. I traveled that beautiful State from one end to the other, one side to the other, in temperatures ranging from 35 below to zero. The most delightful experience of my life.

I was telling the distinguished Senator from New Hampshire yesterday that people generally do not realize that the first people who migrated to the Southwest, where I come from, were New Englanders.

I often wondered where the Westerner got his tenacity, stubbornness, and even sometimes his mule-headedness, until I got up into New England, and I think I have a pretty good idea.

In fact, our first Governor was chosen from New Hampshire. Unfortunately, he passed away before he was able to move out into the delightful climate of the Southwest.

But although, Mr. President, we are the judge of the elections of our Members, we do not do the electing. It is the people of the respective States who do that, and I earnestly propose that this election, being absent as it is of any charges of fraud, illegalities or moral turpitude, be sent back to New Hampshire for an election by the people.

I think this would not only be the fair thing to do, I think it would be the easiest thing to do. We could get rid of this very bothersome, challenging piece of legislation in a matter of next Tuesday afternoon at 5 o'clock and, to me, this is the way to do it.

I am very happy to have had the chance to express my position. I will probably speak later on this subject if we feel it is necessary.

I yield to my friend from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from Arizona.

I yield to the distinguished assistant majority leader.

The PRESIDING OFFICER. The Senator from West Virginia.

ORDER FOR RECESS UNTIL 12 NOON ON MONDAY, JUNE 16, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 noon on Monday, rather than until 11 a.m. on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY, JUNE 16, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, these requests having been cleared with the leadership on the other side, that on Monday, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 3 minutes each, the period to be for the purpose of the introduction of resolutions, bills, memorials, and statements into the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF SENATE CONCURRENT RESOLUTION 45 ON MONDAY, JUNE 16, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the period for routine morning business on Monday, the Senate proceed to the consideration of Senate Concurrent Resolution 45, having to do with the Federal Home Loan Bank Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 1487 AND S. 1716 ON TUESDAY, JUNE 17, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday, after the two leaders or their designees have been recognized under the standing order, the Senate proceed to the consideration of S. 1487, the Coast Guard

authorization, and that upon the disposition of that measure, the Senate take up S. 1716, Nuclear Regulatory Commission authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF S. 323 NO EARLIER THAN WEDNESDAY JUNE 18, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of those measures, the Senate take up S. 323, the petroleum product unfair practices, no earlier than Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I erred in the last request.

I ask unanimous consent that the request with reference to S. 323 be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 6, FOLLOWING CONSIDERATION OF S. 1487 AND S. 1716

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the measures already ordered, the Senate take up S. 6.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR CERTAIN ACTION TO BE TAKEN DURING RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess of the Senate over until Monday at 12 noon, the Secretary of the Senate be authorized to receive messages from the other body and from the President of the United States and that they be appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess of the Senate over until 12 noon on Monday, the Vice President of the United States, the President of the Senate pro tempore, and the Acting President of the Senate pro tempore, be authorized to sign all duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS NEXT WEEK

Mr. HATFIELD. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. HATFIELD. Do I understand the Senator correctly when I rephrase my interpretation of what he said discussing all these various items of business that he has asked be laid down. Am I correct that when the hour of 1 o'clock comes, wherever we may be, those items of business will be set aside and we will return to the consideration of the New Hampshire matter?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. HATFIELD. I thank the Senator.

Mr. ROBERT C. BYRD. I thank the Senator, and I thank the Senator from Connecticut for his usual courtesy in yielding.

Mr. WEICKER. I yield to the distinguished minority leader, the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

DETERMINATION OF SENATE ELECTION IN NEW HAMPHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. HUGH SCOTT. Mr. President, I am going to ask that I not be interrupted, if possible, until I have completed my original statement.

The PRESIDING OFFICER. The Senators will cease conversation, or withdraw their conversations to the cloakrooms.

The Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, when I was a young man I dreamed dreams—as all young people do—of how to help the people of my country solve their problems. Prominent in my dreams was a picture of the Capitol of the United States of America—tall, inspiring, a symbol of the American way to all citizens, high and low, great and small, foreign born or native. To me, election to the U.S. Senate was the fulfillment of my youthful dreams, in part. I say in part because it was the beginning of an opportunity to achieve that youthful goal of building a better and stronger United States.

I came to the U.S. Senate by the will of a majority of the voters of Pennsylvania. I serve with colleagues who are in this Chamber by the will of a majority of their voters.

But, Mr. President, what we have witnessed here, in the handling of the contested election from the sovereign State on New Hampshire, fails to reflect the standards of my dream. In fact and in truth it is nothing short of an outrage, perpetrated, or sought to be perpetrated on the American people, and more particularly on the State of New Hampshire.

I am compelled to report candidly to the Nation that there are those in this body who would deliberately remove this election from the certified Senator-elect of a sovereign State and seat an unelected individual, simply because he is a member of their party as the Senator-elect is not. Partisanship alone, and nothing else, has impelled the decision of some to ignore the statutes and case law of New Hampshire. It will not, however, in my judgment, affect the situation here.

Yesterday, I heard the chairman of the Rules Committee state on the floor of the Senate that Senator-elect Wyman's protests of certain precinct counts in New Hampshire ought not to be reviewed by us because they were not timely made in the New Hampshire proceedings. This statement was made in the teeth of a record that is before each of us that shows beyond question, that Mr. Wyman made these requests initially of the secretary of state of New Hampshire at the first stage of recount proceedings in that State and was refused. The sworn statement of the secretary to this effect is in the record of our hearings at page 1344.

Next, Mr. Wyman protested to the State ballot law commission, asking that it retally the secretary's count of certain precincts, only to be refused by the State ballot law commission on the ground that it lacked jurisdiction to grant the Wyman request. Why did the ballot law commission take this position? Because Mr. Durkin's counsel had gone to two Federal courts urging the unconstitutionality of the ballot law commission's role in review of the State recount procedures, unless it confined itself to reviewing solely individually protested ballots before the secretary of state. Thus, gentlemen, it was largely due to the restrictive view of the jurisdiction of the New Hampshire Ballot Law Commission, a matter of public record in court proceedings—taken by one of the contestants before us, that resulted in the denial of retally of the relatively few voting precincts requested by Mr. Wyman. Only 10 or so are involved, out of a total in the New Hampshire election, of some 299. The least we can do in fairness is to direct that Mr. Wyman's requests for recounts be granted by the Rules Committee after it has granted Mr. Durkin's requests. Anything less would be unconscionable and would totally reject fairness of procedure.

Mr. President, I cannot accept the view that the majority that controls this body by nearly 2 to 1 would submit to the temptation to remove a Senator-elect from this sovereign State. Following the subversion of laws through misplaced loyalties that contributed to a tragic coverup, we should not put ourselves in the position of subverting the clear laws of a sovereign State.

If the majority denies equal justice under law to a certificated elected Member of the U.S. Senate, it will provide an example of senatorial indifference to law that can only exacerbate the developing lack of public confidence in elected office holders. Were we to encourage this subversion—even at the expense of the State of New Hampshire and Senator-elect Wyman—it would be difficult to fashion a better implement of campaign weaponry than an orchestrated majority denial of individual and State's rights for the 1976 campaign. Yet, the cost of that kind of partisanship is too great, and I implore the majority in control of this body not to demean the Senate by turning its back upon a lawfully elected Senator.

If this seat is taken from the people of New Hampshire by failing truly to investigate fraudulent ballots, or patently malfunctioning voting machines, or by refusing to count Mr. Wyman's requests while counting those of Mr. Durkin, or by declining to verify the total count of voters checked as voting in the New Hampshire election and comparing these totals with the ballots counted, or by allowing ballots of the skip type to be counted for Mr. Durkin while denying

them to Mr. Wyman, a record of callousness to the rights of a Senator and to the will of New Hampshire will be laid out upon the record.

Asking this body as a whole to interpret voter intent on 27 ballots on which 8 of our membership are equally divided after 5 months of familiarity with the New Hampshire law is patently ridiculous. How can 91 Senators who have never before seen these ballots, know better how to interpret them than 8 members of our Rules Committee who have examined them with magnifying glasses and are deadlocked 4 to 4 on their interpretation? This is wrong. It is debasing of the Senate itself. It is wasteful of the Senate's time.

The petition of Mr. Durkin started out under a false concept of the status of the contestants. Mr. Durkin held no certificate of election. The certificate issued to him was like a temporary automobile registration—good for a few days—until the State ballot law commission had reviewed the ballots. Yet Mr. Durkin sought to be seated here on the basis of a certificate that had expired, had in fact been rescinded. He made no mention of this fact in his petition to this body. Nor did he inform us that he had personally requested two Federal courts, a single-judge and a three-judge court, to reinstate his certificate, and been denied.

Not only did he fail to inform the Senate that his certificate had been rescinded but he told our Subcommittee on Privileges and Elections on January 9, and I quote:

> The question of whether the certificate was premature or not was not really before the court . . . and that issue was really never argued, never briefed, and never argued in the Federal court. . . .

And this statement to this body was under oath. Actually, Mr. Durkin not only sought and requested such relief, but he was personally present in the court when it was argued as were numerous representatives of the media who reported the facts in the New Hampshire press.

And the hearing before the Subcommittee on Privileges and Elections reported the decision of the three-judge Federal court on the matter, which decision included specific reference to the Durkin request and rejected it saying:

> We turn next to Durkin's request that we order the Governor and Council to reissue to him the certificate they later revoked . . . We decline therefore to order issuance of the certificate.

Do such statements amount to keeping good faith with this body whose constitutional duty it is to pass judgment on the returns and qualification of our Members?

Mr. President, there is simply no way to ascertain a winner in the New Hampshire election on the basis of the record that is before us. There is no way to do this even if we retally all of the protests of Mr. Wyman as well as those of Mr. Durkin. There is no way, even if we recount the entire New Hampshire recount, which is, of course, what we should do to lay to rest the conflicting claims of whether our committee is operating from a proper base count of votes.

There are hundreds of ballots counted in the New Hampshire contest in excess of voters shown as having been given ballots to vote. There is missing paper from voting machines used in the New Hampshire election on which there may have been write-in votes for either candidate. Whether there were or not, we can never know. Extensive investigation is required to establish with certainty whether absentee ballots were cast for persons who never voted those ballots.

I am reminded of the Sherlock Holmes story of the barking dog, when Sherlock Holmes said to Dr. Watson who had remarked that the dog never barked, that that is precisely the point. It was the fact that the dog did not bark, as I paraphrase it.

The Rules Committee did not do any barking. The Rules Committee was curiously incurious as regards those pathways that some of us sought to open to them for the purpose of following all the roads that might lead to the truth. Some members of the committee responded with Pavlovian alacrity to every challenge of Mr. Durkin. But through the use of various, curious, curious procedures, the requests of Mr. Wyman were deferred to the end, for the most part, were ignored or overruled in various ways and by the use of various methods, so that the Wyman challenges were deadended. This is the pattern of which we are complaining.

One voter, a Mr. Albert Michaud, testified under oath that he and his wife did not vote in the New Hampshire election, yet their ballots were cast for them and counted, and remain counted in that election.

An Ella Doyle swore that she voted an absentee ballot for her dying sister, straight Democratic, not because she had a request from her sister to do this, but because she "knew her sister would have wanted her to do this," because she always voted straight Democratic.

This effort at extrasensory perception would hardly have justified the counting of such a ballot as a lawful absentee ballot. Yet it remains tallied in the totals before us despite Mr. Wyman's protest. So eager were some members of the committee to respond to the extraordinary persuasiveness of counsel for Mr. Durkin, Mr. Millimet, who was successful even in securing the votes of four members of the committee on certain ballots as to which Mr. Durkin had earlier admitted that he could not lodge a lawful claim—using the phrase that after two omissions in the skip ballots were noted in the individual boxes, he could not pursue his claim for those ballots, using the phrase, as I recall, "because after that my case falls in my lap"—that Mr. Millimet, with the extraordinary persuasiveness which he had, needing merely to lift his voice in the cause for which he was retained, found the committee anxious to go further than Mr. Durkin in order to rule in Mr. Durkin's favor.

For 5 months we on the Rules Committee have directed our attention to the protests of Mr. Durkin. We have counted his 3,500 if you will.

Now we face the retallying of Mr. Wyman's protests and four Democratic members of our committee have voted not to count Mr. Wyman's requests. Unbelievable you say. I concur. But it is a fact, nevertheless. And it is shameful.

Public outrage is assured in such an example. It is inevitable. It will be deserved, if confirmed by the full Senate.

If this body really wants to find out who won the New Hampshire election we would leave no stone unturned, no request denied, in our review. This is why there is in truth but one way to know who won that election, and that is to direct the Rules Committee to recount all the ballots cast on November 5, 1974, in New Hampshire. We have them. They are here. They are in the basement of the Russell Senate Office Building. Their review would not require in excess of 10 days of staff time. They should be recounted in their entirety.

There they lie, close at hand, available, daring us to count them, Banquo's ghost at the feast, the unsolved riddle, the mystery of the day. But we find them an incurious majority behaving most curiously. We find no desire to count these ballots, and for one reason only: the ballots might show a result different from that preferred by some. The ballots might succeed in showing who won in New Hampshire, and that we cannot afford to do, in the view of some. This, I say, is regrettable.

Failing this, the contest should be returned to the people of New Hampshire for their decision. After all, our Constitution provides expressly that each State shall have two Senators "elected by the people thereof." In the circumstances of this election contest with ballots of marginal comprehension and many established uncertainties, any determination by this body will be suspect of partisanship whichever way be turn.

Reverting to my youthful dream of a better America, my concern at this moment is not simply whether either contestant prevails in the New Hampshire situation. Rather it is that the credibility of the Senate itself is at stake in what is before us at this hour, to say nothing of the prospect of weeks and weeks of prolonged debate and multiple voting on matters that rightfully are the prerogative of the State of New Hampshire—or Illinois, or Missouri, or Florida—as the future may dictate.

No wrongful conduct has been complained of by Mr. Durkin with respect to the New Hampshire contest. He makes no charge of fraud or unlawful act. The only request before us by Mr. Durkin is that there was a mistake. He did not win, so he asks us to review the ballots and come to a conclusion contrary to that of a sovereign State as to who is its U.S. Senator.

Mr. President, we should not undertake such a request at all lest we establish thereby a precedent of assured burden and enormous cost for future years.

No seat of a newly elected or reelected Senator is safe, if that is to be the future course of this body. And if a certificate, which in all cases heretofore has been

accepted on its face without protest to be decided later—if that precedent is to be changed, I would certainly advise every Senator that he had better be sure he wins two elections, one in his State and one among his colleagues in the Senate, because under this kind of newly established precedent, no one can be sure that election by his own voters is enough. Under the guise of being the sole judges of the qualifications of the membership, Senators may sit in judgment on a newly elected or newly re-elected Senator on the basis of whether they like him or not, whether their majority is large enough, whether the seating of the Senator would make a difference in the control of the Senate, or for whatever factious, facetious, or other reasons the Senate might be able to justify, under the cover of a glossy cloak of legality.

I hate to see this election decided on any such insupportable thesis.

But surely if we are to undertake it we must afford due process and fairness to both contestants lest the reputation and image of this great body be tarnished beyond repair.

My own view is that in view of the failure to order a complete count, we ought rightfully and properly to discharge our constitutional responsibilities in this sorry case by declaring the seat to be vacant and returning the decision to the people of New Hampshire in a runoff which they have requested. I am confident that the people of Pennsylvania or Colorado or any other State of the Union would want similar treatment under similar circumstances.

We are not assembled here to play God with the electoral process. Nor are we here to deny the will of the majority in any State as certified by their highest authority.

Let us be done, therefore, with this patent attempt to remove an elected Senator. Let us dispel the dismal prospect of weeks of endless and unsatisfactory harangue, to be followed by additional weeks of further deliberations by our Rules Committee that is already deadlocked in 27 ballot interpretations.

The truth and the fact of the matter in this case is that Senator-elect Wyman actually won all three times in the New Hampshire contest. The first time by several hundred votes. The second time before the secretary of state by three votes, and finally before the ballot law commission by two votes.

It is important that it be understood that the secretary of state's purported 10 vote majority to Mr. Durkin was based on an incompleted recount in which the secretary acknowledged that he had not counted write-in votes on machines. Nor had he rejected a net of seven void ballots that were counted for Mr. Durkin and three miscalls that were acknowledged to be Wyman votes by Mr. Durkin's counsel.

With a net of three votes on machine write-ins, Mr. Wyman won the recount at the secretary of state level by three votes and the ballot law commission of New Hampshire after 2 weeks of hearings reduced it to two, as I have said.

Yet despite these undisputed facts, despite the presence before us of a certificated Senator-elect without any charge of fraud against his election, it is fitting and proper in the uncertainties that have been disclosed by the record before us, that the seat be declared vacant and the election returned to the people of New Hampshire for decision.

I hope that a clear majority of our membership will vote to vacate this seat and send it back to New Hampshire for a new election. This is the only fair and responsible way to resolve the present situation.

Let justice not only be done. Let it be seen to be done.

Finally justice will not be seen to be done by the people of America if the decision is made simply out of the desire of the majority to increase its majority by one. It will not be seen to be done under circumstances where majority counsel sat in judgment over the minority counsel and overruled him 25 times. It will not be seen to be done when one of the experts in the New Hampshire voting machine matter admitted that it was possible, though not probable, that a linkage existed between these three types of counters and yet the desire to remove the backs of the machines was overruled. It would not have taken more than a few hours at best, perhaps less, to remove the backs of the machines and to see if everything was legal and in order.

But the committee or the controlling factor through the chairmanship did not see fit to have that done, another dead end for Mr. Wyman.

The missing papers of absentee ballots were not thoroughly explored, another dead end for Mr. Wyman.

The checking of the talley sheets against the number of people voting was not thoroughly nor adequately responded to, another dead end for Mr. Wyman.

So this committee of dead ends found itself confronted with 35 ties. Now the Senate is asked to act in a matter where there is a 2-vote majority on 35 instances where the 8 Members of the Rules Committee cannot agree. The Senate is not going to be any better qualified, in my respectful opinion, to pass on that. We know what will happen. Most of them will come in, look at the ballots, make a very cursory inspection, ranging from 3 to 13 seconds, will then walk by and ask somebody who has been here what is going on, receive some indication of how the vote is going, and say, well, I guess I will vote for our friend.

Mr. WEICKER. Mr. President, will the Senator yield for a question?

Mr. HUGH SCOTT. Certainly.

Mr. WEICKER. The distinguished Senator from Pennsylvania referred to a committee of dead ends. I trust that was in the context of decisions and not the anatomy. Is that correct?

Mr. HUGH SCOTT. Yes, in the context of decisions. Anatomically the committee did, indeed, put a certain burden on themselves, according to the law of gravity, but there was another law of gravity operating to which they did not give full descending weight. That was the gravity of this decision, the gravity of a possible denial of the rights of an individual, his civil rights, if you will, his rights as a citizen of New Hampshire and his rights as an elected Senator. It did not give due process to the rights of the sovereign State of New Hampshire. It did not give due process to truth or to justice. No. I think that the 4-to-4 tie resulted from a dogged determination to open certain doors for Mr. Durkin and to close some doors for Mr. Wyman.

I think we are going to make this record in extension. As we make the record, I would hate to be a candidate for the Presidency who had to be campaigning in New Hampshire at the forthcoming primary at a press conference, because the first question he is going to be asked is:

How did you vote? Why did you deny our Senator his seat? You are a Senator. Is that the way you believe in treating another Senator? And you want to be President of the United States, and that is the way you start off in your relationship with the advise and consent crowd?

Well, I would not want to be in that position, but I assure you any hopeful, who puts his feet into the snowy pathways of Concord, in the shadows of Mount Washington, or along the areas of the lake at Winnipesaukee or wherever else, is going to be hounded by that question.

So whatever Senators may do for themselves or for someone they like to accommodate as a future colleague, it may not be any favor to their potential candidates. But that, of course, is beside the point. It was merely an irreverent observation which ought to be taken more seriously by them than perhaps I take it.

I thank the distinguished Senator from Connecticut for yielding.

Mr. WEICKER. I thank the distinguished Senator from Pennsylvania for his comments, which were very much in point and which show in clear fashion the difficulties confronting this body, and it speaks so eloquently for the best solution being put into place, that being the people of New Hampshire deciding on their own representation, rather than 98 Senators all of whom come from some other constituency.

Mr. President, it is not my intention to continue the debate much longer this afternoon. I would hope that we have pointed up the discrepancies and the irregularities of procedure, which attended the counting or the examination of the machines in Manchester. As has been stated, that in itself would constitute grounds for a mistrial, were this in a court of law. It is my intention and the intention of my colleagues to go to the second area of abuse by the committee, specifically the "Skip-Louie," "Skip-John" ballots, which will be discussed Monday next. I now yield to the distinguished Senator from Oregon. I have no further remarks at this time.

Mr. HATFIELD. Mr. President, I thank the Senator from Connecticut. I associate myself with his remarks concerning the outstanding and able presentation by our leader, the extraordinarily able Senator from Pennsylvania (Mr. HUGH SCOTT).

CASE OF THE EMPTY SEAT

Mr. HANSEN. Mr. President, U.S. News & World Report, in an article by Howard Flieger printed in the June 16 issue, recommends that the question of whether the U.S. Senate should have a Senator Wyman from New Hampshire or a Senator Durkin from New Hampshire be decided by the people of New Hampshire.

I ask unanimous consent that the magazine article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CASE OF THE EMPTY SEAT

(By Howard Flieger)

The case of the missing Senator hardly ranks as a burning national issue.

Yet it has kept important members of that august body tied in a legal and political tangle since the first of the year.

In the end, it became the business of the entire U.S. Senate to try to decide who should be installed to fill the empty seat of the junior Senator from New Hampshire.

That State has had only one vote in this session of the 94th Congress instead of the two to which it is entitled and every other State has. From January to well into June, the Senate rocked along shy one member while both parties struggled with the problem of whether the vacant chair should be occupied by a Democrat or a Republican.

On the face of it, you wouldn't think the outcome could make all that much difference. After all, the Democrats already are in such lopsided control—nearly two to one—that the politics of one new member can't change things to any major degree.

But apparently it isn't that simple.

To go back a bit: In last November's election, the senatorial candidates in New Hampshire were Republican Louis C. Wyman and Democrat John A. Durkin. The results were so close—an unofficial victory for Mr. Wyman by 355 votes—that a recount was ordered to determine the winner.

The first recount by New Hampshire's secretary of state gave Mr. Durkin a 10-vote margin. But the State Ballot Law Commission reviewed disputed ballots and certified Mr. Wyman the winner by two votes.

Mr. Durkin appealed to the Senate, since, under the Constitution, each branch of Congress "shall be the judge of the elections, returns and qualifications of its own members."

Meanwhile, he asked that he be seated pending the outcome. But the Senate declined to seat either contestant until it could look into the matter. It has been looking ever since—its Rules Committee deadlocked on who should be awarded 27 disputed ballots, and on other legal and procedural issues.

Why should one Senate seat—important as it is to New Hampshire—be all that vital to the Senate? Even with one seat vacant the Democrats hold a 61–38 majority. On any party-line issue they can clobber the Republicans. So why worry about one vote more—or less?

An important reason may be the future structure of Senate committees. It is in these committees where much of the Senate's meaningful business is transacted.

Committees are set up under a complicated mathematical formula by which membership assignments are based on the political division of the entire Senate, plus the seniority of individual Senators.

Thus, if Democrat Durkin were seated, his party could gain a member on such powerful committees as Foreign Relations, Post Office and Civil Service, and Veterans' Affairs. If that happened and the committees were not enlarged, the most recently appointed Republicans would have to give up their positions because of the rule of last on, first off. That could dislodge such prominent Republicans as Senators Howard Baker of Tennessee and Bob Dole of Kansas.

The dilemma is that, no matter how the Senate decides, about half the voters in New Hampshire are going to feel cheated because the November election was so close nobody can say positively who really won.

An outsider would be justified in asking why the sensible solution wouldn't be to hold another New Hampshire election. There must be some vestige of life left in the old idea of States' rights. Public opinion polls show the State's voters favor such a solution. And, at the very least, it would get the matter off the desks of U.S. Senators at a time when there are more pressing national issues deserving of their time and attention.

LET THE PEOPLE DECIDE

Mr. HRUSKA. Mr. President, we are considering before this body an issue that is complex in nature, but should be very simple in its resolution. The issue can be decided by the sense of fair play and honesty that the U.S. Senate is capable of displaying.

We have a case where the people of the State of New Hampshire have spoken, but the U.S. Senate, in its wisdom, has not listened. Last November, the people of that State went to the polls and by a 355-vote margin elected Louis C. Wyman to represent them in this body. However, because of the closeness of the election, the Secretary of State conducted a recount and Mr. Wyman's Democratic opponent, John Durkin, was declared the winner by 10 votes. Then, the bipartisan State Ballot Law Commission declared Mr. Wyman the victor and issued to him a certificate of election.

That should have been the end of this issue, but it was not. As was his right, Mr. Durkin asked the Senate to intervene because, according to the Constitution, each house of the Congress "shall be the judge of the elections, returns and qualifications of its own members."

The Constitution also states, however, that—

The Senate of the United States shall be composed of two Senators from each state, elected by the people, thereof.

Mr. President, therein lies the crux of the issue before us: Are not the people of the State of New Hampshire entitled under the Constitution to equal representation in this body?

Since January of this year when the 94th Congress convened, the State of New Hampshire has had only one Senator. Able though he is, he has only one vote. The people of New Hampshire are entitled to two.

What has been the delay? Why has not a decision been made and Mr. Wyman or Mr. Durkin been allowed to take a seat in this body?

Mr. President, the reason is that this body has not been able to resolve the issue. From the beginning, this should have been obvious. But it was not.

The Rules Committee has worked its way tediously through nearly 50 separate meetings, spending more than 200 hours to examine and decide on what 900 New Hampshire voters meant when they—with lack of clarity—marked their ballots last November. There are other confusing issues involved, as well, including malfunctioning voting machines and missing absentee ballots.

Mr. President, is the Senate actually qualified to rule on these matters and decide who the Senator from the State of New Hampshire should be? I think not. Are magnifying glasses and masks and screens the proper tools to be used to decide an election? I think not.

The correct way for this matter to be decided is the American way: at the ballot box. The people of New Hampshire should be given a chance to vote to determine who is to be their new Senator. Mr. President, I ask that the Senate drop its consideration of this matter and that the State of New Hampshire be allowed to hold another election. This is the only fair way to resolve this issue.

Mr. President, 145 years ago, a very distinguished American, Daniel Webster, stood on the floor of the Senate and, referring to our form of government, said that this is,

The people's government, made for the people, made by the people and answerable to the people.

Mr. President, the proper question here is: "What do the people want?" The emphatic answer is: "The people want a new election."

Two New Hampshire newspapers of different editorial philosophies have polled the residents of their State and asked how this matter should be resolved. The answer is the same. They want a new election; an opportunity to decide for themselves who should represent them in the Senate.

A poll taken by the Manchester Union Leader, a conservative newspaper, showed that by a more than 17-to-1 margin, the people of New Hampshire want to go to the ballot box again and decide on a new Senator.

The New Hampshire Times, a newspaper of a more liberal philosophy, found that 59 percent of those polled favored a new senatorial election. It is particularly interesting to note that of those polled, 79 percent had voted for Mr. Durkin in the first election.

Mr. President, it appears very obvious to me that the people of New Hampshire are demanding a new election. And, we should let them have it.

Contrary to what some have said, our decision on this matter has nationwide implications. It is not a narrow, locally oriented issue affecting only on State. It would have a much greater impact. In the future, will the citizens of any State have to wonder if the man they select to sit in this body will be allowed to do so? If we ignore the wishes of the people of New Hampshire and arbitrarily select a Senator for them, a dangerous precedent could be established. If it can happen in this case, what is to prevent it from happening in another?

Now, it is very evident that my colleagues on the other side of the aisle have a substantial majority of numbers.

If they so decide to seat Mr. Durkin, of their party, we cannot stop them.

But, Mr. President, I call upon their sense of fair play and justice to help them come to the proper decision on this matter. I know they are honorable men and, therefore, I am sure they will not abuse the trust and responsibility given them by the people of their own States. According to several national surveys, the Congress is not held in great esteem by the people of this country. If the Senate ignores the wishes of the people of New Hampshire and does not allow a new election to take place it will be very susceptible to charges of abuse of power and political chicanery. We must not let that happen.

The people of New Hampshire need a Senator, but the U.S. Senate should not decide who that person will be. Let the people decide.

Mr. HATFIELD. I yield to the Senator from West Virginia for a unanimous-consent request.

EXTENSION OF TIME FOR FILING REPORT OF SPECIAL COMMITTEE ON AGING

Mr. RANDOLPH. Mr. President, for the Chairman of the Special Committee on Aging, Mr. Church, I ask unanimous consent that the time for filing the report of the Special Committee on Aging, "Developments in Aging: 1974 and January–April 1975," be extended from June 13 to June 27, 1975. This additional time is requested to permit action on the committee's request for the printing of additional copies of the report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I yield.

SENATE EMPLOYEES TO APPEAR AS WITNESSES — SENATE RESOLUTION 183

Mr. FANNIN. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 183) authorizing Pamela Turner, an employee in the office of Senator Tower, Diane Nerheim, an employee in the office of Senator Fannin, and Jane Harty, an employee of the Joint Economic Committee, all former employees of former Senator Gurney, to appear as witnesses in the case of *United States* v. *Gurney, et al.*

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. FANNIN. Mr. President, as explained in the resolution, these ladies were employees of former Senator Gurney, and it is desired to have them testify, as provided in the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 183) was agreed to.

The resolution, with its preamble, reads as follows:

Whereas in the case of *United States of America* v. *Edward J. Gurney, et al.* (No. 74–122–Cr–J–K), pending in the United States District Court for the Middle District of Florida, Pamela Turner, an employee in the office of Senator Tower, Diane Nerheim, an employee in the office of Senator Fannin, and Jane Harty, an employee of the Joint Economic Committee, all former employees of former Senator Gurney, desire to appear as witnesses and give testimony in such case: Now, therefore, be it

Resolved, That by the privileges of the Senate of the United States no evidence under the control and in the possession of the Senate of the United States can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by permission of the Senate.

SEC. 2. By the privileges of the Senate and by Rule XXX of the Standing Rules of the Senate no officer or employee of the Senate is authorized to produce documents, papers, or records of the Senate but by order of the Senate and information secured by officers and employees pursuant to their official duties may not be revealed without the consent of the Senate.

SEC. 3. When it appears that testimony of an officer or employee, or former officer or employee, of the Senate is needful for use in any court for the promotion of justice and, further, that such testimony may involve documents, papers, or records under the control of or in the possession of the Senate and communications, conversations, and matters related thereto, the Senate will take such order thereon as will promote the ends of justice consistently with the privileges and rights of the Senate.

SEC. 4. Pamela Turner, an employee in the office of Senator Tower, Diane Nerheim, an employee in the office of Senator Fannin, and Jane Harty, an employee of the Joint Economic Committee, all former employees of former Senator Gurney, are each authorized to appear as witnesses and testify on behalf of former Senator Gurney in the case of *United States of America* v. *Edward J. Gurney, et al.*

SEC. 5. The Secretary of the Senate shall transmit a copy of this resolution to the United States District Court for the Middle District of Florida.

PROGRAM

Mr. ROBERT C. BYRD. The Senate will convene at 12 noon on Monday, following the recess. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, for the purpose only of introduction of bills, resolutions and memorials and statements for the RECORD.

At the conclusion of routine morning business, the Senate will take up Senate Concurrent Resolution 45, which relates to the Federal Home Loan Bank Board.

At 1 p.m. the Senate will resume consideration of the New Hampshire election dispute. If any rollcall votes are ordered in connection with Senate Concurrent Resolution 45, such rollcall votes will not occur prior to the hour of 4 p.m.

On Tuesday morning, the Senate will take up S. 1487, the Coast Guard authorization, and that will be followed by S. 1716, the Nuclear Regulatory Commission authorization. S. 1716 will be followed by S. 6, a bill to provide financial assistance to the States for improved educational services for handicapped children, provided there is still time remaining before 1 p.m. Otherwise, S. 6 will be taken up on Wednesday.

At 1 p.m. on Tuesday, the Senate will resume consideration of the New Hampshire election dispute, with a vote occurring on the Weicker amendment at 5 p.m. That will be a rollcall vote.

No rollcall votes will occur prior to the hour of 12:30 p.m. on Tuesday, Wednesday, Thursday, or Friday of next week.

RECESS TO MONDAY, JUNE 16, 1975

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 12 noon on Monday next.

The motion was agreed to; and at 2:31 p.m. the Senate recessed until Monday, June 16, 1975, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate, June 13, 1975:

IN THE AIR FORCE

The following-named officers for promotion as Reserve of the Air Force, under the appropriate provisions of chapters 35 and 837, title 10, United States Code:

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Ballow, Roland E., 421–36–3412.
Bamford, Thomas K., 456–20–5178.
Bartman, Leoroy R., 370–26–5862.
Black, Carl D., 403–40–2331.
Blackwell, James R., 443–28–2889.
Blamires, Robert B., 519–32–6337.
Burch, Irwin, Jr., 553–20–7239.
Caple, Joe A., 429–44–3554.
Ciraco, Michael M., 088–14–2720.
Conaway, John B., 315–30–2700.
Cross, Fred W., 404–32–9586.
Day, Paul R., 005–12–1741.
Fisher, James F., 083–18–1345.
Grams, Albert A., 399–14–7784.
Higgins, David O. C., 002–12–3532.
Holesinger, Harold G., 318–24–6235.
Hungerford, Vincent C., 220–46–6245.
Lange, Ehrhardt H., 499–28–3060.
Lilley, Raymond E., 042–22–4648.
Maltz, Albert G., 214–28–3891.
Mann, Sidney R., 284–32–6213.
McCarthy, Gerald J., 374–20–4204.
Milton, Charles L., 493–30–3277.
Nunnally, Jackson L., 265–24–0672.
Pollard, Amos S., 428–14–8080.
Roberts, Arthur A., 011–26–5949.
Snight, James E., 221–22–3617.
Spessert, Daren L., 235–48–7325.
Underwood, Howard L., 419–20–8984.
Walker, Theodore C., 291–24–1594.

MEDICAL CORPS

Nicholson, Henry H., Jr., 237–12–0135.

The following-named officer for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended:

MEDICAL CORPS

Major to lieutenant colonel

Noyes, Frank R., 529–48–7569.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

Second lieutenant to first lieutenant

Allen, Robert K., 313–38–6618.
Allison, Kenneth L., 442–34–1200.
Altobelli, Anthony, 132–32–5127.
Anderson, Juliette C., 032–36–8294.
Arnold, Andrew L., 465–74–6177.
Austin, Robert A., 220–54–6500.
Avallone, Joseph A., 084–32–2641.
Baker, Robert W., 168–34–7494.
Balcom, Cecil G., 020–36–0645.
Barnes, Michael R., 567–60–5792.
Bell, Ronald W., 213–42–8782.
Benefield, Horace, Jr., 532–38–4008.
Blalock, Lamberth W., Jr., 240–80–1895.
Blum, Gary R., 508–58–8208.
Bowman, Steven C., 470–56–3975.
Brady, Robert B., 543–52–7188.
Burns, Robert P., 506–44–3539.
Bush, Jesse E., 415–74–2935.
Campbell, Charles K., 238–78–5108.
Campbell, James B., 526–66–5433.
Carr, Brenda R., 408–78–9103.
Carraway, James E., 262–72–3079.
Clifford, Thomas C., 546–50–6994.
Conley, James H., 181–30–9251.
Corson, Alan J., 203–40–7452.
Crandall, Wayne D., 097–34–3457.
Crowley, James W., II, 035–26–9822.
Cunningham, Albert J., Jr., 158–38–6346.
Cunningham, William A., 329–38–8610.
Dailey, Balis E., 464–62–0543.
Daugherty, James C., 232–68–4456.
Day, Donald R., 453–78–6003.
DeMayo, Robert J., 101–34–5001.
Deutch, Paul, 527–54–6539.
Dilks, Michael J., 142–36–9527.
Dubcak, Arnold C., Jr., 482–70–7880.
Dumke, Melvin A., 388–40–5175.
Duncan, Leslie H., 515–48–1628.
Elton, Terry J., 541–60–6686.
Erickson, Brian A., 527–54–9927.
Fimbel, Ronald C., 224–72–1238.
Fish, Paul G., 104–36–0283.
Flaherty, Veronica W., 236–72–6065.
Folk, Michael J., 111–40–3462.
Fontes, Donald R., 025–36–0763.
Fredrickson, Robert E., 003–28–7638.
Froele, Robert B., 469–50–5310.
Garcia, Fredrick V., 219–36–8994.
Gardner, John L., Jr., 334–40–1173.
Garrison, Carl H., 443–34–9791.
Gattis, Robert H., Jr., 231–58–9893.
Gentry, John D., 365–42–4038.
Goetz, David W., 299–42–5402.
Goodwin, Arthur O., III, 002–36–5293.
Graham, John J., III, 559–70–4761.
Hardy, James L., 506–40–6476.
Harrington, Richard G., 501–50–4058.
Harrison, Hatley N., III, 435–80–8628.
Harvey, Dorest G., 204–36–4434.
Hayden, John W., Jr., 405–64–9945.
Hedstrom, Terrance L., 468–44–9774.
Heidenreich, Richard C., 337–40–5667.
Henry, Charles E., Jr., 251–78–4678.
Hess, Gary G., 546–52–9821.
Hicks, James H., Jr., 449–70–0054.
Hindle, Eugene P., 218–38–3000.
Hollingshead, Edward W., 150–38–1826.
Hopper, Margaret P., 449–84–3728.
Horton, Theresa Marie, 178–40–2354.
Hunt, Douglas C., 261–86–3369.
Hutcherson, Billie G., 414–56–8879.
Ijac, Irene S., 080–36–5457.
Isakson, John B., 470–44–0319.
Jacob, Richard E., 062–40–6218.
Johnson, Patricia K., 482–62–0811.
King, Louis N., Jr., 494–44–3121.
Kraay, Thomas A., 027–36–4086.
Labossiere, Girard, 011–30–9063.
Lacy, Karl, Jr., 254–80–2410.
Ladd, Nancy L., 445–40–1077.
Lafferty, Boyd J., 149–38–5890.
Laposa, Joseph E., 156–40–1181.
Linton, Carol M., 523–66–2766.
Linton, Harold E., 191–30–5514.
Lovejoy, Gerard G., 277–36–6997.
Madsen, James G., 472–38–3724.
McBrearty, Francis T., 156–30–2366.
McIntosh, Larry L., 351–42–8272.
Medlin, Elton L., Jr., 450–72–6008.
Merrifield, Harry W., 207–36–0511.
Miller, Charles E., 201–38–3412.
Miller, Peter L., Jr., 162–40–8351.
Moomey, Wayne R., 505–60–4756.
Mulcahy, William J., Jr., 132–38–2232.
Nelson, Joseph B., 318–40–2152.
Newlands, George W., 359–38–6174.
Newman, Paul E., 278–36–4546.
Newsome, Herbert R., III, 225–42–7318.
Opfer, James R., 284–44–2471.
Ownby, Daniel F., 267–88–5186.
Paulk, Gene D., 263–62–0258.
Perry, Robert G., 013–38–0611.
Pirl, Ronald L., 470–52–6168.
Poulin, Donald L., 006–36–0262.
Queen, Donald J., 522–66–4475.
Rabenhorst, Janis M., 044–42–2004.
Rasmussen, Bruce, 477–44–3115.
Reeves, James T., 408–60–7538.
Rhodes, Billy M. E., 429–74–6606.
Roll, George N., 132–34–2028.
Seastrum, Lawrence V., 218–56–7009.
Shackleford, William B., 404–54–3553.
Sheaffer, Sally Ann, 205–36–9852.
Shelton, Ramon, 318–36–8661.
Sims, Sherry D., 408–74–5719.
Smith, James L., 571–72–9108.
Smith, Sherry Lynn, 407–62–9990.
Spain, Michael A., 579–62–0748.
Spayd, Neil D., 168–34–2231.
Stanton, David R., Jr., 219–54–7250.
Stasiak, Mark, 369–48–8648.
Thorhauer, Paul H., 201–40–4249.
Thweatt, Weldon L., 464–68–9067.
Tibbetts, Elvin R., 536–38–5419.
Townson, James M., 043–40–6352.
Tyler, Douglas W., 253–64–1805.
Underdown, Richard C., 014–34–3805.
Uzzell, Johnnie L., 238–60–4074.
Wagner, Richard C., Jr., 069–36–6722.
Walker, Arthur R., 570–60–2626.
White, Gayle Anne, 271–48–7949.
Wilks, James L., 432–72–1445.
Wilson, Seth, J., 552–80–9268.
Wixom, Victor G., 016–32–4989.
Yelland, Michael, 016–30–2853.
Yunker, Gerald F., Jr., 261–48–0694.
Ziegler, Harvey J., 279–48–4678.

MEDICAL SERVICE CORPS

Chamberlain, Richard T., 359–38–7107.

The following-named Air Force officers for reappointment to the active list of the Regular Air Force, in the grade indicated, under the provisions of sections 1210 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Bynum, Willis A., 450–16–7419.
Ragolia, Joseph H., 157–03–9503.

To be lieutenant colonel

Schroll, David A., 548–14–9098.

To be captain

Findley, Keith G., 226–56–4113.

EXTENSIONS OF REMARKS

RESULTS OF PUBLIC OPINION POLL OF OHIO'S 17TH DISTRICT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 12, 1975

Mr. ASHBROOK. Mr. Speaker, the results of my 15th annual opinion poll have just been tabulated. The response was excellent. In addition to the completed questionnaires, I received hundreds of letters, notes and comments which were included with the completed polls.

While opinion was fairly well divided on a number of questions, overwhelming majorities were found on a number of issues. In the area of Government spending the vast majority of those answering the poll in the 17th district were in favor of less Government spending even when this meant a cut in Federal Government services and spending.

It was also interesting to note that 60 percent of those responding viewed inflation as a more serious economic problem facing our country than unemployment. Also, a clear majority view Government spending as the major cause of inflation.

Opposition was heavy to proposed Federal legislation giving public employees strike privileges. On the issue of gun control, Federal registration of hand guns received 46 percent in favor with 51 percent opposed. When the question of confiscation of hand guns was raised, those opposed jumped to 74 percent.

When the issue of foreign aid was raised more than 80 percent of those responding were in favor of decreasing or eliminating entirely foreign aid. More than 70 percent were in favor of decreasing or eliminating entirely future contributions to the United Nations.

I also asked a number of questions on energy. One of the most clear cut responses was to a question dealing with postponing environmental regulations on autos and coal burning facilities. More than 70 percent were in favor of such postponement.

The two questions regarding Vietnam are now of historical interest. These two questions show how fast issues change. They were very pertinent when the poll was sent to constituents.

As in the past the questionnaire dealt with a large variety of issues. In addition to the above, there were questions relating to limitations in taxes, a pay cut for Federal employees, Government loans to the Soviet Union and Communist China and a number of other issues. Having the benefit of constituent views on the issues covered by this opinion poll, as well as the numerous comments included, works to our mutual advantage. As I have often said, representing the people of the 17th district is a two-way street. The results of the poll follow:

1975 PUBLIC OPINION POLL OF THE 17TH DISTRICT OF OHIO

	Percent	Yes	No	No opinion
1. Do you agree with President Ford's call for a 1-yr moratorium on new Federal programs?		76	18	6
2. Because of the state of the economy, should new health insurance and social programs be postponed?		61	33	6
3. What do you view as the more serious economic problem facing our country? (Check one)				
(a) Inflation	60			
(b) Unemployment	36			4
4. What do you view as the major cause of inflation?				
(a) Government spending	55			
(b) Business profits	23			
(c) Wage demands	22			
5. Do you think Federal Government services and programs should be cut in order to cut Federal Government spending?		76	20	4
6. Do you support the reestablishment of across-the-board wage and price controls?		43	53	4
7. Do you believe that those environmental restrictions already legislated but not yet in effect on autos and coal burning facilities should be postponed because of the energy and economic situation?		72	24	4
8. As a general policy, I think the United States should: (Check one)				
(a) Reduce consumption of oil and energy products	22			
(b) Further develop our resources such as offshore oil and domestic natural gas	77			1
9. To reduce oil consumption, the United States should:				
(a) Ban or limit imported oil and allocate what is available as was done last winter	46			
(b) Ration gasoline	20			
(c) Increase gasoline prices with a stiff tax	13			
(d) Increase the price of all types of oil products through import fees	15			7
10. If forced to choose between gasoline rationing and higher gas prices to deal with the energy problem, I would prefer:				
(a) Gasoline rationing	54			
(b) Higher gas prices	30			16
11. Should Congress enact a 5 percent pay cut back for all employees of the Federal Government as a means of combating inflation and reducing Government spending?		69	27	4
12. Would you favor legislation placing a ceiling on the proportion of income which the Federal Government could take away in taxes?		71	27	2
13. Should the Congress adopt Federal legislation requiring the registration of handguns?		46	51	3
14. Should Congress enact legislation which would confiscate all handguns except those of the police and licensed gun clubs?		22	74	4
15. Would you support Federal legislation which would give public employees—Federal, State, local, and teachers—the bargaining rights of workers in private industry, including the right to strike?		29	66	5
16. In dealing with the bankrupt railroads, we should:				
(a) Continue to subsidize them	6			
(b) Set up a new independent rail corporation with Federal backing	16			
(c) Nationalize them	18			
(d) Let solvent railroads buy lines which are profitable and get rid of the rest	53			
17. Would you favor increased U.S. food contributions to needy nations if these meant that Americans would have to consume less and/or pay more?		24	70	6
18. Should the U.S. Government or any government agency offer loans to the Soviet Union?		5	92	3
19. Should the U.S. Government or any government agency offer loans to Communist China?		6	90	4
20. It is estimated that South Vietnam will need $300,000,000 in United States economic and military aid this year to continue its fight against Communist invasion. Should the United States give South Vietnam this aid?		17	75	8
21. If it were certain that South Vietnam would fall unless U.S. aid is continued, would you continue our commitment and support?		21	70	9
22. For 1974 the United States gave an estimated $63,957,000 to the United Nations regular budget and $336,232,000 to other U.N. programs and agencies. Future U.S. contributions to the U.N. should be:				
(a) Increased	1			
(b) Left the same	11			
(c) Decreased	48			
(d) Eliminated entirely	25			
23. U.S. foreign aid should be:				
(a) Increased	1			
(b) Left the same	8			
(c) Decreased	55			
(d) Eliminated entirely	32			

BETTER SPEECH AND HEARING MONTH

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. MACDONALD of Massachusetts. Mr. Speaker, although the month of May has now passed, I still believe it is appropriate that we take time to reflect on a problem which affects many people in our Nation. The following are my thoughts on just one of our most serious health problems.

Across our Nation each year, May is designated as "Better Speech and Hearing Month." The purpose is to call attention to the importance of good hearing and urge all Americans to protect this most vital sense.

While many of us may not realize it, hearing loss is the most common physical disability in the United States. Approximately 1 in every 10 people cannot hear what we hear—and oftimes take for granted. Stop now and listen to the sounds around you. The tick of a clock, the ring of a telephone, the ring of the House bells, footsteps, and shuffling papers are sounds which keep us in touch with our environment. Because we can hear, we understand what other people say, we can enjoy music, and we can converse with those around us.

However, for the more than 20 million Americans who have speech, language, or hearing impairments these everyday sounds are lost. A severe loss can mean you will never hear the sound of a human voice—a sound that is so vitally important to keep us in the intellectual company of our fellow men. Contrary to popular opinion, hearing problems are more serious in their consequences than visual problems. Hearing is the avenue for communication, and the vast majority of what we learn throughout our lives involves hearing and speech.

Fortunately, most children and adults who have a hearing problem are not totally deaf. Even among the more severe cases, they have some residual hearing that they can learn to use.

Since so many of our fellow citizens live with a hearing loss, it is proper that we should be cognizant of their needs. Deaf people live with discrimination. For example, hearing-impaired persons licensed to drive in all 50 States often pay exorbitant rates for auto insurance in spite of studies showing deaf people are among the world's safest drivers. Obviously, deaf Americans need help in solving problems, and it is well to remember that deafness respects no economic, racial, geographic, ethnic, or national boundaries. The problems of inadequate education, limited employment opportunities, and misunderstanding of deaf people are universal.

It will be well for us to recognize that as we focus our attention upon the theme of "better hearing" we must also remember that there is a segment of our population who cannot "hear better" because their hearing is nonfunctional. We can, however, reach out a hand of understanding to these fellow Americans. And we can take steps to make ourselves aware of the needs of hearing impaired constituents.

One of the major problems of modern health care is that so many of these afflicted individuals do not know how to get help for their communication disorder. Speech pathologists and audiologists are the professionals who work with individuals with speech, language, and hearing impairments in an effort to restore or improve their ability to assume a meaningful and productive place in society.

I am happy to note that the New England Rehabilitation Center in my Seventh District has an excellent program which has been established to assist individuals with hearing and speech impairments. The New England Rehabilitation Center program, in conjunction with other such facilities in and around the Boston metropolitan area has contributed a great deal toward informing the public and enlightening them to the critical needs of our deaf Americans and the ever-increasing need for additional services.

Still, awareness of human communication problems and of the wide range of professional services available for persons with these problems, is of utmost importance.

Although May is set aside for the observance of "Better Speech and Hearing Month," each of us should continue to support and promote the causes of our deaf citizens on a daily basis.

FIRE CHIEF LAWRENCE R. WOLTZ RETIRES

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mrs. SPELLMAN. Mr. Speaker, a distinguished citizen of Prince Georges County, Md., and a resident of College Park, Md., Fire Chief Lawrence R. Woltz, has announced his intention to retire, to culminate 40 years of service to our community.

Chief Woltz has dedicated many, many years to the fire service. In January 1935, he became a member of the Bladensburg Volunteer Fire Department, and remained a volunteer fireman until 1942, when he was employed as a Federal firefighter at Bolling Field. Within 2 years, he was assistant fire chief of the Bolling Fire Department, responsible for training crash and rescue crews and for fire prevention activities at the field.

During his employment at Bolling, Lawrence Woltz increased his knowledge of firefighting skills by attending the U.S. Army Service Command schools at Fort Belvoir, Va.; Lowry Field, Denver, Colo.; and Egling Field, Fla.

In 1970, the Prince Georges County Commissioners appointed him deputy director of the Department of Fire Protection, as the department was then called, and a year later the county executive appointed him fire chief.

During his 5-year tenure as Prince Georges County's top fireman, the department responded to the needs of the community by providing what is generally regarded as one of the most comprehensive and innovative fire protection programs in the Nation.

Under his leadership, Chief Woltz moved to provide more versatile communications; to improve the monitoring of flammable chemical leaks; to predict arson occurrence and develop a profile of the typical arsonist; to respond to the fire safety needs of the elderly, the handicapped, and the very young; to improve the quality of training for both volunteer and career recruits; to develop advanced driver training and emergency care programs; and to provide a round-the-clock investigative force. In all, some 23 new programs were developed, including 13 that were listed by the National Commission on Fire Prevention and Control in their 1973 study of the Nation's defenses against fire.

Beyond his dedication to his profession, Chief Woltz has committed himself to humanitarian efforts through active participation in various civic organizations, including the Rotary International and the Masons. His efforts in developing improved special education facilities in the county are especially noteworthy.

For 35 years, Margaret and Lawrence Woltz have shared a happy marriage, bringing up a family of three and enjoying the pleasure which seven grandchildren bring.

On the occasion of his deserved retirement, Mr. Speaker, I would like to offer the best wishes of the citizens of Prince Georges County to Chief Lawrence R. Woltz, and our thanks for his long and honorable service to our country.

ANNOUNCEMENT OF HEARINGS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. EDWARDS of California. Mr. Speaker, the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary has cancelled its hearing on House Joint Resolution 280, a bill to amend the Constitution to provide for representation of the District of Columbia in the Congress, to be held on Wednesday, June 18, at 10 a.m. in room 2226 of the Rayburn House Office Building. The hearing has been rescheduled for Monday, June 23, at 10 a.m. in room 2141 of the Rayburn House Office Building.

Witnesses on June 23 will be Dick Clark, national chairman of the Coalition for Self-Determination of the District of Columbia; John Hechinger, vice president of the Executive Board of the Coalition for Self-Determination of the District of Columbia; and Judith Heimann, of the National League of Women Voters.

Persons interested in submitting statements for the RECORD may address their inquiries to the House Committee on the Judiciary, room 2137, Rayburn House Office Building, Washington, D.C. 20515.

SEVENTH ANNUAL CONGRESSIONAL CLASSROOM

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. MANN. Mr. Speaker, for the seventh year, it is my great pleasure to welcome the Fourth District Congressional Classroom scholars to Washington and to recognize the generous public spirit of their sponsors in Greenville and Spartanburg Counties.

Through the largess of these businesses, clubs, and service organizations, this week 16 bright and attractive rising high-school seniors, selected by their schools, have had an opportunity to observe first-hand the operation of their Government and to share the heritage of our Capital City. An active schedule of seminars, interviews, and sight-seeing makes more meaningful the complexities and privileges of self-government for these future leaders.

To date, 111 Fourth District scholars have participated in the Congressional Classroom, which, with the cooperation of sponsoring groups, I initiated during my first term in the House. The rewards of this experience extend far beyond the individual into the community and the country, making each of us richer.

I congratulate these outstanding young citizens on their selection and commend their sponsors for their participation. The Seventh Annual Congressional Classroom scholars and their sponsors include: Brent Martin, Riverside High School, sponsored by Collins Music Co., Inc., of Greenville; Andrew Rabhan, Wade Hampton High School, sponsored by Collins Music Co., Inc., of Greenville; Jennifer Bolt, Greenville High School, sponsored by Greenville Sertoma Club; Charles Munson, J. L. Mann High School, sponsored by Greenville Lions Club; Sandra Jeter, Eastside High School, sponsored by Liberty Life Corp.; Joel Masters, Greer High School, sponsored by Liberty Life Corp.; Joy Fryar, James F. Byrnes High School, sponsored by Lyman Printing and Finishing Co.; James Champion, Chapman High School, sponsored by Hoechst Fibers, Inc.; Pamela Wilson, Cowpens High School, sponsored by Hoechst Fibers, Inc.; Linda Pack, Landrum High School, sponsored by WSPA, Spartan Radiocasting Co.; David Graham, Spartanburg High School, sponsored by Hillcrest Optimist Club; Anne Ledford, Chesnee High School, sponsored by the Jones Tractor Co. and the Progressive Men's Club; Vera Sergiacomi, Boiling Springs High School, sponsored by North Spartanburg Rotary Club; Tim Sutton, Dorman High School, sponsored by Spartanburg Lions Club; James Hyatt, Pacolet High School, sponsored by Pacolet Lions Club, and David Robinson, Wade Hampton High School, sponsored by Greenville Civitan Club.

CONGRESSMAN TIM LEE CARTER HONORED

HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. EDWARDS of Alabama. Mr. Speaker, my distinguished colleague from Kentucky, the Honorable TIM LEE CARTER, was honored this morning at the White House by the presentation of the National Humanitarian Award by the American Digestive Disease Society and the National Foundation for Ileitis and Colitis.

Only 2 weeks ago, he received the same type of commendation from the American Diabetes Association and the Kentucky Diabetes Association for his assistance with the Diabetes Mellitus Research and Education Act of 1974.

The regards of Richard A. Kirstein, the president of the ADDS, in presenting the award to Congressman CARTER today follow:

REMARKS OF RICHARD A. KIRSTEIN

There is a special significance in the fact that we recognize today the concerned involvement of U.S. Representative Tim Lee Carter in our challenge to the problems of digestive disease. Representative Carter is a physician. As such, he understands far better than the average government official the difficulties and the complexities of digestive disease, both in terms of the physician who must diagnose and treat, and the victim who suffers.

His compassionate understanding has not been enough. He is obviously a man of action and commitment or he would not have left the comfort, safety, and compensation of a private medical practice for the rigorous and difficult public life of a politician and legislator. It is this combination of commitment, activity, and compassion that makes Dr. Carter an ideal member of the House Subcommittee on Public Health and Environment. He has been able to understand far better than most the sometimes esoteric dreams of basic research, the complete necessity of clinical research, and of turning what happens in the laboratory into something good for the patient. And he has been able to sort out the true health priorities that face legislators and governed alike.

Because of this, he authored the legislation in 1972 to change the name of the National Institute of Arthritis and Metabolic Diseases

to the National Institute of Arthritis, Metabolism, and Digestive Disease, which really caused the whole field of digestive disease to get an enormous impetus.

During this sorting out process, his medical background has helped him to see that people with digestive diseases, whether they be peptic ulcer, pancreatitis, hiatal hernia, or ileitis and colitis, have one major problem in common, and that is that so often they feel so bad. We are dealing here with 22 million people, afflicted with a wide assortment of digestive problems, and without much hope for many days when they can feel good.

The American Digestive Disease Society is searching for and committed to the "good old days without sickness or pain." It is determined to find the answers to prevention and care and to provide maximum health care to those who suffer now and will suffer tomorrow.

Because he is a man who understands the complications of digestive disease, the priorities of digestive disease as a health problem, and the vigorous commitment that it will take to cure these problems, and because he is a man who has, can, and will do something about this, I am proud to present the 4th Annual National Humanitarian Award of the American Digestive Disease Society to U.S. Representative Tim Lee Carter, M.D., of Kentucky.

"GUN CONTROL"

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. SYMMS. Mr. Speaker, our colleague from Georgia, LARRY MCDONALD, has provided an excellent defense of our right to keep and bear arms in an article published in the May 1975 issue of American Opinion.

Since the Crime Subcommittee is holding hearings on this issue, I am placing the article in the RECORD for the benefit of those concerned with protecting our second amendment rights:

GUN CONTROL: WE MUST DEFEND THE SECOND AMENDMENT

(By LAWRENCE P. MCDONALD)

Those who would disarm America, right down to the last target pistol, are once more in full cry through the halls of Congress. This is a determined campaign, already more than ten years old, and it is aimed at destroying one of the most important guarantees of the Bill of Rights. Those of us fighting federal gun-control proposals are continually confronted by opponents who want either to ignore or deliberately misinterpret the clear meaning of the Second Amendment to the Constitution of the United States.

It is important to remember that the first Amendments, the Bill of Rights, were added because many Americans, even back in 1789, were concerned lest the federal government become too powerful. The Bill of Rights not only affirms certain rights of the people, and of the states, which shall not be infringed by the federal government, but through the Ninth Amendment it stands as a reminder that "the enumeration . . . of certain rights shall not be construed to deny or disparage others retained by the people." The point here is that these rights existed before the Constitution was written. They are not rights which are granted to us by the federal government, but rights with which the Constitution forbids the federal government to interfere.

Thus the Second Amendment does not "grant" the right to keep and bear arms, but protects it from usurpation, declaring: "A well regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms, shall not be infringed." Note that the Amendment doesn't say this right may not be abolished. It goes farther. It says it may not even be infringed. That is, this right is so important it may not be tampered with, or trespassed upon, or transgressed, or chiseled away by any method or means Washington might devise. The Constitution is unequivocal on this point.

The right to keep and bear arms has deep roots in English common law. As an individual right, it is obviously related to the common-law right of self-defense. As a "states' right," it represents an element of sovereignty which the states retained when the federal union was created. A militia, which in historical context means the entire adult male citizenry, may be thought of as a means of self-defense for the states and their various communities. Thus the armed citizen is at once subject to being called upon as a vital last line of defense against crime, federal tyranny, and foreign invasion.

It is my sworn duty as a Member of Congress to protect and defend the Constitution of the United States. The Second Amendment is part of that Constitution and must be defended as vigorously as the right to free speech. That is why I have introduced H.R. 3126, proposing the repeal of the Gun Control Act of 1968. Such "gun control" as is necessary is properly within the police powers of the individual states. But the federal government has no more right to legislate gun control than it has a right to legislate speech control or religion control or press control. To permit the one is to invite federal control of any or all of the others and strikes directly at the heart of American liberty. I am proud to support the constitutional guarantee of the rights to worship as we choose, to speak freely, publish without fear, assemble peaceably without harassment, and *to keep and bear arms*. I am willing to trust the people with free speech, a free press, *and the right to keep and bear arms*. I am here to defend their rights as well as my own. And I am willing to accept and live with the knowledge that, should this government of ours become unbearable, it will find itself in trouble with those armed citizens out there who love liberty and think the Constitution of the United States is worth fighting for. That's what the Second Amendment is all about.

What is it that gun-control proponents are out to "control"?

It is estimated that about fifty million Americans—one in four—perhaps one in three who are of age—possess their own guns. The number of firearms in private hands is simply unknown. This fact, alone, horrifies the gun-controllers. All are agreed that the number must be in excess of one hundred million; perhaps as high as two hundred million, as my colleague Representative Steven Symms of Idaho suggested in his recent and brilliant testimony against restrictive gun laws.

This year's objective seems to be limited to handguns, in hopes that so limited an objective will prove attainable. If it is not, then the gun-controllers hope for at least a precedent-setting ban on whatever hardware they choose to dub a "Saturday Night Special," the object which otherwise intelligent "Liberals" blame for street crime. The number of handguns is not known. There might be twenty-four million; there might be as many as forty million pistols and revolvers in private hands. Handguns are thought to be about a third of the total—whatever the total number of firearms may be.

Allegedly in order to control the acts of our criminal minority, the gun-controllers demand that tens of millions of law-abiding Americans be restricted, harassed, and eventually deprived of their constitutional right as well as their legal property. In defiance of all logic, such gun-controllers express a far greater fear of those tens of millions of Americans who are not criminals than they do of the hoodlums actively terrorizing our cities. The reason is that their attitudes and opinions are not the product of logic but of ideology.

The strategy of this year's gun-control campaign is evident. Those in charge realize, from scarring defeats in the past, that they cannot have the whole loaf—complete registration, followed by complete confiscation. They have settled upon partial registration and partial confiscation as their objectives. All fire is to be directed onto "handguns." The fallback position, I believe, will be a ban on those mythical "Saturday Night Specials" which we are told leap out of dark alleys, aim themselves at passers-by, and pull their own triggers. If "Liberal" demonology is to be believed, they may even carry off wallets. "Liberals" simply hate being reminded that it is not guns but people who kill people.

In the tradition of "compromise," Congressmen opposed to the most oppressive gun-control measures which have been introduced so far are being asked to "be reasonable." They are being asked to "compromise" by giving the gun-controllers, if not half a loaf, then at least a quarter of a loaf. After all, how many votes can anyone win by defending the mythical "Saturday Night Special"?

Well, we Conservatives in the Congress are not interested in helping the gun-controllers to achieve even their most minimal objectives. We know—as the radical proponents of gun control know—that any law which delivers up to the bureaucracy the authority to decide that handguns must be a certain size, or cost more than a certain price, or melt above a certain temperature, is meerly a device to reduce the supply of handguns as a precedent for confiscation.

Some of us in the Congress do not propose to compromise at all. Tests have shown that many inexpensive pistols are quite worthy products, and there is no reason to deny firearms to all but those who can afford the expensive models. As a matter of fact, most murder victims are poorer people, often black, living in the large cities. Conservatives would no more deny them the right of self-defense than they would deny that right to any other citizen. The collectivists pushing this ugly business are apparently not only elitists but racists as well.

The continuing attempt to ban handgun sales by having the Consumer Product Safety Commission declare ammunition "hazardous" is typical of the underhanded methods being employed by these anti-gun collectivists. They will go to any lengths to get their way. Since they consider Congress bothersome, they will try, as in this case, to make an end run via the federal courts and the bureaucracy. Pay attention to how it works. A small group of people with a fancy name and a tax-free income petition a federal court, demanding that the federal judge tell the C.P.S.C. to see whether ammunition is "hazardous" and therefore subject to its control. The Commission, of course, has had no trouble in the past in finding baby cribs and tricycles hazardous, so the tactic should have worked easily.

However, opposition to gun control is so strong that the Consumer Product Safety Commission found its phone lines jammed with calls, opposing this backdoor approach. Congress, too, has been annoyed, since it instructed the Consumer Product Safety Commission from the beginning to keep its fingers out of the anti-gun campaign.

The fact that the whole scheme involved *handgun* ammunition, which is no more "hazardous" than long-gun ammunition, shows that it was part of this year's orchestrated drive for handgun restrictions. It was not spontaneous, it was part of the program which just happens to include anti-handgun propaganda turning up in various television police dramas, the usual biased "documentaries," and assorted horror tales in national magazines. We have been through this so often before that we find ourselves wondering who will be assassinated this time.[1]

The Consumer Product Safety Commission hardly has to remind us that there are dangers in having guns around the house. We have to be careful of them, just as we must be careful of ladders, knives, open flames, electrical wiring, ammonia, iodine, and children's toys, any and all of which are to be found around most houses, and which have been the cause of many accidental deaths. Fortunately, no one has proposed registration and confiscation of these items and substances as a solution—although we will apparently have to restrain the hand of the C.P.S.C. safetycrats. Needless to say, I am supporting pending legislation to prevent the zealots of the Commission from banning ammunition now that they have discovered that cartridges can be placed in firearms and fired.

The figures show that accidental deaths from gunshot wounds have since 1903 remained remarkably constant in number, while due to increases in population the rate of such deaths has been cut in half. Approximately twenty-five hundred people die each year due to accidents with firearms. Each of these deaths, of course, represents a great personal tragedy. But let us put the matter in perspective.

Fifty times as many people die from other types of accidents. Automobiles, alone, account for well over fifty thousand deaths a year—twenty times as many as firearms. Highway police estimate that about half of these auto fatalities are due to what may be unkindly but accurately described as drunken drivers. So we may say that drunken drivers along kill ten times as many people as are killed by firearms. That is all the more remarkable in view of the fact that there are more firearms than motor vehicles. It would seem that our people are more careful with firearms than they are with motor vehicles, for which we require operators' tests and registration.

In addition, a person is seven and one half times as likely to die of a fall, than to be shot to death accidentally, and is even more likely to be burned to death or to drown, than to be shot to death accidentally. Firearms are thus a relatively insignificant source of accidental death. If we consider that the accident rate represents one out of perhaps fifty thousand firearms, or one in twenty thousand firearms owners, I think we may conclude that guns are being handled with care.

One would never know it from the "Liberal" propagandists. In efforts to inflate so-called "gun deaths" to horrendous totals, it is a popular practice among gun-controllers to include suicides by firearms. I await with interest efforts to build a case against the automobile by including the number of people who kill themselves by idling the motor in a closed garage. One almost expects "Liberals" to argue for the registration of bathtubs by citing the number of people who leap off bridges into assorted bodies of water.[2] Obviously there are a wide variety of methods available to those who intend to commit suicide. That some people prefer to shoot themselves is hardly an argument for gun control.

The homicide rate has doubled since 1960, and shows little if any sign of tapering off. Gun-controllers cry that the number killed with guns has doubled, whereas in truth, the numbers killed by stabbing, strangulation, clubbing, stomping, and burning have also doubled. The weapons "mix" has remained remarkably uniform—regardless of the nature of local gun-control laws. It is really feeble-minded to argue that, by registering the weapon preferred in sixty percent of homicides, we will *eliminate* sixty percent of those homicides. The problem lies in the criminal, not the weapon.

The type of homicide which is increasing most sharply, and which calls forth the greatest need for privately owned firearms as a final defense, is so-called "felony homicide"—murders committed in the course of other felonies, primarily robbery. It is the felony homicide rate which produces the greatest sense of insecurity in our large population centers. This type of crime is generally the work of hoodlums who have been provided with no substantial discouragement by our criminal justice system, having been neither rehabilitated nor taken out of circulation.

"When guns are outlawed, only outlaws will have guns" is the current bumper-sticker wisdom. It is getting to be the only kind we have. The United States Supreme Court has actually ruled in *Haynes vs. U.S.* that since persons with a felony conviction are barred from possessing firearms under the Gun Control Act of 1968, they cannot be required to register their weapons, since to do so would be self-incrimination! In effect, the Supreme Court has exempted from any registration provisions all those convicted felons who possess a weapon illegally!

A recent contribution to the anti-handgun campaign appeared in *Reader's Digest* for February 1975. It declared: "The millions of guns 'protecting' millions of American homes are a real threat, all right—not to an army of unseen intruders, but to the gun owners themselves." Snide reference to the "army of unseen intruders" is a professional touch, an attempt to convert the very real and justified fears of millions of people into some paranoid fantasy. The conclusion is predictable. It is that the problem is not the criminals who kill, the criminals who terrorize city people into installing multiple locks on the doors and bars on ther windows, but:

". . . millions of lawful, if misguided, gun owners—ordinary householders who feel safer with a gun by their bedside. What these people need to know is that in the vast majority of instances a weapon offers only an illusion of protection, not the real thing.

"If you want to protect yourself and your family, don't wait for stern measures to be handed down from Washington. Start your own gun-control program, and start it now. If there's a gun in your home, turn it over to local authorities. Get rid of it, before it gets rid of you."

Now, isn't that childish? Don't even wait for the father-figure in Washington to "hand down stern measures," but give your gun to the authorities before it leaps from the closet and shoots you as you sleep. Disarm yourself, and save Washington the trouble. Then you won't even have the "illusion" of protection.

The *Digest* article, already well-circulated to housewives through *Good Housekeeping* magazine, follows one of the collectivist propaganda lines in H.R. 40, the oppressive gun-control bill introduced by Representative Jonathan Bingham of New York. For example, in Paragraph 1, Section (d) of H.R. 40, the following statement is proposed as a "finding" of the Congress: "that handguns in the home are of less value than is commonly thought in defending against intruders." Such a statement is so unconvincing and flimsy as to produce embarrased laughter. The basis for the statement is a speculative study seized upon by Mr. Franklin Zimring when he was head of a "task force" of the Eisenhower Commission back in 1968. Zimring is among those who maintain that any attempt at self-defense merely "provokes" the assailant to violence, thus marvelously transferring guilt to the victim—a trick at which "Liberal" propagandists are most adept. When questioned, back in 1968, on his contention that household weapons are either useless or dangerous. Mr. Zimring admitted that he was still working up a body count of those killed attempting to defend their homes, but that he had no intention of tallying *dead intruders* as well. Which means, of course, that there was never any basis for this oft-repeated canard.

It is a daily occurrence that guns are used—successfully—to defend homes and places of business against armed criminals. If the defender does not always win the contest, that is still no reason to deny him—or her—a fighting chance. People are entitled to that—under the Second Amendment, common law, and common sense. What we need, I believe, is a survey taken among victims of violent crime, asking them whether they found being unarmed an advantage!

Many of the proposed handgun-control bills include sections which may, perhaps, be intended to placate outraged target shooters and others by providing that they may continue to own pistols if they belong to pistol clubs. However, it generally turns out that these pistol clubs are supposed to be under the control of the Treasury Department or subject to the authority of the federal Law Enforcement Assistance Administration, and that they are intended to be custodial in nature. The gun-controllers want to have the handguns belonging to members of pistol clubs locked away in vaults except under supervised conditions. It is a system which greatly resembles that of the Soviet Union and its satellites, where membership in gun clubs is restricted to the politically reliable and the weapons remain under government control. Confiscation, should it prove necessary, is then a simple matter of formalities.

Precisely that method was used to disarm Hungary in 1946, before the open Communist takeover there. Conservatives can support no legislation which will open the door to that sort of thing in the United States. The proposal of federally supervised gun clubs to control all handguns is simply unacceptable, degrading, inconvenient, unnecessary, and unconstitutional.

[1] That is not a joking remark. Every time you have to go through all the rigamarole required to buy a box of .22 cartridges, remember the Communist who killed Senator Robert Kennedy and brought on the Gun Control Act of 1968. The nonsense about .22 ammunition was kept in the law at the insistence of the late Representative Emanuel Celler, Chairman of the House Judiciary Committee, because "a .22 bullet killed Senator Kennedy." The attempted assassination of Governor George Wallace of Alabama in May, 1972, unleashed a similar torrent of gun-control propaganda which seems to have been all ready to go. Governor Wallace failed to cooperate. Not only did he refuse to die, but he spoke up against the calculated attempt to use yet another "lone assassin" plot to ram through yet another gun-control law, which neither he nor his supporters wanted to see.

[2] One tactic that I have noticed recently in the gun-control propaganda is that of tacking an extra zero onto "gun death" figures, putting them in the hundred-thousand range, and presenting these as *ten*-year totals. Indeed, in some desperation, the propagandists often go back *two hundred* years in order to stagger you with figures putting "gun deaths" in the millions. Carried away by these necessarily fanciful body counts (since the information simply does not exist), enthusiasts in the propaganda factories sometimes inform us that "gun death" exceed the total of all combat deaths in American history. One can only wince and wonder at the towering Sierra of "Liberal" arrogance.

States and localities have had various forms of "gun-control" for a long time, and I think their experience is instructive, both as to the effectiveness and enforceability. *There has been, really, no demonstrable effect on crime.* And the more punitive and restrictive they are, the less enforceable they are. New York City, with its long-standing Sullivan Law, has only about twenty-five thousand registered handguns among a population of 7.5 million. Everybody knows there are far more weapons than that. Police there report that the weapons used by felons aren't registered. Criminals don't register their guns, and people who register their weapons are not criminals.

Recently, the City of New York attempted to extend gun-control measures to long guns. This has been a total failure. Only a small fraction of the estimated number of long guns surfaced for registration purposes. Why? I suggest that New Yorkers are now wise to the rhetoric of the gun-control fanatics. They suspect, or perhaps have reason to know, that registration is a mere preliminary to worse measures. They would rather break the law than give up their guns and place themselves at the mercy of illegally armed felons. As a result, the New York City statute requiring the registration of long guns is meaningless except as a means of making technical criminals out of frightened householders. It cannot be enforced without the adoption of Gestapo-like measures, such as house-to-house searches. How soon it will come to that is a matter of conjecture.

Certainly the threat of confiscation is real enough. Legislation was proposed in the Council of the District of Columbia in February which, if approved by Congress, would confiscate all registered handguns and shotguns there. Councilman John Wilson declared: "People think I want to take everybody's gun away—and they're perfectly right." Told that such confiscation would break faith with law-abiding citizens who had earlier registered their guns, Wilson remarked: "That doesn't bother me. I didn't promise them anything." He claimed "too many guns are legally [*sic*] held . . . ." Yet *The American Rifleman* for April 1975 reports that only sixteen to eighteen legally registered firearms are taken in connection with crime investigations in the District over an entire year. On the other hand, approximately half of Washington's homicides, a record 295 in 1975, involved handguns—virtually all of which were unregistered despite the District's super-stiff gun controls. As Senator James McClure has observed of the proposed gun confiscation in the federal city:

"The proposal is far more graphic an illustration of the inherent dangers of firearms registration to the rights of all Americans than any statements or any speeches made by any opponent of registration. It proves beyond doubt the point that we have been making since the registration issue surfaced in the Congress—that gun registration is the first step toward ultimate and total confiscation—the first step in a complete destruction of a cornerstone of our Bill of Rights.

"It is purely and simply crazy. Yet it is symptomatic of our times. The most deeply disturbing aspect of this shabby and frightening business is the almost deafening silence of the news media. If these same small men or any government council were talking seriously about revoking the First Amendment rights or the Fifth Amendment rights guaranteed all of us, there would be an outcry of almost unprecedented proportions. Yet there has been almost no outcry in the media, and that in itself should be seen as a national shame."

Criminals just don't register their guns. When honest people do, the next step is confiscation. And the consequence is a well-armed criminal class preying upon a disarmed public made helpless by infringement on their rights under the Second Amendment to the Constitution of the United States. It is proposed that we deprive of their rights and property people who have done nothing wrong. It is proposed that we brand as criminals and sentence to imprisonment people who refuse to give up their property and their rights. It is proposed, in short, that we punish law-abiding people, or push them outside the law, claiming all the while to be fighting crime!

I will have no part of it, on principle. But I suggest that, in any event, it isn't going to work. The harder this government tries to disarm the people, the more firmly will more people become convinced that gun control is a part of some tyrannical conspiracy.

An editorial in *Guns & Ammo* for December 1974 expressed a feeling which is becoming quite widespread in this country. After noting, as so many have over the years, that our problem is not gun control but crime control, they ask of gun-control advocates, "What is it they have in mind for us, that our possession of guns makes them nervous?"

The mood of the people has been cleverly expressed by Mr. and Mrs. W. D. Ferguson of Albany, California, who wrote to my colleague, Congressman Steven Symms, to praise him for moving to head off the ammunition grab by the Consumer Product Safety Commission. The Fergusons added: "Samson slew a thousand with the jawbone of an ass. Maybe you can introduce legislation to register and confiscate the jawbones of asses—and we can start with these liberal politicians."

The widespread and relatively uncontrolled possession of firearms by law-abiding citizens is not a problem. It is not a cause of crime, and could in fact be a deterrent to crime. It is not a significant cause of accidental death. It is, in fact, politically healthy and proof of the responsibility of the majority of our people. It is a form of insurance against foreign conquest or homegrown dictatorship. And, whatever the Supreme Court may say, it is protected from infringement by the Second Amendment of the Constitution.

The registration of firearms is of marginal value in crime control, while it goes far toward destroying the politically healthy aspects of widespread possession of arms. I believe with the Founding Fathers that it is healthy for the government *not* to know who has how many firearms. I believe that those who intend to oppress the American people should know no more than they do now—that there are plenty of guns in the hands of plenty of people out there, that the people are beginning to get the picture, and that as a result registration and confiscation just aren't going to work. How does *your* Congressman feel about gun control? Write and ask him. Let your Representative know that you expect him to defend your rights under the Second Amendment to the Constitution as vigorously as he defends your rights to free speech, press, and assembly. Let him know that when it comes to infringement of the Bill of Rights, no compromise is acceptable.

TRIBUTE TO A POLICE OFFICER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. LAGOMARSINO. Mr. Speaker, 39 years ago, on October 21, 1936, a young man, Mr. Reginald Wilson Cooley, went to work as a patrolman for the Santa Barbara Police Department, Santa Barbara, Calif. On June 2, 1975, Assistant Chief "Reg" Cooley retired from the Santa Barbara Police Department.

The years between were filled with steps up the ladder; with pride in his duty; with a wife, Frances Mary, two sons, William and Michael, a daughter, Patricia; and with long, honorable, and courageous dedication to the people he served.

Sergeant, lieutenant, captain, acting chief, assistant chief. He filled all these positions with an expertise unsurpassed, and with a devotion to his job which was obvious to all. His successor will have big shoes to fill.

He is a member and graduate of the FBI National Academy; received training at the Northwestern Traffic Institute and Los Angeles Police Academy and holds a POST management certificate.

Because of this long and, indeed, distinguished career, I ask the House to extend congratulations to "Reg" Cooley for services rendered and to wish him a long and happy retirement.

COMMUNIST ANTI-CHILE CAMPAIGN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. McDONALD of Georgia. Mr. Speaker, on May 21, following the publication in the CONGRESSIONAL RECORD (May 20, 1975, 15472–73) of a letter of Secretary of State Kissinger signed by 100 Members of the House who joined with me in opposing the State Department's unilateral decision to bar Chile from purchasing for cash items of military use from the United States, the Soviet Union's Tass news agency broadcast in English over Radio Moscow a blistering attack on those "Representatives of the reactionary circles in the U.S. Congress."

At that time I had the distinct honor of being personally denounced by the Soviet news agency.

But the Communist's anti-Chile campaign has domestic implications. An "emergency action" call dated May 29, 1975, was used as the basis of an article in the Daily World, the official newspaper of the Communist Party, U.S.A., on Saturday, June 7.

Recognizing the validity of the charge that the State Department's unilateral banning of cash arms sales to Chile has no basis in legislation, the Communist Party and its front, the National Coordinating Center in Solidarity with Chile, have called for a lobbying letter campaign in support of the State Department position and to pressure the Members of the House and Senate, particularly those who serve on the House Foreign Affairs and Senate Foreign Relations Committees, into banning even cash sales to Chile in the 1976 Foreign Aid Act.

On June 13, I circulated a letter to my colleagues alerting them to this Communist anti-Chilean campaign, the text of which follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 13, 1975.

DEAR COLLEAGUE: On May 21st, Radio Moscow broadcast an attack on the "Representatives of the reactionary circles in the U.S. Congress" who have defied the "pressure of the world public" by opposing the State Department's unilateral decision to bar the Chilean government from purchasing for cash items of military use from the United States.

Specifically, the Soviet Union's TASS news agency attacked the 100 Members of the House who joined with me in opposing this unilateral decision which has no basis in legislation.

The Soviet Union and its agent in this country, the Communist Party, U.S.A., see the possibility of Chile's purchase for cash of military defense equipment in light of the actions of the revolutionary Marxist military junta ruling Peru as a threat to their efforts to regain control of Chile.

On Saturday, June 7th, the CPUSA newspaper, Daily World, carried an article calling for "emergency" action in support of the State Department's unilateral ban on cash arms sales to Chile.

This "emergency" pressure campaign is being coordinated by a CPUSA controlled group, the National Coordinating Center in Solidarity with Chile (NCCSC), the national coordinating organization for the various local Chile Solidarity Committees which all Communist Party members have been ordered to join.

The Daily World reported that the NCCSC had "issued an urgent appeal to all supporters" of the former Chilean Marxist regime uring that they "contact their Representatives and Senators demanding that no military sales be allowed to the fascist junta in Chile."

The NCCSC mailing contained the list of all Members who co-signed the letter to Secretary of State Kissinger. Also distributed were the names of all Members of the House Foreign Affairs Committee and the Senate Foreign Relations Committee. The NCCSC and the Daily World called for a letter campaign to "urge that no economic or military aid or sales be included in the 1976 Foreign Aid Act."

The article and mailing also use the standard communist propaganda technique of slander by innuendo, to wit:

"Rep. McDonald is an admitted member of the John Birch Society. His district in Georgia includes a massive Lockheed Aircraft factory. Lockheed is one of the largest defense contractors and sells substantial amounts of military equipment to other countries."

Apparently in this era of "detente," the mere mention of the name of an anti-communist educational organization is sufficient to be discrediting in the view of the CPUSA and NCCSC. And any opposition to communist aggression and propaganda campaigns has no relation to the location of an aircraft plant.

High level defectors from the CPUSA have testified that directives for lobbying campaigns published by the Communist Party press have the force to direct orders to disciplined Party members. On that basis, it is reasonable to expect an escalating campaign as called for by the Daily World and NCCSC.

I urge you to give due concern to this important matter and act accordingly.

Sincerely,

LARRY P. MCDONALD,
Member of Congress.

This is not the only Communist activity on behalf of Chilean Marxist-Leninists presently occurring in the United States. Also on June 7, the Daily World carried a notice that the National Coordinating Center in Solidarity with Chile was attempting to gain a visa for Luis Figueroa.

The Daily World did not, as does the "Yearbook of International Communist Affairs, 1974," identify Sr. Figueroa as a member of the central committee of the Chilean Communist Party.

The CPUSA newspaper's call to mount a pressure campaign to gain entry for Figueroa in violation of the provisions of the United States Code is attached below for the edification of my colleagues:

[From the Daily World, June 7, 1975]

EXILED CHILE UNION HEADS MAY VISIT UNITED STATES

NEW YORK, June 6.—Luis Figueroa, president, and Eduardo Rojas, vice-president, of the "Central Unica de Trabajadores"—CUT (Chilean Federation of Trade Unions) have been invited to the United States by a number of leading trade unionists to attend a Trade Union Conference in Solidarity with Chile in San Francisco on June 14. Both exiled Chilean leaders will also meet with trade union leaders across the country.

The National Coordinating Center in Solidarity with Chile has requested that letters, telegrams and phone calls be made to Washington to secure the trade unionists' right to enter the U.S. They should be addressed to William D. Rogers, Assistant Secretary of Inter-American Affairs, and Secretary of State Henry Kissinger, Department of State, Washington, D.C. 20520.

Locally, the New York Chile Solidarity Committee has designated Saturday, June 14, as Tag Day to collect funds for the Chilean united anti-fascist struggle. The Committee needs volunteers from 10 a.m. to 6 p.m. that day. The Committee can be contacted at (212) 691–9025.

FOOD STAMP FORMULA HELD INVALID

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. MICHEL. Mr. Speaker, we read this morning of a decision by the U.S. Court of Appeals, in Rodway against U.S. Department of Agriculture, that has held that the entire food stamp formula methodology, upon which the coupon allotments are based, is invalid. While the court has given USDA 120 days to draw up a new plan, and while it is too soon yet today to evaluate fully the impact of the decision, this much is clear:

Any formula that requires individual determinations of the many permutations of family size, income, age, and sex would present an incredible administrative problem for every level of government.

The task outlined may not only be impractical but impossible: Determining what is nutritionally adequate for a given family varies not only with the factors described above, but with their activities, the region in which they live, their physical stature, and a host of other possible factors.

If the food stamp formula is inadequate, it is inadequate precisely because it extends eligibility to numerous non-needy sectors of our population. The reason we have such a difficult time making resources available to genuinely needy persons is that the food stamp program is full of loopholes and areas which are abused and manipulated by persons who, by no stretch of the imagination, need governmental nutritional assistance.

This decision must be appealed and appealed quickly to the Supreme Court of the United States. In the meantime, the Congress should act to reform the entire food stamp program, to insure that funds are made available only to the legitimately needy. We have a bill currently under preparation which will make clear the many opportunities that exist for redirecting resources in a more cost-beneficial manner to those of our citizens who need it most.

OVERSIGHT ACTIVITIES COMMITTEE ON SCIENCE AND TECHNOLOGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. TEAGUE. Mr. Speaker, on Thursday, June 12, 1975, I initiated publication of a series of summaries of oversight activities scheduled for the 94th Congress, outlining the plan of the Committee on Science and Technology for discharging its responsibilities under the provisions of rule X of the Rules of the House of Representatives.

This is the second in the series on this subject and involves planned activities in the area of space science and applications. In general terms, activities included under this category involve legislation and other matters relating to astronautical research and development; space exploration, control, and programs—including resources, personnel, equipment and facilities; international space cooperation; spaceflight applications; and the annual authorization for the National Aeronautics and Space Administration, NASA.

A summary of schedules oversight activities in this area follows:

SPACE SCIENCE AND APPLICATIONS OVERSIGHT PLAN

SUMMARY

I. Subject: Future Space Program Planning (April-Sept. 1975).

Purpose: The purpose of the Subcommittee activity is to (a) receive from the community-at-large views and recommendations on the composition of future national space programs, and (b) to obtain recommendations on the criteria which should be applied by Congress in evaluating the merits of future space program proposals.

Hearings: July, 1975.

II. Subject: NASA Program Planning and Control (May 1975–May 1976.

Purpose: To develop a comprehensive inventory and assessment of program planning and control and allocation and utilization of NASA mnapower and facilities.

Hearings: September, 1975, January, 1976, March, 1976.

III. Subject: Staff Status Report—Space Shuttle (Sept.–Dec. 1975).

Purpose: To develop background information for use by the Subcommittee on space shuttle development and associated facili-

ties and payload programs in Fiscal Year 1977 NASA authorization hearing by reviewing cost, performance and schedule attainments within the program.

A staff status report is to be completed in December, 1975.

In addition to the above, the following bills are pending before the Subcommittee On Space Science and Applications:

H.R. 3118—"Ozone Protection Act of 1975".

H.R. 3916—"Ozone Protection Act of 1975" (identical as above).

H.R. 4652—"Upper Atmospheric Research and Monitoring Act of 1975".

Periodic informal Subcommittee reviews are continuing in the following areas:

A. space science,
B. space applications,
C. manned space flight,
D. construction of facilities, and
E. institutional and operational support.

Additional oversight activity by the Subcommittee on Space Science and Applications is contemplated during the 94th Congress in one or more of the following areas:

A. international cooperative programs,

B. international agreements and conventions to regularize commercial space activities and to provide for a body of law consistent with multinational space related needs, and

C. National Aeronautics and Space Administration operations including:

1. contracting procedures and practices
2. institutional support contracting
3. recruiting, training and retention practice

H.R. 3474

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. HARKINS. Mr. Speaker, next week the House is scheduled to consider H.R. 3474, the bill to authorize appropriations to the Energy Research and Development Administration. Several of my colleagues and I have today submitted to the House Science and Technology Committee our additional views to the report accompanying H.R. 3474. The views express our concern and dissatisfaction with ERDA's priorities for energy research and development in this country. Specifically, the views reflect our concern with ERDA's emphasis on nuclear energy development, particularly with respect to the research and development of the liquid metal fast breeder reactor program and to the Clinch River breeder reactor demonstration project and with the language authorizing those projects.

On behalf of Representatives OTTINGER, WAXMAN, HAYES, WIRTH, HALL, and AMBRO, I would like to take this opportunity to insert in the RECORD for my colleagues' attention, the text of these additional views:

ADDITIONAL VIEWS OF REPRESENTATIVES RICHARD L. OTTINGER, TOM HARKIN, HENRY WAXMAN, PHIL HAYES, TIM WIRTH, AND TIM HALL, ON H.R. 3474

We find ourselves unable to support the full Energy Research and Development Administration (ERDA) FY 76 budget authorization.

As members of the Committee on Science and Technology, we do support the nonnuclear programs approved by our Committee. Our dissatisfaction with ERDA's priorities as shown in their original authorization request is to some extent reflected in our Committee's revisions.

We had no role whatsoever in the preparation or review of the 87.6 per cent of ERDA's budget prepared and reported by the JCAE, however, and have serious reservations about some of ERDA's proposed nuclear programs.

We are quite dismayed by ERDA's concentration on nuclear energy and by the inclusion in ERDA's budget of all nuclear weapons research and development. The Committee on Science and Technology has been dealing with only approximately 12.4 per cent of the ERDA budget, and although we are pleased to have been able to make some gains in altering some of the authorizations—particularly in the areas of solar, geothermal and fossil energy research and development and energy conservation—we remain unsatisfied with the overall authorization contained in H.R. 3474.

We are very much concerned about the premature commitment by ERDA and the Joint Committee to the Liquid Metal Fast Breeder Reactor (LMFBR) program and to the Clinch River Breeder Reactor (CRBR) demonstration project. We see no cause whatsoever for the apparent haste with which ERDA desires to proceed; and we are not satisfied with the recent determinations by the Administration to decrease spending for the CRBR in Fiscal 1976.

Particularly troublesome to us is the way in which the Joint Committee has written the authorization legislation. We interpret the language of Section 106 ("LIQUID METAL FAST BREEDER REACTOR DEMONSTRATION PROGRAM—FOURTH ROUND") as eliminating any further requirement for ERDA to come to the Congress for authorization for the Clinch River project, thus sidestepping one major part of the Congressional budgetmaking process: authorization. The Joint Committee, by virtue of the language in Section 106, has exempted ERDA from undergoing any future Congressional project review on the CRBR; instead, it allows ERDA to move ahead on the Clinch River project simply by annually coming to the Appropriations Committee for additional funding, after giving the JCAE forty-five days to object to ERDA's plans as submitted to the JCAE. Even worse, the JCAE, under Section 106, may waive even that small review, which will severely limit *any* meaningful oversight of ERDA's contractual agreements or "cooperative arrangements" otherwise permitted under that section. At a minimum our own view is that all of ERDA's activities should be fully open to Congressional—and public—scrutiny, and subject to the normal Congressional budgetmaking processes.

Several major studies are ongoing which might provide some insight into the LMFBR and CRBR programs and which might result in some major modifications of the programs, their postponement, or even their discontinuation. The apparent desire of ERDA for a blanket project authorization is made more curious by the fact that these studies are in preparation.

The Joint Committee, in its report, describes some of these reviews: ERDA is conducting public proceedings on the preparation of its final Environmental Impact Statement (EIS) on the breeder program; ERDA is required by the Federal Non-nuclear Research and Development Act of 1974 to prepare and transmit to the Congress a comprehensive energy plan by June 30, 1975; the Joint Committee itself set up an Ad Hoc Subcommittee "to conduct an extensive, in-depth review of the LMFBR program and related energy resource questions." (page 18 of the JCAE Report, 94–104). In addition, as recently as June 8 or 9, 1975, ERDA itself announced that it has requested an 18-month study of the IMFBR program by the National Academy of Sciences—which will not, incidentally, have been completed in time for Congressional review prior to consideration of ERDA's FY'77 budget authorization.

We consider the explanation by the Joint Committee about going forward with the LMFBR and CRBR programs to be an inappropriate rationalization:

"At the time the Joint Committee established its Ad Hoc Subcommittee, it decided that consideration of the Administration's fiscal year 1976 budget request for the LMFBR program should not be delayed because of these ongoing studies. This does not mean, and should not be interpreted by anyone to mean, that the review by the Ad Hoc Subcommittee is to be a mere formality. It simply means that the committee has considered the tremendous adverse, and perhaps fatal, impact which the Administrator of EROA has represented would be caused to the LMFBR program by a delay in the authorization of the fiscal year 1976 funds. The committee could and would act promptly to recommend the modification or rescission of any aspect of the LMFBR program, or the program in its entirety, if such action were determined to be in the best interests of the Nation." (Report 94–104, page 18).

We simply cannot agree that it makes sense to invest what have become astronomical sums of Federal money in a program which might not turn out to be in the national interest and further to assert that, should that determination be reached, we could or would modify or stop the effort.

The placement of ERDA in a leadership role in the CRBR experiment, the continuing cost escalations, and the pending studies of the LMFBR program force us to conclude that no further commitment of funds for any purposes other than pure research and development of the CRBR should be authorized for FY76.

The cost overruns for CRBR already amount to $1,037,000,000 in only three years—from an estimated $699 million to $1.736 billion—or a near trebling since 1972. We are convinced that the blanket authorization we find in Section 106—when regarded in light of such egregious cost increases—would be a mistake to enact. The mistake will have been more serious still if the continuing cost increases force the government to be involved still more deeply, which seems an extremely likely eventuality.

These financial and management concerns, it should be noted, are not isolated from our serious misgivings about the potential for severe health, safety, environmental and national security problems should the IMFBR program result in commercialization.

Another aspect of ERDA's budget which deeply disturbs us, as mentioned above, is the large percentage devoted to military and "national security" purposes. In these times when energy is perhaps the Nation's most serious problem, we believe that our prime energy research agency should not be diverted into non-energy activities at all. We do look forward to receiving the report of the ERDA Administrator and the Secretary of Defense regarding possible changes in jurisdiction over military application, which previously rested with the Atomic Energy Commission (§ 307(b), P.L. 93–438, the Energy Reorganization Act of 1974).

On the basis of all these considerations, while supporting our Committee's actions on the nonnuclear energy portions of the ERDA budget, we cannot subscribe to the Joint Committee's Report or its language in H.R. 3474, Section 106.

SPEAKING OUT FOR THE FREE ENTERPRISE SYSTEM

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. STEIGER of Arizona. Mr. Speaker, it seems to me that fewer and fewer editorial page editors are willing to speak out in support of the free enterprise system, or to call to the attention of their readers the socialistic trends that are rapidly gaining ground in this country. Not so in Phoenix. The Arizona Republic is fortunate in having an editorial page editor—Mr. Pat Murphy—who correctly points out to his readers such matters as the many values inherent in our economic system, the need for less government, not more, and examples of the improper use of tax dollars.

As for the misuse of Federal dollars, I would like to call my colleagues' attention to a recent editorial by Pat Murphy in which he reveals how John Kenneth Galbraith, the noted economist and Socialist, has been hired partly with American tax funds, to narrate a public television series on the economic evolution.

The editorial follows:

ON PRIME TIME

John Kenneth Galbraith is 6 feet, 8½ inches of charm and wit. He's the only economist tall enough to play basketball. He's also the only economist who can write entertainingly on that dismal "science." He sparkles with ideas.

Galbraith, in short, has every qualification to host a television series on economics—except one. He's more an entertainer than an economist.

However, this drawback has not dissuaded the British Broadcasting Corp., the Canadian Broadcasting Corp., and the Public Broadcasting Service from hiring Galbraith to write and narrate a series of 12 or 13 broadcasts entitled "The Age of Uncertainty" and subtitled "The Growth and Crises of Industrial Society—A Personal View by John Kenneth Galbraith."

The series will deal with such topics as the history of money, classical capitalism, Victorian capitalism, colonialism, socialism, the Depression, the modern corporation, and the growth of the "military-industrial complex."

For anyone who has read Galbraith's books or listened to him speak, it's not at all difficult to predict what he will say.

Galbraith is a socialist, frankly so. He's not a Marxist, but he believes the free-enterprise system is finished.

He believes the law of supply and demand became a dead letter with the coming of the modern corporation and the modern trade union, which are in cahoots to administer prices and wages.

For that reason, he believes the government should take over industry. In the meantime, he advocates wage-and-price controls.

Others may cavil at high taxes. Galbraith believes taxes aren't high enough; they still leave consumers with too much discretionary buying power for his taste.

He doesn't like the way consumers spend this money—on flashy automobiles, for example. He wants the government to grab it from them and use it for schools, parks, housing and the like.

Much of the money spent for defense also is wasted, Galbraith says. He insists the Pentagon and the aerospace companies invented the Communist threat.

The idea for the series came from BBC and it's easy to understand why. BBC is a British government agency, and the British government today is committed to socialism.

However, where does the PBS get off spending American taxpayers' money to produce and disseminate socialist propaganda?

Congress created the PBS to put on educational and cultural programs with too limited a prospective audience to interest manufacturers of deodorants, detergents and remedies for indigestion.

It certainly never dreamed of creating an agency to propagate socialism.

However entertaining he may be, putting Galbraith on prime time is a misuse of government funds.

A YOUNG MAN REMEMBERS DR. ALEXANDERSON

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. STRATTON. Mr. Speaker, recently one of the great scientific geniuses of our time and a constituent of mine from Schenectady, N.Y., passed away at the age of 97. Dr. Ernest F. W. Alexanderson, known by many as "The Father of Television," died on May 14, 1975.

One of his greatest admirers, a former resident of Schenectady, Mr. John M. Szostak, prepared a very thoughtful tribute to Dr. Alexanderson which I am pleased to insert in the RECORD at this point:

A YOUNG MAN REMEMBERS DR. ALEXANDERSON

(By John M. Szostak)

As a 17 year old high school student in Schenectady, New York, in 1959, I was fortunate to achieve a rare accomplishment for my age, that of building a color television receiver for the State Science Fair. This was largely made possible through the interest and generosity of Dr. Alexanderson who can properly be called "The Father of Television". In the years that I have known him he has shown great interest in my efforts to undertake such a large and unusual task for my age, especially since color television was still in its infancy. Although up in years Dr. Alexanderson has shown considerable interest together with his present wife Thyra. Both were bending over backward to give valuable technical assistance that made this project possible.

What I wish to point out is that Dr. Alexanderson no matter how busy or advanced in years he has always had great interest in youth especially those who were interested in science. Dr. Alexanderson took the same interest in me as did Charles P. Steinmetz when he recognized young Alexandersons talents in 1902. After the completion of my project, a close relationship followed even at college, always interested in what I was doing and giving valuable advice. I remember him saying that whatever you do in life do it well. Due to a series of events in my life I did not follow a scientific career but my background in that area has always been of great value even today. However Mr. Henry Bielawski a close childhood friend who was with me at the Alexanderson home several times was so impressed by his alert mind and interest in young people that he is now engaged in a successful engineering career with General Electric.

I owe my success to Dr. Alexanderson who was largely responsible for putting my talents in the proper perspective. I say this also for the many other young people who he has helped throughout the long years of his successful career. His genius will be greatly missed by the world scientific community. His legacies will remain not only in his inventions but also in the youth that he has helped throughout the years people like me and Mr. Bielawski. He has played a great influence on youth and this living memorial will continue to achieve and improve what Dr. Alexanderson has set out to do in 1902.

Finally I want to mention a few words about Dr. Alexandersons remarkable background. Dr. Ernest F. W. Alexanderson was a Swedish born engineer who was a pioneer in the development of radio and television, died May 14th, 1975 at the age of 97. Dr. Alexanderson was responsible for the first television demonstration at his home in 1927. He also perfected a similar kind of unit and sent it across the Atlantic. Dr. Alexanderson perfected a 200-kilowatt alternator during World War I, which was used by former President Woodrow Wilson to transmit messages to American generals stationed in Europe and his ultimatum to Germany to end the war. In the 1920s Dr. Alexanderson became Chief engineer for RCA and in 1952 worked on a project that led to the development of the basic color television system used in the United States. Dr. Alexanderson is the possessor of many honors and decorations, and holder of over 500 patents.

THIRTY-FIFTH ANNIVERSARY OF THE SOVIET ANNEXATION OF THE BALTIC STATES

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. ROE. Mr. Speaker, this week we observe the 35th anniversary of the conquering of the Baltic States of Estonia, Latvia, and Lithuania by the Soviet Union. On June 15 and 16, 1940, the Soviet Army invaded these fledgling nations and soon afterward, began mass deportation of 150,000 Balts to Siberian slave and labor camps. After having known independence for 22 short but very productive years, the brave Baltic people found themselves once again under the yoke of tyranny imposed upon them by their conquerers.

These proud people have continued their struggle for freedom, never wavering from their hope that their human rights and liberties would soon be restored. To this very day, the Baltic people are risking and sacrificing their lives in defiance of the Communist regime. Their protests against religious and political persecution, and the denial of the right of national self-determination, reached tragic levels on May 14, 1972, when a Lithuanian youth, Roman Kalanta, burned himself in Kaunas as a martyr in protest of Soviet oppression. This act prompted demonstrations in the area that culminated in two other self-immolations. These dramatic events, along with the attempted defection of a Lith-

uanian seaman in November 1970, demonstrate quite emphatically that the Baltic people have not submitted to the Soviet occupation, but, to the contrary, are continuing their pursuit of freedom and independence.

The United States has never recognized the forceful annexation of Estonia, Latvia, and Lithuania into the Soviet Union. This policy of nonrecognition has been stated, restated, and confirmed by U.S. Presidents since June of 1940, and should remain our position today.

The 89th Congress forthrightly addressed itself to the oppression of the Baltic people in adopting, without a dissenting vote, House Concurrent Resolution 416 which urged the President to direct the attention of world opinion to the denial of the rights of self-determination for the peoples of Estonia, Latvia, and Lithuania and to bring the force of world opinion to bear on behalf of the restoration of these rights.

I have introduced in this session of the 94th Congress two resolutions, House Concurrent Resolutions 140 and 141, which call for the continuation of the U.S. policy of not recognizing the Russian annexation of the Baltic nations and urge the President to raise this question in the United Nations. That body is requested to conduct an investigation of conditions in the Baltic nations, and free elections, under United Nations supervision, are called for.

I urge my colleagues to support these resolutions and, in so doing, renew the hopes and dreams of the Baltic people.

Mr. Speaker, I believe it is fitting that we pause, in this year of our Bicentennial reflections on human rights and liberties, to pay tribute to the indomitable spirit of the Baltic people and to rededicate ourselves to the cause of freedom for which the Estonians, Latvians, and Lithuanians have so courageously fought these past decades.

TRIBUTE TO E. ARTHUR ADAMS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. WAXMAN. Mr. Speaker, on Thursday, June 26, at the Sportsmen's Lodge, the Studio City Chamber of Commerce will be holding its annual installation dinner.

It is my pleasure to join in paying tribute to their outgoing president, E. Arthur Adams. He has been secretary, vice president, and has completed 2 years as president.

In addition to this service to the chamber of commerce, he has been deeply involved with all of the Rotary Clubs in the San Fernando Valley, serving as district treasurer for 31 clubs.

He has been chairman of the Energy and Ecology Committee for the Valley Round Table. He has been elder, trustee, and treasurer of the Arcadia Presbyterian Church.

He was vice president and manager of the Studio City Branch of Security Bank. At present he is with Equitable Life Assurance Society in financial and insurance planning.

Art Adams is a family man, married with two sons and one daughter, who has given generously of his time in service to others.

I am pleased to bring his many accomplishments to the attention of my colleagues.

LAUNCHING A COUNTERATTACK ON OPEC

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. BLANCHARD. Mr. Speaker, we are in the midst of debating crucial energy legislation today. We are trying to develop responsible, sensible policies that will enable this great Nation to become independent and self-sufficient in the area of energy.

One relevant matter which I feel bears careful scrutiny by the Members of Congress is the variety of alternatives available in dealing or coping with the OPEC nations. One such approach is suggested in the following, thought-provoking article by Joseph Kraft which recently appeared in the Washington Post:

THE COUNTER-HOOK

(By Joseph Kraft)

What can the United States do to prevent the cartel of oil-exporting nations from raising prices once again? The answer does not lie primarily in military measures which divide the world or in an energy program which divides the country.

The truly strong weapon is a weapon this country and other oil-consuming nations seem not to know they even have. It is the weapon of the counter-hook.

To understand the counter-hook, it is useful to go back to 1960 when the oil-exporting countries first formed the cartel known as OPEC. For the next dozen years, Japan, Western Europe and the United States became increasingly dependent on OPEC oil.

But despite warnings, no defensive measures were taken against pressures by the producing countries. Alternate sources were not developed; conservation was not practiced; stockpiles were not stockpiled. When the October war broke out in 1973 and an oil embargo was imposed, the developed countries were defenseless. We had allowed ourselves to become hooked.

Since then, however, we have been selling the OPEC countries cars and air-conditioners and all kinds of consumer goods. We have been selling them planes and tanks and all other kinds of weapons. We have been selling them steel plants and desalination units and all other kinds of modern technology. We have been hooking the OPEC countries on the stuff we produce.

Nobody knows exactly how much money is involved in the goods and services made available to the OPEC countries. But it is many billions of dollars.

Some OPEC countries have plunged so heavily that their futures are already mortgaged. The Shah of Iran, for example, has bought so much in the way of technology, defense items and consumer goods that Iran is expected to begin heavy international borrowing next year.

In other countries, the technology available from the oil consumers provides utterly critical services. Saudi Arabia, for example, had to turn to the United States Corps of Engineers early in April for a massive repair job when flash floods washed out the water supply for Jiddah, its booming port on the Red Sea.

Finally, most of the oil-exporting countries are totally dependent on Western, in fact American, firms to market the oil they sell. Indeed, the big companies quite literally run the oil cartel with the acquiescence of the producer countries.

Not only is there intense traffic between the oil exporters and the consumers, but the traffic is growing at a dizzying pace. For selling goods and services abroad is not like conservation or development of new sources or military action. It is not something which comes hard to this country and its friends. It is what comes naturally. It is like water running downhill. It is what we do without thinking.

The great opportunity in the international energy field, the secret weapon of the consumers, lies in thinking hard about the goods and services made available by the oil consumers to the oil producers. That means, first, that the United States should make a systematic inventory of everything it exports to the OPEC countries. It means, second, that we should work out with other consuming countries joint rules for access of the OPEC countries to modern technology—particularly technology such as nuclear plants which are positively dangerous.

With an understanding like that, the United States and the other oil-consuming countries would have a truly effective weapon in place against the OPEC nations. It would not involve confrontation of a military sort. It would go along with whatever measures in conservation or development of new energy sources can be put in operation.

What would be established is a rough kind of balance. Just as the OPEC countries have control of what the developed countries need, the governments of the developed countries would have control of what the OPEC countries need. There would be a base for establishing by negotiation—instead of unilateral decision—the cooperative arrangements which alone can underlie a harmonious relationship between the developed world and the oil exporters. By an implicit bargaining process the goods and services on which the OPEC countries are already hooked would be organized to work for reasonable prices in oil.

CARLTON WEBSTER-LOUIS-RIEL SCHOOLS STUDENT EXCHANGE

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. CONABLE. Mr. Speaker, though the difficulties and problems of the world command the daily headlines, there are many events reflecting goodwill and understanding which receive inadequate notice. For example, Carlton Webster Junior High School in Henrietta, N.Y., carried out its own student exchange program this spring with Louis-Riel High School of Montreal, and the spirit and warmth which marked the program thrilled the students, faculty, and parents associated with both institutions.

In each case, 30 to 40 pupils and teachers from the schools visited for a week in the community of the other, participating in cultural events, attending school and living with families of pupils of each host school. The visit enabled our students to utilize their French in the French-Canadian community and the Canadians to test their English among Americans.

Principal Joseph W. Hoff of Carlton Webster School reported many of our students considered the visit the finest week of learning and understanding in their lives. Principal Emile Robichaud of the Louis-Riel School wrote that the profoundly human experiences of sharing were enriching to all. When the visits concluded with singing of Auld Lang Syne, there were tears of sadness at leaving new, good friends.

Mr. Speaker, it is a pleasure for me to describe to my colleagues here this commendable effort at expanding international goodwill, and I express the hope that it will be a model for other schools to emulate in their own ways. Let it also be a reminder of the many worthy and stimulating actions being taken by people of good will and understanding everywhere.

LEADERSHIP

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. FORSYTHE. Mr. Speaker, it is incredible to me the way the so-called energy bill has come to pass.

How could the House leadership, the Ways and Means Committee, and the Rules Committee ever expect a bill of any merit to emerge when there were more than 150 amendments proposed for consideration?

It is simply impossible to legislate the Nation's energy policy by floor amendment. The fact that so many individual amendments were offered in the first place indicates just how weak the bill was.

I, frankly, have never seen such inept leadership as was displayed throughout this entire drama. In a rush to approve an alternative to the President's energy program, the Democratic majority in the House derived a regressive gasoline tax proposal that would only serve to further worsen our entire economy.

I voted against the gas tax provision in the bill. I did so not because I do not agree that we must find a way to conserve fuel. This is absolutely necessary. I did so because a gasoline tax would be the most unfair way to accomplish this that could be devised. And the results would be questionable.

Thus, in their rush to promote and approve an alternative, the majority party failed to provide anything. Especially leadership.

One must wonder if the so-called veto-proof Congress can tackle anything at all with foresight, courage, and conviction.

The sorry story of the energy bill certainly provides no encouragement.

IT IS THE OLD SHALE GAME

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mrs. SCHROEDER. Mr. Speaker, the House is tentatively scheduled to consider next week the bills (H.R. 49 and H.R. 5919) to authorize increased production from naval petroleum reserves.

The big items in these bills are the Elk Hills and Alaskan naval reserves. I expect that the policy issues will be well debated by all of us before the final decisions are made.

Unfortunately, both bills also make policy decisions on the disposition of our naval oil shale reserves. The Interior Committee bill—H.R. 49—lumps treatment of these areas with its treatment of liquid petroleum reserves. The Armed Services bill—H.R. 5919—ties the development of oil shale to the development of petroleum through the means of a trust fund.

Mr. Speaker, oil shale is not oil. It is a rock from which synthetic oil may be derived if processes are perfected. To treat oil and oil shale as tweedledee and tweedledum, as H.R. 49 and H.R. 5919 would have us do, is to neglect the simple fact that no national oil shale development policy is in existence.

I will offer amendments to these bills to delete the references to naval oil shale reserves. The amendments were printed in the RECORD on May 1, 1975, at pages H3612 and H3613. These amendments do not affect the Navy's ongoing research into oil shale processes. Instead, they assure that the Navy can continue to take a look at shale as it has to do with its very special needs. The amendments are drafted to assure that if and when we do develop a national policy on oil shale, the Navy's reserves and ongoing research will add to the stores of raw material and technology.

For the benefit of my colleagues, I am inserting in the RECORD an article from the June 5, 1975, Denver Post which points out the state of the art and state of economic costs which the oil shale industry now faces. I believe the article also offers insight into why a separate treatment of oil shale policy is desirable. The article follows:

TOSCO PLANT AID BID BEFORE FORD'S UNIT

(By Williard Haselbrush)

The Denver office of the Oil Shale Corp. (Tosco) has been notified that the firm's proposal for government aid in building a $902.2 million oil-shale production plant in Western Colorado has been turned over to President Ford's Join Interagency Task Force on Synthetic Fuels.

Tosco, which developed its own process for extracting oil from Western Colorado shale rocks in years of testing in the Denver area, sent its proposal in May to the Federal Energy Administration (FEA) in Washington.

Tom Siebert, public information director for Tosco at its 1600 Broadway office, said FEA now has submitted the proposal to President Ford's special task force.

Siebert pointed out that the president called for development of one million barrels per day of synthetic fuels by 1985 in his State of the Union address last January as part of his goal of reducing U.S. dependence on imported oil.

The Tosco proposal was submitted to FEA by Charles H. Brown, a senior vice president at its corporate headquarters in Los Angeles.

It asked the government to guarantee loans of up to 75 per cent of the proposed plant's cost at an interest rate of 8.5 per cent. It also asked that the government guarantee to purchase all oil produced—an estimated 304.5 million barrels of oil over the planned 20 year run of the plant—at a price of $11.15 per barrel.

Brown said in his proposal now being studied by the presidential task force that the guarantees are needed "to help lessen the major economic uncertainties facing synthetic fuels development—high interest rates and inflation—and to help avoid wild fluctuations in international oil prices."

He said Tosco also plans to add other oil and related companies to the project on a broad-based partnership.

Brown said among companies invited to participate will be chemical, steel and fertilizer firms, along with public utilities and agricultural cooperatives.

He said that under the Tosco proposal, the government would realize a profit if oil prices stay at current levels or move higher by purchasing the shale oil at the proposed $11.15 a barrel and reselling it at market prices.

If oil prices dip below $11.15, he said, the government would pay the difference and could either use, stockpile or sell the oil.

Brown said the $11.15 per barrel price was set to reflect an 8.5 per cent interest rate on capital borrowing to build the plant and operate it.

He said Tosco and several allied firms interested in its process hope to build the plant starting next April on private land they own 18 miles north of Grand Valley, midway between Rifle and Grand Junction. Production is estimated at 48,000 barrels per day.

Brown said construction would provide jobs for an estimated 2,000 persons and the permanent payroll would be 1,000 people.

FEDERAL ELECTIONS COMMISSION

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. STEED. Mr. Speaker, in further compliance with my announced plan to provide wider circulation of information concerning the new Federal Elections Commission and its proposed regulations, I include herewith additional proposals currently being published in the Federal Register. This material has been provided me by Chairman Tom Curtis, who is very anxious that the widest possible knowledge of these matters be obtained, especially in these early months of this important program. The proposals are as follows:

TITLE 11—FEDERAL ELECTIONS

CHAPTER II—FEDERAL ELECTION COMMISSION

[Notice 1975-3]

Addendum to interim guidelines; reports and registration

On June 2, 1975 the Federal Election Commission announced interim guidelines for

persons subject to the Federal Election Campaign Act, as amended, who must report to various offices on or before July 10, 1975. That previous announcement is reported in volume 40 Federal Register at page 23832 [Notice 1975–1]. It was there noted that committees, candidates and others who have heretofore filed reports with the Secretary of the Senate or the Clerk of the House of Representatives should file the July 10, 1975 reports with those officers as before.

1. For clarification purposes, the Federal Election Commission announces further:

(a) that principal campaign committees (2 U.S.C. Section 431(n) and Section 432(f)(1)) supporting candidates for the House of Representatives or the United States Senate, which have not heretofore filed with either the Clerk of the House of Representatives or the Secretary of the Senate, should until further notice file their statement of registration (2 U.S.C. Sec. 433), with the Clerk or the Secretary respectively. All candidates for the House of Representatives or the United States Senate and principal campaign committees supporting such candidates should file their July 10, 1975 reports with the Clerk or the Secretary respectively.

(b) that principal campaign committees (2 U.S.C. Section 431(n) and Section 432(f)(1)) supporting candidates for the office of President and Vice President of the United States, which have not heretofore filed with the Comptroller General should file their statement of registration (2 U.S.C. Sec. 433) with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. All candidates for the office of President and Vice President of the United States and the principal campaign committees supporting such candidates should file their respective July 10, 1975 reports with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463.

(c) the Commission further notes that all political committees (other than a principal campaign committee), whether reporting hertofore to a federal supervisory officer or not, should file the July 10, 1975 report with the appropriate principal campaign committee pursuant to 2 U.S.C. Sec. 434(a)(2) and need not file with the Federal Election Commission or with any previous supervisory officer. Until further notice of the Commission, principal campaign committees may be designated by letter, or by memo entry on a registration form, to be filed with the Clerk of the House, Secretary of the Senate or Federal Election Commission, as appropriate.

(d) that all candidates and committees described by the foregoing paragraphs a) through c) may file their respective July 10, 1975 reports in conformance with earlier regulations published by the previous supervisory officers, and on forms promulgated by said supervisory officers, such reporting to observe the modifications described in the above-cited F.E.C. Notice 75–1 at 40 Federal Register 23832. Committees described by the foregoing paragraph a) through c) may register, under 2 U.S.C. Sec. 433, on standard registration forms issued by the previous supervisory officers.

2. The Commission further notes that persons subject to 2 U.S.C. Sec. 434(e) ("Contributions or expenditures by persons other than political committee or candidates") or 2 U.S.C. Sec. 437(a) ("Reports by certain other persons") should file the July 10, 1975, report with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. Such reports may be on a standard form "Report of receipts and expenditures for a political committee" issued by any of the previous supervisory officers. Persons so reporting should indicate on the face of the reporting form the Section under which they report.

THE TRUTH WILL ALWAYS PREVAIL

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. DENT. Mr. Speaker, all of us at one time or another have been the objects of press criticism or attack. We accept this exposure as a manifestation of our constitutional tradition of a free press and its value in stimulating public debate on public issues. Occasionally, however, the attacks become scurrilous and a free press does a disservice to American democracy and abuses its sacred national trust.

After more than 40 years of public service, I am certainly no stranger to public criticism but I have always been fortunate in having a local press responsible enough to know and observe the difference between objective reporting and contrived venom. Recently, the Valley Independent, a newspaper published in Monessen, Pa., in my congressional district, came under new ownership and management. That occasion marked the demise of a fair press in that progressive community.

The Valley Independent has embarked upon a reporting practice which selectively distorts my position on controversial issues, omits my role in matters beneficial to the community and area, and editorializes regularly against me for reasons which are both factually incorrect and logically inconsistent with the objectives of the community. The paper also seems to have embraced a policy of printing so-called letters to the editor adverse to me which themselves are unsigned. This practice is one I thought all but bush-league newspapers had abandoned years ago. Moreover, there is little doubt in my mind that most of these letters are written by employees of the Valley Independent and not by the nameless readers they purport to be from. The following letter, for instance, appeared in the June 2 edition, and is implied as being from a Fallowfield Township constituent. The truth is, I have so such constituent and a Fallowfield Township has never been included within my congressional district. Obviously, whoever from the Valley Independent wrote and misrepresented this letter was so anxious to demonstrate a broad outpouring of hostility to my representation that he even exceeded the geographical bounds of my district. The letter follows:

I wish I could offer you some help, Rep. Dent, as it is, I need all my own advice in order to survive. All I can say, and I say this from my heart, if you can't survive on $42,500 per year, why don't you just quit and join the thousands of our husbands and sign up for unemployment each week?

Please don't think I hold any hard feelings, Rep. Dent, and just to prove it, next time you find it in your heart to visit the Mon Valley between campaign times. (You do visit with your constituents at other times don't you?) You are hereby invited to our "humble" home for a meal of salt pork and lima beans and biscuits. My husband says I cook a swinging pot of beans, and if you're real good, maybe I'll use some of our carefully purchased ground meat and make you some spaghetti. It's not an exotic meal by your standards, but it is terribly starchy and thus terribly filling.

And that, Rep. Dent, is how the little guy lives. But we're clean, we're proud and we're happy. I'll give you odds that we're more at peace with ourselves than you are.

A FALLOWFIELD TWP. RESIDENT.

Fortunately, Mr. Speaker, all of the people cannot be fooled all of the time. And I am grateful, indeed, to have constituents who believe in my representation and who do not have such short memories or limited intellect so as to believe these new "revelations" regularly portrayed in the Valley Independent. One such constituent recently spoke up and his identifiable letter to the editor recently appeared and follows at this point:

LOOK IN THE MIRROR FIRST

To the Editor:

People are funny.

They don't care about government or even about who's in office, but let one office holder say anything about a raise in pay or in taxes and they're down on him like a bunch of animals.

Case in point, John H. Dent, Congressman from our district. It's all right when he does something to help us, after all that's what he gets paid for, but when he asked for a raise in pay for this service, the people act like he committed murder.

When you or I get a pay raise we don't even care who we hurt. When steel workers get a pay raise everything in the food stores goes up in price. Who does it hurt? The people on fixed incomes and the people who did not get a raise.

I do not think anyone in their right mind would turn down a raise in pay, not even our hard working Congressmen and Senators. So if we have a real beef against a person who wants a pay raise, look in the mirror first, then look towards Washington.

EUGENE G. SHAW,
Monessen.

I can only wonder at how many such letters were received by the Valley Independent before one was finally printed. It is also interesting to note that Mr. Shaw's letter, in putting an issue into perspective, takes note of my wanting a "pay raise." Obviously, Mr. Shaw and others got this information from the pages of the Valley Independent. The truth is, I have not advocated a congressional pay raise to benefit me. Surely, I hope to retire from the Congress at some point in the not-too-distant future and will not personally benefit from any such pay increase. What I have spoken out on, however, is the need for some clear thinking on the part of everyone about increasing congressional pay in order to continue to attract honest and competent individuals in the future. As it is, we are getting to the point in this country where only the independently wealthy will be financially able to hold a seat in the Congress, or we will be inviting those without personal wealth to find other outside sources of income in order to sustain the tremendous demands of the responsibility—and I think we can all agree that those alternatives represent a serious threat to the strength of representative democracy.

It is interesting to note that this issue came up 50 years ago as well, and was brilliantly analyzed in the June 1925 issue of the Teamster:

SHORTAGE OF CONGRESSMEN?

There seems to be a shortage of leaders in political fields, and why? Simply because men with brains who are honest, decent and clean will not enter into the degrading conditions surrounding political life. First, the salaries paid are not sufficient to encourage men of high-type character to enter into politics. Just imagine an individual getting $7,500 a year (the salary received by congressmen up to the present time) sent to Washington to make the laws governing our nation. Yes, such individuals have the power to vote our country into war, or, by their statements or actions, may lead to arguments causing misunderstandings between nations.

To get elected to Congress it usually costs the individual more than the salary he receives, and the cost of living in Washington, for a family of two or three, is much more than the amount received in salary, and quite often the first year's salary is spent even before the congressman takes his seat.

You may, therefore, think for yourself and endeavor to figure out how men can afford to sacrifice their time by going to Congress at the salary they receive. There is only one answer to the question—there must be more money in the job than the amount of salary paid, or else the men who seek the office have a lot of money and go there just to pass away their time, or else they are low-grade individuals who really never amounted to anything at home.

So far as honor being attached to the job is concerned, 85 per cent of the congressmen in Washington are practically unknown. Back home, in a small town, they may attract some attention, but in Washington they are not known at all, as only a few brilliant, able congressmen ever make a mark in Washington.

A United States Senator gets the same salary as a congressman and the dignity of the office which he holds compels him to spend much more money than he receives in salary, so, without going any further into the subject, you can readily understand that highclass men, men of honor and who have brains, are not encouraged to enter into the political life of the nation. Consequently, there are today at the head of many of our local governments, and our national government, men making laws for us who are not possessed of even medium grade intelligence, understanding and honesty.

Mr. Speaker, because of the bias of the Valley Independent, I must take additional time during the next several weeks to communicate directly with those of my constituents who have been reading its daily trash about me. I will tell them my positions on those issues where the paper has distorted or omitted my words; and I will also tell them why the Valley Independent has chosen this course. For the moment, suffice it to say that the Valley Independent will learn something other purveyors of the lie have learned in America: that the truth will always prevail.

CRUDE OIL ENTITLEMENTS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, over the past few months, the Federal Energy Administration's old crude oil entitlements program has attracted much comment and substantial criticism. Many Members of the Congress have received complaints from small businessmen facing bankruptcy as a result of the administration's enforcement of its entitlements policy. Though it is intended to assure the equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States, the reverse would seem true.

The Federal Energy Administration's case for its entitlements program has been made in correspondence received from Mr. Gorman C. Smith, Assistant Administrator for Regulatory Programs for the Federal Energy Administration.

It seems to me that Mr. Smith's comment is deserving of the scrutiny of all my colleagues and, therefore, I would like to insert it in the RECORD at this time:

WASHINGTON, D.C.,
May 28, 1975.

Hon. WILLIAM S. MOORHEAD,
Chairman, Conservation, Energy and Natural Resources Subcommittee, House of Representatives, Washington, D.C.

DEAR MR. MOORHEAD: This is in reply to your communication of April 29, 1975, that referred to Union Oil Company's objections to FEA's Old Crude Oil Entitlements Program.

Union's "Summary of Entitlements Program," distributed to its dealers, the language contained in its "Style for Suggested Letter" to FEA Administrator Zarb and to members of Congress, and the statements in its press release of April 23, 1975, are misleading at best and flatly incorrect in some instances.

The material is misleading in that it conveniently neglects to point out that in the absence of the Entitlements Program, Union Oil would have a substantial advantage over its competitors by virtue of its considerably lower than average refinery feedstock costs. The material also conveniently neglects to mention that FEA is executing, with its Entitlements Program, a congressional mandate contained in the Emergency Petroleum Allocation Act of 1973. This mandate is to assure the ". . . equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent refiners, small refiners, nonbranded independent marketers, branded independent marketers, and among all users. . . ." (Sec. 4(b)(1)(D)).

"Old" price-controlled oil is in short supply because there in not enough to meet all of our petroleum needs. Accordingly, the Entitlements Program causes the price advantage of old oil to be shared among all refiners.

The Union material also neglects, understandably, another critical point: for every buyer there is a seller. Thus, for every dollar of increased cost incurred by Union, there is a dollar of decreased cost realized by some other refiner. Under FEA's price regulations, this saving must be passed on to that refiner's customers. In this way, all American consumers share in the benefits of price-controlled domestic "old" oil, rather than just those who happen to buy from Union and other refiners who have access to greater than the national average proportions of "old" crude oil. Only in this way can all regions of the country and all segments of the industry share in the benefit that goes with having accesss to low-priced "old" oil.

In its discussion of the exception relief granted to small and independent refiners, Union's material distributed to its dealers simply misstates the facts of the matter. The sentence, "Since then permanent exceptions have been granted to many of these independents." is simply wrong. In fact, FEA has granted no permanent exceptions whatsoever from the requirement to purchase entitlements.

Union is at best seriously misleading in its statement to its dealers that the Entitlements Program and special rules and exceptions ". . . allow our competitors and your competitors to place us both at a distinct price disadvantage." What Union means, of course, is that the substantial competitive advantage enjoyed by Union before the Entitlements Program has been reduced by the operation of that program. In fact, in November 1974, before the Entitlements Program was implemented, Union's average feedstock costs were $1.24 per barrel lower than that of all large refiners combined. In March 1975, after its entitlement purchases, Union's average feedstock costs were still 23 cents per barrel lower than the average for all other major refiners and 25 cents per barrel lower than the average for all refiners combined. Accordingly, the statement that Union and, therefore, its dealers, are at " . . . a distinct price disadvantage" because of the Entitlements Programs is simply not consistent with the facts. If Union's dealers are at a price disadvantage, that circumstance results from Union's own pricing policies, not from any costs imposed on it by the Entitlements Program.

Finally, Union's "suggested letter" for its dealers to send to Mr. Zarb and to their Congressmen and Senators contains the following statement: "The Entitlements Program has caused my supplier to increase my prices, which in turn has forced me to increase prices to the point where I can no longer compete with so-called independents and other major oil companies who have benefited from your program."

Union raised its gasoline prices to all of its customers, including its dealers, by 0.5¢ per gallon March 10, 1975; by 3.0¢ per gallon April 1, 1975; and again by 1.0¢ per gallon on May 19, 1975, for a total increase of 4.5¢ per gallon since January 1, 1975. During that same period, its prices for diesel fuel and heating oil were raised by 1.5¢ per gallon on January 1, 2.0¢ per gallon April 1, and 0.5¢ per gallon on May 19, 1975, for a total increase of 4.0¢ per gallon.

Yet, the total entitlements purchases made by Union during the months of January through April 1975 have increased Union's crude oil feedstock costs by only 1.4¢ per gallon of crude oil run during that same period. Union's 4.5¢ per gallon increase in gasoline and 4.0¢ per gallon increase in diesel fuel and heating oil may well be fully authorized under FEA's price regulations because of increased crude oil costs. However, such increases are clearly not caused by the Entitlements Program alone. In fact, even had Union passed through all its entitlements costs to gasoline, these could not have amounted to the 4.5¢ per gallon increase posted since January 1. Therefore, for Union to cite the Entitlements Program as the sole cause of the increases passed on to its dealers is nothing short of gross misrepresentation of the facts.

It is tempting to suggest that the FEA simply modify any offending regulation that is causing any undesirable result. Yet, the Old Crude Oil Entitlements Program was adopted to correct an earlier refiner feedstock cost differential problem that threatened the survival of a number of refiners who had high cost crude oil sources. The preferential treatment accorded small refiners in the Crude Oil Entitlements Regulation was adopted to achieve the specific mandate of the Emergency Petroleum Allocation Act

with respect to small refiners. Other FEA price regulations limit cost recovery to dollar-for-dollar pass-through of increased costs as set out in the EPAA.

Thus, the preference accorded small refiners—who are major suppliers of nonbranded independent marketers—enables them to undersell some major refiners in some markets. This has subjected those major refiners' dealers to severe competition in those market areas served by small refiners while the small refiners were being phased into the program. This temporary condition is being corrected. For March runs, all small refiners were fully phased into the Entitlements Program except for the few who were granted temporary exception relief on a case-by-case basis. Those collectively account for such a small share of total refining capacity that they cannot pose any effective threat to a major marketer. While it will take some time for the effects to be fully reflected in selling prices, the results to date demonstrate that the program is working and that branded dealers who are now or have recently been suffering from such effects can expect some relief soon.

Additionally, on April 30, the President announced a proposal to gradually decontrol "old" oil as part of his overall energy conservation program. After its analysis of comments and material presented at recent public hearings on the proposal, the FEA will submit the plan to Congress in accordance with the Emergency Petroleum Allocation Act of 1973. By gradually eliminating the two-tier pricing system, feedstock costs would be equalized at the refinery gate except for normal market differences. When the two-tier pricing system is eliminated, the Entitlements Program will, of course, no longer be required.

Thank you for your inquiry, and I hope the response has helped to place the operation of the Entitlements Program in better perspective.

Sincerely,

GORMAN C. SMITH,
Assistant Administrator, Regulatory Programs.

BALTIC STATES FREEDOM DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. ANNUNZIO. Mr. Speaker, Baltic States Freedom Day, which is observed annually on June 15, marks the 35th anniversary of a tragic event in the history of Lithuania, Latvia, and Estonia.

Between June 14 and June 17, 1940, the Red Army overran these three countries, which had maintained free and independent governments since 1920, and brutally conducted a mass deportation to Siberia causing the death of tens of thousands of innocent people. According to the Captive Nations Friends Committee in Chicago, 10,205 Estonians, 43,260 Lithuanians, and 14,693 Latvians were arrested and deported during those days of terror. Now, 35 years later, the Baltic States remain enslaved by the domination of the Soviet Union.

In 1922 the United States extended full diplomatic recognition to the Baltic States, and despite Soviet domination, continues to maintain this recognition of their sovereignty. Year after year, our country has reaffirmed her strong and lasting friendship for the people of Latvia, Estonia, and Lithuania and that is the reason I introduced House Concurrent Resolution 3 on the first day of the current 94th Congress as follows:

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations; and

Whereas the United States delegation to the European Security Conference should not agree to the recognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

The Conference on Security and Cooperation in Europe is entering its final phase of negotiations and I have written to Secretary of State Henry Kissinger urging him to strongly reaffirm American policy toward the rights of the people of the Baltic States to their homelands. That letter follows along with the reply I received from the Department of State:

MAY 20, 1975.

Hon. HENRY A. KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: According to a recent report from the New York Times News Service, western diplomats in Leningrad "believe that there is a gradual but unmistakable American movement toward de facto, if not formal, recognition of the Soviet Baltic republics, which were placed under Moscow's rule in 1940." The report also mentions that Mr. Joseph W. Neubert, the American Consul General in Leningrad, met with deputies of Communist party and Soviet government officials in the Baltic republics.

You will remember my letter to you in March 26, 1975, regarding the American position at the ongoing Conference on Security and Cooperation in Europe in which I strongly urged you not to sign any agreement which recognizes the legality of Soviet conquests or changes U.S. policy with regard to the Baltic States of Lithuania, Estonia and Latvia. In his April 14 answer to me, Assistant Secretary Robert J. McCloskey states, "We agree with your views that the United States delegation to the Conference should not agree to the recognition by the Conference of the Soviet Union's annexation of Estonia, Latvia and Lithuania."

Mr. Secretary, is the Department of State moving "toward de facto, if not formal, recognition" of the Baltic States as Soviet Socialist Republics?" As I also mentioned to you in my March 26 letter, Mr. Secretary, the people of these nations look to the United States for hope and inspiration for the day when freedom may once again flourish in their lands and any change in U.S. policy discourages these hopes.

Again, I urge you as the U.S. Secretary of State to insist that the Soviets begin to adhere to principles of basic human dignity and respect for the individual. I request that you do all that you can to reverse this drift toward recognition of these forcible and illegal conquests.

Sincerely,

FRANK ANNUNZIO,
Member of Congress.

WASHINGTON, D.C.,
June 9, 1975.

Hon. FRANK ANNUNZIO,
House of Representatives,
Washington, D.C.

DEAR MR. ANNUNZIO: Thank you for your letter of May 20 to the Secretary concerning a recent article in the New York Times, which discussed our policy towards the Baltic States and the activities of our officials at the Consulate General in Leningrad.

As I stated in my April 14 letter to you on this subject, we do not recognize the forcible incorporation of the Baltic States into the USSR. The activities of our officials at the Consulate General in Leningrad have instead reflected our wish to be informed about developments in the Baltic States and to avoid discrimination against the peoples of Estonia, Latvia and Lithuania in consular and cultural matters. For that reason, jurisdiction over such matters was transferred to the Leningrad Consulate General from our Embassy in Moscow when the former was established in 1973. To make our position quite clear, the consular jurisdiction of our mission in Leningrad includes only the cities of Tallinn, Riga and Vilnius—and not the entire territory of the Baltic States.

I am further informed by our Consul General in Leningrad, Mr. Joseph W. Neubert, that he specifically reaffirmed the non-recognition policy to the author of the article to which you refer, and that there was no speculation regarding any change in the established American policy towards the Baltic States.

Thank you for your continued interest in this matter. Please do not hesitate to call on us whenever you believe we can be of assistance to you in this or any other matter.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

We, citizens of a free nation, cannot fully enjoy the exercise of our liberties, while those in the Baltic States are still deprived of the most fundamental human rights. It remains our moral obligation to let these captive peoples know they are not forgotten, that we in the United States shall never be reconciled with their tragic fate, and that we are determined to stress and support the case for Baltic self-determination in every available international forum until Baltic freedom becomes reality.

Mr. Speaker, on this 35th anniversary of Baltic States Freedom Day, it is particularly fitting that we pay tribute to and remember the courageous Estonians, Latvians, and Lithuanians. I urge, therefore, that my colleagues join in support of House Concurrent Resolution 3 in order that our belief in the fundamental rights in the inherent dignity of mankind may be reaffirmed to all nations.

"GAS GUZZLER" TAX AMENDMENTS

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. EARLY. Mr. Speaker, yesterday, in my opinion, the House made a dangerous mistake. Not nearly as dangerous as it could have been had the Ways and Means Committee version of the "gas guzzler" tax remained intact, but not as effective, either, as had the so-called "Fisher amendment" been adopted to title III in place of the so-called "Sharp" amendment.

Taking first things first, I do not believe that a tax on gasoline is called for at this time, and I am grateful that the proposed 3-cent tax was rejected by the House. Certainly, if a fuel tax is necessary sometime in the future, a gasoline tax would have far more elasticity than a tax on residual heating fuel. Coming from a State where home heating costs are rising at astronomical rates, I could not in good conscience support a tax on residual oil. The question is, do we tax the consumer who has been overtaxed and overburdened with cost increases to the point where he is being punished for economic and commodity situations over which he has no control, or do we tax the manufacturers who, like the oil companies, have responded so poorly to our energy shortages that in these 2-plus years of "crisis" no increase in fuel economy can be noted in their behalf. I say, if the auto industry refuses to voluntarily increase the fuel efficiency of domestic and imported cars, then it is up to the Congress to direct its penalties where they will do some good—on the industry itself.

What we should be talking about, and legislating, in an energy conservation and conversion program, is imposing stringent requirements for fuel efficiency on manufacturers—taxing both at the production end and the dealership end—not a meaningless tax that provides no incentive to either manufacturer or consumer to produce or purchase fuel-efficient cars. Once more, the committee provision, as it read, would have been imposed in such a way as to allow any manufacturer's "fleet" tax imposed to be spread over his entire fleet, and thus absorbed into the cost of all his cars, regardless of gas mileage. What kind of an incentive tax is that? And, again, only the consumer suffers.

It just does not make sense to put an undirected tax on a fleet of cars when the result will be the person buying a fuel-efficient car, because he or she wants a fuel-efficient car or cannot afford a luxury car, ends up paying more because of the person who does want and can afford a luxury car. That is not incentive—that is disincentive.

Under the committee's title III, a tax would be imposed only in the unlikely event that the weighted average of a manufacturer's total production fails to meet a stated miles-per-gallon standard, and even this would not be effective until 1978. The estimates we have from FEA show that this bill would save 120,000 barrels of petroleum in 1980. The Fisher amendment would have saved 490,000 in that same year, and would begin in 1977 with a fuel savings of 110,000. The Sharp amendment will save an estimated 130,000 barrels. Neither the Sharp amendment nor the committee's title III begin to show a savings until 1978.

There were some very interesting figures quoted yesterday by some of my distinguished colleagues, and I would like to quote some of them for the benefit of my constituents in the Third District of Massachusetts, with the Members' kind permissions.

Mr. WRIGHT quoted figures from 1949 when the average American used 14.2 barrels of oil during that year. In 1974, that average had jumped to more than 30 barrels. Automobiles, he went on to say, were responsible for almost 40 percent of total consumption of crude in this country; 114 million cars for 200 million people. Increasing mileage by 5 miles per gallon on only one-fourth of the cars driven by Americans today would save 700,000 barrels of oil per day.

Mr. OBEY's father drove a 1938 Chevy weighing 3,000 pounds. It was an 85-horsepower car. Today its equivalent weighs 5,000 pounds at 360 horsepower. The logic of driving a car under speed limits never exceeding 70 miles per hour, that has a capability of 120 miles per hour, somehow escapes me.

We eliminated the gasoline tax from this bill. Now we have eliminated the Fisher amendment, which I believe would have truly been an effective "gas guzzler" tax. It was designed to place a per-car excise tax on cars getting low gas mileage and a manufacturer's excise tax on any manufacturer or importer whose total domestic or imported production failed to meet a stated minimum average miles-per-gallon standard.

The Sharp amendment, which I also voted for, as the only remaining alternative to the committee version of this title, will at least place permanent standards on the auto industry for fuel efficiency through 1985 and will require labeling of every automobile sold as to its fuel economy.

Again, for the benefit of my constituents in Massachusetts, I would like, at this time, to include a comparison of the three auto efficiency proposals I have discussed here: the Fisher amendment, the committee provision, and the Sharp amendment. This comparison was kindly provided each Member by Mr. FISHER, and I believe it shows an accurate picture of each provision and what it would hope to accomplish:

COMPARISON OF AUTO EFFICIENCY PROPOSALS

	Fisher et al. amendment	Committee provision	Sharp civil penalties amendment (H.R. 7117)
Fuel savings (FEA estimates)	1977—110,000 barrels per day, 1980—490,000 barrels per day (assumes no gas tax).	1977—0 barrels per day, 1980—120,000 barrels per day (assumes no gas tax).	1977—0 barrels per day, 1980—130,000 barrels per day (assumes no gas tax).
Tax incentive on penalty	Tax on each new gas-guzzler at time of purchase. Gas guzzler tax on manufacturer whose fleet fails to meet standards.	Tax on manufacturers only, if fail to meet overall mileage standards.	Civil penalty on all manufacturer's cars if his total mileage average fails to meet overall mileage standards.
Require tax be shown on window sticker of each gas-guzzler	Yes	No	No.
Average mileage standards below which tax or penalty would be paid.	1977—17, 1978—18, 1979—19, 1980—20	1977—None, 1978—18, 1979—19, 1980—20	1977—None, 1978—18.5,[1] 1979—19.5,[1] 1980—20.5,[1] 1981 to 1984—Set by Secretary of Transportation, 1985—28.
Encourage building fuel-efficient cars in the United States rather than abroad.	Yes	Yes	No.

[1] Can be within 0.5 mpg and still meet standard.

In closing, Mr. Speaker, the cost of gasoline in Massachusetts, like our unemployment rate and our utility costs, far exceeds the national average. If we are serious about meeting some real fuel economy standards in 1980 and again in 1985, we are going to have to crack down on fuel waste. We have established, and each of us knows, that the automobile is the primary fuel consumer in this country. We also all know that it is not only feasible but has already been accomplished that automobiles can be fuel efficient and still meet every requirement for comfort and practicality. I cannot support a program that will end up taxing people who are buying high-efficiency cars the same as people who are buying low-efficiency, luxury cars, any more than I can support a program that will not encourage auto manufacturers to produce more high-gas-mileage cars.

I cannot say that I am happy with title III as amended. It is a better title with the Sharp provision, but it could have been a truly effective title had the Congress been willing to apply real pressure where that pressure would be the most effective—on the luxury car maker and the luxury car buyer.

1975 CONGRESSIONAL QUESTIONNAIRE

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. BROOMFIELD. Mr. Speaker, over 15,000 residents of the 19th District of Michigan responded to my 1975 congressional questionnaire, expressing their views on issues ranging from the energy problem to the performance of the postal system. The results of this questionnaire were informative and interesting, and I would like to share them with my colleagues at this time:

1975 CONGRESSIONAL QUESTIONNAIRE

GASOLINE

Your replies reflected the complexities surrounding the energy problem with nearly 30 percent favoring no government action at all. Twenty-three percent supported a program of tax incentives for users of car pools and mass transit while more than 17 percent backed higher tariffs on imported crude oil such as the President has imposed. Gas rationing was the least favored alternative with only 9 percent backing. Thirteen percent chose higher gasoline taxes. Eight percent did not reply to this question. Congress has had President Ford's comprehensive energy

program before it since early this year but has taken no action on it. To date, the Congress has come up with only a limited alternative which relies heavily on increased gasoline taxes and that legislation still awaits final approval.

EMPLOYMENT

A clear majority more than 42 percent—favored tax incentives to business to expand production and create new jobs. Thirty-one percent supported Federal income tax breaks for individuals to spur spending for goods and services. Federally funded public works programs received 18 percent of the votes. Nearly 9 percent did not reply. The tax rebate program for individuals, proposed by the President and enacted by Congress, has provided the economy with a short-range stimulant. But one of the major failures of this Congress has been its unwillingness to provide the proper long-range incentives to help private enterprise create more productive jobs. Overregulation, over-taxation, and too much Federal dictation have had a discouraging effect on industrial expansion and job creation.

AUTO INDUSTRY

Nearly 84 percent said they would support a five-year moratorium on new environmental and safety regulations on autos to allow the industry to get back on its feet. The car and truck industries are clear examples of the harm too much government meddling can do to free enterprise. I have sponsored and am working for passage of several bills which would get the government out of the auto and truck industry—at least long enough for those industries to absorb existing government regulations.

POST OFFICE

More than 60 percent of those replying indicated they were dissatisfied with the performance of the postal system. Thirty-seven percent approved of its operation and more than two percent did not reply. Reports from many other Congressional Districts bear out the results of this survey. As a result, there is a growing consensus in Congress to revoke the postal system's private management charter and return it to government control.

NO FAULT

Fifty-one percent said they would favor a nationwide system of "no fault" automobile liability insurance. More than 40 percent were opposed. Legislation to create such a program has been introduced in the last several sessions of Congress but no action has been taken. I have asked that Michigan's experience with the program be considered when the House Judiciary Committee holds hearings on this subject, tentatively scheduled for later this year.

GUN CONTROL

Fifty percent said they do not believe a law banning handguns except for police and pistol clubs would substantially reduce killings and holdups. Almost as many—48 percent—favored such a law. The House Judiciary Committee has scheduled hearings this summer on more than 50 proposals for limiting the availability of guns. An immediate impact could be made on the crime problem, in my judgment, if the courts would begin assessing stiffer penalties for the violation of existing laws involving the misuse of firearms.

ALIENS

An overwhelmng majority—91 percent—favored legislation cracking down on illegal aliens and those who transport or employ them making more jobs available to U.S. citizens. I am pleased to report that Congress is moving toward approval of three bills which I have cosponsored to deal effectively with this problem. They would increase penalties for bringing illegal aliens into this country and/or knowingly hiring them. The bills also increase personnel guarding U.S. borders.

FOREIGN INVESTMENTS

Almost 70 percent support creation of a Federal agency to monitor foreign investments in U.S. defense and other critical industries. I have introduced legislation to create such a monitoring system which is vital because of the large influx of capital from the oil-producing nations. No hearings have been scheduled in the House, but the Senate is moving ahead on similar legislation.

HEALTH INSURANCE

Sixty-eight percent were opposed to increasing taxes to provide a government-sponsored national health insurance program. While a number of very expensive health care plans are pending in Congress, it appears they will not be approved this year in view of the large deficit already projected for the Federal budget. In my view, any national health program should place maximum reliance on the private insurance industry with a minimum of Federal involvement.

REVOLUTIONARY NEW CONCEPT IN WEAPONRY

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. FREY. Mr. Speaker, following the initial passage of the bill authorizing appropriations for fiscal year 1976 for the Department of Defense, a conference will convene next week to resolve the differences in the measure as passed by the House and Senate. Many of the items in this year's bill request authorization of funds for programs which have evolved over a period of years as a result of intensive research and development effort. A few of the items in the bill can truly be termed requests for funds for revolutionary new concepts. I would invite the attention of the Members of the House to one of these revolutionary programs.

I refer to the cannon launched guided projectile, commonly referred to as CLGP. CLGP is a laser guided conventional artillery shell—it is an extension of our smart bomb technology or a smart shell. In his testimony before the Armed Services Committee, Under Secretary of the Army Augustine appropriately referred to the pride which the Army feels over its achievements on this program during the past year. During that period, the CLGP has proven its practicality and the validity of its technical concept.

Today, an artillery forward observer must call for the fire of hundreds of conventional artillery shells in order to destroy hard targets and tanks. That same forward observer carrying a man portable laser designator calling for the firing of the CLGP instead of conventional artillery shells will give to our forces in the field the hitherto impossible ability to hit and destroy hard targets and tanks with a single CLGP round.

In addition to the remarkable weapon effectiveness CLGP provides, it takes little imagination to perceive the logistic benefits that would be derived from this new weapon system.

During the past year, the Army has proven the technical concept of CLGP and has met all of its test objectives. The Army has achieved six direct hits out of the last seven firings. The advanced development of this weapon system is complete and is a resounding success.

CLGP is now ready to proceed to engineering development. It is for this purpose that the Army is requesting $17.8 million in fiscal year 1976 and $7 million in the transition budget. I am pleased that the Senate has fully approved the Army's request. I am concerned, however, that in the House of Representatives the amount requested for CLGP was drastically reduced. The House approved only $10 million for fiscal year 1976 and no money for the transition period. This reduction would result in an unnecessary delay in the Army's ability to achieve this significant new capability. It would prevent the CLGP program from progressing in an orderly fashion, into the engineering development phase.

As Secretary Augustine has stated:

This development promises to give to artillery, . . . for the first time in history, the capability to efficiently attack fixed and moving hard point targets with indirect fire. The saving in people this economy of firepower could entail will cascade itself all the way back through the support system . . . the savings achievable in the logistic pipeline alone amount to about 5 transportation companies and 2 ammunition companies, or about 1,200 spaces, when fighting a NATO war.

In view of the foregoing, I trust that in the forthcoming conference the views of the Senate regarding CLGP will prevail and that the Congress will fully authorize the appropriations requested for this most important program.

ENERGY TAX LEGISLATION

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. DODD. Mr. Speaker, on June 9, Geoffrey G. Peterson, a native of Westport, Conn., and administrative assistant to Senator ABE RIBICOFF, spoke to the Fairfield Democratic Town Committee on energy tax legislation. Mr. Peterson who has been with Senator RIBICOFF since 1971 has specialized in a wide number of issues ranging from health care, senior citizens, to environment, but he has given special consideration to energy.

I found his remarks very interesting and informative and at this time, I would like to place a copy of Mr. Peterson's statement in the RECORD:

REMARKS BY GEOFFREY G. PETERSON

This week the House of Representatives is beginning debate on legislation designed to solve the "energy crisis".

It's a new kind of issue for Congress and the American people since no one can agree on what the solution is. In fact hardly anyone can even agree on what the problem is.

After all, we can't see the crisis. There are no lines at the gas station. No ration coupons. No shortages. But the crisis exists.

The simple fact is that America is running out of oil and gas. At present consumption rates our oil reserves will be gone within perhaps a decade.

Right now we have plenty of oil around. Why? There are two basic reasons.

First, the recession has forced us to cut back on our normal use of oil and gas.

And second, we import a large volume from the OPEC countries. In fact 40% of the oil we use comes from these countries.

And they can turn off the oil spigot at will—as they did last year. The OPEC countries can and have used their oil power to try to change American foreign policy. And they will continue to try.

Not only are we open to oil blackmail, but we also wind up paying $25 billion a year that we can't afford for foreign oil. And by the end of the summer we face the bleak prospect of oil prices going up at least another 20%.

The only way to break the OPEC oil habit is to reduce our dependence on foreign oil. It won't be easy. And it may take some time. But, we must begin the task with hard work, not rhetoric.

Pointing the finger of accusation at Congress while ripping pages off the calendar does nothing to solve the problem.

If it's calendar ripping the President wants Congress can easily respond in kind to the President. Seven years of calendars—not three or four months' worth—would be needed to show how unemployment under the Nixon and Ford Administrations rose from 4% to 5% to 6% to 7% to 8% and now 9.2%—That's 8½ million poeple out of work. Another set of calendars would show how double-digit inflation was invented—robbing all segments of society—the working man and woman, the elderly, the poor, the sick—of their purchasing power.

Instead of finger pointing the President would do well to work with Congress—not against it—in formulating an energy policy.

The sad fact is that the President's energy proposals are nothing short of disasters—especially for Connecticut and the New England states.

What the President forgot to tell us the other night on television when he presented his energy proposals is their cost. It will drive up the cost of gas, diesel oil for trucks, home heating oil, gas and oil used in petrochemicals—each about 12½ cents a gallon.

Their total cost, according to a Library of Congress study, is $36.4 billion annually.

This breaks down as follows:

The proposal to decontrol the price of "old" oil will cost $15.7 billion.

What this means is that oil whose price is now controlled at around $5.25 a barrel will be allowed to seek a new level. It will immediately shoot up to the $11 or $12 level at which uncontrolled oil is sold.

The $2 of tariff which has been levied on crude oil ($1 in February and $1 in June) will cost some $12.1 billion annually.

There will be side effects which will add to the cost. In an uncontrolled energy market, coal and unregulated natural gas prices will seek new, higher levels. It is estimated that coal price hikes will cost consumers $4.8 billion and natural gas hikes will cost $3.8 billion.

All of these figures mean but one thing: Inflation. Fuel costs will go up dramatically. In Connecticut and New England the situation is aggravated because of our heavy dependence on oil as an energy source. And since New England is heavily dependent on foreign oil, our high tariff policy will have repercussions in the form of higher foreign oil prices.

On a national basis decontrolling the cost of old oil will cost each person in America $71 a year. But in New England it will cost us $94. In addition to increasing the cost of gasoline and heating oil, deregulation of oil prices which the President proposed for August could severely jeopardize supplies to independent distributors.

Of the $36.4 billion cost impact of the President's proposal, $32 billion will accrue to oil, gas and coal producers as windfall profits. Only slightly over $4 billion will go to the Treasury. And approximately 70% of the $32 billion will accrue to 20 giant companies.

The plan is nothing more than a giant subsidy plan in which American consumers enrich the coffers of large energy companies.

The President's oil industry welfare program must not be implemented.

But Congress must develop alternatives.

One of the reasons it takes Congress longer to develop a program is that there are 535 decision-makers, not just one. Democracy was not designed for efficiency. And it is just as well. One-man decision making is not good for our form of government and the policies which result from such unilateral action are often ill-considered. The President's program is such a program.

Yet he insists on unilaterally imposing a plan on us, instead of working with Congress. I hope he will work with us in the weeks and months ahead.

The House is now prepared to consider the energy tax package reported out of the Ways and Means Committee. It is not a perfect bill. It will be changed on the floor in some respects. In fact as of today there are 173 pending amendments to the bill. And there will be changes made in the Senate.

But it is an important piece of legislation, one of the most important bills of this year. I would like to describe some of its features.

The Ways & Means Committee bill takes a more gradual but at the same time more direct approach to conservation so as not to disrupt the road to recovery.

First, the bill establishes oil import quotas beginning in 1975 lowering the quota each year thereafter. The bill also allows the government to license purchases of imported oil through competitive bidding to help keep a lid on prices. The President's tariff authority is limited and in its place a limited tariff is placed on crude oil and refined products.

The bill also imposes a three cent per gallon excise tax on gasoline effective January 1, 1976. Starting in April of 1977 there would be further increases if gasoline consumption in the previous year had risen above 1973 levels. A rise in consumption of up to 1% would boost the tax five cents a gallon. An increase of 1 to 2% would mean a 10 cent boost, 2% to 3% a 15 cent boost, and more than 3%, a 20 cent boost.

A tax credit or rebate would be available for basic, necessary driving equal to the cost of the tax on 40 gallons a month—$24 a year for a five cent increase to $96 for a 20 cent boost. Exemptions are made for farms, commercial aviation, tax exempt educational, charitable and religious organizations, and state and local governments. Tax credits would be available for fuel used in a trade or business and for certain work related travel.

This gas tax is a controversial element in the bill.

Those who support it say that since automobiles are the major energy users, accounting for more than 50% of the total energy consumed in the transportation sector, these are the best targets for eliminating waste. Opponents say that quotas would reduce gas consumption by 5 to 8% without causing the economic hardships which a gas tax can cause.

While I could be persuaded of the value of a gas tax if quotas, closing oil industry tax loopholes and other measures fail, I am wary of forcing low and middle-income people to bear the brunt of providing revenue for additional energy research and development. Quotas coupled with oil tax reform coupled with a tough auto efficiency program is a better solution.

A *third* major proposal in the bill imposes an auto efficiency tax on auto companies starting with 1978 model cars, if the average mileage for all of an manufacturer's cars is not at least 18 miles per gallon. The standard rises to 19 mpg in 1979 and 20 mpg in 1980. Rates for cars which fail to meet these standards range from 2% to 7% for cars which have a gas usage of less than 15 mpg. The President has his own program to improve gas mileage in the auto industry. It is a purely voluntary program—which means, of course, that it won't work.

The bill contains a number of other features, including tax credits for home insulation and solar energy, an excise tax on oil and gas used in business as fuel, an energy trust fund, as well as a number of other energy-saving provisions.

The only prediction I can make about this legislation in Congress is that no one knows what will happen.

The reason is that traditional allies on issues are split apart on different issues on a bill. There is no liberal-conservative split or Democratic-Republican split.

The AFL-CIO supports the bill while the UAW opposes it. Common Cause wants to strengthen some parts of the bill and eliminate others. Environmental groups oppose the trust fund concepts and business groups differ depending on how their use of energy is affected.

Whatever the outcome, one thing is certain Reducing our dependence on foreign oil is going to affect us in the pocketbook and in our lifestyle. There is no painless answer.

Whether it's the Administration proposal raising gas prices 12½¢ or the Ways & Means bill raising them 5¼ cents, we must pay the price for breaking our oil habit. And we must start the task now.

KHMER ROUGE POLICIES IN CAMBODIA ARE GENOCIDAL

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. McDONALD of Georgia. Mr. Speaker, since we were first shocked by the news of Communist Khmer Rouge troops forcing critically ill and injured patients to leave hospitals, and indeed, forcing the entire population of Phnom Penh to march into the countryside, there has been virtually no news from Cambodia. Recent reports from refugees now provide some indication of what is happening. The New York Times, on June 13, saw fit to print a rather low-keyed account of some of the consequences of this enforced exodus.

All persons who left the capital city in vehicles soon found them confiscated and deliberately wrecked by a regime determined to "eliminate private motorized transport." As hundreds of thousands, possibly a million or more people of all ages were herded along, day after day, to unknown destinations, the Times account at least admits to "severe shortages of water," considerable outbreaks of cholera, and evidence of malnutrition. None of this is presented as particularly serious, however. After all, we may want to "recognize" this regime.

Surviving refugees have found themselves dumped into uninhabited areas and told to raise more than enough rice for their families—the surplus doubtless will be determined by Communist tax collectors, should anyone succeed in complying. These are city people, dropped into virgin territory without

tools, and after the planting season. Under such condition, one looks for neither rice surpluses nor survivors. The incredible cruelty of Khmer Rouge policies, condemning to slow death a very sizable proportion of the Cambodian population, is not a topic which "liberals" care to spend their time deploring.

The New York Times article follows:

URBAN EXODUS COMPLETE, CAMBODIA REFUGEES SAY

(By David A. Andelman)

BANGKOK, THAILAND, June 12.—The long march from the cities into the heart of Cambodia has ended for millions of Cambodians, but, according to reports reaching here, a series of problems ranging from cholera to a shortage of farm tools for the critical cultivation of rice, remains.

At least a dozen participants in the march have managed to break away and make their way to the Thai-Cambodian border in the last two weeks. Most are now on their way to the United States as refugees. But in interviews with Western and Thai intelligence officers before they left they described life in Cambodia following the capture of Phnom Penh by Communist forces on April 16.

The narrative picks up, in most of these accounts, outside Phnom Penh on the routes—particularly Route 5—heading north. The exodus was witnessed by a number of Western journalists, including Sydney H. Schanberg of The New York Times, who saw people driven from their places of refuge, their homes in the capital, thrown from their hospital beds and, at gunpoint, forced to head north into the heartland of Cambodia. Other cities were also emptied. As many as two million people were reported to have been ousted.

At the first checkpoint north of the capital, manned by military officials of the new Government, those with motorized vehicles were forced to abandon them. Tires were slashed and cars disabled. Some refugees saw the soldiers making sandals from the tires.

Those forced to abandon their cars and take to the roads on foot were told that the Government wanted to eliminate private motorized transport to cut down on the consumption of petroleum and the reliance on foreign assistance that such consumption produced.

The route wound north 20 miles along Route 5 following the banks of the Tonle Sap to the intersection with Route 6. There, at Prek Kdam ferry, where Route 6 crosses the Tonle Sap, the marchers found the first major staging area.

Thousands of Communist troops had formed a mammoth sorting center, assigning some to continue north and northwest toward the regional center of Pursat and others to continue east and northeast toward the other major provincial capital, Kompong Cham.

ORIGIN KEY FACTOR

"The principal criterion appeared to be where the family was originally from," said one Western official who talked with a family that had crossed into that land last week. "They questioned these people quite carefully, then ordered them out again toward the second halting point."

The first stage of the march to the Prek Kdam ferry took about eight days, beginning April 17 in Phnom Penh. At the same time hundreds of thousands headed south and southwest along Routes 1 and 3. But none of these are believed to have made it to the border.

During this first period, there was considerable evidence of Communist soldiers, all heavily armed, prodding the marchers along, keeping them from turning back.

"But after the first reception area, when people began to realize that there was no hope of turning back, that they would be prevented from going very far even if they tried, suddenly the strict control began to melt away, there was less of a feeling of being driven," said one former Cambodian civil servant from the Information Ministry in an intelligence interview with an American diplomat who is fluent in Cambodian.

It was during the second stage, said the civil servant, who asked that his name not be divulged because he still has relatives in Cambodia, that most of those who managed to escape the line of march and head for the border did so.

At the Prek Kdam ferry checkpoint, each refugee was registered by the Communists. Each was given an identity card, actually a half-sheet of paper that had been mimeographed, clearly prepared in advance, with name, age, family background and other vital statistics.

These were used as identity cards by some refugees who made their way to the border. Each time they were stopped they said they were simply "heading farther north" and because of much of the disarray in the hinterlands and on the evacuation routes, they were allowed to pass unchallenged.

PROBLEMS BEGIN

At the second checkpoint, in the region where they were to settle, there was an even more elaborate mechanism. Local Communist officials organized into "exodus reception committees," began to assign the refugees to the vast open farmlands that the Government hopes will be cultivated and turned into a vast rice bowl.

Here problems began to develop. Enough food, particularly rice, had been stored at various points along the line of march to feed the millions who had taken to the highways. This was confirmed by the Western journalists who had left in the caravan from Phnom Penh and took a similar route in trucks to the Thai border. But several refugees reported seeing children with the swollen bellies that indicate malnutrition in the areas where they were arriving.

There was also the problem of severe shortages of drinking water. And in several of the heavily resettled areas, epidemics of cholera had broken out, according to these refugees.

Some refugees said they had seen a half dozen or more refugees die each day from cholera and scores who were severely ill. There were small supplies of cholera vaccine, but the vaccines were apparently having little effect.

There was also a severe shortage of farm tools.

REFUGEES SENT TO FARMS

When the refugees had arrived at their final local staging area and were met by the Exodus Reception Committee, they were assigned to tracts of ricelands. They were told they were expected to grow enough rice during the coming season to feed their families, and then some, for the next year.

In the more established areas there already were the dikes and irrigation networks needed for the cultivation, and enough tools; but not in the previously unused areas.

While rice cultivation requires little mechanical help, it does call for certain basic farm implements. In addition, most of these refugees were city dwellers—civil servants, shopkeepers, laborers who had never had any contact with the land and were now being given little direction in their new task.

Now, with the rainy season now started, most of the rice to be harvested in November and December must already be planted.

HELP MAY BE NEEDED

"If it is not in yet, they are in big, big trouble," said one local agricultural expert. "They may have stocked away enough to last them until the first harvest. Even that, I doubt. They will probably need help to get them through September and October. But if they don't have the crop in now, next year could be very bad."

He noted that China has a substantial rice surplus and that that rice could be sent to Cambodia. But in the last two months the Cambodian Communists have repeatedly shunned offers of foreign assistance.

The refugees who were interviewed said that they had been well treated and never wanted for basic food, principally rice.

And they said that they had never seen evidence of brutality on part of the communist officers.

There were persistent reports that the government had ordered former Cambodian military officers below a certain rank to take "re-education sessions," but what this re-education consisted of was never ascertained. Several refugees said that former military officers were separated out at the first checkpoint and sent to such re-education centers. One refugee reported seeing a half dozen men in the naval uniforms of the old regime carrying dirt at a construction site.

Many refugees were said to have fallen by the roadside during the long march, the eight days to Prekdam and the two weeks or more beyond that to Pursat or Kompong Cham. But again the magnitude was impossible to estimate because of the limited view of the refugees who have escaped to Thailand.

Now that the long march is completed and the refugees assigned to their new regions and their new homes, it is expected to be some time before any new information is obtained from the hinterland of Cambodia, officials here believe.

Travel outside a district, the smallest of the administrative units after regions and sections is severely restricted. Travel permits are required even for movement from one district, or township to the next. Administrative structures, both civil and military, are now reported in place at nearly all levels throughout the country. And the military is clearly in charge.

FULL EMPLOYMENT NOW

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. RANGEL. Mr. Speaker, the recession has reached crisis proportions among the Nation's black people. The economic upswing predicted by the administration will be slow in coming, particularly in the black community. As the articles I insert today suggest, it is not enough for us to stand by while an "invisible hand" gradually rights the pervasive wrongs now taking their toll on people across the country. We must take positive action which will quickly bring down the unemployment rate.

I think that after reading these two articles, my colleagues will agree with me that there is an urgent need for us to adopt the Equal Opportunity and Full Employment Act sponsored by Congressman HAWKINS. Unemployment creates havoc on the family structure of those affected individuals, while causing great concern in the society generally. We need legislation that will put people back to work in order to correct these intolerable conditions.

I urge you to give serious consideration to these articles. In light of their ominous message, it seems clear to me that the passage of H.R. 50 is an immediate necessity. I insert the articles in the RECORD at this point:

BLACK JOBLESS RATE PUT AT 25.7 PERCENT FOR FIRST QUARTER BY URBAN LEAGUE

(By Ernest Holsendolph)

WASHINGTON, June 8.—The unemployment rate for black people in the first three months of the year soared to 25.7 percent, approaching three times the current 9.2 percent national unemployment rate, the National Urban League said here this weekend.

The agency's research department, using what it calls its "hidden unemployment index," calculated that total black unemployment had reached 2.9 million persons. It said this was a record.

The hidden index used by the league includes workers who have become discouraged and are no longer actively seeking employment, and part-time workers who want full-time employment.

Both types of workers are excluded in the Labor Department unemployment figures, but the agency's researchers said that even the Government's listing of 1.5 million black jobless in the first quarter had also been a record.

BLACKS LEAD JOBLESS RISE

Especially hit by unemployment in the black community, the Urban League study indicated, were the poor, the young and all males, including young Vietnam veterans.

And the report added: "Blacks accounted for almost all of the increase in unemployment in the nation during the latter half of the first quarter of 1975. Of the 49,000 new officially unemployed workers between February and March, 47,000 were black."

Among the report's highlights were the following:

An estimated 50 percent and more of blacks in poverty areas are unemployed, and the league's unofficial estimate for teen-agers is much higher in these areas.

Joblessness among Vietnam veterans 20 to 24 years old rose from 22.7 per cent in the last quarter of 1974 to 30 per cent in the first quarter of 1975.

Married black males, usually least affected among blacks by economic downturns, saw their unemployment rate double since the last quarter of 1974, from 5 per cent, or 172,000 individuals, to 9.8 per cent, or 338,000.

The researchers conclude: "Adult male breadwinners are being laid off their jobs in virtually all sectors of the economy at a record-setting pace and are remaining out of work for longer and longer periods of time."

WIVES AND YOUTHS JOBLESS

And even that may understate the plight of black families, the Urban League reported, because the tight job market has also pushed out, and kept unemployed, working wives and working teen-agers whose supplemental incomes have become a part of the low-income family's economy.

"If the nation is on the road to recovery," the report said, "then past experience clearly indicates that the black community will remain in a recession long after the rest of the country has been restored to prosperity."

THE HIDDEN COSTS OF UNEMPLOYMENT

(By James P. Comer)

NEW HAVEN.—The most recent report shows that 15 per cent of the black work force is unemployed. Many are heads of households with young children. In fact, the highest rate of unemployment, up to 50 per cent, is among black teen-agers and young adults.

These people have the youngest children who are in the most crucial stages of development. Unemployed people are more likely to have social and psychological problems and are often unable to rear their children in a way which promotes healthy development. Thus we will lose too many of two more generations of black people to drugs, crime, undereducation and underachievement.

Most are the victims of a monetary policy designed to cool off inflation by deliberately creating an economic recession with resultant unemployment. In every recession, regardless of the cause, blacks have paid first, most and the longest and many have never recovered.

Unemployment, marginal and/or periodic, is a way of life for many. Family problems are more often severe and persistent in such cases. Many people who father children, and nowadays, mother children, do not stay around to face the embarrassing situation of not being able to care for them. This further decreases the possibility of healthy child development.

A remarkable number of black people have always found, and even now will find, a way to family stability and will rear healthy children without a job or without a steady "living wage" job. But it is difficult and too many people and communities will be badly hurt by the situation.

What is the effect of unemployment on parent and child relationships? Our most accepted principles of child development tell us that preparation for adulthood does not begin with the 18-year-old, the 10-year-old, not even entirely with the infant. It begins with the parents, their hopes, plans, sense of belonging in the community and society, their sense of personal adequacy and specific child-rearing skills.

Nothing speaks louder to their sense of belonging and adequacy, nothing shapes their hopes and dreams and plans, and nothing enables them to exercise their child-rearing skills more than their ability to find and hold a job and meet the major responsibility that society charges them with—that of taking care of their families.

Jobless people are under great stress. Society condemns them for not being able to care for themselves and accepting "handouts." Parents are unable to feel good about themselves. They often take their bad feelings out on each other—parent on parent, parent on child, and children on parents. Homes of unemployed, frequently unemployed and marginally employed people are more often chaotic and filled with high conflict than those of people who are regularly and well employed. Family break-up and movement from place to place in search of a better situation or "just in front of the rent man" is more likely.

Communities of yesterday's unemployed and marginally employed are the places where many of the children of today's unemployed parents will grow up and prepare for adulthood. These communities, schools, decaying buildings and street gangs, are often seething with hopelessness and despair, anger and alienation, apathy and disruptive behavior.

What is learned is not likely to lead to success and good citizenship but to the problems which are paralyzing and destroying our urban areas today. Worst of all, blacks will be blamed for this predicament and not the policymakers who made it all possible

It has always amazed me that we ask why young people who grew up in such homes and communities often can't go out and have a successful college career, learn a trade, hold a job, care for a family, find joy and happiness in leisure time and be all-around good citizens.

Yet we know very well that preparation to do these things begin with the stability and security of their parents in the home—a security made possible by a job and a living wage.

But what is the value of good child development and work skills if there is no work? The motivation for good cannot be sustained, at least not in this society in which work so directly determines one's self-worth and is the basis of personal organization. Without job opportunities hundreds of educational programs preparing one for work have little meaning. The uncertainty and sense of apathy we see in so many training and educational programs, even at the graduate and professional school level, are in part an outcome of the bleak employment picture.

To all of the economists and decision makers who pore over nameless figures and condemn millions of Americans to welfare roles, I say: What about the human cost of unemployment? What about the cost of incarcerating thousands of children and adults who could have been successful citizens had they been able to grow up in more secure families and communities? What is the cost of the loss of their productivity? What about the cost of hospitalizing thousands of people for psychological illnesses resulting from economic and social insecurities.

What about the mental anguish of thousands of parents and adults who watch their children and loved ones fall victims of criminality, prostitution from economic and social insecurities? What about the price we all pay in fear on the streets and in our homes? What will be the eventual cost of waning trust and confidence of unemployed people in our nation? What will be the eventual cost of continued and worsening relationships between the races, between the haves and the have nots as a result of unemployment problems?

A 9-year-old black youngster from a poverty-stricken home was asked to say the Pledge of Allegiance at the start of school on Monday morning. He refused and ran out of the class hotly pursued by his teacher, determined to make him respect his country.

He ran into the arms of a school aide and said, "That old teacher is trying to make me say the Pledge and I haven't had anything to eat all weekend!"

At some level, he understood that "somebody up there" was responsible for his plight. In time he is likely to feel that it is because he is poor and black and the people responsible are white and not so poor. His response, and the response of many others like him, can perpetuate the deep divisions in our nation and the almost intolerable tensions in our urban areas.

I believe, as do many economists, that there are other ways to slow inflation; that run-away inflation is more a product of taxless wars and inappropriate priorities than full employment. Whatever the solution, it is not just that blacks continue to bear the greatest burden of unemployment and pay the highest social and psychological price.

LIBERAL DOUBLE STANDARDS CONCERNING TOTALITARIAN GOVERNMENTS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. CRANE. Mr. Speaker, it has always been difficult for me to understand

the reason why many in the American society who call themselves "liberals" find it necessary to defend tyranny when it happens to describe itself in "revolutionary" and "radical" terms but oppose as tyranny anything less than Western-style democracy when a government which calls itself anti-Communist is involved.

Thus, we see attacks on a regular basis upon the governments of South Africa, Spain, Rhodesia, Chile, and a number of other countries. They are accused of being either "undemocratic" or "racist" or "fascistic." Many aspects of the governments of these countries are worthy of criticism. Why, however, do these same liberal critics apologize for the far more extreme violations of human rights which occur in the Soviet Union, or Communist China, or in such newly independent countries as Uganda, or Zaire? Clearly, a double standard is being applied.

Consider the case of South Vietnam. When the government of President Thieu closed one or two Saigon newspapers, the liberal media in our country were up in arms. Now that the Communists have closed all of Saigon's newspapers, they are almost silent. Is a particular act good or bad depending upon the actor, or are liberals more sound in their judgments? The evidence seems, unfortunately, to be that the latter is the case.

In a recent column, John Lofton deals with the statements by some, such as Newsweek columnist Shana Alexander, that the Vietnamese orphans would be better off under communism than in the United States. Mr. Lofton, after attempting to discover the basis of Miss Alexander's statement—and failing—concluded that—

Like Hewlett Johnson, the Dean Of Canterbury, who found Soviet despot Joseph Stalin to be "calm, composed, simple," a man "not lacking in humor" with "steady purpose and a kindly geniality," to Shana Alexander, North Vietnam's Stalin, Ho Chi Minh, was really just another Albert Schweitzer who wanted only medicare and day-care centers for his people.

Mr. Lofton notes that—

The victims of the brutal aggression that was Uncle Ho's legacy know differently, which is why throughout the long war in Indochina the refugees have always run away from the Communists. They know that Communism is hazardous to your health . . . and why Ms. Alexander doesn't grasp this is, as I say, something that for the life of me, and for the lives of those who flee Communism, I cannot comprehend.

I wish to share Mr. Lofton's column, "Some Can't Tell Devils From Angels," which was released by United Feature Syndicate on May 5, 1975, with my colleagues and insert it into the RECORD at this time.

SOME CANNOT TELL DEVILS FROM ANGELS

(By John D. Lofton, Jr.)

WASHINGTON.—It's easy to see how one could have been a dove on the war in Vietnam. No problem. But for the life of me, I'll never understand those who viewed our allies, the South Vietnamese, as horned devils, yet spoke of the North Vietnamese Communists as if they all had wings, wore halos and carried harps.

In a recent column in Newsweek magazine aptly titled "A Sentimental Binge," (my dictionary defines binge as "a drunken celebration or spree"), Shana Alexander criticized the babylift of war orphans from South Vietnam. She says:

"In the panic to get the children out, no one seemed to ask what are they being rescued from. If we know one thing about the government founded by Ho Chi Minh, it is that its social services are excellent: good health, care, day care and educational programs abound, especially for the poor."

Hmmmm, an interesting statement, I think, but somewhat puzzling since, as one who knows several things about Ho Chi Minh's government, I do not recall one of them being that its social services are "excellent."

So, I call Ms. Alexander and ask her what she has to back up what she has written? She responds in a way that can only be characterized by a word that I don't like but in this case it must be used: snotty.

She says she's "busy typing," that she doesn't want to discuss "this thing" with me, and she refers me to her "checker" at Newsweek magazine, Olga Barbi, the woman who checks the facts in her column.

Ms. Barbi is very helpful and accommodating. She says that Ms. Alexander gave her a pile of newspaper clips and four books to back up her column. Two of the books are each almost 10 years old and writen by well-known apologists for North Vietnam.

They are: "The Other Side," by Staughton Lynd and Tom Hayden, husband of Jane Fonda; and "Vietnam North," by Wilfred Burchett, who has been identified as an individual who at one time was on the payroll of the Soviet secret police, the K.G.B.

But when it comes to information to back up the assertion that North Vietnam's social services are "excellent," Ms. Barbi says she is unable "to put my finger on this material." Well, she shouldn't feel bad. Ms. Barbi is not the only person unable to find such documentation.

People I spoke with at the International Red Cross, the United Nations' World Health Organization and the State Department are also unfamiliar with any such material.

Douglas Pike, author of "Viet Cong" and one of the world's acknowledged experts on North Vietnam, tells me that the description of North Vietnam's social services as "excellent" is absurd. Pike says the services are "primitive, really" and common sense dictates they should be nothing else in a nation so poor, where the per capita income is $85 a year.

Furthermore, Pike points out, the North Vietnamese themselves admit that their social services are not excellent. He cites a recent directive promulgated by the Hanoi government's council of ministers, in February of this year, outlining what must be done to improve public health services.

The directive notes that such services in North Vietnam remain scattered, are not integrated into a single sector nationwide, are not organized rationally according to the people's needs, and in the urban areas, at various levels, are weak and unstable.

Pike also quotes from an article last December in the North Vietnamese medical journal Duoc Hoc, by the acting minister of health, Vu Van Can. In this piece, the inadequate medical situation is criticized in general.

"At the present, the needs of the people are very great as compared to our capabilities," declares Can. He says the tasks and capabilities in regard to the existing situation are very limited, observing that, among other things, there are presently only 22 hospital beds available for every 10,000 people, whereas there should be 40.

Like Hewlett Johnson, the Dean of Canterbury, who found Soviet despot Joseph Stalin to be "calm, composed, simple," a man "not lacking in humor" with "steady purpose and a kindly geniality," to Shana Alexander, North Vietnam's Stalin, Ho Chi Minh, was really just another Albert Schweitzer who wanted only medicare and day-care centers for his people.

But the victims of the brutal aggression that was Uncle Ho's legacy know differently, which is why throughout the long war in Indochina the refugees have always run away from the Communists.

They know that Communism is hazardous to your health, regardless of how many hospital beds per thousand it has to offer. And why Ms. Alexander doesn't grasp this is, as I say, something that for the life of me, and for the lives of those who flee Communism, I cannot comprehend.

CONGRESSMAN McCLORY'S RATIONAL APPROACH TO GUN CONTROL

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, recently our colleague from Illinois (Mr. McCLORY) delivered the keynote address at a luncheon meeting of the U.S. Conference of Mayors convened in Los Angeles on the subject of gun control.

As the ranking member of the Subcommittee on Crime of the House Judiciary Committee, Mr. McCLORY is endeavoring to provide a comprehensive and reasonable approach to the problem resulting from the proliferation of handguns—such weapons now estimated to be in excess of 40 million—many of which are in criminal hands and in the possession of young people—even teenagers.

Mr. Speaker, in his remarks Mr. McCLORY has pointed to the defects in the 1968 Gun Control Act which should be corrected without delay. In addition, he has warned that the excessive number of federally licensed gun dealers and the facility with which such license can be obtained under existing law create virtually impossible problems of enforcement on the part of the Alcohol, Tobacco, and Firearms Division of the Treasury Department.

Mr. Speaker, Mr. McCLORY is among those who are urging mandatory penalties to be imposed against the criminal misuse of firearms. Also, he points to the need of outlawing the domestic manufacture and assembly of the cheap so-called Saturday Night Special which this Congress wisely decided in 1968 should be prohibited from importation.

Mr. Speaker, our colleague has signaled a great need for cooperation between the Congress, the President, and other interested agencies in the executive branch, in order to bring to the floor of this House meaningful and acceptable legislation. I commend Mr. McCLORY's remarks to all of our colleagues as a possible outline for legislative action by this Congress.

Mr. McCLORY's speech follows:

NATIONAL FORUM ON HANDGUN CONTROL

(Remarks of Representative ROBERT MCCLORY)

I would like to thank the National Mayors Conference and the organizers of this forum for presenting us with this opportunity to exchange views and express opinions on the critical issues related to handgun violence. It goes without saying that we are meeting at a very crucial time in our nation's history.

Last September 5, together with my colleagues from the U.S. House and Senate I participated in a special joint session of Congress in the House Chamber to commemorate the two-hundredth anniversary of the first Continental Congress which was convened in Philadelphia in September 1774. The keynote address at that commemorative joint session was delivered by the noted scholar and commentator on American affairs—Mr. Alistair Cooke. In an extraordinary perceptive speech, extolling the wisdom of our founding fathers, and recounting the problems which face us two hundred years after our nation's birth, Mr. Cooke spoke of the threat which now faces representative governments throughout the world. As Mr. Cooke stated it: "For the first time since the 15th century our cities are threatened by the success of violence." It is violence and its terrible success that brings us together in this forum.

Today, in the two hundredth year after the thirteen colonies declared their freedom from the tyranny of a monarch, we suffer a tyranny of a different sort—a tyranny of violent crime. In many parts of our country, this tyranny in which the handgun is the instrument and symbol of oppression—is threatening the very fabric of our society and the continued vitality of our Constitutional form of government. The perception of this tyranny of violent crime has increased in recent months and the urgency of Alistair Cooke's message should spur the Congress toward more effective measures for crime prevention, including measures directed against the problem of handgun violence.

As the Ranking Minority Member of the House Subcommittee on Crime, which has jurisdiction over Federal gun control legislation, together with Congressman John Conyers—Chairman of the Subcommittee, we have been involved in an intensive examination of this problem and its possible solutions. In this discussion I will endeavor to make several points which should help us to focus on what we can do to deal with the plague of handgun violence now—this year.

In this light, let me say that I am concerned that the national debate on gun control has, up to now, been fuzzy and overly generalized. It is way past time for all of us—the Congress, the concerned public—and the Administration—to begin to concentrate our energies and devate our efforts to what can realistically be done to protect the American people from the ever-increasing criminal misuse of handguns. First of all, those who say that there is nothing new to learn about the problem of handgun violence and handgun control are simply wrong. In fact, the state of knowledge about the criminal misuse of firearms and possible solutions has dramatically increased within the past few months.

At every hearing held by our Subcommittee we learn something new about the defects—and deficiencies in existing laws—and their enforcement—or lack of enforcement—which help point to practical—and necessary steps which can—and should be taken. And I am talking about action against criminals—and criminal trafficking in handguns which all who are interested in law enforcement—including particularly the millions of law-abiding citizens who own guns—should support—actively.

My Subcommittee has just completed the first comprehensive oversight examination of the Bureau of Alcohol, Tobacco, and Firearms. The critically important federal agency charged with the enforcement of the federal guns laws. We have now documented the glaring defects and loop-holes in the Gun Control Act of 1968—and, more importantly, it has been brought home to us in stark terms that ATF has been terribly overburdened, grossly underfunded and hopelessly undermanned.

In addition to enforcement of the Federal gun laws, this bureau is charged with administering the Federal Alcohol Laws, the Federal Tobacco Laws, Federal Explosive Laws, and it just has been assigned responsibility for the federal wagering laws. ATF is an agency which collects approximately eight billion dollars a year in tax revenues, but despite its heavy responsibilities, its annual budget is less than 1.2 percent of its collected revenues. It has only 1,500 investigative agents—who are expected to enforce all these laws throughout the United States.

This level of governmental commitment must be considered especially inadequate when considered in the light of recent scholarly research which indicates that the extent and the character of criminal misuse of firearms has been dramatically changing. The rate of criminal assaults with firearms—especially handguns—has skyrocketed in recent years—and it appears that young muggers, rapists, and robbers are beginning to think of the cheap, easily concealable handgun as a necessary tool of their trade.

Furthermore the various legislative remedies such as registration and licensing had never been closely analyzed to determine exactly what the expected costs and benefits of such systems would be. This year, the Subcommittee on Crime, with the assistance of experts from the General Accounting Office, has undertaken such an examination. Although the final results of the study aren't in yet, it seems certain that the financial and administrative costs will be quite acceptable and that the benefits will be enormous in the area of reducing the availability of handguns to criminals—and especially to youthful offenders.

Finally, another new factor in the debate is that members of the so-called Gun Lobby are beginning to realize that unless something is done to stop the increase in criminal misuse of guns, the very fabric of our society will begin to come apart. The level of gun violence is reaching such threatening proportions that almost everyone recognizes that the situation may soon become intolerable. The once solid wall of resistance of the National Rifle Association and others to any gun laws whatsoever is starting to crumble in the face of a serious national crisis. Indeed, almost all gun owners with whom I speak—acknowledge that some strengthening of our Federal gun control laws is needed.

Some of the mail reaching my desk now—suggests that we must all arm ourselves—barricade our homes against criminals and political tyrants—and prepare to fight it out with bullets—for our domestic survival.

In all fairness—we should acknowledge that very few sportsmen—or gun collectors—or gun dealers—or even shopkeepers or homeowners who possess firearms—are willing to countenance such a society.

In short, as gun violence increases at an alarming rate, and as the nature of the gun control debate correspondingly changes, all Americans are being rudely awakened to the threat to our civilization which was cited by Mr. Cooke. Indeed, the recent NBC special on the handgun problem documented the fact that people are now beginning to believe that they must have handguns to protect themselves. Strong and effective action by government to deal with violent gun crime is desperately needed if this society is going to avoid a return to the Wild West ethos of "every man for himself—and a handgun for every man."—and women. (I've updated that expression to comply with the Equal Rights Amendment).

Another reason for the unfocused nature of the national debate is that the executive branch apparently has not up to the present time—fully recognized the critical nature and extent of the problem of handgun violence in this society, and its responsibility to deal with such violence. My examination of existing Federal Statutes convinces me that there is sufficient statutory authority at the present time to take effective steps against the armed criminal elements which are terrorizing our urban environment. Under laws already on the books, the Federal and state authorities could begin to make substantial progress in eliminating the unbelievable amount of illicit trafficking in guns—particularly in cheap handguns—which are being transported from rural areas of the South to the large urban centers of the North and West. Such a concerted effort would not require an inordinately large financial commitment. A mere doubling of the current ATF budget would be sufficient to curtail much of the gunrunning from South to North which is such an important contributing factor to urban violence.

This is a large part of the problem in my opinion. The policy-makers in the Executive Branch have so far failed to realize that a strong commitment—a moral, administrative, and financial commitment—is urgently required—and indeed, demanded by the situation we face.

In addition, I have been very disappointed in the uncoordinated approach which this Administration—so far—as well as previous administrations—have taken in attempting to address this complex and serious problem. While I remain optimistic that the President will consider all options available to him and adopt an enlightened and well reasoned policy with respect to this important issue—I must admit that the Administration's actions to date have been somewhat confusing and not terribly encouraging. I sometimes have the feeling that the various interested parties within the Executive Branch are not in communication with each other. The Assistant Secretary of the Treasury in charge of enforcement of gun control laws makes one proposal, quite constructive proposal I should say—and the Attorney General takes a unique—and completely unrelated position. The point is inescapable that this is an area in which forceful Presidential leadership must come soon. Unfortunately it has been lacking—so far.

A few weeks ago in testifying before a Senate Subcommittee the Assistant Secretary of the Treasury—in making several legislative proposals said quite frankly—"These proposals have not been cleared with the Domestic Council—or the President." But I'm pleased to learn that the lines of communication are beginning to open up—and it begins to look as though the President's Domestic Council, the Attorney General—the Treasury Department—and the Congress will be working together soon in an attempt to coordinate our efforts toward a practical—and effective legislative—and administrative program.

I understand that President Ford will address himself to this issue in a Special Message to the Congress on Crime Control ex-

pected in the near future—so I can only stress that it is of the utmost importance that the Administration formulate a unified and comprehensive policy on gun control legislation without undue delay.

Throughout the course of our deliberations on possible solutions to the problem of handgun violence, it is vitally important that law-abiding citizens be assured that the Congress of the United States does not intend to take any action which would result in the confiscation of their handguns. First of all, we ought to acknowledge the force of the arguments of the anti-gun control groups and the millions of our law-abiding citizens who have such fears.

It is true that the current laws on the books are not being effectively enforced. Federal enforcement efforts are grossly inadequate—the Judiciary's enforcement of current gun laws—whether on a state or federal level—is a travesty. Criminals convicted of felonies which involve the use of a firearm are receiving ridiculously lenient treatment from the courts.

We should also concede that only a very small percentage of the 40 million handguns estimated to be owned in the United States are misused—and we ought to recognize that there are law-abiding citizens who desire to possess handguns for a legitimate purpose and who do not misuse those handguns.

But, for us to state such grounds of agreement with the gun buffs and gun advocates is not to undercut our arguments for stronger Federal legislation, because the evidence shows that the current gun laws, even if stringently enforced, are not adequate to meet the growing menace of gun violence.

In my view, we must seek a common ground where the sportsman, hunter—the farmer and other legitimate gun owners—recognize that a serious problem exists in our society, and that legislation can be tailored to meet this problem without infringing upon the rights and desires—or call them traditions—or lifestyles—of the larger group of law-abiding gun owners. I believe that this can be accomplished very simply.

We must begin by attempting to create a legislative remedy that is aimed directly at the problem of criminal misuse of handguns. If we are to be successful in our efforts, we must convince the American people that our aim is crime prevention, not social engineering. We must try, at least, to convince law-abiding citizens who feel very strongly about their Colt 45's that that gun will stay in their possession unless they use it in connection with some other unlawful act. In brief, we need to advocate a gun control program that hits directly and effectively at the criminal, a program that is reasonable and understandable enough to allay the apprehension of the law-abiding citizens who fear that they will be disarmed.

Another reason for the lack of progress in the national debate is lack of focus on the "art of the possible." In other words "What are the political realities?—or legislative prospects?" From my perspective as a supporter of stricter gun control legislation who has served on the House Judiciary Committee for over a decade—let me describe my feelings on the "art of the possible" in the consideration of the gun control legislation in the Congress. I honestly do not believe that legislation providing for confiscation or a ban on manufacture and sale of all handguns stands a ghost of a chance of passage in this Congress.

It is true that supporters of a complete ban on handguns have been slowly increasing in numbers during my tenure in the House because of the increasing levels of gun violence in our country. These forces grow stronger every week, as the level of violence increases; and unless effective action is taken soon, I think it is a very real possibility that a total ban on handguns could be enacted within the next few years. This is a political reality of which the National Rifle Association ought to take particular notice. Nevertheless, it is my best assessment that an attempt to legislate a complete ban on handgun ownership in 1975 would be destined for defeat. It would seem wise to expect that there might even be a Presidential veto of such a bill—if I read the President's attitude correctly.

I doubt that many of you—practical politicians as you are—would want to persist in a cry for confiscation of all handguns—if the consequence was the defeat of effective measures which could aid you in your cities—and aid your police departments in the fight against street crime.

By the same token, it is my feeling that legislation which merely outlawed the so-called "Saturday Night Specials" would be grossly inadequate. The Administration and the Congress have a duty to provide a more responsive and more comprehensive solution to this critical problem than simply to prohibit the domestic manufacture and sale of a weapon that is already outlawed—when imported from abroad.

A comprehensive handgun control measure, worthy of the support of all who seek effective handgun control now, could be passed at this session of this Congress. Such a measure should contain in the first place the elimination of the myriad loopholes in the Gun Control Act of 1968. It should strengthen the qualifications for federal firearms dealers licenses; it should prevent the importation of parts for cheap, easily concealable handguns; it should require ATF to more closely supervise the national commerce in handguns with a view toward eliminating illicit interstate handgun traffic; and should mandate an increase in the manpower and resources of ATF.

Secondly, a ban on the manufacture and sale of the so-called "Saturday Night Specials" should be an absolute necessity in any comprehensive approach.

Thirdly, such legislation should require the establishment of interrelated systems of identification of handgun owners and registration of handguns themselves. Without such systems, it will be impossible to prevent the illegal acquisition and criminal misuse of such weapons. Owners of handguns, like owners of automobiles must accept the responsibilities their ownership places upon them. A national system of accountability for handgun owners would be uniformly applicable in all the states. Such systems would prevent criminal misuse and acquisition of handguns, but at the same time would not interfere with those citizens who lawfully use handguns in sporting and other activities.

In this connection, let me stress that the lack of a uniform system of handgun registration badly hamstrings the efficient operation of our law enforcement authorities.

The ATF already has a rudimentary tracing capability which serves a valuable law enforcement purpose. In fact, the Bureau assisted in tracing over 33,000 guns used in connection with the commission of crimes in 1974. However, because the records are dispersed throughout the country on the premises of the over 156,000 federally licensed dealers—a firearms trace conducted by telephone may take as long as two weeks. Of course, in extraordinary cases, a trace may be completed in a matter of minutes, as during the shooting of Governor Wallace in 1972—where the owner of the firearm was identified in a mere 27 minutes.

By and large, though, the swift apprehension of dangerous and violent armed criminals is intolerably inhibited by the often lengthy delays caused by the crude tracing methods now being employed by ATF. It is extremely disheartening to learn that the Bureau does not even advertise its present tracing capabilities to law enforcement agencies for fear that its primitive system would be inundated and overwhelmed by the anticipated increase in requests. As a result, a valuable law enforcement tool is unavailable to local police forces at a time when the rate of crime, and particularly the rate of violent crime committed by handguns, is drastically mounting.

It is clearly of the utmost importance that an interrelated system of handgun registration and owner identification be established—in connection with the investigation and deterrence of the criminal misuse of handguns—so that reliable information regarding the last legitimate purchaser of such a weapon can be ascertained by law enforcement officials at all levels within a matter of minutes.

There are those who argue that registration is a drastic step above and beyond what current firearms dealers and firearms owners would accept. It has been suggested that law-abiding citizens who possess handguns would not comply with a national system of registration, much as the citizens of America neglected to obey the prohibition laws of the 1920's. These arguments, in my view are based on a misreading of what current federal law requires and a misconception of the good will of the American people.

On the first point, the Gun Control Act of 1968 requires all firearms manufacturers, importers and dealers to keep detailed records of all firearms which they handle. These records include the serial numbers of the firearms and the names and addresses of the persons to whom the firearms were transferred. Retail dealers in firearms are required to demand from the retail purchaser of a gun—any retail purchaser—personal identification which the dealer must record and maintain as a permanent record. Moreover, the Federal Government maintains in Washington a central registry of gangster-type weapons and the owners of such weapons. Indeed, no such weapon—sawed off shotguns, machineguns and the like—can be manufactured or transferred unless the Treasury Department is first informed and the identity of the transferee or manufacturer is registered.

Accordingly under federal law there is a registration system in effect—true, the records are not centrally located nor are records of sales required beyond the first retail purchaser, but it is registration nevertheless. My proposal would simply extend the requirements of the system so that we would identify weapons used in crime in order to apprehend and convict the person who misused that weapon.

Under the existing system of tracing of firearms used in connection with commission of crimes—the Treasury Department conducted a survey recently to determine how useful their information was to local law enforcement officials—And what did the survey show:

(A) In 70% of the cases the information was useful in apprehending the criminal—and

(B) In 40% of the cases the information was used in receiving a conviction.

As for the degree of compliance or non-compliance by citizens if such an expanded registration system were enacted, I can only say that I believe that the gun owners of America would comply with a registration system that is carefully drawn to attack handgun crime without preventing them from acquiring and lawfully using firearms. It is our task in the Congress to enact a program that would encourage compliance by the law-abiding gun owner, and the proposal which I am outlining can easily be drafted in such form.

Another necessary component of any such program would require stiffer penalties for the criminal misuse of firearms. Those who commit violent crimes with firearms must be punished severely.

Finally, any comprehensive program must include financial assistance to state and local governments for the development and implementation of firearms misuse prevention programs. The states do not have the wherewithal to deal with the escalating problem of firearms violence. Since law enforcement is essentially a local matter, the federal government must do its share in assisting the States in the fight against crime. Such a program of financial assistance could appropriately be funded through the Law Enforcement Assistance Administration.

In my opinion, legislation which provides the kind of comprehensive approach which I have just outlined can be passed during this Congress. But more importantly, such legislation would be effective because it would focus on the problem of criminal gun violence. This proposal will take the handgun out of the hands of the criminal without jeopardizing in any way the interests of the law-abiding citizen who for any reason feels that he or she wants to possess such a weapon. We can take no pride in the fact that our cities today are besieged by the tyranny of violence as they have not been since the Middle Ages. Circumstances of history have combined to place a special obligation upon us to produce an effective solution to the particularly violent form of man's inhumanity to man which is expressed whenever a person in the criminal misuse of a handgun aims that gun at another human being and pulls the trigger. Our task is vitally important—and it is especially urgent. I hope that the discussions and deliberations of this forum will begin to provide the kind of intelligent and reasonable answers to the problem of handgun violence—answers which are so desperately needed this year.

CONGRESS AND ENERGY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. ANDERSON of California. Mr. Speaker, this last week has seen Congress arrive at decisions which will affect the course of our Nation for years to come. The Energy Conservation and Conversion Act of 1975 may well be the most important legislation that we will consider during this session.

Therefore, it is with a deep sense of regret that I must say that we have made some serious mistakes regarding a national policy for the conservation of energy.

Instead of strengthening this act, we have acted in such a manner as to weaken this legislation. I believe there are two key votes on which Congress failed to act decisively.

The first vote concerned the excise tax on gasoline. Along with a majority of my colleagues, I voted for the amendment which eliminated the mechanism provided in the bill for increasing the excise tax to 23 cents per gallon of gasoline, because I felt, and still feel, that this would be too high a price for most consumers to pay.

However, to eliminate the tax entirely was a crucial error. The 3-cent tax on gasoline was a reasonable price to pay for an increase in gasoline conservation, one which most consumers would have been willing to pay. It is never easy to vote for a tax increase. Nevertheless, I strongly feel that we have a responsibility in the House of Representatives to take actions that, in the long run, will benefit our Nation, even at the expense of losing some of our popularity.

The second area in which I believe the Congress erred was the defeat of the amendment offered by our colleague from Virginia (Mr. FISHER). This amendment would have strengthened the tax structure in the bill which provided incentives for producing fuel-efficient automobiles, one area in which the original Ways and Means bill was somewhat weak. I felt that we had an especially strong obligation to support this measure, because it was the only gasoline saving measure left following the elimination of the excise tax.

Instead, we voted down the amendment. Although stringent, it was entirely reasonable in its approach, and was the most effective proposal put forth to help move our domestic automobile industry toward production of more fuel-efficient cars. Remarks were made during debate on this measure reflecting the growing encroachment of foreign cars on our domestic market. This trend simply reflects the fact that, for the most part, the foreign cars which are doing so well in the United States have better mileage ratings than most domestic makes. To recapture that segment of the market, Detroit will have to produce automobiles that are well engineered and have high fuel efficiency.

That is precisely what the Fisher amendment attempted to do.

We did eventually adopt a measure that will hopefully be more effective than the original proposal, but it is not as effective as the amendment offered by Mr. FISHER.

In conclusion, I would like to commend the distinguished chairman of the Ways and Means Committee, Mr. ULLMAN, on the hard work he and the rest of the committee put forth in bringing the Energy Conservation and Conversion Act before Congress. It is not perfect; no legislation ever is. But it does provide a reasonable alternative to those who would save energy by pricing it out of reach of most Americans.

I would also like to include the following editorial from today's Los Angeles Times in the RECORD. I believe it is an accurate indication of what the reaction of the public will be to our recent actions:

THE HOUSE GOOFS ON ENERGY

The House of Representatives had a good chance Thursday to prove wrong the critics who said that it lacked the guts to pass a comprehensive, significant energy program. It flunked the test. We hope the Senate does better when its turn comes.

House members were on sound ground when, in an earlier vote, they refused to go along with the provision of a committee-approved bill that could have increased federal gasoline taxes 23 cents a gallon. A tax that heavy would have loaded too much of the burden of fuel conservation on motorists, and could have had serious effects on employment in the auto industry.

And the price increases in prospect as a result of actions planned by the oil-exporting countries and probable decontrol of domestic oil prices should serve in themselves to restrain energy consumption, and thus to reduce the need for higher taxes to produce the same result.

However, there was no excuse for the House's subsequent action in refusing to vote even a 3-cent-per gallon increase in the gasoline tax, and its failure Thursday to approve an effective tax penalty on gas-guzzling autos.

The 3-cent-a-gallon tax boost would produce some $3 billion a year in revenues earmarked for badly needed research and development work on alternative energy sources. A tax increase that modest would not have been unduly burdensome; it has in fact already been offset by the income tax reductions voted earlier this year.

The energy tax and conservation bill, as voted out by the Ways and Means Committee, contained a watered-down, loophole-studded provision that would put only modest pressure on auto makers to build more fuel-efficient vehicles. Rep. Joseph L. Fisher (D-Va.) offered an amendment on the floor that would have given the manufacturers ample time to meet new mileage efficiency standards, but that would have imposed stiff tax penalties on vehicles failing to meet the standards. It was voted down, in favor of a Milquetoast substitute.

Rep. Al Ullman (D-Ore.), chairman of Ways and Means, was openly disappointed with the performance of his colleagues, and for good reason. But he insists that the measure can still form the "centerpiece" for a meaningful energy conservation act. And it can, provided the Senate acts with more vision than the House.

The House bill, as it nears passage, still contains tax credits for homeowners who invest in fuel-saving insulation and storm windows or in solar energy equipment. It offers tax incentives to businessmen who install energy-saving equipment. And it includes tax breaks for reprocessing of lubricating oil and for use of wastes as fuel.

These provisions are good as far as they go, but they don't go far enough. As President Ford restated Thursday after meeting with congressional leaders, it is imperative that the nation, which now imports 6 million barrels of oil per day, begin moving now toward less dependence on foreign petroleum.

That means moving forward with programs to increase domestic energy production. It also means serious conservation efforts—efforts that must include steps to accelerate Detroit's shift to production of smaller cars consuming less fuel.

MEDICARE REGULATIONS

HON. W. HENSON MOORE

OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Friday, June 13, 1975

Mr. MOORE. Mr. Speaker, yesterday the Ways and Means Subcommittee on Health held hearings on several highly controversial medicare regulations recently issued by the Department of Health, Education, and Welfare. It was my privilege to offer testimony against two of those regulations. The first would institute expensive and confining utilization review procedures affecting every hospital stay, even private ones, in an effort to catch a few isolated cases of

abuse. I have introduced a bill, H.R. 6464, to do away with these regulations.

The second regulation alleges that something has changed in the last 10 years, so that hospitals should no longer be entitled to a differential to represent the added nursing costs of caring for the elderly. This may be true, but no studies or other evidence has been offered by HEW to support it. I think that equity in this case requires HEW to prove its case, so that private patients do not wind up having to pay for the extra cost of public patients.

My statement to the subcommittee follows:

STATEMENT OF HONORABLE W. HENSON MOORE

Mr. Chairman, as the prime sponsor of H.R. 6464 and other bills to repeal utilization review procedures under Medicare and Medicaid, I appreciate the opportunity to present this statement to the Subcommittee.

The U.S. District Court for the Northern District of Illinois, Eastern Division, has recognized sufficient merit in the case against utilization review by recently issuing a temporary injunction against its implementation (American Medical Association, et al, v. Weinberger, Complaint No. 75C560). Public policy should be made by the Congress, however, not by the courts nor the Executive and regulatory agencies, so I urge the Subcommittee to reconsider the impact of utilization review on our entire health care system.

I say entire because in the latest version of its regulations, HEW has worked in a provision to expand UR far beyond the scope of its Congressional mandate. In fact, there is sufficient coercion in the new regulations to put all private patients under UR, instead of just those whose stay in an institution is publicly financed. They do this by denying reimbursement to institutions for physicians serving on UR panels unless all private, as well as public, patients come under the plan.

We are therefore not talking about a possible method to eliminate waste in several public health care programs, a way which is doubtful at best and which I will discuss later on its merits. We are talking about a massive and expensive bureaucratic undertaking, which affects each and every hospital stay in the United States. According to information received from the American Hospital Association, in 1973 there were 32.5 million admissions to general hospitals alone. Figuring a reasonable workload, the day-to-day, case-by-case review of these admissions could involve as many as 13,500 non-physician reviewers and 1.6 million physician hours totalling over $300 million. Formal UR Committee time for appeals and the special medical studies required by the regulations could eat up nearly $60 million more. The time lost to attending physicians on appeals at a reasonable cost per hour could total another $8 million. HEW itself has estimated its costs at $30 million, which sounds rather conservative, and nobody has even attempted to estimate the costs which will have to be incurred by the several states in developing and administering required plans under Medicaid. These figures all add up to some $398 million plus state costs. Although this is based on reasonable, but admittedly hypothetical figures, it will have to serve until someone comes up with something more definitive.

What are we going to get for all this money? HEW has estimated that Medicare and Medicaid payments can be reduced by $130 million. Spending some $400 million of taxpayer and consumer dollars to save $130 million seems to me a rather inefficient way to do business.

I am afraid we are going to get something else for all this money—a reduction in the quality of medical care in the United States. I do not think anyone, especially a physician whose decisions must often be based on interpretations and best guesses, can work effectively with someone looking over his shoulder at every turn. If a physician can't put his finger on it, but has a feeling that his patient better stay another day in the hospital, that's good enough for me. I don't want to put that patient out on the street and be responsible for any harm that ensues if the standard length of stay just wasn't enough that time.

Also, every hour spent by an attending physician filling out forms, preparing appeals and appearing before a UR panel is an hour lost to his patients. I am not aware that we have such an overabundance of doctors in this country to be able to afford such bureaucratic luxuries. The problem is especially acute in our small rural hospitals, because they do not have sufficient health manpower to staff up utilization review panels and still have enough physicians left over to care for patients.

Further, many physicians and elderly patients have written me expressing concern over the continuance of physicians seeing patients covered by UR. There are many who will choose, I fear, not to treat a public patient if they have to contend with the increased paper work, controls, and appeals of UR.

No doubt there are problems in the administration of our government health programs. There are always some who will try to take advantage of the system. UR is just an ill-advised and overly expensive way to go about ferreting them out. Nothing in my bills would stop HEW from looking for patterns of possible unwarranted medical procedures and excessive lengths of stay ordered by participating physicians and institutions. Nothing would abridge the government's right to deny reimbursement in such cases, nor would my bills inhibit prosecution for fraud. If this type of enforcement needs to be increased, I would be all for it, because I do not want to see the taxpayers' money wasted. I urge the subcommittee to seek remedies along these lines, which will not cost as much, rather than continue the ill-starred utilization review fiasco.

I cannot close, Mr. Chairman, without a few words about the elimination of the 8.5 percent nursing cost differential for Medicare patients. I have not yet co-sponsored the bill to overturn this arbitrary cutback, but if some reason is not brought into the picture, I well might. The way I understand it, HEW's rationale, if that is what it can be called, is based on a lack of information. This seems rather a poor way to make a decision. No studies have been done to determine if those elderly Medicare recipients who are treated as general care patients do or do not need more than the average nursing care afforded all other general care patients. It seems to me that this is something that can be easily proven one way or the other.

I am somewhat appalled by HEW's feeling that such a study could not be undertaken because the hospitals could not be trusted not to load on extra nursing procedures while they were under Federal scrutiny. Even if this cynicism is valid, which I doubt, such a study could be conducted in U.S. Public Health Service hospitals. I therefore ask the Subcommittee to take whatever action is necessary to continue the 8.5 per cent nursing differential until such time that HEW can prove that it is no longer required.

Mr. Chairman, I congratulate you and the Subcommittee for being so responsive to the expressions of discontent over these regulations by holding these hearings, and I thank you for your consideration of my views.

HOW, IN "GIVE AND TAKE," THE UNITED STATES GIVES, AND THE SOVIETS TAKE—OR, SOME THOUGHTS ABOUT THE NATURE OF UNITED STATES-SOVIET NEGOTIATIONS AND AGREEMENTS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. KEMP, Mr. Speaker, there can be little doubt but that formal contacts—ranging from cultural exchanges to SALT II negotiations—between the United States and the Soviet Union have dramatically increased in recent years. As a procedural means for achieving more substantive objectives, these contacts have been an integral component of détente.

For the United States to achieve its objectives at least on par with the Soviet Union achieving their objectives through such contacts, a degree of balance, parity, equilibrium—evenness, if you will—is essential, and, it is essential not only as to each negotiation or agreement but also as to the long-range picture.

We should be mindful that to the degree that one party gains a decidedly upperhand through this process, the balance essential to détente is endangered.

An informative, recent article on the reality of what we are getting and what the Soviets are getting through these exchanges shows the distinction between the public perceptions of détente and its realities.

Entitled, "One Horse, One Rabbit," this analysis of the specific content of recent exchanges is well worth the attention of every Member of this House, for it deals with subjects far outside the scope of the usual military, arms, and trade deliberations. Authored by Mr. Robert B Hotz, a distinguished aerospace journalist and recipient of numerous awards for factual journalism, and appearing in Aviation Week, this article brings to our minds the need to examine, first, what we are getting in comparison to what they are getting and, second, whether the whole process might not be better serving their interests than our own.

The article follows:

ONE HORSE ONE RABBIT

(By Robert B. Hotz)

Winston Churchill once said—"There are no experts on Russia—only varying degrees of ignorance." And this is very true. However, for the past 20 years my staff and myself have been studying Soviet aerospace by a variety of methods, some of which seem equally confusing to the Russians and the Central Intelligence Agency. Included are a half dozen personal visits to the Soviet Union during which I watched their air shows, met almost all of their top aircraft and engine designers, and some of their cosmonauts and space scientists, flown more than 12,000 miles on Aeroflot, visited design bureaus and production factories and drank a lot of vodka and Armenian cognac.

For some years now it has been apparent to leadership in this country that the cold war was a dangerously outmoded concept that threatened not only whatever prospects for peace there might be in the world but also posed a grave threat to the basic institutions of our government. The harder we fought the cold war the more the tendency to become a mirror image of our opponents. It may be that the Nixon-Kissinger detente has provided an opportunity to conduct future relations between the U.S. and the USSR on a different plane. However, if that is correct then we must pursue these negotiations with far more realism, self-interest and determination than has been evident during the initial phase of detente. The way we have conducted negotiations with the Soviets in the past decade reminds me of an Old Milwaukee wurstmacher's recipe for rabbit sausage.

When the customers complained that his "rabbit sausage" tasted more like horsemeat he defended his product on the ground that the recipe was "50–50—one horse and one rabbit."

If you think this is an exaggeration listen to Boris Panushkin, head of the Soviet publishing trust. After pirating U.S. books and magazines including Aviation Week for 30 years without any payment or regard for copyright law, the Soviets recently agreed to join the International Copyright Federation, primarily as a means of suppressing publication of their dissident authors abroad. In explaining the new policy to American publishers, Gospodin Panushkin solemnly announced the USSR would no longer reprint U.S. publications without permission or payment, "except when it was necessary for education purposes." He then noted that the USSR was now prepared to pay ten per cent of the standard subscription price to get U.S. publications legally. After offering ten cents on the dollar Mr. Panushkin concluded, "this shows we are willing to meet you half way." One rabbit, one horse.

Another example is the great ruble ripoff that is perpetrated on thousands of American tourists every year. Outside Russia the ruble is worth about 40 cents. Inside Russia it is worth whatever the Politburo says. They have been steadily uprating the value of the ruble against the dollar until they now say a ruble is worth one dollar and thirty cents. In the same breath they value the Cuban peso, which outside Cuba is normally only good for lighting cigars, twenty per cent higher than the U.S. dollar. This is one reason why U.S. correspondents covering that glorious Nixon-Brezhnev summit meeting last summer had to pay $105 a day for an Intourist hotel room not quite as good as an ordinary $20 a day motel room in Iowa.

A few months ago there was a great razzle dazzle meeting in Moscow to stimulate an increase in the U.S. tourist trade which the Soviets need badly to fill their skimpy coffers of hard currency. Nobody in the U.S. delegation even raised the question of the iniquitous ruble ripoff. The conference did break up on another Russian rabbit sausage deal though. The Russians are in the stone age of innkeeping. They built the world's largest hotel—the 2,000 room Rossiya off Red Square. But they built it in five sections, and among other things forgot to connect the sections internally. Anyway, they want U.S. hotel chains to build three modern hotels in Kiev, Leningrad and Moscow and run them for Intourist. But the Russians were willing only to sign the construction contracts and said they would discuss the management contracts only after the hotels were finished. The U.S. hotel men were too smart for that and walked out. The Russians will be back because they need the hotels *desperately*. But you can't blame them for trying such an outrageous proposition after the ruble ripoff, the wheat deal and SALT I.

Another example of Soviet style reciprocity was the trip of U.S. science writers to the USSR. Conducted under the auspices of the State Department, the agreement called for each U.S. writer not only to forpay all his expenses in the USSR but also to pay all the expenses for a Soviet writer to visit U.S. science centers.

You found out about the great grain robbery at the supermarket counters last year but isn't it incredible that they almost pulled it off again this year? And I have not seen much coverage in the great metropolitan dailies on the fact that the Soviets have refused to provide the crop statistics required by another one of those U.S.-USSR agreements, or that the Soviets refused to allow an official U.S. team to visit the virgin lands of Khazakstan where much of the harvest failures occur even though the agreement calls for on-site inspection. If the Soviets won't allow on-site inspection of their wheat crop do you think they will ever hold for on-site inspection of their nuclear missile sites?

Now let's look a little closer to home and examine some facets of our relations in the airline business, aerospace and Salt.

When Aeroflot first began to press for a Moscow-New York service in the early 1960s, I wrote an editorial asking "Is This Route Necessary?" Six years later the answer is emphatically "no." Once again we traded the Russians things they badly wanted for no tangible advantage to us. Pan American has lost a good deal of money flying the Moscow route with no fiscal help from the U.S. government. This and a lot of other so called "national interest" routes are one of the reasons for Pan American's fiscal plight.

But the deal was worse than just money. Pan Am can't sell tickets in Moscow, have an office where ordinary Russians can enter or even put up a sign anybody can see. All foreign airlines operating out of Moscow are confined to upper floor rooms in the Metropole Hotel—strictly out of bounds for ordinary Russians. Aeroflot counters that it has only a second floor office in New York. That's true. But it's Fifth Avenue and in one of their favorite positions—on top of the Czechs who have the first floor.

Aeroflot controls all outgoing traffic from Moscow and routes business to other airlines only when all its flights are full. It even tried to block the U.S. Embassy in Moscow from shipping freight via Pan Am. Even though normal traffic wouldn't sustain the New York service, Aeroflot was so desperate to record good traffic statistics that it smuggled thousands of ticket blanks into U.S. and Canada, in violation of the bi-lateral agreement, and padded the flights with freeloaders. When caught redhanded by the CAB, Aeroflot paid a $40,000 fine and promised to stop.

A year ago when we were in Moscow, Aeroflot was desperately trying to use the Brezhnev visit to Washington to pry loose even more concessions from the Nixon-Kissinger detente. When we pointed out that Moscow-New York traffic was so thin it barely supported Aeroflot's bi-weekly frequency, let alone the daily service they wanted, Sergei Pavlov, head of Aeroflot's international division said, "That's unimportant. You have a market and we have a country—let's get together." They also wanted to trade traffic rights to Leningrad where less than 100 people are free to buy an airline ticket of their choice, for traffic rights to San Francisco where millions can exercise that right, plus rights beyond to a trans-Pacific route. That even went beyond the one horse one rabbit recipe.

For the 12 years that the Soviets thought they were leading in the world in space exploration they rudely rebuffed all of the many U.S. proposals for co-operative ventures in space. When it finally dawned on them after Apollo how far behind they were falling in manned space flight they changed their tune and began negotiating what is now the Apollo-Soyuz mission or as some Houston wags say, the great wheat deal in the sky.

There is a legitimate purpose in the ASTP mission in developing a common docking system for space rescue. Some day somebody will have to use that system to rescue a space crew from orbit. And it will be worth every nickel it costs. But the question is "whose nickel?" The U.S. is engineering and paying for the docking system and adapter module. It will do all the docking maneuvering with the Apollo. The Soviets will provide a stable, we hope, and passive Soyuz target. For this the Soviets will try to convince their people and the rest of the world that they had achieved parity with us in manned space flight. Well that's all right. Let them try. But that wasn't their real goal in promoting the mission. They wanted to tap into the mainstream of U.S. Apollo manned space flight technology and wipe out their ten year deficit. Fortunately that isn't going to happen. But it was a near miss in the early euphoria of the Nixon-Kissinger detente. Some of the NASA hierarchy have been pretty pusillanimous about resisting Soviet pressure for total secrecy on the program. Some timid NASA souls got very upset when the Soviets objected to a detailed design story we ran on the Soyuz spacecraft. However, after scaring NASA the Soviets pondered the series and apparently the more they looked at it the better they liked it. In about three months a very similar detailed story on Soyuz appeared in their own Aeronautics and Cosmos magazine.

Rather than getting upset and stricken with secrecy every time the Russians object to some open discussion of their program, I think it would be appropriate for NASA to remind the Soviets that we have conducted the most successful space program in the world in a completely open atmosphere while their supersecret space program has run into a steady series of catastrophes.

The Soviet space program is so compartmentalized by secrecy and bureaucracy that they don't even know yet what their problems really are. This was demonstrated last year when we visited the cosmonaut training center at Star City and asked Vladimir Shatalov, the commandant, some design questions about a re-entered Soyuz test vehicle they had on display. Shatalov had a unique record of three successful Soyuz flights but he didn't answer the questions. "You think I am being evasive, but I am not," he told us. "I know from talking to Slayton and Stafford that your astronauts participate in the design and building of spacecraft. But in the Soviet Union cosmonauts do not. They give us the spacecraft and say 'Fly it.' I just don't know the answers to your questions."

The Soviets have learned a lot from the Apollo-Soyuz program about management, operational procedures, command and control systems and data accumulation and reduction systems, but that's no great harm because they couldn't really apply it to their space program without changing their whole political system.

They recently tried the same technology tap technique to our airplane business. The Soviet policy of super secrecy and isolation has left them trailing the rest of the world by at least ten years in commercial transport technology. Peter Dementiev, Minister of Aircraft Production, frankly admitted it to us when he laid on an unprecedented schedule of visits to design bureaus and production plants last year.

"We have a good aircraft industry," he said. "It has served our country well in its hours of need and we are still making progress. But we have been isolated and now find we are not making progress as fast as the rest of the world and have fallen so far behind we must have help. Boeing and Pratt & Whitney are the best in the world. We should not be too proud to learn from them."

They are now trying to siphon out of the United States the 20 years of knowledge and hardware that has given this country world

don't have any capability for the widebody transport generation. Very quickly the pitch to buy aircraft was turned into phase one, with phase two a pitch to buy all of the technology for basic new aircraft design, get U.S. companies to build and equip production facilities, train Soviet workers to operate them for a few years and then give the front door key to Peter Dementiev.

They also want software of all descriptions. They offered Boeing ten million dollars for [illegible] justice must guide all our efforts. I am convinced our major alliances are strong and firm, I am convinced our allies' confidence in us is not misplaced. I am convinced our cause is just and right.

In Salzburg, I met with Egypt's President Sadat, to continue our exploration of new steps toward peace in the Middle East. That is the most serious international issue of our time. The United States is in a unique position to help promote a peaceful solution—and I assure you we will make that effort.

The American commitment to freedom since World War II—the sweep of a generation—has been so vast and enduring that it serves no purpose for me to recount it here. But it does serve a purpose to remind ourselves, our friends and our potential adversaries that Americans are still prepared to pay the price of freedom—that we will honor our commitments—that we will do our duty.

This is why I am here today at West Point. This is why you are here today. Let us renew together our Founding Fathers' pledge to our country of our lives, our fortunes and our sacred honor. And let us always remember that freedom is never free.

WHY DO THE DOVES SANCTIFY COMMUNISTS?

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. SYMMS. Mr. Speaker, the fall of Vietnam and the resulting influx of refugees to the United States have been the cause of many controversies. One columnist, Ms. Shana Alexander, has said that refugees, especially the children, would be better off staying in Vietnam. The fallacy of this idea is so blatant that no one quite seems to take it seriously enough to refute it. But the line did appear in Newsweek, an influential magazine with a large circulation. In response to this column, John D. Lofton, Jr. has written one of the best analyses of the "excellent social services" myth to appear in print to date. I should like to submit this article in the RECORD at this time:

[From the Battle Line, May 1975]

WHY DO THE DOVES SANCTIFY COMMUNISTS?

(By John D. Lofton, Jr.)

It's easy to see how one could have been a dove on the war in Vietnam. No problem. But for the life of me, I'll never understand those who viewed our allies, the South Vietnamese, as horned devils, yet spoke of the North Vietnamese Communists as if they all had wings, wore halos, and carried harps.

In a recent column in Newsweek magazine, aptly titled "A Sentimental Binge" (my dictionary defines binge as "a drunken celebration or spree"), Shana Alexander criticized the babylift of war orphans from South Vietnam. She writes:

technique similar to the submarine launched Polaris. They are developing a fully land mobile ICBM—a point that was left out of the agreement at the Soviets' specific request and they are now actively interfering with our satellite and electronic means of checking their activity—another specific violation of the Salt treaty.

I think it is time to ring the bell on the Soviet violations of Salt I and develop a far tougher and more realistic stance for the [illegible] them being that its social services are "excellent." So, I call Ms. Alexander and ask her what she has to back up what she has written? She responds in a way that can only be characterized by a word that I don't like but in this case it must be used: snotty. She says she's "busy typing," that she doesn't want to discuss "this thing" with me, and she refers me to her "checker" at Newsweek, Olga Barbi, the woman who checks the facts in her column.

Ms. Barbi is very helpful and accommodating. She says that Ms. Alexander gave her a pile of newspaper clips and four books to back up her column. Two of the books are each almost 10 years old and written by well-known apologists for North Vietnam. They are: "The Other Side," by Staughton Lynd and Tom Hayden, husband of Jane Fonda; and "Vietnam North," by Wilfred Burchett, who has been identified as an individual who at one time was on the payroll of the Soviet secret police, the K.G.B.

But when it came to information to back up the assertion that North Vietnam's social services are "excellent," Ms. Barbi says she is unable "to put my finger on this material." Well, she shouldn't feel bad. Ms. Barbi is not the only person unable to find such documentation. People I spoke with at the International Red Cross, the United Nation's World Health Organization and the State Department are also unfamiliar with any such material.

Douglas Pike, author of "Viet Cong" and one of the world's acknowledged experts on North Vietnam, tells me that the description of North Vietnam's social services as "excellent" is absurd. Pike says the services are "primitive really" and common sense dictates they could be nothing else in a nation so poor, where the per capita income is $85 per year.

Furthermore, Pike points out, the North Vietnamese themselves admit that their social services are not excellent. He cites a recent directive promulgated by the Hanoi government's council of ministers, in February of this year, outlining what must be done to improve public health services. The directive notes that such services in North Vietnam remain scattered, are not integrated into a single sector nationwide, are not organized rationally according to the people's needs, and in the urban areas, at various levels, are weak and unstable.

Pike also quotes from an article last December in the North Vietnamese medical journal *Doue Hoc*, by the acting minister of health, Vu Van Can. In this piece, the inadequate medical situation is criticized in general. "At the present, the needs of the people are very great as compared to our capabilities," declares Can. He says the tasks and capabilities in regard to the existing situation are very limited, observing that, among other things, there are presently only 22 hospital beds available for every 10,000 people, whereas there should be 40.

Like Hewlett Johnson, the Dean of Canterbury, who found Soviet despot Joseph Stalin to be "calm, composed, simple," a man "not lacking in humor" with "steady purpose and a kindly geniality," to Shana Alexander, North Vietnam's Stalin, Ho Chi Minh, was really just another Albert Schweitzer who wanted only medicare and day care centers for his people.

PRESIDENT FORD ADDRESSES

of the thousands who fled the Communists, I cannot comprehend.

COSPONSORS OF HOME HEALTH AND NURSING HOME REFORM PACKAGE LISTED

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. KOCH. Mr. Speaker, I am listing the cosponsors of the first 14 bills of the comprehensive 49 bill home health and nursing home reform package, which I have introduced jointly with Representative CLAUDE PEPPER in the House and Senator FRANK MOSS in the Senate. I urge support by our colleagues of this much needed legislative package.

The cosponsors, plus descriptions of the bills, follow:

H.R. 4772, H.R. 4773, H.R. 5467, H.R. 6273, H.R. 7357, AND H.R. 7358

A bill to amend part B of title XVIII of the Social Security Act to broaden the coverage of home health services under the supplementary medical insurance program and remove the 100-visit limitation presently applicable thereto, to amend part A of such title to liberalize the coverage of post-hospital home health services thereunder to amend title XIX of such act to require the inclusion of home health services in a State's medicaid program and to permit payments of housing costs under such program for elderly persons who would otherwise require nursing home care, to require contributions by adult children toward their parents' nursing and home health care expenses under the medicaid program, to provide expanded Federal funding for congregate housing for the displaced and the elderly, and for other purposes; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Ms. Abzug, Mr. Beard of Rhode Island, Mr. Bergland, Mr. Biaggi, Mr. Bingham, Mr. Brademas, Mr. Brodhead.

Mr. Brown of California, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Conyers, Mr. Corman.

Mr. Corneli, Mr. Daniels of New Jersey, Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Oregon, Mr. Duncan of Tennessee, Mr. Edgar.

Mr. Eilberg, Mr. Gilman, Mr. Hanley, Mr. Harkin, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski.

Mr. Hicks, Mr. Howard, Mr. Hughes, Mr. Jeffords, Mr. Jenrette, Mr. LaFalce, Mr. Lehman, Mr. Lent, Mr. McHugh.

Mr. Matsunaga, Mr. Mazzoli, Mr. Mitchell of Maryland, Mr. Murphy of New York, Mr. Neal, Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Peyser, Mr. Randall, Mr. Rangel, Mr. Rees, Mr. Richmond, Mr. Rinaldo, Mr. Rodino.

Mr. Roncalio, Mr. Rosenthal, Mr. Roybal, Mr. Ryan of California, Mr. Santini, Mr. Sarbanes, Ms. Spellman.

You may have read or heard that our allies and other overseas friends have questioned the continuing resolve and unity of our government and our people and that I went to Europe to give them reassurance.

Fortunately, I did not find that degree of doubt among the leaders with whom I met requiring such extensive reassurance, nor would mere words be enough to convince these practical political leaders. What has impressed them and what will impress them

[illegible] elementary medical insurance program and remove the 100-visit limitation presently applicable thereto, to amend part A of such title to liberalize the coverage of post-hospital home health services thereunder, to amend title XIX of such act to require the inclusion of home health services in a State's medicaid program and to permit payments of housing costs under such a program for elderly persons who would otherwise require nursing home care, to provide expanded Federal funding for congregate housing for the displaced and the elderly, and for other purposes; jointly, to the Committee on Ways and Means, and Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Addabbo, Mr. Anderson of California, Mr. Aspin, Mr. Badillo, Mr. Baldus.

Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas, Mr. Brodhead, Mr. Brown of California, Mr. Carney, Mr. Carr.

Ms. Chisholm, Ms. Collins of Illinois, Mr. Conyers, Mr. Corman, Mr. Cornell, Mr. Daniels of New Jersey, Mr. Dellums.

Mr. Diggs, Mr. Downey of New York, Mr. Drinan, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Eilberg, Mr. Fascell.

Mr. Florio, Mr. Ford of Tennessee, Mr. Ford of Michigan, Mr. Fraser, Mr. Frenzel, Mr. Gilman, Mr. Hanley, Mr. Hannaford.

Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Ms. Holtzman, Mr. Howard, Mr. Hughes.

Mr. Jenrette, Mr. Lehman, Ms. Lloyd of Tennessee, Mr. Long of Maryland, Mr. McHugh, Mr. Maguire, Mr. Matsunaga.

Mr. Mazzoli, Mr. Meeds, Mr. Mikva, Mr. Miller of California, Ms. Mink, Mr. Mitchell of New York, Mr. Mitchell of Maryland, Mr. Moore.

Mr. Mottl, Mr. Murphy of New York, Mr. Murphy of Illinois, Mr. Neal, Mr. Nix, Mr. Patterson of California, Mr. Pattison of New York, Mr. Peyser.

Mr. Randall, Mr. Rangel, Mr. Rees, Mr. Richmond, Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe.

Mr. Roncalio, Mr. Rosenthal, Mr. Roybal, Mr. St Germain, Mr. Sarbanes, Ms. Schroeder, Mr. Seiberling, Mr. Solarz.

Ms. Spellman, Mr. Stark, Mr. Stokes, Mr. Traxler, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Wirth, Mr. Won Pat, Mr. Yates, Mr. Zeferetti.

H.R. 4776, H.R. 7361, H.R. 7362, AND H.R. 7363

A bill to amend the Public Health Service Act to provide for in-service training of nursing home personnel; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Mr. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncalio, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4777, H.R. 7364, H.R. 7365, AND H.R. 7366

A bill to amend title VII of the Public Health Service Act to provide for the making of grants to schools of medicine to assist them in the establishment and operation of departments of geriatrics; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal, Mr. Nix.

Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees.

Mr. Richmond, Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncalio, Mr. Rosenthal.

Mr. Ryan of California, Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4778, H.R. 7367, H.R. 7368, AND H.R. 7369

A bill to amend title VII of the Public Health Service Act to provide for the making of grants to schools of medicine to assist them in the establishment and operation of continuing education programs in geriatrics for physicians; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncalio, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4779, H.R. 7370, H.R. 7371, AND H.R. 7384

A bill to amend title VII of the Public Health Service Act to provide for the making of grants to appropriate colleges and universities to assist them in the establishment

But today as never before you will need a sense of history, a grasp of economic principles, an appreciation of science, a mastery of geopolitics and diplomatic conventions. The Commander-in-Chief can state a policy and issue an order, but only disciplined and dedicated subordinates can successfully carry it out.

You must also understand that in the complexities of today's world, we must pursue complex policies. We must be at the [illegible] Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncalio, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4780, H.R. 7372, H.R. 7373, AND H.R. 7374

A bill to amend title VII of the Public Health Service Act to train certain veterans, with appropriate experience as paramedical personnel, to serve as medical assistants in long-term health care facilities; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncalio, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4781, H.R. 7375, H.R. 7376, AND H.R. 7377

A bill to amend title VII of the Public Health Service Act to provide for the making of grants to appropriate colleges and universities to assist them in the establishment and operation of programs for the training of physicians' assistants; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of

UMI

West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncallo, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4782, H.R. 7378, H.R. 7379, AND H.R. 7380

A bill to authorize an experimental program to care for elderly individuals in their own homes; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncallo, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4785, H.R. 7388, H.R. 7389, AND H.R. 7390

A bill to amend title XIX of the Social Security Act to require any nursing home, which provides services under State plans approved under such title, fully to disclose to the State licensing agency the identity of each person who has any ownership interest in such home or is the owner (in whole or in part) of any mortgage, deed of trust, note, or other obligation secured (in whole or in part) by such home; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncallo, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4783, H.R. 7381, H.R. 7382, AND H.R. 7383

A bill to amend title XVIII to the Social Security Act to expand the definition of "provider of service" to include "elderly day care center"; to the Committee on Ways and Means.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncallo, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 4784, H.R. 7385, H.R. 7386, AND H.R. 7387

A bill to authorize the Secretary of Housing and Urban Development to encourage and assist in the development on a demonstration basis of several carefully planned projects to meet the special health-care and related needs of elderly persons in a campus-type setting; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncallo, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 6494, H.R. 7391, H.R. 7392, AND H.R. 7393

A bill to amend the Social Security Act to improve the survey and certification process, rate-setting and fiscal audit methods, and general regulation of nursing homes and intermediate care facilities under the medicaid program; and to provide for medical, psychological, and social assessment of long-term care patients under both the medicare and medicaid programs; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Mr. Meeds, Mr. Murphy of New York, Mr. Neal.

Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Pattison of New York, Mr. Randall, Mr. Rees, Mr. Richmond.

Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncallo, Mr. Rosenthal, Mr. Ryan of California.

Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Zeferetti.

H.R. 7394, H.R. 7395, H.R. 7396, AND H.R. 7397

A bill to amend the Social Security Act to improve the survey and certification process, rate-setting and fiscal audit methods, and general regulation of nursing homes and intermediate care facilities under the medicaid program; and to provide for medical, psychological, and social assessment of long-term care patients under both the medicare and medicaid programs; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Biaggi, Mr. Bingham, Mr. Brademas.

Mr. Brodhead, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois, Mr. Corman, Mr. Daniels of New Jersey.

Mr. Dellums, Mr. Diggs, Mr. Downey of New York, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Mr. Florio.

Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Howard.

Ms. Lloyd of Tennessee, Mr. McHugh, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Ms. Meyner, Mr. Mikva.

Mr. Motti, Mr. Murphy of New York, Mr. Neal, Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Randall, Mr. Rangel.

Mr. Rees, Mr. Richmond, Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncallo, Mr. Rosenthal.

Mr. Roybal, Mr. Ryan of California, Mr. St Germain, Mr. Scheuer, Ms. Schroeder, Mr. Solarz, Ms. Spellman, Mr. Stark.

Mr. Stratton, Mr. Symington, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Wirth, Mr. Yates, Mr. Zeferetti.

HOUSE RESOLUTIONS 306, 307, 363, 493, AND 494

A resolution expressing the sense of the House of Representatives that the President should submit an action plan to correct abuses in nursing homes; to the Committee on Interstate and Foreign Commerce.

COSPONSORS

Mr. Koch, Mr. Pepper, Ms. Abzug, Mr. Addabbo, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Bell, Mr. Bingham.

Mr. Brademas, Mr. Brodhead, Mr. Brown of California, Mr. Carney, Mr. Carr, Ms. Chisholm, Mr. Cohen, Ms. Collins of Illinois.

Mr. Conyers, Mr. Corman, Mr. Daniels of New Jersey, Mr. Dellums, Mr. Diggs, Mr. Dodd, Mr. Downey of New York, Mr. Duncan of Tennessee.

Mr. Edgar, Mr. Edwards of California, Mr. Fascell, Ms. Fenwick, Mr. Florio, Mr. Ford of Tennessee, Mr. Fraser, Mr. Gilman.

Mr. Harkin, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Ms. Heckler of Massachusetts, Mr. Helstoski, Mr. Hicks, Ms. Holtzman.

Mr. Howard, Ms. Lloyd of Tennessee, Mr. McHugh, Mr. Maguire, Mr. Matsunaga, Mr. Mazzoli, Ms. Meyner, Mr. Mikva.

Mr. Motti, Mr. Murphy of New York, Mr. Neal, Mr. Nix, Mr. Ottinger, Mr. Patterson of California, Mr. Randall, Mr. Rangel.

Mr. Rees, Mr. Richmond, Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Roncallo, Mr. Rosenthal.

Mr. Roybal, Mr. Ryan of California, Mr. St Germain, Mr. Scheuer, Ms. Schroeder, Mr. Solarz, Ms. Spellman, Mr. Stark.

Mr. Stratton, Mr. Symington, Mr. Udall, Mr. Waxman, Mr. Weaver, Mr. Wirth, Mr. Yates, Mr. Zeferetti.

NAVY SECRETARY MIDDENDORF: RENAISSANCE MAN

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. BAUMAN. Mr. Speaker, those of us who have had the privilege of knowing Secretary of the Navy, J. William Middendorf II, see him as a competent and enthusiastic administrator, relentless and persuasive in his knowledgeable exposition of the Navy's point of view. Secretary Middendorf is a tireless traveler, frequently touring naval installations at home and abroad. He is an intelligent and entertaining intellectual, able to converse on almost any subject.

What many do not know is that in addition to being an outstanding Secretary of the Navy, Bill Middendorf is an accomplished artist, a serious composer whose music has been published and performed, a collector of artwork, books, and rare manuscripts. All of this is in addition to a distinguished career in financial analysis and being the first Secretary of the Navy to have earned a college degree in Naval Science.

Recently the Baltimore Sun magazine published an article on the Secretary which gives an insight into the breadth of his interests and the scope of his accomplishments in a number of diverse fields. I think my colleagues might be interested in learning more about this outstanding son of Maryland:

WILLIAM MIDDENDORF II: RENAISSANCE MAN AT THE HELM

(By Henry Scarupa)

Early one rainy Saturday morning J. William Middendorf 2d sat in the back of a chauffeured Plymouth, a pad in his lap, jotting down the notes to his sixth symphony with a felt tip pen. The big, black sedan headed for Andrews Air Force Base, where a plane was waiting to fly the Baltimore-born Secretary of the Navy to the Charleston Naval Base, and the commissioning of a nuclear sub.

By the time the car reached the plane's side and a gathering of several senators and congressmen who would be flying with him, Mr. Middendorf had deftly slipped into his official role as SecNav. For the remainder of the long workday, he played the part with unrelieved intensity.

Coming from an old Baltimore family, Mr. Middendorf is well-practiced in doing his art when and where he can. For at least 20 years he has been a Sunday artist. One of his oils, done with palette knife, hangs in his Pentagon office. In no way amateurish, the canvas shows a fine sense of balance and color, along with a sure grasp of technique.

Adm. Hyman G. Rickover in a recent introduction referred to Mr. Middendorf as a "modern renaissance man." With a deep, abiding interest in the arts, the Secretary brings an unusual background to his office. During the Fifties and Sixties he amassed an outstanding collection of early American art, which was shown in leading art museums. He has written and lectured on American art. Midway in his career he turned to painting on china and making stained glass windows. One of his windows embellishes a church in Europe.

Almost as a sideline Mr. Middendorf has acquired the first editions of Robert Frost's published poems, as well as a good number of manuscripts. He began corresponding with the New Englander while in prep school, and in 1953, 10 years before Frost's death, he and his wife began visiting the poet at his Vermont farm. The Dartmouth Library has expressed an interest in the collection.

Mr. Middendorf's latest venture in the arts is in music. Virtually unlettered in composing only six years ago, he has turned out a variety of concertos, sonatas, symphonies and marches. Both the Navy and Marine bands include his pieces in their repertoires.

The 50-year-old Middendorf has managed all this while building a solid reputation in the world of financial affairs. He is author of a standard textbook, "Investment Policies of Fire and Casualty Insurance Companies" written early in his career. As senior partner with Middendorf, Colgate and Company he became a highly regarded Wall Street insurance investment specialist.

Beginning in 1964 and for five years he was treasurer of the Republican National Committee. For the next four years he served as United States ambassador to the Netherlands. Then President Nixon named him Navy undersecretary and, in less than a year, full secretary.

Despite the demands on his time Mr. Middendorf takes part in a number of civic organizations, especially those having a cultural focus. He is chairman of the board of the Wolf Trap Foundation and board member of the National Symphony, to name just two. Aso, Mr. Middendorf and his wife, the former Isabelle Paine, have two sons and three daughters, aged 8 to 20.

Along Pentagon corridors, Mr. Middendorf has the reputation of being a hard driver and a tireless worker. Since June when he became SecNav he has made two trips abroad: to the Middle East and Europe on one swing, and to the Far East on the other, a total of over 37,000 miles. In the Mideast he met with the Shah of Iran, King Faisal of Saudi Arabia and Shaikh Isa Bin Sulman Al Khalifa of Bahrain. The meeting with the latter chief of state led to an agreement extending the use of a Bahraini base to U.S. Navy ships.

In the same seven months, Mr. Middendorf traveled 35,000 miles within the United States. He inspected Navy and Marine installations, appeared at ceremonial events such as keel-layings, and spoke across the country before influential civilian audiences. He will be guest of honor and speaker at Flag Week ceremonies, sponsored by the Flag House, here June 8.

The Secretary has in his office a framed cartoon, showing a troubled man in nightclothes seated at the edge of his bed. His wife on the other side under the covers awakens to hear her husband moan, "I woke up at 3:30 this morning with the strange feeling that Russia surpassed us." In his official talks Mr. Middendorf repeatedly drums home two urgently felt themes: the growing threat of Soviet naval power and the country's need for a powerful navy. He decries the fact that U.S. Navy strength in the last six years has dropped from nearly 1,000 vessels to just 500. Since August he has given over 50 speeches, including at least one major address a week. Even before the end of January he had met with 35 new members of Congress in a frank bid to sell them on the Navy.

A Navy ensign in the mid-Forties, Mr. Middendorf relishes visiting the fleet. He has boarded over 80 ships since he became Navy Secretary, 45 on the Pacific trip alone. He oftens hops from ship to ship by helicopter. Mindful of his own days as a lowly engineering officer, he makes a point of seeking out the engine rooms of the ships he visits. Once while aboard the USS Hawkins, part of the Navy's Middle East Force in Bahrain, he plunged into the fireroom, where the temperature was 135 degrees. In the Pacific he squeezed his burly 6-foot-4 frame into a destroyer escort's boiler.

To honor engine room crews Mr. Middendorf created the "Order of the Golden Snipe." Whenever the drops in on an engine room he presents one of the engraved plaques. A "snipe" in Navy slang is a rating in the engineering gang.

The recent Charleston trip illustrates the fullness of Mr. Middendorf's days. Even before the twin-engine plane cleared the runway, the SecNav was huddled with South Carolina Senator Ernest F. Hollings and other congressional guests in the rear cabin.

A tall strapping man, Mr. Middendorf stands out because of his size. He has intense brown eyes. His hair, closely trimmed and thinning, has begun to turn gray upwards from the temples. On this day he wore a plain dark suit and vest, white shirt tnd dark blue tie, patterned with yellow ship silhouettes.

"Ordinarily the Secretary spends 15 or 20 minutes talking with individual senators and congressmen," an aide on the plane pointed out. "It's unusual for him to have two hours to talk with them. That's why Capitol Hill leaders are usually invited to ceremonial events. The Secretary likes to get their views on the Navy and explain the Navy's side of things."

On landing the party was whisked nonstop by road convoy through a suburban area to the naval base. Police cars, lights flashing on top, cleared the VIP cars through red lights.

The commissioning of the USS *L. Mendel Rivers*, a nuclear-powered attack submarine, took place early in the afternoon. Hundreds of visitors lined the pier to witness the event. Ships on either side were festooned with red, white and blue bunting. Flags flapped in the wind. Mr. Middendorf and other dignitaries sat in a covered speakers' stand on the Rivers' deck just back of the conning tower. Fore and aft of the stand stood the ship's crew in military formation.

In contrast to the oratorical style of most seasoned politicians Mr. Middendorf spoke in a conversational tone, frequently referring to the text before him. He prefaced his remarks by mentioning the names of the Washington guests who had come down with him. Included was a reference to Dan Symms, 13-year-old son of Idaho congressman Steven D. Symms. The Secretary thanked everyone for showing interest in the Navy.

For the second half of the event Mr. Middendorf and other officials hurried a hundred yards or so to the USS *South Carolina*, a nuclear-powered guided missile frigate. The ship had been commissioned in Norfolk only the previous Saturday. Naturally Mr. Middendorf had been there. Now at Charleston the *South Carolina* was the object of a patroness ceremony, a new and untried event devised by the Secretary to form a lasting bond between Navy ship and civilian community. The vessel's patroness, Mrs. James B. Edwards, wife of South Carolina's governor, presented the frigate a handsome silver service.

Minutes later Mr. Middendorf was back at the *L. Mendel Rivers*, descending a hatch into the sub's black hull. He called at the engine room long enough to leave behind a snipe plaque. Back on deck he posed for photos with crewmen against the background of the sub's name plaque.

At this point an aide reminded Mr. Middendorf of the reception going on at the James E. Williams enlisted club. "I want to visit some ships," the Secretary replied, scuttling the suggestion. "How many do we have?" With that he bounded, two steps at a time, up a steep gangway to the deck of the USS *Orion*, a submarine support ship. Aides trailed in his wake.

Led by a ship's officer Mr. Middendorf moved below deck through a maze of corridors and down several ladders, finally ending in the engine room. The place was like a museum, without trace of grease or oil, the brass glistening. The SecNav arrived so suddenly there was no-one there to greet him or receive the snipe plaque. The order went out to round up some men, and within a minute enough ratings were on hand for a simple ceremony recorded on film.

Mr. Middendorf didn't stop there. He hurried into the enlisted men's quarters, where he inspected the bunks, checked on new fireproof mattress covers and even poked into a locker. The VIP party continued at a fast clip through more passageways, with the Secretary pausing briefly to peek into an unused shower room. In the galley he grabbed a cookie on the run from a tray and halted momentarily before a joint of roast beef to sample a slice.

That afternoon Mr. Middendorf boarded four other naval craft, all nuclear-powered subs. At each he handed out snipe plaques and posed for photos with enlisted men. By the time he arrived at the reception most of the champagne had been uncorked and the hors d'oeuvres picked over.

He stayed under a half-hour. At 5 P.M., 30 minutes behind schedule, he stepped into an official car headed for the airfield. On the return to Washington he flew in another plane to confer with his old friend, South Carolina's Strom Thurmond, a member of the Senate Armed Services Committee.

UMI

As Navy Secretary Mr. Middendorf oversees a domain every bit the equal of many countries. He is asking for next year a budget in excess of $33 billion. Navy manpower numbers 536,000 plus 196,000 for the Marine Corps. The force is scattered over 215 major shore installations over the world, as well as aboard a fleet of 500 ships. Airpower totals over 7,000 aircraft.

Fittingly, Mr. Middendorf should be at the helm on October 13 of this year, when the Navy observes its bicentennial. Two hundred years ago his great, great, great, grandfather, William Stone, a Baltimore ship captain, took command of the Hornet, one of the Continental Navy's earliest fighting ships. The first American flag flown in Maryland was raised on the Hornet's gaff. The 10-gun sloop took part in a raid on the British and helped capture a large quantity of ammunition.

In 1830 Heinrich Christoph Middendorf left the family farmstead in Lower Saxony to settle in Baltimore and open a grocery. His fifth son, John William Middendorf (in Germany there had been other Johann Wilhelm Middendorfs) became a successful investment banker, acquiring interests in railroads, utilities and other growing enterprises. He married Alice Stump, a lineal descendent of Captain Stone. The couple's twin sons—Henry Stump Middendorf, the Secretary's father—was one—both studied at Harvard and joined the family business, then known as Middendorf and Sons.

After growing up in Riderwood, young Bill was 13 when he left Maryland. He had begun to study at Gilman School. The Depression was on. Middlesex School in Concord, Mass., offered a scholarship, and in 1937 his parents put him on the train for New England. From there he went to Harvard. This time the war intervened. He joined the Navy's V–12 officer training program, transferring to Holy Cross College which awarded him a naval science degree. Mr. Middendorf is the first Navy secretary to hold that degree.

During 1945 and 1946 he served aboard an unglamorous landing craft in the Pacific. It was Mr. Roberts' Navy, he quips looking back, where "everybody bitched all day long."

After military service Mr. Middendorf returned to Harvard to major in economics. He was graduated in 1947 and went to work in the credit department of the Bank of Manhattan, now Chase Manhattan. The early Fifties brought many changes. Mr. Middendorf switched jobs, becoming an analyst with Wood Struthers and Company on Wall street. He married a Newton (Mass.) woman. He earned a master's degree at New York University's graduate school of business administration.

And he began painting evenings at New York's Art Students League under such artists as Robert Brackman. For as far back as he could remember he liked to draw. In college he was cartoon editor for the Harvard *Lampoon*. Along with his painting Mr. Middendorf added to his art collection. As early as prep school he used to rummage through antique shops in Concord for old prints. On trips to Boston and New York, he would browse for hours at Goodspeed's and other old print shops. With prosperity his tastes moved beyond the familiar Currier and Ives illustrations to rare mezzotints and other art from the country's early days.

In 1959 Wood Struthers made Mr. Middendorf a partner. Three years later he left to become senior partner of Middendorf, Colgate and Company, and a seat on the New York Stock Exchange. Henry Middendorf, who helped his son establish the firm, came in as limited partner. Branch offices opened in Baltimore and Boston.

During the 1964 Presidential race Mr. Middendorf, an acknowledged conservative, worked on behalf of Barry Goldwater in his bid for the Republican nomination. He continued active in party affairs for several years, as fund raiser, as treasurer for the Republican National Committee, and as contibutor to Republican campaigns, including that of Richard Nixon in 1968.

The mid-Sixties saw Mr. Middendorf increasingly taken up with his flourishing art collection. He hired a curator to help him. In 1967 the Baltimore Museum of Art and later the Metropolitan in New York and other museums exhibited a sizable number of historical American prints, the majority of which came from the Middendorf collection. The show, tracing American printmaking from 1670 to 1820, was billed the most comprehensive of its kind to date. It included the first maritime print and the second mezzotint known to have been produced in the American Colonies. The Smithsonian Institution later published an art book reproducing the items in the show. Mr. Middendorf wrote the introduction. In the same period he donated two early Nineteenth Century oils to the Baltimore Museum of Art, among them the important "View of the Capitol," by Thomas Doughty.

On July 3, 1969, after taking leave from his business activities, Mr. Middendorf was sworn in as ambassador to the Netherlands. By then he had founded the Oceanographic Fund, a diversified investment company, and served as director. Edward C. Nixon, the President's brother, was also a director. Further, Mr. Middendorf was president of Williams County Boadcasting System, and owner of four radio stations and one TV station in Pennsylvania and Ohio.

The new ambassador brought the same business acumen to his job at The Hague. Departing from the traditional role of diplomat he became a master of the hard sell, pushing American products in the Dutch marketplace. He wrote to the heads of hundreds of U.S. corporations urging increased exports. Commercial attaches under his direction flooded Dutch business prospects with direct mail bids and followed up with personal calls. Becoming friendly with the Dutch defense minister, Mr. Middendorf accompanied him on a tour of American aircraft plants. The ambassador, *Business Week* wrote at the time, regarded his post with "the eye of a division manager."

The Netherlands proved fertile ground for art as well as business. "There's something in the atmosphere of Holland," Mr. Middendorf says, reflectively. "It's a very cultural country. It's common for example for someone to know everything about birds. Art activity opens up a lot of doors." The ambassador occasionally hunted and discussed art with such cultured Hollanders as F.H.M. Grapperhaus, president-director of the Bank Mees and Hope N.V. For many years Mr. Middendorf had cultivated an interest in Seventeenth Century Dutch art and had even put together a small collection of Rembrandts, on loan to the Metropolitan Museum.

The first year in Holland he took private lessons at Delft's Seventeenth Century porcelain factory, learning to paint on china in the old way. He designed a Delft blue plate, which he later gave to the President at the White House. The following year Mr. Middendorf began an apprenticeship under Joep Nicholas, Holland's last practitioner of late Gothic-style stained glass making.

Wearing a big apron, his sleeves rolled up, he spent almost every weekend for next 12 months at Nicholas's atelier in Limberg. "I worked as hard as a bastard . . . much harder than I ever did in my life," he now says, smiling. In that period he worked on a window that was installed in the Queen's church in Delft. He also designed a stained glass window, 9 feet in diameter, depicting themes from the Old and New Testaments. The work took four months to complete, mainly because duties at the embassy often kept him away. The rosette was installed in the Anglican church in The Hague, where the ambassador worshiped and taught Bible class.

It was at the same church that Mr. Middendorf met Somtow Sucharitkul, son of the Thai ambassador to the Netherlands. The young man at the time was studying music at Cambridge University. Before long he was tutoring the ambassador in music composition. Mr. Middendorf proved an adept pupil, and in a year composed four symphonies. The "Holland Symphony," one of the four, he dedicated to Queen Juliana. It was premiered over Dutch radio on the eve of the Queen's silver jubilee, and commercially recorded.

Asked once by a reporter how he managed to work in so many art forms, Mr. Middendorf replied, "Find a fellow in the area who is good and learn from him. Second, don't be afraid to concentrate intensely. It's not so difficult."

Capt. Roger Pineau, director of the Navy Memorial Museum in Washington and a friend, provides further insight. "Middendorf has a fascinating curiosity about things," he says. "He's questioning endlessly when he's learning. Every one of his questions has a point. And the better you know your subject, the more you realize the value of the point."

The ambassador's excursions into art didn't detract from official duties. In recognition of his energetic balance of payments program, and his work with the Common Market and NATO, the State Department bestowed on him its Superior Honor Award.

Mr. Middendorf came to Washington in August, 1973 as Navy undersecretary. That same year he auctioned off a good part of his art collection at Sotheby Parke-Bernet in New York. Eastman Johnson's 1851 painting of "Washington Crossing the Delaware," a copy of Emanuel Leutze's larger and more famous work, fetched $280,000. The price set a new record for an American work of art sold at public auction. In the years he was collecting art, prices shot up astonishingly, in some cases twelvefold. Mr. Middendorf realized over $1 million from the sale of art in 1973.

Increasingly in his spare moments the Navy undersecretary turned to music, at times composing until 3 A.M. He also liked to chat with musicians whenever he could. Lt. Cmdr. Ned Muffley, Navy Band C.O., recalls his first meeting with the undersecretary: "I was at his office one day and he proceeded to play a record of the 'Holland Symphony' for me. He also brought out some scores. I was surprised he spent that much time with me." During its Christmas concert that year the Navy Band performed the symphony at Washington's Constitution Hall. The audience responded with a standing ovation.

No doubt inspired by his military surroundings Mr. Middendorf began to compose more and more in march form. From his pen came such pieces as the "Secretary of Defense March" and the "Navy Triumphal March." The Marine Band's Lt. John Bourgeois recalls meeting Mr. Middendorf about that time at a Washington party. "It was just after he had written a Navy march," says the Marine bandsman. "I kidded him not to forget the Marines. We're in the family too, I said. Well, he burned the midnight oil and came up with the 'Brave Marines March.' "

Lt. Col. Jack Kline, Marine Band C.O., was surprised one day when Mr. Middendorf called to ask if he could attend a rehearsal. "We invited him over," he goes on. "He likes to be involved with music. He had some suggestions on the tempo of one of his marches, where it departs from regular march form. He's genuinely pleased to hear his music performed. His enthusiasm shows."

Three months after Mr. Middendorf became the Navy's top civilian, the National Symphony played his "Navy Suite" at Wolf Trap. The composer said he had written the piece to recapture his experience as a young Navy officer in the Pacific during World War II. The weather that September evening hardly made for relaxed listening. Lightning and heavy showers preceded the performance. A steady rain fell throughout the concert.

The next day the Washington *Post* ran a review under the headline, "Music That Was All Wet," Paul Hume, the *Post's* music critic, wrote, "The music leaves me at a loss for words, except to wonder why it was played. The obvious answer is painful: it would not have been had the composer been ordinary John Q. Citizen. It was an embarrassment to the members of the National Symphony, and conductor Murry Sidlin should not have been asked to conduct it."

Commander Muffley disagrees. "The Secretary has great ability to capture color with melody," he points out. "The music in the 'Navy Suite' describes the titles of the five movements. It's really quite exciting.

"Doing this as a hobby is remarkable. You could say we play his music because he's the Secretary of the Navy. That's not true. I've told him I didn't like some of the things he's done. But overall his music is very entertaining, very expressive, very listenable. I've been in the business 30 years and if I had to write a symphony I'd be sweating blood. He works at it diligently. He often comes up here (band rehearsal room at the Washington Navy Yard) after a busy day. I dropped in once at 9 in the evening and there he was at the piano, composing. That kind of love for music comes rare to many of us who have committed our lives to it."

One of Mr. Middendorf's latest compositions, the "Lollipop March," will be premiered by the Navy Band in August at the annual lollipop concert at the Jefferson Memorial. Traditionally candy suckers are passed out at the event and up to 9,000 children attend. The march calls for such unusual instruments as balloons popping at odd intervals, bicycle bells and wooden spoons.

With Bach, Beethoven and Mozart as his favorite composers, Mr. Middendorf admits his music is old-fashioned. "I'm told I shouldn't compose in the idiom of the past," he says, unruffled, "anything that goes back five years. But I'm encouraged by some people who say you don't have to go forward to make progress. All change isn't progress. I'm not comfortable with serial form."

Last fall the Navy Combat Art Center at the Washington Navy Yard mounted an exhibit of World War II paintings. Mr. Middendorf had learned earlier that Charles D. Lawrence, center curator, was planning the show. His office called Lawrence to let him know the Secretary would be there sometime after 6 P.M. Mr. Lawrence was flabbergasted by what followed.

"The Secretary wanted to see everything pertaining to World War II," the curator recalls, "and there are over 3,000 items. Only the assistant curator and myself have seen everything. The Secretary took off his jacket, laid it on the floor and went back into the storage area. No other Navy Secretary has gone back there, and I've been here since 1946. 'That's great,' he'd say. 'Let's use this and this.' He worked. We didn't even take a break to eat and that man stayed here until midnight. He examined every little piece of paper . . . every 3-by-5 (inch) sketch. He never got tired of looking at art."

Mr. Middendorf came back another day to help pick out other paintings for the exhibit and remained even longer. Later that night he returned to the Pentagon for a fresh look at the art hanging in the corridor outside his office. The show, featuring 190 works, opened last October at the capital's Minuteman building. Eight World War II combat artists attended by special invitation. Following the opening Mr. Middendorf took them to dinner at Trader Vic's.

People who see the Secretary daily are disarmed by the human touches he brings to his position. They find him relaxed and not overly concerned with the privileges of office. Early on he turned in his government limousine. He still feels uneasy about having others open doors for him. According to one well-placed Navy officer, the Secretary has often commented: "I've never been used to having people wait on me. I won't always be Secretary and I don't want to get used to being waited on." Entitled to a Navy plane, Mr. Middendorf flies by commercial airline whenever possible. He takes the air shuttle to New York.

Capt. Roger Pineau once asked Mr. Middendorf about the propriety of buying a historical though controversial letter for the Navy Memorial Museum. In it a high-ranking Navy officer referred to the then Secretary of the Navy as a "fathead." Mr. Middendorf agreed at once the museum should have the letter. Says Captain Pineau, "I'd never dream of waving a letter about a fathead secretary of the Navy in front of most secretaries I've known. But Middendorf is secure within himself. He can laugh about it."

Norman Polmar, editor of the U.S. section of Jane's Fighting Ships, has known three Navy secretaries. He finds the present office holder a "non-conformist," who never loses sight of the broader dimension of problems. "Middendorf lacks a technical education," he says, "and when he argues with you he's limited in that respect. But he does try to get beyond the technical to the philosophical.

"With him the basic thing is people. He can deal with people at all levels . . . beyond the pieces of paper that come across his desk. He is very considerate. He compliments often reach the point of embarrassment. On a couple of occasions he's gone over to people or called attention to them, regardless of time and place. He is a very intensive person.

"He is also a lousy public speaker. He tends to read his speeches and to fiddle with his hands. He feels what he is saying—the importance of seapower—is so significant people should listen. He's a valuable speaker because he is so sincere. Middendorf has that job for one purpose—to help the Navy and the nation."

The SecNav often drives from his McLean (Va.) home to Baltimore to visit family and friends. His stepmother and several cousins live in the area. His father died in 1972. He also travels to the Eastern Shore to hunt. It's not unusual for him to be up at 4 A.M. on a weekday in order to spend a few hours in a duck blind on the Chester River before morning briefing at the Pentagon.

Mr. Middendorf says he enjoys working with Navy people. "Straight people," he calls them affectionately. "They have to be personally disciplined to get to exalted rank in this profession," he explains. "They have to have real inner discipline. What they say is what they mean."

As to his job overseeing the world's most powerful seaforce, Mr. Middendorf adds, "Every day is full of excitement. But it's not all romance. We're in the dirty linen business. We have a lot of problems. If something is going excellently we don't necessarily hear about it. We hear about the problems."

THE FRANKFORD ARSENAL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. EILBERG. Mr. Speaker, the Department of the Army has decided to close down the Frankford Arsenal in Philadelphia. The reasons put forth are economy and the efficiency and modern operation of other facilities as compared to Frankford.

So far the Army has not been able to justify these claims and has been evasive in answering the questions put to it about the proposal to shut down Frankford.

A series of articles by Hoag Levins, a reporter for the Philadelphia Daily News, has raised serious questions about the real reasons for the Army's decision to shut down the Frankford Arsenal, one of the finest installations of its type in the Nation.

At this time I enter into the RECORD another installment of Mr. Levins' articles:

[From the Philadelphia Daily News, May 27, 1975]

ARSENAL "BRAIN" CONTROL LOST?

(By Hoag Levins)

Army officials now are taking steps that ultimately will place control of Frankford Arsenal's main function in the hands of private industry.

The actions—which involve the arsenal's "fire control" program—are in direct contradiction to claims made by the secretary of the Army during a visit to Philadelphia last month.

"Fire control" is what the Army calls the complex computer systems that serve as the "eyes, ears and brain" of such sophisticated weapons as the M–60 tank. Frankford houses the Army's only fire control center. It employs nearly half of the arsenal's 3,500 workers.

On April 23, in a tape-recorded interview, Army Secretary Howard (Bo) Callaway denied that work at Frankford and other arsenals was being turned over to private industry, as had been disclosed in a number of Daily News stories.

However, during the last month, Callaway's department has taken the latest in a series of actions that will accomplish what the Army secretary said could not happen.

The story of the Army's loss of financial and technical control over its massive fire control program involves three elements that will be changing dramatically over the next two years:

The M–60 tank program—currently the Army's highest priority project—will increase the need for fire control equipment drastically during the next two years.

Meanwhile, the Army's sole source of fire control equipment and technology, Frankford Arsenal, is being phased out. Its technical crews and monitoring teams, which closely scrutinized fire control contracts with private industry, will be eliminated.

At the same time, the Army quietly has made a major change in the way fire control work will be contracted to private industry. The new terms—instituted during the last month—give large sections of the program's work to single private companies for extended periods of time. Those new terms are especially attractive to large industries.

Chrysler and Eastman Kodak already have expressed interest in the first two new contracts, worth about $34 million.

A month ago, Secretary Callaway denied that the Army was weakening the contract monitoring function of the arsenal—which provides for strict financial review of Army contracts with private industry. "We have no intention of letting that capability leave the U.S Government," Callaway said.

However, by phasing out its only fire control center at a time when it needs fire control equipment, Callaway's department will create a power vacuum in the fire control field. By changing the way it will handle contracts, the Army will enable private industry to step in and ultimately assume control of the quality, design and price of fire control equipment.

UMI

There is now a critical shortage of M–60s—the main battle tank of the Army. Last year, the U.S. gave away 1,000 of its tanks to Israel. At the same time, the Army was already short 800 tanks. Almost overnight, the Army found itself short 1,800 of the 10,007 tanks it had set as a minimum requirement for its own troops.

The M–60 program was declared the Army's "highest priority" by Callaway in January. The project also carries a rare White House priority rating. Currently, Chrysler in Detroit assembles 45 of the 52-ton tanks a month. Each costs nearly $500,000.

The Army is now under Presidential pressure to increase the output of M–60s to 103 a month.

On Nov. 22, the Army announced plans to close Frankford Arsenal but has yet to issue clarifying orders explaining what will happen to the fire control program—which now employs more than 1,300 workers. There are indications that the mission—or parts of it—will be moved to Rock Island Arsenal in Illinois along with many other functions from Frankford. But officials at both Rock Island and Frankford agree that "not more than 20 or so" persons are really expected to transfer to Illinois.

Army officials at all levels have conceded that when Frankford closes, the fire control mission will exist only on paper. When it is moved, few, if any, of the scientists and engineers who developed the program over the last 25 years will move with it.

Arsenal fire control engineers and technicians ride close herd on the contract work for quality control and to guard against price gouging and profiteering. This has caused friction with the large corporations that now control much of the American military armaments market.

During the last month the Army quietly has changed the way it will handle fire control contracts in the future. Ten major fire control components—formerly contracted individually—are now in two large packages. Contractors now must either bid for the entire package or not at all. Another major change is that the new "package" contracts, instead of covering a single year, now cover 3½ years.

The Small Business Administration two weeks ago filed a grievance with the Army charging that the new procedures were designed to freeze out small local contractors to the benefit of large defense contractors.

"Looking down the road, it is not difficult to see what is about to happen," explained one high Army official. "It's complex and not many people on the outside can actually see it. On paper, the Army will still 'control' the fire control program from one of its commands.

"But it will have no means to make decisions or evaluations to rebut the demands by private contractors for delays, bogus engineering changes or more money.

"Very shortly, the contractors—be it Chrysler or whomever—will be the only ones in any position to make technological judgments on fire control contracts. They will have the control. I suspect you're going to see the price of fire control components and M–60 tanks in general go skyhigh in the next three years."

Another official, familiar with contract negotiations, said the developments definitely would affect prices. "When you walk into a negotiation with a contractor, he knows that you have the staff, facilities and expertise to dissect every argument he is likely to make. That unspoken understanding plays a very large role in the process now. Two years from now that ability will no longer exist in the Army as far as fire control work is concerned.

"Private contractors are well aware of the ramifications of what is happening now. I hate to sound cynical, but I don't think any of this is an accident. We've seen this before. Three years from now a handful of contractors will control the fire control program—by default, because the Army will have nothing to balance the other side. Dig as deep as you want to into this and you'll find that there are no safeguards in any of what the Army is presently doing to stop this from happening."

[From the Philadelphia Daily News, May 28, 1975]

ARSENAL DEMISE TIED TO INDUSTRY

(By Hoag Levins)

A group of Army officials with personal financial ties to defense contractors has within the last three years developed a plan to emasculate the Army's arsenal system and to provide new profits for private defense contractors.

Their actions have led to the planned closing of Frankford Arsenal here and all other arsenals in the near future.

The group includes:

Former Undersecretary of the Army Herman R. Straudt, who resigned last month after admitting he was still receiving yearly payments from his former employer, the Martin Marietta Co. The firm is one of the Army's largest private contractors.

The former commander of the Army Materiel Command in Washington, Gen. Henry A. Miley, who retired three months after the Army announced the closing of Frankford Arsenal. He was immediately hired as executive vice president of the American Defense Preparedness Association, a private organization of more than 200 defense contractors that has lobbied for the takeover of arsenal production by private industry.

A 22-member Army "consultant" group, organized by the secretary of the Army and packed with private contracting executives. They included the past president of Boeing Aerospace and the vice presidents of General Electric, RCA, Northrup and the Rand Corp. They were asked to devise new theories for Army purchasing and production.

Before he was appointed by then President Richard M. Nixon as Army undersecretary in 1973, Staudt worked for 19 years with Martin Marietta. A vice president, he was involved in a 16-month corporate feud with Frankford Arsenal's contract officers. In the end Staudt's firm was paid $3.3 million for a laser range finder that was never produced.

In an interview last month, just after Staudt announced his resignation, Army Secretary Howard (Bo) Callaway confirmed that Staudt had been receiving money from Martin Marietta while he was on the Army's payroll. Callaway defended this, saying, "We live in an imperfect world."

"I promise you, Herm Staudt had nothing to do with what we're doing at Frankford," Callaway said.

However, documents from Callaway's office indicate that Staudt was chairman of the group that reviewed the Army's purchasing procedures in 1973 and 1974 and was instrumental in the decisions that lead to the planned closing of Frankford as well as the phaseout of other arsenals.

In a Dec. 6, 1973, letter to the Army Material Acquisition Review Committee (AMARC) Staudt specifically ordered a decision on "which arsenals can be closed or consolidated with others."

The AMARC committee had 22 members, 18 of them, top executives in private concerns that will benefit as the Army becomes increasingly dependent on private contractors.

They included Dr. Wendell B. Sell, president of Hoffman Electronics; Oliver C. Boileau Jr., past president of Boeing; Daniel J. Fink, vice president of General Electric. David Shore, vice president of RCA; Dr. Joseph F. Shea, senior vice president of Raytheon; Dr. John P. White, vice president of the Rand Corp.; Dr. Eugene Reed, executive director, Ocean Systems Division, Bell Telephone Laboratories, and Earl J. Morgan, assistant to the vice president of McDonnell Douglas.

The AMARC group's answer to Staudt was that the Army should "evolve toward" the elimination of the arsenal system and give their work to private contractors. The decisions of the AMARC study set the final scene for the phaseout of Frankford Arsenal—a specific recommendation in the report.

Broadly, the committee proposed that private industry assume increasing control of all aspects of Army production. Arsenal facilities would be consolidated in a small technical assistance group—to support the profit-oriented efforts of private industry.

The man in charge of the Army's procurement system during this time was Miley, commander of the Army Materiel Command. He was the man at the wheel as the Army began its most recent shift from arsenals to private industry.

On Feb. 8—the day after he retired—Miley was hired as executive vice president of the American Defense Preparedness Association. For the last decade, the ADPA has been fighting to have the workload of "inhouse" arsenal work reduced.

Some of the group's current "complaints" registered with the Army and Congress are that:

Army contract officers and engineers such as those at Frankford "impose excessive specifications" and other forms of quality control over contracts given to private industry.

There is "excessive in-house production" being done that they would rather see put out into private industry by the Army.

Army contract officers and engineers demand that industry's products pass too many tests. Contractors have seriously suggested that they be allowed to handle the testing of the equipment they produce.

There is an "undue institutional pride" in arsenals that "inhibits a fair evaluation of industry proposals."

OAK PARK'S GLAMOROUS NEW FACE

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. HYDE. Mr. Speaker, one of the vital and progressive communities which I have the honor to represent is the village of Oak Park, which enjoys the enlightened leadership of Village President James J. McClure, Jr., and a dedicated six-member village board of trustees: Eugene Callahan, John Hoppe, Jr., Shirley Klem, Sandor Loevy, Clifford Osborn, and Robert Varnes.

These community leaders have provided inspiration and encouragement for the creation of the Oak Park Mall Commission. The efforts of the commission, under the able and effective leadership of its president, Warren Brown, and with the advice and support of the chamber of commerce, under the direction of John Wade, have resulted in an exciting shopping area which is more particularly described in an article in the May 1975 issue of Illinois Municipal Review entitled "A Glamorous New Face for Downtown Oak Park."

Because of the interest in this development shown by other communities nationwide, and the pride those of us connected with Oak Park share in its existence, I would like to provide my colleagues with the article and commend it to their reading:

A GLAMOROUS NEW FACE FOR DOWNTOWN OAK PARK

Oak Park's downtown Lake-Marion sector is like the aging glamor girl who went to the doctor to have a wrinkle removed and ended up with a complete face-lift.

What began as an improvement of the Christmas light display on Lake-Marion Streets, turned into major remodeling—conversion of the area into the newly-paved, car-free mall.

The mall idea was conceived about a decade ago when some merchants tried to add lights to the traditional Christmas display. They discovered the old light poles didn't have outlets to feed extra Christmas bulbs. A petition to the village officials for new street lights raised the question: Why not consider a really big total improvement?

When a traffic study revealed that most of the cars traveling down Lake Street didn't stop in downtown Oak Park, merchants and village officials began to entertain the idea of phasing out cars. As Marty Silverman, one of the mall merchants, remarked at the time, "You can't sell a dime's worth of merchandise to cars, and they only hinder strolling shoppers."

After considering a wide range of suggestions from planning consultants, including a system of one-way streets and wider sidewalks, the merchants and village board members decided to banish cars from downtown and convert the area into a "for-people-only," park-like walkway.

How was the mall to be financed?

Under the bond home rule powers of the Illinois 1970 state constitution, Oak Park officials believed they could set up a special taxing district in the area to be covered into the mall. Property owners in the special taxing district would be assessed a special tax to cover mall building costs.

To satisfy bonding-firm lawyers, the village took the matter to court for a test. A lower court found that special districts were legal, but the Illinois Supreme Court disagreed, at least not without some enabling legislation.

After failing to get a law through the General Assembly in 1972, Oak Park tried again in 1973, with the help of local legislators, and succeeded.

Following local hearings, a local ordinance was passed establishing the taxing district.

"We had to have the special tax district," explains Warren Brown, president of the Mall Commission. "With property owners scattered all over the country, we never could have gotten them to do something like this on a voluntary basis."

Are the village's practical businessmen going off the deep end, spending money for a new cosmetic look?

"Hardly," says John Dade, director of the Chamber of Commerce. "We expect the mall will increase traffic through the stores by 30 to 50 per cent, and sales will go up 11 to 17 per cent.

Mr. Wade bases his estimates on studies of experiences in 34 other communities across the country after they closed the downtown to cars and opened malls. These cities include Minneapolis, Minnesota; Kalamazoo, Michigan; and Fresno, California.

The benefits of the mall, of course, reach beyond dollars and cents. "By returning the downtown to people, the new mall demonstrates that Oak Park will continue to add to its tradition of convenient, comfortable creative living," says Warren Brown, mall commission chairman, on the eve of the opening of the new shopping park.

Oak Park Village Mall, the first shopping center in Illinois to be financed with the special tax district law, is being closely watched by other communities. Indeed, the Oak Park Village Mall project may well establish a pattern in local renewal.

BUSINESSMEN THREATENED BY GOVERNMENT OVERREGULATION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. ASHBROOK. Mr. Speaker, our Nation's businessmen are increasingly the victims of Government overregulation. A host of new Federal agencies—OSHA, EPA, and EEOC to name just a few—have been created within the last few years. These agencies are turning out reams of rules, regulations, and standards.

Compliance often is difficult and costly. The paperwork burden alone is enough to push some small businesses toward bankruptcy.

One of the worst offenders is the Occupational Safety and Health Administration—OSHA. OSHA rules tend to be lengthy, complicated, and contradictory. Even the most enthusiastic backer of OSHA will find it virtually impossible to comply with these standards.

All too often OSHA decisions bear no reality to costs. The new noise standards, for example, are expected to cost American industry $13.5 billion. In some cases OSHA rules have forced businesses to close their doors.

It is time that the Federal Government got off the back of our Nation's businessmen. Government overregulation is threatening the very existence of free enterprise in America.

Following is the text of an excellent article on the Occupational Safety and Health Administration by Allan Brownfeld.

[From the Phoenix Gazette, June 7, 1975]

OSHA "PROTECTION" FOR WORKERS COSTLY TO BUSINESS AND CONSUMER

(By Allan C. Brownfeld)

As with other government regulatory agencies, the Occupational Safety and Health Administration (OSHA) was established with the best of intentions. The purpose of this agency, as its name implies, was to protect the health and safety of American workers. What it has done, quite to the contrary, is to interfere with the conduct of American business, cost consumers millions of dollars in bureaucratic expenditures and additional millions in higher prices, and increase the inefficiency of an already sluggish and recessionary economy.

Civil libertarians should also be concerned with the often arbitrary powers which have been given to OSHA inspectors. They have what is, in effect, "noknock" power to enter the premises of virtually any business in the United States, without a warrant or even prior announcement, to inspect for health and safety violations. Jail terms are provided in the OSHA law for anyone tipping off a "raid." A recent court test has reaffirmed the right of OSHA compliance inspectors to enter a work site for inspections without so much as a by-your-leave. A U.S. District Court, acting on the case of a firm which had refused an inspector entry until the company's attorney was present, ruled that the federal agents did not need search warrants to enter workplaces.

What this means is that accused murderers and rapists, who are not obligated to answer questions without the presence of an attorney, or to permit entry to their premises without a warrant, have more legal rights than do businessmen who have not been accused of any crime at all.

The amount of paperwork required by OSHA is enough to put small businesses in the red, and discourage others from entering business at all. Established in 1970, OSHA, in its first several years, required virtually all employers to keep three separate records: a log of occupational injuries and illness, a supplementary record of each occupational injury or illness, and a summary sheet of injuries and illnesses (OSHA forms 100, 101, 102, respectively). A supplemental quarterly survey was also required (OSHA forms 102F and 102FF).

These had to be kept up to date and accurate, even if an employer had only one employe. Prof. Murray Weidenbaum, discussing this excessive paperwork, notes that "How essential this information really was can be judged from OSHA's reaction to recent pending legislation which would have relieved all employers of 15 or fewer persons from the agency's record keeping and reporting requirements. Suddenly, OSHA determined that employers of seven or fewer persons could be exempted from its paperwork requirements!"

OSHA'S regulations are so lengthy that the agency's own representatives are often unaware of exactly what they are. One researcher, for example, was assured when he checked the reference to spittoons that no such provision existed. The OSHA official, however, was wrong. The OSHA regulations, as published in the Federal Register, contain the following statement: "Cuspidors are considered undesirable, but, if used, they shall be of such construction that they are cleanable. They shall be cleaned at least daily when in use." (Title 29, Section 1910.141).

The most severe criticism of OSHA standards has come from within the government itself, from Chairman Robert D. Moran of the Occupational Safety and Health Review Commission, the independent agency created to hear appeals from rulings by OSHA inspectors. He declared, "Far too many standards are, to paraphrase Winston Churchill, 'riddles wrapped in mysteries inside enigmas.' They don't give the employer even a nebulous suggestion of what he should do to protect his employes from whatever-it-is, also left unexplained, which represent a hazard to their safety and health."

After citing one vague and general standard, Moran lamented: "What do you think it tells us to do? I have no idea—and I don't think OSHA could tell you, either, before an inspection, citation, complaint hearing and post-hearing brief. I submit that there isn't a person on earth who can be certain he is in full compliance with the requirements of this standard at any particular point in time."

Consider the discussion of ladders. To begin with, a definition is given: "A ladder is an appliance usually consisting of two side rails joined at regular intervals by crosspieces called steps, rungs, cleats, on which a person may step in ascending or descending." Then various types of ladders are described in detail, followed by this: "The angle (a) between the loaded and unloaded rails and the horizontal is to be calculated from the trigonometric equation: Sine 'a' equals difference in deflection/over ladder width."

Most small businessmen would long ago have been lost in this subject of "ladders." Later on, they will see "exit" defined as "that portion of a means of egress which is separated from all other spaces of the building or structure by construction or equipment as required in this subpart to provide a protected way of travel to the exit discharge . . ."

Some OSHA rules are clearly contradictory. OSHA mandates backup alarms on vehicles at construction sites yet simultaneously requires some employes to wear earplugs as a protection against noise, thus

making it almost impossible to hear the alarms.

The Alice in Wonderland nature of OSHA goes on and on. A recent study estimates that it will cost American industry an aggregate of $13.5 billion to bring existing facilities into compliance with current OSHA noise standards alone. Americans should not wonder why our economy is slowing down to a standstill. Businessmen must spend their time filling forms—with little time left for productive work.

THE IMPORTANCE OF ENVIRONMENTAL EDUCATION

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. BRADEMAS. Mr. Speaker, as chairman of the Subcommittee on Select Education, which has jurisdication over environmental education, I am concerned that we not forget a dimension of education which serves to increase student awareness of the Earth and how to conserve our precious natural resources.

The administration has not requested funding of the Environmental Education Act for fiscal year 1976. Fortunately, however, the Royal-Obey-Stokes amendment to the education appropriations measure provided for $2 million for environmental education.

Because I feel strongly about the need to provide our children an education which will teach them to respect and conserve our natural resources, and because I am sure that many Members of the House agree, I would like to insert a brief statement from the December 1974 issue of BioScience magazine by Terrel Bell, the U.S. Commissioner of Education, on the nature and importance of environmental education:

ENVIRONMENTAL EDUCATION

(By Terrel Bell)

In the 1960's pollution suddenly became a national concern. Somewhat less suddenly we began to see that to understand the pollution problem we must look at the world in terms of the ecological and biological systems—and the social and economic systems—that comprise it. *BioScience* has performed and continues to perform an admirable service in communicating to those of us in the nonscientific realm the scientific insights essential to combat pollution. It has helped us to discern that pollution is a symptom of a much larger problem that can be solved only by addressing our environment as a whole.

The challenge to the education system as we look for ways to identify and combine the social, technological, and natural elements that influence environmental management has never been greater. Much information about environmental issues and problems is available, but it has not been assembled or analyzed so that it can be effectively used in formal or informal education. Here is where the higher education community can make a great contribution, by developing the intellectual framework necessary for effective use of this information.

Environmental education is much more than nature study or the study of conservation or resource management. It is true experience-based learning, using all the human, natural, and physical resources of the school and the community as an education laboratory. It increases students' awareness, appreciation, understanding, and motivation, giving them the skills needed to maintain our world and way of life, or to change them for the better.

Beyond its stated purpose as education dealing with man's relationship to his natural and man-made surroundings, environmental education provides tools for intellectual and practical problem-solving that can be carried over into other activities. It can help people to understand cost-benefit analyses and benefit-risk assessments in any field. It can help them learn to find, evaluate, and weigh several possible solutions rather than simply learning and accepting one particular approach or solution.

Wherever environmental education takes place—in the home, school, community—it gives everyone an opportunity to do some realistic problem solving, resulting in the improvement of learning in general as well as of learning about the environment.

Under the Environmental Education Act of 1970, the Office of Education stimulates a systematic local approach to environmental education through contract and grant awards. Through dissemination of project findings it tests possible solutions to environmental education problems, seeking to understand what works, and may even redefine the problems themselves.

The outcome of this effort is illustrated by a community education project funded jointly by the Office of Education and the Environmental Protection Agency at the University of Maine.

The University has produced a TV simulation series, "The Land and Me," through its public broadcasting network. The purposes are fourfold: (1) dissemination of information on land use, (2) articulation of the citizen's role in future planning, (3) demonstration of the need for new ideas to resolve problems, and (4) increased environmental concern by the citizens of the State.

The series has reached a large segment of the population in Maine in school and at home. The follow-up strategy and supplementary materials promise to be a continuing contribution to the State and its people.

The concept and structure of the Maine project exemplify a practical solution to a local education problem which is generally in the realm of higher education. The problem has not been adequately defined, nor has a solution been adequately implemented in the real world in the past. I believe we have come to the turning point, however, and the resources to answer the challenge are available to us.

"WHAT'S AHEAD FOR THE U.S. ECONOMY?"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. McDONALD of Georgia. Mr. Speaker, as Congress continues its policy of reacting to each new economic crisis, but never looking ahead and considering the long-range consequences of its actions, I believe it is imperative to ask ourselves what the future holds for our economy.

One prediction is provided by Prof. Hans F. Sennholz, professor of economics at Grove City College, in an interview entitled "What's Ahead for the U.S. Economy?" The tremendous budget deficits presently being projected will lead to hyperinflation. While some may dismiss predictions of triple-digit inflation, it is worth noting that Dr. Sennholz' predictions of double-digit inflation were scoffed at—when he made them many years ago—before they came true.

Following are excerpts from the interview which appeared in the April 1975 issue of the Entrepreneur, published by a group of students at Grove City College:

WHAT'S AHEAD FOR THE U.S. ECONOMY?

Q. Dr. Sennholz, everyone is concerned about the economy these days. What do you as an economist see as the most immediate threat: recession, inflation, or something other?

A. The greatest threat in my belief is this looming federal budget deficit of nearly $100 billion. That's what I am really upset about. We have had considerable inflation in recent years due largely to the smaller deficits of the Johnson and Nixon years. Those deficits led to economic booms, followed periodically by recessions like the one we are in now. In a recession, the politicians and planners find themselves in a dilemma: if they do nothing further, the recession will get worse and worse. After all, there are so many built-in rigidities today, from tax to labor to price rigidities, that the economy has lost its flexibility and cannot adjust quickly and efficiently to different money and credit situations. Therefore, the recession will tend to get worse. Then, under the influence of Establishment economics, government will step on the gas again—bigger deficits and more inflation—in the hope of kindling a new prosperity.

These tremendous deficits President Ford is talking about frighten me. When you add the thirty to forty billion dollars of red ink that the states are planning, you are talking about total deficits that far exceed the banking ability to finance them. That's where the inflation comes in. I am fully convinced that hyperinflation (rapid printing of money leading to runaway prices) must finance these super deficits.

Q: If you were the President's advisor, what would you recommend?

A: I would urge that the budget immediately be balanced. That means a slash in spending. I would order a general rollback in government spending. Every program would have to take a cut; every item of expenditure would have to be reduced until it is matched by revenue. I would demand that the Federal Reserve System cease expanding the money supply. Then we would be a big step closer to a new beginning, a new stability.

Q: With these deficits and hyperinflation to come, do you think the current recession will degenerate into a full-scale depression?

A: Not at first. I believe that we will probably see another boom but not quite like earlier booms. The next one will be mostly in capital goods—tools, equipment, machinery—as business hedges against the depreciating dollar. Consumers' goods will continue in recession but I see an early pickup later this year in capital goods industries. The big crash will come when hyperinflation destroys the dollar, as it did the Germany currency twice in this century. This will occur before the decade is out.

Q: What about unemployment? Will it go higher?

A: Yes, it will. It will probably go to 9% or so and stay high. Since I am not very optimistic for consumers' goods industries in the months and years to come, unemployment must stay high.

There is another reason for high unemployment. Federal and state governments and labor unions and corporations have been spending more money to support unemployment. The financial support for those out of work is considerable—in most cases they earn 90% of their regular pay. When you do that, you pay many to stay unemployed.

Q: In your classes, Dr. Sennholz, you often speak of the three stages of an inflation. For the benefit of our readers who haven't heard this, would you please elaborate?

A: Well, stated in simple terms, the three stages can be referred to as simple digit, double digit, and triple digit inflation.

The first stage, simple inflation, is characterized by prices edging up at a slower rate than the money supply is increased. Government can run up deficits and expand the supply of money a great deal without having a major impact on prices. People don't catch on. They put more money into savings accounts, life insurance, pension funds, etc. They hold on to their money in the belief that the rise in prices is only temporary. That action on the part of the people tends to keep price rises in the simple digit range.

In the second stage, prices begin to move faster than the government is creating money. Then we enter double digit inflation, which means 10% or more. We entered this stage in 1973. Prices are clearly moving faster than the government's printing presses. People, and especially business, are catching on. They realize that the inflation is not going to turn around and they begin to spend, to efficiently use their savings in order to stay ahead of the depreciating dollar.

We will enter the third stage when people really begin to run from money and into anything of value. Inflation will hit the triple digit (100% and higher) level. Then the destruction of the currency is very near. Paper money will become worthless.

Q: What will be the social and political consequences of this?

A: They will be dreadful, of course. The middle class will be wiped out, their savings and investments destroyed. Already, inflation is eating away at these savings and investments at a rate of 12% per year. And with a breakdown of the money, we can only guess what will happen when government is unable to deliver on its promises. Millions of people have been taught that they are entitled to something for nothing from the government. When they don't get it, look out!

Q: The free society seems to be in retreat throughout the Western World. Governments are trying to dictate every aspect of life. How do you explain this abandonment of the once-cherished ideals of freedom and limited government?

A: In the first century of American independence, the people believed there was only one way to gain income: through work, or production. A revolution that occurred only a generation ago changed that. That was the discovery on the part of the American people that there was another source of income: the political process. Getting something from others through government is what most Americans favor today. It is the same idea which led to the downfall of every civilization since ancient Greece. The free society is perverted into a rip-off society, with everyone scrambling to get benefits from government. Bankruptcy and dictatorship result.

Q: With the prospect of currency destruction and even more government in the future, is it possible for the individual to be optimistic?

A: One can always make a distinction between social pessimism and individual optimism. It is possible to be pessimistic about the future of society and optimistic for oneself. You cannot run from life; you have to face it courageously and attack it.

This may not mean much to young people but when you get older, there may be a temptation on the part of many to resign and withdraw. I think that is a mistake. You must always say to yourself, "There is still the best to come," and attack, and do the best you can.

INFLATION OR DEFLATION?

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 13, 1975

Mr. SYMMS. Mr. Speaker, the following article, excerpted from the "Inflation Survival Letter" of June 4, 1975, published by Kephart Communications, Inc.—410 First Street, SE., Washington, D.C.—I think deserves the attention of every Member of the House of Representatives.

Dr. Rothbard is a distinguished professor of economics at the Polytechnic Institute of New York, and is also considered to be one of the world's foremost experts and proponents of the Austrian School of Economics. His works include "Man, Economy and the State," "Power and the Market," and "Conceived in Liberty."

The article follows:

INFLATION OR DEFLATION?

(By Murray N. Rothbard)

We are now in the midst of an inflationary depression. This very statement goes against conventional Establishment opinion—from the press to orthodox economists to our political rulers. In the first place, received opinion holds that inflation is no longer a problem, at least for the time being. If we define "inflation" in the accepted manner as a rise in the consumer cost of living, then the "disappearance" of inflation is only a Pollyanna euphemism for the fact that only the *rate* of inflation has fallen since the onset of the current depression. Whereas in 1973–74 inflation was skyrocketing along at an approximate annual rate of 12 to 14 percent, it has now declined to where it is "only" from seven to eight percent. The idea that we don't have to worry about a severe inflation rate of eight percent surpasses understanding, and is a dangerous sign of the way in which inflation takea hold and becomes habituated among the public. One of the great dangers of inflation and one of the reasons that we allow it to escalate and accelerate, is that we become accustomed to rates which we would have considered intolerable a few short years before. If we shrug our shoulders at eight percent, then we pave the way for far more than eight percent in the near future.

Part of the reason for the current complacency—a reason fostered and connived at by the Establishment—is purely semantic: the fact that, whereas we recently suffered from "double-digit" inflation, we are now back securely in the comfortable zone of "single-digit" inflation. But there is a world of difference between a "single-digit" of one or two, and a single digit of eight or nine.

In fact, the gravity of our chronic and persistent inflation is revealed by the very figures that are used to soothe and cajole the public. For a rise in prices of eight percent during a recession—in fact, during the worst depression since the 1930's—is an unprecedented and shattering event. Prices are supposed to fall during recessions and depressions. They have ceased to do so since the recession of 1958, but then they rose only slightly. An eight percent rise in the midst of a severe depression should be enough of a warning of the gravity of the current inflation and of the future acceleration of inflation that unfortunately awaits us.

DEPRESSION OR RECESSION?

The Establishment also contends that we are surely not in a depression, but only in a recession. Part of this dispute is, again, a matter of semantics. But if we take any classical criteria of "depression," it becomes clear that we are now in the midst of one. The reply of the financial press is that we cannot be in a depression, because things are not nearly as bad as they were in the 1930's. Granted. But the post-1929 depression was the most severe in American history, and so it is hardly cogent to define the term depression by its most spectacularly severe example. Physical and industrial production have been declining persistently and substantially ever since last September; and the unemployment rate has been rising steadily until it is now nearing ten percent (and is indeed higher than that in key industrial areas, such as New York). In fact, if we include among the unemployed those workers too discouraged by the lack of jobs to actively seek employment, the national rate is now above ten percent. And this is another classic criterion of the existence of a depression.

IS DEFLATION COMING?

Last year there developed an unfortunate split in the ranks of those decidedly non-establishment economists and analysts who had for years been predicting and warning of the coming accelerated inflation. A widening number of such "hard-money" analysts have now been forecasting a severe deflation—that is, a sharp fall in consumer prices. Much of their prognosis is based on the fact that we are now in a depression—which historically has brought about deflation—and by the sharp fall in 1974–75 industrial commodity prices. (Thus, the BLS industrial raw material price index fell from 239 in April, 1974 to 186 a year later—a fall of 22 percent.) Wholesale prices, which leveled off to being constant over the last few months of 1974, have now been declining at a seven percent rate during 1975. (In the month of April, 1975, however, the wholesale price index rose by 1.5 percent.) Isn't this a clearcut sign, these analysts claim, that consumer prices will soon be falling as well?

The answer is no. The theory that consumer prices will soon follow other prices is based on the conventional view that all prices move more or less together and that any variations in price behavior are solely the result of frictions and time lags. The theory is also based on the fallacious view that costs determine prices (the truth is more the other way around) and that therefore a rise in commodity prices is bound to push up wholesale and finally retail prices, given a sufficient period of time for this "cost-push" to take effect.

To the contrary, the essence of the business cycle is that prices don't move together; in fact, they behave very differently. In every inflationary boom capital goods prices (machine tools, industrial raw materials, construction costs, etc.) rise far more than consumer goods prices (with wholesale prices in between); and in every recession or depression, consumer goods prices have fallen far less than capital goods prices. In short, in every boom, capital goods prices rise *relative* to consumer goods, and in every recession consumer prices rise *relative* to capital goods. The fact that consumer prices are now rising, while they fell in pre-World War II depressions, is *irrelevant* to the relative behavior

of these different groups of prices. The crucial point is that, as we examine prices of goods and services more remote from the consumer, they always rise relative to consumer prices during a boom and fall relative to consumer prices in a recession.

There are good and sufficient reasons for this phenomenon, although they are known only to the small but growing group of "Austrian School" economists (whose leader is now F. A. Hayek, co-recipient of the Nobel prize for economics in 1974). Essentially, the boom is a period in which inflationary bank credit expansion pours new and cheap credit into business loans, leading to an overinvestment in capital goods and an underproduction of consumer goods. As the boom period continues, more and more unsound investments are made in capital goods, which can only be kept afloat by an accelerated credit inflation by the banks. The fact that too much monetary demand is going into the capital goods as compared to the consumer goods industries means that while the boom continues, prices in the capital goods industries are rising relative to prices of consumer goods. The boom stops whenever the banks, for whatever reason—whether it be looming bankruptcies or fear of continuing inflation—either stop or significantly slow down their rate of expansion of new money and credit. This stoppage means that the capital goods industries can no longer stay ahead of economic retribution, and their investments are revealed to be uneconomic and wasteful. The recession/depression period, then, is the painful but necessary corrective process by which the market economy liquidates the unsound investments of the boom, and shifts resources back from the capital goods to the consumer goods industries.

In the price system, this process is embodied in the fact that there are no longer sufficient savings to purchase the capital goods that have been over-produced, with the result that capital goods prices fall relative to consumer goods prices. This fall persists until the corrective forces of the market have done their work, and economic prosperity can then be restored.

In short, there is nothing new about the *relative* rise of consumer goods prices during a recession or depression. The difference is that, while in former recessions consumer goods prices fell but less so than other prices, now they are still rising rapidly in an absolute sense. But the essence of the boom-and-corrective depression process remains the same. Why then the difference in absolute prices? How is it that consumer goods prices are now rising absolutely as well as relatively to other prices? The answer is the difference in monetary control by the federal authorities, specifically by the Federal Reserve System. In 1929 and in previous depressions, the power of the Fed to inflate and to prop up shaky banks was limited—limited by the restraints of the gold standard, in which inflated dollars were redeemable; and by the inherently shaky nature of the banking system. In the 1929–33 contraction, thousands of banks failed each year. Now, however, those restraints on Fed inflationary manipulation have been removed. The gold standard is gone, so that the Fed need only "redeem" its obligations in its own legal tender paper money; and the banks have been guaranteed their existence through the Federal Deposit Insurance Corporation, backed by the knowledge that if the FDIC itself should run short of cash, the Fed could always print more in unlimited amounts to bail it out.

THE CAUSE OF DEPRESSION

The current depression arrived, as in the case of all previous recessions, when the Fed stopped its inflationary creation of money and bank reserves during 1973. Once a recession takes hold, it is often impossible for further inflationary injections of money and credit to stop the process; the current depression has been with us since November, 1973, and shows no signs of disappearing. But one thing the Fed *can* do with its injections of new money: it can stop any *deflationary* process from taking hold, and can insure that inflation will continue. That is what the Fed is now doing, and, given the hysterical fear of depression in both political parties and among almost all economists (except the "Austrians") this is what the Fed will continue to do. Not that this is a happy situation. On the contrary, the result of the Fed's inflationary policies has been, not to stop or relieve the depression, but to deprive us of the one clear benefit and comfort that consumers have always enjoyed during past depressions; a fall in the swollen cost of living. By trying to manipulate the economy so as to eliminate inflation and recession our all-wise political and economic rulers have only succeeded in bringing us *both* at the same time, and have deprived us of the consolations of a fall in living costs.

Those analysts now forecasting deflation claim that the Fed has lost its power to maintain inflation, that its creation of new bank reserves will only, in the famous phrase, be "pushing on a string." Business, it is claimed, will be fearful of borrowing during a depression, and cannot be forced to do so. It is true, of course, that business borrowing slackens during a depression, as can be seen by the sharp fall in interest rates during the past year. But demand is always a function of price, and business demand for loans is no exception; let the rate of interest fall sufficiently, and business will borrow all of the newly injected money. In fact, the clear evidence that interest rates are again beginning to rise demonstrates that the demand for loans is not as depressed as the predictors of inflation believe.

ALTERNATIVES

But, furthermore, the demand for business borrowing is not the crucial point here. Even if business were not willing to borrow the increased bank funds available, the banks could easily use these funds to purchase securities, thus pumping new money into the economy by a different route. There are always securities on the market that the banks can purchase. Only during the 1930's did the Fed "push on a string," when the banks piled up "excess reserves" because the widespread and devastating bankruptcies of that period made the banks fearful of either lending out money or purchasing securities. Piling up excess reserves—i.e., not creating the maximum amount of new money that they can—is, however, a rare phenomenon, confined to an unusually severe depression such as the 1930's, and there is virtually no likelihood of this situation reappearing now.

In fact, and unfortunately, the banks will soon find themselves with plenty of securities to purchase—namely U.S. government securities that will be floated this year and next to finance the enormous deficit that is looming up (estimates of the fiscal 1976 deficit keep increasing almost every week, but it is now judged to be over $100 billion). Much of this deficit will be purchased by the banks, resulting in a huge increase in the money supply, and most probably a resumption of accelerating inflation rates.

If, as seems likely, the current depression is substantially over by next year, this recovery will add further fuel to the fires of accelerated inflation. We have been in the recession/depression for a year and a half—a substantial length of time for any recession. The corrective process of falling commodity prices and the beginnings of inventory decumulation have been under way.

EURODOLLAR MARKET

The most sophisticated forecaster of massive deflation is John Exter, former vice-president of the First National City Bank of New York. Exter bases his analysis, not on any alleged lack of power by the Fed to expand the supply of bank money, but on the greatly swollen Eurodollar market that has proliferated in the last few years. "Eurodollars"—dollar balances in European banks—are not subject to fractional reserve restrictions on expanding their credit, and are not backed up by Federal Reserve or FDIC guarantees to redeem the dollars. Hence, Exter looks for a collapse of the Eurodollar banks, a subsequent contraction in the supply of dollars, and consequently a deflation in American consumer and other prices. There are many fallacies, however, in this approach. In the first place, the Eurodollar market is not a haphazard development. Its great expansion (there are now hundreds of billions of Eurodollars—no one knows the exact amount) has come precisely since the collapse of the Bretton Woods system in 1968 and 1971. For, despite the claims of the Milton Friedman school that the world can get along on fluctuating national paper monies, the world desperately needs *some* money, some medium of exchange and payment, some reserve asset. From 1945 to 1971, in the Bretton Woods system, that asset was dollars redeemable in gold at a fixed and unrealistic price of $35 an ounce. In August 1971, President Nixon repudiated the last vestiges of gold redeemability of the dollar, and the Bretton Woods system came to an end. Since then, the world's banks have continued to use dollars as the international reserve money, and in Europe have created and used Eurodollars for such purpose. The likelihood of their ceasing to use Eurodollars in the near future is very small. What else will they substitute? Gold is only a very long-term possibility, which will probably only loom large after the dollar and other world currencies deteriorate much further through accelerated and even runaway inflation. And what would be the point of demanding the redemption of bank Eurodollars in cash-dollars? It would only be substituting one form of dollar for another. There is not the slightest indication of any run on Eurodollar banks to demand cash. And *even* in such an unlikely case, even if the Eurodollar market crashed, completely, and there came a vast monetary contraction in bank Eurodollars, this would have *no* impact on the supply of bank dollars *within* the United States. The point is that American prices are only affected by the supply of dollars within the country; an expansion of Eurodollars may cause an inflation in Europe, but it has little or no effect on prices within the U.S. Therefore even the unlikely event of a crash in the Eurodollar banks will have no effect in bringing about deflation at home.

RESOLUTION CHART

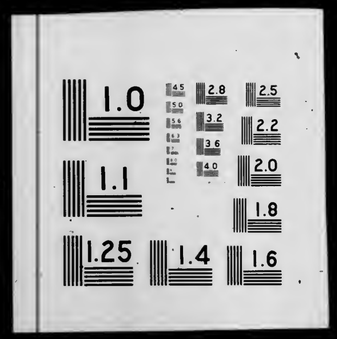

100 MILLIMETERS

INSTRUCTIONS Resolution is expressed in terms of the lines per millimeter recorded by a particular film under specified conditions. Numerals in chart indicate the number of lines per millimeter in adjacent "T-shaped" groupings.

In microfilming, it is necessary to determine the reduction ratio and multiply the number of lines in the chart by this value to find the number of lines recorded by the film. As an aid in determining the reduction ratio, the line above is 100 millimeters in length. Measuring this line in the film image and dividing the length into 100 gives the reduction ratio. Example: the line is 20 mm. long in the film image, and $100/20 = 5$.

Examine "T-shaped" line groupings in the film with microscope, and note the number adjacent to finest lines recorded sharply and distinctly. Multiply this number by the reduction factor to obtain resolving power in lines per millimeter. Example: 7.9 group of lines is clearly recorded while lines in the 10.0 group are not distinctly separated. Reduction ratio is 5, and $7.9 \times 5 = 39.5$ lines per millimeter recorded satisfactorily. $10.0 \times 5 = 50$ lines per millimeter which are not recorded satisfactorily. Under the particular conditions, maximum resolution is between 39.5 and 50 lines per millimeter.

Resolution, as measured on the film, is a test of the entire photographic system, including lens, exposure, processing, and other factors. These rarely utilize maximum resolution of the film. Vibrations during exposure, lack of critical focus, and exposures yielding very dense negatives are to be avoided.